



# Let's Bond" Over Bonds, Notes, & Beyond: Financing Capital Projects

Senne, CPA, CGFM  
Finance Director,  
City of Venice

Jeffrey Larson  
President,  
Larson Consulting Services

Brenda Westlake  
Grants Administrator,  
City of Venice



# Exploring Government Funding through Diverse Financial Tools

# Presentation Outline

- A. Capital Improvements Program (“CIP)*
- B. Overview of Government Debt Instruments*
- C. Best Practices, Recommended Approach*
- D. Alternative Funding Options*
- E. Speakers Bios*



# Capital Improvements Program (CIP) 5-Year Model Planning Updated Annually

*PROJECTS ARE PRIORITIZED & FUNDED BASED ON:*



- **Imperative (Must-Do) – Projects that cannot reasonably be postponed in order to avoid harmful or otherwise undesirable consequences.**
  - Corrects a condition dangerous to public health or safety
  - Alleviates an emergency service disruption or deficiency
  - Prevents irreparable damage to a valuable public facility





# 5-Year Model Planning Updated Annually

*PROJECTS ARE PRIORITIZED & FUNDED BASED ON:*

- **Essential (Should-Do) – Projects that address clearly demonstrated needs or objectives**
  - Rehabilitates or replaces an obsolete public facility
  - Reduces future operating and maintenance costs
  - Leverages available state or federal funding





# 5-Year Model Planning Updated Annually

*PROJECTS ARE PRIORITIZED & FUNDED BASED ON:*

- **Important (Could-Do) – Projects that benefit the community but may be delayed without detrimental effects to basic service**
  - Provides a new or expanded level of service
  - Promotes intergovernmental cooperation
- **Desirable (Could-Do) – Desirable projects that are not included within five-year program because of funding limitations**



# Capital Project Examples

- Public safety facilities (police station, fire stations)
- Roads, bridges, & transit
- Water & wastewater plant expansions or infrastructure projects
- Stormwater & flood mitigation projects
- Parks, beaches, & community facilities
- Solid waste facilities



shutterstock.com · 2648436657



# Government Capital Financing

## **Purpose of Capital Financing**

Capital financing enables funding for long-lived public infrastructure without depleting current budgets, ensuring essential services.

## **Equitable Cost Distribution**

Costs are spread over time to fairly allocate payment responsibility among current and future citizens benefiting from assets.

## **Financing Tools Overview**

Government financing tools include bonds, notes, and alternative methods that support sustainable capital investment strategies.

## **Planning and Compliance**

Effective capital financing requires strategic planning, legal compliance, and long-term affordability considerations.



# Why Governments Borrow



## **Funding Capital Investments**

Governments borrow to finance large capital projects that provide long-term public benefits beyond annual revenues.

## **Cash Flow Management**

Borrowing helps bridge the timing gap between uneven revenue inflows and predictable project expenses.

## **Fiscally Prudent Borrowing**

Debt is beneficial when interest costs are lower than the economic or social benefits of projects.

## **Financial Sustainability Considerations**

Governments must consider debt capacity, legal limits, credit impacts, and budget implications before borrowing.



# Why Governments Borrow

- Fund infrastructure growth
- Address storm resilience & recovery
- Match costs with future residents
- Preserve fund balance & liquidity



# Understanding Capital Projects

## **Definition and Examples**

Capital projects are long-term investments in physical or technological assets like infrastructure and public facilities.

## **Planning and Prioritization**

Governments use multi-year capital improvement plans to prioritize needs, estimate costs, and identify funding sources.

## **Financial Management**

Debt financing aligns repayment schedules with asset life, supporting fiscal discipline and transparency in projects.

## **Collaboration and Coordination**

Successful projects require coordination among finance staff, engineers, officials, and the public to manage risks and timelines.



# Municipal Bonds



## Best Practices

- Strong Debt Policies
- Multi-Year Capital Planning
- Public Transparency
- Coordination with Growth Management



# Overview of Government Debt Instruments

## ➤ Types of Debt Instruments

- Government Debt Instruments include bonds for long-term & notes for short-to medium-term borrowing needs

## ➤ Governance & Compliance

- Issuances follow state laws, local charters, & polices with strict disclosure & reporting obligations

## ➤ Debt Portfolio Management

- Effective portfolios balance flexibility, cost efficiency, & risk to ensure long-term fiscal health



# Municipal Bonds



## Financial & Credit Considerations

- Millage & Rate Flexibility
- Debt Affordability
- Bond Ratings (S&P, Moody's, Fitch)
- Hurricane & Climate Risk



# Municipal Bonds



## Disclosure & Compliance

- Continuing Disclosure (EMMA)
- IRS Tax-Exempt Compliance
- Bond Covenants



# Municipal Bonds



## Types of Municipal Bonds

General Obligation bonds are backed by government credit; revenue bonds rely on specific revenue streams.

## Tax-Exempt Interest

Municipal bonds often offer tax-exempt interest, reducing borrowing costs for issuers and benefiting investors.

## Bond Structure and Management

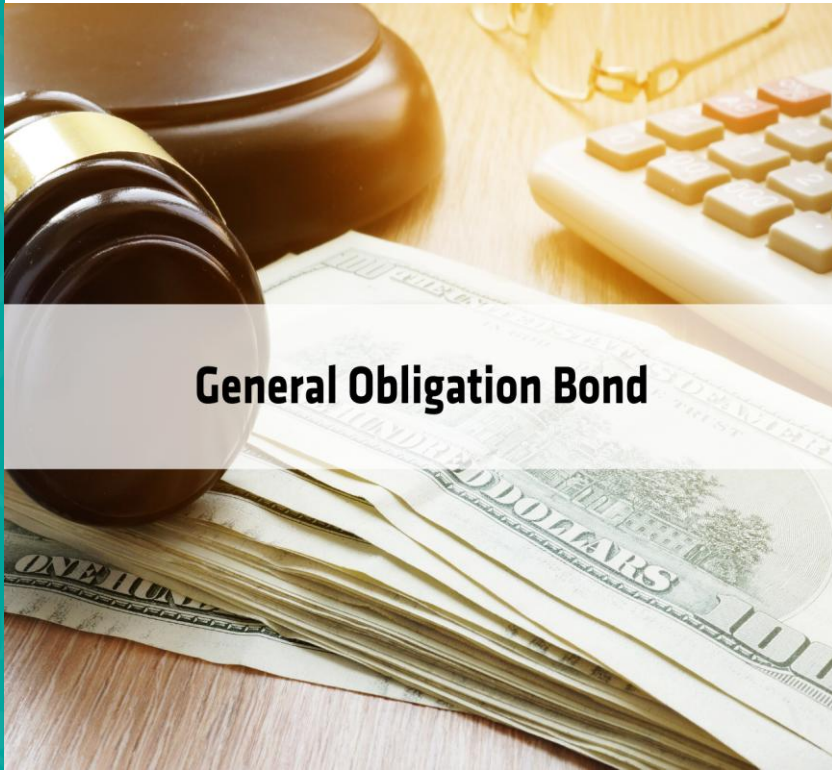
Bond maturity and repayment schedules are tailored to projects; proper management maintains credit ratings.



# Municipal Bonds

## General Obligation (GO) Bonds

- Backed by Ad Valorem Taxes
- Voter Referendum Required
- Lower Interest Rates
- Common for Public Facilities



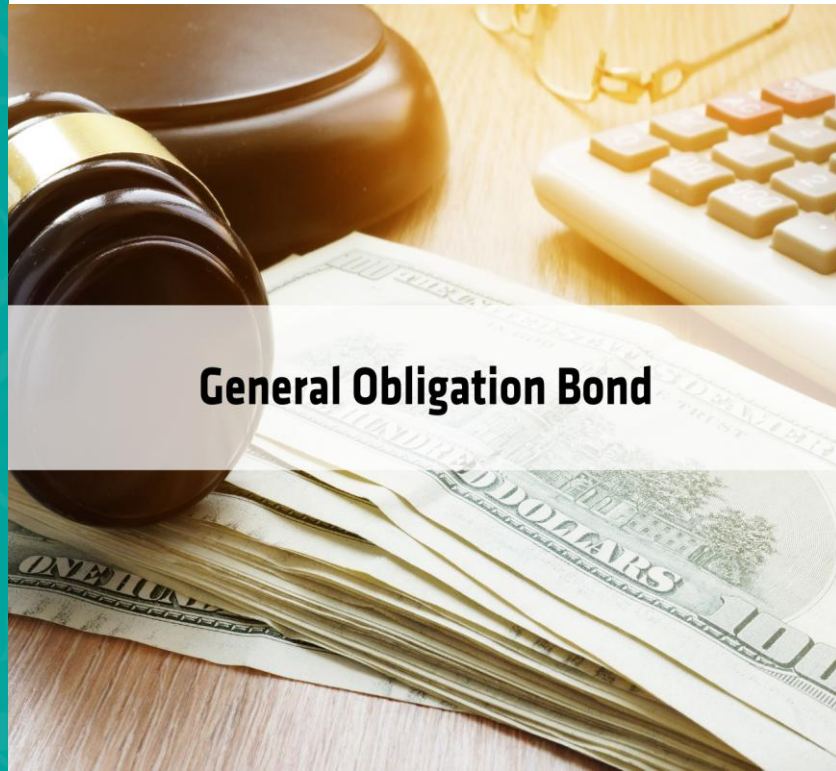
**General Obligation Bond**



# Municipal Bonds

## Example: General Obligation Bonds

- City Hall or Public Safety Complex
- Public Libraries & Parks
- Community Centers & Recreation Facilities



**General Obligation Bond**



# Municipal Bonds

## Revenue Bonds

- Repaid from Enterprise Revenues
- No Referendum Required
- Higher Exposure to Revenue Risk



# Municipal Bonds

## Example: Revenue Bonds

- Water & Sewer Utilities
- Stormwater Utility Systems
- Parking Garages
- Airports



# Municipal Bonds

## Example: Non-Ad Valorem

- Fire Stations
- Fleet Replacement
- Technology & ERP Systems
- Facilities financed without referendum



# Notes & Short-Term Financing



## Definition of Notes

Notes are short- to medium-term debt instruments used to bridge temporary funding gaps and manage cash flow fluctuations.

## Types of Notes

Common notes include Tax Anticipation Notes, Revenue Anticipation Notes, and Bond Anticipation Notes used by governments.

## Repayment and Risks

Notes are often repaid within one year or rolled into long-term bonds, requiring careful timing to avoid refinancing risk.

## Strategic Debt Management

Governments integrate note issuance into broader debt strategies to maintain financial stability and flexibility.



# Beyond Bonds & Notes

## Lease-Purchase

Lease-purchase agreements finance assets without issuing formal bonds, offering government flexibility.

## Public-Private Partnerships

P3s enable collaboration with private entities to design, finance, build, and operate public assets effectively.

## State and Federal Loan Programs (SRF)

Revolving funds and low-interest loans provide accessible financing options for eligible government capital projects.

## Benefits and Considerations

Alternative financing offers flexibility and risk-sharing but requires evaluating costs, control, and long-term obligations.



# Pay-As-You-Go Financing

## Definition and Benefits

Pay-as-you-go financing uses current funds to avoid borrowing, minimizing interest costs and reducing liabilities.

## Best Use Cases

Best suited for smaller projects or governments with strong revenue streams and sufficient reserves.

## Limitations of Exclusive Use

Exclusive use can delay large projects or strain operating budgets, limiting financial flexibility.

## Hybrid Financing Approach

Combining pay-as-you-go with debt financing balances affordability and investment needs effectively.



# Pay-As-You-Go Financing




















## Examples:

- Impact Fees for Growth-Related Projects
- Tourist Development Tax for Beach Renourishment
- Local Option Sales Tax for Infrastructure
- Used to Avoid Debt on Smaller Projects
- Fund Balance Use



# Project Type to Financing Comparison

Project Type	Financing Tool	Why It Fits
 Public Safety / City Hall	 GO Bond	Long asset life; broad public benefit
 Water & Wastewater Utilities	 Revenue Bonds    SRF Loans	User fees support repayment
 Stormwater / Flood Mitigation	 Revenue Bonds    SRF Loans	Dedicated utility revenues
 Roads (Growth)	 Impact Fees    Sales Tax	Matches growth and users
 Beach Renourishment	 Tourist Dev. Tax	Tourism-driven benefit
 Fire Stations / Fleet	 Non-Ad Valorem	Avoids referendum; flexible
 Technology / ERP	 Pay-As-You-Go	Shorter useful life

# Key Financial Considerations



## **Evaluating Debt and Credit**

Assess debt capacity, legal limits, credit ratings, and interest rates for effective capital financing decisions.

## **Impact on Budgets and Services**

Analyze how new debt affects operating budgets, tax rates, and public service levels to maintain balance.

## **Financial Policies and Forecasts**

Maintain strong financial policies, reserves, and long-term forecasts to support prudent borrowing decisions.

## **Transparent Stakeholder Communication**

Communicate openly with stakeholders and rating agencies to build trust and market confidence.



# Legal & Compliance Considerations



## ➤ Regulatory Framework

- Government borrowing is governed by statutes, ordinances, & documents that set debt types & approval requirements



## ➤ Compliance Obligations

- Ongoing compliance includes disclosure, tax-exempt use rules, & bond covenant adherence to avoid penalties



## ➤ Collaborative Oversight

- Governments collaborate with legal counsel, financial advisors, & auditors to meet financing regulations.



# Risks & Challenges



## **Inherent Financing Risks**

Capital financing involves risks such as interest rate volatility, cost overruns, and revenue shortfalls impacting financial stability.

## **Debt Overreliance Risks**

Excessive debt reduces financial flexibility and heightens vulnerability to economic downturns and market shifts.

## **Risk Management Strategies**

Proactive management via conservative assumptions, funding diversification, and strong project oversight mitigates risks.

## **Monitoring and Reporting**

Regular monitoring and reporting enable early issue detection and timely corrective actions in capital projects.



# Conclusions & Best Practices

## Alignment of Funding Strategies

Capital financing should match the useful life of assets and support the community's long-term goals effectively.

## Best Practices in Capital Planning

Maintain clear debt policies, integrate capital planning with forecasting, and engage stakeholders continuously.

## Balanced Financing Approaches

Use a mix of bonds, notes, alternative financing, and pay-as-you-go to fund infrastructure while preserving stability.

## Informed Decision-Making

Disciplined management and informed decisions are essential for sustainable and effective public investment.



# Best Practices Debt Issuance Recommended Approach



# What is the Project?

## Initial Questions

- Amount
- Timing
- Priority and source of request
- What assets would be financed?
- Corresponding term of debt
- General Fund or Enterprise Fund project?
- Other Considerations:
  - Fixed Rate versus Floating Rate
  - Covenants
  - Prepayment ability
  - O&M needs



# Financing Options

## **Typical “Finance Team” Members include:**

- City/County/Authority/District Staff
- Financial Advisor
- Project Consultant
- Investment Banker/Underwriter(s)
- Bond Counsel
- Underwriter’s Counsel/Disclosure Counsel
- Rating Agencies
- Credit Enhancement Providers (Bank LOC or Bond Insurer)
- Consulting Engineers/Feasibility & Rate Consultants
- Other



# Financing Plan

## General Fund versus Enterprise Fund – General Questions

- Available net revenues for debt service
- Is this a cash flow contributing project or enterprise?
- Existing versus new revenue sources

## Details on Financing Plan

- Role of Credit Enhancement (Bond Insurance, Letter of Credit, etc.)
- Rated versus Non-Rated
- Repayment Plan
- Construction Schedule
- Historical and projected debt service coverage levels
- “Reliability” of pledged revenues
- “Sunset” on pledges revenues
- Do we need a Referendum?



# Financing Plan

## Details on Financing Plan

- If enterprise, existing rate structure
- Increased opportunities for PPP's
- Contingencies
  - Project completion risk
  - “Lease up”
  - “Sleep at night” account, Restricted Surplus Fund
  - “Trust but Verify”
- Tax issues – TEFRA 1986
  - Ability to borrow
  - Substantive project
  - Arbitrage considerations and spend down estimates
  - Public Purpose



# Bank Lending for Local Governments

## What are the ways a Bank hear of a Muni Loan opportunity?

- Direct RFP
- RFP via online portal
- RFP from a Financial Advisor

## What does a Bank look at in order to propose?

- Relationship
- Existing proximity of Branches
- Term
- Security of the RFP



# Bank Lending for Local Governments

Indicative “BQ” Rates (subject to change based on the market)

	November 2019	June 2022	January 2024	April 2026
<b>10 Years</b>	2.08%-2.04%	3.30-3.55%	4.58%	4.65%
<b>15 Years</b>	2.38%	3.40-3.65%	4.52%	4.71%
<b>20 Years</b>	2.55-2.80%	3.75-3.95%	4.53%	4.82%



# Bank Lending for Local Governments

## Covenants in Bank Loan (Annual Monitoring)

- Liquidity
- DSC
- Leverage



# Municipal Markets: A Changed Landscape



## Credit Support at a Higher Cost

Letter and lines of credit conditions have changed

- Tougher credit terms
- Shorter duration
- Fewer providers
- Higher costs



## Federal Programs

Direct subsidy (BABs, Recovery Zone)

- Tax Credit (BABs, Energy, Education)
- Tax subsidy (Recovery Zone Facility Bonds)
- Bank Qualified Bonds (\$30 million to \$10 million)
- AMT holiday



## Investor Municipal Credit Sensitivity

Credit analysis is much more important to the investor

- Demise of bond insurers
  - Focus on fiscal health of state & local governments
- Rating agencies
- ESG Considerations (new FL legislation)



## Economic & Market Conditions

- Fed posture
- Domestic economy
- Commodity prices
- Middle East instability
- Ukraine/Russia War
- End of QE2
- Growth of middle market buyers importance

# Municipal Markets Update

---



Investors continue to look for clues as to future Fed actions after multiple rate moves in Fed Funds in (on hold now)



U.S. home sales are lower due to rate hikes



Volatility in bond rates fueled by rising oil pricing and inflation concerns



Recent outflows in muni bond funds



2024-25 bond volume was solid



Treasury notes have been volatile on signs of moderating growth in U.S. economy, stubborn inflation numbers, global events



1<sup>st</sup> quarter 2026 new issue volume up 70% over 1<sup>st</sup> quarter 2025

# Federal Reserve Rate Increases

## Tax Exempt Bond Market Update Yields (%)

	April 2014	July 2021	October 2022	September 2023	January 2024 <sup>(1)</sup>	April 2026
1 year	0.58	0.21	3.07	3.55	2.95	2.57
5 years	1.86	0.65	3.25	3.22	2.47	3.04
10 years	3.00	1.18	3.61	3.26	2.62	3.60
15 years	3.50	1.41	4.14	3.76	3.20	3.97
20 years	3.85	1.55	4.33	3.96	3.53	4.51
25 years	3.93	1.68	4.50	4.07	3.82	4.76
30 years	4.02	1.73	5.13	4.17	3.95	4.89

(1) Indicative rates, subject to change based on market conditions

# Credit Enhancement & Ratings

## Credit Ratings Symbols

	Moody's	S & P	Fitch
INVESTMENT GRADE	Aaa	AAA	AAA
	Aa	AA	AA
	A	A	A
	Baa	BBB	BBB
SPECULATIVE GRADE	Ba	BB	BB
	B	B	B
	Caa	CCC	CCC
	Ca	CC	CC
	C	C	C
IN DEFAULT		D	DDD
			DD
			D

# Credit Enhancement & Ratings

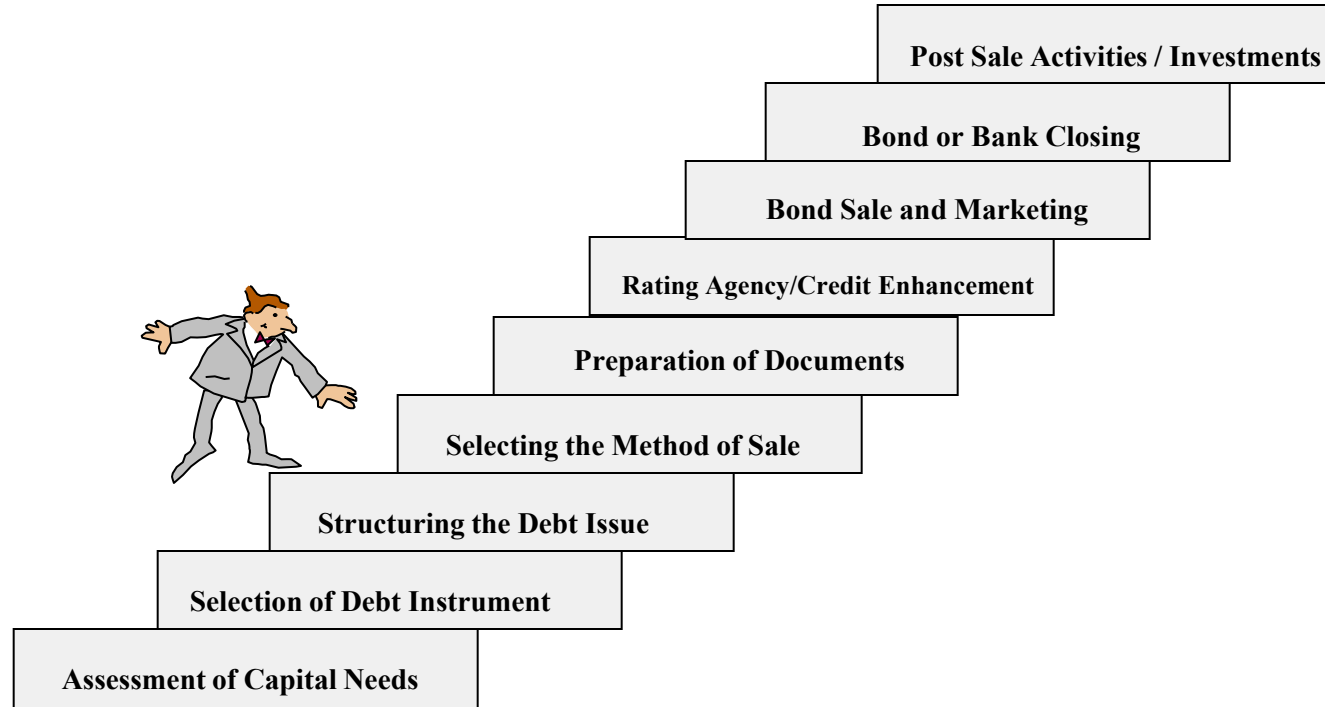


<u>Bond Insurers</u>	<u>Fall 2004 Rating</u>	<u>Update Ratings/Outlook</u>
ACA Financial Guaranty Corp.	A	NR / NR / NR (RunOff Only)
AMBAC	AAA/Aaa/AAA	Bankruptcy Filing – November 2010 (In Suspense)
<b>Assured Guaranty Corporation (AGC)</b> Assured Guaranty Municipal (AGM) (ex FSA)	N/A	AA (Stable) / A1 (Stable, Moodys) Fitch (NA)
Berkshire Hathaway Assurance Corp.	N/A	AA+ (Stable) / Aa2 (Stable) / AA (Not Active)
<b>Build America Mutual (BAM)</b>	NA	AA (Stable) S&P
FGIC	AAA/Aaa/AAA	NR / NR / NR (In Suspense, Book to MBIA)
FSA	AAA/Aaa/AAA	NA; Part of Assured Guaranty
MBIA	AAA/Aaa/AAA	B (Neg) / Ba3 (Negative) / NR
National Public Finance Guar. Corp (f/k/a MBIA Insurance Corp. of Illinois)	N/A	BBB (Developing) (Dev)/ Baa1 (Dev) / NR
Radian Asset Assurance Inc.	N/A	BB- (Dev) / Ba1 (Dev) / NR
Syncora Guarantee Inc. (f/k/a XL Capital/Security Capital)	AAA/Aaa/AAA	NR / NR/ NR (Regulator told to suspend claims payments)

Source: Bond Buyer; Insurer Websites, Ratings are in order of S&P / Moody's / Fitch. Subject to change.  
Larson Consulting Services, April 2026

# Bond Issuance Process

## Steps to a Bond or Bank Issue <sup>(1)</sup>



(1) Slight changes if a Bank Placement

# Fiscal Objectives

---

**Prior to Finance/Project Team being selected or engaged to proceed, Issuer Staff should develop understanding of:**

- Scope of Project
- Timing of Need
- Status of Internal Approvals
- City/County Manager/Authority/District's Objectives, Requirements, Sensitivities
- Elected Officials' Objectives, Concerns, Mandate

# Fiscal Objectives

---

**Following Finance Team Engagement, Finance Officers/City/County Manager, should:**

- **Go over key objectives with Finance Project Team**
- **Determine more specific financing parameters such as:**
  - **Pledged Revenues**
  - **Legal Challenges**
  - **Timing**
  - **Existing and Proposed Financial Covenants**
  - **Performance Parameters and Objectives Regarding Costs, Capital Costs, Ratings, Credit Enhancement**

**Finance Director's Comments and Recommendations  
From Bond Issuance, Refunding and Bank Placement  
Recent Experiences**

# Recommendations

---

---

Plan well, get organized and then run hard.

---

Hire a good core team at the beginning of the process.

---

Don't be afraid to ask questions.

---

Create clear and measurable objectives, review.

---

Set up an achievable timetable, with appropriate input, and seek help from the core team members to help manage process (Good cop vs. Bad cop.)

---

Keep elected officials comfortable with process – use “KISS” principle language.

---

Let results speak for themselves – don't be afraid to summarize good news.

# Alternative Funding

## GRANTS AND LOANS



# Funding is based on priorities of the Federal and State Government



Priorities Change Often



# Grants and Loans Get More Competitive

Application Guidelines and/or Rules outline the points for each section of the applications.

## Bonds vs. Grants/Loans

- ✓ Is your project in the CIP/Budget?
- ✓ Does your project meet the goals of the funding program
- ✓ Have you had a community meeting about your project
- ✓ Do you have match funds
- ✓ Health and Safety issues
- ✓ Improving environment
- ✓ Benefit to citizens or a regional benefit



Many more point driven questions!!



# Where do I look for Grants and Loans??

- Grants.gov
- Direct from Agency via Websites
- Search Engines (Euna Grants, grant finder, grant watch, to name a few)
- Allocation Grants (example DOJ JAG, CDBG, County)
- Community, Nonprofit, Foundation



# Type of Grants      **Examples**

- *Stormwater Grants:* Water Management Districts, FDEP State Water-Quality Assistance Grant (SWAG), Resiliency Funding (FDEP), Appropriations, SRF Loan (grant), CDBG-MIT
- *Wastewater/Reclaimed:* SWFWMD, FDEP Grants, State Septic to Sewer programs, FDEP Small Community Grants, CDBG grants, Appropriations. FDEP SRF Loans.
- *Parks* – Florida Recreation Development Assistance Program (FRDAP), Recreational Trails Program Grant (RTP), Land and Water Conservation Fund (LWCF)



# Grant Application Process / Key Points

- Typically, programs would have the same application cycle form year to year, but that has changed. You need to keep checking!!!
- Keep an eye on the forms, many have been updated, so make sure you have the newest application forms.
  - Several offer – Preapplication, notice of interest, request for inclusion, same idea but different forms. They want to know if your project fits into their program, before you submit the full application.
  - Look at the lists of past grant awards and types of projects awarded and what dollar amount was requested/awarded.



# Grant/Loan Application Process / Budget

- Make sure to complete all forms – understand Equipment vs. Supplies, each agency may have different objectives, so read the grant guidelines carefully.
- Frequent ask questions (FAQ) – Are important to review, someone may have already asked your question.

**BUDGET INFORMATION-Non-Construction Programs** OMB Approved 0348-0044

**SECTION A-BUDGET SUMMARY**

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unc obligated Funds		New or Revised Budget		TOTAL (g)
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	
		\$	\$	\$	\$	\$
Totals		\$	\$	\$	\$	\$

**SECTION B-BUDGET CATEGORIES**

Object Class Categories	GRANT PROGRAM OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
Personnel					
Fringe Benefits					
Travel					
Equipment					
Supplies					
Contractual					
g. Construction					
h. Other					
i. Total Direct Charges (sum of 6a-6h)					
j. Indirect Charges					
k. TOTALS (sum of 6i and 6j)					
Program Income	\$	\$	\$	\$	\$

PTFP-3 Standard Form 424A (Rev. 7-97) Prescribed by OMB Circular A-102

- Did something change in your project from the time you applied to the time you are awarded? Let the agency know ASAP. (amendments)
- Make sure you have the most current forms.



# Application/Agreement/Start Project

Start your timeline from the day you want to start construction of your project or start you planning project.

When to apply for funding? Some agencies open funding for the next year or maybe 2 years. Need to look at dates carefully



Notice of Award – Could take a year to review applications and provide agreements – Cannot start project until Agreement is Fully Executed. (Contract dates)

Bidding the project, what is needed? Agencies Conditions (Mandatory Contract Provisions), Wage Decision (Davis-Bacon), Build American Buy American (BABA), E-Verify, (look at **application** and **agreement** for all items you need to adhere to in construction. – All tiers of construction / planning need to meet the requirements.



# SRF Loan Process

## EXAMPLE OF A GRANT/LOAN PROCESS

**1. Request for Inclusion (RFI)** – let FDEP know you have a project or projects in mind; this form can be updated throughout the application and planning process.

**2. Facilities Planning Document** – Executive Summary, Environmental Effects/Benefits • Development of Alternatives and selection of a Preferred Alternative • Public Participation Process • **Financial Feasibility** • Schedule • Adopting Resolution  
Approval process can take 3 months to 6 months.



# SRF Loan Process

## Example – SRF Low Interest Loan Application

3. **Readiness to Proceed** – FDEP Fundable List Meetings (Aug, Nov, Feb and May)  
Updated Request for Inclusion – Engineers Estimated Construction Cost, Map of project location
4. **Loan Application** – Legal Opinion, Resolution, Financial Schedules (1+ Months)
5. **Biddable Plans & Specifications** (Signed and Sealed)
  - FDEP Supplementary Conditions
  - Wage Decision – Certified Payroll
  - Site Certification
  - Permits

All documents have to be submitted at a minimum of 45 days prior to fundable list meeting. (very important)



# SRF Loan Process

## Example – SRF Low Interest Loan Bidding Process

6. **Bid Documentation Approval** – Checklist of all bidding process (affidavit of publication, signed bid tab, engineer’s recommendation, bid proposal, bid bond)
7. **Approval to Award** – Payment & Performance Bond and signed contact)
8. **Notice of Award** – Start construction – submit change orders for FDEP’s approval, submit reimbursements, compliance, site visits.



# Construction – Tracking Compliance

Look at your agreement – that is your commitment to meet all the requirements

## TERMS AND CONDITIONS

This Agreement contains all the terms and conditions agreed upon by the parties.

2CFR200 (Audit)

# name a few!

- E-verify (State Law) – Memorandum of Understanding (MOU) 1/1/2021 – It's Law in Florida
- SAM (typically a Federal requirement but some State funds that receive Federal funds require SAM enrollment)
- Davis-Bacon (Certified Payrolls) the level of effort is dependent on the project and how many subcontractors – Tracking weekly payrolls is essential to stay in compliance.



# Construction – Tracking Compliance

- American Iron and Steel or Build America and Buy American (BABA)
  - Documentation is key to these requirements (tier certifications, manufacture certifications with project name and location)
  - Determine what projects would work best for this requirement – WW/W lines vs plant expansion or new build.
  - BABA is for all parts and pieces / AIS is for Iron and Steel

PERIOD OF PERFORMANCE / FILE RETENTION /  
ACCESS TO RECORDS / REPORTING  
(QUARTERLY REPORTS) / MONITORING /  
PROCUREMENT / CONTRACTOR TIER REVIEW /  
DEBARMENT / STATEMENT OF ASSURANCES,  
SINGLE AUDIT



# Tracking Compliance

- 1 Planning and Application
- 2 Bidding Documents
- 3 Construction
- 4 Technical Services
- 5 Agency Financial Documents
- 6 Compliance
- 7 City Correspondence

## Certified Payroll Log Sheet

Project Name: \_\_\_\_\_  
 Prime Contractor: \_\_\_\_\_  
 Sub Contractor: \_\_\_\_\_

Last Review Date  
 <<DATE>>

Authorized to Sign Certified Payrolls \_\_\_\_\_

Work Week #	Received Date	Contractor	Week Ending Date	Certified Payroll		Comments:
				Received	Verified	

**Project:** WM Replacement Phase 2A  
**Prime Contractor:** ABC Utilities Contractor

## AIS Tracker

Submittal Number	Name of Part	QTY	Item	Manufacture	Location	AIS Required	AIS Received	AIS Approval	Comments
1	Pipe Supports	4	Saddle Support	Gulf State	Theodore, AL	Yes	11/7/2022	Yes	No comment
2	Check Valves	2	Rubber Flapper Swing Check Valve	DeZurick	Sartell, MN	Yes	9/21/2022	Yes	No comment
3	Reinforcement Steel	LS	Steel			yes	no	no	Need documentation
4	Ductile Iron MJ Tee	1	Ductile Iron MJ Tee	Tyler Union	Anniston, AL	Yes	1/26/2022	yes	



# Projects with multiple funding grants

FAA	AP0060	AP0061	AP0062	Total
	Runway 5-23 Design	Runway 5-23 Const	Taxiways ABCE S	
1 (FY22)	29,561.49		31,579.74	61,141.23
2 (FY22)		13,273.74	3,436.20	16,709.94
3 (FY23)		526,205.97	210,544.65	736,750.62
	29,561.49	539,479.71	245,560.59	814,601.79

FDOT	450588-1-94-01	450588-1-94-01	450589-1-94-01
	AP0060	AP0061	AP0062
1 (FY22)	\$ 223.35		\$ 243.45
2 (FY22)		\$ 737.43	\$ 190.90
3 (FY23)		\$ 29,233.67	\$ 11,696.93
	\$ 223.35	\$ 29,971.10	\$ 12,131.27
		\$ 30,194.45	

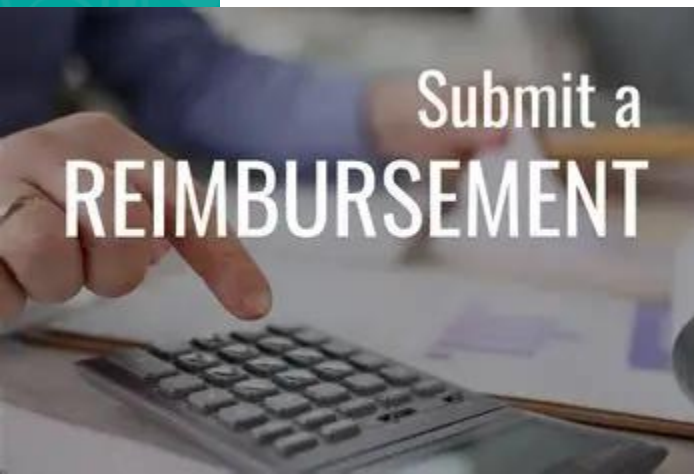
				FDOT	FAA	City	Total
AP0060	2/2/2022	\$ 412.20	Perrson & Cohen	\$ -	\$ 370.98	\$ 41.22	\$ 412.20
AP0060	3/15/2022	\$ 13,598.00	AID (VNC21017-1)	\$ -	\$ 12,238.20	\$ 1,359.80	\$ 13,598.00
AP0062	3/15/2022	\$ 14,718.00	AID (VNC21018-1)	\$ -	\$ 13,246.20	\$ 1,471.80	\$ 14,718.00
AP0060	5/2/2022	\$ 13,659.00	AID (VNC21017-2)	\$ -	\$ 12,293.10	\$ 1,365.90	\$ 13,659.00
AP0062	5/2/2022	\$ 15,181.00	AID (VCN21018-2)	\$ -	\$ 13,662.90	\$ 1,518.10	\$ 15,181.00
AP0060	5/4/2022	\$ 709.90	Perrson & Cohen		\$ 638.91	\$ 70.99	\$ 709.90
AP0062	5/4/2022	\$ 320.60	Perrson & Cohen	\$ -	\$ 288.54	\$ 32.06	\$ 320.60
AP0060	6/20/2022	\$ 4,467.00	AID (VCN21017-3)	\$ 223.35	\$ 4,020.30	\$ 223.35	\$ 4,467.00
AP0062	6/20/2022	\$ 4,869.00	AID (VNC21018-3)	\$ 243.45	\$ 4,382.10	\$ 243.45	\$ 4,869.00
AP0061	7/6/2022	\$ 1,236.60	Perrson & Cohen	\$ 61.83	\$ 1,112.94	\$ 61.83	\$ 1,236.60
AP0061	9/23/2022	\$ 13,512.00	AID (VCN2017CA-1)	\$ 675.60	\$ 12,160.80	\$ 675.60	\$ 13,512.00
AP0062	9/23/2022	\$ 3,818.00	AID (VNC2018CA1)	\$ 190.90	\$ 3,436.20	\$ 190.90	\$ 3,818.00
AP0061	10/2/2022	\$ 21,289.00	AID (VCN2017CA-2)	\$ 1,214.45	\$ 21,860.10	\$ 1,214.45	\$ 21,289.00

Example



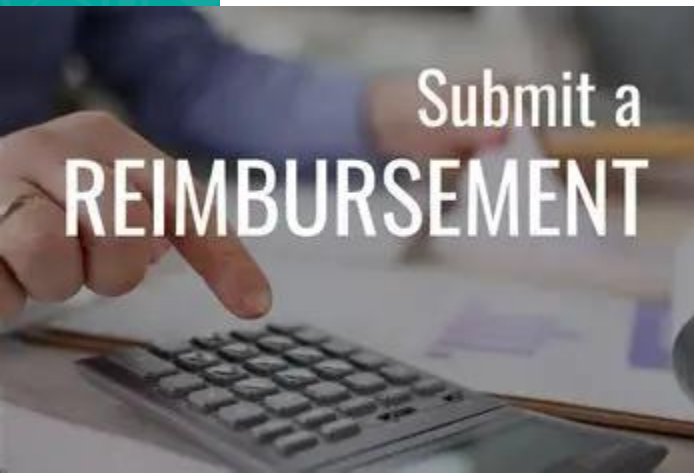
# Disbursement Requests

- Project / System Reports - Must have all project Expenditures and Revenues.
- Duplication of Benefits (Prevention and Compliance) - Receiving financial assistance from more than one source for the same purpose or costs. (What is your process?)
- Timing of Reimbursements – Some Agencies require the reimbursements to be submitted at the same time when Quarterly Reports are do. Some portals will send you a message when it is time to submit a reimbursement.
  - Forms – Check the Agency website, or agreement for forms that should be used. If you cannot find the forms, call the agency. Some forms change when there is an amendment issued for your agreement.
  - Proof of payment – Agencies are getting very strict on what they consider proof of payment. Some system reports are not enough, and they want actual proof the contractor has received their payment. Track the date you receive payments from the funding agency.



# CLOSEOUT

- **Engineers Certification**- Engineer must certify the project is complete and meets the specifications outlined in the project.
- **Final As-Built Drawings)** - Agencies will sometimes ask for a certification of As-Built Drawings. Certifying that the Community received them.
- **Asset Management** – Inventory of critical assets that are reviewed on a consistent bases and update when repairing or replacing asset. Also, a plan for funding the repairs and replacement.
- **Forms** –Checklist, Final reimbursement and site visit audits.
- **File Retention** – Agencies typically have a 5-year file retention period where all project records are available for review and audit.



# Key things to remember

- Have a process / SOPs in place with grants especially if they are grants or loans you typically receive.
- Always read the applications carefully. Answer every question, with why are they asking that question? Never leave a blank line.
- Always read your agreements carefully, know what you are required to do. Read the fine print.
- Is the project you are seeking funding for in the budget? Will you have to do a budget amendment if you receive the funds?
- Put a timeline together including the Council/Commission meetings to approve the application/agreement.
- 2CFR200 is your guide
- Roles & Responsibilities (SOPS) - know who is going to be responsible for Bidding, Award, Grant Compliance, Construction of the project, Closeout. Roles and responsibilities internally and consultants.



# QUESTIONS





Bios

- **LINDA SENNE, CPA, CGFM, CGMA**

- City of Venice, Florida

- Tel: 941-882-7421 Email: [lсенне@venicefl.gov](mailto:lсенне@venicefl.gov)

- Linda Senne is the Finance Director for the City of Venice. She has responsibility for the City's investment portfolio, debt management, budgeting, procurement, customer service/cashier's office, capital improvement plan, accounting including, accounts payable, utility billing, payroll, capital assets, grants management, and the Annual Comprehensive Financial Report (ACFR). Linda has worked on multiple bond financings, refundings, referendum efforts, and bank financings. She has been an integral member of the City of Venice's presentation team, and the City has gained underlying credit ratings in the "AA" category. Prior to January 1, 2011, she was the Deputy Financial Services Director/Controller for the City of Cape Coral. Ms. Senne was the Project Manager for implementing a new Financial Management Software System and an HRIS/Payroll System. Ms. Senne was also instrumental in leading the Accounting Division in early implementing GASB 34.
- Ms. Senne worked for the Office of the State Auditor in North Dakota for 13 years prior to joining the City of Cape Coral. While working for the State of North Dakota she was selected by the National Auditor's Association to be on the quality review team for the State's of Rhode Island and Alabama.
- Linda has served on the FGFOA Host Committee for two years, has been the SWFGFOA Chapter President, and SWFGFOA Board Member from 2006-2016. Linda was selected by the participants to be a board member with FL SAFE in January 2010, which is an AAAM rated Local Government Investment Pool in Florida. Ms. Senne was appointed to the position of Secretary/Treasurer of FL SAFE and later selected to serve as its Vice Chair. In January 2020, she was selected by the Board to serve as its chair and reselected each year thereafter and is the current Chair. Linda attended Minnesota State University Moorhead where she earned a B.S. in Accounting and has been a Certified Public Accountant since 1988.

- **Brenda Westlake, Grant/Loan Administrator**

- City of Venice, Florida

- Tel: 941-882-7424 Email: [bwestlake@venicefl.com](mailto:bwestlake@venicefl.com)

- Brenda Westlake is the Grant and SRF Loan Administrator for the City of Venice as of June 2014. Brenda is responsible for all the grants and SRF loans for the City. She specializes in federal and state grant and loan programs for 26 years and has managed over \$1.2 billion in projects. A leader in the field with the ability to initiate/manage teams in multiple funding disciplinary projects. Recognized throughout her career for being a leader and offering in-depth knowledge on funding services from application, bidding, funding services during construction, compliance, closeout, and audit.
- Ms. Westlake worked at two large worldwide engineering firms, Black & Veatch and Arcadis. The work included establishing funding programs for clients nationwide. Assisting planning departments to assure the planning documents provide the necessary environmental, cost- alternative, cost-effective, and funding compliance documentation. Worked closely with communities, funding agencies, contractors, and engineers to establish funding plans and requests for inclusion, applications, bidding, construction reimbursements, compliance documentation, and project closeout. Ms. Westlake started her career in travel and tourism and worked for one of the largest travel companies worldwide. Experience working with airline contracts for 14+ years allowed her to understand federal contracting, which carried over easily to understanding federal grants.
- Brenda has served on several rule writing committees for several funding agencies and has worked with agencies regarding how changes affect local communities. Brenda also has received a Grants Management Certificate (GMCP) through Management Concepts.

# Jeffrey T. Larson

President, Larson Consulting Services | Tel: 407.496.1597 | [jl Larson@larsonconsults.com](mailto:jl Larson@larsonconsults.com)

Based in Orlando, and as President of Larson Consulting Services (“LCS”), an independent SEC and MSRB registered financial advisory firm, Jeff has successfully closed a wide range of municipal project finance and corporate financings totaling over \$8 billion. Florida projects have ranged from negotiating and structuring transportation/road improvement programs, higher education project financings, multiple utility acquisitions, extensive water and wastewater capital expansions, investments support services, economic development and redevelopment initiatives, utility enterprise restructurings, refinancing and restructuring, downtown redevelopment, CRA TIF financings, debt and lease purchase private placements, multiple public/private partnership project finance issues, multiple phased Charter School financing, and a \$240 Million University / Developer PPP Project financing. In May of 2011, Jeff and FMAS was asked by the AAAM rated FL SAFE Local Government Investment Pool (“LGIP”), to serve as its Administrator and Executive Director. He has served many Florida governments since 1992 as an Investment Banker, Financial Consultant, Administrator, or Financial Advisor.

Prior to establishing LCS and FMAS, Jeff managed D.A. Davidson’s Southeast Regional Investment Banking Office. Prior to joining D.A. Davidson, Mr. Larson was the S.E. Regional Director Investment Banking and Consulting Services with Kirkpatrick Pettis, the investment banking arm of Mutual of Omaha, the Managing Director for Stifel Nicolaus/Hanifen Imhoff, and a Vice President, Investment Banking for SunTrust Capital Markets in Orlando, Florida. Recruited by these firms, he specialized since 1992 in Florida with the structuring and marketing of a variety of public finance and capital markets products. Prior to that, he spent ten years with C & S/Sovran in Atlanta and Barclays Bank PLC in Atlanta and San Francisco as a corporate finance, large corporate/Fortune 500, and Middle Market Banker.

Mr. Larson received his MBA degree on an academic scholarship from Emory University, Atlanta, Georgia, in 1982. As part of his MBA graduate work, Mr. Larson worked, studied and taught in Germany and Austria and was a Fulbright Scholar at the Johannes Kepler University in Linz, Austria. He received an A.B. in Business Administration with honors in 1980 from Franklin & Marshall College, Lancaster, PA. Mr. Larson’s professional licenses with the Securities and Exchange Commission (“SEC”) and Municipal Securities Rulemaking Board (“MSRB”) including a Series 50 Municipal Advisor and Series 54 Municipal Advisor Principal.

Jeff is a frequent speaker at industry conferences including the annual FGFOA, FCCMA, Florida Bond Buyer, FICPA, Florida Redevelopment Association (FRA), Florida Bar Association, Florida League of Cities, Ernst & Young Professional Development Conference, FGFOA Webinars, FINRA, Regional FGFOA Chapter meetings, FGFOA Career Seminars, Smith’s National Investor Conference, Annual FGFOA Institute (School of Governmental Finance) and Special District conferences on topics ranging from “the Bond Issuance Process”, “Best Practices in Debt Management”, “Best Practices in Investment Management”, “Planning and Capital Financing”, to “Public-Private Partnership Financings.” Jeff has also served as a member of the FGFOA Annual Conference Program Committee for over 30 years.

