



Public Works Board



Washington State Department of

Health

Drinking Water Division

Drinking Water State Revolving Fund
2008 Funding Cycle

Supplemental Financial Information - Privately Owned Water Systems

Submittal Deadline: October 24, 2008

**Application must be postmarked by midnight or
hand-delivered by 5:00p.m., October 24, 2008**

Submit one (1) original and one (1) copy

Mail or ship to:

Myra Baldini
Washington State Public Works Board
Post Office Box 48319
Olympia, Washington 98504-8319

Hand Deliver to:

Washington State Public Works Board
Evergreen Plaza Building
711 South Capitol Way, Suite 102
Olympia, Washington 98504

NOTE: Financial Capacity Worksheet on Website (www.pwb.wa.gov)

DWSRF Supplemental Financial Information - Privately Owned Water Systems

Applicant Name: _____

WSDOH Application Number: # _____

Email Address: _____ FAX: _____

Contact Person: _____

Contact Telephone: (Work) _____ (Home) _____

Second Contact Person: _____

Second Contact Telephone: (Work) _____ (Home) _____

Project Title: _____

1.00 Business History and relationship to other companies:

Type of Business: _____ For – Profit

_____ Non-Profit

Type of Ownership: _____ Incorporated Homeowner’s Association

_____ Unincorporated Homeowner’s Association

_____ Corporation/Limited Partnership

History: _____ Year business/homeowner’s association established.

_____ Number of years under current management.

_____ Date of Incorporation.

Is the loan applicant a parent and/or subsidiary of another company?

Yes _____

No _____

If yes, please provide name of and relationship to the other company and/or subsidiaries here:

2.00 DWSRF Loan Request:

\$ _____

DWSRF Project Loan

\$ _____

Add 1% DWSRF Loan fee.

\$ _____

Total DWSRF Loan amount.

3.00 Current rate information:

Complete the information below:

Fiscal Year _____ to _____, 2007

	Flat Annual / Monthly rate	Date of last increase	Revenues received	Number of connections
Residential unit	\$ _____	_____	\$ _____	_____
Commercial	\$ _____	_____	\$ _____	_____
Vacant land	\$ _____	_____	\$ _____	_____
Capital Assessment	\$ _____	_____	\$ _____	_____
Connection fee	\$ _____	_____	\$ _____	_____
Other	\$ _____	_____	\$ _____	_____

_____ Percent of delinquent customers

4.00 Loan repayment:

Identify the revenue source(s) the water system will use to repay this loan, e.g., water rate increase, special assessment, etc.

5.00 Rates

- Yes No 1) Will the water system increase rates to repay this loan?
-
- Yes No 2. Have rates been adopted to include the DWSRF loan repayment?
- a) If yes, attach resolution or adoption of these rates (e.g. meeting minutes)
- b) If yes, when will collection of these new rates will begin?
- c) If yes, what is the anticipated amount of annual revenue to be generated by this source?

6.00 Constraints

Yes No Do corporate articles, bylaws; contract or other loan agreements restrict your company's borrowing ability?

If yes, please describe here and attach any relevant documentation:

Yes No Is there pending before the water system's governing body, a motion or resolution to limit the ability of the water system to raise rates or expend from revenues the funds necessary to repay a loan such as the DWSRF Loan being applied for here?

If yes, please explain in an attachment and provide documentation.

7.00 Debt summary:

List all current outstanding long-term debt other than this application for a DWSRF Loan. For each obligation, list the annual principal and interest debt service, interest rate, maturity date and collateral.

Lender	Outstanding balance	Payment amount and schedule (e.g., monthly, quarterly, etc.)	Interest rate (indicate if fixed or variable)	Maturity date	Collateral securing debt

7.00 Debt Summary (continued):

List all open lines of credit. List the total availability of each line, as well as the current balance and interest rate for each.

Lender	Available credit	Current balance	Interest rate (indicate if fixed or variable)	Maturity date	Collateral securing debt

List all entities with which the borrowing system has overlapping debt either through a parent/subsidiary relationship or as a result of a contingent liability (guaranteed by the water system) and the amount of debt owed by each. Please indicate the amount and percent of outstanding debt for which your system is liable. Include 100% of debt if fully guaranteed by your system and 100% of debt that is an obligation of your system's parent company as the parent of other subsidiary entities:

Entity name	Outstanding debt	% Share of outstanding debt

Identify all events listed below that have been experienced by your water system and have occurred in the last five years:

- | | | |
|-----|----|--|
| Yes | No | Is the water system involved in any lawsuits or pending litigation that is in excess of \$10,000?

If yes, attach a statement from your attorney describing the lawsuit. |
| Yes | No | Have company assets been sold? |
| Yes | No | Will company assets be sold in the near future? |
| Yes | No | Is the system under any regulatory or court compliance order?

If yes, please describe in an attachment. Include date of issue and date compliance is required. |
| Yes | No | Other?

If yes, please explain in an attachment and provide documentation. |

8.00 Current Business References:

Provide at least three (3) current business references from business conducted in the last year:

Business organization	Contact person	Telephone number	Business Account #

9.00 Credit check sign off:

In order to facilitate the processing of this application, the borrower hereby authorizes the Public Works Board staff to request business and/or personal credit reports for all proposed responsible parties for the debt obligation:

Name Authorized Person: _____

Signature Authorized Person: _____

(Title) _____

10.00 Statement of default:

We hereby certify that _____ has not defaulted on any payment of matured Principal and/or Interest. If default has occurred, please provide details here.

11.00 Financial distress:

Yes No Has the water system experienced financial distress in the last 24 months?

If yes, please explain.

Yes No Does the Water System want to be considered for Low-Income Status?

12.00 Financial statements:

To fully evaluate the financial status of the applicant, the DWSRF program requires the applicant to complete or submit the following items:

1. Balance Sheet Statement (See below)
2. Submit Book Asset Details or complete Fixed Assets Inventory List and Depreciation Schedule (See next page)
3. PWB Financial Capacity Assessment Spreadsheet (Note: This is an Excel spreadsheet that is available on our web, www.pwb.wa.gov or upon request.)
4. Tax returns, if filed, for, 2005, 2006, and 2007

The Public Works Board through its fiscal agent, Department of Community, Trade and Economic Development, reserves the right to require Certified Public Accountant certification of financial statements, if necessary.

Table 1: Balance Sheet Statement			
	12/31/2006	12/31/2007	12/31/2008 (Pro-forma)
ASSETS			
Cash & Equivalents <i>(All cash, marketable securities & other cash items)</i>			
Accounts Receivable <i>(Amounts billed on current receivables)</i>			
Fixed Assets <i>(Land, buildings, equipment)</i>			
Other Assets <i>(Specify)</i>			
TOTAL ASSETS <i>(Total of all assets listed above)</i>			
LIABILITY			
Accounts Payable <i>(Open accounts that are due or notes payable)</i>			
Income Tax <i>(Income taxes due)</i>			
Long Term Debt <i>(Current portion of long term debt)</i>			
Short Term Debt <i>(All short term note obligations, including bank and commercial paper)</i>			
Deferred Taxes <i>(All deferred taxes)</i>			
TOTAL LIABILITIES <i>(Total of all liabilities listed above)</i>			
EQUITY			
Shareholder's Equity			
Paid-in Capital			
Retained Earnings			
Other Equity <i>(Specify)</i>			
TOTAL EQUITY <i>(Total of equity listed above)</i>			
TOTAL LIABILITIES & EQUITY <i>(Total liabilities plus total equity)</i>			
NET ASSETS <i>(Total assets minus total liabilities and equity)</i>			

13.00 Applicant's Certification:

WHEREAS, (water system name) _____, is applying to the Washington State Public Works Board Drinking Water State Revolving Fund program for a low-interest loan for an eligible project; and

WHEREAS, the Borrower's governing body has approved submission of this application for a Drinking Water State Revolving Fund loan; and

WHEREAS, it is necessary that certain conditions be met as part of the application process; and

WHEREAS, the local governing body will comply with applicable provision of Public Law 104-182, The Safe Drinking Water Act (SDWA) Amendments of 1996, Section 1452; EPA general grant provisions in 40 CFR Part 31; and other applicable state and federal laws; and

WHEREAS, RCW 43.155.060 requires that the project will be advertised for competitive bids and administered according to standard local procedure; and

WHEREAS, RCW 39.12 requires public works projects use state prevailing wages; and

WHEREAS, the loan will not exceed 100% of eligible costs incurred for the project; and

WHEREAS, any loan arising from this application constitutes a debt to be repaid, and (person/title) _____ has reviewed and concluded it has the necessary capacity to repay such a loan; and

WHEREAS, the information provided in this application is true and correct to the best of the applicant's belief and knowledge and it is understood that the state may verify information, and that untruthful or misleading information may be cause for rejection of this application or termination of any subsequent loan agreement.

NOW THEREFORE, (Borrower) _____ certifies that it meets these requirements, and further, that it intends to enter into a loan agreement with the Department of Community, Trade and Economic Development, acting as the administrative agency for the Public Works Board, provided that the terms and conditions for a Drinking Water State Revolving Fund loan are satisfactory to both parties.

Signed _____

Title _____

Name _____

Date _____

WITNESS _____

14.00 Required Attachments:

Where applicable, please provide the following information:

- Balance Sheet Statement (See page 7).
- Income Statements for 2006, 2007 and Pro forma 2008
- Submit Book Asset Details or complete Fixed Assets Inventory List and Depreciation Schedule (See page 8).
- PWB Financial Capacity Assessment Spreadsheet. (Note: This is an Excel spreadsheet that is available on our web, www.pwb.wa.gov, under Loan Programs or upon request.)
- Attach photocopies of the last three years' tax returns, if filed for, 2005, 2006, and 2007.
- Attach copies of banking statements ending December 2006, December 2007 and June 2008.
- Attach photocopies of Bylaws and Articles of Incorporation.
- If the water system is a non-profit corporation serving a non-community, attach a copy of the federal non-profit certification to this application.
- If the borrower's ability to borrow is limited or restricted by other loan agreements, etc., attach relevant documentation describing the limitation(s) or restriction(s).
- If the water system is involved in a lawsuit or pending litigation that is in excess of \$10,000, attach a statement from the water system's attorney describing the situation.
- If the water system is under any regulatory or court compliance order, attach a description that includes the date of issue and date compliance is required.

For more information, contact Myra Baldini at (360) 586-5356. The Public Works Board website is located at www.pwb.wa.gov. You may also write to: Public Works Board, Evergreen Plaza Bldg, 711 Capital Way, Suite 102, Post Office Box 48319, Olympia, Washington 98504-8319.