

EXPEDITED DRINKING WATER GRANT FUNDING – FINANCIAL SECURITY PACKAGE

1. GENERAL INFORMATION		
Applicant (Entity) Legal Name:		
Project Title:		
Project Number:		
2. SERVICE CONNECTIONS AND WATER RATES		
Service Connection Type	Number of Service Connections	Average Monthly Billing (Last 12 months) Per Connection
Residential		\$
Commercial		\$
Industrial		\$
Other		\$
TOTAL		
Projected annual operations and maintenance (O&M) costs for the project:		
Is a rate increase required to cover the project's O&M costs? ☐ YES ☐ NO		
Rate increase effective date for the project's O&M costs (if applicable):		
3. DESCRIPTION OF MATERIAL EVENTS AND MATERIAL OBLIGATIONS		
Identify any current or prior material events such as bankruptcy, actions taken in anticipation of filing bankruptcy, defaults on material obligations, grand jury investigations or findings, unscheduled draws on reserve funds, or civil, criminal, or administrative investigations or enforcement actions relevant to the water system. Identify any conditions in material obligations that may adversely affect the ownership, operation, or maintenance of the project.		
ATTACHMENTS		
☐ Audited financial statements or complete federal tax returns including all schedules (3 years)		
☐ Budget projections (at least 2 years)		
☐ Water Rate Study (if applicable)		
☐ Rate adoption resolution, copy of water rates, and Proposition 218 public meeting notice		
☐ Schedule of related debt and debt document copies (or 'no debt letter' as applicable)		
☐ School district certification of interim reports (if applicable)		

EXPEDITED DRINKING WATER GRANT FUNDING PROGRAM PROJECT PROPOSAL FORM ATTACHMENT 7 – FINANCIAL SECURITY PACKAGE INSTRUCTIONS

Submittal of this EDWG Financial Security Package and the State Water Board's review is required to receive approval to proceed with bid solicitation under the Expedited Drinking Water Grant Funding Program. If a Project Manager has not been assigned to the project, contact the State Water Board, Division of Financial Assistance [DFA-OSWS@waterboards.ca.gov; (916) 327-9978].

1. GENERAL INFORMATION

Applicant (Entity) Legal Name: Enter the full name of the entity that will be the legal signatory to a grant agreement.

Project Title: Enter the title of the project.

Project Number: Provide the assigned project number.

2. SERVICE CONNECTIONS AND WATER RATES

Enter the following for each applicable connection type:

- ✓ Number of active water service connections that are currently and directly served by the water system;
- ✓ Average monthly billing for the last 12 months.

Projected annual operations and maintenance (O&M) costs for the project: Enter the estimated annual cost to operate and maintain the project after it is complete.

Is a rate increase required to cover the project's O&M costs: Indicate whether the applicant will need to increase revenues to cover the project's O&M costs.

Rate increase effective date for the project's additional O&M costs (if applicable): Enter the estimated date that the projected water rates will go into effect, if the project will require additional operations and maintenance costs. (if unknown, assume one year after construction completion).

3. DESCRIPTION OF MATERIAL EVENTS AND MATERIAL OBLIGATIONS

Identify any current or prior material events such as bankruptcy, actions taken in anticipation of filing bankruptcy, defaults on material obligations, grand jury investigations or findings, unscheduled draws on reserve funds, or civil, criminal, or administrative investigations or enforcement actions relevant to the water system. Identify any conditions in material obligations that may adversely affect the ownership, operation, or maintenance of the project.

ATTACHMENTS

Audited Financial Statements or complete federal tax returns including all schedules: Provide COMPLETE audited financial statements or complete federal tax returns including all schedules for the most-recent three fiscal years. (Contact the Division if audited financial statements are not available.)

Budget Projections (Revenue/Expense): Provide projections for at least the next two fiscal years.

Operating Revenue	Projections 2023/24	Projections 2024/25
Water Sales	\$2,552,866	\$2,680,509
Utility Billing Charges	\$830,000	\$871,500
Water Discharge Fee	\$15,000	\$15,750
Connection Fees	\$475,000	\$498,750
Other Income	\$25,000	\$26,250
Other Non-Operating Revenue		
Interest Income	\$7,000	\$7,350
Property Tax	\$1,200,300	\$1,260,315
Other Misc. Income	\$2,000	\$2,100
Total Revenue	\$5,107,166	\$5,362,524
Operating Expenses		
Salaries	\$1,500,000	\$1,575,000
Water Purchases	\$1,200,000	\$1,260,000
Operating Supplies	\$500,000	\$525,000
Repair and Maintenance	\$78,000	\$81,900
Professional Fees	\$30,000	\$31,500
Legal	\$20,000	\$21,000
Lease/Rents	\$950,000	\$997,500
Utility Billing Service	\$300,000	\$315,000
Total Operating Expenses	\$4,578,000	\$4,806,900
Net Revenue	\$529,166	\$555,624
Existing Debt Service	\$93,000	\$93,000
Total Net Revenue after Debt Service	\$436,166	\$462,624

Water Rate Study: If the applicant has ever performed a water rate study, submit a complete copy.

Rate Adoption Resolution, Copy of Rates, and Public Notice of Proposition 218 Meeting:

Attach a copy of the most recent board resolution, ordinance, or similar document which approved the rates currently in place, a copy of the rates, and a copy of the Proposition 218 public meeting notice.

Schedule of Related Debt and Debt Document Copies: Submit a schedule of all material debt, along with a copy of each relevant debt document (e.g., loans, private placements, bond indentures, installment sale agreements). If there are any pending debts, provide draft or estimated information. If the applicant has no debt, the Authorized Representative must provide a letter stating this (also known as a 'no debt letter').

District Certification of Interim Report (For School Districts Only): School Districts should provide a complete copy of their most-recent District Certification of Interim Report, including the signed Criteria and Standards Review Section.