



**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
INFRASTRUCTURE STATE REVOLVING FUND PROGRAM**

FINANCING APPLICATION ADDENDUM



**FEES & CHARGES
SPECIAL FUNDS & TAXES**

**CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK
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PART I. PROPOSED SOURCE(S) OF REPAYMENT

1. District Type:

- | | |
|---|--|
| <input type="checkbox"/> Water | <input type="checkbox"/> Lighting |
| <input type="checkbox"/> Irrigation | <input type="checkbox"/> Park |
| <input type="checkbox"/> Sewer/Wastewater | <input type="checkbox"/> Solid Waste |
| <input type="checkbox"/> Public Works | <input type="checkbox"/> Public Safety |
| <input type="checkbox"/> Flood Control | <input type="checkbox"/> Fire Protection |
| <input type="checkbox"/> Utilities | <input type="checkbox"/> School |
| <input type="checkbox"/> Community Services | <input type="checkbox"/> Public Services |
| <input type="checkbox"/> Airport | <input type="checkbox"/> Port/Harbor |
| <input type="checkbox"/> Other, specify:
_____ | |

2. Source(s) of Repayment:
(Please check all that apply)

Fees & charges

- Water Enterprise Fund
 Sewer/Wastewater Enterprise Fund
 Solid Waste Enterprise Fund
 Other Fund: specify _____

Other

- Specify: _____

Special Fund

- Name _____

Taxes (other than assessments)

- Property
 Special, specify: _____

3. What lien position does the Applicant request for IBank's loan? If the IBank loan is not requested to be in a senior position or senior lien position on parity with existing debt, describe why the IBank should consider a subordinate lien position, and why a subordinate position is necessary or desired by the Applicant:

PART II. APPLICANT'S LEGAL AUTHORITY

1. Authority to operate the system. Attach as Exhibit FC-1.
2. Authority to collect funds for each proposed source of repayment. Attach as Exhibit FC-2.
3. Authority to pledge each proposed source of repayment and to do so for the entire term of the loan. Attach as Exhibit FC-3.
4. Authority to adopt a resolution making the findings necessary for the financing of Infrastructure Projects under the ISRF Program as required by CA Government Code section 63041. Attach as Exhibit FC-4.
5. Authority to enter into a loan agreement and other related documents. Attach as Exhibit FC-5.
6. Authority to enter into, and to timely perform, obligations in accordance with a loan agreement with the IBank (such as covenants to increase rates or charges, to maintain a minimum debt service coverage, and to provide annual audits and surveillance reports). Attach as Exhibit FC-6.

If the requested information is found in a system capital improvement plan, master plan or any other system-planning document, submit a copy of the plan and reference here the page(s) of the document that provides the information requested. Attach as Exhibit FC-7.

PART III. SYSTEM INFORMATION

1. **Water projects**—Provide detailed information about the supply of water, including the source, terms of the supply contract, status of water rights, storage, transmission, treatment, distribution, and age and capacity of the system:

For water systems that purchase water, provide a copy of the water purchase contract. Attach as Exhibit FC-8.

2. **Sewer projects**—Provide detailed information about the collection, transmission, treatment and sludge disposal system and procedures, age and capacity of the system:

No

Yes Submit a copy of the ordinance or adopted resolution. Attach as Exhibit FC-9.

3. **Solid waste projects**—Provide detailed information about the system collection and disposal processes and procedures, contracts with haulers, the status of landfill(s), and the age and capacity of the system:

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For solid waste systems that have disposal contracts or contracts with haulers, provide a copy of each contract. Attach as Exhibit FC-10a and 10b, respectively.

4. Describe the service area:

--

Provide a map of the enterprise service area as Exhibit FC-11.

5. Complete the following tables:

- a. Current and historical system user distribution:

NUMBER OF USERS					
	Current Fiscal Year – 4*	Current Fiscal Year – 3*	Current Fiscal Year – 2*	Current Fiscal Year – 1*	Current Fiscal Year
	_____	_____	_____	_____	_____
Residential					
Commercial					
Industrial					
Other					
TOTAL					

*Year - 1 = Year prior to current fiscal year; Y – 1 through Y – 4 are 1-4 years prior to current fiscal year.

- b. Current system usage and revenues:

SYSTEM USAGE AND GROSS REVENUES				
as of				
	Annual Usage	% of Usage	Annual Gross Revenues	% of Total Revenues
Residential				
Commercial				
Industrial				
Other				
TOTAL		100%		100%

c. Ten (10) largest current users and their percentage of system use and revenue:

TEN LARGEST SYSTEM USERS			
as of			
User	% of System Use	% of System Revenues	Customer Class (Residential/Commercial/Industrial/Other)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
TOTAL			

d. Describe the rate-setting process, including the approval process and adherence to Proposition 218, the length of time necessary to implement adjustments, and the history of obtaining requested rate increases over the past five (5) years:

RATE INCREASES OVER THE PAST FIVE YEARS		
Date Adopted	Date Effective	Percent of Increase

e. Provide the historical monthly average system rates per residential unit over the last four (4) years and current rate information:

CURRENT AND HISTORICAL AVERAGE MONTHLY USER CHARGE PER RESIDENTIAL UNIT					
	Current Fiscal Year – 4*	Current Fiscal Year – 3*	Current Fiscal Year – 2*	Current Fiscal Year – 1*	Current Fiscal Year
Residential Unit	_____	_____	_____	_____	_____

*Year - 1 = Year prior to current fiscal year, Y - 1 through Y - 4 are 1-4 years prior to current fiscal year.

- f. Provide the projected average monthly user charge per residential unit over the next five (5) years (include any adopted or anticipated rate increases):

PROJECTED AVERAGE MONTHLY USER CHARGE PER RESIDENTIAL UNIT				
	Current Fiscal Year +1*	Current Fiscal Year + 2*	Current Fiscal Year + 3*	Current Fiscal Year + 4*
Residential Unit				

*Year + 1 = Year after the current fiscal year; Y + 1 through Y + 4 are 1-4 years after current fiscal year.

- g. Provide current comparable monthly average residential rate information for nearby comparable systems:

COMPARABLE RATES as of				
	System Name: _____	System Name: _____	System Name: _____	System Name: _____
	Location: _____	Location: _____	Location: _____	Location: _____
Residential Unit				

6. Describe the expected increases or decreases in demand for service over the next five (5) years:

7. Describe the enterprise system's current capital improvement plan and expected plan for financing any capital improvements (e.g., future debt issuance), including how the system capacity is expected to meet future aggregate customer demand and peak daily demand:

8. Are there any pending or threatened enforcement actions, including warnings, orders, violations or fines, by any regulatory agency against the Applicant with regard to the system?

No

Yes Describe and indicate the current status:

PART IV. FINANCIAL INFORMATION

1. Provide an aging of system accounts receivable for each proposed source of revenue to be pledged. Attach as Exhibit FC-12, FC-12a, FC-12b, etc.

2. Discuss the billing process and terms offered to users.

3. Provide the monthly accounts receivable information below:

ACCOUNTS RECEIVABLE AGING						
as of						
	Current	Over 30	Over 60	Over 90	Over 120	Total
Percent						

4. Explain collection practices and/or policies addressing accounts receivable that are greater than 90 days past due.

5. Has there been a system operating deficit during any of the prior three fiscal (3) years?

No

Yes Describe any and all operating deficits and the action taken by the governing body to eliminate or balance the operating deficits:

6. Does the Applicant have a debt service reserve fund for outstanding debt of the system?

No

Yes Provide an explanation if any debt service reserve fund has not been funded at its required level during the last three (3) fiscal years below. Include the amount and circumstances of any deficits, any withdrawals, and the corresponding replenishment schedule. Attach as Exhibit FC-13.

7. Does the Applicant have a rate stabilization fund?

No

Yes Describe below any withdrawals from and deposits to the rate stabilization fund made over the last three (3) years, the circumstances necessitating any withdrawals, and the corresponding replenishment schedule. Attach as Exhibit FC-14.

8. Provide a copy of the rate study or similar report, along with resolutions, presentations, and meeting minutes for existing rates and charges for the last five years. Attach as Exhibit FC-15.

9. Has any assessment, standby charge, or rate or charge levied by the Applicant been subject to an initiative or a majority protest, or is any appeal or protest expected, or threatened, pursuant to Proposition 218?

No

Yes Explain:

10. Does the Applicant wish IBank to consider revenues from adopted rate increases (implemented, or not yet implemented) and/or system expansions in its analysis?

No

Yes Provide an independent feasibility study, or an engineer's report pertaining to the proposed Project and the system, including all assumptions. For system expansions only, also include in this report a "worst case" scenario analysis of the fiscal impact of the loan on rates for existing rate payers, assuming that there are no new system rate payers and existing rate payers' fees will fully finance the Project debt. Attach as Exhibit FC-16.

11. Is the Applicant a recipient of any grants, loans or other financial assistance for the operation of the system? If so, describe impacts on the proposed financing and provide copies. Attach as Exhibit FC-17.

No

Yes

Describe:

**FEES & CHARGES
SPECIAL FUNDS & TAXES
ADDENDUM CHECKLIST**

(Complete and submit with the Financing Application)

IBank Staff Use	APPLICANT-INDICATE WHETHER OR NOT EACH DOCUMENT IS ATTACHED TO THIS ADDENDUM			ADDENDUM EXHIBITS	
	Date Rec'd	YES	NO		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-1	Authority to Operate the System
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-2	Authority to Collect Proposed Revenue Stream
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-3	Authority to Pledge Proposed Revenue Stream
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-4	Authority to Adopt Resolution
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-5	Authority to Enter into Loan Agreement and Related Documents
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-6	Authority to Enter into, and to Timely Perform, Obligations
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-7	System Capital Improvement Plan, Master Plan, Other System Planning Document
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-8	Water Purchase Contract
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-9	Hook-up Ordinance
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-10	Disposal/Hauler Contracts
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-11	Map of Service Area
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-12	Aging Accounts Receivable Aging for Each Proposed Source of Revenue. Additional Exhibits label a, b, c, etc.
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-13	Debt Service Reserve Fund Funding Schedule
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-14	Rate Stabilization Fund Replenishment Schedule
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-15	Rate Study, Resolutions, Presentations, Meeting Minutes for the last Five Years
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-16	Adopted Rate Increases: Resolution, Staff Report, and Independent Feasibility Study/Rate Study/Engineer's Report
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exhibit FC-17	Grants, Loans or Financial Assistance Documentation