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***Martinsville Residents Benefit from Low Interest***

MARTINSVILLE, IN – The City of Martinsville closed a \$7.5 million loan through the State’s Wastewater Revolving Fund Friday, saving the City approximately \$1.35 million in interest over a 20-year period on much needed wastewater upgrades.

“By cooperating with the State of Indiana and the Indiana Finance Authority, we were able to save more than a million dollars for our City, and we certainly want to save all we can so we can pass the savings along to our sewer utility customers,” said Mayor Shannon Buskirk.

Governor Mitch Daniels created the Indiana Finance Authority in 2005 to more effectively manage the State’s finances under one agency. The Authority manages the State’s Wastewater State Revolving Fund (WWSRF) and Drinking Water State Revolving Fund (DWSRF) Loan Programs. The primary purpose of the Loan Programs is to provide political subdivisions and other eligible entities a low-cost financing alternative for their wastewater and drinking water infrastructure improvement projects.

“It’s always a good day when your home community can save money,” said Representative Ralph Foley. “I’m particularly gratified that the State of Indiana has the resources to provide a revolving fund to help local communities like Martinsville pass along savings to its taxpayers.”

The SRF Programs receive capitalization grants each year from the U.S. Environmental Protection Agency (U.S. EPA), which the Authority then leverages with tax exempt bonds. Leveraging increases the funds available to the Authority to make loans. Currently, the Authority is able to make more than two dollars in loans for each one dollar received from the U.S. EPA. The SRF Programs have loaned over \$1.7 billion to Indiana communities for infrastructure and improvements since 1991. During 2005 and through the first half of 2006, the SRF Loan Programs have saved Indiana communities \$40.5 million in interest costs.

Martinsville will use the funds from the WWSRF Program to construct a new plant lift station, flow metering structures and other improvements. These improvements will eliminate pollutants in local ditches and streams to provide a healthier environment and improve the quality of life for Martinsville residents.

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