

# **STATE OF INDIANA**

## **Clean Water State Revolving Fund Loan Program**



**Annual Report  
State Fiscal Year 2019  
July 1, 2018 – June 30, 2019**

**Clean Water State Revolving Fund Loan Program  
Annual Report SFY 2019**

**Table of Contents**

I.	Introduction	1
II.	SRF Loan Program Management [40 CFR 35.3110]	1
III.	Goals and Objectives of the SFY 2019 Intended Use Plan [40 CFR 35.3150(b)(2)]	1
IV.	Environmental Review [40 CFR 35.3140]	2
V.	State Match [40 CFR 35.3165(b)(2)]	3
VI.	Binding Commitments Exceed 120% of Grant [40 CFR 35.3165(b)(4)]	4
VII.	Expeditious and Timely Use of Funds [40 CFR 35.3165(b)(5)]	4
	A. Interest Rates	4
	B. Terms	5
	C. Other Assistance Provided	5
	D. Administrative Expenses and Fees	6
	E. Transfers [40 CFR 35.3110(f)]	7
	F. Cross-collateralization [40 CFR 35.3110(f)]	7
	G. CWSRF Loan Program Financial Statements	8
	H. Federal Requirements	8
	I. Compliance with 2 CFR Part 200 [40 CFR 35.3165(d)(1-3)]	8
	J. Recycled CWSRF Loan Program Funds	8
	K. Title II Compliance [40 CFR 35.3165(b)(3)]	9
	L. Water Resources Reform and Development Act of 2014	9
VIII.	Projects Funded [40 CFR 35.3150(b)(1)]	9

**Exhibits:**

Exhibit A:	CWSRF Loan Program Report on Goals and Objectives of SFY 2019
Exhibit B:	Green Project Reserve by Capitalization Grant Year
Exhibit C:	Additional Subsidization by Capitalization Grant Year
Exhibit D:	Equivalency Projects by Capitalization Grant Year
Exhibit E:	SFY 2019 CWSRF Project Descriptions
Exhibit F:	Cumulative History of Federal Capitalization Grants
Exhibit G:	Cumulative History of State Match
Exhibit H:	Summary of Loans closed in SFY 2019
Exhibit I:	Expeditious and Timely Use of Funds
Exhibit J:	SFY 2019 CWSRF Loan Program Quarterly Interest Rates
Exhibit K:	Program Fee Expenditures
Exhibit L:	Summary of Clean Water SRF Transfers
Exhibit M:	Combined Financial Statements
Exhibit N:	Schedule of Expenditures of Federal Awards and Independent Auditors' Reports
Exhibit O:	Use of "Non-Federal" Funds for Other Purposes
Exhibit P:	WRRDA Requirements-Applicability to loans closed SFY 2019
Exhibit Q:	Clean Water Projects Closed in State Fiscal Year 2019
Exhibit R:	All Clean Water Projects Closed since 1992
Exhibit S:	Summary of Associated Funds
Exhibit T:	Summary of CWSRF Projects with a Regional Solution SFY 2014-2019

**State of Indiana**  
**Clean Water State Revolving Fund Loan Program**  
**Annual Report**  
**SFY 2019**

**I. Introduction**

Pursuant to 40 CFR 35.3165, the State of Indiana (State), acting through its Indiana Finance Authority (Authority) submits its Annual Report for the Clean Water State Revolving Fund (CWSRF) Loan Program to the Regional Administrator of the U.S. Environmental Protection Agency (EPA), Region V.

This Annual Report is for State Fiscal Year (SFY) 2019 (July 1, 2018 - June 30, 2019). It is prepared in accordance with Section 606(d) of the Clean Water Act (CWA), as amended by the Water Quality Act of 1987, further amended by the Water Resources and Development Act (WRRDA) of 2014, and 40 CFR 35.3165(a) and (b).

**II. SRF Loan Program Management [40 CFR 35.3110]**

Indiana Code 5-1.2-10 and 5-1.2-3 govern the establishment and administration of the CWSRF Loan Program by the Authority.

**III. Goals and Objectives of the SFY 2019 Intended Use Plan [40 CFR 35.3150(b)(2)]**

The purpose of the CWSRF Loan Program is to provide low-cost financial assistance to Indiana utilities to enable the construction of necessary and environmentally sound clean water infrastructure; facilitate statewide compliance with state and federal water quality standards; maintain a fiscally self-sufficient program as a continuing source of funding for improvement and protection of water quality and public health; and, conduct any other activity permitted by the CWA.

To accomplish these objectives, the Authority set short-term and long-term goals as part of the SFY 2019 Intended Use Plan (IUP). A description of how the CWSRF Loan Program has achieved these goals or is working toward them is in [Exhibit A](#).

EPA's 2019 Capitalization Grant requires the Authority to allocate 10%, or \$3,829,200 of its funds, to green projects. The Authority accomplished this requirement via its Green Project Reserve (GPR) Sustainability Incentive Program, which is offered by the SRF Loan Programs to participants that incorporate green project components into their projects. [Exhibit B](#), Green Project Reserve by Capitalization Grant Year, lists the 2019 Capitalization Grant GPR projects.

Under the terms and conditions of the 2019 Capitalization Grant, the CWSRF Loan Program is required to use ten (10%) percent, of its funds available in the grant to provide additional subsidy to eligible recipients. In addition, the CWSRF Loan Program may provide a range of zero (0%) percent, to thirty (30%) percent of its 2019 Capitalization Grant in the form of Additional Subsidization to disadvantaged communities. Additional Subsidization may be in the form of principal forgiveness, negative interest rate loans, or grants. The 2019 Capitalization Grant was awarded on July 16, 2019 and the CWSRF Loan Program has identified communities that are eligible to receive the Additional Subsidization from the 2019 Capitalization Grant. [Exhibit C](#), Additional Subsidization by Capitalization Grant Year, lists participants that have received Additional Subsidization in the form of principal forgiveness in past years. As of June 30, 2019,

the CWSRF Loan Program has provided Additional Subsidization totaling \$70.8 million dollars in the form of principal forgiveness, thus meeting the Additional Subsidization goals of the Capitalization Grants for SFY 2010-2017. The CWSRF Loan Program has identified communities that are eligible to receive the Additional Subsidization remaining from the 2019 Capitalization Grant. Exhibit C will be updated in subsequent Annual Reports documenting the fulfillment of grant requirements. Priority for Additional Subsidization was given to communities that could not otherwise afford such projects. The Authority shall spend the Additional Subsidization as required by the terms and conditions of the Capitalization Grant, which allows Indiana four years in which to spend the Additional Subsidization. Every attempt will be made to spend the Additional Subsidization within two years of receiving the Capitalization Grant.

Another requirement of the Capitalization Grant is to document projects that are categorized as Equivalency Projects. The purpose of Equivalency within the SRF programs is to allow states to select groups of loans, the sum of which is equal to the amount of a Capitalization Grant, to meet specific federal requirements for the program. For the CWSRF Loan Program, these requirements include, meeting crosscutter requirements, single audit requirements, Federal Funding Accountability and Transparency Act reporting requirements, Disadvantaged Business Enterprise Utilization, the Signage Requirement and architectural and engineering procurement. Exhibit D, Equivalency Projects by Capitalization Grant Year, lists the Equivalency Projects and the Equivalency requirements of the Program in SFY 2019.

To meet the minimum requirements of 603 9(d)(1)(E) of the CWA, as amended, the Authority worked in SFY 2015 to develop criteria for the contents of the Fiscal Sustainability Plans that are required of all CWSRF Loan Program loans submitting an application on or after October 1, 2014 and where the project will repair, replace or expand a treatment works. In SFY 2019, all loan recipients submitted applications to the program after October 1, 2014 and have committed to providing certification of development and implementation of a Fiscal Sustainability Plan prior to the completion of their loan. In SFY 2016, the Authority worked to develop criteria for the cost and effectiveness life cycle documentation that is required for all CWSRF Loan Program loans submitting an application on or after October 1, 2015. In SFY 2019, twenty-eight loan recipients submitted applications to the program after October 1, 2015. All twenty-eight provided a certification of cost and effectiveness life cycle documentation prior to the closing of their loan. Additional information can be found in Exhibit P, WRRDA Requirements – Applicability to loans closed SFY 2019.

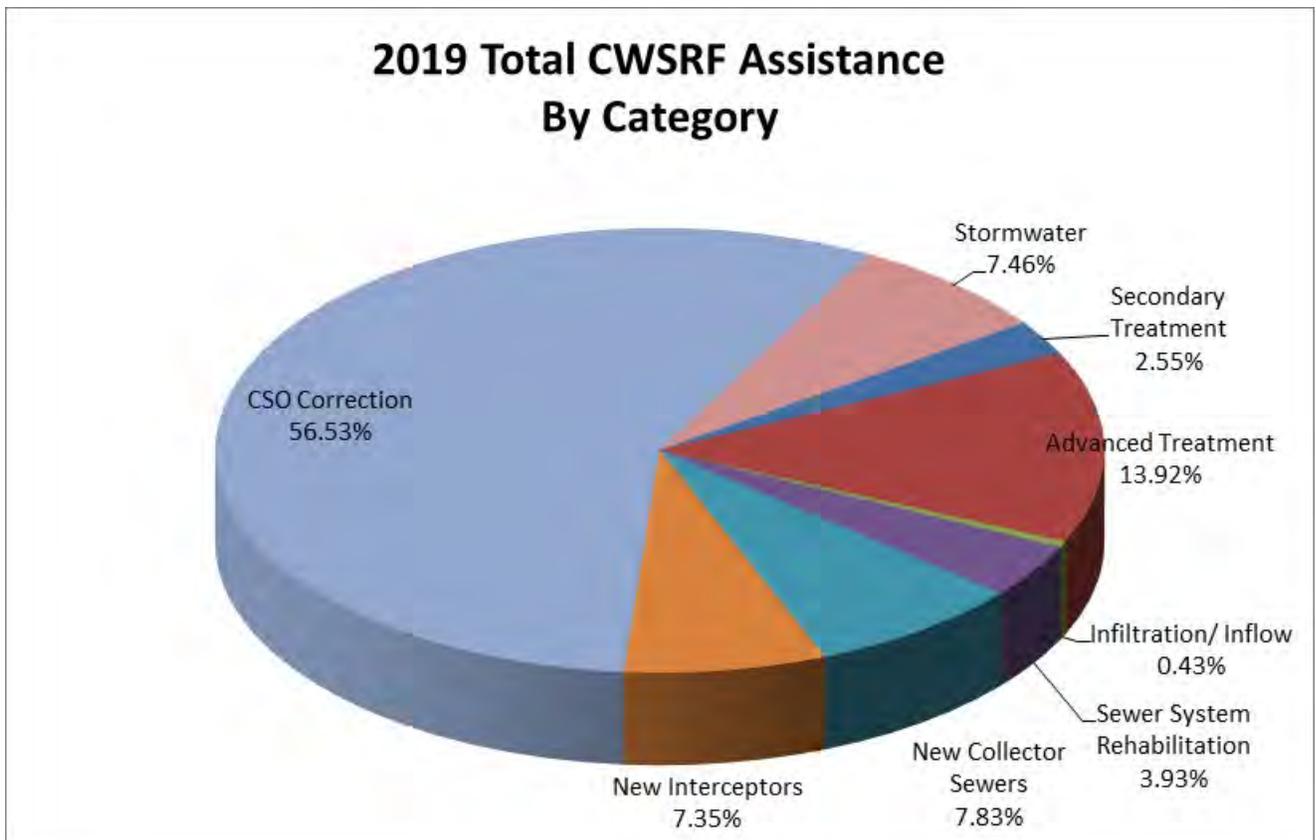
#### **IV. Environmental Review [40 CFR 35.3140]**

All projects funded through the CWSRF Loan Program complied with federal Cross-Cutting Authorities and State Environmental Review Procedures (SERP). A description of each project funded in SFY 2019 is attached in Exhibit E.

Regionalization, or independent public bodies sharing the responsibility of providing wastewater services to residents, can lead to many benefits for communities and the State. Regional solutions to wastewater issues reduce administrative operation and maintenance costs, offer economies of scale and create environmental benefits such as fewer outfalls and less excavation. Through incentives and close work with utilities, the Authority has encouraged regionalization through the CWSRF Loan Program and closed twenty loans in the last five years assisting communities with regionalization projects. See Exhibit T for details.

The participants receiving funds from the CWSRF Loan Program during SFY 2019 will realize the following significant environmental and public health benefits:

- Significant impacts in combined sewer overflow (CSO) events. 57% of the CWSRF funds in SFY 2019 went toward the correction of CSOs. See *2019 Total CWSRF Assistance*;
- Elimination of approximately 1,520 failing septic systems in six communities, eliminating failing systems that discharge to waters of the state;
- \$336 million in CWSRF Loan Program funds targeted to abate pathogen or nutrient loadings to impaired water bodies (303(d) listed streams).
- Assisting communities in meeting the requirements of five CSO Long Term Control Plans (LTCP), six Agreed Orders and two sewer bans with the Indiana Department of Environmental Management, and allowed four communities to meet new limits included in their National Pollutant Discharge Elimination System (NPDES) permit.
- Increased compliance with NPDES permits.



#### V. State Match [40 CFR 35.3165(b)(2)]

The Authority has fully met its State Match requirements through the end of SFY 2019 by means of depositing the net proceeds from revenue bonds issued by the Authority into the CWSRF Loan Fund. To date, the CWSRF Loan Program State Match has aggregated in excess of 20% of the awarded \$1,006,611,853 Capitalization Grants the Authority was required to match through June 30, 2019. See [Exhibit F](#) for a history of the Capitalization Grants awarded to the CWSRF Loan Program. [Exhibit G](#) details State Match deposited in the CWSRF Loan

Fund through the end of SFY 2019; the sources of such State Match; and how repayment of revenue bonds providing any such State Match has been (and will continue to be) managed in a manner consistent with federal and state law.

**VI. Binding Commitments Exceed 120% of Grant [40 CFR 35.3165(b)(4)]**

During SFY 2019, the CWSRF Loan Program financed 37 loan agreements, with 30 recipients, totaling \$402,186,453. Since the CWSRF Loan Program's inception in 1992, 559 loans aggregating approximately \$4.3 billion have been financed, more than three times the amount of federal Capitalization Grants that have been awarded to the CWSRF Loan Program (\$1,101,059,353). For a summary of all financings by the CWSRF Loan Program during SFY 2019, see Exhibit H.

**VII. Expeditious and Timely Use of Funds [40 CFR 35.3165(b)(5)]**

The CWSRF Loan Program is a leveraged program and has established itself as a highly rated borrower in the national bond market. The Authority has utilized its Capitalization Grants to leverage multiple series of bonds, aggregating over \$1.339 billion in outstanding principal as of June 30, 2019, a portion of which has funded CWSRF Loan Program loans. A summary of the accounts and associated balances are set forth in Exhibit I: Intended Uses of Funds, attached hereto. Future bond issuances may be used to fund new commitments related to new loans in future years. The balance of the bond proceeds not available for loans are used for reserve funds, administrative expenses, and costs of issuance.

**A. Interest Rates**

The CWSRF Loan Program recognizes the continued need to balance the level of subsidy with the inherent limited capacity of the CWSRF Loan Program to meet demand for loans and participant affordability constraints. This balancing is reflected in the Authority's present interest rate policy.

Interest rates applied to new loans are reset on the first business day of each January, April, July and October using a Base CWSRF Program Interest Rate (Base Rate). The Base Rate is calculated by using 90% of the average 20-year, AAA-rated general obligation bond Municipal Market Data (MMD) composite index for the most recent calendar month. The Base Rate is then discounted further based upon a participant's Median Household Income (MHI) from the 2012-2016 ACS 5-year estimate data and projected user rates. User rate information is reviewed by the CWSRF Loan Program staff to finalize a CWSRF Loan Program interest rate.

The CWSRF Loan Program offered interest rates ranging from a low of 2.00% to a high of 2.75% during SFY 2019. A summary of the actual interest rates for each quarter of SFY 2019 is set forth in Exhibit J.

The CWSRF Loan Program also offers incentive programs which encourage Participants to pursue projects that further improve the public and environmental health of Indiana. Integrating these project components into SRF Financing can lead to a reduced interest rate. In the CWSRF Loan Program up to an additional .50% reduction may be permitted if a nonpoint source project is financed along with a point source project or a project that includes green/sustainable components, including climate resiliency components.

The subsidized CWSRF Loan Program interest rate has provided an estimated aggregate savings of \$100,677,100 to participants closing a CWSRF Loan Program loan during SFY 2019. See “SRF Savings” column in Exhibit H for savings provided to each participant.

B. Terms

All CWSRF Loan Program loans closed in SFY 2019 were structured with annual or semi-annual principal repayments commencing one year after expected completion of the proposed project, and a majority of the loans with a final principal payment no later than 20 years after expected completion of the proposed project.

With the enactment of WRRDA, which became effective October 1, 2014, loan terms may extend up to 30 years, but must not exceed the useful life of the project.

On August 3, 2017, the Authority received EPA approval to offer extended term financings in both CWSRF and DWSRF Loan Programs. A loan term up to 35 years may be given to all Indiana utilities to correct the issue of aging infrastructure for all drinking water and clean water projects having a useful life equal to the loan term.

In SFY 2019, the CWSRF Loan Program closed nine loans that include loan terms that extended past 20 years.

C. Other Assistance Provided

As of June 30, 2019, the CWSRF Loan Program has provided a total of \$70,767,832 of Additional Subsidization in the form of principal forgiveness to 39 loan recipients during SFY 2010-2019. Exhibit C, Additional Subsidization by Capitalization Grant Year, lists participants that received principal forgiveness.

For SFY 2019, The CWSRF Loan Program used the affordability criteria stated in the 2019 IUP to assist in identifying applicants that would have difficulty financing projects without Additional Subsidization. Items considered included a low MHI, high post-project user rates, a high unemployment rate, a negative population trend and other factors/ data deemed relevant by the CWSRF, including projects that have a regional solution.

This allowed the CWSRF Loan Program to assist communities that could not otherwise afford a CWSRF loan to receive the Additional Subsidization. The CWSRF Loan Program has not set a cap on the amount of principal forgiveness that a community may receive.

During SFY 2019, the CWSRF Loan Program provided five communities \$165,515,000 in CWSRF Pooled Loan funding. The CWSRF Pooled Loan program offers eligible participants the “AAA” interest rate that is available to the CWSRF Loan Program at the time of their loan closing.

In addition to CWSRF Loan Program funds, other federal, state and local funds are associated with CWSRF Loan Program projects. In SFY 2019 an additional \$3.5 million in funds from other federal programs also assisted SRF loan recipient. Further, an additional \$19.6 million was contributed from non-federal sources. See Exhibit S for details.

Effective July 1, 2018 Indiana legislation required that all Participants in the SRF Loan Programs that receive a loan or other financial assistance from the SRF Loan Programs

certify that the Participant has documentation demonstrating that it has the financial managerial, technical, and legal capability to operate and maintain its water or wastewater system in the form of an Asset Management Program. Along with creating guidance to assist Participants to meet this requirement, the Authority appropriated State funds to assist disadvantaged communities to create Asset Management Plans. In SFY 2019, the CWSRF Loan Program awarded \$475,000 in Asset Management Plan Grants to nineteen Participants.

In SFY 2019 the Authority focused efforts on regional alternatives for the delivery of wastewater and drinking water utility service within or near their service territory. To provide incentive, the Authority created the Regionalization Assistance Program, which offers up to \$30,000 for assistance to create a preliminary engineering and detailed planning report that includes regional solutions for wastewater or drinking water utility service. In SFY 2019, the CWSRF Loan Program awarded \$60,000 through the Regional Assistance Program to assist two Participants with the completion of Regional Planning Reports.

#### D. Administrative Expenses and Fees

Pursuant to Section 603(d)(7), the CWSRF has selected to take an amount equal to four percent of all grant awards less any amounts used in previous years to offset CWSRF Loan Program costs, including administrative, legal and financial fees and expenses to operate the CWSRF in perpetuity. During SFY 2019, the CWSRF Loan Program used a portion (\$2,504,346) of the maximum allowable percentage of each federal Capitalization Grant to offset CWSRF Loan Program costs to operate the CWSRF Loan Program. The portion not used is being carried forward for application in future years on an as needed basis. Exhibit I: Expedient and Timely Use of Funds identifies the balance of the CWSRF Program's four-percent administrative expense limit remaining to meet its continuing needs.

The cost of financing loans includes fees and expenses of the SRF Trustee Bank. The Authority may require participants to offset some of these costs through a Loan Closing Fee, which is \$1,000 per closing. In SFY 2019, the CWSRF Loan program collected \$31,000 in loan closing fees. Fees were not assessed for participants closing more than one assistance agreement at the same time, in SFY 2019.

The non-use fee policy of the CWSRF Loan Program permits the assessment of a non-use fee for CWSRF Loan Program loan funds that are not used within two years following a Participant's loan closing. Pursuant to the policy, each Participant that does not complete its project and fully expend the funds borrowed within two years after the loan closing, may be assessed a one percent fee on the balance of the funds that remain un-drawn. An additional one percent fee may be assessed each six months following the two year anniversary of the Participant's loan closing until the loan is fully drawn or closed out. The Authority contacts Participants in advance of their two year anniversary of their loan closing and works with the Participant to spend down the remaining funds to avoid any non-use fee. Thus, no non-use fees were collected by the CWSRF Loan Program during SFY 2019.

As permitted by 40 CFR Part 35 and the EPA Fee Policy dated October 20, 2005, the Authority implemented a CWSRF Fee for the CWSRF Loan Program effective November 13, 2015. The CWSRF Fees collected will be deposited in the WWSRF Fee Account, a segregated account that is not designated as part of the accounts comprising the SRF Fund and separate from the Drinking Water Program Fund account where the DWSRF Fees will be deposited

The accumulated CWSRF Fees have been utilized/ will be utilized for the allowable purposes outlined in the EPA Fee Policy dated October 20, 2005 and as permitted under 40 CFR Part 35. The allowable purposes include the use of the CWSRF Fees for projects, needs, costs or expenses that support or further the goals, purposes or objectives of the CWA; for state match; for other water quality related purposes; for combined financial administration of the CWSRF and DWSRF Funds where the programs are administered by the same state agency as is the case in Indiana and for all other permitted uses. A detailed summary of the actual use of the CWSRF Fees is provided in Exhibit K of this report.

The CWSRF Fee charged by the Authority are separately stated from interest charges imposed in respect of financial assistance structured in the form of a loan; provided however, as set out in its standard forms of financial assistance agreement, the Authority may adjust the interest rate on the bonds evidencing any SRF loan to be lowered, with the difference between the amount payable as the original rate on such bonds and the lower rate being deemed an SRF Fee in connection with the Clean Water SRF Program. Any such recharacterization of the otherwise stated interest charges as fees will be accomplished by notice given by the Authority to the Participant prior to the date any scheduled interest payment is due and prior to deposit of any interest payment in the SRF Fund.

The total amount in the CWSRF Fee Account as of June 30, 2019 was \$15,248,610, of which \$12,791,978 remains unallocated. Exhibit K outlines the expenditure of the CWSRF Fee Account in SFY 2019.

E. Transfers [40 CFR 35.3110(f)]

The State permits transfers between the Drinking Water State Revolving Fund (DWSRF) Loan Program and the CWSRF Loan Program of Capitalization Grants and other funds held in or allocable to such funds to the extent permitted by the CWA and the Safe Drinking Water Act (SDWA). There were no transfers in SFY 2019. For a historic summary of transfers, see Exhibit L.

F. Cross-collateralization [40 CFR 35.3110(f)]

To the extent permitted by the CWA and the SDWA the State has cross-collateralized the CWSRF Loan Program and the DWSRF Loan Program to optimize capitalization requirements and better manage the specific funding needs of projects.

Cross-collateralization maximizes the security for bonds issued by the State to capitalize the SRF Loan Programs. The State expects that any such transfers would occur at any time necessary to prevent a default on any such bonds and would be made between accounts established for like purposes and subject to like restrictions. Historically, the SRF Loan Programs have never utilized the cross-collateralization instrument.

The State expects to retain the flexibility to reimburse, on a cumulative net basis, any cross-collateralization transfers. Because cross-collateralization is a contingent security concept and transfers are not expected or planned to occur, the State does not expect cross-collateralization to affect negatively the funding capacity of the SRF Loan Programs. However, if such transfers occur and are not reimbursed, it may affect the Authority's ability to make additional loans it otherwise might have been able to make.

#### G. CWSRF Loan Program Financial Statements

The CWSRF Loan Program is audited annually by an independent certified public accounting firm. For the SFY 2019, which ended June 30, 2019, the CWSRF Loan Program received an unmodified opinion from our independent auditors, as described in Exhibit M.

The CWSRF Loan Program is audited annually for compliance with the requirements set forth in the 2 CFR 200 Subpart F, the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (“Super Circular”). Effective for non-federal entities on December 26, 2014. For the SFY 2019, the CWSRF Loan Program was determined to be “in compliance,” as noted in the Schedule of Expenditures of Federal Awards and Independent Auditor’s Reports, which is attached as Exhibit N.

#### H. Federal Requirements

The Authority has fulfilled all applicable federal requirements required by the CWA including:

- assurances and certifications provided in the IUP have been met;
- closed loans equal more than the required 120% of each quarterly Capitalization Grant payment and were made within one year of receipt of all payments;
- all funds have been used in a timely and expeditious manner; and
- environmental reviews have been conducted in accordance with federal and State law.
- beginning January 17, 2014 the Authority implemented the “American Iron and Steel” requirement as described in the Consolidated Appropriations Act of 2014.
- beginning in SFY 2015 the Authority added one point to the SRF scoring system for projects that consider climate resiliency in planning and design.

All loans made during the SFY 2019 had related projects listed on the Authority's Project Priority Lists (PPL).

#### I. Compliance with 2 CFR Part 200 [40 CFR 35.3165(d)(1-3)]

The CWSRF Loan Program complied with all requirements of 2 CFR 200.

#### J. Recycled CWSRF Loan Program Funds

A portion of CWSRF may be considered “non-federal” funds. These funds include interest earned on SRF investments and certain borrower repayments. The CWSRF Loan Program utilizes a portion of these monies to fund CWSRF Loan Program eligible project expenses that can also be attributed to a state or local match for federal grant funding. See Exhibit O for a summary of how a portion of the non-federal CWSRF funds have been allocated.

K. Title II Compliance [40 CFR 35.3165(b)(3)]

All CWSRF Loan Program loans this year were for Wastewater Treatment Works projects and, as such, comply with the Title II equivalency requirements. The State has made binding commitments that exceed 120 % of the Capitalization Grants awarded and continues to bank the excess balance toward the binding commitments that may be required in future years.

L. Water Resources Reform and Development Act of 2014

The Water Resources Reform and Development Act was signed June 10, 2014, with provisions taking effect on October 1, 2014. See Exhibit P for a summary of SFY 2019 loans closed and the applicability to the WRRDA Requirements.

**VIII. Projects Funded [40 CFR 35.3150(b)(1)]**

The scoring and ranking system of the CWSRF Loan Program focuses on those projects with the greatest need and greatest environmental benefit. A map showing the location of projects funded in SFY 2019 is attached as Exhibit Q. A map showing the location of all projects funded since the inception of the CWSRF Loan Program is attached as Exhibit R.

## Exhibit A

### Goals and Objectives of the CWSRF Loan Program State Fiscal Year 2019 Intended Use Plan

The CWSRF Loan Program sets short- and long-term goals as required by 40 CFR 35.3150(b)(2). Short-term goals and objectives are those the State expects to achieve during SFY 2019, while long-term goals and objectives are those the State expects to achieve over a longer period.

#### **A. Short-Term Goals and Objectives**

During SFY 2019, the CWSRF Loan Program expects to achieve the following short-term goals and objectives:

ST1 Goal: Seek the immediate award of the Federal Fiscal Year (FFY) 2019 Capitalization Grant. Upon award, continue to disburse loan proceeds such that the 2018 Capitalization Grant can promptly be utilized.

**Result: The FFY 2019 Capitalization Grant was awarded to the Authority on July 16, 2019. The CWSRF Loan Program disbursed sufficient loan proceeds so that the entire 2019 Capitalization Grant can be fully drawn when received, other than the amount set aside for Additional Subsidization.**

ST 1a Goal: Ensure that Additional Subsidization is provided pursuant to the terms and conditions of the current capitalization grant and Additional Subsidization is provided as permitted by the Water Resources Reform and Development Act (WRRDA). Additional Subsidization may be provided in the form of principal forgiveness, negative interest loans or grants.

**Result: The 2019 Capitalization Grant required the Authority to ensure that not less than 10% of the funds of the Capitalization Grant were appropriated for additional subsidization. The CWSRF Loan Program has identified communities that are eligible to receive Additional Subsidization from the 2019 Capitalization Grant. The Authority shall use its best efforts to meet the Additional Subsidization requirement within two years of receiving the 2019 Capitalization Grant, but in no case longer than the terms and conditions permitted by the Capitalization Grant. See Exhibit C, Additional Subsidization by Capitalization Grant Year.**

ST 1b Goal: Ensure that not less than 10% of the 2019 Capitalization Grant is allocated to fund Green Project Reserve Projects. Work diligently to identify and fund projects that address or have components of Green Project Reserve infrastructure, water or energy efficiency improvements or include other environmentally innovative activities. Exhibit B (of the IUP) shows projects expected to include Green Project Reserve activities

**Result: The 2019 Capitalization Grant required the Authority to ensure that not less than 10% (3,829,200) of the funds of the Capitalization Grant were appropriated for green project components. Exhibit B demonstrates that the Authority exceeded this goal with greater than 100% of the Capitalization Grant funds or \$56,955,578 being allocated to fund projects that contained green components.**

ST 1c Goal: Ensure that Davis Bacon wage rules apply to all assistance agreements made with funds appropriated under the 2019 Capitalization Grant.

**Result: The CWSRF Loan Program included language in all Financial Assistance Agreements which required Participants to follow Davis Bacon wage rules. Each Participant provided the Authority with documentation certifying its compliance with Davis Bacon. In addition, required Davis Bacon documentation is reviewed/ verified during inspections.**

ST 1d Goal: Ensure that all American Iron and Steel requirements (AIS) as set forth in the current Capitalization Grant are met.

**Result: The CWSRF Loan Program reviewed the details of all closings in SFY 2019 to determine if the project needed to follow the requirements of the American Iron and Steel Act. In addition, the CWSRF Loan Program included language in all Financial Assistance Agreements that required Participants to meet the requirements of the American Iron and Steel Act and provided guidance on the waiver process and requirements of the Act. Further, American Iron and Steel certifications are reviewed during inspections.**

ST 1e Goal: If practical, equivalency projects will be identified in Exhibit D of the Intended Use Plan. A list of equivalency projects will be included in the Annual Report. The requirements of Section 602(b)(14) A & E procurement shall be satisfied by compliance with 40 USC Chapter 11.

**Result: Equivalency projects were projected in the 2019 Intended Use Plan and the selected equivalency project can be found in Exhibit D of this Annual Report. The A&E procurement requirement was satisfied by complying with 40 USC Chapter 11.**

ST 1f Goal: Ensure that Participants are developing and implementing Fiscal Sustainability Plans (FSP) that meet the minimum requirements set forth in Section 603 9(d)(1)(E) of the Clean Water Act.

**Result: To meet the minimum requirements of 603 9(d)(1)(E) of the Clean Water Act the Authority worked in SFY 2018 to develop criteria for the contents of the Fiscal Sustainability Plans that were required of all loans where the application was received after October 1, 2014. Requirements of the Fiscal Sustainability Planning is communicated to participants at the project planning meeting and in the PER guidance. In SFY 2019, all loan Participants who submitted an application after October, 2014 were required to provide certification of a complete Fiscal Sustainability Plan at loan closing or prior to their final loan disbursement. See Exhibit P, WRRDA Requirements.**

ST 1g Goal: Ensure that Participants are studying and evaluating the cost and effectiveness of the proposed project or activity as required in Section 602(b)(13) of the Clean Water Act.

**Result: To meet the minimum requirements of 602(b)(13) of the Clean Water Act the Authority worked in SFY 2018 to develop criteria for the contents of the Cost and Effectiveness Analysis that was required of all loans where the application was received after October 1, 2015. Requirements of Cost and Effectiveness is communicated to participants at the project planning meeting and in the PER guidance. In SFY 2019, twenty-eight loan Participants submitted an application after October 2015 and are required to provide certification of a complete Cost and Effectiveness analysis at loan closing or prior to their final loan disbursement. See Exhibit P, WRRDA Requirements.**

ST 1h Goal: Ensure that Participants are developing and implementing an Asset Management Program (AMP) that meets the requirements set forth in the CWSRF Loan Program Guidelines.

**Result: In response to this goal and changes in State legislation, the SRF launched an Asset Management Program on July 1, 2018. In SFY 2018, guidance was created and the program was presented to interested parties at conferences and via the SRF newsletter. In addition, a state grant program, utilizing state funds, was implemented to assist small disadvantaged communities with the cost of developing an Asset Management Plan. To date \$475,000 has been awarded to 19 Clean Water Program borrowers through the Asset Management Plan**

**program. Participants will be required to provide certification of a complete Asset Management Plan at loan closing or prior to their final loan disbursement.**

ST 2 Goal: Document the environmental benefits derived from the CWSRF Loan Program projects using the Clean Water Benefits Reporting system sanctioned by the EPA. Goals identified are:

- Abatement of combined sewer overflow (CSO) discharges along stream segments, ultimately reducing pollution to the Ohio River;
- Elimination of septic systems in communities, eliminating failing systems that discharge to waters of the state;
- SRF funds targeted to abate pathogen or nutrient loadings to impaired water bodies (303(d) listed streams); and
- Increased compliance with NPDES permits.

**Result: The CWSRF financed projects during SFY 2019 accomplished the goals identified above. See below a brief summary of the results.**

- **Abatement of combined sewer overflow (CSO) discharges in five communities. In SFY 2019 \$222.9 million in CWSRF funds went toward the correction of CSOs.**
- **Elimination of approximately 1,520 failing septic systems in two communities, eliminating discharges to waters of the state;**
- **\$336 million in CWSRF funds targeted to abate pathogen or nutrient loadings to impaired water bodies (303(d) listed streams).**
- **Assisting communities in meeting the requirements of eight CSO Long Term Control Plans (LTCP) and six Agreed Orders and two sewer bans with the Indiana Department of Environmental Management, and allowed four communities to meet new ammonia-nitrogen and phosphorus limits included in their National Pollutant Discharge Elimination System (NPDES) permit.**
- **Increased compliance with NPDES permits.**

ST 3 Goal: Conduct at least 30 technical, on site and/ or virtual inspections between the CWSRF and DWSRF Loan Programs during the construction phase and the post-construction phase to document the construction progress, as well as the appropriate use of SRF funds. Inspections may be on site and /or virtual.

**Result: SRF Loan Program staff completed 46 inspections (32 clean water and 14 drinking water) in SFY 2019, thus exceeding its goal.**

ST 4 Goal: Work diligently with Participants and effectively manage projects to assist Participants in closing loans and constructing their projects in a timely, efficient manner.

**Result: In SFY 2019, CWSRF Loan Program staff held project planning meetings, timely reviewed Preliminary Engineering Reports using the SRF Work Plan and corresponded with Participants through the CWSRF Funding process to successfully close thirty-six loans with thirty recipients. By requiring communities to bid their projects prior to loan closing and providing a timeline assists communities to meet the 2-year construction goal implemented by the Authority.**

ST5 Goal: Ensure that EPA funds are accessed when eligible expenses are incurred to minimize un-liquidated obligations.

**Result: The 2019 Capitalization Grant was awarded on July 16, 2019. Funds will be accessed promptly as eligible expenses are incurred.**

ST6 Goal: Implement a software database for staff to reference financial information related to each SRF financing.

**Result: In SFY 2017 The Authority completed data migration to a new software database. In SFY 2019 the Authority continued implementing the database for financial information related to each SRF financing.**

ST7 Goal: Consider other available funding opportunities from Federal and/or State sources to further achieve the goals of the SRF (i.e. WIFIA).

**Result: On July 19, 2017, the Authority was selected to submit an application to USEPA to apply for WIFIA funding and that application was submitted on October 27, 2017. Negotiations continue with the Authority and the US EPA on WIFIA funding.**

ST8 Goal: Promote regional solutions for wastewater issues.

**Result: The Authority has worked in SFY 2019 to promote regional solutions for wastewater issues in many proactive ways:**

- **Revisions to Scoring give additional points to regional solutions and give deductive points for proposed projects that involve disconnection from an active regional wastewater system.**
- **Revisions to Preliminary Engineering Report guidance requires that projects proposing new WWTPs or rehabilitation of WWTPS discuss regionalization potential in their evaluation of alternatives.**
- **A Regionalization Assistance Program was initiated to offer state grant funds to communities to investigate the challenges, benefits and implications of regionalization for all entities.**

## **B. Long-Term Goals and Objectives**

During SFY 2019, the State will work to achieve the following long-term goals:

LT1 Goal: Provide financial assistance to current and future Participants, by providing low-cost financing commensurate with prudent fiscal and credit standards.

**Result: In SFY 2019, the SRF closed loans 37 loans. See Exhibit H, Summary of Closed Loans for SFY 2019.**

LT2 Goal: Maintain the long-term financial integrity of the CWSRF Loan Program by judiciously managing its assets in order to realize a rate of return that will sustain the CWSRF Loan Program in perpetuity.

**Result: The SRF Loan Program continues to manage the investment and programmatic use of its funds to maintain its financial integrity. Please refer to Exhibit I, Intended Uses of Funds.**

LT3 Goal: Monitor all outstanding loans and the financial capability of Participants through the use of an in-house monitoring system and, in conjunction with the Bank of New York Mellon Trust Company, ensure the CWSRF Loan Program continues to avoid loan defaults. In particular, review the financial statements for Participants receiving a State Board of Accounts examination report in the current calendar year. Require new Participants to utilize paying agent agreements and offer all prior Participants the opportunity to enter into a paying agent agreement. Conduct financial on-site visits as warranted.

**Result: The SRF Loan Program monitors all Participants. For those Participants with a Paying Agent Agreement, the SRF Loan Program monitors both the debt service reserve accounts and the bond and interest accounts on a monthly basis. For Participants without a Paying Agent Agreement, the SRF Loan Program annually monitors the reserve balances through its Debt Service Reserve project by requesting the reserve balance and a copy of each Participant's bank statement. If any deficiencies are found, the Authority works with the Participant to correct the deficiencies.**

LT4 Goal: Leverage EPA Capitalization Grants to generate loans that exceed two-times the awarded grant amounts.

**Result: The SRF Loan Program continues to access the public debt market to leverage EPA Capitalization Grants. This leveraging structure allows the SRF Loan Program to close loans in an aggregate amount of over two-times the awarded grant amounts.**

LT5 Goal: Monitor Participant's draw of funds to assure loans are being drawn within two years. Assure that un-drawn funds are returned to the loan pool and made available to other Participants.

**Result: The SRF Loan Program continues to monitor all Participants' use of funds. As loans are closed out and reamortized, any unused loan funds are made available to other Participants on the Project Priority List. Communities with funds remaining following substantial completion are contacted to see if they are interested in using remaining funds to finance a new project or if they wish to close out their loan. In addition, the financial assistance agreement contains "non-use fee" language which allows the Authority to charge a fee to a community who has not drawn their loan funds in a timely manner.**

LT6 Goal: Report all uses of CWSRF Loan Program funds in the Clean Water Benefits Reporting (CBR) database and the Clean Water SRF National Information Management System (NIMS) as required by the EPA and the Federal Funding Accountability and Transparency Act (FFATA). Submit required reports to EPA in a well-prepared and timely manner.

**Result: The Authority documented the environmental benefits of all loans that were closed in SFY 2019 by entering the information in the EPA Clean Water Benefits Reporting system. The Authority also completed and submitted the National Infrastructure Management System (NIMS) data in a timely manner as required by the EPA and complied with the Federal Funding Accountability and Transparency Act. Intended Use Plans, Annual Reports, and NIMS data are well-prepared and submitted to EPA in a timely manner.**

LT7 Goal: Periodically publish an SRF Loan Program newsletter.

**Result: The SRF Loan Program published a newsletter in April of 2019.**

LT8 Goal: Continue to look for co-funding opportunities between the Brownfields Program and the SRF Loan Program. Continue to look for co-funding opportunities between the USDA Rural Development and the SRF Loan Programs.

**Result: The Authority continues to partner with the Brownfields Program to assist communities addressing their brownfield redevelopment needs with CWSRF Loan Program funds. Over the life of the program the CWSRF has co-funded with nine communities, remediating 11 brownfield sites, see Exhibit O. Additionally, the CWSRF Loan Program staff discussed potential projects with the USDA Rural Development and successfully co-funded one project.**

LT9 Goal: Ensure that the CWSRF Loan Program and its participants comply as required with Disadvantaged Business Enterprise, Federal environmental cross cutters and the Single Audit Act.

**Result: Through various reports, audits, and comment periods, the Authority ensures that the CWSRF Loan Program and its participants comply as required with Disadvantaged Business Enterprise, Federal environmental cross cutters and the Single Audit Act.**

LT10 Goal: Provide interest rate breaks to communities which adopt Nonpoint Source Projects, Green components and Climate Resiliency projects. The CWSRF Loan Program will meet quarterly with the Indiana Department of Environmental Management (IDEM) Nonpoint Source Section to identify Projects on the CWSRF Loan Program PPL which may benefit from SRF funding.

**Result: The CWSRF Loan Program provided interest rate breaks to seven recipients with Nonpoint Source components included in their project, ten recipients with Green components/ Climate Resiliency considerations included in their projects. IFA communicates with IDEM staff on a quarterly basis further Nonpoint Source goals of the program.**

LT11 Goal: Work with the IDEM Total Maximum Daily Load (TMDL) section to develop a system to assist communities in the implementation of TMDLs and offer interest rate breaks to communities which implement TMDL projects which are CWSRF Loan Program eligible.

**Result: The Authority works with the IDEM TMDL section to develop better ways to assist communities. In SFY 2019 the Authority closed loans with 27 communities that meet the goals of TMDL Reports. The Authority also incorporates TMDL points in the scoring of each project.**

LT12 Goal: Utilize the Clean Watershed Needs Survey information database when a new application is received and use this information to confirm the need of the Project as well as providing input to the scoring of the Project.

**Result: The Authority utilizes the CWNS information to score each project submitted. A point is applied on the Project Priority List for communities who have submitted a survey or provided documentation towards the survey.**

**Indiana CWSRF Loan Program  
Exhibit B - Green Project Reserve**

CWSRF Loan Program FFY 2019 Capitalization Grant = \$ 38,292,000  
 10% Green Project Reserve Required = \$ 3,829,200  
 Green Project Reserve Provided = \$ 56,968,889

Community	Project Description	Total SRF Loan and Principal Forgiveness Amount	Green Project Description	Category 1: Green Infrastructure	Category 2: Water Efficiency	Category 3: Energy Efficiency	Category 4: Environmentally Innovative	Total Eligible GPR Cost (sum of Categories 1-4)	Business Case posted to the IFA website
South Whitley	Plant Upgrade	4,494,000	permeable pavement, climate resiliency	\$ 11,750			\$ 120,438	\$ 132,188	9/21/2018
Amo-Coatesville	Plant and Collection System Improvements	1,245,000	Replacing motors with high efficiency components			\$ 80,000		\$ 80,000	8/20/2018
Russiaville	Regionalize with New London	825,000	abandon the New London WWTP			\$ 644,000		\$ 644,000	9/25/2018
Fort Wayne	Combined Sewer Plan	72,400,000	Methane use improvements, sewer rehab			\$ 17,342,130		\$ 17,342,130	2/14/2019
Greenwood	Convert lift stations to manholes	29,137,000	convert lift stations to manholes			\$ 25,273,161		\$ 25,273,161	2/1/2019
Evansville	Plant and Pump Station Improvements	107,355,000	Influent pump mod			\$ 302,000		\$ 302,000	4/27/2019
New Whiteland	Plant Improvements	2,472,000	DI pipe, VFDs			\$ 334,761		\$ 334,761	1/3/2019
Warsaw	Infiltration and Inflow Correction	31,700,000	energy efficiency			\$ 9,307,000		\$ 9,307,000	2/1/2019
Bargersville	Plant Upgrades	9,820,000	recycled materials, BPR			\$ 1,746,178	\$ 1,081,471	\$ 2,827,649	5/29/2019
Montpelier	Combined Sewer Plan	5,156,000	VFDs			\$ 726,000		\$ 726,000	7/31/2019

**2019 Capitalization Grant TOTAL**

**\$56,968,889**

Indiana CWSRF Loan Program  
Exhibit C- Additional Subsidization by Capitalization Grant

<b><u>CWSRF Loan Program FFY 2016 Capitalization Grant =</u></b>	<b><u>\$ 32,200,000</u></b>
Additional Subsidization Requirement =	\$ 3,220,000 to \$12,880,000
Additional Subsidization Goal =	\$ 10,000,000
Additional Subsidization Provided =	\$ 10,000,000

Participant	Closing Date	SRF Loan Amount	Principal Forgiveness Amount	Total Loan and Principal Forgiveness
Allen County	3/9/2017	\$ -	\$ 1,806,973	\$ 1,806,973
Andrews	6/19/2017	\$ 3,707,000	\$ 1,525,000	\$ 5,232,000
Kirklin	6/28/2017	\$ 662,000	\$ 465,000	\$ 1,127,000
New Palestine	12/15/2017	\$ 3,620,000	\$ 500,000	\$ 4,120,000
Uniondale	12/15/2017	\$ 235,000	\$ 500,000	\$ 735,000
Woodburn	12/15/2017	\$ 7,065,000	\$ 500,000	\$ 7,565,000
Romney	3/16/2018	\$ -	\$ 2,000,000	\$ 2,000,000
South Whitley	8/23/2018	\$ 2,247,000	\$ 2,247,000	\$ 4,494,000
Jamestown	9/24/2018	\$ 1,396,000	\$ 227,000	\$ 1,623,000
Russiaville	10/10/2018	\$ 289,000	\$ 229,027	\$ 518,027

**2016 Capitalization Grant TOTAL** **\$ 10,000,000**

<b><u>CWSRF Loan Program FFY 2017 Capitalization Grant =</u></b>	<b><u>\$ 31,952,000</u></b>
Additional Subsidization Requirement =	\$ 3,195,200 to \$12,780,800
Additional Subsidization Goal =	\$ 10,000,000
Additional Subsidization Provided =	\$ 10,000,000

Participant	Closing Date	SRF Loan Amount	Principal Forgiveness Amount	Total Loan and Principal Forgiveness
Russiaville	10/10/2018	\$ -	\$ 306,973	\$ 306,973
Allen County RWSD(a)	10/29/2018	\$ 1,545,000	\$ 3,637,000	\$ 5,182,000
LaGrange County RUD	11/28/2018	\$ 11,394,500	\$ 4,258,500	\$ 15,653,000
New Castle	11/30/2018	\$ -	\$ 1,263,123	\$ 1,263,123
Prince's Lakes	12/12/2018	\$ 691,000	\$ 534,404	\$ 1,225,404

**2017 Capitalization Grant TOTAL** **\$ 10,000,000**

<b><u>CWSRF Loan Program FFY 2018 Capitalization Grant* =</u></b>	<b><u>\$ 38,610,000</u></b>
Additional Subsidization Requirement =	\$ 3,868,100 to \$15,472,400
Additional Subsidization Goal =	\$ 13,000,000
Additional Subsidization Provided =	\$ 8,897,926

Participant	Closing Date	SRF Loan Amount	Principal Forgiveness Amount	Total Loan and Principal Forgiveness
Prince's Lakes	12/12/2018	\$ -	\$ 1,115,596	\$ 1,115,596
Arcadia	12/14/2018	\$ 862,000	\$ 260,000	\$ 1,122,000
LaPorte RSWD	12/14/2018	\$ -	\$ 2,093,500	\$ 2,093,500
Steuben Lakes	12/14/2018	\$ 1,279,000	\$ 1,267,000	\$ 2,546,000
Posey County	12/28/2018	\$ -	\$ 4,161,830	\$ 4,161,830

**2018 Capitalization Grant TOTAL** **\$ 8,897,926**

Indiana CWSRF Loan Program  
Exhibit C- Additional Subsidization by Capitalization Grant

<b><u>CWSRF Loan Program FFY 2019 Capitalization Grant* =</u></b>	<b><u>\$ 38,292,000</u></b>
Additional Subsidization Requirement =	\$ 3,829,200 to \$15,316,800
Additional Subsidization Goal =	\$ 15,000,000
Additional Subsidization Provided =	\$ -

Participant	Closing Date	SRF Loan Amount	Principal Forgiveness Amount	Total Loan and Principal Forgiveness
<i>to be determined</i>		\$ -	\$ -	\$ -

**2019 Capitalization Grant TOTAL** **\$ -**

**TOTAL Additional Subsidization Provided (2010-2018)** **\$ 70,767,832**

\* Additional Subsidization Goal has not yet been satisfied and will be updated in subsequent Annual Reports until the requirement has been met. The Authority shall spend the Additional Subsidization as required by the terms and conditions of the Capitalization Grant, however, every attempt will be made to spend the Additional Subsidization within two years of receiving the Capitalization Grant. The Authority has identified communities that are eligible to receive Additional Subsidization from the 2018 and 2019 grants.

**CWSRF Loan Program FFY 2019 Capitalization Grant:**

**\$38,292,000**

Community	Project Description	Total Project Cost	Equivalency Amount	Non-Equivalency Amount	will submit DBE report	complied with federal cross-cutters	procured A/E services per 40 USC Chapter 11 and received certification	will comply with the Single Audit Act 2 CFR 200 Subpart F	complied with signage requirement	reported to FSRS to meet FFATA requirements
Evansville	Meeting the goals of the Evansville LTCP	\$107,355,000	\$38,292,000	\$69,063,000	yes	yes	yes	yes	Yes - Press Release 12/4/2018	Yes - completed 8/8/2019
<b>Equivalency Project Cost Total:</b>			<b>\$38,292,000</b>							

Indiana CWSRF Loan Program  
Exhibit E - Project Descriptions in SFY 2019

<b>CWSRF Participant: South Whitley</b>			
SRF Project #:	WW17139202	CWSRF Loan Amount:	\$ 2,247,000
CWSRF Loan Closed:	August 23, 2018	Principal Forgiveness:	\$ 2,247,000
Affected Population:	1,751	Total Loan and Principle Forgiveness:	\$ 4,494,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	CSO Correction:	\$ 4,494,000
Equivalency Amount:	\$ 0	Estimated SRF Savings:	\$ 3,719,570
<p>Environmental Benefits: The project will allow the system to achieve Long Term Control Plan (LTCP) compliance. The project will reduce combined sewer overflow events to the Eel River and the Wabash River. The Eel River is noted for high levels of <i>E. coli</i> on the Indiana 303(d) list.</p>			
<p>Project Description:</p> <p>The South Whitley treatment system was falling short of the level of treatment identified in the community's Long Term Control Plan (LTCP) due to continued combined sewer overflow (CSO) events owing to hydraulic overloading. As a result, South Whitley entered into an Agreed Order with the Indiana Department of Environmental Management (IDEM) which included requirements to prepare a LTCP Compliance Plan that identifies and selects additional measures which would achieve the treatment requirements as well as the implementation schedule.</p> <p>Wet weather improvements to the wastewater treatment plant include:</p> <ul style="list-style-type: none"> <li>• Two new final clarifiers;</li> <li>• New flow splitter facility;</li> <li>• New return activated sludge (RAS)/waste activated sludge (WAS) scum pump station;</li> <li>• Repurposing existing final clarifiers as additional wet weather storage;</li> <li>• New overflow channel from the existing CSO storage tank to the additional wet weather storage;</li> <li>• New chlorine contact tank;</li> <li>• Two new effluent pumps in the existing chlorine contact tank;</li> <li>• Flood protection improvements to existing buildings;</li> <li>• Floodway mitigation with a flood flow bypass channel adjacent to the new clarifiers; and</li> <li>• Associated yard piping and site work.</li> </ul>			
<p>The proposed project will reduce combined sewer overflows and allows the Town of South Whitley to comply with an Agreed Order.</p> <p>By including climate resilient components, such as flood protection improvements and green infrastructure such as permeable pavement, this project is eligible for the Indiana Green Project Reserve incentive program. The project received additional subsidy due to affordability concerns. The Median Household Income for the project area is only marginally below the Indiana state average, however without additional subsidy the sewer rates in the area would increase and present a hardship for residents.</p>			

<b>CWSRF Participant: Amo-Coatesville CD</b>			
SRF Project #:	WW17223201	CWSRF Loan Amount:	\$ 1,119,000
CWSRF Loan Closed:	August 31, 2018	Principal Forgiveness:	\$ 0
Affected Population:	955	Total Loan and Principle Forgiveness:	\$ 1,119,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.12%	Secondary Treatment:	\$ 605,486
		Sewer System Rehabilitation:	\$ 513,514
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 225,923
<p>Environmental Benefits: The system is currently meeting requirements. The project will protect Crittenden Creek, which has been listed for high levels of <i>E. coli</i> on the Indiana 303(d) list and is included in the Upper Mill Creek Watershed <i>E. coli</i> TMDL.</p>			
<p><b>Project Description:</b></p> <p>The Amo-Coatesville wastewater treatment plant is nearly 30 years old and most components are at the end of their useful life. Further, existing lift stations and grinder stations in the collection system are aging with obsolete electrical systems, and the main lift station in the Coatesville area has a concrete cap below ground level, which is allowing surface water to enter the wet well. The manholes in the Amo area also need rehabilitation due to inflow/infiltration issues and deteriorating conditions caused by the hydrogen sulfide gas trapped in the community's small diameter gravity sewer system.</p> <p>The proposed improvements include:</p> <ul style="list-style-type: none"> <li>• Lining approximately 43 manholes in Amo;</li> <li>• Replacing three grinder pump stations in Coatesville with new ones at the same capacity; and</li> <li>• Rehabilitating two lift stations in Coatesville and one in Amo including: replacing the pumps in each at the same capacity; installing new guide rails; installing an on/off controller on each pump and raising the concrete cap on Coatesville's main lift station.</li> <li>• Installing a Supervisory Control and Data Acquisition (SCADA) system in the laboratory building at the plant in conjunction with new controls at each of the grinder pump stations and lift stations, and wastewater treatment plant components;</li> <li>• Replacing the bar screen, wire brush rotor assembly, two sludge return pumps and the UV disinfection system;</li> <li>• Rehabilitating the final clarifier;</li> <li>• Converting from sludge drying beds to a bio bag system contained in a roll off dumpster.</li> </ul> <p>The project will result in reduced inflow/ infiltration to the Amo-Coatesville collection system, a SCADA system that will allow the operator to better monitor its pumping stations and various components at the wastewater treatment plant. Improvements at the wastewater treatment plant will extend the life of the treatment system, enhance operation and performance and will make the sludge handling process more efficient.</p> <p>By replacing motors with high efficiency components, this project meets Green Project Reserve criteria under energy efficiency.</p>			

**CWSRF Participant: Terre Haute**

SRF Project #:	WW18018403	CWSRF Loan Amount:	\$ 4,364,000
CWSRF Loan Closed:	September 7, 2018	Principal Forgiveness:	\$ 0
Affected Population:	60,785	Total Loan and Principle Forgiveness:	\$ 4,364,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	CSO Correction:	\$ 4,364,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 943,093

Environmental Benefits: The project will allow the system to address requirements by assisting designs to implement the City's CSO LTCP. When constructed the project will eliminate CSO discharges to the Wabash River. The Wabash River at Terre Haute is listed for high levels of *E. coli*, Nutrients, and thermal pollution on the Indiana 303(d) list. The project area is the subject of the Wabash River Watershed *E. coli* Nutrients TMDL.

**Project Description:**

The City of Terre Haute currently operates a combined sewer system and is actively implementing a Long Term Control Plan to reduce overflow events to the Wabash River.

This planning and design project will fund the design of the Main Lift Station Replacement and High Rate Treatment Phase II project. This project is part of Terre Haute's Combined Sewer Overflow – Long Term Control Plan which includes: increasing capture from the combined sewer area 003 via a 120-inch diameter Turner Street sewer; closing CSO 003; expanding the High Rate Treatment/Clarification facility by 16.25 million gallons per day (MGD) to 32.5 MGD; and replacing the Main Lift Station at CSO 002 and the 48-inch force main to the wastewater treatment plant.

**CWSRF Participant: Shirley**

SRF Project #:	WW19173002	CWSRF Loan Amount:	\$ 792,000
Affected Population:	830	Principal Forgiveness:	\$ 0
CWSRF Loan Closed:	September 20, 2018	Total Loan and Principle Forgiveness:	\$ 792,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.25%	Sewer System Rehabilitation:	\$ 792,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 147,629

Environmental Benefits: The project will allow the system to achieve NPDES requirements. The project will protect Smith Ditch, which flows to the Lower Big Blue River. While Smith Ditch has no recorded impairments, The Lower Big Blue River is listed for high levels of *E. coli* on the Indiana 303(d) list. The project area is the subject of the Lower Big Blue River Watershed *E. coli* TMDL.

**Project Description:**

The Town of Shirley currently operates a Class I controlled discharge waste stabilization lagoon plant. Operations are difficult due to the restrictions of the controlled discharge and the current average daily flow rate exceeding the permitted flow of the plant. The Shirley sanitary collection system experiences inflow/infiltration (I/I) due to the age and condition of a majority of the sewer mains. Televising has revealed conditions that need corrective action such as replacement in three locations and lining of several more. The Town has been issued a Sewer Connection Ban notice by Indiana Department of Environmental Management (IDEM).

The Wastewater Collection System Improvements project includes extensive lining of the existing 8 to 12-inch diameter sanitary sewers, installation of sanitary sewer with associated manholes and wyes, installation of approximately 180 linear feet of 12-inch storm sewers and the rehabilitation of three manholes. This project is utilizing fund from the Indiana Office of Community and Rural Affairs to complete improvements at the treatment plant.

The collection system work will reduce the amount of I/I into the sanitary sewer system, which will help prevent wastewater treatment plant discharge violations.

**CWSRF Participant: Jamestown**

SRF Project #:	WW18030602	CWSRF Loan Amount:	\$ 1,396,000
CWSRF Loan Closed:	September 24, 2018	Principal Forgiveness:	\$ 227,000
Affected Population:	958	Total Loan and Principle Forgiveness:	\$ 1,623,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Advanced Treatment:	\$ 1,623,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 628,394

Environmental Benefits: The system is currently meeting requirements. Big Walnut Creek is listed for high levels of *E. coli* on the Indiana 303(d) list, and the project will protect the Creek from an additional source of contamination. The project area is the subject of the Big Walnut Creek/ Deer Creek Watershed Management Plan.

**Project Description:**

The Jamestown wastewater treatment plant does not include influent screening facilities upstream, which cause problems to downstream treatment works including the Main Lift Station. The Main Lift Station is in poor condition and all pumps have exceeded their useful life. At the wastewater treatment plant, only one of three blowers is operable and, the sludge dewatering equipment is inoperable, requiring liquid sludge to be hauled from the treatment facility. The sequencing batch reactor (SBR) treatment system is approaching 20 years of service and needs to be updated in order to maintain effective treatment. The chlorine disinfection system is out of date and requires significant oversight to remain in service.



The wastewater improvements include:

- Installing an influent grinder and screening facilities upstream of the Main Lift Station, replacing the existing dry pit lift station with a new submersible lift station including two pumps rated at 420 gallons per minute each.
- Rehabilitating the existing treatment plant by replacing the aeration blowers and associated controls, upgrading the geotextile bagging system with newer equipment including a new polymer feed system and flocculator/agitator manifold housed in the utility building; replacing the SBR equipment and controls (i.e., decanter assembly, mixers, and adding one coarse bubble diffuser); and converting the chlorine disinfection system to a ultraviolet disinfection system by retrofitting it within the chlorine contact tank.

The Main Lift Station, existing aeration blowers, sludge dewatering system and SBR equipment would continue to deteriorate and be inefficient without the proposed improvements and eventually become inoperable. The influent grinder and screening facilities will alleviate issues to the downstream treatment works and the Main Lift Station. The chlorine disinfection system needs to be replaced, to eliminate unsafe work conditions and health risk to the town.

The project received additional subsidy due to affordability concerns. While the Median Household Income for the project area is on par with the state Median Household Income, without additional subsidy the resulting sewer rates would be a hardship for this small population.

**CWSRF Participant: Russiaville**

SRF Project #:	WW17073402	CWSRF Loan Amount:	\$ 289,000
CWSRF Loan Closed:	October 10, 2018	Principal Forgiveness:	\$ 536,000
Affected Population:	1,094	Total Loan and Principle Forgiveness:	\$ 825,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Sewer System Rehabilitation:	\$ 396,059
		New Interceptor:	\$ 428,941
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 833,889

Environmental Benefits: The project will allow the system to achieve compliance. The project will improve West Honey Creek, a stream noted for high levels of *E. coli* on the Indiana 303(d) list. The project area is the subject of the Lower Wildcat Creek Watershed *E. coli* TMDL.

**Project Description:**

New London is an unincorporated community located in Howard County. The community constructed a sanitary sewer system and wastewater treatment plant in 1995. At the time, the New London Conservancy District was established to own, operate and maintain the wastewater facilities. In May of 2013, the District was formally dissolved and Russiaville took over the ownership and operation of the facilities. New London’s wastewater treatment plant is reaching the end of its useful life. Many components are inoperable, and the metal tanks have started to rust, leaving holes that have required extensive repairs. The walkways and handrails are also deteriorating leading to unsafe working conditions.



The proposed project involves abandoning the New London wastewater treatment plant and pumping wastewater to the Town of Russiaville for treatment. The project includes the installation of a 4-inch forcemain from New London’s South Pump Station to Russiaville’s wastewater treatment plant and upsizing the pumps in the South Pump Station to 60 gpm. Russiaville has the capacity and is willing to accept the wastewater flows from New London.

The project eliminates the concerns and costs of maintaining an aging wastewater treatment plant, consolidates treatment in the system, and eliminates an outfall.

The project received additional subsidy due to affordability concerns. While the Median Household Income for the project area is close to the Indiana Median Household Income, without additional subsidy the sewer rates in the area would increase sharply and be a hardship for residents. Based on the abandonment of the New London wastewater treatment plant and the elimination of the associated energy costs for the operation of the plant, this project qualifies for the Green Project Reserve incentive program.

**CWSRF Participant: Allen County A and B**

SRF Project #:	WW16250208	CWSRF Loan Amount A:	\$ 1,545,000
		CWSRF Loan Amount B:	\$ 4,343,000
CWSRF Loan Closed:	October 29, 2018	Principal Forgiveness:	\$ 3,637,000
Affected Population:	2,660	Total Loan and Principle Forgiveness:	\$ 9,525,000
Loan Term A:	20 years	NIMS Categories:	
Loan Term B:	35 years		
Interest Rate A:	2.00%	Sewer System Rehabilitation:	\$ 366,173
Interest Rate B:	2.30%	New Collector Sewers	\$ 9,158,827
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 7,067,919

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will eliminate failing septic systems in the St. Mary’s and Maumee watersheds, and eliminate an active outfall to Houk Ditch, which flows into the St. Mary’s River. The St. Mary’s and Maumee Rivers are both noted on the Indiana 303(d) list for multiple impairments, including low dissolved oxygen, high levels of *E. Coli*, high levels of nutrients, and impaired biotic communities. The project area is the subject of the St Mary’s River and Maumee River Watershed IBC and *E. coli* TMDL and the St. Mary’s River Watershed Management Plan

**Project Description:**

The Town of Hoagland in Allen County is currently served by an aging collection system and a wastewater treatment plant that currently has a sewer ban due to hydraulic conditions. Further, the updated NPDES permit for the facility requires new ammonia effluent limits that the existing system will not be able to meet.

To solve the issues of failing infrastructure in the Town of Hoagland, the proposed project includes rehabilitation of the existing collection system and regionalization with the City of Fort Wayne for treatment.



To solve failing septic concerns, the proposed project includes the extension of sewers to the following areas:

- Felt Place-Aljean Drive area;
- Lafayette Center Road – Indianapolis Road – Branstrator Road Area;
- Marion Center Road – Monroeville Road – Thompson Road area;
- West Dupont Road area; and
- The Village of Maples.

The regionalization project eliminates the aging treatment plant in Hoagland and extends service to the City of Fort Wayne for treatment. This project extends sewer service to several areas in Allen County to eliminate approximately 200 failing onsite septic systems. The new collection systems discharges to the City of Fort Wayne or the Town of Monroeville for treatment.

The project received additional subsidy due to affordability concerns. While the Median Household Income for the project area is on par with the state Median Household Income, without additional subsidy the sewer rates in the area would increase sharply and be a hardship for residents. Under the guidelines of the Indiana Extended Term Financing program, sewer main portions of the project are eligible for a 35-year term.

**CWSRF Participant: Logansport Stormwater**

SRF Project #:	WW15070906	CWSRF Pooled Program:	\$ 13,930,000
CWSRF Loan Closed:	November 7, 2018	Principal Forgiveness:	\$ 0
Affected Population:	18,396	Total Loan and Principle Forgiveness:	\$ 13,930,000
Loan Term:	35 years	NIMS Categories:	
Interest Rate:	2.30 %	CSO Correction:	\$ 13,930,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 4,809,617

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will protect the Eel River and the Wabash River from combined sewer outfall events. The Wabash River is listed at Logansport for high levels of *E. coli* and nutrients on the Indiana 303(d) list. The project area is the subject of the Wabash River Watershed *E. coli* Nutrients TMDL.

**Project Description:**

The City of Logansport currently operates a combined sewer system that discharges untreated wastewater through 15 existing combined sewer outfalls to the Wabash River and Eel River during wet weather events. The proposed sewer separation project completes the next efforts included in the City's Long Term Control Plan to reduce or eliminate outfall events.

The Project involves improvements to the treatment works identified as the Melbourne Avenue Wet Weather project which includes:

- Installation of stacked in-line 120-inch diameter storage piping;
- Rehabilitation of approximately 170 feet of 24" diameter sewer rehabilitation via cured in place piping;
- Approximately 415 feet of new 24" gravity sewer;
- Approximately 190 feet of new 18" gravity sewer;
- Approximately 255 feet of new 15" gravity sewer; and
- Approximately 120 feet of new 12" storm sewer.

This project is related to the Logansport Wastewater project, and will be operated by the Municipal Stormwater Utility once complete. In concert with the Logansport A & B loans, the proposed project will capture overflow from six existing combined sewer outfalls, provide wet weather storage, and consolidate the two interceptors along Melbourne Ave. and Eel River Ave. at a single point.

By rehabilitating existing sewer that is past its useful life, this portion of the project received a 35-year term through the Indiana Extended Term Financing program.

<b>CWSRF Participant: Logansport A and B</b>			
SRF Project #:	WW15070905	CWSRF Pooled Program A:	\$ 5,995,000
		CWSRF Pooled Program B:	\$ 11,070,000
CWSRF Loan Closed:	November 7, 2018	Principal Forgiveness:	\$ 0
Affected Population:	18,396	Total Loan and Principle Forgiveness:	\$ 17,065,000
Loan Term A:	20 years	NIMS Categories:	\$ 17,065,000
Loan Term B:	35 years		
Interest Rate A:	2.09%	CSO Correction:	\$ 17,065,000
Interest Rate B:	2.40%		
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 4,803,575
<p>Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will protect the Eel River and the Wabash River from combined sewer outfall events. The Wabash River is listed at Logansport for high levels of <i>E. coli</i> and nutrients on the Indiana 303(d) list. The project area is the subject of the Wabash River Watershed <i>E. coli</i> Nutrients TMDL.</p>			
<p>Project Description:</p> <p>The City of Logansport currently operates a combined sewer system that discharges untreated wastewater through 15 existing combined sewer outfalls to the Wabash River and Eel River during wet weather events. The proposed sewer separation project will complete the next efforts included in the City's Long Term Control Plan to reduce or eliminate outfall events.</p> <p>The Project involves improvements to the treatment works identified as the Melbourne Avenue Wet Weather project which includes:</p> <ul style="list-style-type: none"> <li>• Installation of a 24 MGD wet weather pump station including a mechanically cleaned bar screen;</li> <li>• Rehabilitation of Lift Station A including a new screening system;</li> <li>• Rehabilitation of the 30" diameter gravity sewer under the Eel River via cured in place piping;</li> <li>• Rehabilitation of 24" diameter gravity sewer along Eel River Avenue via CIPP; and</li> <li>• Replacement of the 30" diameter gravity sewer between 3rd Street and 4th Street by the theatre.</li> </ul> <p>This project is related to the Logansport Stormwater project, and will be operated by the Municipal wastewater Utility once complete. The proposed project will capture overflow from six existing CSO outfalls, provide wet weather storage, and consolidate the two interceptor along Melbourne Ave. and Eel River Ave. at a single point.</p> <p>By rehabilitating existing sewer that is past its useful life, portions of the project received a 35-year term through the Indiana Extended Term Financing program.</p>			

**CWSRF Participant: Fort Wayne A and B**

SRF Project #:	WW18200212	CWSRF Pooled Program A:	\$ 742,584
		CWSRF Pooled Program B:	\$ 21,722,416
CWSRF Loan Closed:	November 15, 2018	Principal Forgiveness:	\$ 0
Affected Population:	253,691	Total Loan and Principle Forgiveness:	\$ 22,465,000
Loan Term A:	0.5 years	NIMS Categories:	
Loan Term B:	20 years	Secondary Treatment:	\$ 554,492
		Advanced Treatment:	\$ 1,227,419
Interest Rate A & B:	2.86%	Sewer System Rehab:	\$ 3,531,522
		CSO Correction:	\$ 17,151,567
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 2,443,660

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will reduce outfall to Maumee River which is listed for high levels of *E. coli* and impaired biotic communities (IBC). The project allows the system to maintain compliance. The project area is the subject to the St. Mary's River and Maumee River Watershed IBC & *E. coli* Total Maximum Daily Load (TMDL) and watershed management plan.

**Project Description:**

Fort Wayne entered into a Consent Decree with the U.S. Environmental Protection Agency, U.S. Department of Justice and the IDEM to implement a CSO LTCP to reduce the volume of combined sewage being discharged into the city's waterways. Fort Wayne also initiated a Sewer Repair and Replacement Program in 1998 to develop, implement and monitor sewer repair/replacement strategies in areas with deteriorating sewers.

The proposed improvement projects include:

- Improvements at the Water Pollution Control Plant for Methane use and wet weather pump station bar rack cleaning equipment;
- Sewer Rehabilitation;
- Deep Dewatering Pump Station project;
- CSO 32 & 3rd Street Consolidation sewer;
- Rothman Road Lift Station Improvements;
- Rudisill Consolidation Sewer; and
- Planning and Design Hydraulic Model Improvements Project.

The project reduces operational costs of the wastewater system and treatment plant and provides water quality and health benefits by reducing CSO events to the St. Mary's, St. Joseph and Upper Maumee Rivers and meet the requirements of the Fort Wayne CSO LTCP.

By including energy efficient components, such as improvements at the plant to utilize produced methane and sewer rehabilitation, this project meets Green Project Reserve criteria.

**CWSRF Participant: Greenwood**

SRF Project #:	WW18024101	CWSRF Loan Amount:	\$ 29,137,000
CWSRF Loan Closed:	November 20, 2018	Principal Forgiveness:	\$ 0
Affected Population:	8,750	Total Loan and Principle Forgiveness:	\$ 29,137,000
Loan Term:	35 years	NIMS Categories:	
Interest Rate:	2.55%	New Interceptors:	\$ 29,137,000
Equivalency Amount:	\$ 0	Estimated SRF Savings:	\$ 8,403,143

**Environmental Benefits:** The project allows the system to achieve compliance with current requirements. The project will improve Honey Creek, Turkey Pen Creek and West Fork White River. The West Fork White River is listed for high levels of *E. coli* and free cyanide on the Indiana 303(d) list. The project area is the subject of the West Fork White River-Owen County Tributary Watershed *E. coli* TMDL.

**Project Description:**

The City of Greenwood experiences backups and overflows in existing interceptors and older downtown areas. In 2011, Greenwood entered into an Agreed Order with IDEM following an overflow into a local creek at the Lone Pine Farms Lifts station. Since entering into the Agreed Order the city has been implementing an approved Compliance Plan to investigate and reduce I/I in the system. Investigations have shown that, due to I/I in the older sections of the system surcharging sometimes occurs in the Pleasant Run Interceptor during wet weather events. This surcharging causes flow to backup further upstream and keeps sewer flow from exiting the system effectively.

The Western Regional Interceptor project involves adding an additional interceptor on the western side of Greenwoods wastewater system. The interceptor project consists of installing gravity sewers which provide the greatest benefit to the City, by lowering operation and maintenance costs, the project also includes the abandonment of several lift stations in White River Township. The abandoned lift stations will be converted to flow-through manholes, and two force mains will be rerouted to connect into the proposed system. One of these force mains is the proposed 24-inch diameter force main from the existing Lone Pine Farms Lift Station, which will be connected to the El Dorado lift station wetwell, which will be converted into a flow-through manhole. The second is the existing 8-inch diameter force main from the Wakefield lift station on Smith Valley Road, which will be rerouted to the proposed interceptor. The project also includes connecting to the Citizens Energy Group existing South Marion County Regional Interceptor and the installation of a flow meter.

This project relieves flows in the already congested Pleasant Run Interceptor by redirecting the flow from the lift stations in White River Township to the new interceptor, thus greatly reducing the potential for backups and overflows in the Pleasant Run Interceptor and older downtown areas. Additionally, the project will allow for service to the proposed I-69 corridor, provide service to existing developments which currently do not have a service available and/or have failing septic systems, allow for continued development in the project area, and ultimately correct the imbalance of wastewater flows in the system.

By rehabilitating existing sewers at the end of their useful life, the project received a 35-year loan term through the Indiana Extended Term Financing program. The project meets Green Project Reserve criteria by converting lift stations to manholes and making the system more energy efficient.

**CWSRF Participant: Columbia City**

SRF Project #:	WW18099205	CWSRF Loan Amount:	\$ 4,863,000
CWSRF Loan Closed:	November 28, 2018	Principal Forgiveness:	\$ 0
Affected Population:	8,750	Total Loan and Principle Forgiveness:	\$ 4,863,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Sewer System Rehabilitation:	\$ 4,863,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 1,050,931

Environmental Benefits: The system is currently meeting requirements. The project will protect the Eel River, which is listed for high levels of *E. coli* and impaired biotic communities on the Indiana 303(d) list.

**Project Description:**

Steel Dynamics Inc. is expanding its facility and increasing wastewater discharge to the Columbia City conveyance system from 280,000 gpd to 500,000 gpd. Since the existing conveyance system is not adequately sized for the additional flow, a new conveyance system is proposed to transport the flow to the wastewater treatment plant.

The Columbia City Steel Dynamics Inc. Lift Stations and Force Main Project includes:

- Construction of approximately 40,000 feet of 10-inch diameter force main;
- Construction of a new CR 300 South Lift Station, including backup generator, remote telemetry, and force main cleaning system; and
- Replacement of the existing CR 700 East Lift Station with a new lift station, including backup generator, remote telemetry, and incorporate the existing force main cleaning system.

The project allows Columbia City to meet the needs of existing customers, provides redundancy for potential flow paths in case of emergency conditions, improve reliability, and provides potential for septic tank elimination in the future.

**CWSRF Participant: LaGrange County RUD A and B**

SRF Project #:	WW17024401	CWSRF Loan A Amount:	\$ 8,597,500
		CWSRF Loan B Amount:	\$ 2,797,000
CWSRF Loan Closed:	November 28, 2018	Principal Forgiveness:	\$ 4,258,500
Affected Population:	1,284	Total Loan and Principle Forgiveness:	\$ 15,653,000
Loan A Term:	20 years	NIMS Categories:	
Loan B Term:	35 years	Secondary Treatment:	\$ 4,930,515
Interest Rate A and B:	0.00%	New Collector Sewers:	\$ 10,722,485
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 12,176,732

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will remove stressors from the Pigeon River, which is listed for high levels of *E. coli* and nutrients on the Indiana 303(d) list. The project area is the subject of the Pigeon River Watershed E coli and Nutrients TMDL and the Pigeon River Watershed Management Plan.

**Project Description:**

Within the service area of the LaGrange County Regional Utility District (RUD) many residents and businesses rely on septic systems for wastewater treatment. Further, at Travel Plaza No. 7 wastewater is treated by a 0.125 MGD wastewater treatment plant at the end of its useful life. The facility requires significant upgrades to meet the needs of the Travel Plaza and cannot be improved to meet the needs of the businesses and residents of the region.

The proposed project provides wastewater collection and treatment to residential, commercial and industrial users within LaGrange County RUD's Region C. The service areas include Cedar Lake, unincorporated community of Howe, CR 700N/SR 9 area, and Indiana Travel Plaza No. 7. The proposed project includes:

- New extended aeration activated sludge wastewater treatment plant, including screening, post-aeration, UV disinfection, flow measurement, sludge processing, and discharge to Fawn River;
- New gravity interceptor sewer along SR 9 that will intercept flow from Travel Plaza No. 7, Cedar Lake, Howe, and CR 700N/SR 9 area;
- New sanitary force main to transport wastewater from Travel Plaza No. 7 to the new interceptor sewer along SR9. This system includes Pump Station No. 1 at Travel Plaza No. 7, and Pump Station No. 2 on the north side of Cedar Lake;
- New pressure sewer system with grinder pump stations serving the Cedar Lake area. The Cedar Lake pressure sewer connects to Pump Station No. 2;
- New pressure sewer system with grinder pump stations serving the CR 700/SR 9 area. This pressure sewer system connects to the new gravity interceptor sewer; and
- New pressure sewer system with grinder pump stations for the Howe area. The Howe system will flow to Pump Station #3 on the north side of Howe, then continue through a force main to the south end of the gravity interceptor sewer flowing to the new wastewater treatment plant.

The Region C Wastewater System addresses failing septic systems in the Cedar Lake, Howe, and CR 700N/SR 9 service areas. The project also redirects wastewater from the existing wastewater treatment plant at Travel Plaza No. 7, which has aging components and limited capacity to address current and future needs.

The LaGrange County project was identified as eligible for additional subsidization due to the high post-project rates that would be realized by residents without additional assistance. By eliminating failing infrastructure portions of the project received a 35-year loan term through the Indiana Extended Term Financing program.

**CWSRF Participant: New Castle**

SRF Project #:	WW18123302	CWSRF Fee Loan Amount:	\$ 1,280,000
CWSRF Loan Closed:	November 30, 2018	Principal Forgiveness:	\$ 1,263,123
Affected Population:	18,114	Total Loan and Principle Forgiveness:	\$ 2,543,123
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	0.00%	New Collector Sewers:	\$ 2,543,123
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 2,380,169

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will improve conditions for the Eel River, which is noted on the Indiana 303(d) list for high levels of *E. coli* and impaired biotic communities. The project area is the subject of the Big Blue River Watershed *E. coli* TMDL.

**Project Description:**

An inspection of the White Estates Subdivision in Henry County by IDEM found a discharge of sewage from a storm sewer into a small stream. As a result, the County entered into an Agreed Order with IDEM in 2017. This project addresses the violations cited by IDEM by collecting wastewater for treatment from the properties in the White Estates Subdivision.

The White Estates Sanitary Sewer Project includes the installation of 234 grinder pump stations, approximately 6,500 feet of low pressure sanitary sewer lateral piping, and approximately 19,500 feet of low pressure sanitary sewer main. This new network of low pressure sanitary sewer will be connected to existing gravity sewer main and conveyed to the City of New Castle's existing wastewater treatment plant for treatment.

The New Castle project was identified as eligible for additional subsidization due to the low Median Household Income in the project area, and the high post-project rates that would be realized by residents in White Estates without subsidization.

<b>CWSRF Participant: Evansville A and B</b>			
SRF Project #:	WW18188218	CWSRF Traditional Loan A:	\$ 30,000,000
CWSRF Loan Closed:	December 4, 2018	CWSRF Pooled Program Loan A:	\$ 5,020,000
		CWSRF Pooled Program Loan B:	\$ 72,335,000
Affected Population:	117,429	Principal Forgiveness:	\$ 0
Loan Term Loan A:	20 years	Total Loan and Principle Forgiveness:	\$ 107,355,000
Loan Term Loan B:	35 years		
Interest Rate Loan A:	2.90%	NIMS Categories:	\$ 107,355,000
Interest Rate Loan B:	3.32%		
Equivalency Amount	\$ 38,292,000	Estimated SRF Savings:	\$ 11,440,358
<p>Environmental Benefits: The project is meant to reduce combined sewer overflows to the Ohio River which is listed for high levels of <i>E. coli</i> and dioxins. The project area is the subject of the ORSANCO Ohio River Bacteria TMDL and the Ohio River Dioxin TMDL.</p>			
<p>Project Description:</p> <p>The City of Evansville is under federal order (Consent Decree) by the US Department of Justice that requires Evansville Water and Sewer Utility to develop and implement an Integrated Overflow Control Plan (IOCP). The IOCP establishes specific projects and schedules, including ten individual control measures that will dramatically reduce the number of combined sewer overflows that occur. The proposed project consists of:</p> <p><b>East Wastewater Treatment Plant (WWTP) Effluent Pump Station</b> includes the construction of a 40 MGD East WWTP effluent pump station at Sunrise Park, associated conveyance piping and structures, cascade outfall, cured-in-place pipe lining and slip in place pipe lining of existing conveyance piping, electrical power distribution, and associated site landscaping and restoration work.</p> <p><b>West WWTP Improvements and Storage Basin</b> project increases the peak flow capacity to 45 MGD and includes influent pump station improvements, new grit removal and handling facilities, an expansion of the existing biological aerated filtration (BAF) system, a BAF laboratory expansion, the addition of a chemical phosphorous removal system, a new ultraviolet disinfection facility, a new high-pressure plant water pump station, main building renovations, tunnel crack repair, effluent yard piping, site work, and plant electrical improvements.</p> <p>The WWTP storage basin project includes a 6.1 MGD storage basin located at the West WWTP site, screens and wet weather diversion to serve both the storage basin and the West WWTP, influent yard piping, relocation of existing drainage piping, and a new entry way to the West WWTP.</p> <p><b>East WWTP Equipment Purchase</b> - The project includes the acquisition of equipment required for the upcoming east WWTP expansion project. Equipment to be purchased includes stop gate frames and plates, precast trench covers, screens, air grids, media, nozzles, gates, site glasses, manways, pressure and sample ports, air compressors, valves, blowers, pumps, and instrumentation equipment.</p> <p>The purpose for these projects is to address the requirements of Evansville's Consent Decree with the Indiana Department of Environmental Management and the Environmental Protection Agency, as well as the Utility's Sanitary Master Plan. The Consent Decree requires the Utility to develop and implement an IOCP to address sewer system overflows and to develop and implement measures to properly operate and maintain the sewer systems and wastewater treatment plant. By modifying influent pumps the project results in a more energy efficient system and meets Green Project Reserve criteria. This project for compliance with Long Term Control Plan requirements meets the policy guidelines of the Indiana Extended Term Program and qualifies for a loan term of 35 years.</p>			

**CWSRF Participant: Prince's Lakes**

SRF Project #:	WW17110305	CWSRF Loan Amount:	\$ 691,000
CWSRF Loan Closed:	December 12, 2018	Principal Forgiveness:	\$ 1,650,000
Affected Population:	1,312	Total Loan and Principle Forgiveness:	\$ 2,341,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Advanced Treatment:	\$ 870,847
		Sewer System Rehab:	\$ 1,470,153
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 2,503,552

**Environmental Benefits:** The project allows the system to achieve compliance with current requirements. The project will protect the headwaters of Mud Creek from impairment and meet the goals of the Mud Creek Watershed Management Plan.

**Project Description:**

The Prince's Lakes NPDES permit includes a compliance schedule for meeting phosphorus effluent limits, which the wastewater treatment plant does not have the capability of meeting without improvements. Further, the Town's collection system is experiencing issues with corrosion at four lift stations that require all wet well structures and piping to be replaced. Manholes where force mains discharge are also corroded and in need of rehabilitation and the Town's SCADA monitoring system does not have remote access capability limiting the operational capabilities of the system.



The Wastewater System Improvements Project for Prince's Lakes includes the replacement and rehabilitation of four existing lift station wet wells and valve vaults; the replacement of six-hundred grinder pump control panels replacement of ten air release valves, the installation of a new centralized SCADA system, and an aluminum sulfate chemical feed unit for the treatment of phosphorus.

The project allows Prince's Lakes to meet the proposed NPDES phosphorus limit permit requirements, improve treatment efficiency, and increase system efficiency.

The project received additional subsidy due to affordability concerns. Without additional subsidy the sewer rates in the area would increase and present a hardship for residents.

**CWSRF Participant: North Vernon**

SRF Project #:	WW16114002	CWSRF Loan Amount:	\$ 4,210,000
CWSRF Loan Closed:	December 13, 2018	Principal Forgiveness:	\$ 0
Affected Population:	6,728	Total Loan and Principle Forgiveness:	\$ 4,210,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	New Collection Sewers:	\$ 4,210,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 909,813

**Environmental Benefits:** The project allows the system to achieve compliance with current requirements. The project will improve conditions on Vernon Fork which listed on the Indiana 303(d) list for many impairments, including high levels of *E. coli*, high levels of nutrients, low dissolved oxygen, and impaired biotic communities.

**Project Description:**

The City of North Vernon recently annexed an area that is current served by failing onsite wastewater systems.

The North Vernon sanitary sewer extension project includes the installation of:

- Approximately 35,000 feet of 8-inch diameter gravity sewer,
- Approximately 100 manholes,
- Two submersible lift stations,
- One grinder pump station,
- Approximately 8,500 feet of force main and appurtenances



Submersible Lift Station Construction

The project will provide sanitary sewer to an area recently annexed into the City of North Vernon. The extension of the City’s existing system will provide the area with reliable sanitary sewer collection and treatment and eliminate approximately 130 failing septic systems. The infrastructure improvements will accommodate existing utility demands, and will serve the area through the 20 year service plan.

**CWSRF Participant: Warsaw**

SRF Project #:	WW17154301	CWSRF Loan Amount:	\$ 30,000,000
		CWSRF Pooled Program:	\$ 1,700,000
CWSRF Loan Closed:	December 13, 2018	Principal Forgiveness:	\$ 0
Affected Population:	13,559	Total Loan and Principle Forgiveness:	\$ 31,700,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.35%	Advanced Treatment:	\$ 31,700,000
Equivalency Amount:	\$ 0	Estimated SRF Savings:	\$ 5,528,708

**Environmental Benefits:** The project allows the system to achieve compliance with current requirements. The project will improve the Tippecanoe River, which is listed for high levels of *E. coli* on the Indiana 303(d) list.

**Project Description:**

The City of Warsaw’s wastewater treatment plant average flows are approaching the plant’s design capacity of 3.9 MGD at times exceeding the design capacity. In addition, an interim and final limit for phosphorous was added to its renewed NPDES Permit issued in June 2017 requiring additional treatment facilities for phosphorous removal.

The proposed project includes improvements and expansion of most processes at the wastewater treatment plant including new clarifiers, a new Primary Control Building, improved sludge pump stations, a new chemical feed building, new anaerobic digesters, a new dewatering press and installing a new SCADA system at the plant.

The project results in an increase of the wastewater treatment plant’s average design capacity to 6.0 MGD and the peak design flow from 12.0 MGD to 18.0 MGD to meet the current and future needs of the City. The project includes the construction of two 60-foot diameter anaerobic digesters with gas holding covers which will result in a more energy efficient system.

Modification at the plant and utilization of recycled materials have made the system and construction more energy efficient and the project meets Green Project Reserve criteria.

**CWSRF Participant: New Whiteland**

SRF Project #:	WW18144102	CWSRF Loan Amount:	\$ 2,472,000
CWSRF Loan Closed:	December 13, 2018	Principal Forgiveness:	\$ 0
Affected Population:	5,472	Total Loan and Principle Forgiveness:	\$ 2,472,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.25%	Advanced Treatment:	\$ 2,472,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 460,782

**Environmental Benefits:** The system is currently meeting requirements. The project will protect the headwaters of Youngs Creek, which is listed for high levels of E coli on the Indiana 303(d) list. The project area is included in the Youngs Creek Watershed Management Plan.

**Project Description:**

The Town of New Whiteland operates a Class II, 0.75 MGD extended treatment facility that was constructed approximately twenty years ago, and many components are reaching the end of their useful life.

The proposed project rehabilitates the existing wastewater treatment plant and includes a new mechanical bar screen at the headworks, new blowers, and new clarifier units. The project will also modify and improve the SCADA system, air systems, the plant effluent weir structure, the sludge return lift station, and aerobic digesters. Renovations completed at the Blower Building and Sludge Dewatering building will improve structural concerns, electrical systems, lighting and ventilation.



The goal of this project is to protect public health, to ensure the Utility's ability to continue to meet environmental standards, and to protect valuable aquatic resources.

The project includes high efficiency blowers that will lead to a more energy efficient system allowing the project to meet Green Project Reserve criteria.

<b>CWSRF Participant: Arcadia</b>			
SRF Project #:	WW18022901	CWSRF Loan Amount:	\$ 862,000
CWSRF Loan Closed:	December 14, 2018	Principal Forgiveness:	\$ 260,000
Affected Population:	1,666	Total Loan and Principle Forgiveness:	\$ 1,122,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Secondary Treatment:	\$ 249,960
		Sewer System Rehabilitation:	\$ 872,040
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 560,488
<p>Environmental Benefits: The project assists the system in achieving compliance. The project will improve conditions for Cicero Creek. Cicero Creek is noted on the Indiana 303(d) list for high levels of <i>E. coli</i>. The project area is the subject of the Cicero Creek Watershed <i>E. coli</i> TMDL and the Morse Reservoir-Cicero Creek Watershed Management Plan.</p>			
<p>Project Description:</p> <p>The Town of Arcadia operates a Class II, 0.304 MGD oxidation ditch activated sludge treatment plant that is nearly 30 years old and in need of rehabilitation. The collection system was originally installed with combined sewers which were separated in the late 1990's. Due to wet weather I/I in the collection system the average daily flows at the plant exceed the capacity and IDEM issued a Sewer Ban Early Warning to the Town.</p> <p>The wastewater improvements project involves the rehabilitation of Arcadia's wastewater treatment and collection facilities, including the following:</p> <ul style="list-style-type: none"> <li>• Rehabilitation of the main interceptor, which includes a CSO diversion structure;</li> <li>• Disconnection of storm water cross connections and re-routing to appropriate storm water outlets;</li> <li>• Rehabilitation of the wastewater treatment plant oxidation ditch;</li> <li>• Replacement of RAS/WAS controls and valves at the headworks;</li> <li>• Installation of stairs to the RAS sampling point; and</li> <li>• Replacement of the generator at the wastewater treatment plant.</li> </ul> <p>The project improves ease of operation and safety at the wastewater treatment plant and eliminates clear water sources, reducing the influent volume to the treatment plant allowing the system to achieve compliance.</p> <p>The Arcadia project was identified as eligible for additional subsidization due to the low Median Household Income in the project area, and the high post-project rates that would be realized by residents without subsidization.</p>			

**CWSRF Participant: Connersville**

SRF Project #:	WW18302102	CWSRF Loan Amount:	\$ 4,990,000
CWSRF Loan Closed:	December 14, 2018	Principal Forgiveness:	\$ 0
Affected Population:	13,481	Total Loan and Principle Forgiveness:	\$ 4,990,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.25%	Advanced Treatment:	\$ 4,990,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 930,139

Environmental Benefits: The system is currently meeting requirements. The project will protect the Whitewater River. The Whitewater River is listed for high levels of *E. coli* on the Indiana 303(d) list. The project area is the subject of the East Fork Whitewater River Watershed *E. coli* TMDL and the Middle Fork East Fork Whitewater Watershed Management Plan.

**Project Description:**

The City of Connersville operates a wastewater treatment plant that is experiencing operational issues due to components approaching the end of useful life. The comminutors often experience mechanical issues and the anaerobic digesters are no longer operable. Additionally, the digester covers, mixing and heating systems, and gas handling and safety equipment are at the end of useful life.

The proposed project involves the conversion of the three existing anaerobic digesters to be repurposed as aerobic digesters. The anaerobic-to-aerobic conversion project includes:

- Digester cleaning for construction activities;
- Demolition of all existing anaerobic digester related piping and equipment, including heating and recirculation equipment, tank covers, gas mixing system, and level alarms;
- Rehabilitation of existing structures;
- Installation of new aerobic digestion equipment, including three new blowers with Variable Frequency Drive (VFD) controls;
- Conversion of three existing anaerobic digester tanks into two aerobic digesters and one aerated sludge holding tank, including the installation of a sump basin, diffused aeration system, level transmitters, oxygen-reduction potential analyzers and motor actuated telescoping decanting valves;
- Relocation and modifications to the existing sludge grinder and digester sludge transfer pump, including VFD and miscellaneous controls; and
- Installation of one sludge transfer pump, including VFD and miscellaneous controls.

The project will improve operations and safety at the wastewater treatment plant and allow the system to continue to meet the wastewater needs of Connersville.

**CWSRF Participant: LaPorte County RSWD**

SRF Project #:	WW17264001	CWSRF Fee Loan Amount:	\$ 100,000
CWSRF Loan Closed:	December 14, 2018	Principal Forgiveness:	\$ 2,093,500
Affected Population:	4,830	Total Loan and Principle Forgiveness:	\$ 2,193,500
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	0.00%	New Collector Sewer:	\$ 2,193,500
Equivalency Amount:	\$ 0	Estimated SRF Savings:	\$ 3,034,664

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will improve conditions to the Kankakee River watershed, which has been noted for having high levels of *E. coli*. The project area is the subject of the Kankakee/ Iroquois River Watershed *E. coli* TMDL.

**Project Description:**

The LaPorte County RSWD owns, operates and maintains a municipal wastewater gravity sewer collection system that collects wastewater from the central portion of Rolling Prairie and conveys the wastewater via force main to the City of LaPorte for treatment. The residents, businesses and public school within the Rolling Prairie Phase II service area rely on private wells for drinking water and individual onsite septic systems for wastewater treatment and disposal. Limited lot size and soil types in the service area have led to many failing septic systems and private wells are in danger of contamination.

The Rolling Prairie Wastewater Collection System – Phase II project includes the installation of a collection system, approximately 1,500 LF of forcemain a lift station and a chemical feed system.

The purpose of this project is to extend service to 99 customers in the Rolling Prairie Phase II Service Area to eliminate failing on-site septic systems. The new collection system will ultimately discharge to the city of LaPorte for treatment.

The project was identified as eligible for additional subsidization due to high post-project rates that would be realized by residents without subsidization.

**CWSRF Participant: Poneto**

SRF Project #:	WW17239001f	CWSRF Fee Loan Amount:	\$ 669,000
CWSRF Loan Closed:	December 14, 2018	Principal Forgiveness:	\$ 0
Affected Population:	166	Total Loan and Principle Forgiveness:	\$ 669,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Advanced Treatment:	\$ 669,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 658,292

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will protect Rock Creek, which flows to Wabash River and is included in the Upper Wabash River Watershed Management Plan.

**Project Description:**

The Town of Ponteoto operates a Class I 0.024 MGD treatment plant. The Town’s renewed NPDES permit includes ammonia-nitrogen limits which the facility is unable to meet with the existing infrastructure.

The selected project includes the construction of submerged attached growth reactor (SAGR) Treatment, with two cells, to achieve ammonia-nitrogen removal. In addition, the project includes the construction of a clarifier, sludge holding tank, decant wet well, flow splitter structure, effluent level control structure, a new control building and associated piping and valves.

The project allows the Town of Poneto to meet the requirements of their NPDES permit and protects the Muscatatuck River.

<b>CWSRF Participant: Bargersville</b>			
SRF Project #:	WW18294101	CWSRF Loan Amount:	\$ 9,820,000
CWSRF Loan Closed:	December 14, 2018	Principal Forgiveness:	\$ 0
Affected Population:	4,013	NIMS Categories:	
Loan Term:	20 years	Advanced Treatment:	\$ 9,820,000
Interest Rate:	2.25%	Total Loan and Principle Forgiveness:	\$ 9,820,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 1,830,453
<p>Environmental Benefits: The system is currently meeting requirements. The project will protect North Prong Stotts ditch, which is listed for impaired biotic communities on the Indiana 303(d) list. The project area is also the subject of the West Fork White River – Owen County Tributary Watershed <i>E. coli</i> TMDL.</p>			
<p>Project Description:</p> <p>The Town of Bargersville operates a Class III, 1.5 MGD wastewater treatment plant that is required to meet phosphorous limits under their revised NPDES permit. Additionally, the Bargersville area has grown steadily and studies estimate the wastewater treatment plant will reach treatment capacity in the next three to five years.</p> <p>The proposed Bargersville wastewater treatment plant Improvements project provides improved treatment facilities and Biological Phosphorous Removal (BPR) with Chemical Phosphorous Removal (CPR) backup. The project will increase the plant capacity from 1.5 MGD to 2.0 MGD. The specific project elements include:</p> <ul style="list-style-type: none"> <li>• Construction of a new anaerobic selector tank and mixers to promote BPR;</li> <li>• Construction of 2 new clarifiers to provide additional treatment capacity and increased settling efficiencies;</li> <li>• Construction of a clarifier splitter structure;</li> <li>• Construction of a new RAS pumping station;</li> <li>• Construction of a new chemical storage building, storage tank, feed system and spill containment for the CPR backup; and</li> <li>• Construction of an additional sludge storage tank and belt filter press.</li> </ul> <p>The proposed BPR and CPR facilities will allow the community to be in compliance with phosphorus limits and the expansion project will allow the system to meet current and future demands.</p> <p>The project meets the Green Project Reserve criteria for environmentally innovative and energy efficient components.</p>			

**CWSRF Participant: Steuben Lakes RWD**

SRF Project #:	WW18277601	CWSRF Loan Amount:	\$ 1,279,000
CWSRF Loan Closed:	December 14, 2018	Principal Forgiveness:	\$ 1,267,000
Affected Population:	13,525	Total Loan and Principle Forgiveness:	\$ 2,546,000
Loan Term:	35 years	NIMS Categories:	
Interest Rate:	2.30%	New Collector Sewers:	\$ 2,546,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 2,737,483

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will improve Fawn River, which is listed for impaired biotic communities on the Indiana 303(d) list. The project area is the subject of the Fawn River Watershed Management Plan.

**Project Description:**

Steuben Lakes Regional Waste District (District) currently provides wastewater collection and treatment services to the majority of the developed properties within its jurisdictional boundary. The Northeast District, however, is currently served by aging cluster absorption fields that are owned, operated and maintained by the District. Additionally, there are a handful of properties connected to a small private wastewater treatment plant operated by a private contract wastewater operator. Finished effluent from this wastewater treatment facility is currently land applied under a permit issued by the IDEM Office of Land Quality.

The Northeast District Phase 1 wastewater infrastructure project includes:

- Installation of approximately 95,000 lineal feet force main;
- Installation of approximately 300 grinder pump stations;
- Abandonment of District owned absorption fields;
- Installation of approximately 150 lineal feet of gravity sewer;
- Installation of 2 manholes;
- Construction of three new pump stations, including emergency generators and associated piping electrical and controls; and
- Restoration of the construction site areas.

Within the proposed project area, there are a few of properties connected to a small private wastewater treatment plant and several homes connected to a private collection system with treatment provided by the Town of Fremont. The proposed project will allow the existing privately owned and operated wastewater treatment plant to be decommissioned (to be completed with local funds) and provide an option to the homes in the Cranston's Reef area, currently provided treatment by Fremont, to disconnect from the existing private collection system and connect to the District facilities. The recommended alternative provides for consistent and reliable service to approximately 400 unserved customers and improves the ability of the District to accomplish its core goals within its current jurisdictional boundaries.

The project was identified as eligible for additional subsidization due to the high post-project rates that would be realized by residents without subsidization.

**CWSRF Participant: Terre Haute**

SRF Project #:	WW18018404	CWSRF Traditional:	\$ 30,000,000
		CW SRF Pooled Program:	\$ 33,000,000
CWSRF Loan Closed:	December 21, 2018	Principal Forgiveness:	\$ 0
Affected Population:	60,785	Total Loan and Principle Forgiveness:	\$ 63,000,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.85%	CSO Correction:	\$ 63,000,000
Equivalency Amount:	\$ 0	Estimated SRF Savings:	\$ 7,150,615

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will reduce outfall events to the Wabash River. The Wabash River in Vigo County is noted on the Indiana 303(d) list for high levels of *E. coli*, high levels of nutrients and temperature concerns. The project area is the subject of the Wabash River Watershed E coli Nutrients TMDL.

**Project Description:**

The City of Terre Haute operates a combined sewer system and has developed a CSO LTCP which describes the measure they will take to reduce the overflows to the Wabash River and meet the requirements set forth in the City's NPDES permit. The goal of Terre Haute's LTCP is to reduce the average number of CSO events per year from 37 to 7. The LTCP projection estimates a 75% reduction in the time that bacteria loadings from CSOs exceed recommended levels.

The proposed project is found in the CSO LTCP and includes: relocating the 84-inch Turner Street trunk sewer and connecting it to the new Main Lift Station (MLS) eliminating CSO 003; modifying the 66-inch main interceptor to discharge directly to the new MLS; constructing a 16.25 MGD Phase II High Rate Clarification (HRC) facility adjacent to the existing Phase I HRC facility making a combined total of 32.50 MGD; replacing the existing MLS with a new one rated 81 MGD (matching the existing firm capacity of 48 MGD to the wastewater treatment plant, and the remaining capacity to the supply the MLS); installing a 24-inch dry-weather force main from the MLS to the wastewater treatment plant; installing a 42-inch wet weather force main from the MLS to an existing 48-inch force main that connects to the wastewater treatment plant; cleaning, inspecting and rehabilitating the existing 48-inch force main; installing a 144-inch diameter sewer stub for a future parallel interceptor that will allow the closures of CSOs 005, 006, 007 and 008; installing a vacuum truck dump station at the new MLS; and constructing green infrastructure improvements in the CSO 009 drainage area.

The City of Terre Haute has ten active combined sewer outfalls, the project will result in the closure of one and put the preliminary infrastructure in place to allow the closure of four more in the future.

**CWSRF Participant: Posey County Regional Sewer District**

SRF Project #:	WW17066501	CWSRF Loan Amount:	\$ 0
CWSRF Loan Closed:	December 28, 2018	Principal Forgiveness:	\$ 4,161,830
Affected Population:	70	Total Loan and Principle Forgiveness:	\$ 4,161,830
Loan Term:	n/a	NIMS Categories:	
Interest Rate:	0.00%	Secondary Treatment:	\$ 3,350,600
		Sewer System Rehab:	\$ 811,230
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 5,989,880

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will improve conditions for McFadden Creek which is listed for high levels of *E. coli* on the Indiana 303(d) list. The project area is the subject of the Highland-Pigeon Creek *E. coli* and IBC TMDL and the Highland-Pigeon Watershed Management Plan.

**Project Description:**

Posey County Regional Sewer District (RSD) will provide wastewater collection and treatment service to the residents of Harbortown Subdivision by constructing a new regional wastewater treatment plant and a replacement collection system. The existing treatment plant has continuous operating problems and does not meet effluent permit discharge limits. In addition, the existing collection system has numerous cracks and joint deficiencies, allowing for infiltration and inflow to enter the system. The proposed new infrastructure addresses these deficiencies.

The existing gravity collection system is proposed to be replaced with a low pressure grinder pump system, including approximately 2,500 feet of 1.25 to 3-inch diameter pressure pipe and 26 grinder pump stations with appurtenances for the existing houses. Service taps will be provided for future connections at vacant lots.

The proposed sequencing batch reactor treatment plant will be designed to treat 0.0155 MGD and will include an influent screen, ultraviolet disinfection, sludge dewatering, control building, emergency generator, electrical, instrumentation and controls. Approximately 7,000 feet of 3-inch diameter force main will transport wastewater from Harbortown to the new treatment plant, which is proposed to be located off-site to encourage regionalization in Posey county.

The project was identified as eligible for additional subsidization due to the high post-project rates that the community will realize, which would be a greater hardship without subsidization.

**CWSRF Participant: Lynn**

SRF Project #:	WW16106801	CWSRF Loan Amount:	\$ 676,000
CWSRF Loan Closed:	March 25, 2019	Principal Forgiveness:	\$ 0
Affected Population:	1,097	Total Loan and Principle Forgiveness:	\$ 676,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Secondary Treatment:	\$ 676,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 146,089

Environmental Benefits: The system is currently meeting requirements. The project will protect Mud Creek which is listed for high levels of *E. coli* on the Indiana 303(d) list. The project area is the subject of the West Fork Whitewater River Watershed *E. coli* TMDL and the Whitewater (West Fork) WMP.

**Project Description:**

The Town of Lynn operates a Class II, 0.25 MGD extended aeration treatment facility. The age of the facility has led to inefficient systems and equipment at the end of its useful life.

The wastewater treatment plant improvement project includes:

- Installation of a new influent fine screen;
- Replacement of the existing clarifier mechanisms;
- Lowering the bottom of the two existing clarifiers;
- Replacement of existing mixer and pump in the equalization basin;
- Installation of new RAS/WAS pump station with high efficiency motors and variable frequency drives;
- Replacement of the existing aeration tank coarse bubble diffusers with fine bubble diffusers;
- Replacement of the existing blowers with units equipped with VFDs;
- Replacement of the existing UV disinfection unit;
- Replacement of the effluent flow meter; and
- Installation of new sludge drying bed cover.

Replacing outdated and inefficient equipment allows for better plant operability and reliability. Lowering the bottom of the clarifiers will provide additional volume to comply with current standards. Addition of a RAS/WAS pump station will allow for more efficient sludge handling. Covering the sludge drying beds will enable staff to utilize the beds year-round.

**CWSRF Participant: Sullivan**

SRF Project #:	WW18237702	CWSRF Loan Amount:	\$ 1,376,000
CWSRF Loan Closed:	March 27, 2019	Principal Forgiveness:	\$ 0
Affected Population:	4,429	Total Loan and Principle Forgiveness:	\$ 1,376,000
Loan Term:	20 years	NIMS Categories:	
Interest Rate:	2.00%	Advanced Treatment:	\$ 278,631
		Sewer System Rehabilitation:	\$ 1,097,369
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 297,364

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project will eliminate outfall to Busseron Creek, which is noted on the Indiana 303(d) list for impaired biotic communities. The project area is the subject of the Busseron Creek Watershed Management Plan.

**Project Description:**

The Town of Sullivan operates a Class III, 2.1 MGD activated sludge, extended aeration treatment facility that will be required to meet new phosphorus limits under their revised NPDES permit. Further, a recent inspection from IDEM identified an un-documented continual discharge at CSO 007 in the Town's system and the associated lagoon was determined to be an unauthorized in-line wastewater storage system.

To correct these issues, the Town proposes the Lagoon No. 4 Abandonment Project which includes a new lift station, force main and connecting sewers, and will transport wastewater flow from this area of the City directly to the wastewater treatment plant for full treatment. Per IDEM requirements, Lagoon No. 4 will be eliminated from the collection system and properly abandoned once the new project components are operational. The Town also proposes the Phosphorus Removal Project which includes a new chemical feed building, chemical storage tanks, chemical feed pumps and controls, small diameter feed piping, and injection points at the existing wastewater treatment plant. Phosphorus removal is required by the City's NPDES permit.

The proposed improvements allow the Town to comply with permit requirements, and eliminate an unauthorized discharge to Busseron Creek.

**CWSRF Participant: Indianapolis Airport Authority**

SRF Project #:	WW18154901	CWSRF Loan Amount:	\$ 30,000,000
CWSRF Loan Closed:	March 28, 2019	Principal Forgiveness:	\$ 0
Affected Population:	820,445	Total Loan and Principle Forgiveness:	\$ 30,000,000
Loan Term:	35 years	NIMS Categories:	
Interest Rate:	2.80%	Storm Sewers:	\$ 30,000,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 6,911,859

Environmental Benefits: The system is currently meeting requirements. The project will protect the East Fork White Lick Creek, which is listed for high levels of *E. coli* on the Indiana 303(d) list

**Project Description:**

The Indianapolis Airport Authority (IAA) will install new infrastructure for stormwater and deicing runoff management to accommodate the expansion of impervious surface area related to air carrier operations at the IAA. The existing Seerley Creek Facility provides deicing runoff management and stormwater detention, but it is currently undersized for discharge permit compliance and has exceeded its service life. In addition, the IAA will increase the use of aircraft and pavement deicing chemicals. The proposed project involves infrastructure improvements at three locations – Seerley Creek, West, and Hanna Avenue Facilities.

**Seerley Creek Facility:**

- Demolition of the existing Seerley Creek Facility;
- Construction of a 10 million gallon underground storage structure;
- Installation of diversion structures to route runoff to Seerley Creek or the Hanna Avenue Facility;
- Installation of new large diameter storm sewers to the Hanna Avenue Facility and Seerley Creek;
- Construction of a pump station to empty the underground storage structure;
- Installation of a hydrodynamic separator to remove total suspended solids from runoff to Seerley Creek; and
- Associated controls and instrumentation necessary to monitor water quality, water quantity and to direct flow.

**West Facility:**

- Construction of a 5 MG storage basin;
- Installation of an influent diversion structures to route runoff to Center Creek/ East Fork White Lick Creek, or to the storage basin;
- Installation of new large diameter storm sewers to convey runoff;
- Construction of a pump station to direct the storage basin to the Hanna Avenue Facility when runoff requires treatment;
- Construction of a pump station to manage groundwater from the basin underdrain system; and
- Associated controls and instrumentation necessary to monitor water quality, water quantity and to direct flow.

**Hanna Avenue Facility:**

- Two lined basins with a combined storage capacity of 70 million gallons;
- Installation of a 40 MGD influent pump station to move runoff from the storm sewers to the basins;
- Installation of two diversion structures to segregate runoff from the Midfield Terminal and West Facility;
- Installation of three pump stations at the site to: 1) pump runoff through a proposed force main to Citizen’s Energy group sanitary system for treatment, 2) manage groundwater from the basin underdrain system and, 3) empty the basins for release to Seerley Creek when runoff is suitable for release per the NPDES permit;
- The re-routing of an unnamed tributary to Dollar Hide Creek that runs through the Hanna Avenue site, including a hybrid ditch and a stepped structure to aerate discharges to Dollar Hide Creek; and
- Associated controls and instrumentation necessary to monitor water quality, water quantity and to direct flow.

<b>CWSRF Participant: Montpelier A and B</b>				
SRF Project #:	WW18280502	CWSRF Loan Amount A:	\$ 1,722,000	
		CWSRF Loan Amount B:	\$ 3,434,000	
CWSRF Loan Closed:	June 19, 2019	Principal Forgiveness:	\$ 0	
Affected Population:	1,805	Total Loan and Principle Forgiveness:	\$ 5,156,000	
Loan Term A:	25 years	NIMS Categories:		
Loan Term B:	20 years			
Interest Rate A:	2.10%		Advanced Treatment:	\$ 3,434,000
Interest Rate B:	2.00%		Inflow/ Infiltration:	\$ 1,722,000
Equivalency Amount	\$ 0	Estimated SRF Savings:	\$ 1,194,482	
<p>Environmental Benefits: The system is currently meeting requirements. The project will protect Lower Salamonie River, which is currently meeting standards. The project area is the subject of the Lower Salamonie River Watershed Management Plan.</p>				
<p>Project Description:</p> <p>The City of Montpelier wastewater treatment plant operates a combined sewer system. The system has significant levels of I/I at existing overflow control structures as well as in the main interceptor line to the wastewater treatment plant. The current treatment facility does not have a disinfection treatment process and the existing combined sewer overflow structures lack the ability to accurately meter flow or prevent backflow to the Salamonie River. These issues have led to the City entering into an Agreed Order with IDEM.</p> <p>To correct these issues, the Phase I of the Montpelier LTCP includes:</p> <ul style="list-style-type: none"> <li>• Rehabilitation of approximately 5,100 lineal feet of 15 inch diameter interceptor by Cured in Place Piping (CIPP);</li> <li>• Raising and lining approximately 25 manholes;</li> <li>• Installing approximately 2,500 lineal feet of new force main from the West Henderson Street (Standard Oil) Lift Station to the wastewater treatment plant headworks;</li> <li>• Improvements at the CSO outfalls including replacement of the tide gate valves and flow meters and installation of a SCADA control system;</li> <li>• Construction of improvements at the wastewater treatment plant including: <ul style="list-style-type: none"> <li>○ The installation of new chlorine gas disinfection system and sulphur dioxide dechlorination facilities;</li> <li>○ Modifications to the influent piping into both lagoons;</li> <li>○ Dredging of both lagoons to allow for the influent pipe modifications; and</li> <li>○ Upgrade of the Headworks Lift Station to allow for a peak pumping capacity of 1 MGD. The improvements include a larger wet well, installation of 2 new pumps, a new emergency backup generator, and installation of a SCADA control system.</li> </ul> </li> </ul> <p>The proposed project will allow the City to return to compliance in accordance with the Agreed Order. The existing CSO structures currently lack the ability to accurately meter flow as well as prevent backflow from the Salamonie River. The proposed project will also improve the existing wastewater treatment plant and rerate the existing lagoons.</p> <p>This project is for compliance with Long Term Control Plan requirements and therefore portions of the project received a 25-year loan term through the Indiana Extended Term Program. By installing energy efficient variable frequency drives, this project also meets Green Project Reserve criteria.</p>				

Exhibit F  
 CUMULATIVE HISTORY OF FEDERAL CAPITALIZATION GRANTS

\$ 22,731,411	FFY 1989 Federal Capitalization Grant
23,512,995	FFY 1990 Federal Capitalization Grant
49,459,806	FFY 1991 Federal Capitalization Grant
46,826,208	FFY 1992 Federal Capitalization Grant
46,321,506	FFY 1993 Federal Capitalization Grant
28,741,977	FFY 1994 Federal Capitalization Grant
29,684,260	FFY 1995 Federal Capitalization Grant
48,623,553	FFY 1996 Federal Capitalization Grant
15,020,160	FFY 1997 Federal Capitalization Grant
32,452,972	FFY 1998 Federal Capitalization Grant
32,454,299	FFY 1999 Federal Capitalization Grant
35,916,531	FFY 2000 Federal Capitalization Grant
33,645,988	FFY 2001 Federal Capitalization Grant
32,128,866	FFY 2002 Federal Capitalization Grant
31,919,976	FFY 2003 Federal Capitalization Grant
31,939,281	FFY 2004 Federal Capitalization Grant
25,969,581	FFY 2005 Federal Capitalization Grant
21,135,427	FFY 2006 Federal Capitalization Grant
25,793,856	FFY 2007 Federal Capitalization Grant
16,472,652	FFY 2008 Federal Capitalization Grant
16,399,548	FFY 2009 Federal Capitalization Grant
94,447,500	American Recovery and Reinvestment Act of 2009 Grant
49,104,000	FFY 2010 Federal Capitalization Grant
35,588,000	FFY 2011 Federal Capitalization Grant
34,061,000	FFY 2012 Federal Capitalization Grant
32,176,000	FFY 2013 Federal Capitalization Grant
33,790,000	FFY 2014 Federal Capitalization Grant
33,617,000	FFY 2015 Federal Capitalization Grant
32,200,000	FFY 2016 Federal Capitalization Grant
31,952,000	FFY 2017 Federal Capitalization Grant
38,681,000	FFY 2018 Federal Capitalization Grant
38,292,000	FFY 2019 Federal Capitalization Grant
\$ 1,101,059,353	TOTAL GRANTS
\$ 1,006,611,853	TOTAL GRANTS REQUIRED TO MATCH

**Exhibit G**  
**CUMULATIVE HISTORY OF STATE MATCH**

The State deposited no additional State Match in the CWSRF Loan Program during SFY 2019. To date, the CWSRF State Match has aggregated in excess of 20 percent of the awarded \$1,006,611,853 Capitalization Grants the Authority was required to match through June 30, 2019, which results from the following cumulative history of State matches to the CWSRF Program:

\$ 145,492	State match appropriated for administrative costs in SFY 1992 (June, 1992)
145,492	State match appropriated for administrative costs in SFY 1993 (July 15, 1992, October 1, 1992, January 1, 1993 and April 1, 1993)
582,501	State match disbursed in connection with a direct loan to the Town of Wanatah made in 1991.
13,704,753	Series 1993A State Match Revenue Bond net proceeds (January 1993)*
13,790,322	Series 1994A State Match Revenue Bond net proceeds (March 1994)**
137,540	State match appropriated for administrative costs in SFY 1994
9,264,301	Series 1995A State Match Revenue Bond net proceeds (February 1995)**
139,973	State match appropriated for administrative costs in SFY 1995
70,904	State match related to other administrative costs
15,159,296	Series 1997A State Match Revenue Bond net proceeds (September 1997)
1,134,501	Series 1998A State Revolving Fund Program Bond net proceeds representing a State Match allocation (September 1998)
27,101,378	Series 2000A State Revolving Fund Program Bond net proceeds representing a State Match allocation (April 2000)
7,701,881	Series 2000B State Revolving Fund Program Bond net proceeds representing a State Match allocation (January 2001 & July 2001)
13,200,000	Series 2001A State Revolving Fund Program Bond net proceeds representing a State Match allocation (November 2001 & July 2002)
6,387,856	Series 2004B State Revolving Fund Program Bond net proceeds representing a State Match allocation (April 2004)
6,800,000	Series 2004B State Revolving Fund Program Bond net proceeds representing a State Match allocation (February 2005)
2,250,000	Series 2006A State Revolving Fund Program Bond net proceeds representing a State Match allocation (April 2006)
4,220,770	Series 2006B State Revolving Fund Program Bond net proceeds representing a State Match allocation (December 2006)
1,100,000	Series 2007A State Revolving Fund Program Bond net proceeds representing a State Match allocation (May 2007)
5,200,000	Series 2007B State Revolving Fund Program Bond net proceeds representing a State Match allocation (December 2007)
13,200,000	Series 2009A State Revolving Fund Program Bond net proceeds representing a State Match allocation (November 2009)
9,800,000	Series 2010B State Revolving Fund Program Bond net proceeds representing a State Match allocation (October 2010)
2,131,611	Series 2011A State Revolving Fund Program Bond net proceeds representing a State Match allocation (October 2011)
6,624,400	Series 2012B State Revolving Fund Program Bond net proceeds representing a State Match allocation (August 2012)
13,139,000	Series 2014A State Revolving Fund Program Bond net proceeds representing a State Match allocation (April 2014)
15,000,000	Series 2016A State Revolving Fund Program Bond net proceeds representing a State Match allocation (April 2016)
20,000,000	Series 2017B State Revolving Fund Program Bond net proceeds representing a State Match allocation (November 2017)
\$208,131,971	TOTAL

\* Source restructured in SFY 2003 vis-à-vis Series 2002A State Revolving Fund Program Bond net proceeds representing a State Match allocation (December 2002)

\*\* Source restructured in SFY 2004 vis-à-vis Series 2004A State Revolving Fund Program Bond net proceeds representing a State Match allocation (April 2004)

As a result of the foregoing, the State has deposited State Match in excess of that required based on grants awarded as of the end of SFY 2019 by \$6,809,600 (also known as over-match), which is banked toward future capitalization grants that are expected to be awarded in SFY 2020. This over-match is intended to permit, and will allow, the State to immediately begin to convert its next capitalization grant (upon award expected in SFY 2020) to cash (and deposit it in the CWSRF) based upon incurred costs paid by Program Participants.

State Match has been provided from three sources, namely (1) State appropriated funds; (2) State Match Revenue Bonds (with respect to the State's bond financing that occurred before September 1998), the entire net proceeds of which were allocated solely to State Match purposes, and (3) State Revolving Fund Program Bonds (with respect to the State's bond financings during and after September 1998), the net proceeds of which program bonds are allocated between 4 distinct purposes – (A) CWSRF's State Match; (B) CWSRF's leveraged loans; (C) DWSRF's State Match; and (D) DWSRF's leveraged loans.

The State Match Revenue Bonds are repaid semi-annually and since all of their proceeds were used for State Match, the State tracks, allocates and records their entire payment as a State Match repayment such that it is paid solely from CWSRF earnings applied on each payment date toward that bond payment. The State Revolving Fund Program Bonds are also repaid semi-annually and at the time of each payment the State tracks, allocates and records their payment *first* between CWSRF and DWSRF purposes (with the percentage paid from CWSRF being equal to the proportion of the net bond proceeds originally deposited in CWSRF from those bonds as compared to their total net bond proceeds) and *second* between State Match and leveraged loans purposes (with the payment allocated as a State Match repayment computed and tracked to be no more than the amount of the total CWSRF earnings applied on each payment date toward that bond payment). Set forth in the attached Exhibit G-1 is the principal amount of the State Revolving Fund Program Bonds allocated to State Match purposes for the CWSRF and the principal amount repaid as of the end SFY 2019.

The State annually designates whether principal maturities of the State Revolving Fund Program Bonds retired in a State Fiscal Year relate to State Match or leveraged bonds. Generally, it anticipates retiring State Match related bonds first leaving primarily program bonds allocated to the leveraged loans purposes outstanding. Once all State Revolving Fund Program Bonds allocated to the CWSRF State Match purposes are retired (and/or the number of series with outstanding State Match bonds are reduced), this policy will simplify the tracking of funds, reporting, bond disclosure, and allocation of semi-annual debt service.

Exhibit G - Schedule-1

<b>CLEAN WATER</b>								
Revenue Bonds	Original Par Amount of Bonds Designated as State Match	Par Amount retired during SFY Ending June 30					Remaining Par Amount of Bonds Designated as State Match	
		2019	2018	2017	2016	2015	All Prior SFYs	
1993*	3,930,000	-	-	-	-	-	3,930,000	-
1994♦	3,650,000	-	-	-	-	-	3,650,000	-
1995♦	2,270,000	-	-	-	-	-	2,270,000	-
1997^	6,090,000	-	-	-	-	-	6,090,000	-
1998A	1,146,360	-	-	-	-	-	1,146,360	-
2000A	27,257,690	-	-	-	-	-	27,257,690	-
2000B ^	-	-	-	-	-	-	-	-
2001A	12,652,000	-	-	-	-	-	12,652,000	-
2002A*	10,874,000	-	-	-	-	-	10,874,000	-
2002B	-	-	-	-	-	-	-	-
2004A♦	19,071,553	-	-	-	-	-	19,071,553	-
2004B	12,105,996	-	-	-	-	-	12,105,996	-
2004C	-	-	-	-	-	-	-	-
2005A ^	17,437,953	-	-	-	-	-	17,437,953	-
2006A	2,146,636	-	-	-	-	-	2,146,636	-
2006B	4,027,035	-	-	-	-	-	4,027,035	-
2007A	1,073,358	-	-	-	-	1,073,358	-	-
2007B	4,925,514	-	-	-	-	-	4,925,514	-
2009A	12,399,675	-	124,675	4,530,000	3,300,000	2,040,000	2,405,000	-
2010B	8,956,447	-	-	-	-	-	8,956,447	-
2011A	2,042,434	-	-	-	-	-	2,042,434	-
2012B	5,777,896	-	-	-	610,000	442,896	4,305,000	420,000
2014A	13,055,000	-	-	-	-	13,055,000	-	-
2014B▲	996,884	-	990,211	-	-	6,673	-	-
2015BΔ	413,468	-	-	-	-	-	-	413,468
2016A	12,775,000	1,135,000	1,080,000	855,000	-	-	-	9,705,000
2017B	16,835,000	-	-	-	-	-	-	16,835,000
<b>Total</b>	<b>201,909,899</b>	<b>1,135,000</b>	<b>2,194,886</b>	<b>5,385,000</b>	<b>3,910,000</b>	<b>16,617,927</b>	<b>145,293,618</b>	<b>27,373,468</b>

**Notes:**

- \* 2002A refinanced the outstanding portion of the 1993 Bonds; only the part retired before issuance of 2002A (together with the unrefunded February 1, 2003 maturity of the 1993 Bonds) are shown under 1993 heading.
- ♦ 2004A refinanced the outstanding portion of the 1994 & 1995 Bonds; only the part retired before issuance of 2004A (together with the unrefunded February 1, 2005 maturity of the 1995 Bonds) are shown under 1994 & 1995 heading.
- ^ 2005A refinanced a portion of the outstanding 1997 & 2000B Bonds; only the part retired before issuance of 2005A together with the unrefunded February 1, 2006 TO 2010 maturities of the 1997 Bonds, are shown under 1997 & 2000B heading.
- ▲ 2014B refinanced the outstanding portion of the 2007A Bonds; only the part retired before issuance of 2014B (together with the unrefunded February 1, 2015 maturity of the 2007A Bonds) are shown under 2007A heading.
- Δ 2015B refinanced a portion of the 2012B Bonds; only the part retired before issuance of 2015B (together with the unrefunded February 1, 2016 maturity of the 2012B Bonds) are shown under 2012B heading.

Indiana CW SRF Loan Program  
Exhibit H - Summary of Loans Closed in SFY 2019

Applicant Name	Closing Date	Loan Amount	Principal Forgiveness Amount	Total Loan and Principal Forgiveness	Estimated Open Market Interest Rate	Estimated Open Market Principal and Interest	SRF Interest Rate	SRF Loan Term (years)	SRF Principal and Interest	SRF Savings
South Whitley	8/23/2018	\$ 2,247,000	\$ 2,247,000	\$ 4,494,000	3.75%	\$ 6,467,953	2.00%	20	\$ 2,748,383	\$ 3,719,570
Amo Coatesville CD	8/31/2018	\$ 1,119,000	\$ -	\$ 1,119,000	3.75%	\$ 1,610,512	2.12%	20	\$ 1,384,588	\$ 225,923
Terre Haute	9/7/2018	\$ 4,364,000	\$ -	\$ 4,364,000	3.75%	\$ 6,280,852	2.00%	20	\$ 5,337,758	\$ 943,093
Shirley	9/20/2018	\$ 792,000	\$ -	\$ 792,000	3.75%	\$ 1,139,880	2.25%	20	\$ 992,250	\$ 147,629
Jamestown	9/24/2018	\$ 1,396,000	\$ 227,000	\$ 1,623,000	3.75%	\$ 2,335,890	2.00%	20	\$ 1,707,496	\$ 628,394
Russiaville	10/10/2018	\$ 289,000	\$ 536,000	\$ 825,000	3.75%	\$ 1,187,375	2.00%	20	\$ 353,486	\$ 833,889
Allen County Series A	10/29/2018	\$ 1,545,000	\$ 3,637,000	\$ 5,182,000	3.75%	\$ 7,458,152	2.00%	20	\$ 1,889,743	\$ 5,568,409
Allen County Series B	10/29/2018	\$ 4,343,000	\$ -	\$ 4,343,000	3.75%	\$ 7,869,785	2.30%	35	\$ 6,370,276	\$ 1,499,509
Logansport Storm Water	11/7/2018	\$ 13,930,000	\$ -	\$ 13,930,000	3.75%	\$ 25,242,023	2.30%	35	\$ 20,432,406	\$ 4,809,617
Logansport Series A	11/7/2018	\$ 5,995,000	\$ -	\$ 5,995,000	3.75%	\$ 8,628,255	2.09%	20	\$ 7,396,531	\$ 1,231,725
Logansport Series B	11/7/2018	\$ 11,070,000	\$ -	\$ 11,070,000	3.75%	\$ 20,059,526	2.40%	35	\$ 16,487,675	\$ 3,571,851
Fort Wayne 2018 A	11/15/2018	\$ 742,584	\$ -	\$ 742,584	3.75%	\$ 763,405	2.86%	0.5	\$ 758,475	\$ 4,930
Fort Wayne 2018 A-2 (or B)	11/15/2018	\$ 21,722,416	\$ -	\$ 21,722,416	3.75%	\$ 31,263,812	2.86%	20	\$ 28,825,083	\$ 2,438,729
Greenwood	11/20/2018	\$ 29,137,000	\$ -	\$ 29,137,000	3.75%	\$ 52,798,049	2.55%	35	\$ 44,394,906	\$ 8,403,143
LaGrange 2018 A	11/28/2018	\$ 8,597,500	\$ 4,258,500	\$ 12,856,000	3.75%	\$ 18,502,894	0.00%	20	\$ 8,597,500	\$ 9,905,394
LaGrange 2018 B	11/28/2018	\$ 2,797,000	\$ -	\$ 2,797,000	3.75%	\$ 5,068,337	0.00%	35	\$ 2,797,000	\$ 2,271,337
Columbia City	11/28/2018	\$ 4,863,000	\$ -	\$ 4,863,000	3.75%	\$ 6,999,034	2.00%	20	\$ 5,948,102	\$ 1,050,931
New Castle (Fee Loan)	11/30/2018	\$ 1,280,000	\$ 1,263,123	\$ 2,543,123	3.75%	\$ 3,660,169	0.00%	20	\$ 1,280,000	\$ 2,380,169
Evansville 2018 B-1	12/4/2018	\$ 35,020,000	\$ -	\$ 35,020,000	3.75%	\$ 50,402,253	2.90%	20	\$ 46,643,700	\$ 3,758,553
Evansville 2018 B-2	12/4/2018	\$ 72,335,000	\$ -	\$ 72,335,000	3.75%	\$ 131,075,501	3.32%	35	\$ 123,393,696	\$ 7,681,805
Prince's Lakes	12/12/2018	\$ 691,000	\$ 1,650,000	\$ 2,341,000	3.75%	\$ 3,369,265	2.25%	20	\$ 865,713	\$ 2,503,552
Warsaw	12/13/2018	\$ 31,700,000	\$ -	\$ 31,700,000	3.75%	\$ 45,623,970	2.35%	20	\$ 40,095,262	\$ 5,528,708
North Vernon	12/13/2018	\$ 4,210,000	\$ -	\$ 4,210,000	3.75%	\$ 6,059,209	2.00%	20	\$ 5,149,396	\$ 909,813
New Whiteland	12/13/2018	\$ 2,472,000	\$ -	\$ 2,472,000	3.75%	\$ 3,557,806	2.25%	20	\$ 3,097,024	\$ 460,782
Arcadia	12/14/2018	\$ 862,000	\$ 260,000	\$ 1,122,000	3.75%	\$ 1,614,829	2.00%	20	\$ 1,054,342	\$ 560,488
LaPorte (Fee Loan)	12/14/2018	\$ 100,000	\$ 2,093,500	\$ 2,193,500	3.75%	\$ 3,156,977	2.00%	20	\$ 122,313	\$ 3,034,664
Poneto - Fees Loan/Grant	14-Dec-18	\$ 249,000	\$ 420,000	\$ 669,000	3.75%	\$ 962,853	2.00%	20	\$ 304,560	\$ 658,292
Connersville	12/14/2018	\$ 4,990,000	\$ -	\$ 4,990,000	3.75%	\$ 7,181,817	2.25%	20	\$ 6,251,679	\$ 930,139
Steuben Lakes	12/14/2018	\$ 1,279,000	\$ 1,267,000	\$ 2,546,000	3.75%	\$ 4,613,510	2.30%	35	\$ 1,876,026	\$ 2,737,483
Bargersville	12/14/2018	\$ 9,820,000	\$ -	\$ 9,820,000	3.75%	\$ 14,133,356	2.25%	20	\$ 12,302,903	\$ 1,830,453
Terre Haute	12/21/2018	\$ 63,000,000	\$ -	\$ 63,000,000	3.75%	\$ 90,672,243	2.85%	20	\$ 83,521,628	\$ 7,150,615
Posey County RSD	12/28/2018	\$ -	\$ 4,161,830	\$ 4,161,830	3.75%	\$ 5,989,880	0.00%	20	\$ -	\$ 5,989,880
Lynn	3/25/2019	\$ 676,000	\$ -	\$ 676,000	3.75%	\$ 972,928	2.00%	20	\$ 826,839	\$ 146,089
Sullivan	3/27/2019	\$ 1,376,000	\$ -	\$ 1,376,000	3.75%	\$ 1,980,397	2.00%	20	\$ 1,683,033	\$ 297,364
Indianapolis Airport Authority	3/28/2019	\$ 30,000,000	\$ -	\$ 30,000,000	3.75%	\$ 54,361,859	2.80%	35	\$ 47,450,000	\$ 6,911,859
Montpelier	6/19/2019	\$ 1,722,000	\$ -	\$ 1,722,000	3.75%	\$ 2,683,379	2.10%	25	\$ 2,231,011	\$ 452,368
Montpelier	6/19/2019	\$ 3,434,000	\$ -	\$ 3,434,000	3.75%	\$ 4,942,357	2.00%	20	\$ 4,200,243	\$ 742,113
<b>TOTAL</b>		<b>\$ 380,165,500</b>	<b>\$ 22,020,953</b>	<b>\$ 402,186,453</b>						<b>\$ 101,919,265</b>

## Exhibit I

### **INTENDED USES OF FUNDS IN THE INDIANA FINANCE AUTHORITY'S SRF ACCOUNTS**

This Exhibit identifies the intended uses of the funds held in various accounts of the CWSRF, and how those uses support the goals of the CWSRF. This Exhibit also demonstrates how the Authority meets the requirements of 40 CFR 35.3135(d) by using all of the funds in the CWSRF in an expeditious and timely manner.

#### **Sources, Uses and Available Balances in SRF Accounts**

The following accounts have been created and exist under the Authority's Wastewater Trust Indenture and comprise its CWSRF. Set forth on the attached Schedule I-1 (the "Use Schedule") is detail on what funds are held in the CWSRF and how they were expeditiously and timely used in SFY 2019 and will continue to be in perpetuity.

#### **Wastewater Purchase Account.**

*Sources of Funds:* Funds held in this account<sup>1</sup> come from proceeds of Program Bonds<sup>2</sup> issued by the Authority. The Authority expects to cause additional Program Bonds to be issued at times and in amounts sufficient to meet the funding requirements for loans presently closed as of the end of the SFY 2019 as well as loans anticipated to be closed in SFY 2020 and after.

*Uses of Funds:* These funds are used to make loans for qualified Proposed Projects as permitted by 40 CFR 35.3120(a). This use directly furthers the primary purpose of the CWSRF Program by financing qualified Proposed Projects and through their construction improves water quality in the State of Indiana.

*Available Balance:* As of July 1, 2019, the aggregate amount of closed and committed loans exceeded the balance in this account ("Excess Commitments"). As additional loans are closed in SFY 2020, such committed amounts will contribute to additional Excess Commitments. The aggregate amount held in this account as of July 1, 2019 is shown in the Use Schedule. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes except to finance closed and committed loans related to qualified Proposed Projects.

<sup>1</sup> Pursuant to SRF Indenture modification, the former State Match Loan Account was consolidated into this Account effective May 30, 2007.

<sup>2</sup> To date, the Authority (or its predecessor issuer) has issued multiple series of bonds including several refunding series (the "Program Bonds"), a portion of which are issued for the CWSRF. An allocated portion of the Program Bonds were deposited in the Purchase Account (with such bonds being referred to as the "Guarantee Revenue Bonds" in this Report) to make loans from the CWSRF and a further allocated portion of the Program Bonds were deposited in the Purchase Account (or the former State Match Loan Account) as state match (with such bonds being referred to as the "State Match Revenue Bonds" in this Report) to make loans or for other permitted purposes. The Guarantee Revenue Bonds are revenue bonds within the meaning of 40 CFR 35.3120(d), the net proceeds of which were deposited in the CWSRF. The State Match Revenue Bonds are revenue bonds within the meaning of 40 CFR 35.3135(b)(2), the net proceeds of which were deposited in the CWSRF; their proceeds (together with other match sources) have matched all capitalization grants awarded to date as well as the not-yet-available FFY 2020 (FFY refers to the Federal Fiscal Year ending September 30 of the year listed) grant by reason of over-match.

**Wastewater Participant Loan Principal Account.**

*Sources of Funds:* Funds held in this account come from principal payments on loans made from the Purchase Account and the former State Match Loan Account.

*Uses of Funds:* These funds are used to make payments on the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) and the Authority’s Operating Agreement with EPA. This use indirectly furthers the primary purpose of the SRF by making loan proceeds available to finance qualified Proposed Projects and through their construction improves water quality in the State of Indiana.

*Available Balance:* Approximately annually, this account is fully depleted to make payments on Program Bonds. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes.

**Wastewater Participant Loan Interest Account.**

*Sources of Funds:* Funds held in this account come from interest payments on loans made from the Purchase Account and the former State Match Loan Account.

*Uses of Funds:* These funds are used to make payments on the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35.3120(d) and 40 CFR 35. 3135(b)(2), respectively. This use indirectly furthers the primary purpose of the SRF by making loan proceeds available to finance qualified Proposed Projects and through their construction improves water quality in the State of Indiana.

*Available Balance:* Approximately annually, this account is fully depleted to make payments on Program Bonds. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes.

**WASTEWATER RESERVE**<sup>3</sup> contains the following accounts:

**Wastewater Reserve Earnings Account.**

*Sources of Funds:* Funds held in this account come from interest payments on loans made from the Purchase Account and the State Match Loan Account together with other earnings on invested Reserve accounts.

*Uses of Funds:* These funds are *first* used to make payments on the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 3120(d) & (f) and 40 CFR 35.3135(b)(2), respectively, and *secondly* transferred to the Reserve Deficiency Account, as described below.

*Available Balance:* Approximately annually, this account is fully depleted to make payments on Program Bonds, with any excess available balances to be transferred to the

<sup>3</sup> Pursuant to SRF Indenture modification, effective May 30, 2007, the following Reserve accounts are pledged to particular series of Program Bonds by means of subaccounts therein. Such pledged accounts serve as the Reserve for only one Series of Program Bonds (a “Series Reserve”) and are held at a fixed amount (a “Series Reserve Requirement”) subject to annual reductions as principal on such Series of Program Bonds are repaid as required by the SRF indenture. While not labeled under this Reserve group of accounts, amounts held in Equity serve as security for the payment of Program Bonds, and thus, are part of the “reserve” for the purposes of this Report and the federal Water Quality Act of 1987, as amended.

Reserve Deficiency Account. Accordingly, none of the funds presently on deposit<sup>4</sup> in this account are available for other SRF purposes.

#### **Wastewater Reserve Grant Account.**

*Sources of Funds:* Funds held in this account<sup>5</sup> come from federal capitalization grants drawn when funds are loaned or administrative expenses are incurred, up to the amount therein (and in the Support Account and Equity Grant Account) that equals the perpetuity amount, and any amounts in excess thereof come from State Match.<sup>6</sup>

*Uses of Funds:* These funds are used (i) as security<sup>7</sup> for outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e) and (ii) as a source of payment for the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35. 3120(d) & (f) and 40 CFR 35.3135(b)(2), respectively. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

*Available Balance:* The aggregate amount held in this account (as of July 1, 2019 and as anticipated in SFY 2020) is shown in the Use Schedule.<sup>8</sup> In furtherance of these purposes, the funds in this account are invested with certain short-term investments, State and Local Government Series (SLGS) securities, and treasury obligations.

#### **Wastewater Reserve Support Account.**

*Sources of Funds:* Funds held in this account come from federal capitalization grants drawn when funds are loaned or administrative expenses are incurred, up to the amount therein (and in the Reserve Grant Account and Equity Grant Account) that equals the perpetuity amount.

*Uses of Funds:* These funds are used (i) as security for outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e) and (ii) as a source of payment for the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35. 3120(d) & (f) and 40 CFR

<sup>4</sup> And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.

<sup>5</sup> Pursuant to SRF Indenture modification, the former State Match Account was consolidated into this Account effective May 30, 2007.

<sup>6</sup> State Match in this account came from State Match Revenue Bonds, and is either from (a) original proceeds that were held as reserve balances from State Match Revenue Bonds issued in 1993, 1994, 1995 and 1997 or (b) principal on loan repayments funded from such proceeds. As of July 1, 2019, such amounts related to State Match on deposit in this account have not been applied to Guarantee Revenue Bonds but may be so applied to make any regularly scheduled payments on the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) and the Authority's Operating Agreement with EPA.

<sup>7</sup> Pursuant to the financing indentures related to the cross-collateralized outstanding Program Bonds, the Authority is presently required to maintain reserves of at least \$126.3 million, which is to be held in the Reserve accounts and is not anticipated to be used to make loans to Participants. A portion of the reserves have been allocated to the CWSRF for purpose of this Annual Report (as shown in the amount set out in the Use Schedule). This is a minimum invested funds requirement. However, the Authority views invested amounts in excess of the foregoing minimum requirement as security and as a source of payment for the outstanding Program Bonds. Further, the Authority expects that the foregoing minimum requirement will increase as additional Program Bonds are issued in SFY 2020 and beyond. Such excess purposes are served by the Equity accounts to the extent that they are not anticipated to be used to make loans to Participants.

<sup>8</sup> And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.

35.3135(b)(2), respectively. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

*Available Balance:* The aggregate amount held in this account (as of July 1, 2019 and as anticipated in SFY 2020) is shown in the Use Schedule. Support Account balances are anticipated to be applied to as a scheduled source of payment for the outstanding Guarantee Revenue Bonds and when so applied will be replaced by retaining earnings in the Equity Grant Account in an amounts necessary to preserve perpetuity as authorized and required by the Authority's Operating Agreement with EPA.

#### **Wastewater Reserve Deficiency Account.**

*Sources of Funds:* Funds held in this account, if any, will come from other Reserve accounts discussed above when the amounts held in the group of accounts serving as the Reserve any Series of Program Bonds (a "Series Reserve") exceeds its Series Reserve Requirement.

*Uses of Funds:* These funds are used to fund each Series Reserve by immediately transferring them as necessary (the *first* possible use) to each Series Reserve that is below its Series Reserve Requirement on each February 1 and August 1 and *secondly* (if not required for such *first* use) shall be transferred to an Equity account (the *secondary* use; which is expected to occur). Any such transfer is either made to a Grant Account or Earnings Account depending on the source of the funds transferred to the Reserve Deficiency Account.

*Available Balance:* No amounts were held in this account as of July 1, 2019 nor are any so anticipated in SFY 2020.

**WASTEWATER EQUITY**<sup>9</sup> contains the following accounts:

#### **Wastewater Administration Account.**

*Sources of Funds:* Funds held in this account come from the outstanding State Match Revenue Bonds or other available funds in the SRF.

*Uses of Funds:* These funds are applied to reasonable costs of administering the CWSRF Program as permitted by 40 CFR 35.3120(g). The Authority so applied these funds during the SFY 2019 (and expects to apply them and other funds in the CWSRF<sup>10</sup> to this purpose in the SFY 2020). Any funds not expended in SFY 2020 are banked for management of the CWSRF in perpetuity by the Authority.

<sup>9</sup> While funds held in these Equity accounts are not pledged to the payment of Program Bonds, the SRF Program Representative may, but is not required to, direct that they be used to pay Program Bonds. Further, the Authority would expect such to occur if it was necessary to pay such bonds and, thus, while not labeled under as Reserve in this Report, the CWSRF treats it as part of the "reserve" for the purposes of this Report and the federal Water Quality Act of 1987, as amended.

<sup>10</sup> Amounts set aside in this account only represent a portion of the funds the Authority is permitted by 40 CFR 35.3120(g) to apply to costs of administering the CWSRF Program. Additionally the Authority continues to bank for this purpose the remaining amount up to the full 4% limit as measured against total grants (including the not-yet-available FFY 2019 grant expected to be awarded in SFY 2019).

*Available Balance:* As of July 1, 2019, the aggregate amount held in this account is shown in the Use Schedule. All of these funds are expected to be used solely to pay reasonable costs of administering the CWSRF Program. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes.

### **Wastewater Equity Grant Account.**

*Sources of Funds:* Funds held in this account come from federal capitalization grants drawn when funds are loaned or administrative expenses are incurred, up to the amount therein (and in the Reserve Grant Account and Support Account) that equals the perpetuity amount, and any amounts in excess thereof come from State Match.

*Uses of Funds:* These funds are used (i) as security<sup>11</sup> and as a source of payment for the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e), (ii) to fund any transfers to the Authority's DWSRF as permitted by law including Section 302 of the Safe Drinking Water Act, (iii) to provide funds to meet costs of administering the CWSRF in perpetuity, and (iv) to fund that portion of any loans closed but not presently on deposit in the Purchase Account<sup>12</sup> in the event additional leveraged Guarantee Revenue Bonds could not be issued for any reason to meet such commitments. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

*Available Balance:* The aggregate amount held in this account (as of July 1, 2019 and as anticipated in SFY 2020) is shown in the Use Schedule.<sup>13</sup> In furtherance of these purposes, the funds in this account are invested with certain short-term investments, State and Local Government Series (SLGS) securities, and treasury obligations.

### **Wastewater Equity Earnings Account.**

*Sources of Funds:* Funds held in this account come from (a) transfers from the Reserve Earnings Account and the Participant Loan Interest Account undertaken approximately annually or at the time of an issuance of additional Program Bonds and (b) earnings on amounts invested in the Equity accounts.

*Uses of Funds:* These funds are used (i) as security and as a source of payment for the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35.3120(d) & (f) and 40 CFR 35.3135(b)(2), respectively, like the Equity Grant Account and (ii) to fund that portion of any loans closed but not on deposit in the Purchase Account in the event additional leveraged Guarantee Revenue Bonds could not be issued for any reason to meet

<sup>11</sup> Pursuant to the financing indentures, the Authority may use these funds if the Reserve Grant Account were insufficient to pay outstanding Program Bonds. Further, the Authority expects that the foregoing minimum requirement of Reserve accounts will increase as additional Program Bonds are issued in SFY 2020 and will result in a transfer of any uncommitted amounts in the Equity Grant Account to the Reserve Grant Account inclusive of any Capitalization Grants drawn into the SRF after July 1, 2019.

<sup>12</sup> In addition to meeting any Excess Commitments as of July 1, 2019, additional Excess Commitments will occur before additional Guarantee Revenue Bonds are issued. This will result from closing new loans for qualified Proposed Projects with (a) approved preliminary engineering reports (PERs) as of July 1, 2019, (b) PERs submitted and under review by the CWSRF as of July 1, 2019 and (c) additional PERs to be submitted (including as set in the new PPL in SFY 2020), each as detailed in the Use Schedule.

<sup>13</sup> And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.

such commitments. This use both directly and indirectly furthers the primary purpose of the SRF by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

*Available Balance:* The aggregate amount held in this account as of July 1, 2019 is shown in the Use Schedule.<sup>14</sup>

### **Additional Information Concerning Expected Uses of SRF Funds**

**Use of Available Balances to Meet Closed Loan Commitments.** Under its existing practices, the Authority closes CWSRF Program loans with Participants without the necessity of having available balances in its Purchase Account to fully fund those loan commitments on the date a CWSRF Program loan is closed. As of July 1, 2019, there were Excess Commitments. By closing new loans for qualified Proposed Projects with (a) approved PERs as of July 1, 2019, (b) PERs submitted and under review by the CWSRF as of July 1, 2019 and (c) additional PERs to be submitted (including as set in the new PPL in SFY 2020), the aggregate amount of Excess Commitments would become as shown in the Use Schedule.

The Authority expects to cause additional Program Bonds to be issued at times and in amounts sufficient to meet the funding requirements for loans presently closed and those anticipated to be closed in SFY 2020. Additionally, certain amounts held in the Equity Grant Account and Equity Earnings Account are available and would be used to meet a portion of the projected funding requirements for loans presently closed (and those anticipated to be closed in SFY 2020) in the event additional Guarantee Revenue Bonds could not to be issued.

**Use of Available Balances as a Reserve and Source of Payment for Guarantee Revenue Bonds.** Amounts held in the Support Account, Reserve Deficiency Account, Equity Grant Account, Reserve Grant Account Reserve Earnings Account and Equity Earnings Account secure, and are a source of payment, for Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (f). In addition to this use, a portion of these funds are also held to meet (a) Excess Commitments in SFY 2020 in the event additional Guarantee Revenue Bonds could not to be issued, (b) costs of administering the CWSRF Program in perpetuity, and (c) any transfers to the DWSRF as permitted by law.

**Use of Available Balances as a Source of Payment for State Match Revenue Bonds.** All SRF earnings including amounts held in the Reserve Earnings Account and Equity Earnings Account secure, and are a source of payment, for State Match Revenue Bonds as permitted by 40 CFR 35.3135(b)(2). In addition to this use, a portion of these funds are held to meet (a) Excess Commitments in SFY 2020 in the event additional Guarantee Revenue Bonds could not to be issued, (b) costs of administering the CWSRF Program in perpetuity, and (c) any transfers to the DWSRF as permitted by law.

**Use of Available Balances as a Source of Payment for Administrative Expenses.** All SRF amounts<sup>15</sup> are held to meet costs of administering the CWSRF Program in perpetuity if and as permitted by law.

### **Use of Available Balances to Possibly Transfer Funds to the Drinking Water SRF.**

As of July 1, 2019, about \$23.6 million has been transferred to DWSRF. As of July 1, 2019, the cumulative transfer amount available for additional transfers from CWSRF to the DWSRF could result in up to approximately \$100.2 million of allowable transfers which includes 33 percent of the FFY 2019 grant. The full amount of any such potential transfers is banked.

<sup>14</sup> And before any further transfers to the DWSRF as discussed elsewhere in this Exhibit.

<sup>15</sup> Additionally the Authority continues to bank for this purpose the remaining amount up to the full 4 percent limit as measured against total grants (including the not-yet-available FFY 2020 grant expected to be awarded in SFY 2020).

Further, transfers can be made from DWSRF to the CWSRF up to the cumulative amount made from CWSRF to the DWSRF to date, together with an amount equal to 33 percent of aggregate Drinking Water Capitalization Grants awarded. The full amount of any such potential transfers is banked.

Since the inception of the DWSRF, the Authority (or its predecessor) has banked transfers up to maximum permitted limit and continues to do so; funds held in the Equity Grant Account might be used for this purpose. Such transfer may be effectuated by a transfer of an invested balance from (a) one or more of the Authority's Investment Agreements or (b) other investments. These invested funds would then be used to support the issuance of Guarantee Revenue Bonds, the proceeds of which would be used to make Program loans. Any such determination would be based on whether the CWSRF or DWSRF program is more in need of funds (when considering their respective priorities) than the other. While a transfer from DWSRF to the CWSRF is not expected, it is also banked to reserve the Authority's discretion.

Exhibit I - Schedule 1

	Account Balances*	
	30-Jun-2019 (Actual)	Future Deposits in SFY
<b><u>A. Funds Committed to Projects by CWSRF</u></b>		
Purchase Account	\$ 37,900,000	\$ -
	<u>\$ 37,900,000</u>	<u>\$ -</u>
<b><u>B. Other Funds Held in CWSRF</u></b>		
Reserve Grant Account	\$ 119,200,000	\$ -
Reserve Earnings Account	1,300,000	-
Reserve Support Account	600,000	-
Reserve Deficiency Account	-	-
Equity Grant Account	156,200,000	77,300,000
Equity Earnings Account	157,900,000	
Equity Administrative Account	900,000	
	<u>\$ 436,100,000</u>	<u>\$ 77,300,000</u>
<b>Total Available Funds (A. and B. above)</b>	<u><u>\$ 474,000,000</u></u>	<u><u>\$ 77,300,000</u></u>

**Proof of Timely & Expedious Use of Above Funds Held in CWSRF\***

Closed Loan (Undrawn loan amounts covered by on-hand Purchase A/C Funds)	\$ 37,900,000
Closed Loan Excess Commitments (after Application of above Purchase A/C **)	178,600,000
Closed Loan to be funded directly from Equity (undrawn portion of loan)	-
PERs In-house (approved & under-review) Awaiting Loan Closing	1,018,500,000
Other Projects on new SFY's PPL, Requesting Loan Funding	74,100,000
1. Use: to cover Loan Demand***	<u>1,309,100,000</u>
Funds held in existing Administrative Account	900,000
Remainder of 4% banked funds available for Administrative purposes	3,100,000
2. Use: to cover Administrative Costs in Perpetuity	<u>4,000,000</u>
3. Use: to cover Series Reserve Requirement	<u>115,900,000</u>
<b>Possible Uses of Funds (1, 2 &amp; 3 above without considering other secondary purposes for holding them in the CWSRF) # are as follows:</b>	<u><u>\$ 1,429,000,000</u></u>

<b>Uses of Funds (1, 2 &amp; 3 above):</b>	\$ 1,429,000,000
<b>Less: Total Available Funds (A. and B. above)</b>	551,300,000
<b>Amount by which "Possible Uses of Funds" EXCEED "Total Available Funds"</b>	<u><u>\$ 877,700,000</u></u>

Notes:

\* Amounts are approximate & rounded to nearest \$100,000

\*\* This amount is a net unfunded amount of closed loans after application of the June 30th on-hand balance.

\*\*\* While use will likely be met with future Program Bonds, possible that on-hand funds could be used. When covered by issuance of Program Bonds used to make subsidized loan, a reserve of 40% to 50% is funded from Equity and additional Program Bonds are used to make pooled loan at a market rate. Such Program Bonds would not be sufficient to meet all needs.

Exhibit J  
SFY 2019 CWSRF Loan Program Quarterly Interest Rates<sup>1</sup>

State Fiscal Year (SFY) By Quarter (Qtr)	User Rates (Over \$50)	User Rates (\$30 to \$50)	User Rates (Under \$30)
Tier III (MHI <sup>2</sup> : under \$40,346)			
1 <sup>st</sup> Qtr SFY 2019	2.00%	2.00%	2.12%
2 <sup>nd</sup> Qtr SFY 2019	2.00%	2.00%	2.25%
3 <sup>rd</sup> Qtr SFY 2019	2.00%	2.00%	2.13%
4 <sup>th</sup> Qtr SFY 2019	2.00%	2.00%	2.00%
Tier II (MHI: \$40,347 to 50,432)			
1 <sup>st</sup> Qtr SFY 2019	2.00%	2.00%	2.37%
2 <sup>nd</sup> Qtr SFY 2019	2.00%	2.00%	2.50%
3 <sup>rd</sup> Qtr SFY 2019	2.00%	2.00%	2.38%
4 <sup>th</sup> Qtr SFY 2019	2.00%	2.00%	2.13%
Tier I (MHI: over \$50,433)			
1 <sup>st</sup> Qtr SFY 2019	2.00%	2.12%	2.62%
2 <sup>nd</sup> Qtr SFY 2019	2.00%	2.25%	2.75%
3 <sup>rd</sup> Qtr SFY 2019	2.00%	2.00%	2.63%
4 <sup>th</sup> Qtr SFY 2019	2.00%	2.00%	2.38%

<sup>1</sup> Up to an additional .50 percent reduction is possible if a non-point-source project is financed along with a point source project or a project that includes green/sustainable, including climate resiliency components.

<sup>2</sup> Median Household Income reflected in the 2012-2016 ACS 5-year Estimate data.

Exhibit K

Summary of Clean Water Program Fee Sources and Uses

<b><u>Total Fees Collected</u></b>
\$ 24,000,000

<b>Participant/ Project</b>	<b>Description</b>	<b>Allocated Amount</b>	<b>Expenses as of 6/30/2019</b>	<b>Participant/ Project Balance</b>
<b>JNRU</b>	The SRF Loan Program provided a subsidy to the Jennings North Regional Utility (JNRU) for the purpose of restructuring its existing debt through its WW Fee Account in order for it to become a more sustainable entity.	7,183,743	(7,183,743)	-
<b>Bluffton</b>	The McKinney & Paxson area of Wells County, near Bluffton Indiana is an economically depressed area that suffers from failing septic systems. The City of Bluffton extended sewers to the McKinney & Paxson area utilizing SRF Traditional and Fee funds.	435,000	(435,000)	-
<b>Allen County</b>	Allen County Sewer District has a long term plan of eliminating failing septic systems throughout the county. These funds shall be to fund the purposes and uses of the Rate Stabilization Account of the sewage works projects in Allen County.	2,000,000	(2,000,000)	-
<b>LaPorte County Fee Loan</b>	The Rolling Prairie service area is experiencing failing septic / illicit discharge issues. The LaPorte County RSWD secured SRF and Fee funds to extend sewers to the service area.	100,000	-	100,000
<b>New Castle Fee Loan</b>	White Estates Subdivision is under Agreed Order to correct failing septic / illicit discharge issues. The City of New Castle secured SRF and Fee funds to extend sewers to the Subdivision.	1,280,000	-	1,280,000
<b>Poneto Fee Loan</b>	Town of Poneto WWTP requires improvements to meet ammonia-nitrogen removal requirements.	669,000	(169,853)	499,147
<b>Professional Services</b>		10,953	(10,953)	-
<b>Fee Acct Miscellaneous</b>	Costs include fees and services to promote activities consistent with the goals of the Clean Water Act.	489,047	(213,849)	275,198
<b>TOTAL</b>		<b>12,167,743</b>	<b>(10,013,398)</b>	<b>2,154,345</b>
<b>Loan Repayments</b>				693,949
<b>Interest Earned</b>				465,772
		<b><u>Unallocated Funds</u></b>		<b><u>Account Balance</u></b>
		\$ 12,991,978		\$ 15,146,323

Exhibit L  
TRANSFERS

Consistent with its Intended Use Plans and EPA Policy Statement (FRL-6884-7, 65 FR 199, 10/13/00, pg. 60940), the State is reporting on transfers between the CWSRF and the DWSRF. In its Intended Use Plans, the State retained the flexibility to make transfers of grants (and other funds) held in or allocable to such funds to the extent permitted by the Clean Water Act and the Safe Drinking Water Act. As of June 30, 2019, an amount of up to 33 percent of the Safe Drinking Water Act grants for FFYs 1997 through 2019 could be so transferred on a net cumulative basis. Based on the State's award of Safe Drinking Water Act related funds for FFY 1997 through 2019, to date, approximately \$23.6 million has been transferred to the DWSRF from the CWSRF. The following transfers were made from the 1998 Restricted Subaccount of the Wastewater Equity Account held under the Wastewater Indenture, which represents federal grants previously converted to cash and deposited in that account, to the Drinking Water Trustee for deposit in the 1998 Restricted Subaccount of the Drinking Water Equity Account held under the Drinking Water Indenture:

<u>Transfer Dates</u>	<u>Transfer Amounts</u>
August 25, 2000	\$17,479,407
February 15, 2001	2,985,491
May 1, 2002	<u>3,120,183</u>
Total	\$23,585,081

Such transfers did not negatively affect the capacity of the CWSRF to finance proposed projects during SFY 2019.



**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**

COMBINED FINANCIAL STATEMENTS

June 30, 2019 and 2018

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
Indianapolis, Indiana**

CONTENTS

INDEPENDENT AUDITORS' REPORT .....	1
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED).....	4
COMBINED FINANCIAL STATEMENTS	
COMBINED STATEMENTS OF NET POSITION .....	9
COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION .....	10
COMBINED STATEMENTS OF CASH FLOWS .....	11
NOTES TO COMBINED FINANCIAL STATEMENTS .....	12
OTHER SUPPLEMENTARY INFORMATION	
COMBINING SCHEDULES - STATEMENTS OF NET POSITION INFORMATION .....	38
COMBINING SCHEDULES - STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INFORMATION .....	39
COMBINING SCHEDULES - STATEMENTS OF CASH FLOWS INFORMATION .....	40
OTHER REPORT	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i> .....	41

## *Independent Auditors' Report*

Members of the Indiana Finance Authority  
State Revolving Fund Loan Programs

### **Report on the Financial Statements**

We have audited the accompanying combined financial statements of State Revolving Fund Loan Programs, an enterprise fund of the Indiana Finance Authority, which comprise the combined statements of net position as of June 30, 2019 and 2018, and the related combined statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the notes to the combined financial statements.

### ***Management's Responsibility for the Combined Financial Statements***

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Uniform Compliance Guidelines for Audit of State and Local Governments by Authorized Independent Public Accountants*, issued by the Indiana State Board of Accounts. Those standards and guidelines require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

1.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of State Revolving Fund Loan Programs at June 30, 2019 and 2018, and the changes in their net position and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 be presented to supplement the basic combined financial statements. Such information, although not a part of the basic combined financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic combined financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic combined financial statements, and other knowledge we obtained during our audits of the basic combined financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Report on Other Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the basic combined financial statements as a whole. The supplementary combining schedules of statements of net position information, statements of revenues, expenses and changes in net position information, and statements of cash flows information are presented for purposes of additional analysis and are not a required part of the basic combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic combined financial statements or to the basic combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic combined financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2019, on our consideration of State Revolving Fund Loan Programs' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of State Revolving Fund Loan Programs' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering State Revolving Fund Loan Programs' internal control over financial reporting and compliance.

*Katy, Sapper & Miller, LLP*

Indianapolis, Indiana  
September 30, 2019

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)**  
**June 30, 2019**

---

As management of the State Revolving Fund Loan Programs (SRF Programs), we offer readers of the SRF Programs' combined financial statements this narrative overview (Management's Discussion and Analysis (MD&A)) of the financial activities of the SRF Programs for the fiscal year ended June 30, 2019. All amounts, unless otherwise indicated, are expressed in thousands of dollars and are approximate.

**Financial Highlights:** The SRF Programs' total net position increased by \$66.4 million during the current fiscal year from \$1,357.4 million to \$1,423.8 million. Nonoperating revenues consisted of \$54.6 million of capital contributions (grants) from the U.S. Environmental Protection Agency (EPA) during fiscal year 2019. SRF Programs' net position is restricted for water pollution and drinking water projects and related purposes of SRF Programs.

During the current fiscal year, the SRF Programs' liabilities increased by \$313 million. The primary increase in liabilities is a result of scheduled principal payments and cash defeasing bonds, net of issuing \$520 million in new bonds. The SRF Programs issued 2018A, 2019A, 2019C, and 2019D Bonds for \$520 million, which was new funding for the programs. The SRF Programs cash defeased \$142 million of the partial Series 2010A, 2010C, 2012A, and 2012C bonds.

The SRF Programs disbursed \$572 million to participants during the current year to fund wastewater and drinking water infrastructure project expenses. Loans receivable can be found in Note 4 to the combined financial statements starting on page 20 of this report.

### **BASIC COMBINED FINANCIAL STATEMENTS**

This MD&A is intended to serve as an introduction to the SRF Programs' basic combined financial statements (Report). The accompanying report only provides information on the financial activities associated with the SRF Programs which are an enterprise fund of the Indiana Finance Authority, where financial transactions are reported as business-type activities. The basic combined financial statements do not represent a comprehensive annual financial report of the Indiana Finance Authority.

Enterprise funds are used to report any activities for which income fees are charged to external users for goods and services. In addition, enterprise funds must be used in situations where debt is backed solely by fees and charges. An enterprise fund is accounted for in a manner similar to a commercial enterprise on the accrual basis of accounting.

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)**  
**June 30, 2019**

---

The SRF Programs' basic combined financial statements include statements of net position, statements of revenues, expenses and changes in net position, statements of cash flows, and the notes to the combined financial statements. These combined financial statements can be found on pages 9-11 of this report and are summarized below:

- The *combined statements of net position* present information on all of the SRF Programs' assets, deferred outflows of resources, and liabilities, with the difference reported as net position.
- The *combined statements of revenues, expenses and changes in net position* present information showing how the SRF Programs' net position changed during each year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- In contrast, the *combined statements of cash flows* are concerned solely with flows of cash and cash equivalents. Transactions are recorded when cash is received or exchanged, without concern of when the underlying event causing the transactions occurred.

The notes to the combined financial statements provide additional information that is essential to a full understanding of the data provided in the combined financial statements. The notes to the combined financial statements can be found on pages 12-37 of this report.

In addition to the basic combined financial statements and accompanying notes, this report also presents other supplementary information on pages 38-40. These combining schedules are not a required part of the basic combined financial statements, but they provide detailed financial statement information for each individual program. The combining schedules are included to provide other useful information for the readers of the basic combined financial statements.

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)**  
**June 30, 2019**

---

**FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the government enterprise's financial position. In the case of the SRF Programs, net position is \$1,423.8 million at the close of the most recent fiscal year.

**State Revolving Fund Loan Programs' Net Position**  
(In Thousands of Dollars)

	2019	June 30, 2018	2017
Current assets	\$ 701,215	\$ 619,442	\$ 684,753
Noncurrent assets	<u>2,543,212</u>	<u>2,239,265</u>	<u>2,210,469</u>
Total Assets	<u>3,244,427</u>	<u>2,858,707</u>	<u>2,895,222</u>
 Deferred Outflows of Resources	 <u>15,138</u>	 <u>21,272</u>	 <u>25,294</u>
 Current liabilities	 152,023	 149,158	 119,654
Long-term liabilities	<u>1,683,732</u>	<u>1,373,388</u>	<u>1,491,677</u>
Total Liabilities	<u>1,835,755</u>	<u>1,522,546</u>	<u>1,611,331</u>
 Net Position			
Restricted	<u>1,423,810</u>	<u>1,357,433</u>	<u>1,309,185</u>
Total Net Position	<u>\$1,423,810</u>	<u>\$1,357,433</u>	<u>\$1,309,185</u>

Total assets have increased over the years as the SRF Programs continue to mature, manage new and existing projects, and receive new grants. Typically as new and existing projects are undertaken and completed, additional bonds on behalf of the SRF Programs are issued in order to fund the projects.

In fiscal year 2019, participant needs were met with EPA grants, new bond issuances, and funds on hand.

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)**  
**June 30, 2019**

**State Revolving Fund Loan Programs' Changes in Net Position**  
(In Thousands of Dollars)

	Years Ended June 30,		
	2019	2018	2017
Operating Revenues			
Interest income-investments	\$ 18,906	\$ 7,202	\$ 2,664
Interest income-participants	60,461	56,104	52,344
Other	<u>803</u>	<u>1,590</u>	<u>425</u>
Total operating revenues	<u>80,170</u>	<u>64,896</u>	<u>55,433</u>
Operating Expenses			
Interest	45,262	47,521	50,968
Bond issuance costs	3,505	1,255	1,624
Trustee fees	74	84	78
Other program and administrative	<u>4,490</u>	<u>5,101</u>	<u>3,452</u>
Total operating expenses	<u>53,331</u>	<u>53,961</u>	<u>56,122</u>
Operating Income (Loss)	26,839	10,935	(689)
Nonoperating Revenues and (Expenses)			
Capital contributions (EPA Grants)	54,619	43,585	12,065
Loan forgiveness	<u>(15,081)</u>	<u>(6,272)</u>	<u>(8,677)</u>
Total nonoperating revenues and (expenses)	<u>39,538</u>	<u>37,313</u>	<u>3,388</u>
Increase in Net Position	66,377	48,248	2,699
Net Position:			
Beginning of Year	<u>1,357,433</u>	<u>1,309,185</u>	<u>1,306,486</u>
End of Year	<u>\$1,423,810</u>	<u>\$1,357,433</u>	<u>\$1,309,185</u>

The SRF Programs' net position increased by \$66.4 million during the current fiscal year. Key elements of this increase are as follows:

- The SRF Programs received \$54.6 million in capital contributions (grants) from the EPA for qualified drinking water projects and related program purposes.
- Operating revenues exceeded operating expenses by \$26.8 million.
- The SRF Programs had \$15.1 million in loan forgiveness.

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)**  
**June 30, 2019**

---

**DEBT ADMINISTRATION**

Long-term Debt: At the end of the current fiscal year, the SRF Programs' debt, net of premium/discount was \$1.8 billion. The amount due represents bonds issued solely for the State Revolving Fund Loan Programs.

**State Revolving Fund Loan Programs' Outstanding Debt**  
(In Thousands of Dollars)

	2019	2018	2017
Net Bond Indebtedness	<u>\$1,803,942</u>	<u>\$1,494,373</u>	<u>\$1,581,302</u>

During the current fiscal year, the SRF Programs' debt increased by \$310 million. The primary increase in debt is a result of scheduled principal payments and cash defeasing bonds, net of issuing \$520 million in new bonds. The SRF Programs issued Series 2018A, 2019A, 2019C, and 2019D Bonds for \$520 million, which was new funding for the programs. The SRF Programs cash defeased \$142 million of the partial Series 2010A, 2010C, 2012A and 2012C Bonds.

Additional information on the SRF Programs' long-term debt can be found in Notes 7 and 8 to the combined financial statements on pages 22-36 of this report.

**REQUESTS OF INFORMATION**

This financial report is designed to provide a general overview of the SRF Programs' finances for all those with an interest in the SRF Programs' finances. Questions concerning any of the information should be addressed to the Director of Environmental Programs, c/o State Revolving Fund Wastewater and Drinking Water Loan Programs, 100 N. Senate Avenue, Room 1275, IGCN - 12th Floor, Indianapolis, IN 46204.

## **COMBINED FINANCIAL STATEMENTS**

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**COMBINED STATEMENTS OF NET POSITION**  
**June 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Current Assets:		
Cash and equivalents	\$ 527,560,673	\$ 466,337,517
Interest receivable	30,588,648	25,632,441
Due from EPA	384,502	208,277
Accounts receivable	33,500	1,000
Loans receivable-current, net	142,647,483	127,262,636
Total Current Assets	701,214,806	619,441,871
Noncurrent Assets:		
Investments	105,492,679	226,160,746
Loans receivable, net	2,437,612,328	2,012,996,989
Equipment, net	106,714	107,175
Total Noncurrent Assets	2,543,211,721	2,239,264,910
Total Assets	3,244,426,527	2,858,706,781
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Loss on debt refunding	15,138,221	21,272,612
Total Deferred Outflows of Resources	15,138,221	21,272,612
<b>LIABILITIES</b>		
Current Liabilities:		
Interest payable	30,746,843	26,877,811
Accounts payable	1,066,288	679,015
Amount due to federal government	-	616,050
Bonds payable-current, net	120,210,000	120,985,000
Total Current Liabilities	152,023,131	149,157,876
Long-term Liabilities:		
Bonds payable, net	1,683,731,542	1,373,388,225
Total Long-term Liabilities	1,683,731,542	1,373,388,225
Total Liabilities	1,835,754,673	1,522,546,101
<b>NET POSITION</b>		
Restricted for water pollution and drinking water projects and other related program purposes	\$ 1,423,810,075	\$ 1,357,433,292

*See accompanying notes.*

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**Years Ended June 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>OPERATING REVENUES</b>		
Interest income-investments	\$ 18,906,464	\$ 7,201,906
Interest income-loan participants	60,460,832	56,103,869
Administration and premium fees	60,135	43,158
Other	743,170	1,546,634
Total Operating Revenues	80,170,601	64,895,567
<b>OPERATING EXPENSES</b>		
Interest	45,262,498	47,520,830
Bond issuance costs	3,504,627	1,254,971
Trustee fees	73,850	83,530
Other program and administrative	4,490,261	5,101,307
Total Operating Expenses	53,331,236	53,960,638
<b>OPERATING INCOME</b>	26,839,365	10,934,929
<b>NONOPERATING REVENUES AND (EXPENSES)</b>		
Capital contributions (EPA Grants)	54,618,855	43,585,280
Loan forgiveness	(15,081,437)	(6,272,281)
Total Nonoperating Revenues and (Expenses)	39,537,418	37,312,999
<b>INCREASE IN NET POSITION</b>	66,376,783	48,247,928
<b>NET POSITION</b>		
Beginning of Year	1,357,433,292	1,309,185,364
End of Year	\$ 1,423,810,075	\$ 1,357,433,292

*See accompanying notes.*

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**COMBINED STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash payments for salaries, administrative and other expenses	\$ (4,081,757)	\$ (3,920,075)
Administration fee	<u>60,135</u>	<u>43,158</u>
Net Cash Used by Operating Activities	<u>(4,021,622)</u>	<u>(3,876,917)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Maturities of loans to participants	131,562,326	156,794,002
Issuance of loans to participants	(571,562,512)	(321,927,186)
Change in investments	120,668,067	136,090,448
Interest received on loans and investments	<u>74,411,089</u>	<u>61,005,519</u>
Net Cash Provided (Used) by Investing Activities	<u>(244,921,030)</u>	<u>31,962,783</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Proceeds from debt issuance	615,661,794	179,326,022
Principal payments to reduce indebtedness including refunding	(273,133,720)	(242,218,716)
Payment of debt issuance costs, net of refunding	(3,504,627)	(1,254,971)
Interest paid on debt	<u>(68,218,832)</u>	<u>(69,110,538)</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>270,804,615</u>	<u>(133,258,203)</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Capital contributions (EPA grants)	54,442,630	43,773,365
Issuance of forgivable loans to participants	<u>(15,081,437)</u>	<u>(6,272,281)</u>
Net Cash Provided by Capital Financing Activities	<u>39,361,193</u>	<u>37,501,084</u>
<b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>	<b>61,223,156</b>	<b>(67,671,253)</b>
<b>CASH AND EQUIVALENTS</b>		
Beginning of Year	<u>466,337,517</u>	<u>534,008,770</u>
End of Year	<u>\$ 527,560,673</u>	<u>\$ 466,337,517</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating income	\$ 26,839,365	\$ 10,934,929
Adjustments to reconcile operating income to net cash used by operating activities:		
Depreciation	461	461
Interest income	(79,367,296)	(63,305,775)
Interest expense	45,262,498	47,520,830
Bond issuance costs	3,504,627	1,254,971
Changes in assets and liabilities:		
Accounts receivable	(32,500)	(1,000)
Accounts payable	387,273	(12,565)
Amount due to federal government	<u>(616,050)</u>	<u>(268,768)</u>
Net Cash Used by Operating Activities	<u>\$ (4,021,622)</u>	<u>\$ (3,876,917)</u>

*See accompanying notes.*

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**Years Ended June 30, 2019 and 2018**

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Wastewater State Revolving Fund Loan Program (WSRF) and the Drinking Water State Revolving Fund Loan Program (DWSRF), collectively known as State Revolving Fund Loan Programs (SRF Programs), conform to generally accepted accounting principles as applicable to governmental units in the United States of America. The following is a summary of significant policies:

Reporting Entity: The accompanying combined financial statements report only on the financial activities associated with the SRF Programs, which are an enterprise fund of the Indiana Finance Authority (Authority). The combined financial statements do not represent a comprehensive annual financial report of the Authority.

Principles of Combination: The combined financial statements of the SRF Programs include the accounts of the WSRF and the DWSRF. All significant intra-entity accounts and transactions between the individual programs have been eliminated.

Basis of Presentation and Accounting: The SRF Programs are accounted for as Enterprise Funds. An Enterprise Fund is used to account for an operation where periodic determination of revenues earned, expenses incurred, and net income on an accrual basis is appropriate (accrual method). Accordingly, the SRF Programs recognize revenues in the period earned and expenses in the period incurred. Financial transactions are reported as business-type activities.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The SRF Programs follow GASB pronouncements.

The Wastewater State Revolving Fund Loan Program and Drinking Water State Revolving Fund Loan Program: The federal Water Quality Act of 1987 as amended in 1996, and further amended by the Water Resources and Development Act (WRRDA) of 2014 authorized the United States Environmental Protection Agency (EPA) to award capitalization grants to states for public drinking water system programs and water pollution control revolving fund programs. Pursuant to Indiana Code 13-18-13 (WSRF Act), as replaced by Indiana Code 5-1.2-10 effective July 1, 2018, the State of Indiana (State) originally established a water pollution control revolving fund program to provide financial assistance, essentially, to make loans, to political subdivisions for eligible projects. A variety of political subdivisions and other eligible borrowers may receive loans from the WSRF Program, including municipal sewage works, sanitary districts, regional sewer districts and conservancy districts. Pursuant to Indiana Code 13-18-21 (DWSRF Act), as replaced by Indiana Code 5-1.2-10 effective July 1, 2018, the State also has established a public drinking water system program to provide financial assistance for eligible projects. The SRF Programs provide both loans and forgivable loans to public water systems for eligible projects.

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**Years Ended June 30, 2019 and 2018**

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

By operation of law, effective May 15, 2005, all assets and liabilities of the SRF Programs (including the outstanding bonds of the Indiana Bond Bank related to the SRF Programs) became the assets and liabilities of the Indiana Finance Authority instead of the State or the Indiana Bond Bank. For years ending on, or before, June 30, 2005, these assets and liabilities of the SRF Programs were previously reported as part of the respective financial statements of the State and/or the Indiana Bond Bank.

The Authority has capitalized its WSRF and DWSRF Programs with payments made under capitalization grants and with required state matching funds. Payments under, and the use of capitalization grants, are subject to federal law and regulated by the federal government, acting through the EPA.

Under the WSRF and DWSRF Acts, the Authority has responsibility for the administration and management of the WSRF and DWSRF Programs. The Authority has entered into Trust Indentures with The Bank of New York Mellon Trust Company, N.A., successor to J.P. Morgan Trust Company, N.A., to establish a series of separate funds and accounts for operation of the SRF Programs. The indentures create state revolving funds (the Funds) and govern the use of certain bond proceeds and capitalization grants under the WSRF Act and the DWSRF Act. The SRF Programs are being operated initially as leveraged programs, whereby the earnings on certain moneys deposited in the Funds, including payments on loans made from the Funds, are applied to pay debt service on bonds issued to finance the SRF Programs.

If necessary, the capitalization grants are deposited into the SRF Programs accounts and are available to pay scheduled debt service on the Revenue Bonds. SRF Programs participant loan repayments and interest earned on the SRF Programs investments are used to meet the debt service obligations for the Revenue Bonds. States are required to provide an additional 20 percent of the federal capitalization grant as matching funds in order to receive a grant. SRF Programs matching funds have been provided through the issuance of revenue bonds payable from the interest portion of the SRF Program participant loan repayments and the earnings on the funds. Federal contributions are funded and recognized as capital contributions when amounts are received. The Authority may use amounts of up to 4 percent of the federal capitalization grant to pay salaries and administrative costs incurred in the management of the SRF Programs.

The Indiana Bond Bank, on behalf of the SRF Programs, issued Series 2004B Bonds, which by operation of law effective May 15, 2005, such liability of the SRF Programs became the liability of the Authority instead of the Indiana Bond Bank. Additionally, the Authority issued Series 2004B, 2006A, 2009A, 2010A, 2010B, 2010C, 2011A, 2012A, 2012B, 2012C, 2013A, 2014B, 2015A, 2015B, 2016A, 2016B, 2016D, 2016E, 2017B, 2017C, 2018A, 2019A, 2019C and 2019D Bonds in respect of the SRF Programs. Such liabilities are summarized in Note 7 and are secured by a common trust estate supported in part by participant loan repayments.

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**Years Ended June 30, 2019 and 2018**

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Estimates: Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from those estimates.

Restricted Net Position: Restricted net position is available for providing financial assistance related to water pollution control and drinking water projects and other purposes of the SRF Programs.

Cash and Equivalents: Cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments: Investments are recorded at fair value, based on quoted market prices of the investment or similar investments. For investments at June 30, 2019 and 2018, fair value approximates cost. Changes in the fair value of investments are included in the combined statements of revenues, expenses and changes in net position.

Allowance for Doubtful Accounts: Management's estimate of the allowance for doubtful accounts is determined by the forgivable loans closed by the SRF Programs, and by a review of individual loan balances' collectability. The allowance for doubtful accounts was \$29,349,848 and \$18,862,222 at June 30, 2019 and 2018, respectively.

Bond Discounts, Premiums, and Bond Issuance Costs: Bond discounts and premiums are amortized using the interest method over the varying terms of the bonds issued. Bond issuance costs are recorded as expenses when incurred.

Operating Revenues and Expenses: Operating revenues and expenses generally result from providing services. Operating expenses include the cost of providing services and interest on debt. For enterprise funds, revenue and expense transactions normally classified as other than operating cash flows are classified as operating revenues and expenses if those transactions constitute principal ongoing operations. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses, and include capital contributions.

Reclassifications: Certain amounts in the fiscal year 2018 combined financial statements have been reclassified to conform to the presentation of the fiscal year 2019 combined financial statements.

Subsequent Events: The Authority has evaluated the combined financial statements for subsequent events occurring through September 30, 2019, the date the combined financial statements were available to be issued. See Note 11.

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 2 - CASH AND EQUIVALENTS AND INVESTMENTS**

All cash and equivalents and investments are held by, or in the name of, The Bank of New York Mellon Trust Company, N.A., as trustee under certain indentures of trusts (Trust Indentures) pertaining to the SRF Programs and the bonds issued in connection with the SRF Programs. Pursuant to enabling statutes, the investments permitted by the Trust Indentures represent investment policy choices that make the generally applicable provisions of Indiana Code 5-13 inapplicable to the SRF Programs' investments.

A summary of cash and equivalents and investments as of June 30, 2019 and 2018 follows:

	<u>2019</u>		
	<u>Wastewater</u>	<u>Drinking Water</u>	<u>Total</u>
Money market funds	\$ 188,689,073	\$ 43,463,028	\$ 232,152,101
Bank deposits	136,017,538	33,248,732	169,266,270
Government obligations	<u>183,930,062</u>	<u>47,704,919</u>	<u>231,634,981</u>
	<u>\$ 508,636,673</u>	<u>\$ 124,416,679</u>	<u>\$ 633,053,352</u>
	<u>2018</u>		
	<u>Wastewater</u>	<u>Drinking Water</u>	<u>Total</u>
Money market funds	\$ 245,680,765	\$ 83,109,782	\$ 328,790,547
Government obligations	<u>291,157,936</u>	<u>72,549,780</u>	<u>363,707,716</u>
	<u>\$ 536,838,701</u>	<u>\$ 155,659,562</u>	<u>\$ 692,498,263</u>

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

**NOTE 2 - CASH AND EQUIVALENTS AND INVESTMENTS (CONTINUED)**

Investment Type and Interest Rate Risk Disclosure: As of June 30, 2019, the SRF Programs had the following investments and maturities (amounts are in thousands):

	<b>Wastewater Investment Maturities (in years)</b>				
	Fair Value	< 1	1 - < 5	5 - < 10	> 10
Money market funds	\$ 188,689	\$ 188,689	\$ -	\$ -	\$ -
Bank deposits	136,018	136,018	-	-	-
Government obligations	<u>183,929</u>	<u>106,034</u>	<u>65,309</u>	<u>12,586</u>	<u>-</u>
	<u>\$ 508,636</u>	<u>\$ 430,741</u>	<u>\$ 65,309</u>	<u>\$ 12,586</u>	<u>\$ -</u>

	<b>Drinking Water Investment Maturities (in years)</b>				
	Fair Value	< 1	1 - < 5	5 - < 10	> 10
Money market funds	\$ 43,463	\$ 43,463	\$ -	\$ -	\$ -
Bank deposits	33,249	33,249	-	-	-
Government obligations	<u>47,705</u>	<u>20,108</u>	<u>23,260</u>	<u>4,337</u>	<u>-</u>
	<u>\$ 124,417</u>	<u>\$ 96,820</u>	<u>\$ 23,260</u>	<u>\$ 4,337</u>	<u>\$ -</u>

Credit Risk Disclosure: The following table (in thousands of dollars) provides information on the credit ratings associated with the SRF Programs' investments in debt securities at June 30, 2019:

	<b>S&amp;P</b>	<b>Fitch</b>	<b>Moody's</b>	<b>Fair Value</b>
Money market funds	AA+	AAA	Aaa	\$ 226,858
	AAAm	N/A	Aaa-mf	5,294
Bank deposits	N/A	F1+	P-1	169,267
Government obligations	AA+	AAA	Aaa	<u>231,634</u>
Total Rated Investments				<u>\$ 633,053</u>

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**Years Ended June 30, 2019 and 2018**

---

**NOTE 2 - CASH AND EQUIVALENTS AND INVESTMENTS (CONTINUED)**

Custodial Credit Risk: The SRF Programs have no custodial credit risk. The investments are secured by government securities held pursuant to securities or repurchase contracts or otherwise secured by perfected security interest in the same. Such government securities are either issued or guaranteed by the U.S. Government, including United States Treasury obligations and any other obligations, the timely payment of principal and interest of which, are guaranteed by the U.S. Government and bonds, notes, debentures, obligations or other evidence of indebtedness issued and/or guaranteed by Fannie Mae, Federal Home Loan Mortgage Corporation, Government National Mortgage Association or any other agency or instrumentality of the United States, including, but not limited to, mortgage participation certificates, mortgage pass-through certificates, collateralized mortgage obligations and other mortgage-backed securities.

Concentration of Credit Risk: The SRF Programs place no limit on the amount that may be invested in any one issuer. The following table shows investments in issuers that represent 5% or more of the total investments at June 30, 2019:

Blackrock Federal FD INSTL 30	27%
Bank Deposits	27%
Federal Governmental Agency Debt	18%
US Treasury	18%
Dreyfus Government CM INST 289	8%

**NOTE 3 - FAIR VALUE MEASUREMENTS**

The SRF Programs have categorized their assets and liabilities that are measured at fair value into a three-level fair value hierarchy. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy are described as follows:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the SRF Programs has the ability to access.

*Level 2* – Inputs to the valuation methodology may include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and/or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**Years Ended June 30, 2019 and 2018**

---

**NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)**

*Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. In situations where there is little or no market activity for the asset or liability, the SRF Programs make estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Following is a description of the valuation methodologies used by the SRF Programs for assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at June 30, 2019 and 2018.

*Money Market Fund Shares:* Valued at the daily closing price as reported by the funds. These funds are required to publish their daily net asset value (NAV) and to transact at that price. These funds are deemed to be actively traded.

*Bank Deposits:* Determined by discounting the related cash flows on current yields of similar investments with comparable durations considering the credit-worthiness of the issuer.

*Government Obligations:* Valued using pricing models maximizing the use of observable inputs for similar securities.

For those assets measured at fair value, management determines the fair value measurement policies and procedures. Those policies and procedures are reassessed at least annually to determine if the current valuation techniques are still appropriate. At that time, the unobservable inputs used in the fair value measurements are evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the SRF Programs' management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain assets could result in a different fair value measurement at the reporting date.

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)**

Following is a summary, within each level of the fair value hierarchy, of the SRF Programs' assets that are measured at fair value on a recurring basis as of June 30, 2019 and 2018:

<b>2019</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>Assets</b>			
Cash Equivalents:			
Money Market Fund Shares	\$232,152,101	\$ -	\$232,152,101
Bank Deposits	-	169,266,270	169,266,270
Government Obligations	-	126,142,302	126,142,302
Investments:			
Government Obligations	<u>-</u>	<u>105,492,679</u>	<u>105,492,679</u>
Total Assets at Fair Value	<u>\$232,152,101</u>	<u>\$400,901,251</u>	<u>\$633,053,352</u>
<b>2018</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>Assets</b>			
Cash Equivalents:			
Money Market Fund Shares	\$328,790,547	\$ -	\$328,790,547
Government Obligations	-	137,546,970	137,546,970
Investments:			
Government Obligations	<u>-</u>	<u>226,160,746</u>	<u>226,160,746</u>
Total Assets at Fair Value	<u>\$328,790,547</u>	<u>\$363,707,716</u>	<u>\$692,498,263</u>

At June 30, 2019 and 2018, the SRF Programs had no other assets and no liabilities that are measured at fair value on a recurring basis.

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 4 - LOANS RECEIVABLE**

The net proceeds from the issuance of the Revenue Bonds were deposited in the SRF Programs Account and are used primarily to fund loans to participants for eligible projects. The State's current intended use plans include a list of publicly-owned wastewater treatment works, a list of drinking water systems, and other projects proposed by eligible participants, which the State anticipates will be eligible for financial assistance.

The loans receivable balance at June 30, 2019 and 2018 includes actual advances for construction and related costs on eligible projects net of principal payments from participants as follows:

	<b>Loans Receivable as of June 30, 2019</b>	<b>Loans Receivable as of June 30, 2018</b>	<b>Actual Loan Available Less Principal Repayments as of June 30, 2019</b>
Wastewater Fund	\$2,115,391,312	\$1,792,721,660	\$2,334,379,694
Drinking Water Fund	<u>464,868,499</u>	<u>347,537,965</u>	<u>497,450,593</u>
Total All Loans	<u>\$2,580,259,811</u>	<u>\$2,140,259,625</u>	<u>\$2,831,830,287</u>

These amounts represent projects that have been submitted and approved by the SRF Programs, and the loans have been closed. Loans receivable includes current portions of \$142,647,483 at June 30, 2019 and \$127,262,636 at June 30, 2018.

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 4 - LOANS RECEIVABLE (CONTINUED)**

As of June 30, 2019, the outstanding balances of closed loans exceeding 50 percent of the total loans receivable and representing the Programs' largest borrowers are summarized below:

<b>Name of Participant</b>	<b>Loans Receivable as of June 30, 2019</b>	<b>Loans Receivable as of June 30, 2018</b>	<b>Actual Loan Available Less Principal Repayments as of June 30, 2019</b>
<b>Wastewater Fund</b>			
City of Fort Wayne	\$ 275,132,564	\$ 279,310,351	\$ 395,230,025
City of Evansville	258,221,934	144,447,478	264,518,000
City of Terre Haute	202,015,000	140,374,000	202,015,000
Citizens Water Authority	171,757,389	169,325,527	171,757,389
City of Indianapolis (escrow)	168,512,000	186,513,000	168,512,000
<b>Drinking Water Fund</b>			
City of Evansville	\$ 77,220,000	\$ -	\$ 77,220,000
City of East Chicago	42,373,234	42,975,077	43,090,000
City of Greensburg	30,659,273	9,739,867	30,659,273
City of Fort Wayne	29,911,000	33,670,000	29,911,000
Town of Bargersville	15,275,000	15,920,000	15,275,000
City of Mishawaka	13,000,000	-	13,000,000
Jackson County Water Utility Inc	11,962,000	5,589,935	11,962,000
City of Bloomington	10,160,000	12,173,000	10,160,000
City of Lake Station	9,520,298	10,014,298	9,544,000

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 5 - INTEREST RECEIVABLE**

Interest receivable consists of accrued interest on investments and loans to participants as follows:

Interest receivable at June 30, 2019:	<b>Investments</b>	<b>Loans</b>	<b>Total</b>
Wastewater	\$ 1,109,085	\$ 24,331,365	\$ 25,440,450
Drinking Water	<u>288,207</u>	<u>4,859,991</u>	<u>5,148,198</u>
	<u>\$ 1,397,292</u>	<u>\$ 29,191,356</u>	<u>\$ 30,588,648</u>
Interest receivable at June 30, 2018:	<b>Investments</b>	<b>Loans</b>	<b>Total</b>
Wastewater	\$ 1,235,549	\$ 20,770,102	\$ 22,005,651
Drinking Water	<u>379,095</u>	<u>3,247,695</u>	<u>3,626,790</u>
	<u>\$ 1,614,644</u>	<u>\$ 24,017,797</u>	<u>\$ 25,632,441</u>

**NOTE 6 - ARBITRAGE REBATE AND YIELD REDUCTION PAYMENTS TO U.S. TREASURY**

Several series of bonds issued by the Indiana Bond Bank, succeeded by the Authority, in connection with the SRF Programs were the subject of legal opinions as of the date of their issuance to the effect that interest on such bonds was excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"). Under the Code, such exclusion is conditioned on continuing compliance with certain tax covenants including payment of certain earnings in excess of the bond yield to the U.S. Treasury as rebate or yield reduction payments. Any estimated liabilities, which were calculated as of January 31, 2019, are recorded in both the general short-term debt group for the current portion and the general long-term debt account group for the long-term portion. With respect to such bonds, as of June 30, 2019, the SRF Programs had no liabilities. As of June 30, 2018, the SRF Programs had liabilities of \$537,354 for the Wastewater Fund and \$78,696 for the Drinking Water Fund.

**NOTE 7 - BONDS PAYABLE**

The SRF Programs are structured to provide cross-collateralization in accordance with Federal Environmental Law, the bond indenture and SRF indentures, generally by providing a mechanism for pledged funds from either of the SRF Programs to be made available to the other. To effect such cross-collateralization, the SRF indentures allow the SRF trustee to disburse certain assets in the trust estate from either SRF Program and at the written direction of the program representative to collateralize, fund, or secure the other SRF Program, including transfers between the Drinking Water Fund and the Wastewater Fund, subject to provisions of State Environmental Law and Federal Environmental Law. However, under Federal Environmental Law, the bond indenture, and SRF indentures, cross-collateralization may not be used to provide for payment of debt service on bonds.

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

Bonds payable at June 30, 2019 and 2018 for bonds issued on behalf of the SRF Programs are summarized as follows:

	2019	2018
<b><u>Wastewater Fund:</u></b>		
<b>Series 2019C Bonds</b> issued June 4, 2019 for the aggregate amount of \$81,275,000, maturing from February 1, 2023 to February 1, 2036 at an interest rate of 5.00%. Of this, \$49,850,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.	\$ 49,850,000	\$ -
<b>Series 2019A Bonds</b> issued January 24, 2019 for the aggregate amount of \$266,740,000, maturing from February 1, 2026 to February 1, 2039 at an interest rate of 5.00%. The whole amount was allocated to the WSRF Program.	266,740,000	-
<b>Series 2018A Bonds</b> issued October 24, 2018 for the aggregate amount of \$153,195,000, maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$110,000,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.	110,000,000	-
<b>Series 2017C Refunding Bonds</b> issued November 1, 2017 for the aggregate amount of \$124,495,000 to refund the callable portion of Series 2010B, 2011A, and 2012B Bonds, maturing from February 1, 2018 to February 1, 2031 at an interest rate of 5.00%. Of this, \$82,415,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.	81,765,000	81,765,000
<b>Series 2017B Bonds</b> issued November 1, 2017 for the aggregate amount of \$21,045,028, maturing from February 1, 2020 to February 1, 2028 at an interest rate of 5.00%. Of this, \$16,835,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.	16,835,000	16,835,000

---

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTIUNED)**

	2019	2018
<p><b>Series 2016E Refunding Bonds</b> issued October 12, 2016 for the aggregate amount of \$85,930,000 to refund the callable portion of Series 2010B and 2012B Bonds, maturing from February 1, 2022 to February 1, 2030 at interest rates ranging from 3.00% to 5.00%. Of this, \$78,400,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	\$ 78,400,000	\$ 78,400,000
<p><b>Series 2016D Refunding Bonds</b> issued October 12, 2016 for the aggregate amount of \$164,445,000, maturing from February 1, 2020 to August 1, 2046 at interest rates ranging from 3.00 %to 5.00%. The whole amount was allocated to the WSRF Program.</p>	164,445,000	164,445,000
<p><b>Series 2016B Refunding Bonds</b> issued April 7, 2016 for the aggregate amount of \$53,115,000 to refund the callable portion of Series 2006B and 2009A Bonds, maturing from February 1, 2020 to February 1, 2028 at an interest rate of 5.00%. Of this, \$48,240,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	48,240,000	48,240,000
<p><b>Series 2016A Bonds</b> issued April 7, 2016 for the aggregate amount of \$62,675,000, maturing from February 1, 2017 to February 1, 2036 at interest rates ranging from 4.00% to 5.00%. Of this, \$56,715,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	53,645,000	54,780,000
<p><b>Series 2015B Refunding Bonds</b> issued March 19, 2015 for the aggregate amount of \$139,715,000 to refund the callable portion of Series 2007A, 2007B, 2009A, and 2012B Bonds, maturing from February 1, 2016 to February 1, 2025 at interest rates ranging from 2.00% to 5.00%. Of this, \$118,531,184 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	104,653,244	110,456,498

---

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<p><b>Series 2015A Bonds</b> issued February 11, 2015 for the aggregate amount of \$100,000,000, maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$90,740,692 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	\$ 90,740,692	\$ 90,740,692
<p><b>Series 2014B Refunding Bonds</b> issued April 24, 2014 for the aggregate amount of \$68,350,000 to refund the callable portion of Series 2006B, 2007A, and 2007B Bonds, maturing from February 1, 2015 to February 1, 2022 at interest rates ranging from 2.00% to 5.00%. Of this, \$53,790,822 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	35,844,929	45,234,733
<p><b>Series 2013A Refunding Bonds</b> issued February 26, 2013 for the aggregate amount of \$45,090,000 to refund the callable portion of Series 2004B, 2004C, 2005A, 2006A, and 2006B Bonds, maturing from February 1, 2019 to February 1, 2024 at interest rates ranging from 3.00% to 5.00%. Of this, \$32,210,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	32,210,000	32,210,000
<p><b>Series 2012C Bonds</b> issued December 13, 2012 for the aggregate amount of \$109,595,000, maturing from February 1, 2020 to February 1, 2032 at interest rates ranging from 3.00% to 5.00%. Of this, \$99,415,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In April 2019, \$70,875,000 was cash defeased.</p>	28,540,000	99,415,000

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	2019	2018
<p><b>Series 2012B Bonds</b> issued August 30, 2012 for the aggregate amount of \$139,255,000, maturing from February 1, 2013 to February 1, 2031 at interest rates ranging from 1.50% to 5.00%. Of this, \$122,110,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In March 2015, \$23,595,000 was refunded. In October 2016, \$43,910,000 was refunded. In November 2017, \$43,035,000 was refunded.</p>	\$ 6,655,000	\$ 6,655,000
<p><b>Series 2012A Refunding Bonds</b> issued February 8, 2012 for the aggregate amount of \$137,945,000 to refund the callable portion of Series 2001A, 2004B, and 2004C Bonds, maturing from February 1, 2013 to February 1, 2026 at interest rates ranging from 2.00% to 5.00%. Of this, \$126,070,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In April 2019, \$29,565,000 was cash defeased.</p>	76,815,000	107,310,000
<p><b>Series 2010C Refunding Bonds</b> issued October 20, 2010 for the aggregate amount of \$64,925,000 to refund the callable portion of Series 2001A, 2002B, and 2004B Bonds, maturing from February 1, 2020 to February 1, 2023 at an interest rate of 5.00%. Of this, \$57,370,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In April 2019, \$9,080,000 was cash defeased.</p>	48,290,000	57,370,000
<p><b>Series 2010B Bonds</b> issued October 20, 2010 for the aggregate amount of \$100,000,000, maturing from February 1, 2011 to February 1, 2030 at interest rates ranging from 1.50% to 5.00%. Of this, \$80,000,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In October 2016, \$42,325,000 was refunded. In November 2017, \$5,175,000 was refunded.</p>	7,775,000	9,675,000

---

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<p><b>Series 2010A Refunding Bonds</b> issued February 2, 2010 for the aggregate amount of \$288,970,000 to refund the callable portion of Series 2000B, 2001A, 2002B, 2004B, and 2004C Bonds, maturing from February 1, 2011 to February 1, 2024 at interest rates ranging from 2.00% to 5.00%. Of this, \$246,735,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In April 2019, \$13,375,000 was cash defeased.</p>	\$ 37,990,000	\$ 99,050,000
<p><b>Series 2009A Bonds</b> issued November 24, 2009 for the aggregate amount of \$138,990,000, maturing from February 1, 2011 to February 1, 2028 at interest rates ranging from 2.00% to 5.00%. Of this, \$121,235,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In March 2015, \$57,410,000 was refunded. In April 2016, \$40,330,000 was refunded.</p>	-	6,150,000
<p><b>Series 2006A Bonds</b> issued April 25, 2006 for the aggregate amount of \$221,355,000, maturing from February 1, 2007 to February 1, 2027 at interest rates ranging from 3.60% to 5.25%. Of this, \$203,760,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In February 2013, \$24,945,000 was refunded and \$3,265,000 was cash defeased. In April 2014, \$1,750,000 was refunded and \$50,180,000 was cash defeased.</p>	-	21,335,000
<p><b>Series 2004B Bonds</b> issued April 7, 2004 for the aggregate amounts of \$200,000,000, maturing from February 1, 2005 to February 1, 2025 at interest rates ranging from 2.00% to 5.00%. Of this, \$167,480,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In February 2010, \$13,549,109 was refunded. In October 2010, \$6,528,667 was refunded. In February 2012, \$38,610,798 was refunded and in February 2013, \$4,260,000 was cash defeased. In April 2014, \$13,312,319 was cash defeased.</p>	-	6,875,320
<b>Subtotal-Wastewater</b>	<u>\$ 1,339,433,865</u>	<u>\$ 1,136,942,243</u>

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<b><u>Drinking Water Fund:</u></b>		
<b>Series 2019D Bonds</b> issued June 4, 2019 for the aggregate amount \$18,570,000 maturing from February 1, 2023 to February 1, 2036 at an interest rate of 5.00%. The whole amount was allocated to the DWSRF Program.	\$ 18,570,000	\$ -
<b>Series 2019C Bonds</b> issued June 4, 2019 for the aggregate amount of \$81,275,000 maturing from February 1, 2023 to February 1, 2036 at an interest rate of 5.00%. Of this, \$31,425,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.	31,425,000	-
<b>Series 2018A Bonds</b> issued October 24, 2018 for the aggregate amount of \$153,195,000 maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$43,195,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.	43,195,000	-
<b>Series 2017C Refunding Bonds</b> issued November 1, 2017 for the aggregate amount of \$124,495,000 to refund the callable portion of Series 2010B, 2011A, and 2012B Bonds, maturing from February 1, 2018 to February 1, 2031 at an interest rate of 5.00%. Of this, \$42,080,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.	41,700,000	41,700,000
<b>Series 2017B Bonds</b> issued November 1, 2017 for the aggregate amount of \$21,045,000, maturing from February 1, 2020 to February 1, 2028 at an interest at interest rate of 5.00%. Of this, \$4,210,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.	4,210,000	4,210,000

---

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<p><b>Series 2016E Refunding Bonds</b> issued October 12, 2016 for the aggregate amount of \$85,930,000 to refund the callable portion of the Series 2010B Bonds, maturing from February 1, 2022 to February 1, 2030 at interest rates ranging from 3.00% to 5.00%. Of this, \$7,530,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	\$ 7,530,000	\$ 7,530,000
<p><b>Series 2016B Refunding Bonds</b> issued April 7, 2016 for the aggregate amount of \$53,115,000 to refund the callable portion of Series 2006B and 2009A Bonds, maturing from February 1, 2020 to February 1, 2028 at an interest rate of 5.00%. Of this, \$4,875,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	4,875,000	4,875,000
<p><b>Series 2016A Bonds</b> issued April 7, 2016 for the aggregate amount of \$62,675,000, maturing from February 1, 2017 to February 1, 2036 at interest rates ranging from 4.00% to 5.00%. Of this, \$5,960,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	4,730,000	5,185,000
<p><b>Series 2015B Refunding Bonds</b> issued March 19, 2015 for the aggregate amount of \$139,715,000 to refund the callable portion of Series 2007A, 2007B, 2009A, and 2012B Bonds, maturing from February 1, 2016 to February 1, 2025 at interest rates ranging from 2.00% to 5.00%. Of this, \$21,183,816 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	18,941,756	20,323,502

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**Years Ended June 30, 2019 and 2018**

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<p><b>Series 2015A Bonds</b> issued February 11, 2015 for the aggregate amount of \$100,000,000, maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$9,259,308 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	\$ 9,259,308	\$ 9,259,308
<p><b>Series 2014B Refunding Bonds</b> issued April 24, 2014 for the aggregate amount of \$68,350,000 to refund the callable portion of Series 2006B, 2007A, and 2007B Bonds, maturing from February 1, 2015 to February 1, 2022 at interest rates ranging from 2.00% to 5.00%. Of this, \$14,559,178 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	8,880,071	11,760,267
<p><b>Series 2013A Refunding Bonds</b> issued February 26, 2013 for the aggregate amount of \$45,090,000 to refund the callable portion of Series 2005A, 2006A, and 2006B Bonds, maturing from February 1, 2019 to February 1, 2024 at interest rates ranging from 3.00% to 5.00%. Of this, \$12,880,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	11,315,000	12,880,000
<p><b>Series 2012C Bonds</b> issued December 13, 2012 for the aggregate amount of \$109,595,000, maturing from February 1, 2021 to February 1, 2032 at interest rates ranging from 4.00% to 5.00%. Of this, \$10,180,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In April 2019, \$6,705,000 was cash defeased.</p>	3,475,000	10,180,000

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<p><b>Series 2012B Bonds</b> issued August 30, 2012 for the aggregate amount of \$139,255,000, maturing from February 1, 2013 to February 1, 2031 at interest rates ranging from 1.50% to 5.00%. Of this, \$17,145,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In March 2015, \$6,085,000 was refunded. In November 2017, \$5,695,000 was refunded.</p>	\$ 75,000	\$ 4,595,000
<p><b>Series 2012A Refunding Bonds</b> issued February 8, 2012 for the aggregate amount of \$137,945,000 to refund the callable portion of Series 2001A, 2004B, and 2004C Bonds, maturing from February 1, 2013 to February 1, 2026 at interest rates ranging from 2.00% to 5.00%. Of this, \$11,875,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. In April 2019, \$150,000 was cash defeased.</p>	6,815,000	7,090,000
<p><b>Series 2011A Bonds</b> issued October 26, 2011 for the aggregate amount of \$191,385,000, maturing from February 1, 2012 to February 1, 2030 at interest rates ranging from 1.00% to 5.00%. Of this, \$50,870,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In November 2017, \$37,295,000 was refunded.</p>	5,905,000	7,640,000
<p><b>Series 2010C Refunding Bonds</b> issued October 20, 2010 for the aggregate amount of \$64,925,000 to refund the callable portion of Series 2001A, 2002B, and 2004B Bonds, maturing from February 1, 2020 to February 1, 2023 at an interest rate of 5.00%. Of this, \$7,555,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p>	7,555,000	7,555,000

---

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<p><b>Series 2010B Bonds</b> issued October 20, 2010 for the aggregate amount of \$100,000,000, maturing from February 1, 2011 to February 1, 2030 at interest rates ranging from 1.50% to 5.00%. Of this, \$20,000,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In October 2016, \$8,205,000 was refunded. In November 2017, \$2,560,000 was refunded.</p>	\$ 2,570,000	\$ 3,220,000
<p><b>Series 2010A Refunding Bonds</b> issued February 2, 2010 for the aggregate amount of \$288,970,000 to refund the callable portion of Series 2000B, 2001A, 2002B, 2004B, and 2004C Bonds, maturing from February 1, 2011 to February 1, 2024 at interest rates ranging from 2.00% to 5.00%. Of this, \$42,235,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In April 2019, \$12,310,000 was cash defeased.</p>	8,225,000	23,135,000
<p><b>Series 2009A Bonds</b> issued November 24, 2009 for the aggregate amount of \$138,990,000, maturing from February 1, 2011 to February 1, 2028 at interest rates ranging from 2.00% to 5.00%. Of this, \$17,755,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In March 2015, \$6,715,000 was refunded. In April 2016, \$5,185,000 was refunded.</p>	-	900,000
<p><b>Series 2006A Bonds</b> issued April 25, 2006 for the aggregate amount of \$221,355,000, maturing from February 1, 2007 to February 1, 2027 at interest rates ranging from 3.60% to 5.25%. Of this, \$17,595,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In February 2013, \$4,405,000 was refunded. In April 2014, \$85,000 was cash defeased.</p>	-	1,635,000

---

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

	<b>2019</b>	<b>2018</b>
<b>Series 2004B Bonds</b> issued April 7, 2004 for the aggregate amount of \$200,000,000, maturing from February 1, 2005 to February 1, 2025 at interest rates ranging from 2.00% to 5.00%. Of this amount, \$32,520,000 was the final allocation to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In February 2010, \$2,310,891 was refunded. In October 2010, \$1,201,333 was refunded. In February 2012, \$7,669,202 was refunded. In April 2014, \$3,622,681 was cash defeased.	<u>\$ -</u>	<u>\$ 1,334,680</u>
<b>Subtotal-Drinking Water</b>	<u>239,251,135</u>	<u>185,007,757</u>
Total Principal	1,578,685,000	1,321,950,000
Net premium on bonds payable	<u>225,256,542</u>	<u>172,423,225</u>
Total Bonds Payable	1,803,941,542	1,494,373,225
Less: Current portion	<u>120,210,000</u>	<u>120,985,000</u>
Long-term Portion	<u>\$1,683,731,542</u>	<u>\$ 1,373,388,225</u>

In April 2019, the Authority legally cash defeased SRF Bonds from Series 2010A, 2010C, 2012A, and 2012C to their respective call dates. The Authority deposited \$153,796,930 with the trustee to defease a par amount of \$142,060,000, producing present value savings of \$19,975,655 or 14.06% of the refunded bonds.

In November 2017, the Authority issued \$124,495,000 Series 2017C Refunding Bonds. The bonds were sold at a premium and refunded \$136,255,000 par amount of prior debt. The refunding debt was used to refund callable portion of the Series 2010B, 2011A, and 2012B Bonds. The cash flow savings was \$18,313,569 with a present value savings of \$15,319,412.

The bonds referred to above are considered to have been defeased and have been removed from the combined financial statements and in total the defeased balances outstanding are \$372,755,000 and \$370,015,000 as of June 30, 2019 and 2018, respectively.

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

The aggregate debt service requirements and premiums for all bonds allocable to the SRF Programs as of June 30, 2019, are as follows:

	<u>Principal</u>			<u>Interest</u>			<u>Debt Service Total</u>
	<u>Wastewater Fund</u>	<u>Drinking Water Fund</u>	<u>Total</u>	<u>Wastewater Fund</u>	<u>Drinking Water Fund</u>	<u>Total</u>	
2020	\$ 97,699,774	\$ 22,510,226	\$ 120,210,000	\$ 65,129,664	\$ 10,837,751	\$ 75,967,415	\$ 196,177,415
2021	104,456,710	23,668,290	128,125,000	60,909,698	10,610,695	71,520,393	199,645,393
2022	81,118,775	17,761,225	98,880,000	56,039,513	9,514,881	65,554,394	164,434,394
2023	71,199,754	17,720,246	88,920,000	52,076,274	8,693,020	60,769,294	149,689,294
2024	79,137,199	16,062,801	95,200,000	48,528,486	7,840,057	56,368,543	151,568,543
2025-2029	407,167,786	68,272,214	475,440,000	182,877,104	28,440,590	211,317,694	686,757,694
2030-2034	261,732,297	58,197,703	319,930,000	94,007,749	12,381,689	106,389,438	426,319,438
2035-2039	196,836,570	15,058,430	211,895,000	35,423,454	928,672	36,352,126	248,247,126
2040-2044	25,385,000	-	25,385,000	5,815,100	-	5,815,100	31,200,100
2045-2047	14,700,000	-	14,700,000	893,700	-	893,700	15,593,700
	<u>1,339,433,865</u>	<u>239,251,135</u>	<u>1,578,685,000</u>	<u>601,700,742</u>	<u>89,247,355</u>	<u>690,948,097</u>	<u>2,269,633,097</u>
Premium	<u>191,132,857</u>	<u>34,123,685</u>	<u>225,256,542</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,256,542</u>
Total	<u>\$1,530,566,722</u>	<u>\$273,374,820</u>	<u>\$1,803,941,542</u>	<u>\$601,700,742</u>	<u>\$89,247,355</u>	<u>\$690,948,097</u>	<u>\$2,494,889,639</u>

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**Years Ended June 30, 2019 and 2018**

**NOTE 7 - BONDS PAYABLE (CONTINUED)**

The following is a summary of total debt service without premiums:

	<b>Interest Rates Ranges</b>	<b>Maturity Range</b>	<b>Annual Principal Payment Range</b>	<b>Principal</b>
Wastewater Fund	3.00% - 5.00%	2020-2046	\$ 3,060,000 - \$104,456,710	\$1,339,433,865
Drinking Water Fund	3.00% - 5.00%	2020-2036	3,515,000 - 23,668,290	<u>239,251,135</u>
Combined Programs	3.00% - 5.00%	2020-2046	3,060,000 - 128,125,000	1,578,685,000
Less: Current Portion				<u>(120,210,000)</u>
Total Long-term Portion				<u>\$1,458,475,000</u>

The bond agreements allow for remedies in case there is an event of default. An event of default can be (i) default in the due and punctual payment of any principal or interest on any bond (ii) any warranty, representation or other statement contained in the bond indenture or bonds that is false or misleading and not remedied in appropriate time (iii) default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the SRF Programs contained in the bond indenture or in the bonds (iv) a petition is filed against the SRF Programs or the SRF Programs file a petition under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation of any jurisdiction and (v) the SRF Programs are generally not paying their debts as such debts become due.

The remedies include the following (i) the bond trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the bonds (ii) the bond trustee may by action or suit in equity require the Authority to account as if it were the trustee of an express trust for the holders of the bonds and may take such action with respect to the participant loans and the SRF Programs' indentures as the bond trustee deems necessary or appropriate and in the best interest of the bondholders (iii) upon the filing of a suit or other commencement of judicial proceedings to enforce any rights of the bond trustee and of the bondholders under the bond indenture, the bond trustee will be entitled to the appointment of a receiver or receivers of the trust estate and (iv) use the assets of the series trust estate for any series of bonds solely for payment of the principal and interest due on such series of bonds.

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

**NOTE 8 - LONG-TERM LIABILITIES**

Long-term liability activity for the years ended June 30, 2019 and 2018 was as follows:

	<b>Balance Beginning of Year</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance End of Year</b>	<b>Amounts Due Within One Year</b>	<b>Amounts Due Thereafter</b>
June 30, 2019:						
Amount due to federal government	\$ 616,050	\$ -	\$ (616,050)	\$ -	\$ -	\$ -
Bonds payable	1,321,950,000	519,780,000	(263,045,000)	1,578,685,000	120,210,000	1,458,475,000
Net premium on bonds payable	<u>172,423,225</u>	<u>95,881,794</u>	<u>(43,048,477)</u>	<u>225,256,542</u>	<u>-</u>	<u>225,256,542</u>
	<u>\$1,494,989,275</u>	<u>\$615,661,794</u>	<u>\$(306,709,527)</u>	<u>\$1,803,941,542</u>	<u>\$120,210,000</u>	<u>\$1,683,731,542</u>
June 30, 2018:						
Amount due to federal government	\$ 884,818	\$ -	\$ (268,768)	\$ 616,050	\$ 616,050	\$ -
Bonds payable	1,404,205,000	145,540,000	(227,795,000)	1,321,950,000	120,985,000	1,200,965,000
Net premium on bonds payable	<u>177,097,180</u>	<u>33,786,022</u>	<u>(38,459,977)</u>	<u>172,423,225</u>	<u>-</u>	<u>172,423,225</u>
	<u>\$1,582,186,998</u>	<u>\$179,326,022</u>	<u>\$(266,523,745)</u>	<u>\$1,494,989,275</u>	<u>\$121,601,050</u>	<u>\$1,373,388,225</u>

**STATE REVOLVING FUND LOAN PROGRAMS  
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)  
NOTES TO COMBINED FINANCIAL STATEMENTS  
Years Ended June 30, 2019 and 2018**

---

**NOTE 9 - FUND TRANSFERS**

Consistent with its Intended Use Plans and EPA's related Policy Statement, the Authority is required to report on transfers between the DWSRF and the WSRF in its combined financial statements. In its Intended Use Plans, the SRF Programs retained the flexibility to make transfers of grants (and other funds) held in or allocable to such funds to the extent permitted by the Clean Water Act and the Safe Drinking Water Act. As of June 30, 2019, an amount up to 33% of the Safe Drinking Water Act grants for Federal Fiscal Years (FFY) 1997 through 2019 could be so transferred on a net cumulative basis between the two SRF Programs funds.

Based on the State's award of Safe Drinking Water Act related funds for FFY 1997 through 2019, to date, the following transfers were made:

2001	\$ 20,464,898
2002	3,120,183

**NOTE 10 - PROGRAM REVENUE**

For the years ended June 30, 2019 and 2018, program revenues consisted of the following:

	<b>2019</b>	<b>2018</b>
Interest and other income	\$ 80,170,601	\$ 64,895,567
Capital contributions (EPA Grants)	<u>54,618,855</u>	<u>43,585,280</u>
	<u>\$134,789,456</u>	<u>\$108,480,847</u>

**NOTE 11 - SUBSEQUENT EVENT**

On September 6, 2019, the Indiana Finance Authority closed a loan with U.S. EPA in the amount of \$436 million pursuant to a program authorized under Subtitle C of the Water Resources Reform and Development Act of 2014, which is referred to as the Water Infrastructure Finance and Innovation Act of 2014 ("WIFIA"). The proceeds of WIFIA loan will provide additional funding for the participant loans.

## **OTHER SUPPLEMENTARY INFORMATION**

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**COMBINING SCHEDULES - STATEMENTS OF NET POSITION INFORMATION**  
**June 30, 2019 and 2018**

	Wastewater Program		Drinking Water Program		Combined	
	2019	2018	2019	2018	2019	2018
<b>ASSETS</b>						
Current Assets:						
Cash and equivalents	\$ 430,741,102	\$ 357,059,767	\$ 96,819,571	\$ 109,277,750	\$ 527,560,673	\$ 466,337,517
Interest receivable-investments	1,109,085	1,235,549	288,207	379,095	1,397,292	1,614,644
Interest receivable-loans	24,331,365	20,770,102	4,859,991	3,247,695	29,191,356	24,017,797
Due from EPA	-	-	384,502	208,277	384,502	208,277
Accounts receivable	33,500	-	-	1,000	33,500	1,000
Loans receivable-current, net	<u>115,256,746</u>	<u>97,438,192</u>	<u>27,390,737</u>	<u>29,824,444</u>	<u>142,647,483</u>	<u>127,262,636</u>
Total Current Assets	<u>571,471,798</u>	<u>476,503,610</u>	<u>129,743,008</u>	<u>142,938,261</u>	<u>701,214,806</u>	<u>619,441,871</u>
Noncurrent Assets:						
Investments	77,895,571	179,778,934	27,597,108	46,381,812	105,492,679	226,160,746
Loans receivable, net	2,000,134,566	1,695,283,468	437,477,762	317,713,521	2,437,612,328	2,012,996,989
Equipment, net	<u>106,714</u>	<u>107,175</u>	<u>-</u>	<u>-</u>	<u>106,714</u>	<u>107,175</u>
Total Noncurrent Assets	<u>2,078,136,851</u>	<u>1,875,169,577</u>	<u>465,074,870</u>	<u>364,095,333</u>	<u>2,543,211,721</u>	<u>2,239,264,910</u>
Total Assets	<u>2,649,608,649</u>	<u>2,351,673,187</u>	<u>594,817,878</u>	<u>507,033,594</u>	<u>3,244,426,527</u>	<u>2,858,706,781</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Loss on debt refunding	<u>12,759,124</u>	<u>18,063,624</u>	<u>2,379,097</u>	<u>3,208,988</u>	<u>15,138,221</u>	<u>21,272,612</u>
Total Deferred Outflows of Resources	<u>12,759,124</u>	<u>18,063,624</u>	<u>2,379,097</u>	<u>3,208,988</u>	<u>15,138,221</u>	<u>21,272,612</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Interest payable	26,738,734	23,170,580	4,008,109	3,707,231	30,746,843	26,877,811
Accounts payable	499,383	284,965	566,905	394,050	1,066,288	679,015
Amount due to federal government	-	537,354	-	78,696	-	616,050
Bonds payable-current, net	<u>97,699,774</u>	<u>101,203,377</u>	<u>22,510,226</u>	<u>19,781,623</u>	<u>120,210,000</u>	<u>120,985,000</u>
Total Current Liabilities	<u>124,937,891</u>	<u>125,196,276</u>	<u>27,085,240</u>	<u>23,961,600</u>	<u>152,023,131</u>	<u>149,157,876</u>
Long-term Liabilities:						
Bonds payable, net	<u>1,432,866,948</u>	<u>1,186,053,969</u>	<u>250,864,594</u>	<u>187,334,256</u>	<u>1,683,731,542</u>	<u>1,373,388,225</u>
Total Long-term Liabilities	<u>1,432,866,948</u>	<u>1,186,053,969</u>	<u>250,864,594</u>	<u>187,334,256</u>	<u>1,683,731,542</u>	<u>1,373,388,225</u>
Total Liabilities	<u>1,557,804,839</u>	<u>1,311,250,245</u>	<u>277,949,834</u>	<u>211,295,856</u>	<u>1,835,754,673</u>	<u>1,522,546,101</u>
<b>NET POSITION</b>						
Restricted for water pollution and drinking water projects and other related program purposes	<u>\$ 1,104,562,934</u>	<u>\$ 1,058,486,566</u>	<u>\$ 319,247,141</u>	<u>\$ 298,946,726</u>	<u>\$ 1,423,810,075</u>	<u>\$ 1,357,433,292</u>

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**COMBINING SCHEDULES - STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INFORMATION**  
**Years Ended June 30, 2019 and 2018**

	Wastewater Program		Drinking Water Program		Combined	
	2019	2018	2019	2018	2019	2018
<b>OPERATING REVENUES</b>						
Interest income-investments	\$ 14,928,427	\$ 5,322,878	\$ 3,978,037	\$ 1,879,028	\$ 18,906,464	\$ 7,201,906
Interest income-loan participants	50,422,467	47,514,900	10,038,365	8,588,969	60,460,832	56,103,869
Administration and premium fees	44,134	33,155	16,001	10,003	60,135	43,158
Other	-	-	743,170	1,546,634	743,170	1,546,634
Total Operating Revenues	<u>65,395,028</u>	<u>52,870,933</u>	<u>14,775,573</u>	<u>12,024,634</u>	<u>80,170,601</u>	<u>64,895,567</u>
<b>OPERATING EXPENSES</b>						
Interest	39,324,122	40,607,100	5,938,376	6,913,730	45,262,498	47,520,830
Bond issuance costs	2,807,955	844,291	696,672	410,680	3,504,627	1,254,971
Trustee fees	73,850	83,530	-	-	73,850	83,530
Other program and administrative	2,374,456	2,016,375	2,115,805	3,084,932	4,490,261	5,101,307
Total Operating Expenses	<u>44,580,383</u>	<u>43,551,296</u>	<u>8,750,853</u>	<u>10,409,342</u>	<u>53,331,236</u>	<u>53,960,638</u>
<b>OPERATING INCOME</b>	20,814,645	9,319,637	6,024,720	1,615,292	26,839,365	10,934,929
<b>NONOPERATING REVENUES AND (EXPENSES)</b>						
Capital contributions	38,681,000	31,952,000	15,937,855	11,633,280	54,618,855	43,585,280
Loan forgiveness	(13,419,277)	(4,068,885)	(1,662,160)	(2,203,396)	(15,081,437)	(6,272,281)
Total Nonoperating Revenues and (Expenses)	<u>25,261,723</u>	<u>27,883,115</u>	<u>14,275,695</u>	<u>9,429,884</u>	<u>39,537,418</u>	<u>37,312,999</u>
<b>INCREASE IN NET POSITION</b>	46,076,368	37,202,752	20,300,415	11,045,176	66,376,783	48,247,928
<b>NET POSITION</b>						
Beginning of Year	<u>1,058,486,566</u>	<u>1,021,283,814</u>	<u>298,946,726</u>	<u>287,901,550</u>	<u>1,357,433,292</u>	<u>1,309,185,364</u>
End of Year	<u>\$ 1,104,562,934</u>	<u>\$ 1,058,486,566</u>	<u>\$ 319,247,141</u>	<u>\$ 298,946,726</u>	<u>\$ 1,423,810,075</u>	<u>\$ 1,357,433,292</u>

**STATE REVOLVING FUND LOAN PROGRAMS**  
**(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)**  
**COMBINING SCHEDULES - STATEMENTS OF CASH FLOWS INFORMATION**  
**Years Ended June 30, 2019 and 2018**

	Wastewater Program		Drinking Water Program		Combined	
	2019	2018	2019	2018	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash payments for salaries, administrative and other expenses	\$ (2,804,281)	\$ (2,361,466)	\$ (1,277,476)	\$ (1,558,609)	\$ (4,081,757)	\$ (3,920,075)
Administration fee	44,134	33,155	16,001	10,003	60,135	43,158
Net Cash Used by Operating Activities	<u>(2,760,147)</u>	<u>(2,328,311)</u>	<u>(1,261,475)</u>	<u>(1,548,606)</u>	<u>(4,021,622)</u>	<u>(3,876,917)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Maturities of loans to participants	99,855,212	126,297,581	31,707,114	30,496,421	131,562,326	156,794,002
Issuance of loans to participants	(422,524,864)	(259,290,155)	(149,037,648)	(62,637,031)	(571,562,512)	(321,927,186)
Change in investments	101,883,363	109,646,152	18,784,704	26,444,296	120,668,067	136,090,448
Interest received on loans and investments	61,916,095	50,735,591	12,494,994	10,269,928	74,411,089	61,005,519
Net Cash Provided (Used) by Investing Activities	<u>(158,870,194)</u>	<u>27,389,169</u>	<u>(86,050,836)</u>	<u>4,573,614</u>	<u>(244,921,030)</u>	<u>31,962,783</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>						
Proceeds from debt issuance	504,678,859	122,364,134	110,982,935	56,961,888	615,661,794	179,326,022
Principal payments to reduce indebtedness	(233,303,759)	(180,583,268)	(39,829,961)	(61,635,448)	(273,133,720)	(242,218,716)
Payment of debt issuance costs	(2,807,955)	(844,291)	(696,672)	(410,680)	(3,504,627)	(1,254,971)
Interest paid on debt	(58,517,192)	(59,049,205)	(9,701,640)	(10,061,333)	(68,218,832)	(69,110,538)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>210,049,953</u>	<u>(118,112,630)</u>	<u>60,754,662</u>	<u>(15,145,573)</u>	<u>270,804,615</u>	<u>(133,258,203)</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>						
Capital Contributions (EPA Grants)	38,681,000	31,952,000	15,761,630	11,821,365	54,442,630	43,773,365
Issuance of forgivable loans to participants	(13,419,277)	(4,068,885)	(1,662,160)	(2,203,396)	(15,081,437)	(6,272,281)
Net Cash Provided by Capital Financing Activities	<u>25,261,723</u>	<u>27,883,115</u>	<u>14,099,470</u>	<u>9,617,969</u>	<u>39,361,193</u>	<u>37,501,084</u>
<b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>	<b>73,681,335</b>	<b>(65,168,657)</b>	<b>(12,458,179)</b>	<b>(2,502,596)</b>	<b>61,223,156</b>	<b>(67,671,253)</b>
<b>CASH AND EQUIVALENTS</b>						
Beginning of Year	<u>357,059,767</u>	<u>422,228,424</u>	<u>109,277,750</u>	<u>111,780,346</u>	<u>466,337,517</u>	<u>534,008,770</u>
End of Year	<u>\$ 430,741,102</u>	<u>\$ 357,059,767</u>	<u>\$ 96,819,571</u>	<u>\$ 109,277,750</u>	<u>\$ 527,560,673</u>	<u>\$ 466,337,517</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES</b>						
Operating income	\$ 20,814,645	\$ 9,319,637	\$ 6,024,720	\$ 1,615,292	\$ 26,839,365	\$ 10,934,929
Adjustments to reconcile operating income to net cash used by operating activities:						
Depreciation	461	461			461	461
Interest income	(65,350,894)	(52,837,778)	(14,016,402)	(10,467,997)	(79,367,296)	(63,305,775)
Interest expense	39,324,122	40,607,100	5,938,376	6,913,730	45,262,498	47,520,830
Bond issuance costs	2,807,955	844,291	696,672	410,680	3,504,627	1,254,971
Changes in assets and liabilities:						
Accounts receivable	(33,500)	-	1,000	(1,000)	(32,500)	(1,000)
Accounts payable	214,418	(27,587)	172,855	15,022	387,273	(12,565)
Amount due to federal government	(537,354)	(234,435)	(78,696)	(34,333)	(616,050)	(268,768)
Net Cash Used by Operating Activities	<u>\$ (2,760,147)</u>	<u>\$ (2,328,311)</u>	<u>\$ (1,261,475)</u>	<u>\$ (1,548,606)</u>	<u>\$ (4,021,622)</u>	<u>\$ (3,876,917)</u>

## **OTHER REPORT**

*Independent Auditors' Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance with Government Auditing Standards*

Members of the Indiana Finance Authority  
State Revolving Fund Loan Programs

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of State Revolving Fund Loan Programs (SRF Programs), an enterprise fund of the Indiana Finance Authority, which comprise the combined statement of net position as of June 30, 2019, and the related combined statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated September 30, 2019.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the combined financial statements, we considered the SRF Programs' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the SRF Programs' internal control. Accordingly, we do not express an opinion on the effectiveness of the SRF Programs' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's combined financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the SRF Programs' combined financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Katz, Sapper & Miller, LLP*

Indianapolis, Indiana  
September 30, 2019

**INDIANA FINANCE AUTHORITY**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND  
INDEPENDENT AUDITORS' REPORTS

June 30, 2019

# INDIANA FINANCE AUTHORITY

## CONTENTS

	<b>Page</b>
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
Schedule of Expenditures of Federal Awards	3-4
Independent Auditors' Report on Compliance For Each Major Federal Program, on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards as Required by the Uniform Guidance	5-7
Schedule of Findings and Questioned Costs	8-9

*Independent Auditors' Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with Government Auditing Standards*

Members of Indiana Finance Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Indiana Finance Authority, a component unit of the State of Indiana, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Indiana Finance Authority's basic financial statements, and have issued our report thereon dated October 17, 2019.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Indiana Finance Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Indiana Finance Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Indiana Finance Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Indiana Finance Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Katy, Sapper & Miller, LLP*

Indianapolis, Indiana  
October 17, 2019

**INDIANA FINANCE AUTHORITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year Ended June 30, 2019**

	Federal CFDA Number	Grant Number	Program or Award Amount	Federal Expenditures	Amount Provided to Subrecipients
<b>U.S. DEPARTMENT OF TRANSPORTATION:</b>					
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program	20.223	None noted	\$ 162,000,000	\$ 147,597,417	
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY:</b>					
Clean Water State Revolving Fund Cluster: Capitalization Grants for Clean Water State Revolving Funds	66.458 66.458	CS18000118 Program Income	38,681,000	38,681,000 2,000,000 <u>40,681,000</u>	\$ 38,681,000 <u>38,681,000</u>
Drinking Water State Revolving Fund Cluster: Capitalization Grants for Drinking Water State Revolving Funds	66.468 66.468 66.468 66.468 66.468 66.468	FS98548618-0 FS98548618-0 FS98548618-0 FS98548619-0 FS98548619-0 Program Income	15,798,880 679,120 500,000 672,760 1,681,900	15,798,880 340,080 244,690 297,375 2,000,000 <u>18,681,025</u>	15,798,880 <u>15,798,880</u>
Brownfields 128(a) Cooperative Agreement State and Tribal Program Response Grants	66.817 66.817	RP00E14611-0 RP00E14612-0	761,327 787,518	365,542 406,723 <u>772,265</u>	
Brownfields Assessment and Cleanup Cooperative Agreement	66.818	BF-00E48101-B	5,659,204	59,174 <u>59,174</u>	59,174 <u>59,174</u>
				<u>\$ 207,790,881</u>	<u>\$ 54,539,054</u>

See accompanying notes to schedule of expenditures of federal awards.

## INDIANA FINANCE AUTHORITY

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 2019

#### NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Indiana Finance Authority. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR), Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for federal, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### NOTE 3 - INDIRECT COST RATE

Indiana Finance Authority has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

#### NOTE 4 - LOAN PROGRAM

The accompanying schedule of expenditures of federal awards includes a federal loan disbursed under the Transportation Infrastructure Finance and Innovation Act (TIFIA). The funds were used to finance the East End Crossing, a component of the Ohio River Bridges Project. The bridge opened to the public in December 2016. There were no expenditures for the year ended June 30, 2019. The loan agreements provide for continuing compliance requirements through debt maturity, and therefore, Indiana Finance Authority reports the prior year loan balances, plus any additional draws, on the schedule of expenditures of federal awards. For the year ended June 30, 2019, the TIFIA loan balance outstanding was \$138,410,327.

*Independent Auditors' Report on Compliance For  
Each Major Federal Program,  
on Internal Control Over Compliance,  
and on the Schedule of Expenditures of Federal Awards  
as Required by Uniform Guidance*

Members of Indiana Finance Authority

**Report on Compliance for Each Major Federal Program**

We have audited Indiana Finance Authority's, a component unit of the State of Indiana, compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of Indiana Finance Authority's major federal programs for the year ended June 30, 2019. Indiana Finance Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Indiana Finance Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Indiana Finance Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Indiana Finance Authority's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Indiana Finance Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### **Report on Internal Control Over Compliance**

Management of Indiana Finance Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Indiana Finance Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Indiana Finance Authority's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Indiana Finance Authority, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Indiana Finance Authority's basic financial statements. We issued our report thereon dated October 17, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Katz, Sapper & Miller, LLP*

Indianapolis, Indiana  
October 17, 2019

**INDIANA FINANCE AUTHORITY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended June 30, 2019**

**Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_✓ no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_✓ none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes \_\_\_\_\_✓ no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_✓ no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_✓ none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? \_\_\_\_\_ yes \_\_\_\_\_✓ no

Identification of major programs:

CFDA Number	Agency	Title
20.223	U.S Department of Transportation	Transportation Infrastructure Finance and Innovation Act (TIFIA) Program
66.458	U.S Environmental Protection Agency	Capitalization Grants for Clean Water State Revolving Funds
66.468	U.S Environmental Protection Agency	Capitalization Grants for Drinking Water State Revolving Funds

**INDIANA FINANCE AUTHORITY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended June 30, 2019**

**Summary of Auditors' Results (Continued)**

Dollar threshold used to distinguish between  
type A and type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes        ✓   no

**Financial Statement Findings**

None

**Federal Award Findings and Questioned Costs**

None

## Exhibit O

### Use of Non-Federal Funds for Match Purposes

Pursuant to the State Revolving Fund Loan Program Final Q & A's issued July 1990 (see II.A.3) and in a Memorandum dated 12/22/1998 from EPA's Office of General Counsel, the CWSRF Loan Program is permitted to use funds from the Clean Water SRF, that qualify as Non-Federal sources, toward meeting the State's section 319 match requirement, when spend on section 319 activities. Non-Federal sources include: interest earnings on CWSRF fund accounts, loan repayments, State funds in excess of its 20 percent SRF match, and bond proceeds in excess of the grant amount. In addition, pursuant to Section IV, D, 3 of the Nonpoint Source Program and Grants Guidelines for States and Territories that were developed to implement nonpoint source management programs under Section 319 of the Clean Water Act, the use of recycled funds under Title VI of the CWA can be used to provide a match for Section 319 grants. These are funds that have been loaned by the State and subsequently repaid by the borrower to the State. The repaid funds are then recycled by the State Revolving Fund program to provide loans that fund other water quality projects. These recycled funds are regarded as State monies and therefore are eligible to be used as match for Section 319 funds, provided that they, are used to implement the State's approved Section 319 management program.

Under the authority of 40 CFR §31.6(d), EPA approved a class deviation from 40 CFR 35.3125(b)(1). Pursuant to the class deviation, CWSRF Loan Program are allowed to use Non-Federal, Non-State match CWSRF funds to provide loans that can be used to satisfy the local matching requirements for most EPA grant funded treatment works projects, including the Special Appropriation Act Program. The Special Appropriations Act Program required grant recipients to provide at least forty-five percent of the cost of a project as its match.

Pursuant to the above stated authorities, the Indiana SRF Loan Program has an accumulation of Non-Federal funds available to be used as state or local match for Federal grant funding programs, including Section 319 grants and Special Appropriation Program grants. This Exhibit summarized the balance of the Non-Federal funds, the allocation of a portion of the Non-Federal funds for Federal match for Section 319 grants, list the projects receiving a Non-Federal match for their Federal grant and provides the amount of the Non-Federal match applied.

Beginning Balance <sup>1</sup> @ 7/1/17		352,475,155
Increase/(Decrease) in fund balance	\$	(99,975,155)
Balance as of 6/30/18		252,500,000

#### ALLOCATION OF "NON-FEDERAL" FUNDS FOR FEDERAL MATCH

Allocated for a Portion of the State Required 319 Match

FFY	Grant Number	
FFY 2002	C997548202	991,812
FFY 2003	C997548203	615,210
FFY 2004	C997548204	714,679
FFY 2005	C997548205	735,920
FFY 2006	C997548206	1,675,585
FFY 2007	C997548207	862,825
FFY 2008	C997548208	909,185
FFY 2009	C997548209	1,030,143
FFY 2010	C997548210	1,250,000
FFY 2011	C997548211	1,250,000
FFY 2012	C997548212	1,250,000
FFY 2013	C997548213	1,250,000
FFY 2014	C997548214	1,250,000
FFY 2015	C997548215	1,250,000
FFY 2016	C997548216	1,250,000
FFY 2017	C997548217	1,250,000
FFY 2018	C997548218	1,250,000
FFY 2019	C997548219	1,250,000

Hammond Non Federal Match for US Army Corp of Engineers Grant	925,000
Centerville Non Federal Match for Special Appropriation Grant	300,068
Martinsville Non Federal Match for Special Appropriation Grant	1,932,200
Upland Non Federal Match for Special Appropriation Grant	740,000
Madison Township Non Federal Match for Special Appropriation Grant	1,125,800
Tell City Non Federal Match for Special Appropriation Grant	1,000,450
Indianapolis Non Federal Match for Special Appropriation Grant	1,359,531
Richmond Non Federal Match for Special Appropriation Grant	157,827
North Vernon Non Federal Match for Special Appropriation Grant	986,873
Rensselaer Non Federal Match for Special Appropriation Grant	1,588,100
Vigo County Non Federal Match for Special Appropriation Grant	523,719

Available for Future Allocation		\$ 221,825,073
---------------------------------	--	----------------

<sup>1</sup>The Wastewater Equity Earnings Account is made up of recycled "non-federal" funds.

							<i>As of 7/1/2019</i>	
Closing Date	Participant	Project	Loan Amount	NPS Portion	Disbursed	NPS Disbursed		
08/24/04	City of Indianapolis	septic removal	25,000,000	3,466,230	25,000,000	3,466,230		
08/31/04	Jennings NW RUD	septic removal	6,200,000	2,174,437	6,200,000	2,174,437		
10/01/04	Fulda RSD	septic removal	419,342	270,408	419,342	270,408		
11/10/04	Delaware County RWD	septic removal	1,085,145	1,085,145	1,085,145	1,085,145		
12/13/04	Taylor RSD	septic removal	3,905,600	2,450,842	3,905,600	2,450,842		
12/29/04	Town of Fortville	septic removal	2,034,210	564,573	2,034,210	564,573		
12/29/04	City of Indianapolis	septic removal	70,000,000	25,679,058	70,000,000	25,679,058		
02/28/05	City of New Haven	Stormwater	4,100,000	3,872,904	4,100,000	3,872,904		
07/29/05	Campbell Township RSD	septic removal	845,000	845,000	845,000	845,000		
09/29/05	City of Columbia City	erosion project	16,672,000	49,032	16,672,000	49,032		
09/30/05	Town of Fortville	septic removal	1,259,758	1,259,758	1,259,758	1,259,758		
10/14/05	City of Fort Wayne	septic removal	40,000,000	2,884,702	40,000,000	2,884,702		
12/01/05	Town of Elwood	septic removal	201,000	201,000	201,000	201,000		
12/15/05	Town of Culver	septic removal	2,700,000	562,306	2,700,000	562,306		
12/29/05	City of Indianapolis	septic removal	90,000,000	20,104,248	90,000,000	20,104,248		
12/30/05	Muncie SD	groundwater	17,960,000	1,118,436	17,960,000	1,118,436		
06/30/06	City of Indianapolis	septic removal	35,250,000	8,836,444	35,250,000	8,836,444		
06/30/06	Spencer MSW	septic removal	350,000	38,500	350,000	38,500		
08/17/06	City of Tell City	septic removal	1,425,000	1,425,000	1,425,000	1,425,000		
12/15/06	Town of Centerville	septic removal	3,394,911	578,000	3,394,911	578,000		
12/15/06	City of Indianapolis	septic removal	34,750,000	30,932,406	34,750,000	30,932,406		
08/28/07	Spencer MSW	septic removal	4,783,788	338,380	4,783,788	338,380		
08/30/07	Town of Centerville	septic removal	800,000	136,000	800,000	136,000		
12/18/07	City of Indianapolis	septic removal	80,557,000	30,046,754	80,557,000	30,046,754		
12/27/07	Allen County RWSD	septic removal	1,609,858	1,609,858	1,609,858	1,609,858		
03/28/08	City of Jeffersonville	septic removal	9,800,000	3,724,000	9,800,000	3,724,000		
05/05/08	Morgan County RSD	septic removal	476,000	476,000	476,000	476,000		
12/30/08	Allen County RWSD	septic removal	2,971,000	2,971,000	2,971,000	2,971,000		
06/01/09	Town of Whitestown	septic removal	3,310,000	860,600	3,310,000	860,600		
07/06/09	City of Indianapolis	septic removal	32,050,000	9,443,985	32,050,000	9,443,985		
09/15/09	City of Angola	BF- Dana Corp	5,110,000	3,577,000	5,110,000	3,577,000		
12/11/09	City of South Bend	Stormwater	4,495,000	539,400	4,495,000	539,400		
12/23/09	City of Fort Wayne	septic removal	29,091,005	4,072,741	29,091,005	4,072,741		
12/29/09	City of Connorsville	BF - Visteon	3,700,000	3,700,000	3,700,000	3,700,000		
12/30/09	Town of Plainfield	BF - Shouse Landfill	7,269,000	2,000,000	7,269,000	2,000,000		
01/20/10	City of Charlestown	septic removal	1,300,000	1,300,000	1,300,000	1,300,000		
12/30/09	City of Elkhart	BF - Foundry Walter-Piano Beardsey Ave	8,830,000	650,000	8,620,547	440,547		
01/28/10	Henryville	septic removal	2,686,000	1,880,200	2,686,000	1,880,200		
01/28/10	Town of Zionsville	septic removal	2,045,330	1,985,000	2,045,330	1,985,000		
03/01/10	City of Goshen	BF - River Race	1,000,000	1,000,000	1,000,000	1,000,000		
03/31/10	Town of Milton	septic removal	4,160,000	2,872,000	4,160,000	2,872,000		
06/30/10	Allen County RSD	septic removal	5,200,000	5,200,000	5,200,000	5,200,000		
10/08/10	Scott County	septic removal	965,000	965,000	965,000	965,000		
12/13/10	Luce Twp. RSD	septic removal	4,854,563	4,854,563	4,854,563	4,854,563		
03/31/11	Jeffersonville Howard County Drainage	BF - BP Ellis	22,350,000	47,211	22,350,000	47,211		
04/28/11	Board	Stormwater	1,321,400	1,321,400	1,321,400	1,321,400		
06/23/11	Columbus South West Lake Max	BF - Wood Treating Pla	600,000	600,000	337,827	337,827		
06/27/11	CD	septic removal	2,000,000	2,000,000	2,000,000	2,000,000		
10/26/11	City of Evansville	septic removal	1,215,000	1,215,000	1,215,000	1,215,000		
10/26/11	Rensselaer	septic removal	1,585,000	1,585,000	1,585,000	1,585,000		
12/13/11	St. Joseph Co. RSD	septic removal	2,904,000	2,904,000	2,904,000	2,904,000		
02/24/12	Montgomery County RSD	septic removal	10,964,000	10,964,000	10,964,000	10,964,000		
12/13/12	Richmond	BF - MGP	14,800,000	1,300,000	14,800,000	1,300,000		

12/13/12	Terre Haute	BF - Coke & Carbon	139,371,000	6,600,000	139,349,250	6,598,970
12/18/12	Allen County RSD	septic removal	7,320,000	7,320,000	7,320,000	7,320,000
12/28/12	Delaware County RWD	septic removal	994,000	994,000	994,000	994,000
06/13/13	Newport	septic removal	600,000	600,000	600,000	600,000
01/31/14	Edwardsport	septic removal	2,605,998	2,606,000	2,605,998	2,606,000
09/18/15	Kempton	septic removal	2,205,000	2,205,000	2,205,000	2,205,000
10/22/15	Allen County RSD	septic removal	12,080,000	12,080,000	12,080,000	12,080,000
03/31/16	Bluffton	septic removal	4,132,000	1,947,540	4,030,597	1,899,746
03/09/17	Allen County RSD	septic removal	7,244,244	7,244,244	7,244,244	7,244,244
12/15/17	Woodburn	septic removal	7,565,000	402,000	5,631,146	402,000
03/29/18	Romney	septic removal	2,000,000	2,000,000	1,899,659	1,899,659
06/29/18	Centerville	septic removal	2,266,000	491,000	2,128,014	461,101
10/29/18	Allen County a	septic removal	5,182,000	5,182,000	5,182,000	5,182,000
10/29/18	Allen County b	septic removal	4,343,000	4,343,000	330,523	330,523
11/15/18	LaGrange County	septic removal	15,653,000	15,653,000	3,103,047	3,103,047
11/30/18	New Castle	septic removal	4,670,000	4,670,000	1,166,104	1,166,104
12/13/18	North Vernon	septic removal	4,210,000	4,210,000	1,092,903	1,092,903
12/14/18	LaPorte County RSWD	septic removal	2,193,500	2,193,500	135,758	135,758
12/14/18	Steuben Lake	septic removal	2,546,000	2,546,000	58,924	58,924
03/25/19	IAA	Stormwater	30,000,000	30,000,000	21,787,207	21,787,207
				<b>327,824,805</b>		<b>291,233,081</b>

Allocated for a Portion of the State Required 319 Match 20,035,359

"Banked" toward Future Allocation of Match \$ 271,197,722

Indiana CWSRF Loan Program  
Exhibit P - WRRDA Requirements\*

Community Name	Date SRF Application Was Received	Loan Amount	Loan Closing Date	SFY Closing	Is this an Equivalency Project? Yes/No	Did A&E Meet 40 CFR Ch 11 and certification	FSP 'Self Certification' Received Prior to loan closing (Applications on or after 10/1/14)	FSP 'Non-Self Certified' Date Received or Will submit prior to last disbursement (Applications on or after 10/1/14)	Cost & Effectiveness Certification Form Received Date (Applications on or after 10/1/15)
Fall Creek RWD	9/29/2015	\$ 14,300,000	6/30/2016	2016	No	NA	No	Pending	NA
Crawfordsville	6/27/2016	\$ 12,725,000	11/28/2016	2017	No	NA	No	Pending	9/21/2016
Brownsburg	7/14/2015	\$ 14,395,000	12/15/2016	2017	No	NA	No	3/19/2019	NA
Rushville	3/31/2016	\$ 4,500,000	12/15/2016	2017	No	NA	No	9/1/2018	9/9/2016
Cromwell	6/11/2015	\$ 1,740,000	3/9/2017	2017	No	NA	No	2/19/2019	NA
Greensburg	2/29/2016	\$ 5,918,000	3/13/2017	2017	No	NA	No	9/6/2018	9/5/2018
Andrews	2/15/2016	\$ 5,232,000	6/19/2017	2017	No	NA	No	12/10/2017	12/5/2018
Kirklin	3/7/2016	\$ 1,185,000	6/28/2017	2017	No	NA	No	11/15/2018	3/31/2016
Citizens Water Authority	6/24/2016	\$ 163,526,839	7/21/2017	2018	No	NA	No	Pending	12/19/2016
Portage	6/28/2016	\$ 3,750,000	9/13/2017	2018	No	NA	No	Pending	1/12/2017
Portland	9/25/2017	\$ 2,945,000	9/25/2017	2018	No	NA	No	Pending	9/21/2016
Newton County RWSD	3/31/2016	\$ 13,771,000	9/28/2017	2018	Yes	footnote 1	No	Pending	6/6/2016
Newton County RWSD	3/31/2016	\$ 3,266,000	9/28/2017	2018	No	NA	No	Pending	6/6/2016
Michigantown A	7/13/2016	\$ 882,000	9/29/2017	2018	No	NA	9/25/2017	NA	8/8/2016
Michigantown B	7/13/2016	\$ 274,000	9/29/2017	2018	No	NA	9/25/2017	NA	8/8/2016
Huntington	6/6/2017	\$ 10,644,000	12/15/2017	2018	No	NA	7/27/2017	NA	7/27/2017
New Palestine	5/6/2016	\$ 4,120,000	12/15/2017	2018	No	NA	No	Pending	5/11/2016
Uniondale	6/15/2016	\$ 735,000	12/15/2017	2018	No	NA	No	11/5/2018	6/7/2017
Woodburn A	6/9/2016	\$ 7,163,000	12/15/2017	2018	No	NA	No	9/24/2018	9/24/2018
Woodburn B	6/9/2016	\$ 402,000	12/15/2017	2018	No	NA	No	9/24/2018	9/24/2018
Attica	11/7/2016	\$ 4,534,000	2/20/2018	2018	No	NA	No	Pending	12/15/2017
Georgetown	9/23/2015	\$ 3,430,000	3/15/2018	2018	No	NA	No	Pending	NA
Clinton	12/29/2017	\$ 1,600,000	3/29/2018	2018	No	NA	No	4/22/2019	1/12/2018
Silver Lake	3/15/2017	\$ 451,000	3/29/2018	2018	No	NA	No	2/13/2019	3/13/2017
Evansville	12/5/2017	\$ 16,960,000	4/24/2018	2018	No	NA	1/19/2018	NA	NA
Owensville	4/17/2017	\$ 630,000	5/23/2018	2018	No	NA	No	Pending	8/1/2017
Centerville	6/16/2017	\$ 2,266,000	6/27/2018	2018	No	NA	No	5/17/2019	6/14/2017
South Whitley	3/27/2017	\$ 4,494,000	8/23/2018	2019	No	NA	No	Pending	8/3/2017
Amo-Coatesville	6/7/2017	\$ 1,119,000	8/31/2018	2019	No	NA	8/14/2017	NA	8/7/2017
Terre Haute P&D	9/1/2017	\$ 4,364,000	9/7/2018	2019	No	NA	No	NA	NA
Shirley	5/11/2017	\$ 792,000	9/20/2018	2019	No	NA	No	Pending	6/5/2017
Jamestown	9/7/2017	\$ 1,623,000	9/24/2018	2019	No	NA	No	Pending	11/17/2017
Russiaville	1/17/2017	\$ 825,000	10/10/2018	2019	No	NA	No	Pending	5/3/2017
Allen County	6/15/2016	\$ 4,343,000	10/29/2018	2019	No	NA	1/8/2018	NA	1/8/2018
Allen County	6/15/2016	\$ 5,182,000	10/29/2018	2019	No	NA	1/8/2018	NA	1/8/2018
Logansport	10/28/2014	\$ 1,107,000	11/7/2018	2019	No	NA	9/14/2017	NA	9/14/2017
Logansport	10/28/2014	\$ 5,995,000	11/7/2018	2019	No	NA	9/14/2017	NA	9/14/2017

Community Name	Date SRF Application Was Received	Loan Amount	Loan Closing Date	SFY Closing	Is this an Equivalency Project? Yes/No	Did A&E Meet 40 CFR Ch 11 and certification	FSP 'Self Certification' Received Prior to loan closing (Applications on or after 10/1/14)	FSP 'Non-Self Certified' Date Received or Will submit prior to last disbursement (Applications on or after 10/1/14)	Cost & Effectiveness Certification Form Received Date (Applications on or after 10/1/15)
Logansport	10/28/2014	\$ 13,930,000	11/7/2018	2019	No	NA	9/14/2017	NA	9/14/2017
Fort Wayne	5/3/2018	\$ 72,400,000	11/15/2018	2019	No	NA	No	Pending	8/8/2018
Greenwood	8/7/2017	\$ 29,137,000	11/20/2018	2019	No	NA	No	Pending	8/25/2017
Columbia City	1/25/2018	\$ 4,863,000	11/28/2018	2019	No	NA	No	Pending	6/1/2018
LaGrange County RUD	11/8/2017	\$ 15,653,000	11/28/2018	2019	No	NA	No	Pending	12/7/2017
New Castle	3/13/2018	\$ 4,607,600	11/30/2018	2019	No	NA	No	Pending	6/18/2018
Evansville	12/5/2017	\$ 110,029,200	12/4/2018	2019	Yes	Yes	1/19/2018	NA	5/29/2018
Princes Lakes	3/7/2017	\$ 23,410,000	12/12/2018	2019	No	NA	No	Pending	8/1/2017
Connersville	6/15/2018	\$ 4,990,000	12/13/2018	2019	No	NA	No	Pending	6/26/2018
New Whiteland	3/19/2018	\$ 2,472,000	12/13/2018	2019	No	NA	No	Pending	4/17/2018
North Vernon	2/25/2016	\$ 4,210,000	12/13/2018	2019	No	NA	No	Pending	1/9/2017
Warsaw	4/5/2017	\$ 31,700,000	12/13/2018	2019	No	NA	2/6/2018	NA	2/6/2018
Arcadia	8/11/2017	\$ 1,122,000	12/14/2018	2019	No	NA	No	Pending	12/29/2017
Bargersville	6/15/2018	\$ 9,820,000	12/14/2018	2019	No	NA	No	Pending	6/14/2018
LaPorte RWSD	7/10/2017	\$ 2,093,500	12/14/2018	2019	No	NA	No	Pending	12/7/2017
Steuben Lakes RWD	6/4/2018	\$ 2,546,000	12/14/2018	2019	No	NA	No	Pending	7/12/2018
Terre Haute	9/1/2017	\$ 63,000,000	12/21/2018	2019	No	NA	8/24/2017	NA	8/24/2017
Posey County RSD 2019	12/12/2016	\$ 4,161,830	12/28/2018	2019	No	NA	No	Pending	4/5/2018
Lynn	3/29/2016	\$ 676,000	3/25/2019	2019	No	NA	No	Pending	5/11/2016
Sullivan	5/21/2018	\$ 1,376,000	3/27/2019	2019	No	NA	No	Pending	6/19/2018
Indianapolis Airport Authority	3/21/2018	\$ 30,000,000	3/28/2019	2019	No	NA	3/21/2018	NA	3/7/2018
Montpelier	6/14/2018	\$ 3,700,000	6/19/2019	2019	No	NA	No	Pending	7/11/2018

<sup>1</sup> Complied with section 602(b)(14) - A&E requirement by entering into an assistance agreement for construction costs only.

\* Some of the WRRDA requirements are set forth below

**Architectural & Engineering (A & E) Procurement:** The A & E procurement requirement applies only to CW Equivalency Projects. A & E services must be negotiated under Chapter 11 of title 40, United States Code or an equivalent State qualifications-based requirement. If applicable, the participant must provide a certification to the SRF Loan Program that it met the requirements of 40 U.S.C Chapter 11.

**Equivalency Projects and Requirements:** Projects selected as an Equivalency Project must meet certain requirements including equivalency requirements set forth in WRRDA. An Equivalency Project must meet the following: 1) FFATA Reporting requirements, 2) Single Audit Act (2 CFR 200 Subpart F), 3) Federal Cross-Cutters, 4) Disadvantaged Business Enterprises, 5) A & E Procurement (WRRDA requirement), 6) signage and 7) other equivalency requirements requirement under the CWA Act, as amended.

**Fiscal Sustainability Plans (FSP):** All CWSRF participants that propose treatment works projects for repair, replacement or expansion shall certify they have developed and implemented a fiscal sustainability plan. This requirement is effective for applications submitted after October 1, 2014.

**Cost & Effectiveness Analysis (C&E):** All CWSRF participants who submit an application after October 1, 2015 must certify they have conducted a cost and effectiveness analysis as outlined in WRRDA.

**Other:** CWSRF participants will be required to comply with all applicable requirements set forth in WRRDA and with the terms and conditions of the Capitalization Grant. In addition to the above WRRDA requirements, other federal requirements include but are not limited to, Additional Subsidization, Davis Bacon and NEPA-Like environmental review process.



Exhibit Q

**Indiana Finance Authority  
State Revolving Fund Loan Programs**

**Clean Water Projects Closed in State Fiscal Year 2019**

- **Clean Water  
2019 Projects**  
\$402.2 Million  
37 Loans

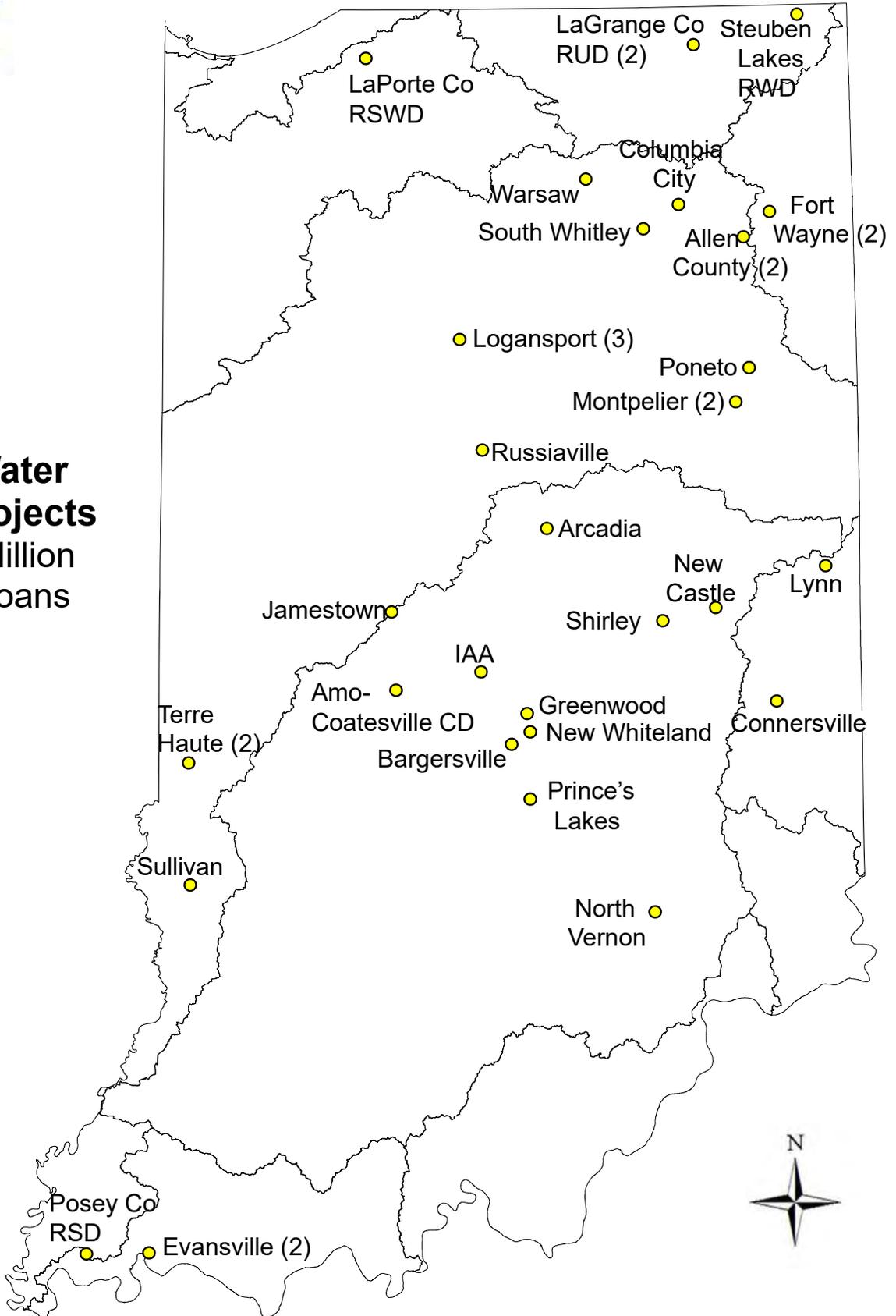
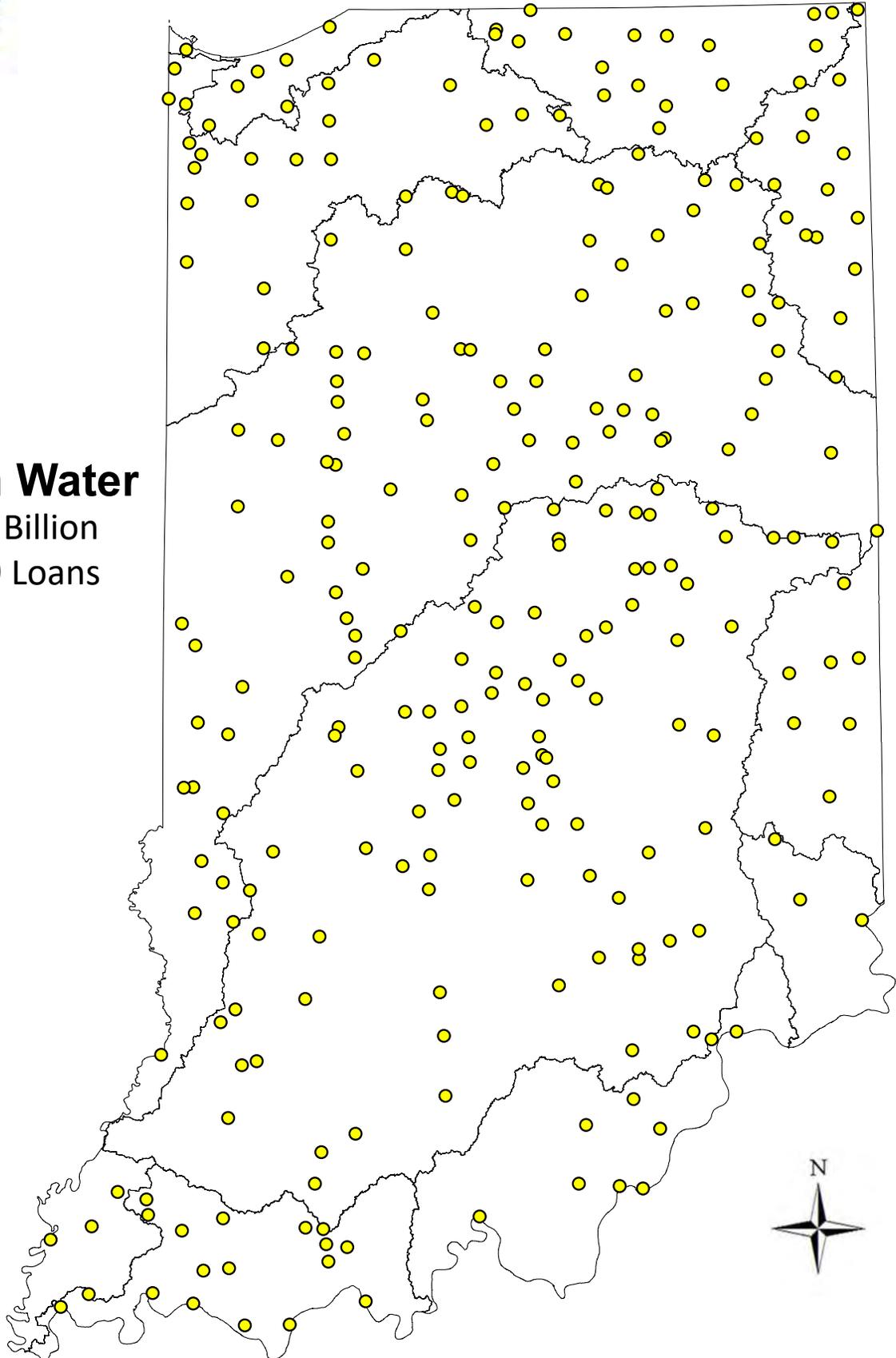




Exhibit R

**Indiana Finance Authority  
State Revolving Fund Loan Programs  
All Clean Water Projects Closed Since 1992**

● **Clean Water**  
\$4.3 Billion  
559 Loans



Indiana CW SRF Loan Program  
Exhibit S - Summary of All Associated Funds in SFY 2019

Applicant Name	Closing Date	SRF Funding*	Rural Development Funding	Office of Community and Rural Affairs Grant	SRF Fee Program	Supplemental Funds (State)	Local Funds
South Whitley	8/23/2018	\$ 4,494,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Amo Coatsville CD	8/31/2018	\$ 1,119,000	\$ -	\$ 650,000	\$ -	\$ 25,000	\$ -
Terre Haute	9/7/2018	\$ 4,364,000	\$ -	\$ -	\$ -	\$ -	\$ -
Shirley	9/20/2018	\$ 792,000	\$ -	\$ 550,000	\$ -	\$ -	\$ -
Jamestown	9/24/2018	\$ 1,623,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Wells County RSD RAP g	9/28/2018	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -
Russiaville	10/10/2018	\$ 825,000	\$ -	\$ 500,000	\$ -	\$ 25,000	\$ -
Posey County RAP grant	10/25/2018	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -
Allen County Series A	10/29/2018	\$ 5,182,000	\$ -	\$ -	\$ -	\$ -	\$ -
Allen County Series B	10/29/2018	\$ 4,343,000	\$ -	\$ -	\$ -	\$ -	\$ -
Logansport Storm Wate	11/7/2018	\$ 13,930,000	\$ -	\$ -	\$ -	\$ -	\$ 1,147,500
Logansport Series A	11/7/2018	\$ 5,995,000	\$ -	\$ -	\$ -	\$ -	\$ -
Logansport Series B	11/7/2018	\$ 11,070,000	\$ -	\$ -	\$ -	\$ -	\$ -
Fort Wayne 2018 A	11/15/2018	\$ 742,584	\$ -	\$ -	\$ -	\$ -	\$ -
Fort Wayne 2018 A-2 (o	11/15/2018	\$ 21,722,416	\$ -	\$ -	\$ -	\$ -	\$ -
Greenwood	11/20/2018	\$ 29,137,000	\$ -	\$ -	\$ -	\$ -	\$ -
LaGrange 2018 A	11/28/2018	\$ 12,856,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 1,700,000
LaGrange 2018 B	11/28/2018	\$ 2,797,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Columbia City	11/28/2018	\$ 4,863,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 2,501,000
New Castle	11/30/2018	\$ 2,543,123	\$ -	\$ -	\$ 1,280,000	\$ 2,126,877	\$ -
Evansville 2018 B-1	12/4/2018	\$ 35,020,000	\$ -	\$ -	\$ -	\$ -	\$ -
Evansville 2018 B-2	12/4/2018	\$ 72,335,000	\$ -	\$ -	\$ -	\$ -	\$ -
Prince's Lakes	12/12/2018	\$ 2,341,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Warsaw	12/13/2018	\$ 31,700,000	\$ -	\$ -	\$ -	\$ -	\$ -
North Vernon	12/13/2018	\$ 4,210,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
New Whiteland	12/13/2018	\$ 2,472,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Arcadia	12/14/2018	\$ 1,122,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
LaPorte	12/14/2018	\$ 2,193,500	\$ -	\$ -	\$ 100,000	\$ 25,000	\$ 73,398
Connersville	12/14/2018	\$ 4,990,000	\$ -	\$ 600,000	\$ -	\$ -	\$ 820,000

Indiana CW SRF Loan Program  
Exhibit S - Summary of All Associated Funds in SFY 2019

Applicant Name	Closing Date	SRF Funding*	Rural Development Funding	Office of Community and Rural Affairs Grant	SRF Fee Program	Supplemental Funds (State)	Local Funds
Steuben Lakes	12/14/2018	\$ 2,546,000	\$ -	\$ -	\$ -	\$ 150,000	\$ 9,975,470
Bargersville	12/14/2018	\$ 9,820,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Poneto	12/14/2018	\$ 669,000	\$ -	\$ 600,000	\$ 669,000	\$ 25,000	\$ -
Terre Haute	12/21/2018	\$ 63,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Posey County	12/28/2018	\$ 4,161,830	\$ -	\$ -	\$ -	\$ 565,394	\$ 25,000
Lynn	3/25/2019	\$ 676,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Sullivan	3/27/2019	\$ 1,376,000	\$ -	\$ 618,203	\$ -	\$ 25,000	\$ 5,000
Indianapolis Airport Authority	3/28/2019	\$ 30,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Montpelier Series A	6/19/2019	\$ 1,722,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
Montpelier Series B	6/19/2019	\$ 3,434,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
<b>Non-Federal Total:</b>							<b>\$ 19,624,639</b>

\*Includes Traditional, Additional Subsidy, Pooled and Fee Account

**Indiana CW SRF Loan Program**

**Exhibit T - Summary of Clean Water Projects with a Regional Solution SFY 2014-2019**

<u>SFY</u>	<u>Community</u>	<u>Loan Amount</u>	<u>Project</u>
2019	Russiaville	\$ 825,000	The Town of New London's existing WWTP is near inoperable and becoming an unsafe work environment. The project constructed a force main from New London's South Pump Station to The Town of Russiaville's existing WWTP.
2019	Allen County	\$ 9,525,000	Hoagland existing WWTP cannot meet permit requirements. The project constructed a force main from Hoagland to the City of Fort Wayne for treatment. Further, other areas of failing septic systems throughout Allen County, project extended sewer service to these areas for treatment at existing wastewater treatment facilities, predominately in the City of Fort Wayne
2019	LaGrange County RUD	\$ 12,856,000	The proposed project will provide wastewater collection and treatment to residential, commercial and industrial users within LaGrange County RUD's Region C. The service areas include Cedar Lake, unincorporated community of Howe, CR 700N/SR 9 area, and Indiana Toll Road Travel Plaza #7.
2019	New Castle	\$ 1,263,123	An inspection of the White Estates Subdivision in Henry County by IDEM found a discharge of sewage from a storm sewer into a small stream. The White Estates Sanitary Sewer Project will install a new network of low pressure sanitary sewer which will be connected to existing gravity sewer main and conveyed to the City of New Castle's existing wastewater treatment plant for treatment.
2019	North Vernon	\$ 4,210,000	The project will provide sanitary sewer to an area recently annexed into the city of North Vernon. The annexed area currently uses individual on site wastewater disposal, and the extension of the city's existing system will provide the area with reliable sanitary sewer collection. The infrastructure improvements will accommodate existing utility demands, and will serve the area through the 20 year service plan.
2019	LaPorte RSWD	\$ 2,093,500	The project will extend service to 99 customers in the Rolling Prairie Service Area and eliminate failing on-site septic systems. The new collection system will ultimately discharge to the city of LaPorte for treatment.
2019	Steuben Lakes	\$ 2,546,000	Within the proposed project area, there are a few of properties connected to a small private WWTP and several homes connected to a private collection system with treatment provided by the Town of Fremont. The proposed project will allow the existing privately owned and operated wastewater treatment plant to be decommissioned and provide an option to the homes in the Cranston's Reef area, currently provided treatment by Fremont, to disconnect from the existing private collection system and connect to the RWD

2017	Allen County	\$ 100,000	Areas of failing septic systems throughout Allen County, project extended sewer service to these areas for treatment at existing wastewater treatment facilities, predominately in the City of Fort Wayne
2017	Allen County	\$ 7,244,244	Areas of failing septic systems throughout Allen County, project extended sewer service to these areas for treatment at existing wastewater treatment facilities, predominately in the City of Fort Wayne
2016	Chesterton	\$ 2,329,000	Extend sewers from Chesterton to the neighborhoods of Fox Chase Farms and Whispering Sands. The purpose of the project was to abandon the Fox Chase Farms septic/cluster treatment and collection system, and decommission the failing Whispering Sands extended aeration treatment facility. The new collection and transport system discharges to the Town of Chesterton for treatment. The Whispering Sands portion of the project will be completed utilizing local funds.
2016	Kempton	\$ 2,205,000	The Town of Kempton did not have a municipal sewer collection system and was served by individual septic tanks. Many were failing and were spilling to an existing storm drainage system that outletted into a stream. IDEM placed the Town on an Agreed Order to rectify the situation. The projects installed sewers and connected the town of Kempton to the Town of Tipton for wastewater treatment.
2016	Tipton	\$ 3,651,073	Lift station and force main to Town of Kempton and improvement to the Tipton WWTP to allow for additional flow.
2016	Allen County	\$ 9,980,000	Areas of failing septic systems throughout Allen County, project extended sewer service to these areas for treatment at existing wastewater treatment facilities, predominately in the City of Fort Wayne
2016	Edgewood	\$ 1,455,000	The Town of Edgewood is connected to the City of Anderson for wastewater treatment. The Town was experiencing high levels of I/I leading to capacity issues at a pumping station and the project was required for Anderson to continue to allow flow from Edgewood.
2015	Bluffton	\$ 1,762,040	The areas of McKinney and Paxson, near Bluffton, were served by failing septic systems. The project extended treatment to these areas meeting the requirements of the County's Agreed Order. This project also includes remediation of I/I issues.
2015	Tell City	\$ 614,910	The wastewater treatment facilities that served the Brushy Hollow neighborhood near Tell City Indiana were at the end of their useful life and experiencing effluent violations.  The project abandoned Brushy Hollow Utilities, Inc.'s existing wastewater facilities and Tell City is providing sanitary sewer service to Brushy Hollow.
2015	Newburgh	\$ 4,815,000	Extended sewers to the Epworth Road medial corridor and homes.

2014	Jonesboro	\$ 2,200,000	The City of Jonesboro wastewater is treated by the Gas City Wastewater Facility. Excessive inflow and infiltration from the Jonesboro collection system, particularly during rain events, was causing significant hydraulic load on Gas City's wastewater treatment plant. The project rehabilitated sanitary interceptors and lift stations in Jonesboro to allow the regionalized relationship to continue between the communities.
2014	Allen County	\$ 7,320,000	Areas of failing septic systems throughout Allen County, project extended sewer service to these areas for treatment at existing wastewater treatment facilities, predominately in the City of Fort Wayne
2014	Delaware County	\$ 994,000	The Delaware County Health Department, in correspondence dated June 1, 2011, stated that there are sewage disposal issues in the unincorporated area of Desoto. Records indicate that most of the septic tanks tie directly into underground drainage tiles that flow to Campbell Creek and a wetland northwest of town. Testing by the Delaware County Health Department and the Indiana State Department of Health has confirmed that this area has failing sewage systems introducing sewage into surface waters and ground water. The purpose of the proposed project is to extend sewer service to Desoto and the nearby area to remove 105 homes from the failing septic systems and to eliminate the illicit discharge of wastewater.