



INVESTING IN IOWA'S WATER



ANNUAL REPORTS

Clean Water State Revolving Fund
Drinking Water State Revolving Fund
Fiscal Year 2018

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Iowa Finance Authority

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- SRF financial functions
- Clean Water SRF
- Drinking Water SRF
- Clean Water and Drinking Water SRF



Annual Report

Clean Water State Revolving Fund, Drinking Water State Revolving Fund, Fiscal Year 2018

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Executive Summary

This Executive Summary provides background information about the SRF and program highlights. More detailed information is included in the Clean Water SRF and Drinking Water SRF Annual Reports that follow which cover the period of July 1, 2017 through June 30, 2018.

The State Revolving Fund (SRF) is one of Iowa's primary sources for investments in safe and clean water. Here are a few examples that show the varying issues that are being addressed in our state and how SRF is helping.

- ***The Amana Colonies***, located in Iowa County, is a public water supply with health based MCL violations. The Amana Colonies consist of a cluster of about seven villages, with six of them included in the current water supply improvements project. SRF staff, DNR Field Office and water supply engineering and operations worked closely together to identify that their wells were failing and the existing design of the finished water storage towers did not provide the minimum required pressures. These circumstances were making the system vulnerable to microbial contamination. The Amana Colonies received a planning and design loan in April 2018 to fund the water supply improvements study. Loan forgiveness of 75% was offered once the application was determined to meet required criteria. The Amana Colonies retained an engineering consulting firm which proposed the water supply improvements occur in three phases: construction of new wells, water main improvements and a new elevated storage tower to provide adequate pressure. Once construction of the water supply improvements is underway, a 75% loan forgiveness will also be applied to their DWSRF construction loan.
- Managing storm water for quality and quantity is a challenge for many communities. ***The City of North Liberty*** took advantage of funding through the Clean Water SRF Water Resource Restoration Sponsored Projects to take on their challenges. This rapidly growing community is constructing a major wastewater treatment plant upgrade costing \$20 million. This allowed the City to apply for \$1.4 million in sponsored project funding. With a portion of the funds, the City created a residential rebate program for soil quality restoration. Homeowners that hire certified contractors to aerate, apply compost, and oversee their lawns can receive up to \$1,500 back. Soil quality restoration is an inexpensive and simple method to increase water holding capacity and reduce runoff in urbanized areas. These innovative practices reduce runoff and contaminants in storm water runoff.



- **A farmer in Carroll County** constructed a mono slope building that will house cattle under roof 100% of the time. The bedded back building replaces open feedlots that were closed down as part of the project, eliminating any chance of manure runoff. Federal funding paid for a portion of the project, and a low-interest loan through the Clean Water SRF's Local Water Protection Program made up the difference, making the project affordable.

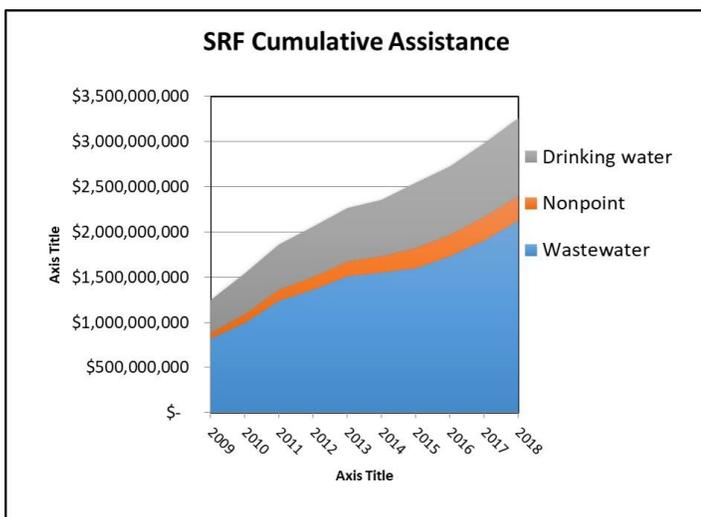


- **The City of Tiffin** is experiencing relatively rapid population growth and is one of the fastest growing in Iowa. The population of Tiffin according to the 2010 US Census was 1,947 but is projected to reach 7,200 by the year 2033. The City owns and operates an activated sludge Wastewater Treatment Plant (WWTP). Due to population growth, loadings to the WWTP were approaching the plant's design capacity and according to discharge permit and recent monitoring reports, the facility was likely to be overloaded both hydraulically and organically in the near future. The City borrowed \$6.7 million through the Clean Water SRF Program to improve treatment, comply with effluent discharge permit limits, and improve water quality in the receiving stream.

- **The Iowa Natural Heritage Foundation** used \$4.7 million of SRF General Nonpoint Source loans to purchase 900 acres of land in Humboldt, Polk and Union counties. These purchases will result in land and water protection, restoration, and ongoing water quality improvements in the Prairie Creek, South Skunk River and Summit Lake Watershed areas.



Since 1989, the Clean Water SRF has provided subsidized loans to meet Iowa's publicly owned wastewater infrastructure needs. This includes assistance agreements with cities, counties, sanitary districts, and utility management organizations.



Since 2000, the Drinking Water SRF has provided loans to help Iowa's water systems keep drinking water safe. This includes assistance agreements with cities, municipal utilities, rural water associations, and homeowners' associations.

The SRF was over \$3 billion in cumulative assistance provided during SFY 2018, as shown in the graph. Because the funds are continually being loaned out and repaid with interest, the SRF continues to grow. This source of financing will continue to meet future needs for a wide variety of water issues.

Financial Management to Meet Program Demand. Not every state can fund all eligible projects. Iowa is able to

keep up with demand through its financial management strategies. Iowa's SRF serves from the smallest to the largest communities in the state with funding when they need it. Iowa is also able to provide assistance to nonpoint source project borrowers such as farmers, livestock producers, landowners, watershed organizations, and others, unlike many states that are only funding water and wastewater infrastructure.

For the DWSRF, the loan amounts in SFY 2018 ranged from \$36,400 for the **City of Pleasantville's** planning and design loan, to a \$10.2 million loan to the **City of Dubuque** for water sytem improvements and water main extensions. The

smallest CWSRF loan was \$50,000 for planning and design to the **City of Hawkeye** and the largest loan of \$38 million went to the **Wastewater Reclamation Authority** for the next phase of a major sewer interceptor project.

Keeping Interest Rates and Costs Low to Make Projects More Affordable. One of the ways that Iowa is able to keep up with program demand is through leveraging. Leveraging involves borrowing from the bond market when needed and pledging a portfolio of loans to repay the bonds. Because of its high AAA bond rating, the SRF program can borrow at lower rates than most utilities in Iowa. The leveraged funds are combined with the revolved and federal funds to allow a below-market interest rate to SRF borrowers. Iowa's current interest rate is 1.75% for loans up to 20 years. Other cost savings utilities gained by using SRF include no reserve requirements, a lower debt service coverage ratio, and lower fees.

Many of the Iowa borrowers are communities with no bond rating. They would be borrowing at 4% or more if they had to borrow on their own from the market. Savings for these communities are estimated at approximately \$250,000 for each million dollars borrowed.

Use of Loan Forgiveness. Additional subsidization, which Iowa provides in the form of loan forgiveness, has been a required part of both the Clean Water SRF and the Drinking Water SRF since 2010. Because loan forgiveness reduces the amount of dollars being paid back and affects the loan-term capacity of the revolving funds, Iowa has used loan forgiveness strategically. For both programs, Congress has set a required minimum amount of the federal capitalization grant each year as well as a maximum allowed amount. Iowa has targeted loan forgiveness in order to provide as close to the minimum required amount as possible.

For the Drinking Water SRF, since 2010, a minimum of \$27.9 million has been required and a maximum of \$68 million was allowed. Through the end of SFY 2018, \$28.7 million has been allocated in binding loan commitments. Additional projects have been identified on the DWSRF project priority list for loan forgiveness. During SFY 2018, loan forgiveness totaling \$6 million was committed to help communities with project affordability, to incentivize completion of urgent public health projects, and to encourage installation of emergency backup power generation. Iowa's Drinking Water SRF offered loan forgiveness of 75% to public health projects in order to help communities overcome financial or other hurdles and more quickly address these urgent issues. Here is an example of a public health project:

- **Lacina Meadows Homeowners Association (HOA)** has exceeded the Maximum Contaminant Level for radium for several years. This HOA met the criteria to receive a DWSRF loan with 75% loan forgiveness for a connection to the City of Iowa City. After obtaining the necessary permits, construction and testing of the water mains to connect to Iowa City water distribution system was completed. The work to connect the service lines to the new water main will follow into the next fiscal year.

For the Clean Water SRF, the total minimum required amount is \$12.5 million, with a maximum of \$44.5 million. Iowa has allocated \$13.6 million through the end of SFY 2018 to communities for loan forgiveness. No new projects were identified for loan forgiveness during SFY 2018.

The SRF programs are based on partnerships to provide effective financing tools, streamlined procedures, and exceptional service to program participants.

Assistance Recipients The most important partnership is between the SRF and the assistance recipients. These are Iowa's cities, counties, rural water systems, sanitary districts, farmers, livestock producers, homeowners, watershed organizations, and others.

Environmental Reviews With any government program, there are requirements that must be met to become eligible to participate. SRF recipients must comply with a variety of state and federal regulations, so the goal of the SRF staff is to make that compliance as easy as possible. One of the ways that SRF helps borrowers navigate the process is to conduct required environmental reviews on their behalf.

DNR-IFA The partnership between the state agencies that administer the SRF programs and their governing boards is crucial to success. Iowa statute directs the Iowa Department of Natural Resources (DNR) and the Iowa Finance Authority (IFA) to jointly operate the SRF. DNR, with oversight by the Iowa Environmental Protection Commission, handles program prioritization, project permitting, environmental review, and EPA compliance. IFA covers financial management, issues bonds, disburses loan funds, and services loans. While each partner carries out their individual responsibilities, they coordinate on programmatic and financial strategies to make the most effective use of the funding.

State-Federal Another partnership is between the federal government and the state. The U.S. Congress created the SRF programs in the Clean Water Act and the Safe Drinking Water Act and provides annual appropriations via the U.S. Environmental Protection Agency (EPA). The annual capitalization grants form the core of the SRFs but leveraged bonds, repayments and interest expand the reach of the federal investment. Iowa's SRFs have delivered over \$3.00 in assistance for every \$1.00 of federal funds.

Within the broad framework set by the legislation, federal regulations, and EPA guidance, states have flexibility to set their own priorities and manage their own programs. In Iowa, that flexibility has allowed the SRF to target the specific needs of our state and to develop new program tools when needed. These include planning and design loans, extended term financing, linked deposit mechanisms for funding nonpoint source practices, and sponsored projects.

Other Organizational Partners Another set of partnerships is between DNR/IFA and the other organizations that implement or help with certain SRF programs. These include:

- The Iowa Department of Agriculture and Land Stewardship, which, under contract to DNR, provides technical expertise for loan programs for both agricultural and urban water quality practices.
- The Soil and Water Conservation Districts commissioners and staff, who deliver loan programs at the local level and work directly with farmers, landowners, and others.
- County environmental health boards and staff, who participate in a program to help homeowners replace failing onsite septic systems.

Local Lenders There are also more than 500 lending institutions across the state that make low-costs loans available to borrowers through a linked deposit arrangement with the SRF.

- **First National Bank** in Creston, Iowa, was named SRF Top Lender of the Year in October 2017 for their commitment to conservation practices. "I congratulate First National Bank on this well-deserved recognition," said Iowa Finance Authority Interim Executive Director Carolann Jensen. "Last year alone, the State Revolving Fund assisted hundreds of landowners through the State Revolving Fund's linked deposit programs thanks to our outstanding lending partners and we look forward to assisting even more in the year to come."

Coordination between SRF and other funding agencies makes costly infrastructure projects possible.



Joint funding that combines SRF loan dollars and grants from other agencies is crucial to making some water and wastewater infrastructure upgrade projects more affordable for many communities. While SRF offers the lowest loan rates, many of Iowa's small and disadvantaged cities need additional help in the form of grants.

Iowa's SRF staff work closely with the Iowa Economic Development Authority (IEDA), which implements the federally funded Community Development Block Grant (CDBG) program to plan and implement coordinated funding. During SFY 2017, IEDA switched from an annual CDBG funding cycle to quarterly. This allowed more effective matching of CDBG and SRF efforts since SRF also operates on a quarterly basis.

To qualify for CDBG, the percentage of low-and moderate-income (LMI) beneficiaries must be at least 51%. “Low-income” is less than 50% of the area’s median income, and “moderate-income” is less than 80%. The following are examples of co-funding between CDBG and SRF:

- The **City of De Soto**, population 1,050, qualified for a \$500,000 grant from CDBG and will borrow the remaining \$3 million from the Clean Water SRF Program. More than half of De Soto’s population, 62.8%, is LMI. This project will include the construction of a new water treatment plant including installation of a reverse osmosis system, construction of a new well, and rural water connection.
- The **City of Delaware**, population 159, was approved on the IUP for a water main extension project including pressure tank replacement and a building addition. The LMI percentage for Delaware’s residents is 60.5%. Delaware qualified for a \$159,000 grant from CDBG which will allow them to reduce their borrowing from the Drinking Water SRF Program down to \$177,425.

SRF planning and design (P&D) loans are helpful to communities even when they don’t use SRF for construction financing. P&D loans, since they are offered at 0% interest and no fees for up to three years, can be used by communities to prepare to compete for the most advantageous funding sources.

- In January 2018, the **City of Miles** borrowed \$154,000 through a Clean Water SRF P&D loan to cover the costs of preparing a Facility Plan for the installation of an Aeromod Package Plant at the site of the existing Wastewater Treatment Facility. This improvement was required to bring the City into compliance with NPDES operating permit discharge limits. Having a Facility Plan allowed the City to apply for and receive a combination of CDBG and U.S. Department of Agriculture-Rural Development (USDA-RD) funding in SFY 2018.

The USDA-RD typically provides its recipients with loan funding in combination with their grants, so projects co-funded with SRF are rare.

The programs discussed above are all federally funded. In 2018 Iowa Acts, Senate File 512 created a Wastewater and Drinking Water Treatment Financial Assistance Program to provide financial assistance to enhance Iowa’s water quality. The program will provide financial assistance in the form of grants and/or loans. Project awards will be determined by a committee and will be based off of pre-established priorities. Eligible costs include install and upgrade to wastewater treatment facilities and systems, drinking water treatment facilities and systems including source water protection projects, and engineering or technical assistance for facility planning and design. This program is currently undergoing administrative rule writing and is expected to be available for application in SFY 2020.

Conclusion

Individual communities in Iowa face challenges in providing safe drinking water, meeting regulatory requirements for wastewater treatment, replacing aging infrastructure, and planning for shrinking or growing population. Iowa’s SRF program cannot meet all of those needs, but it continues to be an effective and cost-efficient vehicle for financing projects to protect water quality and public health, as intended by Congress and state policy-makers.

Iowa’s SRF issues two documents each year for the Clean Water SRF and the Drinking Water SRF: The Intended Use Plans (IUPs) at the beginning of the year outline the goals and objectives for each program area, and the Annual Reports at the end of the year show results and accomplishments and how well the goals and objectives were met. Detailed information is included in the Clean Water SRF and Drinking Water SRF Annual Reports which follow, covering July 1, 2017 through June 30, 2018.



Annual Report

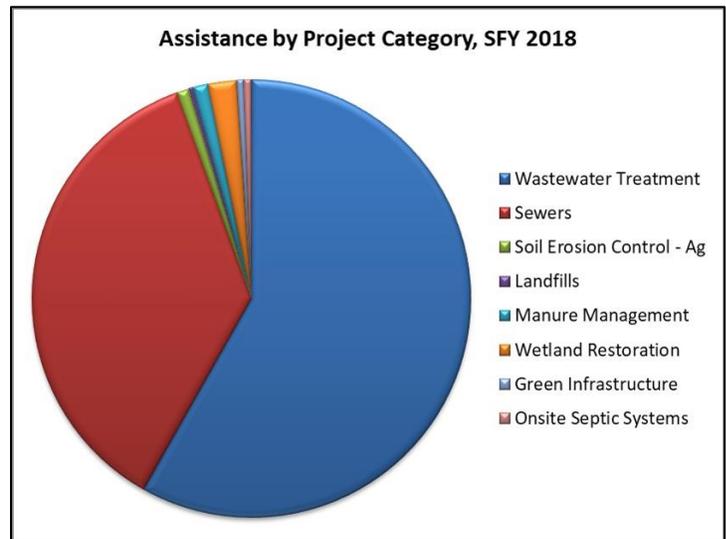
Clean Water State Revolving Fund

Fiscal Year 2018

The goals and objectives for the Clean Water SRF were laid out in the state fiscal year (SFY) 2018 Intended Use Plan (IUP), which was updated quarterly. This annual report examines the activities carried out and the progress made toward meeting those goals.

As of the end of June 2018, the CWSRF has entered into net financial commitments totaling \$2,398,000,000, including almost \$272 million for nonpoint source pollution control. During SFY 2018 the CWSRF executed new assistance agreements totaling \$255 million. This total represents an increase over the previous year's total of \$198 million.

The CWSRF funds publicly owned wastewater and sewer infrastructure, shown in the pie chart under Wastewater Treatment and Sewers. Ninety five percent of the CWSRF dollars in SFY 2018 went to these needs. The remaining dollars went to both publicly and privately owned projects in the nonpoint source area, including Onsite Septic Systems, Green Infrastructure, Wetland Restoration, Manure Management, and Agricultural Soil Erosion Control Practices.



CWSRF Goals and Accomplishments

The primary long-term goal of the Iowa CWSRF is to protect the environment and public health and welfare through a perpetual financial assistance program. Shorter-term goals and objectives were established in the SFY 2018 IUP. The goals and progress toward meeting them are discussed below.

Goal: Commit loan funds to as many recipients as possible in accordance with the state priority rating system, the IUP, staff resources, and available funding, in order to assist in the construction of projects with the highest water quality impacts. During SFY 2018, the Intended Use Plan was updated quarterly. A total of 45 requests for wastewater infrastructure construction financing and 32 planning and design loan applications were added to the IUP project priority list. Loan funds were committed only after the projects had received construction permits, an environmental review was conducted, and bidding documents were reviewed for cost eligibility.

During SFY 2018, the DNR's Wastewater Engineering Section (WES) project managers accomplished the following project milestones to help move CWSRF projects toward loan readiness and completion. The permitted projects addressed numerous wastewater needs of Iowa communities to provide a wide range of environmental benefits - reduce/eliminate CSOs and SSOs, wastewater service, infiltration/inflow reduction, treatment capacity expansion for growth, address unsewered community needs, address aging infrastructure, improve system reliability with new infrastructure, ammonia reduction, nutrient reduction and pathogen reduction/public health protection:

- Conducted 43 project initiation meetings to assist applicants, engineers and planners understand the planning, permitting and loan process;
- Approved 18 anti-degradation alternatives analyses evaluating less degrading reasonable treatment alternatives;
- Approved 48 facility plans/engineering reports recommending the selected project alternative and site;
- Issued 70 construction permits and plans and specifications approval;
- Reviewed 75 sets of bid documents for CWSRF eligibility of project costs; and
- Conducted 20 final inspections relating to 27 construction permits to close out CWSRF projects.

Customer feedback surveys were sent after project initiation meetings, facility plan approvals and construction permits. The surveys were sent to applicants and engineering consultants. The responses rated mostly good and excellent for the CWSRF project planning and construction permitting effort. The following comments were provided:

- “I’ve worked in several other state permitting processes, and Iowa’s is perhaps the most regimented and robust in the process requirements, but it all seems like a solid process for all parties involved to ensure that appropriate decisions are being made from a holistic viewpoint. Other states do not have staff as knowledgeable or accessible as the Iowa DNR staff we worked with on the City’s project. (I don’t think the City liked the schedule for completion of the Facility Plan, but there are many factors that played into that process, and some of those factors were delays caused by City or Consultant.) From our viewpoint, we are now more familiar with the process and we know exactly what we need to do on the next one, and that is not true on projects in other states!”
- “The planning effort went smoothly with everyone having the same goals in fixing a problem station and correcting deficiencies currently experienced.”
- “I feel the process was instrumental in getting the process started.”
- “The visual in w/wizard database that shows the status/stage of a project is nice.”
- “Project Manager has been good at outlining the expectations so that we submit what is needed.”
- “The process has gone very smoothly and information has been excellent. I appreciate the timely DNR responses and the convenience of corresponding via email.”
- “The facility planning process went very smoothly thanks to staff. Very timely in responding and efficient in processing documents.”
- “Very timely review was appreciated.”
- “Appreciate cooperation and efforts to prioritize getting this done.”
- “DNR Staff were very responsive via phone and email. Review process was quick and thorough.”

Goal: Require applicants to engage a registered Municipal Advisor (MA). Beginning in SFY 2015, SRF projects are required to have a registered MA work with the community to analyze the current income and expenses of the utility, assist with setting rates, and advise the community on financial planning. The purpose of this SRF requirement is to give SRF borrowers the professional support they need to ensure their wastewater utility will be financially sound. The SRF program pays up to \$4,000 for MA expenses because we believe financial sustainability is so important. In SFY 2018, a total of \$79,000 was paid in MA fees to 20 communities that have CWSRF projects.

Goal: Implement the “Use of American Iron and Steel (AIS)” requirements enacted by Congress on January 17, 2014. During SFY 2018, SRF staff identified which wastewater projects were covered by AIS and which were exempt. Although most projects did not have exemptions, they were still possible for projects which had construction permits issued or planning and design loans executed prior to the deadline. Phased projects were also considered exempt. For those wastewater projects which have to comply, SRF staff developed revised front-end specifications which included the new requirements, suggested contract language, and template certifications and materials checklists. SRF staff continued to answer questions from consultants and owners concerning what is covered by AIS, and consulted with EPA when needed. During SFY 2018, site visits were conducted by DNR Field Office staff. The purpose of the site visits is to check compliance status and provide education about AIS requirements.

Goal: Fund green projects to meet the requirements of the Green Project Reserve. During SFY 2018, Iowa met and exceeded the Green Project Reserve requirements for the FFY 2010-2017 cap grants, as shown in the table.

FFY	GPR Required	GPR Actual
2010	\$5,515,000	\$5,516,792
2011	\$3,997,000	\$12,042,485
2012	\$1,912,800	\$3,924,060
2013	\$1,806,900	\$3,477,000
2014	\$1,897,600	\$2,480,000
2015	\$1,900,300	\$29,329,179
2016	\$1,808,300	\$4,788,500
2017	\$1,794,400	\$21,236,103
TOTAL	\$20,632,300	\$82,794,119

Goal: Apply additional subsidization available in FFY 2011 – 2014 and FFY 2016 - 2017 capitalization grants to disadvantaged community projects and green projects. Iowa has provided loan forgiveness based both on disadvantaged status and as an incentive for innovative, green projects. As shown in the chart, for each cap grant year there has been a minimum and maximum amount allowed. Additional subsidization was optional for the FY 2015 capitalization grant. Additional subsidization from FFY 2017 grant will be assigned during SFY 2019.

FFY	Minimum	Maximum	Actual	% of Minimum
2010	\$4,129,860	\$13,766,200	\$4,491,767	109%
2011	\$1,851,928	\$6,173,093	\$2,918,377	158%
2012	\$1,063,065	\$1,594,597	\$1,548,000	146%
2013	\$851,127	\$1,276,691	\$1,276,000	150%
2014	\$1,032,630	\$1,548,944	\$1,548,000	150%
2015	\$0	\$5,700,900	\$0	n/a
2016	\$1,808,300	\$7,233,200	\$1,838,300	102%
2017	\$1,794,400	\$7,177,400	\$0	
TOTAL	\$12,531,310	\$44,471,400	\$13,620,444	109%

Goal: Comply with EPA guidance on reporting under the Federal Funding Accountability and Transparency Act (FFATA). SRF has identified a primary borrower, the *Des Moines Wastewater Reclamation Authority (WRA)* that is meeting the several requirements of FFATA and equivalency, which include:

- Section 602(b)(14) of the Clean Water Act: “A contract to be carried out using funds directly made available by a capitalization grant...for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services shall be negotiated in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of title 40, United States Code....”
- Federal socioeconomic cross-cutters.
- Federal environmental cross-cutters.
- EPA signage guidance.
- Single audit requirements.

WRA executed a \$38 million loan in December 2017 for construction of multiple phases of the East Side Interceptor Sewer project. This loan was reported to satisfy FFATA reporting for an equivalent amount of the following capitalization grants:

- FFY 2017: \$17,944,000

Goal: Comply with EPA guidance on cost and effectiveness requirements under Section 602(b)(13) of the Clean Water Act, which states: “Beginning in (federal) fiscal year 2016, the State will require as a condition of providing

assistance...that the recipient of such assistance certify...that the recipient – A) has studied and evaluated the cost and effectiveness of the processes, materials, techniques, and technologies for carrying out the proposed project...; and B) has selected, to the maximum extent practicable, a project or activity that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account – i) the cost of constructing the project or activity; ii) the cost of operating the project or activity over the life of the project or activity; and iii) the cost of replacing the project or activity.” During SFY 2018 CWSRF required those borrowers whose applications were received after October 1, 2015 to submit a self-certification form indicating compliance with this requirement.

Goal: Promote and identify sustainable practices in projects proposed for funding. In 2010 the U.S. Environmental Protection Agency issued a policy to make water and wastewater utilities, and the communities they serve, more sustainable. The policy provided four strategies for EPA and the states, and the table below shows the strategies and Iowa’s efforts to implement them during SFY 2018.

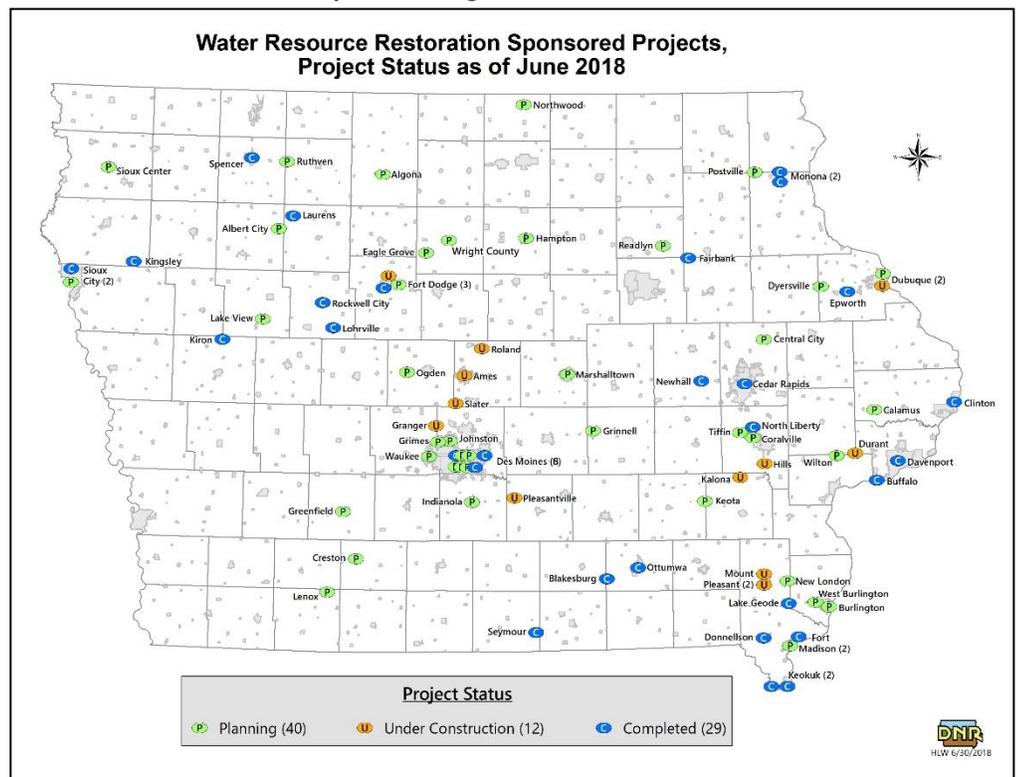
Strategy	Implementation	SFY 2018 Outcomes
Promote planning processes that support sustainability	<p>Iowa participates in training sessions to inform potential borrowers about using SRF to implement sustainable practices</p> <p>Iowa provides planning and design (P&D) loans to assist communities with project development</p>	<p>During SFY 2018, SRF staff made presentations on CWSRF opportunities at several conferences, meetings and workshops. Here are a few examples:</p> <ul style="list-style-type: none"> • September 2017, Iowa League of Cities annual conference, Des Moines • September 2017, Community Development Block Grant application workshop, Ankeny • October 2017, Growing Sustainable Communities annual conference, Dubuque • November 2017, Water Resource Restoration Sponsored Project Workshop, Ankeny • October 2017, Iowa Municipal Finance Officer Association, Des Moines • December 2017, Iowa Stormwater Summit, Ankeny • January 2018, ECOS webinar • February 2018, Iowa Rural Water Association annual conference, Des Moines • March – April 2018, six Iowa Water Environment Association small community workshops in Storm Lake, Center Point, Washington, Dike, Stanton, and Des Moines <p>As shown in CWSRF Exhibit 2, 25 communities received planning and design loans during SFY 2018.</p>
Encourage community sustainability	The Clean Water SRF promotes green infrastructure and sustainable storm water practices	<p>New loan amendments for 7 sponsored projects totaling \$2.65 million were executed. The sponsored projects allowed communities to implement sustainable green infrastructure practices.</p> <p>City of Spencer completed the construction of a stormwater wetland, sediment forebay, and bioretention cell to treat agricultural and urban runoff to the Little Sioux River.</p>

Strategy	Implementation	SFY 2018 Outcomes
Promote sustainable water and wastewater systems	Iowa SRF requires that borrowers work with a municipal advisor to set rates sufficient to repay debt service while maintaining the system.	This ensures that the utility can sustain itself without the need for grant or other non-user generated funds.
Target SRF assistance	Iowa's SRFs promote the "fix-it-first" approach for water and wastewater infrastructure in existing communities and prohibit "speculative growth"; required additional subsidization is used for disadvantaged communities and green projects.	CWSRF sewer rehabilitation and inflow/infiltration correction projects: Cities of Algona, Belle Plaine, Davis City, Fort Dodge, Garrison, Granville, Hubbard, Mount Pleasant, Oelwein, Oskaloosa, Sabula, Saint Donatus, Springville, and Waterloo. Additional subsidization from FFY 2017 grant will be assigned during SFY 2019

Goal: Continue to implement the Water Resource Restoration Sponsor Program authorized in Iowa Code 384.84.

As of the end of SFY 2018, \$54 million has been committed to 81 projects. During SFY 2018, eighteen new sponsored project applications were accepted from the **Cities of Algona, Coralville, Des Moines, Fort Dodge, Grinnell, Hills, Lenox, Mount Pleasant, Pleasantville, Readlyn, Roland, and Waukee, and from the Wastewater Reclamation Authority.**

The map shows the status of each project as of June 2018 and indicates the progress that was made on sponsored projects during SFY 2018. The sponsored projects effort is successful due to the partnership between the SRF and the Iowa Department of Agriculture and Land Stewardship urban conservationists.



Loan amendments for 7 sponsored projects were signed during SFY 2018, including the following:

Borrower	Project Description	Sponsored Project Amount
City of Dubuque	Utilized funding to address water quality problems and implement practices recommended in the Catfish Creek Watershed Management Plan. Projects include: stream restoration including stone toe protection, bank reshaping, floodplain benches, riparian buffer restoration along a segment of Catfish Creek, and	\$1,400,000

	development and funding of a cost share program through the Catfish Creek Watershed Management Authority to reimburse landowners for constructing stormwater or agricultural best management practices.	
City of Hills	Installation of permeable paver parking on Main St in Hills, IA. The purpose of the practice is to improve water quality through increased infiltration resulting in the treatment and removal of urban pollutants before they reach the Iowa River.	\$223,000
Iowa DNR – Geode State Park	Sponsored Project funds were utilized in conjunction with DNR Lake Restoration and 319 funds to construct several sedimentation ponds on tributaries to Lake Geode in order to implement recommendations from the Lake Geode Watershed Management Plan to reduce sediment delivery from agricultural runoff and gully erosion.	\$66,000
City of Pleasantville	Improvements to Shadle Park including installation of a permeable pavers in a parking lot and in the parking lane of the roadway, construction of a bioretention cell, and soil quality restoration in the park to reduce urban stormwater runoff to the Des Moines River and Red Rock Reservoir.	\$412,000
City of Roland	Incorporation of green infrastructure practices in Britson Park to improve infiltration of highly compacted grass areas through the use of soil quality restoration and construction a bioswale to treat and reduce runoff, sediment, nutrients and bacteria discharged to Bear Creek.	\$96,000
City of Slater	Installation of permeable paver parking at Earl Grimm Park in Slater, IA. The purpose of the practice is to improve water quality through increased infiltration resulting in the treatment and removal of urban pollutants before they reach Fourmile Creek. Project was co-funded with Water Quality Initiative funding through the Iowa Department of Agriculture and Land Stewardship.	\$94,000
City of Spencer	Construction of a stormwater wetland, sediment forebay, and bioretention cell in Spencer, IA. The purpose of the practices is to treat agricultural and urban runoff to the Little Sioux River. The stormwater wetland was constructed with cooperation from Walmart corporate to acquire the land.	\$360,000
	TOTAL	\$2,651,000

Iowa SRF staff presented the sponsored project program during national/international events in SFY 2018:

- January 2018 CWSRF ECOS webinar

Iowa DNR and SRF sponsored project staff received awards and recognition during SFY 2018, including the following:

- Iowa SRF Staff received Stormwater and Urban Conservation awards for their work managing and guiding Water Resource Restoration Sponsored Projects through application to completion at the 2018 Iowa Water Conference.
- Patti Cale-Finnegan, retired Iowa SRF Coordinator, received a Lifetime Achievement award in Stormwater and Urban Conservation at the 2018 Iowa Water Conference for her leadership and development of Iowa SRF's Non-point source programs and the Water Resource Restoration Sponsored Projects Program.
- Iowa DNR also received a 2018 Clean Water SRF Innovation Award from the Environmental Council of the States (ECOS) "for successfully demonstrating the flexibility of the CWSRF through its Water Resource Restoration Sponsored Projects."

Goal: Comply with the EPA Signage Guidance. During SFY 2018 SRF issued news releases and posted regular IUP updates that showed loans signed. The SRF program sends out a press release listing the names of the loan recipients, the amount of each loan, a description of each project and a contact for each community for more information. Many of the local papers are eager to print these releases.

Goal: Update the CWSRF Operating Agreement. The objective of working with EPA Region 7 to update the Clean Water SRF Operating Agreement between DNR and EPA was not met. This goal will be carried over into SFY 2019.

Goal: Work with other state and federal agencies to coordinate water quality funding. During SFY 2018, the CDBG program adopted a quarterly application schedule. According to an Iowa Economic Development Authority news release, "Starting in January 2017, IEDA began soliciting applications for the Water and Sewer Fund on a quarterly basis. Moving from an annual application process to a quarterly application process better aligns with the State Revolving Fund review and approval process, which provides matching fund for the majority of CDBG water and sewer infrastructure projects."

SRF staff also met regularly with staff from the Community Development Block Grant (CDBG) program and USDA Rural Development.

Goal: Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. During SFY 2018 SRF staff continued to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. The SRF environmental review staff completed 52 assessments, including:

- 28 categorical exclusions (CXs)
- 24 full assessments that ended in Findings of No Significant Impact (FNSIs)

Customer satisfaction surveys were sent when the environmental reviews were completed. The surveys were sent to project owners, engineering consultants, and grant administrators. Through the end of SFY 2018, 83% of evaluations scored 4 or higher, with 5 indicating highest satisfaction.

The following comments were typical of the level of satisfaction:

- Consulting engineer on construction of new wastewater treatment systems: "Process went smoothly."
- Consulting engineer on wastewater treatment facility upgrade project: "Great and timely assistance!"

Goal: Continue the option of extended financing terms for CWSRF infrastructure projects. Applicants seeking extended financing complete a worksheet outlining the anticipated life of the project components and their related costs. That worksheet produces a weighted average which determines the extended term between 20 and 30 years. During SFY 2018, the following communities took advantage of extended terms for their SRF loans: Fort Dodge, Ogden, Eagle Grove and the Wastewater Reclamation Authority.

Goal: Maintain mechanisms for funding the on-going administration of the program if federal funding is reduced or eliminated. During SFY 2018 initiation and servicing fees were collected on CWSRF loans for deposit to administrative accounts outside the SRF. Funds to administer the Clean Water SRF program come from capitalization grants and from loan fees.

Goal: Manage the CWSRF to maximize its use and impact through sound financial management. SRF staff and financial advisors continually monitor the financial health of the fund. The Iowa CWSRF program uses its equity fund to originate loans. When a sufficient number of loans have been made, the SRF program issues bonds, backed by those CWSRF loans, and uses the bond proceeds to replenish the equity fund. The leveraging capacity of the CWSRF is robust due to the maturity of the fund and the current loan portfolio. SRF staff has analyzed the future financial capacity of the CWSRF in light of the discussion over water quality standards and other future wastewater needs. Using relatively conservative assumptions, it is projected that the CWSRF could loan an average of \$300 million per year over the next 10 years, or a total of \$3 billion.

Goal: Implement programs that effectively address water quality needs and target appropriate audiences. The Iowa SRF currently has a diverse suite of programs and financing tools with which to address the state’s water quality needs. The programs are geared to specific audiences, such as cities, farmers, rural homeowners, livestock producers, and others. During SFY 2018 SRF staff also educated users and potential users about the program offerings through presentations, displays, program materials, project meetings, and the IowaSRF.com website.

Clean Water SRF Program Data

1. Publicly Owned Wastewater and Sewer Facilities

During SFY 2018, several SRF milestones were tracked to indicate project status, including when the loan was signed, when construction was started, and when the facility initiated operations.

The Clean Water SRF Intended Use Plan (IUP), as amended throughout the year, included requests for P&D and construction loans. The total list of projects that were included on the IUP during SFY 2018 is shown as CW Exhibit 1.

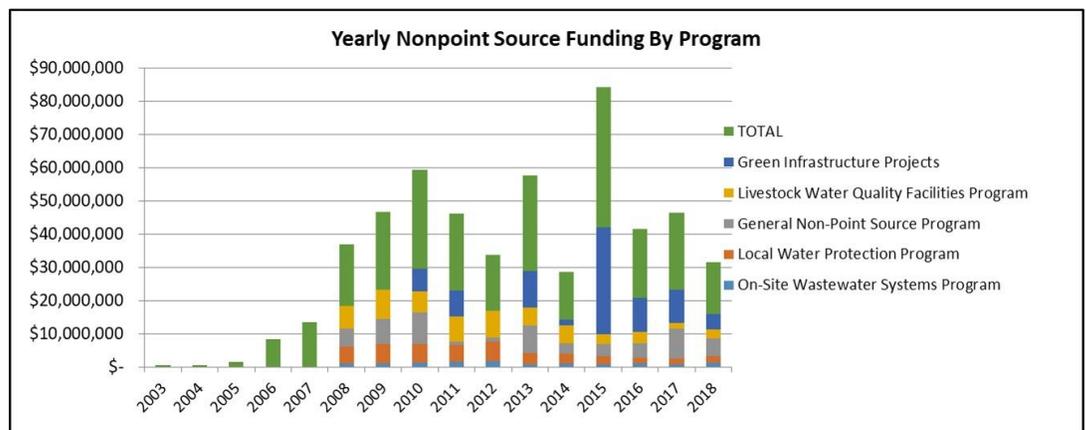
CW Exhibit 2 shows the planning and design (P&D), construction loans, and sponsored project loans signed during SFY 2018. Binding commitments totaling \$249,479,300 were executed (adjusted net total was \$230,054,780). Loans ranged from a \$66,000 sponsored project with the **Geode State Park**, to a \$200,000 P&D loan to the **City of Eldon** for disinfection and sewer rehabilitation, to \$38 million to the **Wastewater Reclamation Authority** for the next phase of their East Side Interceptor project.

CW Exhibit 2A shows that during SFY 2018, 47 projects reported construction starts. A total of 34 projects reported that they had initiated operations, as shown in CW Exhibit 2B.

CW Exhibit 2C is a list of projects for which the environmental and historical review process was completed during SFY 2018. These reviews resulted in either a Categorical Exclusion (CX) or a Finding of No Significant Impact (FNSI). DNR issued 28 CXs and 24 FNSIs.

2. Nonpoint Source Programs

During SFY 2018, a total of \$15 million was loaned to farmers, livestock producers, homeowners, cities, and watershed organizations to mitigate or prevent nonpoint source pollution. The loans were delivered through several targeted programs. The total provided for nonpoint source loans cumulatively is almost \$280 million.



Onsite Wastewater Systems Assistance Program (OSWAP).

OSWAP continues to be a tool to meet Iowa’s goal of addressing the widespread problem of inadequate septic systems, with \$1,212,828 in loans during SFY 2018. Low-interest loans for septic system replacement have been useful since time of transfer legislation took effect.

Local Water Protection Program (LWPP). The LWPP is administered by the Iowa Department of Agriculture and Land Stewardship’s Division of Soil Conservation. Disbursements in the program for SFY 2018 totaled \$2,023,571 million.

LWPP’s focus is on practices that prevent soil erosion and address sediment and nutrient control on agricultural land. Many LWPP loans are made in conjunction with other state and federal cost-share grants. LWPP is covering 58% of the

cost of conservation implementation for practices running through soil and water conservation districts. This shows the importance of loan programs in putting more practices on the land, used alone or to supplement other financial assistance.

Livestock Water Quality Facilities (LWQ) Program. The LWQ program is available for facilities that are not designated as Concentrated Animal Feeding Operations (CAFOs). Facilities over 1,000 animal unit capacity are automatically considered CAFOs, but CAFOs can also be designated based on pollution discharges.

In SFY 2018, \$2.5 million was disbursed for linked deposits to facilitate LWQ loans, an increase from the previous year. LWQP loans can be used in conjunction with EQIP (Environmental Quality Incentive Program) grants from the U.S. Department of Agriculture, or can cover up to 100% of the water quality components of projects.

General Non-Point Source (GNS) Program. The GNS program was established to cover a wide range of possible water quality-related projects and practices. Three loans were executed in SFY 2018, totaling \$4,734,700, through the Iowa Natural Heritage Foundation, which works with the DNR, county conservation boards, and other partners to purchase land to protect streams, rivers, lakes, and wetlands. One additional loan was executed with Sac County Solid Waste Agency for \$715,000 for sanitary landfill.

Green Infrastructure. Green infrastructure projects, using innovative storm water infiltration practices, were funded during SFY 2018 for a total of \$4.6 million. These included a loan to the City of Johnston and 7 sponsored projects.

Clean Water SRF Financial Data

Binding Commitments. CW Exhibit 2 details the projects and loan types and amounts for planning and design loans and construction loans for wastewater infrastructure projects, and for sponsored projects attached to wastewater loans.

Sources of Funds. CW Exhibit 4 shows the sources of CWSRF funds on a cash basis for the period July 1, 2017 to June 30, 2018. During the period, the State of Iowa received draws on federal capitalization grants for projects and administration. Actual investment interest is shown.

Disbursements. CW Exhibit 8 shows the proportionality of federal draws to the disbursements.

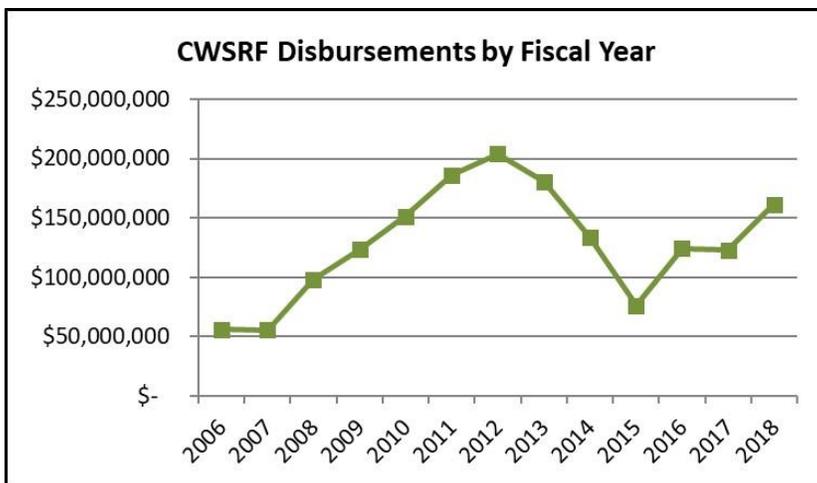
a. *Loan disbursements* - As can be seen in CW Exhibit 7, loan disbursements during SFY 2018 totaled \$161,316,000.

Disbursements have been maintaining an upward trend again since 2015.

b. *Bond costs of issuance* - The Cost of Issuance Fund is outside the CWSRF. However, the EPA has asked the state to report on the Cost of Issuance Fund, as it is funded with state bond proceeds. The reason the Cost of Issuance Fund is outside the CWSRF is to avoid the crediting of costs of issuance to the state's 4% administrative expense ceiling. Otherwise, this fund is reported herein as a CWSRF account.

c. *Administrative costs* - As shown in CW Exhibit 6, \$4,699,000 was disbursed, or accrued, for program administration in SFY 2018. Included in this total are trustee and bond counsel fees, Iowa DNR and IFA administrative costs, contracts for nonpoint source program operation, financial advisor services and program consulting services.

d. *Interest on bonds* - Also shown in CW Exhibit 6, \$26,039,000 was disbursed, or accrued, for payment of interest on bonds to bond holders.



- e. *Grants and aid* - Recent appropriations have included a requirement to provide principal forgiveness. CW Exhibit 6 shows that no disbursements were made in SFY 2018 that are intended to be forgiven and not repaid.

Total operating expenses for SFY 2018 were \$30,738,000 as shown in CW Exhibit 6.

Financial Statements. CW Exhibit 5 is a statement of net position prepared on an accrual basis for the Iowa CWSRF as of June 30, 2018 and June 30, 2017. As of June 30, 2018, the CWSRF had total assets of \$1,525,031,000. The Cost of Issuance Fund is outside the CWSRF but is included in this report as previously mentioned.

CW Exhibit 6 is a statement of revenues, expenses, and changes in net position on an accrual basis for SFY 2018 and SFY 2017. CW Exhibit 7 is a statement of cash flows.

Credit Risk of the CWSRF. Each of the three rating agencies rates Iowa SRF bonds AAA. That rating comes from the diversity of the loan portfolio, the substantial balance sheet and the cross-collateralization of the CW and DW bonds.

State rules require that recipients demonstrate their ability to provide necessary legal, institutional, managerial, and financial capability to complete the project. Each SRF loan is backed by either a revenue bond or a general obligation bond.

Clean Water SRF Benefits Data

The environmental benefits of the Clean Water SRF program are tracked through a U.S. EPA project database. Iowa reports environmental benefits for construction projects, whether they are wastewater infrastructure or nonpoint source projects. Planning and design loans have yet to result in actual impacts so no environmental benefits are reported for them. Iowa's SFY 2018 data show the following results per EPA's definitions.

Impact Human Health. Wastewater treatment systems are required to meet water quality standards that protect human health and aquatic life. For human health, systems typically must meet A1 (primary contact recreation use), A2 (secondary contact recreation use), or A3 (children's contact recreation use). For SFY 2018, 74% of the Clean Water SRF funds went to wastewater systems with human health requirements in their discharge permits. In particular, 23 communities installed wastewater disinfection systems to meet more stringent discharge limits for bacteria to meet the designated use of the receiving stream.

Achieve or Maintain Compliance: Assistance for sewer and wastewater infrastructure projects generally helps communities either maintain their compliance with their NPDES discharge permit, or make upgrades to achieve that compliance.

For SFY 2018:

- 65% of facilities/systems receiving assistance were out of compliance before the project and will be in compliance at project completion
- 35% of facilities/systems were in compliance before the project and have a lower risk of falling out of compliance after the project

Improve or Maintain Water Quality: According to EPA, to contribute to water quality "improvement," a project must reduce pollutant loading to the receiving waterbody. A project that simply sustains the treatment capacity of a facility counts for water quality "maintenance." These definitions were developed primarily for Section 212 POTW (point source) projects.

Iowa has applied the "improvement" criteria to nonpoint source projects as well since they also reduce pollutants to groundwater, streams, and lakes.

For SFY 2018:

- 62% of the funds, including both point source and nonpoint source loans, were for the purpose of improving water quality
- 38% of the funds will help point sources maintain water quality



Annual Report

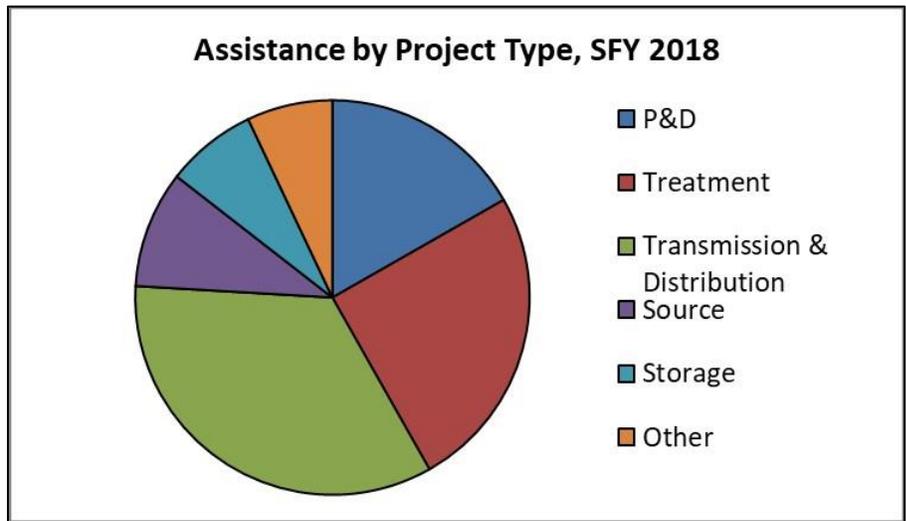
Drinking Water State Revolving Fund

Fiscal Year 2018

The goals and objectives for the Drinking Water SRF were laid out in the state fiscal year (SFY) 2018 Intended Use Plan (IUP), which was updated quarterly. This annual report examines the activities carried out and the progress made toward meeting those goals. As of the end of June 2018, the Drinking Water SRF has entered into loan commitments totaling \$859 million. The program funds projects to help public water supplies provide safe drinking water and protect public health.

During SFY 2018, the Drinking Water SRF signed loan commitments totaling \$50 million. This included 19 construction loans. During SFY 2018, loans ranged from \$250,000 to \$10 million.

The largest amount of dollars, \$16.5 million, was used for transmission and distribution. Other uses during SFY 2018 were for water treatment upgrades, source water (e.g. new wells), water storage and other practices (e.g. water meter upgrades).



Planning and design loans to 18 water systems will allow them to prepare for future upgrades and needs.

The DWSRF is also an important source of funding for Iowa’s public water supply program. The DWSRF allows up to 31% of federal capitalization grants to be set aside for other activities supporting the goals of the Safe Drinking Water Act. During SFY 2018, DWSRF set-asides were used for technical assistance to small systems, state water program management, capacity development and source water protection staffing.

Drinking Water SRF Goals and Accomplishments

The primary long-term goals of the Iowa DWSRF are to support the protection of public health through a perpetual program of financial assistance for the purposes of constructing facilities to properly and adequately treat drinking water, protecting source water for drinking water systems, and ensuring the long-term viability of existing and proposed water systems.

Shorter-term goals and objectives were established in the SFY 2018 IUP. The goals and progress toward meeting them are discussed below.

Goal: Commit loan funds to as many recipients as possible in accordance with the state priority rating system, the IUP, staff resources, and available funding. During SFY 2018, the Intended Use Plan was updated quarterly. A total of 21 requests for construction financing, and 21 planning and design loan applications, were added to the IUP project priority

list. Loan funds were committed only after the projects had received construction permits, an environmental review was conducted, and bidding documents were reviewed for cost eligibility.

During SFY 2018, the DNR's Water Supply Engineering (WSE) project managers accomplished the following to help move DWSRF projects toward loan readiness:

- Reviewed 21 Intended Use Plan applications
- Approved 29 preliminary engineering reports for DWSRF projects
- Issued 27 construction permits, 34 approvals, and 89 supplements for DWSRF projects
- Reviewed 34 sets of bid documents for DWSRF eligibility
- Conducted 12 final inspections of DWSRF projects

Goal: Ensure that borrowers are able to provide safe drinking water at a reasonable cost for the foreseeable future.

During SFY 2018, viability assessments were completed by each applicant and reviewed by SRF staff prior to signing the loan agreement. Systems determined nonviable were provided with an enforceable compliance schedule listing all actions that must be completed to return the system to viable status.

Since 2000, the DNR has worked to implement a strategy to assist public water supply systems in developing their technical, financial, and managerial capacity as required by the federal Safe Drinking Water Act amendments of 1996. The activities completed during FFY 2016 were detailed in a separate document entitled, "Report on the State of Iowa's Capacity Development Program for the Period of October 1, 2016 through September 30, 2017," on December 28, 2017. In addition, the "Report to the Governor: Water Safe to Drink in Iowa," which summarizes three years of effort in the Capacity Development program, was published September 30, 2017.

Goal: Require applicants to engage a registered Municipal Advisor (MA). Beginning in SFY 2015, SRF projects are required to have a registered MA work with the community to analyze the current income and expenses of the utility, assist with setting rates, and advise the community on financial planning. The purpose of this SRF requirement is to give SRF borrowers the professional support they need to ensure their water utility will be financially sound. The SRF program pays up to \$4,000 for MA expenses because we believe financial sustainability is so important. In SFY 2018, a total of \$43,123 was paid in MA fees to 12 communities that have DWSRF projects.

Goal: Implement the "Use of American Iron and Steel (AIS)" requirements enacted by Congress on January 17, 2014.

During SFY 2018, SRF staff identified which drinking water projects were covered by AIS and which were exempt. Although most projects did not have exemptions, they were still possible for projects which had construction permits issued or planning and design loans executed prior to the deadline. Phased projects were also considered exempt. For those drinking water projects which have to comply, SRF staff developed revised front-end specifications which included the new requirements, suggested contract language, and template certifications and materials checklists. SRF staff continued to answer questions from consultants and owners concerning what is covered by AIS, and consulted with EPA when needed.

During SFY 2018, site visits were conducted by DNR Field Office staff. The purpose of the site visits is to check compliance status and provide education about AIS requirements.

One AIS waiver request was received during SFY 2017 on a well construction and rehabilitation project. It was reviewed for completeness and forwarded to the U.S. EPA in June 2017. In May 2018, an availability-based project-specific waiver was granted by the US EPA for stainless steel check valves.

Goal: Apply additional subsidization available in FFY 2010 - FFY 2017 capitalization grants to disadvantaged communities and public health projects. Iowa has provided loan forgiveness based on public health, disadvantaged status, and as an incentive for innovative, green projects. As shown in the chart, for each cap grant year there has been a minimum and maximum amount allowed.

FFY	Minimum	Maximum	Actual	% of Minimum
2010	\$ 6,950,700	\$23,200,000	\$6,976,336	100%
2011	\$ 4,746,300	\$15,821,000	\$4,786,555	101%
2012	\$ 3,064,400	\$ 4,596,600	\$3,064,000	100%
2013	\$ 2,875,000	\$ 4,312,500	\$2,896,004	101%
2014	\$ 2,645,800	\$ 3,968,700	\$2,656,838	100%
2015	\$ 2,626,400	\$ 3,942,600	\$2,091,088	79%
2016	\$ 2,486,400	\$ 6,216,000	\$2,490,000	100%
2017	\$2,465,200	\$ 6,163,000	\$2,510,010	102%
Total	\$27,860,200	\$68,220,400	\$27,470,831	

To be able to allocate the remaining required additional subsidization, SRF adopted a policy in the SFY 2016 IUP that the following projects would be eligible for loan forgiveness:

- To address immediate public health threats: up to 75% loan forgiveness
- For green projects, including water and energy efficiency: up to 30% loan forgiveness
- To incentivize the installation of emergency backup power: up to 75% loan forgiveness

Applications were accepted for inclusion on the SFY 2017 IUP. In addition, projects already on the SFY 2016 IUP were qualified for loan forgiveness.

The following projects executed loans and received loan forgiveness (D = Disadvantaged, PH = Public Health, G=Green Project, EP=Emergency Power) during SFY 2018.

Type	Project	Loan Amount	% of Loan Forgiveness
PH	Amana Society Service Company	\$5,400,000	75% of project cost
G	City of Fort Dodge	\$3,413,000	30% of water meters
PH	Lacina Meadows HOA	\$945,000	75% of project cost
EP	City of Oelwein	\$1,462,000	75% of cost of emergency generator
EP	Osceola County Rural Water Assoc.	\$3,719,000	75% of cost of emergency generator
G	City of Sabula	\$550,000	30% of cost of water meters

Goal: Promote and identify sustainable practices in projects proposed for funding. In 2010 the U.S. Environmental Protection Agency issued a policy to make water and wastewater utilities, and the communities they serve, more sustainable. The policy provided four strategies for EPA and the states, and the table below shows the strategies and Iowa's efforts to implement them during SFY 2018.

Strategy	Implementation	SFY 2017 Outcomes
Promote planning processes that support sustainability	<p>Iowa participates in training sessions to inform potential borrowers about using SRF to implement sustainable practices</p> <p>Iowa provides planning and design (P&D) loans to assist communities with project development</p>	<p>During SFY 2018, SRF staff made presentations on DWSRF opportunities at several conferences, meetings and workshops. Here are a few examples:</p> <ul style="list-style-type: none"> • September 2017, Iowa League of Cities annual conference, Des Moines • September 2017, Community Development Block Grant application workshop, Ankeny • October 2017, One Water Iowa Listening Session, Ankeny • October 2017, Iowa Municipal Finance Officer Association, Des Moines • January 2018, ECOS webinar • February 2018, Iowa Rural Water Association annual conference, Des Moines • March – April 2018, six Iowa Water Environment Association small community workshops in Storm Lake, Center Point, Washington, Dike, Stanton, and Des Moines <p>As shown in DWSRF Exhibit 2, 18 communities received planning and design loans during SFY 2018.</p>
Encourage community sustainability	The Drinking Water SRF promotes green practices such as upgrades to water meters	Loan forgiveness for installation of or upgrades to water meter systems was allocated to 2 projects during SFY 2018. Each of these projects will receive 30% loan forgiveness on the purchase and installation of water meters, remote read systems, and water usage monitoring programs.
Promote sustainable water and wastewater systems	Iowa SRF requires that borrowers work with a municipal advisor to set rates sufficient to repay debt service while maintaining the system.	This ensures that the utility can sustain itself without the need for grant or other non-user generated funds.
Target SRF assistance	Iowa's SRFs promote the "fix-it-first" approach for water and wastewater infrastructure in existing communities and prohibit "speculative growth"; required additional subsidization is used for public health projects, disadvantaged communities and green projects.	<p>DWSRF water main replacement projects were financed in: The Amana Colonies and the Cities of Asbury, Janesville, Kelley, Keswick, Lacina Meadows HOA, Sabula and Sheffield.</p> <p>Loan forgiveness is discussed above.</p>

Goal: Comply with EPA guidance on reporting under the Federal Funding Accountability and Transparency Act (FFATA). Loans have been reported for capitalization grants through FFY 2016. Loans for FFY 2017 grant will be identified during SFY 2019.

Goal: Comply with the EPA Signage Guidance. During SFY 2018 SRF issued news releases and posted regular IUP updates that showed loans signed. The SRF program sends out a press release listing all the SRF loans that were signed.

The press release lists the names of the loan recipients, the amount of each loan, a description of each project and a contact for each community for more information. Many of the local papers are eager to print these releases.

Goal: Update the DWSRF Operating Agreement. The objective of working with EPA Region 7 to update the Drinking Water SRF Operating Agreement between DNR and EPA was not met. This goal will be carried over into SFY 2019.

Goal: Prioritize the provision of funds, to the extent practicable, to projects that address the most serious risk to human health and are necessary to ensure compliance with the national primary drinking water standards. Project managers continued to utilize the Project Scoring System outlined in 567 IAC Chapter 44 to score projects; projects that address a human health risk receive a relatively higher score to indicate their priority. Projects addressing high priority issues are provided with loan forgiveness.

During SFY 2018 SRF staff worked closely with DNR field office, water supply operations and water supply engineering staff to provide incentives to systems on the EPA's Enforcement Tracking Tool list. For example, **Gallery Acres West Homeowners Association (HOA)** has exceeded the Maximum Contaminant Level for Arsenic since 2006. The DWSRF program made available a planning and design (P & D) loan to this HOA to address the Arsenic MCL violations, a health concern. The HOA received the P & D loan, with 75% loan forgiveness after meeting the criteria, in October 2016. With this loan, the HOA prepared an engineering report proposing to connect to the City of Solon, Iowa. When Gallery Acres West is ready for construction, the DWSRF construction loan with 75% loan forgiveness will be available.

Goal: Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. During SFY 2018 SRF staff continued to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. The SRF environmental review staff completed 16 assessments, including:

- 8 categorical exclusions (CXs); and
- 8 full assessments that ended in Findings of No Significant Impact (FNSIs).

Customer satisfaction surveys were sent when the environmental reviews were completed. The surveys were sent to project owners, engineering consultants, and grant administrators. Through the end of SFY 2018, 83% of evaluations scored 4 or higher, with 5 indicating highest satisfaction.

The following comments were typical of the level of satisfaction:

- City official on drinking water facility upgrade and water main upgrade: "We find great value in the IADNR leading the process because we have little on site experience to carry it through."
- City official on facility upgrade and connection project: "A pleasure to work with the DNR staff. Truly appreciate the follow up email to prompt the next item to complete."

Goal: Continue the option of extended financing terms for DWSRF infrastructure projects. In SFY 2016 the Iowa SRF Program got approval to offer extended term financing for all DWSRF projects. Applicants seeking extended financing complete a worksheet outlining the anticipated life of the project components and their related costs. That worksheet produces a weighted average which determines the extended term between 20 and 30 years. The **City of Fenton** used extended financing in SFY 2018.

Goal: Maintain mechanisms for funding the on-going administration of the program if federal funding is reduced or eliminated. During SFY 2018 initiation and servicing fees were collected on DWSRF loans for deposit to administrative accounts. Funds to administer the Drinking Water SRF program come from capitalization grants and from loan fees.

Goal: Manage the DWSRF to maximize its use and impact through sound financial management. SRF staff and financial advisors continually monitor the financial health of the fund. The Iowa DWSRF program uses its equity fund to originate loans. When a sufficient number of loans have been made, the SRF program issues bonds, backed by those DWSRF loans, and uses the bond proceeds to replenish the equity fund. The leveraging capacity of the DWSRF is robust due to the maturity of the fund and the current loan portfolio. SRF staff has analyzed the future financial capacity of the DWSRF in light of the discussion over water quality standards and other future wastewater needs. Using relatively conservative

assumptions, it is projected that the DWSRF could loan an average of \$100 million per year over the next 10 years, or a total of \$1 billion.

Goal: Implement programs that effectively address water system needs and target appropriate audiences. During SFY 2018 SRF staff educated users and potential users about the program offerings through presentations, displays, program materials, project meetings, and the IowaSRF.com website.

Drinking Water SRF Program Data

1. Loan Projects

During SFY 2018, several SRF milestones were tracked to indicate project status, including when the loan was signed, when construction was started, and when the facility initiated operations.

The Drinking Water SRF Intended Use Plan (IUP), as amended throughout the year, included requests for P&D and construction loans. The total list of projects that were included on the IUP during SFY 2018 is shown as DW Exhibit 1.

DW Exhibit 2 shows the planning and design (P&D) and construction loans signed during SFY 2018. Binding commitments totaling \$50,382,100 were executed (adjusted net total was \$45,611,089). Loans ranged from a \$36,400 P&D loan for the *City of Pleasantville* to pursue water distribution system improvements, to the *City of Dubuque's* \$10.2 million construction loan for a new water pumping facility and connections to HOAs.

DW Exhibit 2A shows that during SFY 2018, 19 projects reported construction starts. A total of 16 projects reported that they had initiated operations, as shown in DW Exhibit 2B.

DW Exhibit 2C is a list of projects for which the environmental and historical review process was completed during SFY 2018. These reviews resulted in either a Categorical Exclusion (CX) or a Finding of No Significant Impact (FNSI). DNR issued 8 CXs and 8 FNSIs.

2. Set-Asides

States are allowed to take or reserve up to 31% of each federal capitalization grant for a number of activities that enhance the technical, financial, and managerial capacity of public water systems and protect sources of drinking water. There are four different set-asides, including:

- Small System Technical Assistance (2% of capitalization grants)
- DWSRF Administration (4%)
- State Program Management (10%)
- Other Authorized Uses (15%, with no more than 10% to any one activity)

During SFY 2018, DNR used set-aside funds to accomplish goals and proposed activities set forth in the DWSRF Set-Aside Workplan approved by EPA. These items are briefly summarized below.

Technical Assistance for Small Systems. Through a contract with Des Moines Area Community College (DMACC), DNR provided training for 68 operators to become certified Grade A operators (smallest community systems) and additional training for continuing education credits for 96 existing Grade A operators.

DNR administered 1370 operator certification exams during SFY 2018. The examinations are offered at 6 locations around the state and can be scheduled any business day at the operator's convenience. In the 2005 Annual Operator Certification Report, the last year paper examinations were given once a month, there were 139 small systems that did not have a properly certified operator. In the 2018 Report, only 23 small systems did not have a properly certified operator. The convenience of offering electronic exams, daily, in every region facilitates better compliance when it comes to properly certified operators.

Iowa is a small system state, with 97.5% of the public water supply systems classified as small systems. All community and non-transient non-community systems are required to have a properly certified operator for the water treatment

and water distribution facilities. The operator certification examination process benefits all systems and operators by making it more convenient to take the examination at the time and place that is beneficial to the operator. Several of the large system operators also run small systems as affidavit operators.

DNR field staff also provide direct technical assistance to small system operators. Contacts including compliance follow-up and assistance: 1,500

DWSRF Administration. This set-aside was used for the administration of the DWSRF, with a total of \$866,508 expended. DNR work, totaling \$530,198 expended, included the following activities:

- Reviewed 21 new applications for listing on the IUP
- Approved 29 DWSRF reports
- Issued 27 permits, 34 approvals, and 89 supplements for DWSRF projects
- Conducted 12 final construction inspections
- Updated the NIMS report on 9/8/2017
- Conducted 11 American Iron and Steel inspections
- Submitted the annual program report to EPA on 9/29/2017
- EPA completed the DWSRF annual program audit of the Iowa program on 12/9/2017
- Completed 16 archaeological assessments

The Iowa Finance Authority completed one bond issue and executed 37 planning and design and construction loans.

State Program Management. This set-aside was used for the implementation of all activities associated with the Public Water Supply Supervision program not covered by other funding, including the following:

- Completion of four quarterly meetings with U.S. EPA
- Issuance of project approvals for non-DWSRF projects, including 31 reports (reviewed), 621 construction permits, 209 approvals, and 151 supplements
- Ongoing design and support for the SDWIS and safe drinking water databases
- Provided 10 wasteload allocations for discharging public water supplies
- Completed two Influenced Groundwater determinations and worked on three others
- Approved 3 contact time determinations and 4 corrosion control studies
- DNR completed 243 Sanitary Surveys

Other Authorized Uses. The primary uses of this set-aside in SFY 2018 were for the development of technical, managerial, and financial capacity for Iowa's public water supplies and for the coordination and administration of the Source Water Protection program. Accomplishments included:

- Sanitary surveys completed: 309 completed by DNR and 120 completed by counties via 28-E agreements
- Technical assistance contacts (DNR) including compliance follow-up and assistance: 211
- Number of additional onsite visits completed: 210 by DNR; 239 by counties via 28-E agreements
- Capacity development reviews for SRF applicants, new systems, and existing systems as required: 33
- Number of public water supplies assisted through Iowa Association of Municipal Utilities contract: 59
- Two comprehensive performance evaluation training events
- Number of new Phase 1 Source Water Protection Plan (SWPP) reports: 18
- Number of existing Phase 1 SWPP reports updated: 581
- Number of updates to Phase 2 Source Water Plans (SWP): 15
- Number of completed Phase 2 SWPs: 14 (8 done under contract; 6 from other sources)
- Number of systems in the Phase 2 SWP development and implementation process: 6

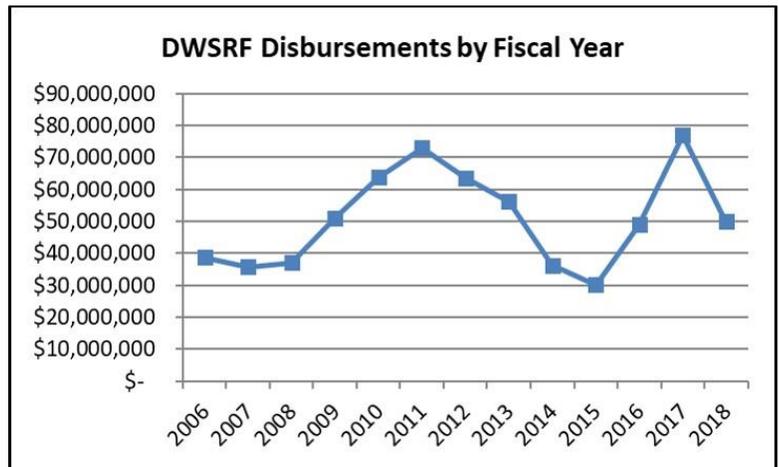
Drinking Water SRF Financial Data

Binding Commitments. DW Exhibit 2 details the projects and loan types and amounts.

Sources of Funds. DW Exhibit 4 shows the sources of DWSRF funds on a cash basis for the period July 1, 2017 to June 30, 2018. During the reporting period, the State of Iowa received draws on federal capitalization grants for loan projects and set-aside expenditures. Interest earnings on investments actually received are shown.

Disbursements. DW Exhibit 8 shows the proportionality of federal draws to the disbursements and verifies that the federal participation to date does not exceed that allowed.

- a. *Loan disbursements* - As can be seen in DW Exhibit 7, loan disbursements during SFY 2018 totaled \$57,014,000.
- b. *Bond costs of issuance* - The Cost of Issuance Fund is outside the DWSRF. However, the EPA has asked the state to report on the Cost of Issuance Fund, as it is funded with state bond proceeds. The only reason the Cost of Issuance Fund is outside the DWSRF is to avoid the crediting of costs of issuance to the state's 4% administrative set-aside ceiling. Otherwise, this fund is reported herein as a DWSRF account.



- c. *Set-aside costs* - As shown in DW Exhibit 6, \$4,355,000 was disbursed, or accrued, for program administration, technical assistance for small systems, state program management, and other authorized uses.

DW Exhibit 10 shows how DWSRF program set-aside funds have been disbursed or reserved from each capitalization grant. The set-asides used in Iowa include administrative, technical assistance to small systems, local assistance and other authorized activities, and state program management. Administrative expenditures are described above. Technical assistance, other authorized activities and state program set-asides are used primarily for staff support and contractual assistance.

- d. *Interest on bonds* - As shown in DW Exhibit 6, \$8,930,000 was disbursed, or accrued, for payment of interest on bonds to bond holders in SFY 2018.
- e. *Grants and aid.* Recent appropriations included a requirement to provide principal forgiveness. DW Exhibit 6 shows that \$4,156,000 in loan disbursements were made in SFY 2018 that are intended to be forgiven and not repaid. Total operating expenses for SFY 2018 were \$13,260,000 as shown in DW Exhibit 6.

Financial Statements. DW Exhibit 5 is a statement of net position prepared on an accrual basis for the Iowa DWSRF as of June 30, 2017 and June 30, 2018. As of June 30, 2018, the DWSRF had total assets of \$609,718,000. The Cost of Issuance Fund is outside the DWSRF but is included in this report as previously mentioned.

DW Exhibit 6 is a statement of revenues, expenses, and changes in net position on an accrual basis for SFY 2017 and SFY 2018. DW Exhibit 7 is a statement of cash flows.

Credit Risk of the DWSRF. Each of the three rating agencies rates Iowa SRF bonds AAA. That rating comes from the diversity of the loan portfolio, the substantial balance sheet and the cross-collateralization of the CW and DW bonds.

State rules require that recipients demonstrate their ability to provide necessary legal, institutional, managerial, and financial capability to complete the project. Each SRF loan is backed by either a revenue bond or a general obligation bond.

Public Health Benefits of DWSRF Projects

As stated in the 2016 U.S. EPA Drinking Water State Revolving Fund Eligibility Handbook:

“The principal objective of the DWSRF is to facilitate compliance with national primary drinking water regulations or otherwise significantly advance the public health protection objectives of the Safe Drinking Water Act (SDWA).”

Each DWSRF project is evaluated for the public health and other benefits it will provide. The table below outlines the benefits of construction loans executed in SFY 2018.

Borrower	DWSRF No.	Benefits Description
<i>Amana Society Service Company</i>	FS-48-17-DWSRF-001	The Amana Society Service Company (ASSC) owns and operates four separate drinking water systems that serve the Amana Colonies. This project addresses two of the four existing public water systems (PWS) to provide safe and reliable drinking water to all users in these systems. The project is an extensive redesign of the water supply system for the area and will take place over five separate villages of the Amana Colonies.
<i>City of Anamosa</i>	FS-53-16-DWSRF-019	The City of Anamosa has population of 5533. This project includes an upgrade to their drinking water treatment plant including expanding the existing treatment plant building to accommodate three new filters; an additional laboratory and office space; and improvements to the existing equipment within the existing facilities.
<i>City of Asbury</i>	FS-31-15-DWSRF-001	The purpose of this project is to upgrade the drinking water supply and distribution system to enhance reliability and increase capacity to safely operate the City of Asbury’s drinking water system. The proposed project includes construction of a new drinking water supply well, well house and water main to connect to the existing distribution system. A new 500,000-gallon water tower and water main will also be constructed.
<i>City of Dakota City</i>	FS-46-12-DWSRF-020	The population of Dakota City is 843. The City of Dakota City currently owns and operates a water treatment and distribution system that serves residential and commercial customers. The City has two wells but only one provides the desired quantity and quality of water, the other has never produced satisfactory water and is high in hydrogen sulfide. This project includes construction of a new well with associated pipelines, abandonment of an existing well adjacent the existing water treatment plant, and utility upgrades to nearby sanitary and storm sewers to meet well-separation criteria. A generator will also be included in the construction as part of the well unit.
<i>City of Dubuque</i>	FS-31-17-DWSRF-026	The City of Dubuque is in the final stages of entering into an agreement to purchase the Vernon Township Water System and Barrington Lakes Water System from the Central Iowa Water Association (CIWA). This encompasses water storage, well and distribution system which are located southwest of the City of Dubuque. The City’s intent is to own and operate the two systems. This project includes construction of a new water pumping facility and new water main to connect two separate housing areas to the Dubuque municipal water supply.

Borrower	DWSRF No.	Benefits Description
City of Fenton	FS-55-16-DWSRF-012	The population of Fenton is 279. The current system is inadequate to meet the requirements of the City due to low pressures and available flows. These conditions place their water in danger of contamination from insufficient water pressures within the system. This project will construct a new water tower, demolish the existing water tower and construct a new water main to connect the existing to the new.
City of Fort Dodge	FS-94-17-DWSRF-006	With a population of 25,206, Fort Dodge is in need of an upgrade to their water distribution system. The project includes removal of existing water meters within building structures and replacement with another water meter.
City of Janesville	FS-09-17-DWSRF-009	The Janesville project includes upgrades to the water distribution system. The project will install a new water main to provide looping and better redundancy of water supply to urban areas on both sides of the river.
City of Jewel	FS-40-17-DWSRF-015	City of Jewel project includes replacement of drinking water treatment equipment and piping within the treatment plant. Minor modifications to piping within the well house will also be part of the project.
City of Kelley	FS-85-17-DWSRF-005	The population of Kelley is 309. Currently, the city's water supply provided by a single, under producing well. The current treatment facility is inadequate to accommodate the actual capacity of the well. The iron and manganese treatment system was installed in 1965. Due to various recent problems of corrosion, the treatment vessel and piping will no longer be useable in the near future due to the spread of rust. This project will make improvements to the water supply facilities to enhance their reliability and to comply with standard regulations to better safely and reliably operate the City of Kelley's water system.
City of Keswick	FS-54-16-DWSRF-009	City of Keswick project will upgrade the drinking water distribution system. The proposed project includes replacement of all remaining cast iron water mains throughout the distribution system and adds system loops to improve pressures.
Lacina Meadows HOA	FS-52-17-DWSRF-022	The Lacina Meadows Public Water Supply (PWS) is owned and operated by the Lacina Meadows Home Owner Association (HOA). The population of the Lacina Meadows HOA served by the PWS is approximately 73 persons. The Lacina Meadows PWS consists of three wells with three separate distribution zones. All three wells have exceeded the maximum contaminant level (MCL) for both Gross Alpha and Combined Radium levels. Gross Alpha and Combined Radium are radionuclides. Drinking water containing Gross Alpha or Combined Radium in excess of the MCL over many years may increase risks of cancer. This project will make improvements to the water supply system to reduce or eliminate the Gross Alpha or Combined Radium below the MCL level by constructing a new water main to connect the Lacina Meadows Home Owner Association to the Iowa City water supply.
City of Oelwein	FS-33-17-DWSRF-004	City of Oelwein has a population of 6,415. Oelwein's project includes upgrades to their drinking water supply system, specifically to 3 existing drinking water well sites.

Borrower	DWSRF No.	Benefits Description
<i>Osceola County Rural Water System</i>	FS-71-17-DWSRF-003	The Osceola County Rural Water System is located in several Iowa counties in the northwestern section of the state. As of 2012, 779 rural connections were served by the Osceola County Rural Water System; these connections represent approximately 70% of the rural connections possible for the existing system. A catastrophic loss of water supply could result in system-wide health impacts due to a lack of sanitation and the use of other water sources that may not meet Federal drinking water standards. The purpose of this project is to make improvements to the water treatment and supply facilities to enhance their reliability, increase capacity and to replace spent equipment to better safely and reliably operate the Osceola County Rural Water South Phase water system.
<i>City of Sabula</i>	FS-49-15-DWSRF-019	The City of Sabula, population 576. This project includes water upgrades including replacement of water main and the addition of approximately 300 new water meters to individual services throughout the City.
<i>City of Sheffield</i>	FS-35-17-DWSRF-024	The City of Sheffield's population is 1,172. This project includes replacement of existing undersized water mains, installation of new valves and hydrants and connection of the new water mains to the existing water distribution system.
<i>City of Sioux Rapids</i>	FS-11-15-DWSRF-015	The population of Sioux Rapids is 775. The City of Sioux Rapids is served by two municipal wells, one nitrate removal water treatment plant, one 50,000 gallon elevated storage tank, and one 100,000 gallon ground level stand pipe along with a distribution system that disperses water through the City. The existing water treatment facility was constructed in the 1940's and one of the two wells dates back to the 1890's. The aged facilities and wells challenge the City's ability to safely and reliably operate the water system. This project will make improvements to the water supply and treatment facilities to enhance their reliability and replace inadequate shelter for treatment units.
<i>City of Washington</i>	FS-92-17-DWSRF-007	The City of Washington has a population of 7,266. This project includes construction of a new water treatment plant building addition with reverse osmosis treatment skids and chemical feed rooms; demolition of the existing pump building, abandonment of the 1992 underground clearwell and pump, addition of a chemical feed or aeration on top of the existing 2015 ground storage reservoir, and reinstallation of the existing high service pumps within the new building addition.



CW Exhibits

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CW Exhibit 1: SFY 2018 Intended Use Plan Project Priority List

Chart 1: CWSRF SFY 2018 Intended Use Plan Project Priority List

Planning Stage - P

Ready for Loan - R

Loan Signed - L

Contingency - C

Dropped - D

Loan Forgiveness - F

Green - G

Project Name	NPDES #	Project Number	CWSRF No.	IUP YR	QTR	Needs Categories	Priority Points	Current Requests	Project Status	Type
Madrid	0848001	S2017-0223	1920879 01	2018	4	I,II	290	4,951,000	P	
Clarinda	32515756	S2017-0100	1920873 01	2018	4	I,II	272	12,000,000	P	
New Albin	0370001	S2013-0348	1920871 01	2018	4	I,II	264	1,860,000	P	
Waukon	398001	S2017-0205A	1920875 01	2018	4	I,II	264	8,507,000	P	
Charles City	3405001	S2016-0468	1920876 01	2018	4	I,II	245	16,484,000	P	
Mitchellville	7751001	S2017-0458	1920869 01	2018	4	II	242	698,475	P	
Sigourney	547002	S2016-0181	1920870 01	2018	4	II	224	5,070,225	P	
Ely	5728001	S2018-0133	1920865 01	2018	4	IVA,IVB	184	1,779,000	P	
Adel	2503001	S2018-0143	1920867 01	2018	4	IVA,IVB	175	7,000,000	P	
Alton	8403001	S2018-0032	1920864 01	2018	4	IIIB	172	1,056,000	P	
Melcher-Dallas	6352001	S2018-0146	1920866 01	2018	4	IIIA	172	1,272,000	P	
Keokuk	5604001	S2018-0212	1920872 01	2018	4	V	167	14,171,000	P	
Lynnville	5047001	S2018-0216	1920874 01	2018	4	IIIA	157	415,000	P	
Hawkeye	3346001	S2018-0194	1920868 01	2018	4	IIIA	114	523,000	P	
Bennett	1603001		PD-CW-18-43	2018	4		P&D	399,000	L	
Clarinda	7329001		PD-CW-18-41	2018	4		P&D	920,000	L	
Dickinson County	N/A		PD-CW-18-50	2018	4		P&D	80,000	L	
Hawkeye	3346001		PD-CW-18-40	2018	4		P&D	50,000	L	
Keokuk	5640001		PD-CW-18-39	2018	4		P&D	760,000	R	
Osceola	2038002		PD-CW-18-38	2018	4		P&D	1,220,000	L	
Sac City	8150001		PD-CW-18-44	2018	4		P&D	195,000	L	
Zwingle	4998001		PD-CW-18-42	2018	4		P&D	125,000	R	
Lowden	1656001	S2017-0362	1920862 01	2018	3	I,II	274	4,059,000	P	
Montezuma	7950001	S2016-0051	1920859 01	2018	3	I,II	267	4,589,936	P	
Des Moines	7727001 (WRA)	S2018-0068	1920858 01	2018	3	V	235	15,260,000	P	
Waukee (Little Walnut Creek Trunk Sewer-Ph 3)	2573001	S2018-0084	1920861 01	2018	3	IVB	160	2,411,000	P	
Ackley	4201001	S2016-0039	1920863 01	2018	3	IIIA	142	3,047,000	P	

Project Name	NPDES #	Project Number	CWSRF No.	IUP YR	QTR	Needs Categories	Priority Points	Current Requests	Project Status	Type
Ackley	4201001		PD-CW-18-36	2018	3		P&D	155,000	L	
Adel	2503001		PD-CW-18-34	2018	3		P&D	580,050	L	
Dallas Center	2520001		PD-CW-18-33	2018	3		P&D	210,000	R	
DeWitt	2330001		PD-CW-18-37	2018	3		P&D	88,750	L	
Lowden	1656001		PD-CW-18-35	2018	3		P&D	400,000	L	
Schleswig	2446001		PD-CW-18-32	2018	3		P&D	180,000	L	
Nora Springs	3423001	S2016-0216A	1920857 01	2018	2	II	295	7,497,000	P	
Smithland	9783001	S2017-0060	1920856 01	2018	2	II,IIIA	285	915,000	P	
Wilton	7078801	S2015-0204	1920850 01	2018	2	I	282	6,211,000	L	
Pocahontas	7633001	S2017-0028	1920855 01	2018	2	II,IIIA	254	2,892,000	P	
Mount Vernon	5758001	S2017-0177	1920853 01	2018	2	II	250	1,766,000	P	
Estherville	3218002	S2016-0265	1920849 01	2018	2	II	237	15,926,000	P	
Monroe	505001	S2015-0337	1920852 01	2018	2	I	235	3,552,675	P	
Allerton	9303003	S2015-0086	1920854 01	2018	2	IIIA	175	271,000	P	
Spencer	2171004	S2016-0203B	1920745 03	2018	2	V	174	1,508,000	L	
Wright County (Eagle Grove)	9926001	S2015-0355	1920851 01	2018	2	I,II	174	4,046,000	L	
Eldon	9053001		PD-CW-18-22	2018	2		P&D	200,000	L	
Maxwell	8557001		PD-CW-18-23	2018	2		P&D	38,000	R	
Mechanicsville	1667001		PD-CW-18-24	2018	2		P&D	320,000	R	
Miles	4953001		PD-CW-18-25	2018	2		P&D	154,000	L	
Tipton	1689001, 002		PD-CW-18-26	2018	2		P&D	500,000	R	
Wayland	4490001		PD-CW-18-27	2018	2		P&D	180,000	R	
Sioux Center	8486002	S2016-0169	1920838 01	2018	1	II	297	26,742,000	L	
Merrill	7548001	S2015-0366	1920846 01	2018	1	II	295	1,300,000	L	
Scranton	3759001	S2016-0048	1920847 01	2018	1	I,II	290	2,137,133	P	
Gilbert	8531001	S2010-0025	1920844 01	2018	1	I,II	274	3,819,000	P	
Eagle Grove	9926001	S2015-0355	1920841 01	2018	1	I,II	264	28,130,000	L	
Central City	5720001	S2017-0057A	1920836 01	2018	1	II, IVA	259	3,122,000	P	
Burlington	2909001	S2017-0262	1920843 01	2018	1	V	247	6,197,000	P	
Roland	8570001	S2016-0050	1920826 01	2018	1	II	242	2,886,360	P	
Sully	5076001	S2016-0092	1920837 01	2018	1	II	242	1,065,000	P	

Project Name	NPDES #	Project Number	CWSRF No.	IUP YR	QTR	Needs Categories	Priority Points	Current Requests	Project Status	Type
Stanwood	1681001	S2017-0085A	1920835 01	2018	1	II	224	2,280,646	P	
Tiffin	5288001	S2015-0202	1920842 01	2018	1	I,II	189	6,754,000	L	
Marshalltown	6469001	S2017-0286	1920840 01	2018	1	IIIA	165	2,900,000	P	
Lisbon	5748001	S2017-0295	1920839 01	2018	1	IIIA	155	1,489,000	P	
Oskaloosa	6273001	S2017-0294	1920845 01	2018	1	IIIA	142	3,822,000	L	
Oskaloosa	6273001	S2017-0294	1920845 02	2018	1	IIIA	142	4,446,000	R	
Templeton	1479001	S2017-0101	1920831 01	2018	1	I	139	1,050,225	P	
Indianola	9133001	S2017-0298	1920848 01	2018	1	IVA,IVB	129	3,267,000	L	
Baxter	5003001		PD-CW-18-11	2018	1	IVA	P&D	101,250	L	2017
Blairstown	607001		PD-CW-18-15	2018	1		P&D	147,500	L	
Burlington	2909001		PD-CW-18-10	2018	1	V	P&D	308,957	L	2017
Calmar	9615001		PD-CW-18-06	2018	1	II	P&D	225,000	L	2017
Galva	4715001		PD-CW-18-09	2018	1	I	P&D	238,000	L	2017
Gilbert	8531001		PD-CW-18-54	2018	1		P&D	312,000	L	
Glidden	1438001		PD-CW-18-07	2018	1		P&D	215,000	R	
Madrid	0848001		PD-CW-18-13	2018	1		P&D	460,000	L	
Milford	3050901		PD-CW-18-16	2018	1	IIIB	P&D	97,500	L	2017
Nora Springs	3423001		PD-CW-18-08	2018	1	II	P&D	750,000	L	2017
Wastewater Reclamation Authority	7727001		PD-CW-18-14	2018	1		P&D	1,600,000	L	
West-High Amana SSD	4880901		PD-CW-18-12	2018	1		P&D	85,000	L	
Le Grand	8657001	S2015-0434	1920821 01	2017	4	I,II	295	2,300,000	P	
Greenfield	0140001	S2013-0215	1920822 R1	2017	4	I,II	285	5,193,000	L	
Greenfield	0140001	S2013-0215	1920822 G1	2017	4	I,II	285	1,149,000	R	
Winthrop	1093001	S2016-0312	1920827 01	2017	4	II	274	2,075,000	P	
Slater	8580001	S2016-0070	1920820 01	2017	4	I,II	267	6,650,000	P	
Lake View	8127001	S2015-0174	1920828 01	2017	4	I,II	264	4,696,000	P	
New Sharon	6264001	S2015-0384	1920829 01	2017	4	I,IIIA	242	1,653,000	P	
Calmar	9615000	S2015-0451	1920823 01	2017	4	II	240	2,977,000	L	
Klemme	4155001	S2013-0199	1920833 01	2017	4	II	240	563,000	P	
Creston	8816001	S2015-0383	1920834 01	2017	4	I,II	232	2,686,365	P	
Mediapolis	2948001	S2015-0002	1920832 01	2017	4	II	174	1,107,000	L	

Project Name	NPDES #	Project Number	CWSRF No.	IUP YR	QTR	Needs Categories	Priority Points	Current Requests	Project Status	Type
Garrison	0625001	S2015-0228	1920830 01	2017	4	IIIA,IIIB	169	365,000	L	
Springville	5782002	S2016-0174	1920824 01	2017	4	IIIA	144	956,000	L	
Pierson	9766002		PD-CW-17-42	2017	4	IIIA	P&D	96,000	R	
Pisgah	4364001		PD-CW-17-45	2017	4	IIIA	P&D	43,825	R	
Sheldahl	8580001		PD-CW-17-41	2017	4	I	P&D	20,000	R	
Ogden	0858001	S2014-0142	1920816 01	2017	3	I,II	280	5,429,000	L	
Eldridge	8230003	S2015-0001	1920818 01	2017	3	I,II,IVB	264	14,970,000	P	
Corydon	9334004	S2014-0043	1920815 01	2017	3	II	237	3,304,000	P	
Ames	8503001	S2017-0017A	1920819 01	2017	3	I	170	625,000	P	
Moville	9753001	S2017-0190	1920825 01	2017	4	IVB	122	856,000	L	
Eagle Grove	9926001		PD-CW-17-34	2017	3	II	P&D	0	D	
Modale	4347001		PD-CW-17-30	2017	3	I	P&D	60,500	R	
Tipton	1689001		PD-CW-17-32	2017	3	II	P&D	300,000	L	
Shenandoah	3659001	S2016-0002	1920806 01	2017	2	I,II	290	833,000	L	
Allison	1203001	S2014-0095	1920802 01	2017	2	II	260	2,112,000	L	
Woodward	2576001	S2015-0344	1920814 01	2017	2	II	242	2,763,750	P	
Sioux City	9778001	S2016-0389	1920813 01	2017	2	I,II	217	12,710,000	P	
Waterloo (CIPP Phase III)	0790001	S2016-0285	1920811 01	2017	2	IIIA	185	1,600,000	L	
Waterloo (Instrumentation/Controls)	0790001	S2015-0365	1920809 01	2017	2	II	180	1,089,000	R	
WRA (grit removal)	7727001	S2016-0238	1920805 01	2017	2	I	180	4,200,000	L	
WRA (grit removal)	7727001	S2016-0238	1920805 02	2017	2	I	180	5,300,000	R	
Waterloo (Flow Equalization Facility Overflow Connection to Satellite WPCF)	0790001	S2015-0284	1920808 01	2017	2	I	170	978,000	P	
Hubbard	4254001	S2017-0079	1920817 01	2017	3	IIIA	152	777,000	L	
Hubbard	4254001	S2017-0079	1920817 02	2017	3	IIIA	152	1,399,000	R	
Fayette	3342001	S2016-0375	1920812 01	2017	2	IIIA	154	319,999	P	
Waterloo (Dry Run Creek Interceptor)	0790001	S2015-0280	1920807 01	2017	2	IVB	150	4,337,000	P	
Waukee	2573001	S2016-0413	1920810 01	2017	2	IVB	119	12,537,000	L	
Moravia	0467001		PD-CW-17-31	2017	2	IIA	P&D	115,000	R	

Project Name	NPDES #	Project Number	CWSRF No.	IUP YR	QTR	Needs Categories	Priority Points	Current Requests	Project Status	Type
Des Moines	7727001 (WRA)	S2016-0194	1920795 01	2017	1	IIIA, IIIB, IVA, V, VI	305	18,600,000	R	
Elkhart	7730001	S2015-0187	1920798 G1	2017	1	I	305	3,499,000	L	
Elkhart	7730001	S2015-0187	1920798 R1	2017	1	IVB	305	366,000	R	
Norway	0656001	S2015-0209	1920794 G1	2017	1	I	222	500,000	L	
Norway	0656001	S2015-0209	1920794 R1	2017	1	II	222	2,565,000	P	
Algona	5502001	S2016-0239	1920796 01	2017	1	IIIA,IIIB	195	2,396,000	L	
WRA (biogas conditioning/inj improv)	7727001	S2016-0243	1920797 01	2017	1	II	175	12,814,000	P	
Emerson	6520001	S2015-0430	1920790 01	2017	1	IIIA,IVB	159	1,023,200	P	
Lenox	8748001	S2013-0187	1920799 01	2017	1	II	149	2,558,000	L	
Oelwein	3353001	S2016-0256	1920793 01	2017	1	IVB	122	338,000	L	
Waterloo (Flow Eq Overflow Connect)	0790001	S2015-0284	1920808 01	2017	2	I	170	978,000	R	
Algona	5502001		PD-CW-17-01	2017	1	IIIB	P&D	0	D	
Slater	8580001		PD-CW-17-07	2017	1	II	P&D	461,000	R	
Mount Pleasant	4453001	S2015-0081	1920780 01	2016	4	II	275	3,500,000	L	
Des Moines(Lower Oak/Highland Pk)	7727001 (WRA)	S2016-0196	1920781 01	2016	4	V	240	12,060,000	P	
Brandon	1011001	S2009-0160	1920779 01	2016	4	II	225	1,638,000	P	
Reinbeck	3870001	S2015-0175	1920776 01	2016	4	II	225	596,000	P	
West Union	3383303	S2015-0356	1920791 01	2016	4	II	225	319,000	L	
Denison	2424001	S2016-0117	1920778 01	2016	4	II	190	4,020,000	P	
Ames	8503001	S2016-0071	1920789 01	2016	4	I	170	1,001,000	L	
Fort Madison	5625001	S2016-0150	1920786 01	2016	4	IVB	152	2,668,000	L	
Dubuque	3126001	S2016-0206	1920792 01	2016	4	IIIB	147	2,507,000	P	
Ames	8503001	S2013-0327	1920741 02	2016	4	IIIA	145	21,432,000	R	
Manning	1457001	S2016-0188	1920785 01	2016	4	IIIA	142	600,000	R	
Bancroft	5507002	S2014-0136	1920777 01	2016	4	I	139	848,000	P	
Stanwood	1681001	S2016-0154	1920783 01	2016	4	IIIA	127	276,800	R	
Oelwein	3353001		PD-CW-16-40	2016	4	IVA	P&D	0	D	
Fort Atkinson	9641001	S2015-0087	1920770 01	2016	3	I,II	290	1,249,000	P	
Coralville	5208001	S2014-0388	1920767 01	2016	3	I,II	250	27,648,000	P	

Project Name	NPDES #	Project Number	CWSRF No.	IUP YR	QTR	Needs Categories	Priority Points	Current Requests	Project Status	Type
Greene	1253001	S2015-0235	1920775 01	2016	3	II	249	3,670,260	P	
Cincinnati	0410001	S2014-0275	1920763 01	2016	3	II	227	0	D	
West Burlington	2985001	S2014-0456	1920766 01	2016	3	I	214	10,985,000	L	
New Albin	0370001	S2013-0348	1920768 01	2016	3	I	185	2,185,000	P	
St Donatus	4979001	S2011-0308	1920773 G1, R1	2016	3	I,IIIB	185	842,000	L	
Marathon	1150001	S2015-0402	1920771 01	2016	3	I	162	1,171,000	P	
Davis City	2715001	S2016-0072	1920769 01	2016	3	IIIA	100	314,000	L	
Mapleton	6727001		PD-CW-16-30	2016	3	I	P&D	225,000	R	
Strawberry Point	2279001	S2015-0213	1920753 01	2016	2	II	250	322,000	L	
De Soto	2529001	S2014-0066	1920759 G1, R1	2016	2	II	232	3,069,000	L	
Grinnell	7930001	S2014-0189	1920762 01	2016	2	II	222	14,300,000	L	
Sanborn	7165001	S2012-0256	1920752 01	2016	2	II	167	5,063,000	P	
Postville	0375001	S2015-0412	1920756 02	2016	2	IIIA	155	1,015,000	R	
Harris	7222001	S2015-0358	1920757 02	2016	2	IIIB	145	582,685	R	
Keota	5440001	S2015-0069	1920761 01	2016	2	II	142	3,128,000	L	
RUSS (Moar/Powdertown)	Unsewered		PD-CW-16-11	2016	2	I,IVA	P&D	100,000	R	
Sabula	4975001	S2015-0208	1920749 01	2016	1	IIIA	157	351,000	L	
WRA, Ph 27, Seg 1 - 8 (Eastside Int)	7727001	S2015-0261	1920750 02 (Phase 27, Segment 1-2)	2016	1	IVB	135	38,000,000	L	
Belle Plaine	0610001	S2012-0141	1920744 01	2015	4	II,IIIA	259	3,236,000	L	
Keystone	0640001	S2014-0164	1920743 01	2015	4	II	247	2,303,000	L	
Keokuk	5640001	S2015-0088	1920732 01	2015	4	IIIA	237	1,484,700	P	
Pleasantville	6377001	S2013-0174	1920737 01	2015	4	II	229	4,544,000	L	
Readlyn	0965001	S2009-0030	1920736 G1	2015	4	II	207	868,000	L	
Ames	8503001	S2013-0327	1920741 01	2015	4	IIIA	160	2,588,970	R	
Granville	8429001	S2015-0163	1920738 01	2015	4	IIIA	152	448,000	L	
Fort Dodge	9433003	S2015-0164	1920728 02	2015	3	IIIA,IIIB	195	10,900,000	L	
Hospers	8439001		PD-CW-15-17	2015	3	II	P&D	277,000	R	
Blencoe	6709001	S2014-0409	1920720 01	2015	2	IIIB	142	179,694	P	
New Hampton	1970001	S2014-0034	1920721 01	2015	2	II	224	0	D	

Project Name	NPDES #	Project Number	CWSRF No.	IUP YR	QTR	Needs Categories	Priority Points	Current Requests	Project Status	Type
WRA, Ph 17, Seg 7 (main outfall)	7727001	S2009-0219	1920499 02	2015	1	IVB	160	10,400,000	R	
Fairfield	5131001	S2013-0368	1920706 01	2015	1	IVB	157	0	D	
Chariton	5903001		PD-CW-14-36	2014	4	IVB	P&D	0	D	
Miles	4953001	S2013-0064	1920688 01	2014	3	I	227	1,932,000	P	
Garnavillo	2234001	S2012-0200	1920684 01	2014	3	II	199	0	D	
Ames	8503001	S2013-0326	1920686 01	2014	3	II	180	1,885,400	R	
Dyersville	3130001	S2013-0342	1920690 01	2014	3	IVB	127	0	D	
Coralville	5208001		PD-CW-14-31	2014	3	IIIB	P&D	0	D	
Martensdale	9147001	S2013-0292	1920682 01	2014	2	IIIB	150	833,800	P	
Patterson	6151001	S2011-0078	1920659 01	2013	3	IIIB	165	54,540	R	
Mount Pleasant	4453001	S2012-0407	1920665 01	2013	3	IIIB	125	1,600,000	L	
Dakota City	4622001		PD-CW-13-15	2013	2	IIIA	P&D	85,000	R	
Clinton (Phase II, Part 2)	2326001	S2005-0016	1920629 01	2012	4	V	144	3,535,000	R	
Elkhart	7730001	S2012-0137	1920634 01	2012	4	IIIA	129	609,030	P	
Hamburg	3621001		PD-CW-12-29	2012	4	I	P&D	100,000	R	
La Porte City	0743001	S2009-0187	1920620 01	2012	2	I,II	220	917,822	P	
Nemaha	Unsewered		PD-CW-12-04	2012	2	I,IIIB	P&D	75,000	R	
North English	4858001		PD-CW-11-36	2012	1	II,IIIA,IIIB	P&D	140,000	R	
Dubuque (rev Upper Bee Branch)	N/A	N/A	GNS10-5 (2)	2011	4	VIIK	162	7,716,000	R	
Spencer <i>supplemental</i>	2171004	S2010-0111	1920528 02	2011	1	V	185	2,300,000	R	
Reasnor	5071001	S2009-0207	1920543 01	2011	1	I	160	0	D	
Brighton	9209001	S2009-0288	1920515 02	2011	1	II,IIIB	140	2,675,000	R	
Libertyville	5148001		PD-CW-10-51	2011	1	I,IIIA,IIIB,VI	P&D	95,000	R	
Mingo	5052001	S2008-0304	1920510 R1	2010	3	I	172	1,365,000	R	
Wheatland	2394001		PD-CW-10-10	2010	3	IIIA,IIIB,V	P&D	0	D	

Chart 1 Total: **646,518,022**

Chart 2: Non-Point Source Project Set Asides

Program	Needs Categories	Set-Aside Amount
Onsite Wastewater Assistance Fund (OSWAP)	VII-L	1,800,000
Local Water Protection Program (LWPP)	VII-A, K	5,000,000
Livestock Water Quality Facilities Program (LWQ)	VII-A, B, K	6,000,000
General Non-point Source Program (GNS)	VII-J, K, N	10,000,000

Chart 2 Total: **22,800,000**

Chart 3: Program Administration

Capitalization Grant	Amount of 4% Set-Aside
FY 2009 ARRA (reserved)	2,121,600
FY 2017	717,760
Chart 3 Total:	2,839,360

CWSRF FY 2018 IUP TOTAL: **672,157,382**

Needs Categories

- I Secondary Treatment
- II Treatment more stringent than secondary
- IIIA Infiltration/Inflow rehabilitation
- IIIB Major sewer system rehabilitation
- IVA New collectors and appurtenances
- IVB New interceptors and appurtenances
- V Correction of combined sewers
- VI Storm water green infrastructure
- VII Non-point source control projects subcategories:
 - VII-A Agriculture (cropland sources)
 - VII-B Agriculture (animal sources)
 - VII-C Silviculture
 - VII-E Groundwater protection (unknown sources)
 - VII-F Marinas
 - VII-G Resource extraction
 - VII-H Brownfields
 - VII-I Storage Tanks
 - VII-J Landfills
 - VII-K Hydromodification
 - VII-L Decentralized septic systems
 - VII-M Other estuary management activities
 - VII-N Land conservation

CW Exhibit 2: Binding Commitments for the Fiscal Year ending June 30, 2018

During fiscal year 2018, the release of \$3,847,123 in unused proceeds from completed construction projects and \$15,577,397 in P&D rollovers/repayments resulted in net binding commitments of \$230,054,780.

Project	Project Number	IUP Year	IUP Projected Loan Amount	Actual Loan Date	Actual Loan Amount	Loan Terms	
						Interest Rate	Maturity Date
Dubuque UBB (sponsored project)	CF0667R-WRR	2011		09/08/17	1,400,000	1.18%	06/2037
Mount Pleasant	CS1920665 01	2013	1,600,000	08/25/17	1,600,000	1.75%	06/2038
Geode State Park (sponsored project)	C0657R-WWRR	2014		05/18/18	66,000	0.75%	06/2034
Belle Plaine	CS1920744 01	2015	2,448,180	12/22/17	3,236,000	1.75%	06/2037
Fort Dodge	CS1920728 02	2015	10,900,000	07/28/17	10,900,000	1.75%	06/2048
Granville	CS1920738 01	2015	696,968	10/20/17	448,000	1.75%	06/2037
Keystone	CS1920743 01	2015	3,239,919	10/13/17	2,303,000	1.75%	06/2037
Pleasantville	CS1920737 01	2015	4,120,500	07/07/17	4,544,000	1.75%	06/2038
Pleasantville (sponsored project)	C0843R-WRR	2015		05/04/18	412,000	0.87%	06/2038
Readlyn	CS1920736 G1	2015	1,100,000	10/06/17	868,000	1.75%	06/2037
Roland (sponsored project)	C0819R-WRR	2015		05/25/18	96,000	0.75%	06/2037
Spencer (sponsored project)	C0769R-WRR	2015		07/14/17	360,000	0.79%	06/2037
Ames	CS1920789 01	2016	981,000	02/16/18	1,001,000	1.75%	06/2038
Davis City	CS1920769 01	2016	457,000	01/19/18	314,000	1.75%	06/2037
De Soto	CS1920759 G1	2016	2,887,000	09/01/17	1,102,000	1.75%	06/2037
De Soto	CS1920759 R1	2016		09/01/17	1,967,000	1.75%	06/2037
Fort Madison	CS1920786 01	2016	3,250,170	08/18/17	2,668,000	1.75%	06/2037
Grinnell	CS1920762 01	2016	10,403,000	04/13/18	14,300,000	1.75%	06/2038
Hills (sponsored project)	C0832R-WRR	2016		04/20/18	223,000	0.75%	06/2037
Keota	CS1920761 01	2016	3,127,338	09/22/17	3,128,000	1.75%	06/2037
Mount Pleasant	CS1920780 01	2016	3,518,000	08/25/17	3,500,000	1.75%	06/2038
Sabula	CS1920749 01	2016	389,940	01/05/18	351,000	1.75%	06/2037
St. Donatus	CS1920773 G1	2016	398,000	12/22/17	300,000	1.75%	06/2037
St. Donatus	CS1920773 R1	2016		01/19/18	542,000	1.75%	06/2047
Strawberry Point	CS1920753 01	2016	426,000	11/17/17	322,000	1.75%	06/2037
West Burlington	CS1920766 01	2016	10,000,000	07/21/17	10,985,000	1.75%	06/2038
West Union	CS1920791 01	2016	888,000	01/19/18	319,000	1.75%	06/2037

Project	Project Number	IUP Year	IUP Projected Loan Amount	Actual Loan Date	Actual Loan Amount	Loan Terms	
						Interest Rate	Maturity Date
WRA (Eastside Int Ph 27 Seg 1 - 8)	CS1920750 02	2016	28,340,000	12/15/17	38,000,000	1.75%	06/2049
Algona	CS1920796 01	2017	2,396,000	08/18/17	2,396,000	1.75%	06/2037
Allison	CS1920802 01	2017	2,367,268	12/01/17	2,112,000	1.75%	06/2038
Calmar	CS1920823 01	2017	3,501,000	05/25/18	2,977,000	1.75%	06/2039
Elkhart	CS1920798 G1	2017	3,865,000	06/29/18	3,499,000	1.75%	06/2038
Garrison	CS1920830 01	2017	665,000	05/25/18	365,000	1.75%	06/2037
Greenfield	CS1920822 R1	2017	6,342,000	12/08/17	5,193,000	1.75%	06/2039
Hubbard	CS1920817 01	2017	2,176,000	12/29/17	777,000	1.75%	06/2037
Johnston	GNS17-001	2017		01/19/18	1,948,000	1.75%	06/2037
Lenox	CS1920799 01	2017	2,261,000	11/17/17	2,558,000	1.75%	06/2038
Mediapolis	CS1920832 01	2017	1,759,000	01/05/18	1,107,000	1.75%	06/2038
Moville	CS1920825 01	2017	875,000	09/22/17	856,000	1.75%	06/2037
Norway	CS1920794 G1	2017	3,065,000	02/09/18	500,000	1.75%	06/2037
Oelwein	CS1920793 01	2017	248,000	04/13/18	338,000	1.75%	06/2037
Ogden	CS1920816 01	2017	4,809,126	03/30/18	5,429,000	1.75%	06/2044
Shenandoah	CS1920806 01	2017	643,000	09/08/17	833,000	1.75%	06/2037
Slater (sponsored project)	C0803R-WRR	2017		05/04/18	94,000	0.82%	06/2037
Springville	CS1920824 01	2017	837,000	05/04/18	956,000	1.75%	06/2038
Tipton	PD-CW-17-32	2017	300,000	07/07/17	300,000	0.00%	
Waterloo (CIPP Phase III)	CS1920811 01	2017	2,498,000	05/18/18	1,600,000	1.75%	06/2037
Waukee	CS1920810 01	2017	12,537,000	09/01/17	12,537,000	1.75%	06/2038
WRA (grit removal)	CS1920805 01	2017	9,500,000	05/18/18	4,200,000	1.75%	06/2040
Ackley	PD-CW-18-36	2018	155,000	01/12/18	155,000	0.00%	
Adel	PD-CW-18-34	2018	580,050	01/05/18	580,050	0.00%	
Bennett	PD-CW-18-43	2018	399,000	03/23/18	399,000	0.00%	
Blairstown	PD-CW-18-15	2018	147,500	01/26/18	147,500	0.00%	
Clarinda	PD-CW-18-41	2018	920,000	04/27/18	920,000	0.00%	
De Witt	PD-CW-18-37	2018	88,750	01/05/18	88,750	0.00%	
Dickinson County	PD-CW-18-50	2018	80,000	06/08/18	80,000	0.00%	
Eagle Grove	CS1920841 01	2018	19,576,000	12/01/17	28,130,000	1.75%	06/2048

Project	Project Number	IUP Year	IUP Projected Loan Amount	Actual Loan Date	Actual Loan Amount	Loan Terms	
						Interest Rate	Maturity Date
Eldon	PD-CW-18-22	2018	200,000	09/22/17	200,000	0.00%	
Gilbert	PD-CW-18-54	2018	312,000	04/06/18	312,000	0.00%	
Hawkeye	PD-CW-18-40	2018	50,000	04/27/18	50,000	0.00%	
Indianola	CS1920848 01	2018	3,291,375	12/01/17	3,267,000	1.75%	06/2037
Lowden	PD-CW-18-35	2018	399,100	12/29/17	400,000	0.00%	
Madrid	PD-CW-18-13	2018	460,000	08/25/17	460,000	0.00%	
Merrill	CS1920846 01	2018	2,514,000	06/01/18	1,300,000	1.75%	06/2038
Miles	PD-CW-18-25	2018	154,000	01/26/18	154,000	0.00%	
Osceola	PD-CW-18-38	2018	1,220,000	03/23/18	1,220,000	0.00%	
Oskaloosa	CS1920845 01	2018	8,268,000	05/25/18	3,822,000	1.75%	06/2033
Sac City	PD-CW-18-44	2018	195,000	03/30/18	195,000	0.00%	
Schleswig	PD-CW-18-32	2018	180,000	12/29/17	180,000	0.00%	
Sioux Center	CS1920838 G1	2018	28,140,000	01/12/18	9,500,000	1.75%	06/2037
Sioux Center	CS1920838 R1	2018		01/12/18	9,242,000	1.75%	06/2038
Sioux Center	CS1920838 RT	2018		01/12/18	8,000,000	1.75%	06/2038
Spencer	CS1920745 03	2018	2,148,000	06/22/18	1,508,000	1.75%	06/2038
Tiffin	CS1920842 01	2018	5,250,000	05/11/18	6,754,000	1.75%	06/2038
West High Amana Sanitary District	PD-CW-18-12	2018	85,000	11/17/17	85,000	0.00%	
Wilton	CS1920850 01	2018	6,211,000	06/29/18	6,211,000	1.75%	06/2039
WRA (phosphorus recovery facility)	PD-CW-18-14	2018	1,600,000	12/15/17	1,600,000	0.00%	
Wright County (w/Eagle Grove)	CS1920851 01	2018	4,046,000	12/01/17	4,046,000	1.75%	06/2038
Lone Tree	PD-CW-19-06	2019		06/22/18	460,000	0.00%	
Waukon	PD-CW-19-11	2019		06/22/18	658,000	0.00%	
West Union	PD-CW-19-12	2019		06/22/18	430,000	0.00%	
Winfield	PD-CW-19-09	2019		06/29/18	310,000	0.00%	
WRA (sewer lining)	PD-CW-19-07	2019		06/29/18	2,200,000	0.00%	
WRA (clarifiers)	PD-CW-19-08	2019		06/29/18	585,000	0.00%	

TOTAL

236,485,184

249,479,300.00

CW Exhibit 2A: Construction Starts Reported in Fiscal Year 2018

Project	CWSRF Number	Construction Start Date
Lake Geode State Park (<i>sponsored project</i>)	C0657R-WRR	04/19/16
Waukee	CS1920810 01	10/27/16
WRA Eastside Interceptor Ph 27, Seg 1-8	CS1920750 02	01/12/17
Oelwein	CS1920793 01	01/20/17
Hubbard	CS1920817 01	02/21/17
Waterloo - CIPP Phase III	CS1920811 01	03/21/17
Spencer (<i>sponsored project</i>)	C0769R-WRR	04/05/17
Granville	CS1920737 01	04/20/17
Dubuque Upper Bee Branch (<i>sponsored project</i>)	CF0667R-WRR	05/01/17
Keota	CS1920761 01	05/22/17
Fort Madison	CS1920786 01	06/26/17
West Burlington	CS1920766 01	07/17/17
De Soto	CS1920759 01	07/27/17
Strawberry Point	CS1920753 91	08/10/17
Ames	CS1920789 01	08/25/17
Saint Donatus	CS1920773 01	09/13/17
West Union	CS1920791 01	09/13/17
Belle Plaine	CS1920744 01	09/18/17
Indianola	CS1920848 01	10/02/17
Moville	CS1920825 01	10/06/17
Eagle Grove	CS1920841 01	10/10/17
Wright County (w/Eagle Grove)	CS1920851 01	10/10/17
Sabula	CS1920749 01	10/11/17
Greenfield	CS1920822 01	10/17/17
Slater (<i>sponsored project</i>)	C0828R-WRR	10/19/17
Davis City	CS1920769 01	10/25/17
Lenox	CS1920799 01	10/25/17
Allison	CS1920802 01	10/26/17
Ogden	CS1920816 01	11/01/17
Johnston	GNS17-001	11/06/17
Norway	CS1920794 01	11/13/17
Mediapolis	CS1920832 01	11/16/17
Sioux Center	CS1920838 01	12/04/17
Tiffin	CS1920842 01	12/12/17
Mount Pleasant	CS1920665 01	01/10/18
Grinnell	CS1920762 01	01/12/18
Hills (<i>sponsored project</i>)	C0832R-WRR	03/12/18
Oskaloosa	CS1920845 01	03/12/18
Garrison	CS1920830 01	04/02/18
Wilton	CS1920850 01	04/04/18
WRA Grit Removal	CS1920805 01	04/04/18

Pleasantville (<i>sponsored project</i>)	C0843R-WRR	04/06/18
Merrill	CS1920846 01	04/09/18
Springville	CS1920824 01	04/09/18
Calmar	CS1920823 01	04/20/18
Spencer	CS1920745 03	05/11/18
Elkhart	CS1920798 01	06/05/18

CW Exhibit 2B: Initiation of Operations Reported in Fiscal Year 2018

Project	CWSRF Number	Initiation of Operation
Wyoming	CS1920606 01	07/20/16
Nora Springs	CS1920671 01	10/31/16
Monona (<i>sponsored project</i>)	C0744R-WRR	11/25/16
Blakesburg	CS1920695 01	12/19/16
Monona	CS1920734 01	04/27/17
Hartford	CS1920755 01	05/04/17
Grimes	CS1920751 01	05/08/17
Epworth (<i>sponsored project</i>)	C0603R-WRR	05/25/17
	C0629G-WRR	
North Liberty (<i>sponsored project</i>)	C0725RT-WRR	06/01/17
Chariton	CS1920697 01	06/19/17
Clinton	CS1920660 01	10/31/14
Wellman	CS1920673 01	12/17/14
Blairsburg	CS1920627 01	07/27/15
Fairbank	CS1920700 01	02/08/16
Arlington	CS1920694 01	06/30/16
Lake Geode State Park (<i>sponsored project</i>)	C0657R-WRR	10/11/16
Wellman	CS1920760 01	07/17/17
Keokuk (<i>sponsored project</i>)	C0572RT-WRR	07/21/17
	C0661R-WRR	
Rock Valley	CS1920754 01	07/26/17
Cascade	CS1920723 01	08/03/17
Roland	CS1920710 01	08/24/17
Spencer	CS1920745 01	08/31/17
Harris	CS1920757 01	09/07/17
Roland	CS1920710 02	09/25/17
Letts	CS1920711 01	10/05/17
Deloit	CS1920716 01	10/23/17
Mitchellville	CS1920696 01	10/31/17
Calamus	CS1920628 01	11/02/17
Hubbard	CS1920817 01	12/01/17
Spencer (<i>sponsored project</i>)	C0769R-WRR	12/06/17
Aplington	CS1920731 01	12/13/17
Spencer	CS1920745 02	12/27/17
Mingo	CS1920510 01	02/20/18
Ruthven	CS1920719 01	03/30/18

CW Exhibit 2C: Finding of No Significant Impact Reported in Fiscal Year 2018

**categorical exclusion*

Project	CWSRF Number	FNSI Issued
Davis City	CS1920769 01	06/21/17*
Truro (additional WWTF improvements)	CS1920605 02	07/06/17*
Oskaloosa (collection system Phase 1-3)	CS1920845 01	07/06/17*
Coralville	CS1920767 01	07/18/17
Springville	CS1920824 01	07/28/17*
Sioux Center	CS1920838 01	07/31/17
Greenfield	CS1920822 01	08/14/17
Indianola (collection system & lift station)	CS1920848 01	08/23/17*
Moville	CS1920825 01	08/24/17*
Eagle Grove	CS1920841 01	09/08/17
Waukee (South Outfall additional)	CS1920810 01	09/11/17*
Allerton	CS1920854 01	09/11/17*
Calmar	CS1920823 01	09/22/17
Ogden	CS1920816 01	10/12/17
Sully	CS1920837 01	10/19/17*
Creston	CS1920834 01	11/02/17*
La Porte City	CS1920260 01	11/06/17*
Lisbon	CS1920839 01	11/14/17*
Marshalltown	CS1920840 01	11/27/17*
Norway	CS1920794 01	11/29/17
Mount Vernon	CS1920853 01	12/13/17*
Waukee (Little Walnut Creek/Indi Run)	CS1920861 01	12/13/17
Des Moines (Lower Oak Park/Highland Park - Ph 2 & 3)	CS1920781 01	01/03/18
Des Moines (Near West Side - Phase 2)	CS1920795 01	01/03/18
Tiffin	CS1920842 01	01/05/18
Merrill	CS1920846 01	01/12/18
Elkhart	CS1920798 01	01/19/18
Ames (siphon rehabilitation)	CS1920741 01	01/31/18*
Eldridge	CS1920818 01	01/31/18
Pocahontas	CS1920855 01	01/31/18*
Reinbeck	CS1920776 01	02/11/18*
Des Moines (River Bend King Irving - Phase 1)	CS1920858 01	02/22/18
Mount Pleasant--Sewer Rehab 2 & 3	CS1920780 01	02/27/18*
Melcher-Dallas	CS1920866 01	02/27/18*
Spencer (fairground revisions to 4 th Ave)	CS1920745 03	03/02/18*
WRA (Eastside Interceptor Segment 6)	CS1920750 01	03/14/18
Hubbard	CS1920817 01	03/15/18*
Lake View	CS1920828 01	03/19/18
Central City	CS1920836 01	03/23/18

Wilton	CS1920850 01	04/09/18
Dubuque (Kerper Revision Align 9)	CS1920792 01	04/12/18*
Postville (Phase 2--additional sewer)	CS1920756 01	04/13/18*
Oskaloosa (additional collection system)	CS1920845 01	04/13/18*
Gilbert	CS1920844 01	04/23/18
Alton	CS1920864 01	04/23/18*
Denison Municipal Utilities (Phase I & II Revision)	CS1920778 01	04/26/18*
Hawkeye	CS1920868 01	04/26/18*
Roland	CS1920826 01	05/04/18
WRA (Eastside Interceptor Segments 7-8)	CS1920750 01	05/09/18
Klemme	CS1920833 01	05/09/18
Le Grand	CS1920821 01	05/10/18
Miles	CS1920688 01	05/21/18*

CW Exhibit 3: Grant Payments with Respect to State Match Fiscal Year 2018

Source of Funds	Part I	Part II				Part III
	Prior Years	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Totals
FY89 - 08 Grant Payments	351,396,859					351,396,859
FY89 - 08 State Match	70,279,371					70,279,371
FY09 Grant Payments	9,202,600					9,202,600
FY09 State Match	701,196					701,196
FY09 ARRA Grant Payments	53,040,000					53,040,000
FY10 Grant Payments *	27,575,000					27,575,000
FY10 State Match	5,515,000					5,515,000
FY11 Grant Payments **	19,985,000					19,985,000
FY11 State Match	3,997,000					3,997,000
FY12 Grant Payments ***	19,128,000					19,128,000
FY12 State Match	3,825,600					3,825,600
FY13 Grant Payments	18,069,000					18,069,000
FY13 State Match	3,613,800					3,613,800
FY14 Grant Payments	18,976,000					18,976,000
FY14 State Match	3,795,200					3,795,200
FY15 Grant Payments	18,879,000					18,879,000
FY15 State Match	3,775,800					3,775,800

FY16 Grant Payments	18,083,000					18,083,000
FY16 State Match	3,616,600					3,616,600

FY17 Grant Payments		17,944,000				17,944,000
FY17 State Match	3,588,800					3,588,800

*2010 grant payments include \$47,000 retained by EPA Region 7 at grant award to fund SEE position at DNR's request

**2011 grant payments include \$49,000 retained by EPA Region 7 at grant award to fund SEE position at DNR's request

***2012 grant payments include \$86,000 retained by EPA Region 7 at grant award to fund SEE position at DNR's request

CW Exhibit 4: Sources of Funds
State of Iowa Clean Water Program
Sources of Funds
Cash Basis
For Years Ended June 30, 2018 and June 30, 2017

	2018	2017
Draws on Capitalization Grant Agreements		
Loan Disbursements	\$ 17,345,867	\$ 17,480,233
SRF Administration	598,133	602,767
Interest Received on Investments & Cash Equivalents	2,326,231	1,038,929
New Bond Proceeds Received	297,770,727	148,462,802
Cash Receipts for Fees	4,038,710	3,481,910
Loan Repayments		
Interest on Loans	27,133,024	26,407,588
Principal Repayments	67,820,990	72,860,561
 Total Sources of Funds	 \$ 417,033,682	 \$ 270,334,790

CW Exhibit 5: Statement of Net Position
State of Iowa Clean Water Program
Statement of Net Position
For Years Ended June 30, 2018 and June 30, 2017
(Dollars in Thousands)

	2018	2017
ASSETS		
Current assets (substantially restricted):		
Cash and cash equivalents	\$ 230,676	\$ 214,042
Investments	30,013	36,353
Loans to municipalities	66,282	62,029
Accrued interest receivable	2,683	2,516
Other assets	379	263
Total current assets	\$ 330,033	\$ 315,203
Noncurrent assets (substantially restricted):		
Investments	\$ 12,975	\$ 22,932
Loans to municipalities	1,171,563	1,082,807
Other assets	0	0
Total noncurrent assets	\$ 1,184,538	\$ 1,105,739
Deferred outflows of resources:		
Other post-retirement benefits	\$ 3	\$ 0
Pension plan (Note 3)	92	76
Loss on bond refunding	10,365	12,447
Total deferred outflows of resources	\$ 10,460	\$ 12,523
Total assets and deferred outflows	\$ 1,525,031	\$ 1,433,465
LIABILITIES		
Current liabilities:		
Bonds payable, net (Notes 1 and 2)	\$ 41,555	\$ 36,945
Accrued interest payable	14,824	13,547
Accounts payable and other liabilities	875	638
Rebated owed	0	0
Total current liabilities	\$ 57,254	\$ 51,130
Noncurrent liabilities:		
Bonds payable, net (Notes 1 and 2)	\$ 836,936	\$ 771,742
Accounts payable and other liabilities	341	287
Rebated owed	0	0
Total noncurrent liabilities	\$ 837,277	\$ 772,029
Deferred inflows of resources:		
Pension plan (Note 3)	\$ 16	\$ 16
Total deferred inflows of resources	\$ 16	\$ 16
Total liabilities and deferred inflows	\$ 894,547	\$ 823,175
NET POSITION		
Restricted net position	\$ 630,484	\$ 610,290
Transfers between funds	0	0
Total net position	\$ 630,484	\$ 610,290

CW Exhibit 6: Statement of Revenues, Expenses, and Changes in Net Position
State of Iowa Clean Water Program
Statement of Revenues, Expenses, and Changes in Net Position
For Years Ended June 30, 2018 and June 30, 2017
(Dollars in Thousands)

	2018	2017
Operating revenues:		
Interest income	\$ 29,626	\$ 27,571
Net decrease in fair value of investments	(276)	(453)
Fee income	4,154	3,497
Total operating revenues	\$ 33,504	\$ 30,615
Operating expenses:		
Interest on bonds	\$ 26,039	\$ 24,208
General and administrative	4,699	5,204
Provisions (recoveries) of losses	0	0
Total operating expenses	\$ 30,738	\$ 29,412
Net operating income	\$ 2,766	\$ 1,203
Nonoperating revenue (expenses):		
Grant income	\$ 17,944	\$ 18,083
Grants and aid	(487)	(2,010)
Net nonoperating revenues	\$ 17,457	\$ 16,073
Change in net position	\$ 20,223	\$ 17,276
Interfund adjustments, net	\$ 0	0
Net position at June 30, 2017, as restated	\$ 610,261	\$ 593,014
Net position at June 30, 2018	\$ 630,484	\$ 610,290

CW Exhibit 7: Statement of Cash Flows
State of Iowa Clean Water Program
Statement of Cash Flows
For Years Ended June 30, 2018 and June 30, 2017
(Dollars in Thousands)

	2018	2017
Cash flows from operating activities:		
Cash receipts for fees	\$ 4,039	\$ 3,482
Interest received on loans	27,133	26,407
Principal payments on loans	67,821	72,861
Loan disbursements	(161,316)	(122,988)
Cash payments to employees	(494)	(528)
Cash payments to suppliers and grantees	(3,910)	(4,605)
Net cash used in operating activities	\$ (66,727)	\$ (25,371)
Cash flows from noncapital financing activities:		
Proceeds from issuance of bonds	\$ 297,771	\$ 148,463
Payment of bonds	(196,735)	(36,620)
Interest paid	(52,581)	(28,852)
Bond issuance costs paid	(1,332)	(830)
Grants received	17,891	18,030
Grant expense	0	(1,123)
Interfund adjustments	0	0
Net cash provided by noncapital financing activities	\$ 65,014	\$ 99,068
Cash flows from investing activities:		
Purchase of Investments	\$ (29,148)	\$ (57,736)
Interest received on investments	2,326	1,039
Sales/Maturities of investments	45,169	28,215
Purchase of capital assets	0	0
Payment of rebate	0	0
Net cash provided by (used in) investing activities	\$ 18,347	\$ (28,482)
Increase in cash and cash equivalents	\$ 16,634	\$ 45,215
Cash and cash equivalents, beginning of year	\$ 214,042	\$ 168,827
Cash and cash equivalents, end of year	\$ 230,676	\$ 214,042
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating Income	\$ 2,768	\$ 1,203
Interest on investments	(2,326)	(1,039)
Bond interest expense	24,707	23,378
Bond issuance costs	1,332	830
Change of FMV of investments	276	453
Allowance for loan losses	0	0
Depreciation	0	0
Change in Assets & Liabilities:		
Principal repayments loans	67,821	72,861

Purchase of loans	(161,316)	(122,988)
Interest receivable	(167)	(125)
Miscellaneous receivable	(115)	(15)
Other assets	53	53
Deferred outflows	(16)	(4)
Increase (decrease) in accounts payable and other liabilities	257	66
Increase (decrease) in unearned income	0	0
Deferred inflows	(1)	(44)
Net cash used in operating activities	\$ (66,727)	\$ (25,371)

Note 1: The outstanding State Match Bonds at June 30, 2018 and June 30, 2017 are as follows:

	FY 2018	FY 2017
CWSRF 2010 MTA	1,605,000	2,165,000
CWSRF 2011 MTA	870,000	1,065,000
CWSRF 2013 MTA	2,040,000	2,330,000
CWSRF 2015 MTA	9,105,000	10,670,000
CWSRF 2016 MTA	6,430,000	6,905,000
CWSRF 2017 MTA	3,220,000	0
	<u>23,270,000</u>	<u>23,135,000</u>

Note 2: Bond premiums and discounts are amortized as an adjustment to interest expense over the life of the related bond issues using the bonds outstanding method. Losses on bond refunding are recorded as deferred outflows of resources and are deferred and amortized as an adjustment to interest expense over the shorter of the remaining life of the refunded bonds or the new bonds using the bonds outstanding method. Bond issuance costs are expensed in the period incurred.

Note 3: GASB pronouncement 68 required reclassification of unfunded pension liability.

**CW Exhibit 8
State Fiscal Year 2018**

	Prior Years	QTR 1	QTR 2	QTR 3	QTR 4	Total
Disbursement (\$1000)	1,800,170	42,822	43,577	22,709	53,300	1,962,578
Federal Cash Draw (\$1000)	554,333	9,296	8,648	0	0	572,277
State Share (\$1000)	1,245,837	33,526	34,929	22,709	53,300	1,390,301
Federal as % of Disbursement	30.8%	21.7%	19.8%	0.0%	0.0%	29.2%

CW Exhibit 9

	PRIOR YEARS	2016 PYMT 1	2017 PYMT 1	2018 PYMT 1
CAPITALIZATION GRANT	483,211,459	18,083,000	17,944,000	
STATE MATCH	96,642,292	3,616,600	3,588,800	0
TOTAL PROGRAM	579,853,751	21,699,600	21,532,800	0
PAYMENT DATE		11/01/16	08/01/17	
COMMITMENT DATE		11/01/17	08/01/18	

LOAN AGREEMENTS (excl ARRA & non-municipal GNS funding):

IUP	Prior Years	1,677,294,713		
15	Afton		(9,513)	
11	Albert City		3,796,000	
17	Algona			2,396,000
17	Allison			2,112,000
16	Ames			1,001,000
08	Anamosa			(322,238)
15	Belle Plaine			3,236,000
11	Buffalo			(77,280)
12	Calamus		1,969,000	
17	Calmar			2,977,000
15	Cascade			(520,212)
14	Chariton		600,000	
16	Clarence		1,431,000	
10	Collins			(197,248)
16	Davis City			314,000
16	De Soto			3,069,000
16	Dike		5,000,000	
09	Donnellson		(46,182)	
11	Dubuque			1,400,000
15	Duncombe		318,000	
12	Durant		558,000	
18	Eagle Grove			28,130,000
17	Elkhart			3,499,000
14	Epworth		55,000	(353,686)

14	Fairbank		(15)
10	Fayette	(446,547)	
12/15	Fort Dodge	10,900,000	(260,230)
12/15/16	Fort Madison	19,819,207	2,668,000
17	Garrison		365,000
10	Gilbertville		(1,098,198)
15	Granville		448,000
17	Greenfield		5,193,000
16	Grimes	3,435,000	
16	Grinnell		14,300,000
11	Griswold	(174,075)	
17	Grundy Center	689,000	(122,739)
16	Harris	339,000	
16	Hartford		(21,176)
16	Hills	2,280,000	223,000
12	Holy Cross	(10,279)	
17	Hubbard		777,000
10	Ida Grove	(12,650)	
18	Indianola		3,267,000
14	Iowa DNR - Geode State Park		(184,681)
16/17	Johnston	9,104,000	1,948,000
11/15	Keokuk	242,678	
16	Keota		3,128,000
15	Keystone		2,303,000
11	Kingsley	(295,238)	
13	Kiron	(6,995)	(62,738)
16	Lakeside	878,000	
13	Lambs Grove	(37,010)	
17	Lenox		2,558,000
15	Letts		(2,729)
14	Maxwell		(44,988)
17	Mediapolis		1,107,000
18	Merrill		1,300,000
15	Mount Ayr		(78,295)
13/16	Mount Pleasant		5,100,000
17	Moville		856,000
13/17	Nora Springs	160,000	
15	Northwood	5,893,000	
17	Norway		500,000
17	Oelwein		338,000
17	Ogden		5,429,000
18	Oskaloosa		3,822,000
17	Oxford	700,000	

15	Pleasantville	4,544,000	412,000	
15	Postville	5,693,000		
15	Readlyn	2,630,000	868,000	
16	Rock Valley	1,152,000	(41,784)	
14	Rockwell City		(91,580)	
15	Roland	1,135,000	(7,929)	
15	Ruthven	569,000		
16	Sabula		351,000	
17	Shenandoah		833,000	
18	Sioux Center		26,742,000	
10/13	Sioux City	33,474,000		
17	Slater	1,028,000	94,000	
11	Southwest Shoreline SD	(47,086)		
15/18	Spencer	1,865,000	1,508,000	
17	Springville		956,000	
16	Saint Donatus		842,000	
16	Strawberry Point		322,000	
13	Tama	(123,257)		
18	Tiffin		6,754,000	
14	Titonka		(28,342)	
11	Truro	208,000		
16	Union	938,000		
17	Waterloo		1,600,000	
17	Waukee		12,537,000	
11/13	Wastewater Reclamation Authority	924,000		
16/17	Wastewater Reclamation Authority	40,660,000	42,200,000	
16	Wellman	439,000		
16	West Burlington	10,985,000		
16	West Union		319,000	
18	Wilton		6,211,000	
15	Winterset	(35,000)		
18	Wright County (w/Eagle Grove)		4,046,000	
11	Wyoming OSWAP link- deposit loans	1,800,000		
	P&D Loans	33,313,611	(2,633,597)	
Total Loans		1,712,408,324	180,039,768	204,209,315
				0

PGM-ADM	19,268,077	723,320	717,760	
TOTAL COMMITMENTS	1,731,676,401	180,763,088	204,927,075	0
TOTAL CUMULATIVE COMMITMENTS	1,731,676,401	1,912,439,489	2,117,366,564	2,117,366,564
120% COMMITMENT REQUIRED	579,853,751	601,553,351	623,086,151	623,086,151
SHORTFALL/(EXCESS)	(1,151,822,650)	(1,310,886,138)	(1,494,280,413)	(1,494,280,413)
% COMMITMENT ACHIEVED	358.36824	381.50023	407.78308	407.78308



DW Exhibits

1-10

DW Exhibit 1: SFY 2018 Intended Use Plan Project Priority List

Chart 1: DWSRF SFY 2018 Intended Use Plan Project Priority List

Planning Stage - P Ready for Loan - R Loan Signed - L Contingency - C Dropped - D Loan Forgiveness - F Green - G

Project Name	DWSRF No.	IUP YR	QTR	Project Type	Priority Points	Current Requests	Project Status	Type
Adel	FS-25-18-DWSRF-017	2018	4	B, E	45	4,000,000	P	
Grimes	FS-77-18-DWSRF-016	2018	4	B	30	27,869,000	P	
Gilbert	FS-85-18-DWSRF-021	2018	4	B, E	25	4,322,000	P	
Lake Panorama Association	FS-39-18-DWSRF-018	2018	4	B, E	25	3,569,000	P	
Council Bluffs Water Works	FS-78-18-DWSRF-015	2018	4	B	20	5,025,000	P	
Delaware	FS-28-18-DWSRF-020	2018	4	C, E	20	177,425	P	
Iowa Lakes Regional Water	FS-21-18-DWSRF-019	2018	4	B	15	260,000	P	
Blairsburg	PD-DW-18-51	2018	4	G	P&D	135,000	L	
Clarion	PD-DW-18-45	2018	4	G	P&D	210,000	L	
Dunkerton	PD-DW-18-46	2018	4	G	P&D	112,500	R	
Elkader	PD-DW-18-47	2018	4	G	P&D	156,700	L	
Fort Dodge	PD-DW-18-48	2018	4	G	P&D	700,000	L	
Gilbert	PD-DW-18-55	2018	4	G	P&D	350,000	L	
Pleasantville	PD-DW-18-49	2018	4	G	P&D	36,400	L	
Dunkerton	FS-07-18-DWSRF-014	2018	3	B,E	25	1,181,000	P	
Adel	PD-DW-18-31	2018	3	G	P&D	1,025,000	L	
Bagley	PD-DW-18-28	2018	3	G	P&D	150,000	L	
Grimes	PD-DW-18-29	2018	3	G	P&D	1,809,000	L	
Vail	PD-DW-18-30	2018	3	G	P&D	50,000	R	
Fort Dodge	FS-94-18-DWSRF-011	2018	2	A,B	80	20,804,000	P	
Kiron	FS-24-18-DWSRF-013	2018	2	B,C,E	55	561,000	P	
Olin	FS-53-18-DWSRF-005	2018	2	B,C,E	50	0	D	
Cleghorn	FS-18-18-DWSRF-006	2018	2	B,E	45	1,024,000	P	
Pocahontas	FS-76-18-DWSRF-012	2018	2	B,E	45	547,000	P	
Marble Rock	FS-34-18-DWSRF-010	2018	2	B,C,E	40	482,000	P	
Lehigh	FS-94-18-DWSRF-008	2018	2	B,C,E	35	553,554	P	
Sioux City (Grandview Reservoirs)	FS-97-18-DWSRF-007	2018	2	B	35	6,535,937	P	

Project Name	DWSRF No.	IUP YR	QTR	Project Type	Priority Points	Current Requests	Project Status	Type
Sergeant Bluff	FS-97-18-DWSRF-009	2018	2	B,E	25	6,096,000	P	
Dakota City	PD-DW-18-21	2018	2	G	P&D	140,000	L	
Dubuque	PD-DW-18-20	2018	2	G	P&D	475,000	L	
Garwin	PD-DW-18-17	2018	2	G	P&D	100,000	L	
Marble Rock	PD-DW-18-18	2018	2	G	P&D	108,000	L	
Woodland Ridge LOA	PD-DW-18-19	2018	2	G	P&D	66,000	L	
Sidney	FS-36-18-DWSRF-004	2018	1	A,B,E	90	0	D	
Donnellson	FS-56-18-DWSRF-003	2018	1	A,C,E	70	0	D	
Lakota	FS-55-18-DWSRF-002	2018	1	B,C,E	35	424,000	P	
Newton	FS-50-18-DWSRF-001	2018	1	B	15	402,000	P	
Armstrong	PD-DW-18-02	2018	1	G	P&D	238,000	L	
Baxter	PD-DW-18-03	2018	1	G	P&D	101,250	L	2017
Cleghorn	PD-DW-18-05	2018	1	G	P&D	200,000	L	2017
Dedham	PD-DW-18-01	2018	1	G	P&D	50,000	R	
Iowa Lakes Regional Water	PD-DW-18-04	2018	1	G	P&D	750,000	L	2017
Alta Municipal Utilities	FS-11-17-DWSRF-027	2017	4	A,B,E	45	0	D	
Dubuque	FS-31-17-DWSRF-026	2017	4	B,E	40	10,198,000	L	
Raymond	FS-07-17-DWSRF-028	2017	4	B	20	1,688,400	P	
Fort Dodge	PD-DW-17-55	2017	4	G	P&D	1,200,000	L	
Johnston	PD-DW-17-50	2017	4	G	P&D	500,000	L	
Olin	PD-DW-17-52	2017	4	G	P&D	95,000	R	
Armstrong	FS-32-17-DWSRF-020	2017	3	A,B,E	70	1,100,000	P	
Bellevue	FS-49-17-DWSRF-021	2017	3	A,E	60	1,819,000	P	F 75%
Gallery Acres West HOA (Solon)	FS-52-17-DWSRF-017	2017	3	A,E	60	1,039,000	P	F 75%
Lacina Meadows HOA	FS-52-17-DWSRF-022	2017	3	A,E	60	945,000	L	F 75%
Swea City	FS-55-17-DWSRF-023	2017	3	A,B,C,E	55	0	D	
Walnut	FS-78-17-DWSRF-019	2017	3	B,C,E	55	0	D	
Truro	FS-61-17-DWSRF-016	2017	3	A,B,E	45	866,000	P	
Sheffield	FS-35-17-DWSRF-024	2017	3	B,C,E	40	1,200,000	L	
Jewell	FS-40-17-DWSRF-015	2017	3	B,E	25	1,711,000	L	
Raymond	PD-DW-17-25	2017	3	G	P&D	150,000	R	

Project Name	DWSRF No.	IUP YR	QTR	Project Type	Priority Points	Current Requests	Project Status	Type
Farley	FS-31-17-DWSRF-008	2017	2	A,B,E	70	2,311,000	R	
Janesville	FS-09-17-DWSRF-009	2017	2	B,E	30	708,000	L	
Lyon & Sioux Rural Water Syst	FS-60-17-DWSRF-011	2017	2	B,E	25	131,000	P	F 75% Gen
Washington	FS-92-17-DWSRF-007	2017	2	B,E	25	4,378,000	L	
Sioux City (W Hills/Indian Hills)	FS-97-17-DWSRF-012	2017	2	B	20	5,366,375	P	
Rathbun Regional Water (RRWA)	FS-04-17-DWSRF-010	2017	2	C,D	15	2,902,945	P	G-F 30% WM
Sioux City (Zenith WTP)	FS-97-17-DWSRF-013	2017	2	B	15	1,797,267	P	
Amana Society Service Company	FS-48-17-DWSRF-001	2017	1	A,B,E	95	5,400,000	L	F 75%
Oelwein	FS-33-17-DWSRF-004	2017	1	B,C,E	55	1,462,000	L	F 75% Gen
Kelley	FS-85-17-DWSRF-005	2017	1	B,E	45	650,000	L	
Osceola County Rural Water Syst	FS-71-17-DWSRF-003	2017	1	B,E	40	3,719,000	L	F 75% Gen
Fort Dodge	FS-94-17-DWSRF-006	2017	1	B	20	3,413,000	L	G-F 30% WM
Anamosa	FS-53-16-DWSRF-019	2016	4	B,C,E	50	1,801,000	L	
New Sharon	FS-62-16-DWSRF-017	2016	4	B,E	30	1,319,050	P	
Amana Society Service Company	PD-DW-16-48	2016	4	G	P&D	1,150,000	L	
Anamosa	PD-DW-16-49	2016	4	G	P&D	0	D	
Clarion	PD-DW-16-50	2016	4	G	P&D	0	D	
Osceola County Rural Water Syst	PD-DW-16-52	2016	4	G	P&D	0	D	
Livermore	FS-46-16-DWSRF-010	2016	3	A,B,E	90	0	D	
Fenton	FS-55-16-DWSRF-012	2016	3	B,C,E	55	518,000	L	
Westgate	FS-33-16-DWSRF-015	2016	3	B,E	45	568,000	P	
Cushing	FS-97-16-DWSRF-013	2016	3	B,E	30	517,000	P	G-F 30% WM F 75% Gen
Farmington	FS-89-16-DWSRF-006	2016	2	B,C,E	40	312,000	P	
Keswick	FS-54-16-DWSRF-009	2016	2	B,C,E	40	421,000	L	
Ridgeway	FS-96-16-DWSRF-007	2016	2	B,C,E	40	380,000	P	F 75% Gen
Adel	FS-25-16-DWSRF-002	2016	1	B,E	30	0	D	
Dakota City	FS-46-15-DWSRF-020	2015	4	B,C,E	55	250,000	L	
Van Meter	FS-25-15-DWSRF-020	2015	4	B,E	45	4,608,000	P	
Guthrie Center	FS-39-15-DWSRF-018	2015	4	B,C,E	40	518,660	R	
Sabula	FS-49-15-DWSRF-019	2015	4	B,C,E	40	550,000	L	G-F 30% WM
Aplington supplemental	FS-12-15-DWSRF-017 2	2015	4	B,E	30	227,000	R	

Project Name	DWSRF No.	IUP YR	QTR	Project Type	Priority Points	Current Requests	Project Status	Type
Sioux Rapids	FS-11-15-DWSRF-015	2015	3	B,E	45	1,502,000	L	
Mount Ayr	FS-80-15-DWSRF-013	2015	3	B,C,E	40	1,005,000	R	
Ruthven	FS-74-15-DWSRF-006	2015	2	B,C,E	55	1,316,550	P	
Little Sioux supplemental	FS-43-15-DWSRF-010 2	2015	2	B,C,E	40	84,000	R	
Asbury	FS-31-15-DWSRF-001	2015	1	B,E	45	3,007,000	L	
Muscatine Power & Water	FS-70-DWSRF-022	2014	4	B	15	2,432,416	R	F 75% Gen
Muscatine Power & Water	PD-DW-14-44	2014	4	G	P&D	215,915	R	
Ida Grove	FS-47-14-DWSRF-008	2014	3	B,E	45	339,017	P	
De Soto	FS-24-14-DWSRF-011	2014	3	B,E	25	3,295,000	P	
Schleswig	FS-24-14-DWSRF-006	2014	2	B,C,E	40	0	D	
Stanwood	FS-16-13-DWSRF-021	2013	4	B,C,E	40	786,841	R	
Shenandoah	FS-73-12-DWSRF-020	2012	4	B,C,D,E	45	80,800	R	G-F 20%
Cedar Falls Utilities	FS-07-12-DWSRF-028	2012	4	A	35	1,380,670	P	F 75%
Mount Ayr supplemental	FS-80-12-DWSRF-014 2	2012	4	B,E	20	275,000	R	
Albia Municipal Water Works	FS-68-12-DWSRF-008	2012	2	B,C,E	40	350,000	P	

Chart 1 Total \$ 174,755,672

Key to Project Type:

- A Water Quality and Human Health Risk-Related Criteria
- B Infrastructure and Engineering-Related Improvement
- C Affordability Criteria
- D Special Category Improvements
- E Project Serves Population less than 10,000
- F Supplemental Loan for Previously Approved Project
- G Planning and Design Loan

Chart 2: DWSRF Program Set-Asides

Program Administration					
GRANT YEAR	4% SET-ASIDE	RESERVED	TAKEN	EXPENDED 06/30/18	AVAILABLE 06/30/18
2011	643,080	0	643,080	643,080	0
2012	612,880	0	612,880	612,880	0
2013	575,000	0	575,000	64,003	510,997
2014	529,160	529,160	0	0	0
2015	525,680	525,680	0	0	0
2016	497,280	447,280	50,000	50,000	0
2017	493,040	493,040	0	0	0
		1,995,160	1,880,960	1,369,963	510,997

Technical Assistance to Small Systems					
GRANT YEAR	2% SET-ASIDE	RESERVED	TAKEN	EXPENDED 06/30/18	AVAILABLE 06/30/18
2012	306,440	0	306,440	306,440	0
2013	287,500	32,060	255,440	92,024	163,416
2014	264,580	264,580	0	0	0
2015	262,840	262,840	0	0	0
2016	248,640	248,640	0	0	0
2017	246,520	246,520			
		1,054,640	561,880	398,464	163,416

State Program Management					
GRANT YEAR	10% SET-ASIDE	RESERVED	TAKEN	EXPENDED 06/30/18	AVAILABLE 06/30/18
2009 ARRA	2,429,300	0	2,429,300	2,429,300	0
2009	1,014,800	0	1,014,800	832,033	182,767
2010	2,316,900	1,613,160	703,740	0	703,740
2012	1,532,200	1,532,200	0	0	0
2013	1,437,500	1,437,500	0	0	0
2014	1,322,900	1,322,900	0	0	0
2015	1,314,200	1,314,200	0	0	0
2016	1,243,200	1,243,200	0	0	0
2017	1,232,600	1,232,600	0	0	0
		9,695,760	4,147,840	3,261,333	886,507

Local Assistance and Other Authorized Activities					
GRANT YEAR	15% SET-ASIDE		TAKEN	EXPENDED 06/30/18	AVAILABLE 06/30/18
2014	1,984,350		1,984,350	1,984,350	0
2015	1,971,300		1,971,300	1,741,340	229,960
2016	1,864,800		1,864,800	1,243,200	621,600
2017	1,848,900		1,232,600	329,387	903,213
			7,053,050	5,298,277	1,754,773

Chart 2 Total \$ 3,315,693

DW Exhibit 2: Binding Commitments for the Fiscal Year ending June 30, 2018

During fiscal year 2018, the release of \$2,577,411 in unused proceeds from completed construction projects and \$2,193,600 in P&D rollovers/repayments resulted in net binding commitments of \$45,611,089.

Project	Project Number	IUP Year	IUP Projected Loan Amount	Actual Loan Date	Actual Loan Amount	Loan Terms	
						Interest Rate	Maturity Date
Asbury	FS-31-15-DWSRF-001 R	2015	3,404,700	09/08/17	1,200,000	1.75%	06/2037
Asbury	FS-31-15-DWSRF-001 G	2015		09/08/17	1,807,000	1.75%	06/2036
Sabula	FS-49-15-DWSRF-019	2015	787,920	01/05/18	550,000	1.75%	06/2037
Sioux Rapids	FS-11-15-DWSRF-015	2015	1,269,000	10/27/17	1,502,000	1.75%	06/2038
Amana Society Service Company	PD-DW-16-48	2016	1,150,000	02/02/18	1,150,000	0.00%	
Anamosa	FS-53-16-DWSRF-019	2016	1,660,000	12/08/17	1,801,000	1.75%	06/2038
Dakota City	FS-16-15-DWSRF-020	2016	708,525	06/29/18	250,000	1.75%	06/2038
Fenton	FS-55-16-DWSRF-012	2016	392,000	11/17/17	518,000	1.75%	06/2047
Keswick	FS-54-16-DWSRF-009	2016	411,497	03/30/18	421,000	1.75%	06/2038
Amana Society Service Company	FS-28-17-DWSRF-001	2017	5,603,000	04/06/18	5,400,000	1.75%	06/2038
Dubuque	FS-31-17-DWSRF-026	2017	10,801,400	07/07/17	10,198,000	1.75%	06/2037
Fort Dodge	PD-DW-17-55	2017	1,200,000	08/11/17	1,200,000	0.00%	
Fort Dodge	FS-94-17-DWSRF-006	2017	4,347,000	10/13/17	3,413,000	1.75%	06/2028
Janesville	FS-09-17-DWSRF-009	2017	1,015,000	09/08/17	708,000	1.75%	06/2037
Jewell	FS-40-17-DWSRF-015	2017	1,847,766	12/22/17	1,711,000	1.75%	06/2038
Johnston	PD-DW-17-50	2017	500,000	09/29/17	500,000	0.00%	
Kelley	FS-85-17-DWSRF-095	2017	552,000	08/04/17	650,000	1.75%	06/2037
Lacina Meadows HOA	FS-52-17-DWSRF-022	2017	939,000	03/23/18	945,000	1.75%	06/2038
Oelwein	FS-33-17-DWSRF-004	2017	1,033,000	04/13/18	1,462,000	1.75%	06/2038
Osceola County Rural Water Syst	FS-71-17-DWSRF-003	2017	6,643,000	03/30/18	3,719,000	1.75%	06/2038
Sheffield	FS-35-17-DWSRF-024	2017	1,570,000	03/30/18	1,200,000	1.75%	06/2037
Washington	FS-92-17-DWSRF-007	2017	3,977,790	01/19/18	4,378,000	1.75%	06/2038
Adel	PD-DW-18-31	2018	1,025,000	01/05/18	1,025,000	0.00%	
Armstrong	PD-DW-18-02	2018	238,000	09/08/17	238,000	0.00%	
Bagley	PD-DW-18-28	2018	150,000	01/19/18	150,000	0.00%	
Blairsburg	PD-DW-18-51	2018	135,000	04/27/18	135,000	0.00%	
Clarion	PD-DW-18-45	2018	210,000	03/23/18	210,000	0.00%	
Dakota City	PD-DW-18-21	2018	140,000	12/08/17	140,000	0.00%	

Project	Project Number	IUP Year	IUP Projected Loan Amount	Actual Loan Date	Actual Loan Amount	Loan Terms	
						Interest Rate	Maturity Date
Dubuque	PD-DW-18-20	2018	475,000	09/22/17	475,000	0.00%	
Elkader	PD-DW-18-47	2018	156,700	03/23/18	156,700	0.00%	
Fort Dodge	PD-DW-18-48	2018	700,000	03/30/18	700,000	0.00%	
Garwin	PD-DW-18-17	2018	100,000	10/20/17	100,000	0.00%	
Gilbert	PD-DW-18-55	2018	350,000	04/06/18	350,000	0.00%	
Grimes	PD-DW-18-29	2018	1,809,000	01/05/18	1,809,000	0.00%	
Marble Rock	PD-DW-18-18	2018	108,500	09/22/17	108,000	0.00%	
Pleasantville	PD-DW-18-49	2018	36,400	04/06/18	36,400	0.00%	
Woodland Ridge LOA	PD-DW-18-19	2018	66,000	04/13/18	66,000	0.00%	

DW Exhibit 2A: Construction Starts Reported in Fiscal Year 2018

Project	DWSRF Number	Construction Start Date
Asbury	FS-31-15-DWSRF-001	11/14/16
Fort Dodge	FS-94-17-DWSRF-006	05/11/17
Kelley	FS-85-17-DWSRF-005	05/25/17
Osceola County Rural Water System	FS-71-17-DWSRF-003	06/15/17
Dubuque	FS-31-17-DWSRF-026	06/26/17
Alta Municipal Utilities	FS-11-16-DWSRF-011	07/11/17
Janesville	FS-09-17-DWSRF-009	07/12/17
Jewell	FS-40-17-DWSRF-015	07/27/17
Anamosa	FS-53-16-DWSRF-019	08/30/17
Washington	FS-92-17-DWSRF-007	09/07/17
Fenton	FS-55-16-DWSRF-012	09/11/17
Oelwein	FS-33-17-DWSRF-004	09/13/17
Sioux Rapids	FS-11-15-DWSRF-015	09/22/17
Sabula	FS-49-15-DWSRF-019	12/05/17
Amana Society Service Company	FS-48-17-DWSRF-001	12/28/17
Sheffield	FS-35-17-DWSRF-024	03/01/18
Lacina Meadows HOA	FS-52-17-DWSRF-022	03/28/18
Dakota City	FS-46-15-DWSRF-020	04/09/18
Keswick	FS-54-16-DWSRF-009	04/30/18

DW Exhibit 2B: Initiation of Operations Reported in Fiscal Year 2018

Project	DWSRF Number	Initiation of Operation
Keota	FS-54-14-DWSRF-014	06/20/16
Columbus City	FS-58-11-DWSRF-014	09/02/16
Dyersville	FS-31-15-DWSRF-003	09/28/16
Hull	FS-84-14-DWSRF-023	04/07/17
Grimes	FS-77-16-DWSRF-003	05/08/17
Hawkeye	FS-33-13-DWSRF-007	06/15/17
Spencer Municipal Utilities	FS-21-14-DWSRF-010	06/28/17
Farley	FS-31-16-DWSRF-001	08/01/17
Denison Municipal Utilities	FS-24-16-DWSRF-004	09/05/17
Poweshiek Water Association	FS-48-15-DWSRF-011	12/27/16
Poweshiek Water Association	FS-48-15-DWSRF-012	09/26/17
New London Municipal Utilities	FS-44-11-DWSRF-001 2	09/29/17
Bedford	FS-87-15-DWSRF-016	10/24/17
Pierson	FS-97-17-DWSRF-018	12/01/17
Anita Municipal Utilities	FS-15-13-DWSRF-019	02/13/18
Swea City	FS-55-15-DWSRF-007	04/25/18

DW Exhibit 2C: Findings of No Significant Impact Reported in Fiscal Year 2018**categorical exclusion*

Project	DWSRF Number	FNSI Issued
Dubuque (metering & well plug)	FS-31-17-DWSRF-026	06/09/17*
Mount Ayr	FS-80-12-DWSRF-014(2)	06/12/17*
Sioux Rapids	FS-11-15-DWSRF-015	08/16/17
Oelwein	FS-33-17-DWSRF-004	09/11/17*
Amana Society Service Company	FS-48-17-DWSRF-001	09/18/17
Farley	FS-31-17-DWSRF-008	01/12/18
Bellevue	FS-49-17-DWSRF-021	03/02/18
Lehigh	FS-94-18-DWSRF-008	03/06/18*
Van Meter	FS-25-15-DWSRF-022	03/20/18
Iowa Lakes Regional	FS-21-18-DWSRF-019	03/23/18*
Cushing	FS-97-16-DWSRF-013	03/23/18
Raymond	FS-07-17-DWSRF-028	04/04/18*
Sioux City (water main interconnection)	FS-97-17-DWSRF-012	04/19/18
Delaware	FS-28-18-DWSRF-020	06/13/18*
Lakota	FS-55-18-DWSRF-002	06/15/18
Sergeant Bluff	FS-97-18-DWSRF-009	06/19/18*

DW Exhibit 3: Grant Payments with Respect to State Match Fiscal Year 2018

Source of Funds	Part I	Part II				Part III
	Prior Years	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Totals
FY 97 - 07 Grant Payments	144,852,100					144,852,100
FY 97 - 07 State Match	28,970,220					28,970,220
FY 08 Grant Payments	10,148,000					10,148,000
FY 08 State Match	2,029,600					2,029,600
FY 09 ARRA Grant Payments	24,293,000					24,293,000
FY 09 Grant Payments	10,148,000					10,148,000
FY 09 State Match	2,029,600					2,029,600
FY 10 Grant Payments	23,169,000					23,169,000
FY 10 State Match	5,033,800					5,033,800
FY 11 Grant Payments	16,077,000					16,077,000
FY 11 State Match	4,715,400					4,715,400
FY 12 Grant Payments	15,322,000					15,322,000
FY 12 State Match	3,064,400					3,064,400
FY 13 Grant Payments	14,375,000					14,375,000
FY 13 State Match	2,875,000					2,875,000
FY 14 Grant Payments	13,229,000					13,229,000
FY 14 State Match	2,645,800					2,645,800
FY 15 Grant Payments	13,142,000					13,142,000
FY 15 State Match	2,628,400					2,628,400

FY 16 Grant Payments *	12,432,000					12,432,000
FY 16 State Match	2,486,400					2,486,400

FY 17 Grant Payments			12,326,000			12,326,000
FY 17 State Match	2,465,200					2,465,200

*2016 grant payments include \$50,000 retained by EPA Region 7 at grant award to fund SEE position at DNR's request

DW Exhibit 4: Sources of Funds
State of Iowa Drinking Water Program
Sources of Funds
Cash Basis
For Years Ended June 30, 2018 and June 30, 2017

	2018	2017
Draws on Capitalization Grant Agreements		
Loan Disbursements	\$ 8,873,680	\$ 7,885,000
DWSRF Administration	866,508	453,455
Technical Assistance to Small Systems	266,832	150,378
Local Assistance and Other Authorized Activities	1,450,301	2,389,476
State Program Management	1,280,765	907,214
Interest Received on Investments and Cash Equivalents	1,301,563	623,238
New Bond Proceeds Received	116,965,135	52,787,148
Contribution from State FY 2018 (Note 3)		
Water Quality Protection Fund	684,965	586,150
Cash Receipts for Fees	1,389,087	1,391,166
Loan Repayments		
Interest on Loans	10,665,400	10,344,885
Principal Repayments	38,013,301	33,046,003
 Total Sources of Funds	 \$ 181,757,537	 \$ 110,564,113

DW Exhibit 5: Statement of Net Position
State of Iowa Drinking Water Program
Statement of Net Position
For Years Ended June 30, 2018 and June 30, 2017
(Dollars in Thousands)

	2018	2017
ASSETS		
Current assets (substantially restricted):		
Cash and cash equivalents	\$ 105,082	\$ 64,760
Investments	13,119	14,202
Loans to municipalities or water systems	32,871	30,683
Accrued interest receivable	1,194	1,107
Other assets	593	396
Total current assets	\$ 152,859	\$ 111,148
Noncurrent assets (substantially restricted):		
Investments	\$ 10,950	16,720
Loans to municipalities or water systems	440,586	422,367
Other assets	0	0
Total noncurrent assets	\$ 451,536	\$ 439,087
Deferred outflows of resources:		
Pension plan (Note 4)	\$ 45	\$ 10
Loss on bond refunding	5,278	6,551
Total deferred outflows of resources	\$ 5,323	\$ 6,561
Total assets and deferred outflows	\$ 609,718	\$ 556,796
LIABILITIES		
Current liabilities:		
Bonds payable, net (Notes 1 and 2)	\$ 17,620	\$ 16,090
Accrued interest payable	5,370	4,588
Accounts payable and other liabilities	756	597
Rebated owed	0	0
Total current liabilities	\$ 23,746	\$ 21,275
Noncurrent liabilities:		
Bonds payable, net (Notes 1 and 2)	\$ 296,239	\$ 254,630
Accounts payable and other liabilities	153	36
Rebate owed	0	0
Total noncurrent liabilities	\$ 296,392	\$ 254,666
Deferred inflows of resources:		
Pension plan (Note 4)	\$ 7	\$ 3
Total deferred inflows of resources	\$ 7	\$ 3
Total liabilities and deferred inflows	\$ 320,145	\$ 275,944
NET POSITION		
Restricted net position	\$ 289,573	\$ 280,852
Transfers between funds	0	0
Total net position	\$ 289,573	\$ 280,852

DW Exhibit 6: Statement of Revenues, Expenses, and Changes in Net Position
State of Iowa Drinking Water Program
Statement of Revenues, Expenses, and Changes in Net Position
For Years Ended June 30, 2018 and June 30, 2017
(Dollars in Thousands)

	2018	2017
Operating revenues:		
Interest income	\$ 12,054	\$ 11,035
Net decrease in fair value of investments	(243)	(336)
Fee income	1,424	1,416
Total operating revenues	\$ 13,235	\$ 12,115
Operating expenses:		
Interest on bonds	\$ 8,930	\$ 8,372
General and administrative	4,355	4,714
Provisions (recoveries) of losses	(25)	(25)
Total operating expenses	\$ 13,260	\$ 13,061
Net operating loss	\$ (25)	\$ (946)
Nonoperating revenues (expenses):		
Grant income	\$ 12,902	\$ 11,760
Grants and aid	(4,156)	(5,355)
Net nonoperating revenues	\$ 8,746	\$ 6,405
Change in net position	\$ 8,721	\$ 5,459
Interfund adjustments, net	\$ 0	0
 Net position at June 30, 2017, as restated	 \$ 280,852	 \$ 275,393
 Net position at June 30, 2018	 \$ 289,573	 \$ 280,852

DW Exhibit 7: Statement of Cash Flows
State of Iowa Drinking Water Program
Statement of Cash Flows
For Years Ended June 30, 2018 and June 30, 2017
(Dollars in Thousands)

	2018	2017
Cash flows from operating activities:		
Cash receipts for fees	\$ 1,389	1,391
Interest received on loans	10,665	\$ 10,345
Principal payments on loans	38,013	33,046
Loan disbursements	(57,014)	(76,983)
Cash payments to employees	(350)	(156)
Cash payments to suppliers and grantees	(4,191)	(4,865)
Net cash used in operating activities	\$ (11,488)	\$ (37,222)
Cash flows from noncapital financing activities:		
Proceeds from issuance of bonds	\$ 116,965	\$ 52,787
Payment of bonds	(63,670)	(14,360)
Interest paid	(16,515)	(9,760)
Bond issuance costs paid	(515)	(294)
Grants received	13,195	12,053
Grant expense	(5,563)	(4,495)
Interfund adjustments	0	0
Net cash provided by noncapital financing activities	\$ 43,897	\$ 35,931
Cash flows from investing activities:		
Purchase of Investments	\$ (10,668)	\$ (24,978)
Interest received on investments	1,301	624
Sales/Maturities of investments	17,279	18,731
Purchase of capital assets	0	0
Payment of rebate	0	0
Net cash provided by (used in) investing activities	\$ 7,912	\$ (5,623)
Increase (decrease) in cash and cash equivalents	\$ 40,321	\$ (6,914)
Cash and cash equivalents, beginning of year	\$ 64,760	\$ 71,674
Cash and cash equivalents, end of year	\$ 105,081	\$ 64,760
Reconciliation of operating income to net cash used in operating activities:		
Operating Income	\$ (25)	\$ (946)
Interest on investments	(1,301)	(623)
Rebate expense	0	0
Bond interest expense	8,416	8,078
Bond issuance costs	515	294
Change of FMV of investments	242	335
Allowance for loan losses	0	0
Depreciation	0	0
Change in Assets & Liabilities:		
Principal repayments loans	38,013	33,046

Purchase of loans	(57,014)	(76,983)
Interest receivable	(87)	(66)
Miscellaneous receivable	(34)	(25)
Other assets	(457)	(267)
Deferred outflows	(36)	23
Increase (decrease) in accounts payable & other liabilities	274	(62)
Increase (decrease) in unearned income	0	0
Deferred inflows	6	(26)
Net cash used in operating activities	(11,488)	(37,222)

Note 1: The outstanding State Match Bonds at June 30, 2018 and June 30, 2017 are as follows:

	FY 2018	FY 2017
DWSRF 2010 MTA	1,380,000	1,985,000
DWSRF 2011 MTA	635,000	780,000
DWSRF 2013 MTA	1,645,000	1,880,000
DWSRF 2015 MTA	6,915,000	8,155,000
DWSRF 2016 MTA	4,210,000	5,000,000
DWSRF 2016 MTA	2,300,000	0
	<u>17,085,000</u>	<u>17,800,000</u>

Note 2: State was required to match expenditures from State Program Management Set-Aside through the 2016 capitalization grant. The Water Quality Protection Fund administered by the Iowa Department of Natural Resources provided a portion of the required match. The remaining match was provided by DWSRF non-program fees.

State began expending the 2017 capitalization grant State Program Management Set-Aside in April 2018 and a state match was no longer required.

Note 3: GASB pronouncement 68 required reclassification of unfunded pension liability.

DW Exhibit 8
State Fiscal Year 2018

	Prior Years	QTR 1	QTR 2	QTR 3	QTR 4	Total
Disbursement (\$1000)	785,101	14,287	13,547	15,427	18,340	846,702
Federal Cash Draw (\$1000)	292,923	820	9,636	1,185	1,097	305,661
State Share (\$1000)	491,628	13,467	3,911	14,242	17,243	540,491
Federal as % of Disbursement	37.3%	5.7%	71.1%	7.7%	6.0%	36.1%

The 2017 capitalization grant was awarded in September 2017 and the state match was provided in October 2016 and was expended first, therefore, federal project draws were made for 100% of eligible disbursements on selected loans.

DW Exhibit 9

	PRIOR YEARS	2016 PYMT 1	2017 PYMT 1	2018 PYMT 1
CAPITALIZATION GRANT	260,461,500	12,432,000	12,326,000	
STATE MATCH	<u>52,092,300</u>	<u>2,486,400</u>	<u>2,465,200</u>	<u>0</u>
TOTAL PROGRAM	312,553,800	14,918,400	14,791,200	0
PAYMENT DATE		10/01/16	10/01/17	
COMMITMENT DATE		10/01/17	10/01/18	

LOAN AGREEMENTS (excluding ARRA funding):

IUP	Prior Years	728,147,233		
10	Ainsworth		(100,257)	
11/16	Alta Municipal Utilities		1,348,000	
17	Amana Society Service Company			5,400,000
13	Anamosa		(70,267)	1,801,000
15	Aplington			(175,549)
15	Asbury		3,007,000	
15	Bedford		350,000	
14	Buffalo Center Central Iowa Water Association			(67,247)
09			(903,580)	
11	Columbus City			(42,555)
15	Coralville		5,000,000	
16	Dakota City			250,000
17	Dubuque		10,198,000	
15	Dyersville			(117,220)
16	Farley			(208,987)
16	Fenton			518,000
12/17	Fort Dodge			1,952,497
16/14	Grimes		(284,981)	
13	Hawkeye			(183,670)
12	Hills		(406,450)	
14	Hull		427,000	
17	Janesville		708,000	
17	Jewell			1,711,000
16	Johnston		1,675,000	
17	Kelley		650,000	
16	Keswick			421,000
17	Lacina Meadows HOA			945,000
14	Lawler		(66,931)	

11	Leland		(42,933)		
10	Mahaska Rural Water System		(787,648)		
15	Moville		(25,317)		
12	New Hartford		(1,519)		
	New London				
11	Municipal Utilities		834,000		
14	North Liberty		22,072,000		
17	Oelwein			1,462,000	
13	Okoboji Camp Owners Coop		(52,075)		
17	Osceola County RWS			3,719,000	
09	Oto			(12,913)	
15	Ottumwa Water & Hydro			(283,733)	
16	Palmer		141,036		
17	Pierson		291,000		
11	Ralston		550,000		
15	Sabula			550,000	
14	Salix		(79,130)		
17	Sheffield			1,200,000	
10	Shenandoah (supplemental)		2,000,000		
13	Sioux City		5,433,363		
15	Sioux Rapids			1,502,000	
26	Solon		1,891,000		
16	Spirit Lake		2,230,000		
13	Stanton		(507,737)		
11	Timber Ridge Water Utility		(4,123)		
16	Wahpeton		1,191,000		
17	Washington			4,378,000	
	West Des				
16	Moines Water Works		3,477,000		
	Winneshiek Co				
11	Bd of Supv- Frankville P&D Loans	11,656,336	2,764,061		(25,035)
				3,834,500	
<hr/>					
	Total Loans	739,803,569	62,904,512	28,527,088	0
	PROGRAM SET-ASIDES	48,943,290	4,547,000	3,452,320	
	TOTAL COMMITMENTS	788,746,859	67,451,512	31,979,408	0
	TOTAL CUMULATIVE COMMITMENTS	788,746,859	856,198,371	888,177,779	888,177,779

120% COMMITMENT REQUIRED	312,553,800	327,472,200	342,263,400	342,263,400
SHORTFALL/(EXCESS)	(476,193,059)	(528,726,171)	(545,914,379)	(545,914,379)
% COMMITMENT ACHIEVED	302.82666	313.74817	311.40149	311.40149

DW Exhibit 10

	PROGRAM ADMINISTRATION								
	1997 - 2009	2010	2011	2012	2013	2014	2015	2016	2017
CAPITALIZATION GRANT SET-ASIDE	7,573,676.00	926,760.00	0.00	0.00	0.00	0.00	0.00	1,140,360.00	740,600.00
DISBURSEMENTS:									
Ahlers & Cooney (<i>bond counsel</i>)	14,830.94								
Dorsey & Whitney (<i>bond counsel</i>)	106,338.02								
DNR (<i>program administration / contractors</i>)	4,932,893.21	627,291.18						640,020.78	122,402.17
IFA (<i>bond issuer / financial reporting</i>)	1,823,505.84	236,390.13						381,620.52	66,718.77
Wells Fargo Bank, N.A. (<i>trustee</i>)	493,806.03	53,078.69						68,718.70	38,481.89
KPMG Peat Marwick (<i>IFA auditor</i>)	6,804.47								
Berens-Tate (<i>arbitrage consultant</i>)	104,156.03	10,000.00							2,000.00
Lamont Financial Services (<i>financial advisor</i>)	49,104.71								
Public Financial Management (<i>financial advisor</i>)	35,731.95								
Fitch, Inc. (<i>rating agency</i>)	1,000.00								
CIFA (<i>association dues</i>)	5,504.80								
NOWSEE staffing retained by EPA								50,000.00	
Total disbursed through June 30, 2018	7,573,676.00	926,760.00						1,140,360.00	229,602.83
Balance Available by Cap Grant Year:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	510,997.17

	TECHNICAL ASSISTANCE TO SMALL SYSTEMS								
	1997 - 2009	2010	2011	2012	2013	2014	2015	2016	2017
CAPITALIZATION GRANT SET-ASIDE	3,302,950.00	300,000.00	550,000.00	150,000.00	287,500.00	0.00	0.00	298,640.00	246,520.00
DISBURSEMENTS:									
DNR (<i>program administration / contractors</i>)	3,302,950.00	300,000.00	550,000.00	150,000.00	287,500.00			298,640.00	83,103.80
Total disbursed through June 30, 2018	3,302,950.00	300,000.00	550,000.00	150,000.00	287,500.00			298,640.00	83,103.80
Balance Available by Cap Grant Year:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	163,416.20

	LOCAL ASSISTANCE AND OTHER AUTHORIZED ACTIVITIES								
	1997 - 2009	2010	2011	2012	2013	2014	2015	2016	2017
CAPITALIZATION GRANT SET-ASIDE	12,762,240.00	3,475,350.00	2,411,550.00	2,298,300.00	2,156,250.00	1,984,350.00	1,971,300.00	1,864,800.00	1,232,600.00
DISBURSEMENTS:									
DNR (<i>wellhead protection program</i>)	5,031,644.00	1,158,450.00	803,850.00	766,100.00		661,450.00	427,139.95		
DNR (<i>viability/capacity development</i>)	7,125,710.00	2,316,900.00	1,607,700.00	1,532,200.00	956,250.00	1,322,900.00	1,314,200.00	1,243,200.00	329,386.88
City of Vinton SWP Loan	40,000.00								
City of Remsen SWP Loan	564,886.00								
Council Bluffs Water Works SWP Loan					1,200,000.00				
Total disbursed through June 30, 2018	12,762,240.00	3,475,350.00	2,411,550.00	2,298,300.00	2,156,250.00	1,984,350.00	1,741,339.95	1,243,200.00	329,386.88
Balance Available by Cap Grant Year:	0.00	0.00	0.00	0.00	0.00	0.00	229,960.05	621,600.00	903,213.12

	STATE PROGRAM MANAGEMENT								
	1997 - 2009	2010	2011	2012	2013	2014	2015	2016	2017
CAPITALIZATION GRANT SET-ASIDE	6,596,566.65	400,000.00	1,500,000.00	615,000.00	2,007,500.00	0.00	0.00	1,243,200.00	1,232,600.00
DISBURSEMENTS:									
DNR (<i>program administration / contractors</i>)	6,596,566.65	400,000.00	1,500,000.00	615,000.00	2,007,500.00			1,243,200.00	346,093.46
Total disbursed through June 30, 2018	6,596,566.65	400,000.00	1,500,000.00	615,000.00	2,007,500.00			1,243,200.00	346,093.46
Balance Available by Cap Grant Year:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	886,506.54

	ANNUAL FEDERAL SET-ASIDE DRAWS								
	1999 - 2010	2011	2012	2013	2014	2015	2016	2017	2018
Program Administration	6,109,720.98	1,114,684.09	1,097,225.30	178,805.63				503,455.31	866,507.52
Technical Assistance to Small Systems	2,833,914.76	272,976.27	295,924.77	301,039.49	301,578.40	395,984.94	153,564.51	150,378.43	266,832.23
Local Assistance & Other Authorized Activities	8,911,152.19	2,403,165.88	2,503,740.97	2,677,674.24	2,389,541.50	3,615,691.76	2,061,223.37	2,389,476.04	1,450,300.88
State Program Management	5,303,737.50	988,216.18	876,122.16	976,691.20	849,865.20	836,444.26	689,304.35	907,214.07	1,280,765.19