

VIRGINIA CLEAN WATER REVOLVING LOAN FUND

**ANNUAL REPORT
FOR FISCAL YEAR 2019
(July 1, 2018 through June 30, 2019)**

**DEPARTMENT OF ENVIRONMENTAL QUALITY
& VIRGINIA RESOURCES AUTHORITY**

SEPTEMBER 2019

**FY 2019 Annual Report
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**COMMONWEALTH OF VIRGINIA
 CLEAN WATER REVOLVING LOAN FUND
 ANNUAL REPORT
 JULY 1, 2018 THROUGH JUNE 30, 2019**

I. INTRODUCTION

The Department of Environmental Quality (DEQ) herewith submits the Virginia Clean Water Revolving Loan Fund Annual Report for the period of July 1, 2018 through June 30, 2019. This report describes how DEQ and the Virginia Resources Authority (VRA) have met the objectives identified in the FY 19 Intended Use Plan and reflects the actual use of available funds.

II. FY 19 PROGRAM SUMMARY

A cumulative total of \$3,412,505,611.97 in total funds (including \$1,217,736,390 in Combined State match and Federal funds) have been made available under the loan program since its inception through FY 19. Please refer to Exhibit 1 for a listing of the Capitalization Grant and State Match amounts. Exhibit 2 illustrates the activity level of the fund.

During this reporting period, DEQ entered into binding commitments for program administration and to provide financial assistance to 4 wastewater projects funded from the Capitalization Grant and State Match, 5 wastewater projects funded by repayments and 1 brownfield remediation loan. Detailed breakdowns of the binding commitments are shown in Exhibit 2.

	Number	Amount
Section 212 Loans Closed*	438	\$3,033,267,659.97
ARRA Loans Closed	35	\$77,720,311
Ag BMP Loans Closed	491	\$46,510,711
Additional Section 319 Loans Closed	27	\$45,295,923
Section 212 Loans Approved (not closed as of 6/30/2018)	32	\$181,073,225
Ag BMP Loans Authorized (not closed as of 6/30/2018)	0	\$ 0
Additional Section 319 Loans Approved (not closed as of 6/30/2018)	6	\$27,520,057
TOTAL	1,038	\$3,411,387,886.97

* Includes projects funded with loan payments, leveraged bond proceeds, and amount utilized for program administration

The impact of DEQ's loan program on water quality and public health can be summarized as follows:

- Eliminated Virginia's 12 remaining municipal "primary discharge" treatment plants
- Upgraded or replaced 39 inadequate municipal wastewater treatment lagoon systems
- Upgraded, expanded or replaced 187 outdated public wastewater treatment facilities
- Eliminated 247 major points of raw sewage overflows
- Improved water quality at 172 projects by significantly reducing infiltration/inflow loading to the plants and the receiving streams
- Addressed 64 potential community public health hazard situations by eliminating failing septic systems, pit privies and straight-line discharges through the construction of public sewer systems
- Installed nutrient removal technology at 50 municipal treatment facilities discharging to the Chesapeake Bay
- Established 5 local loan programs for the replacement/rehabilitation of individual on-site wastewater treatment systems
- Conserved 33,766 acres of land, thereby protecting water quality in the associated watersheds
- Installed 9 water reuse projects
- Provided alternative energy production projects at 14 wastewater treatment facilities
- Installed new stormwater management systems at 12 projects
- Provided funds for 1 county to install living shorelines to protect public areas from continued erosion and reduce sediment entering the Chesapeake Bay.
- Funded 1 Living Shoreline Local Program, allowing homeowners to protect their shoreline property from continued erosion and reduce sediment entering the Chesapeake Bay.

As of June 30, 2019, the Department of Environmental Quality's Ag BMP Loan Program had provided 491 low interest loans to Virginia farmers to assist them with implementation expenses related to the following 614 agricultural best management practices. The program was suspended on July 1, 2016. Legislative changes were passed in early 2019 and updates to the program guidelines were adopted by the State Water Control Board (SWCB) on June 27, 2019 in preparation to restart the program July 1, 2019.

(see table on the following page)

BMP ID #	BMP Name	# of each BMP implemented at Farm Operation Type							Total Funded
		Dairy	Poultry	Beef	Swine	Sheep	Horse	Row Crop	
WP-6	Ag Chemical & Fertilizer Handling Facility							2	2
SL-6B	Alternative Water System	1		3		1			5
WP-4	Animal Waste Control Facility	84	88	60	1	1	1	1	236
WP-4E	Animal Waste Structure Pumping Equipment	18		1	9				28
WP-4C	Composter Facility	1	50		3				54
WP-4B	Loafing Lot Management System	41		2					43
WP-8	Relocation of Confined Feeding Operation	7		6					13
SL-11B	Animal Travel Lane Stabilization	7		4					11
SL-6	Grazing Land Protection	11		93			3		107
WP-2B	Stream Crossing & Hardened Access	1		2					3
WP-2	Stream Protection	2		3		1			6
WP-2A	Stream Bank Stabilization			2					2
WP-7	Surface Water Runoff Impoundment	1							1
NTD	No Till Planter/Drill	8		6				89	103
Total BMPs Loan Funded =									614

shows cumulative totals thru FY 2016 based on cumulative loan closing totals from 1/2000

Development of FY 2019 Project Priority List

EPA approved DEQ's 2019 Project Priority List and Intended Use Plan by letter dated August 26, 2019. The federal FY 2019 Capitalization Grant required that a minimum of \$3,251,800 (10%) but not more than an additional \$9,755,400 (30%) for a total amount of \$13,007,200 of the funds made available from that grant shall be used by the state to provide additional subsidization to recipients in the form of principal forgiveness, negative interest loans, or grants. DEQ's Director of Administration, by memorandum dated June 18, 2019 authorized distribution of \$6,521,555 in principal forgiveness funding to seven (7) localities. Therefore, the amount of principal forgiveness DEQ provided meets the minimum and does not exceed the maximum allowed threshold for FY 2019. The projects receiving additional subsidization met the state's affordability criteria as hardship based on high sewer user charges as percentage of median household income, unemployment rate and population trends and were high water quality projects.

The federal FY 19 capitalization grant also included a requirement that at least 10% of the funds made available by the capitalization grant go to projects meeting the green project reserve (GPR) requirement. DEQ's GPR requirement for FY 18 was \$3,251,800 which was surpassed by the \$23,062,800 in green projects funded.

The following table shows the FY 19 funding priorities and identifies the three (3) green reserve projects receiving \$23,062,800 and the seven (7) hardship loans receiving the \$6,521,555 principal forgiveness.

Locality		Loan	Rate	Loan	Principal	Estimated Loan
Standard Projects		Amount	(Percent)	Term	Forgiveness	Closing Date
				(Years)		
1	City of Lynchburg	1,500,000	0%	20 years		September 2019
2	City of Covington	5,708,000	0%	20 years	1,712,400	October 2019
3	City of Norfolk	10,000,000	0%	20 years	600,000	Summer 2019
4	Town of Tazewell	10,656,046	0%	25 years	3,196,813	March 2020
5	Town of Honaker	1,152,736	0%	25 years	345,820	Summer 2019
6	Harrisonburg/Rockingham RSA	37,524,000	CR	30 years		January 2020
7	Lee County PSA	1,156,300	0%	25 years	346,890	January 2020
8	Wise County PSA	815,441	0%	20 years	815,441	July 2020
9	Alexandria Renew Enterprises	9,400,000	CR	25 years		October 2019
Standard subtotal		77,912,523				
Green Reserve						
10	The Nature Conservancy	20,125,000	3%	20 years		August 15 2019**
11	James City County	2,687,800	CR	20 years		November 2019
12	Middle Peninsula PDC	250,000	0%	15 years	75,000	November 2019
Green Reserve subtotal		23,062,800				
Total All Projects		100,975,323			Total PF	6,521,555
Administration		1,300,720				
Total All Projects & Admin		102,276,043			CR= Ceiling	
Locality					Rate	

**marked dates are actual loan closing dates

DEQ's FY 19 Capitalization Grant application targeted loan assistance to 12 projects totaling \$100,975,323 utilizing \$32,518,000 in FY 18 Title VI funds. The required State match of \$6,503,600 will be satisfied by state match bonds. The remaining funds were made available from loan repayments and interest earnings.

FY 2020 Project Solicitation

On June 10, 2019 the staff solicited applications from the Commonwealth's localities and wastewater authorities as well as potential stormwater BMP projects, land conservation applicants, brownfield remediation clientele and living shoreline projects. July 26, 2019 was established as the deadline for receiving applications. Based on this solicitation, DEQ received 22 wastewater improvement applications requesting \$652,356,741, two (2) stormwater applications requesting \$13,906,464, and one (1) brownfield application for an additional \$373,086.

III. GOALS AND ACCOMPLISHMENTS

In its Intended Use Plan for FY 19, DEQ identified the following goals:

- ***Implement the program in a manner that maximizes its ability to fund Virginia's pressing water quality needs.***

Numerous activities and strategies are being implemented to maximize the program's ability to fund Virginia's most pressing water quality needs.

- (a) Modeling of the long-term funding capacity of the VCWRLF has been continued in order to determine the ability of the Fund to provide sustained funding for Virginia's water quality needs.
- (b) Coordination with Virginia's Water Quality Improvement Fund and Stormwater Local Assistance Fund state grant programs has been and will be maintained to maximize use of available resources.
- (c) Close scrutiny is being taken toward ensuring that funded projects have direct water quality benefits.
- (d) Readiness-to-proceed information and cash flow need projections are closely evaluated to ensure that funding resources match needs on a cash flow basis.

- ***Utilize the 20-year planning model to provide a relevant framework for Clean Water Program decision making to maximize the program's capacity for funding.***

A 20-year planning model was developed for the program. This model provides a long term view of the program's funding capacity. Several scenarios were developed through varying input parameters in order to analyze different aspects of the fund capacity. We plan to continue analyzing the planning model in collaboration with the Virginia Resources Authority to enhance and inform decision making for the program.

- ***Improve and expand the program's database system to more effectively and efficiently track and manage VCWRLF projects.***

DEQ maintains an agency-wide comprehensive database called Comprehensive Environmental Data System (CEDS). Clean Water Financing and Assistance Program (CWFAP) staff completed the first of multiple phases to enter VCWRLF data into CEDS. This phase included program specific module creation, testing, project data entry and disbursement processing. Additional phases will include: development of a public portal that will allow localities to submit the program application and all disbursement requests digitally; electronic storage of all project documents, which will then be accessible by other DEQ employees in associated programs; integration with Agency financial software, allowing for better tracking of program expenditures; and finally, a connection with our financial partners – Virginia Resources Authority and Farm Credit Bureau. It is hoped that by the time these phases are complete, there will be a way to connect with the EPA databases CWNIMS and CBR from CEDS.

- ***Maintain a program Pace (ratio of cumulative assistance provided to cumulative funds available) of at least 90%.***

This goal was achieved as our cumulative Pace through FY2018 is 90%.

- ***Develop a comprehensive marketing plan for the program***

DEQ CWFAP staff recognize the importance of marketing the VCWRLF to potential recipients. During the reporting period, we performed a strategic program evaluation and determined the need to develop and

implement a marketing plan for the program targeting enhanced outreach opportunities for each program component (wastewater, land conservation, living shorelines, brownfields, stormwater and Ag BMP).

Program staff collaborated with Northbridge to develop three marketing surveys targeting three separate groups of recipients. DEQ plans to continue to work with Northbridge on evaluation of survey results and development of the comprehensive marketing plan and will coordinate with EPA to ensure alignment with Region 3 goals.

- ***Resume the Agricultural Best Management Practice (Ag BMP) Loan Program***

DEQ initiated legislation which passed in early 2019 to amend Virginia Code regarding the Ag BMP Loan Program. The changes expanded the list of eligible applicants and practices and conformed Virginia law with federal law to provide the opportunity for principal forgiveness. CWFAP staff updated the program guidelines to incorporate those changes, and to offer additional incentives such as reducing the interest rate to zero percent and eliminating the long term loan requirement. CWFAP staff engaged agricultural stakeholders in the guidelines update process and the guidelines were provided to the public for review and comment. Final revisions were approved by the State Water Control Board in late June and the program resumed on July 1, 2019.

During the reporting period, CWFAP staff participated in a number of outreach events to discuss the program restart and highlight the additional incentives. Ag BMP outreach efforts have been extremely successful in garnering interest and will be one component of the comprehensive marketing plan.

The following is a description of the environmental benefits of all of the projects with a loan that closed in FY 2019

Norfolk - Campostella Landfill Project (C515591-02)

This project involves a \$1,117,725.00 loan commitment for the implementation of a Corrective Action Plan (CAP) for the Campostella Landfill. This CAP was prepared in response to an exceedance of Groundwater Protection Standards (GPSs) at the City of Norfolk's closed Campostella Landfill. The purpose of the CAP is to present a site-specific remediation plan able to be protective of human health and the environment, control the source of the release, and comply with applicable state and federal standards for the management of solid waste. This project will implement in-situ air sparging (IAS) as the remedy for the Campostella Landfill. IAS is a relatively common, proven technology for the in-situ remediation of volatile organic compounds (VOCs) in unconsolidated aquifers, and may be effective in immobilizing inorganics. The technology consists of the injection of pressurized air into the aquifer using a surface-mounted blower and subsurface injection wells. It is anticipated that the selected remedy will be effective in reducing the concentrations of benzene and naphthalene to levels below their respective standards.

HRSD - Orcutt Ave Project (C515621-01)

This project involves an \$8,677,684.00 loan commitment for the replacement of compromised HRSD gravity sewer main. The project area consists of three (3) sections that total approximately 20,420 linear feet (3.9 miles) of existing 15-inch, 18-inch 24-inch and 30-inch gravity sewers and 95 manholes in Orcutt Avenue and Mercury Boulevard Right-of-Ways. The existing gravity sewer sections are 1) Orcutt Avenue Section A – 7,220 linear feet of gravity pipeline and 42 manholes located within the City of Hampton and extend along Orcutt Avenue from Todds Lane to at Mercury Boulevard, 2) Orcutt Avenue Section B – 3,800 linear feet of 24-inch gravity pipeline and 14 manholes extends from Mercury Boulevard to New Market Creek Pumping Station on Orcutt Avenue, and 3) Mercury Boulevard – 9,400 linear feet of gravity pipeline and 39 manholes located within the City of Hampton

and extend along Mercury Boulevard from Aberdeen Road to Orcutt Avenue. Improvements will prevent future sanitary sewer overflows.

HRSD - Boat Harbor STP Project (C515604-02)

This project involves an \$8,314,638.00 loan commitment for the replacement of an existing electrical switchgear at the Boat Harbor Treatment Plant (BHTP). The BHTP receives flow via gravity and relies on pumping to convey the flow through the plant. Electrical system reliability is critical to plant operations. Loss of all power (utility and generator) will result in plant overflows within approximately 30 minutes due to the inability to pump flow through the plant. Loss of raw water influent screw pumps will result in sewage discharge into the Small Boat Harbor. Loss of the Intermediate Plant Pumping Station will cause plant flooding and sewage discharge to the Small Boat Harbor and the James River. The remaining service life and availability of replacement parts for the existing switchgear and controls has become an issue. The primary objective of the BHTP switchgear replacement project is to improve the safety and reliability of the primary and emergency power supply to the treatment facility by replacing aging and outdated electrical equipment. This will be accomplished by building a new Main Switchgear Building and a new Generator Switchgear Building. This will help prevent potential future sanitary sewer overflows.

Town of Virgilina WWTP Improvements (C-515592-02)

The Virgilina WWTP & system improvements include the rehabilitation and upgrade of the Route 96 pump station in addition to the installation of a below grade submerged attached growth system (Lemna) for tertiary nitrification and ammonia removal. The loan amount is \$701,500.00.

City of Lynchburg WWTP Wet Weather Improvements Project (C-515618E-01)

This project will allow the City of Lynchburg's Wastewater Treatment Plant to capture influent flow at a minimum flow rate of 76 million gallons per day (MGD) for storage and treatment. Flow rates of up to 32 MGD will be placed into a new 4 million gallon storage facility and the WWTP will then be capable of adequately treating and disinfecting peak flows of 44 MGD during wet weather events. Several improvements to the existing headworks facility are being done which include increasing the size of three influent pumps to 25 MGD, replacing a fourth pump with a 15 MGD pump, and adding a fifth 15 MGD submersible pump in an extended wet well section with a force main extension to a new storage tank with a throttling valve. Other headworks facility improvements include a new emergency generator, a new electrical building for power distribution, replacement of the existing HVAC, upgrading the main electrical system, and replacement of the screening and grit removal equipment. A new 4 million gallon rectangular high flow storage tank with integrated disinfection, flushing capability, chemical day tanks for disinfection, and a gravity drain back to the main pumping station will be constructed. Other WWTP improvements include upgrading the existing disinfection chemical storage system, upgrades to the primary clarifier splitter structure, converting the existing paper mill clarifier to a high strength wastewater holding tank, and installing an isolation valve in the CSO 109 discharge box to route high strength wastewater to the new high strength wastewater storage tank.

The improvements are in compliance with the 2014 Long Term Control Plan (LTCP) for the City of Lynchburg's Combined Sewer System approved on September 5, 2014 and the Consent Special Order approved on July 31, 2015, which requires investigation, plan development, and making necessary repairs to eliminate sanitary sewer overflows. The project is in close proximity to the James River and its completion will help restore water quality to the river and ultimately the Chesapeake Bay by reducing sanitary sewer overflows. The loan amount is \$32,000,000.00.

Pepper's Ferry RWTF Improvements Project (C-515631-01)

The project addresses the upgrade of three major components: Solids Handling, Return Activated Sludge/Retained Flow Pump with Force Main Replacement, and Aeration Header Replacement at the Pepper's Ferry Regional Wastewater Treatment Facility. The Solids Handling upgrades includes installation of new Rotary Drum Thickeners to replace the existing dissolved air flotation thickeners, new solids handling pumps, a new shaftless screw conveyor to replace the existing belt conveyor, and the addition of secondary digester mixing equipment. Modifications will also be made to the existing internal space and sludge handling building to ensure compliance with National Fire Protection Standard 820 requirements. The Return Activated Sludge/Retained Flow Pump and Force Main Replacement component includes new pumps, motors and associated equipment, replacement of approximately 1,500 feet of existing force main with three separate 500 linear force mains, new flow metering facilities, and construction of a new splitter box to the aeration basins. The existing below grade aeration pipe from the blowers will be replaced with a new overhead header and basin drops constructed of stainless steel to each of the three existing aeration basins with allowances for a future fourth basin. The proposed improvements to the Pepper's Ferry Regional Wastewater Treatment Facility will allow the facility to replace aging infrastructure at the facility, improve process performance, increase reliability for the facility, and increase safety. The project is in close proximity to the New River and will help maintain water quality to the river by replacing aging equipment. The loan amount is \$12,840,000.00.

Town of St. Paul WWTP Refinance Project (C-515623)

The Town of St. Paul entered a partnership with the Castlewood Water & Sewer Authority (CWSA) and the Wise County PSA (WCPSA) to construct a regional wastewater treatment plant (WWTP) to serve the Town of St. Paul, southeast Wise County and northwest Russell County. The 0.5 MGD WWTP membrane bioreactor plant was completed in December 2015, and discharges to the Clinch River via VPDES Permit No. VA0026221. The discharge is through a submerged diffused outfall to facilitate complete mixing of the effluent with the river water.

The Clinch River is one of the most bio-diverse streams east of the Mississippi. The Virginia Department of Game and Inland Fisheries considers the Clinch River threatened and endangered species waters. There are over 30 threatened and endangered species near the St. Paul WWTP including a number of threatened and endangered freshwater mussels. Additionally the Clinch River is a public water source for Wise County. The Carfax Water Treatment Plant is approximately 7 miles downstream.

Refinancing the existing debt enables the Town and member communities to reduce their existing loan term from over 30 years to 20 years without an appreciable change to the annual debt service amount. This will enable both the WCPSA and CWSA to strategically serve built-up areas that currently are not served by public wastewater collection systems sooner compared to the original terms. The loan amount is \$2,003,848.97.

Town of Marion Phase 3/4 I/I Replacement Project (C-515627-02)

The Town of Marion recently completed a multi-phase Capital Improvements Plan that identifies needs within the water distribution and wastewater collection systems, and places priority on repairs. This work identified wastewater collection system infrastructure that due to age and condition, is in need of replacement. The Town proposes to replace a total of approximately 11,330 feet of predominately 8-inch pipe and related appurtenances in multiple phases. The Phase 3/4 project includes replacement of approximately 2,600 feet of 8-inch of pipe and related appurtenances (manholes, lateral reconnections, etc.).

The pipe to be replaced during Phase 3/4 is predominately 8-inch terra cotta located at Lincoln/Virginia Street and Catron Street. There is a history of line repairs in these areas due to breaks and blockages and part of the existing line is also a source of inflow and infiltration. Replacement of existing line will reduce the potential for overflows, decrease hydraulic loading on the downstream collection system and the Town's WWTP, and decrease the potential for back-ups into Town residences. This work is being undertaken simultaneously with potable water

line replacement so that the existing infrastructure on each street is repaired and/or replaced and the street only has to be paved once. So, not only is the Town reducing hydraulic loading to the wastewater collection and treatment system, they are reducing their liability exposure, and proactively reducing the possibility of system overflows while taking advantage of economy of scale and repairing a street one time instead of multiple times. The Phase 3/4 loan amount is \$413,300.00.

Town of Wytheville Edgemont Sewer System Extension Project (C-515595-02)

The Town of Wytheville Edgemont Sewer System Project is currently under construction with final completion projected by November 15, 2019. This project includes construction of a small suction lift pump station, approximately 4,000 linear feet of 8-inch gravity sewer and 4,110 linear feet of 6-inch force main. Currently, wastewater from 10 single family homes and the Edgemont Center Building is collected and conveyed to an unlined, multi-cell aerated lagoon for treatment prior to discharge via Reed Creek. This project provides public sewer service to an area within town jurisdiction not currently served and will provide the core system for future growth in the area. Completion of this project will result in the elimination of a point source discharge and concerns of wastewater treatment in an unlined lagoon, which could affect groundwater and surface water if the lagoon were to leak or breach. Operations of the lagoon system will cease following completion of the project. The project loan amount is \$1,386,000.00.

Wise County PSA Upper Exeter Pump Station & Force Main Project (C-515594-02)

The Wise County Public Service Authority (WCPSA) owns and operates a small collection system and 30,000 GPD decentralized wastewater treatment plant (WWTP) that serves the Upper Exeter community in northwest Wise County. There are approximately 125 connections to the collection system. Despite several capital improvements since the initiation of operation, the WWTP has a history of permit violations and compliance issues. As such, the WCPSA is proposing to pump wastewater to the Town of Appalachia with ultimate treatment at the Big Stone Gap Regional WWTP, and then decommission the existing Upper Exeter WWTP.

The project consist of three major components: 1) Installation of a prefabricated duplex suction lift station plant including chemical feed equipment and back-up auxiliary power adjacent to the package plant. 2) Installation of approximately 665 linear feet of 8-inch gravity sewer, 22,700 linear feet of 4-inch force main and related appurtenances. 3) Demolition of the existing 30,000 GPD package sewage treatment plant. Wastewater from the Upper Exeter Community will be pumped via force main to the Appalachia collection system and final treatment will occur at the Big Stone Gap Regional WWTP. This project eliminates a VPDES permit, associated discharge to Pigeon Creek (an impaired water body), and promotes regionalization between the WCPSA, the Town of Appalachia, and the Town of Big Stone Gap. The project cost is \$1,797,942.00.

IV. DETAILS OF ACCOMPLISHMENTS

A. Fund Financial Status

1. Binding Commitments

As detailed in Exhibit 2, DEQ entered into binding commitments totaling \$69,252,667.97 during this twelve-month reporting period.

As a condition of the Operating Agreement, DEQ agreed that binding commitments totaling at least 120% (the federal share plus the 20% State match) of federal payments to DEQ would be made within one year. As of June 30, 2019, binding commitments with projects funded with capitalization grant funds totaled \$1,347,172,333.21, or 151.66% of federal payments received as of June 30, 2018, thereby exceeding this requirement.

2. Sources of Funds

Exhibit 3 shows the sources of the Fund's money for FY18. \$32,848,000 was made available from the FY18 Capitalization Grant in the Letter of Credit account established for the Fund.

As of June 30, 2019, money in the Fund had earned cumulative interest in the amount of \$94,995,549 in addition to the cumulative principal and interest payments from loan recipients of \$1,298,697,043.

3. Administrative Fees

In FY 2004, the Board approved the implementation of an annual fee to be placed on all VCWRLF ceiling rate loans. VRA began collecting this administrative fee as a component of loan interest on such loans in FY 2005. VRA has established a Wastewater Administrative Fee cash account to collect loan administration and bond structuring fees. FY 19 activity in the account is shown below:

Admin Fee Account Activity		
FY2019 Beginning Balance	\$	7,160,628.00
FY2019 Admin Fee Cash Collections	\$	1,414,574.00
FY2019 Interest Earnings		150,532.00
State Match Contribution		
FY2019 Admin Fee Expensed		(710,482.00)
FY2019 Ending Balance	\$	8,015,253.00

4. Disbursements and Guarantees

Exhibit 4 reflects DEQ records that in FY 19 disbursements of federal and state funds to recipients and funding to help cover program administration costs totaled \$46,657,221.96. Of this amount, \$38,881,018.30 was Federal funds and \$7,776,203.66 was State funds. The Federal share represents 83.33% of the total amount disbursed; the State share represents 16.67% of the total. In addition, disbursements totaling \$34,122,862.01 were made from loan payments and bond proceeds. **The combined total of all disbursements was \$80,780,083.97.**

5. Financial Statements

Exhibits 5, 6 and 7 represent the financial statements for the Virginia Water Facilities Revolving Fund. These exhibits include schedule of assets, liabilities and fund equity; schedule of revenues, expenses and changes in fund equity; and statement of cash flows.

6. Credit Risk of the SRF

DEQ's program has been designed to minimize the default risk associated with making loans to the program participants. Detailed financial analyses and credit summaries are performed by the Virginia Resources Authority (VRA) for each applicant prior to entering into a loan commitment. Each loan recipient must also establish one or more dedicated sources of revenue for repayment of the loan. Dedicated sources of revenue can be water and/or sewer revenue pledges, general tax pledges or a combined pledge of revenues and full faith and credit. Credit assessment of the Ag BMP loans is conducted by the Farm Credit Association. It is understood that these loans carry an inherently higher level of risk than the municipal loans.

Exhibit 9 shows no VCWRLF Loan Payments outstanding at June 30, 2019. The 120+ column of the Ag BMP Loan Payments Outstanding at June 30, 2019, shown in Exhibit 9, are related to nine (9) farmers. One farmer is so far in arrears (an \$117,201.95 outstanding balance and 2,920 days late), that he is under collection by DEQ.

Another farmer (with an outstanding balance of \$14,912) had declared bankruptcy and established a repayment plan, however, he is now 820 days late.

Exhibit 10 shows the type of financial assistance that has been provided along with the credit rating of the loan recipient. The table shows that approximately 61% of all loans closed have gone to communities that have a bond rating of A or above.

B. Provisions of the Operating Agreement/Conditions of the Grant

DEQ agreed to a number of conditions in the Operating Agreement or Grant Agreement. Conditions as described in the Operating Agreement have been met.

1. Provide a State Match

The State deposited into the Fund payments that have totaled at least 20% of the grant payment. (See Exhibit 3)

2. Binding Commitments Within One Year

DEQ entered into binding commitments to provide assistance from the Fund in amounts equal to or greater than 120% of each quarterly grant payment within one year after receipt of each quarterly grant payment. (See Exhibit 2)

3. Expedient and Timely Expenditure

DEQ disbursed all cash draws and other available Fund money in a timely and expeditious manner.

4. Eligible Activities

DEQ monitors each project to ensure EPA's eligibility requirements are followed. All activities financed were eligible under Section 212 and Section 319 of the Clean Water Act.

5. MBE/WBE Objective

DEQ ensures that loan recipients follow the steps outlined in 40 CFR Part 33 regarding utilization of minority and/or women-owned businesses (MBE/WBE) in the construction of its projects. MBE/WBE fair share goal amounts included in Condition Number 6 of the FY 19 Capitalization Grant are as follows:

	MBE	WBE
Construction	2.8	1.2
Supplies	0.6	0.2
Services	2.0	1.0
Equipment	1.7	2.6
TOTAL	7.1	5.0

DEQ requires up-front documentation from all contractors that must provide evidence of "good-faith effort" in the solicitation and utilization of MBE/WBE firms. The actual monitoring and reporting of the MBE/WBE utilization occurs during the project construction period, which, in most cases, is three years. DEQ receives utilization information from each loan recipient within 30 days after the end of each quarter in which sub-agreements were awarded. These forms provide documentation on actual MBE/WBE utilization during the course of the project.

6. Administration of the Revolving Loan Fund

The maximum funding allowable from the Fund for the administration of state revolving loan programs is 4% of the actual Capitalization Grant amount. DEQ has maintained an effective program utilizing 3.40% of this amount for program administration along with State general funds and funds from the wastewater administrative fee account. Expenditures for FY 19 program administration charged to the Capitalization Grant are identified in Exhibit 8.

V. EPA PROGRAM EVALUATION REPORT FINDINGS

The Program Evaluation Report (PER) is EPA's evaluation of Virginia's Clean Water Revolving Loan Fund Program and identifies strengths and areas for improvement within the program. EPA conducted an onsite review of DEQ's program on April 30 to May 1, 2019. The final PER was dated July 25, 2019. Overall, the PER was very positive about DEQ's program. There was one item for DEQ to consider as a result of EPA's review of FY 2018 programmatic performance:

1. Program pace, the timely and expeditious commitment of available funds, is a national program indicator. In State Fiscal Year (SFY) 18, VADEQ's pace was 91%; the national average was 98%. Although VADEQ's pace percentage slightly increased over the last year (from 90% to 91%), it is not in line with the national average. EPA recognizes that VADEQ is demonstrating progress and encourages them to continue taking steps to meet or exceed the national average.

VI. PROGRAM CHANGES

Two legislative changes to the program were passed in 2019, 1) Ag BMP – expanded the list of eligible applicants and practices and conformed Virginia law to federal law to allow for principal forgiveness, and 2) Living Shorelines – added businesses as eligible applicants for living shorelines from a local program. The program guidelines for Living Shorelines and Agricultural BMPs were revised to incorporate these changes and approved by the State Water Control Board in June 2019. There were no other significant changes to the VCWRLF program in 2019.

DEQ would like to provide an update on the list of strategic initiatives we evaluated for the program this year:

- Strategy #1: Development and implementation of a marketing plan for the program targeting enhanced outreach opportunities for each program component (wastewater, land conservation, living shorelines, brownfields, stormwater, and Ag BMP)
- Update: Created a Clean Water Financing and Assistance Program (CWFAP) Marketing Team in November 2018 to lead the marketing strategy. The CWFAP Marketing Team worked with Northbridge to develop and implement a marketing survey. Work is underway to review survey results and develop a comprehensive marketing plan for the program.
- Strategy #2: Partnering with pertinent DEQ water and land programs to identify pressing water quality needs and provide a link to potential funding sources
- Update: Developed a working relationship with DEQ's Non-Point Source Program, Animal Waste Program, and Brownfields Program. Provided a presentation of the CWFAP funding sources to DEQ's Water Planning Division. Collaborated with various DEQ water programs during redevelopment of the Ag BMP Loan Program. Participated with other DEQ programs on Shenandoah Funding conference calls with EPA.
- Strategy #3: Evaluation of best management practices to distribute additional subsidization within targeted timeframes.

- Update: Expanded the use of additional subsidization in 2019 to select green project reserve projects and Ag BMP projects. Developing a pilot program to utilize additional subsidization as an incentive for localities in southwest Virginia to perform system surveys and target high priority repairs that would significantly reduce sanitary sewer overflows and eliminate straight pipe discharges.
- Strategy #4: Enhancing utilization of VCWRLF funds as a match for Stormwater Local Assistance Fund (SLAF) projects
- Update: Marketing team is considering options for marketing jointly funded stormwater projects to be included in the comprehensive marketing plan and the potential for development of marketing brochure that highlights benefits of co-funding stormwater projects.
- Strategy #5: Exploring potential conduit lending opportunities through sponsorships.
- Update: No work completed on this initiative.
- Strategy #6: Performing a LEAN event for the program to streamline processes and focus resources.
- Update: A LEAN event for the program was conducted in March 2019 and program staff are working to implement action items resulting from the event. Several efficiencies implemented to date include, streamlined project approval process, improved initial meeting communications to include a “map to closing”, and updated program forms and checklists.
- Strategy #7: Increasing RLF solicitations to twice per year.
- Update: Increasing the number of RLF solicitations has been considered in several scenarios within the program, and will continue to be considered and implemented if deemed appropriate. Because the FY20 solicitation was so successful, a second solicitation this year is unlikely, but will be considered in future years.

EXHIBIT 1

Virginia's Capitalization Grant
State Match Amounts

Fiscal Year	Capitalization Grant	State Match
87-88	\$39,936,888.00	\$7,987,378.00
1989	\$30,763,523.00	\$6,152,705.00
1990	\$44,228,824.00	\$8,845,765.00
1991	\$54,846,182.00	\$10,969,236.00
1992	\$39,949,589.00	\$7,989,918.00
1993	\$39,495,891.00	\$7,899,178.00
1994	\$26,400,495.00	\$5,280,099.00
1995	\$26,126,786.00	\$5,225,357.00
1996	\$42,185,933.00	\$8,437,187.00
1997	\$14,206,058.00	\$2,841,212.00
1998	\$28,342,063.00	\$5,668,413.00
1999	\$27,560,214.00	\$5,512,043.00
2000	\$29,726,900.00	\$5,945,380.00
2001	\$27,495,024.00	\$5,499,005.00
2002	\$27,330,865.00	\$5,466,173.00
2003	\$27,175,603.00	\$5,435,121.00
2004	\$27,122,337.00	\$5,424,467.00
2005	\$22,089,068.00	\$4,417,814.00
2006	\$17,956,452.00	\$3,591,290.00
2007	\$21,903,750.00	\$4,380,750.00
2008	\$13,926,231.00	\$2,785,246.00
2009	\$13,926,231.00	\$2,785,246.00
2009 ARRA	\$80,203,300.00	\$0.00
2010	\$41,698,000.00	\$8,339,600.00
2011	\$30,220,000.00	\$6,044,000.00
2012	\$28,924,000.00	\$5,784,000.00
2013	\$27,323,000.00	\$5,464,600.00
2014	\$28,694,000.00	\$5,738,800.00
2015	\$28,548,000.00	\$5,709,600.00
2016	\$27,344,000.00	\$5,468,800.00
2017	\$27,133,000.00	\$5,426,600.00
2018	\$32,848,000.00	\$6,569,600.00
2019**	\$32,518,000.00	\$6,503,600.00
TOTAL	\$ 1,028,148,207.00	\$ 189,588,183.00

**Grant not awarded until August 26, 2019

**BINDING COMMITMENTS IN FY 2019
(PROJECTS PARTIALLY FUNDED BY CAPITALIZATION GRANT)**

EXHIBIT 2
PART A

PROJECT NAME	PROJECT #	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
PROGRAM ADMIN		\$1,313,920.00				\$1,313,920.00
Town of Saint Paul	515623010	\$2,003,848.97				\$2,003,848.97
City of Lynchburg	515618010	\$32,000,000.00				\$32,000,000.00
Peppers Ferry PWTA	515631010		\$12,840,000.00			\$12,840,000.00
Hampton Roads Sanitation District	515621010			\$8,677,684.00		\$8,677,684.00
TOTALS		\$35,317,768.97	\$12,840,000.00	\$8,677,684.00	\$0.00	\$56,835,452.97
TOTAL BINDING COMMITMENTS (THRU FY 17)						\$1,290,336,880.24
CUMULATIVE TOTAL (THRU FY-2018-)		\$1,325,654,649.21	\$1,338,494,649.21	\$1,347,172,333.21	\$1,347,172,333.21	\$1,347,172,333.21

FEDERAL PAYMENTS

PRIOR YEARS (FY'S 88 THRU 17)						\$855,445,907.00
FY18 FEDERAL PAYMENTS		\$32,848,000.00				\$32,848,000.00
CUMULATIVE (FY'S 88-18)		\$888,293,907.00	\$888,293,907.00	\$888,293,907.00	\$888,293,907.00	\$888,293,907.00

BINDING COMMITMENTS AS A PERCENT OF FEDERAL PAYMENTS

		149.24%	150.68%	151.66%	151.66%	
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**BINDING COMMITMENTS IN FY 2019
(PROJECTS FUNDED BY LOAN PAYMENTS & BOND PROCEEDS)**

EXHIBIT 2
PART B

PROJECT NAME	PROJECT #	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
Town of Virgilia	515592020	\$701,500.00				\$701,500.00
City of Norfolk	515591020	\$1,117,725.00				\$1,117,725.00
Town of Marion	515562720		\$413,330.00			\$413,330.00
Hampton Roads Sanitation District	515604020			\$8,314,638.00		\$8,314,638.00
Town of Wytheville	515595020			\$1,386,000.00		\$1,386,000.00
Wise County PSA	515594020				\$1,797,942.00	\$1,797,942.00
Totals		\$1,819,225.00	\$413,330.00	\$9,700,638.00	\$1,797,942.00	\$13,731,135.00

BINDING COMMITMENTS IN FY 2019
(AG BMP PROJECTS FUNDED BY LOAN PAYMENTS)

EXHIBIT 2
PART C

OPERATION TYPE	PROJECT #	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER	TOTAL
<u>Section 319 (Ag BMP)</u>						\$0.00
						\$0.00
						\$0.00
						\$0.00
	Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Reconciliation of DEQ Exhibit 3 to the Audited Financial Statements of VRA

Per VRA Financials (p.85)

Line Item	Amount
Investment income	\$ 12,254,499
Direct Loan Accounts	\$ 11,596,831
Agricultural BMP Accounts	657,668
	<hr/>
Investment income	<u>\$ 12,254,499</u>

Per VRA Financials Cash Flows (p.86)

Line Item	Amount
Principal Repayments - Direct and AGBMP	\$ 60,141,585
Interest Repayments - Direct and AGBMP	5,295,596
Principal Repayments - Leveraged accounts	58,379,142
Interest Repayments - Leveraged accounts	15,326,679

Per VRA Financials (p.86)

Line Item	Amount
Investment income - Leveraged	\$ 7,329,851

Per DEQ Exhibit 3 - Source of Funds

Line Item	Amount	Variance
VRLF Earnings on Investments	12,254,499	\$ -
Change in Fair Value - Direct Accounts		\$ -
Loss on sale of Investments - Direct Accounts		-
Change [reduction] in Fair Value - AgBMP Accounts		-
Loss on sale of Investments - AGBMP Accounts		-
	<hr/>	<hr/>
		\$ -

Per DEQ Exhibit 3 - Source of Funds

Line Item	Amount	Variance
VRLF Principal Repayments		\$ 60,141,585.00
VRLF Interest Repayments		5,295,596.00
Principal Repayments - Indentured accounts		58,379,142.00
Interest Repayments - Indentured accounts		15,326,679.00

Per DEQ Exhibit 3 - Source of Funds

Line Item	Amount	Variance
Investment Earnings of Reserve Account	\$ 7,160,126	\$ 169,725

**TOTAL FY 2019 DISBURSEMENTS
(PROJECTS FUNDED BY CAPITALIZATION GRANT)**

EXHIBIT 4
PART A

PROJECT #	PROJECT NAME	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	TOTAL FOR FY 2019		
C-515584-01	CHARLES CITY COUNTY		\$175,364.49			\$175,364.49		
C-515596-01	CLIFTON FORGE	\$421,860.31	\$6,692.50			\$428,552.81		
C-515605-01	HRSD (Lucas Creek)	\$8,899.16			\$2,730,142.82	\$2,739,041.98		
C-515613-01	HRSD (Atlantic THP)	\$5,972,680.96	\$5,584,906.11	\$7,938,527.68	\$1,878,456.51	\$21,374,571.26		
C-515577-01	HRSD (Orcutt Avenue)			\$230,565.00	\$701,503.22	\$932,068.22		
C-515560-01 G	HRRSA	\$1,024,012.08				\$1,024,012.08		
C-515618E-01	LYNCHBURG	\$919,041.49	\$466,514.46	\$917,771.75	\$1,118,564.21	\$3,421,891.91		
C-515582-01	MARTINSVILLE	\$1,314,087.16	\$1,452,270.40	\$926,213.08	\$798,703.34	\$4,491,273.98		
C-515550-01	NORFOLK		\$134,446.56			\$134,446.56		
C-515574-01	NORFOLK		\$967,282.83		\$654,393.82	\$1,621,676.65		
C-515593-01	NORFOLK		\$1,002,793.28	\$1,777,106.81	\$168,754.51	\$2,948,654.60		
C-515551-01	PEPPER'S FERRY		\$1,201,872.53	\$428,108.17	\$1,870,080.79	\$3,500,061.49		
C-515623-01	SAINT PAUL	\$2,003,848.97				\$2,003,848.97		
C-515563-01	TAZEWELL CO PSA	\$481,281.30			\$265,292.96	\$746,574.26		
C-515559-01	WASHINGTON CO SA		\$45,339.25	\$22,357.49		\$67,696.74		
Project Totals		\$12,145,711.43	\$11,037,482.41	\$12,240,649.98	\$10,185,892.18	\$45,609,736.00		
Administration						\$1,047,485.96	PREVIOUS YEAR'S (FY'S 89-18) TOTAL	COMBINED TOTAL (FY'S 89-19)
TOTAL						\$46,657,221.96	\$1,006,929,126.93	\$1,053,586,348.89
Federal Share of Total						\$38,881,018.30	\$838,307,486.29	\$877,188,504.59
State Share of Total						\$7,776,203.66	\$168,621,640.61	\$176,397,844.27
% Federal (FY18)						83.33%	83.25%	83.26%
% State (FY 18)						16.67%	16.75%	16.74%

**TOTAL FY 2019 DISBURSEMENTS
(FROM LOAN PAYMENTS AND BOND PROCEEDS)**

PART B

PROJECT #	PROJECT NAME	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	TOTAL FOR FY 2019
C-515634-02	BRIDGEWATER	\$399,428.07	\$171,068.27	\$83,186.75	\$39,396.98	\$693,080.07
C-515601-02	COVINGTON		\$272,589.20	\$194,510.80	\$24,900.00	\$492,000.00
C-515502-02	FAUQUIER COUNTY	\$209,988.48	\$86,241.55			\$296,230.03
C-515586-02	FLOYD COUNTY PSA	\$187,614.87	\$158,440.30	\$141,521.97	\$77,366.87	\$564,944.01
C-515529-01	FRONT ROYAL	\$75,178.81	\$466,330.85			\$541,509.66
C-515585-02	GALAX	\$812,907.74	\$1,063,746.67	\$1,126,459.24	\$1,621,632.90	\$4,624,746.55
C-515599-02	HRSD (Rodman Ave)				\$1,095,405.07	\$1,095,405.07
C-515604-02	HRSD (Boat Harbor)			\$57,793.00	\$35,350.18	\$93,143.18
C-515606-02	HRSD (Ferguson Park Intrcpt)	\$1,068.00			\$47,641.62	\$48,709.62
C-515613-01	HRSD (Atlantic THP)				\$8,756,869.03	\$8,756,869.03

EXHIBIT 4
PART B (continued)

C-515560-01 G	HRRSA	\$1,114,623.01	\$3,062,019.86	\$3,407,947.46	\$572,545.18	\$8,157,135.51			
C-515583-02	MARION	\$12,566.10				\$12,566.10			
C-515602-02	MARION		\$58,502.76	\$92,615.70	\$123,954.87	\$275,073.33			
C-515555-02 G	MIDDLE PENINSULA PDC	\$1,950.00		\$9,004.50		\$10,954.50			
C-515617-02 G	MIDDLE PENINSULA PDC	\$26,036.05	\$32,348.50	\$3,759.75		\$62,144.30			
C-515565-02 G	NORFOLK	\$1,047,370.09		\$468,581.05	\$47,453.14	\$1,563,404.28			
C-515593-02	NORFOLK	\$832,680.19				\$832,680.19			
C-515591-02	NORFOLK (Brownfield)	\$199,500.00				\$987,971.88			
C-515528-02 G	RICHMOND		\$20,013.08			\$20,013.08			
C-515578-02	SALEM		\$844,098.75	\$1,753,217.26	\$634,000.35	\$3,231,316.36			
C-515532-02	SALTVILLE		\$54,181.80	\$15,227.50		\$69,409.30			
C-515587-02	SCOTT COUNTY PSA		\$380,729.30		\$54,165.15	\$434,894.45			
C-515592-02	VIRGILINA	\$89,360.96	\$77,065.00	\$80,866.03	\$120,828.47	\$368,120.46			
C-515579-02	WISE COUNTY PSA		\$72,138.77			\$72,138.77			
C-515594-02	WISE COUNTY PSA				\$6,850.00	\$6,850.00			
C-515545-02	WYTHE COUNTY			\$465,228.72		\$465,228.72			
C-515595-02	WYTHEVILLE			\$123,356.00	\$222,967.56	\$346,323.56			
						\$0.00			
Total Disbursed from Loan Payments							\$34,122,862.01	\$1,869,122,145.09	\$1,903,245,007.10
Totals from Part A							\$46,657,221.96	\$1,006,929,126.93	\$1,053,586,348.89
COMBINED TOTAL							\$80,780,083.97	\$2,876,051,272.02	\$2,956,831,355.99

Virginia Resources Authority
Combining Schedule of Net Position
Virginia Revolving Loan Fund Accounts - Water Facilities
June 30, 2019

	Direct Loan Accounts	Leveraged Loan Accounts	Agricultural Best Management Practices Account	Combined Sewer Overflow Fund Account	State Match Investment Fund Accounts	Administrative Fee Accounts	Total
Assets							
Current assets							
Cash	\$ 3,565,477	\$ -	\$ 427,309	\$ -	\$ 8,689,666	\$ 187,830	\$ 12,870,282
Cash equivalents	168,657,588	1,216,139	1,560,549	2,589,009	2,156,847	4,128,879	180,309,011
Investments	50,959,972	36,497,057	4,204,146	-	-	788,232	92,449,407
Loans receivable, net - current portion	57,136,343	60,570,666	(259,220)	-	-	-	117,447,789
Receivables:							
Investment interest	968,473	1,780,269	78,231	-	-	19,543	2,846,516
Loan interest	1,876,529	4,690,689	59,773	-	-	-	6,626,991
Loan administrative fees	-	-	-	-	-	473,043	473,043
Federal funds	1,795,618	-	-	-	-	-	1,795,618
Other	1,227,245	-	-	-	-	-	1,227,245
Total current assets	<u>286,187,245</u>	<u>104,754,820</u>	<u>6,070,788</u>	<u>2,589,009</u>	<u>10,846,513</u>	<u>5,597,527</u>	<u>416,045,902</u>
Noncurrent assets							
Investments - non-current	155,987,267	182,699,915	12,467,548	-	-	2,909,135	354,063,865
Loans receivable - non-current	681,882,671	540,710,310	1,265,584	-	-	-	1,223,858,565
Total noncurrent assets	<u>837,869,938</u>	<u>723,410,225</u>	<u>13,733,132</u>	<u>-</u>	<u>-</u>	<u>2,909,135</u>	<u>1,577,922,430</u>
Total assets	<u>1,124,057,183</u>	<u>828,165,045</u>	<u>19,803,920</u>	<u>2,589,009</u>	<u>10,846,513</u>	<u>8,506,662</u>	<u>1,993,968,332</u>
Deferred Outflows of Resources							
Deferred loss on refunding	-	32,463,515	-	-	-	-	32,463,515
Total assets and deferred outflows of resources	<u>\$ 1,124,057,183</u>	<u>\$ 860,628,560</u>	<u>\$ 19,803,920</u>	<u>\$ 2,589,009</u>	<u>\$ 10,846,513</u>	<u>\$ 8,506,662</u>	<u>\$ 2,026,431,847</u>
Liabilities							
Current liabilities							
Bonds payable - current	-	63,186,236	-	-	4,657,000	-	67,843,236
Accrued interest on bonds payable	-	6,621,496	-	-	10,109	-	6,631,605
Due to (from) other accounts	(384,998)	-	-	-	-	198,504	(186,494)
Agency funds	325,690	-	-	-	-	-	325,690
Arbitrage rebate liability - current	-	247,785	-	-	-	-	247,785
Total current liabilities	<u>(59,308)</u>	<u>70,055,517</u>	<u>-</u>	<u>-</u>	<u>4,667,109</u>	<u>198,504</u>	<u>74,861,822</u>
Noncurrent liabilities							
Bonds payable - noncurrent	-	579,797,984	-	-	4,224,000	-	584,021,984
Total noncurrent liabilities	<u>-</u>	<u>579,797,984</u>	<u>-</u>	<u>-</u>	<u>4,224,000</u>	<u>-</u>	<u>584,021,984</u>
Total liabilities	<u>(59,308)</u>	<u>649,853,501</u>	<u>-</u>	<u>-</u>	<u>8,891,109</u>	<u>198,504</u>	<u>658,883,806</u>
Net position							
Restricted:							
Loan programs	1,124,116,491	210,775,059	19,803,920	2,589,009	1,955,404	8,308,158	1,367,548,041
Total net position	<u>1,124,116,491</u>	<u>210,775,059</u>	<u>19,803,920</u>	<u>2,589,009</u>	<u>1,955,404</u>	<u>8,308,158</u>	<u>1,367,548,041</u>
Total liabilities and net position	<u>\$ 1,124,057,183</u>	<u>\$ 860,628,560</u>	<u>\$ 19,803,920</u>	<u>\$ 2,589,009</u>	<u>\$ 10,846,513</u>	<u>\$ 8,506,662</u>	<u>\$ 2,026,431,847</u>

Virginia Resources Authority
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Virginia Revolving Loan Fund Accounts - Water Facilities
Year Ended June 30, 2019

	Direct Loan Accounts	Leveraged Loan Accounts	Agricultural Best Management Practices Account	Combined Sewer Overflow Fund Account	State Match Investment Fund Accounts	Administrative Fee Accounts	Total
Operating revenues							
Interest on loans	\$ 5,531,791	\$ 14,840,684	\$ 53,492	\$ -	\$ -	\$ -	\$ 20,425,967
Investment income	11,596,831	7,329,851	657,668	61,254	16,958	223,348	19,885,910
Loan administrative fees	-	-	-	-	-	1,425,041	1,425,041
Other income	-	-	670	-	-	-	670
Total operating revenues	<u>17,128,622</u>	<u>22,170,535</u>	<u>711,830</u>	<u>61,254</u>	<u>16,958</u>	<u>1,648,389</u>	<u>41,737,588</u>
Operating expenses							
Interest on bonds and loans	-	24,282,146	-	-	10,109	-	24,292,255
Bond issuance costs	-	-	-	-	79,360	-	79,360
Grants to local governments	-	-	-	19,028,708	-	-	19,028,708
Principal forgiveness loans to local governments	1,017,772	-	-	-	-	-	1,017,772
Personnel services	499,215	-	-	-	-	-	499,215
General operating	243,313	-	160,961	-	516	15,862	420,652
Contractual services	171,376	-	-	-	-	-	171,376
Total operating expenses	<u>1,931,676</u>	<u>24,282,146</u>	<u>160,961</u>	<u>19,028,708</u>	<u>89,985</u>	<u>15,862</u>	<u>45,509,338</u>
Operating income (loss)	<u>15,196,946</u>	<u>(2,111,611)</u>	<u>550,869</u>	<u>(18,967,454)</u>	<u>(73,027)</u>	<u>1,632,527</u>	<u>(3,771,750)</u>
Nonoperating revenues							
Contributions from other governments	38,089,553	-	-	19,028,708	2,135,780	-	59,254,041
Income (loss) before transfers	53,286,499	(2,111,611)	550,869	61,254	2,062,753	1,632,527	55,482,291
Operating transfers	(8,385,933)	9,247,506	(140)	-	(111,973)	(749,460)	-
Change in net position	44,900,566	7,135,895	550,729	61,254	1,950,780	883,067	55,482,291
Total net position - beginning	<u>1,079,215,925</u>	<u>203,639,164</u>	<u>19,253,191</u>	<u>2,527,755</u>	<u>4,624</u>	<u>7,425,091</u>	<u>1,312,065,750</u>
Total net position - ending	<u>\$ 1,124,116,491</u>	<u>\$ 210,775,059</u>	<u>\$ 19,803,920</u>	<u>\$ 2,589,009</u>	<u>\$ 1,955,404</u>	<u>\$ 8,308,158</u>	<u>\$ 1,367,548,041</u>

Virginia Resources Authority
Combining Schedule of Cash Flows
Virginia Revolving Loan Fund Accounts - Water Facilities
Year Ended June 30, 2019

	Direct Loan Accounts	Leveraged Loan Accounts	Agricultural Best Management Practices Account	Combined Sewer Overflow Fund Account	State Match Investment Fund Accounts	Administrative Fee Accounts	Total
Cash flows from operating activities							
Cash payments to localities for loans	\$ (78,885,042)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (78,885,042)
Principal repayments from localities on loans	60,141,585	58,379,142	502,698	-	-	-	119,023,425
Interest received on loans	5,295,596	15,326,679	47,882	-	-	-	20,670,157
Loan administrative fees received	-	-	-	-	-	1,414,574	1,414,574
Cash received from other income	-	-	670	-	-	-	670
Cash payments for salaries and related benefits	(499,215)	-	-	-	-	-	(499,215)
Cash payments for general operating expenses	(243,313)	-	110	-	-	-	(243,203)
Cash payments for contractual services	(171,376)	-	-	-	-	-	(171,376)
Cash payments for operating grants	-	-	-	(19,028,708)	-	-	(19,028,708)
Cash payments for principal forgiveness loans	(1,017,772)	-	-	-	-	-	(1,017,772)
Interest paid on bonds	-	(27,748,312)	-	-	-	-	(27,748,312)
Interfund activity	(384,998)	(1,533)	-	-	-	43,004	(343,527)
Net cash provided by (used in) operating activities	<u>(15,764,535)</u>	<u>45,955,976</u>	<u>551,360</u>	<u>(19,028,708)</u>	<u>-</u>	<u>1,457,578</u>	<u>13,171,671</u>
Cash flows from noncapital financing activities							
Proceeds from sale of bonds	-	-	-	-	8,881,000	-	8,881,000
Bond issuance costs	-	-	-	-	(79,360)	-	(79,360)
Principal paid on bonds	-	(52,210,000)	-	-	-	-	(52,210,000)
Contributions from other governments	35,066,690	-	-	19,028,708	2,135,780	-	56,231,178
Cash received (paid) from other accounts	(8,385,933)	9,247,506	(140)	-	(111,973)	(749,460)	-
Net cash provided by (used in) noncapital financing activities	<u>26,680,757</u>	<u>(42,962,494)</u>	<u>(140)</u>	<u>19,028,708</u>	<u>10,825,447</u>	<u>(749,460)</u>	<u>12,822,818</u>
Cash flows from investing activities							
Purchase of investments	(107,855,057)	(41,540,834)	(8,418,174)	-	-	(1,470,213)	(159,284,278)
Proceeds from sales or maturities of investments	104,716,192	29,996,621	8,186,698	-	-	1,433,643	144,333,154
Interest received on investments - net	7,404,576	7,221,309	306,755	61,254	16,442	134,670	15,145,006
Net cash provided by (used in) investing activities	<u>4,265,711</u>	<u>(4,322,904)</u>	<u>75,279</u>	<u>61,254</u>	<u>16,442</u>	<u>98,100</u>	<u>193,882</u>
Net increase (decrease) in cash and cash equivalents	15,181,933	(1,329,422)	626,499	61,254	10,841,889	806,218	26,188,371
Cash and cash equivalents							
Beginning of year	157,041,132	2,545,561	1,361,359	2,527,755	4,624	3,510,491	166,990,922
End of year	<u>\$ 172,223,065</u>	<u>\$ 1,216,139</u>	<u>\$ 1,987,858</u>	<u>\$ 2,589,009</u>	<u>\$ 10,846,513</u>	<u>\$ 4,316,709</u>	<u>\$ 193,179,293</u>
Reconciliation to the Statement of Net Position							
Cash	\$ 3,565,477	\$ -	\$ 427,309	\$ -	\$ 8,689,666	\$ 187,830	\$ 12,870,282
Cash Equivalents	168,657,588	1,216,139	1,560,549	2,589,009	2,156,847	4,128,879	180,309,011
	<u>\$ 172,223,065</u>	<u>\$ 1,216,139</u>	<u>\$ 1,987,858</u>	<u>\$ 2,589,009</u>	<u>\$ 10,846,513</u>	<u>\$ 4,316,709</u>	<u>\$ 193,179,293</u>

EXHIBIT 8

**STATEMENT OF ADMINISTRATIVE COSTS
CHARGED TO CAPITALIZATION GRANT
JULY 1, 2018 THROUGH JUNE 30, 2019**

	DEQ	VRA	COMBINED
SALARIES AND FRINGES	\$873,875.79	\$0.00	\$873,875.79
OPERATING EXPENSES	\$173,610.17	\$0.00	\$173,610.17
PROFESSIONAL FEES	\$0.00	\$0.00	\$0.00
TOTAL	\$1,047,485.96	\$0.00	\$1,047,485.96
FEDERAL SHARE	\$901,965.41	\$0.00	\$901,965.41
STATE SHARE	\$180,242.94	\$0.00	\$180,242.94
% OF TOTAL FEDERAL	86.11%	0.00%	86.11%
% OF TOTAL STATE	17.21%	0.00%	17.21%

CUMULATIVE ADMINISTRATION COSTS (FY'S 88-19)	\$23,977,497.27	\$8,221,322.29	\$32,198,819.56
TOTAL FEDERAL	\$19,960,708.75	\$6,848,767.46	\$26,809,476.21
TOTAL STATE	\$4,016,788.52	\$1,372,554.83	\$5,389,343.35
% OF TOTAL FEDERAL	83.25%	83.30%	83.26%
% OF TOTAL STATE	16.75%	16.70%	16.74%
AS A % OF TOTAL AMOUNT OF CAPITALIZATION GRANTS - \$948,124,907.00 (excluding ARRA)			3.40%

NOTE: Fiscal Year 2008 was the last year that VRA incurred expenses were reimbursed, in part, from the federal capitalization grant.

EXHIBIT 9

VIRGINIA CLEAN WATER REVOLVING LOAN FUND

Report of Late Payments

VCWRLF Loan Payments Outstanding at June 30, 2019

Days Outstanding			
0-30	0-60	60-120	120+
\$0.00	\$0.00	\$0.00	\$0.00

AgBMP Loan Payments Outstanding at June 30, 2019

Days Outstanding			
0-30	0-60	60-120	120+
\$0.00	\$0.00	\$87,735.54	\$601,350.61

CLEAN WATER REVOLVING FUND PROGRAM PORTFOLIO

Exhibit 10

Aggregate outstanding balance as of June 30, 2019, or if the Local Bond or Direct Loan is still in disbursement, the amount of principal advances authorized.

Locality	Direct Loans	Local Bonds	Aggregate Outstanding	Type of Security	Percentage of	Moody's	S&P	Fitch
	Balance	Balance	Balance		Grand Total			
Abingdon, Town of	1,293,136	4,803,042	6,096,178	GO & Revenue	0.42%	Aa3	AA	-
Albemarle County	113,971	-	113,971	Lease	0.01%	Aaa	AAA	AAA *
Alberta, Town of	-	15,266	15,266	GO & Revenue	0.00%	-	-	-
City of Alexandria, Virginia, Sanitation Authority (d/b/a Alexandria Renew Enterprises)	18,695,244	47,013,163	65,708,407	Revenue	4.55%	-	-	-
Alleghany County	6,539,220	2,566,508	9,105,728	MO & Revenue	0.63%	-	-	-
Amelia County	64,873	-	64,873	MO & Lease Rev	0.00%	-	-	-
Appalachia, Town of	224,432	-	224,432	GO & Revenue	0.02%	-	-	-
Appomattox, Town of	-	393,326	393,326	GO & Revenue	0.03%	-	-	-
Arlington County	-	158,905,982	158,905,982	Revenue	11.01%	Aaa	AAA	AAA *
Augusta County	1,279,402	-	1,279,402	MO & Revenue	0.09%	-	-	-
Augusta County Service Authority	1,943,283	16,560,174	18,503,457	Revenue	1.28%	-	-	-
Bedford, Town of	167,889	771,602	939,491	GO & Revenue	0.07%	-	-	-
Berryville, Town of	8,695,000	-	8,695,000	GO & Revenue	0.60%	-	-	-
Big Stone Gap, Town of	2,267,587	-	2,267,587	GO & Revenue	0.16%	-	-	-
Big Stone Gap, Town of	-	255,724	255,724	Revenue	0.02%	-	-	-
Blacksburg - Virginia Polytechnic Institute Sanitation Authority	14,062,133	-	14,062,133	Revenue	0.97%	-	-	-
Blackstone, Town of	206,311	-	206,311	Revenue	0.01%	-	-	-
Blackstone, Town of	2,019,109	-	2,019,109	GO & Revenue	0.14%	-	-	-
Bland County Service Authority	75,000	-	75,000	Revenue	0.01%	-	-	-
Boones Mill, Town of	220,613	-	220,613	Letter of Credit	0.02%	-	-	-
Bridgewater, Town of	803,413	-	803,413	GO & Revenue	0.06%	-	-	-
Broadway, Town of	7,397,690	-	7,397,690	GO	0.51%	-	-	-
Cape Charles, Town of	3,135,255	-	3,135,255	GO & Revenue	0.22%	-	-	-
Caroline County	-	1,357,395	1,357,395	MO & Revenue	0.09%	-	-	-
Castlewood Water and Sewage Authority	31,970	-	31,970	MO & Revenue	0.00%	-	-	-
Charles City County	1,530,000	-	1,530,000	MO & Revenue	0.11%	-	-	-
Charlottesville, City of	-	3,352,764	3,352,764	GO	0.23%	Aaa	AAA	-
Chilhowie, Town of	2,166,297	-	2,166,297	Revenue	0.15%	-	-	-
Christiansburg, Town of	-	1,392,962	1,392,962	GO & Revenue	0.10%	-	-	-
Clarke County Sanitary Authority	2,241,261	-	2,241,261	MO & Revenue	0.16%	-	-	-
Clarksville, Town of	39,929	-	39,929	GO & Revenue	0.00%	-	-	-
Clifton Forge, Town of	2,427,279	-	2,427,279	Revenue	0.17%	-	-	-
Coeburn, Town of	1,165,364	-	1,165,364	GO & Revenue	0.08%	-	-	-
Coeburn-Norton-Wise Regional Waste Water Treatment Authority	11,755,232	-	11,755,232	Revenue	0.81%	-	-	-
Colonial Beach, Town of	1,193,683	-	1,193,683	GO	0.08%	-	-	-
Covington, City of	8,545,926	-	8,545,926	Revenue	0.59%	A1	A+	-
Craig-New Castle Public Service Authority	344,372	-	344,372	Revenue	0.02%	-	-	-
Crewe, Town of	3,111,294	-	3,111,294	GO & Revenue	0.22%	-	-	-
Dickenson County Public Service Authority	184,077	-	184,077	MO & Revenue	0.01%	-	-	-
Elkton, Town of	4,752,010	-	4,752,010	GO & Revenue	0.33%	-	-	-
Fairfax County	15,001,542	-	15,001,542	Sub Revenue	1.04%	Aaa	AAA	AAA *
Falls Church, City of	-	2,505,478	2,505,478	GO	0.17%	Aaa	AAA	AAA
Fauquier County	7,102,800	-	7,102,800	MO & Revenue	0.49%	Aa1	AA+	AAA *
Fauquier County Water and Sanitation Authority	-	1,839,568	1,839,568	Revenue	0.13%	-	-	-
Fincastle, Town of	13,793	-	13,793	GO & Revenue	0.00%	-	-	-
Floyd - Floyd County Public Service Authority	1,514,173	-	1,514,173	MO & Revenue	0.10%	-	-	-
Fluvanna County	-	480,000	480,000	MO & Revenue	0.03%	Aa2	AA	- *
Frederick County Sanitation Authority	-	94,198	94,198	Revenue	0.01%	-	-	-
Frederick-Winchester Service Authority	666,383	36,352,431	37,018,814	Revenue	2.56%	-	-	-
Front Royal, Town of	35,145,354	-	35,145,354	GO & Revenue	2.44%	-	-	-
Galax, City of	10,761,492	-	10,761,492	GO & Revenue	0.75%	-	-	-
Greensville County Water and Sewer Authority	69,253	-	69,253	Revenue	0.00%	-	-	-
Grottoes, Town of	1,684,535	-	1,684,535	GO & Revenue	0.12%	-	-	-
Halifax, Town of	-	178,054	178,054	GO & Revenue	0.01%	-	-	-
Hampton Roads Sanitation District	4,831,934	75,227,832	80,059,766	Senior Revenue	5.55%	Aa1	AA+	AA+
Hampton Roads Sanitation District	104,154,978	21,319,956	125,474,935	Sub Revenue	8.69%	Aa2	AA	AA
Hanover County	461,373	-	461,373	Revenue	0.03%	Aaa	AAA	AAA *
Harrisonburg-Rockingham Regional Sewer Authority	20,605,577	41,464,435	62,070,012	Revenue	4.30%	-	-	-

CLEAN WATER REVOLVING FUND PROGRAM PORTFOLIO

Exhibit 10

Aggregate outstanding balance as of June 30, 2019, or if the Local Bond or Direct Loan is still in disbursement, the amount of principal advances authorized.

Locality	Direct Loans	Local Bonds	Aggregate Outstanding	Type of Security	Percentage of	Moody's	S&P	Fitch
	Balance	Balance	Balance		Grand Total			
Henry County Public Service Authority	2,105,202	-	2,105,202	Revenue	0.15%	-	-	-
Hillsville, Town of	128,753	-	128,753	GO & Revenue	0.01%	-	-	-
Honaker, Town of	359,446	-	359,446	GO & Revenue	0.02%	-	-	-
Independence, Town of	531,913	-	531,913	GO & Revenue	0.04%	-	-	-
Keysville, Town of	236,406	-	236,406	GO & Revenue	0.02%	-	-	-
Kilmarnock, Town of	513,198	-	513,198	GO & Revenue	0.04%	-	-	-
King George County Service Authority	1,138,824	-	1,138,824	MO & Revenue	0.08%	-	-	-
Lee County PSA	1,951,583	-	1,951,583	MO & Revenue	0.14%	-	-	-
Leesburg, Town of	-	1,134,659	1,134,659	Revenue	0.08%	Aaa	AAA	AAA *
Loudoun County Sanitation Authority	6,084,652	-	6,084,652	Revenue	0.42%	Aaa	AAA	AAA
Lovettsville, Town of	275,939	302,399	578,338	GO & Revenue	0.04%	-	-	-
Luray, Town of	1,242,171	-	1,242,171	GO & Revenue	0.09%	-	-	-
Lynchburg, City of	118,816,896	957,022	119,773,918	Revenue	8.30%	Aa2	AA+	AA+ *
Marion, Town of	1,890,280	-	1,890,280	GO & Revenue	0.13%	-	-	-
Marion, Town of	89,428	-	89,428	GO	0.01%	-	-	-
Martinsville, City of	17,364,286	-	17,364,286	Revenue	1.20%	-	-	-
Maury Service Authority	3,876,103	-	3,876,103	Revenue	0.27%	-	-	-
Meadowview Biological Research Station	16,541	-	16,541	Deed of Trust & Revenue	0.00%	-	-	-
Middle Peninsula Planning District Commission	500,000	-	500,000	MO & Revenue	0.03%	-	-	-
Middletown, Town of	2,425,675	-	2,425,675	GO & Revenue	0.17%	-	-	-
Mount Jackson, Town of	3,218,180	-	3,218,180	GO & Revenue	0.22%	-	-	-
Nelson County Service Authority	42,403	30,000	72,403	Revenue	0.01%	-	-	-
New Market, Town of	1,445,281	-	1,445,281	GO & Revenue	0.10%	-	-	-
Newport News, City of	5,038,608	8,354,160	13,392,767	GO	0.93%	Aa1	AA+	-
Norfolk, City of	3,523,516	-	3,523,516	GO	0.24%	Aa2	AA+	AA+
Norfolk, City of	82,577,301	7,602,846	90,180,147	Revenue	6.25%	Aa2	AA+	AA+
Northern Neck Planning District Commission	5,000	-	5,000	Revenue	0.00%	-	-	-
Northern Virginia Regional Park Authority	1,027,652	-	1,027,652	Revenue	0.07%	-	-	-
Norton, City of	832,904	-	832,904	Revenue	0.06%	-	-	-
Onancock, Town of	2,467,313	-	2,467,313	GO & Revenue	0.17%	-	-	-
Orange, Town of	10,730,022	-	10,730,022	GO & Revenue	0.74%	-	-	-
Pearisburg, Town of	391,790	-	391,790	GO & Revenue	0.03%	-	-	-
Pepper's Ferry Regional Wastewater Treatment Authority	16,739,737	-	16,739,737	Revenue	1.16%	-	-	-
Petersburg, City of	276,932	-	276,932	GO	0.02%	-	BB+	-
Prince William County Service Authority	4,500,218	55,746,979	60,247,197	Revenue	4.17%	Aaa	AAA	-
Pulaski, Town of	1,558,324	-	1,558,324	GO & Revenue	0.11%	-	-	-
Purcellville, Town of	-	15,297,738	15,297,738	GO & Revenue	1.06%	Aa2	AAA	AA
Rapidan Service Authority	-	70,000	70,000	Revenue	0.00%	-	-	-
Richlands, Town of	560,546	-	560,546	Revenue	0.04%	-	-	-
Richmond, City of	44,395,667	3,852,384	48,248,051	Revenue	3.34%	Aa2	AA	AA
Richmond, City of	1,130,797	-	1,130,797	GO	0.08%	Aa2	AA+	AA+
Rivanna Water and Sewer Authority	28,070,475	34,567,977	62,638,452	Revenue	4.34%	Aa2	AA+	-
Rockbridge County Public Service Authority	5,175,876	-	5,175,876	Revenue	0.36%	-	-	-
Rural Retreat, Town of	69,055	-	69,055	GO & Revenue	0.00%	-	-	-
Saint Paul, Town of	1,953,753	-	1,953,753	GO & Revenue	0.14%	-	-	-
Salem, City of	13,448,254	2,390,390	15,838,644	GO	1.10%	-	-	-
Saltville, Town of	878,708	-	878,708	GO & Revenue	0.06%	-	-	-
Scott County Public Service Authority	3,651,739	-	3,651,739	MO & Revenue	0.25%	-	-	-
Sembilan Enterprises, Inc.	24,967	-	24,967	Deed of Trust	0.00%	-	-	-
Shenandoah County	3,114,562	-	3,114,562	MO & Revenue	0.22%	-	-	-
Southampton County	702,449	-	702,449	Revenue	0.05%	-	AA-	-
Stafford County	4,892,694	-	4,892,694	Lease	0.34%	Aaa	AAA	AAA *
Stafford County	-	21,322,960	21,322,960	Revenue	1.48%	Aaa	AAA	AAA *
Stanley, Town of	330,011	-	330,011	GO & Revenue	0.02%	-	-	-
Staunton, City of	-	8,108,829	8,108,829	GO	0.56%	Aa2	AA	-
Strasburg, Town of	14,745,630	331,052	15,076,682	GO & Revenue	1.04%	-	-	-
Sussex Service Authority	-	670,183	670,183	Revenue	0.05%	-	-	-
Tappahannock, Town of	2,725,167	-	2,725,167	GO	0.19%	-	-	-

CLEAN WATER REVOLVING FUND PROGRAM PORTFOLIO

Exhibit 10

Aggregate outstanding balance as of June 30, 2019, or if the Local Bond or Direct Loan is still in disbursement, the amount of principal advances authorized.

<u>Locality</u>	<u>Direct Loans</u> <u>Balance</u>	<u>Local Bonds</u> <u>Balance</u>	<u>Aggregate Outstanding</u> <u>Balance</u>	<u>Type of Security</u>	<u>Percentage of</u> <u>Grand Total</u>	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
Tazewell County Public Service Authority	15,585,680	-	15,585,680	MO & Revenue	1.08%	-	-	-
Tazewell, Town of	1,933,440	-	1,933,440	GO & Revenue	0.13%	-	-	-
Upper Occoquan Service Authority	4,155,292	10,216,873	14,372,165	Revenue	1.00%	Aa1	AAA	AA+
Vinton, Town of	1,568,969	519,630	2,088,599	GO	0.14%	-	-	-
Virgilina, Town of	265,600	-	265,600	GO, MO & Revenue	0.02%	-	-	-
Virginia Beach, City of	2,227,112	-	2,227,112	GO	0.15%	Aaa	AAA	AAA
Virginia Conservation Legacy Fund, Inc	6,666,696	-	6,666,696	Deed of Trust & Revenue	0.46%	-	-	-
Warsaw, Town of	-	111,192	111,192	GO & Revenue	0.01%	-	-	-
Washington, Town of	1,863,651	-	1,863,651	GO & Revenue	0.13%	-	-	-
Washington County Service Authority	3,115,917	-	3,115,917	Revenue	0.22%	-	-	-
Waynesboro, City of	3,679,998	-	3,679,998	GO	0.25%	-	-	-
Waynesboro, City of	18,310,614	-	18,310,614	Revenue	1.27%	-	-	-
Western Virginia Water Authority	33,613,078	9,420,003	43,033,082	Revenue	2.98%	-	-	-
Western Virginia Water Authority	927,001	3,423,839	4,350,841	MO & Revenue	0.30%	-	-	-
Wise County Public Service Authority	1,897,182	-	1,897,182	MO & Revenue	0.13%	-	-	-
Woodstock, Town of	10,681,244	-	10,681,244	GO & Revenue	0.74%	-	-	-
Wythe County	2,897,905	-	2,897,905	GO	0.20%	-	-	-
Wytheville, Town of	2,094,419	-	2,094,419	GO	0.15%	-	-	-
Grand Total	\$841,982,068	\$601,280,976	\$1,443,263,044		100.00%			

Total Direct Loans	841,982,068	58.34%
Total Leverage Loans	601,280,976	41.66%
	\$1,443,263,044	100.00%

* Senior most or general obligation rating listed; actual loan security may not include rated pledge

61% Percentage of Portfolio with A rated borrower

EXHIBIT 11: Virginia Tracking of Additional Subsidy Compliance

Loan Number (C-515-)	Recipient	Closing Date	Total Assistance	Principal Forgiveness	Grant Award	Minimum Additional Subsidy	Milestones (estimated completion dates)					
							Credit review	Eng review/ easement issues	Loan Closing			
2016 Grant Award							27,344,000			2,734,400		
587-02	Scott County PSA	11/21/2017	953,550	200,000			Complete	Complete	Complete			
596-01	Town of Clifton Forge	7/28/2017	2,049,739	700,000			Complete	Complete	Complete			
601-02	City of Covington	4/10/2018	498,000	200,000			Complete	Complete	Complete			
611-02	Town of Gate City	<i>est. Nov 2019</i>	1,726,278	1,001,000			Complete	Complete	Nov-2019			
626-02	Alleghany County	<i>est. Dec 2019</i>	1,092,854	634,000			Complete	Complete	Dec-2019			
				2,735,000								
2017 Grant Award							27,133,000			2,713,300		
592-02	Town of Virgilina	8/30/2018	701,500	435,900			Complete	Complete	Complete			
594-02	Wise County PSA	6/18/2019	1,399,034	800,000			Complete	Complete	Complete			
630-02	Scott County PSA/Nickelsville	7/30/2019	445,822	223,142			Complete	Complete	Complete			
603-02	Petersburg City	<i>est. May 2020</i>	750,000	300,000			Dec-2019	Jan-2020	May-2020			
628-02	Petersburg City	<i>est. May 2020</i>	2,000,000	1,000,000			Dec-2019	Jan-2020	May-2020			
				2,759,042								
2018 Grant Award							32,518,000			3,215,800		
575-02	Town of Pound	<i>est. Mar 2020</i>	3,386,135	1,800,000			Dec-2019	Jan-2020	Mar-2020			
600-02	Town of Pennington Gap	<i>est. Apr 2020</i>	1,652,791	700,000			Jan-2020	Nov-2019	Apr-2020			
622-02	Town of Pound	<i>est. Mar 2020</i>	711,651	355,000			Dec-2019	Jan-2020	Mar-2020			
629-02	Coeburn	<i>est. May 2021</i>	1,869,028	930,000			Feb-2020	Dec-2019	May-2020			
636-02	Wise Co PSA	<i>est. Jun 2022</i>	627,533	310,000			Mar-2020	Feb-2020	Jun-2020			
				4,095,000								

Federal Financial Report
(Follow form Instructions)

OMB Number: 4040-0014
Expiration Date: 01/31/2019

1. Federal Agency and Organizational Element to Which Report is Submitted UNITED STATES ENVIRONMENTAL PROTECTION AGENCY		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) CS-51000116-0	
3. Recipient Organization (Name and complete address including Zip code) Recipient Organization Name: COMMONWEALTH OF VIRGINIA, DEPT OF ENVIRONMENTAL QUALITY Street1: 629 EAST MAIN STREET Street2: City: RICHMOND County: HENRICO State: VA: Virginia Province: Country: USA: UNITED STATES ZIP / Postal Code: 23219-2405			
4a. DUNS Number 809743768	4b. EIN 54-1661753	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) 90316	
6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	8. Project/Grant Period From: 07/01/2016 To: 06/30/2023	9. Reporting Period End Date 08/31/2018
10. Transactions (Use lines a-c for single or multiple grant reporting)			Cumulative
Federal Cash (To report multiple grants, also use FFR attachment):			
a. Cash Receipts			0.00
b. Cash Disbursements			0.00
c. Cash on Hand (line a minus b)			0.00
(Use lines d-o for single grant reporting)			
Federal Expenditures and Unobligated Balance:			
d. Total Federal funds authorized			27,344,000.00
e. Federal share of expenditures			27,344,000.00
f. Federal share of unliquidated obligations			0.00
g. Total Federal share (sum of lines e and f)			27,344,000.00
h. Unobligated balance of Federal Funds (line d minus g)			0.00
Recipient Share:			
i. Total recipient share required			5,468,800.00
j. Recipient share of expenditures			5,468,800.00
k. Remaining recipient share to be provided (line i minus j)			0.00
Program Income:			
l. Total Federal program income earned			0.00
m. Program Income expended in accordance with the deduction alternative			0.00
n. Program Income expended in accordance with the addition alternative			0.00
o. Unexpended program income (line l minus line m or line n)			0.00

11. Indirect Expense

a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
FIXED	28.50	07/01/2016	08/31/2018	625,637.18	178,262.73	148,552.27
g. Totals:				625,637.18	178,262.73	148,552.27

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, section 1001)

a. Name and Title of Authorized Certifying Official

Prefix: First Name: Middle Name:
 Last Name: Suffix:
 Title:

b. Signature of Authorized Certifying Official c. Telephone (Area code, number and extension)

d. Email Address e. Date Report Submitted 14. Agency use only:

Federal Financial Report

(Follow form Instructions)

OMB Number: 4040-0014
Expiration Date: 01/31/2019

1. Federal Agency and Organizational Element to Which Report is Submitted UNITED STATES ENVIRONMENTAL PROTECTION AGENCY	2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) CS-51000117-0
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3. Recipient Organization (Name and complete address including Zip code)

Recipient Organization Name: COMMONWEALTH OF VIRGINIA, DEPT OF ENVIRONMENTAL QUALITY

Street1: 629 EAST MAIN STREET

Street2:

City: RICHMOND County: HENRICO

State: VA: Virginia Province:

Country: USA: UNITED STATES ZIP / Postal Code: 23219-2405

4a. DUNS Number 809743768	4b. EIN 54-1661753	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) 90317
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6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	8. Project/Grant Period From: 07/01/2017 To: 06/30/2024	9. Reporting Period End Date 06/30/2019
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10. Transactions	Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>	
Federal Cash (To report multiple grants, also use FFR attachment):	
a. Cash Receipts	0.00
b. Cash Disbursements	0.00
c. Cash on Hand (line a minus b)	0.00
<i>(Use lines d-o for single grant reporting)</i>	
Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	27,133,000.00
e. Federal share of expenditures	27,129,665.31
f. Federal share of unliquidated obligations	0.00
g. Total Federal share (sum of lines e and f)	27,129,665.31
h. Unobligated balance of Federal Funds (line d minus g)	3,334.69
Recipient Share:	
i. Total recipient share required	5,426,600.00
j. Recipient share of expenditures	5,425,933.20
k. Remaining recipient share to be provided (line i minus j)	666.80
Program Income:	
l. Total Federal program income earned	0.00
m. Program Income expended in accordance with the deduction alternative	0.00
n. Program Income expended in accordance with the addition alternative	0.00
o. Unexpended program income (line l minus line m or line n)	0.00

11. Indirect Expense

a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
FIXED	28.50	08/01/2018	06/30/2019	412,164.46	117,461.76	97,884.80
g. Totals:				412,164.46	117,461.76	97,884.80

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, section 1001)

a. Name and Title of Authorized Certifying Official

Prefix: First Name: Middle Name:
 Last Name: Suffix:
 Title:

b. Signature of Authorized Certifying Official



c. Telephone (Area code, number and extension)

d. Email Address

e. Date Report Submitted

14. Agency use only:

Federal Financial Report

(Follow form Instructions)

OMB Number: 4040-0014
Expiration Date: 01/31/2019

1. Federal Agency and Organizational Element to Which Report is Submitted UNITED STATES ENVIRONMENTAL PROTECTION AGENCY		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) CS-51000118-0	
3. Recipient Organization (Name and complete address including Zip code) Recipient Organization Name: COMMONWEALTH OF VIRGINIA, DEPT OF ENVIRONMENTAL QUALITY Street1: 629 EAST MAIN STREET Street2: City: RICHMOND County: HENRICO State: VA: Virginia Province: Country: USA: UNITED STATES ZIP / Postal Code: 23219-2405			
4a. DUNS Number 809743768	4b. EIN 54-1661753	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) 90318	
6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual	8. Project/Grant Period From: 07/01/2018 To: 06/30/2024	9. Reporting Period End Date 06/30/2019
10. Transactions			Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>			
Federal Cash (To report multiple grants, also use FFR attachment):			
a. Cash Receipts			5,051,008.94
b. Cash Disbursements			5,051,394.84
c. Cash on Hand (line a minus b)			-385.90
<i>(Use lines d-o for single grant reporting)</i>			
Federal Expenditures and Unobligated Balance:			
d. Total Federal funds authorized			32,848,000.00
e. Federal share of expenditures			5,051,394.84
f. Federal share of unliquidated obligations			
g. Total Federal share (sum of lines e and f)			5,051,394.84
h. Unobligated balance of Federal Funds (line d minus g)			27,796,605.16
Recipient Share:			
i. Total recipient share required			6,569,600.00
j. Recipient share of expenditures			1,010,647.00
k. Remaining recipient share to be provided (line i minus j)			5,558,953.00
Program Income:			
l. Total Federal program income earned			0.00
m. Program Income expended in accordance with the deduction alternative			0.00
n. Program Income expended in accordance with the addition alternative			0.00
o. Unexpended program income (line l minus line m or line n)			0.00

11. Indirect Expense

a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
FIXED	28.50					
g. Totals:						

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, section 1001)

a. Name and Title of Authorized Certifying Official

Prefix: First Name: Middle Name:
 Last Name: Suffix:
 Title:

b. Signature of Authorized Certifying Official c. Telephone (Area code, number and extension)

d. Email Address e. Date Report Submitted 14. Agency use only:

[Redacted]