



INVESTING IN IOWA'S WATER



ANNUAL REPORTS

Clean Water State Revolving Fund

Drinking Water State Revolving Fund

Fiscal Year 2019

Iowa Department of Natural Resources

Iowa Finance Authority

State Revolving Fund Organizational Structure -- Iowa

Kim Reynolds, Iowa Governor

Kayla Lyon
Dept of Natural Resources
Director

Bruce Trautman
Deputy Director for ESD

Ed Tormey
Environmental Services
Acting Division Administrator

Jennifer Nelson, Chief
Budget and Grants

Alex Moon, Chief
Acting Water Quality
Bureau

Shirley Christoffersen,
Grant Manager

Theresa Enright,
DNR SRF
Coordinator/Team
Leader

Debi Durham, Iowa Finance
Authority Executive Director

Lori Beary,
IFA SRF Coordinator

Tracy Scebold,
SRF Finance Officer

Alyson Fleming,
Program
Specialist

Jane Larson, Linked
Deposit
Administrator

Mike Naig, Iowa Secretary
of Agriculture

Iowa Department of
Agriculture and Land
Stewardship
Tony Toigo, Local Water
Protection, Livestock
Water Quality Facilities
Amy Bouska, Paul Miller,
Derek Namanny, Hannah
Vorrie, Jennifer Welch,
Urban Conservation and
Sponsored Projects

Erik Wiklund,
Supv, NPDES

On-Site Wastewater
Program

Satya Chennupati,
Supv, Wastewater
Engineering

Jim Oppelt, CWSRF
Team Leader
Tim Bauer, Larry
Bryant, Marty Jacobs,
Terry Kirschenman,
Laura Knispel, Emy
Liu, Suresh Kumar,
Nicole Barbee, AJ
Montefusco
CWSRF Project
Managers
Gina Andre, Admin.

Corey McCoid,
Supv, Water Supply
Operations

Jean Mayne,
Michael Sullivan,
Karrie Darnell
Environmental
Review/Sponsored
Projects
Lee Wagner,
Nonpoint Program
Planner
Amy Seyffer
Admin.

Mark Moeller, Supv,
Water Supply
Engineering

Taroon Bidar, Gabe
Lee and Bob
Campbell, DWSRF
Team Leaders
Justin Pettit, Jason
Christopherson,
Matt Phoenix,
Tara Naber, Skipp
Slattenow, Michael
Anderson,
Sara Smith
DWSRF Project
Managers

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 2019

| | |
|--|----|
| Executive Summary..... | 1 |
| Clean Water State Revolving Fund Fiscal Year 2019..... | 7 |
| CWSRF Goals and Accomplishments | 7 |
| Clean Water SRF Program Data | 14 |
| Clean Water SRF Financial Data | 15 |
| Clean Water SRF Benefits Data | 16 |
| Drinking Water State Revolving Fund Fiscal Year 2019 | 17 |
| Drinking Water SRF Goals and Accomplishments | 17 |
| Drinking Water SRF Program Data | 22 |
| Drinking Water SRF Financial Data | 24 |
| Public Health Benefits of DWSRF Projects | 25 |
| CW Exhibits 1-9 | 28 |
| CW Exhibit 1: SFY 2019 Intended Use Plan Project Priority List..... | 29 |
| CW Exhibit 2: Binding Commitments for the Fiscal Year ending June 30, 2019 | 37 |
| CW Exhibit 3: Grant Payments with Respect to State Match Fiscal Year 2019 | 45 |
| CW Exhibit 4: Sources of Funds | 46 |
| CW Exhibit 5: Statement of Net Position | 47 |
| CW Exhibit 6: Statement of Revenues, Expenses, and Changes in Net Position..... | 48 |
| CW Exhibit 7: Statement of Cash Flows..... | 49 |
| CW Exhibit 8 | 50 |
| CW Exhibit 9 | 51 |
| DW Exhibits 1-10 | 54 |
| DW Exhibit 1: SFY 2019 Intended Use Plan Project Priority List..... | 55 |
| DW Exhibit 2: Binding Commitments for the Fiscal Year ending June 30, 2019 | 60 |
| DW Exhibit 3: Grant Payments with Respect to State Match Fiscal Year 2019 | 64 |
| DW Exhibit 4: Sources of Funds..... | 66 |
| DW Exhibit 5: Statement of Net Position | 67 |
| DW Exhibit 6: Statement of Revenues, Expenses, and Changes in Net Position | 68 |
| DW Exhibit 7: Statement of Cash Flows | 69 |
| DW Exhibit 8 | 70 |
| DW Exhibit 9 | 71 |
| DW Exhibit 10 | 73 |



Executive Summary

This Executive Summary provides background information about the State Revolving Fund (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, 2018 through June 30, 2019.

The 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 **City of Marshalltown**. Marshalltown Water Works is a groundwater system serving over 10,000 residential and commercial services. Prior to the Drinking Water SRF (DWSRF) project, several of the items inside the water plant were in need of updates, replacement, or repair including their storage reservoirs. Additionally, none of the critical source, treatment and pumping facilities had emergency power. The DWSRF project involved the **rehabilitation of the existing treatment plant** including the replacement of lime slakers, repair of an existing ground storage reservoir, rehab of high service pumps, rehab of upflow clarifiers, construction of a new ground storage reservoir and pumping facility fitted with two pumps, and a new 1,500 kW **emergency power generator**. The rehab of the treatment plant overall has increased the reliability and quality of finished water delivered to the distribution system.



A tornado event in 2018 damaged the overhead power supplying the treatment plant. The emergency power generator installed as part of this project operated for four days maintaining operation until the overhead power supply could be restored. Without it, there would have been no water supply to meet system demands and maintain levels in distribution system storage facilities. The entire system would have been at risk to be without water and seriously vulnerable to contamination. Overall, this DWSRF project has assisted the City in delivering a higher quality and more reliable water supply to consumers during normal and emergency operation.

- Managing storm water for quality and quantity is a challenge for many communities. **The City of Readlyn** took advantage of funding through the Clean Water SRF (CWSRF) Water Resource Restoration Sponsored Projects to make an impact on water quality in their community. This community of approximately 800 people committed to borrowing over \$3 million dollars to construct a new extended aeration activated sludge treatment facility to replace their existing insufficient and aging infrastructure. This allowed the City to apply for more than \$300,000 dollars in sponsored project funding to construct a **stormwater wetland**. Readlyn was able to secure additional funds through the Water Quality Initiative (WQI) administered by the IA Department of Agriculture and Land Stewardship (IDALS). This stormwater wetland in Readlyn treats urban stormwater runoff from the City as well as agricultural runoff in the Upper Wapsipinicon River Watershed. The stormwater wetland practice is designed to improve water quality by reducing sediment, nutrients, and other pollutants as well as reducing the volume and rate of runoff to the stream.



Stormwater Wetland

- **A farmer in Lucas County** constructed a **grade stabilization structure** that will prevent the advancement of large gullies and stabilize the area from further erosion. Soil losses in these areas can be in the hundreds of tons. Impoundment structures will store water to a controlled elevation and then release the water slowly. Grade stabilization structures have a 20 year life expectancy with proper upland management and maintenance. Federal funding paid for a portion of the project, and a low-interest loan through the Clean Water SRF's Local Water Protection Program (LWPP) made up the difference, making the project affordable.



- **A century farm operation in Jones County** constructed **manure storage buildings** using the Clean Water SRF's Livestock Water Quality Program (LWQP). These buildings help to contain manure run off from their animal feeding operations and have had a direct impact on protecting their well and the quality of water on their farm.

"We received a low-interest loan from the State Revolving Fund to assist us in constructing two buildings with adequate manure storage so manure doesn't get washed out from the rain and affect our well like it did previously. The process was easy and if it wasn't for this financing, we probably wouldn't have been able to construct the new buildings and expand our operations." Timm Family Cattle, Moniticcello



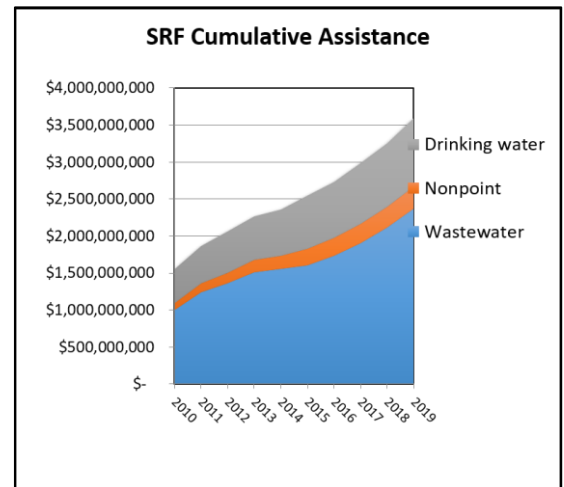
- **The City of Clinton**, located along the Mississippi River, has been working over the past decades to separate their combined sewer system, where both the untreated wastewater from the sanitary sewer and the untreated stormwater runoff combine. Separating the two has also reduced the amount of untreated water discharging directly to the river. The City has borrowed over \$90 million through the Clean Water SRF Program to improve treatment and build the new Regional Wastewater Reclamation Facility that includes biological nutrient removal and provide regional wastewater treatment service to the towns of Low Moor and Camanche, comply with effluent discharge permit limits, and improve water quality in the receiving stream. This fiscal year comprised the construction of a **new wastewater pump station** to replace an outdated existing pump station and a **new combined sewer pump station, standby generator and PLC control system**. The project also included a **relief sewer** to alleviate localized flooding. This project is a part of the City of Clinton's Long Term Control Plan.



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 Iowa SRF has provided almost \$3.6 billion in cumulative assistance as of SFY 2019. 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. The Iowa SRF fund is also capable of competing with programs like the Water Infrastructure Finance and Innovation Act (WIFIA), a federal credit program administered by EPA for eligible water and wastewater infrastructure projects, which was designed to provide subsidized financing for large dollar-value projects.

For the DWSRF, the loan amounts in SFY 2019 ranged from \$30,000 for the **City of Delaware's** planning and design loan to a \$25.3 million dollar loan to the **City of Fort Dodge** for water sytem improvements, treatment plant expansion and a new Mississippian Well. The smallest CWSRF loan was \$35,000 to the **City of Saint Olaf** for planning and design of wastewater system improvements and the largest loan of \$34 million to the **City of Coralville** was for improvements to their wastewater treatment system.

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.

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. In February 2019, the Iowa Finance Authority issued \$258,000,000 in Green bonds for both Clean Water and Drinking Water SRF programs. 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. For both programs, Congress has set a required minimum amount of the federal capitalization grant each year as well as a maximum allowed amount.

For the Drinking Water SRF, since 2010, a minimum of \$31.3 million has been required. Through the end of SFY 2019, Iowa has allocated \$31.6 million to communities for loan forgiveness.

For the Clean Water SRF, since 2010, a minimum of \$14.7 million has been required. Through the end of SFY 2019, Iowa has allocated \$13.6 million to communities for loan forgiveness.

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. Iowa has targeted loan forgiveness in order to provide as close to the minimum required amount as possible. Forgiveness is assigned as a percentage of a project and has varied between 30%-75% of targeted costs. The final amount forgiven may vary from the initial allocation because the amount forgiven is based on the final loan amount drawn for a project.

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. SRF Environmental Review Specialists coordinate with federal, tribal and state organizations such as U.S. Army Corps of Engineers (USACE), native American tribes, State Historical Preservation Office (SHPO), and others to determine potential impacts to state and federal wetlands, endangered species, floodplains, sovereign lands, tribal and other historical or archeological properties and farmland. A total of 65 new environmental reviews and reaffirmations were completed during SFY 2019.

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 \$3.91 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.

- **Libertyville Savings Bank** has been a participant of the linked deposit programs since 2006 and has funded 150 Linked Deposits totaling over 2.6 million.

“Libertyville Savings Bank is a proud supporter of the Linked Deposit Programs through the Iowa Finance Authority. This program facilitates an opportunity for lenders and farmers to work together by offering loans at preferred interest rates to help conserve the farmers most precious resource- the land they farm. Water quality and soil conservation are very high in our book and we look forward to partnering with the Iowa Finance Authority on more projects in the future!”
Nick Beinhart, Libertyville Savings Bank

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.

Community Development Block Grant (CDBG) Program:

Iowa’s SRF staff work closely with the Iowa Economic Development Authority (IEDA), which implements the federally funded CDBG Program. Both programs use a quarterly funding cycle which allows for more effective matching of CDBG and SRF efforts. 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 Nora Springs**, population 1,431, qualified for a \$500,000 grant from CDBG and borrowed the remaining \$7.7 million from the Clean Water SRF Program. More than half of Nora Springs’ population, 55.4%, is LMI. This project will include the construction of a new activated sludge wastewater treatment facility to meet effluent limits.
- The **City of Ridgeway**, population 315, was approved on the IUP for a water main replacement project including back up generation for the municipal supply wells and treatment plant. The LMI percentage for Ridgeway’s residents is 71%. Ridgeway qualified for a \$300,000 grant from CDBG which allowed them to reduce their borrowing from the Drinking Water SRF Program down to \$388,000.

U.S. Department of Agriculture-Rural Development (USDA-RD):

The USDA-RD typically provides its recipients with loan funding in combination with their grants, so projects co-funded with SRF are rare. Our programs do occasionally work together with SRF providing a P&D loan and USDA-RD providing a construction loan. In some cases, USDA-RD will provide emergency funding for a community.

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 December 2018, the **City of Adel** borrowed \$1,200,000 through a Clean Water SRF P&D loan to cover the costs of preparing a Facility Plan for the construction of a new wastewater treatment facility. Having a Facility Plan will allow the City to apply for either SRF or the U.S. Department of Agriculture-Rural Development (USDA-RD) funding.

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 accepting applications as is expected to make the first grant awards 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 has adapted to the needs of our communities. We cannot meet all of those needs, but our SRF continues to be an effective and cost-efficient mechanism for financing projects to protect water quality and public health, as intended by Congress and state policy-makers.

In order for the SRF to continue to be a viable and strong resource for Iowans, the Iowa SRF must remain programmatically and financially focused. 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, 2018 through June 30, 2019.



Annual Report

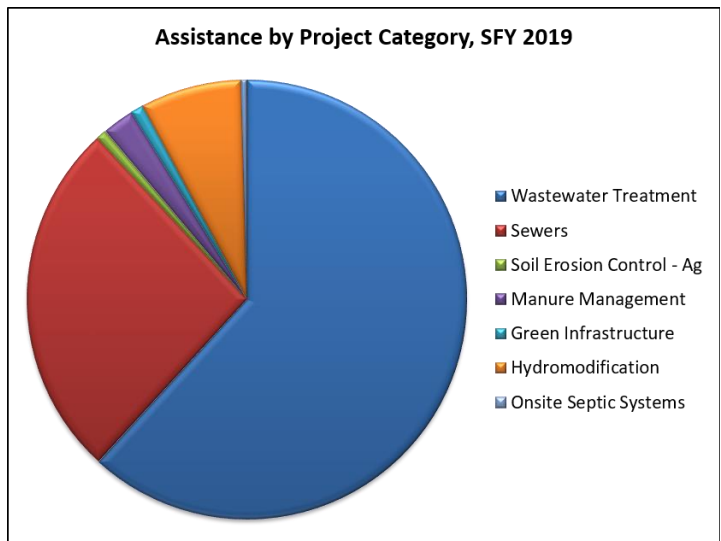
Clean Water State Revolving Fund

Fiscal Year 2019

The goals and objectives for the Clean Water SRF were laid out in the state fiscal year (SFY) 2019 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 2019, the CWSRF has entered into net financial commitments totaling nearly \$2,653,000,000, including almost \$290 million for nonpoint source pollution control. During SFY 2019 the CWSRF executed new assistance agreements totaling \$271 million. This total represents an increase over the previous year's total of \$255 million.

The CWSRF funds publicly owned wastewater and sewer infrastructure, shown in the pie chart under Wastewater Treatment and Sewers. Approximately 88% of the CWSRF dollars in SFY 2019 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, Hydromodification, 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 2019 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 2019, the Intended Use Plan was updated quarterly. A total of 44 requests for wastewater infrastructure construction financing and 38 planning and design loan applications were added to the IUP project priority list. Loan funds were committed only after an environmental review was conducted, construction permits were issued, and bidding documents were reviewed for cost eligibility.

During SFY 2019, 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 24 project initiation meetings to assist applicants, engineers and planners understand the planning, permitting and loan process

- Approved 27 anti-degradation alternatives analyses evaluating less degrading reasonable treatment alternatives
- Approved 62 facility plans/engineering reports recommending the selected project alternative and site
- Issued 47 construction permits and plans and specifications approval
- Reviewed and processed 56 addenda for 30 CWSRF funded projects
- Reviewed 66 sets of bid documents for CWSRF eligibility of project costs
- Reviewed and processed 326 change orders for 75 CWSRF funded projects
- Conducted 20 American Iron and Steel project site inspections for CWSRF funded projects
- Conducted 40 final inspections relating to 50 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:

- "The permitting flow chart is a great tool I like using to help myself and clients understand which step we are at, who is responsible for what and what is coming next."
- "The Iowa DNR is always easy to work with."
- "We had significant delays in this project in obtaining waivers for residences within 1000 feet for the septic system. The project manager took this into account during reviews which was greatly appreciated. The project manager expedited all phases of the review of waivers, facility plan and construction plans and was a pleasure to work with."
- "Other than timeliness due to being understaffed, the process was straight forward and all individuals I worked with were helpful and professional."
- "We have endured several personnel changes within the DNR, which has set us back several times, as the new employee needed to get acclimated to our facility and needs."
- "The review process took a little longer than we would've liked, but it was clear and thought the project manager is great to work with."
- "The Project Manager was very helpful and answered questions/reviewed the report quickly."
- "Good flow of information and mostly timely. SRF provided a check list that was helpful. DNR team very thorough."
- "Slightly longer review time than usual, but there were no comments to be addressed and the permit was issued prior to bid."

Goal: Require applicants to engage a registered Municipal Advisor (MA). 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. In Iowa, 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. Because we believe financial sustainability is so important, the SRF program pays up to \$4,000 for MA expenses. In SFY 2019, a total of \$23,500 was paid in MA fees to 6 communities that have CWSRF projects.

Goal: Implement the "Use of American Iron and Steel (AIS)" requirements enacted by Congress on January 17, 2014. SRF staff developed revised front-end specifications including the new requirements and suggested contract language. Template certifications, materials checklists and forms for documenting the use of the national De Minimis Waiver were developed and made available for applicants. As a part of the SRF closeout process, each applicant is also required to sign a Final Project Close-out: American Iron and Steel Self-Certification pledging compliance with American Iron and Steel requirements.

One AIS project-specific availability variance waiver request was received during SFY 2019 and was forwarded to EPA for consideration. In February 2019, the City of Sioux City was granted an AIS Project Waiver by the EPA allowing them to use high-pressure ball valves that were manufactured outside of the United States.

During SFY 2019, a total of 20 AIS 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. Reports are provided to the applicant following the visit and are used to assist the applicant in identifying and correcting noncompliant issues.

A series of webinars on AIS requirements were hosted by EPA Headquarters in March 2019. This webinar series was attended by a number of consultants, contractors, suppliers, applicants and SRF staff and was found to be a valuable refresher course. On a weekly and sometimes daily basis, SRF staff continue to answer questions from consultants, owners and contractors concerning what is covered and required by AIS. EPA is consulted either directly or through the SRF_AIS@epa.gov, when needed.

Goal: Fund green projects to meet the requirements of the Green Project Reserve. Iowa has met and exceeded the Green Project Reserve requirements CAP 2017 grants, as shown in the table below. Projects meeting GPR requirements for CAP 2018 have been identified and will be reported during SFY 2020.

| FFY | GPR Required | GPR Actual |
|------|--------------|--------------|
| 2016 | \$1,808,300 | \$4,788,500 |
| 2017 | \$1,794,400 | \$21,236,103 |
| 2018 | \$2,172,300 | |

Goal: Develop plans for allocating loan forgiveness required in FFY 2017 and 2018 CAP grants. Iowa has provided loan forgiveness based on disadvantaged status. Loan forgiveness is capped at \$1million per applicant, per project. Each cap grant year there has been a minimum and maximum amount allowed. Iowa has targeted loan forgiveness in order to provide as close to the minimum amount required as possible.

During SFY 2019, additional subsidization was assigned to CAP 2017 and CAP 2018 grants for the communities of Calamus, Deloit, Calmar, Lake View and St Donatus. Loan forgiveness for the City of Coralville was reassigned to CAP 2018 from a previous CAP grant. Allocations for the remaining minimum requirements for CAP 2018 grant will be assigned during SFY 2020.

| FFY | Minimum | Maximum | Actual | % of Minimum |
|------|-------------|-------------|-------------|--------------|
| 2016 | \$1,808,300 | \$7,233,200 | \$1,838,300 | 102% |
| 2017 | \$1,794,400 | \$7,177,400 | \$1,794,400 | 100% |
| 2018 | \$2,172,300 | | \$1,981,800 | 91% |

One of the projects identified for loan forgiveness has been executed in phases over several years. Allocations for this project have been reallocated over several CAP grants to allow for grant closeouts to occur. Although the remaining unused portion of loan forgiveness for this applicant has been accounted for, the applicant has been given an end date for using this balance. If SRF withdraws any portion of the balance of this loan forgiveness, an alternate public health project will be selected from the current IUP to reassign those funds and adjustments to the subsidization assignments for CAP 2017 and CAP 2018 may be required. To avoid this from happening in the future, the SRF program will begin incorporating a required timeline in the SFY 2020 IUP for when construction must begin for projects receiving loan forgiveness.

The following projects executed loans during SFY 2019 and will receive loan forgiveness:

| Project | Estimated Add Sub Amount | % of Loan Forgiveness | CAP Grant |
|-------------------|--------------------------|---------------------------------|-----------|
| City of Lake View | \$155,800 | 30% of project cost, \$1mil cap | 2017 |
| City of Lake View | \$844,200 | 30% of project cost, \$1mil cap | 2018 |

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.

FFATA reporting has been completed through the FFY 2017 capitalization grant. WRA will be used to satisfy FFATA reporting for FFY 2018 capitalization grant once loans have been signed for their projects currently on the IUP.

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 2019 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 2019.

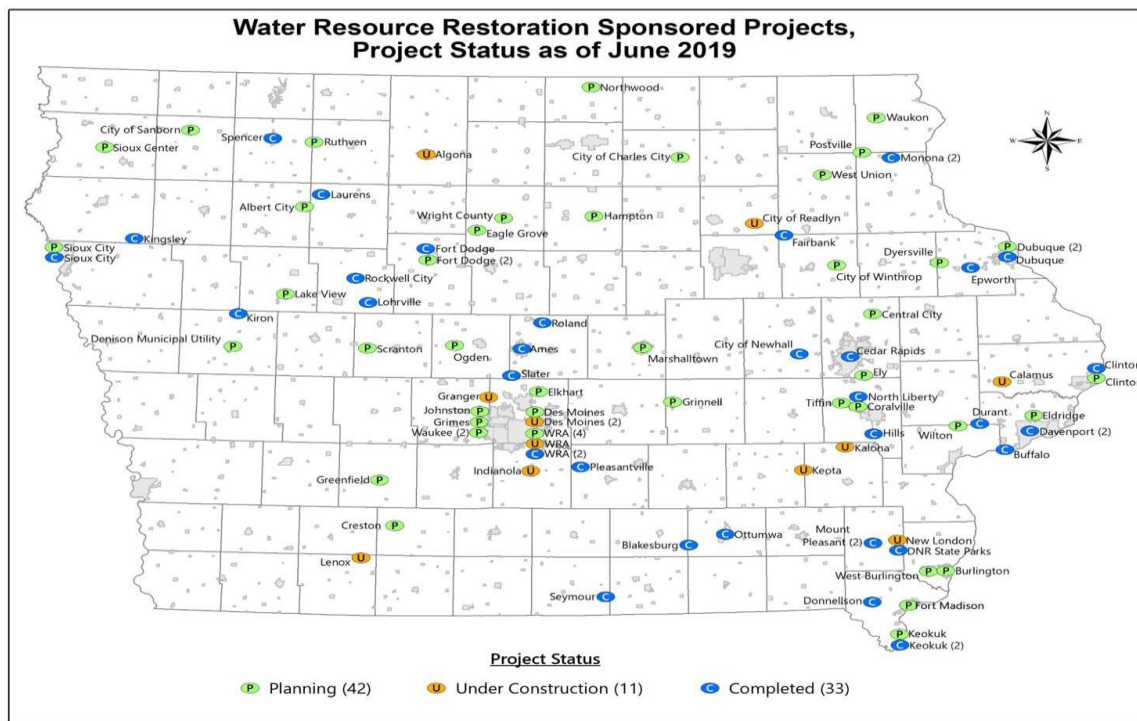
| Strategy | Implementation | SFY 2018 Outcomes |
|--|--|--|
| Promote planning processes that support sustainability | <p>Iowa participates in training sessions to inform potential borrowers about using SRF to implement sustainable practices</p> <p>Iowa provides planning and design (P&D) loans to assist communities with project development</p> | <p>During SFY 2019, SRF staff presented on CWSRF at several conferences, meetings and workshops. Here are a few examples:</p> <ul style="list-style-type: none"> • September 2018, Iowa League of Cities annual conference, Council Bluffs • Community Development Block Grant application workshop, Ankeny • Growing Sustainable Communities annual conference, Dubuque • Water Resource Restoration Sponsored Project Workshop, Ankeny • Iowa Municipal Finance Officer Association, Des Moines • Iowa Stormwater Summit, Ankeny • CIFA Conference, Albuquerque • Water Day at the Capitol, Des Moines • Iowa Rural Water Association annual conference, Des Moines • Iowa Water Environment Association small community workshops in Manchester and Des Moines <p>As shown in CWSRF Exhibit 2, 32 communities received planning and design loans during SFY 2019.</p> |

| Strategy | Implementation | SFY 2018 Outcomes |
|--|--|---|
| Encourage community sustainability | The Clean Water SRF promotes green infrastructure and sustainable storm water practices | New loan amendments for 5 sponsored projects totaling \$1.63 million were executed. The sponsored projects allowed communities to implement sustainable green infrastructure practices. |
| 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 Ackley, Alton, Ames, Blencoe, Des Moines, Dubuque, Fayette, Garrison, Lisbon, Manning, New Sharon, Oskaloosa, Pocahontas, and Postville. Additional subsidization assignments for CAP 2017 and CAP 2018 were made 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 2019, \$66.5 million has been awarded to 99 projects in 81 communities and 1 state park. During SFY 2019, eighteen new sponsored project applications were accepted from the ***Cities of Charles City, Clinton, Davenport, Des Moines (2), Dubuque, Eldridge, Elkhart, Ely, Keokuk, Sanborn, Scranton, Waukee, Waukon, West Union, Winthrop, and from Denison Municipal Utilities (DMU) and Wastewater Reclamation Authority (WRA)*** with a total recommended funding amount of \$12,327,000.

The map shows the status of each project as of June 2019 and indicates the progress that was made on sponsored projects during SFY 2019. 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 5 sponsored projects were signed during SFY 2019, including the following:

| Borrower | Project Description | Sponsored Project Amount |
|------------------------|---|--------------------------|
| City of Calamus | Installation of 1714 square feet of permeable pavers in a highly impervious area along 2nd and Main Street to address urban stormwater runoff impacting the Wapsipinicon River. The permeable pavers addressed runoff from city streets and buildings providing ~2057 cubic foot of storage. | \$130,000 |
| City of Mount Pleasant | Installation of a permeable paver parking lot at the Maple Leaf Athletic Complex in Mount Pleasant, IA. The purpose of the practice is to improve water quality in the Snipe Run watershed through increased infiltration resulting in the treatment and removal of urban pollutants. | \$489,000 |
| City of New London | Stream restoration including grade stabilization structure, riffles, streambank grading and stabilization, and native vegetation on the Madison West Ditch and Main Draw tributaries to reduce sediment and nutrient delivery to the Skunk River. | \$265,000 |
| City of Northwood | The City partnered with the local drainage district to purchase agricultural land and construct a CREP wetland to reduce sediment, nutrients, and other agricultural chemicals from agricultural drainage in a heavily tiled portion of the Upper Cedar River watershed. | \$494,000 |
| City of Readlyn | In conjunction with a Water Quality Initiative grant through the Iowa Department of Agriculture and Land Stewardship the City constructed a stormwater wetland to treat and reduce urban and agricultural runoff in order to improve water quality in the Upper Wapsipinicon River Watershed. | \$249,000 |
| | TOTAL | \$1,627,000 |

During SFY 2019, the following sponsored projects received awards and recognition:

- The City of Algona received a 2018 Best Development Award in the category of Stormwater Management from 1000 Friends of Iowa, Citizens United for Responsible Land Use. The award was given for their green infrastructure Sponsored Projects that included permeable pavers and tree trenches with native plantings

Iowa SRF staff presented the sponsored project program during national/international events in SFY 2019:

- January 2019 Environmental Law Institute Upper Mississippi States: Innovative Financing for Nutrient Reduction webinar.

Goal: Comply with the EPA Signage Guidance. During SFY 2019 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. The EPA is evaluating the future use of Operating Agreements in Region 7 states. This goal will be carried over into SFY 2020 and Iowa will determine which portions of the existing operating agreement are still applicable.

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 the Iowa Water Infrastructure Finance Coordination (WIFCO) group, which consists of SRF staff from DNR and IFA, the Community Development Block Grant (CDBG) program staff and USDA Rural Development staff.

Goal: Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. During SFY 2019 SRF staff continued to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. The SRF environmental review staff completed 36 assessments for CWSRF projects, including:

- 12 categorical exclusions (CXs)
- 22 full assessments that ended in Findings of No Significant Impact (FNSIs)
- 2 reaffirmations (RE) of projects that changed after the original assessment was completed

Customer satisfaction surveys were sent when the environmental reviews were completed. The surveys were sent to project owners, engineering consultants, and grant administrators. The following comments were typical of the level of satisfaction:

- Grant Administrator of a sewer separation project: “ER specialist and the rest of the environmental review staff are great to work with, explain everything that needs to be completed, responds in a timely manner and keeps in contact with us.”
- Grant Administrator of a lagoon conversion, Lemna system and lift station upgrade project: “ER Specialist was very friendly and did the environmental review quickly while keeping all parties in the loop throughout the process.”
- City/Owner Representative of a new Submerged Activated Growth Reactor (SAGR) system: “Process was done smoothly. ER specialist answered all questions and was always available.”
- Grant Administrator for CIPP lining project: “Staff is great to work with!! ☺”
- Grant Administrator of a new sanitary sewer project: “All the staff are very easy to work with which makes the process smooth!!”

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 2019, the following communities took advantage of extended terms for their SRF loans: Lake View, Woodward and Nora Springs.

Goal: Maintain mechanisms for funding the on-going administration of the program if federal funding is reduced or eliminated. During SFY 2019 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. Assuming no further cap grants were available, 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 2019 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 2019, 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 2019 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 2019. Binding commitments totaling \$271,108,525 were executed (adjusted net total was \$259,067,685). Loans ranged from a \$35,000 for the **City of Saint Olaf** for planning and design of wastewater system improvements to \$34 million for the **City of Coralville** to improve their wastewater treatment system.

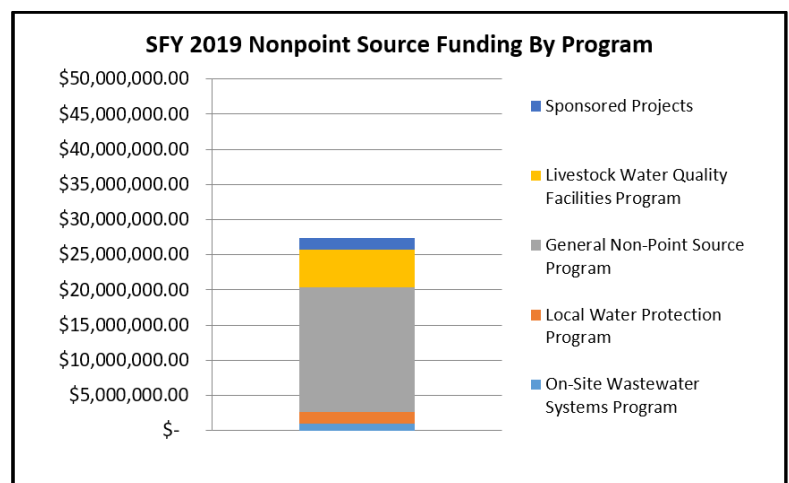
CW Exhibit 2A shows that during SFY 2019, 52 projects reported construction starts. A total of 43 projects reported that they had initiated operations, as shown in CW Exhibit 2B.

CW Exhibit 2C is a list of projects for which the environmental and historical review process was completed during SFY 2019. These reviews resulted in either a Categorical Exclusion (CX), a Finding of No Significant Impact (FNSI), or a Reaffirmation (RE). DNR issued 12 CXs, 22 FNSIs and 2 REs.

2. Nonpoint Source Programs

The total provided for nonpoint source loans cumulatively was almost \$290 million. During SFY 2019, over \$27 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:

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 93 projects totaling \$981,480 in loans during SFY 2019. 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 2019 totaled \$1,708,438 for 67 projects.

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 52% of the cost of conservation implementation for practices running through soil and water conservation districts. This shows the important role that loan programs play in putting more practices on the land. These loans can be used to finance the entire project or as a supplement to 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 2019, \$5.3 million was disbursed for linked deposits to facilitate 25 loans. 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. LWQP covered 56% of the cost share in these programs in SFY 2019.

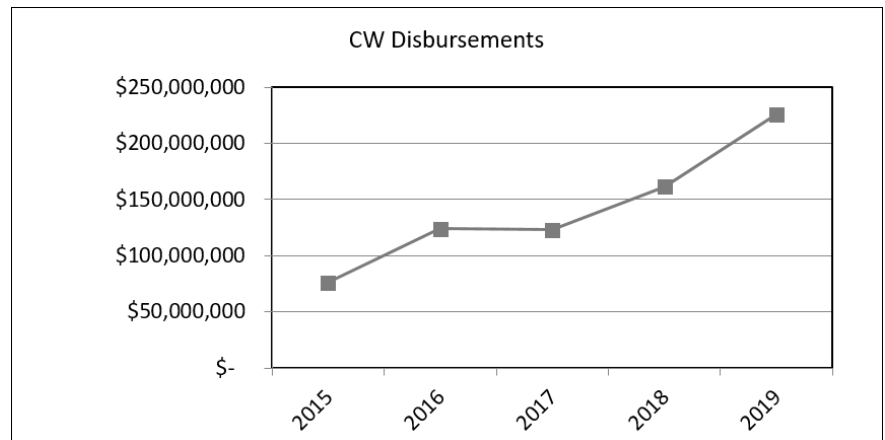
General Non-Point Source (GNS) Program. The GNS program was established to cover a wide range of possible water quality-related projects and practices. Two loans were executed in SFY 2019, totaling \$17,738,667. The City of Dubuque's loan includes the third phase of the Bee Branch stream daylighting and restoration project, which includes the replacement of culverts under a railyard in order to connect the Upper Bee Branch section of restored stream to the Lower Bee Branch section to improve conveyance of storm flow and improve fish passage. The City of Johnston is installing bioretention cells in conjunction with their sanitary sewer and drinking water projects.

Sponsored Projects. Green infrastructure projects using innovative storm water infiltration practices, hydromodification, and agricultural BMP projects were funded during SFY 2019 for a total of \$1,627,000.

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, 2018 to June 30, 2019. 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.

- Loan disbursements* - As can be seen in CW Exhibit 7, loan disbursements during SFY 2019 totaled \$225,664,000. Disbursements have been maintaining an upward trend again since 2015.
- 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.
- Administrative costs* - As shown in CW Exhibit 6, \$4,671,000 was disbursed, or accrued, for program administration in SFY 2019. 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.
- Interest on bonds* - Also shown in CW Exhibit 6, \$28,858,000 was disbursed, or accrued, for payment of interest on bonds to bond holders.
- Grants and aid* - Recent appropriations have included a requirement to provide principal forgiveness. CW Exhibit 6 shows that \$90,000 were made in SFY 2019 that are intended to be forgiven and not repaid.

Total operating expenses for SFY 2019 were \$33,529,000 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, 2019 and June 30, 2018. As of June 30, 2019, the CWSRF had total assets of \$1,731,949,000. 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 2019 and SFY 2018. 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 2019 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 2019, 91% of the Clean Water SRF funds went to wastewater systems with human health requirements in their discharge permits. In particular, 20 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 2019:

- 56% of facilities/systems receiving assistance were out of compliance before the project and will be in compliance at project completion
- 44% 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 2019:

- 36% of the funds, including both point source and nonpoint source loans, were for the purpose of improving water quality
- 64% of the funds will help point sources maintain water quality



Annual Report

Drinking Water State Revolving Fund

Fiscal Year 2019

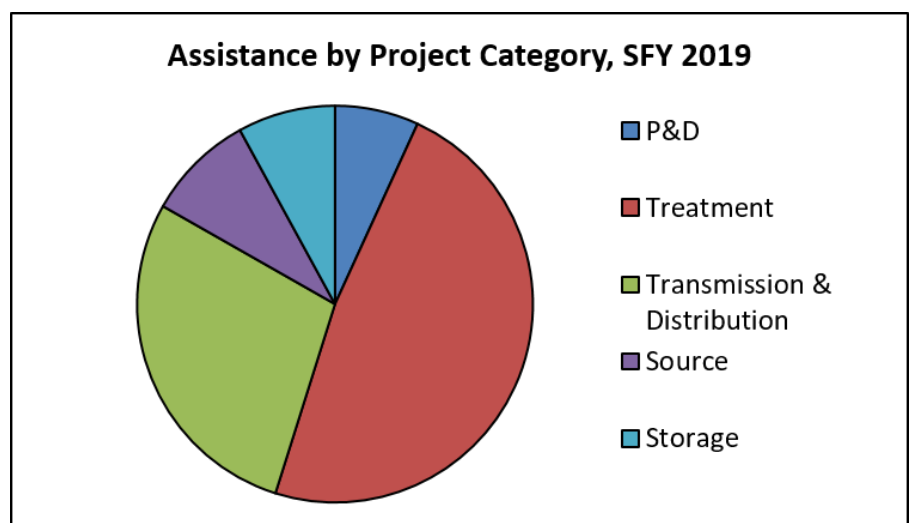
The goals and objectives for the Drinking Water SRF were laid out in the state fiscal year (SFY) 2019 Intended Use Plan (IUP), which was updated quarterly. This annual report examines the activities carried out and the progress made toward meeting those goals. As of the end of June 2019, the Drinking Water SRF has entered into loan commitments totaling \$998 million. The program funds projects to help public water supplies provide safe drinking water and protect public health.

During SFY 2019, the Drinking Water SRF signed loan commitments totaling \$59 million. This included 18 construction loans. During SFY 2019, loans ranged from \$30,000 to \$25.3 million.

The largest amount of dollars, over \$27 million, was used for treatment. Other uses during SFY 2019 were for transmission and distribution, source water (e.g. new wells), water storage and land acquisitions as part of these projects.

Planning and design loans to 20 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 2019, 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 2019 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 2019, the Intended Use Plan was updated quarterly. A total of 30 requests for construction financing, and 19 planning and design loan applications, were added to the IUP project priority

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

During SFY 2019, the DNR's Water Supply Engineering (WSE) project managers accomplished the following to help move DWSRF projects toward loan readiness:

- Reviewed 31 new applications resulting in 30 listings on the IUP
- Approved 29 preliminary engineering reports for DWSRF projects
- Issued 31 construction permits, 35 approvals, and 44 supplements for DWSRF projects
- Reviewed 34 sets of bid documents for DWSRF eligibility
- Conducted 14 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 2019, 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 2018 were detailed in a separate document entitled, "Report on the State of Iowa's Capacity Development Program for the Period of October 1, 2017 through September 30, 2018," on December 28, 2018. In addition, the most recent "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. This report is completed every three years with the next report due in the year 2020.

Goal: Require applicants to engage a registered Municipal Advisor (MA). 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. In Iowa, 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. Because we believe financial sustainability is so important, the SRF program pays up to \$4,000 for MA expenses. In SFY 2019, a total of \$16,000 was paid in MA fees to 4 communities that have DWSRF projects.

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

SRF staff developed revised front-end specifications including the new requirements and suggested contract language. Template certifications, materials checklists and forms for documenting the use of the national De Minimis Waiver were developed and made available for applicants. As a part of the SRF closeout process, each applicant is also required to sign a Final Project Close-out: American Iron and Steel Self-Certification pledging compliance with American Iron and Steel requirements.

Two AIS project-specific availability variance waiver requests were received from SRF applicants during SFY 2019. One of the requests was forwarded to EPA for consideration and the City of Dubuque was issued a state discretionary waiver with the support of the EPA. With the assistance of the EPA's contractors, a manufacturer was located that could produce a domestic-equivalent product so the second waiver request was withdrawn.

During SFY 2019, a total of 17 AIS 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.

In October 2018, representatives from EPA headquarters and The Cadmus Group, LLC conducted AIS site visits at the following DWSRF project sites: ***Amana Society Service Company, City of Anamosa, Mahaska Rural Water System, Osceola Rural Water System, and the City of Washington.*** Each visit was conducted as a site review and outreach visit rather than as a compliance check. Draft reports were provided to the applicant and the state following the visit and the report outlined issues and recommendations from the observations made, discussions held and data collected for the AIS site visit. Information from these reports was used in conjunction with DNR Field Office AIS inspections to assist applicants in identifying and correcting potential compliance issues.

A series of webinars on AIS requirements were hosted by EPA Headquarters in March 2019. This webinar series was attended by a number of consultants, contractors, suppliers, applicants and SRF staff and was found to be a valuable refresher course. On a weekly and sometimes daily basis, SRF staff continue to answer questions from consultants, owners and contractors concerning what is covered and required by AIS. EPA is consulted either directly or through the SRF_AIS@epa.gov, when needed.

Goal: Apply additional subsidization available in FFY 2018 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. Each cap grant year there has been a minimum and maximum amount allowed. Iowa has targeted loan forgiveness in order to provide as close to the minimum amount required as possible.

| FFY | Minimum Required | Actual | % of Minimum |
|-------|------------------|--------------|--------------|
| 2016 | \$ 2,486,400 | \$2,490,000 | 100% |
| 2017 | \$2,465,200 | \$2,251,701 | 91% |
| 2018 | \$3,469,577 | \$2,651,368 | 76% |
| Total | \$8,421,177 | \$27,470,831 | |

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

Using this criteria, commitments of loan forgiveness through CAP 2018 have been made to projects already on the SFY 2019 IUP. Final project costs came in lower than anticipated so the actual amount of forgiveness assigned has been adjusted for CAP 2017 grant. Due to variances in final project costs, adjustments to the actual loan forgiveness amounts applied to each CAP grant may need to be updated accordingly. No new loan forgiveness commitments were made in SFY 2019.

One of the water efficiency projects identified for loan forgiveness has experienced significant technical delays and may not be able to complete the project. Allocations for this project, although accounted for internally, have not been reported and therefore the minimum additional subsidization requirements for CAP 2017 and CAP 2018 have not yet been met. To be able to allocate the remaining required additional subsidization for these two grants, SRF may need to withdraw the loan forgiveness offer for this project and reassign those funds. If that is the case, an alternate public health project will be selected from the current IUP. To avoid this delay in the future, the SRF program will begin incorporating a required timeline in the IUP for when construction must begin for projects receiving loan forgiveness.

The following projects were identified during SFY 2018 to receive loan forgiveness. These applicants executed loans during SFY 2019 and will receive loan forgiveness (D = Disadvantaged, PH = Public Health, G=Green Project, EP=Emergency Power).

| Type | Project | Loan Amount | % of Loan Forgiveness |
|------|------------------|-------------|------------------------------------|
| PH | City of Bellevue | \$2,200,000 | 75% of project cost |
| G | City of Cushing | \$61,000 | 30% of cost of water meters |
| EP | City of Cushing | \$36,555 | 75% of cost of emergency generator |

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 2019.

| 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 2019, SRF staff presented on DWSRF opportunities at several conferences, meetings and workshops. Here are a few examples:</p> <ul style="list-style-type: none"> • Iowa League of Cities annual conference, Council Bluffs • Community Development Block Grant application workshop, Ankeny • Iowa Municipal Finance Officer Association, Des Moines • CIFA Conference, Albuquerque • Water Day at the Capitol, Des Moines • Iowa Rural Water Association annual conference, Des Moines • Iowa Water Environment Association small community workshops in Manchester and Des Moines • IA Municipal Utilities, Small Systems Funding Workshop <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 has been allocated to 2 projects from the CAP 2018 grant. 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 upon execution and final draw of a loan. |
| 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: Cleghorn, Council Bluffs Water Works, Mount Ayr, Mahaska Rural Water System, Manchester, Marble Rock, Raymond, and Ridgeway.</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 for the Cities of Fort Dodge and Sioux City were identified to satisfy the FFY 2017 and FFY 2018 grants during SFY 2019.

Goal: Comply with the EPA Signage Guidance. During SFY 2019 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 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. The EPA is evaluating the future use of Operating Agreements in Region 7 states. This goal will be carried over into SFY 2020 and Iowa will determine which portions of the existing operating agreement are still applicable.

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 2019 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, *The City of Bellevue* has observed elevated levels of combined radium at or above the Maximum Contaminant Level (MCL) of 5pCi/L since 2015. Naturally-occurring and man-made radionuclides are known to pose potential human health risks and have been linked to several forms of cancer. The City borrowed funds from SRF to make improvements to the water supply facilities to adequately address elevated radium levels in the finished water in order to continue to safely and reliably operate the City of Bellevue's water supply system. This project will receive loan forgiveness of 75%.

Goal: Apply program requirements that are simple and understandable and do not add unnecessary burdens to applicants or recipients. During SFY 2019 SRF staff continued to assist applicants with completing the federal cross-cutting requirements for environmental and historical review. The SRF environmental review staff completed 29 assessments, including:

- 11 categorical exclusions (CXs)
- 16 full assessments that ended in Findings of No Significant Impact (FNSIs)
- 2 reaffirmations (RE) of projects that changed after the original assessment was completed

Customer satisfaction surveys were sent when the environmental reviews were completed. The surveys were sent to project owners, engineering consultants, and grant administrators. The following comments were typical of the level of satisfaction:

- City/Owner Representative of transmission main replacement project: "Anytime I had questions the ER specialist answered them promptly and thoroughly."
- City/Owner Representative of a new detention tank, pressure filters, tank conversion and water main project: "We had no complaints from our consultant regarding the process. We find great value in the DNR leading the process because we have little on site experience to carry it through."
- City/Owner Representative of a water treatment improvement project: "Some of the delays were on our shoulders. Not always clear on what was next but thank you!"
- Consulting Engineer of a water main replacement project: "Environmental Review Specialist did an exceptional job tracking the progress. Thank you."
- City/Owner Representative of regional connection project: "I have been very impressed throughout this entire process. The DNR staff has done a great job!"
- Consulting Engineer of a new production well project: "The ER Specialist was excellent at keeping everyone informed and moving the process forward as quickly as possible."

Goal: Continue the option of extended financing terms for DWSRF 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. The *Cities of Cushing and Mount Ayr* used extended financing in SFY 2019.

Goal: Maintain mechanisms for funding the on-going administration of the program if federal funding is reduced or eliminated. During SFY 2019 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 2019 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 2019, 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 2019 is shown as DW Exhibit 1.

DW Exhibit 2 shows the planning and design (P&D) and construction loans signed during SFY 2019. Binding commitments totaling \$58,964,500 were executed (adjusted net total was \$53,692,782). Loans ranged from a \$30,000 P&D loan for the **City of Delaware** for installation of pressure tanks and extension of public water mains, to the **City of Fort Dodge's** \$25.3 million construction loan to reduce water hardness and chloride concentrations to sanitary sewers, dig a new Mississippian well, install a reverse osmosis system and a waste disposal system.

DW Exhibit 2A shows that during SFY 2019, 18 projects reported construction starts. A total of 13 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 2019. These reviews resulted in either a Categorical Exclusion (CX), a Finding of No Significant Impact (FNSI), or Reaffirmation (RE). DNR issued 11 CXs, 16 FNSIs and 2 REs.

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 2019, 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 30 operators to become certified Grade A operators (smallest community systems) and additional training for continuing education credits for 72 existing Grade A operators.

DNR administered 882 operator certification exams during SFY 2019. The examinations are offered at 6 locations around the state and can be scheduled any business day at the operator's convenience. The convenience of offering electronic

exams, daily, in every region facilitates better compliance when it comes to properly certified operators. Beginning in March 2019, the DMACC Southridge-Des Moines campus now offers examinations outside of normal business hours including evenings and weekends.

Iowa is a small system state, with 92.7% 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: 900

DWSRF Administration. This set-aside was used for the administration of the DWSRF, with a total of \$1,024,641 expended. DNR work, totaling \$610,646 expended, included the following activities:

- Reviewed 31 new applications resulting in 30 listings on the IUP
- Approved 29 DWSRF reports
- Issued 31 permits, 35 approvals, and 44 supplements for DWSRF projects
- Conducted 14 final construction inspections
- Updated the NIMS report on 9/13/2018
- Conducted 17 American Iron and Steel inspections
- Submitted the annual program report to EPA on 10/1/2018
- EPA completed the DWSRF annual program audit of the Iowa program on 3/27/2019
- Completed 29 archaeological assessments

In February 2019, The Iowa Finance Authority issued \$258,000,000 in Green bonds for both Clean Water and Drinking Water SRF Programs and executed 38 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 16 reports (reviewed), 573 construction permits, 169 approvals, and 123 supplements
- Ongoing design and support for the SDWIS and safe drinking water databases
- Provided 12 wasteload allocations for discharging public water supplies
- Completed 3 Influenced Groundwater determinations and worked on 1 other
- Approved 3 contact time determinations and 5 corrosion control studies
- DNR completed 207 Sanitary Surveys

Other Authorized Uses. The primary uses of this set-aside in SFY 2019 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: 274 completed by DNR and 138 completed by counties via 28-E agreements
- Technical assistance contacts (DNR) including compliance follow-up and assistance: 261
- Number of additional onsite visits completed: 185 by DNR; 200 by counties via 28-E agreements
- Capacity development reviews for SRF applicants, new systems, and existing systems as required: 24
- Number of public water supplies assisted through Iowa Association of Municipal Utilities contract: 27
- One voluntary comprehensive performance evaluation event
- Number of new Phase 1 Source Water Protection Plan (SWPP) reports: 16
- Number of existing Phase 1 SWPP reports updated: 905
- Number of updates to Phase 2 Source Water Plans (SWP): 1
- Number of completed Phase 2 SWPs: 10 (6 done under contract; 4 from other sources)

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, 2018 to June 30, 2019. 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 2019 totaled \$30,554,000.
- 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, \$5,363,000 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.

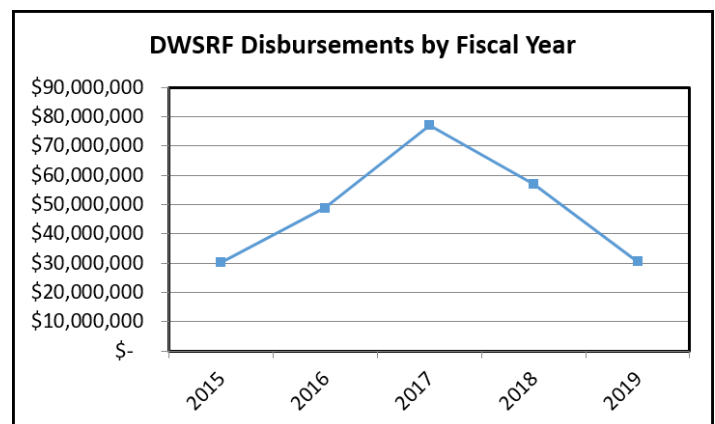
- d. *Interest on bonds* - As shown in DW Exhibit 6, \$9,745,000 was disbursed, or accrued, for payment of interest on bonds to bond holders in SFY 2019.
- e. *Grants and aid*. Recent appropriations included a requirement to provide principal forgiveness. DW Exhibit 6 shows that \$3,704,000 in loan disbursements were made in SFY 2019 that are intended to be forgiven and not repaid. Total operating expenses for SFY 2019 were \$15,083,000 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, 2018 and June 30, 2019. As of June 30, 2019, the DWSRF had total assets of \$651,023,000. 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 2019 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 2019.

| Borrower | DWSRF No. | Benefits Description |
|----------------------------|-------------------------|--|
| City of Bellevue | FS-49-17-DWSRF-021 | The purpose of this project is to make improvements to the water supply facilities to adequately address elevated radium levels in the finished water. |
| City of Cleghorn | FS-18-18-DWSRF-0006 (1) | The existing water tower has reached the end of its design life and has recently developed leaks, which the City has fixed for the time being, but may re-occur. Additionally, pressures in the water distribution system, especially on the south side of town, can become concerning low during times of high-usage. If pressures within the distribution system are allowed to drop too low, infiltration from water outside the system may result in bacterial contamination. The new elevated storage tank will better assist in the prevention of water supply contamination associated with inadequate pressures within the distribution system. Replacement of non-functioning valves will assist in prevention of loss of water supply. |
| Council Bluffs Water Works | FS-78-18-DWSRF-015 | The Council Bluffs Water Works is upgrading their water distribution system. The project includes replacement of a cast iron transmission water main. |
| City of Cushing | FS-97-16-DWSRF-013 | The purpose of this project is to make improvements to the municipal water supply system units to enhance their reliability and to replace obsolete materials to better safely and reliably operate the City of Cushing’s water system. The project includes construction of a new well, new standpipe, water main connections, rehabilitation of well #3, installation of a generator, and replacement of water meters. Demolition of the existing water tower is also included in this project. |
| City of Delaware | FS-28-18-DWSRF-020 | This project includes removal of existing hydropneumatic tanks at a control building, construction of a new building addition, construction of new water main and service connection piping to extend the water distribution system, installation of 2 new fire hydrants, and installation of 83 water meters with remote-read sensors. |
| City of Farley | FS-31-17-DWSRF-008 | <p>The City of Farley’s water supply is obtained through three community wells numbered 2, 3, and 4. Analysis of water samples resulted in a maximum contaminant level (MCL) violation for radium. This project will include installation of a radium treatment facility at the City park to serve Wells 2 and 3, piping modifications near Well House 2, demolition of Well House 3, and water and sewer replacement and upsizing.</p> <p>The sewer replacement and upsizing is necessary to accommodate sanitary sewer disposal of wastewater from the new treatment system. Positive environmental effects will be improved water quality in the drinking water system of the City of Farley.</p> |

| Borrower | DWSRF No. | Benefits Description |
|----------------------------|-----------------------------------|---|
| City of Fort Dodge | FS-94-18-DWSRF-011 | The City of Fort Dodge project includes planning improvements to its public water supply system to address the reduction of hardness in its finished drinking water. A primary driver for the project is to reduce chloride concentrations in the City's sanitary sewer system. The City is under a compliance schedule to meet chloride concentrations in the effluent from its wastewater treatment plant. The hardness reduction project will reduce the amount of salt used to regenerate zeolite water softeners. This salt is a primary source of chlorides in the sanitary sewer system, which passes through the wastewater treatment plant and is discharged to the Des Moines River. The project scope includes construction of a building expansion at the existing water treatment plant site to house new reverse osmosis (RO) equipment, replacement of the existing roof at the water treatment plant and the addition of a waste pump station and force main to transport wastewater to the municipal sewer. Positive environmental effects will be maintained or improved water quality for the citizens of Fort Dodge. The project will also improve water quality in the wastewater treatment facility receiving stream as fewer chlorides will be discharged. |
| City of Grimes | FS-77-18-DWSRF-016 (1) (2) (3) | This project includes a new 1.5 million gallon water tower, a new Jordan aquifer well, and a new reverse osmosis (RO) treatment plant. A raw water main from the well site to the new treatment plant is also included. The RO treatment plant will provide improved water quality and increased supply of finished drinking water. The new Jordan Well will provide increased raw water supply to the City of Grimes to meet increased demand as the population continues to grow. The new elevated storage tank will provide increased storage of finished water for the City of Grimes and will assist in maintaining pressure in the distribution system. |
| Mahaska Rural Water System | FS-62-16-DWSRF-017 | This project includes construction of a new raw water transmission main in New Sharon, IA. A new detention tank at the water treatment plant will be constructed as well as new high service pumps, filtration system and new water main. |
| City of Manchester | FS-28-19-DWSRF-005 | The City of Manchester is upgrading their water distribution system. The project includes installation of water main loop. |
| City of Marble Rock | FS-34-18-DWSRF-010 | The purpose of this project is to make improvements to the existing drinking water distribution system to enhance reliability, water supply, and to replace an obsolete system to safely and reliably operate the City of Marble Rock drinking water system. |
| City of Mount Ayr | FS-80-15-DWSRF-013 | This project includes replacement of existing water main, along with associated fire hydrants, valves, and service connections. The project also includes the demolition of a former water treatment plant, with clear well, that has not been in use since 1990 when the City of Mount Ayr began purchasing their treated water supply from the Southern Iowa Rural Water Association (SIRWA). |
| City of Mount Ayr | FS-80-12-DWSRF-014 (2) | This supplemental loan was used to move a prefabricated booster pump station to new location to improve pressure. The project includes the construction of a booster station, vault, piping, controls, generator and exterior building near the existing water tower. Additionally, water distribution main will connect the existing SIRWA main to the booster station. |

| Borrower | DWSRF No. | Benefits Description |
|------------------------|------------------------|---|
| City of Raymond | FS-07-17-DWSRF-028 | This project includes installation of a water main loop north of the City of Raymond as a second connection point to the City of Waterloo's water system and will also supply higher dynamic system pressures to the northern part of the city. |
| City of Ridgeway | FS-96-15-DWSRF-007 | This project includes replacing existing water mains as well as valves, hydrants and service lines. The project also includes installing a new stand-by generator at the water tower site as well as piping to connect to the existing natural gas line. |
| City of Sergeant Bluff | FS-97-18-DWSRF-009 (1) | This project includes water main piping and associated appurtenances. In addition, proposed upgrades to the WTP include addition of a new detention tank, new transfer pumps, new pressure filter and retrofitting of existing pressure filters, relocation of generator and transformer, conversion of the existing detention tank to a finished water storage tank and rerouting of existing process piping onsite. |

CW Exhibits

1-9

CW Exhibit 1: SFY 2019 Intended Use Plan Project Priority List

Chart 1: CWSRF SFY 2019 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 |
|--|---------|----------------|-------------|--------|-----|------------------|-----------------|------------------|----------------|------|
| Mount Pleasant | 4453001 | S2015-0081 | 1920919 01 | 2019 | 4 | I,II,IVB | 324 | 4,020,000 | P | |
| Pella | 6368006 | S2017-0215 | 1920918 01 | 2019 | 4 | I,II,IVB | 305 | 4,918,000 | P | |
| Columbus Junction | 5815001 | S2016-0171 | 1920913 01 | 2019 | 4 | II | 270 | 302,000 | P | |
| Peosta | 3150000 | S2016-0180 | 1920912 01 | 2019 | 4 | I,II | 264 | 8,184,000 | P | |
| Ladora | 4840001 | S2017-0239 | 1920911 01 | 2019 | 4 | II,IVB | 244 | 1,051,000 | P | |
| Preston | 4965001 | S2018-0180 | 1920910 01 | 2019 | 4 | II | 224 | 1,427,000 | P | |
| WRA (replace clarifiers rotating mech) | 7727001 | S2019-0006 | 1920914 01 | 2019 | 4 | I | 180 | 30,486,675 | P | |
| Fayette | 3342001 | S2016-0375 | 1920812 02 | 2019 | 4 | IIIA | 154 | 130,000 | R | |
| Spencer | 2171004 | S2014-0044 | 1920920 01 | 2019 | 4 | I | 149 | 2,960,000 | P | |
| Sumner | 0970001 | S2019-0180 | 1920916 01 | 2019 | 4 | IIIB,IVB | 149 | 296,000 | P | |
| Mitchellville | 7751001 | S2018-0295 | 1920915 01 | 2019 | 4 | IVB | 137 | 1,603,000 | P | |
| Underwood | 7869001 | S2013-0176B | 1920917 01 | 2019 | 4 | IVB | 132 | 930,000 | P | |
| Anita Municipal Utilities | 1503001 | | PD-CW-19-49 | 2019 | 4 | | P&D | 520,000 | L | |
| Bloomfield | 2613001 | | PD-CW-19-52 | 2019 | 4 | | P&D | 381,100 | R | |
| Conrad | 3809001 | | PD-CW-19-51 | 2019 | 4 | | P&D | 70,000 | L | |
| Dubuque | 3126001 | | PD-CW-19-46 | 2019 | 4 | | P&D | 795,000 | R | |
| Evansdale | 0723001 | | PD-CW-19-53 | 2019 | 4 | | P&D | 550,000 | L | |
| Fontanelle | 0135001 | | PD-CW-19-54 | 2019 | 4 | | P&D | 267,500 | L | |
| Ladora | 0058521 | | PD-CW-19-55 | 2019 | 4 | | P&D | 111,000 | L | |
| North English | 4858001 | | PD-CW-19-57 | 2019 | 4 | | P&D | 400,000 | L | |
| Oxford Junction | 5361001 | | PD-CW-19-48 | 2019 | 4 | | P&D | 100,000 | L | |
| Pomeroy | 1363001 | | PD-CW-19-56 | 2019 | 4 | | P&D | 180,000 | L | |
| Underwood | 7869001 | | PD-CW-19-47 | 2019 | 4 | | P&D | 65,000 | R | |
| Waverly | 0990001 | | PD-CW-19-50 | 2019 | 4 | | P&D | 780,000 | R | |
| Davenport | 8222003 | S2018-0145 | 1920896 91 | 2019 | 3 | II | 260 | 8,490,000 | P | |
| Cambridge | 8509001 | S2016-0380 | 1920902 01 | 2019 | 3 | II | 255 | 633,000 | P | |
| Maxwell | 8557001 | S2017-0135 | 1920901 01 | 2019 | 3 | II | 250 | 3,009,000 | P | |

| Project Name | NPDES # | Project Number | CWSRF No. | IUP YR | QTR | Needs Categories | Priority Points | Current Requests | Project Status | Type |
|---------------|---------|----------------|-------------|--------|-----|------------------|-----------------|------------------|----------------|------|
| Eldon | 9053001 | S2016-0240A | 1920903 01 | 2019 | 3 | IIIA | 235 | 1,005,000 | P | |
| Tripoli | 0975001 | S2017-0155 | 1920900 01 | 2019 | 3 | II | 232 | 2,010,000 | P | |
| Bayard | 3907001 | S2017-0231 | 1920909 01 | 2019 | 3 | II | 229 | 2,673,000 | P | |
| Dallas Center | 2520001 | S2016-0399 | 1920905 01 | 2019 | 3 | II | 227 | 3,025,000 | P | |
| Schleswig | 2446001 | S2017-0450 | 1920899 01 | 2019 | 3 | II | 224 | 3,748,000 | P | |
| Everly | 2115001 | S0217-0336 | 1920906 01 | 2019 | 3 | I | 215 | 2,725,000 | P | |
| Wapello | 5879001 | S2018-0317 | 1920907 01 | 2019 | 3 | V | 195 | 342,626 | P | |
| Fort Dodge | 9433003 | S2015-0080 | 1920908 01 | 2019 | 3 | IIIA,IIIB | 190 | 15,533,999 | P | |
| Hawarden | 8434001 | S2018-0375 | 1920897 01 | 2019 | 3 | I | 170 | 3,179,000 | P | |
| Hubbard | 4254001 | S2017-0079 | 1920898 01 | 2019 | 3 | IIIA | 134 | 624,000 | P | |
| Mediapolis | 2948001 | S2015-0002 | 1920904 01 | 2019 | 3 | IIIA | 129 | 1,312,000 | P | |
| Adel | 2503001 | | PD-CW-19-39 | 2019 | 3 | | P&D | 1,200,000 | L | |
| Brighton | 9209001 | | PD-CW-19-36 | 2019 | 3 | | P&D | 426,000 | L | |
| Ely | 5728001 | | PD-CW-19-35 | 2019 | 3 | | P&D | 160,100 | L | |
| Essex | 7349001 | | PD-CW-19-31 | 2019 | 3 | | P&D | 85,000 | R | |
| Fort Dodge | 9433003 | | PD-CW-19-32 | 2019 | 3 | | P&D | 1,250,000 | L | |
| Goodell | 4135001 | | PD-CW-19-33 | 2019 | 3 | | P&D | 163,425 | L | |
| Perry | 2561001 | | PD-CW-19-38 | 2019 | 3 | | P&D | 870,000 | L | |
| Rembrandt | 1170001 | | PD-CW-19-37 | 2019 | 3 | | P&D | 70,000 | L | |
| Tipton | 1689001 | | PD-CW-19-34 | 2019 | 3 | | P&D | 435,000 | L | |
| Blairstown | 0607001 | S2017-0311 | 1920889 01 | 2019 | 2 | I,II | 282 | 1,173,000 | P | |
| Lake Mills | 9545001 | S2017-0385 | 1920894 01 | 2019 | 2 | I,II | 277 | 1,799,000 | P | |
| DeWitt | 2330001 | S2018-0262 | 1920895 01 | 2019 | 2 | II | 224 | 955,000 | P | |
| Waverly | 0990001 | S2018-0335 | 1920892 01 | 2019 | 2 | IVB | 205 | 9,132,435 | P | |
| Waterloo | 0790001 | S2017-0196 | 1920893 01 | 2019 | 2 | IVB | 175 | 5,771,000 | P | |
| Fairfield | 5131001 | S2014-0008b | 1920891 01 | 2019 | 2 | IVB | 157 | 0 | D | |
| Winterset | 6171001 | S2018-0411 | 1920890 01 | 2019 | 2 | IVB | 127 | 1,129,000 | P | |
| Albia | 6803001 | | PD-CW-19-28 | 2019 | 2 | | P&D | 790,000 | L | |
| Cambridge | 8509001 | | PD-CW-19-22 | 2019 | 2 | | P&D | 200,000 | L | |
| Farnhamville | 1320001 | | PD-CW-19-27 | 2019 | 2 | | P&D | 38,000 | L | |
| Hubbard | 4254001 | | PD-CW-19-23 | 2019 | 2 | | P&D | 200,000 | L | |

| Project Name | NPDES # | Project Number | CWSRF No. | IUP YR | QTR | Needs Categories | Priority Points | Current Requests | Project Status | Type |
|--------------------------------------|---------|----------------|-------------|--------|-----|------------------|-----------------|------------------|----------------|------|
| Ida Grove | 4728001 | | PD-CW-19-20 | 2019 | 2 | | P&D | 480,000 | L | |
| Lewis | 1535001 | | PD-CW-19-25 | 2019 | 2 | | P&D | 225,000 | L | |
| Ottumwa | 9083001 | | PD-CW-19-29 | 2019 | 2 | | P&D | 3,900,000 | R | |
| Peosta | 3150000 | | PD-CW-19-26 | 2019 | 2 | | P&D | 1,105,500 | L | |
| Traer | 8681001 | | PD-CW-19-19 | 2019 | 2 | | P&D | 500,000 | L | |
| Winterset | 6171001 | | PD-CW-19-24 | 2019 | 2 | | P&D | 105,000 | L | |
| West Union | 3383303 | S2017-0426 | 1920887 01 | 2019 | 1 | I,II | 295 | 6,561,000 | P | |
| Hartford | 9128001 | S2017-0245 | 1920877 01 | 2019 | 1 | I,II | 285 | 2,381,000 | P | |
| Lone Tree | 5240001 | S2016-0010 | 1920883 01 | 2019 | 1 | I,II | 279 | 5,862,000 | P | |
| Osceola | 2038002 | S2016-0112 | 1920878 01 | 2019 | 1 | I,II | 277 | 25,554,000 | P | |
| West Point | 5691001 | S2017-0004 | 1920880 01 | 2019 | 1 | II | 219 | 1,506,000 | P | |
| Clinton | 2326001 | S2018-0233 | 1920886 01 | 2019 | 1 | V | 197 | 7,437,000 | P | |
| Waterloo (Sanitary Gatewell Repairs) | 0790001 | S2018-0100 | 1920884 01 | 2019 | 1 | IIIB | 185 | 3,581,000 | P | |
| Independence | 1037001 | S2017-0122 | 1920881 01 | 2019 | 1 | II | 180 | 1,565,000 | L | |
| WRA (trickling filter removal) | 7727001 | S2018-0315 | 1920885 01 | 2019 | 1 | V | 180 | 6,000,000 | L | |
| Davenport | 8222003 | S2018-0177 | 1920888 01 | 2019 | 1 | IIIA | 150 | 9,055,334 | P | |
| Waukee (SW Area Trunk Sewer-Ph 2) | 2573001 | S2018-0083 | 1920882 01 | 2019 | 1 | IVB | 145 | 1,690,000 | P | |
| Lone Tree | 5240001 | | PD-CW-19-06 | 2019 | 1 | | P&D | 460,000 | L | 2018 |
| New Albin | 3070001 | | PD-CW-19-10 | 2019 | 1 | | P&D | 175,000 | L | |
| WRA (sewer lining) | 7727001 | | PD-CW-19-07 | 2019 | 1 | | P&D | 2,200,000 | L | 2018 |
| WRA (WRF clarifiers) | 7727001 | | PD-CW-19-08 | 2019 | 1 | | P&D | 585,000 | L | 2018 |
| Waukon | 0398001 | | PD-CW-19-11 | 2019 | 1 | | P&D | 658,000 | L | 2018 |
| West Union | 3383003 | | PD-CW-19-12 | 2019 | 1 | | P&D | 430,000 | L | 2018 |
| Winfield | 4493001 | | PD-CW-19-09 | 2019 | 1 | | P&D | 310,000 | L | 2018 |
| Madrid | 0848001 | S2017-0223 | 1920879 01 | 2018 | 4 | I,II | 290 | 4,951,000 | P | |
| Clarinda | 7329001 | 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 | 0398001 | S2017-0205A | 1920875 R1 | 2018 | 4 | I,II | 264 | 10,000,000 | L | |
| Waukon | 0398001 | S2017-0205A | 1920875 G1 | 2018 | 4 | I,II | 264 | 2,525,000 | R | |
| 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 | |

| Project Name | NPDES # | Project Number | CWSRF No. | IUP YR | QTR | Needs Categories | Priority Points | Current Requests | Project Status | Type |
|---------------------------------------|---------------|----------------|-------------|--------|-----|------------------|-----------------|------------------|----------------|------|
| Sigourney | 5475002 | 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 | 0 | D | |
| Alton | 8403001 | S2018-0032 | 1920864 01 | 2018 | 4 | IIIB | 172 | 1,056,000 | L | |
| 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 | |
| Lynnvile | 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 | |
| Keokuk | 5640001 | | PD-CW-18-39 | 2018 | 4 | | P&D | 760,000 | R | |
| Sully | 5076001 | | PD-CW-18-53 | 2018 | 4 | | P&D | 0 | D | |
| 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 (King-Irving) | 7727001 (WRA) | S2018-0068 | 1920858 01 | 2018 | 3 | V | 235 | 15,260,000 | P | |
| Waukee (Little Walnut Cr Trunk Sewer) | 2573001 | S2018-0084 | 1920861 01 | 2018 | 3 | IVB | 160 | 2,948,000 | L | |
| Ackley | 4201001 | S2016-0039 | 1920863 01 | 2018 | 3 | IIIA | 142 | 3,200,000 | L | |
| Dallas Center | 2520001 | | PD-CW-18-33 | 2018 | 3 | | P&D | 0 | D | |
| Nora Springs | 3423001 | S2016-0216A | 1920857 R1 | 2018 | 2 | II | 295 | 7,739,000 | L | |
| Nora Springs | 3423001 | S2016-0216A | 1920857 G1 | 2018 | 2 | II | 295 | 600,000 | R | |
| Smithland | 9783001 | S2017-0060 | 1920856 01 | 2018 | 2 | II,IIIA | 285 | 915,000 | P | |
| Pocahontas | 7633001 | S2017-0028 | 1920855 R1 | 2018 | 2 | II,IIIA | 254 | 1,364,000 | L | |
| Pocahontas | 7633001 | S2017-0028 | 1920855 R2 | 2018 | 2 | II,IIIA | 254 | 2,779,000 | L | |
| 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 | 5054001,002 | S2015-0337 | 1920852 R1 | 2018 | 2 | I | 235 | 1,470,000 | L | |
| Monroe | 5054001,002 | S2015-0337 | 1920852 G1 | 2018 | 2 | I | 235 | 2,400,000 | L | |
| Allerton | 9303003 | S2015-0086 | 1920854 01 | 2018 | 2 | IIIA | 175 | 271,000 | P | |
| 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 | |
| Tipton | 1689001,002 | | PD-CW-18-26 | 2018 | 2 | | P&D | 0 | D | |
| Wayland | 4490001 | | PD-CW-18-27 | 2018 | 2 | | P&D | 180,000 | L | |

| Project Name | NPDES # | Project Number | CWSRF No. | IUP YR | QTR | Needs Categories | Priority Points | Current Requests | Project Status | Type |
|--------------|---------|----------------|-------------|--------|-----|------------------|-----------------|------------------|----------------|------|
| 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 | 4,548,000 | L | |
| Central City | 5720001 | S2017-0057A | 1920836 01 | 2018 | 1 | II, IVA | 259 | 4,084,000 | L | |
| Burlington | 2909001 | S2017-0262 | 1920843 01 | 2018 | 1 | V | 247 | 6,197,000 | P | |
| Roland | 8570001 | S2016-0050 | 1920826 01 | 2018 | 1 | II | 242 | 4,100,000 | L | |
| Sully | 5076001 | S2016-0092 | 1920837 01 | 2018 | 1 | II | 242 | 983,000 | L | |
| Stanwood | 1681001 | S2017-0085A | 1920835 01 | 2018 | 1 | II | 224 | 2,280,646 | P | |
| Marshalltown | 6469001 | S2017-0286 | 1920840 01 | 2018 | 1 | IIIA | 165 | 2,900,000 | R | |
| Lisbon | 5748001 | S2017-0295 | 1920839 S1 | 2018 | 1 | IIIA | 155 | 658,000 | L | |
| Lisbon | 5748001 | S2017-0295 | 1920839 01 | 2018 | 1 | IIIA | 155 | 272,000 | L | |
| Oskaloosa | 6273001 | S2017-0294 | 1920845 02 | 2018 | 1 | IIIA | 142 | 3,176,000 | L | |
| Templeton | 1479001 | S2017-0101 | 1920831 01 | 2018 | 1 | I | 139 | 1,050,225 | P | |
| Glidden | 1438001 | | PD-CW-18-07 | 2018 | 1 | | P&D | 215,000 | R | |
| Le Grand | 8657001 | S2015-0434 | 1920821 01 | 2017 | 4 | I,II | 295 | 2,089,000 | L | |
| Greenfield | 0140001 | S2013-0215 | 1920822 G1 | 2017 | 4 | I,II | 285 | 2,596,000 | L | |
| Winthrop | 1093001 | S2016-0312 | 1920827 01 | 2017 | 4 | II | 274 | 2,632,000 | L | |
| 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 | 6,700,000 | L | F |
| New Sharon | 6264001 | S2015-0384 | 1920829 01 | 2017 | 4 | I,IIIA | 242 | 2,376,000 | L | |
| Klemme | 4155001 | S2013-0199 | 1920833 01 | 2017 | 4 | II | 240 | 1,287,000 | L | |
| Creston | 8816001 | S2015-0383 | 1920834 01 | 2017 | 4 | I,II | 232 | 3,216,000 | L | |
| Garrison | 0625001 | S2015-0228 | 1920830 R1 | 2017 | 4 | IIIA,IIIB | 169 | 182,000 | L | |
| Pierson | 9766002 | | PD-CW-17-42 | 2017 | 4 | IIIA | P&D | 0 | D | |
| 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 | |
| Eldridge | 8230003 | S2015-0001 | 1920818 R1 | 2017 | 3 | I,II,IVB | 264 | 6,000,000 | L | |
| Eldridge | 8230003 | S2015-0001 | 1920818 G1 | 2017 | 3 | I,II,IVB | 264 | 9,000,000 | L | |
| 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 | |
| Modale | 4347001 | | PD-CW-17-30 | 2017 | 3 | I | P&D | 60,500 | R | |
| Woodward | 2576001 | S2015-0344 | 1920814 01 | 2017 | 2 | II | 242 | 5,716,000 | L | |

| Project Name | NPDES # | Project Number | CWSRF No. | IUP YR | QTR | Needs Categories | Priority Points | Current Requests | Project Status | Type |
|--------------------------------------|---------------|----------------|-------------|--------|-----|-------------------------|-----------------|------------------|----------------|------|
| Sioux City | 9778001 | S2016-0389 | 1920813 01 | 2017 | 2 | I,II | 217 | 31,983,398 | P | |
| Waterloo (CIPP Phase III) | 0790001 | S2016-0285 | 1920811 02 | 2017 | 2 | IIIA | 185 | 898,000 | R | |
| Waterloo (Instrumentation/Controls) | 0790001 | S2015-0365 | 1920809 01 | 2017 | 2 | II | 180 | 1,179,000 | L | |
| WRA (grit removal) | 7727001 | S2016-0238 | 1920805 02 | 2017 | 2 | I | 180 | 11,300,000 | L | |
| Waterloo (Flow Equalization) | 0790001 | S2015-0284 | 1920808 01 | 2017 | 2 | I | 170 | 898,000 | L | |
| Hubbard | 4254001 | S2017-0079 | 1920817 02 | 2017 | 3 | IIIA | 152 | 0 | D | |
| Fayette | 3342001 | S2016-0375 | 1920812 01 | 2017 | 2 | IIIA | 154 | 415,000 | L | |
| Waterloo (Dry Run Creek Int) | 0790001 | S2015-0280 | 1920807 01 | 2017 | 2 | IVB | 150 | 4,337,000 | P | |
| Moravia | 0467001 | | PD-CW-17-31 | 2017 | 2 | IIA | P&D | 115,000 | R | |
| Des Moines (Near Westside Sewer Sep) | 7727001 (WRA) | S2016-0194 | 1920795 01 | 2017 | 1 | IIIA, IIIB, IVA, V, VIA | 305 | 9,250,000 | L | |
| Des Moines (Near Westside Sewer Sep) | 7727001 (WRA) | S2016-0194 | 1920795 01 | 2017 | 1 | IIIA, IIIB, IVA, V, VIA | 305 | 9,250,000 | L | |
| Elkhart | 7730001 | S2015-0187 | 1920798 R1 | 2017 | 1 | IVB | 305 | 1,350,000 | L | |
| Norway | 0656001 | S2015-0209 | 1920794 R1 | 2017 | 1 | II | 222 | 2,980,000 | L | |
| WRA (biogas conditioning/inj improv) | 7727001 | S2016-0243 | 1920797 R1 | 2017 | 1 | II | 175 | 10,000,000 | L | |
| WRA (biogas conditioning/inj improv) | 7727001 | S2016-0243 | 1920797 R2 | 2017 | 1 | II | 175 | 8,000,000 | L | |
| Emerson | 6520001 | S2015-0430 | 1920790 01 | 2017 | 1 | IIIA,IVB | 159 | 1,023,200 | P | |
| Slater | 8580001 | | PD-CW-17-07 | 2017 | 1 | II | P&D | 0 | D | |
| Des Moines (Lower Oak/Highland Pk) | 7727001 (WRA) | S2016-0196 | 1920781 R1 | 2016 | 4 | V | 240 | 6,093,000 | L | |
| Des Moines (Lower Oak/Highland Pk) | 7727001 (WRA) | S2016-0196 | 1920781 R2 | 2016 | 4 | V | 240 | 6,093,000 | L | |
| Johnston | 7727001 (WRA) | S2016-0194 | 1920782 G2 | 2016 | 4 | IVA,IVB,VIB | 230 | 4,070,000 | L | G |
| Brandon | 1011001 | S2009-0160 | 1920779 01 | 2016 | 4 | II | 225 | 1,638,000 | P | |
| Reinbeck | 3870001 | S2015-0175 | 1920776 01 | 2016 | 4 | II | 225 | 792,000 | L | |
| Denison Municipal Utilities | 2424001 | S2016-0117 | 1920778 01 | 2016 | 4 | II | 190 | 10,206,000 | L | |
| Dubuque | 3126001 | S2016-0206 | 1920792 01 | 2016 | 4 | IIIB | 147 | 2,763,000 | L | |
| Ames | 8503001 | S2013-0327 | 1920741 02 | 2016 | 4 | IIIA | 145 | 19,421,625 | R | |
| Manning | 1457001 | S2016-0188 | 1920785 01 | 2016 | 4 | IIIA | 142 | 436,000 | L | |
| Bancroft | 5507002 | S2014-0136 | 1920777 01 | 2016 | 4 | I | 139 | 1,258,000 | L | |
| Stanwood | 1681001 | S2016-0154 | 1920783 01 | 2016 | 4 | IIIA | 127 | 276,800 | R | |
| 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 | 36,106,000 | L | |

| 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 | 3,462,000 | L | |
| New Albin | 0370001 | S2013-0348 | 1920768 01 | 2016 | 3 | I | 185 | 0 | D | |
| Marathon | 1150001 | S2015-0402 | 1920771 01 | 2016 | 3 | I | 162 | 1,171,000 | P | |
| Mapleton | 6727001 | | PD-CW-16-30 | 2016 | 3 | I | P&D | 225,000 | R | |
| Sanborn | 7165001 | S2012-0256 | 1920752 01 | 2016 | 2 | II | 167 | 9,000,000 | L | |
| Postville | 0375001 | S2015-0412 | 1920756 01 | 2016 | 2 | IIIA | 155 | 489,000 | L | |
| Harris | 7222001 | S2015-0358 | 1920757 02 | 2016 | 2 | IIIB | 145 | 582,685 | R | |
| RUSS (Moar/Powdertown) | Unsewered | | PD-CW-16-11 | 2016 | 2 | I,IVA | P&D | 100,000 | R | |
| Keokuk | 5640001 | S2015-0088 | 1920732 01 | 2015 | 4 | IIIA | 237 | 1,484,700 | P | |
| Ames | 8503001 | S2013-0327 | 1920741 01 | 2015 | 4 | IIIA | 160 | 5,700,000 | L | |
| Hospers | 8439001 | | PD-CW-15-17 | 2015 | 3 | II | P&D | 0 | D | |
| Blencoe | 6709001 | S2014-0409 | 1920720 01 | 2015 | 2 | IIIB | 142 | 236,000 | L | |
| WRA, Ph 17, Seg 7 (main outfall) | 7727001 | S2009-0219 | 1920499 02 | 2015 | 1 | IVB | 160 | 10,400,000 | R | |
| Miles | 4953001 | S2013-0064 | 1920688 01 | 2014 | 3 | I | 227 | 0 | D | |
| Ames | 8503001 | S2013-0326 | 1920686 01 | 2014 | 3 | II | 180 | 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 | |
| Dakota City | 4622001 | | PD-CW-13-15 | 2013 | 2 | IIIA | P&D | 0 | D | |
| 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 | 0 | D | |
| Hamburg | 3621001 | | PD-CW-12-29 | 2012 | 4 | I | P&D | 0 | D | |
| La Porte City | 0743001 | S2009-0187 | 1920620 01 | 2012 | 2 | I,II | 220 | 0 | D | |
| 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 | 0 | D | |
| Dubuque (rev Upper Bee Branch) | N/A | N/A | GNS10-5 (2) | 2011 | 4 | VIIK | 162 | 16,382,000 | L | |
| Spencer | 2171004 | S2010-0111 | 1920528 02 | 2011 | 1 | V | 185 | 0 | D | |
| Brighton | 9209001 | S2009-0288 | 1920515 02 | 2011 | 1 | II,IIIB | 140 | 0 | D | |
| Mingo | 5052001 | S2008-0304 | 1920510 R1 | 2010 | 3 | I | 172 | 0 | D | |
| Total | | | | | | | | 678,829,407 | | |

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 4% | Pending | Taken | Expended Thru 06/03/19 | Available 06/30/19 |
|--------------------------------|----------------|--------------|-----------------------------------|-------------------------------|
| FY 2009 ARRA | | 2,121,600 | 1,113,319 | 1,008,281 |
| FY 2018 | | 868,920 | 868,920 | 0 |
| FY 2019 | 860,200 | | | |
| Chart 3 Total: | | | | 1,008,281 |

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, 2019

During fiscal year 2019, the release of \$3,374,974 in unused proceeds from completed construction projects and \$8,665,866 in P&D rollovers/repayments resulted in net municipal binding commitments of \$259,067,685.

| Project | Project Number | IUP Year | IUP Projected Loan Amount | Actual Loan Date | Actual Loan Amount | Loan Terms | |
|--------------------------------------|----------------|----------|---------------------------|------------------|--------------------|---------------|---------------|
| | | | | | | Interest Rate | Maturity Date |
| Dubuque (Upper Bee Branch) | GNS10-5(2) | 2011 | 7,716,000 | 04/12/19 | 16,382,000 | 1.75% | 06/2040 |
| New London | C0583R-WRR | 2011 | | 04/26/19 | 265,000 | 0.78% | 06/2034 |
| Calamus | C0794R-WRR | 2012 | | 02/22/19 | 130,000 | 1.23% | 06/2047 |
| Mount Pleasant | C0849R-WRR | 2013 | | 07/13/18 | 152,000 | 0.88% | 06/2038 |
| Ames | CS1920741 01 | 2015 | 2,588,970 | 10/19/18 | 5,700,000 | 1.75% | 06/2038 |
| Blencoe | CS1920720 01 | 2015 | 179,694 | 10/12/18 | 236,000 | 1.75% | 06/2038 |
| Northwood | C0804R-WRR | 2015 | | 06/14/19 | 494,000 | 2.04% | 06/2047 |
| Readlyn | C0821R-WRR | 2015 | | 12/21/18 | 249,000 | 1.75% | 06/2037 |
| Bancroft | CS1920777 01 | 2016 | 848,000 | 07/13/18 | 1,258,000 | 1.75% | 06/2038 |
| Coralville | CS1920767 01 | 2016 | 27,648,000 | 10/12/18 | 36,106,000 | 1.75% | 06/2040 |
| Denison Municipal Utilities | CS1920778 01 | 2016 | 8,653,000 | 07/13/18 | 10,206,000 | 1.75% | 06/2039 |
| Des Moines (Lower Oak/Highland Pk) | CS1920781 R1 | 2016 | 12,060,000 | 12/12/18 | 6,093,000 | 1.75% | 06/2039 |
| Des Moines (Lower Oak/Highland Pk) | CS1920781 R2 | 2016 | | 10/12/18 | 6,093,000 | 1.75% | 06/2039 |
| Dubuque | CS1920792 01 | 2016 | 2,507,000 | 03/08/19 | 2,763,000 | 1.75% | 06/2038 |
| Greene | CS1920775 01 | 2016 | 3,670,260 | 12/18/18 | 3,462,000 | 1.75% | 06/2039 |
| Johnston | CS1920782 G2 | 2016 | 6,076,000 | 04/12/19 | 4,070,000 | 1.75% | 06/2038 |
| Manning | CS1920785 01 | 2016 | 600,000 | 07/06/18 | 436,000 | 1.75% | 06/2038 |
| Mount Pleasant | C0850R-WRR | 2016 | | 07/13/18 | 337,000 | 0.88% | 06/2038 |
| Postville | CS1920756 01 | 2016 | 1,015,000 | 09/07/18 | 489,000 | 1.75% | 06/2038 |
| Reinbeck | CS1920776 01 | 2016 | 596,000 | 11/30/18 | 792,000 | 0.75% | 06/2038 |
| Sanborn | CS1920752 01 | 2016 | 5,063,000 | 12/07/18 | 9,000,000 | 1.75% | 06/2040 |
| Creston | CS1920834 01 | 2017 | 2,686,365 | 01/18/19 | 3,216,000 | 1.75% | 06/2039 |
| Des Moines (Near Westside Sewer Sep) | CS1920795 R1 | 2017 | 18,600,000 | 10/12/18 | 9,250,000 | 1.75% | 06/2040 |
| Des Moines (Near Westside Sewer Sep) | CS1920795 R2 | 2017 | | 10/12/18 | 9,250,000 | 1.75% | 06/2040 |
| Eldridge | CS1920818 R1 | 2017 | 14,970,000 | 07/20/18 | 6,000,000 | 1.75% | 06/2039 |
| Eldridge | CS1920818 G1 | 2017 | | 11/16/18 | 9,000,000 | 1.75% | 06/2032 |
| Elkhart | CS1920798 R1 | 2017 | 366,000 | 12/07/18 | 1,350,000 | 1.75% | 06/2038 |

| Project | Project Number | IUP Year | IUP Projected Loan Amount | Actual Loan Date | Actual Loan Amount | Loan Terms | |
|---------------------------------------|----------------|----------|---------------------------|------------------|--------------------|---------------|---------------|
| | | | | | | Interest Rate | Maturity Date |
| Fayette | CS1920812 01 | 2017 | 319,999 | 09/28/18 | 415,000 | 1.75% | 06/2038 |
| Garrison | CS1920830 R1 | 2017 | 300,000 | 08/24/18 | 182,000 | 1.75% | 06/2038 |
| Greenfield | CS1920822 G1 | 2017 | 2,596,000 | 07/27/18 | 2,596,000 | 1.75% | 06/2038 |
| Klemme | CS1920833 01 | 2017 | 1,206,000 | 07/27/18 | 1,287,000 | 1.75% | 06/2038 |
| Lake View | CS1920828 01 | 2017 | 4,696,000 | 07/20/18 | 6,700,000 | 1.75% | 06/2049 |
| Le Grand | CS1920821 01 | 2017 | 2,389,000 | 04/26/19 | 2,089,000 | 1.75% | 06/2040 |
| New Sharon | CS1920829 01 | 2017 | 1,653,000 | 09/28/18 | 2,376,000 | 1.75% | 06/2039 |
| Norway | CS1920794 R1 | 2017 | 3,065,000 | 07/13/18 | 2,980,000 | 1.75% | 06/2038 |
| Waterloo (Flow Equalization) | CS1920808 01 | 2017 | 978,000 | 04/19/19 | 898,000 | 1.75% | 06/2033 |
| Waterloo (Instrumentation/Controls) | CS1920809 01 | 2017 | 1,089,000 | 04/19/19 | 1,179,000 | 1.75% | 06/2033 |
| Winthrop | CS1920827 01 | 2017 | 2,075,000 | 05/24/19 | 2,632,000 | 1.75% | 06/2039 |
| Woodward | CS1920814 01 | 2017 | 2,763,750 | 01/11/19 | 5,716,000 | 1.75% | 06/2049 |
| WRA (biogas conditioning/inject impv) | CS1920797 R1 | 2017 | 12,814,000 | 12/07/18 | 10,000,000 | 1.75% | 06/2039 |
| WRA (biogas conditioning/inject impv) | CS1920797 R2 | 2017 | | 12/07/18 | 8,000,000 | 1.75% | 06/2039 |
| WRA (grit removal) | CS1920805 02 | 2017 | 9,500,000 | 12/07/18 | 11,300,000 | 1.75% | 06/2040 |
| Ackley | CS1920863 01 | 2018 | 3,047,000 | 08/31/18 | 3,200,000 | 1.75% | 06/2039 |
| Alton | CS1920864 01 | 2018 | 1,056,000 | 07/06/18 | 1,056,000 | 1.75% | 06/2038 |
| Central City | CS1920836 01 | 2018 | 3,122,000 | 01/25/19 | 4,084,000 | 1.75% | 06/2039 |
| Gilbert | CS1920844 01 | 2018 | 3,819,000 | 08/03/18 | 4,548,000 | 1.75% | 06/2039 |
| Lisbon | CS1920839 01 | 2018 | 1,489,000 | 08/17/18 | 658,000 | 1.75% | 06/2038 |
| Lisbon | CS1920839 S1 | 2018 | | 12/07/18 | 272,000 | 1.75% | 06/2038 |
| Monroe | CS1920852 R1 | 2018 | 3,552,675 | 05/31/19 | 1,470,000 | 1.75% | 06/2039 |
| Monroe | CS1920852 G1 | 2018 | | 06/07/19 | 2,400,000 | 1.75% | 06/2039 |
| Nora Springs | CS1920857 R1 | 2018 | 7,497,000 | 05/31/19 | 7,739,000 | 1.75% | 06/2050 |
| Oskaloosa | CS1920845 02 | 2018 | 4,446,000 | 05/10/19 | 3,176,000 | 1.75% | 06/2029 |
| Pocahontas | CS1920855 R1 | 2018 | 2,892,000 | 09/28/18 | 1,364,000 | 1.75% | 06/2038 |
| Pocahontas | CS1920855 R2 | 2018 | | 06/07/19 | 2,779,000 | 1.75% | 06/2039 |
| Roland | CS1920826 01 | 2018 | 2,886,360 | 11/30/18 | 4,100,000 | 1.75% | 06/2039 |
| Sully | CS1920837 01 | 2018 | 1,065,000 | 04/16/19 | 983,000 | 1.75% | 06/2039 |
| Waukee (Little Walnut Cr Trunk Sewer) | CS1920861 01 | 2018 | 3,513,000 | 07/06/18 | 2,948,000 | 1.75% | 06/2038 |

| Project | Project Number | IUP Year | IUP Projected Loan Amount | Actual Loan Date | Actual Loan Amount | Loan Terms | |
|--------------------------------|----------------|----------|---------------------------|------------------|--------------------|---------------|---------------|
| | | | | | | Interest Rate | Maturity Date |
| Waukon | CS1920875 R1 | 2018 | 8,507,000 | 04/19/19 | 10,000,000 | 1.75% | 06/2039 |
| Wayland | PD-CW-18-27 | 2018 | 180,000 | 05/31/19 | 180,000 | 0.00% | |
| Adel | PD-CW-19-39 | 2019 | 1,200,000 | 12/28/18 | 1,200,000 | 0.00% | |
| Albia | PD-CW-19-28 | 2019 | 790,000 | 12/14/18 | 790,000 | 0.00% | |
| Anita Municipal Utilities | PD-CW-19-49 | 2019 | 520,000 | 04/26/19 | 520,000 | 0.00% | |
| Brighton | PD-CW-19-36 | 2019 | 426,000 | 12/21/18 | 426,000 | 0.00% | |
| Cambridge | PD-CW-19-22 | 2019 | 200,000 | 10/19/18 | 200,000 | 0.00% | |
| Conrad | PD-CW-19-51 | 2019 | 70,000 | 03/22/19 | 70,000 | 0.00% | |
| Ely | PD-CW-19-35 | 2019 | 160,100 | 11/30/18 | 160,100 | 0.00% | |
| Evansdale | PD-CW-19-53 | 2019 | 550,000 | 04/05/19 | 550,000 | 0.00% | |
| Farnhamville | PD-CW-19-27 | 2019 | 38,000 | 10/26/18 | 38,000 | 0.00% | |
| Fontanelle | PD-CW-19-54 | 2019 | 267,500 | 03/29/19 | 267,500 | 0.00% | |
| Fort Dodge | PD-CW-19-32 | 2019 | 1,250,000 | 12/28/18 | 1,250,000 | 0.00% | |
| Goodell | PD-CW-19-33 | 2019 | 163,425 | 02/08/19 | 163,425 | 0.00% | |
| Hubbard | PD-CW-19-23 | 2019 | 200,000 | 10/26/18 | 200,000 | 0.00% | |
| Ida Grove | PD-CW-19-20 | 2019 | 480,000 | 09/28/18 | 480,000 | 0.00% | |
| Independence | CS1920881 01 | 2019 | 1,221,000 | 12/21/18 | 1,565,000 | 1.75% | 06/2039 |
| Ladora | PD-CW-19-55 | 2019 | 111,000 | 04/26/19 | 111,000 | 0.00% | |
| Lewis | PD-CW-19-25 | 2019 | 225,000 | 10/26/18 | 225,000 | 0.00% | |
| New Albin | PD-CW-19-10 | 2019 | 175,000 | 07/13/18 | 175,000 | 0.00% | |
| North English | PD-CW-19-57 | 2019 | 400,000 | 03/22/19 | 400,000 | 0.00% | |
| Oxford Junction | PD-CW-19-48 | 2019 | 100,000 | 03/29/19 | 100,000 | 0.00% | |
| Peosta | PD-CW-19-26 | 2019 | 1,105,500 | 10/12/18 | 1,105,500 | 0.00% | |
| Perry | PD-CW-19-38 | 2019 | 870,000 | 12/21/18 | 870,000 | 0.00% | |
| Pomeroy | PD-CW-19-56 | 2019 | 180,000 | 03/29/19 | 180,000 | 0.00% | |
| Rembrandt | PD-CW-19-27 | 2019 | 70,000 | 04/19/19 | 70,000 | 0.00% | |
| Tipton | PD-CW-19-34 | 2019 | 435,000 | 12/21/18 | 435,000 | 0.00% | |
| Traer | PD-CW-19-19 | 2019 | 500,000 | 11/30/18 | 500,000 | 0.00% | |
| Winterset | PD-CW-19-24 | 2019 | 105,000 | 09/28/18 | 105,000 | 0.00% | |
| WRA (trickling filter removal) | CS1920885 01 | 2019 | 6,767,000 | 12/07/18 | 6,000,000 | 1.75% | 06/2039 |

| Project | Project Number | IUP Year | IUP Projected Loan Amount | Actual Loan Date | Actual Loan Amount | Loan Terms | |
|------------|----------------|----------|---------------------------|------------------|--------------------|---------------|---------------|
| | | | | | | Interest Rate | Maturity Date |
| Grimes | PD-CW-20-05 | 2020 | | 06/21/19 | 475,000 | 0.00% | |
| Mediapolis | PD-CW-20-03 | 2020 | | 06/21/19 | 100,000 | 0.00% | |
| Peterson | PD-CW-20-12 | 2020 | | 06/21/19 | 116,000 | 0.00% | |
| St Olaf | PD-CW-20-14 | 2020 | | 06/21/19 | 35,000 | 0.00% | |
| Wellsburg | PD-CW-20-02 | 2020 | | 06/28/19 | 140,000 | 0.00% | |
| Total | | | 226,939,598 | | 271,108,525 | | |

CW Exhibit 2A: Construction Starts Reported in Fiscal Year 2019

| Project | CWSRF Number | Construction Start Date |
|--|---------------------|--------------------------------|
| Johnston (DM-WRA) C0989G | CS1920782 G2 | 02/28/17 |
| Des Moines - Near Westside Sewer Separation | CS1920795 R1, R2 | 06/07/17 |
| Des Moines - Lower Oak & Highland Park | CS1920781 R1, R2 | 07/14/17 |
| Greenfield | CS1920822 G1 | 10/17/17 |
| Waterloo (flow equalization) | CS1920809 01 | 11/07/17 |
| Norway | CS1920794 R1 | 11/13/17 |
| Reinbeck | CS1920776 01 | 03/07/18 |
| Oskaloosa | CS1920845 02 | 03/12/18 |
| Waukee (Little Walnut Cr Trunk Sewer-Ph 3) | CS1920861 01 | 03/21/18 |
| Mount Pleasant (<i>sponsored project</i>) | C0849R-WRR | 03/28/18 |
| Mount Pleasant (<i>sponsored project</i>) | C0850R-WRR | 03/28/18 |
| Garrison | CS1920830 R1 | 04/02/18 |
| WRA Grit Removal | CS1920805 02 | 04/04/18 |
| Pocahontas | CS1920855 R1 | 04/16/18 |
| Eldridge | CS1920818 R1, G1 | 04/19/18 |
| Denison Municipal Utilities | CS1920778 01 | 05/07/18 |
| Alton | CS1920864 01 | 05/08/18 |
| Manning | CS1920785 01 | 05/11/18 |
| Waterloo (flow equalization) | CS1920808 01 | 05/31/18 |
| Gilbert | CS1920844 01 | 06/04/18 |
| Bancroft | CS1920777 01 | 06/06/18 |
| WRA Biogas Conditioning/Injection Improvements | CS1920797 R1, R2 | 06/06/18 |
| Greene | CS1920775 01 | 06/06/18 |
| Klemme | CS1920833 01 | 06/19/18 |
| Lisbon | CS1920839 01, S1 | 06/26/18 |
| Lake View | CS1920828 01 | 07/03/18 |
| Coralville | CS1920767 01 | 07/11/18 |
| Roland (<i>sponsored project</i>) | C0819R-WRR | 07/19/18 |
| Blencoe | CS1920720 01 | 07/30/18 |
| New Sharon | CS1920829 01 | 08/20/18 |
| Fayette | CS1920812 01 | 08/24/18 |
| Ackley | CS1920863 01 | 09/10/18 |
| Central City | CS1920836 01 | 10/05/18 |
| Postville | CS1920756 01 | 10/09/18 |
| Readlyn (<i>sponsored project</i>) | C0821R-WRR | 10/23/18 |
| Roland | CS1920826 01 | 10/30/18 |
| Creston | CS1920834 01 | 11/14/18 |
| Independence | CS1920881 01 | 11/19/18 |
| Dubuque | CS1920792 01 | 11/30/18 |
| Woodward | CS1920814 01 | 12/12/18 |
| Sanborn | CS1920752 01 | 01/02/19 |
| Waukon | CS1920875 01 | 02/18/19 |
| WRA Trickling Filter Removal | CS1920885 01 | 02/12/19 |

| Project | CWSRF Number | Construction Start Date |
|--|------------------|-------------------------|
| Le Grand | CS1920821 01 | 02/27/19 |
| Northwood (<i>sponsored project</i>) | C0804R-WRR | 03/01/19 |
| Winthrop | CS1920827 01 | 03/19/19 |
| Nora Springs | CS1920857 01 | 03/26/19 |
| Calamus (<i>sponsored project</i>) | C0794R-WRR | 04/02/19 |
| Monroe | CS1920852 R1, G1 | 04/15/19 |
| Pocahontas C1003R | CS1920855 R2 | 04/08/19 |
| Sully | CS1920837 01 | 04/22/19 |
| Dubuque (revised Upper Bee Branch-SW) | GNS10-5(2) | 05/21/19 |

CW Exhibit 2B: Initiation of Operations Reported in Fiscal Year 2019

| Project | CWSRF Number | Initiation of Operation |
|---|---------------------|--------------------------------|
| WRA Phase 23 Segments 4 & 5 | CS1920425 03 | 01/15/13 |
| Newhall | CS1920718 01 | 06/13/15 |
| WRA Phase 24 Segments 3 & 4 | CS1920425 04 | 08/01/15 |
| WRA Phase 22, Segments 4 & 5 | CS1920444 01 | 11/17/15 |
| Ottumwa (Richmond Ave CSO) | CS1920565 01 | 05/01/16 |
| Sumner | CS1920712 01 | 09/07/16 |
| Granger | CS1920667 01,02,03 | 10/12/16 |
| Granger (<i>sponsored project</i>) | C0628R-WRR | 10/20/16 |
| WRA Westside PS Mitigation | CS1920499 01 | 01/17/17 |
| Marengo | CS1920661 01 | 02/14/17 |
| Urbandale-Windsor Heights | CS1920571 01 | 05/08/17 |
| Hampton | CS1920530 01 | 09/06/17 |
| Clarion | CS1920602 01 | 10/23/17 |
| Tiffin | CS1920788 01 | 10/25/17 |
| Keystone | CS1920743 01 | 11/28/17 |
| Lakeside | CS1920787 01 | 12/07/17 |
| Dubuque | CS1920513 01, 02 | 12/08/17 |
| Shenandoah | CS1920806 01 | 01/01/18 |
| Gladbrook | CS1920729 01 | 01/17/18 |
| Albert City | CS1920608 02,G1,R1 | 02/01/18 |
| North Liberty | CS1920703 01 | 03/22/18 |
| West Union | CS1920791 01 | 03/22/18 |
| Oxford | CS1920804 01 | 04/27/18 |
| Hills | CS1920765 01 | 05/24/18 |
| Moville | CS1920825 01 | 05/30/18 |
| Davis City | CS1920769 01 | 06/14/18 |
| Readlyn | CS1920736 R1, G1 | 06/20/18 |
| Arthur | CS1920717 01 | 07/02/18 |
| Dike | CS1920764 01 | 07/18/18 |
| West Liberty | CS1920739 01 | 07/25/18 |
| St. Donatus | CS1920773 G1, R1 | 07/31/18 |
| Hills (<i>sponsored project</i>) | C0832R-WRR | 08/09/18 |
| Sabula | CS1920749 01 | 08/21/18 |
| Johnston | GNS17-001 | 09/20/18 |
| Manning | CS1920785 01 | 10/01/18 |
| Mount Pleasant (<i>sponsored project</i>) | C0849R-WRR | 10/04/18 |
| Mount Pleasant (<i>sponsored project</i>) | C0850R-WRR | 10/04/18 |
| Duncombe | CS1920740 G1, R1 | 11/14/18 |
| Roland (<i>sponsored project</i>) | C0819R-WRR | 11/28/18 |
| Garrison | CS1920830 01, R1 | 12/14/18 |
| Dubuque (Bee Branch permeable paving) | GNS13-1 | 03/05/19 |
| Dubuque (Upper Bee Branch) | GNS10-5 | 03/18/19 |
| Calamus (<i>sponsored project</i>) | C0794R-WRR | 06/25/19 |

CW Exhibit 2C: Environmental Review (ER) Reported in Fiscal Year 2019

| Project | CWSRF Number | Document Issue Date | Final Clearance/ Completion Date | CX/ FNSI/ RE |
|---|---------------------|----------------------------|---|---------------------|
| Alton (Part 2) | CS1920864 01 | 07/09/18 | 08/13/18 | CX |
| Ackley | CS1920863 01 | 07/16/18 | 08/27/18 | CX |
| Independence | CS1920881 01 | 07/17/18 | 09/17/18 | CX |
| WRA (Trickling Filter Removal) | CS1920885 01 | 07/31/18 | 10/08/18 | CX |
| Ames (Wilson & 15th) | CS1920741 01 | 08/24/18 | 10/15/18 | CX |
| Wapello | CS1920907 01 | 01/31/19 | 03/18/19 | CX |
| Winterset | CS1920890 01 | 02/05/19 | 03/19/19 | CX |
| New Sharon (collection system) | CS1920829 01 | 02/13/19 | 03/26/19 | CX |
| Mitchellville | CS1920869 01 | 02/21/19 | 04/03/19 | CX |
| Emerson | CS1920790 01 | 04/04/19 | 06/14/19 | CX |
| Mediapolis | CS1920904 01 | 04/25/19 | 06/03/19 | CX |
| Hawarden * | CS1920897 01 | 06/25/19 | 07/29/19 | CX |
| Waukee (West Area Trunk Phase 1) | CS1920810 01 | 07/03/18 | 08/09/18 | FNSI |
| Greene | CS1920775 01 | 09/05/18 | 10/05/18 | FNSI |
| Woodward | CS1920814 01 | 11/06/18 | 12/10/18 | FNSI |
| Winthrop | CS1920827 01 | 11/15/18 | 12/17/18 | FNSI |
| Sigourney | CS1920870 01 | 12/07/18 | 01/08/19 | FNSI |
| Lynnville | CS1920874 01 | 12/18/18 | 01/24/19 | FNSI |
| Waukon | CS1920875 01 | 01/11/19 | 02/11/19 | FNSI |
| Des Moines (River Bend King Irving-Ph 2A & B) | CS1920858 01 | 01/16/19 | 02/18/19 | FNSI |
| Stanwood | CS1920835 01 | 01/16/19 | 02/19/19 | FNSI |
| Nora Springs | CS1920857 01 | 01/17/19 | 02/22/19 | FNSI |
| Monroe | CS1920852 01 | 01/24/19 | 02/25/19 | FNSI |
| West Point | CS1920880 01 | 01/25/19 | 02/25/19 | FNSI |
| Montezuma | CS1920859 01 | 02/14/19 | 03/18/19 | FNSI |
| Clinton | CS1920886 01 | 02/15/19 | 03/18/19 | FNSI |
| Des Moines (Near Westside Sewer Separation) | CS1920795 01 | 03/07/19 | 04/09/19 | FNSI |
| Lowden | CS1920862 01 | 03/20/19 | 04/22/19 | FNSI |
| Burlington | CS1920843 01 | 03/25/19 | 05/07/19 | FNSI |
| Scranton | CS1920847 01 | 03/29/19 | 05/01/19 | FNSI |
| Osceola | CS1920878 01 | 04/17/19 | 05/20/19 | FNSI |
| Ames (Munn Woods) | CS1920741 01 | 04/19/19 | 05/20/19 | FNSI |
| Everly | CS1920906 01 | 04/23/19 | 05/24/19 | FNSI |
| Smithland * | CS1920856 01 | 06/18/19 | 07/18/19 | FNSI |
| Fayette | CS1920812 01 | 07/20/18 | 08/27/18 | RE |
| Eagle Grove | CS1920841 01 | 01/31/19 | 03/11/19 | RE |

CX = Categorical Exclusion

FNSI = Finding of No Significant Impact

RE = Reaffirmation

*The ER document for this project was finalized fiscal year 2020

CW Exhibit 3: Grant Payments with Respect to State Match Fiscal Year 2019

| Source of Funds | Part I Prior Years | Part II State Fiscal Year 2019 | | | | Part III Totals |
|--------------------------|-----------------------|-----------------------------------|------------|-------|-------|--------------------|
| | | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | |
| FY 10 Grant Payments * | 27,575,000 | | | | | 27,575,000 |
| FY 10 State Match | 5,515,000 | | | | | 5,515,000 |
| FY 11 Grant Payments ** | 19,985,000 | | | | | 19,985,000 |
| FY 11 State Match | 3,997,000 | | | | | 3,997,000 |
| FY 12 Grant Payments *** | 19,128,000 | | | | | 19,128,000 |
| FY 12 State Match | 3,825,600 | | | | | 3,825,600 |
| FY 13 Grant Payments | 18,069,000 | | | | | 18,069,000 |
| FY 13 State Match | 3,613,800 | | | | | 3,613,800 |
| FY 14 Grant Payments | 18,976,000 | | | | | 18,976,000 |
| FY 14 State Match | 3,795,200 | | | | | 3,795,200 |
| FY 15 Grant Payments | 18,879,000 | | | | | 18,879,000 |
| FY 15 State Match | 3,775,800 | | | | | 3,775,800 |
| FY 16 Grant Payments | 18,083,000 | | | | | 18,083,000 |
| FY 16 State Match | 3,616,600 | | | | | 3,616,600 |
| FY 17 Grant Payments | 17,944,000 | | | | | 17,944,000 |
| FY 17 State Match | 3,588,800 | | | | | 3,588,800 |
| FY 18 Grant Payments | | | 21,723,000 | | | 21,723,000 |
| FY 18 State Match | 4,344,600 | | | | | 4,344,600 |

*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, 2019 and June 30, 2018

| | 2019 | 2018 |
|---|-----------------------|-----------------------|
| Draws on Capitalization Grant Agreements | | |
| Loan Disbursements | \$ 18,877,300 | \$ 17,345,867 |
| SRF Administration | 1,837,419 | 598,133 |
| Interest Received on Investments & Cash Equivalents | 3,564,265 | 2,326,231 |
| New Bond Proceeds Received | 237,508,714 | 297,770,727 |
| Cash Receipts for Fees | 4,502,632 | 4,038,710 |
| Loan Repayments | | |
| Interest on Loans | 28,473,565 | 27,133,024 |
| Principal Repayments | 77,895,332 | 67,820,990 |
| | <hr/> | <hr/> |
| Total Sources of Funds | \$ <u>372,659,227</u> | \$ <u>417,033,682</u> |

CW Exhibit 5: Statement of Net Position
State of Iowa Clean Water Program
Statement of Net Position
For Years Ended June 30, 2019 and June 30, 2018
(Dollars in Thousands)

| | 2019 | 2018 |
|--|---------------------|---------------------|
| ASSETS | | |
| Current assets (substantially restricted): | | |
| Cash and cash equivalents | \$ 295,875 | \$ 230,676 |
| Investments | 33,515 | 30,013 |
| Loans to municipalities | 76,455 | 66,282 |
| Accrued interest receivable | 3,075 | 2,683 |
| Other assets | 501 | 379 |
| Total current assets | \$ 409,421 | \$ 330,033 |
| Noncurrent assets (substantially restricted): | | |
| Investments | \$ 11,025 | \$ 12,975 |
| Loans to municipalities | 1,311,503 | 1,171,563 |
| Other assets | 1,322,528 | 0 |
| Total noncurrent assets | \$ 1,721,949 | \$ 1,184,538 |
| Deferred outflows of resources: | | |
| Other post-retirement benefits | \$ 4 | \$ 3 |
| Pension plan (Note 3) | 87 | 92 |
| Loss on bond refunding | 8,479 | 10,365 |
| Total deferred outflows of resources | \$ 8,570 | \$ 10,460 |
| LIABILITIES | | |
| Current liabilities: | | |
| Bonds payable, net (Notes 1 and 2) | \$ 41,430 | \$ 41,555 |
| Accrued interest payable | 17,436 | 14,824 |
| Accounts payable and other liabilities | 690 | 875 |
| Total current liabilities | \$ 59,556 | \$ 57,254 |
| Noncurrent liabilities: | | |
| Bonds payable, net (Notes 1 and 2) | \$ 1,021,515 | \$ 836,936 |
| Accounts payable and other liabilities | 362 | 341 |
| Rebated owed | 1,021,878 | 0 |
| Total noncurrent liabilities | \$ 1,081,434 | \$ 837,277 |
| Deferred inflows of resources: | | |
| Pension plan (Note 3) | \$ 2 | \$ 16 |
| Total deferred inflows of resources | \$ 23 | \$ 16 |
| Total liabilities and deferred inflows | \$ 25 | \$ 894,547 |
| NET POSITION | | |
| Restricted net position | \$ 659,060 | \$ 630,484 |
| Total net position | \$ 659,060 | \$ 630,484 |

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, 2019 and June 30, 2018

(Dollars in Thousands)

| | 2019 | 2018 |
|---|-------------|-------------|
| Operating revenues: | | |
| Interest income | \$ 32,430 | \$ 29,626 |
| Net decrease in fair value of investments | 321 | (276) |
| Fee income | 4,441 | 4,154 |
| Total operating revenues | \$ 37,192 | \$ 33,504 |
| Operating expenses: | | |
| Interest on bonds | \$ 28,858 | \$ 26,039 |
| General and administrative | 4,671 | 4,699 |
| Total operating expenses | \$ 33,529 | \$ 30,738 |
| Net operating income | \$ 3,663 | \$ 2,766 |
| Nonoperating revenue (expenses): | | |
| Grant income | \$ 20,899 | \$ 17,944 |
| Grants and aid | (90) | (487) |
| Interfund adjustments, net | 4,104 | - |
| Net nonoperating revenues | \$ 24,913 | \$ 17,457 |
| Change in net position | \$ 28,576 | \$ 20,223 |
| Net position at June 30, 2018 | \$ 630,484 | \$ 610,261 |
| Net position at June 30, 2019 | \$ 659,060 | \$ 630,484 |

CW Exhibit 7: Statement of Cash Flows
State of Iowa Clean Water Program
Statement of Cash Flows
For Years Ended June 30, 2019 and June 30, 2018
(Dollars in Thousands)

| | 2019 | 2018 |
|---|---------------------|--------------------|
| Cash flows from operating activities: | | |
| Cash receipts for fees | \$ 4,503 | \$ 4,039 |
| Interest received on loans | 28,474 | 27,133 |
| Principal payments on loans | 77,895 | 67,821 |
| Purchase of loans | (225,664) | (161,316) |
| Cash payments for salaries and related benefits | (508) | (494) |
| Cash payments to suppliers | (4,498) | (3,910) |
| Net cash used in operating activities | \$ (119,798) | \$ (66,727) |
| Cash flows from noncapital financing activities: | | |
| Proceeds from issuance of bonds | \$ 237,509 | \$ 297,771 |
| Repayment of bonds | (53,053) | (196,735) |
| Interest paid | (23,202) | (52,581) |
| Payments for cost of issuance | (1,159) | (1,332) |
| Receipts for grant programs | 25,004 | 17,891 |
| Payments for grant programs | (2,435) | - |
| Net cash provided by noncapital financing activities | \$ 182,664 | \$ 65,014 |
| Cash flows from investing activities: | | |
| Purchase of Investments | \$ (42,254) | \$ (29,148) |
| Interest received on investments | 3,564 | 2,326 |
| Sales/Maturities of investments | 41,023 | 45,169 |
| Net cash provided by (used in) investing activities | \$ 2,333 | \$ 18,347 |
| Increase in cash and cash equivalents | \$ 65,199 | \$ 16,634 |
| Cash and cash equivalents, beginning of year | \$ 230,676 | \$ 214,042 |
| Cash and cash equivalents, end of year | \$ 295,875 | \$ 230,676 |
| Reconciliation of operating income to net cash provided by (used in) operating activities: | | |
| Operating Income | \$ 3,663 | \$ 2,768 |
| Interest on investments | (3,564) | (2,326) |
| Bond interest expense | 27,699 | 24,707 |
| Bond issuance costs | 1,159 | 1,332 |
| Change of FMV of investments | (321) | 276 |
| Change in Assets & Liabilities: | | |
| Principal repayments loans | 77,895 | 67,821 |
| Purchase of loans | (225,664) | (161,316) |
| Interest receivable | (392) | (167) |
| Miscellaneous receivable | 62 | (115) |
| Other assets | (184) | 53 |
| Deferred outflows | 4 | (16) |
| Increase (decrease) in accounts payable and other liabilities | (164) | 257 |
| Deferred inflows | 9 | (1) |
| Net cash used in operating activities | \$ (119,798) | \$ (66,727) |

Note 1: The outstanding State Match Bonds at June 30, 2019 and June 30, 2018 are as follows:

| | FY 2019 | FY 2018 |
|----------------|-------------------|-------------------|
| CWSRF 2010 MTA | 1,075,000 | 1,605,000 |
| CWSRF 2011 MTA | 665,000 | 870,000 |
| CWSRF 2013 MTA | 1,740,000 | 2,040,000 |
| CWSRF 2015 MTA | 7,570,000 | 9,105,000 |
| CWSRF 2016 MTA | 5,945,000 | 6,430,000 |
| CWSRF 2017 MTA | 2,820,000 | 3,220,000 |
| CWSRF 2019 MTA | 8,595,000 | - |
| | 23,270,000 | 23,270,000 |

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: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

CW Exhibit 8
State Fiscal Year 2019

| | Prior Years | QTR 1 | QTR 2 | QTR 3 | QTR 4 | Total |
|------------------------------|--------------------|--------------|--------------|--------------|--------------|--------------|
| Disbursement (\$1000) | 1,962,578 | 61,626 | | 56,418 | | 56,085 |
| Federal Cash Draw (\$1000) | 572,277 | 0 | | 19,354 | | 796 |
| State Share (\$1000) | 1,390,301 | 61,626 | | 37,064 | | 55,289 |
| Federal as % of Disbursement | 29.2% | 0.0% | | 34.3% | | 1.4% |

The 2018 capitalization grant was awarded in September 2018 and the state match was provided in December 2017 and was expended first, therefore, federal project draws were made for 100% of eligible disbursements on selected loans.

CW Exhibit 9

| | PRIOR YEARS | 2017 PYMT 1 | 2019 PYMT 1 | 2019 PYMT 1 |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
| CAPITALIZATION GRANT | 501,294,459 | 17,944,000 | 21,723,000 | 0 |
| STATE MATCH | 100,258,892 | 3,588,800 | 4,344,600 | 0 |
| TOTAL PROGRAM | 601,553,351 | 21,532,800 | 26,067,600 | 0 |

| | | |
|------------------------|-----------------|-----------------|
| PAYMENT DATE | 08/01/17 | 10/01/18 |
| COMMITMENT DATE | 08/01/18 | 10/01/19 |

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

| | | | | |
|----------|-----------------------------|---------------|-------------------|--|
| IUP | Prior Years | 1,850,422,462 | | |
| 18 | Ackley | 3,200,000 | | |
| 17 | Algona | 2,396,000 | | |
| 18 | Alton | 1,056,000 | | |
| 17 | Allison | 2,112,000 | | |
| 11/15/16 | Ames | 1,001,000 | 4,897,581 | |
| 08 | Anamosa | (322,238) | | |
| 15 | Aplington | (125,594) | | |
| 15 | Arthur | | (61,834) | |
| 16 | Bancroft | 1,258,000 | | |
| 15 | Belle Plaine | 3,236,000 | | |
| 14 | Blakesburg | (196,418) | | |
| 15 | Blencoe | | 236,000 | |
| 11 | Buffalo | (77,280) | | |
| 15 | Burlington | (110,611) | | |
| 12 | Calamus | | 130,000 | |
| 17 | Calmar | 2,977,000 | | |
| 15 | Cascade | (520,212) | | |
| 18 | Central City | | 4,084,000 | |
| 08 | Colesburg | (314,715) | | |
| 10 | Collins | (197,248) | | |
| 16 | Coralville | | 36,106,000 | |
| 17 | Creston | | 3,216,000 | |
| 16 | Davis City | 314,000 | | |
| 16 | De Soto | 3,069,000 | | |
| 16 | Denison Municipal Utilities | 10,206,000 | | |
| 16/17 | Des Moines | | 30,686,000 | |
| 10/11/16 | Dubuque | 1,400,000 | 18,599,233 | |
| 18 | Eagle Grove | 28,130,000 | | |
| 17 | Eldridge | 6,000,000 | 9,000,000 | |
| 17 | Elkhart | 3,499,000 | 1,350,000 | |
| 14 | Epworth | (353,686) | | |
| 14 | Fairbank | (15) | | |
| 16 | Fayette | 415,000 | | |
| 12/15 | Fort Dodge | (260,230) | | |
| 12/15/16 | Fort Madison | 2,668,000 | | |
| 17 | Garrison | 547,000 | | |
| 18 | Gilbert | 4,548,000 | | |

| | | | |
|-------|--------------------------------|-------------|-----------|
| 10 | Gilbertville | (1,098,198) | |
| 15 | Granville | 448,000 | |
| 16 | Greene | | 3,462,000 |
| 17 | Greenfield | 7,789,000 | |
| 16 | Grinnell | 14,300,000 | |
| 17 | Grundy Center | (122,739) | |
| 16 | Harris | | (31,028) |
| 16 | Hartford | (21,176) | |
| 16 | Hills | 223,000 | (45,728) |
| 17 | Hubbard | 777,000 | (12,376) |
| 19 | Independence | | 1,565,000 |
| 18 | Indianola | 3,267,000 | |
| 14 | Iowa DNR - Geode State Park | (184,681) | |
| 16 | Johnston | 1,948,000 | 4,070,000 |
| 16 | Keota | 3,128,000 | |
| 15 | Keystone | 2,303,000 | |
| 13 | Kiron | (62,738) | |
| 17 | Klemme | 1,287,000 | |
| 17 | Lake View | 6,700,000 | |
| 16 | Lakeside | | (152,143) |
| 17 | Le Grand | | 2,089,000 |
| 17 | Lenox | 2,558,000 | |
| 15 | Letts | (2,729) | |
| 18 | Lisbon | 658,000 | 272,000 |
| 16 | Manning | 436,000 | |
| 14 | Maxwell | (44,988) | |
| 17 | Mediapolis | 1,107,000 | |
| 18 | Merrill | 1,300,000 | |
| 14 | Mitchellville | (52,582) | |
| 18 | Monroe | | 3,870,000 |
| 15 | Mount Ayr | (78,295) | |
| 13/16 | Mount Pleasant | 5,589,000 | |
| 17 | Moville | 856,000 | |
| 11 | New London | | 265,000 |
| 17 | New Sharon | 2,376,000 | |
| 17/18 | Nora Spings | (35,493) | 7,739,000 |
| 15 | Northwood | | 494,000 |
| 17 | Norway | 3,480,000 | |
| 17 | Oelwein | 338,000 | |
| 17 | Ogden | 5,429,000 | |
| 18 | Oskaloosa | 3,822,000 | 3,176,000 |
| 11 | Ottumwa | (227,237) | |
| 17 | Oxford | | (37,418) |
| 15 | Pleasantville | 412,000 | |
| 18 | Pocahontas | 1,364,000 | 2,779,000 |
| 16 | Postville | 489,000 | |

| | | | | |
|------------------------------|----------------------------------|-----------------|-----------------|-----------------|
| 15 | Readlyn | 868,000 | 249,000 | |
| 16 | Reinbeck | | 792,000 | |
| 16 | Rock Valley | (41,784) | | |
| 14 | Rockwell City | (91,580) | | |
| 15/18 | Roland | (7,929) | 3,951,629 | |
| 15 | Ruthven | (200,912) | | |
| 16 | Sabula | 351,000 | | |
| 16 | Sanborn | | 9,000,000 | |
| 17 | Shenandoah | 833,000 | (56,072) | |
| 18 | Sioux Center | 26,742,000 | | |
| 17 | Slater | 94,000 | | |
| 15/18 | Spencer | 1,508,000 | (40,001) | |
| 17 | Springville | 956,000 | | |
| 16 | St. Donatus | 842,000 | | |
| 16 | Strawberry Point | 322,000 | | |
| 18 | Sully | | 983,000 | |
| 15 | Sumner | (76,340) | | |
| 18 | Tiffin | 6,754,000 | | |
| 14 | Titonka | (28,342) | | |
| 17 | Waterloo | 1,600,000 | 2,077,000 | |
| 17/18 | Waukee | 15,485,000 | | |
| 18 | Waukon | | 10,000,000 | |
| 09 | Wastewater Reclamation Authority | | (95,200) | |
| 16/17/19 | Wastewater Reclamation Authority | 42,200,000 | 35,300,000 | |
| 13 | Wellman | | (6,715) | |
| 16 | West Union | 319,000 | | |
| 18 | Wilton | 6,211,000 | | |
| 17 | Winthrop | | 2,632,000 | |
| 17 | Woodward | | 5,716,000 | |
| 18 | Wright County (w/Eagle Grove) | 4,046,000 | | |
| | OSWAP link-deposit loans | 1,800,000 | | |
| | P&D Loans | 40,225,630 | (4,080,497) | 4,418,559 |
| <hr/> | | | | |
| Total Loans | | 1,892,448,092 | 250,610,513 | 212,666,487 |
| PGM-ADM | | 19,991,397 | 717,760 | 868,920 |
| TOTAL COMMITMENTS | | 1,912,439,489 | 251,328,273 | 213,535,407 |
| TOTAL CUMULATIVE COMMITMENTS | | 1,912,439,489 | 2,163,767,762 | 2,377,303,169 |
| 120% COMMITMENT REQUIRED | | 601,553,351 | 623,086,151 | 649,153,751 |
| SHORTFALL/(EXCESS) | | (1,310,886,138) | (1,540,681,611) | (1,728,149,418) |
| % COMMITMENT ACHIEVED | | 381.50023 | 416.71947 | 439.45888 |

DW Exhibits

1-10

DW Exhibit 1: SFY 2019 Intended Use Plan Project Priority List

Chart 1: DWSRF SFY 2019 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 |
|--------------------------------|--------------------|--------|-----|--------------|-----------------|------------------|----------------|------|
| Williamsburg | FS-48-19-DWSRF-023 | 2019 | 4 | A,B,E | 70 | 5,966,000 | P | |
| Guthrie Center | FS-39-19-DWSRF-026 | 2019 | 4 | B,C,E | 55 | 1,491,000 | P | |
| Pomeroy | FS-13-19-DWSRF-024 | 2019 | 4 | B,C,E | 55 | 1,136,000 | P | |
| Alta | FS-11-19-DWSRF-031 | 2019 | 4 | B,E | 45 | 784,000 | P | |
| Sanborn | FS-71-19-DWSRF-027 | 2019 | 4 | B,E | 45 | 8,502,000 | P | |
| Oelwein | FS-33-19-DWSRF-030 | 2019 | 4 | B,C,E | 40 | 1,281,000 | P | |
| Sigourney | FS-54-19-DWSRF-029 | 2019 | 4 | B,C,E | 40 | 491,000 | P | |
| Somers | FS-13-19-DWSRF-028 | 2019 | 4 | B,C,E | 35 | 179,000 | P | |
| Sumner | FS-09-19-DWSRF-025 | 2019 | 4 | B,D,E | 30 | 684,000 | P | |
| Anthon | PD-DW-19-58 | 2019 | 4 | G | P&D | 120,000 | L | |
| Jamaica | PD-DW-19-44 | 2019 | 4 | G | P&D | 375,000 | L | |
| Lewis | PD-DW-19-45 | 2019 | 4 | G | P&D | 120,000 | L | |
| Stacyville | FS-66-19-DWSRF-016 | 2019 | 3 | B,C,E | 40 | 988,000 | P | |
| Thompson | FS-95-19-DWSRF-018 | 2019 | 3 | B,C,E | 40 | 577,000 | P | |
| Grafton | FS-98-19-DWSRF-022 | 2019 | 3 | B,C,E | 35 | 630,000 | P | |
| Sioux City | FS-97-19-DWSRF-019 | 2019 | 3 | A,B | 35 | 3,098,000 | P | |
| Clarion | FS-99-19-DWSRF-020 | 2019 | 3 | B,E | 30 | 1,397,000 | P | |
| Mitchellville | FS-77-19-DWSRF-017 | 2019 | 3 | B,E | 30 | 1,110,000 | P | |
| Bernard | FS-31-19-DWSRF-015 | 2019 | 3 | B,E | 25 | 185,000 | P | |
| Rockwell City | FS-13-19-DWSRF-021 | 2019 | 3 | D,E | 25 | 1,695,000 | P | |
| Alta Municipal Utilities | PD-DW-19-43 | 2019 | 3 | G | P&D | 56,500 | L | |
| Grafton | PD-DW-19-40 | 2019 | 3 | G | P&D | 72,300 | L | |
| Stacyville | PD-DW-19-41 | 2019 | 3 | G | P&D | 164,700 | L | |
| Thompson | PD-DW-19-42 | 2019 | 3 | G | P&D | 105,500 | L | |
| Woodland Ridge Subdivision | FS-52-19-DWSRF-011 | 2019 | 2 | A,F | 60 | 510,000 | P | |
| Pleasantville | FS-63-19-DWSRF-010 | 2019 | 2 | A,B,C,E | 55 | 848,000 | P | |
| Osceola Rural Water Syst-North | FS-72-19-DWSRF-012 | 2019 | 2 | B,E | 40 | 17,709,000 | P | |

| Project Name | DWSRF No. | IUP YR | QTR | Project Type | Priority Points | Current Requests | Project Status | Type |
|--------------------------------|-----------------------|--------|-----|--------------|-----------------|------------------|----------------|------|
| Colfax | FS-50-19-DWSRF-013 | 2019 | 2 | B,E | 30 | 1,263,000 | P | |
| Ottumwa Water Works | FS-90-19-DWSRF-009 | 2019 | 2 | B,C | 25 | 4,400,000 | P | |
| Dubuque | FS-31-19-DWSRF-014 | 2019 | 2 | B | 20 | 4,697,370 | P | |
| Sanborn | PD-DW-19-18 | 2019 | 2 | G | P&D | 690,000 | L | |
| Malvern | PD-DW-19-17 | 2019 | 2 | G | P&D | 228,000 | L | |
| Colfax | PD-DW-19-16 | 2019 | 2 | G | P&D | 175,000 | L | |
| Bellevue | PD-DW-19-15 | 2019 | 2 | G | P&D | 285,000 | R | |
| Auburn | PD-DW-19-14 | 2019 | 2 | G | P&D | 80,000 | L | |
| Albion | PD-DW-19-13 | 2019 | 2 | G | P&D | 55,000 | R | |
| Ida Grove | PD-DW-19-21 | 2019 | 2 | G | P&D | 310,000 | L | |
| Adel | FS-25-19-DWSRF-007 | 2019 | 1 | B,E | 45 | 0 | D | |
| Bellevue | FS-49-19-DWSRF-003 | 2019 | 1 | B,E | 45 | 1,216,000 | P | |
| Clarion | FS-99-19-DWSRF-004 | 2019 | 1 | B,E | 45 | 802,995 | P | |
| Avoca | FS-78-19-DWSRF-006 | 2019 | 1 | B,E | 30 | 2,213,602 | P | |
| Manchester | FS-28-19-DWSRF-005 | 2019 | 1 | B,E | 30 | 754,000 | L | |
| Anthon | FS-97-19-DWSRF-001 | 2019 | 1 | B,E | 25 | 1,226,000 | P | |
| Johnston | FS-77-19-DWSRF-002 | 2019 | 1 | B,E | 20 | 2,750,000 | P | |
| Bernard | PD-DW-19-01 | 2019 | 1 | G | P&D | 70,000 | L | |
| Manchester | PD-DW-19-02 | 2019 | 1 | G | P&D | 96,500 | L | |
| Osceola County Rural Water | PD-DW-19-03 | 2019 | 1 | G | P&D | 700,000 | R | |
| Pomeroy | PD-DW-19-04 | 2019 | 1 | G | P&D | 133,000 | L | |
| Rockwell City | PD-DW-19-05 | 2019 | 1 | G | P&D | 149,000 | L | |
| Adel | FS-25-18-DWSRF-017 | 2018 | 4 | B,E | 45 | 0 | D | |
| Grimes (well) | FS-77-18-DWSRF-016(1) | 2018 | 4 | B | 30 | 4,200,000 | L | |
| Grimes (elevated storage tank) | FS-77-18-DWSRF-016(2) | 2018 | 4 | B | 30 | 3,800,000 | L | |
| Grimes (water main) | FS-77-18-DWSRF-016(3) | 2018 | 4 | B | 30 | 1,559,000 | L | |
| Grimes | FS-77-18-DWSRF-016(4) | 2018 | 4 | B | 30 | 18,310,000 | 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 | L | |
| Delaware | FS-28-18-DWSRF-020 | 2018 | 4 | C, E | 20 | 112,000 | L | |

| Project Name | DWSRF No. | IUP YR | QTR | Project Type | Priority Points | Current Requests | Project Status | Type |
|-------------------------------------|-----------------------|--------|-----|--------------|-----------------|------------------|----------------|------------|
| Iowa Lakes Regional Water | FS-21-18-DWSRF-019 | 2018 | 4 | B | 15 | 260,000 | P | |
| Delaware | PD-DW-19-30 | 2018 | 4 | G | P&D | 30,000 | L | |
| Dunkerton | PD-DW-18-46 | 2018 | 4 | G | P&D | 112,500 | R | |
| Gallery Acres West HOA (Solon) | PD-DW-18-52 | 2018 | 4 | G | P&D | 75,000 | L | |
| Dunkerton | FS-07-18-DWSRF-014 | 2018 | 3 | B,E | 25 | 1,181,000 | P | |
| 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 | 25,286,000 | L | |
| Kiron | FS-24-18-DWSRF-013 | 2018 | 2 | B,C,E | 55 | 561,000 | P | |
| Cleghorn | FS-18-18-DWSRF-006(1) | 2018 | 2 | B,E | 45 | 557,000 | L | |
| Cleghorn | FS-18-18-DWSRF-006(2) | 2018 | 2 | B,E | 45 | 467,000 | R | |
| 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 | 574,000 | L | |
| 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 | |
| Sergeant Bluff (water main) | FS-97-18-DWSRF-009(1) | 2018 | 2 | B,E | 25 | 1,242,000 | L | |
| Sergeant Bluff | FS-97-18-DWSRF-009(2) | 2018 | 2 | B,E | 25 | 4,854,000 | P | |
| 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 | |
| Dedham | PD-DW-18-01 | 2018 | 1 | G | P&D | 50,000 | R | |
| Raymond | FS-07-17-DWSRF-028 | 2017 | 4 | B | 20 | 1,025,000 | L | |
| Olin | PD-DW-17-52 | 2017 | 4 | G | P&D | 0 | D | |
| 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 | 2,200,000 | L | F 75% |
| Gallery Acres West HOA (Solon) | FS-52-17-DWSRF-017 | 2017 | 3 | A,E | 60 | 1,039,000 | P | F 75% |
| Truro | FS-61-17-DWSRF-016 | 2017 | 3 | A,B,E | 45 | 866,000 | P | |
| Raymond | PD-DW-17-25 | 2017 | 3 | G | P&D | 0 | D | |
| Farley | FS-31-17-DWSRF-008 | 2017 | 2 | A,B,E | 70 | 2,304,000 | L | |
| Lyon & Sioux Rural Water Syst | FS-60-17-DWSRF-011 | 2017 | 2 | B,E | 25 | 131,000 | P | F 75% Gen |
| Sioux City (W Hills / Indian Hills) | FS-97-17-DWSRF-012 | 2017 | 2 | B | 20 | 8,000,000 | 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 | |

| Project Name | DWSRF No. | IUP YR | QTR | Project Type | Priority Points | Current Requests | Project Status | Type |
|--------------------------------------|-----------------------|--------|-----|--------------|-----------------|------------------|----------------|-------------------------|
| West Des Moines Water Works | FS-77-16-DWSRF-022(2) | 2016 | 4 | B | 35 | 1,891,000 | R | |
| Mahaska Rural Water System | FS-62-16-DWSRF-017 | 2016 | 4 | B,E | 30 | 817,000 | 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 | 890,000 | L | G-F 30% WM F 75% Gen |
| Farmington | FS-89-16-DWSRF-006 | 2016 | 2 | B,C,E | 40 | 312,000 | P | |
| Ridgeway | FS-96-16-DWSRF-007 | 2016 | 2 | B,C,E | 40 | 388,000 | 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 | |
| Aplington (<i>supplemental</i>) | FS-12-15-DWSRF-017(2) | 2015 | 4 | B,E | 30 | 0 | D | |
| Mount Ayr | FS-80-15-DWSRF-013 | 2015 | 3 | B,C,E | 40 | 4,100,000 | L | |
| Ruthven | FS-74-15-DWSRF-006 | 2015 | 2 | B,C,E | 55 | 1,316,550 | P | |
| Little Sioux (<i>supplemental</i>) | FS-43-15-DWSRF-010(2) | 2015 | 2 | B,C,E | 40 | 84,000 | R | |
| Muscatine Power & Water | FS-70-DWSRF-022 | 2014 | 4 | B | 15 | 0 | D | |
| Muscatine Power & Water | PD-DW-14-44 | 2014 | 4 | G | P&D | 0 | D | |
| 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 | 4,020,000 | P | |
| 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 (<i>supplemental</i>) | FS-80-12-DWSRF-014(2) | 2012 | 4 | B,E | 20 | 275,000 | L | |
| Albia Municipal Water Works | FS-68-12-DWSRF-008 | 2012 | 2 | B,C,E | 40 | 350,000 | P | |

Chart 1 Total \$201,319,208

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 06/30/19 | AVAILABLE 06/30/19 |
| 2013 | 575,000 | 0 | 575,000 | 575,000 | 0 |
| 2014 | 529,160 | 0 | 529,160 | 517,406 | 11,754 |
| 2015 | 525,680 | 0 | 525,680 | 0 | 525,680 |
| 2016 | 497,280 | 447,280 | 50,000 | 50,000 | 0 |
| 2017 | 493,040 | 493,040 | 0 | 0 | 0 |
| 2018 | 703,880 | 653,880 | 50,000 | 50,000 | 0 |
| | | 1,594,200 | 1,729,840 | 1,192,406 | 537,434 |

| Technical Assistance to Small Systems | | | | | |
|--|---------------------|-----------------|--------------|------------------------------|-------------------------------|
| GRANT YEAR | 2% SET-ASIDE | RESERVED | TAKEN | EXPENDED 06/30/19 | AVAILABLE 06/30/19 |
| 2013 | 287,500 | 0 | 287,500 | 287,500 | 0 |
| 2014 | 264,580 | 0 | 264,580 | 144,713 | 119,867 |
| 2015 | 262,840 | 207,540 | 55,300 | 0 | 55,300 |
| 2016 | 248,640 | 248,640 | 0 | 0 | 0 |
| 2017 | 246,520 | 246,520 | 0 | 0 | 0 |
| 2018 | 351,940 | 351,940 | 0 | 0 | 0 |
| | | 1,054,640 | 607,380 | 432,213 | 175,167 |

| State Program Management | | | | | |
|---------------------------------|----------------------|-----------------|--------------|------------------------------|-------------------------------|
| GRANT YEAR | 10% SET-ASIDE | RESERVED | TAKEN | EXPENDED 06/30/19 | AVAILABLE 06/30/19 |
| 2009 | 1,014,800 | 0 | 1,014,800 | 1,014,800 | 0 |
| 2010 | 2,316,900 | 0 | 2,316,900 | 2,222,937 | 93,963 |
| 2011 | 1,607,700 | 0 | 1,607,700 | 1,500,000 | 107,700 |
| 2012 | 1,532,200 | 406,000 | 1,126,200 | 0 | 1,126,200 |
| 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 |
| 2018 | 1,759,700 | 1,560,587 | 199,113 | 199,113 | 0 |
| | | 8,516,987 | 6,264,713 | 4,936,850 | 1,327,863 |

| Local Assistance and Other Authorized Activities | | | | | |
|---|----------------------|--|--------------|------------------------------|-------------------------------|
| GRANT YEAR | 15% SET-ASIDE | | TAKEN | EXPENDED 06/30/19 | AVAILABLE 06/30/19 |
| 2015 | 1,971,300 | | 1,971,300 | 1,971,300 | 0 |
| 2016 | 1,864,800 | | 1,864,800 | 1,485,912 | 378,888 |
| 2017 | 1,848,900 | | 1,232,600 | 1,232,600 | 0 |
| 2018 | 2,639,550 | | 1,759,700 | 172,509 | 1,587,191 |
| | | | 6,828,400 | 4,862,321 | 1,966,079 |

Chart 2 Total \$ 4,006,543

DW Exhibit 2: Binding Commitments for the Fiscal Year ending June 30, 2019

During fiscal year 2019, the release of \$628,847 in unused proceeds from completed construction projects and \$4,642,871 in P&D rollovers/repayments resulted in net binding commitments of \$53,692,782.

| Project | Project Number | IUP Year | IUP Projected Loan Amount | Actual Loan Date | Actual Loan Amount | Loan Terms | |
|-----------------------------------|-----------------------|----------|---------------------------|------------------|--------------------|---------------|---------------|
| | | | | | | Interest Rate | Maturity Date |
| Mount Ayr (<i>supplemental</i>) | FS-80-12-DWSRF-014(2) | 2012 | 275,000 | 07/20/18 | 275,000 | 1.75% | 06/2038 |
| Mount Ayr | FS-80-15-DWSRF-013 | 2015 | 3,651,000 | 11/02/18 | 4,100,000 | 1.75% | 06/2044 |
| Cushing | FS-97-16-DWSRF-013 | 2016 | 517,000 | 10/05/18 | 890,000 | 1.75% | 06/2049 |
| Mahaska Rural Water System | FS-62-16-DWSRF-017 | 2016 | 1,319,050 | 08/10/18 | 817,000 | 1.75% | 06/2038 |
| Ridgeway | FS-96-15-DWSRF-007 | 2016 | 380,000 | 09/28/18 | 388,000 | 1.75% | 06/2038 |
| Bellevue | FS-49-17-DWSRF-021 | 2017 | 1,819,000 | 10/05/18 | 2,200,000 | 1.75% | 06/2038 |
| Farley | FS-31-17-DWSRF-008 | 2017 | 2,311,000 | 08/24/18 | 2,304,000 | 1.75% | 06/2038 |
| Raymond | FS-07-17-DWSRF-028 | 2017 | 1,688,400 | 10/19/18 | 1,025,000 | 1.75% | 06/2038 |
| Cleghorn | FS-18-18-DWSRF-006(1) | 2018 | 557,000 | 03/08/19 | 557,000 | 1.75% | 06/2039 |
| Council Bluffs Water Works | FS-78-18-DWSRF-015 | 2018 | 5,025,000 | 09/07/18 | 5,025,000 | 1.75% | 06/2039 |
| Delaware | FS-28-18-DWSRF-020 | 2018 | 177,425 | 03/29/19 | 112,000 | 1.75% | 06/2039 |
| Fort Dodge | FS-94-18-DWSRF-011 | 2018 | 20,804,000 | 06/28/19 | 25,286,000 | 1.75% | 06/2040 |
| Gallery Acres West HOA (Solon) | PD-DW-18-52 | 2018 | 75,000 | 09/28/18 | 75,000 | 0.00% | |
| Grimes (well) | FS-77-18-DWSRF-016(1) | 2018 | 4,200,000 | 03/08/19 | 4,200,000 | 1.75% | 06/2039 |
| Grimes (elevated storage tank) | FS-77-18-DWSRF-016(2) | 2018 | 3,800,000 | 04/12/19 | 3,800,000 | 1.75% | 06/2040 |
| Grimes (water main) | FS-77-18-DWSRF-016(3) | 2018 | 1,559,000 | 06/07/19 | 1,559,000 | 1.75% | 06/2039 |
| Marble Rock | FS-34-18-DWSRF-010 | 2018 | 482,000 | 04/19/19 | 574,000 | 1.75% | 06/2038 |
| Sergeant Bluff | FS-97-18-DWSRF-009(1) | 2018 | 1,242,000 | 06/07/19 | 1,242,000 | 1.75% | 06/2039 |
| Alta Municipal Utilities | PD-DW-19-43 | 2019 | 56,500 | 04/05/19 | 56,500 | 0.00% | |
| Anthon | PD-DW-19-58 | 2019 | 120,000 | 03/22/19 | 120,000 | 0.00% | |
| Auburn | PD-DW-19-14 | 2019 | 80,000 | 09/28/18 | 80,000 | 0.00% | |
| Bernard | PD-DW-19-01 | 2019 | 70,000 | 11/30/18 | 70,000 | 0.00% | |
| Colfax | PD-DW-19-16 | 2019 | 175,000 | 09/28/18 | 175,000 | 0.00% | |
| Delaware | PD-DW-19-30 | 2019 | 30,000 | 09/28/18 | 30,000 | 0.00% | |
| Grafton | PD-DW-19-40 | 2019 | 72,300 | 03/01/19 | 72,300 | 0.00% | |
| Ida Grove | PD-DW-19-21 | 2019 | 310,000 | 09/28/18 | 310,000 | 0.00% | |
| Jamaica | PD-DW-19-44 | 2019 | 375,000 | 05/31/19 | 375,000 | 0.00% | |
| Lewis | PD-DW-19-45 | 2019 | 120,000 | 03/29/19 | 120,000 | 0.00% | |

| Project | Project Number | IUP Year | IUP Projected Loan Amount | Actual Loan Date | Actual Loan Amount | Loan Terms | |
|---------------|--------------------|----------|---------------------------|------------------|--------------------|---------------|---------------|
| | | | | | | Interest Rate | Maturity Date |
| Malvern | PD-DW-19-17 | 2019 | 228,000 | 09/28/18 | 228,000 | 0.00% | |
| Manchester | FS-28-19-DWSRF-005 | 2019 | 929,000 | 02/08/19 | 754,000 | 1.75% | 06/2028 |
| Manchester | PD-DW-19-02 | 2019 | 96,500 | 08/31/18 | 96,500 | 0.00% | |
| Pomeroy | PD-DW-19-04 | 2019 | 133,000 | 03/29/19 | 133,000 | 0.00% | |
| Rockwell City | PD-DW-19-05 | 2019 | 149,000 | 10/19/18 | 149,000 | 0.00% | |
| Sanborn | PD-DW-19-18 | 2019 | 690,000 | 10/26/18 | 690,000 | 0.00% | |
| Stacyville | PD-DW-19-41 | 2019 | 164,700 | 12/28/18 | 164,700 | 0.00% | |
| Thompson | PD-DW-19-42 | 2019 | 105,500 | 02/01/19 | 105,500 | 0.00% | |
| Early | PD-DW-20-01 | 2020 | | 06/21/19 | 515,000 | 0.00% | |
| Fairfax | PD-DW-20-11 | 2020 | | 06/12/19 | 291,000 | 0.00% | |
| Total | | | 53,786,375 | | 58,964,500 | | |

DW Exhibit 2A: Construction Starts Reported in Fiscal Year 2019

| Project | DWSRF Number | Construction Start Date |
|--------------------------------|------------------------|--------------------------------|
| Farley | FS-31-17-DWSRF-008 | 05/07/18 |
| Mount Ayr (supplemental) | FS-80-12-DWSRF-014(2) | 05/07/18 |
| Mahaska RWS - New Sharon | FS-62-16-DWSRF-017 | 05/08/18 |
| Raymond | FS-07-17-DWSRF-028 | 06/01/18 |
| Ridgeway | FS-96-16-DWSRF-007 | 07/26/18 |
| Bellevue | FS-49-17-DWSRF-021 | 08/15/18 |
| Cushing | FS-97-16-DWSRF-013 | 08/28/18 |
| Manchester | FS-28-19-DWSRF-005 | 10/19/18 |
| Mount Ayr | FS-80-15-DWSRF-013 | 11/14/18 |
| Fort Dodge | FS-94-18-DWSRF-011 | 11/28/18 |
| Council Bluffs Water Works | FS-78-18-DWSRF-015 | 01/16/19 |
| Grimes (well) | FS-77-18-DWSRF-016 | 01/29/19 |
| Grimes (elevated storage tank) | FS-77-18-DWSRF-016 (2) | 01/29/19 |
| Grimes (water main) | FS-77-18-DWSRF-016 (3) | 01/29/19 |
| Cleghorn | FS-18-18-DWSRF-006 | 02/06/19 |
| Delaware | FS-28-18-DWSRF-020 | 02/19/19 |
| Marble Rock | FS-34-18-DWSRF-010 | 04/15/19 |
| Sergeant Bluff | FS-97-18-DWSRF-009 | 06/03/19 |

DW Exhibit 2B: Initiation of Operations Reported in Fiscal Year 2019

| Project | DWSRF Number | Initiation of Operation |
|-----------------------------|------------------------|--------------------------------|
| Toledo | FS-86-13-DWSRF-013 | 09/15/16 |
| Keosauqua | FS-89-14-DWSRF-015 | 11/15/16 |
| West Des Moines Water Works | FS-77-16-DWSRF-022 | 11/15/17 |
| Marshalltown Water Works | FS-64-16-DWSRF005 | 12/27/17 |
| West Liberty | FS-70-15-DWSRF-014 | 01/22/18 |
| Alta Municipal Utilities | FS-11-16-DWSRF-011 | 07/20/18 |
| Keswick | FS-54-16-DWSRF-009 | 10/01/18 |
| Sioux Rapids | FS-11-15-DWSRF-015 | 10/19/18 |
| Asbury | FS-31-15-DWSRF-001 R/G | 11/16/18 |
| Lacina Meadows HOA | FS-52-17-DWSRF-022 | 12/19/18 |
| Fenton | FS-55-16-DWSRF-012 | 05/06/19 |
| Cushing | FS-97-16-DWSRF-013 | 05/15/19 |
| Mount Ayr (supplemental) | FS-80-12-DWSRF-014(2) | 05/20/19 |

DW Exhibit 2C: Environmental Reviews (ER) Reported in Fiscal Year 2019

| Project | DWSRF Number | Document Issue Date | Final Clearance/ Completion Date | CX/ FNSI/ RE |
|--------------------------------|---------------------|----------------------------|---|---------------------|
| Kiron | FS-24-18-DWSRF-013 | 07/05/18 | 08/13/18 | CX |
| Council Bluffs | FS-78-18-DWSRF-015 | 08/13/18 | 09/20/18 | CX |
| Manchester | FS-28-19-DWSRF-005 | 08/20/18 | 10/01/18 | CX |
| Pleasantville | FS-63-19-DWSRF-010 | 01/02/19 | 02/19/19 | CX |
| Johnston | FS-77-19-DWSRF-002 | 02/06/19 | 03/25/19 | CX |
| Armstrong | FS-32-17-DWSRF-020 | 03/06/19 | 04/15/19 | CX |
| Mitchellville | FS-77-19-DWSRF-017 | 03/06/19 | 04/15/19 | CX |
| Stacyville | FS-66-19-DWSRF-016 | 03/19/19 | 04/19/19 | CX |
| Newton Water Works | FS-50-18-DWSRF-001 | 04/05/19 | 06/13/19 | CX |
| Thompson | FS-95-19-DWSRF-018 | 04/23/19 | 06/24/19 | CX |
| Sumner | FS-09-19-DWSRF-025 | 04/24/19 | 06/12/19 | CX |
| Fort Dodge (Well 22) | FS-94-18-DWSRF-001 | 09/06/18 | 10/08/18 | FNSI |
| Cleghorn | FS-18-18-DWSRF-006 | 09/14/18 | 10/15/18 | FNSI |
| Marble Rock | FS-34-18-DWSRF-010 | 09/19/18 | 10/26/18 | FNSI |
| Gallery Acres West HOA | FS-52-17-DWSRF-017 | 10/10/18 | 11/14/18 | FNSI |
| Grimes | FS-77-18-DWSRF-016 | 11/21/18 | 12/21/18 | FNSI |
| Gilbert | FS-85-18-DWSRF-021 | 12/19/18 | 01/24/19 | FNSI |
| Pocahontas | FS-76-18-DWSRF-012 | 02/18/19 | 04/01/19 | FNSI |
| Clarion | FS-99-19-DWSRF-004 | 02/22/19 | 03/26/19 | FNSI |
| Fort Dodge (RO Treatment Add) | FS-94-18-DWSRF-001 | 03/07/19 | 04/08/19 | FNSI |
| Colfax | FS-50-19-DWSRF-013 | 03/21/19 | 04/22/19 | FNSI |
| De Soto | FS-25-14-DWSRF-011 | 03/25/19 | 04/25/19 | FNSI |
| Lake Panorama | FS-39-18-DWSRF-018 | 04/04/19 | 05/08/19 | FNSI |
| Alta Municipal Utilities | FS-11-19-DWSRF-031 | 04/17/19 | 05/20/19 | FNSI |
| Woodland Ridge Lot Owners | FS-52-19-DWSRF-011 | 04/29/19 | 05/30/19 | FNSI |
| Dubuque | FS-31-19-DWSRF-014 | 05/03/19 | 06/03/19 | FNSI |
| Avoca * | FS-25-19-DWSRF-006 | 06/14/19 | 07/15/19 | FNSI |
| Mt. Ayr (water pipes addition) | FS-80-15-DWSRF-013 | 02/13/19 | 03/25/19 | RE |
| Clarion | FS-99-19-DWRSF-004 | 04/15/19 | 06/13/19 | RE |

CX = Categorical Exclusion

FNSI = Finding of No Significant Impact

RE = Reaffirmation

*The ER document for this project was finalized fiscal year 2020

DW Exhibit 3: Grant Payments with Respect to State Match Fiscal Year 2019

| Source of Funds | Part I Prior Years | Part II State Fiscal Year 2019 | | | | Part III Totals |
|---------------------------|-----------------------|-----------------------------------|-------|-------|-------|--------------------|
| | | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | |
| FY 97 - 08 Grant Payments | 155,000,100 | | | | | 155,000,100 |
| FY 97 - 08 State Match | 30,999,820 | | | | | 30,999,820 |
| | | | | | | |
| 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 |

| Source of Funds | Part I Prior Years | Part II State Fiscal Year 2019 | | | | Part III Totals |
|-------------------------|-----------------------|-----------------------------------|------------|-------|-------|--------------------|
| | | Qtr 1 | Qtr 2 | Qtr 3 | Qtr 4 | |
| FY 18 Grant Payments ** | | | 17,597,000 | | | 17,597,000 |
| FY 18 State Match | 3,519,400 | | | | | 3,519,400 |

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

**2018 grant payments include \$50,000 retained by EPA Region 7 at grant award to fund SEE position at DNR's request and \$199,113 for training provided under EPA contract with PAI

DW Exhibit 4: Sources of Funds
State of Iowa Drinking Water Program
Sources of Funds
Cash Basis
For Years Ended June 30, 2019 and June 30, 2018

| | 2019 | 2018 |
|---|-----------------------|-----------------------|
| Draws on Capitalization Grant Agreements | | |
| Loan Disbursements | \$ 11,334,347 | \$ 8,873,680 |
| DWSRF Administration | 1,028,403 | 866,508 |
| Technical Assistance to Small Systems | 340,189 | 266,832 |
| Local Assistance and Other Authorized Activities | 1,548,394 | 1,450,301 |
| State Program Management | 2,405,704 | 1,280,765 |
| Interest Received on Investments and Cash Equivalents | 2,619,356 | 1,301,563 |
| New Bond Proceeds Received | 58,946,021 | 116,965,135 |
| Contribution from State FY 2018 (Note 3) | | |
| Water Quality Protection Fund | (61,470) | 684,965 |
| Cash Receipts for Fees | 1,464,645 | 1,389,087 |
| Loan Repayments | | |
| Interest on Loans | 10,201,437 | 10,665,400 |
| Principal Repayments | 33,162,087 | 38,013,301 |
| Total Sources of Funds | \$ <u>122,989,113</u> | \$ <u>181,757,537</u> |

DW Exhibit 5: Statement of Net Position
State of Iowa Drinking Water Program
Statement of Net Position
For Years Ended June 30, 2019 and June 30, 2018
(Dollars in Thousands)

| | 2019 | 2018 |
|--|-------------|-------------|
| ASSETS | | |
| Current assets (substantially restricted): | | |
| Cash and cash equivalents | \$ 153,624 | \$ 105,082 |
| Other Investments | 19,385 | 13,119 |
| Loans to municipalities or water systems, net | 36,741 | 32,871 |
| Accrued interest receivable | 1,278 | 1,194 |
| Other current assets | 572 | 593 |
| Total current assets | 211,600 | 152,859 |
| Noncurrent assets (substantially restricted): | | |
| Other Investments | 8,995 | 10,950 |
| Loans to municipalities or water systems, net | 430,428 | 440,586 |
| Total noncurrent assets | 439,423 | 451,536 |
| Total assets | 651,023 | |
| Deferred outflows of resources: | | |
| Pension plan (Note 4) | 41 | 45 |
| Loss on bond refunding | 4,150 | 5,278 |
| Total deferred outflows of resources | 4,191 | 5,323 |
| LIABILITIES | | |
| Current liabilities: | | |
| Bonds payable, net (Notes 1 and 2) | 17,065 | 17,620 |
| Accrued interest payable | 5,847 | 5,370 |
| Accounts payable and other liabilities | 704 | 756 |
| Total current liabilities | 23,616 | 23,746 |
| Noncurrent liabilities: | | |
| Bonds payable, net (Notes 1 and 2) | 333,491 | 296,239 |
| Other noncurrent liabilities | 154 | 153 |
| Total noncurrent liabilities | 333,645 | 296,392 |
| Total liabilities | 357,261 | 320,138 |
| Deferred inflows of resources: | | |
| Pension plan (Note 4) | 12 | 7 |
| Total deferred inflows of resources | 12 | 7 |
| NET POSITION | | |
| Restricted net position | 297,941 | 289,573 |
| Total net position | \$ 297,941 | \$ 289,573 |

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, 2019 and June 30, 2018

(Dollars in Thousands)

| | 2019 | 2018 |
|--|-------------------|-------------------|
| Operating revenues: | | |
| Interest income | \$ 12,905 | \$ 12,054 |
| Net decrease (decrease) in fair value of investments | 254 | (243) |
| Fee income | 1,427 | 1,424 |
| Total operating revenues | <u>14,586</u> | <u>13,235</u> |
| Operating expenses: | | |
| Interest on bonds | 9,745 | 8,930 |
| General and administrative | 5,363 | 4,355 |
| Provisions (recoveries) of losses | (25) | (25) |
| Total operating expenses | <u>15,083</u> | <u>13,260</u> |
| Net operating loss | <u>(497)</u> | <u>(25)</u> |
| Nonoperating revenues (expenses): | | |
| Grant income | 16,673 | 12,902 |
| Grants and aid | (3,704) | (4,156) |
| Inter-Agency transfers | (4,104) | |
| Net nonoperating revenues | <u>8,865</u> | <u>8,746</u> |
| Change in net position | 8,368 | 8,721 |
| Net position at June 30, 2018 | 289,573 | 280,852 |
| Net position at June 30, 2019 | \$ <u>297,941</u> | \$ <u>289,573</u> |

DW Exhibit 7: Statement of Cash Flows
State of Iowa Drinking Water Program
Statement of Cash Flows
For Years Ended June 30, 2019 and June 30, 2018
(Dollars in Thousands)

| | 2019 | 2018 |
|---|-------------------|-------------------|
| Cash flows from operating activities: | | |
| Cash receipts for fees and other income | \$ 1,465 | \$ 1,389 |
| Interest received on loans | 10,202 | 10,665 |
| Principal payments on loans | 33,162 | 38,013 |
| Purchase of loans | (30,554) | (57,014) |
| Cash payments for salaries and related benefits | (234) | (350) |
| Cash payments to suppliers | (5,454) | (4,191) |
| Net cash provided by (used in) operating activities | <u>8,587</u> | <u>(11,488)</u> |
| Cash flows from noncapital financing activities: | | |
| Proceeds from issuance of bonds | 58,946 | 116,965 |
| Repayment of bonds | (22,250) | (63,670) |
| Interest paid | (7,871) | (16,515) |
| Payments for cost of issuance | (269) | (515) |
| Receipts for grants programs | 12,861 | 13,195 |
| Payments for grant programs | (25) | (5,562) |
| Net cash provided by noncapital financing activities | <u>41,392</u> | <u>43,898</u> |
| Cash flows from investing activities: | | |
| Purchase of Investments | (20,690) | (10,668) |
| Interest received on investments | 2,619 | 1,301 |
| Sales/Maturities of investments | 16,634 | 17,279 |
| Net cash provided by (used in) investing activities | <u>(1,437)</u> | <u>7,912</u> |
| Change in cash and cash equivalents | <u>48,542</u> | <u>40,322</u> |
| Cash and cash equivalents, beginning of year | <u>105,082</u> | <u>64,760</u> |
| Cash and cash equivalents, end of year | <u>\$ 153,624</u> | <u>\$ 105,082</u> |
| Reconciliation of operating income to net cash used in operating activities: | | |
| Operating Income | \$ (497) | \$ (25) |
| Interest on investments | (2,619) | (1,301) |
| Bond interest expense | 9,476 | 8,416 |
| Bond issuance costs | 269 | 515 |
| Change of FMV of investments | (255) | 242 |
| Change in Assets & Liabilities: | | |
| Principal repayments loans | 33,162 | 38,013 |
| Purchase of loans | (30,554) | (57,014) |
| Interest receivable | (84) | (87) |
| Miscellaneous receivable | 38 | (34) |
| Other assets | (309) | (457) |
| Deferred outflows | 5 | (36) |
| Increase (decrease) in accounts payable & other liabilities | (49) | 274 |
| Deferred inflows | 4 | 6 |
| Net cash provided by (used in) operating activities | <u>8,587</u> | <u>(11,488)</u> |

Note 1: The outstanding State Match Bonds at June 30, 2019 and June 30, 2018 are as follows:

| | FY 2019 | FY 2018 |
|----------------|-------------------|-------------------|
| DWSRF 2010 MTA | 905,000 | 1,380,000 |
| DWSRF 2011 MTA | 485,000 | 635,000 |
| DWSRF 2013 MTA | 1,405,000 | 1,645,000 |
| DWSRF 2015 MTA | 5,695,000 | 6,915,000 |
| DWSRF 2016 MTA | 3,220,000 | 4,210,000 |
| DWSRF 2017 MTA | 2,015,000 | 2,300,000 |
| DWSRF 2019 MTA | 7,155,000 | - |
| | <u>20,880,000</u> | <u>17,085,000</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: State was required to match expenditures from State Program Management Set-Aside through the 2016 capitalization grant. The Water Quality Protection Fund (WQPF) 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. However, the state contribution provided by the WQPF reported in 2018 was reduced by \$61,470 after June 30 and replaced with DWSRF non-program fees.

Note 4: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

DW Exhibit 8
State Fiscal Year 2019

| | Prior Years | QTR 1 | QTR 2 | QTR 3 | QTR 4 | Total |
|------------------------------|--------------------|--------------|--------------|--------------|--------------|--------------|
| Disbursement (\$1000) | 845,702 | 10,914 | 8,951 | 7,106 | 9,093 | 881,766 |
| Federal Cash Draw (\$1000) | 305,661 | 1,661 | 6,683 | 5,853 | 2,709 | 322,567 |
| State Share (\$1000) | 540,941 | 9,253 | 2,268 | 1,253 | 6,384 | 560,099 |
| Federal as % of Disbursement | 36.1% | 15.2% | 74.7% | 82.4% | 29.8% | 36.6% |

The 2018 capitalization grant was awarded in September 2018 and the state match was provided in December 2017 and was expended first, therefore, federal project draws were made for 100% of eligible disbursements on selected loans.

DW Exhibit 9

| | PRIOR YEARS | 2017 PYMT 1 | 2018 PYMT 1 | 2019 PYMT 1 |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
| CAPITALIZATION GRANT | 272,893,500 | 12,326,000 | 17,597,000 | 0 |
| STATE MATCH | 54,578,700 | 2,465,200 | 3,519,400 | 0 |
| TOTAL PROGRAM | 327,472,200 | 14,791,200 | 21,116,400 | 0 |
| PAYMENT DATE | | 10/01/17 | 10/01/18 | |
| COMMITMENT DATE | | 10/01/18 | 10/01/19 | |

LOAN AGREEMENTS (excluding ARRA funding):

| | | | | |
|----------|-------------------------------|-------------|------------|--|
| IUP | Prior Years | 788,287,684 | | |
| 16 | Alta Municipal Utilities | | (44,990) | |
| 17 | Amana Society Service Company | 5,400,000 | | |
| 13 | Anamosa | 1,801,000 | | |
| 13 | Anita Municipal Utilities | (228,388) | | |
| 15 | Aplington | (175,549) | | |
| 15 | Bedford | (72,449) | | |
| 17 | Bellevue | | 2,200,000 | |
| 14 | Buffalo Center | (67,247) | | |
| 18 | Cleghorn | | 557,000 | |
| 11 | Columbus City | (42,555) | | |
| 18 | Council Bluffs Water Works | 5,025,000 | | |
| 16 | Cushing | | 890,000 | |
| 16 | Dakota City | 250,000 | | |
| 18 | Delaware | | 112,000 | |
| 15 | Dyersville | (117,220) | | |
| 16/17 | Farley | 2,095,014 | | |
| 16 | Fenton | 518,000 | | |
| 12/17/18 | Fort Dodge | 1,952,497 | 25,286,000 | |
| 16 | Grimes | | (15,444) | |
| 18 | Grimes | | 9,559,000 | |
| 13 | Hawkeye | (183,670) | | |
| 17 | Jewell | 1,711,000 | | |
| 16 | Keswick | 421,000 | (63,327) | |
| 17 | Lacina Meadows HOA | 945,000 | | |
| 16 | Mahaska Rural Water System | 817,000 | | |
| 19 | Manchester | | 754,000 | |
| 18 | Marble Rock | | 574,000 | |
| 12/15 | Mount Ayr | 275,000 | 4,100,000 | |
| 17 | Oelwein | 1,462,000 | | |
| 17 | Osceola County RWS | 3,719,000 | | |
| 09 | Oto | (12,913) | | |
| 15 | Ottumwa Water & Hydro | (283,733) | | |
| 15 | Poweshiek Water Association | (42,250) | | |

| | | | | | |
|-------------------------------------|---|--------------------|-------------------|-------------------|------------------|
| 17 | Raymond | | | 1,025,000 | |
| 16 | Ridgeway | | 388,000 | | |
| 15 | Sabula | | 550,000 | | |
| 18 | Sergeant Bluff | | | 1,242,000 | |
| 17 | Sheffield | | 1,200,000 | | |
| 15 | Sioux Rapids | | 1,502,000 | | |
| 14 | Spencer | | (113,017) | | |
| 15 | Swea City | | (48,982) | | |
| 17 | Washington | | 4,378,000 | | |
| 11 | Winneshiek Co Bd of Supv- Frankville | | (25,035) | | |
| | P&D Loans | 14,420,397 | 4,507,337 | (1,459,209) | |
| <hr/> | | | | | |
| Total Loans | | 802,708,081 | 37,503,840 | 44,716,030 | 0 |
| PROGRAM SET-ASIDES | | 53,490,290 | 3,452,320 | 6,262,653 | |
| TOTAL COMMITMENTS | | 856,198,371 | 40,956,160 | 50,978,683 | 0 |
| TOTAL CUMULATIVE COMMITMENTS | | 856,198,371 | 897,154,531 | 948,133,214 | 948,133,214 |
| 120% COMMITMENT REQUIRED | | 327,472,200 | 342,263,400 | 363,379,800 | 363,379,800 |
| SHORTFALL/(EXCESS) | | (528,726,171) | (554,891,131) | (584,753,414) | (584,753,414) |
| % COMMITMENT ACHIEVED | | 313.74817 | 314.54881 | 313.10487 | 313.10487 |

DW Exhibit 10

| | PROGRAM ADMINISTRATION | | | | | | | | |
|--|------------------------|------|------|------|------|------|--------------|------------|------------|
| | 1997 - 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| CAPITALIZATION GRANT SET-ASIDE | 8,500,436.00 | 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>) | 5,560,184.39 | | | | | | 640,020.78 | 404,640.94 | 332,168.96 |
| IFA (<i>bond issuer / financial reporting</i>) | 2,059,895.97 | | | | | | 381,620.52 | 253,925.16 | 146,186.24 |
| Wells Fargo Bank, N.A. (<i>trustee</i>) | 546,884.72 | | | | | | 68,718.70 | 80,033.90 | 39,050.48 |
| KPMG Peat Marwick (<i>IFA auditor</i>) | 6,804.47 | | | | | | | | |
| Berens-Tate (<i>arbitrage consultant</i>) | 114,156.03 | | | | | | | 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 | | 50,000.00 |
| Total disbursed through June 30, 2019 | 8,500,436.00 | - | - | - | - | - | 1,140,360.00 | 740,600.00 | 567,405.68 |
| Balance Available by Cap Grant Year: | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 537,434.32 |

| | TECHNICAL ASSISTANCE TO SMALL SYSTEMS | | | | | | | | |
|---|---------------------------------------|------------|------------|------------|------|------|------------|------------|------------|
| | 1997 - 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| CAPITALIZATION GRANT SET-ASIDE | 3,602,950.00 | 550,000.00 | 150,000.00 | 287,500.00 | 0.00 | 0.00 | 298,640.00 | 246,520.00 | 351,940.00 |
| DISBURSEMENTS: | | | | | | | | | |
| DNR (<i>program administration / contractors</i>) | 3,602,950.00 | 550,000.00 | 150,000.00 | 287,500.00 | | | 298,640.00 | 246,520.00 | 176,773.25 |
| Total disbursed through June 30, 2019 | 3,602,950.00 | 550,000.00 | 150,000.00 | 287,500.00 | | | 298,640.00 | 246,520.00 | 176,773.25 |
| Balance Available by Cap Grant Year: | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 175,166.75 |

| | LOCAL ASSISTANCE AND OTHER AUTHORIZED ACTIVITIES | | | | | | | | |
|---|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1997 - 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| CAPITALIZATION GRANT SET-ASIDE | 16,237,590.00 | 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 | 1,759,700.00 |
| DISBURSEMENTS: | | | | | | | | | |
| DNR (<i>wellhead protection program</i>) | 6,190,094.00 | 803,850.00 | 766,100.00 | | 661,450.00 | 657,100.00 | 242,712.18 | | |
| DNR (<i>viability/capacity development</i>) | 9,442,610.00 | 1,607,700.00 | 1,532,200.00 | 956,250.00 | 1,322,900.00 | 1,314,200.00 | 1,243,200.00 | 1,232,600.00 | 172,509.03 |
| 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, 2019 | 16,237,590.00 | 2,411,550.00 | 2,298,300.00 | 2,156,250.00 | 1,984,350.00 | 1,971,300.00 | 1,485,912.18 | 1,232,600.00 | 172,509.03 |
| Balance Available by Cap Grant Year: | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 378,887.82 | 0.00 | 1,587,190.97 |

| | STATE PROGRAM MANAGEMENT | | | | | | | | |
|---|--------------------------|--------------|------------|--------------|------|------|--------------|--------------|--------------|
| | 1997 - 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| CAPITALIZATION GRANT SET-ASIDE | 6,996,566.65 | 1,500,000.00 | 615,000.00 | 2,007,500.00 | 0.00 | 0.00 | 1,243,200.00 | 1,232,600.00 | 3,046,173.00 |
| DISBURSEMENTS: | | | | | | | | | |
| DNR (<i>program administration / contractors</i>) | 6,996,566.65 | 1,500,000.00 | 615,000.00 | 2,007,500.00 | | | 1,243,200.00 | 1,232,600.00 | 1,519,197.32 |
| PAI Training retained by EPA | | | | | | | | | 199,113.00 |
| Total disbursed through June 30, 2019 | 6,996,566.65 | 1,500,000.00 | 615,000.00 | 2,007,500.00 | | | 1,243,200.00 | 1,232,600.00 | 1,718,310.32 |
| Balance Available by Cap Grant Year: | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,327,862.68 |

| | ANNUAL FEDERAL SET-ASIDE DRAWS | | | | | | | | |
|--|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1999 - 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| Program Administration | 7,224,405.07 | 1,097,225.30 | 178,805.63 | - | - | - | 503,455.31 | 866,507.52 | 1,078,402.85 |
| Technical Assistance to Small Systems | 3,106,891.03 | 295,924.77 | 301,039.49 | 301,578.40 | 395,984.94 | 153,564.51 | 150,378.43 | 266,832.23 | 340,189.45 |
| Local Assistance & Other Authorized Activities | 11,314,318.07 | 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 | 1,548,397.38 |
| State Program Management | 6,291,953.68 | 876,122.16 | 976,691.20 | 849,865.20 | 836,444.26 | 689,304.35 | 907,214.07 | 1,280,765.19 | 2,604,816.86 |