

STATE OF INDIANA

Clean Water State Revolving Fund Loan Program



Annual Report
State Fiscal Year 2021
July 1, 2020 – June 30, 2021

**Clean Water State Revolving Fund Loan Program
Annual Report SFY 2021**

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State of Indiana
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Annual Report
SFY 2021

I. Introduction

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

This Annual Report is for State Fiscal Year (SFY) 2020 (July 1, 2020 - June 30, 2021). It is prepared in accordance with Section 606(d) of the Clean Water Act (CWA), as amended by the Water Quality Act of 1987, further amended by the Water Resources and Development Act (WRRDA) of 2014, and 40 CFR 35.3165(a) and (b).

II. SRF Loan Program Management [40 CFR 35.3110]

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

III. Goals and Objectives of the SFY 2021 Intended Use Plan [40 CFR 35.3150(b)(2)]

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

To accomplish these objectives, the Authority set short-term and long-term goals as part of the SFY 2021 Intended Use Plan (IUP). A description of how the CWSRF Loan Program has achieved these goals, or is working toward them, is in Exhibit A.

EPA's 2021 Capitalization Grant requires the Authority to allocate 10%, or \$3,829,200 of its funds, to green projects. The Authority accomplished this requirement via its Green Project Reserve (GPR) Sustainability Incentive Program, which is offered by the SRF Loan Programs to participants that incorporate green project components into their projects. Exhibit B, Green Project in SFY 2021, lists the 2021 Capitalization Grant GPR projects.

Under the terms and conditions of the 2021 Capitalization Grant, the CWSRF Loan Program is required to use ten (10%) percent, of its funds available in the grant to provide additional subsidy to eligible recipients. In addition, the CWSRF Loan Program may provide a range of zero (0%) percent, to thirty (30%) percent of its 2021 Capitalization Grant in the form of Additional

Subsidization to disadvantaged communities. Additional Subsidization may be in the form of principal forgiveness, negative interest rate loans, or grants. The 2021 Capitalization Grant was awarded on July 8, 2021, and the CWSRF Loan Program has identified communities that are eligible to receive the Additional Subsidization from the 2021 Capitalization Grant. Exhibit C, Additional Subsidization by Capitalization Grant Year, lists participants that have received Additional Subsidization in the form of principal forgiveness in past years. As of June 30, 2021, the CWSRF Loan Program has provided Additional Subsidization totaling \$104.9 million dollars in the form of principal forgiveness, thus meeting the Additional Subsidization goals of the Capitalization Grants for SFY 2010-2020. The CWSRF Loan Program has identified communities that are eligible to receive the Additional Subsidization remaining from the 2021 Capitalization Grant. Exhibit C will be updated in subsequent Annual Reports documenting the fulfillment of grant requirements. Priority for Additional Subsidization was given to communities that could not otherwise afford such projects. The Authority shall spend the Additional Subsidization as required by the terms and conditions of the Capitalization Grant, which allows Indiana four years in which to spend the Additional Subsidization. Every attempt will be made to spend the Additional Subsidization within two years of receiving the Capitalization Grant.

Another requirement of the Capitalization Grant is to document projects that are categorized as Equivalency. The purpose of Equivalency within the SRF Loan Programs is to allow states to select a loan or multiple loans, the sum of which is equal to the amount of a Capitalization Grant, to meet specific federal requirements for the program. For the CWSRF Loan Program, these requirements include, meeting cross-cutter requirements, single audit requirements, Federal Funding Accountability and Transparency Act reporting requirements, Disadvantaged Business Enterprise Utilization, the Signage Requirement and architectural and engineering procurement. Exhibit D, Equivalency Projects in SFY 2021, provides detail on selected projects and Equivalency requirements of the program in SFY 2021.

To meet the minimum requirements of 603(d)(1)(E) of the CWA, as amended, the Authority worked in SFY 2015 to develop criteria for the contents of the Fiscal Sustainability Plans that are required of all CWSRF Loan Program loans submitting an application on or after October 1, 2014, and where the project will repair, replace or expand a treatment works. In SFY 2021, all loan recipients have committed to providing certification of development and implementation of a Fiscal Sustainability Plan prior to the completion of their loan. In SFY 2016, the Authority worked to develop criteria for the cost and effectiveness life cycle documentation that is required for all CWSRF Loan Program loans submitting an application on or after October 1, 2015. In SFY 2021, all recipients have provided a certification of cost and effectiveness life cycle documentation prior to the closing of their loan. Additional information can be found in Exhibit P, WRRDA Requirements – Applicability to loans closed SFY 2021.

Regionalization, or independent public bodies sharing the responsibility of providing wastewater services to residents, can lead to many benefits for communities and the State. Regional solutions to wastewater issues reduce administrative operation and maintenance costs, offer economies of scale and create environmental benefits such as fewer outfalls and less excavation. Through incentives and close work with utilities, the Authority has encouraged

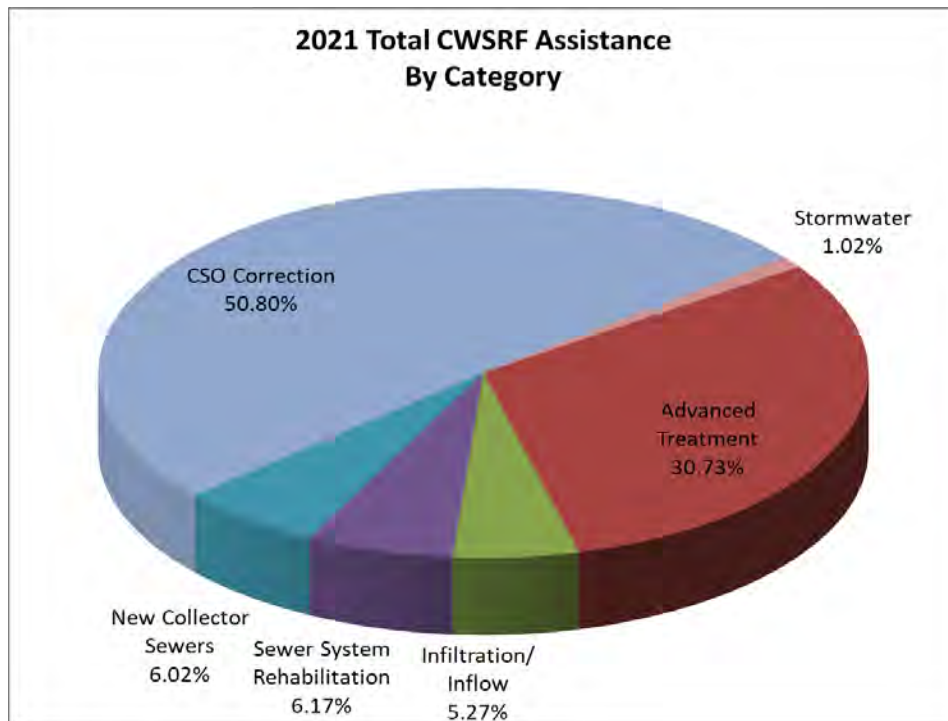
regionalization through the CWSRF Loan Program and closed twenty loans in the last five years assisting communities with regionalization projects. See [Exhibit T](#) for details.

IV. Environmental Review [40 CFR 35.3140]

All projects funded through the CWSRF Loan Program complied with federal Cross-Cutting Authorities and State Environmental Review Procedures (SERP). A description of each project funded in SFY 2021 is attached in [Exhibit E](#).

The participants receiving funds from the CWSRF Loan Program during SFY 2021 will realize the following significant environmental and public health benefits:

- Significant impacts in combined sewer overflow (CSO) events. 51% of the CWSRF funds in SFY 2021 went toward the correction of CSOs. See *2021 Total CWSRF Assistance*.
- Elimination of approximately 610 failing septic systems in four communities, eliminating failing systems that discharge to waters of the state.
- \$235 million in CWSRF Loan Program funds targeted to abate pathogen or nutrient loadings to impaired water bodies (303(d) listed streams).
- Assisting communities in meeting the requirements of seven CSO Long Term Control Plans (LTCP), as well as five Agreed Orders and two sewer bans issued from the Indiana Department of Environmental Management.



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

The Authority has fully met its State Match requirements through the end of SFY 2021 by means of depositing the net proceeds from revenue bonds issued by the Authority into the CWSRF Loan Fund. To date, the CWSRF Loan Program State Match has aggregated in excess of 20% of the awarded \$1,083,201,853 Capitalization Grants the Authority was required to match through June 30, 2021. See Exhibit F for a history of the Capitalization Grants awarded to the CWSRF Loan Program. Exhibit G details State Match deposited in the CWSRF Loan Fund through the end of SFY 2021; the sources of such State Match; and how repayment of revenue bonds providing any such State Match has been, and will continue to be, managed in a manner consistent with federal and state law.

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

During SFY 2021, the CWSRF Loan Program financed 21 loan agreements, totaling \$254,478,132. Since the CWSRF Loan Program's inception in 1992, 622 loans aggregating approximately \$5.1 billion have been financed, more than three times the amount of federal Capitalization Grants that have been awarded to the CWSRF Loan Program (\$1,177,649,353). A summary of all CWSRF Loan Program financings completed in SFY 2021 is presented in Exhibit H.

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

The CWSRF Loan Program is a leveraged program and has established itself as a highly rated borrower in the national bond market. The Authority has utilized its Capitalization Grants to leverage multiple series of bonds, aggregating over \$1.111 billion in outstanding principal as of June 30, 2021, a portion of which has funded CWSRF Loan Program loans. A summary of the accounts and associated balances are set forth in Exhibit I: Intended Uses of Funds. Future bond issuances may be used to fund new commitments related to new loans in future years. The balance of the bond proceeds not available for loans are used for reserve funds, administrative expenses, and costs of issuance.

A. Interest Rates

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

Interest rates applied to new loans are reset on the first business day of each January, April, July, and October using a Base CWSRF Program Interest Rate (Base Rate). The Base Rate is calculated by using 90% of the average 20-year, AAA-rated general obligation bond Municipal Market Data (MMD) composite index for the most recent calendar month. The Base Rate is then discounted further based upon a participant's Median Household Income (MHI) from the 2014-2018 ACS 5-year estimate data and projected user rates.

The CWSRF Loan Program offered base interest rates at 2.00% during SFY 2021. See Exhibit J.

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

In SFY 2021, by completing a financing with the CWSRF Loan Program, and associated Authority programs, Participants will save over \$49,880,619 in interest expenses over the life of the loan repayment period, as compared to completing an open market financing. See “SRF Savings” column in Exhibit H for savings provided to each participant.

B. Terms

All CWSRF Loan Program loans closed in SFY 2021 were structured with annual or semi-annual principal repayments commencing one year after expected completion of the proposed project, and a majority of the loans with a final principal payment no later than 20 years after expected completion of the proposed project.

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

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

In SFY 2021, the CWSRF Loan Program closed nine loans that include loan terms that extended past 20 years.

C. Other Assistance Provided

As of June 30, 2021, the CWSRF Loan Program has provided a total of \$104,886,706 of Additional Subsidization in the form of principal forgiveness to 55 loan recipients during SFY 2010-2021. Exhibit C, Additional Subsidization by Capitalization Grant Year, lists Participants that received principal forgiveness from recent Capitalization Grants.

The Authority used the affordability criteria stated in the 2021 IUP to assist in identifying applicants that would have difficulty financing projects without Additional Subsidization. Items considered included a low MHI, high post-project user rates, a high unemployment rate, a negative population trend and other factors/ data deemed relevant by the Authority, including projects that have a regional solution. This allowed the CWSRF Loan Program to

extend financing to communities that could not otherwise afford a CWSRF financing. The CWSRF Loan Program has not set a cap on the amount of principal forgiveness that a community may receive.

During SFY 2021, the CWSRF Loan Program provided two communities \$51,262,132 in CWSRF Pooled Loan funding. The CWSRF Pooled Loan program offers eligible participants the “AAA” interest rate that is available to the CWSRF Loan Program at the time of their loan closing. See Exhibit H.

In addition to CWSRF Loan Program funds, other federal, state and local funds are associated with CWSRF Loan Program projects. In SFY 2021 an additional \$2.1 million in funds from other federal programs also assisted CWSRF Loan Program Participants. Further, an additional \$14.4 million was contributed from non-federal sources. See Exhibit S for details.

Effective July 1, 2018, Indiana legislation required that all Participants in the SRF Loan Programs that receive a loan or other financial assistance from the SRF Loan Programs certify that the Participant has documentation demonstrating that it has the financial managerial, technical, and legal capability to operate and maintain its water or wastewater system in the form of an Asset Management Program. Along with creating guidance to assist Participants to meet this requirement, the Authority appropriated State funds to assist disadvantaged communities to create Asset Management Plans. In SFY 2021, the CWSRF Loan Program awarded \$300,000 in Asset Management Plan Grants to twelve Participants.

In SFY 2021, the Authority focused efforts on regional alternatives for the delivery of wastewater and drinking water utility service within or near their service territory. To provide incentive, the Authority created the Regionalization Assistance Program, which offers up to \$30,000 in non-federal funds for assistance to create a preliminary engineering and detailed planning report that includes the consideration of regional solutions for wastewater or drinking water utility service. In SFY 2021, the CWSRF Loan Program awarded \$90,000 through the Regional Assistance Program to assist three Participants with the completion of Regional Planning Reports.

Beginning in SFY 2021, the Authority received an Appropriation from the State Legislature to establish the Water Infrastructure Assistance Fund (WAF). The purpose of the WAF is to provide grants, loans, and other financial assistance to Participants for the planning, designing, acquisition, construction, renovation, improvement, or expansion of public water systems, wastewater, or stormwater collection treatment systems. In SFY 2021, the Authority entered into two Drinking Water WAF State Agreements, and four Clean Water WAF Agreements totaling \$18,581,000.

D. Administrative Expenses and Fees

Pursuant to Section 603(d)(7), the CWSRF has selected to take an amount equal to four percent of all grant awards, less any amounts used in previous years, to offset CWSRF Loan

Program costs, including administrative, legal and financial fees and expenses to operate the CWSRF in perpetuity. During SFY 2021, the CWSRF Loan Program used a portion (\$2,680,549) of the maximum allowable percentage of each federal Capitalization Grant to offset CWSRF Loan Program costs to operate the CWSRF Loan Program. The portion not used is being carried forward for application in future years on an as needed basis. Exhibit I: Intended Uses of Funds identifies the balance of the CWSRF Program's four-percent administrative expense limit remaining to meet its continuing needs.

The cost of financing loans includes fees and expenses of the SRF Trustee Bank. The Authority may require participants to offset some of these costs through a Loan Closing Fee, which is \$1,000 per closing. In SFY 2021, the CWSRF Loan program collected \$27,000 in loan closing fees. Fees were not assessed for participants closing more than one assistance agreement at the same time. Fees were assessed for Fee Program and WAF Program closings in SFY 2021.

The non-use fee policy of the CWSRF Loan Program permits the assessment of a non-use fee for CWSRF Loan Program loan funds that are not used within two years following a Participant's loan closing. Pursuant to the policy, each Participant that does not complete its project and fully expend the funds borrowed within two years after the loan closing, may be assessed a one percent fee on the balance of the funds that remain un-drawn. An additional one percent fee may be assessed each six months following the two-year anniversary of the Participant's loan closing until the loan is fully drawn or closed out. The Authority contacts Participants in advance of their two-year anniversary of their loan closing and works with the Participant to spend down the remaining funds to avoid any non-use fee. Thus, no non-use fees were collected by the CWSRF Loan Program during SFY 2021.

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

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

The CWSRF Fee charged by the Authority are separately stated from interest charges imposed in respect to financial assistance structured in the form of a loan; provided however, as set out in its standard forms of financial assistance agreement, the Authority may adjust

the interest rate on the bonds, evidencing any SRF loan to be lowered, with the difference between the amount payable as the original rate on such bonds and the lower rate being deemed an SRF Fee in connection with the Clean Water SRF Program. Any such recharacterization of the otherwise stated interest charges as fees will be accomplished by notice, given by the Authority to the Participant prior to the date any scheduled interest payment is due, and prior to deposit of any interest payment in the SRF Fund.

The total amount in the CWSRF Fee Account as of June 30, 2021 was \$17,352,797, of which \$9,283,828 remains unallocated. Exhibit K outlines the expenditure of the CWSRF Fee Account in SFY 2021.

E. Transfers [40 CFR 35.3110(f)]

The State permits transfers between the Drinking Water State Revolving Fund (DWSRF) Loan Program and the CWSRF Loan Program of Capitalization Grants and other funds held in, or allocable to such funds, to the extent permitted by the CWA and the Safe Drinking Water Act (SDWA). There were no transfers in SFY 2021. For a historic summary of transfers, see Exhibit L.

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

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

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

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

G. CWSRF Loan Program Financial Statements

The CWSRF Loan Program is audited annually by an independent certified public accounting firm. For the SFY 2021, which ended June 30, 2021, the CWSRF Loan Program received an unmodified opinion from our independent auditors, as described in Exhibit M.

The CWSRF Loan Program is audited annually for compliance with the requirements set forth in the 2 CFR 200 Subpart F, the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, effective for non-federal entities beginning on December 26, 2014. For the SFY 2021, the CWSRF Loan Program was determined to be “in compliance,” as noted in the Schedule of Expenditures of Federal Awards and Independent Auditor’s Reports, which is attached as Exhibit N.

H. Federal Requirements

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

- Assurances and certifications provided in the IUP have been met;
- Closed loans equal more than the required 120% of each quarterly Capitalization Grant payment and were made within one year of receipt of all payments;
- All funds have been used in a timely and expeditious manner; and
- Environmental reviews have been conducted in accordance with federal and state law;
- All loans made during the SFY 2021 had related projects listed on the Authority’s Clean Water Project Priority List (PPL); and
- Compliance with the “American Iron and Steel” requirement as described in the CWA.

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

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

J. Recycled CWSRF Loan Program Funds

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

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

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

L. Water Resources Reform and Development Act of 2014

The Water Resources Reform and Development Act was signed June 10, 2014, with provisions taking effect on October 1, 2014. See Exhibit P for a summary of recipients meeting WRRDA compliance.

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

The scoring and ranking system of the CWSRF Loan Program focuses on those projects with the greatest need and greatest environmental benefit. A map showing the location of projects funded in SFY 2021 is attached as Exhibit Q. A map showing the location of all projects funded since the inception of the CWSRF Loan Program is attached as Exhibit R.

Exhibit A

Goals and Objectives of the CWSRF Loan Program State Fiscal Year 2021 Intended Use Plan

The CWSRF Loan Program sets short- and long-term goals as required by 40 CFR 35.3150(b)(2). Short-term goals and objectives are those the State expects to achieve during SFY 2021, while long-term goals and objectives are those the State expects to achieve over a longer period.

A. Short-Term Goals and Objectives

During SFY 2021, the CWSRF Loan Program expects to achieve the following short-term goals and objectives:

ST1 Goal: Seek the immediate award of the Federal Fiscal Year (FFY) 2021 Capitalization Grant. Upon award, continue to disburse loan proceeds such that the 2021 Capitalization Grant can promptly be utilized.

Result: The FFY 2021 CWSRF Capitalization Grant was awarded to the Authority on July 8, 2021. The CWSRF Loan Program disbursed sufficient loan proceeds so that the entire 2021 Capitalization Grant can be fully drawn when received, other than the amount set aside for Additional Subsidization.

ST1a Goal: Ensure that Additional Subsidization is provided pursuant to the terms and conditions of the current capitalization grant and Additional Subsidization is provided as permitted by the Water Resources Reform and Development Act (WRRDA). Additional Subsidization may be provided in the form of principal forgiveness, negative interest loans or grants.

Result: The 2021 CWSRF Capitalization Grant required the Authority to ensure that not less than 10% of the funds of the Capitalization Grant were appropriated for Additional Subsidization. The CWSRF Loan Program has identified communities that are eligible to receive Additional Subsidization from the 2021 Capitalization Grant. The Authority shall use its best efforts to meet the Additional Subsidization requirement within two years of receiving the 2021 Capitalization Grant, but in no case longer than the terms and conditions permitted by the Capitalization Grant. See Exhibit C, Additional Subsidization by Capitalization Grant Year.

ST1b Goal: Ensure that not less than 10% of the 2021 Capitalization Grant is allocated to fund Green Project Reserve Projects. Work diligently to identify and fund projects that address or have components of Green Project Reserve infrastructure, water or energy efficiency improvements, include environmentally innovative activities, or climate resilient improvements. Exhibit B shows projects expected to include Green Project Reserve activities.

Result: The 2021 CWSRF Capitalization Grant required the Authority to ensure that not less than 10% (\$3,829,200) of the funds of the Capitalization Grant were appropriated for green project components. Exhibit B demonstrates that the Authority exceeded this goal with greater than 100% of the Capitalization Grant funds or \$76,045,466 being allocated to fund projects that contained green components.

ST1c Goal: Ensure that Davis Bacon wage rules apply to all assistance agreements made with funds appropriated under the 2021 Capitalization Grant.

Result: The CWSRF Loan Program included language in all Financial Assistance Agreements which required Participants to follow Davis Bacon wage rules. Each Participant provided the

Authority with documentation certifying its compliance with Davis Bacon. In addition, required Davis Bacon documentation is reviewed/ verified during inspections.

ST1d Goal: Ensure that all American Iron and Steel requirements (AIS) as set forth in the current Capitalization Grant are met.

Result: The CWSRF Loan Program reviewed the details of all closings in SFY 2021 to determine if the project needed to follow the requirements of the American Iron and Steel Act. In addition, the CWSRF Loan Program included language in all Financial Assistance Agreements that required Participants to meet the requirements of the American Iron and Steel Act and provided guidance on the waiver process and requirements of the Act. Further, American Iron and Steel certifications are reviewed during inspections.

ST1e Goal: If practical, equivalency projects will be identified in Exhibit D. A list of equivalency projects will be included in the Annual Report. The requirements of Section 602(b)(14) A & E procurement shall be satisfied by compliance with 40 USC Chapter 11.

Result: Equivalency projects were projected in the 2021 Intended Use Plan and the selected equivalency projects can be found in Exhibit D of this Annual Report. The A&E procurement requirement was satisfied by complying with 40 USC Chapter 11.

ST1f Goal: Ensure that Participants are studying and evaluating the cost and effectiveness of the proposed project or activity as required in Section 602(b)(13) of the Clean Water Act.

Result: To meet the minimum requirements of 602(b)(13) of the Clean Water Act, the Authority developed criteria for the contents of the Cost and Effectiveness Analysis that was required of all loans where the application was received after October 1, 2015. Requirements of Cost and Effectiveness is communicated to participants at the project planning meeting and in the PER guidance. In SFY 2021, all loan Participants are required to provide certification of a complete Cost and Effectiveness analysis at loan closing. See Exhibit P, WRRDA Requirements.

ST1g Goal: Ensure that Participants are developing and implementing an Asset Management Program (AMP) that meets the requirements set forth in the CWSRF Loan Program Guidelines and that those Asset Management Programs include the components that meet the minimum requirements of a Fiscal Sustainability Plan as set forth in Section 603(d)(1)(E) of the Clean Water Act.

Result: In SFY 2021 The Authority continued to require all loan Participants to provide a certification of a complete Asset Management Program, inclusive of Fiscal Sustainability Plan requirements of 603(d)(1)(E) of the Clean Water Act at loan closing or prior to their final loan disbursement. See Exhibit P, WRRDA Requirements.

In addition, a grant program utilizing state funds was implemented to assist small, disadvantaged communities with the cost of developing an Asset Management Program. In SFY 2021, \$300,000 has been awarded to 12 Clean Water Program borrowers through the Asset Management Grant Program. Participants will be required to provide certification of a complete Asset Management Program at loan closing or prior to their final loan disbursement.

ST2 Goal: Document the environmental benefits derived from the CWSRF Loan Program projects using the Clean Water Benefits Reporting system sanctioned by the EPA. Goals identified are:

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

Result: The CWSRF financed projects during SFY 2021 accomplished the goals identified above. See below a brief summary of the results.

- **Abatement of combined sewer overflow (CSO) discharges in seven communities. In SFY 2021, \$126.3 million in CWSRF funds went toward the correction of CSOs.**
- **Elimination of approximately 610 failing septic systems in four communities, eliminating discharges to waters of the state.**
- **\$235 million in CWSRF funds targeted to abate pathogen or nutrient loadings to impaired water bodies (303(d) listed streams).**
- **Assisting communities in meeting the requirements of, seven CSO Long Term Control Plans (LTCP), and five Agreed Orders and one early warning issued from the Indiana Department of Environmental Management.**
- **Increased compliance with NPDES permits.**

ST3 Goal: Conduct a total of 30 technical, on-site and/ or virtual inspections between the CWSRF and DWSRF Loan Programs during the construction phase and the post-construction phase to document the construction progress, as well as the appropriate use of SRF funds. Inspections may be on-site and/or virtual.

Result: SRF Loan Program staff completed 56 inspections (42 clean water and 14 drinking water) in SFY 2021, thus exceeding its goal.

ST4 Goal: Work diligently with Participants and effectively manage projects to assist Participants in closing loans and constructing their projects in a timely, efficient manner.

Result: In SFY 2021, CWSRF Loan Program staff held project planning meetings, timely reviewed Preliminary Engineering Reports using the SRF Work Plan and corresponded with Participants through the CWSRF Funding process to successfully close 21 loans. By requiring communities are better able to bid their projects prior to loan closing and providing a timeline, communities to meet the 2-year construction goal implemented by the Authority.

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

Result: The 2021 Capitalization Grant was awarded on July 8, 2021. Funds will be accessed promptly as eligible expenses are incurred.

ST6 Goal: Consider other available funding opportunities from Federal and/or State sources to further achieve the goals of the SRF (i.e. WIFIA).

Result: On September 6, 2019 the Authority and USEPA entered into a loan agreement securing WIFIA Funding in the amount not to exceed \$436,000,000.

Beginning in SFY 2021, the Authority received an Appropriation from the State Legislature to establish the Water Infrastructure Assistance Fund (WAF). The purpose of the WAF is to provide grants, loans, and other financial assistance to Participants for the planning, designing, acquisition, construction, renovation, improvement, or expansion of public water systems, wastewater, or stormwater collection treatment systems. In SFY 2021, the Authority entered into two Drinking Water WAF State Agreements and four Clean Water WAF State Agreements, totaling \$18,581,000.

ST7 Goal: Promote regional solutions for wastewater issues.

Result: The Authority has worked in SFY 2021 to continue to promote regional solutions for wastewater issues in many proactive ways:

- **Indiana Scoring system continues to give additional points to regional solutions and gives deductive points for proposed projects that involve disconnection from an active regional wastewater system.**
- **Preliminary Engineering Report guidance continues to require that projects proposing new WWTPs or rehabilitation of WWTPs discuss regionalization potential in their evaluation of alternatives.**
- **A Regionalization Assistance Program was continued to offer state grant funds to communities to investigate the challenges, benefits, and implications of regionalization for all entities.**
- **Conducted eleven Regional Planning Meetings throughout the State.**

ST8 Goal: Ensure that Participants take part in regional study area activities as required by IC 5-1.2-11.5.

Result: Regional Planning meetings were conducted by the Authority in response to State legislation. The SRF Loan Programs, in response to legislation will encourage participation in Regional Planning meetings.

B. Long-Term Goals and Objectives

During SFY 2021, the State will work to achieve the following long-term goals:

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

Result: In SFY 2021, the CWSRF Loan Program closed 21 loans. See Exhibit H, Summary of Closed Loans for SFY 2021.

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

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

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

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

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

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

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

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

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

Result: The Authority documented the environmental benefits of all loans that were closed in SFY 2021 by entering the information in the EPA Clean Water Benefits Reporting system. The Authority also completed and submitted the National Infrastructure Management System (NIMS) data in a timely manner as required by the EPA and complied with the Federal Funding Accountability and Transparency Act. Intended Use Plans, Annual Reports, and NIMS data are well-prepared and submitted to EPA in a timely manner.

LT7 Goal: Periodically publish an SRF Loan Program newsletter.

Result: A newsletter for SFY 2021 and 2022 is under review and will be published in the first quarter of 2022.

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

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

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

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

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

Result: The CWSRF Loan Program provided interest rate breaks to eight recipients with Nonpoint Source components included in their project and, four recipients with Green components/ Climate Resiliency considerations included in their projects. To continue a revolving program, the CWSRF Loan Program has an interest rate floor of 2.0% for most financings. IFA communicates with IDEM staff on a quarterly basis to further the Nonpoint Source goals of the program.

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

Result: The Authority works with the IDEM TMDL section to develop better ways to assist communities. In SFY 2021, the Authority closed loans with seven communities that meet the goals of TMDL Reports. The Authority also incorporates TMDL points in the scoring of each project.

LT12 Goal: Complete continuing education courses to ensure that all SRF Loan Program technical reviewers remain aware of innovations in the wastewater and drinking water industry and can review both wastewater and drinking water projects.

Result: In SFY 2021, the Authority's technical reviewers continued with drinking water technical training by conducting on-site inspections of water main installation/replacement projects and water facility improvements projects, attending drinking water technical sessions at the Indiana Section of the American Water Works Association conference and the Indiana Rural Water Association Conference.

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

| | | |
|---|----|------------|
| CWSRF Loan Program FFY 2021 Capitalization Grant = | \$ | 38,292,000 |
| 10% Green Project Reserve Required = | \$ | 3,829,200 |
| Green Project Reserve Provided = | \$ | 76,045,466 |

| Community | Project Description | Total SRF Loan and Principal Forgiveness Amount | Green Project Description | Category 1: Green Infrastructure | Category 2: Water Efficiency | Category 3: Energy Efficiency | Category 4: Environmentally Innovative | Total Eligible GPR Cost (sum of Categories 1-4) | Memo posted to the IFA website |
|--------------------------|---------------------|---|--|----------------------------------|------------------------------|-------------------------------|--|---|--------------------------------|
| Fort Wayne | Combined Sewer Plan | 25,000,000 | Climate and Extreme Weather Resiliency | \$ - | \$ - | \$ 5,880,466 | \$ - | \$ 5,880,466 | 12/10/2018 |
| Citizens Water Authority | Combined Sewer Plan | 180,654,974 | Climate and Extreme Weather Resiliency | \$ - | \$ - | \$ - | \$ 70,165,000 | \$ 70,165,000 | 11/7/2019 |

2021 GPR TOTAL

\$76,045,466

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

Summary of Additional Subsidy by Capitalization Grant:

| CAP Grant Year | CAP Grant Amount | Minimum Required CWSRF Additional Subsidy | Maximum Required CWSRF Additional Subsidy | Additional Subsidy Total Under CAP Grant as of July 1, 2021 |
|-----------------------|-------------------------|--|--|--|
| 2010 | \$ 49,104,000 | \$ 7,354,221 | \$ 24,514,070 | \$ 13,377,896 |
| 2011 | \$ 35,588,000 | \$ 3,297,794 | \$ 10,992,647 | \$ 10,992,000 |
| 2012 | \$ 34,061,000 | \$ 1,892,987 | \$ 2,839,480 | \$ 2,800,000 |
| 2013 | \$ 32,176,000 | \$ 1,515,627 | \$ 2,273,440 | \$ 2,200,000 |
| 2014 | \$ 33,790,000 | \$ 1,838,773 | \$ 2,758,139 | \$ 2,500,010 |
| 2015 | \$ 33,617,000 | \$ - | \$ 10,085,100 | \$ 10,000,000 |
| 2016 | \$ 32,200,000 | \$ 3,220,000 | \$ 12,880,000 | \$ 10,000,000 |
| 2017 | \$ 31,952,000 | \$ 3,195,200 | \$ 12,780,800 | \$ 10,000,000 |
| 2018 | \$ 38,681,000 | \$ 3,868,100 | \$ 15,472,400 | \$ 13,000,000 |
| 2019 | \$ 38,292,000 | \$ 3,829,200 | \$ 15,316,800 | \$ 15,000,000 |
| 2020 | \$ 38,298,000 | \$ 3,829,800 | \$ 15,319,200 | \$ 15,016,800 |
| 2021 | \$ 38,292,000 | \$ 3,829,200 | \$ 15,316,800 | \$ - |

Summary of Additional Subsidy Provided to CWSRF Borrowers in SFY 2021:

| Participant | Closing Date | SRF Loan | Principal Forgiveness | Total Loan and Principal Forgiveness | Disadvantaged yes/no | CAP Grant assigned to |
|---------------------|---------------------|-----------------|------------------------------|---|-----------------------------|------------------------------|
| Milltown | 10/31/2020 | \$ 450,000 | \$ 850,000 | \$ 1,300,000 | yes | 2019 |
| LaGrange County RUD | 12/17/2020 | \$ 3,026,000 | \$ 133,200 | \$ 3,159,200 | yes | 2019 |
| LaGrange County RUD | 12/17/2020 | \$ - | \$ 2,521,800 | \$ 2,521,800 | yes | 2020 |
| Westlakes | 12/28/2020 | \$ 63,000 | \$ 165,000 | \$ 228,000 | yes | 2020 |
| Thralls Station | 12/29/2020 | \$ 78,000 | \$ 970,000 | \$ 1,048,000 | yes | 2020 |
| Adams County | 1/29/2021 | \$ - | \$ 8,000,000 | \$ 8,000,000 | yes | 2020 |
| Morgantown | 3/29/2021 | \$ 3,265,000 | \$ 3,360,000 | \$ 6,625,000 | yes | 2020 |

CWSRF Loan Program FFY 2021 Capitalization Grant: \$ 38,292,000

| Community | Project Description | Total Project Cost | Equivalency Amount | Non-Equivalency Amount | will submit DBE report | complied with federal cross-cutters | procured A/E services per 40 USC Chapter 11 and received certification | will comply with the Single Audit Act 2 CFR 200 Subpart F | complied with signage requirement | reported to FSRS to meet FFATA requirements |
|--|--|--------------------|--------------------|------------------------|------------------------|-------------------------------------|--|---|---------------------------------------|---|
| Fort Wayne | Plant Improvements | \$ 25,000,000 | \$ 25,000,000 | \$ - | yes | yes | yes | yes | Yes Press Release Sept 29, 2020 | Yes - completed Aug 10, 2021 |
| Kokomo | Plant and Collection System Improvements | \$ 24,500,000 | \$ 13,292,000 | \$ 11,208,000 | yes | yes | yes | yes | Yes Press Release June 9, 2021 | Yes - completed Aug 10, 2021 |
| Equivalency Project Cost Total: | | | \$ 38,292,000 | | | | | | | |

Indiana CWSRF Loan Program
Exhibit E - Project Descriptions in SFY 2021

| CWSRF Participant: Bedford | | | |
|---|--------------------|---------------------------------------|--------------|
| SRF Project #: | WW20113603 | CWSRF Loan Amount: | \$ 9,143,000 |
| CWSRF Loan Closed: | September 29, 2020 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 13,285 | Total Loan and Principal Forgiveness: | \$ 9,143,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Advanced Treatment: | \$ 9,143,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 779,290 |
| <p>Environmental Benefits: The project allows the system to achieve compliance. The Bedford plant discharges to the East Fork of the White River via Spider Creek. Spider Creek is noted for high levels of <i>E. coli</i> and low levels of dissolved oxygen on the Indiana 303(d) list.</p> | | | |
| <p>Project Description:</p> <p>The City of Bedford operates an aging Wastewater Treatment Plant (WWTP) with many components past their useful life and insufficient capacity to treat peak wet weather flows. The Riley Boulevard Pump Station is a recognized sanitary sewer overflow location, and the City has entered into an Agreed Order to address these issues. In addition, this pump station discharges wastewater into the collection system where it must be pumped again by the Bedford Heights Pump Station.</p> <p>The WWTP project includes:</p> <ul style="list-style-type: none"> • New influent junction box, including gates and plant recycle connection; • New headworks structure, including mechanical screen, vortex grit removal system, grit washer, Parshall flume, and plant influent sampler; • Primary clarifier improvements; • Secondary aeration system improvements; • Secondary clarifier equipment and effluent launder painting; • Chlorine contact tank modification; • New plant recycle/drain pump station, including pumps with Variable Frequency Drives (VFD) and flow meter; • New non-potable water system, including pumps with VFDs, flow meter and bladder tank; • Anaerobic digester improvements; • New SCADA system; and • Associated piping, site work, electrical and instrumentation work. <p>The Riley Boulevard Pump Station elimination project includes:</p> <ul style="list-style-type: none"> • Installation of sanitary sewer with associated structures and connections; and • Abandonment of existing pump station. <p>The WWTP project replaces components at or near the end of their useful life, improves existing unit processes, and ensures the plant can sufficiently treat wet weather flow. The Riley Boulevard Pump Station elimination project eliminates Sanitary Sewer Overflow Point #002 and avoids inefficient double pumping of wastewater. The project allows Bedford to comply with the Wastewater Sewer Master Plan, Compliance Plan, and Agreed Order with IDEM.</p> | | | |

CWSRF Participant: Fort Wayne

| | | | |
|----------------------|--------------------|---------------------------------------|---------------|
| SRF Project #: | WW18200214 | CWSRF Loan Amount: | \$ 25,000,000 |
| CWSRF Loan Closed: | September 29, 2020 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 264,052 | Total Loan and Principal Forgiveness: | \$ 25,000,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Advanced Treatment: | \$ 6,371,664 |
| | | Sewer System Rehabilitation: | \$ 6,702,789 |
| | | CSO Correction: | \$ 11,925,547 |
| Equivalency Amount: | \$ 25,000,000 | Estimated SRF Savings: | \$ 4,600,000 |

Environmental Benefits: The project allows the system to achieve compliance with current requirements. The project reduces outfall to the Maumee River which is noted on the Indiana 303(d) list for high levels of *E. coli* and impaired biotic communities (IBC). The project area is the subject to the St. Marys River and Maumee River Watershed IBC & *E. coli* Total Maximum Daily Load (TMDL) and watershed management plan.

Project Description:

Fort Wayne entered into a Consent Decree with the U.S. Environmental Protection Agency, U.S. Department of Justice and the Indiana Department of Environmental Management to implement a Combined Sewer Overflow (CSO) Long Term Control Plan (LTCP) to reduce the volume of combined sewage being discharged into the City's waterways. Fort Wayne also initiated a Sewer Repair and Replacement Program in 1998 to develop, implement and monitor sewer repair/replacement strategies in areas with deteriorating sewers.

The project includes:

- Continued work on the 3RPORT Deep Tunnel for CSO storage;
- Continued work on the Deep Dewatering Pump Station;
- Improvements at the Water Pollution Control Plant;
- Sewer Rehabilitation of small and large diameter sewers;
- Manhole Rehabilitation; and
- Cleaning and televising of the Superior Street Sewer.

The project reduces operational costs of the collection system and treatment plan and provides water quality and health benefits by reducing CSO events to the St. Marys, St. Joseph and Upper Maumee Rivers to meet the requirements of the Fort Wayne CSO LTCP. The project includes sewer rehabilitation and upgrades to the methane gas transmission and storage system resulting in a more energy efficient system.

CWSRF Participant: Milltown

| | | | |
|----------------------|--------------------|---------------------------------------|--------------|
| SRF Project #: | WW20023101 | CWSRF Loan Amount: | \$ 450,000 |
| CWSRF Loan Closed: | September 30, 2020 | Principal Forgiveness: | \$ 850,000 |
| Affected Population: | 818 | Total Loan and Principal Forgiveness: | \$ 1,300,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Advanced Treatment: | \$ 1,300,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 1,127,000 |

Environmental Benefits: The project will allow the system to achieve compliance and reduce outfalls to the Blue River. The Blue River is listed for high levels of *E. coli* on the Indiana 303(d) list and is designated as an Indiana Outstanding River.

Project Description:

The Town of Milltown operates a wastewater treatment plant (WWTP) with system components at the end of their useful life. The shallow oxidation ditch at the plant is more than fifty years old and is known to freeze in cold weather, making it difficult to meet permit limits.

The project consists of the following improvements to the WWTP:

- Installation of a new 150,000 gpd Aeromod tank with all necessary equipment and appurtenances;
- Installation of new headworks and building;
- Replacement of existing flow meter;
- Rehabilitation of existing UV system;
- Replacement of existing plant lift station;
- Demolition and removal of existing tankage; and
- Installation of yard piping and site restoration.

The upgrades will allow continuous compliance with the NPDES permit, prevent freezing problems, improve operational efficiency and reduce overall maintenance costs.

Because the residents of the project area are faced with high rates as a result of the project and the project area has a low Median Household Income, the loan is eligible for Additional Subsidization under the Indiana CWSRF Affordability Criteria.

CWSRF Participant: Citizens Water Authority

| | | | |
|----------------------|-----------------|---------------------------------------|---------------|
| SRF Project #: | WW16274904 | CWSRF Loan Amount: | \$ 25,000,000 |
| | | CWSRF Pooled Loan Amount | \$ 45,475,132 |
| CWSRF Loan Closed: | October 5, 2020 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 820,445 | Total Loan and Principal Forgiveness: | \$ 70,457,132 |
| Loan Term: | 30 years | NIMS Categories: | |
| Interest Rate: | 2.56% | CSO Correction: | \$ 70,457,132 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 3,300,648 |

Environmental Benefits: The project reduces combined sewer events to White River which is listed for high levels of *E. coli* and impaired biotic communities and allows Citizens Water Authority (CWA) to meet the requirements of their Long Term Control Plan. The project area is the subject to the West Fork White River Watershed *E. coli* Total Maximum Daily Load Report (TMDL).

Project Description:

CWA Authority, Inc. is continuing the DigIndy project as part of the City of Indianapolis' Long Term Control Plan and federally-mandated Consent Decree. The tunnel system reduces the amount of combined sewer overflow contaminants discharged into Marion County waterways. This phase of the DigIndy includes the following specific projects:

- The White River Deep Rock Tunnel includes the construction of approximately 6 miles of 18-foot finished diameter tunnel located 200 to 250 feet underground; approximately 8 each of: drop shafts, vent shafts, deaeration chambers, adits, approach channels, screen and gate structures, and diversion structures; and approximately 5,000 feet of 42-inch to 108-inch diameter consolidation sewers, manholes and appurtenances.
- The Lower Pogues Run Deep Rock Tunnel includes the construction of approximately 2 miles of 18-foot finished diameter tunnel located 200 to 250 feet underground; approximately 2 each of: drop shafts, vent shafts, deaeration chambers, adits, approach channels, screen and gate structures, and diversion structures; and approximately 1,500 feet of 72-inch to 144-inch diameter consolidation sewers, manholes and appurtenances.
- The Pleasant Run Deep Rock Tunnel includes the construction of approximately 7 miles of 18-foot finished diameter tunnel located 200 to 250 feet underground; approximately 10 each of: drop shafts, vent shafts, deaeration chambers, adits, approach channels, screen and gate structures, and diversion structures; one intermediate working shaft; one tunnel retrieval shaft; and approximately 20,000 feet of 24-inch to 72-inch diameter consolidation sewers, manholes and appurtenances.
- The Fall Creek Deep Rock Tunnel includes the construction of approximately 4 miles of 18-foot finished diameter tunnel located 200 to 250 feet underground; approximately 11 each of: drop shafts, vent shafts, deaeration chambers, adits, approach channels, screen and gate structures, and diversion structures; one tunnel retrieval shaft; and approximately 5,000 feet of 24-inch to 108-inch diameter consolidation sewers, manholes and appurtenances.
- The Upper Pogues Run CSO Abatement project includes the construction of the Brookside Park Storage Tank, which includes a new 2-million-gallon deep shaft style slurry wall and shotcrete storage tank, equipment building, diversion structure, and appurtenances. The project also includes associated consolidation sewers, dewatering pump stations and force main piping in the Brookside Park.

Due to value engineering and optimization, storage capacity has increased, resulting in 99% full system capture and a maximum of 2.6 overflow events per year per watershed on average. Therefore, the DigIndy Tunnel Program qualifies as a Climate and Extreme Weather Resiliency green project based on its design to perform beyond the minimum design standards in anticipation of climate change. This project improves failing infrastructure and has a useful life sufficient to meet the policy guidelines of the Indiana Extended Term Program and qualifies for a loan term of 30 years.

| CWSRF Participant: Monticello | | | |
|--|------------------|---------------------------------------|---------------|
| SRF Project #: | WW21029104 | CWSRF Loan Amount: | \$ 10,287,000 |
| CWSRF Loan Closed: | November 4, 2020 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 5,282 | Total Loan and Principal Forgiveness: | \$ 10,287,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | CSO Correction: | \$ 10,287,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 1,562,081 |
| <p>Environmental Benefits: Project allows the system to achieve compliance and reduce combined sewer overflow events to the Tippecanoe River and Lake Freeman. Lake Freeman is a recreation spot near Monticello.</p> <p>Project Description:</p> <p>The City of Monticello operates a combined sewer system and is making system improvements to meet the goals of the City’s Combined Sewer Overflow (CSO) Long Term Control Plan (LTCP).</p> <p>The project consists of the following improvements in the Wastewater Collection System:</p> <ul style="list-style-type: none"> • Approximately 540 LF of 18-inch diameter storm sewer; • Approximately 7,600 LF of 12- through 60-inch diameter combined sewer; • Approximately 1,800 LF of 48-inch diameter plant effluent sewer, including new outfall structure; and • CSO modifications, including new diversion structures and raising weirs for CSO 001 and 007; and new diversion and outfall structures for CSO 002 at Bryan’s Lift Station. <p>The new sewers and CSO modifications are components of Monticello’s CSO LTCP, conveying wet weather flow to the Wastewater Treatment Plant (WWTP) via gravity sewers and storage upgrades at the Bryan’s Lift Station, which will capture peak wet weather flows that can be drained during dry weather periods to the WWTP for treatment. The new plant effluent sewer will alleviate capacity and aging issues and is a component of Monticello’s CSO LTCP.</p> | | | |

| CWSRF Participant: Elwood | | | |
|--|-------------------|---------------------------------------|--------------|
| SRF Project #: | WW19090903 | CWSRF Loan Amount: | \$ 2,865,000 |
| CWSRF Loan Closed: | November 13, 2020 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 8,614 | Total Loan and Principal Forgiveness: | \$ 2,865,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.25% | CSO Correction: | \$ 2,865,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 134,000 |
| <p>Environmental Benefits: The project allows the system to achieve compliance with the Town’s Long Term Control Plan (LTCP) and protects Big Duck Creek and Little Duck Creek from wet weather overflow events. Both waterbodies are noted on the Indiana 303(d) list. The project will meet the goals of the Duck, Pipe, Killbuck, Stoney Creek <i>E. Coli</i> TMDL and the Duck Creek Watershed Management Plan.</p> | | | |
| <p>Project Description:</p> <p>The Town of Elwood operates a combined sewer system with aging components and is working to meet the goals of the approved Combine Sewer Overflow (CSO) LTCP.</p> <p>The project includes:</p> <ul style="list-style-type: none"> • Construction of a new parallel sanitary interceptor sewer sized for 120% of the 1-year, 1-hour storm, including approximately 3,000 lineal feet of 72-inch diameter sewer between the wastewater treatment plant and CSO 015 and associated manholes and appurtenances; • Construction of approximately 150 lineal feet of 36-inch diameter sewer to connect existing CSOs 015 and 016 to the new interceptor sewer; • Installation of a new regulator structure at CSO 016 and replacement of the inverted siphon pipes under Big Duck Creek serving this CSO; • Modifications to the existing CSO 015 diversion structure; and • Installation of a new regulator structure and connection piping between the WWTP and the new parallel interceptor. <p>The project mitigate overflows at CSO 015 and CSO 016 and maximizes wet weather flows transported to the wastewater treatment plant. In addition, the sizing for the parallel interceptor provides additional in-line storage capacity.</p> | | | |

CWSRF Participant: Jeffersonville

| | | | |
|----------------------|-------------------|---------------------------------------|---------------|
| SRF Project #: | WW19111009 | CWSRF Loan Amount: | \$ 25,000,000 |
| CWSRF Loan Closed: | November 24, 2020 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 44,953 | Total Loan and Principal Forgiveness: | \$ 25,000,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | CSO Correction: | \$ 25,000,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 435,700 |

Environmental Benefits: The project allows the system to achieve compliance. The project reduces failing combined sewer overflow events to the Ohio River. The Ohio River is noted for high levels of *E. coli* on the Indiana 303(d) list and is the subject of the ORSANCO Ohio River TMDL.

Project Description:

Jeffersonville entered into a Consent Decree with the U.S. Environmental Protection Agency, U.S. Department of Justice and the Indiana Department of Environmental Management to implement a Combined Sewer Overflow (CSO) Long Term Control Plan (LTCP) to reduce the volume of combined sewage being discharged into the City's waterways.

To meet the goals of the Jeffersonville CSO LTCP, the project will include:

- Construction of an 84-inch interceptor;
- An 8x13-foot box culvert;
- Associated connections;
- Sanitary sewer and CSO outfall rehabilitation, which includes:
 - North-South Segment – From Tenth Street Pump Station to Chestnut and Wall Streets
 - Approximately 3,600 feet of 72-inch diameter sewer pipe with associated junction boxes and connections; and
 - Modifications to Tenth Street Pump Station, including receiving junction box and influent diversion structure.
 - East-West Segment – From Graham Street to Wall Street, along Chestnut Street
 - Approximately 3,800 feet of 60-inch diameter sewer pipe with associated junction boxes, diversion structures and connections;
 - Overflow pipe extensions for CSO 008, 009, 010, 011, 021, and 013; and
 - Sanitary sewer and CSO outfall rehabilitation.

The CSO Interceptor Project is an important component of Jeffersonville's amended CSO LTCP and Consent Decree. The project enables Jeffersonville to reduce CSO discharges into the Ohio River and Cane Run.

| CWSRF Participant: LaGrange County RUD | | | |
|--|-------------------|---------------------------------------|--------------|
| SRF Project #: | WW19054404 | CWSRF Loan Amount: | \$ 3,026,000 |
| CWSRF Loan Closed: | December 17, 2020 | Principal Forgiveness: | \$ 2,655,000 |
| Affected Population: | 1,482 | Total Loan and Principal Forgiveness: | \$ 5,681,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Advanced Treatment: | \$ 3,741,520 |
| | | Sewer System Rehabilitation: | \$ 1,939,480 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 3,420,000 |
| <p>Environmental Benefits: The project allows the system to maintain compliance. The project protects the Mongo Millpond-Pigeon Creek watershed. Pigeon Creek is noted on the Indiana 303(d) list and is the subject of the Pigeon River Watershed TMDL <i>E. coli</i> and Nutrients TMDL and Pigeon Creek Watershed Management Plan 2014 Update.</p> | | | |
| <p>Project Description:</p> <p>The LaGrange County Regional Utility District services significant portions of LaGrange County, IN. In the area of the system designated as Region B the sewer lines, lift stations, and Wastewater Treatment Plant (WWTP) began operations in 1999. Many components of the Region need updating or replacement.</p> <p>Projects include the following work at existing lift stations and at the Region B WWTP:</p> <ul style="list-style-type: none"> • Improvements at existing Lift Station Nos. 1, 3, 5, 7, and 8, including replacement pumps, piping, standby generator, odor control, level controls, electrical service, and bypass structures; • Demolition of Lift station No. 10; • Improvements to Lift Station No. 10's service area, including high-head grinder pumps for Big Long Lake's pressure sewer flows; package grinder pump station for Yankee Park Co-op flows; and a replacement pressure sewer extension from Lift Station No. 10 service area to the existing sanitary force main between Lift Station No. 3 and No. 4; • WWTP oxidation ditch upgrades; • WWTP equalization tank upgrades, including bypass pumping; • WWTP sludge dewatering system and dry sludge storage; • Clarifier upgrades; • UV disinfection upgrades; • Storage building expansion, including pump washout area; and • Aerobic digester upgrades. <p>This work will lead to more efficient and effective wastewater treatment for Region B, upgrade facilities to provide a more efficient collection system. Because the residents of the project area are faced with high rates and the project area has a low Median Household Income, the loan is eligible for Additional Subsidization under the Indiana CWSRF Affordability Criteria.</p> | | | |

| CWSRF Participant: Crothersville | | | |
|--|-------------------|---------------------------------------|--------------|
| SRF Project #: | WW19173601 | CWSRF Pooled Loan Amount: | \$ 5,787,000 |
| CWSRF Loan Closed: | December 18, 2020 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 1,591 | Total Loan and Principal Forgiveness: | \$ 5,787,000 |
| Loan Term: | 35 years | NIMS Categories: | |
| Interest Rate: | 3.01% | CSO Correction: | \$ 5,787,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 1,751,736 |
| <p>Environmental Benefits: The project allows the system to achieve compliance. The project reduces combined sewer overflows to the Vernon Fork of the Muscatatuck River, via Grassy Fork. The Vernon Fork is noted for low levels of dissolved oxygen on the Indiana 303(d) list.</p> | | | |
| <p>Project Description:</p> <p>The Town of Crothersville operates a combined sewer system which overflows during wet weather. The system also faces a severe grit issue as a result of surface storm water washing grit into the system. The Town entered into an Agreed Order with IDEM and is implementing the goals of the Town's Combined Sewer Overflow (CSO) Long Term Control Plan (LTCP). The existing Wastewater Treatment Plant's (WWTP) headworks pumping station has proven inadequate and unable to handle the additional flows collected by the combined sewers during wet weather and does not meet the requirements of the CSO LTCP.</p> <p>To allow the system to adequately treat wet weather flows, the Crothersville project includes:</p> <ul style="list-style-type: none"> • Installation of approximately 2,000 feet of 36-inch diameter combined sewer main and associated manholes to be installed parallel to the existing main sewer trunk line that serves the WWTP; • Installation of a new influent separator; • Construction of a new wet weather pumping station, associated force main piping, electrical and controls at the WWTP for the new flows; • Construction of a new underground detention system; • Installation of new gravity piping and combined sewer overflow piping to reroute flows from the existing headworks to the new wet weather pump station; • Installation of new disinfection facilities; • Modifications to the existing plant surge basins including concrete wall cores and modified discharge piping; • Installation of a new effluent flow meter and sampler; and • Conversion of the existing storage building to provide space for the new control panels and VFDs. <p>The purpose of the project is to eliminate CSO events within the Crothersville collection system by transporting the wet weather flows to the plant for treatment and upgrading the plant to sufficiently treat the additional flow.</p> | | | |

CWSRF Participant: West Lakes Regional Sewer District

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|----------------------|-------------------|---------------------------------------|------------|
| SRF Project #: | WW20015701 | CWSRF Loan Amount: | \$ 63,000 |
| CWSRF Loan Closed: | December 28, 2020 | Principal Forgiveness: | \$ 165,000 |
| Affected Population: | 1,587 | Total Loan and Principal Forgiveness: | \$ 228,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Infiltration and Inflow: | \$ 228,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 891,111 |

Environmental Benefits: The project allows the system to maintain compliance. The project protects the North Branch of the Elkhart River which is noted for high levels of E. coli on the Indiana 303(d) list. The area is included in the Elkhart River Watershed Management Plan.

Project Description:

The West Lakes Regional Sewer District (RSD) operates a treatment plant and collection system installed in 2007. The collection system consists of an Airvac vacuum collection system and low-pressure grinder stations. The individual grinder station controls are now obsolete causing issues with maintenance. Due to infiltration and inflow in the collection system, the plant experiences flow volume that exceeds its capacity.

To correct these issues the West Lakes RSD Wastewater System Improvements Project includes:

- Installation of isolation valves at select vacuum pits;
- Replacing the vacuum pumps in the Airvac Station;
- Installation of a new effluent flow meter at the vacuum station which will also serve as an influent flow meter to the wastewater treatment plant;
- Retrofitting original grinder pump stations with new pumps and controls; and
- Upgrading the ultraviolet disinfection at the wastewater treatment plant to provide redundancy.

The proposed project provides environmental relief by eliminating the potential for discharge violations as well as collection system overflows caused by excessive infiltration and inflow by means of isolating specific contributing locations. The project allows the RSD to have more control over the operations of the collection system by allowing them to isolate individual vacuum pits. Increased control reduces vacuum pump run times, sewage pump run times, and the reduced amount clear water conveyed to the wastewater treatment plant decreases operational costs.

West Lakes RSD also received additional funding through the fee program for this project. Because the residents of the project area are faced with high rates as a result of the project and the project area has a low Median Household Income, the loan is eligible for Additional Subsidization under the Indiana CWSRF Affordability Criteria.

CWSRF Participant: Thralls Station Regional Sewer District

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|----------------------|-------------------|---------------------------------------|--------------|
| SRF Project #: | WW20118402 | CWSRF Loan Amount: | \$ 78,000 |
| CWSRF Loan Closed: | December 29, 2020 | Principal Forgiveness: | \$ 970,000 |
| Affected Population: | 860 | Total Loan and Principal Forgiveness: | \$ 1,048,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Inflow and Infiltration: | \$ 1,048,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 1,379,364 |

Environmental Benefits: The project allows the system to maintain compliance. The project protects Sugar Creek, a tributary of the Lower Wabash River, which is included on the Indiana 303(d) list for high levels of *E. coli* and nutrients.

Project Description:

The Thralls Station RSD operates a treatment plant and gravity collection system at the St. Marys of the Woods campus. The RSD experiences wet weather flows due to high levels of inflow and infiltration caused by aging infrastructure. The flows are in excess of the plant’s design peak flow capacity.

The project consists of the following improvements:

- The rehabilitation of approximately 1,000 feet of 6-inch through 18-inch diameter sanitary sewer, including sewer cleaning and televising;
- Repair, rehabilitation, and/or replacement of broken cleanouts and manholes;
- Disconnection of gutters, downspouts, and sump pumps from the sanitary collection system;
- The replacement of approximately 2,000 feet of 12-inch through 24-inch diameter sanitary sewers, including the installation of new manholes; and
- Site, sidewalk and pavement restoration.

The proposed project reduces the sources of clear water into the sanitary collection system and reduces excess flows currently overtaxing the treatment plant.

CWSRF Participant: Adams County Regional Sewer District

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|----------------------|------------------|---------------------------------------|---------------|
| SRF Project #: | WW19020102 | CWSRF Loan Amount: | \$ 0 |
| CWSRF Loan Closed: | January 29, 2021 | Principal Forgiveness: | \$ 8,000,000 |
| Affected Population: | 1,659 | Total Loan and Principal Forgiveness: | \$ 8,000,000 |
| Loan Term: | n/a | NIMS Categories: | |
| Interest Rate: | n/a | New Collector Sewers: | \$ 8,000,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 12,365,000 |

Environmental Benefits: The project allows the system to achieve compliance. The project removes failing septic systems that cause overflow events to the St. Marys River. The St. Marys River is noted for high levels of *E. coli* and impaired biotic communities on the Indiana 303(d) list. The project area is included in the St. Marys River and Maumee IBC and *E. coli* TMDL and in the St. Marys River WMP.

Project Description:

The Adams County Regional Sewer District (RSD) service area has several residences served by failing septic systems.

To eliminate these issues, the RSD is extending municipal sewer service to the following areas:

- **Linn Grove** – This project includes a gravity collection system to serve Linn Grove, a lift station and a transmission force main to Pleasant Mills and associated grinder pumps and appurtenances. The system will ultimately discharge to the City of Berne for treatment.
- **Preble** – This project includes a gravity/low-pressure collection system to serve Preble, a lift station, and a transmission force main, associated grinder pumps and appurtenances. The system will discharge to the City of Decatur for treatment.
- **Peterson** – This project includes a low-pressure collection system with grinder pump stations to serve Peterson which will be connected to Preble. The system will ultimately discharge to the City of Decatur for treatment.
- **Monmouth Extended** – This project includes a low-pressure collection system with grinder pump stations to serve properties along CR E 900N. The system will ultimately discharge to the City of Decatur for treatment.
- **Clem’s Lake** – This project includes a low-pressure collection system with grinder pump stations to serve properties along CR E 800N, N 200 E, E Lakeside Drive and E Belmont Road. The system will ultimately discharge to the City of Decatur for treatment.

The purpose of the proposed project is to extend sewer service to the areas listed above to eliminate approximately 412 failing on-site septic systems. The new collection systems will ultimately discharge to either the City of Decatur or the City of Berne for treatment.

Adams County RSD also received additional funding through the CWSRF Fee program for this project. Because the residents of the project area are faced with high rates as a result of the project and the project area has a low Median Household Income, the loan is eligible for Additional Subsidization under the Indiana CWSRF Affordability Criteria.

| CWSRF Participant: DeMotte | | | |
|--|-------------------|---------------------------------------|--------------|
| SRF Project #: | WW21273702 | CWSRF Loan Amount: | \$ 6,560,000 |
| CWSRF Loan Closed: | February 25, 2021 | Principal Forgiveness (Fee): | \$ 0 |
| Affected Population: | 4,159 | Total Loan and Principal Forgiveness: | \$ 6,560,000 |
| Loan Term: | 35 years | NIMS Categories: | |
| Interest Rate: | 2.30% | New Collector Sewers: | \$ 6,560,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 0 |
| <p>Environmental Benefits: The project allows the system to eliminate aging septic systems and protect the Evers Ditch from potential overflows. Evers Ditch is a tributary of the Upper Illinois River, which is noted for high levels of <i>E. coli</i> on the Indiana 303(d) list. The project area is included in the Kankakee/ Iroquois River Watershed <i>E. coli</i> TMDL.</p> | | | |
| <p>Project Description:</p> <p>The Town of DeMotte currently serves the population within the Town’s limits. There is need for sewer service to be extended to existing commercial businesses at the I-65/SR-10 interchange and the INDOT Kankakee Rest Stop.</p> <p>The proposed project includes the construction of infrastructure improvements extending wastewater collection and treatment in unserved areas at the I-65/SR-10 corridor and connect them to the Town of Demotte Sanitary Sewer System. The project will be constructed in three concurrent phases:</p> <p>Division A of the sanitary sewer extension consists of the installation of sanitary sewer force main and all fittings. The installation begins at the southern town limits of the Town of DeMotte and continues south to the intersection of SR-10 and SR-110.</p> <p>Division B of the sanitary sewer extension project begins at the intersection of SR-10 and SR-110 and continues west to SR-10 ending at the east side of the I-65/SR-10 interchange at the intersection of SR-10 and SR-110 and continues west across the I-65/SR-10 Interchange to the county line. Division B includes the following:</p> <ul style="list-style-type: none"> • Construction of a lift station with all necessary appurtenances and a generator; • Installation of 14,100 lineal feet of 6-inch HDPE force main and all appropriate fittings; and • Installation of approximately 8,600 lineal feet of 12-inch SDR 26 gravity line sewer and fittings. <p>Division C of the sanitary sewer extension will consist of the installation new sanitary sewer along County Line Road. The project begins on the east side of the SR-10/I-65 interchange then passes south cross I-65, angles north up to SR-10, runs west to the intersection of SR-10 and County Line Road then runs north along the east side of County Line Road terminating just south of Minuteman Lane.</p> <p>The project meets the current and future needs of the commercial areas, regionalizes the area’s wastewater services reduces operation and maintenance concerns, and allows the system to extend sewer service to residential properties in the future.</p> | | | |

CWSRF Participant: Wells County Regional Sewer District

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|----------------------|----------------|---------------------------------------|--------------|
| SRF Project #: | WW19279001 | CWSRF Loan Amount: | \$ 513,000 |
| CWSRF Loan Closed: | March 24, 2021 | Principal Forgiveness (Fee): | \$ 0 |
| Affected Population: | 9,897 | Total Loan and Principal Forgiveness: | \$ 513,000 |
| Loan Term: | 35 years | NIMS Categories: | |
| Interest Rate: | 2.30% | New Collector Sewers: | \$ 513,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 8,199,500 |

Environmental Benefits: The project allows the system to achieve compliance. The project reduces failing septic systems discharging to the Upper Wabash River watershed. The Upper Wabash is noted on the 303(d) list for high levels of *E. coli* and impaired biotic communities. The project area is included in the Upper Wabash River watershed management plan.

Project Description:

The Wells County Regional Sewer District (RSD) Phase I Sanitary Sewer Improvements Project includes connecting the Murray and Liberty Center areas into the City of Bluffton’s sanitary sewer collection system. The project areas are currently served by failing onsite septic systems and soils that have poor permeability and are not conducive to functioning septic systems.

To serve the Liberty Center Area: Construction includes approximately 9,000 lineal feet of gravity sanitary sewer main, 26 manholes, 1,750 lineal feet of sanitary sewer lateral connections, 42 individual grinder pump stations and a regional lift station, accompanied by approximately 25,000 lineal feet of force main, 15 air release valves/structures, rehabilitation of an existing lift station, and related miscellaneous appurtenances.

To serve the Murray Area: Construction includes approximately 6,090 lineal feet of gravity sanitary sewer main, 22 manholes, 1,750 lineal feet of sanitary sewer lateral connections, 9,400 lineal feet of small diameter, low pressure main, coupled with 40 individual grinder pump stations and the construction of a regional lift station, accompanied by approximately 4,600 lineal feet of force main, 4 air release valves/structures, and related miscellaneous appurtenances.

The proposed project extends sewer service to eliminate approximately 192 failing on-site septic systems and reduce overflows to the watershed. Wells County RSD also received additional funding through the CWSRF Fee program for this project.

CWSRF Participant: Butler

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|----------------------|----------------|---------------------------------------|--------------|
| SRF Project #: | WW20081701 | CWSRF Loan Amount: | \$ 8,065,000 |
| CWSRF Loan Closed: | March 25, 2021 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 2,729 | Total Loan and Principal Forgiveness: | \$ 8,065,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Advanced Treatment: | \$ 5,132,884 |
| | | CSO Correction | \$ 2,932,116 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 178,950 |

Environmental Benefits: The project allows the system to achieve compliance. The project reduces combined sewer overflow events to the Lower St. Joseph River and the Lake Erie Basin. The St. Joseph River is noted for high levels of *E. coli*, and impaired biotic communities on the Indiana 303(d) list. The project area is included in the Lower St. Joseph TMDL and the St. Joseph (middle) Watershed Management Plan.

Project Description:

Butler’s Combined Sewer Overflow Long Term Control Plan (CSO LTCP) Compliance Plan, along with its Agreed Order with the Indiana Department of Environmental Management, require a level of control of six overflow events per year at CSO 003. According to the collection system model, the project reduces CSO occurrences from an average of 10-15 events per year during normal conditions to six or less per year at CSO 003. The project includes the following improvements to address the CSO LTCP Compliance Plan:

- Installation of approximately 1,200 LF of 60-inch diameter influent sewer, including a new connection structure to/from the existing 60-inch diameter CSO pipe;
- Construction of a CSO diversion screening structure with a self-cleaning screen;
- Improvements to existing plant influent screening facility, including replacement screen and effluent piping; and
- Improvements to existing plant influent pump station, including increased wet well volume, replacement raw influent pumps, larger effluent force main, and upgrades to comply with current fire protection standards.

The project also includes components that addressing hydraulic and operational concerns in the wastewater treatment plant (WWTP) and collection system. The additional projects include:

- Improvements to existing aeration tanks, including repaired cross tank support beam brackets, replacement slide gates, and added south influent channel grating and handrails;
- New ultraviolet disinfection system;
- Upgraded digester tank cross tank support beam brackets; and
- Improvements to SCADA, monitoring and alarm systems, including new fiber network at the WWTP; replacement flow meters for plant influent, stormwater influent, and industrial force main; and monitoring equipment at four remote lift stations, including Meadowmere Lift Station, Beech Street Lift Station, South Shores Lift Station, and McDonalds Lift Station.

The project allows the system to achieve compliance and meet the goals of the City’s Agreed Order. The project will reduce overflows to the St. Joseph River and protect the health of residents and the environment.

CWSRF Participant: Morgantown

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|----------------------|----------------|---------------------------------------|--------------|
| SRF Project #: | WW19195501 | CWSRF Loan Amount: | \$ 3,265,000 |
| CWSRF Loan Closed: | March 29, 2021 | Principal Forgiveness: | \$ 3,360,000 |
| Affected Population: | 1,030 | Total Loan and Principal Forgiveness: | \$ 6,625,000 |
| Loan Term: | 35 years | NIMS Categories: | |
| Interest Rate: | 2.30% | Advanced Treatment: | \$ 710,760 |
| | | Inflow and Infiltration: | \$ 5,914,240 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 6,466,000 |

Environmental Benefits: The project allows the system to achieve compliance and reduces sanitary sewer overflow events to Indian Creek. Indian Creek is noted for high levels of *E. coli* on the Indiana 303(d) list and is the subject of the Indian Creek Watershed TMDL and the Indian Creek (Johnson County) Watershed Management Plan.

Project Description:

The Town of Morgantown operates a controlled discharge waste stabilization lagoon facility and an aging collection system. The Town has been experiencing consistent issues with inflow and infiltration into the wastewater system for at least 20 years and is being placed under an Agreed Order, related to sanitary sewer overflows. In 2016 the treatment plant reached 90% of its hydraulic or organic design capacity and received a Sewer Ban Early Warning notice from the Indiana Department of Environmental Management (IDEM).

The Town's project to improve the collection system includes:

- Installation of approximately 18,300 lineal feet of new gravity sanitary sewer;
- Manhole Rehabilitation;
- Replacement of approximately 210 lineal feet of sanitary sewer main and CIPP lining of approximately 735 lineal feet of sanitary sewer main;
- Replacement of Lift Station No. 1, including the installation of an emergency generator set; and
- Rehabilitation of Lift Station No. 2, located near State Road 135, including the replacement of check valves at the lift station and the installation of electrical control panels/remote monitoring equipment and an emergency generator set.

Improvements to the Town's Wastewater Treatment Plant include:

- Lagoon Cell No. 1 Improvements, including the installation of a new outlet pipe and level control structure, and the addition of approximately 4,300 lineal feet of rip rap around the perimeters of Cells No. 1 and 2; and
- Installation of a new fine screen equipment in the Headworks Screenings Facility.

These projects will help the utility address compliance issues with IDEM and continue to provide safe, reliable collection and treatment of wastewater.

CWSRF Participant: Sellersburg

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|----------------------|----------------|---------------------------------------|---------------|
| SRF Project #: | WW21101001 | CWSRF Loan Amount: | \$ 26,105,000 |
| CWSRF Loan Closed: | March 30, 2021 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 9,013 | Total Loan and Principal Forgiveness: | \$ 26,105,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Advanced Treatment: | \$ 25,515,036 |
| | | Sewer System Rehabilitation: | \$ 589,964 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 473,547 |

Environmental Benefits: The project allows the system to achieve compliance. The project will reduce the potential for overflows to the Silver Creek, which is noted on the Indiana 303(d) list for high levels of E coli. The project area is included in the Silver Creek Watershed Management Plan.

Project Description:

The Town of Sellersburg owns and operates a 2.37 MGD Wastewater Treatment Plant (WWTP). Many of the plant's major processes, buildings, and equipment have been in operation since 1989 and are in need of rehabilitation or replacement. The WWTP is unable to treat existing peak flows, and average plant flows are approximately 80 to 85 percent of the WWTP's permitted flow capacity. In 2019, the Town received a Notice of Noncompliance Letter and an Early Warning Sewer Ban Notification from IDEM. The Perry Crossing Lift Station receives flow from multiple lift stations throughout the Covered Bridge subdivision, which has led to hydrogen sulfide corrosion and deterioration and the Airport Lift Station is not in operation due to contaminated groundwater infiltration into the existing wet well.

The Sellersburg WWTP project includes the following:

- Modify plant influent force mains;
- Construct diversion structure to the existing equalization basin and rehabilitate the existing equalization basin;
- Construct new headworks building, including new screening system with mechanically cleaned screens, bypass channel with manually cleaned bar rack, washer compactor, and screw conveyor; grit removal, pumping, and classification systems; odor control; and drain lift station;
- Construct one new oxidation ditch and flow splitter box and rehabilitate the existing oxidation ditches;
- Rehabilitate high rate treatment basins;
- Construct one new clarifier and rehabilitate the two existing clarifiers;
- Rehabilitate and expand existing scum/RAS/WAS pump station;
- Replace the existing UV disinfection system;
- Construct a new re-aeration basin;
- Construct a new dewatering facility and a covered sludge loading area;
- Rehabilitate the existing sludge storage basins, diffused aeration system, and blowers;
- Replace the existing plant drain pump station and plant water system;
- Replace the existing outfall pipe with a new 36-inch diameter outfall pipe and replace outfall structure;
- Rehabilitate the existing administration building and the existing testing laboratory;
- Install a new electrical system, new electrical building and emergency generator;
- Replace the existing WWTP SCADA system and flow metering system;
- Rehabilitate HVAC and electrical systems and provide new lighting; and
- Provide new and rehabilitated yard piping, access roads, and sidewalks;
- Rehabilitate the Perry Crossing Lift Station; and
- Reconstruct the Airport Lift Station.

The project rehabilitates and expands the existing WWTP to address aging components, allows treatment of average and peak design flows of 3.65 MGD and 10.8 MGD, respectively, and improves operations at two lift stations in the collection system.

| CWSRF Participant: Richmond | | | |
|---|----------------|---------------------------------------|--------------|
| SRF Project #: | WW21098908 | CWSRF Loan Amount: | \$ 6,455,000 |
| CWSRF Loan Closed: | April 14, 2021 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 35,653 | Total Loan and Principal Forgiveness: | \$ 6,455,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Infiltration and Inflow: | \$ 6,220,340 |
| | | New Collector Sewers: | \$ 234,660 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 874,881 |
| <p>Environmental Benefits: The project allows the system to maintain compliance and protects the Whitewater River. The receiving stream is noted for high levels of <i>E. coli</i> on the Indiana 303(d) list and is included in the East Fork Whitewater River Watershed <i>E. coli</i> TMDL.</p> | | | |
| <p>Project Description:</p> <p>The Richmond West Side Interceptor Basin encompasses approximately 990 acres and consists of approximately 102,000 linear feet of sanitary sewer ranging from eight to 54 inches in diameter. Due to infiltration and inflow in the basin, during wet weather the West Side Interceptor Basin experiences significant wet weather flow, and several sanitary sewer overflows are potentially occurring throughout the system. Additionally, the project area includes five properties on Henley Road that were serviced by aging septic systems.</p> <p>To address these issues in the West Side Interceptor Basin the project includes the installation of:</p> <ul style="list-style-type: none"> • Approximately 345 LF of 10-inch diameter sanitary sewer and associated manholes; • Approximately 4,375 LF of 24-inch diameter sanitary sewer and associated manholes; • Approximately 660 LF each of 10- and 18-inch diameter siphon and associated structures; • Approximately 2,315 LF of cured in place pipe lining; • Approximately 4,790 LF of existing pipe abandonment; • Minor slope stabilization; and • Approximately 620 linear feet of sanitary sewer along Henley Road. <p>The West Side Interceptor Basin Project provides additional capacity to the West Side Interceptor Basin and reduces infiltration and inflow. Proposed pipe sizes were determined by the hydraulic model of the system in order to eliminate capacity concerns and sanitary sewer overflows up to the single event ten-year, one-hour design storm. Along Henley Road, the new sewer provides sanitary service to approximately five homes that are currently being served by aging septic systems. The project alleviates potential pollution of receiving waters and addresses public health and safety concerns caused by failing septic systems.</p> | | | |

CWSRF Participant: Jeffersonville-Clarksville Flood Control District

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|----------------------|----------------|---------------------------------------|--------------|
| SRF Project #: | WW21161001 | CWSRF Loan Amount: | \$ 2,590,000 |
| CWSRF Loan Closed: | April 20, 2021 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 115,702 | Total Loan and Principal Forgiveness: | \$ 2,590,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Storm Sewers: | \$ 2,590,000 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 48,000 |

Environmental Benefits: The project allows the system to achieve compliance. The project is included in the Jeffersonville CSO LTCP overflow events to the Ohio River. The Ohio River is noted for high levels of *E. coli* on the Indiana 303(d) list and is the subject of the ORSANCO Ohio River TMDL.

Project Description:

The Cane Run Flood Control Pumping Station #5 was built in the 1940s and its flood pumping capacity of 18 MGD has not changed since that time. The pumps come online when the Ohio River reaches a flooding elevation of 429.0, meaning the pump station activations are infrequent, allowing flooding to occur at multiple upstream locations.

To correct these issues the Cane Run Flood Control Pump Station #5 Project includes installation of:

- Three vertical turbine pumps with VFDs and formed suction intake (per USACE recommendation);
- Three 30-inch diameter ductile iron force main discharge pipes, with a new common outfall structure;
- Two sump pumps for dewatering;
- A manual bar screen with 2-inch openings;
- Site work and piping;
- Electrical building adjacent to the pump station;
- Emergency generator; and
- Access drive to the new station.

The Cane Run Flood Control Pump Station #5 Project is included in the City of Jeffersonville’s amended CSO LTCP and Consent Decree as Control Measure #3. Increasing the pumping capacity to a maximum of 58 MGD with three pumps running will mitigate surcharge of the Cane Run Outfall during Ohio River flood stages.

| CWSRF Participant: Rochester | | | |
|--|--------------|---------------------------------------|--------------|
| SRF Project #: | WW21082501 | CWSRF Loan Amount: | \$ 8,251,000 |
| CWSRF Loan Closed: | May 19, 2021 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 6,043 | Total Loan and Principal Forgiveness: | \$ 8,251,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 1.35% | Advanced Treatment: | \$ 5,792,994 |
| | | Sewer System Rehabilitation: | \$ 2,458,006 |
| Equivalency Amount: | n/a | Estimated SRF Savings: | \$ 883,100 |
| <p>Environmental Benefits: The project allows the system to maintain compliance and protects the Minnow Ditch and the Upper Wabash River. Minnow Ditch is noted for high levels of <i>E. coli</i> on the Indiana 303(d) list.</p> | | | |
| <p>Project Description:</p> <p>The City of Rochester’s Wastewater Treatment Plant (WWTP) is currently meeting standards, however limits in the trickling filter process used for biological treatment could lead to operational and compliance issues in the future. Several elements of the treatment process at the City’s WWTP are inefficient or outdated.</p> <p>The proposed project components are:</p> <ul style="list-style-type: none"> • Replacement of the influent mechanical screen; • Rehabilitation of the wet well pumps; • Upgrading the anaerobic digester; • Installation of a Bio-bag Sludge Dewatering System; • Installation of a UV Disinfection System; • Clarifier improvements including replacement of valves and addition of covers; • Installation of SCADA, Control, and Meters at the WWTP; • Replacement of the motor control center and generator, update of Controls and installation of door locks at the WWTP; • Installation of a WWTP Security Camera; • Installation of automatic gates at the North and South Entrances; • Installation of SCADA and generators at the Lift Stations; <p>The project reduces risks to compliance at the WWTP and improves operations and reliance.</p> | | | |

| CWSRF Participant: Kokomo | | | |
|--|---------------|---------------------------------------|---------------|
| SRF Project #: | WW21073403 | CWSRF Loan Amount: | \$ 24,500,000 |
| CWSRF Loan Closed: | June 9, 2021 | Principal Forgiveness: | \$ 0 |
| Affected Population: | 57,947 | Total Loan and Principal Forgiveness: | \$ 24,500,000 |
| Loan Term: | 20 years | NIMS Categories: | |
| Interest Rate: | 2.00% | Advanced Treatment: | \$ 20,497,902 |
| | | Sewer System Rehabilitation: | \$ 4,002,098 |
| Equivalency Amount: | \$ 13,292,000 | Estimated SRF Savings: | \$ 598,385 |
| <p>Environmental Benefits: The project allows the system to achieve compliance. The project removes combined sewer overflow events to the Upper Wildcat Creek, which is noted for high levels of <i>E. coli</i> on the Indiana 303(d) list. The project area is included in the Upper Wildcat Creek Watershed <i>E. coli</i> TMDL and in the Stahl Ditch – Kitty Run Watershed Management Plan.</p> | | | |
| <p>Project Description:</p> <p>The City of Kokomo operates a combined sewer system and is required by Agreed Judgement to implement a CSO LTCP for the purposes of controlling discharges.</p> <p>To meet the goals of the CSO LTCP, the project includes:</p> <ul style="list-style-type: none"> • Approximately 3,300 LF of 24-inch diameter force main from the Highland Park Pump Station, conveying up to 22 MGD; • Standby 3,850 GPM centrifugal pump to be stored at the Highland Park Pump Station; • 28 MGD capacity PEFTF #2 vertical turbine pump station; • 50 MGD high-rate clarifier system, including flow metering, fine screening, primary clarification and disinfection; • Chlorination-dechlorination building, including chemical storage tanks and feed system; • Site work and piping, including headworks junction box, diversion structures, and new outfall; and • Electrical, instrumentation and controls, including a backup generator and SCADA systems. <p>The project increases peak excess flow treatment capacity at the Wastewater Treatment Plant (WWTP) from 80 MGD to 130 MGD by pumping the Highland Park flow from 22 MGD to the WWTP allowing it to take more gravity flow from a future 90-inch sewer. A new peak excess flow treatment facility includes fine screening, a pump station, and primary clarification and disinfection.</p> | | | |

Exhibit F
CUMULATIVE HISTORY OF FEDERAL CAPITALIZATION GRANTS

| | |
|------------------|--|
| \$ 22,731,411 | FFY 1989 Federal Capitalization Grant |
| 23,512,995 | FFY 1990 Federal Capitalization Grant |
| 49,459,806 | FFY 1991 Federal Capitalization Grant |
| 46,826,208 | FFY 1992 Federal Capitalization Grant |
| 46,321,506 | FFY 1993 Federal Capitalization Grant |
| 28,741,977 | FFY 1994 Federal Capitalization Grant |
| 29,684,260 | FFY 1995 Federal Capitalization Grant |
| 48,623,553 | FFY 1996 Federal Capitalization Grant |
| 15,020,160 | FFY 1997 Federal Capitalization Grant |
| 32,452,972 | FFY 1998 Federal Capitalization Grant |
| 32,454,299 | FFY 1999 Federal Capitalization Grant |
| 35,916,531 | FFY 2000 Federal Capitalization Grant |
| 33,645,988 | FFY 2001 Federal Capitalization Grant |
| 32,128,866 | FFY 2002 Federal Capitalization Grant |
| 31,919,976 | FFY 2003 Federal Capitalization Grant |
| 31,939,281 | FFY 2004 Federal Capitalization Grant |
| 25,969,581 | FFY 2005 Federal Capitalization Grant |
| 21,135,427 | FFY 2006 Federal Capitalization Grant |
| 25,793,856 | FFY 2007 Federal Capitalization Grant |
| 16,472,652 | FFY 2008 Federal Capitalization Grant |
| 16,399,548 | FFY 2009 Federal Capitalization Grant |
| 94,447,500 | American Recovery and Reinvestment Act of 2009 Grant |
| 49,104,000 | FFY 2010 Federal Capitalization Grant |
| 35,588,000 | FFY 2011 Federal Capitalization Grant |
| 34,061,000 | FFY 2012 Federal Capitalization Grant |
| 32,176,000 | FFY 2013 Federal Capitalization Grant |
| 33,790,000 | FFY 2014 Federal Capitalization Grant |
| 33,617,000 | FFY 2015 Federal Capitalization Grant |
| 32,200,000 | FFY 2016 Federal Capitalization Grant |
| 31,952,000 | FFY 2017 Federal Capitalization Grant |
| 38,681,000 | FFY 2018 Federal Capitalization Grant |
| 38,292,000 | FFY 2019 Federal Capitalization Grant |
| 38,298,000 | FFY 2020 Federal Capitalization Grant |
| 38,292,000 | FFY 2021 Federal Capitalization Grant |
| \$ 1,177,649,353 | TOTAL GRANTS |
| \$ 1,083,201,853 | TOTAL GRANTS REQUIRED TO MATCH |

Exhibit G
CUMULATIVE HISTORY OF STATE MATCH

The State deposited no additional State Match in the CWSRF Loan Program during SFY 2021. To date, the CWSRF State Match has aggregated in excess of 20 percent of the awarded \$1,083,201,853 Capitalization Grants the State was required to match through June 30, 2021, which results from the following cumulative history of State matches to the CWSRF Program:

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

¹ Source restructured in SFY 2003 vis-à-vis Series 2002A State Revolving Fund Program Bond net proceeds representing a State Match allocation (December 2002)

² Source restructured in SFY 2004 vis-à-vis Series 2004A State Revolving Fund Program Bond net proceeds representing a State Match allocation (April 2004)

| | |
|----------------------|---|
| 20,000,000 | Series 2017B State Revolving Fund Program Bond net proceeds representing a State Match allocation (November 2017) |
| 10,000,363 | Series 2019E State Revolving Fund Program Bond net proceeds representing a State Match allocation (October 2019) |
| \$218,132,334 | TOTAL |

As a result of the foregoing, the State has deposited State Match in excess of that required based on grants awarded as of the end of SFY 2021 by \$1,491,963 (also known as over-match), which is banked toward future capitalization grants that are expected to be awarded in SFY 2022. This over-match is intended to permit and will allow the State to immediately begin to convert its next capitalization grant (upon award expected in SFY 2022) to cash (and deposit it in the CWSRF) based upon incurred costs paid by Program Participants.

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

The State Match Revenue Bonds are repaid semi-annually and since all of their proceeds were used for State Match, the State tracks, allocates and records their entire payment as a State Match repayment such that it is paid solely from CWSRF earnings applied on each payment date toward that bond payment. The State Revolving Fund Program Bonds are also repaid semi-annually and at the time of each payment the State tracks, allocates and records their payment *first* between CWSRF and DWSRF purposes (with the percentage paid from CWSRF being equal to the proportion of the net bond proceeds originally deposited in CWSRF from those bonds as compared to their total net bond proceeds) and *second* between State Match and leveraged loans purposes (with the payment allocated as a State Match repayment computed and tracked to be no more than the amount of the total CWSRF earnings applied on each payment date toward that bond payment). Set forth in the attached Exhibit G-1 is the principal amount of the State Revolving Fund Program Bonds allocated to State Match purposes for the CWSRF and the principal amount repaid as of the end SFY 2021.

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

Exhibit G - Schedule-1

| CLEAN WATER | | | | | | | | |
|---------------|--|--|------------------|------------------|------------------|------------------|--------------------|---|
| Revenue Bonds | Original Par Amount of Bonds Designated as State Match | Par Amount retired during SFY Ending June 30 | | | | | All Prior SFYs | Remaining Par Amount of Bonds Designated as State Match |
| | | 2021 | 2020 | 2019 | 2018 | 2017 | | |
| 1993* | 3,930,000 | | | | | | 3,930,000 | - |
| 1994♦ | 3,650,000 | | | | | | 3,650,000 | - |
| 1995♦ | 2,270,000 | | | | | | 2,270,000 | - |
| 1997^ | 6,090,000 | | | | | | 6,090,000 | - |
| 1998A | 1,146,360 | | | | | | 1,146,360 | - |
| 2000A | 27,257,690 | | | | | | 27,257,690 | - |
| 2000B ^ | - | | | | | | - | - |
| 2001A | 12,652,000 | | | | | | 12,652,000 | - |
| 2002A* | 10,874,000 | | | | | | 10,874,000 | - |
| 2002B | - | | | | | | - | - |
| 2004A♦ | 19,071,553 | | | | | | 19,071,553 | - |
| 2004B | 12,105,996 | | | | | | 12,105,996 | - |
| 2004C | - | | | | | | - | - |
| 2005A ^ | 17,437,953 | | | | | | 17,437,953 | - |
| 2006A | 2,146,636 | | | | | | 2,146,636 | - |
| 2006B | 4,027,035 | | | | | | 4,027,035 | - |
| 2007A | 1,073,358 | | | | | | 1,073,358 | - |
| 2007B | 4,925,514 | | | | | | 4,925,514 | - |
| 2009A | 12,399,675 | | | | 124,675 | 4,530,000 | 7,745,000 | - |
| 2010B | 8,956,447 | | | | | | 8,956,447 | - |
| 2011A | 2,042,434 | | | | | | 2,042,434 | - |
| 2012B | 5,777,896 | 420,000 | - | - | - | - | 5,357,896 | - |
| 2014A | 13,055,000 | | | | | | 13,055,000 | - |
| 2014B▲ | 996,884 | | | | 990,211 | - | 6,673 | - |
| 2015B△ | 413,468 | - | - | - | - | - | - | 413,468 |
| 2016A | 12,775,000 | 1,250,000 | 1,190,000 | 1,135,000 | 1,080,000 | 855,000 | - | 7,265,000 |
| 2017B | 16,835,000 | 1,605,000 | 1,525,000 | - | - | - | - | 13,705,000 |
| 2019E | 8,225,000 | - | - | - | - | - | - | 8,225,000 |
| Total | 210,134,899 | 3,275,000 | 2,715,000 | 1,135,000 | 2,194,886 | 5,385,000 | 165,821,545 | 29,608,468 |

Notes:

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

Indiana CW SRF Loan Program
Exhibit H - Summary of Loans Closed in SFY 2021

| Participant Name | Closing Date | Term | Interest Rate | SRF Loan Amount | Pooled Loan Amount | Principal Forgiveness Amount | State Loan Amount | State Principal Forgiveness Amount | Total Loan & Principal Forgiveness | SFY 2021 Savings |
|----------------------------------|--------------|-------|---------------|-----------------|--------------------|------------------------------|-------------------|------------------------------------|------------------------------------|------------------|
| Bedford | 09/29/2020 | 20 | 0.00% | \$ 9,143,000 | \$ - | \$ - | \$ - | \$ - | \$ 9,143,000 | \$ 779,290 |
| Fort Wayne | 09/29/2020 | 20 | 2.00% | \$ 25,000,000 | \$ - | \$ - | \$ - | \$ - | \$ 25,000,000 | \$ 4,600,000 |
| Milltown | 09/30/2020 | 20 | 2.00% | \$ 450,000 | \$ - | \$ 850,000 | \$ - | \$ - | \$ 1,300,000 | \$ 1,127,000 |
| Citizens Water Authority | 10/05/2020 | 30 | 2.56% | \$ 25,000,000 | \$ 45,475,132 | \$ - | \$ - | \$ - | \$ 70,475,132 | \$ 3,300,648 |
| Monticello | 11/04/2020 | 20 | 2.00% | \$ 10,287,000 | \$ - | \$ - | \$ - | \$ - | \$ 10,287,000 | \$ 1,562,081 |
| Elwood | 11/13/2020 | 20 | 2.25% | \$ 2,865,000 | \$ - | \$ - | \$ - | \$ - | \$ 2,865,000 | \$ 134,000 |
| Jeffersonville | 11/24/2020 | 20 | 2.00% | \$ 25,000,000 | \$ - | \$ - | \$ - | \$ - | \$ 25,000,000 | \$ 435,700 |
| LaGrange County RUD | 12/17/2020 | 20 | 2.00% | \$ 3,026,000 | \$ - | \$ 2,655,000 | \$ - | \$ - | \$ 5,681,000 | \$ 3,420,000 |
| Crothersville | 12/18/2020 | 35 | 3.01% | \$ - | \$ 5,787,000 | \$ - | \$ - | \$ - | \$ 5,787,000 | \$ 1,751,736 |
| West Lakes RSD | 12/28/2020 | 20 | 2.00% | \$ 63,000 | \$ - | \$ 165,000 | \$ - | \$ 460,000 | \$ 688,000 | \$ 891,111 |
| Thralls Station RSD | 12/29/2020 | 20 | 2.00% | \$ 78,000 | \$ - | \$ 970,000 | \$ - | \$ - | \$ 1,048,000 | \$ 1,379,364 |
| Adams County RWSD | 01/29/2021 | 20 | 2.00% | \$ - | \$ - | \$ 8,000,000 | \$ 1,880,000 | \$ - | \$ 9,880,000 | \$ 12,365,000 |
| DeMotte | 02/25/2021 | 35 | 2.30% | \$ 6,560,000 | \$ - | \$ - | \$ - | \$ - | \$ 6,560,000 | \$ - |
| Wells County RSD | 03/24/2021 | 35 | 2.30% | \$ 513,000 | \$ - | \$ - | \$ - | \$ 6,622,000 | \$ 7,135,000 | \$ 8,199,500 |
| Butler | 03/25/2021 | 20 | 2.00% | \$ 8,065,000 | \$ - | \$ - | \$ - | \$ - | \$ 8,065,000 | \$ 178,950 |
| Morgantown | 03/29/2021 | 35 | 2.30% | \$ 3,265,000 | \$ - | \$ 3,360,000 | \$ - | \$ - | \$ 6,625,000 | \$ 6,466,000 |
| Sellersburg | 03/30/2021 | 20 | 2.00% | \$ 26,105,000 | \$ - | \$ - | \$ - | \$ - | \$ 26,105,000 | \$ 473,547 |
| Clayton* | 03/30/2021 | 20;35 | 2.0% ; 2.3% | \$ - | \$ - | \$ - | \$ 1,525,000 | \$ - | \$ 1,525,000 | \$ 35,926 |
| Middlebury* | 04/09/2021 | 20;35 | 2.0% ; 2.3% | \$ - | \$ - | \$ - | \$ 2,261,000 | \$ - | \$ 2,261,000 | \$ 61,300 |
| Richmond SD | 04/14/2021 | 20 | 2.00% | \$ 6,455,000 | \$ - | \$ - | \$ - | \$ 200,000 | \$ 6,655,000 | \$ 874,881 |
| Jeffersonville - Clarksville FCD | 04/20/2021 | 20 | 2.00% | \$ 2,590,000 | \$ - | \$ - | \$ - | \$ - | \$ 2,590,000 | \$ 48,000 |
| Rochester | 05/19/2021 | 20 | 1.35% | \$ 8,251,000 | \$ - | \$ - | \$ - | \$ - | \$ 8,251,000 | \$ 883,100 |

Indiana CW SRF Loan Program
Exhibit H - Summary of Loans Closed in SFY 2021

| Participant Name | Closing Date | Term | Interest Rate | SRF Loan Amount | Pooled Loan Amount | Principal Forgiveness Amount | State Loan Amount | State Principal Forgiveness Amount | Total Loan & Principal Forgiveness | SFY 2021 Savings |
|------------------------------------|--------------|-------|---------------|-----------------------|----------------------|------------------------------|----------------------|------------------------------------|------------------------------------|----------------------|
| Brownsburg* | 05/28/2021 | 20;35 | 2.0% ; 2.3% | \$ - | \$ - | \$ - | \$ 3,910,000 | \$ - | \$ 3,910,000 | \$ - |
| Chesterfield* | 05/28/2021 | 20 | 0.83% | \$ - | \$ - | \$ - | \$ 2,298,000 | \$ - | \$ 2,298,000 | \$ 315,100 |
| Kokomo | 06/09/2021 | 20 | 2.00% | \$ 24,500,000 | \$ - | \$ - | \$ - | \$ - | \$ 24,500,000 | \$ 598,385 |
| CWSRF Loan Totals SFY 2021: | | | | \$ 187,216,000 | \$ 51,262,132 | \$ 16,000,000 | \$ 11,874,000 | \$ 7,282,000 | \$ 273,634,132 | \$ 49,880,619 |

* Project financed through state programs only

Exhibit I

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

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

Sources, Uses and Available Balances in SRF Accounts

The following accounts have been created and exist under the Authority's Wastewater Trust Indenture and comprise its CWSRF. Set forth on the attached Schedule I-1 (the "Use Schedule") is detail on what funds are held in the CWSRF and how they were expeditiously and timely used in SFY 2021 and will continue to be in perpetuity.

Wastewater Purchase Account.

Sources of Funds: Funds held in this account¹ come from proceeds of Program Bonds² issued by the Authority. The Authority expects to cause additional Program Bonds to be issued at times and in amounts sufficient to meet the funding requirements for loans presently closed as of the end of the SFY 2021 as well as loans anticipated to be closed in SFY 2022 and after.

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

Available Balance: As of July 1, 2021, the aggregate amount of closed and committed loans exceeded the balance in this account ("Excess Commitments"). As additional loans are closed in SFY 2022, such committed amounts will contribute to additional Excess Commitments. The aggregate amount held in this account as of July 1, 2021 is shown in the Use Schedule. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes except to finance closed and committed loans related to qualified Proposed Projects.

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

² To date, the Authority (or its predecessor issuer) has issued multiple series of bonds including several refunding series (the "Program Bonds"), a portion of which are issued for the CWSRF. An allocated portion of the Program Bonds were deposited in the Purchase Account (with such bonds being referred to as the "Guarantee Revenue Bonds" in this Report) to make loans from the CWSRF and a further allocated portion of the Program Bonds were deposited in the Purchase Account (or the former State Match Loan Account) as state match (with such bonds being referred to as the "State Match Revenue Bonds" in this Report) to make loans or for other permitted purposes. The Guarantee Revenue Bonds are revenue bonds within the meaning of 40 CFR 35.3120(d), the net proceeds of which were deposited in the CWSRF. The State Match Revenue Bonds are revenue bonds within the meaning of 40 CFR 35.3135(b)(2), the net proceeds of which were deposited in the CWSRF; their proceeds (together with other match sources) have matched all capitalization grants awarded to date as well as the not-yet-available FFY 2022 (FFY refers to the Federal Fiscal Year ending September 30 of the year listed) grant by reason of over-match.

Wastewater Participant Loan Principal Account.

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

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

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

Wastewater Participant Loan Interest Account.

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

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

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

WASTEWATER RESERVE³ contains the following accounts:

Wastewater Reserve Earnings Account.

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

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

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

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

Reserve Deficiency Account. Accordingly, none of the funds presently on deposit⁴ in this account are available for other SRF purposes.

Wastewater Reserve Grant Account.

Sources of Funds: Funds held in this account⁵ come from federal capitalization grants drawn when funds are loaned or administrative expenses are incurred, up to the amount therein (and in the Support Account and Equity Grant Account) that equals the perpetuity amount, and any amounts in excess thereof come from State Match.⁶

Uses of Funds: These funds are used (i) as security⁷ for outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e) and (ii) as a source of payment for the outstanding Guarantee Revenue Bonds and outstanding State Match Revenue Bonds as permitted by 40 CFR 35. 3120(d) & (f) and 40 CFR 35.3135(b)(2), respectively. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

Available Balance: The aggregate amount held in this account (as of July 1, 2021 and as anticipated in SFY 2022) is shown in the Use Schedule.⁸ In furtherance of these purposes, the funds in this account are invested with certain short-term investments, State and Local Government Series (SLGS) securities, and treasury obligations.

Wastewater Reserve Support Account.

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

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

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

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

⁶ State Match in this account came from State Match Revenue Bonds, and is either from (a) original proceeds that were held as reserve balances from State Match Revenue Bonds issued in 1993, 1994, 1995 and 1997 or (b) principal on loan repayments funded from such proceeds. As of July 1, 2021, such amounts related to State Match on deposit in this account have not been applied to Guarantee Revenue Bonds but may be so applied to make any regularly scheduled payments on the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) and the Authority's Operating Agreement with EPA.

⁷ Pursuant to the financing indentures related to the cross-collateralized outstanding Program Bonds, the Authority is presently required to maintain reserves of at least \$59.4 million, which is to be held in the Reserve accounts and is not anticipated to be used to make loans to Participants. A portion of the reserves have been allocated to the CWSRF for purpose of this Annual Report (as shown in the amount set out in the Use Schedule). This is a minimum invested funds requirement. However, the Authority views invested amounts in excess of the foregoing minimum requirement as security and as a source of payment for the outstanding Program Bonds. Further, the Authority expects that the foregoing minimum requirement will increase as additional Program Bonds are issued in SFY 2022 and beyond. Such excess purposes are served by the Equity accounts to the extent that they are not anticipated to be used to make loans to Participants.

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

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

Available Balance: The aggregate amount held in this account (as of July 1, 2021 and as anticipated in SFY 2022) is shown in the Use Schedule. Support Account balances are anticipated to be applied to as a scheduled source of payment for the outstanding Guarantee Revenue Bonds and when so applied will be replaced by retaining earnings in the Equity Grant Account in an amounts necessary to preserve perpetuity as authorized and required by the Authority's Operating Agreement with EPA.

Wastewater Reserve Deficiency Account.

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

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

Available Balance: No amounts were held in this account as of July 1, 2021 nor are any so anticipated in SFY 2022.

WASTEWATER EQUITY⁹ contains the following accounts:

Wastewater Administration Account.

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

Uses of Funds: These funds are applied to reasonable costs of administering the CWSRF Program as permitted by 40 CFR 35.3120(g). The Authority so applied these funds during the SFY 2021 (and expects to apply them and other funds in the CWSRF¹⁰ to this purpose in the SFY 2022). Any funds not expended in SFY 2022 are banked for management of the CWSRF in perpetuity by the Authority.

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

¹⁰ Amounts set aside in this account only represent a portion of the funds the Authority is permitted by 40 CFR 35.3120(g) to apply to costs of administering the CWSRF Program. Additionally the Authority continues to bank for this purpose the remaining amount up to the full 4% limit as measured against total grants (including the not-yet-available FFY 2022 grant expected to be awarded in SFY 2022).

Available Balance: As of July 1, 2021, the aggregate amount held in this account is shown in the Use Schedule. All of these funds are expected to be used solely to pay reasonable costs of administering the CWSRF Program. Accordingly, none of the funds presently on deposit in this account are available for other SRF purposes.

Wastewater Equity Grant Account.

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

Uses of Funds: These funds are used (i) as security¹¹ and as a source of payment for the outstanding Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (e), (ii) to fund any transfers to the Authority's DWSRF as permitted by law including Section 302 of the Safe Drinking Water Act, (iii) to provide funds to meet costs of administering the CWSRF in perpetuity, and (iv) to fund that portion of any loans closed but not presently on deposit in the Purchase Account¹² in the event additional leveraged Guarantee Revenue Bonds could not be issued for any reason to meet such commitments. This use both directly and indirectly furthers the primary purpose of the CWSRF Program by making financing for qualified Proposed Projects available and through their construction improves water quality in the State of Indiana.

Available Balance: The aggregate amount held in this account (as of July 1, 2021 and as anticipated in SFY 2022) is shown in the Use Schedule.¹³ In furtherance of these purposes, the funds in this account are invested with certain short-term investments, State and Local Government Series (SLGS) securities, and treasury obligations.

Wastewater Equity Earnings Account.

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

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

¹¹ Pursuant to the financing indentures, the Authority may use these funds if the Reserve Grant Account were insufficient to pay outstanding Program Bonds. Further, the Authority expects that the foregoing minimum requirement of Reserve accounts will increase as additional Program Bonds are issued in SFY 2022 and will result in a transfer of any uncommitted amounts in the Equity Grant Account to the Reserve Grant Account inclusive of any Capitalization Grants drawn into the SRF after July 1, 2021.

¹² In addition to meeting any Excess Commitments as of July 1, 2021, additional Excess Commitments will occur before additional Guarantee Revenue Bonds are issued. This will result from closing new loans for qualified Proposed Projects with (a) approved preliminary engineering reports (PERs) as of July 1, 2021, (b) PERs submitted and under review by the CWSRF as of July 1, 2021 and (c) additional PERs to be submitted (including as set in the new PPL in SFY 2022), each as detailed in the Use Schedule.

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

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

Available Balance: The aggregate amount held in this account as of July 1, 2021 is shown in the Use Schedule.¹⁴

Additional Information Concerning Expected Uses of SRF Funds

Use of Available Balances to Meet Closed Loan Commitments. Under its existing practices, the Authority closes CWSRF Program loans with Participants without the necessity of having available balances in its Purchase Account to fully fund those loan commitments on the date a CWSRF Program loan is closed. As of July 1, 2021, there were Excess Commitments. By closing new loans for qualified Proposed Projects with (a) approved PERs as of July 1, 2021, (b) PERs submitted and under review by the CWSRF as of July 1, 2021 and (c) additional PERs to be submitted (including as set in the new PPL in SFY 2022), the aggregate amount of Excess Commitments would become as shown in the Use Schedule.

The Authority expects to cause additional Program Bonds to be issued at times and in amounts sufficient to meet the funding requirements for loans presently closed and those anticipated to be closed in SFY 2022. Additionally, certain amounts held in the Equity Grant Account and Equity Earnings Account are available and would be used to meet a portion of the projected funding requirements for loans presently closed (and those anticipated to be closed in SFY 2022) in the event additional Guarantee Revenue Bonds could not to be issued.

Use of Available Balances as a Reserve and Source of Payment for Guarantee Revenue Bonds. Amounts held in the Support Account, Reserve Deficiency Account, Equity Grant Account, Reserve Grant Account Reserve Earnings Account and Equity Earnings Account secure, and are a source of payment, for Guarantee Revenue Bonds as permitted by 40 CFR 35.3120(d) & (f). In addition to this use, a portion of these funds are also held to meet (a) Excess Commitments in SFY 2022 in the event additional Guarantee Revenue Bonds could not to be issued, (b) costs of administering the CWSRF Program in perpetuity, and (c) any transfers to the DWSRF as permitted by law.

Use of Available Balances as a Source of Payment for State Match Revenue Bonds. All SRF earnings including amounts held in the Reserve Earnings Account and Equity Earnings Account secure, and are a source of payment, for State Match Revenue Bonds as permitted by 40 CFR 35.3135(b)(2). In addition to this use, a portion of these funds are held to meet (a) Excess Commitments in SFY 2022 in the event additional Guarantee Revenue Bonds could not to be issued, (b) costs of administering the CWSRF Program in perpetuity, and (c) any transfers to the DWSRF as permitted by law.

Use of Available Balances as a Source of Payment for Administrative Expenses. All SRF amounts¹⁵ are held to meet costs of administering the CWSRF Program in perpetuity if and as permitted by law.

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

As of July 1, 2021, about \$23.6 million has been transferred to DWSRF. As of July 1, 2021, the cumulative transfer amount available for additional transfers from CWSRF to the DWSRF could result in up to approximately \$111.3 million of allowable transfers which includes 33 percent of the FFY 2021 grant. The full amount of any such potential transfers is banked.

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

¹⁵ Additionally the Authority continues to bank for this purpose the remaining amount up to the full 4 percent limit as measured against total grants (including the not-yet-available FFY 2022 grant expected to be awarded in SFY 2022).

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

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

Exhibit I-Schedule 1

| | Account Balances* as of: | |
|---|---------------------------------------|----------------------------------|
| | <u>30-Jun-2021</u> <u>(Actual)</u> | Future Deposits <u>in SFY</u> |
| <u>A. Funds Committed to Projects by CWSRF</u> | | |
| Purchase Account | \$ - | \$ - |
| | <u>\$ -</u> | <u>\$ -</u> |
| <u>B. Other Funds Held in CWSRF</u> | | |
| Reserve Grant Account | \$ 56,500,000 | \$ - |
| Reserve Earnings Account | 500,000 | - |
| Reserve Support Account | - | - |
| Reserve Deficiency Account | - | - |
| Equity Grant Account | - | 76,600,000 |
| Equity Earnings Account | 16,600,000 | |
| Equity Administrative Account | 600,000 | |
| | <u>\$ 74,200,000</u> | <u>\$ 76,600,000</u> |
| Total Available Funds (A. and B. above) | <u><u>\$ 74,200,000</u></u> | <u><u>\$ 76,600,000</u></u> |

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

| | |
|---|--------------------------------|
| Closed Loan (Undrawn loan amounts covered by on-hand Purchase A/C Funds) | \$ - |
| Closed Loan Excess Commitments (after Application of above Purchase A/C **) | 61,600,000 |
| Closed Loan to be funded directly from Equity (undrawn portion of loan) | - |
| PERs In-house (approved & under-review) Awaiting Loan Closing | 914,700,000 |
| Other Projects on new SFY's PPL, Requesting Loan Funding | 41,100,000 |
| 1. Use: to cover Loan Demand*** | <u>1,017,400,000</u> |
| Funds held in existing Administrative Account | 600,000 |
| Remainder of 4% banked funds available for Administrative purposes | 900,000 |
| 2. Use: to cover Administrative Costs in Perpetuity | <u>1,500,000</u> |
| 3. Use: to cover Series Reserve Requirement | <u>52,600,000</u> |
| Possible Uses of Funds (1, 2 & 3 above without considering other secondary purposes for holding them in the CWSRF) # are as follows: | <u><u>\$ 1,071,500,000</u></u> |

| | |
|--|------------------------------|
| Uses of Funds (1, 2 & 3 above): | \$ 1,071,500,000 |
| Less: Total Available Funds (A. and B. above) | 150,800,000 |
| Amount by which "Possible Uses of Funds" EXCEED "Total Available Funds" | <u><u>\$ 920,700,000</u></u> |

Notes:

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

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

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

Exhibit J
SFY 2021 CWSRF Loan Program Quarterly Interest Rates¹

| State Fiscal Year (SFY) By Quarter (Qtr) | User Rates (Over \$50) | User Rates (\$30 to \$50) | User Rates (Under \$30) |
|--|---------------------------|------------------------------|----------------------------|
| Tier III (MHI ² : under \$43,460) | | | |
| 1 st Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 2 nd Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 3 rd Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 4 th Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| Tier II (MHI: \$43,461 to 54,324) | | | |
| 1 st Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 2 nd Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 3 rd Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 4 th Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| Tier I (MHI: over \$54,325) | | | |
| 1 st Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 2 nd Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 3 rd Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |
| 4 th Qtr SFY 2021 | 2.00% | 2.00% | 2.00% |

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

² Median Household Income reflected in the 2014-2018 ACS 5-year Estimate data.

Exhibit K

Summary of Clean Water Program Fee Sources and Uses

| | | | | |
|--|--|--|--|------------------------------------|
| | | | | <u>Total Fees Collected</u> |
| | | | | \$ 36,000,000 |

| Participant/ Project | Description | Allocated Amount | Expenses as of 6/30/2021 | Participant/ Project Balance |
|-----------------------------|---|-------------------------|---------------------------------|-------------------------------------|
| JNRU Loan | The SRF Loan Program provided a subsidy to the Jennings North Regional Utility (JNRU) for the purpose of restructuring its existing debt through its WW Fee Account in order for it to become a more sustainable entity. | 7,183,743 | (7,183,743) | - |
| Bluffton Loan | The McKinney & Paxson area of Wells County, near Bluffton Indiana is an economically depressed area that suffers from failing septic systems. The City of Bluffton extended sewers to the McKinney & Paxson area utilizing SRF Traditional and Fee funds. | 435,000 | (435,000) | - |
| Allen County Loan | Allen County Sewer District has a long term plan of eliminating failing septic systems throughout the county. These funds shall be to fund the purposes and uses of the Rate Stabilization Account of the sewage works projects in Allen County. | 2,000,000 | (2,000,000) | - |
| LaPorte County Loan | The Rolling Prairie service area is experiencing failing septic / illicit discharge issues. The LaPorte County RSWD secured SRF and Fee funds to extend sewers to the service area. | 100,000 | - | 100,000 |
| New Castle Loan | White Estates Subdivision is under Agreed Order to correct failing septic / illicit discharge issues. The City of New Castle secured SRF and Fee funds to extend sewers to the Subdivision. | 1,280,000 | (1,114,735) | 165,265 |
| Poneto Loan | Town of Poneto WWTP requires improvements to meet ammonia-nitrogen removal requirements. | 669,000 | (669,000) | - |
| Hebron BAN | The Town of Hebron project will upgrade failing equipment at the existing WWTP. The project is utilizing SRF Traditional and Fee funds. | 154,486 | (154,486) | - |
| Fort Branch BAN | The Fort Branch project is completing rehabilitation of the wastewater collection system to address infiltration and inflow issues that have led to a Sewer Ban for the system. The project will utilize SRF Traditional and Fee funds. | 600,000 | (600,000) | - |
| Monroe BAN | The Monroe project will rehabilitate and upgrade the existing West and East lift stations to prevent surcharging and sanitary sewer overflows. The financing is utilizing SRF Traditional and Fee funds. | 1,435,000 | (1,435,000) | - |
| Mount Etna Loan | The Fee Loan provided a subsidy to Mount Etna for the purpose of restructuring its existing debt incurred to address emergency maintenance to the treatment system. | 785,000 | (785,000) | - |

| Participant/ Project | Description | Allocated Amount | Expenses as of 6/30/2021 | Participant/ Project Balance |
|--------------------------------|--|---------------------------------|---------------------------------|-------------------------------------|
| Mount Etna BAN | The Town of Mount Etna will upgrade a failing lift station and extend service to an area with failing septic systems. | 1,000,000 | (546,647) | 453,353 |
| New Haven Loan | The project will implement a lateral rehabilitation repair and replacement project in the community of New Haven. | 2,000,000 | (2,000,000) | - |
| Delaware County RWD BAN | The Fee Loan provided a subsidy to the Delaware County RWD for the purpose of restructuring its existing debt. | 2,300,000 | (2,300,000) | - |
| West Lakes RSD BAN | The project will eliminate the potential for discharge violations and collection system overflows caused by excessive Infiltration/Inflow. | 460,000 | (2,743) | 457,257 |
| Adams County RSD Loan | The project will remove approximately 200 failing septic systems from service in Adams County. | 1,880,000 | (1,880,000) | - |
| Wells County RSD BAN | The project will remove 192 failing onsite septic systems in the areas of Murray and Liberty Center. Treatment will occur in the City of Bluffton. | 6,622,000 | - | 6,622,000 |
| Richmond SD | | 200,000 | - | 200,000 |
| Professional Services | | 10,953 | (10,953) | - |
| Fee Acct Miscellaneous | Costs include fees and services to promote activities consistent with the goals of the Clean Water Act. | 1,100,000 | (1,028,907) | 71,093 |
| TOTAL | | 30,215,182 | (22,146,214) | 8,068,968 |
| Loan Repayments | | | | 3,306,457 |
| Interest Earned | | | | 683,578 |
| | | <u>Unallocated Funds</u> | | <u>Account Balance</u> |
| | | \$ 9,283,828 | | \$ 17,352,797 |

Exhibit L
TRANSFERS

Consistent with its Intended Use Plans and EPA Policy Statement (FRL-6884-7, 65 FR 199, 10/13/00, pg. 60940), the State is reporting on transfers between the CWSRF and the DWSRF. In its Intended Use Plans, the State retained the flexibility to make transfers of grants (and other funds) held in or allocable to such funds to the extent permitted by the Clean Water Act and the Safe Drinking Water Act. As of June 30, 2021, an amount of up to 33 percent of the Safe Drinking Water Act grants for FFYs 1997 through 2021 could be so transferred on a net cumulative basis. Based on the State's award of Safe Drinking Water Act related funds for FFY 1997 through 2021, to date, approximately \$23.6 million has been transferred to the DWSRF from the CWSRF. The following transfers were made from the 1998 Restricted Subaccount of the Wastewater Equity Account held under the Wastewater Indenture, which represents federal grants previously converted to cash and deposited in that account, to the Drinking Water Trustee for deposit in the 1998 Restricted Subaccount of the Drinking Water Equity Account held under the Drinking Water Indenture:

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

Such transfers did not negatively affect the capacity of the CWSRF to finance proposed projects during SFY 2021.



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

COMBINED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

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Independent Auditors' Report

Members of the Indiana Finance Authority
State Revolving Fund Loan Programs

Report on the Financial Statements

We have audited the accompanying combined financial statements of State Revolving Fund Loan Programs, an enterprise fund of the Indiana Finance Authority, which comprise the combined statements of net position as of June 30, 2021 and 2020, and the related combined statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

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

1.

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of State Revolving Fund Loan Programs at June 30, 2021 and 2020, and the changes in their financial position and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Required Supplementary Information

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

Report on Other Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2021, on our consideration of State Revolving Fund Loan Programs' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of State Revolving Fund Loan Programs' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering State Revolving Fund Loan Programs' internal control over financial reporting and compliance.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
September 28, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)
June 30, 2021

As management of the State Revolving Fund Loan Programs (SRF Programs), we offer readers of the SRF Programs' combined financial statements this narrative overview (Management's Discussion and Analysis (MD&A)) of the financial activities of the SRF Programs for the fiscal year ended June 30, 2021. All amounts, unless otherwise indicated, are expressed in thousands of dollars and are approximate.

Financial Highlights: The SRF Programs' total net position increased by \$23.7 million during the current fiscal year from \$1,504.6 million to \$1,528.3 million. Nonoperating revenues consisted of \$31.1 million of capital contributions (grants) from the U.S. Environmental Protection Agency (EPA) during fiscal year 2021. SRF Programs' net position is restricted for water pollution and drinking water projects and related purposes of SRF Programs.

During the current fiscal year, the SRF Programs' liabilities decreased by \$262.5 million. The primary decrease in liabilities is a result of scheduled principal payments and defeased bonds. The SRF Programs defeased \$171.3 million of the partial Series 2012C, 2015A, 2016A, 2016D, 2016E, 2017C, 2018A, and 2019E bonds.

The SRF Programs disbursed \$382.8 million to participants during the current year to fund wastewater and drinking water infrastructure project expenses. Loans receivable can be found in Note 4 to the combined financial statements starting on page 20 of this report.

BASIC COMBINED FINANCIAL STATEMENTS

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

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

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)
June 30, 2021

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

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

The notes to the combined financial statements provide additional information that is essential to a full understanding of the data provided in the combined financial statements. The notes to the combined financial statements can be found on pages 12-36 of this report.

In addition to the basic combined financial statements and accompanying notes, this report also presents other supplementary information on pages 37-39. These combining schedules are not a required part of the basic combined financial statements, but they provide detailed financial statement information for each individual program. The combining schedules are included to provide other useful information for the readers of the basic combined financial statements.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)
June 30, 2021

FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the government enterprise's financial position. In the case of the SRF Programs, net position is \$1,528.3 million at the close of the most recent fiscal year.

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

| | 2021 | June 30, 2020 | 2019 |
|------------------------------------|------------------------|------------------------|------------------------|
| Current assets | \$ 382,926 | \$ 709,361 | \$ 701,215 |
| Noncurrent assets | <u>2,989,361</u> | <u>2,898,741</u> | <u>2,543,212</u> |
| Total Assets | <u>3,372,287</u> | <u>3,608,102</u> | <u>3,244,427</u> |
| Deferred Outflows of Resources | <u>7,968</u> | <u>10,969</u> | <u>15,138</u> |
| Current liabilities | 151,272 | 170,883 | 152,023 |
| Long-term liabilities | <u>1,700,677</u> | <u>1,943,570</u> | <u>1,683,732</u> |
| Total Liabilities | <u>1,851,949</u> | <u>2,114,453</u> | <u>1,835,755</u> |
| Net Position | | | |
| Restricted | <u>1,528,306</u> | <u>1,504,618</u> | <u>1,423,810</u> |
| Total Net Position | <u>\$1,528,306</u> | <u>\$1,504,618</u> | <u>\$1,423,810</u> |

As new and existing projects are undertaken and completed, additional bonds on behalf of the SRF Programs are issued in order to fund the projects.

In fiscal year 2021, participant needs were met with EPA grants, the WIFIA Loan, and funds on hand.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)
June 30, 2021

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

| | Years Ended June 30, | | |
|--|----------------------|--------------------|--------------------|
| | 2021 | 2020 | 2019 |
| Operating Revenues | | | |
| Interest income-investments | \$ 1,388 | \$ 13,495 | \$ 18,906 |
| Interest income-participants | 78,106 | 75,249 | 60,461 |
| Other | <u>1,423</u> | <u>1,754</u> | <u>803</u> |
| Total operating revenues | <u>80,917</u> | <u>90,498</u> | <u>80,170</u> |
| Operating Expenses | | | |
| Interest | 59,888 | 53,056 | 45,262 |
| Bond issuance costs | - | 2,102 | 3,505 |
| Trustee fees | 111 | 93 | 74 |
| Other program and administrative | <u>4,626</u> | <u>6,836</u> | <u>4,490</u> |
| Total operating expenses | <u>64,625</u> | <u>62,087</u> | <u>53,331</u> |
| Operating Income | 16,292 | 28,411 | 26,839 |
| Nonoperating Revenues and (Expenses) | | | |
| Capital contributions (EPA Grants) | 31,124 | 76,420 | 54,619 |
| Loan forgiveness | <u>(23,728)</u> | <u>(24,023)</u> | <u>(15,081)</u> |
| Total nonoperating revenues and (expenses) | <u>7,396</u> | <u>52,397</u> | <u>39,538</u> |
| Increase in Net Position | 23,688 | 80,808 | 66,377 |
| Net Position: | | | |
| Beginning of Year | <u>1,504,618</u> | <u>1,423,810</u> | <u>1,357,433</u> |
| End of Year | <u>\$1,528,306</u> | <u>\$1,504,618</u> | <u>\$1,423,810</u> |

The SRF Programs' net position increased by \$23.7 million during the current fiscal year. Key elements of this increase are as follows:

- The SRF Programs received \$31.1 million in capital contributions (grants) from the EPA for qualified drinking water projects and related program purposes.
- Operating revenues exceeded operating expenses by \$16.3 million.
- The SRF Programs had \$23.7 million in loan forgiveness.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A") (UNAUDITED)
June 30, 2021

DEBT ADMINISTRATION

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

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

| | 2021 | 2020 | 2019 |
|-----------------------|--------------------|--------------------|--------------------|
| Net Bond Indebtedness | <u>\$1,821,398</u> | <u>\$2,078,198</u> | <u>\$1,803,942</u> |

During the current fiscal year, the SRF Programs' debt decreased by \$262.5 million. The primary decrease in liabilities is a result of scheduled principal payments and defeased bonds. The SRF Programs defeased \$171.3 million of the partial Series 2012C, 2015A, 2016A, 2016D, 2016E, 2017C, 2018A, and 2019E bonds.

Additional information on the SRF Programs' long-term debt can be found in Notes 7 and 8 to the combined financial statements on pages 22-35 of this report.

REQUESTS OF INFORMATION

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

COMBINED FINANCIAL STATEMENTS

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
COMBINED STATEMENTS OF NET POSITION
June 30, 2021 and 2020

| | 2021 | 2020 |
|--|-------------------------|-------------------------|
| ASSETS | | |
| Current Assets: | | |
| Cash and equivalents | \$ 206,932,169 | \$ 439,146,794 |
| Interest receivable | 33,825,018 | 35,505,002 |
| Due from EPA | 65,218 | 130,039 |
| Accounts receivable | 3,000 | 2,000 |
| Loans receivable-current, net | 142,100,840 | 234,577,160 |
| Total Current Assets | <u>382,926,245</u> | <u>709,360,995</u> |
| Noncurrent Assets: | | |
| Investments | 38,083,448 | 65,805,170 |
| Loans receivable, net | 2,951,171,607 | 2,832,829,088 |
| Equipment, net | 105,792 | 106,253 |
| Total Noncurrent Assets | <u>2,989,360,847</u> | <u>2,898,740,511</u> |
| Total Assets | <u>3,372,287,092</u> | <u>3,608,101,506</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Loss on debt refunding | 7,967,457 | 10,969,366 |
| Total Deferred Outflows of Resources | <u>7,967,457</u> | <u>10,969,366</u> |
| LIABILITIES | | |
| Current Liabilities: | | |
| Interest payable | 29,959,215 | 35,591,049 |
| Accounts payable | 394,027 | 591,977 |
| Amount due to federal government | 125,263 | - |
| Bonds/Notes payable-current, net | 120,793,100 | 134,700,300 |
| Total Current Liabilities | <u>151,271,605</u> | <u>170,883,326</u> |
| Long-term Liabilities: | | |
| Amount due to federal government | 72,146 | 71,429 |
| Bonds/Notes payable, net | 1,700,605,223 | 1,943,497,895 |
| Total Long-term Liabilities | <u>1,700,677,369</u> | <u>1,943,569,324</u> |
| Total Liabilities | <u>1,851,948,974</u> | <u>2,114,452,650</u> |
| NET POSITION | | |
| Restricted for water pollution and drinking water projects and other related program purposes | <u>\$ 1,528,305,575</u> | <u>\$ 1,504,618,222</u> |

See accompanying notes.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
COMBINED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2021 and 2020

| | 2021 | 2020 |
|---|-------------------------|-------------------------|
| OPERATING REVENUES | | |
| Interest income-investments | \$ 1,388,110 | \$ 13,495,005 |
| Interest income-loan participants | 78,105,854 | 75,248,860 |
| Administration and premium fees | 44,002 | 48,663 |
| Other | <u>1,378,598</u> | <u>1,706,063</u> |
| Total Operating Revenues | <u>80,916,564</u> | <u>90,498,591</u> |
| OPERATING EXPENSES | | |
| Interest | 59,887,506 | 53,055,666 |
| Bond issuance costs | - | 2,102,446 |
| Trustee fees | 111,400 | 92,900 |
| Other program and administrative | <u>4,626,177</u> | <u>6,836,047</u> |
| Total Operating Expenses | <u>64,625,083</u> | <u>62,087,059</u> |
| OPERATING INCOME | 16,291,481 | 28,411,532 |
| NONOPERATING REVENUES AND (EXPENSES) | | |
| Capital contributions (EPA Grants) | 31,124,389 | 76,419,893 |
| Loan forgiveness | <u>(23,728,517)</u> | <u>(24,023,278)</u> |
| Total Nonoperating Revenues and (Expenses) | <u>7,395,872</u> | <u>52,396,615</u> |
| INCREASE IN NET POSITION | 23,687,353 | 80,808,147 |
| NET POSITION | | |
| Beginning of Year | <u>1,504,618,222</u> | <u>1,423,810,075</u> |
| End of Year | <u>\$ 1,528,305,575</u> | <u>\$ 1,504,618,222</u> |

See accompanying notes.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
COMBINED STATEMENTS OF CASH FLOWS
Years Ended June 30, 2021 and 2020

| | 2021 | 2020 |
|---|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash payments for salaries, administrative and other expenses | \$ (3,431,488) | \$ (5,593,805) |
| Administration fee | 44,002 | 48,663 |
| Net Cash Used by Operating Activities | <u>(3,387,486)</u> | <u>(5,545,142)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Maturities of loans to participants | 356,885,578 | 219,900,208 |
| Issuance of loans to participants | (382,751,777) | (707,046,645) |
| Change in investments | 27,721,722 | 39,687,509 |
| Interest received on loans and investments | 81,173,948 | 83,827,511 |
| Net Cash Provided (Used) by Investing Activities | <u>83,029,471</u> | <u>(363,631,417)</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | |
| Proceeds from debt issuance | 110,000,000 | 485,607,143 |
| Principal payments to reduce indebtedness including refunding | (341,668,558) | (175,390,578) |
| Payment of debt issuance costs, net of refunding | - | (2,102,446) |
| Interest paid on debt | (87,648,745) | (80,002,517) |
| Net Cash Provided (Used) by Non-Capital Financing Activities | <u>(319,317,303)</u> | <u>228,111,602</u> |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | | |
| Capital contributions (EPA grants) | 31,189,210 | 76,674,356 |
| Issuance of forgivable loans to participants | (23,728,517) | (24,023,278) |
| Net Cash Provided by Capital Financing Activities | <u>7,460,693</u> | <u>52,651,078</u> |
| NET DECREASE IN CASH AND EQUIVALENTS | (232,214,625) | (88,413,879) |
| CASH AND EQUIVALENTS | | |
| Beginning of Year | <u>439,146,794</u> | <u>527,560,673</u> |
| End of Year | <u>\$ 206,932,169</u> | <u>\$ 439,146,794</u> |
| RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES | | |
| Operating income | \$ 16,291,481 | \$ 28,411,532 |
| Adjustments to reconcile operating income to net cash used by operating activities: | | |
| Depreciation | 461 | 461 |
| Interest income | (79,493,964) | (88,743,865) |
| Interest expense | 59,887,506 | 53,055,666 |
| Bond issuance costs | - | 2,102,446 |
| Changes in assets and liabilities: | | |
| Accounts receivable | (1,000) | 31,500 |
| Accounts payable | (197,950) | (474,311) |
| Amount due to federal government | 125,980 | 71,429 |
| Net Cash Used by Operating Activities | <u>\$ (3,387,486)</u> | <u>\$ (5,545,142)</u> |

See accompanying notes.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

The Authority issued Series 2004B, 2006A, 2009A, 2010A, 2010B, 2010C, 2011A, 2012A, 2012B, 2012C, 2013A, 2014B, 2015A, 2015B, 2016A, 2016B, 2016D, 2016E, 2017B, 2017C, 2018A, 2019A, 2019C, 2019D, 2019E, 2019F Bonds, and WIFIA 17114IN Loan in respect of the SRF Programs. Such liabilities are summarized in Note 7 and are secured by a common trust estate supported in part by participant loan repayments.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Allowance for Doubtful Accounts: Management's estimate of the allowance for doubtful accounts is determined by the forgivable loans closed by the SRF Programs, and by a review of individual loan balances' collectability. The allowance for doubtful accounts was \$68,312,830 and \$46,084,313 at June 30, 2021 and 2020, respectively.

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

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

Subsequent Events: The Authority has evaluated the combined financial statements for subsequent events occurring through September 28, 2021, the date the combined financial statements were available to be issued. See Note 12.

**STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020**

NOTE 2 - CASH AND EQUIVALENTS AND INVESTMENTS

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

A summary of cash and equivalents and investments as of June 30, 2021 and 2020 follows:

| | <u>2021</u> | | |
|------------------------|-----------------------|---------------------------|-----------------------|
| | <u>Wastewater</u> | <u>Drinking Water</u> | <u>Total</u> |
| Money market funds | \$ 108,636,736 | \$ 70,381,002 | \$ 179,017,738 |
| Government obligations | <u>47,132,996</u> | <u>18,864,883</u> | <u>65,997,879</u> |
| | <u>\$ 155,769,732</u> | <u>\$ 89,245,885</u> | <u>\$ 245,015,617</u> |
| | <u>2020</u> | | |
| | <u>Wastewater</u> | <u>Drinking Water</u> | <u>Total</u> |
| Money market funds | \$ 231,108,713 | \$ 98,619,075 | \$ 329,727,788 |
| Government obligations | <u>121,650,130</u> | <u>53,574,046</u> | <u>175,224,176</u> |
| | <u>\$ 352,758,843</u> | <u>\$ 152,193,121</u> | <u>\$ 504,951,964</u> |

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 2 - CASH AND EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investment Type and Interest Rate Risk Disclosure: As of June 30, 2021, the SRF Programs had the following investments and maturities (amounts are in thousands):

| | Wastewater | | | | |
|------------------------|---|-------------------|------------------|-----------------|-------------|
| | Investment Maturities (in years) | | | | |
| Fair Value | < 1 | 1 - < 5 | 5 - < 10 | > 10 | |
| Money market funds | \$108,637 | \$ 108,637 | \$ - | \$ - | \$ - |
| Government obligations | <u>47,133</u> | <u>21,040</u> | <u>17,436</u> | <u>8,657</u> | <u>-</u> |
| | <u>\$155,770</u> | <u>\$ 129,677</u> | <u>\$ 17,436</u> | <u>\$ 8,657</u> | <u>\$ -</u> |

| | Drinking Water | | | | |
|------------------------|---|------------------|------------------|-----------------|-------------|
| | Investment Maturities (in years) | | | | |
| Fair Value | < 1 | 1 - < 5 | 5 - < 10 | > 10 | |
| Money market funds | \$ 70,381 | \$ 70,381 | \$ - | \$ - | \$ - |
| Government obligations | <u>18,865</u> | <u>6,874</u> | <u>10,690</u> | <u>1,301</u> | <u>-</u> |
| | <u>\$ 89,246</u> | <u>\$ 77,255</u> | <u>\$ 10,690</u> | <u>\$ 1,301</u> | <u>\$ -</u> |

Credit Risk Disclosure: The following table (in thousands of dollars) provides information on the credit ratings associated with the SRF Programs' investments in debt securities at June 30, 2021:

| | S&P | Fitch | Moody's | Fair Value |
|-------------------------|----------------|--------------|----------------|-------------------|
| Money market funds | AAAm | N/A | Aaa-mf | \$ 129,081 |
| | AAAm | AAAmmf | Aaa-mf | 49,937 |
| Government obligations | AA+ | AAA | Aaa | <u>65,998</u> |
| Total Rated Investments | | | | <u>\$ 245,016</u> |

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 2 - CASH AND EQUIVALENTS AND INVESTMENTS (CONTINUED)

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

Concentration of Credit Risk: The SRF Programs place no limit on the amount that may be invested in any one issuer. The following table shows investments in issuers that represent 5% or more of the total investments at June 30, 2021:

| | |
|----------------------------------|-----|
| Dreyfus Government | 25% |
| Goldman FS Government | 23% |
| US Treasury | 20% |
| Federal Governmental Agency Debt | 7% |
| Invesco Government | 7% |
| JP Morgan Government | 7% |
| Morgan Stanley Government | 7% |

NOTE 3 - FAIR VALUE MEASUREMENTS

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

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

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NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

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

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

Following is a description of the valuation methodologies used by the SRF Programs for assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at June 30, 2021 and 2020.

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

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

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

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

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NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a summary, within each level of the fair value hierarchy, of the SRF Programs' assets that are measured at fair value on a recurring basis as of June 30, 2021 and 2020:

| 2021 | Level 1 | Level 2 | Total |
|----------------------------|----------------------|----------------------|----------------------|
| Assets | | | |
| Cash Equivalents: | | | |
| Money Market Fund Shares | \$179,017,738 | \$ - | \$179,017,738 |
| Government Obligations | - | 27,914,431 | 27,914,431 |
| Investments: | | | |
| Government Obligations | <u>-</u> | <u>38,083,448</u> | <u>38,083,448</u> |
| Total Assets at Fair Value | <u>\$179,017,738</u> | <u>\$ 65,997,879</u> | <u>\$245,015,617</u> |
| | | | |
| 2020 | Level 1 | Level 2 | Total |
| Assets | | | |
| Cash Equivalents: | | | |
| Money Market Fund Shares | \$329,727,788 | \$ - | \$329,727,788 |
| Government Obligations | - | 109,419,006 | 109,419,006 |
| Investments: | | | |
| Government Obligations | <u>-</u> | <u>65,805,170</u> | <u>65,805,170</u> |
| Total Assets at Fair Value | <u>\$329,727,788</u> | <u>\$175,224,176</u> | <u>\$504,951,964</u> |

At June 30, 2021 and 2020, the SRF Programs had no other assets and no liabilities that are measured at fair value on a recurring basis.

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NOTE 4 - LOANS RECEIVABLE

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

The loans receivable balance at June 30, 2021 and 2020 includes actual advances for construction and related costs on eligible projects net of principal payments from participants as follows:

| | Loans Receivable as of June 30, 2021 | Loans Receivable as of June 30, 2020 | Actual Loan Available Less Principal Repayments as of June 30, 2021 |
|---------------------|---|---|--|
| Wastewater Fund | \$2,535,102,864 | \$2,538,541,357 | \$2,656,828,155 |
| Drinking Water Fund | <u>58,169,583</u> | <u>528,864,891</u> | <u>589,202,635</u> |
| Total All Loans | <u>\$3,093,272,447</u> | <u>\$3,067,406,248</u> | <u>\$3,246,030,790</u> |

These amounts represent projects that have been submitted and approved by the SRF Programs, and the loans have been closed. Loans receivable includes current portions of \$142,100,840 at June 30, 2021 and \$234,577,160 at June 30, 2020.

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NOTE 4 - LOANS RECEIVABLE (CONTINUED)

As of June 30, 2021, the outstanding balances of closed loans exceeding 50 percent of the total loans receivable and representing the Programs' largest borrowers are summarized below:

| Name of Participant | Loans Receivable as of June 30, 2021 | Loans Receivable as of June 30, 2020 | Actual Loan Available Less Principal Repayments as of June 30, 2021 |
|----------------------------|---|---|--|
| Wastewater Fund | | | |
| Citizens Water Authority | \$ 411,367,681 | \$ 348,616,713 | \$ 411,367,681 |
| City of Fort Wayne | 395,490,831 | 312,855,342 | 402,179,592 |
| City of Evansville | 297,730,551 | 329,716,251 | 299,651,000 |
| City of Terre Haute | 176,042,000 | 193,748,000 | 176,042,000 |
| Drinking Water Fund | | | |
| City of Evansville | \$ 74,421,697 | \$ 77,220,000 | \$ 74,421,697 |
| City of Fort Wayne | 47,884,019 | 49,524,508 | 50,196,000 |
| City of East Chicago | 37,925,175 | 40,291,722 | 38,048,000 |
| City of Greensburg | 27,728,123 | 29,214,623 | 27,728,123 |
| City of Crown Point | 20,744,034 | 11,602,324 | 21,703,700 |
| City of Batesville | 18,770,000 | 18,770,000 | 18,770,000 |
| Town of Bargersville | 13,955,000 | 14,620,000 | 13,955,000 |
| City of Bluffton | 13,779,000 | 13,789,000 | 13,779,000 |
| City of Frankfort | 13,630,000 | - | 13,630,000 |
| City of Mishawaka | 12,845,000 | 13,000,000 | 12,845,000 |

NOTE 5 - INTEREST RECEIVABLE

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

Interest receivable at June 30, 2021:

| | Investments | Loans | Total |
|----------------|-------------------|----------------------|----------------------|
| Wastewater | \$ 325,248 | \$ 28,073,796 | \$ 28,399,044 |
| Drinking Water | <u>86,373</u> | <u>5,339,601</u> | <u>5,425,974</u> |
| | <u>\$ 411,621</u> | <u>\$ 33,413,397</u> | <u>\$ 33,825,018</u> |

Interest receivable at June 30, 2020:

| | Investments | Loans | Total |
|----------------|-------------------|----------------------|----------------------|
| Wastewater | \$ 373,881 | \$ 29,623,112 | \$ 29,996,993 |
| Drinking Water | <u>106,390</u> | <u>5,401,619</u> | <u>5,508,009</u> |
| | <u>\$ 480,271</u> | <u>\$ 35,024,731</u> | <u>\$ 35,505,002</u> |

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

Several series of bonds issued by the Indiana Bond Bank, succeeded by the Authority, in connection with the SRF Programs were the subject of legal opinions as of the date of their issuance to the effect that interest on such bonds was excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"). Under the Code, such exclusion is conditioned on continuing compliance with certain tax covenants including payment of certain earnings in excess of the bond yield to the U.S. Treasury as rebate or yield reduction payments. Any estimated liabilities, which were calculated as of January 31, 2021, are recorded in both the general short-term debt group for the current portion and the general long-term debt account group for the long-term portion. With respect to such bonds, as of June 30, 2021, the SRF Programs had the following liabilities:

| | Yield Reduction | Due Date |
|---------------------|----------------------------|------------------|
| 2012C | | |
| Wastewater Fund | \$113,628 | January 31, 2022 |
| Drinking Water Fund | <u>11,635</u> | January 31, 2022 |
| | <u>\$125,263</u> | |
| 2019C | | |
| Wastewater Fund | \$ 21,194 | January 31, 2024 |
| Drinking Water Fund | <u>13,360</u> | January 31, 2024 |
| | <u>\$ 34,554</u> | |
| 2019F | | |
| Wastewater Fund | \$ 32,067 | January 31, 2024 |
| Drinking Water Fund | <u>5,525</u> | January 31, 2024 |
| | <u>\$ 37,592</u> | |

NOTE 7 - BONDS AND NOTES PAYABLE

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

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

Bonds and Notes payable at June 30, 2021 and 2020 for bonds issued on behalf of the SRF Programs are summarized as follows:

| | 2021 | 2020 |
|--|---------------|---------------|
| <u>Wastewater Fund:</u> | | |
| Series 2019F Bonds issued November 21, 2019 for the aggregate amount of \$53,445,000, to refund the callable portion of Series of 2010A and 2010C Bonds maturing from February 1, 2021 to February 1, 2022 at an interest rate of 5.00%. Of this, \$45,590,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. | \$ 16,115,000 | \$ 45,590,000 |
| Series 2019E Bonds issued October 10, 2019 for the aggregate amount of \$215,000,000, maturing from February 1, 2021 to February 1, 2047 at an interest rate of 5.00%. Of this, \$135,820,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$11,000,000 was cash defeased. | 124,820,000 | 135,820,000 |
| WIFIA 17114IN Loan dated September 6, 2019 for the aggregate amount up to \$436,000,000 maturing from January 15, 2021 to January 15, 2054 at an interest rate of 1.78%. A \$164,000,000 disbursement of funds occurred on October 9, 2019 with the entire amount allocated to the WSRF Program. A \$110,000,000 disbursement occurred on May 19, 2021 with the entire amount allocate to the WSRF Program. | 264,868,900 | 164,000,000 |
| Series 2019C Bonds issued June 4, 2019 for the aggregate amount of \$81,275,000, maturing from February 1, 2023 to February 1, 2036 at an interest rate of 5.00%. Of this, \$49,850,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. | 49,850,000 | 49,850,000 |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|---|----------------|----------------|
| Series 2019A Bonds issued January 24, 2019 for the aggregate amount of \$266,740,000, maturing from February 1, 2026 to February 1, 2039 at an interest rate of 5.00%. The whole amount was allocated to the WSRF Program. | \$ 266,740,000 | \$ 266,740,000 |
| Series 2018A Bonds issued October 24, 2018 for the aggregate amount of \$153,195,000, maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$110,000,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$10,000,000 was cash defeased. | 100,000,000 | 110,000,000 |
| Series 2017C Refunding Bonds issued November 1, 2017 for the aggregate amount of \$124,495,000 to refund the callable portion of Series 2010B, 2011A, and 2012B Bonds, maturing from February 1, 2018 to February 1, 2031 at an interest rate of 5.00%. Of this, \$82,415,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$1,615,000 was cash defeased. | 76,820,000 | 81,765,000 |
| Series 2017B Bonds issued November 1, 2017 for the aggregate amount of \$21,045,028, maturing from February 1, 2020 to February 1, 2028 at an interest rate of 5.00%. Of this, \$16,835,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. | 13,705,000 | 15,310,000 |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|---|---------------|---------------|
| <p>Series 2016E Refunding Bonds issued October 12, 2016 for the aggregate amount of \$85,930,000 to refund the callable portion of Series 2010B and 2012B Bonds, maturing from February 1, 2022 to February 1, 2030 at interest rates ranging from 3.00% to 5.00%. Of this, \$78,400,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$11,245,000 was cash defeased.</p> | \$ 67,155,000 | \$ 78,400,000 |
| <p>Series 2016D Refunding Bonds issued October 12, 2016 for the aggregate amount of \$164,445,000, maturing from February 1, 2020 to August 1, 2046 at interest rates ranging from 3.00 % to 5.00%. The whole amount was allocated to the WSRF Program. In May 2021, \$86,070,000 was cash defeased.</p> | 71,845,000 | 161,440,000 |
| <p>Series 2016B Refunding Bonds issued April 7, 2016 for the aggregate amount of \$53,115,000 to refund the callable portion of Series 2006B and 2009A Bonds, maturing from February 1, 2020 to February 1, 2028 at an interest rate of 5.00%. Of this, \$48,240,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 34,570,000 | 41,660,000 |
| <p>Series 2016A Bonds issued April 7, 2016 for the aggregate amount of \$62,675,000, maturing from February 1, 2017 to February 1, 2036 at interest rates ranging from 4.00% to 5.00%. Of this, \$56,715,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$11,855,000 was cash defeased.</p> | 39,350,000 | 52,455,000 |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|---|---------------|----------------|
| <p>Series 2015B Refunding Bonds issued March 19, 2015 for the aggregate amount of \$139,715,000 to refund the callable portion of Series 2007A, 2007B, 2009A, and 2012B Bonds, maturing from February 1, 2016 to February 1, 2025 at interest rates ranging from 2.00% to 5.00%. Of this, \$118,531,184 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | \$ 93,572,637 | \$ 101,006,522 |
| <p>Series 2015A Bonds issued February 11, 2015 for the aggregate amount of \$100,000,000, maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$90,740,692 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$24,422,857 was cash defeased.</p> | 58,455,154 | 86,906,898 |
| <p>Series 2014B Refunding Bonds issued April 24, 2014 for the aggregate amount of \$68,350,000 to refund the callable portion of Series 2006B, 2007A, and 2007B Bonds, maturing from February 1, 2015 to February 1, 2022 at interest rates ranging from 2.00% to 5.00%. Of this, \$53,790,822 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 7,871,734 | 20,500,671 |
| <p>Series 2013A Refunding Bonds issued February 26, 2013 for the aggregate amount of \$45,090,000 to refund the callable portion of Series 2004B, 2004C, 2005A, 2006A, and 2006B Bonds, maturing from February 1, 2019 to February 1, 2024 at interest rates ranging from 3.00% to 5.00%. Of this, \$32,210,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 7,380,000 | 20,160,000 |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|---|------------------------|------------------------|
| <p>Series 2012C Bonds issued December 13, 2012 for the aggregate amount of \$109,595,000, maturing from February 1, 2020 to February 1, 2032 at interest rates ranging from 3.00% to 5.00%. Of this, \$99,415,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In April 2019, \$70,875,000 was cash defeased. In May 2021, \$5,125,000 was cash defeased.</p> | \$ 18,145,000 | \$ 26,185,000 |
| <p>Series 2012B Bonds issued August 30, 2012 for the aggregate amount of \$139,255,000, maturing from February 1, 2013 to February 1, 2031 at interest rates ranging from 1.50% to 5.00%. Of this, \$122,110,000 was allocated to the WSRF Program based upon the percentage of original bond proceeds allocated to each program. In March 2015, \$23,595,000 was refunded. In October 2016, \$43,910,000 was refunded. In November 2017, \$43,035,000 was refunded.</p> | 6,235,000 | 6,655,000 |
| <p>Series 2012A Refunding Bonds issued February 8, 2012 for the aggregate amount of \$137,945,000 to refund the callable portion of Series 2001A, 2004B, and 2004C Bonds, maturing from February 1, 2013 to February 1, 2026 at interest rates ranging from 2.00% to 5.00%. Of this, \$126,070,000 was allocated to the WSRF Program based upon the percentage of the original bond proceeds allocated to each program. In April 2019, \$29,565,000 was cash defeased.</p> | <u>58,525,000</u> | <u>75,845,000</u> |
| Subtotal-Wastewater Fund | <u>\$1,376,023,425</u> | <u>\$1,540,289,091</u> |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|--|------------|--------------|
| <u>Drinking Water Fund:</u> | | |
| Series 2019F Bonds issued November 21, 2019 for the aggregate amount of \$53,445,000 to refund the callable portion of Series 2010A and 2010C Bonds maturing from February 1, 2021 to February 1, 2022 at an interest rate of 5.00%. Of this, \$7,855,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. | \$ - | \$ 7,855,000 |
| Series 2019E Bonds issued October 10, 2019 for the aggregate amount of \$215,000,000 maturing from February 1, 2021 to February 1, 2047 at an interest rate of 5.00%. Of this, \$79,180,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. | 78,180,000 | 79,180,000 |
| Series 2019D Bonds issued June 4, 2019 for the aggregate amount \$18,570,000 maturing from February 1, 2023 to February 1, 2036 at an interest rate of 5.00%. The whole amount was allocated to the DWSRF Program. | 18,570,000 | 18,570,000 |
| Series 2019C Bonds issued June 4, 2019 for the aggregate amount of \$81,275,000 maturing from February 1, 2023 to February 1, 2036 at an interest rate of 5.00%. Of this, \$31,425,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. | 31,425,000 | 31,425,000 |
| Series 2018A Bonds issued October 24, 2018 for the aggregate amount of \$153,195,000 maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$43,195,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$2,305,000 was cash defeased. | 40,305,000 | 42,910,000 |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|---|---------------|---------------|
| <p>Series 2017C Refunding Bonds issued November 1, 2017 for the aggregate amount of \$124,495,000 to refund the callable portion of Series 2010B, 2011A, and 2012B Bonds, maturing from February 1, 2018 to February 1, 2031 at an interest rate of 5.00%. Of this, \$42,080,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$5,180,000 was cash defeased.</p> | \$ 35,805,000 | \$ 41,700,000 |
| <p>Series 2017B Bonds issued November 1, 2017 for the aggregate amount of \$21,045,000, maturing from February 1, 2020 to February 1, 2028 at an interest at interest rate of 5.00%. Of this, \$4,210,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 3,430,000 | 3,830,000 |
| <p>Series 2016E Refunding Bonds issued October 12, 2016 for the aggregate amount of \$85,930,000 to refund the callable portion of the Series 2010B Bonds, maturing from February 1, 2022 to February 1, 2030 at interest rates ranging from 3.00% to 5.00%. Of this, \$7,530,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 7,530,000 | 7,530,000 |
| <p>Series 2016B Refunding Bonds issued April 7, 2016 for the aggregate amount of \$53,115,000 to refund the callable portion of Series 2006B and 2009A Bonds, maturing from February 1, 2020 to February 1, 2028 at an interest rate of 5.00%. Of this, \$4,875,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 2,775,000 | 3,910,000 |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|---|--------------|--------------|
| <p>Series 2016A Bonds issued April 7, 2016 for the aggregate amount of \$62,675,000, maturing from February 1, 2017 to February 1, 2036 at interest rates ranging from 4.00% to 5.00%. Of this, \$5,960,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | \$ 3,360,000 | \$ 4,060,000 |
| <p>Series 2015B Refunding Bonds issued March 19, 2015 for the aggregate amount of \$139,715,000 to refund the callable portion of Series 2007A, 2007B, 2009A, and 2012B Bonds, maturing from February 1, 2016 to February 1, 2025 at interest rates ranging from 2.00% to 5.00%. Of this, \$21,183,816 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 16,577,363 | 18,553,478 |
| <p>Series 2015A Bonds issued February 11, 2015 for the aggregate amount of \$100,000,000, maturing from February 1, 2020 to February 1, 2035 at an interest rate of 5.00%. Of this, \$9,259,308 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. In May 2021, \$2,492,143 was cash defeased.</p> | 5,964,846 | 8,868,102 |
| <p>Series 2014B Refunding Bonds issued April 24, 2014 for the aggregate amount of \$68,350,000 to refund the callable portion of Series 2006B, 2007A, and 2007B Bonds, maturing from February 1, 2015 to February 1, 2022 at interest rates ranging from 2.00% to 5.00%. Of this, \$14,559,178 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | 703,266 | 4,079,329 |

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NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|--|--------------|--------------|
| <p>Series 2013A Refunding Bonds issued February 26, 2013 for the aggregate amount of \$45,090,000 to refund the callable portion of Series 2005A, 2006A, and 2006B Bonds, maturing from February 1, 2019 to February 1, 2024 at interest rates ranging from 3.00% to 5.00%. Of this, \$12,880,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program.</p> | \$ 6,415,000 | \$ 8,965,000 |
| <p>Series 2012C Bonds issued December 13, 2012 for the aggregate amount of \$109,595,000, maturing from February 1, 2021 to February 1, 2032 at interest rates ranging from 4.00% to 5.00%. Of this, \$10,180,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In April 2019, \$6,705,000 was cash defeased.</p> | 2,775,000 | 3,475,000 |
| <p>Series 2012B Bonds issued August 30, 2012 for the aggregate amount of \$139,255,000, maturing from February 1, 2013 to February 1, 2031 at interest rates ranging from 1.50% to 5.00%. Of this, \$17,145,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In March 2015, \$6,085,000 was refunded. In November 2017, \$5,695,000 was refunded.</p> | - | 75,000 |
| <p>Series 2012A Refunding Bonds issued February 8, 2012 for the aggregate amount of \$137,945,000 to refund the callable portion of Series 2001A, 2004B, and 2004C Bonds, maturing from February 1, 2013 to February 1, 2026 at interest rates ranging from 2.00% to 5.00%. Of this, \$11,875,000 was allocated to the DWSRF Program based upon the percentage of the original bond proceeds allocated to each program. In April 2019, \$150,000 was cash defeased.</p> | 5,220,000 | 6,685,000 |

**STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020**

NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

| | 2021 | 2020 |
|---|-------------------------------|-------------------------------|
| Series 2011A Bonds issued October 26, 2011 for the aggregate amount of \$191,385,000, maturing from February 1, 2012 to February 1, 2030 at interest rates ranging from 1.00% to 5.00%. Of this, \$50,870,000 was allocated to the DWSRF Program based upon the percentage of original bond proceeds allocated to each program. In November 2017, \$37,295,000 was refunded. | <u>\$ 2,240,000</u> | <u>\$ 4,135,000</u> |
| Subtotal-Drinking Water Fund | <u>261,275,475</u> | <u>295,805,909</u> |
| Total Principal | 1,637,298,900 | 1,836,095,000 |
| Net premium on bonds payable | <u>184,099,423</u> | <u>242,103,195</u> |
| Total Bonds Payable | 1,821,398,323 | 2,078,198,195 |
| Less: Current portion | <u>120,793,100</u> | <u>134,700,300</u> |
| Long-term Portion | <u><u>\$1,700,605,223</u></u> | <u><u>\$1,943,497,895</u></u> |

In May 2021, the Authority legally cash defeased SRF Bonds from Series 2012C, 2015A, 2016A, 2016D, 2016E, 2017C, 2018A, and 2019E to their respective call dates. The Authority deposited \$206,710,599 with the trustee to fund the escrow to defease a par amount of \$171,310,000 plus additional funds needed until the call dates. This transaction produced a present value savings of \$14,223,493 or 8.3% of the refunded bonds.

In November 2019, the Authority issued \$53,445,000 Series 2019F Refunding Bonds. The bonds were sold at a premium and refunded \$54,825,000 par amount of prior debt. The refunding debt was used to refund callable portion of Series 2010A and 2010C Bonds. The cash flow savings was \$2,300,799 with a present value savings of \$2,308,502.

The bonds referred to above are considered to have been defeased and have been removed from the combined financial statements and in total the defeased balances outstanding are \$358,395,000 and \$279,725,000 as of June 30, 2021 and 2020, respectively.

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020

NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

The aggregate debt service requirements and premiums for all bonds and notes allocable to the SRF Programs as of June 30, 2021, are as follows:

| | <u>Principal</u> | | | <u>Interest</u> | | | <u>Debt Service Total</u> |
|-----------|------------------------|----------------------------|------------------------|------------------------|----------------------------|----------------------|---------------------------|
| | <u>Wastewater Fund</u> | <u>Drinking Water Fund</u> | <u>Total</u> | <u>Wastewater Fund</u> | <u>Drinking Water Fund</u> | <u>Total</u> | |
| 2022 | \$ 97,476,875 | \$ 23,316,225 | \$ 120,793,100 | \$ 59,264,070 | \$ 12,925,024 | \$ 72,189,094 | \$ 192,982,194 |
| 2023 | 91,897,655 | 22,805,245 | 114,702,900 | 55,387,496 | 11,825,413 | 67,212,909 | 181,915,809 |
| 2024 | 94,707,899 | 21,107,801 | 115,815,700 | 51,057,677 | 10,718,200 | 61,775,877 | 177,591,577 |
| 2025 | 89,191,247 | 19,071,553 | 108,262,800 | 46,619,862 | 9,679,910 | 56,299,772 | 164,562,572 |
| 2026 | 104,135,860 | 19,279,540 | 123,415,400 | 42,367,355 | 8,745,133 | 51,112,488 | 174,527,888 |
| 2027-2031 | 366,517,771 | 81,100,929 | 447,618,700 | 144,793,363 | 29,858,092 | 174,651,455 | 622,270,155 |
| 2032-2036 | 282,038,518 | 63,719,182 | 345,757,700 | 75,159,588 | 11,486,622 | 86,646,210 | 432,403,910 |
| 2037-2041 | 166,562,000 | 10,875,000 | 177,437,000 | 21,378,435 | 1,293,000 | 22,671,435 | 200,108,435 |
| 2042-2046 | 43,984,600 | - | 43,984,600 | 5,798,387 | - | 5,798,387 | 49,782,987 |
| 2047-2051 | 32,200,300 | - | 32,200,300 | 2,111,390 | - | 2,111,390 | 34,311,690 |
| 2052-2054 | 7,310,700 | - | 7,310,700 | 234,051 | - | 234,051 | 7,544,751 |
| | <u>1,376,023,425</u> | <u>261,275,475</u> | <u>1,637,298,900</u> | <u>504,171,674</u> | <u>96,531,394</u> | <u>600,703,068</u> | <u>2,238,001,968</u> |
| Premium | <u>145,556,608</u> | <u>38,542,815</u> | <u>184,099,423</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>184,099,423</u> |
| Total | <u>\$1,521,580,033</u> | <u>\$299,818,290</u> | <u>\$1,821,398,323</u> | <u>\$504,171,674</u> | <u>\$ 96,531,394</u> | <u>\$600,703,068</u> | <u>\$2,422,101,391</u> |

**STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020**

NOTE 7 - BONDS AND NOTES PAYABLE (CONTINUED)

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

| | Interest Rates Ranges | Maturity Range | Annual Principal Payment Range | Principal |
|-------------------------|----------------------------------|---------------------------|---|------------------------|
| Wastewater Fund | 1.78% - 5.00% | 2022-2054 | \$ 1,462,400 - \$104,135,860 | \$1,376,023,425 |
| Drinking Water Fund | 3.00% - 5.00% | 2022-2040 | 2,315,000 - 23,316,225 | <u>261,275,475</u> |
| Combined Programs | 1.78% - 5.00% | 2022-2054 | 1,462,400 - 123,415,400 | 1,637,298,900 |
| Less: Current Portion | | | | <u>(120,793,100)</u> |
| Total Long-term Portion | | | | <u>\$1,516,505,800</u> |

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

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

**STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020**

NOTE 8 - LONG-TERM LIABILITIES

Long-term liability activity for the years ended June 30, 2021 and 2020 was as follows:

| | Balance Beginning of Year | Increases | Decreases | Balance End of Year | Amounts Due Within One Year | Amounts Due Thereafter |
|----------------------------------|--|----------------------|------------------------|--------------------------------|--|---------------------------------------|
| June 30, 2021: | | | | | | |
| Amount due to federal government | \$ 71,429 | \$ 125,980 | \$ - | \$ 197,409 | \$ 125,263 | \$ 72,146 |
| Bonds/Notes payable | 1,836,095,000 | 110,000,000 | (308,796,100) | 1,637,298,900 | 120,793,100 | 1,516,505,800 |
| Net premium on bonds payable | <u>242,103,195</u> | <u>-</u> | <u>(58,003,772)</u> | <u>184,099,423</u> | <u>-</u> | <u>184,099,423</u> |
| | <u>\$2,078,269,624</u> | <u>\$110,125,980</u> | <u>\$(366,799,872)</u> | <u>\$1,821,595,732</u> | <u>\$120,918,363</u> | <u>\$1,700,677,369</u> |
| June 30, 2020: | | | | | | |
| Amount due to federal government | \$ - | \$ 71,429 | \$ - | \$ 71,429 | \$ - | \$ 71,429 |
| Bonds/Notes payable | 1,578,685,000 | 432,445,000 | (175,035,000) | 1,836,095,000 | 134,700,300 | 1,701,394,700 |
| Net premium on bonds payable | <u>225,256,542</u> | <u>53,162,143</u> | <u>(36,315,490)</u> | <u>242,103,195</u> | <u>-</u> | <u>242,103,195</u> |
| | <u>\$1,803,941,542</u> | <u>\$485,678,572</u> | <u>\$(211,350,490)</u> | <u>\$2,078,269,624</u> | <u>\$134,700,300</u> | <u>\$1,943,569,324</u> |

**STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
NOTES TO COMBINED FINANCIAL STATEMENTS
Years Ended June 30, 2021 and 2020**

NOTE 9 - FUND TRANSFERS

Consistent with its Intended Use Plans and EPA's related Policy Statement, the Authority is required to report on transfers between the DWSRF and the WSRF in its combined financial statements. In its Intended Use Plans, the SRF Programs retained the flexibility to make transfers of grants (and other funds) held in or allocable to such funds to the extent permitted by the Clean Water Act and the Safe Drinking Water Act. As of June 30, 2021, an amount up to 33% of the Safe Drinking Water Act grants for Federal Fiscal Years (FFY) 1997 through 2021 could be so transferred on a net cumulative basis between the two SRF Programs funds.

Based on the State's award of Safe Drinking Water Act related funds for FFY 1997 through 2021, to date, the following transfers were made:

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

NOTE 10 - PROGRAM REVENUES

For the years ended June 30, 2021 and 2020, program revenues consisted of the following:

| | 2021 | 2020 |
|------------------------------------|----------------------|----------------------|
| Interest and other income | \$ 80,916,564 | \$ 90,498,591 |
| Capital contributions (EPA Grants) | <u>31,124,389</u> | <u>76,419,893</u> |
| | <u>\$112,040,953</u> | <u>\$166,918,484</u> |

NOTE 11 - UNCERTAINTY RELATED TO CORONAVIRUS

On January 30, 2020, the World Health Organization declared a global health emergency over the novel coronavirus known as COVID-19. The SRF Programs haven't seen a significant impact to date. The ultimate impact of the outbreak to the SRF Programs' financial results and operations cannot be determined at this time; however, management is taking actions to mitigate the impact of the outbreak to the SRF Programs.

NOTE 12 - SUBSEQUENT EVENT

On July 7, 2021, the Authority issued 2021A SRF Program Bonds for the aggregate amount of \$81,595,000, maturing from February 1, 2022 to February 1, 2032 at interest rates of 5%. Of this \$70,345,000 was allocated to the WSRF Program, and \$11,250,000 was allocated to the DWSRF Program, based upon the percentage of original bond proceeds allocated to each program.

OTHER SUPPLEMENTARY INFORMATION

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
COMBINING SCHEDULES - STATEMENTS OF NET POSITION INFORMATION
June 30, 2021 and 2020

| | Wastewater Program | | Drinking Water Program | | Combined | |
|---|-------------------------|-------------------------|------------------------|-----------------------|-------------------------|-------------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Cash and equivalents | \$ 129,677,432 | \$ 305,731,995 | \$ 77,254,737 | \$ 133,414,799 | \$ 206,932,169 | \$ 439,146,794 |
| Interest receivable-investments | 325,248 | 373,881 | 86,373 | 106,390 | 411,621 | 480,271 |
| Interest receivable-loans | 28,073,796 | 29,623,112 | 5,339,601 | 5,401,619 | 33,413,397 | 35,024,731 |
| Due from EPA | - | - | 65,218 | 130,039 | 65,218 | 130,039 |
| Accounts receivable | 3,000 | - | - | 2,000 | 3,000 | 2,000 |
| Loans receivable - current, net | 109,928,719 | 204,386,689 | 32,172,121 | 30,190,471 | 142,100,840 | 234,577,160 |
| Total Current Assets | <u>268,008,195</u> | <u>540,115,677</u> | <u>114,918,050</u> | <u>169,245,318</u> | <u>382,926,245</u> | <u>709,360,995</u> |
| Noncurrent Assets: | | | | | | |
| Investments | 26,092,300 | 47,026,848 | 11,991,148 | 18,778,322 | 38,083,448 | 65,805,170 |
| Loans receivable, net | 2,425,174,145 | 2,334,154,668 | 525,997,462 | 498,674,420 | 2,951,171,607 | 2,832,829,088 |
| Equipment, net | 105,792 | 106,253 | - | - | 105,792 | 106,253 |
| Total Noncurrent Assets | <u>2,451,372,237</u> | <u>2,381,287,769</u> | <u>537,988,610</u> | <u>517,452,742</u> | <u>2,989,360,847</u> | <u>2,898,740,511</u> |
| Total Assets | <u>2,719,380,432</u> | <u>2,921,403,446</u> | <u>652,906,660</u> | <u>686,698,060</u> | <u>3,372,287,092</u> | <u>3,608,101,506</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | |
| Loss on debt refunding | 6,692,782 | 9,181,775 | 1,274,675 | 1,787,591 | 7,967,457 | 10,969,366 |
| Total Deferred Outflows of Resources | <u>6,692,782</u> | <u>9,181,775</u> | <u>1,274,675</u> | <u>1,787,591</u> | <u>7,967,457</u> | <u>10,969,366</u> |
| LIABILITIES | | | | | | |
| Current Liabilities: | | | | | | |
| Interest payable | 24,573,786 | 29,522,738 | 5,385,429 | 6,068,311 | 29,959,215 | 35,591,049 |
| Accounts payable | 325,640 | 403,936 | 68,387 | 188,041 | 394,027 | 591,977 |
| Amount due to federal government | 113,628 | - | 11,635 | - | 125,263 | - |
| Bonds/Notes payable-current, net | 97,476,875 | 110,147,010 | 23,316,225 | 24,553,290 | 120,793,100 | 134,700,300 |
| Total Current Liabilities | <u>122,489,929</u> | <u>140,073,684</u> | <u>28,781,676</u> | <u>30,809,642</u> | <u>151,271,605</u> | <u>170,883,326</u> |
| Long-term Liabilities: | | | | | | |
| Amount due to federal government | 53,261 | 52,385 | 18,885 | 19,044 | 72,146 | 71,429 |
| Bonds/Notes payable, net | 1,424,103,158 | 1,625,797,512 | 276,502,065 | 317,700,383 | 1,700,605,223 | 1,943,497,895 |
| Total Long-term Liabilities | <u>1,424,156,419</u> | <u>1,625,849,897</u> | <u>276,520,950</u> | <u>317,719,427</u> | <u>1,700,677,369</u> | <u>1,943,569,324</u> |
| Total Liabilities | <u>1,546,646,348</u> | <u>1,765,923,581</u> | <u>305,302,626</u> | <u>348,529,069</u> | <u>1,851,948,974</u> | <u>2,114,452,650</u> |
| NET POSITION | | | | | | |
| Restricted for water pollution and drinking water projects and other related program purposes | <u>\$ 1,179,426,866</u> | <u>\$ 1,164,661,640</u> | <u>\$ 348,878,709</u> | <u>\$ 339,956,582</u> | <u>\$ 1,528,305,575</u> | <u>\$ 1,504,618,222</u> |

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
COMBINING SCHEDULES - STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INFORMATION
Years Ended June 30, 2021 and 2020

| | Wastewater Program | | Drinking Water Program | | Combined | |
|---|-------------------------|-------------------------|------------------------|-----------------------|-------------------------|-------------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| OPERATING REVENUE | | | | | | |
| Interest income-investments | \$ 1,036,720 | \$ 10,359,090 | \$ 351,390 | \$ 3,135,915 | \$ 1,388,110 | \$ 13,495,005 |
| Interest income-loan participants | 64,740,048 | 61,585,596 | 13,365,806 | 13,663,264 | 78,105,854 | 75,248,860 |
| Administration and premium fees | 27,002 | 34,663 | 17,000 | 14,000 | 44,002 | 48,663 |
| Other | - | - | 1,378,598 | 1,706,063 | 1,378,598 | 1,706,063 |
| Total Operating Revenue | <u>65,803,770</u> | <u>71,979,349</u> | <u>15,112,794</u> | <u>18,519,242</u> | <u>80,916,564</u> | <u>90,498,591</u> |
| OPERATING EXPENSES | | | | | | |
| Interest | 51,036,477 | 45,058,838 | 8,851,029 | 7,996,828 | 59,887,506 | 53,055,666 |
| Bond issuance costs | - | 1,402,708 | - | 699,738 | - | 2,102,446 |
| Trustee fees | 111,400 | 92,900 | - | - | 111,400 | 92,900 |
| Other program and administrative | 2,746,477 | 3,399,033 | 1,879,700 | 3,437,014 | 4,626,177 | 6,836,047 |
| Total Operating Expenses | <u>53,894,354</u> | <u>49,953,479</u> | <u>10,730,729</u> | <u>12,133,580</u> | <u>64,625,083</u> | <u>62,087,059</u> |
| OPERATING INCOME | 11,909,416 | 22,025,870 | 4,382,065 | 6,385,662 | 16,291,481 | 28,411,532 |
| NONOPERATING REVENUES AND (EXPENSES) | | | | | | |
| Capital contributions (EPA Grants) | 19,333,047 | 57,256,953 | 11,791,342 | 19,162,940 | 31,124,389 | 76,419,893 |
| Loan forgiveness | <u>(16,477,237)</u> | <u>(19,184,117)</u> | <u>(7,251,280)</u> | <u>(4,839,161)</u> | <u>(23,728,517)</u> | <u>(24,023,278)</u> |
| Total Nonoperating Revenues and (Expenses) | <u>2,855,810</u> | <u>38,072,836</u> | <u>4,540,062</u> | <u>14,323,779</u> | <u>7,395,872</u> | <u>52,396,615</u> |
| INCREASE IN NET POSITION | 14,765,226 | 60,098,706 | 8,922,127 | 20,709,441 | 23,687,353 | 80,808,147 |
| NET POSITION | | | | | | |
| Beginning of Year | <u>1,164,661,640</u> | <u>1,104,562,934</u> | <u>339,956,582</u> | <u>319,247,141</u> | <u>1,504,618,222</u> | <u>1,423,810,075</u> |
| End of Year | <u>\$ 1,179,426,866</u> | <u>\$ 1,164,661,640</u> | <u>\$ 348,878,709</u> | <u>\$ 339,956,582</u> | <u>\$ 1,528,305,575</u> | <u>\$ 1,504,618,222</u> |

STATE REVOLVING FUND LOAN PROGRAMS
(ENTERPRISE FUND OF THE INDIANA FINANCE AUTHORITY)
COMBINING SCHEDULES - STATEMENTS OF CASH FLOWS INFORMATION
Years Ended June 30, 2021 and 2020

| | Wastewater Program | | Drinking Water Program | | Combined | |
|---|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| Cash payments for salaries, administrative and other expenses | \$ (2,824,208) | \$ (3,501,034) | \$ (607,280) | \$ (2,092,771) | \$ (3,431,488) | \$ (5,593,805) |
| Administration fee | 27,002 | 34,663 | 17,000 | 14,000 | 44,002 | 48,663 |
| Net Cash Used by Operating Activities | <u>(2,797,206)</u> | <u>(3,466,371)</u> | <u>(590,280)</u> | <u>(2,078,771)</u> | <u>(3,387,486)</u> | <u>(5,545,142)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| Maturities of loans to participants | 324,572,818 | 172,469,680 | 32,312,760 | 47,430,528 | 356,885,578 | 219,900,208 |
| Issuance of loans to participants | (321,134,325) | (595,619,725) | (61,617,452) | (111,426,920) | (382,751,777) | (707,046,645) |
| Change in investments | 20,934,548 | 30,868,723 | 6,787,174 | 8,818,786 | 27,721,722 | 39,687,509 |
| Interest received on loans and investments | 67,374,717 | 67,388,143 | 13,799,231 | 16,439,368 | 81,173,948 | 83,827,511 |
| Net Cash Provided (Used) by Investing Activities | <u>91,747,758</u> | <u>(324,893,179)</u> | <u>(8,718,287)</u> | <u>(38,738,238)</u> | <u>83,029,471</u> | <u>(363,631,417)</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES | | | | | | |
| Proceeds from debt issuance | 110,000,000 | 379,483,571 | - | 106,123,572 | 110,000,000 | 485,607,143 |
| Principal payments to reduce indebtedness, including refunding | (304,935,982) | (144,858,664) | (36,732,576) | (30,531,914) | (341,668,558) | (175,390,578) |
| Payment of debt issuance costs, net of refunding | - | (1,402,708) | - | (699,738) | - | (2,102,446) |
| Interest paid on debt | (72,924,943) | (67,944,592) | (14,723,802) | (12,057,925) | (87,648,745) | (80,002,517) |
| Net Cash Provided (Used) by Non-Capital Financing Activities | <u>(267,860,925)</u> | <u>165,277,607</u> | <u>(51,456,378)</u> | <u>62,833,995</u> | <u>(319,317,303)</u> | <u>228,111,602</u> |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | | | | | | |
| Capital Contributions (EPA Grants) | 19,333,047 | 57,256,953 | 11,856,163 | 19,417,403 | 31,189,210 | 76,674,356 |
| Issuance of forgivable loans to participants | (16,477,237) | (19,184,117) | (7,251,280) | (4,839,161) | (23,728,517) | (24,023,278) |
| Net Cash Provided by Capital Financing Activities | <u>2,855,810</u> | <u>38,072,836</u> | <u>4,604,883</u> | <u>14,578,242</u> | <u>7,460,693</u> | <u>52,651,078</u> |
| NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS | (176,054,563) | (125,009,107) | (56,160,062) | 36,595,228 | (232,214,625) | (88,413,879) |
| CASH AND EQUIVALENTS | | | | | | |
| Beginning of Year | 305,731,995 | 430,741,102 | 133,414,799 | 96,819,571 | 439,146,794 | 527,560,673 |
| End of Year | <u>\$ 129,677,432</u> | <u>\$ 305,731,995</u> | <u>\$ 77,254,737</u> | <u>\$ 133,414,799</u> | <u>\$ 206,932,169</u> | <u>\$ 439,146,794</u> |
| RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES | | | | | | |
| Operating income | \$ 11,909,416 | \$ 22,025,870 | \$ 4,382,065 | \$ 6,385,662 | \$ 16,291,481 | \$ 28,411,532 |
| Adjustments to reconcile operating income to net cash used by operating activities: | | | | | | |
| Depreciation | 461 | 461 | | | 461 | 461 |
| Interest income | (65,776,768) | (71,944,686) | (13,717,196) | (16,799,179) | (79,493,964) | (88,743,865) |
| Interest expense | 51,036,477 | 45,058,838 | 8,851,029 | 7,996,828 | 59,887,506 | 53,055,666 |
| Bond issuance costs | - | 1,402,708 | - | 699,738 | - | 2,102,446 |
| Changes in assets and liabilities: | | | | | | |
| Accounts receivable | (3,000) | 33,500 | 2,000 | (2,000) | (1,000) | 31,500 |
| Accounts payable | (78,296) | (95,447) | (119,654) | (378,864) | (197,950) | (474,311) |
| Amount due to federal government | 114,504 | 52,385 | 11,476 | 19,044 | 125,980 | 71,429 |
| Net Cash Used by Operating Activities | <u>\$ (2,797,206)</u> | <u>\$ (3,466,371)</u> | <u>\$ (590,280)</u> | <u>\$ (2,078,771)</u> | <u>\$ (3,387,486)</u> | <u>\$ (5,545,142)</u> |

OTHER REPORT

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

Members of the Indiana Finance Authority
State Revolving Fund Loan Programs

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of State Revolving Fund Loan Programs (SRF Programs), an enterprise fund of the Indiana Finance Authority, which comprise the combined statement of net position as of June 30, 2021, and the related combined statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated September 28, 2021.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
September 28, 2021

INDIANA FINANCE AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND
INDEPENDENT AUDITORS' REPORTS

June 30, 2021

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

Members of Indiana Finance Authority

Report on Compliance for Each Major Federal Program

We have audited Indiana Finance Authority's, a component unit of the State of Indiana, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Indiana Finance Authority's major federal programs for the year ended June 30, 2021. Indiana Finance Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Indiana Finance Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Indiana Finance Authority, a component unit of the State of Indiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Indiana Finance Authority's basic financial statements. We issued our report thereon dated October 14, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
October 14, 2021

INDIANA FINANCE AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021

| | Federal Assistance Listing Number | Pass-through Entity Identifying/ Grant Number | Program or Award Amount | Federal Expenditures | Amount Provided to Subrecipients |
|--|--|---|-------------------------------|-------------------------|--|
| U.S. DEPARTMENT OF TRANSPORTATION: | | | | | |
| Transportation Infrastructure Finance and Innovation Act (TIFIA) Program | 20.223 | None noted | \$ 162,000,000 | \$ 129,019,511 | |
| U.S. DEPARTMENT OF TREASURY | | | | | |
| Passed through Indiana State Budget Agency: COVID-19 - Coronavirus Relief Fund | 21.019 | Memorandum of Understanding dated 5/21/20 | 322,087,016 | 314,460,820 | \$ 313,949,005 |
| U.S. ENVIRONMENTAL PROTECTION AGENCY: | | | | | |
| Clean Water State Revolving Fund Cluster: Capitalization Grants for Clean Water State Revolving Funds | 66.458 | CS18000120-0 DA | 38,298,000 | 19,333,047 | 19,333,047 |
| Drinking Water State Revolving Fund Cluster: Capitalization Grants for Drinking Water State Revolving Funds | 66.468 | FS98548619-0 DF | 1,681,900 | 368,654 | |
| | 66.468 | FS98548620-0 DA | 14,473,800 | 11,317,071 | 11,317,071 |
| | 66.468 | FS98548620-0 DD | 673,200 | 502,426 | |
| | 66.468 | FS98548620-0 DF | 1,683,000 | 445,501 | |
| | 66.468 | FS98548621-0 DD | 672,600 | 7,488 | |
| | | | | <u>12,641,140</u> | <u>11,317,071</u> |
| State and Tribal Response Program Grants | 66.817 | RP00E14613-0 | 787,518 | 326,191 | |
| | 66.817 | RP00E14614-0 | 787,518 | 569,230 | |
| | | | | <u>895,421</u> | |
| Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreement | 66.818 | BF00E48101-D | 6,484,204 | 233,714 | 233,714 |
| Multipurpose Grants to States and Tribes | 66.204 | AA00E02780-0 | 71,865 | 49,647 | 49,647 |
| Lead Testing in School and Child Care Program Drinking Water (SDWA 146(d)) | 66.444 | M100E02762-0 | 1,168,000 | 528,800 | |
| Water Infrastructure Finance and Innovation (WIFIA) | 66.958 | WIFIA-2019-N17114IN | 436,000,000 | <u>274,000,000</u> | <u>274,000,000</u> |
| | | | | <u>\$ 751,162,100</u> | <u>\$ 618,882,484</u> |

See accompanying notes to schedule of expenditures of federal awards.

INDIANA FINANCE AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - LOAN PROGRAM

The accompanying schedule of expenditures of federal awards includes two federal loans each disbursed under the Transportation Infrastructure Finance and Innovation Act (TIFIA) and Water Infrastructure Finance and Innovation Act (WIFIA). The loan agreements for TIFIA and WIFIA provide for continuing compliance requirements through debt maturity or repayment, and therefore, IFA reports the prior year loan balances, plus any additional draws, on the schedule of expenditures of federal awards.

TIFIA funds were used to finance the East End Crossing, a component of the Ohio River Bridges Project. The bridge opened to the public in December 2016. There were no expenditures for the year ended June 30, 2020. During fiscal year 2021 the TIFIA loan was repaid in full.

WIFIA funds were used to finance two projects: the DigIndy Tunnel System (DigIndy) project and the Integrated Overflow Control Plan (IOCP) project being completed by CWA Authority, Inc. and Evansville Water and Sewer Utility, respectively. The DigIndy project was substantially completed in June 2019, and the IOCP project was in progress at June 30, 2021. WIFIA expenditures were \$110,000,000 during fiscal year 2021. The WIFIA loan balance outstanding was \$274,000,000 as of June 30, 2021.

INDIANA FINANCE AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes _____ no
- Significant deficiency(ies) identified? _____ yes _____ none reported

Noncompliance material to financial statements noted? _____ yes _____ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes _____ no
- Significant deficiency(ies) identified? _____ yes _____ none reported

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

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

Identification of major programs:

| CFDA Number | Agency | Title |
|--------------------|----------------------------|-------------------------|
| 21.019 | U.S Department of Treasury | Coronavirus Relief Fund |

INDIANA FINANCE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2021

Summary of Auditors' Results (Continued)

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

\$3,000,000

Auditee qualified as low-risk auditee?

 ✓ yes no

Financial Statement Findings

None

Federal Award Findings and Questioned Costs

None

Exhibit O

Use of Non-Federal Funds for Match Purposes

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

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

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

ALLOCATION OF "NON-FEDERAL" FUNDS FOR FEDERAL MATCH

Allocated for a Portion of the State Required 319 Match

| FFY | Grant Number | |
|----------|--------------|-----------|
| FFY 2002 | C997548202 | 991,812 |
| FFY 2003 | C997548203 | 615,210 |
| FFY 2004 | C997548204 | 714,679 |
| FFY 2005 | C997548205 | 735,920 |
| FFY 2006 | C997548206 | 1,675,585 |
| FFY 2007 | C997548207 | 862,825 |
| FFY 2008 | C997548208 | 909,185 |
| FFY 2009 | C997548209 | 1,030,143 |
| FFY 2010 | C997548210 | 1,250,000 |
| FFY 2011 | C997548211 | 1,250,000 |
| FFY 2012 | C997548212 | 1,250,000 |
| FFY 2013 | C997548213 | 1,250,000 |
| FFY 2014 | C997548214 | 1,250,000 |
| FFY 2015 | C997548215 | 1,250,000 |
| FFY 2016 | C997548216 | 1,250,000 |
| FFY 2017 | C997548217 | 1,250,000 |
| FFY 2018 | C997548218 | 1,250,000 |
| FFY 2019 | C997548219 | 1,250,000 |
| FFY 2020 | C997548220 | 1,250,000 |
| FFY 2021 | C997548221 | 1,250,000 |

| | |
|--|-----------------------|
| Hammond Non Federal Match for US Army Corp of Engineers Grant | 925,000 |
| Centerville Non Federal Match for Special Appropriation Grant | 300,068 |
| Martinsville Non Federal Match for Special Appropriation Grant | 1,932,200 |
| Upland Non Federal Match for Special Appropriation Grant | 740,000 |
| Madison Township Non Federal Match for Special Appropriation Grant | 1,125,800 |
| Tell City Non Federal Match for Special Appropriation Grant | 1,000,450 |
| Indianapolis Non Federal Match for Special Appropriation Grant | 1,359,531 |
| Richmond Non Federal Match for Special Appropriation Grant | 157,827 |
| North Vernon Non Federal Match for Special Appropriation Grant | 986,873 |
| Rensselaer Non Federal Match for Special Appropriation Grant | 1,588,100 |
| Vigo County Non Federal Match for Special Appropriation Grant | 523,719 |
| Total Federal Match | \$ 219,325,073 |

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

As of 7/1/2021

| Closing Date | Participant | Project | Loan Amount | NPS Portion | Disbursed | NPS Disbursed |
|--------------|---------------------------------|---|-------------|-------------|-------------|---------------|
| 8/24/2004 | City of Indianapolis | septic removal | 25,000,000 | 3,466,230 | 25,000,000 | 3,466,230 |
| 8/31/2004 | Jennings NW RUD | septic removal | 6,200,000 | 2,174,437 | 6,200,000 | 2,174,437 |
| 10/1/2004 | Fulda RSD | septic removal | 419,342 | 270,408 | 419,342 | 270,408 |
| 11/10/2004 | Delaware County RWD | septic removal | 1,085,145 | 1,085,145 | 1,085,145 | 1,085,145 |
| 12/13/2004 | Taylor RSD | septic removal | 3,905,600 | 2,450,842 | 3,905,600 | 2,450,842 |
| 12/29/2004 | Town of Fortville | septic removal | 2,034,210 | 564,573 | 2,034,210 | 564,573 |
| 12/29/2004 | City of Indianapolis | septic removal | 70,000,000 | 25,679,058 | 70,000,000 | 25,679,058 |
| 2/28/2005 | City of New Haven | Stormwater | 4,100,000 | 3,872,904 | 4,100,000 | 3,872,904 |
| 7/29/2005 | Campbell Township RSD | septic removal | 845,000 | 845,000 | 845,000 | 845,000 |
| 9/29/2005 | City of Columbia City | erosion project | 16,672,000 | 49,032 | 16,672,000 | 49,032 |
| 9/30/2005 | Town of Fortville | septic removal | 1,259,758 | 1,259,758 | 1,259,758 | 1,259,758 |
| 10/14/2005 | City of Fort Wayne | septic removal | 40,000,000 | 2,884,702 | 40,000,000 | 2,884,702 |
| 12/1/2005 | Town of Elwood | septic removal | 201,000 | 201,000 | 201,000 | 201,000 |
| 12/15/2005 | Town of Culver | septic removal | 2,700,000 | 562,306 | 2,700,000 | 562,306 |
| 12/29/2005 | City of Indianapolis | septic removal | 90,000,000 | 20,104,248 | 90,000,000 | 20,104,248 |
| 12/30/2005 | Muncie SD | groundwater | 17,960,000 | 1,118,436 | 17,960,000 | 1,118,436 |
| 6/30/2006 | City of Indianapolis | septic removal | 35,250,000 | 8,836,444 | 35,250,000 | 8,836,444 |
| 6/30/2006 | Spencer MSW | septic removal | 350,000 | 38,500 | 350,000 | 38,500 |
| 8/17/2006 | City of Tell City | septic removal | 1,425,000 | 1,425,000 | 1,425,000 | 1,425,000 |
| 12/15/2006 | Town of Centerville | septic removal | 3,394,911 | 578,000 | 3,394,911 | 578,000 |
| 12/15/2006 | City of Indianapolis | septic removal | 34,750,000 | 30,932,406 | 34,750,000 | 30,932,406 |
| 8/28/2007 | Spencer MSW | septic removal | 4,783,788 | 338,380 | 4,783,788 | 338,380 |
| 8/30/2007 | Town of Centerville | septic removal | 800,000 | 136,000 | 800,000 | 136,000 |
| 12/18/2007 | City of Indianapolis | septic removal | 80,557,000 | 30,046,754 | 80,557,000 | 30,046,754 |
| 12/27/2007 | Allen County RWSD | septic removal | 1,609,858 | 1,609,858 | 1,609,858 | 1,609,858 |
| 3/28/2008 | City of Jeffersonville | septic removal | 9,800,000 | 3,724,000 | 9,800,000 | 3,724,000 |
| 5/5/2008 | Morgan County RSD | septic removal | 476,000 | 476,000 | 476,000 | 476,000 |
| 12/30/2008 | Allen County RWSD | septic removal | 2,971,000 | 2,971,000 | 2,971,000 | 2,971,000 |
| 6/1/2009 | Town of Whitestown | septic removal | 3,310,000 | 860,600 | 3,310,000 | 860,600 |
| 7/6/2009 | City of Indianapolis | septic removal | 32,050,000 | 9,443,985 | 32,050,000 | 9,443,985 |
| 9/15/2009 | City of Angola | BF- Dana Corp | 5,110,000 | 3,577,000 | 5,110,000 | 3,577,000 |
| 12/11/2009 | City of South Bend | Stormwater | 4,495,000 | 539,400 | 4,495,000 | 539,400 |
| 12/23/2009 | City of Fort Wayne | septic removal | 29,091,005 | 4,072,741 | 29,091,005 | 4,072,741 |
| 12/29/2009 | City of Connersville | BF - Visteon | 3,700,000 | 3,700,000 | 3,700,000 | 3,700,000 |
| 12/30/2009 | Town of Plainfield | BF - Shouse Landfill | 7,269,000 | 2,000,000 | 7,269,000 | 2,000,000 |
| 12/30/2009 | City of Elkhart | BF - Foundry Walter-Piano Beardlsey Ave | 8,830,000 | 650,000 | 8,814,967 | 634,967 |
| 1/20/2010 | City of Charlestown | septic removal | 1,300,000 | 1,300,000 | 1,300,000 | 1,300,000 |
| 1/28/2010 | Henryville | septic removal | 2,686,000 | 1,880,200 | 2,686,000 | 1,880,200 |
| 1/28/2010 | Town of Zionsville | septic removal | 2,045,330 | 1,985,000 | 2,045,330 | 1,985,000 |
| 3/1/2010 | City of Goshen | BF - River Race | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| 3/31/2010 | Town of Milton | septic removal | 4,160,000 | 2,872,000 | 4,160,000 | 2,872,000 |
| 6/30/2010 | Allen County RSD | septic removal | 5,200,000 | 5,200,000 | 5,200,000 | 5,200,000 |
| 10/8/2010 | Scott County | septic removal | 965,000 | 965,000 | 965,000 | 965,000 |
| 12/13/2010 | Luce Twp. RSD | septic removal | 4,854,563 | 4,854,563 | 4,854,563 | 4,854,563 |
| 3/31/2011 | Jeffersonville | BF - BP Ellis | 22,350,000 | 47,211 | 22,350,000 | 47,211 |
| 4/28/2011 | Howard County Drainage Board | Stormwater BF - Wood Treating Plant | 1,321,400 | 1,321,400 | 1,321,400 | 1,321,400 |
| 6/23/2011 | Columbus | Plant | 600,000 | 600,000 | 383,118 | 383,118 |
| 6/27/2011 | SWLMCD | septic removal | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| 10/26/2011 | City of Evansville | septic removal | 1,215,000 | 1,215,000 | 1,215,000 | 1,215,000 |
| 10/26/2011 | Rensselaer | septic removal | 1,585,000 | 1,585,000 | 1,585,000 | 1,585,000 |
| 12/13/2011 | St. Joseph Co. RSD | septic removal | 2,904,000 | 2,904,000 | 2,904,000 | 2,904,000 |
| 2/24/2012 | Montgomery County RSD | septic removal | 10,964,000 | 10,964,000 | 10,964,000 | 10,964,000 |
| 12/13/2012 | Richmond | BF - MGP | 14,800,000 | 1,300,000 | 14,800,000 | 1,300,000 |
| 12/13/2012 | Terre Haute | BF - Coke & Carbon | 139,371,000 | 6,600,000 | 139,371,000 | 6,600,000 |
| 12/18/2012 | Allen County RSD | septic removal | 7,320,000 | 7,320,000 | 7,320,000 | 7,320,000 |
| 12/28/2012 | Delaware County RWD | septic removal | 994,000 | 994,000 | 994,000 | 994,000 |
| 6/13/2013 | Newport | septic removal | 600,000 | 600,000 | 600,000 | 600,000 |

| | | | | | | |
|------------|------------------------------|------------------------|--------------------|------------|--------------------|------------|
| 1/31/2014 | Edwardsport | septic removal | 2,605,998 | 2,606,000 | 2,605,998 | 2,606,000 |
| 9/18/2015 | Kempton | septic removal | 2,205,000 | 2,205,000 | 2,205,000 | 2,205,000 |
| 10/22/2015 | Allen County RSD | septic removal | 12,080,000 | 12,080,000 | 12,080,000 | 12,080,000 |
| 3/31/2016 | Bluffton | septic removal | 4,132,000 | 1,947,540 | 4,132,000 | 1,947,540 |
| 3/9/2017 | Allen County RSD | septic removal | 7,244,244 | 7,244,244 | 7,244,244 | 7,244,244 |
| 12/15/2017 | Woodburn | septic removal | 7,565,000 | 402,000 | 5,631,146 | 402,000 |
| 3/29/2018 | Romney | septic removal | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| 6/29/2018 | Centerville | septic removal | 2,266,000 | 491,000 | 2,146,274 | 491,000 |
| 10/29/2018 | Allen County a | septic removal | 5,182,000 | 5,182,000 | 5,182,000 | 5,182,000 |
| 10/29/2018 | Allen County b | septic removal | 4,343,000 | 4,343,000 | 3,874,050 | 3,874,050 |
| 11/15/2018 | LaGrange County | septic removal | 15,653,000 | 15,653,000 | 15,177,155 | 15,177,155 |
| 11/30/2018 | New Castle | septic removal | 4,670,000 | 4,670,000 | 4,162,189 | 4,162,189 |
| 12/13/2018 | North Vernon | septic removal | 4,210,000 | 4,210,000 | 3,960,091 | 3,960,091 |
| 12/14/2018 | LaPorte County RSWD | septic removal | 2,193,500 | 2,193,500 | 1,005,764 | 1,005,764 |
| 12/14/2018 | Steuben Lake | septic removal | 2,546,000 | 2,546,000 | 1,926,951 | 1,926,951 |
| 3/25/2019 | IAA | stormwater | 30,000,000 | 30,000,000 | 28,732,374 | 28,732,374 |
| 7/31/2019 | Golfview | failing septic systems | 4,127,360 | 4,127,360 | 3,959,465 | 3,959,465 |
| 10/1/2019 | Greentown | stormwater | 5,135,000 | 5,135,000 | 4,225,575 | 4,225,575 |
| 11/4/2019 | IAA | stormwater | 38,215,000 | 38,215,000 | 37,099,657 | 37,099,657 |
| 11/18/2019 | Maysville RWSD | failing septic systems | 3,634,000 | 3,634,000 | 3,517,290 | 3,517,290 |
| 11/26/2019 | Morgan County RSD | failing septic systems | 7,370,000 | 7,370,000 | 6,889,851 | 6,889,851 |
| 2/6/2020 | Mount Etna | failing septic systems | 1,000,000 | 1,000,000 | 403,746 | 403,746 |
| 2/28/2020 | LaGrange RUD | failing septic systems | 7,206,000 | 3,800,000 | 3,116,045 | 1,643,210 |
| 3/5/2020 | Adams County RSD | failing septic systems | 2,186,000 | 2,186,000 | 2,115,009 | 2,115,009 |
| 1/29/2021 | Adams County RSD | failing septic systems | 8,000,000 | 8,000,000 | 4,279,783 | 4,279,783 |
| 2/25/2021 | DeMotte | failing septic systems | 6,560,000 | 6,560,000 | 624,783 | 624,783 |
| 3/24/2021 | Wells County RSD | failing septic systems | 513,000 | 513,000 | 122,944 | 122,944 |
| 4/14/2021 | Richmond | failing septic systems | 6,455,000 | 6,455,000 | 149,992 | 149,992 |
| 4/20/2021 | Jeffersonville - Clarksville | stormwater | 2,590,000 | 2,590,000 | 584,727 | 584,727 |
| | | | 417,410,165 | | 388,431,996 | |

Allocated for a Portion of the State Required 319 Match 22,535,359

"Banked" toward Future Allocation of Match \$ 365,896,637

Indiana CWSRF Loan Program
Exhibit P - WRRDA Requirements*

| Community Name | Date SRF Application Received | Loan Amount | Loan Closing Date | SFY Closing | Is this an Equivalency Project? Yes/No | Did A&E Meet 40 CFR Ch 11 and certification | AMP and FSP Certification Received (Applications on or after 10/1/14) | Cost & Effectiveness Certification Form Received Date (Applications on or after 10/1/15) |
|--------------------------|-------------------------------|----------------|-------------------|-------------|--|---|---|--|
| Crawfordsville | 6/27/2016 | \$ 12,725,000 | 11/28/2016 | 2017 | No | NA | Pending | 9/21/2016 |
| Citizens Water Authority | 6/24/2016 | \$ 163,526,839 | 7/21/2017 | 2018 | No | NA | 9/30/2020 | 12/19/2016 |
| Portland | 9/25/2017 | \$ 2,945,000 | 9/25/2017 | 2018 | No | NA | Pending | 9/21/2016 |
| New Palestine | 5/6/2016 | \$ 4,120,000 | 12/15/2017 | 2018 | No | NA | 3/17/2020 | 5/11/2016 |
| Owensville | 4/17/2017 | \$ 630,000 | 5/23/2018 | 2018 | No | NA | 3/2/2021 | 8/1/2017 |
| South Whitley | 3/27/2017 | \$ 4,494,000 | 8/23/2018 | 2019 | No | NA | 12/8/2020 | 8/3/2017 |
| LaGrange County RUD | 11/8/2017 | \$ 15,653,000 | 11/28/2018 | 2019 | No | NA | 1/4/2021 | 12/7/2017 |
| New Castle | 3/13/2018 | \$ 4,607,600 | 11/30/2018 | 2019 | No | NA | Pending | 6/18/2018 |
| Princes Lakes | 3/7/2017 | \$ 23,410,000 | 12/12/2018 | 2019 | No | NA | Pending | 8/1/2017 |
| Connersville | 6/15/2018 | \$ 4,990,000 | 12/13/2018 | 2019 | No | NA | Pending | 6/26/2018 |
| New Whiteland | 3/19/2018 | \$ 2,472,000 | 12/13/2018 | 2019 | No | NA | 7/21/2020 | 4/17/2018 |
| North Vernon | 2/25/2016 | \$ 4,210,000 | 12/13/2018 | 2019 | No | NA | 7/13/2020 | 1/9/2017 |
| Warsaw | 4/5/2017 | \$ 31,700,000 | 12/13/2018 | 2019 | No | NA | 10/26/2020 | 8/3/2017 |
| Arcadia | 8/11/2017 | \$ 1,122,000 | 12/14/2018 | 2019 | No | NA | Pending | 12/29/2017 |
| Bargersville | 6/15/2018 | \$ 9,820,000 | 12/14/2018 | 2019 | No | NA | 6/7/2021 | 6/14/2018 |
| LaPorte RWSD | 7/10/2017 | \$ 2,093,500 | 12/14/2018 | 2019 | No | NA | Pending | 12/7/2017 |
| Steuben Lakes RWD | 6/4/2018 | \$ 2,546,000 | 12/14/2018 | 2019 | No | NA | 6/29/2021 | 7/12/2018 |
| Posey County RSD | 12/12/2016 | \$ 4,161,830 | 12/28/2018 | 2019 | No | NA | 9/28/2020 | 4/5/2018 |
| Lynn | 3/29/2016 | \$ 676,000 | 3/25/2019 | 2019 | No | NA | Pending | 5/11/2016 |
| Sullivan | 5/21/2018 | \$ 1,376,000 | 3/27/2019 | 2019 | No | NA | 9/30/2020 | 6/19/2018 |
| Montpelier | 6/14/2018 | \$ 3,700,000 | 6/19/2019 | 2019 | No | NA | Pending | 7/11/2018 |
| Golfview | 7/31/2019 | \$ 4,085,000 | 7/31/2019 | 2020 | No | NA | Pending | 7/25/2019 |
| Greentown | 10/1/2019 | \$ 3,800,000 | 10/1/2019 | 2020 | No | NA | Pending | 10/11/2019 |
| Citizens (CWA) | 10/15/2019 | \$ 170,000,000 | 10/15/2019 | 2020 | No | NA | 9/30/2020 | 12/19/2016 |
| Hebron | 10/31/2019 | \$ 6,600,000 | 10/31/2019 | 2020 | No | NA | 6/30/2021 | 9/18/2018 |
| Richmond | 11/1/2019 | \$ 13,500,000 | 11/1/2019 | 2020 | No | NA | Pending | 1/10/2019 |
| Cicero | 12/12/2018 | \$ 1,576,000 | 11/5/2019 | 2020 | No | NA | 7/6/2021 | 6/19/2018 |
| Hymera | 5/3/2019 | \$ 775,000 | 11/22/2019 | 2020 | No | NA | Pending | 7/24/2019 |
| Morgan County | 5/23/2018 | \$ 7,370,000 | 11/26/2019 | 2020 | No | NA | Pending | 4/22/2019 |
| Tipton | 1/4/2019 | \$ 6,200,000 | 11/27/2019 | 2020 | No | NA | Pending | 10/11/2019 |
| Fort Branch | 9/4/2018 | \$ 1,575,000 | 12/17/2019 | 2020 | No | NA | Pending | 9/19/2018 |
| Steuben Lakes RWD | 3/18/2019 | \$ 3,700,000 | 12/18/2019 | 2020 | No | NA | Pending | 5/20/2019 |
| Evansville | 4/18/2019 | \$ 75,000,000 | 12/27/2019 | 2020 | Yes | Yes | Pending | 8/6/2019 |
| Mount Etna | 6/17/2019 | \$ 1,785,000 | 2/6/2020 | 2020 | No | NA | Pending | 11/7/2019 |
| Windfall | 3/29/2019 | \$ 1,656,000 | 2/13/2020 | 2020 | No | NA | Pending | 12/4/2019 |
| Jeffersonville | 3/27/2019 | \$ 15,279,000 | 2/14/2020 | 2020 | No | NA | Pending | 5/28/2019 |
| Berne | 6/12/2019 | \$ 5,500,000 | 2/18/2020 | 2020 | No | NA | Pending | 7/17/2019 |
| LaGrange County RUD | 2/21/2019 | \$ 7,206,000 | 2/28/2020 | 2020 | No | NA | Pending | 5/20/2019 |
| Adams County RSD | 8/27/2018 | \$ 2,186,000 | 3/5/2020 | 2020 | No | NA | Pending | 1/8/2019 |
| Williamsport | 6/19/2018 | \$ 1,400,000 | 3/6/2020 | 2020 | No | NA | Pending | 7/16/2018 |
| Goshen | 1/30/2018 | \$ 25,000,000 | 3/26/2020 | 2020 | No | NA | Pending | 4/8/2019 |
| Fort Wayne | 5/13/2018 | \$ 25,000,000 | 3/31/2020 | 2020 | No | NA | Pending | 8/8/2018 |
| New Haven | 9/7/2017 | \$ 2,250,000 | 4/15/2020 | 2020 | No | NA | Pending | 7/25/2018 |
| Whitestown | 6/11/2019 | \$ 4,200,000 | 4/28/2020 | 2020 | No | NA | Pending | 11/13/2019 |
| Yorktown | 6/14/2019 | \$ 9,965,000 | 6/3/2020 | 2020 | No | NA | Pending | 12/3/2019 |
| Delaware County RWD | 5/26/2016 | \$ 5,756,000 | 6/4/2020 | 2020 | No | NA | Pending | 9/4/2019 |
| Advance | 9/26/2013 | \$ 1,062,000 | 6/24/2020 | 2020 | No | NA | NA | 1/22/2020 |
| Bedford | 3/17/2020 | \$ 9,143,000 | 09/29/2020 | 2021 | No | NA | 4/29/2020 | 4/23/2020 |
| Fort Wayne | 5/3/2018 | \$ 25,000,000 | 09/29/2020 | 2021 | Yes | Yes | 2/28/2019 | 8/8/2018 |
| Milltown | 8/20/2019 | \$ 1,300,000 | 09/30/2020 | 2021 | No | NA | Pending | 11/8/2019 |
| Citizens Water Authority | 1/26/2016 | \$ 70,475,132 | 10/05/2020 | 2021 | No | NA | 9/30/2020 | 12/19/2016 |
| Monticello | 4/22/2020 | \$ 10,287,000 | 11/04/2020 | 2021 | No | NA | Pending | 5/8/2020 |
| Elwood | 3/20/2019 | \$ 2,865,000 | 11/13/2020 | 2021 | No | NA | Pending | 4/27/2020 |
| Jeffersonville | 3/27/2019 | \$ 25,000,000 | 11/24/2020 | 2021 | No | NA | 5/28/2019 | 5/28/2019 |
| LaGrange County | 11/8/2017 | \$ 5,681,000 | 12/17/2020 | 2021 | No | NA | Pending | 5/20/2019 |
| Crothersville | 6/5/2019 | \$ 5,787,000 | 12/18/2020 | 2021 | No | NA | Pending | 6/24/2019 |
| Westlakes RSD | 7/5/2019 | \$ 228,000 | 12/28/2020 | 2021 | No | NA | Pending | 4/23/2020 |
| Thralls Station | 3/30/2020 | \$ 1,048,000 | 12/29/2020 | 2021 | No | NA | Pending | 6/5/2020 |
| Adams County | 8/27/2018 | \$ 8,000,000 | 01/29/2021 | 2021 | No | NA | Pending | 1/8/2019 |
| DeMotte | 10/28/2020 | \$ 6,560,000 | 02/25/2021 | 2021 | No | NA | Pending | 11/5/2021 |
| Wells County RSD | 6/14/2019 | \$ 513,000 | 03/24/2021 | 2021 | No | NA | 6/23/2020 | 6/12/2019 |
| Butler | 3/10/2020 | \$ 8,065,000 | 03/25/2021 | 2021 | No | NA | Pending | 4/17/2020 |
| Morgantown | 6/11/2019 | \$ 6,625,000 | 03/29/2021 | 2021 | No | NA | Pending | 4/1/2020 |
| Sellersburg | 9/5/2019 | \$ 26,105,000 | 03/30/2021 | 2021 | No | NA | Pending | 2/28/2021 |

| Community Name | Date SRF Application Received | Loan Amount | Loan Closing Date | SFY Closing | Is this an Equivalency Project? Yes/No | Did A&E Meet 40 CFR Ch 11 and certification | AMP and FSP Certification Received (Applications on or after 10/1/14) | Cost & Effectiveness Certification Form Received Date (Applications on or after 10/1/15) |
|--------------------------------|-------------------------------|---------------|-------------------|-------------|--|---|---|--|
| Richmond | 5/4/2020 | \$ 6,455,000 | 04/14/2021 | 2021 | No | NA | Pending | 6/9/2020 |
| Jeffersonville-Clarksville FCD | 6/15/2020 | \$ 2,590,000 | 04/20/2021 | 2021 | No | NA | 12/18/2020 | 6/25/2020 |
| Rochester | 5/8/2020 | \$ 8,251,000 | 05/19/2021 | 2021 | No | NA | Pending | 2/17/2021 |
| Kokomo | 4/28/2020 | \$ 24,500,000 | 06/09/2021 | 2021 | Yes | Yes 1 | 4/22/2020 | 4/24/2020 |

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

* Some of the WRRDA requirements are set forth below

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

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

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

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

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



Exhibit Q

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

Clean Water Projects Closed in State Fiscal Year 2021

- **Clean Water**
\$ 254 Million
21 Loans

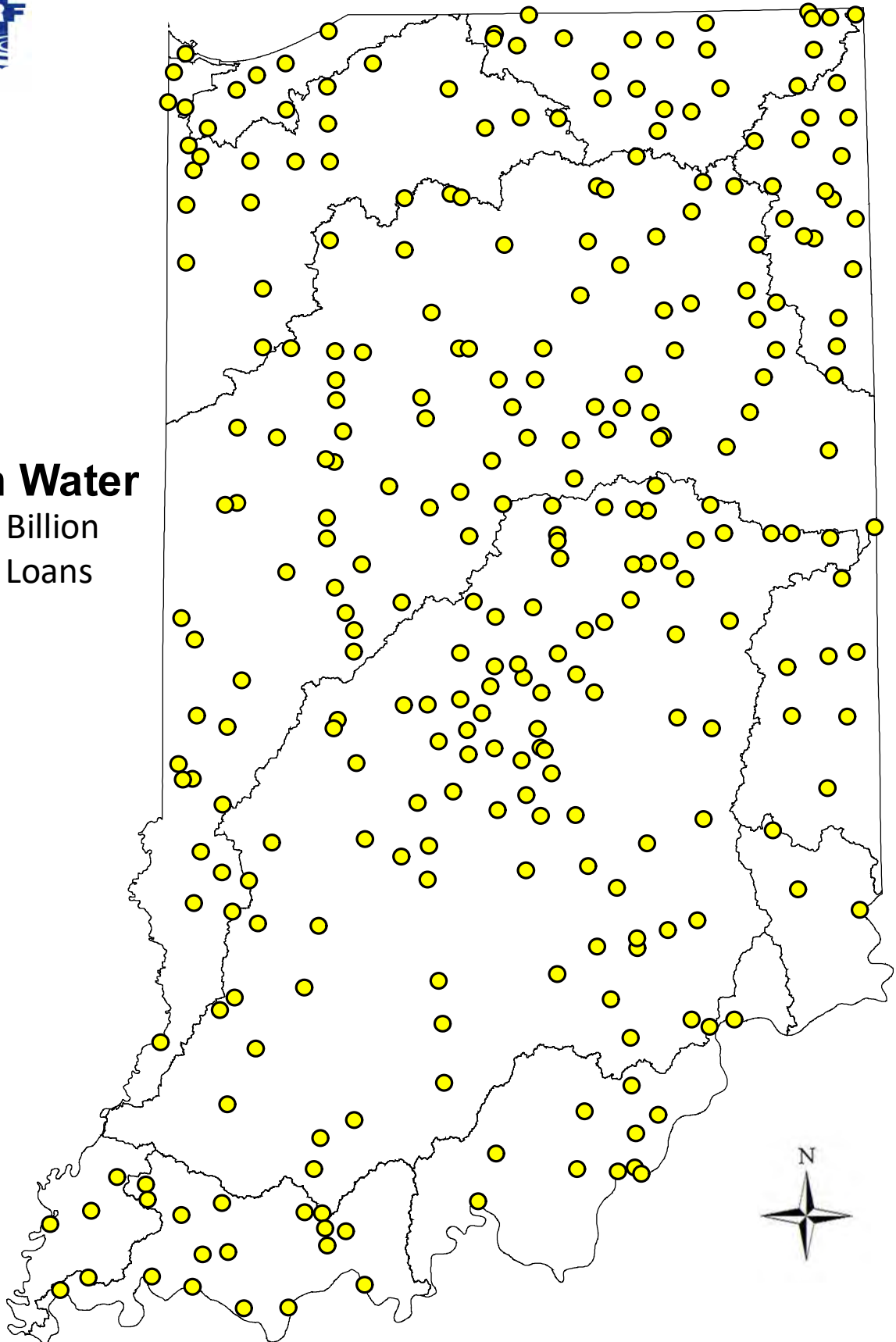




Exhibit R

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

● **Clean Water**
\$5.1 Billion
622 Loans



Indiana CW SRF Loan Program
Exhibit S - Summary of All Associated Funds in SFY 2021

| Applicant Name | Closing Date | SRF Funding* | Rural Development Funding | Office of Community and Rural Affairs Grant | Fee Agreements | Supplemental Funds (State) | Local Funds | |
|---------------------------|--------------|---------------|---------------------------|---|----------------|----------------------------|----------------------|--|
| Bedford | 09/29/2020 | \$ 9,143,000 | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Fort Wayne | 09/29/2020 | \$ 25,000,000 | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Milltown | 09/30/2020 | \$ 1,300,000 | \$ - | \$ 700,000 | \$ - | \$ 25,000 | \$ - | |
| CWA | 10/05/2020 | \$ 70,475,132 | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Monticello | 11/04/2020 | \$ 10,287,000 | \$ - | \$ - | \$ - | \$ 25,000 | \$ - | |
| Elwood | 11/13/2020 | \$ 2,865,000 | \$ - | \$ - | \$ - | \$ 25,000 | \$ 305,494 | |
| Jeffersonville | 11/24/2020 | \$ 25,000,000 | \$ - | \$ - | \$ - | \$ - | \$ - | |
| LaGrange County | 12/17/2020 | \$ 5,681,000 | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Crothersville | 12/18/2020 | \$ 5,787,000 | \$ - | \$ 700,000 | \$ - | \$ 25,000 | \$ - | |
| Westlakes RSD | 12/28/2020 | \$ 228,000 | \$ - | \$ - | \$ 460,000 | \$ 25,000 | \$ - | |
| Thralls Station | 12/29/2020 | \$ 1,048,000 | \$ - | \$ - | \$ - | \$ 25,000 | \$ - | |
| Adams County | 01/29/2021 | \$ 8,000,000 | \$ - | \$ - | \$ 1,880,000 | \$ - | \$ 1,000 | |
| DeMotte | 02/25/2021 | \$ 6,560,000 | \$ - | \$ - | \$ - | \$ 25,000 | \$ 800,000 | |
| Wells County RSD | 03/24/2021 | \$ 513,000 | \$ - | \$ - | \$ 6,622,000 | \$ 25,000 | \$ - | |
| Butler | 03/25/2021 | \$ 8,065,000 | \$ - | \$ - | \$ - | \$ 25,000 | \$ - | |
| Morgantown | 03/29/2021 | \$ 6,625,000 | \$ - | \$ 700,000 | \$ - | \$ 25,000 | \$ 18,361 | |
| Sellersburg | 03/30/2021 | \$ 26,105,000 | \$ - | \$ - | \$ - | \$ 25,000 | \$ 7,628 | |
| Richmond | 04/14/2021 | \$ 6,455,000 | \$ - | \$ - | \$ - | \$ 200,000 | \$ - | |
| Jeff-Clark | 04/20/2021 | \$ 2,590,000 | \$ - | \$ - | \$ - | \$ - | \$ 3,332,500 | |
| Rochester | 05/19/2021 | \$ 8,251,000 | \$ - | \$ - | \$ - | \$ 525,000 | \$ 1,000 | |
| Kokomo | 06/09/2021 | \$ 24,500,000 | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Non-Federal Total: | | | | | | | \$ 14,427,983 | |

*Includes Traditional, Additional Subsidy, and Pooled

Indiana CW SRF Loan Program

Exhibit T - Summary of Clean Water Projects with a Regional Solution SFY 2017-2021

| <u>SFY</u> | <u>Community</u> | <u>Loan Amount</u> | <u>Project</u> |
|------------|---------------------|--------------------|--|
| 2021 | Adams County RSD | \$ 8,000,000 | Six areas in Adams County were identified as having failing septic systems. The project extended sewer service to these areas for treatment at existing wastewater treatment facilities in the City of Decatur or the City of Berne. |
| 2021 | DeMotte | \$ 6,560,000 | The proposed project includes the construction of infrastructure improvements to extend wastewater collection and treatment in unserved areas at the I-65/SR-10 corridor and connect them to the Town of Demotte Sanitary Sewer System. The project will be constructed in three phases. |
| 2021 | Wells County RSD | \$ 513,000 | The Wells County RSD Phase I Sanitary Sewer Improvements Project includes tying the areas of Murray and Liberty Center into the City of Bluffton's sanitary sewer collection system. The proposed project will extend sewer service to eliminate approximately 192 failing on-site septic systems. |
| 2020 | Adams County RSD | \$ 2,186,000 | The project extended sewer service to these areas for treatment at existing wastewater treatment facilities in the City of Decatur or the City of Berne. |
| 2020 | LaGrange County RUD | \$ 1,680,000 | The project abandoned a failing wetland treatment facility and constructed a force main to the LaGrange County Region B WWTP. |
| 2020 | Mount Etna | \$ 1,000,000 | The project included extending treatment to 24 homes with failing septic systems. |
| 2020 | Maysville RWSD | \$ 3,634,000 | The Project addressed areas of failing septic systems in the Maysville RWSD, by extending sewer service to these areas for treatment at existing wastewater treatment facilities. |
| 2019 | Russiaville | \$ 825,000 | The Town of New London's WWTP was near inoperable and becoming an unsafe work environment. The project constructed a force main from New London's South Pump Station to The Town of Russiaville's Wastewater Treatment Plant. |
| 2019 | Allen County RSD | \$ 9,525,000 | Hoagland's WWTP could not meet permit requirements. The project constructed a force main from Hoagland to the City of Fort Wayne for treatment. In addition, the project addressed other areas of failing septic systems throughout Allen County by extending sewer service to existing wastewater treatment facilities, predominately in the City of Fort Wayne |
| 2019 | LaGrange County RUD | \$ 12,856,000 | The proposed project provides wastewater collection and treatment to residential, commercial and industrial users within LaGrange County RUD's Region C. The service areas included Cedar Lake, unincorporated community of Howe, CR 700N/SR 9 area, and Indiana Toll Road Travel Plaza #7. |

| | | | |
|------|-------------------|--------------|--|
| 2019 | New Castle | \$ 1,263,123 | An inspection of the White Estates Subdivision in Henry County by IDEM found a discharge of sewage from a storm sewer into a small stream. The White Estates Sanitary Sewer Project installed a new network of low pressure sanitary sewer which were connected to existing gravity sewer main and conveyed to the City of New Castle's existing wastewater treatment plant for treatment. |
| 2019 | North Vernon | \$ 4,210,000 | The project provided sanitary sewer to an area recently annexed into the City of North Vernon. The annexed area used individual on site wastewater disposal, and the extension of the city's existing system will provide the area with reliable sanitary sewer collection. The infrastructure improvements accommodated existing utility demands, and will serve the area through the 20 year service plan. |
| 2019 | LaPorte RSWD | \$ 2,093,500 | The project extended service to 99 customers in the Rolling Prairie Service Area and eliminated failing on-site septic systems. The new collection system discharges to the city of LaPorte for treatment. |
| 2019 | Steuben Lakes RWD | \$ 2,546,000 | Within the proposed project area, there were a few of properties connected to a small private WWTP and several homes connected to a private collection system with treatment provided by the Town of Fremont. The project allowed the existing privately owned and operated wastewater treatment plant to be decommissioned and provided an option to the homes in the Cranston's Reef area to disconnect from the existing private collection system and connect to the RWD |
| 2017 | Allen County RSD | \$ 100,000 | Areas of failing septic systems throughout Allen County, project extended sewer service to these areas for treatment at existing wastewater treatment facilities, predominately in the City of Fort Wayne |
| 2017 | Allen County RSD | \$ 7,244,244 | Areas of failing septic systems throughout Allen County, project extended sewer service to these areas for treatment at existing wastewater treatment facilities, predominately in the City of Fort Wayne |