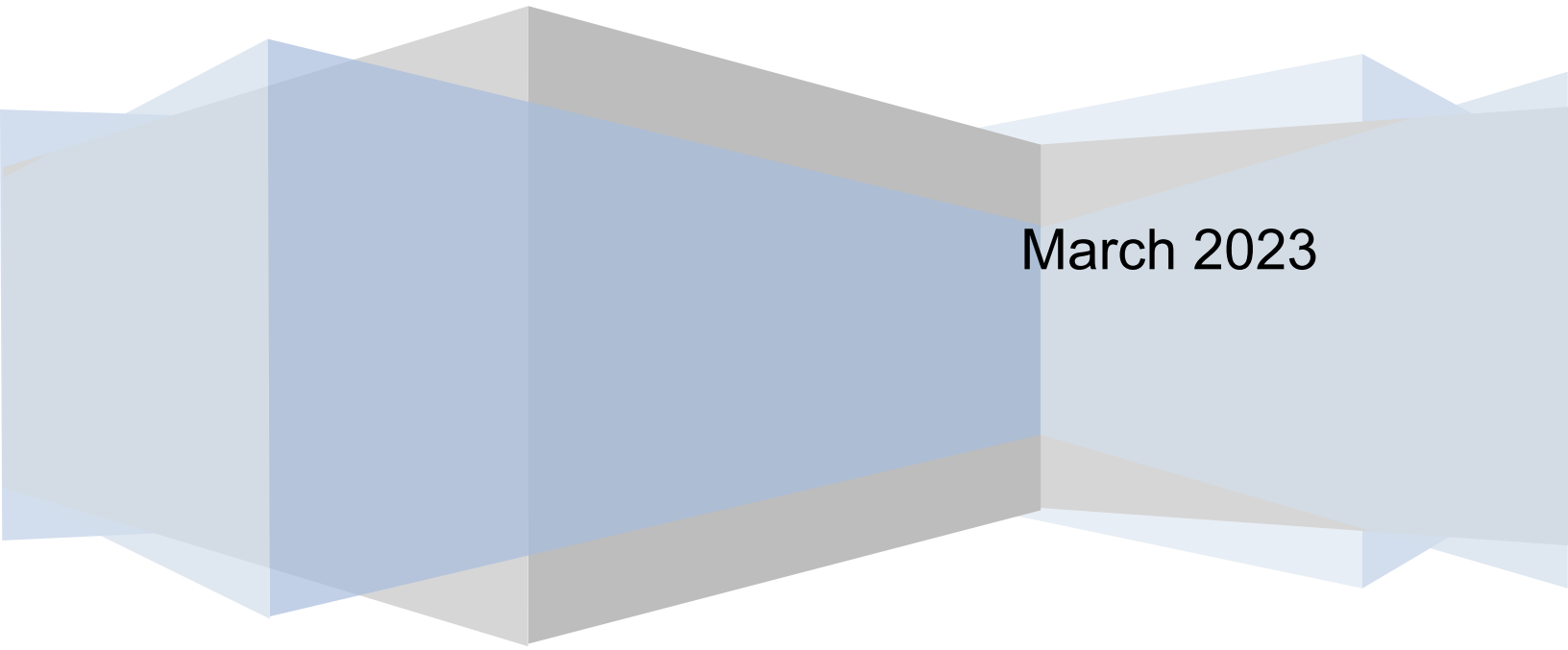


**State of Nebraska**  
**Department of Environment & Energy**

# **Clean Water State Revolving Fund Annual Report**

**State Fiscal Year 2022**



March 2023

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## **EXECUTIVE SUMMARY**

The Nebraska Clean Water State Revolving Loan Fund Annual Report for State Fiscal Year (SFY) 2022 (July 1, 2021 through June 30, 2022) describes the state's efforts to meet the goals and objectives of its Clean Water State Revolving Fund (CWSRF) Program. The projects identified in the Intended Use Plan (IUP), the actual use of funds, and the financial position of the CWSRF are summarized in this report. The report is organized in two sections, the first section is the Financial Schedule Section along with the notes to the financial schedules, and the second section is the Program Section serving to provide supplemental documentation to the IUP. The reader should be aware that the financial information provided in the Program Section is cash based, while the information provided in the Financial Section is accrual based. It may be difficult to compare numbers between the two sections.

Due to enactment of the Infrastructure Investment and Jobs Act, more commonly referred to as the Bipartisan Infrastructure Law (BIL), an amendment was made to the SFY 2022 IUP in November of 2021. As the issuance of guidance for BIL and the Build America Buy America (BABA) law was subsequently delayed, that IUP amendment resulted in achieving just one, but very notable goal. The split between pre- and post-BIL/BABA loan signings. It showed municipalities the initial CWSRF BIL plan and due to likely restrictions from BABA allowed the program to market CWSRF assistance that only needed to meet pre-BIL/BABA requirements. This was successful, as there were loans signed for 22 projects with a cumulative amount of \$206 million last fiscal year.

## I. FINANCIAL SCHEDULES SECTION

The Nebraska Department of Environment and Energy (NDEE) - CWSRF Program was established pursuant to Title VI of the Federal Clean Water Act, as amended by the Water Quality Act of 1987. Nebraska Revised State Statute (Neb. Rev. Stat.) §81-15,147 created the Wastewater Treatment Facilities Construction Assistance Act. The Federal Water Quality Act and state statutes established the CWSRF to provide loans, at reduced interest rates, to finance the construction of publicly owned water pollution control facilities, nonpoint source pollution control projects, and estuary management plans. Instead of making grants to communities that pay for a portion of the building of wastewater treatment facilities, the Program provides for low interest loans to finance the entire cost of qualified projects. All repayments, including interest and principal, must be used for the purposes of the Program. Starting in 1989, the Program is capitalized by the United States Environmental Protection Agency (EPA) by a series of annual grants. One of the conditions to receive a Federal Capitalization Grant is that the state must provide a non-federal match to the Program equaling at least 20 percent of the grant award.

As of June 30, 2022, the EPA has awarded just over \$250 million in capitalization grants to Nebraska. Of that, approximately \$20 million was funded by the American Recovery and Reinvestment Act (ARRA). The ARRA funds did not require states to contribute the required 20 percent match. The remaining \$230 million capitalization grant funds required the state to contribute approximately \$46 million in matching funds. The state provided appropriations to contribute \$955,000 of the funds to meet the state's matching requirement of the initial start-up of the program. Additional matching funds have been obtained through the issuance of revenue bonds and cash funds.

The Department's primary activities include the making of loans for facilities, and the management and coordination of the Program. The Nebraska Environmental Quality Council (EQC) approves the rules and regulations of the Department and the CWSRF IUP.

### A. MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the financial report presents a narrative overview and analysis of the financial activities of the Program for the SFY 2022. This analysis has been prepared by management and is intended to be read in conjunction with the Program's financial statements and related footnotes, which follow this section.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Program's basic financial statements. The Program's basic financial statements include the following: 1) Unaudited Balance Sheet; 2) Statement of Revenues, Expenses, and Changes in Net Position; 3) Unaudited Statement of Cash Flows; and 4) Notes to the Financial Statements.

- The Unaudited Balance Sheet presents information on all of the Program's assets and liabilities, with the difference between the two reported as net position.
- The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Program's net position changed during the most recent fiscal year.
- The Statement of Cash Flows presents the Program's flows of cash by defined categories.

The primary purpose of the Statement of Cash Flows is to provide information about the Program's cash receipts and payments during the year.

- The Notes to the Financial Statements are an integral part of the financial statements and provide information that is essential to a full understanding of the data provided in the financial statements.

## **ANALYSIS OF BALANCES AND TRANSACTIONS - ENTERPRISE FUND**

### **Changes in Net Position**

For SFY 2022, the Net Position of the Program increased by 4.3%. The increase in Net Position was largely impacted by a net increase in Loans Receivable of almost \$55 million. Although Loans Receivables increased by almost \$55 million, cash in the State Treasury decreased by \$40 million, which netted an increase of \$14.8 million in total assets. The increase in the Liabilities is mainly due to the increase in Due to Grant Recipients of \$117,752.

**NET POSITION**

	<b>2022</b>	<b>2021</b>	<b>\$ Change</b>	<b>% Change</b>
Current Assets	\$188,687,724	\$224,255,990	-\$35,568,266	-15.9%
Non-current Assets	<u>\$172,264,048</u>	<u>\$121,898,887</u>	<u>\$50,365,161</u>	<u>41.3%</u>
<b>Total Assets</b>	<b><u>\$360,951,772</u></b>	<b><u>\$346,154,877</u></b>	<b><u>\$14,796,895</u></b>	<b><u>4.3%</u></b>
Current Liabilities	\$360,384	\$256,833	\$103,551	40.3%
Non-current Liabilities	<u>\$44,488</u>	<u>\$27,821</u>	<u>16,667</u>	<u>59.9%</u>
<b>Total Liabilities</b>	<b><u>\$404,872</u></b>	<b><u>\$284,654</u></b>	<b><u>120,218</u></b>	<b><u>42.2%</u></b>
Net Position:				
Net Investment in Capital Assets	\$509,109	\$474,513	\$34,596	7.3%
Unrestricted	<u>\$360,037,791</u>	<u>\$345,395,710</u>	<u>\$14,642,081</u>	<u>4.2%</u>
<b>Total Net Position</b>	<b><u>\$360,546,900</u></b>	<b><u>\$345,870,223</u></b>	<b><u>\$14,676,677</u></b>	<b><u>4.2%</u></b>

<b>CHANGES IN NET POSITION</b>				
	<u>2022</u>	<u>2021</u>	<u>\$ Change</u>	<u>% Change</u>
Loan Fees Administration	\$824,752	\$1,239,470	-\$414,718	-33.5%
Interest on Loans	\$1,515,994	\$2,525,740	-\$1,009,746	-40.0%
<b>Total Operating Revenues</b>	<b><u>\$2,340,746</u></b>	<b><u>\$3,765,210</u></b>	<b><u>-\$1,424,464</u></b>	<b><u>-37.8%</u></b>
Administration	\$745,018	\$626,356	\$118,662	18.9%
Grant Expense	\$646,408	\$398,890	\$247,518	62.1%
Loan Forgiveness	<u>\$1,014,406</u>	<u>\$665,024</u>	<u>\$349,382</u>	<u>52.5%</u>
<b>Total Operating Expenses</b>	<b><u>\$2,405,832</u></b>	<b><u>\$1,690,270</u></b>	<b><u>\$715,562</u></b>	<b><u>42.3%</u></b>
<b>Operating Income</b>	<b>-\$65,086</b>	<b>\$2,074,940</b>	<b>-\$2,140,026</b>	<b>-103.1%</b>
Federal Grants	\$11,816,585	\$4,028,629	\$7,787,956	192.1%
Interest Revenue	\$2,924,597	\$2,595,373	\$329,224	12.7%
Bond Expenses	<u>\$581</u>	<u>-\$1,896</u>	<u>\$2,477</u>	<u>-130.7%</u>
<b>Total Non-Operating Revenue (Expense)</b>	<b><u>\$14,741,763</u></b>	<b><u>\$6,622,106</u></b>	<b><u>\$8,119,657</u></b>	<b><u>122.6%</u></b>
<b>Change in Net Position</b>	<b>\$14,676,677</b>	<b>\$8,697,046</b>	<b>\$5,979,631</b>	<b>68.8%</b>
<b>Beginning Net Position on July 1, 2021</b>	<b><u>\$345,870,223</u></b>	<b><u>\$337,173,177</u></b>	<b><u>\$8,697,046</u></b>	<b><u>2.6%</u></b>
<b>Ending Net Position on June 30, 2022</b>	<b>\$360,546,900</b>	<b>\$345,870,223</b>	<b>\$14,676,677</b>	<b>4.2%</b>

Loan forgiveness is awarded to communities who meet specific guidelines as approved in the annual IUP for financial need. They are not paid to a community until that community has allowable expenditures to report and, therefore, has a construction project that has commenced.

The amount of funds used from each annual capitalization grant will vary each year and is dependent upon several variables including the number of communities applying for loans, the rate and total of reimbursement requests by communities, and the number of loans successfully processed; all of which affects the drawing of federal capitalization grant funds.

Changes are inherent in the Program and are expected when draws are based on community requests.

## **ECONOMIC OUTLOOK**

The program has continued to take steps to avert major economic impacts both statewide and within communities. The state's small rural communities are financially challenged when faced with funding major capital projects. Aging and declining population bases make it difficult to draw the amount of user fees needed to fund capital infrastructure projects to address wastewater issues. Supply chain effects on equipment and material purchases, along with inflationary pressures due to funding availability resulted in 6 to 8-month project start delays coupled with 20 to 90% cost overruns, and from all available information, those are still forecasted.

## **DEBT ADMINISTRATION**

### **Short-Term Debt**

The Program had short-term debt activity during the fiscal year resulting from a bond issue. The bond issue was for \$1,620,000, which was repaid and retired within the same fiscal year.

## **LINKED DEPOSIT PROGRAM**

The Department continues the implementation of a Linked Deposit Program (LDP) for nonpoint source pollution control projects from authorizations in the Nebraska Administrative Code, Title 131, Rules and Regulations for the Wastewater Treatment Facilities and Drinking Water Construction Assistance Program. The CWSRF will partner with eligible lending institutions, which will disburse loans to borrowers for these projects through a linked deposit loan program. Under this program, the state agrees to place funds into low-yielding deposits, and the lending institution agrees to provide loans to borrowers at reduced interest rates below market rates.

Currently, due to historically low market interest rates, the Department has not been able to partner with lending institutions. The Program is working with local banking leaders to improve the LDP to provide additional incentives for the banking community.



## **LOAN & GRANT TRACKING SYSTEM (LGTS)**

LGTS is a comprehensive software application developed by Northbridge Environmental, which is designed for Nebraska's SRF staff to track and manage all aspects of the Clean and Drinking Water SRF programs from project loan application to final repayment, as well as to track all capital contributions, set-aside spending, and bond issuance and repayments.

The software was developed to address the data management needs for all of the steps in the SRF management process, including priority list development, facility location and identification, documentation and files, engineering review and milestone tracking, inspections, contacts for a project, contract approvals and change orders, detailed payment request processing, project spending forecasts, encumbrances, funding draws and transfers, disbursements, amortization schedule creation and management, billing, repayment processing, fund deposits, and tracking of repaid funds by their original source, report and data generation, and more. The software also contains a customized general ledger to match existing accounting systems and create trial balances, financial statements, and related financial schedules.

Nebraska's SRF programs have implemented the LGTS system. The following is a brief timeline for the development and processing of LGTS system:

- SFY 2014: Planning of the implementation phases, business rules, and hardware and software installations.
- SFY 2015 and 2016: LGTS system was used concurrently with existing systems to create a basis for reliability and consistency.
- SFY 2017: Existing internal system was discontinued and LGTS became the sole system for use within the SRF program alongside the State Accounting System.
- SFY 2020: Began building a web based LGTS to enhance SRF projects and financial loan/grant reporting and tracking. LGTS switched to a web-based format in August 2020.
- SFY 2021: Began building a cash flow model.
- SYF 2022: LGTS is used in daily operations.

Since implementation of the program, the NDEE has found that the LGTS has reduced the occurrence of human error, has increased efficiency and time savings, and overall increased productivity on projects.

EPA recommended that the states contract with Northbridge directly to allow more flexibility in the work. In order for our Department to complete the implementation of the web-based version of LGTS, and to have continued support on our current software that is used by our personnel on a daily basis, NDEE signed a new contract with Northbridge in SFY 2021.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
 CLEAN WATER STATE REVOLVING FUND PROGRAM  
**B. UNAUDITED BALANCE SHEET**  
 Fiscal Year Ended June 30, 2022

	<b>Enterprise Fund</b>
<b>ASSETS</b>	
<b>CURRENT ASSETS:</b>	
Cash in State Treasury	\$ 174,372,258
Due from Federal Government	-
Interest Receivable	243,668
Loans Receivable – Current	14,071,799
<b>TOTAL CURRENT ASSETS</b>	<b>188,687,725</b>
<b>NON-CURRENT ASSETS</b>	
Loans Receivable	171,754,939
Capital Assets, Net	509,108
<b>TOTAL NON-CURRENT ASSETS</b>	<b>172,264,047</b>
<b>TOTAL ASSETS</b>	<b>\$ 360,951,772</b>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts Payable & Accrued Liabilities	\$ 23,749
Due to Grant Recipients	331,136
Compensated Absences	5,499
<b>TOTAL CURRENT LIABILITIES</b>	<b>360,384</b>
<b>NON-CURRENT LIABILITIES:</b>	
Compensated Absences	44,488
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>44,488</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 404,872</b>
<b>NET ASSETS</b>	
Net Investment in Capital Assets	509,108
Unrestricted	360,037,792
<b>TOTAL NET POSITION</b>	<b>360,546,900</b>
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<b>\$ 360,951,772</b>

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
 CLEAN WATER STATE REVOLVING FUND PROGRAM  
**C. STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
 Fiscal Year Ended June 30, 2022  
 UNAUDITED

	<b>Enterprise Fund</b>
<b>OPERATING REVENUES:</b>	
Loan Fees Administration	\$ 824,752
Interest on Loans	1,515,994
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 2,340,746</b>
<b>OPERATING EXPENSES:</b>	
Administrative Costs from Fees	745,018
4% Administrative Costs from Grants	0
Small Town Grants	646,408
Project Planning Activities & Report Grants	0
Loan Forgiveness	1,014,406
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2,405,832</b>
<b>OPERATING INCOME</b>	-65,086
<b>NONOPERATING REVENUE (EXPENSE)</b>	
Capital Contributions - Federal Grants	11,816,585
Capital Contributions - Federal Grants – Capital Assets	0
Interest on Fund Balance - State Operating Investment Pool	2,924,597
Bond Issuance	581
<b>NET NONOPERATING REVENUE (EXPENSE)</b>	<b>\$ 14,741,763</b>
<b>CHANGE IN NET POSITION</b>	14,676,677
<b>TOTAL NET POSITION, BEGINNING OF YEAR</b>	<b>345,870,223</b>
<b>TOTAL NET POSITION, END OF YEAR</b>	<b>\$ 360,546,900</b>

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM  
**D. UNAUDITED STATEMENT OF CASH FLOWS**  
Fiscal Year Ended June 30, 2022

	<b>Enterprise Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 11,722,429
Payments for Administration	(742,552)
Payments for Small Town Grants	(609,342)
Payments for Project Planning Activities & Report Grants	0
Loan Forgiveness	(933,720)
Payments to Borrowers	(64,518,474)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ (55,081,659)</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
Grants Received from the Environmental Protection Agency	11,923,755
Receipts from Bond Issue	1,620,000
Repayment of Bond	(1,620,000)
Bond Interest Payments	0
Payment for Bond Issuance Costs	581
<b>NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES:</b>	<b>\$ 11,924,336</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>	
Capital Contributions	0
Purchase of Capital Assets	(34,596)
<b>NET CASH USED BY CAPITAL FINANCING ACTIVITIES</b>	<b>\$ (34,596)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest on Investments	2,941,043
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>\$ 2,941,043</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(40,250,875)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>214,623,133</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 174,372,258</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Net Operating Income	\$ (65,086)
<b>ADJUSTMENTS TO RECONCILE NET OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES:</b>	
(Increase)/Decrease in Loans Receivable	(55,136,791)
Increase/(Decrease) in Compensated Absences	18,727
Increase/(Decrease) in Accounts Payable & Accrued Liabilities	(16,261)
Increase/(Decrease) in Payables to Grant Recipients	117,752
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ (55,081,659)</b>

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM  
**E. NOTES TO THE GENERAL FINANCIAL STATEMENTS – UNAUDITED**  
For the Fiscal Year Ended June 30, 2022

**1. Summary of Significant Accounting Policies**

**A. Basis of Presentation**

The accompanying basic financial statements of the Department's Program have been prepared in conformity with accounting principles Generally Accepted Accounting Principles in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The basic financial statements have been prepared primarily from accounts maintained by the State Accounting Administrator of the Department of Administrative Services (DAS).

**B. Reporting Entity**

The Program is established under and governed by the Clean Water Act of the federal government and by laws of the State of Nebraska. The Department is a state agency established under and governed by the laws of the State of Nebraska. As such, the Department is exempt from state and federal income taxes. The Program's management has also considered all potential component units for which it is financially accountable and other organizations that are fiscally dependent on the Program or whose relationship with the Program is so significant that exclusion would be misleading or incomplete. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the Department to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Department. The Department is also considered financially accountable if an organization is fiscally dependent on, and there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Department, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

These financial statements present the Program. No component units were identified. The Program is part of the primary government for the State of Nebraska's reporting entity.

**C. Fund Structure**

The Program's accounts are maintained in accordance with the principles of fund accounting to ensure compliance with limitations and restrictions placed on the use of resources available to it. Under fund accounting, individual funds are established for the purposes of carrying on activities or attaining objectives in accordance with specific regulations, restrictions, or limitations. Each individual fund is a self-balancing set of

accounts recording cash and other financial resources, together with liabilities and residual equities or balances, and changes therein.

The State Accounting System includes the following funds, as identified in the Wastewater Treatment Facilities Construction Assistance Act:

- Clean Water Facilities Funds – Federal Funds 48412 and 48413; Repaid Principal and Bond Funds 68471, 68472, and 68473.
- Administration Funds – Cash Funds 28460 and 28461.

These funds are used to account for revenues and expenses for loans and administrative expenses of the Program.

The activity of these State of Nebraska funds has been combined and reported as an enterprise fund, which under governmental GAAP is a proprietary fund type. This fund type reflects transactions used to account for those operations that are financed and operated in a manner similar to a private business. The accounting for the Program's transactions in this manner is a requirement of the EPA, as it and the Department have decided that the determination of the revenues earned, expenses incurred, and/or net income is necessary to demonstrate the success of the Program and to assure the EPA that the Program will be available in perpetuity, as intended.

This fund classification differs from the classification used in the State of Nebraska's Annual Comprehensive Financial Report (ACFR). The ACFR classifies the cash funds, federal funds, and bond funds as special revenue funds, as they meet the definition of special revenue funds under GASB Statement 54. In that statement, special revenue funds are defined as funds used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes.

#### **D. Measurement Focus, Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

An enterprise fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the balance sheet. Enterprise fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Enterprise funds utilize the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

#### **E. Cash and Cash Equivalents**

In addition to bank accounts and petty cash, this classification includes all short-term investments, such as certificates of deposit, repurchase agreements, and U.S. treasury bills having original maturities (remaining time to maturity at acquisition) of three months or less. These investments are stated at cost, which at June 30, 2022, approximates fair value due to their short-term nature. Banks pledge collateral, as required by law, to

guarantee state funds held in time and demand deposits.

Cash and cash equivalents are under the control of the State Treasurer or other administrative bodies, as determined by law. All cash deposited with the State Treasurer is initially maintained in a pooled cash account. On a daily basis, the State Treasurer invests cash not needed for current operations with the State's Investment Council, which maintains an operating investment pool for such investments. Interest earned on these investments is allocated to funds based on their percentage of the investment pool.

#### **F. Loans Receivable**

The state operates the Program as a direct loan program, whereby loans are made to communities. Loan funds are disbursed to the local agencies as they expend funds for the purposes of the loan. Interest is calculated from the date the funds are advanced. After the final disbursement has been made, the amortization schedule identified in the loan agreement is adjusted for the actual amounts disbursed. The current interest rates on loans range from 0% to 3.3%, and the terms on outstanding loans range from 10 to 30 years.

The Program loans are funded from federal capitalization grants, state match funding, and repaid funds from issued CWSRF loans. The grants are funded, on average, 83.33% from federal funds and 16.67% from state match funds. Reimbursements to communities are paid 100% from State matching funds until those funds have been exhausted, and then from federal capitalization grant funds or CWSRF. The CWSRF is financed through principal repayments plus interest earnings available to finance new projects, allowing the funds to "revolve" over time.

The current loans receivable amount was determined using the amount of principal payment due to the Program at June 30, 2022, which is collectible for SFY 2023. Loans receivable that were paid in full, prior to their due date, as of August 31, 2022, were included in the current loans receivable balance as opposed to the long-term receivable balances.

No provisions were made for uncollectible accounts, as management believed all loans would be repaid according to the loan terms.

#### **G. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **H. Compensated Absences**

All permanent employees working for the Program earn sick and annual leave and are allowed to accumulate compensatory leave rather than be paid overtime. Temporary and intermittent employees are not eligible for paid leave. The liability has been calculated using the vesting method, in which leave amounts, for both employees currently eligible to receive termination payments and other employees expected to become eligible in the future to receive such payments upon termination, are included.

Program employees accrue vested annual leave at a variable rate based on years of

service. Generally, accrued annual leave cannot exceed 35 days at the end of a calendar year. Employees accrue sick leave at a variable rate based on years of service. In general, accrued sick leave cannot exceed 180 days. There is no maximum limit on the accumulation of sick leave days for employees under certain labor contracts. Sick leave is not vested except upon death or upon reaching the retirement eligibility age of 55 – or a younger age, if the employee meets all criteria necessary to retire under the primary retirement plan covering his/her State employment, at which time the State is liable for 25 percent of the employee’s accumulated sick leave. Employees under certain labor contracts can only be paid a maximum of 60 days.

The Program’s financial statements recognize the expense and accrued liability when vacation and compensatory leave is earned or when sick leave is expected to be paid as termination payments.

## **I. Due to Grant Recipients**

The Program awards Project Planning Activities & Report Grants and Small Town Grants to communities with populations below 10,000 demonstrating serious financial hardship (determined by the community’s median household income (MHI)). Municipalities with wastewater treatment facility projects that have submitted an application and whose needs are identified on the Project Priority Planning List in the annual IUP will be considered for grants.

Loan Forgiveness is additional subsidization for municipalities from the Program that are offered for eligible recipients in accordance with the annual IUP and are provided concurrent with loans. Prior to July 1, 2020, the Program could award a maximum of \$150,000 per project, with up to a 50% loan match. A transition to a tiered forgiveness percentage based on population and median household income was made this fiscal year, with the \$150,000 option planned to end in SFY 2022. The Program’s power and authority to distribute the additional subsidization is an existing authority under the Neb. Rev. Stat. §81-1504(4) and §81-15,150.

For borrowers to qualify for Loan Forgiveness, they must have a population of 10,000 or less and must be considered a financial disadvantaged community in regard to meeting an affordability criteria. To help assess a community’s affordability criteria, the Program uses a score established by the Department’s Assessing Wastewater Infrastructure Needs (AWIN) program. In 2012, the Department developed the AWIN program to assist struggling communities in Nebraska to better afford, maintain, and operate wastewater infrastructure projects. The goal of AWIN is to use current information to provide accurate estimates of future conditions in Nebraska communities to develop sustainable projects and minimize financial burdens for struggling communities. AWIN examines various factors affecting communities, such as population trends, population, median household income, unemployment, average age of residents, and infrastructure needs to develop a “sustainability risk” analysis. Sustainability risk scoring is divided into three categories: low risk, moderate risk, and high risk. Applicants with a moderate or high sustainability risk are thought to potentially need the most assistance to bring them into and keep them in compliance for the future with as little additional stress as possible and may qualify to receive Loan Forgiveness funds. The Program acknowledges that information used to assess and evaluate a community may not properly reflect the entire community’s current financial situation or scope. As such, applicants that are categorized as a low sustainability risk can submit a request to be considered a community under financial hardship to the Program and possibly qualify for Loan Forgiveness upon review.



The loan recipient will not be required to repay the portion of the loan principal that has been designated as Loan Forgiveness under the terms and conditions of the loan contract. Loan Forgiveness is considered a grant for purposes of the financial statements, since repayment is not required.

Due to the 2020 Census, the Program will be reviewing and updating the model with the newest Census data when it is available. While making these adjustments, variables of the AWIN model will also be evaluated to determine if they depict each community's sustainability risk. Upon further review, some variables may be added or removed depending on how they contribute to the assessment.

For Project Planning Activities & Report Grants, Small Town Grants and Loan Forgiveness awards, once the municipality submits proof of vendor payment to the Department, eligible costs are reimbursable. The Program's financial statements recognized the expense and accrued liability to the Program when the municipality incurred the project expense, which may not have been in the same fiscal year as when costs were reimbursed by the Program.

#### **J. Operating Revenues and Expenses**

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Program's principal ongoing operations. The operating revenues of the Program include loan fees administration and interest on loans, since making loans is the primary purpose of the Program. The operating expenses of the Program are administration expenses, small town grants, project planning activities & report grants and loan forgiveness.

#### **K. Capital Asset**

The Program has only one capital asset, the LGTS software, and it is recorded at cost. The Department began the development phase of the LGTS software during SFY 2014 and work is ongoing through FY 2022. The LGTS software is considered an Intangible Capital Asset, and the Department follows the capitalization policy set forth by the State of Nebraska for Intangible Capital Assets, which requires capitalization of such assets when the cost of such asset is in excess of \$100,000 and has an expected life of greater than one year. The LGTS software has an estimated useful life of seven years.

Depreciation/amortization will begin upon completion of the development phase and the software being put into production and will be computed using the straight-line method over the estimated useful life of the asset.

### **2. Cash in State Treasury**

Cash in State Treasury, as reported on the balance sheet, is under the control of the Nebraska State Treasurer or other administrative bodies, as determined by law. Investment of all available cash is made by the State Investment Officer on a daily basis, based on total bank balances. These funds are held in the State of Nebraska Operating Investment Pool (OIP), an internal investment pool. Additional information on the deposits and investments portfolio, including investment policies, risks, and types of investments, can be found in the State of Nebraska's ACFR for the SFY 2022. All interest revenue is allocated to the General Fund, except allocations required by law to be made to other funds. All funds of the Program were designated for investment during SFY 2022. Amounts are allocated monthly based on average balances of all invested funds.

**3. Loans Receivable**

As of June 30, 2022, the Program had 178 outstanding community loans to 134 separate communities that totaled \$185,826,738. The outstanding balances of the 10 communities with the largest loan balances, which represent 72.56% of the total loans, are as followed:

<b>Community</b>	<b>Outstanding Balance</b>
Omaha	\$29,450,000
South Sioux City	25,502,006
York	20,010,050
Lincoln	14,890,312
Kearney	11,663,250
Sarpy County and Sarpy Cities Wastewater Agency	9,775,252
Gretna	8,374,564
Dakota City	5,713,123
Lexington	5,486,927
Wayne	3,965,420
<b>TOTAL</b>	<b>\$134,830,903</b>

**4. Capital Assets**

The CWSRF capital assets activity for SFY 2022 are:

	<b>Beginning Balance as Restated</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>
<b>Software Development In-Progress Loans and Grants Tracking System (LGTS)</b>	<u>\$ 474,513</u>	<u>\$ 34,595</u>	<u>\$ -</u>	<u>509,108</u>

**5. Bonds Payable**

The State has entered into a special financing arrangement with Nebraska Investment Finance Authority (NIFA), an independent instrumentality of the State exercising essential public functions, to provide matching funds for the Program. NIFA issues the bonds, and the proceeds are held by the Trustee until they are needed by the Program for loan purposes.

The EPA requires the Program to provide 20% matching funds for each capitalization grant as required by the Federal Clean Water Act, §602(b)(2). Interest revenue from Program loans is pledged to pay off the bonds. During the fiscal year, the Program utilized \$1,800 of administrative cash funds and issued and retired Series 2021B short-term revenue bonds to meet the requirement of matching each capitalization grant with 20% of non-Federal funds. Bonds Payable activity for SFY 2021 on the short-term bond are as followed:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Bonds Payable	\$ -	\$ 1,620,000	\$ 1,620,000	\$ -

**6. Noncurrent Liabilities**

Changes in noncurrent liabilities for SFY 2022 are as followed:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$ 27,821	\$ 16,667	\$ 0	\$ 44,488	\$ 5,499

**7. Capital Contributions**

Included in the net position is the total amount of capitalization grants drawn from the EPA by the Department. The following summarizes the capitalization grants awarded and drawn, as well as the remaining balance as of June 30, 2022. The year column relates directly to the grant amount column and represents the federal fiscal year the grantfunds were appropriated by Congress. The amount drawn column is as of June 30, 2022 and may have been drawn over multiple years. The remaining balance in FFY 2020 was utilized for a loan to a county. A majority of the remaining balance in FFY 2021 was requested to be reclassified to loan funding from administrative funding for future SRF CW loans. EPA has approved this request.

<u>FFY* Available</u>	<u>Grant Amount</u>	-	<u>Amount Drawn</u>	-	<u>Balance</u>
1989	\$ 4,773,100		\$ 4,773,100		-
1990	4,964,560		4,964,560		-
1991	10,821,580		10,821,580		-
1992	9,938,500		9,938,500		-
1993	9,830,300		9,830,300		-
1994	6,061,600		6,061,600		-
1995	6,263,600		6,263,600		-
1996	10,319,661		10,319,661		-
1997	3,119,900		3,119,900		-
1998	7,019,996		7,019,996		-
1999	6,857,600		6,857,600		-
2000	6,834,000		6,834,000		-
2001	6,797,400		6,797,400		-
2002	6,855,000		6,855,000		-
2003	7,069,900		7,069,900		-
2004	6,747,100		6,747,100		-
2005	5,467,300		5,467,300		-
2006	4,424,300		4,424,300		-
2007	5,429,600		5,429,600		-
2008	3,415,700		3,415,700		-
2009 - ARRA	20,045,000		20,045,000		-
2009	3,415,700		3,415,700		-
2010	10,422,000		10,422,000		-
2011	7,529,000		7,529,000		-
2012	7,075,582		7,075,582		-

2013	6,663,899	6,663,899	-
2014	7,144,000	7,144,000	-
2015	7,080,590	7,080,590	-
2016	6,771,276	6,771,276	-
2017	6,750,000	6,750,000	
2018	8,083,736	8,083,736	
2019	8,109,000	8,109,000	
2020	8,110,000	8,043,665	66,345
2021	8,109,000	7,460,776	648,224
<b>TOTAL</b>	<b>\$ 248,319,480</b>	<b>\$ 247,604,911</b>	<b>\$ 714,569</b>

\*Federal Fiscal Year is from October 1 of a year through September 30 of the next year.

Not included in the above grant totals are the amounts set-aside as in-kind contributions for the LGTS software development. The total amount of in-kind contributions utilized for LGTS as of June 30, 2022, was \$325,682. Additional in-kind contributions were received and capitalized for the Drinking Water State Revolving Fund Program which also utilizes the LGTS software.

**8. Loan Fees Administration**

To meet the long-term administrative needs of the Program, an annual fee of up to 1% is charged against the outstanding principal on loans. These fees are calculated on a semi-annual basis and billed when loan principal and interest payments are due. These fees are not included in the loan principal. The Director of the Program may waive this fee during construction, except on projects that only receive interim financing during construction. The fee is applied to all loans in accordance with Title 131 and the IUP.

**9. Interest on Fund Balance – State Operating Investment Pool**

The reported amount represents the earnings the Program received from idle funds invested by the Nebraska State Treasurer with the State’s Investment Council. Interest is credited on approximately the 25<sup>th</sup> day of each month.

**10. Operating Expenses**

The operating expenses of the Program are classified, for financial reporting purposes, into five categories:

1) Administrative Costs from Fees

To meet the long-term administrative needs of the program, an annual fee of up to 1% is charged against the outstanding principal on loans. This fee is deposited into a separate account and is used for administrative costs of the Program and other eligible water quality related purposes. The fee on a loan made from leveraged bond proceeds may be set to reflect the cost of issuing bonds and management of the leveraged loan portfolio.

For the SFY 2022, the CWSRF program utilized \$777,143 of the 4% for additional administrative funds.

## 2) 4% Administrative Costs from Grants

The Federal Water Pollution Control Act allows for additional options in determining the amount of administration funds that can be utilized from the capitalization grant. The maximum annual amount of CWSRF funds (not including any fees collected that are placed in the fund) that may be used to cover reasonable costs of administering the fund is the greatest of the following:

1. \$400,000; or
2. 0.2% of the current valuation of the fund; or
3. An amount equal to 4% of all grant awards received by the State CWSRF less any amounts used in previous years to cover administrative expenses.

## 3) Small Town Grants

Per Neb. Rev. Stat. §81-15,151(2) and §81-15,153(11), Small Town Grants are made available to communities that have populations of 10,000 inhabitants or less and demonstrate serious financial hardship. The IUP also sets additional eligibility requirements for Small Town Grants. Total amount of grants issued to a borrower cannot exceed one half of the total eligible project costs. The maximum amount to be awarded in the Small Town Grants in combination with Facility Planning Grants is set at 65% of the revenue from administrative fees collected in the prior fiscal year by Statute and was set at 50% in the fiscal year 2022 Intended Use Plan. The total amount of grants signed into loan contracts for SFY 2022 was \$452,500. The IUP set the upper limit of the grant to each community at \$250,000 per project, concurrent with a Program loan. Projects are prioritized based project type and community Median Household Income.

## 4) Project Planning Activities & Report Grants

Project Planning Activities & Report grants may be provided to municipalities with populations of 10,000 or fewer inhabitants that demonstrate serious financial hardship. Municipalities with wastewater treatment facility project needs that are identified on the project priority planning list and have not received a grant in the past five years, may receive up to 90% of project costs in Project Planning Activities & Report Grant, up to a maximum of \$20,000 per project. These grants are funded through the Administrative Cash Fund.

## 5) Loan Forgiveness

The State may choose to provide additional subsidization in the form of loan forgiveness using new tiered percentages based on community populations for qualifying disadvantaged communities that meet the affordability criteria found in the IUP. Total amount of grants issued to a borrower cannot exceed one half of the total eligible project costs. Awarding loan forgiveness is dependent on the availability of funding from Federal capitalization grants and the total amount of funds the Program decides to allocate for forgiveness from each grant. The Program will reserve up to 40% of the Capitalization Grant for additional subsidization. Loan forgiveness discharges the community from repaying that portion of the principal amount of its loan under the terms and conditions of the loan contract.

## 11. **State Employees Retirement Plan (Plan)**

The single-employer Retirement Plan became effective by statute on January 1, 1964. The Public Employees Retirement Board was created in 1971 to administer the plan. The plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. Each member employed and participating in the retirement system prior to January 1, 2003, elected either to continue participation in the defined contribution option or to begin participation in the cash balance benefit. The defined contribution option is closed to new entrants. All new members of the plan on and after January 1, 2003, become members of the cash balance benefit. The benefits and funding policy of the plan are established and can only be amended by the Nebraska Legislature.

All permanent full-time employees are required to begin participation in the retirement plan upon employment.

**Contribution** – Per statute, each member contributes 4.8% of his or her compensation. The Department matches the member’s contribution at a rate of 156%. The employee’s and employer’s contributions are kept in separate accounts. The employer’s account is fully vested after a total of three years of participation in the plan.

**Defined Contribution Option** – Upon attainment of age 55, regardless of service, the retirement allowance shall be equal to the sum of the employee and employer account. Members have several forms of payment available, including withdrawals, deferrals, annuities, or a combination of these.

**Cash Balance Benefit** – Upon attainment of age 55, regardless of service, the retirement allowance shall be equal to the accumulated employee and employer cash balance accounts, including interest credits, annuitized for payment. Members will have the option to convert their member cash balance account to a monthly annuity with built-in cost-of-living adjustments of 2.5% annually. Also available are additional forms of payment allowed under the Plan, which are actuarially equivalent to the normal form, including the option of lump-sum or partial lump-sum.

For SFY 2022, SRF employees contributed \$18,014 and the Department contributed \$28,102. A separate plan report is issued and can be obtained from the Nebraska Public Employees Retirement System. This report contains full pension-related disclosures.

The State of Nebraska ACFR also includes pension-related disclosures. The CAFR report is available from the Nebraska Department of Administrative Services – Accounting Division or on the Nebraska Auditor of Public Accounts’ website at [www.auditors.nebraska.gov](http://www.auditors.nebraska.gov).

## 12. **Contingencies and Commitments**

**Risk Management** – The Department is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, and natural disasters. The Department, as part of the primary government for the State, participates in the State’s risk management program. DAS is responsible for maintaining the insurance and self-insurance programs for the state. The state typically self-insures for general liability, employee health care, employee indemnification, and workers’ compensation. The state has chosen to purchase insurance for the following:

- A. Motor vehicle liability, which is insured for the first \$4,700,000 of exposure per accident with a self-insured retention of \$300,000 (coverage includes hot pursuit). There is an additional one-time corridor retention of \$300,000. Insurance is also purchased, with various limits and deductibles, for physical damage and uninsured and underinsured motorists. State agencies have the option to purchase coverage for physical damage to vehicles. There is a \$1,000 deductible for this coverage.
- B. Life insurance for eligible employees
- C. Crime coverage, with a limit of \$10,975,000 for each loss, and a \$25,000 self-insured retention per incident subject to specific conditions, limits, and exclusions.
- D. Real and personal property on a blanket basis for losses up to \$200,700,000, with a self-insured retention of \$300,000 per loss occurrence. Newly acquired properties are covered up to \$5 million for 30 days, and \$1 million for 90 days, if the property has not been reported. If not reported after 90 days, the property is not covered. The perils of flood, earthquake, and acts of terrorism have various coverage, sub-limits, and self-insurance. State agencies have the option to purchase building contents and inland marine coverage.

Details of the various insurance coverage are available from DAS – Risk Management Division.

No settlements exceeded commercial insurance coverage in any of the past three fiscal years. Workers' compensation is funded in the Workers' compensation Internal Service Fund through assessments on each agency based on total agency payroll and past experience. Tort claims, theft of, damage to, or destruction of assets, errors or omissions, and natural disasters would be funded through the State General Fund or by individual agency assessments, as directed by the Legislature, unless covered by purchased insurance. No amounts for estimated claims have been reported in the Program's financial statements. Healthcare insurance is funded in the Insurance Trust Funds through a combination of employee and State contributions.

Litigation – The potential amount of liability involved in litigation pending against the Department, if any, could not be determined at this time. However, it is the Department's opinion that final settlement of those matters should not have an adverse effect on the Department's ability to administer current program. Any judgment against the Department would have to be processed through the State Claims Board and be approved by the Legislature.

## II. PROGRAM INFORMATION SECTION

### A. FUND ACTIVITIES

#### 1. Loan and Investment Status

The fund has a loan portfolio containing \$869,414,886, which is comprised of \$847,728,999 in loans and \$21,685,887 of obligated loan forgiveness. Of the \$847,728,999 in loans, \$459,245,312 has been repaid and \$204,813,958 has yet to be dispersed, leaving a current outstanding loan balance of \$185,826,738. Of the \$21,685,887 of Loan Forgiveness, \$20,011,725 has been dispersed. Details on the Fund Loan Portfolio are in Attachment 1. The SFY 2022 blended interest rate on the outstanding loan balance is 0.78%. With last year's rate at 1.14%, this year's blended interest rate was 36 basis points below last year. The reason for the decline was the refinancing program started last fiscal year and the 0% loan program being fully implemented.

#### 2. Source of CWSRF Funds by Quarter

The \$1,620,000 Nebraska Investment Finance Authority (NIFA) / CWSRF 2021B bond, state match for the FFY 2021 capitalization grant was issued in August 2021, coupled with a transfer from the Administration Cash Fund for match to the capitalization grant award.

#### SOURCE OF STATE MATCH PROGRAM FUNDING FOR FFY 2021 CAPITALIZATION GRANT

NIFA Bond	Quarter	Bond Funds	Cash
2021B	SFY 2022-Q1	\$1,620,000	1,800

#### CAPITALIZATION GRANT PAYMENT SCHEDULE

CAP GRANT	QUARTER	PAYMENT
FFY 2021	SFY 2022-Q1	\$8,109,000

#### 3. Binding Commitments

The CWSRF entered into twenty-one new binding commitments and four typical loan amendments to existing funded communities, which provided financial assistance totaling \$206,804,410. The binding commitment total for SFY 2022, plus 4% administration, equals \$215,076,586. The cumulative binding commitment exceeds the federal 120% binding commitment requirement for SFY 2022. The cumulative binding commitment amount of initial and amended loan awards plus 4% administration totals \$1,002,065,540.

Attachment 2 provides information showing the binding commitments entered during SFY 2022 and shows the cumulative binding commitment amount for initial loan awards and 4% administration since the program initiation. The requirement is to allocate 120% of the capitalization grant within one year. The CWSRF has reached \$963,524,558 or 270% of the required amount.

#### 4. Small Town and Project Planning Activities & Report Grants

The Department has authority to obligate up to 65% of the previous SFY administration fee income for Small Town Grants and Project Planning Activities & Report (PPAR) Grants. In SFY



2022, \$452,500 was available for Small Town Grants and \$20,000 was made available to PPAR Grants.

The following table reports allocations to projects during SFY 2022 for Small Town Grants. Attachment 3 provides more detail on fund history, disbursements, and balances.

Phillips	8034-01	8/24/21	\$202,500
Doniphan	8037-01	12/14/21	\$250,000
<b>SFY 2022 Allocation</b>		<b>Total</b>	<b>\$452,500</b>

CWSRF administration cash funds were used to provide financial assistance to eligible municipalities for project planning activities & reports for wastewater treatment system improvement projects that will seek funding through the Water Wastewater Advisory Committee (WWAC) Common Pre-application Process. This financial assistance is being provided to communities to identify capital improvement needs, as well as increase their readiness to proceed in accomplishing these improvements.

PPAR Grants may be provided to municipalities with populations of 10,000 or fewer people that are identified with a serious financial hardship. This includes any city, town, village, sanitary improvement district, natural resources district, or other public body created by or pursuant to state law having jurisdiction over a wastewater treatment facility. Privately owned wastewater treatment systems are not eligible for assistance.

Grants are provided for up to 90% of the eligible facility plan project cost but cannot exceed \$20,000. PPAR grants were awarded to St. Paul in SFY 2022. Since the grant program's inception, the CWSRF has awarded planning grants to 87 communities for a total of \$1,478,170.

**B. GOALS AND ACCOMPLISHMENTS**

**1. Provisions of the Operating Agreement/Conditions of the Grant**

The State of Nebraska agreed to the following conditions in the Operating Agreement and Grant Agreement, all of which have been met.

- Agreement to Accept Payments
- State Laws and Procedures
- State Accounting and Auditing Procedures
- Recipient Accounting and Auditing Procedures
- Use of the Automated Clearinghouse
- Repayments
- Annual Audit
- Annual Report
- Annual Review
- Anti-Lobbying Act
- Drug-Free Workplace
- Rural Area Business Enterprise Development Plan
- First Use of Funds for Enforceable Requirements
- Provide a State Match at 100%
- Binding Commitments Within One Year
- Expeditious and Timely Expenditures
- Eligible Activities of the SRF
- SRF Data System and Environmental Benefits Reporting
- Federal Funding Accountability and Transparency Act (FFATA)

- Disadvantaged Business Enterprise (DBE) Requirements
- Other Federal Authorities
- State Environmental Review Process (SERP)
- Cash Draw Procedures

The Program is required by federal and state regulations to do a National Environmental Policy Act (NEPA) like review for funded projects. Last fiscal year, it was determined no Environmental Impact Statements (EIS) were necessary. Environmental Assessments (EA) were prepared and a Finding of No Significant Impact (FNSI) was issued for six projects: Wahoo, Doniphan, Eagle, Raymond, Sarpy County Wastewater Agency, and Plattsmouth. Categorical Exclusions (CE) were issued for eight projects: Gresham, Benedict, Crawford, Farman, Central City, La Vista, Omaha, and DeWitt. The Department distributes these EAs via mailings to relevant stakeholders and posts them online at the Department’s website for public review and comment.

The following eight CWSRF projects initiated operation in SFY 2022: Clearwater, Gretna (South Sewer), Knox County SID No. 1, Lynch, Oshkosh, Sidney, Stratton, and Verdigre.

EPA allows states to utilize equivalency for some regulations or conditions of the capitalization grant. The CWSRF is working on Federal Funding Accountability and Transparency Act (FFATA) requirements which include, Architectural and Engineering procurement and signage for projects used for equivalency. The Sarpy County Wastewater Agency project (\$69.8 million) was used to satisfy the requirements of the FFY 2020 capitalization grant, and the Omaha Monroe Street Lift Station project (\$24.5 million) for the FFY 2021 grant.

## **2. Short-Term Goals and Accomplishments**

Six short term goals were described in SFY 2022 IUP. The CWSRF has made significant progress toward successful completion of most of its short-term goals. The goals are listed and discussed as followed:

1. *Develop and implement a Sewer Overflow and Stormwater Reuse Municipal Grants Program to provide funding assistance to borrowers with stormwater needs.*

The Sewer Overflow and Stormwater Reuse Municipal Grants Program (the OSG) receives a greater allotment from the Federal appropriation than Nebraska’s CWSRF. This is primarily due to Omaha’s ongoing two billion dollar combined sewer overflow project. As a result, the plan for these funds was to provide the maximum allowable amount to Omaha, which can both provide grant match and serves a financially distressed community where the OSG funded Monroe Street Lift Station project is located. The required 15% rural community portion of the grant was awarded to the Middle Niobrara Natural Resources District, which in turn provided a complimentary portion of the required Green Project Reserve condition of the OSG award. The CWSRF will provide loan only assistance to help any entity successfully implement the goals of the OSG grant program.

2. *Review SRF funding mechanisms/alternatives to determine if an alternative would result in providing greater benefits to more communities.*

While not the original intent of the goal, the economic crisis sparked by the COVID-19 pandemic has shown over the past year the importance of the SRF programs to stay ahead of shifting financial market conditions. The pandemic brought on a sudden increase of borrowers paying off their SRF loans through private refinancings. This fiscal year the 0% rate program was continued, with sixteen signed CWSRF loan agreements to help meet the timely and expeditious

use of all funds requirement. Several additional 0% loans will be signed in the upcoming fiscal year, with a subsequent transition planned to a below market rate setting policy tied to quarterly municipal bond rate updates.

3. *Continue to develop and implement a workforce development program for water utility operators in order to provide assistance to communities in recruiting to combat an aging workforce in utility operations.*

Due to the need to implement the start of Bipartisan Infrastructure Law (BIL) funding, only minimal efforts were made toward meeting this goal. This goal will continue to be assessed and evaluated in the next fiscal year.

4. *Target available loan funds to high priority needs in order to encourage construction of the highest impact water quality and/or human health improvement projects by providing the best funding assistance available.*

The Program used a priority ranking system to evaluate facilities in eight categories, with the greater number of points resulting in the higher the ranking. The eight categories are:

- project benefit;
- beneficial use and classification of receiving water;
- water quality of receiving waters;
- enforcement actions;
- readiness to proceed;
- population served;
- AWIN; and
- financial impacts.

In addition, the Program continually evaluates this ranking system as well as the AWIN program's parameters to ensure financial assistance is being prioritized and going to communities with the greatest needs. For nineteen of twenty-one loans signed last fiscal year, five or more of the eight ranking criteria were satisfied. For the two below, the City of LaVista and the Village of Farnam were funded to satisfy the green project reserve, and Sarpy County and Sarpy Cities Wastewater Agency was funded meeting four out of eight categories. In preparing for the BIL, a portion of the historically funded South Sioux City project was reviewed, and re-assigned to meet GPR requirements of the FFY 2019 grant.

5. *Pursue public and private sector partnership by assisting in collaboration between municipalities and industry.*

The loans signed with Crawford, Plattsmouth, the Sarpy County and Sarpy Cities Wastewater Agency, and Valentine were made in conjunction with funding provided from USDA's Rural Development, the Federal Emergency Management Agency, Congressionally Directed Spending, and the Nebraska Department of Transportation, respectively. The first three will provide either a public health and/or significantly improved water quality benefit. For Valentine, to replace significantly aged infrastructure. Leveraging CWSRF funds together with these other sources of public funding will help keep user rates low and their wastewater utilities operating at a sustainable level.

6. *Appraise and further develop the AWIN program to ensure accurate information is being utilized in determining municipality assistance; calculate municipalities' sustainability risk; and adjust the program to maintain the most current state and federal requirements.*

A preliminary rework of the AWIN program was completed, with the intent of achieving this goal by the end of 2022. However, it was learned that the needed information from the 2020 U.S. Census survey would not be available until May 2023. Therefore, this goal will not be achieved until SFY 2024.

### **3. Long-Term Goals and Accomplishments**

Eight long term goals were included in the IUP:

- 1. Manage the Nebraska CWSRF Program to fund projects which protect and improve the public health of the citizens of the state.*

NDEE continues to request EPA capitalization grants and providing state match in a timely manner; allocating grant funds, match and recycle funds to projects in a timely manner; providing technical and financial support through recommendations to those communities needing additional assistance; and continue to market and promote awareness of the CWSRF Program. Numerous projects funded this year fully replaced or consisted of the major rehabilitation of wastewater treatment facilities, eliminated serious violations for the open discharge of wastewaters, and/or will provide centralized treatment to previously unsewered areas.

- 2. Protect and enhance Nebraska's water resources, the environment, and human health by providing affordable funding for eligible clean water projects.*

Cost-effective project alternatives will be promoted to stretch funding, primarily forgiveness/grant assistance for communities in need. AWIN has been incorporated as the affordability criteria tool to ensure sustainability over the term of the loan. In response to market conditions during the Covid-19 pandemic, a 0% rate program, both interest and fee, had binding commitments made in the first half of the fiscal year, with a transition back to below market rate conditions as financial markets began to stabilize.

- 3. Attend workshops/conferences and meet with municipalities, consultants, and other stakeholders to promote the CWSRF program to the public as well as identify potential CWSRF projects and obtain stakeholder input regarding modifications or enhancements to the CWSRF program.*

As cycles of the pandemic both became known and eased, personal interaction with the public became returned to being a more prevalent element of the program. The daily work with the municipalities, engineering consultants and other stakeholders through means of emails, conference calls, video calls, and webinars continues as an efficient time saving means, but in person events started again, especially in preparation of the BIL funding. The NDEE started the annual SRF needs survey in December of 2021, ranking projects for the upcoming IUP. Over 350 municipalities responded identifying just under \$709 million in needs. As the ability to meet in public becomes routine again, staff will continue to participate in conferences/workshops, attend community board meetings to assist in project planning, and to provide inter-agency training on the SRF program.

- 4. Encourage the incorporation of green infrastructure concepts and energy recovery, production, and conservation in CWSRF funded projects through adjusted interest rates and grant opportunities.*

The Program continues to promote GPR funding by offering a reduction of up to 0.5% of the interest rate in projects with qualifying GPR components.

- 5. Request annual EPA capitalization grants and provide state match in a timely manner.*

The Program will continue to apply for the annual CWSRF capitalization grant as soon as possible during the SFY. In addition, NDEE will continue to promote the submittal of our program needs survey and participate in the national needs surveys, which establishes the foundation for securing bonds for state match purposes.

6. *Annually prioritize potential CWSRF projects in Nebraska according to the greatest chronic public health and environmental health concerns being addressed and their readiness to proceed with construction and implementation. Allocate available CWSRF funds to projects in a timely manner.*

The Program relies on the Priority Ranking System described in the short-term goals. This ensures that funds are made available first to the greatest needs. Projects identified during the survey process are ranked in accordance with the system and placed on the Project Priority Planning List. Typically, projects addressing public health, as well as environmental and water quality concerns, receive the highest points. Readiness to proceed is a primary factor for placement on the fiscal year's Priority Funding List. A change was made for the upcoming fiscal year, as the ranking of all municipality projects will now be conducted in odd numbered fiscal years, with only ranking of unique discovered needs in even fiscal years. The program may re-evaluate the ranking system during the upcoming fiscal year. Due to the BIL funding, the changes made to supplement the affordability criteria per BIL issued guidance, and higher rates in the private market, there is presently no shortage of projects pursuing CWSRF assistance.

7. *Pursue the development of a mechanism to evaluate and prioritize the most appropriate, affordable, and holistic, state, regional, and/or watershed-based solutions that address both point and nonpoint source water pollution problems.*

As stated above, the Program will utilize information from the AWIN program to enable sustainability among small communities by determining appropriate and affordable projects. This program provides the CWSRF with additional tools for this purpose and allows the Program to utilize the fund for the best project alternative. Pending availability, the Program will be reviewing and updating the AWIN model with the newest Census data when it is available. While making these adjustments, variables of the AWIN model will also be evaluated to determine if they actually depict each community's risk assessment. Upon further review, some variables may be added or removed depending on how they contribute. Additionally, the Program promotes the use of Fiscal Sustainability Plans and Cost-Effective Analysis reports.

Included in the IUP as part of the planning list are nonpoint source projects. In addition, the program is working to improve the Linked Deposit Program for nonpoint source pollution. There has also been communication between the program and the Natural Resources Districts (NRDs) around the state to promote the use of the fund for the development of watershed management plans. Local NRDs are usually the first contact in developing these plans, and as funds become less available for the development phase of these plans, the CWSRF is a funding resource.

8. *Continue working with other federal, state, and local programs to provide affordable financing for municipal pollution prevention and control projects.*

The NDEE participates in the WWAC loan and grant pre-application screening process along with the U.S. Department of Agriculture-Rural Development for their water and wastewater grant and loan programs. The WWAC reviews the project pre-application and then provides the applicant funding assistance options. While the committee ranks options, it is ultimately the applicant's decision on which funding option is best for their community needs.

### **C. FUNDED PROGRAM**

The Annual Report reflects the results and changes from the SFY 2022 IUP approved by the Environmental Quality Council (EQC) on June 15, 2021. Project information for the loans closed last fiscal year is provided in Attachment 4.

### **D. USEFUL LIFE OF PROJECT**

#### **Design Life**

The design life of a project is the planned period of time that the project will meet the performance requirements of the intended purpose. Capital project financing payment terms should not exceed the design life or loan repayment will continue after the planned project may have become obsolete. Preliminary Engineering Reports (also called Facility Plans) generally plan for a 20-year design life but may be any period determined reasonable by the engineer and concurred on by the Department. Performance requirements may include projected influent loading from domestic/commercial/industrial sources, National Pollutant Discharge Elimination System (NPDES) permit requirements and limits, and owner/operator preferences or goals.

#### **Project Alternatives**

Preliminary Engineering Reports evaluate several alternatives, feasible project substitutes, which meet the technical performance requirements. Infeasible design approaches are not considered to be "Alternatives"; however, infeasible design approaches should be listed with their major shortcomings as part of a complete discussion on project alternatives.

#### **Useful Life**

*Useful Life of an Asset* is the anticipated duration of time that the asset will provide enough performance value to keep the asset in operation.

*Useful Life of a Project* is also defined as the anticipated duration of time that the assets procured will provide enough performance value to justify keeping the assets in operation. Wastewater projects often consist of assets such as structures or equipment working together to perform a function. In many circumstances, the useful life of an asset or project is dependent on the maintenance, rehabilitation, renewal, and/or replacement of component parts/assets and equipment that make up a project.

#### **Salvage Value**

The salvage value as described in CWSRF program is the net present value of the remaining straight-line depreciation of an asset. The net present value of remaining depreciation of an asset is included in a cost effectiveness analysis.

Salvage value as defined in an engineering economics textbook may be omitted if it is not consequential towards the overall lifecycle cost of a project. In most cases, the actual salvage value of an asset is negative. It costs more money to remove and sell the asset at the end of its useful life than what it is worth. Moreover, the value of salvage, in most cases, is incidental compared to the initial capital cost, and operation and maintenance costs. For example, newly installed sewers begin their useful life with zero or a negative salvage value as the costs to dig up and resell the pipe would not return much cash.

An engineering textbook definition: Salvage Value is the net cash value of an asset at the end of its useful life. The salvage value may be calculated by estimating the market value of selling the asset minus the estimated costs incurred to put the asset on the market, e.g. dismantling or handling costs. If the salvage value is significant, include the estimated net present salvage value as part of overall lifecycle costs.

Examples of Useful Life

1. Wastewater collection system:
  - a. Force mains: 60 years
  - b. Interceptors and sewer mains: 50 to 100 years
  - c. Lift station equipment: 20 years
2. Structures
  - a. Buildings: 60 Years
  - b. Civil structures: concrete tanks or basins, lift station structures: 75 years
  - c. Outfall sewer lines: 30 years
3. Process equipment and auxiliary equipment
  - a. Pumps: 8 to 40 Years
  - b. Flow measurement: 10 years
  - c. Power generation systems: 20 years
  - d. Electrical: 35 years
  - e. SCADA components: 5-10 years

Table A - Asset Type

Class	Asset Type	Useful Life Years
1	<b>Civil Infrastructure</b> (bridges, dams, basins, large concrete infrastructure)	50
2	<b>Pressure Pipework</b>	60
3	<b>Sewers</b>	100(PVC) 50-60 (Clay Pipe)
4	<b>Pumps</b>	15-20
5	<b>Valves</b>	25
6	<b>Motors</b>	10
7	<b>Electrical</b>	35
8	<b>Controls</b>	15
8a	<b>SCADA Programmable Logic Controllers</b> (as per SCADA International)	10-15
9	<b>Building Assets</b>	40
10	<b>Land</b>	300

Table B - Common Short-Lived Assets (SLA) for Drinking Water and Wastewater Treatment Works

Drinking Water Utilities	Wastewater Utilities
<b>Source Related</b>	<b>Treatment Related</b>
Pumps and motors	Pumps motors and controls Chemical feed pumps
<b>Treatment Related</b>	Membrane, UV lamps Valve actuators SCADA, PLCS or Controllers Aeration blowers, aeration diffusers, and nozzles
Chemical feed pumps SCADA, PLCS or Controllers Valve actuators Field & Process instrumentation equipment: water sensors, pressure transducers, flow meters, etc.	Field & Process instrumentation equipment: water sensors, pressure transducers, flow meters, etc.

Granular filter media, membranes, UV lamps Air compressors Pumps motors and controls Sludge collection, handling and dewatering Chemical leak detection equipment	Laboratory analyzers, centrifuges Trickling filters, RBCs, etc. Belt presses & driers Sludge collecting and dewatering equipment Chemical leak detection equipment Hazardous atmosphere detectors
<b>Distribution System and Storage Related</b>	Digester cleanout, inspection and minor repairs
Repainting storage tanks Inspection of storage tanks every 3 to 5 years Booster pump, pressure actuator valves	<b>Collection System Related</b>
<b>Treatment Works System Related</b>	Pumps and motors for lift stations Ventilations systems for lift stations Televising (Condition assessment of sewers)
Generator, Full load tests on generators	

The previous table is referenced from EPA [Excel Spreadsheet Tool \(XLS\)](#) Worksheet "A - Class and Condition" with a modification for line 8a. [\*\*\*Note: The above is no longer available on EPA website. Contact Nebraska Department of Environment & Energy for a copy.\*\*\*]

**E. PROGRAM CHANGES and CHANGES UNDER CONSIDERATION**

Program rates are presently set at 0.5% Interest plus 0.5% Administration Fee, beginning in 2023, rates will be determined from one-third of the average of the 10 and 30-year Municipal Bond rates, rounded down to the nearest even ten basis point level. That determination will be made at the start of each quarter, with a minimum combined range of no less than 1% and no more than 2%.



**ATTACHMENT I  
CWSRF LOAN INVESTMENT STATUS REPORT**

Project Number	Party	Amount to Obligate	Total Agreement Amount	Net Loan Agreement Amount	5/10 Year	Const. Int	Loan Rate	Term Years	Final Disb	Total Disbursements	Construction Period Interest	Grant Amount	Forgiven Amount	Principal Repayments	Loan Balance	Earning Factor	Blended Loan Rate	
C317238	Adams	598,777.00	598,777.00	598,777.00		2	3.16	20	Y	598,777.00	0.00	0.00	0.00	598,777.00	0.00	-		
C317029	Ainsworth	519,800.00	519,800.00	519,800.00			3.5	3.5	10	Y	519,800.00	0.00	0.00	0.00	519,800.00	0.00	-	
C317559	Ainsworth	345,000.00	345,000.00	345,000.00		2		2	20	Y	345,000.00	0.00	0.00	0.00	345,000.00	0.00	-	
C317103	Albion	3,250,000.00	3,250,000.00	3,000,000.00		2	2.25	19	Y	3,250,000.00	0.00	0.00	250,000.00	3,000,000.00	0.00	-		
C317030	Alda	116,940.00	116,940.00	116,940.00		3	3.14	20	Y	116,940.00	0.00	0.00	0.00	116,940.00	0.00	-		
C317838	Allen	896,000.00	574,810.00	474,810.00	5	0.5	1.43	20	Y	574,810.00	0.00	0.00	100,000.00	104,452.60	370,357.40	529,611.08		
C317478	Allen	145,432.00	145,432.00	84,758.00		2		2	20	Y	145,432.00	0.00	0.00	60,674.00	44,594.68	40,163.32	80,326.64	
C317750	Alma	172,000.00	132,056.00	132,056.00			0.5	1.5	20	Y	132,056.00	0.00	0.00	0.00	29,399.16	102,656.84	153,985.26	
C317104	Alvo	212,423.00	212,423.00	212,423.00		3		4	20	Y	212,423.00	0.00	0.00	0.00	212,423.00	0.00	-	
C317239	Amherst	270,927.00	270,927.00	245,651.00			0.5	1.325	20	Y	270,927.00	0.00	0.00	25,276.00	99,354.29	146,296.71	193,843.14	
C317686	Anselmo	160,000.00	158,004.00	79,002.00	5	0.5	1.5	19	Y	158,004.00	0.00	0.00	79,002.00	18,181.73	60,820.28	91,230.42		
C317136	Ansley	1,061,671.00	1,061,671.00	811,671.00		2	2.5	20	Y	1,061,671.00	0.00	0.00	250,000.00	811,671.00	0.00	-		
C317325	Arlington	1,223,435.00	1,223,435.00	1,223,435.00		1	3.59	20	Y	1,223,435.00	0.00	0.00	0.00	1,223,435.00	0.00	-		
C317198	Arnold	99,952.00	99,952.00	99,952.00		3		3	20	Y	99,952.00	0.00	0.00	0.00	99,952.00	0.00	-	
C318001	Aurora	2,777,000.00	2,777,000.00	2,777,000.00	10	0	0	0	20	N	1,482,680.00	0.00	0.00	0.00	1,482,680.00	0.00	-	
C317033-01	Aurora	3,800,000.00	3,800,000.00	3,800,000.00		3	3.31	20	Y	3,800,000.00	0.00	0.00	0.00	3,800,000.00	0.00	-		
C317184	Aurora	590,000.00	590,000.00	590,000.00		1	2.8	15	Y	590,000.00	0.00	0.00	0.00	590,000.00	0.00	-		
C317326	Aurora	3,371,183.00	3,371,183.00	3,121,183.00		2	2.25	19	Y	3,371,183.00	0.00	0.00	250,000.00	3,121,183.00	0.00	-		
C317522	Aurora	276,682.00	276,682.00	276,682.00		3		3	12	Y	276,682.00	0.00	0.00	0.00	276,682.00	0.00	-	
C317025	Avoca	157,514.00	157,514.00	157,514.00		3	3.05	20	Y	157,514.00	0.00	0.00	0.00	157,514.00	0.00	-		
C317070	Axtell	388,787.00	388,787.00	388,787.00		3	3.94	20	Y	388,787.00	0.00	0.00	0.00	388,787.00	0.00	-		
C317185	Ayr	75,989.00	75,991.00	75,991.00		3		3	20	Y	75,991.00	0.00	0.00	0.00	73,486.88	2,504.14	7,512.42	
C317277	Bancroft	1,020,198.00	1,020,198.00	1,020,198.00		2		3	20	Y	1,020,198.00	0.00	0.00	0.00	1,020,198.00	0.00	-	
C318028	Bassett	650,000.00	650,000.00	500,000.00	10	0	0	0	20	N	18,400.00	0.00	0.00	4,246.00	0.00	14,154.00	0.00	-
C317068	Bassett	107,752.00	107,752.00	107,752.00		3		3	20	Y	107,752.00	0.00	0.00	0.00	107,752.00	0.00	-	
C317561	Bassett	959,351.00	959,351.00	709,351.00		1.33	1.33	19	Y	959,351.00	0.00	0.00	250,000.00	199,088.40	510,262.60	678,649.26		
C317279	Bassett	98,231.00	98,231.00	98,231.00		2.57	2.57	20	Y	98,231.00	0.00	0.00	0.00	74,357.16	23,873.84	61,355.77		
C317041	Beatrice	1,775,315.00	1,775,315.00	1,775,315.00		3	3.18	20	Y	1,775,315.00	0.00	0.00	0.00	1,775,315.00	0.00	-		
C317743	Beatrice	98,575.00	98,575.00	98,575.00		2		2	20	Y	98,575.00	0.00	0.00	0.00	98,575.00	0.00	-	
C317017	Bellevue	1,857,908.39	1,857,908.39	1,857,908.39		3.5	5	15	Y	1,857,908.39	0.00	0.00	0.00	1,857,908.39	0.00	-		
C317123	Bellevue	1,400,000.00	1,400,000.00	1,400,000.00		3	3.3	10	Y	1,400,000.00	0.00	0.00	0.00	1,400,000.00	0.00	-		
C317531	Bellevue	3,727,993.00	3,727,993.00	3,727,993.00		2		4	20	Y	3,727,993.00	0.00	0.00	0.00	3,727,993.00	0.00	-	
C317242	Bellwood	324,468.00	324,468.00	324,468.00		3		3	20	Y	324,468.00	0.00	0.00	0.00	324,468.00	0.00	-	
C318002	Benkelman	1,150,000.00	1,140,032.00	991,368.00	10	0.5	0.5	20	Y	1,140,032.00	0.00	0.00	148,664.00	67,968.59	923,399.41	461,699.71		
C317665	Bertrand	319,993.00	319,993.00	219,993.00	5	0.5	1.5	19	Y	319,993.00	0.00	0.00	100,000.00	86,855.35	133,137.65	199,706.48		
C317327	Bertrand	639,103.00	639,103.00	639,103.00		1	2.85	20	Y	639,103.00	0.00	0.00	0.00	499,944.40	139,158.60	396,602.01		
C317167	Big Springs	874,849.00	874,849.00	874,849.00		2		3	20	Y	874,849.00	0.00	0.00	0.00	874,849.00	0.00	-	
C317982	Big Springs	79,050.00	79,050.00	68,133.00	5	0.5	1.5	9	Y	79,050.00	0.00	0.00	10,917.00	45,689.91	22,443.09	33,664.64		
C318005	Bladen	130,000.00	112,697.00	61,938.00	5	0.5	1.5	15	Y	112,697.00	0.00	0.00	50,759.00	9,383.36	52,554.64	78,831.96		
C317638	Blair	968,750.00	968,750.00	875,403.00		2	2.1	19	Y	968,750.00	0.00	0.00	93,347.00	359,889.18	515,513.82	1,082,579.02		
C317243	Bloomfield	202,955.00	202,955.00	202,955.00		3		3	20	Y	202,955.00	0.00	0.00	0.00	202,955.00	0.00	-	
C317519	Brainard	862,338.00	862,338.00	694,096.00		2		2	19	Y	862,338.00	0.00	0.00	168,242.00	694,096.00	0.00	-	

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Project Number	Party	Amount to Obligate	Total Agreement Amount	Net Loan Agreement Amount	5/10 Year	Const. Int	Loan Rate	Term Years	Final Disb	Total Disbursements	Construction Period Interest	Grant Amount	Forgiven Amount	Principal Repayments	Loan Balance	Earning Factor	Blended Loan Rate
C318021	Broadwater	325,792.00	277,783.00	138,892.00	10	0.5	1.5	30	Y	277,783.00	0.00	0.00	138,891.00	6,623.35	132,268.65	198,402.98	
C317747	Broken Bow	845,000.00	845,000.00	745,000.00	5	0.5	1.5	19	Y	845,000.00	0.00	0.00	100,000.00	239,314.79	505,685.21	758,527.82	
C317596	Broken Bow	6,582,551.00	6,582,551.00	5,318,801.00		1.5248	1.5248	23	Y	6,582,551.00	0.00	0.00	1,263,750.00	2,457,804.43	2,860,996.58	4,362,444.72	
C317690	Brule	117,179.00	117,179.00	58,590.00		2	2	20	Y	117,179.00	0.00	0.00	58,589.00	30,322.48	28,267.52	56,535.04	
C317281	Brule	131,004.00	131,004.00	131,004.00		3	3	20	Y	131,004.00	0.00	0.00	0.00	118,265.53	12,738.45	38,215.35	
C317761	Bruning	685,212.00	685,212.00	435,212.00		2	1.9	19	Y	685,212.00	0.00	0.00	250,000.00	170,637.33	264,574.68	502,691.89	
C317919	Bruno	153,100.00	153,100.00	76,550.00	5	0.5	1.5	19	Y	153,100.00	0.00	0.00	76,550.00	21,364.58	55,185.42	82,778.13	
C317764	Butler Cnty SID #1	122,323.00	122,323.00	103,791.00		2	2	20	Y	122,323.00	0.00	0.00	18,532.00	88,237.21	15,553.79	31,107.58	
C317284	Butler Cnty SID #1	205,878.00	205,878.00	205,878.00		2	3	20	Y	205,878.00	0.00	0.00	0.00	199,387.30	6,490.70	19,472.10	
C317996	Cairo	996,000.00	931,252.00	931,252.00		0.5	0.5	20	Y	931,252.00	0.00	0.00	0.00	105,879.20	825,372.74	412,686.37	
C317093	Cairo	620,921.00	620,921.00	620,921.00		3	3.2	20	Y	620,921.00	0.00	0.00	0.00	620,921.00	0.00	-	
C317107	Carroll	426,263.00	426,263.00	319,680.00		2	2.25	20	Y	426,263.00	0.00	0.00	106,583.00	141,990.49	177,689.51	399,801.40	
C318036	Cass Cnty SID #5	2,700,000.00	2,700,000.00	2,700,000.00		0	0	20	N	519,042.00	0.00	0.00	0.00	0.00	519,042.00	-	
C317328	Cass Cnty SID #5	1,107,232.00	1,107,232.00	1,107,232.00		1	1.5	20	Y	1,107,232.00	0.00	0.00	0.00	875,081.16	232,150.90	348,226.35	
C317532	Cedar Bluffs	634,066.00	634,066.00	511,915.00		2	1.33	20	Y	634,066.00	0.00	0.00	122,151.00	264,708.29	247,206.71	328,784.92	
C317028	Cedar Cnty SID #1	72,700.00	72,700.00	72,700.00		3.5	3.5	20	Y	72,700.00	0.00	0.00	0.00	72,700.00	0.00	-	
C317134	Cedar Rapids	134,755.00	134,755.00	134,755.00		3	3	20	Y	134,755.00	0.00	0.00	0.00	134,755.00	0.00	-	
C317031	Central City	4,000,000.00	4,000,000.00	4,000,000.00		3	3.1	20	Y	4,000,000.00	0.00	0.00	0.00	4,000,000.00	0.00	-	
C318013	Central City	300,000.00	200,000.00	100,000.00	5	0.5	1.5	10	Y	200,000.00	0.00	0.00	100,000.00	9,341.03	90,658.98	135,988.47	
C317151	Chadron	4,360,000.00	4,360,000.00	3,270,000.00		2	0.5	20	Y	4,360,000.00	0.00	0.00	1,090,000.00	1,783,051.95	1,486,948.05	743,474.03	
C318029	Chambers	245,250.00	245,250.00	245,250.00		0.5	1.25	17	N	214,557.00	0.00	0.00	0.00	16,736.04	197,820.96	247,276.20	
C317329	Chambers	67,511.00	67,511.00	67,511.00		3	3	20	Y	67,511.00	0.00	0.00	0.00	65,375.15	2,135.85	6,407.55	
C317477	Chapman	359,101.00	359,101.00	359,101.00		2	3	20	Y	359,101.00	0.00	0.00	0.00	237,895.86	121,205.14	363,615.42	
C317874	Chappell	1,707,925.00	1,807,925.00	1,707,925.00	5	0.5	1.5	19	Y	1,807,925.00	0.00	0.00	100,000.00	1,707,925.00	0.00	-	
C317875	Chester	475,000.00	458,465.00	358,465.00	5	0.5	1.5	20	Y	458,465.00	0.00	0.00	100,000.00	89,598.12	268,866.88	403,300.32	
C317533	Clarkson	332,850.00	332,850.00	166,425.00		2	2	20	Y	332,850.00	0.00	0.00	166,425.00	166,425.00	0.00	-	
C317233	Clay Center	180,000.00	180,000.00	180,000.00		3	3	10	Y	180,000.00	0.00	0.00	0.00	180,000.00	0.00	-	
C318025	Clearwater	638,445.00	638,445.00	425,630.00	10	0	0	18	N	606,523.00	0.00	0.00	202,174.00	0.00	404,349.00	-	
C317388	Cody	300,000.00	283,827.00	191,384.00	5	0.5	1.5	19	Y	283,827.00	0.00	0.00	92,443.00	54,665.23	136,718.77	205,078.16	
C317597	Coleridge	56,146.00	56,146.00	56,146.00		2	2	20	Y	56,146.00	0.00	0.00	0.00	32,441.43	23,704.57	47,409.14	
C317427	Coleridge	62,379.00	62,379.00	62,379.00		1	2.5	20	Y	62,379.00	0.00	0.00	0.00	56,543.85	5,835.15	14,587.88	
C317997	Comstock	221,100.00	221,100.00	121,100.00	5	0.5	1.5	20	Y	221,100.00	0.00	0.00	100,000.00	10,476.75	110,623.25	165,934.88	
C317468	Concord	297,449.00	297,449.00	297,449.00		2	3.11	19	Y	297,449.00	0.00	0.00	0.00	297,449.00	0.00	-	
C317258	Cook	579,956.00	579,956.00	579,956.00		1	3	20	Y	579,956.00	0.00	0.00	0.00	562,628.83	17,327.18	51,981.54	
C317024	Cozad	1,453,200.00	1,453,200.00	1,453,200.00		3.5	5	15	Y	1,453,200.00	0.00	0.00	0.00	1,453,200.00	0.00	-	
C317046	Cozad	2,460,037.00	2,460,037.00	2,460,037.00		3	3.12	20	Y	2,460,037.00	0.00	0.00	0.00	2,460,037.00	0.00	-	
C317634	Cozad	1,994,773.00	1,994,773.00	1,754,403.00		2	2	21	Y	1,994,773.00	0.00	0.00	240,370.00	1,754,403.00	0.00	-	
C318050	Cozad	188,075.00	188,075.00	188,075.00		0	0	10	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C318018-E	Crab Orchard	116,700.00	116,700.00	116,700.00		0	0	30	N	58,192.00	0.00	0.00	0.00	2,500.00	55,692.00	-	
C317081	Crab Orchard	417,858.00	65,978.00	65,978.00		3	3	20	Y	65,978.00	0.00	0.00	0.00	63,789.48	2,188.52	6,565.56	
C317039	Crawford	2,628,698.00	2,628,698.00	2,528,698.00		0.5	0.5	19	Y	2,628,698.00	0.00	0.00	100,000.00	954,350.83	1,574,347.18	787,173.59	
C318057	Crawford	111,000.00	111,000.00	55,500.00	10	0.5	0.5	20	N	0.00	0.00	0.00	0.00	0.00	0.00	-	

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C317158	Creighton	1,058,000.00	1,007,866.00	907,866.00	10	0.5	0.5	20	Y	1,007,866.00	0.00	0.00	100,000.00	165,579.80	742,286.20	371,143.10	
C317731	Creighton	220,536.00	220,536.00	220,536.00		0.5	0.5	20	Y	220,536.00	0.00	0.00	0.00	122,760.00	97,775.99	48,888.00	
C317664	Culbertson	883,950.00	684,865.00	597,201.00	5	0.5	1.5	20	Y	684,865.00	0.00	0.00	87,664.00	148,062.80	449,138.19	673,707.29	
C317653	Dakota City	6,644,600.00	6,319,108.00	6,319,108.00		0.5	1.5	30	Y	6,319,108.00	0.00	0.00	0.00	605,984.67	5,713,123.33	8,569,685.00	
C317139	Dannebrog	425,000.00	425,000.00	425,000.00		3	3	20	Y	425,000.00	0.00	0.00	0.00	425,000.00	0.00	-	
C317109	David City	2,728,924.00	2,728,924.00	2,728,924.00		3	3.22	20	Y	2,728,924.00	0.00	0.00	0.00	2,728,924.00	0.00	-	
C317908	Denton	244,408.00	244,408.00	244,408.00		0.5	1.5	20	Y	244,408.00	0.00	0.00	0.00	106,491.70	137,916.30	206,874.45	
C317391	Deshler	892,808.00	892,808.00	892,808.00		1	2.55	20	Y	892,808.00	0.00	0.00	0.00	892,808.00	0.00	-	
C317991	DeWeese	220,000.00	220,000.00	120,000.00	5	0.5	1.5	20	Y	220,000.00	0.00	0.00	100,000.00	17,591.45	102,408.55	153,612.83	
C317110	DeWitt	524,900.00	524,900.00	524,900.00		3	4.3	20	Y	524,900.00	0.00	0.00	0.00	524,900.00	0.00	-	
C317196	Diller	301,264.00	301,264.00	301,264.00		3	3	20	Y	301,264.00	0.00	0.00	0.00	301,264.00	0.00	-	
C317564	Dodge	171,154.00	171,154.00	85,577.00	5	0.5	1.5	9	Y	171,154.00	0.00	0.00	85,577.00	75,887.30	9,689.64	14,534.46	
C318037	Doniphan	1,990,000.00	1,990,000.00	1,990,000.00	10	0	0	30	N	4,310.00	0.00	0.00	0.00	0.00	4,310.00	-	
C317565	Dorchester	669,252.00	669,252.00	503,227.00		2	1.33	20	Y	669,252.00	0.00	0.00	166,025.00	260,211.64	243,015.36	323,210.43	
C317599	Duncan	474,501.00	474,501.00	320,905.00		2	2	20	Y	474,501.00	0.00	0.00	153,596.00	159,662.47	161,242.53	322,485.06	
C317484	Dwight	307,650.00	307,650.00	307,650.00		1	3.3	20	Y	307,650.00	0.00	0.00	0.00	184,902.29	122,747.71	405,067.44	
C317203	Eagle	218,656.00	218,656.00	218,656.00		3.5	3.5	20	Y	218,656.00	0.00	0.00	0.00	218,656.00	0.00	-	
C317225	Eagle	1,932,107.00	1,932,107.00	1,932,107.00		3	3	20	Y	1,932,107.00	0.00	0.00	0.00	1,932,107.00	0.00	-	
C317606	Elgin	92,394.00	92,394.00	92,394.00		3	3	20	Y	92,394.00	0.00	0.00	0.00	51,183.83	41,210.18	123,630.54	
C317111	Elkhorn	2,940,673.00	2,940,673.00	2,940,673.00		3	3.3	10	Y	2,940,673.00	0.00	0.00	0.00	2,940,673.00	0.00	-	
C317038	Elm Creek	457,101.00	457,101.00	457,101.00		3	3.5	20	Y	457,101.00	0.00	0.00	0.00	457,101.00	0.00	-	
C317607	Elm Creek	394,835.00	394,835.00	208,473.00		2	2	20	Y	394,835.00	0.00	0.00	186,362.00	104,335.79	104,137.21	208,274.42	
C317392	Ewing	67,000.00	67,000.00	67,000.00		2.5	2.5	20	Y	67,000.00	0.00	0.00	0.00	54,956.75	12,043.25	30,108.13	
C317338	Exeter	54,945.00	54,945.00	54,945.00		1	3.02	20	Y	54,945.00	0.00	0.00	0.00	47,843.79	7,101.21	21,445.65	
C317061	Fairbury	1,931,134.00	1,931,134.00	1,931,134.00		3	3	20	Y	1,931,134.00	0.00	0.00	0.00	1,931,134.00	0.00	-	
C318004	Fairbury	3,500,000.00	3,500,000.00	2,975,000.00	10	0	0	20	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C318022	Falls City	375,000.00	375,000.00	225,000.00	10	0.5	0.5	10	Y	375,000.00	0.00	0.00	150,000.00	10,985.15	214,014.85	107,007.43	
C317043	Falls City	2,500,000.00	2,500,000.00	2,500,000.00		1	2.5	20	Y	2,500,000.00	0.00	0.00	0.00	2,500,000.00	0.00	-	
C318052	Falls City	555,035.00	555,035.00	405,035.00	10	0	0	10	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C318051	Farnam	208,300.00	208,300.00	138,100.00	10	0.16	0.16	20	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C317119	Farwell	175,000.00	175,000.00	175,000.00		3	3	20	Y	175,000.00	0.00	0.00	0.00	175,000.00	0.00	-	
C317594	Filey	245,000.00	245,000.00	245,000.00		2	2	20	Y	245,000.00	0.00	0.00	0.00	128,845.83	116,154.18	232,308.36	
C317698	Firth	455,000.00	372,651.00	355,173.00	10	0.5	0.5	20	Y	372,651.00	0.00	0.00	17,478.00	87,322.65	267,850.35	133,925.18	
C317049	Firth	62,716.00	62,716.00	62,716.00		3	3.56	20	Y	62,716.00	0.00	0.00	0.00	62,716.00	0.00	-	
C317272	Fremont	3,200,000.00	3,200,000.00	3,200,000.00		3	3	20	Y	3,200,000.00	0.00	0.00	0.00	3,200,000.00	0.00	-	
C317159	Garland	331,950.00	331,950.00	331,950.00		1	3.17	20	Y	331,950.00	0.00	0.00	0.00	238,090.25	93,859.75	297,535.41	
C317059	Gering	3,250,000.00	3,250,000.00	3,250,000.00		1	2.5	20	Y	3,250,000.00	0.00	0.00	0.00	3,250,000.00	0.00	-	
C317156	Gibbon	1,258,946.00	1,258,946.00	1,258,946.00		3	3.66	20	Y	1,258,946.00	0.00	0.00	0.00	1,258,946.00	0.00	-	
C317307	Gibbon	7,000,000.00	7,000,000.00	7,000,000.00		5.25	5.25	20	Y	7,000,000.00	0.00	0.00	0.00	7,000,000.00	0.00	-	
C317709	Gilead	95,000.00	93,961.00	93,961.00	5	0.5	1.5	20	Y	93,961.00	0.00	0.00	0.00	18,943.22	75,017.78	112,526.67	
C317390	Gosper Cnty SID #1	15,484,961.00	15,484,961.00	15,484,961.00		2	2.66	20	Y	15,484,961.00	0.00	0.00	0.00	15,484,961.00	0.00	-	
C317883	Gosper Cnty SID #1	536,646.00	536,646.00	536,646.00		0.5	1.5	19	Y	536,646.00	0.00	0.00	0.00	536,646.00	0.00	-	

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C317568 ARRA	Gothenburg	150,000.00	150,000.00	75,000.00		0	0	19	Y	150,000.00	0.00	0.00	75,000.00	47,368.32	27,631.68	-	
C317995	Gothenburg	745,000.00	745,000.00	745,000.00	5	0.5	0.5	20	Y	745,000.00	0.00	0.00	0.00	35,509.37	709,490.63	354,745.32	
C317009	Gothenburg	2,947,700.00	2,947,700.00	2,947,700.00		3.5	3.5	18	Y	2,947,700.00	0.00	0.00	0.00	2,947,700.00	0.00	-	
C317183	Gothenburg	630,339.00	630,339.00	630,339.00		3	3	16	Y	630,339.00	0.00	0.00	0.00	630,339.00	0.00	-	
C317395	Gothenburg	372,105.00	372,105.00	372,105.00		1	3.05	20	Y	372,105.00	0.00	0.00	0.00	372,105.00	0.00	-	
C317568	Gothenburg	129,827.00	129,827.00	129,827.00		2	2	20	Y	129,827.00	0.00	0.00	0.00	129,827.00	0.00	-	
C317781	Gothenburg	2,233,400.00	1,879,737.00	1,779,737.00	5	0.5	1.25	19	Y	1,879,737.00	0.00	0.00	100,000.00	1,779,737.00	0.00	-	
C317867	Grand Island	6,200,000.00	6,200,000.00	6,200,000.00		0.5	1.5	19	Y	6,200,000.00	0.00	0.00	0.00	6,200,000.00	0.00	-	
C317981	Grand Island	29,000,000.00	22,526,457.00	22,526,457.00		0.5	1.25	20	Y	22,526,457.00	0.00	0.00	0.00	22,526,457.00	0.00	-	
C317984	Grand Island	4,800,000.00	2,138,799.00	2,138,799.00		0.5	1.5	20	Y	2,138,799.00	0.00	0.00	0.00	2,138,799.00	0.00	-	
C317990	Grand Island	6,473,500.00	2,966,001.00	2,966,001.00		0.5	1.36	20	Y	2,966,001.00	0.00	0.00	0.00	2,966,001.00	0.00	-	
C317045	Gresham	229,298.00	229,298.00	129,298.00		0.5	1.5	19	Y	229,298.00	0.00	0.00	100,000.00	129,298.00	0.00	-	
C318046	Gresham	235,500.00	235,500.00	133,317.00	10	0.5	0.5	30	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C318031	Gretna	2,000,000.00	2,000,000.00	2,000,000.00		0	0	20	N	1,900,806.00	0.00	0.00	0.00	0.00	1,900,806.00	-	
C317569	Gretna	1,899,015.00	1,899,015.00	1,899,015.00		0.5	0.5	19	Y	1,899,015.00	0.00	0.00	0.00	577,526.86	1,321,488.14	660,744.07	
C317986	Gretna	5,600,000.00	5,600,000.00	5,600,000.00		0.5	0.5	20	N	5,277,894.00	0.00	0.00	0.00	125,624.64	5,152,269.36	2,576,134.68	
C317267	Gretna	1,875,771.00	1,875,771.00	1,875,771.00		3	3	20	Y	1,875,771.00	0.00	0.00	0.00	1,875,771.00	0.00	-	
C317268	Gretna	3,238,424.00	3,238,424.00	3,238,424.00		3	4	20	Y	3,238,424.00	0.00	0.00	0.00	3,238,424.00	0.00	-	
C318003	Guide Rock	230,000.00	179,886.00	89,943.00	5	0.5	1.5	20	Y	179,886.00	0.00	0.00	89,943.00	9,783.23	80,159.77	120,239.66	
C317234	Guide Rock	321,451.00	321,451.00	321,451.00		2	3	20	Y	321,451.00	0.00	0.00	0.00	161,265.76	160,185.24	480,555.72	
C317999	Haigler	418,675.00	295,580.00	224,981.00	10	0.5	0.5	30	Y	295,580.00	0.00	0.00	70,599.00	13,022.97	211,958.03	105,979.02	
C318023	Hampton	150,000.00	145,729.00	145,729.00		0.5	1.5	15	Y	145,729.00	0.00	0.00	0.00	12,920.32	132,808.68	199,213.02	
C317471	Hartington	920,000.00	904,595.00	804,595.00	5	0.5	1.25	19	Y	904,595.00	0.00	0.00	100,000.00	246,791.48	557,803.52	697,254.40	
C317004	Hartington	544,167.00	544,167.00	544,167.00		3.5	3.5	20	Y	544,167.00	0.00	0.00	0.00	544,167.00	0.00	-	
C317341	Hartington	155,000.00	146,578.00	82,465.00		2	2	20	Y	146,578.00	0.00	0.00	64,113.00	43,381.38	39,083.62	78,167.24	
C317930	Hastings	7,000,000.00	2,781,130.00	2,781,130.00		0.5	0.5	20	Y	2,781,130.00	0.00	0.00	0.00	504,757.67	2,276,372.33	1,138,186.17	
C317053	Hay Springs	311,792.00	311,792.00	311,792.00		3	3	20	Y	311,792.00	0.00	0.00	0.00	311,792.00	0.00	-	
C317291	Hayes Center	357,218.00	357,218.00	295,809.00		2	2.25	20	Y	357,218.00	0.00	0.00	61,409.00	124,133.87	171,675.13	386,269.04	
C317131	Hebron	335,000.00	329,098.00	329,098.00		3	3	20	Y	329,098.00	0.00	0.00	0.00	329,098.00	0.00	-	
C317886	Hebron	600,019.00	600,019.00	500,019.00	5	0.5	1.5	19	Y	600,019.00	0.00	0.00	100,000.00	138,645.16	361,373.84	542,060.76	
C317019	Herman	124,865.00	124,865.00	124,865.00		3.5	3.5	20	Y	124,865.00	0.00	0.00	0.00	124,865.00	0.00	-	
C317887	Hickman	747,419.00	747,419.00	747,419.00	10	0.5	0.5	19	Y	747,419.00	0.00	0.00	0.00	288,738.77	458,680.23	229,340.12	
C317398	Hickman	390,000.00	390,000.00	390,000.00		1	3.5	20	Y	390,000.00	0.00	0.00	0.00	390,000.00	0.00	-	
C317213	Holbrook	231,000.00	231,000.00	231,000.00		3	3	20	Y	231,000.00	0.00	0.00	0.00	223,888.70	7,111.30	21,333.90	
C317014	Holdrege	200,758.00	200,758.00	200,758.00		3.5	4.5	10	Y	200,758.00	0.00	0.00	0.00	200,758.00	0.00	-	
C317069	Holdrege	3,220,228.00	3,220,228.00	3,220,228.00		3	4.19	15	Y	3,220,228.00	0.00	0.00	0.00	3,220,228.00	0.00	-	
C317491	Holdrege	458,338.00	458,338.00	299,616.00		2	2	20	Y	458,338.00	0.00	0.00	158,722.00	299,616.00	0.00	-	
C317115	Howells	346,933.00	346,933.00	346,933.00		1	2.8	20	Y	346,933.00	0.00	0.00	0.00	346,933.00	0.00	-	
C317343	Indianola	756,740.00	756,740.00	756,740.00		2	3	20	Y	756,740.00	0.00	0.00	0.00	756,740.00	0.00	-	
C317292	Jackson	54,642.00	54,642.00	54,642.00		1	3	20	Y	54,642.00	0.00	0.00	0.00	47,608.10	7,033.90	21,101.70	
C317786	Jansen	264,729.00	264,729.00	264,729.00	5	0.5	1.36	19	Y	264,729.00	0.00	0.00	0.00	80,592.73	184,136.27	250,425.33	

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Project Number	Party	Amount to Obligate	Total Agreement Amount	Net Loan Agreement Amount	5/10 Year	Const. Int	Loan Rate	Term Years	Final Disb	Total Disbursements	Construction Period Interest	Grant Amount	Forgiven Amount	Principal Repayments	Loan Balance	Earning Factor	Blended Loan Rate
C318011	Juniata	478,425.00	478,425.00	478,425.00		0.5	1.5	20	Y	478,425.00	0.00	0.00	0.00	41,703.60	436,721.40	655,082.10	
C317789	Kearney	1,250,000.00	1,250,000.00	1,250,000.00		0.5	0.5	20	Y	1,250,000.00	0.00	0.00	0.00	597,032.93	652,967.07	326,483.54	
C317865	Kearney	941,713.00	941,713.00	941,713.00		0.5	0.5	19	Y	941,713.00	0.00	0.00	0.00	332,412.35	609,300.65	304,650.33	
C317956	Kearney	5,078,570.00	5,078,570.00	5,078,570.00		0.5	0.5	19	Y	5,078,570.00	0.00	0.00	0.00	1,686,812.49	3,391,757.51	1,695,878.76	
C317961	Kearney	4,075,100.00	4,075,100.00	4,075,100.00		0.5	0.5	20	Y	4,075,100.00	0.00	0.00	0.00	371,202.07	3,703,897.93	1,851,948.97	
C318010	Kearney	1,705,000.00	979,008.00	979,008.00		0.5	0.5	20	Y	979,008.00	0.00	0.00	0.00	89,319.34	889,688.66	444,844.33	
C318020	Kearney	34,000,000.00	34,000,000.00	34,000,000.00		0.5	0.5	30	N	2,415,638.00	0.00	0.00	0.00	0.00	2,415,638.00	1,207,819.00	
C317021	Kearney	3,954,696.00	3,954,696.00	3,954,696.00		3	3.86	20	Y	3,954,696.00	0.00	0.00	0.00	3,954,696.00	0.00	-	
C317275	Kearney	2,560,497.00	2,560,497.00	2,560,497.00		3	3.39	20	Y	2,560,497.00	0.00	0.00	0.00	2,560,497.00	0.00	-	
C317057	Kenesaw	521,711.00	521,711.00	521,711.00		3	3	18	Y	521,711.00	0.00	0.00	0.00	521,711.00	0.00	-	
C317118	Kennard	693,000.00	693,000.00	693,000.00		1	2.99	20	Y	693,000.00	0.00	0.00	0.00	693,000.00	0.00	-	
C317144	Kimball	610,000.00	610,000.00	610,000.00		3	3.15	15	Y	610,000.00	0.00	0.00	0.00	610,000.00	0.00	-	
C318019	Knox County SID #1-Kohles Acres	329,503.00	329,503.00	329,503.00	10	0	0	20	N	170,194.00	0.00	0.00	0.00	4,254.85	165,939.15	-	
C318017	Knox County SID #1-Kohles Acres	250,600.00	245,385.00	245,385.00		0.5	1.5	20	Y	245,385.00	0.00	0.00	0.00	15,968.69	229,416.31	344,124.47	
C317404	Lancaster Cnty SID #5	271,286.00	271,286.00	271,286.00		2	2	19	Y	271,286.00	0.00	0.00	0.00	190,492.45	80,793.55	161,587.10	
C318030	Laurel	894,607.00	894,607.00	715,686.00	10	0	0	30	N	805,135.00	0.00	0.00	176,578.00	0.00	628,557.00	-	
C317705	Laurel	160,000.00	160,000.00	160,000.00		2	2	21	Y	160,000.00	0.00	0.00	0.00	88,248.82	71,751.18	143,502.36	
C318045	LaVista	2,745,000.00	2,745,000.00	2,745,000.00		0.5	0.5	20	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C317837	Lawrence	150,803.00	150,803.00	75,401.00		2.25	2.25	19	Y	150,803.00	0.00	0.00	75,402.00	53,341.64	22,059.36	49,633.56	
C317447	Leigh	630,000.00	630,000.00	475,000.00		2	2	19	Y	630,000.00	0.00	0.00	155,000.00	213,560.11	261,439.89	522,879.78	
C318042	Lexington	10,305,000.00	10,305,000.00	10,305,000.00		0	0	20	N	2,630,432.00	0.00	0.00	0.00	0.00	2,630,432.00	-	
C317676	Lexington	4,600,833.00	4,600,833.00	4,600,833.00		0.5	0.5	19	Y	4,600,833.00	0.00	0.00	0.00	1,744,337.72	2,856,495.28	1,428,247.64	
C317002	Lexington	4,100,000.00	4,100,000.00	4,100,000.00		3.5	3.5	15	Y	4,100,000.00	0.00	0.00	0.00	4,100,000.00	0.00	-	
C317247	Lincoln	4,808,792.00	4,808,792.00	3,558,792.00		1.2975	1.2975	20	Y	4,808,792.00	0.00	0.00	1,250,000.00	1,934,087.04	1,624,704.96	2,108,054.69	
C317008	Lincoln	9,017,565.54	9,017,565.54	9,017,565.54		3.5	5	15	Y	9,017,565.54	0.00	0.00	0.00	9,017,565.54	0.00	-	
C317078	Lincoln	5,000,000.00	5,000,000.00	5,000,000.00		2	2	20	Y	5,000,000.00	0.00	0.00	0.00	2,375,940.23	2,624,059.77	5,248,119.54	
C317830	Lincoln	17,000,000.00	17,000,000.00	17,000,000.00		2	2.25	20	Y	17,000,000.00	0.00	0.00	0.00	6,358,452.87	10,641,547.13	23,943,481.04	
C317204	Lindsay	405,000.00	405,000.00	405,000.00		1	3.14	20	Y	405,000.00	0.00	0.00	0.00	405,000.00	0.00	-	
C317839	Lindsay	602,481.00	602,481.00	411,494.00		1.82	1.82	20	Y	602,481.00	0.00	0.00	190,987.00	177,442.13	234,051.87	425,974.40	
C317236	Loomis	167,381.00	167,381.00	167,381.00		2	3.18	20	Y	167,381.00	0.00	0.00	0.00	167,381.00	0.00	-	
C317611	Loup City	465,300.00	412,391.00	312,391.00	10	0.5	0.5	20	Y	412,391.00	0.00	0.00	100,000.00	65,703.41	246,687.59	123,343.80	
C317573	Lower Platte North NRD - Lake Wanahoo	11,603,660.00	11,603,660.00	11,603,660.00		2	2	10	Y	11,603,660.00	0.00	0.00	0.00	11,603,660.00	0.00	-	
C317993	Lynch	572,700.00	572,700.00	472,700.00	10	0.5	0.5	20	N	278,378.00	0.00	0.00	48,610.00	11,008.55	218,759.45	109,379.73	
C317852	Lynch	48,522.00	48,522.00	24,261.00		2.5	2.5	10	Y	48,522.00	0.00	0.00	24,261.00	24,261.00	0.00	-	
C317539	Lynch	174,300.00	174,300.00	174,300.00		2	3	15	Y	174,300.00	0.00	0.00	0.00	146,303.43	27,996.57	83,989.71	
C317449	Lyons	891,491.00	891,491.00	891,491.00		2	3	20	Y	891,491.00	0.00	0.00	0.00	891,491.00	0.00	-	
C317405	Madison	1,892,461.00	1,892,461.00	1,892,461.00		1	3.06	20	Y	1,892,461.00	0.00	0.00	0.00	1,892,461.00	0.00	-	
C317575	Malcolm	1,000,000.00	1,000,000.00	750,000.00		1.34363	1.34363	21	Y	1,000,000.00	0.00	0.00	250,000.00	426,542.13	323,457.87	434,606.05	
C317998	Marquette	310,000.00	309,998.00	209,999.00	5	0.5	1.5	20	Y	309,998.00	0.00	0.00	99,999.00	22,948.19	187,050.81	280,576.22	
C317613	Marquette	79,233.00	79,233.00	48,942.00		2	2	15	Y	79,233.00	0.00	0.00	30,291.00	29,286.70	19,655.30	39,310.60	

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C317832	Maxwell	165,547.00	165,547.00	125,063.00		0.5	0.5	19	Y	165,547.00	0.00	0.00	40,484.00	47,068.14	77,994.86	38,997.43	
C317259	Maywood	184,518.00	184,518.00	184,518.00		3	3	20	Y	184,518.00	0.00	0.00	0.00	184,518.00	0.00	-	
C317105	McCook	337,040.99	337,040.99	337,040.99		3	3	15	Y	337,040.99	0.00	0.00	0.00	337,040.99	0.00	-	
C317150	McCook	1,903,003.00	1,903,003.00	1,903,003.00		3	3	18	Y	1,903,003.00	0.00	0.00	0.00	1,903,003.00	0.00	-	
C317349	McCook	4,200,000.00	4,200,000.00	4,200,000.00		1	2.5	19	Y	4,200,000.00	0.00	0.00	0.00	4,200,000.00	0.00	-	
C317451	McCool Junction	82,903.00	82,903.00	82,903.00		2.5	2.5	10	Y	82,903.00	0.00	0.00	0.00	82,903.00	0.00	-	
C317331	McGrew	47,100.00	47,100.00	47,100.00		3	3	20	Y	47,100.00	0.00	0.00	0.00	44,022.22	3,077.78	9,233.34	
C317854	Mead	1,012,536.00	1,012,536.00	912,536.00	5	0.5	0.5	19	Y	1,012,536.00	0.00	0.00	100,000.00	343,281.87	569,254.13	284,627.07	
C317217	Meadow Grove	138,190.00	138,190.00	138,190.00		1	3	20	Y	138,190.00	0.00	0.00	0.00	124,745.40	13,444.60	40,333.80	
C317248	Melbeta	259,437.00	259,437.00	259,437.00		2	3.15	20	Y	259,437.00	0.00	0.00	0.00	135,799.67	123,637.33	389,457.59	
C317169	Memphis	83,130.00	83,130.00	83,130.00		3	3	20	Y	83,130.00	0.00	0.00	0.00	83,130.00	0.00	-	
C317250	Murray	1,545,520.00	1,425,000.00	1,425,000.00		1	2.95	20	Y	1,425,000.00	0.00	0.00	0.00	1,013,863.70	411,136.30	1,212,852.09	
C317741	Nebraska City	5,000,000.00	5,000,000.00	4,889,865.00		2	0.5	20	Y	5,000,000.00	0.00	0.00	110,135.00	1,973,419.43	2,916,445.57	1,458,222.78	
C317071	Neligh	1,653,678.00	1,653,678.00	1,653,678.00		3	3	20	Y	1,653,678.00	0.00	0.00	0.00	1,653,678.00	0.00	-	
C317498	Newman Grove	333,099.00	333,099.00	333,099.00		2	3	15	Y	333,099.00	0.00	0.00	0.00	277,406.97	55,692.03	167,076.27	
C317431	Nickerson	281,011.00	281,011.00	281,011.00		1.5	1.5	20	Y	281,011.00	0.00	0.00	0.00	223,978.10	57,032.90	85,549.35	
C318024	Nickerson	550,000.00	550,000.00	400,000.00	5	0.5	1.5	20	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C317036-01	Norfolk	8,818,858.39	9,299,999.80	9,299,999.80		4.18	4.18	20	Y	8,818,858.39	481,141.41	0.00	0.00	9,299,999.80	0.00	-	
C317142	North Bend	308,000.00	308,000.00	308,000.00		1	0.5	20	Y	308,000.00	0.00	0.00	0.00	240,033.06	67,966.94	33,983.47	
C317122	North Platte	14,300,000.00	14,300,000.00	14,300,000.00		1	3.27	20	Y	14,300,000.00	0.00	0.00	0.00	14,300,000.00	0.00	-	
C317351	North Platte	2,221,722.00	2,221,722.00	2,221,722.00		2	3.72	20	Y	2,221,722.00	0.00	0.00	0.00	2,221,722.00	0.00	-	
C317074	Oakdale	209,957.00	209,957.00	209,957.00		3	3	20	Y	209,957.00	0.00	0.00	0.00	209,957.00	0.00	-	
C317409	Oakland	2,297,990.00	2,297,990.00	1,757,490.00		2	1.42682	20	Y	2,297,990.00	0.00	0.00	540,500.00	860,495.33	896,994.67	1,279,853.55	
C317682	Oconto	268,750.00	262,745.00	162,745.00	5	0.5	1.5	19	Y	262,745.00	0.00	0.00	100,000.00	41,208.93	121,536.07	182,304.11	
C318006	Ogallala	2,080,000.00	2,054,266.00	2,054,266.00		0.5	1.5	20	Y	2,054,266.00	0.00	0.00	0.00	88,789.04	1,965,476.96	2,948,215.44	
C317152	Ogallala	2,397,400.00	2,397,400.00	2,397,400.00		3	3.23	20	Y	2,397,400.00	0.00	0.00	0.00	2,397,400.00	0.00	-	
C317500	Ogallala	672,763.00	672,763.00	422,832.00		2	2	20	Y	672,763.00	0.00	0.00	249,931.00	191,175.14	231,656.86	463,313.72	
C318007	Omaha	31,000,000.00	31,000,000.00	31,000,000.00		0	0	20	N	29,450,000.00	0.00	0.00	0.00	0.00	29,450,000.00	-	
C317005	Omaha	4,000,000.00	4,000,000.00	4,000,000.00		3	3.8	10	Y	4,000,000.00	0.00	0.00	0.00	4,000,000.00	0.00	-	
C317016	Omaha	2,830,825.00	2,830,825.00	2,830,825.00		3.5	4	5	Y	2,830,825.00	0.00	0.00	0.00	2,830,825.00	0.00	-	
C317052	Omaha	1,810,894.00	1,810,894.00	1,810,894.00		3.5	3.5	10	Y	1,810,894.00	0.00	0.00	0.00	1,810,894.00	0.00	-	
C317079	Omaha	10,000,000.00	10,000,000.00	10,000,000.00		3	3	10	Y	10,000,000.00	0.00	0.00	0.00	10,000,000.00	0.00	-	
C317082	Omaha	3,432,976.00	3,432,976.00	3,432,976.00		3.5	3.5	5	Y	3,432,976.00	0.00	0.00	0.00	3,432,976.00	0.00	-	
C317182	Omaha	1,600,000.00	1,600,000.00	1,600,000.00		3	3	10	Y	1,600,000.00	0.00	0.00	0.00	1,600,000.00	0.00	-	
C317311	Omaha	898,294.00	898,294.00	898,294.00		3	3	10	Y	898,294.00	0.00	0.00	0.00	898,294.00	0.00	-	
C317319	Omaha	20,000,000.00	20,000,000.00	20,000,000.00		1	3.5	20	Y	20,000,000.00	0.00	0.00	0.00	20,000,000.00	0.00	-	
C317375	Omaha	12,100,000.00	12,100,000.00	12,100,000.00		1	4	20	Y	12,100,000.00	0.00	0.00	0.00	12,100,000.00	0.00	-	
C317432	Omaha	8,500,000.00	8,500,000.00	6,592,000.00		2	1.478	20	Y	8,500,000.00	0.00	0.00	1,908,000.00	6,592,000.00	0.00	-	
C317476	Omaha	7,354,121.00	7,354,121.00	7,354,121.00		2	2	20	Y	7,354,121.00	0.00	0.00	0.00	7,354,121.00	0.00	-	
C317734	Omaha	55,000,000.00	55,000,000.00	55,000,000.00		0.5	1.5	19	Y	55,000,000.00	0.00	0.00	0.00	55,000,000.00	0.00	-	
C317735	Omaha	15,000,000.00	14,250,000.00	14,250,000.00		0.5	1.5	20	Y	14,250,000.00	0.00	0.00	0.00	14,250,000.00	0.00	-	
C318063	Omaha	24,500,000.00	24,500,000.00	24,500,000.00		0.48	0.48	30	N	0.00	0.00	0.00	0.00	0.00	0.00	-	

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C317805	Oshkosh	1,923,800.00	1,923,800.00	1,489,040.00	10	0.5	0.5	30	N	1,693,064.00	0.00	0.00	388,612.00	0.00	1,304,452.00	652,226.00	
C317205	Osmond	580,216.00	580,216.00	330,216.00		2	2.23	19	Y	580,216.00	0.00	0.00	250,000.00	142,585.15	187,630.85	418,416.80	
C317229	Oxford	865,353.00	865,353.00	865,353.00		1	2.77	20	Y	865,353.00	0.00	0.00	0.00	865,353.00	0.00	-	
C317543	Oxford	556,097.00	556,097.00	306,097.00	5	2	2.11	19	Y	556,097.00	0.00	0.00	250,000.00	118,625.70	187,471.30	395,564.44	
C317414	Palmer	654,028.00	654,028.00	654,028.00		2.79	2.79	20	Y	654,028.00	0.00	0.00	0.00	654,028.00	0.00	-	
C317353	Paxton	1,352,254.00	1,352,254.00	1,352,254.00		1	2.5	20	Y	1,352,254.00	0.00	0.00	0.00	1,352,254.00	0.00	-	
C317807	Paxton	64,600.00	64,600.00	32,300.00		2	2	10	Y	64,600.00	0.00	0.00	32,300.00	32,300.00	0.00	-	
C318034	Phillips	607,500.00	607,500.00	405,000.00	10	0	0	20	N	274,036.00	0.00	0.00	91,345.00	0.00	182,691.00	-	
C317087	Pickrell	350,000.00	350,000.00	350,000.00		3	4	20	Y	350,000.00	0.00	0.00	0.00	350,000.00	0.00	-	
C317060	Plainview	968,910.00	968,910.00	968,910.00		0.5	0.5	20	Y	968,910.00	0.00	0.00	0.00	622,501.03	346,408.97	173,204.49	
C317745	Platte Center	192,873.00	192,873.00	128,690.00		2	2	20	Y	192,873.00	0.00	0.00	64,183.00	64,417.84	64,272.16	128,544.32	
C317980	Platte Cnty SID #7	718,000.00	697,674.00	697,674.00		0.5	1.5	19	Y	697,674.00	0.00	0.00	0.00	205,511.03	492,162.95	738,244.43	
C318015-E	Plattsmouth	4,275,000.00	4,275,000.00	4,275,000.00		0	0	30	N	3,207,979.00	0.00	0.00	0.00	431,812.00	2,776,167.00	-	
C318058	Plattsmouth	4,275,000.00	30,020,000.00	30,020,000.00		0	0	30	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C317834	Plattsmouth	1,780,000.00	1,780,000.00	1,735,961.00		2	2	19	Y	1,780,000.00	0.00	0.00	44,039.00	1,563,792.90	172,168.10	344,336.20	
C317526	Plattsmouth	1,849,810.00	1,849,810.00	1,599,810.00		2	2.19	20	Y	1,849,810.00	0.00	0.00	250,000.00	713,154.95	886,655.05	1,941,774.56	
C317266	Pleasanton	117,076.00	117,076.00	117,076.00		3	3	20	Y	117,076.00	0.00	0.00	0.00	117,076.00	0.00	-	
C317744	Pleasanton	329,536.00	329,536.00	232,817.00		2	2	21	Y	329,536.00	0.00	0.00	96,719.00	232,817.00	0.00	-	
C317035	Polk	81,453.00	81,453.00	81,453.00		3.5	3.5	20	Y	81,453.00	0.00	0.00	0.00	81,453.00	0.00	-	
C317696	Polk Cnty SID #1	2,024,805.00	2,024,805.00	2,024,805.00		2	2.25	19	Y	2,024,805.00	0.00	0.00	0.00	2,024,805.00	0.00	-	
C318038	Prague	348,350.00	348,350.00	198,350.00	10	0	0	20	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C317992	Randolph	400,000.00	275,455.00	275,455.00		0.5	1.5	10	Y	275,455.00	0.00	0.00	0.00	78,359.01	197,095.99	295,643.99	
C318048	Raymond	1,242,000.00	1,242,000.00	1,242,000.00		0	0	30	N	166,104.00	0.00	0.00	0.00	0.00	166,104.00	-	
C317506	Red Cloud	497,729.00	497,729.00	372,404.00		1.33	1.33	20	Y	497,729.00	0.00	0.00	125,325.00	202,087.95	170,316.05	226,520.35	
C317073	Rising City	350,340.00	350,340.00	350,340.00		1	2.55	20	Y	350,340.00	0.00	0.00	0.00	255,402.64	94,937.36	242,090.27	
C317101	Riverton	140,442.00	140,442.00	140,442.00		3	3	20	Y	140,442.00	0.00	0.00	0.00	140,442.00	0.00	-	
C317101-03	Riverton	0.00	14,629.78	14,629.78		3	3	1	Y	14,629.78	0.00	0.00	0.00	14,629.78	0.00	-	
C317188	Rushville	1,035,000.00	1,035,000.00	1,035,000.00		3	3	20	Y	1,035,000.00	0.00	0.00	0.00	1,035,000.00	0.00	-	
C317416	Ruskin	271,020.00	271,020.00	271,020.00		1	2.5	20	Y	271,020.00	0.00	0.00	0.00	213,405.27	57,614.73	144,036.83	
C317128	Sarpy Cnty SID #101	4,783,399.00	4,785,104.84	4,785,104.84		3	3	19	Y	4,783,399.00	1,705.84	0.00	0.00	4,785,104.84	0.00	-	
C318009	Sarpy County and Sarpy Cities Wastewater Agency	5,000,000.00	5,000,000.00	5,000,000.00		0	0	10	Y	5,000,000.00	0.00	0.00	0.00	250,000.00	4,750,000.00	-	
C318041	Sarpy County and Sarpy Cities Wastewater Agency	69,800,000.00	69,800,000.00	69,800,000.00	10	0	0	30	N	5,025,252.00	0.00	0.00	0.00	0.00	5,025,252.00	-	
C317195	Schuyler	579,336.00	579,336.00	579,336.00		3	3	18	Y	579,336.00	0.00	0.00	0.00	579,336.00	0.00	-	
C317215	Schuyler	2,481,856.00	2,481,856.00	2,481,856.00		1	3.01	20	Y	2,481,856.00	0.00	0.00	0.00	2,481,856.00	0.00	-	
C317989	Scotia	135,500.00	133,023.00	66,513.00	5	0.5	1.25	20	Y	133,023.00	0.00	0.00	66,510.00	7,454.75	59,058.25	73,822.81	
C317001	Scottsbluff	2,483,095.00	2,453,873.39	2,453,873.39		3.26	3.26	22	Y	2,453,873.39	0.00	0.00	0.00	2,453,873.39	0.00	-	
C317086	Scottsbluff	4,600,000.00	4,600,000.00	4,600,000.00		3	3	20	Y	4,600,000.00	0.00	0.00	0.00	4,600,000.00	0.00	-	
C317219	Scottsbluff	3,370,000.00	3,370,000.00	2,527,500.00		2	1.33333	10	Y	3,370,000.00	0.00	0.00	842,500.00	2,527,500.00	0.00	-	
C317378	Scottsbluff	1,004,334.00	1,004,334.00	1,004,334.00		2	3	20	Y	1,004,334.00	0.00	0.00	0.00	947,673.98	56,660.02	169,980.06	
C317813	Shelby	291,974.00	291,974.00	291,974.00		2	2.25	20	Y	291,974.00	0.00	0.00	0.00	125,689.02	166,284.98	374,141.21	
C317062	Shelton	493,043.00	493,043.00	493,043.00		3	3.37	20	Y	493,043.00	0.00	0.00	0.00	493,043.00	0.00	-	

**ATTACHMENT I  
CWSRF LOAN INVESTMENT STATUS REPORT**

Project Number	Party	Amount to Obligate	Total Agreement Amount	Net Loan Agreement Amount	5/10 Year	Const. Int	Loan Rate	Term Years	Final Disb	Total Disbursements	Construction Period Interest	Grant Amount	Forgiven Amount	Principal Repayments	Loan Balance	Earning Factor	Blended Loan Rate
C317301	Shelton	1,071,763.00	1,071,763.00	1,071,763.00		3	3	20	Y	1,071,763.00	0.00	0.00	0.00	1,071,763.00	0.00	-	
C317945	Sidney	1,892,000.00	1,892,000.00	1,792,000.00	5	0.5	1.25	20	Y	1,272,121.00	0.00	0.00	67,245.00	233,077.86	971,798.14	1,214,747.68	
C317189	Sidney	5,500,000.00	5,500,000.00	4,125,000.00		2	1.33333	20	Y	5,500,000.00	0.00	0.00	1,375,000.00	2,347,789.79	1,777,210.21	2,369,613.02	
C317433	Sidney	819,924.00	819,924.00	819,924.00		1	2.52	20	Y	819,924.00	0.00	0.00	0.00	819,924.00	0.00	-	
C317508	Silver Creek	175,165.00	175,165.00	175,165.00		1	2.75	20	Y	175,165.00	0.00	0.00	0.00	116,802.72	58,362.28	160,496.27	
C317360	South Sioux City	3,112,135.00	3,112,135.00	3,112,135.00		2	0.5	20	Y	3,112,135.00	0.00	0.00	0.00	1,793,499.12	1,318,635.88	659,317.94	
C317835	South Sioux City	1,444,535.00	1,444,535.00	1,444,535.00		0.5	0.5	19	Y	1,444,535.00	0.00	0.00	0.00	578,140.17	866,394.83	433,197.42	
C317988	South Sioux City	1,486,200.00	1,403,146.00	1,403,146.00		0.5	0.5	20	Y	1,403,146.00	0.00	0.00	0.00	312,984.16	1,090,161.84	545,080.92	
C318016	South Sioux City	38,591,000.00	38,591,000.00	38,591,000.00		0.5	0.5	30	N	21,416,655.00	0.00	0.00	0.00	0.00	21,416,655.00	10,708,327.50	
C317725	South Sioux City	2,257,752.00	2,257,752.00	1,682,752.00		2	1.317	21	Y	2,257,752.00	0.00	0.00	575,000.00	872,593.38	810,158.62	1,066,978.90	
C317363	Spencer	146,292.00	146,292.00	73,146.00	5	0.5	1.5	19	Y	146,292.00	0.00	0.00	73,146.00	25,661.80	47,484.20	71,226.30	
C317897	Sprague	348,680.00	348,680.00	248,680.00	5	0.5	1.5	19	Y	348,680.00	0.00	0.00	100,000.00	75,017.26	173,662.74	260,494.11	
C317027	St. Helena	70,695.00	70,695.00	70,695.00		3.5	3.5	20	Y	70,695.00	0.00	0.00	0.00	70,695.00	0.00	-	
C318049	St. Paul	5,820,000.00	5,820,000.00	5,820,000.00		0	0	30	N	1,338,575.00	0.00	0.00	0.00	0.00	1,338,575.00	-	
C317263	St. Paul	306,513.00	306,513.00	306,513.00		1	2.82	20	Y	306,513.00	0.00	0.00	0.00	306,513.00	0.00	-	
C317080	Stamford	395,400.00	395,400.00	395,400.00		1	2.5	20	Y	395,400.00	0.00	0.00	0.00	395,400.00	0.00	-	
C317164	Stanton	1,053,787.00	1,053,787.00	1,053,787.00		3	3	20	Y	1,053,787.00	0.00	0.00	0.00	1,053,787.00	0.00	-	
C317985	Stanton Cnty SID #1 - Woodland Park	767,700.00	668,164.00	668,164.00		0.5	0.5	19	Y	668,164.00	0.00	0.00	0.00	406,464.58	261,699.42	130,849.71	
C317011	Sterling	177,430.00	177,430.00	177,430.00		3.5	3.5	20	Y	177,430.00	0.00	0.00	0.00	177,430.00	0.00	-	
C318012	Stratton	530,905.00	530,905.00	380,905.00	10	0.5	0.5	20	N	279,279.00	0.00	0.00	78,907.00	9,537.38	190,834.62	95,417.31	
C317048	Stromsburg	599,516.00	599,516.00	599,516.00		3	3.04	15	Y	599,516.00	0.00	0.00	0.00	599,516.00	0.00	-	
C317320	Stromsburg	156,000.00	156,000.00	156,000.00		3.3	3.3	20	Y	156,000.00	0.00	0.00	0.00	156,000.00	0.00	-	
C317510	Stuart	97,712.00	97,712.00	48,856.00		2	2	20	Y	97,712.00	0.00	0.00	48,856.00	22,023.67	26,832.33	53,664.66	
C317818	Superior	214,000.00	200,066.00	106,575.00	5	0.5	1.25	20	Y	200,066.00	0.00	0.00	93,491.00	21,718.54	84,856.46	106,070.58	
C318000	Superior	375,000.00	375,000.00	225,000.00	5	0.5	1.5	20	Y	375,000.00	0.00	0.00	150,000.00	19,596.25	205,403.75	308,105.63	
C317096	Superior	341,898.00	341,898.00	341,898.00		3	3	20	Y	341,898.00	0.00	0.00	0.00	341,898.00	0.00	-	
C317365	Sutherland	960,299.00	960,299.00	960,299.00		0.5	1.5	19	Y	960,299.00	0.00	0.00	0.00	243,159.09	717,139.91	1,075,709.87	
C317994	Sutherland	365,000.00	291,702.00	291,702.00		0.5	1.5	20	Y	291,702.00	0.00	0.00	0.00	44,934.57	246,767.43	370,151.15	
C317364	Sutherland	165,880.00	165,880.00	165,880.00		1	2.5	20	Y	165,880.00	0.00	0.00	0.00	165,880.00	0.00	-	
C317190	Sutton	1,505,100.00	1,505,100.00	1,505,100.00		3	3.12	8	Y	1,505,100.00	0.00	0.00	0.00	1,505,100.00	0.00	-	
C317430	Taylor	188,000.00	119,860.00	59,930.00	5	0.5	1.5	20	Y	119,860.00	0.00	0.00	59,930.00	13,370.60	46,559.40	69,839.10	
C317231	Tecumseh	370,629.00	370,629.00	370,629.00		3	3	20	Y	370,629.00	0.00	0.00	0.00	370,629.00	0.00	-	
C317252	Tekamah	1,171,044.00	1,171,044.00	879,140.00		0.5	0.5	20	Y	1,171,044.00	0.00	0.00	291,904.00	436,166.69	442,973.31	221,486.66	
C317051	Tekamah	1,297,286.00	1,297,286.00	1,297,286.00		3	3	20	Y	1,297,286.00	0.00	0.00	0.00	1,297,286.00	0.00	-	
C318040	Valentine	3,350,000.00	3,350,000.00	3,350,000.00		0	0	30	N	0.00	0.00	0.00	0.00	0.00	0.00	-	
C317367	Valley	4,510,111.00	4,510,111.00	4,510,111.00		1	3.21	20	Y	4,510,111.00	0.00	0.00	0.00	4,510,111.00	0.00	-	
C318008	Verdigre	405,750.00	405,750.00	255,750.00	10	0.5	0.5	20	N	392,369.00	0.00	0.00	150,000.00	6,263.59	236,105.41	118,052.71	
C317434	Verdigre	112,211.00	112,211.00	112,211.00		2.5	2.5	20	Y	112,211.00	0.00	0.00	0.00	98,400.62	13,810.38	34,525.95	
C317023	Verdigre	30,410.00	30,410.00	30,410.00		3	3	8	Y	30,410.00	0.00	0.00	0.00	30,410.00	0.00	-	
C317746	Verdigre	1,403,627.00	1,403,627.00	1,403,627.00		2	2	0	Y	1,403,627.00	0.00	0.00	0.00	1,403,627.00	0.00	-	
C317460	Verdigre	200,000.00	200,000.00	200,000.00		2	3	20	Y	200,000.00	0.00	0.00	0.00	104,479.12	95,520.88	286,562.64	



**ATTACHMENT I  
CWSRF LOAN INVESTMENT STATUS REPORT**

Project Number	Party	Amount to Obligate	Total Agreement Amount	Net Loan Agreement Amount	5/10 Year	Const. Int	Loan Rate	Term Years	Final Disb	Total Disbursements	Construction Period Interest	Grant Amount	Forgiven Amount	Principal Repayments	Loan Balance	Earning Factor	Blended Loan Rate
C317220	Waco	100,300.00	100,300.00	100,300.00		3	3	10	Y	100,300.00	0.00	0.00	0.00	100,300.00	0.00	-	
C317010	Wahoo	4,515,601.00	4,515,601.00	4,515,601.00		3	3.49	20	Y	4,515,601.00	0.00	0.00	0.00	4,515,601.00	0.00	-	
C317222	Wakefield	265,070.00	265,070.00	132,535.00		2	2	19	Y	265,070.00	0.00	0.00	132,535.00	54,333.93	78,201.07	156,402.14	
C318026	Waterloo	325,100.00	325,100.00	325,100.00	10	0.5	0.5	20	N	314,794.00	0.00	0.00	0.00	15,034.50	299,759.50	149,879.75	
C317423	Wauneta	250,000.00	240,267.00	144,160.00	5	0.5	1.5	19	Y	240,267.00	0.00	0.00	96,107.00	26,245.96	117,914.04	176,871.06	
C317032	Wayne	1,938,650.00	1,938,650.00	1,838,650.00	5	0.5	0.5	19	Y	1,938,650.00	0.00	0.00	100,000.00	469,747.03	1,368,902.97	684,451.49	
C317369	Wayne	5,199,020.00	5,199,020.00	4,949,020.00		0.5	0.5	20	Y	5,199,020.00	0.00	0.00	250,000.00	2,352,503.29	2,596,516.71	1,298,258.36	
C317055	West Point	5,116,139.00	5,116,139.00	5,116,139.00		1	0.5	20	Y	5,116,139.00	0.00	0.00	0.00	4,014,394.04	1,101,744.96	550,872.48	
C317040	West Point	195,000.00	195,000.00	195,000.00		3.5	3.5	10	Y	195,000.00	0.00	0.00	0.00	195,000.00	0.00	-	
C317659	Western	69,863.00	69,863.00	69,863.00		2	2	20	Y	69,863.00	0.00	0.00	0.00	38,548.20	31,314.80	62,629.60	
C317129	Wilber	570,000.00	570,000.00	570,000.00		3	3	20	Y	570,000.00	0.00	0.00	0.00	570,000.00	0.00	-	
C317827	Winside	1,060,000.00	918,576.00	918,576.00	5	0.5	0.5	19	Y	918,576.00	0.00	0.00	0.00	235,480.36	683,095.64	341,547.82	
C317426	Wisner	126,642.00	126,642.00	63,321.00		0.5	0.5	19	Y	126,642.00	0.00	0.00	63,321.00	26,945.58	36,375.42	18,187.71	
C317979	Wisner	432,200.00	334,929.00	234,929.00	5	0.5	0.5	18	Y	334,929.00	0.00	0.00	100,000.00	65,975.23	168,953.77	84,476.89	
C317012	Wisner	1,156,786.00	1,156,786.00	1,156,786.00		3	3.01	20	Y	1,156,786.00	0.00	0.00	0.00	1,156,786.00	0.00	-	
C317723	Wolbach	40,999.00	40,999.00	20,500.00		2	2.25	19	Y	40,999.00	0.00	0.00	20,499.00	20,500.00	0.00	-	
C317098	Wymore	248,700.00	248,700.00	248,700.00		3	3	20	Y	248,700.00	0.00	0.00	0.00	248,700.00	0.00	-	
C317552	Wymore	402,800.00	402,800.00	402,800.00		2	3	10	Y	402,800.00	0.00	0.00	0.00	402,800.00	0.00	-	
C317983	York	24,000,000.00	23,043,162.00	23,043,162.00		0.5	1.5	20	Y	23,043,162.00	0.00	0.00	0.00	3,033,112.36	20,010,049.64	30,015,074.46	
<b>Grand Total: (350 records)</b>		<b>865,546,471.37</b>	<b>869,414,885.79</b>	<b>847,728,998.79</b>		<b>50</b>	<b>50</b>	<b>50</b>		<b>664,600,927.54</b>	<b>482,847.25</b>	<b>0.00</b>	<b>20,011,725.00</b>	<b>459,245,312.26</b>	<b>185,826,737.53</b>		<b>0.78</b>

**Attachment 2  
CWSRF - Binding Commitments**

Community Name	Project #C31	State Fiscal Year 2021				State Fiscal Year 2022			
		1st QTR	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR	4th QTR
Program Administration									
Broadwater	8021	325,792							
Nickerson	8024	550,000							
Central City Amd #1	8013		100,000						
Oshkosh Amd #2	7805		400,000						
Knox County SID #1-Kohles Acres	8019			329,503					
Verdigre Amd #1	8008			100,000					
Clearwater	8025				638,445				
Laurel	8030				894,607				
Prague	8038				348,350				
South Sioux City Amd #2	8016				7,000,000				
Program Administration									
Aurora	8001					2,777,000			
Cozad	8050					188,075			
Fairbury	8004					3,500,000			
Gretna	8031					2,000,000			
Omaha	8007					31,000,000			
Phillips	8034					607,500			
St. Paul	8049					5,820,000			
Bassett	8028						650,000		
Cass Cnty SID #5	8036						2,700,000		
Doniphan	8037						1,990,000		
Lexington	8042						10,305,000		
Crawford	8057							111,000	
Falls City	8052							555,035	
Farnam	8051							208,300	
Gresham	8046							235,500	
Raymond	8048							1,242,000	
Sarpy County and Sarpy Cities Wastewater Agency	8041							69,800,000	
Valentine	8040							3,350,000	
Kearney Amd #2	8020								12,500,000
LaVista	8045								2,745,000
Omaha	8063								24,500,000
Plattsmouth	8058								30,020,000
(1) BINDING COMMITMENT TOTALS		875,792	500,000	429,503	8,881,402	45,892,575	15,645,000	75,501,835	69,765,000
(2) CUMULATIVE BINDING COMMITMENTS		746,909,243	747,409,243	747,838,746	756,720,148	802,612,723	818,257,723	893,759,558	963,524,558
FY BINDING COMMITMENT TOTALS				FY21:	10,686,697			FY22:	206,804,410
(3) REQUIRED BINDING COMMITMENT*		9,732,000				9,730,800			
(4) CUMULATIVE REQUIRED AMOUNT		276,535,876	276,535,876	276,535,876	276,535,876	286,266,676	286,266,676	286,266,676	286,266,676
(5) BC AS % OF REQ'D BC AMOUNT		270	270	270	274	280	286	312	337
*120% of Federal Cap Grants lagged by a year									

**Attachment 3  
CWSRF Small Town Grants 2022**

SFY Prog Year	Community Name	Project #C31	Grant Award Date	State Grant %	State Grant Amount	Paid Prior to SFY 2022	Paid During SFY 2022	Remaining to Disburse
1993	Cedar Cnty SID #1	7028	2/1/1993		72,700	72,700	0	0
1999	Crab Orchard	7081	11/23/1998		34,000	21,991	0	12,009
2000	Crab Orchard Amend	7081	3/13/2000		462,020	0	0	462,020
2000	Arnold	7198	4/11/2000		92,500	92,500	0	0
2000	Cedar Rapids	7134	6/14/2000		105,000	105,000	0	0
2000	Pleasanton	7266	6/27/2000		15,382	12,005	0	3,377
2001	Cedar Rapids Amend	7134	8/25/2000		32,000	29,755	0	2,245
2001	Arnold Amend	7198	9/18/2000		7,500	7,451	0	49
2001	Diller	7196	10/16/2000		100,000	95,658	0	4,342
2001	Ayr	7185	3/14/2001		90,750	75,989	0	14,761
2001	Bellwood	7242	5/7/2001		100,000	100,000	0	0
2002	Dannebrog	7139	7/16/2001		100,000	100,000	0	0
2002	Maywood	7259	11/29/2001		100,000	67,314	0	32,686
2002	Holbrook	7213	12/3/2001		100,000	100,000	0	0
2002	Brule	7281	12/11/2001		100,000	97,029	0	2,971
2002	Chambers	7329	3/12/2002		88,250	67,511	0	20,739
2002	McGrew	7331	5/7/2002		52,900	47,100	0	5,800
2003	Adams	7238	9/12/2002		100,000	100,000	0	0
2003	Lindsay	7204	6/10/2003		100,000	100,000	0	0
2003	Meadow Grove	7217	6/18/2003		100,000	89,394	0	10,606
2003	Jackson	7292	6/23/2003		53,000	50,846	0	2,154
2003	Cook	7258	6/25/2003		100,000	100,000	0	0
2003	Exeter	7338	6/25/2003		47,000	38,833	0	8,167
2004	Paxton	7353	9/30/2003		100,000	83,717	0	16,283
2004	Falls City	7043	2/4/2004		100,000	100,000	0	0
2004	Madison	7405	2/25/2004		100,000	100,000	0	0
2004	Ruskin	7416	3/18/2004		100,000	100,000	0	0
2004	Bertrand	7327	3/22/2004		100,000	100,000	0	0
2005	Garland	7159	11/30/2004		100,000	100,000	0	0
2005	Rising City	7073	12/16/2004		100,000	100,000	0	0

**Attachment 3  
CWSRF Small Town Grants 2022**

SFY Prog Year	Community Name	Project #C31	Grant Award Date	State Grant %	State Grant Amount	Paid Prior to SFY 2022	Paid During SFY 2022	Remaining to Disburse
2005	Valley	7367	1/7/2005		100,000	100,000	0	0
2005	Palmer	7414	1/12/2005		100,000	100,000	0	0
2005	Oxford	7229	1/28/2005		100,000	100,000	0	0
2006	Murray	7250	9/13/2005		138,814	100,000	0	38,814
2006	Dwight	7484	3/31/2006		93,030	93,030	0	0
2006	Kennard	7118	4/4/2006		100,000	100,000	0	0
2007	Concord	7468	2/26/2007		58,000	58,000	0	0
2007	Bancroft	7277	3/19/2007		100,000	100,000	0	0
2007	Chapman	7477	4/4/2007		100,000	100,000	0	0
2007	Indianola	7343	4/19/2007		100,000	75,481	0	24,519
2008	Melbeta	7248	6/11/2008		100,000	82,359	0	17,641
2008	Guide Rock	7234	6/12/2008		100,000	100,000	0	0
2008	Concord Amend	7468	6/24/2008		42,000	42,000	0	0
2009	Verdigre	7460	8/4/2008		200,000	200,000	0	0
2009	Dwight Amend	7484	12/1/2008		6,970	6,970	0	0
2009	Ainsworth	7559	5/13/2009		200,000	200,000	0	0
2009	Coleridge	7597	6/11/2009		65,000	56,146	0	8,854
2010	Western	7659	8/14/2009		72,500	69,863	0	2,637
2010	Filley	7594	4/26/2010		185,000	185,000	0	0
2011	Leigh	7447	7/9/2010		250,000	250,000	0	0
2011	Cedar Bluffs Amend	7532	1/20/2011		50,000	48,488	0	1,512
2011	Hayes Center	7291	1/22/2011		250,000	234,396	0	15,604
2011	Platte Center Amend	7745	3/22/2011		6,566	6,213	0	353
2011	Carroll	7107	4/1/2011		250,000	213,100	0	36,900
2011	Dorchester Amend	7565	4/4/2011		1,785	1,718	0	67
2011	Tekamah Amend	7252	5/11/2011		10,068	1,143	0	8,925
2011	Polk Cnty SID #1	7696	6/30/2011		221,796	202,947	0	18,849
2012	Albion	7103	10/14/2011		250,000	250,000	0	0
2012	Ansley	7136	1/18/2012		250,000	250,000	0	0
2013	Crawford	7039	6/18/2013		250,000	250,000	0	0

**Attachment 3  
CWSRF Small Town Grants 2022**

SFY Prog Year	Community Name	Project #C31	Grant Award Date	State Grant %	State Grant Amount	Paid Prior to SFY 2022	Paid During SFY 2022	Remaining to Disburse
2013	Jansen	7786	6/21/2013		182,394	168,473	0	13,921
2014	Mead	7854	11/22/2013		250,000	250,000	0	0
2014	Winside	7827	6/20/2014		240,000	208,237	0	31,763
2014	Sprague	7897	6/26/2014		30,000	30,000	0	0
2015	Chappell	7874	3/24/2015		250,000	250,000	0	0
2015	Chester	7875	6/17/2015		158,990	158,990	0	0
2015	Jansen Amend	7786	6/17/2015		13,394	0	0	13,394
2015	Sprague Amend	7897	6/30/2015		14,160	6,675	0	7,485
2016	Chester Amend	7875	8/5/2015		91,010	82,753	0	8,257
2016	Allen	7838	11/13/2015		250,000	250,000	0	0
2017	Gilead	7709	9/19/2016		78,100	78,100	0	0
2017	Lynch	7993	6/21/2017		250,000	34,016	87,502	128,482
2018	Gilead Amend	7709	9/11/2017		16,900	15,861	0	1,039
2018	DeWeese	7991	1/9/2018		20,000	20,000	0	0
2018	Marquette	7998	2/13/2018		44,200	42,164	0	2,036
2018	Benkelman	8002	6/1/2018		250,000	216,735	31,129	2,136
2018	Haigler	7999	6/29/2018		218,675	154,380	0	64,295
2019	Stratton	8012	6/14/2019		145,000	29,004	46,148	69,848
2020	Oshkosh	7805	1/15/2020		250,000	132,002	117,998	0
2020	Chambers	8029	6/9/2020		245,250	214,556	0	30,694
2021	Nickerson	8024	7/13/2020		250,000	0	0	250,000
2021	Knox County SID #1-Kohles Acres	8019	2/21/2021		170,497	79,720	30,599	60,178
2021	Clearwater	8025	5/13/2021		212,815	0	202,174	10,641
2022	Phillips	8034	8/24/2021		202,500	0	55,779	146,721
2022	Doniphan	8037	12/14/2021		250,000	0	1,325	248,675

**Attachment 4  
2022 CWSRF IUP Funding List Reconciliation**

Community	F or P	Project #C31	Estimated Project Cost	2022 IUP Estimated SRF Loan	Total Assistance	Actual Forgiveness and/or Small Town Grant	Net Loan Amount	Agreement Date	Comments
Aurora	F	8001	16,150,000	2,777,000	2,777,000	0	2,777,000	8/30/2021	
Bassett	F	8028	975,000	650,000	650,000	150,000	500,000	10/27/2021	
Cass Cnty SID #4	F		600,000	600,000	0	0	0		
Cass Cnty SID #5	F	8036	1,395,000	2,700,000	2,700,000	0	2,700,000	12/29/2021	
Doniphan	F	8037	2,350,000	2,240,000	2,240,000	250,000	1,990,000	12/14/2021	
Fairbury	F	8004	3,788,000	3,500,000	3,500,000	525,000	2,975,000	7/7/2021	
Fullerton	F		225,000	225,000	0	0	0		
Greeley	F		2,300,000	2,300,000	0	0	0		
Gretna	F	8031	2,275,000	2,000,000	2,000,000	0	2,000,000	8/5/2021	
Laurel	F		760,000	760,000	0	0	0		Same project as below 8030
LaVista	F	8045	1,930,000	1,930,000	2,745,000	0	2,745,000	5/11/2022	
Lexington	F	8042	10,000,000	10,305,000	10,305,000	0	10,305,000	10/4/2021	
Monroe	F		2,112,400	2,112,400	0	0	0		
Omaha	F	8007	700,550,000	31,000,000	31,000,000	0	31,000,000	8/19/2021	
O'Neill	F		800,000	800,000	0	0	0		
Phillips	F	8034	1,095,000	607,500	810,000	405,000	405,000	8/24/2021	
Plattsmouth	F	8058	7,550,000	30,020,000	30,020,000	0	30,020,000	5/10/2022	
Plymouth	F		1,300,000	1,300,000	0	0	0		
Prague	F		520,000	520,000	0	0	0		Same project as below 8038
Raymond	F	8048	1,400,000	1,242,000	1,242,000	0	1,242,000	3/10/2022	
Sarpy County and Sarpy Cities Wastewater Agency	F	8041	66,000,000	66,000,000	69,800,000	0	69,800,000	2/4/2022	
Schuyler	F		4,440,000	4,440,000	0	0	0		
Valentine	F	8040	4,655,000	4,655,000	3,350,000	0	3,350,000	3/25/2022	
Yutan	F		3,502,275	3,502,275	0	0	0		
<b>Funded Projects, but Not on 2022 Priority List</b>									
Gresham	P	8046	440,000	235,500	235,500	102,183	133,317	3/9/2022	
<b>SFY 2022 Planning List - Bypass Systems</b>									
Cozad	P	8050	1,023,650	188,075	188,075	0	188,075	9/29/2021	
Crawford	P	8057	435,000	111,000	111,000	55,500	55,500	2/4/2022	
Falls City	P	8052	2,230,000	555,035	555,035	150,000	405,035	2/2/2022	
Farnam	P	8051	0	0	208,300	70,200	138,100	2/7/2022	
St. Paul	P	8049	5,700,000	5,820,000	5,820,000	0	5,820,000	9/15/2021	
<b>Funded Projects, but Not on 2022 Priority List</b>									
Clearwater	P	8025	2,150,000	425,630	851,260	425,630	425,630	5/13/2021	
Laurel	P	8030	593,000	894,607	894,607	178,921	715,686	4/21/2021	
Omaha	P	8063	162,250,000	24,500,000	24,500,000	0	24,500,000	4/20/2022	
Prague	P	8038	595,000	348,350	348,350	150,000	198,350	5/19/2021	
Kearney Amd #2	P	8020	55,773,300	21,500,000	12,500,000	0	12,500,000	5/6/2022	
South Sioux City Amd #2	P	8016	46,150,000	31,591,000	7,000,000	0	7,000,000	4/13/2021	

Attachment 5

**AUDIT REPORT  
OF THE  
NEBRASKA DEPARTMENT OF  
ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING  
FUND PROGRAM**

**JULY 1, 2020, THROUGH JUNE 30, 2021**

**This document is an official public record of the State of Nebraska, issued by  
the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
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**Issued on May 5, 2022**

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

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NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**BACKGROUND**

The Nebraska Department of Environment and Energy (Department) – Clean Water State Revolving Fund Program (Program) was established pursuant to Title VI of the Federal Clean Water Act, as amended by the Water Quality Act of 1987. Created by 1988 Neb. Laws, LB 766, § 1, the Wastewater Treatment Facilities Construction Assistance Act is set out at Neb. Rev. Stat. § 81-15,147 et seq. (Reissue 2014, Cum. Supp. 2020). The Federal Water Quality Act and State statutes established the Program to provide loans, at reduced interest rates, to finance the construction of publicly and privately owned water pollution control facilities, non-point source pollution control projects, and estuary management plans.

Instead of making grants to communities that pay for a portion of the building of wastewater treatment facilities, the Program provides for low-interest loans to finance the entire cost of qualified projects. The Program provides a flexible financing source, which can be used for a variety of projects. Loans made by the Program must be repaid within the lesser of 30 years or the projected useful life of the project, and all repayments, including interest and principal, must be used for the purposes of the Program.

The Program was capitalized by the United States Environmental Protection Agency (EPA) by a series of annual grants starting in 1989. States are required to provide an additional 20% of the Federal capitalization grant as matching funds in order to receive a Federal grant. As of June 30, 2021, the EPA had awarded \$240 million in capitalization grants to the State. Of the \$240 million awarded, approximately \$20 million was funded by the American Recovery and Reinvestment Act (ARRA). The \$220 million not funded by ARRA required the State to contribute approximately \$44 million in matching funds. Since the inception of the Program, the State has appropriated \$955,000 to meet the State's matching requirement. Additional matching funds have been obtained through the issuance of revenue bonds and Administrative Cash Funds.

The Program is administered by the Department. The Department's primary activities with regard to the Program include the making of loans for water pollution control facilities and the management and coordination of the Program. The Nebraska Environmental Quality Council approves the rules and regulations of the Department, the Program's Intended Use Plan, loan interest rates, and revenue bonding amounts.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**KEY OFFICIALS AND DEPARTMENT CONTACT INFORMATION**

**Nebraska Department of Environment and Energy –  
Clean Water State Revolving Fund Program  
Executive Management**

<b>Name</b>	<b>Title</b>
Jim Macy	Director
Kevin Stoner	Deputy Director – Administration
Kara Valentine	Deputy Director – Water Programs
Ryan Phillips	Accounting & Finance Manager

Nebraska Department of Environment and Energy  
245 Fallbrook Blvd.  
P.O. Box 98922  
Lincoln, NE 68509  
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NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**COMMENT AND RECOMMENDATION**

During our audit of the Nebraska Department of Environment and Energy (Department) – Clean Water State Revolving Fund Program (Program), we noted certain matters involving the internal control over financial reporting and other operational matters that are presented here. The following comment is required to be reported in accordance with *Government Auditing Standards* and is considered to be a material weakness.

**Financial Statement Errors**

The Department of Environment and Energy (Department) did not have adequate procedures to ensure the accuracy of its financial statements. During fiscal year 2021, the Department began using the financial statement functionality in the Loans and Grants Tracking System (LGTS) to create its financial statements. When provided to the Auditor of Public Accounts (APA), this included the financial statements and support for accrual entries performed but no other support for how the amounts were determined. Per discussion with the Department, balances from EnterpriseOne (E1), the State’s accounting system, were entered into LGTS with the intent that the financial statements would be based on the data accumulated in E1.

To test the accuracy of the financial statements, the APA reviewed the support for the accrual entries and formatted data from E1 into financial statements using a template created by the Department and used in previous fiscal years. The APA then compared the E1 financial statements to the LGTS financial statements and noted that the financial statements submitted to the APA for the fiscal year ended June 30, 2021, were materially misstated, resulting in revisions to 27 of the 43 line items therein.

The table below summarizes the number of lines that were revised by financial statement, with revisions ranging from \$90 to \$9,265,573.

<b>Financial Statement</b>	<b># of Errors</b>	<b>Available Line Items</b>	<b>Error Rate</b>	<b>Material Errors</b>
Statement of Net Position	11	13	85%	2
Statement of Revenues, Expenses, and Changes in Net Position	7	12	58%	1
Statement of Cash Flows	9	18	50%	4
<b>Total</b>	<b>27</b>	<b>43</b>	<b>63%</b>	<b>7</b>

**Exhibits A through C** herein illustrate, by financial statement line item, all of the fiscal year 2021 financial statement adjustments made by the Department. The amounts shown in the exhibits represent the change in the value from the original financial statements provided to the APA to the final issued financial statements. A positive number represents the amount the number increased; therefore, the value had been originally understated. A negative number represents the amount the number decreased; therefore, the value had been originally overstated.

During testing, the APA was able to identify the following errors that contributed to the variances:

- An automated clearing house (ACH) receipt for \$79,278 was identified as having been miscoded to an expenditure account for government aid, rather than being coded to a Capital Contributions revenue account.
- An entry to complete the fiscal year 2020 short-term bond process was not completed until fiscal year 2021. This entry was not adequately included on the financial statements during the fiscal year 2020 audit, and a proposed adjustment was made during that audit. During the fiscal year 2021 audit, an entry appears not to have been completed to remove this entry from the financial statements.
- Loans Receivable was recorded to Non-Current Assets and was not adjusted to reflect the portion due within one year as Current Assets.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**COMMENT AND RECOMMENDATION**

(Continued)

- An entry for \$8,444 of work completed on the LGTS project in July 2021 was correctly identified as an expense for work completed during fiscal year 2021 and accrued on the financial statements. However, this entry was added to expenses instead of capitalized to Software Development In-Progress.

Due to the lack of supporting documentation for how the LGTS financial statements were prepared, some variances could not be explained. The APA discussed the identified errors with the Department, and adjustments were made to correct them.

A similar finding was noted during the previous five audits.

A good internal control plan and sound accounting practices require procedures to ensure that financial information is accurate and complete for proper financial statement presentation.

Without such procedures, there is an increased risk of materially misstating the financial statements.

We recommend the Department strengthen procedures to ensure accounting entries are proper and complete for accurate financial presentation.

*Department Response: The agency will have two plans to correct this issue. Plan A: The financial statements will be processed by the Accounting & Finance Manager (Clean Water) and an Accountant III (Drinking Water). The process will begin the first week of August. The fiscal team will have until October 31<sup>st</sup> to finish the statements, which includes a check of each other's work. If unsuccessful, then Plan B. Plan B: Outsource the financial statements to a professional accounting firm. The firm will be identified by the Accounting & Finance Manager by July 31<sup>st</sup>.*

It should be noted this report is critical in nature, containing only our comment and recommendation on the areas noted for improvement.

Draft copies of this report were furnished to the Department to provide its management with an opportunity to review and to respond to the comment and recommendation contained herein. The formal response received has been incorporated into this report. A response that indicates corrective action has been taken was not verified at this time, but it will be verified in the next audit.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
 CLEAN WATER STATE REVOLVING FUND PROGRAM

**COMMENT AND RECOMMENDATION**  
 (Continued)

**Exhibit A**

**ADJUSTMENTS TO THE STATEMENT OF NET POSITION**  
 June 30, 2021

**ASSETS**

**CURRENT ASSETS:**

Cash in State Treasury	\$ (253,173)
Due from Federal Government	107,170
Interest Receivable	-
Loans Receivable	<u>9,265,573</u>
<b>TOTAL CURRENT ASSETS</b>	<u>9,119,570</u>

**NON-CURRENT ASSETS**

Loans Receivable	(9,265,573)
Capital Assets, Net	<u>8,444</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u>(9,257,129)</u>
<b>TOTAL ASSETS</b>	<u>\$ (137,559)</u>

**LIABILITIES**

**CURRENT LIABILITIES:**

Accounts Payable & Accrued Liabilities	\$ (3,282)
Due to Grant Recipients	-
Compensated Absences	(90)
Bonds Payable	<u>(1,122,000)</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>(1,125,372)</u>

**NON-CURRENT LIABILITIES:**

Compensated Absences	<u>4,526</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>4,526</u>
<b>TOTAL LIABILITIES</b>	<u>(1,120,846)</u>

**NET Position**

Net Investment in Capital Assets	8,444
Unrestricted	<u>974,843</u>
<b>TOTAL NET POSITION</b>	<u>983,287</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ (137,559)</u>

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**COMMENT AND RECOMMENDATION**  
(Continued)

**Exhibit B**

**ADJUSTMENTS TO THE STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION**  
For the Year Ended June 30, 2021

<b>OPERATING REVENUES:</b>	
Loan Fees Administration	\$ -
Interest on Loans	-
<b>TOTAL OPERATING REVENUES</b>	<u>-</u>
<b>OPERATING EXPENSES:</b>	
Administrative Costs from Fees	(47,157)
4% Administrative Costs From Grants	(77,997)
Small Town Grants	270,258
Project Planning Activities and Report Grants	20,000
Loan Forgiveness	-
<b>TOTAL OPERATING EXPENSES</b>	<u>165,104</u>
<b>OPERATING INCOME</b>	(165,104)
<b>NONOPERATING REVENUE (EXPENSE):</b>	
Capital Contributions - Federal Grants	(73,799)
Capital Contributions - Federal Grants - Capital Assets	54,642
Interest on Fund Balance - State Operating Investment Pool	-
Bond Revenue (Expense)	-
<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	<u>(19,157)</u>
<b>CHANGE IN NET POSITION</b>	(184,261)
<b>TOTAL NET POSITION, BEGINNING OF YEAR</b>	<u>(10,427)</u>
<b>TOTAL NET POSITION, END OF YEAR</b>	<u>\$ 983,286</u>

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**COMMENT AND RECOMMENDATION**  
(Concluded)

**Exhibit C**

**ADJUSTMENTS TO THE STATEMENT OF CASH FLOWS**  
For the Year Ended June 30, 2021

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Receipts from Customers	\$ -
Payments for Administration	121,872
Payments for Small Town Grants	(270,258)
Payments for Project Planning Activities and Report Grants	(20,000)
Payments for Loan Forgiveness	-
Payments to Borrowers	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>(168,386)</u>

**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:**

Grants Received from the Environmental Protection Agency	(180,969)
Receipts from Bond Issue	(1,122,000)
Repayment of Bond	-
Bond Receipts (Payments)	-
<b>NET CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	<u>(1,302,969)</u>

**CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:**

Capital Contributions	54,642
Purchase of Capital Assets	(8,443)
<b>NET CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	<u>46,199</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Interest on Investments	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>-</u>

Net Increase in Cash and Cash Equivalents	(253,174)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ (253,174)</u>

**RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:**

Operating Income	\$ (169,540)
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
(Increase)/Decrease in Loans Receivable	-
Increase/(Decrease) in Compensated Absences	4,436
Increase/(Decrease) in Accounts Payable & Accrued Liabilities	(3,282)
Increase/(Decrease) in Payables to Grant Recipients	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ (168,387)</u>



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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## NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY CLEAN WATER STATE REVOLVING FUND PROGRAM

### INDEPENDENT AUDITOR'S REPORT

Nebraska Department of Environment and Energy  
Lincoln, Nebraska

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

We have audited the accompanying financial statements of the business-type activities of the Nebraska Department of Environment and Energy – Clean Water State Revolving Fund Program (Program) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements, as listed in the Table of Contents.

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

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

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 financial statements referred to previously present fairly, in all material respects, the respective financial position of the business-type activities of the Program, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 1, the financial statements of the Program are intended to present the financial position, the changes in financial position, and cash flows of only that portion of the business-type activities of the State that is attributable to the transactions of the Program. They do not purport to, and do not, present fairly the financial position of the Nebraska Department of Environment and Energy as of June 30, 2021, and the changes in its financial position, or its cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Other Matter***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 10 through 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic 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 financial statements, and other knowledge we obtained during our audit of the basic 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.

### **Other Reporting Required by *Government Auditing Standards* and Regulatory Requirements**

#### ***Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2022, on our consideration of the Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to solely 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 the Program's 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 the Program's internal control over financial reporting and compliance.

#### ***Report on Regulatory Requirements***

In accordance with the *U.S. Office of Management and Budget (OMB) Compliance Supplement*, we have also issued our report dated April 21, 2022, on our consideration of the Program's internal control over compliance and our tests of its compliance with certain provisions of laws, regulations, and grants.



Mark Avery, CPA  
Assistant Deputy Auditor

Lincoln, Nebraska  
April 21, 2022

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of the Nebraska Department of Environment and Energy (Department) – Clean Water State Revolving Fund Program's (Program) financial report presents a narrative overview and analysis of the financial activities of the Program for the fiscal year ended June 30, 2021. This analysis has been prepared by management of the Department and is intended to be read in conjunction with the Program's financial statements and related footnotes, which follow this section.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Program's basic financial statements. The Program's basic financial statements include the following: 1) Statement of Net Position; 2) Statement of Revenues, Expenses, and Changes in Net Position; 3) Statement of Cash Flows; and 4) Notes to the Financial Statements.

The Statement of Net Position presents information on all of the Program's assets and liabilities, with the difference between the two reported as net position. The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Program's net position changed during the most recent fiscal year.

The Statement of Cash Flows presents the Program's flows of cash by defined categories. The primary purpose of the Statement of Cash Flows is to provide information about the Program's cash receipts and payments during the year.

The Notes to the Financial Statements are an integral part of the financial statements and provide information that is essential to a full understanding of the data provided in the financial statements.

**ANALYSIS OF BALANCES AND TRANSACTIONS – ENTERPRISE FUND**

**Changes in Net Position**

For the fiscal year ended June 30, 2021, the Ending Net Position of the Program increased by 2.6%. The increase in Net Position was largely impacted for three reasons. The first is due to the volume of Operating Revenues collected, \$3,765,210, which is loan interest and fees with an additional \$2,595,373 interest earned through the Operating Investment Pool on the fund balance. The second is the Program continued to receive Federal grants and drew down \$4,028,629, which contributed on a FIFO basis in accordance with the request from the EPA. The third is the costs of administering the Program were maintained at a low level.

**Changes in Current Liabilities**

Dollars Due to Grant Recipients decreased by \$98,904 in fiscal year 2021 over fiscal year 2020 because fiscal year 2020 had higher amounts for Small Town Grants.

**Changes in Net Investment in Capital Assets**

The fiscal year over year comparison represents an inception-to-date summary. In fiscal year 2020, the Program invested \$39,252 in the Loan and Grant Tracking System (LGTS). In fiscal year 2021, an additional \$101,582 was invested in LGTS software development.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

**Statement of Net Position**

	<u>2021</u>	<u>2020</u>	<u>% Change</u>
Current Assets	\$ 224,255,990	\$ 121,335,663	84.8%
Non-current Assets	<u>121,898,887</u>	<u>216,267,916</u>	<u>-43.6%</u>
<b>Total Assets</b>	<b><u>346,154,877</u></b>	<b><u>337,603,579</u></b>	<b><u>2.5%</u></b>
Current Liabilities	256,833	378,362	-32.1%
Non-current Liabilities	<u>27,821</u>	<u>52,040</u>	<u>-46.5%</u>
<b>Total Liabilities</b>	<b><u>284,654</u></b>	<b><u>430,402</u></b>	<b><u>-33.9%</u></b>
<b>Net Position:</b>			
Net Investment in Capital Assets	474,513	372,931	27.2%
Unrestricted	<u>345,395,710</u>	<u>336,800,246</u>	<u>2.6%</u>
<b>Total Net Position</b>	<b><u>\$ 345,870,223</u></b>	<b><u>\$ 337,173,177</u></b>	<b><u>2.6%</u></b>

**Changes in Net Position**

	<u>2021</u>	<u>2020</u>	<u>% Change</u>
Loan Fees Administration	\$ 1,239,470	\$ 1,692,988	-26.8%
Interest on Loans	<u>2,525,740</u>	<u>3,626,238</u>	<u>-30.3%</u>
<b>Total Operating Revenues</b>	<b><u>3,765,210</u></b>	<b><u>5,319,226</u></b>	<b><u>-29.2%</u></b>
Administration	626,356	758,175	-17.4%
Grant Expense	398,890	531,212	-24.9%
Loan Forgiveness	<u>665,024</u>	<u>544,633</u>	<u>22.1%</u>
<b>Total Operating Expenses</b>	<b><u>1,690,270</u></b>	<b><u>1,834,020</u></b>	<b><u>-7.8%</u></b>
<b>Operating Income</b>	<b>2,074,940</b>	<b>3,485,206</b>	<b>-40.5%</b>
Federal Grants	4,028,629	8,013,306	-49.7%
Interest Revenue	2,595,373	2,078,766	24.9%
Bond Revenue (Expense)	<u>(1,896)</u>	<u>2,487</u>	<u>-176.2%</u>
<b>Total Non-Operating Revenue (Expense)</b>	<b><u>6,622,106</u></b>	<b><u>10,094,559</u></b>	<b><u>-34.4%</u></b>
<b>Change in Net Position</b>	<b>8,697,046</b>	<b>13,579,765</b>	<b>-36.0%</b>
<b>Beginning Net Position July 1</b>	<b><u>337,173,177</u></b>	<b><u>323,593,412</u></b>	<b><u>4.2%</u></b>
<b>Ending Net Position June 30</b>	<b><u>\$ 345,870,223</u></b>	<b><u>\$ 337,173,177</u></b>	<b><u>2.6%</u></b>

Loan forgiveness is awarded to communities who meet specific guidelines for need. It is not paid to a community until that community has allowable expenditures to report and, therefore, has a construction project that has commenced.

Federal funds disbursed will vary each year depending on the size of each draw, the timing of each draw, the number of communities applying for loans, and the number of loans successfully processed. Changes are inherent in the Program and are expected when draws are based on community requests.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

**ECONOMIC OUTLOOK**

The State has continued to take steps to avert major economic impacts both statewide and within communities. The small rural makeup of the State remains a challenge for communities in funding major capital projects. Declining population bases make it difficult to draw the amount of user fees needed to fund capital infrastructure projects to address wastewater issues.

**DEBT ADMINISTRATION**

**Short-Term Debt**

The Program had debt activity during the fiscal year that was short-term in nature resulting from a bond issue. The issue was for \$500,000, which was repaid and retired within the same fiscal year.

**LINKED DEPOSIT PROGRAM**

The Department continues the implementation of a linked deposit program for nonpoint source pollution control projects through revisions of Title 131 of the Nebraska Administrative Code. The Clean Water State Revolving Fund will partner with eligible lending institutions, which will disburse loans to borrowers for these projects through a linked deposit loan program. Under this program, the State agrees to place funds into low-yielding deposits, and the lending institution agrees to provide loans to borrowers at similarly reduced interest rate below common market rates. Title 131 revisions were presented to the Environmental Quality Council in November 2015 and approved. With those revisions, marketing and communication of the program has begun.

**LOANS AND GRANTS TRACKING SYSTEM SOFTWARE (LGTS)**

LGTS is a comprehensive software application developed by Northbridge Environmental, which is designed for Nebraska's State Revolving Fund (SRF) managers and staff to track and manage all aspects of their Clean and Drinking Water SRF programs from project loan application to final repayment, as well as to track all capital contributions, set-aside spending, and bond issuance and repayment.

The software was developed to address the data management needs for all of the steps in the SRF management process, including priority list development, facility location and identification, engineering review and milestone tracking, inspections, contacts, contract approvals and change orders, detailed payment request processing, project spending forecasts, encumbrances, funding draws and transfers, disbursements, amortization schedule creation and management, billing, repayment processing, fund deposits, and tracking of repaid funds by their original source. The software also contains a general ledger that each state can customize to match existing accounting systems and create trial balances, financial statements, and related financial schedules.

LGTS has built-in role based security that requires users to log in each time they open the program. This security system is based on defined roles that each user is playing in the program. Security roles limit users to performing certain functions.

Historical data is extracted from spreadsheets or other data systems to load LGTS with data, test the validity of the data, and ensure that LGTS can be used effectively. This task is handled by a combination of staff efforts to assemble existing data sources and outside help to ensure that the data is used properly. This process usually yields a dual benefit of having a system with clean data and provides a quality assurance check of the many transactions that have occurred years ago and often by a number of staff members.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Concluded)

Nebraska's State Revolving Fund programs have begun implementation of the LGTS system. During fiscal year 2014, planning of the implementation phases, business rules, and hardware/software installations occurred. During fiscal years 2015 through 2020, the system was used concurrently with existing systems to create a basis for reliability and consistency. Once dependable, reconciled results were established, the existing internal system was discontinued, and LGTS became the sole system for use within the SRF program alongside the State Accounting system.

Contract costs for the purchase and implementation of the LGTS system previously had been handled through the existing Northbridge contract with the Federal Environmental Protection Agency (EPA) procurement. Therefore, expenditures were withheld as an "in-kind" deduction to the total annual grant, which was awarded to the Program each year. The Federal EPA staff negotiated, monitored, and managed the Northbridge contract for LGTS. The EPA program contract was cancelled and the final expenditures were in October 2019. Beginning in May 2020, the Department funds the program enhancements by paying Northbridge invoices directly.

The Department is capitalizing the costs that it pays directly to Northbridge, as well as the cost of staff time utilized for implementation.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM  
**STATEMENT OF NET POSITION**  
June 30, 2021

	<b>Enterprise Fund</b>
<b>ASSETS</b>	
<b>CURRENT ASSETS:</b>	
Cash in State Treasury (Note 2)	\$ 214,623,133
Due from Federal Government	107,170
Interest Receivable	260,114
Loans Receivable (Note 3)	<u>9,265,573</u>
<b>TOTAL CURRENT ASSETS</b>	<u><u>224,255,990</u></u>
<b>NON-CURRENT ASSETS</b>	
Loans Receivable (Note 3)	121,424,374
Capital Assets, Net (Note 4)	<u>474,513</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u><u>121,898,887</u></u>
<b>TOTAL ASSETS</b>	<u><u>\$ 346,154,877</u></u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts Payable & Accrued Liabilities	\$ 40,010
Due to Grant Recipients (Note 1)	213,384
Compensated Absences (Note 6)	<u>3,439</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u><u>256,833</u></u>
<b>NON-CURRENT LIABILITIES:</b>	
Compensated Absences (Note 6)	<u>27,821</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u><u>27,821</u></u>
<b>TOTAL LIABILITIES</b>	<u><u>284,654</u></u>
<b>NET Position</b>	
Net Investment in Capital Assets	474,513
Unrestricted	<u>345,395,710</u>
<b>TOTAL NET POSITION</b>	<u><u>345,870,223</u></u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 346,154,877</u></u>

The accompanying notes are an integral part of the financial statements.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
 CLEAN WATER STATE REVOLVING FUND PROGRAM  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
 For the Year Ended June 30, 2021

	<b>Enterprise Fund</b>
<b>OPERATING REVENUES:</b>	
Loan Fees Administration (Note 8)	\$ 1,239,470
Interest on Loans	<u>2,525,740</u>
<b>TOTAL OPERATING REVENUES</b>	<u><u>3,765,210</u></u>
 <b>OPERATING EXPENSES:</b>	
Administrative Costs from Fees (Note 10)	181,558
4% Administrative Costs From Grants (Note 10)	444,798
Small Town Grants (Note 10)	378,890
Project Planning Activities and Report Grants (Note 10)	20,000
Loan Forgiveness (Note 10)	<u>665,024</u>
<b>TOTAL OPERATING EXPENSES</b>	<u><u>1,690,270</u></u>
 <b>OPERATING INCOME</b>	 2,074,940
 <b>NONOPERATING REVENUE (EXPENSE):</b>	
Capital Contributions - Federal Grants (Note 7)	3,979,832
Capital Contributions - Federal Grants - Capital Assets	48,797
Interest on Fund Balance - State Operating Investment Pool (Note 9)	2,595,373
Bond Revenue (Expense)	<u>(1,896)</u>
<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	<u><u>6,622,106</u></u>
 <b>CHANGE IN NET POSITION</b>	 8,697,046
 <b>TOTAL NET POSITION, BEGINNING OF YEAR</b>	 <u><u>337,173,177</u></u>
 <b>TOTAL NET POSITION, END OF YEAR</b>	 <u><u>\$ 345,870,223</u></u>

The accompanying notes are an integral part of the financial statements.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM  
**STATEMENT OF CASH FLOWS**  
For the Year Ended June 30, 2021

	<u>Enterprise Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 115,906,523
Payments for Administration	(673,200)
Payments for Small Town Grants	(488,723)
Payments for Project Planning Activities and Report Grants	(20,000)
Payments for Loan Forgiveness	(654,095)
Payments to Borrowers	(12,583,697)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>101,486,808</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
Grants Received from the Environmental Protection Agency	3,896,326
Receipts from Bond Issue	500,000
Repayment of Bond	(500,000)
Bond Receipts (Payments)	(1,896)
<b>NET CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	<u>3,894,430</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>	
Capital Contributions	48,797
Purchase of Capital Assets	(101,582)
<b>NET CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>	<u>(52,785)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest on Investments	2,486,249
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>2,486,249</u>
<b>Net Increase in Cash and Cash Equivalents</b>	107,814,702
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	106,808,431
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 214,623,133</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Operating Income	\$ 2,074,940
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
(Increase)/Decrease in Loans Receivable	99,557,616
Increase/(Decrease) in Compensated Absences	(27,212)
Increase/(Decrease) in Accounts Payable & Accrued Liabilities	(19,632)
Increase/(Decrease) in Payables to Grant Recipients	(98,904)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ 101,486,808</u>

The accompanying notes are an integral part of the financial statements.



NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**

For the Fiscal Year Ended June 30, 2021

**1. Summary of Significant Accounting Policies**

**A. Basis of Presentation**

The accompanying basic financial statements of the Nebraska Department of Environment and Energy (Department) – Clean Water State Revolving Fund Program (Program) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The basic financial statements have been prepared primarily from accounts maintained by the State Accounting Administrator of the Department of Administrative Services (DAS).

**B. Reporting Entity**

The Program is established under and governed by the Clean Water Act of the Federal Government and by laws of the State of Nebraska. The Department is a State agency established under and governed by the laws of the State of Nebraska. As such, the Department is exempt from State and Federal income taxes. The Program's management has also considered all potential component units for which it is financially accountable and other organizations that are fiscally dependent on the Program or whose relationship with the Program is so significant that exclusion would be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the Department to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Department. The Department is also considered financially accountable if an organization is fiscally dependent on, and there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Department, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

These financial statements present the Program. No component units were identified. The Program is part of the primary government for the State of Nebraska's reporting entity.

**C. Fund Structure**

The Program's accounts are maintained in accordance with the principles of fund accounting to ensure compliance with limitations and restrictions placed on the use of resources available to it. Under fund accounting, individual funds are established for the purpose of carrying on activities or attaining objectives in accordance with specific regulations, restrictions, or limitations. Each individual fund is a self-balancing set of accounts recording cash and other financial resources, together with liabilities and residual equities or balances, and changes therein.

The State accounting system includes the following funds, as identified in the Wastewater Treatment Facilities Construction Assistance Act:

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

- Clean Water Facilities Funds – Federal Funds 48412 and 48413; and Repaid Principal and Bond Funds 68471, 68472, and 68473.
- Administration Funds – Cash Funds 28460 and 28461.

These funds are used to account for revenues and expenses for loans and administrative expenses of the Program.

The activity of these State of Nebraska funds has been combined and reported as an enterprise fund, which under governmental GAAP is a proprietary fund type. This fund type reflects transactions used to account for those operations that are financed and operated in a manner similar to a private business. The accounting for the Program's transactions in this manner is a requirement of the Environmental Protection Agency (EPA), as it and the Department have decided that the determination of the revenues earned, expenses incurred, and/or net income is necessary to demonstrate the success of the Program and to assure the EPA the Program will be available in perpetuity, as intended.

This fund classification differs from the classification used in the State of Nebraska's Annual Comprehensive Financial Report (ACFR). The ACFR classifies the Cash funds, Federal funds, and Bond funds as special revenue funds, as they meet the definition of special revenue funds under GASB Statement 54. In that statement, special revenue funds are defined as funds used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes.

**D. Measurement Focus, Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. An enterprise fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the Statement of Net Position. Enterprise fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Enterprise funds utilize the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

**E. Cash and Cash Equivalents**

In addition to bank accounts and petty cash, this classification includes all short-term investments, such as certificates of deposit, repurchase agreements, and U.S. treasury bills. These short-term investments have original maturities (remaining time to maturity at acquisition) of three months or less. These investments are stated at cost, which at June 30, 2021, approximates fair value due to their short-term nature. Banks pledge collateral, as required by law, to guarantee State funds held in time and demand deposits.

Cash and cash equivalents are under the control of the State Treasurer or other administrative bodies, as determined by law. All cash deposited with the State Treasurer is initially maintained in a pooled cash account. On a daily basis, the State Treasurer invests cash not needed for current operations with the State's Investment Council, which maintains an operating investment pool for such investments. Interest earned on these investments is allocated to funds based on their percentage of the investment pool.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

**1. Summary of Significant Accounting Policies** (Continued)

**F. Loans Receivable**

The State operates the Program as a direct loan program, whereby loans are made to communities. Loan funds are disbursed to the local agencies as they expend funds for the purposes of the loan. Interest is calculated from the date the funds are advanced. After the final disbursement has been made, the amortization schedule identified in the loan agreement is adjusted for the actual amounts disbursed. The interest rates on loans range from 0.5% to 4.0%, and the terms on outstanding loans range from 9.5 to 30.5 years.

The Program loans are funded from Federal capitalization grants, State match funding, and the Clean Water State Revolving Fund. The grants are funded, on average, 83.33% from Federal funds and 16.67% from State match funds. Reimbursements to communities are paid 100% from State matching funds until they have been exhausted, and then from Federal capitalization grant funds or Clean Water State Revolving Funds. The Clean Water State Revolving Fund is financed through principal repayments plus interest earnings available to finance new projects, allowing the funds to “revolve” overtime.

The current loans receivable amount was determined using the amount of principal payment due to the Program at June 30, 2021, which is collectible in fiscal year 2022. Loans receivable that were paid in full, prior to their due date, as of August 31, 2021, were included in the current loans receivable balance as opposed to the long-term receivable balances.

No provisions were made for uncollectible accounts, as management believed all loans would be repaid according to the loan terms.

**G. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**H. Compensated Absences**

All permanent employees working for the Program earn sick and annual leave and are allowed to accumulate compensatory leave rather than be paid overtime. Temporary and intermittent employees are not eligible for paid leave. The liability has been calculated using the vesting method, in which leave amounts, for both employees currently eligible to receive termination payments and other employees expected to become eligible in the future to receive such payments upon termination, are included.

Program employees accrue vested annual leave at a variable rate based on years of service. Generally, accrued annual leave cannot exceed 35 days at the end of a calendar year. Employees accrue sick leave at a variable rate based on years of service. In general, accrued sick leave cannot exceed 240 days. There is no maximum limit on the accumulation of sick leave days for employees under certain labor contracts. Sick leave is not vested except upon death or upon reaching the retirement eligibility age of 55 – or a younger age, if the employee meets all criteria necessary to retire under the primary retirement plan covering his/her State employment, at which time the State is liable for 25 percent of the employee’s accumulated sick leave. Employees under certain labor contracts can only be paid a maximum of 60 days.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

**1. Summary of Significant Accounting Policies** (Concluded)

The Program's financial statements recognize the expense and accrued liability when vacation and compensatory leave is earned or when sick leave is expected to be paid as termination payments.

**I. Due to Grant Recipients**

The Program awards Project Planning Activities and Report Grants, and Small Town Grants to communities with populations below 10,000 demonstrating serious financial hardship. Municipalities with wastewater treatment facility projects that have made application for grants and whose needs are identified on the Project Priority Planning List on the annual Intended Use Plan and who also meet the population and financial hardship guidelines are given priority for receiving grants.

The Program may choose to provide additional subsidization for municipalities in the form of loan forgiveness, up to a maximum of \$150,000 per project. The Program's power and authority to distribute the additional subsidization is an existing authority under the State Environmental Protection Act at Neb. Rev. Stat. § 81-1504(4) (Cum. Supp. 2020) and the Wastewater Treatment Facilities Construction Assistance Act at Neb. Rev. Stat. § 81-15,150 (Cum. Supp. 2020). To qualify for loan forgiveness, a community must be considered disadvantaged in regards to meeting affordability criteria, and have a population equal to or fewer than 10,000 people. The loan recipient will not be required to repay the portion of the loan principal that has been designated as loan forgiveness under the terms and conditions of the loan contract. Loan forgiveness is considered a grant for purposes of the financial statements, since repayment is not required.

For Project Planning Activities and Report Grants, Small Town Grants and Loan Forgiveness awards, once the municipality submits proof of vendor payment to the Department, it is reimbursed for its project costs by the Program. The Program's financial statements recognized the expense and accrued liability to the Program when the municipality incurred the project expense, which may not have been in the same fiscal year as when costs were reimbursed by the Program.

**J. Operating Revenues and Expenses**

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Program's principal ongoing operations. The operating revenues of the Program include loan fees administration and interest on loans, since making loans is the primary purpose of the Program. The operating expenses of the Program are administration expenses, small town grants, project planning activities and report grants, and loan forgiveness.

**K. Capital Assets**

The Program has only one capital asset, the Loans and Grants Tracking System (LGTS) software, and it is recorded at cost. The Department began the development phase of the LGTS software during the fiscal year ended June 30, 2014, and is anticipating this phase to be completed during the fiscal year ended June 30, 2022. The LGTS software is considered an intangible capital asset, and the Department follows the capitalization policy set forth by the State of Nebraska for intangible capital assets, which requires capitalization of such assets when the cost of such asset is in excess of \$100,000 and has an expected life of greater than one year. The LGTS software has an estimated useful life of seven years. Depreciation/amortization will begin upon completion of the development phase and the software being put into production and will be computed using the straight-line method over the estimated useful life of the asset.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**2. Cash in State Treasury**

Cash in State Treasury, as reported on the Statement of Net Position, is under the control of the Nebraska State Treasurer or other administrative bodies, as determined by law. Investment of all available cash is made by the State Investment Officer on a daily basis, based on total bank balances. These funds are held in the State of Nebraska Operating Investment Pool (OIP), an internal investment pool. Additional information on the deposits and investments portfolio, including investment policies, risks, and types of investments, can be found in the State of Nebraska’s ACFR for the fiscal year ended June 30, 2021. All interest revenue is allocated to the General Fund except allocations required by law to be made to other funds. All funds of the Program were designated for investment during fiscal year 2021. Amounts are allocated on a monthly basis based on average balances of all invested funds.

**3. Loans Receivable**

As of June 30, 2021, the Program had 175 outstanding community loans that totaled \$130,689,947. The outstanding balances of the 10 communities with the largest loan balances, which represent 65.4% of the total loans, were as follows:

<u>Community</u>	<u>Outstanding Balance</u>
York	\$ 21,036,233
Lincoln	16,121,754
South Sioux City	10,580,878
Kearney	9,869,304
Gretna	6,695,782
Dakota City	5,886,178
Wayne	4,325,805
Plattsmouth	4,085,770
Broken Bow	3,666,188
Sidney	3,221,507
<b>TOTAL</b>	<b>\$ 85,489,399</b>

**4. Capital Assets**

The Program’s capital assets activity for the year ended June 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Software Development In-Progress				
Loans and Grants Tracking System (LGTS)	<u>\$ 372,931</u>	<u>\$ 101,582</u>	<u>\$ -</u>	<u>\$ 474,513</u>

**5. Bonds Payable**

The State has entered into a special financing arrangement with Nebraska Investment Finance Authority (NIFA), an independent instrumentality of the State exercising essential public functions, to provide matching funds for the Program. NIFA issues the bonds, and the proceeds are held by the Trustee until they are needed by the Program for loan purposes.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. Bonds Payable** (Concluded)

The EPA requires the Program to provide 20% matching funds for each capitalization grant under § 602(b)(2) of the Federal Clean Water Act. Interest revenue from Program loans is pledged to pay off the bonds. During the fiscal year, the Program utilized \$1,122,000 of administrative cash funds and issued and retired Series 2020B short-term revenue bonds to meet the requirement of matching each capitalization grant with 20% of non-Federal funds. Bonds Payable activity for fiscal year 2021 on the short-term bond was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>
Bonds Payable	\$ -	\$ 500,000	\$ 500,000	\$ -

**6. Noncurrent Liabilities**

Changes in noncurrent liabilities for the year ended June 30, 2021, were as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>	<b>Amounts Due Within One Year</b>
Compensated Absences	\$ 52,040	\$ -	\$ 24,219	\$ 27,821	\$ 3,439

**7. Capital Contributions**

Included in the net position is the total amount of capitalization grants drawn from the EPA by the Department. The following summarizes the capitalization grants awarded and drawn, as well as the remaining balance as of June 30, 2021. The year column relates directly to the grant amount column and represents the fiscal year the grant funds were appropriated by Congress. The amount drawn column is as of June 30, 2021, and may have been drawn over multiple years.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

7. **Capital Contributions** (Concluded)

<u>Federal Fiscal Year Available</u>	<u>Grant Amount</u>	<u>Amount Drawn</u>	<u>Balance</u>
1989	\$ 4,773,100	\$ 4,773,100	\$ -
1990	4,964,560	4,964,560	-
1991	10,821,580	10,821,580	-
1992	9,938,500	9,938,500	-
1993	9,830,300	9,830,300	-
1994	6,061,600	6,061,600	-
1995	6,263,600	6,263,600	-
1996	10,319,661	10,319,661	-
1997	3,119,900	3,119,900	-
1998	7,019,996	7,019,996	-
1999	6,857,600	6,857,600	-
2000	6,834,000	6,834,000	-
2001	6,797,400	6,797,400	-
2002	6,855,000	6,855,000	-
2003	7,069,900	7,069,900	-
2004	6,747,100	6,747,100	-
2005	5,467,300	5,467,300	-
2006	4,424,300	4,424,300	-
2007	5,429,600	5,429,600	-
2008	3,415,700	3,415,700	-
2009 - ARRA	20,045,000	20,045,000	-
2009	3,415,700	3,415,700	-
2010	10,422,000	10,422,000	-
2011	7,529,000	7,529,000	-
2012	7,075,582	7,075,582	-
2013	6,663,899	6,663,899	-
2014	7,144,000	7,144,000	-
2015	7,080,590	7,080,590	-
2016	6,771,276	6,771,276	-
2017	6,750,000	6,750,000	-
2018	8,083,736	8,083,736	-
2019	8,109,000	8,109,000	-
2020	8,110,000	3,571,966	4,538,034
<b>TOTAL</b>	<b>\$ 240,210,480</b>	<b>\$ 235,672,446</b>	<b>\$ 4,538,034</b>

Not included in the above grant totals are the amounts set aside as in-kind contributions for the Loans and Grant Tracking System (LGTS) software development. The 2012, 2013, 2016, and 2018 grants had \$107,476, \$153,043, \$31,724, and \$121,739 set aside, respectively, as in-kind amounts for the use by the EPA for the development of the new LGTS software.

The amount of in-kind contributions utilized for the LGTS software during the fiscal year ending June 30, 2021, was \$0. The total amount utilized for LGTS as of June 30, 2021, was \$325,682. Additional in-kind contributions were received and capitalized for the Drinking Water State Revolving Fund Program, which also utilizes the LGTS software.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

**8. Loan Fees Administration**

To meet the long-term administrative needs of the Program, an annual fee of up to 1% is charged against the outstanding principal on loans. These fees are calculated on a semi-annual basis and billed when loan principal and interest payments are due. These fees are not included in the loan principal. The Director of the Program may waive this fee during construction, except on projects that only receive interim financing during construction. The fee is applied to all loans in accordance with Title 131 Nebraska Administrative Code (NAC) Chapter 2 and the loan agreements.

**9. Interest on Fund Balance – State Operating Investment Pool**

The reported amount represents the earnings the Program received from idle funds invested by the Nebraska State Treasurer with the State's Investment Council. Interest is credited on approximately the 25<sup>th</sup> day of each subsequent month.

**10. Operating Expenses**

The Operating Expenses of the Program are classified, for financial reporting purposes, into five categories:

Administrative Costs from Fees

To meet the long-term administrative needs of the Program, an annual fee of up to 1% is charged against the outstanding principal on loans. This fee is deposited into a separate account and is used for administrative costs of the Program and other eligible water quality related purposes. The fee on a loan made from leveraged bond proceeds may be set to reflect the cost of issuing bonds and management of the leveraged loan portfolio.

4% Administrative Costs from Grants

The maximum amount allowable for administering and managing the Program is 4% of the cumulative amount of capitalization grant awards received. When the administrative expenses of the Program exceed 4%, the excess must be paid from sources outside of Program grant awards.

Small Town Grants

Per Neb. Rev. Stat. § 81-15,151(2) (Cum. Supp. 2020) and Neb. Rev. Stat. § 81-15,153(11) (Cum. Supp. 2020), Small Town Grants are made available to communities that have populations of 10,000 inhabitants or less and demonstrate serious financial hardship. The maximum amount to be awarded in Small Town Grants is set at 50% of the revenue from administrative fees collected in the prior fiscal year. In the 2020 Intended Use Plan (IUP), the Department set the upper limit of grant to each community at \$250,000 per project, concurrent with a Program loan. Projects are prioritized based on the type of project and Median Household Income of the community.

Project Planning Activities and Report Grants

Project Planning Activities and Report Grants may be provided to municipalities with populations of 10,000 or fewer inhabitants that demonstrate serious financial hardship. Municipalities with wastewater treatment facility project needs that are identified on the project priority list, have not received a grant in the past five years, and also qualify for a Small Town Grant can receive up to 90% of project costs up to a maximum of \$20,000 per project. These grants are funded through the Administrative Cash Fund.



NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**10. Operating Expenses** (Concluded)

Loan Forgiveness

The State may choose to provide additional subsidization in the form of loan forgiveness up to a maximum of \$150,000 per project to qualifying disadvantaged communities that meet the affordability criteria found in the 2021 IUP. Awarding loan forgiveness is dependent on the availability of funding from Federal capitalization grants and the total amount of funds the Program decides to allocate for forgiveness from each grant. The Program will reserve up to \$811,000 (approximately 10% of the Capitalization Grant) for forgiveness to be used for additional subsidization. The Program's authority to distribute the additional subsidization is an existing authority under the State Environmental Protection Act at Neb. Rev. Stat. § 81-1504(4) (Cum. Supp. 2020) and the Wastewater Treatment Facilities Construction Assistance Act at Neb. Rev. Stat. § 81-15,150 (Cum. Supp. 2020). Together, these statutes allow the Program to accept and expend Federal grants for designated projects. Loan forgiveness discharges the community from repaying that portion of the principal amount of its loan under the terms and conditions of the loancontract.

**11. State Employees Retirement Plan (Plan)**

The single-employer Plan became effective by statute on January 1, 1964. The Public Employees Retirement Board was created in 1971 to administer the Plan. The Plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. Each member employed and participating in the retirement system prior to January 1, 2003, elected either to continue participation in the defined contribution option or to begin participation in the cash balance benefit. The defined contribution option is closed to new entrants. All new members of the Plan on and after January 1, 2003, become members of the cash balance benefit. The benefits and funding policy of the Plan are established and can only be amended by the Nebraska Legislature.

All permanent full-time employees are required to begin participation in the retirement system upon employment. All permanent part-time employees who have attained the age of 18 years may exercise the option to begin participation in the retirement system.

**Contribution** – Per statute, each member contributes 4.8% of his or her compensation. The Department matches the member's contribution at a rate of 156%. The employee's and employer's contributions are kept in separate accounts.

The employee's account is fully vested. The employer's account is fully vested after a total of three years of participation in the system, including credit for participation in another Nebraska governmental plan prior to actual contribution to the Plan.

**Defined Contribution Option** – Upon attainment of age 55, regardless of service, the retirement allowance shall be equal to the sum of the employee and employer account. Members have several forms of payment available, including withdrawals, deferrals, annuities, or a combination of these.

**Cash Balance Benefit** – Upon attainment of age 55, regardless of service, the retirement allowance will be equal to the accumulated employee and employer cash balance accounts, including interest credits, annuitized for payment in the normal form. The normal form of payment is a single-life annuity with five-year certain, payable monthly. Members will have the option to convert their member cash balance account to a monthly annuity with built-in cost-of-living adjustments of 2.5% annually. Also available are additional forms of payment allowed under the Plan, which are actuarially equivalent to the normal form, including the option of lump-sum or partial lump-sum.

NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM

**NOTES TO THE FINANCIAL STATEMENTS**  
(Concluded)

**11. State Employees Retirement Plan (Plan)** (Concluded)

For the fiscal year ended June 30, 2021, employees contributed \$13,575, and the Department contributed \$21,177. A separate plan report is issued and can be obtained from the Nebraska Public Employees Retirement System. This report contains full pension-related disclosures.

The State of Nebraska Annual Comprehensive Financial Report (ACFR) also includes pension-related disclosures. The ACFR report is available from the Nebraska Department of Administrative Services – Accounting Division or on the Nebraska Auditor of Public Accounts’ website at [auditors.nebraska.gov](http://auditors.nebraska.gov).

**12. Contingencies and Commitments**

**Risk Management** – The Department is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, and natural disasters. The Department, as part of the primary government for the State, participates in the State’s risk management program. DAS is responsible for maintaining the insurance and self-insurance programs for the State. The State generally self-insures for general liability, employee health care, employee indemnification, and workers’ compensation. The State has chosen to purchase insurance for:

- A. Motor vehicle liability, which includes \$4,700,000 with a self-insured retention of \$300,000. Insurance is also purchased, with various limits and deductibles, for physical damage and uninsured and underinsured motorists. State agencies have the option to purchase coverage for physical damage to vehicles. There is a \$1,000 deductible for this coverage.
- B. Life insurance for eligible employees.
- C. Crime coverage, with a limit of \$10,975,000 for each loss, and a \$25,000 self-insured retention per incident subject to specific conditions, limits, and exclusions.
- D. Real and personal property on a blanket basis for losses up to \$200,700,000, with a self-insured retention of \$300,000 per loss occurrence. Newly acquired properties are covered up to \$5 million for 30 days, and \$1 million for 90 days, if the property has not been reported. If not reported after 90 days, the property is not covered. The perils of flood, earthquake, and acts of terrorism have various coverage, sub-limits, and self-insurance. State agencies have the option to purchase building contents and inland marine coverage.

Details of the various insurance coverages are available from DAS – Risk Management Division.

No settlements exceeded commercial insurance coverage in any of the past three fiscal years. Workers’ compensation is funded in the Worker’s Compensation Internal Service Fund through assessments on each department based on total department payroll and past experience. Tort claims, theft of, damage to, or destruction of assets, errors or omissions, and natural disasters would be funded through the State General Fund or by individual department assessments, as directed by the Legislature, unless covered by purchased insurance. No amounts for estimated claims have been reported in the Program’s financial statements. Health care insurance is funded in the Insurance Trust Funds through a combination of employee and State contributions.

**Litigation** – The potential amount of liability involved in litigation pending against the Department, if any, could not be determined at this time. However, it is the Department’s opinion that final settlement of those matters should not have an adverse effect on the Department’s ability to administer current programs. Any judgment against the Department would have to be processed through the State Claims Board and be approved by the Legislature.



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM  
**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***

## Independent Auditor's Report

Nebraska Department of Environment and Energy  
Lincoln, Nebraska

We have audited, 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, the financial statements of the business-type activities of the Nebraska Department of Environment and Energy – Clean Water State Revolving Fund Program (Program), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements, and have issued our report thereon dated April 21, 2022.

### Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the Comment Section of this report, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency described in the Comment Section of this report to be a material weakness: Comment Number 1 (Financial Statement Errors).

**Compliance and Other Matters**

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

**Nebraska Department of Environment and Energy Response to the Finding**

The Program’s response to the finding identified in our audit is described in the Comment Section of the report. The Program’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it. Where no response is indicated, the Program declined to respond.

**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 result of that testing, 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.



Mark Avery, CPA  
Assistant Deputy Auditor

Lincoln, Nebraska  
April 21, 2022



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NEBRASKA DEPARTMENT OF ENVIRONMENT AND ENERGY  
CLEAN WATER STATE REVOLVING FUND PROGRAM  
**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO THE NEBRASKA DEPARTMENT OF  
ENVIRONMENT AND ENERGY – CLEAN WATER STATE REVOLVING FUND  
PROGRAM IN ACCORDANCE WITH THE OMB COMPLIANCE SUPPLEMENT**

## INDEPENDENT AUDITOR'S REPORT

Nebraska Department of Environment and Energy  
Lincoln, Nebraska

### **Report on Compliance for the Nebraska Department of Environment and Energy – Clean Water State Revolving Fund Program**

We have audited the Nebraska Department of Environment and Energy – Clean Water State Revolving Fund Program's (Program) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Program for the year ended June 30, 2021.

#### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the Program.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the Program 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 the Program occurred. An audit includes examining, on a test basis, evidence about the Program'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 the Program. However, our audit does not provide a legal determination of the Program's compliance.

***Opinion on the Nebraska Department of Environment and Energy – Clean Water State Revolving Fund Program***

In our opinion, the Program complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Program for the year ended June 30, 2021.

**Report on Internal Control Over Compliance**

Management of the Program 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 the Program’s internal control over compliance with the types of requirements that could have a direct and material effect on the Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 the Program’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.



Mark Avery, CPA  
Assistant Deputy Auditor

Lincoln, Nebraska  
April 21, 2022

**ATTACHMENT 6**  
**SUMMARY LOAN LIST - SFY 2022**  
**CW BENEFITS SUMMARY LOAN LIST FOR NEBRASKA - SFY 2022**

	<b>SYSTEM NUMBER</b>	<b>RECEIPT</b>	<b>TRACKING NUMBER</b>	<b>ASSISTANCE AMOUNT</b>	<b>INITIAL AGREEMENT</b>
NE	1349	Aurora	C318001	2,777,000.00	8/30/2021
NE	1354	Bassett	C318028	650,000.00	10/27/2021
NE	1281	Benkelman	C318002	-9,968.00	10/14/2021
NE	1360	Cass County SID #5	C318036	2,700,000.00	12/29/2021
NE	1308	Central City	C318013	-100,000.00	7/16/2021
NE	1351	Cozad	C318050	188,075.00	9/29/2021
NE	1365	Crawford	C318057	111,000.00	2/4/2022
NE	1359	Doniphan	C318037	1,990,000.00	12/14/2021
NE	1342	Fairbury	C318004	3,500,000.00	7/7/2021
NE	1361	Falls City	C318052	555,035.00	2/2/2022
NE	1362	Farnam	C318051	208,300.00	2/7/2022
NE	1367	Gresham	C318046	235,500.00	3/9/2022
NE	1345	Gretna	C318031	2,000,000.00	8/5/2021
NE	1318	Kearney	C318020	12,500,000.00	5/6/2022
NE	1375	LaVista	C318045	2,745,000.00	5/11/2022
NE	1353	Lexington	C318042	10,305,000.00	10/4/2021
NE	1346	Omaha	C318007	31,000,000.00	8/19/2021
NE	1373	Omaha	C318063	24,500,000.00	4/20/2022
NE	1348	Phillips	C318034	607,500.00	8/24/2021
NE	1377	Plattsmouth	C318058	30,020,000.00	5/10/2022
NE	1369	Raymond	C318048	1,242,000.00	3/10/2022
NE	1363	Sarpy County and Sarpy Cities Wastewater Agency	C318041	69,800,000.00	2/4/2022
NE	1350	St. Paul	C318049	5,820,000.00	9/15/2021
NE	1370	Valentine	C318040	3,350,000.00	3/25/2022
				206,694,442.00	