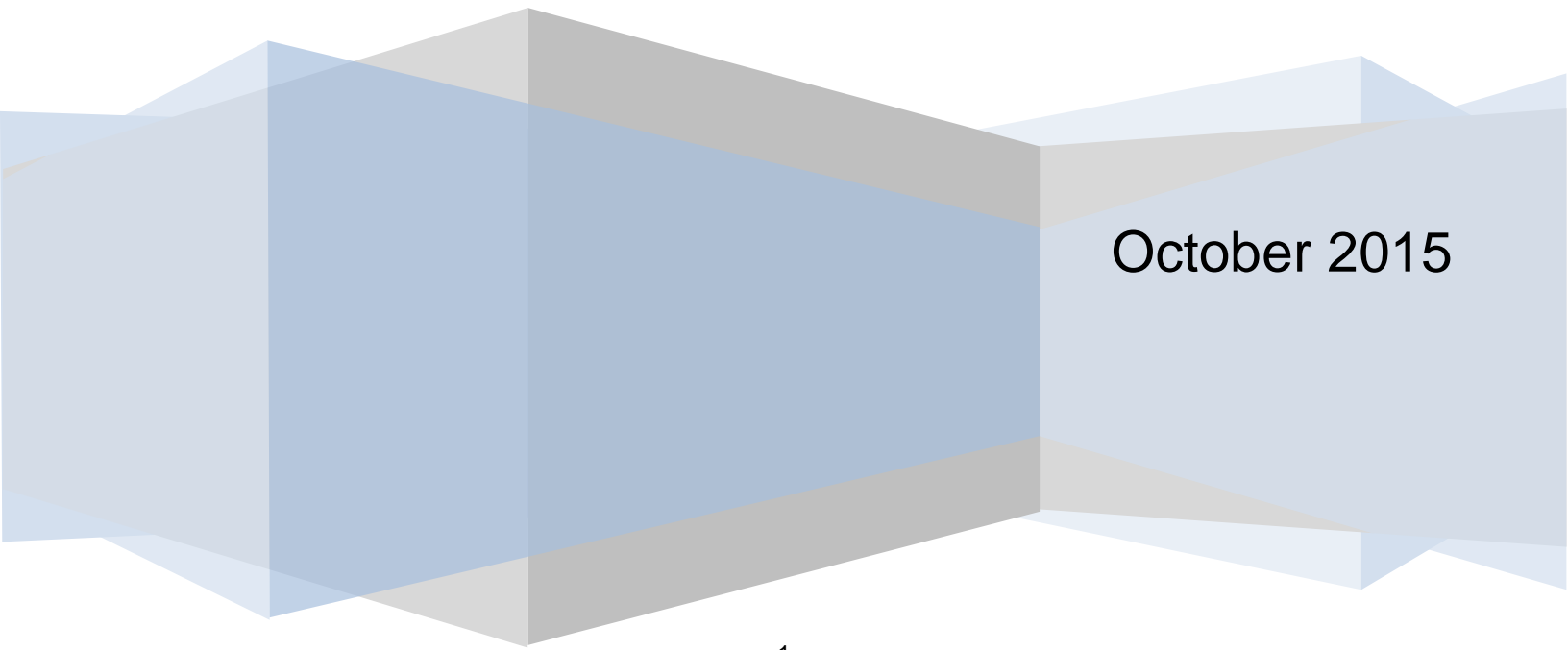


State of Nebraska
Department of Environmental Quality

Clean Water State Revolving Fund Annual Report

State Fiscal Year 2015



October 2015

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- ATTACHMENT 1 – LOAN INVESTMENT STATUS REPORT**
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- ATTACHMENT 3 – SMALL TOWN GRANTS HISTORY**
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- ATTACHMENT 5 – JULY 1, 2013 THROUGH JUNE 30, 2014 AUDIT REPORT**
- ATTACHMENT 6 – CWSRF BENEFITS REPORTING SUMMARIES**

EXECUTIVE SUMMARY

The Nebraska Clean Water State Revolving Loan Fund Annual Report for state fiscal year 2015 (7/1/14 - 6/30/15) describes the state's efforts to meet the goals and objectives of its Clean Water State Revolving Loan Program (CWSRF). 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 information tying back to the Intended Use Plan. 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.

Since 1989 the CWSRF has provided loans for 273 projects with a cumulative loan award amount of \$571 million.

FINANCIAL SCHEDULES SECTION

BACKGROUND

The Nebraska Department of Environmental Quality - 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. Neb. Rev. Stat. § 81-15,147 created the Wastewater Treatment Facilities Construction Assistance Act. The Federal Water Quality Act and State statutes established the Clean Water State Revolving Fund 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 20 years, 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 percent of the Federal capitalization grant as matching funds in order to receive a Federal grant. As of June 30, 2015, the EPA had awarded \$202.7 million in Capitalization grants to the State. Of the \$202.7 million awarded, approximately \$20 million was funded by the American Recovery and Reinvestment Act (ARRA). The \$182.7 million not funded by ARRA required the State to contribute approximately \$36.5 million in matching funds. The State provided appropriations to contribute \$955,000 of the funds to meet the State's matching requirement. Additional matching funds have been obtained through the issuance of revenue bonds.

The Program is administered by the Nebraska Department of Environmental Quality (Agency). The Agency'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 Agency and the Program's Intended Use Plan.

A. MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the Nebraska Department of Environmental Quality (Agency) – 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, 2015. This analysis has been prepared by management of the Agency 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: 1) Balance Sheet; 2) Statement of Revenues, Expenses, and Changes in Net Position; 3) Statement of Cash Flows; and 4) Notes to the Financial Statements.

The 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 additional information that is essential to a full understanding of the data provided in the financial statements.

ANALYSIS OF BALANCES AND TRANSACTIONS OF ENTERPRISE FUND

Changes in Net Position

For the fiscal year ended June 30, 2015, the net position of the Program increased by 9.1%. Revenues increased by 3.5%, and operating expenses decreased by 20.5%.

NET POSITION			
	2015	2014	% Change
Current Assets	\$ 100,177,942	\$ 112,431,399	-10.9%
Noncurrent Assets	174,616,786	139,641,547	25.0%
Total Assets	274,794,728	252,072,946	9.0%
Current Liabilities	115,825	214,449	-46.0%
Noncurrent Liabilities	82,628	87,884	-6.0%
Total Liabilities	198,453	302,333	-34.4%
Net Position:			
Net Investment in Capital Assets	90,724	21,148	100.0%
Unrestricted	274,505,551	251,749,465	9.0%
Total Net Position	\$ 274,596,275	251,770,613	9.1%

CHANGES IN NET POSITION			
	2015	2014	% Change
Loan Fees Administration	\$1,182,944	\$ 1,076,543	9.9%
Interest	5,422,232	5,304,981	2.2%
Fines, Forfeits & Penalties	214	745	-71.2%
Debt Service Refund	844	3,053	-72.4%
Total Operating Revenue	6,606,234	6,385,322	3.5%
Administration	990,483	960,483	3.1%
Grant Expense	300,820	329,496	-8.7%
Loan Forgiveness	568,157	1,048,806	-45.8%
Total Operating Expenses	1,859,460	2,338,785	-20.5%
Operating Income	4,746,774	4,046,537	17.3%
Capital Contributions Federal Grants	18,101,434	4,902,830	100.0%
Interest Expense on Bonds Payable	(22,546)	(7,300)	-100.0%
Cost of Bond Issuance	-	(27,873)	100.0%
Net Nonoperating Revenue (Expenses)	18,078,887	4,867,657	100.0%
Change in Net Position	22,825,662	8,914,194	100.0%
Beginning Net Position July 1	251,770,613	242,856,419	3.7%
Ending Net Position June 30	\$ 274,596,275	\$ 251,770,613	9.1%

Operating expenses decreased, in large part, due to a lower amount of loan forgiveness being disbursed than in the previous year. Loan forgiveness is awarded to communities who meet specific guidelines for need. They are not paid to a community until that community has allowable expenditures to report, and therefore have a construction project that has commenced. Revenues increased due to higher administrative loan fees collected. This is a result of some larger loans that were signed during the fiscal year.

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.

ECONOMIC OUTLOOK

State General Fund revenue collections continue to be above projections. The State has taken 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 \$1,430,000, which was repaid and retired within the same fiscal year.

LINKED DEPOSIT PROGRAM

The Agency continues the implementation of a linked deposit program for nonpoint source pollution control projects through revisions of Title 131. The Clean Water State Revolving Fund will partner with eligible lending institutions who 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 are planned to be presented to the Environmental Quality Council in 2016 for approval. Once revisions are completed and approved, marketing and communication of the program will begin.

LOANS AND GRANTS TRACKING SYSTEM SOFTWARE (LGTS)

LGTS is a comprehensive software application developed by Northbridge Environmental that 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 tracking 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 in the past and often by a number of staff members.

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 year 2015, the system was used concurrently with existing systems, to create a basis for reliability and consistency. Once dependable, reconciled results will be established, the existing internal system will be discontinued, and LGTS will become 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 have been handled through the existing Northbridge contract with Federal EPA procurement. Therefore, expenditures are withheld as an "in-kind" deduction to the total annual CWSRF grant, which is awarded to the program each year. Federal EPA staff negotiate, monitor and manage the Northbridge contract for LGTS.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
 CLEAN WATER STATE REVOLVING FUND PROGRAM

BALANCE SHEET

June 30, 2015

UNAUDITED

Enterprise Fund

ASSETS

CURRENT ASSETS:

Cash in State Treasury	\$ 80,287,689
Cash with Fiscal Agent	-
Administration Fees Receivable	-
Loan Interest Receivable	-
Fines Receivable	-
Due from Federal Government	-
Interest Receivable	140,194
Loans Receivable - Current	19,750,059

TOTAL CURRENT ASSETS	100,177,942
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NON-CURRENT ASSETS

Loans Receivable	174,526,062
Capital Assets, Net	90,724

TOTAL NON-CURRENT ASSETS	174,616,786
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TOTAL ASSETS	\$ 274,794,728
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LIABILITIES

CURRENT LIABILITIES:

Accounts Payable & Accrued Liabilities	\$ 52,433
Due to Grant Recipients (Note 1)	57,172
Compensated Absences (Note 6)	6,219

TOTAL CURRENT LIABILITIES	115,825
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NON-CURRENT LIABILITIES:

Compensated Absences (Note 6)	82,628
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TOTAL NON-CURRENT LIABILITIES	82,628
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TOTAL LIABILITIES	198,453
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NET ASSETS

Net Investment in Capital Assets	90,724
Unrestricted	274,505,551

TOTAL NET POSITION	274,596,275
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TOTAL LIABILITIES & NET POSITION	\$ 274,794,728
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NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
 CLEAN WATER STATE REVOLVING FUND PROGRAM
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 For the Year Ended June 30, 2015
 UNAUDITED

	Enterprise Fund
OPERATING REVENUES:	
Loan Fees Administration (Note 8)	\$ 1,182,944
Interest on Loans	3,454,012
Interest on Fund Balance - State Operating Investment Pool (Note 9)	1,968,220
Interest on Fund Balance - Trustee	-
Fines Forfeits & Penalties	214
Debt Services Refund	844
TOTAL OPERATING REVENUES	\$ 6,606,234
OPERATING EXPENSES:	
Administrative Costs from Fees (Note 10)	807,462
4% Administrative Costs From Grants (Note 10)	183,021
Small Town Grants (Note 10)	205,949
Facility Planning Grants (Note 10)	94,871
Loan Forgiveness (Note 10)	568,157
TOTAL OPERATING EXPENSES	\$ 1,859,460
OPERATING INCOME	4,746,774
NONOPERATING REVENUE (EXPENSE)	
Capital Contributions - Federal Grants (Note 7)	18,031,858
Capital Contributions - Federal Grants – Capital Assets	69,576
Interest Expense on Bonds Payable	(22,546)
Cost of Bond Issuance	-
NET NONOPERATING REVENUE (EXPENSE)	18,078,887
CHANGE IN NET POSITION	22,825,662
TOTAL NET POSITION, BEGINNING OF YEAR	251,770,613
TOTAL NET POSITION, END OF YEAR	\$ 274,596,275

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
 CLEAN WATER STATE REVOLVING FUND PROGRAM
STATEMENT OF CASH FLOWS
 For the Year Ended June 30, 2015
 UNAUDITED

	Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts From Customers	\$ 17,009,745
Interest on Investments	2,002,065
Interest on Fund Balance - Trustee	-
Payments for Administration	(979,841)
Payments for Small Town Grants	(201,179)
Payments for Facility Planning Grants	(90,488)
Loan Forgiveness	(691,831)
Payments to Borrowers	(57,236,462)
Debt Service Refund	844
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (40,187,148)
CASH FLOWS FROM NON-CAPITAL & RELATED FINANCING ACTIVITIES:	
Funds Received From the Environmental Protection Agency	18,172,247
Receipts from Bond Issue	1,430,000
Repayment of Bond	(1,430,000)
Interest on Bond	(22,546)
Payment for Bond Issuance	-
NET CASH FROM NON-CAPITAL & RELATED FINANCING ACTIVITIES:	18,149,701
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:	
Capital Contributions	69,576
Purchase of Capital Assets	(69,576)
NET CASH USED BY CAPITAL FINANCING ACTIVITIES	\$ -
Increase in Cash and Cash Equivalents	(22,037,447)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	102,325,136
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 80,287,689
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	\$ 4,746,774
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
(Increase)/Decrease in Loans Receivable	(44,864,897)
(Increase)/Decrease in Interest Receivable	33,845
(Increase)/Decrease in Administration Fees Receivable	175
(Increase)/Decrease in Loan Interest Receivable	524
(Increase)/Decrease in Fines Receivable	312
Increase/(Decrease) in Compensated Absences	(5,651)
Increase/(Decrease) in Accounts Payable & Accrued Liabilities	16,292
Increase/(Decrease) in Payables to Grant Recipients	(114,521)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (40,187,148)

E. NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS – UNAUDITED

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY CLEAN WATER STATE REVOLVING FUND PROGRAM NOTES TO THE FINANCIAL STATEMENTS - UNAUDITED

For the Fiscal Year Ended June 30, 2015

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements of the Nebraska Department of Environmental Quality (Agency) – 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 Agency is a State agency established under and governed by the laws of the State of Nebraska. As such, the Agency 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 Agency 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 Agency. The Agency 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 Agency, 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 Program includes the following funds, as identified in the Wastewater Treatment Facilities Construction Assistance Act:

- Clean Water Facilities Funds – General Fund 10000; Federal Funds 48412 and 48413; and Bond Funds 68470, 68471, 68472, and 68473.
- Administration Funds – Cash Funds 28460, 28461, and 28462.

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 the Program and the Agency 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 Comprehensive Annual Financial Report (CAFR). The CAFR 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 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. These short-term investments may have original maturities (remaining time to maturity at acquisition) greater than three months; however, cash is available and is considered cash and cash equivalents for reporting purposes. These investments are stated at cost, which at June 30, 2015, approximates market. 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 and for accrued interest during the project period. The interest rates on loans range from 1.5% to 4.3%, and the terms could be 5 to 20 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” over time.

The current loans receivable amount was determined using the amount of principal payment due to the Program at June 30, 2015, which is collectible in fiscal year 2016. Loans receivable that were paid in full, prior to their due date, as of August 31, 2015, were included in the current loans receivable balance as opposed to the long-term receivable balances.

No provisions were made for uncollectible accounts, as all loans were current and 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 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% 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 Facility Planning 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 \$100,000 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) (Reissue 2008) and the Wastewater Treatment Facilities Construction Assistance Act at Neb. Rev. Stat. § 81-15,150 (Reissue 2008). 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 Facility Planning Grants, Small Town Grants and Loan Forgiveness awards, once the municipality submits proof of payment to their vendors, 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 primary operating revenues of the Program are the loan fees administration and interest on loans, since making loans is the primary purpose of the Program. The principal operating expenses of the Program are administration expenses, small town grants, and loan forgiveness.

K. Capital Asset

The Clean Water SRF program has only one Capital Asset, the Loans and Grants Tracking System (LGTS) software, which is recorded at cost. The Agency began the development phase of the LGTS software during fiscal year ended June 30, 2014, and is anticipating this phase to be completed during fiscal year ended June 30, 2016. The LGTS software is considered an Intangible Capital Asset and the Agency 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 CAFR for the fiscal year ended June 30, 2015. 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 2015. Amounts are allocated on a monthly basis based on average balances of all invested funds.

3. Loans Receivable

As of June 30, 2015, the Program had 184 outstanding community loans that totaled \$194,276,122. The outstanding balances of the 10 communities with the largest loan balances, which represent 61.3% of the total loans, were as follows:

<u>Community</u>	<u>Outstanding Balance</u>
Omaha	\$ 48,485,378
Lincoln	23,006,828
North Platte	10,309,353
Grand Island	7,110,083
Gosper County SID #1	6,316,236
South Sioux City	5,121,631
Broken Bow	5,090,424

Kearney	4,750,069
Nebraska City	4,483,529
Lexington	4,393,244
TOTAL	\$ 119,066,775

4. Capital Assets

The Clean Water State Revolving Fund (SRF) capital assets activity for the year ended June 30, 2015 was:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Software Development In-Progress Loans and Grant Tracking System (LGTS)	\$ 21,148	\$ 69,576	-	\$ 90,724

5. Bonds Payable

The EPA requires the Program to provide 20% non-federal matching funds for each capitalization grant under § 602(b)(2) of the Federal Clean Water Act. During the fiscal year, the Program issued Series 2014 short-term revenue bonds to meet this requirement. Bond Series 2014 was retired during the fiscal year ended June 30, 2015. Bonds Payable activity for fiscal year 2015 was:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Bonds Payable	\$ -	\$ 1,430,000	\$ 1,430,000	\$ -

6. Noncurrent Liabilities

Changes in noncurrent liabilities for the year ended June 30, 2015, were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$87,884	\$ -	\$5,256	\$82,628	\$6,219

7. Capital Contributions

Included in the net position is the total amount of capitalization grants drawn from the EPA by the Agency. The following summarizes the capitalization grants awarded and drawn, as well as the remaining balance as of June 30, 2015. 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, 2015, and may have been drawn over multiple years.

<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	7,143,720	280
TOTAL	\$ 195,305,878	\$ 195,305,598	\$ 280

The 2015 grant was awarded on June 15, 2015. The award was for \$8,787,000 which consisted of \$7,029,600 of federal dollars, and \$1,757,400 of State match dollars.

Not included in the above Grant Totals are the amounts set aside as in-kind contributions for the Loans Grant Tracking System (LGTS) software development. The 2012 grant had \$107,476, the 2013 grant had \$153,043, and the 2014 grant had \$14,706 set aside as in-kind amounts for the use by the EPA for the cost of the development of the new LGTS software. The amount expended/drawn down for the LGTS software for the fiscal year ending June 30, 2015, was \$69,576.

The following is a summary of changes in the total contributed capital:

Contributed Capital July 1, 2014	\$ 177,813,746
Contributed During the Year – Funds from EPA	18,031,858
Contributed Capital June 30, 2015	<u>\$ 195,845,604</u>

Also included in the contributed capital is a total of all general funds received by the Program from the Nebraska State Legislature. These assets were to be used as match for the Program for the initial capitalization grant received by the State. The State contributed \$300,000 and \$655,000 in the fiscal years ended June 30, 1989, and 1990, respectively. Included in the Funds from EPA amount is the reversal of the decrease in net Due from Federal Government from prior years of \$274,606, and the decrease in Due From Federal Government from the current year of \$140,389.

8. Loan Fees Administration

An annual fee of up to 1% is charged against the outstanding principal on loans to meet the long term administrative costs of the Program. The fee is collected semi-annually, billed when invoices for principal and interest payments are due, and waived for the first year of the loan. This fee is 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.

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 twenty-fifth 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 expense of the Program exceeds 4%, the excess must be paid from sources outside of the Program.

Small Town Grants

Per Neb. Rev. Stat. § 81-15,151(2) (Reissue 2014) and Neb. Rev. Stat. § 81-15,153(9) (Reissue 2014), 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. The total amount of grants that can be signed into loan contracts for State fiscal year 2015 was capped at \$436,544. In the 2015 Intended Use Plan (IUP), the Agency 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.

Small Town Grants are funded with loan administration fees collected while a community is repaying its loan.

Facility Planning Grants

Facility planning grants may be provided to municipalities with populations of 10,000 or fewer inhabitants which demonstrate serious financial hardship. Municipalities with wastewater treatment facility project needs that are identified on the project priority list and have not received a grant in the past five years 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.

Loan Forgiveness

The State may choose to provide additional subsidization in the form of loan forgiveness up to a maximum of \$100,000 per project to qualifying disadvantaged communities that meet the affordability criteria found in the 2015 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 at least \$388,760 (5.4% of the Capitalization Grant) for forgiveness, but up to \$583,140 (8.1%) can 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) (Reissue 2014) and the Wastewater Treatment Facilities Construction Assistance Act at Neb. Rev. Stat. § 81-15,150 (Reissue 2014). 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 loan contract.

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 Agency 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 shall 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.

For the fiscal year ended June 30, 2015, employees contributed \$24,553, and the Agency contributed \$38,303. 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 Comprehensive Annual Financial Report (CAFR) 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.

12. Contingencies and Commitments

Risk Management. The Agency 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 Agency, 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:

- A. Motor vehicle liability, which is insured for the first \$5,000,000 of exposure per accident with a self-insured retention of \$300,000 per accident, except for accidents involving vehicular pursuit, which have a \$1,000,000 self-insured retention per accident. 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.
- B. Life insurance for eligible employees.
- C. Crime coverage, with a limit of \$31,000,000 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 \$250,000,000, with a self-insured retention of \$200,000 per loss occurrence. Newly acquired properties are covered up to \$5,000,000 for 120 days or until the value of the property is reported to the insurance company. 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. Health care insurance is funded in the Insurance Trust Funds through a combination of employee and State contributions. 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.

Litigation. The potential amount of liability involved in litigation pending against the Agency, if any, could not be determined at this time. However, it is the Agency's opinion that final settlement of those matters should not have an adverse effect on the Agency's ability to administer current programs. Any judgment against the Agency 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 \$498,527,342 total loan allocations; \$244,968,025 was repaid, \$194,276,122 is outstanding, leaving \$59,283,195 to be disbursed. Details on the Fund loan portfolio are in Attachment 1. The SFY 2015 blended interest rate on the outstanding loan balance is 2.062%. The FY2014 blended rate was 2.307%. This year's blended interest rate is 24.5 basis points below last year.

2. Source of CWSRF Funds by Quarter

State match for the FFY 2014 capitalization grant was provided by the \$1,430,000 NIFA/SRF 2014B bond issued on August 13, 2014. The FFY 2014 capitalization grant was awarded on July 2, 2014. The \$1,425,000 NIFA/CWSRF 2015 bond, state match for the FFY 2015 capitalization grant was issued on September 3, 2015 and the capitalization grant award was awarded July 29, 2015.

SOURCE OF STATE MATCH
PROGRAM FUNDING YEAR FFY 2013, FFY 2014 AND FFY 2015
CAPITALIZATION GRANTS

NIFA Bond	Quarter	Bond Funds	Cash
2013B	SFY 2014-Q1	\$1,360,000	
2014B	SFY 2015-Q1	\$1,430,000	
2015	SFY 2016-Q1	\$1,425,000	

CAPITALIZATION GRANT PAYMENT SCHEDULE

CAP GRANT	QUARTER	PAYMENT
FFY 2013	SFY 2014-Q1	\$6,798,000
FFY 2014	SFY 2014-Q1	\$7,144,000
FFY 2015	SFY 2015-Q1	\$7,107,000

3. Binding Commitments

The CWSRF entered into twenty binding commitments and seven loan amendments to existing funded communities which provided financial assistance to eighteen new Section 212 Projects totaling \$69,508,033. The binding commitment total for SFY 2015 plus 4% administration totals \$69,239,603. The cumulative binding commitment exceeds the federal 120% binding commitment requirement for SFY 2014. The cumulative binding commitment amount of initial loan awards plus 4% administration totals \$575,824,181.

Attachment 2 provides information showing the binding commitments entered into during SFY 2015 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 \$575,824,181 or 250% of the required amount.

4. Small Town Grant Report

The Department has authority to obligate 65% of the previous SFY administration fee income up to \$850,000 per year for small town matching grants and facility planning grants. In SFY 2015, \$436,544 was available for Small Town Grants and \$100,000 was made available to facility planning grants.

The following table reports allocations to projects during SFY 2015 for Small Town Grants. Attachment 3 provides more detail on fund history, disbursements, and balances.

COMMUNITY	PROJECT #C31	GRANT AWARD DATE	GRANT AMOUNT
Chappell	7874	3/25/2015	\$250,000
Jansen (Amend #1)	7786	6/17/2015	\$13,394
Chester	7875	6/17/2015	\$158,990
Sprague (Amend #1)	7897	6/30/2015	\$14,160
SFY 2015 Allocation Total			\$436,544

5. Facility Planning Grants

CWSRF administrative cash funds were used to provide financial assistance to eligible municipalities for facility planning 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.

Facility planning grants may be provided to municipalities with populations of 10,000 or fewer people that are identified with a 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. Facility planning grants were awarded to Gresham, Fairfield, Lynch, Oshkosh, and Scotia in SFY 2015.

Since the grant's inception through the Nebraska Environmental Partnership (NEP) in SFY 2004 the CWSRF has awarded planning grants to 67 communities for a total of \$1,123,710. Although the NEP program no longer exists in name, the CWSRF Administrative Cash Fund will continue to fund facility planning grants initiated by the NEP program.

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
- Binding Commitments Within One Year
- Expeditious and Timely Expenditures
- Eligible Activities of the SRF
- FFATA
- MBE/WBE Requirements
- Other Federal Authorities
- State Environmental Review Process (SERP)
- Cash Draw Procedures

Prior to SFY 2014, the State of Nebraska withdrew from the capitalization grants at an approximate 5 to 1 federal to state match funds ratio. Since then, the State will have disbursed 100% match funds first and then subsequently draw federal dollars.

Environmental Reviews were conducted on eighteen Section 212 projects during SFY 2015. It was determined that no Environmental Impact Statements (EIS) were necessary; instead Environmental Assessments (EA) were prepared and Finding of No Significant Impact Statements (FNSI) were issued for four projects: Grand Island, Winside, Chappell; and Cody, and fourteen Categorical Exclusions (CE) were issued for projects: Kearney, Wisner, Brady, Platte Co. SID #7, Bruno, Hebron, Broken Bow, Firth, Wayne, Big Springs, Anselmo, Chester, Sprague (Amendment), and Oconto. In order to expedite the review process, FNSIs and CEs are now available on-line.

The following five SRF wastewater projects initiated operation in SFY 2015: Broken Bow, Jansen, Kearney, Platte County SID#7, and Spencer.

EPA allows states to utilize equivalency for some regulations or conditions of the capitalization grant. The CWSRF only applied FFATA for equivalent projects from the 2014 capitalization grant. This project was with the City of Omaha for a \$15,000,000 amendment. The CWSRF applied FFATA, Architectural and Engineering procurement, and signage for equivalent projects from the 2015 capitalization grant. This project was with the City of Grand Island for a \$28,000,000 amendment. The rest of the possible equivalent requirements were applied to all loans.

2. Short Term Goals and Accomplishments

Eight short term goals were described in the SFY 2015 Intended Use Plan (IUP) to be undertaken in SFY 2015. The CWSRF has made significant progress toward successful completion of most of its short term goals. The goals are listed and discussed as follows:

1. *Strive for the identification, assessment of, and increased participation, by all potentially eligible CWSRF entities during the next development cycle.*

Continued education carries the importance of submission of the Needs Surveys including:

- Participating either through presentation or through information booths at twelve different conferences and financial workshops throughout the state to increase participation,
- Partnering with the Department's other programs that regularly meet with municipalities to provide SRF / Needs Survey information,
- Contacting eligible entities that did not respond to the 2014 Needs Survey to insure those that had known needs were accounted for in the SFY 2015 Project Priority List.

The IUP and state Project Priority Lists are subject to public review and comment in accordance with federal statute 40 CFR Part 35. The Department held a public hearing for the 2016 IUP and state Priority Lists at the regularly scheduled Environmental Quality Council meeting on June 4, 2015 at

LaVista, Nebraska to receive public input and Council approval. The draft IUP and Project Priority Lists were made available 30 days prior to the hearing.

2. *Continue to evaluate the engineering feasibility and the financial assurance capacity of any potential CWSRF project seeking a construction permit*

Loan funds were committed to nineteen separate communities during SFY 2015: Kearney, Hartington, Sutherland, Grand Island (two loans), Gretna, Wisner, Hebron, Platte County SID #7, Winside, Broken Bow, Bruno, Chappell, Wayne, Big Springs, Anselmo, Cody, Culbertson, Loup City, and Sidney.

In addition, six loan amendments were provided to communities: South Sioux City, Omaha, Kearney, Grand Island, Jansen, and Sprague.

The Department has been working on a new initiative called Assessing Wastewater Infrastructure Needs (AWIN) that evaluates a town's capability through a number of significant impact statistics. These include population, median household income, median age, percent unemployment, percent of housing vacancies per impending vacancies, ratio of middle age residents to elderly residents, and a matrix number which includes population trends. This provides a tool to help the engineers and the municipality better evaluate both the need and the financial assurance associated with the need. The NDEQ engineers are required to look at AWIN options if the municipality falls within the moderate to high risk category.

Options that may be available include:

- Longer compliance schedules
- Modified requirements
- Smaller projects
- Changes in loan terms
- Staged construction

3. *Update priority ranking system to include information from Assessing Wastewater Infrastructure Needs to support sustainability of small rural communities.*

The Needs Surveys and priority ranking system were updated to include information from Assessing Wastewater Infrastructure Needs. The Needs Surveys were due December 31, 2014 and we ranked communities for the 2016 IUP.

4. *Update Title 131 to include program requirements for implementation of a Linked Deposit Program and refinancing provisions in accordance with LB514. This will allow assistance with nonpoint source impacts to waters of the State including but not restricted to: onsite systems, animal feeding operations, and water protection.*

LB514 was passed in February, 2014 and became effective July 2014. With implementing the CW amendments that were passed in June 2014 and staff resignation the Department was not able to propose Title 131 changes in SFY 2015. We have had many informal meetings with stakeholders and are currently in the process of updating Title 131. We plan on taking the proposed changes to the Environmental Quality Council in SFY 2016.

5. *Identify projects that qualify for Green Project Reserve Funding.*

Projects in three communities were designated as Green Project Reserve (GPR). These were made with Hartington, Grand Island, and Sidney. The SFY 2016 IUP has three communities on the Green Project Reserve List for funding: Grand Island, Pickrell, and Sidney. The CWSRF promotes green projects by using a lower interest rate for green projects. GPR and all green project loans are assessed 0.25% less than other SRF loans.

6. *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.*

The Department used a priority ranking system to evaluate facilities in seven categories for the 2015 IUP. The greater number of points the higher the ranking. The seven categories are:

- Project benefit
 - Beneficial use and classification of receiving water
 - Water quality of receiving waters
 - Enforcement actions initiated by the Department to address violations of the Environmental Protection Act and other related acts.
 - Readiness to proceed
 - Population served
 - Financial impacts
7. Evaluate whether to amend the ranking system criteria to address impacts to wastewater treatment plants from extreme weather events (i.e., drought, flood, etc.).

NDEQ evaluated the ranking system and felt no changes were needed in this area as if an extreme weather event happened the community would fall under the Emergency Loan Assistance section in Title 131.

8. Commitment to enhance the project priority ranking system to more accurately assess non-point source projects.

Modifications to the project priority ranking system were made for the SFY 2106 IUP. These included incorporating nonpoint source benefits, increasing the points awarded for line items under the readiness to proceed which included the new classification of Construction Permit, and Assessing Wastewater Infrastructure Needs results.

3. Long Term Goals and Accomplishments

Eight long term goals were included in the SFY 2015 Intended Use Plan:

1. *Manage the Nebraska Clean Water State Revolving Fund (CWSRF) Program to fund projects which protect and improve the public health of the citizens of the state.*

NDEQ continues to capitalize the fund at the largest level possible and try to grow the fund at a rate greater than the long-term construction inflation rate of 5%. Review management practices annually to assist in achieving the growth goals. Request EPA capitalization grants and provide state match in a timely manner. Encourage the federal government to continue annual capitalization grants for this fund. Allocate grant funds, match and recycle funds to projects in a timely manner.

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

NDEQ continues to request EPA capitalization grants and obtain state match in a timely manner. We also intend to continue to allocate grant funds, match and recycle funds to projects in a timely manner. Cost-effective project alternatives will be promoted to stretch fund assistance. Assessing Wastewater Infrastructure Needs has been incorporated as a tool to provide for affordability and sustainability over the term of the loan.

3. *Meet with municipalities, consultants, staff, other stakeholders, and the public every year to identify potential CWSRF projects and obtain their input regarding modifications or enhancements to the CWSRF program.*

The DEQ completed an annual SRF needs survey during SFY 2014, providing candidates for the SFY 2015 IUP. Three hundred and twenty-four (324) communities responded to the needs survey. Two

hundred and fifty-three (253) of the communities identified one or more needs. The SFY 2015 public participation process involved providing conference presentations and information booths (twelve different events).

4. *Explore with stakeholders ways the CWSRF Program can be used to encourage sustainable infrastructure, capacity development, and opportunities to use distributed wastewater treatment options, and encourage the incorporation of green infrastructure concepts and energy recovery, production, and conservation in CWSRF funded projects*

As stated earlier, the Department will utilize information from the AWIN program to enable sustainability among small communities. This program provides the SRF with additional tools for this purpose and allows us to utilize the fund for the best alternative.

The EPA provided considerable guidance for the SRF program concerning eligible projects under green infrastructure requirements for the FFY 2015 federal capitalization grant. We will use this guidance to help develop policies and procedures to encourage green concepts and projects to fund under the SRF program. The Department continues to incentivize green projects with lower than non-green interest rates. This is being provided on projects and parts of projects that meet the Federal guidelines for green projects over and above the federally required amount in the 2015 Capitalization Grant.

The CWSRF funds a summer intern through the University of Nebraska's Pollution Prevention Program. This year we evaluated the assets and energy savings for two municipalities: Cambridge and Bartley.

5. *Encourage the federal government to continue annual CWSRF capitalization grants. Request annual EPA capitalization grants and provide state match in a timely manner.*

The Department will continue to apply for the annual CWSRF capitalization grant as soon as possible during the SFY.

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 loan funds, grant funds, match and recycle funds to projects in a timely manner.*

Unsewered communities with public health or environmental concerns are listed in the IUP as a result of this effort. Each project is required to undergo extensive facility planning, which includes the review of several alternatives and a cost-effectiveness analysis comparing the appropriateness of the alternatives. Eleven unsewered communities were listed in the 2015 IUP: Danbury, Garrison, Kilgore, Lake Maloney, Linwood, Lorton, Morse Bluff, Salem, South Bend, Verdel, and Wood Lake.

The Department continues to use the Priority Ranking System described in #6 of the short term goals. This insures that funds are available to the greatest need.

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.*

The NDEQ/NRD liaison has assisted us with contacts to obtain more relevant and timely information through the natural resources districts. We are also working with other state and federal agencies to improve the environmental review process.

Included in the SFY 2015 IUP as part of the planning list are nonpoint source projects. The program is also developing regulations to implement a linked deposit program for nonpoint source pollution.

8. *Continue working with the U.S. Department of Agriculture-Rural Development, and the Department of Economic Development Community Development Block Grant programs to provide affordable financing for municipal pollution prevention and control projects.*

The Department continues the monthly coordination meetings with the other funding agencies to find the best financing options available to Nebraska municipalities for both water and wastewater projects. USDA has accepted the use of AWIN analysis to determine alternatives for sustainability with small communities.

C. STATUS OF PROJECTS ON FUNDABLE LIST

The Annual Report reflects the following changes from the original SFY 2015 IUP approved by the Environmental Quality Council (EQC) on June 19, 2014. Attachment 4 provides more detail on the projects on the Status of the 2015 IUP Priority Project Funding List scheduled to receive CWSRF funding in the form of loan issuance.

D. PROGRAM CHANGES and CHANGES UNDER CONSIDERATION

Interest rates remained at 1.5% and 1.25% for green projects with the rate during construction reduced to 0.5%. Administration fee remained at 1% and we continue to waive the 1% administrative fee for the first year of a loan.

On October 15, 2012, the Director signed a policy to allow variable fees on large loans. The cost of administering a loan is typically the same whether a loan is small or large. The policy was put into place to reduce the 1% Administrative fee for loans between \$15,000,000 and \$30,000,000 linearly to 0.5%. Above \$30,000,000 the Administrative fee would be flat at 0.5%. If a project is atypical - requiring additional resources to administer - the Director may increase this Administration Fee up to 1%.

The maximum available for Small Town Grant awards remains capped at \$850,000 for SFY 2016 and the financial hardship evaluation procedure as it related to the project cost and the community's median household income remains the same as the previous year. The amount of funds available for SFY 2016 based on 50% of administration fee from the previous year is \$491,462 for Small Town Grants and \$100,000 for Planning Grants.

With the passage of LB 514 in February 2014, and pending the update of Title 131, the CWSRF will implement a Linked Deposit Program to provide low interest loans to individuals for nonpoint source pollution control projects. These projects would include repair or replacement of septic (on-sites) systems, animal feeding operation pollution control (for non-permitted facilities), and sediment and nutrient control practices for agricultural land.

EPA has reserved in-kind funds from the 2012, 2013, and 2015 Capitalization Grant for implementation of the Loan and Grant Tracking Software (LGTS), a comprehensive software application that will be designed specifically for Nebraska's SRF program to track and manage all aspects of program loans, capital contributions, and bond issuance and repayment. LGTS will be implemented in phases. We started the first phase of entering financial information on July 1, 2014. It will take all of SFY 2015 and most of SFY 2016 to implement all of the phases.

With the new federal Clean Water Act amendments that were signed June 10, 2014, the Department has implemented the new affordability criteria, Fiscal Sustainability Plan, Architectural and Engineering Procurement, and Cost and Effectiveness Analysis.

The Department has also evaluated our state statutes and regulations to determine if revisions are needed. Title 131 is currently being revised to include some of the clean water amendments and the ability to refinance wastewater loans. The Department plans to present these revisions to the Nebraska Environmental Quality Council in November 2015. With the federal clean water amendments the Department also plans to propose statute changes to allow loans up to 30 years, additional eligible funding opportunities, include the additional options for administration costs from the Capitalization Grant, and the updated treatment work definition which now allows land purchase as an eligible item to be funded.

E. CWSRF BENEFITS REPORTING

DEQ SRF program staff completed CWSRF benefits reporting (CBR) forms during SFY 2015. A copy of the Summary Loan List for SFY2014 and SFY 2015 and a Summary Report are included as Attachment 6. Summary Loan List for SFY2014 is included as loan amendments made in SFY2015 to initial loans made in SFY2014 are shown in SFY2014 loan list.

ATTACHMENT 1
LOAN INVESTMENT STATUS REPORT

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317238	Adams		P	598,777.00	598,777.00	0.00	3.16	0.00	
C317029	Ainsworth		P	519,800.00	519,800.00	0.00	3.50	0.00	
C317559	Ainsworth		F	345,000.00	131,079.57	213,920.43	2.00	427,840.86	
C317103	Albion	FFATA	F	3,000,000.00	258,164.28	2,741,835.72	2.25	6,169,130.37	
C317030	Alda		F	116,940.00	94,449.62	22,490.38	3.14	70,619.79	
C317478	Allen		F	84,758.00	16,257.17	68,500.83	2.00	137,001.66	
C317104	Alvo		F	212,423.00	149,157.50	63,265.50	4.00	253,062.00	
C317239	Amherst	GP12	F	245,651.00	16,732.62	228,918.38	1.33	303,316.85	
C317686	Anselmo			37,140.00	0.00	0.00	1.50	0.00	
C317136	Ansley	FFATA	F	811,671.00	67,784.12	743,886.88	2.50	1,859,717.20	
C317325	Arlington		F	1,223,435.00	278,000.26	945,434.74	3.59	3,394,110.72	
C317198	Arnold		P	99,952.00	99,952.00	0.00	3.00	0.00	
C317033	Aurora		P	3,800,000.00	3,800,000.00	0.00	3.31	0.00	
C317184	Aurora		P	590,000.00	590,000.00	0.00	2.80	0.00	
C317326	Aurora		F	3,121,183.00	256,219.30	2,864,963.70	2.25	6,446,168.33	
C317522	Aurora		P	276,682.00	276,682.00	0.00	3.00	0.00	
C317025	Avoca		P	157,514.00	157,514.00	0.00	3.05	0.00	
C317070	Axtell		P	388,787.00	388,787.00	0.00	3.94	0.00	
C317185	Ayr		F	75,991.00	42,095.82	33,895.18	3.00	101,685.54	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317277	Bancroft		P	1,020,198.00	1,020,198.00	0.00	3.00	0.00	
C317068	Bassett		F	107,752.00	84,113.42	23,638.58	3.00	70,915.74	
C317279	Bassett		F	98,231.00	38,019.87	60,211.13	2.57	154,742.60	
C317561	Bassett	GP11/FF ATA		735,000.00	0.00	652,641.00	1.32	861,486.12	
C317041	Beatrice		P	1,775,315.00	1,775,315.00	0.00	3.18	0.00	
C317743	Beatrice		F	98,575.00	21,090.13	77,484.87	2.00	154,969.74	
C317017	Bellevue		P	1,857,908.39	1,857,908.39	0.00	5.00	0.00	
C317123	Bellevue		P	1,400,000.00	1,400,000.00	0.00	3.30	0.00	
C317531	Bellevue		F	3,727,993.00	608,550.65	3,119,442.35	4.00	12,477,769.40	
C317242	Bellwood		F	324,468.00	197,227.50	127,240.50	3.00	381,721.50	
C317327	Bertrand		F	639,103.00	259,757.14	379,345.86	2.85	1,081,135.70	
C317665	Bertrand		F	219,993.00	13,642.26	206,350.74	1.50	309,526.11	
C317167	Big Springs		P	874,849.00	874,849.00	0.00	3.00	0.00	
C317982	Big Springs			86,190.00	0.00	0.00	1.50	0.00	
C317638	Blair		F	875,403.00	74,092.63	801,310.37	2.10	1,682,751.78	
C317243	Bloomfield		F	202,955.00	129,064.46	73,890.54	3.00	221,671.62	
C317519	Brainard		F	694,096.00	46,270.48	647,825.52	2.00	1,295,651.04	
C317596	Broken Bow	ARRA	F	5,318,801.00	698,552.71	4,620,248.29	1.52	7,044,949.97	
C317747	Broken Bow			745,000.00	0.00	470,176.00	1.50	705,264.00	
C317281	Brule		F	131,004.00	65,795.80	65,208.20	3.00	195,624.60	
C317690	Brule		F	58,590.00	11,582.27	47,007.73	2.00	94,015.46	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317761	Bruning		F	435,212.00	28,475.05	406,736.95	1.90	772,800.21	
C317919	Bruno			82,500.00	0.00	8,375.00	1.50	12,562.50	
C317284	Butler Co. SID #1		F	205,878.00	179,027.06	26,850.94	3.00	80,552.82	
C317764	Butler Co. SID #1		F	103,791.00	73,679.87	30,111.13	2.00	60,222.26	
C317093	Cairo		F	620,921.00	445,314.15	175,606.85	3.20	561,941.92	
C317107	Carroll		F	319,680.00	39,189.32	280,490.68	2.25	631,104.03	
C317328	Cass Co. SID #5		F	1,107,232.06	440,248.13	666,983.93	3.50	2,334,443.76	
C317532	Cedar Bluffs	ARRA	F	511,915.00	91,823.02	420,091.98	1.33	558,722.33	
C317028	Cedar Co. SID #1		P	72,700.00	72,700.00	0.00	3.50	0.00	
C317134	Cedar Rapids		P	134,755.00	134,755.00	0.00	3.00	0.00	
C317031	Central City		P	4,000,000.00	4,000,000.00	0.00	3.10	0.00	
C317151	Chadron	ARRA	F	3,270,000.00	660,746.40	2,609,253.60	1.33	3,470,307.29	
C317329	Chambers		F	67,511.00	37,387.25	30,123.75	3.00	90,371.25	
C317477	Chapman		F	359,101.00	109,741.98	249,359.02	3.00	748,077.06	
C317874	Chappell			2,440,125.00	0.00	58,428.00	1.50	87,642.00	
C317533	Clarkson	GP10	F	166,425.00	12,853.31	153,571.69	2.00	307,143.38	
C317233	Clay Center		P	180,000.00	180,000.00	0.00	3.00	0.00	
C317388	Cody			202,290.00	0.00	0.00	1.50	0.00	
C317427	Coleridge		F	62,379.00	32,012.62	30,366.38	2.50	75,915.95	
C317597	Coleridge		F	56,146.00	13,291.87	42,854.13	2.00	85,708.26	
C317468	Concord		F	297,449.00	193,721.27	103,727.73	3.11	322,593.24	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317258	Cook		F	579,956.00	523,960.06	55,995.94	3.00	167,987.82	
C317024	Cozad		P	1,453,200.00	1,453,200.00	0.00	5.00	0.00	
C317046	Cozad		P	2,460,037.00	2,460,037.00	0.00	3.12	0.00	
C317634	Cozad		F	1,754,403.00	258,965.10	1,495,437.90	2.00	2,990,875.80	
C317081	Crab Orchard		F	65,978.00	36,338.91	29,639.09	3.00	88,917.27	
C317039	Crawford	GO	F	2,528,698.00	100,019.26	2,428,678.74	1.50	3,643,018.11	
C317731	Creighton		F	220,536.00	47,197.10	173,338.90	2.00	346,677.80	
C317139	Dannebrog		F	425,000.00	375,168.07	49,831.93	3.00	149,495.79	
C317109	David City		F	2,728,924.00	2,117,684.81	611,239.19	3.22	1,968,190.19	
C317908	Denton		F	244,408.00	21,983.37	222,424.63	1.50	333,636.95	
C317391	Deshler		P	892,808.00	892,808.00	0.00	2.55	0.00	
C317110	DeWitt		F	524,900.00	416,056.13	108,843.87	4.30	468,028.64	
C317196	Diller		F	301,264.00	183,122.97	118,141.03	3.00	354,423.09	
C317564	Dodge		F	85,577.00	11,923.74	73,653.26	1.50	110,479.89	
C317565	Dorchester	ARRA	F	503,227.00	90,257.62	412,969.38	1.33	549,249.28	
C317599	Duncan	GP10	F	320,905.00	52,742.06	268,162.94	2.00	536,325.88	
C317484	Dwight		F	307,650.00	78,884.35	228,765.65	3.30	754,926.65	
C317203	Eagle		F	218,656.00	209,102.87	9,553.13	3.50	33,435.96	
C317225	Eagle		P	1,932,107.00	1,932,107.00	0.00	3.00	0.00	
C317606	Elgin		F	92,394.00	20,197.82	72,196.18	3.00	216,588.54	
C317111	Elkhorn		P	2,940,673.00	2,940,673.00	0.00	3.30	0.00	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317038	Elm Creek		P	457,101.00	457,101.00	0.00	3.50	0.00	
C317607	Elm Creek	GP10	F	208,473.00	35,297.33	173,175.67	2.00	346,351.34	
C317392	Ewing		F	67,000.00	30,112.93	36,887.07	2.50	92,217.68	
C317338	Exeter		F	54,945.00	26,088.92	28,856.08	3.02	87,145.36	
C317061	Fairbury		F	1,931,134.00	1,392,701.05	538,432.95	3.00	1,615,298.85	
C317043	Falls City		F	2,500,000.00	1,034,033.40	1,465,966.60	2.50	3,664,916.50	
C317119	Farwell		F	175,000.00	126,093.10	48,906.90	3.00	146,720.70	
C317594	Filley		F	245,000.00	46,892.47	198,107.53	2.00	396,215.06	
C317049	Firth		F	62,716.00	56,329.43	6,386.57	3.56	22,736.19	
C317272	Fremont		P	3,200,000.00	3,200,000.00	0.00	3.00	0.00	
C317159	Garland		F	331,950.00	116,096.24	215,853.76	3.17	684,256.42	
C317059	Gering		P	3,250,000.00	3,250,000.00	0.00	2.50	0.00	
C317156	Gibbon		P	1,258,946.00	1,258,946.00	0.00	3.66	0.00	
C317307	Gibbon		P	7,000,000.00	7,000,000.00	0.00	5.25	0.00	
C317390	Gosper Co. SID #1		F	15,484,961.00	9,655,980.35	5,828,980.65	2.66	15,505,088.53	
C317883	Gosper Co. SID #1		F	536,646.00	49,390.24	487,255.76	1.50	730,883.64	
C317009	Gothenburg		P	2,947,700.00	2,947,700.00	0.00	3.50	0.00	
C317183	Gothenburg		F	630,339.00	549,563.23	80,775.77	3.00	242,327.31	
C317395	Gothenburg		F	372,105.00	139,309.85	232,795.15	3.05	710,025.21	
C317568	Gothenburg	BASE	F	129,827.00	30,753.94	99,073.06	2.00	198,146.12	
C317568	Gothenburg	ARRA	F	75,000.00	19,736.80	55,263.20	0.00	0.00	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317781	Gothenburg	GP12/13/FFATA		2,133,400.00	0.00	717,599.00	1.25	896,998.75	
C317867	Grand Island			6,000,000.00	0.00	2,872,180.00	1.50	4,308,270.00	
C317981	Grand Island			29,000,000.00	0.00	4,237,903.00	1.25	5,297,378.75	
C317045	Gresham		F	129,298.00	43,709.89	85,588.11	1.50	128,382.17	
C317267	Gretna		P	1,875,771.00	1,875,771.00	0.00	3.00	0.00	
C317268	Gretna		P	3,238,424.00	3,238,424.00	0.00	4.00	0.00	
C317569	Gretna			2,100,000.00	0.00	1,650,626.00	1.50	2,475,939.00	
C317234	Guide Rock		F	321,451.00	56,623.85	264,827.15	3.00	794,481.45	
C317004	Hartington		P	544,167.00	544,167.00	0.00	3.50	0.00	
C317341	Hartington		F	82,465.00	15,805.67	66,659.33	2.00	133,318.66	
C317471	Hartington	GP13		780,000.00	0.00	594,455.00	1.25	743,068.75	
C317053	Hay Springs		F	311,792.00	271,706.36	40,085.64	3.00	120,256.92	
C317291	Hayes Center	GP10/11	F	295,809.00	30,153.39	265,655.61	2.25	597,725.12	
C317131	Hebron		P	329,098.00	329,098.00	0.00	3.00	0.00	
C317886	Hebron			684,000.00	0.00	0.00	1.50	0.00	
C317019	Herman		P	124,865.00	124,865.00	0.00	3.50	0.00	
C317398	Hickman		P	390,000.00	390,000.00	0.00	3.50	0.00	
C317887	Hickman	GO	F	747,419.00	28,049.95	719,369.05	1.50	1,079,053.58	
C317213	Holbrook		F	231,000.00	194,597.01	36,402.99	3.00	109,208.97	
C317014	Holdrege		P	200,758.00	200,758.00	0.00	4.50	0.00	
C317069	Holdrege		P	3,220,228.00	3,220,228.00	0.00	4.19	0.00	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317491	Holdrege		F	299,616.00	51,361.32	248,254.68	2.00	496,509.36	
C317115	Howells		F	346,933.00	140,288.87	206,644.13	2.80	578,603.56	
C317343	Indianola		F	756,740.00	526,684.93	230,055.07	3.00	690,165.21	
C317292	Jackson		F	54,642.00	26,040.76	28,601.24	3.00	85,803.72	
C317786	Jansen	GP12		300,000.00	0.00	181,779.00	1.36	247,219.44	
C317021	Kearney		P	3,954,696.00	3,954,696.00	0.00	3.86	0.00	
C317275	Kearney		P	2,560,497.00	2,560,497.00	0.00	3.39	0.00	
C317789	Kearney		F	1,250,000.00	184,514.05	1,065,485.95	2.00	2,130,971.90	
C317865	Kearney		F	941,713.00	20,936.26	920,776.74	1.50	1,381,165.11	
C317956	Kearney	GP14		5,455,000.00	0.00	2,763,806.00	1.28	3,523,852.65	
C317057	Kenesaw		F	521,711.00	380,491.86	141,219.14	3.00	423,657.42	
C317118	Kennard		P	693,000.00	693,000.00	0.00	2.99	0.00	
C317144	Kimball		P	610,000.00	610,000.00	0.00	3.15	0.00	
C317404	Lancaster County SID #5		F	271,286.00	17,215.78	254,070.22	2.00	508,140.44	
C317705	Laurel		F	160,000.00	34,184.78	125,815.22	2.00	251,630.44	
C317837	Lawrence		F	75,401.00	38,074.49	37,326.51	2.25	83,984.65	
C317447	Leigh	GP10	F	475,000.00	53,558.89	421,441.11	2.00	842,882.22	
C317002	Lexington		P	4,100,000.00	4,100,000.00	0.00	3.50	0.00	
C317676	Lexington		F	4,600,833.00	207,588.58	4,393,244.42	1.50	6,589,866.63	
C317008	Lincoln		P	9,017,565.54	9,017,565.54	0.00	5.00	0.00	
C317078	Lincoln		F	5,000,000.00	736,066.35	4,263,933.65	2.00	8,527,867.30	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317247	Lincoln	ARRA	F	3,558,792.00	723,897.81	2,834,894.19	1.30	3,678,275.21	
C317830	Lincoln			17,000,000.00	1,092,000.00	15,908,000.00	2.25	35,793,000.00	
C317204	Lindsay		P	405,000.00	405,000.00	0.00	3.14	0.00	
C317839	Lindsay	GP11/FF ATA	F	411,494.00	43,766.99	367,727.01	1.82	669,263.16	
C317236	Loomis		P	167,381.00	167,381.00	0.00	3.18	0.00	
C317573	Lower Platte North NRD		P	6,000,000.00	6,000,000.00	0.00	3.00	0.00	
C317573	Lower Platte North NRD-AMD#1		P	5,603,660.00	5,603,660.00	0.00	2.00	0.00	
C317539	Lynch		F	174,300.00	60,461.14	113,838.86	3.00	341,516.58	
C317852	Lynch		F	24,261.00	6,699.03	17,561.97	2.50	43,904.93	
C317449	Lyons		F	891,491.00	213,139.04	678,351.96	3.00	2,035,055.88	
C317405	Madison		P	1,892,461.00	1,892,461.00	0.00	3.06	0.00	
C317575	Malcolm	ARRA	F	250,000.00	62,500.00	187,500.00	0.00	0.00	
C317575	Malcolm	BASE	F	500,000.00	107,039.08	392,960.92	2.00	785,921.84	
C317613	Marquette		F	48,942.00	7,182.26	41,759.74	2.00	83,519.48	
C317832	Maxwell			104,516.00	4,000.00	87,123.00	1.50	130,684.50	
C317259	Maywood		P	184,518.00	184,518.00	0.00	3.00	0.00	
C317105	McCook		P	337,040.99	337,040.99	0.00	3.00	0.00	
C317150	McCook		F	1,903,003.00	1,727,613.14	175,389.86	3.00	526,169.58	
C317349	McCook	LAND	F	4,200,000.00	1,857,749.11	2,342,250.89	2.50	5,855,627.23	
C317451	McCool Junction		P	82,903.00	82,903.00	0.00	2.50	0.00	
C317331	McGrew		F	47,100.00	24,863.43	22,236.57	3.00	66,709.71	

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C317854	Mead	FFATA	F	912,536.00	37,908.23	874,627.77	1.50	1,311,941.66	
C317217	Meadow Grove		F	138,190.00	69,366.99	68,823.01	3.00	206,469.03	
C317248	Melbeta		F	259,437.00	50,275.26	209,161.74	3.15	658,859.48	
C317169	Memphis		F	83,130.00	67,310.93	15,819.07	3.00	47,457.21	
C317250	Murray		F	1,425,000.00	472,875.25	952,124.75	2.95	2,808,768.01	
C317741	Nebraska City		F	4,889,865.00	406,336.43	4,483,528.57	2.25	10,087,939.28	
C317071	Neligh		F	1,653,678.00	959,583.43	694,094.57	3.00	2,082,283.71	
C317498	Newman Grove		F	333,099.00	95,797.82	237,301.18	3.00	711,903.54	
C317431	Nickerson		F	281,011.00	111,383.29	169,627.71	3.24	549,593.78	
C317036	Norfolk		P	9,299,999.80	9,299,999.80	0.00	4.18	0.00	
C317142	North Bend		F	308,000.00	121,736.13	186,263.87	3.45	642,610.35	
C317122	North Platte		F	14,300,000.00	3,990,646.99	10,309,353.01	3.27	33,711,584.34	
C317351	North Platte		P	2,221,722.00	2,221,722.00	0.00	3.72	0.00	
C317074	Oakdale		F	209,957.00	157,466.08	52,490.92	3.00	157,472.76	
C317409	Oakland	ARRA	F	1,621,500.00	253,622.43	1,367,877.57	1.33	1,819,277.17	
C317409	Oakland Amd #1	BASE	F	135,990.00	19,192.48	116,797.52	2.50	291,993.80	
C317152	Ogallala		F	2,397,400.00	1,510,072.20	887,327.80	3.23	2,866,068.79	
C317500	Ogallala		F	422,832.00	53,842.63	368,989.37	2.00	737,978.74	
C317005	Omaha (Monroe)		P	4,000,000.00	4,000,000.00	0.00	3.80	0.00	
C317016	Omaha (Y St)		P	2,830,825.00	2,830,825.00	0.00	4.00	0.00	
C317052	Omaha (GIS)		P	1,810,894.00	1,810,894.00	0.00	3.50	0.00	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317079	Omaha (CSS #1)		P	10,000,000.00	10,000,000.00	0.00	3.00	0.00	
C317082	Omaha (Papio)		P	3,432,976.00	3,432,976.00	0.00	3.50	0.00	
C317182	Omaha (Boxelder Cr)		P	1,600,000.00	1,600,000.00	0.00	3.00	0.00	
C317311	Omaha (Zorinsky Lake NPS)		P	898,294.00	898,294.00	0.00	3.00	0.00	
C317319	Omaha (CSS #2)		P	20,000,000.00	20,000,000.00	0.00	3.50	0.00	
C317375	Omaha (Papillion Cr)		P	12,100,000.00	12,100,000.00	0.00	4.00	0.00	
C317432	Omaha (ARRA)	ARRA	F	5,592,000.00	920,996.28	4,671,003.72	1.34	6,259,144.98	
C317432	Omaha	BASE	F	1,000,000.00	145,593.47	854,406.53	2.25	1,922,414.69	
C317476	Omaha (7432 comp.)		F	7,354,121.00	925,087.60	6,429,033.40	2.00	12,858,066.80	
C317734	Omaha (Mo River Sch B)	FFATA		55,000,000.00	0.00	36,530,934.00	1.50	54,796,401.00	
C317205	Osmond	GP11	F	330,216.00	33,927.70	296,288.30	2.23	660,722.91	
C317229	Oxford		F	865,353.00	333,678.40	531,674.60	2.77	1,472,738.64	
C317543	Oxford		F	306,097.00	19,716.69	286,380.31	2.11	604,262.45	
C317414	Palmer		P	182,000.00	182,000.00	0.00	2.79	0.00	
C317414	Palmer		P	472,028.00	472,028.00	0.00	3.00	0.00	
C317353	Paxton		F	1,352,254.00	626,293.79	725,960.21	2.50	1,814,900.53	
C317807	Paxton		F	32,300.00	13,762.73	18,537.27	2.00	37,074.54	
C317087	Pickrell		F	350,000.00	207,603.53	142,396.47	4.00	569,585.88	
C317060	Plainview		F	968,910.00	281,412.14	687,497.86	2.75	1,890,619.12	
C317745	Platte Center	ARRA	F	128,690.00	21,808.25	106,881.75	2.00	213,763.50	
C317980	Platte County SID #7			718,000.00	0.00	583,664.00	1.50	875,496.00	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317526	Plattsmouth		F	1,599,810.00	197,898.75	1,401,911.25	2.19	3,070,185.64	
C317834	Plattsmouth		F	1,735,961.00	182,132.54	1,553,828.46	2.00	3,107,656.92	
C317266	Pleasanton		F	117,076.00	81,013.95	36,062.05	3.00	108,186.15	
C317744	Pleasanton	ARRA	F	232,817.00	44,616.80	188,200.20	2.00	376,400.40	
C317035	Polk		P	81,453.00	81,453.00	0.00	3.50	0.00	
C317696	Polk Co. SID #1	FFATA	F	2,024,805.00	189,207.78	1,835,597.22	2.25	4,130,093.75	
C317506	Red Cloud	ARRA	F	372,404.00	75,543.20	296,860.80	1.33	394,824.86	
C317073	Rising City		F	350,340.00	127,646.91	222,693.09	2.55	567,867.38	
C317101	Riverton		F	140,442.00	118,224.54	22,217.46	3.00	66,652.38	
C317188	Rushville		F	1,035,000.00	627,657.75	407,342.25	3.00	1,222,026.75	
C317416	Ruskin		F	271,020.00	112,102.28	158,917.72	2.50	397,294.30	
C317027	St. Helena		P	70,695.00	70,695.00	0.00	3.50	0.00	
C317263	St. Paul		F	306,513.00	143,250.28	163,262.72	2.82	460,400.87	
C317128	Sarpy Co. SID #101		F	4,785,104.84	4,431,656.69	353,448.15	3.00	1,060,344.45	
C317195	Schuyler		F	579,336.00	460,143.93	119,192.07	3.00	357,576.21	
C317215	Schuyler		F	2,481,856.00	1,130,927.90	1,350,928.10	3.01	4,066,293.58	
C317001	Scottsbluff		P	2,453,873.39	2,453,873.39	0.00	3.26	0.00	
C317086	Scottsbluff		F	4,600,000.00	3,447,421.71	1,152,578.29	3.00	3,457,734.87	
C317219	Scottsbluff	ARRA	F	2,527,500.00	1,095,916.79	1,431,583.21	1.33	1,904,005.67	
C317378	Scottsbluff		F	1,004,334.00	537,228.57	467,105.43	3.00	1,401,316.29	
C317813	Shelby		F	291,974.00	30,081.91	261,892.09	2.25	589,257.20	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317062	Shelton		F	493,043.00	427,589.82	65,453.18	3.37	220,577.22	
C317301	Shelton		F	1,071,763.00	624,629.68	447,133.32	3.00	1,341,399.96	
C317189	Sidney	ARRA	F	1,375,000.00	343,750.00	1,031,250.00	0.00	0.00	
C317189	Sidney	BASE	F	2,750,000.00	589,453.73	2,160,546.27	2.00	4,321,092.54	
C317433	Sidney	LAND	F	819,924.00	439,415.09	380,508.91	2.52	958,882.45	
C317508	Silver Creek		F	175,165.00	54,143.51	121,021.49	2.75	332,809.10	
C317360	South Sioux City		F	3,112,135.00	709,907.15	2,402,227.85	3.65	8,768,131.65	
C317725	South Sioux City	ARRA	F	1,682,752.00	303,910.29	1,378,841.71	1.32	1,815,934.53	
C317835	South Sioux City	GP12/FF ATA	F	1,444,535.00	103,973.28	1,340,561.72	2.50	3,351,404.30	
C317363	Spencer		F	73,146.00	1,638.59	71,507.41	1.50	107,261.12	
C317897	Sprague			280,840.00	0.00	191,873.00	1.50	287,809.50	
C317080	Stamford		P	395,400.00	395,400.00	0.00	2.50	0.00	
C317164	Stanton		F	1,053,787.00	670,278.65	383,508.35	3.00	1,150,525.05	
C317011	Sterling		P	177,430.00	177,430.00	0.00	3.50	0.00	
C317048	Stromsburg		P	599,516.00	599,516.00	0.00	3.04	0.00	
C317320	Stromsburg		F	156,000.00	93,894.04	62,105.96	3.30	204,949.67	
C317510	Stuart		F	48,856.00	6,177.27	42,678.73	2.00	85,357.46	
C317096	Superior		P	341,898.00	341,898.00	0.00	3.00	0.00	
C317364	Sutherland		P	165,880.00	165,880.00	0.00	2.50	0.00	
C317365	Sutherland			1,085,000.00	0.00	124,129.00	1.50	186,193.50	
C317190	Sutton		P	1,505,100.00	1,505,100.00	0.00	3.12	0.00	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317231	Tecumseh		F	370,629.00	245,726.95	124,902.05	3.00	374,706.15	
C317051	Tekamah		F	1,297,286.00	1,050,447.98	246,838.02	3.00	740,514.06	
C317252	Tekamah	ARRA	F	879,140.00	138,718.42	740,421.58	1.33	984,760.70	
C317367	Valley		P	4,510,111.00	4,510,111.00	0.00	3.21	0.00	
C317023	Verdigre		P	30,410.00	30,410.00	0.00	3.00	0.00	
C317434	Verdigre		F	112,211.00	55,127.61	57,083.39	2.50	142,708.48	
C317460	Verdigre		F	200,000.00	37,663.94	162,336.06	3.00	487,008.18	
C317746	Verdigre		P	1,403,627.00	1,403,627.00	0.00	2.00	0.00	
C317220	Waco		P	100,300.00	100,300.00	0.00	3.00	0.00	
C317010	Wahoo		P	4,515,601.00	4,515,601.00	0.00	3.49	0.00	
C317222	Wakefield		F	132,535.00	10,589.74	121,945.26	2.00	243,890.52	
C317032	Wayne			1,838,650.00	0.00	0.00	1.50	0.00	
C317369	Wayne		F	4,949,020.00	718,695.83	4,230,324.17	2.00	8,460,648.34	
C317659	Western		F	69,863.00	14,952.68	54,910.32	2.00	109,820.64	
C317040	West Point		P	195,000.00	195,000.00	0.00	3.50	0.00	
C317055	West Point		F	5,116,139.00	2,062,117.71	3,054,021.29	2.94	8,978,822.59	
C317129	Wilber		F	570,000.00	461,459.05	108,540.95	3.00	325,622.85	
C317827	Winside			1,060,000.00	0.00	0.00	1.50	0.00	
C317012	Wisner		P	1,156,786.00	1,156,786.00	0.00	3.01	0.00	
C317426	Wisner	GP11	F	63,321.00	4,408.39	58,912.61	1.75	103,097.07	
C317979	Wisner			332,200.00	0.00	186,965.00	1.50	280,447.50	

PROJ. #	COMMUNITY NAME	PROJ IDENT	STATUS	AMOUNT (LOAN ALLOCATIONS)	REDUCTIONS (PRINCIPAL REPAYMENTS)	OUTSTANDING BALANCE	INTEREST RATE	EARNING FACTOR	BLENDED LOAN RATE
C317723	Wolbach		F	20,500.00	3,061.87	17,438.13	2.25	39,235.79	
C317098	Wymore		P	248,700.00	248,700.00	0.00	3.00	0.00	
C317552	Wymore		F	402,800.00	228,203.41	174,596.59	3.00	523,789.77	
	LOAN TOTAL			498,527,342.01	244,968,024.69	194,276,122.32		400,638,504.81	2.062
	PROJECT IDENTIFIER CODES:								
	AMERICAN RECOVERY AND REINVESTMENT ACT	ARRA							
	FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY ACT	FFATA							
	GENERAL OBLIGATIONS	GO							
	GREEN PROJECT 2010	GP10							
	GREEN PROJECT 2011	GP11							
	GREEN PROJECT 2012	GP12							
	GREEN PROJECT 2013	GP13							
	NONPOINT SOURCE – LAND ACQUISITION	LAND							
	UNPLEDGED	UNPL							
	STATUS CODES:								
	ACTIVE								
	FINAL		F						
	PAID OFF		P						
	NOTE: 16 ARRA LOANS								

Attachment 2 Binding Commitments

COMMUNITY NAME	PROJECT #C31	STATE FISCAL YEAR 2014				STATE FISCAL YEAR 2015			
		1st QTR	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR	4th QTR
PROGRAM ADMINISTRATION - 4th QTR 2013*		314,705							
Omaha	7734		40,000,000						
Mead	7854		1,076,836						
Bruning Amd #1	7761		90,915						
Gothenburg	7781		2,233,400						
Kearney	7865			1,200,000					
Bassett Amd #1	7561				135,000				
Spencer	7363				156,000				
Sprague (loan forgiveness only)	7897				100,000				
PROGRAM ADMINISTRATION - 4th QTR 2014						168,114			
South Sioux City Amd #1	7835					-			
Sprague	7897					220,000			
Kearney	7956					4,705,000			
Omaha Amd #1	7734					15,000,000			
Hartington	7471					880,000			
Sutherland	7365					1,085,000			
Grand Island	7867					6,000,000			
Grand Island	7981					1,000,000			
Gretna	7569					2,100,000			
Wisner	7979						432,200		
Hebron	7886						784,000		
Platte County SID #7	7980						718,000		
Winside	7827						1,060,000		
Broken Bow	7747							845,000	
Kearney Amd #1	7956							750,000	
Bruno	7919							165,000	
Chappell	7874							2,540,125	
Grand Island Amd #1	7981							28,000,000	
Wayne	7032							1,938,650	
Big Springs	7982								100,000
Anselmo	7686								74,280
Cody	7388								300,000
Jansen Amd #1	7786								13,394
Culbertson (loan forgiveness only)	7664								100,000
Loup City (loan forgiveness only)	7611								100,000
Sidney (loan forgiveness only)	7945								100,000
Sprague Amd #1	7897								60,840
(1) BINDING COMMITMENT TOTALS		314,705	43,401,151	1,200,000	391,000	31,158,114	2,994,200	34,238,775	848,514
(2) CUMULATIVE BINDING COMMITMENTS		461,592,427	504,993,578	506,193,578	506,584,578	537,742,692	540,736,892	574,975,667	575,824,181
FY BINDING COMMITMENT TOTALS				FY14: 45,306,856				FY15: 69,239,603	
(3) REQUIRED BINDING COMMITMENT**					8,157,600				8,572,800
(4) CUMULATIVE REQUIRED AMOUNT		213,940,276	213,940,276	213,940,276	222,097,876	222,097,876	222,097,876	222,097,876	230,670,676
(5) BC AS % OF REQ'D BC AMOUNT		216	236	237	228	242	243	259	250
*INCLUDES \$161,662 PROGRAM ADMINISTRATION AND \$153,043 LGTS SOFTWARE PURCHASE & RECISSION									
**120% OF FEDERAL CAP GRANTS LAGGED BY A YEAR									

**Attachment 3
CWSRF Small Town Grant 2015**

COMMUNITY NAME	PROJECT #C31	SFY PROG YEAR	GRANT AWARD DATE	STATE GRANT %	STATE GRANT AMOUNT	PAID PRIOR TO SFY 2015	PAID DURING SFY 2015	First Half SFY2016	Second Half SFY2016	First Half SFY2017	Second Half SFY2017
								ESTIMATED 12-31-15	ESTIMATED 6-30-16	ESTIMATED 12-31-16	ESTIMATED 6-30-17
STERLING	7011-01	90	6/26/1990	50	177,430	177,430					
SFY90 ALLOCATION TOTAL					177,430						
HERMAN	7019-01	91	5/31/1991	24	124,864	124,864					
ST. HELENA	7027-01	91	5/24/1991	50	70,695	70,695					
SFY91 ALLOCATION TOTAL					195,559						
CEDAR CO. SID#1	7028-01	92	9/1/1992	50	72,700	72,700					
SFY92 ALLOCATION TOTAL					72,700						
POLK	7035-01	93	6/4/1993	50	81,453	81,453					
SFY93 ALLOCATION TOTAL					81,453						
AVOCA	7025-01	94	5/23/1994	48	119,360	119,360					
AXTELL	7070-01	94	6/21/1994	13.85	62,150	62,150					
RIVERTON	7101-01	94	6/6/1994	50	91,100	91,100					
SFY94 ALLOCATION TOTAL					272,610						
HAY SPRINGS	7053-01	95	8/23/1994	50	200,971	200,971					
VERDIGRE	7023-01 & 02	95	11/16/1994	50	30,410	30,410					
FIRTH	7049-01	95	4/13/1995	33	27,200	27,200					
AVOCA	7025-02	95	6/29/1995	48	17,000	17,000					
SFY95 ALLOCATION TOTAL					275,581						
HAY SPRINGS	7053-02	96	8/25/1995	50	48,500	48,500					
HAY SPRINGS	7053-03	96	2/15/1996	40	57,500	57,500					
FIRTH	7049-02	96	3/14/1996	33	4,800	4,800					
RIVERTON	7101-02	96	6/7/1996	50	49,345	49,345					
SFY96 ALLOCATION TOTAL					160,145						
BASSETT	7068-01	97	2/27/1997	50	105,250	105,250					
ALDA	7030-01	97	4/30/1997	42	83,060	83,060					
SFY97 ALLOCATION TOTAL					188,310						
SFY98 ALLOCATION TOTAL					0						
CRAB ORCHARD	7081-01	99	11/28/1998	5	1,700	1,700					
SFY99 ALLOCATION TOTAL					1,700						
CRAB ORCHARD AMD#1	7081-01	2000	3/13/2000	5	20,291	20,291					
ARNOLD	7198-01	2000	4/11/2000	50	92,500	92,500					
CEDAR RAPIDS	7134-01	2000	6/14/2000	50	105,000	105,000					
PLEASANTON	7266-01	2000	6/27/2000	9.3	12,005	12,005					
SFY2000 ALLOCATION TOTAL					229,796						

COMMUNITY NAME	PROJECT #C31	SFY PROG YEAR	GRANT AWARD DATE	STATE GRANT %	STATE GRANT AMOUNT	PAID PRIOR TO SFY 2015	PAID DURING SFY 2015	First Half SFY2016	Second Half SFY2016	First Half SFY2017	Second Half SFY2017
								ESTIMATED 12-31-15	ESTIMATED 6-30-16	ESTIMATED 12-31-16	ESTIMATED 6-30-17
CEDAR RAPIDS AMD#1	7134-01	2001	8/25/2000	50	29,755	29,755					
ARNOLD AMD#1	7198-01	2001	9/18/2000	50	7,451	7,451					
DILLER	7196-01	2001	10/16/2000	24	95,658	95,658					
AYR	7185-01	2001	3/14/2001	50	90,750	90,750					
BELLWOOD	7242-01	2001	5/7/2001	38	100,000	100,000					
DANNEBROG	7139-01	2001	6/28/2001	50	100,000	100,000					
SFY2001 ALLOCATION TOTAL					423,614						
MAYWOOD	7259-01	2002	11/29/2001	50	67,314	67,314					
HOLBROOK	7213-01	2002	12/3/2001	25	100,000	100,000					
BRULE	7281-01	2002	12/11/2001	43	97,029	97,029					
CHAMBERS	7329-01	2002	3/12/2002	50	67,511	67,511					
MCGREW	7331-01	2002	5/7/2002	50	47,100	47,100					
SFY2002 ALLOCATION TOTAL					378,954						
ADAMS	7238-01	2003	9/12/2002	42	100,000	100,000					
MEADOW GROVE	7217-01	2003	1/29/2003	39.28	89,394	89,394					
LINDSAY	7204-01	2003	6/10/2003	19.8	100,000	100,000					
JACKSON	7292-01	2003	6/23/2003	48.2	50,846	50,846					
COOK	7258-01	2003	6/25/2003	14.7	100,000	100,000					
EXETER	7338-01	2003	6/25/2003	41.4	38,833	38,833					
SFY2003 ALLOCATION TOTAL					479,073						
PAXTON	7353-01	2004	9/30/2003	5.83	83,717	83,717					
FALLS CITY	7043-01	2004	2/4/2004	2.44	100,000	100,000					
MADISON	7405-01	2004	2/25/2004	4.68	100,000	100,000					
RUSKIN	7416-01	2004	3/18/2004	48.66	100,000	100,000					
BERTRAND	7327-01	2004	3/22/2004	10	100,000	100,000					
SFY2004 ALLOCATION TOTAL					483,717						
GARLAND	7159-01	2005	11/30/2004	24.27	100,000	100,000					
RISING CITY	7073-01	2005	12/16/2004	22.20	100,000	100,000					
VALLEY	7367-01	2005	1/7/2005	2.02	100,000	100,000					
PALMER	7414-01	2005	1/12/2005	15.04	100,000	100,000					
OXFORD	7229-01	2005	1/28/2005	7.14	100,000	100,000					
SFY2005 ALLOCATION TOTAL					500,000						
MURRAY	7250-01	2006	9/13/2005	1.27	18,294	18,294					
DWIGHT	7484-01	2006	3/31/2006	27.07	93,030	93,030					
KENNARD	7118-01	2006	4/4/2006	12.61	100,000	100,000					
MURRAY	7250-01	2006	5/16/2006	5.66	81,706	81,706					
SFY2006 ALLOCATION TOTAL					293,030						

								First Half SFY2016	Second Half SFY2016	First Half SFY2017	Second Half SFY2017
COMMUNITY NAME	PROJECT #C31	SFY PROG YEAR	GRANT AWARD DATE	STATE GRANT %	STATE GRANT AMOUNT	PAID PRIOR TO SFY 2015	PAID DURING SFY 2015	ESTIMATED 12-31-15	ESTIMATED 6-30-16	ESTIMATED 12-31-16	ESTIMATED 6-30-17
CONCORD	7468-01	2007	2/26/2007	15.72	58,000	58,000					
BANCROFT	7277-01	2007	3/19/2007	12.6	100,000	100,000					
CHAPMAN	7477-01	2007	4/4/2007	19.23	100,000	100,000					
INDIANOLA	7343-01	2007	4/19/2007	9.07	75,481	75,481					
SFY2007 ALLOCATION TOTAL					333,481						
MELBETA	7428-01	2008	6/11/2008	24.1	82,359	82,359					
GUIDE ROCK	7234-01	2008	6/12/2008	25	100,000	100,000					
CONCORD INCREASE	7468-01	2008	6/24/2008	8.61	42,000	42,000					
SFY2008 ALLOCATION TOTAL					224,359						
VERDIGRE	7460-01	2009	8/4/2008	50	200,000	200,000					
DWIGHT INCREASE	7484-01	2009	12/1/2008	9.13	6,970	6,970					
AINSWORTH	7559-01	2009	5/13/2009	57.97	200,000	200,000					
COLERIDGE	7597-01	2009	6/11/2009	50	56,146	56,146					
SFY2009 ALLOCATION TOTAL					463,116						
WESTERN	7659-01	2010	8/14/2009	50	69,863	69,863					
FILLEY	7594-01	2010	4/26/2010	43.02	185,000	185,000					
LEIGH	7447-01	2010	6/29/2010	28.41	250,000	250,000					
SFY2010 ALLOCATION TOTAL					504,863						
CEDAR BLUFFS ARRA AMD #1	7532-01	2011	1/20/2011	7.26	48,488	48,488					
PLATTE CENTER ARRA AMD #1	7745-01	2011	3/22/2011	3.28	6,213	6,213					
HAYES CENTER	7291-01	2011	3/22/2011	44.96	234,396	234,396					
CARROLL	7107-01	2011	4/1/2011	33.33	213,100	213,100					
DORCHESTER ARRA AMD #1	7565-01	2011	4/4/2011	0.27	1,718	1,718					
TEKAMAH ARRA AMD #1	7252-01	2011	5/11/2011	0.83	1,143	1,143					
POLK COUNTY SID #1	7696-01	2011	6/30/2011	9.11	202,947	202,947					
SFY2011 ALLOCATION TOTAL					708,005						
ALBION	7103-01	2012	10/14/2011	7.14	250,000	250,000					
ANSLEY	7136-01	2012	1/18/2012	17.02	250,000	250,000					
SFY2012 ALLOCATION TOTAL					500,000						
CRAWFORD	7039-01	2013	6/18/2013	7.57	250,000	250,000					
JANSEN	7786-01	2013	6/21/2013	38.89	182,394	18,856	96,828	66,710			
GILEAD - CANCELLED	7927-01	2013	6/29/2013	50	-						
SFY2013 ALLOCATION TOTAL					432,394						
MEAD	7854-01	2014	11/22/2013	37.2	250,000	234,077	15,923				
WINSIDE	7827-01	2014	6/20/2014	18.48	240,000	-		80,000	80,000	80,000	
SPRAGUE	7897-01	2014	6/26/2014	37.2	30,000	-	30,000				
SFY2014 ALLOCATION TOTAL					520,000						

COMMUNITY NAME	PROJECT #C31	SFY PROG YEAR	GRANT AWARD DATE	STATE GRANT %	STATE GRANT AMOUNT	PAID PRIOR TO SFY 2015	PAID DURING SFY 2015	First Half SFY2016	Second Half SFY2016	First Half SFY2017	Second Half SFY2017
								ESTIMATED 12-31-15	ESTIMATED 6-30-16	ESTIMATED 12-31-16	ESTIMATED 6-30-17
CHAPPELL	7874-01	2015	3/24/2015	50	250,000		58,428	191,572			
JANSEN AMD #1	7786-01	2015	6/17/2015	50	13,394				13,394		
CHESTER	7875-01	2015	6/17/2015	50	158,990				55,000	55,000	48,990
SPRAGUE AMD #1	7897-01	2015	6/30/2015	18.88	14,160				14,160		
SFY2015 ALLOCATION TOTAL					436,544						

PRIOR APPROPRIATIONS PLUS TRANSFERS					1,655,284						
FY01 Fee					423,614						
FY02 Fee					378,954						
FY03 Fee					479,073						
FY04 Fee					483,717						
FY05 Fee					500,000						
FY06 Fee					293,030						
FY07 Fee					333,481						
FY08 Fee					224,359						
FY09 Fee					463,116						
FY10 Fee					504,863						
FY11 Fee					708,005						
FY12 Fee					500,000						
FY13 Fee					432,394						
FY14 Fee					520,000						
FY15 Fee					436,544						
CURRENT APPROPRIATIONS PLUS TRANSFERS					8,336,434						
PRIOR DISBURSEMENTS						7,450,429					
CURRENT DISBURSEMENTS							201,179				
PROJECTED DISBURSEMENTS								338,282	162,554	135,000	48,990
JULY 1, 2014 FUND BALANCE PLUS TRANSFERS						886,005					
JUNE 30, 2015 FUND BALANCE							684,826				
PROJECTED FUND BALANCE								346,544	183,990	48,990	-

Attachment 4									
2015 IUP Funding List Reconciliation									
COMMUNITY	F or P	PROJ #C31	ESTIMATED PROJECT COST	2015 IUP ESTIMATED SRF LOAN	TOTAL ASSISTANCE	ACTUAL FORGIVENESS &/OR SMALL TOWN GRANT	NET LOAN AMOUNT	AGREEMENT DATE / QUARTER	COMMENTS
Allen	F	7838	\$1,900,000	\$1,900,000	\$0	\$0	\$0		Project delayed. FNSI was issued 8/4/2015
Brady	F	7435	\$550,000	\$550,000	\$0	\$0	\$0		Chose other funding
Chappell	F	7874	\$5,000,000	\$5,000,000	\$2,790,125	\$350,000	\$2,440,125	SFY2015-Q3	Signed 3/24/2015
Gilead	F	7927	\$250,000	\$62,500	\$0	\$0	\$0		Project delayed
Gretna	F	7569	\$2,960,000	\$2,864,000	\$2,100,000	\$0	\$2,100,000	SFY2015-Q1	Signed 9/19/2014
Hartington	F	7471	\$700,000	\$700,000	\$880,000	\$100,000	\$780,000	SFY2015-Q1	Signed 8/26/2014
Humphrey	F	7443	\$3,271,000	\$3,271,000	\$0	\$0	\$0		Chose other funding
Kearney	F	7956	\$4,600,000	\$4,600,000	\$4,705,000	\$0	\$4,705,000	SFY2015-Q1	Signed 8/12/2014
Lincoln	F	7866	\$7,000,000	\$7,000,000	\$0	\$0	\$0		Project delayed
McCook	F	7739	\$4,164,000	\$264,000	\$0	\$0	\$0		Project delayed
Omaha	F	7734	\$90,915,000	\$15,000,000	\$15,000,000	\$0	\$15,000,000	SFY2015-Q1	Signed 8/26/2014. Was an amendment.
Sidney-South Platte NRD	F	7945	\$4,825,000	\$2,500,000	\$100,000	\$100,000	\$0	SFY2015-Q4	Secured LF while in process of loan contract
Sprague	F	7897	\$250,000	\$250,000	\$220,000	\$0	\$0	SFY2015-Q1	Signed 8/7/2014. Secured LF and STG in SFY2014
Sutherland	F	7365	\$1,100,000	\$1,100,000	\$1,085,000	\$0	\$1,085,000	SFY2015-Q1	Signed 9/5/2014
Grand Island	F	7867	\$41,012,000	\$40,000,000	\$6,000,000	\$0	\$6,000,000	SFY2015-Q1	Signed 9/12/2014. Non-green portion of project
Grand Island	F	7981	\$41,012,000	\$40,000,000	\$1,000,000	\$0	\$1,000,000	SFY2015-Q1	Signed 9/12/2014. Green portion of project.
Tilden	F	7376	\$4,100,000	\$4,100,000	\$0	\$0	\$0		Chose other funding
SFY 2015 Planning List - Bypass Systems					SFY2015 Funded Program				
Wisner	P	7979	\$350,000	\$350,000	\$432,200	\$100,000	\$332,000	SFY2015-Q2	Signed 10/24/2014
Hebron	P	7886	\$340,000	\$340,000	\$784,000	\$100,000	\$684,000	SFY2015-Q2	Signed 10/30/2014
Platte County SID #7	P	7980	\$0	\$0	\$718,000	\$0	\$718,000	SFY2015-Q2	Signed 11/18/2014. Was funded per emergency procedures
Winside	P	7827	\$1,300,000	\$1,300,000	\$1,060,000	\$0	\$1,060,000	SFY2015-Q2	Signed 12/19/2014
Broken Bow	P	7747	\$0	\$0	\$845,000	\$100,000	\$745,000	SFY2015-Q3	Signed 1/5/2015
Kearney Amd #1	P	7956	\$4,600,000	\$4,600,000	\$750,000	\$0	\$750,000	SFY2015-Q3	Signed 1/10/2015
Bruno	P	7919	\$0	\$0	\$165,000	\$82,500	\$82,500	SFY2015-Q3	Signed 3/11/2015
Grand Island Amd #1	P	7981	\$41,012,000	\$40,000,000	\$28,000,000	\$0	\$28,000,000	SFY2015-Q3	Signed 3/25/2015
Wayne	P	7032	\$3,410,000	\$3,410,000	\$1,938,650	\$100,000	\$1,838,650	SFY2015-Q3	Signed 3/25/2015
Big Springs	P	7982	\$0	\$0	\$100,000	\$13,810	\$86,190	SFY2015-Q4	Signed 4/16/2015. Was funded per emergency procedures
Anselmo	P	7686	\$224,850	\$224,850	\$74,280	\$37,140	\$37,140	SFY2015-Q4	Signed 4/28/2015
Cody	P	7388	\$525,000	\$525,000	\$300,000	\$202,290	\$97,710	SFY2015-Q4	Signed 6/17/2015
Jansen Amd #1	P	7786	\$0	\$0	\$26,788	\$13,394	\$13,394	SFY2015-Q4	Signed 6/17/2015
Chester (small town grant only)	P	7875	\$500,000	\$500,000	\$158,990	\$158,990	\$0	SFY2015-Q4	Signed 6/17/2015
Culbertson (loan forgiveness only)	P	7664	\$1,400,000	\$1,400,000	\$100,000	\$100,000	\$0	SFY2015-Q4	Signed 6/19/2015
Loup City (loan forgiveness only)	P	7611	\$4,170,000	\$4,170,000	\$100,000	\$100,000	\$0	SFY2015-Q4	Signed 6/25/2015
Sprague Amd #1	P	7897	\$250,000	\$250,000	\$75,000	\$14,160	\$60,840	SFY2015-Q4	Signed 6/30/2015

ATTACHMENT 5

**AUDIT REPORT OF THE
NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM**

**AUDIT REPORT
OF THE
NEBRASKA DEPARTMENT OF
ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING
FUND PROGRAM**

JULY 1, 2013 THROUGH JUNE 30, 2014

**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
document and may be prohibited by law.**

Issued on April 21, 2015

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

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NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

BACKGROUND

The Nebraska Department of Environmental Quality – 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 LB 766 (1988), the Wastewater Treatment Facilities Construction Assistance Act is set out at Neb. Rev. Stat. §§ 81-15,147 to 81-15,157 (Reissue 2014). 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 20 years, 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, 2014, the EPA had awarded \$188 million in capitalization grants to the State. Of the \$188 million awarded, approximately \$20 million was funded by the American Recovery and Reinvestment Act (ARRA). The \$168 million not funded by ARRA required the State to contribute approximately \$33.6 million in matching funds. The State provided appropriations to contribute \$955,000 of the funds to meet the State’s matching requirement. Additional matching funds have been obtained through the issuance of revenue bonds.

The Program is administered by the Nebraska Department of Environmental Quality (Agency). The Agency’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 Agency and the Program’s Intended Use Plan.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

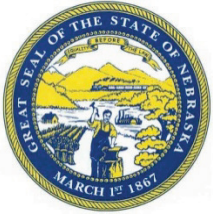
EXIT CONFERENCE

An exit conference was held March 31, 2015, with the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program (Program) to discuss the results of our examination. Those in attendance for the Program were:

NAME	AGENCY	TITLE
Martie Guthrie	DEQ	Budget Officer
Mary Sue Semerena	DHHS	Environmental Health Administrator II
Chin Chew	DHHS	Environmental Engineer Section Supervisor
Kris Young	DEQ	Accountant III
Dawn Martin	DEQ	State Revolving Fund (SRF) Assistant Coordinator
Marty Link	DEQ	Environmental Quality Associate Program Director – Water Quality Division
Kevin Stoner	DEQ	State Revolving Fund (SRF) Supervisor
Dennis Burling	DEQ	Information Technology (IT) Manager
Mary Brady	DEQ	State Revolving Fund (SRF) – Federal Aid Administrator II
Pat Rice	DEQ	Assistant Director
John R. Danforth	DEQ	Environmental Assistant Coordinator
Jim Macy	DEQ	Director
Tom Lamberson	DEQ	Deputy Director
Felix Davidson	Governor’s Office	Chief Operating Officer
Jim Novotny	DEQ	Accountant III
Steve McNulty	DHHS	Environmental Engineer II
Garet Buller	DHHS	Internal Audit Administrator
Curtis Youngman	DAS	State Accounting
Mark Herman	DEQ	Federal Aid Administrator II

Agencies

- DAS – Department of Administrative Services
- DEQ – Department of Environmental Quality
- DHHS – Department of Health and Human Services



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NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY CLEAN WATER STATE REVOLVING FUND PROGRAM

INDEPENDENT AUDITOR'S REPORT

Nebraska Department of Environmental Quality
Lincoln, Nebraska

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 above present fairly, in all material respects, the respective balance sheet of the business-type activities of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program, as of June 30, 2014, and the respective changes in financial position and 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program are intended to present the balance sheet, 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program. They do not purport to, and do not, present fairly the balance sheet of the Nebraska Department of Environmental Quality as of June 30, 2014, 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 Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, on pages 6 through 9, 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 such opinion or 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 10, 2015, on our consideration of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 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 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's internal control over financial reporting and compliance.

Regulatory Requirements

In accordance with the *June 30, 2013 Compliance Supplement—U.S. Environmental Protection Agency Part IV as it pertains to Capitalization Grants for Clean Water State Revolving Fund Programs*, we have also issued our report dated April 10, 2015, on our consideration of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program’s internal control over compliance and our tests of its compliance with certain provisions of laws, regulations, and grants.

Lincoln, Nebraska
April 10, 2015



Don Dunlap, CPA
Assistant Deputy Auditor

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the Nebraska Department of Environmental Quality (Agency) – 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, 2014. This analysis has been prepared by management of the Agency 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: 1) Balance Sheet; 2) Statement of Revenues, Expenses, and Changes in Net Position; 3) Statement of Cash Flows; and 4) Notes to the Financial Statements.

The 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 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 additional information that is essential to a full understanding of the data provided in the financial statements.

ANALYSIS OF BALANCES AND TRANSACTIONS OF ENTERPRISE FUND

Changes in Net Position

For the fiscal year ended June 30, 2014, the net position of the Program increased by 3.7%. Revenues decreased by 4.9%, and operating expenses decreased by 28.6%.

NET POSITION			
	2014	2013	% Change
Current Assets	\$ 112,431,399	\$ 111,725,697	0.6%
Noncurrent Assets	139,641,547	132,103,392	5.7%
Total Assets	252,072,946	243,829,089	3.4%
Current Liabilities	214,449	869,843	-75.3%
Noncurrent Liabilities	87,884	102,827	-14.5%
Total Liabilities	302,333	972,670	-68.9%
Net Position:			
Net Investment in Capital Assets	21,148	-	100.0%
Unrestricted	251,749,465	242,856,419	3.7%
Total Net Position	\$ 251,770,613	\$ 242,856,419	3.7%

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

CHANGES IN NET POSITION

	<u>2014</u>	<u>2013</u>	<u>% Change</u>
Loan Fees Administration	\$ 1,076,543	\$ 1,062,491	1.3%
Interest	5,304,981	5,646,586	-6.0%
Fines, Forfeits & Penalties	745	425	75.3%
Debt Service Refund	3,053	2,188	39.5%
Total Operating Revenue	<u>6,385,322</u>	<u>6,711,690</u>	<u>-4.9%</u>
Administration	960,483	852,900	12.6%
Grant Expense	329,496	884,449	-62.7%
Loan Forgiveness	1,048,806	1,536,611	-31.7%
Total Operating Expenses	<u>2,338,785</u>	<u>3,273,960</u>	<u>-28.6%</u>
Operating Income	4,046,537	3,437,730	17.7%
Capital Contributions Federal Grants	4,902,830	6,514,427	-24.7%
Interest Expense on Bonds Payable	(7,300)	(12,089)	-39.6%
Cost of Bond Issuance	(27,873)	-	100.0%
Net Nonoperating Revenue (Expenses)	<u>4,867,657</u>	<u>6,502,338</u>	<u>-25.1%</u>
Change in Net Position	8,914,194	9,940,068	-10.3%
Beginning Net Position July 1	<u>242,856,419</u>	<u>232,916,351</u>	<u>4.3%</u>
Ending Net Position June 30	<u>\$ 251,770,613</u>	<u>\$ 242,856,419</u>	<u>3.7%</u>

Operating expenses decreased due to fewer small town grants being awarded than in previous years. These grants are awarded every year; however, they are not paid to a community until it has allowable expenditures. There was an unusually higher amount of reimbursement requests during fiscal year 2013 than in fiscal year 2014. Revenues decreased as loan payoffs reduced the amount of interest collected on outstanding balances.

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

Nebraska's economy has been affected by the current national economic decline in recent years; however, net State General Fund revenue collections have been above projections. 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 infrastructure requirements.

DEBT ADMINISTRATION

Short-Term Debt

During the fiscal year, the Program had debt activity that was short-term in nature, resulting from a bond issue. The issue was for \$1,360,000, which was repaid and retired within the same fiscal year.

LINKED DEPOSIT PROGRAM

The Agency is in the process of implementing a linked deposit program for nonpoint source pollution control projects through revisions of Title 131. 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 rates below common market rates. Title 131 revisions are planned to be presented to the Environmental Quality Council in November 2015 for approval. Once revisions are completed and approved, marketing and communication of the program will begin.

LOANS AND GRANTS TRACKING SYSTEM SOFTWARE (LGTS)

LGTS is a comprehensive software application developed by Northbridge Environmental that 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 tracking 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.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Concluded)

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 all users are 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'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. Beginning in fiscal year 2015, the system will be used, concurrently with existing systems, to create a basis for reliability and consistency. Once dependable, reconciled results have been established, the existing internal system will be discontinued, and LGTS will become 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 have been handled through the existing Northbridge contract with Federal EPA procurement. Therefore, expenditures are withheld as an "in-kind" deduction to the total annual CWSRF grant, which is awarded to the program each year. Federal EPA staff negotiate, monitor, and manage the Northbridge contract for LGTS.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
 CLEAN WATER STATE REVOLVING FUND PROGRAM
BALANCE SHEET
 JUNE 30, 2014

Enterprise Fund

ASSETS

CURRENT ASSETS:

Interest on Fund Balance - State Operating Investment Pool (Note 9)	
Cash in State Treasury (Note 2)	\$ 102,325,136
Administration Fees Receivable	175
Loan Interest Receivable	524
Fines Receivable	312
Due from Federal Government	140,389
Interest Receivable	174,039
Loans Receivable (Note 3)	9,790,824
TOTAL CURRENT ASSETS	112,431,399

NON-CURRENT ASSETS:

Loans Receivable (Note 3)	139,620,399
Capital Assets, Net	21,148
TOTAL NON-CURRENT ASSETS	139,641,547
TOTAL ASSETS	\$ 252,072,946

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable & Accrued Liabilities	\$ 36,141
Due to Grant Recipients (Note 1)	171,693
Compensated Absences (Note 6)	6,615
TOTAL CURRENT LIABILITIES	214,449

NON-CURRENT LIABILITIES:

Compensated Absences (Note 6)	87,884
TOTAL NON-CURRENT LIABILITIES	87,884
TOTAL LIABILITIES	302,333

NET POSITION

Net Investment in Capital Assets	21,148
Unrestricted	251,749,465
TOTAL NET POSITION	251,770,613
TOTAL LIABILITIES AND NET POSITION	\$ 252,072,946

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

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2014

	<u>Enterprise Fund</u>
OPERATING REVENUES:	
Loan Fees Administration (Note 8)	\$ 1,076,543
Interest on Loans	3,404,029
Interest on Fund Balance - State Operating Investment Pool (Note 9)	1,900,952
Fines, Forfeits, and Penalties	745
Debt Service Refund	3,053
TOTAL OPERATING REVENUES	6,385,322
OPERATING EXPENSES:	
Administrative Costs from Fees (Note 10)	761,959
4% Administrative Costs from Grants (Note 10)	198,524
Small Town Grants (Note 10)	301,576
Facility Planning Grants (Note 10)	27,920
Loan Forgiveness (Note 10)	1,048,806
TOTAL OPERATING EXPENSES	2,338,785
OPERATING INCOME	4,046,537
NONOPERATING REVENUE (EXPENSE)	
Capital Contributions - Federal Grants (Note 7)	4,888,124
Capital Contributions - Federal Grants - Capital Assets	14,706
Interest Expense on Bonds Payable	(7,300)
Cost of Bond Issuance	(27,873)
NET NONOPERATING REVENUE (EXPENSE)	4,867,657
CHANGE IN NET POSITION	8,914,194
TOTAL NET POSITION, BEGINNING OF YEAR	242,856,419
TOTAL NET POSITION, END OF YEAR	\$ 251,770,613

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

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
 CLEAN WATER STATE REVOLVING FUND PROGRAM
STATEMENT OF CASH FLOWS
 For the Year Ended June 30, 2014

	<u>Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts From Customers	\$ 13,509,264
Interest on Investments	1,896,402
Payments for Administration	(962,813)
Interest on Fund Balance - State Operating Investment Pool (Note 9)	(561,346)
Payments for Facility Planning Grants	(27,920)
Payments for Loan Forgiveness	(1,457,043)
Payments to Borrowers	(17,370,801)
Debt Service Refund	3,053
NET CASH USED BY OPERATING ACTIVITIES	(4,971,204)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Funds Received From the Environmental Protection Agency	5,279,646
Receipts From Bond Issue	1,360,000
Bond Principal Payments	(1,360,000)
Bond Interest Payments	(7,300)
Payment for Bond Issuance Costs	(27,873)
NET CASH FROM NON-CAPITAL FINANCING ACTIVITIES	5,244,473
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:	
Capital Contributions	14,706
Purchase of Capital Assets	(21,148)
NET CASH USED BY CAPITAL FINANCING ACTIVITIES	(6,442)
Increase in Cash and Cash Equivalents	266,827
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	102,058,309
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 102,325,136
RECONCILIATION OF OPERATING INCOME	
TO NET CASH USED BY OPERATING ACTIVITIES:	
Operating Income	\$ 4,046,537
ADJUSTMENTS TO RECONCILE OPERATING INCOME	
TO NET CASH USED BY OPERATING ACTIVITIES:	
(Increase)/Decrease in Loans Receivable	(8,341,843)
(Increase)/Decrease in Interest Receivable	(4,550)
(Increase)/Decrease in Administration Fees Receivable	(175)
(Increase)/Decrease in Loan Interest Receivable	(524)
(Increase)/Decrease in Fines Receivable	(312)
Increase/(Decrease) in Compensated Absences	(16,068)
Increase/(Decrease) in Accounts Payable & Accrued Liabilities	13,738
Increase/(Decrease) in Due to Grant Recipients	(668,007)
NET CASH USED BY OPERATING ACTIVITIES	\$ (4,971,204)

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

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2014

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying basic financial statements of the Nebraska Department of Environmental Quality (Agency) – 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 Agency is a State agency established under and governed by the laws of the State of Nebraska. As such, the Agency 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 Agency 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 Agency. The Agency 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 Agency, 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program. No component units were identified. The Program is part of the primary government for the State of Nebraska's reporting entity.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

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

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 Program includes the following funds, as identified in the Wastewater Treatment Facilities Construction Assistance Act:

- Clean Water Facilities Funds – General Fund 10000; Federal Funds 48412 and 48413; and Bond Funds 68470, 68471, 68472, and 68473.
- Administration Funds – Cash Funds 28460, 28461, and 28462.

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 the Program and the Agency 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 Comprehensive Annual Financial Report (CAFR). The CAFR 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

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (Continued)

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. These short-term investments may have original maturities (remaining time to maturity at acquisition) greater than three months; however, cash is available and is considered cash and cash equivalents for reporting purposes. These investments are stated at cost, which at June 30, 2014, approximates market. 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 and for accrued interest during the project period. The interest rates on loans range from 1.50% to 4.3%, and the terms could be 5 to 20 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" over time.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (Continued)

The current loans receivable amount was determined using the amount of principal payment due to the Program at June 30, 2014, which is collectible in fiscal year 2015. Loans receivable that were paid in full, prior to their due date, as of August 31, 2014, were included in the current loans receivable balance as opposed to the long-term receivable balance.

No provisions were made for uncollectible accounts, as all loans were current, and 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 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% 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.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

1. Summary of Significant Accounting Policies (Continued)

I. Due to Grant Recipients

The Program awards Facility Planning 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 \$100,000 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) (Reissue 2014) and the Wastewater Treatment Facilities Construction Assistance Act at Neb. Rev. Stat. § 81-15,150 (Reissue 2014). 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 Facility Planning Grants, Small Town Grants, and Loan Forgiveness Awards, once the municipality submits proof of payment to its vendors, 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 primary operating revenues of the Program are the loan fees administration and interest on loans, since making loans is the primary purpose of the Program. The principal operating expenses of the Program are administration expenses, small town grants, and loan forgiveness.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Concluded)

K. Capital Assets

The Clean Water SRF program has only one Capital Asset, the Loans and Grants Tracking System (LGTS) software, which is recorded at cost. The Agency began the development phase of the LGTS software during fiscal year ended June 30, 2014, and is anticipating this phase to be completed during fiscal year ended June 30, 2016. The LGTS software is considered an Intangible Capital Asset and the Agency 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 useful 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 CAFR for the fiscal year ended June 30, 2014. 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 2014. Amounts are allocated on a monthly basis based on average balances of all invested funds.

3. Loans Receivable

As of June 30, 2014, the Program had 144 outstanding community loans that totaled \$149,411,223. The outstanding balances of the 10 communities with the largest loan balances, which represent 52.5% of the total loans, were as follows:

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

3. Loans Receivable (Concluded)

<u>Community</u>	<u>Outstanding Balance</u>
Lincoln	\$ 19,092,560
Omaha	12,562,808
North Platte	10,936,672
Gosper County SID #1	8,113,764
South Sioux City	5,388,528
Broken Bow	4,856,645
Nebraska City	4,684,222
Lexington	4,600,833
Wayne	4,444,802
Sidney	3,812,555
TOTAL	<u>\$ 78,493,389</u>

4. Capital Assets

The Clean Water State Revolving Fund (SRF) capital assets activity for the year ended June 30, 2014, was:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Software Development In-Progress				
Loans and Grants Tracking System (LGTS)	<u>\$ -</u>	<u>\$ 21,148</u>	<u>\$ -</u>	<u>\$ 21,148</u>

5. Bonds Payable

The EPA requires the Program to provide 20% matching funds for each capitalization grant under § 602(b)(2) of the Federal Clean Water Act. During the fiscal year, the Program issued Series 2013 short-term revenue bonds to meet this requirement. Bond Series 2013 was retired during the fiscal year ended June 30, 2014. Bonds Payable activity for fiscal year 2014 was:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Bonds Payable	<u>\$ -</u>	<u>\$ 1,360,000</u>	<u>\$ 1,360,000</u>	<u>\$ -</u>

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

6. Noncurrent Liabilities

Changes in noncurrent liabilities for the year ended June 30, 2014, were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Compensated Absences	\$110,567	\$ -	\$16,068	\$94,499	\$6,615

7. Capital Contributions

Included in the net position is the total amount of capitalization grants drawn from the EPA by the Agency. The following summarizes the capitalization grants awarded and drawn, as well as the remaining balance as of June 30, 2014. 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, 2014, and may have been drawn over multiple years.

<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	-

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

7. **Capital Contributions** (Continued)

Federal Fiscal Year Available	Grant Amount	Amount Drawn	Balance
2009 - ARRA	\$ 20,045,000	\$ 20,045,000	\$ -
2009	3,415,700	3,415,700	-
2010	10,422,000	9,841,352	580,648
2011	7,529,000	7,107,585	421,415
2012	7,075,582	2,832,334	4,243,248
2013	6,663,899	880,684	5,783,215
TOTAL	\$ 188,161,878	\$ 177,133,352	\$ 11,028,526

The 2014 grant was awarded on July 2, 2014, after the end of State fiscal year 2014. The award was for \$8,572,800, which consisted of \$7,144,000 in Federal dollars and \$1,428,800 in State match dollars.

Not included in the above Grant totals are the amounts set aside as in-kind contributions for the Loans Grant Tracking System (LGTS) software development. The 2012 grant had \$107,476, and the 2013 grant had \$153,043 set aside as in-kind amounts for the use by the EPA for the cost of the development of the new LGTS software. The amount expended/drawn down for the LGTS software for fiscal year ending June 30, 2014, was \$14,706.

The following is a summary of changes in the total contributed capital:

Contributed Capital July 1, 2013	\$ 172,925,622
Contributed During the Year – Funds from EPA	4,888,124
Contributed Capital June 30, 2014	<u>\$ 177,813,746</u>

Also included in the contributed capital is a total of all general funds received by the Program from the Nebraska State Legislature. These assets were to be used as match for the Program for the initial capitalization grant received by the State. The State contributed \$300,000 and \$655,000 in the fiscal years ended June 30, 1989 and 1990, respectively. Included in the Funds from the EPA amount is the reversal of the increase in Due From Federal Government from the prior year of \$116,916, and the decrease in Due From Federal Government from the current year of \$391,522.

Nebraska was awarded \$20,045,000 in American Recovery and Reinvestment Act (ARRA) funds for wastewater treatment facility improvements. The ARRA funds supplemented the Program and did not require a 20% State match. The \$20 million in ARRA funds was blended with Nebraska's existing Program loan funds. The communities that received ARRA funding were offered a package that included: a 50%

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

7. **Capital Contributions** (Concluded)

portion low-interest loan from existing State Program funding; a 25% portion no-interest loan of ARRA funds; and a 25% portion loan forgiveness of ARRA funds. ARRA required the State to use at least 50% of the ARRA funds supplied by this grant to provide additional subsidization, which the State elected to do in the form of loan forgiveness. ARRA spending was completed during fiscal year ended 2012.

8. **Loan Fees Administration**

An annual fee of up to 1% is charged against the outstanding principal on loans to meet the long-term administrative costs of the Program. The fee is collected semi-annually, billed when invoices for principal and interest payments are due and waived for the first year of the loan. This fee is 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.

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 twenty-fifth 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 expense of the Program exceeds 4%, the excess must be paid from sources outside of the Program.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

10. Operating Expenses (Concluded)

Small Town Grants

Per Neb. Rev. Stat. § 81-15,151(2) (Reissue 2014) and Neb. Rev. Stat. § 81-15,153(9) (Reissue 2014), 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 65% of the revenue from administrative fees collected in the prior fiscal year. The total amount of grants that can be signed into loan contracts for State fiscal year 2014 was capped at \$850,000. In the 2014 Intended Use Plan (IUP), the Agency 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.

Small Town Grants are funded with loan administration fees collected while a community is repaying its loan.

Facility Planning Grants

Facility planning grants may be provided to municipalities that have populations of 10,000 or fewer inhabitants and 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.

Loan Forgiveness

The State may choose to provide additional subsidization in the form of loan forgiveness up to a maximum of \$100,000 per project to qualifying disadvantaged communities that meet the affordability criteria found in the 2014 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 at least \$320,210 (4.7% of the Capitalization Grant) for forgiveness, but up to \$480,322 (7.0%) can 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) (Reissue 2014) and the Wastewater Treatment Facilities Construction Assistance Act at Neb. Rev. Stat. § 81-15,150 (Reissue 2014). 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 loan contract.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

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 Agency 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 shall 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.

For the fiscal year ended June 30, 2014, employees contributed \$25,168, and the Agency contributed \$39,263. A separate plan report is issued and can be obtained from the Nebraska Public Employees Retirement System. This report contains full pension-related disclosures.

NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

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

The State of Nebraska Comprehensive Annual Financial Report (CAFR) 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.

12. Contingencies and Commitments

Risk Management. The Agency 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 Agency, 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:

- A. Motor vehicle liability, which is insured for the first \$5,000,000 of exposure per accident with a self-insured retention of \$300,000 per accident, except for accidents involving vehicular pursuit, which have a \$1,000,000 self-insured retention per accident. 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.
- B. Life insurance for eligible employees.
- C. Crime coverage, with a limit of \$31,000,000 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 \$250,000,000, with a self-insured retention of \$200,000 per loss occurrence. Newly acquired properties are covered up to \$5,000,000 for 120 days or until the value of the property is reported to the insurance company. 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.

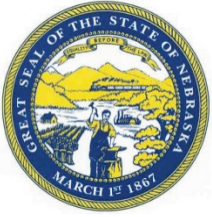
NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM

NOTES TO THE FINANCIAL STATEMENTS
(Concluded)

12. Contingencies and Commitments (Concluded)

No settlements exceeded commercial insurance coverage in any of the past three fiscal years. Health care insurance is funded in the Insurance Trust Funds through a combination of employee and State contributions. 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.

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



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NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
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 Environmental Quality
Lincoln, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's basic financial statements, and have issued our report thereon dated April 10, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable

possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's financial statements are free from 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*.

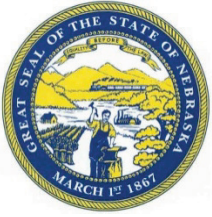
Purpose of this Report

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

Lincoln, Nebraska
April 10, 2015



Don Dunlap, CPA
Assistant Deputy Auditor



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NEBRASKA DEPARTMENT OF ENVIRONMENTAL QUALITY
CLEAN WATER STATE REVOLVING FUND PROGRAM
**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO THE NEBRASKA DEPARTMENT OF
ENVIRONMENTAL QUALITY – CLEAN WATER STATE REVOLVING FUND
PROGRAM IN ACCORDANCE WITH THE OMB CIRCULAR A-133 COMPLIANCE
SUPPLEMENT**

INDEPENDENT AUDITOR'S REPORT

Nebraska Department of Environmental Quality
Lincoln, Nebraska

Report on Compliance for the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program

We have audited the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program for the year ended June 30, 2014.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with the following: 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 OMB Circular A-133,

Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program occurred. An audit includes examining, on a test basis, evidence about the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program. However, our audit does not provide a legal determination of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's compliance.

Opinion on the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program

In our opinion, the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program's internal control over compliance with the types of requirements that could have a direct and material effect on the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the Nebraska Department of Environmental Quality – Clean Water State Revolving Fund Program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 Nebraska Department of Environmental Quality – Clean Water State Revolving Fund 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 compliance and 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Lincoln, Nebraska
April 10, 2015


Don Dunlap, CPA
Assistant Deputy Auditor

ATTACHMENT 6

Summary Loan List – SFY 2014
Summary Loan List – SFY 2015
Summary Report

CW Benefits Summary Loan List for Nebraska

System Number	Recipient	Tracking Number	Assistance Amount	Initial Agreement
NE 131	Gothenburg, City of	C317781	2,233,400	12/16/2013
NE 147	Kearney, City of	C317865	941,713	3/25/2014
NE 133	Mead, Village of	C317854	1,012,536	11/22/2013
NE 135	Omaha, City of	C317734	55,000,000	11/18/2013
NE 148	Spencer, Village of	C317363	146,292	4/11/2014
NE 150	Sprague, Village of	C317897	380,840	6/26/2014
Total for all 6 Loans			59,714,781	

CW Benefits Summary Loan List for Nebraska

System Number	Recipient	Tracking Number	Assistance Amount	Initial Agreement
NE 165	Anselmo, Village of	C317686	74,280	4/28/2015
NE 163	Big Springs, Village of	C317982	100,000	4/16/2015
NE 162	Broken Bow, City of	C317747	845,000	1/5/2015
NE 156	Bruno, Village of	C317919	165,000	3/11/2015
NE 160	Chappell, City of	C317874	2,540,125	3/24/2015
NE 167	Cody, Village of	C317388	300,000	6/17/2015
NE 169	Culbertson, Village of	C317664	100,000	6/19/2015
NE 159	Grand Island, City of	C317867	6,000,000	9/12/2014
NE 158	Grand Island, City of	C317981	29,000,000	9/12/2014
NE 166	Gretna, City of	C317569	2,100,000	9/19/2014
NE 161	Hartington, City of	C317471	880,000	8/26/2014
NE 153	Hebron, City of	C317886	784,000	10/30/2014
NE 155	Kearney, City of	C317956	5,455,000	8/12/2014
NE 170	Loup City, City of	C317611	100,000	6/25/2015
NE 154	Platte County, SID #7	C317980	718,000	11/18/2014
NE 168	Sidney, City of	C317945	100,000	6/25/2015
NE 164	Sutherland, Village of	C317365	1,085,000	9/5/2014
NE 157	Wayne, City of	C317032	1,938,650	3/25/2015
NE 151	Winside, Village of	C317827	1,060,000	12/19/2014
NE 152	Wisner, City of	C317979	432,200	10/29/2014
Total for all 20 Loans			53,777,255	

Nebraska CW Benefits Summary Report for Projects with Water Uses Reported

All Loans

	Loans		Projects			Borrowers		
	Assistance Dollars (millions)	Loan Count	Assistance Dollars (millions)	Subsidy Dollars (millions)	Project Count	Facility Population (millions)	Facility Flow (MGD)	Borrower Count
Total Records	53.8	20	52.1		20	0.1	0	19
Records with Benefits Data	23.7	16	52.1	17.8	16	0.1	0	15
Impacting Human Health	18.1	11	46.5	16.0	11	0.1	0	10
	76%	69%	89%		69%	3,867	People Served per \$million	67%
With Impaired Waterbody			7.0	2.4	3	0.0	0	3
			13%		19%	1,611	People Served per \$million	20%
With Waterbody Meeting Standards			0.4	0.1	1			
To Improve Water Quality			35.1	12.2	3			
To Maintain Water Quality			5.0	1.6	6			
To Achieve Compliance			36.9	12.8	3			
To Maintain Compliance			5.5	1.8	7			