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Introduction

The State of Arkansas hereby submits its annual report for the Drinking Water State Revolving Loan Fund (DWSRF) program for state fiscal year (SFY) 2024, beginning July 1, 2023, through June 30, 2024. This report addresses the operation of the DWSRF, describes the progress made toward the long and short-term program goals, and details the activities undertaken to reach the goals and objectives outlined in the 2024 Intended Use Plan (IUP).

The State of Arkansas, through Act 772 of 1997, established the Safe Drinking Water Loan Fund (SDWF/DWSRF), to be administered by the Arkansas Natural Resources Commission (ANRC). In April 1996, ANRC Title XV established the rules governing the SDWF.

Under the Transformation and Efficiencies Act of 2019, the ANRC was transferred to the Arkansas Department of Agriculture. The ANRC continues to exercise all duties under the administration of the cabinet-level Arkansas Department of Agriculture in the same manner as before the creation of the cabinet-level department.

Responsibilities for the DWSRF program are divided among the ANRC, Arkansas Department of Agriculture's Natural Resources Division, Arkansas Department of Health (ADH) Division of Engineering, and Arkansas Development Finance Authority (ADFA). Under the Interagency Memorandum of Understanding between the ANRC and ADH, ANRC administers the loan fund and the administrative set-aside portion of the DWSRF. ADH, as the primacy agent for the State's Public Water System Supervision Program (PWSS), has oversight of DWSRF, develops the comprehensive project priority list, and administers the remaining set-aside portions of the DWSRF. Fiscal responsibilities for the program reside with the ADFA.

Arkansas submitted its SFY 2024 IUP to the U.S. Environmental Protection Agency (EPA) in October 2023. EPA approved the IUP on October 20, 2023.

The IUP for SFY 2024 includes the ANRC's short-term and long-term goals that meet the four basic goals for the program. Those goals are:

1. To ensure public health protection
2. To comply with the Safe Drinking Water Act
3. To ensure affordable drinking water
4. To maintain the long-term financial health of the SDWF

List of Acronyms

ADFA	Arkansas Development Finance Authority
ADH	Arkansas Department of Health/Division of Engineering
DWSRF	Drinking Water State Revolving Loan Fund - also known as SDWF
EPA	U.S. Environmental Protection Agency
IUP	Intended Use Plan (for the SRF federal capitalization grant)
PWSSP	Public Water System Supervision Program (State)
SDWF	Safe Drinking Water Fund - also known as DWSRF
SFY	State Fiscal Year (from July 1-June 30 of each year)
SRF	State Revolving Fund
SSAF	State Set-Aside Fund
SWAP	Source Water Assessment Program (State)
USGS	United States Geological Survey
WWAC	Water Wastewater Advisory Committee

Projects and Available Assistance

The Drinking Water State Revolving Fund (DWSRF) program was expected to disburse approximately \$50 million to projects in state fiscal year 2024 (SFY 2024). During SFY 2024, the program disbursed \$34 million to projects. In addition, set-aside expenditures were estimated at approximately \$12 million (this includes the administration set-aside) to assist communities as well as provide administration funding for both the Arkansas Department of Agriculture's Natural Resources Division and the Arkansas Department of Health (ADH). A total of \$3.5 million was expended in SFY 2024 for set-asides, including the administration set-aside ([Chart 4](#)).

The Natural Resources Division expended \$283,374 in federal funds to administer the program. Detailed information pertaining to set-aside expenditures managed by ADH can be found in the Arkansas Department of Health Annual Report, attached as [Appendix C](#).

Goals

The Arkansas Drinking Water Program is an integrated and centralized program funded by the Drinking Water State Revolving Fund (DWSRF), Public Water System Supervision, and state funding. The primary focus of the program is to achieve public health protection and rule compliance. All mandatory and voluntary program elements (i.e., technical assistance, capacity development, source protection, rule implementation, enforcement, etc.) are coordinated to assure this end.

Progress Toward Short-Term Goals

The call for projects was completed and recommendations were presented to the Natural Resources Division in June of 2024.

1. The Arkansas Department of Agriculture's Natural Resources Division anticipates entering 116 binding commitments for approximately \$340 million.

Of the 116 projects listed on the 2024 Intended Use Plan (IUP) fundable list, 22 projects had binding commitments with loan closings. Total binding commitments for state fiscal year 2024 (SFY 2024) totaled 34 million ([Chart 2](#)).

The projects that failed to have a loan closing prior to June 30, 2024, were unsuccessful in meeting required milestones, which prevented their ability to proceed to loan closing. American Rescue Plan Act (ARPA) funding hindered projects from closing and disbursing from the DWSRF.

2. The Arkansas Department of Agriculture's Natural Resources Division anticipates six binding commitments for five projects that will meet green project reserve requirements. However, additional projects may have green components identified after loan closing occurs.

Of the five projects listed in the 2024 IUP, one project closed with 100 percent green components.

3. The Arkansas Department of Agriculture's Natural Resources Division anticipates loan closing for 46 projects that will meet the sub requirements and up to 14 of those projects that will receive disadvantaged funds in the form of principal forgiveness.

Arkansas signed 11 binding commitments for eligible principal forgiveness projects. ([Chart 2](#)). The Natural Resources Division disbursed \$3,301,723 for principal forgiveness in SFY 2024.

4. Complete set-aside work plans specifying funds from the capitalization grant. (Target completion: Within 60 days of grant award)

The 2023 Capitalization Bipartisan Infrastructure (BIL) General Supplemental grant was awarded on December 21, 2023. The Arkansas Department of Health (ADH) submitted the work plan set-asides (excluding administration) to the U.S. Environmental Protection Agency (EPA) Region 6 on February 29, 2024.

5. The Arkansas Department of Health will continue to utilize the State Program Management set-aside to a portion of the implementation of the State Public Water Supply Supervision Program plan effort. This will include activities in this fiscal year such as: review and approval of 200 (goal) plans and specifications; logging and tracking of 1,400 (goal) plan submissions; 250 (goal) sanitary surveys; technical assistance to Public Water System Supervision in a variety of ways; and other implementation activities.

Progress toward achieving this goal is detailed in the Arkansas Department of Health Annual Report, attached as [Appendix C](#).

6. The Arkansas Department of Agriculture's Natural Resources Division will continue to screen projects using the Project Priority System to assure the Safe Drinking Water Act's overall goals are given priority in the DWSRF program. The goal for this fiscal year is to have at least 30 projects on the project priority list and include all water systems for lead service line inventories.

There were 959 projects on the project priority list for SFY 2024.

7. The Arkansas Department of Agriculture's Natural Resources Division will apply for the federal capitalization grant funds in the first year that they are appropriated.

Arkansas applied for the federal fiscal year (FFY) 2022 capitalization grant within the first year and it was awarded on November 30, 2022. The FFY 2022 BIL general capitalization grant application was submitted within the first year and awarded on November 30, 2022. The FFY 2022 Emerging Contaminants BIL capitalization grant was submitted in the first year and awarded [July 25, 2023](#). The FFY 2022 Lead Service Line BIL capitalization grant was awarded August 14, 2023. The FFY 2023 capitalization base grant application was submitted within the first year and awarded on December 21, 2023. The FFY 2023 BIL general grant application was submitted within the first year and awarded on December 21, 2023. The FFY 2023 BIL Emerging Contaminants grant application was submitted within the first year and awarded on March 12, 2024. The FFY 2023 Lead Service Line BIL capitalization grant application was submitted within the first year and awarded September 23, 2024.

8. **The Arkansas Department of Agriculture's Natural Resources Division will continue to implement the state capacity development program strategy at no cost to entities. A vital element of this program is the technical assistance contracts provided under the Small System Technical Assistance and/or Local Assistance set-aside. These were restructured slightly to focus more on direct assistance to the systems. SFY 2024 goals for these contracts are 1,900 hours of technical assistance with an additional 1,000 hours of technical assistance coming from Area-Wide Optimization Program activities.**

Progress toward achieving this goal is detailed in the Arkansas Department of Health Annual Report, attached as Appendix C. Arkansas plans to increase public knowledge of the DWSRF through Facebook posts about program success stories and participation in conferences relevant to eligible projects, and promotion through the utilization of marketing material available from EPA. Additionally, Arkansas will seek opportunities and provide incentives to promote the DWSRF.

9. **ADA-NRD plans to increase public knowledge of the Drinking Water Revolving Loan Fund through Facebook posts about program success stories, participation in conferences relevant to eligible projects, and promotion through the utilization of marketing material available from EPA. Additionally, Arkansas will continue to seek opportunities to provide incentives to promote the Drinking Water Revolving Loan Fund.**

The Natural Resources Division plans to increase public knowledge of the DWSRF through Facebook posts about program success stories, participation in conferences relevant to eligible projects, and promotion through the utilization of marketing material available from EPA. Additionally, Arkansas will continue to seek opportunities to provide incentives to promote the DWSRF.

 Natural Resources Division staff attended, presented, or staffed a booth at the following:

- Arkansas Municipal League 89th Annual Convention
- Arkansas Municipal League Hybrid Winter Conference
- Arkansas Rural Development Conference
- Arkansas Soil and Water Conference
- Arkansas Water and Wastewater Managers Annual Meeting
- Arkansas Water Conference
- Arkansas Water Environment Association (AWEA) Specialty Conference
- Arkansas Water Young Professionals Network
- Arkansas Rural Water Association Technical Conference
- Arkansas Water Works & Water Environment Association Conference
- Arkansas Water Work Manager Association Spring Workshop
- City, County, and Local Affairs Subcommittee
- Infrastructure Planning Advisory Committee
- Illinois River Watershed Partnership Meeting with Region 6 Regional Administrator

During SFY 2024, the Natural Resources Division engaged in several state revolving fund marketing opportunities such as water and wastewater conferences, association meetings, conventions, summits, and conferences. These events allowed direct and personal presentations enabling the agency to showcase the DWSRF program with the borrowing sector. These various summits and

association conferences allowed the Natural Resources Division to strategically interact with potential borrowers including engineering firms, city officials, and utility decision-makers.

An additional marketing strategy has included making personal visits to municipalities and utilities as well as telecommunications to prospective clients informing them that the DWSRF program is a well-established and economical funding vehicle to utilize, resulting in cost savings for their customers.

- 10. The Arkansas Department of Agriculture's Natural Resources Division plans to reach out to municipalities on the compliance list, available through Enforcement and Compliance History Online (ECHO), to offer information not only on funding opportunities, but assistance with the application process. The intention of application process assistance is to reduce challenges and provide positive applicant response.**

This task was not achieved. The Natural Resources Division will reevaluate this task and plan to achieve this in the future.

Progress Toward Long-Term Goals

- 1. Maintain the fiscal integrity of the DWSRF and assure a continuous enhancement of the loan fund for future generations.**

The DWSRF is managed on a day-to-day basis to assure that funds are available to make qualified loans. The DWSRF undergoes an annual audit by independent auditors to further assure its integrity.

The two terms that the Natural Resources Division modifies when it makes loans to entities are the lending rate and the repayment period.

The state has other funding options to assist communities unable to meet DWSRF loan requirements when necessary. Each prospective project undergoes a financial analysis to determine financial capability before a loan is granted.

- 2. Maintain the fund in perpetuity by protecting the principal that has been and continues to be deposited into the DWSRF program.**

As required by EPA regulations to ensure perpetuity, principal repayments and interest are deposited into the fund. The perpetuity of the program is represented in [Appendix B](#).

The 1.0% financing fee is deposited outside the fund to cover additional expenses. The Natural Resources Division realizes these funds are restricted by the drinking water regulations and the agency does and will continue to use these funds in compliance with those regulations.

- 3. Provide entities with a source of long-term, low-interest financing that will allow them to protect their customers' health and comply with the Safe Drinking Water Act.**

Through the Natural Resources Division's affiliation with the WWAC, the Natural Resources Division and ADH work together to address Safe Drinking Water Act compliance issues. The WWAC is composed of representatives from four state agencies and U.S. Department of Agriculture Rural Development and was established to coordinate state and federal funding, provide technical feasibility, and preliminary regulatory reviews. WWAC members work together coordinating funding

and extending water quality standards and compliance. It also provides a forum to communicate the availability of revolving loan funding to cities and communities.

The servicing fee is currently set at 1.0%. The interest rate is the difference between the lending rate and the servicing fee. The servicing fee is the same for all projects, so the interest rate changes as the lending rate changes. Due to the incline in interest rates, the Arkansas Natural Resources Commission adjusted the rates on July 1, 2023 (see [Lending Rates](#)).

- 4. The Arkansas Department of Agriculture’s Natural Resources Division will meet the growing demand for the DWSRF program by leveraging the fund when the demand exceeds the current revenue streams.**

The Natural Resources Division did leverage the program in SFY 2023 and EPA was notified May 12, 2024.

- 5. The Arkansas Department of Agriculture’s Natural Resources Division will continue to implement the Public Water System Supervision Program in conformance with its primacy commitments.**

Progress toward these goals is described in the Arkansas Department of Health Annual Report, attached as [Appendix C](#).

- 6. The Arkansas Department of Agriculture’s Natural Resources Division will continue to implement the State Source Water Assessment/Protection Program.**

Progress toward these goals is described in the Arkansas Department of Health Annual Report, attached as [Appendix C](#).

- 7. The Arkansas Department of Agriculture’s Natural Resources Division will continue to implement the State Capacity Development Program Strategy.**

Progress toward these goals is described in the Arkansas Department of Health Annual Report, attached as [Appendix C](#).

- 8. The Arkansas Department of Agriculture’s Natural Resources Division will maximize the number of entities meeting the Safe Drinking Water Act requirements by combining the DWSRF program with other state and federal funding programs when feasible.**

Arkansas continues to combine the DWSRF program with other state and federal funding programs when beneficial. Through WWAC meetings, the Natural Resources Division and ADH continue to work towards funding eligible projects. WWAC members work together in coordinating funding and extending water quality standards and compliance. The Natural Resources Division has co-funded with the Arkansas Rural Water Association, Communities Unlimited, Arkansas Rural Development, and Community Block Development Block Grant.

- 9. The Arkansas Department of Agriculture’s Natural Resources Division will make every effort to expend funds within two years of capitalization grant award, continuing to expend all funds in an expeditious and timely manner.**

The table below is a list of all open grants.

Open Grants	Award Date
2020 Capitalization Grant	09/04/2020
2021 Capitalization Grant	09/01/2021
2022 Base Capitalization Grant	11/30/2022
2022 BIL Supplemental Capitalization Grant	11/30/2022
2022 Emerging Contaminants BIL	07/20/2023
2022 Bipartisan Infrastructure Lead Service Line	08/14/2023
2023 Base Capitalization Grant	12/21/2023
2023 BIL Supplemental Capitalization Grant	12/21/2023
2023 Emerging Contaminants BIL	03/12/2024

The Natural Resources Division is working to expend the remaining funds as soon as possible. However, this is contingent upon the projects with principal forgiveness proceeding as expected and meeting project milestones.

Progress Toward Environmental Result Goals

Output 1 – Provide 116 binding commitments to water systems.

Of the 116 projects listed on the 2024 IUP fundable list, 31 loans were closed during SFY 2024. The 85 projects that failed to have a loan closing prior to June 30, 2024, were unsuccessful in meeting required milestones before signing a bond purchase agreement and subsequent loan closing.

Output 2 – Enter into binding commitments with 102 small systems and 11 large systems during this fiscal year.

Of the 116 projects listed on the 2024 IUP fundable list, 31 loans were closed during SFY 2024. Of the 31 closed, 25 large systems and 6 small systems.

Output 3 – ADH also contracts to work with small systems. Goals for these contracts include one eight-hour training course, 12 one-hour group training sessions, and one CPE.

Progress toward output 3 is described in the Arkansas Department of Health Annual Report, attached as [Appendix C](#).

Sources and Uses of Funds

Sources of Drinking Water State Revolving Funding

1. Capitalization Grants

The U.S. Environmental Protection Agency (EPA) has awarded Arkansas a total of \$721,345,600.24 in federal capitalization grants through the 2023 capitalization grant and the infrastructure capitalization grants.

2. State Match

Total state match required through inceptions' state fiscal year (SFY) 2024 (2023 cap grant) totaled \$70,859,560 which was deposited during SFY 2024 ([Chart 5](#)).

3. Leveraging of the Drinking Water State Revolving Fund

The Drinking Water State Revolving Fund (DWSRF) was leveraged for the first time in November 2011. Arkansas leverages periodically to increase the funds available for assistance. Arkansas leveraged in August of 2023 and allocated \$21,359,423.77 in bond proceeds for DWSRF.

4. Cash Draw Ratio Proportionality

Arkansas disburses 100 percent state match prior to requesting construction federal funds. Once the state match is fully disbursed, then Arkansas will draw 100 percent federal funds. This is because Arkansas is prohibited from disbursing state match in any of the forms used for additional subsidization. As long as federal funds are required to be spent on additional subsidization, Arkansas will continue with this cash draw policy.

5. Principal Loan Repayments & Interest Earnings

The DWSRF received a total of \$9,311,854 in principal loan repayments, \$1,464,826 in interest on outstanding loans, and \$7,847,028 in interest earnings on investments.

6. Lending Rates

The Arkansas Natural Resources Commission reviews the rates annually, reviewing market interest rate trends to determine if revolving loan fund lending rates should be adjusted. The servicing fee is currently set at 1.0%; the interest rate is the difference between the lending rate and the servicing fee. The servicing fee is the same for all projects, so the interest rate changes as the lending rate changes. On July 1, 2023, the Arkansas Natural Resources Commission set the following lending rates due to falling interest rates:

- 3.50% for a 10-year repayment period (2.5% interest, 1% fee)
- 4.00% for a 20-year repayment period (3.0% interest, 1% fee)
- 4.50% for a 30-year repayment period. (3.5% interest, 1% fee)

Arkansas varies the lending rate in this manner to encourage repayment of the loans as quickly as possible to make funds available in the program to fund additional projects. The 1% service fee is placed into an account which is outside the DWSRF (Administrative Fee Account).

Uses of Drinking Water State Revolving Funds

The Natural Resources Division used the DWSRF to make loan disbursements of \$31,114,986.27 to water projects under construction. Of this amount, federal funds of \$3,400,274 and state funds of \$83,237,528 were disbursed to loan recipients.

1. Loan Assistance Status

In this reporting period, the Arkansas Natural Resources Commission closed 31 loans; see [Chart 2](#) for additional details.

2. Binding Commitments

During the year, binding commitments totaled \$173,971,113.40 with de-obligations totaling \$26,855.53 for a net increase in binding commitments of \$173,944,257.87, which increased the adjusted cumulative total to \$732,553,949. The percentage of actual binding commitments to required binding commitments increased compared to SFY 2023, at 256 percent ([Chart 3](#)) by the end of the fiscal year. The Natural Resources Division has defined the binding commitment as the date the bond purchase agreement (BPA) is signed by all parties.

3. Projects Bypassed

Entities listed ahead of the projects funded in SFY 2024 were ineligible because they were unable to repay the funds, elected a different funding source, or were not ready to proceed. The Natural Resources Division updated the project priority list (PPL) scoring to give additional points to funded projects, therefore some projects that were previously lower on the PPL moved up.

4. Small Systems

Under Section 1452(a)(2) of the 1996 amendments to the Safe Drinking Water Act (SDWA), 15 percent of state loan funds are to be available for loans to small water systems (population less than 10,000).

In SFY 2024, 25 agreements qualified as a small system and six as a large system. The cumulative amount of loans to small systems totals \$5,720,220.28, which is 35 percent of total binding commitments for SFY 2024 ([Chart 2](#)).

5. Disadvantaged Community Systems

The DWSRF program now provides additional subsidies for loans and has a provision to offer an extended term for disadvantaged communities. There were 23 closed loans that qualified as disadvantaged.

6. Set-Aside Activity

The set-aside categories are managed by the Natural Resources Division and the Arkansas Department of Health (ADH). The set-aside for administration is managed by the Natural Resources Division, and the remaining set-asides are managed by the ADH for implementing the State Public Water System Supervision Program.

A total of \$1,098,800.67 in annual expenses were funded from DWSRF set-aside administration during SFY 2024 ([Chart 4](#)). In addition, ADH expended \$3,147,686.75 in federal funds for program administration and other set-aside expenditures for the fiscal year ([Chart 4](#)). Set-aside federal expenditures for SFY 2024 totaled \$4,246,487.42.

The ADH annual report presents progress and expenditures for set-asides covering state program management, technical assistance, and local assistance/other state programs ([Appendix C](#)).

7. Equivalency

The Natural Resources Division met the equivalency requirements for FFY 2022 BIL Supplemental Capitalization Grant, FFY 2023 Base Capitalization Grant, and FFY 2023 BIL Supplemental Capitalization Grant. Fayetteville received a loan for \$85 million and agreed to be the equivalency project for those designated grants. Fayetteville closed their loan on June 27, 2024.

Administrative Fee Account

Any fees charged by Arkansas to recipients of assistance that are considered program income will be used for the purpose of financing the cost of administering the fund, financing projects or activities eligible for assistance from the fund or providing state match for capitalization grants. Arkansas deposits these fees into an account that is held outside the Drinking Water State Revolving Loan Fund. On June 30, 2024, available funding in this account totaled just over \$14.4 million.

Financial Summary

The overall financial position and operation results of the Drinking Water State Revolving Loan Fund (DWSRF) continue to improve as indicated in the financial data in [Appendix B](#).

The accounting firm of Frost, PLLC Certified Public Accountants is conducting an independent audit of the DWSRF for SFY 2024. Government Accounting Standards Board Statement No. 34 with its amendments, commonly referred to as the new reporting model, was implemented for year end June 30, 2024. Supplementary information, management's discussion, and analysis will be included in the report. An electronic copy of the audit will be provided to U.S. Environmental Protection Agency (EPA) when it becomes available.

1. Status of Loans

As of June 30, 2024, the DWSRF has funded a total of \$376,163,286 in binding commitments ([Chart 3](#)). Loans receivable, which constitute the major portion of DWSRF assets, had an ending balance of \$328,389,805 ([Appendix B-1](#)).

2. Loan Disbursements

Arkansas disbursed a total of \$34,515,256.67 during this reporting period. Of the total disbursed, federal funds of \$3,400,274 were disbursed.

3. Annual Repayment/Aging of Accounts

Approximately \$30.2 million in principal was repaid in SFY 2024. The Natural Resources Division had three loan delinquencies in SFY 2024.

4. Loan Portfolio Analysis

Arkansas conducts an annual review of its loan portfolio. Loans that are potentially weak are identified and tracked closely to ensure that conditions are not deteriorating. The assessment process measures the level of funding given to systems by credit quality category as measured by bond rating. Currently the loan portfolio is rated AAA.

5. Investments

During the year, investments were made by the Arkansas Development Finance Authority and consisted of excess account balances invested in governmental funds.

6. Environmental Results

In accordance with "EPA's Environmental Results under EPA Assistance Agreements, Order No. 5700.7," which became effective on January 1, 2005, the Arkansas Department of Health describes the outcome of the output goals in [Appendix C](#).

7. Transfer

In the SFY 2024 Intended Use Plan, Arkansas reserved the authority to transfer up to 33 percent of the DWSRF capitalization grant to the Clean Water State Revolving Fund (CWSRF) allotment. These funds would have been transferred from drinking water construction to clean water construction and would not affect the total amount available for set-asides. The Safe Drinking Water Act Amendments of 1996 and subsequent congressional action allows states to transfer an amount equal to 33 percent of its DWSRF capitalization grant to the CWSRF or an equivalent amount from the CWSRF to the DWSRF. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time. The Arkansas Natural Resources Commission transferred \$1,391,000 from the FFY 2023 CWSRF Emerging Contaminants Grant to FFY 23 DWSRF.

8. Federal Payment Schedule

Payments have been received from EPA's payment system in accordance with the payment schedule included in the grant awards ([Chart 3](#)).

9. Deposit State Matching Funds

Arkansas provided state match in the amount of \$3,703,300.00 in SFY 2024 ([Chart 5](#)).

10. Submit Biennial Report and Annual Audit

Arkansas chose to submit an annual report to EPA rather than a biennial report. This report is submitted to satisfy this condition.

The SFY 2024 annual audit conducted by Frost, PLLC, is in progress. A copy of the audit will be provided to EPA when it becomes available.

11. Assure Borrowers Have a Dedicated Source of Repayment

Natural Resources Division staff conduct a credit review evaluation for all state revolving fund loan applicants. This evaluation determines whether an applicant has the ability to repay a loan. For all applicants, the expected revenue stream from user fees must be sufficient to repay the loan, pay operation and maintenance costs, and pay for other necessary expenses.

12. Use Funds in Timely and Expeditious Manner

Arkansas has binding commitments for 100 percent of all available loan funds through the FY 2022 capitalization grant (FS986001-25). Public water systems with binding commitments are moving in an expeditious and timely manner to start construction. The Natural Resources Division monitors construction progress through bimonthly staff project review and monthly on-site inspections to ensure that operations are initiated according to schedule and funds are drawn in a timely and expeditious manner.

13. Ensure Recipient Compliance with Applicable Federal Cross-Cutting Authorities

Arkansas and all its assistance recipients have complied with all applicable federal cross-cutting authorities. The state applied the good faith efforts in an attempt to achieve the negotiated fair share objectives.

14. Disadvantage Business Enterprise (MBE – DBE)

To ensure compliance with the State Capitalization Grant and the EPA’s Disadvantaged Business Enterprise (DBE) requirements, the Natural Resources Division has established a DBE program in accordance with the regulations of 40 CFR Part 33.

Documentation to support the good faith efforts are closely reviewed by the Natural Resources Division’s DBE coordinator. All construction projects bid packages as well as procurement of professional services, supplies, and equipment purchases are closely monitored to determine if the affirmative steps were followed. These documents are maintained in the Natural Resources Division’s project engineer or administrator files. All required reports were submitted to EPA DBE offices by the due date.

The Natural Resources Division submits a “Minority Business Enterprise (MBE)/Women Business Enterprise (WBE) Utilization Under Federal Grants, Cooperative Agreements” report (EPA Form 5700-52A) annually to the EPA. DBE is an equivalency requirement for the Natural Resources Division. The Fayetteville equivalency project made \$0 of MBE/WBE procurement for the FFY 2022 and FFY 2023 capitalization grants. Natural Resource Division staff confirmed the contractor followed the “Six Good Faith Efforts,” and MBE/WBE subcontractors were contacted in solicitation of services.

15. Conduct Environmental Reviews

The public water system projects receiving assistance during SFY 2024 were reviewed and approved using the state’s environmental review procedures. [Chart 2](#) shows the environmental reviews that were conducted and the results of each review.

16. Federal Funding Accountability and Transparency Act Reporting

Reporting subawards and executive compensation under the Federal Funding Accountability and Transparency Act (FFATA) set forth in the general condition pass-through entity’s agreement with EPA entitled “Reporting Subawards and Executive Compensation.” Requirements for the 2023 base capitalization grant and the 2022 and 2023 General BIL grants were met.

02F23301 - 2022 General BIL Grant (10/01/2022) - Less In-kind of \$0.00							
\$27,070,000.00		Loan #	Bond Agreement Date	Report Month	Date Submitted on FSRS	Project Completed?	UNEI #
Fayetteville	\$ 27,070,000.00	02357-DW-L	06/27/24	June	09/06/2024	no	FKCQR4DULF#
Total Submitted	\$27,070,000.00	\$ 27,070,000.00	0.00	Amount Over/(Under)	Reported		
98600126- 2023 Cap Grant (12/21/2023) - Less In-kind of \$0.00							
\$5,912,000.00		Loan #	Bond Agreement Date	Report Month	Date Submitted on FSRS	Project Completed?	UNEI #
Fayetteville	\$ 5,912,000.00	02357-DW-L	06/27/24	June	09/06/2024	no	FKCQR4DULF#
Total Submitted	\$5,912,000.00	\$ 5,912,000.00	0.00	Amount Over/(Under)	Reported		
02F23302 - 2023 General BIL Grant (12/21/2023) - Less In-kind of \$0.00							
\$27,729,900.00		Loan #	Bond Agreement Date	Report Month	Date Submitted on FSRS	Project Completed?	UNEI #
Fayetteville	\$ 27,729,900.00	02357-DW-L	06/27/24	SEPT	09/06/2024	no	FKCQR4DULF#
Total Submitted	\$27,729,900.00	\$ 27,729,900.00	0.00	Amount Over/(Under)	Reported		

Compliance with Operating Agreement and Grant Conditions

 Arkansas revised its operating agreement for the Drinking Water State Revolving Loan Fund (DWSRF) and submitted it to the U.S. Environmental Protection Agency on October 13, 2005. Arkansas has met and continues to be in compliance with the following as described in the grant conditions:

- Establish state instrumentality and authority.
- Comply with applicable state laws and procedures.
- Review technical, financial, and managerial capacity of assistance recipients.
- Establish Drinking Water State Revolving Fund loan account, set-aside account, and administration account.
- Deposit all funds in appropriate accounts.
- Follow state accounting and auditing procedures.
- Require that Drinking Water State Revolving Fund loan recipient accounting and auditing procedures be in accordance with generally accepted accounting principles and OMB Super Circular (formerly Circular A-133).
- Submit Intended Use Plan and use all funds in accordance with the plan.
- Comply with enforceable requirements of the Act.
- Establish capacity development authority.
- Implement/maintain system to minimize risk of waste, fraud, abuse, and corrective action.
- Develop and submit project priority ranking system.

Appendix A – Program Charts

Chart 1 – Sources and Uses

Sources and Uses		
<u>SOURCES OF FUNDS</u>		
Beginning Balance (06/30/2024)		146,616,904.71
<i>State Fiscal Year 2024</i>		
2020 Federal Cap Grant Balance (<i>Construction</i>)		2,742,890.87
2021 Federal Cap Grant Balance (<i>Construction</i>)		12,247,740.00
2022 Federal Cap Grant Balance (<i>Construction</i>)		10,121,280.00
2022 BIL General Federal Cap Grant		26,671,028.02
2023 Federal Cap Grant Balance (<i>Construction</i>)		5,912,000.00
2023 BIL General Federal Cap Grant		25,209,000.00
Principal Repayments		30,232,089.00
Interest on Investments		7,847,028.00
Interest on Loans		1,464,826.00
Sub Total	\$	122,447,881.89
Total Sources of Funds	\$	269,064,786.60
<u>USES OF FUNDS</u>		
<i>DWSRF Loan Commitments for SFY 2024</i>		
Construction Disbursements		34,619,556.00
ANRC Approved Loans (<i>not closed</i>)		701,029,454.92
ANRC Approved Loans (<i>closed, undisbursed funds</i>)		279,701,943.09
Sub Total	\$	1,015,350,954.01
<i>DWSRF Set-Aside Programs for SFY 2024</i>		
Administration		1,098,800.67
State System TA		149,415.30
State Program Management		1,370,481.64
Wellhead		704,558.35
Capacity Development Program (CD)		923,231.46
Sub Total	\$	4,246,487.42
<i>Debt Service Obligations SFY 2024</i>		
Leveraged Bond Principal		1,379,277.00
Leveraged Bond Interest		1,523,360.40
Sub Total	\$	2,902,637.40
Total Uses of Funds	\$	1,022,500,078.83
Available Funds	\$	(753,435,292.23)
*Estimated amount		
Fees are not deposited into the Fund; therefore, based on EPA guidance they are not included in the Sources and Uses for the Fund		



Chart 3 – Comparison of Grant Payments and Binding Commitments

Dates	SFY	Qtr	SFY	FFY	State Match	Cumulative State Match	Qtrly Grant Payment - All Grants			Cum. Grant Payment - All Grants			* Binding Commit. Required	Cum. Bind. Required	Binding Commit. Actual	Cum. Bind. Actual	% Actual/Required
							Total Payment	Set-Asides	Loans	Total Payment	Set-Asides	Loans					
Jul - Sep 18	2019	1	SFY19 Q1	FFY18 Q4	1,671,000	50,036,661	3,152,500	1,002,275	2,150,225	244,980,804	68,898,152	176,082,652	2,713,230	213,955,913	3,660,000	285,066,500	133%
Oct - Dec 18		2	SFY19 Q2	FFY19 Q1		50,036,661	4,177,750	1,136,348	3,041,402	249,158,554	70,034,500	179,124,054	2,780,725	216,736,638	3,700,000	288,766,500	133%
Jan - Mar 19		3	SFY19 Q3	FFY19 Q2	1,671,000	51,707,661	4,177,750	1,136,348	3,041,402	253,336,304	71,170,848	182,165,456	2,780,725	219,517,363	5,800,000	294,566,500	134%
Apr - Jun 19		4	SFY19 Q4	FFY19 Q3		51,707,661	4,177,750	1,136,348	3,041,402	257,514,054	72,307,196	185,206,858	2,780,725	222,298,088	1,275,000	295,841,500	133%
Jul - Sep 19	2020	1	SFY20 Q1	FFY19 Q4		51,707,661	4,177,750	1,136,348	3,041,402	261,691,804	73,443,544	188,248,260	2,780,725	225,078,813	37,361,000	333,202,500	148%
Oct - Dec 19		2	SFY20 Q2	FFY20 Q1	3,311,000	55,018,661	4,138,750	1,100,238	3,038,513	265,830,554	74,543,782	191,286,773	3,876,952	228,955,765	7,203,700	340,406,200	149%
Jan - Mar 20		3	SFY20 Q3	FFY20 Q2		55,018,661	4,138,750	1,100,238	3,038,513	269,969,304	75,644,019	194,325,285	3,876,952	232,832,717	1,721,700	342,127,900	147%
Apr - Jun 20		4	SFY20 Q4	FFY20 Q3		55,018,661	4,138,750	1,100,238	3,038,513	274,108,054	76,744,257	197,363,798	3,876,952	236,709,669	6,550,000	348,677,900	147%
Jul - Sep 20	2021	1	SFY21 Q1	FFY20 Q4		55,018,661	4,138,750	1,100,238	3,038,513	278,246,804	77,844,494	200,402,310	3,876,952	240,586,621	8,428,535	357,106,435	148%
Oct - Dec 20		2	SFY21 Q2	FFY21 Q1	3,311,000	58,329,661	4,141,500	1,076,790	3,064,710	282,388,304	78,921,284	203,467,020	3,866,263	244,452,883	50,151,234	407,257,669	167%
Jan - Mar 21		3	SFY21 Q3	FFY21 Q2		58,329,661	4,141,500	1,076,790	3,064,710	286,529,804	79,998,074	206,531,730	3,866,263	248,319,146	8,360,502	415,618,171	167%
Apr - Jun 21		4	SFY21 Q4	FFY21 Q3		58,329,661	4,141,500	1,076,790	3,064,710	290,671,304	81,074,864	209,596,440	3,866,263	252,185,408	0	415,618,171	165%
Jul - Sep 21	2022	1	SFY22 Q1	FFY21 Q4		58,329,661	4,141,500	1,075,815	3,065,685	294,812,804	82,150,679	212,662,125	3,866,263	256,051,671	7,213,562	422,831,734	165%
Oct - Dec 21		2	SFY22 Q2	FFY22 Q1	2,108,600	60,438,261	4,137,750	1,075,815	3,061,935	298,950,554	83,226,494	215,724,060	3,893,010	259,944,681	3,045,698	425,877,432	164%
Jan - Mar 22		3	SFY22 Q3	FFY22 Q2		60,438,261	4,137,750	1,075,815	3,061,935	303,088,304	84,302,309	218,785,995	3,893,010	263,837,691	0	425,877,432	161%
Apr - Jun 22		4	SFY22 Q4	FFY22 Q3	2,707,000	63,145,261	4,137,750	1,075,815	3,061,935	307,226,054	85,378,124	221,847,930	3,893,010	267,730,701	6,287,000	432,164,432	161%
Jul - Sep 22	2023	1	SFY23 Q1	FFY22 Q4		63,145,261	10,542,999	4,074,345	6,468,654	317,769,053	89,452,469	228,316,584	8,577,254	276,307,955	5,735,809	437,900,241	158%
Oct - Dec 22		2	SFY23 Q2	FFY23 Q1	2,108,600	65,253,861	11,367,000	4,074,345	7,292,655	329,136,053	93,526,814	235,609,239	9,566,055	285,874,010	4,478,809	442,379,050	155%
Jan - Mar 23		3	SFY23 Q3	FFY23 Q2		65,253,861	27,070,000	4,074,345	22,995,655	356,206,053	97,601,159	258,604,894	28,409,655	314,283,665	126,164,966	568,544,016	181%
Apr - Jun 23		4	SFY23 Q4	FFY23 Q3	2,707,000	67,960,861	42,653,000	4,074,345	38,578,655	398,859,053	101,675,504	297,183,549	47,109,255	361,392,920	126,181,399	694,725,414	192%
Jul - Sep 23	2024	1	SFY24 Q1	FFY23 Q4	1,182,400	69,143,261		8,066,880	-8,066,880	398,859,053	109,742,384	289,116,669	-8,066,880	353,326,040	10,985,944	705,711,359	200%
Oct - Dec 23		2	SFY24 Q2	FFY24 Q1	2,520,900	71,664,161	8,403,000	8,436,380	-33,380	407,262,053	118,178,764	289,083,289	1,647,220	354,973,260	20,979,532	726,690,891	205%
Jan - Mar 24		3	SFY24 Q3	FFY24 Q2		71,664,161	12,344,336	8,436,380	3,907,956	419,606,389	126,615,144	292,991,245	6,376,823	361,350,083	32,431,890	759,122,781	210%
Apr - Jun 24		4	SFY24 Q4	FFY24 Q3		71,664,161	12,344,336		12,344,336	431,950,725	126,615,144	305,335,581	14,813,203	376,163,286	121,020,078	880,142,858	234%
TOTALS					\$ 71,664,161	\$ 431,950,725	\$ 126,615,144	\$ 305,335,581				\$ 376,163,286		\$ 880,142,858			
					\$ 86,390,145.00				431,950,725.00	*Note: Required B/C amount is the total of state match, Federal grant payments not allocated to set-asides and any unspecified set-asides transferred back to the loan account lagged by one year.							

Chart 4 – DWSRF Set-Asides (federal funds drawn)

Summary of Funding for open SRF Capitalization Grant Set-Asides											
(as of 6/30/24)											
SRF Grant Year	Set-Aside	% of Grant	Total Available	Total Reserved	Total Budgeted	Total Expended To Date	Remaining Balance	Grant Start Date	Expense Begin Date	Expense End Date	Grant End Date
2020	Admin	4.0%	662,640.00	331,320.00	662,640.00	662,640.00	0.00	10/1/2020	Sep-20	Sep-21	9/30/2025
	SSTA	2.0%	331,320.00		0.00	0.00	0.00		TBD	TBD	
	PWSS	10.0%	1,490,040.00		1,159,620.00	1,159,620.00	0.00		TBD	TBD	
	WHP	5.0%	662,040.00		828,300.00	828,300.00	0.00		TBD	TBD	
	Cap Dev	10.0%	1,656,600.00		1,656,600.00	1,656,600.00	0.00		TBD	TBD	
	SWP	0.0%	0.00		0.00	0.00	0.00		TBD	TBD	
	Total	31.0%	4,802,640.00		828,300.00	4,307,160.00	4,307,160.00		0.00		
2021	Admin	4.0%	662,640.00	331,020.00	662,040.00	662,040.00	0.00	10/1/2020	Sep-20	Sep-21	9/30/2025
	SSTA	2.0%	331,320.00		0.00	0.00	0.00		TBD	TBD	
	PWSS	10.0%	1,490,040.00		1,158,570.00	1,119,201.34	39,368.66		TBD	TBD	
	WHP	5.0%	662,040.00		827,550.00	650,226.47	177,323.53		TBD	TBD	
	Cap Dev	10.0%	1,655,100.00		1,655,100.00	1,552,213.93	102,886.07		TBD	TBD	
	SWP	0.0%	0.00		0.00	0.00	0.00		TBD	TBD	
	Total	31.0%	4,801,140.00		827,550.00	4,303,260.00	3,983,681.74		319,578.26		
2022 Base	Admin	4.0%	421,720.00	0.00	421,720.00	421,720.00	0.00	10/1/2022	Sep-22	Sep-23	9/30/2026

Summary of Funding for open SRF Capitalization Grant Set-Asides

(as of 6/30/24)

	SSTA	2.0%	210,860.00	210,860.00	0.00	0.00	0.00		TBD	TBD	
	PWSS	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	WHP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Cap Dev	10.0%	1,054,300.00	1,054,300.00	0.00	0.00	0.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	16.0%	1,686,880.00	1,265,160.00	421,720.00	421,720.00	0.00				
2022 BIL-G Estimate	Admin	4.0%	1,082,800.00	0.00	1,082,800.00	249,556.68	833,243.32	10/1/2022	Sep-22	Sep-23	9/30/2026
	SSTA	2.0%	541,400.00	0.00	541,400.00	149,415.30	391,984.70		TBD	TBD	
	PWSS	10.0%	2,707,000.00	0.00	2,707,000.00	0.00	2,707,000.00		TBD	TBD	
	WHP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Cap Dev	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	16%	4,331,200.00	0.00	4,331,200.00	398,971.98	3,932,228.02				
2022 GIL-LSL Estimate	Admin	4.0%	1,706,120.00	0.00	1,706,120.00	455,318.85	1,250,801.15	10/1/2022	Sep-22	Sep-23	9/30/2026
	SSTA	2.0%	853,060.00	0.00	853,060.00	0.00	853,060.00		TBD	TBD	
	PWSS	10.0%	4,265,300.00	0.00	4,265,300.00	0.00	4,265,300.00		TBD	TBD	
	WHP	5.0%	2,132,650.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Cap Dev	10.0%	4,265,300.00	0.00	4,265,300.00	0.00	4,265,300.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	

Summary of Funding for open SRF Capitalization Grant Set-Asides

(as of 6/30/24)

	Total	31%	13,222,430.00	0.00	11,089,780.00	455,318.85	10,634,461.15				
2022 BIL-EC	Admin	4.0%	454,680.00	454,680.00	0.00	0.00	0.00	5/1/2023	May-23	Apr-27	4/30/2027
	SSTA	2.0%	227,340.00	227,340.00	0.00	0.00	0.00		TBD	TBD	
	PWSS	10.0%	1,136,700.00	1,136,700.00	0.00	0.00	0.00		TBD	TBD	
	WHP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Cap Dev	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	16%	1,818,720.00	1,818,720.00	0.00	0.00	0.00				
2023 Base	Admin	4.0%	236,480.00	236,480.00	0.00	0.00	0.00	10/1/2023	Sep-23	Sep-24	9/30/2027
	SSTA	2.0%	118,240.00	0.00	118,240.00	0.00	118,240.00		TBD	TBD	
	PWSS	10.0%	591,200.00	0.00	591,200.00	0.00	591,200.00		TBD	TBD	
	WHP	0.0%	295,600.00	0.00	295,600.00	0.00	295,600.00		TBD	TBD	
	Cap Dev	0.0%	591,200.00	0.00	591,200.00	0.00	591,200.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	16%	1,832,720.00	236,480.00	1,596,240.00	0.00	1,596,240.00				
2023 BIL General	Admin	4.0%	108,360.00	0.00	108,360.00	0.00	108,360.00	10/1/2023	Sep-23	Sep-24	9/30/2027
	SSTA	2.0%	504,180.00	0.00	504,180.00	0.00	504,180.00		TBD	TBD	
	PWSS	10.0%	2,520,900.00	0.00	2,520,900.00	0.00	2,520,900.00		TBD	TBD	
	WHP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	

Summary of Funding for open SRF Capitalization Grant Set-Asides

(as of 6/30/24)

	Cap Dev	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	16%	3,133,440.00	0.00	3,133,440.00	0.00	3,133,440.00				
2023 BIL LSL	Admin	4.0%	1,811,960.00	0.00	1,811,960.00	0.00	1,811,960.00	10/1/2023	Sep-23	Sep-24	9/30/2027
	SSTA	2.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	PWSS	10.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	WHP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Cap Dev	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	16%	1,811,960.00	0.00	1,811,960.00	0.00	1,811,960.00				
2023 BIL EC	Admin	4.0%	365,880.00	0.00	365,880.00	0.00	365,880.00	10/1/2023	Sep-23	Sep-24	9/30/2027
	SSTA	2.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	PWSS	10.0%	914,700.00	914,700.00	0.00	0.00	0.00		TBD	TBD	
	WHP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Cap Dev	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	16%	1,280,580.00	914,700.00	365,880.00	0.00	365,880.00				
2024 Base (estimate)	Admin	4.0%	233,200.00	0.00	233,200.00	0.00	233,200.00	10/1/2024	Sep-24	Sep-25	9/30/2028
	SSTA	2.0%	111,600.00	0.00	111,600.00	0.00	111,600.00		TBD	TBD	

Summary of Funding for open SRF Capitalization Grant Set-Asides

(as of 6/30/24)

	PWSS	10.0%	558,000.00	0.00	558,000.00	0.00	558,000.00		TBD	TBD	
	WHP	5.0%	279,000.00	0.00	279,000.00	0.00	279,000.00		TBD	TBD	
	Cap Dev	10.0%	558,000.00	0.00	558,000.00	0.00	558,000.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	31%	1,739,800.00	0.00	1,739,800.00	0.00	1,739,800.00				
2024 BIL GS (estimate)	Admin	4.0%	1,100,800.00	0.00	1,100,800.00	0.00	1,100,800.00	10/1/2024	Sep-24	Sep-25	9/30/2028
	SSTA	2.0%	550,400.00	0.00	550,400.00	0.00	550,400.00		TBD	TBD	
	PWSS	10.0%	2,752,000.00	0.00	2,752,000.00	0.00	2,752,000.00		TBD	TBD	
	WHP	5.0%	1,376,000.00	0.00	1,376,000.00	0.00	1,376,000.00		TBD	TBD	
	Cap Dev	10.0%	2,752,000.00	0.00	2,752,000.00	0.00	2,752,000.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	31%	8,531,200.00	0.00	8,531,200.00	0.00	8,531,200.00				
2024 BIL EC (estimate)	Admin	4.0%	365,880.00	0.00	365,880.00	0.00	365,880.00	10/1/2024	Sep-24	Sep-25	9/30/2028
	SSTA	2.0%	182,940.00	182,940.00	0.00	0.00	0.00		TBD	TBD	
	PWSS	10.0%	914,700.00	914,700.00	0.00	0.00	0.00		TBD	TBD	
	WHP	5.0%	457,350.00	457,350.00	0.00	0.00	0.00		TBD	TBD	
	Cap Dev	10.0%	914,700.00	914,700.00	0.00	0.00	0.00		TBD	TBD	
	SWP	0.0%	0.00	0.00	0.00	0.00	0.00		TBD	TBD	
	Total	31%	2,835,570.00	2,469,690.00	365,880.00	0.00	365,880.00				

Summary of Funding for **open** SRF Capitalization Grant Set-Asides

(as of 6/30/24)

Totals	Set-Aside	% of Grant	Total Available	Total Reserved	Total Budgeted	Total Expended To Date	Total Remaining Balance		Expense Begin Date	Expense End Date	Grant End Date
Current Balance Totals (Includes Est. FFY24 Cap Grants)	Admin		12,565,620.00	691,160.00	11,873,860.00	5,803,735.53	4,370,244.47	N/A	Sep-24	Sep-25	N/A
	SSTA		5,674,140.00	2,433,940.00	3,239,900.00	710,435.30	1,867,464.70		TBD	TBD	
	PWSS		27,997,980.00	4,660,410.00	23,669,190.00	9,263,587.25	10,123,768.66		TBD	TBD	
	WHP		10,143,380.00	457,350.00	7,885,150.00	5,462,523.62	472,923.53		TBD	TBD	
	Cap Dev		22,004,600.00	1,969,000.00	20,035,600.00	11,765,513.19	4,368,186.07		TBD	TBD	
	Total			78,385,720.00	10,211,860.00	66,703,700.00	33,005,794.89		21,202,587.43		

Chart 5 – State Match

DW State Match for FFY 23										
Project Name	Project Number	NRD Loan Number	Date Month/Day	Payment #	Payment	State Match 23 7046000122	FFY23 BASE	FFY23 GS	TOTAL	
CAW	22-041	01380-DWSRF-L	2/14/2024	15	\$ 237,994.90	237,994.90	237,994.90	-	237,994.90	
Beaver Water	23-023	01390-DWSRF-L	2/14/2024	10	\$ 847,520.23	847,520.23	847,520.23	-	847,520.23	
Dumas	21-064	01332-DWSRF-L	2/16/2024	2	\$ 419,277.45	419,277.45		419,277.45	419,277.45	
Fifty-Six	21-039	01302-DW-L	3/1/2024	1	\$ 30,149.58	30,149.58	7,875.62	22,273.96	30,149.58	
Kimzey	23-016	01391-DWSRF-L	3/1/2024	2	\$ 173,883.60	173,883.60		173,883.60	173,883.60	
Fifty-Six	21-039	01302-DW-L	3/13/2024	2	\$ 23,337.60	23,337.60		23,337.60	23,337.60	
Caw #10	22-041	01380-DWSRF-L	3/15/2024	16	\$ 89,009.25	89,009.25	89,009.25	-	89,009.25	
Beaver Water	23-023	01390-DW-L	3/15/2024	11	\$ 302,953.87	302,953.87		302,953.87	302,953.87	
CAW Jack Wilson	23-096	02238-DW-L	3/15/2024	6	\$ 427,928.39	427,928.39		427,928.39	427,928.39	
CAW Jack Wilson	23-096	02238-DW-L	3/29/2024	7	\$ 756,061.75	756,061.75		756,061.75	756,061.75	
CAW Jack Wilson	23-096	02238-DW-L	4/12/2024	8	\$ 596,963.21	596,963.21		395,183.38	395,183.38	
Totals					\$ 3,905,079.83	\$ 3,905,079.83	\$ 1,182,400.00	\$ 2,520,900.00	\$ 3,703,300.00	
required						\$3,703,300.00	\$1,182,400.00	\$2,520,900.00	\$3,703,300.00	
Deposits										
Drinking Water State Match - FFY23 Base Cap Grant					1,182,400.00	11/28/2023				
Drinking Water State Match - FFY23 BIL GS Cap Grant					2,520,900.00	11/28/2023				
Total Deposited:					3,703,300.00					

Chart 6 – Additional Subsidization by Capitalization Grant

2020 Cap Grant Requirements (FS98600123 Award date 09/04/2020) - Budgt & Project period end 9/30/2025								Grant amount	5,798,100	
14% Minimum Required: \$2,319,240		Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated Min: 2,319,240	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Max 6%	Disadvantaged Add Sub (PF) SDW Allocated -MAX
Maximum Allowed Disadv of 35%: \$5,798,100										
Project										
Village Water Assoc (PF)				01305-DWRSF-F	#N/A	120,655.00	120,655.00			
Hwy 4 & 24 Water Association (PF)				01330-DWSRF-F	11/17/2021		-	(21,191.00)	265,922.00	
Reed (PF) - DV Eligible	3/18/2020	926,421.00		01273-DWSRF-F	10/15/2021	-	-	(45,466.00)	728,038.00	
Fifty Six (F)	9/16/2020	2,247,127.00		01301-DWSRF-F	8/30/2021	813,012.46	652,502.03			
Wright-Pastoria (L)	12/3/2020	64,650.00		01320-DWSRF-L	12/03/2020	-	-			
Lewisville (L)	5/16/2018	3,000,000.00		01161-DWSRF-L	01/27/2021	-	-			
Lake View	6/22/2023	331,536.00		02210-DW-F	6/6/2024					331,536
Gould (2236)	06/22/2023	337,500.00		02236-DW-F	4/23/2024		17,500.00			337,500.00
Judsonia	6/22/2023	335,741.50		02277-DW-F	45,470.00		332,639.88			335,741.50
Omaha (PF)	09/19/2018	850,000.00		01175-DWSRF-F	7/15/2020					16,841
Brinkley	6/22/2023	918,459.75		02259-DW-F	06/30/2024		54,206.70			918,460
Amity	6/12/2023	469,353.75		02215-DW-F	04/01/2024		432,653.75			469,353.75
Wright-Pastoria (L) 2	11/18/2020			01324-DWSRF-L	07/15/2021					
Eudora (PF) - GREEN DV Eligible	5/26/2021	1,630,211.00		01345-DWSRF-F	07/01/2024	1,026,881.54	1,026,881.54			603,329
Mountainburg	6/22/2023	750,000.00		02289-DW-F	06/25/2024	21,191.00	471,177.77			728,809
CAW #9-West Pulaski (PF)	5/26/2021	2,200,000.00		01342-DWSRF-F	12/12/2023	337,500.00	337,500.00			
Tumbling Shoals WA	6/22/2023	637,500.00		02207-DW-F	04/04/2024					113,446.04
Carthage	6/22/2023	944,773.50		02295-DW-F	6/4/2024		944,773.50			944,774
20 Grant Totals						2,319,240.00	4,390,490.17	(66,657.00)	993,960.00	4,799,790
						Total Add Sub + DV Add Sub	8,112,990.00			
Minimum (Over) / Under							1,734,579.83		-	-
Maximum (Over) / Under										4,804,140

2021 Cap Grant Requirements (FS98600124 Award date 9/1/2021) - Budget & Project period end 9/30/2025								Grant amount	5,792,850	
14% Minimum Required: \$2,317,140		Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated \$2,317,140	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min 6%	Disadvantaged Add Sub (PF) SDW Allocated -MAX
Maximum Allowed Disadv of 35%: \$5,792,850										
Project										
CAW #9-West Pulaski (PF)	5/26/2021	2,200,000.00		01342-DWSRF-F	12/12/2023	1,862,500.00	842,490.00		993,060	Max = \$5,792,850
Tumbling Shoals WA	6/22/2023	637,500.00		02207-DW-F	04/04/2024				168,493.96	355,560.00
Strong (1361)	7/21/2021	148,640.00		01361-DWSRF-F	10/26/2023	148,640.00	148,640.00			
James Kimzey (L)- Green	12/2/2022	2,480,000.00		01391-DWSRF-L	11/16/2023					
Omaha (PF)	9/19/2018	850,000.00		01175-DWSRF-F	07/15/2020					35,464.00
Wright Pastoria - Grand Prairie	6/22/2023	1,025,000.00		02372-DW-F	03/14/2024					1,025,000.00
CAW - Perla meters (CAW)	06/22/2023	236,250.00		02239-DW-F	11/15/2024	236,500.00	236,500.00			
Southeast Bradley County Water District PWA - not closed	11/20/2024	1,256,778.00		02633-DW-F	no closing date					1,256,778.00
Old Bella Vista POA (F) - not closed	11/20/2024	3,200,000.00		02620-DW-F	no closing date					580,669.50
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00		02629-DW-F	no closing date	69,500.00				446,446.04
Fulton	06/22/2023	1,924,438.50		02297-DW-F	08/22/2024					1,924,438.50
20 Grant Totals						2,317,140.00	1,227,630.00	-	168,493.96	5,624,356.04
						Total Add Sub + DV Add Sub	8,109,990.00			
Minimum (Over) / Under							824,566.04			
Maximum (Over) / Under							(3,475,710)			168,493.96

2012 Cap Grant Reopened							Grant amount	33,106			
14% Minimum Required: \$13,242							Congressional Unallocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Max 6%	Add Sub (PF) SDW Allocated -MAX
Maximum Allowed Disadv of 35%: \$33,106											
Project											
Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date								
Lonoke - not closed	11/20/2024	572,088.00	02651-DW-F	no closing date	94,589.00						
2012 Cap Grant Reopened					94,589.00						
Minimum (Over) / Under											
Maximum (Over) / Under											
2013 Cap Grant Reopened							Grant amount	437,933			
14% Minimum Required: \$175,173							Congressional Unallocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Max 6%	Disadvantaged Add Sub (PF) SDW Allocated -MAX
Maximum Allowed Disadv of 35%: \$437,933											
Project											
Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date								
Old Bella Vista POA (F) - not closed	11/20/2024	3,200,000.00	02620-DW-F	no closing date	972,568.50						
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00	02629-DW-F	no closing date	278,669.50						
2013 Cap Grant Reopened					1,251,238.00						
Total Add Sub + DV Add Sub					1,251,238.00						
Minimum (Over) / Under											
Maximum (Over) / Under											
2014 Cap Grant Reopened							Grant amount	21,921			
14% Minimum Required: \$8,768							Congressional Unallocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Max 6%	Disadvantaged Add Sub (PF) SDW Allocated -MAX
Maximum Allowed Disadv of 35%: \$21,921											
Project											
Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date								
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00	02629-DW-F	no closing date	62,632.00						
2014 Cap Grant Reopened					62,632.00						
Total Add Sub + DV Add Sub					62,632.00						
Minimum (Over) / Under											
Maximum (Over) / Under											

2015 Cap Grant Reopened							Grant amount			
14% Minimum Required: \$4,430	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Unallocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Max 6%	Disadvantaged Add Sub (PF) SDW Allocated - MAX	
Maximum Allowed Disadv of 35%: \$11,075					Max = \$31,643					
Project					Zero in IUP do not use					
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00	02629-DW-F	no closing date	31,643.00					
2015 Cap Grant Reopened					31,643.00	-	-	-	-	
					-			-		
			Total Add Sub + DV Add Sub		31,643.00					
Minimum (Over) / Under					-			-	-	
Maximum (Over) / Under										
2022 Cap Grant Requirements (FS98600125 Award date 11/30/2022) - Budget & Project period end 9/30/26							Grant amount			3,690,050
14% Minimum Required: \$1,476,020	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min 12%	Disadvantaged Add Sub (PF) SDW Allocated - MAX 35%	
Maximum Allowed Disadv of 35%: \$3,690,050					1,476,020.00					
Project					Max = \$3,690,050					
Clark County WFB	6/22/2023	802,199.50	02300-DW-F		802,199.50	23,920.30				
Horsehead Water Users Association	6/22/2023	1,253,575.00	02340-DW-F	11/20/2024		8,870.00			1,253,575.00	
Sevier County - Sevier County Water Association	6/22/2023	434,153.00	02309-DW-F	11/14/2024		237,703.00			434,153.00	
Old Bella Vista POA (F) - not closed	11/20/2024	3,200,000.00	02620-DW-F	no closing date					1,646,762.00	
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00	02629-DW-F	no closing date	673,821.00	-	-		355,560.00	
James Kimzey (L)- Green	06/23/2023	2,480,000.00	01391-DW-F	no closing date						
22 Grant Totals					1,476,021	270,493	-	-	3,690,050.00	
					(0)			-	-	
			Total Add Sub + DV Add Sub		5,166,070.00			3,690,050.00		
Minimum (Over) / Under					(0)			-	-	
Maximum (Over) / Under					0				0	

2022 Cap Bill General Grant Requirements (4D02F23301 Award date 11/30/2022) - Budget & Project period end 9/30/26							Grant amount		13,264,300
Project	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min & Max 49%	Disadvantaged Add Sub (PF) SDW Allocated - MAX
Maximum Allowed Disadv of 49%: \$13,264,300									
Max = \$13,264,300									
Glenwood-not closed	6/22/2023	2,815,931.25	02366-DW-F	no closing date					2,815,931.25
Big Flat (F)	6/22/2023	2,894,205.00	02270-DW-F	12/18/2024		14,500.00			2,894,205.00
Joiner - not closed	6/22/2023	1,115,040.75	02253-DW-F	no closing date					1,115,040.75
Junction City Drinking	06/22/2023	1,913,832.75	02304-DW-F	8/20/2024		1,161,337.00			1,913,832.75
Rison	6/22/2023	1,351,786.50	02306-DW-F	45,636.00		202,875.00			1,351,786.50
SWARWFB of Hempstead County (Southwest Arkansas Water Facilities Board)	6/22/2023	1,083,381.75	02244-DW-F	9/25/2024		913,739.16			1,083,381.75
Cushman - not closed	6/22/2023	1,706,241.00	02261-DW-F	no closing date					1,706,241.00
Wabbaseka - not closed	11/20/2024	7,913,193.00	02622-DW-F	no closing date					383,861.00
22 Bill General Grant Totals					-	2,292,451	-	-	13,264,300.00
					0				-
					Total Add Sub + DV Add Sub				
					13,264,300.00				
Minimum (Over) / Under									
Maximum (Over) / Under					0				-
2023 Cap Grant (FS098600126 Award date 12/21/2023) - Budget & Project period end 9/30/27							Grant amount		2,069,200
Project	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min 12%	Disadvantaged Add Sub (PF) SDW Allocated - MAX 35%
14% Minimum Required: \$827,680									
Maximum Allowed Disadv of 35%: \$2,069,200									
Max = \$2,069,200									
Wabbaseka - not closed	11/20/2024	7,913,193.00	02622-DW-F	no closing date	827,680.00			709,440	1,025,000.00
Winslow - not closed	6/22/2023	1,536,951.00	02384-DW-F	no closing date	492,751.00	-			1,044,200.00
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00	02629-DW-F	no closing date	334,929.00				
22 Grant Totals					827,680.00	#REF!	#REF!	-	2,069,200.00
					0			709,440.00	-
					Total Add Sub + DV Add Sub				
					2,896,880.00			2,069,200.00	
Minimum (Over) / Under					0			709,440	-
Maximum (Over) / Under					0				0
2023 Cap Bill General Grant Requirements - (4D-2F23302 Award date 12/21/2023) - Budget & Project period end 9/30/2027							Grant amount		12,352,410
Project	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated Minimum Amt.	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min & Max 49%	Disadvantaged Add Sub (PF) SDW Allocated - MAX
Maximum Allowed Disadv of 49%: \$12,352,410									
Max = \$12,352,410									
Wabbaseka - not closed	11/20/2024	7,913,193.00	02622-DW-F	no closing date					4,701,869.00
Gillett-not closed	11/15/2023	630,000.00	02432-DW-F	no closing date					630,000.00
Grand Parie Regional -not closed	11/15/2023	2,116,827.00	02444-DW-F	no closing date					2,116,827.00
North Garland County-declined funds	11/15/2023	2,116,827.00	02446-DW-F	01/00/1900			(4,486,303.75)		
DesArc 02313	6/22/2023	1,175,700.00	02313-DW-F	11/07/2024		423,939.70			1,175,700.00
DesArc 02311	6/22/2023	1,105,650.00	02311-DW-F	01/22/2025		102,591.60			1,105,650.00
Bee Branch-not closed	11/15/2023	2,622,363.75	02426-DW-F	no closing date					2,622,363.75
23 Bill GS Grant Totals					-	#REF!	#REF!	-	12,352,410
					0			-	0
					Total Add Sub + DV Add Sub				
					12,352,410.00				
Minimum (Over) / Under					0				-
Maximum (Over) / Under									0

2024 Cap Grant (FS098600127 Award date 09/25/2024) - Budget & Project period end 9/30/28						Grant amount			1,953,000
14% Minimum Required: \$781,200									
Maximum Allowed Disadv of 35%: \$1,953,000									
Project									
	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min 12%	Disadvantaged Add Sub (PF) SDW Allocated -MAX 35%
					781,200.00			669,600	Max = \$1,953,000
Wabbaseka - not closed	11/20/2024	7,913,193.00	02622-DW-F	no closing date					1,802,443
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00	02629-DW-F	no closing date	781,200.00				150,557.00
24 Base Grant Totals					781,200			-	1,953,000.00
					0			669,600.00	-
					Total Add Sub + DV Add Sub			1,953,000.00	
Minimum (Over) / Under					0			669,600	-
Maximum (Over) / Under					0				0
2024 Cap Bill General Grant Requirements - (4D-2F23303 Award date 9/25/2024) - Budget & Project period end 9/30/2028						Grant amount			13,484,800
Maximum Allowed Disadv of 49%: \$13,484,800									
Project									
	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min & Max 49%	Disadvantaged Add Sub (PF) SDW Allocated -MAX
									Max = \$13,484,800
Oak Hills Suburban Improvements District - not closed	11/20/2024	4,125,000.00	02624-DW-F	no closing date					4,125,000.00
Clarendon - not closed	11/20/2024	1,620,085.00	02639-DW-F	no closing date					1,620,085.00
Holly Grove (F) - not closed	11/20/2024	1,621,432.88	02641-DW-F	no closing date					1,621,432.88
Coy - not closed	11/20/2024	1,603,550.00	02618-DW-F	no closing date					1,603,550.00
Helena - W. Helena (F) - not closed	11/20/2024	9,750,000.00	02629-DW-F	no closing date					4,514,732.00
24 Bill GS Grant Totals								-	13,484,800
					0			-	0
					Total Add Sub + DV Add Sub			13,484,800.00	
Minimum (Over) / Under					0			-	-
Maximum (Over) / Under					0				0
2022 Cap Bill EC Grant Requirements (4E-2F27301 Award date 7/20/2023) - Budget & Project period end 4/30/2027						Grant amount			11,979,000
100% Minimum Required: \$11,979,000									
Maximum Allowed Disadv of 100%: \$11,979,000									
Project									
	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min 25%	Disadvantaged Add Sub (PF) SDW Allocated -MAX
								2,994,750	Max = \$11,979,000
Conway Corp - Moved from CWSRF as DWSRF EC	6/22/2023	7,457,100.00	02347-DW-F	08/08/2024					7,457,100
Cherry Valley - EMERGING CONTAMINANT - not closed	6/22/2023	3,315,370.00	02287-DW-F	Not Closed					3,315,370
Blytheville - not closed	11/20/2024	13,819,500.00	02650-DW-F	not closed					1,206,530
22 Bill EC Grant Totals								-	11,979,000
					0			-	-
					Total Add Sub + DV Add Sub			11,979,000.00	
Minimum (Over) / Under									-
Maximum (Over) / Under					0				11,979,000

2022 Cap Bill LSL Grant Requirements (4L-02F27401 Award date 4/14/2023) - Budget & Project period end 9/30/25								Grant amount	20,899,970
49% Minimum Required: \$20,899,970	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min & Max 49%	Disadvantaged Add Sub (PF) SDW Allocated -MAX
Maximum Allowed Disadv of 49%: \$20,899,970									
Project									
Alzheimer-not closed	11/15/2023	207,699.50	02430-DW-F	Not Closed					207,699.50
Wynne-not closed	9/20/2023	3,551,000.00	02397-DW-F	Not Closed					3,551,000.00
Hot Springs -not closed	05/15/2024	1,837,500.00	02518-DW-F	Not Closed					1,837,500.00
Walnut Ridge -not closed	01/07/2024	1,764,000.00	02470-DW-L	Not Closed					1,836,000.00
Malvern	07/17/2024	2,083,000.00	02544-DW-F	Not Closed					2,083,000.00
Poyen-not closed	05/15/2024	558,600.00	02500-DW-F	Not Closed					558,600.00
22 Bill LSL Grant Totals					-	-	-	-	10,073,800
					0			20,899,970	10,826,171
					Total Add Sub + DV Add Sub	10,073,799.50			
Minimum (Over) / Under						10,826,171		20,899,970	-
Maximum (Over) / Under						10,826,171			10,826,171
2023 Cap Bill LSL Grant Requirements (4L-02F27402 Award date 09/23/2024) - Budget & Project period end 3/31/2029								Grant amount	23,972,760
49% Minimum Required: \$23,972,760	Commission Approval Date	Commission Approved Amount	Loan Number	Loan Closing Date	Congressional Add Sub (PF) Allocated	Congressional Add Sub (PF) Expensed	De-Obligated Add Sub Funds	Disadvantaged Community (PF) Min & Max 49%	Add Sub (PF) SDW Allocated -MAX
Maximum Allowed Disadv of 49%: \$23,972,760									
Project									
								23,972,760	Max = \$23,972,760
22 Bill LSL Grant Totals					-			-	-
					0				
					Total Add Sub + DV Add Sub	-			
Minimum (Over) / Under								23,972,760	23,972,760
Maximum (Over) / Under									23,972,760

**Appendix B – Financial
Statement and Capacity
Analysis**

Appendix B-1 – Statement of Net Position

YEARS ENDING JUNE 30, 2022 and June 30, 2023		
	2024	2023
	(UNAUDITED)	(UNAUDITED)
ASSETS		
<i>Current Assets</i>		
<i>Cash and cash equivalents</i>	159,508,623	109,721,374
<i>Accrued interest receivable:</i>	703,330	455,457
<i>Investment</i>	311,717	141,242
<i>Loans</i>		
Accounts receivable:		
<i>Borrowers</i>	41,298	102,974
<i>EPA</i>	428,993	425,008
<i>Receivable from other fund</i>		
<i>Investments - current portion</i>		
<i>Total Current Assets</i>	160,993,961	110,846,055
Noncurrent Assets		
Investments - restricted		

Loans receivable - restricted		
Construction	206,327,220	205,340,027
NE Arkansas PWA		
<i>Total Noncurrent Assets</i>	206,327,220	205,340,027
TOTAL ASSETS	367,321,181	316,186,082
LIABILITIES		
<i>Current Liabilities</i>		
Accounts payable	616,708	613,707
Payable to other fund		
Accrued interest payable	144,083	0
Bonds payable-current portion	3,005,000	0
<i>Total Current Liabilities</i>	3,765,791	613,707
Noncurrent Liabilities		
Bonds payable-net of unamortized premiums	34,885,038	0
<i>Total Noncurrent Liabilities</i>	34,885,038	0
TOTAL LIABILITIES	38,650,829	613,707
Net Position		
Restricted by bond resolution and program administration	328,670,352	315,572,375

Appendix B-2 – Revenues, Expenses, and Changes in Net Position

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION		
YEARS ENDING JUNE 30, 2022 and June 30, 2023		
	2024 (UNAUDITED)	2023 (UNAUDITED)
<u>OPERATING REVENUES</u>		
Interest on:		
Investments	\$8,094,901.00	\$3,605,406.00
Loans	\$1,357,388.00	\$2,133,260.00
Financing fees	\$1,202,247.00	\$1,725,053.00
other income		
Net depreciation of investments	\$104,382.00	\$104,756.00
Total Operating Revenues	\$10,758,918.00	\$7,568,475.00
<u>OPERATING EXPENSES</u>		
Program Administration	\$1,131,188.00	\$214,815.00
Federal financial assistance programs	\$3,400,274.00	\$283,374.00
Bond Interest	\$1,523,360.00	-
Amortization of bond premiums	\$(404,859.00)	-
Total Operating Expenses	\$5,649,963.00	\$7,070,286.00
<u>OPERATING Income (Loss)</u>	\$5,108,955.00	\$498,189.00
<u>NON-OPERATING REVENUE</u>		
Base federal grants	\$7,649,413.00	\$3,955,359.00
<u>INCOME BEFORE TRANSFERS OUT, NET</u>	\$12,758,367.00	\$11,025,645.00
Transfers (Out), Net	\$59,063.00	\$891,708.00

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDING JUNE 30, 2022 and June 30, 2023

Change in Net Position	\$12,817,430.00	\$11,917,353.00
<u>NET POSITION</u>		
Beginning of year	\$315,572,375.00	\$303,655,022.00
End of year	\$328,389,805.00	\$315,572,375.00

Appendix B-3 – Statement of Cash Flows

STATEMENT OF CASH FLOWS		
YEARS ENDING JUNE 30, 2022 and June 30, 2023		
	2024 (UNAUDITED)	2023 (UNAUDITED)
<u>OPERATING ACTIVITIES</u>		
Financing fees received	\$ 1,263,924	\$ 1,841,593
Other Income		
Cash paid for program administration	\$ (744,479)	\$ (186,336)
Net cash provided by operating activities	\$ 519,445	\$ 1,655,257
<u>NON-CAPITAL FINANCING ACTIVITIES</u>		
Bonds proceeds received	\$ 40,359,897	
Repayment of long-term debt	\$ (2,065,000)	
Cash paid for interest	\$ (1,379,277)	\$ -
Cash paid for bond issuance costs	\$ (359,897)	\$ -
Transfer in	\$ 37,886	\$ 1,033,920
Nonoperation grants received	\$ 7,645,427	\$ 3,845,103
Net cash provided by non capital financing activities	\$ 44,239,036	\$ 4,879,023
<u>INVESTING ACTIVITIES</u>		
Interest received on investments	\$ 7,847,028	\$ 3,204,015
Interest receiveid on loans	\$ 1,464,826	\$ 2,227,519
Principal repayments on loans	\$ 30,232,089	\$ 25,946,770
Loan disbursements	\$ (31,219,282)	\$ (13,476,570)

STATEMENT OF CASH FLOWS		
YEARS ENDING JUNE 30, 2022 and June 30, 2023		
Federal grant funds expended	\$ (3,400,274)	\$ (283,374)
Proceeds from maturities of Investments	\$ 104,382	\$ 104,756
Purchase of investments		
Net Cash provided by (used in) investing activities	\$ 5,028,769	\$ 17,723,116
Increase (Decrease) in Cash and Cash Equivalents	\$ 49,787,250	\$ 24,257,396
<u>CASH AND CASH EQUIVALENTS:</u>		
Beginning of year	\$ 109,721,374	\$ 85,463,977
End of Year	\$ 159,508,624	\$ 109,721,373
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH</u>		
<u>(Used) IN OPERATING ACTIVITIES:</u>		
Operating Income (Loss)	\$ 5,108,954	\$ 7,070,286
Items not providing operating activities cash flows:		
Interest on investments	\$ (8,094,901)	\$ (3,605,406)
Interest on loans	\$ (1,357,388)	\$ (2,133,260)
Bond interest paid	\$ 1,523,360	\$ -
Bond issuance cost	\$ 359,897	
Amortization of bond premiums	\$ (404,859)	\$ -
Net depreciation (appreciation) of investments	\$ (104,382)	\$ (104,756)
Federal grants expended	\$ 3,400,274	\$ 283,374
nonon cash federal grant	\$ -	\$ -
Changes in		
Accounts receivable		

STATEMENT OF CASH FLOWS		
YEARS ENDING JUNE 30, 2022 and June 30, 2023		
Borrowers	\$ 61,677	\$ 116,540
Receivable from other fund	\$ -	\$ -
Accounts Payable	\$ 26,811	\$ 28,479
Net cash provided by operating activities	\$ 519,443	\$ 1,655,257

Appendix B-4 – Pace Calculations – Financial Indicators

PACE CALCULATIONS - Financial Indicators			
FEDERAL RETURN ON INVESTMENT			
State Fiscal Year	Cumulative Assistance Disbursed	Cumulative Federal Cash Draws	Federal Return on Investment
2015	\$ 208,526,297	\$ 211,919,279	98.40%
2016	\$ 219,164,456	\$ 222,754,746	98.39%
2017	\$ 227,298,217	\$ 222,754,746	102.04%
2018	\$ 237,297,944	\$ 235,247,630	100.87%
2019	\$ 253,067,130	\$ 245,443,638	103.11%
2020	\$ 286,074,546	\$ 257,266,358	111.20%
2021	\$ 337,580,940	\$ 225,714,311	149.56%
2022	\$ 378,127,000	\$ 336,180,300	112.48%
2023	\$ 391,886,944	\$ 427,813,300	91.60%
EXECUTED LOANS AS A PERCENTAGE OF FUNDS AVAILABLE			
State Fiscal Year	Total RLF Assistance Provided (Loans)	Cumulative Funds Available for Loans	Executed Loans as a % of Funds Available
2015	\$ 258,254,147	\$ 308,916,116	83.60%
2016	\$ 262,254,147	\$ 329,872,715	79.50%
2017	\$ 274,634,147	\$ 356,424,953	77.05%
2018	\$ 281,406,500	\$ 378,130,754	74.42%
2019	\$ 295,841,500	\$ 405,613,385	72.94%
2020	\$ 348,677,900	\$ 438,289,278	79.55%
2021	\$ 415,618,172	\$ 427,634,431	97.19%
2022	\$ 432,164,431	\$ 477,594,702	90.49%
2023	\$ 584,215,970	\$ 546,648,686	106.87%
LOAN DISBURSEMENTS AS A PERCENTAGE OF EXECUTED LOANS			
State Fiscal Year	Cumulative Assistance Disbursed	Total RLF Assistance Provided (Loans)	Loan Disbursements as a % of Executed Loans
2015	\$ 208,526,297	\$ 258,254,147	80.74%
2016	\$ 219,164,456	\$ 262,254,147	83.57%
2017	\$ 227,298,217	\$ 274,634,147	82.76%
2018	\$ 237,297,944	\$ 281,406,500	84.33%
2019	\$ 253,067,130	\$ 295,841,500	85.54%
2020	\$ 286,074,546	\$ 348,677,900	82.05%
2021	\$ 337,580,940	\$ 415,618,172	81.22%
2022	\$ 378,127,000	\$ 432,164,431	87.50%
2023	\$ 391,886,944	\$ 584,215,970	67.08%
***Note: All data from NIMS which includes ARRA totals			

Appendix B-5 – Capacity Analysis Bond Issuance

Placeholder for this report

Placeholder for this report

**Appendix C – Arkansas
Department of Health
Annual Report**

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