



**Rhode Island Infrastructure Bank
and
Rhode Island Department of Health**

Hereby Submit the:

***Drinking Water State Revolving Fund Annual Report
For the Period from July 1, 2024, through June 30, 2025***

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INTRODUCTION

Rhode Island Infrastructure Bank (Bank) and the Rhode Island Department of Health – Center for Drinking Water Quality (RIDOH) are pleased to submit our Annual Report for the period from July 1, 2024, through June 30, 2025, to the Environmental Protection Agency Region 1. The report describes how, through the collaborative efforts of the Bank and RIDOH, the goals and objectives have been met in the Drinking Water State Revolving Fund (DWSRF) for all dollars in the DWSRF as outlined in the Intended Use Plan (IUP). This report reflects our progress with Base and Infrastructure Investment and Jobs Act (IIJA) Year 3 funding. The actual use of funds received and the financial status of the DWSRF are also reported.

The Rhode Island DWSRF (the Program) is co-administered by the Bank and RIDOH as set forth in the Memorandum of Understanding (MOU) dated July 13, 2000, and the Addendum dated January 1, 2023. The Bank is responsible for the financial aspects of the program including loan origination and servicing, and grant administration while RIDOH is responsible for the regulatory and health compliance aspects of the Program including project prioritization and project approval.

Table I illustrates a program overview for State Fiscal Year (SFY) 2025.

FFY 2024 Base Capitalization Grant Award	\$4,661,000
FFY 2024 IIJA General Supplemental Capitalization Grant Award	\$22,985,000
FFY 2024 IIJA Lead Service Line Replacement Capitalization Grant Award	\$28,650,000
FFY 2024 IIJA Emerging Contaminants Capitalization Grant Award	\$7,640,000
Allocated to Projects	\$56,019,212
Allocated to Set-Asides	\$7,916,788
State Match Appropriated	\$5,529,200
Loan Principal Repayments	\$30,321,344.35
Total Interest Repayments	\$8,159,074.38
Investment Earnings	\$5,469,695.00
Annual Principal Bond Repayment	\$15,650,000.0
Annual Interest Bond Repayment	\$4,674,729.45
Number of Projects Funded	6
Projects Funded \$	\$34,481,550
Weighted Average Loan Interest Rate	2.89%
Population Served	321,187

Infrastructure Investment and Jobs Act (IIJA), Required Minimum Additional Subsidies, and State Match

On November 15, 2021, President Biden signed into law the Infrastructure Investment and Jobs Act (IIJA). The IIJA provides three new federal grants through the Drinking Water State Revolving Fund (DWSRF) over the next five years:

1. General Supplemental Funding Grant
2. Lead Service Line Replacement Funding Grant
3. Emerging Contaminants Funding Grant

In SFY 2025, the Bank received the following four capitalization grants; \$4,661,000 for the Base Grant; \$22,985,000 for the General Supplemental Grant; \$28,650,000 for the Lead Service Line Replacement Grant and \$7,640,000 for the Emerging Contaminants grant. The IIJA mandates that 49% of funds provided through the DWSRF General Supplemental Funding and Lead Service Line Replacement Funding must be provided as principal forgiveness and/or grants. This requires that the State provide at least \$11,262,650 and \$14,038,500 respectively. IIJA also mandates that 100% of the funds provided through the Emerging Contaminants must be provided as principal forgiveness and or/grants. The State will provide the entire \$7,640,000 as principal forgiveness and/or grants.

Table II below illustrates the Federal Fiscal Year (FFY) 2024 allotments, State Match and subsidy requirements under Base and IIJA:

Table II

Appropriation from IIJA	FFY 2024 Allotment	State Match Requirement (\$)	Subsidy Requirement
DWSRF – Base Grant	\$4,661,000	\$932,200	\$1,211,860
DWSRF – IIJA General Supplemental	\$22,985,000	\$4,597,000	\$11,262,650
DWSRF – IIJA Lead Service Line Replacement	\$28,650,000	\$0	\$14,038,500
DWSRF – IIJA Emerging Contaminants	\$7,640,000	\$0	\$7,640,000

GOALS & ACCOMPLISHMENTS

The Program has identified short- and long-term goals for the DWSRF. The Bank and RIDOH have developed rules, regulations, and policies to manage the program in compliance with the State Drinking Water Amendments of 1996 (SDWA)

Progress Toward Short-Term Goals

The short-term goals and progress towards their achievement are outlined as follows:

Goal #1: Endeavor to provide 15% of project funds for assistance to “small systems” on an annual basis. Continued outreach efforts to small systems to educate and better promote the Program, to maintain a pipeline of projects that are eligible to receive funding.

Progress: The Bank and RIDOH have implemented a Small System Loan Strategy which allows DWSRF-eligible public small water systems to receive assistance in the form of principal forgiveness, grants, or other forms of aid assistance. The Bank and RIDOH have created a targeted approach around education,

outreach and technical assistance to provide a better level of service to our small public water systems. In SFY25, the Bank and RIDOH closed on loans to five “small system” borrowers with principal forgiveness allocations, including:

- Town of Scituate – Drinking Water System Upgrades at Scituate Middle and High Schools - \$1,000,000 loan - \$200,000 in principal forgiveness
- Shannock Water District – Emergency Backup Generator Replacement - \$77,000 loan - \$77,000 in principal forgiveness
- Quonochontaug Central Beach Fire District – Modification and Expansion of Existing Water Treatment Facility - \$1,550,000 loan - \$100,000 in principal forgiveness
- Scituate Housing Authority (Rockland Oaks) – Water System Upgrades and Connection to Scituate Middle and High Schools Water System - \$1,662,100 loan - \$1,662,100 in principal forgiveness
- Prudence Island Water District – Permanent Chlorination System and Iron and Manganese Pretreatment - \$3,887,450 loan - \$3,887,450 in principal forgiveness

The Bank and RIDOH are committed to providing guidance and subsidy information to small systems. In SFY26, the Bank is continuing outreach to all small systems ranked on the DWSRF Project Priority List (PPL). Additionally, RIDOH has connected with several small systems through the RIDOH Engineering Assistance Program.

Goal #2: Develop various work plans for use of specific set-aside dollars.

Progress: RIDOH has submitted work plans for the funds associated with the FFY 1997 through FFY 2025 Capitalization Grants. The work plans for the Administrative, Technical Assistance, State Program Management, and Local Assistance Set-asides are submitted when applications are sent in. These work plans are updated periodically and when new grants are being applied for to ensure timely reporting of the intended use of set-aside dollars.

Goal #3: Coordinate DWSRF activities with other state and federal activities relating to public drinking water.

Progress: The Bank and RIDOH and its borrowers continuously explore the opportunities that exist with such organizations as USDA, CDBG, Farmers Home, and the RI Municipal Affairs Department regarding financing options. The Bank applied for a grant under the Assistance for Small and Disadvantaged Communities Drinking Water Grant Program Water Infrastructure Improvement for the Nation (WIIN) Act. The Bank was awarded \$760,000 in Small, Underserved, and Disadvantaged Communities (SUDC) grant funds over the 2022 to 2024 funding rounds. These funds were provided to the Town of North Providence, and their partner, Providence Water, to complete private-side lead service line replacements within the Town’s disadvantaged communities. Additionally, Providence Water has formally committed to more than matching this EPA investment by replacing the public-side water line from the homeowner’s curb into the watermain of each residence supported through this program at no cost to North Providence taxpayers. This structure ensures that disadvantaged ratepayers are not liable for increased costs and have access to fully subsidized replacements. Since 2017, the Town has replaced 249 lines.

The Bank has applied for and expects to receive an additional \$391,000 in 2025. This funding will be used to continue North Providence’s lead activities, as well as implement a corrosion control treatment

system at the Gloucester School Department's Fogarty Memorial School. It is anticipated that the Town of North Providence and Providence Water's 2025 SUDC allotment will enable 74 additional lead service line replacements.

Goal #4: Continue to reduce Unliquidated Obligations (ULO) associated with Capitalization Grant awards and work towards achieving EPA's ULO objective. Continue ongoing collaboration with water systems, including rigorous monitoring of ULOs and exploration of opportunities to optimize funding timelines with borrowers, expediting liquidation of obligations.

Progress: The Bank and RIDOH continue to reduce ULO and work towards EPA's ULO objective. In SFY25, the Banks conducted outreach to all borrowers with loans considered ULOs and will continue to monitor borrowers to ensure that funds are expended in a timely manner. More information on the State's ULO progress can be found under the "State ULO Progress" section below.

Goal #5: Promote climate resilience of water systems through coordination and funding of eligible water suppliers.

Progress: The Bank and RIDOH discuss climate resiliency at their borrowers' meetings. RIDOH has regulations to require that all community and critical non-transient, non-community water systems have emergency generators. RIDOH also has regulations requiring substantially renovated infrastructure to be elevated above the 500-year flood elevation or flood proofed if this is not feasible. The IUP includes an Emergency Power Generator Initiative to provide funding specifically for generators.

Goal #6: Prepare an annual report, which lists the State's accomplishments for the state fiscal year; submit to EPA in a timely manner.

Progress: Rhode Island's DWSRF is presently submitting its fifteenth report.

Goal #7: Identify and prioritize additional subsidy for projects in the IUP that serve disadvantaged communities by providing targeted outreach and engagement.

Progress: The Bank and RIDOH continue to host targeted outreach sessions for disadvantaged communities. These information sessions aim to raise awareness about available subsidies and encourage proceeding with projects that benefit these communities, especially for those entities that lack the capacity to incur debt sufficient to otherwise finance their projects. Additionally, the Bank contracts with Rural Community Assistance Partnership Solutions, Inc. (RCAP Solutions) to provide disadvantaged entities with income surveys to help determine their eligibility for further subsidies. Several entities are expected to move forward with income surveys in SFY26.

Further, the Bank and RIDOH coordinate on Rhode Island's Small, Underserved, and Disadvantaged Communities Grant program (WIIN Act), which has provided \$1,080,875 to the Town of North Providence (and their partner, Providence Water) to replace private lead service lines at no cost to the homeowner. In addition to the continuation of North Providence's LSLR activities, the FY25 grant allocation will also be used to fund a lead exceedance-related project at the Gloucester School Department's Fogarty Memorial School, further subsidizing an essential project for an entity that otherwise lacks the capacity to incur debt necessary to finance this project.

Goal #8: Modify Program scoring criteria to consider the Project's readiness to proceed when ranking projects on the PPL.

Progress: RIDOH has incorporated a project's readiness to proceed within the Project Priority List as outlined in the approved SFY2025 and SFY2026 Intended Use Plans. Communities will receive additional

priority points for projects considered “ready to proceed.” Rhode Island has defined readiness to proceed as follows:

- Submitting an Engineering application to RIDOH;
- Submitting an Application for Certification of Approval to RIDOH;
- Submitting a Request for Environmental Review/Categorical Exclusion;
- Submitting a Loan Application to the Bank

Note that readiness to proceed parameters are considered cumulatively for scoring purposes.

Goal #9: Train RIDOH Program Managers to oversee a Project’s progress through the Program, including, but not limited to scoring and ranking, Certificate of Approval, and review of pay requests.

Progress: RIDOH had trained two program/project managers (a contractor and a RIDOH position) with the assistance of RIDOH’s consultant Quantified Ventures, but those managers left their positions in Spring 2025. RIDOH filled this gap by training an existing engineer to fill this role part-time, in addition to revising the scope of the contract with Quantified Ventures and re-hiring RIDOH’s previous contractor part-time to complete these tasks. Hiring to fill the full-time RIDOH position is in progress, with an expected start date on October 6, 2025. In addition, RIDOH and Quantified Ventures have been creating checklists, SOPs, and other RIDOH job-aids, with primary goals to reduce the learning curve of new staff as well as streamline and ensure consistency and accuracy of reviews and approvals.

Goal #10: Continue and expand outreach efforts to promote the availability of LSLR funding, through webinars, guidance materials, and targeted engagement based on existing lead service line data, with the goal of supporting continued compliance with applicable federal and state statutes and regulations.

Progress: The Bank and RIDOH continue to promote the availability of LSLR funding. In SFY2025, in accordance with the EPA’s Lead and Copper Rule Revisions, as well as Rhode Island’s Lead Poisoning Prevention Act, the Department of Health, and their contractor, 120Water, created a statewide database on lead and unknown service lines. Additionally, per Rhode Island law, all community and non-transient, non-community public water systems must submit a Service Line Annual Report detailing their public side service lines, number of lead and galvanized lines requiring replacement, number of unknown lines, estimated number of lines to be replaced in the upcoming year, and estimated cost to complete the replacements. The Bank and RIDOH will utilize this information to strengthen targeted outreach efforts, better anticipate financing needs, and ultimately, enter into more loan agreements in line with applicable federal and state statutes and regulations.

Progress Toward Long-Term Goals

The short-term goals and progress towards their achievement are outlined as follows:

Goal #1: To manage the Program in compliance with the SDWA of 1996 (§1452).

Progress: The Bank and RIDOH continue to manage the program per the requirements of the Act. During this reporting period, the State received its FFY 2024 Base Capitalization grant award totaling \$4,661,000; \$22,985,000 of DWSRF General Supplemental Grant funds; \$28,650,000 of Lead Service Line Replacement Grant funds and \$7,640,000 of Emerging Contaminants Grant funds all made available through passage of the Infrastructure Investment and Jobs Act (IIJA).

Goal #2: Manage the DWSRF to distribute funding to eligible public and privately- organized water suppliers in a timely and efficient manner.

Progress: Both the Bank and RIDOH have worked diligently to get more public water systems to apply for DWSRF financing. This effort has been very successful and the Bank and RIDOH will continue with the outreach efforts that have been successful.

Goal #3 Maintain a Capacity Development Program as per §1420 of the Act.

Progress: The Capacity Development Program was developed and approved by EPA on December 1, 2001. Implementation of the program is on-going.

Goal #4: Maintain a Source Water Protection Program in accordance with § 1453 of the Act.

Progress: The Source Water Protection Program was approved by EPA and completed as stipulated by § 1453 of the Act.

Goal #5 Maintain a Disadvantaged Community Loan Program for those water suppliers meeting the Disadvantaged Community Program criteria.

Progress: The Bank and RIDOH have created criteria for the Disadvantaged Community Loan Program. The program is fully outlined in the IUP, but generally, it provides for additional interest rate subsidies and/or principal forgiveness for borrowers whose customers include disadvantaged individuals based on Rhode Island median household income figures. During the loan origination process, the Bank examines all borrowers' new DWSRF debt service in relationship to the cost of water as a percentage of the Rhode Island median household income. The Bank and RIDOH have also partnered with RCAP Solutions to provide income surveys to small systems to ensure additional principal forgiveness subsidies are available if needed. In SFY25, the Bank and RIDOH closed on loans to two borrowers that received principal forgiveness based on disadvantaged criteria, including:

- Scituate Housing Authority (Rockland Oaks) – Water System Upgrades and Connection to Scituate Middle and High Schools Water System - \$1,662,100 loan - \$1,662,100 in principal forgiveness
- Prudence Island Water District – Permanent Chlorination System and Iron and Manganese Pretreatment - \$3,887,450 loan - \$3,887,450 in principal forgiveness

Goal #6: Ensure full compliance with §1452 of the Safe Drinking Water Act and all federal crosscutting issues as required by the 1996 SDWA amendments.

Progress: The appropriate federal crosscutting issues for DWSRF borrowers are outlined in the contract specifications package last revised May 2025.

Goal #7 Through effective management, provide a self-sustaining funding program that will assist public water systems in achieving compliance with the SDWA and maintaining the public health objectives of the Act.

Progress: The Bank and RIDOH have the necessary rules and guidelines in place to achieve this “perpetual” goal. During this reporting period, the Bank has made six loans.

Goal #8: Maintain the fiscal integrity of the DWSRF and comply with generally accepted governmental accounting principles to ensure continuance of loan funds for future generations.

Progress: Rhode Island's DWSRF Program is collecting and reusing repayments and following the same generally accepted governmental accounting principles which have governed the Clean Water State Revolving Fund (CWSRF). In addition, the Bank has developed an Internal Control Over Financial

Reporting document that describes processes and controls designed to address risks related to financial reporting.

Goal #9: Provide financial assistance in the form of loans with principal forgiveness to mitigate the impacts from emerging contaminants on public water systems.

Progress: The Bank and RIDOH continue to promote the availability of IJA emerging contaminant funds to those entities that are exceeding or close to exceeding the EPA and Rhode Island’s maximum contaminant levels. A description of projects expected to move forward in SFY26 can be found in the “IJA Emerging Contaminants Capitalization Grants and Subsidy Progress” section. Loans funded with IJA emerging contaminant funds are expected to be provided at 100% principal forgiveness.

Goal #10: Support BABA by ensuring that all products used in infrastructure projects as identified in the Act be produced in the US and assurance that required procurement language is used in contracts.

Progress: The Bank and RIDOH have fully incorporated BABA requirements into the approval and loan documentation procedures. Multiple RIDOH program managers have undergone comprehensive training to ensure the proper execution of BABA guidelines.

Goal #11: Accelerate the identification and removal of lead service lines through technical and financial assistance.

Progress: The Bank and RIDOH continue to provide lead service line replacement loans with 49% principal forgiveness for disadvantaged borrowers at a zero-percent interest rate. RIDOH utilizes Lead Service Line Replacement State Program Management, Local Assistance, and Administrative set-aside funds to employ an environmental scientist and a contractor (120Water) dedicated to tasks relating to lead service line inventories and replacements. In SFY25, the Bank and RIDOH closed on one lead service line replacement loan:

- Providence Water – Lead Service Line Replacements - \$26,300,000 loan - \$12,887,000 in principal forgiveness

The Bank and RIDOH expect to close sever lead service line replacement loans in SFY26, as discussed in “IJA Lead Service Line Replacement Capitalization Grants and Subsidy Progress”. In addition to DWSRF financing for lead service line replacements, the Bank and RIDOH coordinate on Rhode Island’s Small, Underserved, and Disadvantaged Communities Grant program (WIIN Act), which has provided \$1,080,875 to the Town of North Providence (and their partner, Providence Water) to replace private lead service lines at no cost to the homeowner. This grant will also be used to fund a lead exceedance-related project at the Glocester School Department’s Fogarty Memorial School.

Goal #17: Fully enforce Civil Rights by promoting public engagement and program transparency.

Progress: The Bank and RIDOH continue to promote the Program transparently, ensuring that borrowers receive comprehensive information. Outreach efforts, particularly for disadvantaged and often BIPOC communities, remain a top priority. Information on the DWSRF program is readily available and accessible through multiple channels.

Goal #18: Adequate staffing at RIDOH

Progress: RIDOH successfully filled several engineering vacancies in summer 2024, several of who have been working on SRF projects and learning SRF processes throughout the year. As of the writing of this report, two engineer positions are vacant, but are expected to go through recruitment in September and

October 2025. In Spring 2025, both RIDOH project managers left their positions, one contractor and one State FTE. RIDOH filled this gap by training an existing engineer to fill this role part-time, in addition to revising the scope of the contract with Quantified Ventures and re-hiring RIDOH’s previous contractor part-time to complete these tasks. Hiring to fill the fulltime RIDOH position is in progress, with an expected start date of October 6, 2025. In addition, RIDOH and Quantified Ventures have been creating checklists, SOPs, and other RIDOH job-aids, with primary goals to reduce the learning curve of new staff as well as streamline and ensure consistency and accuracy of reviews and approvals.

DWSRF FUNDING

The following section presents information on funding sources and the intended and actual uses of the dollars in the DWSRF Program.

Sources of DWSRF Funding

Federal Capitalization Grants and State Match continue to be major sources of funding for the Program. The Bank can leverage the funding it receives from time to time, allowing the Bank to maximize its loan capability by issuing revenue bonds to meet funding needs.

In 2021, the Bank adopted a new State Revolving Fund Revenue Bond Indenture of Trust, which allows the Bank to issue both Clean Water and Drinking Water State Revolving Fund Revenue Bonds. The Bank had previously maintained separate indentures for two SRF programs, and while there are Bank bonds outstanding under those prior indentures, the Bank does not intend to issue any further bonds under them. All Clean Water and Drinking Water Revenue Bonds will be issued under the new Indenture of Trust.

Under the RI DWSRF Program, the Bank has capitalization grants, state matching funds provided by the State of Rhode Island, and loan repayments available to make loans for eligible SRF projects.

Capitalization Grants

The Program has received to date \$414,003,500 in Federal Capitalization Grant funds but this does not include Set-aside amounts and the Bank’s American Recovery and Reinvestment Act (ARRA) award of \$19,500,000 in 2009. State Match received to date has been \$79,475,760.

Table III - Total Capitalization Grant Funding Received to Date (as of 6/30/2025)	
Capitalization Grants	\$414,003,500
State Match	\$79,475,760

State Match

Commencing with the FY2005 and all future capitalization grants, the Bank will provide the appropriate State Matching funds. For the FFY2023 capitalization grants, the State provided the entirety of the State Match requirement of \$932,200 for FFY2024 Base Grant and \$4,597,000 for FFY2024 IJJA General Supplemental Grant. The State has provided State Matching Funds to appropriate to future capitalization grants in the amount of \$16,565,450.

As of June 30, 2025, the State match requirement for the FFY2024 Base and IJA General Supplemental Grants have been committed to projects. Attachment P contains a table showing the cumulative state match received for each capitalization grant, along with any excess match available for future grants.

Loan Terms and Fees

Rhode Island's DWSRF program offers an economic benefit to its borrowers in the form of loan interest subsidization. The standard interest rate is a reduction of 25% of the borrower's market rate of borrowing. Loans can be up to twenty years and can be structured to meet the repayment abilities unique to each borrower. Loan fees include a 1% loan origination fee and a 30-basis point service fee on the outstanding balance of the loan. Interest is collected twice annually, and principal is collected once annually. The Bank uses those fees to cover expenses associated with operating the Program. During SFY25, the Bank generated \$1,529,775.78 in fee revenue from its DWSRF loan portfolio.

Updates on SFY25 Anticipated Loan Commitments:

The Bank and RIDOH have continued to progress several projects listed on the SFY25 Intended Use Plan. The following loans have closed, and their associated projects are now in progress:

- Providence Water – Replacement of Lead Service Lines - \$26,300,000
- Town of Scituate/Scituate Schools – Drinking Water System Upgrades at Scituate Middle and High School - \$1,000,000
- Quonochontaug Central Beach Fire District - Modification and Expansion of Existing Water Treatment Facility - \$1,550,000
- Scituate Housing Authority (Rockland Oaks) - Water System Upgrades and Connection to Scituate Middle and High Schools Water System - \$1,662,100
- Prudence Island Water District - Permanent Chlorination System and Iron and Manganese Pretreatment - \$3,887,450
- Lincoln Water Commission – Saylesville Watermain Replacements and Lead Service Line Replacements - \$5,000,000

A number of projects that were anticipated to move forward in SFY25 remain in the pipeline. Projects that have not closed loans in SFY25, and a brief explanation of their status, can be found here:

- Prudence Park Water Association – Mandated system and well upgrades for SDWA compliance - \$100,000
 - The Prudence Park Water Association received a RIDOH Certificate of Approval on July 16, 2025. Shortly after, the Bank presented this project to our Board of Directors for final approval at the August 4th meeting. The Bank anticipates closing a loan to the Association in September or October of 2025.
- Town of Burrillville - System Development for new Burrillville-Mohegan Water Department entity - \$23,000,000
 - The Town of Burrillville is currently proceeding with planning and design elements of the new Burrillville-Mohegan water system project, funded by a \$1,000,000 allocation through the Bank and RIDOH's Emerging Contaminants in Small or Disadvantaged Communities Grant program. Following the creation of designs, the Town anticipates seeking DWSRF financing, and is expected to apply in SFY26.
- Lincoln Water Commission – Five Drinking Water Infrastructure Projects - \$14,180,000

- The Lincoln Water Commission has closed on a \$5,000,000 loan for the Saylesville Watermain Replacement project. Additionally, the Town of Lincoln and Commission have closed on a \$1,000,000 loan through the Bank's Municipal Road and Bridge program to complete the School Street Watermain Rehabilitation project. These projects were contemplated as part of the \$14,180,000 funding request. The Commission will incrementally seek financing for the three remaining projects, including the Old River Road Water Storage Standpipe Replacement, Albion Road Pump Station Rehabilitation, and Old Louisquisset Pike Pump Station Rehabilitation projects, in SFY26 and upcoming funding rounds.
- Kingston Water District – Design and Installation of a Treatment Facility at Kingston's Well #3 for PFAS removal activities - \$15,000,000
 - The Kingston Water District is actively moving through the DWSRF application and review processes. The District has applied to the Bank and received board approvals. Completed designs are expected to be submitted to RIDOH in September 2025. The Bank anticipates receiving a Certificate of Approval and closing the loan in Q3 of SFY26.
- Town of Richmond – Three Drinking Water Projects - \$675,000
 - The Bank had closed a loan in the amount of \$300,000 to the Town of Richmond for a Chlorination System in May 2024. This project was contemplated as part of the \$675,000 funding request. In July 2025, the Bank and RIDOH met with the Town and their engineers to discuss remaining projects. It is the intent of the Town to request financing for their Meter Read Software and Technology Replacement and Storage Tank Mixing Systems projects, totaling \$215,000, in SFY26.
- Town of North Kingstown – Replacement Well to Address PFAS Contamination - \$10,000,000
 - The Town of North Kingstown remains in active discussions with the Bank and RIDOH. It is the intent of the town to apply for a planning and design loan to finance initial elements of the project (estimated at about \$750,000) in SFY26 and will proceed with an additional request for remaining project costs following the approval of their designs.

ADDITIONAL SUBSIDIZATION

Additional subsidization will be given to small drinking water system borrowers. Principal forgiveness will be given to small drinking water system projects that are on the PPL list, have a certificate of approval, and are ready to proceed. "Emergency" water quality projects will be given priority regardless of PPL ranking. Each qualifying drinking water small system will be eligible to receive at a minimum \$100,000 in principal forgiveness funds (unless project size is below \$100,000), subject to the availability of funds. If there is insufficient demand from small systems, any remaining principal forgiveness funds may be allocated to other drinking water applicants.

Under the Congressional Additional Subsidy Authority, the Bank is required to use a specific percent of the Base Capitalization Grant to provide additional subsidy to eligible recipients in the form of principal forgiveness or grants. In addition, through IJJA, the SDWA mandates that states use at least 12% (but no more than 35%) of the Base FFY 2024 Capitalization Grant to provide subsidy to Disadvantaged Communities in the form of principal forgiveness or grants.

IIJA

The IIJA General Supplemental and Lead Service Line Replacement Grants each require 49% of the respective portions to be provided as additional subsidy to Disadvantaged Communities. The IIJA Emerging Contaminants require 100% to be provided as additional subsidy, with 25% of Capitalization grant funds directed to Disadvantaged Communities or public water systems serving fewer than 25,000 people.

Subsidy Progress

In SFY 2025, the FFY 2020, FFY 2021 and FFY 2022 (Base) additional subsidy requirements were met. See Attachment D for the details.

As of June 30, 2025 (SFY 2025), the FFY 2020 minimum subsidy requirement of \$2,202,200 has been fully met. This includes \$1,541,540 (14%) allocated from the appropriation subsidy to projects. The SDWA subsidy requirement for FFY 2020, totaling \$660,660, has also been satisfied.

The FFY 2021 minimum subsidy requirement of \$2,251,680 has been fully met, including \$1,573,800 (14.05%) from the appropriation subsidy allocated to projects. The SDWA subsidy requirement of \$677,880 for FFY 2021 has also been satisfied, with \$942,224 (8.41%) assigned to projects.

The FFY 2022 Base minimum subsidy requirement of \$1,822,080 has been fully met, with \$981,120 (14%) of the appropriation subsidy allocated to projects. The SDWA subsidy requirement of \$840,960 (12%) has also been satisfied, with the full amount assigned to projects.

The FFY 2022 IIJA General Supplemental SDWA subsidy requirement of \$8,816,080 has been fully met, with the entire amount (\$8,816,080 or 49%) allocated to projects.

The FFY 2022 IIJA Lead Service Line Replacement subsidy requirement of \$14,967,050 has been fully met, with the entire amount (\$14,967,050 or 49%) allocated to projects.

The FFY 2022 IIJA Emerging Contaminants subsidy requirement of \$7,555,000 has not yet been met, with no funds allocated to projects as of June 30, 2025.

The FFY 2023 Base minimum subsidy requirement of \$1,283,880 has not yet been met, with only \$477,000 (9.66%) allocated to projects. However, the SDWA subsidy requirement of \$592,560 has been fully satisfied, with the entire amount (\$592,560 or 12%) allocated to projects as of June 30, 2025.

The FFY 2023 IIJA General Supplemental SDWA subsidy requirement of \$10,316,950 has not yet been met, with only \$1,018,090 (4.84%) allocated to projects.

The FFY 2023 IIJA Lead Service Line Replacement subsidy requirement of \$14,038,500 has not yet been met, with only \$10,855,950 (37.89%) allocated to projects.

The FFY 2023 IIJA Emerging Contaminants subsidy requirement of \$7,640,000 has not yet been met, with no funds allocated to projects as of June 30, 2025.

The Bank anticipates committing the additional subsidy by the end of fiscal year 2026. To improve outreach and fulfill additional subsidization requirements, the Bank and RIDOH will continue to utilize the Northeast Water Solutions contract to assist small systems with financing and project guidance.

Additionally, the Bank is providing small systems with a list of attorneys that can assist with the legal aspects of obtaining DWSRF financing.

The Bank anticipates assigning the remaining subsidies to several projects across various system categories, including small systems, disadvantaged communities, and schools. Additionally, several Emerging Contaminant and Lead Service Line Replacement projects are expected to absorb the remaining IJA Emerging Contaminant, IJA Lead Service Line, and IJA General Supplemental subsidies currently available to the Bank. A description of the anticipated loans that will utilize these subsidies is detailed in the “IJA General Supplemental Capitalization Grants and Subsidy Progress,” “IJA Lead Service Line Replacement Capitalization Grants and Subsidy Progress,” and “IJA Emerging Contaminants Capitalization Grants and Subsidy Progress” sections below. The Bank and RIDOH expect to allocate the remaining FFY 2022, FFY 2023 and FFY 2024 subsidies to several borrowers and are actively working toward our goal of assigning all remaining subsidies by the end of SFY26.

Subsidy Disbursements

The Bank is required to demonstrate that the minimum additional subsidy for each capitalization grant has been disbursed. To demonstrate that the minimum subsidy requirements have been met and the subsidy disbursed, the Bank has prepared Attachment D “Grant Requirements Progress Report” that shows the minimum subsidy required and the additional subsidy disbursed by project and capitalization grant.

The FFY 2020 minimum additional subsidy requirement of \$2,202,200 has been met with \$2,202,200 disbursed in SFY 2025. The Bank submitted the closeout paperwork in June 2025.

The FFY 2021 minimum additional subsidy requirement of \$2,251,680 has met with \$2,516,024 disbursed in SFY 2025. The Bank submitted the closeout paperwork in June 2025.

The FFY 2022 Base additional subsidy requirement of \$1,822,080 has been met with \$1,822,080 disbursed in SFY 2025.

The FFY 2022 IJA General Supplemental additional subsidy requirement of \$8,816,080 has not yet been met, with only \$1,586,362.78 disbursed in SFY 2025. A balance of \$7,229,717.22 remains to be disbursed in FY 2026. The Bank intends to disburse the remaining FFY 2022 IJA General Supplemental subsidy requirement by the end of fiscal year 2026.

The FFY 2022 IJA Lead Service Line Replacement additional subsidy requirement of \$14,967,050 has not yet been met, with only \$3,653,983.84 disbursed in SFY 2025. A balance of \$11,313,066.16 remains to be disbursed. The Bank intends to fully disburse the subsidy amount by the end of fiscal year 2026.

The FFY 2023 Base additional subsidy requirement of \$1,283,880 has not yet been met, with only \$374,861.26 disbursed in SFY 2025. The Bank intendeds to fully disburse the subsidy amount by the end of fiscal year 2026.

Base Capitalization Grants and Subsidy Progress

The Bank is prioritizing projects to be funded with FFY 2023 and 2024 (FFY23 and FFY24) Base subsidies, focusing on improving water infrastructure and addressing critical public health concerns. The Bank currently has \$102,138.74 in FFY23 Base subsidy remaining for disbursement, with an additional \$214,320 available for allocation. In FFY24 Base funds, \$1,211,860 in subsidies remain available, and the Bank anticipates committing and expending these funds in SFY26.

The projects expected to receive FFY23 and FFY24 Base funding and subsidies have experienced delays for various reasons. Primarily, several projects have not yet obtained a Certificate of Approval to proceed with financing, and others are not ready to advance due to various preparation and planning issues. Additionally, some eligible projects are still undergoing the RIDOH approval process. These factors have contributed to the postponement of the anticipated expenditures of Base funding and subsidies.

The projects expected to receive Base funds and subsidies in SFY26 include:

Table IV

Client	Project	Amount Requested	Est. Closing Date
Prudence Park Water Association	Mandated system and well upgrades for SDWA compliance.	\$100,000	October 2025
Providence Water	Trinity Square and Lower South Providence watermain rehabilitation project.	\$21,000,000	December 2025
Town of Richmond	Pump house improvements; Water storage tank improvements.	\$200,000	February 2026
Kingston Water District	Desing and replacement of 2.5 miles of undersized and aged watermain.	\$5,000,000	February 2026
City of Woonsocket	River St. and Singleton St. watermain replacements.	\$1,600,000	April 2026
City of Warwick	Replacement of failed check valve on transmission feed to the city.	\$2,500,000	May 2026
City of Warwick	Replacement of Transmission Line on Lincoln Ave.	\$3,000,000	June 2026
Touisset Point Water Trust	New water meters and backflow preventers.	\$200,000	June 2026
Town of Westerly	New waterline for transfer station.	\$1,200,000	June 2026
Total:		\$34,800,000	

The following milestones are presented in the order projects typically progress. Loans expected to receive Base funding and subsidies are listed under each milestone to show their status in the DWSRF financing process:

- Project submission and ranking on RIDOH Project Priority List
 - All projects have completed this phase.

- Development and submission of engineering specifications to RIDOH Center for Drinking Water Quality Engineering Team
 - The Town of Richmond, City of Woonsocket, the City of Warwick (two projects), Touisset Point Water Trust, and Town of Westerly projects are currently in this phase.
- Submission of environmental review request to RIDOH Center for Drinking Water Quality
 - The Kingston Water District project is currently in this phase.
- Issuance of Request for Proposals (RFP) for contractor solicitation
- Submission of financial application package to the Bank (can occur at any time)
- Submission of Application for DWSRF Certificate of Approval
- Presentation to the Bank’s Board of Directors for financing approval
 - The Providence Water project is currently in this phase.
- Following Board approval, pricing and closing of the loan
 - The Prudence Park Water Association project is currently in this phase.

IIJA General Supplemental Capitalization Grants and Subsidy Progress

The Bank is prioritizing projects to be funded with Federal Fiscal Year 2022, 2023, and 2024 (FFY22, FFY23 and FFY24) General Supplemental subsidies, focusing on improving water infrastructure and addressing critical public health concerns. Currently, the Bank has \$7,229,717.22 in subsidies remaining to be disbursed in FFY22 IIJA General Supplemental Grant. The Bank has \$1,018,090 in subsidies remaining to be disbursed in FFY23 IIJA General Supplemental, and \$9,298,860 in subsidies still available for allocation, and \$11,262,650 available to commit in FFY24 IIJA General Supplemental funds and anticipates expending the funds in SFY26.

The projects expected to receive General Supplemental subsidies have experienced delays for various reasons. Primarily, several projects have not yet obtained a Certificate of Approval to proceed with financing, and others are not ready to advance due to various preparation and planning issues. Additionally, some eligible projects are still undergoing the RIDOH approval process. These factors have contributed to the postponement of the anticipated expenditures of General Supplemental subsidies.

The projects expected to receive General Supplemental funds and subsidies in SFY26 include:

Table V

Client	Project	Amount Requested	Est. Closing Date
Prudence Park Water Association	Mandated system and well upgrades for SDWA compliance.	\$100,000	October 2025
Providence Water	Trinity Square and Lower South Providence watermain rehabilitation project.	\$21,000,000	December 2025
Town of Richmond	Pump house improvements; Water storage tank improvements.	\$200,000	February 2026
Kingston Water District	Desing and replacement of 2.5 miles of undersized and aged watermain.	\$5,000,000	February 2026

City of Woonsocket	River St. and Singleton St. watermain replacements.	\$1,600,000	April 2026
City of Warwick	Replacement of failed check valve on transmission feed to the city.	\$2,500,000	May 2026
City of Warwick	Replacement of Transmission Line on Lincoln Ave.	\$3,000,000	June 2026
Touisset Point Water Trust	New water meters and backflow preventers.	\$200,000	June 2026
Town of Westerly	New waterline for transfer station.	\$1,200,000	June 2026
Total:		\$34,800,000	

While the projects anticipated to receive the FY22 General Supplemental subsidy do not yet cover the full amount expected to be expended in SFY26, the Bank and RIDOH are actively engaged in discussions with several additional projects likely to qualify for subsidies. A significant percentage of projects listed on the PPL are considered small, disadvantaged, or are school projects eligible for principal forgiveness subsidies. Through ongoing outreach efforts targeting these groups, both the Bank and RIDOH are working to promote the DWSRF and advance these projects.

The following milestones are presented in the order projects typically progress. Loans expected to receive IJA General Supplemental funding and subsidies are listed under each milestone to show their status in the DWSRF financing process:

- Project submission and ranking on RIDOH Project Priority List
 - All projects have completed this phase.
- Development and submission of engineering specifications to RIDOH Center for Drinking Water Quality Engineering Team
 - The Town of Richmond, City of Woonsocket, the City of Warwick (two projects), Touisset Point Water Trust, and Town of Westerly projects are currently in this phase.
- Submission of environmental review request to RIDOH Center for Drinking Water Quality
 - The Kingston Water District project is currently in this phase.
- Issuance of Request for Proposals (RFP) for contractor solicitation
- Submission of financial application package to the Bank (can occur at any time)
- Submission of Application for DWSRF Certificate of Approval
- Presentation to the Bank’s Board of Directors for financing approval
 - The Providence Water project is currently in this phase.
- Following Board approval, pricing and closing of the loan
 - The Prudence Park Water Association project is currently in this phase.

IJA Emerging Contaminants Capitalization Grants and Subsidy Progress

The Bank, under the IJA Emerging Contaminant program, is prioritizing projects that address emerging contaminants in drinking water, with a particular emphasis on perfluoroalkyl and polyfluoroalkyl substances (PFAS). These contaminants are of growing concern due to their persistence in the

environment and potential health risks. While PFAS is the primary focus, the Bank is also open to funding projects targeting other contaminants listed on the EPA’s Contaminant Candidate Lists.

The Bank currently has \$21,991,413 available for emerging contaminant projects. However, this falls short of the anticipated loan commitments for State Fiscal Year 2026 (SFY26). To bridge this gap, the Bank has applied for an additional \$7,640,000 in funding through an Emerging Contaminants Capitalization Grant for FFY 2025.

Despite having these funds available, The Bank and RIDOH have not yet spent them due to the significant planning efforts required to advance the projects. The scale of addressing emerging contaminants involves extensive preparation, which has delayed project readiness. In October 2024, the Bank, RIDOH, and prominent engineering firms in the emerging contaminant sector hosted a widely attended financing webinar on pertinent federal and state regulations, common remediation techniques, and funding availability (including the IJIA Emerging Contaminants program) that was widely attended. To facilitate progress, the Bank will continue its outreach efforts.

IJIA Emerging Contaminants funding, as dictated in the Drinking Water State Revolving Fund Intended Use Plan, will be provided in the form of 100% principal forgiveness loans, with at least 25% targeted at disadvantaged communities or public water systems serving a population of 10,000 or less. The projects expected to receive funding and subsidies in SFY26 include:

Table VI

Client	Project	Amount Requested	Est. Closing Date
Kent County Water Association	Design and construction of a new water treatment facility, including PFAS and manganese treatment systems.	\$25,000,000	December 2025
Town of North Kingstown	Replacement for well contaminated with PFAS.	\$10,000,000	December 2025
Kingston Water District	Design and installation of a treatment facility at Kingston Well Three to remove PFAS.	\$15,000,000	March 2026
University of Rhode Island	Installation of permanent PFAS treatment.	\$1,700,000	April 2026
Town of Westerly	Installation of permanent PFAS treatment.	\$23,000,000	June 2026
Total:		\$74,700,000	

Status updates, including completed and upcoming milestones, for projects expected to receive IJA Emerging Contaminant funding and subsidies are as follows:

- Kent County Water Authority
 - The Kent County Water Authority project continues to progress through the RIDOH approval process. A pilot study proposal has been submitted and approved by RIDOH (6/24). An environmental review request has been submitted and is nearing completion. Additionally, the Authority has submitted a financial application package and received Bank Board of Director approval on their loan. The Bank and RIDOH anticipate receiving final approvals (RIDOH Certificate of Approval) and proceeding with closing in December 2025.
- Town of North Kingstown
 - The Town of North Kingstown anticipates proceeding with a planning and design loan to reimburse costs incurred during the development of engineering specifications in late 2025 or early 2026. The Town has been in active conversations with the Bank regarding their intention to finance their project through the DWSRF. The Town is continuing conversations with bordering municipalities for clearance to complete some work outside of Town of North Kingstown given the scope of the work. The Bank and RIDOH anticipate moving forward with a planning and design loan shortly. After plans are developed and approved by RIDOH, the Town is expected to submit an additional application for implementation funds. The two loan tranches are expected to total \$10,000,000.
- Kingston Water District
 - The Kingston Water District is actively working with their engineers to create specifications for their project and anticipate submitting them to RIDOH in September 2025. RIDOH additionally met with the District and their engineers to discuss their pilot study. The project has received Bank Board approval and anticipates proceeding with financing in March 2026.
- University of Rhode Island
 - The University of Rhode Island is in active conversations with the Bank and RIDOH. The project consists of additional measures to complete the system's permanent PFAS treatment project. The project was primarily funded by an allocation by the State of Rhode Island's Capital Plan Fund; however, the University was directed to pursue DWSRF financing to cover any remaining gaps in their capital stack. The University has coordinated with RIDOH to include DWSRF compliance requirements within their design-build procurement solicitation. The Request for Proposals was formally issued on September 16, 2025. The project is anticipated to proceed with financing in April 2026.
- Town of Westerly
 - The Town of Westerly is in active conversations with the Bank regarding their PFAS project. Currently, the town is working on soliciting a qualified engineering firm with PFAS-experience and anticipate proceeding with financing once project specifications and an environmental review request are submitted to the Department of Health and approved. The Town is in the initial stages of project development, but following outreach and an explanation of available subsidies, the Town anticipates seeking financing in SFY26.

IIJA Lead Service Line Replacement Capitalization Grants and Subsidy Progress

The Bank and RIDOH continue to prioritize projects that replace public and private lead service lines. The Bank currently has \$14,967,050 in FFY2022 subsidies committed to projects and has disbursed \$11,313,066.16. Additionally, the Bank has \$3,182,550 in subsidies remaining in FFY2023 to allocate to projects, and \$14,038,500 in subsidies remaining in FFY2024 to allocate to projects. IIJA Lead Service Line Replacement funding, as dictated in the Drinking Water State Revolving Fund Intended Use Plan, will be provided at a 0% interest rate, with at least 49% provided as principal forgiveness to disadvantaged communities classified as tier 1 or tier 2 entities per the Bank's SFY25 and SFY26 Affordability Criteria. Additionally, the Bank may provide principal forgiveness subsidies to tier 3 entities should no tier 1 or tier 2 applicants apply.

In SFY25, the Bank closed on a \$26.3 million loan to Providence Water (tier 2 disadvantaged community) to continue lead service line replacements in the system's service area. This project received \$12,877,000 in IIJA Lead Service Line principal forgiveness subsidies.

The projects expected to receive funding in SFY26 include:

Table VII

Client	Project	Amount Requested	Est. Closing Date
Kent County Water Authority	Replacement of lead and galvanized service lines.	\$2,300,000	December 2025
Providence Water	Replacement of lead service lines	\$26,200,000	December 2025
Pawtucket Water Supply Board	Replacement of private-side lead service lines.	\$15,000,000	March 2026
Total:		\$51,700,000	

Milestones for these projects, listed in the order projects typically progress, include:

- Project submission and ranking on RIDOH Project Priority List
- Development and submission of engineering specifications to RIDOH Center for Drinking Water Quality Engineering Team
- Submission of environmental review request to RIDOH Center for Drinking Water Quality
- Submission of financial application package to the Bank (can occur at any time)
- Submission of application for DWSRF certificate of approval
- Presentation to the Bank's Board of Directors for financing approval
- Following Board approval, pricing and closing of the loan

INTEREST EARNINGS & REPAYMENTS

The Program received \$30,321,344.35 and \$8,159,074.38 in principal and interest payments in SFY 2025. To date, no payment defaults have occurred.

USE OF DWSRF FUNDS

The DWSRF provides loans for up to 100% of eligible project and finance costs, consistent with Federal limitations on the use of DWSRF funds, with the State determining eligibility based on State developed criteria. RIDOH has developed the project priority determination system and has prepared the PPL for this fiscal year. The Bank will fund projects that appear on the approved PPL in the order in which they appear and to the extent that the borrowers access the fund. The Program in total has provided \$735,427,671 through June 30, 2025, in loans to public and private water systems. Monies have been used for water infrastructure improvement projects, such as water meter replacements, tank replacements, well rehabilitations, and distribution system improvements.

BINDING COMMITMENTS

During SFY 2025 the Bank disbursed \$31,733,902.83 in construction funds to ongoing planning, design, and construction projects. A binding commitment occurs when a borrower has secured both a loan agreement from the Bank and a Certificate of Approval (CA) from RIDOH. In SFY 2025 the Bank entered into six Binding Commitments with a gross value of \$34,481,550. This includes a total of \$26,300,000 in BIL Lead Service Line Replacement projects. Borrowing communities may sign loan agreements for multiple projects and the CA for a specific project can be issued in the current state fiscal year and/or following fiscal years. See Attachment A for the list of loans.

LOAN PAYMENT REQUISITION PROCESS

Borrowers submit requisition forms to the Bank for engineering or construction costs associated with the projects on a weekly basis. The Bank, in conjunction with RIDOH, reviews the requisitions, and after approval, payment is made directly to the vendor, or in some cases, to reimburse the Borrower for pre-paid invoices. The Bank will process draw requests as they are submitted. We will also allow multiple disbursement requests to be submitted in a single month under any of our loan programs.

PROJECT BY-PASS/PROJECT PRIORITY SYSTEM

The established by-pass procedures were utilized for the awards of the Certificates of Approval for these projects outlined in Attachment A. Ranking was not pertinent for this reporting period.

The State of Rhode Island uses a point system to rank the order in which eligible drinking water projects will receive funding from the DWSRF. Projects which address acute public health issues will receive highest priority. The next priority is given to projects that address chronic and long-term public health issues. The ranking criteria also consider issues related to compliance with the SDWA, infrastructure upgrading and replacement, green project reserve and the need for assistance based on affordability. Finally, the ranking criteria award additional points to projects addressing emerging contaminants and replacing lead service lines.

GREEN INFRASTRUCTURE

The PPL was formatted in accordance with EPA requirements of Green Project Reserve (GPR) and the base DWSRF program. Although the State chose to opt-out of the GPR for this reporting period, the format will remain the same in the event this option is no longer available in the future.

AMERICAN IRON AND STEEL (AIS)

In accordance with the reporting requirements of P.L. 113-76, Consolidated Appropriations Act, 2014, the RIDWSRF program follows the provisions of the American Iron and Steel requirements as follows:

In SFY 2025, six loans were executed. Below are project status details:

Table VIII

Client	Loan	Project Description	Closing Date
Town of Scituate	SCIT-DW-FY25	Drinking water system upgrades at Scituate Middle and High Schools	7/25/2024
Shannock Water District	SHWD-DW-FY25	Purchase and installation of an emergency back-up generator to replace the existing, non-functioning generator.	10/1/2024
Quonochontaug Central Beach Fire District	QCBF-DW-FY25	Modification and expansion of existing water treatment facility; installation of chlorination equipment and green sand filtration system	12/4/2024
Scituate Housing Authority	SCHA-DW-FY25	Rockland Oaks System Upgrades and Interconnection	3/13/2025
Prudence Island Water District	PRUD-DW-FY25	Permanent Chlorination and Iron and Manganese Pretreatment	4/4/2025
Providence Water	PRVW-DW-FY25	Lead Service Line Replacement	4/28/2025

1. The loan to the Town of Scituate was executed on July 25, 2024. The certificate of approval was issued on November 10, 2023. The loan was to fund upgrades to the Scituate Middle and High School water system, including an expansion of capacity to accommodate the interconnection between the school water system and the adjacent Scituate Housing Authority (Rockland Oaks) facility.
2. The loan to the Shannock Water District was executed on October 1, 2024. The certificate of approval was issued on August 1, 2024. The loan was to fund the purchase and installation of an emergency back-up generator to replace the existing, non-functioning generator.
3. The loan to the Quonochontaug Central Beach Fire District was executed on December 4, 2024. The certificate of approval was issued on May 7, 2024. The loan was to fund modifications and expansion of an existing water treatment facility. Additionally this loan provides funding for the procurement and installation of chlorination equipment and a green sand filtration system.
4. The loan to the Scituate Housing Authority was executed on March 13, 2025. The certificate of approval was issued on February 21, 2025. The loan was to fund improvements to the Rockland Oaks water system and an interconnection between the Housing Authority and the adjacent Scituate Middle and High School water system.
5. The loan to the Prudence Island Water District was executed on April 4, 2025. The certificate of approval was issued on February 13, 2025. The loan was to fund the purchase and installation of a permanent chlorination system at all of the District's wells. Additionally, the funding provided

for iron and manganese pretreatment at the District's Indian Spring Wells. Construction is expected to begin on August 23, 2025.

6. The loan to Providence Water was executed on April 4, 2025. The certificate of approval was issued on March 5, 2025. The loan was to fund the continuation of public and private-side lead service line replacements in the system's service area.

BUILD AMERICA BUY AMERICA (BABA)

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA) making the American Iron and Steel (AIS) procurement requirement permanent for DWSRF construction projects going forward. IIJA also added a new Build America, Buy America Act of 2021 (BABA) requirement to the DWSRF program. BABA expands existing American Iron and Steel (AIS) requirements to include construction materials and manufactured goods. The effective date of BABA is May 14, 2022, which means any grants awarded on or after that date must be fully compliant with BABA unless they qualify for the waivers. The Federal Office of Management and Budget (OMB) released program guidance to agencies on April 18, 2022. Systems may be eligible for a general applicability waiver or apply for a project specific waiver. The three general applicability waivers that some Rhode Island systems have been eligible for include:

- 1) Adjustment Period Waiver of Section 70914(a) of P.L. 117-58, Build America, Buy America Act, 2021 for SRF Projects that have Initiated Design Planning
- 2) De Minimis General Applicability Waiver of Section 70914(a) of P.L.117-58, Build America, Buy America Act, 2021 for U.S. Environmental Protection Agency Financial Assistance Awards and Procurements
- 3) Small Project General Applicability Waiver of Section 70914(a) of P.L. 117-58, Build America, Buy America Act, 2021 for U.S. Environmental Protection Agency Financial Assistance Awards.

SMALL SYSTEMS

The Bank and RIDOH are committed to achieving the 15% small system requirement. The SDWA requires that 15% of available funding be dedicated to small systems that regularly serve less than or equal to a population of 10,000. The Bank and RIDOH are working towards achieving the goal by streamlining the loan process, creating a pipeline of projects and continuing outreach efforts to small systems.

Per the Federal requirement, the State will use 20% of the DWSRF capitalization grant as principal forgiveness. All small water systems, serving 10,000 users or fewer, listed on the project priority list are eligible to receive up to \$100,000 in principal forgiveness subject to the availability of funds. Small water system projects addressing contamination issues receive priority for this funding, and disadvantaged very small systems receive priority for additional principal forgiveness funding. Funding decisions are made by considering their ranking on the project priority list combined with their readiness to proceed.

The Bank and the RIDOH are committed to providing a targeted approach that involves education, outreach, and technical, financial assistance, and streamlining the processes to provide an enhanced level of service to Rhode Island's small drinking water systems.

RIDOH contracts with industry partners and vendors to provide services that prepare small public water systems to prepare for infrastructure upgrades, solicit funding, complete projects, and sustain strong financial and managerial practices. As a condition of eligibility, all small systems must have a Facilities Improvement Plan completed either independently or by the vendor with which RIDOH contracts. This

document serves as a planning tool for both short- and long-term capital project needs. Additionally, RIDOH contracts with an industry vendor to provide engineering services to small public water systems, which range from completion of engineering plans and specifications to bidding assistance, project oversight, and compliance with federal requirements. Likewise, as a condition of eligibility, the small system must participate in financial and managerial training. RIDOH contracts with an industry vendor to provide these services.

EDUCATION & OUTREACH

The DWSRF program views customer engagement as a critical step in cultivating and maintaining relationships with both existing and potential borrowers. Below are steps that the Bank and RIDOH are undertaking to achieve the small drinking water system requirement:

- The Bank and RIDOH will meet with every small drinking water system that has a project on the PPL;
- The Bank will compile a small drinking water system client list and, on an annual basis, host informational sessions about the Program in partnership with RIDOH;
- RIDOH and the Bank regularly attend small drinking water system association meetings such as the Atlantic States Rural Water & Wastewater Association, and the Rhode Island Water Works Association;
- RIDOH will proactively market the DWSRF program during sanitary surveys and with systems that are not in compliance with State Drinking Water Regulations; and
- RIDOH, in partnership with the Bank, will proactively reach out to small systems, that are known to need improvements, during the yearly PPL development process to ensure applications for projects are received.

TECHNICAL ASSISTANCE

- The Bank, in partnership with RIDOH, will hold workshops for small drinking water systems to understand the project financing process and to ensure that they understand required Federal reporting requirements and processes for participating in the Program;
- The Bank will design marketing materials specifically targeted towards small drinking water systems;
- The Bank will assist with income surveys to disadvantaged very small systems to assist with the affordability analysis needed when considering additional principal forgiveness commitments over and above the \$100,000;
- The Bank and RIDOH will identify other funding and financing programs that have the potential to co-fund projects with financing;
- The Bank will assist small drinking water systems with energy efficiency technical assistance, such as energy audits through partnership with Rhode Island Energy's energy efficiency team; and
- RIDOH will provide direct technical assistance to assist the PWS to complete the certificate of approval process.

STREAMLINE & IMPROVE THE PROCESS FOR SMALL SYSTEMS

- RIDOH will create a packet of materials, templates, and guidance documents for the certificate of approval process;

- The Bank will create a packet of materials, templates, and guidance documents for the loan approval process; and
- RIDOH will refer systems to FIP and capacity development services once the PPL is finalized.

FINANCING INCENTIVES

- Small drinking water systems will receive preference over other applicants to access principal forgiveness funds through the PPL.
- To be eligible to receive principal forgiveness, projects must be on the PPL and have a Certificate of Approval. Those projects that are ready to proceed will be given priority. Readiness to proceed will be deemed as having either an RFP for engineering services to design the project, final bids in hand for engineering or construction services, or a signed engineering or construction contract. Emergency water quality projects will be given first priority regardless of PPL ranking.
- Each qualifying drinking water small system will be eligible to receive at a minimum \$100,000 in principal forgiveness funds (dependent upon project size), subject to the availability of funds.
- Each calendar year, small drinking water system applicants have until December 1st to ensure that they have all their Bank and RIDOH application documentation and approvals in place prior to the March DWSRF financing. Principal forgiveness allocations will be determined by the Bank prior to December 31st.
- Should there not be enough small system demand, principal forgiveness may be allocated amongst other drinking water applicants.

DISADVANTAGED COMMUNITY PROGRAM

To assess affordability needs in the DWSRF, Rhode Island has established an Affordability Criteria for its municipalities and drinking water utilities. Entities with an Affordability Index less than the statewide average may qualify for additional subsidization in the form of principal forgiveness. Indexed entities are grouped into tiers, with tiers well below the statewide average qualifying for increased levels of subsidization.

Once every two years, prior to the release of the Intended Use Plan for the state fiscal year, the Bank shall use current data, funding availability and expected loan volume to update the calculation, tiers and thresholds; the Bank may also establish additional eligibility provisions at its discretion. All RI municipalities and selected drinking water entities shall be indexed along with selected drinking water and wastewater entities. Additional entities can be indexed on an as-needed basis.

The Bank has conducted affordability calculations updates and has approved affordability criteria for the SFY 2025 and SFY 2026 IUP in line with the goals of the Infrastructure Investment and Jobs Act to reach disadvantaged communities (DWSRF SFY26 IUP Section VII. Disadvantaged Community Program). The purpose of the affordability criteria is to determine which potential borrowers are eligible for the additional subsidization that was authorized by the IJA and with the appropriation of the base capitalization grant. The criteria take into consideration income, employment rate, and population trends. The RI DWSRF Program also grouped the entities into tiers of eligibility for increased levels of subsidization. The new criteria were applied to borrowers in SFY 2025 and provided for loans with additional subsidy to those eligible entities, as listed in Attachment F.

EMERGENCY CONSTRUCTION PROGRAM

The emergency construction fund will provide loans to PWS that have experienced a recent unexpected event that poses a serious threat to public health, welfare, or water supply. Projects must meet the eligibility criteria but do not need to be on the project priority list and are eligible for principal forgiveness. RIDOH has the discretion to determine what constitutes an emergency and can also waive provisions of the standard approval process. However, waivers of some of the requirements require a state of emergency declaration by the governor.

EMERGENCY POWER GENERATOR INITIATIVE

Included in the small water systems comprehensive strategy will be a focus of accelerating improvements, including the installation of emergency generators or renewable energy systems, that will increase the resiliency of small water systems to impacts of extreme weather events. Funding for emergency generators will be available to all eligible systems. The level of financial assistance, including principal forgiveness, will be consistent with the Disadvantaged Community and Disadvantaged Very Small System Program. All eligible projects that receive a certificate of approval from RIDOH and are ready to proceed may be funded.

LOAN DISBURSEMENTS

Approximately \$31,733,902.83 in disbursements were made during July 1, 2024 - June 30, 2025. Borrowers can draw down weekly per loan series.

SET-ASIDE ACTIVITY STATUS

The Administrative Set-Asides, (Base and BIL General Supplemental, Emerging Contaminants, and Lead Service Lines Grants), were accessed during this reporting period for various administrative initiatives. Most funds from this set-aside paid salaries and associated expenses for RIDOH to administer the programmatic aspects of the DWSRF. Other expenses include payment to Bank consultants for program development work. From July 1, 2024 - June 30, 2025, RIDOH and the Bank utilized \$786,242.76 and \$481,541.50 respectively. The Bank used the funds to pay for the Bank's operating expenses. A total of \$1,267,784.26 was drawn out of the below capitalization grants.

Category	4D99126S22	4D99126S23	4D99126S24	4E99126E23	4E99126E24	4L99126L23	4L99126L24
DD	\$93,801.60	\$252,032.41	\$384,361.50	\$80,713.53	\$27,482.91	\$114,091.75	\$15,226.83

FS99126121	FS99126122	FS99126123	FS99126124	Grand Total
\$3,960.00	\$152,584.75	\$50,308.98	\$93,220.00	\$1,267,784.26

The set-aside funds are drawn on a FIFO cash basis. There is a two- year period to spend set-aside funds. Attachment H outlines the total Base and IJA Set-aside funds requested, including banked funds for each capitalization grant.

Technical Assistance

RIDOH has submitted work plans for the Technical Assistance Set-aside for capitalization grants through FFY 2025. Technical Assistance Set-Asides (Base and BIL General Supplemental) will be used for the purpose of providing technical assistance to water systems serving less than 10,000 people. Technical Assistance set-aside funding is used to fund personnel to provide technical assistance and outreach and contracts to provide engineering services. A \$90,000 RIDOH contract for Level 2 Assessment and Circuit Rider Assistance was planned but did not come to fruition during this timeframe; it is expected in the

upcoming Fiscal Year. In SFY 2025, RIDOH utilized \$247,264.36 in Technical Assistance Set-aside dollars. A total of \$247,264.36 was drawn out of the below capitalization grants:

Category	4D99126S22	4D99126S23	FS99126123	FS99126124	Total
DE	\$94,274.81	\$51,031.44	\$98,187.08	\$3,771.03	\$247,264.36

State Program Management

RIDOH uses the State Program Management (SPM) Set-Aside (Base and BIL General Supplemental, Emerging Contaminants, and Lead Service Lines Grants) to fund various activities which are mandated by the Act:

- Maintain the Capacity Development Program to ensure that water systems have the technical, managerial, and financial capacity to meet existing and future SDWA regulations;
- Fund a portion of the Operator Certification Program;
- Fund a portion of the Drinking Water Laboratory Quality Control and Quality Assurance Officer and Laboratory Certification Officer within the Department of Health; and
- Fund existing drinking water programs including a portion of other Public Water Surveillance Program activities.

The Act requires that states meet specific mandates or risk losing a portion of their federal grant. Failure to implement a Capacity Development Program and/or Operator Certification Program that are at least as stringent as the federal guidelines will result in a state losing up to 20% of their Capitalization Grant each year. In SFY 2025, RIDOH spent \$2,182,566.42 in State Program Management Set-asides dollars. A total of \$2,182,566.42 was drawn out of the below capitalization grants.

Category	4D99126S23	4E99126E23	4E99126E24	4L99126L23	4L99126L24	FS99126122	Total
DF	\$1,468,854.49	\$35,158.17	\$115,821.62	\$33,548.87	\$64,599.60	\$464,583.67	\$2,182,566.42

Local Assistance

In SFY 2025, RIDOH spent a total of \$2,499,164.03 in Local Assistance Set-aside dollars. A total of \$2,499,164.03 was drawn out of the below capitalization grants. These Set-Asides (Base and BIL General Supplemental, Emerging Contaminants, and Lead Service Lines Grants) are for public outreach and education to promote source protection and support water system capacity, water system technical assistance, continued development of a GIS-based groundwater quality database, guidance for contract operators and facility improvement planning. Services and products will be delivered through a combination of office staff and contracted services. For the FFY24 grant, use of the BIL – Lead Service Lines Local Assistance Set-Aside was also used for a Lead Service Line Inventory and Replacement Assistance contract.

Category	4D99126S22	4D99126S23	4E99126E22	4E99126E23	4E99126E24	4L99126L22	4L99126L23
DG	\$105,917.91	\$880,934.84	\$21,325.05	\$59,098.02	\$17,056.16	\$387,829.87	\$27,602.55

4L99126L24	FS99126121	FS99126122	Total
\$47,728.11	\$125,391.20	\$826,280.32	\$2,499,164.03

FINANCIAL SUMMARY

Status of Loans

As noted above, the Bank entered into six loan agreements within this reporting period totaling \$34,481,550. The following water systems borrowed in this reporting period:

Table X

Borrower	Loan Amount	Date Closed
Town of Scituate	\$1,000,000	7/25/2024
Shannock Water District	\$77,000	10/1/2024
Quonochontaug Central Beach Fire District	\$1,555,000	12/4/2024
Scituate Housing Authority	\$1,662,100	3/13/2025
Prudence Island Water District	\$3,887,450	4/4/2025
Providence Water	\$26,300,000	4/28/2025
Total	\$34,481,550	

Investment Practices

The Bank also has investment practices for “idle” funds, the Bank puts the funds in short-term investments until the Bank can allocate those funds into the next pool of borrowing. The Bank, along with its financial advisors closely monitor their investment options. Since the inception of the DWSRF Program, loan demand had been met using direct loans, i.e., loans made with a proportionate amount of federal dollars and state match dollars; however, in March 2004 the Bank created a leveraged DWSRF Program. The leveraging ratio for the program is 2.1 to 1. As a result, the Bank can maximize its loan capability by issuing revenue bonds to meet the funding need.

Federal Cash Draw Proportionality Ratio

On November 18, 2022, the Office of Grants and Debarment (OGD) approved a permanent regulatory exception to the State Revolving Fund cash draw rules. This exception eliminates the requirement for the states to draw SRF disbursement request at a proportional federal to state ratio. It also eliminates the cap on federal funds that can be drawn for refinance projects in the first eight quarters after EPA awards a capitalization grant to the state.

FIFO (First-In, First-Out)

In 2025, the Bank formalized a First-In, First-Out (FIFO) Implementation Plan for the Drinking Water State Revolving Fund (DWSRF), following guidance from EPA. The plan ensures that older federal grant funds are used before newer ones and supports the Bank's goal of reducing unliquidated obligations (ULOs) by 25% by June 2026.

Implementation began on June 2, 2025, and is progressing well. The Bank has rolled out new reporting tools in the EnABLE system, improved disbursement review procedures, and conducted targeted staff training. Weekly monitoring and monthly reconciliations are now fully integrated into operations. Early results show improved compliance with FIFO requirements and a steady reduction in ULOs.

The FIFO Implementation Plan is provided in Attachment O.

RIDOH ACH Set-Aside Disbursements

The Bank has disbursed to RIDOH approximately \$5,715,237.57 in set-aside dollars during the SFY25 reporting period. The set-aside related cash draw and disbursement by type of set-aside and date of transaction are outlined Attachment G (Set-Aside Spending).

Annual Bond Repayments and Ageing of Accounts

The annual principal and interest repayments for the period July 1, 2024, through June 30, 2025 were \$15,650,000.00 and \$4,674,729.45 respectively.

Customer Master List

Please find the Bank's DWSRF Customer Master List for SFY 2025 as Attachment B to this document.

Investments

The period covered by this annual report had investment activity to report. Investment income for this period totaled \$5,469,695.00. All borrower project funds are invested in money market funds until drawn.

Financial Statements

The FY25 Audited Financial Statements for the Rhode Island Infrastructure Bank are attached as Attachment N to this document. Activity regarding the DWSRF is itemized in the Audit.

COMPLIANCE WITH OPERATING AGREEMENT

The Bank and the US Environmental Protection Agency, Region 1 entered into the Operating Agreement for Implementing and Managing the Drinking Water State Revolving Fund Program in August 1997. The Agency (in partnership with the RIDOH) has met and continues to meet the conditions of the Operating Agreement, specifically:

- State Instrumentality and authority to establish the DWSRF
- State Compliance with Applicable State Laws and Procedures
- State Technical Capability
- Acceptance of Capitalization Grant Funds in Accordance with payment schedule

- Depositing of all Capitalization Grant funds in the DWSRF
- State Dollar for Dollar Match for Section 1452(g)(2) (A-D) set-asides
- Depositing of all Proceeds back into the DWSRF fund
- Utilization of Generally Accepted Accounting Principles to Establish an Accounting System
- Annual DWSRF Audit
- Funds to be used in accordance with the Intended Use Plan
- Annual Report and Annual Audit Submittals
- 40 CFR Part 31 Assurances
- Review of Technical, Financial and Managerial Capability of Assistance Recipients.
- Preparation of an IUP
- Development and Submittal of a Project Priority Ranking System
- Environmental Review
- State/Recipient Compliance with Applicable Federal Cross-Cutting Authorities
- Incorporate GPR into DWSRF regulations if applicable
- Federal Funding Accountability & Transparency Act (FFATA)
- MBE/WBE
- Single Audit Act requirements
- CCR/SAM requirement
- Sub-recipient Unique Entity ID(UEI) reporting

ADDITIONAL INFORMATION

Statement of Compliance with Timely and Expeditious Use

The State of Rhode Island has committed to expend all DWSRF program funds as efficiently and expeditiously as possible in accordance with § 35.3550.

Statement of Federal Compliance

As required by 40 CFR § 35.3550(a), the State of Rhode Island agrees to comply with all applicable federal requirements, including:

- 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; The EPA general assistance regulations under 2 CFR Part 1500; and
- All specific conditions of the grant as outlined in the DWSRF capitalization grant agreement.

Statement of Compliance with Federal Cross-Cutting Authorities:

The State of Rhode Island has reviewed all DWSRF program funded projects and activities for compliance with Federal cross-cutting authorities that apply to the State as a grant recipient and those which apply to assistance recipients in accordance with § 35.3575.

Statement of Compliance with SERP

The State of Rhode Island has reviewed all DWSRF program funded projects and activities in accordance with approved State environmental review procedures under § 35.3580.

Statement of Compliance with Davis Bacon

The State of Rhode Island has reviewed all DWSRF program funded projects and activities for compliance with the DWSRF Grant Agreements' programmatic terms and conditions for Davis-Bacon Labor Standards.

State ULO Progress

The State has expended all its project funds through the FFY 2021 Capitalization Grants. In September of 2025, the Bank fully disbursed the FFY 2022 Base Capitalization Grant.

The Bank and RIDOH will continue ULO outreach initiatives with the goal of spending down prior Capitalization Grants in line with EPA's DWSRF ULO Reduction Strategy. In SFY25, the Banks conducted outreach to all borrowers with loans considered ULOs and will continue to monitor borrowers to ensure that funds are expended in a timely manner.

Projects with Capitalization Grant funds from FFY 2020 and FFY 2022 that were fully drawn in the reporting period can be found in Attachment D.

Federal Funding Accountability and Transparency Act (FFATA):

The Bank is committed to transparency and accountability under FFATA. The Bank's program information, IUP's, Annual Reports, audited financials and other program-related materials are posted on the Bank's website: www.riib.org.

In SFY 2025, the Bank reported projects for FFY 2023 Base Grant, FFY 2022 and FFY 2023 General Supplemental Grants, and FFY 2022 and FFY 2023 Lead Service Line Replacement Grants. No projects were reported for the FFY 2022 and FFY 2023 and FFY 2024 Emerging Contaminants grants, nor were there any reported for the FFY 2024 Base, FFY 2024 General Supplemental and 2024 Lead Service Line Replacement Grants. The projects reported in FFATA are detailed in Attachment L.

Equivalency

By statute, certain Federal requirements apply to assistance provided "in an amount made directly available by" the Federal capitalization grant. A state can choose a project or (group of projects) equaling the amount of the Federal Capitalization Grant to comply with these requirements. These projects are "equivalency projects". The selected equivalency project(s) must complete certain Federal requirements. Federal Funding Accountability and Transparency Act (FFATA) compliance requires that one single set of projects is selected to satisfy all Federal equivalency requirements. Project(s) selected for equivalency will contain documentation verifying compliance with all the following Federal requirements:

- Single Audit Act - documented in the assistance agreement.
- Disadvantaged Business Enterprise - MBE/WBE – documented in the assistance agreement, bid documents & DBE 5700-52A Reports (MBE/WBE Report to EPA).
- Signage - documented in the assistance agreement – documented in the assistance agreement.
- Federal Crosscutters -documented in the assistance agreement.
- FFATA – Federal Financial Accountability and Transparency Act - Documented by reporting to FSRS.gov.
- Telecommunications Equipment and Services Prohibition – documented in the assistance agreement.
- Federal Flood Risk Management Executive Order -documented in the assistance agreement.
- BABA (starting with FFY 2022 Capitalization Grants) - documented in the assistance agreement.

Projects may have additional applicable federal requirements not listed here. Rhode Island currently applies equivalency for reporting purposes to the following federal requirements:

- Federal Financial Accountability and Transparency Act (FFATA)

- Build American Buy America (BABA) Act

All other equivalency requirements including federal cross-cutters, the Disadvantaged Business Enterprise (DBE), Signage (for all capital projects), Telecom Equipment & Services 2 CFR 200.216 and Executive Order Flood Mitigation are applied to all DWSRF projects, regardless of source of funding.

The Bank and RIDOH can combine both the Base and BIL General Supplemental funds to comply with the equivalency requirements and designate a project(s) equal to the amount of the capitalization grants as federal projects. Equivalency cannot be applied to the BIL Emerging Contaminants and Lead Service Line Replacement capitalization grants. Projects funded by these grants must meet all federal requirements.

The Bank complies with the equivalency requirements as set forth above. Project selected to meet equivalency requirements are included in Attachment L.

SRF Data System (OWSRF)

The Bank and RIDOH are committed to entering data into the EPA SRF Data System at least quarterly to evaluate the benefits of the RI DWSRF Program. The Bank enters all financial information associated with the loans and RIDOH enters the project information. Both parties are committed to entering the annual data by September 30.

Single Audit Act

In accordance with the Single Audit Act and 2 CFR Part 200, Subpart F (Uniform Guidance), the Bank agrees to obtain a Single Audit conducted by an independent auditor if it expends \$1,000,000 or more in total federal funds in any fiscal year. The Bank must submit a copy of the SF-SAC (Data Collection Form) and the Single Audit Report Package to the Federal Audit Clearinghouse either within nine months after the end of its fiscal year or within 30 days of receiving the auditor's report, whichever is earlier. All projects receiving federal funds are notified of the Single Audit requirements, regardless of the amount. However, only sub-recipients that expend \$1,000,000 or more in federal funds during a fiscal year are required to obtain a Single Audit.

Final Federal Financial Report (SF-425)

Pursuant to 2 CFR 200.327 and 200.343, the Bank shall submit a final Federal Financial Report (FFR, SF-425) to EPA no later than 90 calendar days after the end of the project period.

EPA Annual Report

As required, the Bank and RIDOH submit the Annual Report to EPA by September 30th of each year.

Transfer Authority between Clean Water and Drinking Water SRF's

In accordance with the Safe Drinking Water Act (SDWA) and the SRF funds transfer provisions (Section 302), the State hereby reserves the authority to transfer an amount up to 33 percent of the DWSRF program capitalization grant(s) to the CWSRF program, or an equivalent amount from the CWSRF program to the DWSRF program. No transfer of funds is planned at this time; however, the Bank reserves the right to transfer funds in the future.

Cross-Collateralization of the CWSRF and DWSRF Revenue Bond Structure

The Master Trust Agreement dated May 1, 2021, provides for a bond structure that allows for cross-collateralization of the CWSRF and the DWSRF in order to provide additional bond security and ratings

enhancement for both programs. With cross-collateralization, excess CWSRF revenues (revenues pledged to repayment of CWSRF bonds over and above what is needed to make actual debt service payments) would be available to cure any DWSRF bond payment default or reserve fund deficiency. Likewise, excess DWSRF revenues would be available to cure any CWSRF bond payment default or reserve fund deficiency. Pursuant to federal regulations, cross-collateralization support cannot extend to debt specifically issued for the purpose of providing state matching funds. The Master Trust Documents provide adequate safeguards to ensure that future CWSRF or DWSRF bond issues will comply with this limitation. Revenues pledged to the repayment of CWSRF bonds include: principal and interest payments received on loans and investment earnings on funds and accounts within the bond indenture, including a reserve fund comprised of CWSRF program assets (cash). The Master Trust Documents and each series bond indenture require that revenues be pledged sufficient to cover the debt service requirement for each payment date at least 1.1 times. Accordingly, a cash flow surplus is anticipated for each period absent a borrower default on a loan. This surplus flows to the other series of the CWSRF and DWSRF bonds. Under the new Master Trust Indenture, all CWSRF loans are pledged to all CWSRF outstanding bonds, and all DWSRF loans are pledged to all DWSRF outstanding bonds

- The order of priority for surplus CWSRF pledged revenues is: CWSRF bond issue debt service payment deficiencies;
- Any DWSRF bond issue debt service payment deficiencies (but not DWSRF state match bonds);
- CWSRF bond issue reserve fund deficiencies;
- Any DWSRF bond issue reserve fund deficiencies (but not DWSRF unrestricted reserve funds that secure DWSRF state match bonds);
- To replenish and repay the DWSRF for any surplus DWSRF pledged revenues that were previously utilized to cure a CWSRF bond issue debt service or reserve fund deficiency;
- All remaining funds are released back to the CWSRF Loan Account.

The order of priority for surplus DWSRF pledged revenues is similarly structured, as such any surplus CWSRF pledged revenues that are utilized to cure a DWSRF bond issue debt service or reserve fund deficiency will ultimately be repaid to the CWSRF through operation of the Master Trust Documents.

CREDIT QUALITY OF THE BANK

The Bank's Board of Directors and staff are committed to maintaining a strong programmatic and financial structure as is evidenced by the confidence placed in strong financial ratings. Both Fitch and Standard & Poor's rate the Bank's bonds as "AAA."

THE INDENTURE OF TRUST AND THE TRUSTEE

The Trustee for the Program Revenue Bonds is U.S. Bank Trust Company, National Association (US Bank). As Trustee, US Bank controls all the assets of the Program (Title VI SRF) under the terms and conditions of the Indenture of Trust dated February 15, 1992, as supplemented and the Master Trust Indenture dated May 1, 2021, as supplemented.

PROGRAM EVALUATION REPORT (PER)

The below action items were highlighted in the SFY 2024 Performance Evaluation Report. The Bank has addressed the findings with EPA, corrected all findings and provided the necessary subsidy documentation within this document.

Follow Up from Last Year's PER

1. Revise policies and procedures relating to the utilization of the FIFO method in closing out older capitalization grants as RI DWSRF still has outstanding balances on the 2018 and 2019 capitalization grants as specific projects have been tied to specific capitalization grants, delaying older capitalization grant close out..

Status: Complete. *The information was updated and the annual reporting now includes accurate reporting of subsidy provided to disadvantaged communities.*

2. Davis Bacon wage rates must be paid to any volunteers who provided construction assistance for the pump station work for the Hog Island South project. RI DOH must provide documentation to the EPA Project Officer that the individuals were paid for the work by September 1, 2024.

Status: Complete. *The documentation showing volunteers have been paid for their services was provided.*

3. The 2024 Annual Report must contain an explanation of the reasons for the delay in the 2020, 2021, and 2022 additional subsidy commitment into loan executions and provide a plan that identifies the project(s) that will use the remaining subsidy funds, along with milestones for each project showing the path to an executed agreement. If the subsidy commitment is met prior to 9/30/24, please notify the EPA Region 1 at that time. The IUP for the 2024 capitalization grant should indicate any additional subsidy from previous years that still must be committed to projects.

Status: Ongoing. *Commitments were made to meet the obligations of the 2020 and 2021 additional subsidy requirements. However, the 2022 additional subsidy commitments, and specifically, the IJJA General Supplemental, IJJA Emerging Contaminants, and IJJA Lead Service Line Replacements, have not yet met requirements. EPA will continue to monitor this until the additional subsidy commitment is caught up to the current grant year.*

4. Send the EPA Region 1 Financial Analyst future updates on the Foster-Gloucester Regional School District sub-recipient single audit and unresolved findings as well as their final audit report for FY24.

Status: Complete. *Their most recent financial audit noted that the Foster-Glocester Regional School District has implemented a procedure to check to ensure that vendors providing goods or services for federally funded purchases have not been formally disbarred or suspended. This finding was corrected in May 2023.*

Action Items and Recommendations for this Year's Review

5. Work to ensure that binding commitments are made in a timely way and include in the 2026 IUP a plan for ensuring that binding commitment requirements are met. Provide quarterly updates to EPA on the status of commitments during the regular meetings with EPA with the first update by June 20, 2025.

Status: Ongoing. *The Bank and RIDOH have provided a plan to meet binding commitment requirements within the SFY2026 IUP, including pipelines of DWSRF projects (including small and disadvantaged systems), IJJA emerging contaminant projects, and IJJA lead service line replacement projects expected to proceed in SFY2026. Updates on the status of commitments have been and will continue to be provided to EPA during regular meetings.*

6. Include any reserved authority for set-asides in the Intended Use Plan.

Status: Completed. *The Bank and RIDOH have and will continue to include any reserved authority for set-asides in subsequent Intended Use Plans.*

7. EPA recommends that RIIB and RIDOH conduct a lean process and clear out redundant steps in their disbursement process

Status: Ongoing. *RIIB and RIDOH will begin working toward this recommendation in the new fiscal year by conducting a lean review aimed at streamlining and removing redundant steps in the disbursement process. RIDOH plans to fill the vacant SRF program/project manager position in Fall 2025 and continues to work with Quantified Ventures and Cadmus on streamlining and improving processes.*

8. Draw down the remaining ULO balances for both 2020 and 2021 capitalization grants by June 2nd, 2025. If not resolved by that date, then EPA requests RIIB to complete negative draws from the 2022 Base capitalization grant to fully drawdown the 2020 and 2021 grants before the current fiscal year ends.

Status: Completed. *As of May 30, 2025, the Bank has drawn remaining ULO balances for the 2020 and 2021 DWSRF capitalization grants.*

9. Submit a written plan to the EPA Financial Analyst as to how the State will proceed with FIFO by June 2nd, 2025. The plan should be included in the SFY26 IUP with the results included in the 2026 RI DWSRF Annual Report.

Status: Completed. *The Bank has submitted and received approval on a written plan to the EPA Financial Analyst outlining the State's FIFO plan. The plan has been included in the SFY2026 IUP.*

10. Change the proportionality language in future Annual Reports to match the permanent regulatory exception with the DWSRF IUP

Status: Completed. *The Bank has updated proportionality language in this annual report, and will continue to ensure the language in the future reports align with the permanent regulatory exception outlined in DWSRF Intended Use Plans.*

11. A table displaying the cumulative state match should be included in the upcoming SFY25 Annual Report in order to track what state match deposits are associated with what capitalization grants as well as excess state match to be allotted for future capitalization grants.

Status: Completed. *The Bank has included a table displaying the cumulative state match.*

12. Include the identified crosscutters in the state's current tracking spreadsheet for verifying project compliance. To further clarify what the requirements are to the recipients ensuring these are included upfront, EPA also recommends RIDOH develop a resource for communities to find all requirements, such as front-end documents that can simply be added in in the construction contract.

Status: Ongoing. *RIDOH has been working with Cadmus to create a Bid Document Insert encompassing the crosscutters and detailing compliance requirements. A first draft was completed on August 19, 2025 to include all Federal compliance items. Cadmus is working towards a second version to include all State compliance requirements as well as a certification form. The second draft is expected on September 26, 2025.*

13. The prohibition on certain telecom and video surveillance services/equipment to be included in the standard loan agreement for future loan agreements.

Status: Completed. The Bank has included language on the prohibition of certain telecommunications and video surveillance services and equipment within the standard DWSRF loan agreement.

14. RIDOH is to provide EPA with the Davis Bacon wage determinations for the Pascoag Utility District project by September 1, 2025 to ensure the Davis Bacon requirement has been met.

Status: Completed. RIDOH has provided EPA the Davis Bacon wage determinations active for the Pascoag Utility District project by September 1, 2025.

15. EPA recommends the state create checklists for some aspects of the SRF review such as pay request reviews and develop a resource for communities to find all requirements that need to be included in the construction contract documents.

Status: Ongoing. RIDOH worked with Quantified Ventures to generate a Payment Requisition Tracker and corresponding SOP for internal review and tracking of ongoing construction compliance components. This SOP and tracker were completed in May of 2025 and are now in use, streamlining the review process. RIDOH is working with Cadmus to create a Bid Document Insert for applicants to include in their bid package that details all specific compliance language that must be included in the construction contract (next anticipated draft completion date is September 26, 2025).

16. The 2025 Annual Report must contain a plan that identifies the project(s) that will use the remaining 2023 Base, 2022 and 2023 IJIA Supplemental, 2022 and 2023 IJIA EC, and 2022 and 2023 IJIA LSLR subsidy funds, along with milestones for each project showing the path to an executed agreement. If the subsidy commitment is met prior to 9/30/25 for any of these funding pots, please notify the EPA Region 1 at that time. The IUP for the 2025 capitalization grant should indicate any additional subsidy from previous years that still must be committed to projects.

Status: Completed. The 2025 Annual Report includes the sections “Base Capitalization Grants and Subsidy Progress,” “IJIA Emerging Contaminant Capitalization Grants and Subsidy Progress,” “IJIA General Supplemental Capitalization Grants and Subsidy Progress,” and “IJIA Lead Service Line Replacement Capitalization Subsidy Progress,” that outlines projects expected to receive subsidy funds, including anticipated closing deadlines and a general description of where each borrower is in the financing process.

17. The 2025 Annual Report must explicitly detail what steps were taken to meet the small system requirement.

Status: Completed. The Bank and RIDOH continue to engage with small systems in line with the State’s Small System Loan Strategy. The program allows DWSRF-eligible public small water systems to receive assistance in the form of principal forgiveness, grants, or other forms of aid assistance. The Bank and RIDOH have created a targeted approach around education, outreach and technical assistance to provide a better level of service to our small public water systems. In SFY2025, five small system borrowers received principal forgiveness subsidies totaling \$5,926,550, a substantial increase over the prior state fiscal year. Also, RIDOH has created a fact sheet for small water systems that it provides at roundtables, during PPL solicitation, and otherwise as needed. More information on the State’s small system activities can be found in the Short-Term Goal #1 (“Endeavor to provide 15% of project funds for assistance to “small systems” on an annual basis. Continued outreach efforts to small systems to educate and better promote the Program, to maintain a pipeline of projects that are eligible to receive funding.”) status update.

18. EPA recommends RIDOH send at least one staff to each CIFA

Status: Ongoing. RIDOH sent one staff to CIFA in Fall 2024 but was unable to in Spring 2025 because of a vacancy. RIDOH is hoping to send someone to the Fall 2025 CIFA.

19. Provide EPA Region 1 with an outline of all tasks being completed by contractors, current status of said task, and who is closing out the task (i.e. issuing the final approval) by June 30, 2025

Status: Completed. RIDOH has provided the requested outline.

ATTACHMENTS

- A. Binding Commitment Report
- B. Customer Master List – SFY25
- C. Capitalization Grant Draws
- D. Grant Requirement Progress Report
- E. SFY 2025 Assistance Agreement Report-Disadvantaged Community
- F. SFY 2025 Assistance Agreement Report-Affordability Criteria
- G. Set-Aside Spending
- H. Allotment of Base and IIJA Set-Aside Dollars Requested
- I. Affordability Criteria
- J. Policies & Procedures
- K. Project Priority List
- L. FFATA Projects
- M. Sample Credit Review Memo
- N. Audited Financial Statements
- O. FIFO Implementation Plan
- P. State Match Report

A. Binding Commitment Report

Borrower Name	PROJECT NAME	FY OF BIND COMMIT.	DOLLAR AMOUNT
Providence Water	Rehabilitation of Aqueducts, Treatment Works	2000	5,000,000.00
	Fiscal Year 2000 Total		5,000,000.00
Pascoag Utility District	Well Rehabilitation, Water Line Extension, Emergen	2001	200,000.00
Providence Water	90inch Rehabilitation	2001	5,000,000.00
	Fiscal Year 2001 Total		5,200,000.00
Providence Water	Western Cranston	2002	2,500,000.00
	Fiscal Year 2002 Total		2,500,000.00
City of Woonsocket	Distribution System Improvements	2003	10,165,250.00
Kingston Water District	Tower #1 Rehabilitation	2003	200,000.00
Providence Water	Security Measures	2003	2,000,000.00
Prudence Island Water District	100,000 Gallon Steel Storage Tank	2003	300,000.00
	Fiscal Year 2003 Total		12,665,250.00
Pawtucket Water Supply Board	Distribution System Improvement	2004	41,875,000.00
Camp Jori	Water System Improvements	2004	522,218.94
City of East Providence	Water Meter Improvements	2004	1,000,000.00
Lincoln Water Commission	Water Line Installation	2004	92,582.42
Town of New Shoreham	Refinance: Wellhead Rehabilitation	2004	614,287.00
	Fiscal Year 2004 Total		44,104,088.36
City of Woonsocket	Logee St. Improvements	2005	4,000,000.00
Pawtucket Water Supply Board	Distribution System Improvements	2005	31,909,000.00
Providence Water	Refinance	2005	8,101,000.00
	Fiscal Year 2005 Total		44,010,000.00
North Tiverton Fire District	Tank Replacements, Pump Station upgrades & Fish RD	2006	1,250,000.00
Town of West Greenwich	Victory Highway	2006	220,592.60
	Fiscal Year 2006 Total		1,470,592.60
City of Newport	Improvements to Lawton Valley Water Plant	2007	3,000,000.00
Lincoln Water Commission	New Water Tank Construction	2007	1,800,000.00
Portsmouth Water & Fire District	Enhancements to four water storage tanks	2007	1,600,000.00
Town of Jamestown	Distribution System Improvements	2007	6,200,000.00
	Fiscal Year 2007 Total		12,600,000.00

Borrower Name	PROJECT NAME	FY OF BIND COMMIT.	DOLLAR AMOUNT
Bristol County Water Authority	Water System Improvements	2008	5,500,000.00
City of Newport	Water System Improvements	2008	5,900,000.00
Providence Water	Lead Service Replacement	2008	35,000,000.00
Town of South Kingstown	Water Meter Replacement	2008	400,000.00
	Fiscal Year 2008 Total		46,800,000.00
City of East Providence	Cleaning and Lining	2009	6,000,000.00
City of East Providence	Cleaning and Lining	2009	561,206.00
City of Newport	Distribution Main I	2009	3,300,000.00
Pascoag Utility District	Meters	2009	179,000.00
Kingston Water District	Lead Abatement Water Tower	2009	420,200.00
Lincoln Water Commission	Cleaning and Lining	2009	1,500,000.00
Lincoln Water Commission	Cleaning and Lining	2009	362,568.00
Pawtucket Water Supply Board	Water Main Replacement	2009	5,935,000.00
Portsmouth Water & Fire District	SCADA	2009	400,000.00
Portsmouth Water & Fire District	SCADA	2009	100,000.00
Providence Water	Meters	2009	400,000.00
Providence Water	Higgins St Main	2009	200,000.00
Providence Water	Water Mains, MLOG	2009	13,250,000.00
Prudence Island Water District	Community Acquisition	2009	435,000.00
Town of Cumberland	Water System Improvements	2009	5,750,000.00
Town of North Kingstown	Meters, Wickford Tank	2009	4,800,000.00
	Fiscal Year 2009 Total		43,592,974.00
	NO LOANS JULY 1, 2009 - JUNE 30, 2010	2010	0.00
	Fiscal Year 2010 Total		0.00
	NO LOANS JULY 1, 2010 - JUNE 30, 2011	2011	0.00
	Fiscal Year 2011 Total		0.00
City of East Providence	Water System Improvements	2012	2,000,000.00
Bristol County Water Authority	Water System Improvements	2012	1,000,000.00
City of Newport	Lawton Valley Treatment Plant	2012	53,100,000.00
Pascoag Utility District	Tank/Sandblasting	2012	1,000,000.00
Pawtucket Water Supply Board	Distribution of Water Main Construction	2012	7,485,000.00
Pawtucket Water Supply Board	Main Replacement	2012	1,955,000.00
Portsmouth Water & Fire District	Meters	2012	1,300,000.00
	Fiscal Year 2012 Total		67,840,000.00

Borrower Name	PROJECT NAME	FY OF BIND COMMIT.	DOLLAR AMOUNT
Bristol County Water Authority	Franklin Street	2013	500,000.00
City of Newport	Lawton Valley Treatment Plant	2013	31,000,000.00
City of Woonsocket	Water System Improvements/Initial Site Design	2013	4,400,000.00
Pawtucket Water Supply Board	MR-8, MR-9	2013	8,645,000.00
Providence Water	Water Mains	2013	25,000,000.00
Town of Smithfield	Meters	2013	227,000.00
	Fiscal Year 2013 Total		69,772,000.00
Providence Water	Waltham St. Pump Station	2014	600,000.00
City of East Providence	System Improvements	2014	18,725,000.00
Greenville Water District	Emergency Interconnection	2014	1,000,000.00
Providence Water	Lead Service Line Replacements	2014	8,000,000.00
	Fiscal Year 2014 Total		28,325,000.00
Bristol County Water Authority	Maple Avenue Cleaning & Lining	2015	1,643,232.00
Pawtucket Water Supply Board	Main Replacement	2015	5,907,000.00
Providence Water	Central Operations Facility	2015	30,000,000.00
Town of Cumberland	Fisher Tank Rehabilitation	2015	1,750,000.00
	Fiscal Year 2015 Total		39,300,232.00
Pawtucket Water Supply Board	Cleaning and Lining #5	2016	4,718,000.00
	Fiscal Year 2016 Total		4,718,000.00
Providence Water	Replacement of lead water service lines	2017	16,272,095.00
Town of Cumberland	Construction of new wells and associated component	2017	3,000,000.00
	Fiscal Year 2017 Total		19,272,095.00
Town of Burrillville	Water service line connection	2018	700,000.00
City of East Providence	Tank Painting and Rehabilitation	2018	1,850,000.00
City of Woonsocket	Construction of new water treatment facility	2018	12,500,000.00
Providence Water	Water Main Replacement / Rehabilitation Program	2018	117,800.00
Providence Water	Water Main Replacement / Rehabilitation Program	2018	91,515.56
Providence Water	Water Main Replacement / Rehabilitation Program	2018	151,150.00
Providence Water	Water Main Replacement / Rehabilitation Program	2018	69,859.99
Providence Water	Private-side lead replacement loans	2018	247,977.31
Providence Water	Private-side lead replacement loans	2018	260,654.40
Providence Water	Private-side lead replacement loans	2018	61,042.74
Town of Cumberland	Drinking water distribution system upgrades	2018	4,000,000.00
	Fiscal Year 2018 Total		20,050,000.00
Bristol County Water Authority	Main Replacement ; Water Meter Replacement	2019	3,850,000.00
City of East Providence	THM Removal System	2019	2,000,000.00
City of Woonsocket	8 MGD Water Treatment Plant	2019	27,292,496.02
City of Woonsocket	8 MGD Water Treatment Plant	2019	15,500,000.00
Harrisville Fire District	Oakland Village Area Water System Improvement	2019	2,850,000.00
Four Seasons Mobile Home Cooperative Association	Public Water Supply & Distribution System Improvement	2019	360,500.00
Portsmouth Water & Fire District	Union St. Pump Station Replacement ; Sakonnet Rive	2019	3,100,000.00
Providence Water	Replace Lead Service	2019	14,700,000.00
	Fiscal Year 2019 Total		69,652,996.02
Town of Cumberland	Improvements to the Cumberland Water System	2020	4,000,000.00
Greenville Water District	Greenville Ave water main replacement	2020	550,000.00
Town of North Smithfield	Water line extension	2020	1,400,000.00
Town of Smithfield	Rocky Hill and Island Wood & Burlingame Tank Rehab	2020	1,774,982.02
	Fiscal Year 2020 Total		7,724,982.02
Charlestown Cedars Mobile Home Park	Distribution System Upgrades	2021	936,721.00

Borrower Name	PROJECT NAME	FY OF BIND COMMIT.	DOLLAR AMOUNT
City of Newport	Water distribution main	2021	4,131,000.00
Pascoag Utility District	Replacement of public & private lead service lines	2021	195,000.00
Harmony Hill School	Water pump system upgrades and corrosion control	2021	99,377.00
Hillsdale Housing Cooperative Corporation Inc.	Water distribution system replacement	2021	1,230,919.00
Lawrence Sunset Cove Association	Imprv. to water supply, treatment & distribution	2021	576,100.00
Paige Associates	Pump house and distribution system	2021	936,008.00
Providence Water Supply Board	Water distribution improvements	2021	19,100,000.00
Providence Water Supply Board	Water distribution improvements	2021	21,000,000.00
Town of Cumberland	Franklin Farm Well	2021	2,500,000.00
	Fiscal Year 2021 Total		50,705,125.00
Hog Island Water Association, Inc - North End Association	Water Tank Replacement	2022	100,000.00
Foster-Glocester Regional School District	South & North Booster Pump Station at Ponagansett	2022	810,000.00
Hillsdale Housing Cooperative Corporation Inc.	Water distribution system replacement	2022	361,975.00
Kent County Water Authority	New office and maintenance facility	2022	18,173,087.00
	Fiscal Year 2022 Total		19,445,062.00
City of Newport	Water Distribution Systems Improvements	2023	3,305,000.00
Pascoag Utility District	Active mixing system on two water storage tanks	2023	59,000.00
Hog Island Water Association, Inc - South End Association	Public Water Supply and Distribution System Imprv.	2023	125,000.00
Providence Water Supply Board	Trinity Square Area Water Main Rehabilitation	2023	5,500,000.00
Stone Bridge Fire District	Standpipe Tank Submersible Mixing Systems	2023	162,724.18
Town of Smithfield	North Providence Pressure Control ; Tank Rehab	2023	3,000,000.00
Village at Chopmist Hill	Upgrading/modernization of public water system	2023	811,000.00
	Fiscal Year 2023 Total		12,962,724.18
City of East Providence	Cleaning and Lining ; Water Meter Replacement	2024	26,000,000.00
City of East Providence	Water Meter Replacement Project (LSL)	2024	100,000.00
City of Woonsocket	Lead Service Line Replacement Project	2024	525,000.00
City of Woonsocket	Water Meters and Fixed Network AMI System	2024	5,000,000.00
Pawtucket Water Supply Board	Replacement of Water Meters and Appurtenances	2024	15,000,000.00
Providence Water Supply Board	Replacement of Lead Service Lines	2024	26,300,000.00
Town of Richmond	Richmond 4-Log Chlorination	2024	300,000.00
	Fiscal Year 2024 Total		73,225,000.00
Providence Water Supply Board	Accelerated Lead Service Line Replacement	2025	26,300,000.00
Prudence Island Water District	Water System Chlorination and Pretreatment	2025	3,887,450.00
Quonochontaug Central Beach Fire District	Pump House Improvements	2025	1,555,000.00
Scituate Housing Authority	Rockland Oaks Public Water System Improvements	2025	1,662,100.00
Shannock Water District	Stand-by Generator Replacement for Shannock Water	2025	77,000.00
Town of Scituate	Public Water System Improvements	2025	1,000,000.00
	Fiscal Year 2025 Total		34,481,550.00

Total Binding Commitments to Date 6/30/2025 \$735,427,671

Attachment A - SFY 2025 Binding Commitment - IJA Lead Service Line Replacement Projects

State	Borrower Name	Project Descriptions	State Tracking Number	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy	# of Projects
Rhode Island	Providence City of	This project consists of the replacement of lead service lines within the Providence Water distribution area. Only lead service line replacements that result in simultaneous and complete replacement of both the public and private portions of the lead service lines will occur.	PRW-DW-FY25	04/28/2025	\$ 26,300,000.00	\$ 12,887,000.00	\$ 12,887,000.00	\$ 12,887,000.00	1

B. Customer Master List – SFY25

RI INFRASTRUCTURE BANK CUSTOMER LOANS MASTER LIST - SFY 2025

FY Loans	Borrower Name	Project Name	Loan Number	Effective Interest Rate	Service Fee	Combined	Credit Limit	Loan Closing Date
2025 DWSRF LOANS	Providence Water Supply Board	Accelerated Lead Service Line Replacement	PRVW-DW-FY25	0	0.3	0	\$26,300,000.00	4/28/2025
	Town of Scituat	Public Water System Improvements	SCIT-DW-FY25	2.4	0.3	2.7	\$1,000,000.00	7/25/2024
	Quonochontaug Central Beach Fire District	Pump House Improvements	QCBF-DW-FY25	3.37	0.3	3.67	\$1,555,000.00	12/4/2024
	Scituate Housing Authority	Rockland Oaks Public Water System Improvements	SCHA-DW-FY25	0	0	0	\$1,662,100.00	3/13/2025
	Shannock Water District	Stand-by Generator Replacement for Shannock Water	SHWD-DW-FY25	0	0	0	\$77,000.00	10/1/2024
	Prudence Island Water District	Water System Chlorination and Pretreatment	PRUD-DW-FY25	0	0	0	\$3,887,450.00	4/4/2025
Grand Total							\$34,481,550.00	

C. Capitalization Grant Draws

D. Grant Requirement Progress Report

Grant Requirements Progress Report - SFY25

FFY 2020 Cap Grant -Minimum Subsidy Requirement \$2,202,200 (\$660,660 to DACs)

State	Capitalization Grant Amount	Assigned Subsidy (Total) - Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA - Count	Assigned Subsidy SDWA -Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$ 11,011,000	\$ 2,202,200	8	\$ 1,541,540	14%	2	\$ 660,660	6%

FFY 2020 Cap Grant -Subsidy Disbursements (SFY25)

Minimum Subsidy Requirement \$2,202,200 (\$660,660 to DACs)

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy -FFY 2020 Appropriation	Assigned Grant Subsidy - FFY 2020 SDWA	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Pawtucket City of	PWSB-DW-FY24	Purchase and replacement of 23,500 water meters from 5/8 inch to 2 inch to be used in the Pawtucket Water Supply Board's water system, which encompasses Pawtucket, Central Falls, and the Valley Falls section of Cumberland. This project also includes the upgrade to a fixed AMI meter reading system. The collected data will be integrated into the existing billing software.	12/29/2023	\$ 15,000,000.00	\$ 2,250,000.20	\$ 1,325,596.20	\$ 924,404.00	\$ 355,456.20	\$ -	\$ 355,456.20	\$ -
Rhode Island	Smithfield, Town of	SMFD-DW-FY23	Installation of pressure reducing valves in a portion of the distribution system to protect aging AC pipe, and installation of approximately 500 feet of new 8- and 12-inch pipe to complete a loop between in the distribution system to eliminate dead end and increase resiliency.	12/22/2022	\$ 3,000,000.00	\$ 212,500.00	\$ 212,500.00	\$ -	\$ 212,500.00	\$ -	\$ 212,500.00	\$ -
Rhode Island	Hog Island South	HIWS-DW-FY23	Pump house, storage and solar to augment the generator as there is no electricity on Hog Island	12/22/2022	\$ 125,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -
Rhode Island	Village at Chopmist Hill	VACH-DW-FY23	Two new wells, new water storage tank and replacement pump house.	09/30/2022	\$ 811,000.00	\$ 811,000.00	\$ 494,297.00	\$ 316,703.00	\$ 494,297.00	\$ 316,703.00	\$ 811,000.00	\$ -
Rhode Island	Pascoag Utility District	PAUD-DW-FY23	Improvements to the Pascoag Utility District Water distribution system consisting of upgrading the water system including the addition of a storage tank and mixing system to each of two water storage tanks.	07/06/2022	\$ 59,000.00	\$ 59,000.00	\$ 57,218.00	\$ 1,782.00	\$ 51,278.00	\$ -	\$ 51,278.00	\$ -
Rhode Island	Foster Gloucester Regional School District	FGSD-DW-FY22	The project involves the installation of a new south booster pump station and new water storage tank, modifications to the existing north booster pump station for implementation of corrosion control treatment, modifications to the existing exterior water supply piping, demolition and disposal of the existing south water storage tank and demolition and abandoning in place the existing, underground south booster pump station, installation of an additional storage tank for fire flows, piping for fire flows and pumps for fire flows.	02/02/2022	\$ 810,000.00	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -
Rhode Island	Hillsdale Housing Cooperative Corp. Inc.	HHCC-DW-FY21	Replacement of the entire distribution system for this housing cooperative including water mains, isolation valves, flush connections, and service lines and replacement of an aged generator.	11/23/2021	\$ 1,592,894.00	\$ 1,592,894.00	\$ 584,539.00	\$ 1,008,355.00	\$ -	\$ 343,957.00	\$ 343,957.00	\$ -
Rhode Island	Hog Island North	HIWN-DW-FY22	The project consists of the replacement of the existing hydro-pneumatic tank, the installation of a new 1000-gallon hydro-pneumatic tank and a new duplex bag filtration system, and the refitting of interconnecting piping, controls, appurtenances and accessories.	09/16/2021	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -
Rhode Island	Paige Associates	PAWS-DW-FY21	This project involves; (1) Refurbishment of the existing Water Storage Tank, (2) Repairs and improvements to the existing Pump Station including a permanent generator, (3) installation of new booster pumping system, monitoring system and controls in the existing Pump House, (4) installation of a new water supply well and (5) installation of a new water distribution system to replace the existing system.	05/26/2021	\$ 936,008.00	\$ 936,008.00	\$ 936,008.00	\$ -	\$ 28,008.80	\$ -	\$ 28,008.80	\$ -
Total					\$ 22,433,902.00	\$ 6,261,402.20	\$ 4,010,158.20		\$ 1,541,540.00	\$ 660,660.00	\$ 2,202,200.00	\$ -

Grant Requirements Progress Report -SFY25

FFY 2021 Cap Grant - Minimum Subsidy Requirement \$2,251,680 (\$677,880 to DACs)

State	Capitalization Grant Amount	Assigned Subsidy (Total) - Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA - Count	Assigned Subsidy SDWA - Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$ 11,199,000	\$ 2,516,024	6	\$ 1,573,800	14.05%	4	\$ 942,224	8.41%

FFY 2021 Cap Grant -Subsidy Disbursements (SFY25)

FFY 2021 Cap Grant - Minimum Subsidy Requirement \$2,251,680 (\$677,880 to DACs)

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy -FFY21 Appropriation	Assigned Grant Subsidy - FFY21 SDWA	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Stone Bridge Fire District	SBFD-DW-FY23	Replace existing 8-inch cast iron pipe on Riverside Drive with new 8-inch ductile iron pipe, installation of new water service connections with curb stops, and roadway resurfacing.	08/01/2024	\$ 162,724.18	\$ 100,000.00	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -
Rhode Island	Pawtucket City of	PWSB-DW-FY24	Purchase and replacement of 23,500 water meters from 5/8 inch to 2 inch to be used in the Pawtucket Water Supply Board's water system, which encompasses Pawtucket, Central Falls, and the Valley Falls section of Cumberland. This project also includes the upgrade to a fixed AMI meter reading system. The collected data will be integrated into the existing billing software.	12/29/2023	\$ 15,000,000.00	\$ 2,250,000.20	\$ 1,325,596.20	\$ 924,404.00	\$ 970,140.00	\$ 924,404.00	\$ 1,894,544.00	\$ -
Rhode Island	East Providence - City of	EPRV-DW-FY24 #1	This project consists of the purchase and installations of new water meters and interface units which will be either radiofrequency or cellular endpoints, all within the East Providence Water Utilities Division service area. In addition, the continuation of the City's cleaning and lining program will take place. During the cleaning and lining project known or newly discovered lead service lines will be replaced in their entirety. Accordingly, all known and newly discovered lead service line replacements will be conducted in advance of meter replacement so that meter changeout will not be performed on a lead service lines. The Water Meter Replacement project received the BABA Adjustment Period waiver. All relevant documents are saved in the project file.	12/19/2023	\$ 26,000,000.00	\$ 3,900,000.00	\$ 994,980.00	\$ 2,905,020.00	\$ 13,860.00	\$ 11,880.00	\$ 25,740.00	\$ -
Rhode Island	Woonsocket City of	WOON-DW-FY24 #2	This project involves the replacement of existing private-side lead services with new service pipe.	12/19/2023	\$ 525,000.00	\$ 525,000.00	\$ 470,000.00	\$ -	\$ 470,000.00	\$ -	\$ 470,000.00	\$ -
Rhode Island	Pascoag Utility District	PAUD-DW-FY23	Improvements to the Pascoag Utility District Water distribution system consisting of upgrading the water system including the addition of a storage tank and mixing system to each of two water storage tanks.	07/06/2022	\$ 59,000.00	\$ 59,000.00	\$ 57,218.00	\$ 1,782.00	\$ 5,940.00	\$ 1,782.00	\$ 7,722.00	\$ -
Rhode Island	Hillsdale Housing Cooperative Corp. Inc.	HHCC-DW-FY21	Replacement of the entire distribution system for this housing cooperative including water mains, isolation valves, flush connections, and service lines and replacement of an aged generator.	11/23/2021	\$ 1,592,894.00	\$ 1,592,894.00	\$ 584,539.00	\$ 1,008,355.00	\$ 13,860.00	\$ 4,158.00	\$ 18,018.00	\$ -
Total						\$ 8,326,894.20	\$ 3,532,333.20	\$ 4,839,561.00	\$ 1,573,800.00	\$ 942,224.00	\$ 2,516,024.00	\$ -

Grant Requirements Progress Report - SFY25

FFY 2022 Base Cap Grant - Minimum Subsidy Requirement \$1,822,080 (\$840,960 to DACs)

State	Capitalization Grant Amount	Assigned Subsidy (Total) - Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA -Dollars	Assigned Subsidy SDWA -Percent
Rhode Island	\$ 7,008,000	\$ 1,822,080	1	\$ 981,120	14%	1	\$ 840,960	12%

FFY 2022 Base Cap Grant - Subsidy Disbursements (SFY25)

FFY 2022 Base Cap Grant - Minimum Subsidy Requirement \$1,822,080 (\$840,960 to DACs)

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy - Appropriation (22 Base)	Assigned Grant Subsidy -SDWA (22 Base)	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	City of East Providence	EPRV-DW-FY24 #1	<p>This project consists of the purchase and installations of new water meters and interface units which will be either radiofrequency or cellular endpoints, all within the East Providence Water Utilities Division service area. In addition, the continuation of the City's cleaning and lining program will take place. During the cleaning and lining project known or newly discovered lead service lines will be replaced in their entirety. Accordingly, all known and newly discovered lead service line replacements will be conducted in advance of meter replacement so that meter changeout will not be performed on a lead service lines.</p> <p>The Water Meter Replacement project received the BABA Adjustment Period waiver. All relevant documents are saved in the project fie.</p>	12/19/2023	\$ 26,000,000.00	\$ 3,900,000.00	\$ 994,980.00	\$ 2,905,020.00	\$ 981,120.00	\$ 840,960.00	\$ 1,822,080.00	\$ -
Total									\$ 981,120.00	\$ 840,960.00	\$ 1,822,080.00	\$ -

Grant Requirements Progress Report -SFY25

FFY 2022 BIL Emerging Contaminants Cap Grant - 100% (\$7,555,000)

State	Capitalization Grant Amount	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) -Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA - Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$ 7,555,000	0	\$ -	0%	0	\$ -	0%

Grant Requirements Progress Report -SFY25

FFY 2022 IJA General Supplemental Cap Grant - Exactly (49%) - \$8,816,080 MUST be to DAC's

State	Capitalization Grant Amount	Assigned Subsidy (Total) - Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA - Count	Assigned Subsidy SDWA - Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$ 17,992,000	\$ 8,816,080	0	\$ -	0%	5	\$ 8,816,080	49%

FFY 2022 IIJA General Supplemental Cap Grant - Subsidy Disbursements (SFY25)

FFY 2022 IIJA General Supplemental Cap Grant - Exactly (49%) - \$8,816,080 MUST be to DAC's

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy - SDWA (22 Supplemental)	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Prudence Island Water District	PRUD-DW-FY25	This project includes the installation of green sand filtration for removal of iron and manganese, and 4-log chlorination on the Indian Springs wells. Also included in the project is the construction of a treatment building to house the green sand filtration, and additional transmission piping from the pump house to the treatment building. Installation of 4-Log chlorination at the Army Camp well is also part of the project	04/04/2025	\$ 3,887,450.00	\$ 3,887,450.00	\$ -	\$ 3,887,450.00	\$ 2,276,800.00	\$ 55,669.50	\$ 2,221,130.50
Rhode Island	Scituate Housing Authority	SCHA-DW-FY25	This project is proposing a new water supply to Rockland Oaks Public Water System (RI1000020). Supply for the Rockland Oaks facility is proposed to be provided by a new distribution connection to Scituate High School & Middle School (PWS ID# RI1615612). In addition to the new transmission main, the project scope involves a new drilled bedrock well #4 (WL007) at the High School/Middle School campus plus selected improvements to the High School/Middle School pump house, controls, generator, storage tank, and distribution pump system, presently under construction.	03/13/2025	\$ 1,662,100.00	\$ 1,662,100.00	\$ -	\$ 1,662,100.00	\$ 1,662,100.00	\$ 311,551.82	\$ 1,350,548.18
Rhode Island	City of East Providence	EPRV-DW-FY24 #1	This project consists of the purchase and installations of new water meters and interface units which will be either radiofrequency or cellular endpoints, all within the East Providence Water Utilities Division service area. In addition, the continuation of the City's cleaning and lining program will take place. During the cleaning and lining project known or newly discovered lead service lines will be replaced in their entirety. Accordingly, all known and newly discovered lead service line replacements will be conducted in advance of meter replacement so that meter changeout will not be performed on a lead service lines. The Water Meter Replacement project received the BABA Adjustment Period waiver. All relevant documents are saved in the project file.	12/19/2023	\$ 26,000,000.00	\$ 3,900,000.00	\$ 994,980.00	\$ 2,905,020.00	\$ 2,052,180.00	\$ -	\$ 2,052,180.00
Rhode Island	City of Woonsocket	WOON-DW-FY24 #1	Installation of new water meters in configuration with an AMI system that will be able to alert for water use and alarm conditions. The system will use radio frequency end-points at each meter set to specific radio frequencies in order to transfer data to a cloud-based system for billing and management.	12/19/2023	\$ 5,000,000.00	\$ 2,000,000.00	\$ -	\$ 2,000,000.00	\$ 2,000,000.00	\$ 394,141.46	\$ 1,605,858.54
Rhode Island	City of Providence	PRVW-DW-2023A	Rehabilitate and replace water mains in the Trinity Square area including appurtenances. Lead service lines will be replaced under a separate loan.	06/13/2023	\$ 5,500,000.00	\$ 825,000.00	\$ -	\$ 825,000.00	\$ 825,000.00	\$ 825,000.00	\$ -
Total					\$ 42,049,550.00	\$ 12,274,550.00	\$ 994,980.00	\$ 11,279,570.00	\$ 8,816,080.00	\$ 1,586,362.78	\$ 7,229,717.22

Grant Requirements Progress Report - SFY25

FFY 2022 IIJA Lead Service Line Replacement Cap Grant - Exactly (49%) - \$14,967,050 MUST be to DAC's

State	Capitalization Grant Amount	Assigned Subsidy (Total) -Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA - Count	Assigned Subsidy SDWA -Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$ 30,545,000	\$ 14,967,050	\$ -	\$ -	0%	3	\$ 14,967,050	49%

FFY 2022 IIJA Lead Service Line Replacement Cap Grant - Subsidy Disbursements (SFY25)

FFY 2022 IIJA Lead Service Line Replacement Cap Grant - Exactly (49%) - \$14,967,050 MUST be to DAC's

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy - SDWA (22 LSL)	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	City of Providence	PRVW-DW-FY25	This project consists of the replacement of lead service lines within the Providence Water distribution area. Only lead service line replacements that result in simultaneous and complete replacement of both the public and private portions of the lead service lines will occur.	04/28/2025	\$ 26,300,000.00	\$ 12,887,000.00	\$ -	\$ 12,887,000.00	\$ 2,031,050.00	\$ 342,445.00	\$ 1,688,605.00
Rhode Island	City of Providence	PRVW-DW-FY24	This project consists of the replacement of lead service lines within the Providence Water distribution area. Only lead service line replacements that result in simultaneous and complete replacement of both the public and private portions of the lead service lines will occur.	12/19/2023	\$ 26,300,000.00	\$ 12,887,000.00	\$ -	\$ 12,887,000.00	\$ 12,887,000.00	\$ 3,310,423.09	\$ 9,576,576.91
Rhode Island	City of East Providence	EPRV-DW-FY24 #2	This project includes the cleaning and lining of approximately 60,000 linear feet of existing water main and the replacement of approximately 4 miles of undersized and aged water mains with new ductile iron pipe. Valves and hydrants in the project area will also be replaced. This project also consists of the replacement of water meters. If lead service lines are identified during the project, only lead service line replacements that result in simultaneous and complete replacement of both the public (water main to curb stop) and private (curb stop to water meter inside buildings) portions of the lead service lines will occur, followed by flushing of the entire line.	12/19/2023	\$ 100,000.00	\$ 49,000.00	\$ -	\$ 49,000.00	\$ 49,000.00	\$ 1,115.75	\$ 47,884.25
Total					\$ 52,700,000.00	\$ 25,823,000.00		\$ 25,823,000.00	\$ 14,967,050.00	\$ 3,653,983.84	\$ 11,313,066.16

Grant Requirements Progress Report -SFY25

FFY 2023 Base Cap Grant - Minimum Subsidy Requirement \$1,283,880 (\$592,560 to DACs)

State	Capitalization Grant Amount	Assigned Subsidy (Total) -Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA -Dollars	Assigned Subsidy SDWA -Percent
Rhode Island	\$ 4,938,000	\$ 1,069,560	4	\$ 477,000	9.66%	1	\$ 592,560	12%

FFY 2023 Base Cap Grant - Subsidy Disbursements (SFY25)

FFY 2023 Base Cap Grant - Minimum Subsidy Requirement \$1,283,880 (\$592,560 to DACs)

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy - Appropriation (23 Base)	Assigned Grant Subsidy -SDWA (23 Base)	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Prudence Island District	PRUD-DW-FY25	Water System Chlorination and Pretreatment	04/04/2025	\$ 3,887,450.00	\$ 3,887,450.00	\$ -	\$ 3,887,450.00	\$ -	\$ 592,560.00	\$ -	\$ -
Rhode Island	Quonochontaug Central Beach Fire District	QCBF-DW-FY25	This project consists of the installation of a TOC Reduction UV Sterilizer unit, a greensand filtration system for iron and manganese removal, and a 4-Log Chlorination System. There will also be modifications to the existing pump house such as to the existing piping and controls, as well as additions of new monitoring instrumentation, chemical storage, a new PLC-based control panel, and flood proofing. The project will be located at 66 Sea Breeze Ave, Charlestown RI, 02813.	12/04/2024	\$ 1,555,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -
Rhode Island	Shannock Water District	SHWD-DW-FY25	The project will replace and upgrade the existing stand-by generator serving the Shannock Water District. Upgrading the existing domestic water system, removing underground tanks to be replaced with a pump house and updated equipment, and decommissioning Well 1 and raising Well 3 above ground.	10/01/2024	\$ 77,000.00	\$ 77,000.00	\$ 77,000.00	\$ -	\$ 77,000.00	\$ -	\$ 74,861.26	\$ 2,138.74
Rhode Island	Town of Scituate	SCIT-DW-FY25	The work consists of installation of a 4-log chlorination system within the existing well #1 pump house and the installation of a remote chlorine monitoring station approximately 2,500 feet east of the well #1 pump house. Additional work includes installation of approximately 184 linear feet of buried conduit to allow for the chlorination of backup well #2.	07/25/2024	\$ 1,000,000.00	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -	\$ 200,000.00	\$ -
Rhode Island	Town of Richmond	RICH-DW-FY24		05/14/2024	\$ 300,000.00	\$ 100,000.00	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00
Total					\$ 6,819,450.00	\$ 4,364,450.00	\$ 477,000.00	\$ 3,887,450.00	\$ 477,000.00	\$ 592,560.00	\$ 374,861.26	\$ 102,138.74

Grant Requirements Progress Report -SFY25

FFY 2023 IJA Emerging Contaminants Cap Grant - 100% (\$7,640,000)

State	Capitalization Grant	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) -Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA - Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$ 7,640,000	0	\$ -	-	0	\$ -	-

Grant Requirements Progress Report -SFY25

FFY 2023 IJJA General Supplemental Cap Grant - Exactly (49%) - \$10,316,950 MUST be to DAC's

State	Capitalization Grant Amount	Assigned Subsidy (Total) -Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA -Dollars	Assigned Subsidy SDWA -Percent
Rhode Island	\$ 21,055,000	\$ 1,018,090	0	\$ -	0%	1	\$ 1,018,090	4.84%

FFY 2023 IIJA General Supplemental Cap Grant - Subsidy Disbursements (SFY25)

FFY 2023 IIJA General Supplemental Cap Grant - Exactly (49%) - \$10,316,950 MUST be to DAC's

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy -SDWA (23 Supplemental)	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Prudence Island Water District	PRUD-DW-FY25	This project includes the installation of green sand filtration for removal of iron and manganese, and 4-log chlorination on the Indian Springs wells. Also included in the project is the construction of a treatment building to house the green sand filtration, and additional transmission piping from the pump house to the treatment building. Installation of 4-Log chlorination at the Army Camp well is also part of the project	04/04/2025	\$ 3,887,450.00	\$ 3,887,450.00	\$ -	\$ 3,887,450.00	\$ 1,018,090.00	\$ -	\$ 1,018,090.00
Total					\$ 3,887,450.00	\$ 3,887,450.00		\$ 3,887,450.00	\$ 1,018,090.00	\$ -	\$ 1,018,090.00

Grant Requirements Progress Report - SFY25

FFY 2023 IJJA Lead Service Line Replacement Cap Grant - Exactly (49%) - \$14,038,500 MUST be to DAC's

State	Capitalization Grant Amount	Assigned Subsidy (Total) -Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA -Dollars	Assigned Subsidy SDWA -Percent
Rhode Island	\$ 28,650,000	\$ 10,855,950	0	\$ -	0%	1	\$ 10,855,950	37.89%

FFY 2023 IIJA Lead Service Line Replacement Cap Grant - Subsidy Disbursements (SFY25)

FFY 2023 IIJA Lead Service Line Replacement Cap Grant - Exactly (49%) - \$14,038,500 MUST be to DAC's

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Appropriation Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	Assigned Grant Subsidy (23 LSL)	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	City of Providence	PRVW-DW-FY25	This project consists of the replacement of lead service lines within the Providence Water distribution area. Only lead service line replacements that result in simultaneous and complete replacement of both the public and private portions of the lead service lines will occur.	04/28/2025	\$ 26,300,000.00	\$ 12,887,000.00	\$ -	\$ 12,887,000.00	\$ 10,855,950.00	\$ -	\$ 10,855,950.00
Total									\$ 10,855,950.00	\$ -	\$ 10,855,950.00

Grant Requirements Progress Report -SFY25

FFY 2024 Base Cap Grant - Minimum Subsidy Requirement \$1,211,860 (\$559,320 to DACs)

State	Capitalization Grant Amount	Assigned Subsidy (Total) -Dollars	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA -Dollars	Assigned Subsidy SDWA -Percent
Rhode Island	\$ 4,661,000	\$ -	0	\$ -	0%	0	\$ -	0%

Grant Requirements Progress Report -SFY25

FFY 2024 IJA Emerging Contaminants Cap Grant - 100% (\$7,640,000)

State	Capitalization Grant	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) -Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA - Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$ 7,640,000	0	\$ -	0%	0	\$ -	0%

Grant Requirements Progress Report -SFY25

FFY 2024 IJA General Supplemental Cap Grant - Exactly (49%) - \$11,262,650 MUST be to DAC's

State	Capitalization Grant Amount	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) -Percent	Assigned Subsidy SDWA -Count	Assigned Subsidy SDWA - Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$22,985,000.00	0	\$ -	0%	0	\$ -	0%

Grant Requirements Progress Report - SFY25

FFY 2024 BIL Lead Service Line Replacement Cap Grant - Exactly (49%) - \$14,038,500 MUST be to DAC's

State	Capitalization Grant Amount	Assigned Subsidy (Appropriation) - Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) -Percent	Assigned Subsidy SDWA - Count	Assigned Subsidy SDWA - Dollars	Assigned Subsidy SDWA - Percent
Rhode Island	\$28,650,000.00	0	\$ -	0%	0	\$ -	0%

E. SFY 2025 Assistance Agreement Report –Disadvantaged Community

Attachment E - SFY 2025 Assistance Agreement Report Detail Report - Disadvantaged Community

Report Filters: EPA Region is 01 and State in(RI) and Initial Agreement Date greater than 07/01/2024 and Initial Agreement Date less than 06/30/2025 and Agreement is Hardship or Disadvantaged

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Disadvantaged Additional Subsidy Amount
Rhode Island	Providence City of	PRVW-DW-FY25	This project consists of the replacement of lead service lines within the Providence Water distribution area. Only lead service line replacements that result in simultaneous and complete replacement of both the public and private portions of the lead service lines will occur.	04/28/2025	\$ 26,300,000.00	\$ 12,887,000.00
Rhode Island	Prudence Island Water District	PRUD-DW-FY25	This project includes the installation of green sand filtration for removal of iron and manganese, and 4-log chlorination on the Indian Springs wells. Also included in the project is the construction of a treatment building to house the green sand filtration, and additional transmission piping from the pump house to the treatment building. Installation of 4-Log chlorination at the Army Camp well is also part of the project.	04/04/2025	\$ 3,887,450.00	\$ 3,887,450.00
Rhode Island	Scituate Housing Authority	SCHA-DW-FY25	This project is proposing a new water supply to Rockland Oaks Public Water System (RI1000020). Supply for the Rockland Oaks facility is proposed to be provided by a new distribution connection to Scituate High School & Middle School (PWS ID# RI1615612). In addition to the new transmission main, the project scope involves a new drilled bedrock well #4 (WL007) at the High School/Middle School campus plus selected improvements to the High School/Middle School pump house, controls, generator, storage tank, and distribution pump system, presently under construction.	03/13/2025	\$ 1,662,100.00	\$ 1,662,100.00
Total					\$31,849,550.00	\$18,436,550.00

F. SFY 2025 Assistance Agreement Report – Affordability Criteria

Attachment F - SFY 2025 Assistance Agreement Report - Loans Meeting Affordability Criteria

State	Borrower Name	Project Descriptions	State Tracking Number	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Current Disadvantaged Additional Subsidy Amount	# of Projects
Rhode Island	Providence City of	This project consists of the replacement of lead service lines within the Providence Water distribution area. Only lead service line replacements that result in simultaneous and complete replacement of both the public and private portions of the lead service lines will occur.	PRVW-DW-FY25	04/28/2025	\$26,300,000.00	\$12,887,000.00	\$12,887,000.00	1
Rhode Island	Prudence Island Water District		PRUD-DW-FY25	04/04/2025	\$3,887,450.00	\$3,887,450.00	\$3,887,450.00	1
Rhode Island	Scituate Housing Authority	This project is proposing a new water supply to Rockland Oaks Public Water System (RI1000020). Supply for the Rockland Oaks facility is proposed to be provided by a new distribution connection to Scituate High School & Middle School (PWS ID# RI1615612). In addition to the new transmission main, the project scope involves a new drilled bedrock well #4 (WL007) at the High School/Middle School campus plus selected improvements to the High School/Middle School pump house, controls, generator, storage tank, and distribution pump system, presently under construction.	SCHA-DW-FY25	03/13/2025	\$ 1,662,100.00	\$ 1,662,100.00	\$ 1,662,100.00	1
Rhode Island	Quonochontaug Central Beach Fire District	This project consists of the installation of a TOC Reduction UV Sterilizer unit, a greensand filtration system for iron and manganese removal, and a 4-Log Chlorination System. There will also be modifications to the existing pump house such as to the existing piping and controls, as well as additions of new monitoring instrumentation, chemical storage, a new PLC-based control panel, and flood proofing. The project will be located at 66 Sea Breeze Ave, Charlestown RI, 02813.	QCBF-DW-FY25	12/04/2024	\$ 1,555,000.00	\$ 100,000.00	\$ -	1
Rhode Island	Shannock Water District	The project will replace and upgrade the existing stand-by generator serving the Shannock Water District.	SHWD-DW-FY25	10/01/2024	\$ 77,000.00	\$ 77,000.00	\$ -	1
Rhode Island	Town of Scituate	Upgrading the existing domestic water system, removing underground tanks to be replaced with a pump house and updated equipment, and decommissioning Well 1 and raising Well 3 above ground.	SCIT-DW-FY25	07/25/2024	\$ 1,000,000.00	\$ 200,000.00	\$ -	1
Total					\$ 4,294,100.00	\$ 2,039,100.00	\$ 1,662,100.00	

G. SFY 2025 -Set-Aside Spending

Attachment G - SFY 2025 Set-Aside Spending

EffectiveDate	Decreases	Account ID	Account Detail	From	To	Account
11/7/2024	\$ 3,960.00	FS99126121	DD	7/1/2024	6/30/2025	RIIB
8/1/2024	\$ 125,391.20	FS99126121	DG	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 60,857.24	FS99126122	DD	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 36,238.75	FS99126122	DD	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 32,803.89	FS99126122	DD	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 22,684.87	FS99126122	DD	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 65,805.61	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 57,708.55	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 33,894.53	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 37,830.23	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 27,232.51	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 33,893.13	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 44,887.99	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 36,401.32	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 33,618.00	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 48,203.19	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 45,108.61	FS99126122	DF	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 120,850.47	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 123,116.20	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 86,917.22	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 105,972.97	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 41,729.12	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 46,372.99	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 62,662.88	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 57,965.29	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 56,944.65	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 57,558.04	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 66,190.49	FS99126122	DG	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 2,935.55	FS99126123	DD	7/1/2024	6/30/2025	RIDOH

EffectiveDate	Decreases	Account ID	Account Detail	From	To	Account
12/6/2024	\$ 7,992.88	FS99126123	DD	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 8,247.35	FS99126123	DD	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 8,601.34	FS99126123	DD	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 8,766.72	FS99126123	DD	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 4,284.84	FS99126123	DD	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 5,086.46	FS99126123	DD	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 4,393.84	FS99126123	DD	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 16,106.10	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 12,072.60	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 8,254.97	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 7,699.19	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 7,494.11	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 8,261.70	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 11,326.63	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 7,609.13	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 8,192.38	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 7,549.78	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 3,620.49	FS99126123	DE	7/1/2024	6/30/2025	RIDOH
1/2/2025	\$ 2,127.50	FS99126124	DD	7/1/2024	6/30/2025	RIIB
6/26/2025	\$ 91,092.50	FS99126124	DD	7/1/2024	6/30/2025	RIIB
6/12/2025	\$ 3,771.03	FS99126124	DE	7/1/2024	6/30/2025	RIDOH
8/1/2024	\$ 21,325.05	4E99126E22	DG	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 25,081.40	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 5,378.90	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 7,896.10	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 10,308.83	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 10,484.24	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 6,622.28	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 12,951.66	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 1,990.12	4E99126E23	DD	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 14,032.20	4E99126E23	DF	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 10,531.08	4E99126E23	DF	7/1/2024	6/30/2025	RIDOH

EffectiveDate	Decreases	Account ID	Account Detail	From	To	Account
10/17/2024	\$ 7,175.90	4E99126E23	DF	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 3,418.99	4E99126E23	DF	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 10,586.29	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 11,618.37	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 7,968.80	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 5,875.02	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 5,871.08	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 6,447.96	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 8,870.23	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 1,860.27	4E99126E23	DG	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 3,703.52	4E99126E24	DD	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 8,157.91	4E99126E24	DD	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 8,313.60	4E99126E24	DD	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 7,307.88	4E99126E24	DD	7/1/2024	6/30/2025	RIDOH
1/3/2025	\$ 19,506.74	4E99126E24	DF	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 15,418.54	4E99126E24	DF	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 23,564.61	4E99126E24	DF	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 18,602.46	4E99126E24	DF	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 15,239.44	4E99126E24	DF	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 10,158.05	4E99126E24	DF	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 13,331.78	4E99126E24	DF	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 5,192.67	4E99126E24	DG	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 5,933.64	4E99126E24	DG	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 5,929.85	4E99126E24	DG	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 129,568.82	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 187,775.74	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 6,965.15	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 17,025.54	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 9,863.60	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 7,767.46	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 3,873.61	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH

EffectiveDate	Decreases	Account ID	Account Detail	From	To	Account
4/10/2025	\$ 3,007.83	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 9,712.58	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 12,269.54	4L99126L22	DG	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 22,353.13	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 7,957.06	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 9,575.33	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 10,317.01	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 15,854.70	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 13,208.89	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 21,891.32	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
4/3/2025	\$ 12,934.31	4L99126L23	DD	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 9,153.14	4L99126L23	DF	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 7,454.35	4L99126L23	DF	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 4,697.29	4L99126L23	DF	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 4,825.49	4L99126L23	DF	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 7,418.60	4L99126L23	DF	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 7,282.02	4L99126L23	DG	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 5,963.49	4L99126L23	DG	7/1/2024	6/30/2025	RIDOH
10/17/2024	\$ 3,734.71	4L99126L23	DG	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 3,825.60	4L99126L23	DG	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 6,796.73	4L99126L23	DG	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 1,070.91	4L99126L24	DD	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 3,696.43	4L99126L24	DD	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 10,459.49	4L99126L24	DD	7/1/2024	6/30/2025	RIDOH
1/3/2025	\$ 3,179.26	4L99126L24	DF	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 8,048.76	4L99126L24	DF	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 13,892.32	4L99126L24	DF	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 8,753.11	4L99126L24	DF	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 8,740.64	4L99126L24	DF	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 12,474.64	4L99126L24	DF	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 9,510.87	4L99126L24	DF	7/1/2024	6/30/2025	RIDOH
1/3/2025	\$ 2,119.50	4L99126L24	DG	7/1/2024	6/30/2025	RIDOH

EffectiveDate	Decreases	Account ID	Account Detail	From	To	Account
1/16/2025	\$ 6,136.22	4L99126L24	DG	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 10,326.61	4L99126L24	DG	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 6,527.31	4L99126L24	DG	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 6,531.00	4L99126L24	DG	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 9,087.34	4L99126L24	DG	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 7,000.13	4L99126L24	DG	7/1/2024	6/30/2025	RIDOH
8/2/2024	\$ 2,844.00	4D99126S22	DD	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 49,403.95	4D99126S22	DD	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 25,515.34	4D99126S22	DD	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 16,038.31	4D99126S22	DD	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 25,725.72	4D99126S22	DE	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 9,086.72	4D99126S22	DE	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 24,066.24	4D99126S22	DE	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 6,321.28	4D99126S22	DE	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 7,758.79	4D99126S22	DE	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 15,799.64	4D99126S22	DE	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 5,516.42	4D99126S22	DE	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 86,825.57	4D99126S22	DG	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 19,092.34	4D99126S22	DG	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 27,000.77	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 32,739.63	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 22,509.64	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 44,974.90	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 30,767.29	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 30,455.01	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 34,213.75	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 29,371.42	4D99126S23	DD	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 7,635.95	4D99126S23	DE	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 24,491.74	4D99126S23	DE	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 11,568.68	4D99126S23	DE	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 7,335.07	4D99126S23	DE	7/1/2024	6/30/2025	RIDOH
8/30/2024	\$ 197,133.94	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH

EffectiveDate	Decreases	Account ID	Account Detail	From	To	Account
9/13/2024	\$ 153,682.22	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 232,492.58	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 105,084.32	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 131,621.67	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 166,956.30	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 130,723.51	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 124,117.78	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 133,473.08	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 93,569.09	4D99126S23	DF	7/1/2024	6/30/2025	RIDOH
9/13/2024	\$ 93,443.39	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
11/7/2024	\$ 78,782.63	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
12/6/2024	\$ 169,302.51	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
1/16/2025	\$ 76,386.16	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
2/6/2025	\$ 114,337.55	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
3/6/2025	\$ 90,880.62	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
4/10/2025	\$ 105,135.61	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
5/8/2025	\$ 80,897.31	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
6/12/2025	\$ 71,769.06	4D99126S23	DG	7/1/2024	6/30/2025	RIDOH
6/26/2025	\$ 384,361.50	4D99126S24	DD	7/1/2024	6/30/2025	RIIB
Total	\$ 6,196,779.07					

Summary	Category	RIIB	RIDOH
DD	Admin	\$ 481,541.50	\$ 786,242.76
DE	Technical Assistance		\$ 247,264.36
DF	Program Mgmt.		\$ 2,182,566.42
DG	Local Assistance		\$ 2,499,164.03
Total		\$ 481,541.50	\$ 5,715,237.57
Grand Total			\$ 6,196,779.07

H. Allotment of Base and IIJA Set-Aside Dollars Requested

Attachment H
Historical Summary of Requested and Banked
Base and IJIA Set-Aside Funding

FFY	Administrative	Banked and Use - Administrative	Technical Assistance	Banked and Use - Technical Assistance	State Program Mgmt.	Banked and Use - Stated Program Mgmt.	Local Assistance	Banked And Use - Local Assistance	Total Banked and Use in Set-asides	Total Set-Asides
1997	\$ 502,352	\$ -	\$ 251,176	\$ -	\$ 251,176	\$ 384,596	\$ 1,255,880	\$ -	\$ 384,596	\$ 2,260,584
1998	\$ 284,852	\$ -	\$ -	\$ 142,426	\$ 532,222	\$ 108,903	\$ -	\$ -	\$ 251,329	\$ 817,074
1999	\$ 298,552	\$ -	\$ 149,276	\$ -	\$ 400,000	\$ 346,380	\$ 373,190	\$ -	\$ 346,380	\$ 1,221,018
2000	\$ 310,280	\$ -	\$ 297,566	\$ (142,426)	\$ 1,579,138	\$ (803,438)	\$ -	\$ -	\$ (945,864)	\$ 2,186,984
2001	\$ 311,564	\$ -	\$ -	\$ 155,782	\$ 150,000	\$ 628,910	\$ 1,168,365	\$ -	\$ 784,692	\$ 1,629,929
2002	\$ 322,100	\$ -	\$ 316,832	\$ (155,782)	\$ 1,470,601	\$ (665,351)	\$ 1,207,875	\$ -	\$ (821,133)	\$ 3,317,408
2003	\$ 320,164	\$ -	\$ 160,082	\$ -	\$ 800,410	\$ -	\$ 1,200,615	\$ -	\$ -	\$ 2,481,271
2004	\$ 332,124	\$ -	\$ 166,062	\$ -	\$ 830,310	\$ -	\$ 1,245,465	\$ -	\$ -	\$ 2,573,961
2005	\$ 331,420	\$ -	\$ 165,710	\$ -	\$ 828,550	\$ -	\$ 1,242,825	\$ -	\$ -	\$ 2,568,505
2006	\$ 198,365	\$ 130,807	\$ 164,586	\$ -	\$ 822,930	\$ -	\$ 1,234,395	\$ -	\$ 130,807	\$ 2,420,276
2007	\$ -	\$ 329,160	\$ 164,580	\$ -	\$ 822,900	\$ -	\$ 1,234,350	\$ -	\$ 329,160	\$ 2,221,830
2008	\$ -	\$ 325,840	\$ 162,920	\$ -	\$ 814,600	\$ -	\$ 1,221,900	\$ -	\$ 325,840	\$ 2,199,420
2009	\$ -	\$ 325,840	\$ 162,920	\$ -	\$ 814,600	\$ -	\$ 1,221,900	\$ -	\$ 325,840	\$ 2,199,420
ARRA	\$ 780,000	\$ -	\$ -	\$ 390,000	\$ -	\$ 1,950,000	\$ -	\$ -	\$ 2,340,000	\$ 780,000
2010	\$ -	\$ 542,920	\$ 271,460	\$ -	\$ 1,357,300	\$ -	\$ -	\$ -	\$ 542,920	\$ 1,628,760
2011	\$ 376,720	\$ -	\$ -	\$ 188,360	\$ -	\$ 941,800	\$ -	\$ -	\$ 1,130,160	\$ 376,720
2012	\$ -	\$ 359,000	\$ -	\$ 179,500	\$ -	\$ 897,500	\$ -	\$ -	\$ 1,436,000	\$ -
2013	\$ 336,840	\$ -	\$ 168,420	\$ -	\$ 673,680	\$ 168,420	\$ 842,100	\$ -	\$ 168,420	\$ 2,021,040
2014	\$ 353,800	\$ -	\$ 221,260	\$ (44,360)	\$ 884,500	\$ -	\$ 1,326,750	\$ -	\$ (44,360)	\$ 2,786,310
2015	\$ 351,480	\$ -	\$ 175,740	\$ -	\$ 878,700	\$ -	\$ 1,318,050	\$ -	\$ -	\$ 2,723,970
2016	\$ 166,240	\$ 166,240	\$ -	\$ 166,240	\$ 831,200	\$ -	\$ 332,480	\$ -	\$ 332,480	\$ 1,329,920
2017	\$ 252,630	\$ 77,010	\$ 164,820	\$ -	\$ 1,081,200	\$ (257,100)	\$ 1,236,150	\$ -	\$ (180,090)	\$ 2,734,800
2018	\$ 444,280	\$ -	\$ 222,140	\$ -	\$ 1,110,700	\$ -	\$ 1,666,050	\$ -	\$ -	\$ 3,443,170
2019	\$ 664,080	\$ (223,920)	\$ 220,080	\$ (2,000)	\$ 1,100,400	\$ -	\$ 1,650,600	\$ -	\$ (225,920)	\$ 3,635,160
2020	\$ 660,660	\$ (220,220)	\$ 220,220	\$ -	\$ 1,101,100	\$ -	\$ 1,651,650	\$ -	\$ (220,220)	\$ 3,633,630
2021	\$ 669,960	\$ -	\$ 111,000	\$ 111,000	\$ 1,110,000	\$ -	\$ 1,665,000	\$ -	\$ 111,000	\$ 3,555,960
2022 -Base	\$ 420,480	\$ -	\$ 35,040	\$ 105,120	\$ 700,800	\$ -	\$ 1,051,200	\$ -	\$ 105,120	\$ 2,207,520
2022 -IJIA General	\$ 719,680	\$ -	\$ 250,068	\$ 109,772	\$ 1,641,666	\$ 157,534	\$ 1,254,311	\$ -	\$ -	\$ 3,865,725
Supplemental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 567,000	\$ -	\$ 267,306	\$ 567,000
2022 -IJIA LSL	\$ -	\$ 302,200	\$ -	\$ 151,100	\$ -	\$ 755,500	\$ 30,034	\$ -	\$ 1,208,800	\$ 30,034
2022 -IJIA EC	\$ 197,520	\$ -	\$ 98,760	\$ -	\$ 493,800	\$ -	\$ 740,700	\$ -	\$ -	\$ 1,530,780
2023 -Base	\$ 842,200	\$ -	\$ 312,106	\$ 108,994	\$ 2,017,719	\$ 87,781	\$ 1,484,630	\$ -	\$ -	\$ 4,656,655
2023 -IJIA General	\$ 745,511	\$ 400,489	\$ -	\$ 573,000	\$ 70,794	\$ 573,000	\$ 57,357	\$ -	\$ 196,775	\$ 4,656,655
Supplemental	\$ 132,033	\$ 173,567	\$ 152,800	\$ -	\$ 91,311	\$ 672,689	\$ 117,823	\$ -	\$ 1,546,489	\$ 873,662
2023 -IJIA LSL	\$ 186,440	\$ -	\$ 93,220	\$ -	\$ 466,100	\$ -	\$ 699,150	\$ -	\$ 846,256	\$ 493,967
2023 -IJIA EC	\$ 919,400	\$ -	\$ 324,141	\$ 135,559	\$ 2,298,500	\$ -	\$ 1,549,083	\$ -	\$ -	\$ 1,444,910
2024 -Base	\$ 220,311	\$ 352,689	\$ -	\$ 286,500	\$ 120,409	\$ 573,000	\$ 567,648	\$ -	\$ -	\$ 4,656,655
2024 -IJIA General	\$ 127,365	\$ 178,235	\$ -	\$ 152,800	\$ 271,928	\$ 492,072	\$ 73,093	\$ -	\$ 1,212,189	\$ 908,368
Supplemental	\$ 404,744	\$ 31,496	\$ 101,820	\$ 118,200	\$ 746,029	\$ 354,071	\$ 774,280	\$ -	\$ 823,107	\$ 472,386
2024 -IJIA LSL	\$ 984,194	\$ 11,726	\$ 338,695	\$ 159,265	\$ 2,386,406	\$ 103,394	\$ 1,550,387	\$ -	\$ 503,767	\$ 2,026,873
2024 -IJIA EC	\$ 847,913	\$ 298,087	\$ -	\$ 573,000	\$ 72,163	\$ 2,792,837	\$ 562,553	\$ -	\$ 274,385	\$ 5,259,682
2025 -Base	\$ 299,189	\$ 6,411	\$ -	\$ 152,800	\$ 334,302	\$ 429,698	\$ 157,458	\$ -	\$ 3,663,924	\$ 1,482,629
2025 -IJIA General	\$ 15,315,443	\$ 3,567,577	\$ 5,643,500	\$ 3,614,850	\$ 31,958,144	\$ 10,692,196	\$ 35,532,297	\$ -	\$ 588,909	\$ 790,949
Supplemental	\$ 847,913	\$ 298,087	\$ -	\$ 573,000	\$ 72,163	\$ 2,792,837	\$ 562,553	\$ -	\$ 17,874,622	\$ 88,449,384
2025 -IJIA LSL	\$ 299,189	\$ 6,411	\$ -	\$ 152,800	\$ 334,302	\$ 429,698	\$ 157,458	\$ -	\$ -	\$ -
2025 -IJIA EC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 15,315,443	\$ 3,567,577	\$ 5,643,500	\$ 3,614,850	\$ 31,958,144	\$ 10,692,196	\$ 35,532,297	\$ -	\$ 17,874,622	\$ 88,449,384

*A negative number in the "Banked" column indicates that the set-aside funds have been used

I. Affordability Criteria

Affordability Criteria

For SFY25 and SFY26

Affordability Index results are shown in the following pages. All 39 RI municipalities have been indexed along with selected drinking water and wastewater entities. Additional drinking water and wastewater entities can be indexed on an as-needed basis.

Eligible systems shall be tiered as follows:

- systems with an Affordability Index **75% or less** of the state average shall be in **tier 1**;
- systems with an Affordability Index **76% to 89%** of the state average shall be in **tier 2**;
- systems with an Affordability Index **90% to 100%** of the state average shall be in **tier 3**.

Domestic limited liability companies and domestic profit corporations, excepting cooperatives, are not eligible for tiers 1 through 3. Additionally, to qualify for drinking water tiering, entities must be a community Public Water System or a school.

The table below describes the SFY25 and SFY26 Tiers with eligible entities listed. Entities not listed are either not eligible or have not been indexed.

Table: SFY25 and SFY26 Tiers with eligible communities (% = Community Index as Percentage of State Index)

Tier 1 Affordability Index 0-75%	Tier 2 Affordability Index 76 - 89%	Tier 3 Affordability Index 90 - 100%
City of Central Falls 59% Smithfield Water Supply Board 66% Woonsocket Water 68% City of Woonsocket 67% Woonsocket WWTF 73%	City of Providence 77% City of Pawtucket 78% Pawtucket Water Supply Board 78% Narragansett Bay Commission 83% City of East Providence 85% Providence Water Supply Board 87% Tiverton Wastewater District 89%	Town of West Warwick 90% West Warwick WWTF 91% Town of Warwick 96% Town of North Providence 97% City of Newport 98% Town of Narragansett 99% Note: Funding only available in this tier if no ready-to-proceed projects remain in Tier 1 and Tier 2.

Note: The preceding results have been computed using the RI Infrastructure Bank’s affordability formula. Detailed calculations and metrics employed are provided below.

Allocating Principal Forgiveness Amounts

RI Infrastructure Bank (“Bank”) shall announce principal forgiveness amounts for qualifying projects by May 15, 2024. Amounts shall be determined by considering the amount of funding available, the pool of projects with applications submitted by the priority financial application date (if applicable), and any other relevant factors. For projects closing loans, the Bank anticipates allocating principal forgiveness according to the guidelines in the following table; however, the Bank may deviate from the guidelines detailed in the table depending on various factors. Prospective borrowers are encouraged to contact the Bank to discuss the applicability of the guidelines to them and their proposed project.

Table: SFY25 and SFY26 Tiers with thresholds and anticipated principal forgiveness

Tier	Index Threshold	Anticipated DW SRF Principal Forgiveness	Anticipated CW SRF Principal Forgiveness
Tier 1	0-75% of state average	<u>4 0</u> %* of project cost for projects meeting priority dates	<u>4 0</u> %* of project cost for projects meeting priority dates
Tier 2	76-89% of state average	<u>2 0</u> %* of project cost for projects meeting priority dates	<u>2 0</u> %* of project cost for projects meeting priority dates
Tier 3	90-100% of state average	Funding possible in this tier if no ready- to-proceed projects remain in Tier 1 and Tier 2	Funding possible in this tier if no ready-to-proceed projects remain in Tier 1 and Tier 2
All projects listed on PPL		Up to \$100,000* per project for systems serving less than 10,000 users; Up to \$200,000* per project for systems serving school districts; Emergency generators may receive principal forgiveness for a portion or the entirety of project	Forgiveness available for Green Project Reserve projects by order of PPL ranking; ___%* of GPR project cost

*Principal forgiveness amounts to be determined based on pool of ready-to-proceed projects and funding availability. Ready-to-proceed status requires projects to have been bid and to have obtained borrowing authority.

The Bank strives to accommodate all borrowers. Projects meeting priority dates shall be allocated principal forgiveness first; any remaining principal forgiveness shall be allocated in the order in which ready-to-proceed financial applications are received. Principal forgiveness amounts are contingent upon funding availability and readiness to proceed. Final determinations on principal forgiveness will be made in connection with closing a loan.

Rhode Island Affordability Index Calculation Results - SFY25 and SFY26

Systems indexed at 89% or less of the statewide average shall be designated a tier 1 or tier 2 entity;
 Systems between 90% and 100% of the state average shall be designated a tier 3 entity. Tier 1 and tier 2 communities are eligible for priority funding.
 This list is not comprehensive and does not include all eligible systems. Additional systems shall be indexed on an as-needed basis.

Legend	
Community List	Column Headers
Eligible community (tier 1 or 2) (tier 3)	Original data: used directly / used for calculation
Non-eligible community	Calculated data

Data sources

- (1) Median Household Income data
Municipalities and drinking water/wastewater systems serving over 10,000: Data source: US Census Bureau, 2018-2022 American Tables S1901 Median Income in the Past 12 Months (2022 Inflation-Adjusted Dollars). Accessed January 2024. Link: <https://dlt.ri.gov/sites/g/files/xkqbur571/files/2023-12/towninc.pdf>
 Water systems entirely in one census tract such as University of Rhode Island are treated as small systems and use census tract level data (S1901 data source link below).
Drinking water and wastewater systems serving 10,000 or less; or in one census tract: Data is from a) an income survey of the entire water system or b) census tract level Census Bureau data. If a system serves multiple census tracts, the census tract with the lowest income is used. Census Bureau, 2016-2020 American Tables S1901 Median Income in the Past 12 Months (2022 Inflation-Adjusted Dollars). Accessed January 2024. Link: https://data.census.gov/cedsci/map?q=S1901%3A%20INCOME%20IN%20THE%20PAST%2012%20MONTHS%20%28IN%202019%20INFLATION-ADJUSTED%20DOLLARS%29&q=0400000US44.44%241400000&tid=ACSS5Y2020.S1901&cid=S1901_C01_012E&layer=VT_2020_140_00_PY_D1&mode=thematic&loc=41.6571-71.4863.z8.8156
- (2) Employment data is from the RI DLT 2023 Annual Average Labor Force Statistics. Accessed January 2024. Link: <https://dlt.ri.gov/labor-market-information/data-center/unemployment-rate-labor-force-statistics-laus>. Data source: RI DLT, Labor Market Information, updated 3/2023.
 Water systems entirely in one census tract such as University of Rhode Island use census tract level data from the 2020 American Community Survey 5-Year Estimates. Link: https://data.census.gov/map?t=Employment+and+Labor+Force+Status&q=0400000US441400000_1400000US44009051400&tid=ACSDP5Y2020_DP03&cid=DP03_0004PE&layer=VT_2020_140_00_PY_D1&mode=thematic&loc=41.5616,-71.2036.z9.6129
- (3) Population data is from RI Division of Statewide Planning. Accessed January 2024. Link: <https://planning.ri.gov/ri-census-2020>. Source: US Census Bureau, 2020 Census and 2010 Census.

Municipalities

Community	Median Household Income (1)	Labor Force (2)	Resident Employment (2)	Employment Rate	2020 Population (3)	2010 Population (3)	Population Change	Index	Percent of State Index
Rhode Island	\$81,370	569,455	551,220	0.968	1,097,379	1,052,567	104.3%	82,118	100%
Barrington	\$145,028	8,552	8,371	0.979	17,153	16,310	105.2%	149,296	182%
Bristol	\$91,382	12,142	11,806	0.972	22,493	22,954	98.0%	87,069	106%
Burrillville	\$113,589	9,488	9,193	0.969	16,158	15,955	101.3%	111,458	136%
Central Falls	\$43,092	8,769	8,424	0.961	22,583	19,376	116.6%	48,248	59%
Charlestown	\$103,182	4,236	4,080	0.963	7,997	7,827	102.2%	101,541	124%
C Coventry	\$94,800	19,292	18,706	0.970	35,688	35,014	101.9%	93,690	114%
Cranston	\$83,123	42,547	41,203	0.968	82,934	80,387	103.2%	83,048	101%
Cumberland	\$109,466	20,501	19,950	0.973	36,405	33,506	108.7%	115,741	141%
East Greenwich	\$155,037	7,053	6,867	0.974	14,312	13,146	108.9%	164,337	200%
East Providence	\$71,736	24,900	24,047	0.966	47,139	47,037	100.2%	69,429	85%
Exeter	\$104,288	3,999	3,887	0.972	6,460	6,425	100.5%	101,919	124%
Foster	\$109,614	2,958	2,867	0.969	4,469	4,606	97.0%	103,082	126%
Glocester	\$106,350	6,392	6,233	0.975	9,974	9,746	102.3%	106,131	129%
Hopkinton	\$93,370	4,706	4,570	0.971	8,398	8,188	102.6%	92,997	113%
Jamestown	\$131,875	3,325	3,251	0.978	5,559	5,405	102.8%	132,614	161%
Johnston	\$83,001	16,208	15,638	0.965	29,568	28,769	102.8%	82,306	100%
Lincoln	\$104,258	12,866	12,529	0.974	22,529	21,105	106.7%	108,377	132%
Little Compton	\$136,389	1,924	1,868	0.971	3,616	3,492	103.6%	137,121	167%
Middletown	\$97,555	8,054	7,826	0.972	17,075	16,150	105.7%	100,223	122%
Narragansett	\$90,214	9,142	8,953	0.979	14,532	15,868	91.6%	80,910	99%
New Shoreham	\$66,652	777	724	0.932	1,410	1,051	134.2%	83,320	101%
Newport	\$81,330	14,005	13,622	0.973	25,163	24,672	102.0%	80,680	98%
North Kingstown	\$116,053	15,066	14,689	0.975	27,732	26,486	104.7%	118,472	144%
North Providence	\$77,039	18,537	17,949	0.968	34,114	32,078	106.3%	79,330	97%
North Smithfield	\$96,677	7,197	7,001	0.973	12,588	11,967	105.2%	98,924	120%
Pawtucket	\$62,799	37,387	35,963	0.962	75,604	71,148	106.3%	64,190	78%
Portsmouth	\$107,010	8,937	8,687	0.972	17,871	17,389	102.8%	106,900	130%
Providence	\$61,365	88,650	85,113	0.960	190,934	178,042	107.2%	63,183	77%
Richmond	\$111,989	4,501	4,422	0.982	8,020	7,708	104.0%	114,477	139%
Scituate	\$110,429	6,425	6,240	0.971	10,384	10,329	100.5%	107,820	131%
Smithfield	\$93,179	11,771	11,439	0.972	22,118	21,430	103.2%	93,458	114%
South Kingstown	\$108,474	16,749	16,283	0.972	31,931	30,639	104.2%	109,903	134%
Tiverton	\$92,444	8,814	8,543	0.969	16,359	15,780	103.7%	92,889	113%
Warren	\$81,575	5,805	5,633	0.970	11,147	10,611	105.1%	83,157	101%
Warwick	\$81,009	47,096	45,830	0.973	82,823	82,672	100.2%	78,975	96%
West Greenwich	\$119,137	3,448	3,345	0.970	6,528	6,135	106.4%	122,982	150%
West Warwick	\$71,851	16,646	16,087	0.966	31,012	29,191	106.2%	73,770	90%
Westerly	\$88,289	11,084	10,714	0.967	23,359	22,787	102.5%	87,484	107%
Woonsocket	\$54,398	19,511	18,671	0.957	43,240	41,186	105.0%	54,652	67%

Large drinking water and wastewater systems (serving over 10,000)

Index represents weighted average of municipal data based on flow data or population served. Wastewater population served data from DEM Wastewater Treatment Facility list, available at: <http://www.dem.ri.gov/programs/water/wwtf/wwtf-officials.php>. Drinking water retail population served data obtained from water systems.

System	Median Household Income (1)	Labor Force (2)	Resident Employment (2)	Employment Rate	2020 Population (3)	2010 Population (3)	Population Change	Index	Percent of State Index
Narragansett Bay Commission	\$ 66,058			0.962			107%	68,000	83%
Bucklin Point & Fields Point									
		<i>Pop. Served</i>	<i>% of Total</i>						
		Central Falls	19,400	5.58%					
		Cumberland	11,100	3.19%					
		East Providence	8,900	2.56%					
		Lincoln	9,400	2.70%					
		Pawtucket	72,600	20.89%					
		Smithfield	150	0.04%					
		Johnston	15,900	4.57%					
		North Providence	32,100	9.24%					
		Providence	178,000	51.22%					
West Warwick WWTF	\$ 73,162			0.967			106%	74,843	91%
		<i>Pop. Served</i>	<i>% of Total</i>						
		Coventry	1,200	3.80%					
		Cranston	200	0.63%					
		East Greenwich	20	0.06%					
		Warwick	930	2.94%					
		West Greenwich	30	0.09%					
		West Warwick	29,200	92.46%					
East Providence WWTF	\$ 95,107			0.970			102%	94,896	116%
		<i>Pop. Served</i>	<i>% of Total</i>						
		East Providence	31,400	68.11%					
		Barrington	14,700	31.89%					
Newport WWTF	\$ 83,999.94			0.972			103%	83,896	102%
		<i>Pop. Served</i>	<i>% of Total</i>						
		Middletown	5,200	16.46%					
		Newport	26,400	83.54%					
		<i>System also serves 10,000 at the U.S. Navy Base, not included in this calculation</i>							
South Kingstown WWTF	\$ 98,062.60			0.98			97%	93,372	114%
		<i>Pop. Served</i>	<i>% of Total</i>						
		Narragansett	13,000	57.02%					
		South Kingstown	9,800	42.98%					
		<i>System also serves 6,600 at the University of RI, not included in this calculation</i>							
Woonsocket WWTF	\$ 59,136.16			0.959			105%	59,614	73%
		<i>Pop. Served</i>	<i>% of Total</i>						
		North Smithfield	5,200	11.21%					
		Woonsocket	41,200	88.79%					
		<i>System also serves 5,000 in Massachusetts, not included in this calculation</i>							
Bristol County Water Authority (BCWA)	\$ 108,969			0.974			102%	108,989	133%
		<i>Annual Flow (million gal.)</i>	<i>% of Total</i>						
		Barrington	347.28144	36.51%					
		Bristol	410.2593	43.13%					
		Warren	193.731252	20.37%					
City of Newport - Water Division	\$ 88,307			0.972			103%	88,884	108%
		<i>Pop. Served</i>	<i>% of Total</i>						
		Newport	25,163	59.46%					
		Middletown	15,368	36.31%					
		Portsmouth	1,787	4.22%					
		<i>System also serves the Navy, not included in this calculation. Newport Water does not track data by municipality. Assumptions: system serves all Newport residents, 90% of Middletown residents and 10% of Portsmouth residents</i>							
Kent County Water Authority	\$ 94,752			0.970			104%	96,047	116%
		<i>Pop. Served</i>	<i>% of Total</i>						
		Coventry	8,621	31.16%					
		West Greenwich	405	1.46%					
		East Greenwich	4,122	14.90%					
		Scituate	568	2.05%					
		North Kingstown	11	0.04%					
		Warwick	4,598	16.62%					
		West Warwick	8,527	30.82%					
		Cranston	813	2.94%					
		<i>Data from Kent County Water Authority Consumer Confidence Water Quality Annual Report 2020</i>							

Pawtucket Water Supply Board	\$ 67,986			0.964	108%	70,872	86%
		<i>Annual Flow (million gal.)</i>					
		<i>Pawtucket</i>	1,748	65.65%			
		<i>Central Falls</i>	435	16.34%			
		<i>Cumberland</i>	480	18.01%			
Providence Water Supply Board	\$ 70,334			0.963	106%	71,511	87%
		<i>Pop. Served</i>		<i>% of Total</i>			
		<i>Providence</i>	183,609	57.39%			
		<i>North Providence</i>	28,327	8.85%			
		<i>Cranston</i>	73,012	22.82%			
		<i>Johnston</i>	27,102	8.47%			
		<i>Smithfield</i>	7,874	2.46%			
Woonsocket Water Department	\$ 55,896.09			0.957	105%	56,228	68%
		<i>Pop. Served</i>		<i>% of Total</i>			
		<i>Woonsocket</i>	43,240	96.52%			
		<i>North Smithfield</i>	1,461	3.26%			
		<i>Cumberland</i>	97	0.22%			
		<i>System also serves approximately 100 in Massachusetts, not included in this calculation</i>					

Small drinking water and wastewater systems (serving 10,000 or less; or in one census tract)

Median household income data can come from an income survey or census tract data. If a system serves multiple census tracts, the census tract with the lowest median household income is used. Employment and population data is from the municipality in which the system is located or, for URI, the census tract.

System	Median Household Income (1)	Labor Force (2)	Resident Employment (2)	Employment Rate	2020 Population (3)	2010 Population (3)	Population Change	Percent of State Index	Percent of State Index
Greenville Water District	\$ 89,265	11,771	11,439	0.972	22,118	21,430	103%	89,532	109%
	Small water system serving approximately 9,500 residents in Smithfield. Census tract 127.02 has a MHI of \$89,265.								
Kingston Water District	\$ 109,028	16,749	16,283	0.972	31,931	30,639	104%	110,464	135%
	Small water system serving approximately 3,968 in South Kingstown. Census tract 514 has a MHI of \$109,028.								
North Smithfield Water (Slatersville Public Supply)	\$ 92,188	7,197	7,001	0.973	12,588	11,967	105%	94,331	115%
	Small water system serving approximately 3,403 in North Smithfield. Census tract 128.01 has a MHI of \$92,188.								
Pascoag Utility District	\$ 83,972	9,488	9,193	0.969	16,158	15,955	101%	82,396	100%
	Small water system serving approximately 1,200 customers in Burrillville. Census tract 129 has a MHI of \$83,972.								
Smithfield Water Supply Board	\$ 54,222	11,771	11,439	0.972	22,118	21,430	103%	54,384	66%
	Small water system serving approximately 9,460 in Smithfield. Census tract 121.03 has a MHI of \$54,222.								
Tiverton Wastewater District	\$ 72,632	8,814	8,543	0.969	16,359	15,780	104%	72,982	89%
	Small wastewater district serving approximately 950 customers in Tiverton. Census tract 416.01 has a MHI of \$72,632.								

J. Policies & Procedures

830-RICR-10-10-1

TITLE 830 - INFRASTRUCTURE BANK

CHAPTER 10 – PROGRAMS

SUBCHAPTER 10 - WATER

PART 1 - Drinking Water State Revolving Fund Loan Policies and Procedures

1.1 Purpose:

The within Loan Policies and Procedures of Rhode Island Infrastructure Bank (the "Bank") have been established to govern the lending activities of the Drinking Water State Revolving Fund (DWSRF) in accordance with R.I. Gen. Laws Chapters 46-12.8 and 46-12.2, and Title XIV of the Public Health Service Act (42 U.S.C. § 300 *et seq.*).

1.2 Definitions:

Except as otherwise defined herein, the words and phrases used within this Part have the same meaning as the words and phrases have in R.I. Gen. Laws Chapters 46-12.8 and 46-12.2 and Title XIV of the Public Health Service Act (42 U.S.C. § 300 *et seq.*).

1.3 Financial Assistance:

- A. This Part governs the provision of financial assistance to local governmental units, and privately organized water suppliers (collectively "Borrowers") to finance costs of approved drinking water projects in the form of loans with below market interest rates or interest rate subsidies which reduce the cost of financing these projects by at least twenty-five percent (25%). Financially distressed Borrowers may receive financial assistance greater than twenty-five percent (25%) as long as these loans do not have an adverse effect on other participants in the loan programs of the Bank; bond holders; other creditors of the Bank, or the finances of the Bank. In determining those Borrowers that qualify as "financially distressed" the Bank may consider the criteria set forth in R.I. Gen. Laws §§ 45-13-12(b)(1) through (4).
- B. Small Water Systems: Small Water Systems, as defined by the Environmental Protection Agency (EPA) may be awarded financial assistance in accordance with the Small Water System Guidance Document that shall be issued by the Bank. See www.RIIB.org for the Small Water System Guidance Document.

1.4 Loan Application:

- A. Requests for financing should be submitted in writing by the Chief Executive Officer or other authorized officer of the Borrower to the Executive Director of the Bank. The written request shall include:
1. A description of the project to be financed with the projected construction and completion schedule. In the case of a refinancing, a description of the completed project and the terms and sources of previous financing.
 2. A description of the dedicated source of loan repayment, i.e., general revenues or drinking water revenues.
 3. A description of the overall operations of the Borrower, including but not limited to the most recent annual report or audited financials, with an emphasis on:
 - a. legal structure;
 - b. management;
 - c. sources of revenues;
 - d. operating expenses;
 - e. operating surpluses or deficits;
 - f. actual results versus budget; and
 - g. sources of financial liquidity.
 4. Legal authority or authorities to construct, finance and operate the project.
 5. The past five years Audited Financial Statements in accordance with Generally Accepted Government Accounting Standards or Generally Accepted Accounting Principals; or other historical financial information that the Bank deems appropriate.
 6. Financial and demographic information.
 7. For revenue bonds, financial projections over the life of the financing showing sources of revenues, operating expenses, capital replacement reserves, user fee impact analysis, and cash available for debt service.
 8. A copy of the Infrastructure Replacement Plan component of the Water Supply Management Plan if applicable.

9. An application that proposes to purchase an existing water system must be accompanied by a certification of the water system's integrity by a registered professional engineer. A certification as to the appraised value of the system must also be provided. The Bank reserves the right to review this certification and request further data for analysis.
10. Such other information as the Bank may reasonably require.

1.5 Loan Approval Process:

- A. Loan approvals are subject to the following terms:
 1. That all projects to be funded appear on the Rhode Island Department of Health ("RIDOH") Project Priority List and have Certificates of Approval issued.
 2. That the loan complies with all federal, state and Bank laws, rules and regulations.
 3. That the loan and debt service requirements be approved by any applicable regulatory Agency.
 4. That a satisfactory loan agreement be signed by all parties to the transaction.
 5. That the loan will be made subject to availability of funds as related to the Bank's capacity; and that the loan will be made subject to ranking on RIDOH's Project Priority List.
 6. The Bank will conduct a financial analysis for each loan application which may include, but not be limited to:
 - a. sources of revenue and financial liquidity
 - b. historical and projected financial operating results
 - c. present and future debt service requirements
 - d. current assignment of water rates and other revenues generated from user fees
 - e. ability to increase water rates and/or secure alternative revenue sources
 - f. cost of the project and estimated completion schedule

- g. long term capital replacement planning
 - h. socioeconomic conditions and trends
 - i. management qualifications and experience
 - j. effects of legal structure and any regulator control
 - k. a Consulting Engineer's Water Facility and Financial Feasibility Report, if applicable
 - l. history of applicant/system
 - m. any other information that the Bank or its Board of Directors may require.
- B. If the Board approves the application, a Commitment Letter will be issued to the Borrower for their acceptance, outlining the terms and conditions of the loan.

1.6 Terms and Conditions:

- A. **Borrowing Rate** - The stated interest rate on the Borrower bond, which is the Borrower's market rate (the "Market Rate"), is the prevailing market taxable or tax-exempt interest rate for issuers of comparable creditworthiness to the Borrower, as determined by the Bank on the advice of the Financial Advisor after consultation with the Borrower. Subject to adjustment by the Bank from time to time, the subsidized interest rate for the Loan is seventy-five percent (75%) of the Market Rate (the "Subsidized Interest Rate"). The Borrower will be obligated by the Borrower bond to pay the Market Rate, but will be billed only for the Subsidized Interest Rate. If the Borrower or other borrowers of the Bank should default in timely payment of debt service on the Loan or on the loans made to such other borrowers of the Bank, the Bank may require the Borrower to pay up to the Market Rate on the Borrower Bond.
- B. Interest is to be calculated based on a 360-day year and twelve thirty-day months, and may be capitalized during construction. Interest payments are semi-annually on March 1 and September 1.
- C. **Loan Fees** - An origination fee of the greater of one thousand dollars (\$1,000) or one percent (1%) of the principal amount of the Loan will be payable to the Bank by the Borrower at the time of the Loan's closing. All other costs incidental to the Borrower's role in their transaction, such as, legal fees, financial advisory fees, bond insurance premiums and the like, will be paid by the Borrower. The Bank will charge an annual service fee of one-half of one percent (0.5%) of the Loan's outstanding principal, payable semi-annually at each interest payment date. A

late payment of five percent (5%) of the amount of the late payment will be charged for every fifteen (15) days that a payment is late.

- D. Amortization - Amortization will begin at a mutually agreed upon date, but in no case later than the earlier of three (3) years after loan closing or September 1st after completion of the construction of the projects. Principal payments will be made annually on September 1st and the schedule of payments will be structured to meet the debt service and financial assistance needs of the Borrower.
- E. Final Maturity - Loans shall mature no later than twenty (20) years after the completion of the funded projects
- F. Prepayments - A loan may be prepaid by the Borrower at any time but may be subject to a prepayment penalty based on the cost of reinvesting the prepayment, the cost of prepaying outstanding bonds of the Bank or any other negative financial impact to the Bank.
- G. Security - Loans will have a pledge of:
 - 1. general revenues and/or water system user fee revenues; and/or
 - 2. may be secured by any other assets and upon such other terms and conditions as the Bank deems appropriate to protect the interest of the other participants in the loan programs of the Bank; bond holders; other creditors of the Bank; bondholders; or the finances of the Bank.
- H. Construction Progress Payments - Progress payments for each construction project will be made through an account established by the Borrower. Loan proceeds will be transferred monthly from the Borrower account for each borrower based upon approved Requisition Forms submitted to the Bank. Upon receipt of the Requisition Form, the Bank will verify a) that a Certificate of Approval has been issued by RIDOH; b) the vendor is identified in the contract; and c) there is sufficient availability in the Borrower account to make the payment. Payments will be made directly to the vendor and/or the Borrower for reimbursements by the Bank, and a "paid" stamped copy of the Requisition Form will be sent to the Borrower and RIDOH. The RIDOH will perform periodic project inspections to a) monitor construction progress; b) verify eligibility of construction costs under the program; and c) insure construction is in conformity with Plans and Specifications. RIDOH will provide a copy of the inspection report to the Bank. Any adverse conditions will be reported to the Bank who will suspend further payments until the adverse conditions have been rectified. RIDOH will perform a final project inspection before the final payment is made by the Bank.

1.7 Reporting Requirements:

- A. Borrowers will be required to provide information to the Bank during the life of the loan, including, but not limited to:
1. A copy of its Annual Audited Financial Statements in accordance with Generally Accepted Government Accounting Standards annually within nine (9) months of end of fiscal year.
 2. An annual analysis of operating revenues and expenses, including without limitation, a description of the status of the water system user fee revenues and/or general revenues and operating expenses in excess of budget and a schedule of current and projected user rates.
 3. A copy of the annual budget of the Borrower, within fifteen (15) days of its adoption.
 4. Annual schedule of current and projected short term and long term debt service.
 5. An annual schedule of Infrastructure Replacement Reserves.
 6. Copies of reports submitted to RIDOH, Rhode Island Department of Environmental Management, the US Environmental Protection Agency, the Rhode Island Public Utilities Commission and any other regulatory agency relating to the projects financed and the operation of the water supply facility.
 7. Other information or reports that the Bank deems appropriate.

1.8 Loan Agreements:

There will be a Loan Agreement with the Borrower outlining the terms and conditions of the Bank's loan. The Borrower's repayment obligation to the Bank under the agreement will be evidenced by a bond(s) of the Borrower outlining the loan's specific terms and conditions. The bonds shall be in fully marketable form, accompanied by documentation, in form and substance satisfactory to the Bank and an opinion, in form and substance satisfactory to the Bank, of nationally recognized bond counsel as to its valid authorization, execution, delivery and enforceability, as well as its federal and state tax consequences, and may include an opinion that the bonds are not private activity bonds within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code").

1.9 Compliance with State and Federal Law:

The Borrower must comply with all applicable state laws and regulations. Recipients of loans must also comply with all requirements of 42 U.S.C. § 300 *et seq.* and regulations and guidance issued thereunder in addition to any other applicable federal laws and regulations.

1.10 Modifications:

Where deemed appropriate by the Bank, waiver or variation of any provisions herein may be made or additional requirements may be added.

1.11 Severability:

If any provision of this Part or the application thereof to any local government unit, or privately organized water supplier is held invalid by a court of competent jurisdiction, the remainder of the rules and regulations shall not be affected thereby. The invalidity of any section or sections or parts of any section or sections shall not affect the validity of the remainder of this Part.

830-RICR-10-10-1

TITLE 830 - INFRASTRUCTURE BANK

CHAPTER 10 - PROGRAMS

SUBCHAPTER 10 - WATER

PART 1 - DRINKING WATER STATE REVOLVING FUND LOAN POLICIES AND PROCEDURES

Type of Filing: Amendment

Agency Signature

 E-SIGNED by Jeff Diehl

Agency Head Signature

October 01, 2018

Agency Signing Date

Department of State

09/28/2018

Regulation Effective Date

 **K.C.**

Department of State Initials

October 01, 2018

Department of State Date

K. Project Priority List

System Name	PWS ID	Pop. Served	Funds Requested	Est. Start Date	A	B	C	D	E	F	G	H	TOTAL	Project description	Affordability Tier (1,2,3, -)	LSLR	EC	Small System (<10,000)	School
Central Beach Fire District	RI 1647512	500	\$1,555,000	10/1/2024	53	0	0	0	5	5	25	0	88	Comprehensive pumphouse improvements and expansion	-			✓	
Providence, City of	RI 1592024	600,000	\$180,000,000	1/1/2024	37	4	0	1	5	5	30	0	82	Replacement of lead service lines in the system.	2	✓		-	
Rockland Oaks	RI 1000020	26	\$800,000	6/1/2024	60	0	5	0	5	0	10	0	80	Interconnection with Scituate High School Public Water System	1			✓	
Newport, City of	RI 1592010	42,155	\$1,500,000	9/1/2024	50	4	0	1	5	5	5	0	70	Installation of custom mixers, aerators, and ventilators for efficient treatment of medium and high service zones.	3			-	
Quonochontaug East Beach Water Association	RI 1647511	300	\$250,000	3/15/2026	53	0	0	1	5	5	5	0	69	Engineering, design, construction, and installation of nitrate treatment	-			✓	
Kent County Water Authority	RI 1559511	88,780	\$25,000,000	4/1/2025	50	2	0	1	5	5	5	0	68	Design and construction of new water treatment plant	-			-	
Kingston Water District	RI 1858421	3,963	\$10,000,000	5/12/2025	50	2	0	0	5	5	5	0	67	Design and installation of filtration at well #3 to remove PFAS contamination	-		✓	✓	
Quonochontaug East Beach Water Association	RI 1647511	300	\$850,000	3/15/2025	50	0	0	1	5	5	5	0	66	PFAS testing, engineering, design, construction, and installation as well as design and construction of a new pump house.	-		✓	✓	
Pawtucket Water Supply Board	RI 1592021	98,300	\$5,000,000	6/1/2025	50	4	0	1	5	5	0	0	65	Design and Rehabilitation of existing groundwater wells and/or supplementation with new supply wells. Project also includes improvements to electrical and control systems. Treatment methodologies may be implemented based on assessment of well results.	2			-	
Prudence Island Water District	RI 1592023	1,500	\$2,650,000	10/1/2021	45	2	0	0	5	5	5	0	62	Installation of a permanent chlorination system at all wells throughout distribution system to achieve 4-log. Installation of iron and manganese treatment at well to prevent degradation of water quality anticipated with chlorination of the distribution system.	1			✓	
Jemp 1 LLC	RI 2980323	50	\$110,000	4/4/2024	50	0	0	0	5	0	5	0	60	Design and installation of PFAS Remediation	-		✓	✓	
North Scituate Elementary	RI 1615613	500	\$500,000	6/16/2025	50	0	0	0	3	0	5	0	58	Evaluation, testing, design, construction, and installation of PFAS treatment	-		✓	✓	✓
Bristol County Water Authority	RI 1647515	50,360	\$1,500,000	1/1/2025	37	10	0	1	5	5	0	0	58	Replace all known and suspected lead service lines	-	✓		-	
Newport, City of	RI 1592010	42,155	\$104,432,000	9/1/2024	37	4	0	1	5	5	5	0	57	Lead Service Line Replacements throughout entire system	3	✓		-	
Westerly Water Department	RI 1559512	17,500	\$350,000	1/1/2025	37	1	0	0	5	5	0	0	48	Replacement of lead service lines with new copper lines.	-	✓		-	
Westerly Water Department	RI 1559512	17,550	\$1,200,000	7/15/2024	35	1	0	0	5	5	0	0	46	Installation of water main at the municipal transfer station to provide potable water to a section of the property that has no connection to a clean water source.	-			-	
Shannock Water District	RI 1647529	250	\$62,080	10/5/2023	19	1	0	1	5	5	15	0	46	Replacement of District's existing non functioning emergency generator with a new emergency generator	-			✓	
Richmond, Town of	RI 1000040	2,671	\$175,000	4/15/2025	14	1	0	0	5	5	20	0	45	Improvements to pumphouse including upgrading the well pump	-			✓	
Pacoag Utility District	RI 1592020	2,985	\$125,000	7/1/2024	10	4	0	1	5	5	20	0	45	Replacement of 12 hydrants	-			✓	
Stone Bridge Fire District	RI 1615619	2,607	\$250,000	9/15/2024	10	4	0	0	5	5	20	0	44	Install a 1-way interconnection into an existing 8" ductile iron water main at Silver Beech Rd. The existing main currently connects the Stone Bridge Fire District and North Tiverton Fire District distribution systems.	-			✓	
Prudence Park Water Coop	RI 1647514	80	\$100,000	5/1/2024	14	2	0	1	1	5	20	0	43	Water system improvements. Tie in replacement well, expand pump house for new controls, new storage tanks, and replacement of water mains.	-			✓	
Warwick, City of	RI 1615627	83,000	\$2,500,000	9/1/2024	21	4	0	1	5	5	5	0	41	Replace failed check valve	3			-	
Providence, City of	RI 1592024	600,000	\$129,000,000	1/1/2025	21	4	0	1	5	5	5	0	41	Installation of a redundant raw water transmission main from the Scituate Reservoir to the Purification Plant. The project also includes the rehabilitation of the original transmission mains.	2			-	
Pascoag Utility District	RI 1592020	2,985	\$1,500,000	5/1/2025	21	4	0	1	5	5	5	0	41	Construction of new well on Roosevelt Ave	-			✓	
Stone Bridge Fire District	RI 1615619	2,607	\$300,000	9/15/2024	12	4	0	0	5	5	15	0	41	Improvements to the existing standpipe tank, including a new altitude valve system, modifications to the existing water pipe, valves and fittings, and installation of a mixing system in the standpipe tank.	-			✓	
Richmond, Town of	RI 1000040	2,671	\$200,000	11/15/2024	19	1	0	0	5	5	10	0	40	Upgrade and rehabilitation to water storage tank	-			✓	
Providence, City of	RI 1592024	600,000	\$38,000,000	1/1/2024	19	4	0	1	5	5	5	0	39	Construct a new residuals management system to allow Providence Water to more effectively manage the treatment plant residuals	2			-	
Newport, City of	RI 1592010	42,155	\$4,750,000	9/1/2024	19	4	0	1	5	5	5	0	39	Increasing the ability to service the medium and high pressure zones	3			-	
Scituate High School & Middle School	RI 1615612	820	\$1,000,000	8/1/2023	14	0	0	1	3	0	20	0	38	Replace underground tanks with new pumphouse. Decommissioning well #1 and raising well #3 above ground	-			✓	✓
Newport Boys and Girls Club Camp Facility/Well	RI 2980095	250	\$100,000	10/15/2024	21	0	0	0	1	5	10	0	37	Improvements to the existing public water system, new water treatment sytem for iron/manganese removal including filtration, new emergency generator	-			-	
The Greene School-- Buildings 1,2, & 3	RI 2980050 RI 2980310	275	\$500,000	7/15/2024	21	0	5	1	3	0	5	0	35	The three building campus is currently divided into two public water systems, which is costly and inefficient to operate. Both systems lack an emergency generator and at least one well has high iron levels. The two systems need to be consolidated and have improvements made.	-			✓	✓
Charhi Regional Middle School	RI 2980185	1,500	\$425,000	9/1/2024	21	0	0	1	3	5	5	0	35	Replacement of the existing generator and switchgear with a new 230 kW generator and switchgear. The wells will be video inspected to identify necessary repairs. The project includes consolidation of the middle school water system with the high school water system.	-			✓	✓
Providence, City of	RI 1592024	600,000	\$353,000,000	1/1/2025	19	4	0	1	5	5	0	0	34	Upgrades to the Treatment Plant clarification process	2			-	

Warwick, City of	RI 1615627	83,000	\$3,000,000	9/1/2024	14	4	0	1	5	5	5	0	34	Rehabilitate booster pumps, fire pumps, and upgrade SCADA system	3	-		
Slatersville Public Supply	RI 1615614	1,575	\$3,500,000	7/1/2025	12	4	0	0	3	5	10	0	34	Replace water tank, upgrade booster system, and demolition of two non-functional tanks	-	✓		
Stonebridge Fire District	RI 1615619	2,607	\$450,000	9/15/2024	10	4	0	0	5	5	10	0	34	Replace existing 6" transit distribution pipe at Hillsdale Ave and Lawton Ave with ductile iron pipe. Also, a new connection to the transmission main at Main St. and the addition of hydrant, valves, and new service connections.	-	✓		
Champlin Scout Reservation	RI 2980248 RI 2980249	300	\$300,000	9/1/2024	21	0	5	1	1	0	5	0	33	Connect to Providence Water and replace existing undersized drinking water distribution system. Project will eliminate two public water systems and one private well.	-	✓		
Slatersville Public Supply	RI 1615614	1,575	\$17,000,000	7/1/2025	14	4	0	0	5	5	5	0	33	Bring potable water to currently unserved properties along the 146 corridor, as several private wells were contaminated with road salt	-	✓		
Hog Island Water Association South End	RI 1000097	100	\$250,000	4/1/2024	10	1	0	1	1	5	15	0	33	Replace existing distribution system	-	✓		
Westerly Water Department	RI 1559512	17,550	\$1,000,000	1/1/2025	21	1	0	0	5	5	0	0	32	Locate and test potential future well sites. Once a suitable location is identified, the new wells, pumping stations, and interconnection to the existing water mains will be installed.	-	-		
Touisset Point Water Trust	RI 1615626	250	\$200,000	6/20/2024	8	4	0	0	5	0	15	0	32	Water meter and backflow preventer purchase and installation	-	✓		
Cumberland, Town of	RI 1647530	21,350	\$500,000	7/1/2025	14	2	0	0	5	5	5	0	31	Design and construction of Girarg Road Pump Station upgrades	-	-		
Bristol County Water Authority	RI 1647515	50,360	\$4,000,000	1/1/2025	10	10	0	1	5	5	0	0	31	Rehabilitate or replace approximately 16,000 feet of water mains	-	-		
Westerly Water Department	RI 1559512	17,550	\$300,000	6/17/2024	19	1	0	0	5	5	0	0	30	Replacement of MIOX system computers, including pumps and electrical parts	-	-		
Westerly Water Department	RI 1559512	17,550	\$100,000	7/1/2024	19	1	0	0	5	5	0	0	30	Update antenna, software, and devices throughout municipal water system	-	-		
Western Coventry Elementary School	RI 1647527	496	\$510,000	7/1/2024	21	0	0	0	3	0	5	0	29	Installation of a new water supply to replace existing well. The installation of a new storage tank, pump system, and monitoring control system. This will eliminate contaminants, and increase water capacity and pressure.	-	?	✓	✓
Newport, City of	RI 1592010	42,155	\$3,750,000	3/3/2025	14	4	0	1	5	5	0	0	29	Replacement of the Motor Control Center with a new MCC	3	-		
Slatersville Public Supply	RI 1615614	1,575	\$2,500,000	7/1/2025	10	4	0	0	5	5	5	0	29	Water main replacement from St. Paul St. to Elizabeth Ave	-	✓		
Warwick, City of	RI 1615627	83,000	\$15,000,000	7/1/2024	8	4	0	1	5	5	5	0	28	Replace all water meters	3	-		
Pawtucket Water Supply Board	RI 1592021	98,300	\$15,000,000	6/1/2025	12	4	0	1	5	5	0	0	27	Evaluation and study of two storage tanks to determine optimal volume for drinking water and fire service	2	-		
Cumberland, Town of	RI 1647530	21,350	\$4,200,000	3/31/2025	10	2	0	0	5	5	5	0	27	Replace water mains in Ashton/Berkley Villages	-	-		
Lincoln Water Commission	RI 1858423	22,216	\$2,000,000	12/2/2024	14	1	0	0	5	0	5	0	25	Rehabilitation of Old Louisquisset Pike Pump Station	-	-		
Lincoln Water Commission	RI 1858423	22,216	\$2,000,000	2/3/2025	14	1	0	0	5	0	5	0	25	Rehabilitation of Albion Road Pump Station	-	-		
Providence, City of	RI 1592024	600,000	\$21,000,000	4/1/2024	10	4	0	1	5	5	0	0	25	Rehabilitate older water mains made of unlined cast iron pipe, by cleaning and lining mains, and replacing older valves, hydrants, and miscellaneous appurtenances.	2	-		
Pawtucket Water Supply Board	RI 1592021	98,300	\$6,000,000	6/1/2024	10	4	0	1	5	5	0	0	25	Replacement of aged and undersized water mains with 6" and above diameter water mains	2	-		
Pawtucket Water Supply Board	RI 1592021	98,300	\$4,000,000	6/1/2025	10	4	0	1	5	5	0	0	25	Design and Construction to replace existing interconnection to East Providence with a permanent, safe, secure, metered, and reliable structure.	2	-		
Harrisville Fire District	RI 1858411	3,000	\$1,971,997	3/10/2025	10	0	0	0	5	5	5	0	25	Replace existing water main crossing at Clear River. Connect Cherry Farm Rd. storage tank to Sherman Farm Rd.	-	✓		
Cumberland, Town of	RI 1647530	21,350	\$3,000,000	7/1/2025	8	2	0	0	5	5	5	0	25	Replace water meters in the Cumberland public drinking water supply system	-	-		
Slatersville Public Supply	RI 1615614	1,575	\$2,600,000	7/1/2025	10	4	0	0	5	5	0	0	24	Installation of new water main to improve customer water pressure	-	✓		
Portsmouth Water and Fire District	RI 1592022	17,180	\$3,000,000	10/1/2025	10	4	0	0	5	5	0	0	24	Water main replacements to align with RI DOT road project	-	-		
Portsmouth Water and Fire District	RI 1592022	17,180	\$6,500,000	10/1/2025	10	4	0	0	5	5	0	0	24	Design and build a new office facility as the current office no longer supports daily operations	-	-		
Kingston Water District	RI 1858421	3,963	\$5,000,000	5/1/2025	7	2	0	0	5	5	5	0	24	Design and installation of replacement of undersized water main to distribute PFAS treatment throughout system and to Tower #1	-	✓		
Smithfield Water Supply Board	RI 16615616	9,500	\$2,211,000	9/9/2024	0	2	0	1	5	5	10	0	23	Installation of new 12-inch water main from Appian Way along George Washington Highway, connecting with the existing water main and making an interconnection with Greenville Water District	1	✓		
Prudence Island Water District	RI 1592023	1,500	\$300,000	10/1/2024	10	2	0	0	5	5	0	0	22	Relocation and installation of distribution lines during the planned coastal resiliency project	1	✓		
Westerly Water Department	RI 1559512	17,550	\$1,000,000	7/1/2024	10	1	0	0	5	5	0	0	21	Installation of a new water main to replace the current 70-year-old one that has had multiple breaks, and severe deterioration	-	-		
Lincoln Water Commission	RI 1858423	22,216	\$2,000,000	8/1/2024	10	1	0	0	5	0	5	0	21	Water main replacement on School St. Existing asbestos water main is at end of its useful life	-	-		
Lincoln Water Commission	RI 1858423	22,216	\$3,800,000	3/31/2025	10	1	0	0	5	0	5	0	21	Replacement of Saylesville Water Mains	-	-		
Shady Harbor Fire District	RI 1559513	350	\$1,350,000	10/31/2024	10	0	0	1	5	0	5	0	21	Replacement of water distribution system and appurtenances	-	✓		
Bethel Village Water Association	RI 1000045	180	\$100,000	10/1/2024	14	1	0	0	5	0	0	0	20	Adding a new poly tank to upgrade existing steel tanks and adding an additional pump to increase for system resiliency	-	✓		
Smithfield Water Supply Board	RI 1615616	9,500	\$1,472,000	7/1/2024	0	2	0	1	5	5	5	0	18	Installation of approx. 2500 feet of 12-inch water main from Rte. 116, north to connect with the existing water main at 326 Farnum Pike	1	✓		
Greenville Water District	RI 1858410	9,500	\$500,000	7/1/2024	0	2	0	1	5	5	5	0	18	Install water meters	-	✓		

Greenville Water District	RI 1858410	9,500	\$800,000	9/1/2024	0	2	0	1	5	5	5	0	18	Bring existing pump station above ground and install emergency generator	-	✓
Greenville Water District	RI 1858410	9,500	\$5,000,000	11/1/2024	0	2	0	1	5	5	5	0	18	Provide an emergency interconnection and redundancy	-	✓
Yawgoog Scout Reservation	RI 1000018	1,200	\$750,000	9/1/2024	10	0	0	1	1	0	5	0	17	Replace 6-inch cast iron water main that runs from treatment and pump facility to the end of the line with PVC. Existing service connections and hydrants will also be replaced.	-	✓
Harrisville Fire District	RI 1858411	3,000	\$400,000	7/1/2024	0	1	0	1	5	5	5	0	17	A potential new well site has been identified in Mapleville, but the District must conduct a pump test to confirm the adequacy of yield and quality of potential the water source prior to installing the well	-	✓
Smithfield Water Supply Board	RI 16615616	9,500	\$2,811,000	10/15/2025	0	2	0	1	5	5	0	0	13	Installation of approx. 4300 feet of new 12-inch water main for resiliency and redundancy	1	✓
Kent County Water Authority	RI 1559511	88,780	\$525,000	5/22/2023	0	2	0	1	5	0	0	0	8	Lead Service Line Inventory	-	✓

Projects Ranked With Start Dates Outside of 2 Years or Not Indicated

System Name	PWS ID	Pop. Served	Funds Requested	Est. Start Date	A	B	C	D	E	F	G	H	TOTAL	Project description	Affordability Tier (1,2,3, -)	LSLR	EC	Small System (<10,000)	School
North Kingstown, Town of	RI 1559517	26,320	\$10,000,000	TBD	50	1	0	1	5	5	5	0	67	Replacement well for well contaminated with PFAS	-		✓	-	
Wood River Health Services	RI 2000133	N/A	\$575,000	TBD	50	0	0	0	3	5	5	0	63	Plan, design, and implement treatment to reduce the levels of PFAS	-		✓	-	
North Kingstown, Town of	RI 1559517	26,320	\$900,000	TBD	37	1	0	1	5	5	10	0	59	Lead service line replacement	-	✓		-	
South Kingstown-South Shore	RI 1615623	6,190	\$500,000	TBD	45	1	0	1	5	5	0	0	57	Water quality study to determine adequacy of existing water treatment facilities	-			✓	
South Kingstown-Middlebridge	RI 1000015	698	\$100,000	TBD	45	1	0	1	5	5	0	0	57	Water quality study to determine adequacy of existing water treatment facilities	-			✓	
South Kingstown-South Shore	RI 1615623	6,190	\$15,000,000	TBD	35	1	0	1	5	5	0	0	47	Design and construction of new water treatment plant	-			✓	
Narragansett Water Point Judith	RI 1858428	7,658	\$350,000	TBD	10	2	0	1	5	5	5	0	28	System modifications to improve circulation within the distribution system and increase turnover at the storage tank.	3			✓	
Lincoln Water Commission	RI 1858423	22,216	\$4,300,000	3/1/2027	12	1	0	0	5	0	5	0	23	Replacement of Old River Road Water Storage Standpipe new storage tank	-			-	
Narragansett Water Point Judith	RI 1858428	7,658	\$100,000	TBD	10	2	0	1	5	5	0	0	23	Develop and implement water main condition assessment program.	3			✓	
Narragansett Water Department North End	RI 1858429	4,140	\$250,000	TBD	6	2	0	0	5	5	5	0	23	System modifications to improve circulation within the distribution system and increase turnover at the storage tank.	3			✓	
Narragansett Water Department North End	RI 1858429	4,140	\$50,000	TBD	10	2	0	0	5	5	0	0	22	Develop and implement water main assessment program	3			✓	
South Kingstown-South Shore	RI 1615623	6,190	\$5,000,000	TBD	10	1	0	1	5	5	0	0	22	Water line upgrades to increase stability in the system and reduce water loss	-			✓	
South Kingstown-Middlebridge	RI 1000015	698	\$2,000,000	TBD	10	1	0	1	5	5	0	0	22	Replace existing A/C pipes to increase stability within the system and reduce water loss	-			✓	
Narragansett Water Point Judith	RI 1858428	7,658	\$950,000	TBD	8	2	0	1	5	5	0	0	21	Replacement of customer meters and upgrade to remote meter reading system	3			✓	
Narragansett Water Department North End	RI 1858429	4,140	\$450,000	TBD	8	2	0	0	5	5	0	0	20	Replacement and upgrade of wholesale meter pit used for emergency interconnection	3			✓	
Narragansett Water Department North End	RI 1858429	4,140	\$515,000	TBD	8	2	0	0	5	5	0	0	20	Replacement of customer meters and upgrade of remote meter reading system	3			✓	
Narragansett Water Point Judith	RI 1858428	7,658	\$450,000	TBD	6	2	0	1	5	5	0	0	19	Aeration systems for water storage tanks	3			✓	
Narragansett Water Point Judith	RI 1858428	7,658	\$410,000	TBD	6	2	0	1	5	5	0	0	19	Upgraded chlorine injection and control system operation at storage tank	3			✓	
Narragansett Water Department North End	RI 1858429	4,140	\$225,000	TBD	6	2	0	0	5	5	0	0	18	Aeration systems for water storage tank	3			✓	
Narragansett Water Department North End	RI 1858429	4,140	\$430,000	TBD	6	2	0	0	5	5	0	0	18	Upgrade chlorination and system controls	3			✓	

L. FFATA Projects

M. Sample Credit Memo

RHODE ISLAND INFRASTRUCTURE BANK

Credit Review Memo

October 21, 2024

LOAN SUMMARY:

Borrower:	Providence Water Supply Board (“PWSB” or “Providence Water”)
Loan Request:	\$26,300,000
Program:	Drinking Water State Revolving Fund
Use of Proceeds:	Loan proceeds will finance the replacement of lead service lines.
Security:	Revenue Pledge
Credit Rating:	PWSB is rated “AA-“ by S&P Global Ratings
Structure:	Fixed Rate loan with up to 20-year amortization

BORROWER FINANCIAL SUMMARY:

Strengths:

- Legal structure – security provided in the Trust Indenture.
- Strong debt service coverage of 3.3x in fiscal year 2023.
- Manageable debt burden with debt-to-revenue of 1.5x in fiscal year 2023.
- Large diverse service area.

Mitigating Factors/Challenges:

- Limited liquidity with days’ cash on hand of approximately 28 days as of June 30, 2023. However, the PWSB has a \$5.0 million credit line with no funds drawn as of June 30, 2023 and additional funds that can be accessed with PUC approval.
- Large capital improvement plan in excess of \$200 million over the next five years.
- Ability to raise revenue is limited due to regulated rates.
- The City of Providence and the PWSB have large unfunded pension and OPEB obligations.

AUDITED FINANCIAL SUMMARY:

Audited Financial Report:	June 30, 2023
Auditing Firm:	CliftonLarsonAllen LLP
Fiscal Year 2023 Net Position – Unrestricted*:	(\$57,830,987)
Fiscal Year 2023 Revenue:	\$94,491,834
RIIB Debt Outstanding as of September 1, 2024:	\$148,586,797

*Negative Unrestricted Fund Balance due to implementation of GASB Statement No. 68 (“Accounting and Financial Reporting for Pensions”).

I. INTRODUCTION

The Providence Water Supply Board (“Providence Water” or “PWSB”), supplies water to the cities of Providence and Cranston and the towns of Johnston and North Providence on a retail basis. In addition, water is sold on a wholesale basis to the Cities of East Providence and Warwick, the Towns of Lincoln, Smithfield and Johnston and the Village of Greenville, and, through the Kent County Water Authority, part of the City of Warwick and the Towns of West Warwick, East Greenwich, North Kingstown, Coventry, and Scituate. In addition, the Towns of Barrington, Bristol, and Warren are presently on the system and serviced through the Bristol County Water Authority. In total, approximately 60% of the State of Rhode Island’s population is served by Providence Water. Providence Water obtains its water supply from the Scituate Reservoir and five tributary reservoirs. The entire watershed covers 93 square miles and Providence Water owns 26.8 square miles of land outright. Providence Water, therefore, controls approximately 28% of the land in the watershed, land that is primarily adjacent to the major water bodies. The system has an output capacity of 144 million gallons per day. Providence Water is regulated by the Public Utilities Commission (“PUC”) and the Division of Public Utilities and Carriers (the “Division”). The PWSB acquired the Town of Johnston’s water system in 2021.

A. **Litigation: The following is an excerpt from the Board’s June 30, 2023 Audited Financial Statements**

“The Water Supply Board has a complete comprehensive insurance program protecting all facilities, employees and liability claims.

PWSB is subject to various claims and litigation that arise in the ordinary course of its operations. Legal counsel and management are of the opinion that the Water Supply Board’s liabilities in such cases, if decided adversely to PWSB, would not materially affect the financial statements.”

B. **Climate Change Risk:**

According to the NYU Furman Center’s FloodzoneData.US project, which overlays U.S. Census Data with Federal Emergency Management Agency 100-year and 500-year floodplain maps, 0.7% of dwellings in the PWSB service area are located within the 100-year floodplain. This data was last updated November 2017.

The City of Providence is a 2021 round participant of the Municipal Resilience Program and has a FEMA-approved Hazard Mitigation Plan.

Providence Water has been diligently working on reducing its carbon footprint in reaching our goal of being 100% powered by Renewable Energy through its 4.99 megawatt ground mounted solar array along with its .5 megawatt rooftop solar array at its COF. The recently completed solar array is estimated to generate over \$19 million in lifetime cost savings. Providence Water also installed two electrical vehicle charging stations and purchased three electric vehicles. All lighting at its COF is LED.

II. EMPLOYEE RETIREMENT PLANS AND OPEB

Pension Plans

All PWSB employees participate in the Employees' Retirement System of the City of Providence (ERS), a defined benefit, single-employer plan. Board employees are Class A members of the ERS Plan.

Pension Plan (Providence Water Supply Board)

Fiscal Year	Actuarially Determined Contribution	Actual Contribution	Percent Contributed	Net Pension Liability ⁽¹⁾	Funded Ratio
2023	\$ 4,604,000	\$ 4,604,000	100.0 %	\$ 60,270,021	25.67 %
2022	4,129,000	4,129,000	100.0	58,644,679	23.23
2021	4,262,000	4,262,000	100.0	58,083,935	29.75
2020	4,083,000	4,083,000	100.0	59,590,496	25.98
2019	4,180,000	4,180,000	100.0	51,964,714	25.78

(1) Assumed a discount rate of 7.00% for FY2020- FY2023, and payroll growth of 3.00% annually. Assumed a discount rate of 8.00% and payroll growth of 3.00% annually for FY2019.

Employees Retirement System of the City of Providence (ERS)

Fiscal Year	Actuarially Determined Contribution (\$000)	Actual Contribution (\$000)	Percent Contributed	Unfunded Liability (\$000) ⁽¹⁾	Funded Ratio
2023	\$ 100,323	\$ 100,323	100.0 %	\$ 1,313,308	25.7 %
2022	93,585	93,585	100.0	1,329,199	23.2
2021	88,955	90,484	101.7	1,233,146	26.3
2020	84,687	86,723	102.4	1,213,177	23.9
2019	80,793	83,357	103.2	1,036,272	26.2

(1) Assumed a discount rate of 7.00% for FY2020- FY2023, and payroll growth of 3.00% annually. Assumed a discount rate of 8.00% and payroll growth of 3.00% annually for FY2019.

In 2022, the City received State and City voter approval to issue a pension obligation bond in the amount of \$550 million.

Other Post-Employment Benefits (OPEB) Plan

Providence Water's OPEB Plan is a single employer defined benefit postretirement health and life insurance program within the City of Providence's OPEB plan. PWSB provides post-employment benefits to eligible retirees in accordance with the various labor contracts and personnel policies. The PWSB's OPEB unfunded actuarial accrued liability as of June 30, 2023 was \$18,406,084.

The City's required contribution is based on pay-as-you-go financing requirements. For fiscal year 2023, the City contributed approximately \$34.8 million. The City's unfunded actuarial liability according to the City's total OPEB liability as of June 30, 2023 was \$876.5 million.

III. DEBT ANALYSIS

A. Outstanding Debt

The outstanding debt of PWSB for the fiscal years ended June 30, 2019 through 2023 was as follows:

	2019	2020	2021	2022	2023
Water - 2002 RIIB Loan	\$ 485,996	\$ 329,492	\$ 167,557	\$ -	\$ -
Water - 2008 RIIB Loan	21,995,000	20,324,000	18,597,000	16,811,000	14,963,000
Water - 2009 RIIB Loan	-	-	-	-	-
Water - 2009 RIIB Loan	-	-	-	-	-
Water - 2010 RIIB Loan	6,237,250	5,806,250	5,361,250	4,902,250	4,428,250
2011 PPBA Loan	-	-	-	-	-
Water - 2012 RIIB Loan	2,228,000	2,093,000	1,955,000	1,815,000	1,671,000
Water - 2013 RIIB Loan	3,296,000	3,109,000	2,919,000	2,726,000	2,529,000
Water - 2013 RIIB Loan	20,785,000	19,699,000	18,596,000	17,474,000	16,330,000
Water - 2013 RIIB Loan	6,656,000	6,311,000	5,960,000	5,602,000	5,237,000
Water - 2014 RIIB Loan	-	-	-	-	-
Water - 2015 RIIB Loan	27,373,000	26,035,000	24,676,000	23,295,000	21,889,000
Water - 2017 RIIB Loan	15,560,095	14,840,095	14,109,095	13,368,095	12,615,095
Water - 2018 RIIB Loan	350,615	640,572	307,238	53,616	-
Water - 2019 RIIB Loan	14,700,000	14,699,000	14,086,000	13,463,000	12,830,000
Water - 2020 RIIB Loan	-	3,000,000	-	-	-
Water - 2020 RIIB Loan	-	-	609,744	1,182,507	2,280,494
Water - 2020 CWFA Loan	-	-	19,099,000	18,191,000	17,278,000
Water - 2021 CWFA Loan	-	-	21,000,000	20,999,000	19,985,000
2023 EB RIIB Bond	-	-	-	-	5,500,000
2023 WM RIIB Bond	-	-	-	-	5,500,000
Water - 2009 RIIB Loan (East Smithfield)	135,172	113,667	90,625	66,816	42,238
Water - 2009 RIIB Loan (East Smithfield)	110,000	100,000	90,000	80,000	70,000
Water - 2014 RIIB Loan (East Smithfield)	448,740	425,158	400,633	375,166	348,754
Outstanding Balance	\$ 120,360,868	\$ 117,525,234	\$ 148,024,142	\$ 140,404,450	\$ 143,496,831

B. Existing Debt

Scheduled principal maturities of existing debt are as follows:

Fiscal Year	ARRA Principal			Total
	Principal	Forgiveness	Interest and Fees	
2024	10,551,125	(865,477)	3,080,748	12,766,396
2025	10,310,493	(878,713)	3,002,142	12,433,922
2026	10,482,913	(884,360)	2,792,703	12,391,256
2027	10,595,828	(899,476)	2,561,753	12,258,105
2028	10,809,291	(916,492)	2,313,432	12,206,231
2029-2033	48,540,171	(4,573,354)	7,796,896	51,763,713
2034-2038	33,036,826	(3,761,438)	2,713,599	31,988,987
2039-2043	9,170,184	(1,448,453)	355,883	8,077,614
Total	\$ 143,496,831	\$ (14,227,763)	\$ 24,617,156	\$ 153,886,224

C. Security for Borrowing/Financing Plan

The security for the loan is a revenue pledge of all PWSB water system revenue. Providence Water’s trust indenture has covenants typical of a revenue pledge such as a debt service coverage test, a debt service reserve fund, and an additional bonds test. PWSB is required to raise rates to meet debt service on any Bank loan.

Upon approval of the loan by RIIB, PWSB will seek Division approval to issue the proposed \$26.3 million bond.

The proposed loan is expected to be eligible for zero interest and 49% principal forgiveness.

IV. SOURCES OF REVENUE

The PWSB is considered an enterprise fund of the City of Providence. The operations of PWSB are accounted for with a separate set of self-balancing accounts organized on a Proprietary Fund type (Enterprise Fund) basis. The Enterprise Fund is used to account for water use fees and the expenses associated with providing water services to City residents and other service area purchasers. Water sales and fees support the operating expenses of the Enterprise Fund. This includes user fixed charges, charges based on consumption and wholesale charges to cities/towns.

A. Rate Structure

In August 2020, the PUC approved a three-step rate increase. Effective August 27, 2020 the rate increase for the first year was 16.82%. The increase for year two, effective July 1, 2021, was 4.0%. With the 2020 and 2021 increases, the average annual cost based on 5/8” meter and 100 hundred cubic feet (HCF)/year, is ~\$505. These rate increases include revenue needed for this proposed loan. The third rate increase is not required at this time and has been delayed. The PWSB expects to seek a rate increase in July/August 2025.

The following tables are PWSB’s rates as of July 1, 2021.

Retail Rates

Metered Sales - Retail (per HCF)

Residential	\$	3.83
Commerical		4.01
Industrial		3.65

Service Charges - Retail

Monthly Service Area Charges - Retail

Meter Size (Monthly Rates)	As of 7/1/2021
5/8	\$ 10.35
3/4	11.03
1	13.01
1 1/2	15.65
2	22.94
3	76.67
4	96.57
6	142.99
8	196.04
10	244.12
12	292.20

Wholesale Customers (Per MG)

Bristol County Water	\$ 2,104.17
East Providence	2,151.12
Greenville	2,208.41
Kent County	2,101.03
Lincoln	2,170.79
Smithfield	2,218.24
Warwick	2,257.20
Johnston	1,805.96

East Smithfield Water District

Former customers of East Smithfield Water District are charged a debt service surcharge \$0.35 per HCF.

Johnston

Former customers of the Town of Johnston are charged a debt service surcharge \$0.34 per HCF.

B. Trends in Water Consumption (FY 2018 – FY 2024)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	HCF	HCF	HCF	HCF	HCF	HCF	HCF
Retail							
Residential	8,030,974	8,103,732	8,009,680	8,321,025	8,585,827	8,881,326	8,015,430
Commercial	4,043,827	4,031,169	3,649,973	3,151,025	3,822,657	3,970,599	3,664,419
Industrial	189,997	164,973	150,547	134,199	190,473	236,582	237,806
Total Retail	<u>12,264,798</u>	<u>12,299,874</u>	<u>11,810,200</u>	<u>11,606,249</u>	<u>12,598,957</u>	<u>13,088,507</u>	<u>11,917,655</u>
Wholesale	<u>11,965,943</u>	<u>11,748,702</u>	<u>11,445,961</u>	<u>12,101,023</u>	<u>11,297,022</u>	<u>11,677,504</u>	<u>10,986,487</u>
Total System	<u>24,230,741</u>	<u>24,048,576</u>	<u>23,256,161</u>	<u>23,707,272</u>	<u>23,895,979</u>	<u>24,766,011</u>	<u>22,904,142</u>

C. Income Levels

The following table compares Providence Water’s service area income levels to the State and national averages.

	Median Household Income
Providence	\$ 61,365
Cranston	83,123
Johnston	83,001
North Providence	77,039
Rhode Island	81,370
United States	75,149

2018-2022 American Community Survey.

V. OPERATING PERFORMANCE – General Fund Balance Sheet /Income Statement Trends

See pages 8 and 9 for Balance Sheet and Statement of Revenue and Expenditures.

VI. DEBT AND LIQUIDITY RATIOS

Historic debt and liquidity ratios for the fiscal years ended June 30, 2019 through 2023 were as follows:

	2019	2020	2021	2022	2023
Total Operating Revenues [+]	72,836,074	71,165,184	81,895,557	88,824,578	94,491,834
Total Operating Expenses [-]	59,428,296	63,036,144	57,124,927	61,897,325	63,947,055
Depreciation and Amortization [+]	9,429,564	11,712,793	10,843,456	10,745,008	11,490,558
Net Revenues Available For D/S	22,837,342	19,841,833	35,614,086	37,672,261	42,035,337
Available for Debt Service	22,837,342	19,841,833	35,614,086	37,672,261	42,035,337
Debt Service	9,216,977	9,528,769	11,661,198	11,817,909	12,766,396
Debt Service Coverage	2.5	2.1	3.1	3.2	3.3
Debt to Operating Revenue	1.7	1.7	1.8	1.6	1.5
Days Cash on Hand	10	22	11	54	28

VII. CREDIT SUMMARY

Providence Water is rated “AA-” by S&P Global Ratings. PWSB’s operating performance has been stable with a positive change in net position during the past five fiscal years. Providence Water’s debt service coverage has been strong, and its debt burden is manageable. Debt service coverage was a strong 3.3x in 2023. Outstanding debt as of 2023 was \$143 million with a debt to revenue ratio of 1.5x. The proposed loan is expected to be eligible for zero interest and 49% principal forgiveness. The PWSB has a considerable annual pay-go capital program which in 2023 was \$27.37 million. The PWSB has a large and diverse service area. In total, approximately 60% of the State of Rhode Island’s population is served by Providence Water.

Offsetting these positive credit factors is PWSB’s low cash reserves with days’ cash on hand of 28 days as of June 30, 2023. However, Providence Water has considerable restricted and capital funds which could be accessed in the event of a significant decline in revenue. The PWSB also has a \$5 million line of credit with an outstanding balance of zero as of June 30, 2023. The City of Providence and the PWSB have large unfunded pension and OPEB obligations. However, the City makes 100% of the pension actuarially required contribution. The City also received State and City approval in 2022 to issue a pension obligation bond in the amount of \$550 million.

VIII. RECOMMENDATION

PFM recommends approval of the loan application subject to completion of all legal requirements by PWSB, including Division approval, and with the understanding that the Bank will review the request in connection with the Project Priority List and Bank capacity.

Prepared by PFM Financial Advisors LLC
October 21, 2024

OPERATING PERFORMANCE – General Fund Balance Sheet /Income Statement Trends

ASSETS	Water Fund				
	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Current Unrestricted Assets					
Cash and cash equivalents	\$ 1,398,434	\$ 3,100,343	\$ 1,412,166	\$ 7,538,587	\$ 4,027,755
Cash held by fiscal agent	-	-	29,667,246	14,529,260	14,836,472
Accounts receivable	6,361,146	7,047,304	9,222,593	9,258,801	10,993,110
Accounts receivable - unbilled	3,570,344	2,503,355	2,942,852	2,184,193	1,674,933
Inventory	429,749	555,429	439,528	1,487,551	2,993,853
Other assets	52,174	231,941	42,753	1,915,268	152,790
Total Current Unrestricted assets	<u>\$ 11,811,847</u>	<u>\$ 13,438,372</u>	<u>\$ 43,727,138</u>	<u>\$ 36,913,660</u>	<u>\$ 34,678,913</u>
Current Restricted Assets					
Cash and cash equivalents	\$ 35,698,462	\$ 28,974,483	\$ 36,837,008	\$ 47,014,341	\$ 59,724,466
Accounts receivable	672,942	1,016,907	1,342,466	1,306,291	2,964,766
Notes receivable	140,631	-	-	-	-
Notes receivable - short-term	-	173,966	176,027	187,927	178,706
Total Current Restricted assets	<u>\$ 36,512,035</u>	<u>\$ 30,165,356</u>	<u>\$ 38,355,501</u>	<u>\$ 48,508,559</u>	<u>\$ 62,867,938</u>
Capital Assets					
Land	\$ 25,220,803	\$ 25,382,574	\$ 26,449,185	\$ 26,598,062	\$ 26,914,625
Building and improvements	123,990,544	143,887,545	150,095,165	153,112,529	153,461,243
Improvements other than buildings	412,532,325	439,301,774	476,024,773	498,684,637	522,644,090
Machinery and equipment	40,598,540	42,100,953	49,213,782	52,943,769	54,814,074
Scituate Reservoir Project	18,681,695	18,681,695	18,681,695	18,681,695	18,681,695
Construction in progress	66,933,822	41,186,167	31,689,984	33,568,043	38,641,304
Total Capital Assets	<u>\$ 687,957,729</u>	<u>\$ 710,540,708</u>	<u>\$ 752,154,584</u>	<u>\$ 783,588,735</u>	<u>\$ 815,157,031</u>
Less accumulated depreciation and amortization	247,778,320	259,491,112	274,624,621	285,369,629	296,860,187
Total Capital Assets, net	440,179,409	451,049,596	477,529,963	498,219,106	518,296,844
Other Noncurrent Assets					
Notes receivable - long term	916,982	725,736	549,709	361,782	183,076
OPEB - related outflows	-	2,343,652	6,166,474	4,720,455	3,750,719
Pension related outflows	3,396,558	9,114,281	5,613,619	5,110,000	3,118,000
TOTAL ASSETS	<u>\$ 492,816,831</u>	<u>\$ 506,836,993</u>	<u>\$ 571,942,404</u>	<u>\$ 593,833,562</u>	<u>\$ 622,895,490</u>
LIABILITIES					
Current Liabilities					
Current portion of long-term debt	\$ 6,269,032	\$ 7,209,834	\$ 8,579,596	\$ 9,572,143	\$ 10,551,125
Current portion of OPEB liability	-	3,546,960	4,069,266	3,884,277	4,318,941
Due to City of Providence General Fund	770,963	1,124,334	560,560	1,075,237	1,213,911
Accounts Payable	1,369,261	1,111,364	1,756,809	3,606,103	778,106
Accrued Liabilities	2,667,344	3,491,769	3,073,183	3,820,392	3,313,500
Due to Water resources Board - Restricted	215,859	196,467	210,653	212,250	275,228
Accounts payable - Restricted	2,770,374	1,801,490	1,629,232	1,745,989	1,102,088
Total Current Liabilities	<u>14,062,833</u>	<u>18,482,218</u>	<u>19,879,299</u>	<u>23,916,391</u>	<u>21,552,899</u>
Non-current liabilities					
General revenue bonds	\$ 114,091,836	\$ 107,315,400	\$ 139,444,546	\$ 130,832,307	\$ 132,945,706
Net Pension Liability	51,964,714	59,590,496	58,083,935	58,644,679	60,270,021
Net OPEB obligation	23,457,889	23,517,929	24,612,621	23,812,818	14,087,143
Total Non-Current Liabilities	<u>\$ 189,514,439</u>	<u>\$ 190,423,825</u>	<u>\$ 222,141,102</u>	<u>\$ 213,289,804</u>	<u>\$ 207,302,870</u>
TOTAL LIABILITIES	<u>\$ 203,577,272</u>	<u>\$ 208,906,043</u>	<u>\$ 242,020,401</u>	<u>\$ 237,206,195</u>	<u>\$ 228,855,769</u>
Deferred inflows of resources					
Deferred revenue inflows	\$ -	\$ -	\$ -	\$ -	\$ -
Pension and OPEB related inflows	3,562,081	5,776,081	5,399,793	5,581,574	13,004,147
	<u>\$ 3,562,081</u>	<u>\$ 5,776,081</u>	<u>\$ 5,399,793</u>	<u>\$ 5,581,574</u>	<u>\$ 13,004,147</u>
NET POSITION					
Net investment in capital assets	\$ 319,818,541	\$ 336,524,362	\$ 329,505,821	\$ 357,814,656	\$ 374,800,013
Restricted for debt service payments	33,525,802	28,893,135	40,019,359	50,278,871	64,066,548
Unrestricted	(67,666,865)	(73,937,003)	(45,002,970)	(57,047,734)	(57,830,987)
TOTAL NET POSITION	<u>\$ 285,677,478</u>	<u>\$ 291,480,494</u>	<u>\$ 324,522,210</u>	<u>\$ 351,045,793</u>	<u>\$ 381,035,574</u>

Prepared from audited financial statements

Water Fund
Year Ended June 30,

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Operating Revenues:					
Water Sales:					
General customers	\$ 51,288,398	\$ 49,277,118	\$ 56,867,300	\$ 63,750,731	\$ 67,294,383
Other local water suppliers	15,852,358	15,571,499	18,696,757	18,835,393	19,532,012
Fire protection services	2,719,310	2,720,260	3,290,155	3,998,683	4,037,729
Maintenance charges and other revenue	2,470,349	2,188,954	2,495,018	2,239,771	3,627,710
Total Operating Revenues	<u>\$ 72,330,415</u>	<u>\$ 69,757,831</u>	<u>\$ 81,349,230</u>	<u>\$ 88,824,578</u>	<u>\$ 94,491,834</u>
Operating Expenses					
Source of supply	\$ 2,865,212	\$ 2,885,503	\$ 3,094,386	\$ 1,463,291	\$ 625,604
Pumping operations	859,524	841,726	718,673	658,788	1,184,063
Water treatment	8,615,608	8,485,942	8,322,661	8,571,943	8,136,833
Transmission and distribution	6,165,986	6,400,982	6,102,449	6,063,105	6,743,368
Charge for services provided by other City departments	839,167	839,167	839,167	839,167	839,167
Customer accounts and service	3,990,544	2,762,129	2,999,822	3,047,909	3,724,822
Administrative and general	19,075,957	21,211,080	16,177,894	22,263,304	22,618,759
Depreciation	9,429,564	11,712,793	10,843,456	10,745,008	11,490,668
Property taxes - other local governments	7,586,734	7,896,822	8,026,419	8,244,810	8,583,881
Total Operating Expenses	<u>\$ 59,428,296</u>	<u>\$ 63,036,144</u>	<u>\$ 57,124,927</u>	<u>\$ 61,897,325</u>	<u>\$ 63,947,165</u>
Operating Income (Loss)	<u>\$ 12,902,119</u>	<u>\$ 6,721,687</u>	<u>\$ 24,224,303</u>	<u>\$ 26,927,253</u>	<u>\$ 30,544,669</u>
Nonoperating Revenues (Expenses)					
Interest income	505,659	1,407,353	546,327	1,864,825	1,488,560
Interest expense and other	(3,059,841)	(3,123,460)	(3,422,627)	(3,057,543)	(3,160,151)
Other revenues	(1,101,184)	274,635	9,648	-	-
Total nonoperating revenues (expenses)	<u>(3,655,366)</u>	<u>(1,441,472)</u>	<u>(2,866,652)</u>	<u>(1,192,718)</u>	<u>(1,671,591)</u>
Capital Grants and Contributions	915,968	522,801	683,986	789,048	1,116,593
Special Item - Annexation	-	-	10,325,704	-	-
Change in Net Position	10,162,721	5,803,016	32,367,341	26,523,583	29,989,671
Net position at beginning of Year	275,514,757	285,677,478	292,154,869	324,522,210	351,045,793
Net Position at End of Year	<u>\$ 285,677,478</u>	<u>\$ 291,480,494</u>	<u>\$ 324,522,210</u>	<u>\$ 351,045,793</u>	<u>\$ 381,035,464</u>

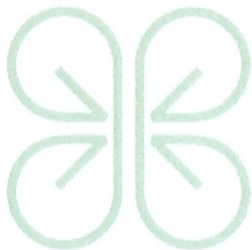
Prepared from audited financial statements

N. Audited Financial Statements



RHODE ISLAND INFRASTRUCTURE BANK

A Component Unit of the State of Rhode Island



RHODE ISLAND
INFRASTRUCTURE BANK

Basic Financial Report
June 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Rhode Island Infrastructure Bank
Providence, Rhode Island

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Rhode Island Infrastructure Bank, a component unit of the state of Rhode Island, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Rhode Island Infrastructure Bank's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rhode Island Infrastructure Bank, as of June 30, 2025 and 2024, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Rhode Island Infrastructure Bank and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Rhode Island Infrastructure Bank's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Rhode Island Infrastructure Bank's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rhode Island Infrastructure Bank's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

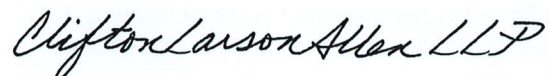
We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rhode Island Infrastructure Bank's basic financial statements. The accompanying combining schedules of net position, combining schedules of revenues, expenses, and changes in net position, and state supplementary schedules on pages 33 – 43 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the state supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2025, on our consideration of the Rhode Island Infrastructure Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Rhode Island Infrastructure Bank's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rhode Island Infrastructure Bank's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Cranston, Rhode Island
September 19, 2025



Management's Discussion and Analysis

INTRODUCTION

The following is Management's Discussion and Analysis of the financial condition and results of operations of Rhode Island Infrastructure Bank (the "Bank"). This commentary should be read in conjunction with the Bank's Financial Report including the companion Notes to financial statements for the fiscal years ending June 30, 2025, and June 30, 2024.

As outlined in greater detail in the financial statements, the Bank was established in 1989 as a quasi-public corporation. The Bank is governed by a Board of Directors consisting of five members, four of whom are members of the public appointed by the Governor, with the advice and consent of the State Senate. The Rhode Island State General Treasurer, or such officer's designee, who shall be a subordinate within the General Treasurer's department, serves as an ex-officio member.

Consistent with the Bank's mission of serving as Rhode Island's central hub for financing infrastructure improvements for municipalities, businesses, and homeowners, the Board and Management remain focused on delivering innovative financing solutions across a wide range of infrastructure projects. In addition to the Clean Water and Drinking Water State Revolving Funds, the Bank administers financing programs that support municipal road and bridge improvements, energy efficiency and renewable energy investments, and water quality protection initiatives.

Climate resilience is also a key priority, with dedicated funding available through the Bank's new Resilient Rhody Investment Fund. This program provides communities with resources to identify and implement projects that reduce vulnerability to flooding, severe weather, and other climate-related hazards. Given Rhode Island's extensive coastline, the Fund also prioritizes initiatives that address sea level rise, coastal erosion, and storm surge impacts, which pose significant risks to local infrastructure and community resilience.

OVERVIEW OF THE FINANCIAL STATEMENTS

As noted above, the Management's Discussion and Analysis (MD&A) is intended to provide an introduction to the Bank's financial statements. The Bank prepares three primary financial statements:

1. **Statement of Net Position:** This statement reports the Bank's assets (including deferred outflows) and liabilities (including deferred inflows). The difference between these amounts represents the Bank's net position. Changes in net position over time indicate whether the Bank's financial condition is improving or declining.
2. **Statement of Revenues, Expenses, and Changes in Net Position:** This statement presents the Bank's operating revenues and expenses, and changes in net position for the fiscal year.
3. **Statement of Cash Flows:** The Bank's statement of cash flows is presented on the direct method of reporting, which reflects cash flows from operating activities, capital and related financing, non-capital financing activities, and investing activities.

The Bank follows the accrual basis of accounting, consistent with governmental accounting standards. Under this method, assets, liabilities, revenues, and expenses are recorded when the underlying event occurs, not when cash is received or paid. As a result, certain revenues and expenses reported in the Statement of Revenues, Expenses, and Changes in Net Position may affect cash flows in future periods.

FINANCIAL HIGHLIGHTS
Statement of Net Position – Condensed

	2025	2024	2023
Current assets	\$ 663,786,055	\$ 622,248,248	\$ 613,506,016
Noncurrent assets	1,294,094,701	1,254,486,778	1,203,179,735
Total assets	1,957,880,756	1,876,735,026	1,816,685,751
Deferred outflows of resources (a)	3,078,315	3,894,977	5,341,617
Current liabilities	248,562,026	286,208,409	290,022,050
Noncurrent liabilities	590,190,388	567,251,608	579,147,914
Total liabilities	838,752,414	853,460,017	869,169,964
Deferred inflows of resources (a)	1,030,398	1,368,176	1,724,562
Net investment in capital assets	46,879	137,723	46,177
Restricted for program purposes	1,087,844,959	993,042,642	921,271,076
Unrestricted	33,284,421	32,621,445	29,815,589
Total net position	\$1,121,176,259	\$1,025,801,810	\$ 951,132,842

(a) In conjunction with refunding certain above-market rate bonds, the difference between the newly issued bond(s) and the net carrying amount of the refunded bond(s) is (are) recorded as an amount deferred on refunding – either as an outflow or inflow. Please see Note 1, “Summary of Significant Accounting Policies” for more information.

Statement of Net Position – as of fiscal periods ending June 30, 2025, and June 30, 2024

- Total assets for the period ending June 30, 2025, amounted to \$1.958 billion, an increase of \$81 million, from the previous year-end when total assets amounted to \$1.877 billion.
- Total investments amounted to \$9.0 million on June 30, 2025, down \$4.6 million from \$13.6 million at the end of the prior fiscal year. The decrease is attributed to fixed income maturities of debt service reserve investments in the fiscal year 2025 being rolled into an overnight government obligations fund to facilitate the redemption of debt.
- Loans outstanding amounted to \$1.389 billion on June 30, 2025, an increase of 2.52% from \$1.354 billion on June 30, 2024. Loan originations amounted to \$165.2 million in fiscal year 2025.
- Project costs payable (which are committed loan proceeds that have yet to be disbursed and shown in current liabilities) decreased by \$32.1 million in fiscal year 2025. Such liabilities amounted to \$190.9 million and \$223.0 million on June 30, 2025, and June 30, 2024, respectively. The decrease is attributed to the organization's efforts to assist clients in completing their projects timely.
- As of year-end 2025, bonds payable totaled \$640.0 million, marking an increase of \$17.3 million from \$622.7 million at the end of the previous year. On June 24, 2025, the Bank issued \$70.7 million in Series 2025A bonds. Together with EPA grants and existing capital, these funds supported \$135.5 million in clean water and drinking projects.
- During fiscal year 2025, the Bank's unrestricted net position increased by \$0.7 million, growing from \$32.6 million on June 30, 2024, to \$33.3 million on June 30, 2025.

Management's Discussion and Analysis

- Overall, the Bank's financial position improved in 2025. The total net position amounted to \$1.121 billion at fiscal year-end 2025 compared to \$1.026 billion on June 30, 2024, an increase of \$95.0 million. In each of the years, increases were substantially related to non-operating grant income which is utilized to increase the capital of certain lending programs.

Statement of Revenues, Expenses and Changes in Net Position – Condensed

	2025	2024	2023
Interest income – loans	\$ 26,227,419	\$ 23,467,841	\$ 21,075,786
Interest income – investments	20,684,399	21,789,621	10,720,620
Other operating income	6,403,335	6,646,929	6,683,126
Grant income – operating	488,414	20,500	116,250
Total operating revenues	53,803,567	51,924,891	38,595,782
Interest expense	14,667,224	15,069,117	12,525,550
Other operating expenses:			
Principal forgiveness	5,974,728	4,515,370	4,437,235
Consulting fees to partner agencies	6,463,192	5,058,010	3,800,404
General administrative	3,854,045	3,634,317	3,396,632
Professional fees	1,030,048	1,133,912	1,138,674
Total operating expenses	31,989,237	29,410,726	25,298,495
Operating income	21,814,330	22,514,165	13,297,287
Grant income – non-operating	75,560,119	57,654,803	82,270,833
Less: intergovernmental transactions	(2,000,000)	(5,500,000)	-
Change in net position	95,374,449	74,668,968	95,568,120
Net position, beginning of year	1,025,801,810	951,132,842	855,564,722
Net position, end of year	\$1,121,176,259	\$1,025,801,810	\$951,132,842



Management's Discussion and Analysis

Statement of Revenues, Expenses and Changes in Net Position – for the fiscal years ending June 30, 2025, and June 30, 2024

- The Bank's operating revenues amounted to \$53.8 million in fiscal year 2025 compared to \$51.9 million for fiscal year 2024, an increase of \$1.9 million. The increase is attributed to interest income as discussed below.
- Interest income on loans increased \$2.7 million in fiscal year 2025 from \$23.5 million in fiscal year 2024. The increase is attributed to loan originations of \$165.2 million throughout the fiscal year.
- Interest income on the Bank's investments is comprised of investment income, gains and losses on investments and arbitrage rebate tax. Investment income decreased to \$20.7 million in 2025, down from \$21.8 million in 2024, driven by the decrease in project cost payables.
- Other operating income, which includes loan origination and servicing fees, totaled \$6.4 million in fiscal year 2025, down from \$6.6 million the previous year. The decrease of \$244,000 is attributed to loans maturing during the fiscal year.
- Interest expense decreased to \$14.7 million in 2025, a reduction of \$402,000 from \$15.1 million in 2024. The decrease was expected by management, result of bond maturities during the fiscal year.
- Principal forgiveness on customer loans increased \$1.5 million, as capitalization grants from EPA (which have a principal forgiveness component) have been trending higher in recent years and thus the required principal forgiveness component has increased as expected.
- Consulting fees to partner agencies increased \$1.4 million, or 27.5%, to \$6.5 million in 2025 compared to \$5.1 million in 2024. The increase is largely attributable to operational increases to expand the clean water and drinking water programs. Partner agencies fees are offset by increases in non-operating grant income provided by EPA.
- The Bank's general administrative expenses amounted to \$3.9 million compared to \$3.6 million in the prior fiscal year. Increase of \$220,000 emanated from auditing fees, and occupancy expenses.
- Professional fees for fiscal year 2025 remained stable, ending the year at \$1.0 million, decrease from 2024.
- Non-operating grant income amounted to \$75.6 million in fiscal year 2025, compared to \$57.7 million the previous year. This income includes capitalization grant drawdowns from EPA, which accounts for the increase.
- The change in net position in fiscal year 2025 equaled \$95.4 million which served to increase the net position on June 30, 2025 to \$1.121 billion.



Management's Discussion and Analysis

LENDING ACTIVITY

In fiscal year 2025, the Bank issued \$165.2 million in new loans, resulting in a total of \$1.389 billion in outstanding loans by the end of the year. Additionally, the Bank provided \$14.6 million in grants to support resiliency projects throughout Rhode Island.

Segment	2025	2024	2023
Clean Water	100,550,000	78,700,000	\$ 147,250,314
Resilient Rhody	2,000,000	2,960,698	-
Drinking Water	34,481,550	73,225,000	13,028,350
Municipal Road and Bridge	1,000,000	3,500,000	2,500,000
Clean Energy*	27,146,246	29,595,000	12,118,000
Total	\$ 165,177,796	\$ 187,980,698	\$ 174,896,664

*Included in the caption are Efficient Building Fund and C-PACE loans.

Rhode Island municipalities accounted for 78% of loan and grant originations, involving 28 distinct municipal borrowers. Water utilities, non-profit organizations, a quasi-state agency, and commercial businesses comprise the remaining portion of our portfolio.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Bank's financial activity. If you have questions about this report or need additional financial information, please contact us at: 275 Promenade Street, Suite 301, Providence, Rhode Island 02908, telephone number (401) 453-4430 or email us at info@riib.org.



Rhode Island Infrastructure Bank (A Component Unit of the State of Rhode Island)

Statements of Net Position – June 30, 2025 and 2024

	2025	2024
Assets		
Current assets:		
Unrestricted:		
Cash, cash equivalents and investments	\$ 8,767,592	\$ 8,620,586
Restricted:		
Cash and cash equivalents	527,238,839	486,201,277
Investments	9,026,047	13,569,516
Total restricted cash, cash equivalents and investments	<u>536,264,886</u>	<u>499,770,793</u>
Other current assets:		
Unrestricted:		
Prepaid expenses, other assets and other receivables	216,703	164,033
Restricted:		
Service fees receivable	1,630,528	1,657,422
Loans receivable	96,380,327	101,661,225
Intergovernmental receivable	10,000,000	-
Accrued interest receivable:		
Loans	9,187,357	8,643,891
Investments	1,338,662	1,730,298
Total current assets	<u>663,786,055</u>	<u>622,248,248</u>
Noncurrent assets:		
Unrestricted:		
Loans receivable	13,046,005	14,388,005
Capital assets, net	1,790,046	2,025,239
Total unrestricted noncurrent assets	<u>14,836,051</u>	<u>16,413,244</u>
Restricted:		
Loans receivable	1,279,258,650	1,238,073,534
Total noncurrent assets	<u>1,294,094,701</u>	<u>1,254,486,778</u>
Total assets	<u>1,957,880,756</u>	<u>1,876,735,026</u>
Deferred Outflows of Resources	3,078,315	3,894,977
Liabilities		
Current liabilities:		
Project costs payable	190,936,240	223,038,353
Bonds payable	52,146,634	57,789,055
Lease liability	158,944	144,350
Accrued interest payable	4,827,495	4,939,455
Accounts payable and accrued expenses	492,713	297,196
Total current liabilities	<u>248,562,026</u>	<u>286,208,409</u>
Noncurrent liabilities:		
Bonds payable, net	587,806,944	564,894,203
Lease liability	1,584,223	1,743,166
Accrued arbitrage rebate	799,221	614,239
Total noncurrent liabilities	<u>590,190,388</u>	<u>567,251,608</u>
Total liabilities	<u>838,752,414</u>	<u>853,460,017</u>
Deferred Inflows of Resources	1,030,398	1,368,176
Net position:		
Net investments in capital assets	46,879	137,723
Restricted for program purposes	1,087,844,959	993,042,642
Unrestricted	33,284,421	32,621,445
Total net position	<u>\$ 1,121,176,259</u>	<u>\$ 1,025,801,810</u>

See notes to financial statements.



Rhode Island Infrastructure Bank (A Component Unit of the State of Rhode Island)

Statements of Revenues, Expenses, and Changes in Net Position – Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Interest income - loans	\$ 26,227,419	\$ 23,467,841
Loan servicing fees	4,940,080	4,978,630
Loan origination fees	1,463,255	1,668,299
Interest income - investments	20,684,399	21,789,621
Grant income - program administration	488,414	20,500
Total operating revenues	<u>53,803,567</u>	<u>51,924,891</u>
Operating expenses:		
Interest expense, net of premium amortization	14,667,224	15,069,117
Program administration, partner agencies	6,463,192	5,058,010
Principal forgiveness	5,974,728	4,515,370
Compensation and benefits	2,442,399	2,230,944
Debt issuance	519,723	524,272
Professional services	301,598	455,083
Legal	387,063	411,446
Correspondent and trustee	141,319	118,903
Information technology	151,146	123,619
Marketing	140,084	134,425
Audit and accounting	120,068	72,000
Financial advisory	80,000	76,480
Loan origination service	171,955	139,964
Occupancy and office expense	90,159	159,848
Depreciation and amortization	235,193	232,826
Insurance	71,942	53,256
Business and travel	13,334	15,703
Dues and subscriptions	13,416	12,247
Seminars	4,694	7,213
Total operating expenses	<u>31,989,237</u>	<u>29,410,726</u>
Operating income	21,814,330	22,514,165
Non-operating revenue:		
Grant income and other contributed capital	75,560,119	57,654,803
Non-operating expenses:		
Intergovernmental transactions	<u>(2,000,000)</u>	<u>(5,500,000)</u>
Change in net position	95,374,449	74,668,968
Net position, beginning of the year	<u>1,025,801,810</u>	<u>951,132,842</u>
Net position, end of the year	<u>\$ 1,121,176,259</u>	<u>\$ 1,025,801,810</u>

See notes to financial statements.



Rhode Island Infrastructure Bank (A Component Unit of the State of Rhode Island)

Statements of Cash Flows – Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Loan repayments	\$ 93,468,243	\$ 96,938,707
Operating grants	488,414	20,500
Origination fees	1,463,255	1,668,299
Loan servicing fees	4,966,974	4,961,334
Interest income - loans	25,683,953	22,845,600
Interest paid on bonds	(14,300,300)	(13,589,306)
Loan disbursements	(170,036,410)	(161,915,309)
Payments for goods and services	(8,242,316)	(7,380,693)
Bond issuance costs	(519,723)	(524,272)
Investment income	21,076,035	21,409,258
Payments for personnel-related costs	(2,442,399)	(2,230,944)
Net cash used by operating activities	<u>(48,394,274)</u>	<u>(37,796,826)</u>
Cash flows from capital and related financing activities:		
Purchases of property and equipment	-	(231,076)
Cash flows from noncapital financing activities:		
Proceeds from bond issuance	75,624,621	45,629,056
Repayment of bond principal	(54,334,349)	(55,850,661)
Non-operating grants	65,560,119	63,154,803
Payment of intergovernmental transfers	(2,000,000)	(5,500,000)
Net cash provided by noncapital financing activities	<u>84,850,391</u>	<u>47,433,198</u>
Cash flows from investing activities:		
Interest received subject to arbitrage	184,982	988,499
Proceeds from (purchases of) investments, net	4,543,469	2,503,129
Net cash provided by investing activities	<u>4,728,451</u>	<u>3,491,628</u>
Cash and cash equivalents, beginning of the year	<u>494,821,863</u>	<u>481,924,939</u>
Cash and cash equivalents, end of the year	<u>\$ 536,006,431</u>	<u>\$ 494,821,863</u>

See notes to financial statements.



Rhode Island Infrastructure Bank (A Component Unit of the State of Rhode Island)

Statements of Cash Flows – Years Ended June 30, 2025 and 2024 continued

	<u>2025</u>	<u>2024</u>
Operating Income	\$ 21,814,330	\$ 22,514,165
Adjustments		
Depreciation	235,193	232,826
Amortization of bond premiums and discounts, net	(4,164,301)	(3,375,828)
Loss on disposal of capital asset		37,365
Effects of Changes in Operating Assets, Liabilities, and Deferred Outflows/Inflows		
Increase in investments receivable	391,636	6,103
(Increase) Decrease in accrued interest income - loans	(543,466)	(622,241)
Increase (Decrease) in Accrued Interest Expense	(111,960)	389,557
(Increase) Decrease in Loans Receivables	(34,562,218)	(54,393,505)
Increase (Decrease) in Project Payable	(32,102,113)	(3,348,556)
(Increase) Decrease in prepaid expenses	(52,670)	104,924
Increase (Decrease) in accounts payable	195,517	(414,594)
(Increase) decrease in accounts receivable - service fees	26,894	(17,296)
(Increase) decrease in Deferred Outflows	816,662	1,446,640
(Increase) decrease in Deferred Inflows	(337,778)	(356,386)
Net cash used by operating activities	<u>\$ (48,394,274)</u>	<u>\$ (37,796,826)</u>
Supplementary cash flow information:		
Noncash transactions:		
Increase in loans receivable issued related to project costs payable	\$ (34,876,425)	\$ 463,084
Increase (decrease) in fair value of investments	\$ (1,201,763)	\$ (3,308,244)

See notes to financial statements.

Note 1. Summary of Significant Accounting Policies

Organization: Rhode Island Infrastructure Bank (Bank) was established in 1989 by the State of Rhode Island (State) General Assembly, under Chapter 46-12.2 of the Rhode Island General Laws (1986) as amended. While the Bank is a body politic and corporate and public instrumentality of the State, it has a distinct legal existence separate from the State and is not considered a department of State government. For financial reporting purposes, the Bank is considered a component unit of the State.

In accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an Amendment of GASB Statement 14*, and GASB Statement No. 61, *the Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, the financial statements must present the Bank and its component units, which, for the periods included here, there were none in existence. As noted above, however, the Bank is considered a component unit of the State and, accordingly, its financial statements are incorporated with and into the financial statements of the State.

The Bank is governed by a Board of Directors (Board) consisting of five members, four of whom are members of the public appointed by the Governor, with the advice and consent of the state senate. The General Treasurer, or such officer's designee, who shall be a subordinate within the General Treasurer's department, shall serve as an ex-officio member. While it appoints a voting majority of the Bank's governing board, the state bears no responsibility for the Bank's debt.

Description of business: The Bank facilitates financing infrastructure improvements for municipalities, businesses, and homeowners in the State. Lending programs include clean water, drinking water, transportation, energy efficiency and renewable energy, brownfield remediation, and stormwater and climate resiliency. The Bank supports and finances infrastructure investments through the origination of loans and mobilization of public and private capital. Projects financed through the Bank serve to help build and maintain a strong system of infrastructure which boosts economic productivity in both the short- and long-term while enhancing the state's environment.

Pursuant to an operating agreement between the Environmental Protection Agency (EPA) and the Bank, the Bank manages the state's Clean Water and Drinking Water State Revolving Fund (SRF) programs, CWSRF and DWSRF, respectively. The SRF programs, which were authorized by Federal legislation (the Water Quality Act of 1987 for the CWSRF and the Safe Drinking Water Act of 1996 for the DWSRF), were established to provide a perpetual source of capital for water infrastructure that protects public health and the environment. SRFs provide eligible borrowers with below market loans and other forms of low-cost financing to build, repair and improve wastewater (e.g., sewage treatment and stormwater management) and drinking water infrastructure.

The SRF programs are "revolving" in nature because the revenue received by the Bank from borrower debt service payments is greater than the debt service the Bank owes on its bonds and these excess funds, together with residual amounts released from reserve funds as the Bank's debt is retired, are used to originate new loans to borrowers that are pledged as a source of payment and security, for new SRF bonds or for other eligible purposes.

In addition, since the SRFs were established, Congress has provided an annual federal grant, called a "capitalization grant," to add to the available capital of the SRFs. States are required to match 20% of the capitalization grant with state funds. Federal and state contributions, as well as revolved funds, are limited to specific uses by laws and regulations, the operating agreement noted above, and a capitalization grant agreement with the EPA. Because of these limitations on use, these funds are classified as "restricted" on the statements of net position.

The Bank's SRF programs are leveraged by issuing bonds to provide additional funds to finance program-eligible projects. Federal and state grants and other monies available to the Bank are pledged to secure the bonds by either funding reserves or financing loans pledged to the bonds. Earnings on these pledged assets are used to pay a portion of the debt service on the related bonds, thereby allowing for a reduction in the borrowers' loan repayment obligation. Generally, the Bank lends to borrowers at 67%

Notes to Financial Statements
Note 1. Summary of Significant Accounting Policies (continued)

and 75% of the current market rate for the CWSRF and DWSRF, respectively. In addition to providing low-cost financing, including interim financing, for eligible projects, the Bank's SRF programs primary activities include the issuance of debt, the investment of program funds, and the management and coordination of the programs.

In addition to the CWSRF and DWSRF, the Bank also manages the following programs:

Program	Summary
<p align="center">Clean Energy Fund (CEF)</p>	<p>The Fund provides financing and energy audits to public and not-for-profit entities for renewable energy and energy efficiency improvement projects. Projects can be either engineering/design and audit, or construction. Capital can be provided through ratepayer funds and Regional Greenhouse Gas Initiative (RGGI) proceeds.</p>
<p align="center">Commercial – Property Assessed Clean Energy (C-PACE)</p>	<p>C-PACE provides financing for a broad array of energy efficiency and renewable energy projects (and related improvements) in commercial and industrial properties. As the Bank does not directly provide financing for C-PACE loans, property owners are free to arrange financing directly with one of the Bank's third-party capital providers.</p>
<p align="center">Community Septic System Loan Program (CSSLP)</p>	<p>Included in the CWSRF program, CSSLP provides discounted financing to communities to address nonpoint source pollution abatement issues with end loans being offered to residents with cesspools or substandard septic systems. The DEM is responsible for producing a PPL of eligible communities for the Bank to provide financing. Revolved capital from CWSRF provides funding for this program.</p>
<p align="center">Community Project Assistance Fund</p>	<p>This technical assistance program provides municipalities with expert support for the design and engineering of projects aimed at enhancing community resiliency, improving stormwater management, and strengthening local infrastructure. By offering guidance and resources early in the project lifecycle, the program helps ensure that infrastructure investments are effective, sustainable, and aligned with the community's long-term resilience goals.</p>
<p align="center">Efficient Buildings Fund (EBF)</p>	<p>The Fund provides financing to municipalities and quasi-public agencies for renewable energy and energy efficiency improvements. The Rhode Island Office of Energy Resources is responsible for producing a PPL of eligible projects for the Bank to provide financing. Bank capital is supplemented by allocated rate-payer funds and Regional Greenhouse Gas Initiative (RGGI) proceeds.</p>

Notes to Financial Statements
Note 1. Summary of Significant Accounting Policies (continued)

Program	Summary
Municipal Road and Bridge Revolving Fund (MRB)	<p>The Fund provides financing to municipalities for transportation-based infrastructure projects. The Rhode Island Department of Transportation is responsible for producing a PPL of eligible projects for the Bank to provide financing. Funding for the program is provided by local and state bond issues.</p>
Resilient Rhody Investment Fund	<p>This fund provides municipalities with financing to identify and implement projects that reduce vulnerability to flooding, severe weather, and other climate-related hazards. Given Rhode Island's extensive coastline, the Fund also prioritizes initiatives that address sea level rise, coastal erosion, and storm surge impacts, which pose significant risks to local infrastructure and community resilience. These programs are funded through a combination of local and state general obligation bond issues.</p>
Rhode Island Water Pollution Control Revolving Fund (including the Facility Plan Loan Program (FPLP) and the Sewer Tie-In Loan Fund (STILF))	<p>The Fund provides discounted financing for water pollution abatement projects that do not meet the requirements of the CWSRF. In addition, under the FPLP, the Fund also provides financing to municipalities for the completion of water pollution abatement project facility plans, and amendments or updates to such plans. The Fund also supports the STILF program which, like CSSLP, allows communities to borrow funds to address nonpoint source wastewater pollution abatement issues with end loans being offered to residents to connect to the local sewer systems. These programs are funded through capitalization grants from state general obligation bond issues.</p>
Water Quality Protection Charge (WQPC) Fund	<p>The WQPC Fund provides financing for the protection of watershed lands to help ensure water quality. This Fund accounts for water quality protection charges received from various Rhode Island water suppliers. The WQPC provides funding to water suppliers for watershed protection land acquisition, water pipe replacement, and other related projects.</p>

The Bank does not possess the power to raise or collect taxes of any kind or to establish any generally applicable fees and charges, other than loan origination and servicing fees charged directly to those borrowers that receive financing from the Bank. The Bank, at its discretion, may also charge cost of issuance fees to borrowers.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (continued)

Basis of accounting: The accompanying basic financial statements of the Bank have been prepared in conformance with generally accepted accounting principles (GAAP) as prescribed by the GASB. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Bank is engaged only in "business-type" activities and its operations are financed and operated in a manner like a non-governmental business, where the intent is that the costs of providing services is financed through user charges. The financial statements of the Bank are prepared using the economic resources measurement focus and accrual basis of accounting which aims to report all inflows, outflows and balances affecting an entity's net position and to recognize the effects of transactions, events and inter-fund activity when they occur regardless of the timing of related cash flows.

Revenue recognition: Operating income emanates through the origination and servicing of loans to eligible borrowers and includes revenues (i.e., interest income on loans and related investments) and expenses incurred in loan-related business activities and other program management expenses. All other revenues and expenses are reported as nonoperating revenues and expenses.

Funding from Federal capitalization grants and state matching grants are reported as nonoperating revenue. Federal capitalization grant revenue is recognized in accordance with funding availability schedules contained within the individual grant agreements. Revenue recognition associated with these grants is based on the standard principles of eligibility, including timing requirements. The Bank recognizes grant revenue upon acceptance of its request for drawdowns by the grantor agency (EPA) and satisfaction of qualifying commitments and all other grant requirements.

The Bank's Federal capitalization grants, beginning with the American Recovery and Reinvestment Act of 2009 (ARRA) grant, required that a portion of the grant funds be provided as additional subsidization in the form of principal forgiveness, grants, or negative interest loans. The Bank provides the additional subsidization in the form of principal forgiveness, which is recorded as an operating expense.

Fund accounting: To ensure compliance with the limitations and restrictions placed on the use of resources available to the Bank, the accounts of the Bank are maintained in individual funds – essentially by program as described above. For the presentation of the Bank's financial position and results of operations, these funds are presented on a consolidated basis.

Cash and cash equivalents: The Bank's cash equivalents include cash deposits at financial institutions and institutional money market accounts. The Bank's policy is to treat all highly liquid investments with original maturities of three months or less when purchased as cash and cash equivalents.

Investments: Investments with maturity dates of greater than one year at the time of purchase are reported at fair value using quoted market prices. Fair value is defined by GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72), as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

As more fully disclosed in Note 3 "Investments," the Bank's investments as of June 30, 2025, and 2024 consisted of U.S. agency obligations (e.g., FannieMae, and the Federal Home Loan Bank), and GICs. The Bank's various indentures or depository and administrative payment agreements (DAPAs) governing its outstanding bond issues restrict the Bank's ability to invest the proceeds of bonds issued. In addition to those listed above, permitted investments under either an indenture or DAPA, include, for example, repurchase agreements, certificates of deposit, money market funds, and commercial paper – each subject to specific ratings and/or other restrictions. Management actively manages its investment portfolio with a focus on asset allocation, diversification, and duration within the parameters of the permitted investments.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (continued)

In accordance with Section 35-10.1-7 of the General Laws of the State, dealing with the collateralization of public deposits, all certificates of deposits with maturities of greater than 60 days and all deposits in institutions that do not meet its minimum capital standards as required by its Federal regulator must be collateralized. The Bank did not have any deposits in fiscal year 2025 and 2024 which required collateralization.

Investment income: All investment income, including changes in the fair value of investments, is reported as revenue in the accompanying statements of revenue, expenses and changes in net position except for the guaranteed investment contracts (GIC) that is reported at contract value. Contract value represents contributions made under the contract plus earnings, less withdrawals and administrative expense.

Property and equipment: Property and equipment are stated at cost. The Bank's threshold for capitalizing any individual item is \$5,000 and a useful life in excess of one year. Depreciation is determined using a straight-line basis over the estimated useful life of the asset per the following schedule:

Asset Category	Estimated Useful Life
Computer equipment and software	3 years
Equipment, furniture, and fixtures	3 – 5 years
Leasehold improvements	7 – 20 years

Bond issuance costs: Bond issuance costs are recorded as operating expenses as incurred.

Allowance for loan losses: Management reviews loan receivable balances and borrowers on a continual basis for possible uncollectible amounts. In the event management determines a specific need for an allowance, provision for loss will then be provided. Should a borrower default on a loan, potential remedies are contained in the loan agreement which is backed by the full taxing power of the borrowing municipality in the form of a general obligation pledge or in the full revenue collecting ability of the Bank's revenue borrowers. Further, the Indenture of Trust (Indenture) as it relates to the Local Interest Subsidy Trust (LIST) serves as a debt service reserve fund. An allowance for loan losses has not been established at either June 30, 2025, or June 30, 2024 since historical collection experience has shown amounts to be fully collectible when due.

Deferred inflows and outflows of resources: A deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period to which they relate. Deferred inflows and outflows of resources of the Bank consist entirely of deferred refunding costs.

The Bank has refunded certain bond obligations which had the effect of reducing aggregate debt service. The difference between the reacquisition price and the net carrying amount of the refunded bonds is recorded as an amount deferred on refunding. The deferred amount on refunding is amortized over the remaining life of the refunded bonds, or the life of the new bonds, whichever is shorter. The amortization amount is a component of interest expense.

Accrued arbitrage rebate: The Bank has bonds outstanding which are subject to arbitrage limitations. The term "arbitrage rebate" refers to the required payment to the U.S. Treasury Department (Treasury) of earnings received on applicable tax-exempt bond proceeds that are invested at a higher yield than the yield of the tax-exempt bond issue. The Bank's ultimate rebate of arbitrage earnings on these issues is contingent on numerous factors, but principally yields on invested proceeds. The amount the Bank will be required to remit to the Treasury could differ materially from the estimated liability – even in the near term.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (continued)

Based on calculations that were performed as of June 30, 2025 and 2024, the Bank had accrued arbitrage rebate liabilities totaling \$799,221 and \$614,239, respectively. The rebate obligations are generally computed and adjusted, as applicable, on an annual basis in accordance with regulations promulgated by the Treasury. Required rebates are generally due and payable in five-year intervals during the life of debt issues, with rebates due no later than 60 days after the retirement of the debt issues. Actual calculation and payment dates may be accelerated because of refundings/defeasances. Arbitrage rebate expense is recorded as a reduction in interest income – investments.

Loan origination fees: The Bank assesses loan origination fees at the time of loan closing and recognizes such revenue in the period received.

Project costs payable: Project costs payable represents the liability of amounts loaned to borrowers that have not been requisitioned. On June 30, 2025 and 2024, undrawn funds amounted to \$190,936,240 and \$223,038,353 respectively.

Bond premium: Bond premiums, included in long-term debt, are amortized using the effective interest method over the respective life of the associated bond issues. Amortization of bond premiums, which are credited to interest expense, amounted to \$5,469,741 and \$5,653,216 for fiscal years 2025 and 2024, respectively.

Compensated absences: The Bank permits employees to receive compensation for unused sick leave benefits, up to a maximum number of five days per fiscal year. Such compensation is paid annually. The liability for unused sick leave benefits at both period ends were di minimis and as such not recognized.

Net position: Net investment in capital assets represents capital assets, net of accumulated depreciation. Net position of the Bank is classified as restricted when external constraints are imposed by debt agreements, grantors, contributors, or laws or regulations of governments or constraints imposed by law through constitutional provisions or enabling legislation. The Bank's net position is restricted by debt covenants and grantor restrictions. Unrestricted net position has no external restrictions and is available for the operations of the Bank. Unrestricted net position may be designated by actions of the Board.

Operating revenues and expenses: Substantially all revenues and expenses, including interest received on investments and loans and interest paid on bonds, are considered operating items since the Bank issues bonds to finance loans for specific projects. All other revenues and expenses not meeting these criteria are reported as nonoperating revenue and expenses. In accordance with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, federal EPA capitalization grants and state grants are shown below operating income (loss) on the statements of revenue, expenses and changes in net position.

Restricted assets: Restricted assets of the Bank consist of cash and cash equivalents, investments designated primarily for borrower construction drawdowns (and any interest earned on such investments), borrower interest rate subsidies, and arbitrage rebate liabilities. In each instance the preceding relates to the CWSRF, DWSRF, CWSWIF, Rhode Island Water Pollution Control Revolving Fund, EBF (including rate payer funds and RGI proceeds), C-PACE, MRB, WQPC, RRIF, and the Brownfields RLF programs. Certain loans receivable in the CWSRF and DWSRF provide security for the related bonds. Loan payments received are restricted for payment of bond debt service.

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (continued)

Intergovernmental transactions: Such amounts represent compulsory payments made to the State as part of its budget requirements.

In the November 2024 ballot, the State of Rhode Island Budget Office recommended \$10.0 million in general obligation bonds to complement the \$16.0 million authorized by voters in November of 2022. The proceeds would serve as matching grants to municipalities for restoring and improving resiliency of infrastructure, vulnerable coastal habitats, and restoring rivers and stream floodplains. The funds are expected to leverage matching funds to support local programs to improve community resiliency and public safety in the face of increased flooding, major storm events and environmental degradation. The \$10.0 million was part of the State's bond issuance in June of 2025. The Bank received the \$10.0 million in August of 2025.

Resource use: When both restricted and unrestricted resources are available for use, it is the Bank's policy to use restricted resources first, then unrestricted resources as they are needed.

Recent pronouncements: The GASB has issued the following standards that were effective during the current reporting period or will be effective in future periods:

In June of 2022, GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The requirements of this Statement had no impact on the Bank's financial statements.

In June of 2022, GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income tax: The Bank is a component unit of the State and is therefore, generally exempt from Federal income taxes under Section 115 of the Internal Revenue Code.

Reclassification: Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. The reclasses had no effect on prior year net position or results of operations.

Notes to Financial Statements
Note 2. Cash and Cash Equivalents

At June 30, 2025 and 2024, the carrying amount of the Bank's cash deposits was \$86,615,621 and \$125,464,829, respectively. The difference between the carrying amount and the depository balance is attributable to outstanding reconciling items (primarily outstanding checks) at year-end. Pursuant to GASB 79, *Certain External Investment Pools and Pool Participants*, the Bank's institutional money market accounts represent qualifying external investment pools that measure for financial reporting purposes all its investments at amortized cost.

In accordance with Chapter 35-10.1 of the Rhode Island General Laws dealing with Public Finance, depository institutions holding public deposits shall insure or pledge eligible collateral equal to one-hundred percent (100%) of any time deposit with maturities greater than sixty (60) days. If any depository institution does not meet its minimum capital standards as prescribed by its federal regulator, they shall insure or pledge eligible collateral equal to one-hundred percent (100%) of all public deposits. None of the cash deposits of the Corporation were required to be collateralized at June 30, 2025 pursuant to this statutory provision.

Cash and cash equivalents, including restricted amounts, consisted of the following at year-end:

Description	2025	2024
Deposits with financial institutions	\$ 86,588,072	\$ 125,464,829
Institutional money market accounts – government portfolio	449,418,359	369,357,034
Cash and cash equivalents	<u>\$536,006,431</u>	<u>\$ 494,821,863</u>

Description	2025	2024
Unrestricted:		
Deposits with financial institutions	\$ 8,740,043	\$ 8,594,950
Institutional money market accounts – government portfolio	27,549	25,636
Subtotal	<u>8,767,592</u>	<u>8,620,586</u>
Restricted:		
Deposits with financial institutions	77,848,029	116,869,879
Institutional money market accounts – government portfolio	449,390,810	369,331,398
Subtotal	<u>527,238,839</u>	<u>486,201,277</u>
Cash and cash equivalents	<u>\$ 536,006,431</u>	<u>\$ 494,821,863</u>

Unrestricted cash: Cash and cash equivalents of \$8,767,592 and \$8,620,586 as of June 30, 2025 and 2024, respectively, are classified as unrestricted. While classified as unrestricted, those assets are subject to use only within the proper purpose of the Bank as established through its enabling legislation discussed in Note 1 and the directives and programs approved by the Board.

Custodial credit risk - Cash and Cash Equivalents: Custodial credit risk is the risk that in the event of insolvency, the Bank's deposits may not be returned in full. The Bank does not have a formal deposit policy for custodial credit risk and therefore, does not limit the amount of its deposits with its depositories. The Bank mitigates custodial credit risk by (i) ensuring that cash deposits that exceed federal depository insurance are collateralized and (ii) investing in institutional money market accounts – government portfolio that are "AAA" rated.

For fiscal year end 2025 and 2024, institutional money market accounts consisted of the following:

Issuer	2025	2024
First American Funds – Government Obligations	\$ 445,220,332	\$ 364,600,578
First American Funds – U.S. Treasury	4,198,027	4,756,456
Total	<u>\$ 449,418,359</u>	<u>\$ 369,357,034</u>

First American Funds was assigned the highest credit ratings by Standard & Poor's, Moody's, and Fitch.

Notes to Financial Statements
Note 3. Investments

The Bank's investments consisted of the following at June 30, 2025:

2025	Amount	Maturity Date(s)	Interest Rate(s)	Credit Ratings Moody's/S&P
US agency and Treasury securities:				
Federal National Mortgage Association	\$ 121,338	2026	1.25% - 2.00%	AAA/AA+
Federal Home Loan Mortgage Corp	3,656,651	2025-2028	1.75% - 2.35%	AAA/AA+
Subtotal	<u>3,777,989</u>			
Guaranteed investment contracts ¹ :				
Mass Mutual Life Insurance Company	288,990	2025	4.67%	Aa3/AA+
Mass Mutual Life Insurance Company	1,197,588	2027	4.79%	Aa3/AA+
Mass Mutual Life Insurance Company	3,761,480	2029	4.50%	Aa3/AA+
Subtotal	<u>5,248,058</u>			
Total investments	<u>\$ 9,026,047</u>			

¹Credit ratings reflect the rating of the issuer.

The Bank's investments consisted of the following at June 30, 2024:

2024	Amount	Maturity Date(s)	Interest Rate(s)	Credit Ratings Moody's/S&P
US agency and Treasury securities:				
Federal National Mortgage Association	\$ 146,824	2024-2026	1.25% - 2.00%	AAA/AA+
Federal Home Loan Mortgage Corp	6,286,429	2024-2028	1.75% - 2.35%	AAA/AA+
Subtotal	<u>6,433,253</u>			
Guaranteed investment contracts ¹ :				
Mass Mutual Life Insurance Company	755,907	2024	4.71%	Aa3/AA+
Mass Mutual Life Insurance Company	988,046	2025	4.67%	Aa3/AA+
Mass Mutual Life Insurance Company	1,630,830	2027	4.79%	Aa3/AA+
Mass Mutual Life Insurance Company	3,761,480	2029	4.50%	Aa3/AA+
Subtotal	<u>7,136,263</u>			
Total investments	<u>\$ 13,569,516</u>			

¹Credit ratings reflect the rating of the issuer.

Custodial credit risk - Investments: Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the Bank will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The Bank requires that all investment agreements be collateralized either upon execution of such agreement or upon the happening of certain events, and always thereafter, by securities or other obligations issued or guaranteed by the United States, by certain Federal agencies having a market value of not less than 100% of the amount currently on deposit or in accordance with their respective agreement. The Bank has a policy which requires the monthly monitoring of custodial credit risk, including the review of institutional credit ratings.

Credit risk: Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The risk is evidenced by a rating issued by a nationally recognized statistical rating organization, which regularly rate such obligations. Most of the Bank's investments are in Treasury, agency securities, municipals, or GICs. Securities issued by the U.S. Treasury are all backed by the full faith and credit of the Federal government.

Notes to Financial Statements
Note 3. Investments (continued)

The Bank has GICs with one provider who maintains the contributed investments. GIC providers must meet the following ratings from S&P and Moody's: domestic banks rated at least AA/Aa2; U.S. branches of foreign banks rated at least AA/Aa2; insurance companies (or corporations whose obligations are guaranteed by an insurance company, in the form of an insurance policy, or by an insurance holding company) rated AAA/Aaa. As discussed in Note 1, the GICs are reported at contract value. The providers are contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Bank. In accordance with GASB 72, the fair value of these investments is measured at such contract value outside of the fair value hierarchy. The Bank's GICs \$5,248,058 and \$7,136,263 as of June 30, 2025 and 2024, respectively. There are no reserves against contract value for credit risk of the provider or otherwise. The crediting interest rates are based on a formula agreed upon by each provider.

Interest rate risk: Interest rate risk is the risk that an investment's value will change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve, or in any other interest rate relationship. Such changes usually affect securities market value inversely. The Bank manages its exposure to interest rate risk by matching the duration of its investments to anticipated obligations.

At June 30, 2025 and 2024, maturities of the Bank's investment by sector were as follows:

Sector – 2025	Total Fair Value	Years			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. agency securities	\$ 3,777,989	\$ 1,502,326	\$ 2,275,663	\$ -	\$ -
Guaranteed investment contracts	5,248,058	288,990	4,959,068	-	-
	<u>\$ 9,026,047</u>	<u>\$ 1,791,316</u>	<u>\$ 7,234,731</u>	<u>\$ -</u>	<u>\$ -</u>

Sector – 2024	Total Fair Value	Years			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. agency securities	\$ 6,433,253	\$ 2,864,283	\$ 3,568,970	\$ -	\$ -
Guaranteed investment contracts	7,136,263	755,907	6,380,356	-	-
	<u>\$ 13,569,516</u>	<u>\$ 3,620,190</u>	<u>\$ 9,949,326</u>	<u>\$ -</u>	<u>\$ -</u>

Fair value measurement: The Bank's investments are recorded at fair value as of June 30, 2025 and 2024, pursuant to the provisions of GASB No. 31, *Certain Investments and External Investment Pools* (GASB 31), and GASB 72. GASB 31 established accounting and financial reporting standards for certain investments to be reported at fair value and for external investment pools. GASB No. 72 addresses accounting and financial reporting issues related to fair value measurements. The Statement establishes a hierarchy of inputs to valuation techniques used to measure fair value.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Notes to Financial Statements
Note 3. Investments (continued)

Level	Valuation Methodology
1	Investments whose values are based on quoted prices (unadjusted) for identical assets in active markets that the Bank can access at the measurement date.
2	Investments with inputs, other than quoted prices included in Level 1, that are observable for an asset, either directly or indirectly.
3	Investments classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment.

The Bank's investments within the fair value hierarchy (which do not include the GICs) are summarized below as of June 30, 2025 and 2024:

2025				
Investment Sector	Quotes Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)	Total Fair Value
U.S. agency securities	\$ -	\$	3,777,989	\$ 3,777,989
Total investments	\$ -	\$	3,777,989	\$ 3,777,989

2024				
Investment Sector	Quotes Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)	Total Fair Value
U.S. agency securities	\$ -	\$	6,433,253	\$ 6,433,253
Total investments	\$ -	\$	6,433,253	\$ 6,433,253

The Bank had no investments that were categorized as Level 3 at either June 30, 2025, or June 30, 2024, and therefore that information is not presented in the above tables. Certain investments that are measured at fair value using the net asset value (NAV) per share as a practical expedient have not been classified in the fair value hierarchy.

Concentration of credit risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the Bank's investment in a single issuer. Excluding U.S. Treasury securities, the issuers where investments exceeded 5% of the Bank's total investments at either period end are:

Issuer	Percentage of Total Investments	
	2025	2024
Federal Home Loan Mortgage Corp	41%	46%
Federal National Mortgage Association	1%	1%
Mass Mutual Life Insurance Company	58%	53%

Notes to Financial Statements
Note 4. Loans Receivable

At June 30, 2025 and 2024, the Bank had loans outstanding of \$1,388,684,982 and \$1,354,122,764 respectively, including all unused outstanding loan commitments (project costs payable).

Borrowers are obligated to repay the full balance of loan agreements; however, funds are disbursed by the Bank in accordance with the loan agreements as costs are incurred for the projects for which the loans are intended. The Bank disburses funds to the borrowers and/or vendors after receipt of a request for disbursement, which is accompanied by supporting documentation. The Bank is obligated to disburse funds only up to the value of the loan agreement and is not responsible for any excess costs incurred by the borrower. The borrower, in turn, is obligated to make principal and interest payments in accordance with the repayment schedules per the loan agreement even if funds have not been fully disbursed by the Bank at the time of first payment. Loan terms and conditions do vary but loans are generally repaid over 20 years with either level principal or level total payments. Loan amounts may include capitalized interest expense incurred by the borrower during the construction period.

As noted in the "Allowance for loan losses" caption in Note 1, the Bank has various LIST funds, which are restricted by the indenture between the trustee and the Bank and may be used to make the required bond payments in the event of default by a borrower.

Capitalization Grants: The Bank receives capitalization grants from the EPA for the CWSRF and DWSRF. The grants are used to fund the Bank's lending activities with a commitment for state matching funds of 20% of the Federal grant award. CWSRF grant eligible expenses allow the Bank to reimburse the DEM for up to 4% of the capitalization grant for expenses incurred for services they provide the Bank related to these lending activities. DWSRF grants also provide funding for various improvement programs administered by the DOH – ostensibly to support water supplier's efforts to meet the minimum standards for quality outlined in the Federal Act. The DWSRF allows the DOH to set-aside up to 31% of the annual capitalization grants in four accounts as follows: 1) 4% for program administration which is to be split between the DOH and the Bank, 2) up to 2% for technical assistance, 3) up to 10% for state program management, and 4) up to 15% for local assistance.

Principal forgiveness loans: Loans made to eligible borrowers under the CWSRF and DWSRF programs may be forgiven through capitalization grants from the EPA. Certain criteria must be met to qualify, including that the borrower continues to make debt service payments, continues to operate the project in compliance with laws and regulations, and does not dispose of or discontinue the project.

The Bank's historical capitalization grants, state matching funds, principal forgiveness component and principal forgiveness loans for CWSRF are summarized below:

Capitalization Grant	Capitalization Grant Award	State Matching funds	Principal Forgiveness Component	Principal Forgiveness Loans Issued as of FY2025
2009-2018	\$ 115,753,600	\$ 23,150,720	\$ 20,527,430	\$ 20,527,430
2019	10,669,000	2,133,800	1,066,900	1,066,900
2020	10,670,000	2,134,000	1,067,000	-
2021	10,669,000	2,133,800	1,066,900	1,827,300
2022	20,348,000	2,749,000	8,037,500	5,124,805
2023	19,033,000	2,407,000	7,865,440	5,199,024
2024	20,752,000	4,150,400	8,578,700	7,319,416
	<u>\$ 207,894,600</u>	<u>\$ 38,858,720</u>	<u>\$ 48,209,870</u>	<u>\$ 41,064,875</u>

Notes to Financial Statements
Note 4. Loans Receivable (continued)

The Bank's historical capitalization grants available for principal forgiveness loans for DWSRF are summarized below:

Capitalization Grant	Capitalization Grant Award	State Matching funds	Principal Forgiveness Component	Principal Forgiveness Loans Issued as of FY2025
2009-2018	\$ 105,179,000	\$ 21,035,800	\$ 29,184,900	\$ 28,353,923
2019	11,004,000	2,200,800	2,200,800	2,200,800
2020	11,011,000	2,202,200	2,202,200	28,009
2021	11,001,000	2,200,200	2,200,200	662,000
2022	60,905,000	3,200,800	31,664,180	2,107,500
2023	62,283,000	3,093,100	32,938,163	21,711,000
2024	63,936,000	5,529,200	34,153,010	18,813,550
	<u>\$ 325,319,000</u>	<u>\$ 39,462,100</u>	<u>\$ 134,543,453</u>	<u>\$ 73,876,782</u>

The Bank recognizes principal forgiveness expense as the related loans are repaid. The total amount forgiven under these programs in fiscal years 2025 and 2024 was \$5,974,728 and \$4,515,370 respectively. The amounts are included in loan principal forgiveness in the statements of revenues, expenses, and changes in net position.

Note 5. Bonds Payable

Since its inception, the Bank has issued revenue bonds to investors to finance infrastructure projects. The bonds are limited obligations of the Bank and repayment is made by a combination of revenue from the loans, debt service funds, and recycled capital.

In addition, from time to time the Bank issues conduit bonds. The term conduit bonds refers to certain limited-obligation revenue bonds issued by the Bank for the express purpose of providing capital financing for a specific third party. Although conduit debt obligations bear the name of the Bank, it has no obligation for the debt beyond the resources provided by a loan with the third party on whose behalf the conduit bonds are issued. As of June 30, 2025 and 2024, there were seven series of conduit bonds outstanding, with an aggregate principal amount payable of \$33,835,000 and \$35,900,000 respectively.

Notes to Financial Statements
Note 5. Bonds Payable (continued)

The Bank had the following revenue bonds outstanding at June 30, 2025 and 2024:

Clean Water Program	2025	2024
2015 Series A Bonds, dated July 30, 2015, with serial bonds of \$56,275,000 at rates varying from 3.00% to 5.00% due annually from October 1, 2017 through October 1, 2044. On December 18, 2019, and September 1, 2021 the Bank advance refunded \$2,880,000 and \$39,010,000 respectively, of the outstanding bonds.	\$ -	\$ 2,090,000
2015 Series B Refunding Bonds, dated October 6, 2015, with serial bonds of \$24,345,000 at rates varying from 2.00% to 5.00% due annually from October 1, 2016 through October 1, 2026. The Bank's defeasance of the 2005A resulted in economic present value savings of \$2,562,154 or 9%.	3,220,000	5,830,000
2015 Series C Refunding Bonds, dated October 6, 2015, with serial bonds of \$23,355,000 at rates varying from 1.75% to 5.00% due annually from October 1, 2018 through October 1, 2027, respectively. The Bank's defeasance of the 2006A bonds resulted in economic present value savings of \$2,697,705 or 11%. On September 1, 2021 the Bank advance refunded \$5,730,000 of the outstanding bonds.	-	2,220,000
2016 Series A Refunding Bonds, dated June 2, 2016, with serial bonds of \$49,060,000 at rates varying from 1.75% to 5.00% due annually from October 1, 2018 through October 1, 2030. The Bank's defeasance of the 2007A and 2009A bonds resulted in economic present value savings of \$6,074,803 or 11%. On September 1, 2021 the Bank advance refunded \$8,410,000 of the outstanding bonds.	19,380,000	23,310,000
2016 Series B Bonds, dated June 2, 2016, with serial bonds of \$18,790,000 at rates varying from 2.00% to 5.00% due annually from October 1, 2017 through October 1, 2037. On September 1, 2021 the Bank advance refunded \$12,715,000 of the outstanding bonds.	875,000	1,705,000
2017 Series A Bonds, dated April 13, 2017, with serial bonds of \$28,130,000 at rates varying from 3.00% to 5.00% due annually from October 1, 2018 through October 1, 2036.	13,390,000	15,375,000
2017 Series B Bonds, dated June 28, 2017, with serial bonds of \$41,120,000 at rates varying from 3.00% to 5.00% due annually from October 1, 2021 through October 1, 2032. The Bank's defeasance of the 2010B and 2011A bonds resulted in economic present value savings of \$4,655,796 or 10%.	27,340,000	30,820,000
2018 Series A Bonds, dated April 25, 2018, with serial bonds of \$17,715,000 at rates varying from 3.00% to 4.00% due annually from October 1, 2025 through October 1, 2037.	17,715,000	17,715,000
2019 Series A Bonds, dated December 18, 2019, with serial bonds of \$112,870,000 at rates varying from 4.00% to 5.00% due annually from October 1, 2020 through October 1, 2034. The Bank's defeasance of the 1999A, 2010A, 2010B, 2012A, 2013A, 2014A, and 2015A bonds resulted in economic present value savings of \$6,414,291 or 7%.	83,610,000	89,480,000
2021 Series A Bonds, dated August 17, 2021, with serial bonds of \$103,380,000 at rates varying from .16% to 2.77% due annually from October 1, 2021 through October 1, 2044. The Bank's defeasance of the 2012A, 2012B, 2014A, 2015A, 2015C, 2016A and 2016B bonds resulted in economic present value savings of \$5,002,055 or 8%.	81,060,000	91,830,000
2023 Series A Bonds, dated June 13, 2023, with serial bonds of \$72,890,000 at rates varying from 4.00% to 5.00% due annually from October 1, 2023 through October 1, 2053.	71,600,000	71,600,000
2024 Series A Bonds, dated May 8, 2024, with serial bonds of \$41,780,000 at rates of 5.00% due annually from October 1, 2025 through June 30, 2054	41,780,000	41,780,000
2025 Series A Bonds, dated June 12, 2025 with serial bonds of \$70,680,000 at rates of 5.00% and 5.250% due annually from October 1, 2026 through October 1, 2054.	70,680,000	-
Program Total	430,650,000	393,755,000

Notes to Financial Statements
Note 5. Bonds Payable (continued)

Drinking Water Program	2025	2024
2013 Series A Bonds, dated May 14, 2013, with serial bonds of \$35,780,000 at rates varying from 3.00% to 5.00% due annually from October 1, 2015 through October 1, 2034. On December 18, 2019, and September 1, 2021 the Bank advance refunded \$10,095,000 and \$12,325,000 respectively, of the outstanding bonds.	\$ -	\$ 1,660,000
2013 Series B Refunding Bonds, dated June 26, 2013, with serial bonds of \$38,790,000 at rates varying from 3.00% to 5.00% due annually from October 1, 2015 through October 1, 2024.	-	4,830,000
2014 Series A Bonds, dated December 4, 2014, with serial bonds of \$13,090,000 at rates varying from 2.00% to 5.00% due annually from October 1, 2016 through October 1, 2036 and term bonds of \$1,085,000 at 3.50% due October 1, 2025 and term bonds of \$3,350,000 at 5.00% due October 1, 2036. On December 18, 2019, and September 1, 2021 the Bank advance refunded \$3,350,000 and \$1,080,000 respectively of the outstanding bonds.	4,165,000	4,750,000
2015 Series A Bonds, dated December 17, 2015, with serial bonds of \$22,640,000 at rates varying from 2% to 5% due annually from October 1, 2017 through October 1, 2037. On September 1, 2021 the Bank advance refunded \$4,620,000 of the outstanding bonds.	9,810,000	10,945,000
2017 Series A Bonds, dated February 28, 2017, with serial bonds of \$23,785,000 at rates varying from 2% to 5% due annually from October 1, 2018 through October 1, 2036. The Bank's defeasance of the 2008A bonds resulted in economic present value savings of \$2,608,056 or 11%.	10,470,000	12,955,000
2017 Series B Bonds, dated May 10, 2017, with serial bonds of \$11,350,000 at rates varying from 2% to 5% due annually from October 1, 2019 through October 1, 2036.	8,520,000	9,035,000
2019 Series A Bonds, dated June 27, 2019, with serial bonds of \$31,600,000 at rates of 4.00% and 5% due annually from October 1, 2023 through October 1, 2039.	31,060,000	31,330,000
2019 Series B Refunding Bonds, dated June 27, 2018, with serial bonds of \$10,205,000 at rates varying from 2.07% to 2.76% due annually from October 1, 2019 through October 1, 2029. The Bank's defeasance of the 2005A and 2008A bonds resulted in economic present value savings of \$1,127,646 or 12%.	7,570,000	8,015,000
2019 Series C Bonds, dated December 18, 2019, with serial bonds of \$6,490,000 at a rate of 5% due annually from October 1, 2023 through October 1, 2030. The Bank's advanced refunding of the 2009A bonds resulted in economic present value savings of \$1,370,822 or 17%.	5,780,000	6,305,000
2019 Series D Bonds, dated December 18, 2019, with serial bonds of \$112,870,000 at rates varying from 1.73% to 2.88% due annually from October 1, 2020 through October 1, 2034. The Bank's defeasance of the 2012A, 2013A, 2014A bonds resulted in economic present value savings of \$2,683,561 or 8%.	32,290,000	34,475,000
2021 Series A Bonds, dated September 1, 2021, with serial bonds of \$24,220,000 at rates varying from .16% to 2.17% due annually from October 1, 2021 through October 1, 2035. The Bank's defeasance of the 2012A, 2013A, 2014A, and 2015A bonds resulted in economic present value savings of \$1,438,458 or 9%.	22,765,000	23,130,000
2023 Series A Bonds, dated June 13, 2023, with serial bonds of \$4,370,000 at rates varying from 4.00% to 5.00% due annually from October 1, 2023 through October 1, 2039.	3,060,000	3,710,000
Program Total	135,490,000	151,140,000



Notes to Financial Statements

Note 5. Bonds Payable (continued)

Municipal Road & Bridge	2025	2024
2018 Series A Bonds, dated June 20, 2018, with serial bonds of \$13,965,000 at rates varying from 2% to 5% due annually from October 1, 2019 through October 1, 2037.	\$ 9,385,000	\$ 10,235,000
2019 Series A Bonds, dated May 2, 2019, with serial bonds of \$15,440,000 at rates of 4% to 5% due annually from October 1, 2019 through October 1, 2035.	12,200,000	12,800,000
2020 Series A Bonds, dated April 16, 2020, with serial bonds of \$12,765,000 at rates of 4% and 5% due annually from October 1, 2021 through October 1, 2031.	8,330,000	9,570,000
Program Total	29,915,000	32,605,000
Efficient Buildings Fund	2025	2024
2018 Series A Bonds, dated November 29, 2018, with serial bonds of \$18,310,000 at rates varying from 3% to 5% due annually from October 1, 2019 through October 1, 2033.	\$ 10,885,000	\$ 12,290,000
2020 Series A Bonds, dated October 14, 2020, with serial bonds of \$13,970,000 at a rate of 4% due annually from October 1, 2021 through October 1, 2040.	11,440,000	12,100,000
Program Total	22,325,000	24,390,000
Subtotal	618,380,000	601,890,000
Bond premium, net of amortization	26,195,882	26,721,003
Refunding credits, net of amortization	(4,622,304)	(5,927,745)
Total bonds payable	<u>\$ 639,953,578</u>	<u>\$ 622,683,258</u>

Long-term liability activity for the years ended June 30, 2025 and 2024, was as follows:

2025	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Long term debt:					
Revenue bonds	\$ 601,890,000	\$ 70,680,000	\$ 54,190,000	\$ 618,380,000	\$ 48,205,000
Plus bond premium, net of amortization	26,721,003	4,944,620	5,469,741	26,195,882	4,629,153
Less refunding credits, net of amortization	5,927,745	-	1,305,441	4,622,304	687,519
Total long-term debt	<u>\$ 622,683,258</u>	<u>\$ 75,624,620</u>	<u>\$ 58,354,300</u>	<u>\$ 639,953,578</u>	<u>\$ 52,146,634</u>

2024	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Long term debt:					
Revenue bonds	\$ 615,830,000	\$ 41,780,000	\$ 55,720,000	\$ 601,890,000	\$ 54,190,000
Plus bond premium, net of amortization	28,525,163	3,849,056	5,653,216	26,721,003	5,621,907
Less refunding credits, net of amortization	8,205,133	-	2,277,388	5,927,745	2,022,852
Total long-term debt	<u>\$ 636,150,030</u>	<u>\$ 45,629,056</u>	<u>\$ 59,095,828</u>	<u>\$ 622,683,258</u>	<u>\$ 57,789,055</u>

Notes to Financial Statements
Note 5. Bonds Payable (continued)

Annual principal and interest requirements are as follows for the year ending June 30, 2025:

Years	Principal	Interest	Total
2026	\$ 48,205,000	\$ 21,020,822	\$ 69,225,822
2027	51,035,000	20,165,580	71,200,580
2028	47,705,000	18,417,211	66,122,211
2029	42,275,000	16,944,718	59,219,718
2030	49,675,000	15,437,859	65,112,859
2031-2035	186,790,000	56,709,336	243,499,336
2036-2040	99,075,000	30,324,647	129,399,647
2041-2045	20,585,000	22,649,176	43,234,176
2046-2050	32,245,000	10,723,869	42,968,869
2051-2055	40,790,000	4,125,378	44,915,378
Total	<u>\$ 618,380,000</u>	<u>\$ 216,518,596</u>	<u>\$ 834,898,596</u>

Advanced refunding of debt: As described in Note 1 (please see “Deferred inflows and outflows of resources”), the Bank will occasionally refund bonds if market conditions are amenable to reducing the aggregate debt service. When a bond is refunded, the Bank deposits bond proceeds from refunding bonds with an escrow agent to provide resources for all future debt service payments on the refunded bonds. As a result, the bonds are defeased and the liability is no longer included in the Bank’s financial statements.

In prior years, the Bank defeased certain bonds in the same manner as described above. At June 30, 2025 and 2024, the Bank had \$70,640,000 and \$91,725,000 of bonds outstanding, respectively, that are defeased.

Deferred outflows and inflows of resources: When the Bank refunds or advance refunds its bonds, it calculates the difference between the reacquisition price and the net carrying amount of the old debt. The resulting accounting gain or loss is then amortized over the life of the refunding bonds or remaining life of the defeased bonds, whichever is lesser. The excess of the reacquisition price over the carrying value of the defeased bonds is recorded as deferred outflows of resources on the statement of net position. The excess of the carrying value of the defeased bond over the reacquisition price is recorded as deferred inflows of resources on the same.

The deferred outflows were as follows at June 30:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Ending balance – June 30, 2023	\$ 5,341,617	\$ 1,724,562
Additions	-	-
Reductions	(1,446,640)	(356,386)
Ending balance – June 30, 2024	3,894,977	1,368,176
Additions	-	-
Reductions	(816,662)	(337,778)
Ending Balance - June 30, 2025	<u>\$ 3,078,315</u>	<u>\$ 1,030,398</u>

Notes to Financial Statements
Note 6. Lease Liability

The Bank leases its office under a long-term, non-cancelable lease agreement that expires in May of 2033. Total future minimum lease payments under the lease agreement are as follows:

Year Ending	Principal	Interest	Total
2026	\$ 158,944	\$ 82,556	\$ 241,500
2027	174,491	74,226	248,717
2028	191,046	65,095	256,141
2029	208,749	55,109	263,858
2030	227,563	44,212	271,775
2031-2033	782,374	57,360	839,734
	<u>\$ 1,743,167</u>	<u>\$ 378,558</u>	<u>\$ 2,121,725</u>

Note 7. Deferred Compensation

The Bank sponsors a deferred compensation plan for the benefit of its employees, known as the “Rhode Island Infrastructure Bank Deferred Compensation Plan” (Plan) and created in accordance with Internal Revenue Code Section 457. The Plan, available to all Bank employees – after certain tenure requirements are met – permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Board is responsible for establishing or amending the Plan’s provisions and establishing or amending contribution requirements. The Bank has an obligation to provide for the prudent management of these monies and has contracted with Voya Retirement Insurance and Annuity Company to serve as the Plan administrator.

The Bank implemented the Governmental Accounting Standards Board, Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. All assets and income of the Plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As a result, deferred compensation investments and the respective liability are not included in the Bank’s financial statements for the years ended June 30, 2025 and 2024. The Bank currently remits to the Plan administrator an amount equal to 10% of eligible employees’ compensation (gross) monthly. The Board establish the contribution percentage on an annual basis. Employees immediately vest in the employer contributions, therefore, there are no employee forfeitures. The Bank’s contribution totaled \$154,422 and \$146,447 for the years ended June 30, 2025 and 2024, respectively. Employees can make contributions to the Plan up to, but not exceeding, the lesser of 33 and 1/3% of their individual compensation or \$23,500 (\$31,000 if age 50 or older). There is no additional obligation incurred by the Bank.

Notes to Financial Statements
Note 8. Capital Assets

The summary of changes in capital assets are summarized below:

	Balance at June 30, 2024	Additions	Retirements	Balance at June 30, 2025
Cost:				
Computer equipment and software	\$ 47,495	\$ -	\$ (20,797)	\$ 26,698
Furniture and fixtures	157,239	-	-	157,239
Equipment	61,225	-	-	61,225
Right-of-use asset - office lease	2,028,728	-	-	2,028,728
Total cost	2,294,687	-	(20,797)	2,273,890
Accumulated depreciation and amortization:				
Computer equipment and software	(26,441)	(6,675)	20,797	(12,319)
Furniture and fixtures	(15,734)	(17,471)	-	(33,205)
Equipment	(7,494)	(8,175)	-	(15,669)
Right-of-use asset - office lease	(219,779)	(202,872)	-	(422,651)
Total accumulated depreciation and amortization	(269,448)	(235,193)	20,797	(483,844)
Net capital assets	\$ 2,025,239	\$ (235,193)	\$ -	\$ 1,790,046

	Balance at June 30, 2023	Additions	Retirements	Balance at June 30, 2024
Cost:				
Computer equipment and software	\$ 424,351	\$ 12,612	\$ (389,468)	\$ 47,495
Furniture and fixtures	95,187	157,239	(95,187)	157,239
Equipment	35,538	61,225	(35,538)	61,225
Right-of-use asset - office lease	2,028,728	-	-	2,028,728
Leasehold improvements	90,415	-	(90,415)	-
Total cost	\$2,674,219	231,076	(610,608)	\$2,294,687
Accumulated depreciation and amortization:				
Computer equipment and software	(410,264)	(5,647)	389,470	(26,441)
Furniture and fixtures	(90,805)	(16,577)	91,648	(15,734)
Equipment	(35,538)	(7,494)	35,538	(7,494)
Right-of-use asset - office lease	(17,048)	(202,731)	-	(219,779)
Leasehold improvements	(56,210)	(377)	56,587	-
Total accumulated depreciation and amortization	(609,865)	(232,826)	573,243	(269,448)
Net capital assets	\$ 2,064,354	\$ (1,750)	\$ (37,365)	\$ 2,025,239

Depreciation and amortization expense was \$235,193 and \$232,826 for 2025 and 2024, respectively.

Notes to Financial Statements

Note 9. Commitments and Contingencies

The Bank receives grants from the EPA and the State to fund its loan program activities. These amounts are subject to audit and adjustment by the Federal government. Any disallowed claims, including amounts already collected may constitute a liability of the Bank. The EPA conducts annual fiscal and regulatory compliance reviews to determine that Bank activities follow EPA regulations. As of June 30, 2025 and 2024, no expenditures of the Bank have been disallowed. Management does not believe that any future disallowance of expenditures would be material. Like other areas of the country, some Rhode Island communities continue to experience budget challenges. The impact of these economic conditions on the Bank's borrowers and their ability to continue to make timely loan repayments is difficult to determine; however, the loans are secured predominantly by revenues from essential water and sewer services. Some communities, particularly smaller communities, may generally be more vulnerable to the effects of downturns in the economy. The Bank continues to monitor the financial status of its borrowers as part of an overall loan portfolio monitoring process.

Note 10. Risk Management

The Bank is exposed to various risks of loss related to tort; theft of, damage to, or destruction of assets; errors or omissions and injuries to employees. The Bank has purchased commercial insurance to protect itself from potential liabilities from losses or claims. To date, the Bank has not incurred any claims or losses. There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the Bank's insurance coverage during the past five years.

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING SCHEDULE OF NET POSITION
June 30, 2025

	Bank	Clean Water	RIVPCRF	DWSRF	MRBRF	WQPCF	EBF	Resilient Rhody	Total
Assets									
Current assets:									
Cash, cash equivalents and investments									
Unrestricted:									
Cash and cash equivalents	\$ 8,767,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	8,767,592
Restricted:									
Cash and cash equivalents	472,948	243,490,592	56,844,361	111,928,132	52,251,701	8,299,772	33,527,541	20,423,792	527,238,839
Investments	-	4,068,979	-	4,959,068	-	-	-	-	9,028,047
Total restricted cash, cash equivalents and investments	472,948	247,559,571	56,844,361	116,887,200	52,251,701	8,299,772	33,527,541	20,423,792	536,264,886
Other current assets:									
Unrestricted:									
Prepaid expenses, other assets and other receivables	216,703	-	-	-	-	-	-	-	216,703
Restricted:									
Service fees receivable	1,508,387	-	-	-	122,141	-	-	-	1,630,528
Loans receivable	1,381,669	46,812,658	544,616	34,480,454	6,958,000	-	5,535,000	667,930	96,380,327
Intergovernmental receivable	-	-	-	-	-	-	-	10,000,000	10,000,000
Accrued interest receivable:									
Loans	138,239	5,301,027	4,904	2,780,098	596,630	-	325,835	40,624	9,187,357
Investments	250	492,564	102,558	456,642	153,858	4,355	76,422	52,013	1,338,662
Prepaid expenses, other assets and other receivables	10,984,254	17,282,280	(19,347,189)	(8,221,939)	(4,500)	(596,330)	(74,972)	(21,607)	-
Total current assets	23,470,042	317,446,100	38,149,253	146,382,455	60,077,830	7,707,797	39,389,826	31,162,752	663,786,055
Noncurrent assets:									
Unrestricted:									
Loans receivable	13,046,005	-	-	-	-	-	-	-	13,046,005
Capital assets, net	1,790,046	-	-	-	-	-	-	-	1,790,046
Total unrestricted noncurrent assets	14,836,051	-	-	-	-	-	-	-	14,836,051
Restricted:									
Loans receivable	333,865	748,727,307	3,277,218	385,150,884	84,611,000	-	46,435,204	10,723,172	1,279,258,650
Total noncurrent assets	15,169,916	748,727,307	3,277,218	385,150,884	84,611,000	-	46,435,204	10,723,172	1,294,094,701
Total assets	38,639,958	1,066,173,407	41,426,471	531,533,339	144,688,830	7,707,797	85,825,030	41,885,924	1,957,880,756
Deferred Outflows of Resources	-	2,125,478	-	952,837	-	-	-	-	3,078,315
Liabilities									
Current liabilities									
Project costs payable	24,194	100,096,862	2,531,766	76,211,867	5,407,427	-	4,184,155	2,479,969	190,936,240
Bonds payable	-	32,239,986	-	14,643,201	2,945,454	-	2,317,893	-	52,146,634
Lease liability	158,944	-	-	-	-	-	-	-	158,944
Accrued interest payable	-	3,172,369	-	1,092,697	334,466	-	227,863	-	4,827,495
Accounts payable and accrued expenses	444,574	66,852	4,370	(41,343)	4,490	-	-	13,770	492,713
Total current liabilities	627,712	135,576,069	2,536,136	91,906,422	8,691,837	-	6,730,111	2,493,739	248,562,028
Noncurrent liabilities:									
Bonds payable, net	-	411,897,524	-	125,798,977	28,718,848	-	21,391,595	-	587,806,944
Arbitrage	-	724,353	-	5,390	-	-	69,478	-	799,221
Lease liability	1,584,223	-	-	-	-	-	-	-	1,584,223
Total noncurrent liabilities	1,584,223	412,621,877	-	125,804,367	28,718,848	-	21,461,073	-	590,190,388
Total liabilities	2,211,935	548,197,946	2,536,136	217,710,789	37,410,685	-	28,191,184	2,493,739	838,752,414
Deferred Inflows of Resources	-	928,835	-	101,563	-	-	-	-	1,030,398
Net Position									
Net investments in capital assets									
Unrestricted	46,879	-	-	-	-	-	-	-	46,879
Restricted for program purposes	3,096,723	519,172,104	38,890,335	314,673,824	107,278,145	7,707,797	57,633,846	39,392,185	1,087,844,959
Unrestricted	33,284,421	-	-	-	-	-	-	-	33,284,421
Total net position	\$ 36,428,023	\$ 519,172,104	\$ 38,890,335	\$ 314,673,824	\$ 107,278,145	\$ 7,707,797	\$ 57,633,846	\$ 39,392,185	\$ 1,121,176,259

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING SCHEDULE OF NET POSITION
June 30, 2024

	Bank	Clean Water	RIWPCRF	DWSRF	MRBRF	WQPCF	EBF	Total
Assets								
Current assets:								
Cash, cash equivalents and investments								
Unrestricted:								
Cash and cash equivalents	\$ 8,620,586	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	8,620,586
Restricted:								
Cash and cash equivalents	528,295	231,704,485	73,175,472	92,713,194	53,082,319	6,917,222	28,080,290	486,201,277
Investments	-	6,815,345	-	6,754,171	-	-	-	13,569,516
Total restricted cash, cash equivalents and investments	528,295	238,519,830	73,175,472	99,467,365	53,082,319	6,917,222	28,080,290	499,770,793
Other current assets:								
Unrestricted:								
Prepaid expenses, other assets and other receivables	163,033	-	-	-	1,000	-	-	164,033
Restricted:								
Service fees receivable	1,528,405	-	-	-	129,017	-	-	1,657,422
Loans receivable	1,339,364	52,644,360	1,135,289	34,373,697	6,505,515	-	5,663,000	101,661,225
Intergovernmental receivable	-	-	-	-	-	-	-	-
Accrued interest receivable:								
Loans	147,892	5,011,201	4,759	2,780,868	347,874	-	351,307	8,643,891
Investments	-	1,029,914	196,847	302,240	163,532	892	36,873	1,730,298
Prepaid expenses, other assets and other receivables	7,671,201	19,054,200	(19,177,024)	(6,889,683)	(4,590)	(598,330)	(60,864)	-
Total current assets	19,698,768	316,259,505	55,335,343	130,037,487	60,224,757	6,321,784	34,070,606	622,248,248
Noncurrent assets:								
Unrestricted:								
Loans receivable	14,388,005	-	-	-	-	-	-	14,388,005
Capital assets, net	2,025,239	-	-	-	-	-	-	2,025,239
Total unrestricted noncurrent assets	16,413,244	-	-	-	-	-	-	16,413,244
Restricted:								
Loans receivable	383,836	694,879,687	14,728,838	385,215,415	91,262,000	-	51,623,958	1,238,073,534
Total noncurrent assets	16,776,880	694,879,687	14,728,838	385,215,415	91,262,000	-	51,623,958	1,254,466,776
Total assets	36,775,646	1,011,139,192	70,064,181	515,252,902	151,486,757	6,321,784	85,694,564	1,876,735,026
Deferred Outflows of Resources								
	-	2,795,055	-	1,099,922	-	-	-	3,894,977
Liabilities								
Current liabilities								
Project costs payable	255,040	124,034,547	4,618,205	73,874,663	13,845,882	-	6,410,016	223,038,353
Bonds payable	-	33,785,000	-	19,249,055	2,690,000	-	2,065,000	57,769,055
Lease liability	144,350	-	-	-	-	-	-	144,350
Accrued interest payable	-	3,074,571	-	1,244,668	368,091	-	252,125	4,939,455
Accounts payable and accrued expenses	280,460	6,337	5,909	-	4,490	-	-	297,196
Total current liabilities	679,850	160,900,455	4,624,114	94,368,386	16,908,463	-	8,727,141	286,208,409
Noncurrent liabilities:								
Bonds payable, net	-	372,015,548	-	136,596,634	32,194,275	-	24,087,746	564,894,203
Arbitrage	-	326,513	-	255,158	-	-	32,568	614,239
Lease liability	1,743,166	-	-	-	-	-	-	1,743,166
Total noncurrent liabilities	1,743,166	372,342,061	-	136,851,792	32,194,275	-	24,120,314	567,251,608
Total liabilities	2,423,016	533,242,516	4,624,114	231,220,178	49,102,738	-	32,847,455	853,460,017
Deferred Inflows of Resources								
	-	1,131,673	-	236,603	-	-	-	1,368,176
Net Position								
Net investments in capital assets	137,723	-	-	-	-	-	-	137,723
Restricted for program purposes	1,593,462	479,560,058	65,440,067	284,896,143	102,384,019	6,321,784	52,847,109	993,042,642
Unrestricted	32,621,445	-	-	-	-	-	-	32,621,445
Total net position	\$ 34,352,630	\$ 479,560,058	\$ 65,440,067	\$ 284,896,143	\$ 102,384,019	\$ 6,321,784	\$ 52,847,109	\$ 1,025,801,810

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2025

	Bank	Clean Water	RIWPCRF	DWSRF	MRBRF	WQPCF	EBF	Resilient Rhody	Total
Operating revenues:									
Interest income - loans	\$ 424,373	\$ 15,003,066	\$ 132,563	\$ 7,595,937	\$ 2,050,930	\$ -	\$ 987,678	\$ 32,872	\$ 26,227,419
Interest income - Investments	1,393,380	7,660,130	2,471,688	5,469,695	2,036,629	392,916	1,113,818	146,143	20,684,399
Loan servicing fees	4,570,643	-	-	-	369,437	-	-	-	4,940,080
Loan origination fees	1,462,255	-	1,000	-	-	-	-	-	1,463,255
Grant income - program administration	488,414	-	-	-	-	-	-	-	488,414
Total operating revenues	8,339,065	22,663,196	2,605,251	13,065,632	4,456,996	392,916	2,101,496	179,015	53,803,567
Operating expenses:									
Interest expense, net	90,131	9,861,855	-	3,278,996	841,514	-	594,728	-	14,667,224
Program administration, partner agencies	9,000	104,338	80,021	6,269,833	-	-	-	-	6,463,192
Principal forgiveness	-	1,865,973	56,402	4,052,353	-	-	-	-	5,974,728
Personnel	2,442,399	-	-	-	-	-	-	-	2,442,399
Debt issuance	55,900	463,670	-	153	-	-	-	-	519,723
Professional services	116,026	4,146	91,297	-	-	-	90,129	-	301,598
Legal	369,617	-	17,446	-	-	-	-	-	387,063
Correspondent and trustee	140,319	-	-	-	1,000	-	-	-	141,319
Information technology	151,146	-	-	-	-	-	-	-	151,146
Marketing	140,084	-	-	-	-	-	-	-	140,084
Audit and accounting	120,068	-	-	-	-	-	-	-	120,068
Financial advisory	78,500	-	-	-	1,500	-	-	-	80,000
Loan origination expense	167,750	5,000	(795)	-	-	-	-	-	171,955
Occupancy and office expense	90,159	-	-	-	-	-	-	-	90,159
Depreciation	235,193	-	-	-	-	-	-	-	235,193
Insurance	71,942	-	-	-	-	-	-	-	71,942
Business and travel	13,334	-	-	-	-	-	-	-	13,334
Dues and subscriptions	13,416	-	-	-	-	-	-	-	13,416
Seminars	4,694	-	-	-	-	-	-	-	4,694
Total operating expenses	4,309,678	12,304,982	244,371	13,601,335	844,014	-	684,857	-	31,989,237
Operating income	4,029,387	10,358,214	2,360,880	(535,703)	3,612,982	392,916	1,416,639	179,015	21,814,330
Non-operating revenue:									
Grant Income and other contributed capital	-	33,775,701	489,340	25,483,960	1,444,676	993,989	3,372,453	10,000,000	75,560,119
Non-operating expenses:									
Intergovernmental transactions	2,033,929	(8,351)	29,191,613	(388,560)	163,532	892	2,355	(28,995,410)	2,000,000
Change in net position	1,995,458	44,142,266	(26,341,393)	25,336,817	4,894,126	1,386,013	4,786,737	39,174,425	95,374,449
Transfer from (to) other funds	79,935	(4,530,220)	(208,339)	4,440,864	-	-	-	217,760	-
Net position, beginning of the year	34,352,630	479,560,058	65,440,067	284,896,143	102,384,019	6,321,784	52,847,109	-	1,025,801,810
Net position, end of the year	\$ 36,428,023	\$ 519,172,104	\$ 38,890,335	\$ 314,673,824	\$ 107,278,145	\$ 7,707,797	\$ 57,633,846	\$ 39,392,185	\$ 1,121,176,259

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2024

	Bank	Clean Water	RIWPCRF	DWSRF	MRBRF	WQPCF	EBF	Total
Operating revenues:								
Interest income - loans	\$ 449,004	\$ 12,506,044	\$ 100,197	\$ 7,528,177	\$ 1,823,801	\$ -	\$ 1,060,618	\$ 23,467,841
Interest income - investments	1,802,767	10,260,728	3,194,615	3,641,737	2,021,841	178,166	689,767	21,789,621
Loan servicing fees	4,588,739	-	-	-	389,891	-	-	4,978,630
Loan origination fees	1,668,299	-	-	-	-	-	-	1,668,299
Grant income - program administration	20,500	-	-	-	-	-	-	20,500
Total operating revenues	8,529,309	22,766,772	3,294,812	11,169,914	4,235,532	178,166	1,750,385	51,924,891
Operating expenses:								
Interest expense, net	97,003	9,847,200	-	3,584,340	900,759	-	639,815	15,069,117
Program administration, partner agencies	20,501	473,788	48,523	4,515,198	-	-	-	5,058,010
Principal forgiveness	-	1,430,066	-	3,085,304	-	-	-	4,515,370
Personnel	2,230,944	-	-	-	-	-	-	2,230,944
Debt issuance	4,672	519,600	-	-	-	-	-	524,272
Professional services	373,672	460	63,870	-	-	-	17,081	455,083
Legal	403,057	-	8,389	-	-	-	-	411,446
Correspondent and trustee	117,883	-	-	1,020	-	-	-	118,903
Information technology	123,619	-	-	-	-	-	-	123,619
Marketing	134,425	-	-	-	-	-	-	134,425
Audit and accounting	72,000	-	-	-	-	-	-	72,000
Financial advisory	75,000	-	-	1,480	-	-	-	76,480
Loan origination expense	128,964	-	-	5,000	6,000	-	-	139,964
Office expense	159,848	-	-	-	-	-	-	159,848
Depreciation	232,826	-	-	-	-	-	-	232,826
Insurance	53,256	-	-	-	-	-	-	53,256
Business and travel	15,703	-	-	-	-	-	-	15,703
Dues and subscriptions	12,247	-	-	-	-	-	-	12,247
Seminars	7,213	-	-	-	-	-	-	7,213
Total operating expenses	4,262,833	12,271,114	120,782	11,192,342	906,759	-	656,896	29,410,726
Operating income	4,266,476	10,495,658	3,174,030	(22,428)	3,328,774	178,166	1,093,489	22,514,165
Non-operating revenue:								
Grant income and other contributed capital	144,495	16,464,478	9,031,922	14,372,270	1,126,098	226,990	10,788,550	52,154,803
Non-operating expenses:								
Intergovernmental transactions	-	-	-	-	-	-	-	-
Change in net position	4,410,971	26,960,136	12,205,952	14,349,842	4,454,872	405,156	11,882,039	74,668,968
Transfer from (to) other funds	(292,559)	(2,066,989)	1,337	2,325,231	35,000	(2,020)	-	-
Net position, beginning of the year	30,234,218	454,666,911	53,232,776	268,221,070	97,894,147	5,918,648	40,965,070	951,132,842
Net position, end of the year	\$ 34,352,630	\$ 479,560,058	\$ 65,440,067	\$ 284,896,143	\$ 102,384,019	\$ 6,321,784	\$ 52,847,109	\$ 1,025,801,810

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATE REQUIRED STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 8,767,592	\$ 8,620,586
Receivables (net)	12,156,547	12,031,611
Restricted assets:		
Cash and cash equivalents	527,238,839	486,201,277
Investments	9,026,047	13,569,516
Receivables (net)	96,380,327	101,661,225
Other assets	216,703	164,033
Due from primary government	-	-
Due from other component units	-	-
Due from other governments	10,000,000	-
Inventories	-	-
Other assets	-	-
Total current assets	663,786,055	622,248,248
Noncurrent assets:		
Investments	-	-
Receivables (net)	13,046,005	14,388,005
Restricted assets:		
Cash and cash equivalents	-	-
Investments	-	-
Receivables (net)	1,279,258,650	1,238,073,534
Other assets	-	-
Due from other component units	-	-
Capital assets - nondepreciable	-	-
Capital assets - depreciable (net)	1,790,046	2,025,239
Other assets, net of amortization	-	-
Total noncurrent assets	1,294,094,701	1,254,486,778
Total assets	1,957,880,756	1,876,735,026
Deferred Outflows of Resources		
Hedging instruments	-	-
Deferred loss on refunding of debt	3,078,315	3,894,977
Deferred pension amounts	-	-
Other deferred outflows of resources	-	-
Total deferred outflows of resources	3,078,315	3,894,977

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATE REQUIRED STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Liabilities		
Current liabilities:		
Cash overdraft	\$ -	\$ -
Accounts payable	492,713	297,196
Due to primary government	-	-
Due to other component units	-	-
Due to other governments	-	-
Unearned revenue	-	-
Other current liabilities	195,763,735	228,122,158
Current portion of long-term debt	52,305,578	57,789,055
Total current liabilities	<u>248,562,026</u>	<u>286,208,409</u>
Noncurrent liabilities:		
Due to primary government	-	-
Due to other component units	-	-
Due to other governments	-	-
Net pension liability	-	-
Net OPEB obligation	-	-
Unearned revenue	-	-
Notes payable	-	-
Loans payable	-	-
Obligations under capital leases	1,584,223	1,743,166
Compensated absences	-	-
Bonds payable	587,806,944	564,894,203
Other liabilities	799,221	614,239
Total noncurrent liabilities	<u>590,190,388</u>	<u>567,251,608</u>
Total liabilities	838,752,414	853,460,017
Deferred Inflows of Resources		
Deferred gain on refunding of debt	1,030,398	1,368,176
Deferred pension amounts	-	-
Total deferred inflows of resources	<u>1,030,398</u>	<u>1,368,176</u>
Net Position		
Net investment in capital assets	46,879	137,723
Restricted for:		
Debt	-	-
Other	1,087,844,959	993,042,642
Unrestricted	33,284,421	32,621,445
Total net position	<u>\$ 1,121,176,259</u>	<u>\$ 1,025,801,810</u>

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATE REQUIRED STATEMENT OF ACTIVITIES
YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Expenses	\$ 31,989,237	\$ 29,410,726
Program Revenues		
Charges for services	6,403,335	6,646,929
Operating grants and contributions	488,414	20,500
Capital grants and contributions	75,560,119	57,654,803
Total program revenues	<u>82,451,868</u>	<u>64,322,232</u>
Net (expenses) revenues	50,462,631	34,911,506
General Revenues		
Interest and investment earnings	46,911,818	45,257,462
Miscellaneous revenue	-	-
Total general revenues	<u>46,911,818</u>	<u>45,257,462</u>
Special items	-	-
Intergovernmental transfers	(2,000,000)	(5,500,000)
Extraordinary items	-	-
Change in net position	95,374,449	74,668,968
Total net position - beginning	<u>1,025,801,810</u>	<u>951,132,842</u>
Total net position - ending	<u>\$ 1,121,176,259</u>	<u>\$ 1,025,801,810</u>

RHODE ISLAND INFRASTRUCTURE BANK
 (A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
 STATE REQUIRED SCHEDULE OF DEBT SERVICE TO MATURITY (BONDS ONLY)
 LONG TERM DEBT

Fiscal Year Ending 30-Jun	Long-Term Debt	
	Principal	Interest
2026	\$ 48,205,000	\$ 21,020,822
2027	51,035,000	20,165,580
2028	47,705,000	18,417,211
2029	42,275,000	16,944,718
2030	49,675,000	15,437,859
2031-2035	186,790,000	56,709,336
2036-2040	99,075,000	30,324,647
2041-2045	20,585,000	22,649,176
2046-2050	32,245,000	10,723,869
2051-2055	40,790,000	4,125,378
	<u>\$ 618,380,000</u>	<u>\$ 216,518,596</u>

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATE REQUIRED SCHEDULE OF CHANGES IN LONG-TERM DEBT
YEAR ENDED JUNE 30, 2025

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Due Thereafter</u>
Bonds and leases payable, restricted	\$ 601,890,000	\$ 70,680,000	\$ 54,190,000	\$ 618,380,000	\$ 48,205,000	\$ 570,175,000
Net unamortized premium / discount	26,721,003	4,944,620	5,469,741	26,195,882	4,629,153	21,566,729
Refunding credits	(5,927,744)	-	(1,305,440)	(4,622,304)	(687,519)	(3,934,786)
Bonds payable	<u>622,683,259</u>	<u>75,624,620</u>	<u>58,354,301</u>	<u>639,953,578</u>	<u>52,146,634</u>	<u>587,806,944</u>
Notes payable	-	-	-	-	-	-
Loans payable	-	-	-	-	-	-
Obligations under capital leases	1,887,516	-	144,349	1,743,167	158,944	1,584,224
Net OPEB liability	-	-	-	-	-	-
Net pension obligation	-	-	-	-	-	-
Due to primary government	-	-	-	-	-	-
Due to component units	-	-	-	-	-	-
Due to other governments and agencies	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-
Reported as other liabilities						
Arbitrage rebate	614,239	434,749	249,768	799,220	-	799,220
Pollution remediation	-	-	-	-	-	-
Items not listed above	-	-	-	-	-	-
Other liabilities	<u>614,239</u>	<u>434,749</u>	<u>249,768</u>	<u>799,220</u>	<u>-</u>	<u>799,220</u>
	<u>\$ 625,185,014</u>	<u>\$ 76,059,369</u>	<u>\$ 58,748,418</u>	<u>\$ 642,495,965</u>	<u>\$ 52,305,578</u>	<u>\$ 590,190,388</u>

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATE REQUIRED SCHEDULE OF CHANGES IN LONG-TERM DEBT
YEAR ENDED JUNE 30, 2024

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due Thereafter
Bonds and leases payable, restricted	\$ 615,830,000	\$ 41,780,000	\$ 55,720,000	\$ 601,890,000	\$ 54,190,000	\$ 547,700,000
Net unamortized premium / discount	28,525,163	3,849,056	5,653,216	26,721,003	5,621,907	21,099,096
Refunding credits	(8,205,133)	-	(2,277,388)	(5,927,745)	(2,022,852)	(3,904,893)
Bonds payable	<u>636,150,030</u>	<u>45,629,056</u>	<u>59,095,828</u>	<u>622,683,258</u>	<u>57,789,055</u>	<u>564,894,203</u>
Notes payable	-	-	-	-	-	-
Loans payable	-	-	-	-	-	-
Obligations under capital leases	2,018,177	-	130,661	1,887,516	144,350	1,743,166
Net OPEB liability	-	-	-	-	-	-
Net pension obligation	-	-	-	-	-	-
Due to primary government	-	-	-	-	-	-
Due to component units	-	-	-	-	-	-
Due to other governments and agencies	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-
Reported as other liabilities						
Arbitrage rebate	-	614,239	-	614,239	-	614,239
Pollution remediation	-	-	-	-	-	-
Items not listed above	-	-	-	-	-	-
Other liabilities	<u>-</u>	<u>614,239</u>	<u>-</u>	<u>614,239</u>	<u>-</u>	<u>614,239</u>
	<u>\$ 638,168,207</u>	<u>\$ 46,243,295</u>	<u>\$ 59,226,489</u>	<u>\$ 625,185,013</u>	<u>\$ 57,933,405</u>	<u>\$ 567,251,608</u>

RHODE ISLAND INFRASTRUCTURE BANK
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATE REQUIRED SCHEDULE OF TRAVEL AND ENTERTAINMENT
YEAR ENDED JUNE 30, 2025

Traveler(s)	Date(s)	Location	Amount	Purpose
Aaron Qureshi	11/16-11/20/24	Long Beach	\$ 810.00	CIFA Conference
Anthony Hebert	11/16-11/20/24	Long Beach	1,046.00	CIFA Conference
William Fazioli	11/16-11/20/24	Long Beach	1,925.00	CIFA Conference
Anthony Hebert	4/1-4/4/25	Boston	217.00	EPA training
William Fazioli	9/18/2024	Philadelphia	421.00	Bond Buyer Conference
Joanna L'Heureux	9/18/2024	Philadelphia	553.00	Bond Buyer Conference
William Fazioli	6/2-6/3/24	Baltimore	769.00	NAST Treasury Conference
Joanna L'Heureux	9/14-9/16/25	Vermont	151.00	GFOA Meeting
William Fazioli	9/14-9/16/25	Vermont	227.00	GFOA Meeting
Joanna L'Heureux	5/19/2025	DC	1,146.00	RI Day in DC
Greg Miller	1/15/2025	DC	438.00	CGC Conference
William Fazioli	1/15/2025	DC	529.00	CGC Conference
James Braz	3/15-3/20/25	NY	1,707.00	Pace Nation Summit
James Braz	9/16-9/20/24	Nashville	1,472.00	Pace Alliance Conference
Greg Miller	7/1-6/30/25	RI	41.00	Miles for in state meetings
Aaron Qureshi	7/1-6/30/25	RI	141.00	Miles for in state meetings
Anna Coelho Cortes	7/1-6/30/25	RI	217.00	Miles for in state meetings
Anthony Hebert	7/1-6/30/23	RI	236.00	Miles for in state meetings
William Fazioli	7/1-6/30/23	RI	391.00	Miles for in state meetings
James Braz	7/1-6/30/25	RI	896.00	Miles for in state meetings
Subtotal			13,333.00	
Other incidental travel and entertainment			-	
Total			<u>\$ 13,333.00</u>	



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Rhode Island Infrastructure Bank
Providence, Rhode Island

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 Rhode Island Infrastructure Bank as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Rhode Island Infrastructure Bank's basic financial statements, and have issued our report thereon dated September 19, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Rhode Island Infrastructure Bank's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Rhode Island Infrastructure Bank's internal control. Accordingly, we do not express an opinion on the effectiveness of the Rhode Island Infrastructure Bank'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 or significant deficiencies may exist that have not been identified.

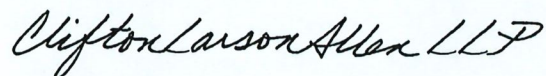
Board of Directors
Rhode Island Infrastructure Bank

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Rhode Island Infrastructure Bank'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Rhode Island Infrastructure Bank'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 Rhode Island Infrastructure Bank's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Cranston, Rhode Island
September 19, 2025

O. FIFO Implementation Plan

**Rhode Island Infrastructure Bank - Drinking Water State Revolving Fund (DWSRF)
Program**

FIFO Implementation Plan

Submitted to: Patricia Stelmaszczyk and Noah Mohl (via email)

Original Submission Date: June 2, 2025

Revised Date: July 9, 2025

1. Introduction

This plan outlines how the Rhode Island Drinking Water State Revolving Fund (DWSRF) Program (the “Bank”) will manage the First-In, First-Out (FIFO) approach to disbursing federal capitalization grant funds, in response to the EPA's directive to formalize our process. While the Bank is committed to maximizing FIFO compliance and aims to achieve a 25% reduction in Unliquidated Obligations (ULO) by June 30, 2026, the structure of our current loan funding model presents practical limitations. These challenges are addressed through the procedures outlined in this plan.

2. Plan for FIFO Implementation

To fully implement FIFO in the DWSRF program, the Bank will take the following steps:

A. System Improvements

- Enhance our financial tracking system reporting capabilities to ensure FIFO compliance is actively monitored during disbursements.
 - Run newly developed weekly reports that correspond with disbursement submissions to track FIFO adherence.
 - Conduct monthly meetings with EnABLE developers to enhance the disbursement interface, enabling accurate assignment of funds according to FIFO principles.

B. Internal Controls and Procedures

- Regularly review draw schedules to verify timely utilization of funds and ensure schedules are frequently updated.

- Compliance staff will generate monthly finance reports from the EnABLE system and compare them against loan documents to monitor timely fund usage.
- Compliance staff will present findings to compliance management for review.
- Any variances identified will be communicated to clients to obtain updated information.
- Compliance staff will document all updates and communications in EnABLE, subject to approval by compliance management.
- Compliance management will escalate any unresolved issues related to fund non-utilization to Finance management for further action.

C. Client Submittal of Disbursements

- Review all submitted disbursements to verify adherence to the FIFO methodology.
 - Finance and Compliance staff run reports and present findings to Finance and Compliance management for review of FIFO compliance.
 - Management provides guidance on adjusting funding sources to ensure disbursements comply with FIFO requirements.
 - Management's approval of disbursements and corresponding funding allocations is electronically documented within the EnABLE system. Disbursements will not be processed without this approval.

D. EPA ULO reports

- Staff will compile Unliquidated Obligation (ULO) reports along with EnABLE system data and present the combined analysis to management.
- Management will review the analysis and provide guidance to staff regarding the funding of future disbursements.

E. Training

- Staff will be introduced to FIFO methods during team meetings.
 - Training will include step-by-step guidance on generating reports in EnABLE and understanding disbursement procedures in relation to FIFO compliance.
 - EnABLE disbursement procedures and EPA program manuals will be provided to all staff upon hiring.
 - Staff are encouraged to participate in EPA training sessions and conferences to enhance their knowledge and skills.

These procedures will be incorporated into our existing disbursement procedures.

- They were implemented effective June 2, 2025, following EPA's approval of the FIFO plan, with disbursement procedures formally updated accordingly.

P. State Match Report

State Match Deposits - FY25

Fed Fiscal Year	Grant Number	Grant Name	Grant amount	Program deposit				
				date	Amount	6/23/2022	5/8/2023	12/22/2023
2020	FS99126120	DW FY 2020 Base Grant	11,011,000	6/29/2021	2,202,200			
2021	FS99126121	DW FY 2021 Grant DWSRF Base	11,100,000	4/29/2022	2,220,000			
State Match Deposit				6/23/2022	3,200,800			
2022	4D99126S22	DW FY 2022 Grant (BIL Supplemental)	17,992,000			1,799,200		
2022	FS99126122	DW FY 2022 Base Grant	7,008,000			1,401,600		
State Match Deposit				5/8/2023	10,957,560			
2021	FS99126121-1	DW FY 2021 Grant DWSRF Base Wyoming	99,000				19,800	
2023	FS99126123	DW FY 2023 Grant Base FY23	4,938,000				987,600	
2023	4D99126S23	DW FY 2023 Grant (BIL Supplemental)	21,055,000				2,105,500	
2024	FS99126124	DW FY 2024 Grant Base FY24	4,661,000				932,200	
2024	4D99126S24	DW FY 2024 Grant (BIL Supplemental)	22,985,000				4,597,000	
State Match Deposit				12/22/2023	14,250,000			
Total						3,200,800	8,642,100	-
To be allocated						-	\$ 2,315,460.00	\$ 14,250,000.00

2022	4E99126E22 BIL EC	DW FY 2022 BIL Emerging Contaminants Grant	7,555,000	EPA 100% cost share
2023	4E99126E23 BIL EC	DW FY 2023 BIL Emerging Contaminants Grant	7,640,000	EPA 100% cost share
2024	4E99126E24 BIL EC	DW FY 2024 BIL Emerging Contaminants Grant	7,640,000	EPA 100% cost share
2022	4L99126L22 BIL LSL	DW FY 2022 BIL Lead Service Line Grant	28,350,000	EPA 100% cost share
2022	4L99126L22-2 BIL LSL	DW FY 2022 BIL LSL amendment #2 9/20/24	2,195,000	EPA 100% cost share
2023	4L99126L23 BIL LSL	DW FY 2023 BIL Lead Service Line Grant	28,650,000	EPA 100% cost share
2024	4L99126L24 BIL LSL	DW FY 2024 BIL Lead Service Line Grant	28,650,000	EPA 100% cost share