



**Rhode Island Infrastructure Bank
and
Rhode Island Department of Environmental
Management**

**Hereby Submit the:
*Clean 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 Environmental Management (RIDEM), Office of Water Resources, are pleased to submit our Annual Report for the period from July 1, 2024, through June 30, 2025 (SFY 2025) to the Environmental Protection Agency Region 1. This report reflects our progress with Base and Bipartisan Infrastructure Law (IIJA) Year 3 funding.

This report describes how through the collaborative efforts of the Bank and RIDEM the goals and objectives have been met in the Clean Water State Revolving Fund (CWSRF) for all funds in the CWSRF as outlined in the Intended Use Plan (IUP). The actual use of funds received and the financial status of the CWSRF are also reported.

The Rhode Island CWSRF (the Program) is co-administered by the Bank and RIDEM as set forth in a Memorandum of Understanding (MOU) by and between both parties. The Bank is responsible for the financial aspects of the program including loan origination and servicing, and grant administration. RIDEM is responsible for assisting in the development of the IUP, maintaining the project priority list (PPL), determining project eligibility, performing technical project reviews, issuing Certificates of Approval, monitoring construction, review of project disbursements, and project closeouts.

Table I illustrates a program overview for SFY 2025.

Table I - CWSRF Program Overview – as of 6/30/2025	
FFY 2024 Base Capitalization Grant Award	\$5,482,000
FFY 2024 IIJA General Supplemental Grant Award	\$15,270,000
FFY 2022 - IIJA Emerging Contaminants	\$641,000
FFY 2023 - IIJA Emerging Contaminants	\$1,428,000
Allocated to Projects	\$21,990,920
Allocated to RIDEM ADMIN	\$830,080
State Match Appropriated	\$4,150,400
Loan Principal Repayments	\$51,878,391.89

Total Interest Repayments	\$5,446,847.74
Investment Earnings	\$7,660,130.00
Annual Principal Bond Repayment	\$33,785,000.00
Annual Interest Bond Repayment	\$12,639,888.95
Number of Loans Funded	4
Loans Funded \$	\$100,550,000
Weighted Average Loan Interest Rate	2.92%

GOALS & ACCOMPLISHMENTS

As required by the Clean Water Act (CWA), the Program has identified the following goals for the CWSRF. The goals described below, along with progress made in achieving the goals, are grouped according to short- and long-term objectives and are not listed in any order:

Short-term Goals

Goal #1: Effectively manage the Program and maintain timely distribution of Program funds.

Progress: The Bank and RIDEM continue to manage the program per the requirements of the CWA.

Goal #2: Continue to encourage utilization of the RICWSRF for a wider range of project eligibilities and for traditional wastewater projects to include green, clean energy and resilient components.

Progress: Given increasingly severe flooding and storm events in Rhode Island, the Bank and RIDEM are increasing focus on the benefits derived from incorporating green/nature-based solutions and resilient project components.

Goal #3: Administer rules, regulations, loan policies and procedures, and continue to manage guidelines that are conducive to the proper functioning of the Program while ensuring compliance with the CWA.

Progress: Both the Bank and RIDEM continue to monitor and administer the rules and procedures in order to facilitate the Program and ensure compliance with the CWSRF provisions of the CWA.

Goal #4: Develop a comprehensive need based IUP, to be submitted along with the annual capitalization grant application and prepare an annual report which lists the State's accomplishments for the fiscal year and submit to the EPA in a timely manner.

Progress: The IUP and Annual Report has been reformatted and submitted to EPA in a timely manner.

Goal #5: Oversee Build America, Buy America (BABA) and IIJA implementation requirements across SRF projects, as applicable, and provide detailed info on BABA and IIJA compliance requirements, flexibilities and processes to borrowers.

Progress: Both the Bank and RIDEM continue to oversee BABA and IIJA implementation and are proactively working with borrowers to provide information on program requirements to ensure compliance.

Goal #6: Streamline the Project Priority List development process by considering a rule amendment to allow projects to remain on the list for two years, and by incorporating criteria to bolster projects that benefit disadvantaged communities and climate resiliency of clean water infrastructure.

Progress: DEM continues to consider amending the rules to achieve program efficiencies such as in the Project Priority List (PPL) process. No formal rulemaking was initiated in SFY 2025.

Long-Term Goals

Goal #1: Protect the public health and the environment and promote the completion of cost-effective clean water projects.

Progress: The Bank and RIDEM continue to manage the Program per the requirements of the CWA.

Goal #2: Assure full compliance with Title VI of the CWA and all Federal crosscutting requirements as per the 1987 CWA amendments.

Progress: Both the Bank and RIDEM continue to enforce Title VI of the CWA and all Federal crosscutting requirements for projects approved for funding through the CWSRF.

Goal #3: Manage the Program such that it will operate in perpetuity.

Progress: The Bank and RIDEM have the necessary rules and guidelines in place to achieve this goal. Both entities will continue to promote the program and maintain a pipeline of projects that are eligible to receive funding.

Goal #4: Place emphasis on projects focused on attaining compliance with Rhode Island Pollutant Discharge Elimination System (RIPDES) permit limitations and reinforce the importance of attaining water quality standards in waters negatively impacted by point-source discharges and/or sources of nonpoint source pollution.

Progress: The RI CWSRF program continues to prioritize funding for all RIPDES mandated and TMDL implementation projects.

Goal #5: Continue to evaluate environmental needs throughout the State, by rating specific projects for water quality improvement and/or protection and strive to distribute Program funds in a priority manner.

Progress: RIDEM continues to employ its priority-setting criteria.

Goal #6: Continue to assist all prospective borrowers during all phases of project development, including the financing process.

Progress: Both RIDEM and the Bank assist all borrowers, both current and prospective, in all aspects of the CWSRF experience from planning through construction.

Goal #7: Continue efforts to improve the water quality of the Narragansett Bay and its tributaries, which is designated as an Estuary of National Significance, and in the Wood-Pawcatuck Watershed portions of which are nationally designated as Wild and Scenic Rivers.

Progress: RIDEM's Project Priority List rating system gives added points to projects implementing the Narragansett Bay Estuary Program's (320 Program) Comprehensive Conservation and Management Plan (CCMP) and the Nonpoint Source Pollution Program's (319 Program) Watershed Plans.

Goal #8: Coordinate with related partners on the support of borrowers for stormwater, non-point source, climate resiliency and other eligible projects.

Progress: Both RIDEM and the Bank remain open for collaborative efforts with communities, nonprofits and other potential partners especially in the stormwater and resiliency realms.

Goal #9: Provide financial assistance in the form of loans or other acceptable arrangements with principal forgiveness to mitigate contamination due to emerging contaminants.

Progress: The Bank and RIDEM are in ongoing discussions with multiple entities for projects which mitigate contamination due to emerging contaminants. Awards are anticipated to be made to both the Narragansett Bay Commission (NBC) and Rhode Island Resource recovery for emerging contaminants projects in SFY 2026. NBC has received approval from the Bank Board of Directors for an emerging contaminants award in SFY 2026.

Goal #10: Support BABA by ensuring that as applicable 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 RIDEM are working with all active and potential borrowers to ensure compliance with BABA and all applicable procurement documentation includes the necessary BABA requirements.

Goal #11: Fully enforce Civil Rights by promoting public engagement and program transparency.

Progress: The Bank and RIDEM continue to promote the Program transparently, ensuring that borrowers receive comprehensive information. Outreach efforts, particularly for disadvantaged and low-income communities, remain a top priority. Program documentation including the Intended Use Plan, Annual Report, and Affordability & Forgiveness Criteria are publicly posted on the Bank website.

Goal #12: Identify and prioritize additional subsidy for projects in the IUP that serve disadvantaged communities.

Progress: The Bank and RIDEM continue to conduct outreach to disadvantaged communities to market the loan services and subsidies. The SFY2025 Clean Water loan to the Narragansett Bay Commission (NBC) serves both Pawtucket and Central Falls, two disadvantaged, low-income communities.

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

On November 15, 2021, President Biden signed Infrastructure Investment and Jobs Act (IIJA) into law. The IIJA provides two new federal grants through the EPA Clean Water State Revolving Fund (CWSRF) program over a five-year period beginning in FFY 2022:

1. General Supplemental Grant
2. Emerging Contaminants Grant

In SFY 2025, the State received the following allocations:

- \$5,482,000 through the CWSRF Base Grant
- \$15,270,000 through the CWSRF IIJA General Supplemental Grant
- \$1,428,000 through the CWSRF IIJA Emerging Contaminants Grant

Each of these grants includes specific requirements for additional subsidy, which must be provided in the form of principal forgiveness and/or grants to eligible subrecipients:

- Under the FY24 CWSRF Base Grant, a minimum of \$1,096,400 must be provided as additional subsidy.
- The CWSRF IIJA General Supplemental Grant requires that exactly 49% of the total award—\$7,482,300—be distributed as additional subsidy, with priority given to disadvantaged communities.
- The CWSRF IIJA Emerging Contaminants Grant mandates that 100% of the \$1,428,000 be provided as additional subsidy to eligible recipients, also prioritizing disadvantaged communities.

State Match Requirements

A 20% state match is required for both the Base Grant and the IIJA General Supplemental Grant.

No state match is required for the IIJA Emerging Contaminants Grant.

Table II below summarizes the FFY 2024 allocations, required state match, and minimum subsidy and GPR requirements:

Table II, shown below, are the FFY 2024 allocations, state match and subsidy/GPR requirements:

Table II

Appropriations from Base and IIJA	FFY 2024 Allotment	State Match Requirement (\$)	Subsidy Requirement (\$)	GPR Requirement (\$)
CWSRF - Base	\$5,482,000	\$1,096,400	\$1,096,400	\$548,200
CWSRF – IIJA General Supplemental	\$15,270,000	\$3,054,000	\$7,482,300	\$1,527,000
CWSRF – IIJA Emerging Contaminants (FFY22)	\$641,000	\$0	\$641,000	\$64,100
CWSRF – IIJA Emerging Contaminants (FFY23)	\$1,428,000	\$0	\$1,428,000	\$142,800

CWSRF FUNDING

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

Sources of CWSRF Funding

Federal Capitalization Grants and State Match continue to be major sources of funding for the Program. The Bank is able to leverage the funding it receives from time to time allowing the Bank to maximize its loan capability by issuing revenue bonds to meet the 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 those prior indentures. All Clean Water and Drinking Water Revenue Bonds will be issued under the new Indenture of Trust.

Under the RI CWSRF 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.

The Bank issued SRF revenue bonds, leveraging Clean Water and Drinking Water program, totaling \$71,880,000 on June 24, 2025, which combined with other available capital financed \$100,550,000 of eligible Clean Water SRF projects.

Capitalization Grants

Since the inception of the Program, a total of \$388,294,740 in Federal Capitalization Grant funds and \$94,597,788 in State Matching funds has been received.

Table III - Total Capitalization Grant Funding Received to Date (as of 6/30/2025)	
Capitalization Grants	\$388,294,740
State Match	\$94,597,788

State Match

For the FFY 2024 Base and IIJA General Supplemental Federal Capitalization Grants, the Bank received the entirety of the State Match requirement of \$1,096,400 and \$3,054,000 from the State through voter authorized bonds. The State has provided State Matching Funds to appropriate to future capitalization grants in the amount of \$19,051,909.69. As of June 30, 2025, the State has fully committed and disbursed the required match for the FFY 2024 Base Grant and the IIJA General Supplemental Grant to active projects. Attachment O contains a table showing the cumulative state match received for each capitalization grant, along with any excess match available for future grants.

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 Clean Water State Revolving Fund (CWSRF), 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 M.

Loan Terms and Fees

The CWSRF program offers an economic benefit to its borrowers in the form of loan interest subsidization. The standard interest rate is a reduction of 33% of the borrower's market rate of borrowing. Loans can be up to thirty 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. Information regarding fees can be obtained in our attached audit.

As required by EPA, the State agrees to: 1) to maintain records which account for servicing fees separate from CWSRF project funds, 2) to identify in the IUP all types of fees charged on loans and the amount of fees available, and 3) to include in the annual report the types of fees charged on loans, the amount of fees collected, and how those amounts were used.

Additional Subsidization and Green Project Reserve (GPR)

Exactly 10% of the FFY 2024 Base capitalization grant must be provided as additional subsidization consistent with the FFY 2024 Enacted Appropriation. In addition, IJJA provides that a minimum of 10%, but not more than 30% of the Base capitalization grant allocation be issued to as 'additional subsidy' to entities and/or projects meeting certain criteria. In its solicitation for projects to be included on the SFY 2025 PPL, RIDEM announced, to the extent permitted by EPA, that principal forgiveness funds will be applied to projects that constituted a Green Project Reserve (GPR) project: green infrastructure, water and energy efficiency, and other environmentally innovative projects. A good faith solicitation must be open to all GPR eligible projects in each of the four GPR categories. The State's annual open solicitation for PPL projects is deemed satisfactory enough for these purposes if that solicitation was open to all GPR eligible projects in each of the four GPR categories. The State documented the GPR solicitation process in its IUP.

IJJA

In SFY 2025, the State received \$5,482,000 for the CWSRF Base Grant and \$15,270,000 for the CWSRF General Supplemental Grant. The IJJA provides that a specific amount of each capitalization grant be provided as principal forgiveness and/or grants to subrecipients, which is called 'additional subsidy'. The IJJA mandates that exactly 49% of funds provided through the CWSRF General Supplemental Grant (\$7,482,300) must be provided as additional subsidy, with a priority on reaching disadvantaged communities. The subsidy is expected to be provided in the form of principal forgiveness and/or grants. IJJA also mandates that 100% of the funds provided through the Emerging Contaminants Grant must be provided as a subsidy.

As amended by IJJA, the CWA mandates that the Bank uses at least 10% and no more than 30% of the Base Capitalization Grant as additional subsidization to the following:

- Any municipality that meets the state’s affordability criteria as established under the CWA section 603(i)(2);
- Municipalities that do not meet the state’s affordability criteria but that seek additional subsidization to directly benefit individual ratepayers in the residential user rate class that will otherwise experience significant hardship from increased rates due to the project; or
- to any eligible recipient for a project that implements a process, material, technique, or technology that addresses water or energy efficiency goals; mitigates stormwater runoff; or encourages sustainable project planning, and construction. (Note: These types of projects also qualify for the Green Project Reserve requirement to have 10% of CWSRF capitalization grant funds utilized for projects for water/energy efficiency, green infrastructure, or environmentally innovative projects.)

Table IV, shown below, are the FFY2024 Base and IIJA allotments and subsidy requirements:

Table IV

Appropriations from Base and IIJA	FFY 2024 Allotment	Subsidy Requirement (\$)
CWSRF - Base	\$5,482,000	\$1,096,400
CWSRF – IIJA General Supplemental	\$15,270,000	\$7,482,300
CWSRF – IIJA Emerging Contaminants (FFY22)	\$641,000	\$641,000
CWSRF – IIJA Emerging Contaminants (FFY23)	\$1,428,000	\$1,428,000

Subsidy and GPR Progress

The FFY 2022 IIJA General Supplemental subsidy requirement has been met with \$5,855,500 (49%) assigned in subsidy. The GPR requirement has been met with \$1,195,000 (10%) assigned in GPR. The list of the projects can also be found in Attachment E.

The FFY 2023 Base subsidy and GPR requirements have been met with \$1,007,400 (20%) assigned in subsidy and (10%) assigned in GPR (\$1,007,400).

The FFY 2023 IIJA General Supplemental subsidy has been met with \$6,858,040 (49%) assigned in subsidy. The GPR requirement has been met with \$1,399,600 (10%) assigned in GPR.

The FFY 2024 Base subsidy has not been met with only \$250,000 (4.56%) assigned in subsidy. The GPR requirement has not been met.

The FFY 2024 IIJA General Supplemental subsidy has not been met with only \$1,527,000 assigned in subsidy. The GPR requirement has been met with \$1,527,000 (10%) assigned in GPR.

The FFY 2022 (\$641,000) IIJA Emerging Contaminants subsidy requirement has not been met. Projects intended to be awarded FFY 2022 funding were not ready to proceed in the last fiscal year. RIDEM and the Bank are in active discussions with the Narragansett Bay Commission and Rhode Island Resource Recovery for new Emerging Contaminants awards in FY 2026.

The FFY 2023 (\$1,428,000) IIJA Emerging Contaminants subsidy requirement has not been met. Projects intended to be awarded FFY 2023 funding were not ready to proceed in the last fiscal year. RIDEM and the Bank are in active discussions with the Narragansett Bay Commission and Rhode Island Resource Recovery for new Emerging Contaminants awards in FY 2026.

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 E “Grant Requirements Progress Report that show the minimum subsidy required and the additional subsidy disbursed by project and capitalization grant.

The FFY 2022 IIJA General Supplemental minimum additional subsidy requirement of \$5,855,500 has not been met with only \$5,505,500 disbursed in SFY 2025. A balance of \$350,000 remains to be disbursed. The Bank intends on meeting the remaining FFY 2022 IIJA General Supplemental requirement by the end of fiscal year 2026.

The FFY 2023 Base minimum additional subsidy requirement of \$1,007,400 has been met with \$1,007,400 in disbursements in SFY 2025.

The FFY 2023 IIJA General Supplemental additional subsidy of \$6,858,040 has been met with \$6,858,040 in disbursements in SFY 2025.

The FFY 2024 Base additional subsidy of \$1,096,400 has not been met with only \$2,500 disbursed in SFY 2025. The Bank intends on meeting the remaining FFY 224 Base subsidy requirement by end of fiscal year 2026.

The FFY 2024 IIJA General Supplemental additional subsidy has not been met with only \$1,224,540.50 disbursed in SFY 2025. The Bank intends on meeting the remaining FFY 224 IIJA General Supplemental subsidy requirement by end of fiscal year 2026.

INTEREST EARNINGS & REPAYMENTS

The Program received \$51,878,391.89 in principal and \$15,446,847.74 in interest payments in SFY 2025. To date, no payment defaults have occurred.

INFORMATION ON THE CWSRF ACTIVITIES REPORTED

The Program provides financial assistance to municipalities and sewer authorities using a variety of means to fund the loans. The maximum principal repayment period is 30 years following project completion and may begin up to 12 months after construction is completed but will not exceed 5 years from the beginning of construction. The Bank executed four Clean Water loan commitments in SFY25 which are summarized below.

Table V- SFY25 CWSRF Loans	
Loan Recipient	Loan Amount
City of Central Falls (Facility Plan)	\$300,000
Town of Johnston (Facility Plan)	\$250,000
Narragansett Bay Commission (NBC)	\$75,000,000
Narragansett Bay Commission (NBC)	\$25,000,000
TOTAL	\$100,550,000

The Program has Federal Direct Loan re-payments, and State Match direct loan repayments available to lend. These amounts will be used to fund “direct loans” (i.e., not leveraged) or for revenue bond pool issues during this IUP period as loan demand and timing dictate.

The Bank, in cooperation with RIDEM and Rhode Island Housing (RI Housing), continues to manage its Community Septic System Loan Program (CSSLP). RI Housing is the homeowner loan administrator on behalf of the community. The CSSLP allows communities without wastewater treatment facilities to access CWSRF funds. Communities can access the CSSLP after completing an On-Site Wastewater Management Plan (OWMP) approved by RIDEM. Once the plan appears on RIDEM’s PPL and the Certificate of Approval (CA) is obtained, the community will apply for a loan from the Bank to allow homeowners to repair or replace failing or sub-standard septic systems. Once the loan is negotiated, the community may then allow residents to access the funds. The borrowing cost for the homeowner is 1% per annum of the outstanding loan balance and a \$300 loan origination fee for a term up to ten years. The Bank uses revolved funds to capitalize the CSSLP. Both RIDEM and the Bank view the CSSLP as a means of achieving the goals and objectives of the approved Section 319 Non-Point Source Management Plan.

Table VI- SFY25 CSSLP Loans Summary	
Loan Recipient	Loan Amount
Town of Coventry	\$250,000
Town of Johnston	\$250,000
Town of North Kingstown	\$400,000
Town of Portsmouth	\$700,000
Town of South Kingstown	\$500,000
Town of Scituate	\$300,000
Total	\$2,400,000

Historically, as of SFY 2025, the Bank has provided \$27.8 million in CSSLP loans to twenty-three communities.

The Bank and RIDEM updated the CSSLP sub-agreements database with the new agreements executed in SFY 2025. Attachment B provides a list of the historical sub-agreements that have been made to the communities: a total of 1,256 sub-agreements have been executed, totaling \$23,468,003.49.

In SFY 2021, RIDEM and the Bank created a funding mechanism to provide grants/loans to municipal and quasi-state entities for the protection of wastewater collection and treatment infrastructure from natural hazards (floods, sea-level rise, etc.) related to climate change. The Wastewater Treatment Facility Resilience Fund (WWTFRF) has been funded with approximately \$5,000,000 from the State. Projects costing less than \$500,000 receive a grant up to \$250,000 and are required to provide matching funds. The grantee is free to use any source, including a loan from the Bank, to finance its match. For projects estimated to cost over \$500,000 a grant is awarded up to \$1.25M and the grantee must finance its required match through the RI CWSRF program.

During the reporting period, no loans were funded under this program.

ACTIVITY OUTSIDE THE CWSRF

The Bank can also make loans outside of the Federal Clean Water SRF which support the State’s water quality priorities and improvement efforts. These loans originated from the Sewer Tie-In Loan Fund (STILF) Program, conduit financings, and administrative loans.

During the reporting period, two loans were funded through the STILF Program.

Table VII- Loans Made Outside the CWSRF		
Loan Recipient	Program	Loan Amount
Warwick Sewer Authority	STILF	\$150,000
Town of Westerly	STILF	\$250,000

RIDEM ADMINISTRATIVE COSTS

During the reporting period, RIDEM received \$219,280 (4%) of the Base FFY 2024 Title VI funds for administrative support in managing and operating the Program. RIDEM has also received the following funds through the Bipartisan Infrastructure Law (IIJA): \$610,800 (General Supplemental) and \$57,120 (Emerging Contaminants). To date, a total of \$14,644,590 in Federal Capitalization Grant funds have been set aside for RIDEM’s administrative costs. Of this, RIDEM has utilized \$104,338.12 in SFY 2025 for administrative costs related to their Program oversight responsibilities. As of June 30, 2025, a balance of \$1,457,300.40 of “banked” administrative funds. As RIDEM has not utilized these funds in prior years they were utilized to fund borrower loans to various communities. See Attachment H for a complete list of the historical admin spending as of June 30, 2025.

RIDEM continues to use administrative funds for incurred operational expenses of the program, including staff salaries, travel, and public notice advertisements. In SFY 2025, RIDEM successfully hired a staff person to refill a program vacancy which occurred in the previous fiscal year.

BINDING COMMITMENTS

During SFY 2025 the Bank disbursed \$123,627,920.63 in CWSRF funds to ongoing wastewater planning, design, and construction projects. Total loans receivable is \$747,524,047. A binding commitment occurs when a borrower has secured a loan agreement from the Bank which cannot occur without RIDEM having to issue a Certificate of Approval (CA). 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 as funded projects advance from planning & design to construction.

Four projects on the FFY24 Intended Use Plan Attachment C – Table 2 – Projected Funding List, were not financed by the Bank in SFY2025. These projects included the Johnston Salina Pump Station Repair, Johnston Ostend Pump Station Repair, RI Resource Recovery Corporation PFAS Treatment: Study & Design (BIL-EC) – Landfill, and the Narragansett Bay Commission (NBC) Enhanced Lab Capacity for PFAS (BIL-EC). The Town of Johnston was not ready to proceed with its two pump station projects in the last reporting period; however the Bank is in discussions with the town to advance one or both projects in SFY2026. RIDEM and the Bank are also in discussions with RI Resource Recovery and NBC to advance emerging contaminants projects in SFY2026, which were delayed due to shifting organizational priorities.

CRITERIA & METHODS FOR DISTRIBUTION OF FUNDS

RIDEM has an integrated priority ranking system, approved by EPA Region I. The PPL is developed annually using this ranking system (Attachment K).

The CWSRF will provide loans for up to 100% of eligible project and finance costs, consistent with Federal limitations on the use of CWSRF funds, with the State determining the eligibility based on state-developed criteria.

The Bank and RIDEM take several factors into consideration when determining which projects from the PPL will be funded by the CWSRF. These factors include:

- Relative ranking on the PPL;
- Indication that the community (or service district) has the authority to encumber debt for water pollution abatement projects from the Bank;
- Indication that the community (or service district) will make an application to the CWSRF for financing;
- Indication that the community's (or service district's) credit quality is adequate;
- Indication that RIDEM will approve the project in the form of a Certificate of Approval; and
- Indication that projects are ready to proceed within six months of closing the loan.

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 RIDEM, 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 currently processes draw requests as they are submitted. The Bank also allows multiple disbursement requests to be submitted in a single month under any of our loan programs.

COMPLIANCE WITH EXISTING REGULATIONS

State Environmental Review Process

The Bank and DEM certify compliance with all applicable federal and state guidelines and regulations. Specifically, compliance with 40 CFR 35.3165(b) has been met in that all Section 212 projects which applied to the program underwent the State Environmental Review Procedures ("SERP") as part of either the Certificate of Approval process or the Wastewater Facility Plan Update process prior to a binding commitment being made. As part of this SERP process, the Rhode Island Department of Administration, Division of Planning and/or the RIDEM CWSRF Program reviews the projects for consistency with the State Guide Plan which includes the State Water Quality Management Plan.

"First Use" Requirement

The "first use" requirement was not relevant because it had been satisfied prior to receiving CWSRF Federal Capitalization Grant monies.

Compliance with the Operating Agreement

The purpose of the CWSRF Operating Agreement (OA) is to establish a mutual understanding and agreement between EPA and the State of Rhode Island, acting by and through the Rhode Island Department of Environmental Management and Rhode Island Infrastructure Bank for the administration of the CWSRF (collectively, the "State").

The OA defines and integrates rules, regulations, guidelines, policies, procedures, and activities to be followed by the EPA and the State in administering the CWSRF program, detailing items that will not change regularly. This OA continues from year to year with revisions as needed and is incorporated by reference into the capitalization grant agreements for the CWSRF. Information that changes from year to year will be contained in the annual CWSRF capitalization grant agreement and/or IUP. The State and EPA agree to implement modifications to the OA required by Congress, legal ruling, or EPA regulations. Any program requirements which necessitate modification of the OA will be negotiated and implemented on a schedule agreed to by the State and EPA.

RIDEM and the Bank continue to be in compliance with the terms set forth in the OA. The State and EPA last amended the Operating Agreement in November 2020.

Disadvantage Business Enterprise Compliance

Loan Agreements for all current and future borrowers specifically outline compliance requirements for DBE Good Faith Efforts as a condition of conformity with the terms of the Loan Agreement. RIDEM provides guidelines for DBE compliance in the construction project bidding phase.

Due to recent changes in federal policy, the Bank is no longer required to submit an annual DBE Utilization Report to the EPA by October 30th of each year.

Audit Compliance

Compliance with state law, as outlined in Section 602(b)(7) of the CWA, has been met in that the Bank has adopted disbursement policies and procedures in accordance with the laws of the State of Rhode Island. Also, the Bank maintains an internal control over financial reporting documentation that is designed to address risks related to financial reporting and aid in complying with Generally Accepted Government Accounting Standards (“GASB”).

American Iron & Steel (AIS) and Build America Buy America Act (BABA)

The 2014 WRRDA amendments codified American Iron and Steel (AIS) that requires Assistance Recipients to use iron and steel products that are produced in the United States for projects for the construction, alteration, maintenance, or repair of a public water system or treatment works. The Bank’s loan agreements, payment request forms and RIDEM’s project specification package contain AIS information and/or certifications. RIDEM also conducts spot inspections and takes photos of materials to ensure adherence to AIS requirements. To date, AIS awareness and compliance on the part of the borrowers has been good.

IJA added a new Build America, Buy America Act of 2021 (BABA) requirement to the CWSRF program. BABA expands existing American Iron and Steel (AIS) requirements to include construction materials and manufactured goods. All steel, iron, manufactured products, non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, and drywall used in infrastructure projects for federal financial assistance programs must be produced in the United States. BABA applies to all types of projects reported in FFATA, including treatment works and non-treatment works projects.

As of May 14, 2022, all equivalency projects need to comply with BABA. During SFY 2025, all such equivalency construction projects funded via the CWSRF either predated the BABA requirement or were eligible for the Adjustment Period Waiver. See Attachment C for a List of Projects Qualifying for BABA Adjustment Period Waiver.

Fiscal Sustainability Planning

For treatment works proposed for repair, replacement, or expansion, the EPA requires that Clean Water borrowers develop and implement a fiscal sustainability plan (“FSP”) that includes:

- an inventory of critical assets that are a part of the treatment works;
- an evaluation of the condition and performance of inventoried assets or asset groupings;
- a certification that the subrecipient has evaluated and will be implementing water and energy conservation efforts as part of the plan; and

- a plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities; or a certification that the borrower has developed and implemented a plan that meets these requirements.

Borrowers are required at the time of loan closing to indicate whether they have prepared an FSP or will complete an FSP within one year from the date of their loan agreement or the final draw on the loan, whichever comes first. RIDEM includes FSP language in its updated facilities planning check list and the Bank has incorporated this requirement in the borrower’s loan agreement.

FSP’s must be submitted to RIDEM and the Bank receives a copy, as well. The requirement for an FSP for treatment works facilities was enacted via the 2014 WRRDA Amendments to the Clean Water Act. In Rhode Island, in addition to wastewater treatment facilities, all stormwater facilities that do not meet the definition of ‘green stormwater infrastructure’ are also considered treatment works, and therefore need to develop a Fiscal Sustainability Plan. In SFY 2025, there is one borrower for whom this requirement is applicable, as follows:

- a) City of Woonsocket (for wastewater treatment works) (FSP completion is delayed, RIDEM is working with the city to complete the plan)

These municipalities have one year from the closing on the CWSRF loan to complete their FSPs.

Cost and Effectiveness

Borrowers must provide certification that they:

- Have studied and evaluated the cost and effectiveness of the processes, materials, techniques and technologies for carrying out the proposed project; and
- Have selected, to the maximum extent practicable, a project maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account:
 - The cost of constructing the project;
 - The cost of operating and maintaining the project over the life of the project; and
 - That the cost of replacing the project.

The Bank has developed a Cost and Effectiveness Self – Certification Form stating that as a condition for receiving assistance through the RI Clean Water State Revolving Fund, the Borrower hereby certifies that per Section 602(b)(13) of WRRDA the project is Cost Effective. All the Bank’s borrowers are required to certify their projects cost and effectiveness.

Architectural and Engineering (A/E) Services Procurement

The EPA requires that A/E services that are paid with federal funds for Clean Water projects be procured using the qualifications-based selection process under Chapter 11 of Title 40, United States Code or an equivalent state qualifications-based requirement. Both RIDEM and the Bank continue to make prospective borrowers aware of this requirement on all projects regardless of source of CWSRF funds. Procurement requirements are discussed with all borrowers at borrower meetings as part of the loan application process. For reporting purposes, the RI CWSRF Program reports A/E usage in the FFATA system for projects totaling an amount equal to the federal capitalization grant.

The Narragansett Bay Commission (NBC) and the City of Central Falls were the two borrowers that have been reported in FFATA, meeting this requirement.

Affordability Criteria

The RI Infrastructure Bank SFY 2025 Affordability Criteria takes into consideration the median household income, employment rate, and population ratio. The RI CWSRF Program grouped state entities into tiers of eligibility for increased levels of subsidization. The criteria was applied to borrowers in SFY 2025 and offers for loans with additional subsidy were made to those eligible entities meeting the application deadline, as listed in Attachment I.

On June 21, 2022, RI Infrastructure Bank's Board of Directors approved new affordability criteria for the SFY 2023 IUP in response to the goals of the recently enacted Bipartisan Infrastructure Law/Infrastructure Investment and Jobs Act to reach disadvantaged communities. The purpose of the affordability criteria is to determine which potential borrowers are eligible for the additional subsidization that was authorized by the BIL and with the appropriation of the base capitalization grant. The previous affordability criteria did not use a formula that resulted in any existing municipality or regional wastewater utility meeting the threshold for eligibility for additional subsidy. The criteria take into consideration the median household income, employment rate, and population ratio. The RI CWSRF Program also grouped the entities into tiers of eligibility for increased levels of subsidization. The new criteria was applied to borrowers in SFY 2025 and offers for loans with additional subsidy were made to those eligible entities meeting the application deadline, as listed in Attachment I.

Eligible systems with an Affordability Index 75% or less of the statewide average shall be designated a tier 1 entity; systems with an Affordability Index between 76% and 89% shall be designated a tier 2 entity; systems with an Affordability Index between 90% and 100% of the statewide average shall be designated a tier 3 entity. Domestic limited liability companies and domestic profit corporations, excepting cooperatives, are not eligible for tiers 1 through 3.

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

Project Accounting

The EPA requires that project accounts be maintained in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets. The Bank has always required that project accounts be maintained in accordance with generally accepted government accounting standards. The Bank and its borrowers are complying with GASB 34 requirements.

Federal Funding & Accountability & 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.

The FFATA projects listed in Attachment L were reported via the Federal Subaward Reporting System for the FFY 2024 Base and IJA General Supplemental Grants. As of June 30, 2025, the Bank has not reported any projects for the FFY 2022 or the FFY 2023 Emerging Contaminants Grants.

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. FFATA compliance requires that one single set of projects is selected to satisfy all Federal equivalency requirements. Project(s) selected for equivalency must contain documentation verifying compliance with all the following Federal requirements, as applicable for FFY2024:

- Single Audit Act - documented in the assistance agreement.
- Disadvantaged Business Enterprise - MBE/WBE – documented in the assistance agreement and bid documents.
- A/E Procurement (applicable to CWSRF only) – Documented by a certification.
- Signage - documented in the assistance agreement - documented by State Checklist or concurrence letter and assistance agreement.
- Federal Socioeconomic Crosscutters -documented by State Checklist or concurrence letter and 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.

Rhode Island currently applies equivalency for reporting purposes to the following federal requirements:

- Federal Funding Accountability and Transparency Act (FFATA)
- Architectural and Engineering Services (A/E) Procurement
- Single Audit Act
- Build America Buy America (BABA)

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, Executive Order Flood Mitigation, and BABA are applied to all CWSRF equivalency projects. Equivalency requirements were applied to two loans in SFY 2025 including the \$25 million Narragansett Bay Commission (NBC) loan for the next phase of their Combined Sewer Overflow (CSO) project and the \$300,000 City of Central Falls Facility Plan loan.

OWSRF Data System

The Bank enters all financial information associated with the loans and RIDEM enters the project information into EPA’s Office of Water SRF Data System.

Single Audit Act

In accordance with OMB Circular A-133, which implements the Single Audit Act, the Bank agrees to obtain a Single Audit from an independent auditor if it expends \$1,000,000 or more in total federal funds in any fiscal year. The Bank shall submit a copy of the SF-SAC and the Single Audit Report Package to the Federal Audit Clearinghouse 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 that receive federal funds are notified of the Single Audit requirement, regardless of the amount received. 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 RIDEM submit the Annual Report to EPA by September 30th of each year.

EPA Sustainability Policy Implementation

The Bank and RIDEM continue to support the implementation of the EPA CWSRF & DWSRF Infrastructure Sustainability Policy by funding only wastewater treatment projects that are consistent with local wastewater facilities plans that are approved by RIDEM. Wastewater facility plans must be consistent with required local Community Comprehensive Plans, as governed by the “Rhode Island Comprehensive Planning and Land Use Act.” These plans must be consistent with the goals and policies of the State Guide Plan. This reciprocal state and local planning system is intended to coordinate investments in public infrastructure and other sectors, such as natural resources and water quality, with goals for sustainability, growth, and redevelopment. Key goals and objectives stated in the State Guide Plan for Land Use aim for a sustainable Rhode Island that is connected and compact, with a focus on growth and infill within the urban services boundary, and which supports regional and watershed-wide planning.

Since the EPA Sustainability Policy was initiated in 2011, the RI Program also oversees the implementation of the 2014 WRRDA amendment requirements which further this policy. These are the requirements for a Fiscal Sustainability Plan for treatment works and a Cost and Effectiveness evaluation, which is required to consider maximizing water efficiency and energy conservation for all government-initiated projects.

Through the priority determination system, the Program awards extra points for “smart growth” projects and projects that incorporate GPR elements, such as energy efficiency, into the project design.

The Program will continue to investigate means by which other sustainability measures (e.g., effective utility management, asset management and integrated water resource management) can be further incorporated into funding decisions to build a “pipeline” of sustainable projects eligible to receive funding.

Wage Rate Requirements (formerly Davis Bacon)

The Bank and RIDEM apply the Wage Rate Requirements to all its treatment works projects. RIDEM has required that Wage Rate Requirements/Davis Bacon language be included in the specifications for all funded treatment works projects. RIDEM continues to review contract language and spot checks certified payroll documentation on construction projects. Additionally, RIIB requires self-certification on wage rate requirements with each payment requisition.

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 was executed in SFY2025; 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, provide 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.

AUDITED FINANCIAL STATEMENTS

The audited financial statements for the year ending June 30, 2025, are included as Attachment P. The financial statements are final, pending acceptance by the State. The WPCRF had Revenues for the year of \$22,663,196.00. Total expenses for the year were \$12,304,982.00. The net position of the Program at the end of the year was \$519,172,104.

INFORMATION REGARDING SRF LOAN SUBRECIPIENTS AND LOAN APPROVAL PROCESS

Loan Application and Approval

Requests for SRF financing are submitted through the Bank's loan portal, EnABLE. The request includes: a description of the project; a projected construction and completion schedule; a description of the dedicated source of loan repayment; a description of the overall operations of the local governmental unit; citation of the legal authority to design/construct, finance and operate the project; the past five years audited financial statements; financial and demographic/income information; and other information as specifically requested.

Concurrent with this process, the applicant's project must appear on RIDEM's PPL and possess or be in the process of obtaining a Certificate of Approval (CA) from RIDEM for the project. The loan approval is subject to the issuance and terms of the CA.

Prior to originating a loan, the Bank assures that the borrower is financially capable of repaying the loan. A financial capability analysis, or credit review, for each loan application is conducted by the Bank Financial Advisors which considers:

1. Sources of revenue and financial liquidity
2. Historical and projected financial operating results
3. Present and future debt service requirements
4. Impact of dedicated user fees and/or general revenues
5. Cost of the project and completion schedule
6. Long-term capital replacement planning
7. Socioeconomic conditions and trends
8. Management qualifications and experience
9. Effects of legal structure and any regulatory control

If the Credit Review analysis indicates that the applicant has the capacity to repay the loan, then the Board of Directors of the Bank votes to approve the application. After this approval, a Commitment Letter is sent to the applicant for their acceptance. The Loan Agreement, with interest rates, amortization schedules, sources of repayment, security, and loan covenants, is then executed in conjunction with the closing of the loan.

To facilitate the above process, the Bank works closely with borrowers, RIDEM, underwriters, financial advisors, and legal advisors to coordinate the sequence of events necessary for bond sales and loan closings to occur. The Bank and RIDEM have worked towards a coordinated method of project approval and loan approval to maximize loan origination and disbursement in a timely manner.

PROGRAM EVALUATION REPORT (PER) and Audit Findings

The action items below and recommendation were listed in the PER for SFY 2024 (7/1/23-6/30/2024).

Follow Up from SFY 2023 PER:

1. EPA recommends that RI DEM establish a CatEx request application and guidance to standardize and optimize the CatEx review process. EPA will send RI DEM examples of checklists and guidance from other states to refer to while creating something that works best for them.
 - **Status:** On-going. EPA sent RI DEM examples of other state's environmental review checklists on 5/30/2024. Because of staffing issues in the CWSRF program, this was not purposed prior to last year's Annual Review. RI DEM indicated during on-site discussions that they are evaluating their current State Environmental Review Process for potential changes, including a more standardized CatEx process.
2. Develop a process to verify that CWSRF projects request for proposals and bid announcements are being publicly advertised.
 - **Status:** Resolved
3. Refund the ineligible costs of \$3,751.21, \$3,881.35 and \$5,270.56 back into an open capitalization grant through ASAP via negative draws. A subsequent positive draw will have to be made for \$12,903.12 (sum of the three ineligible expenses) from an alternative source of funds to reimburse costs that are associated with water quality monitoring. The State will also have to provide documentation that the proper corrections have been made by refunding the ineligible uses back into an open capitalization grant via negative draws and subsequent positive draws on the proper source of funds. The deadline for this Action Item is October 1st, 2024.
 - **Status:** Resolved. The Region received the documentation from RIIB initiating the negative draw refunding the ineligible use back to EPA as well as email communications addressing the steps needed to get the funding ready for disbursement by the State. On May 30, 2025, RI DEM provided documentation showing that a subsequent positive draw was made on an alternative source outside the CWSRF was used to reimburse costs associated with water quality monitoring.
4. The state must report in their Annual Report and the IUP, and to the extent known at the time, when they un-bank previously banked authority of CWSRF administrative funds, how much was unbanked and what the funds were used for.
 - **Status:** Resolved. Going forward both RIIB and RI DEM will include information on un-banking previously banked funds in their IUP and Annual Report.
5. RIIB must adhere to the FIFO method of drawing down on the oldest open capitalization grants first and not tie specific base capitalization grant additional subsidy to projects. As such, RIIB must draw down the remaining balances on the 2020 and 2021 capitalization grants by September 1st, 2024. If RIIB legal staff has questions or concerns with not linking additional subsidy to specific capitalization grants, then EPA can be available for a call.
 - **Status:** Ongoing. RIIB did draw down the remaining 2020 and 2021 capitalization grant balances, but the State has yet to implement the FIFO method of drawing down funds considering the 2022 IJJA Supplemental capitalization grant still reports a balance when the State has commenced draw downs on the 2023 Base and 2023 IJJA Supplemental capitalization grants. This indicates that FIFO still has not been properly implemented.

b. RIIB must adhere to the FIFO method of drawing down on the oldest open capitalization grants first and not tie specific capitalization grant dollars and additional subsidy to specific project/s. In OWSRF, projects must be specified for each of the capitalization grant additional subsidy requirements, but the actual capitalization grant dollars do not need to be drawn to give subsidy to that project. As such, the 2022 IJA Supplemental capitalization grant should be completely drawn down before proceeding to the FY23 Base and IJA Supplemental capitalization grants. A written plan as to how the State will proceed with FIFO must be submitted to EPA by 6/1/2025 and included in the SFY26 IUP with the results included in the SFY25 Annual Report.

6. **Status:** Resolved. The Bank submitted the FIFO Implementation Plan on June 17, 2025. Following feedback from the EPA, the Bank revised the plan to address their comments and submitted the updated version for EPA review on July 9, 2025. EPA recommends that RIIB submit the final FFSRs for 2019 capitalization grants because all of the other requirements have been met.

- **Status:** Complete. RIIB submitted the final FFSR for the 2019 capitalization grant on 7/2/24.

7. EPA recommends that RI DEM attend the bi-annual CIFA conference and EPA/State workgroup meetings to further improve the RI CWSRF program.

- **Status:** Complete. Both staff from RI DEM and RIIB attend the Spring and Fall EPA/State workgroup meetings.

Action Items and Recommendations for SFY 2024 Review

- **RECOMMENDATION:** Choose to include either the permanent regulatory exception language or the 100% state match disbursement proportionality but not both moving forward starting with the SFY25 CWSRF Annual Report and SFY26 CWSRF IUP.

- **Status:** RIIB will include this in the SFY25 CWSRF Annual Report and SFY26 CWSRF IUP.

- **RECOMMENDATION:** 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.

- **Status:** RIIB will include a table displaying the cumulative state match in the upcoming SFY25 Annual Report.

- **RECOMMENDATION:** EPA recommends that RI DEM update their CWSRF Contract Documents website to include the following federal crosscutters: The Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, and Uniform Relocation and Real Acquisition Policies Act (if applicable).

- **Status:** Completed.

- **RECOMMENDATION:** EPA recommends that RIIB and RI DEM look at streamlining the IUP/PPL request for projects and public noticing processes and have clear written instructions posted on both agency websites on what borrowers need to apply to be on the PPL all year long and not just during the normal call for projects time period.

- **Status:** Ongoing. RIDEM has posted written instructions on the website regarding the PPL. RIDEM and RIIB need to meet to discuss how to streamline the IUP/PPL Public noticing and the RIDEM/RIIB Calls for Projects.

ATTACHMENTS

- A. SFY 2025 Binding Commitment Report
- B. CSSLP Historical List of Sub-Agreements
- C. BABA Adjustment Period Waiver List
- D. Capitalization Grant Draws
- E. Grant Requirement Progress Report
- F. SFY 2025 Assistance Agreement Report-Disadvantaged Community
- G. SFY 2025 Assistance Agreement Report-Affordability Criteria
- H. SFY 2025 RIDEM Admin Spending
- I. Affordability Criteria
- J. Program Loan Policies and Procedures
- K. Project Priority List
- L. FFATA Projects
- M. FIFO Implementation Plan
- N. Sample Credit Review Memo
- O. State Match Report
- P. Audited Financial Statements

A. SFY 2025 Binding Commitment Report

Binding Commitment Report - SFY 2025

Borrower Name	Project Names	State Tracking Number	EPA Tracking No	Current Agreement Date	Current Agreement Amount
Narragansett Bay Commission, RI	NBC Capital Improvement Program Projects, continued	NBCQ-CW-2025B	CW-RI-1369603	06/24/2025	\$75,000,000
Narragansett Bay Commission, RI	NBC Capital Improvement Program Projects, continued	NBCQ-CW-2025A	CW-RI-1367029	06/24/2025	\$25,000,000
Johnston	Johnston Wastewater Facilities Plan Update	JOHN-CW-FY25	CW-RI-1368497	04/17/2025	\$300,000
City of Central Falls	Central Falls Sewer Facility Plan	CNFL-CW-FY25	CW-RI-1367062	02/21/2025	\$250,000
Total					\$100,550,000

B. CSSLP Historical List of Sub-Agreements

CSSLP - Historical List of Sub-Agreements - as of June 30, 2025

Borrower Name	State Tracking Number	EPA Tracking No	Current Agreement Date	Current Agreement Amount	# of Projects	Sub Agreements To Date	Project Names
Westerly	WEST-CS-2014	CW-RI-1336879	06/30/2025	\$ 214,774.00	1	11	Westerly Community Septic System Loan Program
Warren	WARN-CS-2012	CW-RI-1336876	06/30/2024	\$ 241,520.00	1	10	Warren Community Septic System Loan Program
Tiverton	TIVN-CS-2013	CW-RI-1336870	06/30/2025	\$ 3,018,410.00	1	150	Tiverton Community Septic System Loan Program
South Kingstown	SKNG-CS-2014	CW-RI-1336865	06/30/2025	\$ 2,424,464.04	1	148	South Kingstown Community Septic System Loan Program
Scituate	SCIT-CS-2013	CW-RI-1336803	06/30/2025	\$ 1,233,445.00	1	53	Scituate Community Septic System Loan Program
Richmond	RICH-CS-2018	CW-RI-1336882	06/30/2025	\$ 63,700.00	1	4	Richmond Community Septic System Loan Program
Portsmouth	PORT-CS-2016	CW-RI-1336794	06/30/2025	\$ 5,804,414.00	1	237	Portsmouth Community Septic System Loan Program
North kingstown	NKNG-CS-2014	CW-RI-1336790	06/30/2025	\$ 4,032,294.95	1	279	North Kingstown Community Septic System Loan Program
New Shoreham	NSHM-CS-2008	CW-RI-1336789	06/30/2025	\$ 727,375.00	1	35	Community Septic System Loan Program
Narragansett	NARR-CS-2005	CW-RI-1336084	06/30/2025	\$ 335,000.00	1	21	Narragansett Community Septic System Loan Program
Johnston	JOHN-CS-2008	CW-RI-1336788	06/30/2025	\$ 468,527.00	1	34	JohnstonCommunity Septic System Loan Program
Jamestown	JMST-CS-2005	CW-RI-1336786	06/30/2025	\$ 503,367.00	1	22	Jamestown Community Septic System Loan Program
Hopkinton	HOPK-CS-2016	CW-RI-1336750	06/30/2025	\$ 116,606.00	1	8	Hopkinton Community Septic System Loan Program
Glocester	GLOC-CS-2010	CW-RI-1336746	06/30/2025	\$ 1,400,893.00	1	61	Glocester Community Septic System Loan Program
Cranston	CRAN-CS-FY24	CW-RI-1370671	06/30/2025	\$ 150,527.00	1	6	Cranston Community Septic System Loan Program
Coventry	COVN-CS-2008	CW-RI-1336743	06/30/2025	\$ 336,774.50	1	33	Coventry Community Septic System Loan Program
Charlestown	CHAR-CS-2013	CW-RI-1336728	06/30/2025	\$ 2,395,912.00	1	144	Charlestown Community Septic System Loan Program
Total				\$ 23,468,003.49		1,256	

C. BABA Adjustment Period Waiver List

Loan number (closing date)	Federal Cap Grants Applied (FFATA)	First CA Issue Date for Project	Project Name	Date of Qualifying Documentation for Waiver	Name/Type of Qualifying Documentation	Major Manufactured Products and Construction Materials used in project subject to the waiver (no more than 10 kinds of items) (or provide materials list)
NBCQ-CW-2023A (6/13/23)	FFY 2022 Base	6/13/2023	203.00P and 203.01 FPWWTF Improvements	02/07/22	Public Issue of RFQ for Professional Engineering Services for Field's Point and Bucklin Point Wastewater Resiliency Enhancements and Other Misc. Improvements (includes specific item for Project No. 203.00 and 203.01; also WIFIA loan date July 25, 2022 for WIFIA Program Waiver (Planning Project))	
NBCQ-CW-2023B (6/13/23)	FFY 2022 BIL General Supp.	6/12/2023	204.00C Ernest St. PS, Phase 1	08/17/21	Public Issue of RFQ for Professional Engineering Services for Ernest Street Pumping Station Rehabilitation and other Miscellaneous Improvements; (also, Certificate of Approval for Planning of phase 1 and phase 2 was issued on 12/23/21)	
Note: many projects started construction under previous loan and/or WIFIA loan		6/26/2023	205.00P FP Maint.& IM Storage Bldgs.	02/07/22	Public Issue of RFQ for Professional Engineering Services for Field's Point and Bucklin Point Wastewater Resiliency Enhancements and Other Misc. Improvements (includes specific item for Project No. 205.00); also, WIFIA loan date 07/25/22 for WIFIA Program Waiver (Planning Project)	
		6/20/2023	306.10P FP System-wide Regulators	02/07/22	Public Issue of RFQ for Professional Engineering Services for Field's Point and Bucklin Point Wastewater Resiliency Enhancements and Other Misc. Improvements (includes specific item for Project No. 306.10- Field's Point System-wide Regulator Improvements)	
		01/02/18	308.00D Design of Phase 3A&3B CSO Control Facilities	01/02/18	Certificate of Approval date; Design Contract; all 308.xx series projects were under contract for design prior to BIL	
		2021	308.01C - Pawt. CSO Tunnel	09/14/21	Date of Certificate of Approval for construction issued by DEM (execution of an SRF assistance agreement that includes design) (started construction prior to BIL)	
		11/1/2023	308.02C - Pawt. Tunnel Pump Station Fit Out	8/27/2019 and re- executed on 10/26/2020	WIFIA Loan Agreement for this project; predates BIL	
		2/8/2023	308.03C OF 205 Facilities	04/29/22	Date DEM issued an Order of Approval for design plans and specifications for the NBC CSO Phase IIA-3 OF-205 Facilities Project	

Loan number (closing date)	Federal Cap Grants Applied (FFATA)	First CA Issue Date for Project	Project Name	Date of Qualifying Documentation for Waiver	Name/Type of Qualifying Documentation	Major Manufactured Products and Construction Materials used in project subject to the waiver (no more than 10 kinds of items) (or provide materials list)
		10/25/2021	308.05C - OF 217 Conduit	10/25/21	Date of Certificate of Approval for construction issued by DEM (execution of an SRF assistance agreement that includes design)	
		8/23/2021	308.07C - Phs 3A Reg Mods	08/23/21	Date of Certificate of Approval for construction issued by DEM (execution of an SRF assistance agreement that includes design)	
		5/26/2022	308.09B CSO Ph. 3 GSI - River Sts	02/01/22	Specifications Issued for Construction Bid dated February 2022. (also, CA application for construction submission letter dated March 4, 2022, received by RIDEM on 03/07/2022 (see CA log sheet)	
		7/21/2022	308.10C BP Final Clarifier, UV, Misc.	08/06/21	FONSI issued by RIDEM for project (public meeting was held before this date)	
		6/20/2023	710.00P Lincoln Septage Receiving	03/01/22	Public Issue of RFQ for Professional Engineering Services; (also, WIFIA Program Waiver loan closed on 07/25/22)	
		6/20/2023	816.00P BP WWTF Improvements	02/07/22	Public Issue of RFQ for Professional Engineering Services for Field's Point and Bucklin Point Wastewater Resiliency Enhancements and Other Misc. Improvements (includes specific item for Project No. 816.00- Bucklin Point WWTF Improvements)	
		9/14/2021	817.00 - BPWWTF Ops Bldg	09/14/21	Date of Certificate of Approval for design and construction issued by DEM (design-build contract) (execution of an SRF assistance agreement that includes design)	
		6/9/2023	818.00C BP Digester Improv. Const.	02/07/22	Public Issue of RFQ for Professional Engineering Services for Field's Point and Bucklin Point Wastewater Resiliency Enhancements and Other Misc. Improvements (includes specific item for Project No. 818.00- Bucklin Point Digester Complex Improvements)	

Loan number (closing date)	Federal Cap Grants Applied (FFATA)	First CA Issue Date for Project	Project Name	Date of Qualifying Documentation for Waiver	Name/Type of Qualifying Documentation	Major Manufactured Products and Construction Materials used in project subject to the waiver (no more than 10 kinds of items) (or provide materials list)
NBC-CW-2024A (5/23/2024)	FFY 2023 Base and FFY 2023 BIL General Supplemental	10/9/2024	308.04C CSO Ph3A Facilites-OF's 210, 213, 214, & 203	08/06/21	FONSI issued by RIDEM for project (public meeting was held before this date); (also, design documents were submitted to DEM for review on December 6, 2021, Order of Approval issued on November 29, 2022)	
(new projects only)		5/13/2024	207.01 P	(planning stage)	BABA not currently applicable due to Planning stage. Need to follow up w/ NBC if it meets eligibility documentation.	
		8/9/2024	720.00P	(planning stage)	did not make cut-off date; not eligible for waiver	
		8/9/2024	209.00P	(planning stage)	did not make cut-off date; not eligible for waiver	
CNFL-CW-FY25 (02/21/25) City of Central Falls	FFY 2024 Base	8/13/2024	Sewer Facility Plan	Not eligible	BABA requirement is not waived, however this is a planning project/ planning loan only.	N/A
NBCQ-CW-2025A (\$25M) (2/27/25)	FFY 2024 Base and FFY 2024 IJJA General Supplemental			all previously documented	Loan is not eligible for Ajustment Period Waiver, however, all projects paid under this loan are covered by the waiver. Previously documented BABA Waiver eligiblity for NBC Projects Contracts: 308.00D, 308.01, 308.02, 308.03, 308.04, 308.05, 308.07, 308.09, 308.10, and 818.00	
NBCQ-CW-2025B (\$75M) (6/24/2025)	(not an equivalency loan) (same project listing as loan A)			N/A not an equivalency loan		
Other NBC projects, not yet assigned to a loan		6/17/2025	401.01P	(planning stage)	This project has not drawn from any loan yet, but has a Certificate of Approval. In Planning stage. Will not be eligible for BABA Waiver; and did not make cut-off	

D. Capitalization Grant Draws

Attachment D - SFY 2025 Capitalization Grant Draws

Effective Date	4C44000222	4C44000223	4C44000224	CS44000123	CS44000124	Grand Total
7/18/2024				\$104,338.12		\$104,338.12
8/16/2024	\$1,279,398.19	\$109,816.25				\$1,389,214.44
9/20/2024	\$1,596,601.82	\$1,315,624.00		\$314,246.44		\$3,226,472.26
10/10/2024				\$218,780.07		\$218,780.07
10/11/2024		\$5,822,244.15				\$5,822,244.15
11/14/2024		\$646,059.59		\$474,373.49		\$1,120,433.08
1/15/2025	\$443,612.83					\$443,612.83
2/14/2025				\$3,828,120.00		\$3,828,120.00
3/13/2025			\$9,750.00			\$9,750.00
3/27/2025		\$5,409,778.06	\$2,180,921.08			\$7,590,699.14
4/10/2025		\$132,637.94				\$132,637.94
4/11/2025			\$5,787,921.88		\$1,742,213.91	\$7,530,135.79
5/21/2025			\$280,352.69			\$280,352.69
6/12/2025			\$142,494.87			\$142,494.87
6/13/2025					\$2,423,806.09	\$2,423,806.09
Grand Total	\$3,319,612.84	\$13,436,159.99	\$8,401,440.52	\$4,939,858.12	\$4,166,020.00	\$34,263,091.47

RIDEM Admin	Amount Drawn
CS44000123 -CA DEM	\$ 104,338.12
Total	\$ 104,338.12

Project Funds	Amount Drawn
CS44000123	\$ 4,835,520.00
CS44000124	\$ 4,166,020.00
4C44000222	\$ 3,319,612.84
4C44000223	\$ 13,436,159.99
4C44000224	\$ 8,401,440.52
Total	\$ 34,158,753.35

E. Grant Requirement Progress Report

Grant Requirements Progress Report

FFY Base 2023 Cap Grant - Minimum Subsidy Requirement \$1,007,400 - Required GPR (10%) \$503,700

State	Capitalization Grant Amount	Assigned Subsidy (CWA Section 603(i)) -Count	Assigned Subsidy (CWA Section 603(i)) -Dollars	Assigned Subsidy (CWA Section 603(i)) - Percent	Assigned Subsidy (Appropriation)-Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned GPR Amount - Count	Assigned GPR Amount - Dollars	Assigned GPR Amount - Percent
Rhode Island	\$ 5,037,000.00	1	503,700	10%	1	503,700	10%	1	\$ 503,700.00	10%

FFY Base 2023 Cap Grant - Subsidy Disbursements
 Minimum Subsidy Requirement \$1,007,400 - Required GPR (10%) \$503,700

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Assigned Grant Subsidy - Base 2023	Total Current GPR Amount	# of Projects	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Narragansett Bay Commission, RI	NBCQ-CW-2024A	Various projects implementing NBC's CIP including: Biosolids Management Planning, Lincoln Septage Receiving Station Replacement, System-wide Regulator Modifications. Improvements at Bucklin Point WWTF: Sludge Digestion Facility, UV Disinfection Improvements-(GPR Project, Energy Efficiency), and Other Improvements. Improvements at Field's Point WWTF: Ernest Street Pump Station, Maintenance and Storage Buildings, and Other Improvements. Various CSO Phase II A Facilities.	05/23/2024	\$75,000,000.00	\$5,199,024.00	\$1,007,400.00	\$1,903,300.00	1	\$ 1,007,400.00	\$ -

Grant Requirements Progress Report

FFY Base 2024 Cap Grant - Minimum Subsidy Requirement \$1,096,400 - Required GPR (10%) \$548,200

State	Capitalization Grant Amount	Assigned Subsidy (CWA Section 603(i)) -Count	Assigned Subsidy (CWA Section 603(i)) -Dollars	Assigned Subsidy (CWA Section 603(i)) - Percent	Assigned Subsidy (Appropriation)-Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned GPR Amount - Count	Assigned GPR Amount - Dollars	Assigned GPR Amount - Percent
Rhode Island	\$ 5,482,000.00	0	\$ -	0%	1	250,000	4.56%	0	\$ -	0%

FFY Base 2024 Cap Grant - Subsidy Disbursements
 Minimum Subsidy Requirement \$1,096,400 - Required GPR (10%) \$548,200

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Assigned Grant Subsidy - 2024 Base	Total Current GPR Amount	# of Projects	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	City of Central Falls	CNFL-CW-FY25	To develop a Sewer Facility Plan for the City of Central Falls, RI, for an existing, aging, combined wastewater collection system.	02/21/2025	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -	1	\$ 2,500.00	\$ 247,500.00

Grant Requirements Progress Report

FFY 2022 BIL General Supplemental - Exactly (49%) \$5,855,500 MUST be to DAC's - Required GPR (10%) \$1,195,000

State	Capitalization Grant Amount	Assigned Subsidy (CWA Section 603(i)) -Count	Assigned Subsidy (CWA Section 603(i)) -Dollars	Assigned Subsidy (CWA Section 603(i)) - Percent	Assigned Subsidy (Appropriation)- Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned GPR Amount - Count	Assigned GPR Amount - Dollars	Assigned GPR Amount - Percent
Rhode Island	\$ 11,950,000	4	\$ 5,855,500.00	49%	0	0	0%	1	\$ 1,195,000.00	10%

FFY 2022 IIA General Supplemental -Subsidy Disbursements

Exactly (49%) \$5,855,500 MUST be to DAC's - Required GPR (10%) \$1,195,000

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Total Current GPR Amount	# of Projects	Assigned Grant Subsidy - FFY 2022 BIL General Supplemental	Subsidy Amount Disbursed Amount as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Woonsocket	WOON-CW-2023A	The project consists of the resetting of coping stones, replacement of loose or missing bricks, repair of cracks, and repointing the façade. The project consists of: demolition of existing facilities; construction and installation of a new, buried precast concrete wet well and valve vault; two new submersible pumps; piping and valves; electrical improvements and control features; rerouted extensions to existing gravity sewer and force main on site; related appurtenances; temporary bypass and pumping; and miscellaneous site work and site restoration, including site grading, fencing, paving, and landscaping.	06/13/2023	\$2,300,000.00	\$920,000.00	\$ -	2	\$ 920,000.00	\$ 920,000.00	\$ -
Rhode Island	Narragansett Bay Commission, RI	NBCQ-CW-2024A	Various projects implementing NBC's CIP including: Biosolids Management Planning, Lincoln Septage Receiving Station Replacement, System-wide Regulator Modifications. Improvements at Bucklin Point WWTF: Sludge Digestion Facility, UV Disinfection Improvements (GPR Project, Energy Efficiency), and Other Improvements. Improvements at Field's Point WWTF: Ernest Street Pump Station, Maintenance and Storage Buildings, and Other Improvements. Various CSO Phase III A Facilities.	05/23/2024	\$75,000,000.00	\$5,199,024.00	\$1,903,300.00	1	\$ 2,876,000.00	\$ 2,876,000.00	\$ -
Rhode Island	Narragansett Bay Commission, RI	NBCQ-CW-2023A	Various projects implementing NBC's CIP including, but not limited to: at Bucklin Point WWTF- general Improvements, Digester Complex Improvements, UV Disinfection, Clarifiers, & Flow Splitters Project, new O&M Buildings; at Fields Point WWTF-general Improvements, Ernest Street Pump Station Improvements, new Maintenance & Storage Buildings; various on-going CSO Phase IIIA Facilities projects; and new Lincoln Septage Receiving Station.	06/13/2023	\$52,404,510.00	\$3,238,500.00	\$2,749,000.00	1	\$ 1,684,500	\$ 1,684,500.00	\$ -
Rhode Island	East Providence	EPRV-CW-2023A	The project generally consists of the construction of a gabion basket wall of approximately 400 6' x 6' x 3' marine-grade baskets galvanized with PVC coating; a crushed stone foundation; and site grading and restoration. The project is to stabilize a steep slope eroding into the northerly portion of Bullock's Cove, which is designated as a Type 1 Conservation Area by RICRMC.	06/13/2023	\$2,500,000.00	\$375,000.00	\$ -	1	\$ 375,000	\$ 25,000.00	\$ 350,000.00
Total					\$ 132,204,510.00	\$ 9,732,524.00	\$ 4,652,300.00	5	\$ 5,855,500.00	\$ 5,505,500.00	\$ 350,000.00

Grant Requirements Progress Report

FFY 2023 IIJA General Supplemental - Exactly (49%) \$6,858,040 MUST be to DAC's - Required GPR (10%) \$1,399,600

State	Capitalization Grant Amount	Assigned Subsidy (CWA Section 603(i)) -Count	Assigned Subsidy (CWA Section 603(i)) -Dollars	Assigned Subsidy (CWA Section 603(i)) - Percent	Assigned Subsidy (Appropriation)- Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned GPR Amount - Count	Assigned GPR Amount - Dollars	Assigned GPR Amount - Percent
Rhode Island	\$ 13,996,000	2	\$ 6,858,040.00	49%	0	\$ -	0%	1	1,399,600	10%

FFY 2023 IJA General Supplemental Cap Grant - Subsidy Disbursements
 Exactly (49%) \$6,858,040 MUST be to DAC's - Required GPR (10%) \$1,399,600

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Assigned Grant Subsidy - 2023 General Supplemental	Total Current GPR Amount	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Narragansett Bay Commission, RI	NBCQ-CW-2025A	Various projects implementing NBC's CIP including: Biosolids Management Planning, Lincoln Septage Receiving Station Replacement, System-wide Regulator Modifications. Improvements at Bucklin Point WWTF: Sludge Digestion Facility, UV Disinfection Improvements (GPR Project, Energy Efficiency), and Other Improvements. Improvements at Field's Point WWTF: Ernest Street Pump Station, Maintenance and Storage Buildings, and Other Improvements. Various CSO Phase III A Facilities.	06/24/2025	\$ 25,000,000.00	\$ 7,069,416.00	\$ 5,542,416.00	\$ 1,527,000.00	\$ 5,542,416.00	\$ -
Rhode Island	Narragansett Bay Commission, RI	NBCQ-CW-2024A	Various projects implementing NBC's CIP including: Biosolids Management Planning, Lincoln Septage Receiving Station Replacement, System-wide Regulator Modifications. Improvements at Bucklin Point WWTF: Sludge Digestion Facility, UV Disinfection Improvements (GPR Project, Energy Efficiency), and Other Improvements. Improvements at Field's Point WWTF: Ernest Street Pump Station, Maintenance and Storage Buildings, and Other Improvements. Various CSO Phase III A Facilities.	05/23/2024	\$ 75,000,000.00	\$ 5,199,024.00	\$ 1,315,624.00	\$ 1,903,300.00	\$ 1,315,624.00	\$ -
Total					\$ 100,000,000.00	\$ 12,268,440.00	\$ 6,858,040.00	\$ 3,430,300.00	\$ 6,858,040.00	\$ -

Grant Requirements Progress Report

FFY 2024 IJA General Supplemental - Exactly (49%) \$7,482,300 MUST be to DAC's - Required GPR (10%) \$1,527,000

State	Capitalization Grant Amount	Assigned Subsidy (CWA Section 603(i) -Count	Assigned Subsidy (CWA Section 603(i) -Dollars	Assigned Subsidy (CWA Section 603(i) - Percent	Assigned Subsidy (Appropriation)- Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned GPR Amount - Count	Assigned GPR Amount - Dollars	Assigned GPR Amount - Percent
Rhode Island	\$ 15,270,000	1	\$ 1,527,000.00	10%	0	\$ -	0%	1	1,527,000	10%

FFY 2024 IJA General Supplemental Cap Grant - Subsidy Disbursements
 Exactly (49%) \$7,482,300 MUST be to DAC's - Required GPR (10%) \$1,527,000

State	Borrower Name	State Tracking Number	Project Descriptions	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Assigned Grant Subsidy - 2024 General Supplemental	Total Current GPR Amount	# of Projects	Subsidy Amount Disbursed as of 6/30/2025	Subsidy Amount Remaining to be Disbursed
Rhode Island	Narragansett Bay Commission, RI	NBCQ-CW-2025A	Various projects implementing NBC's CIP including: Biosolids Management Planning, Lincoln Septage Receiving Station Replacement, System-wide Regulator Modifications. Improvements at Bucklin Point WWTF: Sludge Digestion Facility, UV Disinfection Improvements-(GPR Project, Energy Efficiency), and Other Improvements. Improvements at Field's Point WWTF: Ernest Street Pump Station, Maintenance and Storage Buildings, and Other Improvements. Various CSO Phase III A Facilities.	06/24/2025	\$ 25,000,000.00	\$ 7,069,416.00	\$ 1,527,000.00	\$ 1,527,000.00	1	\$ 1,224,540.50	\$ 302,459.50

Grant Requirements Progress Report

FFY 2022 IJA Emerging Contaminants - 100% Subsidy \$641,000 -Required GPR (10%) \$64,100

State	Capitalization Grant Amount	Assigned Subsidy (CWA Section 603(i) -Count	Assigned Subsidy (CWA Section 603(i)) -Dollars	Assigned Subsidy (CWA Section 603(i)) - Percent	Assigned Subsidy (Appropriation)- Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned GPR Amount - Count	Assigned GPR Amount - Dollars	Assigned GPR Amount - Percent
Rhode Island	641,000	628,000	\$ -	0%	0	\$ -	0%	0	\$ -	0%

Grant Requirements Progress Report

FFY 2023 IJA Emerging Contaminants - 100% Subsidy \$1,428,000 -Required GPR (10%) \$142,800

State	Capitalization Grant Amount	Assigned Subsidy (CWA Section 603(i) -Count	Assigned Subsidy (CWA Section 603(i)) -Dollars	Assigned Subsidy (CWA Section 603(i)) - Percent	Assigned Subsidy (Appropriation) Count	Assigned Subsidy (Appropriation) - Dollars	Assigned Subsidy (Appropriation) - Percent	Assigned GPR Amount - Count	Assigned GPR Amount - Dollars	Assigned GPR Amount - Percent
Rhode Island	1,428,000.00	0.00	\$ -	0%	0	\$ -	0%	0	\$ -	0%

CW Assistance Agreement Detail Report

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

Borrower Name	State Tracking Number	EPA Tracking No	Current Agreement Date	Current Agreement Amount	# of Projects	Project Names
Narragansett Bay Commission, RI	NBCQ-CW-2025B	CW-RI-1369603	06/24/2025	\$75,000,000.00	1	NBC Capital Improvement Program Projects, continued
Narragansett Bay Commission, RI	NBCQ-CW-2025A	CW-RI-1367029	06/24/2025	\$25,000,000.00	1	NBC Capital Improvement Program Projects, continued
City of Central Falls	CNFL-CW-FY25	CW-RI-1367062	02/21/2025	\$250,000.00	1	Central Falls Sewer Facility Plan
Total				\$ 100,250,000.00		

SFY 2025 Assistance Agreement Report - Loans Meeting Affordability Criteria

Borrower Name	State Tracking Number	EPA Tracking No	Current Agreement Date	Current Agreement Amount	Current Additional Subsidy Amount	Project Names
Narragansett Bay Commission, RI	NBCQ-CW-2025A	CW-RI-1367029	06/24/2025	\$25,000,000.00	\$ 7,069,416.00	NBC Capital Improvement Program Projects, continued
City of Central Falls	CNFL-CW-FY25	CW-RI-1367062	02/21/2025	\$250,000.00	\$ 250,000.00	Central Falls Sewer Facility Plan
Total				\$ 25,250,000.00	\$ 7,319,416.00	

H. SFY 2025 RIDEM Admin Spending

RIDEM Administrative Spending as of June 30, 2025

Cap Grant Year	Cap Grant Amount	State Match	DEM 4% Admin.	Used DEM 4% Admin.	Remaining DEM 4% Admin	Banked DEM 4% Admin.	Banked DEM 2% Technical Assistance	Un-Banked DEM 4% Admin. (deallocated)	Remaining Banked DEM 4% Admin.	Grants pledged for specific purpose	State Match Pledged for a Specific Purpose	Cap Grants Available	State Match Available	Total Cap Grant & State Match Available
CS44000190-0	\$13,378,481	\$2,675,696	\$535,139.24	\$551,880.00	-\$16,740.76					\$13,378,481.00	\$2,675,696.20	\$0.00	\$0.00	\$0.00
CS44000191-0, 2	\$26,826,822	\$5,365,364	\$1,073,072.88	\$1,056,332.12	\$16,740.76					\$26,826,822.00	\$5,365,379.00	\$0.00	-\$14.60	-\$14.60
CS44000193	\$12,905,937	\$2,581,187	\$516,237.48	\$516,237.48	\$0.00					\$12,905,937.00	\$2,581,187.40	\$0.00	\$0.00	\$0.00
CS44000194	\$7,988,800	\$1,597,760	\$319,552.00	\$319,552.00	\$0.00					\$7,988,800.00	\$1,597,760.00	\$0.00	\$0.00	\$0.00
CS44000195	\$8,254,100	\$1,650,820	\$330,164.00	\$330,164.00	\$0.00					\$8,254,100.00	\$1,650,820.00	\$0.00	\$0.00	\$0.00
CS44000196	\$13,547,500	\$2,709,500	\$541,900.00	\$541,900.00	\$0.00					\$13,547,500.00	\$2,709,500.00	\$0.00	\$0.00	\$0.00
CS44000197	\$4,127,100	\$825,420	\$165,084.00	\$165,084.00	\$0.00					\$4,127,100.00	\$825,420.00	\$0.00	\$0.00	\$0.00
CS44000198	\$9,033,100	\$1,806,620	\$361,324.00			\$361,324.00		\$361,324.00	\$0.00	\$9,033,100.00	\$1,806,620.00	\$0.00	\$0.00	\$0.00
CS44000199	\$9,033,800	\$1,806,760	\$361,352.00			\$361,352.00		\$361,352.00	\$0.00	\$9,033,800.00	\$1,806,760.00	\$0.00	\$0.00	\$0.00
CS44000100	\$9,002,900	\$1,800,580	\$360,116.00			\$360,116.00		\$360,116.00	\$0.00	\$9,002,900.00	\$1,800,580.00	\$0.00	\$0.00	\$0.00
CS44000101	\$8,921,900	\$1,784,380	\$356,876.00			\$356,876.00		\$356,876.00	\$0.00	\$8,921,900.00	\$1,784,380.00	\$0.00	\$0.00	\$0.00
CS44000102	\$8,942,000	\$1,788,400	\$357,680.00			\$357,680.00		\$357,680.00	\$0.00	\$8,942,000.00	\$1,788,400.00	\$0.00	\$0.00	\$0.00
CS44000103	\$8,883,300	\$1,776,660	\$355,332.00			\$355,332.00		\$355,332.00	\$0.00	\$8,883,300.00	\$1,776,660.00	\$0.00	\$0.00	\$0.00
CS44000104	\$8,888,700	\$1,777,740	\$355,548.00			\$355,548.00		\$239,175.60	\$116,372.40	\$8,888,700.00	\$1,777,740.00	\$0.00	\$0.00	\$0.00
CS44000105	\$7,208,600	\$1,441,720	\$288,344.00			\$288,344.00			\$288,344.00	\$7,208,600.00	\$1,441,720.00	\$0.00	\$0.00	\$0.00
CS44000106	\$5,839,300	\$1,167,860	\$233,572.00	\$233,572.00	\$0.00					\$5,839,300.00	\$1,167,860.00	\$0.00	\$0.00	\$0.00
CS44000107	\$7,159,200	\$1,431,840	\$286,368.00	\$286,368.00	\$0.00					\$7,159,200.00	\$1,431,840.00	\$0.00	\$0.00	\$0.00
CS44000108	\$4,515,300	\$903,060	\$180,612.00	\$180,612.00	\$0.00					\$4,515,300.00	\$903,060.00	\$0.00	\$0.00	\$0.00
2W44000209	\$26,314,600	\$0	\$1,052,584.00			\$1,052,584.00			\$1,052,584.00	\$26,314,600.00	\$0.00	\$0.00	\$0.00	\$0.00
CS44000109	\$4,515,300	\$903,060	\$180,612.00	\$180,612.00	\$0.00					\$4,515,300.00	\$903,060.00	\$0.00	\$0.00	\$0.00
CS44000110	\$13,681,000	\$2,736,200	\$547,240.00	\$547,240.00	\$0.00					\$13,681,000.00	\$2,736,200.00	\$0.00	\$0.00	\$0.00
CS44000111	\$9,915,000	\$1,983,000	\$396,600.00	\$396,600.00	\$0.00					\$9,915,000.00	\$1,983,000.00	\$0.00	\$0.00	\$0.00
CS44000112	\$9,486,000	\$1,897,200	\$379,440.00	\$379,440.00	\$0.00					\$9,486,000.00	\$1,897,200.00	\$0.00	\$0.00	\$0.00
CS44000113	\$8,955,000	\$1,791,000	\$358,200.00	\$358,200.00	\$0.00					\$8,955,000.00	\$1,791,000.00	\$0.00	\$0.00	\$0.00
CS44000114	\$9,410,000	\$1,882,000	\$376,400.00	\$376,400.00	\$0.00					\$9,410,000.00	\$1,882,000.00	\$0.00	\$0.00	\$0.00
CS44000115	\$9,361,000	\$1,872,200	\$374,440.00	\$374,440.00	\$0.00					\$9,361,000.00	\$1,872,200.00	\$0.00	\$0.00	\$0.00
CS44000116	\$8,962,000	\$1,792,400	\$358,480.00	\$358,480.00	\$0.00					\$8,962,000.00	\$1,792,400.00	\$0.00	\$0.00	\$0.00
CS44000117	\$8,892,000	\$1,778,400	\$355,680.00	\$355,680.00	\$0.00					\$8,892,000.00	\$1,778,400.00	\$0.00	\$0.00	\$0.00
CS44000118	\$10,777,000	\$2,155,400	\$431,080.00	\$431,080.00	\$0.00					\$10,777,000.00	\$2,155,400.00	\$0.00	\$0.00	\$0.00
CS44000119*	\$10,669,000	\$2,133,800	\$426,760.00	\$426,760.00	\$0.00					\$3,404,050.00	\$2,133,800.00	\$0.00	\$0.00	\$0.00
CS44000120	\$10,670,000	\$2,134,000	\$426,800.00	\$426,800.00	\$0.00					\$10,670,000.00	\$2,134,000.00	\$0.00	\$0.00	\$0.00
CS44000121	\$10,669,000	\$2,133,800	\$426,760	\$426,760	\$0.00					\$10,096,405.00	\$2,133,800.00	\$572,595.00	\$0.00	\$572,595.00
CS44000122	\$7,770,000	\$1,554,000	\$310,800	\$310,800	\$0.00		\$155,400.00					\$7,770,000.00	\$0.00	\$7,770,000.00
4C44000222	\$11,950,000	\$1,195,000	\$478,000.00	\$ -	\$478,000.00		\$239,000.00					\$11,950,000.00	\$0.00	\$11,950,000.00
4X44000322	\$641,000	\$ -	\$ -	\$ -	\$ -	\$25,120.00	\$12,820.00					\$641,000.00	\$0.00	\$641,000.00
CS44000123	\$5,037,000	\$1,007,400	\$201,480.00	\$130,148.14	\$71,331.86		\$100,740.00					\$5,037,000.00	\$0.00	\$5,037,000.00
4C44000223	\$13,996,000	\$1,399,600	\$559,840.00	\$0.00	\$559,840.00		\$279,920.00					\$13,996,000.00	\$0.00	\$13,996,000.00
CS44000124	\$5,482,000	\$1,096,400	\$219,280.00	\$0.00	\$219,280.00		\$109,640.00					\$5,482,000.00	\$0.00	\$5,482,000.00
4C44000224	\$15,270,000	\$3,054,000	\$610,800.00	\$0.00	\$610,800.00		\$305,400.00					\$15,270,000.00	\$0.00	\$15,270,000.00
FFY23 Emerging Contaminants	\$1,428,000	\$0	\$57,120.00	\$0.00	\$57,120.00		\$28,560.00					\$1,428,000.00	\$0.00	\$1,428,000.00
TOTALS	\$388,307,740	\$69,390,228	\$15,506,670	\$9,661,142	\$1,996,372	\$3,874,276	\$1,076,080	\$2,391,856	\$1,457,300	\$318,896,195	\$60,083,843	\$62,146,595	-\$15	\$62,146,580

*The "Cap Grants Available" for the asterisked includes \$7,264,950 transfer from the CWSRF to the DWSRF

Rhode Island Infrastructure Bank

RIDEM Admin Draws - SFY 2025

Between 7/1/2024 and 6/30/2025

Funding Source	Client	Account	Drawn This Period	Drawn To Date
CS44000123 - CA DEM	Rhode Island Department of Environmental Management	2023 DEM 4% ADMIN (Base)	\$104,338.12	\$130,148.14

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	
<u>Community List</u>	<u>Column Headers</u>
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>% of Total</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. Program Loan Policies and Procedures

830-RICR-10-15-1

TITLE 830 - INFRASTRUCTURE BANK

CHAPTER 10 – PROGRAMS

SUBCHAPTER 15- SEPTIC AND SEWER

PART 1 - Clean 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 Water Pollution Control Revolving Fund and the Rhode Island Water Pollution Control Revolving Fund in accordance with the State Water Pollution Control Revolving Funds, 33 U.S.C. §§ 1381 to 1388 and R.I. Gen. Laws Chapter 46-12.2 as amended.

1.2 Definitions:

Except as otherwise defined herein, the words and phrases used within these Loan Policies and Procedures have the same meaning as the words and phrases have in R.I. Gen. Laws Chapter 46-12.2 as amended.

1.3 Financial Assistance:

These Policies and Procedures govern the provision of financial assistance to local governmental units, persons or corporations (collectively "Borrowers") to finance costs of approved water pollution abatement 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 33%. Financially distressed Borrowers may receive financial assistance greater than 33% 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) as amended.

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 source of previous financing.
 2. A description of the dedicated source of loan repayment, i.e., general revenues, or wastewater system 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.
 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. 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 Environmental Management's ("RIDEM") Project Priority List and have Certificates of Approval issued;
 2. that the loan comply 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 RIDEM'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. impact of dedicated user fees and/or general revenues
 - e. cost of the project and completion schedule
 - f. long term capital replacement planning
 - g. socioeconomic conditions and trends
 - h. management qualifications and experience
 - i. effects of legal structure and any regulator control
 - j. any other information that the Bank or its Board of Directors may require.

7. In addition, the Bank may take into consideration the Affordability Criteria established by the Bank and RIDEM posted on the Bank's website.
- 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 $66 \frac{2}{3}\%$ 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.
1. 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.
- B. **Loan Fees** - An origination fee of the greater of \$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 the transaction, i.e. 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 15 days that a payment is late.
- C. **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 1 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.
- D. **Final Maturity** - Loans shall mature no later than thirty years after the Loan closing.

- E. 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.
- F. Security - Loans will have a pledge of
1. general revenues and/or wastewater system 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 interests of the other participants in the loan programs of the Bank; bondholders; other creditors of the Bank; bondholders; or the finances of the Bank.
- G. Construction Progress Payments - Progress payments for each construction project will be made through an account established for 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:
1. that a Certificate of Approval has been issued by RIDEM;
 2. the vendor is identified in the contract; and
 3. there is sufficient availability in the Borrower account to make the payment.
 - a. 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 RIDEM. RIDEM will perform periodic project inspections to:
 - (1) monitor construction progress;
 - (2) verify eligibility of construction cost under the program; and
 - (3) ensure construction is in conformity with Plans and Specifications.
 - b. RIDEM 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. RIDEM 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 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 dedicated wastewater system 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 days of its adoption.
 4. An annual schedule of current and projected short term and long term debt service.
 5. An annual schedule of Capital Replacement Reserves.
 6. Copies of reports submitted to RIDEM, the Environmental Protection Agency ("EPA") and any other regulatory agency relating to the projects financed by the Bank or the operation thereof.
 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 condition. 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 satisfactory to Bank 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 the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") 26 U.S.C. § 141.

1.9 Compliance with State and Federal Law:

- A. The Borrower must comply with all applicable state laws and regulations. Recipients of loans must also comply with all requirements of 33 U.S.C. §§1381 to 138 and regulations and guidance issued thereunder in addition to any other applicable federal laws and regulations.
- B. In addition, the Borrower must agree to take all action, or refrain from taking any action, that would cause interest on any obligations of the Bank to be included, for federal income tax purposes, in the gross income of the holders of such obligations.

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 these rules and regulations or the application thereof to any local government unit, person, or corporation 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 these rules and regulations.

830-RICR-10-15-1

TITLE 830 - INFRASTRUCTURE BANK

CHAPTER 10 - PROGRAMS

SUBCHAPTER 15 - SEPTIC AND SEWER

PART 1 - Clean Water State Revolving Fund Loan Policies and Procedures (830-RICR-10-15-1)

Type of Filing: Amendment

Effective Date: 06/01/2018

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K. Project Priority List

RI DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Water Resources
Fiscal Year 2025 Project Priority List
Final August 6, 2024

*Note: Final determinations of project eligibility or eligible assistance amount will be based upon specific project reviews. In certain cases, only portions of a proposed project may be eligible. Consistent with federal requirements, only those elements of a project that are determined to be eligible can receive financial assistance from the Clean Water State Revolving Fund.

Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
45	10	Portsmouth, Town	N	Community Septic System Loan Program	\$2,000,000
42	8, 10	Charlestown, Town	N	Community Septic System Loan Program	\$600,000
40	10	South Kingstown, Town	N	Community OWTS Repair Program	\$1,000,000
39	11	South Kingstown, Town	Yes	TMDL Program Implementation	\$1,000,000
38	10	Smithfield, Town	N	Community Septic System Repair Program	\$200,000
38	6, 11	South Kingstown, Town	Yes	Saugatucket R. Stormwater Study & Implement	\$700,000
38	4C, 4D	Warwick Sewer Authority	N	Bayside Sewer System Project	\$25,000,000
38	11	Westerly, Town	Yes	Main Street Stormwater	\$3,400,000
37	4C	Tiverton Wastewater District	N	Ph. 1 Sewer Expans. Robert Gray & Riverside	\$9,504,000
37	4C, 10	Tiverton Wastewater District	N	Sewer Tie-In Loan Fund (STILF) Program	\$300,000
37	4C, 10	Warwick Sewer Authority	N	Community Sewer Tie-In Loan Fund	\$150,000
36	5, 7	Narragansett Bay Commission	N	CSO Phase IIIA Facilities - Design	\$53,916,000
36	5	Narragansett Bay Commission	N	CSO Ph IIIA - Construction Management	\$37,949,000
36	5	Narragansett Bay Commission	N	CSO Ph IIIA - Pawtucket Tunnel & Pump Sta.	\$485,690,000
36	5	Narragansett Bay Commission	N	CSO Phase IIIA Facilities - OF 205	\$7,665,000
36	5	Narragansett Bay Commission	N	CSO Ph 3A BP Clarifiers, UV Disinfect., etc.	\$57,897,000
36	4C	South Kingstown, Town	N	Upper Salt Pond Collection System	\$3,100,000
34	5	Narragansett Bay Commission	N	CSO Ph IIIA Tunnel Pump Station Fit-Out	\$149,446,000
34	5	Narragansett Bay Commission	N	CSO Phase IIIA Facilities - OF 210, 213, 214	\$57,416,000
33	8, 10	Cranston, City	N	Community OWTS Repair Program	\$500,000
33	6, 11	Middletown, Town	Yes	N. Easton/Bailey Brook BBT40 MHS	\$2,000,000
33	10	Narragansett, Town	N	ISDS Management Program	\$300,000
33	11	Narragansett, Town	Yes	Narrow River Water Quality Imprv. Ph IV	\$5,970,000
33	8, 10	North Kingstown, Town	N	Community Septic System Loan Program	\$300,000
32	5	Narragansett Bay Commission	N	CSO Phase III B Facilities	\$45,505,000
32	5	Narragansett Bay Commission	N	CSO Phase III C Facilities	\$290,393,000
32	5	Narragansett Bay Commission	N	CSO Phase III D Facilities	\$160,674,000
32	4C	North Smithfield -Sewer Dept	N	Phase 3 Sewer Project	\$15,500,000
32	4C	North Smithfield -Sewer Dept	N	Phase 2 Sewer Project	\$18,000,000
32	10	Tiverton DPW	N	Community Septic System Loan Program	\$900,000
31	4C	Burrillville Sewer Commission	N	Nasonville Sewer Expansion	\$4,000,000
31	4C, 10	North Kingstown, Town	N	Community Sewer Tie-In Program	\$300,000
31	11	Providence, City	Yes	TMDL Implementation	\$250,000
30	11	University of Rhode Island	Yes	Butterfield Rd/Hope Commons Drainage Imprvmt	\$4,700,000
30	4C	Warwick Sewer Authority	N	North West Gorton Pond Sewer System	\$13,000,000
29	5	Narragansett Bay Commission	N	Woonasquatucket CSO OF 046 Improvements	\$3,738,000
29	1	Narragansett Bay Commission	Yes	FPWWTF Electrical Improvements	\$11,200,000
29	4C	Smithfield, Town	N	Richard St & Hazel Point Sewer Extension	\$750,000
29	4C	Smithfield, Town	N	Cortland Ln, Baldwin Dr,etc. Sewer Extension	\$1,850,000
29	4C	Smithfield, Town	N	Austin Ave., Mapleville, etc. Sewer Extension	\$2,800,000
29	8	Tiverton DPW	N	Tiverton Landfill Closure and Capping	\$13,500,000

RI DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
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Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
28	7, 4C	Coventry, Town	N	Wastewater Facility Plan Planning Area #9	\$2,200,000
28	3B	New Shoreham, Town	Yes	Floodproof Ocean Ave. Pump Stations 1 & 2	\$750,000
28	11	South Kingstown, Town	N	Phase II Stormwater Program Compliance	\$350,000
28	4C	Tiverton Wastewater District	N	Hooper and Shove Street Sewer Extension	\$702,000
28	4C	Tiverton Wastewater District	N	Robert Gray Area Phase 2 Sewer Expansion	\$9,504,000
27	4C	Smithfield, Town	N	Levesque Dr, Jambray Dr, etc. Sewer Extension	\$4,500,000
26	4C, 10	New Shoreham, Town	N	Community Sewer Tie-In Program	\$150,000
26	4C	Smithfield, Town	N	Fanning Lane (area) Sewer Extension	\$3,000,000
26	1	South Kingstown, Town	N	Regional WWTF Phase II Hydraulic Expansion	\$3,600,000
26	2	Westerly, Town	N	Wastewater Treatment Plant Upgrades	\$50,000,000
25	10	Town of New Shoreham	N	Community Septic System Loan Program	\$150,000
25	1	Narragansett, Town	N	Regional WWTF Hydraulic Expansion	\$1,966,400
25	8, 10	New Shoreham, Town	N	Community Septic System Loan Program	\$300,000
25	8	New Shoreham, Town	N	Landfill Revetment	\$1,500,000
24	4C	Smithfield, Town	N	Highview and Hilldale Estates Sewer Extension	\$7,000,000
24	4C	Smithfield, Town	N	Friendship Ln, Domin Ave, etc Sewer Extens.	\$1,600,000
23	11	RI Infrastructure Bank	Yes	Stormwater Projects (SPIRe Program) for OSG grant	\$1,772,000
23	11	Coventry, Town	Yes	Stormwter Infrastructure for Tiogue Avenue	\$150,000
23	4C	Smithfield, Town	N	Green Lake Dr, Ruff Stone Dr Sewer Extension	\$1,000,000
22	3B	Town of Cumberland	N	Ashton&Berkeley Mill Village Sewer Imprvmts	\$5,000,000
22	1, 7	Narragansett Bay Commission	N	Biosolids Management Facility Upgrades	\$2,000,000
22	3B	Narragansett Bay Commission	Yes	Saylesville Pumping Station Improvements	\$9,000,000
22	1	Narragansett Bay Commission	N	BPWWTF UV Disinfection Improvements	\$25,695,000
22	4C	Smithfield, Town	N	Lower Sprague Reservoir etc Sewer Extensions	\$5,250,000
21	11	Coventry, Town	Yes	Lake Tiogue Water Quality Improvements	\$450,000
21	1	Narragansett Bay Commission	Yes	NBC Solar Carport	\$1,308,000
21	3B	Pawtucket, City	N	SSO Flooding- Pleasant St, Armistice, San Antonio	\$5,000,000
20	8, 10	Coventry, Town	N	Community Septic System Loan Program	\$250,000
20	4C	Coventry, Town	N	Coventry High School sewer connection	\$4,600,000
20	11	East Greenwich, Town	N	Total Maximum Daily Load Compliance	\$230,000
20	7, 11	Johnston, Town	Yes	Waterman Avenue Drainage Improvements	\$1,500,000
20	3B, 6	Johnston, Town	N	CMOM/Sanitary Sewer System Imprvmts.	\$1,500,000
20	3A, 7	Narragansett Bay Commission	N	System-wide Inflow Reduction	\$1,690,000
20	8, 10	North Smithfield -Sewer Dept	N	Community Septic System Loan Program	\$850,000
20	11	Pawtucket, City	Yes	Moshassuck River Restoration	\$2,000,000
20	11	Pawtucket, City	Yes	Daggett Ave Green Infrastructure	\$1,500,000
20	11	Pawtucket, City	Yes	TOD Stormwater Management	\$10,000,000
20	3B	Smithfield, Town	Yes	Smithfield Pump Station Resiliency	\$1,200,000
20	3B	Warwick Sewer Authority	Yes	Oakland Beach Pump Station Replac.	\$7,000,000
19	11	Johnston, Town	Yes	Pocasset Reserve Area 3	\$1,000,000
19	11	Johnston, Town	Yes	Pocasset Reserve Area 7	\$4,000,000
19	1	Narragansett Bay Commission	N	WWTF Improvements	\$500,000
19	1	Smithfield, Town	Yes	Smithfield WWTF Flood Resiliency	\$850,000
19	4B	South Kingstown, Town	N	South Road (Lower) Interceptor	\$2,200,000
19	4B	South Kingstown, Town	N	Saugatucket Pond	\$3,200,000

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Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
19	12	Westerly, Town	Yes	Margin Street Pump Station Resiliency	\$300,000
19	3B	Middletown, Town	N	West Side Sewer Diversion	\$16,878,000
18	6	Johnston, Town	N	Stormwater- Woonasquatucket River Restor.	\$250,000
18	1, 6	Narragansett Bay Commission	N	Data Comm Upgrades&Network Improv.	\$18,912,000
18	1	Narragansett Bay Commission	N	FPWWTF Wet Weather Clarifier Improv.	\$5,453,000
18	1	Narragansett Bay Commission	N	BPWWTF Improvements	\$11,585,000
18	1	South Kingstown, Town	N	Regional WWTF Upgrades	\$1,100,000
18	1	South Kingstown, Town	N	Regional WWTF Septage Receiving Facilities	\$600,000
18	6	Westerly, Town	N	Potter Hill Mill	\$17,000,000
17	11	Glocester, Town	N	Street Sweeper	\$400,000
17	11	Johnston, Town	Yes	Pocasset Reserve Area 4	\$2,500,000
17	11	Johnston, Town	Yes	Pocasset Reserve Area 5	\$3,000,000
17	3B, 7	Johnston, Town	N	Salina Pump Station Repair/Force Main Replace	\$2,900,000
17	3B	Narragansett Bay Commission	N	Lincoln Septage Receiving Station Replacement	\$8,903,000
17	1	Narragansett, Town	N	Regional WWTF Process Upgrade	\$1,272,300
17	1	Narragansett, Town	N	Scarborough WWTF Upgrades	\$8,237,000
17	11	North Kingstown, Town	Yes	Town Beach Stormwater Improvements	\$100,000
17	12	RI Resource Recovery Corp	N	PFAS Treatment Study&Design (EC)	\$1,195,000
17	1	Smithfield, Town	N	WWTF Aerated Grit Removal System	\$2,750,000
16	6, 3B	Coventry, Town	N	Sandy Bottom Pump Station Improvements	\$500,000
16	11	Johnston, Town	N	Phase II Program- Stormwater Improvements	\$655,500
16	6, 12	Narragansett Bay Commission	N	RIPDES Compliance Improvements (PFAS/EC)	\$1,651,000
16	1	Narragansett Bay Commission	N	Fields Point WWTF Improvements	\$35,904,000
16	1	Narragansett Bay Commission	N	FPWWTF Maintenance & Storage Buildings	\$29,323,000
16	1	Narragansett Bay Commission	N	Long Range Biosolids Disposal	\$19,732,000
16	3B	Narragansett Bay Commission	N	NBC System-Wide Regulator Modifications	\$2,564,000
16	1	Narragansett Bay Commission	N	BPWWTF Service Bldg. Demolition	\$3,244,000
16	1	Narragansett Bay Commission	N	BPWWTF Sludge Digestion Facility Imprvmts.	\$14,188,000
16	1	Narragansett Bay Commission	N	Office & Building Improvements (FPWWTF)	\$3,046,000
16	12	Narragansett Bay Commission	N	Enhanced Lab Capacity for PFAS (BIL-EC)	\$606,000
15	11	East Providence, City	Yes	Seaport District Stormwater	\$15,000,000
15	7, 11	Johnston, Town	N	Hartford Avenue Drainage Improvements	\$150,000
15	6	Johnston, Town	N	Shun Pike Avenue Drainage Improvements	\$150,000
15	8	North Kingstown, Town	N	Hamilton Allenton Landfill Closure	\$2,000,000
15	3B	North Smithfield -Sewer Dept	N	Sewer Pump Station Improvements	\$4,000,000
15	4D	South Kingstown, Town	N	Curtis Corner Road Interceptor	\$2,500,000
15	1	West Warwick Sewer	N	Ultraviolet Disinfection System Replacement	\$2,452,000
15	10	Scituate, Town	N	Community Septic System Loan Program	\$300,000
15	1	West Warwick Sewer	N	Upgrades to SCADA System	\$880,000
15	10	Scituate, Town	N	Wastewater Management Plan Update&Implement	\$75,000
14	1	Burrillville Sewer Commission	Yes	Renewable Energy	\$2,000,000
14	3B, 6	Central Falls	N	Sewer Facility Plan	\$250,000
14	11	Cranston, City	Yes	Fenner Pond Watershed Quality & Flood Mitigation	\$3,000,000
14	1	East Greenwich, Town	N	WWTF Process Upgrades	\$35,000,000
14	3B	Narragansett Bay Commission	N	FPWWTF Ernest St. Pump Station Improvements	\$30,395,000

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Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
14	3B	Narragansett Bay Commission	N	NBC System-wide Facilities Planning	\$1,119,000
14	6	Narragansett Bay Commission	N	RIPDES Flow Monitoring System Implemt	\$1,860,000
14	1	New Shoreham, Town	N	Fiber Network	\$50,000
14	4C	Smithfield, Town	N	North Candy Court Sewer Extension	\$250,000
14	6	Smithfield, Town	N	Landfill Closure (Ridge Road)	\$6,000,000
14	4C, 4D	Warwick Sewer Authority	N	GAPS - Miscellaneous Sewer Extensions	\$2,000,000
13	7, 11	City of Newport	N	Daylighting Elizabeth Brook	\$65,000,000
13	10	Hillsdale Housing Cooperative	N	Wastewater Project	\$1,350,000
13	3B, 7	Middletown, Town	N	Sewer Main Upgrades (Town Line) Vern/Shang	\$750,000
13	1	Narragansett Bay Commission	N	NBC Facility Electrical Improvements	\$598,000
13	6	Narragansett Bay Commission	N	Asset Management Program Support Services	\$625,000
13	3B	Narragansett Bay Commission	N	Reservoir Ave Pump Station Improvements	\$8,738,000
13	1	Warwick Sewer Authority	N	Lakeside Fine Screen	\$2,000,000
13	1	Warwick Sewer Authority	N	Misc. WWTF Equipment Upgrades and Repairs	\$2,500,000
13	1	Warwick Sewer Authority	N	North Final Clarifier Drive and Skimmer	\$2,500,000
12	1	Burrillville Sewer Commission	N	Miscellaneous WWTF Improvements	\$5,000,000
12	3B	Burrillville Sewer Commission	N	Pumping Stations - Improvements / Upgrades	\$4,000,000
12	1	Cranston, City	N	Headworks Building Ventilation Project	\$1,400,000
12	3B, 12	Johnston, Town	Yes	Rotary Drive Pump Station Flood Protection	\$250,000
12	1, 6	North Kingstown, Town	N	WWTF Facilities Plan Update	\$150,000
12	8	Providence, City	N	Woonasquatucket Riverbank Stabilization/Restore	\$2,200,000
12	3B	South Kingstown, Town	N	Kingston to Silver Lake Interceptor Repair	\$1,500,000
12	6, 12	University of Rhode Island	N	Kingston Campus PFAS Remediation	\$150,000
12	3B	West Warwick Sewer	N	Maisie Quinn Interceptor Rehabilitation	\$1,576,031
11	8	East Greenwich, Town	N	Highway Salt Shed Replacement	\$1,200,000
11	3B, 6	Narragansett Bay Commission	N	Municipal Lateral Sewer Acquisition Impact	\$645,000
11	6	Narragansett Bay Commission	N	Water Quality Model Validation and Evaluation	\$163,000
11	4C	Smithfield, Town	N	Elmgrove Ave (Sanderson) Sewer Extension	\$850,000
11	11	Warwick, City of	N	Vac Truck	\$450,000
11	1	Warwick Sewer Authority	N	Air Ejector Station Replacements (Stanmore, etc.)	\$1,600,000
11	1	Warwick Sewer Authority	N	Air Ejector Station Replacements (Hilton, etc.)	\$2,650,000
11	1	Warwick Sewer Authority	N	Biological Nutrient Removal Sys. Imprv.	\$9,500,000
11	1	Warwick Sewer Authority	N	Install 3rd Primary Clarifier Tank	\$6,500,000
11	1	Warwick Sewer Authority	N	Grav. Thcknr. 1&2 Rehab&Odor Ctrl Sys. Repl.	\$3,700,000
11	1	Warwick Sewer Authority	N	Sludge Dewatering Improvements Project	\$7,000,000
11	1	Warwick Sewer Authority	N	WWTF Grease Removal System Upgrade	\$1,500,000
10	1	City of Newport	N	Primary Clarifier Improvements	\$20,175,000
10	3B	Bristol WPCD	N	Abandon Ferry Rd Pump Sta. & Shoreline Intcpt.	\$150,000
10	8	East Greenwich, Town	N	Underground Bulk Petroleum Tank Removal	\$700,000
10	3A, 3B	North Providence, Town	N	West River Parkway Sewer Lining	\$429,266
10	3B	West Warwick Sewer	N	42" East Natick Interceptor Rehabilitation	\$2,068,000
10	3B	West Warwick Sewer	N	Maisie Quinn Relief Pump Station Rehab.	\$1,100,000
10	10	Scituate, Town	N	Townwide Facilities Plan	\$150,000
9	11	Bristol, Town of	Yes	Shoreline Improvement at Low Lane	\$500,000
9	1	Bristol WPCD	N	Miscellaneous WWTF Improvements	\$1,000,000

RI DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Water Resources
Fiscal Year 2025 Project Priority List
Final August 6, 2024

Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
9	1	Burrillville Sewer Commission	N	Solids Handling Alternatives & Imprvmts.	\$4,000,000
9	6, 3B	Coventry, Town	N	Woodland Manor Pump Station Imprvmts.	\$826,000
9	3B	Cranston, City	N	System Wide Sewer Repair	\$1,000,000
9	1	East Greenwich, Town	N	UV & Backup Disinfection System Repair	\$2,000,000
9	1	East Greenwich, Town	N	WWTF Repair and Upgrades	\$7,800,000
9	3B	Narragansett Bay Commission	N	Omega Pump Station Improvements	\$8,966,000
9	1	Narragansett, Town	N	Scar. Solids Hand. & Plant Water Upgrds	\$630,000
9	1	Narragansett, Town	N	Scarborough WWTF Outfall Trench Restore	\$2,000,000
9	1	Narragansett, Town	N	Scarborough WWTF Replace. Generator	\$425,000
9	3B	New Shoreham, Town	N	Champlin Mar. Pump Sta. Force Main Rplc.	\$125,000
9	7, 11	North Kingstown, Town	N	Walmsley Lane Drainage Design	\$75,000
9	3B	Smithfield, Town	N	Stillwater Interceptor Upgrade Project	\$700,000
9	11	Tiverton DPW	N	Riverside Drainage imprvs & Seawall Repair	\$1,300,000
9	3B	Warwick Sewer Authority	N	Irving Road Pump Station Replacement	\$1,250,000
9	3B	Warwick Sewer Authority	N	Cedar Swamp Force Main Rehabilitation	\$14,000,000
9	3B	Warwick Sewer Authority	N	Bellows Interceptor Rehabilitation	\$1,500,000
9	3B	Warwick Sewer Authority	N	Emmons Ave Interceptor Rehabilitation	\$1,000,000
9	3B	Warwick Sewer Authority	N	Post Rd North Interceptor Rehabilitation	\$1,500,000
9	3B	Warwick Sewer Authority	N	Emmons Avenue Pump Station Upgrades	\$1,000,000
9	3B	Warwick Sewer Authority	N	Warwick Avenue Pump Station Upgrades	\$1,000,000
9	3B	Warwick Sewer Authority	N	Three Ponds Interceptor Rehabilitation	\$7,000,000
8	1	Bristol WPCD	N	Misc. Compost Facility Improvements	\$4,000,000
8	3B, 6	East Providence, City	N	Citywide SSES Program	\$3,600,000
8	3B	East Providence, City	N	Collection System Improvements	\$7,500,000
8	11	Providence, City	N	York Pond Stormwater Improvements	\$150,000
8	3B	Providence, City	N	Elton Street Sewer Main Rehabilitation	\$2,200,000
8	3A	Smithfield, Town	N	Infiltration & In-Flow Removal SSES	\$1,500,000
8	3B	Warwick Sewer Authority	N	Apponaug Pump Station Upgrade	\$2,000,000
8	3B	Warwick Sewer Authority	N	Warwick Avenue Interceptor	\$2,000,000
8	3B	Warwick Sewer Authority	N	Norwood Interceptor Rehabilitation	\$2,000,000
8	1	Woonsocket, City of	N	Woonsocket Incineration Facility	\$35,000,000
7	3B	Cranston, City	N	East Pump Station Force Main	\$1,500,000
7	3B	East Greenwich, Town	N	Hunts River Interceptor Slip Lining	\$3,000,000
7	3B, 6	Johnston, Town	N	WWTF Facilities Plan update	\$300,000
7	3A, 6	Middletown, Town	N	Sub-Area 7 I&I Study and Improvements	\$1,200,000
7	3B	Middletown, Town	N	Sub-Area 7 Sewer Improvements	\$1,100,000
7	3B	Middletown, Town	N	Marshall Village Pump Station Replacement	\$1,445,000
7	3B	Middletown, Town	N	Browns Lane Pump Station Upgrades	\$820,000
7	3B	Narragansett, Town	N	Wastewater Pump Station Upgrades	\$676,000
7	7, 8	North Kingstown, Town	N	Forge Road Dam (Remove/Fish Passage)	\$150,000
7	3B	Smithfield, Town	N	Improvements to Towns' Pump Stations	\$320,000
7	3B	South Kingstown, Town	N	Kingston Pump Station Force Main Replc.	\$500,000
7	3B	Tiverton Wastewater District	N	Wastewater Facilities Plan Update	\$200,000
7	3B	Warwick Sewer Authority	N	Oakland Beach Force Main Rehabilitation	\$5,040,000
7	4A	Westerly, Town	N	Sewer Tie-In Loan Fund	\$250,000

RI DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Water Resources
Fiscal Year 2025 Project Priority List
Final August 6, 2024

Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
7	4A, 10	Scituate, Town	N	Hope Sewer - Design & Permitting	\$500,000
7	4A, 10	Scituate, Town	N	Hope Sewer - Feasibility Study	\$100,000
6	3B	North Kingstown, Town	N	ASQAH Sewer Lining Project	\$750,000
6	1	Smithfield, Town	N	WWTF Plant Upgrades - HVAC	\$650,000
6	3B	Warwick Sewer Authority	N	Loveday Pump Station Upgrades	\$2,000,000
6	3B	Warwick Sewer Authority	N	Loveday Interceptor Rehabilitation	\$3,500,000
5	11	Scituate, Town	N	Doray Drive	\$1,500,000
5	11	Town of Cumberland	N	Industrial Road Drainage Improvements	\$2,200,000
5	3B	Bristol WPCD	N	Misc. Collection System Improvements	\$750,000
5	11	Cranston, City	N	System Wide Drainage Repairs	\$1,000,000
5	3B, 6	East Providence, City	N	I/I Detection Technology	\$50,000
5	7	Tiverton DPW	N	Recycle Center – Design & Permitting	\$75,000
5	7	Tiverton DPW	N	Recycle Center - Construction	\$2,000,000
4	8	Bristol, Town of	N	Bristol Harbor Trash Skimmers	\$250,000
4	3B	Cranston, City	N	Plainfield Crcl. Pump Station Improvements	\$3,200,000
4	10	Hope Sanitary Association	N	Upgrade Project	\$40,000
4	3B	Johnston, Town	N	Ostend Pump Station Repair/Force Main Replace	\$3,002,000
4	3B, 7	Middletown, Town	N	O'Neill Boulevard Sewer Improvements	\$310,000
4	3B, 6	Middletown, Town	N	Sewer Main Replacement on the Boulevard	\$860,000
4	3B	Pawtucket, City	N	Citywide Pump Station Upgrades	\$5,000,000
4	3B	Tiverton Wastewater District	N	Carpenter, Blaisdell Sts, etc. Sewer Replace	\$831,600
3	11	Cranston, City	N	Culvert Replacement Tomahawk & Iroquios Trail	\$800,000
3	11	East Providence, City	N	S. Quay Marine Terminal Stormwater Management	\$1,000,000
3	7	North Kingstown, Town	N	Dry Bridge Road Drainage Investigation	\$65,000
				Grand Total:	\$2,332,509,097

*Note: Final determinations of project eligibility or eligible assistance amount will be based upon specific project reviews. In certain cases, only portions of a proposed project may be eligible. Consistent with federal requirements, only those elements of a project that are determined to be eligible can receive financial assistance from the Clean Water State Revolving Fund.

Appendix A: CATEGORY DEFINITIONS

<u>CATEGORY</u>	<u>NUMBER</u>	<u>DEFINITION</u>
Secondary Treatment	1	Replacement/modifications/additions based on an approved Wastewater Facilities Plan (WWFP) to achieve/maintain secondary treatment
Advanced Treatment	2	Replacement/modifications/additions based on an approved WWFP to achieve/maintain advanced treatment
I/I Correction	3A	Corrective actions in sewer systems identified in an approved I/I Analysis or Sewer System Evaluation Survey
Sewer System Repair	3B	Rehabilitation is extensive repair of existing sewers/pump stations beyond scope of normal maintenance programs. Replacement is construction of parallel sewers/sewers with exact function of sewers to be abandoned. Replacement of pump stations is construction of a new pumping station with the same functions/flow capacity of the old facility. All must be in WWFP
Collectors (Future)	4A	Sewers that will convey flows from future homes, businesses and industries identified in a CCP and approved in a WWFP
Interceptor (Future)	4B	Sewers that will convey flows from one of more Category 4A areas to another interceptor or WWTF
Collectors (Present)	4C	Sewers to convey flows from present homes, businesses, and industries identified in a CCP and approved in a WWFP
Interceptor (Present)	4D	Sewers to convey flows from one of more Category 4C areas to another interceptor WWFP
CSO	5	Combined Sewer treatment/storage/separation per an approved WWFP
Planning	6	Detailed plan determining the need for and feasibility of water pollution abatement project(s)
Design	7	Plans, Specifications, and bidding documents
Non-Point	8	Implementation project per Non-Point Source Plan (SGP # 731)
Estuarine	9	Implementation project per Comprehensive Conservation and Management Plan (SGP # 715)
Onsite Wastewater Treatment Facility (OWTS)	10	Alternative systems, subsurface (OWTS), and Wastewater Management Districts (WWMD) per RIGL 45-24.5
Stormwater	11	Planning & Implementation of municipal stormwater management programs and controls
Other	12	Other water pollution abatement or water quality improvement projects including climate resiliency

L. FFATA Projects

FFATA Subawards - as of June 30, 2025

Grant Number	Grant Amount	Subaward ID	Status	Subrecipient Name	Subaward Date	Subaward Amount
4C44000222	\$11,950,000	R2MVTJWMR833	Published	Narragansett Bay Commission	6/13/2023	\$ 11,950,000.00
4C44000223	\$13,996,000	R2MVTJWMR833	Published	Narragansett Bay Commission	5/23/2024	\$ 13,996,000.00
4C44000224	\$15,270,000	R2MVTJWMR833	Published	Narragansett Bay Commission	2/27/2025	\$ 15,270,000.00
CS44000123	\$5,037,000	R2MVTJWMR833	Published	Narragansett Bay Commission	5/23/2024	\$ 5,037,000.00
CS44000124	\$5,482,000	R2MVTJWMR833	Published	Narragansett Bay Commission	2/27/2025	\$ 5,232,000.00
CS44000124	\$5,482,000	TCPWNDG1BBJ6	Published	City of Central Falls	2/21/2025	\$ 250,000.00
Total						\$ 5,482,000.00
4X44000322	\$641,000			None reported		\$ -
4X44000323	\$1,428,000			None reported		\$ -

M. FIFO Implementation Plan

Rhode Island Infrastructure Bank – Clean Water State Revolving Fund (CWSRF)**Program****FIFO Implementation Plan****Submitted to: Sarah Connors and Brendan Mcinerney (via email)****Original Submission Date: June 17, 2025****Revised Date: July 9, 2025**

1. Introduction

This plan outlines how the Rhode Island Clean Water State Revolving Fund (CWSRF) 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 CWSRF 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.

N. Sample Credit Memo

RHODE ISLAND INFRASTRUCTURE BANK

Credit Review Memo

October 21, 2024

LOAN SUMMARY:

Borrower:	Narragansett Bay Commission, Rhode Island
Loan Request:	Up to \$100,000,000
Program:	Clean Water State Revolving Fund
Use of Proceeds:	Various projects relating to the Capital Improvement Program
Security:	Revenue Pledge
Credit Rating:	“AA-” and “AA” by S&P Global Ratings and Kroll Bond Rating Agency, respectively
Structure:	Fixed rate loan with up to 30-year final maturity

BORROWER FINANCIAL SUMMARY:

Strengths:

- Clean Water SRF and public market revenue bond debt combined FYE2024 debt service coverage of 1.37x.
- Diverse customer base with the top 10 customers only representing 8.9% of total annual billing for FYE2024.
- Strong financial management with long-term capital planning, formal investment and debt policies and monthly budget performance review.

Challenges:

- Significant capital-intensive program to deal with Combined Sewer Overflow (“CSO”) Phase III related projects that require Public Utilities Commission (“PUC”) approval for future rate increases.
- High leverage following FYE2020, mitigated by the flexible financing structure of the WIFIA loans and below-market rates on RIIB loans.

AUDITED FINANCIAL SUMMARY:

Audited Financial Report:	June 30, 2024
Auditing Firm:	Bacon & Company LLC
Fiscal Year 2024 Unrestricted Fund Balance:	(\$596,943)
Fiscal Year 2024 Operating Results:	\$19,521,574 Surplus
RIIB Debt Outstanding as of June 30, 2024	
Sewer (RIIB):	\$414,914,834
Sewer (Revenue Bonds):	\$242,735,000
Sewer (WIFIA):	\$525,672,094

I. INTRODUCTION

The Narragansett Bay Commission (“NBC” or the “Commission”) is a non-profit public corporation established in 1980 by an act of the Rhode Island legislature. The Commission was created for the purpose of acquiring, operating and upgrading the metropolitan Providence wastewater collection and treatment facilities. NBC assumed operational control of the Field’s Point Wastewater Treatment Facility on May 1, 1982. Effective January 1, 1992 the Narragansett Bay Water Quality Management District and the Blackstone Valley District Commission (“BVDC”) merged pursuant to state law. The Commission is considered a component unit of the State of Rhode Island for financial reporting purposes. NBC’s operating expenses are paid from the sewer use fees it collects. As of July 1, 1997, the Commission was authorized to have custody of its own funds and pay its own bills.

NBC is governed by a nineteen-member Board of Commissioners (the “Board”). Ten public members are appointed by the Governor, two by the Mayor of the City of Providence, one each by the Mayors of the Towns of North Providence, Johnston and Cumberland, one each by the Mayors of the Cities of East Providence, Central Falls and Pawtucket and one by the Town Administrator of Lincoln. Board member appointments are for three years after which appointed members stay in office until they are either reappointed or replaced by a new member. The Board’s Chairperson, Vice-Chairperson and Treasurer are elected annually by the Board and the Chairperson is NBC’s Chief Executive Officer. The Board-appointed Executive Director, who also serves as Secretary to the Board, administers, manages and directs the affairs and business of NBC subject to the policies, control and direction of the Board. The Board, through the Executive Director, may appoint other employees.

The Commission is requesting approval for up to \$100,000,000 from Rhode Island Infrastructure Bank’s Clean Water State Revolving Fund program to finance various projects relating to the Capital Improvement Program.

A. Litigation – Financial Statements as of June 30, 2024

“NBC, during the ordinary course of its operations, is a party to various claims, legal actions and complaints. In the opinion of NBC’s management and legal counsel, the potential liability to NBC, if any, or an evaluation of the outcome to these matters cannot be made at the present time.”

B. Resiliency Efforts

NBC hired a firm to prepare a Resiliency Plan and identify actions for continuous operation and protection of the collection system and wastewater treatment facilities. NBC evaluated its assets in accordance with Rhode Island Department of Environmental Management (“RIDEM”) guidance, using the FEMA 100-year flood elevations plus an additional three feet. The Commission’s resiliency plan has received regulatory approval by RIDEM.

C. Service Area

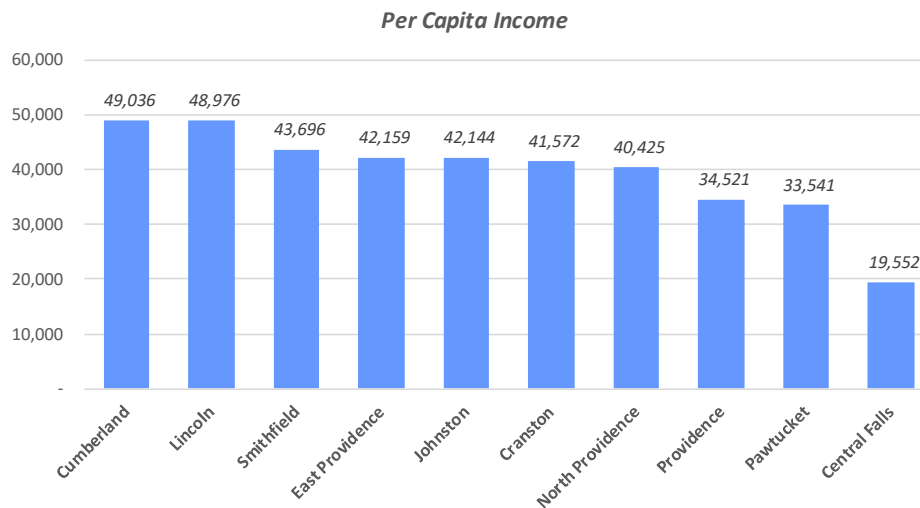
The Field’s Point service area includes the City of Providence, the Town of North Providence, Town of Johnston and portions of the Town Lincoln and City of Cranston. The former BVDC service area includes the City of Pawtucket, the City of Central Falls, the Rumford area of the City of East Providence, and portions of the Towns of Lincoln, Cumberland and Smithfield. The treatment facility at Bucklin Point also accepts other sewage generated from within the State of Rhode Island at its Lincoln sewage receiving facility.

The combined service area comprises over 360,000 residents. NBC’s customer base consists of residential and non-residential customer classes, including commercial and industrial users. Of the eight major communities, Providence, Pawtucket, Cumberland and North Providence represent more the 79% of the accounts. The residential customer class has approximately 77,600 accounts, while the commercial and industrial classes have approximately 7,800 accounts. The service area is diverse with the top ten users accounting for less than 10% of operating revenues; NBC’s ten largest customers include cities, colleges/universities and regional hospitals.

Customer	Total Annual Billing FY 2024	Percentage of Total Annual User Charges
Providence Housing Authority	\$ 2,059,145	1.88%
Rhode Island Hospital	1,826,475	1.66%
Brown University	1,500,445	1.37%
City of Pawtucket	878,736	0.80%
Rhode Island Resource Recovery	849,256	0.77%
City of Providence	817,976	0.74%
Providence School Department	540,475	0.49%
Providence College	520,635	0.47%
State of Rhode Island	427,116	0.39%
Fairfiled Residential	409,856	0.37%
	\$ 9,830,115	8.95%

Source: NBC's Billing System

The median credit rating for the service area communities is "A". According to the American Community Survey, per capita income was \$43,324 for the State for the five-year period ending 2022. The per capita income for each of the municipalities in the service area is displayed below:



Source: U.S. Census Bureau 5-Year American Community Survey (2018-2022)

D. Facilities

NBC owns and operates the State's two largest wastewater treatment facilities. The Field's Point facility is the second largest in New England (after Deer Island in Boston Harbor) with a 65 million gallon per day (MGD) dry capacity and a 200 MGD wet capacity. Field's Point operates at approximately 55 MGD, providing capacity for future growth. Bucklin Point, the second largest facility in the State underwent a \$65 million facility upgrade which resulted in a wet period treatment capacity of 116 MGD. The two plants treat approximately 70% of all wastewater treated in Rhode Island. In addition, NBC owns, operates and maintains 80 miles of interceptors, six outlying pump stations, 32 tide-gates, 61 combined sewer overflows and septage receiving station.

II. DEBT ANALYSIS

A. Outstanding Debt

The following table sets out a five-year summary of outstanding debt for fiscal years 2020 through 2024.

<i>Outstanding Revenue Bond Debt As of June 30,</i>					
Outstanding Debt	2020	2021	2022	2023	2024
Series 2008A	\$ 56,465,000	\$ 56,465,000	\$ 54,465,000	\$ 55,465,000	\$ 52,965,000
Series 2013C	9,674,952	9,025,214	7,060,225	5,055,236	-
Series 2015A	3,571,766	3,524,850	3,477,805	3,430,759	3,215,000
Series 2020A	196,360,000	193,790,000	191,410,000	189,000,000	186,555,000
	\$ 266,071,718	\$ 262,805,064	\$ 256,413,030	\$ 252,950,995	\$ 242,735,000

Source: Fiscal Year 2024 Financial Statements

<i>Outstanding Revenue WIFIA Debt As of June 30,</i>					
Outstanding Debt	2020	2021	2022	2023	2024
Series 2019C	\$ 268,710,610	\$ 269,064,160	\$ 270,505,962	\$ 273,606,878	\$ 277,506,018
Series 2020C	-	190,640,448	190,765,225	191,170,212	192,543,767
Series 2022A	-	-	-	55,529,852	55,622,309
	\$ 268,710,610	\$ 459,704,608	\$ 461,271,187	\$ 520,306,942	\$ 525,672,094

Source: Fiscal Year 2024 Financial Statements

<i>Outstanding RIIB Loan Debt As of June 30,</i>					
Outstanding Debt	2020	2021	2022	2023	2024
RIIB 2002	10,566,104	-	-	-	-
RIIB 2003	11,483,000	9,283,000	7,036,000	4,741,000	-
RIIB 2004B	12,851,000	9,458,000	5,905,000	3,608,000	1,266,000
RIIB 2005B	10,228,000	8,607,000	6,954,000	5,268,000	3,548,000
RIIB 2006A	11,718,000	10,134,000	8,521,000	6,879,000	5,207,000
RIIB 2007B	13,523,000	12,139,000	10,728,000	9,288,000	7,819,000
RIIB 2009A	33,990,967	31,324,940	28,585,897	25,771,288	22,877,719
RIIB 2010A	969,618	886,410	800,656	711,505	619,808
RIIB 2010B	12,315,000	11,362,000	10,383,000	9,374,000	8,333,000
RIIB 2011A	18,766,016	17,472,779	16,142,941	14,770,871	13,353,753
RIIB 2012A	17,719,709	16,557,360	15,369,426	14,153,908	12,909,806
RIIB 2013B	18,449,052	17,323,723	16,178,465	15,012,279	13,821,166
RIIB 2014A	35,551,000	33,589,000	31,591,000	29,550,000	27,462,000
RIIB 2015B	38,103,574	37,029,314	35,936,470	34,824,042	33,688,135
RIIB 2016A	21,057,000	20,069,000	19,068,000	18,052,000	17,022,000
RIIB 2019A	34,000,000	32,578,800	31,137,200	29,673,257	28,186,971
RIIB 2019B	10,000,000	9,568,000	9,130,000	8,687,000	8,238,000
RIIB 2021A	-	-	43,427,266	43,894,400	44,000,000
RIIB 2023A	-	-	-	49,166,010	49,166,010
RIIB 2023B	-	-	-	47,595,490	47,595,490
RIIB 2024A	-	-	-	-	69,800,976
	\$ 311,291,040	\$ 277,382,327	\$ 296,894,322	\$ 371,020,050	\$ 414,914,834

Source: Fiscal Year 2024 Financial Statements

B. Security for Borrowing

The security for the loan is a revenue pledge from the Narragansett Bay Commission. The Commission's trust indenture has covenants typical of a revenue pledge such as Debt Service Coverage, and an Additional Bonds Test. However, NBC does not fund a Debt Service Reserve Fund. As a PUC regulated utility, NBC cannot covenant to raise rates as needed to meet debt service and financial covenants. The trust indenture includes a covenant to seek rate relief from the PUC should an increase be required. Under the terms of the trust indenture, the payment of the principal and interest on the bonds will be payable from revenues received by NBC.

IV. ACTUAL AND PROFORMA DEBT SERVICE COVERAGE

The table below shows actual debt service coverage for fiscal years 2022 through 2024 and projected debt service coverage for fiscal years 2025 through 2027.

<i>Narragansett Bay Commission Historical Debt Service Coverage - All Revenue Debt</i>				<i>Proforma Debt Service Coverage - All Revenue Debt</i>		
Fiscal Year	2022	2023	2024	2025	2026	2027
Operating Revenues	\$104,032,866	\$105,645,758	\$110,576,779	\$110,576,779	\$110,576,779	\$110,576,779
PLUS: Investment/Miscellaneous Income	2,863,602	3,373,539	4,067,617	4,067,617	4,067,617	\$4,067,617
LESS: Operating Expenditures	(65,169,257)	(68,560,808)	(74,853,661)	(74,853,661)	(74,853,661)	(74,853,661)
PLUS: Depreciation and Amortization	-	22,629,146	22,958,646	22,958,646	22,958,646	22,958,646
Net Revenues	\$41,727,211	\$63,087,635	\$62,749,381	\$62,749,381	\$62,749,381	\$62,749,381
Net Debt Service						
Principal	28,170,271	28,427,904	31,344,795	26,628,162	34,234,786	34,440,178
Interest	12,935,075	12,351,133	14,496,746	15,648,647	17,938,166	18,206,011
Coverage	1.02x	1.55x	1.37x	1.48x	1.20x	1.19x

Source: Audited Financial Statements of the Authority

<i>Narragansett Bay Commission Historical Debt Service Coverage - RIIB Bonds Only</i>				<i>Proforma Debt Service Coverage - RIIB Bonds Only</i>		
Fiscal Year	2022	2023	2024	2025	2026	2027
Operating Revenues	\$104,032,866	\$105,645,758	\$110,576,779	\$110,576,779	\$110,576,779	\$110,576,779
PLUS: Investment/Miscellaneous Income	2,863,602	3,373,539	4,067,617	4,067,617	4,067,617	4,067,617
LESS: Operating Expenditures	(65,169,257)	(68,560,808)	(74,853,661)	(74,853,661)	(74,853,661)	(74,853,661)
PLUS: Depreciation and Amortization	-	22,629,146	22,958,646	22,958,646	22,958,646	22,958,646
Net Revenues	\$41,727,211	\$63,087,635	\$62,749,381	\$62,749,381	\$62,749,381	\$62,749,381
Net Debt Service						
Principal	23,915,271	23,102,904	20,643,162	20,643,162	22,094,786	20,870,178
Interest	6,843,000	6,386,718	7,587,728	9,972,409	12,433,827	12,945,629
Coverage	1.36x	2.14x	2.22x	2.05x	1.82x	1.86x

V. SOURCES OF REVENUE

The Commission services its debt through user rates and charges. Since July 1, 1985, user rates established by the Commission have been subject to the review and approval of the PUC. Rates approved by the PUC for the Commission as of July 1, 2024 (date of last rate increase) are as follows:

Residential		July 1, 2024 Rate	
Annual Residential Bill (Based on 79.61 HCF)	\$	592.73	
Fixed Fee (Per Dwelling Unit)		260.87	
Consumption Fee (Per HCF)		4.19	
Non-Residential		July 1, 2024 Rate	
Fixed Fee (Based on Meter Size)			
5/8"	\$	618.00	
3/4"		928.00	
1"		1,546.00	
1.5"		3,093.00	
2"		4,949.00	
3"		3,279.00	
4"		15,466.00	
6"		30,931.00	
8"		49,489.00	
10"		71,142.00	
Consumption Fee (Per HCF)			
Commercial	\$	6.29	
Industrial		4.12	

Effective Date	Revenue Increase	User Fee Increase
July 1, 2012	2.17	2.25
January 1, 2013	7.09	7.35
July 1, 2013	9.32 ⁽¹⁾	9.67
September 19, 2014	3.83 ⁽²⁾	3.97
July 1, 2015	2.29	2.37
July 1, 2016	1.48	1.53
January 1, 2019	2.88	2.98
July 1, 2019	5.88 ⁽³⁾	5.05 ⁽⁴⁾
May 1, 2022	0.55%	0.56%
August 1, 2023	5.96 ⁽⁵⁾	6.54
July 1, 2024	2.42	2.56

1. 30% for rate base adjustment.
2. 55% for rate base adjustment
3. 31% for rate base adjustment.
4. Increase for average single-family home. Impact on other classes varied due to change in cost recovery.
5. 15% for rate base adjustment.

*HCF = Hundred Cubic Feet

In response to COVID-19, the PUC ordered the suspension of the assessment of late fees, interest charges, as well as electronic payment transaction fees, effective June 1, 2020. Effective February 15, 2022, the PUC allowed the reinstatements of late fees. On January 19, 2022, NBC filed an application with the PUC to include electronic payment transaction fees in the cost of service and recover electronic payment transaction fees incurred between April 1, 2020 and the effective date of the new tariffs. A 0.56% across-the-board rate increase was approved by the PUC effective May 1, 2022. In addition, the PUC authorized the transfer of \$742,801 from the Stabilization account in the Debt Service Fund to the Operations and Maintenance Fund for previously incurred electronic payment transaction fees.

A. Water Consumption Trends by Facility

<i>Consumptions Trends by Facility</i>					
Outstanding Debt	2020	2021	2022	2023	2024
Number of Plants	2	2	2	2	2
Number of Employees	261	250	262	267	272
Field's Point Plant (Largest WWTF in RI)					
Daily average treatment in gallons (MGD)	41.99	39.93	43.89	44.62	54.95
Total wet weather capacity of treatment (MGD)	200	200	200	200	200
Number of pulp stations	5	5	5	5	5
Number of active CSOs	35	35	35	38	38
Miles of Interceptor	80	80	80	80	80
Number of tide gates	32	31	31	32	38
Buckling Point (2nd Largest WWTF in RI)					
Daily average treatment in gallons (MGD)	20.18	18.07	19.48	19.56	27.79
Maximum daily capacity of treatment (MGD)	116	116	116	116	116
Number of pulp stations	3	3	3	3	3
Number of active CSOs	26	26	26	26	27
Miles of Interceptor	30	30	30	30	30
*MGD = million gallons per day					
Source: FY2024 Financial Statements					

VI. OPERATING PERFORMANCE – Income Statement Trends

See pages 8 and 9 for Balance Sheet and Income Statement.

VII. CREDIT SUMMARY

The Commission is rated “AA-“ and “AA” by S&P Global Ratings and Kroll Bond Rating Agency, respectively. The rating agencies cite diverse customer base, solid financial management with formal investment and debt policies that are likely sustainable, and rates generally viewed as affordable based on the service area demographics. Slightly offsetting these credit positives are the large capital improvement plan, the required rate setting authority of the PUC and higher leverage following the Water Infrastructure Finance and Innovation Act (“WIFIA”) loans.

NBC ended fiscal year 2024 with a \$19.5 million surplus, with revenues in line with the budget, and expenses under budget by \$3.6 million. The unrestricted fund balance decreased to (\$596,943) million in fiscal year 2024 from \$2.8 million in fiscal year 2023 as the Commission's net investment in capital assets increased \$14 million and funds restricted for bond covenants increased \$5.8 million over the same period. User fees are the primary source of revenue for NBC and represents approximately 98% of total revenues. FY2024 user fees were \$108 million, which is \$5 million higher than the prior year. The Commission has displayed strong historical debt service coverage with FY2024 levels at 1.37x and a 1.49x average over the past three fiscal years. Coverage related to the RIIB debt was 2.22x as of FY2024.

Capital Improvement Program and Borrowing Needs

NBC updates its Capital Improvement Program ("CIP") annually and integrates the CIP into the annual operating budget. The CIP identifies major capital improvements that are in process or are programmed for the future to maintain NBC's facilities and meet regulatory requirements. Based on this project cost information, the Commission's current and anticipated operating needs and identified funding sources, the Commission regularly updates a long-term financing model. In addition, the Commission has developed, and updates annually, a five-year operating capital asset replacement plan.

The fiscal year 2025-2030 Capital Improvement Plan includes 43 projects that are in progress, being initiated or to be completed totaling \$559.8 million. 59.4% of the expenditures are for the CSO Phase III A Facilities, as part of the third and final phase of the mandated CSO Abatement Program. Other significant capital initiatives include the Field's Point resiliency improvements at \$106.1 million and the Wastewater Treatment Facility Improvements at \$58.6 million.

VIII. RECOMMENDATION

HilltopSecurities recommends approval of the loan application, subject to completion of all legal requirements by the Commission and with the understanding that the Bank will review the request in connection with the RIDEM Project Priority List, Bank capacity and the funding requirements of other Bank borrowers.

**Prepared by HilltopSecurities
October 11, 2024**

Narragansett Bay Commission
Statement of Revenues, Expenses and Changes in Net Position
As of June 30,

REVENUES	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Operating Revenue:					
User Fees (Residential)	\$ 59,645,556	\$ 61,941,753	\$ 59,654,921	\$ 60,285,785	\$ 62,334,902
User Fees (Commercial and Industrial)	41,789,214	41,042,504	42,477,311	43,220,961	46,145,649
Permit and Connection fees	50,135	357,070	269,660	265,825	281,730
Pretreatment Fees	285,296	71,700	61,280	67,240	71,660
Environmental Enforcement	61,354	20,053	-	10,750	6,000
Septage Income	8,997	352,135	372,346	350,208	382,162
Abatements	342,994	-	-	-	-
Late Charge Penalties	837,184	-	358,415	664,805	441,046
REC Revenue	579,679	604,033	648,148	627,934	769,680
Miscellaneous	182,473	193,039	190,785	152,250	143,950
Total Operating Revenues	\$103,782,882	\$104,582,287	\$104,032,866	\$105,645,758	\$110,576,779
Non-Operating Revenue (Expense):					
Interest Expense	\$ (16,018,533)	\$ (13,964,362)	\$ (14,450,782)	\$ (16,288,939)	\$ (19,896,428)
Transfer to State of RI	-	-	-	-	-
Interest Income	947,416	25,879	132,830	2,936,803	3,520,224
Grant Income	-	27,415	-	53,000	50,929
Bond and Note Fees	(2,044,027)	(661,536)	(588,835)	(1,292,239)	(1,021,628)
Loss on Economic Defeasance	-	(111,138)	-	-	-
Sewer Tie-In Revenue	-	-	2,384,273	76,550	-
Gain on Sale of Capital Asset	-	-	10,241	-	322,817
Project Related Revenue	-	-	-	122,688	32,500
Miscellaneous Income	202,585	280,906	346,499	184,498	141,147
Subtotal Non-Operating Revenue	\$ (16,912,559)	\$ (14,402,836)	\$ (12,165,774)	\$ (14,207,639)	\$ (16,850,439)
Total Revenue	\$ 86,870,323	\$ 90,179,451	\$ 91,867,092	\$ 91,438,119	\$ 93,726,340
EXPENSES					
Personnel Services	\$ 23,877,590	\$ 23,193,856	\$ 23,988,962	\$ 24,698,903	\$ 26,075,599
General and Administration	1,211,086	1,279,609	1,738,671	2,180,239	1,989,910
Operations and Maintenance	7,608,868	8,183,097	17,218,133	19,052,520	23,829,506
Depreciation	16,612,202	17,093,870	22,223,491	22,629,146	22,958,646
Contractual Services	6,556,241	6,804,450	-	-	-
Miscellaneous	845,764	960,556	-	-	-
Total Operating and Maintenance Expenses	\$ 56,711,751	\$ 57,515,438	\$ 65,169,257	\$ 68,560,808	\$ 74,853,661
Capital Contribution	1,998,022	-	1,000,000	2,589,605	648,895
Operating Income	\$ 32,156,594	\$ 32,664,013	\$ 27,697,835	\$ 25,466,916	\$ 19,521,574
Total Net Position, Beginning of Year	525,445,694	557,602,288	590,266,301	618,534,822 *	639,702,172 *
Total Net Position, End of Year	557,602,288	590,266,301	617,964,136	643,904,738	659,223,746

*Restated

Narragansett Bay Commission
Balance Sheet
As of June 30,

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
ASSETS					
Current Assets	\$ 296,623,594	\$ 424,187,569	\$ 318,369,805	\$ 308,762,381	\$ 218,647,959
Restricted Assets	78,838,877	77,987,362	94,826,129	92,103,483	81,497,997
Capital Assets (Net)	1,055,957,576	1,132,898,591	1,289,827,515	1,475,796,800	1,608,846,546
Other Assets	1,515,254	6,797,195	2,183,820	3,714,890	6,281,566
Total Assets	\$ 1,432,935,301	\$ 1,641,870,717	\$ 1,705,207,269	\$ 1,880,377,554	\$ 1,915,274,068
Deferred Outflows of Resources					
Deferred Outflows of Resources	\$ 10,447,773	\$ 9,955,355	\$ 12,677,469	\$ 11,304,728	\$ 9,337,340
LIABILITIES					
Current Liabilities	\$ 41,529,631	\$ 58,887,233	\$ 80,846,678	\$ 106,555,311	\$ 76,777,880
Noncurrent Liabilities	841,929,229	995,549,763	1,010,597,795	1,136,553,360	1,183,556,263
Total Liabilities	\$ 883,458,860	\$ 1,054,436,996	\$ 1,091,444,473	\$ 1,243,108,671	\$ 1,260,334,143
Deferred Inflows of Resources					
Deferred Outflows of Resources	\$ 2,321,944	\$ 7,122,775	\$ 8,476,127	\$ 5,142,557	\$ 5,053,519
NET POSITION					
Net Investment in Capital Assets	\$ 499,832,377	\$ 517,866,217	\$ 527,168,331	\$ 569,406,028	\$ 583,911,217
Restricted	-	-	-	-	-
Restricted for Bond Covenants	57,457,778	61,740,095	67,265,617	54,555,921	60,354,510
Restricted for Environmental Enforcement	73,977	74,068	59,508	61,570	58,620
Restricted for Revenue Stability Fund	4,502,371	4,500,459	4,507,306	4,645,842	4,519,324
Restricted for Debt Service Reserve	2,987,306	2,963,177	2,967,686	3,058,900	-
Restricted for Operation & Maintenance	-	-	-	-	2,008,588
Restricted for Operating Capital	-	6,230,100	11,539,532	5,219,182	2,686,863
Restricted for net pension asset	-	-	-	3,714,890	6,281,566
Unrestricted	(7,251,521)	(3,107,815)	4,456,158	2,768,722	(596,943)
Total Net Position	\$ 557,602,288	\$ 590,266,301	\$ 617,964,138	\$ 643,431,055	\$ 659,223,745

INFORMATION RELATING TO NBC'S NON-UNION DEFINED BENEFIT PLAN

Non-Union Defined Benefit Plan ⁽¹⁾

Date	Total Pension Liability	Plan Net Position	Net Pension Liability	Net Position as % of Total Pension Liability	Covered-Employee Payroll ⁽²⁾	Net Pension Liability as % of Covered-Employee Payroll
6/30/2024	27,840,138	34,121,704	(6,281,566)	112.56%	11,191,014	(56.13%)
6/30/2023	26,308,817	30,023,707	(3,714,890)	114.12%	10,443,376	(35.57%)
6/30/2022	24,575,853	26,759,673	(2,173,820)	108.89%	10,431,937	(20.93%)
6/30/2021	23,217,300	30,125,539	(6,908,239)	129.75%	9,860,178	(70.06%)
6/30/2020	22,444,805	23,960,059	(1,515,254)	106.75%	8,969,358	(16.89%)
6/30/2019	20,858,999	22,082,391	(1,223,392)	105.87%	8,930,389	(13.70%)

1. Additional schedules and information are available in NBC's Financial Statements

2. Covered-employee payroll based on GASB 82 definition

Non-Union Defined Benefit Plan ⁽¹⁾

Date	Actuarial Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll ⁽²⁾	Contribution as a % of Covered-Employee Payroll ⁽²⁾
6/30/2024	-	900,638	(900,638)	11,191,014	8.05%
6/30/2023	34,567	1,308,428	(1,273,861)	10,443,376	12.53%
6/30/2022	-	1,767,069	(1,767,069)	10,431,937	16.94%
6/30/2021	-	738,505	(738,505)	9,860,178	7.49%
6/30/2020	-	683,152	(683,152)	8,969,358	7.62%
6/30/2019	254,623	1,008,665	(754,042)	8,930,389	11.29%

1. Additional schedules and information are available in NBC's Financial Statements

2. Covered-employee payroll based on GASB 82 definition

O. State Match Report

State Match Deposits - FY25

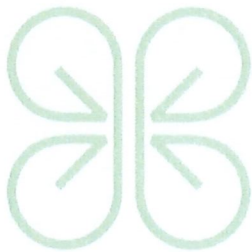
Fed Fiscal			Program deposit					
Year	Grant Number	Grant Name	Grant amount	date	Amount	6/23/2022	5/8/2023	12/22/2023
State Match Deposit				6/23/2022	\$ 3,240,749.69			
2022	CS44000122	CW FY 2022 Base Grant	7,770,000			1,554,000		
2022	4C44000222	CW FY 2022 Grant (BIL Supplemental)	11,950,000			1,195,000		
State Match Deposit				5/8/2023	\$ 10,957,560			
2023	CS44000123	CW FY 2023 Base Grant	5,037,000			491,749.69	515,650.31	
2023	4C44000223	CW FY 2023 Grant (BIL Supplemental)	13,996,000				1,399,600	
2024	CS44000124	CW FY 2024 Base Grant	5,482,000				1,096,400	
2024	4C44000224	CW FY 2024 Grant (BIL Supplemental)	15,270,000				3,054,000	
2024	SO44000524	OSG FY2024 Grant	360,000				90,000	
State Match Deposit				12/22/2023	\$ 14,250,000			
Total						3,240,749.69	6,155,650.31	-
To be allocated						-	\$ 4,801,909.69	\$ 14,250,000.00

P. 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.

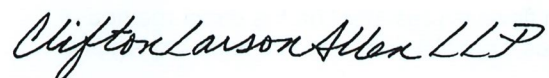
We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic 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	\$ 639,953,578	\$ 622,683,258

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	\$ 622,683,258	\$ 75,624,620	\$ 58,354,300	\$ 639,953,578	\$ 52,146,634
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	\$ 636,150,030	\$ 45,629,056	\$ 59,095,828	\$ 622,683,258	\$ 57,789,055

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)	(4,500)	(596,330)	(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	53,232,778	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

	<u>2025</u>	<u>2024</u>
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	<u>663,786,055</u>	<u>622,248,248</u>
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	<u>1,294,094,701</u>	<u>1,254,486,778</u>
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	<u>3,078,315</u>	<u>3,894,977</u>

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.

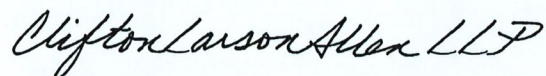
Board of Directors
Rhode Island Infrastructure Bank

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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Cranston, Rhode Island
September 19, 2025

