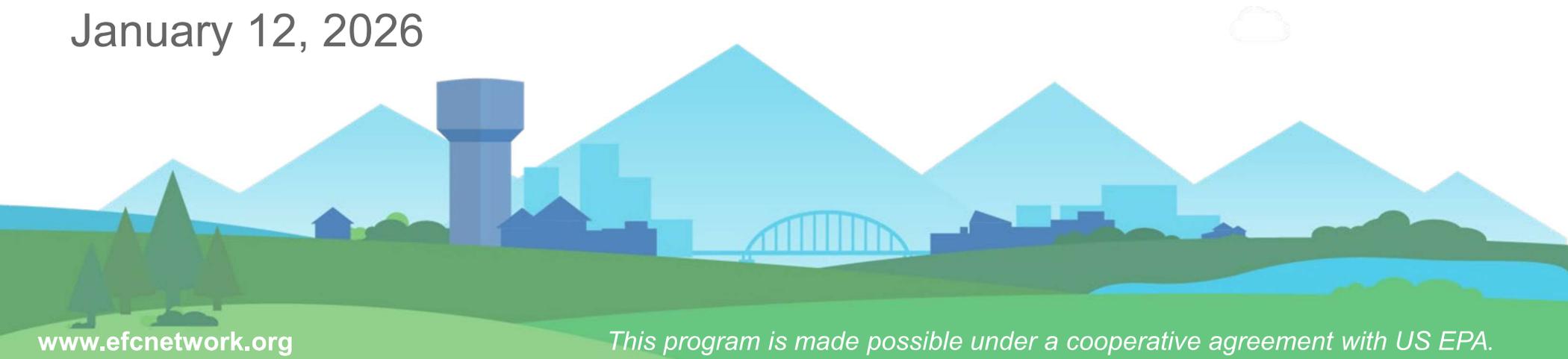




# Ask Me Anything: I'm Confused, where do I start?

January 12, 2026



[www.efcnetwork.org](http://www.efcnetwork.org)

*This program is made possible under a cooperative agreement with US EPA.*

# About Us

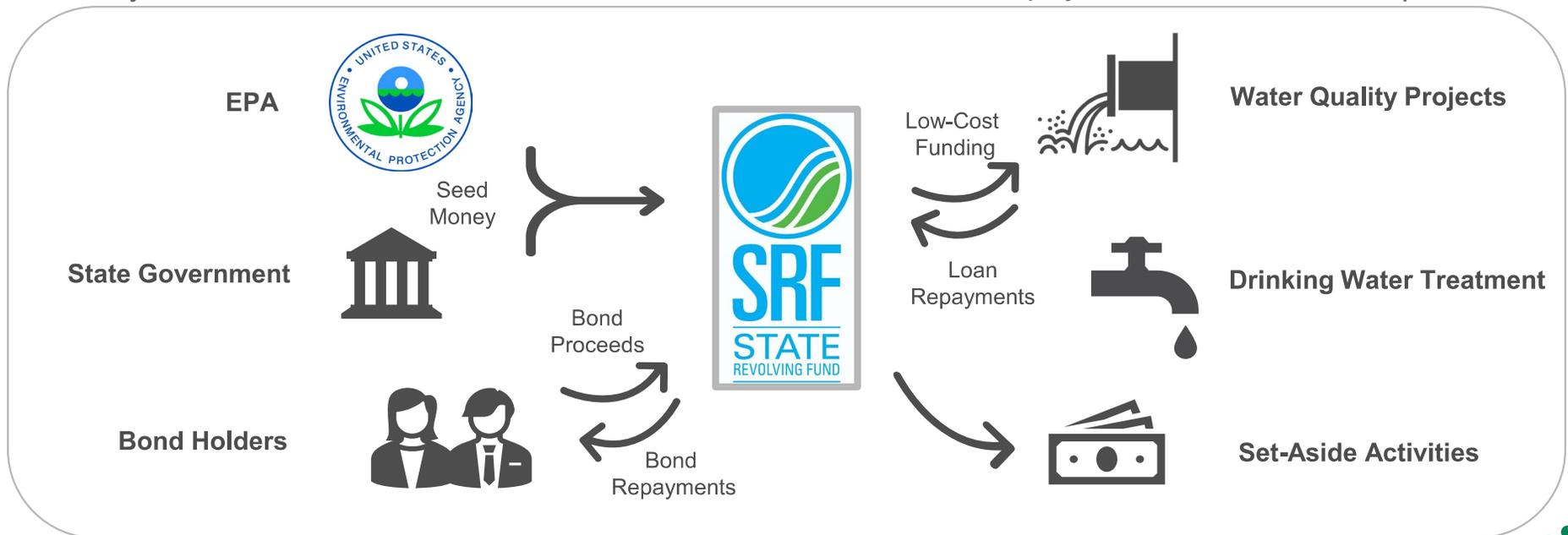
The **Environmental Finance Center Network (EFCN)** is a university- and non-profit-based organization creating innovative solutions to the difficult how-to-pay issues of environmental protection and water infrastructure.

The EFCN works collectively and as individual centers to address these issues across the entire U.S, including the 5 territories and the Navajo Nation. The EFCN aims to assist public and private sectors through training, direct professional assistance, production of durable resources, and innovative policy ideas.



# What are the SRFs?

- Low interest revolving loan program with subsidies for targeted projects and communities
- Money comes from EPA/Federal Government, state match, loan repayments, interest, bond proceeds



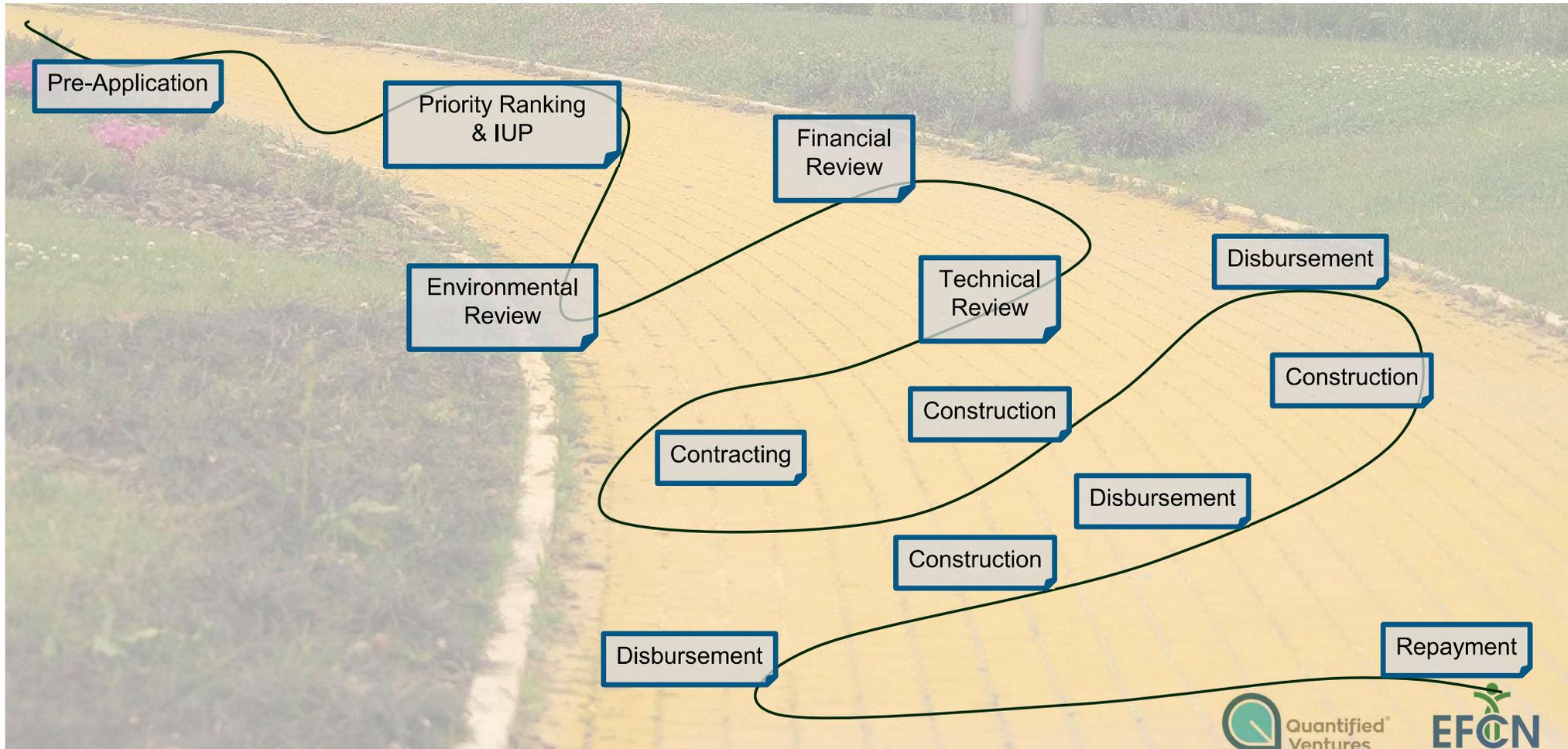
SRF State Logo source: Iowa's State Revolving Fund



What is the correct answer to  
any SRF question?

Every state is different.  
It depends.

# SRF Process from 30,000'



# Project Planning Steps

## Feasibility Study

1

- Preliminary exploration of a proposed project
- Assessment of practicality
- ID potential issues

## Preliminary Engineering

1

- Project specific document that incorporates need, alternatives, impacts, costs, schedules, and final recommendation
- Widely used procedure for infrastructure planning

## Final Design

2

- Final project drawings, environmental factors, costs, safety concerns

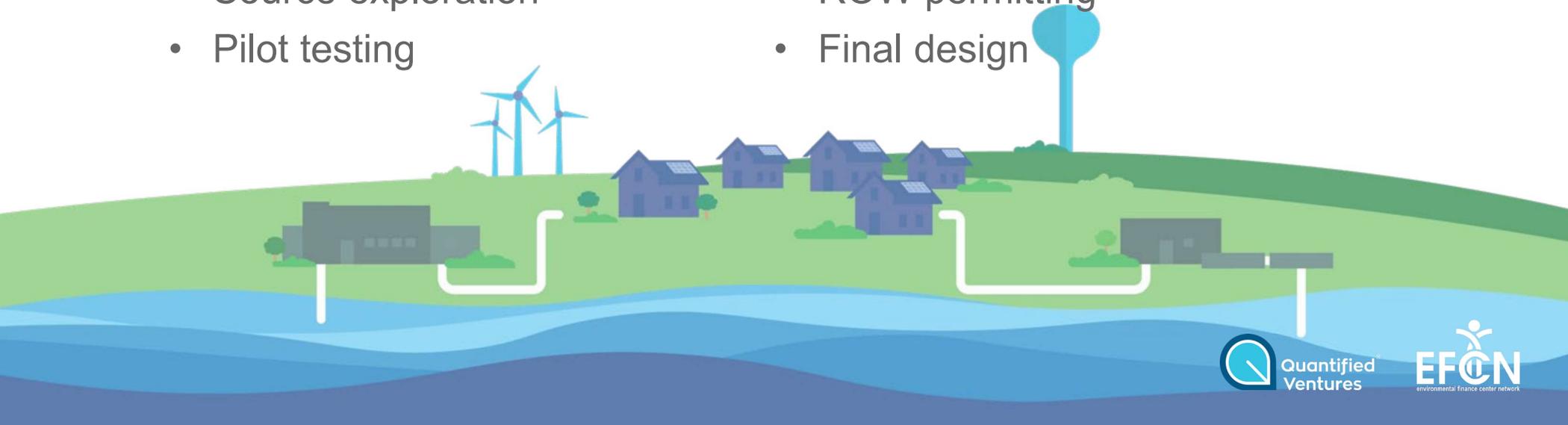
## Construction

3

- Implement designed project

# Preconstruction Activities

- Predevelopment
- Preconstruction
- Feasibility
- Preliminary engineering
- Source exploration
- Pilot testing
- Assessments
- Environmental Reporting
- Income survey
- Camera-ing investigations
- ROW permitting
- Final design



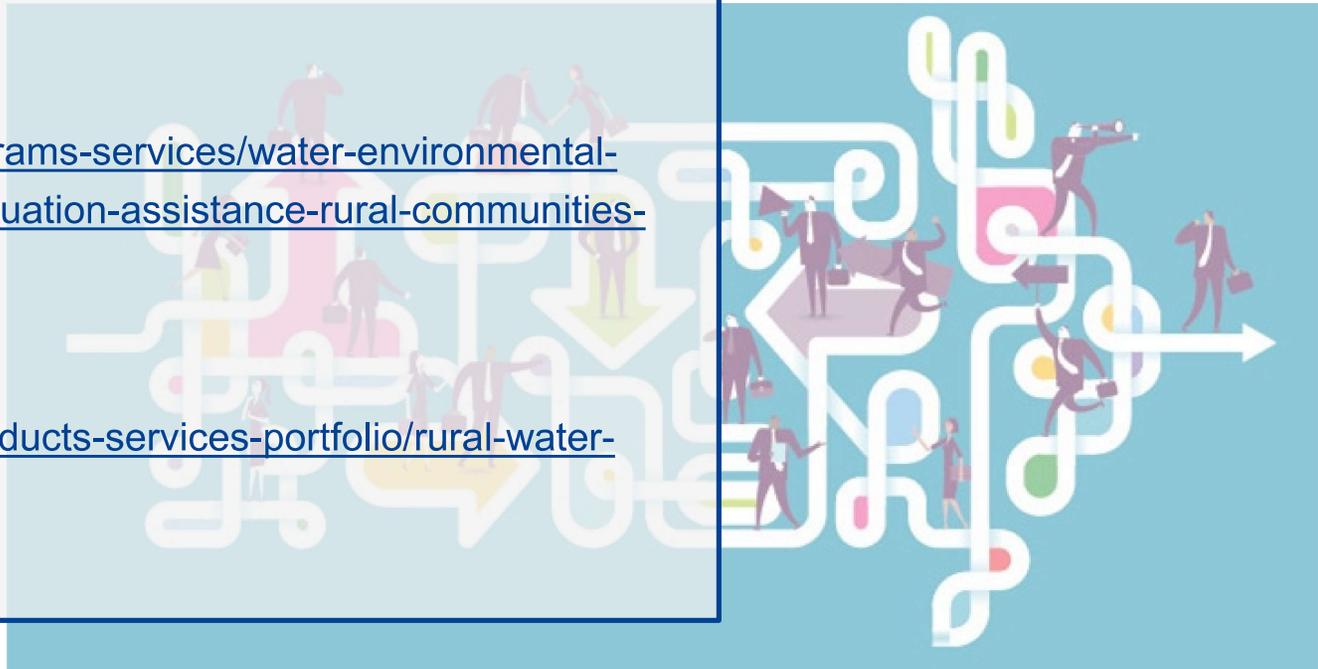
# But why preconstruction funding?

- Barriers to applying for project implementation funding
- Limited available capital
- Small system support
- Program visibility
- Financial planning



# Sources of Funding

- SRF
- USDA-RD
  - SEARCH grant
  - <https://www.rd.usda.gov/programs-services/water-environmental-programs/search-special-evaluation-assistance-rural-communities-and-households-grant/vt-nh>
- NRWA
  - <https://nrwa.org/members/products-services-portfolio/rural-water-loan-fund/>



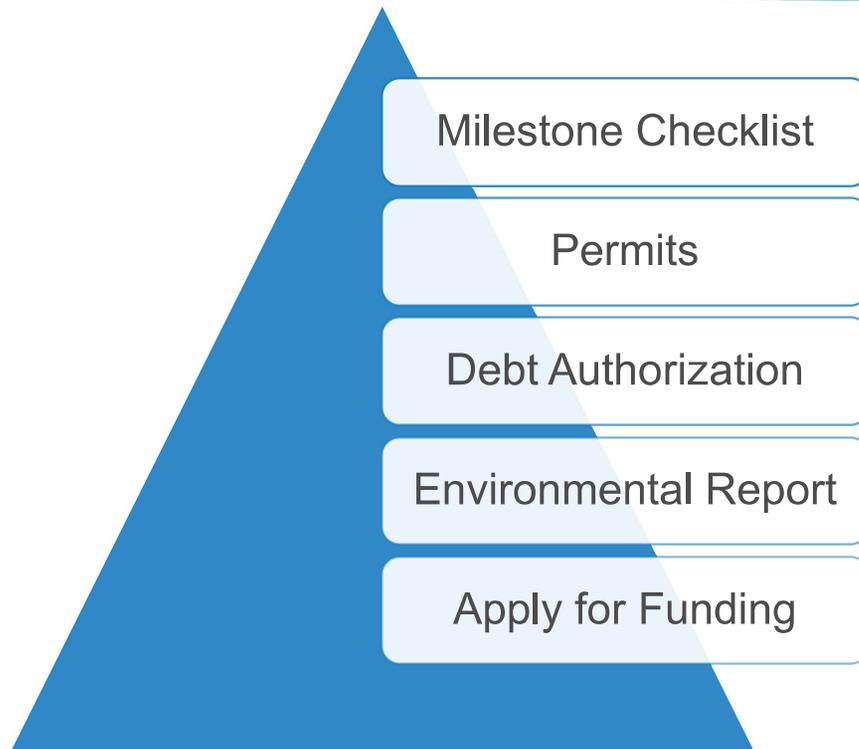
# Pre-Application

- Indicates interest in being funded
- Builds the pipeline
- Determines program eligibility
- Establishes project rank
- Informs subsidy eligibility
- Known by many names
  - Priority List Application
  - Intent To Apply
  - Nomination form
- Not all states use them

Completing a PPL app does NOT mean you are applying for a loan



# Project Readiness



# Funding v. Financing

- Funding is money provided, especially by an organization or government, for a particular purpose

- Grants
- Subsidized loans
- Principal forgiveness

- Financing is the act of obtaining or furnishing money or capital for a purchase or enterprise.

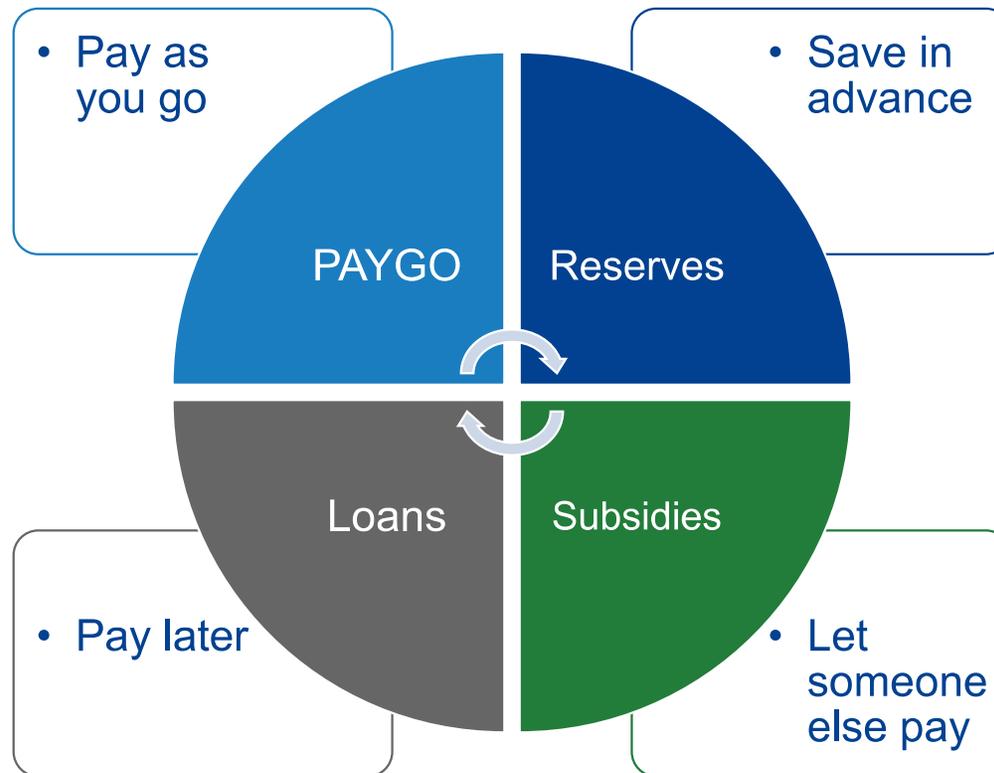
- Loans
- Lines of credit
- Local bank and capital market



[Link to article: VBB Funding v Financing](#)



# Paying for Infrastructure



# PAYGO

- Large capital budget
- Robust capital improvement plan
- Professional staff



# Reserves

- Full Cost Pricing
- Inflation
  - Dollar is worth less tomorrow and today
  - Saving for infrastructure replacement via depreciation does not account for inflation or construction price increases
  - Saving accounts yields are not equal to inflation
- Delaying project to save increases project costs, chances of negative public health or environmental impacts, or enforcement actions



# Subsidies/Grants

- Free money? No such thing
- What is the cost to pursue so called free money?
  - Staff
  - Project delays
  - Grant compliance
  - Match requirements
- Grants can distort a system's financial reality
  - Hides true cost of service
- Competition and low predictability



# Debt

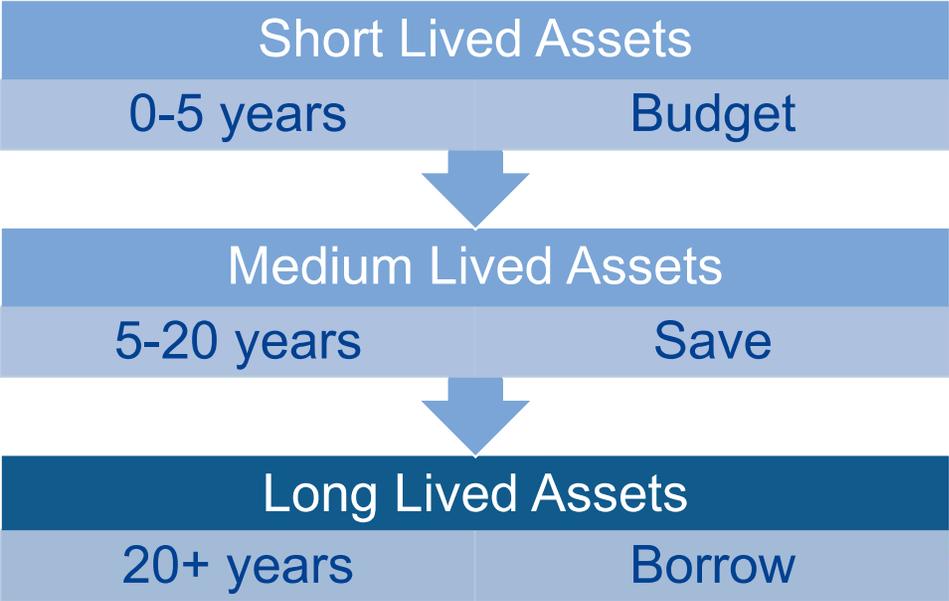
## Benefits

- Level principal
- 100% financing
- Refunding options
- Tax/user fees as security
- Spreads investment out over many years
- Financed by bond holders – who are they?

## Challenges

- Aversion to debt
- Interest rate unknown until closing
- Cost-of-issuance can add up

# Ashley's Budget Philosophy

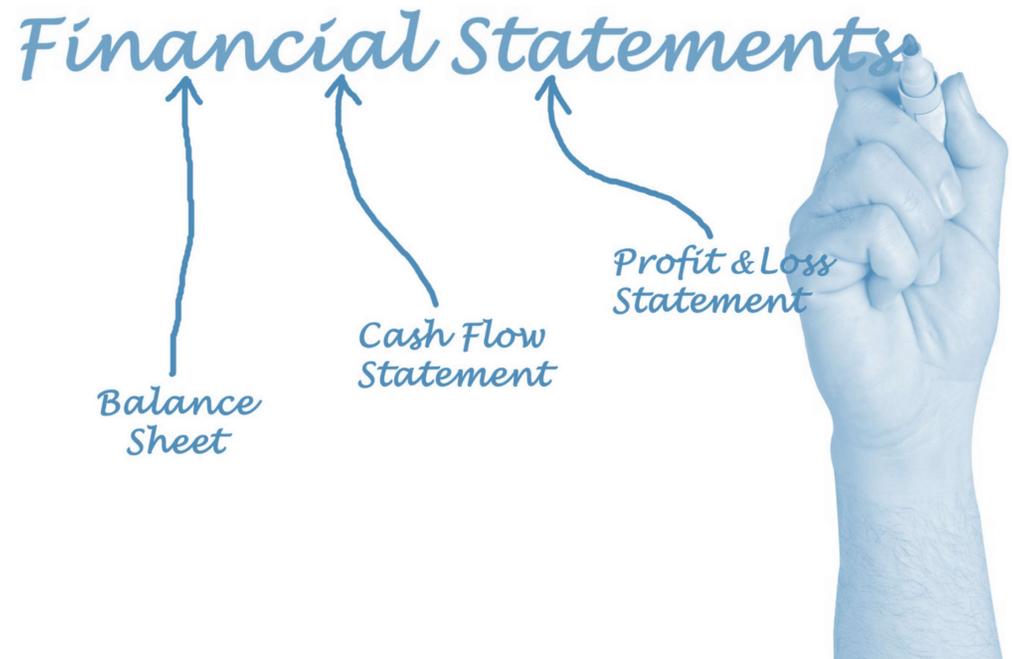


**Intergenerational Equity**

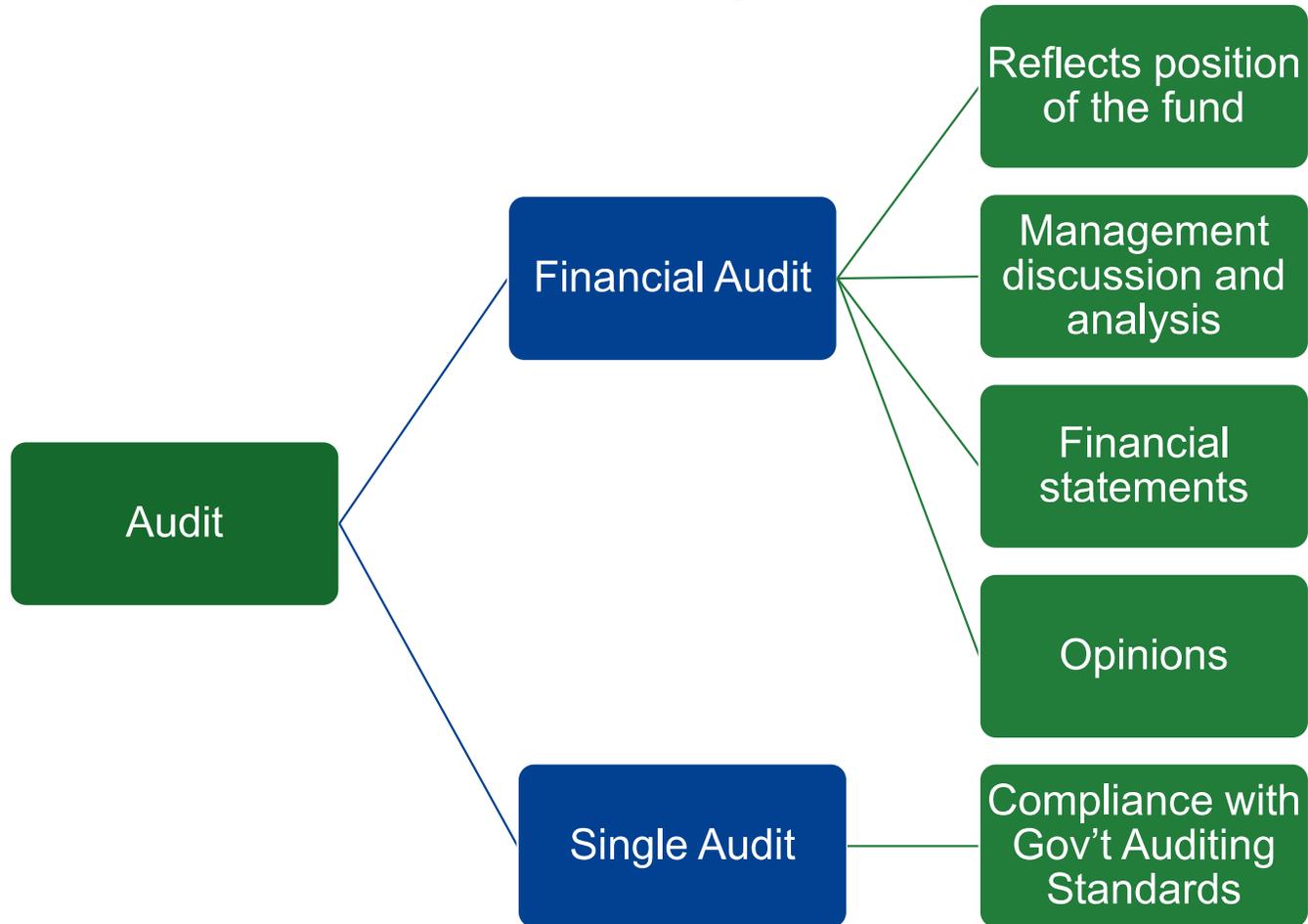


# Financial Statements

- Profit and Loss
  - Revenues
  - Expenses
- Balance Sheet
  - Assets
  - Liabilities
- Cash Flow Statement
  - Budget to Actual
  - Budget Projections



# Financial Audit v. Single Audit



# CIP and User Rates

- Capital Improvement Plan

- Financing, location and timing of projects over several years
- Asset upgrades/replacement
- Major rehabilitation
- Staff/Department buy-in
- Budget + Program
- <https://opengov.com/article/capital-improvement-plans-101/>

- User Rates

- When was the last increase?
- Are they easy to understand?  
Implement?
- Rate review policy

# Ashley's User Rate Philosophy



Overwhelmed?



# Upcoming Trainings

## DWSRF Eligibilities

February 4, 2026 / 11:00-1:00 pm ET

## Capacity Development

February 9, 2026 / 2:00-4:00 pm ET

← Off Cycle

## CWSRF Eligibilities

March 4, 2026 / 11:00-1:00 pm ET

## What is an IUP, Arkansas?

March 12, 2026 / 12:00-2:30 pm ET

This is **NOT** an Ask Me Anything session. To register, go to: <https://efcnetwork.org/event/ask-online-training-what-is-an-iup-how-intended-use-plans-can-serve-as-secret-decoders-for-the-state-revolving-loan-funds-srfs/>

Updated link!!!

For more information and to register visit:

<https://efcnetwork.org/event/virtual-office-hours-ask-me-anything-srf-technical-assistance-open-discussion-2/>



Quantified Ventures  
<https://www.quantifiedventures.com/our-team>



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- *Community Finance Team*
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