



Minnesota Public Facilities Authority

2015 Annual Report



January 14, 2016

Dear Governor Dayton,

On behalf of the Commissioners and staff of the Minnesota Public Facilities Authority, I am pleased to provide you with our fiscal year 2015 Annual Report as required by Minnesota Statutes, Section 446A.09.

The Public Facilities Authority (PFA) is a multi-agency authority that provides financing and technical assistance to local governments for infrastructure projects that support a thriving economy and a clean, healthy environment. The PFA consists of the Commissioners of the Pollution Control Agency and the Departments of Health, Transportation, Agriculture, Management and Budget, and Employment and Economic Development, with the DEED Commissioner serving as PFA Chair.

In fiscal year 2015 the PFA funded 53 infrastructure projects for local governments throughout the State, with loan and grant awards totaling \$228 million. Since its creation in 1987, the PFA has made 920 loans totaling \$3.7 billion, primarily for water infrastructure improvements. During that time the PFA has also awarded 540 grants for \$473 million to provide supplemental assistance to meet affordability needs and address specific water quality protection and restoration goals.

The PFA's independently audited Financial Report for fiscal year 2015 is included with the Annual Report. The PFA remains in excellent financial health. All three of the major revolving funds have bonds outstanding and are highly rated. All PFA Clean Water and Drinking Water Revolving Fund bonds have AAA ratings by the three major national bond rating agencies. The Transportation Bonds are rated as closed pool bonds reflecting the credit quality of the individual borrowers (outstanding bonds have been rated from AAA to AA2).

We are proud of our accomplishments in fiscal year 2015 and look forward to continuing the PFA's mission of providing affordable financing to help meet the State's infrastructure needs. If there are any questions about the PFA's annual report please contact me.

Sincerely,

A handwritten signature in black ink that reads "Jeff Freeman". The signature is written in a cursive, flowing style.

Jeff Freeman, Executive Director
Minnesota Public Facilities Authority

Minnesota Public Facilities Authority

2015 Annual Report to the Governor and Legislature

(as required by Minnesota Statutes, Section 446A.09)

Table of Contents

Introduction	4
FY 2015 Program Activity	5
Summary of FY 2015 Project Awards by Program	7
Loan and Grant History	8
Bonding Activity	9
Water Infrastructure Needs	9
Exhibit A: FY 2015 Project Award Detail	11
Appendix: 2015 Audited Financial Report	15

For questions or more information about this report, contact:

Jeff Freeman, Executive Director
Minnesota Public Facilities Authority
1st National Bank Building, Suite W820
332 Minnesota Street
Saint Paul, MN 55101-1378

Phone: 651-259-7465
E-mail: jeff.freeman@state.mn.us
Website: www.mn.gov/deed/pfa

Note (as required by Minnesota Statutes, section 3.197): Preparation of this report required an estimated 21 hours of staff time for an approximate cost of \$1,360.

Introduction

The Minnesota Public Facilities Authority (PFA) is a multi-agency authority that provides financing and technical assistance to local governments for infrastructure projects that support a thriving economy and a clean, healthy environment. The PFA consists of the Commissioners of the Pollution Control Agency (MPCA) and the Departments of Health (MDH), Transportation (MnDOT), Agriculture (MDA), Minnesota Management and Budget (MMB), and Employment and Economic Development (DEED). The DEED Commissioner serves as the PFA Chair.

PFA priorities are to:

- Manage capital assets (currently \$2.2 billion) to ensure a stable source of infrastructure financing in perpetuity.
- Provide infrastructure financing programs to support water quality, public health, and other priorities identified by PFA member agencies.
- Help local governments maintain and improve the condition of their water infrastructure systems while keeping costs affordable for their residents.

The PFA manages three large revolving loan funds that have received federal capitalization grants and state match appropriations, and for which the PFA has authority to issue up to \$1.5 billion in revenue bonds to raise additional capital to make loans. In addition, PFA manages several other grant and loan programs, funded primarily from state appropriations. All major programs of the PFA are administered in conjunction with member agencies. The MPCA, MDH, and MnDOT are responsible for establishing project priorities and for technical review and regulatory compliance for projects from their respective priority lists that are being considered for financing by the PFA.

The Executive Director is responsible for carrying out the PFA's responsibilities, including compliance with state and federal regulations related to programs and debt issuance. PFA staff advise communities on financing requirements and options, review the creditworthiness of applicants, determine that full project financing is in place and that the necessary dedicated revenues are established, disburse loan and grant funds as eligible project costs are incurred, monitor project progress, and collect loan repayments.

The PFA receives no general fund appropriations. Funding for the PFA's revolving loan funds comes from federal capitalization grants, state match funds appropriated from state general obligation bond proceeds, revolving fund revenues, and proceeds of PFA's AAA-rated revenue bonds, backed solely by the assets and revenues of the revolving loan funds. Funding for the Wastewater Infrastructure Funding (WIF) program comes from state appropriations of general obligation bond proceeds. Dedicated Clean Water Legacy Funds are appropriated for certain municipal infrastructure programs to achieve specific water quality goals. Administrative costs for the PFA (9 FTEs), MPCA (12.25 FTE's), and MDH (5.05 FTEs) are paid primarily from service fees on loan repayments. Administrative and technical support services for the PFA are provided through an interagency agreement with DEED.

FY 2015 Program Activity

As described below, in fiscal year (FY) 2015 (July 1, 2014 to June 30, 2015) the PFA funded 53 infrastructure projects totaling \$228 million for local governments throughout the state. To finance these projects the PFA awarded 40 low interest loans totaling \$169.9 million and 40 grants totaling \$57.9 million. A summary of FY 2015 project awards by program is shown on page 7. Exhibit A on pages 10-13 provides a detailed list of project awards.

Clean Water Revolving Fund

Since 1989, the PFA's Clean Water Revolving Fund (CWRF) has made 499 loans totaling \$2.8 billion to local governments for wastewater and stormwater infrastructure projects. In addition to low interest loans, a portion of the federal funds for the program are used to provide principal forgiveness grants based on affordability and energy and water conservation criteria. Also, as authorized under state and federal law, since 1996 the PFA has allocated \$89.6 million in CWRF funds to capitalize nonpoint source loan programs administered by MDA, MPCA and DEED. The CWRF is established in Minnesota Statutes, Section 446A.07.

In FY 2015, the PFA awarded 18 CWRF loans totaling \$91.3 million at an average interest rate of 1.053 percent and 3 principal forgiveness grants totaling \$3.1 million for municipal wastewater and stormwater infrastructure projects. In addition the MDA, MPCA and DEED used CWRF funds to make \$6.8 million in nonpoint source loans to private landowners and local governments through the Agriculture Best Management Practices (AgBMP), Clean Water Partnership (CWP) and Tourism loan programs.

Drinking Water Revolving Fund

Since 1996, the PFA's Drinking Water Revolving Fund (DWRF) has made 357 loans totaling \$726 million to local governments for drinking water infrastructure projects. In addition to low interest loans, a portion of the federal funds for the program are used to provide principal forgiveness grants based on affordability criteria. Also, as authorized under state and federal law, since 1998 the PFA has allocated \$45 million in DWRF funds for drinking water protection activities administered by MDH. The DWRF is established in Minnesota Statutes, Section 446A.081

In FY 2015, the PFA awarded 19 DWRF loans totaling \$60.1 million at an average interest rate of 1.004 percent and 9 principal forgiveness grants totaling \$7.3 million for municipal drinking water infrastructure projects.

Transportation Revolving Loan Fund

The Transportation Revolving Loan Fund (TRLF) is a smaller revolving fund for transportation projects selected by the Department of Transportation. Since 1999, PFA has made 34 loans totaling \$175 million for state and local government transportation projects. The TRLF is established in Minnesota Statutes, Section 446A.085.

In FY 2015 the PFA awarded 1 TRLF loan for \$18 million at an interest rate of 1.0 percent.

Wastewater Infrastructure Funding Program

The Wastewater Infrastructure Funding (WIF) program provides supplemental assistance grants to assist municipalities with high cost wastewater projects needed to address high priority environmental and public health needs. The WIF program provides grants up to \$4 million to municipalities to supplement low-interest loans from the PFA's Clean Water Revolving Fund or to match grant and loan funding from the U.S. Department of Agriculture (USDA) Rural Development. WIF grants are awarded for up to 80% of project costs based on household affordability criteria or up to 65% of the grant need determined by USDA Rural Development. The WIF program is established in Minnesota Statutes, Section 446A.072.

In FY 2015 the PFA awarded 8 WIF grants totaling \$13.9 million.

Point Source Implementation Grant Program

The Point Source Implementation Grant (PSIG) program provides grants to help municipalities construct wastewater treatment and stormwater projects when the MPCA determines that higher levels of treatment are necessary to meet water quality goals. These include projects to meet Total Maximum Daily Load (TMDL) wasteload requirements, water quality based effluent limits including phosphorus reduction requirements, and nitrogen limits for soil-based wastewater treatment systems. The PSIG program provides grants for 50% of eligible project costs up to \$3 million. The PSIG program is established in Minnesota Statutes, Section 446A.073.

In FY 2015 the PFA awarded 12 PSIG grants totaling \$8.2 million.

Small Community Wastewater Treatment Program

The Small Community Wastewater Treatment Program provides loans and grants to help very small communities address environmental and public health problems from non-complying individual septic systems. The program provides technical assistance grants to help communities evaluate wastewater treatment alternatives and construction financing through low interest loans and grants to replace individual systems with community subsurface treatment systems. The Small Community program is established in Minnesota Statutes, Section 446A.075.

In FY 2015 the PFA awarded 2 technical assistance grants for \$76,300 and 2 construction loan/grant awards for \$2.1 million.

Credit Enhancement Program

In addition to its direct financing programs, the PFA administers the Credit Enhancement Program in conjunction with MMB to reduce borrowing costs for local governments that issue their general obligation bonds for eligible construction projects in the private market. The program provides a limited state guarantee of the local government's bond payments, thereby helping issuers achieve higher bond ratings and lower interest costs. For counties eligible projects are law enforcement facilities, social and human services buildings, and solid waste

Minnesota Public Facilities Authority
2015 Annual Report

facilities. For cities eligible projects are wastewater, drinking water, and stormwater infrastructure facilities. The amount of outstanding debt authorized under the program is capped at \$1,000,000,000. In total to date, the PFA has enrolled 240 local government bond issuances under the program with a total original par amount of \$789 million.

In FY 2015, the PFA approved 24 bond issues under the Credit Enhancement Program for \$21.8 million.

**MN Public Facilities Authority
Project Awards by Program during FY 2015**

<u>Program</u>	<u>Count*</u>	<u>\$ Awarded as Grant</u>	<u>\$ Awarded as Loan</u>	<u>Average Loan Rate</u>	<u>Estimated Interest Savings from PFA Loans **</u>
Clean Water Revolving Fund ***	21	3,054,498	91,277,554	1.05%	13,825,700
Drinking Water Revolving Fund ***	28	7,348,855	60,139,061	1.00%	10,448,100
Transportation Revolving Loan Fund	1		18,000,000	1.00%	1,776,900
Wastewater Infrastructure Fund	8	13,906,501			
Clean Water Legacy Fund:					
Point Source Implementation Grants	12	8,154,727			
Small Comm WWT Program					
Construction	4	1,639,967	438,771	1.00%	65,800
Technical Assistance	2	76,300			
Special Appropriations	4	23,700,000			
	<u>80</u>	<u>57,880,848</u>	<u>169,855,386</u>		<u>26,116,500</u>

* Each loan and grant award is counted separately. A project may receive more than one award.

** Reflects the total estimated interest savings realized by PFA borrowers compared to the interest they would have paid on market-rate loans.

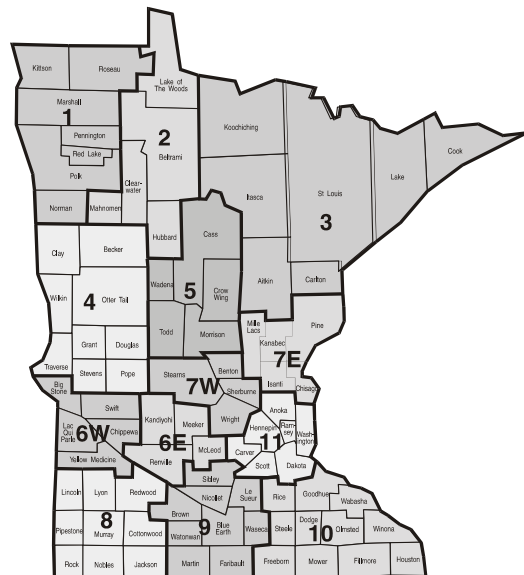
*** Federal appropriations for the Clean Water and Drinking Water Revolving Funds require a portion of the federal funds to be provided as principal forgiveness grants based on affordability and energy/water conservation

Loan and Grant History

The table below shows total loans and grants awarded throughout the State by the PFA from its beginning in 1990 through 2015.

**MN Public Facilities Authority
Project Awards Since Inception in 1990, by RDC Region**

RDC Region	Grants Made by Region		Loans Made by Region		Interest \$ Savings
	Count	\$ Amount	Count	\$ Amount	
1	25	20,073,693	46	38,506,524	12,176,400
2	11	5,722,087	11	21,078,759	6,741,700
3	81	107,688,612	128	287,581,416	64,305,500
4	58	37,801,993	105	154,744,119	47,187,900
5	35	20,653,382	56	100,467,640	30,402,700
6E	40	42,804,952	78	231,854,361	65,895,400
6W	19	12,093,335	19	46,708,737	14,477,500
7E	31	29,967,191	49	126,716,581	41,656,300
7W	23	20,781,796	88	301,337,394	75,750,100
8	27	39,346,571	47	68,723,681	24,391,400
9	72	62,390,792	90	308,440,208	84,627,200
10	87	38,180,437	86	191,658,590	49,208,400
11	31	35,197,791	117	1,806,092,874	340,302,100
Totals	540	472,702,631	920	3,683,910,884	857,122,600



Bonding Activity

The PFA sells revenue bonds to leverage state and federal monies in its revolving loan funds. PFA revenue bonds are rated AAA by all three rating agencies and are repaid entirely from revolving fund revenues (loan repayments and interest earnings) and are not backed by the State. The PFA has statutory authority to sell up to \$1.5 billion in bonds. As of June 30, 2015 the PFA had \$893 million in outstanding bonds. Bonds are sold on a cash flow basis to cover project disbursements. The PFA did not issue any new bonds in FY 2015.

The tax-exempt bonds issued by the PFA are subject to a variety of Internal Revenue Service regulations governing use of the funds and the handling of the bonds. These include limits on the amount of investment income that may be earned and requirements for excess earnings to be rebated at certain points in time to the IRS. This arbitrage rebate liability is calculated annually and reported in the PFA's annual audit. Also, in FY 2015 the PFA voluntarily notified the IRS through its Voluntary Closing Agreement Program (VCAP) that the PFA had inadvertently committed a violation of IRS tax-exempt regulations by previously purchasing its own bonds as an investment for a period of time. As reported in the PFA's audited financial statement (attached), as of June 30, 2015, the PFA's estimated liability to the IRS was \$1,030,183. Of this amount, \$42,660.81 was for the VCAP settlement amount which was finalized and paid in August 2015.

Water Infrastructure Needs

Based on the most recent needs surveys conducted by the U.S. Environmental Protection Agency with assistance from the MPCA and MDH, clean water infrastructure needs for Minnesota cities over the next 20 years total approximately \$4 billion and drinking water infrastructure needs exceed \$7 billion over the same period. These needs include replacing aging treatment plants and underground infrastructure, upgrading treatment plants to meet new requirements, and expanding systems in some areas to accommodate growth.

As municipalities identify specific construction projects for which they plan to seek state funding assistance within five years, they submit requests to the MPCA and MDH to have the projects ranked on the state's project priority lists. The MPCA's 2016 project priority list for clean water (wastewater and stormwater) infrastructure identifies 293 projects totaling \$1.4 billion for construction over the next five years. The MDH 2016 project priority list for drinking water infrastructure lists 271 projects totaling \$393 million over the same time frame.

When municipalities on the project priority lists schedule their projects for construction in the coming year, they request placement on the PFA's annual CWRP and DWRP Intended Use Plans (IUPs). The PFA has approved its 2016 CWRP IUP with 104 eligible projects for \$236 million in requested financing, and the approved 2016 DWRP IUP lists 95 eligible projects requesting \$169 million. As funding applications are reviewed and approved, available grant funds (primarily WIF and PSIG) for which projects may be eligible are awarded to reduce the final loan amounts.

Minnesota Public Facilities Authority
2015 Annual Report

The approved 2016 IUP totals compare to the current average annual loan capacity of \$100 million per year for the CWRP and \$42 million per year for the DWRP. By placing a much larger set of projects on the approved IUPs, the PFA commits to use its reserves and revenue bonding authority to fund all projects that receive final approvals and are ready to begin construction in FY 2016. However in the long term, making loans at levels greater than the sustainable lending capacity of the Funds without additional federal and state support will decrease future lending capacity.

Over the past five years (FY 2011-2015), the PFA has provided an average of \$182 million per year in clean water and drinking water project funding, including \$151 million in loans and \$31 million in grants. To increase the number of future projects and help more cities address their water infrastructure needs, additional grant funds and increased CWRP and DWRP lending capacity will be needed.

MN Public Facilities Authority Project Awards

FY 2015

Recipient	Clean Water Revolving Fund		Wastewater Inf Fund (WIF) Grant	Clean Water Legacy Fund Programs		Drinking Water Revolving Fund		Transportation Revolving Loan Fund	Special Appropriations	Total PFA Funding	Project description
	Loan	PF Grant		Pt Source Impl Grant	Small Community Program Loan	Grant	Loan				
Audubon						2,063,210				2,063,210	New treatment plant, two new wells, watermain replacement and looping, meter replacement
Austin				496,931						496,931	Extension of sanitary sewer lines to recently-annexed unsewered area known as Turtle Creek 1
Biscay					266,418	1,065,670				1,332,088	Construction of community collection and soil-based treatment system for unsewered community
Brooklyn Center						19,662,352				19,662,352	Construction of new 10 mgd drinking water treatment plant.
Browns Valley			2,091,000							2,091,000	WIF match to RD. Construction of new treatment plant and collection system rehab.
Canby	4,266,964									4,266,964	Replacement of approximately 18,400 lineal feet of sanitary sewer.
Canby						2,667,171	1,895,819			4,562,990	Replacement of 17,500 feet of watermain, 40 hydrants, 100 gate valves.
Carver County								18,000,000		18,000,000	Southwest Reconnection Project, including new bridge over Mississippi river.
Central Iron Range SSD	600,000									600,000	Decommissioning of old wastewater treatment plants in Buhl and Chisholm
Cologne						839,216				839,216	Replace and loop water main.
Crow Wing County	208,305		833,221	290,431						1,331,957	Rehab and upgrade North Long Lake treatment system to meet nitrogen limit and collection system rehab.
Duluth	1,255,464	5,624	3,540,832							4,801,920	Cured-In-Place-Pipe Phase 3 rehab of existing vitrified clay pipe sewer lines in Basin 23, 19 and 18.
Elbow Lake	450,608		1,616,418							2,067,026	Replace and rehab sanitary sewer collection system
Elbow Lake						451,261	1,805,045			2,256,306	Replace watermain, hydrants, and gate valves
Elko New Market						10,357,038				10,357,038	Construct treatment to remove radium, rehabilitate storage tower and add an additional well.
Evansville	600,721	2,402,886								3,003,607	Rehab sanitary sewer collection system - Phase 2

MN Public Facilities Authority Project Awards

FY 2015

Recipient	Clean Water Revolving Fund		Wastewater Inf Fund (WIF) Grant	Clean Water Legacy Fund Programs		Drinking Water Revolving Fund		Transportation Revolving Loan Fund	Special Appropriations	Total PFA Funding	Project description
	Loan	PF Grant		Pt Source Impl Grant	Small Community Program Loan	Grant	Loan				
Evansville							373,816	1,495,265		1,869,081	Replace old watermain with 3,245 feet of 6-inch PVC and 5,473 feet of 8-inch PVC watermain
Fillmore County				689,782	172,353	574,297				1,436,432	Construction of community collection and soil-based treatment system for Greendale unsewered area
Fosston							513,813			513,813	Replacement of watermain, hydrants and gate valves on Second St South
Fosston							572,308			572,308	Replacement of watermain, hydrants and gate valves on Second St North
Hayfield	2,068,712			331,388						2,400,100	Treatment plant rehab and upgrade for phosphorus removal
Hayward	163,033			81,398						244,431	Treatment plant rehab and upgrade for phosphorus removal
Hazel Run			106,441	405,559						512,000	WIF match to RD. Construction of community collection and soil based treatment system
Herman							564,260	695,660		1,259,920	Construction of new drinking water treatment plant, including arsenic removal.
Kandiyohi	326,080		1,304,320							1,630,400	Sewer rehabilitation and replacement on North Side.
Kandiyohi							2,037,523	120,077		2,157,600	Watermain rehabilitation and replacement on North Side.
Kennedy							25,791	103,164		128,955	Watermain replacement
Lanesboro							3,031,931	658,818		3,690,749	Construction of new drinking water treatment plant, including treatment for radium.
Lewis and Clark JPB									22,000,000	22,000,000	Phase 1 construction of the Lewis & Clark Regional Water System in Minnesota.
Mankato	6,829,525									6,829,525	Primary and secondary clarifier improvements at existing wastewater treatment facility.
Mankato				554,360						554,360	Sanitary sewer extension to Schaeffer's Addition area to replace failing onsite systems
Mankato	111,173									111,173	Sanitary sewer line rehabilitation

MN Public Facilities Authority Project Awards

FY 2015

Recipient	Clean Water Revolving Fund		Wastewater Inf Fund (WIF) Grant	Clean Water Legacy Fund Programs		Drinking Water Revolving Fund		Transportation Revolving Loan Fund	Special Appropriations	Total PFA Funding	Project description
	Loan	PF Grant		Pt Source Impl Grant	Small Community Program Loan	Grant	Loan				
Metropolitan Council	60,000,000									60,000,000	Met Council Environmental Services - cash flow financing for eligible projects
Middle Snake Tamarac Rivers Watershed District									75,000	75,000	Red River portion of the North Floodway Hydraulic Study.
Minnehaha Creek Watershed District				529,457						529,457	Blake Road stormwater diversion project, Phase 1
Montevideo							1,172,558			1,172,558	Watermain - Replace Raw Water Lines
Moorhead							13,212,873			13,212,873	High service pump station, reservoir improvements, two new meter vaults, watermain modifications
Mora	3,366,357	645,988		3,000,000						7,012,345	Treatment plant rehab and upgrade for phosphorus removal
Mountain Lake							47,444	189,776		237,220	Construction of a city well # 7, rehab of existing well meter building, raw waterline installation
North Mankato							1,631,793			1,631,793	Construction of city well #9, well house, and connection to existing drinking water system.
Oslo									200,000	200,000	Water Infrastructure Study.
Prior Lake				255,742						255,742	Sanitary sewer extension for homes near Maple Lane, Mushtown Road and Panama Avenue, to meet TMDL wasteload allocation for nutrients
Rockford				213,749						213,749	Treatment plant improvements including chemical addition for phosphorus removal
Rushford	484,860									484,860	Sanitary sewer rehab as part of the Trunk State Highway 43 Project through downtown
Rushford							286,639	385,231		671,870	Watermain replacement as part of the Trunk State Highway 43 Project through downtown
Steele County						28,000				28,000	Small community technical assistance grant for Pratt
Summit Lake Township						48,300				48,300	Small community technical assistance grant for Reading

MN Public Facilities Authority Project Awards

FY 2015

Recipient	Clean Water Revolving Fund		Wastewater Inf Fund (WIF) Grant	Clean Water Legacy Fund Programs		Drinking Water Revolving Fund		Transportation Revolving Loan Fund	Special Appropriations	Total PFA Funding	Project description	
	Loan	PF Grant		Pt Source Impl Grant	Small Community Program Loan	Grant	Loan					PF Grant
Truman									1,425,000	1,425,000	Storm sewer improvements in two areas of the city	
Two Harbors	160,828		643,311	1,305,930						2,110,069	Treatment plant rehab and upgrade for mercury removal	
Warren	442,934									442,934	Replacement of sanitary sewer lines in Fletcher Avenue area.	
Warren							628,064			628,064	Watermain improvements in Fletcher Avenue area.	
Western Lake Superior SD	6,941,990		3,770,958							10,712,948	Treatment plant rehab - grit and screening	
Willmar	3,000,000									3,000,000	Upgrade and extend existing Lakeland Drive interceptor, replace lift station	
<i>fiscal year totals by program:</i>	\$ 91,277,554	\$ 3,054,498	\$ 13,906,501	\$ 8,154,727	\$ 438,771	\$ 1,716,267	\$ 60,139,061	\$ 7,348,855	\$ 18,000,000	\$ 23,700,000	\$ 227,736,234	

Appendix: 2015 Audited Financial Report

[This page intentionally left blank]



Minnesota Public Facilities Authority
(A Component Unit of the State of Minnesota)

Financial Report
June 30, 2015

[This page intentionally left blank]

Minnesota Public Facilities Authority
(A Component Unit of the State of Minnesota)

Financial Report
June 30, 2015

Table of Contents

Independent Auditor’s Report.....	4
Management’s Discussion and Analysis.....	6
Financial Statements:	
Statement of Net Position	18
Statement of Revenues, Expenses and Changes in Fund Net Position.....	20
Statement of Cash Flows	22
Notes to the Financial Statements.....	24
Supplementary Information:	
Independent Auditor’s Report on the Supplementary Information	40
Transportation Bond Fund – Individual Bond Series:	
Statement of Net Position	41
Statement of Revenues, Expenses and Changes in Fund Net Position	42
Statement of Cash Flows.....	43
Schedule of Individual Loans Receivable by Fund	44

Independent Auditor's Report

Minnesota Public Facilities Authority
St. Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of Minnesota Public Facilities Authority (the Authority), a component unit of the State of Minnesota, as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Authority as of June 30, 2015 and 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

RSM US LLP

Minneapolis, Minnesota
October 30, 2015

Management's Discussion and Analysis

This section of the Minnesota Public Facilities Authority's (the Authority) annual financial report presents a discussion and analysis of the financial condition as of and financial activities for the fiscal years ended June 30, 2015 and 2014. Please read it in conjunction with the financial statements and notes following this section.

Introduction and Discussion of the Authority's Operations:

The Authority was created in 1987 by the State of Minnesota under Minnesota Statutes, Chapter 446A. The Authority provides low interest loans and grants to Minnesota municipalities to help finance infrastructure for clean water, drinking water, and transportation projects. Federal grants and state appropriations received by the Authority may be used directly or leveraged with proceeds of the Authority's revenue bonds.

The Authority has issued tax-exempt revenue bonds the proceeds of which are deposited into multiple bond funds. Except for certain cross-collateralization provisions between the Clean Water and Drinking Water Bond Funds, revenues and assets of each bond fund are separately pledged to the holders of that fund's bonds for debt service payments. Assets and revenues of the Authority outside of the bond funds are not pledged, and are used for grant and loan programs and general administration.

Financial Statement Presentation:

The basic financial statements following Management's Discussion and Analysis consist of those required for a special purpose governmental entity engaged in business-type activities:

- *Statement of Net Position* - This is presented in the format of assets (financial and capital resources) plus deferred outflows of resources, less liabilities, less deferred inflows of resources equals net position. The portion of net position that is reported as restricted has constraints on its use due to bond resolutions and or enabling legislation.
- *Statement of Revenues, Expenses, and Changes in Fund Net Position* - This statement presents the accrual basis operations and the resulting change in fund net position of the Authority for the fiscal year.
- *Statement of Cash Flows* - This statement presents useful information regarding the sufficiency of cash flows to meet debt service requirements, because it includes cash flows such as principal received on loans and principal paid on bonds.

Statements for the fiscal year ended June 30, 2015 are followed by statements for the fiscal year ended June 30, 2014 to allow comparison of the Authority's financial position and results of operations for the current and prior fiscal years.

These statements are prepared on the accrual basis and present information on the Authority's overall financial position and results of operations. Assets and revenues of the separate funds contained within these statements are generally restricted as to use and the reader should not assume they might be used in any aggregate manner.

The Authority defines activities under each of its separate bond resolutions as major funds for financial reporting purposes, with all other accounts and activities outside of these bond resolutions reported in the Other Fund. A summary of the major funds reported by the Authority follows. A more detailed description of each is presented later in the section headed Analysis of Individual Funds' Balances and Transactions for Bond Funds.

- Clean Water Bond Fund (CWBF): In conjunction with the Minnesota Pollution Control Agency (MPCA), the Authority provides loans from the fund to municipalities for wastewater treatment projects certified by the MPCA.
- Drinking Water Bond Fund (DWBF): In conjunction with the Minnesota Department of Health, the Authority provides loans for public drinking water facilities.
- Transportation Bond Fund (TBF): Four separate closed resolutions have been created to make loans in cooperation with the Minnesota Department of Transportation: (1) TBF Series 1999A, (2) TBF Series 2001, (3) TBF Series 2006A, and (4) TBF Series 2008A. During the fiscal year ended June 30, 2011, two series of refunding revenue bonds were issued to refund the outstanding Series 1999A and Series 2001 bonds, TBF Series 2010-T1, and TBF Series 2010-T1, respectively.
- Other: All of the Authority's nonrevenue bond activity and accounts are aggregated in the Other Fund.

Within each of the bond funds, the Authority uses bond proceeds, federal capitalization grants, and state matching funds to make loans, pay for the costs of issuing debt, and to fund debt service reserve accounts when used. Federal capitalization grants and state matching grants within these funds are recognized as capital contributions. Net loan repayments and investment earnings provide the necessary cash flow to pay the required debt service on the bonds.

The operations in the Other Fund consist of grant and loan programs funded through federal grants and state appropriations, recognized in these accounts primarily as operating revenue, and administrative costs paid by a portion of the loan repayments, fees, interest earnings, or by federal grant funds.

Condensed Financial Information:

The following page presents condensed financial statement information as of and for the fiscal years ended June 30, 2015, 2014, and 2013.

Minnesota Public Facilities Authority - Condensed Financial Statement Information

Condensed Statements of Net Position

June 30, 2015, 2014, and 2013

	2015	2014	2013
Assets:			
Cash and investments	\$ 360,580,998.09	\$ 414,557,589.63	\$ 485,626,590.34
Loans receivable	1,830,838,380.51	1,812,274,528.62	1,800,706,194.65
Other	16,347,455.05	15,999,796.84	16,352,553.23
Total assets	<u>2,207,766,833.65</u>	<u>2,242,831,915.09</u>	<u>2,302,685,338.22</u>
Deferred Outflows of Resources:			
Deferred charge on debt refunding	14,781,289.00	18,012,155.00	21,662,451.00
Liabilities:			
Interest payable on bonds	14,475,195.50	15,764,194.84	16,979,604.16
Bonds payable	937,227,895.93	1,025,045,790.40	1,110,250,096.34
Other	10,433,945.31	4,530,583.12	4,926,771.50
Total liabilities	<u>962,137,036.74</u>	<u>1,045,340,568.36</u>	<u>1,132,156,472.00</u>
Net Position:			
Restricted	1,254,869,525.27	1,210,341,662.22	1,187,558,907.04
Unrestricted	5,541,560.64	5,161,839.51	4,632,410.18
Total net position	<u>\$ 1,260,411,085.91</u>	<u>\$ 1,215,503,501.73</u>	<u>\$ 1,192,191,317.22</u>

Condensed Statements of Revenues, Expenses, and Changes in Fund Net Position

Years ended June 30, 2015, 2014, 2013

	2015	2014	2013
Operating Revenues:			
Interest on loans	\$ 38,518,162.03	\$ 39,216,438.79	\$ 43,636,333.41
Investment earnings	3,122,218.24	3,472,503.63	5,014,987.58
Grants, appropriations, and fees	39,926,578.15	32,592,875.30	40,046,157.10
Net (decrease) in investment fair value	(320,221.00)	(146,704.00)	(2,002,058.64)
Total operating revenues	<u>81,246,737.42</u>	<u>75,135,113.72</u>	<u>86,695,419.45</u>
Operating Expenses:			
Interest on bonds	39,036,557.71	41,994,391.26	44,765,052.08
Other	46,561,238.62	37,896,260.63	40,577,435.50
Total operating expenses	<u>85,597,796.33</u>	<u>79,890,651.89</u>	<u>85,342,487.58</u>
Operating income (loss)	(4,351,058.91)	(4,755,538.17)	1,352,931.87
Capital Contributions	49,258,643.09	28,067,722.68	44,581,257.48
Change in Net Position	44,907,584.18	23,312,184.51	45,934,189.35
Net Position at Beginning of Year	<u>1,215,503,501.73</u>	<u>1,192,191,317.22</u>	<u>1,146,257,127.87</u>
Net Position at End of Year	<u>\$ 1,260,411,085.91</u>	<u>\$ 1,215,503,501.73</u>	<u>\$ 1,192,191,317.22</u>

Analysis of the Authority's overall Financial Position and Results of Operations:

The table below summarizes certain financial activities during the fiscal years 2015, 2014, and 2013:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Operating revenues and capital contributions from federal grants and state appropriations:			
Clean Water Bond Fund (CWBF):			
Federal capitalization grants	\$ 23,403,039.56	\$ 18,893,680.00	\$ 29,245,285.00
Federal <i>Build America Bonds</i> revenue	1,321,496.89	1,311,523.33	1,432,681.51
State appropriations	6,600,000.00	5,173,800.00	5,487,600.00
Drinking Water Bond Fund (DWBF):			
Federal capitalization grants	13,855,603.53	1,174,042.68	6,835,972.48
Federal <i>Build America Bonds</i> revenue	612,840.97	608,215.76	665,271.98
State appropriations	5,400,000.00	2,826,200.00	3,012,400.00
Other Fund:			
Clean water federal grants	2,492,875.52	2,566,590.31	3,482,472.70
Drinking water federal grants	11,185,851.25	11,623,939.05	7,326,077.60
State appropriations and fees	24,313,513.52	16,482,606.85	27,139,653.31
	<u>\$ 89,185,221.24</u>	<u>\$ 60,660,597.98</u>	<u>\$ 84,627,414.58</u>
Bonds Payable (par):			
issued			
defeased			
redeemed	(77,620,000.00)	(73,825,000.00)	(70,550,000.00)
net change	<u>\$ (77,620,000.00)</u>	<u>\$ (73,825,000.00)</u>	<u>\$ (70,550,000.00)</u>
Loans Receivable:			
disbursed	138,195,969.89	130,653,065.06	141,270,224.76
repaid	(113,594,839.00)	(115,532,613.09)	(332,378,312.35)
net change	<u>\$ 24,601,130.89</u>	<u>\$ 15,120,451.97</u>	<u>\$ (191,108,087.59)</u>

During the fiscal years ended June 30, 2015, 2014, and 2013, net position changed by: \$44.9, \$23.3, and \$45.9 million, respectively. Volatility in this change is due largely to the timing of federal and state capital contributions: \$49.3, \$28.1, and \$44.6 million, respectively.

The weighted average interest rate on outstanding loan balances at June 30, 2015, 2014, and 2013 was 2.11%, 2.18%, and 2.24%, respectively.

The weighted average investment earnings rate (earnings ÷ average daily cash and investments balance) during fiscal years 2015, 2014, and 2013 was 0.71%, 0.66%, and 0.84%.

Loan and grant approvals for the last three fiscal years were \$227.7 million (60 contracts) in fiscal year 2015, \$148.7 million (70 contracts) in fiscal year 2014, and \$104.5 million (52 contracts) in fiscal year 2013.

Discussion of Long-term Debt Activity, Credit Ratings, and Debt Limitations:

The Authority's outstanding debt limit is \$1,500,000,000. The Authority bonds do not constitute a debt of the State of Minnesota or any agency or political subdivision thereof (other than the Authority). The principal amount of bonds outstanding at June 30, 2015 was \$893,440,000.

During fiscal years 2012 through 2015, the Authority has issued no bonds.

The Clean Water and Drinking Water bonds are rated triple A by Standard and Poor's (AAA), Moody's (Aaa), and Fitch Ratings (AAA). The transportation bonds were rated: Series 2006A bonds: Moody's (Aaa); Series 2008A bonds: Standard and Poor's (AAA) and Moody's (Aaa); Series 2010-T1 bonds: Moody's (Aaa); and Series 2010-T2 bonds: Standard and Poor's (AAA).

Analysis of Individual Funds' Balances and Transactions for Bond Funds:

This section will provide general information on each bond fund, followed by presentation and analysis of more detailed financial information.

Clean Water Bond Fund (CWBF): This pooled bond fund is a part of the Authority's Clean Water State Revolving Fund, operated under the federal Clean Water program, CFDA #66.458. Initiated in 1989, twenty four series of bonds have been issued for \$2.41 billion par, which includes \$945 million for refunding prior issues. Federal capitalization grant awards and state match appropriations through June 30, 2015 were approximately \$853 million, net of nonpledged set-asides and principal forgiveness. The Authority has over the years transferred out approximately \$90 million from the CWBF for related but nonpledged programs known as non point-source programs. During fiscal years 2015, 2014, and 2013, the Authority transferred out \$-0- million, \$0.9, and \$-0- million, respectively, from net position for these programs. This activity is reflected on the Statement of Revenues, Expenses, and Changes in Fund Net Position as transfers out of the CWBF to the Other Fund, then as expenditures in the Other Fund as sub-recipients expend the awards. Prior to removing assets from the CWBF, the Authority must meet conditions defined in the fund's basic bond resolution. The CWBF has made 499 loan commitments to 278 borrowers for approximately \$2.75 billion. The largest borrower, at approximately \$559.6 million in outstanding loans as of June 30, 2015, is the Metropolitan Council.

Drinking Water Bond Fund (DWBF): This pooled bond fund is a part of the Authority's Drinking Water State Revolving Fund, operated under the federal Safe Drinking Water program, CFDA #66.468. Initiated in 1998, seven series of bonds have been issued for \$307.2 million, which includes \$35.5 million for refunding prior issues. Federal capitalization grant awards and state match appropriations through June 30, 2015 were approximately \$288 million, net of nonpledged set-asides and principal forgiveness. The fund has made 357 loan commitments to 246 borrowers for approximately \$726 million. The largest borrower, at approximately \$80.2 million in outstanding loans as of June 30, 2015, is the City of Minneapolis.

Transportation Bond Fund (TBF): This fund consists of four closed, stand-alone bond issuances with separate pledged assets and revenues for each:

- The series 1999A bonds of \$17.08 million par were issued in March 1999. The Authority transferred \$4.1 million in cash into the fund at issuance, from its nonpledged accounts. One loan for \$21.025 million was made to the Metropolitan Council. In November 2010, bonds outstanding were redeemed with proceeds of the Revenue Refunding Bonds Series 2010-T1.
- The series 2001 bonds of \$20.45 million par were issued in December 2001. The Authority transferred \$16.77 million in cash and loans into the fund. Nine loan commitments totaling \$34.78 million from the loan pool pledged to these bonds, and a \$1.9 million debt service reserve account was also created from the assets transferred in. In November 2010, bonds outstanding were redeemed with proceeds of the Revenue Refunding Bonds Series 2010-T2.
- The series 2006A bonds of \$8.9 million par were issued in December 2006. The Authority transferred \$2.4 million in cash into the fund at issuance, from its nonpledged accounts. One loan for \$11.2 million was made to Stearns County.
- The series 2008A bonds of \$7.7 million par were issued in January 2008. The Authority transferred \$2.25 million in cash into the fund at issuance, from its nonpledged accounts. One loan for \$10 million was made to the Metropolitan Council.

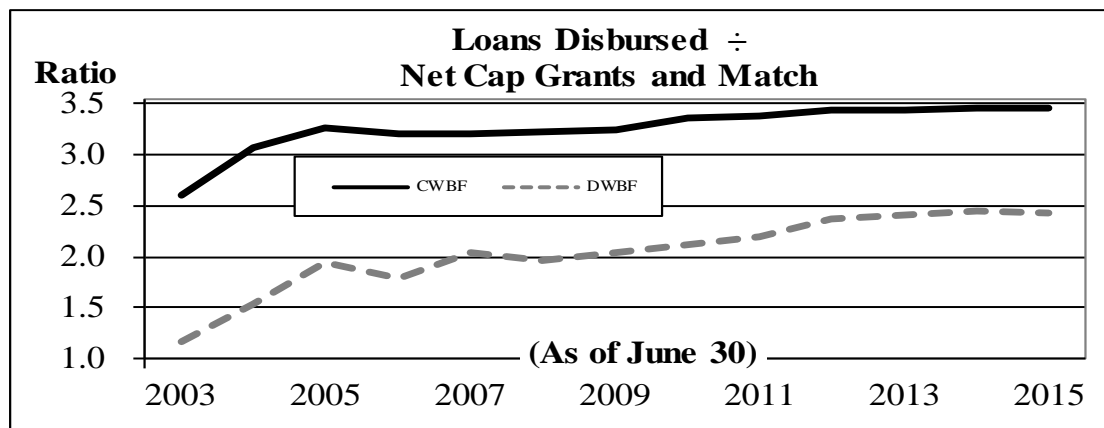
Criteria used in evaluating the financial results and conditions of the bond funds include:

- The efficient use of contributed capital to accomplish the goal of making below market rate loans to program participants (CWBF and DWBF).
- The ability to generate cash flows sufficient to make debt service payments (all bond funds).

Analysis of the efficient use of federal capitalization grants and state match:

The amount of loans disbursed by the CWBF and DWBF, compared to the net amount of federal capitalization grants and state match recognized in the funds, gives a measure of the effective use of the capital contributions. Timing of loan disbursements and use of federal and state funds may affect the ratios at any point in time, but over time this ratio should grow as the programs grow in size and loan repayments become a larger portion of the available sources for new loans. The following chart displays the ratio at June 30th for the past thirteen years.

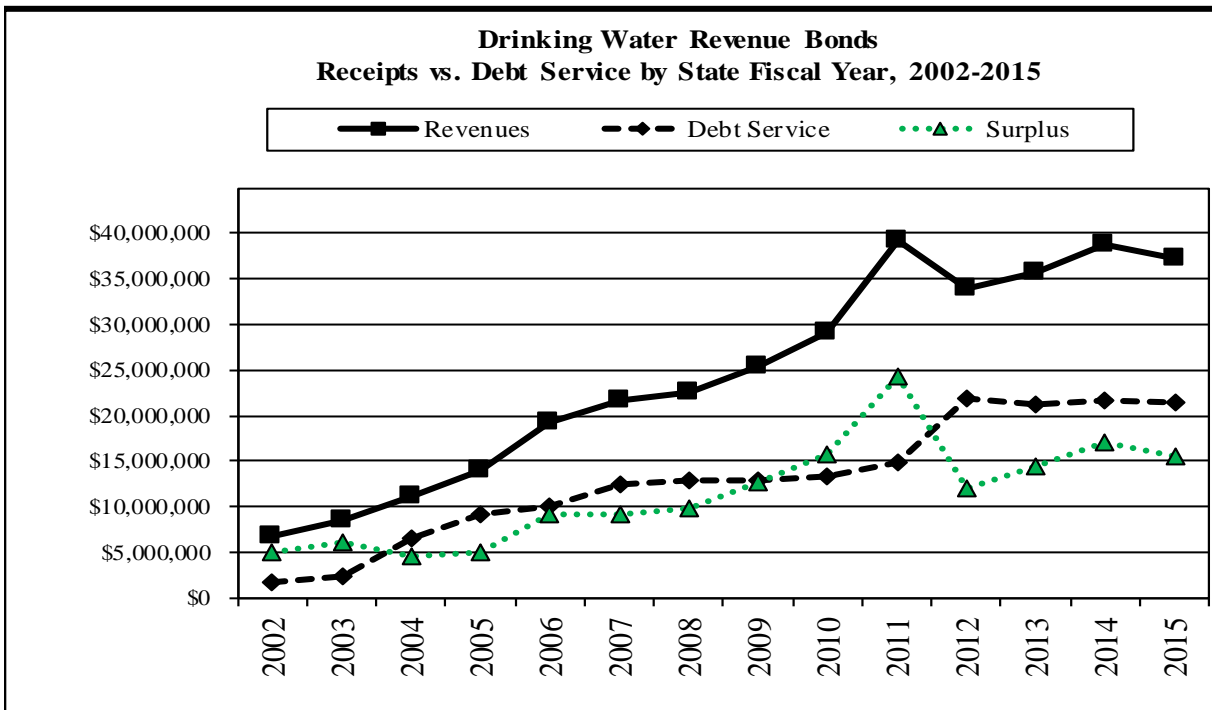
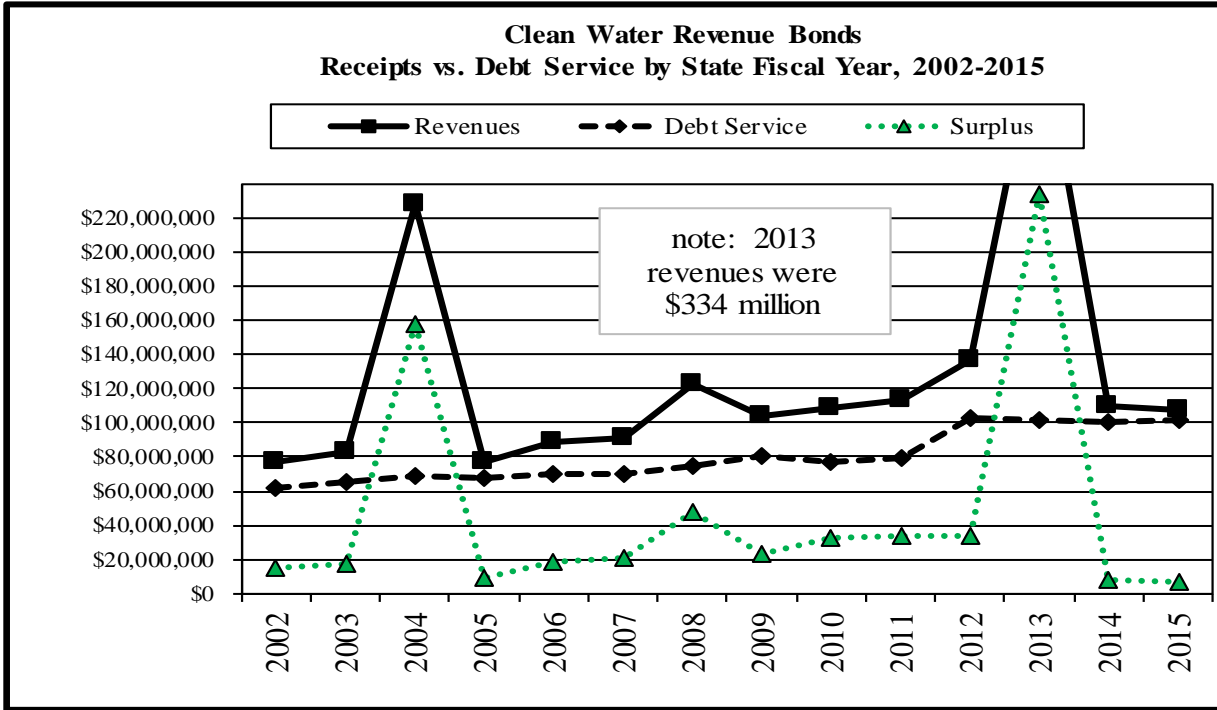
Clean Water and Drinking Water Bond Fund Programs
Leveraging of Federal Capitalization Grants and State Match

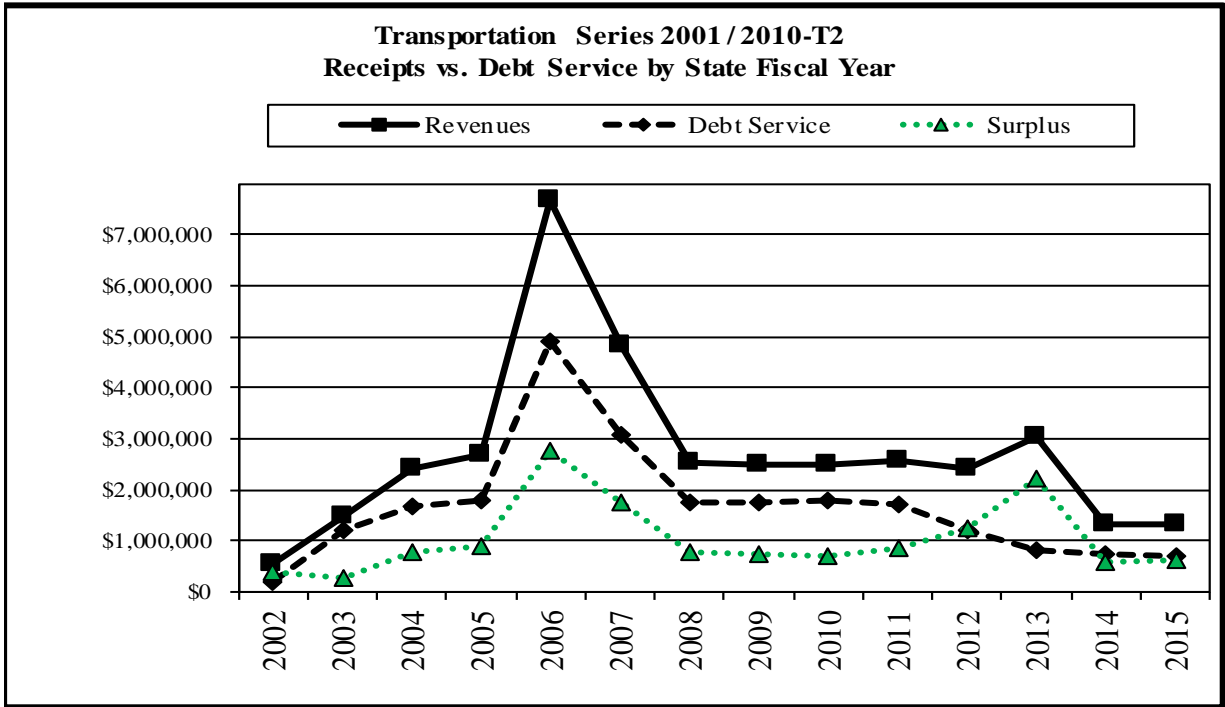
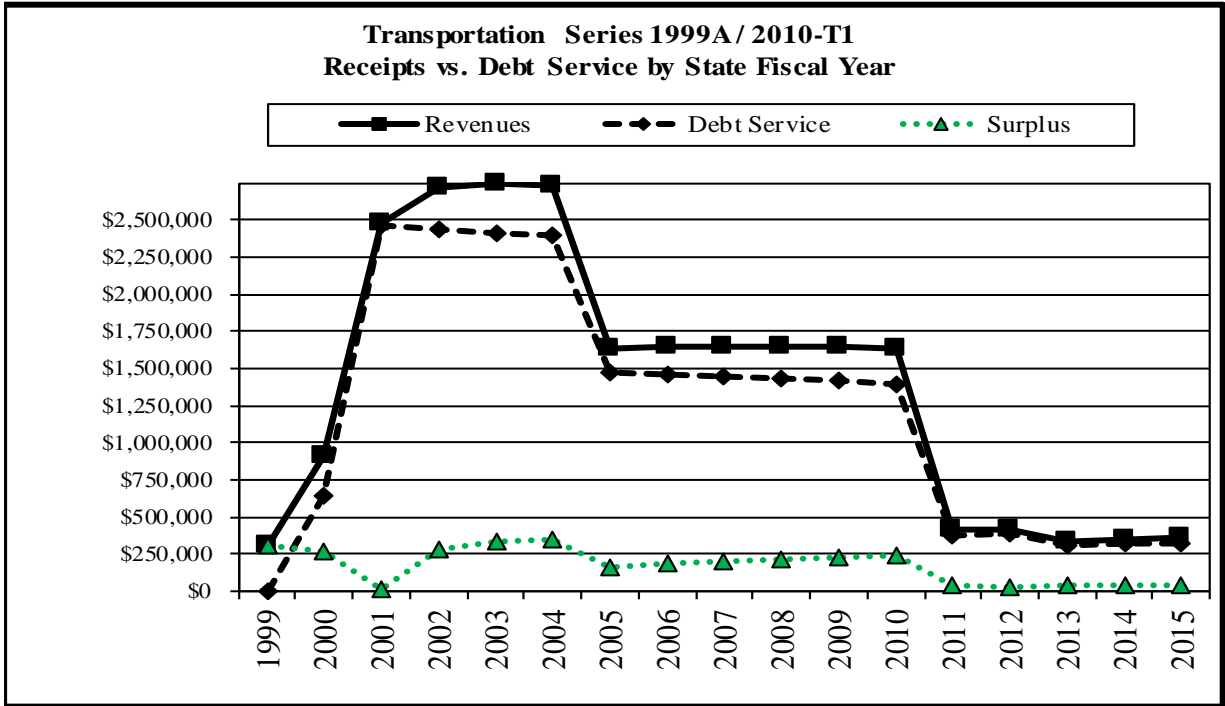


Analysis of historical cash flow sufficiency to make debt service payments:

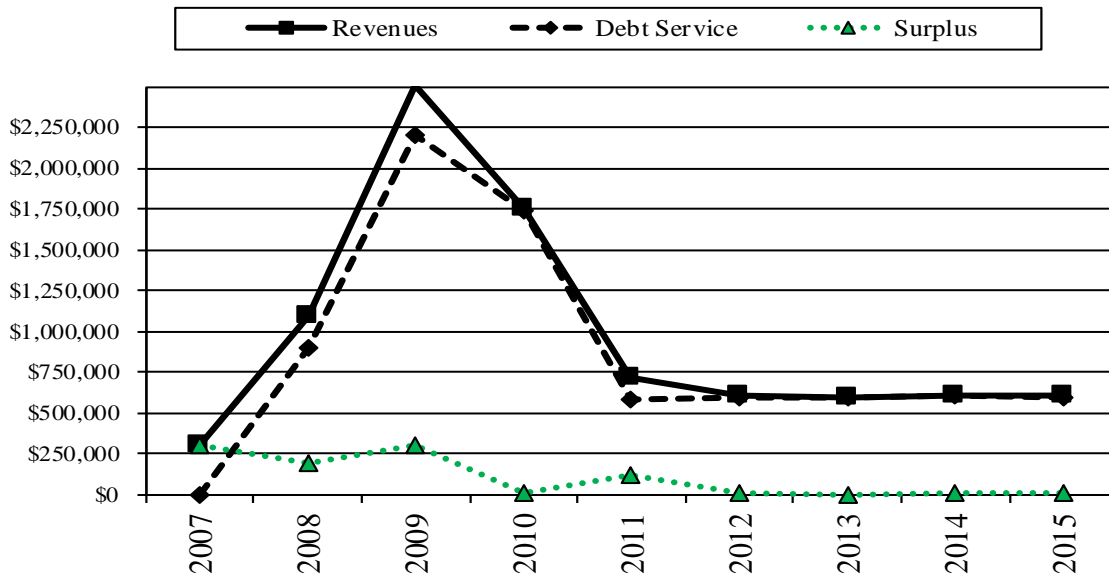
The following charts show each bond fund's cash flow history in meeting debt service payments. Annual total bond fund receipts, debt service, and net surplus are charted.

Charts of each fund's cash flow history to date in meeting debt service payments
(note differing scales between the charts)

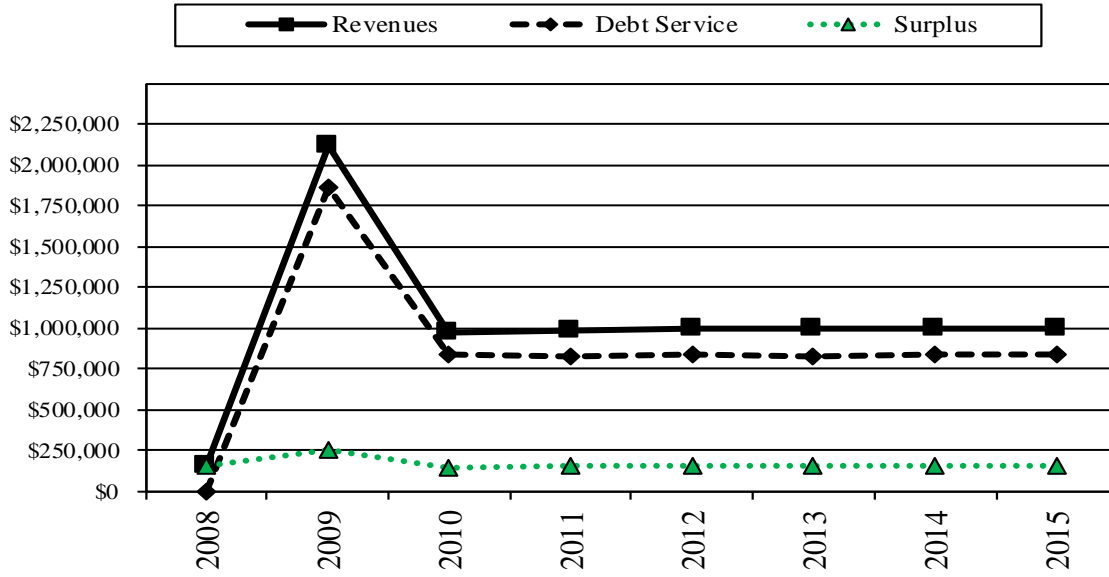




Transportation Series 2006A
Receipts vs. Debt Service by State Fiscal Year



Transportation Series 2008A
Receipts vs. Debt Service by State Fiscal Year



Financial ratios: The following table presents financial ratios regarding financial position and ability to generate cash flows sufficient to pay debt service requirements.

	Clean Water Bond Fund	Drinking Water Bond Fund	Transportation Bond Fund			
			Series 1999A / 2010-T1	Series 2001 / 2010-T2	Series 2006A	Series 2008A
Current ratios						
June 30, 2015	3.99	0.93	1.32	2.87	2.90	1.23
June 30, 2014	4.86	5.45	1.23	1.67	2.99	1.25
June 30, 2013	6.07	5.41	1.23	1.70	3.00	1.28
Debt ratios						
June 30, 2015	0.47	0.36	0.79	0.35	0.69	0.82
June 30, 2014	0.50	0.39	0.80	0.38	0.71	0.81
June 30, 2013	0.52	0.41	0.78	0.40	0.72	0.80
Operating Income ratios						
FY 2015	0.95	1.28	0.55	4.04	0.70	0.63
FY 2014	0.91	1.22	0.08	3.88	0.70	0.65
FY 2013	0.96	1.24	-0.49	3.32	0.63	0.61
Debt Service Coverage						
FY 2015	1.07	1.72	1.02	1.19	1.12	1.90
FY 2014	1.09	1.80	1.11	1.84	1.01	1.18
FY 2013	3.31	1.67	1.11	3.67	1.01	1.19

current ratio: $\text{current assets} \div \text{current liabilities}$

debt ratio: $\text{debt} \div \text{assets}$

operating income ratio: $\text{operating revenues} \div \text{operating expenses}$

debt service coverage ratio: $(\text{loan repayments} + \text{investment interest}) \div (\text{bond debt service})$

Even though operating income ratios for several of the Bond Funds are or have been less than 1, the cash flows are sufficient to pay debt service because the outstanding loans receivable balance is greater than the outstanding bonds. This fact is reflected in the debt service coverage ratios, which includes principal repayments as well as interest. Principal repaid on the loans exceeds the bond principal requirements and more than overcome the lower interest earnings on the loans. These financings were structured such that projected repayments on the loans made are sufficient to pay debt service on the lesser amount of bonds issued.

Analysis of Individual Funds' Balances and Transactions for Non-Bond Funds:

The Other Fund includes grant and loan programs not funded with Authority bond proceeds, and the administrative costs for the Authority including costs of the Department of Employment and Economic Development, the Minnesota Pollution Control Agency (PCA), and the Department of Health. These administrative costs are funded partially from federal grants and partially from the fee portion of loans repayments.

The Authority, through inter-agency agreements, provides funds to Health, PCA, and the Department of Agriculture. The funds are from pass-thru of federal grant awards or from net position removed from the CWBF. The following chart shows activity during the fiscal year:

	MPCA Clean Water Partnership	Agriculture Best Mgmt Practices	Health Drinking Water Set-Asides
<u>Sub-Grants</u>			
New allocations	\$ -	\$ -	\$ 3,459,060
Grant expense	-	-	3,852,203

State Appropriations – The Authority received multiple appropriations during the 2015 and 2014 legislative sessions. These appropriations are recognized as capital contributions or operating revenue as related expenditure obligations are incurred.

Discussion of Facts and Conditions Expected to Have a Significant Impact on Financial Position and or Results of Operations:

During fiscal year 2004 the Authority received early pay-offs on eleven CWBF loans with a total principal balance of \$146 million. These repayments were used to make new CWBF loans. CWBF revenues were reduced from fiscal year 2005 through fiscal year 2014 because the new loans had lower rates than the paid-off loans. The Authority structured the CWBF bonds issued during fiscal year 2005 to offset the cash flow impact through this period in order to achieve relatively level revenue coverage in the CWBF.

In August 2012, the Authority received early pay-offs on five CWBF loans to the Metropolitan Council with a total principal balance of \$221 million. The Authority has made new CWBF loans from these repayments. Net revenues to the CWBF will be reduced from fiscal year 2014 through fiscal year 2022 because new loans will be made at rates lower than the paid-off loans.

The Authority adopts an annual Intended Use Plan (IUP) for the Clean Water program and for the Drinking Water program. The IUPs identify which projects may be considered for funding during the fiscal year, based on priority lists established by the MPCA for Clean Water projects and by the Department of Health for Drinking Water projects. The Authority reviews the long term funding capacity of the Clean Water Bond Fund and the Drinking Water Bond Fund when determining the level of funding for the annual IUPs. Since fiscal year 2001, excepting fiscal years 2005, 2006, 2013, and 2014, Clean Water loans made have exceeded the long-term sustainable capacity of the Bond Fund. Needs for wastewater system improvements were substantial, and construction related inflation makes delays in project starts costly. Meeting current loan demand while preserving long term lending capacity for high priority projects throughout the State will be a continuing challenge.

Requests for Information

This financial report is designed to provide a general overview of the Minnesota Public Facilities Authority's finances. Questions concerning any of the information provided in this report should be addressed to:

Minnesota Public Facilities Authority
Attention: Chief Financial Officer
1st National Bank Bldg., Suite W820
332 Minnesota Street
Saint Paul, MN 55101-1378.

Minnesota Public Facilities Authority
Statement of Net Position
June 30, 2015

	Revenue Bond Funds				Business-type Activity Total
	Clean Water Bond Fund	Drinking Water Bond Fund	Transportation Bond Fund	Other	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 223,069,335.93	\$ 52,514,288.31	\$ 969,759.73	\$ 50,449,271.12	\$ 327,002,655.09
Investments	407,592.00				407,592.00
Loans receivable	87,459,000.00	30,445,000.00	3,561,862.00	3,742,138.00	125,208,000.00
Federal grants receivable				1,965,085.05	1,965,085.05
Accrued interest receivable:					
Investments	399,166.00		5,929.00		405,095.00
Loans	10,232,385.00	3,342,045.00	144,945.00	257,900.00	13,977,275.00
Total current assets	<u>321,567,478.93</u>	<u>86,301,333.31</u>	<u>4,682,495.73</u>	<u>56,414,394.17</u>	<u>468,965,702.14</u>
Noncurrent assets:					
Investments	32,633,751.00		537,000.00		33,170,751.00
Loans receivable	1,236,081,620.65	419,992,177.43	10,713,807.92	38,842,774.51	1,705,630,380.51
Total noncurrent assets	<u>1,268,715,371.65</u>	<u>419,992,177.43</u>	<u>11,250,807.92</u>	<u>38,842,774.51</u>	<u>1,738,801,131.51</u>
Total assets	<u>1,590,282,850.58</u>	<u>506,293,510.74</u>	<u>15,933,303.65</u>	<u>95,257,168.68</u>	<u>2,207,766,833.65</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on debt refunding	14,437,500.00	322,012.00	21,777.00		14,781,289.00
LIABILITIES					
Current liabilities:					
Accounts payable & other				9,065,991.11	9,065,991.11
Interest payable on bonds	11,582,268.00	2,787,990.00	104,937.50		14,475,195.50
Arbitrage rebate liability	91,594.32	67,091.97	15,542.23		174,228.52
Compensated absences payable				43,044.00	43,044.00
Bonds payable	68,945,000.00	89,925,000.00	2,115,000.00		160,985,000.00
Total current liabilities	<u>80,618,862.32</u>	<u>92,780,081.97</u>	<u>2,235,479.73</u>	<u>9,109,035.11</u>	<u>184,743,459.13</u>
Noncurrent liabilities:					
Bonds payable	675,919,700.78	93,294,621.91	7,028,573.24		776,242,895.93
Arbitrage rebate liability	851,876.84		4,077.84		855,954.68
Compensated absences payable				294,727.00	294,727.00
Total liabilities	<u>757,390,439.94</u>	<u>186,074,703.88</u>	<u>9,268,130.81</u>	<u>9,403,762.11</u>	<u>962,137,036.74</u>
NET POSITION					
Restricted (see Note 6)	847,329,910.64	320,540,818.86	6,686,949.84	80,311,845.93	1,254,869,525.27
Unrestricted				5,541,560.64	5,541,560.64
Total net position	<u>\$ 847,329,910.64</u>	<u>\$ 320,540,818.86</u>	<u>\$ 6,686,949.84</u>	<u>\$ 85,853,406.57</u>	<u>\$ 1,260,411,085.91</u>

see accompanying notes to the financial statements

Minnesota Public Facilities Authority
Statement of Net Position
June 30, 2014

	Revenue Bond Funds				Business-type Activity Total
	Clean Water Bond Fund	Drinking Water Bond Fund	Transportation Bond Fund	Other	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 279,394,822.13	\$ 53,567,672.28	\$ 969,101.05	\$ 41,489,030.17	\$ 375,420,625.63
Investments					-
Loans receivable	78,401,622.00	27,618,428.00	2,799,294.00	3,630,259.00	112,449,603.00
Federal grants receivable				1,568,112.84	1,568,112.84
Accrued interest receivable:					
Investments	493,102.00		5,929.00		499,031.00
Loans	10,048,016.00	3,437,139.00	147,687.00	299,811.00	13,932,653.00
Total current assets	<u>368,337,562.13</u>	<u>84,623,239.28</u>	<u>3,922,011.05</u>	<u>46,987,213.01</u>	<u>503,870,025.47</u>
Noncurrent assets:					
Investments	38,599,964.00		537,000.00		39,136,964.00
Loans receivable	1,224,574,568.23	414,147,787.90	14,356,070.29	46,746,499.20	1,699,824,925.62
Total noncurrent assets	<u>1,263,174,532.23</u>	<u>414,147,787.90</u>	<u>14,893,070.29</u>	<u>46,746,499.20</u>	<u>1,738,961,889.62</u>
Total assets	<u>1,631,512,094.36</u>	<u>498,771,027.18</u>	<u>18,815,081.34</u>	<u>93,733,712.21</u>	<u>2,242,831,915.09</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on debt refunding	17,545,588.00	436,742.00	29,825.00		18,012,155.00
LIABILITIES					
Current liabilities:					
Accounts payable & other				3,396,156.90	3,396,156.90
Interest payable on bonds	12,647,268.00	2,989,406.00	127,520.84		15,764,194.84
Arbitrage rebate liability	104,000.00		15,907.33		119,907.33
Compensated absences payable				41,825.00	41,825.00
Bonds payable	63,020,000.00	12,525,000.00	2,075,000.00		77,620,000.00
Total current liabilities	<u>75,771,268.00</u>	<u>15,514,406.00</u>	<u>2,218,428.17</u>	<u>3,437,981.90</u>	<u>96,942,084.07</u>
Noncurrent liabilities:					
Bonds payable	753,824,240.49	184,405,684.10	9,195,865.81		947,425,790.40
Arbitrage rebate liability	525,774.89	162,000.00			687,774.89
Compensated absences payable				284,919.00	284,919.00
Total liabilities	<u>830,121,283.38</u>	<u>200,082,090.10</u>	<u>11,414,293.98</u>	<u>3,722,900.90</u>	<u>1,045,340,568.36</u>
NET POSITION					
Restricted (see Note 6)	818,936,398.98	299,125,679.08	7,430,612.36	84,848,971.80	1,210,341,662.22
Unrestricted				5,161,839.51	5,161,839.51
Total net position	<u>\$ 818,936,398.98</u>	<u>\$ 299,125,679.08</u>	<u>\$ 7,430,612.36</u>	<u>\$ 90,010,811.31</u>	<u>\$ 1,215,503,501.73</u>

see accompanying notes to the financial statements

Minnesota Public Facilities Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
for the Year Ended June 30, 2015

	Revenue Bond Funds				Business-type Activity Total
	Clean Water Bond Fund	Drinking Water Bond Fund	Transportation Bond Fund	Other	
Operating revenues:					
Interest on loans	\$ 25,879,664.16	\$ 8,809,195.32	\$ 385,058.97	\$ 3,444,243.58	\$ 38,518,162.03
Investment earnings	2,477,818.94	432,970.79	24,581.21	186,847.30	3,122,218.24
Net increase (decrease) , fair value of investments	(320,221.00)				(320,221.00)
Federal grants-operating	1,321,496.89	612,840.97		13,678,726.77	15,613,064.63
State appropriations and fees				24,313,513.52	24,313,513.52
Total operating revenues	<u>29,358,758.99</u>	<u>9,855,007.08</u>	<u>409,640.18</u>	<u>41,623,331.17</u>	<u>81,246,737.42</u>
Operating expenses:					
Interest on bonds	31,025,352.29	7,695,470.83	315,734.59		39,036,557.71
Salaries and employee benefits				2,464,399.42	2,464,399.42
Other general operating Grants				859,111.49	859,111.49
				43,237,727.71	43,237,727.71
Total operating expenses	<u>31,025,352.29</u>	<u>7,695,470.83</u>	<u>315,734.59</u>	<u>46,561,238.62</u>	<u>85,597,796.33</u>
Operating income (loss)	<u>(1,666,593.30)</u>	<u>2,159,536.25</u>	<u>93,905.59</u>	<u>(4,937,907.45)</u>	<u>(4,351,058.91)</u>
Capital Contributions:					
Federal Grants	23,403,039.56	13,855,603.53			37,258,643.09
State Match	6,600,000.00	5,400,000.00			12,000,000.00
Total capital contributions	<u>30,003,039.56</u>	<u>19,255,603.53</u>	<u>-</u>	<u>-</u>	<u>49,258,643.09</u>
Transfers in (out)	57,065.40		(837,568.11)	780,502.71	-
Change in net position	28,393,511.66	21,415,139.78	(743,662.52)	(4,157,404.74)	44,907,584.18
Total net position:					
Beginning of year	818,936,398.98	299,125,679.08	7,430,612.36	90,010,811.31	1,215,503,501.73
End of year	<u>\$ 847,329,910.64</u>	<u>\$ 320,540,818.86</u>	<u>\$ 6,686,949.84</u>	<u>\$ 85,853,406.57</u>	<u>\$1,260,411,085.91</u>

see accompanying notes to the financial statements

Minnesota Public Facilities Authority
Statement of Revenues, Expenses and Changes in Fund Net Position
for the Year Ended June 30, 2014

	Revenue Bond Funds				Business-type Activity Total
	Clean Water Bond Fund	Drinking Water Bond Fund	Transportation Bond Fund	Other	
Operating revenues:					
Interest on loans	\$ 26,156,597.03	\$ 9,100,510.78	\$ 425,021.87	\$ 3,534,309.11	\$ 39,216,438.79
Investment earnings	3,102,505.92	197,903.50	16,627.66	155,466.55	3,472,503.63
Net increase (decrease) , fair value of investments	(146,704.00)				(146,704.00)
Federal grants-operating	1,311,523.33	608,215.76		14,190,529.36	16,110,268.45
State appropriations and fees				16,482,606.85	16,482,606.85
Total operating revenues	<u>30,423,922.28</u>	<u>9,906,630.04</u>	<u>441,649.53</u>	<u>34,362,911.87</u>	<u>75,135,113.72</u>
Operating expenses:					
Interest on bonds	33,517,420.33	8,110,639.56	366,331.37		41,994,391.26
Salaries and employee benefits				2,274,528.64	2,274,528.64
Other general operating				839,908.50	839,908.50
Grants				34,781,823.49	34,781,823.49
Total operating expenses	<u>33,517,420.33</u>	<u>8,110,639.56</u>	<u>366,331.37</u>	<u>37,896,260.63</u>	<u>79,890,651.89</u>
Operating income (loss)	<u>(3,093,498.05)</u>	<u>1,795,990.48</u>	<u>75,318.16</u>	<u>(3,533,348.76)</u>	<u>(4,755,538.17)</u>
Capital Contributions:					
Federal Grants	18,893,680.00	1,174,042.68			20,067,722.68
State Match	5,173,800.00	2,826,200.00			8,000,000.00
Total capital contributions	<u>24,067,480.00</u>	<u>4,000,242.68</u>	<u>-</u>	<u>-</u>	<u>28,067,722.68</u>
Transfers in (out)	(801,270.40)		(803,332.54)	1,604,602.94	-
Change in net position	20,172,711.55	5,796,233.16	(728,014.38)	(1,928,745.82)	23,312,184.51
Total net position:					
Beginning of year	798,763,687.43	293,329,445.92	8,158,626.74	91,939,557.13	1,192,191,317.22
End of year	<u>\$ 818,936,398.98</u>	<u>\$ 299,125,679.08</u>	<u>\$ 7,430,612.36</u>	<u>\$ 90,010,811.31</u>	<u>\$1,215,503,501.73</u>

see accompanying notes to the financial statements

Minnesota Public Facilities Authority
Statement of Cash Flows
for the Year Ended June 30, 2015

	Revenue Bond Funds				Business-type Activity Total
	Clean Water Bond Fund	Drinking Water Bond Fund	Transportation Bond Fund	Other	
Operating activities:					
Interest received on loans	\$ 25,695,295.16	\$ 8,904,289.32	\$ 387,800.97	\$ 3,486,154.58	\$ 38,473,540.03
Principal received on loans	79,252,695.97	27,775,939.55	2,879,694.37	3,686,509.11	113,594,839.00
Payments to make loans	(99,817,126.39)	(36,446,901.08)	-	(1,931,942.42)	(138,195,969.89)
Federal grants - operating	1,321,496.89	612,840.97		13,281,754.56	15,216,092.42
State appropriations, and fees				24,313,513.52	24,313,513.52
Payments to employees				(2,390,572.18)	(2,390,572.18)
Payments to vendors				(1,046,500.44)	(1,046,500.44)
Payments to grantees				(27,553,822.59)	(27,553,822.59)
Payments to sub-recipients				(3,852,203.20)	(3,852,203.20)
Net cash provided in operating activities	<u>6,452,361.63</u>	<u>846,168.76</u>	<u>3,267,495.34</u>	<u>7,992,890.94</u>	<u>18,558,916.67</u>
Non capital financing activities:					
Capital contributions - federal	23,403,039.56	13,855,603.53			37,258,643.09
Capital contributions - state	6,600,000.00	5,400,000.00			12,000,000.00
Interest paid on bonds	(37,941,804.00)	(8,968,219.02)	(382,562.50)		(47,292,585.52)
Principal paid on bonds	(63,020,000.00)	(12,525,000.00)	(2,075,000.00)		(77,620,000.00)
Cash transfers	57,065.40		(837,568.11)	780,502.71	-
Net cash provided (used) in non capital financing activities:	<u>(70,901,699.04)</u>	<u>(2,237,615.49)</u>	<u>(3,295,130.61)</u>	<u>780,502.71</u>	<u>(75,653,942.43)</u>
Investing activities:					
Investment interest	2,885,451.21	338,062.76	28,293.95	186,847.30	3,438,655.22
Proceeds from sale & maturities	5,238,400.00				5,238,400.00
Net cash provided in investing activities	<u>8,123,851.21</u>	<u>338,062.76</u>	<u>28,293.95</u>	<u>186,847.30</u>	<u>8,677,055.22</u>
Net increase (decrease) in cash and cash equivalents	(56,325,486.20)	(1,053,383.97)	658.68	8,960,240.95	(48,417,970.54)
Cash and cash equivalents:					
Beginning of year	<u>279,394,822.13</u>	<u>53,567,672.28</u>	<u>969,101.05</u>	<u>41,489,030.17</u>	<u>375,420,625.63</u>
End of year	<u>\$ 223,069,335.93</u>	<u>\$ 52,514,288.31</u>	<u>\$ 969,759.73</u>	<u>\$ 50,449,271.12</u>	<u>\$ 327,002,655.09</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	(1,666,593.30)	2,159,536.25	93,905.59	(4,937,907.45)	(4,351,058.91)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Principal received on loans	79,252,695.97	27,775,939.55	2,879,694.37	3,686,509.11	113,594,839.00
Payments to make loans	(99,817,126.39)	(36,446,901.08)		(1,931,942.42)	(138,195,969.89)
Interest paid on bonds	37,941,804.00	8,968,219.02	382,562.50		47,292,585.52
Investment earnings	(2,885,451.21)	(338,062.76)	(28,293.95)	(186,847.30)	(3,438,655.22)
Net change, investment fair value	320,221.00				320,221.00
Net amortizations	(5,851,451.71)	(1,071,332.19)	(44,244.57)		(6,967,028.47)
Loans converted to grants				6,037,279.00	6,037,279.00
Changes in assets and liabilities:					
Accrued interest and grants receivable	(90,433.00)	95,094.00	2,742.00	(355,061.21)	(347,658.21)
Accrued interest and accounts payable	(751,303.73)	(296,324.03)	(18,870.60)	5,680,861.21	4,614,362.85
Net cash provided in operating activities	<u>\$ 6,452,361.63</u>	<u>\$ 846,168.76</u>	<u>\$ 3,267,495.34</u>	<u>\$ 7,992,890.94</u>	<u>\$ 18,558,916.67</u>

see accompanying notes to the financial statements

Minnesota Public Facilities Authority
Statement of Cash Flows
for the Year Ended June 30, 2014

	Revenue Bond Funds				Business-type Activity Total
	Clean Water Bond Fund	Drinking Water Bond Fund	Transportation Bond Fund	Other	
Operating activities:					
Interest received on loans	\$ 26,512,295.03	\$ 9,264,137.78	\$ 446,734.87	\$ 3,580,053.11	\$ 39,803,220.79
Principal received on loans	79,632,472.51	29,210,467.60	2,798,299.24	3,891,373.74	115,532,613.09
Payments to make loans	(111,929,976.67)	(17,899,516.68)		(823,571.71)	(130,653,065.06)
Federal grants - operating	1,311,523.33	608,215.76		13,973,050.75	15,892,789.84
State appropriations, and fees				16,482,606.85	16,482,606.85
Payments to employees				(2,232,131.06)	(2,232,131.06)
Payments to vendors				(635,331.39)	(635,331.39)
Payments to grantees				(26,645,116.69)	(26,645,116.69)
Payments to sub-recipients				(5,754,731.18)	(5,754,731.18)
Net cash provided in operating activities	<u>(4,473,685.80)</u>	<u>21,183,304.46</u>	<u>3,245,034.11</u>	<u>1,836,202.42</u>	<u>21,790,855.19</u>
Non capital financing activities:					
Capital contributions - federal	18,893,680.00	1,174,042.68			20,067,722.68
Capital contributions - state	5,173,800.00	2,826,200.00			8,000,000.00
Interest paid on bonds	(40,936,304.00)	(9,554,969.02)	(447,537.50)		(50,938,810.52)
Principal paid on bonds	(59,750,000.00)	(12,050,000.00)	(2,025,000.00)		(73,825,000.00)
Cash transfers	(801,270.40)		(803,332.54)	1,604,602.94	-
Net cash provided (used) in non capital financing activities:	<u>(77,420,094.40)</u>	<u>(17,604,726.34)</u>	<u>(3,275,870.04)</u>	<u>1,604,602.94</u>	<u>(96,696,087.84)</u>
Investing activities:					
Investment interest	3,477,112.15	323,445.98	26,911.26	155,466.55	3,982,935.94
Proceeds from sale & maturities					-
Net cash provided in investing activities	<u>3,477,112.15</u>	<u>323,445.98</u>	<u>26,911.26</u>	<u>155,466.55</u>	<u>3,982,935.94</u>
Net increase (decrease) in cash and cash equivalents	(78,416,668.05)	3,902,024.10	(3,924.67)	3,596,271.91	(70,922,296.71)
Cash and cash equivalents:					
Beginning of year	<u>357,811,490.18</u>	<u>49,665,648.18</u>	<u>973,025.72</u>	<u>37,892,758.26</u>	<u>446,342,922.34</u>
End of year	<u>\$ 279,394,822.13</u>	<u>\$ 53,567,672.28</u>	<u>\$ 969,101.05</u>	<u>\$ 41,489,030.17</u>	<u>\$ 375,420,625.63</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	(3,093,498.05)	1,795,990.48	75,318.16	(3,533,348.76)	(4,755,538.17)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Principal received on loans	79,632,472.51	29,210,467.60	2,798,299.24	3,891,373.74	115,532,613.09
Payments to make loans	(111,929,976.67)	(17,899,516.68)		(823,571.71)	(130,653,065.06)
Interest paid on bonds	40,936,304.00	9,554,969.02	447,537.50		50,938,810.52
Investment earnings	(3,477,112.15)	(323,445.98)	(26,911.26)	(155,466.55)	(3,982,935.94)
Net change, investment fair value	146,704.00				146,704.00
Net amortizations	(6,420,716.67)	(1,248,745.46)	(59,547.81)		(7,729,009.94)
Loans converted to grants				3,552,118.00	3,552,118.00
Changes in assets and liabilities:					
Accrued interest and grants receivable	339,151.00	163,627.00	21,713.00	(171,734.61)	352,756.39
Accrued interest and accounts payable	(607,013.77)	(70,041.52)	(11,374.72)	(923,167.69)	(1,611,597.70)
Net cash provided in operating activities	<u>\$ (4,473,685.80)</u>	<u>\$ 21,183,304.46</u>	<u>\$ 3,245,034.11</u>	<u>\$ 1,836,202.42</u>	<u>\$ 21,790,855.19</u>

see accompanying notes to the financial statements

Minnesota Public Facilities Authority
Notes to the Financial Statements
Years Ended June 30, 2015 and 2014

1. *Summary of Significant Accounting Policies*

The financial statements of the Minnesota Public Facilities Authority (the Authority) have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. Descriptions of the significant accounting policies follow:

Reporting Entity - The Minnesota Public Facilities Authority (the Authority) was created in 1987 by the State of Minnesota under Minnesota Statutes, Chapter 446A (the Act). Under the Act, the members of the Authority are the Commissioner of Employment and Economic Development, the Commissioner of Management and Budget, the Commissioner of the Minnesota Pollution Control Agency (MPCA), the Commissioner of Agriculture, the Commissioner of Health, and the Commissioner of Transportation. The Commissioner of Employment and Economic Development serves as chair and chief executive officer of the Authority. These members serve as a result of their respective positions as commissioners, and their terms as members of the Authority coincide with their terms as commissioners. Pursuant to state law, commissioners may delegate and have delegated their duties as a member of the Authority in the event that the commissioner is unable to attend a meeting of the Authority.

The Department of Employment and Economic Development (DEED) provides administrative support services to the Authority. The MPCA and the Minnesota Department of Health also provide staff to administer, in cooperation with the Authority, certain programs of the Authority.

GASB Codification Section 2100 states that a primary government that appoints a voting majority of the organization's governing body, and either (1) is able to impose its will on the organization or (2) has the potential to receive specific financial burdens imposed on it by the organization, is financially accountable to that organization. Based on this criterion, the Authority is considered a discretely presented component unit of the State of Minnesota and is included in its basic financial statements.

The Authority is authorized to issue bonds. These bonds do not constitute a debt of the State of Minnesota or any agency or political subdivision thereof (other than the Authority).

Basis of Accounting – The Authority is a special-purpose government engaged in business-type activities. The Authority has determined that all of its funds shall be classified as enterprise funds and are therefore accounted for on the proprietary fund-type basis. All assets and liabilities (whether current or noncurrent) associated with their activity are included on their statements of net position. Proprietary fund measurement is focused upon determination of net income, financial position, and cash flows. The Authority's proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

Fund Accounting – As a governmental entity the Authority organizes its accounts on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund net position, revenues, and expenses, as appropriate. Government resources are allocated and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. All of the Authority’s funds are classified as proprietary funds. The Authority reports the following major proprietary funds:

- *Clean Water Bond Fund (CWBF)* - The Authority receives federal capitalization grants under Title VI of the Federal Clean Water Act, and state matching grants. These funds are leveraged with proceeds from the Authority’s pooled Clean Water revenue bonds to provide below-market-rate loans to municipalities and eligible political subdivisions to facilitate the construction of wastewater treatment facilities. Before the Authority can approve any particular loan, the MCPA must certify the applicant’s project based on technical and environmental reviews.
- *Drinking Water Bond Fund (DWBF)* - The Authority receives federal capitalization grants under Section 1452 of the Safe Drinking Water Act and state matching grants. These funds are leveraged with proceeds from the Authority’s pooled Drinking Water revenue bonds to provide below-market-rate loans to municipalities to finance costs of drinking water system infrastructure. Before the Authority can approve any particular loan, the Minnesota Department of Health must certify the applicants’ projects based on technical and environmental reviews.
- *Transportation Bond Fund (TBF)* - This program was initiated with a federal grant from the U.S. Department of Transportation to the Minnesota Department of Transportation (MnDOT) and state matching grants. The Authority administers the TBF, which provides loans to municipalities and eligible political subdivisions for construction of highways, bridges, and streets, and for purchasing transit capital. MnDOT must certify applicants’ projects based on MnDOT’s design standards. Four closed, stand-alone series of revenue bonds were issued.
- *Other Fund* - In addition to the pledged bond funds, the Authority manages various legislative appropriations for similar purposes. One of the programs included in the Other Fund is the Wastewater Infrastructure Funding Program (WIF). The Authority receives appropriations from the Minnesota Legislature to fund the program, and in conjunction with any particular loan from the CWBF or financing from the U.S. Department of Agriculture’s Rural Development Office, WIF Supplemental Assistance grants are given to eligible municipalities with high-cost wastewater projects. The Other Fund also includes the accounts and activities related to management of the Clean Water Bond Fund, Drinking Water Bond Fund, and Transportation Bond Fund.

Federal Grants and State Appropriations - The Authority receives federal capitalization grants from the Environmental Protection Agency and, through MnDOT, the Authority has received federal highway money. This money is used primarily for funding of loans and has also been used as security on bonds, and a portion may be expended for administrative and other set-aside costs. The Authority also receives state appropriations as match to the federal grants and for other Authority loan and grant programs. These federal and state monies are recognized in the financial statements when the associated expenditure obligations have met the eligibility requirement. When used to capitalize the revolving loan funds they are recorded as capital contributions; when used for administrative costs or grants they are recorded as operating revenue.

Cash Equivalents - The Authority considers all investments with an original maturity when purchased of three months or less to be cash equivalents.

Loans Receivable - Loans receivable are carried at their unpaid principal balances, net of any allowances for loan losses. The allowances for loan losses are established based on management's evaluation of the loan portfolio. Generally, the Authority does not provide an allowance for loan losses as the loans are secured by the borrowers' general taxing and levy authority and revenue pledges.

Investments - The Authority reports investments at fair value in the statement of net position with changes in the fair value of investments reported in the statement of revenues, expenses, and changes in fund net position. Fair value of investments was determined based on quoted market prices as of the reporting date. Guaranteed investment contracts of the Authority are contracts purchased from life insurance companies who guarantee the principal and return, and allow money to be withdrawn if needed. The Authority's guaranteed investment contracts are nonparticipating and, as such, are reported at cost and annually tested for impairment. The Authority believes it has the ability and intent to hold all investments to maturity to recover the full carrying value of its investment portfolio and does not expect to realize any gain or loss from the market value adjustments as shown in the various funds.

Bond Discounts, Premiums, and Issuance Costs - Bond discounts and premiums are amortized using the effective interest method over the term of the bond series. Bond issuance costs are expensed in the period incurred.

Income Taxes - The Authority is a discretely presented component unit of the State of Minnesota and is exempt from federal and state income taxes.

Restrictions on Net Position - The use of assets held within each separate bond fund is restricted by the terms and conditions of that fund's bond resolutions. All assets of the Authority, including those not restricted by bond resolutions, are limited in their use by state and federal laws under which the funds were appropriated and / or grant conditions imposed by the federal funding agency. The net position in the Authority's administrative accounts is reported as unrestricted because it is used for general operating activities.

Defining Operating Revenues and Expenses and Operating Cash Flows - The Authority issues revenue bonds to leverage the capital contributions it receives from federal capitalization grants and state matching grants. These funds are then used to make below-market-rate loans to municipalities and to pay for certain costs of issuance. Investment interest and loan repayments generate the cash flow required to make bond debt service payments. Interest from loans and investments are included as part of operating revenues and interest expense on bonds is included in operating expenses.

Use of Estimates - The presentation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. *Deposits and Investments*

Deposits - In accordance with state statutes, the Authority's cash deposits are held in the state treasury and managed by the State Board of Investment (SBI) in a state pool. Minnesota Department of Management and Budget (MMB) is responsible for ensuring balances are insured or collateralized in accordance with statutes. Further information regarding the state pool can be found in MMB's Comprehensive Annual Financial Reports for the state of Minnesota, and in SBI's financial reports. At June 30, 2015 and 2014, \$319,998,457 and \$373,817,245, respectively, of cash deposits were interest-bearing and \$7,004,198.58 and \$1,603,381, respectively, were non-interest-bearing.

Investments - The Authority's investment policy requires it to follow Minnesota state statutes and bond resolutions. Investments are composed primarily of notes of the U.S. Government and its agencies, guaranteed investment contracts, and municipal securities. Information regarding the Authority's investments is provided below to give an indication of the risk level assumed at year-end.

Interest Rate Risk - The Authority does not have a formal investment policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – For an investment, the custodial credit risk is that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the Authority will not be able to recover the value of its investments that are in the possession of another party. The Authority requires for all securities purchased that the securities are at all times insured, registered in the Authority's name or in the possession of the Authority.

Credit Risk - Excluding U.S. Government-backed securities, the Authority's investments at June 30, 2015 and 2014 carried the following ratings by the three nationally recognized statistical rating organizations shown:

Investment type	Standard & Poors	Fitch Ratings	Moody's Investors Service
Federal Farm Credit Banks	AAA	AAA	Aaa
Federal Home Loan Mortgage Corporation	AAA	AAA	Aaa
State & Municipal Securities	AAA	AAA	Aaa
Guaranteed Investment Contracts	not rated ¹		

¹ The Guaranteed Investment Contracts are not rated but are backed by U.S. Government securities.

Concentration of Credit Risk: For the investments held by the Authority at June 30, 2015 and 2014, state law and Authority investment policy places no limits on the amount that may be invested in any one issuer. Excluding U.S. Government-backed securities, more than 5% of the Authority's investments are in the following issuers:

Issuer	June 30, 2015		June 30, 2014	
	Fair Value	% of Investments	Fair Value	% of Investments
Federal Home Loan Mortgage Corporation	\$ 5,889,675	18%	\$ 6,088,280	16%
Texas, State of	5,753,444	17%	5,867,131	15%
Minneapolis MN	5,633,828	17%	5,615,545	14%
Guaranteed Investment Contracts:AIGMFC	3,265,500	10%	3,265,500	8%
Brown County WI	3,041,255	9%	3,055,180	8%
Federal Farm Credit Banks	2,821,455	8%	2,932,305	7%
Dallas, TX S.D.			5,030,550	13%

At June 30, 2015, the Authority had the following investments:

Investment type	Fair Value	Investment Maturities (in Years)				WAM ¹
		less than 1	1 to 5	6 to 10	more than 10	
U.S. Treasury SLGS	\$ 537,000	\$ -	\$ 191,950	\$ 345,050	\$ -	5.29
Federal Farm Credit Banks	2,821,455		2,821,455			1.54
Federal Home Loan Mortgage Corporation	5,889,675		5,889,675			1.63
Guaranteed Investment Contracts	3,265,500		3,265,500			2.66
State & municipal securities	21,064,713	407,592	5,132,928	6,502,522	9,021,671	9.56
totals	\$ 33,578,343	\$ 407,592	\$ 17,301,508	\$ 6,847,572	\$ 9,021,671	6.77

At June 30, 2014, the Authority had the following investments:

Investment type	Fair Value	Investment Maturities (in Years)				WAM ¹
		less than 1	1 to 5	6 to 10	more than 10	
U.S. Treasury SLGS	\$ 537,000	\$ -	\$ -	\$ 537,000	\$ -	6.29
Federal Farm Credit Banks	2,932,305		2,932,305			2.54
Federal Home Loan Mortgage Corporation	6,088,280		6,088,280			2.63
Guaranteed Investment Contracts	3,265,500		3,265,500			3.66
State & municipal securities	26,313,879		3,122,279	5,349,679	17,841,921	11.86
totals	\$ 39,136,964	\$ -	\$ 15,408,363	\$ 5,886,679	\$ 17,841,921	9.03

3. *Loans Receivable*

The Authority lends funds to political subdivisions within the state of Minnesota, through bond purchase and project loan agreements. All of the loans pledged to bond-holders are secured by the borrowers' general taxing and levy authority and revenue pledges, except DWBF loans to the City of Saint Paul which are secured by revenue pledges only.

Loans receivable balances by Fund:

At June 30, 2015 and 2014 the Authority had outstanding loans receivable consisting of:

Fund	Loan rates from - to	Final maturity	Outstanding Principal, June 30:	
			2015	2014
CWBF	0.000% - 4.630%	Aug-2045	\$ 1,323,540,621	\$ 1,302,976,190
DWBF	1.000% - 4.160%	Aug-2044	450,437,177	441,766,216
TBF	1.390% - 3.590%	Aug-2030	14,275,670	17,155,364
Other	0.000% - 3.645%	Aug-2042	42,584,913	50,376,758
			<u>\$ 1,830,838,381</u>	<u>\$ 1,812,274,529</u>

The supplemental *Schedule of Individual Loans Receivable by Fund* lists outstanding loans by fund.

Borrower concentration in the open-pool bond funds (CWBF and DWBF):

The Clean Water Bond Fund and the Drinking Water Bond Fund both have large loan portfolios with many borrowers. These loans are a significant portion of the assets securing the outstanding bonds of these two funds, and provide a significant portion of the revenues pledged to the payment of debt service on the bonds.

The tables on the following page show the borrowers whose loan balances make up more than 4% of the outstanding loan balances of, respectively: the Clean Water Bond Fund, the Drinking Water Bond Fund, and the combined loan portfolios of both funds.

At June 30, 2015 and 2014, the Clean Water Bond Fund had outstanding loans to 245 and 247, respectively, Minnesota political subdivisions. Two of those borrowers' loan balances made up more than 4% of the outstanding total as shown below:

CWBF Borrower	June 30, 2015		June 30, 2014	
	Balance	%	Balance	%
Metropolitan Council	\$ 559,635,144	42.3%	\$ 512,140,636	39.3%
Willmar, City of	67,689,029	5.1%	67,425,010	5.2%
All other borrowers	696,216,448	52.6%	723,410,544	55.5%
	<u>\$ 1,323,540,621</u>	<u>100.0%</u>	<u>\$ 1,302,976,190</u>	<u>100.0%</u>

At June 30, 2015 and 2014, the Drinking Water Bond Fund had outstanding loans to 235 and 226, respectively, Minnesota political subdivisions. Four of those borrowers' loan balances made up more than 4% of the outstanding total as shown below:

DWBF Borrower	June 30, 2015		June 30, 2014	
	Balance	%	Balance	%
Minneapolis	\$ 80,230,000	17.8%	\$ 84,075,000	19.0%
Saint Paul, City of	27,406,067	6.1%	26,285,000	5.9%
Mankato, City of	27,170,248	6.0%	28,395,743	6.4%
Fairmont, City of	26,422,495	5.9%	26,567,562	6.0%
All other borrowers	289,208,367	64.2%	276,442,910	62.6%
	<u>\$ 450,437,177</u>	<u>100.0%</u>	<u>\$ 441,766,216</u>	<u>100.0%</u>

At June 30, 2015 and 2014, the two loan portfolios together had outstanding loans to 365 and 363, respectively, Minnesota political subdivisions. Two of those borrowers' loan balances made up more than 4% of the combined outstanding total as shown below:

CWBF+DWBF combined	June 30, 2015		June 30, 2014	
	Balance	%	Balance	%
Metropolitan Council	\$ 559,635,144	31.5%	\$ 512,140,636	29.4%
Minneapolis, City of	80,230,000	4.5%	84,075,000	4.8%
All other borrowers	1,134,112,654	63.9%	1,148,526,770	65.8%
	<u>\$ 1,773,977,798</u>	<u>100.0%</u>	<u>\$ 1,744,742,406</u>	<u>100.0%</u>

Projected loan repayments:

The tables on the following two pages show projected repayments on outstanding loans. The projections include only fully executed loans existing at June 30, 2015. The Authority anticipates that subsequent to June 30, 2015, a significant amount of new loans will be made from existing resources; these loans will add to future repayment streams but are not included in the following projections.

Schedules of Future Loan Repayments – At June 30, 2015, scheduled loan repayments (interest and principal) on outstanding loans are payable as follows:

Fiscal Year(s)	Clean Water Bond Fund		Drinking Water Bond Fund	
	Ending	Interest	Principal	Interest
2016	25,328,593	87,459,000	8,627,769	30,445,000
2017	23,694,011	94,212,523	8,261,710	32,207,644
2018	21,655,440	95,090,507	7,485,683	35,027,000
2019	19,288,215	99,817,351	6,658,682	37,253,000
2020	17,079,965	97,163,419	5,826,840	37,932,825
2021 - 2025	54,915,888	474,685,556	18,447,157	162,900,790
2026 - 2030	18,549,034	290,166,117	6,189,376	100,187,752
2031 - 2035	4,845,915	97,824,912	2,226,847	36,969,133
2036 - 2040	1,177,992	26,132,000	812,561	16,245,556
2041 - 2045	30,720	5,013,347	41,680	5,898,178
2046 - 2050	-	8,500	-	-
	<u>\$ 186,565,772</u>	<u>\$ 1,367,573,232</u>	<u>\$ 64,578,303</u>	<u>\$ 495,066,878</u>
Less: undisbursed commitments:		44,032,611		44,629,701
Outstanding principal:		<u><u>\$ 1,323,540,621</u></u>		<u><u>\$ 450,437,177</u></u>

Fiscal Year(s)	TBF Series 1999A / 2010-T1		TBF Series 2001/ 2010-T2	
	Ending	Interest	Principal	Interest
2016	399	365,000	192,760	1,716,862
2017	3,773	375,000	159,748	476,808
2018	2,198	385,000	147,980	240,000
2019	4,864	395,000	139,184	250,000
2020	4,842	415,000	130,030	260,000
2021 - 2025	-	-	502,510	1,425,000
2026 - 2030	-	-	223,388	1,695,000
2031 - 2035	-	-	6,677	372,000
2036 - 2040	-	-	-	-
2041 - 2045	-	-	-	-
2046 - 2050	-	-	-	-
	<u>\$ 16,076</u>	<u>\$ 1,935,000</u>	<u>\$ 1,502,277</u>	<u>\$ 6,435,670</u>
Less: undisbursed commitments:				
Outstanding principal:		<u><u>\$ 1,935,000</u></u>		<u><u>\$ 6,435,670</u></u>

Scheduled future loan repayments (continued):

Fiscal Year(s)	TBF Series 2006A		TBF Series 2008A		
	Ending	Interest	Principal	Interest	Principal
2016		75,307	530,000	47,317	950,000
2017		62,931	675,000	30,319	965,000
2018		47,155	690,000	13,320	765,000
2019		31,026	715,000	-	-
2020		14,311	615,000	-	-
2021 - 2025		-	-	-	-
2026 - 2030		-	-	-	-
2031 - 2035		-	-	-	-
2036 - 2040		-	-	-	-
2041 - 2045		-	-	-	-
2046 - 2050		-	-	-	-
		<u>\$ 230,729</u>	<u>\$ 3,225,000</u>	<u>\$ 90,956</u>	<u>\$ 2,680,000</u>
Less: undisbursed commitments:					
Outstanding principal:		<u>\$ 3,225,000</u>		<u>\$ 2,680,000</u>	

Fiscal Year(s)	Other - Nonpledged		MPFA Totals		
	Ending	Interest	Principal	Interest	Principal
2016		3,696,117	3,742,138	37,968,262	125,208,000
2017		3,839,182	4,453,129	36,051,674	133,365,104
2018		3,779,170	2,768,634	33,130,945	134,966,142
2019		3,814,621	2,735,789	29,936,593	141,166,140
2020		3,672,717	2,726,066	26,728,705	139,112,311
2021 - 2025		16,178,030	12,503,931	90,043,585	651,515,278
2026 - 2030		9,301,941	20,310,278	34,263,739	412,359,147
2031 - 2035		3,115,668	7,246,787	10,195,107	142,412,831
2036 - 2040		959,983	3,487,068	2,950,535	45,864,624
2041 - 2045		155,734	1,065,000	228,133	11,976,525
2046 - 2050		43	-	43	8,500
		<u>\$ 48,513,206</u>	<u>\$ 61,038,821</u>	<u>\$ 301,497,319</u>	<u>\$ 1,937,954,601</u>
Less: undisbursed commitments:					
Outstanding principal:		<u>\$ 42,584,913</u>	<u>18,453,908</u>	<u>\$ 1,830,838,381</u>	<u>107,116,221</u>

4 *Bonds Payable*

Bonds payable at June 30, 2015 and 2014 consist of:

Series	Interest Rates	Date Issued	Final Maturity ¹	Original Principal	Outstanding Principal, June 30:	
					2015	2014
Clean Water						
Fourteen series of bonds no longer outstanding:				\$1,102,962,117	\$ -	\$ -
2004BC	3.00 - 5.25	10/21/04	03/01/16	218,000,000	20,600,000	40,600,000
2004D	3.25 - 5.00	12/02/04	03/01/16	101,000,000	7,180,000	33,560,000
2005B	3.00 - 5.00	10/20/05	03/01/21	148,375,000	141,550,000	141,550,000
2005C	5.00	12/07/05	03/01/17	134,000,000	7,500,000	7,500,000
2007A	4.00 - 5.00	07/11/07	03/01/19	90,000,000	18,500,000	19,000,000
2007B	4.00 - 5.00	10/25/07	03/01/28	80,000,000	50,600,000	50,700,000
2010A	2.00 - 5.00	04/01/10	03/01/27	310,065,000	265,920,000	273,785,000
2010B_cw	4.25 - 5.25	04/01/10	03/01/28	20,990,000	20,990,000	20,990,000
2010C_cw	3.25 - 5.00	11/18/10	03/01/26	140,000,000	108,470,000	116,645,000
2010D_cw	4.77 - 4.90	11/18/10	03/01/31	63,700,000	63,700,000	63,700,000
Clean Water bonds				2,409,092,117	705,010,000	768,030,000
Plus: Remaining unamortized net premium					39,854,701	48,814,240
Net bonds payable reflected on the statement of net position					744,864,701	816,844,240
Drinking Water						
1999B	4.60 - 5.125	07/14/99	03/01/09	\$ 21,500,000	\$ -	\$ -
2002B	2.00 - 5.25	12/19/02	03/01/12	50,000,000	-	-
2004A	2.00 - 5.00	03/04/04	03/01/24	53,000,000	37,900,000	40,100,000
2005A	2.00 - 5.00	10/20/05	03/01/25	83,365,000	55,630,000	62,450,000
2010B_dw	4.25 - 5.25	04/01/10	03/01/28	12,050,000	12,050,000	12,050,000
2010C_dw	3.25 - 5.00	11/18/10	03/01/26	60,000,000	46,490,000	49,995,000
2010D_dw	4.77 - 4.90	11/18/10	03/01/31	27,300,000	27,300,000	27,300,000
Drinking Water bonds				307,215,000	179,370,000	191,895,000
Plus: Remaining unamortized net premium					3,849,622	5,035,684
Net bonds payable reflected on the statement of net position					183,219,622	196,930,684

Bonds payable (continued):

Series	Interest Rates	Date Issued	Final Maturity ¹	Original Principal	Outstanding Principal, June 30:	
					2015	2014
Transportation Series 2006A						
2006A	3.75 - 4.00	12/20/06	03/01/20	8,900,000	2,915,000	3,375,000
	Plus: Remaining unamortized net premium				2,413	5,780
Net bonds payable reflected on the statement of net position					2,917,413	3,380,780
Transportation Series 2008A						
2008A	3.50 - 4.00	01/24/08	03/01/18	7,700,000	2,190,000	2,920,000
	Plus: Remaining unamortized net premium				17,955	30,715
Net bonds payable reflected on the statement of net position					2,207,955	2,950,715
Transportation Series 2010-T1						
2010-T1	2.00 - 3.00	11/18/10	03/01/20	2,945,000	1,530,000	1,805,000
	Plus: Remaining unamortized net premium				20,426	28,358
Net bonds payable reflected on the statement of net position					1,550,426	1,833,358
Transportation Series 2010-T2						
2010-T2	3.00	11/18/10	03/01/21	5,370,000	2,425,000	3,035,000
	Plus: Remaining unamortized net premium				42,779	71,013
Net bonds payable reflected on the statement of net position					2,467,779	3,106,013
Transportation Bond Fund				24,915,000	9,060,000	11,135,000
	Plus: Remaining unamortized net premium				83,573	135,866
					9,143,573	11,270,866
MPFA Totals						
Original and outstanding principal				2,741,222,117	893,440,000	971,060,000
Plus: Remaining unamortized net premium					43,787,896	53,985,790
Net bonds payable reflected on the statement of net position					937,227,896	1,025,045,790

¹ Final maturity reflects the latest maturity outstanding as of June 30, 2015.

Bond Proceeds – The net bond proceeds have been used to fund loans to Minnesota municipalities for projects relating to wastewater treatment facilities, drinking water systems, and transportation. See *Advanced and Current Refunding of Debt* below for information on use of proceeds for refundings.

Collateral - The bonds are secured by bond program assets and revenues as defined in the applicable basic and series bond resolutions.

Bonding Authority - The Authority bonds do not constitute a debt of the State of Minnesota or any agency or political subdivision thereof (other than the Authority). The Authority's outstanding debt limit is \$1,500,000,000. The principal amount of bonds outstanding at June 30, 2015 was \$893,440,000.

Advanced and Current Refunding of Debt - The Authority has, on eleven occasions to date, issued bonds the partial proceeds of which were used to defease or call certain prior debt issuances. In each case of defeasance, the Authority established an irrevocable escrow fund pursuant to an escrow agreement between the Authority, the Minnesota State Board of Investment, and an escrow agent. The escrow funds are pledged solely to the repayment of principal, premium, and interest on the refunded bonds. Under the agreements, the refunded bonds will be called for redemption at each series' applicable optional redemption dates. As these bonds have, in effect, been redeemed under the defeasance, they are no longer outstanding under the Authority's applicable bond resolutions and therefore, they are not entitled to the pledge of the applicable resolution. Accordingly, these bonds and the related escrow funds are not reflected in these basic financial statements of the Authority.

The amount deferred on refunding is reflected in the statement of net position as a deferred outflow of resources and is charged to operations using the effective interest method. The refundings during fiscal year 2011 reduced debt service payments by approximately \$5 million and obtained an economic gain (the difference between the present value of the old and new debt service payments) of approximately \$4.6 million.

The following table lists all bonds defeased and not yet redeemed as of June 30, 2015:

CUSIP #	Series	Maturity	Call Date	Refunded Date	Par Refunded Unredeemed
60411KAN2	2007A	03/01/20	03/01/17	04/01/10	\$ 5,000,000
60411KAP7	2007A	03/01/21	03/01/17	04/01/10	5,000,000
60411KAQ5	2007A	03/01/22	03/01/17	04/01/10	6,000,000
60411KAR3	2007A	03/01/23	03/01/17	04/01/10	7,000,000
60411KAS1	2007A	03/01/24	03/01/17	04/01/10	8,000,000
60411KAT9	2007A	03/01/25	03/01/17	04/01/10	12,000,000
60411KAU6	2007A	03/01/26	03/01/17	04/01/10	13,000,000
60411KAV4	2007A	03/01/27	03/01/17	04/01/10	12,000,000
60411KBH4	2007B	03/01/20	03/01/17	04/01/10	7,500,000
60411KBJ0	2007B	03/01/21	03/01/17	04/01/10	7,500,000
60411KBK7	2007B	03/01/22	03/01/17	04/01/10	6,500,000
60411KBN1	2007B	03/01/25	03/01/17	04/01/10	5,000,000
					\$ 94,500,000

Schedule of Maturities - At June 30, 2015 debt service on outstanding bonds is payable as follows:

Fiscal Year(s) Ending	Clean Water		Drinking Water	
	Interest	Principal	Interest	Principal
2016	34,589,742	68,945,000	6,600,075	89,925,000
2017	31,292,929	63,185,000	4,219,430	10,935,000
2018	28,133,679	66,695,000	3,672,680	3,830,000
2019	24,798,929	72,000,000	3,481,180	3,945,000
2020	21,198,929	71,595,000	3,283,930	5,260,000
2021 - 2025	59,502,995	240,220,000	12,596,364	28,840,000
2026 - 2030	16,229,071	116,840,000	5,447,661	33,835,000
2031 - 2035	270,970	5,530,000	137,200	2,800,000
	216,017,243	705,010,000	39,438,520	179,370,000
Plus remaining premium		39,854,701		3,849,622
Net bonds payable		744,864,701		183,219,622

Fiscal Year(s) Ending	TBF Series 2006A		TBF Series 2008A	
	Interest	Principal	Interest	Principal
2016	116,600	485,000	87,600	760,000
2017	97,200	640,000	57,200	790,000
2018	71,600	660,000	25,600	640,000
2019	45,200	700,000		
2020	17,200	430,000		
2021 - 2025				
2026 - 2030				
2031 - 2035				
	347,800	2,915,000	170,400	2,190,000
Plus remaining premium		2,413		17,955
Net bonds payable		2,917,413		2,207,955

Fiscal Year(s) Ending	TBF Series 20010-T1		TBF Series 20010-T2	
	Interest	Principal	Interest	Principal
2016	37,863	280,000	72,750	590,000
2017	32,263	295,000	55,050	430,000
2018	26,363	305,000	42,150	410,000
2019	19,500	315,000	29,850	325,000
2020	10,050	335,000	20,100	335,000
2021 - 2025	-	-	10,050	335,000
2026 - 2030				
2031 - 2035				
	126,038	1,530,000	229,950	2,425,000
Plus remaining premium		20,426		42,779
Net bonds payable		1,550,426		2,467,779

Schedule of maturities (continued):

Fiscal Year(s) Ending	MPFA Totals	
	Interest	Principal
2016	41,504,629	160,985,000
2017	35,754,072	76,275,000
2018	31,972,072	72,540,000
2019	28,374,659	77,285,000
2020	24,530,209	77,955,000
2021 - 2025	72,109,409	269,395,000
2026 - 2030	21,676,732	150,675,000
2031 - 2035	408,170	8,330,000
	<u>256,329,951</u>	<u>893,440,000</u>
Plus remaining premium		<u>43,787,896</u>
Net bonds payable		<u>937,227,896</u>

Table of changes during the fiscal year: The following table summarizes the change in reported bonds payable during the year ended June 30, 2015:

Bond Fund	Beginning	New		Defeased	Ending
	Balance (par)	Issues (par)	Redemptions		Balance (par)
CWBF	\$ 768,030,000	\$ -	\$ (63,020,000)	\$ -	\$ 705,010,000
DWBF	191,895,000	-	(12,525,000)		179,370,000
TR-2006A	3,375,000		(460,000)		2,915,000
TR-2008A	2,920,000		(730,000)		2,190,000
TR-2010-T1	1,805,000	-	(275,000)		1,530,000
TR-2010-T2	3,035,000	-	(610,000)		2,425,000
Totals	\$ 971,060,000	\$ -	\$ (77,620,000)	\$ -	\$ 893,440,000
Plus remaining unamortized premium					<u>43,787,896</u>
Net bonds payable reflected in the statement of net position					<u>\$ 937,227,896</u>

Table of changes during the fiscal year: The following table summarizes the change in reported bonds payable during the year ended June 30, 2014:

Bond Fund	Beginning	New		Defeased	Ending
	Balance (par)	Issues (par)	Redemptions		Balance (par)
CWBF	\$ 827,780,000	\$ -	\$ (59,750,000)	\$ -	\$ 768,030,000
DWBF	203,945,000	-	(12,050,000)		191,895,000
TR-2006A	3,825,000		(450,000)		3,375,000
TR-2008A	3,620,000		(700,000)		2,920,000
TR-2010-T1	2,070,000	-	(265,000)		1,805,000
TR-2010-T2	3,645,000	-	(610,000)		3,035,000
Totals	\$1,044,885,000	\$ -	\$ (73,825,000)	\$ -	\$ 971,060,000
Plus remaining unamortized premium					<u>53,985,790</u>
Net bonds payable reflected in the statement of net position					<u>\$1,025,045,790</u>

5. *Arbitrage Rebate Payments*

The bonds issued by the Authority are subject to a variety of Internal Revenue Service regulations that limit the amount of investment income that may be earned on certain funds to an amount not greater than the amount earned had the funds been invested at the yield on the related bonds. Excess earnings must be rebated annually, or every five years, depending on the date and type of bond issue. During fiscal years 2015 and 2014 the Authority paid \$-0-. At June 30, 2015 and 2014, the arbitrage rebate liability totaled \$1,030,183 and \$807,682, respectfully.

6. *Restricted Net Position*

At June 30, 2015, Restricted Net Position consisted of the following:

<u>Restricted for the purposes of</u>	<u>CWBF</u>	<u>DWBF</u>	<u>TBF</u>	<u>Other</u>	<u>Total Business-type Activity</u>
Wastewater and Stormwater Infrastructure	847,329,911			19,336,412	866,666,323
Drinking Water Infrastructure		320,540,819			320,540,819
Transportation Infrastructure			6,686,950	60,975,434	67,662,383
	<u>847,329,911</u>	<u>320,540,819</u>	<u>6,686,950</u>	<u>80,311,846</u>	<u>1,254,869,525</u>

At June 30, 2014, Restricted Net Position consisted of the following:

Wastewater and Stormwater Infrastructure	818,936,399			25,404,917	844,341,316
Drinking Water Infrastructure		299,125,679			299,125,679
Transportation Infrastructure			7,430,612	59,444,054	66,874,667
	<u>818,936,399</u>	<u>299,125,679</u>	<u>7,430,612</u>	<u>84,848,972</u>	<u>1,210,341,662</u>

7. *Related-Party Transactions*

Administrative Services – The Authority, DEED, MPCA, and the Department of Health provide administrative staff and services to Authority programs. During fiscal 2015 and 2014, the Authority paid approximately \$3.3 million and \$3.1 million, respectively, for these services.

Transfers - The Authority has transferred out, from CWBF net position to the Other Fund, sub grant awards for non point-source programs administered by the Minnesota Department of Agriculture, the MPCA, and DEED. Such transfers during fiscal 2015 and 2014 were \$-0-, and approximately \$859 thousand, respectively. In fiscal year 2015 and 2014, approximately \$838 thousand and \$803 thousand, respectively, were transferred from the TBF Funds to the Other Fund, from excess bond year pledged revenues over bond year debt service in the TBF Funds.

State Appropriations:

The Legacy funding bill of 2015 (special session 1 chapter 2 article 2 section 4) appropriated \$18,000,000 for the Point Source Implementation Grants Program and \$500,000 for the Small Community Wastewater Treatment program.

The Capital Improvements bill of 2015 (special session 1 chapter 5 article 1 section 15) appropriated \$10,000,000 for the WIF program.

The Capital Improvements bills of 2014 (regular session chapters 294 section 22 and 295 section 11) made the following appropriations to the Authority:

\$12,000,000 for state match.

\$18,333,000 for the WIF program.

\$37,935,000 for various grants to certain political subdivisions for public infrastructure related to drinking water and wastewater treatment systems.

8. *Commitments*

At June 30, 2015 the Authority had committed approximately \$111 million for the origination or disbursement of future loans, and \$45 million for grants.

9. *Accounting Standards Adoption of GASB Statement 68*

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions*—an amendment of GASB Statement No. 27. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The provisions of this Statement are effective for the Agency's fiscal year ending June 30, 2015. The provisions of statement were adopted for fiscal year ended June 30, 2015. The Authority has determined that the effect of adoption of the standard would not be material to a user of the financial statements and therefore no amounts have been recognized or disclosures made.



RSM US LLP

Independent Auditor's Report on the Supplementary Information

Minnesota Public Facilities Authority
St. Paul, Minnesota

We have audited the financial statements of Minnesota Public Facilities Authority as of and for the years ended June 30, 2015 and 2014, and have issued our report thereon, which contains an unmodified opinion on those financial statements. See pages 4 and 5. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RSM US LLP

Minneapolis, Minnesota
October 30, 2015

**Minnesota Public Facilities Authority
Transportation Bond Fund – Individual Bond Series
Combining Statement of Net Position
June 30, 2015**

	<u>Series 2006A</u>	<u>Series 2008A</u>	<u>Series 2010-T1</u>	<u>Series 2010-T2</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 962,162.16	\$ 196.65	\$ 65.84	\$ 7,335.08	\$ 969,759.73
Loans receivable	530,000.00	950,000.00	365,000.00	1,716,862.00	3,561,862.00
Accrued interest receivable:					
Investments				5,929.00	5,929.00
Loans	27,531.00	18,163.00	19,810.00	79,441.00	144,945.00
Total current assets	<u>1,519,693.16</u>	<u>968,359.65</u>	<u>384,875.84</u>	<u>1,809,567.08</u>	<u>4,682,495.73</u>
Noncurrent assets:					
Investments				537,000.00	537,000.00
Loans receivable	2,695,000.00	1,730,000.00	1,570,000.00	4,718,807.92	10,713,807.92
Total noncurrent assets	<u>2,695,000.00</u>	<u>1,730,000.00</u>	<u>1,570,000.00</u>	<u>5,255,807.92</u>	<u>11,250,807.92</u>
Total assets	<u>4,214,693.16</u>	<u>2,698,359.65</u>	<u>1,954,875.84</u>	<u>7,065,375.00</u>	<u>15,933,303.65</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on debt refunding			13,852.00	7,925.00	21,777.00
LIABILITIES					
Current liabilities:					
Interest payable on bonds	38,866.67	29,200.00	12,620.83	24,250.00	104,937.50
Arbitrage rebate liability				15,542.23	15,542.23
Bonds payable	485,000.00	760,000.00	280,000.00	590,000.00	2,115,000.00
Total current liabilities	<u>523,866.67</u>	<u>789,200.00</u>	<u>292,620.83</u>	<u>629,792.23</u>	<u>2,235,479.73</u>
Noncurrent liabilities:					
Bonds payable	2,432,413.45	1,447,954.75	1,270,426.34	1,877,778.70	7,028,573.24
Arbitrage rebate liability				4,077.84	4,077.84
Total liabilities	<u>2,956,280.12</u>	<u>2,237,154.75</u>	<u>1,563,047.17</u>	<u>2,511,648.77</u>	<u>9,268,130.81</u>
NET POSITION					
Restricted by bond resolutions	1,258,413.04	461,204.90	405,680.67	4,561,651.23	6,686,949.84
Total net position	<u>\$1,258,413.04</u>	<u>\$ 461,204.90</u>	<u>\$ 405,680.67</u>	<u>\$4,561,651.23</u>	<u>\$6,686,949.84</u>

Minnesota Public Facilities Authority
Transportation Bond Fund – Individual Bond Series
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
for the Year Ended June 30, 2015

	Series <u>2006A</u>	Series <u>2008A</u>	Series <u>2010-T1</u>	Series <u>2010-T2</u>	<u>Total</u>
Operating revenues:					
Interest on loans	\$ 82,932.85	\$ 57,663.95	\$ 21,010.00	\$ 223,452.17	\$ 385,058.97
Investment earnings	<u>5,116.00</u>	<u>365.75</u>	<u>90.94</u>	<u>19,008.52</u>	<u>24,581.21</u>
Total operating revenues	88,048.85	58,029.70	21,100.94	242,460.69	409,640.18
Operating expenses:					
Interest on bonds	<u>125,500.38</u>	<u>91,872.97</u>	<u>38,363.41</u>	<u>59,997.83</u>	<u>315,734.59</u>
Total operating expenses	<u>125,500.38</u>	<u>91,872.97</u>	<u>38,363.41</u>	<u>59,997.83</u>	<u>315,734.59</u>
Operating income (loss)	<u>(37,451.53)</u>	<u>(33,843.27)</u>	<u>(17,262.47)</u>	<u>182,462.86</u>	<u>93,905.59</u>
Transfers in (out)	<u>(12,070.15)</u>	<u>(156,184.27)</u>	<u>(38,889.97)</u>	<u>(630,423.72)</u>	<u>(837,568.11)</u>
Change in net position	(49,521.68)	(190,027.54)	(56,152.44)	(447,960.86)	(743,662.52)
Total net position:					
Beginning of year	<u>1,307,934.72</u>	<u>651,232.44</u>	<u>461,833.11</u>	<u>5,009,612.09</u>	<u>7,430,612.36</u>
End of year	<u>\$ 1,258,413.04</u>	<u>\$ 461,204.90</u>	<u>\$ 405,680.67</u>	<u>\$ 4,561,651.23</u>	<u>\$ 6,686,949.84</u>

Minnesota Public Facilities Authority
Transportation Bond Fund – Individual Bond Series
Combining Statement of Cash Flows
for the Year Ended June 30, 2015

	Series 2006A	Series 2008A	Series 2010-T1	Series 2010-T2	Total
Operating activities:					
Interest revd on loans	\$ 87,329.85	\$ 64,000.95	\$ 2,175.00	\$ 234,295.17	\$ 387,800.97
Principal revd on loans	515,000.00	935,000.00	355,000.00	1,074,694.37	2,879,694.37
Net cash provided in operating activities	<u>602,329.85</u>	<u>999,000.95</u>	<u>357,175.00</u>	<u>1,308,989.54</u>	<u>3,267,495.34</u>
Non capital financing activities:					
Interest on bonds	(135,000.00)	(113,150.00)	(43,362.50)	(91,050.00)	(382,562.50)
Principal on bonds	(460,000.00)	(730,000.00)	(275,000.00)	(610,000.00)	(2,075,000.00)
Cash transfers	(12,070.15)	(156,184.27)	(38,889.97)	(630,423.72)	(837,568.11)
Net cash used in capital and related financing activities	<u>(607,070.15)</u>	<u>(999,334.27)</u>	<u>(357,252.47)</u>	<u>(1,331,473.72)</u>	<u>(3,295,130.61)</u>
Investing activities:					
Investment interest	5,116.00	365.75	90.94	22,721.26	28,293.95
Net cash provided in investing activities	<u>5,116.00</u>	<u>365.75</u>	<u>90.94</u>	<u>22,721.26</u>	<u>28,293.95</u>
Net incr in cash and cash equivalents	375.70	32.43	13.47	237.08	658.68
Cash and cash equivalents:					
Beginning of year	961,786.46	164.22	52.37	7,098.00	969,101.05
End of year	<u>\$ 962,162.16</u>	<u>\$ 196.65</u>	<u>\$ 65.84</u>	<u>\$ 7,335.08</u>	<u>\$ 969,759.73</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (37,451.53)	\$ (33,843.27)	\$ (17,262.47)	\$ 182,462.86	\$ 93,905.59
Adjustments to reconcile operating income to net cash provided in operating activities:					
Principal revd on loans	515,000.00	935,000.00	355,000.00	1,074,694.37	2,879,694.37
Interest paid on bonds	135,000.00	113,150.00	43,362.50	91,050.00	382,562.50
Investment earnings	(5,116.00)	(365.75)	(90.94)	(22,721.26)	(28,293.95)
Net amortizations	(3,366.29)	(12,760.36)	(3,165.75)	(24,952.17)	(44,244.57)
Changes in assets and liabilities:					
Accrued revenues	4,397.00	6,337.00	(18,835.00)	10,843.00	2,742.00
Accrued expenses	(6,133.33)	(8,516.67)	(1,833.34)	(2,387.26)	(18,870.60)
Net cash provided in operating activities	<u>\$ 602,329.85</u>	<u>\$ 999,000.95</u>	<u>\$ 357,175.00</u>	<u>\$ 1,308,989.54</u>	<u>\$ 3,267,495.34</u>

Schedule of Individual Loans Receivable by Fund

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Clean Water Bond Fund:							
Aitkin - cw01	10/15/97	02/20/18	2.240%	\$ 525,000	\$ 94,401	\$ 124,491	
Aitkin - cw02	07/15/03	08/20/23	1.000%	1,009,719	512,000	566,000	
Albany - cw01	04/21/03	02/20/22	3.490%	1,296,061	583,000	656,000	
Albertville - cw01	10/19/93	08/20/14	3.320%	1,454,514	-	35,698	
Alborn Township - cw01	07/07/08	08/20/20	1.000%	280,571	117,159	143,000	
Alexandria LASR - cw01	08/13/07	08/20/27	1.240%	4,968,093	3,396,784	3,635,784	
Alexandria LASR - cw02	03/12/12	08/20/31	1.413%	228,823	209,000	220,000	
Alvarado - cw01	10/16/98	02/20/20	1.000%	677,980	182,304	217,702	
Annandale - cw01	08/17/07	08/20/26	2.220%	16,036,613	11,626,000	12,464,000	
Appleton - cw01	07/13/06	08/20/25	1.070%	1,331,574	854,000	927,000	
Arlington - cw01	06/23/11	08/20/31	1.000%	4,141,932	3,650,000	3,846,386	
Atwater - cw01	06/15/11	08/20/30	1.776%	496,770	440,000	463,770	
Aurora - cw01	06/24/08	08/20/27	1.277%	2,700,000	1,895,000	2,028,000	
Avon - cw01	11/18/02	08/20/32	1.000%	7,943,904	4,622,789	4,937,789	
Bagley - cw01	07/01/98	08/20/19	1.000%	1,654,075	395,435	481,236	
Barnesville - cw01	07/31/06	08/20/25	1.560%	4,137,640	2,674,000	2,895,000	
Barnesville - cw02	09/13/11	08/20/31	1.000%	512,203	450,000	474,000	
Battle Lake - cw01	06/18/03	08/20/22	1.000%	1,698,073	804,000	900,000	
Beaver Bay - cw01	10/13/10	08/20/40	1.000%	435,086	383,987	351,281	
Beaver Creek - cw01	09/23/94	08/20/15	3.600%	103,102	3,499	10,424	
Belle Plaine - cw01	01/27/03	08/20/22	1.990%	10,565,764	4,918,000	5,480,000	
Benson - cw01	07/26/04	08/20/24	1.980%	4,296,201	2,459,000	2,679,000	
Big Lake - cw01	09/24/09	08/20/29	2.414%	13,470,120	12,220,000	12,520,000	
Bird Island - cw01	11/13/06	08/20/26	1.000%	4,194,000	3,021,000	3,257,000	
Blooming Prairie - cw01	10/12/10	08/20/30	1.000%	2,173,590	1,768,000	1,869,000	
Blue Earth - cw01	03/30/00	08/20/20	1.290%	3,290,170	1,127,000	1,307,000	
Blue Earth - cw02	07/03/07	08/20/26	1.400%	716,592	506,000	544,000	
Blue Earth - cw03	07/20/09	08/20/29	2.603%	699,230	553,000	583,000	
Blue Earth - cw04	07/06/10	08/20/25	1.448%	1,791,176	1,318,000	1,428,176	
Blue Earth - cw05	04/16/12	08/20/26	1.407%	529,757	464,000	499,757	
Blue Earth - cw06	07/01/13	08/20/28	1.202%	394,873	371,120	394,873	
Brainerd - cw01	03/12/08	08/20/17	2.230%	1,965,098	636,000	839,000	
Brainerd - cw02	06/24/09	08/20/28	3.233%	25,966,788	20,666,000	21,819,000	
Breckenridge - cw01	07/22/08	08/20/27	2.802%	1,461,216	1,076,000	1,144,000	
Brooten - cw01	08/27/07	08/20/27	1.000%	1,892,040	1,331,000	1,427,000	
Browerville - cw03	11/19/04	08/20/24	1.000%	493,048	267,000	292,000	
Brownton - cw01	01/06/10	08/20/30	1.000%	813,910	654,000	691,000	
Butterfield - cw01	08/02/10	08/20/30	1.536%	2,210,104	1,891,000	1,995,000	
Caledonia - cw01	02/07/94	02/20/15	3.440%	606,675	-	40,885	
Caledonia - cw02	07/09/12	08/20/31	1.519%	1,884,688	1,711,918	1,800,918	
Cambridge - cw03	09/17/13	08/20/32	1.000%	15,062,300	10,555,880	7,030,847	
Canby - cw01	07/20/10	08/20/39	1.349%	4,860,517	4,382,000	4,529,000	
Canby - cw02	08/05/14	08/20/44	1.000%	4,266,964	1,142,657	-	
Cannon Falls - cw01	06/27/01	08/20/21	3.070%	4,529,000	2,012,000	2,266,000	
Cannon Falls - cw02	11/20/01	08/20/22	2.860%	8,021,909	3,819,909	4,239,909	
Canosia Township - cw01	09/10/99	08/20/20	1.290%	2,517,810	804,873	946,624	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original		Outstanding Principal at June 30,	
				Loan Commitment		2015	2014
Clean Water Bond Fund, continued:							
Carver - cw01	02/16/00	08/20/19	2.860%	\$ 1,188,000	\$ 372,000	\$ 440,000	
Cass County - cw01	06/23/97	02/20/19	1.130%	1,366,190	325,029	404,022	
Cedar Lake Area WSSDB - cw01	07/26/01	08/20/21	1.570%	3,225,000	853,287	1,014,820	
Central Iron Range SSD - cw01	08/31/11	08/20/30	1.508%	650,915	560,881	577,709	
Central Iron Range SSD - cw02	08/31/11	08/20/41	2.279%	7,361,329	6,965,000	7,150,000	
Central Iron Range SSD - cw03	12/08/14	02/20/30	1.000%	600,000	390,529	-	
Chandler - cw01	09/24/02	08/20/23	1.000%	1,348,589	645,490	713,490	
Chisago Lakes JSTC - cw01	11/01/04	08/20/24	2.230%	13,019,689	6,380,960	6,944,960	
Chisago Lakes JSTC - cw02	07/20/06	08/20/25	1.000%	3,917,643	2,404,000	2,610,000	
Chisholm - cw01	05/17/94	02/20/15	3.820%	2,150,644	-	150,442	
Clara City - cw01	08/19/97	08/20/18	2.740%	2,138,045	317,826	419,817	
Clear Lake - cw01	07/30/97	02/20/19	3.080%	223,506	56,177	69,196	
Clear Lake - cw02	01/12/09	08/20/28	1.153%	1,889,177	1,587,000	1,691,000	
Clear Lake - cw03	08/03/09	08/20/39	1.000%	95,301	81,000	84,000	
Clearwater - cw01	07/23/97	02/20/19	2.080%	1,654,550	387,667	479,678	
Clearwater - cw02	11/18/08	08/20/27	1.697%	7,700,145	5,733,000	6,124,000	
Cokato - cw01	10/26/94	02/20/16	3.320%	2,760,000	185,323	364,644	
Cold Spring - cw01	02/24/04	08/20/23	2.490%	7,802,416	3,566,000	3,916,000	
Cologne - cw01	01/03/97	02/20/18	3.320%	1,538,699	280,701	374,547	
Comfrey - cw01	06/23/10	08/20/39	1.000%	622,459	542,000	561,329	
Cottonwood - cw01	05/03/04	08/20/24	2.230%	895,920	517,000	563,000	
Cottonwood Township - cw01	03/12/99	08/20/20	1.290%	391,546	127,707	147,707	
Cottonwood Township - cw02	09/22/99	08/20/20	1.290%	140,296	48,000	55,000	
Cross Lake Area WSSD - cw01	07/09/97	02/20/19	2.880%	2,035,802	505,182	622,704	
Crow Wing County - cw01	06/12/15	08/20/45	1.000%	208,305	-	-	
Dassel - cw01	07/30/02	08/20/22	1.380%	1,610,153	735,000	821,000	
Dassel - cw02	08/19/13	08/20/33	1.000%	788,030	707,610	734,640	
Dawson - cw01	08/10/04	08/20/24	1.730%	1,788,670	1,014,000	1,106,000	
Dayton - cw01	08/16/00	08/20/21	3.250%	986,395	272,000	306,000	
Delano - cw01	05/24/95	08/20/16	4.620%	2,480,000	273,117	445,810	
Delano - cw02	10/16/98	02/20/20	2.980%	1,150,000	353,821	418,569	
Delano - cw03	07/22/03	08/20/22	2.090%	11,054,217	5,476,000	6,099,000	
Detroit Lakes - cw01	09/10/93	08/20/14	2.820%	2,552,820	-	80,104	
Detroit Lakes - cw02	12/19/95	02/20/17	2.930%	3,754,889	480,690	710,749	
Dilworth - cw01	03/22/00	08/20/20	3.070%	1,849,510	691,000	794,000	
Dover-Eyota-Saint Charles SD - cw0	05/30/02	08/20/21	3.293%	1,573,871	704,000	792,000	
Dover-Eyota-Saint Charles SD - cw0	08/16/11	08/20/31	1.869%	1,567,234	1,394,000	1,463,000	
Duluth - cw01	07/24/02	08/20/18	1.000%	364,195	105,000	130,000	
Duluth - cw02	10/17/03	08/20/18	1.340%	1,179,115	365,000	453,000	
Duluth - cw03	06/11/07	08/20/22	1.150%	1,973,033	1,205,000	1,348,000	
Duluth - cw04	06/17/09	08/20/24	1.969%	796,835	568,000	619,000	
Duluth - cw05	12/10/09	08/20/24	2.017%	2,414,150	1,773,000	1,932,000	
Duluth - cw06	08/31/10	08/20/25	1.258%	8,504,224	6,295,000	6,825,839	
Duluth - cw07	08/31/10	08/20/25	1.258%	3,753,059	2,822,000	3,060,000	
Duluth - cw08	11/18/11	08/20/21	1.000%	278,149	209,000	238,000	
Duluth - cw09	11/18/11	08/20/21	1.000%	354,551	136,524	142,307	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Clean Water Bond Fund, continued:							
Duluth - cw10	11/30/11	08/20/21	1.000%	\$ 265,418	\$ 194,798	\$ 160,829	
Duluth - cw11	09/10/12	08/20/22	1.000%	476,537	376,362	407,978	
Duluth - cw12	09/04/14	08/20/24	1.000%	1,255,464	221,965	-	
Duluth/North Shore SD - cw03	07/01/02	08/20/23	1.630%	7,952,500	3,658,058	4,254,058	
Dundas - cw01	03/21/97	02/20/18	2.880%	927,469	174,998	230,093	
East Grand Forks - cw01	09/17/08	08/20/28	2.687%	4,012,598	3,096,000	3,276,000	
East Gull Lake - cw02	08/03/04	08/20/24	1.000%	6,416,500	3,600,000	3,941,000	
Eden Valley - cw01	10/13/09	08/20/29	1.744%	652,228	510,000	540,000	
Eden Valley - cw02	10/09/13	08/20/33	1.463%	470,625	454,000	339,813	
Elbow Lake - cw01	07/07/09	08/20/39	1.993%	164,274	141,000	145,000	
Elbow Lake - cw02	08/05/13	08/20/33	1.000%	325,016	295,865	268,857	
Elbow Lake - cw03	08/11/14	08/20/44	1.000%	450,608	130,034	-	
Ely - cw01	01/02/01	08/20/21	1.070%	4,699,982	1,013,000	1,152,000	
Elysian - cw01	07/31/97	08/20/18	2.130%	1,163,536	240,761	306,333	
Evansville - cw01	12/11/97	02/20/19	1.250%	673,073	148,241	184,169	
Evansville - cw02	11/15/11	08/20/31	1.000%	43,959	38,329	40,329	
Evansville - cw03	07/08/14	08/20/44	1.000%	600,721	56,445	-	
Eveleth - cw02	09/14/04	08/20/24	1.340%	3,522,034	1,964,000	2,146,000	
Eveleth - cw03	11/10/05	08/20/24	1.340%	34,182	16,000	17,000	
Fairfax - cw01	08/18/95	08/20/16	2.950%	1,506,773	145,767	239,448	
Fairmont - cw01	05/25/04	08/20/24	1.730%	13,248,347	7,493,000	8,174,000	
Faribault - cw01	07/28/09	08/20/29	2.550%	23,332,461	18,469,000	19,470,000	
Farmington - cw01	04/04/95	08/20/16	4.630%	764,377	83,924	136,861	
Fayal Township - cw01	09/22/99	08/20/20	2.110%	4,851,756	1,662,000	1,919,000	
Fayal Township - cw02	06/22/01	08/20/21	1.570%	341,468	115,000	130,000	
Fayal Township - cw03	10/04/01	08/20/20	2.110%	855,267	254,000	293,000	
Fergus Falls - cw02	10/07/96	02/20/17	3.740%	450,000	61,365	90,408	
Foley - cw01	07/21/94	08/20/15	3.320%	1,080,000	36,483	107,820	
Forest Prairie Township - cw01	04/12/01	08/20/21	1.800%	711,095	284,000	322,000	
Fosston - cw01	11/15/11	08/20/41	1.000%	3,219,053	2,896,302	2,992,302	
Fosston - cw02	04/08/14	08/20/41	1.000%	579,178	552,223	476,545	
Fountain - cw01	08/06/09	08/20/29	1.303%	1,034,122	799,407	857,340	
Garfield - cw01	05/09/97	02/20/18	3.080%	100,000	19,128	25,134	
Garfield - cw02	06/29/98	08/20/19	1.040%	450,489	107,795	131,081	
Garrison-Kathio-WMLL SSD - cw01	01/09/01	08/20/21	1.620%	500,000	194,000	220,000	
Garrison-Kathio-WMLL SSD - cw02	06/04/07	08/20/26	1.000%	6,066,964	4,190,960	4,517,960	
Gilbert - cw01	07/14/10	08/20/30	1.000%	1,337,076	1,091,000	1,154,000	
Glyndon - cw02	08/09/10	08/20/30	1.089%	1,073,735	864,001	918,000	
Good Thunder - cw01	10/15/99	08/20/19	1.290%	1,010,545	303,990	362,000	
Goodhue County - cw01	04/29/97	02/20/18	1.580%	141,175	24,091	31,872	
Grand Lake Township - cw01	09/02/99	08/20/20	1.290%	1,131,190	360,944	426,164	
Grand Lake Township - cw02	05/29/01	08/20/20	1.290%	93,000	-	2,930	
Grand Rapids - cw01	11/10/09	08/20/29	2.900%	26,370,231	21,184,000	22,299,000	
Grey Eagle - cw01	02/03/97	02/20/18	1.220%	410,000	51,037	67,670	
Hackensack - cw01	11/21/97	02/20/18	1.250%	287,844	47,464	62,906	
Hamburg - cw01	08/09/11	08/20/30	1.256%	290,242	216,227	235,521	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original		
				Loan Commitment	Outstanding Principal at June 30, 2015 2014	
Clean Water Bond Fund, continued:						
Hanover - cw01	08/18/99	08/20/20	2.290%	\$ 1,909,275	\$ 583,000	\$ 674,000
Harmony - cw02	05/13/04	08/20/23	1.000%	625,465	313,000	346,000
Harris - cw01	12/11/06	08/20/37	1.000%	4,995,642	4,780,239	4,790,239
Hawley - cw01	07/12/06	08/20/25	1.060%	1,010,111	640,000	695,000
Hawley - cw02	06/17/08	08/20/27	2.293%	132,955	98,000	104,000
Hayfield - cw01	08/13/14	08/20/34	1.000%	2,068,712	1,666,152	-
Hayward - cw01	05/11/15	08/20/30	1.000%	163,033	-	-
Hector - cw01	12/14/94	02/20/16	3.920%	1,914,260	133,180	262,840
Henderson - cw01	08/27/07	08/20/27	1.490%	3,713,099	2,710,000	2,898,000
Hendrum - cw01	11/15/07	08/20/27	2.279%	220,661	158,000	168,000
Hendrum - cw02	07/31/08	08/20/27	1.530%	253,458	173,000	185,000
Henning - cw02	08/08/13	08/20/43	1.000%	2,596,463	2,507,190	1,065,074
Hibbing - cw01	12/16/02	08/20/22	1.740%	9,847,450	4,591,000	5,122,000
Hibbing - cw02	12/11/10	08/20/25	1.340%	1,533,748	1,154,173	1,267,173
Hibbing - cw03	10/29/12	08/20/31	1.000%	4,912,830	4,003,349	4,046,278
Hinckley - cw02	07/28/99	08/20/20	2.110%	2,435,641	833,000	962,000
Hoffman - cw01	10/02/97	02/20/19	1.990%	263,440	61,346	75,939
Howard Lake - cw01	06/09/09	08/20/28	1.076%	3,730,249	2,792,000	2,976,000
Howard Lake - cw02	06/17/11	08/20/40	1.000%	2,508,122	2,316,000	2,394,000
Hudson Township - cw01	05/02/07	08/20/27	1.000%	3,025,426	2,057,263	2,215,453
Hutchinson - cw01	06/26/07	08/20/26	2.150%	13,696,602	9,889,000	10,605,000
Ida Township - cw01	03/28/01	08/20/21	1.980%	7,536,190	1,580,376	2,028,235
Isanti - cw01	09/18/96	08/20/17	2.630%	4,682,145	642,871	888,706
Jackson - cw01	10/02/12	08/20/32	1.000%	3,176,800	2,352,256	2,129,745
Jasper - cw01	08/25/95	08/20/16	2.440%	778,200	72,336	119,118
Jordan - cw01	05/30/00	08/20/21	2.290%	6,850,120	2,804,000	3,169,901
Kandiyohi - cw01	07/20/09	08/20/29	1.000%	538,495	415,000	440,000
Kandiyohi - cw02	11/10/14	08/20/44	1.000%	326,080	121,703	-
Kandiyohi County - cw01	09/22/99	08/20/20	2.250%	7,188,360	2,584,000	2,982,000
Kandiyohi County - cw02	11/30/00	08/20/21	2.250%	3,648,450	1,493,000	1,688,000
Kandiyohi County - cw03	10/10/01	08/20/21	2.140%	651,000	264,000	299,000
Kandiyohi County - cw04	10/17/06	08/20/26	1.000%	3,761,876	2,460,000	2,652,000
Kasson - cw01	08/17/01	08/20/21	3.070%	7,632,919	3,325,000	3,745,000
Kasson - cw02	08/31/11	08/20/31	1.861%	994,038	886,000	930,000
Kenyon - cw01	07/09/13	08/20/33	1.000%	1,828,630	1,776,344	1,628,039
Knife River-Larsmont SSD - cw01	10/25/05	08/20/25	1.310%	882,212	533,212	578,212
Koochiching County - cw01	08/09/05	08/20/25	1.000%	4,430,839	2,611,000	2,834,000
Lake City - cw01	08/25/93	08/20/14	3.740%	1,442,000	-	50,554
Lake City - cw02	11/24/96	02/20/17	3.320%	1,500,000	198,176	292,477
Lake City - cw03	08/18/99	08/20/20	2.860%	1,226,667	433,000	498,000
Lake City - cw04	09/30/02	08/20/23	2.990%	4,800,000	2,537,000	2,780,000
Lake Crystal - cw01	10/30/03	08/20/23	2.340%	1,571,616	836,000	919,000
Lake Lillian - cw01	02/13/07	08/20/26	1.000%	226,216	149,000	161,000
Lake Mary Township - cw01	05/05/98	08/20/19	1.540%	2,120,212	117,535	209,335
Lake Mary Township - cw02	09/11/00	08/20/20	1.360%	377,951	80,150	94,150
Lake Park - cw01	11/14/03	08/20/23	1.590%	424,520	210,520	232,520

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Clean Water Bond Fund, continued:							
Lake Park - cw02	07/26/11	08/20/31	1.000%	\$ 1,000,000	\$ 880,000	\$ 927,000	
Lake Washington SD - cw01	06/23/04	08/20/24	1.480%	6,490,000	2,742,368	3,098,321	
Lakefield - cw01	05/03/96	08/20/17	2.630%	1,143,940	177,565	245,472	
Laketown Township - cw01	08/12/98	08/20/19	1.790%	1,020,000	135,509	168,509	
Landfall - cw01	01/26/94	02/20/15	1.940%	1,088,007	-	64,869	
Lanesboro - cw01	08/15/96	08/20/17	2.680%	492,733	76,667	105,995	
Lansing Township - cw01	08/24/12	08/20/27	1.000%	64,151	34,000	36,000	
Le Center - cw01	07/01/94	08/20/15	2.960%	2,315,710	75,382	224,092	
Le Center - cw02	08/10/04	08/20/24	1.980%	2,595,136	1,483,286	1,616,286	
Le Sueur - cw01	08/27/07	08/20/27	1.000%	16,353,395	11,731,000	12,572,000	
Leota SD - cw01	08/10/99	08/20/19	1.000%	256,598	71,000	85,000	
Lester Prairie - cw01	07/10/06	08/20/25	1.560%	4,387,680	2,867,000	3,104,000	
Lewiston - cw01	07/17/01	08/20/21	2.320%	1,630,000	695,000	785,000	
Lismore - cw01	08/07/95	02/20/16	2.070%	550,000	33,208	65,739	
Litchfield - cw01	12/27/01	08/20/22	2.680%	10,963,561	5,181,000	5,755,000	
Litchfield - cw02	09/01/09	08/20/29	2.652%	7,086,048	6,225,048	6,560,048	
Little Falls - cw01	02/03/03	08/20/22	1.240%	4,248,645	1,932,000	2,161,000	
Little Falls - cw02	07/11/05	08/20/22	1.240%	1,998,468	993,000	1,110,000	
Little Falls - cw03	07/11/05	08/20/22	1.240%	631,555	298,000	333,000	
Long Prairie - cw02	08/22/11	08/20/31	2.190%	4,821,000	4,309,000	4,516,000	
Lonsdale - cw01	11/03/03	08/20/23	2.340%	6,644,792	3,533,792	3,882,792	
Mabel - cw01	08/13/03	08/20/23	1.090%	1,562,875	783,000	865,000	
Madelia - cw02	11/14/06	08/20/26	1.000%	4,732,813	3,182,000	3,430,000	
Madison Lake - cw01	11/01/95	02/20/17	0.000%	301,512	30,151	45,227	
Madison Lake - cw02	06/01/09	08/20/29	1.883%	320,500	251,000	265,000	
Mahnomen - cw01	08/07/08	08/20/27	1.786%	718,929	517,000	552,000	
Mankato - cw01	05/21/98	08/20/19	3.070%	24,682,000	6,930,258	8,345,487	
Mankato - cw02	11/09/00	08/20/19	3.070%	678,000	218,000	258,000	
Mankato - cw03	06/13/09	08/20/29	1.882%	1,070,750	832,000	880,000	
Mankato - cw04	10/01/10	08/20/30	1.656%	5,006,168	4,061,000	4,281,168	
Mankato - cw05	08/26/14	08/20/34	1.007%	6,829,525	5,214,224	-	
Mankato - cw06	05/01/15	08/20/25	1.000%	111,173	-	-	
Mantorville - cw01	08/18/10	08/20/30	1.802%	250,542	211,901	223,000	
Maple Lake - cw01	07/16/13	08/20/33	1.000%	1,511,800	1,201,477	1,158,603	
Mapleton - cw01	02/20/14	08/20/33	1.231%	1,950,000	1,625,434	716,370	
Martin County - cw01	08/11/09	08/20/29	1.000%	628,307	460,000	488,000	
Mayer - cw01	01/14/00	08/20/20	2.570%	689,274	249,000	287,000	
McIntosh - cw01	07/10/12	08/20/41	1.000%	1,033,108	950,557	984,557	
Medford - cw01	08/02/07	08/20/26	2.240%	1,355,197	978,000	1,048,000	
Metropolitan Council - cw14	11/26/03	08/20/23	3.090%	100,000,000	70,000,000	75,500,000	
Metropolitan Council - cw15	10/31/03	02/20/16	0.000%	-	53,511	117,601	
Metropolitan Council - cw16	10/20/04	02/20/25	2.536%	50,000,000	26,500,000	28,700,000	
Metropolitan Council - cw17	11/10/05	02/20/25	2.840%	40,000,000	28,630,000	30,600,000	
Metropolitan Council - cw18	09/13/06	08/20/26	2.730%	50,000,000	41,050,000	41,300,000	
Metropolitan Council - cw19	10/11/07	08/20/27	3.181%	80,000,000	74,450,000	75,200,000	
Metropolitan Council - cw20	08/31/09	08/20/29	2.449%	30,588,750	23,610,000	25,140,000	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,	
				Loan Commitment	2015	2014
Clean Water Bond Fund, continued:						
Metropolitan Council - cw21	09/22/09	08/20/29	2.830%	\$ 49,411,250	\$ 38,140,000	\$ 40,610,000
Metropolitan Council - cw22	01/12/11	08/20/30	1.767%	70,000,000	59,571,000	62,769,000
Metropolitan Council - cw23	02/15/12	08/20/31	1.603%	60,000,000	54,545,000	57,283,000
Metropolitan Council - cw24	05/23/13	08/20/32	1.000%	40,000,000	39,600,000	40,000,000
Metropolitan Council - cw25	12/30/13	08/20/33	1.839%	60,000,000	59,000,000	34,921,035
Metropolitan Council - cw26	12/10/14	08/20/34	1.080%	60,000,000	44,485,634	-
Middle River - cw01	08/11/10	08/20/30	1.000%	176,092	140,423	148,423
Midway Township - cw01	09/28/10	08/20/30	1.000%	630,041	431,677	467,657
Minneota - cw01	07/26/10	08/20/30	1.329%	864,500	710,000	750,000
Minnesota City - cw01	08/11/11	08/20/31	1.095%	640,928	543,053	589,608
Montevideo - cw01	06/17/09	08/20/29	2.890%	8,913,742	7,019,000	7,389,000
Montevideo - cw02	05/08/12	08/20/31	1.517%	161,967	146,000	154,122
Montgomery - cw01	02/05/03	08/20/22	1.000%	8,507,628	3,768,998	4,219,998
Montrose - cw02	08/27/02	08/20/22	2.740%	4,209,000	2,073,000	2,302,000
Montrose - cw03	02/21/03	08/20/22	2.740%	1,566,000	761,000	845,000
Moorhead - cw01	09/23/94	02/20/15	4.100%	2,478,112	-	175,804
Moorhead - cw02	05/23/95	08/20/16	4.100%	1,601,443	169,512	276,921
Moorhead - cw03	09/29/97	02/20/18	3.290%	426,290	82,582	108,361
Moorhead - cw04	05/06/02	08/20/22	3.130%	3,389,288	1,632,000	1,809,000
Moorhead - cw05	06/21/04	08/20/23	1.980%	6,598,073	3,474,099	3,824,099
Moorhead - cw06	07/18/07	08/20/26	1.990%	12,407,226	8,951,000	9,606,000
Moose Lake - cw03	01/14/09	08/20/28	1.139%	2,962,416	2,343,000	2,496,000
Moose Lake - cw04	04/14/10	08/20/29	1.000%	752,171	443,000	490,000
Mora - cw01	05/21/15	08/20/35	1.000%	3,366,357	528,957	-
Morgan - cw01	09/23/93	08/20/14	2.570%	131,280	-	4,159
Morgan - cw02	09/30/94	02/20/16	2.570%	640,309	40,345	79,673
Morristown - cw01	11/19/98	02/20/20	1.810%	1,229,797	350,078	416,406
Motley - cw01	01/18/11	08/20/30	1.000%	2,630,293	2,188,000	2,314,000
Mountain Iron - cw01	10/20/09	08/20/29	2.248%	599,250	473,000	499,000
Mountain Lake - cw01	08/20/12	08/20/32	1.000%	7,754,480	6,218,951	5,406,498
Murray County - cw01	08/25/06	08/20/26	1.010%	10,568,836	6,512,537	7,068,115
New London - cw01	06/15/11	08/20/30	1.000%	1,638,981	1,442,000	1,524,771
New Munich - cw01	12/10/10	08/20/30	1.027%	562,173	449,000	474,700
New Prague - cw01	12/01/08	08/20/28	3.127%	32,280,687	29,038,000	29,561,000
New Richland - cw01	08/29/11	08/20/31	1.000%	2,142,895	1,867,000	1,967,895
New Ulm - cw02	06/19/07	08/20/26	2.650%	3,943,632	2,880,000	3,082,000
New York Mills - cw01	11/15/06	08/20/26	1.000%	3,563,645	2,377,000	2,563,000
New York Mills - cw02	06/22/09	08/20/29	1.000%	130,134	100,000	106,000
New York Mills - cw03	12/14/10	08/20/30	1.000%	99,331	80,000	85,000
Nicollet - cw01	08/03/95	02/20/17	3.200%	1,260,000	164,697	243,316
North Branch - cw01	08/05/03	08/20/33	2.601%	11,500,000	8,270,000	8,320,000
North Koochiching ASD - cw01	04/16/12	08/20/41	2.135%	9,688,290	8,436,244	7,690,631
North Mankato - cw01	11/25/97	02/20/19	3.405%	1,032,679	266,919	327,766
North Mankato - cw02	09/30/99	08/20/19	3.140%	442,988	140,000	166,000
Oak Grove - cw01	04/01/10	08/20/29	1.694%	490,429	367,000	388,000
Olivia - cw01	09/26/97	02/20/19	3.490%	1,122,092	289,104	355,538

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Clean Water Bond Fund, continued:							
Olivia - cw02	11/21/11	08/20/40	1.000%	\$ 5,845,636	\$ 4,383,573	\$ 4,423,899	
Ortonville - cw01	05/05/08	08/20/27	2.290%	471,836	333,429	355,429	
Owatonna - cw01	07/06/10	08/20/25	1.423%	7,929,333	5,973,928	6,471,928	
Paynesville - cw01	02/12/13	08/20/32	1.000%	3,069,736	2,993,628	2,924,332	
Pelican Rapids - cw02	10/13/08	08/20/27	1.257%	5,517,884	4,014,000	4,297,000	
Pelican Rapids - cw03	07/10/12	08/20/31	1.000%	208,899	188,000	198,661	
Pelican Rapids - cw04	09/16/13	08/20/33	1.900%	7,413,385	6,139,441	2,516,688	
Pemberton - cw01	02/03/97	02/20/18	1.580%	372,136	63,530	84,053	
Perham - cw01	08/08/11	08/20/26	1.400%	337,745	284,000	306,000	
Perham - cw02	11/16/12	08/20/42	1.000%	3,014,667	2,887,034	2,667,827	
Pipestone - cw02	04/04/11	08/20/30	2.063%	2,438,093	2,100,765	2,210,765	
Plato - cw01	04/20/99	08/20/19	1.290%	107,025	30,000	36,000	
Plato - cw02	03/27/00	08/20/21	1.860%	857,047	336,000	380,000	
Proctor - cw01	07/26/07	08/20/22	1.240%	104,119	58,000	65,000	
Ramsey-Washington MWD - cw01	06/13/97	08/20/17	3.824%	540,835	92,105	126,574	
Ramsey-Washington MWD - cw02	09/24/98	08/20/18	3.340%	711,431	163,596	206,958	
Ramsey-Washington MWD - cw03	07/11/12	08/20/27	1.695%	1,177,217	1,068,000	1,112,507	
Red Wing - cw01	12/20/96	08/20/17	3.824%	750,000	124,909	172,747	
Red Wing - cw02	12/02/97	02/20/18	3.405%	700,000	137,072	179,854	
Red Wing - cw03	05/22/98	08/20/18	3.340%	2,500,000	469,593	622,437	
Red Wing - cw04	10/11/02	08/20/22	3.740%	1,494,594	741,000	819,000	
Red Wing - cw05	08/24/04	08/20/24	2.340%	5,283,360	3,069,000	3,339,000	
Redwood Falls - cw01	12/11/96	08/20/17	2.490%	133,900	20,534	28,416	
Renville - cw01	08/22/96	02/20/17	2.470%	794,818	97,938	145,174	
Renville - cw02	04/12/10	08/20/17	1.000%	712,479	407,000	517,000	
Rice - cw01	10/13/04	08/20/24	1.980%	1,153,293	653,000	711,000	
Rice County - cw01	12/31/13	08/20/43	1.224%	2,538,907	1,863,501	1,042,525	
Richmond - cw01	11/01/06	08/20/26	1.000%	7,264,863	5,293,000	5,609,000	
Rockford - cw01	08/14/97	02/20/19	3.990%	1,694,279	189,469	232,614	
Rockville - cw01	12/19/95	02/20/17	0.000%	869,580	86,958	130,437	
Rockville - cw02	04/22/04	08/20/24	1.340%	9,182,090	4,590,000	5,016,000	
Rogers - cw02	12/23/94	02/20/16	4.170%	2,710,873	194,145	381,068	
Rollingstone - cw01	04/12/00	08/20/20	2.790%	532,035	199,000	229,000	
Roseau - cw01	05/09/94	08/20/14	2.990%	237,000	-	5,087	
Roseau - cw02	11/01/95	02/20/17	2.950%	950,000	121,835	180,169	
Rush City - cw01	03/05/99	08/20/19	1.040%	4,097,542	1,107,000	1,321,000	
Rush City - cw02	06/25/12	08/20/31	1.522%	920,505	843,219	888,601	
Rushford - cw01	06/04/96	08/20/17	3.430%	1,101,488	181,833	250,388	
Rushford - cw02	03/28/11	08/20/30	1.077%	1,396,704	1,249,000	1,317,874	
Rushford - cw03	07/24/14	08/20/34	1.000%	484,860	259,527	-	
Rushford Village - cw01	05/30/96	02/20/17	3.180%	168,403	20,801	31,278	
Rushmore - cw01	10/03/05	08/20/24	1.210%	424,101	232,000	254,000	
Sacred Heart - cw01	07/17/97	08/20/18	1.580%	1,441,093	285,929	364,795	
Saint Augusta - cw01	09/02/03	08/20/23	2.090%	4,389,732	2,214,998	2,436,000	
Saint Augusta - cw02	10/06/10	08/20/40	1.000%	1,839,044	1,624,000	1,678,000	
Saint Clair - cw01	09/28/98	08/20/19	1.480%	2,653,226	666,257	808,416	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Clean Water Bond Fund, continued:							
Saint Cloud - cw01	07/23/97	08/20/18	3.630%	\$ 4,812,000	\$ 1,109,730	\$ 1,401,965	
Saint Cloud - cw02	04/06/10	08/20/30	1.771%	40,115,015	34,088,000	35,917,000	
Saint Hilaire - cw01	03/27/98	02/20/19	2.250%	15,641	3,299	4,086	
Saint Hilaire - cw02	09/29/08	08/20/28	1.058%	807,912	586,000	625,000	
Saint Hilaire - cw03	06/22/09	08/20/29	1.000%	25,589	21,000	22,000	
Saint James - cw02	06/03/10	08/20/29	1.799%	7,084,225	5,969,000	6,280,000	
Saint Paul - cw01	08/23/93	08/20/14	2.570%	1,072,837	-	33,962	
Saint Paul - cw02	11/10/94	08/20/15	3.600%	600,000	20,733	61,233	
Saint Paul - cw03	12/20/95	08/20/16	3.200%	600,000	59,312	97,347	
Saint Paul - cw04	06/21/96	02/20/17	2.880%	4,269,844	544,923	805,919	
Saint Paul - cw05	01/17/97	02/20/18	3.820%	1,500,000	303,240	396,908	
Saint Paul - cw06	01/13/98	02/20/19	3.250%	3,100,000	789,231	971,143	
Saint Paul - cw07	02/18/99	08/20/19	2.790%	4,600,000	1,400,000	1,655,000	
Saint Paul - cw08	09/12/00	08/20/20	3.870%	8,965,000	3,615,000	4,141,000	
Saint Peter - cw01	12/29/00	08/20/21	2.040%	11,733,250	4,750,000	5,375,000	
Saint Peter - cw02	09/17/02	08/20/22	2.040%	7,260,850	2,498,000	2,783,000	
Saint Peter - cw03	12/15/03	08/20/22	3.480%	2,240,000	1,175,000	1,301,000	
Sauk Centre - cw01	10/30/95	08/20/16	3.200%	1,407,000	139,206	228,395	
Sauk Centre - cw02	07/07/10	08/20/30	1.911%	6,596,236	5,818,000	6,009,269	
Shafer - cw01	03/17/95	08/20/16	2.240%	174,000	15,847	26,160	
Shafer - cw02	09/24/02	08/20/23	1.630%	1,167,000	576,000	635,000	
Sherburn - cw01	11/18/10	08/20/30	1.000%	1,296,848	1,053,000	1,113,000	
Shingobee Township - cw01	01/24/00	08/20/20	1.000%	60,240	18,000	21,000	
Shorewood Park SD/Rush Lake SD -	12/19/95	02/20/17	0.000%	625,000	62,500	93,750	
Silver Bay - cw01	09/23/94	02/20/16	2.820%	1,490,796	96,001	189,351	
Silver Creek Township - cw01	03/23/99	08/20/20	2.290%	1,700,000	592,000	683,000	
Sky line - cw01	07/12/04	08/20/24	1.000%	1,179,511	488,704	549,195	
Spring Lake Township - cw01	06/11/01	08/20/21	1.290%	1,263,000	350,000	398,000	
Spring Lake Township - cw02	11/22/04	08/20/24	1.000%	1,100,000	607,000	664,000	
Springsteel Island SD - cw01	09/04/07	08/20/27	1.000%	811,946	567,000	607,948	
Starbuck - cw01	09/20/11	08/20/31	1.000%	416,792	364,567	366,218	
Stewart - cw01	10/02/98	02/20/19	1.000%	150,000	32,438	40,348	
Stewart - cw02	11/06/12	08/20/32	1.000%	819,578	770,000	809,000	
Stewart - cw03	12/09/13	08/20/33	1.000%	317,250	126,399	84,270	
Sturgeon Lake - cw01	02/21/07	08/20/26	1.188%	4,495,958	3,898,000	4,043,000	
Sturgeon Lake - cw02	11/07/08	02/20/26	1.634%	669,849	510,000	528,000	
Thief River Falls - cw01	07/16/98	08/20/19	2.790%	925,525	254,654	307,077	
Tracy - cw01	06/30/00	08/20/20	2.110%	1,434,769	505,000	583,000	
Trimont - cw01	11/17/04	08/20/24	1.000%	1,699,869	935,000	1,024,000	
Truman - cw01	12/21/10	08/20/30	1.317%	393,771	328,000	346,000	
Two Harbors - cw01	03/11/94	02/20/15	2.440%	2,200,000	-	136,246	
Two Harbors - cw02	10/13/14	08/20/29	1.000%	160,828	6,942	-	
Ulen - cw01	07/12/11	08/20/41	1.000%	1,538,613	1,422,000	1,468,000	
Verndale - cw01	07/10/97	02/20/18	1.130%	155,809	25,575	33,919	
Verndale - cw02	06/18/09	08/20/29	1.393%	48,111	38,000	40,000	
Verndale - cw03	05/31/11	08/20/30	1.000%	336,932	298,000	315,000	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Clean Water Bond Fund, continued:							
Virginia - cw01	11/10/11	08/20/31	1.458%	\$ 16,526,481	\$ 14,245,064	\$ 14,952,294	
Wabasha - cw01	07/22/03	08/20/22	1.590%	5,866,644	2,811,000	3,138,000	
Wadena - cw01	09/13/11	08/20/31	1.529%	3,811,009	3,365,010	3,554,010	
Walker - cw01	04/03/95	08/20/16	2.600%	2,182,510	205,334	337,869	
Warren - cw01	06/24/11	08/20/30	1.223%	362,774	320,000	338,000	
Warren - cw02	09/24/14	08/20/34	1.000%	442,934	59,094	-	
Waseca - cw01	07/10/09	08/20/29	2.627%	9,335,004	7,416,000	7,815,000	
Watertown - cw01	05/11/93	08/20/14	3.490%	3,300,000	-	111,099	
Watkins - cw01	01/03/07	08/20/25	1.270%	1,631,700	1,040,000	1,127,000	
Welcome - cw01	08/10/11	08/20/31	1.000%	753,307	664,000	700,000	
Wells - cw01	10/29/04	08/20/24	1.960%	1,560,000	893,000	973,000	
West Concord - cw01	09/20/96	02/20/18	3.990%	281,777	57,515	75,270	
West Concord - cw02	06/10/04	08/20/24	1.000%	2,231,649	1,231,000	1,348,000	
Western Lake Superior SD - cw04	09/02/99	08/20/14	3.560%	835,800	-	73,000	
Western Lake Superior SD - cw08	07/17/06	08/20/21	2.820%	3,847,077	2,090,000	2,357,000	
Western Lake Superior SD - cw09	04/08/08	08/20/23	2.611%	2,367,407	1,516,000	1,664,000	
Western Lake Superior SD - cw10	06/16/09	08/20/24	2.700%	1,889,541	1,413,000	1,535,000	
Western Lake Superior SD - cw11	08/31/10	08/20/25	1.586%	151,866	114,866	124,866	
Western Lake Superior SD - cw12	08/31/10	08/20/25	1.591%	342,262	256,000	277,000	
Western Lake Superior SD - cw13	08/31/10	08/20/25	1.590%	622,488	460,000	498,740	
Western Lake Superior SD - cw14	08/31/10	08/20/25	1.589%	3,258,795	2,447,255	2,649,255	
Western Lake Superior SD - cw15	09/26/11	08/20/26	1.520%	3,488,093	2,932,000	3,153,763	
Western Lake Superior SD - cw16	09/26/11	08/20/26	1.520%	307,272	258,000	277,141	
Western Lake Superior SD - cw17	09/26/11	08/20/26	1.520%	1,544,360	1,298,000	1,396,401	
Western Lake Superior SD - cw18	07/03/12	08/20/27	1.693%	5,195,750	4,694,000	5,015,577	
Western Lake Superior SD - cw19	11/16/12	08/20/28	1.000%	2,783,315	2,505,797	2,676,451	
Western Lake Superior SD - cw20	06/27/13	08/20/28	1.000%	2,059,132	1,968,163	1,699,342	
Western Lake Superior SD - cw21	08/25/14	08/20/29	1.000%	6,941,990	1,541,105	-	
Wheaton - cw01	06/26/03	08/20/22	2.240%	2,505,000	1,193,000	1,328,000	
Wheaton - cw02	07/15/09	08/20/29	1.331%	1,623,390	1,256,000	1,331,000	
Wheaton - cw03	10/01/09	08/20/29	1.067%	878,761	676,000	717,000	
Wheaton - cw04	03/22/12	08/20/41	1.000%	684,903	642,543	591,885	
Willmar - cw01	06/28/96	08/20/17	3.130%	4,300,000	692,799	955,819	
Willmar - cw02	09/09/08	08/20/28	3.275%	42,001,362	36,355,000	37,848,000	
Willmar - cw03	09/21/09	08/20/29	2.457%	1,711,867	1,357,151	1,431,151	
Willmar - cw04	11/18/09	08/20/38	3.440%	27,663,530	25,120,000	25,739,000	
Willmar - cw05	07/25/13	08/20/42	1.124%	1,886,812	1,444,228	1,451,040	
Willmar - cw06	08/18/14	08/20/34	1.000%	3,000,000	2,719,851	-	
Windom - cw02	05/17/94	08/20/15	2.710%	3,886,970	124,814	369,459	
Winnebago - cw02	06/27/11	08/20/30	1.247%	3,454,722	3,029,000	3,199,581	
Woodland - cw01	06/12/97	08/20/18	2.580%	698,775	127,466	162,302	
Zimmerman - cw03	04/09/99	08/20/20	2.040%	4,173,493	1,493,000	1,725,000	
Zimmerman - cw04	10/05/09	08/20/29	2.368%	2,221,070	1,897,000	2,001,000	
Clean Water Bond Fund totals				1,930,399,978	1,323,540,621	1,302,976,190	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original		Outstanding Principal at June 30,	
				Loan Commitment		2015	2014
Drinking Water Bond Fund:							
Ada - dw01	06/25/04	08/20/23	1.090%	\$ 2,380,000	\$ 1,191,000	\$ 1,316,000	
Ada - dw02	12/06/05	08/20/23	1.090%	264,245	144,000	159,000	
Adrian - dw01	10/30/98	08/20/18	3.320%	259,660	-	84,000	
Albany - dw01	05/17/06	08/20/25	1.960%	4,697,058	2,987,874	3,228,874	
Alexandria - dw01	07/30/02	08/20/22	3.380%	1,050,117	512,000	567,000	
Alexandria - dw02	09/01/09	08/20/29	2.445%	3,623,606	2,864,000	3,021,000	
Alvarado - dw01	05/24/10	08/20/29	1.000%	584,901	463,000	491,000	
Annandale - dw01	01/13/04	08/20/23	2.819%	3,273,194	1,698,000	1,862,000	
Annandale - dw02	05/31/11	08/20/31	1.959%	1,217,500	1,066,000	1,118,000	
Argyle - dw01	09/30/98	08/20/19	2.570%	229,655	70,000	83,000	
Arlington - dw01	02/21/03	08/20/17	2.990%	110,000	27,000	35,000	
Askov - dw01	09/30/98	08/20/19	1.000%	479,781	127,000	152,000	
Atwater - dw01	06/15/11	08/20/30	1.777%	897,318	795,000	838,318	
Audubon - dw01	11/17/14	08/20/44	1.000%	2,063,210	750,557	-	
Avon - dw01	10/08/03	08/20/23	2.840%	666,554	274,061	301,061	
Babbitt - dw01	08/29/01	08/20/21	2.820%	1,316,806	555,000	626,000	
Backus - dw01	07/14/08	08/20/27	2.270%	164,195	120,000	128,000	
Bagley - dw01	08/10/04	08/20/23	1.730%	1,074,120	552,120	608,120	
Barnesville - dw01	09/13/11	08/20/31	1.143%	537,082	471,000	496,000	
Barnum - dw01	10/28/09	08/20/29	1.325%	804,807	626,000	663,000	
Barnum - dw02	06/10/13	08/20/18	1.000%	9,550	8,446	9,550	
Battle Lake - dw01	06/18/03	08/20/22	1.490%	1,377,006	637,000	711,000	
Baudette - dw01	11/09/04	08/20/24	2.460%	337,729	191,000	208,000	
Baudette - dw02	09/17/09	08/20/29	1.925%	681,502	524,000	553,742	
Beardsley - dw01	07/14/10	08/20/29	1.261%	111,100	91,000	96,000	
Beaver Bay - dw01	07/29/08	08/20/27	1.061%	869,658	609,000	653,000	
Becker County - dw01	09/22/03	08/20/22	1.680%	135,430	63,000	70,000	
Belgrade - dw01	07/26/10	08/20/39	1.095%	549,562	466,562	487,562	
Benson - dw01	07/05/11	08/20/30	1.739%	3,292,380	2,900,920	3,000,943	
Big Lake - dw01	11/04/04	08/20/24	2.530%	9,111,996	5,066,000	5,506,000	
Bird Island - dw01	11/09/09	08/20/29	1.000%	149,537	115,000	122,000	
Blue Earth - dw01	09/05/06	08/20/26	2.570%	305,456	203,000	217,000	
Blue Earth - dw02	03/19/07	08/20/26	2.400%	1,174,600	816,000	874,000	
Braham - dw01	03/25/04	08/20/23	1.590%	1,468,370	750,000	827,000	
Braham - dw02	04/06/10	08/20/29	1.000%	1,015,970	735,880	751,148	
Breitung Township - dw01	11/01/01	08/20/21	2.070%	94,177	37,000	42,000	
Breitung Township - dw02	12/16/02	08/20/22	2.490%	117,500	54,000	60,000	
Brooklyn Center - dw01	01/20/15	08/20/34	1.000%	19,662,352	8,252,536	-	
Brooten - dw01	12/05/00	08/20/20	3.410%	373,401	138,000	159,000	
Browerville - dw01	10/21/98	08/20/18	2.040%	213,876	52,000	64,000	
Browerville - dw02	06/10/10	08/20/29	1.000%	385,244	309,000	328,000	
Brownnton - dw01	11/03/99	08/20/19	2.980%	188,100	60,000	71,000	
Butterfield - dw01	02/11/02	08/20/21	2.070%	246,972	99,000	112,000	
Callaway - dw01	07/11/06	08/20/25	1.310%	375,811	228,000	247,000	
Cambridge - dw01	09/17/01	08/20/21	4.050%	2,080,000	935,000	1,049,000	
Canby - dw01	11/10/98	08/20/18	1.790%	2,020,499	482,000	597,000	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Drinking Water Bond Fund, continued:							
Canby - dw02	07/20/10	08/20/39	1.088%	\$ 3,970,711	\$ 3,565,000	\$ 3,688,000	
Canby - dw03	08/05/14	08/20/44	1.000%	2,667,171	298,153	-	
Carlton - dw01	05/01/07	08/20/26	1.490%	1,567,709	1,058,000	1,138,000	
Carver - dw01	12/15/03	08/20/23	2.819%	2,522,966	1,299,000	1,424,000	
Cass Lake - dw01	05/20/03	08/20/22	1.990%	626,693	300,000	334,000	
Chokio - dw01	01/26/06	08/20/25	1.310%	704,658	421,000	456,000	
Clara City - dw01	11/13/01	08/20/21	2.320%	2,472,224	1,006,000	1,137,000	
Claremont - dw01	08/10/10	08/20/39	1.000%	137,893	122,000	126,000	
Clearwater - dw01	11/23/02	08/20/22	2.130%	667,320	302,000	336,000	
Clearwater - dw02	07/22/03	08/20/22	2.680%	183,957	89,000	99,000	
Cleveland - dw01	08/29/11	08/20/31	1.367%	530,370	468,711	492,711	
Cloquet - dw01	10/08/02	08/20/22	3.380%	1,913,773	925,768	1,024,768	
Cokato - dw01	06/14/00	08/20/15	3.910%	613,137	58,000	114,000	
Cokato - dw02	01/13/04	08/20/23	3.180%	4,410,593	2,340,000	2,562,000	
Coleraine - dw01	12/12/02	08/20/22	2.380%	1,572,375	729,000	811,000	
Cologne - dw01	09/02/14	08/20/34	1.000%	839,216	761,888	-	
Comfrey - dw01	10/16/98	08/20/18	2.040%	149,107	36,000	45,000	
Cosmos - dw01	06/15/05	08/20/24	1.720%	912,706	514,706	561,706	
Cosmos - dw02	05/09/08	08/20/27	1.092%	515,815	362,000	388,000	
Cosmos - dw03	10/15/09	08/20/29	1.000%	242,741	188,000	200,000	
Cosmos - dw04	07/11/13	08/20/42	1.000%	204,032	97,397	86,285	
Cromwell - dw01	04/12/99	08/20/19	1.000%	62,361	20,000	23,000	
Crosby - dw01	07/12/10	08/20/39	1.107%	4,810,811	4,236,079	4,382,079	
Dalton - dw01	04/14/03	08/20/22	2.680%	118,819	55,000	61,000	
Dalton - dw02	08/27/08	08/20/27	1.112%	115,950	81,000	87,000	
Darwin - dw01	10/03/13	08/20/43	1.150%	376,675	285,669	195,716	
Dassel - dw01	07/02/99	08/20/19	2.040%	1,768,142	530,000	630,000	
Dassel - dw02	10/06/08	08/20/28	1.016%	1,203,724	872,000	930,000	
Dassel - dw03	07/09/09	08/20/29	1.283%	352,662	278,000	295,000	
Dassel - dw04	08/19/13	08/20/33	1.000%	302,900	248,431	257,331	
Dawson - dw01	09/20/02	08/20/22	3.320%	914,497	443,000	491,000	
Dayton - dw02	04/19/10	08/20/29	1.654%	750,449	609,000	645,000	
Deer River - dw01	10/29/02	08/20/22	1.630%	303,062	134,000	150,000	
Deer River - dw02	08/10/09	08/20/29	1.000%	50,193	40,000	42,000	
Deerwood - dw01	08/29/11	08/20/41	1.000%	450,883	417,000	430,000	
Detroit Lakes - dw01	01/13/10	08/20/29	2.186%	2,100,745	1,714,000	1,810,000	
Dover - dw01	12/11/00	08/20/20	3.410%	464,776	175,000	201,000	
Duluth - dw01	07/31/03	08/20/18	2.819%	970,000	304,000	375,000	
Duluth - dw02	07/02/04	08/20/18	2.530%	1,971,532	609,000	752,000	
Duluth - dw03	10/28/09	08/20/19	1.077%	1,668,813	851,000	1,016,000	
Duluth - dw04	08/31/10	08/20/25	1.258%	1,293,200	958,000	1,039,547	
Duluth - dw05	12/07/10	08/20/25	1.076%	3,344,131	2,574,000	2,793,000	
Duluth - dw06	11/18/11	08/20/26	1.221%	1,605,655	816,120	922,120	
Duluth - dw07	02/25/14	08/20/29	1.000%	5,108,910	4,474,162	2,000,657	
Dumont - dw01	05/05/10	08/20/39	1.000%	227,751	195,000	202,000	
Eagle Bend - dw01	08/17/09	08/20/28	1.850%	296,036	228,000	242,000	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original		Outstanding Principal at June 30,	
				Loan Commitment		2015	2014
Drinking Water Bond Fund, continued:							
Eagle Lake - dw01	10/07/10	08/20/30	1.643%	\$ 543,454	\$ 445,000	\$ 469,000	
East Bethel - dw01	02/17/10	08/20/29	1.000%	69,190	56,589	59,589	
Eden Valley - dw01	08/21/00	08/20/20	3.160%	1,881,057	700,000	805,000	
Eden Valley - dw02	06/27/01	08/20/21	2.320%	644,890	263,000	297,000	
Eden Valley - dw03	10/13/09	08/20/29	1.000%	286,461	221,000	235,000	
Eden Valley - dw04	10/09/13	08/20/33	1.000%	174,329	167,000	9,000	
Edgerton - dw01	07/11/02	08/20/22	3.380%	395,035	191,000	211,000	
Elbow Lake - dw01	07/07/09	08/20/39	1.567%	95,897	76,000	78,000	
Elbow Lake - dw02	08/05/13	08/20/43	1.000%	98,340	78,370	52,037	
Elbow Lake - dw03	08/11/14	08/20/44	1.000%	451,261	140,330	-	
Elgin - dw01	05/16/11	08/20/30	1.538%	816,607	731,000	771,000	
Elizabeth - dw01	07/17/07	08/20/26	1.000%	627,450	418,000	451,000	
Elko New Market - dw01	09/11/14	08/20/34	1.000%	10,357,038	4,723,264	-	
Ellendale - dw01	08/28/06	08/20/26	1.570%	1,628,000	1,070,000	1,150,000	
Ellendale - dw02	06/26/08	08/20/27	1.000%	1,113,204	782,696	838,696	
Ely - dw01	12/13/00	08/20/20	3.410%	1,177,302	444,000	510,000	
Elysian - dw01	09/18/03	08/20/23	1.990%	478,520	241,000	265,000	
Erskine - dw01	04/08/13	08/20/42	1.000%	255,450	225,564	241,005	
Evansville - dw01	10/03/06	08/20/26	1.760%	131,203	86,000	92,000	
Evansville - dw02	11/15/11	08/20/41	1.000%	87,498	79,722	82,722	
Evansville - dw03	07/08/14	08/20/44	1.000%	373,816	55,758	-	
Eveleth - dw01	09/26/07	08/20/27	2.400%	2,086,370	1,462,000	1,557,000	
Eveleth - dw02	10/16/13	08/20/28	1.462%	219,656	45,010	-	
Excelsior - dw01	06/02/14	08/20/34	1.000%	920,313	587,944	-	
Fairfax - dw01	08/06/99	08/20/19	2.040%	1,265,806	377,000	448,000	
Fairfax - dw02	08/15/11	08/20/41	1.244%	1,103,648	954,612	969,977	
Fairmont - dw01	10/11/11	08/20/41	2.234%	28,902,811	26,422,495	26,567,562	
Fertile - dw01	01/27/03	08/20/22	1.130%	1,087,739	466,000	521,000	
Finlayson - dw01	11/28/00	08/20/20	1.910%	211,828	73,000	84,000	
Fisher - dw01	09/07/04	08/20/24	1.000%	2,077,920	1,090,000	1,193,000	
Fosston - dw01	07/11/05	08/20/24	1.470%	1,454,455	813,231	888,231	
Fosston - dw02	07/28/14	08/20/34	1.000%	513,813	421,699	-	
Fosston - dw03	07/28/14	08/20/34	1.000%	572,308	511,475	-	
Frost - dw01	01/09/06	08/20/25	1.310%	378,126	225,000	244,000	
Fulda - dw01	07/30/98	08/20/18	2.320%	503,117	119,000	147,000	
Gibbon - dw01	09/09/13	08/20/43	1.365%	2,231,590	1,914,346	630,790	
Gilbert - dw01	04/30/03	08/20/23	2.880%	157,764	82,000	90,000	
Glenwood - dw01	05/30/00	08/20/19	1.980%	1,081,126	335,000	398,000	
Glenwood - dw02	11/09/04	08/20/24	2.210%	675,000	377,000	410,000	
Glenwood - dw03	08/14/13	08/20/33	1.667%	768,145	745,000	207,023	
Glyndon - dw01	10/29/02	08/20/22	2.380%	867,071	390,834	440,071	
Goodview - dw01	09/22/08	08/20/28	2.627%	4,277,500	3,267,932	3,458,932	
Grand Marais - dw01	04/27/99	08/20/19	2.560%	484,112	151,000	179,000	
Grand Marais - dw02	08/11/04	02/20/24	2.530%	812,229	425,000	466,000	
Grand Rapids - dw01	01/03/00	08/20/19	3.040%	1,079,657	342,000	405,000	
Greenbush - dw01	11/19/09	08/20/39	1.005%	1,459,111	1,241,476	1,284,476	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Drinking Water Bond Fund, continued:							
Greenbush - dw02	07/09/10	08/20/39	1.146%	\$ 776,456	\$ 684,000	\$ 707,000	
Greenbush - dw03	06/26/13	08/20/32	1.000%	166,364	159,000	166,364	
Grove City - dw01	07/08/08	08/20/27	1.258%	1,387,042	984,000	1,053,000	
Hamburg - dw01	07/22/03	08/20/22	2.490%	225,640	108,000	120,000	
Hamburg - dw02	07/27/04	08/20/24	2.340%	950,709	530,000	576,000	
Hanska - dw01	05/20/14	08/20/44	1.000%	923,146	923,146	112,445	
Harris - dw02	08/29/06	08/20/36	1.535%	1,333,450	998,000	1,033,000	
Hawley - dw01	06/27/01	08/20/21	3.320%	660,000	284,000	319,000	
Hawley - dw02	07/10/06	08/20/25	1.560%	2,565,987	1,580,000	1,711,000	
Hawley - dw03	06/17/08	08/20/27	1.290%	150,011	107,000	114,000	
Hendrum - dw01	10/12/10	08/20/30	1.000%	229,684	188,000	199,000	
Henning - dw01	12/06/05	08/20/25	1.000%	539,404	317,000	344,000	
Henning - dw02	08/08/13	08/20/43	1.241%	381,558	320,400	-	
Herman - dw01	08/11/14	08/20/44	1.000%	564,260	351,694	-	
Hibbing - dw01	07/19/01	08/20/20	3.050%	1,434,777	551,000	634,000	
Hibbing - dw02	08/16/10	08/20/20	1.000%	876,873	531,000	617,000	
Hinckley - dw01	11/17/00	08/20/20	4.160%	542,777	213,000	244,000	
Hinckley - dw02	10/05/01	08/20/21	2.820%	1,367,480	572,000	645,000	
Hitterdal - dw01	03/13/06	08/20/25	1.810%	157,957	97,000	105,000	
Hoffman - dw01	08/14/04	08/20/24	1.480%	833,461	446,000	487,000	
Hoffman - dw02	07/06/09	08/20/29	1.384%	87,461	66,000	70,000	
Howard Lake - dw01	10/13/99	08/20/19	3.060%	287,662	92,000	109,000	
Howard Lake - dw02	06/17/11	08/20/40	1.217%	2,059,069	1,911,000	1,973,000	
Hutchinson - dw01	08/01/05	08/20/24	2.530%	5,696,371	3,030,371	3,030,371	
Hutchinson - dw02	08/07/06	08/20/25	2.629%	12,216,000	7,952,000	8,569,000	
Ironton - dw01	07/27/04	08/20/23	1.090%	405,300	203,300	224,300	
Isanti - dw01	07/10/07	08/20/26	2.630%	965,000	668,000	715,000	
Isanti - dw02	10/07/08	08/20/28	3.042%	5,064,256	3,904,056	4,125,056	
Isanti - dw03	09/21/11	08/20/31	1.533%	676,045	597,000	628,000	
Isle - dw01	05/18/11	08/20/30	1.482%	215,506	188,000	198,006	
Jordan - dw01	11/05/98	08/20/18	3.540%	307,917	83,000	102,000	
Jordan - dw02	06/30/03	08/20/23	2.819%	1,052,939	549,000	602,000	
Kandiyohi - dw01	11/10/14	08/20/44	1.000%	2,037,523	410,755	-	
Kandiyohi County - dw02	12/29/99	08/20/19	3.540%	2,262,450	740,450	873,450	
Kandiyohi County - dw03	11/30/00	08/20/20	3.540%	1,012,260	386,000	443,000	
Karlstad - dw01	06/03/13	08/20/33	1.000%	1,862,083	1,789,444	1,862,083	
Keewatin - dw01	08/28/02	08/20/22	2.880%	500,000	239,000	265,000	
Kennedy - dw01	08/04/14	08/20/24	1.000%	25,791	25,791	-	
Kenyon - dw01	12/16/02	08/20/22	3.240%	224,000	23,000	35,000	
Kiester - dw01	10/15/01	08/20/21	3.070%	228,636	95,000	107,000	
Lake Lillian - dw01	09/13/06	08/20/26	1.000%	610,355	387,000	417,000	
Lake Park - dw01	09/08/03	08/20/23	2.090%	397,006	200,000	220,000	
Lakefield - dw01	09/26/02	08/20/22	2.880%	2,272,080	1,074,000	1,192,000	
Lamberton - dw01	08/06/99	08/20/19	1.860%	262,182	51,000	61,000	
Lanesboro - dw01	10/27/14	08/20/44	1.000%	3,031,931	471,702	-	
Le Center - dw01	08/11/06	08/20/26	1.820%	3,470,601	2,294,000	2,464,000	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Drinking Water Bond Fund, continued:							
Le Center - dw02	08/14/07	08/20/27	1.650%	\$ 511,861	\$ 385,000	\$ 411,000	
Lester Prairie - dw01	06/14/11	08/20/30	1.780%	1,788,806	1,605,000	1,691,000	
Lewiston - dw01	12/20/99	08/20/19	3.790%	312,934	103,000	121,000	
Lewiston - dw02	05/29/01	08/20/20	3.820%	270,000	108,000	124,000	
Litchfield-PUC - dw01	05/24/99	08/20/19	3.540%	4,092,166	1,347,000	1,589,000	
Littlefork - dw01	07/28/99	08/20/19	1.810%	181,277	53,000	63,000	
Long Prairie - dw01	04/06/01	08/20/20	3.910%	1,098,586	437,000	501,000	
Lonsdale - dw01	06/09/11	08/20/30	1.756%	1,210,591	1,090,000	1,148,000	
Loretto - dw01	05/09/06	08/20/25	2.310%	761,704	493,000	532,000	
Lyle - dw01	06/27/00	08/20/20	3.000%	311,040	114,000	131,000	
Madison Lake - dw01	05/17/10	08/20/29	1.858%	596,692	484,000	512,000	
Madison Lake - dw02	08/08/11	08/20/31	1.912%	820,008	730,000	766,782	
Mahnomen - dw01	07/30/08	08/20/27	1.518%	390,054	282,000	302,000	
Mankato - dw01	12/12/05	08/20/25	2.310%	2,309,300	1,429,300	1,542,300	
Mankato - dw02	04/09/07	08/20/26	2.630%	37,536,818	25,740,948	26,853,443	
Maple Plain - dw01	07/09/07	08/20/26	2.150%	3,468,767	2,383,000	2,555,000	
Marble - dw01	10/08/01	08/20/21	2.570%	128,210	52,000	59,000	
Mayer - dw01	12/21/00	08/20/20	3.910%	347,000	135,000	155,000	
Mayer - dw02	08/28/06	08/20/26	2.070%	2,560,768	1,683,000	1,805,000	
McIntosh - dw01	05/31/07	08/20/26	1.900%	222,736	151,000	162,000	
McIntosh - dw02	10/24/07	08/20/27	1.341%	858,730	596,000	638,000	
McIntosh - dw03	07/10/12	08/20/31	1.000%	85,446	68,154	73,154	
Medford - dw01	10/04/10	08/20/30	1.000%	2,802,176	2,282,000	2,412,176	
Melrose - dw02	04/13/99	08/20/19	3.480%	2,500,000	-	578,700	
Milaca - dw01	07/19/06	08/20/26	1.070%	3,060,114	1,958,000	2,110,000	
Minneapolis - dw01	12/16/02	08/20/22	2.819%	27,400,000	18,500,000	20,000,000	
Minneapolis - dw02	02/26/04	08/20/23	2.800%	25,000,000	20,700,000	21,300,000	
Minneapolis - dw03	03/21/05	08/20/19	2.530%	12,500,000	6,925,000	7,725,000	
Minneapolis - dw04	12/07/06	08/20/26	2.600%	13,500,000	10,215,000	10,835,000	
Minneapolis - dw05	12/10/09	08/20/27	2.688%	19,557,660	18,545,000	18,745,000	
Minneapolis - dw06	03/02/10	08/20/21	1.000%	6,229,554	5,345,000	5,470,000	
Minnetrissa - dw01	04/05/10	08/20/24	1.189%	692,603	489,364	535,364	
Montevideo - dw02	04/21/15	08/20/35	1.000%	1,172,558	-	-	
Montgomery - dw01	09/18/03	08/20/23	3.180%	642,162	343,000	375,000	
Montgomery - dw02	05/24/04	08/20/23	2.840%	358,044	194,044	213,044	
Montrose - dw01	01/11/10	08/20/29	1.619%	415,043	332,000	351,000	
Moorhead - dw01	08/26/14	08/20/34	1.020%	13,212,873	2,435,697	-	
Mora - dw01	07/27/10	08/20/30	1.862%	1,565,220	1,292,000	1,361,000	
Morgan - dw01	06/21/99	08/20/19	2.480%	481,289	150,000	178,000	
Morris - dw01	10/26/99	08/20/19	2.540%	1,251,423	385,000	456,000	
Motley - dw01	06/17/14	08/20/34	1.000%	3,921,500	3,070,606	-	
Mountain Lake - dw01	09/16/03	08/20/23	1.430%	2,985,751	1,456,000	1,607,000	
Mountain Lake - dw02	08/20/12	08/20/32	1.000%	38,440	31,338	33,338	
Mountain Lake - dw03	09/16/14	08/20/34	1.000%	47,444	17,580	-	
Nashwauk - dw01	06/08/99	08/20/19	1.980%	966,092	289,000	344,000	
New Auburn - dw01	08/03/06	08/20/25	1.000%	1,069,002	468,000	508,000	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Drinking Water Bond Fund, continued:							
New Hope - dw01	03/22/10	08/20/29	1.703%	\$ 418,644	\$ 335,000	\$ 354,000	
New Hope - dw02	05/13/13	08/20/32	1.000%	1,035,000	1,003,000	1,035,000	
New London - dw01	06/15/11	08/20/30	1.000%	801,430	701,000	741,605	
New Prague - dw01	10/15/02	08/20/22	3.630%	2,885,942	1,406,000	1,555,000	
New Richland - dw01	07/15/03	08/20/22	2.740%	1,327,522	630,522	703,522	
New York Mills - dw01	06/09/09	08/20/28	1.296%	695,668	526,000	560,000	
New York Mills - dw02	09/23/10	08/20/30	1.000%	206,096	168,000	178,000	
Newfolden - dw01	07/02/12	08/20/31	1.000%	533,066	480,000	506,289	
Nielsville - dw01	12/06/04	08/20/24	1.210%	30,563	12,000	14,000	
North Mankato - dw01	01/09/15	08/20/34	1.000%	1,631,793	444,522	-	
Northome - dw01	03/04/04	08/20/23	1.730%	241,826	125,000	138,000	
Norwood Young America - dw01	07/21/10	08/20/39	2.461%	1,966,604	1,765,000	1,816,000	
Olivia - dw01	11/21/11	08/20/40	1.000%	3,519,100	2,874,168	2,857,372	
Onamia - dw01	10/19/00	08/20/20	3.000%	420,000	155,000	178,000	
Oronoco - dw01	10/07/09	08/20/29	1.000%	1,269,281	957,359	1,016,359	
Osakis - dw01	01/14/03	08/20/22	2.920%	666,377	313,000	347,000	
Ottertail - dw01	01/14/03	08/20/22	1.170%	1,488,000	642,000	718,000	
Park Rapids - dw01	06/15/06	08/20/25	2.570%	859,259	548,000	591,000	
Park Rapids - dw02	08/20/13	08/20/33	1.597%	818,215	769,598	445,208	
Paynesville - dw01	11/14/13	08/20/33	1.000%	3,615,135	3,119,801	1,322,916	
Pelican Rapids - dw01	10/13/08	08/20/28	2.351%	280,648	209,000	222,000	
Pelican Rapids - dw02	07/10/12	08/20/31	1.009%	645,575	581,000	611,838	
Perham - dw01	11/19/99	08/20/19	2.790%	606,790	190,000	225,000	
Perham - dw02	01/22/09	08/20/28	2.743%	2,422,209	1,883,000	1,992,000	
Perham - dw03	08/08/11	08/20/26	1.391%	148,475	125,000	135,000	
Pine River - dw01	09/20/02	08/20/22	1.630%	167,260	74,000	83,000	
Plainview - dw01	06/15/06	08/20/21	2.630%	807,893	422,000	476,000	
Plainview - dw02	08/09/11	08/20/31	1.929%	275,304	245,422	257,422	
Plummer - dw01	12/13/11	08/20/41	1.000%	248,533	231,000	238,000	
Princeton-PUC - dw01	09/08/99	08/20/19	3.290%	670,000	217,000	256,000	
Princeton-PUC - dw02	06/10/04	08/20/23	2.530%	847,422	463,000	508,000	
Red Lake Falls - dw01	09/30/09	08/20/39	1.000%	360,901	308,000	319,000	
Red Wing - dw01	04/12/04	08/20/23	2.819%	15,283,450	8,235,000	9,029,000	
Redwood Falls - dw01	10/22/09	08/20/39	2.936%	6,083,071	5,382,000	5,527,000	
Remer - dw01	06/25/09	08/20/39	1.982%	79,748	70,000	72,000	
Renville - dw01	08/23/04	08/20/24	1.980%	266,453	147,000	160,000	
Richmond - dw01	08/07/13	08/20/33	1.000%	858,890	837,786	789,471	
Rock County - dw01	09/30/99	08/20/19	1.790%	1,460,000	429,000	510,000	
Rock County - dw02	04/03/07	08/20/26	1.020%	533,000	355,000	383,000	
Rothsay - dw01	11/04/03	08/20/23	1.990%	378,740	191,000	210,000	
Royalton - dw01	09/27/99	08/20/19	1.000%	458,452	124,000	148,000	
Rush City - dw01	03/05/99	08/20/18	1.540%	3,889,693	915,000	1,135,000	
Rushford - dw01	09/10/99	08/20/19	3.040%	765,000	242,000	286,000	
Rushford - dw02	05/15/08	08/20/27	1.352%	1,212,760	949,000	1,015,000	
Rushford - dw03	06/29/10	08/20/29	1.000%	1,171,855	918,000	974,000	
Rushford - dw04	07/24/14	08/20/34	1.000%	286,639	65,435	-	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Drinking Water Bond Fund, continued:							
Rushford Village - dw01	08/10/12	08/20/32	1.469%	\$ 305,167	\$ 282,000	\$ 295,608	
Sabin - dw01	07/19/05	08/20/24	2.720%	871,267	509,267	553,267	
Saint Augusta - dw01	07/14/03	08/20/22	2.819%	1,849,591	920,000	1,021,000	
Saint Bonifacius - dw01	02/17/10	08/20/29	1.709%	664,864	540,000	571,000	
Saint Clair - dw01	08/20/07	08/20/26	1.900%	1,246,721	848,000	910,000	
Saint Cloud - dw01	03/01/04	08/20/23	2.590%	1,381,672	739,672	811,672	
Saint Cloud - dw02	01/05/05	08/20/24	2.530%	2,527,278	1,443,350	1,568,350	
Saint Cloud - dw03	05/08/09	08/20/28	2.481%	6,167,901	4,782,000	5,065,000	
Saint Cloud - dw04	08/24/10	08/20/30	1.656%	7,736,790	6,375,000	6,720,000	
Saint Francis - dw01	12/18/07	08/20/27	2.563%	9,013,468	7,251,000	7,561,000	
Saint James - dw01	01/08/02	08/20/21	3.570%	2,230,000	975,000	1,096,000	
Saint James - dw02	05/19/10	08/20/29	2.104%	1,088,699	1,001,000	1,026,000	
Saint Paul - dw02	07/13/10	12/01/30	1.963%	5,960,000	5,184,000	5,384,000	
Saint Paul - dw03	07/13/10	12/01/30	1.962%	23,107,000	20,121,000	20,901,000	
Saint Paul - dw04	06/19/14	12/01/34	1.048%	2,200,000	2,101,067	-	
Saint Paul Park - dw01	08/06/13	08/20/33	1.608%	960,953	941,468	926,917	
Saint Peter - dw01	03/12/09	08/20/28	2.482%	1,321,419	1,059,000	1,122,000	
Saint Peter - dw02	08/28/09	08/20/29	2.745%	15,713,534	14,832,000	15,118,000	
Saint Peter - dw03	03/29/10	08/20/29	1.710%	840,479	680,000	719,000	
Sandstone - dw01	07/28/99	08/20/19	2.110%	401,331	121,000	144,000	
Sauk Centre - dw01	11/05/98	08/20/18	3.540%	2,121,231	569,000	699,000	
Savage - dw01	08/06/99	08/20/19	3.620%	8,984,395	2,961,395	3,493,395	
Sebeka - dw01	10/15/02	08/20/22	1.130%	262,242	114,942	128,942	
Silver Bay - dw01	11/19/98	08/20/18	2.560%	642,000	162,000	200,000	
Silver Bay - dw02	06/04/07	08/20/26	1.650%	726,450	494,000	531,000	
Sleepy Eye - dw01	08/11/09	08/20/29	2.550%	3,592,533	2,849,000	3,003,000	
South Saint Paul - dw01	02/16/10	08/20/29	1.709%	2,568,810	2,085,000	2,206,000	
Spring Lake Park - dw01	07/08/03	08/20/23	2.819%	3,846,216	1,975,000	2,165,000	
Staples - dw01	03/24/03	08/20/22	1.490%	1,400,000	643,000	717,000	
Stewart - dw01	08/08/05	08/20/24	2.220%	719,342	416,000	453,000	
Stewart - dw02	09/15/12	08/20/41	1.000%	108,172	103,000	106,000	
Stewart - dw03	12/09/13	08/20/43	1.763%	42,750	14,850	15,600	
Sturgeon Lake - dw01	03/10/05	08/20/24	1.761%	2,476,541	1,647,000	1,712,000	
Sturgeon Lake - dw02	03/02/06	08/20/24	1.754%	248,165	164,000	170,000	
Swanville - dw01	07/07/09	08/20/29	1.544%	647,312	504,000	534,000	
Swanville - dw02	08/06/13	08/20/43	1.880%	953,866	934,000	942,699	
Taylors Falls - dw01	08/28/07	08/20/26	1.150%	1,015,254	753,000	811,000	
Thomson - dw01	09/08/03	08/20/23	2.680%	105,104	-	37,000	
Tower - dw01	01/20/00	08/20/19	1.860%	892,659	260,000	310,000	
Trosky - dw01	11/03/99	08/20/19	3.290%	131,670	42,000	50,000	
Two Harbors - dw01	06/30/99	08/20/19	3.040%	835,000	267,000	316,000	
Two Harbors - dw02	12/21/09	08/20/29	2.528%	2,175,783	1,741,000	1,836,000	
Two Harbors - dw03	05/11/10	08/20/29	1.665%	2,262,255	1,827,000	1,933,000	
Tyler - dw01	06/15/11	08/20/40	1.000%	4,957,924	4,635,000	4,790,527	
Underwood - dw01	11/13/01	08/20/21	2.570%	660,878	266,000	300,000	
Utica - dw01	09/19/01	08/20/21	2.070%	173,000	70,000	79,000	

Loans Receivable by Fund:

Fund Borrower	Date of Loan	Final Maturity	Interest Rate	Original	Outstanding Principal at June 30,		
				Loan Commitment	2015	2014	
Drinking Water Bond Fund, continued:							
Verndale - dw01	12/18/98	08/20/18	1.310%	\$ 75,572	\$ 16,000	\$ 20,000	
Verndale - dw02	06/18/09	08/20/29	2.056%	190,933	150,000	158,000	
Virginia - dw01	11/08/99	08/20/19	3.040%	6,127,973	1,954,000	2,311,000	
Wadena - dw01	07/30/02	08/20/22	2.670%	2,617,891	1,233,000	1,370,000	
Walker - dw01	08/18/99	08/20/19	1.810%	1,877,758	550,980	654,980	
Wanamingo - dw01	08/29/01	08/20/21	1.810%	1,660,000	663,000	751,000	
Warren - dw01	06/24/11	08/20/30	1.000%	394,424	349,000	369,000	
Warren - dw02	05/21/13	08/20/32	1.000%	972,472	943,012	571,595	
Warren - dw03	09/24/14	08/20/34	1.000%	628,064	84,038	-	
Watertown - dw01	12/27/01	08/20/21	3.570%	2,456,978	1,077,000	1,210,000	
Waverly - dw01	05/31/12	08/20/31	1.524%	371,059	308,554	326,554	
West Concord - dw01	10/09/03	08/20/23	2.819%	234,105	122,000	134,000	
Wilmont - dw01	07/20/10	08/20/39	1.052%	714,321	627,000	648,945	
Windom - dw01	03/12/99	08/20/18	2.570%	3,151,838	317,440	504,440	
Windom - dw02	06/28/99	08/20/19	2.290%	1,319,714	402,000	477,000	
Winnebago - dw01	09/19/00	08/20/20	2.160%	1,910,364	670,000	774,000	
Winsted - dw01	03/06/06	08/20/25	2.560%	573,926	366,000	394,000	
Wrenshall - dw01	01/21/10	08/20/29	1.000%	390,617	309,000	328,000	
Wykoff - dw01	05/10/04	08/20/23	2.340%	278,806	148,000	163,000	
Wykoff - dw02	05/14/07	08/20/26	1.400%	470,195	315,000	339,000	
Zimmerman - dw01	01/08/07	08/20/26	2.520%	2,009,068	1,336,000	1,430,000	
Drinking Water Bond Fund totals				692,708,597	450,437,177	441,766,216	
Transportation Bond Fund:							
Transportation Bond Fund Series 1999A / 2010-T1:							
Metropolitan Council - t101	03/12/99	02/15/20	2.710%	21,025,000	1,935,000	2,290,000	
Transportation Bond Fund Series 2001 / 2010-T2:							
Mazeppa - t201	10/26/99	08/20/14	2.480%	535,000	-	44,000	
Newport - t201	11/28/01	08/20/15	1.390%	1,625,600	123,000	244,000	
Ramsey County - t201	05/04/01	08/20/30	3.590%	6,872,000	4,697,000	4,912,000	
Waite Park - t201	06/27/01	08/20/21	3.190%	2,100,000	889,000	1,001,000	
Woodbury - t201	06/28/01	08/20/17	2.700%	13,049,400	726,670	1,309,364	
Transportation Bond Fund Series 2001 / 2010-T2 totals				24,182,000	6,435,670	7,510,364	
Transportation Bond Fund Series 2006A:							
Stearns County - t301	12/12/06	02/20/20	2.346%	10,240,155	3,225,000	3,740,000	
Transportation Bond Fund Series 2008A:							
Metropolitan Council - t401	01/24/08	02/15/18	1.794%	10,000,000	2,680,000	3,615,000	
Transportation Bond Fund totals				65,447,155	14,275,670	17,155,364	

Loans Receivable by Fund:

Fund	Date of	Final	Interest	Original	Outstanding Principal at June 30,	
<u>Borrower</u>	<u>Loan</u>	<u>Maturity</u>	<u>Rate</u>	<u>Loan</u>	<u>2015</u>	<u>2014</u>
				<u>Commitment</u>		

Other Fund:

Transportation Revolving Loan Fund Direct Loans:

Albertville - t001	03/23/12	08/20/32	1.277%	\$ 3,513,551	\$ 3,234,851	\$ 3,187,851
Big Lake - t001	03/10/10	08/20/29	1.726%	2,465,000	2,003,000	2,119,000
Browerville - t001	06/11/14	08/20/34	1.000%	1,239,330	1,239,330	-
Carver County - t001	10/17/14	08/20/30	1.000%	18,000,000	-	-
East Grand Forks - t001	11/06/08	08/20/38	3.645%	3,466,577	3,158,000	3,239,000
Hubbard County - t001	09/25/07	08/20/18	2.477%	1,780,163	610,000	789,000
Jeffers - t001	04/12/10	08/20/29	1.660%	329,687	258,000	273,000
Minn Dept of Transportation - t002	01/02/02	12/01/16	2.980%	24,200,000	3,631,498	5,495,726
Minn Dept of Transportation - t004	11/19/06	12/01/21	2.210%	3,030,150	1,383,327	1,564,746
Minn Dept of Transportation - t005	01/29/09	12/01/28	2.600%	3,100,837	2,300,194	2,434,887
Minn Dept of Transportation - t006	12/04/08	12/01/28	3.229%	2,325,000	1,771,768	1,871,633
Minn Dept of Transportation - t008	12/12/11	12/01/21	1.000%	1,597,175	1,251,168	1,423,929
Nisswa - t001	02/15/12	08/20/32	1.000%	1,500,000	1,248,473	1,019,757
Pennington County - t001	08/29/01	08/20/21	3.140%	1,731,285	722,000	813,000
Pine County - t001	05/29/01	08/20/16	3.000%	1,434,459	195,000	288,000
Woodbury - t002	06/28/01	08/20/15	2.690%	4,589,700	245,000	480,000
Transportation Revolving Loan Fund Direct Loans totals				74,302,913	23,251,609	24,999,528

Wastewater Infrastructure (Wif) Loans:

Chisago Lakes JSTC - wi01	07/20/06	02/20/27	0.000%	236,319	236,319	236,319
Kandiyohi County - wi01	10/17/06	08/20/32	0.000%	1,208,124	1,208,124	1,208,124
Litchfield - wi01	09/01/09	08/20/42	0.000%	6,000,000	6,000,000	6,000,000
Moose Lake - wi01	04/14/10	08/20/31	0.000%	422,641	422,641	422,641
Murray County - wi01	08/25/06	02/20/32	0.000%	3,589,451	-	3,589,451
Renville - wi01	04/12/10	08/20/37	0.000%	3,158,442	3,158,442	3,158,442
Rushmore - wi01	10/03/05	08/20/35	0.000%	290,876	290,876	290,876
Saint Hilaire - wi01	09/29/08	02/20/35	0.000%	282,304	126,660	126,660
Sturgeon Lake - wi01	02/21/07	08/20/35	0.000%	2,447,828	-	2,447,828
Willmar - wi01	09/09/08	02/20/30	0.000%	7,000,000	7,000,000	7,000,000
Wastewater Infrastructure (WIF) Loans totals				24,635,986	18,443,063	24,480,342

Special Appropriation Direct Loans:

Stewart - sp01	04/22/02	08/20/21	1.000%	1,000,000	396,000	450,000
----------------	----------	----------	--------	-----------	---------	---------

Loans Receivable by Fund:					Original		
Fund	Date of	Final	Interest	Loan	Outstanding Principal at June 30,		
<u>Borrower</u>	<u>Loan</u>	<u>Maturity</u>	<u>Rate</u>	<u>Commitment</u>	<u>2015</u>	<u>2014</u>	
Other Fund, continued:							
Small Community Wastewater Loans:							
Biscay - sc01	08/13/14	08/20/34	1.000%	\$ 266,418	\$ 82,733	\$ -	
Doran - sc01	02/22/11	08/20/22	1.000%	35,000	25,485	28,759	
Fillmore County - sc01	10/14/14	08/20/34	1.000%	172,353	74,163	-	
Forest City Township - sc01	08/20/10	08/20/20	1.000%	43,268	20,993	27,534	
Oronoco Township - sc01	11/04/13	08/20/33	1.000%	75,752	53,432	72,245	
Red Rock Township - sc01	07/07/10	08/20/26	1.000%	147,318	94,517	113,646	
Steele County - sc01	08/26/12	08/20/23	1.000%	175,989	142,918	158,968	
Taopi - sc01	06/28/07	08/20/18	1.000%	135,411	-	45,735	
Small Community Wastewater Loans:				1,051,509	494,241	446,888	
Other fund totals:				100,990,408	42,584,913	50,376,758	
MPFA Totals				<u>2,789,546,137</u>	<u>1,830,838,381</u>	<u>1,812,274,529</u>	

Notes:

- (1) This list excludes those 124 loans, for approximately \$894 million, that were paid-in-full prior to July 1, 2014.
- (2) Henning Clean Water loan: \$500,000 of the principal amortized at -0% with the balance at 2.23%.
- (3) Walnut Grove Clean Water loan: \$500,000 of the principal amortized at -0% with the balance at 1.74%.
- (4) Metropolitan Council-15th Clean Water loan: this loan was created by a "prepayment agreement"; the original amount was the present value at the loan date of the scheduled repayments.
- (5) The following loans have had the term extended: Avon-CW, Harris-CW, Harris-DW02, and North Branch-CW.
- (6) Certain of the WIF loans have been, and others may be, converted, partially or fully, to grants, pursuant to MN laws of 2013, chapter 105, section 8. This will not have an impact on the operations of the Authority. The monies that otherwise would have been received as loan repayments would have been available for additional WIF grants in the future, primarily in fiscal years 2027 thru 2043.