

Sources and Uses User Guide

Purpose

As part of the WIFIA Letter of Interest and Application, borrowers are asked to submit a Sources and Uses table. This table helps the WIFIA team identify the other sources of funding for your project, as well as how the costs are distributed. This informs both our underwriting and engineering due diligence in reviewing your loan application. To support borrowers in preparing their applications, we have created this document to answer frequent questions about the table and how to complete it.

Goals

There are a number of goals that you should keep in mind when preparing your Sources and Uses table.

1. Maximizing your WIFIA loan

Overall project costs (referred to as uses in the table) drive the size of your loan, the more eligible project costs that are accounted for in the table, the higher the total loan a borrower is eligible for. If the loan ends up being for a higher amount than is required for the project, the borrower can simply not disburse the full amount of the loan and would incur no costs associated with the undisbursed amount.

2. Completeness and Timeliness

Having a complete Sources and Uses table helps move your WIFIA application along faster. “Sources” should be the borrowers best plan for funding, it does not need to reflect the final sources, as they may not be known at the time of closing. The “uses” portion of the table should show all eligible project costs including previously incurred costs and how they will be used in the project. Using this guide will help you submit an initial Sources and Uses table that is complete.

Additional Information

For additional information on Eligible Project Costs that should be included in the “Uses” portion of the table, please consult Section 2.6 of the WIFIA Program Handbook, available at: <https://www.epa.gov/system/files/documents/2023-09/WIFIA-Program-Handbook.pdf>

Sources and Uses Table

	Additional Instructions
Sources Category	The WIFIA program is most focused on understanding the other sources of funding for your project. Other debt that will fund the project is necessary for us to understand the total amount of debt your system will be taking on to fund the project.
1. WIFIA Loan (cannot exceed 49% of eligible costs)	For small borrowers (population under 25,000), the WIFIA loan cannot exceed 80% of eligible costs.
2. Bonds	Please include anticipated as well as executed bonds that will be used to fund this project.
3. SRF Loan	Please include anticipated as well as awarded loans that will be used to fund this project.
4. Borrower Cash	Please include all cash that will be used to fund the project, including cash on hand as well as anticipated revenues.
5. Other Federal Sources (please specify)	Please include each funding source separately (you can add lines as needed) and the amount from each source. This line would include funds from the entities such as the Bureau of Reclamation, the Federal Emergency Management Agency, the Department of Agriculture, and any Congressional earmarks other than those funded through the SRF. We need to understand any other federal sources of cash or in-kind contributions to accurately assess any federal assets concerns as well as evaluate the project to ensure only 80% of funds come from federal sources.
6. Other Non-Federal Sources (please specify)	Please include each funding source separately (you can add lines as needed) and the amount from each source. Please indicate the ultimate funding type of each source, such as state, municipal, or private.
TOTAL SOURCES	Total Sources and Total Uses should total to the same amount.
Uses Category	This portion of the table helps the WIFIA program understand how the funds will be used. The WIFIA program knows that project costs can change and can/may increase over time so this should be a best estimate at the time of submission.
1. Planning	Consider including previously incurred planning costs to support the sizing of your WIFIA loan.
2. Design	Consider including previously incurred design costs to support the sizing of your WIFIA loan.
3. Construction	Consider including previously incurred construction costs to support the sizing of your WIFIA loan. Previously incurred construction costs should only include work that is federally compliant . Any standard construction contingencies should be included in this line item.
4. Project Management	Costs related to the management and oversight of the project, not factored elsewhere.
5. Land Acquisition	For land that is already owned by the borrower, land costs can be estimated using sale costs or tax assessments and can be included as a previously incurred cost.
6. Additional Contingency	This is an additional WIFIA programmatic contingency, beyond the contingency that is or will be embedded in construction contracts (and is captured in the Construction row above)..). Generally, we suggest 20% when

	projects, or the majority of sub-projects, are in design and 10% when projects, or the majority of sub-projects, are already under construction.
7. Total Capital Costs	This is a sum of lines 1-6.
8. Financing Costs	This should include the costs of issuing your WIFIA loan. This can include financial advisers, bond counsel, rating letter, interest on matching debt, capitalized interest on matching debt, debt service reserve funds, and WIFIA fees. \$150K-\$250K is a reasonable assumption for total WIFIA fees.
9. Other (please specify)	Please include any eligible costs that do not fit into one of the uses above. Please list all cost types separately, adding lines as necessary. This may include outreach, security, legal fees, other fees or administrative costs.
TOTAL USES	This is a sum of lines 7-9. Total Sources and Total Uses should be the same