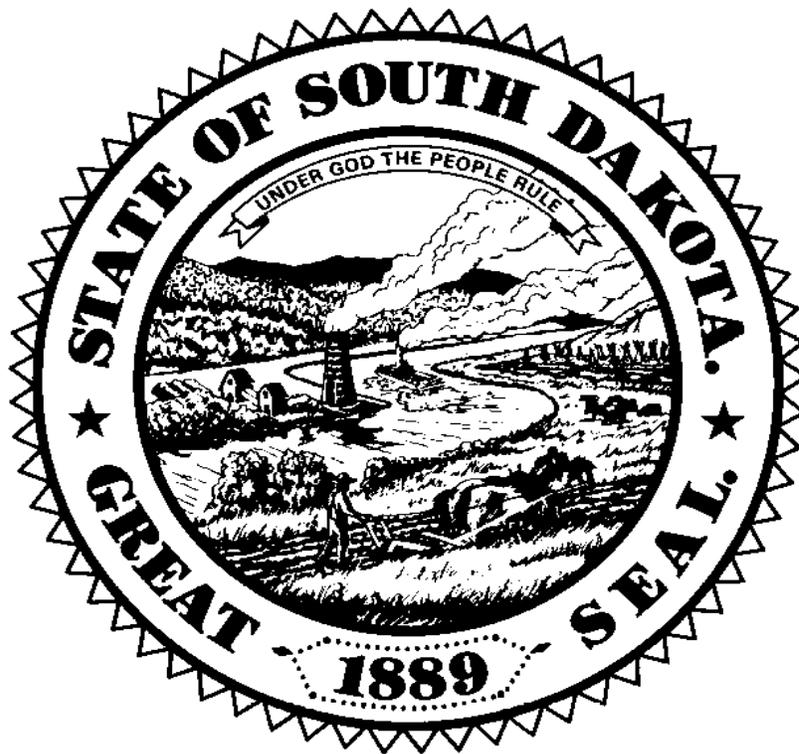


**THE SOUTH DAKOTA CONSERVANCY DISTRICT
DRINKING WATER STATE REVOLVING FUND
ANNUAL REPORT**

**FEDERAL FISCAL YEAR 2010
October 1, 2009 - September 30, 2010**



**Department of Environment and Natural Resources
Division of Financial and Technical Assistance**

THE SOUTH DAKOTA CONSERVANCY DISTRICT

DRINKING WATER STATE REVOLVING FUND

ANNUAL REPORT

FEDERAL FISCAL YEAR 2010

Department of Environment and Natural Resources
Division of Financial and Technical Assistance
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**THE SOUTH DAKOTA CONSERVANCY DISTRICT
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Member since 2003

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Member since 2010

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MISSION

The mission of the South Dakota Drinking Water State Revolving Fund loan program is to capitalize the fund to the fullest; ensure that the state's drinking water systems remain safe and affordable; protect public health; and promote the economic well-being of the citizens of the state of South Dakota.

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FEDERAL FISCAL YEAR

2010

ANNUAL REPORT

INTRODUCTION

The State of South Dakota herewith submits its Annual Report for Federal Fiscal Year (FFY) 2010 (October 1, 2009 through September 30, 2010). This report describes how South Dakota has met the goals and objectives of the Drinking Water State Revolving Fund (SRF) Loan program as identified in the 2010 Intended Use Plan, the actual use of funds, and the financial position of the Drinking Water SRF.

The Annual Report consists of three main sections. The *Executive Summary* section provides an overview of the Drinking Water SRF program and the FFY 2010 activities. The next section addresses the *Goals and Environmental Results* the State of South Dakota identified in its 2010 Intended Use Plan and the steps that have been taken to meet these measures. The *Details of Activities* section provides information on the financial status of the program, the financial assistance provided during FFY 2010 and compliance with the EPA grant and operating agreement conditions.

The Annual Report is followed by a brief history of the Drinking Water SRF program. The Program History is followed by the *Drinking Water SRF Loan Portfolio*. The loan portfolio provides information on the interest rates, loan amounts, projects, and loan terms. Exhibits I through VIII provide detailed financial and environmental program information. Exhibits IX, X, and XI are the unaudited financial statements of the Drinking Water SRF program prepared by the Department of Environment and Natural Resources. Finally, Addendum A is the *Intended Use Plan for Federal Fiscal Year 2011*. The primary purpose of the Intended Use Plan is to outline the proposed use of the funds available to the Drinking Water SRF program.

EXECUTIVE SUMMARY

The South Dakota Drinking Water SRF program received a federal capitalization grant of \$13,573,000 for FFY 2010. These funds were matched by \$2,714,600 in state-issued revenue bonds and were supplemented by accumulated loan repayments, leveraged bonds, and interest earnings.

DRINKING WATER SRF LOANS

The Conservancy District approved nine loans to nine entities totaling \$8,756,435. A breakdown of the loans made during FFY 2010 is detailed in Table 1.

**Table 1
Drinking Water Loans
Federal Fiscal Year 2010**

Recipient	Project Description	Assistance Amount	Rate/Term
Clay RWS (DW-03)	2010 Improvements—Phase II	\$2,208,000	3.0%/30
Dell Rapids (DW-03)	15 th St. Improvements (Old Hwy. 77 to Clark Ave.)	\$531,835	3.0%/20
Delmont (DW-02)	Water Meter Replacement Project	\$90,000	0%/0
Groton (DW-04)	Water Main, Tower, Booster Pump Improvements	\$703,000	2.25%/10
Hot Springs (DW-01)	Utilities Upgrades	\$1,636,000	3.0%/20
Hoven (DW-01)	Water Meters, Lines, Storage Tank Project	\$750,000	0%/0
Huron (DW-03)	Water Tower Replacement Project	\$1,098,900	3.0%/30
Oacoma (DW-02)	Water Storage Project	\$1,351,300	2.25%/10
Webster (DW-02)	Water Meter Replacement	\$387,400	2.25%/10
TOTAL		\$8,756,435	

Disbursements from the program during FFY 2010 totaled \$47,511,493.31. This total includes loan disbursements of \$46,591,348 to the various loan recipients with the balance going for set-asides purposes. See Exhibit IV for a breakdown of all disbursements during FFY 2010.

Since the program was initiated in 1997, 180 loans have been awarded with nine loans subsequently being rescinded or deobligated in full. The projects associated with 108 loans are fully constructed or essentially complete and in operation. The following 11 projects initiated operations this past year:

Arlington (DW-01)	Baltic (DW-02)
DeSmet (DW-01)	Harrisburg (DW-03)
Hill City (DW-01)	Miller (DW-01)
New Underwood (DW-01)	Parker (DW-03)
Rapid Valley San. Dist. (DW-01)	Redfield (DW-02)
Sturgis (DW-02)	

Drinking Water SRF program forms are provided in the Department of Environment and Natural Resources' State Water Planning Process document. This document contains application forms and instructions for the State Water Plan and various funding programs. A drinking water project self-assessment was incorporated into the State Water Plan application to facilitate the project priority determination process. All forms are also available from the department's website at <http://denr.sd.gov/formsprogram.aspx#Funding>.

The Drinking Water SRF loan application incorporates the Capacity Assessment Worksheets for Public Water Systems. The Safe Drinking Water Act requires that a public water system applying for a Drinking Water SRF loan must demonstrate that it has the financial, managerial, and technical capacity to operate its system in full compliance with the Act.

AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (ARRA) of 2009, commonly referred to as the Stimulus Bill or the Recovery Act. The State of South Dakota received Recovery Act funds of \$19,500,000 for the Drinking Water SRF program. The act required that these funds be under construction contracts within one year after the signing of the bill or the funds would be lost. No state match was required for these awards. The Conservancy District also utilized the 2 percent set-aside for small system technical assistance, which amounted to \$390,000.

The Recovery Act contained numerous provisions that were new to the SRF programs and required action on the part of the Board of Water and Natural Resources and the department. To meet the requirements of the Recovery Act and to assure projects proceeded such that contracts would be executed by February 17, 2010, it was necessary to adopt administrative rules. Emergency administrative rules were adopted by the Board of Water and Natural Resources on March 20, 2009, and were effective for 90 days. Permanent rules were adopted by the Board of Water and Natural Resources on May 27, 2009, and became effective on June 29, 2009.

The most significant requirement of the Recovery Act was that at least 50 percent of the ARRA funds were required to be awarded as "additional subsidy." This could be in the form of grants, negative interest rate loans, or principal forgiveness on loans. The board chose to provide additional subsidy in the form of principal forgiveness on loans. The rules provided that all loan applicants were eligible to receive 10 percent principal forgiveness on a loan. Municipalities and sanitary districts with monthly residential water rates of at least \$20 per month (based on 5,000 gallons usage) were eligible to receive additional principal forgiveness. Other applicants were required to have monthly residential water rates of at least \$50 (based on 7,000 gallons usage) to be eligible to receive additional principal forgiveness. The rules also set milestone dates to be met, and the principal forgiveness portion of a loan would be lost if any of the following deadlines were not met:

- (1) Complete plans and specifications must be postmarked or received by the department on or before October 1, 2009;
- (2) The project must be advertised for bids and the bids received and opened in accordance with SDCL chapter 5-18 on or before December 10, 2009;
- (3) The apparent lowest responsible bidder's proposal must be received by the department for review on or before December 21, 2009; and
- (4) Construction contracts must be executed on or before February 1, 2010.

Another requirement of the Recovery Act was that at least 20 percent of each ARRA award be used to the extent practical for green infrastructure projects. States were required to make a concerted effort to meet this requirement. Those states that did not meet the requirement by August 17, 2009, could receive a waiver from EPA if the state could demonstrate an adequate effort was made to solicit green projects. Sufficient components of drinking water projects have been identified to meet the green project reserve requirement.

The Recovery Act included provisions requiring ARRA assistance recipients to use domestic iron and steel and manufactured goods that are produced in the United States, as well as compliance with Davis-Bacon wage rates laws.

More than \$16.1 million of principal forgiveness was awarded to 44 projects. Several awards were rescinded, and the adjusted total of principal forgiveness is \$15,359,450. Table 2 summarizes the adjusted ARRA awards.

Table 2
American Recovery and Reinvestment Act of 2009
Drinking Water SRF Loans

Sponsor	Total Assistance Amount	Principal Forgiveness Awarded	ARRA Loan Awarded	Non-ARRA Loan Awarded
Aberdeen (DW-02)	\$1,750,000	\$175,000	\$943,399	\$631,601
Arlington (DW-01)	\$100,000	\$100,000	\$0	\$0
Aurora-Brule RWS (DW-01)	\$500,000	\$500,000	\$0	\$0
Baltic (DW-02)	\$165,000	\$16,500	\$0	\$148,500
Bowdle (DW-01)	\$150,000	\$150,000	\$0	\$0
Canistota (DW-01)	\$426,460	\$313,960	\$0	\$112,500
Chamberlain (DW-02)	\$1,000,000	\$300,000	\$0	\$700,000
Clay RWS (DW-02)	\$846,300	\$700,000	\$0	\$146,300
Colonial Pine Hills San Dist (DW-02)	\$1,003,608	\$250,000	\$0	\$753,608
Corson Village San Dist (DW-01)	\$601,735	\$541,562	\$0	\$60,173
DeSmet (DW-01)	\$258,000	\$25,800	\$0	\$232,200
Elk Point (DW-05)	\$1,179,500	\$660,520	\$0	\$518,980

Sponsor	Total Assistance Amount	Principal Forgiveness Awarded	ARRA Loan Awarded	Non-ARRA Loan Awarded
Eureka (DW-02)	\$200,000	\$200,000	\$0	\$0
Fall River Water Users District (DW-03)	\$612,000	\$612,000	\$0	\$0
Fall River Water Users District (DW-04)	\$750,000	\$750,000	\$0	\$0
Faulkton (DW-01)	\$500,000	\$500,000	\$0	\$0
Groton (DW-03)	\$241,083	\$241,083	\$0	\$0
Hanson RWS (DW-01)	\$840,000	\$588,000	\$0	\$252,000
Hill City (DW-01)	\$402,200	\$241,320	\$0	\$160,880
Huron (DW-02)	\$619,684	\$122,500	\$0	\$497,184
Ipswich (DW-01)	\$1,245,000	\$933,750	\$0	\$311,250
Lead (DW-03)	\$1,020,000	\$387,600	\$0	\$632,400
Mellette (DW-01)	\$271,780	\$244,602	\$0	\$27,178
Mid-Dakoa RWS (DW-02)	\$1,000,000	\$1,000,000	\$0	\$0
Mina Lake San Dist (DW-02)	\$567,390	\$283,695	\$0	\$283,695
Mitchell (DW-02)	\$2,360,000	\$354,000	\$957,799	\$1,048,201
Mobridge (DW-05)	\$500,000	\$500,000	\$0	\$0
New Underwood (DW-01)	\$175,500	\$70,200	\$0	\$105,300
Newell (DW-01)	\$829,500	\$322,750	\$0	\$506,750
Northville (DW-01)	\$203,460	\$162,768	\$0	\$40,692
Parker (DW-03)	\$554,200	\$452,100	\$0	\$102,100
Rapid Valley San Dist (DW-01)	\$682,000	\$682,000	\$0	\$0
Roslyn (DW-01)	\$500,000	\$500,000	\$0	\$0
Selby (DW-01)	\$100,000	\$100,000	\$0	\$0
Sioux Falls (DW-09)	\$3,578,750	\$357,875	\$1,849,352	\$1,371,523
Sioux Falls (DW-10)	\$7,606,900	\$760,690	\$0	\$6,846,210
Sturgis (DW-02)	\$863,000	\$86,300	\$0	\$776,700
Warner (Dw-01)	\$400,000	\$400,000	\$0	\$0
Woonsocket (DW-01)	\$720,000	\$416,500	\$0	\$303,500
Yankton (DW-03)	\$3,000,000	\$136,375	\$0	\$2,863,625
Yankton (DW-04)	\$2,200,000	\$220,000	\$0	\$1,980,000
TOTAL	\$40,523,050	\$15,359,450	\$3,750,550	\$21,413,050

2010 CAPITALIZATION GRANT

The fiscal year 2010 federal appropriations bill for the State Revolving Fund programs extended several of the requirements set forth in the Recovery Act. These new requirements included 1) applying Davis-Bacon wage rates to all projects awarded in fiscal year 2010; 2) requiring that up to 20 percent of each capitalization grant be utilized for “green “ projects; and 3) requiring that a portion of each capitalization grant be made available as additional subsidy.

To implement the new requirements for the 2010 capitalization grants, changes to the administrative rules governing the SRF programs were necessary. The Board again chose to use principal forgiveness as the method to provide the additional subsidy. To receive principal forgiveness municipalities and sanitary districts with monthly residential water rates of at least

\$25 (based on 5,000 gallons usage) were eligible. Other applicants were required to have monthly residential water rates of at least \$55 (based on 7,000 gallons usage) to be eligible to receive principal forgiveness.

The Drinking Water SRF program must provide at least \$4,071,900 as principal forgiveness and can award the entire capitalization grant amount of \$13,573,000 as principal forgiveness.

The initial awards under the new rules were made in September 2010.

Table 3
FFY 2010 Drinking Water SRF Loans
Additional Subsidy Awarded

Sponsor	Total Assistance Amount	Principal Forgiveness Awarded
Clay RWS (DW-03)	\$2,208,000	\$500,000
Dell Rapids (DW-03)	\$531,835	-0-
Delmont (DW-02)	\$90,000	\$90,000
Groton (DW-04)	\$703,000	\$150,000
Hot Springs (DW-01)	\$1,636,000	-0-
Hoven (DW-01)	\$750,000	\$750,000
Huron (DW-03)	\$1,098,900	-0-
Oacoma (DW-02)	\$1,351,300	-0-
Webster (DW-02)	\$387,400	\$150,000
TOTAL	\$8,756,435	\$1,640,000

BOND ANTICIPATION NOTES

The South Dakota Conservancy District closed its Series 2010 issue of Bond Anticipation Notes for the State Revolving Fund programs in September 2010. Moody’s Investors Service, Inc. and Standard & Poor’s Public Finance Ratings assigned short-term ratings of “MIG 1” and “SP-1+”, respectively, to the Series 2010 Bond Anticipation Notes. The par amount of the tax-exempt revenue notes issued in September 2010 was \$54,330,000.

The Series 2010 Bond Anticipation Notes were used by the District to pay the redemption price of the Series 2009 Notes on September 10, 2010. As of September 30, 2010, approximately \$24,676,615 of the proceeds of the Series 2009 Notes had been advanced to borrowers pursuant to SRF loan agreements, and approximately \$31,000,579 of such proceeds remain on deposit with the Trustee and have been obligated to fund specific loans to specific borrowers.

The financial team for the Series 2010 Bond Anticipation Notes included The First National Bank in Sioux Falls as trustee, Perkins Coie LLP as bond counsel, Public Financial Management as financial advisor, and J.P. Morgan Securities LLC as underwriter. The Trustee, Bond Counsel, and Financial Advisor provide professional financial services to the board and department on an on-going basis.

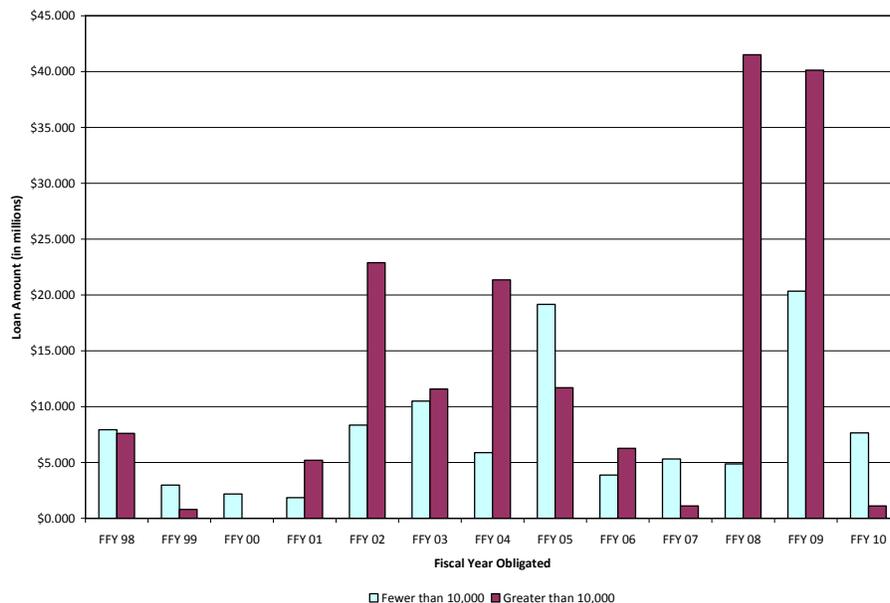
REPAYMENTS

One hundred five (105) loans are currently in repayment, and ten loans have been repaid in full. In addition, seven borrowers were awarded 100 percent principal forgiveness loans and drew all their funds by September 30, 2010, and those loans were forgiven. Repayments equaled \$11,609,846 in FFY 2010 and consisted of \$7,956,225 in principal, \$2,776,378 in interest, and \$877,243 in administrative surcharge fees.

ASSISTANCE TO SMALL SYSTEMS

A requirement of the Drinking Water SRF program is that the State use at least 15 percent of all dollars credited to the fund to provide loan assistance to small systems that serve fewer than 10,000 persons. In FFY 2010, \$7,657,535 or 87.5 percent of the binding commitments were made to systems serving less than 10,000. Since the Drinking Water SRF program was initiated, systems serving a population of 10,000 people or fewer have received \$96,553,692 in loan assistance. Of the total funds available to loan, this represents 36.7 percent. Figure 1 shows loans awarded to small systems for FFY 1998 through 2010.

**FIGURE 1
Drinking Water SRF Loan Amounts
by Service Population by Fiscal Year**



BYPASSED PROJECTS

Table 4 identifies the higher ranked projects on the FFY 2010 priority list that did not receive an SRF loan; these projects were bypassed because they were not ready to proceed or had secured other financing. No projects with higher priority points were denied funding in FFY 2010.

Table 4
Status of High Priority Projects Bypassed in 2010

Rank/ Priority Points	Community/ Public Water System	Reason for Bypassing
1/237	Fairview	The project is proceeding and will be funded in January 2011 with an SRF loan made to South Lincoln Rural Water System.
2/168	South Lincoln Rural Water System	The project was funded through other sources.
3/165	Fort Pierre	This project has been combined with a larger project that is still in the planning stage.
4/163	Montrose	The project is still in the planning stage.
5/153	Piedmont	The project is still in the planning stage.
7/133	Randall Community Water District	The project is still in the planning stage.
8/125	Mid-Dakota Rural Water System	The project is still in the planning stage.
9/125	Mid-Dakota Rural Water System	The project is still in the planning stage.
10/125	Mid-Dakota Rural Water System	The project is still in the planning stage.
12/107	Sturgis	The project is still in the planning stage.
14/95	Wagner	Wagner was offered a loan with principal forgiveness, but chose to fund the project through USDA Rural Development.
15/94	Wilmot	The project is still in the planning stage.

INTEREST RATES

Interest rates are reviewed periodically to ensure that they are below market rate and are competitive with other funding sources, such as the federal Rural Development program.

The interest rates for loans approved in FFY 2010 were 2.25 percent for loans with a term of 10 years or less and 3 percent for loans with a term up to 20 years. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage and the term of the loan does not exceed the useful life of the project.

Communities that meet the disadvantaged community criteria may receive a Drinking Water SRF loan at an interest rate below that for other recipients. Additionally, the maximum allowable repayment period for disadvantaged communities can be extended to 30 years. Disadvantaged communities qualify for 3 percent loans for 30 years if their median household income (MHI) is 80 percent to 100 percent of the statewide MHI. Municipalities, other community water systems, and sanitary districts must have an MHI below 80 percent of the statewide MHI to be eligible for an interest rate of 2.25 percent, and an MHI less than 60

percent of the statewide MHI to be eligible for a loan at zero percent interest. Residential water bills must be at least \$25 for 5,000 gallons usage for municipalities and sanitary districts and \$55 for 7,000 gallons usage for other community water systems.

DRINKING WATER SRF NON-PROJECT ACTIVITIES (SET-ASIDES)

The Safe Drinking Water Act authorizes states to set aside funding for certain non-project activities, provided that the amount of that funding does not exceed certain ceilings. Unused set-aside funds are banked for future use, where allowable, or transferred to the project loan account at the discretion of the state and with concurrence from the EPA Regional Administrator. Exhibit IV details the FFY 2010 Drinking Water SRF disbursements. Table 5 recaps the cumulative Drinking Water SRF set-aside status.

**Table 5
Drinking Water SRF Set-Aside Status**

Set-Aside	Allotment 1997-2009	Allotment 2010	Transfer to Loan Fund	Obligated as of 9/30/10	Balance
Administration	\$4,323,420	\$542,920	\$0	\$4,157,939	\$708,401
Small System Tech Assistance	1,547,828	271,460	0	1,596,542	222,746
State Program Mgmt	20,000	0	15,700	4,300	0
Local Assistance/Other	1,550,880	0	1,284,674	271,206	0
Small System Tech Assistance—ARRA	390,000	0	0	390,000	0
TOTAL	\$7,837,128	\$814,380	\$1,300,374	\$6,419,987	\$931,147

▪ **Administration**

Four percent of the 2010 capitalization grant (\$542,920) was allocated to administer the Drinking Water SRF program. Specific activities funded from this set-aside include the following:

- Staff salaries
- Travel
- Bond counsel
- Benefits
- Overhead
- Trustee expenses
- Other administrative costs

During FFY 2010, \$382,989 was disbursed for administrative expenses.

▪ **Small System Technical Assistance**

The Drinking Water SRF program continues to provide technical assistance to public water systems serving 10,000 people or fewer through the Small System Technical Assistance Set-Aside. The objectives of this funding are to bring non-complying systems into compliance, to improve operations of water systems,

and to facilitate completion of small systems' capacity assessments and ultimate access to the Drinking Water SRF program.

The Small Community Planning Grant program was initiated in 2001 to encourage proactive planning by small communities. Grants are available to communities of 2,500 or fewer to assist in preparing a water system engineering study. Participating systems are reimbursed 80 percent of the cost of the study, up to a maximum of \$6,000. Additional grants for studies incorporating a rate analysis using Rate Maker software are also available through this program. Reimbursement for performing a rate analysis is 80 percent of costs up to a maximum of \$1,600. Table 6 provides a list of the small community public water systems that received awards in 2010 through the Small Community Planning Grant program.

The South Dakota Association of Rural Water Systems continues to provide on-site assistance such as leak detection, consumer confidence reports, water audits, board training, treatment plant operations, operator certification, and rate analysis. Through FFY 2010, the Association has provided nearly 14,231 hours of on-site small system technical assistance.

In 2008, the Midwest Assistance Program (MAP) began conducting follow-up reviews for small communities that received a Drinking Water SRF loan and for which recommendations were made in the capacity assessment to improve the technical, financial, or managerial capacity of the system. In FFY 2010, MAP conducted ten capacity assessments and follow-up reviews to assist the department in ensuring that all borrowers demonstrate the required technical, financial, and managerial capacity to access Drinking Water SRF loan assistance.

To assure continued technical assistance for South Dakota communities, the maximum allowable allocation of two percent of the capitalization grant was set aside in FFY 2010. This amounted to \$271,460 and is intended to be used for planning grants and technical assistance activities as needed.

Work continued on the water system energy audits that were undertaken with the \$390,000 Small System Technical Assistance set-aside made available through the American Recovery and Reinvestment Act (ARRA) of 2009. Throughout fiscal year 2010 HDR Engineering, Inc. conducted energy audits for nine water systems across South Dakota that serve fewer than 10,000 users. The audits assessed the energy uses of each system, identified potential cost saving measures, and projected the estimated pay back period of each cost saving measure. The systems evaluated were Brandon, Clark Rural Water, Clay Rural Water, Dakota Dunes, Lead-Deadwood Sanitary District, Lower Brule Rural Water, Rapid Valley Sanitary District, Spearfish, and West River/Lyman-Jones Rural Water. HDR Engineering will work with the South Dakota Association of

Rural Water Systems to develop training materials based on the findings of the energy audits.

Table 6
Small System Technical Assistance
Drinking Water Engineering
FFY 2010

Sponsor	Project Description	Amount Obligated
Bear Butte Valley Water, Inc.	New Water System Study	\$6,000
Beresford	Water System Improvements Study	6,000
Fairview	Water System Improvements Study	6,000
Gregory	Water System Improvements Study	6,000
Kadoka	Water System Improvements Study	6,000
Niche Homeowners Assn.	Water System Improvements Study	4,000
Peever	Water System Improvements Study	6,000
Pierpont	Water System Improvements Study	3,200
Twin Brooks	Water System Improvements Study	6,000
Wessington Springs	Water System Improvements Study	6,000
TOTAL		\$55,200

- **State Program Management**

This set-aside was not utilized in FFY 2010.

- **Local Assistance and other state programs**

In FFY 2009, the board allocated \$50,000 under this set-aside to extend and expand its contract with the Midwest Assistance Program. This will allow the Midwest Assistance Program to work with all sizes of community water systems to improve technical, financial, and managerial capacity. No funds have been disbursed under this set-aside to date. There was no additional set-aside in FFY 2010.

ADMINISTRATIVE SURCHARGE

The board continued to provide assistance to revolving fund borrowers with the preparation of applications and on-going loan administration activities. The state's six planning districts all have contracts to receive up to \$7,500 per loan for application and loan administration duties. Joint powers agreements were executed between the department and the planning districts to provide \$1,000 per project for Davis-Bacon wage rate verification and certification. In FFY 2010, an additional \$250,000 was allocated for the planning districts' joint powers agreements.

GOALS AND ENVIRONMENTAL RESULTS

The following goals were developed for the FFY 2010 Intended Use Plan. The short-term goals support the implementation of the program's long-term goals. The long-term goals provide a framework that guides management decisions for the Drinking Water SRF program.

SHORT-TERM GOAL

GOAL: To fully capitalize the fund.

As of September 30, 2010, South Dakota had provided loans totaling \$263,319,567. At the end of the year, South Dakota has made binding commitments to fully utilize all but \$2,062,965 of its capitalization awards and associated state matching funds.

LONG-TERM GOALS

GOAL: To fully capitalize the fund.

The state has received and obligated each capitalization grant in the required time period and has had state match moneys available for each capitalization grant. As of September 30, 2010, South Dakota had made binding commitments to fully utilize all but \$2,062,965 of its capitalization awards and associated state matching funds.

GOAL: To ensure that the state's drinking water supplies remain safe and affordable, to ensure that the systems are operated and maintained, and to promote economic well-being.

The state has awarded 180 loans to 104 entities to assist with construction or refinancing of drinking water projects. Since the Drinking Water SRF program began in 1997, the state has set aside \$1,819,288 to be used to provide technical assistance to public water systems serving 10,000 people or less. Additionally, \$271,206 has been set aside for capacity development and \$4,300 for supplemental operator training.

ENVIRONMENTAL RESULTS

Effective January 1, 2005, EPA required states to establish program activity measures (outcomes) in its Intended Use Plan to receive the federal capitalization grant. Progress related to these measures is to be reported in the annual report. The specific measures and the results are as follows:

- 1. For fiscal year 2010, the goal of the Drinking Water SRF program was to maintain the fund utilization rate at or above 90 percent.**

As of September 30, 2010, the state had made loans totaling \$263,319,567. The amount of funds (capitalization grants, state match, leveraged bonds, repayments, and interest earnings) totaled \$287,804,458. This results in a fund utilization rate of 91.5 percent.

- 2. For fiscal year 2010, the goal was to increase the construction pace above 80 percent.**

As of September 30, 2010, \$206,790,773 had been disbursed to loan recipients, and loans totaling \$263,319,567 had been awarded. This results in a construction pace of 78.5 percent.

- 3. For fiscal year 2010, the goal of the Drinking Water SRF program was to fund 18 loans, totaling \$17 million.**

In fiscal year 2010, nine loans totaling \$8,756,435 were awarded.

- 4. For fiscal year 2010, it was estimated that 13 projects would initiate operations.**

Eleven projects initiated operation in fiscal year 2010.

- 5. For fiscal year 2010, it was estimated that 12 Small Community Planning Grants would be awarded to small systems to evaluate the system's infrastructure needs.**

In fiscal year 2010, ten Small Community Planning Grants were awarded to small systems to evaluate infrastructure needs.

- 6. For fiscal year 2010, it was estimated that the South Dakota Association of Rural Water Systems would provide 1,500 hours of technical assistance to small systems.**

The South Dakota Association of Rural Water Systems provided 1,560 hours of technical assistance to small systems in fiscal year 2010.

DETAILS OF ACTIVITIES

FUND FINANCIAL STATUS

Sources of Funds: During FFY 2010, funding from the following sources were available for award under the Drinking Water SRF program:

FFY 2010 federal capitalization grant	\$13,573,000
FFY 2010 state match	2,714,600
Principal repayments *	5,912,333
Interest repayments *	2,764,622
Total	\$24,964,555

* Amount transferred to cumulative excess accounts and available to loan

Binding Commitments: In order to provide financial assistance for drinking water projects, the state made nine binding commitments totaling \$8,756,435. Exhibit I details the Drinking Water SRF binding commitments made during FFY 2010. Figure 2 shows binding commitments by year since the inception of the program.

Revenues and Expenses: Fund revenues consisted of capitalization grants, administrative expense surcharge payments, and interest earned on loans, investments, and the special reserve account. These revenues totaled \$20,554,498. Fund expenses included administration expenditures, interest payable on bonds, and the amortization of each bond's issuance costs. These expenses totaled \$5,066,050. Additionally, \$29,388.59 was transferred out to the DENR indirect cost pool. The Statement of Income and Retained Earnings is shown on Exhibit X.

Disbursements and Guarantees: There were no loan guarantees during FFY 2010.

Findings and Recommendations of the Annual Audit and EPA Oversight Review: The Drinking Water SRF program was audited by the South Dakota Department of Legislative Audit for state fiscal year 2009 (July 1, 2008, through June 30, 2009), and the audit report was issued on January 25, 2010. The audit did not contain any written findings or recommendations.

Region VIII conducted its annual oversight review of the South Dakota Drinking Water SRF program. A final report was received in March 2010, and there were no recommendations from the visit. Region VIII also conducted visits to the DENR offices and several construction sites between August 30 and September 2, 2010, to discuss Recovery Act progress, and there were no recommendations from the visit.

ASSISTANCE ACTIVITY

Exhibits I through VIII illustrate the assistance activity of the Drinking Water SRF in FFY 2010 and projected cash flows for FFY 2011.

Exhibit I Recipients by population category that received Drinking Water SRF loans during FFY 2010.

- Exhibit II The assistance amount provided to each project by needs category.

- Exhibit III Source of Drinking Water SRF funds by fiscal year.

- Exhibit IV The cash draws and the projects or administrative assistance for which they were made.

- Exhibit V The estimated and actual cash disbursement schedule from the federal Letter of Credit for FFY 2010. The estimated schedule was established by the state and EPA through the annual capitalization grant application process.

- Exhibit VI The environmental review and land purchase information for the loans made in FFY 2010.

- Exhibit VII The cumulative report showing loan transactions by borrower through September 30, 2010.

- Exhibit VIII The projected principal and interest payments for FFY 2011.

FIGURE 2
Binding Commitments by Year

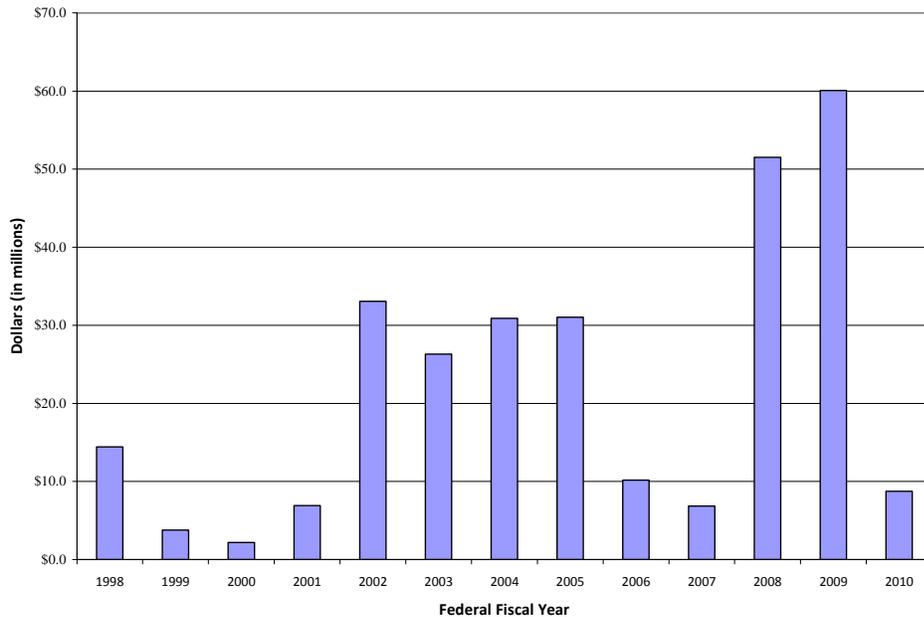
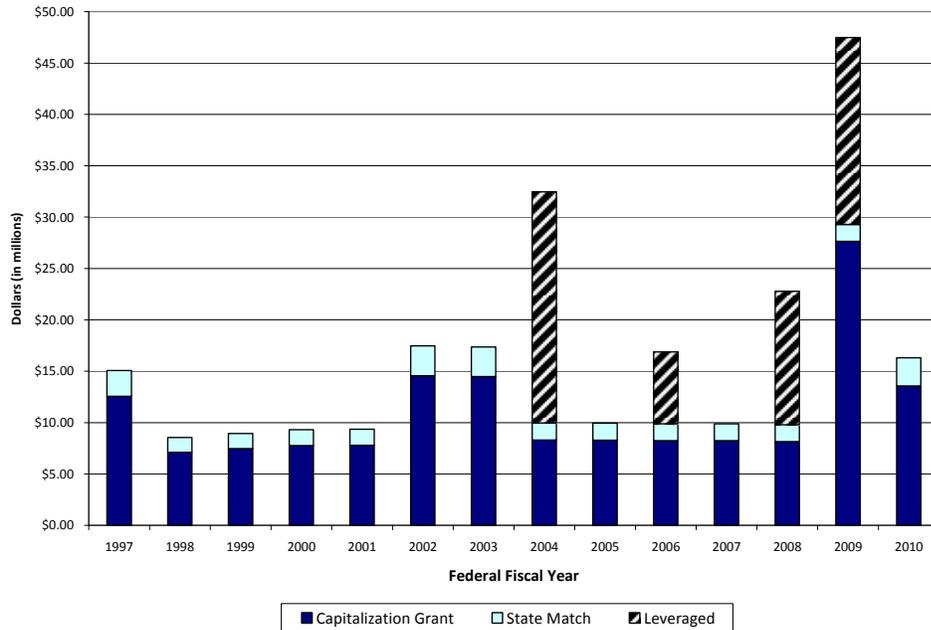


FIGURE 3
Source of State Revolving Funds by Year



PROVISIONS OF THE OPERATING AGREEMENT/CONDITIONS OF THE GRANT

The state of South Dakota agreed to 22 conditions in the Operating Agreement and Capitalization Grant Agreement. The following 21 conditions have been met and need no further description:

1. Enact legislation to establish Drinking Water SRF
2. Comply with all applicable state statutes and regulations
3. Allocate adequate personnel and resources to Drinking Water SRF program
4. Agreement to accept payments
5. Cash draws for Drinking Water SRF program separate
6. Provide state match
7. Deposit of all funds into Drinking Water SRF account
8. Establish fiscal controls and accounting procedures in accordance with Generally Accepted Accounting Principles
9. Annual audit
10. Loan covenants
11. Timely and expeditious use of funds
12. Project priority list additions and modifications
13. Annual revision of the intended use plan
14. Reports on the actual use of funds
15. Conduct environmental reviews

16. Set-asides will be identified each year
17. Compliance with specific Title I requirements
 - A. Authority to ensure new systems demonstrate technical, managerial, and financial capability
 - B. Funds provided only to systems with technical, managerial, and financial capability
 - C. Operator certification
18. Privately-owned systems may receive funding
19. Disadvantaged communities
20. Transfers between Clean Water SRF Program and Drinking Water SRF Program
21. Prior to executing binding commitments on Drinking Water SRF projects, the Regional Administrator must certify project compliance with Title VI of the Civil Rights Act. All loan recipients submitted project certification forms (EPA 4700-4) to DENR, but the department was notified in FY 2003 that it need no longer submit these forms to EPA for concurrence.

The following condition is described in detail below.

1. Compliance with all applicable federal cross-cutting authorities, including the establishment of Minority Business Enterprise (MBE)/Women's Business enterprise (WBE) goals and submission of MBE/WBE Utilization reports.

The state and EPA have agreed on "fair share" goals of 1 percent MBE and 3 percent WBE. The actual MBE/WBE participation achieved during FFY 2010 was 0.00 percent MBE and 0.00 percent WBE. Participation achieved with ARRA funding was 0.25 percent MBE and 1.24 percent WBE.

2011 INTENDED USE PLAN

The Annual Report contains the 2011 Intended Use Plan as approved by the Board of Water and Natural Resources on November 30, 2010, and is shown on page A1.

SOUTH DAKOTA

DRINKING WATER

STATE REVOLVING FUND

LOAN PROGRAM HISTORY

INITIATION OF THE PROGRAM

The Drinking Water State Revolving Fund (SRF) Loan program is a low interest loan program to finance drinking water projects. Funds are provided to the state in the form of capitalization grants awarded annually through the United States Environmental Protection Agency (EPA). The federal capitalization grants are matched by state funds at a ratio of 5 to 1.

The program was federally authorized by the Safe Drinking Water Act Amendments of 1996. The state authorized the loan program in 1994 in anticipation of federal action. EPA provided the final guidance for the Drinking Water SRF program on February 28, 1997. The South Dakota Conservancy District, acting in its capacity as the Board of Water and Natural Resources (the Board), conducted a public hearing on April 15, 1997, to adopt formal administrative rules for the program.

The Board conducted a public hearing on May 28, 1997, to adopt the 1997 Intended Use Plan. The state of South Dakota submitted an Operating Agreement and Capitalization Grant application for FFY 1997 in August of that year and received EPA approval on September 23, 1997. South Dakota's Drinking Water SRF program was the fourth in the nation to be approved by EPA.

CAPITALIZATION GRANTS

Since 1997, South Dakota's Drinking Water SRF program has received federal capitalization grants totaling \$154,137,100. In order to receive each of the capitalization grants, the federal grant must be matched with state funds equal to at least 20 percent of each grant. To meet this requirement, state appropriations, SRF administrative surcharge fees, and revenue bonds have provided the required \$26,927,420 state matching funds. Exhibit III shows the total amount of capitalization grants and state match by year. In addition to the base capitalization grant, the program received \$19,500,000 in American Recovery and Reinvestment Act funds, for which no match was required.

STATE MATCHING FUNDS

The Safe Drinking Water Act amendments allowed states to defer the state match of the 1997 capitalization grant until September 30, 1999. South Dakota deferred its match until program bonds were issued in 1998. For the 1998 capitalization grant, the source of the state match had to be identified at the time of the grant application in December 1997. The 1997 state appropriation of \$1,424,260 was utilized to match the 1998 capitalization grant.

In June 1998, \$6,450,000 in program bonds were issued. This bond issue was insured by Ambac Assurance Corporation and was rated Aaa by Moody's Investors Services, Inc. The Series 1998A bonds were issued to provide \$2,511,760 to match the 1997 federal capitalization grant, \$1,492,760 to match the 1999 federal capitalization grant, and \$1,551,400 to match the

2000 federal capitalization grant. The balance was used to match a portion of the 2001 federal capitalization grant.

The entire program was upgraded to a Aa3 rating by Moody's in June 1998 and to Aa1 in August 2001.

In October 2001, \$5,270,000 in revenue bonds were issued. These funds provided the required state match for 2001, 2002, and 2003 capitalization grants.

Revenue bonds were issued in July 2004. State match bonds for grant years 2004, 2005, and 2006 amounted to \$5,001,620. The 2004 bond issue was rated AAA by Standard and Poor's and Aaa by Moody's.

The South Dakota Conservancy District closed its Series 2005 bond issue for the State Revolving Fund programs in October 2005. The 2005 bond issue was rated AAA by Standard and Poor's and Aaa by Moody's, the highest ratings assigned by each agency. These ratings were based upon the programs' strength and did not involve bond insurance. The par amount of the tax-exempt revenue bonds issued in October 2005 was \$50,000,000. State match bonds were issued for grant year 2007 and amounted to \$1,670,000. The True Interest Cost was 4.36 percent and the Net Interest Cost was 4.47 percent.

The South Dakota Conservancy District closed its Series 2008 bond issue for the State Revolving Fund programs in March 2008. This was a multi-modal variable rate issue, which was a first for the District. The 2008 bond issue was rated AAA/A-1+ by Standard and Poor's and Aaa/VMIG by Moody's. These ratings are the highest long-term and short-term ratings, respectively, assigned by each agency. These ratings were based on the programs' strength and did not involve bond insurance. The par amount of the tax-exempt revenue bonds issued in March 2008 was \$40,000,000. The bonds were originally set with a semi-annual rate mode which can be changed at the discretion of the Conservancy District. The initial interest rate was 2.35% effective until August 1, 2008. The Conservancy District chose to retain the semi-annual rate mode, and Table 7 details the semiannual rates. The Drinking Water program utilized \$4,887,600 of proceeds for 2008-2010 match and \$13,000,000 for leveraged loans. The remaining proceeds were allocated to the Clean Water SRF program.

Table 7
Series 2008 Variable Rate Bonds
Par Amount: \$40,000,000

Initial Pricing March 2008	2.35%
Six-month Mode Repricing	
08/01/2008 through 01/31/2009	1.90%
02/01/2009 through 07/31/2009	1.00%
08/01/2009 through 01/31/2010	0.70%
02/01/2010 through 07/31/2010	0.34%
08/01/2010 through 01/31/2011	0.40%

LEVERAGED PROGRAM BONDS AND NOTES

Leveraged funds issued in July 2004 for new loans amounted to \$22,503,662.

In October 2005, an additional \$14,500,000 of leveraged bonds were issued to provide additional loan funds. Subsequently, \$7,500,000 of leveraged bond proceeds were transferred to the Clean Water SRF program. See Table 8.

In March 2008, the Series 2008 bond issue provided \$13,000,000 in leveraged funds for the Drinking Water SRF program.

In August 2009, the Series 2009 Bond Anticipation Notes provided \$18,221,624 in leveraged funds for the Drinking Water SRF program.

The South Dakota Conservancy District closed its Series 2010 issue of Bond Anticipation Notes for the State Revolving Fund programs in September 2010. Moody's Investors Service, Inc. and Standard & Poor's Public Finance Ratings assigned short-term ratings of "MIG 1" and "SP-1+", respectively, to the Series 2010 Bond Anticipation Notes. The par amount of the tax-exempt revenue notes issued in September 2010 was \$54,330,000. The Series 2010 Bond Anticipation Notes were used by the District to pay the redemption price of the Series 2009 Notes on September 10, 2010.

TRANSFERS BETWEEN PROGRAMS

In federal fiscal years 2002 and 2003, because of the demand on the Drinking Water program, the Clean Water SRF capitalization grants and state match were transferred to the Drinking Water SRF program (see Table 8). These grants amounted to \$12,978,600, with a corresponding state match of \$2,595,720. In 2006, \$7,500,000 of the Series 2005 Drinking Water bond proceeds were transferred to the Clean Water program to meet demand.

Table 8
Transfers between Clean Water SRF and Drinking Water SRF Programs

From	To	Grant Year	Capitalization Grant	State Match	Lev. Series	Bonds Transferred	Total
Clean Water SRF	Drinking Water SRF	2002	\$6,510,800	\$1,302,160			\$7,182,960
Clean Water SRF	Drinking Water SRF	2003	\$6,467,800	\$1,293,560			\$7,761,360
Drinking Water SRF	Clean Water SRF				2005	\$7,500,000	\$7,500,000

OTHER FUNDS

The Drinking Water SRF program is intended to revolve in perpetuity. As borrowers repay their loans, the principal repayments are used to pay debt serviced on leveraged bonds. Excess repayments are then available to be loaned out to other communities. The first use of principal repayment for a loan was in 1999. The interest repaid by borrowers and investment earnings are dedicated to pay debt service on state match bonds. The excess interest (unrestricted cumulative interest) is then available to be loaned out to other communities. When the federal capitalization grants cease, all loans will be made from these sources. The first loan from unrestricted cumulative excess interest earnings was made in 2008.

TRUSTEE

The First National Bank in Sioux Falls has been the trustee since the onset of the program in 1997. The trustee manages and invests all funds and accounts for the Drinking Water SRF program, issues amortization schedules, disburses loan funds, and receives all loan repayments.

BOND COUNSEL

Altheimer & Gray served as bond counsel for the Series 1998A and Series 2001 Drinking Water State Revolving Fund Program Bonds. In July 2003, Altheimer & Gray law firm dissolved, and Perkins Coie LLP was retained to serve as bond counsel.

UNDERWRITER

Piper Jaffray served as underwriter for the Series 1998A Drinking Water State Revolving Fund Program Bonds. Dougherty and Company served as underwriter for the Series 2001 bonds. UBS Financial Services served as underwriter for the Series 2004 and Series 2005 State Revolving Fund Program Bonds. Wachovia Bank, National Association was selected as underwriter and remarketing agent for the Series 2008 bonds. Piper Jaffray & Company was selected through a competitive bid process as the underwriter for the Series 2009 Bond Anticipation Notes, and JP Morgan Securities L.L.C was chosen through a competitive bid process as the underwriter for the Series 2010 Bond Anticipation Notes.

FINANCIAL ADVISOR

In September 2003, Public Financial Management (PFM) was retained to perform financial analyses of the SRF programs. PFM designed a comprehensive program cash flow model that assessed financial impacts of transfers between the Clean Water and Drinking Water programs, maintenance of SRF funds in perpetuity, short- and long-term effects of refunding some or all of the District's outstanding debt, financial impacts of leveraging the Drinking Water SRF program, and financial impacts of various methods by which required state matching funds may be provided.

EPA REGION VIII

Region VIII of the Environmental Protection Agency oversees the Drinking Water State Revolving Fund Loan program. EPA assists the state in securing capitalization grants and guides the Conservancy District in its administration of the program.

DRINKING WATER

STATE REVOLVING FUND

LOAN PORTFOLIO

FIGURE 4
Drinking Water State Revolving Fund Loans

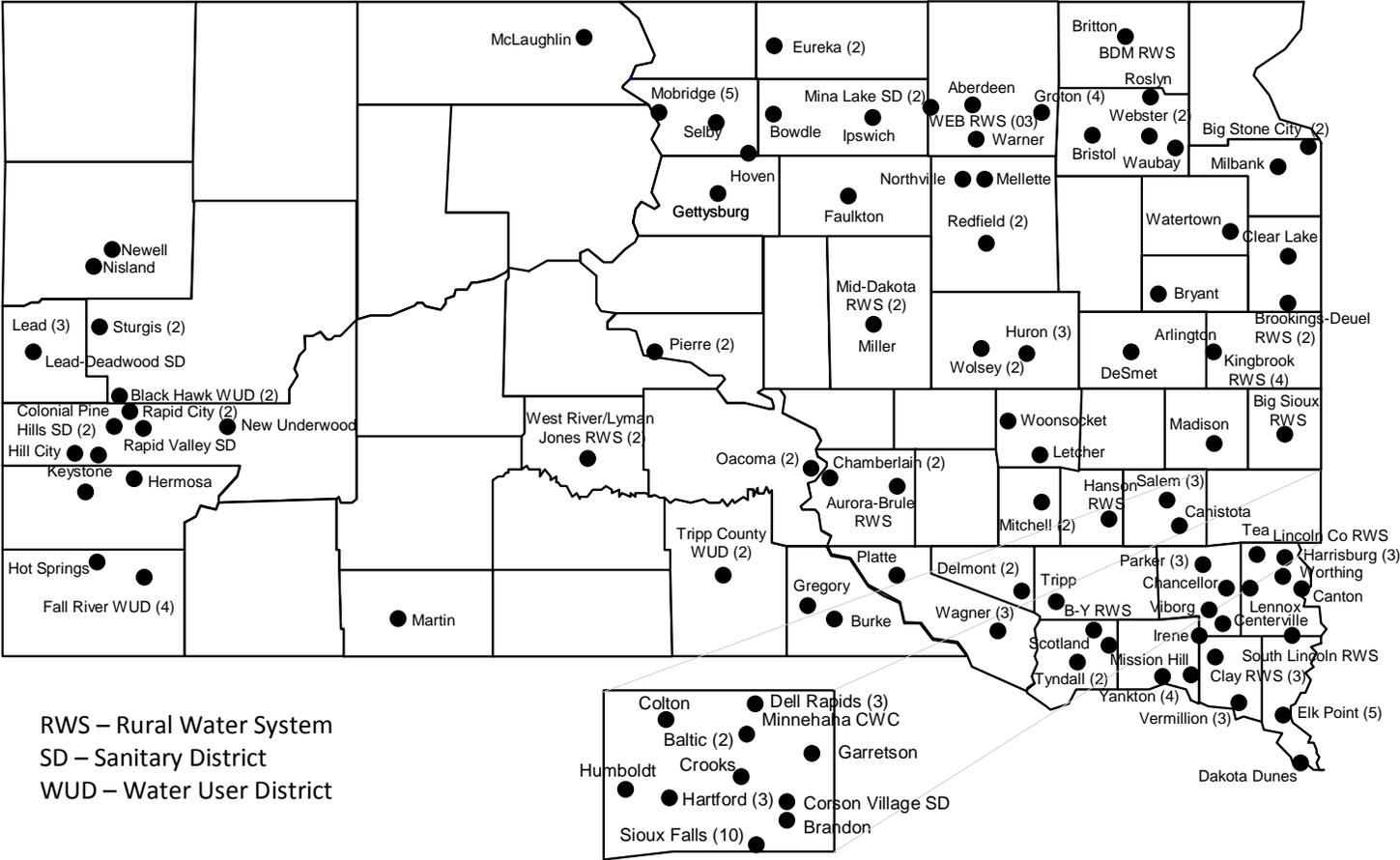


Table 9
State of South Dakota
Drinking Water State Revolving Fund Loan Program Portfolio

Active Drinking Water SRF Loans

Sponsor	Binding Commitment Date	Rate	Term (years)	Binding Commitment Amount	Final Loan Amount
Aberdeen (DW-01A)	03/28/2003	3.5%	20	\$9,460,000	\$9,460,000
Aberdeen (DW-01B)	01/08/2004	3.5%	20	\$7,300,000	\$7,024,258
Aberdeen (DW-02)	07/23/2009	2.25%	10	\$1,750,000	\$1,750,000
Baltic (DW-01)	06/27/2002	3.5%	20	\$250,000	\$250,000
Baltic (DW-02) - ARRA	06/25/2009	2.25%	10	\$165,000	\$165,000
BDM RWS (DW-01)	04/12/2002	3.5%	20	\$536,000	\$280,251
Big Stone City (DW-01)	07/22/1998	5.25%	20	\$600,000	\$570,000
Big Stone City (DW-02)	06/26/2003	3.5%	20	\$240,000	\$139,873
Black Hawk WUD (DW-01)	03/26/1998	5.25%	20	\$500,000	\$500,000
Black Hawk WUD (DW-02)	01/03/2008	3.25%	20	\$1,142,000	\$1,066,674
Brandon (DW-01)	11/13/1998	4.75%	15	\$1,950,000	\$1,877,375
Britton (DW-01)	04/25/2001	4.5%	20	\$320,000	\$320,000
Brookings-Deuel RWS (DW-01)	01/06/2005	3.25%	30	\$1,200,000	\$1,002,464
Brookings-Deuel RWS (DW-02)	06/23/2005	3.25%	30	\$1,750,000	\$1,750,000
Bryant (DW-01)	01/13/2000	3.0%	30	\$142,000	\$142,000
Burke (DW-01)	01/05/2006	2.5%	30	\$115,600	\$115,600
Canistota (DW-01) - ARRA	03/27/2009	3.0%	30	\$426,460	\$426,460
Canton (DW-01)	01/10/2003	3.5%	20	\$500,000	\$500,000
Centerville (DW-01)	03/25/2004	3.25%	30	\$870,000	\$870,000
Chamberlain (DW-01)	03/27/2008	3.25%	20	\$276,500	\$276,500
Chamberlain (DW-02)	08/26/2009	3.0%	20	\$1,000,000	\$1,000,000
Chancellor (DW-01)	09/22/2005	3.25%	30	\$230,000	\$205,948
Clay RWS (DW-01)	06/23/2005	3.25%	30	\$4,331,000	\$4,331,000
Clay RWS (DW-02) - ARRA	06/25/2009	3.0%	20	\$846,300	\$846,300
Clay RWS (DW-03)	06/24/2010	3.0%	30	\$2,208,000	\$2,208,000
Clear Lake (DW-01)	12/10/1998	3.0%	30	\$565,000	\$540,637
Colonial Pine Hills San. Dist. (DW-01)	01/31/2002	3.5%	20	\$659,000	\$636,108
Colonial Pine Hills San. Dist. (DW-02) - ARRA	07/23/2009	3.0%	20	\$1,003,608	\$1,003,608
Colton (DW-01)	06/27/2002	3.5%	30	\$681,720	\$632,455
Corson Village San. Dist. (DW-01) - ARRA	07/23/2009	3.0%	20	\$601,735	\$601,735
Crooks (DW-01)	06/25/2004	3.25%	20	\$302,900	\$133,510
Custer (DW-01)	01/10/2003	3.5%	20	\$800,000	\$800,000
Dakota Dunes CID (DW-01)	06/27/2002	3.5%	20	\$908,000	\$376,962
Dell Rapids (DW-01)	03/28/2003	3.5%	20	\$621,000	\$621,000
Dell Rapids (DW-02)	01/05/2006	3.25%	20	\$162,263	\$162,263
Dell Rapids (DW-03)	09/24/2010	3.0%	20	\$531,835	\$531,835
Delmont (DW-01)	06/26/2008	2.5%	30	\$185,000	\$158,461
Delmont (DW-02)	09/24/2010	0%	-	\$90,000	\$90,000
DeSmet (DW-01) - ARRA	08/26/2009	2.25%	30	\$258,000	\$258,000
Elk Point (DW-01)	01/31/2002	3.5%	20	\$220,000	\$220,000

Elk Point (DW-02)	06/25/2004	3.25%	20	\$570,000	\$570,000
Elk Point (DW-03)	06/22/2006	3.25%	20	\$218,000	\$218,000
Elk Point (DW-04)	06/26/2008	3.25%	20	\$564,000	\$564,000
Elk Point (DW-05) - ARRA	07/23/2009	3.0%	20	\$1,179,500	\$1,179,500
Eureka (DW-01)	09/28/2006	0%	10	\$135,000	\$133,681
Fall River Water Users Dist. (DW-01)	12/09/1999	3.0%	30	\$759,000	\$759,000
Fall River Water Users Dist. (DW-02)	11/09/2001	2.5%	30	\$400,000	\$260,958
Garretson (DW-01)	06/27/2002	3.5%	30	\$1,261,060	\$1,102,147
Gregory (DW-01)	04/12/2002	2.5%	30	\$380,000	\$347,580
Groton (DW-01)	03/28/2003	3.5%	20	\$440,000	\$440,000
Groton (DW-02)	06/25/2004	3.25%	20	\$365,900	\$308,945
Groton (DW-03) - ARRA	06/25/2009	0%	-	\$272,000	\$241,083
Groton (DW-04)	09/24/2010	2.25%	10	\$703,000	\$703,000
Hanson RWS (DW-01) - ARRA	08/26/2009	3.0%	20	\$840,000	\$840,000
Harrisburg (DW-01)	10/12/2000	5.0%	20	\$525,000	\$525,000
Harrisburg (DW-02)	03/30/2007	3.25%	20	\$1,714,327	\$1,291,925
Harrisburg (DW-03)	09/25/2008	3.25%	20	\$2,090,000	\$2,090,000
Hartford (DW-02)	01/10/2003	3.5%	20	\$800,957	\$800,957
Hartford (DW-03)	01/06/2005	3.25%	20	\$1,123,556	\$1,123,556
Hermosa (DW-01)	12/10/1998	5.0%	20	\$300,000	\$300,000
Hill City (DW-01) - ARRA	08/26/2009	3.0%	30	\$402,200	\$402,200
Hot Springs (DW-01)	09/24/2010	3.0%	20	\$1,636,000	\$1,636,000
Hoven (DW-01)	09/24/2010	0%	-	\$750,000	\$750,000
Humboldt (DW-01)	06/22/2006	3.25%	20	\$520,000	\$481,773
Huron (DW-01)	06/27/2002	3.5%	20	\$4,000,000	\$4,000,000
Huron (DW-02) - ARRA	08/26/2009	3.0%	20	\$619,684	\$619,684
Huron (DW-03)	09/24/2010	3.0%	30	\$1,098,900	\$1,098,900
Ipswich (DW-01) - ARRA	06/25/2009	3.0%	30	\$1,245,000	\$1,245,000
Keystone (DW-01)	03/25/2004	3.25%	20	\$762,000	\$630,212
Kingbrook RWS (DW-01)	04/13/2000	0%	30	\$475,000	\$474,204
Kingbrook RWS (DW-02)	01/06/2005	3.25%	30	\$2,115,000	\$2,115,000
Kingbrook RWS (DW-03)	03/30/2005	3.25%	20	\$3,324,000	\$3,136,677
Kingbrook RWS (DW-04)	06/22/2006	3.25%	20	\$2,350,000	\$2,315,622
Lead (DW-01)	07/27/2000	4.5%	10	\$192,800	\$192,800
Lead (DW-02)	01/06/2005	3.25%	30	\$205,800	\$192,549
Lead (DW-03) - ARRA	08/26/2009	3.0%	20	\$1,020,000	\$1,020,000
Lennox (DW-01)	07/16/2004	3.25%	30	\$2,000,000	\$2,000,000
Letcher (DW-01)	08/26/2009	2.25%	30	\$200,000	\$200,000
Lincoln County RWS (DW-01)	01/31/2002	3.5%	20	\$1,200,000	\$1,079,170
Martin (DW-01)	09/25/2003	2.5%	30	\$920,000	\$917,901
McLaughlin (DW-01)	06/25/2004	2.5%	30	\$350,000	\$350,000
Mellette (DW-01) - ARRA	08/27/2009	3.0%	30	\$271,780	\$271,780
Mid-Dakota RWS (DW-01)	03/27/2009	2.0%	3	\$12,000,000	\$12,000,000
Milbank (DW-01)	09/22/2005	2.5%	30	\$4,741,000	\$4,460,294
Miller (DW-01)	01/03/2008	2.5%	10	\$255,200	\$225,389
Mina Lake San Dist (DW-01)	11/13/1998	5.0%	20	\$255,200	\$255,200
Mina Lake San Dist (DW-02) - ARRA	06/25/2009	3.0%	20	\$567,390	\$567,390
Minnehaha CWC (DW-01)	06/27/2002	3.5%	20	\$6,500,000	\$6,022,816
Mitchell (DW-01)	10/12/2000	4.00%	20	\$6,000,000	\$2,850,115
Mitchell (DW-02) - ARRA	08/26/2009	3.0%	20	\$2,360,000	\$2,360,000

Mobridge (DW-03)	09/28/2006	2.5%	30	\$213,500	\$213,500
Mobridge (DW-04)	06/28/2007	2.5%	30	\$90,000	\$62,442
New Underwood (DW-01) - ARRA	06/25/2009	3.0%	20	\$175,500	\$175,500
Newell (DW-01) - ARRA	08/26/2009	2.25%	30	\$829,500	\$829,500
Nisland (DW-01)	12/13/2001	0%	30	\$350,000	\$350,000
Northville (DW-01) - ARRA	07/23/2009	3.0%	20	\$203,460	\$203,460
Oacoma (DW-02)	08/10/2010	2.25%	10	\$1,351,300	\$1,351,300
Parker (DW-01)	09/23/2004	3.25%	20	\$730,000	\$730,000
Parker (DW-02)	06/22/2006	3.25%	20	\$300,000	\$209,541
Parker (DW-03) - ARRA	03/27/2009	3.0%	20	\$554,200	\$554,200
Pierre (DW-01)	01/31/2002	3.5%	15	\$1,094,200	\$988,188
Pierre (DW-02)	09/25/2003	3.5%	15	\$1,832,900	\$1,832,900
Platte (DW-01)	06/25/2004	2.5%	10	\$400,000	\$293,134
Rapid City (DW-01)	11/14/2003	3.5%	20	\$3,500,000	\$3,500,000
Rapid City (DW-02)	07/23/2009	3.0%	20	\$6,000,000	\$6,000,000
Redfield (DW-01)	04/25/2001	4.5%	20	\$85,000	\$85,000
Redfield (DW-02)	06/23/2005	2.5%	30	\$342,755	\$228,823
Salem (DW-01)	03/28/2003	3.5%	10	\$126,921	\$118,540
Salem (DW-02)	06/23/2005	3.25%	20	\$348,540	\$328,966
Salem (DW-03)	06/28/2007	3.25%	30	\$1,345,000	\$1,345,000
Scotland (DW-01)	03/28/2003	2.5%	30	\$340,000	\$235,172
Selby (DW-01) - ARRA	06/25/2009	0%	-	\$100,000	\$100,000
Sioux Falls (DW-02)	01/11/2001	4.5%	10	\$2,750,000	\$2,348,168
Sioux Falls (DW-03)	04/12/2002	3.5%	10	\$7,930,000	\$7,930,000
Sioux Falls (DW-04)	01/10/2003	3.5%	10	\$5,279,000	\$279,599
Sioux Falls (DW-05)	07/16/2004	2.5%	10	\$12,749,000	\$10,828,766
Sioux Falls (DW-06)	01/03/2008	2.5%	10	\$17,848,000	\$12,848,000
Sioux Falls (DW-07)	01/03/2008	2.5%	10	\$2,200,000	\$2,200,000
Sioux Falls (DW-08)	01/03/2008	2.5%	10	\$2,705,600	\$2,705,600
Sioux Falls (DW-09) - ARRA	03/27/2009	2.25%	10	\$3,578,750	\$3,578,750
Sioux Falls (DW-10) - ARRA	03/27/2009	2.25%	10	\$7,606,900	\$7,606,900
South Lincoln RWS (DW-01)	01/10/2003	3.5%	20	\$2,000,000	\$2,000,000
Sturgis (DW-02) - ARRA	08/26/2009	2.25%	10	\$863,000	\$863,000
Tea (DW-01)	03/30/2007	3.25%	20	\$2,263,723	\$2,263,723
Tripp (DW-01)	07/26/2001	2.5%	30	\$291,000	\$225,656
Tripp County WUD (DW-01) - ARRA	11/14/2002	2.5%	30	\$3,500,000	\$3,500,000
Tripp County WUD (DW-02) - ARRA	11/14/2002	0%	30	\$148,000	\$131,469
Tyndall (DW-01)	07/27/2000	2.5%	10	\$300,000	\$300,000
Tyndall (DW-02)	11/09/2001	2.5%	30	\$861,000	\$861,000
Vermillion (DW-01)	05/13/1999	5.0%	20	\$942,000	\$795,338
Vermillion (DW-02)	06/27/2002	3.5%	20	\$1,510,000	\$1,507,552
Vermillion (DW-03)	09/22/2005	2.5%	20	\$3,772,500	\$3,693,216
Viborg (DW-01)	03/27/2008	3.25%	20	\$249,775	\$104,491
Wagner (DW-01)	06/22/2006	0%	30	\$750,000	\$750,000
Wagner (DW-02)	06/28/2007	0%	30	\$175,000	\$175,000
Watertown (DW-01)	03/27/2008	3.25%	20	\$23,760,000	\$23,760,000
Waubay (DW-01)	03/31/2006	2.5%	30	\$750,000	\$750,000
Webster (DW-01)	04/12/2002	3.5%	20	\$330,000	\$318,828
Webster (DW-02)	09/24/2010	2.25%	10	\$387,400	\$387,400
Wolsey (DW-01)	06/23/2005	3.25%	20	\$263,000	\$227,950

Wolsey (DW-02)	09/27/2007	3.25%	20	\$162,300	\$162,300
Woonsocket (DW-01) - ARRA	08/27/2009	3.0%	30	\$720,000	\$720,000
Worthing (DW-01)	06/26/2003	3.5%	20	\$288,000	\$288,000
Yankton (DW-01)	11/09/2001	3.5%	20	\$3,460,000	\$3,460,000
Yankton (DW-02)	06/28/2007	3.25%	20	\$1,100,000	\$896,975
Yankton (DW-03) - ARRA	03/27/2009	3.0%	20	\$3,000,000	\$3,000,000
Yankton (DW-04) - ARRA	03/27/2009	3.0%	20	\$2,200,000	\$2,200,000
Total of Active Loans (Open or in Repayment)				\$255,683,899	\$234,917,132

Closed Drinking Water SRF Loans

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Arlington (DW-01)	06/25/2009	0%	-	\$100,000	\$0
Aurora-Brule RWS (DW-01)	03/27/2009	0%	-	\$500,000	\$0
Bowdle (DW-01)	06/25/2009	0%	-	\$150,000	\$0
Eureka (DW-02)	06/25/2009	0%	-	\$200,000	\$0
Fall River Water Users District (DW-03)	03/27/2009	0%	-	\$612,000	\$0
Fall River Water Users District (DW-04)	06/25/2009	0%	-	\$750,000	\$0
Faulton (DW-01)	03/27/2009	0%	-	\$500,000	\$0
Gettysburg (DW-01)	06/14/2001	4.5%	20	\$565,000	\$565,000
Hartford (DW-01)	04/13/2000	5.0%	20	\$185,000	\$185,000
Irene (DW-01)	06/22/2000	5.0%	20	\$145,000	\$127,126
Lead-Deadwood San Dist (DW-01)	06/24/1998	5.25%	20	\$2,700,000	\$2,683,957
Madison (DW-01)	05/14/1998	5.0%	15	\$2,372,000	\$2,372,000
Mid-Dakota RWS (DW-02)	03/27/2009	0%	-	\$1,000,000	\$0
Mobridge (DW-01)	03/26/1998	5.25%	20	\$965,000	\$965,000
Mobridge (DW-02)	07/22/1998	5.25%	20	\$355,000	\$352,207
Mobridge (DW-05)	06/25/2009	0%	-	\$500,000	\$0
Rapid Valley San Dist (DW-01)	06/25/2009	0%	-	\$682,000	\$0
Roslyn (DW-01)	06/25/2009	0%	-	\$500,000	\$0
Sioux Falls (DW-01)	07/22/1998	4.5%	10	\$7,022,000	\$6,496,745
Sturgis (DW-01)	01/08/1998	5.0%	15	\$700,000	\$478,377
Warner (DW-01)	03/27/2009	0%	-	\$400,000	\$0
West River/Lyman Jones RWS (DW-01)	10/12/2001	2.5%	30	\$340,000	\$340,000
West River/Lyman Jones RWS (DW-02)	03/30/2005	3.25%	30	\$8,000,000	\$7,943,023
Total of Loans Closed				\$29,243,000	\$22,508,435

Loans with a final loan amount of \$0 received 100 percent principal forgiveness.

GRAND TOTAL **\$284,926,899** **\$257,425,567**

Table 10
State of South Dakota
Drinking Water State Revolving Fund Loans Deobligated in Full or Rescinded by Board

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Big Sioux CWS (DW-01)	03/31/2006	3.25%	20	\$831,000	\$0
Bristol (DW-01)	04/25/2001	4.5%	20	\$139,000	\$0
B-Y Water District (DW-01) - ARRA	06/25/2009	0%	-	\$300,000	\$0
Mission Hill (DW-01)	06/26/2008	3.25%	20	\$250,000	\$0
Oacoma (DW-01) - ARRA	03/27/2009	3.0%	20	\$1,414,800	\$0
Wagner (DW-03) - ARRA	07/23/2009	0%	30	\$275,000	\$0
WEB WDA (DW-01)	03/26/1998	5.25%	20	\$1,110,000	\$0
WEB WDA (DW-02)	10/11/2001	2.5%	30	\$137,450	\$0
WEB WDA (DW-03)	03/31/2006	3.25%	20	\$3,950,000	\$0
Total of Loans Deobligated or Rescinded				\$8,407,250	\$0

FIGURE 5
Drinking Water SRF Interest Rates By Percent of Loan Portfolio
(\$293.3 Million)

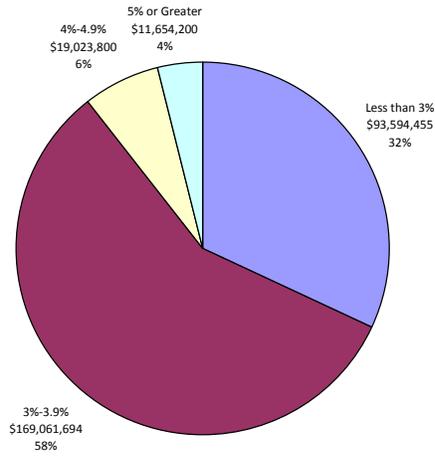
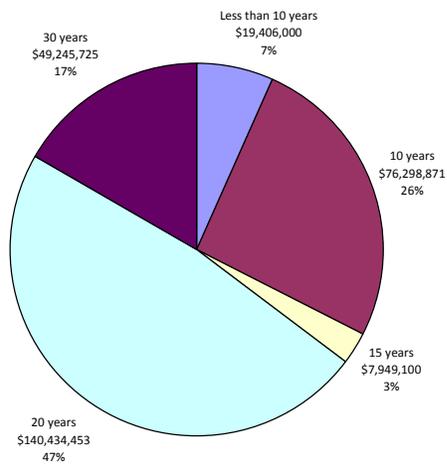


FIGURE 6
Drinking Water SRF Loan Terms By Percent of Loan Portfolio
(\$293.3 Million)



DRINKING WATER SRF PROJECT DESCRIPTIONS

ABERDEEN – The city of Aberdeen received an \$8,460,000 loan at 3.5 percent for 20 years. This loan was the first installment of the city's \$14,460,000 project to improve the water treatment plant. Total project costs increased to \$18,700,000, and the city received the second installment of its loan in 2004 in the amount of \$8,300,000. Aberdeen received a \$1,750,000 loan with \$175,000 of percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 (ARRA) to replace water meters through out the city. The loan was awarded at 2.25 percent for ten years.

ARLINGTON - The city of Arlington received a \$100,000 loan with 100 percent principal forgiveness through ARRA. The loan was to replace water lines on Birch and 1st Streets.

AURORA-BRULE RURAL WATER SYSTEM - The Aurora-Brule Rural Water System received a \$500,000 loan with 100 percent principal forgiveness through ARRA. The loan was to construct a new raw water intake and associated piping.

BALTIC – The city of Baltic received a \$250,000 loan for replacement of existing cast iron pipe with PVC water mains. The loan is at 3.5 percent for 20 years. Baltic's second loan was for \$165,000 to replace water meters. This loan is at 2.25 percent for 10 years and includes \$16,500 of principal forgiveness through ARRA.

BDM RURAL WATER SYSTEM – The system received a loan in the amount of \$536,000 for expansion of the system to the city of Britton, SD. The loan is at 3.5 percent for 20 years.

BIG SIOUX COMMUNITY WATER SYSTEM – Big Sioux received a loan in the amount of \$831,000 for clearwell and water storage improvements. The loan is at 3.25 percent for 20 years.

BIG STONE CITY – The city of Big Stone City utilized a \$600,000 loan to construct a 100,000-gallon elevated water storage tank. The project also included the installation of a water main to connect the tank to the existing distribution system and the refinancing of debt incurred to connect to the Ortonville, Minnesota regional water treatment plant. The 20-year loan is at 5.25 percent. The city received its second loan in the amount of \$240,000 at 3.5 percent for 20 years to fund improvements to the water distribution system.

BLACK HAWK WATER USER DISTRICT – The Black Hawk Water User District received a loan for \$500,000. This loan financed a new well, pump house construction, installation of chlorination and fluoridation equipment, a 48,000-gallon water storage reservoir, and approximately 7,000 feet of new water lines. This loan is at 5.25 percent for 20 years. The second loan, in the amount of \$1,142,000 at 3.25 percent for 20 years, financed an 815,000-gallon, ground storage reservoir and a transmission line to improve service to Summerset

BON HOMME-YANKTON WATER USER DISTRICT - The Bon Homme-Yankton Water User District received a \$300,000 loan with 100 percent principal forgiveness through ARRA. The loan was to construct a new raw water intake; however, due to inability of the project to meet ARRA deadlines, the loan was deobligated in full at the district's request.

BOWDLE - The city of Bowdle received a \$150,000 loan with 100 percent principal forgiveness through ARRA. The loan was to replace water lines in various locations throughout the city.

BRANDON – Brandon received a loan for \$1,950,000 at 4.75 percent for 15 years. This project consists of constructing a new water treatment plant and upgrading the current distribution system.

BRISTOL – The town of Bristol received a loan in the amount of \$139,000 at 4.5 percent interest for 20 years. The project involved construction of a new elevated storage tank as well as replacement of an underground storage tank. This would allow the town to discontinue renting railroad land where the current low level tank is located and to eliminate its existing pumping station that pressurizes the distribution system. The loan was deobligated at the town's request.

BRITTON – The city of Britton received a loan in the amount of \$320,000 to replace and make improvements to approximately 30 blocks of water main throughout the city. The project involves replacing 50 year old cast iron pipes, much of which has completely deteriorated due to rust and scale build-up. The loan is at 4.5 percent interest for 20 years.

BROOKINGS-DEUEL RURAL WATER SYSTEM – Brookings-Deuel RWS received two Drinking Water SRF loans in FFY 2005. The first loan, in the amount of \$1,200,000 at 3.25 percent for 30 years, increases the treatment capacity of the Bruce water treatment plant. The second loan, in the amount of \$1,750,000 at 3.25 percent for 30 years, makes improvements to the distribution system and extends water to the community of Astoria.

BRYANT – The city of Bryant received a \$142,000 loan to help replace lead service lines and asbestos cement water mains throughout the city. The loan is at 3 percent interest for a term of 30 years.

BURKE – Burke's first loan, in the amount of \$115,600 at the disadvantaged rate of 2.5 percent for 30 years, funded the drinking water portion of the Franklin Street Utilities Replacement project.

CANISTOTA – The city of Canistota received a \$426,460 loan at 3 percent for 30 years to replace the water line on Ash Street. The loan includes \$313,960 of principal forgiveness through ARRA.

CANTON – Canton utilized its first loan in the amount of \$500,000 at 3.5 percent for 20 years to fund utility improvements in conjunction with South Dakota DOT reconstruction of US 18.

CENTERVILLE – Centerville received its first Drinking Water SRF loan in the amount of \$870,000 to construct water distribution system improvements. The loan is at 3.25 percent for 30 years.

CHAMBERLAIN – The city of Chamberlain obtained its first Drinking Water SRF loan in the amount of \$276,500 at 3.25 percent for 20 years to upgrade chemical feed and control systems and to make renovations to its water treatment plant. Chamberlain's second loan is for \$1,000,000 and will be used to replace water mains and appurtenances at nine locations within the city. This loan is at 3 percent for 20 years and includes \$300,000 of principal forgiveness through ARRA.

CHANCELLOR – Chancellor's first Drinking Water SRF loan for \$230,000 at 3.25 percent for 30 years will provide water distribution system improvements.

CLAY RURAL WATER SYSTEM – Clay RWS’s first Drinking Water SRF loan will expand the system to southern Union County. The loan is for \$4,331,000 at 3.25 percent for 30 years. The system’s second loan was for \$846,300 to construct two new wells, replace the Garfield Booster Station with an above ground pumping station, replace variable frequency drives on pumps, and miscellaneous improvements to the SCADA system. This loan is at 3 percent for 20 years and includes \$700,000 of principal forgiveness through ARRA. Clay Rural Water was awarded its third loan in the amount of \$2,208,000 at 3 percent for 30 years and includes \$500,000 of principal forgiveness. The loan will fund the construction of several loops in the distribution system, improvements to the Spink Reservoir, upgrading the interconnection with the city of Beresford, installing a new booster station, and adding about 80 new users.

CLEAR LAKE – Clear Lake received a loan in the amount of \$565,000. This loan qualifies for the disadvantaged rate and term of 3 percent for 30 years. This project consists of constructing a new 300,000-gallon water tower and installation of 2,700 LF of 10-inch water main to connect the tower with the water distribution system.

COLONIAL PINE HILLS SANITARY DISTRICT – Colonial Pine Hills improved its water distribution system with a \$659,000 loan at 3.5 percent for 20 years. The district’s second loan in the amount of \$1,003,608 will be used to construct a new well, well-house, and distribution line to replace a well that currently experiences high radionuclide levels.

COLTON – The city of Colton will connect to the Minnehaha Community Water Corporation with a loan in the amount of \$681,720 at 3.5 percent for 30 years. The loan will be used for an elevated storage tank, water lines, wells, and new water treatment plant.

CORSON VILLAGE SANITARY DISTRICT – Corson Village received its first Drinking Water SRF loan to replace the water distribution system and connect to the city of Brandon. The \$601,735 loan at 3 percent for 20 years includes \$541,562 of principal forgiveness through ARRA.

CROOKS – Crooks will construct a second connection to Minnehaha Community Water Corporation’s distribution system and replace high service pumps to improve capacity. The loan, in the amount of \$302,900, is at 3.25 percent for 20 years.

CUSTER - Custer received an \$800,000 loan at 3.5 percent for 20 years to replace transmission and distribution water lines within the business district in conjunction with a South Dakota DOT project.

DAKOTA DUNES COMMUNITY IMPROVEMENT DISTRICT – Dakota Dunes will connect its water supply with the city of Sioux City, Iowa, with its \$908,000 loan at 3.5 percent for 20 years. This project includes construction of a line beneath the Big Sioux River connecting the city of Sioux City’s distribution system with Dakota Dunes and the cost to upsize water mains in Sioux City to provide the additional capacity necessary to serve Dakota Dunes.

DELL RAPIDS - Dell Rapids constructed various distribution system improvements with its first \$621,000 loan at 3.5 percent for 20 years. The city’s second loan, in the amount of \$162,263 at 3.25 percent for 20 years, financed the drinking water portion of the 4th Street Utility Improvements project. Dell Rapids’ third loan, in the amount of \$531,835 at 3 percent for 20 years, funded water improvements on 15th Street (Old Highway 77 to Clark Avenue).

DELMONT - Delmont received its first Drinking Water SRF loan to loop lines within the distribution system to improve water quality. The \$185,000 loan has a 2.5 percent interest rate with a 30-year term. Delmont's second loan funded replacement of water meters. The loan was in the amount of \$90,000 at 0 percent and was awarded as 100 percent principal forgiveness.

DESMET - DeSmet used its first SRF loan to replace cast iron water mains with PVC water mains on 3rd Street from Highway 25 to Prairie Avenue. The \$258,000 loan, at 2.25 percent for 30 years, includes \$25,800 of principal forgiveness through ARRA.

ELK POINT – Elk Point received its first loan in the amount of \$220,000 for water main replacement in conjunction with its Pearl Street Utility Improvement project at 3.5 percent for 20 years. Its second loan, in the amount of \$570,000 at 3.25 percent for 20 years, will fund an upgrade to the city's water treatment plant. The city received a \$218,000 loan at 3.25 percent for 20 years to fund the drinking water portion of the utility systems improvements. The fourth SRF loan awarded to Elk Point funded water line replacement on Clay and Washington Streets. This loan was for \$150,000 at 3.25 percent for 20 years. The city's fifth loan is to replace the water main on Main Street in conjunction with a highway reconstruction project. The loan amount is \$1,179,500 at 3 percent for 20 years and includes \$660,520 of principal forgiveness through ARRA.

EUREKA - Eureka utilized a \$135,000 loan at zero percent interest for ten years to replace water meters and implement a computer-generated water meter reading system. The city's second loan was in the amount of \$200,000 with 100 percent principal forgiveness through ARRA. The loan was to replace old water mains throughout the city and loop additional lines, as well as the installation of a SCADA system and variable frequency drives on the pump house pump.

FALL RIVER WATER USERS DISTRICT – The Fall River Water Users District received a \$759,000 loan at 3 percent interest for 30 years. This loan will help finance the construction of the Fall River Rural Water System to include supply, storage, and distribution. Fall River's second Drinking Water SRF loan in the amount of \$400,000 at 2.5 percent for 30 years was used for initial construction of the rural water system in Fall River County. Fall River's third and fourth loans were for \$612,000 and \$750,000, respectively, each with 100 percent principal forgiveness through ARRA. The third loan was to construct additional lines to serve additional users including the town of Buffalo Gap and to construct a well house and associated lines to connect the well to the system. The fourth loan upgraded main distribution lines throughout the system to supply a larger volume of water to meet demand.

FAULKTON - The city of Faulkton received a \$500,000 loan with 100 percent principal forgiveness through ARRA. The loan was to replace water lines in various locations throughout the city, loop all dead-end lines 4 inches and larger, replace all water meters, and purchase a standby generator.

GARRETSON – The city of Garretson will connect to the Minnehaha Community Water Corporation with its \$1,261,060 loan at 3.5 percent for 30 years. The loan will be used for water lines, wells, and a new water treatment plant.

GETTYSBURG – The city of Gettysburg received a \$565,000 loan at 4.5 percent interest for 20 years to replace and relocate water lines within the city.

GREGORY – The city of Gregory received \$380,000 for the construction of a new steel reservoir and a new booster station. The terms of the loan are 2.5 percent for 30 years.

GROTON - Groton's first loan in the amount of \$440,000 at 3.5 percent for 20 years funded replacement of water main in conjunction with its Main Street Utility Project. Its second loan, in the amount of \$365,900 at 3.25 percent for 20 years, will fund additional waterline replacement. The city's third loan was in the amount of \$272,000 with 100 percent principal forgiveness through ARRA. The loan was to replace water meters. Groton's fourth Drinking Water SRF loan was in the amount of \$703,000, including \$150,000 of principal forgiveness, at 2.25 percent for 10 years. The loan was awarded to fund water main, tower, and booster pump improvements.

HANSON RURAL WATER SYSTEM – The Hanson Rural Water System was awarded its first Drinking Water SRF loan in the amount of \$840,000 at 3 percent for 20 years and includes \$588,000 of principal forgiveness through ARRA. The rural water system will replace an elevated water storage tank located in Ethan with a new 200,000-gallon water storage tank to be used by Ethan residents and surrounding residents on the Hanson RWS.

HARRISBURG – The city of Harrisburg received its first loan in the amount of \$525,000 at 5 percent interest for 20 years to abandon its existing wells and water treatment plant, construct a connection to the Lincoln County RWS, construct an elevated water storage tank, and loop a line to ensure uninterrupted water service. The city's second loan - \$1,714,327 at 3.25 percent for 20 years - funded an emergency connection to the Lewis and Clark Rural Water System. Harrisburg's third loan is for \$2,090,000 at 3.25 for 20 years to construct a 750,000-gallon water tower, demolition of the existing standpipe and an abandoned 30,000-gallon water tower, and install miscellaneous piping.

HARTFORD – Hartford received a \$185,000 loan at 5 percent interest for 20 years. This project replaced water distribution lines throughout the city. With its second loan in the amount of \$800,957 at 3.5 percent for 20 years, Hartford replaced aging cast iron water mains. Hartford's third loan, in the amount of \$1,123,556 at 3.25 percent for 20 years, funded improvements to the water supply by providing a second connection to the Minnehaha Community Water Corporation.

HERMOSA – Hermosa received a loan for \$300,000. This loan is at 5 percent for 20 years. This project will replace water distribution lines.

HILL CITY – The city of Hill City received its first Drinking Water SRF loan in the amount of \$402,200 at 3 percent for 30 years and included \$241,320 of principal forgiveness through ARRA. The project involves looping dead-end lines and replacing a water line that freezes due to insufficient cover.

HOT SPRINGS—Hot Springs' first Drinking Water SRF loan was in the amount of \$1,636,000 at 3 percent for 20 years for water utility upgrades.

HOVEN—Hoven's first loan from the Drinking Water SRF program funded water meters, lines, and a storage tank. The loan was in the amount of \$750,000 at 0 percent and was awarded as 100 percent principal forgiveness.

HUMBOLDT – The city of Humboldt's first loan, in the amount of \$412,300 at 3.25 percent for 20 years, funded water supply and distribution system improvements.

HURON – Huron received a loan in the amount of \$4,000,000 at 3.5 percent for 20 years to fund the construction of a new water treatment facility, water tower improvements, and water meter

replacement. The city's second loan was used to replace approximately 14,500 feet of 6-inch and 12-inch water main. Huron's third loan of \$1,098,900 funded the replacement of two old water towers with a single one-million gallon tower. The loan is at 3 percent for 30 years.

IPSWICH - The city of Ipswich received a \$1,245,000 loan to replace an elevated water tower and two underground water tanks with a new 150,000-gallon elevated water storage tank, replace water meters and install a radio read system, and purchase a standby generator and variable frequency drives for the city pumps. The loan is at 3 percent for 30 years and includes \$933,750 of principal forgiveness through ARRA.

IRENE – The city of Irene received a 5 percent interest loan for 20 years in the amount of \$145,000. The project replaced water main along SD Highway 46.

KEYSTONE – Keystone used its first loan, in the amount of \$762,000 at 3.25 percent for 20 years, to build a 187,000-gallon reservoir, to close the loop on one-third of the town's system, and to install a pumping station.

KINGBROOK RWS – The Kingbrook Rural Water System received a loan in the amount of \$475,000. This loan was at 0 percent interest for 30 years. The project being financed hooked up the city of Carthage and upgraded its distribution system and storage tank. Kingbrook RWS took over the system and provided individual service. Kingbrook's second loan, in the amount of \$2,115,000 at 3.25 percent for 30 years, provided additional capacity within the system and provided service to Ramona and the Badger area. The third loan of \$3,324,000 at 3.25 percent for 20 years expanded the distribution system to allow 250 additional connections to the system. Kingbrook's fourth loan, \$2,350,000 at 3.25 percent for 20 years, continued with the improvements to the system's distribution system.

LEAD – Lead received a \$192,800 loan at 4.5 percent interest for 10 years. This loan helped replace water lines beneath a portion of US Highway 85 in conjunction with the South Dakota Department of Transportation roadway reconstruction project. Lead's second Drinking Water SRF loan, in the amount of \$205,800 at 3.25 percent for 30 years, completed water main improvements associated with the Highway 85 project. The city's third SRF loan replaced water mains on Lower May, South Main, and West Addie Streets in conjunction with a project to separate combined sanitary and storm sewer mains. The fourth loan, \$1,020,000 at 3 percent for 20 years, included \$387,600 of principal forgiveness through ARRA.

LEAD-DEADWOOD SANITARY DISTRICT – The Lead-Deadwood Sanitary District received a \$2,683,957, 5.25 percent, 20-year loan to refinance its Series 1994 General Obligation Bond issue. The Series 1994 bonds were originally issued to finance the construction of a new water treatment plant in Lead.

LENNOX – Lennox's first loan, in the amount of \$2,000,000 at 3.25 percent for 30 years, will fund two wells, an elevated water storage reservoir, water main replacement and new lines.

LETCHER – Letcher received its first SRF loan to assist in financing the replacement of the town's water distribution system. The loan amount is \$200,000 at 2.25 percent for 30 years.

LINCOLN COUNTY RURAL WATER SYSTEM – The RWS received a loan in the amount of \$1,200,000 at 3.5 percent for 20 years to fund storage improvements.

MADISON – Madison received a loan for \$2,372,000 to refinance its Series 1995 Bonds. The Series 1995 Bonds were originally issued to finance the rehabilitation of the treatment facility and the construction of three new wells. This loan is at 5 percent for 15 years.

MARTIN - Martin corrected undersized water lines and water supply issues with a \$920,000 loan at 2.5 percent for 30 years.

McLAUGHLIN – Improvements to McLaughlin’s water distribution system in conjunction with an SDDOT project were funded with a \$350,000 loan at 2.5 percent for 30 years.

MELLETTTE - The town of Mellette received a loan for \$271,780 to replace nine blocks of water main and install gate valves and fire hydrants. The loan is at 3 percent for 30 years and includes \$244,602 of principal forgiveness through ARRA.

MID-DAKOTA RURAL WATER SYSTEM - The Mid-Dakota Rural Water System received its first two loans for projects to increase the production capacity of the water treatment plant and to construct an underground pumping station and a two million-gallon elevated water reservoir. The first loan for \$12,000,000 at 2.00 percent for three years will provide interim financing for all the projects. The second loan is in the amount of \$1,000,000 with 100 percent principal forgiveness through ARRA and will partially fund the pumping station and elevated water reservoir.

MILBANK – Milbank secured a \$4,741,000 loan at 2.5 percent for 30 years to replace raw water transmission lines.

MILLER - The city of Miller was awarded a loan in the amount of \$255,200 at 2.5 percent for 10 years to replace water meters throughout the city.

MINA LAKE SANITARY DISTRICT – Mina Lake Sanitary District received a loan for \$255,200 at an interest rate of 5 percent for 20 years. This loan is for the construction of a 150,000-gallon water tower. The district’s second loan was for \$567,390 to replace undersized water mains, construct approximately 11,400 feet of new water main to improve pressure, and upgrade existing water meters. This loan is at 3 percent for 20 years and includes \$283,695 of principal forgiveness through ARRA.

MINNEHAHA COMMUNITY WATER CORPORATION – Minnehaha Community Water Corporation received a loan in the amount of \$6,500,000 at 3.5 percent for 20 years to expand its rural water system to the communities of Colton and Garretson. The loan was used for water lines, an elevated water storage tank, wells, and a new water treatment plant.

MISSION HILL - The first SRF loan awarded to Mission Hill was to be used to construct a new water tower and install new water lines to loop dead-end lines. The loan was in the amount of \$250,000 at 3.25 percent for 20 years. The loan was deobligated in full at the request of the city.

MITCHELL – The city of Mitchell received a \$6,000,000 loan at 4.5 percent interest for 20 years to connect to the B-Y Rural Water System by constructing a water pipeline from Lesterville west and north to Mitchell. The project involves 61 miles of pipe, two pumping stations, a water storage reservoir, a meter station and appurtenances. The city’s second Drinking Water SRF loan will be used to construct a 1,000,000-gallon elevated water storage tank to replace a water tower built in 1928. The \$2,360,000 loan, at 3 percent for 20 years, included \$354,000 of principal forgiveness through ARRA.

MOBRIDGE – The city of Mobridge received two loans in the amounts of \$965,000 and \$355,000 to finance water treatment plant upgrades. Both loans are at 5.25 percent for 20 years. The city undertook a water line extension project along Lake Front Drive to provide water to new users and to loop the system. The project was funded with two loans in the amounts of \$213,500 and \$90,000 both at 2.50 percent for 30 years. The city’s fifth loan was in the amount of \$500,000 loan with 100 percent principal forgiveness through ARRA. The loan was to make improvements to the raw water intake.

NEW UNDERWOOD - The city of New Underwood was awarded a \$175,500 loan to partially fund the construction of a water treatment facility to address radium and gross alpha contamination at its water source. The loan is at 3 percent for 20 years and includes \$70,200 of principal forgiveness through ARRA.

NEWELL - The city of Newell received a loan for \$829,000 to drill a new well, construct a new well house, controls, and chlorination equipment; replace old water main, and replace a water tower. The loan is at 2.25 percent for 30 years and includes \$322,750 of principal forgiveness through ARRA.

NISLAND – Nisland received a \$350,000 loan at zero percent interest for 30 years to fund the reconstruction of its water distribution system.

NORTHVILLE – Northville received \$203,460 loan to replace water meters throughout the town, replace and loop water lines, and make improvements to a service pump. The loan was at 3 percent for 20 years and included \$162,768 of principal forgiveness through ARRA.

OACOMA - Oacoma received a \$1,414,800 Drinking Water SRF loan to construct a new water reservoir and associated piping. The loan was at 3 percent for 20 years and included \$321,480 of principal forgiveness through ARRA. The loan was deobligated due to a change in project scope which prevented the city from meeting ARRA deadlines. Oacoma was subsequently awarded a loan in the amount of \$1,351,300 at 2.25 percent for 10 years for the water storage project.

PARKER – Parker’s first loan, in the amount of \$730,000 at 3.25 percent for 20 years, was used to replace cast iron water mains in various locations in the city. The city’s second loan, in the amount of \$300,000 at 3.25 percent for 20 years, funded the second phase of the water line replacement project. Parker was awarded a third loan in the amount of \$554,200 to continue replacing its water distribution system. This loan is at 3 percent for 20 years and includes \$452,100 of principal forgiveness through ARRA.

PIERRE – The city of Pierre used a \$1,094,200 loan at 3.5 percent for 15 years to fund a well field expansion. The loan funded construction of new wells, well houses, and water distribution lines. Pierre’s second drinking water loan, \$1,832,900 at 3.5 percent for 15 years, funded construction of a new storage tank to create a third pressure zone within the city.

PLATTE – Platte will replace cast iron water mains with its first drinking water loan of \$400,000 at 2.5 percent for 10 years.

RAPID CITY – Rapid City’s first drinking water loan is for \$3,500,000 at 3.5 percent for 20 years. This loan financed a new water tank and transmission main in the southwest edge of the city. Rapid City was

awarded its second loan for engineering services and the purchase of membranes at the Jackson Springs Water Treatment Plant. The loan amount is \$6,000,000 at 3 percent for 20 years.

RAPID VALLEY SANITARY DISTRICT – The Rapid Valley Sanitary District received a \$682,000 loan with 100 percent principal forgiveness through ARRA. The loan was to install a third microfiltration skid to increase plant production from 2 to 3 MGD, allowing the district to serve two small existing sanitary districts east of Rapid City.

REDFIELD – The city of Redfield received a loan in the amount of \$85,000 at an interest rate of 4.5 percent for 20 years. The loan financed the replacement of water lines located under US Hwy 212 and 281. The project involves construction of approximately 4,900 feet of pipe, service lines, and appurtenances and will replace brittle asbestos cement or cast iron pipes that are fifty to eighty years old. Redfield received a second loan, in the amount of \$342,755 at 2.5 percent for 30 years, to fund water line replacement on South Main Street and Sixth Avenue.

ROSLYN - The city of Roslyn received a \$500,000 loan with 100 percent principal forgiveness through ARRA. The loan was to replace water mains throughout the city and construct a new 50,000-gallon water storage tank.

SALEM -- Salem received a loan of \$126,921 at 3.5 percent for 10 years to fund water distribution improvements in the city. Salem's second loan, in the amount of \$348,540 at 3.25 percent for 20 years, funded water distribution system improvements in 2005. The city's third loan, in the amount of \$1,345,000 at 3.25 percent for 30 years, is for a microfiltration pretreatment system with a nanofiltration softening system in a new water treatment facility and the installation of a new well.

SCOTLAND —Scotland replaced water mains in conjunction with reconstruction of Main Street with its \$340,000 loan at 2.5 percent for 30 years.

SELBY - The city of Selby received a \$100,000 loan with 100 percent principal forgiveness through ARRA. The loan will partially fund the second phase of the city's water main replacement project.

SIoux FALLS – The city of Sioux Falls received a loan in the amount of \$7,022,000 at an interest rate of 4.5 percent for 10 years to finance central pressure zone improvements. The city's second loan allowed the city to continue with drinking water facility improvements with a loan for \$2,750,000 at 4.5 percent interest for 10 years. Its third loan, at 3.5 percent for ten years, was in the amount of \$7,930,000 for drinking water facilities improvements and water distribution line replacement. The city's fourth drinking water loan, \$5,279,000 at 3.5 percent for 10 years, funded the replacement of aging equipment and water main and the improvement of operational efficiency, maintenance space, and pressure zones. Sioux Falls' fifth drinking water loan is in the amount of \$12,749,000 at 2.5 percent for 10 years. This loan financed improvements to the water treatment plant, improvements to the West Pump Station, replacement of water mains, and upgrade of elevated finish tanks and collector wells. In 2008, Sioux Falls received three additional Drinking Water SRF loans, each at 2.5 percent for 10 years. The city's sixth loan, for \$17,848,000, is for the construction of a new backwash basin and additional filters to improve operational efficiencies in the treatment plant. The seventh loan is to upgrade a vertical well to a horizontal collector well to increase production capacity and is for \$2,200,000. The eighth loan, in the amount of \$2,705,600, will replace water mains in two areas and replace valves at several locations. Sioux Falls' ninth loan in the amount of \$3,578,750 will replace three vertical water supply wells with a new horizontal collector well and will rehabilitate an existing horizontal well. The city's tenth loan in the

amount of \$7,606,900 involves water main and valve replacement at various locations and the upgrade of a pumping station. Loans 9 and 10 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through ARRA.

SOUTH LINCOLN RWS — A \$2,000,000 loan at 3.5 percent for 20 years funded South Lincoln RWS's pipeline, well and pumping improvements. In addition, new facilities were constructed to provide connection of South Lincoln's system to the Lewis and Clark Regional Water System.

STURGIS – Sturgis received a loan for \$700,000 at 5 percent interest for 15 years. This loan financed the replacement of approximately 7,800 feet of water main in conjunction with a South Dakota Department of Transportation roadway reconstruction project. The second loan awarded to Sturgis is to upgrade the water distribution system serving the Murray Addition. The \$863,000 loan is at 2.25 percent for 10 years and includes \$86,300 of principal forgiveness through ARRA.

TEA - Tea received a loan in the amount of \$1,714,327 at 3.25 percent for 20 years for an emergency connection to the Lewis and Clark Regional Water System.

TRIPP – The city of Tripp received a loan for \$291,000 at 2.5 percent interest for 30 years to complete the city's on-going water main rehabilitation project. The project involves approximately 8,100 feet of pipe, service connections, valves, fire hydrants and appurtenances to replace 70 year old cast iron water mains.

TRIPP COUNTY WUD — Tripp County Water Users District was awarded two loans in 2003. The first loan, \$3,500,000 at 2.5 percent for 30 years, funded expansion of the TCWUD into Gregory County and absorbed the East Gregory Rural Water System. The second loan, \$148,000 at zero percent interest for 30 years, allowed the District to assume the water distribution system at Wood.

TYNDALL – Tyndall received a loan for \$300,000 at 2.5 percent interest for 10 years. This loan financed the installation of approximately 2,800 feet of water main to enhance the overall efficiency of the distribution system by looping areas of the community that are currently dead ends. Tyndall received a second loan in the amount of \$861,000 to fund connection to the B-Y Rural Water System. This loan is at 2.5 percent interest for 30 years.

VERMILLION – Vermillion received a loan for \$942,000 at 5 percent interest for 20 years. This loan was used to construct lime sludge disposal lagoons. Vermillion's second loan, \$1,510,000 at 3.5 percent interest for 20 years, funded water treatment plant improvements. Vermillion's third Drinking Water SRF loan, in the amount of \$3,772,500 at 2.5 percent for 20 years, will fund phase 3 improvements to the water treatment plant.

VIBORG - The city of Viborg's first SRF loan is to replace water distribution lines and loop lines at various locations in the city. The loan amount is \$249,775 with an interest rate of 3.25 percent and a term of 20 years.

WAGNER – Wagner received its first drinking water loan in the amount of \$750,000 at the disadvantaged rate of zero percent interest for 30 years to make improvements to its water tower and replace water lines. The city's second loan, in the amount of \$175,000 at the disadvantaged rate of zero percent interest for 30 years, replaced water utilities along North Park St. and North Street. Wagner was awarded its third loan to replace water line on South Park Street. The \$275,000 loan was at zero

percent for 30 years and included \$55,000 of principal forgiveness through ARRA. The loan was rescinded at the city's request.

WARNER - The city of Warner received a \$400,000 loan with 100 percent principal forgiveness through ARRA. The loan will partially fund improvements to the city's water storage capabilities.

WATERTOWN - Watertown's first Drinking Water SRF loan will be used to develop a new well field and expand the city water treatment plant in order to discontinue using the Lake Kampeska water source and treatment facility and replace a standpipe with a new 2,000,000-gallon standpipe. The loan is for \$23,760,000 at 3.25 percent interest and a 20-year term.

WAUBAY – The city of Waubay's first loan, in the amount of \$750,000 at the disadvantaged rate of 2.5 percent for 30 years, funded phase 1 of the city's drinking water distribution system improvements.

WEB – WEB Water Development Association, Inc. received a loan for \$1,110,000 at 5 percent interest for 15 years. The project would have allowed WEB to extend service to approximately 200 additional rural homes and farms and provide additional water service to four existing bulk users. The Board of Water and Natural Resources rescinded this loan on May 13, 1999. WEB applied for and received a \$137,450 loan at 2.5 percent interest for 30 years to improve water service in the community of Glenham by replacing the town's water distribution system. This loan was rescinded on June 27, 2003. WEB was awarded its third Drinking Water SRF loan in the amount of \$3,950,000 at 3.25 percent for 20 years to increase the capacity of its water treatment plant. The award was contingent upon a specific loan closing date, which was not met, and the application was withdrawn at WEB's request.

WEBSTER – The city of Webster received a \$330,000 loan at 3.5 percent interest for 20 years to fund replacement of cast iron water mains with PVC pipe and replacement of water services and fire hydrants. Webster's second Drinking Water SRF loan was awarded in the amount of \$387,400, including \$150,000 in principal forgiveness, at 2.25% for 10 years and funded water meter improvements.

WEST RIVER/LYMAN-JONES RURAL WATER SYSTEM – WR/LJ received a loan in the amount of \$340,000 at 2.5 percent for 30 years to fund water main replacement in the town of Reliance. WR/LJ's second loan, in the amount of \$8,000,000 at 3.25 percent for 30 years, will fund phase 1 of the construction of the north loop pipeline to provide service to Stanley and Haakon counties.

WOLSEY – Wolsey's first Drinking Water SRF loan, \$263,000 at 3.25 percent for 20 years, funded a waterline replacement project. The city's second loan, in the amount of \$162,300 at 3.25 percent for 20 years, funded water line replacement in conjunction with the SDDOT's reconstruction of Highway 14/281.

WOONSOCKET – Woonsocket was awarded its first SRF loan in the amount of \$720,000 to replace and loop of water lines primarily along Highway 34. The loan has an interest rate of 3 percent, a 30-year term and included \$416,500 of principal forgiveness through ARRA.

WORTHING – Worthing received its first loan in the amount of \$288,000 at 3.5 percent for 20 years for improvements to the city's water distribution system.

YANKTON – Yankton utilized a \$3,460,000 loan for line replacement and water treatment plant improvements to include a new disinfection system. The loan is at 3.5 percent for 20 years. The city secured a second loan in the amount of \$1,100,000 at 3.25 percent for 20 years to install a high pressure area pump station and transmission lines. Yankton’s third loan in the amount of \$3,000,000 funded 12 water main replacement projects and two water tower rehabilitation projects. The city received its fourth loan in the amount of \$2,200,000 to drill two wells on the Nebraska side of the Missouri River and construct a raw water transmission line from the wells to the existing water treatment plant on the South Dakota shore. These loans have an interest rate of 3 percent, a 20-year term and included 10 percent principal forgiveness through ARRA.

EXHIBITS I -- VIII

DRINKING WATER SRF

STATUS REPORTS

EXHIBIT I
Recipients by Population Category
Federal Fiscal Year 2010

Recipient	Fewer than 10,000	10,000 and Greater	Binding Commitment Date	Rate/ Term
Clay RWS (DW-03)	\$2,208,000		06/26/2010	3.0%/30
Dell Rapids (DW-03)	\$531,835		09/24/2010	3.0%/20
Delmont (DW-02)	\$90,000		09/24/2010	0%/0
Groton (DW-04)	\$703,000		09/24/2010	2.25%/10
Hot Springs (DW-01)	\$1,636,000		09/24/2010	3.0%/20
Hoven (DW-01)	\$750,000		09/24/2010	0%/0
Huron (DW-03)		\$1,098,900	09/24/2010	3.0%/30
Oacoma (DW-02)	\$1,351,300		08/10/2010	2.25%/10
Webster (DW-02)	\$387,400		09/24/2010	2.25%/10
TOTAL	\$7,657,535	\$1,098,900		

EXHIBIT II
Assistance Provided by Needs Categories
Federal Fiscal Year 2010

Recipient	Trans/Dist	Storage
Clay RWS (DW-03)	\$2,058,000	\$150,000
Dell Rapids (DW-03)	\$531,835	
Delmont (DW-02)	\$90,000	
Groton (DW-04)	\$450,000	\$253,000
Hot Springs (DW-01)	\$1,636,000	
Hoven (DW-01)	\$750,000	
Huron (DW-03)		\$1,098,900
Oacoma (DW-02)	\$287,000	\$1,064,300
Webster (DW-02)	\$387,400	
TOTAL	\$6,190,235	\$2,566,200

EXHIBIT III
Source of SRF Funds

Fiscal Year	Capitalization Grant Award	State Match	Leveraged Funds	Total
1997	\$12,558,800	\$2,511,760		\$15,070,560
1998	\$7,121,300	\$1,424,260		\$8,545,560
1999	\$7,463,800	\$1,492,760		\$8,956,560
2000	\$7,757,000	\$1,551,400		\$9,308,400
2001	\$7,789,100	\$1,557,820		\$9,346,920
2002	\$14,563,300	\$2,912,660		\$17,475,960
2003	\$14,471,900	\$2,894,380		\$17,366,280
2004	\$8,303,100	\$1,660,620	\$22,503,662	\$32,467,382
2005	\$8,285,500	\$1,657,100		\$9,942,600
2006	\$8,229,300	\$1,645,860	\$7,000,414	\$16,875,574
2007	\$8,229,000	\$1,645,800		\$9,874,800
2008	\$8,146,000	\$1,629,200	\$13,000,000	\$22,775,200
2009	\$8,146,000	\$1,629,200	\$18,221,624	\$27,996,824
ARRA	\$19,500,000			\$19,500,000
2010	\$13,573,000	\$2,714,600		\$15,747,600
TOTAL	\$154,137,100	\$26,927,420	\$60,725,700	\$241,790,220

EXHIBIT IV
Drinking Water SRF Disbursements
October 1, 2009 to September 30, 2010

LOAN DISBURSEMENTS
BASE PROGRAM

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
10/05/09	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10/07/09	Clay RWS (DW-02)	\$10,055.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,055.00
10/15/09	Delmont (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$42,965.00	\$42,965.00
10/15/09	Watertown (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$177,973.00	\$177,973.00
10/20/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10/20/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10/20/09	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10/21/09	Elk Point (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$86,978.00	\$86,978.00
10/21/09	Harrisburg (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$510,534.00	\$510,534.00
10/21/09	Sioux Falls (DW-06)	\$0.00	\$0.00	\$0.00	\$0.00	\$301,732.00	\$301,732.00
10/21/09	Sioux Falls (DW-07)	\$0.00	\$0.00	\$0.00	\$0.00	\$53,214.00	\$53,214.00
10/21/09	Sioux Falls (DW-08)	\$0.00	\$0.00	\$0.00	\$0.00	\$31,430.00	\$31,430.00
10/21/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$57,230.00	\$57,230.00
10/21/09	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$605,368.00	\$605,368.00
10/28/09	Redfield (DW-02)	\$2,289.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$52,289.00
10/28/09	Yankton (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$29,515.00	\$29,515.00
11/06/09	Clay RWS (DW-02)	(\$10,055.00)	\$10,055.00	\$0.00	\$0.00	\$0.00	\$0.00
11/06/09	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/06/09	Clay RWS (DW-02)	\$0.00	\$3,476.00	\$0.00	\$0.00	\$0.00	\$3,476.00
11/18/09	Watertown (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$105,370.00	\$105,370.00
11/24/09	Aurora-Brule (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/24/09	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
11/24/09	Canistota (DW-01)	\$0.00	\$0.00	\$6,375.00	\$0.00	\$0.00	\$6,375.00
11/24/09	Sioux Falls (DW-06)	\$0.00	\$0.00	\$0.00	\$0.00	\$108,229.00	\$108,229.00
11/24/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/24/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/24/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$230,567.00	\$230,567.00
11/24/09	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/24/09	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$143,471.00	\$143,471.00
12/10/09	Clay RWS (DW-02)	\$0.00	\$1,953.00	\$0.00	\$0.00	\$0.00	\$1,953.00
12/10/09	Harrisburg (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$106,949.00	\$106,949.00
12/10/09	Mid-Dakota RWS (DW-01)	\$0.00	\$230,185.00	\$0.00	\$0.00	\$0.00	\$230,185.00
12/10/09	Watertown (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$55,469.00	\$55,469.00
12/11/09	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/11/09	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/11/09	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/17/09	Elk Point (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$6,378.00	\$6,378.00
12/17/09	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$21,222.00	\$21,222.00
12/17/09	Mid-Dakota RWS (DW-01)	\$0.00	\$37,260.00	\$0.00	\$0.00	\$0.00	\$37,260.00
12/17/09	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$63,618.00	\$63,618.00
12/17/09	Rapid City (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$776,261.00	\$776,261.00
12/21/09	Arlington (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/21/09	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/23/09	Sioux Falls (DW-06)	\$0.00	\$0.00	\$0.00	\$0.00	\$1,144,454.00	\$1,144,454.00
12/23/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$133,231.00	\$133,231.00
12/28/09	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$81,952.00	\$81,952.00
12/29/09	Faulkton (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/29/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/29/09	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/29/09	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12/30/09	Elk Point (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$33,989.00	\$33,989.00
12/30/09	Harrisburg (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$221,671.00	\$221,671.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
01/04/10	Aurora-Brule (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/04/10	Elk Point (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/07/10	Clay RWS (DW-02)	\$0.00	\$878.00	\$0.00	\$0.00	\$0.00	\$878.00
01/07/10	Wolsey (DW-02)	\$0.00	\$4,067.00	\$0.00	\$0.00	\$0.00	\$4,067.00
01/11/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/13/10	Arlington (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/13/10	Selby (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/13/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/13/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/13/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/14/10	Sioux Falls (DW-06)	\$0.00	\$0.00	\$0.00	\$0.00	\$652,121.00	\$652,121.00
01/14/10	Sioux Falls (DW-08)	\$101.00	\$900.00	\$0.00	\$0.00	\$0.00	\$1,001.00
01/14/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$2,823.00	\$2,823.00
01/14/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$19,355.00	\$19,355.00
01/14/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$22,675.00	\$22,675.00
01/14/10	Watertown (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$353,110.00	\$353,110.00
01/21/10	Rapid City (DW-01)	\$78,782.00	\$300,000.00	\$0.00	\$0.00	\$0.00	\$378,782.00
01/21/10	Rapid City (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$325,176.00	\$325,176.00
01/22/10	Aurora-Brule (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
01/27/10	Mid-Dakota RWS (DW-01)	\$0.00	\$25,576.00	\$0.00	\$0.00	\$0.00	\$25,576.00
01/27/10	Sturgis (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$29,810.00	\$29,810.00
01/28/10	Sturgis (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
02/02/10	Miller (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$35,681.00	\$35,681.00
02/02/10	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$10,572.00	\$10,572.00
02/03/10	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
02/03/10	Warner (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
02/10/10	Clay RWS (DW-02)	\$0.00	\$6,981.00	\$0.00	\$0.00	\$0.00	\$6,981.00
02/10/10	Corson Village (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$4,627.00	\$4,627.00
02/10/10	Watertown (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$709,230.00	\$709,230.00
02/11/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
02/11/10	Corson Village (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
02/18/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$33,815.00	\$33,815.00
02/23/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
02/26/10	Mid-Dakota RWS (DW-01)	\$0.00	\$219,725.00	\$0.00	\$0.00	\$0.00	\$219,725.00
02/26/10	Rapid City (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$323,977.00	\$323,977.00
02/26/10	Sioux Falls (DW-06)	\$0.00	\$0.00	\$0.00	\$0.00	\$339,566.00	\$339,566.00
02/26/10	Sioux Falls (DW-08)	\$0.00	\$488.00	\$0.00	\$0.00	\$0.00	\$488.00
02/26/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$2,551.00	\$2,551.00
02/26/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$19,130.00	\$19,130.00
03/03/10	Chamberlain (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$41,145.00	\$41,145.00
03/03/10	Chamberlain (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/03/10	Corson Village (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$930.00	\$930.00
03/03/10	Corson Village (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/03/10	Mina Lake SD (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$27,702.00	\$27,702.00
03/03/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$17,217.00	\$17,217.00
03/03/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/03/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/03/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/03/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/10/10	Clay RWS (DW-02)	\$0.00	\$9,804.00	\$0.00	\$0.00	\$0.00	\$9,804.00
03/10/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$40,173.00	\$40,173.00
03/10/10	Watertown (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$777,528.00	\$777,528.00
03/11/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/11/10	Mina Lake SD (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/11/10	Mobridge (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/11/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/18/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$89,428.00	\$89,428.00
03/18/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/18/10	Mellette (DW-01)	\$1,950.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,950.00
03/18/10	Mellette (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
03/18/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$18,851.00	\$18,851.00
03/18/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/18/10	Selby (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/24/10	Canistota (DW-01)	\$0.00	\$0.00	\$2,110.00	\$0.00	\$0.00	\$2,110.00
03/24/10	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/24/10	Hanson RWS (DW-01)	\$0.00	\$46,573.00	\$0.00	\$0.00	\$0.00	\$46,573.00
03/24/10	Hanson RWS (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/24/10	Mid-Dakota RWS (DW-01)	\$0.00	\$852,624.00	\$0.00	\$0.00	\$0.00	\$852,624.00
03/24/10	Roslyn (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/24/10	Sioux Falls (DW-06)	\$0.00	\$0.00	\$0.00	\$0.00	\$315,643.00	\$315,643.00
03/24/10	Sioux Falls (DW-09)	\$3,804.00	\$20,000.00	\$0.00	\$0.00	\$0.00	\$23,804.00
03/24/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$11,070.00	\$11,070.00
03/24/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/24/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/24/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$3,694.00	\$0.00	\$0.00	\$3,694.00
03/24/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
03/24/10	Warner (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/05/10	Fall River WUD (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/05/10	Fall River WUD (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/05/10	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/05/10	Mid-Dakota RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/05/10	Yankton (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/14/10	Delmont (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$8,958.00	\$8,958.00
04/14/10	Northville (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$4,340.00	\$4,340.00
04/14/10	Sioux Falls (DW-06)	\$93,533.00	\$200,000.00	\$0.00	\$0.00	\$0.00	\$293,533.00
04/14/10	Watertown (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$1,013,357.00	\$1,013,357.00
04/14/10	Yankton (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$263,685.00	\$263,685.00
04/15/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/15/10	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/15/10	Northville (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
04/15/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/15/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/15/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/22/10	Corson Village (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/22/10	Mid-Dakota RWS (DW-01)	\$0.00	\$1,529,447.00	\$0.00	\$0.00	\$0.00	\$1,529,447.00
04/28/10	Yankton (DW-03)	\$216,416.00	\$0.00	\$0.00	\$0.00	\$0.00	\$216,416.00
04/29/10	Mellette (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/29/10	Roslyn (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
04/29/10	Yankton (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/04/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/10/10	Chamberlain (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/10/10	Elk Point (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/10/10	Fall River WUD (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/10/10	Fall River WUD (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/11/10	Watertown (DW-01)	\$791,734.00	\$800,000.00	\$0.00	\$0.00	\$0.00	\$1,591,734.00
05/20/10	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/20/10	Northville (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/20/10	Woonsocket (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/21/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/21/10	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/21/10	Rapid City (DW-02)	\$66,365.00	\$300,000.00	\$0.00	\$0.00	\$0.00	\$366,365.00
05/26/10	Miller (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$2,801.00	\$2,801.00
05/26/10	Miller (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$19,252.00	\$19,252.00
05/26/10	Sioux Falls (DW-06)	\$26,904.00	\$350,220.00	\$0.00	\$0.00	\$0.00	\$377,124.00
05/27/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/27/10	Faulkton (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/27/10	Mid-Dakota RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/27/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
05/27/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/03/10	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
06/03/10	Fall River WUD (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/09/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/09/10	Hanson RWS (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/09/10	Mina Lake SD (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/09/10	Rapid Valley San Dist (01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/09/10	Selby (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/10/10	Mid-Dakota RWS (DW-01)	\$0.00	\$513,547.00	\$0.00	\$0.00	\$0.00	\$513,547.00
06/15/10	Arlington (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/15/10	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/15/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/15/10	Roslyn (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/15/10	Warner (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/17/10	Harrisburg (DW-03)	\$245,660.00	\$0.00	\$0.00	\$0.00	\$0.00	\$245,660.00
06/17/10	Watertown (DW-01)	\$59,000.00	\$1,598,748.00	\$0.00	\$0.00	\$0.00	\$1,657,748.00
06/17/10	Watertown (DW-01)	\$4,788.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,788.00
06/21/10	Bowdle (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/22/10	Eureka (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/22/10	Faulkton (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/22/10	Lead (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/22/10	Mobridge (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/22/10	Selby (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/22/10	Yankton (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/22/10	Yankton (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/24/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/24/10	DeSmet (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/24/10	Hanson RWS (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
06/25/10	DeSmet (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$23,883.00	\$23,883.00
06/25/10	Elk Point (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$10,589.00	\$10,589.00
06/25/10	Lead (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$25,894.00	\$25,894.00
06/25/10	Miller (DW-01)	\$0.00	\$0.00	\$0.00	\$435.00	\$0.00	\$435.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
06/25/10	Yankton (DW-03)	\$4,639.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$34,639.00
06/25/10	Yankton (DW-04)	\$46,609.00	\$350,000.00	\$0.00	\$0.00	\$0.00	\$396,609.00
06/25/10	Yankton (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$1,315.00	\$1,315.00
07/02/10	Mid-Dakota RWS (DW-01)	\$0.00	\$955,016.00	\$0.00	\$0.00	\$0.00	\$955,016.00
07/02/10	Sioux Falls (DW-06)	\$829.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,829.00
07/07/10	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/07/10	Mid-Dakota RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/07/10	Mitchell (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/07/10	Mitchell (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/07/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Corson Village (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Huron (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Mellette (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/14/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/15/10	Huron (DW-02)	\$18,215.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$68,215.00
07/15/10	Sioux Falls (DW-06)	\$35,421.00	\$450,000.00	\$0.00	\$0.00	\$0.00	\$485,421.00
07/15/10	Sioux Falls (DW-08)	\$4,879.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,879.00
07/15/10	Sioux Falls (DW-10)	\$431.00	\$170,000.00	\$0.00	\$0.00	\$0.00	\$170,431.00
07/15/10	Sioux Falls (DW-10)	\$3,276.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$33,276.00
07/22/10	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/22/10	Harrisburg (DW-03)	\$13,778.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,778.00
07/22/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/22/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/22/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$18,202.00	\$18,202.00
07/22/10	Warner (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/23/10	Rapid City (DW-02)	\$21,752.00	\$200,000.00	\$0.00	\$0.00	\$0.00	\$221,752.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
07/23/10	Watertown (DW-01)	\$43,793.00	\$1,650,000.00	\$0.00	\$0.00	\$0.00	\$1,693,793.00
07/26/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/26/10	Mid-Dakota RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/26/10	Warner (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/26/10	Woonsocket (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/27/10	Elk Point (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/27/10	Elk Point (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/27/10	Eureka (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/27/10	Newell (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
07/29/10	Colonial Pine Hills (DW-02)	\$95,400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$95,400.00
07/29/10	DeSmet (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$11,731.00	\$11,731.00
07/29/10	Elk Point (DW-03)	\$0.00	\$0.00	\$2,312.00	\$0.00	\$0.00	\$2,312.00
07/29/10	Mid-Dakota RWS (DW-01)	\$0.00	\$615,844.00	\$0.00	\$0.00	\$0.00	\$615,844.00
08/04/10	Aberdeen (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/04/10	Bowdle (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/04/10	Chamberlain (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/04/10	Clay RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/04/10	Mitchell (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/06/10	Newell (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/06/10	Rapid Valley San Dist (01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/06/10	Watertown (DW-01)	\$23,753.00	\$1,200,000.00	\$0.00	\$0.00	\$0.00	\$1,223,753.00
08/10/10	Chamberlain (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/10/10	Clay RWS (DW-02)	\$0.00	\$16,288.00	\$0.00	\$0.00	\$0.00	\$16,288.00
08/10/10	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/10/10	Mitchell (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/10/10	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/10/10	Roslyn (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/10/10	Sturgis (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/12/10	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/12/10	Parker (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$27,910.00	\$27,910.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
08/12/10	Sturgis (DW-02)	\$164,616.00	\$0.00	\$0.00	\$0.00	\$0.00	\$164,616.00
08/19/10	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/19/10	Lead (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/19/10	Mid-Dakota RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/19/10	Mobridge (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/19/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/19/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/20/10	Colonial Pine Hills (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$111,211.00	\$111,211.00
08/20/10	Lead (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$61,261.00	\$61,261.00
08/23/10	Sioux Falls (DW-06)	\$95,687.00	\$300,000.00	\$0.00	\$0.00	\$0.00	\$395,687.00
08/23/10	Sioux Falls (DW-10)	\$8,695.00	\$50,000.00	\$0.00	\$0.00	\$0.00	\$58,695.00
08/26/10	Elk Point (DW-05)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/26/10	Mina Lake SD (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/26/10	Northville (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/26/10	Selby (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/26/10	Warner (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/27/10	DeSmet (DW-01)	\$69,947.00	\$0.00	\$0.00	\$0.00	\$0.00	\$69,947.00
08/27/10	Elk Point (DW-04)	\$0.00	\$0.00	\$0.00	\$0.00	\$20,455.00	\$20,455.00
08/27/10	Mid-Dakota RWS (DW-01)	\$0.00	\$882,763.00	\$0.00	\$0.00	\$0.00	\$882,763.00
08/27/10	Yankton (DW-03)	\$150,295.00	\$175,000.00	\$0.00	\$0.00	\$0.00	\$325,295.00
08/27/10	Yankton (DW-04)	\$231,718.00	\$200,000.00	\$0.00	\$0.00	\$0.00	\$431,718.00
09/03/10	Arlington (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/03/10	Chamberlain (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/03/10	Chamberlain (DW-02)	\$171,836.00	\$0.00	\$0.00	\$0.00	\$0.00	\$171,836.00
09/03/10	Clay RWS (DW-02)	\$0.00	\$71,274.00	\$0.00	\$0.00	\$0.00	\$71,274.00
09/03/10	Sturgis (DW-02)	\$95,440.00	\$0.00	\$0.00	\$0.00	\$0.00	\$95,440.00
09/09/10	Aberdeen (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/09/10	Aberdeen (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/09/10	Groton (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/09/10	Hanson RWS (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/ Earnings	Leveraged	Total Disbursement
09/15/10	Ipswich (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/15/10	Lead (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/15/10	Warner (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/16/10	DeSmet (DW-01)	\$23,055.00	\$0.00	\$0.00	\$0.00	\$0.00	\$23,055.00
09/16/10	Lead (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$9,339.00	\$9,339.00
09/20/10	Canistota (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/20/10	Mitchell (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/20/10	Newell (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/20/10	Rapid Valley San Dist (01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/20/10	Watertown (DW-01)	\$77,743.00	\$211,055.00	\$0.00	\$0.00	\$0.00	\$288,798.00
09/20/10	Watertown (DW-01)	\$67,173.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$567,173.00
09/28/10	Baltic (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/28/10	Baltic (DW-02)	\$101,199.00	\$0.00	\$0.00	\$0.00	\$0.00	\$101,199.00
09/28/10	Clay RWS (DW-03)	\$0.00	\$74,310.00	\$0.00	\$0.00	\$0.00	\$74,310.00
09/28/10	Colonial Pine Hills (DW-02)	\$40,439.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40,439.00
09/28/10	Corson Village (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/28/10	Groton (DW-03)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/28/10	Mid-Dakota RWS (DW-01)	\$0.00	\$414,077.00	\$0.00	\$0.00	\$0.00	\$414,077.00
09/28/10	Mid-Dakota RWS (DW-02)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/28/10	New Underwood (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$4,656.00	\$4,656.00
09/28/10	Newell (DW-01)	\$22,266.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,266.00
09/28/10	Roslyn (DW-01)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/28/10	Sioux Falls (DW-06)	\$187,193.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$287,193.00
09/28/10	Sioux Falls (DW-09)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/28/10	Sioux Falls (DW-10)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
09/28/10	Sioux Falls (DW-10)	\$111,977.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$211,977.00
09/28/10	Sturgis (DW-02)	\$117,224.00	\$0.00	\$0.00	\$0.00	\$0.00	\$117,224.00
09/28/10	Yankton (DW-03)	\$33,893.00	\$75,000.00	\$0.00	\$0.00	\$0.00	\$108,893.00
09/28/10	Yankton (DW-04)	\$163,658.00	\$250,000.00	\$0.00	\$0.00	\$0.00	\$413,658.00
	Total Base Program	\$3,838,155.00	\$16,283,134.00	\$14,491.00	\$435.00	\$10,992,515.00	\$31,128,730.00

**LOAN DISBURSEMENTS
ARRA PROGRAM**

Date	Borrower Name	Total Disbursement
10/05/09	Clay RWS (DW-02)	\$48,069.00
10/20/09	Sioux Falls (DW-09)	\$6,422.00
10/20/09	Sioux Falls (DW-09)	\$570.00
10/20/09	Sioux Falls (DW-10)	\$67,263.00
11/06/09	Clay RWS (DW-02)	\$16,618.00
11/24/09	Canistota (DW-01)	\$17,774.00
11/24/09	Sioux Falls (DW-09)	\$102,611.00
11/24/09	Sioux Falls (DW-09)	\$37,020.00
11/24/09	Sioux Falls (DW-10)	\$15,941.00
11/24/09	Aurora-Brule (DW-01)	\$68,781.00
12/11/09	Parker (DW-03)	\$97,087.00
12/11/09	Clay RWS (DW-02)	\$9,335.00
12/11/09	Ipswich (DW-01)	\$63,666.00
12/21/09	Arlington (DW-01)	\$28,365.00
12/21/09	Parker (DW-03)	\$186,936.00
12/29/09	Faulkton (DW-01)	\$112,097.00
12/29/09	Sioux Falls (DW-09)	\$38,170.00
12/29/09	Sioux Falls (DW-09)	\$19,044.00
12/29/09	Sioux Falls (DW-10)	\$9,106.00
01/04/10	Aurora-Brule (DW-01)	\$260,352.00
01/04/10	Elk Point (DW-05)	\$43,258.00
01/11/10	Clay RWS (DW-02)	\$4,196.00
01/13/10	Arlington (DW-01)	\$15,438.00
01/13/10	Selby (DW-01)	\$24,660.00
01/13/10	Sioux Falls (DW-09)	\$127,524.00
01/13/10	Sioux Falls (DW-09)	\$14,483.00
01/13/10	Sioux Falls (DW-10)	\$4,670.00
01/22/10	Aurora-Brule (DW-01)	\$170,867.00
01/28/10	Sturgis (DW-02)	\$3,312.00
02/03/10	Parker (DW-03)	\$47,199.00
02/03/10	Warner (DW-01)	\$53,698.00
02/11/10	Clay RWS (DW-02)	\$33,373.00
02/11/10	Corson Village (DW-01)	\$41,647.00
02/23/10	Colonial Pine Hills (DW-02)	\$11,217.00
03/03/10	Sioux Falls (DW-09)	\$204,931.00
03/03/10	Sioux Falls (DW-09)	\$23,054.00
03/03/10	Sioux Falls (DW-10)	\$2,125.00
03/03/10	Chamberlain (DW-02)	\$17,633.00
03/03/10	Corson Village (DW-01)	\$8,368.00

Date	Borrower Name	Total Disbursement
03/03/10	New Underwood (DW-01)	\$11,478.00
03/11/10	Clay RWS (DW-02)	\$46,863.00
03/11/10	Mina Lake (DW-02)	\$27,702.00
03/11/10	Mobridge (DW-05)	\$185,850.00
03/11/10	New Underwood (DW-01)	\$26,782.00
03/18/10	Colonial Pine Hills (DW-02)	\$29,667.00
03/18/10	Mellette (DW-01)	\$17,550.00
03/18/10	New Underwood (DW-01)	\$12,567.00
03/18/10	Selby (DW-01)	\$5,137.00
03/24/10	Canistota (DW-01)	\$5,883.00
03/24/10	Hanson RWS (DW-01)	\$108,670.00
03/24/10	Roslyn (DW-01)	\$51,519.00
03/24/10	Sioux Falls (DW-09)	\$103,307.00
03/24/10	Sioux Falls (DW-09)	\$15,353.00
03/24/10	Sioux Falls (DW-10)	\$411.00
03/24/10	Warner (DW-01)	\$8,827.00
04/05/10	Mid-Dakota RWS (DW-02)	\$56,790.00
04/05/10	Yankton (DW-04)	\$29,298.00
04/05/10	Fall River WUD (DW-03)	\$409,569.00
04/05/10	Fall River WUD (DW-04)	\$503,062.00
04/05/10	Ipswich (DW-01)	\$10,595.00
04/15/10	Ipswich (DW-01)	\$42,640.00
04/15/10	Northville (DW-01)	\$17,360.00
04/15/10	Sioux Falls (DW-09)	\$114,297.00
04/15/10	Sioux Falls (DW-09)	\$231,069.00
04/15/10	Sioux Falls (DW-10)	\$3,079.00
04/15/10	Clay RWS (DW-02)	\$120,835.00
04/22/10	Corson Village (DW-01)	\$9,664.00
04/29/10	Mellette (DW-01)	\$9,768.00
04/29/10	Roslyn (DW-01)	\$4,320.00
04/29/10	Yankton (DW-03)	\$24,046.00
05/04/10	Clay RWS (DW-02)	\$195,759.00
05/10/10	Fall River WUD (DW-03)	\$202,431.00
05/10/10	Fall River WUD (DW-04)	\$217,089.00
05/10/10	Elk Point (DW-05)	\$36,382.00
05/10/10	Chamberlain (DW-02)	\$10,268.00
05/20/10	Canistota (DW-01)	\$4,479.00
05/20/10	Northville (DW-01)	\$37,739.00
05/20/10	Woonsocket (DW-01)	\$49,968.00
05/21/10	Ipswich (DW-01)	\$31,024.00
05/21/10	Colonial Pine Hills (DW-02)	\$21,888.00
05/27/10	Colonial Pine Hills (DW-02)	\$68,127.00
05/27/10	Faulkton (DW-01)	\$323,216.00

Date	Borrower Name	Total Disbursement
05/27/10	Mid-Dakota RWS (DW-02)	\$172,567.00
05/27/10	Sioux Falls (DW-09)	\$179,003.00
05/27/10	Sioux Falls (DW-10)	\$7,228.00
06/03/10	Canistota (DW-01)	\$9,874.00
06/03/10	Fall River WUD (DW-04)	\$29,849.00
06/09/10	Clay RWS (DW-02)	\$144,192.00
06/09/10	Hanson RWS (DW-01)	\$189,076.00
06/09/10	Mina Lake (DW-02)	\$80,745.00
06/09/10	Rapid Valley (DW-01)	\$147,853.00
06/09/10	Selby (DW-01)	\$24,039.00
06/15/10	Arlington (DW-01)	\$28,798.00
06/15/10	Ipswich (DW-01)	\$162,361.00
06/15/10	New Underwood (DW-01)	\$5,432.00
06/15/10	Roslyn (DW-01)	\$8,998.00
06/15/10	Warner (DW-01)	\$10,327.00
06/21/10	Bowdle (DW-01)	\$72,067.00
06/22/10	Eureka (02)	\$129,259.00
06/22/10	Faulkton (DW-01)	\$64,687.00
06/22/10	Mobridge (DW-05)	\$196,617.00
06/22/10	Lead (DW-03)	\$63,791.00
06/22/10	Yankton (DW-04)	\$190,702.00
06/22/10	Selby (DW-01)	\$28,595.00
06/22/10	Yankton (DW-03)	\$112,329.00
06/24/10	Colonial Pine Hills (DW-02)	\$115,533.00
06/24/10	Hanson RWS (DW-01)	\$59,914.00
06/24/10	DeSmet (DW-01)	\$25,800.00
07/07/10	Canistota (DW-01)	\$32,056.00
07/07/10	Mid-Dakota RWS (DW-02)	\$371,076.00
07/07/10	Mitchell (DW-02)	\$354,000.00
07/07/10	Mitchell (DW-02)	\$130,172.00
07/07/10	Sioux Falls (DW-09)	\$126,797.00
07/14/10	Clay RWS (DW-02)	\$26,261.00
07/14/10	Corson Village (DW-01)	\$2,651.00
07/14/10	Huron (DW-02)	\$122,500.00
07/14/10	Ipswich (DW-01)	\$179,781.00
07/14/10	Mellette (DW-01)	\$62,440.00
07/14/10	Sioux Falls (DW-09)	\$136,754.00
07/14/10	Sioux Falls (DW-10)	\$5,101.00
07/14/10	Sioux Falls (DW-10)	\$234,101.00
07/22/10	Canistota (DW-01)	\$25,610.00
07/22/10	New Underwood (DW-01)	\$13,013.00
07/22/10	Warner (DW-01)	\$4,430.00
07/22/10	New Underwood (DW-01)	\$928.00

Date	Borrower Name	Total Disbursement
07/26/10	Woonsocket (DW-01)	\$140,209.00
07/26/10	Colonial Pine Hills (DW-02)	\$3,568.00
07/26/10	Mid-Dakota RWS (DW-02)	\$113,306.00
07/26/10	Warner (DW-01)	\$2,912.00
07/27/10	Elk Point (DW-05)	\$48,014.00
07/27/10	Newell (DW-01)	\$114,379.00
07/27/10	Eureka (02)	\$70,741.00
07/27/10	Elk Point (DW-05)	\$166,276.00
08/04/10	Mitchell (DW-02)	\$144,534.00
08/04/10	Clay RWS (DW-02)	\$54,499.00
08/04/10	Chamberlain (DW-02)	\$27,168.00
08/04/10	Bowdle (DW-01)	\$77,933.00
08/04/10	Aberdeen (DW-02)	\$152,066.00
08/06/10	Rapid Valley (DW-01)	\$275,818.00
08/06/10	Newell (DW-01)	\$121,767.00
08/10/10	Chamberlain (DW-02)	\$111,690.00
08/10/10	Ipswich (DW-01)	\$1,292.00
08/10/10	Mitchell (DW-02)	\$165,884.00
08/10/10	Roslyn (DW-01)	\$288,832.00
08/10/10	Sturgis (DW-02)	\$82,988.00
08/10/10	Parker (DW-03)	\$101,369.00
08/12/10	Parker (DW-03)	\$19,509.00
08/19/10	Canistota (DW-01)	\$44,743.00
08/19/10	Lead (DW-03)	\$8,904.00
08/19/10	Mid-Dakota RWS (DW-02)	\$111,933.00
08/19/10	Mobridge (DW-05)	\$117,533.00
08/19/10	Sioux Falls (DW-09)	\$131,303.00
08/19/10	Sioux Falls (DW-10)	\$171,727.00
08/26/10	Mina Lake (DW-02)	\$146,477.00
08/26/10	Northville (DW-01)	\$3,936.00
08/26/10	Warner (DW-01)	\$2,803.00
08/26/10	Elk Point (DW-05)	\$50,424.00
08/26/10	Selby (DW-01)	\$9,465.00
09/03/10	Arlington (DW-01)	\$27,399.00
09/03/10	Chamberlain (DW-02)	\$133,241.00
09/09/10	Aberdeen (DW-02)	\$22,934.00
09/09/10	Aberdeen (DW-02)	\$823,383.00
09/09/10	Groton (DW-03)	\$128,628.00
09/09/10	Hanson RWS (DW-01)	\$82,988.00
09/15/10	Ipswich (DW-01)	\$91,160.00
09/15/10	Warner (DW-01)	\$61,795.00
09/15/10	Lead (DW-03)	\$14,578.00
09/20/10	Canistota (DW-01)	\$90,261.00

<u>Date</u>	<u>Borrower Name</u>	<u>Total Disbursement</u>
09/20/10	Mitchell (DW-02)	\$359,312.00
09/20/10	Newell (DW-01)	\$86,604.00
09/20/10	Rapid Valley (DW-01)	\$88,654.00
09/28/10	Baltic (DW-02)	\$16,500.00
09/28/10	Corson Village (DW-01)	\$307,647.00
09/28/10	Groton (DW-03)	\$1,190.00
09/28/10	Mid-Dakota RWS (DW-02)	\$174,328.00
09/28/10	Roslyn (DW-01)	\$146,331.00
09/28/10	Sioux Falls (DW-09)	\$96,011.00
09/28/10	Sioux Falls (DW-10)	\$39,157.00
Total ARRA Program		\$15,462,618.00

SET-ASIDE DISBURSEMENTS

<u>Date</u>	<u>Payee</u>	<u>Cost of Issuance</u>	<u>Admin Federal</u>	<u>Set-Aside Federal</u>	<u>ARRA Tech Assistance</u>	<u>State Admin Restricted</u>	<u>Total Payment</u>
							\$0.00
10/15/09	Moody's	\$4,746.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,746.00
10/28/09	SD - Admin	\$0.00	\$24,700.00	\$0.00	\$0.00	\$0.00	\$24,700.00
10/28/09	SD - Tech Assist	\$0.00	\$0.00	\$11,700.00	\$0.00	\$0.00	\$11,700.00
10/28/09	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$27,500.00	\$27,500.00
11/18/09	SD - Admin	\$0.00	\$29,800.00	\$0.00	\$0.00	\$0.00	\$29,800.00
11/18/09	SD - Tech Assist	\$0.00	\$0.00	\$29,000.00	\$0.00	\$0.00	\$29,000.00
11/18/09	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$7,500.00	\$7,500.00
12/10/09	FNB	\$0.00	\$26,375.00	\$0.00	\$0.00	\$0.00	\$26,375.00
12/17/09	SD - Admin	\$0.00	\$13,400.00	\$0.00	\$0.00	\$0.00	\$13,400.00
12/17/09	SD - Tech Assist	\$0.00	\$0.00	\$18,800.00	\$0.00	\$0.00	\$18,800.00
12/17/09	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
01/26/10	SD - Admin	\$0.00	\$24,100.00	\$0.00	\$0.00	\$0.00	\$24,100.00
01/26/10	SD - Tech Assist	\$0.00	\$0.00	\$9,700.00	\$0.00	\$0.00	\$9,700.00
01/27/10	SD-ARRA Tech Asst	\$0.00	\$0.00	\$0.00	\$12,200.00	\$0.00	\$12,200.00
02/19/10	SD - Admin	\$0.00	\$23,200.00	\$0.00	\$0.00	\$0.00	\$23,200.00
02/19/10	SD - Tech Assist	\$0.00	\$0.00	\$10,800.00	\$0.00	\$0.00	\$10,800.00
02/19/10	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$7,500.00	\$7,500.00
02/19/10	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00
02/18/10	Public Financial Mgmt	\$12,261.31	\$0.00	\$0.00	\$0.00	\$0.00	\$12,261.31
03/18/10	Moody's	\$0.00	\$0.00	\$0.00	\$0.00	\$2,931.00	\$2,931.00
03/24/10	SD - Admin	\$0.00	\$32,552.00	\$0.00	\$0.00	\$0.00	\$32,552.00
03/24/10	SD - Tech Assist	\$0.00	\$0.00	\$9,700.00	\$0.00	\$0.00	\$9,700.00
03/24/10	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00	\$2,500.00
03/24/10	SD-ARRA Tech Asst	\$0.00	\$0.00	\$0.00	\$3,600.00	\$0.00	\$3,600.00
04/22/10	SD - Admin	\$0.00	\$23,700.00	\$0.00	\$0.00	\$0.00	\$23,700.00
04/22/10	SD - Tech Assist	\$0.00	\$0.00	\$14,000.00	\$0.00	\$0.00	\$14,000.00
04/22/10	SD-Planning Dist Grants	\$0.00	\$0.00	\$22,500.00	\$0.00	\$0.00	\$22,500.00

Date	Payee	Cost of Issuance	Admin Federal	Set-Aside Federal	ARRA Tech Assistance	State Admin Restricted	Total Payment
04/22/10	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00
04/22/10	SD-ARRA Tech Asst	\$0.00	\$0.00	\$0.00	\$17,500.00	\$0.00	\$17,500.00
05/19/10	SD-ARRA Tech Asst	\$0.00	\$0.00	\$0.00	\$6,100.00	\$0.00	\$6,100.00
05/20/10	SD - Admin	\$0.00	\$10,967.00	\$0.00	\$0.00	\$0.00	\$10,967.00
05/20/10	SD - Admin	\$0.00	\$29,100.00	\$0.00	\$0.00	\$0.00	\$29,100.00
05/20/10	SD - Tech Assist	\$0.00	\$0.00	\$13,620.00	\$0.00	\$0.00	\$13,620.00
05/20/10	SD - Tech Assist	\$0.00	\$0.00	\$34,600.00	\$0.00	\$0.00	\$34,600.00
05/20/10	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$37,500.00	\$37,500.00
05/20/10	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00	\$3,000.00
06/10/10	FNB	\$0.00	\$28,900.00	\$0.00	\$0.00	\$0.00	\$28,900.00
06/24/10	SD - Admin	\$0.00	\$11,800.00	\$0.00	\$0.00	\$0.00	\$11,800.00
06/24/10	SD - Tech Assist	\$0.00	\$0.00	\$20,000.00	\$0.00	\$0.00	\$20,000.00
06/24/10	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
06/24/10	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00
07/15/10	Perkins Coie	\$0.00	\$32,734.00	\$0.00	\$0.00	\$0.00	\$32,734.00
07/26/10	SD-ARRA Tech Asst	\$0.00	\$0.00	\$0.00	\$51,400.00	\$0.00	\$51,400.00
07/27/10	SD - Admin	\$0.00	\$20,700.00	\$0.00	\$0.00	\$0.00	\$20,700.00
08/23/10	SD-ARRA Tech Asst	\$0.00	\$0.00	\$0.00	\$32,200.00	\$0.00	\$32,200.00
08/27/10	SD - Admin	\$0.00	\$26,700.00	\$0.00	\$0.00	\$0.00	\$26,700.00
08/27/10	SD - Tech Assist	\$0.00	\$0.00	\$26,000.00	\$0.00	\$0.00	\$26,000.00
08/27/10	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500.00	\$2,500.00
09/15/10	Standard & Poor's	\$4,183.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,183.00
09/16/10	SD-ARRA Tech Asst	\$0.00	\$0.00	\$0.00	\$59,500.00	\$0.00	\$59,500.00
09/20/10	SD - Admin	\$0.00	\$12,000.00	\$0.00	\$0.00	\$0.00	\$12,000.00
09/20/10	SD - Tech Assist	\$0.00	\$0.00	\$12,000.00	\$0.00	\$0.00	\$12,000.00
09/20/10	SD-Planning Dist Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
09/20/10	SD-Davis Bacon	\$0.00	\$0.00	\$0.00	\$0.00	\$1,250.00	\$1,250.00
09/29/10	FNB	\$1,126.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,126.00
Total Admin/Set-Aside Disbursements		\$22,316.31	\$370,728.00	\$232,420.00	\$182,500.00	\$112,181.00	\$920,145.31

TOTAL OF ALL DWSRF DISBURSEMENTS

\$47,511,493.31

Disbursements to the State of SD reflect reimbursements for disbursements made through the state accounting system. These reimbursements are for payroll expenses, overhead costs, loan administration grants and planning grants. These reimbursements are rounded and do not reflect expenses as incurred during the year. Expenses reimbursed also may be from a prior fiscal year. See Financial Statements for expenses incurred on an accrual basis.

EXHIBIT V
Letter of Credit Analysis
Projected Federal Grant Draws vs. Actual Draws
Federal Fiscal Year 2010

Quarter	Projected Draws	Actual Loan Draws	Actual Set-Aside Draws	Difference
1st	\$1,596,000	\$1,322,239	\$153,775	\$119,986
2nd	\$1,596,000	\$3,257,187	\$125,852	(\$1,787,039)
3rd	\$1,596,000	\$10,716,360	\$210,287	(\$9,330,647)
4th	\$4,549,000	\$16,494,401	\$273,234	(\$12,218,635)
	\$9,337,000	\$31,790,187	\$763,148	(\$23,216,335)

Letter of Credit Draws
Federal Fiscal Year 2010

Draw #	Date	Loan	Admin	Tech Asst	ARRA Tech Asst	ARRA Loan	Total
7	10/05/2009	\$0	\$0	\$0	\$0	\$92,504	\$92,504
8	10/21/2009	\$0	\$0	\$0	\$0	\$74,255	\$74,255
772	10/27/2009	\$50,000	\$24,700	\$11,700	\$0	\$0	\$86,400
773	11/05/2009	\$13,531	\$0	\$0	\$0	\$0	\$13,531
9	11/09/2009	\$0	\$0	\$0	\$0	\$16,618	\$16,618
774	11/17/2009	\$0	\$29,800	\$29,000	\$0	\$0	\$58,800
10	11/25/2009	\$0	\$0	\$0	\$0	\$242,127	\$242,127
775	12/09/2009	\$232,138	\$26,375	\$0	\$0	\$0	\$258,513
11	12/11/2009	\$0	\$0	\$0	\$0	\$170,088	\$170,088
776	12/16/2009	\$37,260	\$13,400	\$18,800	\$0	\$0	\$69,460
12	12/21/2009	\$0	\$0	\$0	\$0	\$215,301	\$215,301
13	12/29/2009	\$0	\$0	\$0	\$0	\$178,417	\$178,417
14	01/05/2010	\$0	\$0	\$0	\$0	\$303,610	\$303,610
777	01/06/2010	\$4,945	\$0	\$0	\$0	\$0	\$4,945
15	01/11/2010	\$0	\$0	\$0	\$0	\$4,196	\$4,196
16	01/13/2010	\$0	\$0	\$0	\$0	\$186,775	\$186,775
778	01/13/2010	\$900	\$0	\$0	\$0	\$0	\$900
779	01/20/2010	\$300,000	\$0	\$0	\$0	\$0	\$300,000
17	01/22/2010	\$0	\$0	\$0	\$0	\$170,867	\$170,867
780	01/25/2010	\$0	\$24,100	\$9,700	\$0	\$0	\$33,800
781	01/26/2010	\$25,576	\$0	\$0	\$0	\$0	\$25,576
595	01/27/2010	\$0	\$0	\$0	\$12,200	\$0	\$12,200
18	01/28/2010	\$0	\$0	\$0	\$0	\$3,312	\$3,312
19	02/03/2010	\$0	\$0	\$0	\$0	\$100,897	\$100,897
782	02/09/2010	\$6,981	\$0	\$0	\$0	\$0	\$6,981
20	02/11/2010	\$0	\$0	\$0	\$0	\$75,020	\$75,020
783	02/18/2010	\$0	\$23,200	\$10,800	\$0	\$0	\$34,000
21	02/24/2010	\$0	\$0	\$0	\$0	\$11,217	\$11,217
784	02/25/2010	\$220,213	\$0	\$0	\$0	\$0	\$220,213
22	03/04/2010	\$0	\$0	\$0	\$0	\$267,589	\$267,589

Draw #	Date	Loan	Admin	Tech Asst	ARRA		ARRA Loan	Total
					Tech Asst			
785	03/09/2010	\$9,804	\$0	\$0	\$0		\$0	\$9,804
23	03/11/2010	\$0	\$0	\$0	\$0		\$287,197	\$287,197
24	03/18/2010	\$0	\$0	\$0	\$0		\$64,921	\$64,921
786	03/23/2010	\$919,197	\$32,552	\$9,700	\$0		\$0	\$961,449
598	03/24/2010	\$0	\$0	\$0	\$3,600		\$0	\$3,600
25	03/25/2010	\$0	\$0	\$0	\$0		\$293,970	\$293,970
26	04/06/2010	\$0	\$0	\$0	\$0		\$1,009,314	\$1,009,314
787	04/13/2010	\$200,000	\$0	\$0	\$0		\$0	\$200,000
27	04/16/2010	\$0	\$0	\$0	\$0		\$529,280	\$529,280
788	04/21/2010	\$1,529,447	\$23,700	\$14,000	\$0		\$0	\$1,567,147
599	04/22/2010	\$0	\$0	\$0	\$17,500		\$0	\$17,500
28	04/22/2010	\$0	\$0	\$0	\$0		\$9,664	\$9,664
29	04/30/2010	\$0	\$0	\$0	\$0		\$38,134	\$38,134
30	05/04/2010	\$0	\$0	\$0	\$0		\$195,759	\$195,759
789	05/10/2010	\$800,000	\$0	\$0	\$0		\$0	\$800,000
32	05/11/2010	\$0	\$0	\$0	\$0		\$466,170	\$466,170
600	05/19/2010	\$0	\$0	\$0	\$6,100		\$0	\$6,100
790	05/19/2010	\$0	\$40,067	\$48,220	\$0		\$0	\$88,287
791	05/20/2010	\$300,000	\$0	\$0	\$0		\$0	\$300,000
33	05/21/2010	\$0	\$0	\$0	\$0		\$92,186	\$92,186
34	05/21/2010	\$0	\$0	\$0	\$0		\$52,912	\$52,912
792	05/25/2010	\$350,220	\$0	\$0	\$0		\$0	\$350,220
35	05/27/2010	\$0	\$0	\$0	\$0		\$750,141	\$750,141
36	06/04/2010	\$0	\$0	\$0	\$0		\$39,723	\$39,723
794	06/09/2010	\$513,547	\$28,900	\$0	\$0		\$0	\$542,447
37	06/10/2010	\$0	\$0	\$0	\$0		\$585,905	\$585,905
38	06/15/2010	\$0	\$0	\$0	\$0		\$215,916	\$215,916
795	06/16/2010	\$1,598,748	\$0	\$0	\$0		\$0	\$1,598,748
39	06/21/2010	\$0	\$0	\$0	\$0		\$72,067	\$72,067
40	06/23/2010	\$0	\$0	\$0	\$0		\$785,980	\$785,980
796	06/23/2010	\$0	\$11,800	\$20,000	\$0		\$0	\$31,800
41	06/24/2010	\$0	\$0	\$0	\$0		\$201,247	\$201,247
797	06/24/2010	\$380,000	\$0	\$0	\$0		\$0	\$380,000
798	07/01/2010	\$1,005,016	\$0	\$0	\$0		\$0	\$1,005,016
42	07/08/2010	\$0	\$0	\$0	\$0		\$1,014,101	\$1,014,101
800	07/14/2010	\$700,000	\$32,734	\$0	\$0		\$0	\$732,734
44	07/16/2010	\$0	\$0	\$0	\$0		\$769,589	\$769,589
801	07/22/2010	\$1,850,000	\$0	\$0	\$0		\$0	\$1,850,000
45	07/23/2010	\$0	\$0	\$0	\$0		\$43,981	\$43,981
602	07/26/2010	\$0	\$0	\$0	\$51,400		\$0	\$51,400
802	07/26/2010	\$0	\$20,700	\$0	\$0		\$0	\$20,700
46	07/27/2010	\$0	\$0	\$0	\$0		\$259,995	\$259,995
47	07/28/2010	\$0	\$0	\$0	\$0		\$399,410	\$399,410
803	07/28/2010	\$615,844	\$0	\$0	\$0		\$0	\$615,844
48	08/04/2010	\$0	\$0	\$0	\$0		\$456,200	\$456,200
804	08/05/2010	\$1,216,288	\$0	\$0	\$0		\$0	\$1,216,288
49	08/09/2010	\$397,585	\$0	\$0	\$0		\$0	\$397,585
50	08/11/2010	\$0	\$0	\$0	\$0		\$752,055	\$752,055
51	08/13/2010	\$0	\$0	\$0	\$0		\$19,509	\$19,509

Draw #	Date	Loan	Admin	Tech Asst	ARRA		Total
					Tech Asst	ARRA Loan	
52	08/20/2010	\$0	\$0	\$0	\$0	\$586,143	\$586,143
805	08/20/2010	\$350,000	\$0	\$0	\$0	\$0	\$350,000
603	08/23/2010	\$0	\$0	\$0	\$32,200	\$0	\$32,200
807	08/26/2010	\$1,257,763	\$26,700	\$26,000	\$0	\$0	\$1,310,463
53	08/27/2010	\$0	\$0	\$0	\$0	\$213,105	\$213,105
808	09/02/2010	\$71,274	\$0	\$0	\$0	\$0	\$71,274
54	09/03/2010	\$0	\$0	\$0	\$0	\$160,640	\$160,640
55	09/10/2010	\$0	\$0	\$0	\$0	\$1,057,933	\$1,057,933
604	09/16/2010	\$0	\$0	\$0	\$59,500	\$0	\$59,500
56	09/16/2010	\$0	\$0	\$0	\$0	\$167,533	\$167,533
809	09/17/2010	\$711,055	\$12,000	\$12,000	\$0	\$0	\$735,055
57	09/21/2010	\$0	\$0	\$0	\$0	\$624,831	\$624,831
810	09/27/2010	\$1,013,387	\$0	\$0	\$0	\$0	\$1,013,387
58	09/28/2010	\$0	\$0	\$0	\$0	\$781,164	\$781,164
		\$16,680,719	\$370,728	\$209,920	\$182,500	\$15,109,468	\$32,553,335

EXHIBIT VI
Environmental Review and Land Purchase Information
Completed During Federal Fiscal Year 2010

Recipient	Environmental Assessment Class	Environmental Assessment Publication Date	Land Purchase w/ SRF?
Clay RWS (DW-03)	FNSI	07/15/2010	No
Delmont (DW-02)	CATEX	09/21/2010	No
Eureka (DW-02)	FNSI	10/08/2009	No
Fall River Water Users District (DW-04)	CATEX	11/03/2009	No
Hot Springs (DW-01)	CATEX	09/21/2010	No
Oacoma (DW-02)	CATEX	08/11/2010	No
Yankton (DW-04)	FNSI	01/15/2010	No

Awarded During Federal Fiscal Year 2010 and Still Pending

Recipient	Environmental Assessment Class	Land Purchase w/ SRF?
Dell Rapids (DW-03)	CATEX	No
Groton (DW-04)	CATEX	No
Hoven (DW-01)	CATEX	No
Huron (DW-03)	CATEX	No
Webster (DW-02)	CATEX	No

EXHIBIT VII
DWSRF Loan Transactions by Borrower
September 30, 2010

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Aberdeen (DW-01A)	\$9,460,000	\$0	\$5,212,008	\$1,611,628	\$2,636,364	\$0	\$9,460,000	\$0	\$1,498,685.89	\$7,961,314.11
Aberdeen (DW-01B)	\$7,024,258	\$0	\$830,686	\$953,745	\$0	\$5,239,827	\$7,024,258	\$0	\$1,094,777.11	\$5,929,480.89
Aberdeen (DW-02)	\$1,750,000	\$998,383	\$0	\$0	\$0	\$0	\$998,383	\$99,838	\$0.00	\$898,545.00
Arlington (DW-01)	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0.00	\$0.00
Aurora-Brule RWS (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Baltic (DW-01)	\$250,000	\$0	\$174,962	\$75,038	\$0	\$0	\$250,000	\$0	\$63,072.53	\$186,927.47
Baltic (DW-02)	\$165,000	\$16,500	\$0	\$101,199	\$0	\$0	\$117,699	\$11,769	\$0.00	\$105,930.00
BDM RWS (DW-01)	\$280,251	\$0	\$280,251	\$0	\$0	\$0	\$280,251	\$0	\$72,239.44	\$208,011.56
Big Stone City (DW-01)	\$570,000	\$0	\$570,000	\$0	\$0	\$0	\$570,000	\$0	\$242,032.28	\$327,967.72
Big Stone City (DW-02)	\$139,873	\$0	\$40,000	\$99,873	\$0	\$0	\$139,873	\$0	\$26,648.80	\$113,224.20
Black Hawk WUD (DW-01)	\$500,000	\$0	\$390,376	\$109,624	\$0	\$0	\$500,000	\$0	\$205,883.19	\$294,116.81
Black Hawk WUD (DW-02)	\$1,066,674	\$0	\$152,088	\$99,816	\$0	\$814,770	\$1,066,674	\$0	\$9,518.48	\$1,057,155.52
Bowdle (DW-01)	\$150,000	\$150,000	\$0	\$0	\$0	\$0	\$150,000	\$150,000	\$0.00	\$0.00
Brandon (DW-01)	\$1,877,375	\$0	\$1,877,375	\$0	\$0	\$0	\$1,877,375	\$0	\$1,169,245.96	\$708,129.04

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Britton (DW-01)	\$320,000	\$0	\$317,146	\$2,854	\$0	\$0	\$320,000	\$0	\$97,002.96	\$222,997.04
Brookings-Deuel RWS (DW-01)	\$1,002,464	\$0	\$860,281	\$0	\$142,183	\$0	\$1,002,464	\$0	\$67,776.74	\$934,687.26
Brookings-Deuel RWS (DW-02)	\$1,750,000	\$0	\$1,750,000	\$0	\$0	\$0	\$1,750,000	\$0	\$83,216.49	\$1,666,783.51
Bryant (DW-01)	\$142,000	\$0	\$133,962	\$8,038	\$0	\$0	\$142,000	\$0	\$28,781.68	\$113,218.32
Burke (DW-01)	\$115,600	\$0	\$0	\$0	\$0	\$115,600	\$115,600	\$0	\$9,474.58	\$106,125.42
Canistota (DW-01)	\$426,460	\$230,680	\$0	\$0	\$8,485	\$0	\$239,165	\$176,264	\$0.00	\$62,901.00
Canton (DW-01)	\$500,000	\$0	\$378,021	\$121,979	\$0	\$0	\$500,000	\$0	\$109,857.73	\$390,142.27
Centerville (DW-01)	\$870,000	\$0	\$174,754	\$146,573	\$548,673	\$0	\$870,000	\$0	\$108,245.12	\$761,754.88
Chamberlain (DW-01)	\$276,500	\$0	\$0	\$0	\$0	\$276,500	\$276,500	\$0	\$9,990.33	\$266,509.67
Chamberlain (DW-02)	\$1,000,000	\$300,000	\$0	\$171,836	\$0	\$41,145	\$512,981	\$153,894	\$0.00	\$359,087.00
Chancellor (DW-01)	\$205,948	\$0	\$0	\$0	\$0	\$205,948	\$205,948	\$0	\$12,800.34	\$193,147.66
Clay RWS (DW-01)	\$4,331,000	\$0	\$4,331,000	\$0	\$0	\$0	\$4,331,000	\$0	\$269,123.06	\$4,061,876.94
Clay RWS (DW-02)	\$846,300	\$700,000	\$120,709	\$0	\$0	\$0	\$820,709	\$678,890	\$0.00	\$141,819.00
Clay RWS (DW-03)	\$2,208,000	\$0	\$74,310	\$0	\$0	\$0	\$74,310	\$0	\$0.00	\$74,310.00
Clear Lake (DW-01)	\$540,637	\$0	\$540,637	\$0	\$0	\$0	\$540,637	\$0	\$130,436.99	\$410,200.01
Colonial Pine Hills SD (DW-01)	\$636,108	\$0	\$450,382	\$185,726	\$0	\$0	\$636,108	\$0	\$196,487.76	\$439,620.24
Colonial Pine Hills SD (DW-02)	\$1,003,608	\$250,000	\$0	\$135,839	\$0	\$234,454	\$620,293	\$155,073	\$0.00	\$465,220.00

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Colton (DW-01)	\$632,455	\$0	\$632,455	\$0	\$0	\$0	\$632,455	\$0	\$80,750.70	\$551,704.30
Corson Village (DW-01)	\$601,735	\$369,977	\$0	\$0	\$0	\$5,557	\$375,534	\$338,183	\$0.00	\$37,351.00
Crooks (DW-01)	\$133,510	\$0	\$133,510	\$0	\$0	\$0	\$133,510	\$0	\$22,188.78	\$111,321.22
Custer (DW-01)	\$800,000	\$0	\$508,821	\$159,437	\$131,742	\$0	\$800,000	\$0	\$204,568.21	\$595,431.79
Dakota Dunes (DW-01)	\$376,962	\$0	\$96,429	\$25,393	\$255,140	\$0	\$376,962	\$0	\$324,573.37	\$52,388.63
Dell Rapids (DW-01)	\$621,000	\$0	\$470,941	\$150,059	\$0	\$0	\$621,000	\$0	\$132,375.97	\$488,624.03
Dell Rapids (DW-02)	\$162,263	\$0	\$0	\$0	\$0	\$162,263	\$162,263	\$0	\$21,377.51	\$140,885.49
Delmont (DW-01)	\$158,461	\$0	\$0	\$0	\$0	\$158,461	\$158,461	\$0	\$2,054.82	\$156,406.18
DeSmet (DW-01)	\$258,000	\$25,800	\$0	\$93,002	\$0	\$35,614	\$154,416	\$15,441	\$0.00	\$138,975.00
Elk Point (DW-01)	\$220,000	\$0	\$189,819	\$30,181	\$0	\$0	\$220,000	\$0	\$65,214.71	\$154,785.29
Elk Point (DW-02)	\$570,000	\$0	\$0	\$0	\$0	\$570,000	\$570,000	\$0	\$85,829.00	\$484,171.00
Elk Point (DW-03)	\$218,000	\$0	\$0	\$0	\$88,902	\$25,539	\$114,441	\$0	\$7,179.17	\$107,261.83
Elk Point (DW-04)	\$564,000	\$0	\$0	\$0	\$0	\$539,449	\$539,449	\$0	\$0.00	\$539,449.00
Elk Point (DW-05)	\$1,179,500	\$344,354	\$0	\$0	\$0	\$33,989	\$378,343	\$211,872	\$0.00	\$166,471.00
Eureka (DW-01)	\$133,681	\$0	\$0	\$0	\$0	\$133,681	\$133,681	\$0	\$40,104.36	\$93,576.64
Eureka (DW-02)	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$0.00	\$0.00
Fall River WUD (DW-01)	\$759,000	\$0	\$759,000	\$0	\$0	\$0	\$759,000	\$0	\$156,285.05	\$602,714.95
Fall River WUD (DW-02)	\$260,958	\$0	\$236,894	\$24,064	\$0	\$0	\$260,958	\$0	\$46,472.04	\$214,485.96
Fall River WUD (DW-03)	\$612,000	\$612,000	\$0	\$0	\$0	\$0	\$612,000	\$612,000	\$0.00	\$0.00

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Fall River WUD (DW-04)	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$750,000	\$750,000	\$0.00	\$0.00
Faulkton (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Garretson (DW-01)	\$1,102,147	\$0	\$1,102,147	\$0	\$0	\$0	\$1,102,147	\$0	\$146,950.83	\$955,196.17
Gettysburg (DW-01)	\$565,000	\$0	\$565,000	\$0	\$0	\$0	\$565,000	\$0	\$565,000.00	\$0.00
Gregory (DW-01)	\$347,580	\$0	\$312,474	\$35,106	\$0	\$0	\$347,580	\$0	\$66,474.50	\$281,105.50
Groton (DW-01)	\$440,000	\$0	\$211,848	\$228,152	\$0	\$0	\$440,000	\$0	\$92,251.19	\$347,748.81
Groton (DW-02)	\$308,945	\$0	\$0	\$0	\$0	\$308,945	\$308,945	\$0	\$49,024.38	\$259,920.62
Groton (DW-03)	\$240,083	\$129,818	\$0	\$0	\$0	\$0	\$129,818	\$129,818	\$0.00	\$0.00
Hanson RWS (DW-01)	\$840,000	\$440,648	\$46,573	\$0	\$0	\$0	\$487,221	\$341,054	\$0.00	\$146,167.00
Harrisburg (DW-01)	\$525,000	\$0	\$504,926	\$20,074	\$0	\$0	\$525,000	\$0	\$168,399.44	\$356,600.56
Harrisburg (DW-02)	\$1,291,925	\$0	\$1,291,925	\$0	\$0	\$0	\$1,291,925	\$0	\$81,139.65	\$1,210,785.35
Harrisburg (DW-03)	\$2,090,000	\$0	\$0	\$259,438	\$0	\$1,208,630	\$1,468,068	\$0	\$0.00	\$1,468,068.00
Hartford (DW-01)	\$185,000	\$0	\$185,000	\$0	\$0	\$0	\$185,000	\$0	\$185,000.00	\$0.00
Hartford (DW-02)	\$800,957	\$0	\$429,369	\$371,588	\$0	\$0	\$800,957	\$0	\$185,081.19	\$615,875.81
Hartford (DW-03)	\$1,123,556	\$0	\$450,629	\$0	\$672,927	\$0	\$1,123,556	\$0	\$147,871.29	\$975,684.71
Hermosa (DW-01)	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$124,370.64	\$175,629.36
Hill City (DW-01)	\$402,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Humboldt (DW-01)	\$481,773	\$0	\$481,773	\$0	\$0	\$0	\$481,773	\$0	\$44,597.46	\$437,175.54

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Huron (DW-01)	\$4,000,000	\$0	\$0	\$734,473	\$3,265,527	\$0	\$4,000,000	\$0	\$906,326.78	\$3,093,673.22
Huron (DW-02)	\$619,684	\$122,500	\$50,000	\$18,215	\$0	\$0	\$190,715	\$37,761	\$0.00	\$152,954.00
Ipswich (DW-01)	\$1,245,000	\$582,519	\$0	\$0	\$0	\$21,222	\$603,741	\$452,805	\$0.00	\$150,936.00
Irene (DW-01)	\$127,126	\$0	\$127,126	\$0	\$0	\$0	\$127,126	\$0	\$127,126.00	\$0.00
Keystone (DW-01)	\$630,212	\$0	\$222,822	\$407,390	\$0	\$0	\$630,212	\$0	\$101,370.29	\$528,841.71
Kingbrook RWS (DW-01)	\$474,204	\$0	\$474,204	\$0	\$0	\$0	\$474,204	\$0	\$133,334.87	\$340,869.13
Kingbrook RWS (DW-02)	\$2,115,000	\$0	\$0	\$0	\$2,115,000	\$0	\$2,115,000	\$0	\$226,455.38	\$1,888,544.62
Kingbrook RWS (DW-03)	\$3,136,677	\$0	\$3,136,677	\$0	\$0	\$0	\$3,136,677	\$0	\$413,245.33	\$2,723,431.67
Kingbrook RWS (DW-04)	\$2,315,622	\$0	\$2,315,622	\$0	\$0	\$0	\$2,315,622	\$0	\$161,413.57	\$2,154,208.43
Lead (DW-01)	\$192,800	\$0	\$82,360	\$110,440	\$0	\$0	\$192,800	\$0	\$136,236.92	\$56,563.08
Lead (DW-02)	\$192,549	\$0	\$0	\$0	\$0	\$192,549	\$192,549	\$0	\$19,504.49	\$173,044.51
Lead (DW-03)	\$1,020,000	\$87,273	\$0	\$0	\$0	\$91,148	\$178,421	\$67,800	\$0.00	\$110,621.00
Lead-Deadwood SD (DW-01)	\$2,683,957	\$0	\$2,682,145	\$1,812	\$0	\$0	\$2,683,957	\$0	\$2,683,957.00	\$0.00
Lennox (DW-01)	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$0	\$135,220.19	\$1,864,779.81
Lincoln County RWS (DW-01)	\$1,079,170	\$0	\$1,079,170	\$0	\$0	\$0	\$1,079,170	\$0	\$226,261.06	\$852,908.94
Madison (DW-01)	\$2,372,000	\$0	\$2,372,000	\$0	\$0	\$0	\$2,372,000	\$0	\$2,372,000.00	\$0.00
Martin (DW-01)	\$917,901	\$0	\$705,896	\$212,005	\$0	\$0	\$917,901	\$0	\$105,939.25	\$811,961.75

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
McLaughlin (DW-01)	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$350,000	\$0	\$35,165.44	\$314,834.56
Mellette (DW-01)	\$271,780	\$89,758	\$0	\$1,950	\$0	\$0	\$91,708	\$82,537	\$0.00	\$9,171.00
Mid-Dakota RWS (DW-01)	\$12,000,000	\$0	\$6,276,064	\$0	\$0	\$0	\$6,276,064	\$0	\$0.00	\$6,276,064.00
Mid-Dakota RWS (DW-02)	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$0.00	\$0.00
Milbank (DW-01)	\$4,460,294	\$0	\$300,000	\$1,506,323	\$0	\$2,653,971	\$4,460,294	\$0	\$508,179.46	\$3,952,114.54
Miller (DW-01)	\$225,389	\$0	\$0	\$0	\$59,495	\$165,894	\$225,389	\$0	\$12,508.34	\$212,880.66
Mina Lake S&W Dist (DW-01)	\$255,200	\$0	\$144,947	\$110,253	\$0	\$0	\$255,200	\$0	\$96,534.17	\$158,665.83
Mina Lake S&W Dist (DW-02)	\$567,390	\$254,924	\$0	\$0	\$0	\$27,702	\$282,626	\$141,313	\$0.00	\$141,313.00
Minnehaha CWC (DW-01)	\$6,022,816	\$0	\$6,022,816	\$0	\$0	\$0	\$6,022,816	\$0	\$1,393,446.44	\$4,629,369.56
Mitchell (DW-01)	\$2,850,115	\$0	\$2,246,532	\$603,583	\$0	\$0	\$2,850,115	\$0	\$661,215.52	\$2,188,899.48
Mitchell (DW-02)	\$2,360,000	\$1,153,902	\$0	\$0	\$0	\$0	\$1,153,902	\$173,085	\$0.00	\$980,817.00
Mobridge (DW-01)	\$965,000	\$0	\$965,000	\$0	\$0	\$0	\$965,000	\$0	\$965,000.00	\$0.00
Mobridge (DW-02)	\$352,207	\$0	\$352,207	\$0	\$0	\$0	\$352,207	\$0	\$352,207.00	\$0.00
Mobridge (DW-03)	\$213,500	\$0	\$0	\$213,500	\$0	\$0	\$213,500	\$0	\$12,342.22	\$201,157.78
Mobridge (DW-04)	\$62,442	\$0	\$0	\$62,442	\$0	\$0	\$62,442	\$0	\$3,238.57	\$59,203.43
Mobridge (DW-05)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Newell (DW-01)	\$829,500	\$322,750	\$0	\$22,266	\$0	\$0	\$345,016	\$134,242	\$0.00	\$210,774.00
New Underwood (DW-01)	\$175,500	\$70,200	\$0	\$0	\$0	\$99,099	\$169,299	\$67,719	\$0.00	\$101,580.00

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Nisland (DW-01)	\$350,000	\$0	\$179,243	\$170,757	\$0	\$0	\$350,000	\$0	\$78,750.09	\$271,249.91
Northville (DW-01)	\$203,460	\$59,035	\$0	\$0	\$0	\$4,340	\$63,375	\$50,700	\$0.00	\$12,675.00
Parker (DW-01)	\$730,000	\$0	\$0	\$0	\$0	\$730,000	\$730,000	\$0	\$103,134.01	\$626,865.99
Parker (DW-02)	\$209,541	\$0	\$0	\$174,612	\$0	\$34,929	\$209,541	\$0	\$13,478.58	\$196,062.42
Parker (DW-03)	\$554,200	\$452,100	\$0	\$0	\$0	\$102,100	\$554,200	\$452,116	\$0.00	\$102,084.00
Pierre (DW-01)	\$988,188	\$0	\$857,306	\$130,882	\$0	\$0	\$988,188	\$0	\$447,974.99	\$540,213.01
Pierre (DW-02)	\$1,832,900	\$0	\$1,452,491	\$380,409	\$0	\$0	\$1,832,900	\$0	\$508,115.80	\$1,324,784.20
Platte (DW-01)	\$293,134	\$0	\$0	\$0	\$0	\$293,134	\$293,134	\$0	\$122,918.72	\$170,215.28
Rapid City (DW-01)	\$3,500,000	\$0	\$2,985,946	\$188,878	\$0	\$325,176	\$3,500,000	\$0	\$222,475.05	\$3,277,524.95
Rapid City (DW-02)	\$6,000,000	\$0	\$500,000	\$88,117	\$0	\$1,100,238	\$1,688,355	\$0	\$0.00	\$1,688,355.00
Rapid Valley SD (DW-01)	\$682,000	\$512,325	\$0	\$0	\$0	\$0	\$512,325	\$512,325	\$0.00	\$0.00
Redfield (DW-01)	\$85,000	\$0	\$0	\$85,000	\$0	\$0	\$85,000	\$0	\$33,768.71	\$51,231.29
Redfield (DW-02)	\$228,823	\$0	\$50,000	\$178,823	\$0	\$0	\$228,823	\$0	\$4,609.77	\$224,213.23
Roslyn (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Salem (DW-01)	\$118,540	\$0	\$72,120	\$46,420	\$0	\$0	\$118,540	\$0	\$66,121.63	\$52,418.37
Salem (DW-02)	\$328,966	\$0	\$0	\$328,966	\$0	\$0	\$328,966	\$0	\$40,078.87	\$288,887.13
Salem (DW-03)	\$1,345,000	\$0	\$619,706	\$184,926	\$0	\$540,368	\$1,345,000	\$0	\$33,847.96	\$1,311,152.04
Scotland (DW-01)	\$235,172	\$0	\$128,630	\$106,542	\$0	\$0	\$235,172	\$0	\$29,561.19	\$205,610.81

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Selby (DW-01)	\$100,000	\$91,896	\$0	\$0	\$0	\$0	\$91,896	\$91,896	\$0.00	\$0.00
Sioux Falls (DW-01)	\$6,496,745	\$0	\$2,617,744	\$3,879,001	\$0	\$0	\$6,496,745	\$0	\$6,496,745.00	\$0.00
Sioux Falls (DW-02)	\$2,348,168	\$0	\$2,342,067	\$6,101	\$0	\$0	\$2,348,168	\$0	\$1,659,268.09	\$688,899.91
Sioux Falls (DW-03)	\$7,930,000	\$0	\$6,596,126	\$1,333,874	\$0	\$0	\$7,930,000	\$0	\$4,645,673.35	\$3,284,326.65
Sioux Falls (DW-04)	\$279,599	\$0	\$231,200	\$48,399	\$0	\$0	\$279,599	\$0	\$141,855.08	\$137,743.92
Sioux Falls (DW-05)	\$10,828,766	\$0	\$0	\$0	\$0	\$10,828,766	\$10,828,766	\$0	\$3,666,460.37	\$7,162,305.63
Sioux Falls (DW-06)	\$12,848,000	\$0	\$1,700,147	\$537,694	\$0	\$3,865,207	\$6,103,048	\$0	\$128,742.76	\$5,974,305.24
Sioux Falls (DW-07)	\$2,200,000	\$0	\$1,179,517	\$174,180	\$26,282	\$820,021	\$2,200,000	\$0	\$97,467.58	\$2,102,532.42
Sioux Falls (DW-08)	\$2,705,600	\$0	\$1,388	\$4,980	\$0	\$2,097,115	\$2,103,483	\$0	\$185,345.76	\$1,918,137.24
Sioux Falls (DW-09)	\$3,578,750	\$1,801,345	\$20,000	\$3,804	\$0	\$458,151	\$2,283,300	\$228,330	\$0.00	\$2,054,970.00
Sioux Falls (DW-10)	\$7,606,900	\$760,690	\$350,000	\$124,379	\$3,694	\$2,741,805	\$3,980,568	\$398,056	\$0.00	\$3,582,512.00
South Lincoln RWS (DW-01)	\$2,000,000	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000	\$0	\$354,849.85	\$1,645,150.15
Sturgis (DW-01)	\$478,377	\$0	\$478,377	\$0	\$0	\$0	\$478,377	\$0	\$478,377.00	\$0.00
Sturgis (DW-02)	\$863,000	\$86,300	\$0	\$377,280	\$0	\$29,810	\$493,390	\$49,339	\$0.00	\$444,051.00
Tea (DW-01)	\$2,263,723	\$0	\$2,263,723	\$0	\$0	\$0	\$2,263,723	\$0	\$209,551.59	\$2,054,171.41
Tripp (DW-01)	\$225,656	\$0	\$210,265	\$15,391	\$0	\$0	\$225,656	\$0	\$40,185.42	\$185,470.58
Tripp County WUD (DW-01)	\$3,500,000	\$0	\$2,846,206	\$653,794	\$0	\$0	\$3,500,000	\$0	\$498,102.45	\$3,001,897.55
Tripp County WUD (DW-02)	\$131,469	\$0	\$93,183	\$38,286	\$0	\$0	\$131,469	\$0	\$25,198.34	\$106,270.66
Tyndall (DW-01)	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$275,185.84	\$24,814.16
Tyndall (DW-02)	\$861,000	\$0	\$680,115	\$180,885	\$0	\$0	\$861,000	\$0	\$107,208.65	\$753,791.35
Vermillion (DW-01)	\$795,338	\$0	\$726,511	\$0	\$68,827	\$0	\$795,338	\$0	\$310,455.30	\$484,882.70

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Vermillion (DW-02)	\$1,507,552	\$0	\$1,201,823	\$305,729	\$0	\$0	\$1,507,552	\$0	\$365,211.28	\$1,142,340.72
Vermillion (DW-03)	\$3,693,216	\$0	\$35,413	\$98,204	\$0	\$3,559,599	\$3,693,216	\$0	\$399,218.77	\$3,293,997.23
Viborg (DW-01)	\$104,491	\$0	\$0	\$0	\$24,705	\$79,786	\$104,491	\$0	\$3,775.43	\$100,715.57
Wagner (DW-01)	\$750,000	\$0	\$2,833	\$469,439	\$0	\$277,728	\$750,000	\$0	\$43,750.00	\$706,250.00
Wagner (DW-02)	\$175,000	\$0	\$0	\$175,000	\$0	\$0	\$175,000	\$0	\$14,583.30	\$160,416.70
Warner (DW-01)	\$400,000	\$144,792	\$0	\$0	\$0	\$0	\$144,792	\$144,792	\$0.00	\$0.00
Watertown (DW-01)	\$23,760,000	\$0	\$6,360,703	\$1,164,626	\$0	\$3,717,984	\$11,243,313	\$0	\$0.00	\$11,243,313.00
Waubay (DW-01)	\$750,000	\$0	\$0	\$0	\$0	\$750,000	\$750,000	\$0	\$30,064.95	\$719,935.05
Webster (DW-01)	\$318,828	\$0	\$196,325	\$122,503	\$0	\$0	\$318,828		\$87,418.04	\$231,409.96
WR/Lyman Jones (DW-01)	\$340,000	\$0	\$280,908	\$59,092	\$0	\$0	\$340,000	\$0	\$340,000.00	\$0.00
WR/Lyman Jones (DW-02)	\$7,943,023	\$0	\$7,943,023	\$0	\$0	\$0	\$7,943,023	\$0	\$7,943,023.00	\$0.00
Wolsey (DW-01)	\$227,950	\$0	\$0	\$227,950	\$0	\$0	\$227,950	\$0	\$25,122.64	\$202,827.36
Wolsey (DW-02)	\$162,300	\$0	\$4,067	\$118,118	\$0	\$35,913	\$158,098	\$0	\$0.00	\$158,098.00
Woonsocket (DW-01)	\$720,000	\$190,177	\$0	\$0	\$0	\$0	\$190,177	\$133,123	\$0.00	\$57,054.00
Worthing (DW-01)	\$288,000	\$0	\$116,579	\$171,421	\$0	\$0	\$288,000	\$0	\$58,029.77	\$229,970.23
Yankton (DW-01)	\$3,460,000	\$0	\$2,546,639	\$913,361	\$0	\$0	\$3,460,000	\$0	\$905,775.93	\$2,554,224.07
Yankton (DW-02)	\$896,975	\$0	\$449,100	\$111,732	\$0	\$336,143	\$896,975	\$0	\$40,162.36	\$856,812.64
Yankton (DW-03)	\$3,000,000	\$136,375	\$280,000	\$405,243	\$0	\$0	\$821,618	\$37,349	\$0.00	\$784,269.00

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Yankton (DW-04)	\$2,200,000	\$220,000	\$800,000	\$441,985	\$0	\$265,000	\$1,726,985	\$172,698	\$0.00	\$1,554,287.00
	\$256,570,132	\$15,757,021	\$108,823,493	\$23,451,697	\$10,047,946	\$48,705,270	\$206,785,427	\$10,552,082	\$51,620,303.28	\$144,613,041.72

EXHIBIT VIII
Projected Principal and Interest Payments
Federal Fiscal Year 2011

Borrower	Principal	Interest	Admin Surcharge	Total
Aberdeen (DW-01A)	\$386,077	\$195,444	\$78,172	\$659,693
Aberdeen (DW-01B)	\$287,545	\$145,564	\$58,221	\$491,330
Baltic (DW-01)	\$11,035	\$4,571	\$1,828	\$17,434
BDM (DW-01)	\$12,280	\$5,086	\$2,034	\$19,400
Big Stone City (DW-01)	\$21,840	\$10,225	\$2,405	\$34,470
Big Stone City (DW-02)	\$4,462	\$2,095	\$838	\$7,395
Black Hawk WUD (DW-01)	\$18,923	\$9,177	\$2,158	\$30,258
Black Hawk WUD (DW-02)	\$38,854	\$26,069	\$7,818	\$72,741
Brandon (DW-01)	\$144,622	\$24,542	\$6,543	\$175,708
Britton (DW-01)	\$14,357	\$7,618	\$2,176	\$24,152
Brookings Deuel RWS (DW-01)	\$22,330	\$23,161	\$6,946	\$52,437
Brookings Deuel RWS (DW-02)	\$38,200	\$41,318	\$12,390	\$91,908
Bryant (DW-01)	\$2,893	\$2,526	\$0	\$5,419
Burke (DW-01)	\$2,862	\$2,101	\$525	\$5,489
Canton (DW-01)	\$21,514	\$9,554	\$3,821	\$34,888
Centerville (DW-01)	\$15,700	\$14,187	\$4,254	\$34,141
Chamberlain (DW-01)	\$10,319	\$6,567	\$1,969	\$18,856
Chancellor (DW-01)	\$4,551	\$4,787	\$1,435	\$10,773
Clay RWS (DW-01)	\$95,697	\$100,665	\$30,188	\$226,550
Clear Lake (DW-01)	\$11,367	\$9,145	\$0	\$20,512
Colonial Pine Hills (DW-01)	\$21,863	\$8,107	\$3,243	\$33,212
Colton (DW-01)	\$14,959	\$13,654	\$5,461	\$34,073
Crooks (DW-01)	\$5,859	\$2,729	\$818	\$9,406
Custer (DW-01)	\$35,400	\$14,483	\$5,793	\$55,676
Dakota Dunes (DW-01)	\$25,628	\$1,071	\$428	\$27,128
Dell Rapids (DW-01)	\$26,355	\$11,971	\$4,788	\$43,113
Dell Rapids (DW-02)	\$6,566	\$3,461	\$1,038	\$11,065
Delmont (DW-01)	\$3,679	\$3,101	\$775	\$7,554
Elk Point (DW-01)	\$10,055	\$3,776	\$1,510	\$15,342
Elk Point (DW-02)	\$23,476	\$11,887	\$3,565	\$38,927
Elk Point (DW-03)	\$4,366	\$2,583	\$775	\$7,724
Elk Point (DW-04)	\$14,559	\$26,719	\$8,012	\$49,290
Eureka (DW-01)	\$13,368	\$0	\$0	\$13,368
Fall River (DW-01)	\$20,610	\$17,851	\$0	\$38,461
Fall River (DW-02)	\$7,095	\$5,296	\$0	\$12,390
Garretson (DW-01)	\$19,640	\$17,788	\$7,115	\$44,543
Gregory (DW-01)	\$7,157	\$5,226	\$0	\$12,383
Groton (DW-01)	\$18,757	\$9,175	\$2,752	\$30,683
Groton (DW-02)	\$12,859	\$6,379	\$1,913	\$21,151
Harrisburg (DW-01)	\$18,079	\$10,519	\$2,630	\$31,228
Harrisburg (DW-02)	\$49,463	\$29,812	\$8,940	\$88,215
Harrisburg (DW-03)	\$29,343	\$61,390	\$18,410	\$109,143
Hartford (DW-02)	\$27,791	\$11,375	\$4,550	\$43,716

Borrower	Principal	Interest	Admin Surcharge	Total
Hartford (DW-03)	\$33,966	\$18,085	\$5,423	\$57,474
Hermosa (DW-01)	\$11,429	\$5,156	\$1,289	\$17,873
Humboldt (DW-01)	\$14,098	\$8,110	\$2,432	\$24,641
Huron (DW-01)	\$178,471	\$75,682	\$30,271	\$284,424
Keystone (DW-01)	\$23,164	\$12,979	\$3,892	\$40,034
Kingbrook RWS (DW-01)	\$11,891	\$0	\$0	\$11,891
Kingbrook RWS (DW-02)	\$37,241	\$35,182	\$10,550	\$82,974
Kingbrook RWS (DW-03)	\$94,810	\$50,480	\$15,138	\$160,427
Kingbrook RWS (DW-04)	\$66,945	\$39,979	\$11,989	\$118,912
Lead (DW-01)	\$21,869	\$1,695	\$484	\$24,049
Lead (DW-02)	\$4,502	\$4,285	\$1,285	\$10,072
Lennox (DW-01)	\$44,550	\$46,209	\$13,857	\$104,616
Lincoln County RWS (DW-01)	\$46,003	\$20,895	\$8,357	\$75,256
Martin (DW-01)	\$23,383	\$20,081	\$0	\$43,464
McLaughlin (DW-01)	\$8,830	\$7,789	\$0	\$16,618
Milbank (DW-01)	\$114,067	\$78,191	\$19,548	\$211,806
Miller (DW-01)	\$15,492	\$3,116	\$779	\$19,387
Mina Lake San Dist (DW-01)	\$9,361	\$4,667	\$1,167	\$15,194
Minnehaha CWC (DW-01)	\$261,063	\$113,307	\$45,320	\$419,689
Mitchell (DW-01)	\$121,997	\$64,306	\$21,435	\$207,739
Mobridge (DW-03)	\$5,156	\$3,985	\$996	\$10,137
Mobridge (DW-04)	\$1,499	\$1,173	\$293	\$2,965
Nisland (DW-01)	\$8,750	\$0	\$0	\$8,750
Parker (DW-01)	\$22,256	\$11,616	\$3,484	\$37,356
Parker (DW-02)	\$6,093	\$3,639	\$1,091	\$10,823
Parker (DW-03)	\$2,829	\$9,688	\$2,905	\$15,423
Pierre (DW-01)	\$49,769	\$9,820	\$3,928	\$63,517
Pierre (DW-02)	\$112,685	\$32,071	\$12,828	\$157,585
Platte (DW-01)	\$29,238	\$3,186	\$797	\$33,221
Rapid City (DW-01)	\$138,345	\$80,652	\$32,259	\$251,256
Redfield (DW-01)	\$3,157	\$1,317	\$376	\$4,851
Redfield (DW-02)	\$3,991	\$3,343	\$836	\$8,170
Salem (DW-01)	\$12,428	\$1,195	\$478	\$14,100
Salem (DW-02)	\$13,205	\$7,100	\$2,129	\$22,434
Salem (DW-03)	\$28,082	\$32,520	\$9,752	\$70,354
Scotland (DW-01)	\$6,083	\$5,084	\$0	\$11,166
Sioux Falls (DW-02)	\$266,349	\$20,649	\$5,899	\$292,896
Sioux Falls (DW-03)	\$834,293	\$74,345	\$29,736	\$938,374
Sioux Falls (DW-04)	\$28,771	\$3,176	\$1,270	\$33,217
Sioux Falls (DW-05)	\$1,120,597	\$134,885	\$33,721	\$1,289,203
Sioux Falls (DW-06)	\$540,218	\$74,122	\$18,531	\$632,871
Sioux Falls (DW-07)	\$198,617	\$40,569	\$10,142	\$249,328
Sioux Falls (DW-08)	\$194,030	\$37,206	\$9,302	\$240,538
Sioux Falls (DW-09)	\$106,094	\$57,318	\$16,374	\$179,786
Sioux Falls (DW-10)	\$199,275	\$120,218	\$34,344	\$353,837
South Lincoln RWS (DW-01)	\$88,735	\$40,304	\$16,120	\$145,159
Tea (DW-01)	\$88,685	\$50,533	\$15,154	\$154,372
Tripp (DW-01)	\$6,135	\$4,580	\$0	\$10,714
Tripp County WUD (DW-01)	\$91,260	\$74,196	\$0	\$165,457

Borrower	Principal	Interest	Admin Surcharge	Total
Tripp County WUD (DW-02)	\$4,382	\$0	\$0	\$4,382
Tyndall (DW-01)	\$24,814	\$308	\$0	\$25,123
Tyndall (DW-02)	\$16,449	\$14,031	\$0	\$30,480
Vermillion (DW-01)	\$29,537	\$14,254	\$3,563	\$47,354
Vermillion (DW-02)	\$49,209	\$21,114	\$8,445	\$78,768
Vermillion (DW-03)	\$115,709	\$48,834	\$12,208	\$176,751
Viborg (DW-01)	\$3,900	\$2,482	\$744	\$7,126
Wagner (DW-01)	\$25,000	\$0	\$0	\$25,000
Wagner (DW-02)	\$5,833	\$0	\$0	\$5,833
Watertown (DW-01)	\$275,134	\$173,079	\$51,903	\$500,116
Waubay (DW-01)	\$17,778	\$14,266	\$3,567	\$35,611
Webster (DW-01)	\$14,320	\$5,652	\$2,261	\$22,233
Wolsey (DW-01)	\$9,094	\$4,986	\$1,495	\$15,576
Wolsey (DW-02)	\$5,712	\$3,900	\$1,169	\$10,781
Worthing (DW-01)	\$9,262	\$4,254	\$1,702	\$15,218
Yankton (DW-01)	118,027.97	\$47,159	\$18,862	\$184,050
Yankton (DW-02)	\$25,223	\$14,772	\$5,909	\$45,904
Total FFY 2011	\$7,681,494	\$2,840,527	\$874,029	\$11,396,050

EXHIBITS IX -- XI

DRINKING WATER SRF

FINANCIAL STATEMENTS
(Unaudited)

EXHIBIT IX
DENR Drinking Water State Revolving Fund
Statement of Net Assets
6/30/2010

	SETASIDES			ADMIN SURCHARGE	LOANS	TOTAL
	STATE ADMIN	TECHNICAL ASSISTANCE	LOCAL ASSISTANCE			
Assets						
Current Assets:						
Cash and Cash Equivalents	(\$26,531.19)	(\$51,480.44)	\$0.00	(\$78,011.63)	\$5,824,608.40	\$35,748,267.04
Restricted Cash and Cash Equivalents						\$526,381.48
Due from Federal Government	\$150,800.83	\$154,677.27	\$0.00	\$305,478.10		\$305,478.10
Due from Other Governments				\$0.00	\$167,308.90	\$167,308.90
Deferred Charges	\$9,981.24			\$9,981.24		\$31,939.46
Accrued Interest Receivable	\$0.00			\$0.00	\$37.92	\$1,299,017.15
Loans Receivable				\$0.00		\$11,003,289.08
Total Current Assets	\$134,250.88	\$103,196.83	\$0.00	\$237,447.71	\$0.00	\$5,991,955.22
Noncurrent Assets:						
Investments						\$35,103,975.11
Restricted Investments						\$419,250.00
Deferred Charges	\$69,075.71			\$69,075.71		\$428,883.23
Loans Receivable						\$124,535,864.04
Total Assets	\$203,326.59	\$103,196.83	\$0.00	\$306,523.42	\$5,991,955.22	\$203,350,269.82
Liabilities						
Current Liabilities:						
Accounts Payable	\$70,307.46	\$103,196.83	\$0.00	\$173,504.29	\$5,500.00	\$179,004.29
Accrued Liabilities	\$11,179.78			\$11,179.78		\$11,179.78
Compensated Absences Payable	\$25,641.87			\$25,641.87		\$25,641.87
Accrued Interest Payable				\$0.00		\$913,356.92
Notes Payable						\$18,000,000.00
Bonds Payable - net of unamortized premium and discount	(\$5,080.55)			(\$5,080.55)		\$2,543,901.32
Total Current Liabilities	\$102,048.56	\$103,196.83	\$0.00	\$205,245.39	\$5,500.00	\$21,457,258.24
Noncurrent Liabilities:						
Compensated Absences Payable	\$22,968.31			\$22,968.31		\$22,968.31

	SETASIDES				ADMIN SURCHARGE	LOANS	TOTAL
	STATE ADMIN	TECHNICAL ASSISTANCE	LOCAL ASSISTANCE	TOTAL SETASIDES			
Bonds Payable - net of unamortized premium and discount	(\$35,160.19)			(\$35,160.19)		\$54,960,990.01	\$54,925,829.82
Total Liabilities	\$89,856.68	\$103,196.83	\$0.00	\$ 193,053.51	\$ 5,500.00	\$ 76,418,248.25	\$ 76,616,801.76
Net Assets							
Restricted				\$0.00		\$945,631.48	\$945,631.48
Unrestricted	\$113,469.91	\$0.00	\$0.00	\$113,469.91	\$5,986,455.22	\$125,986,390.09	\$132,086,315.22
Total Net Assets	\$ 113,469.91	\$0.00	\$0.00	\$ 113,469.91	\$ 5,986,455.22	\$ 126,932,021.57	\$ 133,031,946.70

The notes to the financial statements are an integral part of this statement.

EXHIBIT X
DENR Drinking Water State Revolving Fund
Statement Of Revenues, Expenses, And Changes In Fund Net Assets
For the Fiscal Year Ended June 30, 2010

	SETASIDES				ADMIN SURCHARGE	LOANS	TOTAL
	STATE ADMIN	TECHNICAL ASSISTANCE	LOCAL ASSISTANCE	TOTAL SETASIDES			
Operating Revenues:							
Loan Interest Income				\$0.00		\$2,847,119.96	\$2,847,119.96
Federal Capitalization Grants	\$345,122.89	\$365,974.99	\$0.00	\$711,097.88		\$15,845,754.00	\$16,556,851.88
Other Income				\$0.00	\$886,286.39		\$886,286.39
Bond Premium				\$0.00	\$0.00	\$264,240.00	\$264,240.00
Total Operating Revenue	\$345,122.89	\$365,974.99	\$0.00	\$711,097.88	\$886,286.39	\$18,957,113.96	\$20,554,498.23
Operating Expenses:							
Administrative Expenses							
Personal Services	\$172,139.63			\$172,139.63			\$172,139.63
Employee Benefits	\$47,131.50			\$47,131.50			\$47,131.50
Travel	\$12,219.34			\$12,219.34			\$12,219.34
Contractual	\$93,095.09	\$287,274.99		\$380,370.08	\$150,750.00		\$531,120.08
Supplies	\$1,008.24			\$1,008.24			\$1,008.24
Grants		\$78,700.00		\$78,700.00			\$78,700.00
Grants ARRA						\$1,862,000.00	\$1,862,000.00
Other	\$571.50			\$571.50			\$571.50
Total Administrative Expenses	\$326,165.30	\$365,974.99	\$0.00	\$692,140.29	\$150,750.00	\$1,862,000.00	2,704,890.29
Interest Expense	\$5,080.55			\$5,080.55		\$2,232,089.56	\$2,237,170.11
Servicer Expense						\$35,703.13	\$35,703.13
Bond Issuance Expense	\$9,981.24			\$9,981.24		\$78,305.68	\$88,286.92
Total Operating Expenses	\$341,227.09	\$365,974.99	\$0.00	\$707,202.08	\$150,750.00	\$4,208,098.37	5,066,050.45
Operating Income (Loss)	3,895.80	-		3,895.80	735,536.39	14,749,015.59	15,488,447.78
Nonoperating Revenue (Expenses):							
Investment Income	\$0.07			\$0.07	\$13,709.26	\$1,667,345.35	\$1,681,054.68

	SETASIDES				ADMIN SURCHARGE	LOANS	TOTAL
	STATE ADMIN	TECHNICAL ASSISTANCE	LOCAL ASSISTANCE	TOTAL SETASIDES			
Income (Loss) Before Transfers	\$ 3,895.87	-	\$0.00	\$ 3,895.87	\$ 749,245.65	\$ 16,416,360.94	\$ 17,169,502.46
Transfers:							
Transfer In				\$0.00			\$0.00
Transfer Out	(\$29,388.59)			(\$29,388.59)			(\$29,388.59)
Change in Net Assets	(25,492.72)	-	0.00	(25,492.72)	749,245.65	16,416,360.94	17,140,113.87
Net Assets at Beginning of Year	\$138,962.63	\$0.00	0.00	\$138,962.63	\$5,237,209.57	\$110,515,660.63	\$115,891,832.83
Net Assets at End of Year	<u>\$113,469.91</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$113,469.91</u>	<u>\$5,986,455.22</u>	<u>\$126,932,021.57</u>	<u>\$133,031,946.70</u>

* This was actually a refund from a vendor of an overpayment we made last year. The South Dakota Department of Legislative Audit recommended that we just credit the expenses this year instead of doing a prior year correction, since it was immaterial.

The notes to the financial statements are an integral part of this statement.

EXHIBIT XI
DENR Drinking Water State Revolving Fund
Statement Of Cash Flows
For the Fiscal Year Ended June 30, 2010

	SETASIDES				ADMIN SURCHARGE	LOANS	TOTAL
	STATE ADMIN	TECHNICAL ASSISTANCE	LOCAL ASSISTANCE	TOTAL SETASIDES			
Cash Flows from Operating Activities:							
Receipts for Loan Repayments						\$11,140,084.52	\$11,140,084.52
Receipts for Interest Income on Loans						\$2,694,345.47	\$2,694,345.47
Receipts for Surcharge Interest on Loans					\$846,998.03		\$846,998.03
Receipts for Administering Program	\$353,094.00	\$240,720.00	\$0.00	\$593,814.00		\$15,845,754.00	\$16,439,568.00
Receipts for BAN's Premium						\$264,240.00	\$264,240.00
Payments to Loan Recipients						(\$31,737,550.00)	(\$31,737,550.00)
Servicing Payments						(\$35,703.13)	(\$35,703.13)
Ban's Issuance Costs Paid						(\$46,366.22)	(\$46,366.22)
Payments for Employee Services	(\$214,102.85)			(\$214,102.85)			(\$214,102.85)
Payments for Contractual Services	(\$87,481.20)	(\$225,421.91)		(\$312,903.11)	(\$212,750.00)		(\$525,653.11)
Payments for Grants (ARRA)						(\$1,862,000.00)	(\$1,862,000.00)
Other Payments	(\$12,750.52)	(\$66,700.00)		(\$79,450.52)			(\$79,450.52)
Net Cash Provided (Used) by Operating Activities	38,759.43	(51,401.91)	-	(12,642.48)	634,248.03	(3,737,195.36)	(3,115,589.81)
Cash Flows from Noncapital Financing Activities:							
BAN's Receipts						\$18,000,000.00	\$18,000,000.00
Transfers Out	(\$29,388.59)			(\$29,388.59)			(\$29,388.59)
Principal Payments on Bonds						(\$1,815,000.00)	(\$1,815,000.00)
Interest Payments on Bonds and Notes						(\$2,249,410.31)	(\$2,249,410.31)
Net Cash Provided (Used) by Noncapital Financing Activities	(29,388.59)	-		(29,388.59)	-	13,935,589.69	13,906,201.10
Cash Flows from Investing Activities:							
Interest on Investments	\$0.08			\$0.08	\$15,767.60	\$1,538,989.12	\$1,554,756.80
Proceeds from Sale of Investment Securities						\$3,447,954.13	\$3,447,954.13
Purchase of Investment Securities						(\$9,830,910.76)	(\$9,830,910.76)
Net Cash Provided (Used) by Investing Activities	\$0.08	\$0.00	\$0.00	\$0.08	\$15,767.60	(\$4,843,967.51)	(\$4,828,199.83)
Net Increase (Decrease) in Cash and Cash Equivalents	9,370.92	(51,401.91)	0.00	(42,030.99)	650,015.63	5,354,426.82	5,962,411.46

	SETASIDES			ADMIN SURCHARGE	LOANS	TOTAL	
	STATE ADMIN	TECHNICAL ASSISTANCE	LOCAL ASSISTANCE				TOTAL SETASIDES
Cash and Cash Equivalents at Beginning of Year	(\$35,902.11)	(\$78.53)	0.00	(\$35,980.64)	\$5,174,592.77	\$25,173,624.93	\$30,312,237.06
Cash and Cash Equivalents at End of Year	\$ (26,531.19)	\$ (51,480.44)	0.00	\$ (78,011.63)	\$ 5,824,608.40	\$ 30,528,051.75	\$ 36,274,648.52
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities							
Operating Income (Loss)	\$ 3,895.80	\$ -		\$ 3,895.80	\$ 735,536.39	\$ 14,749,015.59	\$ 15,488,447.78
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities:							
Interest Expense	5,080.55			5,080.55		\$2,232,089.56	2,237,170.11
Amortization of Bond Issuance Cost	\$9,981.24			9,981.24		31,939.46	\$41,920.70
Assets: (Increase)/Decrease							
Loans Receivable						(\$20,597,465.48)	(\$20,597,465.48)
Accrued Interest Receivable on Loans						(\$152,774.49)	(\$152,774.49)
Due from Federal Government	\$7,971.11	(\$125,254.99)		(\$117,283.88)			(\$117,283.88)
Due from Other Governments					(\$39,288.36)		(\$39,288.36)
Liabilities: Increase/(Decrease)							
Accounts Payable	\$6,662.45	\$73,853.08		\$80,515.53	(\$62,000.00)		\$18,515.53
Accrued Employee Benefits	\$6,007.14			\$6,007.14			\$6,007.14
Accrued Liabilities	(\$838.86)			(\$838.86)			(\$838.86)
Total Adjustments	34,863.63	(51,401.91)	-	(16,538.28)	(101,288.36)	(18,486,210.95)	(18,604,037.59)
Net Cash Provided by Operations	\$ 38,759.43	\$ (51,401.91)	\$ -	\$ (12,642.48)	\$ 634,248.03	\$ (3,737,195.36)	\$ (3,115,589.81)

The notes to the financial statements are an integral part of this statement.

**SOUTH DAKOTA BOARD OF WATER
AND NATURAL RESOURCES
DRINKING WATER STATE REVOLVING FUND
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Authorizing Legislation

The Drinking Water State Revolving Fund (DWSRF) Loan Program was federally authorized by the Safe Drinking Water Act Amendments of 1996. The state authorized the loan program in 1994 in anticipation of federal action. The Environmental Protection Agency (EPA) developed final guidance for the Drinking Water State Revolving Fund on February 28, 1997. The South Dakota Conservancy District, acting in its capacity as the Board of Water and Natural Resources, conducted a public hearing on April 15, 1997 to adopt formal administrative rules for the program. The Department of Environment and Natural Resources performs all of the functions of the South Dakota Conservancy District, except for quasi-legislative, quasi-judicial, advisory, and special budgetary functions, which are performed by the District acting in its capacity as the Board of Water and Natural Resources. The DWSRF is a low interest loan program to finance drinking water projects. Funds are provided to the states in the form of capitalization grants awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1. The Drinking Water State Revolving Fund is a part of the State of South Dakota and, as such, the accompanying financial statements are included in the Comprehensive Annual Financial Report of the State of South Dakota.

B. Fund Accounting

The DWSRF is accounted for as an enterprise fund. An enterprise fund is a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

C. Basis of Accounting

The DWSRF follows the accrual basis of accounting. This method of accounting recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows. The DWSRF follows all Governmental Accounting Standards Board (GASB) pronouncements and those Financial Accounting Standards Boards Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins that were issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

D. Cash and Cash Equivalents

For purposes of the accompanying statement of net assets and statement of cash flows all highly liquid investments with original maturities of 90 days or less are considered to cash equivalents.

E. Investments

Investments are reported at fair value. Unrealized gains and losses due to fluctuations in market value are included in investment income.

F. Deferred Charges

Issuance costs, discounts, and premiums on bonds are amortized using the straight line method over the life of the bonds to which they relate.

G. Reserves

The bond indentures provide that certain reserve accounts be established. The reserves as of June 30, 2010 consist of an Investment Agreement at 5.07% with AIG Matched Funding Corp due August 1, 2025 totaling \$419,250. The reserves are reported as restricted assets in the financial statements.

In addition, \$526,381 is invested in a Money Market Fund described in note 2 below.

H. Restricted Resources

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

I. Revenue and Expense Recognition

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering items in connection with an enterprise fund's principal ongoing operations. The DWSRF records all revenues derived from interest on loans, and federal capitalization grants as operating revenues since these revenues are generated from the DWSRF's daily operations needed to carry out its purpose. Operating expenses include interest expense on bonds, grants and subsidies, and contractual service expenses related to the administration of the DWSRF program.

J. Federal Capitalization Grant

Federal capitalization grants reported as operating income in the statement of revenues, expenses, and changes in fund net assets is a federally funded loan program. Information about the program is as follows:

CFDA Number:	66.468
Federal Agency:	Water Management Division
Program:	Drinking Water State Revolving Fund
State Agency:	Environment & Natural Resources
Expenditures:	\$136,172,067
Outstanding Loans:	\$135,539,153
Current Year	
Administrative Expense:	\$632,914
Loan Disbursement:	\$31,737,550

2. CASH AND INVESTMENTS

Cash and Cash Equivalents consisted of a Goldman Sachs Financial Square Treasury Obligation Fund (mutual fund). It was rated "AAAm" by Standard and Poor's Rating Group. The fund paid .04% for the period 7/01/2009 – 8/31/2009, .03% for the month of September 2009, and .01% for the period 10/01/2009 – 6/30/2010. A Money Market Taxable of Trust Institutional Now Account held since the previous year was sold on 12/30/2009. The fund paid a constant 0.5%. This fund was not rated, but it is FDIC insured.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Drinking Water State Revolving Fund's investments may not be returned. At June 30, 2010, \$35,523,225 of guaranteed investment contracts were uninsured and unregistered, with the securities held by its trust department, but not in the DWSRF's name.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The maturities of the investments are listed below.

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Guaranteed Investment Contract	8/01/2025	\$30,315,283
Guaranteed Investment Contract	8/01/2026	<u>\$5,207,942</u>
		\$35,523,225

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the DWSRF. The South Dakota State Revolving Fund Master Trust Indenture requires any investment agreement to be with a guarantor whose long-term rating category is no lower than the two highest long-term rating categories. The investment is rated by Moody's Investors Service.

<u>Moody's Rating</u>	<u>Fair Value</u>
A3	\$35,523,225

This guarantor's rating is below the acceptable rating category (i.e., below Moody's Aa3). This investment has been fully collateralized with government securities in accordance with the provisions of Guaranteed Investment Contracts. These fully collateralized investments have a fair value that equates to contract value.

3. LOANS RECEIVABLE

Loans receivable consists of loans made to local governments through a loan agreement. In order for a local government to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Loans made from the DWSRF may be made at or below market interest rates and shall be fully amortized within twenty years, unless the loan is to a Disadvantaged Community, in which case the loan must be amortized within 30 years. Interest rates are reduced for those loans with shorter amortization periods.

4. LONG-TERM DEBT

Revenue Bonds

The bond issues outstanding as of June 30, 2010 are as follows:

<u>Issue</u>	<u>Interest Rate</u>	<u>Maturity Through</u>	<u>Principal Balance</u>
Series 1998A			
Serial Bonds	4.5%-4.9%	2012	\$ 990,000.00
Term Bonds	5.00%	2019	2,960,000.00
Series 2001			
Serial Bonds	4%-5%	2014	1,230,000.00
Term Bonds	5.00%	2022	2,700,000.00
Series 2004			
Leveraged Serial Bonds	3.0%-5.25%	2025	19,060,000.00
St. Match Serial Bonds	3.25%-5.0%	2025	4,235,000.00
Series 2005			
Leveraged Serial Bonds	3.25%-5.0%	2026	6,115,000.00
St. Match Serial Bonds	3.25%-5.0%	2026	1,465,000.00

Issue	Interest Rate	Maturity Through	Principal Balance
Series 2008			
Leveraged Term Bonds	2.35%(a)	2029	13,110,000.00
St. Match Term Bonds	2.35%(a)	2029	<u>4,930,000.00</u>
Total			56,795,000.00
Less: Unamortized Original Issue Discount			(60,241.00)
Add: Unamortized Premium			<u>729,892.00</u>
Total Net of Amortization			<u>\$ 57,464,651.00</u>

a) Variable rates are adjusted at any favorable interval. The rate is determined and reset by Wachovia Bank, National Association as Remarketing Agent.

The initial rate was set in March 2008 at 2.35%

For the period 8/1/2008 – 1/31/2009 the rate was 1.9%

For the period 2/12/2009 – 7/31/2009 the rate was 1.0%

For the period 8/1/2008 – 1/31/2010 the rate was .70%

For the period 2/1/2010 – 7/31/2010 the rate was .34%

Future bond payments and future interest payments remaining as of June 30, 2010 are as follows:

Year Ended June 30,	Principal	Interest	Total Principal and Interest
2011	2,495,000	2,534,065	5,029,065
2012	2,595,000	2,431,941	5,026,941
2013	2,720,000	2,322,188	5,042,188
2014	2,830,000	2,206,145	5,036,145
2015	2,945,000	2,083,676	5,028,676
2016-2020	16,715,000	8,221,577	24,936,577
2021-2025	17,400,000	4,075,581	21,475,581
2026-2030	<u>9,095,000</u>	<u>725,403</u>	<u>9,820,403</u>
TOTAL	<u>\$56,795,000</u>	<u>\$ 24,600,576</u>	<u>\$81,395,576</u>

Interest for the Series 2008 bond issue is a variable rate, so the future bond interest payments are an estimate due to the fact that we do not know what the future 2008 interest payments will be.

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$59,323,471	\$6,858	\$1,865,678	\$57,464,651	\$ 2,538,821
Compensated Absences	<u>42,603</u>	<u>13,591</u>	<u>7,584</u>	<u>48,610</u>	<u>25,642</u>
Long-Term Liabilities	<u>\$59,366,074</u>	<u>\$20,449</u>	<u>\$1,873,262</u>	<u>\$57,513,261</u>	<u>\$ 2,564,463</u>

5. BOND ANTICIPATION NOTES (BANS)

Bond Anticipation Notes (BANS) with a par amount of \$18 million were issued with a closing date of 8/26/2009. They were sold at a premium of \$264,240 making the total BANS proceeds equal \$18,264,240. The maturity date on the BANS was 9/30/2010 with an interest rate of 2.0%.

6. COMMITMENTS

As of June 30, 2010, the DWSRF had loan commitments with political subdivisions worth \$66,288,335.

7. RETIREMENT PLAN

The Department of Environment and Natural Resources participates in the South Dakota Retirement System (SDRS), a cost-sharing, multiple-employer defined benefit pension plan established to provide retirement, disability, and survivor benefits for employees of the State and its political subdivisions. Authority for establishing, administering and amending plan provisions is found in SDCL 3-12. The SDRS issues a publicly available financial report that includes financial statements, footnote disclosures, and required supplementary information. That report may be obtained by writing to the SDRS, P.O. Box 1098, Pierre, SD 57501-1098 or by calling (605) 773-3731.

Employees are required by state statute to contribute 6 percent of their salary to the plan. State statute also requires the employer to contribute an amount equal to the employee's contribution. The right to receive retirement benefits vests after three years of credited service. The DWSRF contributions to the SDRS for the fiscal years ended June 30, 2010, 2009, and 2008, were \$11,979.46, \$10,322.14, and \$11,075.87, respectively, equal to the required contributions each year.

8. ANNUAL AND SICK LEAVE ACCRUAL

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2010, a liability existed for accumulated annual leave calculated at the employee's June 30, 2010 pay rate in the amount of \$21,109. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee's annual compensation. At June 30, 2010, a liability existed for accumulated sick leave, calculated at each employee's June 30, 2010, pay rate in the amount of \$27,501. The total leave liability of \$48,610 at June 30, 2010 is shown as a liability on the balance sheet.

9. PUBLIC ENTITY POOL FOR LIABILITY

The Department of Environment and Natural Resources is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department is uninsured for property loss. The Department participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating entities. The risk management programs include; 1) coverage for risks associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Workers' Compensation Fund, and, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

10. SUBSEQUENT EVENTS

The Conservancy District issued State Revolving Fund Program Bond Anticipation Notes Series 2010 through a competitive sale process in September 2010. Proceeds of the Series 2010 Bond Anticipation Notes, together with other available funds, were used to pay the redemption price of the \$18 million 2009 Bond Anticipation Notes on 9/10/2010. The closing date for the 2010 BANS was 9/8/2010 with a maturity date of 9/30/2011.

ADDENDUM A
FEDERAL FISCAL YEAR 2011
INTENDED USE PLAN

**SOUTH DAKOTA
DRINKING WATER STATE REVOLVING FUND
FISCAL YEAR 2011 INTENDED USE PLAN**

INTRODUCTION

The Safe Drinking Water Act Amendments of 1996 and South Dakota Codified Law 46A-1-60.1 to 46A-1-60.3, inclusive, authorize the South Dakota Drinking Water State Revolving Fund (SRF) program. Program rules are established in Administrative Rules of South Dakota chapter 74:05:11.

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for the federal fiscal year 2011 as required under Section 1452(b) of the Safe Drinking Water Act and ARSD 74:05:11:03. The IUP describes how the state intends to use the Drinking Water SRF to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health. A public hearing was held on November 30, 2010, to review the 2011 Intended Use Plan and receive comments. The IUP reflects the results of this review.

The IUP includes the following:

- Priority list of projects;
- Short- and long-term goals;
- Criteria and method of fund distribution;
- Funds transferred between the Drinking Water SRF and the Clean Water SRF;
- Financial status;
- Description and amount of non-Drinking Water SRF (set-aside) activities; and

- Disadvantaged community subsidies.

PRIORITY LIST OF PROJECTS

A project must be on the project priority list, Attachment I, to be eligible for a loan. This list was developed from the State Water Plan and includes projects that did not designate Drinking Water SRF loans as a funding source.

Projects may be added to the project priority list at any meeting of the Board of Water and Natural Resources if the action is included on the agenda at the time it is posted.

Priority ratings are based on the project priority system established in ARSD 74:05:11:06 and 74:05:11:06.01. The general objective of the priority system is to assure projects that address compliance or health concerns, meet certain affordability criteria, or regionalize facilities receive priority for funding.

GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

The long-term goals of the Drinking Water SRF are to fully capitalize the fund, ensure that the state's drinking water supplies remain safe and affordable, ensure that systems are operated and maintained, and promote economic well-being.

The specific long-term objectives of the program are:

1. To maintain a permanent, self-sustaining SRF program that will serve in perpetuity as a financing source for drinking water projects and source water quality protection measures. This will necessitate that the amount of capitalization grant funds for non-Drinking Water SRF activities are reviewed annually to assure adequate cash flow to maintain the fund.
2. To fulfill the requirements of pertinent federal, state, and local laws and regulations governing safe drinking water activities, while providing the state and local project sponsors with maximum flexibility and decision making authority regarding such activities.
5. To ensure the financial integrity of the Drinking Water SRF program through the review of the financial impacts of the set-asides and disadvantaged subsidies and individual loan applications and the ability for repayment.
6. To obtain maximum capitalization of the funds for the state in the shortest time possible while taking advantage of the provisions for disadvantaged communities and supporting the non-Drinking Water SRF activities.

The short-term goal of the SRF is to fully capitalize the fund.

The specific short-term objectives of the program are:

1. To assist systems in replacing aging infrastructure.
2. To assist systems in maintaining and upgrading its water treatment capabilities to ensure compliance with the Safe Drinking Water Act.
3. To promote regionalization and consolidations of water systems, where mutually beneficial, as a practical means of addressing financial, managerial, and technical capacity.
4. To ensure the technical integrity of Drinking Water SRF projects through the review of planning, design plans and specifications, and construction activities.

Environmental Results

Beginning January 1, 2005, states were required to establish program activity measures (outcomes) in its Intended Use Plan to receive the federal capitalization grant. Progress related to the measures is to be reported in the following annual report.

For fiscal year 2011, the specific measures are:

1. In fiscal year 2010, the fund utilization rate, as measured by the percentage of executed loans to funds available, was 91.5 percent, which is at the national average of 91 percent. For fiscal year 2011, the goal of the Drinking Water SRF program is to maintain the fund utilization rate at or above 90 percent.
2. In fiscal year 2010, the rate at which projects progressed as measured by disbursements as a percent of assistance provided was 78.5 percent, which was near the goal of 80%. For fiscal year 2011, the goal is to increase the construction pace above 80 percent.

3. For fiscal year 2011, the goal of the Drinking Water SRF program is to fund 15 loans, totaling \$18.1 million.
4. For fiscal year 2011, it is estimated that 30 projects will initiate operations.
5. For fiscal year 2011, it is estimated that 12 Small Community Planning Grants will be awarded to small systems to evaluate the system's infrastructure needs.
6. For fiscal year 2011, it is estimated that the South Dakota Association of Rural Water Systems will provide 1,500 hours of technical assistance to small systems.

The interest rates for fiscal year 2011 are summarized in Table 1. Information regarding disadvantaged eligibility and subsidy level criteria can be found in the disadvantaged community subsidies section.

CRITERIA AND METHOD OF FUND DISTRIBUTION

Projects will be funded based on their assigned priority as set forth on the Project Priority list. Projects with the highest ranking that have submitted a complete State Revolving Fund loan application and demonstrated adequate financial, managerial, and technical capacity to receive the loan shall be funded before any lower ranked projects. Projects on the priority list may be bypassed if they have not demonstrated readiness to proceed by submitting a loan application. The next highest priority project that has submitted an application will be funded. The state shall exert reasonable effort to assure that the higher priority projects on the priority list are funded.

Interest rates are reviewed periodically in comparison to established bond rating indexes to assure rates are at or below market rates as required. The SRF rates are then set to be competitive with other funding agencies.

Table 1 - Drinking Water SRF Interest Rates				
	Up to 3 Yrs	Up to 10 Yrs	Up to 20 Yrs	Up to 30 Yrs
<u>Interim Rate</u>				
Interest Rate	2.00%			
Admin.				
Surcharge	<u>0.00%</u>			
Total	2.00%			
<u>Base Rate</u>				
Interest Rate	2.75%		2.50%	
Admin.				
Surcharge	<u>0.50%</u>		<u>0.50%</u>	
Total	2.25%		3.00%	
<u>Disadvantaged Rate - 100% of MHI</u>				
Interest Rate				2.50%
Admin.				
Surcharge				<u>0.50%</u>
Total				3.00%
<u>Disadvantaged Rate - 80% of MHI</u>				
Interest Rate				1.75%
Admin.				
Surcharge				<u>0.50%</u>
Total				2.25%
<u>Disadvantaged Rate - 60% of MHI</u>				
Interest Rate				0.00%
Admin.				
Surcharge				<u>0.00%</u>
Total				0.00%

The rates were last adjusted in February 2009.

The interest rate includes an administrative surcharge as identified in Table 1. The primary purpose of the surcharge is to

provide a pool of funds to be used for administrative purposes after the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the discretion of the Board of Water and Natural Resources and department. Approximately \$2 million will be used as state match for the fiscal year 2011 capitalization grant.

As of September 30, 2010, \$5.78 million of administrative surcharge funds are available.

Beginning in fiscal year 2005, administrative surcharge funds were provided to the planning districts to defray expenses resulting from SRF application preparation and project administration. Reimbursement is \$7,500 per approved loan with payments made in \$2,500 increments as certain milestones are met. With the loan demand resulting from the American Recovery and Reinvestment Act (ARRA) of 2009 being met, the allocation for this purpose will be decreased from \$250,000 to \$200,000 in fiscal year 2011.

Joint powers agreements were executed between the department and the planning districts to manage requirements of the American Recovery and Reinvestment Act (ARRA) of 2009. Under the agreements, the planning districts were to be reimbursed \$1,000 per project to oversee compliance with the Davis-Bacon wage rate verification and certification and an additional \$500 per

project to compile payroll information regarding ARRA job creation and retention. Since the Davis-Bacon requirement remained with 2010 and 2011 capitalization grants, the planning districts will continue to be reimbursed \$1,000 per project to provide wage rate verification and certification.

A requirement of the program is that a minimum of 15 percent of all dollars credited to the fund be used to provide loan assistance to small systems that serve fewer than 10,000 persons. Since the inception of the program, loans totaling more than \$96.5 million have been made to systems meeting this population threshold, or 33.6 percent of the \$287.8 million of total funds available for loan. Attachment II – List of Projects to be funded in Fiscal Year 2011 identifies nearly \$14.0 million in projects, all for systems serving less than 10,000; therefore, the state expects to continue to exceed the 15 percent threshold.

Water systems must demonstrate the technical, managerial, and financial capability to operate a water utility before it can receive a loan.

The distribution methods and criteria are designed to provide affordable assistance to the borrower with maximum flexibility while providing for the long-term viability of the fund.

AMOUNT OF FUNDS TRANSFERRED BETWEEN THE DRINKING WATER SRF AND THE CLEAN WATER SRF

The Safe Drinking Water Act Amendments of 1996 and subsequent Congressional action allows states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or

an equivalent amount from the Clean Water SRF to the Drinking Water SRF. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota transferred \$15,574,320 from the Clean Water SRF program in past years. In fiscal year 2006, \$7.5 million of leveraged bond proceeds was transferred from the Drinking Water SRF program to the Clean Water SRF program. With the 2011 capitalization grant, the ability exists to transfer nearly \$28.8 million from the Clean Water SRF program to the Drinking Water SRF program. Up to \$36.8 million could be transferred from the Drinking Water SRF Program to the Clean Water SRF program. Table 2 (page 9) itemizes the amount of funds transferred between the programs and the amount of funds available to be transferred.

No transfers are anticipated in fiscal year 2011.

FINANCIAL STATUS

Loan funds are derived from various sources and include federal capitalization grants, state match, leveraged bonds, borrowers' principal repayments, and interest earnings.

Capitalization Grants/State Match: Federal capitalization grants are provided to the state annually. These funds must be matched by the state at a ratio of 5 to 1. The fiscal year 2011 capitalization grant is expected to be \$12,725,000 which requires \$2,545,000 in state match. Bond proceeds and administrative surcharge will be used to match 2011 capitalization grant funds. The

bonding authority for this program is established in SDCL 46A-1-60.1.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. To date, \$60.7 million in leveraged bonds have been issued for the Drinking Water SRF program. It is anticipated that no additional leveraged bonds will be required in 2011.

Borrowers' Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that \$6.5 million in principal repayments will be available for loans in fiscal year 2011.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is estimated that \$3.0 million in interest earnings will be available for loans in fiscal year 2011.

As of September 30, 2010, 177 loans totaling \$263,319,567 have been made.

At the beginning of fiscal year 2011, \$24,484,891 is available for loan. The attached project priority list identifies more than \$49.1 million in potential loans. With the 2011 capitalization grant, state match, leveraged bonds, excess interest earnings, and repayments, approximately \$48.5 million will be available to loan. This information is provided in Attachment III, Drinking Water SRF Funding Status.

Funds will be allocated to the set-aside activities in the amounts indicated below. All remaining funds will be used to fund projects on the project priority list. A more detailed description of the activities can be found in the section pertaining to set-asides and the attachments.

Administration	\$509,000
Small System Technical Assistance	\$254,500
Total for set-asides	\$763,500

A conservative approach to set-asides and subsidized loans has been taken to assure achieving the goals of developing a permanent, self-sustaining SRF program. Future demand on the program will influence the allocation of funds to set-asides and loan subsidies.

With the adoption of the amended and restated Master Indenture in 2004, the Clean Water and Drinking Water SRF programs are cross-collateralized. This allows the board to pledge excess revenues on deposit in the Drinking Water SRF program to act as additional security for bonds secured by excess revenues on deposit in the Clean Water SRF program, and vice versa.

The Safe Drinking Water Act included three provisions that call for a withholding of Drinking Water SRF grant funds where states fail to implement three necessary programmatic requirements. These provisions were assuring the technical, financial and managerial capacity of new water systems, developing a strategy to address the capacity of existing systems, and developing an operator certification program that complies with EPA guidelines. The State of South Dakota continues to meet the

requirements of these provisions and will not be subject to withholding of funds.

Additional Subsidy - Principal Forgiveness

The 2010 Drinking Water SRF appropriation mandated that not less than 30 percent of the funds made available for Drinking Water SRF capitalization grants shall be used by the State to provide additional subsidy to eligible recipients. Additional subsidy may be in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these).

Additional subsidy will be provided in the form of principal forgiveness. Municipalities and sanitary districts must have a minimum rate of \$25 per month based on 5,000 gallons usage or a flat rate to qualify for principal forgiveness. Other applicants must have a minimum rate of \$55 per month based on 7,000 gallons usage or a flat rate to qualify for principal forgiveness.

When determining the amount of principal forgiveness, the Board of Water and Natural Resources may consider the following decision-making factors, which are set forth in alphabetical order:

- (1) Annual utility operating budgets;
- (2) Available local cash and in-kind contributions;
- (3) Available program funds;
- (4) Compliance with permits and regulations;
- (5) Debt service capability;
- (6) Economic impact;
- (7) Other funding sources;
- (8) Qualification as a Green Project Reserve project;
- (9) Readiness to proceed;

(10) Regionalization or consolidation of facilities;

(11) Technical feasibility;

(12) Utility rates; and

(13) Water quality benefits.

As a result of the 2010 appropriation, the South Dakota Drinking Water SRF program was required to provide a minimum of \$4,071,900 as additional subsidy. The program is allowed to provide an amount equal to the entire 2010 capitalization grant (\$13,573,000) as additional subsidy. As of September 30, 2010, \$1,640,000 of principal forgiveness had been awarded.

The 2011 Drinking Water SRF appropriation requires that no more than 30 percent of the funds made available for Drinking Water SRF capitalization grants shall be used by the State to provide additional subsidy to eligible recipients. Up to \$3,817,500 may be awarded as principal forgiveness.

With the 2010 and 2011 authority to award additional subsidy, the program has the ability to award between \$2,431,900 and \$15,750,500 in additional principal forgiveness. Attachment II - List of Projects to be Funded in FY 2011 identifies \$2,488,700 in potential principal forgiveness.

Green Project Reserve

The 2010 and 2011 Drinking Water SRF appropriations mandates that to the extent there are sufficient eligible project applications, not less than 20 percent of the funds made available for each year's Drinking Water SRF capitalization grant shall be used by the State for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. These four categories

of projects are the components of the Green Project Reserve.

To meet the Green Project Reserve requirement, the South Dakota Drinking Water SRF program will be expected to provide at least \$2,714,600 and \$2,545,000 from the 2010 and 2011 capitalization grants, respectively, to qualifying projects. If this amount cannot be achieved, a waiver from the Green Project Reserve requirement can be requested. To obtain a waiver it must be demonstrated that sufficient effort was taken to solicit eligible projects.

In fiscal year 2010, \$1,227,400 has qualified towards the Green Project reserve. This leaves \$1,487,200 of Green Project Reserve funding to be awarded to meet the 2010 capitalization grant requirements

Attachment II - List of Projects to be Funded in FY 2011 identifies \$2,233,650 of projects or project components that may count towards the Green Project Reserve. This is insufficient to meet the 20 percent threshold for the 2011 capitalization grant. The department will continue its efforts to identify additional projects to satisfy the Green Project Reserve or explore obtaining a waiver.

DESCRIPTION AND AMOUNT OF NON-PROJECT ACTIVITIES (SET-ASIDES)

The Safe Drinking Water Act authorizes states to provide funding for certain non-project activities provided that the amount of that funding does not exceed certain ceilings. Unused funds in the non-Drinking Water SRF will be banked for future use, where allowable, or transferred to the project loan account at the discretion of the State and

with concurrence from the EPA Regional Administrator.

The following sections identify what portions of the capitalization grant will be used for non-Drinking Water SRF activities and describe how the funds will be used.

Administration. Four percent of the fiscal year capitalization grant (\$509,000) will be allocated to administer the Drinking Water SRF program. This is the maximum allowed for this purpose.

Specific activities to be funded are: staff salary, benefits, travel, and overhead; retaining of bond counsel, bond underwriter, financial advisor, and trustee; and other costs to administer the program.

Unused administrative funds will be banked to assure a source of funds not dependent on state general funds.

Small system technical assistance. Two percent of the capitalization grant (\$254,500) will be allocated to provide technical assistance to public water systems serving 10,000 or fewer. This is the maximum allowed for this purpose.

The objective of this set-aside is to bring non-complying systems into compliance and improve operations of water systems.

In fiscal year 1997, the board contracted with the South Dakota Association of Rural Water Systems to help communities evaluate the technical, managerial, and financial capability of its water utilities. These contracts have been renewed annually. The contract will be amended to allow the continuation of assistance activities. The South Dakota Association of Rural Water Systems has been

allocated \$923,316 in set-aside funds. The Rural Water Association provides such on-site assistance as leak detection, consumer confidence reports, water audits, board oversight and review, treatment plant operations, operator certification, and rate analysis. Contracts to date have provided approximately 14,220 hours of on-site small system technical assistance.

To promote proactive planning within small communities, the Small Community Planning Grant program was initiated in fiscal year 2001. Communities are reimbursed 80 percent of the cost of an engineering study. In fiscal year 2010, the maximum grant amount for any study was \$6,000. In 2011, the maximum grant amount will be raised to \$8,000. Grants are available only for communities with a population of 2,500 or less.

The board also provides additional grants for studies incorporating a rate analysis using Rate Maker software. Reimbursement for performing a rate analysis is 80 percent of costs up to a maximum of \$1,600.

To assure available funds to support the existing small system technical assistance endeavors, \$254,500 from the fiscal year 2011 capitalization grant will be allocated to this set-aside. Unused funds from previous years' set-aside for small system technical assistance are banked for use in future years. Currently, \$228,746 remains from previous years' allocations to be used for the purposes described above.

State program management. The state may use up to 10 percent of its allotment to (1) administer the state PWSS program; (2) administer or provide technical assistance through water protection programs, including the Class V portion of the

Underground Injection Control program; (3) develop and implement a capacity development strategy; and (4) develop and implement an operator certification program. A dollar-for-dollar match of capitalization funds must be provided for these activities.

No funds will be set-aside for these activities in federal fiscal year 2011.

Local assistance and other state programs.

The state can fund other activities to assist development and implementation of local drinking water protection activities. Up to 15 percent of the capitalization grant may be used for the activities specified below, but not more than 10 percent can be used for any one activity. The allowable activities for this set-aside are: (1) assistance to a public water system to acquire land or a conservation easement for source water protection; (2) assistance to a community water system to implement voluntary, incentive-based source water quality protection measures; (3) to provide funding to delineate and assess source water protection areas; (4) to support the establishment and implementation of a wellhead protection program; and (5) to provide funding to a community water system to implement a project under the capacity development strategy.

No funds will be set-aside for these activities in federal fiscal year 2011.

DISADVANTAGED COMMUNITY SUBSIDIES

Communities that meet the disadvantaged eligibility criteria described below may receive additional subsidies. This includes communities that will meet the

disadvantaged criteria as a result of the project.

Definition. To be eligible for loan subsidies a community must meet the following criteria:

- (1) for municipalities and sanitary districts:
 - (a) the median household income is below the state-wide median household income; and
 - (b) the monthly residential water bill is \$25 or more for 5,000 gallons usage; or
- (2) for other community water systems:
 - (a) the median household income is below the state-wide median household income; and
 - (b) the monthly water bill for rural households is \$55 or more for 7,000 gallons usage.

The source of income statistics will be the most recent federal census or statistically valid information supplied by the applicant.

Affordability criteria used to determine subsidy amount.

Loans given to disadvantaged communities may have a term up to 30 years or the expected life of the project, whichever is less. Disadvantaged communities below the statewide median household income, but at or greater than 80 percent, are eligible to extend the term of the loan up to 30 years. Disadvantaged communities below 80 percent of the statewide median household income, but at or greater than 60 percent may receive up to a two percentage point reduction in interest rates. See Table 1 on page 3 for the disadvantaged interest rate for fiscal year 2011. Disadvantaged communities with a median household income less than 60

percent of the statewide median household income may receive a zero percent loan.

Amount of capitalization grant to be made available for providing additional subsidies.

Additional subsidies in the form of principal forgiveness or negative interest rates are not authorized under the program rules.

Identification of systems to receive subsidies and the amount. Systems that are eligible to receive disadvantaged community rates and terms are identified in Attachment I and Attachment II.

Table 2 - Amounts Available to Transfer between State Revolving Fund Programs

Year	DWSRF Capitalization Grant	Amount Available for Transfer	Banked Transfer Ceiling	Amount Transferred from CWSRF to DWSRF	Amount Transferred from DWSRF to CWSRF	Transfer Description	CWSRF Funds Available to Transfer	DWSRF Funds Available to Transfer
1997	\$12,558,800	\$4,144,404	\$4,144,404				\$4,144,404	\$4,144,404
1998	\$7,121,300	\$2,350,029	\$6,494,433				\$6,494,433	\$6,494,433
1999	\$7,463,800	\$2,463,054	\$8,957,487				\$8,957,487	\$8,957,487
2000	\$7,757,000	\$2,559,810	\$11,517,297				\$11,517,297	\$11,517,297
2001	\$7,789,100	\$2,570,403	\$14,087,700				\$14,087,700	\$14,087,700
2002	\$8,052,500	\$2,657,325	\$16,745,025	\$7,812,960		CW Cap Grant/Match	\$8,932,065	\$16,745,025
2003	\$8,004,100	\$2,641,353	\$19,386,378	\$7,761,360		CW Cap Grant/Match	\$3,812,058	\$19,386,378
2004	\$8,303,100	\$2,740,023	\$22,126,401				\$6,552,081	\$22,126,401
2005	\$8,352,500	\$2,756,325	\$24,882,726				\$9,308,406	\$24,882,726
2006	\$8,229,300	\$2,715,669	\$27,598,395		\$7,500,000	Leveraged Bonds	\$12,024,075	\$20,098,395
2007	\$8,229,000	\$2,715,570	\$30,313,965				\$14,739,645	\$22,813,965
2008	\$8,146,000	\$2,688,180	\$33,002,145				\$17,427,825	\$25,502,145
2009	\$8,146,000	\$2,688,180	\$35,690,325				\$20,116,005	\$28,190,325
2010	\$13,573,000	\$4,479,090	\$40,169,415				\$24,595,095	\$32,669,415
2011 (est.)	\$12,725,000	\$4,199,250	\$44,368,665				\$28,794,345	\$36,868,665

ATTACHMENT I

PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Drinking Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Drinking Water SRF program. Attachment II lists those projects expected to be funded in fiscal year 2011.

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
316	Edgemont	C462216-01	<i>Problem:</i> the town's water supply is four free flowing wells that are exceeding the maximum contaminant level for Gross Alpha and the towns distribution system and underground concrete reservoirs are old and in poor condition. <i>Project:</i> re-case the existing wells, construct a new storage reservoir and water treatment system, and replace and reconfigure the distribution system to bring water from all four wells to the new storage reservoir.	\$2,500,000	2.25%, 30 yrs	867	Yes
237	Fairview/ South Lincoln Rural Water System	C462336-01/ C462441-02	<i>Problem:</i> the town's water system is old, and the town lacks the financial, technical, and managerial capacity to operate the system. <i>Project:</i> install approximately 8.5 miles of 6-inch PVC line to connect to the South Lincoln Rural Water System and improve the town's distribution system by installing 3,300 feet of 6-inch PVC line, 35 meters and meter pits, and 1,800 feet of 1-inch service lines. Upon project completion the distribution system will be owned and operated as part of the South Lincoln Rural Water System.	\$476,500	3.00%, 30 yrs	94	Yes
170	McLaughlin	C462233-02	<i>Problem:</i> over ½ of the distribution system is old cast iron and asbestos cement pipe that is in poor condition; one of the two water towers is	\$3,640,000	2.25%, 30 yrs	955	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advantaged
163	Montrose	C462075-01	over 100 years old and is in poor condition, portions of the town experience low pressures, and two of the city's five wells are in poor condition. <i>Project:</i> replace the cast iron and asbestos cement pipe, construct a new water tower, loop dead-end lines and connect to the Standing Rock Rural Water System. <i>Problem:</i> The town's water distribution system is old and experiencing excessive water loss and low pressures. <i>Project:</i> replace all 4-inch cast iron lines with 6-inch PVC lines and replace meters.	\$1,050,000	3.00%, 30 yrs	460	Yes
153	Piedmont	C462462-01	<i>Problem:</i> water for the recently incorporated municipality is supplied by private wells which are being affected by on-site septic systems. <i>Project:</i> construct approximately 4,500 feet of 12-inch line to connect to the Black Hawk Water User District system and a distribution network.	\$2,133,000	3.00%, 20 yrs	250	
142	Longview Sanitary District	C462463-01	<i>Problem:</i> the sanitary district consists of residences served by individual shallow wells that are inadequate and a small community water system with an inadequate water source. <i>Project:</i> construct a distribution system and connect to the Rapid Valley Sanitary District system.	\$1,100,000	3.00%, 20 yrs	180	
133	Randall Community Water District	C462436-01	<i>Problem:</i> the Platte Treatment Plant is incapable of providing adequate treatment when the raw water experiences turbidity spikes. <i>Project:</i> construct a two-part treatment process consisting of flocculation and plate/tube settlers followed by a membrane filter.	\$2,825,000	3.00%, 20 yrs	12,808	
125	Mid-Dakota Rural Water System	C462430-03	<i>Problem:</i> the distribution system within the system's authorized service area has not been completed. <i>Project:</i> extension of	\$300,000	3.00%, 30 yrs	32,000	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- tagged
125	Mid-Dakota Rural Water System	C462430-04	approximately 14.3 miles of 1-1/2 to 4-inch pipeline to serve areas in the western portion of the Crow Creek Indian Reservation. <i>Problem:</i> the distribution system within the system's authorized service area has not been completed. <i>Project:</i> extension of approximately 36 miles of 1-1/2 to 6-inch pipeline to serve areas in the northwestern portion of Sanborn County	\$780,000	3.00%, 30 yrs	32,000	Yes
125	Mid-Dakota Rural Water System	C462430-05	<i>Problem:</i> the distribution system within the system's authorized service area has not been completed. <i>Project:</i> extension of approximately 23 miles of 1-1/2 to 4-inch pipeline to serve areas in the southwestern portion of Clark County.	\$662,000	3.00%, 30 yrs	32,000	Yes
125	Mid-Dakota Rural Water System	C462430-06	<i>Problem:</i> additional users within the system's service area have requested to be connected to the rural water system. <i>Project:</i> install pipe and water services throughout the system's service area to supply as many as 200 users with rural water.	\$670,000	3.00%, 30 yrs	32,000	Yes
107	Sturgis	C462068-03	<i>Problem:</i> the system experiences turbidity issues when well #1 is in operation and the various components of the supply and distribution systems are old, deteriorating and in need of replacement. <i>Project:</i> install a new well to replace well #1, underground valve pits, pressure reducing valves, and a booster pump pit, install a booster station, upgrade the SCADA system and chemical feed systems, repair security fences, install new pitless adapters, and replace water mains in various locations throughout the city.	\$3,865,000	3.00%, 20 yrs	6,442	Yes (Pending rate increase)

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
104	Wilmot	C462077-01	<i>Problem:</i> portions of the distribution system consist of cast iron pipe that is in poor condition, the elevated water tank is 100 years old and in need of repair, and the water meters are out-dated. <i>Project:</i> Install approximately 8,000 feet of PVC lines to replace cast iron pipe and loop dead end lines, construct a new 100,000-gallon water tower and replace water meters and upgrade to an automatic reading system.	\$350,000	2.25%, 10 years	543	Yes
95	Fall River Water Users District	C462435-04	<i>Problem:</i> the system's water water is supplied by the city of Hot Springs; however, demand is approaching the amount that can be obtained under the existing contract. <i>Project:</i> construct a new well, well house and transmission line.	\$1,100,000	3.00%, 30 yrs	1,500	Yes
88	White Lake	C462261-01	<i>Problem:</i> the distribution system contains several dead-end lines. <i>Project:</i> install approximately 4,200 feet of 6- and 8-inch PVC water main to loop the distribution system.	\$290,000	2.25%, 30 yrs	405	Yes
84	Faulkton	C462217-02	<i>Problem:</i> most of the city's water main consists of old, undersized cast iron that is in poor condition. <i>Project:</i> replace approximately 3,500 feet of water line under US Highway 212 in conjunction with a DOT project.	\$441,725	3.00%, 30 yrs	785	Yes
83	Bon Homme-Yankton Water User District	C462140-01	<i>Problem:</i> the water system has no back up power source. <i>Project:</i> construction of on-site power generation facilities.	\$3,000,000	3.00%, 20 yrs (Project is not eligible for 30-year term)	15,000	Yes
80	Fort Pierre	C462049-01	<i>Problem:</i> the two well pumps periodically stop which causes hammering and surging events that put stress on the water lines and portions of the distribution system is old cast iron and asbestos cement pipe that is in poor condition. <i>Project:</i> install variable frequency drives on the well pumps and replace approximately 3,100	\$357,000	3.00%, 20 yrs	1,991	

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- tagged
80	Gregory	C462126-02	feet of cast iron and asbestos cement pipe. <i>Problem:</i> several deficiencies have been identified with the clear well pump house and the chlorination system and a large portion of the distribution system is cast iron and asbestos cement pipe in poor condition. <i>Project:</i> construct a clear well pump house and chlorination system and replace cast iron and asbestos cement pipe	\$685,080	2.25%, 20 yrs * portions of pump house improvements may not be eligible for extended term	1,342	Yes * (pending rate increase)
68	Gayville	C462250-01	<i>Problem:</i> much of the existing distribution system consists of cast iron water mains that were installed in 1910. <i>Project:</i> install approximately 17,100 feet of PVC water mains to replace the cast iron mains and loop several dead-end lines.	\$900,000	3.00%, 30 yrs	418	Yes
34	Plankinton	C462110-01	<i>Problem:</i> the distribution system includes sections of asbestos cement pipe and has several dead end lines, and the water tank is over 90 years old. <i>Project:</i> Replace approximately 1,800 feet of asbestos cement pipe with PVC pipe, install an additional 7,800 feet of PVC pipe to loop, dead end lines, replace water meters, and construct a new 100,000-gallon water tower.	\$1,000,000	3.00%, 30 yrs	601	Yes
23	Hisega Meadows Water, Inc.	C462468-01	<i>Problem:</i> the water system's distribution system is old, undersized, and has long dead-end lines. <i>Project:</i> install approximately 14,500 feet of 4- and 6-inch PVC water lines and appurtenances to replace and loop the distribution system.	\$1,489,000	3.00%, 20 yrs	486	
23	Vermillion	C462022-04	<i>Problem:</i> one of the city's two elevated storage tanks is nearly 100 years old, is in poor condition and need to be replaced, and the storage capacity of the three tanks is less than the peak day demand. <i>Project:</i> construct a new	\$1,608,000	2.25%, 30 yrs	10,276	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
21	Box Elder	C462003-01	500,000-gallon elevated water storage reservoir. <i>Problem:</i> the city's three wells are unable to meet peak domestic demand and portions of the distribution system are asbestos-cement and undersized PVC pipe. <i>Project:</i> develop one additional wells and replace the asbestos-cement and undersized PVC pipe within the distribution system.	\$2,000,000	3.00%, 30 yrs	2,841	Yes (Pending rate increase)
21	Hot Springs	C462040-02	<i>Problem:</i> the city's raw water pumping system does not have capacity to provide adequate water in the event one of the two pumping stations is out of commission, and the storage capacity is less than a peak day. <i>Project:</i> install a new well and pump house and construct a new 3-million gallon water tower.	\$2,400,000	2.25%, 30 yrs	4,129	Yes
21	Winner	C462123-01	<i>Problem:</i> areas within the city experience inadequate pressures due to undersized lines and inadequate water levels in the existing storage tanks, the existing wells cannot keep the storage tanks filled during peak water demand periods, and the city cannot monitor the well and pumping system. <i>Project:</i> replace or install approximately 10,750 feet of water line, relocate an existing water tank or construct a new tank, and install telemetry and a SCADA system.	\$3,250,000	2.25%, 30 yrs	3,137	Yes
19	Springfield	C461071-01	<i>Problem:</i> the raw water intake gets plugged by submerged vegetation in the Missouri River. <i>Project:</i> construct a horizontal well to replace the raw water intake.	\$180,000	3.00%, 30 yrs	792	Yes (Pending rate increase)
18	Doland	C462050-01	<i>Problem:</i> the city's water tower is old and in poor conditions and over 75% of the distribution system consists of cast iron and asbestos concrete water lines that over 50	\$2,600,000	3.00%, 30 yrs	297	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- tagged
10	Sioux Falls	C462232-11	years old and in poor condition. <i>Project:</i> replace the water tower, replace cast iron and asbestos concrete water lines, and loop dead end lines.	\$4,000,000	2.25%, 10 yrs	123,975	
9	Viborg	C462240-02	<i>Problem:</i> areas within the water distribution system consist of deteriorated or undersized pipe in need of replacement. <i>Project:</i> replace water main in Cliff Avenue, Sycamore Avenue, the Raven Oaks and Scenic Heights neighborhoods and the Western Heights area, and replace five large diameter valves.	\$847,000	3.00%, 30 yrs	832	Yes
9	Wall	C462033-01	<i>Problem:</i> portions of the city's water main are cast iron over 50 years old and in poor condition. <i>Project:</i> replace approximately 4,700 feet of water line under SD Highway 19 in conjunction with a DOT project.	\$230,000	3.00%, 20 yrs	818	
8	Emery	C462248-01	<i>Problem:</i> the city's water distribution system is old and in poor condition. <i>Project:</i> install approximately 1,450 feet of PVC water main to replace the existing lines on Main Street from 5 th Avenue to 7 th Avenue.	\$200,000	3.00%, 30 yrs	439	
5	Tyndall	C462131-03	<i>Problem:</i> the city's water distribution system is old and in poor condition. <i>Project:</i> install approximately 1,350 feet of PVC water main to replace the existing lines on Third and Main Streets.	\$650,000	3.00%, 20 yrs	1,239	
4	Colton	C462135-02	<i>Problem:</i> the city's elevated storage tower is over 100 years old and in need of significant repairs. <i>Project:</i> construct a new 150,000-gallon elevated storage reservoir.	\$180,000	3.00%, 20 yrs	662	
			<i>Problem:</i> areas in the distribution system experience low pressure during high use periods. <i>Project:</i> construct a new water line along 5 th Street in conjunction with a street reconstruction project.				

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
4	New Underwood	C462257-02	<i>Problem:</i> the city's elevated storage tank is located over ½ mile outside city limits and connects to the distribution system with one 6-inch line, which is inadequately sized and provides no back-up delivery method. <i>Project:</i> construct a parallel 10-inch line to connect the elevated storage tank to the distribution system.	\$280,000	3.00%, 30 yrs	616	Yes (Pending rate increase)
3	Hurley	C462281-01	<i>Problem:</i> the city's elevated storage tower is over 100 years old and in need of significant repairs. <i>Project:</i> install a larger water line connection to the T-M Rural Water System and utilize an existing T-M water tower.	\$518,000	3.00%, 20 yrs	426	
2	Pierpont	C462076-01	<i>Problem:</i> the town's pressure tank, installed in 1905, and the high pressure pump system and controls have reached the end of its useful life. <i>Project:</i> install a new booster pump station with a ground storage tank and generator.	\$551,200	3.00%, 20 yrs * booster station not eligible for extended term	122	Yes *

ATTACHMENT II - LIST OF PROJECTS TO BE FUNDED IN FISCAL YEAR 2011

Priority Points	Loan Recipient	Project Number	Assistance Amount	Principal Forgiveness ¹	Funding Date	Expected Funding Source
	<i>Green Project Reserve Information</i>					
LOANS MADE						
LOANS EXPECTED						
68	Gayville <i>GPR Project Type: Water Efficiency (Approved Business Case)</i> <i>GPR Amount: \$783,650</i>	C462250-01	\$900,000	\$480,000	Nov. 2010	2010
9	Viborg	C462240-02	\$847,000	\$730,000	Nov. 2010	2010
237	South Lincoln Rural Water System	C462441-02	\$476,500	\$226,500	Jan. 2011	2010
84	Faulkton	C462217-02	\$441,725	\$220,000	Jan. 2011	2010
80	Gregory	C462126-02	\$685,080	\$68,500	Jan. 2011	2010
23	Vermillion	C462022-04	\$1,608,000	-0-	Jan. 2011	Repayments
10	Sioux Falls	C462232-11	\$4,000,000	-0-	Jan. 2011	Repayments
153	Piedmont	C462462-01	\$2,133,000	\$426,600	Mar. 2011	2010
107	Sturgis	C462068-03	\$3,865,000	-0-	Mar. 2011	Repayments
3	Hurley	C462281-01	\$518,000	\$103,600	Mar. 2011	
94	Wilmot <i>GPR Project Type: Water Efficiency (Categorical)</i> <i>GPR Amount: \$350,000</i>	C462077-01	\$350,000	\$175,000	Mar. 2011	2010
80	Fort Pierre <i>GPR Project Type: Energy Efficiency (Business Case)</i> <i>GPR Amount: \$50,000</i>	C462049-01	\$357,000	-0-	June. 2011	Repayments
5	Tyndall	C462131-03	\$650,000	-0-	June. 2011	Repayments
163	Montrose <i>GPR Project Type: Water Efficiency (Business Case)</i> <i>GPR Amount: \$1,050,000</i>	C462075-01	\$1,050,000	\$502,500	Sept. 2010	2010/2011
4	Colton	C462135-02	\$180,000	\$36,000	Sept. 2010	2011

1. Principal forgiveness amounts shown for loans expected are estimates for planning purposes only.

**ATTACHMENT III
PROGRAM FUNDING STATUS**

Fiscal Years 1997 - 2010

Capitalization Grants	\$121,658,500	
State Match	\$24,331,700	
ARRA Grant	\$19,500,000	
Set-Asides	(\$7,351,084)	
Transfer of FY 2002 & 2003 Clean Water Capitalization Grant and State Match	\$15,574,320	
Leveraged Bonds	\$60,725,699	
Excess Interest as of September 30, 2010	\$17,101,267	
Excess Principal Repayments as of Sept. 30, 2010	<u>\$36,264,056</u>	
 Total Funds Dedicated to Loan		 \$287,804,458
 Loans made through September 30, 2010		 <u>(\$263,319,567)</u>
 Balance of funds as of September 30, 2010		 \$24,484,891

Fiscal Year 2011 Projections

Capitalization Grants	\$12,725,000	
State Match	\$2,545,000	
Set-Asides	(\$763,500)	
Projected Excess Principal Repayments	\$6,500,000	
Projected Unrestricted Interest Earnings	\$3,000,000	
Arbitrage Rebate Liability	<u>-0-</u>	
Projected Fiscal Year 2011 Loan Sub-total		<u>\$24,006,500</u>
 Total Funds Available for Loans		 <u><u>\$48,491,391</u></u>
 Loan Amount Identified on Attachment II - List of Projects to be Funded in Fiscal Year 2011		 <u><u>\$18,061,305</u></u>

Administrative Surcharge Funds Available as of September 30, 2010	
Program Income	\$1,483,663
Non-Program Income	\$4,294,146
Total	\$5,777,809