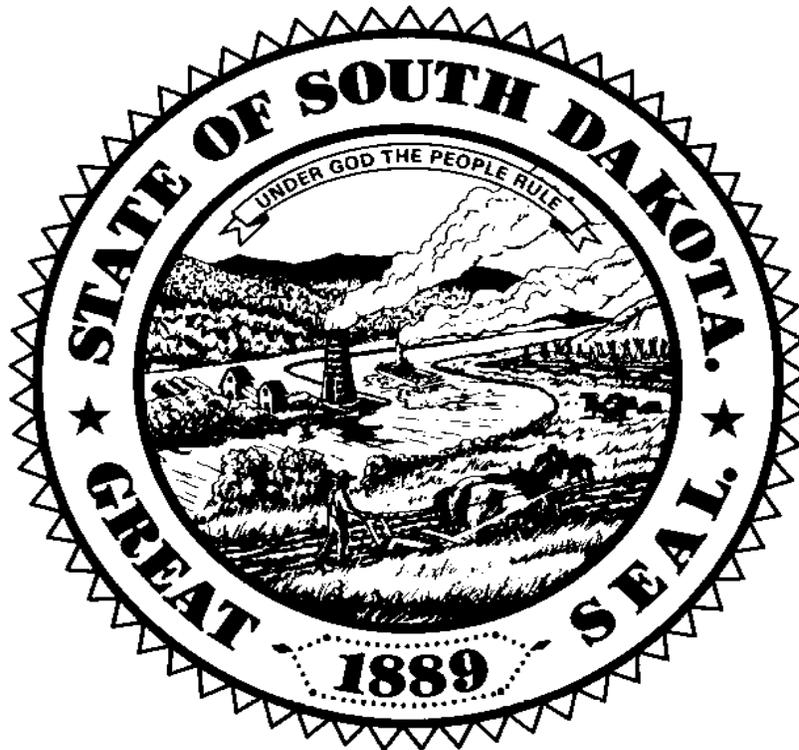


**THE SOUTH DAKOTA CONSERVANCY DISTRICT
CLEAN WATER STATE REVOLVING FUND
ANNUAL REPORT**

**FEDERAL FISCAL YEAR 2003
October 1, 2002 - September 30, 2003**



**Department of Environment and Natural Resources
Division of Financial and Technical Assistance
523 East Capitol Avenue
Pierre, South Dakota 57501-3181
PHONE: (605)773-4216 FAX: (605)773-4068**

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**THE SOUTH DAKOTA CONSERVANCY DISTRICT
BOARD MEMBERS**

GREGG GREENFIELD, CHAIRMAN
Sioux Falls
Member since 1996

DON BOLLWEG, VICE-CHAIRMAN
Harrold
Member since 1994

DALE KENNEDY, SECRETARY
Beresford
Member since 1985

BRADLEY JOHNSON
Watertown
Member since 2003

GENE JONES, JR
Sioux Falls
Member since 2002

JOHN LOUCKS
Rapid City
Member since 1989

DON ROUNDS
Pierre
Member since 2003

STEVE LOWRIE
Watertown
Member 1985-2003

JERRY KLEINSASSER
Frankfort
Member 1996-2003

MISSION

The mission of the South Dakota Clean Water State Revolving Fund loan program is to capitalize the fund to the fullest; maintain, restore and enhance the chemical, physical and biological integrity of the state's waters for the benefit of the overall environment; protect public health; and promote the economic well-being of the citizens of the state of South Dakota.

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Annual Report	
Introduction	1
Executive Summary	2
Goals and Objectives	5
Details of Activities	7
Fund Financial Status	7
Assistance Activity	8
Provisions of the Operating Agreement/ Conditions of the Grant	9
Program Changes	10
2004 Intended Use Plan	10
Clean Water State Revolving Fund Loan Program History	
Initiation of the Program	13
Capitalization Grants	13
State Matching Funds	13
Leveraged Program Bonds	14
Principal Repayment Loans	14
Trustee	14
Bond Counsel	14
Underwriter	15
Financial Advisor	15
EPA Region VIII	15
Clean Water State Revolving Fund Loan Portfolio	
Project Descriptions	22
Exhibits I-VII – Clean Water SRF Status Reports	28
Exhibits VIII-XII – Clean Water SRF Financial Statements	44
Addendum I – Federal Fiscal Year 2004 Intended Use Plan	56

List of Tables

<u>Table</u>		<u>Page</u>
1	FFY 2003 Clean Water Loans	2
2	Small Community Planning Grants Awarded FFY 2003	3
3	Auction Barn Planning Grants Awarded FFY 2003	4
4	Clean Water SRF Loan Program	17

List of Figures

<u>Figure</u>		<u>Page</u>
1	Binding Commitments Made by Year	11
2	Source of State Revolving Funds FFY 1989-2003	12
3	Clean Water SRF Loans	16
4	SRF Interest Rates by Percent of Loan Portfolio	20
5	Loan Terms by Percentage of Loan Portfolio	21

List of Exhibits

<u>Exhibit</u>		<u>Page</u>
I	Projects Receiving SRF Assistance for FFY 2003	28
II	SRF Needs Categories for FFY 2003	29
III	Source of SRF Funds FFY 1989-2003	30
IV	Obligations for FFYs 1989-2003 Capitalization Grants, Principal Repayments, and Leveraged Funds	31
V	Clean Water SRF Disbursements FFY 2003	40
VI	Letter of Credit Projected vs. Actual Draws FFY 2003	43
VII	Environmental Review and Land Purchase Information	43
VIII	Loan Participants as of September 30, 2003	44
IX	Projected Cash Flow Worksheet for FFY 2004 (Unaudited)	48
X	Balance Sheet as of September 30, 2003 (Unaudited)	51
XI	Statement of Income and Retained Earnings for FFY 2003	52
XII	Statement of Cash Flows for FFY 2003 (Unaudited)	53
	Notes to Financial Statements	54

FEDERAL FISCAL YEAR

2003

ANNUAL REPORT

INTRODUCTION

The state of South Dakota herewith submits its Annual Report for Federal Fiscal Year (FFY) 2003 (October 1, 2002 through September 30, 2003). This report describes how South Dakota has met the goals and objectives of the Clean Water State Revolving Fund (SRF) Loan Program as identified in the 2003 Intended Use Plan, the actual use of funds, and the financial position of the Clean Water SRF.

The Annual Report consists of three main sections. The *Executive Summary* section provides an overview of the FFY 2003 activity. The next section addresses the *Goals and Objectives* the state of South Dakota identified in its 2003 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 2003, and compliance with the EPA grant and operating agreement conditions. The Annual Report is followed by a brief history of the Clean Water SRF program since its inception.

The program history is followed by the *Clean Water SRF Loan Portfolio*. The loan portfolio provides information on the interest rates, loan amounts, projects, and loan terms. Exhibits I through VII provide detailed financial and environmental program information. Exhibits VIII through XII are the unaudited financial statements of the Clean Water SRF program, as prepared by the Department of Environment and Natural Resources. Finally, Addendum I is the *Intended Use Plan for Federal Fiscal Year 2004*. The primary purpose of the Intended Use Plan is to identify the proposed annual intended use of the amounts available to the Clean Water State Revolving Fund.

EXECUTIVE SUMMARY

South Dakota's Clean Water SRF Program received a federal capitalization grant of \$6,467,800 for Federal Fiscal Year 2003. These funds were matched by \$1,293,560 in state administrative surcharge funds. These funds were transferred to the Drinking Water SRF program due to the demand on the Drinking Water SRF program and the availability of more than \$25 million in Clean Water SRF principal repayments. The transfer was done pursuant to Section 302 of the Safe Drinking Water Act Amendments of 1996 and South Dakota Codified Laws, Sections 46A-1-60.1 to 46A-1-60.3.

The Conservancy District approved 18 loans with 16 communities totaling \$14,242,111, all of which was from principal repayment funds. A summary of loans approved in FFY 2003 together with project descriptions is provided in Table 1.

**TABLE 1: CLEAN WATER LOANS
FEDERAL FISCAL YEAR 2003**

Recipient	Project Description	Assistance Amount	Rate/Term %/Years
Black Hawk San Dist (01)	Wastewater Improvement Project	\$589,600	3.5%/20
Canton (02)	Wastewater System Improvements	600,000	3.5%/20
Clark (01)	Sanitary Sewer Rehab & Upgrade	400,000	3.5%/20
Elk Point (03)	Wastewater Treatment Improvements	345,000	3.5%/20
Groton (04)	Northeast Sewer Expansion	163,775	3.5%/20
Groton (05)	Main Street Utility Replacement	440,000	3.5%/20
Hartford (04)	Wastewater Coll./Storm Sewer Imprv	550,035	3.5%/20
Jefferson (01)	Wastewater Treatment Facilities Imprv	320,000	3.5%/20
Lake Madison San Dist (02)	Wastewater System Improvements	875,000	3.5%/20
Mitchell (02)	Regional Landfill	1,320,000	3.5%/20
Pierre (04)	Landfill Construction	1,378,404	3.5%/20
Salem (01)	Wastewater Collection Improvements	592,307	3.5%/20
Scotland (01)	Main Street Reconstruction Project	250,000	3.5%/20
Sioux Falls (16)	Wastewater Facilities Improvements	2,479,500	3.5%/10
Sioux Falls (17)	BMP Implementation	932,000	3.5%/10
Tea (05)	Wastewater Treatment Facility Imprv	495,490	3.5%/20
Vermillion (03)	Sanitary Sewer and Lift Station	456,000	3.5%/20
Watertown (05)	Replace/Rehab Sanitary Sewers/Lift Stns	2,055,000	3.5%/20
TOTAL		\$14,242,111	

Loan disbursements from the program to the current and prior year recipients totaled \$14,298,782. Eighty-seven loans are currently in repayment, and FFY 2003 repayments totaled \$11,872,508. Of this amount, \$8,793,265 was for principal, \$2,413,404 was for interest, and \$665,839 was for administrative surcharge. Included in these repayments were seven loans that completed payments during the fiscal year, bringing the number of loans that have been paid in full to 27.

The Clean Water SRF program forms are incorporated into 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. All forms are also available at http://www.state.sd.us/denr/denr_form_program.htm.

The Board of Water and Natural Resources annually sets the interest rates for the federal fiscal year. In determining the rates the Board reviews (1) current market rates, (2) rates secured on state issued matching funds, and (3) current demand for SRF funds.

The board reviewed interest rates in September 2002 and determined that the current average rate on the Bond Buyers Index was 5.16 percent, which was a decrease of 0.9 percent from the previous year. A review of Rural Development rates showed that its current rates were 4.500 percent poverty rate, 4.750 percent intermediate rate, and 5.125 percent market rate, which was a decrease for intermediate and market rates from the previous year. The board set interest rates for FFY 2003 at 3.5 percent for terms up to 20 years, which is 2.5 percent interest plus 1.0 percent administrative surcharge fee. The board also set a rate of 2.5 percent for up to 3 years for Interim Financing of eligible projects.

In September 2003, Public Financial Management (PFM) was retained to perform financial analyses of the SRF programs. PFM will design a comprehensive program cash flow model that will assess 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. Formal requests for proposals were used to select PFM as the District's financial advisor.

Since the program was initiated in 1988, 146 loans have been awarded. The projects associated with 120 loans are fully constructed or essentially complete and in operation. The following four projects initiated operations this past year:

Fort Pierre (02) Vermillion (03)
Highmore (01) Wall Lake San Dist (01)

Administrative surcharge funds in the amount of \$75,000 were allocated to the Small Community Planning Grant program during federal fiscal year 2003. This program encourages proactive planning with small communities. Grants are available to communities of 1,000 or fewer people to assist in preparing an engineering study. Participating systems were reimbursed 80 percent of the cost of the study, up to a maximum of \$6,400, if an infiltration/inflow analysis was part of the study. Studies that did not include infiltration/inflow analyses were eligible for a maximum of \$4,000. Grants totaling \$35,186 were obligated to eleven communities, and the awards are detailed in Table 2.

Table 2
Small Community Planning Grants
Awarded FFY 2003

Recipient	Study Description	Grant Amount
Blunt	Wastewater Treatment Facility Improvements	\$2,800
Corsica	Wastewater Treatment System Improvements	4,000
Fulton	Storm Sewer Improvements	2,880
Hermosa	Wastewater Collection & Treatment Upgrades	4,000
Highmore	Wastewater Collection System Improvements	4,000
Hill City	Sewer Collection System Improvements	2,226
Lake Poinsett San Dist	Wastewater System Expansion	3,200
Nisland	New Wastewater Treatment Facility	4,000
Pickstown	Wastewater System Improvements	2,880
Valley View Water Co.	Sanitary Sewer System Improvements	1,200
Waubay	Wastewater Collection System Improvements	4,000
TOTAL		\$35,186

In fiscal year 2003, the department initiated a planning grant program to facilitate compliance with environmental permit regulations by livestock auction barns within or near communities. Planning grants are available to communities with existing livestock auction barns located within the city limits or within three miles of an incorporated community. The planning studies will evaluate such items as clean water diversions, manure handling, and wastewater treatment options to include connection to the community's sanitary sewer system. The

auction barn planning grant will reimburse 60 percent of the cost of the engineering study, with the maximum grant amount for any project being \$4,200. The department allocated \$150,000 of administrative surcharge income for this program. No future allocations of administrative surcharge for auction barn planning purposes are anticipated. A list of these grants is detailed in Table 3.

Table 3
Auction Barn Planning Grants
Awarded FFY 2003

Recipient	Study Description	Grant Amount
Highmore	Auction Barn Planning Grant	\$4,200
Miller	Auction Barn Planning Grant	2,940
Philip	Auction Barn Planning Grant	4,200
Yankton	Auction Barn Planning Grant	4,200
TOTAL		\$15,540

GOALS AND OBJECTIVES

SHORT-TERM GOALS AND OBJECTIVES

In its 2003 Intended Use Plan, the State of South Dakota identified one short-term goal to be implemented and three objectives to be accomplished. The state has made significant progress toward successful completion of its short-term goal and objectives.

Goal: To fully capitalize the fund.

As of September 30, 2003, South Dakota has made binding commitments to fully utilize all of its capitalization awards and associated state matching funds.

Objective: Ensure the technical integrity of the Clean Water SRF projects through the review of planning, design, plans and specifications, and construction activities.

Each Clean Water SRF application is assigned to an engineer and is followed through by that engineer until project completion and initiation of operations. Plans and specifications and facilities plans are reviewed and approved by the Department of Environment and Natural Resources. Pre-construction, initial, interim, and final construction inspections are conducted to ensure each project's technical integrity.

Objective: Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations.

The state works with all pertinent federal, state, and local agencies to ensure compliance.

Objective: Obtain maximum capitalization of the funds for the state in the shortest time possible.

The state applied for its capitalization grant during FFY 2003, and state matching funds were in place prior to receiving the grant. Loans are awarded by assessing the following criteria: (1) the availability of funds in the Clean Water SRF program; (2) the applicant's need; (3) violation of health or safety standards; and (4) the applicant's ability to repay. South Dakota has not reverted any capitalization grant funds due to the eight-quarter time limit. Funds are usually awarded within one year of receiving each capitalization grant.

LONG-TERM GOALS AND OBJECTIVES

In its 2003 Intended Use Plan, the state of South Dakota identified two long-term goals and two objectives to be accomplished.

Goal: To fully capitalize the Clean Water SRF

The state has received and expended each capitalization grant in the required time period and has had state match moneys available for each capitalization grant. As of September 30, 2003, South Dakota has made binding commitments to fully utilize all of its capitalization awards and associated state matching funds.

Goal: Maintain or restore and enhance the chemical, physical, and biological integrity of the state's waters for the benefit of the overall environment, the protection of public health, and the promotion of economic well-being.

The state has awarded 146 loans to 69 entities to assist with construction of wastewater, storm sewer, and nonpoint source projects.

Objective: Maintain a permanent, self-sustaining Clean Water SRF program that will serve in perpetuity as a financing source for wastewater treatment works projects and water pollution control activities, including nonpoint source and groundwater protection projects.

By ensuring that all loans are made to financially sound and responsible borrowers, the Clean Water SRF program will serve in perpetuity for South Dakota's wastewater, storm sewer, and nonpoint source projects.

Objective: Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities, while providing the state and local project sponsors with maximum flexibility and decision making authority regarding such activities.

The state has tailored its Handbook of Procedures to be customer service oriented and user friendly for Clean Water State Revolving Fund Loan Program recipients. The handbook also allows for maximum program flexibility while continuing to maintain sufficient state oversight of the program's activities.

DETAILS OF ACTIVITIES

FUND FINANCIAL STATUS

Binding Commitments

In order to provide financial assistance for Section 212 (wastewater and storm water) and nonpoint source projects, the state entered into eighteen binding commitments totaling \$14,242,111. Exhibit I lists the recipients of these Clean Water SRF loans, and Exhibit II details the needs categories for those projects. Figure 1 shows the total amount of binding commitments made by year.

Sources of Funds

During FFY 2003, the state was awarded a \$6,467,800 federal capitalization grant that was matched by \$1,293,560 in administrative surcharge funds. These funds were transferred to the Drinking Water SRF program pursuant to Section 302 of the Safe Drinking Water Act Amendments of 1996 and South Dakota Codified Laws, Sections 46A-1-60.1 to 46A-1-60.3. Exhibit III and Figure 2 show the annual capitalization grant allocation, the required state match, and leveraged funds.

Revenues and Expenses

Fund revenues consisted of interest earned on loans to communities, investment income, and administrative expense surcharge payments received from each borrower. These earnings totaled \$5,910,423.70. Fund expenses included administrative expenditures, interest payable on bonds, the amortization of each bond's issuance cost, and a refund of prior year revenue. These expenses totaled \$1,477,428.03. Additionally, \$2,616,573.00 was transferred out to the DENR indirect cost pool. The Statement of Income and Retained Earnings is shown on Exhibit XI.

Disbursements and Guarantees

There were no loan guarantees during Federal Fiscal Year 2003.

Findings of the Annual Audit and EPA Oversight Review

The Clean Water SRF program was audited by the South Dakota Department of Legislative Audit for state fiscal year 2002 (July 1, 2001, through June 30, 2002). The audit did not contain any written findings or recommendations.

Region VIII conducted its annual oversight review of the South Dakota Clean Water SRF program. A draft report was received in August 2003, and the following observations were made:

1. Timely Expenditure of Funds (40 CFR §§ 35.3135(d)1 and 35.3550(1))

“In addition to transferring the FY02 and FY03 grants to the DWSRF, the State has also developed an integrated priority system to fund an expanded universe of project[s] and also uses a portion of the eligible surcharges to provide planning and design grants to small communities to facilitate projects. While these steps are certainly in the correct direction of good program management, whether this program will address this finding over the long-term is not known. No further recommendations are provided on this subject.”

2. Intended Use Plan (40 CFR §§ 35.3150 and 35.3555)

“[F]ive of the twelve projects funded in FY02, totaling \$9.1 million out of \$11.9 million, were in the upper 10% of the project priority list. This is a good accomplishment of funding high priority §212 projects.”

3. MBE/WBE Commitment and Reporting (40 CFR §§35.3145(e) and 35.3575(d))

“[D]ocumentation from previous reviews, including information in project files, specifications, and construction contract(s) show that this requirement is implemented correctly by DENR.”

4. Perpetuity (40 CFR § 35.3100(a) and 35.3500(a))

“Evidence of the State’s continuing efforts to assure the Revolving Fund’s longevity can be found in a review of its management and underwriting practices, analysis of its financial statements, and a review of evaluations provided by credit rating agencies.”

ASSISTANCE ACTIVITY

Exhibits I through VII illustrate the assistance activity of the Clean Water SRF in Federal Fiscal Year 2003.

- Exhibit I The recipients that received Clean Water SRF loans during Federal Fiscal Year 2003. Sixteen loans were for Section 212 (wastewater and storm water) projects, and two loans were for regional landfills.
- Exhibit II The assistance amount provided to each project by needs category.
- Exhibit III The total Clean Water SRF dollars available, broken down by fiscal year, capitalization amounts, and state match amounts.
- Exhibit IV Each Clean Water SRF loan and its source of funding.

- Exhibit V The cash draws and the projects or administrative assistance for which they were made.
- Exhibit VI The estimated and actual cash disbursement schedule from the federal Letter of Credit (LOC) for FFY 2003. The estimated schedule was agreed upon by the state and EPA in the 2003 Annual Workplan.
- Exhibit VII The environmental review and land purchase information for the loans made in FFY 2003.

PROVISIONS OF THE OPERATING AGREEMENT / CONDITIONS OF THE GRANT

The state of South Dakota agreed to 20 conditions in the Operating Agreement and Capitalization Grant Agreement. The following 19 conditions have been met and need no further description:

1. Agreement to accept payments
2. Cash draws for clean water SRF program separate
3. Prior incurred costs not as state match
4. Revenues dedicated for repayment of loans
5. Procurement actions - 40 CFR Part 31
6. Administrative surcharge
7. State match
8. Cash draw schedule
9. Anti-lobbying
10. Expenditure of state matching funds
11. Deposit of state matching funds with federal moneys
12. Binding commitment ratio
13. Timely and expeditious use of funds
14. No transfer of Title II funds
15. Conduct environmental reviews
16. Eligibility of storm sewers
17. Clean Water SRF contains an 83.33 percent federal and 16.67 percent state split
18. State transferred its FFY 2002 and 2003 capitalization grants to the Drinking Water SRF program and will transfer a portion of its FFY 2004 capitalization grant to that program as well, to the maximum extent allowed.
19. Prior to executing binding commitments on Clean 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, which in turn submitted these forms to EPA for concurrence.

The following condition is described in detail below:

- Establishment of Minority Business Enterprise (MBE)/Women's Business Enterprise (WBE) Goals and Submittal of MBE/WBE Utilization Report.

The state and EPA have agreed on "fair share" goals of 1 percent MBE and 3 percent WBE. The actual MBE/WBE participation achieved for FFY 2003 was 0.8 percent MBE and 3.1 percent for WBE.

PROGRAM CHANGES

2004 INTENDED USE PLAN

The Annual Report contains the 2004 Intended Use Plan as approved by the Board of Water and Natural Resources on November 14, 2003. The 2004 Intended Use Plan is included in the Annual Report as Addendum I starting on page 57.

FIGURE 1
Binding Commitments Made by Year

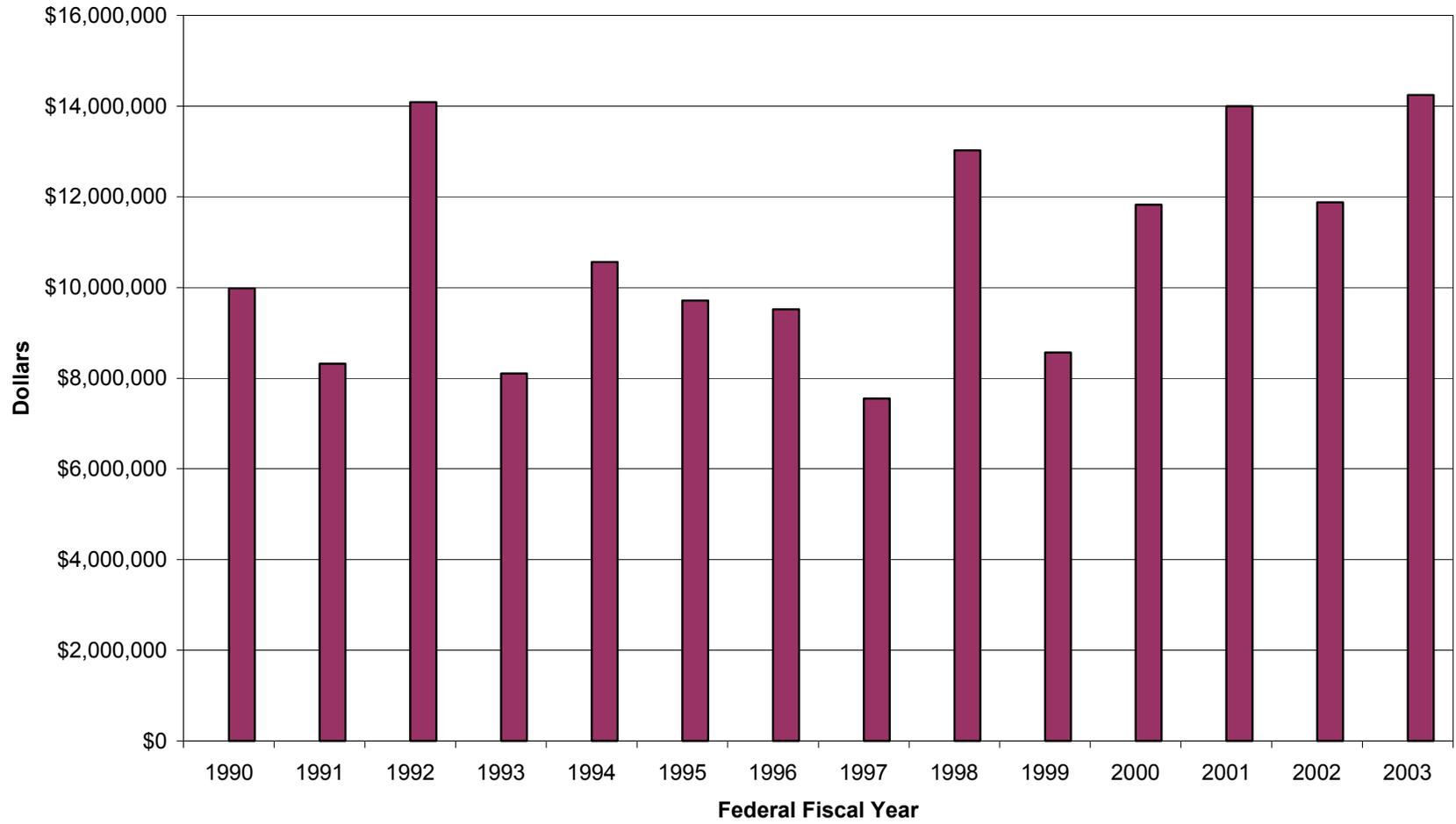
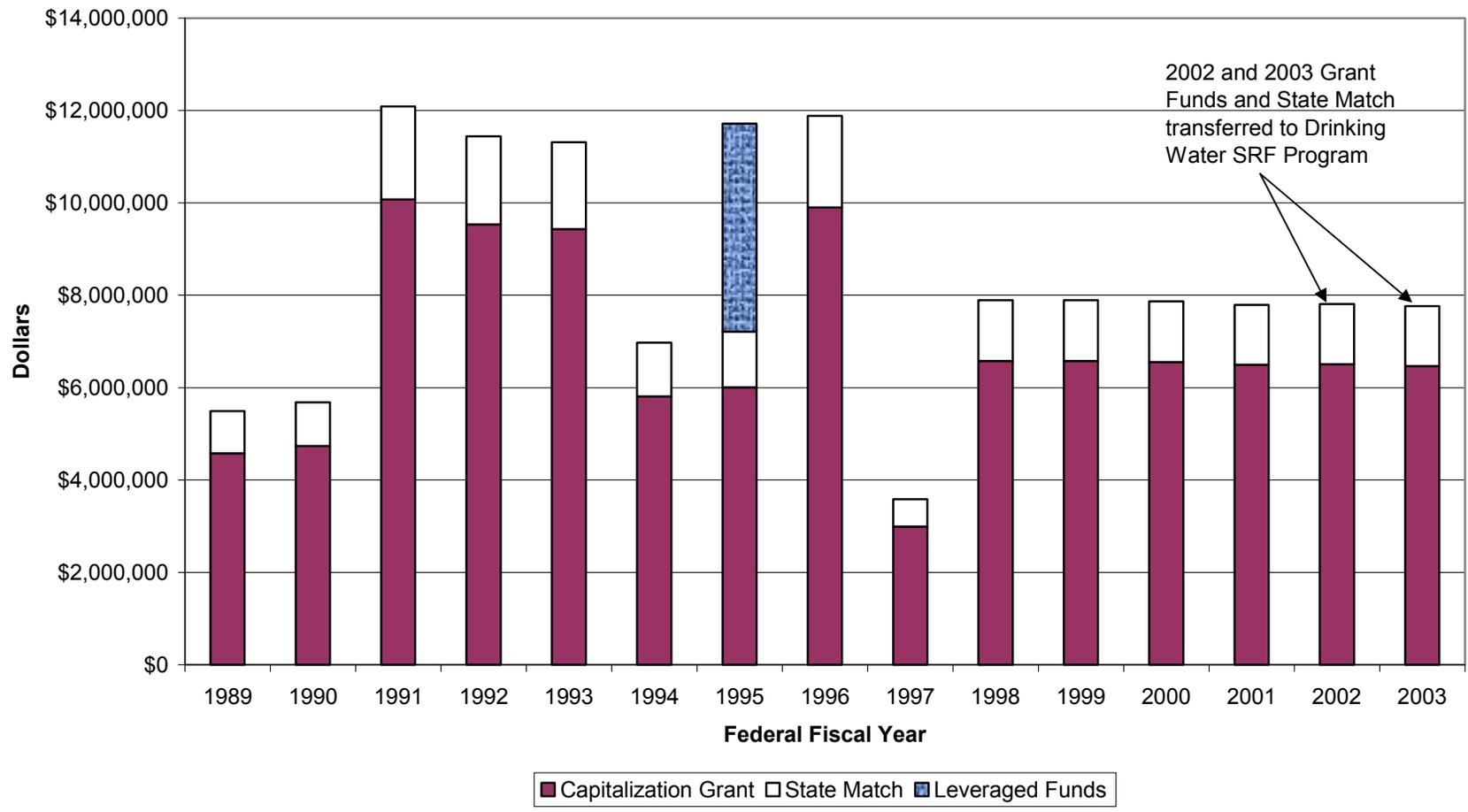


FIGURE 2
Source of State Revolving Funds
FFY 1989-2003



SOUTH DAKOTA
CLEAN WATER
STATE REVOLVING FUND
LOAN PROGRAM HISTORY

INITIATION OF THE PROGRAM

The State Water Pollution Control Revolving Loan Fund, also known as the Clean Water State Revolving Fund Loan Program (SRF), is a low interest loan program to finance the construction of wastewater facilities, storm sewers, and nonpoint source pollution control projects. The program was created by the 1987 Clean Water Act amendments. 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 1988 South Dakota Legislature authorized the State Water Pollution Control Revolving Loan Fund program. Additionally, the legislature appropriated \$1,200,000 and directed the South Dakota Conservancy District to administer the program.

CAPITALIZATION GRANTS

Since 1988, the conservancy district has received fifteen capitalization grants totaling \$102,257,800. In order to receive each of the capitalization grants, the conservancy district must have state matching funds in place equal to at least 20 percent of each grant. To meet this requirement, the conservancy district used the state appropriation as well as revenue bonds and administrative expense surcharge funds to provide for the required \$20,451,560 in state matching funds. Exhibit 3 shows the total amount of capitalization grant and state match by year.

STATE MATCHING FUNDS

In 1989, \$5,875,000 in revenue bonds were issued with a Aaa rating from Standard & Poor's Ratings Corporation (S & P). This bond issue was insured by Capital Guaranty Insurance Company.

In 1992, the district issued \$4,180,000 in revenue bonds without insurance and received a BBB rating by S & P. However, an annual report of cash flow projections was required to be submitted, and approximately 70 percent of the Clean Water SRF loan portfolio was required to be rated BBB or better by the rating agency.

In 1994, \$10,220,000 in revenue bonds were issued as an advanced refunding of the two prior outstanding issues plus additional matching funds, and Moody's Investors Service, the rating agency for this issue, raised the State's rating to A. No bond insurance was obtained, no cash flow report was required, and no loan applicants had to be rated. The advance refunding provided considerable cost savings by securing a lower interest rate, decreasing the administration of the program, and deleting numerous accounts. Bond proceeds were used to purchase government securities to redeem the Series 1989 and Series 1992 bonds on their first optional call date at par. The Series 1989 bonds were called on August 1, 1996. The Series 1992 bonds were called on August 1, 2002.

In 1995, \$7,970,000 in revenue bonds were issued with an upgraded rating of A1 by Moody's. A portion of the Series 1995A bonds were used to provide matching funds for the 1995 and 1996 federal capitalization grants.

In 1996, the district issued \$2,770,000 in revenue bonds. The bonds received an A1 rating by Moody's. The Series 1996A bonds were issued to provide match for part of the 1996 federal capitalization grant as well as the 1997, 1998, 1999, and 2000 capitalization grants.

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

In October 2001, \$4,405,000 in revenue bonds were issued. These funds were intended to provide the required state match for FFY 2001, 2002, and 2003 capitalization grants. The transfer of the 2002 and 2003 capitalization grants precluded the use of the bond proceeds to be used as match. The 2001 series will be used to match the FFY 2004, 2005, and 2006 capitalization grants.

LEVERAGED PROGRAM BONDS

Included in the Series 1995A bond issue was \$4,507,540 in program bonds. These program bonds were leveraged to provide additional loan funds to communities. These funds were loaned to the city of Yankton in 1998 at 6 percent for 20 years.

PRINCIPAL REPAYMENT LOANS

The Clean Water SRF program is intended to last in perpetuity. As borrowers repay their loans, the principal repayments are then available to be loaned out to other communities. The first principal repayment loan was awarded to Watertown in November 1995. Eventually, the state will no longer receive federal capitalization grants, and all loans will be made from the principal repayments of other borrowers. Exhibit IV details the projects receiving principal repayment loan funds.

TRUSTEE

The First National Bank in Sioux Falls has been the trustee since the onset of the program in 1989. The trustee manages and invests funds and accounts for the Clean Water SRF Program including the Series 1992 escrow, issues amortization schedules, disburses loan funds, and accepts all repayments from each of the program's loans.

BOND COUNSEL

Kutak Rock served as bond counsel for the Series 1989 and 1992 bond issues. Altheimer & Gray served as bond counsel for the Series 1994A, 1995A, 1996A, and 2001 State Revolving Fund Revenue Bonds. In July 2003, Altheimer & Gray law firm dissolved, and Perkins Coie LLP was retained to serve as bond counsel.

UNDERWRITER

Shearson Lehman served as underwriter for the Series 1989 and 1992 State Revolving Fund Revenue Bond issues, and Piper Jaffray served as underwriter for the Series 1994A, 1995A, and 1996A State bond issues. Dougherty and Company was selected as underwriter for the Series 2001 bonds.

FINANCIAL ADVISOR

In September 2003, Public Financial Management (PFM) was retained to perform financial analyses of the SRF programs. PFM will design a comprehensive program cash flow model that will assess 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. Formal requests for proposals were used to select PFM as the District's financial advisor.

EPA REGION VIII

Region VIII of the Environmental Protection Agency oversees the South Dakota Clean Water State Revolving Fund Program. EPA assists the state in securing capitalization grants and guides the conservancy district in its administration of the program.

**CLEAN WATER
STATE REVOLVING FUND
LOAN PORTFOLIO**

Figure 3 Clean Water State Revolving Fund Loans

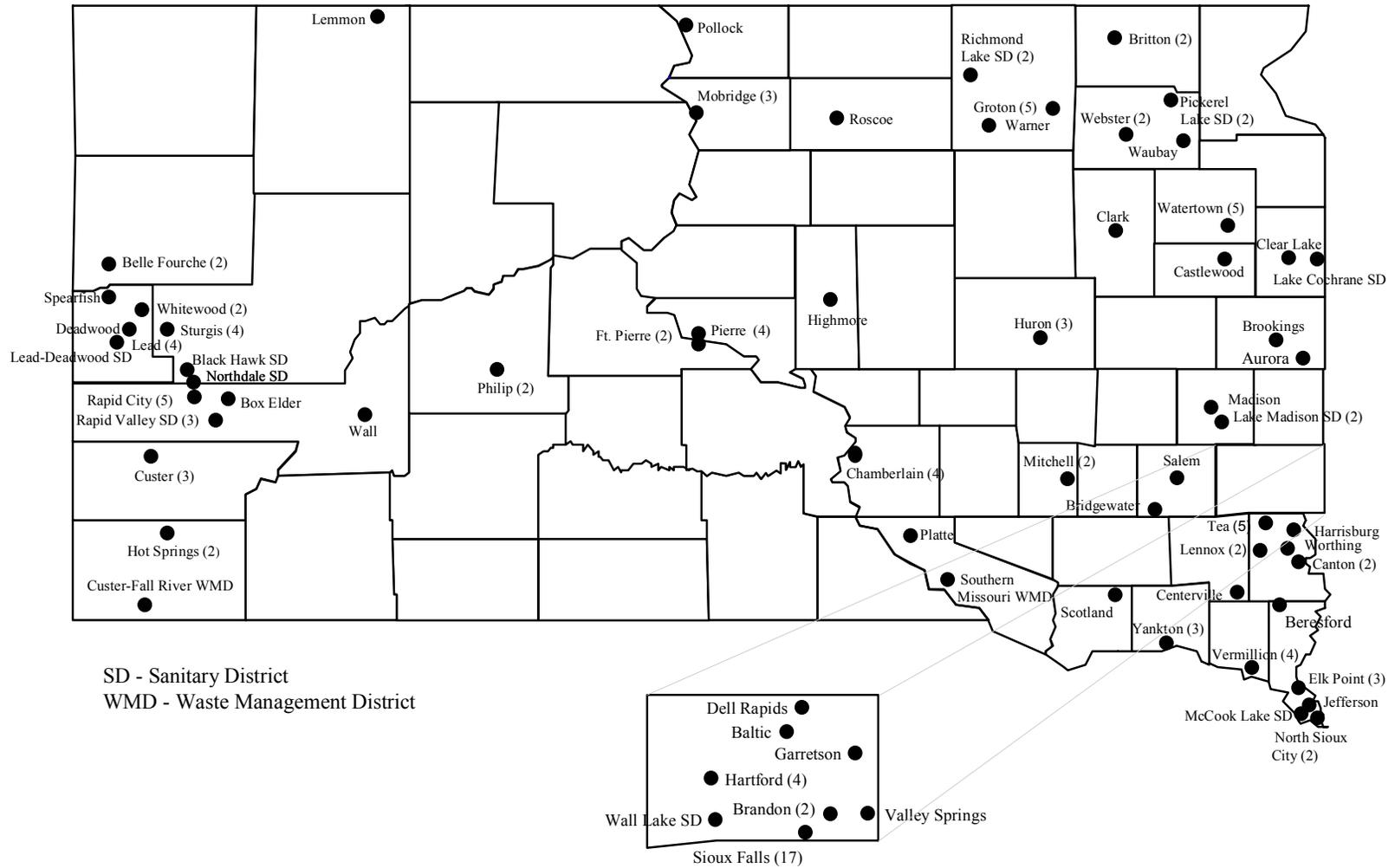


TABLE 4
State of South Dakota
Clean Water State Revolving Fund Loan Program

Sponsor	Binding Commitment Date	Rate, Term	Actual Loan Amount	Binding Commitment Amount
Aurora (01)	7/27/2000	5.00%, 20 yr	\$410,000	\$410,000
Baltic (01)	6/27/2002	3.50%, 20 yr	\$465,000	\$465,000
Belle Fourche (01)	8/22/1990	3.00%, 20 yr	\$253,000	\$300,000
Belle Fourche (02)	6/22/1995	4.50%, 10 yr	\$264,422	\$264,422
Beresford (01)	6/22/2000	4.50%, 10 yr	\$1,115,852	\$1,115,852
Black Hawk Sanitary District (01)	6/26/2003	3.50%, 20 yr	\$589,600	\$589,600
Box Elder (01)	4/11/1990	3.00%, 20 yr	\$648,600	\$648,600
Brandon (01) *	3/14/1991	3.00%, 10 yr	\$105,000	\$105,000
Brandon (02)	3/31/1993	3.00%, 10 yr	\$526,018	\$600,000
Bridgewater (01)	9/25/1997	5.25%, 20 yr	\$90,328	\$120,000
Britton (01)	5/13/1999	4.50%, 10 yr	\$509,935	\$509,935
Britton (02)	9/26/2002	3.50%, 20 yr	\$322,500	\$322,500
Brookings (01) *	3/14/1991	4.00%, 15 yr	\$188,065	\$188,065
Canton (01)	5/19/1992	4.00%, 15 yr	\$515,715	\$621,000
Canton (02)	1/10/2003	3.50%, 20 yr	\$600,000	\$600,000
Castlewood (01)	1/31/2002	3.50%, 20 yr	\$250,000	\$250,000
Centerville (01)	6/27/2002	3.50%, 20 yr	\$500,000	\$500,000
Chamberlain (01) *	7/8/1992	3.00%, 10 yr	\$350,500	\$350,500
Chamberlain (02) *	1/26/1993	3.00%, 10 yr	\$265,000	\$265,000
Chamberlain (03) *	6/27/1996	5.25%, 20 yr	\$2,700,000	\$2,700,000
Chamberlain (04)	3/26/1998	5.25%, 20 yr	\$450,000	\$450,000
Clark (01)	1/10/2003	3.50%, 20 yr	\$400,000	\$400,000
Clear Lake (01)	6/13/1991	4.00%, 15 yr	\$79,537	\$370,000
Custer (01)	4/11/1990	3.00%, 20 yr	\$430,000	\$430,000
Custer (02)	7/11/1990	3.00%, 20 yr	\$182,000	\$182,000
Custer (03) *	8/23/1993	3.00%, 10 yr	\$276,000	\$276,000
Custer-Fall River WMD (NPS-01) *	6/22/1995	5.00%, 20 yr	\$106,939	\$250,000
Deadwood (01)	4/25/1994	4.00%, 15 yr	\$447,838	\$582,000
Dell Rapids (01)	12/9/1993	3.00%, 10 yr	\$300,000	\$300,000
Elk Point (01)	5/27/1993	4.00%, 15 yr	\$458,000	\$458,000
Elk Point (02)	1/31/2002	3.50%, 20 yr	\$450,000	\$450,000
Elk Point (03)	6/26/2003	3.50%, 20 yr	\$345,000	\$345,000
Fort Pierre (01)	5/11/1994	3.00%, 10 yr	\$330,294	\$330,294
Fort Pierre (02)	1/31/2002	3.50%, 15 yr	\$462,500	\$462,500
Garretson (01) *	5/11/1994	4.00%, 15 yr	\$300,000	\$510,000
Groton (01)	1/13/1994	3.00%, 10 yr	\$189,524	\$192,000
Groton (02)	5/11/1994	3.00%, 10 yr	\$74,630	\$106,000
Groton (03)	7/23/1997	5.25%, 20 yr	\$470,809	\$635,000
Groton (04)	3/28/2003	3.50%, 20 yr	\$163,775	\$163,775
Groton (05)	3/28/2003	3.50%, 20 yr	\$440,000	\$440,000
Harrisburg (01)	6/23/1999	5.00%, 20 yr	\$507,277	\$520,000
Hartford (01)	4/13/2000	5.00%, 20 yr	\$504,000	\$504,000
Hartford (02)	4/13/2000	5.00%, 20 yr	\$690,804	\$690,804
Hartford (03)	4/12/2002	3.50%, 20 yr	\$300,000	\$300,000
Hartford (04)	1/10/2003	3.50%, 20 yr	\$550,035	\$550,035
Highmore (01)	4/12/2002	3.50%, 20 yr	\$262,300	\$262,300
Hot Springs (01)	3/12/1992	3.00%, 10 yr	\$196,930	\$196,930
Hot Springs (NPS-01)	1/13/1994	5.00%, 20 yr	\$930,000	\$930,000
Huron (01)	11/9/1989	3.00%, 20 yr	\$1,656,000	\$1,656,000
Huron (02) *	6/13/1991	3.00%, 10 yr	\$701,997	\$750,000

Sponsor	Binding Commitment Date	Rate, Term	Actual Loan Amount	Binding Commitment Amount
Huron (03)	9/19/1995	5.25%, 20 yr	\$1,856,828	\$2,700,000
Jefferson (01)	3/28/2003	3.50%, 20 yr	\$320,000	\$320,000
Lake Cochrane San Dist (01)	4/11/1990	3.00%, 20 yr	\$80,000	\$80,000
Lake Madison San Dist (01) *	3/14/1991	4.00%, 15 yr	\$330,000	\$330,000
Lake Madison San Dist (02)	9/25/2003	3.50%, 20 yr	\$875,000	\$875,000
Lead (01)	7/11/1990	3.00%, 20 yr	\$186,409	\$186,409
Lead (02) *	7/11/1991	3.00%, 10 yr	\$500,770	\$500,770
Lead (03)	5/19/1992	3.00%, 10 yr	\$375,298	\$405,000
Lead (04)	7/27/2000	4.50%, 10 yr	\$239,200	\$239,200
Lead-Deadwood San Dist (01) *	6/7/1990	3.00%, 5 yr	\$106,855	\$110,000
Lemmon (01)	4/11/1990	3.00%, 20 yr	\$427,100	\$427,100
Lennox (01)	6/27/1996	5.25%, 20 yr	\$350,000	\$350,000
Lennox (02)	7/23/1997	5.25%, 20 yr	\$583,735	\$600,000
Madison (01) *	3/14/1991	3.00%, 10 yr	\$119,416	\$150,000
McCook Lake San Dist (01)	8/29/1991	5.00%, 20 yr	\$641,935	\$641,935
Mitchell (01)	4/15/1997	4.50%, 10 yr	\$1,543,405	\$2,000,000
Mitchell (02)	9/25/2003	3.50%, 20 yr	\$1,320,000	\$1,320,000
Mobridge (01)	7/11/1990	3.00%, 20 yr	\$1,500,000	\$1,500,000
Mobridge (02)	12/11/1991	4.00%, 15 yr	\$158,000	\$158,000
Mobridge (03)	4/13/2000	4.50%, 10 yr	\$1,350,000	\$1,350,000
North Sioux City (01)	7/8/1992	3.00%, 10 yr	\$239,650	\$239,650
North Sioux City (02)	6/22/1995	5.00%, 15 yr	\$646,000	\$646,000
Northdale San Dist (01)	4/25/1994	5.00%, 20 yr	\$256,380	\$315,000
Philip (01)	6/22/1995	5.00%, 15 yr	\$453,885	\$472,000
Philip (02)	6/26/1997	5.25%, 20 yr	\$321,127	\$325,000
Pickereel Lake San Dist (01)	5/9/1996	5.25%, 15 yr	\$850,000	\$850,000
Pickereel Lake San Dist (02)	9/25/1997	5.25%, 20 yr	\$670,000	\$670,000
Pierre (01) *	11/8/1990	4.00%, 15 yr	\$433,976	\$600,000
Pierre (02)	3/26/1998	5.25%, 20 yr	\$4,417,000	\$4,417,000
Pierre (03)	3/25/1999	5.00%, 20 yr	\$5,391,260	\$5,391,260
Pierre (04)	3/28/2003	3.50%, 20 yr	\$1,378,404	\$1,378,404
Platte (01)	3/25/1999	5.00%, 20 yr	\$1,000,000	\$1,000,000
Pollock (01) *	9/23/1993	3.00%, 10 yr	\$151,619	\$170,000
Rapid City (01)	12/12/1990	4.00%, 15 yr	\$2,479,905	\$2,637,000
Rapid City (02)	7/8/1992	4.00%, 15 yr	\$986,685	\$1,138,200
Rapid City (03)	6/23/1993	4.00%, 15 yr	\$674,577	\$777,500
Rapid City (04)	8/10/1994	4.00%, 15 yr	\$1,214,861	\$1,214,861
Rapid City (05)	1/11/2001	4.50%, 20 yr	\$14,000,000	\$14,000,000
Rapid Valley San Dist (01) *	1/11/1990	3.00%, 20 yr	\$614,000	\$614,000
Rapid Valley San Dist (02)	11/10/1994	4.00%, 15 yr	\$364,583	\$460,000
Rapid Valley San Dist (03)	7/29/1996	5.25%, 20 yr	\$630,000	\$630,000
Richmond Lake San Dist (01)	6/27/1996	5.25%, 20 yr	\$414,000	\$226,500
Richmond Lake San Dist (02) *	6/25/1998	5.25%, 20 yr	\$191,500	\$191,500
Roscoe (01) *	7/29/1996	5.25%, 20 yr	\$358,408	\$358,408
Salem (01)	3/28/2003	3.50%, 20 yr	\$592,307	\$592,307
Scotland (01)	3/28/2003	3.50%, 20 yr	\$250,000	\$250,000
Sioux Falls (01)	4/11/1990	3.00%, 20 yr	\$2,836,963	\$3,316,310
Sioux Falls (02) *	7/11/1990	3.00%, 10 yr	\$453,999	\$454,000
Sioux Falls (03)	12/12/1990	3.00%, 10 yr	\$845,000	\$845,000
Sioux Falls (04) *	12/12/1990	3.00%, 10 yr	\$1,200,000	\$1,200,000
Sioux Falls (05)	3/12/1992	3.00%, 10 yr	\$1,955,000	\$1,955,000
Sioux Falls (06)	3/12/1992	3.00%, 10 yr	\$700,000	\$700,000
Sioux Falls (07)	1/26/1993	3.00%, 10 yr	\$4,500,000	\$4,500,000
Sioux Falls (08)	1/13/1994	3.00%, 10 yr	\$699,003	\$1,000,000
Sioux Falls (09)	8/10/1994	3.00%, 10 yr	\$1,250,000	\$1,250,000
Sioux Falls (10)	8/10/1994	3.00%, 10 yr	\$1,432,941	\$1,500,000

Sponsor	Binding Commitment Date	Rate, Term	Actual Loan Amount	Binding Commitment Amount
Sioux Falls (11)	6/22/1995	4.50%, 10 yr	\$1,195,346	\$1,250,000
Sioux Falls (12)	3/27/1996	4.50%, 10 yr	\$1,300,000	\$1,300,000
Sioux Falls (13)	1/9/1997	4.50%, 10 yr	\$2,083,137	\$2,500,000
Sioux Falls (14)	7/27/2000	4.50%, 10 yr	\$4,888,537	\$4,888,537
Sioux Falls (15)	4/12/2002	3.50%, 10 yr	\$1,724,000	\$1,724,000
Sioux Falls (16)	1/10/2003	3.50%, 10 yr	\$2,479,500	\$2,479,500
Sioux Falls (17)	6/26/2003	3.50%, 10 yr	\$932,000	\$932,000
Southern Missouri (NPS-01)	10/6/1994	5.00%, 20 yr	\$700,000	\$700,000
Spearfish (01)	3/12/1992	4.00%, 15 yr	\$1,956,000	\$1,956,000
Sturgis (01) *	8/23/1993	5.00%, 20 yr	\$502,000	\$502,000
Sturgis (02) *	6/23/1994	5.00%, 20 yr	\$936,250	\$936,250
Sturgis (03) *	6/27/1997	5.25%, 20 yr	\$437,380	\$450,000
Sturgis (04) *	4/14/2000	5.00%, 20 yr	\$2,100,000	\$2,100,000
Tea (01)	3/31/1993	4.00%, 15 yr	\$600,000	\$600,000
Tea (02)	5/11/1994	4.00%, 15 yr	\$600,000	\$600,000
Tea (03)	6/27/1997	5.25%, 20 yr	\$208,813	\$250,000
Tea (04)	5/14/1998	5.00%, 15 yr	\$375,000	\$375,000
Tea (05)	6/26/2003	3.50%, 20 yr	\$495,490	\$495,490
Valley Springs (01)	5/14/1998	5.25%, 20 yr	\$422,128	\$430,000
Vermillion (01)	6/7/1990	3.00%, 20 yr	\$125,000	\$125,000
Vermillion (02)	12/9/1993	4.00%, 15 yr	\$370,471	\$500,000
Vermillion (03)	3/28/2003	3.50%, 20 yr	\$456,000	\$456,000
Vermillion (NPS-01)	8/10/1995	4.50%, 10 yr	\$356,531	\$480,000
Wall (01)	7/22/1999	5.00%, 20 yr	\$788,600	\$1,146,000
Wall Lake San Dist (01)	12/13/2001	3.50%, 20 yr	\$200,000	\$200,000
Warner (01) *	3/23/1995	4.50%, 10 yr	\$101,152	\$102,000
Watertown (01)	10/9/1991	4.00%, 15 yr	\$2,000,000	\$2,000,000
Watertown (02)	8/12/1992	4.00%, 15 yr	\$4,000,000	\$4,000,000
Watertown (03)	6/22/1995	5.25%, 20 yr	\$2,583,734	\$2,600,000
Watertown (04) *	11/9/1995	5.25%, 20 yr	\$932,830	\$2,200,000
Watertown (05)	3/28/2003	3.50%, 20 yr	\$2,055,000	\$2,055,000
Waubay (01) *	2/18/1992	5.00%, 20 yr	\$81,454	\$163,487
Webster (01)	3/27/1996	4.50%, 10 yr	\$345,394	\$400,000
Webster (02)	4/12/2002	3.50%, 20 yr	\$811,000	\$811,000
Whitewood (01)	2/18/1992	4.00%, 15 yr	\$180,801	\$200,000
Whitewood (02)	7/27/2000	5.00%, 20 yr	\$189,032	\$275,000
Worthing (01)	6/27/1996	5.25%, 20 yr	\$227,645	\$315,725
Yankton (01)	12/10/1997	5.25%, 20 yr	\$2,625,000	\$2,625,000
Yankton (02)	12/10/1997	6.00%, 20 yr	\$4,500,000	\$4,500,000
Yankton (03)	10/12/2001	3.50%, 20 yr	\$6,130,000	\$6,130,000
TOTAL 146 Loans to 69 Entities			\$144,037,933	\$150,899,415

* Loans Paid in Full

FIGURE 4
State Revolving Fund Interest Rates
by Percent of Loan Portfolio
(\$144 Million)

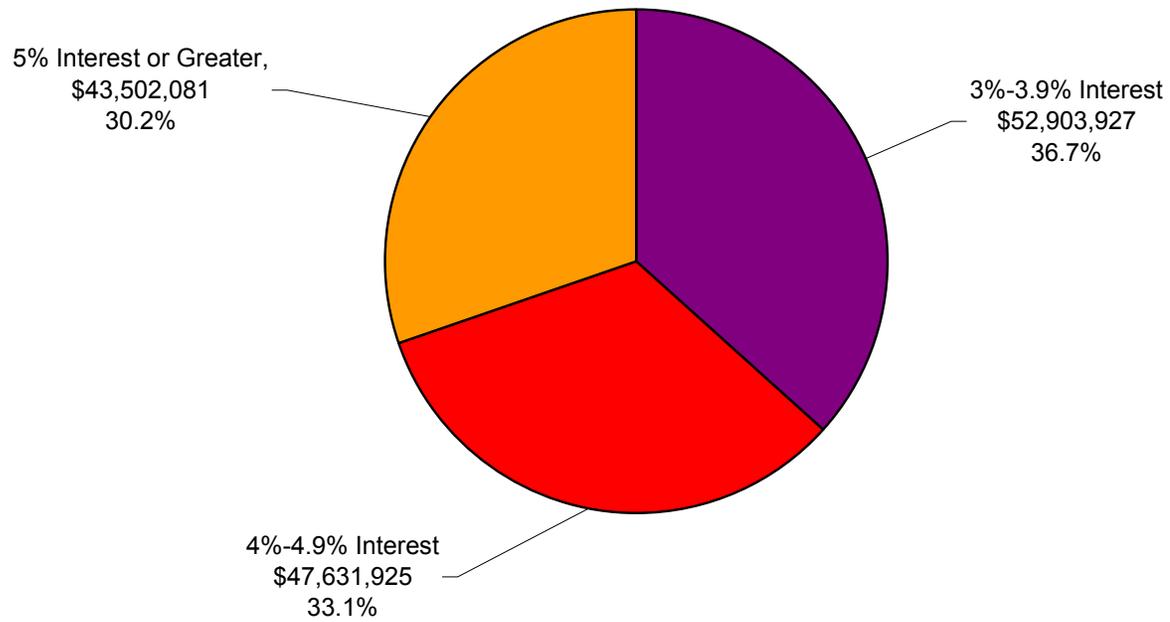
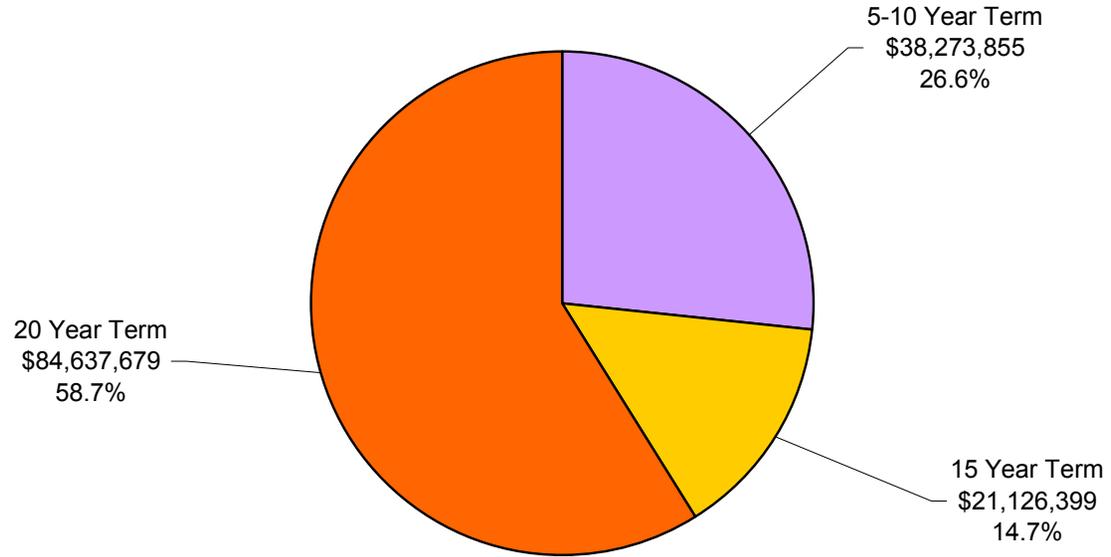


FIGURE 5
CW SRF Loan Terms
by Percentage of Loan Portfolio
(\$144 Million)



PROJECT DESCRIPTIONS

Loans approved during federal fiscal year 2003 are specially designated directly beside the loan recipients' names and italic lettering within the paragraph.

AURORA – Aurora received a \$410,000 loan at 5 percent interest for 20 years. The project upgraded the city's wastewater interceptors.

BALTIC – Baltic received a \$465,000 loan at 3.5 percent for 20 years to fund sewer main and lift station replacement.

BELLE FOURCHE – The city of Belle Fourche received two loans totaling \$517,422. The first loan, at 3 percent for 20 years, was used to construct sanitary sewer lines and manholes, and the second loan, at 4.5 percent for 10 years, was used to upgrade the city's primary sanitary force main.

BERESFORD – The city of Beresford received a 4.5 percent, 10-year loan in the amount of \$1,150,000 to improve sanitary sewer and storm sewer lines in conjunction with a South Dakota Department of Transportation street reconstruction project.

BLACK HAWK SANITARY DISTRICT (2003) – *Black Hawk Sanitary District received its first Clean Water SRF loan in the amount of \$589,600 loan at 3.5 percent for 20 years for a wastewater improvement project. The district's wastewater will be run through the Northdale Sanitary District to be treated by the city of Rapid City.*

BOX ELDER – Box Elder utilized a \$648,600 Clean Water SRF loan to refinance existing sewer debt incurred to expand its treatment facility. The term of the loan is for 20 years at 3 percent.

BRANDON – The city of Brandon received two Clean Water SRF loans totaling \$631,018 for a storm drainage project and for the construction of a force main to convey partially treated wastewater from Brandon to the Sioux Falls wastewater treatment plant as well as the associated pumping station and improvements to the existing treatment facility. Both loans were for 10 years at 3 percent interest.

BRIDGEWATER – The city of Bridgewater received a 20 year, 5.25 percent loan for \$90,328 to construct storm sewer along the north and east sides of the city to connect to an existing inlet basin.

BRITTON – The city of Britton received two Clean Water SRF loans for a total amount of \$832,435. The first loan, at 4.5 percent for 10 years, funded wastewater system improvements, including the installation of a lift station and force main and the construction of artificial wetlands. The city's second loan in the amount of \$322,500 at 3.5 percent for 20 years funded sewer main replacement and extensions along Highway 10.

BROOKINGS – The city of Brookings received a loan for \$188,065 at 4 percent for 15 years to finance the construction of a new interceptor.

CANTON (2003) – The city of Canton received its first Clean Water SRF loan at 4 percent for 15 years in the amount of \$515,715 to finance sanitary and storm sewer improvements. *The city's second loan, for \$600,000, is at 3.5 percent for 20 years for utility improvements in conjunction with South Dakota Department of Transportation reconstruction of US 18.*

CASTLEWOOD – The city of Castlewood received a \$250,000 loan at 3.5 percent for 20 years to fund sanitary sewer collection improvements.

CENTERVILLE – Centerville received a loan for \$500,000 at 3.5 percent for 20 years to fund the construction of a new wastewater treatment facility and new force main and lift station to transfer the wastewater to the new facility.

CHAMBERLAIN – Chamberlain received two loans at 3 percent for 10 years totaling \$615,500 to rehabilitate sanitary sewer lines and construct storm sewer lines under two major streets in the city. The city's third and fourth

loans, at 5.25 percent for 20 years, totaled \$3,150,000 for renovations to the city's wastewater treatment facility and expansion of sewer service into a newly annexed area of town.

CLARK (2003) – *Clark will rehabilitate portions of its wastewater collection and treatment system with a \$400,000 loan at 3.5 percent for 20 years.*

CLEAR LAKE – The city of Clear Lake used a \$79,537, 4 percent, 15-year loan to construct two new wastewater treatment stabilization ponds and convert the existing pond into an artificial wetland.

CUSTER – The city of Custer received three Clean Water SRF loans totaling \$888,000. The first loan financed the construction of a force main to convey treated effluent from the wastewater treatment facility to the municipal golf course, a storage reservoir at the golf course to store the effluent, and irrigation facilities at the golf course to utilize the effluent. The second loan financed sewer improvements that included collection lines and an interceptor line extension on the west edge of the city limits. The first and second loans were for 20 years at an interest rate of 3 percent. The third loan, for \$276,000 at 3 percent interest for 10 years, financed the construction of an additional wastewater stabilization pond.

CUSTER-FALL RIVER WASTE MANAGEMENT DISTRICT – The Custer-Fall River Solid Waste Management District used \$106,939 in Clean Water SRF funds for the construction of a landfill to serve residents of Custer and Fall River counties. The landfill also serves the Hot Springs Material Recovery Facility (MRF). The loan is for 20 years at 5 percent interest.

DEADWOOD – Deadwood received a \$447,838 Clean Water SRF loan at 4 percent interest for 15 years to slip line approximately 2,700 feet of 24-inch diameter sewer interceptor line.

DELL RAPIDS – The city of Dell Rapids constructed sanitary and storm sewers with a \$300,000 loan. The new lines replaced existing undersized sewers in conjunction with a street rehabilitation project. The term of the loan is 10 years at 3 percent.

ELK POINT (2003) – The city of Elk Point has received three loans totaling \$1,253,000. Its first loan, \$458,000 at 4 percent for 15 years, financed the replacement of two existing lift stations with a new lift station, force main and interceptor lines. The city's second loan for \$450,000 at 3.5 percent for 20 years funded new storm sewer and replace sanitary sewer in conjunction with the Pearl Street Utility Improvement project. *Its third loan, in the amount of \$345,000 at 3.5 percent for 20 years, financed renovation of the city's lagoon system on the southwest side of the city.*

FORT PIERRE – Fort Pierre's first loan, \$330,294 at 3 percent for 10 years, was used to construct two storm sewers and a new sanitary sewer that serves a residential area previously not connected to the city's system. Fort Pierre received its second loan in the amount of \$462,500 at 3.5 percent for 15 years to finance a sanitary sewer lift station and manhole rehabilitation.

GARRETSON – The city of Garretson constructed new wastewater treatment stabilization ponds to make the existing sanitary system total retention and made improvements to the existing wastewater facility using the \$300,000, 4 percent, 15-year loan.

GROTON (2003) – The city of Groton has received five Clean Water SRF loans totaling \$1,338,738 to finance various projects. Its first two loans, in the total amount of \$264,154, financed new interceptor lines, force mains and lift stations. The new sanitary systems were constructed in the east and northwest sections of the city. Both loans were at 3 percent for 10 years. The city's third loan, \$470,809 at 5.25 percent for 20 years, funded construction of a new three-cell wastewater treatment facility, lift station, and force main. *The city received its fourth and fifth Clean Water SRF loans in 2003, both at 3.5 percent for 20 years. One of the loans, for \$163,775, will fund expansion of the sewer system to the northeast part of the city. The second loan, \$440,000, will replace water and sewer lines on Main Street and reconstruct the road.*

HARRISBURG – The city of Harrisburg received a Clean Water SRF loan for \$507,277 to construct total retention stabilization ponds. The loan rate is 5 percent for 20 years.

HARTFORD (2003) – The city of Hartford has received four loans totaling \$2,044,839. With the first two loans, for \$1,194,804 at 5 percent interest for 20 years, the city replaced sanitary sewer mains within the city and replaced the wastewater treatment facility. Hartford’s third loan, for \$300,000 at 3.5 percent for 20 years, completed the funding for the wastewater treatment facility project. *Hartford’s fourth loan, in the amount of \$550,035 at 3.5 percent for 20 years, will fund further wastewater collection and storm sewer improvements.*

HIGHMORE – The city of Highmore’s first loan is in the amount of \$262,300 at 3.5 percent for 20 years to fund an upgrade to its wastewater treatment facility. The upgrade included reshaping dikes, installing riprap, relocating the inlet structure, and replacing interpond piping.

HOT SPRINGS – The city of Hot Springs received two loans totaling \$1,126,930. The first loan of \$196,930, at 3 percent interest for 10 years, was used to construct new sanitary sewers in an area of the city with failing septic systems. The second loan of \$930,000, at 5 percent for 20 years, was used to close the existing landfill site and construct a transfer station and municipal solid waste composting facility.

HURON – The city of Huron has received three Clean Water SRF loans. The first loan was used to partially fund improvements at the mechanical wastewater treatment facility and artificial wetlands treatment site. This loan totaled \$1,656,000 at 3 percent for 20 years. The second loan, for \$701,007 at 3 percent for 10 years, was used to construct an extension to the storm sewer system to provide drainage in a developing area of the city. The city Huron utilized a third Clean Water SRF loan in the amount of \$1,856,828 at 5.25 percent for 20 years to expand the existing stabilization pond system and increase pumping capacity.

JEFFERSON (2003) – *Jefferson received its first Clean Water SRF loan of \$320,000 at 3.5 percent for 20 years to fund wastewater treatment facilities improvements. The city constructed two lagoon cells, enabling the existing cell to become a wetland.*

LAKE COCHRANE SANITARY DISTRICT – The Lake Cochrane Sanitary District constructed a wastewater collection and treatment system at Lake Cochrane. An \$80,000 loan at 3 percent for 20 years was made to the district to refinance a portion of the project.

LAKE MADISON SANITARY DISTRICT (2003) – The Lake Madison Sanitary District received a 4 percent, 15-year Clean Water SRF loan for \$330,000 to refinance a Farmers Home Administration loan, which partially funded the installation of a wastewater collection and treatment system to serve Lake Madison. *The district’s second loan, in the amount of \$875,000 at 3.5 percent for 20 years, will fund two new wastewater treatment ponds.*

LEAD – The city of Lead received four Clean Water SRF loans amounting to \$1,301,677 to separate combined sanitary and storm sewers along with the rehabilitation of portions of the sanitary sewer system and to replace and separate combined sewers beneath South Dakota Highway 85 in conjunction with a South Dakota Department of Transportation highway project. The first loan was 3 percent interest for 20 years, the second and third loans were at 3 percent for 10 years, and the fourth loan was at 4.5 percent interest for 10 years,

LEAD-DEADWOOD SANITARY DISTRICT – A sludge disposal vehicle and a sewer jet were purchased by the Lead-Deadwood Sanitary District with a loan for \$106,855 at 3 percent for 5 years.

LEMMON – The city of Lemmon received a \$427,100 loan at 3 percent interest for 20 years to refinance a general obligation sewer bond issued in 1985. The bonds were issued to correct an infiltration/inflow problem.

LENNOX – The city of Lennox used a \$350,000 Clean Water SRF loan at 5.25 percent interest for 20 years to construct and rehabilitate sanitary sewer interceptors. The city received a second loan for \$583,735 at 5.25 percent for 20 years to add four aeration basins, two lift stations, and force mains to the existing wastewater facility.

MADISON – The city of Madison received a \$119,416 Clean Water SRF loan at 3 percent interest for 10 years to finance the construction of new collectors.

McCOOK LAKE SANITARY DISTRICT – McCook Lake Sanitary District received a Clean Water SRF loan for \$641,935 at 5 percent for 20 years to partially fund the upgrade and expansion of the wastewater treatment facility.

MITCHELL (2003) – The city of Mitchell received a its first \$1,543,405 loan at 4.5 percent for 10 years to partially fund the construction of a storm drain diversion project. *Mitchell's second loan of \$1,320,000 at 3.5 percent for 20 years will fund the water quality components of a regional landfill that will serve Mitchell as well as several surrounding counties and their communities.*

MOBRIDGE – The city of Mobridge received two Clean Water SRF loans to partially fund the upgrade and expansion of the wastewater treatment facility. The first loan totaled \$1,500,000 at 3 percent for 20 years, while the second loan of \$158,000 was at a rate of 4 percent for 15 years. The city received its third loan in the amount of \$1,355,000 at 4.5 percent interest for 10 years to install storm sewers in the northwest section of town.

NORTH SIOUX CITY – North Sioux City received a Clean Water SRF loan in the amount of \$239,650 at a rate of 3 percent for 10 years to construct storm sewer and drainage improvements in the community. The city received its second Clean Water SRF loan, \$646,000 at 5 percent interest for 15 years, to expand the storm sewer system and to provide drainage for a rapidly developing area.

NORTHDALE SANITARY DISTRICT – The Northdale Sanitary District used a \$256,380, 5 percent, 20-year loan to construct a new gravity sewer, lift station and force main. The new system connects the sanitary district to Rapid City's wastewater system.

PHILIP – Philip financed the construction of sanitary and storm sewer improvements with a loan of \$453,885 at 5 percent interest for 15 years. The city received a second, \$321,127 Clean Water SRF loan for a term of 20 years at 5.25 percent to finance the construction of sanitary sewer, storm sewer, concrete curb and gutter, and replacement of force main.

PICKEREL LAKE SANITARY DISTRICT – The Pickerel Lake Sanitary District received an \$850,000 Clean Water SRF loan, at 5 percent for 15 years, to finance the phase I construction of a new wastewater treatment facility and a sanitary sewer collection system. The district received a second loan of \$670,000 at 5.25 percent for 20 years to complete phase II of the collection system construction.

PIERRE (2003) – The city of Pierre has received four Clean Water SRF loans totaling \$11,620,640. Its first loan, in the amount of \$433,976 at 4 percent for 15 years, financed the construction of an interceptor line near the airport and the addition of comminutors at the treatment plant as well as improvements to the sludge handling facilities at the treatment plant. The city's second loan, for \$4,417,000 at 5.25 percent for 20 years, financed phase I improvements to the wastewater treatment facility. Pierre received a third loan in the amount of \$5,391,260 at 5 percent for 20 years to improve the wastewater treatment facility (phase II). *Its fourth loan will fund the water quality components of a new regional landfill. The loan is for \$1,378,404 at 3.5 percent for 20 years.*

PLATTE – The city of Platte received a \$1,000,000 loan at 5 percent for 20 years to renovate its sanitary sewer system.

POLLOCK – Pollock received a \$151,619 Clean Water SRF loan at 3 percent for 10 years to cover costs that exceeded the available EPA grant funding used to upgrade the wastewater treatment facility.

RAPID CITY – Rapid City has received five Clean Water SRF loans which have been used for construction activities at the wastewater treatment facility, rehabilitation and extension of the sanitary sewer system, construction of stormwater facilities and mitigation of approximately four acres of wetlands at the city's Material Recovery Facility (MRF). The first four loans totaled \$5,536,028, all at a rate of 4 percent for 15 years. The fifth loan, at a rate of 4.5 percent for 20 years for \$14,000,000, was used to upgrade the wastewater treatment plant as well as to construct a facility to co-compost wastewater treatment plant biosolids with municipal solid wastes.

RAPID VALLEY SANITARY DISTRICT – The Rapid Valley Sanitary District has received three Clean Water SRF loans totaling \$1,600,583. The first two loans, totaling \$978,583, were used for rehabilitation and extension of the existing sanitary sewer system and carried terms of 3 percent for 20 years and 4 percent for 15 years. The

sanitary district continued to rehabilitate the sanitary sewer system with a third loan of \$630,000 at 5.25 percent for 20 years.

RICHMOND LAKE SANITARY DISTRICT – The Richmond Lake Sanitary District received a \$414,000 Clean Water SRF loan at an interest rate of 5.25 percent for 20 years, which was used to partially finance the construction of a new sanitary sewer system and stabilization pond system for residences around Richmond Lake. The district received a second loan of \$191,500 at 5.25 percent for 20 years to complete phase II of the collection system construction.

ROSCOE – The city of Roscoe received a Clean Water SRF loan for \$358,408 to expand its wastewater treatment facility, rehabilitate an interceptor sewer and construct a new collection sewer. The loan was for 20 years at 5.25 percent.

SALEM (2003) – *Salem's first Clean Water SRF loan, in the amount of \$592,307 at 3.5 percent for 20 years, will fund wastewater collection improvements in conjunction with a South Dakota DOT project.*

SCOTLAND (2003) – *Scotland will fund the wastewater component of its Main Street reconstruction project with a \$250,000 loan at 3.5 percent for 20 years.*

SIoux FALLS (2003) – The city of Sioux Falls has received 17 Clean Water SRF loans totaling \$32,005,810 for a variety of projects. These projects include the construction of new interceptor lines and lift stations, rehabilitation of the sanitary sewers and lift stations, purchase of sludge handling equipment and improvements, infiltration/inflow correction, improvement of storm water drainage, and flow equalization basin construction. The first loan is at 3 percent for 20 years. Loans 2 through 10 are at 3 percent for 10 years, loans 11 through 14 are at 4.5 percent for 10 years, and the fifteenth loan is at 3.5 percent for 10 years. *The City's sixteenth and seventeenth loans, for \$2,479,500 and \$932,000, are both at 3.5 percent for ten years, will fund wastewater facilities improvements and will identify and implement best management practices within the city.*

SOUTHERN MISSOURI WASTE MANAGEMENT DISTRICT – The Southern Missouri Recycling and Waste Management District received a \$700,000 Clean Water SRF loan at 5 percent for 20 years for the construction of a regional landfill near Lake Andes. In federal fiscal year 1998, Southern Missouri Waste Management District received a grant from HUD in the amount of \$400,000 to pay against the principal portion of Southern Missouri's Clean Water SRF loan.

SPEARFISH – The city of Spearfish used a \$1,956,000 Clean Water SRF loan for 15 years at 4 percent to fund the expansion of the wastewater treatment facility.

STURGIS – The city of Sturgis has received four loans totaling \$3,975,630. The first two loans, totaling \$1,438,250 at 5 percent for 20 years, financed the construction of three sewer interceptor lines, a sewer collection line, and wastewater treatment facility upgrades. The city's third loan, \$437,380 at 5.25 percent for 20 years, financed the repair of damage to and replacement of riprap in the second and third cells of the wastewater treatment facility as well as engineering planning studies. The city's fourth loan for \$2,100,000, at 5 percent interest for 20 years, expanded the city's treated effluent irrigation system.

TEA (2003) – The city of Tea has received five loans totaling \$1,941,803. Its first two loans of \$600,000 each at 4 percent for 15 years funded the construction of a storm drainage system. The third loan of \$208,813, at 5.25 percent for 20 years, funded the construction of a sanitary sewer and lift station. The city received a fourth loan of \$375,000 at 5 percent for 15 years to reconfigure the existing lagoon system and construct a new primary cell and two secondary cells. *Tea's fifth loan of \$495,490 at 3.5 percent for 20 years will expand the city's wastewater treatment capability by adding an aerated lagoon.*

VALLEY SPRINGS – The city of Valley Springs received a \$430,000 loan for 20 years at 5.25 percent interest to fund the expansion and upgrade of the existing wastewater treatment facility.

VERMILLION (2003) – Vermillion has received four Clean Water SRF loans totaling \$1,561,000. The first loan, at 3 percent for 20 years, was used to reconstruct a sanitary sewer interceptor. The second loan, at 4 percent for 15

years, funded the construction of approximately 6,200 feet of storm sewer pipe and associated appurtenances in three areas of the city. The third loan, at 4.5 percent for 10 years, financed the construction of a second trench at the city's landfill and to purchase a scraper. *The city's fourth loan, \$456,000 at 3.5 percent for 20 years, will fund wastewater collection facilities in the northwest area of the city.*

WALL – The city of Wall received a Clean Water SRF loan in the amount of \$1,146,000 at 5 percent for 20 years for its municipal wastewater improvement project. The project consists of the construction of a seven-mile transfer line to new total retention ponds.

WALL LAKE SANITARY DISTRICT – The district received its first Clean Water loan for \$200,000 at 3.5 percent for 20 years to fund an extension of sewer main to residents without service. This includes the installation of lift stations and small diameter force main.

WARNER – The town of Warner used a \$101,152 Clean Water SRF loan at 4.5 percent for 10 years to construct a storm sewer collection and disposal system to improve storm drainage within the community.

WATERTOWN (2003) – The city of Watertown has received five Clean Water SRF loans totaling \$11,571,564 for various projects. The first two loans, both at 4 percent for 15 years, financed the upgrade and expansion of the city's wastewater treatment facility. The third and fourth loans, payable at 5.25 percent interest for 20 years, were used to rehabilitate portions of the sanitary sewer collection system and for engineering costs associated with the final upgrade of the wastewater treatment facility. *The city's fifth loan, \$2,055,000 at 3.5 percent for 20 years, will fund replacement or rehabilitation of sanitary sewers throughout the city and lift stations serving the Lake Kampeska area.*

WAUBAY – The city of Waubay received a 20 year, 5 percent Clean Water SRF loan in the amount of \$81,454 to construct a wastewater collection system within the city limits on the south shore of Blue Dog Lake, an area previously served by septic tanks.

WEBSTER – The city of Webster used a 10 year, 4.5 percent Clean Water SRF loan for \$345,394 to reconstruct a sanitary sewer line on Main Street. The city received a second loan in the amount of \$811,000 at 3.5 percent for 20 years to fund the replacement of about 7,400 feet of sewer main, 136 service connections, and approximately 3,400 feet of storm sewer lines.

WHITEWOOD – Whitewood has received two loans totaling \$455,801. The first loan was at 4 percent interest for 15 years while the second was at 5 percent for 20 years. Whitewood constructed a new mechanical wastewater treatment facility in conjunction with the existing stabilization pond system and expanded the wastewater collection system.

WORTHING – The town of Worthing received a \$227,645 Clean Water SRF loan at 5.25 percent interest for 20 years that was used to expand and upgrade the existing stabilization pond treatment facility.

YANKTON – The city of Yankton received three loans totaling \$13,255,000. All three loans were used to upgrade and expand the existing wastewater treatment facility. The term of the first loan was 5.25 percent for 20 years. The second loan utilized the leveraged program bonds with a term of 6 percent for 20 years. Yankton's third loan, in the amount of \$6,130,000 at 3.5 percent for 20 years, funded the third phase of the project.

EXHIBITS I-VII
CLEAN WATER SRF
STATUS REPORTS

EXHIBIT I
PROJECTS RECEIVING SRF ASSISTANCE
FEDERAL FISCAL YEAR 2003

Recipient	Assistance Amount	Binding Commitment Date	Rate/Term
Black Hawk San Dist (01)	\$589,600	26-Jun-03	3.5%/20 years
Canton (02)	\$600,000	10-Jan-03	3.5%/20 years
Clark (01)	\$400,000	10-Jan-03	3.5%/20 years
Elk Point (03)	\$345,000	26-Jun-03	3.5%/20 years
Groton (04)	\$163,775	28-Mar-03	3.5%/20 years
Groton (05)	\$440,000	28-Mar-03	3.5%/20 years
Hartford (04)	\$550,035	10-Jan-03	3.5%/20 years
Jefferson (01)	\$320,000	28-Mar-03	3.5%/20 years
Lake Madison San Dist (02)	\$875,000	25-Sep-03	3.5%/20 years
Mitchell (02)	\$1,320,000	25-Sep-03	3.5%/20 years
Pierre (04)	\$1,378,404	28-Mar-03	3.5%/20 years
Salem (01)	\$592,307	28-Mar-03	3.5%/20 years
Scotland (01)	\$250,000	28-Mar-03	3.5%/20 years
Sioux Falls (16)	\$2,479,500	10-Jan-03	3.5%/10 years
Sioux Falls (17)	\$932,000	26-Jun-03	3.5%/10 years
Tea (05)	\$495,490	26-Jun-03	3.5%/20 years
Vermillion (03)	\$456,000	28-Mar-03	3.5%/20 years
Watertown (05)	\$2,055,000	28-Mar-03	3.5%/20 years
TOTAL	\$14,242,111		

EXHIBIT II
SRF NEEDS CATEGORIES
FEDERAL FISCAL YEAR 2003

Recipient	Project No.	I Sec. Treat.	III-A I/I Correction	III-B System Rehab	IV-A New Collection	IV-B New Interceptor	VI Storm Sewers	NPS Non-Point Source
Black Hawk San Dist (01)	C461427-01					\$589,600		
Canton (02)	C461039-02			\$120,000		\$480,000		
Clark (01)	C461124-01	\$157,572	\$242,428					
Elk Point (03)	C461059-03	\$345,000						
Groton (04)	C461051-04					\$163,775		
Groton (05)	C461051-05			\$440,000				
Hartford (04)	C461104-04		\$170,510				\$379,525	
Jefferson (01)	C461070-01	\$320,000						
Lake Madison San Dist (02)	C461036-02	\$875,000						
Mitchell (02)	C461129-02							\$1,320,000
Pierre (04)	C461288-04							\$1,378,404
Salem (01)	C461057-01				\$111,759		\$480,548	
Scotland (01)	C461069-01			\$250,000				
Sioux Falls (16)	C461232-16		\$100,000	\$440,000	\$339,500	\$1,600,000		
Sioux Falls (17)	C461232-17						\$932,000	
Tea (05)	C461028-05	\$495,490						
Vermillion (03)	C461022-03				\$456,000			
Watertown (05)	C461029-05			\$2,055,000				
TOTAL		\$2,193,062	\$512,938	\$3,305,000	\$907,259	\$2,833,375	\$1,792,073	\$2,698,404

EXHIBIT III
ALLOCATION AND SOURCE OF
SRF FUNDS

Fiscal Year	Capitalization Grant Award	State Match	Leveraged Funds	Total
1989	\$4,577,200	\$915,440		\$5,492,640
1990	\$4,738,000	\$947,600		\$5,685,600
1991	\$10,074,800	\$2,014,960		\$12,089,760
1992	\$9,534,900	\$1,906,980		\$11,441,880
1993	\$9,431,000	\$1,886,200		\$11,317,200
1994	\$5,813,800	\$1,162,760		\$6,976,560
1995	\$6,007,800	\$1,201,560	\$4,507,540	\$11,716,900
1996	\$9,904,700	\$1,980,940		\$11,885,640
1997	\$2,990,500	\$598,100		\$3,588,600
1998	\$6,577,300	\$1,315,460		\$7,892,760
1999	\$6,577,900	\$1,315,580		\$7,893,480
2000	\$6,555,200	\$1,311,040		\$7,866,240
2001	\$6,496,100	\$1,299,220		\$7,795,320
2002 *	\$0	\$0		\$0
2003 *	\$0	\$0		\$0
TOTAL	\$89,279,200	\$17,855,840	\$4,507,540	\$111,642,580

* The 2002 and 2003 capitalization grants and state match were transferred to the Drinking Water SRF program.

Fiscal Year	Capitalization Grant Award	State Match	Total Transferred
2002	\$6,510,800	\$1,302,160	\$7,812,960
2003	\$6,467,800	\$1,293,560	\$7,761,360
	\$12,978,600	\$2,595,720	\$15,574,320

EXHIBIT IV
Obligations for
Federal Fiscal Years 1989-2003
Capitalization Grants, Principal Repayments
and Leveraged Funds

1. PROJECTS UTILIZING 1989 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1989 Capitalization Grant and State Match				\$5,309,552
Huron (01)	November 9, 1989	\$1,656,000	\$1,656,000	\$3,653,552
Rapid Valley Sanitary District (01)	January 11, 1990	\$614,000	\$614,000	\$3,039,552
Box Elder (01)	April 11, 1990	\$648,600	\$648,600	\$2,390,952
Custer (01)	April 11, 1990	\$430,000	\$430,000	\$1,960,952
Lake Cochrane (01)	April 11, 1990	\$80,000	\$80,000	\$1,880,952
Lemmon (01)	April 11, 1990	\$427,100	\$427,100	\$1,453,852
Sioux Falls (01) *	April 11, 1990	\$3,316,310	\$1,453,852	\$0

* Balance is from 1990 funds

2. PROJECTS UTILIZING 1990 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1990 Capitalization Grant and State Match				\$5,496,080
Sioux Falls (01) *			\$1,383,111	\$4,112,969
Lead-Deadwood Sanitary District (01)	June 7, 1990	\$110,000	\$106,855	\$4,006,114
Vermillion (01)	June 7, 1990	\$125,000	\$125,000	\$3,881,114
Custer (02)	July 11, 1990	\$182,000	\$182,000	\$3,699,114
Lead (01)	July 11, 1990	\$186,409	\$186,409	\$3,512,705
Mobridge (01)	July 11, 1990	\$1,500,000	\$1,500,000	\$2,012,705
Sioux Falls (02)	July 11, 1990	\$454,000	\$453,999	\$1,558,706
Belle Fourche (01)	August 22, 1990	\$253,000	\$253,000	\$1,305,706
Pierre (01)	November 8, 1990	\$600,000	\$433,976	\$871,730
Rapid City (01) **	December 12, 1990	\$2,637,000	\$871,730	\$0

* Balance is from 1989 funds

** Balance is from 1991 funds

3. PROJECTS UTILIZING 1991 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1991 Capitalization Grant and State Match				\$11,686,768
Rapid City (01) *			\$1,608,175	\$10,078,593
Sioux Falls (03)	December 12, 1990	\$845,000	\$845,000	\$9,233,593
Sioux Falls (04)	December 13, 1990	\$1,200,000	\$1,200,000	\$8,033,593
Brookings (01)	March 14, 1991	\$188,065	\$188,065	\$7,845,528
Madison (01)	March 14, 1991	\$150,000	\$119,416	\$7,726,112
Lake Madison Sanitary Dist (01)	March 14, 1991	\$330,000	\$330,000	\$7,396,112
Brandon (01)	March 14, 1991	\$105,000	\$105,000	\$7,291,112
Clear Lake (01)	June 13, 1991	\$370,000	\$79,537	\$7,211,575
Huron (02)	June 13, 1991	\$750,000	\$701,997	\$6,509,578
Lead (02)	July 11, 1991	\$500,770	\$500,770	\$6,008,808
McCook Lake Sanitary District (01)	August 29, 1991	\$641,935	\$641,935	\$5,366,873
Watertown (01)	October 9, 1991	\$2,000,000	\$2,000,000	\$3,366,873
Mobridge (02)	December 11, 1991	\$158,000	\$158,000	\$3,208,873
Waubay (01)	February 18, 1992	\$163,487	\$81,454	\$3,127,419
Whitewood (01)	February 18, 1992	\$200,000	\$180,801	\$2,946,618
Hot Springs (01)	March 12, 1992	\$196,930	\$196,930	\$2,749,688
Sioux Falls (05)	March 12, 1992	\$1,955,000	\$1,955,000	\$794,688
Sioux Falls (06)	March 12, 1992	\$700,000	\$700,000	\$94,688
Spearfish (01) **	March 12, 1992	\$1,956,000	\$94,688	\$0

* Balance is from 1990 funds

** Balance is from 1992 funds

4. PROJECTS UTILIZING 1992 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1992 Capitalization Grant and State Match				\$11,060,484
Spearfish (01) *			\$1,861,312	\$9,199,172
Canton (01)	May 19, 1992	\$621,000	\$515,715	\$8,683,457
Lead (03)	May 19, 1992	\$405,000	\$375,298	\$8,308,159
Chamberlain (01)	July 8, 1992	\$350,500	\$350,500	\$7,957,659
North Sioux City (01)	July 8, 1992	\$239,650	\$239,650	\$7,718,009
Rapid City (02)	July 8, 1992	\$1,138,200	\$986,685	\$6,731,324
Watertown (02)	August 12, 1992	\$4,000,000	\$4,000,000	\$2,731,324
Sioux Falls (07) **	January 26, 1993	\$4,500,000	\$2,731,324	\$0

* Balance is from 1991 funds

** Balance is from 1993 funds

5. PROJECTS UTILIZING 1993 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1993 Capitalization Grant and State Match				\$10,939,960
Sioux Falls (07) *			\$1,768,676	\$9,171,284
Chamberlain (02)	January 26, 1993	\$265,000	\$265,000	\$8,906,284
Brandon (02)	March 31, 1993	\$600,000	\$526,018	\$8,380,266
Tea (01)	March 31, 1993	\$600,000	\$600,000	\$7,780,266
Elk Point (01)	May 27, 1993	\$458,000	\$458,000	\$7,322,266
Rapid City (03)	June 23, 1993	\$777,500	\$674,577	\$6,647,689
Custer (03)	August 23, 1993	\$276,000	\$276,000	\$6,371,689
Sturgis (01)	August 23, 1993	\$502,000	\$502,000	\$5,869,689
Pollock (01)	September 23, 1993	\$170,000	\$151,619	\$5,718,070
Vermillion (02)	December 9, 1993	\$500,000	\$370,471	\$5,347,599
Dell Rapids (01)	December 9, 1993	\$300,000	\$300,000	\$5,047,599
Groton (01)	January 13, 1994	\$192,000	\$189,524	\$4,858,075
Hot Springs (NPS/01)	January 13, 1994	\$930,000	\$930,000	\$3,928,075
Sioux Falls (08)	January 13, 1994	\$1,000,000	\$699,003	\$3,229,072
Deadwood (01)	April 25, 1994	\$582,000	\$447,838	\$2,781,234
Northdale Sanitary District (01)	April 25, 1994	\$315,000	\$256,380	\$2,524,854
Fort Pierre (01)	May 11, 1994	\$330,294	\$330,294	\$2,194,560
Garretson (01)	May 11, 1994	\$510,000	\$300,000	\$1,894,560
Groton (02)	May 11, 1994	\$106,000	\$74,630	\$1,819,930
Tea (02)	May 11, 1994	\$600,000	\$600,000	\$1,219,930
Sturgis (02)	June 23, 1994	\$936,250	\$936,250	\$283,680
Rapid City (04) **	August 10, 1994	\$1,214,861	\$283,680	\$0

* Balance is from 1992 funds

** Balance is from 1994 funds

6. PROJECTS UTILIZING 1994 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1994 Capitalization Grant and State Match				\$6,744,008
Rapid City (04) *			\$931,181	\$5,812,827
Sioux Falls (09)	August 10, 1994	\$1,250,000	\$1,250,000	\$4,562,827
Sioux Falls (10)	August 10, 1994	\$1,500,000	\$1,432,941	\$3,129,886
Southern Missouri WMD (01)	October 6, 1994	\$700,000	\$700,000	\$2,429,886
Rapid Valley Sanitary District (02)	November 10, 1994	\$460,000	\$364,583	\$2,065,303
Warner (01)	March 23, 1995	\$102,000	\$101,152	\$1,964,151
Belle Fourche (02)	June 22, 1995	\$300,000	\$264,422	\$1,699,729
Custer-Fall River WMD (01)	June 22, 1995	\$250,000	\$106,939	\$1,592,790
North Sioux City (02)	June 22, 1995	\$646,000	\$646,000	\$946,790
Philip (01)	June 22, 1995	\$472,000	\$453,885	\$492,905
Sioux Falls (11) **	June 22, 1995	\$1,250,000	\$492,905	\$0

* Balance is from 1993 funds

** Balance is from 1995 funds

7. PROJECTS UTILIZING 1995 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1995 Capitalization Grant and State Match				\$6,969,048
Sioux Falls (11) *			\$702,441	\$6,266,607
Watertown (03)	June 22, 1995	\$2,600,000	\$2,583,734	\$3,682,873
Vermillion (NPS/01)	August 10, 1995	\$480,000	\$356,531	\$3,326,342
Huron (03)	September 19, 1995	\$2,700,000	\$1,856,828	\$1,469,514
Sioux Falls (12)	March 27, 1996	\$1,300,000	\$1,300,000	\$169,514
Webster (01) **	March 27, 1996	\$400,000	\$169,514	\$0

* Balance is from 1994 funds

** Balance is from 1996 funds

8. PROJECTS UTILIZING 1996 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1996 Capitalization Grant and State Match				\$11,489,452
Webster (01) *			\$175,880	\$11,313,572
Pickereel Lake Sanitary District (01)	May 9, 1996	\$850,000	\$850,000	\$10,463,572
Chamberlain (03)	June 27, 1996	\$2,700,000	\$2,700,000	\$7,763,572
Lennox (01)	June 27, 1996	\$350,000	\$350,000	\$7,413,572
Richmond Lake Sanitary District (01)	June 27, 1996	\$414,000	\$414,000	\$6,999,572
Worthing (01)	June 27, 1996	\$315,725	\$227,645	\$6,771,927
Rapid Valley Sanitary District (03)	July 29, 1996	\$630,000	\$630,000	\$6,141,927
Roscoe (01)	July 29, 1996	\$358,408	\$358,408	\$5,783,519
Sioux Falls (13)	January 9, 1997	\$2,500,000	\$2,083,137	\$3,700,382
Philip (02)	June 26, 1997	\$325,000	\$321,127	\$3,379,255
Sturgis (03)	June 27, 1997	\$450,000	\$437,380	\$2,941,875
Tea (03)	June 27, 1997	\$250,000	\$208,813	\$2,733,062
Groton (03)	July 23, 1997	\$635,000	\$470,809	\$2,262,253
Lennox (02)	July 23, 1997	\$600,000	\$583,735	\$1,678,518
Bridgewater (01)	September 25, 1997	\$120,000	\$90,328	\$1,588,190
Pickereel Lake Sanitary District (02)	September 25, 1997	\$670,000	\$670,000	\$918,190
Yankton (01) **	December 11, 1997	\$2,625,000	\$918,190	\$0

* Balance is from 1995 funds

** Balance is from 1997 funds

9. PROJECTS UTILIZING 1997 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1997 Capitalization Grant and State Match				\$3,468,980
Yankton (01) *			\$1,706,810	\$1,762,170
Chamberlain (04)	March 26, 1998	\$450,000	\$450,000	\$1,312,170
Pierre (02) **	March 26, 1998	\$4,417,000	\$1,312,170	\$0

* Balance is from 1996 funds

** Balance is from 1998 funds

10. PROJECTS UTILIZING 1998 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1998 Capitalization Grant and State Match				\$7,629,668
Pierre (02) *			\$3,104,830	\$4,524,838
Tea (04)	May 14, 1998	\$375,000	\$375,000	\$4,149,838
Valley Springs (01)	May 14, 1998	\$430,000	\$422,128	\$3,727,710
Richmond Lake Sanitary District (02)	June 25, 1998	\$226,500	\$191,500	\$3,536,210
Pierre (03) **	March 25, 1999	\$5,391,260	\$3,536,210	\$0

* Balance is from 1997 funds

** Balance is from 1999 funds

11. PROJECTS UTILIZING 1999 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
1999 Capitalization Grant and State Match				\$7,630,364
Pierre (03) *			\$1,855,050	\$5,775,314
Platte (01)	March 25, 1999	\$1,000,000	\$1,000,000	\$4,775,314
Britton (01)	May 13, 1999	\$509,935	\$509,935	\$4,265,379
Harrisburg (01)	June 23, 1999	\$520,000	\$507,277	\$3,758,102
Wall (01)	July 22, 1999	\$1,146,000	\$788,600	\$2,969,502
Hartford (01)	April 13, 2000	\$504,000	\$504,000	\$2,465,502
Hartford (02)	April 13, 2000	\$690,804	\$690,804	\$1,774,698
Mobridge (03)	April 13, 2000	\$1,355,000	\$1,350,000	\$424,698
Sturgis (04) **	April 14, 2000	\$2,100,000	\$424,698	\$0

* Balance is from 1998 funds

** Balance is from 2000 funds

12. PROJECTS UTILIZING 2000 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
2000 Capitalization Grant and State Match				\$7,604,032
Sturgis (04) *			\$1,675,302	\$5,928,730
Beresford (01)	June 22, 2000	\$1,150,000	\$1,115,852	\$4,812,878
Aurora (01)	July 27, 2000	\$410,000	\$410,000	\$4,402,878
Lead (04)	July 27, 2000	\$239,200	\$239,200	\$4,163,678
Whitewood (02)	July 27, 2000	\$275,000	\$189,032	\$3,974,646
Sioux Falls (14) **	July 27, 2000	\$5,100,000	\$3,974,646	\$0

* Balance is from 1999 funds

** Balance is from 2001 funds

13. PROJECTS UTILIZING 2001 SRF FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
2001 Capitalization Grant and State Match				\$7,535,476
Sioux Falls (14) *			\$913,891	\$6,621,585
Yankton (03)	October 12, 2001	\$6,130,000	\$6,130,000	\$491,585
Wall Lake (01)	December 13, 2001	\$200,000	\$200,000	\$291,585
Elk Point (02) **	January 31, 2002	\$450,000	\$40,974	\$250,611
Sioux Falls (15) **	April 12, 2002	\$1,724,000	\$250,611	\$0

* Balance is from 2000 funds

** Balance is from Repayment funds

14. PROJECTS UTILIZING 2002 SRF FUNDS

The FFY 2002 Clean Water SRF Capitalization grant and state matching funds were transferred in their entirety to the Drinking Water SRF program.

15. PROJECTS UTILIZING 2003 SRF FUNDS

The FFY 2003 Clean Water SRF Capitalization grant and state matching funds were transferred in their entirety to the Drinking Water SRF program.

16. PROJECTS UTILIZING LEVERAGED FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
Total Leveraged Funds Available				\$4,507,540
Yankton (02)	December 11, 1997	\$4,500,000	\$4,500,000	\$7,540
Lake Madison Sanitary Dist (02) *	September 25, 2003	\$875,000	\$7,540	\$0

* Balance is from Repayment funds

17. PROJECTS UTILIZING FUTURE YEARS' MATCH (2001 BOND PROCEEDS)

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
2001 Bond Proceeds				\$2,500,000
Rapid City (05) *			\$2,500,000	\$0

* Balance is from repayments

18. PROJECTS UTILIZING REPAYMENT FUNDS

RECIPIENT	BINDING COMMITMENT DATE	BINDING COMMITMENT AMOUNT	ACTUAL AMOUNT	BALANCE
Total Repayments as of 9/30/2003				\$49,345,446
Watertown (04)	November 9, 1995	\$2,200,000	\$932,830	\$48,412,616
Mitchell (01)	April 15, 1997	\$2,000,000	\$1,543,405	\$46,869,211
Rapid City (05) ***	January 11, 2001	\$14,000,000	\$11,500,000	\$35,369,211
Elk Point (02) *			\$409,026	\$34,960,185
Castlewood (01)	January 31, 2002	\$250,000	\$250,000	\$34,710,185
Fort Pierre (02)	January 31, 2002	\$462,500	\$462,500	\$34,247,685
Hartford (03)	April 12, 2002	\$300,000	\$300,000	\$33,947,685
Highmore (01)	April 12, 2002	\$262,300	\$262,300	\$33,685,385
Sioux Falls (15) *			\$1,473,389	\$32,211,996
Webster (02)	April 12, 2002	\$811,000	\$811,000	\$31,400,996
Baltic (01)	June 27, 2002	\$465,000	\$465,000	\$30,935,996
Centerville (01)	June 27, 2002	\$500,000	\$500,000	\$30,435,996
Britton (02)	September 26, 2002	\$322,500	\$322,500	\$30,113,496
Canton (02)	January 10, 2003	\$600,000	\$600,000	\$29,513,496
Clark	January 10, 2003	\$400,000	\$400,000	\$29,113,496
Hartford (04)	January 10, 2003	\$550,035	\$550,035	\$28,563,461
Sioux Falls (16)	January 10, 2003	\$2,479,500	\$2,479,500	\$26,083,961
Groton (04)	March 28, 2003	\$163,775	\$163,775	\$25,920,186
Groton (05)	March 28, 2003	\$440,000	\$440,000	\$25,480,186
Jefferson	March 28, 2003	\$320,000	\$320,000	\$25,160,186
Pierre (04)	March 28, 2003	\$1,378,404	\$1,378,404	\$23,781,782
Salem	March 28, 2003	\$592,307	\$592,307	\$23,189,475
Scotland	March 28, 2003	\$250,000	\$250,000	\$22,939,475
Vermillion (03)	March 28, 2003	\$456,000	\$495,490	\$22,443,985
Watertown (05)	March 28, 2003	\$2,055,000	\$2,055,000	\$20,388,985
Black Hawk Sanitary District	June 26, 2003	\$589,600	\$589,600	\$19,799,385
Elk Point (03)	June 26, 2003	\$345,000	\$345,000	\$19,454,385
Sioux Falls (17)	June 26, 2003	\$932,000	\$932,000	\$18,522,385
Tea (05)	June 26, 2003	\$495,490	\$495,490	\$18,026,895
Lake Madison Sanitary Dist (02) **			\$867,460	\$17,159,435
Mitchell (02)	September 25, 2003	\$1,320,000	\$1,320,000	\$15,839,435

* Balance is from 2001 funds

** Balance is from leveraged funds

*** Balance is from future year match

EXHIBIT V
Clean Water SRF Disbursements
October 1, 2002 to September 30, 2003

LOAN DISBURSEMENTS

Disburse Number	Date	Payee	Repayment Funds	State Funds	Federal Funds	Total Payment
03-01	10/16/02	Fort Pierre (02)	\$90,196.00	\$0.00	\$0.00	\$90,196.00
03-02	10/18/02	Rapid City (05)	\$1,984,034.00	\$0.00	\$0.00	\$1,984,034.00
03-03	10/22/02	Fort Pierre (02)	\$66,225.00	\$0.00	\$0.00	\$66,225.00
03-04	10/22/02	Centerville (01)	\$52,420.00	\$0.00	\$0.00	\$52,420.00
03-05	10/22/02	Elk Point (02)	\$61,818.00	\$0.00	\$0.00	\$61,818.00
03-06	10/22/02	Castlewood (01)	\$36,715.00	\$0.00	\$0.00	\$36,715.00
03-07	11/12/02	Centerville (01)	\$72,920.00	\$0.00	\$0.00	\$72,920.00
03-08	11/12/02	Fort Pierre (02)	\$29,332.00	\$0.00	\$0.00	\$29,332.00
03-09	11/18/02	Elk Point (02)	\$20,098.00	\$0.00	\$0.00	\$20,098.00
03-10	12/04/02	Lead (04)	\$0.00	\$39,867.00	\$199,333.00	\$239,200.00
03-11	12/04/02	Fort Pierre (02)	\$98,421.00	\$0.00	\$0.00	\$98,421.00
03-13	12/26/02	Elk Point (02)	\$20,643.00	\$0.00	\$0.00	\$20,643.00
03-14	12/26/02	Wall Lake (01)	\$0.00	\$1,592.00	\$7,958.00	\$9,550.00
03-12	12/30/02	Highmore (01)	\$208,950.00	\$0.00	\$0.00	\$208,950.00
03-15	01/08/03	Fort Pierre (02)	\$17,831.00	\$0.00	\$0.00	\$17,831.00
03-16	01/13/03	Centerville (01)	\$43,593.00	\$0.00	\$0.00	\$43,593.00
03-17	01/30/03	Yankton (03)	\$0.00	\$83,750.00	\$418,750.00	\$502,500.00
03-18	01/30/03	Fort Pierre (02)	\$20,187.00	\$0.00	\$0.00	\$20,187.00
03-19	01/30/03	Highmore (01)	\$17,277.00	\$0.00	\$0.00	\$17,277.00
03-20	02/14/03	Castlewood (01)	\$22,774.00	\$0.00	\$0.00	\$22,774.00
03-21	02/21/03	Fort Pierre (02)	\$66,835.00	\$0.00	\$0.00	\$66,835.00
03-22	03/04/03	Centerville (01)	\$48,718.00	\$0.00	\$0.00	\$48,718.00
03-23	03/04/03	Rapid City (05)	\$3,392,801.00	\$0.00	\$0.00	\$3,392,801.00
03-24	03/25/03	Hartford (02)	\$0.00	\$833.00	\$4,167.00	\$5,000.00
03-25	03/25/03	Sioux Falls (14)	\$0.00	\$43,771.00	\$218,852.00	\$262,623.00
03-26	05/29/03	Rapid City (05)	\$168,937.00	\$0.00	\$0.00	\$168,937.00
03-26	05/29/03	Rapid City (05)	\$0.00	\$2,500,000.00	\$0.00	\$2,500,000.00
03-27	06/18/03	Webster (02)	\$28,991.00	\$0.00	\$0.00	\$28,991.00
03-28	06/25/03	Centerville (01)	\$15,685.00	\$0.00	\$0.00	\$15,685.00
03-29	07/17/03	Hartford (04)	\$38,631.00	\$0.00	\$0.00	\$38,631.00
03-30	07/17/03	Rapid City (05)	\$1,436,323.00	\$0.00	\$0.00	\$1,436,323.00
03-32	07/24/03	Hartford (04)	\$32,486.00	\$0.00	\$0.00	\$32,486.00
03-33	07/24/03	Webster (02)	\$198,471.00	\$0.00	\$0.00	\$198,471.00
03-34	07/24/03	Scotland (01)	\$28,124.00	\$0.00	\$0.00	\$28,124.00
03-35	07/24/03	Pierre (04)	\$742,610.00	\$0.00	\$0.00	\$742,610.00
03-31	07/24/03	Canton (02)	\$232,261.00	\$0.00	\$0.00	\$232,261.00
03-36	08/06/03	Vermillion (03)	\$96,802.00	\$0.00	\$0.00	\$96,802.00
03-37	08/06/03	Wall Lake (01)	\$0.00	\$2,907.00	\$14,530.00	\$17,437.00

Disburse Number	Date	Payee	Repayment Funds	State Funds	Federal Funds	Total Payment
03-39	08/13/03	Scotland (01)	\$8,243.00	\$0.00	\$0.00	\$8,243.00
03-38	08/14/03	Webster (02)	\$124,087.00	\$0.00	\$0.00	\$124,087.00
03-40	08/20/03	Centerville (01)	\$6,840.00	\$0.00	\$0.00	\$6,840.00
03-41	08/27/03	Highmore (01)	\$35,379.00	\$0.00	\$0.00	\$35,379.00
03-42	08/27/03	Hartford (04)	\$30,227.00	\$0.00	\$0.00	\$30,227.00
03-43	08/27/03	Pierre (04)	\$57,774.00	\$0.00	\$0.00	\$57,774.00
03-44	08/27/03	Baltic (01)	\$52,796.00	\$0.00	\$0.00	\$52,796.00
03-45	08/28/03	Canton (02)	\$217,604.00	\$0.00	\$0.00	\$217,604.00
03-46	09/04/03	Salem (01)	\$115,487.00	\$0.00	\$0.00	\$115,487.00
03-47	09/09/03	Tea (05)	\$138,493.00	\$0.00	\$0.00	\$138,493.00
03-48	09/09/03	Vermillion (03)	\$20,795.00	\$0.00	\$0.00	\$20,795.00
03-49	09/17/03	Canton (02)	\$110,100.00	\$0.00	\$0.00	\$110,100.00
03-50	09/17/03	Scotland (01)	\$84,150.00	\$0.00	\$0.00	\$84,150.00
03-51	09/24/03	Baltic (01)	\$33,604.00	\$0.00	\$0.00	\$33,604.00
03-52	09/24/03	Clark (01)	\$48,732.00	\$0.00	\$0.00	\$48,732.00
03-53	09/24/03	Groton (04)	\$50,452.00	\$0.00	\$0.00	\$50,452.00
03-54	09/24/03	Salem (01)	\$81,212.00	\$0.00	\$0.00	\$81,212.00
03-55	09/24/03	Webster (02)	\$124,662.00	\$0.00	\$0.00	\$124,662.00
03-56	09/24/03	Highmore (01)	\$694.00	\$0.00	\$0.00	\$694.00
03-57	09/24/03	Hartford (04)	\$30,032.00	\$0.00	\$0.00	\$30,032.00
Total Loan Disbursements			\$10,762,472.00	\$2,672,720.00	\$863,590.00	\$14,298,782.00

ADMINISTRATIVE DISBURSEMENTS

Disburse Number	Date	Payee	Restricted Surcharge	Discretionary Surcharge	Federal	Total Payment
03A-01	10/11/02	SD - Admin	\$16,100.00	\$0.00	\$0.00	\$16,100.00
03A-02	10/22/02	Alzheimer & Gray	\$32,500.00	\$0.00	\$0.00	\$32,500.00
03A-03	10/22/02	SD - Planning Grants	\$0.00	\$20,800.00	\$0.00	\$20,800.00
03A-04	11/25/02	SD - Admin	\$14,500.00	\$0.00	\$0.00	\$14,500.00
03A-04	11/25/02	SD - Planning Grants	\$0.00	\$6,200.00	\$0.00	\$6,200.00
03A-05	12/13/02	First National Bank	\$21,412.50	\$0.00	\$0.00	\$21,412.50
03A-06	12/20/02	SD - Admin	\$15,400.00	\$0.00	\$0.00	\$15,400.00
03A-07	01/29/03	SD - Admin	\$21,000.00	\$0.00	\$0.00	\$21,000.00
03A-08	02/28/03	SD - Admin	\$13,800.00	\$0.00	\$0.00	\$13,800.00
03A-08	02/28/03	SD - Planning Grants	\$0.00	\$13,000.00	\$0.00	\$13,000.00
03A-09	03/26/03	SD - Admin	\$24,900.00	\$0.00	\$0.00	\$24,900.00
03A-09	03/26/03	SD - Planning Grants	\$0.00	\$1,200.00	\$0.00	\$1,200.00
03A-10	04/15/03	SD - Admin	\$14,100.00	\$0.00	\$0.00	\$14,100.00
03A-10	04/15/03	SD - Planning Grants	\$0.00	\$3,800.00	\$0.00	\$3,800.00
03A-11	05/21/03	SD - Admin	\$14,100.00	\$0.00	\$0.00	\$14,100.00
03A-12	06/10/03	First National Bank	\$21,088.00	\$0.00	\$0.00	\$21,088.00
03A-13	06/25/03	SD - Admin	\$7,200.00	\$0.00	\$0.00	\$7,200.00
03A-14	07/25/03	Fiduciary Comm. Co.	\$1,391.00	\$0.00	\$0.00	\$1,391.00
03A-15	07/30/03	SD - Admin	\$7,800.00	\$0.00	\$0.00	\$7,800.00
03A-15	07/30/03	SD - Planning Grants	\$0.00	\$2,900.00	\$0.00	\$2,900.00
03A-16	08/29/03	SD - Admin	\$17,200.00	\$0.00	\$0.00	\$17,200.00
03A-17	09/18/03	SD - Admin	\$26,500.00	\$0.00	\$0.00	\$26,500.00
03A-17	09/18/03	SD - Planning Grants	\$0.00	\$4,000.00	\$0.00	\$4,000.00
Total Admin Disbursements			\$268,991.50	\$51,900.00	\$0.00	\$320,891.50

TOTAL OF ALL CWSRF DISBURSEMENTS

\$14,619,673.50

Disbursements to the State of SD reflect reimbursements for disbursements made through the state accounting system. These reimbursements are for payroll expenses, overhead costs, 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 VI
Letter of Credit
Projected vs. Actual Draws
Federal Fiscal Year 2003

QUARTER	PROJECTED DRAWS	ACTUAL DRAWS	DIFFERENCE
1ST	\$1,000,000	\$207,291	(\$792,709)
2ND	\$985,300	\$641,769	(\$343,531)
3RD	\$0	\$14,530	\$14,530
4TH	\$0	\$0	\$0
TOTAL	\$1,985,300	\$863,590	(\$1,121,710)

EXHIBIT VII
Environmental Review and
Land Purchase Information

Loan Recipient	Environmental Assessment	Environmental Assessment Publication Date	Land Purchase w/ SRF?
Black Hawk San Dist (01)	FNSI	06/25/03	No
Canton (02)	FNSI	01/08/03	No
Clark (01)	CatEx	12/24/02	No
Elk Point (03)	CatEx	06/26/03	No
Groton (04)	FNSI	03/26/03	No
Groton (05)	CatEx	03/26/03	No
Hartford (04)	CatEx	12/12/02	No
Jefferson (01)	FNSI	03/13/03	No
Lake Madison San Dist (02)	CatEx	08/18/03	No
Mitchell (02)	Not Applicable		No
Pierre (04)	Not Applicable		No
Salem (01)	CatEx	03/13/03	No
Scotland (01)	CatEx	03/06/03	No
Sioux Falls (16)	CatEx	01/08/03	No
Sioux Falls (17)	CatEx	05/30/03	No
Tea (05)	FNSI	06/25/03	No
Vermillion (03)	FNSI	03/21/03	No
Watertown (05)	CatEx	03/26/03	No

EXHIBITS VIII - XII
CLEAN WATER SRF
FINANCIAL STATEMENTS
(unaudited)

**EXHIBIT VIII
LOAN PARTICIPANTS
September 30, 2003
(Unaudited)**

Borrower Name	Loan Amount	Other Advances	State Advances	Federal Advances	Total Advances	Repayment Amount	Loan Balance
Aurora (01)	410,000.00	0.00	44,555.00	265,204.00	309,759.00	15,273.90	294,485.10
Baltic (01)	465,000.00	86,400.00	0.00	0.00	86,400.00	0.00	86,400.00
Belle Fourche (01)	253,000.00	0.00	38,396.00	214,604.00	253,000.00	117,130.96	135,869.04
Belle Fourche (02)	264,422.00	0	44,071.00	220,351.00	264,422.00	190,646.99	73,775.01
Beresford (01)	1,115,852.00	0.00	76,297.00	1,039,555.00	1,115,852.00	208,194.36	907,657.64
Black Hawk San. Dist. (01)	589,600.00	0.00	0.00	0.00	0.00	0.00	0.00
Box Elder (01)	648,600.00	0.00	108,100.00	540,500.00	648,600.00	373,455.95	275,144.05
Brandon (01)	105,000.00	0.00	103,723.00	1,277.00	105,000.00	105,000.00	0.00
Brandon (02)	526,018.00	0.00	125,389.00	400,629.00	526,018.00	431,426.16	94,591.84
Bridgewater (01)	90,328.00	0.00	15,055.00	75,273.00	90,328.00	13,815.21	76,512.79
Britton (01)	509,935.00	0.00	84,990.00	424,945.00	509,935.00	152,025.83	357,909.17
Britton (02)	322,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Brookings (01)	188,065.00	0.00	31,344.00	156,721.00	188,065.00	188,065.00	0.00
Canton (01)	515,715.00	0.00	0.00	515,715.00	515,715.00	308,700.35	207,014.65
Canton (02)	600,000.00	559,965.00	0.00	0.00	559,965.00	0.00	559,965.00
Castlewood (01)	250,000.00	215,859.00	0.00	0.00	215,859.00	0.00	215,859.00
Centerville (01)	500,000.00	495,000.00	0.00	0.00	495,000.00	0.00	495,000.00
Chamberlain (01)	350,500.00	0.00	0.00	350,500.00	350,500.00	350,500.00	0.00
Chamberlain (02)	265,000.00	0.00	44,167.00	220,833.00	265,000.00	265,000.00	0.00
Chamberlain (03)	2,700,000.00	0.00	450,002.00	2,249,998.00	2,700,000.00	2,700,000.00	0.00
Chamberlain (04)	450,000.00	0.00	75,000.00	375,000.00	450,000.00	64,762.24	385,237.76
Clark (01)	400,000.00	48,732.00	0.00	0.00	48,732.00	0.00	48,732.00
Clear Lake (01)	79,537.00	0.00	18,075.00	61,462.00	79,537.00	64,729.06	14,807.94
Custer (01)	430,000.00	0.00	91,087.00	338,913.00	430,000.00	203,338.17	226,661.83
Custer (02)	182,000.00	0.00	30,333.00	151,667.00	182,000.00	99,066.74	82,933.26
Custer (03)	276,000.00	0.00	46,003.00	229,997.00	276,000.00	276,000.00	0.00
Custer-Fall River (NPS-01)	106,939.00	0.00	17,823.00	89,116.00	106,939.00	106,939.00	0.00
Deadwood (01)	447,838.00	0.00	74,640.00	373,198.00	447,838.00	212,815.79	235,022.21
Dell Rapids (01)	300,000.00	0.00	50,001.00	249,999.00	300,000.00	249,074.95	50,925.05
Elk Point (01)	458,000.00	0.00	76,335.00	381,665.00	458,000.00	217,975.85	240,024.15
Elk Point (02)	450,000.00	312,604.00	6,829.00	34,145.00	353,578.00	3,070.39	350,507.61
Elk Point (03)	345,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Fort Pierre (01)	330,294.00	0.00	55,051.00	275,243.00	330,294.00	250,105.22	80,188.78
Fort Pierre (02)	462,500.00	462,500.00	0.00	0.00	462,500.00	11,830.20	450,669.80
Garretson (01)	300,000.00	0.00	50,001.00	249,999.00	300,000.00	300,000.00	0.00
Groton (01)	189,524.00	0.00	31,589.00	157,935.00	189,524.00	136,707.93	52,816.07
Groton (02)	74,630.00	0.00	12,440.00	62,190.00	74,630.00	53,832.30	20,797.70
Groton (03)	470,809.00	0.00	78,467.00	392,342.00	470,809.00	65,084.67	405,724.33

Borrower Name	Loan Amount	Other Advances	State Advances	Federal Advances	Total Advances	Repayment Amount	Loan Balance
Groton (04)	163,775.00	50,452.00	0.00	0.00	50,452.00	0.00	50,452.00
Groton (05)	440,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Harrisburg (01)	507,277.00	0.00	84,545.00	422,732.00	507,277.00	61,696.37	445,580.63
Hartford (01)	504,000.00	0.00	32,409.00	471,591.00	504,000.00	22,921.83	481,078.17
Hartford (02)	690,804.00	0.00	67,100.00	623,704.00	690,804.00	30,637.04	660,166.96
Hartford (03)	300,000.00	300,000.00	0.00	0.00	300,000.00	10,558.05	289,441.95
Hartford (04)	550,035.00	131,376.00	0.00	0.00	131,376.00	0.00	131,376.00
Highmore (01)	262,300.00	262,300.00	0.00	0.00	262,300.00	0.00	262,300.00
Hot Springs (01)	196,930.00	0.00	32,822.00	164,108.00	196,930.00	163,501.20	33,428.80
Hot Springs (NPS-01)	930,000.00	0.00	155,001.00	774,999.00	930,000.00	266,398.51	663,601.49
Huron (01)	1,656,000.00	0.00	276,001.00	1,379,999.00	1,656,000.00	850,902.42	805,097.58
Huron (02)	701,997.00	0.00	110,501.00	591,496.00	701,997.00	701,997.00	0.00
Huron (03)	1,856,828.00	0.00	309,472.00	1,547,356.00	1,856,828.00	405,015.89	1,451,812.11
Jefferson (01)	320,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Lake Cochrane SD (01)	80,000.00	0.00	13,333.00	66,667.00	80,000.00	47,718.86	32,281.14
Lake Madison SD (01)	330,000.00	0.00	55,000.00	275,000.00	330,000.00	330,000.00	0.00
Lake Madison SD (02)	875,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Lead (01)	186,409.00	0.00	31,068.00	155,341.00	186,409.00	99,900.12	86,508.88
Lead (02)	500,770.00	0.00	94,264.00	406,506.00	500,770.00	500,770.00	0.00
Lead (03)	375,298.00	0.00	21,459.00	353,839.00	375,298.00	360,893.14	14,404.86
Lead (04)	239,200.00	0.00	39,867.00	199,333.00	239,200.00	14,465.80	224,734.20
Lead-Deadwood SD (01)	106,855.00	0.00	17,809.00	89,046.00	106,855.00	106,855.00	0.00
Lemmon (01)	427,100.00	0.00	71,184.00	355,916.00	427,100.00	242,177.62	184,922.38
Lennox (01)	350,000.00	0.00	58,336.00	291,664.00	350,000.00	77,805.77	272,194.23
Lennox (02)	583,735.00	0.00	97,288.00	486,447.00	583,735.00	87,469.02	496,265.98
Madison (01)	119,416.00	0.00	19,904.00	99,512.00	119,416.00	119,416.00	0.00
McCook Lake SD (01)	641,935.00	0.00	45,304.00	596,631.00	641,935.00	231,828.49	410,106.51
Mitchell (01)	1,543,405.00	1,543,405.00	0.00	0.00	1,543,405.00	613,509.93	929,895.07
Mitchell (02)	1,320,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Mobridge (01)	1,500,000.00	0.00	250,000.00	1,250,000.00	1,500,000.00	784,239.79	715,760.21
Mobridge (02)	158,000.00	0.00	158,000.00	0.00	158,000.00	109,135.91	48,864.09
Mobridge (03)	1,350,000.00	0.00	84,143.00	1,265,857.00	1,350,000.00	137,612.70	1,212,387.30
North Sioux City (01)	239,650.00	0.00	35,828.00	203,822.00	239,650.00	219,138.84	20,511.16
North Sioux City (02)	646,000.00	0.00	107,667.00	538,333.00	646,000.00	222,442.64	423,557.36
Northdale SD (01)	256,380.00	0.00	42,731.00	213,649.00	256,380.00	147,905.40	108,474.60
Philip (01)	453,885.00	0.00	75,649.00	378,236.00	453,885.00	179,917.22	273,967.78
Philip (02)	321,127.00	0.00	53,503.00	267,624.00	321,127.00	49,985.54	271,141.46
Pickrel Lake SD (01)	850,000.00	0.00	141,668.00	708,332.00	850,000.00	411,373.51	438,626.49
Pickrel Lake SD (02)	670,000.00	0.00	111,668.00	558,332.00	670,000.00	296,661.43	373,338.57
Pierre (01)	433,976.00	0.00	119,669.00	314,307.00	433,976.00	433,976.00	0.00
Pierre (02)	4,417,000.00	0.00	736,167.00	3,680,833.00	4,417,000.00	597,420.33	3,819,579.67
Pierre (03)	5,391,260.00	0.00	894,379.00	4,496,881.00	5,391,260.00	461,404.70	4,929,855.30
Pierre (04)	1,378,404.00	800,384.00	0.00	0.00	800,384.00	0.00	800,384.00
Platte (01)	1,000,000.00	0.00	35,347.00	940,518.00	975,865.00	80,394.32	895,470.68
Pollock (01)	151,619.49	0.00	25,269.49	126,350.00	151,619.49	151,619.49	0.00

Borrower Name	Loan Amount	Other Advances	State Advances	Federal Advances	Total Advances	Repayment Amount	Loan Balance
Rapid City (01)	2,479,905.00	0.00	314,856.00	2,165,049.00	2,479,905.00	1,474,212.00	1,005,693.00
Rapid City (02)	986,685.00	0.00	84,228.00	902,457.00	986,685.00	498,953.71	487,731.29
Rapid City (03)	674,577.00	0.00	139,827.00	534,750.00	674,577.00	319,543.84	355,033.16
Rapid City (04)	1,214,861.39	0.00	202,476.39	1,012,385.00	1,214,861.39	596,422.28	618,439.11
Rapid City (05)	14,000,000.00	10,814,204.00	2,500,000.00	0.00	13,314,204.00	230,756.30	13,083,447.70
Rapid Valley SD (01)	614,000.00	0.00	37,161.00	576,839.00	614,000.00	614,000.00	0.00
Rapid Valley SD (02)	364,583.00	0.00	60,762.00	303,821.00	364,583.00	160,156.66	204,426.34
Rapid Valley SD (03)	630,000.00	0.00	105,000.00	525,000.00	630,000.00	108,212.61	521,787.39
Richmond Lake SD (01)	414,000.00	0.00	69,000.00	345,000.00	414,000.00	77,612.95	336,387.05
Richmond Lake SD (02)	191,500.00	0.00	31,916.00	159,584.00	191,500.00	191,500.00	0.00
Roscoe (01)	358,408.00	0.00	59,735.00	298,673.00	358,408.00	358,408.00	0.00
Salem (01)	592,307.00	196,699.00	0.00	0.00	196,699.00	0.00	196,699.00
Scotland (01)	250,000.00	120,517.00	0.00	0.00	120,517.00	0.00	120,517.00
Sioux Falls (01)	2,836,962.58	0.00	485,789.58	2,351,173.00	2,836,962.58	1,373,490.99	1,463,471.59
Sioux Falls (02)	453,999.19	0.00	63,755.19	390,244.00	453,999.19	453,999.19	0.00
Sioux Falls (03)	844,999.94	0.00	214,025.94	630,974.00	844,999.94	819,974.90	25,025.04
Sioux Falls (04)	1,199,999.89	0.00	451,538.89	748,461.00	1,199,999.89	1,199,999.89	0.00
Sioux Falls (05)	1,954,999.84	0.00	7,484.84	1,947,515.00	1,954,999.84	1,782,220.56	172,779.28
Sioux Falls (06)	699,999.92	0.00	28,753.92	671,246.00	699,999.92	686,531.76	13,468.16
Sioux Falls (07)	4,500,000.00	0.00	717,666.00	3,782,334.00	4,500,000.00	3,529,964.33	970,035.67
Sioux Falls (08)	699,003.00	0.00	87,540.00	611,463.00	699,003.00	473,339.56	225,663.44
Sioux Falls (09)	1,250,000.00	0.00	208,336.00	1,041,664.00	1,250,000.00	876,371.63	373,628.37
Sioux Falls (10)	1,432,941.00	0.00	155,264.00	1,277,677.00	1,432,941.00	1,005,861.35	427,079.65
Sioux Falls (11)	1,195,346.00	0.00	199,225.00	996,121.00	1,195,346.00	735,267.37	460,078.63
Sioux Falls (12)	1,300,000.00	0.00	216,667.00	1,083,333.00	1,300,000.00	749,382.12	550,617.88
Sioux Falls (13)	2,083,137.00	0.00	326,754.00	1,756,383.00	2,083,137.00	837,395.65	1,245,741.35
Sioux Falls (14)	4,888,537.00	0.00	1,389,225.00	3,499,312.00	4,888,537.00	495,957.84	4,392,579.16
Sioux Falls (15)	1,724,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Sioux Falls (16)	2,479,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Sioux Falls (17)	932,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Southern Missouri (NPS-01)	700,000.00	0.00	116,667.00	583,333.00	700,000.00	469,779.00	230,221.00
Spearfish (01)	1,955,999.83	0.00	61,131.83	1,894,868.00	1,955,999.83	1,088,532.23	867,467.60
Sturgis (01)	502,000.00	0.00	83,667.00	418,333.00	502,000.00	502,000.00	0.00
Sturgis (02)	936,250.00	0.00	103,368.00	832,882.00	936,250.00	936,250.00	0.00
Sturgis (03)	437,380.00	0.00	72,896.00	364,484.00	437,380.00	437,380.00	0.00
Sturgis (04)	2,100,000.00	0.00	291,252.00	1,808,748.00	2,100,000.00	2,100,000.00	0.00
Tea (01)	600,000.00	0.00	99,999.00	500,001.00	600,000.00	295,760.03	304,239.97
Tea (02)	600,000.00	0.00	89,603.00	510,397.00	600,000.00	277,455.70	322,544.30
Tea (03)	208,813.00	0.00	34,802.00	174,011.00	208,813.00	42,216.62	166,596.38
Tea (04)	375,000.00	0.00	62,501.00	312,499.00	375,000.00	90,803.41	284,196.59
Tea (05)	495,490.00	138,493.00	0.00	0.00	138,493.00	0.00	138,493.00
Valley Springs (01)	422,128.00	0.00	70,356.00	351,772.00	422,128.00	56,951.20	365,176.80
Vermillion (01)	125,000.00	0.00	97,149.00	27,851.00	125,000.00	56,331.15	68,668.85
Vermillion (02)	370,471.00	0.00	61,746.00	308,725.00	370,471.00	163,905.71	206,565.29
Vermillions (03)	456,000.00	117,597.00	0.00	0.00	117,597.00	0.00	117,597.00
Vermillion (NPS-01)	356,531.00	0.00	59,422.00	297,109.00	356,531.00	242,710.57	113,820.43
Wall (01)	788,600.00	0.00	131,433.00	657,167.00	788,600.00	289,637.23	498,962.77
Wall Lake Sanitary Dist (01)	200,000.00	0.00	29,189.00	145,937.00	175,126.00	0.00	175,126.00
Warner (01)	101,152.00	0.00	16,859.00	84,293.00	101,152.00	101,152.00	0.00
Watertown (01)	2,000,000.00	0.00	792,024.00	1,207,976.00	2,000,000.00	1,233,634.15	766,365.85
Watertown (02)	4,000,000.00	0.00	760,786.00	3,239,214.00	4,000,000.00	2,227,478.80	1,772,521.20

Borrower Name	Loan Amount	Other Advances	State Advances	Federal Advances	Total Advances	Repayment Amount	Loan Balance
Watertown (03)	2,583,734.00	0.00	430,622.00	2,153,112.00	2,583,734.00	584,262.80	1,999,471.20
Watertown (04)	932,830.00	932,830.00	0.00	0.00	932,830.00	932,830.00	0.00
Watertown (05)	2,055,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Waubay (01)	81,454.00	0.00	81,454.00	0.00	81,454.00	81,454.00	0.00
Webster (01)	345,394.00	0.00	57,566.00	287,828.00	345,394.00	214,237.19	131,156.81
Webster (02)	811,000.00	476,211.00	0.00	0.00	476,211.00	0.00	476,211.00
Whitewood (01)	180,801.00	0.00	26,344.00	154,457.00	180,801.00	108,225.15	72,575.85
Whitewood (02)	189,032.00	0.00	24,956.00	164,076.00	189,032.00	13,745.23	175,286.77
Worthing (01)	227,645.00	0.00	37,939.00	189,706.00	227,645.00	46,737.17	180,907.83
Yankton (01)	2,625,000.00	0.00	437,501.00	2,187,499.00	2,625,000.00	262,121.47	2,362,878.53
Yankton (02)	4,500,000.00	4,500,000.00	0.00	0.00	4,500,000.00	328,680.53	4,171,319.47
Yankton (03)	6,130,000.00	0.00	246,269.00	1,231,345.00	1,477,614.00	0.00	1,477,614.00
	\$144,037,933	\$22,565,528	\$18,918,607	\$82,093,018	\$123,577,153	\$50,198,040	\$73,379,113

EXHIBIT IX
Projected Cash Flow Worksheet
for October 1, 2003 through September 30, 2004
(Unaudited)

Borrower	Principal	Interest	Admin Surcharge	Total
Aurora (01)	\$10,161	\$11,629	\$2,907	\$24,697
Baltic (01)	\$2,271	\$1,606	\$642	\$4,519
Belle Fourche (01)	\$11,847	\$2,692	\$897	\$15,436
Belle Fourche (02)	\$28,065	\$1,891	\$630	\$30,586
Beresford (01)	\$104,160	\$30,422	\$8,681	\$143,263
Box Elder (01)	\$35,395	\$5,828	\$1,943	\$43,165
Brandon (02)	\$58,329	\$1,639	\$546	\$60,515
Bridgewater (01)	\$3,371	\$2,963	\$988	\$7,322
Britton (01)	\$48,520	\$11,471	\$3,824	\$63,815
Britton (02)	\$0	\$1,786	\$714	\$2,500
Canton (01)	\$38,174	\$5,785	\$1,928	\$45,887
Canton (02)	\$0	\$18,974	\$7,589	\$26,563
Castlewood (01)	\$7,597	\$5,326	\$2,130	\$15,053
Centerville (01)	\$8,635	\$9,201	\$3,680	\$21,515
Chamberlain (04)	\$16,575	\$14,927	\$4,976	\$36,477
Clear Lake (01)	\$6,126	\$361	\$120	\$6,607
Custer (01)	\$22,273	\$4,871	\$1,624	\$28,769
Custer (02)	\$9,888	\$1,765	\$588	\$12,241
Deadwood (01)	\$30,950	\$6,628	\$2,209	\$39,788
Dell Rapids (01)	\$33,695	\$800	\$267	\$34,762
Elk Point (01)	\$31,621	\$6,848	\$2,283	\$40,752
Elk Point (02)	\$12,553	\$8,646	\$3,458	\$24,657
Fort Pierre (01)	\$36,364	\$1,431	\$477	\$38,272
Fort Pierre (02)	\$22,233	\$10,098	\$4,039	\$36,370
Groton (01)	\$20,654	\$1,015	\$338	\$22,008
Groton (02)	\$8,133	\$400	\$133	\$8,666
Groton (03)	\$17,456	\$15,720	\$5,240	\$38,417
Groton (04)	\$1,303	\$938	\$375	\$2,615
Harrisburg (01)	\$17,871	\$16,461	\$5,487	\$39,818
Hartford (01)	\$16,258	\$17,814	\$5,938	\$40,011
Hartford (02)	\$22,311	\$24,446	\$8,149	\$54,905
Hartford (03)	\$10,932	\$7,134	\$2,854	\$20,920
Hartford (04)	\$3,452	\$2,442	\$977	\$6,871
Highmore (01)	\$6,893	\$4,875	\$1,950	\$13,719
Hot Springs (01)	\$20,250	\$501	\$167	\$20,917
Hot Springs (NPS-01)	\$37,881	\$22,224	\$7,408	\$67,513
Huron (01)	\$87,324	\$17,219	\$5,740	\$110,283
Huron (03)	\$75,931	\$55,808	\$18,603	\$150,342
Lake Cochrane San Dist (01)	\$5,381	\$690	\$230	\$6,301
Lead (01)	\$9,106	\$1,699	\$566	\$11,372
Lead (03)	\$14,405	\$68	\$23	\$14,496
Lead (04)	\$14,960	\$5,771	\$1,647	\$22,377
Lemmon (01)	\$23,188	\$3,966	\$1,322	\$28,476
Lennox (01)	\$14,259	\$10,509	\$3,503	\$28,271
Lennox (02)	\$21,352	\$19,229	\$6,410	\$46,990
McCook Lake San Dist (01)	\$31,425	\$14,844	\$4,948	\$51,217
Mitchell (01)	\$152,505	\$29,472	\$9,824	\$191,801
Mobridge (01)	\$79,441	\$15,290	\$5,097	\$99,828
Mobridge (02)	\$12,324	\$1,298	\$433	\$14,054

Borrower	Principal	Interest	Admin Surcharge	Total
Mobridge (03)	\$115,469	\$40,940	\$11,682	\$168,091
North Sioux City (01)	\$20,511	\$231	\$77	\$20,819
North Sioux City (02)	\$41,237	\$15,312	\$5,104	\$61,653
Northdale San Dist (01)	\$15,286	\$3,807	\$1,269	\$20,362
Philip (01)	\$32,518	\$9,761	\$3,254	\$45,534
Philip (02)	\$12,018	\$10,461	\$3,487	\$25,967
Pickeral Lake San Dist (01)	\$20,777	\$16,967	\$5,656	\$43,400
Pickeral Lake San Dist (02)	\$16,063	\$14,466	\$4,822	\$35,351
Pierre (02)	\$166,636	\$147,417	\$49,139	\$363,192
Pierre (03)	\$185,155	\$194,446	\$48,611	\$428,213
Platte (01)	\$32,917	\$35,330	\$8,833	\$77,080
Rapid City (01)	\$185,454	\$28,102	\$9,367	\$222,923
Rapid City (02)	\$70,119	\$13,850	\$4,617	\$88,585
Rapid City (03)	\$46,773	\$10,129	\$3,376	\$60,278
Rapid City (04)	\$85,048	\$17,604	\$5,868	\$108,521
Rapid City (05)	\$439,736	\$461,508	\$131,690	\$1,032,934
Rapid Valley San Dist (02)	\$25,136	\$5,790	\$1,930	\$32,855
Rapid Valley San Dist (03)	\$25,083	\$20,097	\$6,699	\$51,879
Richmond Lake San Dist (01)	\$15,934	\$13,013	\$4,338	\$33,284
Salem (01)	\$0	\$5,041	\$2,016	\$7,057
Sioux Falls (01)	\$146,907	\$31,421	\$10,474	\$188,802
Sioux Falls (03)	\$25,025	\$94	\$31	\$25,151
Sioux Falls (05)	\$172,779	\$1,625	\$542	\$174,946
Sioux Falls (06)	\$13,468	\$38	\$13	\$13,519
Sioux Falls (07)	\$499,153	\$16,706	\$5,569	\$521,428
Sioux Falls (08)	\$75,159	\$4,307	\$1,436	\$80,901
Sioux Falls (09)	\$136,624	\$7,005	\$2,335	\$145,965
Sioux Falls (10)	\$156,170	\$8,008	\$2,669	\$166,847
Sioux Falls (11)	\$130,866	\$13,520	\$4,507	\$148,892
Sioux Falls (12)	\$141,292	\$16,415	\$5,472	\$163,179
Sioux Falls (13)	\$240,642	\$38,352	\$12,784	\$291,778
Sioux Falls (14)	\$419,149	\$147,113	\$41,978	\$608,240
Sioux Falls (15)	\$18,091	\$5,388	\$2,155	\$25,634
Southern Missouri WMD (01)	\$11,557	\$8,436	\$2,812	\$22,805
Spearfish (01)	\$141,496	\$24,092	\$8,031	\$173,619
Tea (01)	\$41,839	\$8,660	\$2,887	\$53,387
Tea (02)	\$40,762	\$9,222	\$3,074	\$53,058
Tea (03)	\$8,089	\$6,442	\$2,147	\$16,677
Tea (04)	\$21,800	\$10,354	\$3,451	\$35,605
Tea (05)	\$1,203	\$2,473	\$989	\$4,664
Valley Springs (01)	\$11,174	\$10,675	\$3,558	\$25,408
Vermillion (01)	\$6,345	\$1,492	\$497	\$8,334
Vermillion (02)	\$25,074	\$5,917	\$1,972	\$32,964
Vermillion (03)	\$0	\$4,404	\$1,762	\$6,166
Vermillion (NPS-01)	\$39,778	\$3,343	\$1,114	\$44,235
Wall (01)	\$38,871	\$18,986	\$4,747	\$62,604
Wall Lake (01)	\$4,602	\$3,255	\$1,302	\$9,159
Watertown (01)	\$149,525	\$21,323	\$7,108	\$177,956
Watertown (02)	\$294,102	\$49,894	\$16,631	\$360,628
Watertown (03)	\$107,497	\$77,159	\$25,720	\$210,376
Webster (01)	\$28,597	\$3,080	\$1,027	\$32,704
Webster (02)	\$12,760	\$13,086	\$5,234	\$31,080
Whitewood (01)	\$13,384	\$2,028	\$676	\$16,088
Whitewood (02)	\$4,701	\$5,212	\$1,303	\$11,216

Borrower	Principal	Interest	Admin Surcharge	Total
Worthing (01)	\$9,237	\$6,988	\$2,329	\$18,555
Yankton (01)	\$88,652	\$91,744	\$30,581	\$210,977
Yankton (02)	\$139,457	\$247,180	\$0	\$386,637
Yankton (03)	\$115,535	\$81,133	\$32,451	\$229,119
Total FFY04	\$6,387,033	\$2,528,262	\$717,702	\$9,632,996

EXHIBIT X
DENR CLEAN WATER STATE REVOLVING FUND
BALANCE SHEET
9/30/2003

ASSETS:

Cash	\$5,060,323.93
Investments	\$48,449,903.75
Loans Receivable	\$73,379,113.34
Federal LOC Commitment less Cash Draws	\$4,210,209.00
Accrued Interest Receivable	\$847,295.95
Due from Other Governments	\$99,420.85
Deferred Charges	\$550,129.42

TOTAL ASSETS \$132,596,396.24

LIABILITIES AND FUND EQUITY:

Liabilities:

Accounts Payable	\$71,638.06
Bonds Payable	\$18,084,263.71
Wages Payable	\$9,393.94
Accrued Employee Benefits	\$2,250.90
Accrued Interest Payable	\$167,036.67

Total Liabilities \$18,334,583.28

Fund Equity:

Contributions from EPA	\$89,279,200.00
Retained Earnings	\$23,782,612.96
Contributed Capital	\$1,200,000.00

Total Fund Equity \$114,261,812.96

TOTAL LIABILITIES AND FUND EQUITY \$132,596,396.24

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

EXHIBIT XI
DENR CLEAN WATER STATE REVOLVING FUND
STATEMENT OF INCOME AND RETAINED EARNINGS
For the Fiscal Year Ended September 30, 2003

Operating Revenues:	
Interest Income	\$2,334,777.52
Investment Income	\$2,935,991.77
Other Income	\$639,654.41
	\$639,654.41
Total Operating Revenue	\$5,910,423.70
 Operating Expenses:	
Administrative Expenses	\$276,942.34
Interest Expense	\$1,142,758.34
Bond Issuance Expense	\$33,937.85
Bond Discount Expense	\$9,516.95
Refund of Prior Year Revenue	\$14,272.55
	\$14,272.55
Total Operating Expenses	\$1,477,428.03
 Operating Income (Loss)	 \$4,432,995.67
 Operating Transfers:	
Operating Transfer Out	(\$2,616,573.00)
	(\$2,616,573.00)
 Net Income (Loss)	 \$1,816,422.67
 Fund Equity, Beginning	 \$21,966,190.29
 RETAINED EARNINGS, ENDING	 \$23,782,612.96

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

EXHIBIT XII
DENR CLEAN WATER STATE REVOLVING FUND
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended September 30, 2003

Cash flows form operating activities:	
Net Income	\$4,432,995.67
Adjustments to reconcile net income to net cash provided (used) by operating activities:	
Investment Income	(\$2,944,003.58)
Interest Expense	\$1,142,758.34
Amortization of bond issuance cost	\$33,937.85
Amortization of bond discount	\$9,516.95
Assets: (Increase)/Decrease	
Loans Receivable	(\$5,505,516.75)
Accrued Interest Receivable on Loans	\$103,618.62
Federal LOC Commitment less Cash Draws	\$863,590.00
Due from Other Governments	\$29,737.43
Liabilities: Increase/(Decrease)	
Accounts Payable	(\$5,092.94)
Amortization of Deferred Charges	\$94,967.50
Accrued Interest payable	\$0.00
Due To Other Governments	(\$14,272.55)
Accrued Employee Benefits	\$1,145.43
Wages Payable	\$4,608.90
	<hr/>
Net cash provided by operations	(\$1,752,009.13)
Cash flows from noncapital financing activities:	
Operating Transfers Out	(\$2,616,573.00)
Bonds Payable	(\$1,125,000.00)
Interest Payments on Bonds and Notes	(\$1,151,872.50)
Contributions from EPA	\$0.00
	<hr/>
Net cash provided by noncapital financing activities	(\$4,893,445.50)
Cash Flows from Investing Activities:	
Interest on Investments	\$2,935,991.77
Purchase of Investment Securities	(\$16,393,800.00)
Proceeds from Sale of Investment Securities	\$15,450,731.10
	<hr/>
Increase in Investments	\$1,992,922.87
	<hr/>
Net Decrease in cash and cash equivalents	(\$4,652,531.76)
Cash and cash equivalents at beginning of year	\$9,712,855.69
	<hr/>
Cash and cash equivalents at year end	<u><u>\$5,060,323.93</u></u>

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

CLEAN WATER STATE REVOLVING FUND
NOTES TO FINANCIAL STATEMENTS
September 30, 2003

1. The financial information contained on the Loan Participants; Projected Cash Flow Worksheet; Balance Sheets; Revenues, Expenses and Changes in Retained Earnings; and Cash Flows in Exhibits VIII through XII of the Clean Water SRF Biennial Report is unaudited and prepared by personnel of the Department of Environment and Natural Resources, Division of Financial and Technical Assistance. The format for these statements is generally consistent with guidelines provided by EPA personnel.
2. The 1988 South Dakota Legislature authorized the State Water Pollution Control Revolving Loan Fund Program, also known as the Clean Water State Revolving Loan Fund (CWSRF) program. Additionally, the legislature appropriated \$1,200,000 and directed the South Dakota Conservancy District to administer the program. The SRF is a low interest loan program to finance the construction of wastewater facilities, storm sewers, and non-point source pollution control projects. The program was created by the 1987 Clean Water Act amendments. Funds are provided to the states in the form of capitalization grant awarded annually through the United States Environmental Protection Agency. The federal capitalization grants are matched by state funds at a ratio of 5:1.
3. The Clean Water SRF is accounted for as an enterprise fund. Enterprise funds are used to account for activities that are financed and operated in a manner similar to private business enterprises.
4. The Clean Water SRF follows the accrual basis of accounting. Revenue is recognized in the accounting period in which it was earned and expenses are recognized when they are incurred. The CWSRF follows all Governmental Accounting Standards Board (GASB) pronouncements and interpretations.
5. Cash and Cash Equivalents consists of a Goldman Sachs Financial Square Treasury Obligation Fund rated "AAAm" by Standard and Poors, which paid on average approximately 1.12% for the year ending September 30, 2003.
6. Investments consist of the following Investment Agreements:
 - 5.40% FGIC Capital Market Services Inc. due July 31, 2012 totaling \$26,251,992
 - 6.85% Societe General due August 1, 2015 totaling \$12,090,309
 - 6.22% MBIA Inc. due August 1, 2017 totaling \$8,263,628
7. Reserve Accounts consist primarily of the following Investment Agreements:
 - 5.40% FGIC Capital Market Services Inc. due July 31, 2012 totaling \$891,653
 - 6.85% Societe General due August 1, 2015 totaling \$711,898
 - 6.22% MBIA Inc. due August 1, 2017 totaling \$240,125

8. Bonds outstanding plus principal and interest payments on various bond issues are due as follows:

	<u>Bonds Outstanding</u>	<u>February 1, 2004</u>	<u>August 1, 2004</u>
Series 1994 Bonds			
Principal	6,260,000		565,000
Interest		161,010	161,010
Series 1995 Bonds			
Principal	5,935,000		355,000
Interest		176,951	176,951
Series 1996 Bonds			
Principal	2,270,000		115,000
Interest		62,724	62,724
Series 2001 Bonds			
Principal	4,265,000		150,000
Interest		100,425	100,425
Total	<u>18,730,000</u>	<u>501,110</u>	<u>1,686,110</u>

9. The contribution from EPA is the full amount authorized for the periods ending as follows:

<u>September 30</u>			
1989	4,577,200	1995	6,007,800
1990	4,738,000	1996	9,904,700
1991	10,074,800	1997	2,990,500
1992	9,534,900	1998	6,577,300
1993	9,431,000	1999	6,577,900
1994	5,813,800	2000	6,555,200
		2001	6,496,100
		Total	<u>89,279,200</u>

On the federal fiscal year end statements, contributions from EPA are recognized as assets once the grants are awarded. On the June 30th state year end statements EPA funds are not recognized as assets until the funds are drawn.

10. The annual administrative expenses of the Clean Water SRF program are as follows:

	<u>Year Ending</u> <u>09/30/03</u>	<u>Cumulative</u> <u>Total</u>
State of South Dakota	191,588	2,628,378
First National Bank	43,963	469,292
Alzheimer & Gray	40,000	279,500
Other	1,391	87,179
TOTAL	<u>276,942</u>	<u>3,464,349</u>

ADDENDUM I
FEDERAL FISCAL YEAR 2004
INTENDED USE PLAN

SOUTH DAKOTA CLEAN WATER STATE REVOLVING FUND FY 2004 INTENDED USE PLAN

INTRODUCTION

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for federal fiscal year 2004 as required under Section 606(c) of the Clean Water Act.

The primary purpose of the IUP is to identify the proposed annual intended use of the amounts available to the Clean Water State Revolving Fund (SRF). The IUP has been reviewed by the public and reflects the results of such review.

The IUP includes the following:

1. List of projects and activities;
2. Goals and objectives;
3. Amount of funds transferred between the Clean Water SRF and the Drinking Water SRF;
4. Information on the activities to be supported;
5. Assurances and specific proposals; and
6. Criteria and method for distribution of funds.

LIST OF PROJECTS AND ACTIVITIES

The IUP identifies potential municipal wastewater treatment and nonpoint source 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 Clean Water SRF loans as a funding source.

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

Priority ratings are based on the integrated project priority system established in ARSD 74:05:08:03.01. The general objective of the integrated priority system is to ensure that projects funded through the Clean Water SRF program address high priority water quality problems. This is accomplished with a priority system that ranks both municipal treatment and nonpoint source pollution control projects on an equal basis.

Attachment II is a list of those projects from which the department expects to receive applications. The estimated funding dates are only estimates and should not be interpreted as deadlines or that the loan funds have been reserved. Projects with a later expected funding date may receive loans prior to those projects with an earlier date based on time of submittal of its funding application. Any project that is listed on the project priority list, but not listed on Attachment II, will be moved to Attachment II upon submittal of an application. Attachment II will be revised as projects are added. These revisions do not require approval by the Board of Water and Natural Resources.

The Clean Water SRF may be used for the following purposes:

1. Low-interest loans for secondary or more stringent treatment of any cost-effective alternatives, new interceptors and appurtenances, infiltration/inflow correction, new collectors, sewer system rehabilitation, expansion and correction of combined sewer overflows, and construction of new storm sewers. The low-interest loans can be made for up to 100 percent of the total project cost;
2. Refinancing of existing debt obligations for municipal wastewater facilities if the debt was incurred and construction initiated after March 7, 1985; or
3. Nonpoint source pollution control projects and programs, including non-traditional projects (projects with a primary purpose other than water quality).

A determination of which projects are funded from the above mentioned lists, the amount of assistance, and the financing terms and conditions will be made by the Board of Water and Natural Resources during federal fiscal year 2004.

GOALS AND OBJECTIVES

Long-term Goals and Objectives:

The long-term goals of the State Water Pollution Control Revolving Fund are to fully capitalize the Clean Water SRF, maintain or restore and enhance the chemical, physical, and biological integrity of the state's waters for the benefit of the overall environment, protect public health, and promote economic well-being.

Objectives:

1. Maintain a permanent, self-sustaining Clean Water SRF program that will serve in perpetuity as a financing source for wastewater treatment works projects and nonpoint source pollution control projects; and
2. Fulfill the requirements of pertinent federal, state, and local laws and regulations governing water pollution control activities while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.

Short-term Goal and Objectives:

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

Objectives:

1. Ensure the technical integrity of Clean Water SRF projects through the review of planning, design plans and specifications, and construction activities;
2. Ensure compliance with all pertinent federal, state, and local water pollution control laws and regulations; and
3. Obtain maximum capitalization of the funds for the state in the shortest time possible.

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

The Safe Drinking Water Act Amendments of 1996 allowed 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. One-year extensions of this transfer authority were granted through the VA, HUD, and Independent Agencies Appropriation Bill for fiscal years 2002 and 2003. It is anticipated that this transfer authority will be extended again for one federal fiscal year with similar language in the VA, HUD, and Independent Agencies Appropriation Bill for fiscal year 2004. 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 \$7,812,960 and \$7,761,360 from the Clean Water SRF program in fiscal years 2002 and 2003, respectively. This equaled the entire fiscal years' 2002 and 2003 Clean Water SRF capitalization grants and state match. These transfers utilized the capacity of the FY1997 through 2001 Drinking Water SRF capitalization grants and \$1.5 million of the FY02 Drinking Water SRF capitalization grant. If the transfer authority is extended, \$6,568,383 of the 2004 Clean Water SRF capitalization grant and state match will be transferred to the Drinking Water SRF program. This transfer will utilize the remaining capacity of \$1.17 million from the FY02 Drinking Water SRF capitalization grant and all of the capacity from the FY03 and FY04 Drinking Water SRF capitalization grants. With this transfer, the entire transfer capacity of \$22,142,703 will have been transferred to the Drinking Water SRF program. Table 1 itemizes the amount of funds transferred to the Drinking Water SRF program.

The transfer will have no effect on the current year's activities, because sufficient funds are available to fund all projects expected in fiscal year 2004. With an estimated \$6.5 million in additional principal repayments in FY 2004,

the long-term impact to the program will be minimal. Financial modeling, made with a series of Federal funding and other program assumptions, shows the South Dakota Clean Water SRF program will still be capable of funding water quality projects over the next 40 years at its historical level (*i.e.*, an average of \$9 million in project disbursements per year), even with the anticipated transfer of funds to the Drinking Water SRF program. This forecast did not take into account impacts due to inflation.

Table 1 - 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	Banked Transfer Utilized
1997	\$12,558,800	\$4,144,404	\$4,144,404	-0-	\$4,144,404
1998	\$7,121,300	\$2,350,029	\$6,494,433	-0-	\$2,350,029
1999	\$7,463,800	\$2,463,054	\$8,957,487	-0-	\$1,318,527 \$1,144,527
2000	\$7,757,000	\$2,559,810	\$11,517,297	-0-	\$2,559,810
2001	\$7,789,100	\$2,570,403	\$14,087,700	-0-	\$2,570,403
2002	\$8,052,500	\$2,657,325	\$16,745,025	\$7,812,960	\$1,486,620 \$1,170,705
2003	\$8,004,100	\$2,641,353	\$19,386,378	\$7,761,360	\$2,641,353
2004 (est.)	\$8,352,500	\$2,756,325	\$22,142,703	\$6,568,383	\$2,756,325

INFORMATION ON THE ACTIVITIES TO BE SUPPORTED

The primary type of assistance to be provided by the Clean Water SRF is direct loans including refinancing of existing debts where eligible. Loan assistance will be provided to municipalities, sanitary districts, counties, or other units of government for publicly owned wastewater treatment facilities, storm sewers, and nonpoint source pollution control programs in conjunction with the Clean Water SRF administrative rules adopted by the Board of Water and Natural Resources.

Interest rates are reviewed annually and are set to be competitive with other funding agencies. In September 2003 the Board of Water and Natural Resources set the interest rates for fiscal year 2004 at 3.50 percent for a term of up to 20 years. The term of each loan is at the discretion of the project sponsor provided that the proposed repayment source produces sufficient coverage. The interest rate includes an administrative surcharge of one percent. 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. The board also approved a rate of 2.5 percent for loans intended for interim financing with a maximum term of three years. The administrative surcharge shall be waived for loans made for interim financing.

For fiscal year 2004, it is estimated that \$3.39 million of administrative surcharge funds are available.

In fiscal year 2001 the department developed the Small Community Planning Grant program to encourage proactive planning within small communities. The planning grants reimburse 80 percent of the cost of the study, with the maximum grant amount for any project being \$6,400. For the first two years of the program, grants were available only for communities having a population of 1,000 or less. Beginning in fiscal year 2004, grants will be available to communities of 2,500 or less. The department will begin providing additional subsidy for studies that incorporate a rate analysis using Rate Maker software. The maximum reimbursement amount will be determined as the cost for developing the analyses are negotiated with planning districts and consultants. Reimbursement will remain at 80 percent of costs.

The department has allocated \$125,000 of administrative surcharge income for the program. The department is proposing to allocate \$75,000 of administrative surcharge towards this effort in fiscal year 2004. This, coupled with

approximately \$21,800 remaining from prior years, should cover the demand expected from raising the population threshold. Future allocations of administrative surcharge will depend on program demand.

In fiscal year 2003, the department initiated a planning grant program to facilitate compliance with environmental permit regulations by livestock auction barns within or near communities. Planning grants are available to communities with existing livestock auction barns located within the city limits or within three miles of an incorporated community. The planning studies will evaluate such items as clean water diversions, manure handling, and wastewater treatment options to include connection to the community's sanitary sewer system. The auction barn planning grant will reimburse 60 percent of the cost of the engineering study, with the maximum grant amount for any project being \$4,200. The department allocated \$150,000 of administrative surcharge income for this program. No future allocations of administrative surcharge for auction barn planning purposes are anticipated.

In fiscal year 2004 the department is initiating a program to assist in the design of manure management systems for concentrated animal feeding operations (CAFOs). Grants will be awarded only for those CAFOs that have submitted a Notice of Intent to the department. The CAFO design grant will reimburse 60 percent of the cost of the design, with the maximum grant amount for any project being \$12,000. The completed plans and designs must meet department requirements. For fiscal year 2004, \$580,000 of administrative surcharge funds will be allocated for this purpose.

Four percent of each of the first 13 capitalization grants was reserved for administrative expenses. This administrative allowance was not reserved from the 2002 and 2003 capitalization grants due to the entire grant and match being transferred to the Drinking Water SRF program. Banked reserves and the administrative surcharge were used for administrative expenses. The four percent administrative allowance will be reserved for administrative purposes in fiscal year 2004.

In fiscal years 2002 and 2003, administrative surcharge funds were used as match for the capitalization grants. The department intends to use administrative surcharge funds as match for the amount of the 2004 capitalization grant transferred to the Drinking Water SRF program. Bond proceeds will be used to match any remaining capitalization grant funds.

Last year Public Financial Management was retained as a financial advisor to the SRF programs. Services expected are cash flow models to assess financial impacts of transfers between the Clean Water and Drinking Water SRF programs, effects of refunding some or all of the outstanding bond issues, and financial impacts of various methods to provide state match. Reimbursement for these services will be from 4 percent administration allowance or administrative surcharge. The Board of Water and Natural Resources requested the financial advisor's service to review the proposed lease/leaseback transaction and how it's affect on the participating municipalities. Reimbursement for these services will be solely from administrative surcharge.

ASSURANCE AND SPECIFIC PROPOSALS

The state has assured compliance with the following sections of the law in the State/EPA Operating Agreement - XI Certification Procedures. In addition, the state has developed specific proposals on implementation of those assurances in the rules promulgated by the Board of Water and Natural Resources.

Section 602(a) - Environmental Reviews - The state certifies that it will conduct environmental reviews of each project on Attachment II receiving assistance from the Clean Water SRF, as applicable. The state will follow EPA-approved National Environmental Policy Act (NEPA) procedures in conjunction with such environmental reviews.

Section 602(b)(3) - Binding Commitments - The state certifies that it will enter into binding commitments equal to at least 120 percent of each quarterly grant payment within one year after receipt.

Section 602(b)(4) - Timely Expenditures of Funds - The state is committed to obligate Clean Water SRF moneys to eligible applicants as quickly and efficiently as possible to facilitate the financing of eligible projects and to initiate construction with a minimum of delay.

Section 602(b)(5) - First Use Enforceable Requirements - The state certifies that all major and minor wastewater treatment facilities identified as part of the National Municipal Policy (NMP) universe are:

1. in compliance, or
2. have received funding through various state and federal assistance programs and constructed a facility designed to produce an effluent capable of meeting the appropriate permit limits and achieve compliance with its discharge permit, or
3. have upgraded existing facilities or constructed new facilities through its own means to achieve compliance with its discharge permit.

Section 602(b)(6) - Compliance with Title II Requirements - The state certifies that it will comply as applicable.

CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

The Clean Water SRF funds are distributed using the following criteria:

1. the availability of funds in the Clean Water SRF program;
2. the applicant's need;
3. violation of health and safety standards; and
4. the applicant's ability to repay.

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

Public Review and Comment - On May 25, 1988, a public hearing was held to review the initial Clean Water SRF rules and to receive comments. The Board of Water and Natural Resources approved the rules following the hearing. Revisions to the Clean Water SRF rules have been made periodically to reflect the needs of the program.

A formal public hearing was held for the South Dakota FY 2004 Clean Water SRF Intended Use Plan on November 14, 2003.

ATTACHMENT I

PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Clean Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Clean Water SRF program. Attachment II lists those projects expected to be funded in FY 2004.

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
32	Hill City (treatment facility project)	C461231-01	Construction of an advanced activated sludge wastewater treatment facility to replace teh existing lagoon system.	\$400,000	3.5%, 20 yrs
24	Green Valley San. Dist.	C461251-01	Elimination of septic systems by construction of a central collection system and connection to the Rapid City system.	\$650,000	3.5%, 20 yrs
21	Fort Pierre	C461049-03	Construction of a 20-acre lagoon cell to address insufficient capacity in the treatment system.	\$587,900	3.5%, 20 yrs
21	Nisland	C461079-01	Construction of a 180-day discharging lagoon system to replace the existing one-cell lagoon and Imhoff tank.	\$185,000	3.5%, 20 yrs
19	Ethan	C461272-01	Elimination of storm water that enters the sanitary sewer system resulting in unauthorized discharges from the wastewater treatment facility.	\$300,000	3.5%, 20 yrs
18	Sioux Falls (storm water)	C461232-19	Rehabilitate three storm water detention basins.	\$450,000	3.5%, 10 yrs

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
14	Crooks	C461227-01	Build additional capacity into the wastewater treatment facility and replace the existing lift station to accommodate growth within the community.	\$510,000	3.5%, 20 yrs
14	Parker	C461026-01	Replace deteriorated wastewater lines and provide service to unsewered homes within the city.	\$416,000	3.5%, 20 yrs
14	Sioux Falls (wastewater)	C461232-18	Improvements to the wastewater collection system to include the elimination of a lift station, manhole rehabilitation, and various sewer line extension and replacement projects.	\$2,189,000	3.5%, 10 yrs
13	Enemy Swim San. Dist.	C461422-01	Elimination of septic systems by constructing two wastewater treatment lagoons and collection systems to convey wastewater to these lagoons and the existing wastewater treatment facility at Pickerel Lake.	\$1,500,000	3.5%, 20 yrs
13	Gayville	C461250-01	Addition of a second cell to the wastewater treatment facility and plugging an artesian well that is connected to the sanitary sewer system.	\$100,000	3.5%, 20 yrs
13	Lake Poinsett San. Dist.	C461027-01	Phase I of a multi-year project to construct central collection and treatment systems to serve portions of Lake Poinsett.	\$320,000	3.5%, 20 yrs
12	Lake Hendricks San. Dist.	C461421-01	Construction of a central collection and treatment system to serve portions of Lake Hendricks.	\$350,000	3.5%, 20 yrs
12	Lead	C461007-05	Replace sewer lines in conjunction with a DOT project and separation of combined storm and sanitary sewer lines.	\$100,000	3.5%, 20 yrs

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
11	Clark	C461124-02	Replace approximately 4,100 feet of sanitary sewer line.	\$170,000	3.5%, 20 yrs
11	Freeman	C461017-01	Replace approximately 6,100 feet of vitrified clay sewer line to eliminate excessive infiltration and inflow.	\$300,000	3.5%, 20 yrs
11	Parkston	C461062-01	Replace approximately 1,500 feet of vitrified clay sewer line to eliminate excessive infiltration and inflow.	\$100,000	3.5%, 20 yrs
10	Arlington	C461213-01	Multi-year project to replace or slip line portions of the wastewater collection system and rehabilitate 49 manholes.	\$400,000	3.5%, 20 yrs
9	Clear Lake	C461037-02	Rehabilitate approximately 9,700 feet of various sized sewer and rehabilitation or replacement of over 100 manholes.	\$860,000	3.5%, 20 yrs
9	Humboldt	C461254-01	Replace approximately 1,200 feet of sewer main and improvements at the wastewater treatment facility (depth indicators and additional rip rap).	\$122,000	3.5%, 20 yrs
9	Irene	C461255-01	Replace approximately 1,500 feet of sewer main.	\$272,000	3.5%, 20 yrs
9	Tyndall	C461131-01	Replace approximately 1,900 feet of gravity sewer and 700 feet of forcemain in conjunction with a water project.	\$140,000	3.5%, 20 yrs
9	Willow Lake	C461303-01	Lining of approximately 2,750 feet of sewer line and rehabilitation of manholes.	\$100,000	3.5%, 20 yrs

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
8	Bridgewater	C461112-02	Replace approximately 7,500 feet of vitrified clay sewer lines.	\$350,000	3.5%, 20 yrs
8	Burke	C461225-01	Replace approximately 2,800 feet of sewer main.	\$142,000	3.5%, 20 yrs
8	Hill City (line replacement project)	C461231-02	Replace old sewer lines and install of new lines to serve areas without centralized wastewater service.	\$310,000	3.5%, 20 yrs
8	Mobridge	C461016-04	Extend sewer service for commercial development.	\$195,000	3.5%, 20 yrs
8	Valley Springs	C461239-02	Replace approximately 20,500 feet of 8-inch vitrified clay sewer line with PVC line to eliminate excessive inflow/infiltration.	\$1,300,000	3.5%, 20 yrs
8	Waubay	C461025-02	Replacement/rehabilitation of sewer lines.	\$500,000	3.5%, 20 yrs
8	Wessington Springs	C461210-01	Install 1,900 feet of sanitary sewer line and a lift station to serve an industrial park.	\$200,000	3.5%, 20 yrs
8	Winner	C461123-01	Construction of storm water detention basins and installation of a storm sewer system to alleviate drainage problems within the city.	\$120,000	3.5%, 20 yrs
7	Lake Cochrane Sanitary Dist.	C461008-02	Replace existing force main with larger force main to prevent sewage back-ups.	\$160,000	3.5%, 20 yrs
6	Colton	C461135-01	Televise existing lines to locate areas of infiltration/inflow and installation of rip-rap on the lagoon berms.	\$200,000	3.5%, 20 yrs
6	Corsica	C461107-01	Extension of wastewater service to an industrial park.	\$100,000	3.5%, 20 yrs

Priority Points	Loan Recipient	Project Number	Project Description	Estimated Loan Amount	Expected Loan Rate & Term
6	Java	C461350-01	Rehabilitation of an existing lift station and installation of rip-rap on the lagoon berms.	\$260,000	3.5%, 20 yrs
6	Lake Preston	C461011-01	Extension of wastewater service to an industrial park.	\$150,000	3.5%, 20 yrs
6	Scotland (storm water project)	C461069-02	Install approximately 900 feet of curb and gutter to alleviate a drainage problem in the southwest area of the community.	\$100,000	3.5%, 20 yrs
6	Whitewood	C461006-03	Install approximately 2,000 feet of storm sewers in various locations throughout the community to address drainage issues.	\$450,000	3.5%, 20 yrs

ATTACHMENT II

LIST OF PROJECTS TO BE FUNDED IN FY2004

Priority Points	Loan recipient	Project Number	Loan Amount	Funding Date	Expected Funding Source
LOANS EXPECTED					
21	Fort Pierre	C461049-03	\$587,900	January 2004	2004
9	Willow Lake	C461303-01	\$100,000	January 2004	2004
7	Lake Cochrane Sanitary Dist.	C461008-02	\$160,000	January 2004	2004
18	Sioux Falls (storm water)	C461232-19	\$450,000	March 2004	2004/Repayments
14	Parker	C461026-01	\$416,000	March 2004	Repayments
14	Sioux Falls (wastewater)	C461232-18	\$2,189,000	March 2004	Repayments
10	Arlington	C461213-01	\$400,000	March 2004	Repayments
9	Clear Lake	C461037-02	\$860,000	March 2004	Repayments
8	Mobridge	C461016-04	\$195,000	March 2004	Repayments
12	Lake Hendricks San. Dist.	C461421-01	\$350,000	June 2004	Repayments
9	Tyndall	C461131-01	\$140,000	June 2004	Repayments
32	Hill City (treatment facility project)	C461231-01	\$400,000	September 2004	Repayments