

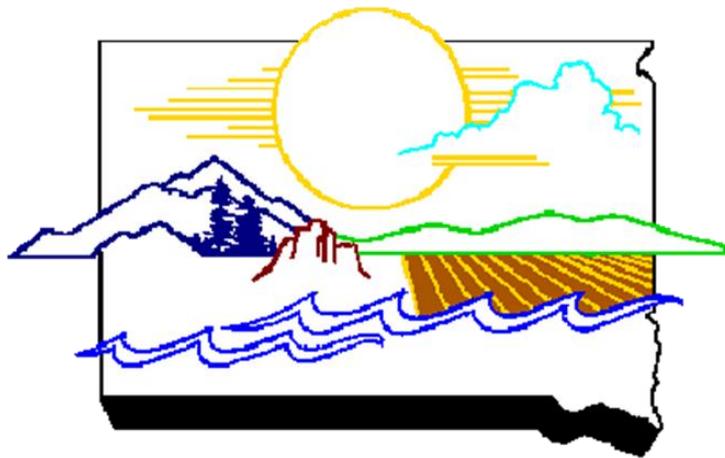
THE SOUTH DAKOTA CONSERVANCY DISTRICT

DRINKING WATER STATE REVOLVING FUND

ANNUAL REPORT

FEDERAL FISCAL YEAR 2014

October 1, 2013 - September 30, 2014



Protecting South Dakota's Tomorrow ... Today

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

THE SOUTH DAKOTA CONSERVANCY DISTRICT

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ANNUAL REPORT

FEDERAL FISCAL YEAR 2014

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Division of Financial and Technical Assistance
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Sioux Falls
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MISSION

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

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FEDERAL FISCAL YEAR

2014

ANNUAL REPORT

INTRODUCTION

The State of South Dakota herewith submits its Annual Report for Federal Fiscal Year (FFY) 2014 (October 1, 2013 through September 30, 2014). This report describes how South Dakota has met the goals and objectives of the Drinking Water State Revolving Fund (SRF) Loan program as identified in the 2014 Intended Use Plan, the actual use of funds, and the financial position of the Drinking Water SRF.

The Annual Report consists of three main sections. The *Executive Summary* section provides an overview of the Drinking Water SRF program and the FFY 2014 activities. The next section addresses the *Goals and Environmental Results* the State of South Dakota identified in its 2014 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 2014 and compliance with the EPA grant and operating agreement conditions.

The Annual Report is followed by a brief history of the Drinking Water SRF program. The Program History is followed by the *Drinking Water SRF Loan Portfolio*. The loan portfolio provides information on the interest rates, loan amounts, projects, and loan terms. Exhibits I through VIII provide detailed financial and environmental program information. Exhibits IX, X, and XI are the unaudited financial statements of the Drinking Water SRF program prepared by the Department of Environment and Natural Resources. Finally, Addendum A is the *Intended Use Plan for Federal Fiscal Year 2015*. The primary purpose of the Intended Use Plan is to outline the proposed use of the funds available to the Drinking Water SRF program.

EXECUTIVE SUMMARY

The South Dakota Drinking Water SRF program received a federal capitalization grant of \$8,845,000 for FFY 2014. These funds were matched by \$1,769,000 in state-issued revenue bonds and were supplemented by loan repayments and interest earnings.

DRINKING WATER SRF LOANS

The Conservancy District approved 13 loans and one amendment to 14 entities totaling \$26,113,000. A breakdown of the loans made during FFY 2014 is detailed in Table 1.

**Table 1
Drinking Water Loans
Federal Fiscal Year 2014**

Recipient	Project Description	Assistance Amount	Rate %	Term Years
Beresford (DW-02)	SD Highway 46 Utility Improvements	\$745,000	3.0%	30
Big Sioux Community Water Sys. (DW-02)	Water Management System	\$900,000	3.0%	15
Bristol (DW-02)	Water System Improvements	\$1,979,000	3.0%	30
Canistota (DW-02)	Utility Improvements Phase 2	\$1,095,000	3.0%	30
Highmore (DW-01)	Highway 47 Utility Relocation	\$395,000	3.0%	30
Hisega Meadows Water, Inc. (DW-02)	Improvements to Water Distribution System	\$273,000	3.0%	20
Irene (DW-02)	Utility Improvements Phase 1	\$1,546,000	3.0%	30
Kingbrook RWS (DW-05)	Water Service to Sinai	\$540,000	3.0%	20
Lead (DW-04)	Phase III Water Line Replacement	\$939,000	3.0%	20
Mobridge (DW-07)	Water Tower Replacement	\$400,000	2.25%	30
Onida (DW-01)	Water Distribution System Improvements	\$905,000	3.0%	20
Perkins County RWS (DW-01—amendment)	Highway 75 Booster Station	\$20,000	0%	--
Rapid City (DW-03)	East Rapid City Water Expansion	\$4,626,000	3.0%	20
Tripp County Water User Dist. (DW-04)	Internal Improvements and Expansion	\$11,750,000	2.25%	30
TOTAL		\$26,113,000		

Disbursements from the program during FFY 2014 totaled \$15,608,877. This total includes loan disbursements of \$14,592,932 to the various loan recipients with the balance going for set-aside and administrative purposes. See Exhibit IV for a breakdown of all disbursements during FFY 2014.

Since the program was initiated in 1997, 250 loans have been awarded to 133 entities with 14 loans subsequently being rescinded or deobligated in full. The projects associated with 198 loans are fully constructed or essentially complete and in operation. The following 14 projects initiated operations this past year:

Beresford (DW-01)	Mid-Dakota RWS (DW-04)
Box Elder (DW-01)	Perkins County RWS (DW-01)
Clay RWS (DW-04)	Piedmont (DW-01)
Colman (DW-01)	Plankinton (DW-01)
Colton (DW-03)	Vermillion (DW-04)
Dell Rapids (DW-05)	Winner (DW-01)
Dupree (DW-01)	Yankton (DW-03)

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

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

ADDITIONAL SUBSIDY

Since fiscal year 2010, federal appropriation bills for the SRF programs have extended several of the requirements initially set forth in the American Recovery and Reinvestment Act of 2009. These requirements included 1) applying Davis-Bacon wage rates to all awards executed after October 30, 2009; 2) requiring that up to 20 percent of the 2010 and 2011 capitalization grants be utilized for “green” projects; and 3) requiring that a portion of each capitalization grant be made available as additional subsidy.

The board has chosen to use principal forgiveness as the method to provide the additional subsidy. Municipalities and sanitary districts are required to charge monthly residential water rates of at least \$25 (based on 5,000 gallons usage) to be eligible to receive principal forgiveness. Other applicants are required to charge monthly residential water rates of at least \$55 (based on 7,000 gallons usage) to be eligible for principal forgiveness.

Table 2 summarizes the amounts of principal forgiveness provided through the 2010-2014 capitalization grants. Table 3 recaps the projects awarded principal forgiveness in FFY 2014.

**Table 2
Principal Forgiveness Awarded by Capitalization Grant**

FFY	Principal Forgiveness	
	Minimum	Maximum
2010	\$4,071,900	\$13,573,000
2011	\$2,825,400	\$9,418,000
2012	\$1,795,000	\$2,692,500
2013	\$1,684,200	\$2,526,300
2014	\$1,769,000	\$2,653,500
	\$12,145,500	\$30,863,300
Awarded from 2010 grant		\$13,504,075
Awarded from 2011 grant		\$9,418,000
Awarded from 2012 grant		\$2,692,000
Awarded from 2013 grant		\$2,526,300
Awarded from 2014 grant		\$2,198,333

Table 3
FFY 2014 Drinking Water SRF Loans Awarded Additional Subsidy

Sponsor	Total Assistance Amount	Principal Forgiveness Awarded
Beresford (DW-02)	\$745,000	\$375,000
Bristol (DW-02)	\$1,979,000	\$1,514,000
Canistota (DW-02)	\$1,095,000	\$616,000
Irene (DW-02)	\$1,546,000	\$1,165,000
Onida (DW-01)	\$905,000	\$250,000
Rapid City (DW-03)	\$4,626,000	\$3,000,000
TOTAL	\$10,896,000	\$6,920,000

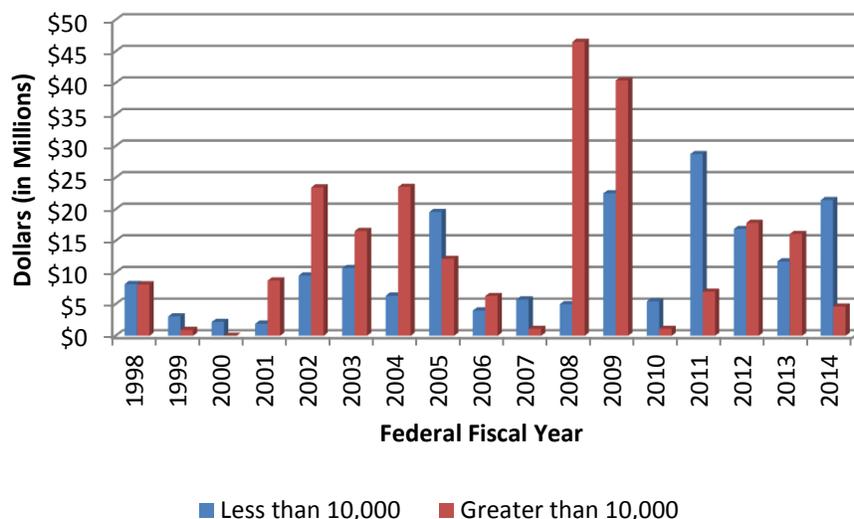
REPAYMENTS

One-hundred forty-six loans are currently in repayment, and 36 loans have been repaid in full. In addition, 15 borrowers were awarded 100 percent principal forgiveness loans and drew all their funds by September 30, 2014, and those loans were forgiven. Repayments equaled \$16,644,108 in FFY 2014 and consisted of \$12,195,088 in principal, \$3,515,620 in interest, and \$933,400 in administrative surcharge fees.

ASSISTANCE TO SMALL SYSTEMS

A requirement of the Drinking Water SRF program is that the state use at least 15 percent of all dollars credited to the fund to provide loan assistance to small systems that serve fewer than 10,000 persons. In FFY 2014, \$20,927,000 or 80 percent of the binding commitments were made to systems serving less than 10,000. Since the Drinking Water SRF program was initiated, systems serving a population of 10,000 people or fewer have received \$185,215,382 in loan assistance. Of the total funds available to loan, this represents 45 percent. Figure 1 shows loans awarded to small systems for FFY 1998 through 2014.

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



BYPASSED PROJECTS

Table 4 identifies the higher ranked projects on the FFY 2014 priority list that did not receive an SRF loan; the majority of these projects were bypassed because they were not ready to proceed. No projects with higher priority points were denied funding in FFY 2014.

Table 4
Status of High Priority Projects Bypassed in 2014

Rank/ Priority Points	Community/ Public Water System	Reason for Bypassing
1/316	Edgemont	The project is still in the planning stage.
4/202	University Estates Homeowners Assn.	The project is still in the planning stage.
5/168	South Shore	The project is still in the planning stage.
6/161	Sioux Rural Water System	The project is still in the planning stage.
7/155	Mid-Dakota RWS	Application is being reviewed.
8/148	Geddes	The project is still in the planning stage.
9/142	Longview San. Dist.	This project was combined with a larger project undertaken by the city of Rapid City, which received a Drinking Water SRF loan.
10/128	Woodland Hills San. Dist	Awaiting application submission.
13/90	Flandreau	The project is still in the planning stage.
15/84	Alcester	The project is still in the planning stage.

INTEREST RATES

In February 2009, the board set rates at 2.25 percent for loans with a term of 10 years or less and 3 percent for loans with a term greater than 10 years up to 20 years. The term of each loan is at the discretion of the borrower provided that the proposed repayment source produces the required debt service coverage and does not exceed the useful life of the facilities being financed.

Communities that meet the disadvantaged community criteria may receive a Drinking Water SRF loan at an interest rate below that for other recipients. Additionally, the maximum allowable repayment period for disadvantaged communities can be extended to 30 years. Since February 2009, disadvantaged communities qualify for 3 percent loans for 30 years if their median household income (MHI) is 80 percent to 100 percent of the statewide MHI. Municipalities, other community water systems, and sanitary districts must have an MHI below 80 percent of the statewide MHI to be eligible for an interest rate of 2.25 percent for up to 20 years or 1.25 percent for up to 10 years, and an MHI less than 60 percent of the statewide MHI to be eligible for a loan at zero percent interest. Residential water bills must be at least \$25 for 5,000 gallons usage for municipalities and sanitary districts and \$55 for 7,000 gallons usage for other community water systems to qualify for disadvantaged rates. The disadvantaged rate of 1.25 percent for up to 10 years for communities with an MHI between 60 percent and 80 percent of the statewide MHI was established by the board in November 2011.

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

The Safe Drinking Water Act authorizes states to set aside funding for certain non-project activities, provided that the amount of that funding does not exceed certain ceilings. Unused set-aside funds are banked for future use, where allowable, or transferred to the project loan account at the discretion of the state and with concurrence from the EPA Regional Administrator. Exhibit IV details the FFY 2014 Drinking Water SRF disbursements. Table 5 recaps the cumulative Drinking Water SRF set-aside status.

Table 5
Drinking Water SRF Set-Aside Status

<u>Set-Aside</u>	<u>Allotment</u> <u>1997-2013</u>	<u>Allotment</u> <u>2014</u>	<u>Transfer to</u> <u>Loan Fund</u>	<u>Obligated as</u> <u>of 9/30/14</u>	<u>Balance</u>
Administration	\$5,951,226	\$353,800	\$0	\$5,901,088	\$403,938
Small System Tech Assistance	\$2,361,732	\$176,900	\$0	\$2,442,313	\$96,319
State Program Management	\$20,000	\$0	\$15,700	\$4,300	\$0
Local Assistance/Other	\$2,105,880	\$0	\$1,284,674	\$620,874	\$200,332
Small System Tech Assistance—ARRA	\$390,000	\$0	\$0	\$390,000	\$0
TOTAL	\$10,828,838	\$530,700	\$1,300,374	\$9,358,575	\$700,589

- **Administration**

Four percent of the 2014 capitalization grant \$353,800 was allocated to administer the Drinking Water SRF program. Specific activities funded from this set-aside include the following:

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

During FFY 2014, \$470,795 was disbursed for administrative expenses.

- **Small System Technical Assistance**

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

The Small Community Planning Grant program was initiated in 2001 to encourage proactive planning by small communities. Grants are available to communities of 2,500 or fewer to assist in preparing a water system engineering study. Participating systems are reimbursed 80 percent of the cost of the study, up to a maximum of \$8,000. Additional grants for studies incorporating a rate analysis using Rate Maker software are also available through this program. Reimbursement for performing a rate analysis is 80 percent of costs up to a maximum of \$1,600. Table 6 provides a list of the small community public water systems that received awards in 2014 through the Small Community Planning Grant program.

Table 6
Small System Technical Assistance
FFY 2014

Sponsor	Project Description	Amount Obligated
Avon	Water System Improvements Study	\$8,000
Britton	Water System Improvements Study	\$8,000
Ethan	Water System Improvements Study	\$8,000
Florence	Water System Improvements Study	\$8,000
Hecla	Water System Improvements Study	\$8,000
TC&G Water Assn	Water System Improvements Study	\$8,000
Veblen	Water System Improvements Study	\$8,000
TOTAL		\$56,000

The South Dakota Association of Rural Water Systems continues to provide on-site assistance such as leak detection, consumer confidence reports, water audits, board training, treatment plant operations, operator certification, and rate analysis. Through FFY 2014, the Association has provided nearly 20,250 hours of on-site small system technical assistance.

To ensure continued technical assistance for South Dakota communities, the maximum allowable allocation of two percent of the capitalization grant was set aside in FFY 2014. This amounted to \$176,900 and is intended to be used for planning grants and technical assistance activities as needed.

- **State Program Management**

This set-aside was not utilized in FFY 2014.

- **Local Assistance and other state programs**

In FFY 2014, the board allocated \$49,700 under this set-aside to extend and expand its contract with the Midwest Assistance Program (MAP). This allows MAP to work with all sizes of community water systems to improve technical, financial, and managerial capacity. In FFY 2014, MAP conducted ten capacity assessments in conjunction with the Department's Drinking Water program. In FFY 2012, \$550,000 (6.1 percent of the capitalization grant) was set aside to extend the contract with MAP for technical, financial, and managerial capacity evaluations and to fund water treatment facility energy audits for facilities serving more than 10,000 people. These activities continued through FFY 2014.

ADMINISTRATIVE SURCHARGE

The board continued to provide assistance for the preparation of applications and on-going loan administration activities. The state's six planning districts all have joint powers agreements to receive up to \$7,500 per loan for application and loan administration duties. Joint powers agreements were executed between the department and the planning districts to provide \$1,000 per project for Davis-Bacon wage rate verification and certification. In FFY 2014, an additional \$100,000 was allocated for the planning districts' joint powers agreements.

Beginning in FY 2013, administrative surcharge fees have been used for operator certification training. These funds replaced the funding provided for operator training through the EPA Expense Reimbursement Grant which has expired. In FY 2014, \$75,000 was allocated for this purpose, and 452 operators were provided training.

BOND ISSUE

No bonds were issued in FY 2014.

GOALS AND ENVIRONMENTAL RESULTS

The following goals were developed for the FFY 2014 Intended Use Plan. The short-term goals support the implementation of the program's long-term goals. The long-term goals provide a framework that guides management decisions for the Drinking Water SRF program.

SHORT-TERM GOAL

GOAL: To fully capitalize the fund.

As of September 30, 2014, South Dakota had provided loans totaling \$352,642,002. At the end of the year, South Dakota has made binding commitments to fully utilize all but \$1,622,300 of its capitalization awards and associated state matching funds.

LONG-TERM GOALS

GOAL: To fully capitalize the fund.

The state has received and obligated each capitalization grant in the required time period and has had state match moneys available for each capitalization grant. As of September 30, 2014, South Dakota had made binding commitments to fully utilize all but \$1,622,300 of its capitalization awards and associated state matching funds.

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

The state has awarded 250 loans to 133 entities to assist with construction or refinancing of drinking water projects. Since the Drinking Water SRF program began in 1997, the state has set aside \$2,538,632 to be used to provide technical assistance to public water systems serving 10,000 people or less. Additionally, \$821,206 has been set aside for capacity development and \$4,300 for supplemental operator training.

ENVIRONMENTAL RESULTS

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

- 1. For fiscal year 2014, the goal of the Drinking Water SRF program was to maintain the fund utilization rate at or above 90 percent.**

As of September 30, 2014, the state had made loans totaling \$352,642,002. The amount of funds (capitalization grants, state match, leveraged bonds, repayments, and interest earnings) totaled \$368,100,307. This results in a fund utilization rate of 95.8 percent.

- 2. For fiscal year 2014, the goal was to maintain the construction pace at 80 percent or higher.**

As of September 30, 2014, \$295,134,646 had been disbursed to loan recipients, and loans totaling \$352,642,002 had been awarded. This results in a construction pace of 83.7 percent.

- 3. For fiscal year 2014, the goal of the Drinking Water SRF program was to fund 20 loans, totaling \$39.8 million.**

In fiscal year 2014, 13 loans and one amendment totaling \$26,113,000 were awarded.

- 4. For fiscal year 2014, it was estimated that 31 projects would initiate operations.**

Fourteen projects initiated operation in fiscal year 2014.

5. For fiscal year 2014, it was estimated that 12 Small Community Planning Grants would be awarded to small systems to evaluate the system's infrastructure needs.

In fiscal year 2014, seven Small Community Planning Grants were awarded to small systems to evaluate infrastructure needs.

6. For fiscal year 2014, it was estimated that the South Dakota Association of Rural Water Systems would provide 1,500 hours of technical assistance to small systems.

The South Dakota Association of Rural Water Systems provided 1,500 hours of technical assistance to small systems in fiscal year 2014.

DETAILS OF ACTIVITIES

FUND FINANCIAL STATUS

Sources of Funds: During FFY 2014, funding from the following sources was made available for award under the Drinking Water SRF program:

FFY 2014 federal capitalization grant	\$8,845,000
FFY 2014 state match	\$1,769,000
Principal repayments *	\$7,232,969
Interest payments *	\$4,519,019
Total	\$22,365,988

* Amount transferred to cumulative excess accounts and available to loan

Binding Commitments: In order to provide financial assistance for drinking water projects, the state made 13 binding commitments and one amendment totaling \$26,113,000. Exhibit I details the Drinking Water SRF binding commitments made during FFY 2014. Figure 2 shows binding commitments by year since inception of the program.

Revenues and Expenses: Fund revenues consisted of capitalization grants, administrative expense surcharge payments, and interest earned on loans, investments, and the special reserve account. In state fiscal year 2014 (July 1, 2013-June 30, 2014) these revenues totaled \$13,719,299.18. Fund expenses included administration expenditures, interest payable on bonds, and the amortization of each bond's issuance costs. These expenses totaled \$9,352,343.22. Additionally, \$31,962,70 was transferred out to the DENR indirect cost pool. The Statement of Income and Retained Earnings is shown on Exhibit X.

Disbursements and Guarantees: There were no loan guarantees during FFY 2014.

Findings and Recommendations of the Annual Audit and EPA Oversight Review: The Drinking Water SRF program was audited by the South Dakota Department of Legislative Audit for state fiscal year 2013 (July 1, 2012, through June 30, 2013), and the audit report was issued on February 20, 2014. The audit did not contain any written findings or recommendations.

Region VIII conducted its annual oversight review of the South Dakota Drinking Water SRF program. Final reports for EPA's annual and Recovery Act reviews were received on August 4, 2014, and there were no recommendations.

ASSISTANCE ACTIVITY

Exhibits I through VIII illustrate the assistance activity of the Drinking Water SRF in FFY 2014 and projected principal and interest payments for FFY 2014.

- | | |
|--------------|--|
| Exhibit I | Recipients by population category that received Drinking Water SRF loans during FFY 2014. |
| Exhibit II | The assistance amount provided to each project by needs category. |
| Exhibit III | Source of Drinking Water SRF funds by fiscal year. |
| Exhibit IV | The loan draws and administrative disbursements for FFY 2014. |
| Exhibit V | The estimated and actual cash disbursement schedule from the federal Letter of Credit for FFY 2014. The estimated schedule was established by the state and EPA through the annual capitalization grant application process. |
| Exhibit VI | The environmental review and land purchase information for the loans made in FFY 2014. |
| Exhibit VII | The cumulative report showing loan transactions by borrower through September 30, 2014. |
| Exhibit VIII | The projected principal and interest payments for FFY 2015. |

FIGURE 2
Binding Commitments by Year

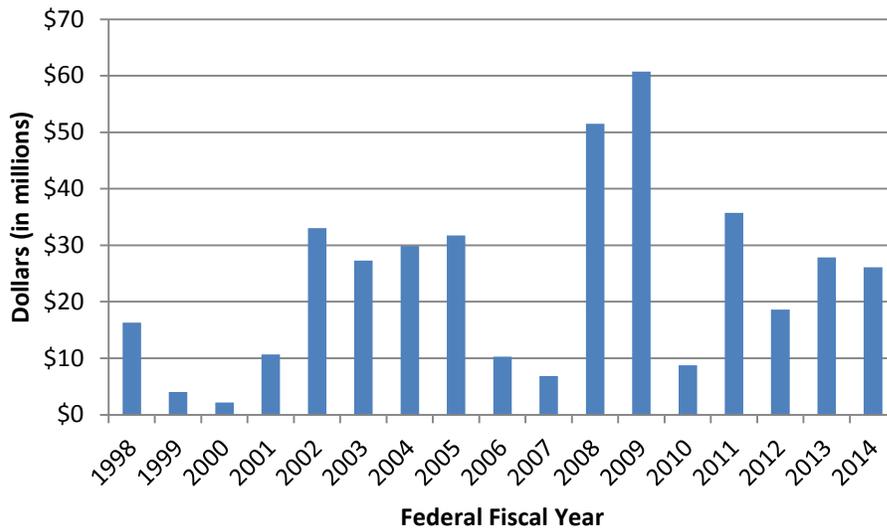
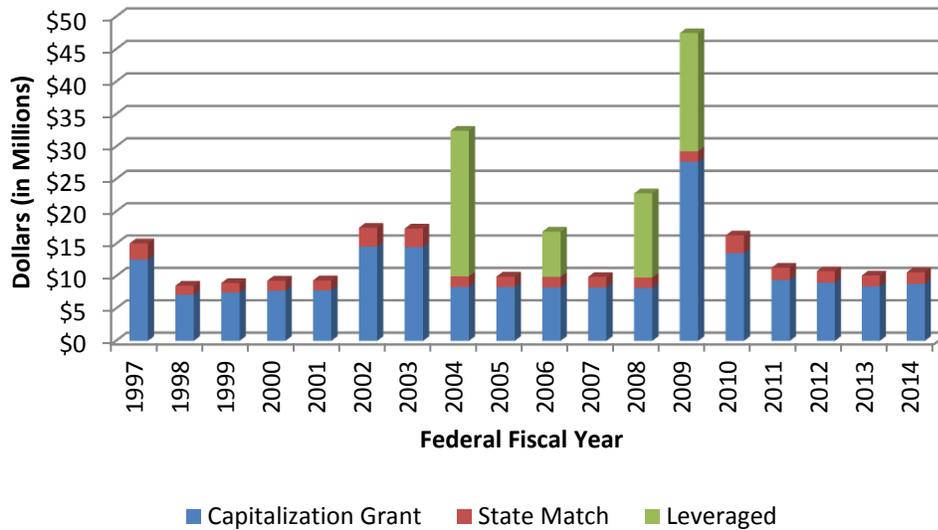


FIGURE 3
Source of New State Revolving Funds by Year



PROVISIONS OF THE OPERATING AGREEMENT/CONDITIONS OF THE GRANT

The State of South Dakota agreed to 25 conditions in the Operating Agreement and Capitalization Grant Agreement. The following 21 conditions have been met and need no further description:

1. Enact legislation to establish Drinking Water SRF
2. Comply with all applicable state statutes and regulations
3. Allocate adequate personnel and resources to Drinking Water SRF program
4. Agreement to accept payments
5. Cash draws for Drinking Water SRF program separate
6. Provide state match
7. Deposit of all funds into Drinking Water SRF account
8. Establish fiscal controls and accounting procedures in accordance with Generally Accepted Accounting Principles
9. Annual audit
10. Loan covenants
11. Timely and expeditious use of funds
12. Project priority list additions and modifications
13. Annual revision of the intended use plan
14. Reports on the actual use of funds
15. Conduct environmental reviews
16. Set-asides will be identified each year
17. Compliance with specific Title I requirements
 - A. Authority to ensure new systems demonstrate technical, managerial, and financial capability
 - B. Funds provided only to systems with technical, managerial, and financial capability
 - C. Operator certification
18. Privately-owned systems may receive funding
19. Disadvantaged communities
20. Transfers between Clean Water SRF Program and Drinking Water SRF Program
21. Prior to executing binding commitments on Drinking Water SRF projects, the Regional Administrator must certify project compliance with Title VI of the Civil Rights Act. All loan recipients submitted project certification forms (EPA 4700-4) to DENR, but the department was notified in FY 2003 that it need no longer submit these forms to EPA for concurrence.

The following grant conditions are described in detail below.

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

The state and EPA have agreed on “fair share” goals of 1 percent MBE and 4 percent WBE. The actual MBE/WBE participation achieved during FFY 2014 was 0.12 percent MBE and 0.39 percent WBE.

- **The state must use at least \$1,769,000 and no more than \$2,653,500 of the funds provided by the FY 2014 capitalization grant for additional subsidy.**

Binding commitments to loan recipients have been made for \$2,595,654 from FY 2014 capitalization grant funds.

The state has entered into binding commitments in an amount equal to the maximum additional subsidy allowed from the FY 2013 capitalization grant. However, these funds cannot be entered for reporting purposes until the loan closing date. As a result, the reporting requirements for additional subsidy awarded with the FY 2013 capitalization grant were not met.

- **Davis-Bacon Wage Rate Requirements**

The state contracts with the six planning districts to monitor Davis-Bacon wage rate requirements for all entities with the exception of Sioux Falls, which provides its own reporting.

- **Reporting subawards as required by the Federal Financial Accountability and Transparency Act (FFATA)**

The state met the reporting requirements of FFATA with regard to the FY 2013 capitalization grant.

2015 INTENDED USE PLAN

The Annual Report contains the 2015 Intended Use Plan as approved by the Board of Water and Natural Resources on November 6, 2014, and is shown on page A1.



SOUTH DAKOTA

DRINKING WATER

STATE REVOLVING FUND

LOAN PROGRAM HISTORY



INITIATION OF THE PROGRAM

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

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

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

CAPITALIZATION GRANTS

Since 1997, South Dakota's Drinking Water SRF program has received 18 base federal capitalization grants totaling \$170,604,298. In order to receive each of the capitalization grants, the federal grant must be matched with state funds equal to at least 20 percent of each grant. To meet this requirement, state appropriations, SRF administrative surcharge fees, and revenue bonds have provided the required \$34,120,860 state matching funds. Exhibit III shows the total amount of capitalization grants and state match by year. In addition to the base capitalization grants, the program received \$19,500,000 in American Recovery and Reinvestment Act funds, for which no match was required.

STATE MATCHING FUNDS

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

The first program bonds were issued for state match purposes in June 1998. To date, \$23,279,720 in state match bonds have been issued for state match. Table 7 recaps the state match bond issues.

Table 7
Drinking Water State Revolving Fund Program
Bond and Note Issues

Series	Match	Refund	Leveraged	True Interest	Bond Ratings	
				Cost	Moody's	S & P
1998	\$6,450,000			4.85%	Aa3	
2001	\$5,270,000			4.87%	Aa1	
2004	\$5,001,620		\$22,503,662	4.48%	Aaa	AAA
2005	\$1,670,500		\$7,000,000	4.36%	Aaa	AAA
2008	\$4,887,600		\$13,000,000	**	VMIG 1	A-1+
2009*			\$18,221,624	0.584%	MIG-1	SP-1+
2010*		\$18,221,624		0.35%	MIG-1	SP-1+
2010A		\$12,801,699		3.394%	Aaa	AAA
2010B		\$26,447,224		3.588%		
2012A		\$29,991,648		2.416%	Aaa	AAA
2012B		\$3,537,954		2.822	Aaa	AAA
	\$23,279,720	\$87,462,249	\$60,725,286			

* Bond Anticipation Notes

** Multi-modal variable rate issue

Initial Pricing March 2008: 2.35% in effect until August 1, 2008

Rate Reset on August 1, 2008: 1.90% in effect until February 1, 2009

Rate Reset on February 1, 2009: 1.00% in effect until August 1, 2009

Rate Reset on August 1, 2009: 0.70% in effect until February 1, 2010

Rate Reset on February 1, 2010: 0.34% in effect until August 1, 2010

Rate Reset on August 1, 2010: 0.40% in effect until February 1, 2011
redemption date

LEVERAGED PROGRAM BONDS AND NOTES

The Conservancy District has the ability to issue revenue bonds and notes above the amount required for state match to leverage additional funds for the programs. Leveraged bonds for the Drinking Water SRF program were issued in 2004, 2005, and 2008. The Series 2005 bonds initially provided \$14,500,000 of leveraged funds for the Drinking Water SRF program. Subsequently, the District transferred \$7,500,000 of leveraged bond proceeds to the Clean Water SRF program (see Table 8).

In August 2009, the Series 2009 Bond Anticipation Notes provided \$18,221,624 in leveraged funds for the program. The cumulative amount of leveraged bonds and notes for the Drinking Water SRF program is \$60.725 million. Table 8 recaps the state leveraged bonds and notes.

TRANSFERS BETWEEN PROGRAMS

In federal fiscal years 2002 and 2003, because of the demand on the Drinking Water program, the Clean Water SRF capitalization grants and state match were transferred to the Drinking Water SRF program (see Table 8). These grants amounted to \$12,978,600, with a corresponding state match of \$2,595,720. In 2006, \$7,500,000 of the Series 2005 Drinking Water bond proceeds were transferred to the Clean Water program to meet demand, and in 2011, \$10,000,000 of repayment funds were transferred to the Clean Water program.

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

From	To	Date of Transfer	Capitalization Grant	State Match	Bonds/ Repayment Transferred	Total
Clean Water SRF	Drinking Water SRF	09/2002	\$6,510,800	\$1,302,160		\$7,182,960
Clean Water SRF	Drinking Water SRF	05/2003	\$6,467,800	\$1,293,560		\$7,761,360
Drinking Water SRF	Clean Water SRF	03/2006			\$7,500,000	\$7,500,000
Drinking Water SRF	Clean Water SRF	05/2011			\$10,000,000	\$10,000,000

OTHER FUNDS

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

TRUSTEE

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

BOND COUNSEL

Alzheimer & Gray served as bond counsel for the Series 1998A and Series 2001 Drinking Water State Revolving Fund Program Bonds. In July 2003, Alzheimer & Gray law firm dissolved, and Perkins Coie LLP was retained to serve as bond counsel. Perkins Coie served as bond counsel for the Series 2004, 2005, 2008, 2010, and 2012 bond issues and 2009 and 2010 bond anticipation notes.

UNDERWRITER

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

In October 2010, a request for proposals was circulated for investment banking services. Three firms were retained to provide investment banking services through December 2013. For the 2010 Series Bonds, J.P. Morgan served as the book running senior manager and Piper Jaffray & Co. and Wells Fargo Securities, N.A. served as co-senior manager and co-manager, respectively. For the Series 2012 bonds, Wells Fargo Securities served as lead underwriter, with Piper Jaffray and Company and JP Morgan serving as co-managers.

FINANCIAL ADVISOR

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

INVESTMENT MANAGER

The Board of Water and Natural Resources authorized distribution of a Request for Proposals for an Investment Manager for the SRF programs in January 2013. On March 11, 2013, the board selected PFM Asset Management as the investment manager, which will direct the investment of certain SRF program funds.

EPA REGION VIII

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

DRINKING WATER

STATE REVOLVING FUND

LOAN PORTFOLIO

FIGURE 4
Drinking Water State Revolving Fund Loans

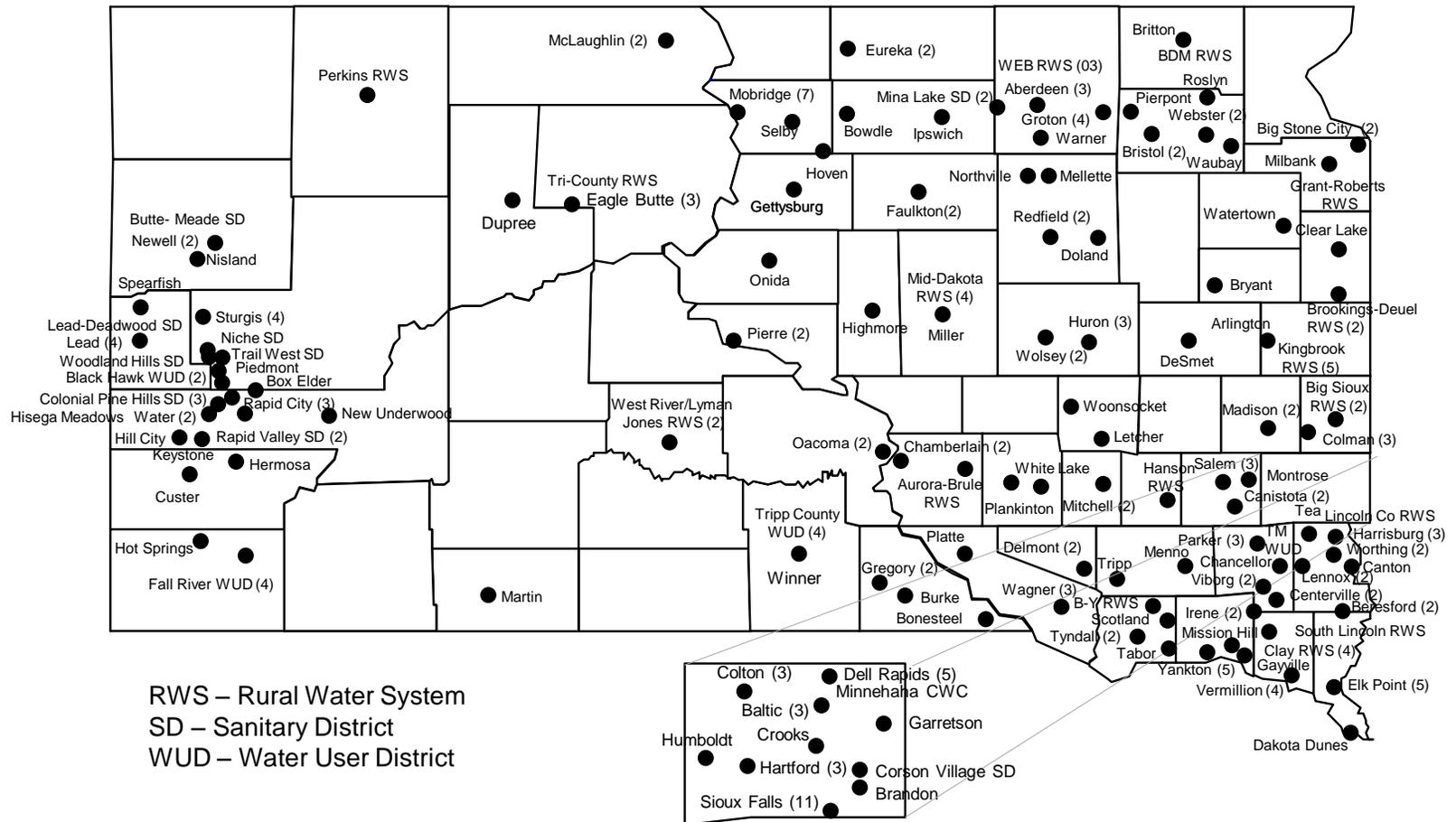


Table 9
State of South Dakota
Drinking Water State Revolving Fund Loan Program Portfolio

Active Drinking Water SRF Loans

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Award Amount
Aberdeen (DW-02)	07/23/2009	2.25%	10	\$1,750,000	\$1,330,118
Aberdeen (DW-03)	06/29/2012	3.00%	20	\$1,040,000	\$1,040,000
Baltic (DW-01)	06/27/2002	3.50%	20	\$250,000	\$250,000
Baltic (DW-02)	06/25/2009	2.25%	10	\$165,000	\$163,446
Baltic (DW-03)	03/30/2012	3.00%	20	\$457,000	\$420,922
BDM RWS (DW-01)	04/12/2002	3.50%	20	\$536,000	\$280,251
Beresford (DW-01)	03/30/2012	3.00%	30	\$916,040	\$916,040
Beresford (DW-02)	03/28/2014	3.00%	30	\$745,000	\$745,000
Big Sioux Comm. Water Sys. (DW-02)	03/28/2014	3.00%	15	\$900,000	\$900,000
Big Stone City (DW-01)	07/22/1998	5.25%	20	\$600,000	\$570,000
Big Stone City (DW-02)	06/26/2003	3.50%	20	\$240,000	\$139,873
Black Hawk WUD (DW-01)	03/26/1998	5.25%	20	\$500,000	\$500,000
Black Hawk WUD (DW-02)	01/03/2008	3.25%	20	\$1,142,000	\$1,066,674
Bonesteel (DW-01)	03/28/2013	2.25%	30	\$2,043,000	\$2,043,000
Box Elder (DW-01)	03/25/2011	3.00%	20	\$3,562,950	\$3,562,950
Brandon (DW-01)	11/13/1998	4.75%	15	\$1,950,000	\$1,877,375
Bristol (DW-02)	03/28/2014	3.00%	30	\$1,979,000	\$1,979,000
Britton (DW-01)	04/25/2001	4.50%	20	\$320,000	\$320,000
Brookings-Deuel RWS (DW-01)	01/06/2005	3.25%	30	\$1,200,000	\$1,002,464
Brookings-Deuel RWS (DW-02)	06/23/2005	3.25%	30	\$1,750,000	\$1,750,000
Bryant (DW-01)	01/13/2000	3.00%	30	\$142,000	\$142,000
Burke (DW-01)	01/05/2006	2.50%	30	\$115,600	\$115,600
Butte-Meade San./Water Dist. (DW-01)	06/24/2011	2.25%	10	\$396,700	\$257,668
Canistota (DW-01)	03/27/2009	3.00%	30	\$426,460	\$426,460
Canistota (DW-02)	03/28/2014	3.00%	30	\$1,095,000	\$1,095,000
Canton (DW-01)	01/10/2003	3.50%	20	\$500,000	\$500,000
Centerville (DW-01)	03/25/2004	3.25%	30	\$870,000	\$870,000
Chamberlain (DW-01)	03/27/2008	3.25%	20	\$276,500	\$276,500
Chamberlain (DW-02)	08/26/2009	3.00%	20	\$1,000,000	\$873,704
Chancellor (DW-01)	09/22/2005	3.25%	30	\$230,000	\$205,948
Clay RWS (DW-01)	06/23/2005	3.25%	30	\$4,331,000	\$4,331,000
Clay RWS (DW-02)	06/25/2009	3.00%	20	\$846,300	\$844,968
Clay RWS (DW-03)	06/24/2010	3.00%	30	\$2,208,000	\$2,205,570
Clay RWS (DW-04)	09/22/2011	2.00%	3	\$1,369,758	\$1,369,758
Clear Lake (DW-01)	12/10/1998	3.00%	30	\$565,000	\$540,637
Colman (DW-01)	03/30/2012	2.25%	10	\$182,000	\$182,000
Colman (DW-02)	03/30/2012	3.00%	30	\$439,008	\$439,008
Colman (DW-03)	03/28/2013	3.00%	30	\$1,600,000	\$1,600,000
Colonial Pine Hills San. Dist. (DW-01)	01/31/2002	3.50%	20	\$659,000	\$636,108
Colonial Pine Hills San. Dist. (DW-02)	07/23/2009	3.00%	20	\$1,003,608	\$1,003,608
Colonial Pine Hills San. Dist. (DW-03)	06/29/2012	3.00%	20	\$705,000	\$705,000
Colton (DW-01)	06/27/2002	3.50%	30	\$681,720	\$632,455
Colton (DW-02)	03/25/2011	3.00%	20	\$191,100	\$181,156
Colton (DW-03)	01/05/2012	2.25%	10	\$210,740	\$210,740
Corson Village San. Dist. (DW-01)	07/23/2009	3.00%	20	\$601,735	\$581,364
Crooks (DW-01)	06/25/2004	3.25%	20	\$302,900	\$133,510
Custer (DW-01)	01/10/2003	3.50%	20	\$800,000	\$800,000

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Award Amount
Dell Rapids (DW-01)	03/28/2003	3.50%	20	\$621,000	\$621,000
Dell Rapids (DW-02)	01/05/2006	3.25%	20	\$162,263	\$162,263
Dell Rapids (DW-03)	09/24/2010	3.00%	20	\$531,835	\$428,698
Dell Rapids (DW-04)	01/05/2012	2.25%	10	\$300,000	\$300,000
Dell Rapids (DW-05)	06/29/2012	3.00%	20	\$897,000	\$897,000
Delmont (DW-01)	06/26/2008	2.50%	30	\$185,000	\$158,461
DeSmet (DW-01)	08/26/2009	2.25%	30	\$258,000	\$258,000
Doland (DW-01)	06/24/2011	3.00%	30	\$1,762,200	\$1,762,200
Dupree (DW-01)	09/27/2012	2.25%	30	\$163,500	\$163,500
Eagle Butte (DW-01)	09/27/2012	0%	10	\$593,000	\$593,000
Eagle Butte (DW-02)	09/27/2012	0%	30	\$1,244,000	\$1,244,000
Eagle Butte (DW-03)	03/28/2013	0%	30	\$490,000	\$490,000
Elk Point (DW-01)	01/31/2002	3.50%	20	\$220,000	\$220,000
Elk Point (DW-02)	06/25/2004	3.25%	20	\$570,000	\$570,000
Elk Point (DW-03)	06/22/2006	3.25%	20	\$218,000	\$114,441
Elk Point (DW-04)	06/26/2008	3.25%	20	\$564,000	\$539,449
Elk Point (DW-05)	07/23/2009	3.00%	20	\$1,179,500	\$798,040
Eureka (DW-01)	09/28/2006	0%	10	\$135,000	\$133,681
Fall River WUD (DW-01)	12/09/1999	3.00%	30	\$759,000	\$759,000
Fall River WUD (DW-02)	11/09/2001	2.50%	30	\$400,000	\$260,958
Faulton (DW-02)	01/07/2011	3.00%	30	\$511,725	\$499,185
Garretson (DW-01)	06/27/2002	3.50%	30	\$1,261,060	\$1,102,147
Gayville (DW-01)	11/30/2010	3.00%	30	\$900,000	\$900,000
Grant-Roberts RWS (DW-01)	03/28/2013	3.00%	30	\$4,500,000	\$4,500,000
Gregory (DW-01)	04/12/2002	2.50%	30	\$380,000	\$347,580
Gregory (DW-02)	01/07/2011	2.25%	30	\$685,080	\$551,691
Groton (DW-01)	03/28/2003	3.50%	20	\$440,000	\$440,000
Groton (DW-02)	06/25/2004	3.25%	20	\$365,900	\$308,945
Hanson RWS (DW-01)	08/26/2009	3.00%	20	\$840,000	\$754,341
Harrisburg (DW-01)	10/12/2000	5.00%	20	\$525,000	\$525,000
Harrisburg (DW-02)	03/30/2007	3.25%	20	\$1,714,327	\$1,291,925
Harrisburg (DW-03)	09/25/2008	3.25%	20	\$2,090,000	\$1,753,441
Hartford (DW-02)	01/10/2003	3.50%	20	\$800,957	\$800,957
Hartford (DW-03)	01/06/2005	3.25%	20	\$1,123,556	\$1,123,556
Hermosa (DW-01)	12/10/1998	5.00%	20	\$300,000	\$300,000
Highmore (DW-01)	03/28/2014	3.00%	30	\$395,000	\$395,000
Hill City (DW-01)	08/26/2009	3.00%	30	\$402,200	\$336,903
Hisega Meadows Water, Inc. (DW-01)	06/29/2012	3.00%	20	\$487,500	\$487,500
Hisega Meadows Water, Inc. (DW-02)	09/26/2014	3.00%	20	\$273,000	\$273,000
Hot Springs (DW-01)	09/24/2010	3.00%	20	\$1,636,000	\$1,636,000
Hoven (DW-01)	09/24/2010	0%	--	\$750,000	\$750,000
Humboldt (DW-01)	06/22/2006	3.25%	20	\$520,000	\$481,773
Huron (DW-01)	06/27/2002	3.50%	20	\$4,000,000	\$4,000,000
Huron (DW-02)	08/26/2009	3.00%	20	\$619,684	\$478,407
Huron (DW-03)	09/24/2010	3.00%	30	\$1,098,900	\$592,073
Ipswich (DW-01)	06/25/2009	3.00%	30	\$1,245,000	\$1,245,000
Irene (DW-02)	03/28/2014	3.00%	30	\$1,546,000	\$1,546,000
Keystone (DW-01)	03/25/2004	3.25%	20	\$762,000	\$630,212
Kingbrook RWS (DW-01)	04/13/2000	0%	30	\$475,000	\$474,204
Kingbrook RWS (DW-02)	01/06/2005	3.25%	30	\$2,115,000	\$2,115,000
Kingbrook RWS (DW-03)	03/30/2005	3.25%	20	\$3,324,000	\$3,136,677
Kingbrook RWS (DW-04)	06/22/2006	3.25%	20	\$2,350,000	\$2,315,622
Kingbrook RWS (DW-05)	01/10/2014	3.00%	20	\$540,000	\$540,000
Lead (DW-02)	01/06/2005	3.25%	30	\$205,800	\$192,549
Lead (DW-03)	08/26/2009	3.00%	20	\$1,020,000	\$784,987

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Award Amount
Lead (DW-04)	03/28/2014	3.00%	20	\$939,000	\$939,000
Lennox (DW-01)	07/16/2004	3.25%	30	\$2,000,000	\$2,000,000
Lennox (DW-02)	03/30/2012	3.00%	20	\$712,431	\$712,431
Lincoln County RWS (DW-01)	01/31/2002	3.50%	20	\$1,200,000	\$1,079,170
Martin (DW-01)	09/25/2003	2.50%	30	\$920,000	\$917,901
McLaughlin (DW-01)	06/25/2004	2.50%	30	\$350,000	\$350,000
McLaughlin (DW-02)	06/24/2011	2.25%	30	\$4,151,050	\$4,151,050
Mellette (DW-01)	08/27/2009	3.00%	30	\$271,780	\$271,780
Menno (DW-01)	09/22/2011	2.25%	10	\$157,000	\$157,000
Mid-Dakota RWS (DW-03)	06/24/2011	3.00%	30	\$2,979,054	\$2,979,054
Mid-Dakota RWS (DW-04)	06/29/2012	3.00%	30	\$719,962	\$644,786
Milbank (DW-01)	09/22/2005	2.50%	30	\$4,741,000	\$4,460,294
Miller (DW-01)	01/03/2008	2.50%	10	\$255,200	\$225,389
Mina Lake San Dist (DW-01)	11/13/1998	5.00%	20	\$255,200	\$255,200
Mina Lake San Dist (DW-02)	06/25/2009	3.00%	20	\$567,390	\$490,398
Minnehaha Comm. Water Corp. (DW-01)	06/27/2002	3.50%	20	\$6,500,000	\$6,022,816
Mitchell (DW-01)	10/12/2000	4.00%	20	\$6,000,000	\$2,850,115
Mitchell (DW-02)	08/26/2009	3.00%	20	\$2,360,000	\$1,956,237
Mobridge (DW-03)	09/28/2006	2.50%	30	\$213,500	\$213,500
Mobridge (DW-04)	06/28/2007	2.50%	30	\$90,000	\$62,442
Mobridge (DW-06)	06/29/2012	2.25%	30	\$1,212,000	\$1,212,000
Mobridge (DW-07)	01/10/2014	2.25%	30	\$400,000	\$400,000
Montrose (DW-01)	03/25/2011	3.00%	30	\$893,000	\$862,825
New Underwood (DW-01)	06/25/2009	3.00%	20	\$175,500	\$169,299
Newell (DW-01)	08/26/2009	2.25%	30	\$829,500	\$714,774
Newell (DW-02)	03/30/2012	1.25%	10	\$266,250	\$266,250
Niche San. Dist. (DW-01)	06/29/2012	2.25%	30	\$315,000	\$315,000
Nisland (DW-01)	12/13/2001	0%	30	\$350,000	\$350,000
Northville (DW-01)	07/23/2009	3.00%	20	\$203,460	\$186,804
Oacoma (DW-02)	08/10/2010	2.25%	10	\$1,351,300	\$1,061,416
Onida (DW-01)	09/26/2014	3.00%	30	\$905,000	\$905,000
Parker (DW-01)	09/23/2004	3.25%	20	\$730,000	\$730,000
Parker (DW-02)	06/22/2006	3.25%	20	\$300,000	\$209,541
Parker (DW-03)	03/27/2009	3.00%	20	\$554,200	\$554,200
Perkins County RWS (DW-01)	06/29/2012	0%	--	\$131,000	\$131,000
Piedmont (DW-01)	03/25/2011	3.00%	20	\$1,404,000	\$1,404,000
Pierpont (DW-01)	06/24/2011	3.00%	30	\$551,200	\$544,908
Pierre (DW-01)	01/31/2002	3.50%	15	\$1,094,200	\$988,188
Pierre (DW-02)	09/25/2003	3.50%	15	\$1,832,900	\$1,832,900
Plankinton (DW-01)	06/24/2011	3.00%	30	\$1,765,000	\$1,765,000
Platte (DW-01)	06/25/2004	2.50%	10	\$400,000	\$293,134
Rapid City (DW-02)	07/23/2009	3.00%	20	\$6,000,000	\$6,000,000
Rapid City (DW-03)	06/26/2014	3.00%	20	\$4,626,000	\$4,626,000
Rapid Valley San. Dist. (DW-02)	09/27/2012	3.00%	20	\$500,000	\$500,000
Redfield (DW-01)	04/25/2001	4.50%	20	\$85,000	\$85,000
Redfield (DW-02)	06/23/2005	2.50%	30	\$342,755	\$228,823
Salem (DW-02)	06/23/2005	3.25%	20	\$348,540	\$328,966
Salem (DW-03)	06/28/2007	3.25%	30	\$1,345,000	\$1,345,000
Scotland (DW-01)	03/28/2003	2.50%	30	\$340,000	\$235,172
Sioux Falls (DW-03)	04/12/2002	3.50%	10	\$7,930,000	\$7,930,000
Sioux Falls (DW-04)	01/10/2003	3.50%	10	\$5,279,000	\$279,599
Sioux Falls (DW-05)	07/16/2004	2.50%	10	\$12,749,000	\$10,828,766
Sioux Falls (DW-06)	01/03/2008	2.50%	10	\$17,848,000	\$9,938,849
Sioux Falls (DW-07)	01/03/2008	2.50%	10	\$2,200,000	\$2,200,000
Sioux Falls (DW-08)	01/03/2008	2.50%	10	\$2,705,600	\$2,088,645

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Award Amount
Sioux Falls (DW-09)	03/27/2009	2.25%	10	\$3,578,750	\$2,678,738
Sioux Falls (DW-10)	03/27/2009	2.25%	10	\$7,606,900	\$5,819,138
Sioux Falls (DW-11)	01/07/2011	2.25%	10	\$4,000,000	\$4,000,000
South Lincoln RWS (DW-01)	01/10/2003	3.50%	20	\$2,000,000	\$2,000,000
South Lincoln RWS (DW-02)	01/07/2011	3.00%	30	\$476,500	\$476,500
Spearfish (DW-01)	01/04/2013	2.25%	10	\$3,254,000	\$3,254,000
Sturgis (DW-02)	08/26/2009	2.25%	10	\$863,000	\$608,417
Sturgis (DW-03)	06/24/2011	2.00%	3	\$3,460,000	\$3,460,000
Sturgis (DW-04)	03/30/2012	3.00%	20	\$2,200,000	\$2,035,893
Tabor (DW-01)	03/28/2013	3.00%	30	\$1,530,000	\$1,530,000
Tea (DW-01)	03/30/2007	3.25%	20	\$2,263,723	\$2,263,723
TM Rural Water District (DW-01)	06/24/2011	3.00%	30	\$1,084,750	\$1,081,299
TM Rural Water District (DW-02)	06/24/2011	0%	--	\$1,398,750	\$1,394,175
Trail West San. Dist. (DW-01)	09/22/2011	3.00%	20	\$1,651,000	\$1,651,000
Tri-County Water Assn (DW-01)	03/30/2012	0%	--	\$200,000	\$200,000
Tripp County WUD (DW-01)	11/14/2002	2.50%	30	\$3,500,000	\$3,500,000
Tripp County WUD (DW-02)	11/14/2002	2.50%	30	\$148,000	\$131,469
Tripp County WUD (DW-04)	03/28/2014	2.25%	30	\$11,750,000	\$11,750,000
Tripp (DW-01)	07/26/2001	3.00%	20	\$291,000	\$225,656
Tyndall (DW-02)	11/09/2001	2.50%	30	\$861,000	\$861,000
Vermillion (DW-02)	06/27/2002	3.50%	20	\$1,510,000	\$1,507,552
Vermillion (DW-03)	09/22/2005	2.50%	20	\$3,772,500	\$3,693,216
Vermillion (DW-04)	03/25/2011	2.25%	20	\$1,532,000	\$1,532,000
Viborg (DW-01)	03/27/2008	3.25%	20	\$249,775	\$104,491
Viborg (DW-02)	11/30/2010	3.00%	30	\$847,000	\$847,000
Wagner (DW-01)	06/22/2006	0%	30	\$750,000	\$750,000
Wagner (DW-02)	06/28/2007	0%	30	\$175,000	\$175,000
Watertown (DW-01)	03/27/2008	3.25%	20	\$23,760,000	\$23,760,000
Waubay (DW-01)	03/31/2006	2.50%	30	\$750,000	\$750,000
Webster (DW-01)	04/12/2002	3.50%	20	\$330,000	\$318,828
Webster (DW-02)	09/24/2010	2.25%	10	\$387,400	\$277,522
White Lake (DW-01)	03/28/2013	2.25%	30	\$362,000	\$362,000
Winner (DW-01)	06/28/2013	2.25%	30	\$450,000	\$450,000
Wolsey (DW-01)	06/23/2005	3.25%	20	\$263,000	\$227,950
Wolsey (DW-02)	09/27/2007	3.25%	20	\$162,300	\$162,300
Woodland Hills San. Dist. (DW-01)	06/28/2013	3.00%	20	\$780,000	\$780,000
Woonsocket (DW-01)	08/27/2009	3.00%	30	\$720,000	\$720,000
Worthing (DW-01)	06/26/2003	3.50%	20	\$288,000	\$288,000
Worthing (DW-02)	03/30/2012	3.00%	20	\$301,227	\$301,227
Yankton (DW-01)	11/09/2001	3.50%	20	\$3,460,000	\$3,460,000
Yankton (DW-02)	06/28/2007	3.25%	20	\$1,100,000	\$896,975
Yankton (DW-03)	03/27/2009	3.00%	20	\$3,000,000	\$2,542,146
Yankton (DW-04)	03/27/2009	3.00%	20	\$2,200,000	\$2,200,000
Yankton (DW-05)	09/27/2013	3.00%	30	\$12,850,000	\$12,850,000
Total of Active Loans (Open or in Repayment)				\$320,713,653	\$290,227,078

Fully Repaid Drinking Water SRF Loans

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Award Amount
Aberdeen (DW-01A)	03/28/2003	3.5%	20	\$9,460,000	\$9,460,000
Aberdeen (DW-01B)	01/08/2004	3.5%	20	\$7,300,000	\$7,024,258
Arlington (DW-01)	06/25/2009	0%	--	\$100,000	\$100,000
Aurora-Brule RWS (DW-01)	03/27/2009	0%	--	\$500,000	\$500,000
Bowdle (DW-01)	06/25/2009	0%	--	\$150,000	\$150,000
Dakota Dunes CID (DW-01)	06/27/2002	3.5%	20	\$908,000	\$376,962
Delmont (DW-02)	09/24/2010	0%	--	\$90,000	\$90,000
Eureka (DW-02)	06/25/2009	0%	--	\$200,000	\$200,000
Fall River WUD (DW-03)	03/27/2009	0%	--	\$612,000	\$612,000
Fall River WUD (DW-04)	06/25/2009	0%	--	\$750,000	\$750,000
Faulkton (DW-01)	03/27/2009	0%	--	\$500,000	\$500,000
Gettysburg (DW-01)	06/14/2001	4.5%	20	\$565,000	\$565,000
Groton (DW-03)	06/25/2009	0%	--	\$272,000	\$231,315
Hartford (DW-01)	04/13/2000	5.0%	20	\$185,000	\$185,000
Irene (DW-01)	06/22/2000	5.0%	20	\$145,000	\$127,126
Lead (DW-01)	07/27/2000	4.5%	10	\$192,800	\$192,800
Lead-Deadwood San Dist (DW-01)	06/24/1998	5.25%	20	\$2,700,000	\$2,683,957
Madison (DW-01)	05/14/1998	5.0%	15	\$2,372,000	\$2,372,000
Mid-Dakota RWS (DW-01)	03/27/2009	2.0%	3	\$12,000,000	\$9,455,108
Mid-Dakota RWS (DW-02)	03/27/2009	0%	--	\$1,000,000	\$1,000,000
Mobridge (DW-01)	03/26/1998	5.25%	20	\$965,000	\$965,000
Mobridge (DW-02)	07/22/1998	5.25%	20	\$355,000	\$352,207
Mobridge (DW-05)	06/25/2009	0%	--	\$500,000	\$500,000
Perkins County RWS (DW-01)	06/29/2012	0%	--	\$151,000	\$151,000
Rapid City (DW-01)	11/14/2003	3.5%	20	\$3,500,000	\$3,500,000
Rapid Valley San. Dist. (DW-01)	06/25/2009	0%	--	\$682,000	\$682,000
Roslyn (DW-01)	06/25/2009	0%	--	\$500,000	\$500,000
Salem (DW-01)	03/28/2003	3.5%	10	\$126,921	\$118,540
Selby (DW-01)	06/25/2009	0%	--	\$100,000	\$100,000
Sioux Falls (DW-01)	07/22/1998	4.5%	10	\$7,022,000	\$6,496,745
Sioux Falls (DW-02)	01/11/2001	4.5%	10	\$2,750,000	\$2,348,168
Sioux Falls (DW-03)	04/12/2002	3.5%	10	\$7,930,000	\$7,930,000
Sturgis (DW-01)	01/08/1998	5.0%	15	\$700,000	\$478,377
TM Rural Water Dist. (DW-02)	06/24/2011	0%	--	\$1,398,750	\$1,394,175
Tyndall (DW-01)	07/27/2000	2.5%	10	\$300,000	\$300,000
Vermillion (DW-01)	05/13/1999	5.0%	20	\$942,000	\$795,338
Warner (DW-01)	03/27/2009	0%	--	\$400,000	\$400,000
West River/Lyman Jones RWS (DW-01)	10/12/2001	2.5%	30	\$340,000	\$340,000
West River/Lyman Jones RWS (DW-02)	03/30/2005	3.25%	30	\$8,000,000	\$7,943,023
Total of Loans Paid in Full				\$76,664,471	\$71,870,099
GRAND TOTAL				\$397,378,124	\$362,097,177

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

Sponsor	Binding Commitment Date	Rate	Term (years)	Original Binding Commitment Amount	Final Loan Amount
Big Sioux CWS (DW-01)	03/31/2006	3.25%	20	\$831,000	\$0
Bristol (DW-01)	04/25/2001	4.5%	20	\$139,000	\$0
B-Y Water District (DW-01)	06/25/2009	0%	0	\$300,000	\$0
Centerville (DW-02)	03/30/2012	2.25%	10	\$116,685	\$0
Groton (DW-04)	09/24/2010	2.25%	10	\$703,000	\$0
Letcher (DW-01)	08/26/2009	2.25%	30	\$200,000	\$0
Madison (DW-02)	03/30/2012	3.0%	15	\$3,464,360	\$0
Mission Hill (DW-01)	06/26/2008	3.25%	20	\$250,000	\$0
Oacoma (DW-01)	03/27/2009	3.0%	20	\$1,414,800	\$0
Tripp County WUD (DW-03)	06/29/2012	0%	30	\$850,000	\$0
Wagner (DW-03)	07/23/2009	0%	30	\$275,000	\$0
WEB Water Dev. Assn (DW-01)	03/26/1998	5.25%	20	\$1,110,000	\$0
WEB Water Dev. Assn. (DW-02)	10/11/2001	2.5%	30	\$137,450	\$0
WEB Water Dev. Assn. (DW-03)	03/31/2006	3.25%	20	\$3,950,000	\$0
Total of Loans Deobligated or Rescinded				\$13,741,295	\$0

FIGURE 5
Drinking Water SRF Interest Rates By Percent of Awards
(\$401.66 Million)

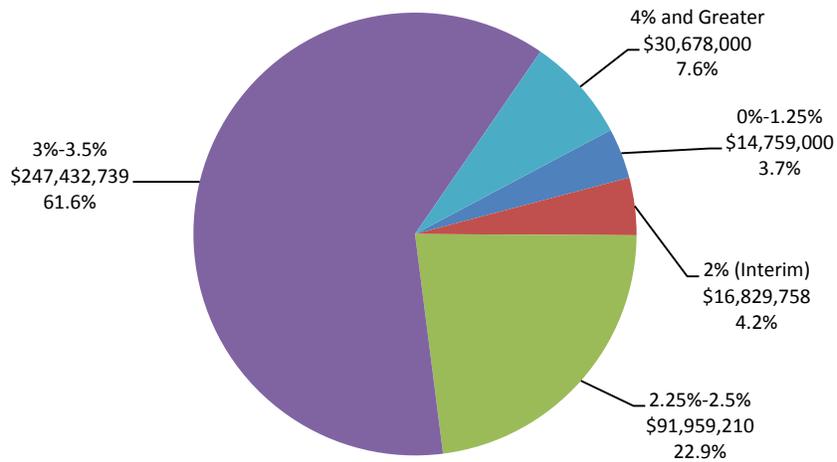
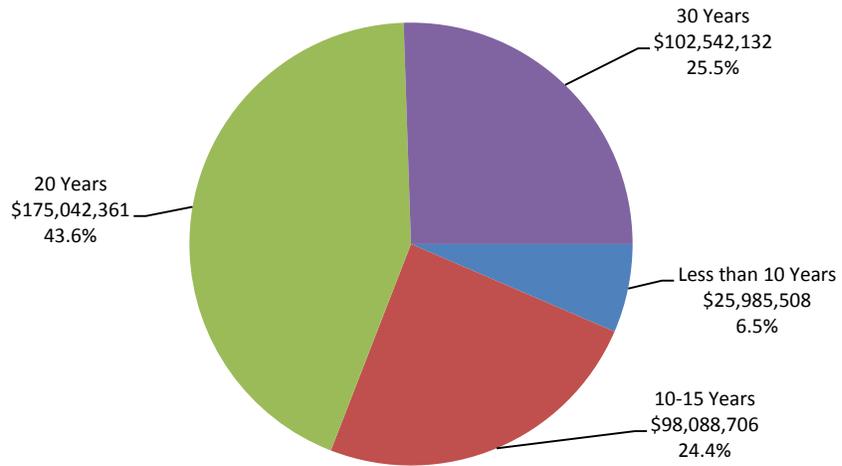


FIGURE 6
Drinking Water SRF Loan Terms By Percent of Loan Awards
(\$401.66 Million)



DRINKING WATER SRF PROJECT DESCRIPTIONS

ABERDEEN – The city of Aberdeen received an \$8,460,000 loan at 3.5 percent for 20 years. This loan was the first installment of the city's \$14,460,000 project to improve the water treatment plant. Total project costs increased to \$18,700,000, and the city received the second installment of its loan in 2004 in the amount of \$8,300,000. Aberdeen received a \$1,750,000 loan with \$175,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009 to replace water meters throughout the city. The loan was awarded at 2.25 percent for ten years. The city's third loan, in the amount of \$1,040,000 at 3 percent for 20 years, was awarded to replace the Elm River raw water intake for the water treatment facility.

ARLINGTON - The city of Arlington received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines on Birch and 1st Streets.

AURORA-BRULE RURAL WATER SYSTEM - The Aurora-Brule Rural Water System received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to construct a new raw water intake and associated piping.

BALTIC – The city of Baltic received a \$250,000 loan for replacement of existing cast iron pipe with PVC water mains. The loan was at 3.5 percent for 20 years. Baltic's second loan was for \$165,000 to replace water meters. This loan was at 2.25 percent for 10 years and included \$16,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's third loan was awarded to replace aging water and sewer lines on Elm Avenue, Jans Circle, Richards Circle, and Bonnies Circle. The loan was for \$457,000 at 3 percent for 20 years,

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

BERESFORD - The city of Beresford received its first loan to repair aging water lines in various areas in the city and install new lines to provide looping in the system and connect to the Lewis & Clark Regional Water System. The loan was for \$916,040 at 3 percent for 30 years and included \$458,020 of principal forgiveness. The city received its second loan to replace sewer in conjunction with a South Dakota Department of Transportation Highway 46 reconstruction project. The loan was for \$745,000 at 3 percent for 30 years and included \$375,000 of principal forgiveness.

BIG SIOUX COMMUNITY WATER SYSTEM – The Big Sioux Community Water System received a loan in the amount of \$831,000 for clearwell and water storage improvements. The loan was at 3.25 percent for 20 years. The loan was rescinded at the borrower's request. The water system received its second loan to install an automatic meter reading system. The loan was for \$900,000 at 3 percent for 15 years.

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

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

BON HOMME-YANKTON WATER USER DISTRICT - The Bon Homme-Yankton Water User District received a \$300,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act (ARRA) of 2009. The loan was to construct a new raw water intake; however, due to inability of the project to meet ARRA deadlines, the loan was subsequently deobligated in full at the district's request.

BONESTEEL - Bonesteel received its first Drinking Water SRF loan to eliminate all 4- to 8-inch cast iron pipe in the distribution system and install new hydrants, service lines and valves. A radio read water metering system was also installed. The loan amount was \$2,043,000 at 2.25 percent for 30 years and included \$1,543,000 in principal forgiveness.

BOWDLE - The city of Bowdle received a \$150,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city.

BOX ELDER – The city of Box Elder's First Drinking Water SRF loan was to develop a new well and construct a water reservoir and pipe lines to connect to the existing water distribution system. The \$3,562,950 loan was at 3 percent of 20 years and included \$356,295 in principal forgiveness.

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

BRISTOL – The town of Bristol received a loan in the amount of \$139,000 at 4.5 percent interest for 20 years. The project involved construction of a new elevated storage tank as well as replacement of an underground storage tank. The loan was subsequently deobligated at the town's request. The town received its second loan to replace all existing cast iron and asbestos concrete water lines throughout the community. The loan was for \$1,979,000 at 3 percent for 30 years and included \$1,514,000 of principal forgiveness.

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

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

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

BUTTE-MEADE SANITARY WATER DISTRICT – The Butte Meade Sanitary Water District received a \$396,700 Drinking Water SRF loan at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included \$85,000 of principal forgiveness.

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

CANISTOTA - The city of Canistota received a \$426,460 loan at 3.0 percent for 30 years to replace the water line on Ash Street. The loan included \$313,960 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city received its second loan to replace water lines in a portion of the community. The loan was for \$1,095,000 at 3 percent for 30 years and included \$616,000 of principal forgiveness.

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

CENTERVILLE – Centerville received its first drinking water SRF loan in the amount of \$870,000 to construct water distribution system improvements. The loan was at 3.25 percent for 30 years. The city received a second loan in the amount of \$116,685 at 2.25 percent for 10 years to replace meters and upgrade to a remote reading system. The loan was subsequently deobligated in full at the city’s request.

CHAMBERLAIN – The city of Chamberlain obtained its first Drinking Water SRF loan in the amount of \$276,500 at 3.25 percent for 20 years to upgrade chemical feed and control systems and to make renovations to its water treatment plant. Chamberlain’s second loan was for \$1,000,000 and was used to replace water mains and appurtenances at nine locations within the city. This loan was at 3.0 percent for 20 years and included \$300,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

CHANCELLOR – Chancellor’s first drinking water SRF loan for \$230,000 at 3.25 percent for 30 years provided water distribution system improvements.

CLAY RURAL WATER SYSTEM – Clay RWS’s first drinking water SRF loan expanded the system to southern Union County. The loan was for \$4,331,000 at 3.25 percent for 30 years. The system’s second loan was for \$846,300 to construct of two new wells, replace the Garfield Booster Station with an above ground pumping station, replace variable frequency drives on pumps, and miscellaneous improvements to the SCADA system. This loan was at 3.0 percent for 20 years and included \$700,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Clay Rural Water was awarded its third loan in the amount of \$2,208,000 at 3 percent for 30 years and included \$500,000 of principal forgiveness. The loan funded the construction of several loops in the distribution system, improvements to the Spink Reservoir, an upgrade to the interconnection with the city of Beresford, installation of a new booster station, and added about 80 new users. Clay Rural Water received a \$1,379,758 interim loan to replace aging water meters, install an automatic meter reading system, and construct three new lime sludge lagoons. The interim loan was for three years at 2 percent interest.

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

COLMAN – The city of Colman received its first two Drinking Water SRF loans in 2012. One loan, in the amount of \$182,000 at 2.25 percent for 10 years, was to replace water meters and install an automatic reading system. The other loan was for \$439,008 at 3 percent for 30 years to replace water lines and provided looping of the distribution system. A third loan was awarded in 2013 to replace water lines, loop the distribution system, and replace an old water storage tank. The loan amount was \$1,600,000 at 3 percent for 30 years and included \$968,000 in principal forgiveness.

COLONIAL PINE HILLS SANITARY DISTRICT – Colonial Pine Hills improved its water distribution system with a \$659,000 loan at 3.5 percent for 20 years. The district's second loan in the amount of \$1,003,608 was used to construct a new well, well-house, and distribution line to replace a well that experienced high radionuclide levels. This loan was at 3.0 percent for 20 years and included \$250,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. A third loan was awarded to provide interim financing for the installation of a new microfiltration water treatment unit and 2,000 feet of associated transmission lines. The loan amount was \$705,000 at 3 percent for 20 years.

COLTON – The city of Colton used a loan in the amount of \$681,720 at 3.5 percent for 30 years to connect to the Minnehaha Community Water Corporation. The loan was used for an elevated storage tank, water lines, wells, and new water treatment plant. The city received its second loan to replace water lines as part of a utility replacement project on 5th Street. The loan was for \$191,100 at 3 percent for 20 years and included \$91,100 of principal forgiveness. Colton's third loan was used to replace water meters and install an automatic reading system. The loan amount was \$210,740 at 2.25 percent for 10 years and included \$52,685 of principal forgiveness.

CORSON VILLAGE SANITARY DISTRICT – Corson Village received its first Drinking Water SRF loan to replace the water distribution system and connect to the city of Brandon. The \$601,735 loan (3 percent for 20 years) included \$541,562 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

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

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

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

DELL RAPIDS - Dell Rapids constructed various distribution system improvements with its first \$621,000 loan at 3.5 percent for 20 years. The city's second loan, in the amount of \$162,263 at 3.25 percent for

20 years, financed the drinking water portion of the 4th Street Utility Improvements project. A third loan in the amount of \$531,835 at 3 percent for 20 years was awarded to install water lines on 15th Street. Dell Rapids received two additional loans in 2012. A \$300,000 loan (2.25 percent for 10 years) was awarded to replace water meters and included \$30,000 of principal forgiveness. The second loan financed the replacement of waterlines on 15th Street, Garfield Avenue, State Avenue and at the Big Sioux River Crossing. The loan amount was \$897,000 at 3 percent for 20 years and included \$250,000 of principal forgiveness.

DELMONT - Delmont received its first Drinking Water SRF loan to loop lines within the distribution system to improve water quality. The \$185,000 loan had a 2.5 percent interest rate with a 30-year term. The community's second loan, \$90,000 with 100% as principal forgiveness, was to install new water meters and an automatic read system.

DESMET - DeSmet used its first SRF loan to replace cast iron water mains with PVC water mains on 3rd Street from Highway 25 to Prairie Avenue. The \$258,000 loan, at 2.25 percent for 30 years, included \$25,800 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

DOLAND – Doland was awarded its first Drinking Water SRF loan to replace cast iron water lines throughout the town construct a new elevated storage tank. The loan amount was \$1,762,200 at 3 percent for 30 years and included \$1,375,000 of principal forgiveness.

DUPREE – Dupree's first Drinking Water SRF loan, \$163,500 at 2.25 percent for 30 years, was used to replace 8 blocks of cast iron and asbestos cement water mains. The loan included \$100,000 of principal forgiveness.

EAGLE BUTTE - Three Drinking Water SRF loans were awarded to Eagle Butte in state fiscal year 2013 for water system improvements. The first loan for \$593,000 with \$474,000 of principal forgiveness was at zero percent for 10 years and was used to replace water meters and install an automatic meter read system. The second loan in the amount of \$1,244,000 was used to extend water services to a portion of the community with limited access to the water system replace aging infrastructure in the downtown area. A third loan in the amount \$490,000 of was used to replace water lines on Willow Street. The terms of second and third loans were zero percent for 30 years and included \$995,200 and \$392,000 of principal forgiveness, respectively.

ELK POINT – Elk Point received its first loan in the amount of \$220,000 for water main replacement in conjunction with its Pearl Street Utility Improvement project at 3.5 percent for 20 years. Its second loan, in the amount of \$570,000 at 3.25 percent for 20 years, funded an upgrade to the city's water treatment plant. The city received its third loan in the amount of \$218,000 at 3.25 percent for 20 years, to fund the drinking water portion of the utility systems improvements. The fourth SRF loan awarded to Elk Point funded water line replacement on Clay and Washington Streets. This loan was for \$564,000 at 3.25 percent for 20 years. The city's fifth loan was to replace the water main on Main Street in conjunction with a highway reconstruction project. The loan amount was \$1,179,500 at 3 percent for 20 years and included \$660,520 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

EUREKA - Eureka utilized a \$135,000 loan at zero percent interest for ten years to replace water meters and implement a computer-generated water meter reading system. The city's second loan was in the amount of \$200,000 loan with 100 percent principal forgiveness through the American Recovery and

Reinvestment Act of 2009. The loan was to replace old water mains throughout the city and loop additional lines, as well as the installation of a SCADA system and variable frequency drives on the pump house pump.

FALL RIVER WATER USERS DISTRICT – The Fall River Water Users District received a \$759,000 loan at 3 percent interest for 30 years. This loan will help finance the construction of the Fall River Rural Water System to include supply, storage, and distribution. Fall River’s second Drinking Water SRF loan in the amount of \$400,000 at 2.5 percent for 30 years was used for initial construction of the rural water system in Fall River County. Fall River’s third and fourth loans were for \$612,000 and \$750,000, respectively, each with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The third loan was to construct additional lines to serve additional users including the town of Buffalo Gap and to construct a well house and associated lines to connect the well to the system. The fourth loan upgraded main distribution lines throughout the system to supply larger volume of water to meet demand.

FAULKTON - The city of Faulkton received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water lines in various locations throughout the city, loop all dead-end lines 4 inches and larger, replace all water meters, and purchase a standby generator. The city’s second loan involved construction of water line along US Highway 212. The loan was for \$511,725 at 3 percent for 30 years and included \$395,905 of principal forgiveness.

GARRETSON – The city of Garretson connected to the Minnehaha CWC with its \$1,261,060 loan at 3.5 percent for 30 years. The loan was used to construct water lines, wells, and a new water treatment plant.

GAYVILLE – Gayville was awarded its first Drinking Water SRF loan in the amount of \$900,000 with \$480,000 of principal forgiveness. The rate and term of the loan were 3 percent for 30 years, and the loan was used to replace the cast iron water lines within the community.

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

GRANT-ROBERTS RURAL WATER SYSTEM – The Grant-Roberts Rural Water System received a \$4,500,000 loan for the construction of water main and a water storage reservoir to improve service and add new customers in the Milbank Service area. The project also includes the installation of satellite read meters and a SCADA telemetry system. The terms of the loan were 3 percent for 30 years.

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

GROTON - Groton’s first loan in the amount of \$440,000 at 3.5 percent for 20 years funded replacement of water main in conjunction with its Main Street Utility Project. Its second loan, in the amount of \$365,900 at 3.25 percent for 20 years, funded additional waterline replacement. The city’s third loan was in the amount of \$272,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water meters. Groton’s fourth loan in the amount of \$703,000, with \$150,000 principal forgiveness was to replace the city’s elevated water

storage tank, water pumps and approximately five blocks of water mains. The city chose to deobligate the loan in its entirety.

HANSON RURAL WATER SYSTEM – The Hanson Rural Water System was awarded its first Drinking Water SRF loan in the amount of \$840,000 at 3 percent for 20 years and included \$588,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The rural water system replaced an elevated water storage tank located in Ethan with a new 200,000-gallon water storage tank to be used by Ethan residents and surrounding residents on the Hanson system.

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

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

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

HIGHMORE – Highmore received its first loan to replace sewer lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 47. The loan amount was \$679,000 at 3.25 percent for 30 years.

HILL CITY – The city of Hill City received its first Drinking Water SRF loan in the amount of \$402,200 at 3 percent for 30 years and included \$241,320 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The project involved looping dead-end lines and replacing a water line that froze due to insufficient cover.

HISEGA MEADOWS WATER, INC. – The Drinking Water SRF first loan awarded to Hisega Meadows was used for the installation of 5,100 feet of 6-inch PVC line and other appurtenances to replace the sub-standard distribution system. The loan amount was \$487,500 at 3 percent for 20 years and included \$250,000 of principal forgiveness. Hisega Meadows received its second loan to continue the improvements to the water system. The loan was in the amount of \$273,000 at 3 percent for 20 years.

HOT SPRINGS – Hot Springs' first Drinking Water SRF loan was for \$1,636,000 at 3 percent for 20 years to replace water lines in various areas of the city.

HOVEN – The town of Hoven received a \$750,000 loan with 100 percent principal forgiveness to replace all water meters with new remote read meters, replace all cast iron pipes within the distribution system, construct a 180,000-gallon ground water storage tank, and rehabilitate an existing tank.

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

HURON – Huron received a loan in the amount of \$4,000,000 at 3.5 percent for 20 years to fund the construction of a new water treatment facility, water tower improvements, and water meter replacement. The city’s second loan was used to replace approximately 14,500 feet of 6 inch and 12 inch water main. The loan was for \$619,684 at 3.0 percent for 20 years and includes \$122,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. A third loan, for \$1,098,900 at 3 percent for 30 years, was awarded for the construction of an elevated water storage reservoir.

IPSWICH - The city of Ipswich received a \$1,245,000 loan to replace an elevated water tower and two underground water tanks with a new 150,000-gallon elevated water storage tank, replace water meters and install a radio read system, and purchase a standby generator and variable frequency drives for the city pumps. The loan was at 3.0 percent for 30 years and included \$933,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

IRENE – The city of Irene received a 5 percent interest loan for 20 years in the amount of \$145,000. The project replaced water main along SD Highway 46. The city received its second loan to replace 13 blocks of water lines, loop water lines south of Highway 46, and install new water meters. The loan was for \$1,546,000 at 3 percent for 30 years and included \$1,165,000 of principal forgiveness.

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

KINGBROOK RWS – The Kingbrook Rural Water System received a loan in the amount of \$475,000. This loan was at 0 percent interest for 30 years. The project hooked up the city of Carthage and upgraded its distribution system and storage tank. Kingbrook RWS took over the system and provided individual service. Kingbrook’s second loan, in the amount of \$2,115,000 at 3.25 percent for 30 years, provided additional capacity within the system and provided service to Ramona and the Badger area. The third loan of \$3,324,000 at 3.25 percent for 20 years expanded the distribution system to allow 250 additional connections to the system. Kingbrook’s fourth loan, \$2,350,000 at 3.25 percent for 20 years, continued with the improvements to the system’s distribution system. The rural water system received its fifth loan, in the amount of \$540,000 at 3 percent for 20 years, for the construction of rural and in-town water lines to provide individual service to the residents of Sinai.

LEAD – Lead received a \$192,800 loan at 4.5 percent interest for 10 years. This loan helped replace water lines beneath a portion of US Highway 85 in conjunction with the South Dakota Department of Transportation roadway reconstruction project. Lead’s second drinking water SRF loan, in the amount of \$205,800 at 3.25 percent for 30 years, completed water main improvements associated with the Highway 85 project. The city’s third SRF loan replaced water mains on Lower May, South Main, and West Addie Streets in conjunction with a project to separate combined sanitary and storm sewer mains. The \$1,020,000 loan, at 3 percent for 20 years, included \$387,600 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. Lead was awarded its fourth loan to replace water lines in conjunction with a South Dakota Department of Transportation project to reconstruct Highway 85. The loan amount was \$939,000 at 3 percent for 20 years.

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

LENNOX – Lennox’s first loan, in the amount of \$2,000,000 at 3.25 percent for 30 years, funded two wells, an elevated water storage reservoir, water main replacement and new lines. The city’s second loan involved replacing about 2,200 feet of cast iron water main and upgrading the existing water meters with remote read meters. The loan amount was \$712,431 at 3 percent for 20 years and included \$400,000 of principal forgiveness.

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

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

MADISON – Madison received a loan for \$2,372,000 to refinance its Series 1995 Bonds. The Series 1995 Bonds were issued to finance the rehabilitation of the water treatment facility and the construction of three new wells. This loan was at 5 percent for 15 years. Madison’s second loan involved upgrades and modifications to the water treatment plant to address volatile organic compounds in the raw water source. The loan amount was \$3,464,360 at 3 percent for 15 years.

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

McLAUGHLIN – Improvements to McLaughlin’s water distribution system in conjunction with an SDDOT project were funded with a \$350,000 loan at 2.5 percent for 30 years. The city’s second loan was used to replace water lines throughout the city and construct a new storage tank. The loan is for \$4,151,050 at 2.25 percent of 30 years and included \$3,180,050 of principal forgiveness.

MELLETTTE - The town of Mellette received a loan for \$271,780 to replace nine blocks of water main and install gate valves and fire hydrants. The loan was at 3 percent for 30 years and included \$244,602 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

MENNO - The city of Menno received its first Drinking Water SRF loan for the replacement of its water meters with remote reading water meters and the installation of an automatic meter reading system. The loan was for \$157,000 at 2.25 percent for 10 years and included \$39,250 of principal forgiveness.

MID-DAKOTA RURAL WATER SYSTEM - The Mid-Dakota Rural Water System received its first two loans for projects to increase the production capacity of the water treatment plant and to construct an underground pumping station and a two million-gallon elevated water reservoir. The first loan for \$12,000,000 at 2.00 percent for 3 years provided interim financing for those projects. The second loan was in the amount of \$1,000,000 with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009 and partially funded the pumping station and elevated water reservoir. A third loan in the amount of \$2,979,054 was awarded to extend service to new users within the Mid-Dakota service area to include users on the Crow Creek Reservation. The rate and term of the loan are 3 percent for 30 years, and the loan included \$450,000 of principal forgiveness. To construct a 150,000-

gallon elevated water storage tank for the Redfield service area, Mid-Dakota RWS was awarded a fourth loan for \$719,000 at 3 percent for 30 years.

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

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

MINA LAKE SANITARY DISTRICT – Mina Lake Sanitary District received a loan for \$255,200 at an interest rate of 5 percent for 20 years. This loan was for the construction of a 150,000-gallon water tower. The district's second loan was for \$567,390 to replace undersized water mains, construct approximately 11,400 feet of new water main to improve pressure, and upgrade existing water meters. This loan was at 3.0 percent for 20 years and included \$283,695 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

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

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

MITCHELL – The city of Mitchell received a \$6,000,000 loan at 4.5 percent interest for 20 years to connect to the B-Y Rural Water System by constructing a water pipeline from Lesterville west and north to Mitchell. The project involved 61 miles of pipe, two pumping stations, a water storage reservoir, a meter station and appurtenances. The city's second Drinking Water SRF loan was used to construct a 1,000,000-gallon elevated water storage tank to replace a water tower built in 1928. The \$2,360,000 loan, at 3 percent for 20 years, included \$354,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

MOBRIDGE – The city of Mobridge received two loans in the amounts of \$965,000 and \$355,000 to finance water treatment plant upgrades. Both loans were at 5.25 percent for 20 years. The city undertook a water line extension project along Lake Front Drive to provide water to new users and to loop the system. The project was funded with two loans in the amounts of \$213,500 and \$90,000 both at 2.50 percent for 30 years. The city's fifth loan was in the amount of \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to make improvements to the raw water intake. Mobridge's sixth loan will be used to construct a 600,000-gallon water tower and make improvements to an existing 500,000-gallon water tower. The loan is for \$1,212,000 at 2.25 percent for 30 years. Mobridge's seventh loan, for \$400,000 at 2.25 percent for 30 years, was necessary to address higher than anticipated construction costs on the water tower project.

MONTROSE – Montrose received its first Drinking Water SRF loan to replace all 4-inch water mains within the distribution system and various hydrants and gate valves. The loan amount was \$893,000 (3 percent for 30 years) and included \$593,000 of principal forgiveness.

NEW UNDERWOOD - The city of New Underwood was awarded a \$175,500 loan to partially fund the construction of a water treatment facility to address radium and gross alpha contamination at its water source. The loan was at 3.0 percent for 20 years and included \$70,200 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

NEWELL - The city of Newell received a loan for \$829,000 to drill a new well, construct a new well house, controls, and chlorination equipment; replace old water main, and replace a water tower. The loan was at 2.25 percent for 30 years and included \$322,750 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's second loan was used to replace the water meters and install a drive-by remote reading system. The loan was in the amount of \$266,250 at 1.25 percent for 10 years and included \$166,250 of principal forgiveness.

NICHE SANITARY DISTRICT – A \$315,000 loan was awarded to the Niche Sanitary District to replace the undersized water distribution lines with 6-inch PVC lines, install individual service lines and meters to each user, and connect to the Black Hawk Water Users District. At project completion, the Black Hawk Water Users District will take ownership of the system and supply water to the sanitary district residents as individual users. The loan was awarded at 2.25 percent for 30 years and included \$225,000 of principal forgiveness.

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

NORTHVILLE – Northville received a \$203,460 loan to replace water meters throughout the town, replace and loop water lines, and make improvements to a service pump. The loan was at 3.0 percent for 20 years and included \$162,768 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

OACOMA - Oacoma received a \$1,414,800 Drinking water SRF loan to construct a new water reservoir and associated piping. The loan was at 3.0 percent for 20 years and included \$321,480 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was subsequently deobligated due to a change in project scope which prevented the city from meeting ARRA deadlines. The city was awarded a second loan for \$1,351,300 at 2.25 percent for 10 years to proceed with the revised water storage project.

ONIDA – Onida's first loan, in the amount of \$905,000 at 3 percent for 20 years, funded the construction of a 200,000-gallon water tank and the installation of new meters and an automatic meter reading system, new lines to eliminate dead end lines, and additional hydrants and valves. This loan also included \$250,000 in principal forgiveness.

PARKER – Parker's first loan, in the amount of \$730,000 at 3.25 percent for 20 years, was used to replace cast iron water mains in various locations in the city. The city's second loan, in the amount of \$300,000 at 3.25 percent for 20 years, funded the second phase of the water line replacement project. Parker was awarded a third loan in the amount of \$554,200 to continue replacing its water distribution system. This loan was at 3.0 percent for 20 years and included \$452,100 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

PERKINS COUNTY RURAL WATER SYSTEM – A \$131,000 Drinking Water SRF loan was awarded the Perkins County Rural Water System to construct a booster station along Highway 75. The loan was

awarded as 100 percent principal forgiveness. The loan amount was increased to \$151,000 to allow for the purchase of a SCADA system.

PIEDMONT – Piedmont extended its distribution system to residences within the town utilizing individual wells as a water source. The town’s first loan was for \$1,404,000 at 3 percent for 20 years and included \$804,000 of principal forgiveness.

PIERPONT – Pierpont received a loan in the amount of \$551,200 at 3 percent for 30 years to replace the existing high service pump and pressure tank. The loan included \$413,400 in principal forgiveness.

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

PLANKINTON – The city of Plankinton used its first Drinking Water SRF loan to construct a new storage tower, replace portions of the distribution system, and loop dead-end lines. The loan was for \$1,765,000 at 3 percent for 30 years and included \$1,009,000 of principal forgiveness.

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

RAPID CITY – Rapid City’s first drinking water loan was for \$3,500,000 at 3.5 percent for 20 years. This loan financed a new water tank and transmission main in the southwest edge of the city. Rapid City was awarded its second loan for engineering services and the purchase of membranes at the Jackson Springs Water Treatment Plant. The loan amount was \$6,000,000 at 3 percent for 20 years. Rapid City was awarded its third loan to expand its service area to provide water to users located east of the city limits. These homes are currently served by systems that provide substandard to poor quality water that is often in violation of drinking water standards. The loan was for \$4,626,000 at 3 percent for 20 years with \$3,000,000 of principal forgiveness.

RAPID VALLEY SANITARY DISTRICT – The Rapid Valley Sanitary District received a \$682,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to install a third microfiltration skid to increase plant production from 2 to 3 MGD, allowing the district to serve two small existing sanitary districts east of Rapid City. The second loan awarded to the Rapid Valley Sanitary District was for the removal and replacement of a 166,000-gallon water storage tank in poor condition with a 256,000 gallon tank. The loan amount was \$500,000 at 3 percent for 20 years.

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

ROSLYN - The city of Roslyn received a \$500,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was to replace water mains throughout the city and construct a new 50,000-gallon water storage tank.

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

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

SELBY - The city of Selby received a \$100,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded the second phase of the city's water main replacement project.

SIoux FALLS – The city of Sioux Falls received a loan in the amount of \$7,022,000 at an interest rate of 4.5 percent for 10 years to finance central pressure zone improvements. The city's second loan allowed the city to continue with drinking water facility improvements with a loan for \$2,750,000 at 4.5 percent interest for 10 years. Its third loan, at 3.5 percent for ten years, was in the amount of \$7,930,000 for drinking water facilities improvements and water distribution line replacement. The city's fourth drinking water loan, \$5,279,000 at 3.5 percent for 10 years, funded the replacement of aging equipment and water main and the improvement of operational efficiency, maintenance space, and pressure zones. Sioux Falls' fifth drinking water loan is in the amount of \$12,749,000 at 2.5 percent for 10 years. This loan financed improvements to the water treatment plant, improvements to the West Pump Station, replacement of water mains, and upgrade of elevated finish tanks and collector wells. In 2008, Sioux Falls received three additional Drinking Water SRF loans, each at 2.5 percent for 10 years. The city's sixth loan, for \$17,848,000, was for the construction of a new backwash basin and additional filters to improve operational efficiencies in the treatment plant. The seventh loan was to upgrade a vertical well to a horizontal collector well to increase production capacity and is for \$2,200,000. The eighth loan, in the amount of \$2,705,600, replaced water mains in two areas and valves at several locations. Sioux Falls' ninth loan in the amount of \$3,578,750 replaced three vertical water supply wells with a new horizontal collector well and rehabilitated an existing horizontal well. The city's tenth loan in the amount of \$7,606,900 involved water main and valve replacement at various locations and the upgrade of a pumping station. Loans 9 and 10 each had an interest rate of 2.25 percent, a 10-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The eleventh loan award to Sioux Falls was for \$4,000,000 at 2.5 percent for 10 years to replace water mains and valves in various locations.

SOUTH LINCOLN RWS — A \$2,000,000 loan at 3.5 percent for 20 years funded South Lincoln RWS's pipeline, well and pumping improvements. In addition, new facilities were constructed to provide connection of South Lincoln's system to the Lewis and Clark Regional Water System. The South Lincoln system was awarded its second loan to provide individual service to the residents of Fairview by extending a water line to the town and replace the town's distribution system. The loan was for \$476,500 at 3 percent for 30 years and included \$244,500 of principal forgiveness.

SPEARFISH - The city of Spearfish was awarded its first Drinking Water SRF loan to construct a two-million gallon ground level water storage tank, install 16-inch water main to connect the tank to the distribution system, and add water level control valves at two existing storage tanks. The loan was for \$3,254,000 at 3 percent for 20 years.

STURGIS – Sturgis received a loan for \$700,000 at 5 percent interest for 15 years. This loan financed the replacement of approximately 7,800 feet of water main in conjunction with a South Dakota Department of Transportation roadway reconstruction project. The second loan awarded to Sturgis was to upgrade the water distribution system serving the Murray Addition. The \$863,000 loan is at 2.25 percent for 10 years and included \$86,300 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The city's third loan was awarded to provide interim financing for upgrades to pressure reducing valves, the SCADA system, a booster pump, and well house and the replacement of a well and water lines. The loan was for \$3,460,000 at 2 percent for three years. Sturgis received its fourth loan, \$2,200,000 at 3 percent for 20 years, to replace water lines beneath Lazelle Street.

TABOR – Tabor's first Drinking Water SRF loan was in the amount of \$1,530,000 at 3 percent for 30 years and included \$700,000 of principal forgiveness. The loan will be used for the replacement of cast iron water main with PVC pipe, rehabilitation of the pump station, and to conduct a leak detection survey.

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

TM RURAL WATER DISTRICT – The TM Rural Water District receive two loans to provide service to new users within its southeast service area and improve service to Viborg and Hurley by providing storage for these communities. The loans were for \$1,084,750 at 3 percent for 30 years and \$1,398,750 with 100 percent as principal forgiveness.

TRAIL WEST SANITARY DISTRICT – The Trail West Sanitary District received a loan of \$1,651,000 to install water meters and approximately 7,500 feet of 4-inch water main, rehabilitate existing wells, and construct an iron removal treatment system. The loan was at 3 percent for 20 years and included \$637,860 of principal forgiveness.

TRI-COUNTY WATER ASSOCIATION – The Tri-County Water Association received a \$200,000 loan, awarded as 100 percent principal forgiveness, to construct an elevated water storage tank.

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

TRIPP COUNTY WATER USERS DISTRICT — Tripp County Water Users District was awarded two loans in 2003. The first loan, \$3,500,000 at 2.5 percent for 30 years, funded expansion of the district into Gregory County and the assimilation of the East Gregory Rural Water System. The second loan, \$148,000 at zero percent interest for 30 years, allowed the district to assume the water distribution system at Wood. The district's third loan, in the amount of \$850,000 at 3 percent for 20 years, funded the construction of an elevated water storage tank near Fairfax. This loan was de-obligated in full at the request of the district. Tripp County WUD was awarded its fourth loan to upgrade a large portion of its

distribution system by installing more than 195 miles of mains, increasing pump sizes or constructing new booster stations, providing new water services, and constructing two new water towers. The loan was for \$11,750,000 at 2.25 percent for 30 years.

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

VERMILLION – Vermillion received a loan for \$942,000 at 5 percent interest for 20 years. This loan was used to construct lime sludge disposal lagoons. Vermillion's second loan, \$1,510,000 at 3.5 percent interest for 20 years, funded water treatment plant improvements. Vermillion's third drinking water SRF loan, in the amount of \$3,772,500 at 2.5 percent for 20 years, funded phase 3 improvements to the water treatment plant. The city's received its fourth loan to replace a water tower. The loan was for \$1,532,000 at 2.25 percent for 30 years and included \$153,200 of principal forgiveness.

VIBORG - The city of Viborg's first SRF loan was to replace water distribution lines and loop lines at various locations in the city. The loan amount was \$249,775 with an interest rate of 3.25 percent and a term of 20 years. Viborg funded water main improvements in conjunction with a Highway 19 reconstruction project with its second loan. The \$847,000 loan had a 3 percent interest rate, a 30-year term, and included \$730,000 of principal forgiveness.

WAGNER – Wagner received its first drinking water loan in the amount of \$750,000 at the disadvantaged rate of zero percent interest for 30 years to make improvements to its water tower and replace water lines. The city's second loan, in the amount of \$175,000 at the disadvantaged rate of zero percent interest for 30 years, replaced water utilities along North Park Street and North Street. Wagner was awarded its third loan to replace water line on South Park Street. The \$275,000 loan was at 0 percent for 30 years and included \$55,000 of principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan was rescinded at the city's request.

WARNER - The city of Warner received a \$400,000 loan with 100 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. The loan partially funded improvements to the city's water storage capabilities.

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

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

WEB WATER DEVELOPMENT ASSOCIATION, INC. – WEB received a loan for \$1,110,000 at 5 percent interest for 15 years. The project would have allowed WEB to extend service to approximately 200 additional rural homes and farms and provide additional water service to four existing bulk users. The Board of Water and Natural Resources rescinded this loan on May 13, 1999. WEB applied for and received a \$137,450 loan at 2.5 percent interest for 30 years to improve water service in the community

of Glenham by replacing the town's water distribution system. This loan was rescinded on June 27, 2003. WEB was awarded its third drinking water SRF loan in the amount of \$3,950,000 at 3.25 percent for 20 years to increase the capacity of its water treatment plant. The award was contingent upon a specific loan closing date, which was not met, and the application was withdrawn at WEB's request.

WEBSTER – The city of Webster received a \$330,000 loan at 3.5 percent interest for 20 years to fund replacement of cast iron water mains with PVC pipe and replacement of water services and fire hydrants. Webster second loan was for \$387,400 at 2.25 percent for 10 years to install new water meters and an automatic read system. The loan included \$150,000 of principal forgiveness.

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

WHITE LAKE - White lake received its first Drinking Water SRF loan, \$362,000 at 2.25 percent for 30 years to replace aging water lines on Main Street. The loan included \$85,000 of principal forgiveness.

WINNER - Winner's first Drinking Water SRF loan, \$450,000 at 2.25 percent for 30 years, funded construction of a new chlorine building including new pumps, piping and chlorine equipment.

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

WOODLAND HILLS SANITARY DISTRICT – A \$780,000 loan at 3 percent for 20 years with \$480,000 of principal forgiveness was awarded to the Woodland Hills Sanitary District for phase 1 improvements to its water system. Improvements included a new 10,000-gallon ground level water storage tank, water meter pits for the entire system, upgrades to the well, well house, and pump station building, installation of 1,800 feet water main, and replacement of water service line within the right-of-way.

WOONSOCKET — Woonsocket was awarded its first SRF loan in the amount of \$720,000 to replace and loop of water lines primarily along Highway 34. The loan had an interest rate of 3.0 percent, a 30-year term and included \$416,500 of principal forgiveness through the American Recovery and Reinvestment Act of 2009.

WORTHING — Worthing received its first loan in the amount of \$288,000 at 3.5 percent for 20 years for improvements to the city's water distribution system. The city's second loan in the amount of \$301,227 will finance the replacement of approximately 1,600 feet of water main on Second and Juniper Streets. The loan was at 3 percent for 20 years and included \$200,000 of principal forgiveness.

YANKTON – Yankton utilized a \$3,460,000 loan for line replacement and water treatment plant improvements to include a new disinfection system. The loan was at 3.5 percent for 20 years. The city secured a second loan in the amount of \$1,100,000 at 3.25 percent for 20 years to install a high pressure area pump station and transmission lines. Yankton's third loan in the amount of \$3,000,000 funded 12 water main replacement projects and two water tower rehabilitation projects. The city received its

fourth loan in the amount of \$2,200,000 to drill two wells on the Nebraska side of the Missouri River and construct a raw water transmission line from the wells to the existing water treatment plant on the South Dakota shore. These loans had an interest rate of 3.0 percent, a 20-year term and included 10 percent principal forgiveness through the American Recovery and Reinvestment Act of 2009. Yankton was awarded its fifth loan to upgrade the existing water treatment plant No. 2 and construct a new collector well. The loan was for \$12,850,000 at 3 percent for 30 years with \$1,000,000 of principal forgiveness.

EXHIBITS I -- VIII

DRINKING WATER SRF

STATUS REPORTS

EXHIBIT I
Recipients by Population Category
Federal Fiscal Year 2014

Sponsor	Fewer than 10,000	10,000 and Greater	Binding Commitment Date	Rate	Term
Beresford (DW-02)	\$745,000		03/28/2014	3.0%	30
Big Sioux CWS (DW-02)	\$900,000		03/28/2014	3.0%	15
Bristol (DW-02)	\$1,979,000		03/28/2014	3.0%	30
Canistota (DW-02)	\$1,095,000		03/28/2014	3.0%	30
Highmore (DW-01)	\$395,000		03/28/2014	3.0%	30
Hisega Meadows Water, Inc. (DW-02)	\$273,000		09/26/2014	3.0%	20
Irene (DW-02)	\$1,546,000		03/28/2014	3.0%	30
Kingbrook RWS (DW-05)		\$540,000	01/10/2014	3.0%	20
Lead (DW-04)	\$939,000		03/28/2014	3.0%	20
Mobridge (DW-07)	\$400,000		01/10/2014	2.25%	30
Onida (DW-01)	\$905,000		09/26/2014	3.0%	20
Rapid City (DW-03)		\$4,626,000	06/26/2014	3.0%	20
Tripp County WUD (DW-04)	\$11,750,000		03/28/2014	2.25%	30
TOTAL	\$20,927,000	\$5,166,000			

EXHIBIT II
Assistance Provided by Needs Categories
Federal Fiscal Year 2014

Sponsor	Transmission/ Distribution	Storage
Beresford (DW-02)	\$745,000.00	
Big Sioux Community Water System (DW-02)	\$900,000.00	
Bristol (DW-02)	\$1,979,000.00	
Canistota (DW-02)	\$1,095,000.00	
Highmore (DW-01)	\$395,000.00	
Hisega Meadows Water, Inc. (DW-02)	\$273,000.00	
Irene (DW-02)	\$1,546,000.00	
Kingbrook Rural Water System (DW-05)	\$540,000.00	
Lead (DW-04)	\$939,000.00	
Mobridge (DW-07)		\$400,000.00
Onida (DW-01)	\$461,550.00	\$443,450.00
Rapid City (DW-03)	\$4,626,000.00	
Tripp County Water User District (DW-04)	\$9,794,723.00	\$1,955,277.00
	\$23,294,273.00	\$2,798,727.00

EXHIBIT III
Source of SRF Funds

Fiscal Year	Capitalization Grant Award	State Match	Leveraged Funds	Total
1997	\$12,558,800	\$2,511,760		\$15,070,560
1998	\$7,121,300	\$1,424,260		\$8,545,560
1999	\$7,463,800	\$1,492,760		\$8,956,560
2000	\$7,757,000	\$1,551,400		\$9,308,400
2001	\$7,789,100	\$1,557,820		\$9,346,920
2002 *	\$14,563,300	\$2,912,660		\$17,475,960
2003 *	\$14,471,900	\$2,894,380		\$17,366,280
2004	\$8,303,100	\$1,660,620	\$22,503,662	\$32,467,382
2005	\$8,285,500	\$1,657,100		\$9,942,600
2006	\$8,229,300	\$1,645,860	\$7,000,414	\$16,875,574
2007	\$8,229,000	\$1,645,800		\$9,874,800
2008	\$8,146,000	\$1,629,200	\$13,000,000	\$22,775,200
2009	\$8,146,000	\$1,629,200	\$18,221,624	\$27,996,824
2009--ARRA	\$19,500,000			\$19,500,000
2010	\$13,573,000	\$2,714,600		\$16,287,600
2011	\$9,418,000	\$1,883,600		\$11,301,600
2012	\$8,975,000	\$1,795,000		\$10,770,000
2013	\$8,729,198	\$1,745,840		\$10,475,038
2014	\$8,845,000	\$1,769,000		\$10,614,000
TOTAL	\$190,104,298	\$32,351,860	\$60,725,700	\$284,950,858

* Includes transfers from Clean Water SRF of \$6,510,800 from the 2002 Clean Water SRF capitalization grant and \$1,302,160 Clean Water state match and \$6,467,800 from the 2003 Clean Water SRF capitalization grant and \$1,293,560 Clean Water state match.

EXHIBIT IV
Drinking Water SRF Disbursements
October 1, 2013 to September 30, 2014

LOAN DISBURSEMENTS
BASE PROGRAM

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/Earnings	Leveraged	Total Disbursements
09/30/14	Grant Roberts RWS (DW-01)	0	290,523	0	0	0	290,523
09/29/14	Trail West (DW-01)	0	85,682	0	0	0	85,682
09/25/14	Bonesteel (DW-01)	0	195,695	0	0	0	195,695
09/25/14	Lead (DW-04)	0	28,587	0	0	0	28,587
09/25/14	Rapid Valley San Dist (02)	0	136,229	0	0	0	136,229
09/25/14	Tabor (DW-01)	0	0	130,494	0	0	130,494
09/25/14	Winner (DW-01)	0	3,614	0	0	0	3,614
09/24/14	McLaughlin (DW-02)	24,771	0	0	0	0	24,771
09/24/14	Woodland Hills (DW-01)	1,319	0	0	0	0	1,319
09/23/14	Trail West (DW-01)	2,310	0	0	0	0	2,310
09/09/14	Colman (DW-02)	0	0	0	74,042	0	74,042
09/09/14	McLaughlin (DW-02)	0	244,990	0	0	0	244,990
09/09/14	McLaughlin (DW-02)	0	0	190,462	0	0	190,462
09/09/14	Vermillion (DW-04)	0	146,341	0	0	0	146,341
09/03/14	Eagle Butte (DW-02)	0	0	16,467	0	0	16,467
09/03/14	Mobridge (DW-06)	67,011	350,000	0	0	0	417,011
09/03/14	Tabor (DW-01)	0	0	262,927	0	0	262,927
09/03/14	Woodland Hills (DW-01)	0	0	2,228	0	0	2,228
08/27/14	Grant Roberts RWS (DW-01)	0	516,564	0	0	0	516,564
08/27/14	Mobridge (DW-06)	47,013	0	0	0	0	47,013
08/27/14	Mobridge (DW-06)	0	198,599	0	0	0	198,599
08/25/14	Trail West (DW-01)	0	0	0	2,805	0	2,805
08/18/14	Bonesteel (DW-01)	0	0	183,870	0	0	183,870
08/18/14	Bonesteel (DW-01)	59,344	0	0	0	0	59,344
08/18/14	Clay RWS (DW-04)	0	6,900	0	0	0	6,900
08/18/14	Hoven (DW-01)	69,707	0	0	0	0	69,707

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/Earnings	Leveraged	Total Disbursements
08/18/14	Rapid Valley San Dist (02)	0	31,032	0	0	0	31,032
08/18/14	Vermillion (DW-04)	0	99,905	0	0	0	99,905
08/18/14	White Lake (DW-01)	45,630	0	0	0	0	45,630
08/05/14	Grant Roberts RWS (DW-01)	0	400,511	0	0	0	400,511
08/05/14	Perkins County (DW-01)	0	9,625	0	0	0	9,625
08/05/14	Tabor (DW-01)	0	0	270,002	0	0	270,002
08/04/14	Lead (DW-04)	0	0	0	73,842	0	73,842
07/25/14	Clay RWS (DW-04)	0	3,430	0	0	0	3,430
07/25/14	Colton (DW-03)	0	0	6,779	0	0	6,779
07/24/14	Newell (DW-02)	0	0	0	8,780	0	8,780
07/23/14	Trail West (DW-01)	0	0	0	2,230	0	2,230
07/22/14	Bonesteel (DW-01)	0	0	248,845	0	0	248,845
07/22/14	Bonesteel (DW-01)	0	80,316	0	0	0	80,316
07/22/14	McLaughlin (DW-02)	98,358	0	0	0	0	98,358
07/22/14	McLaughlin (DW-02)	0	0	255,568	0	0	255,568
07/22/14	McLaughlin (DW-02)	0	0	0	68,210	0	68,210
07/22/14	Woodland Hills (DW-01)	0	2,670	0	0	0	2,670
07/22/14	Woodland Hills (DW-01)	0	0	1,664	0	0	1,664
07/15/14	Beresford (DW-01)	0	0	0	228,629	0	228,629
07/15/14	Hisega Meadows (DW-01)	0	8,789	0	0	0	8,789
07/15/14	Lead (DW-04)	0	0	0	160,428	0	160,428
07/15/14	Vermillion (DW-04)	0	3,065	0	0	0	3,065
07/15/14	Vermillion (DW-04)	0	0	27,586	0	0	27,586
07/08/14	Hisega Meadows (DW-01)	0	17,278	0	0	0	17,278
07/08/14	Winner (DW-01)	14,254	0	0	0	0	14,254
07/08/14	Woodland Hills (DW-01)	15,733	0	0	0	0	15,733
07/08/14	Woodland Hills (DW-01)	0	0	9,808	0	0	9,808
07/07/14	Trail West (DW-01)	1,650	0	0	0	0	1,650
06/27/14	Grant Roberts RWS (DW-01)	0	248,626	0	0	0	248,626
06/27/14	Lead (DW-04)	0	0	0	71,339	0	71,339
06/27/14	Perkins County (DW-01)	0	41,554	0	0	0	41,554
06/20/14	Mobridge (DW-06)	279,495	0	0	0	0	279,495
06/20/14	Tabor (DW-01)	225,887	0	0	0	0	225,887
06/19/14	Hoven (DW-01)	70,093	0	0	0	0	70,093

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/Earnings	Leveraged	Total Disbursements
06/17/14	Bonesteel (DW-01)	225,221	0	0	0	0	225,221
06/17/14	McLaughlin (DW-02)	163,510	0	0	0	0	163,510
06/17/14	Sturgis (DW-03)	0	0	42,968	0	0	42,968
06/09/14	Vermillion (DW-04)	26,755	0	0	0	0	26,755
06/06/14	Clay RWS (DW-04)	0	88,526	0	0	0	88,526
06/05/14	Winner (DW-01)	22,988	0	0	0	0	22,988
06/05/14	Woodland Hills (DW-01)	1,735	0	0	0	0	1,735
06/03/14	Grant Roberts RWS (DW-01)	0	174,251	0	0	0	174,251
06/03/14	Tabor (DW-01)	83,566	0	0	0	0	83,566
05/30/14	Dupree (DW-01)	27,181	0	0	0	0	27,181
05/29/14	Plankinton (DW-01)	1,763	0	0	0	0	1,763
05/23/14	Beresford (DW-01)	0	0	0	95,706	0	95,706
05/23/14	Colman (DW-01)	0	24,000	0	0	0	24,000
05/23/14	Colman (DW-02)	0	0	0	59,473	0	59,473
05/23/14	Newell (DW-02)	0	0	0	34,043	0	34,043
05/16/14	McLaughlin (DW-02)	0	116,753	0	0	0	116,753
05/16/14	McLaughlin (DW-02)	0	0	35,467	0	0	35,467
05/15/14	Doland (DW-01)	0	1,261	0	0	0	1,261
05/15/14	Doland (DW-01)	0	0	354	0	0	354
05/15/14	Newell (DW-02)	0	0	0	1,307	0	1,307
05/12/14	Eagle Butte (DW-01)	0	0	0	32,936	0	32,936
05/09/14	Clay RWS (DW-04)	0	77,330	0	0	0	77,330
05/06/14	Colonial Pine Hills (DW-03)	0	0	0	85,659	0	85,659
04/30/14	Bonesteel (DW-01)	0	0	17,059	0	0	17,059
04/30/14	McLaughlin (DW-02)	0	42,832	0	0	0	42,832
04/30/14	McLaughlin (DW-02)	0	0	13,011	0	0	13,011
04/30/14	Trail West (DW-01)	0	4,280	0	0	0	4,280
04/30/14	Winner (DW-01)	0	43,916	0	0	0	43,916
04/30/14	Woodland Hills (DW-01)	0	19,741	0	0	0	19,741
04/18/14	Dupree (DW-01)	0	3,466	0	0	0	3,466
04/10/14	Tabor (DW-01)	0	32,012	0	0	0	32,012
04/09/14	Perkins County (DW-01)	0	99,821	0	0	0	99,821
04/04/14	Colton (DW-03)	0	33,921	0	0	0	33,921
04/04/14	Colton (DW-03)	0	0	101,764	0	0	101,764

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/Earnings	Leveraged	Total Disbursements
04/04/14	Rapid Valley San Dist (02)	0	24,344	0	0	0	24,344
04/01/14	Colman (DW-02)	0	0	0	39,047	0	39,047
03/31/14	Trail West (DW-01)	0	7,705	0	0	0	7,705
03/31/14	Trail West (DW-01)	0	0	0	9,966	0	9,966
03/24/14	Colman (DW-01)	0	78,545	0	0	0	78,545
03/24/14	McLaughlin (DW-02)	0	133,776	0	0	0	133,776
03/24/14	Woodland Hills (DW-01)	0	12,056	0	0	0	12,056
03/07/14	Vermillion (DW-04)	0	0	26,242	0	0	26,242
03/06/14	Clay RWS (DW-04)	0	86,988	0	0	0	86,988
03/06/14	Plankinton (DW-01)	0	15,519	0	0	0	15,519
03/06/14	Plankinton (DW-01)	0	0	20,741	0	0	20,741
02/28/14	Woodland Hills (DW-01)	0	14,499	0	0	0	14,499
02/27/14	Hoven (DW-01)	0	316,200	0	0	0	316,200
02/24/14	Bonesteel (DW-01)	0	0	88,018	0	0	88,018
02/24/14	Hisega Meadows (DW-01)	0	16,432	0	0	0	16,432
02/24/14	Lennox (DW-02)	0	33,926	0	0	0	33,926
02/24/14	Mid-Dakota RWS (DW-04)	0	53,193	0	0	0	53,193
02/24/14	Tabor (DW-01)	0	33,026	0	0	0	33,026
02/24/14	Vermillion (DW-04)	0	0	34,604	0	0	34,604
02/11/14	Eagle Butte (DW-01)	0	0	0	4,934	0	4,934
02/11/14	Sturgis (DW-03)	0	0	4,920	0	0	4,920
02/04/14	Colman (DW-02)	0	83,279	0	0	0	83,279
02/04/14	Colman (DW-02)	0	0	0	33,975	0	33,975
02/04/14	Woodland Hills (DW-01)	0	12,099	0	0	0	12,099
01/28/14	Beresford (DW-01)	0	0	0	49,137	0	49,137
01/28/14	Hisega Meadows (DW-01)	0	11,341	0	0	0	11,341
01/28/14	McLaughlin (DW-02)	0	483	0	0	0	483
01/28/14	Winner (DW-01)	0	68,273	0	0	0	68,273
01/22/14	Bonesteel (DW-01)	0	0	68,906	0	0	68,906
01/22/14	Colman (DW-02)	0	14,925	0	0	0	14,925
01/22/14	Dupree (DW-01)	0	3,783	0	0	0	3,783
01/22/14	Tabor (DW-01)	0	62,580	0	0	0	62,580
01/13/14	Beresford (DW-01)	0	0	0	152,409	0	152,409
01/13/14	Dell Rapids (DW-05)	0	0	0	117,852	0	117,852

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/Earnings	Leveraged	Total Disbursements
01/13/14	Vermillion (DW-04)	0	48,603	0	0	0	48,603
01/13/14	Vermillion (DW-04)	0	0	10,554	0	0	10,554
01/10/14	Trail West (DW-01)	0	7,668	0	0	0	7,668
01/10/14	Trail West (DW-01)	0	0	0	9,920	0	9,920
01/06/14	Bonesteel (DW-01)	0	0	33,050	0	0	33,050
01/06/14	Box Elder (DW-01)	0	13,333	0	0	0	13,333
01/06/14	Box Elder (DW-01)	0	0	119,992	0	0	119,992
01/06/14	Eagle Butte (DW-02)	0	0	121,000	0	0	121,000
01/02/14	Bonesteel (DW-01)	0	0	144,551	0	0	144,551
12/31/13	Winner (DW-01)	0	0	70,683	0	0	70,683
12/31/13	Yankton (DW-03)	0	0	26,271	0	0	26,271
12/23/13	Dupree (DW-01)	0	40,886	0	0	0	40,886
12/23/13	Woodland Hills (DW-01)	0	1,777	0	0	0	1,777
12/23/13	Woodland Hills (DW-01)	0	0	2,851	0	0	2,851
12/20/13	Plankinton (DW-01)	0	54,935	0	0	0	54,935
12/20/13	Plankinton (DW-01)	0	0	41,105	0	0	41,105
12/16/13	McLaughlin (DW-02)	0	33,728	0	0	0	33,728
12/16/13	Vermillion (DW-04)	0	11,283	0	0	0	11,283
12/16/13	Vermillion (DW-04)	0	0	101,553	0	0	101,553
12/09/13	Bonesteel (DW-01)	0	0	26,440	0	0	26,440
12/09/13	Hisega Meadows (DW-01)	0	7,051	0	0	0	7,051
12/09/13	Lennox (DW-02)	0	138,359	0	0	0	138,359
12/09/13	Lennox (DW-02)	0	0	0	177,528	0	177,528
12/09/13	Newell (DW-02)	0	0	0	154,150	0	154,150
12/06/13	Doland (DW-01)	0	10,291	0	0	0	10,291
12/06/13	Doland (DW-01)	0	0	2,885	0	0	2,885
12/06/13	Trail West (DW-01)	0	56,184	0	0	0	56,184
12/06/13	Trail West (DW-01)	0	0	0	72,677	0	72,677
12/02/13	Woodland Hills (DW-01)	0	22,356	0	0	0	22,356
11/29/13	Beresford (DW-01)	0	0	0	102,171	0	102,171
11/29/13	Colman (DW-02)	0	125,397	0	0	0	125,397
11/27/13	Winner (DW-01)	0	48,235	0	0	0	48,235
11/27/13	Worthing (DW-02)	0	14,999	0	0	0	14,999
11/27/13	Worthing (DW-02)	0	0	29,640	0	0	29,640

Date	Borrower Name	State Funds	Federal Funds	Repayments	Interest/Earnings	Leveraged	Total Disbursements
11/19/13	Dupree (DW-01)	0	44,978	0	0	0	44,978
11/19/13	Sturgis (DW-04)	0	415,407	0	0	0	415,407
11/18/13	McLaughlin (DW-02)	0	0	92,453	0	0	92,453
11/18/13	Niche Sanitary Dist (DW-01)	0	2,000	0	0	0	2,000
11/12/13	Mid-Dakota RWS (DW-04)	0	50,300	0	0	0	50,300
11/08/13	Clay RWS (DW-04)	0	24,209	0	0	0	24,209
11/08/13	Yankton (DW-03)	0	75,967	0	0	0	75,967
11/05/13	Box Elder (DW-01)	169,484	0	0	0	0	169,484
11/05/13	Box Elder (DW-01)	0	0	18,831	0	0	18,831
11/05/13	Dell Rapids (DW-05)	213,309	0	0	0	0	213,309
11/04/13	Beresford (DW-01)	121,151	0	0	0	0	121,151
11/04/13	Colton (DW-03)	3,492	0	0	0	0	3,492
11/04/13	Colton (DW-03)	0	0	10,478	0	0	10,478
11/04/13	Eagle Butte (DW-01)	0	0	0	9,510	0	9,510
11/04/13	Plankinton (DW-01)	47,401	0	0	0	0	47,401
11/01/13	Hisega Meadows (DW-01)	-786	786	0	0	0	0
10/28/13	Baltic (DW-03)	0	0	0	19,929	0	19,929
10/28/13	Hisega Meadows (DW-01)	0	17,764	0	0	0	17,764
10/25/13	McLaughlin (DW-02)	203,537	0	0	0	0	203,537
10/25/13	Trail West (DW-01)	44,485	0	0	0	0	44,485
10/25/13	Winner (DW-01)	100,474	0	0	0	0	100,474
10/22/13	Woodland Hills (DW-01)	16,259	0	0	0	0	16,259
10/11/13	Eagle Butte (DW-01)	0	0	0	439,299	0	439,299
10/11/13	Hoven (DW-01)	100,880	0	0	0	0	100,880
10/11/13	TM Rural Water Dist (DW-01)	0	0	26,290	0	0	26,290
10/11/13	TM Rural Water Dist (DW-02)	33,870	0	0	0	0	33,870
10/11/13	Worthing (DW-02)	12,748	0	0	0	0	12,748
10/11/13	Worthing (DW-02)	0	0	6,451	0	0	6,451
10/07/13	Eagle Butte (DW-01)	0	0	0	34,263	0	34,263
10/07/13	Trail West (DW-01)	0	0	0	54,292	0	54,292
10/07/13	Woodland Hills (DW-01)	4,668	0	0	0	0	4,668
10/04/13	Clay RWS (DW-04)	0	50,929	0	0	0	50,929
10/04/13	Yankton (DW-03)	41,447	165,867	0	0	0	207,314
Total Base Program		2,687,713	6,478,899	2,945,832	2,480,488	0	14,592,932

SET-ASIDE DISBURSEMENTS

Date	Payee	Cost of Issuance	Admin Federal	Set-Aside Federal	State Admin	Total Payment
10/02/13	SD - Admin	\$0	\$10,000	\$0	\$0	\$10,000
10/02/13	SD - Tech Assist	\$0	\$0	-\$20,000	\$0	-\$20,000
10/09/13	PFM Asset Management	\$0	\$170	\$0	\$0	\$170
10/16/13	SD - Oper Cert	\$0	\$0	\$0	\$10,000	\$10,000
11/01/13	Perkins Coie	\$0	\$62,544	\$0	\$0	\$62,544
11/01/13	PFM Asset Management	\$0	\$725	\$0	\$0	\$725
11/19/13	SD - Admin	\$0	\$20,200	\$0	\$0	\$20,200
11/19/13	SD - Tech Assist	\$0	\$0	\$24,000	\$0	\$24,000
11/19/13	SD - State Program	\$0	\$0	\$9,200	\$0	\$9,200
11/19/13	SD-Planning Dist Grants	\$0	\$0	\$0	\$37,500	\$37,500
11/19/13	SD-Davis-Bacon	\$0	\$0	\$0	\$3,000	\$3,000
11/19/13	SD - Oper Cert	\$0	\$0	\$0	\$7,000	\$7,000
12/06/13	PFM Asset Management	\$0	\$727	\$0	\$0	\$727
12/13/13	FNB	\$0	\$35,055	\$0	\$0	\$35,055
12/16/13	SD - Admin	\$0	\$36,000	\$0	\$0	\$36,000
12/16/13	SD - Tech Assist	\$0	\$0	\$20,000	\$0	\$20,000
12/16/13	SD-Planning Dist Grants	\$0	\$0	\$0	\$10,000	\$10,000
12/16/13	SD-Davis-Bacon	\$0	\$0	\$0	\$1,000	\$1,000
12/16/13	SD - Oper Cert	\$0	\$0	\$0	\$3,500	\$3,500
01/10/14	PFM Asset Management	\$0	\$657	\$0	\$0	\$657
01/22/14	SD - Admin	\$0	\$11,900	\$0	\$0	\$11,900
01/22/14	SD - Tech Assist	\$0	\$0	\$20,000	\$0	\$20,000
01/22/14	SD - State Program	\$0	\$0	\$34,500	\$0	\$34,500
01/22/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$12,500	\$12,500
01/22/14	SD-Davis-Bacon	\$0	\$0	\$0	\$2,000	\$2,000
01/22/14	SD-Aquifer Assist	\$0	\$0	\$0	\$19,500	\$19,500
01/22/14	SD - Oper Cert	\$0	\$0	\$0	\$7,000	\$7,000
02/10/14	PFM Asset Management	\$0	\$643	\$0	\$0	\$643
02/24/14	SD - Admin	\$0	\$37,900	\$0	\$0	\$37,900
02/24/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$5,000	\$5,000
02/24/14	SD-Davis-Bacon	\$0	\$0	\$0	\$1,000	\$1,000
03/06/14	PFM Asset Management	\$0	\$635	\$0	\$0	\$635

Date	Payee	Cost of Issuance	Admin Federal	Set-Aside Federal	State Admin	Total Payment
03/24/14	SD - Admin	\$0	\$26,300	\$0	\$0	\$26,300
03/24/14	SD - State Program	\$0	\$0	\$13,700	\$0	\$13,700
03/24/14	SD - Tech Assist	\$0	\$0	\$26,800	\$0	\$26,800
03/24/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$2,500	\$2,500
03/24/14	SD-Davis-Bacon	\$0	\$0	\$0	\$500	\$500
03/24/14	SD - Oper Cert	\$0	\$0	\$0	\$7,000	\$7,000
04/04/14	PFM Asset Management	\$0	\$516	\$0	\$0	\$516
04/17/14	SD - Admin	\$0	\$13,100	\$0	\$0	\$13,100
04/17/14	SD - State Program	\$0	\$0	\$20,200	\$0	\$20,200
04/17/14	SD - Tech Assist	\$0	\$0	\$16,000	\$0	\$16,000
04/17/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$7,500	\$7,500
04/17/14	SD-Davis-Bacon	\$0	\$0	\$0	\$1,000	\$1,000
05/02/14	PFM Asset Management	\$0	\$570	\$0	\$0	\$570
05/23/14	SD - Admin	\$0	\$16,548	\$0	\$0	\$16,548
05/23/14	SD - Admin	\$0	\$10,000	\$0	\$0	\$10,000
05/23/14	SD - State Program	\$0	\$0	\$32,400	\$0	\$32,400
05/23/14	SD - Tech Assist	\$0	\$0	\$16,000	\$0	\$16,000
05/23/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$17,500	\$17,500
05/23/14	SD-Davis-Bacon	\$0	\$0	\$0	\$500	\$500
05/23/14	SD - Oper Cert	\$0	\$0	\$0	\$18,500	\$18,500
06/02/14	PFM Asset Management	\$0	\$552	\$0	\$0	\$552
06/19/14	FNB	\$0	\$37,612	\$0	\$0	\$37,612
06/27/14	SD - Admin	\$0	\$40,600	\$0	\$0	\$40,600
06/27/14	SD - State Program	\$0	\$0	\$13,700	\$0	\$13,700
06/27/14	SD - Tech Assist	\$0	\$0	\$30,000	\$0	\$30,000
06/27/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$10,000	\$10,000
06/27/14	SD-Davis-Bacon	\$0	\$0	\$0	\$1,750	\$1,750
07/07/14	PFM Asset Management	\$0	\$570	\$0	\$0	\$570
07/28/14	SD - Admin	\$0	\$41,100	\$0	\$0	\$41,100
07/28/14	SD - State Program	\$0	\$0	\$7,300	\$0	\$7,300
07/28/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$10,000	\$10,000
07/28/14	SD-Davis-Bacon	\$0	\$0	\$0	\$1,000	\$1,000
07/28/14	SD - Oper Cert	\$0	\$0	\$0	\$13,000	\$13,000
08/04/14	PFM Asset Management	\$0	\$509	\$0	\$0	\$509
08/27/14	SD - Admin	\$0	\$24,700	\$0	\$0	\$24,700

Date	Payee	Cost of Issuance	Admin Federal	Set-Aside Federal	State Admin	Total Payment
08/27/14	SD - Tech Assist	\$0	\$0	\$24,800	\$0	\$24,800
08/27/14	SD - Tech Assist	\$0	\$0	\$5,200	\$0	\$5,200
08/27/14	SD - State Program	\$0	\$0	\$3,500	\$0	\$3,500
08/27/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$7,500	\$7,500
08/27/14	SD-Davis-Bacon	\$0	\$0	\$0	\$1,500	\$1,500
08/27/14	SD - Oper Cert	\$0	\$0	\$0	\$3,000	\$3,000
09/24/14	PFM Asset Management	\$0	\$462	\$0	\$0	\$462
09/25/14	SD - Admin	\$0	\$40,500	\$0	\$0	\$40,500
09/25/14	SD - State Program	\$0	\$0	\$19,800	\$0	\$19,800
09/25/14	SD-Planning Dist Grants	\$0	\$0	\$0	\$5,000	\$5,000
09/25/14	SD-Davis-Bacon	\$0	\$0	\$0	\$1,000	\$1,000
Total Admin/Set-aside Disbursements		\$0	\$470,795	\$317,100	\$227,750	\$1,015,645

TOTAL OF ALL DWSRF DISBURSEMENTS

\$15,608,577

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

EXHIBIT V
Letter of Credit Analysis
Grant Payment Schedule vs. Actual Draws
Federal Fiscal Year 2014

Quarter	Grant Payment Schedule	Actual Loan Draws	Actual Set-Aside Draws	Difference
1 st	\$16,388,577	\$1,413,688	\$198,621	\$14,776,268
2 nd	\$1,495,367	\$1,128,232	\$173,035	\$194,100
3 rd	\$1,495,367	\$1,076,634	\$247,798	\$170,935
4 th	\$2,898,867	\$2,860,345	\$168,441	(\$129,919)
	\$22,278,178	\$6,478,899	\$787,895	\$15,011,384

Letter of Credit Draws
Federal Fiscal Year 2014

Draw #	Date	Loan	Admin	Technical Assistance	Local Assistance	Total
0000	10/02/13	\$0	\$10,000	(\$20,000)	\$0	(\$10,000)
0955	10/03/13	\$216,796	\$0	\$0	\$0	\$216,796
0956	10/08/13	\$0	\$170	\$0	\$0	\$170
0957	10/24/13	\$17,764	\$0	\$0	\$0	\$17,764
0958	10/31/13	\$0	\$63,269	\$0	\$0	\$63,269
0959	10/31/13	\$786	\$0	\$0	\$0	\$786
0960	11/07/13	\$150,476	\$0	\$0	\$0	\$150,476
0961	11/15/13	\$462,385	\$20,200	\$24,000	\$9,200	\$515,785
0962	11/26/13	\$188,631	\$0	\$0	\$0	\$188,631
0963	11/27/13	\$22,356	\$0	\$0	\$0	\$22,356
0964	12/05/13	\$211,885	\$727	\$0	\$0	\$212,612
0965	12/12/13	\$45,011	\$71,055	\$20,000	\$0	\$136,066
0967	12/19/13	\$97,598	\$0	\$0	\$0	\$97,598
0968	01/02/14	\$13,333	\$0	\$0	\$0	\$13,333
0969	01/09/14	\$56,271	\$657	\$0	\$0	\$56,928
0970	01/17/14	\$81,288	\$11,900	\$20,000	\$34,500	\$147,688
0971	01/24/14	\$80,097	\$0	\$0	\$0	\$80,097
0972	01/31/14	\$95,288	\$0	\$0	\$0	\$95,288
0973	02/03/14	\$90	\$0	\$0	\$0	\$90
0973	02/07/14	\$0	\$643	\$0	\$0	\$643
0974	02/20/14	\$136,577	\$37,900	\$0	\$0	\$174,477
0975	02/26/14	\$330,699	\$0	\$0	\$0	\$330,699
0976	03/05/14	\$102,507	\$635	\$0	\$0	\$103,142
0977	03/20/14	\$224,377	\$26,300	\$26,800	\$13,700	\$291,177
0978	03/28/14	\$7,705	\$0	\$0	\$0	\$7,705
0979	04/03/14	\$58,265	\$516	\$0	\$0	\$58,781
0980	04/08/14	\$131,833	\$0	\$0	\$0	\$131,833

Draw #	Date	Loan	Admin	Technical Assistance	Local Assistance	Total
0981	04/16/14	\$3,466	\$13,100	\$16,000	\$20,200	\$52,766
0982	04/28/14	\$110,769	\$0	\$0	\$0	\$110,769
0983	05/01/14	\$0	\$570	\$0	\$0	\$570
0984	05/08/14	\$77,330	\$0	\$0	\$0	\$77,330
0985	05/14/14	\$118,014	\$0	\$0	\$0	\$118,014
0986	05/21/14	\$24,000	\$26,548	\$16,000	\$32,400	\$98,948
0987	05/30/14	\$174,251	\$552	\$0	\$0	\$174,803
0988	06/05/14	\$88,526	\$0	\$0	\$0	\$88,526
0989	06/18/14	\$0	\$37,612	\$0	\$0	\$37,612
0990	06/25/14	\$290,180	\$40,600	\$30,000	\$13,700	\$374,480
0991	07/03/14	\$17,278	\$570	\$0	\$0	\$17,848
0992	07/11/14	\$11,854	\$0	\$0	\$0	\$11,854
0993	07/18/14	\$82,986	\$0	\$0	\$0	\$82,986
0994	07/24/14	\$3,430	\$41,100	\$0	\$7,300	\$51,830
0995	08/01/14	\$410,136	\$509	\$0	\$0	\$410,645
0997	08/14/14	\$137,027	\$0	\$0	\$0	\$137,027
0998	08/15/14	\$810	\$0	\$0	\$0	\$810
0999	08/25/14	\$715,163	\$24,700	\$30,000	\$3,500	\$773,363
1000	08/29/14	\$350,000	\$0	\$0	\$0	\$350,000
1001	09/05/14	\$391,331	\$0	\$0	\$0	\$391,331
1002	09/23/14	\$364,125	\$40,962	\$0	\$19,800	\$424,887
1003	09/26/14	\$376,205	\$0	\$0	\$0	\$376,205
		\$6,478,899	\$470,795	\$162,800	\$154,300	\$7,266,794

**EXHIBIT VI
Environmental Review and Land Purchase Information**

Completed During Federal Fiscal Year 2014

Recipient	Environmental Assessment Class	Environmental Assessment Publication Date	Land Purchase w/ SRF?
Beresford (DW-02)	CATEX	05/22/2014	No
Big Sioux CWS (DW-02)	CATEX	04/30/2014	No
Bristol (DW-02)	CATEX	06/19/2014	No
Canistota (DW-02)	CATEX	07/17/2014	No
Highmore (DW-01)	CATEX	02/20/2014	No
Irene (DW-02)	CATEX	06/26/2014	No
Kingbrook RWS (DW-05)	CATEX	06/26/2014	No
Lead (DW-04)	CATEX	04/18/2014	No
Mobridge (DW-07)	CATEX	01/22/2014	No
Tripp County WUD (DW-04)	CATEX	08/27/2014	No

Awarded During Federal Fiscal Year 2014 and Still Pending

Recipient	Environmental Assessment Class	Land Purchase w/ SRF?
Hisega Meadows Water, Inc. (DW-02)	CATEX	No
Onida (DW-01)	CATEX	No
Rapid City (DW-03)	FNSI	No

EXHIBIT VII
DWSRF Loan Transactions by Borrower
Status as of September 30, 2014

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Aberdeen (DW-01A)	\$9,460,000	\$0	\$5,212,008	\$1,611,628	\$2,636,364	\$0	\$9,460,000	\$0	\$9,460,000.00	\$0.00
Aberdeen (DW-01B)	\$7,024,258	\$0	\$830,686	\$953,745	\$0	\$5,239,827	\$7,024,258	\$0	\$7,024,258.00	\$0.00
Aberdeen (DW-02)	\$1,330,118	\$1,118,399	\$0	\$0	\$56,039	\$155,680	\$1,330,118	\$133,012	\$302,900.99	\$894,205.01
Arlington (DW-01)	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0.00	\$0.00
Aurora-Brule RWS (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Baltic (DW-01)	\$250,000	\$0	\$174,962	\$75,038	\$0	\$0	\$250,000	\$0	\$109,616.65	\$140,383.35
Baltic (DW-02)	\$163,446	\$16,500	\$0	\$146,946	\$0	\$0	\$163,446	\$16,345	\$40,719.61	\$106,381.39
Baltic (DW-03)	\$420,922	\$0	\$0	\$0	\$420,922	\$0	\$420,922	\$0	\$7,747.14	\$413,174.86
BDM RWS (DW-01)	\$280,251	\$0	\$280,251	\$0	\$0	\$0	\$280,251	\$0	\$124,033.40	\$156,217.60
Beresford (DW-01)	\$916,040	\$0	\$0	\$121,151	\$794,889	\$0	\$916,040	\$458,020	\$0.00	\$458,020.00
Big Sioux Water (DW-02)	\$900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Big Stone City (DW-01)	\$570,000	\$0	\$570,000	\$0	\$0	\$0	\$570,000	\$0	\$360,300.77	\$209,699.23
Big Stone City (DW-02)	\$139,873	\$0	\$40,000	\$99,873	\$0	\$0	\$139,873	\$0	\$50,171.00	\$89,702.00
Black Hawk WUD (DW-01)	\$500,000	\$0	\$390,376	\$109,624	\$0	\$0	\$500,000	\$0	\$308,354.87	\$191,645.13
Black Hawk WUD (DW-02)	\$1,066,674	\$0	\$152,088	\$99,816	\$0	\$814,770	\$1,066,674	\$0	\$172,771.68	\$893,902.32
Bonesteel (DW-01)	\$2,043,000	\$0	\$276,011	\$284,565	\$810,739	\$0	\$1,371,315	\$1,036,714	\$0.00	\$334,601.00
Bowdle (DW-01)	\$150,000	\$150,000	\$0	\$0	\$0	\$0	\$150,000	\$150,000	\$0.00	\$0.00
Box Elder (DW-01)	\$3,562,950	\$0	\$196,109	\$172,081	\$2,086,413	\$0	\$2,454,603	\$245,460	\$40,659.69	\$2,168,483.31
Brandon (DW-01)	\$1,877,375	\$0	\$1,877,375	\$0	\$0	\$0	\$1,877,375	\$0	\$1,791,061.71	\$86,313.29
Britton (DW-01)	\$320,000	\$0	\$317,146	\$2,854	\$0	\$0	\$320,000	\$0	\$158,494.53	\$161,505.47
Brookings-Deuel RWS (DW-01)	\$1,002,464	\$0	\$860,281	\$0	\$142,183	\$0	\$1,002,464	\$0	\$161,601.80	\$840,862.20
Brookings-Deuel RWS (DW-02)	\$1,750,000	\$0	\$1,750,000	\$0	\$0	\$0	\$1,750,000	\$0	\$243,721.80	\$1,506,278.20
Bryant (DW-01)	\$142,000	\$0	\$133,962	\$8,038	\$0	\$0	\$142,000	\$0	\$44,986.60	\$97,013.40
Burke (DW-01)	\$115,600	\$0	\$0	\$0	\$0	\$115,600	\$115,600	\$0	\$21,364.59	\$94,235.41
Butte Meade SWD (DW-01)	\$257,668	\$0	\$54,340	\$30,660	\$172,668	\$0	\$257,668	\$55,398	\$27,524.49	\$174,745.51
Canistota (DW-01)	\$426,460	\$313,960	\$0	\$0	\$8,485	\$104,015	\$426,460	\$313,960	\$7,907.17	\$104,592.83
Canton (DW-01)	\$500,000	\$0	\$378,021	\$121,979	\$0	\$0	\$500,000	\$0	\$200,598.89	\$299,401.11
Centerville (DW-01)	\$870,000	\$0	\$174,754	\$146,573	\$548,673	\$0	\$870,000	\$0	\$190,700.57	\$679,299.43
Chamberlain (DW-01)	\$276,500	\$0	\$0	\$0	\$0	\$276,500	\$276,500	\$0	\$53,348.19	\$223,151.81
Chamberlain (DW-02)	\$873,704	\$300,000	\$0	\$344,992	\$0	\$228,712	\$873,704	\$262,111	\$64,045.14	\$547,547.86
Chancellor (DW-01)	\$205,948	\$0	\$0	\$0	\$0	\$205,948	\$205,948	\$0	\$31,920.62	\$174,027.38
Clay RWS (DW-01)	\$4,331,000	\$0	\$4,331,000	\$0	\$0	\$0	\$4,331,000	\$0	\$671,219.53	\$3,659,780.47
Clay RWS (DW-02)	\$844,968	\$700,000	\$144,968	\$0	\$0	\$0	\$844,968	\$698,789	\$12,212.75	\$133,966.25

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Clay RWS (DW-03)	\$2,205,570	\$0	\$2,205,570	\$0	\$0	\$0	\$2,205,570	\$500,000	\$94,217.71	\$1,611,352.29
Clay RWS (DW-04)	\$1,369,758	\$0	\$1,369,758	\$0	\$0	\$0	\$1,369,758	\$0	\$0.00	\$1,369,758.00
Clear Lake (DW-01)	\$540,637	\$0	\$540,637	\$0	\$0	\$0	\$540,637	\$0	\$194,115.90	\$346,521.10
Colman (DW-01)	\$182,000	\$0	\$165,440	\$0	\$0	\$0	\$165,440	\$165,440	\$0.00	\$0.00
Colman (DW-02)	\$439,008	\$0	\$223,601	\$0	\$206,537	\$0	\$430,138	\$0	\$0.00	\$430,138.00
Colman (DW-03)	\$1,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Colonial Pine Hills SD (DW-01)	\$636,108	\$0	\$450,382	\$185,726	\$0	\$0	\$636,108	\$0	\$319,977.79	\$316,130.21
Colonial Pine Hills SD (DW-02)	\$1,003,608	\$250,000	\$0	\$345,000	\$0	\$408,608	\$1,003,608	\$250,000	\$101,589.34	\$652,018.66
Colonial Pine Hills SD (DW-03)	\$705,000	\$0	\$0	\$0	\$85,659	\$0	\$85,659	\$0	\$0.00	\$85,659.00
Colton (DW-01)	\$632,455	\$0	\$632,455	\$0	\$0	\$0	\$632,455	\$0	\$148,086.49	\$484,368.51
Colton (DW-02)	\$181,156	\$0	\$84,305	\$9,923	\$86,928	\$0	\$181,156	\$86,411	\$2,625.51	\$92,119.49
Colton (DW-03)	\$210,740	\$0	\$33,921	\$3,492	\$119,021	\$0	\$156,434	\$39,108	\$0.00	\$117,326.00
Corson Village (DW-01)	\$581,364	\$541,562	\$0	\$0	\$0	\$39,802	\$581,364	\$523,227	\$7,249.70	\$50,887.30
Crooks (DW-01)	\$133,510	\$0	\$133,510	\$0	\$0	\$0	\$133,510	\$0	\$46,808.14	\$86,701.86
Custer (DW-01)	\$800,000	\$0	\$508,821	\$159,437	\$131,742	\$0	\$800,000	\$0	\$353,904.80	\$446,095.20
Dakota Dunes (DW-01)	\$376,962	\$0	\$96,429	\$25,393	\$255,140	\$0	\$376,962	\$0	\$376,962.00	\$0.00
Dell Rapids (DW-01)	\$621,000	\$0	\$470,941	\$150,059	\$0	\$0	\$621,000	\$0	\$243,537.17	\$377,462.83
Dell Rapids (DW-02)	\$162,263	\$0	\$0	\$0	\$0	\$162,263	\$162,263	\$0	\$48,966.52	\$113,296.48
Dell Rapids (DW-03)	\$428,698	\$0	\$32,361	\$2,639	\$393,698	\$0	\$428,698	\$0	\$28,139.57	\$400,558.43
Dell Rapids (DW-04)	\$300,000	\$0	\$30,000	\$0	\$270,000	\$0	\$300,000	\$30,000	\$42,985.63	\$227,014.37
Dell Rapids (DW-05)	\$897,000	\$0	\$0	\$213,309	\$600,793	\$0	\$814,102	\$227,134	\$0.00	\$586,968.00
Delmont (DW-01)	\$158,461	\$0	\$0	\$0	\$0	\$158,461	\$158,461	\$0	\$17,335.60	\$141,125.40
Delmont (DW-02)	\$90,000	\$0	\$90,000	\$0	\$0	\$0	\$90,000	\$90,000	\$0.00	\$0.00
DeSmet (DW-01)	\$258,000	\$25,800	\$0	\$93,002	\$0	\$139,198	\$258,000	\$25,800	\$19,753.46	\$212,446.54
Doland (DW-01)	\$1,762,200	\$0	\$850,396	\$302,861	\$306,754	\$0	\$1,460,011	\$1,140,268	\$0.00	\$319,743.00
Dupree (DW-01)	\$163,500	\$0	\$121,539	\$41,961	\$0	\$0	\$163,500	\$100,000	\$0.00	\$63,500.00
Eagle Butte (DW-01)	\$593,000	\$0	\$0	\$0	\$556,462	\$0	\$556,462	\$445,169	\$0.00	\$111,293.00
Eagle Butte (DW-02)	\$1,244,000	\$0	\$0	\$0	\$137,467	\$0	\$137,467	\$109,973	\$0.00	\$27,494.00
Elk Point (DW-01)	\$220,000	\$0	\$189,819	\$30,181	\$0	\$0	\$220,000	\$0	\$107,626.07	\$112,373.93
Elk Point (DW-02)	\$570,000	\$0	\$0	\$0	\$0	\$570,000	\$570,000	\$0	\$184,469.34	\$385,530.66
Elk Point (DW-03)	\$114,441	\$0	\$0	\$0	\$88,902	\$25,539	\$114,441	\$0	\$25,889.32	\$88,551.68
Elk Point (DW-04)	\$539,449	\$0	\$0	\$0	\$0	\$539,449	\$539,449	\$0	\$76,461.59	\$462,987.41
Elk Point (DW-05)	\$798,040	\$660,520	\$0	\$0	\$34,557	\$102,963	\$798,040	\$446,902	\$47,466.27	\$303,671.73
Eureka (DW-01)	\$133,681	\$0	\$0	\$0	\$0	\$133,681	\$133,681	\$0	\$93,576.84	\$40,104.16
Eureka (DW-02)	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$0.00	\$0.00
Fall River WUD (DW-01)	\$759,000	\$0	\$759,000	\$0	\$0	\$0	\$759,000	\$0	\$242,551.61	\$516,448.39
Fall River WUD (DW-02)	\$260,958	\$0	\$236,894	\$24,064	\$0	\$0	\$260,958	\$0	\$75,942.40	\$185,015.60
Fall River WUD (DW-03)	\$612,000	\$612,000	\$0	\$0	\$0	\$0	\$612,000	\$612,000	\$0.00	\$0.00
Fall River WUD (DW-04)	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$750,000	\$750,000	\$0.00	\$0.00
Faulkton (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Faulkton (DW-02)	\$499,185	\$0	\$358,020	\$28,349	\$112,816	\$0	\$499,185	\$386,369	\$4,788.20	\$108,027.80
Garretson (DW-01)	\$1,102,147	\$0	\$1,102,147	\$0	\$0	\$0	\$1,102,147	\$0	\$250,489.48	\$851,657.52
Gayville (DW-01)	\$900,000	\$0	\$411,485	\$77,450	\$411,065	\$0	\$900,000	\$480,000	\$13,268.86	\$406,731.14

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Gettysburg (DW-01)	\$565,000	\$0	\$565,000	\$0	\$0	\$0	\$565,000	\$0	\$565,000.00	\$0.00
Grant Roberts RWS (DW-01)	\$4,500,000	\$0	\$1,630,475	\$0	\$0	\$0	\$1,630,475	\$0	\$0.00	\$1,630,475.00
Gregory (DW-01)	\$347,580	\$0	\$312,474	\$35,106	\$0	\$0	\$347,580	\$0	\$103,633.07	\$243,946.93
Gregory (DW-02)	\$551,691	\$0	\$137,650	\$11,858	\$402,183	\$0	\$551,691	\$149,508	\$14,334.74	\$387,848.26
Groton (DW-01)	\$440,000	\$0	\$211,848	\$228,152	\$0	\$0	\$440,000	\$0	\$171,363.42	\$268,636.58
Groton (DW-02)	\$308,945	\$0	\$0	\$0	\$0	\$308,945	\$308,945	\$0	\$103,055.25	\$205,889.75
Groton (DW-03)	\$231,315	\$231,315	\$0	\$0	\$0	\$0	\$231,315	\$231,315	\$0.00	\$0.00
Hanson RWS (DW-01)	\$754,341	\$588,000	\$166,341	\$0	\$0	\$0	\$754,341	\$528,038	\$24,355.15	\$201,947.85
Harrisburg (DW-01)	\$525,000	\$0	\$504,926	\$20,074	\$0	\$0	\$525,000	\$0	\$265,926.04	\$259,073.96
Harrisburg (DW-02)	\$1,291,925	\$0	\$1,291,925	\$0	\$0	\$0	\$1,291,925	\$0	\$288,971.02	\$1,002,953.98
Harrisburg (DW-03)	\$1,753,441	\$0	\$0	\$259,438	\$6,314	\$1,487,689	\$1,753,441	\$0	\$229,324.59	\$1,524,116.41
Hartford (DW-01)	\$185,000	\$0	\$185,000	\$0	\$0	\$0	\$185,000	\$0	\$185,000.00	\$0.00
Hartford (DW-02)	\$800,957	\$0	\$429,369	\$371,588	\$0	\$0	\$800,957	\$0	\$342,060.38	\$458,896.62
Hartford (DW-03)	\$1,123,556	\$0	\$450,629	\$0	\$672,927	\$0	\$1,123,556	\$0	\$338,935.60	\$784,620.40
Hermosa (DW-01)	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$186,023.29	\$113,976.71
Hill City (DW-01)	\$336,903	\$241,320	\$0	\$95,583	\$0	\$0	\$336,903	\$202,141	\$9,471.94	\$125,290.06
Hisega Meadows (DW-01)	\$487,500	\$0	\$114,857	\$0	\$0	\$0	\$114,857	\$58,921	\$0.00	\$55,936.00
Hot Springs (DW-01)	\$1,636,000	\$0	\$0	\$0	\$1,636,000	\$0	\$1,636,000	\$0	\$91,699.48	\$1,544,300.52
Hoven (DW-01)	\$750,000	\$0	\$316,200	\$240,680	\$0	\$0	\$556,880	\$556,880	\$0.00	\$0.00
Humboldt (DW-01)	\$481,773	\$0	\$481,773	\$0	\$0	\$0	\$481,773	\$0	\$123,902.68	\$357,870.32
Huron (DW-01)	\$4,000,000	\$0	\$0	\$734,473	\$3,265,527	\$0	\$4,000,000	\$0	\$1,659,088.23	\$2,340,911.77
Huron (DW-02)	\$478,407	\$122,500	\$50,000	\$18,215	\$0	\$287,692	\$478,407	\$94,724	\$47,845.45	\$335,837.55
Huron (DW-03)	\$592,073	\$0	\$0	\$0	\$592,073	\$0	\$592,073	\$0	\$9,247.74	\$582,825.26
Ipswich (DW-01)	\$1,245,000	\$933,750	\$0	\$0	\$290,028	\$21,222	\$1,245,000	\$933,750	\$17,919.35	\$293,330.65
Irene (DW-01)	\$127,126	\$0	\$127,126	\$0	\$0	\$0	\$127,126	\$0	\$127,126.00	\$0.00
Irene (DW-02)	\$1,546,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Keystone (DW-01)	\$630,212	\$0	\$222,822	\$407,390	\$0	\$0	\$630,212	\$0	\$218,658.06	\$411,553.94
Kingbrook RWS (DW-01)	\$474,204	\$0	\$474,204	\$0	\$0	\$0	\$474,204	\$0	\$192,788.72	\$281,415.28
Kingbrook RWS (DW-02)	\$2,115,000	\$0	\$0	\$0	\$2,115,000	\$0	\$2,115,000	\$0	\$422,041.64	\$1,692,958.36
Kingbrook RWS (DW-03)	\$3,136,677	\$0	\$3,136,677	\$0	\$0	\$0	\$3,136,677	\$0	\$911,170.53	\$2,225,506.47
Kingbrook RWS (DW-04)	\$2,315,622	\$0	\$2,315,622	\$0	\$0	\$0	\$2,315,622	\$0	\$512,996.35	\$1,802,625.65
Kingbrook RWS (DW-05)	\$540,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Lead (DW-01)	\$192,800	\$0	\$82,360	\$110,440	\$0	\$0	\$192,800	\$0	\$192,800.00	\$0.00
Lead (DW-02)	\$192,549	\$0	\$0	\$0	\$0	\$192,549	\$192,549	\$0	\$38,422.62	\$154,126.38
Lead (DW-03)	\$784,987	\$387,600	\$0	\$0	\$97,387	\$300,000	\$784,987	\$298,295	\$45,612.75	\$441,079.25
Lead (DW-04)	\$939,000	\$0	\$28,587	\$0	\$305,609	\$0	\$334,196	\$0	\$0.00	\$334,196.00
Lead-Deadwood SD (DW-01)	\$2,683,957	\$0	\$2,682,145	\$1,812	\$0	\$0	\$2,683,957	\$0	\$2,683,957.00	\$0.00
Lennox (DW-01)	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$0	\$322,408.98	\$1,677,591.02
Lennox (DW-02)	\$712,431	\$0	\$352,676	\$81,076	\$177,528	\$0	\$611,280	\$343,539	\$0.00	\$267,741.00
Lincoln County RWS (DW-01)	\$1,079,170	\$0	\$1,079,170	\$0	\$0	\$0	\$1,079,170	\$0	\$420,296.72	\$658,873.28
Madison (DW-01)	\$2,372,000	\$0	\$2,372,000	\$0	\$0	\$0	\$2,372,000	\$0	\$2,372,000.00	\$0.00

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Martin (DW-01)	\$917,901	\$0	\$705,896	\$212,005	\$0	\$0	\$917,901	\$0	\$203,073.33	\$714,827.67
McLaughlin (DW-01)	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$350,000	\$0	\$71,843.89	\$278,156.11
McLaughlin (DW-02)	\$4,151,050	\$0	\$1,822,990	\$902,132	\$1,039,210	\$0	\$3,764,332	\$2,887,242	\$0.00	\$877,090.00
Mellette (DW-01)	\$271,780	\$244,602	\$16,573	\$10,605	\$0	\$0	\$271,780	\$244,602	\$1,432.78	\$25,745.22
Menno (DW-01)	\$157,000	\$0	\$39,250	\$0	\$117,750	\$0	\$157,000	\$39,250	\$16,023.18	\$101,726.82
Mid-Dakota RWS (DW-01)	\$9,455,108	\$0	\$9,455,108	\$0	\$0	\$0	\$9,455,108	\$0	\$9,455,108.00	\$0.00
Mid-Dakota RWS (DW-02)	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$0.00	\$0.00
Mid-Dakota RWS (DW-03)	\$2,979,054	\$0	\$2,979,054	\$0	\$0	\$0	\$2,979,054	\$605,000	\$70,660.11	\$2,303,393.89
Mid-Dakota RWS (DW-04)	\$644,786	\$0	\$644,786	\$0	\$0	\$0	\$644,786	\$0	\$5,560.09	\$639,225.91
Milbank (DW-01)	\$4,460,294	\$0	\$300,000	\$1,506,323	\$0	\$2,653,971	\$4,460,294	\$0	\$1,517,480.61	\$2,942,813.39
Miller (DW-01)	\$225,389	\$0	\$0	\$0	\$59,495	\$165,894	\$225,389	\$0	\$92,945.63	\$132,443.37
Mina Lake S&W Dist (DW-01)	\$255,200	\$0	\$144,947	\$110,253	\$0	\$0	\$255,200	\$0	\$150,741.45	\$104,458.55
Mina Lake S&W Dist (DW-02)	\$490,398	\$283,695	\$0	\$0	\$48,008	\$158,695	\$490,398	\$245,199	\$25,671.84	\$219,527.16
Minnehaha CWC (DW-01)	\$6,022,816	\$0	\$6,022,816	\$0	\$0	\$0	\$6,022,816	\$0	\$2,494,569.62	\$3,528,246.38
Mitchell (DW-01)	\$2,850,115	\$0	\$2,246,532	\$603,583	\$0	\$0	\$2,850,115	\$0	\$1,179,739.20	\$1,670,375.80
Mitchell (DW-02)	\$1,956,237	\$1,322,243	\$0	\$0	\$633,994	\$0	\$1,956,237	\$293,436	\$156,740.57	\$1,506,060.43
Mobridge (DW-01)	\$965,000	\$0	\$965,000	\$0	\$0	\$0	\$965,000	\$0	\$965,000.00	\$0.00
Mobridge (DW-02)	\$352,207	\$0	\$352,207	\$0	\$0	\$0	\$352,207	\$0	\$352,207.00	\$0.00
Mobridge (DW-03)	\$213,500	\$0	\$0	\$213,500	\$0	\$0	\$213,500	\$0	\$33,761.21	\$179,738.79
Mobridge (DW-04)	\$62,442	\$0	\$0	\$62,442	\$0	\$0	\$62,442	\$0	\$9,464.09	\$52,977.91
Mobridge (DW-05)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Mobridge (DW-06)	\$1,212,000	\$0	\$548,599	\$393,519	\$0	\$0	\$942,118	\$0	\$0.00	\$942,118.00
Mobridge (DW-07)	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Montrose (DW-01)	\$862,825	\$0	\$364,632	\$209,146	\$289,047	\$0	\$862,825	\$573,778	\$7,581.24	\$281,465.76
Newell (DW-01)	\$714,774	\$322,750	\$0	\$184,000	\$208,024	\$0	\$714,774	\$322,750	\$23,388.53	\$368,635.47
Newell (DW-02)	\$266,250	\$0	\$0	\$0	\$198,280	\$0	\$198,280	\$123,925	\$0.00	\$74,355.00
New Underwood (DW-01)	\$169,299	\$70,200	\$0	\$0	\$0	\$99,099	\$169,299	\$67,719	\$12,667.11	\$88,912.89
Niche San District (DW-01)	\$315,000	\$0	\$258,831	\$56,169	\$0	\$0	\$315,000	\$225,000	\$1,058.38	\$88,941.62
Nisland (DW-01)	\$350,000	\$0	\$179,243	\$170,757	\$0	\$0	\$350,000	\$0	\$122,500.14	\$227,499.86
Northville (DW-01)	\$186,804	\$172,536	\$0	\$0	\$9,928	\$4,340	\$186,804	\$149,443	\$3,476.41	\$33,884.59
Oacoma (DW-02)	\$1,061,416	\$0	\$0	\$0	\$1,061,416	\$0	\$1,061,416	\$0	\$248,166.35	\$813,249.65
Parker (DW-01)	\$730,000	\$0	\$0	\$0	\$0	\$730,000	\$730,000	\$0	\$220,020.56	\$509,979.44
Parker (DW-02)	\$209,541	\$0	\$0	\$174,612	\$0	\$34,929	\$209,541	\$0	\$45,477.40	\$164,063.60
Parker (DW-03)	\$554,200	\$452,100	\$0	\$0	\$0	\$102,100	\$554,200	\$452,100	\$14,802.71	\$87,297.29
Perkins County RWS (DW-01)	\$151,000	\$0	\$151,000	\$0	\$0	\$0	\$151,000	\$151,000	\$0.00	\$0.00
Piedmont (DW-01)	\$1,404,000	\$0	\$677,637	\$126,363	\$600,000	\$0	\$1,404,000	\$804,000	\$16,626.85	\$583,373.15
Pierpont (DW-01)	\$544,908	\$0	\$305,414	\$104,748	\$134,746	\$0	\$544,908	\$408,681	\$3,573.02	\$132,653.98
Pierre (DW-01)	\$988,188	\$0	\$857,306	\$130,882	\$0	\$0	\$988,188	\$0	\$710,353.53	\$277,834.47
Pierre (DW-02)	\$1,832,900	\$0	\$1,452,491	\$380,409	\$0	\$0	\$1,832,900	\$0	\$983,405.99	\$849,494.01
Plankinton (DW-01)	\$1,765,000	\$0	\$571,429	\$269,263	\$601,391	\$0	\$1,442,083	\$824,871	\$0.00	\$617,212.00
Platte (DW-01)	\$293,134	\$0	\$0	\$0	\$0	\$293,134	\$293,134	\$0	\$244,374.44	\$48,759.56

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Rapid City (DW-01)	\$3,500,000	\$0	\$2,985,946	\$188,878	\$0	\$325,176	\$3,500,000	\$0	\$3,500,000.00	\$0.00
Rapid City (DW-02)	\$6,000,000	\$0	\$1,355,880	\$240,992	\$1,849,322	\$1,149,261	\$4,595,455	\$0	\$334,988.22	\$4,260,466.78
Rapid Valley SD (DW-01)	\$682,000	\$682,000	\$0	\$0	\$0	\$0	\$682,000	\$682,000	\$0.00	\$0.00
Rapid Valley SD (DW-01)	\$500,000	\$0	\$191,605	\$0	\$0	\$0	\$191,605	\$0	\$0.00	\$191,605.00
Redfield (DW-01)	\$85,000	\$0	\$0	\$85,000	\$0	\$0	\$85,000	\$0	\$51,899.97	\$33,100.03
Redfield (DW-02)	\$228,823	\$0	\$50,000	\$178,823	\$0	\$0	\$228,823	\$0	\$26,781.39	\$202,041.61
Roslyn (DW-01)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$500,000	\$0.00	\$0.00
Salem (DW-01)	\$118,540	\$0	\$72,120	\$46,420	\$0	\$0	\$118,540	\$0	\$118,540.00	\$0.00
Salem (DW-02)	\$328,966	\$0	\$0	\$328,966	\$0	\$0	\$328,966	\$0	\$95,561.07	\$233,404.93
Salem (DW-03)	\$1,345,000	\$0	\$619,706	\$184,926	\$0	\$540,368	\$1,345,000	\$0	\$151,841.19	\$1,193,158.81
Scotland (DW-01)	\$235,172	\$0	\$128,630	\$106,542	\$0	\$0	\$235,172	\$0	\$54,828.06	\$180,343.94
Selby (DW-01)	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0.00	\$0.00
Sioux Falls (DW-01)	\$6,496,745	\$0	\$2,617,744	\$3,879,001	\$0	\$0	\$6,496,745	\$0	\$6,496,745.00	\$0.00
Sioux Falls (DW-02)	\$2,348,168	\$0	\$2,342,067	\$6,101	\$0	\$0	\$2,348,168	\$0	\$2,348,168.00	\$0.00
Sioux Falls (DW-03)	\$7,930,000	\$0	\$6,596,126	\$1,333,874	\$0	\$0	\$7,930,000	\$0	\$7,930,000.00	\$0.00
Sioux Falls (DW-04)	\$279,599	\$0	\$231,200	\$48,399	\$0	\$0	\$279,599	\$0	\$263,205.90	\$16,393.10
Sioux Falls (DW-05)	\$10,828,766	\$0	\$0	\$0	\$0	\$10,828,766	\$10,828,766	\$0	\$8,321,391.86	\$2,507,374.14
Sioux Falls (DW-06)	\$9,938,849	\$0	\$3,010,443	\$841,180	\$730,424	\$5,356,802	\$9,938,849	\$0	\$3,714,667.73	\$6,224,181.27
Sioux Falls (DW-07)	\$2,200,000	\$0	\$1,179,517	\$174,180	\$26,282	\$820,021	\$2,200,000	\$0	\$922,517.45	\$1,277,482.55
Sioux Falls (DW-08)	\$2,088,645	\$0	\$1,388	\$4,980	\$0	\$2,082,277	\$2,088,645	\$0	\$979,129.50	\$1,109,515.50
Sioux Falls (DW-09)	\$2,678,738	\$2,196,783	\$20,000	\$3,804	\$0	\$458,151	\$2,678,738	\$267,874	\$782,799.96	\$1,628,064.04
Sioux Falls (DW-10)	\$5,819,138	\$760,690	\$1,020,700	\$722,218	\$10,530	\$3,305,000	\$5,819,138	\$581,914	\$1,686,188.04	\$3,551,035.96
Sioux Falls (DW-11)	\$4,000,000	\$0	\$0	\$0	\$3,850,000	\$150,000	\$4,000,000	\$0	\$544,312.25	\$3,455,687.75
South Lincoln RWS (DW-01)	\$2,000,000	\$0	\$2,000,000	\$0	\$0	\$0	\$2,000,000	\$0	\$729,119.22	\$1,270,880.78
South Lincoln RWS (DW-02)	\$476,500	\$0	\$476,500	\$0	\$0	\$0	\$476,500	\$244,500	\$6,077.36	\$225,922.64
Spearfish (DW-01)	\$3,254,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Sturgis (DW-01)	\$478,377	\$0	\$478,377	\$0	\$0	\$0	\$478,377	\$0	\$478,377.00	\$0.00
Sturgis (DW-02)	\$608,417	\$86,300	\$0	\$492,307	\$0	\$29,810	\$608,417	\$60,841	\$177,846.17	\$369,729.83
Sturgis (DW-03)	\$3,460,000	\$0	\$0	\$0	\$3,106,580	\$0	\$3,106,580	\$0	\$0.00	\$3,106,580.00
Sturgis (DW-04)	\$2,035,893	\$0	\$415,407	\$0	\$1,620,486	\$0	\$2,035,893	\$0	\$37,470.97	\$1,998,422.03
Tabor (DW-01)	\$1,530,000	\$0	\$127,618	\$309,453	\$663,423	\$0	\$1,100,494	\$504,026	\$0.00	\$596,468.00
Tea (DW-01)	\$2,263,723	\$0	\$2,263,723	\$0	\$0	\$0	\$2,263,723	\$0	\$582,185.81	\$1,681,537.19
TM Rural Water (DW-01)	\$1,081,299	\$0	\$15,750	\$0	\$1,065,549	\$0	\$1,081,299	\$0	\$182,344.20	\$898,954.80
TM Rural Water (DW-02)	\$1,394,175	\$0	\$1,329,434	\$34,034	\$30,707	\$0	\$1,394,175	\$1,394,175	\$0.00	\$0.00
Trail West (DW-01)	\$1,651,000	\$0	\$587,267	\$230,019	\$786,809	\$0	\$1,604,095	\$699,385	\$21,379.28	\$883,330.72
Tri-County Water Assn (DW-01)	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
Tripp (DW-01)	\$225,656	\$0	\$210,265	\$15,391	\$0	\$0	\$225,656	\$0	\$65,669.10	\$159,986.90
Tripp County WUD (DW-01)	\$3,500,000	\$0	\$2,846,206	\$653,794	\$0	\$0	\$3,500,000	\$0	\$877,195.44	\$2,622,804.56
Tripp County WUD (DW-02)	\$131,469	\$0	\$93,183	\$38,286	\$0	\$0	\$131,469	\$0	\$42,727.62	\$88,741.38
Tyndall (DW-01)	\$300,000	\$0	\$300,000	\$0	\$0	\$0	\$300,000	\$0	\$300,000.00	\$0.00
Tyndall (DW-02)	\$861,000	\$0	\$680,115	\$180,885	\$0	\$0	\$861,000	\$0	\$192,616.58	\$668,383.42
Vermillion (DW-01)	\$795,338	\$0	\$726,511	\$0	\$68,827	\$0	\$795,338	\$0	\$795,338.00	\$0.00
Vermillion (DW-02)	\$1,507,552	\$0	\$1,201,823	\$305,729	\$0	\$0	\$1,507,552	\$0	\$643,169.00	\$864,383.00

Borrower	Maximum Committed Amount	ARRA Advance	Federal Advance	State Advance	Recycled Advance	Leveraged Advance	Total Advances	Principal Forgiven	Principal Repayments	Loan Balance
Vermillion (DW-03)	\$3,693,216	\$0	\$35,413	\$98,204	\$0	\$3,559,599	\$3,693,216	\$0	\$1,042,096.61	\$2,651,119.39
Vermillion (DW-04)	\$1,532,000	\$0	\$355,485	\$73,781	\$979,455	\$0	\$1,408,721	\$140,872	\$27,919.17	\$1,239,929.83
Viborg (DW-01)	\$104,491	\$0	\$0	\$0	\$24,705	\$79,786	\$104,491	\$0	\$20,160.72	\$84,330.28
Viborg (DW-02)	\$847,000	\$0	\$452,695	\$277,305	\$117,000	\$0	\$847,000	\$730,000	\$4,328.66	\$112,671.34
Wagner (DW-01)	\$750,000	\$0	\$2,833	\$469,439	\$0	\$277,728	\$750,000	\$0	\$143,750.00	\$606,250.00
Wagner (DW-02)	\$175,000	\$0	\$0	\$175,000	\$0	\$0	\$175,000	\$0	\$37,916.58	\$137,083.42
Warner (DW-01)	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$400,000	\$400,000	\$0.00	\$0.00
Watertown (DW-01)	\$23,760,000	\$0	\$6,648,778	\$1,451,222	\$4,606,753	\$11,053,247	\$23,760,000	\$0	\$4,679,884.49	\$19,080,115.51
Waubay (DW-01)	\$750,000	\$0	\$0	\$0	\$0	\$750,000	\$750,000	\$0	\$103,914.10	\$646,085.90
Webster (DW-01)	\$318,828	\$0	\$196,325	\$122,503	\$0	\$0	\$318,828	\$0	\$147,818.46	\$171,009.54
Webster (DW-02)	\$277,522	\$0	\$108,796	\$0	\$168,726	\$0	\$277,522	\$107,678	\$30,990.54	\$138,853.46
WR/Lyman Jones (DW-01)	\$340,000	\$0	\$280,908	\$59,092	\$0	\$0	\$340,000	\$0	\$340,000.00	\$0.00
WR/Lyman Jones (DW-02)	\$7,943,023	\$0	\$7,943,023	\$0	\$0	\$0	\$7,943,023	\$0	\$7,943,023.00	\$0.00
White Lake (DW-01)	\$362,000	\$0	\$0	\$45,630	\$0	\$0	\$45,630	\$10,723	\$0.00	\$34,907.00
Winner (DW-01)	\$450,000	\$0	\$164,038	\$137,716	\$70,683	\$0	\$372,437	\$0	\$0.00	\$372,437.00
Wolsey (DW-01)	\$227,950	\$0	\$0	\$227,950	\$0	\$0	\$227,950	\$0	\$63,334.74	\$164,615.26
Wolsey (DW-02)	\$162,300	\$0	\$4,067	\$122,320	\$0	\$35,913	\$162,300	\$0	\$24,433.57	\$137,866.43
Woodland Hills (DW-01)	\$780,000	\$0	\$85,198	\$39,714	\$16,551	\$0	\$141,463	\$87,141	\$0.00	\$54,322.00
Woonsocket (DW-01)	\$720,000	\$416,500	\$0	\$0	\$303,500	\$0	\$720,000	\$416,500	\$16,142.94	\$287,357.06
Worthing (DW-01)	\$288,000	\$0	\$116,579	\$171,421	\$0	\$0	\$288,000	\$0	\$106,859.86	\$181,140.14
Worthing (DW-02)	\$301,227	\$0	\$177,501	\$31,641	\$67,246	\$0	\$276,388	\$183,521	\$851.42	\$92,015.58
Yankton (DW-01)	\$3,460,000	\$0	\$2,546,639	\$913,361	\$0	\$0	\$3,460,000	\$0	\$1,572,453.62	\$1,887,546.38
Yankton (DW-02)	\$896,975	\$0	\$449,100	\$111,732	\$0	\$336,143	\$896,975	\$0	\$182,044.82	\$714,930.18
Yankton (DW-03)	\$2,542,146	\$136,375	\$1,446,101	\$482,024	\$26,271	\$451,375	\$2,542,146	\$115,667	\$233,906.57	\$2,192,572.43
Yankton (DW-04)	\$2,200,000	\$220,000	\$1,013,015	\$441,985	\$0	\$525,000	\$2,200,000	\$220,000	\$266,911.77	\$1,713,088.23
	\$316,494,002	\$19,110,000	\$138,527,111	\$30,545,227	\$46,226,610	\$60,725,698	\$295,134,646	\$31,839,534	\$117,991,782.52	\$145,303,329.48

EXHIBIT VIII
Projected Principal and Interest Payments
Federal Fiscal Year 2015

Borrower	Principal	Interest	Admin Surcharge	Total
Aberdeen (DW-02)	\$114,863	\$14,899	\$4,256	\$134,018
Baltic (DW-01)	\$12,686	\$3,392	\$1,357	\$17,434
Baltic (DW-02)	\$14,194	\$1,769	\$505	\$16,468
Baltic (DW-03)	\$15,846	\$10,339	\$1,879	\$28,064
BDM (DW-01)	\$14,116	\$3,774	\$1,510	\$19,400
Beresford (DW-01)	\$9,574	\$11,361	\$2,273	\$23,208
Big Stone City (DW-01)	\$35,645	\$8,351	\$1,964	\$45,960
Big Stone City (DW-02)	\$6,809	\$2,179	\$872	\$9,860
Black Hawk WUD (DW-01)	\$30,884	\$7,659	\$1,801	\$40,344
Black Hawk WUD (DW-02)	\$44,224	\$21,938	\$6,579	\$72,741
Bonesteel (DW-01)	\$0	\$5,123	\$1,464	\$6,587
Box Elder (DW-01)	\$83,165	\$53,435	\$10,690	\$147,290
Brandon (DW-01)	\$86,313	\$1,216	\$324	\$87,854
Britton (DW-01)	\$17,171	\$5,430	\$1,551	\$24,152
Brookings Deuel RWS (DW-01)	\$25,417	\$20,787	\$6,234	\$52,437
Brookings Deuel RWS (DW-02)	\$43,480	\$37,255	\$11,172	\$91,908
Bryant (DW-01)	\$4,331	\$2,894	\$0	\$7,225
Burke (DW-01)	\$3,162	\$1,861	\$465	\$5,489
Butte-Meade (DW-01)	\$18,766	\$3,017	\$862	\$22,644
Canistota (DW-01)	\$2,592	\$2,591	\$518	\$5,700
Canton (DW-01)	\$24,731	\$7,255	\$2,902	\$34,888
Centerville (DW-01)	\$23,732	\$16,763	\$5,027	\$45,522
Chamberlain (DW-01)	\$11,745	\$5,470	\$1,640	\$18,856
Chamberlain (DW-02)	\$24,626	\$13,459	\$2,692	\$40,777
Chancellor (DW-01)	\$5,180	\$4,303	\$1,290	\$10,773
Clay RWS (DW-01)	\$108,926	\$90,488	\$27,136	\$226,550
Clay RWS (DW-02)	\$3,423	\$3,310	\$662	\$7,396
Clay RWS (DW-03)	\$38,515	\$39,844	\$7,971	\$86,329
Clay RWS (DW-04)	\$1,369,758	\$25,472	\$0	\$1,395,230
Clear Lake (DW-01)	\$12,811	\$6,417	\$1,284	\$20,512
Colman (DW-02)	\$4,462	\$9,394	\$1,879	\$15,736
Colonial Pine Hills (DW-01)	\$25,133	\$5,771	\$2,308	\$33,212
Colonial Pine Hills (DW-02)	\$23,187	\$12,081	\$2,417	\$37,684
Colonial Pine Hills (DW-03)	\$3,181	\$2,122	\$424	\$5,727

Borrower	Principal	Interest	Admin Surcharge	Total
Colton (DW-01)	\$12,953	\$9,002	\$3,600	\$25,555
Colton (DW-02)	\$3,593	\$2,269	\$454	\$6,317
Colton (DW-03)	\$5,262	\$2,673	\$763	\$8,698
Corson Village (DW-01)	\$2,376	\$1,250	\$250	\$3,876
Crooks (DW-01)	\$6,669	\$2,106	\$631	\$9,406
Custer (DW-01)	\$40,742	\$10,689	\$4,275	\$55,706
Dell Rapids (DW-01)	\$30,297	\$9,155	\$3,662	\$43,113
Dell Rapids (DW-02)	\$7,474	\$2,763	\$829	\$11,065
Dell Rapids (DW-03)	\$16,753	\$9,857	\$1,972	\$28,583
Dell Rapids (DW-04)	\$25,332	\$3,807	\$1,088	\$30,227
Dell Rapids (DW-05)	\$11,504	\$27,104	\$5,422	\$44,030
Delmont (DW-01)	\$4,064	\$2,792	\$698	\$7,554
DeSmet (DW-01)	\$5,935	\$3,679	\$1,051	\$10,665
Doland (DW-01)	\$6,684	\$7,931	\$1,587	\$16,202
Dupree (DW-01)	\$1,500	\$1,101	\$315	\$2,917
Eagle Butte (DW-01)	\$5,565	\$0	\$0	\$5,565
Eagle Butte (DW-02)	\$458	\$0	\$0	\$458
Elk Point (DW-01)	\$11,559	\$2,702	\$1,081	\$15,342
Elk Point (DW-02)	\$26,721	\$9,390	\$2,816	\$38,927
Elk Point (DW-03)	\$5,082	\$2,167	\$650	\$7,898
Elk Point (DW-04)	\$22,007	\$11,371	\$3,410	\$36,787
Elk Point (DW-05)	\$14,463	\$7,457	\$1,492	\$23,412
Eureka (DW-01)	\$13,368	\$0	\$0	\$13,368
Fall River (DW-01)	\$23,227	\$15,234	\$0	\$38,461
Fall River (DW-02)	\$7,838	\$4,552	\$0	\$12,390
Faulton (DW-02)	\$2,504	\$2,677	\$536	\$5,716
Garretson (DW-01)	\$29,973	\$21,013	\$8,405	\$59,390
Gayville (DW-01)	\$9,182	\$10,082	\$2,017	\$21,282
Gregory (DW-01)	\$10,510	\$6,001	\$0	\$16,510
Gregory (DW-02)	\$9,828	\$6,723	\$1,921	\$18,472
Groton (DW-01)	\$21,562	\$7,017	\$2,104	\$30,683
Groton (DW-02)	\$14,637	\$5,011	\$1,503	\$21,151
Hanson RWS (DW-01)	\$9,133	\$4,944	\$989	\$15,066
Harrisburg (DW-01)	\$29,225	\$9,929	\$2,482	\$41,637
Harrisburg (DW-02)	\$56,300	\$24,552	\$7,363	\$88,215
Harrisburg (DW-03)	\$71,033	\$37,445	\$11,229	\$119,707
Hartford (DW-02)	\$42,414	\$11,340	\$4,535	\$58,289
Hartford (DW-03)	\$51,341	\$19,456	\$5,835	\$76,632
Hermosa (DW-01)	\$18,475	\$4,285	\$1,071	\$23,831
Highmore (DW-01)	\$0	\$0	\$0	\$0

Borrower	Principal	Interest	Admin Surcharge	Total
Hill City (DW-01)	\$3,104	\$3,103	\$621	\$6,828
Hisega Meadows (DW-01)	\$8,037	\$6,307	\$1,262	\$15,605
Hot Springs (DW-01)	\$63,457	\$38,015	\$7,605	\$109,077
Humboldt (DW-01)	\$21,310	\$8,881	\$2,663	\$32,854
Huron (DW-01)	\$205,165	\$56,614	\$22,644	\$284,424
Huron (DW-02)	\$15,681	\$8,250	\$1,650	\$25,581
Huron (DW-03)	\$12,657	\$14,452	\$2,891	\$30,001
Ipswich (DW-01)	\$7,075	\$7,267	\$1,454	\$15,795
Keystone (DW-01)	\$29,780	\$10,196	\$3,058	\$43,034
Kingbrook RWS (DW-01)	\$15,854	\$0	\$0	\$15,854
Kingbrook RWS (DW-02)	\$56,292	\$41,804	\$12,536	\$110,632
Kingbrook RWS (DW-03)	\$143,308	\$54,308	\$16,286	\$213,903
Kingbrook RWS (DW-04)	\$101,189	\$44,127	\$13,233	\$158,550
Lead (DW-02)	\$5,125	\$3,806	\$1,141	\$10,072
Lead (DW-03)	\$19,475	\$10,845	\$2,170	\$32,489
Lennox (DW-01)	\$50,708	\$41,471	\$12,437	\$104,616
Lennox (DW-02)	\$9,930	\$6,601	\$1,320	\$17,851
Lincoln County RWS (DW-01)	\$52,884	\$15,980	\$6,392	\$75,256
Martin (DW-01)	\$25,835	\$17,630	\$0	\$43,464
McLaughlin (DW-01)	\$9,755	\$6,863	\$0	\$16,618
McLaughlin (DW-02)	\$15,866	\$11,648	\$3,328	\$30,842
Mellette (DW-01)	\$613	\$595	\$170	\$1,378
Menno (DW-01)	\$10,986	\$1,709	\$488	\$13,182
Mid-Dakota RWS (DW-03)	\$51,715	\$56,993	\$11,401	\$120,109
Mid-Dakota RWS (DW-04)	\$13,631	\$15,825	\$3,166	\$32,621
Milbank (DW-01)	\$70,419	\$57,815	\$14,454	\$142,688
Miller (DW-01)	\$22,750	\$2,479	\$620	\$25,849
Mina Lake San Dist (DW-01)	\$11,419	\$3,021	\$755	\$15,194
Mina Lake San Dist (DW-02)	\$9,800	\$5,457	\$1,092	\$16,348
Minnehaha CWC (DW-01)	\$300,111	\$85,415	\$34,164	\$419,689
Mitchell (DW-01)	\$143,052	\$48,515	\$16,172	\$207,739
Mitchell (DW-02)	\$66,496	\$37,031	\$7,408	\$110,934
Mobridge (DW-03)	\$5,697	\$3,552	\$888	\$10,137
Mobridge (DW-04)	\$1,656	\$1,047	\$262	\$2,965
Mobridge (DW-06)	\$11,068	\$13,028	\$3,722	\$27,818
Mobridge (DW-07)	\$0	\$0	\$0	\$0
Montrose (DW-01)	\$6,272	\$6,978	\$1,396	\$14,646
New Underwood (DW-01)	\$4,152	\$2,184	\$437	\$6,773
Newell (DW-01)	\$9,802	\$6,387	\$1,825	\$18,014
Newell (DW-02)	\$3,501	\$584	\$146	\$4,232

Borrower	Principal	Interest	Admin Surcharge	Total
Niche San Dist (DW-01)	\$2,153	\$1,547	\$442	\$4,142
Nisland (DW-01)	\$11,667	\$0	\$0	\$11,667
Northville (DW-01)	\$1,496	\$833	\$167	\$2,496
Oacoma (DW-02)	\$205,111	\$12,224	\$3,492	\$220,827
Parker (DW-01)	\$33,641	\$12,437	\$3,730	\$49,808
Parker (DW-02)	\$9,210	\$4,016	\$1,204	\$14,430
Parker (DW-03)	\$4,236	\$1,978	\$593	\$6,807
Piedmont (DW-01)	\$22,757	\$14,372	\$2,875	\$40,004
Pierpont (DW-01)	\$2,956	\$3,289	\$658	\$6,903
Pierre (DW-01)	\$75,955	\$6,239	\$2,495	\$84,689
Pierre (DW-02)	\$129,540	\$20,032	\$8,012	\$157,585
Plankinton (DW-01)	\$12,902	\$15,749	\$2,624	\$31,274
Platte (DW-01)	\$32,303	\$734	\$184	\$33,221
Rapid City (DW-02)	\$231,030	\$126,864	\$25,379	\$383,272
Redfield (DW-01)	\$3,776	\$836	\$239	\$4,851
Redfield (DW-02)	\$4,409	\$3,009	\$752	\$8,170
Salem (DW-02)	\$15,030	\$5,696	\$1,708	\$22,434
Salem (DW-03)	\$31,964	\$29,534	\$8,857	\$70,354
Scotland (DW-01)	\$6,720	\$4,446	\$0	\$11,166
Sioux Falls (DW-04)	\$16,393	\$154	\$62	\$16,608
Sioux Falls (DW-05)	\$1,238,066	\$40,910	\$10,228	\$1,289,203
Sioux Falls (DW-06)	\$1,069,148	\$116,507	\$29,127	\$1,214,781
Sioux Falls (DW-07)	\$219,437	\$23,912	\$5,978	\$249,328
Sioux Falls (DW-08)	\$210,983	\$20,616	\$5,154	\$236,753
Sioux Falls (DW-09)	\$235,280	\$26,955	\$7,700	\$269,936
Sioux Falls (DW-10)	\$513,180	\$58,793	\$16,796	\$588,768
Sioux Falls (DW-11)	\$373,186	\$58,039	\$16,580	\$447,805
South Lincoln RWS (DW-01)	\$102,007	\$30,823	\$12,328	\$145,159
South Lincoln RWS (DW-02)	\$5,028	\$4,792	\$1,917	\$11,737
Sturgis (DW-02)	\$53,432	\$6,121	\$1,749	\$61,302
Sturgis (DW-03)	\$3,460,000	\$60,659	\$0	\$3,520,659
Sturgis (DW-04)	\$76,643	\$49,245	\$9,851	\$135,739
Tea (DW-01)	\$100,944	\$41,102	\$12,326	\$154,372
TM Rural Water (DW-01)	\$19,275	\$22,293	\$4,460	\$46,028
Trail West (DW-01)	\$33,936	\$21,526	\$4,306	\$59,768
Tripp (DW-01)	\$6,778	\$3,936	\$0	\$10,714
Tripp County WUD (DW-01)	\$100,827	\$64,630	\$0	\$165,457
Tripp County WUD (DW-02)	\$4,382	\$0	\$0	\$4,382
Tyndall (DW-02)	\$24,156	\$16,484	\$0	\$40,640
Vermillion (DW-02)	\$56,570	\$15,827	\$6,331	\$78,728

Borrower	Principal	Interest	Admin Surcharge	Total
Vermillion (DW-03)	\$169,923	\$52,596	\$13,149	\$235,669
Vermillion (DW-04)	\$36,982	\$16,888	\$4,824	\$58,694
Viborg (DW-01)	\$4,439	\$2,067	\$620	\$7,126
Viborg (DW-02)	\$2,577	\$2,793	\$559	\$5,928
Wagner (DW-01)	\$25,000	\$0	\$0	\$25,000
Wagner (DW-02)	\$5,833	\$0	\$0	\$5,833
Watertown (DW-01)	\$1,047,214	\$467,294	\$140,133	\$1,654,641
Waubay (DW-01)	\$19,642	\$12,775	\$3,194	\$35,611
Webster (DW-01)	\$16,462	\$4,122	\$1,649	\$22,233
Webster (DW-02)	\$16,025	\$2,325	\$664	\$19,014
White Lake (DW-01)	\$1,355	\$2,415	\$690	\$4,460
Winner (DW-01)	\$4,375	\$9,752	\$2,786	\$16,914
Wolsey (DW-01)	\$10,351	\$4,019	\$1,205	\$15,576
Wolsey (DW-02)	\$6,685	\$3,385	\$1,015	\$11,084
Woodland Hills (DW-01)	\$1,760	\$2,870	\$574	\$5,204
Woonsocket (DW-01)	\$6,839	\$7,120	\$1,424	\$15,383
Worthing (DW-01)	\$14,136	\$4,397	\$1,759	\$20,291
Worthing (DW-02)	\$3,470	\$2,268	\$454	\$6,192
Yankton (DW-01)	\$135,682	\$34,549	\$13,819	\$184,050
Yankton (DW-02)	\$28,709	\$12,282	\$4,912	\$45,904
Yankton (DW-03)	\$78,067	\$40,642	\$8,130	\$126,840
Yankton (DW-04)	\$60,919	\$26,016	\$10,406	\$97,341
Total FFY15	\$15,018,764	\$3,195,463	\$831,466	\$19,045,693

EXHIBITS IX -- XI

DRINKING WATER SRF

**FINANCIAL STATEMENTS
(Audited)**

EXHIBIT IX
DENR Drinking Water State Revolving Fund
Statement of Net Assets
6/30/2014

Assets

Current Assets:

Cash and Cash Equivalents	\$10,249,450.84
Investments	575,760.35
Due from Federal Government	249,309.64
Due from Other Governments	183,749.45
Accrued Interest Receivable	1,975,432.04
Loans Receivable	10,041,824.64
	23,275,526.96

Total Current Assets

Noncurrent Assets:

Investments	61,563,556.26
Loans Receivable	135,705,532.03
	197,269,088.29

Total Noncurrent Assets:

Deferred Outflow of Resources

Deferred Charge on Refunding	2,777,204.00
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Total Assets

223,321,819.25

Liabilities

Current Liabilities:

Accounts Payable	146,536.77
Cost of Issuance Payable	-
Accrued Liabilities	15,570.30
Compensated Absences Payable	26,753.34
Accrued Interest Payable	894,489.01
Arbitrage Payable	147,498.53
Notes Payable	0.00
Bonds Payable - net of unamortized premium and discount	4,587,066.01
	5,817,913.96

Total Current Liabilities

Noncurrent Liabilities:

Compensated Absences Payable	23,877.50
Arbitrage Payable	14,192.44
Bonds Payable - net of unamortized premium and discount	58,692,758.81
	58,730,828.75

Total Noncurrent Liabilities

Total Liabilities

64,548,742.71

Net Position

Restricted For Debt Service	0.00
Unrestricted	158,773,076.54
	\$158,773,076.54

Total Net Position

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

EXHIBIT X
DENR Drinking Water State Revolving Fund
Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2014

Operating Revenues:		
Loan Interest Income		\$3,418,373.05
Other Income		909,108.44
Total Operating Revenue		<u>4,327,481.49</u>
Operating Expenses:		
Administrative Expenses		
Personal Services	191,061.48	
Employee Benefits	62,471.52	
Travel	8,686.53	
Contractual	607,568.10	
Supplies	1,406.48	
Grants	94,326.14	
Other	415.00	
Total Administrative Expenses		965,935.25
Grant Expense		5,492,643.00
Interest Expense		2,306,725.91
Arbitrage Rebate		572,202.09
Other Expenses		0.00
Total Operating Expenses		<u>9,337,506.25</u>
Operating Income (Loss)		(5,010,024.76)
Nonoperating Revenue (Expenses):		
Federal Capitalization Grants		6,021,835.10
Other Income		206,960.18
Investment Income		3,163,022.41
Investment Expense		<u>(14,836.97)</u>
Total Nonoperating Revenues (Expenses)		9,376,980.72
Income (Loss) Before Transfers		4,366,955.96
Transfers:		
Transfer In		
Transfer Out		<u>(26,548.97)</u>
Change in Net Position		4,340,406.99
Net Position at Beginning of Year		<u>154,432,669.55</u>
Net Position at End of Year		<u><u>\$158,773,076.54</u></u>

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

EXHIBIT XI
DENR Drinking Water State Revolving Fund
Statement of Cash Flows
For the Fiscal year Ended June 30, 2014

Cash Flows from Operating Activities:		
Receipts for Loan Repayments	\$ 16,178,133.47	
Receipts for Interest Income on Loans	3,425,139.73	
Receipts for Surcharge Interest on Loans	913,780.47	
Arbitrage Payment	(528,598.49)	
COI Expense	-	
Payments to Loan Recipients	(13,178,190.00)	
Payments for Employee Services	(244,855.72)	
Payments for Contractual Services	(619,949.14)	
Payment for Grants	(5,594,329.14)	
Other Payments	(10,308.20)	
Net Cash Provided (Used) by Operating Activities		340,822.98
Cash Flows from Nonoperating Activities		
Receipts for Administering Program	6,000,330.00	
Other Income	206,960.18	
Net Cash Provided (Used) by Nonoperating Activities		6,207,290.18
Cash Flows from Noncapital Financing Activities:		
Bond Issue Cost Paid		
Bond Payments	-	
Bond Receipts		
Transfers Out	(26,548.97)	
Principal Payments on Bonds	(4,380,000.00)	
Interest Payments on Bonds	(2,196,903.62)	
Net Cash Provided (Used) by Noncapital Financing Activities		(6,603,452.59)
Cash Flows from Investing Activities:		
Interest on Investments	3,041,030.83	
Accretion/Amortization	8,245.82	
Unrealized Gain/Loss on Investments	(32,628.10)	
Proceeds from Sale of Investment Securities	10,810,717.36	
Purchase of Investment Securities	(19,440,152.38)	
Net Cash Provided (Used) by Investing Activities		(5,612,786.47)
Net Increase (Decrease) in Cash and Cash Equivalents		(5,668,125.90)
Cash and Cash Equivalents at Beginning of Year		15,917,576.74
Cash and Cash Equivalents at End of Year		<u>\$ 10,249,450.84</u>
Reconciliation of Operating Income to Net		
Cash Provided (Used) by Operating Activities		
Operating Income (Loss)		\$ (5,010,024.76)
Adjustments to Reconcile Net Income to Net Cash		
Provided (Used) by Operating Activities:		
Interest Expense	2,306,725.91	
Assets: (Increase)/Decrease		
Loans Receivable	2,999,943.47	
Accrued Interest Receivable on Loans	6,766.68	
Due from Other Governments	4,672.03	
Liabilities: Increase/(Decrease)		
Accounts Payable	(19,541.23)	
Accrued Employee Benefits	4,922.40	

Accrued Liabilities	3,754.88	
Arbitrage	<u>43,603.60</u>	
Total Adjustments		<u>5,350,847.74</u>
Net Cash Provided by Operations		<u>\$ 340,822.98</u>

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

**South Dakota Board of Water and Natural Resources
Drinking Water State Revolving Fund
Notes to the Financial Statements
June 30, 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Authorizing Legislation

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

B. Fund Accounting

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

C. Basis of Accounting

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

D. Cash and Cash Equivalents

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

E. Investments

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

F. Deferred Charges

Discounts and premiums on bonds are amortized using the straight line method over the life of the bonds to which they relate.

G. Revenue and Expense Recognition

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

H. Federal Capitalization Grant

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

CFDA Number	66.468
Federal Agency:	Environmental Protection Agency
Program:	Drinking Water State Revolving Fund
State Agency:	Environment & Natural Resources
Expenses:	\$146,515,950
Outstanding Loans:	\$145,747,357
Current Year	
Administrative Expense:	\$768,593
Loan Disbursement:	\$13,178,190

2. CASH AND INVESTMENTS

Cash and Cash Equivalents consisted of a Goldman Sachs Financial Square Treasury Obligation Fund (money market fund) and the South Dakota Cash Flow Fund. The Goldman Sachs Fund was rated "AAAm" by Standard and Poor's Rating Group. The fund paid less than .01% for the period 7/01/2013– 6/30/2014. The South Dakota Conservancy District Investment Policy adopted pursuant to the Master Trust Indenture authorizes the investment of up to 20 percent of funds in the South Dakota Cash Flow portfolio which is an unrated fund. The fund paid .99% for state fiscal year 2014.

Management of the State's internal investment pool is the statutory responsibility of the South Dakota Investment Council (SDIC). The investment policy and required risk disclosures for the State's internal investment pool are presented in the audit report of the South Dakota Investment Council, which can be obtained by contacting the Department of Legislative Audit, 427 South Chapelle, c/o 500 East Capitol, Pierre, South Dakota 57501.

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the Drinking Water State Revolving Fund's investments may not be returned. At June 30, 2014, \$56,444,335 of guaranteed investment contracts was uninsured and unregistered, with the securities held by its trust department, but

not in the DWSRF's name. Also, investments were made in US Treasury Bonds with a market value of \$2,915,182 and in Federal Agency Bonds with a market value of \$2,777,792.

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

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Guaranteed Investment Contract	8/01/2025	\$44,949,661
Guaranteed Investment Contract	8/01/2026	<u>11,494,674</u>
		<u>\$56,444,335</u>
<u>Investment</u>	<u>Maturities</u>	<u>Market Value</u>
US Treasury Bonds	02/28/2015	\$502,484
US Treasury Bonds	05/31/2015	71,269
US Treasury Bonds	08/31/2015	374,740
US Treasury Bonds	11/30/2015	965,362
US Treasury Bonds	08/31/2016	479,897
US Treasury Bonds	05/31/2017	<u>521,430</u>
		<u>\$2,915,182</u>
Federal Agency Bonds	03/30/2016	\$475,822
Federal Agency Bonds	09/28/2016	253,547
Federal Agency Bonds	04/27/2017	528,276
Federal Agency Bonds	06/29/2017	225,396
Federal Agency Bonds	08/28/2017	144,392
Federal Agency Bonds	10/26/2017	149,051
Federal Agency Bonds	12/20/2017	396,004
Federal Agency Bonds	03/07/2018	369,694
Federal Agency Bonds	05/21/2018	<u>235,610</u>
		<u>\$2,777,792</u>

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

<u>Moody's Rating</u>	<u>Fair Value</u>
Baa1	\$56,444,335

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

The Moody's rating for both the US Treasury Bonds and the Federal Agency Bonds is Aaa with a total market value at \$5,692,974.

3. LOANS RECEIVABLE

Loans receivable consists of loans made to local governments through a loan agreement. In order for a local government to receive a loan, evidence must be shown that the principal and interest of the loan will be repaid. Loans made from the DWSRF may be made at or below market interest rates and shall be fully

amortized within twenty years, unless the loan is to a Disadvantaged Community, in which case the loan must be amortized within 30 years. Interest rates are reduced for those loans with shorter amortization periods.

4. LONG TERM DEBT

Revenue Bonds

The bond issues outstanding as of June 30, 2014 are as follows:

Issue	Interest Rate	Maturity Through	Principal Balance
Series 2010AB			
Build America Bonds (BABs)			
Leveraged Term Bonds	4.084%-5.646%	2031	12,665,000
Tax Exempt Bonds			
Leveraged Term Bonds	2.000%-5.125%	2030	13,435,000
St Match Term Bonds	2.000%-5.125%	2030	5,795,000
Series 2012AB			
Taxable Revenue Bonds			
State Match	0.25%-3.183%	2027	5,070,000
Leveraged	0.25%-3.183%	2027	22,345,000
Revenue Bonds			
State Match	2.00%-5.00%	2023	2,180,000
Total			61,490,000
Add: Unamortized Premium			<u>1,789,824</u>
Total Net of Amortization			<u>\$63,279,824</u>

Future bond payments and future interest payments remaining as of June 30, 2014 are as follows:

Year Ended June 30,	Principal	Interest	Total Principal And Interest
2015	4,475,000	2,088,284	6,563,284
2016	4,575,000	1,969,107	6,544,107
2017	4,685,000	1,844,186	6,529,186
2018	4,825,000	1,717,348	6,532,348
2019	4,685,000	1,561,235	6,546,235
2020-2024	21,155,000	5,790,409	26,945,409
2025-2029	13,505,000	2,383,084	15,888,084
2030-2033	<u>3,285,000</u>	<u>145,517</u>	<u>3,430,517</u>
TOTAL	<u>\$61,490,000</u>	<u>\$17,489,170</u>	<u>\$78,979,170</u>

Changes in long-term liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$65,870,000	\$0	\$(4,380,000)	\$61,490,000	\$4,475,000
Less: Bond Discount	(0)		0	(0)	(0)
Add: Bond Premium	<u>1,901,890</u>		<u>(112,066)</u>	<u>1,789,824</u>	<u>112,066</u>
Total	67,771,890	0	(4,492,066)	63,279,824	4,587,066
Compensated Absences	<u>45,708</u>	<u>16,569</u>	<u>(11,646)</u>	<u>50,631</u>	<u>26,753</u>
Long-Term Liabilities	<u>\$67,817,598</u>	<u>\$16,569</u>	<u>\$(4,503,712)</u>	<u>\$63,330,455</u>	<u>\$4,613,819</u>

5. COMMITMENTS

As of June 30, 2014, the DWSRF had loan commitments with political subdivisions worth \$23,906,467.

6. RETIREMENT PLAN

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

Employees are required by state statute to contribute 6 percent of their salary to the plan. State statute also requires the employer to contribute an amount equal to the employee’s contribution. The right to receive retirement benefits vests after three years of credited service. The DWSRF contributions to the SDRS for the fiscal years ended June 30, 2014, 2013, and 2012, were \$12,834.14, \$11,824.35, and \$12,102.65, respectively, equal to the required contributions each year.

7. ANNUAL AND SICK LEAVE ACCRUAL

All employees earn annual leave. Upon termination, employees are eligible to receive compensation for their accrued annual leave balances. At June 30, 2014, a liability existed for accumulated annual leave calculated at the employee's June 30, 2014 pay rate in the amount of \$22,279. Employees who have been continuously employed by the State of South Dakota for at least seven years prior to the date of their retirement, voluntary resignation or death will receive payment for one-fourth of their accumulated sick leave balance. This payment is not to exceed the sum of twelve weeks of employee’s annual compensation. At June 30, 2014, a liability existed for accumulated sick leave, calculated at each employee’s June 30, 2014, pay rate in the amount of \$28,351. The total leave liability of \$50,631 at June 30, 2014 is shown as a liability on the balance sheet.

8. PUBLIC ENTITY POOL FOR LIABILITY

The Department of Environment and Natural Resources is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Department is uninsured for property loss. The Department participates in the various programs administered by the State of South Dakota. These risk management programs are funded through assessments charged to participating entities. The risk management programs include; 1) coverage for risks

associated with automobile liability and general tort liability (including public officials' errors and omissions liability, medical malpractice liability, law enforcement liability, and products liability) through the State's Public Entity Pool for Liability Fund, 2) coverage of employee medical claims through the State's health insurance program, 3) coverage for unemployment benefits through the State's Workers' Compensation Fund, and, 4) coverage for workers' compensation benefits through the State's Workers' Compensation Fund. Financial information relative to the self-insurance funds administered by the State is presented in the State of South Dakota Comprehensive Annual Financial Report.

9. SUBSEQUENT EVENTS

In October 2014, the South Dakota Conservancy District issued its State Revolving Fund Program Bonds, Series 2014 consisting of \$9,060,000 principal amount of Taxable Revenue Bonds, Series 2014A and \$50,775,000 principal amount Revenue Bonds, Series 2014B. The following is a summary of the estimated sources and uses of Series 2014 Bonds:

<u>Sources:</u>	Series 2014A (Taxable)	Series 2014B (Tax-Exempt)	Totals
Bond Proceeds (Par)	\$9,060,000	\$50,755,000	\$59,815,000
Premium	<u>-0-</u>	<u>9,601,865</u>	<u>9,601,865</u>
Total Sources of Funds	\$9,060,000	\$60,356,865	\$69,416,865
 <u>Uses:</u>			
Deposit to Clean Water State Match Loan Fund	\$4,000,000		\$4,000,000
Deposit to Clean Water Leveraged Loan Fund		\$53,000,000	\$53,000,000
Deposit to Drinking Water State Match Loan Fund	5,000,000		\$5,000,000
Deposit to Drinking Water Leveraged Loan Fund		7,000,000	7,000,000
Cost of Issuance	<u>60,000</u>	<u>356,865</u>	<u>416,865</u>
Total Uses of Funds	\$9,060,000	\$60,356,865	\$69,416,865

ADDENDUM A

FEDERAL FISCAL YEAR 2013

INTENDED USE PLAN

**SOUTH DAKOTA
DRINKING WATER STATE REVOLVING FUND
FISCAL YEAR 2015 INTENDED USE PLAN**

INTRODUCTION

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

The state of South Dakota proposes to adopt the following Intended Use Plan (IUP) for the federal fiscal year 2015 as required under Section 1452(b) of the Safe Drinking Water Act and ARSD 74:05:11:03. The IUP describes how the state intends to use the Drinking Water SRF to meet the objectives of the Safe Drinking Water Act and further the goal of protecting public health. A public hearing was held on November 6, 2014, to review the 2015 Intended Use Plan and receive comments. The IUP reflects the results of this review.

The 2015 capitalization grant estimate used in the IUP is based on last year's allocation.

The IUP includes the following:

- Priority list of projects;
- Short- and long-term goals;
- Criteria and method of fund distribution;
- Funds transferred between the Drinking Water SRF and the Clean Water SRF;
- Financial status;

- Description and amount of non-Drinking Water SRF (set-aside) activities; and
- Disadvantaged community subsidies.

PRIORITY LIST OF PROJECTS

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

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

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

GOALS, OBJECTIVES, AND ENVIRONMENTAL RESULTS

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

The specific long-term objectives of the program are:

1. To maintain a permanent, self-sustaining SRF program that will serve in perpetuity as a financing source for drinking water projects and source water quality protection measures. This will necessitate that the amount of capitalization grant funds for non-Drinking Water SRF activities are reviewed annually to assure adequate cash flow to maintain the fund.
2. To fulfill the requirements of pertinent federal, state, and local laws and regulations governing safe drinking water activities, while providing the state and local project sponsors with maximum flexibility and decision making authority regarding such activities.

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

The specific short-term objectives of the program are:

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

5. To ensure the financial integrity of the Drinking Water SRF program through the review of the financial impacts of the set-asides and disadvantaged subsidies and individual loan applications and the ability for repayment.
6. To obtain maximum capitalization of the funds for the state in the shortest time possible while taking advantage of the provisions for disadvantaged communities and supporting the non-Drinking Water SRF activities.

Environmental Results

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

For fiscal year 2015, the specific measures are:

1. In fiscal year 2014, the fund utilization rate, as measured by the percentage of executed loans to funds available, was 92.0 percent, which exceeded the target goal of 90 percent. For fiscal year 2015, the goal of the Drinking Water SRF program is to maintain the fund utilization rate at or above 90 percent.
2. In fiscal year 2014, the rate at which projects progressed as measured by disbursements as a percent of assistance provided was 84.3 percent, which met the goal of 80 percent. For fiscal year 2015, the goal is to maintain the construction pace at 80 percent or higher.
3. For fiscal year 2015, the goal of the Drinking Water SRF program is to fund 15 loans, totaling \$45.6 million.

4. For fiscal year 2015, it is estimated that 22 projects will initiate operations.
5. For fiscal year 2015, it is estimated that 10 Small Community Planning Grants will be awarded to small systems to evaluate the system's infrastructure needs.
6. For fiscal year 2015, it is estimated that the South Dakota Association of Rural Water Systems will provide 1,500 hours of technical assistance to small systems.

CRITERIA AND METHOD OF FUND DISTRIBUTION

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

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

The interest rates for fiscal year 2015 are summarized in Table 1. Information regarding disadvantaged eligibility and subsidy level criteria can be found in the disadvantaged community subsidies section. The 10-year disadvantaged rate was established in November 2011. The other rates were last adjusted in February 2009.

	Up to 3 Yrs	Up to 10 Yrs	Up to 20 Yrs	Up to 30 Yrs
<u>Interim Rate</u>				
Interest Rate	2.00%			
Admin. Surcharge	<u>0.00%</u>			
Total	2.00%			
<u>Base Rate</u>				
Interest Rate		1.75%	2.50%	2.75%
Admin. Surcharge		<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total		2.25%	3.00%	3.25%
<u>Disadvantaged Rate - 100% of MHI</u>				
Interest Rate				2.50%
Admin. Surcharge				<u>0.50%</u>
Total				3.00%
<u>Disadvantaged Rate - 80% of MHI</u>				
Interest Rate		1.00%		1.75%
Admin. Surcharge		<u>0.25%</u>		<u>0.50%</u>
Total		1.25%		2.25%
<u>Disadvantaged Rate - 60% of MHI</u>				
Interest Rate				0.00%
Admin. Surcharge				<u>0.00%</u>
Total				0.00%

The interest rate includes an administrative surcharge as identified in Table 1. The primary purpose of the surcharge is to provide a pool of funds to be used for administrative purposes after the state ceases to receive capitalization grants. The administrative surcharge is also available for other purposes, as determined eligible by EPA and at the discretion of the Board of Water and Natural Resources and the department.

As of September 30, 2014, \$3.27 million of administrative surcharge funds are available.

Beginning in fiscal year 2005, administrative surcharge funds were provided to the planning districts to defray expenses resulting from SRF application preparation and project administration. Reimbursement is \$9,000 per approved loan with payments made in \$3,000 increments as certain milestones are met.

The American Recovery and Reinvestment Act (ARRA) of 2009 and subsequent capitalization grants have mandated implementation of Davis-Bacon prevailing wage rules. Under joint powers agreements between the planning districts and the department, the planning districts are to be reimbursed \$1,100 per project to oversee compliance with the Davis-Bacon wage rate verification and certification.

Administrative surcharge funds will again be provided to the planning districts to defray the cost of SRF application preparation and project administration, which includes Davis-Bacon wage rate verification and certification. The 2015 allocation for these activities will be \$150,000.

In fiscal year 2015, \$75,000 of administrative surcharge funds will be used for operator certification training.

Administrative surcharge funds will be used to provide grants to assist very small systems in violation of the Safe Drinking Water Act excluding the Total Coliform Rule. These funds will be limited to community systems with 50 or less connections and not-for-profit, non-transient non-community water systems. Funds will be provided for infrastructure projects as 100 percent grants up to a maximum of \$50,000 and for total project costs less than \$100,000. The fiscal year 2015 allocation for these activities will be \$250,000.

A requirement of the program is that a minimum of 15 percent of all dollars credited to the fund be used to provide loan assistance to small systems that serve fewer than 10,000 persons. Since the inception of the program, loans totaling over \$165.2 million have been made to systems meeting this population threshold, or 46.9 percent of the \$368.1 million of total funds available for loan. Attachment II – List of Projects to be funded in Fiscal Year 2015 identifies more than

\$45.6 million in projects, of which approximately \$40.0 million is for systems serving less than 10,000; therefore, the state expects to continue to exceed the 15 percent threshold.

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

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

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

The Safe Drinking Water Act Amendments of 1996 and subsequent Congressional action allows states to transfer an amount equal to 33 percent of its Drinking Water SRF capitalization grant to the Clean Water SRF or an equivalent amount from the Clean Water SRF to the Drinking Water SRF. States can also transfer state match, investment earnings, or principal and interest repayments between SRF programs and may transfer a previous year's allocation at any time.

South Dakota transferred \$15,574,320 from the Clean Water SRF to the Drinking Water SRF program in past years. In fiscal year 2006 and 2011, \$7.5 million of leveraged bond proceeds and \$10 million of repayments, respectively were transferred from the Drinking Water SRF program to the Clean Water SRF program. With the 2015 capitalization grant, the ability exists to transfer up to \$39.2 million from the Clean Water SRF program to the Drinking Water SRF program. More than \$37.3 million could be transferred from the Drinking Water SRF Program to the Clean Water SRF program.

Table 3 (page 10) itemizes the amount of funds transferred between the programs and the amount of funds available to be transferred.

No transfers are expected in fiscal year 2015.

FINANCIAL STATUS

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

Capitalization Grants/State Match: Federal capitalization grants are provided to the state annually. These funds must be matched by the state at a ratio of 5 to 1. The fiscal year 2015 capitalization grant is expected to be \$8,845,000 which requires \$1,769,000 in state match. Bond proceeds will be used to match 2015 capitalization grant funds.

For purposes of meeting fiscal year 2015 proportionality requirements, the South Dakota Drinking Water SRF program will document the expenditure of repayments and bond proceeds in an amount equivalent to the entire required state match.

Leveraged Bonds: The South Dakota Conservancy District has the ability to issue additional bonds above that required for state match, known as leveraged bonds. Previously, \$60.7 million in leveraged bonds have been issued for the Drinking Water SRF program. Leveraged bonds totaling \$7,000,000 were issued in October 2014.

Borrowers’ Principal Repayments: The principal repaid by the loan borrowers is used to make semi-annual leveraged bond payments. Any excess principal is available for loans. It is estimated that \$8.5 million in principal repayments will become available for loans in fiscal year 2015.

Interest Earnings: The interest repaid by the loan borrowers, as well as interest earned on investments, is dedicated to make semi-annual state match bond payments. Any excess interest is available for loans. It is estimated that \$4.5million in interest earnings will become available for loans in fiscal year 2015.

As of September 30, 2014, 251 loans totaling \$352,642,002 have been made.

At the beginning of fiscal year 2015, \$15,458,305 is available for loan. With the 2015 capitalization grant, state match, leveraged bonds, excess interest earnings, and repayments, approximately \$45.5 million will be available to loan. This information is provided in Attachment III, Drinking Water SRF Funding Status.

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

Administration	\$353,800
Small System Technical Assistance	\$176,900
Total for set-asides	\$530,700

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

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

excess revenues on deposit in the Clean Water SRF program, and vice versa.

The Safe Drinking Water Act included three provisions that call for a withholding of Drinking Water SRF grant funds where states fail to implement three necessary programmatic requirements. These provisions were assuring the technical, financial and managerial capacity of new water systems, developing a strategy to address the capacity of existing systems, and developing an operator certification program that complies with EPA guidelines. The State of South Dakota continues to meet the requirements of these provisions and will not be subject to withholding of funds.

Additional Subsidy - Principal Forgiveness

The 2010 and 2011 Drinking Water SRF appropriations mandated that not less than 30 percent of the funds made available for Drinking Water SRF capitalization grants shall be used by the State to provide additional subsidy to eligible recipients. The 2012 and 2013 capitalization grants mandated additional subsidy be provided in an amount not less than 20 percent, but not more than 30 percent, of the capitalization grants. Additional subsidy may be in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these).

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

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

- (1) Annual utility operating budgets;
- (2) Available local cash and in-kind contributions;
- (3) Available program funds;
- (4) Compliance with permits and regulations;
- (5) Debt service capability;
- (6) Economic impact;
- (7) Other funding sources;
- (8) Qualification as a Green Project Reserve project;
- (9) Readiness to proceed;
- (10) Regionalization or consolidation of facilities;
- (11) Technical feasibility;
- (12) Utility rates; and
- (13) Water quality benefits.

Table 2 summarizes the amounts of principal forgiveness provided to date.

Table 2 – Principal Forgiveness Status

FFY	Principal Forgiveness	
	Minimum	Maximum
2010	\$4,071,900	\$13,573,000
2011	\$2,825,400	\$9,418,000
2012	\$1,795,000	\$2,692,500
2013	\$1,684,200	\$2,526,300
2014	\$1,769,000	\$2,653,500
2015 (est.)	\$1,769,000	\$2,653,500
	\$13,914,500	\$33,516,800

Awarded from 2010 grant	\$13,504,075
Awarded from 2011 grant	\$9,418,000
Awarded from 2012 grant	\$2,692,000
Awarded from 2013 grant	\$2,526,300
Awarded from 2014 grant	\$2,198,333

It is anticipated that the 2015 capitalization grant will include the ability to award principal forgiveness. Attachment II - List of Projects to be Funded in FY 2015 identifies \$2,597,000 in potential principal forgiveness.

Green Project Reserve

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

Sufficient funds have been awarded to qualifying projects to meet the 2010 and 2011 Green Project Reserve requirement. The 2012 - 2014 capitalization grants were not subject to the Green Project Reserve requirement.

The Green Project Reserve requirement is not anticipated to be reinstated with the 2015 capitalization grant.

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

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

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

Administration. Four percent of the fiscal year capitalization grant (\$353,800) will be allocated to administer the Drinking Water SRF program. This is the maximum allowed for this purpose.

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

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

Small system technical assistance. Two percent of the capitalization grant (\$176,900) will be allocated to provide technical assistance to public water systems serving 10,000 or fewer. This is the maximum allowed for this purpose.

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

In fiscal year 1997, the board contracted with the South Dakota Association of Rural Water Systems to help communities evaluate the technical, managerial, and financial capability of its water utilities. These contracts have been renewed periodically to allow the continuation of assistance activities. The Rural Water Association provides such on-site assistance as leak detection, consumer confidence reports, water audits, board oversight and review, treatment plant operations, operator certification, and rate analysis.

To promote proactive planning within small communities, the Small Community Planning Grant program was initiated in fiscal year 2001. Communities are reimbursed 80 percent of the cost of an engineering study,

with the maximum grant amount for any study being \$8,000.

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

To assure available funds to support the existing small system technical assistance endeavors, \$176,900 from the fiscal year 2015 capitalization grant will be allocated to this set-aside. Unused funds from previous years' set-aside for small system technical assistance are banked for use in future years. Currently, \$208,318 remains from previous years' allocations to be used for the purposes described above.

State program management. The state may use up to 10 percent of its allotment to (1) administer the state PWSS program; (2) administer or provide technical assistance through water protection programs, including the Class V portion of the Underground Injection Control program; (3) develop and implement a capacity development strategy; and (4) develop and implement an operator certification program. A dollar-for-dollar match of capitalization funds must be provided for these activities.

No funds will be set-aside for these activities in federal fiscal year 2015.

Local assistance and other state programs. The state can fund other activities to assist development and implementation of local drinking water protection activities. Up to 15 percent of the capitalization grant may be used for the activities specified below, but not more than 10 percent can be used for any one activity. The allowable activities for this set-aside are: (1) assistance to a public water system to acquire land or a conservation easement for source water protection; (2) assistance to a community water system to implement voluntary, incentive-based source

water quality protection measures; (3) to provide funding to delineate and assess source water protection areas; (4) to support the establishment and implementation of a wellhead protection program; and (5) to provide funding to a community water system to implement a project under the capacity development strategy.

No funds will be set-aside for these activities in federal fiscal year 2015. There remains \$200,331 from prior years' allocations. It is anticipated that a portion of these funds will be used by the Midwest Assistance Program (MAP). Since 2008, MAP has been assisting communities that received an SRF loan and recommendations were made in the capacity assessment to improve the technical, financial, or managerial capacity of the system. In addition, the Midwest Assistance Program has assisted in the review of capacity assessments required as part of the Drinking Water SRF loan applications. The DENR and the Midwest Assistance Program will continue the partnership as needed.

DISADVANTAGED COMMUNITY SUBSIDIES

Communities that meet the disadvantaged eligibility criteria described below may receive additional subsidies. This includes communities that will meet the disadvantaged criteria as a result of the project.

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

- (1) for municipalities and sanitary districts:
 - (a) the median household income is below the state-wide median household income; and
 - (b) the monthly residential water bill is \$25 or more for 5,000 gallons usage; or

(2) for other community water systems:

- (a) the median household income is below the state-wide median household income; and
- (b) the monthly water bill for rural households is \$55 or more for 7,000 gallons usage.

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

Affordability criteria used to determine subsidy amount. Loans given to disadvantaged communities may have a term up to 30 years or the expected life of the project, whichever is less. Disadvantaged communities below the statewide median household income, but at or greater than 80 percent, are eligible to extend the term of the loan up to 30 years. Disadvantaged communities below 80 percent of the statewide median household income, but at or greater than 60 percent may receive up to a two percentage point reduction in interest rates. See Table 1 on page 3 for the disadvantaged interest rate for fiscal year 2015. Disadvantaged communities with a median household income less than 60 percent of the statewide median household income may receive a zero percent loan.

Amount of capitalization grant to be made available for providing additional subsidies. Additional subsidy as mandated under recent capitalization grants is provided as described previously. Disadvantaged communities are eligible for additional subsidy in the form of principal forgiveness.

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

Table 3 - Amounts Available to Transfer between State Revolving Fund Programs

Year	DWSRF Capitalization Grant	Amount Available for Transfer	Banked Transfer Ceiling	Amount Transferred from CWSRF to DWSRF	Amount Transferred from DWSRF to CWSRF	Transfer Description	CWSRF Funds Available to Transfer	DWSRF Funds Available to Transfer
1997	\$12,558,800	\$4,144,404	\$4,144,404				\$4,144,404	\$4,144,404
1998	\$7,121,300	\$2,350,029	\$6,494,433				\$6,494,433	\$6,494,433
1999	\$7,463,800	\$2,463,054	\$8,957,487				\$8,957,487	\$8,957,487
2000	\$7,757,000	\$2,559,810	\$11,517,297				\$11,517,297	\$11,517,297
2001	\$7,789,100	\$2,570,403	\$14,087,700				\$14,087,700	\$14,087,700
2002	\$8,052,500	\$2,657,325	\$16,745,025	\$7,812,960		CW Cap Grant/Match	\$8,932,065	\$16,745,025
2003	\$8,004,100	\$2,641,353	\$19,386,378	\$7,761,360		CW Cap Grant/Match	\$3,812,058	\$19,386,378
2004	\$8,303,100	\$2,740,023	\$22,126,401				\$6,552,081	\$22,126,401
2005	\$8,352,500	\$2,756,325	\$24,882,726				\$9,308,406	\$24,882,726
2006	\$8,229,300	\$2,715,669	\$27,598,395		\$7,500,000	Leveraged Bonds	\$12,024,075	\$20,098,395
2007	\$8,229,000	\$2,715,570	\$30,313,965				\$14,739,645	\$22,813,965
2008	\$8,146,000	\$2,688,180	\$33,002,145				\$17,427,825	\$25,502,145
2009	\$8,146,000	\$2,688,180	\$35,690,325				\$20,116,005	\$28,190,325
2010	\$13,573,000	\$4,479,090	\$40,169,415				\$24,595,095	\$32,669,415
2011	\$9,418,000	\$3,107,940	\$43,277,355		\$10,000,000	Repayments	\$27,703,035	\$25,777,355
2012	\$8,975,000	\$2,961,750	\$46,239,105				\$30,664,785	\$28,739,105
2013	\$8,421,000	\$2,788,930	\$49,018,035				\$33,443,715	\$31,518,035
2014	\$8,845,000	\$2,918,850	\$51,936,885				\$36,362,565	\$34,436,885
2015 (est.)	\$8,845,000	\$2,918,850	\$54,833,625				\$39,259,305	\$37,333,625

ATTACHMENT I

PROJECT PRIORITY LIST

Attachment I is a comprehensive list of projects that are eligible for Drinking Water SRF loans. This list was developed from State Water Plan applications. Inclusion on the list carries no obligations to the Drinking Water SRF program. Attachment II lists those projects expected to be funded in fiscal year 2015.

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan-taged
330	Edgemont	C462216-01	<i>Problem:</i> the town's water supply is four free flowing wells that are exceeding the maximum contaminant level for Gross Alpha and the towns distribution system and underground concrete reservoirs are old and in poor condition. <i>Project:</i> re-case the existing wells, construct a new storage reservoir and water treatment system, and replace and reconfigure the distribution system to bring water from all four wells to the new storage reservoir.	\$5,098,000	2.25%, 30 years	867	Yes
161	Sioux Rural Water System	C462433-01	<i>Problem:</i> the peak day usage has exceeded the design capacity of the system's two water treatment plants and is near the firm capacity of the wells supplying the system. <i>Project:</i> expand the capacity of the two water treatment plants, add two new wells, and install new lines to provide looping in several areas.	\$4,730,000	3.00%, 20 years	5,414	
155	Mid-Dakota Rural Water System	C462430-05	<i>Problem:</i> the water system currently utilizes a self-read billing system that is inefficient. <i>Project:</i> convert approximately 5,600 water meters to utilize an automatic meter reading system and install base towers as needed.	\$2,700,000	2.25%, 10 years	32,000	Yes
148	Big Sioux Community Water System	C462439-02	<i>Problem:</i> the city of Madison has an inadequate supply that has also had water quality issues, and the system itself has inadequate supplies to meet current peak demands. <i>Project:</i> the system	\$2,972,700	3.00%, 20 years	18,000	

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
			will connect to Minnehaha Community Water Corporation to provide additional water coming from the Lewis & Clark Regional Water system supply and construct approximately 15 miles of new 12- and 10-inch PVC watermain to supply current users and the city of Madison with water.				
128	Woodland Hills Homeowners Association	C462469-02	<i>Problem:</i> the distribution system is unmetered, leaking excessively and experiencing freezing problems due to inadequate burial depth. <i>Project:</i> install water meters and replace the distribution system.	\$375,000	3.00%, 20 years	250	
99	Onida	C462234-01	<i>Problem:</i> the city's distribution system is asbestos cement pipe which may present health concerns, the distribution system has several dead end lines, the meters are old and in need of replacement, and does not have adequate water storage capacity. <i>Project:</i> replace nearly 20,000 feet asbestos cement pipe, provide looping to eliminate dead ends, install approximately 400 new remote read water meters, install a meter reading system, and replace the existing storage tank with a 200,000 elevated water storage tank.	\$5,450,000	3.00%, 20 years	658	
90	Flandreau	C462125-01	<i>Problem:</i> the city's distribution system is over 50 years old and experiencing breaks, the distribution system has several dead end lines and the meters are old and in need of replacement. <i>Project:</i> replace nearly 5,300 feet of PVC pipe to replace the existing pipe, provide looping to eliminate dead ends, install approximately 800 new remote read water meters and install a meter reading system.	\$2,560,000	3.00%, 30 years	2,341	Yes
90	Tyndall	C462131-03	<i>Problem:</i> the city's distribution system is asbestos cement and cast iron pipe which may present health concerns, has several dead end	\$4,700,000	2.25%, 30 years	1,067	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
84	Alcester	C462212-01	lines, and does not have adequate water storage capacity. <i>Project:</i> replace nearly 25,000 feet asbestos cement and cast iron pipe, provide looping to eliminate dead ends and replace the existing storage tank with a 200,000 elevated water storage tank.	\$1,478,000	3.00%, 30 years	807	Yes
83	Buffalo	C462245-01	<i>Problem:</i> much of the city's water mains are cast iron that is in need of replacement. <i>Project:</i> replace approximately 9,000 feet of cast iron water main.	\$1,409,000	2.25%, 30 years	346	Yes (Pending rate increase)
80	Eagle Butte	C462148-04	<i>Problem:</i> the city's distribution system is predominately old asbestos cement pipe that is in need of replacement and other areas served by undersized lines. <i>Project:</i> replace approximately 9,100 feet of water main.	\$725,000	0%, 30 years	1,318	Yes
74	Avon	C462242-01	<i>Problem:</i> the city's meters are obsolete and unserviceable. <i>Project:</i> replace approximately 330 water meters and install an automatic meter reading system.	\$469,800	2.25%, 10 years	590	Yes
74	Humboldt	C462254-02	<i>Problem:</i> the city's meters are obsolete and unserviceable. <i>Project:</i> replace approximately 300 water meters and install an automatic meter reading system.	\$240,000	2.25%, 10 years	581	
74	Plankinton	C462110-02	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 380 water meters and install drive by meter reading system.	\$196,000	2.25%, 10 years	707	
74	Wessington Springs	C462210-01	<i>Problem:</i> the city's meters are old and in need of replacement. <i>Project:</i> replace approximately 540 water meters and install an automatic meter	\$530,000	2.25%, 10 years	956	

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
57	Kranzburg	C462351-01	reading system. <i>Problem:</i> the distribution system consists primarily of 2-inch copper and polyethylene lines in need of replacement. <i>Project:</i> install a new distribution system and turn the operation of the system over to Sioux Rural Water.	\$1,311,000	3.00%, 20 years	172	
47	Brandon	C462032-02	<i>Problem:</i> the distribution system has several dead-end lines, the community does not have adequate water supply with the largest producing well out of service and does not have adequate water storage capacity. <i>Project:</i> loop portions of the distribution system and construct a new well and water tower.	\$15,811,000	3.00%, 20 years	8,785	
42	Conde	C462082-01	<i>Problem:</i> the distribution system has several dead-end lines, has experienced excessive line breaks and the community does not have adequate water storage capacity. <i>Project:</i> loop portions of the distribution system, replace the brittle ductile iron pipe and construct a new water tower.	\$3,442,700	3.00%, 30 years	140	Yes
38	Emery	C462248-01	<i>Problem:</i> the distribution system consists primarily of old cast iron lines and very few of the valves on the mainline or service lines are operable. <i>Project:</i> install approximately 16,600 feet of PVC line to replace the cast iron lines, install 73 gate valves, and 157 service lines.	\$1,962,000	2.25%, 30 years	439	Yes
32	Minnehaha Community Water Corporation	C462440-02	<i>Problem:</i> the city of Madison and Big Sioux Community Water System have an inadequate supply of water to meet current peak demands; Madison has also had water quality issues. <i>Project:</i> the system will connect to Big Sioux Community Water System to provide additional water coming from the Lewis & Clark Regional Water system supply and construct approximately 10 miles of new 8- and 16-inch	\$1,800,000	3.00%, 20 years	6,474	

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
28	Stickney	C462185-01	PVC watermain to supply Big Sioux CWS and the city of Madison with water. <i>Problem:</i> approximately one-half of the distribution system consists of asbestos concrete pipe that is in need of replacement and the water meters are outdated. <i>Project:</i> replace approximately 14,000 feet of asbestos concrete pipe with PVC and replace water meters.	\$2,172,000	3.00%, 30 years	284	Yes
26	Lead-Deadwood Sanitary District	C462002-02	<i>Problem:</i> the Peake Ditch raw water source has limited use due to a landslide that damaged a portion of the water line. <i>Project:</i> abandon approximately 17,200 feet of the existing line and replace it with approximately 16,600 feet of new HDPE line.	\$1,061,000	3.00%, 20 years	4,556	
21	Canton	C462039-02	<i>Problem:</i> the city has two wells that can no longer be used due to non-operational equipment and other wells are experiencing decreasing capacity, and the high service pumps that fill the water tower are in need of replacement. <i>Project:</i> install two new wells and replace the high service pumps.	\$1,741,000	3.00%, 20 years	3,057	
21	Dakota Dunes Community Improvement District	C462035-02	<i>Problem:</i> the existing 500,000-gallon clear well at the water treatment plant lacks the capacity to meet the community's peak daily demand of 1,000,000 gallons and the high service pumps are not sized to provide pump capacity if any single unit is off-line. <i>Project:</i> construct a 500,000-gallon ground storage reservoir and install a third high service pump to provide redundancy.	\$1,600,000	3.00%, 20 years	2,744	
21	Hot Springs	C462040-02	<i>Problem:</i> the city's raw water pumping system does not have capacity to provide adequate water in the event one of the two pumping stations is out of commission, the storage capacity is less than a peak day, and the system	\$3,850,000	2.25%, 30 years	4,129	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
20	Colonial Pine Hills Sanitary District	C462270-04	does not have adequate well supply. <i>Project:</i> install a new well and pump house, construct a new 3-million gallon water tower, and develop a new Madison well. <i>Problem:</i> the existing water distribution line on Pinewood Drive is undersized and constructed of material with two low of a pressure class resulting in low pressures and many leaks. <i>Project:</i> install approximately 2,800 feet of PVC pipe to replace the existing pipe and necessary appurtenances.	\$494,000	3.00%, 20 years	1,200	
17	Canyon Springs Sanitary and Water District	C462478-01	<i>Problem:</i> the system is supplied by only one well, has an area that experiences low pressures, and dead-end lines exist within the distribution system. <i>Project:</i> drill an additional well to provide redundancy, install a booster station, and loop the dead-end lines.	\$1,903,000	3.00%, 20 years	36	
16	Hartford	C462104-04	<i>Problem:</i> the system is supplied by a single 8-inch water line which is susceptible to breaks and there is no other water supply for the community. <i>Project:</i> construct an additional water supply line to provide a looped system to prevent interruptions in service.	\$711,200	3.00%, 20 years	2,534	
10	Elk Point	C462059-06	<i>Problem:</i> the water line under Rose Street consists of old ductile iron pipe that is susceptible to corrosion. <i>Project:</i> replace the ductile line with approximately 2,500 feet of PVC pipe.	\$1,750,000	3.00%, 20 years	1,963	
10	Miller	C462128-02	<i>Problem:</i> a portion of the city's distribution system consists of asbestos cement pipe that is experiencing excessive breaks. <i>Project:</i> replace approximately 53,000 feet of asbestos cement pipe with PVC pipe.	\$6,300,000	3.00%, 30 years	1,489	Yes (Pending rate increase)
8	Bridgewater	C462112-01	<i>Problem:</i> a portion of the city's distribution system consists of cast iron pipe that is	\$218,900	3.00%, 30 years	492	Yes

Priority Points	Community/ Public Water System	Project Number	Project Description	Est. Loan Amount	Expected Loan Rate & Term	Pop. Served	Dis-advan- taged
4	Hoven	C462253-02	experiencing excessive breaks. <i>Project:</i> replace approximately 700 feet of cast iron pipe with PVC pipe. <i>Problem:</i> the distribution system consists primarily of cast iron pipe that is old and is in need of repair. <i>Project:</i> replace cast iron pipe with PVC pipe.	\$353,000	3.00%, 30 years	406	Yes
4	New Underwood	C462257-02	<i>Problem:</i> the city's elevated storage tank is located over ½-mile outside city limits and connects to the distribution system with one 6-inch line, which is inadequately sized and provides no back-up delivery method. <i>Project:</i> construct a parallel 10-inch line to connect the elevated storage tank to the distribution system.	\$280,000	3.00%, 30 years	616	Yes
4	Wessington Springs	C462210-02	<i>Problem:</i> a portion of the city's distribution system consists of asbestos cement pipe that is experiencing excessive breaks. <i>Project:</i> replace approximately 860 feet of asbestos cement pipe with PVC pipe and related appurtenances.	\$164,400	3.00%, 30 years	956	Yes

ATTACHMENT II – LIST OF PROJECTS TO BE FUNDED IN FISCAL YEAR 2015

Priority Points	Loan Recipient	Project Number	Assistance Amount	Principal Forgiveness ¹	Funding Date	Expected Funding Source ²
	<i>Green Project Reserve</i>					
LOANS EXPECTED						
155	Mid-Dakota Rural Water System	C462430-05	\$2,700,000	\$270,000	Jan. 2015	2014/2015
80	Eagle Butte	C462148-04	\$725,000	\$75,000	Jan. 2015	2015
21	Dakota Dunes Community Improvement District	C462035-02	\$1,600,000	\$160,000	Jan. 2015	2015
20	Colonial Pine Hills Sanitary District	C462270-04	\$400,000	\$40,000	Jan. 2015	2015
4	Hoven	C462253-02	\$353,000	\$35,000	Jan. 2015	2015
161	Sioux Rural Water System	C462433-01	\$4,730,000	\$200,000	March 2015	2015
148	Big Sioux Community Water System	C462439-02	\$2,972,700	-0-	March 2015	Repayments
128	Woodland Hills Homeowners Association	C462469-02	\$375,000	\$37,000	March 2015	Repayments
47	Brandon	C462032-02	\$15,811,000	\$380,000	March 2015	2015/Lev. Funds
32	Minnehaha Community Water Corporation	C462440-02	\$1,800,000	-0-	March 2015	Repayments
90	Flandreau	C462125-01	\$2,560,000	\$250,000	June 2015	Repayments
83	Buffalo	C462148-03	\$1,409,000	\$140,000	June 2015	Repayments
21	Canton	C462039-02	\$1,741,000	\$170,000	June 2015	Repayments
28	Stickney	C462185-01	\$2,172,000	\$210,000	Sept. 2015	Repayments
10	Miller	C462128-02	\$6,300,000	\$630,000	Sept. 2015	Repayments

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

2. Projects identified using 2015 capitalization grant funds are for equivalency requirements planning purposes only, actual projects used for capitalization grant equivalency will be identified on the fiscal year 2015 annual report.

**ATTACHMENT III
PROGRAM FUNDING STATUS**

Fiscal Years 1997 - 2014

Capitalization Grants	\$157,625,698
State Match	\$31,525,140
ARRA Grant	\$19,500,000
Set-Asides	(\$10,059,116)
Transfer of FY 2002 & 2003 Clean Water Capitalization Grant and State Match	\$15,574,320
Transfer of DWSRF Repayments	(\$10,000,000)
Leveraged Bonds	\$60,725,699
Excess Interest as of September 30, 2014	\$34,280,035
Excess Principal as of Sept. 30, 2014	<u>\$68,928,531</u>
 Total Funds Dedicated to Loan	 \$368,100,307
 Loans made through September 30, 2014	 <u>(\$352,642,002)</u>
 Balance of funds as of September 30, 2014	 \$15,458,305

Fiscal Year 2015 Projections

Capitalization Grants	\$8,845,000
State Match	\$1,769,000
Set-Asides	(\$530,700)
Projected Excess Principal Repayments	\$8,500,000
Projected Unrestricted Interest Earnings	\$4,500,000
Leveraged Bonds	\$7,000,000
Projected Fiscal Year 2015 Loan Sub-total	<u>\$30,083,300</u>
 Total Funds Available for Loans	 <u><u>\$45,541,605</u></u>
 Loan Amount Identified on Attachment II - List of Projects to be Funded in Fiscal Year 2015	 <u><u>\$45,648,700</u></u>

Administrative Surcharge Funds Available as of September 30, 2013	
Program Income	\$1,631,736
Non-Program Income	<u>\$1,638,915</u>
Total	<u>\$3,270,651</u>