



STATE OF CONNECTICUT

State Revolving Fund Programs:

Clean Water Fund

2010 Annual Report



Connecticut Clean Water Fund

Supporting the Planning, Design, and Construction of Municipal Water Quality Projects



Amey Marrella

Commissioner

Department of Environmental Protection

Administration of Connecticut's Clean Water Fund



Denise L. Nappier

State Treasurer

Financial administration of Clean Water Fund accounts, oversight of loans, and administration of the Clean Water Fund bond financing plan



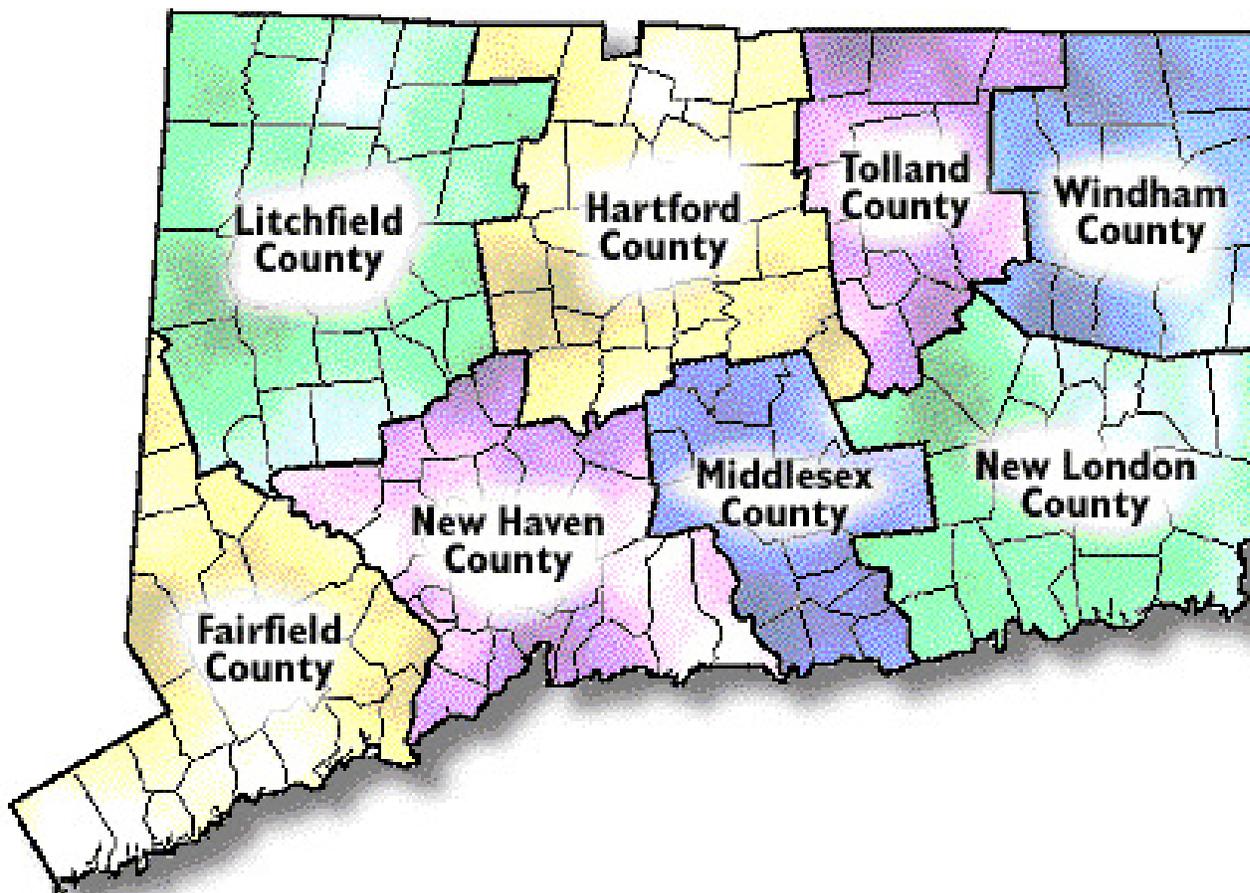
Aerial view of Meriden Water Pollution Control Facility

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COMMUNITIES SERVED BY THE CONNECTICUT CLEAN WATER FUND

As of June 30, 2010



Fairfield County: Bethel, Bridgeport, Brookfield, Danbury, Darien, Fairfield, Greenwich, New Canaan, Newtown, Norwalk, Redding, Ridgefield, Shelton, Stamford, Stratford, Trumbull, Westport

Hartford County: Bristol, Burlington, Canton, East Windsor, Enfield, Farmington, Manchester, Marlborough, MDC, New Britain, Plainville, Simsbury, Southington, South Windsor, Suffield, Windsor Locks

Litchfield County: Canaan, Goshen (Woodridge Lake), Litchfield, New Hartford, New Milford, Norfolk, North Canaan, Plymouth, Salisbury, Sharon, Thomaston, Torrington, Watertown, Winchester

Middlesex County: Chester, Clinton, Cromwell, Deep River, East Haddam, East Hampton, Essex, Middlefield, Middletown, Old Saybrook, Portland, Westbrook

New Haven County: Ansonia, Beacon Falls, Branford, Cheshire, Derby, East Haven, Guilford, Hamden, Meriden, Middlebury, Milford, Naugatuck, New Haven (GNHWPCA), North Branford, North Haven, Orange, Oxford, Seymour, Southbury, Wallingford, Waterbury, West Haven, Wolcott, Woodbridge

New London County: East Lyme, Groton, Jewett City, Ledyard, New London (incl Point-O'-Woods), Norwich, Seymour, Sprague, Stonington, Waterford

Tolland County: Bolton Lakes WPCA, Coventry, Hebron, Stafford, Storrs (UCONN), Tolland, Vernon

Windham County: Ashford, Brooklyn, Killingly, Plainfield, Putnam, Thompson, Willimantic, Windham, Woodstock

REPORT INTRODUCTION

This report is the Annual Report to the Governor on the Connecticut Clean Water Fund for the fiscal year ending June 30, 2010. It has been prepared jointly by the Bureaus of Water Protection and Land Reuse and Financial and Support Services within the Department Environmental Protection, and the Debt Management Division of the Office of the State Treasurer.

This report includes the history of the Connecticut Clean Water Fund and the Clean Water State Revolving Fund, a review of project financing during FY 2010, and projections of project funding and the management initiatives for FY 2011.

As a major recipient of federal financial assistance, the State must provide audited statements and comply with the federal Single Audit Act of 1984 as well as the federal Clean Water Act, as amended. A firm of independent certified public accountants has prepared the audited statements for the fiscal year that ended June 30, 2010, as provided in this report.

This report includes references to the Drinking Water State Revolving Fund (Drinking Water SRF) for which a separate annual report is available. Copies of this and previous annual reports since 2001 are available at the State Treasurer's website at www.state.ct.us/ott.

The Connecticut Clean Water Fund includes the Clean Water State Revolving Fund program that provides financing for projects that have been identified by the Department of Environmental Protection as priorities for ensuring compliance with state and federal water quality standards.



Connecticut River in Downtown Hartford

EXECUTIVE SUMMARY

Within Connecticut's borders, there are approximately 450,000 acres of wetlands, 6,000 miles of streams and rivers, over 2,000 lakes and reservoirs, and 600 square miles of estuarine water in the Long Island Sound. Sustaining these resources for today and tomorrow is a critical goal of the State of Connecticut and the primary purpose for the creation of the Connecticut Clean Water Fund (CWF) and its programs. The largest of the CWF programs is the Connecticut Clean Water State Revolving Fund Program (Clean Water SRF or CWSRF). The Clean Water SRF supports municipal wastewater infrastructure projects throughout the State and is a designated federal state revolving fund.

The CWF partners with local governments in building and financing projects that improve water quality and protect public health while sustaining the State's significant natural resources. The CWF is one of the most generous in the United States with 100% project financing which includes grants for a percentage of the project cost and subsidized 2% interest rate loans for the balance of the project cost.

There is significant coordination of efforts among the agencies of the State with Clean Water SRF responsibilities. The Connecticut Department of Environmental Protection (DEP), the agency that carries out the environmental policies of the State, manages the CWF programs. The DEP Bureau of Water Protection and Land Reuse administers the programs with the support of the Bureau of Financial and Support Services. Through a Memorandum of Understanding with the DEP, the Office of the State Treasurer manages the bond-financing program and the financial management and administration of the loan program.

“The program has provided wastewater infrastructure development in areas of Connecticut where more than 65% of the population resides.”

Several water quality and environmental protection needs are addressed through programs and projects financed through the CWF. This report discusses major accomplishments and activities for fiscal year 2010 and initiatives planned for fiscal year 2011. Through various statutes and regulations, DEP uses the CWF to focus on specific stream segments or bodies of water where municipal discharges have resulted in the impairment of a designated use or pose a significant public health risk, and for which the reduction of pollution will substantially restore surface or groundwater uses. As of June 30, 2010, the CWF had made commitments totaling \$2.2 billion in grant and loan assistance to 92 communities including 14 municipalities that participate in regional districts or authorities. The program has continued to provide wastewater infrastructure development in areas of Connecticut where more than 65% of the population resides. The CWF also supports activities in the Nitrogen Credit Exchange Program and other special programs and projects.

Primary sources of funding for the CWF programs are state general obligation and revenue bonds, as managed by the Office of the State Treasurer, and federal capitalization grants through the Clean Water Act with annual appropriations through the U.S. Environmental Protection Agency (EPA). The Clean Water SRF also received federal economic stimulus funding under the American Recovery and Reinvestment Act (ARRA) of 2009 and continued to expend those funds through 2010. The amended Priority List (managed by the DEP) for 2010 was amended and expanded to include additional projects as a result of the federal economic stimulus funding received under the ARRA.

SUMMARY OF ACTIVITIES AND ACCOMPLISHMENTS

The State of Connecticut's progress in building and improving the capacity of the local wastewater systems by working closely with cities and towns continued through 2010. As a result, the quality of water in Connecticut's rivers and streams continually improved, and consistent with the State's water quality management plans, the flow of nitrogen and other pollutants into Long Island Sound is being reduced.

The 2008 U.S. EPA Clean Watershed Needs Survey estimates that the overall need for improvements in Connecticut is approximately \$4.7 billion, including treatment plant construction and combined sewer overflow correction needs that are expected to exceed \$2.7 billion. These estimates do not include needed efforts to reduce phosphorus levels that could add over \$500 million to the total needs. Based on these estimates and with the provisions of the state-funded grants and low interest loan program, the DEP estimates that 65% of these costs are expected to be financed through the Clean Water SRF loan program.

Resources to meet existing and future needs, and support for the creation, development, and implementation of new program initiatives are continued priorities for the State. In fiscal year 2010, the State demonstrated its commitment to the Clean Water Fund programs with annual authorizations and consistent staffing levels. In the midst of the current economic crunch experienced by most states including Connecticut, the State provided bonding authorizations for the program of \$65 million in general obligation bonds and \$80 million in revenue bonds, as shown in Appendix I. These authorizations help to keep the State on track in meeting its environmental program goals.

Loan Program

The State partners with local governments in building and financing projects that improve water quality and protect public health while sustaining its significant natural resources. Connecticut recognizes the need for construction funds to be available year round, and with its generous 100% project financing program, participants received a package of financing including short- and long-term loans and grants.

Projects on the Priority List can enter into a loan agreement with interim financing. Loans are permanently financed after borrowers completely expend the project funds under their interim loan. Five loan commitments closed during FY 2010 totaling \$169.6 million, as shown on the list of closed loans in Appendix IV. The projects are for planning and design, treatment plant upgrades and system improvements as required by several DEP consent orders. During fiscal year 2010, the State disbursed \$108.9 million for Clean Water projects. On the loan portion, each borrower is obligated to repay the

Progress in Water Quality

- ✓ *Quality of water in Connecticut's rivers and streams continually improves*
- ✓ *Flow of nitrogen and other pollutants reduced*

Progress in CWF

- ✓ *Disbursed over \$100 million for high priority water quality projects in 2010*
- ✓ *Bond program enables low interest financing and effective use of financial resources to meet existing water quality needs*
- ✓ *Support for the creation, development, and implementation of new program initiatives*

principal amount at a subsidized interest rate of 2%. In fiscal year 2010, borrower repayments including principal and interest totaled \$ 74.9 million.

State Grant Program

The State makes payments to the CWF to supplement project financing. To date, the municipalities have received \$512.3 million in CWF grants and \$70.1 million in total Long Island Sound (LIS) grants funded by general obligation bonds.

From 1991 to 2001, the State also subsidized debt service on the SRF bonds. Due to the issuance of bonds, the total commitment by the State is \$55.7 million for interest subsidy. Due to refundings, the State approved a change in the use of the proceeds of the bonds issued for interest subsidy and these funds are now used to provide the required match for the Drinking Water SRF.

Clean Water Leveraged Program

The State leverages the assets of the CWF programs by issuing tax-exempt bonds to provide construction loans to program participants. Connecticut is authorized to issue bonds to provide subsidized financing for water quality improvement projects. Federal grants, State matching funds, and recycling of amounts paid back by previous borrowers are used to cover debt service on the bonds. As of June 30, 2010, the State had issued revenue bonds that provided \$1.35 billion in Clean Water SRF loans.

As mentioned previously, loans issued since program inception have a borrower rate of 2 percent. As the interest rate on the bonds is higher than the 2% loan rate, borrowers receive a subsidy equal to the difference between the rates. Debt service on the Clean Water SRF bonds is paid from a combination of several sources: borrower loan repayments, interest earnings on the assets of the fund, capitalization grants, and accumulated subsidy payments provided by the State.

Investment Interest Earnings

Restricted program assets are held for the program and used as security for all bonds. As of June 2010, the State held \$1.15 billion in clean water restricted assets that were invested in the State's Short Term Investment Fund and guaranteed investment contracts. Earnings on these investments are used to pay a portion of the debt service on the SRF bonds. In FY 2010, earnings accounted for approximately 20.9% of debt service, totaling \$16.9 million. As bonds are repaid or based on established schedules, invested funds are released and reinvested to support the sustainability of the program. In FY 2010, \$7.7 million was reinvested by the Clean Water SRF and made available for future bond issues to fund new loans.

Clean Water Projects

As outlined in the biennial Intended Use Plan (IUP), all SRF projects are subject to the rigorous environmental review procedures of the Connecticut Environmental Policy Act. The SRF program continues to meet the goals established in the IUP, providing loans for a wide variety of projects. The primary recipients of Clean Water loans have been combined sewer overflow, wastewater treatment, and wastewater collection projects, although other projects such as drainage improvements, landfill closures, brownfields remediation, renewable energy projects, and other nonpoint source projects are eligible for funding.

The following highlights and accomplishments of 2010 clearly embody the CWF and Clean Water SRF program goals.

Financial and administrative management as well as engineering oversight was provided for multiple projects. Those projects included 51 active and 5 new CWF projects. Support was provided for active planning and design projects within Bridgeport, Cheshire, Clinton, Fairfield, Manchester, Mattabassett (Middlefield), Norwich, and Suffield. Support was also provided for the EPA's State and Tribal Assistance Grants (STAG) program and the implementation of the ARRA. A review of the program processes by DEP and the Treasurer's Office facilitated the incorporation of the ARRA reporting requirements, and documents have been modified or created to ensure consistent compliance.

Provided financial, administrative, technical, and engineering oversight for major construction of wastewater treatment plant projects designed to update the capacity and reliability of each plant for 20 years and remove nitrogen to aid in the protection of Long Island Sound water quality, including:

- Construction projects by the MDC to comply with a State Consent Order on combined sewer overflow correction and the EPA Consent Decree to eliminate sanitary sewer overflows.
- Infiltration and inflow removal projects in the MDC and the Greater New Haven Water Pollution Control Authority (GNHWPCA) sewer systems.
- For the first time, the creation of a new Decentralized Wastewater Management District in Connecticut. This approach to resolve community pollution problems incorporates the upgrade of individual on-site systems.

Each of these projects will contribute to the reduction of combined sewer overflow volumes and assist in attaining water quality standards for the discharge areas after rainfall events.

The biennial Project Priority List was redeveloped and completed consistent with the State budgeting process. The current list identifies the number and the amount of projects that will be eligible for funding based on anticipated capital budget appropriations for fiscal years 2010 and 2011. An amended Priority List for 2010 including the ARRA federal economic stimulus funding was approved on April 22, 2009. The final biennial Priority List for 2010-2011 was issued on June 25, 2010.

Conducted technical reviews on construction plans and specifications for nitrogen removal projects at wastewater treatment plants in South Windsor, New Hartford, New Haven, Hartford, Norwalk and Manchester. Support was also provided for denitrification improvements by the MDC. Each of these projects is providing cost-effective solutions for nitrogen removal to aid in the improvement of water quality in Long Island Sound.

The Minority Businesses/Women Businesses Enterprise (MBE/WBE) requirements and the EPA negotiated fair share goals for each of the projects were met and maintained.

The Clean Water SRF applied for and received federal capitalization grants totaling \$23.9 million. As of June 30, 2010, cumulative EPA awards have totaled \$380.7 million, not including the \$48 million of ARRA funding. The required match is only 20% in the federal grant agreements, the State's match contributions to the program exceed the \$76.1 million required for the current capitalization grants by \$23.9 million. The State uses the grant and the match to support the revenue bond project financial program. Federal capitalization grants and state matching funds must remain in the revolving fund due to federal perpetuity requirements.

The development and installation of a new state revolving fund accounting and project management system continued in 2010, and Phase 1 of the customization process was completed. The Treasurer's Office began work on the second phase of the project.

The CWF involvement in the DEP LEAN program continued in 2010. The CWF application has been revised to clarify the requirements for a completed application. The process for creating new agreements was modified and streamlined.

PROGRAM MANAGEMENT

The CWF has a long history of providing financial assistance to municipalities for the construction, rehabilitation, expansion, and improvement of publicly owned systems for the collection, treatment, and reclamation of wastewater prior to discharge into receiving waters.

Connecticut was one of the first states to create a state revolving fund that replaced long-standing state and federal grant programs. The 1987 amendments to the Clean Water Act required that states establish a revolving loan program by 1989. In 1987, the Office of Policy and Management, Department of Environmental Protection, and the Office of the State Treasurer recommended changes in the method of providing financial assistance by the State to municipalities for wastewater and water pollution control. The fund was initially created to provide financial assistance to municipalities for planning, design, and construction of wastewater collection and treatment projects.

Through the years, the following enhancements have expanded the Clean Water Fund program's ability to meet Connecticut's water quality needs.

<p>1987: The legislature amended the statutes to show compliance with the federal Water Quality Act of 1987 and to provide a new financing strategy to support the programs.</p>
<p>1996: Thee statutes were amended to include provisions for the Drinking Water SRF and to create the subordinated refunding bond resolution to take advantage of opportunities to reduce debt costs.</p>
<p>1999: The grant percentage for project costs for nitrogen removal projects at wastewater treatment facilities was increased.</p>
<p>2002: The Nitrogen Credit Trading Program was initiated, and grants were increased from 20% to 25% for small communities regardless of project size and a 100% loan program for collection system improvements was instituted.</p>
<p>2002: The financing program was restructured, and the general revenue bond resolution was implemented, which increased the amount of available loan funding and improved the efficiency of the program.</p>
<p>2007: The work of the Clean Water Fund Advisory Group supported by the DEP Commissioner and the Office of the State Treasurer resulted in greater focus on all aspects of the Connecticut Clean Water Fund.</p>
<p>2009: Fully committed all funding under ARRA. Significantly increased authorizations for program loans and grants were approved, and the DEP and State Treasurer completed key steps in the process of restructuring of the financial reporting and management systems in accordance with the amended Memorandum of Agreement. For the first time, the State issued two bond issues in one fiscal year to meet program needs and reduce debt service costs. Changed management of the DWF increasing capacity to manage all SRF projects.</p>
<p>2010: ARRA funds were incorporated into the Project Priority List and the financing plan, which expanded the capacity of the program and provided the ability to address an additional \$85 million of needed projects.</p>

As the primary agency and the recipient of the federal capitalization grants for the Clean Water SRF on behalf of the State, the DEP executes annual grant agreements with the federal EPA.

The federal Clean Water Act requires that the State provide sufficient staff and resources to manage and maintain the Clean Water SRF in perpetuity. The federal Clean Water Act also has extensive reporting and data collection requirements that require the State to implement policies, procedures, and systems necessary to provide accurate and timely information on the activities of the Clean Water SRF.

The DEP Commissioner entered into a Memorandum of Agreement with the State Treasurer in 1989, which delegates to the State Treasurer certain responsibilities with respect to the implementation and management of the Clean Water Fund. A financial administrator in the Office of the State Treasurer manages and coordinates the various financial components and the revenue bonding program of the Clean Water Fund and the Drinking Water Fund Programs on a day-to-day basis. *An overview of state agency participation including information on the specific program management roles and responsibilities of each agency is available in Appendix VIII and Appendix IX.*

MAJOR PROGRAMS OF THE CONNECTICUT CLEAN WATER FUND

The CWF is managed pursuant to Section 22a-475 to 499 of the Connecticut General Statutes and provides low interest loans consistent with the federal Clean Water Act and grants for qualified Clean Water projects. The effective management of the CWF requires coordination with programs that participate in the achievement of the State's water quality goals. The programs of the CWF that most significantly contribute to the work of the Clean Water SRF have included the Nitrogen Credit Exchange Program, the Rivers Restoration Program, the Long Island Sound Grant Program, and the Coves and Embayments Program. The program management goal of the CWF and the Clean Water SRF is to efficiently provide financial assistance at the lowest possible cost while ensuring that the State's water quality needs are met, now and in the future.

The Bureau of Water Protection and Land Reuse of the DEP administers the CWF, primarily within its Municipal Facilities Section. The Bureau also monitors and assesses water quality and develops strategies to abate or prevent water pollution. The Municipal Facilities Section provides assistance to municipalities for municipal wastewater infrastructure upgrades and needs assessment through planning, design, and construction oversight; as well as the approval of permits for municipal discharges and enforcing the State's operator certification requirements. As more fully described in the Project Financing section, there are several project types and financing options for critical projects.

The purpose of the State's Revolving Fund Programs is to provide a source of low interest loans and other types of financial assistance (other than direct grants) to local entities for the construction, rehabilitation, expansion or improvement of wastewater treatment or drinking water facilities in accordance with the State Act.

The Nitrogen Credit Exchange Program

The Nitrogen Credit Exchange Program is the State's nutrient trading program, and it was one of the first such programs established in the U.S. The program is a mechanism for attaining the aggregate reduced nitrogen goal for Connecticut's wastewater treatment plants. The Connecticut Nitrogen Credit Exchange Program was created in 2001 by Section 22a-521 to 527 of the Connecticut General Statutes to promote and share the cost of nitrogen removal through a nitrogen credit trading mechanism established by the State among municipal wastewater treatment plants as mandated by the EPA under

a joint Connecticut and New York Total Maximum Daily Load (TMDL) analysis. A TMDL defines the maximum amount of a pollutant that a body of water can absorb and still be healthy and sets an implementation schedule to attain pollutant reduction goals. The Long Island Sound TMDL requires Connecticut and New York collectively attain a 58.5% reduction of nitrogen loading from all sources from an established baseline by 2014. A 64% reduction goal was set for Connecticut's wastewater treatment plants, a major source of nitrogen, through a waste load allocation process. During 2010, the TMDL is being revised based on the progress to date.

Collectively, a Nitrogen General Permit and the Nitrogen Credit Exchange form the foundation for the success of the nitrogen exchange program. The Nitrogen Credit Exchange Program provides an incentive to facilities that complete nitrogen treatment projects while allowing facilities that elect to defer construction of nitrogen treatment to remain in compliance with the General Permit by purchasing nitrogen credits. Nearly 14 million in credits have been exchanged since 2004. Treatment plant construction costs at wastewater treatment plants that include nitrogen removal will total nearly \$1.3 billion through 2014. The associated nitrogen removal costs are estimated to total over \$800 million, depending on the outcome of the TMDL and the Nitrogen Credit Exchange Program.

Program oversight is provided by a Nitrogen Credit Advisory Board that includes representatives from the DEP, Office of the State Treasurer, Office of Policy and Management, along with nine members appointed by the General Assembly and the Governor representing municipal interests for a total of twelve members. The Nitrogen Credit Advisory Board also makes recommendations to the DEP Commissioner regarding use of funds generated from the sale of nitrogen credits to support nitrogen removal projects, habitat restoration, and research. Nitrogen credit funds are currently being used to evaluate cold weather winter operations and train operators to attain higher levels of nitrogen removal during winter months, monitor nitrogen loads, support research through membership in the Water Environment Research Foundation, and study the consequences of Combined Sewer Overflows (CSO) management on nitrogen treatment and loads.

The Rivers Restoration Program

This program was established to provide grants for the physical improvement and restoration of rivers degraded by development or the effects of pollution. The program administrators within the DEP determine project eligibility and priority. There are few active projects as new no project awards have been made since 2004.

The Long Island Sound Grant Program

Long Island Sound, Connecticut's largest and most important natural resource is an estuary with an area of 1,320 square miles and a coastline stretching over 600 miles between New York and Connecticut. More than 8 million people live in the Long Island Sound watershed, and the activities that take place on and along the Sound – boating, fishing, tourism, and swimming – contribute an estimated \$5.5 billion per year to the regional economy. The Sound also provides feeding, breeding, and nesting areas to more than 120 species of finfish and countless varieties of birds and other animals and a diversity of plant life. During the last three decades, Connecticut has made a significant commitment to protecting and restoring the Sound. Millions of dollars have been invested in communities throughout its watershed to address pollution concerns and protect the tidal wetlands along the Connecticut shore.

The map below shows major basin areas along Long Island Sound, surrounding towns and countries.



Long Island Sound (LIS) research and other activities are eligible for Connecticut Clean Water Fund grants, when funds are made available. Projects are funded through the LIS Clean-Up Account of the Clean Water Fund which has provided state-funded grants for: low-cost, publicly available marine sanitation holding tank pumpouts and marine portable toilet dump stations along the coast of LIS and its coastal river tributaries; research toward protection; ambient monitoring of Long Island Sound; restoration and preservation of tidal coves and embayments, and non-point source pollution control projects. *No new research projects have been funded through the LIS program since 1996.*

Additional projects benefiting Long Island Sound have been funded through proceeds from the federal EPA Long Island Sound Study. The Long Island Sound system uses resources from the National Estuary Program and the federal Long Island Sound Restoration Act (LISRA) to fund research, monitoring, and restoration activities consistent with the Comprehensive Conservation and Management Plan developed by EPA and the partner states of Connecticut and New York. Through LISRA, DEP has supplemented Clean Water Fund activities that reduce nitrogen loads to the Sound. Since 2003, these funds have been used to promote denitrification by providing 60-65% grants for planning and 100% grants for planning and design studies. *No new funds to support planning and design grants were awarded in FY 2010.*

The Coves and Embayment Restoration Program

The DEP Coves and Embayment Restoration Program was started in 1983 to address degradation of tidal coves and embayments resulting from tidal flow alteration, water quality degradation, and increased sediment. This program provides funding and technical assistance to municipalities. *No new projects were funded in FY 2010.*

PROJECT FINANCING

The Connecticut Clean Water Fund program provides municipalities with critical financing, particularly when the DEP has prepared administrative orders requiring pollution abatement or remedial action. The DEP and municipalities may sign consent orders that set the parameters and timetables for the required actions.

The following chart shows the eligible project categories as defined by statute.

<p>Wastewater Treatment Plants</p>	<p>Eligible projects include treatment plant upgrades, hydraulic expansions, improved treatment levels, sludge-handling facilities, and mechanical upgrades to existing treatment processes. Projects are in two sub-categories:</p> <ul style="list-style-type: none"> ▪ AGING FACILITIES: Many of the publicly owned wastewater systems throughout Connecticut were built before the inception of the Clean Water SRF program. These facilities have an average life expectancy of 20 years. The State continues to address the ongoing need to rebuild wastewater treatment plants by using a combination of grants and Clean Water SRF loans to ensure plants meet the minimum national standard of secondary treatment. ▪ ADVANCED WATER TREATMENT: Many municipalities must meet higher levels of treatment, called advanced treatment, to comply with fishable-swimmable standards in the river or water body receiving the discharge. More than 30 large treatment facilities have been upgraded using grants and Clean Water SRF loan financing.
<p>Correction of Combined System Overflow</p>	<p>Eligible projects include supplemental combined sewer overflow treatment, overflow consolidation, sewer separation, off-line storage, and improved conveyance systems to treatment plants.</p> <p>Many sewer collection systems, particularly in urban areas, have far exceeded their useful life, and the replacement of the combined storm water and wastewater systems eliminates overflows when treatment capacity is exceeded. Although grants and Clean Water SRF loans have financed projects throughout the State, combined sewer overflow problems persist in Hartford, New Haven, Bridgeport, and Norwich.</p>
<p>Small Community Projects</p>	<p>Small community projects are defined as projects serving small communities with less than 5,000 people or low-density sections of larger municipalities. Eligible projects include new sewer systems, community treatment systems, or decentralized wastewater management systems in districts.</p>
<p>Interceptor Sewers</p>	<p>Eligible projects include new interceptor sewers, which are main trunk lines, and pump stations with pressure force mains.</p>
<p>Nutrient Removal Projects</p>	<p>Eligible projects include nutrient removal systems as part of the building, upgrade or improvement of wastewater treatment facilities.</p> <p>Long Island Sound is a significant natural resource providing recreational and aqua cultural benefits for the State and the region. It is essential to protect LIS from discharges that result in low levels of dissolved oxygen, which threaten fish and other aquatic life. The State has established programs, such as the Nitrogen Credit Exchange Program, to monitor and reduce discharges into the Sound. Increasing attention is also being directed towards phosphorus enrichment, which primarily affects freshwater systems.</p>

THE PROJECT PRIORITY LIST

A key feature of the project financing program is the Project Priority List. After the capital budget appropriations have been made by the Legislature, the Project Priority List is prepared for a two-year period. It includes all projects expected to receive funding in each fiscal year. The priority ranking system is used to determine the funding of municipal projects under the respective statutes and regulations and is the basis for committing available and anticipated state and federal funds.

The list is managed to allocate all federal and state financial assistance to high priority projects that are most consistent with the State's water quality objectives. Based on the priority ranking system and other specific management criteria, all anticipated eligible sewerage projects, as identified by the DEP through the consent order process or by request of the municipalities, have been ranked for funding purposes and appear on a project priority list.



MDC Project – Homestead Avenue, Hartford – tunnel inspection in April 2010

Additional projects may be added if requested by a municipality during the public comment period prior to adoption of the final draft. The Project Priority List for fiscal years 2008 and 2010 was originally approved in January 2008 and further amended on April 22, 2009 to reflect the additional \$48 million ARRA funding. The final 2010-2011 biennium Project Priority List was approved on June 25, 2010, and the next priority process is anticipated for the winter of 2012. *See Appendix VII for the current Project Priority List.*

AVAILABLE FINANCING

The CWF grant and loan programs for eligible project costs to municipalities are administered in accordance with Connecticut General Statutes Sections 22a-475 through 485 as described below.

Grant Program - Funded 100% by the State

The state grants available under the Clean Water Fund are:

CLEAN WATER FUND STATE GRANTS	20% of eligible project costs for plants and plant improvements.
	25% of eligible initial project costs of regional authorities.
	25% of eligible project costs for small communities.
	30% of eligible nitrogen project costs related to reduction improvements.
	50% grants on those project costs associated with grants for eligible combined sewer overflow work. 55% for initial combined sewer overflow projects of regional authorities.
	55% planning grants for eligible projects, if funding is available.

Loan Program

Municipalities obtain a local funding authorization to secure their loans. There are three options for a municipality to secure its loan:

LOAN SECURITY	General obligation bond pledges of its full faith and credit for the loan.
	Revenue bond pledging system revenues of municipal systems with adequate sewer assessment collection history.
	General obligation/revenue bond pledge of both revenues from the sewer system and the municipality's general obligation or "double-barreled" pledge, when the financial condition of a borrower is weaker than normal.

Each borrower's loan agreement includes repayment terms and conditions, covenants for the maintenance of the project, and compliance with Clean Water Fund regulations, state statutes and federal acts.

Loan Only Program

The State may also provide 100% loan financing for collection systems improvements. Only infiltration/inflow projects were funded with 100% loan financing in FY 2010.

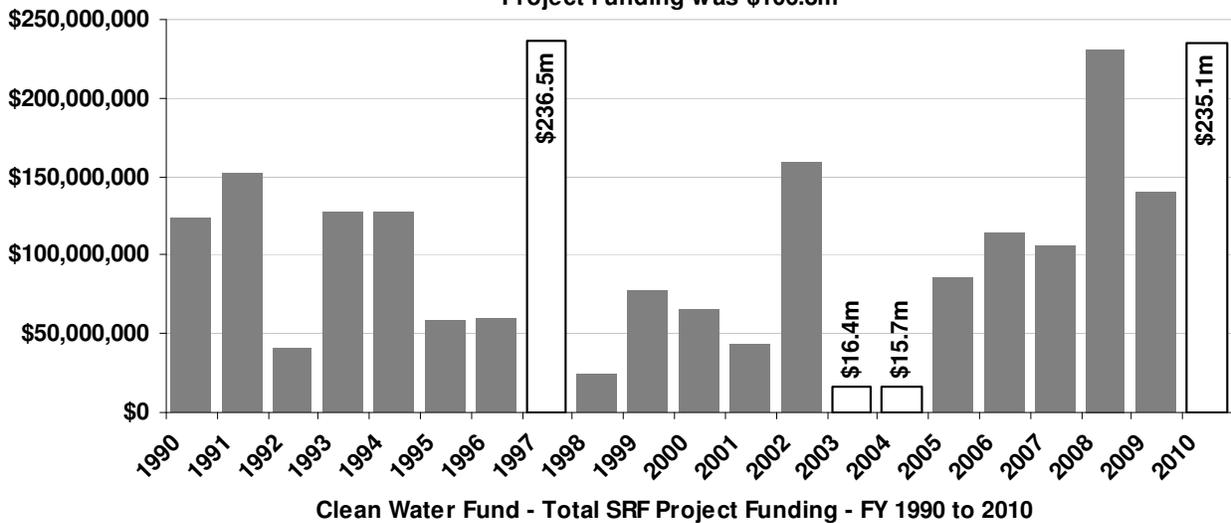
Other Financing Programs

LISRA Grants

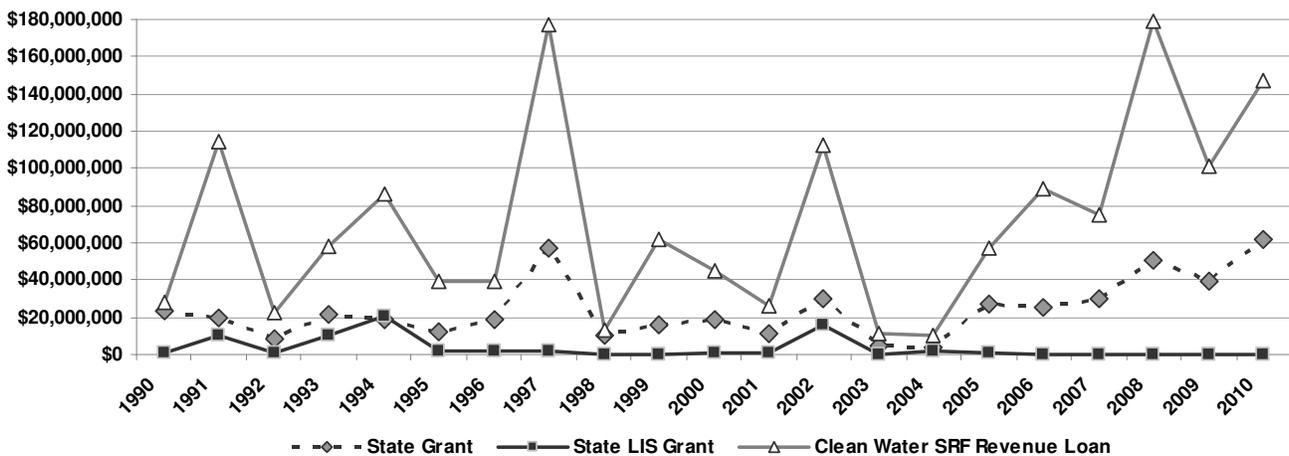
LISRA federal grants that are provided to distressed communities for nitrogen reduction projects are to augment Connecticut Clean Water Fund funding. All participating communities have used these grants for planning and design work as the magnitude of the funding has not been sufficient for construction. *There have been no new appropriations for LISRA grants since FY 2005.*

As shown below, average annual Clean Water SRF loan funding has fluctuated from fiscal year 1990 to 2010 depending on state authorizations, project readiness to proceed, and construction spending schedules. The first graph below highlights the highest and lowest annual funding amounts and indicates the average annual amount is \$106.8 million over the ten-year period. This analysis is used to estimate timing of the program's bond issuances. The components of the funding are shown in the second graph.

From FY 1990 to 2010, the Average Annual Clean Water Fund Project Funding was \$106.8m



Clean Water Fund - Annual Grant & Loan Commitments - FY 1990 to 2010





*Niantic Bay Boardwalk
Long Island Sound in Waterford*

BORROWERS

Borrowers may include any city, town, borough, consolidated town and city, consolidated town and borough, metropolitan district, water district, fire and sewer district, sewer district, or public authority. Each municipal organization must have authority to levy and collect taxes or impose charges for its authorized function and undertake the activities authorized by the state and federal acts.

Municipalities

There are 81 municipal treatment plant facilities in the State. Most municipalities have established a water pollution control authority within the local government. Municipalities usually obtain loans using their general obligation pledge. Some have revenue pledge loans to directly use fee-based systems and reduce the debt and property tax burden. The eight municipalities with revenue pledge loans or commitments are Ansonia, Jewett City, Norwalk, Norwich, Stamford, South Windsor, Windham, and Windsor Locks.

Municipal Partnerships

Since the inception of the program, the DEP has encouraged cooperation among municipalities to meet water quality needs with loan agreements that may be structured to allow municipalities that pay for services to accept a pro-rata share of the loan repayments.

The municipal partnerships with Connecticut Clean Water Fund loans include:

- Danbury, with Bethel and Ridgefield – design and construction of a wastewater treatment facility in Danbury.
- Waterbury, with Cheshire, Watertown, and Wolcott – design and construction of a wastewater treatment facility in Waterbury.
- Vernon with Tolland, Ellington, and South Windsor – cooperative agreement.
- Jewett City and surrounding towns – cooperative agreement.

The CWF has been flexible in working with municipalities to create solutions that involve all parties from the beginning of the project to the start of operation. While no new partnerships were initiated for CWF projects during the year, such partnerships and regionalization are expected to be a trend as municipalities determine the cost and efficiency advantages of working together.

Regional Borrowers

Currently, the CWF provides loan and grant financing to three independent regional authorities: the Metropolitan District Commission (MDC), the Greater New Haven Water Pollution Control Authority (Greater New Haven WPCA), and the Bolton Lakes Regional Water Pollution Control Authority (Bolton Lakes Regional WPCA).

The MDC is a municipal corporation chartered by the Connecticut General Assembly in 1929 to provide safe, pure drinking water and environmentally responsible wastewater collection and treatment in the Greater Hartford area. The MDC supplies water and sewer services to its eight member municipalities: Bloomfield, East Hartford, Hartford, Newington, Rocky Hill, West Hartford, Wethersfield, and Windsor. The MDC also treats wastewater for small areas in the Towns of Portland, Glastonbury, East Granby, South Windsor, and Farmington. The MDC has four water pollution control facilities in Hartford, East Hartford, Rocky Hill, and Windsor, which are responsible for the processing and treatment of wastewater from member towns.

The Greater New Haven WPCA is responsible for the existing Clean Water SRF loans from four communities: New Haven, Hamden, East Haven, and Woodbridge. They are expected to borrow for new projects to improve existing facilities and correct future combined sewer overflows.

The Bolton Lakes Regional WPCA, created by Bolton and Vernon, is responsible for new capital investment in a sewer system that will primarily serve residents of the Bolton Lake area in both towns. The authority continued with its sewer project in FY 2010.

Pending Projects

The table in Appendix V lists borrowers with outstanding loans or undrawn loan commitments, and borrowers with new loan commitments that are expected to be executed through June 30, 2010. The table also includes loans pledged to the bonds. Many of the borrowers have multiple loans, and the

municipalities with the largest percentage of loans and commitments include Waterbury, Stamford, and the MDC.

As further detailed in Appendix XII, the CWF has more than \$2.2 billion in completed projects and project commitments including \$582.3 million in grants for wastewater and Long Island Sound projects as of June 30, 2010.



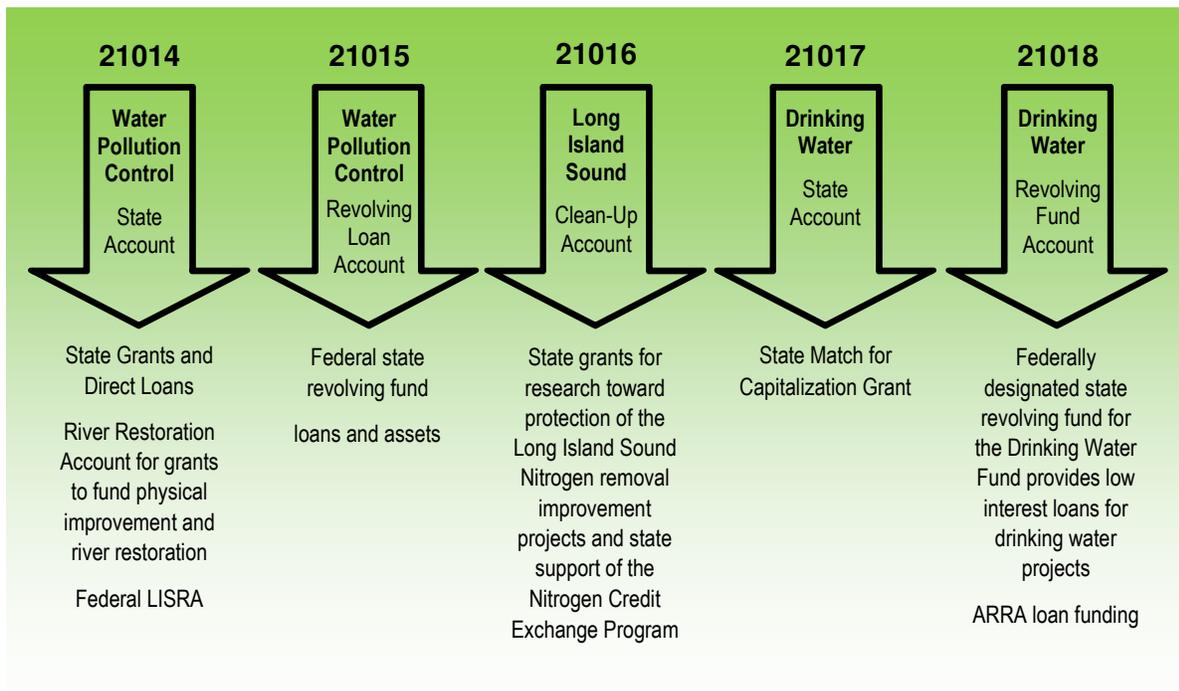
*The Stamford Water Pollution Control Facility
Upgraded for state-of-the-art nitrogen removal in 2006*

The goal of the Connecticut Clean Water Fund is to finance projects that will:

Support construction upgrades or expansion of local wastewater treatment plants.
Expand the capacity of local wastewater treatment plants to remove nitrogen from wastewater in order to protect the water quality of Long Island Sound.
Remove phosphorus to meet freshwater quality goals for nutrient enrichment.
Rebuild wastewater-pumping stations and repair leaky sewers.
Remediate surface and groundwater pollution caused by failing and substandard septic systems by sewerage or upgrading of subsurface systems.
Construct separate stormwater systems or other abatement facilities to eliminate overflows caused by combined wastewater and stormwater systems.

PROGRAM FINANCING FOR THE CLEAN WATER SRF

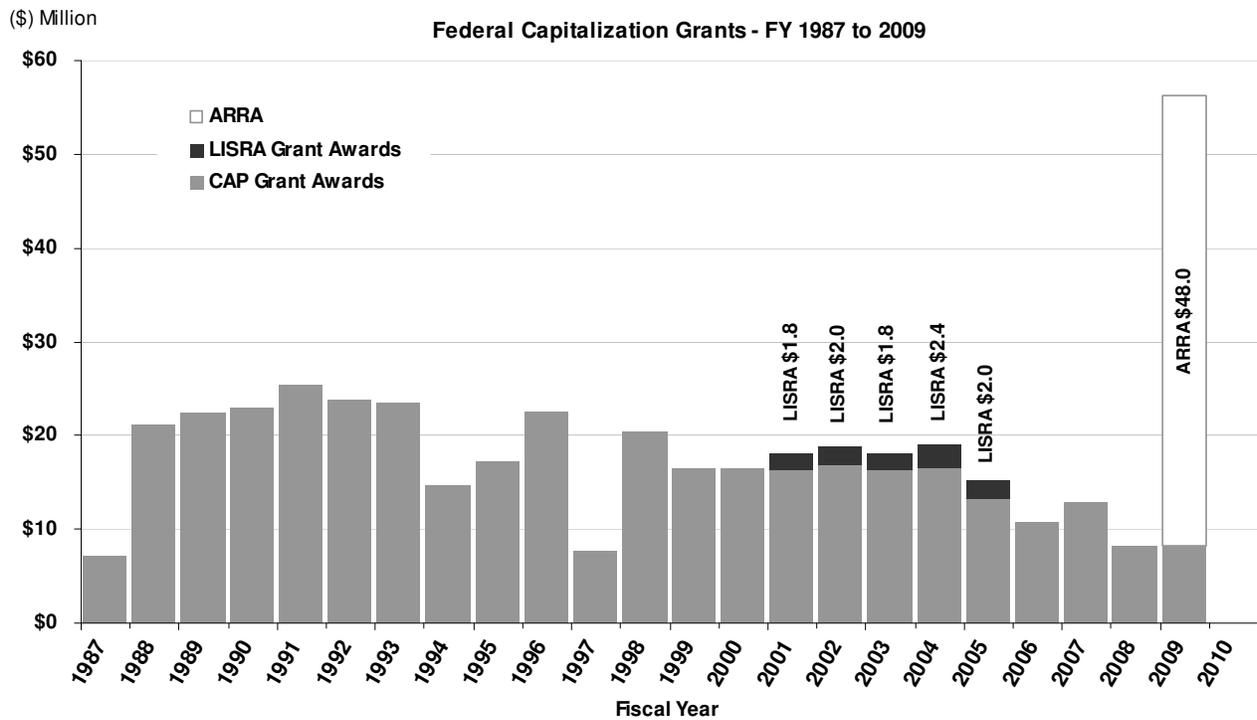
From 1987 to 1990, project loan costs were funded directly with the federal grant and the required state match. Since direct grants cannot be financed through the Clean Water SRF, the State created a state-funded grant component that has provided over \$500 million for project grants within the CWF. Since the initial issuance of revenue bonds in 1991, loans to municipalities have been funded. The fund accounts of the Connecticut Clean Water Fund and the uses for each are as follows:



Federal Capitalization Grants

The federal wastewater capitalization grants program is a major program for the Federal Environmental Protection Agency (EPA). Awards to the State of Connecticut have fluctuated since the inception of the program. Grants ranged from \$15-\$25 million from 1988 to 1996, but were reduced to \$7.5 million in 1997. Awards averaged approximately \$16 million per year from 1998 to 2004, but were reduced to \$13.2 million in 2005 and \$10.7 million in 2006. The 2007 year grant was \$12.9 million and the 2008 and 2009 grants were each \$8.3 million. During the State was notified that the FY 2010 award of \$23.9 million has been allotted by Congress to our State. The grant application is in process and is expect to be filed by the end of December 2010.

Federal ARRA Stimulus funding in the amount of \$48 million was awarded to the State through EPA in April 2009, and fully committed by EPA's February 17, 2010 deadline. To date all the projects have been initiated and \$7.3 million has been expended.



For fiscal year period 1987 to 2009, the cumulative Capitalization Grant awards for the Clean Water SRF totaled \$428.7 million that includes the ARRA funding awarded in 2009. Although initially from 1987 to 1990, the federal capitalization grants were used to fund project loan costs, since that time these grants have been used to support the revenue-bonding program of the Clean Water SRF. It is expected that Connecticut will continue to experience fluctuating levels of federal grant awards. *Annual capitalization grant amounts are shown in Appendix II.*

Of the total amount awarded, \$387.1 million has been drawn and used as follows:

Use of Cumulative Federal Capitalization Grants as of June 30, 2010	
(\$millions)	Purpose
271.6	Drawn based on project spending and used to provide credit and interest support of the revenue bonds since 1991
7.7	ARRA federal grant draws based on project spending
14.5	Draws from the administrative set-aside for eligible administrative expenses
41.6	Remaining to be drawn
51.7	Drawn and used for direct loans
387.1	TOTAL

The periodic cash draws by the State under the federal payment system are based on the costs incurred for eligible projects or activities by either all or a specific group of borrowers. The State has elected to base its cash draws on the costs incurred by a specified group of municipal projects on a dollar-for-dollar basis.

State Authorizations and Contributions

The Connecticut Clean Water Fund program is one of the most highly subsidized in the country, demonstrating the State’s commitment to high water quality for its citizens. As of June 30, 2010, the State has authorized \$1.8 billion of revenue bonds and \$1.03 billion of general obligation bonds.

State General Obligation Authorizations as of June 30, 2010	
(\$millions)	Purpose
770.3	Grants made from the state account, including the Long Island Sound and Rivers Restoration Account and state match for the Drinking Water Fund and administrative expenses
93.3	Direct state funded loans
100.1	Match for the Connecticut CWF federal funds, as required in the capitalization grant agreement, including \$81 million used as security for revenue bonds
55.7	Interest subsidy for the revenue bonds issued for the Connecticut CWF
0.0	Remaining to be allocated
1,019.4	TOTAL

State Funding Approval Process

As discussed in the Project Financing section, DEP develops its list of approved Connecticut Clean Water Fund projects, or project priority list, every two years. The amount available in any year is based on the amount of state general obligation and revenue bond funding authorized by the legislature. DEP requests a lump sum allocation from the State Bond Commission, rather than submit each project once bids have been obtained. A pool of money is approved by the State Bond Commission for projects included on the priority list that the DEP and the Office of the State Treasurer determine are ready to move forward. The current project priority list is shown in Appendix VII.

As of June 30, 2010, \$1.8 billion of revenue bonds and \$1.03 billion of general obligation bonds have been allocated by the State Bond Commission; \$160 million of revenue bonds and \$105 million of general obligation bonds remained unallocated. Public Act 09-2, Sections 5(a) and 6 and Public Act 10-44, Sections 25 & 35, effective July 1, 2010, authorize an additional \$40 million of revenue bonds and cancels \$25 million of general obligation bonds.

In 1997, the State provided an additional commitment to high quality drinking water with the creation of the Drinking Water SRF as part of the CWF due to the similarities between the federal programs. Authorizations for the Drinking Water and Clean Water SRF programs are combined, and as Drinking Water SRF projects are approved, authorizations are allocated to the Drinking Water SRF.

State Match of Federal Capitalization Grants

The State has provided sufficient funding to meet the state match requirements for the federal capitalization grants. The total \$100.1 million authorized shown in the above table and further detailed in Appendix II, is composed of \$19.1 million in qualified 100% state funded projects and \$81 million state general obligation bonds placed in the Fund. As of June 30, 2010, \$23.9 million is available to match future capitalization grants of over \$119.5 million, as shown in Appendix II.

Revenue Bonding Program

The State Treasurer is responsible for various financial components of the CWF including certain responsibilities with respect to the implementation and management of the revenue-bonding program within the overall authority for management of the State's debt. The financial administrator in the Office of the State Treasurer manages and coordinates the various financial components of the Clean Water SRF and the Drinking Water SRF programs and the revenue-bonding program on a day-to-day basis.

As further described in Appendix IX, the activities of the financial administrator are coordinated with those of the DEP and OPM. There are several important milestones in the development of the revenue bond financing program.

Revenue Bonding Program Milestones

1986	Clean Water Fund established as a revolving fund to: <ul style="list-style-type: none"> ▪ <i>replace a state grant program</i> ▪ <i>keep pace with the State's wastewater management and treatment needs</i>
1987	Clean Water Fund provides a combination of grants and low-cost loans to municipalities: <ul style="list-style-type: none"> ▪ <i>Annual interest rate of loans is 2%</i> ▪ <i>Borrowers have 20 years to repay loans</i>
1991	First bonds issued to provide funds for project financing: <ul style="list-style-type: none"> ▪ <i>Clean Water Fund issues \$100 million in Clean Water Fund Revenue Bonds</i>
1996	Clean Water Fund modified to comply with the Safe Drinking Water Act: <ul style="list-style-type: none"> ▪ <i>The Fund now includes the Drinking Water Fund to provide financing to water companies</i>
2003	New Resolution adopted to expand the Clean Water Fund program: <ul style="list-style-type: none"> ▪ <i>Clean Water Fund issues \$125 million in State Revolving Fund General Revenue Bonds and partially refunds certain prior revenue bonds</i>
2008	Effect cash defeasance to all remaining debt under the Old Resolution by transferring all assets to the New General Resolution
2010	Fully integrated ARRA funding into Clean Water Fund financing plan

The revenue bonding program enhances the State's Clean Water SRF and allows the State to continually maintain the ability to provide grants and loans to finance the planning, design, and construction of water quality projects throughout the State including projects to improve water quality in Long Island Sound. Prior to the initial issuance of revenue bonds, the Clean Water SRF funded loans to municipalities from federal capitalization grants and the proceeds of state general obligation bonds.

Since 1991, loans to municipalities have been primarily funded from the proceeds of the state revenue bonds. Since 2001, Drinking Water Fund loans have also been funded from the proceeds of state revenue bonds. Through FY 2010, 16 series of revenue bonds have been issued providing \$1.3 billion in project funding for the Clean Water SRF and \$97.4 million in project funding for the Drinking Water SRF. Since inception of the program, \$439.2 million has been issued as refunding bonds. The proceeds of these revenue bonds are distributed to each of the federal SRF accounts and disbursed for loans made by each program on a first-come, first-serve basis to those borrowers who have executed loan agreements and as the borrowers incur project costs. The next bond issuance is planned for the spring of 2011.

Description of the Bonds

As more fully described in Appendix VIII, the bond resolutions for the Clean Water SRF programs govern the manner in which the bond-financing program is implemented, managed, and administered. The bonds are special obligations of the State payable solely from all moneys in the combined Clean Water SRF and Drinking Water SRF that are legally available for debt service payments under the resolutions. Since the 2003 SRF general revenue bond issue, all bond series have been issued under the 2002 Resolution. Originally, the Clean Water SRF utilized a "traditional" reserve fund model. In order to become more efficient, the State Treasurer shifted the SRFs to the new General Bond Resolution in 2002.

All bonds issued by the State have had fixed interest rates except the 2003 Series C bonds. The State issued variable rate bonds called auction rate securities, and entered into an interest rate swap agreement for converting its variable rate exposure to a fixed rate. During fiscal year 2010, the Series 2003C bonds were refunded and the swap was terminated. Additional information about the auction rate securities, swap and the refunding and termination, repayment of the bonds, and the investment of bond proceeds and other funds can be found in the enclosed financial statements, Appendix VIII, and Appendix IX.

Ratings

The bonds are rated at the highest available credit rating from all three rating agencies: AAA from Fitch Ratings and Standard & Poor's U. S. Public Finance Ratings, and Aaa by Moody's Investors Service.

Each rating reflects only the views of the respective rating agency, and an explanation of the significance of any rating may be obtained from the rating agency.

There is no assurance that ratings will continue for any given period or that they will not be revised or withdrawn entirely by a rating agency if in their judgment, circumstances so warrant.

The Connecticut Clean Water Fund was not impacted by the recent recalibration of municipal ratings by Moody's and Fitch.

Loan Credit Quality

The overall credit quality of the State's municipalities reflects positively on the Connecticut Clean Water Fund. The analysis and review of municipal financial conditions prior to awarding a project loan is essential to the long-term viability of the Connecticut Clean Water Fund. Each municipality applying for financial assistance submits documentation to evidence its ability to repay the loan. Required documents include financial statements, capital budgets, operating budgets, economic data, and the terms of any management contracts. The project-specific review can also include a feasibility study, which is a project capital cost repayment analysis with information on any projected need for increases in taxes or user fees.

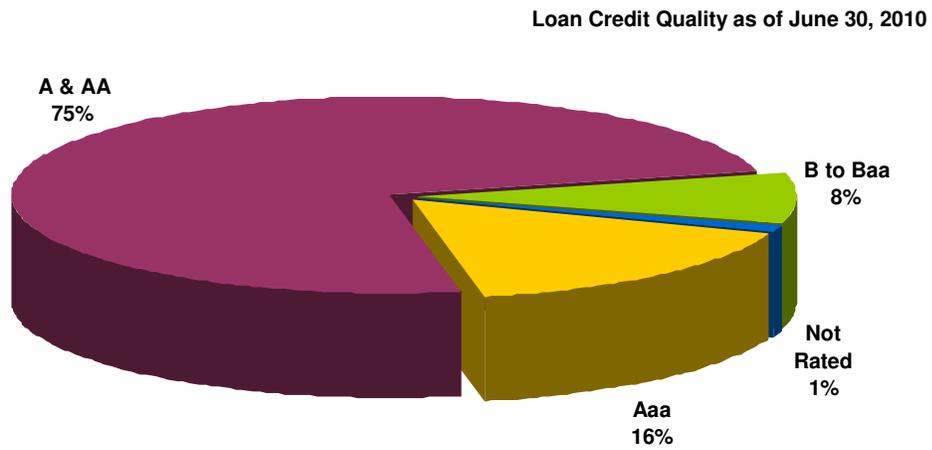
The Connecticut Clean Water Fund program's loan administration includes separate loan servicing by the program's trustee bank. No defaults or late or delayed payments of more than 90 days have occurred to date. There is no grace period for late loan payments, although the agreements allow up to 30 days to cure other defaults. A policy is in place to implement collection procedures in the event of a late or delayed payment. Late payments have been for administrative rather than financial reasons. A summary of the standard loan agreement has been provided in Appendix VII.

The Connecticut Clean Water Fund loan portfolio is diverse, with approximately 83% of the loans and commitments to municipalities rated "A" or higher by Moody's Investors Service, as shown on the chart below and discussed in Appendix VI.

The bonds are rated at the highest available credit rating from all three rating agencies:

- | | |
|------------------------------------|------------|
| ✓ <i>Fitch Ratings</i> | <i>AAA</i> |
| ✓ <i>Standard & Poor's</i> | <i>AAA</i> |
| ✓ <i>Moody's Investors Service</i> | <i>Aaa</i> |

Loan Credit Quality as of June 30, 2010



SUMMARY OF PROGRAM ACTIVITIES AND INITIATIVES

The planned program activities and initiatives for the CWF and the Clean Water SRF for fiscal year 2011 include:

Providing financial and administrative management of new applications for project financing. The DEP anticipates the initiation of about 25 new Connecticut Clean Water Fund and Drinking Water Fund projects during FY 2011.
Received approval from EPA of new fair share minority/women-owned enterprises goals during FY 2011.
Met the EPA negotiated fair share minority/women-owned enterprises goal for each project.
Updating the capital project submission plan for the State Bond Commission requests and maintaining active communication with the Office of the State Treasurer and the Office of Policy and Management.
Providing financial and administrative management of the EPA special appropriations grants.
Review capital budgeting process for Connecticut Clean Water Fund general obligation and revenue bond authorizations in order to optimize financing for Clean Water Fund projects. Prepare a capital budget request for FY 2012 and 2013.
In conjunction with the Department of Administrative Services and the Office of Policy and Management, evaluate the need for additional staff to maintain the high technical and fiscal standards of the program. Add staff as necessary within the constraints of funding.
Completed all stormwater utility pilot programs in three municipalities.
Work with MDC and the Greater New Haven Water Pollution Control Authority on their significant clean water capital programs.
Continue to explore opportunities for reducing debt costs.
Continue work on the implementation of the new accounting and project management system.

LONG-TERM PROJECTIONS

As the programs of the CWF meet their goals, the DEP will be updating and revising cost estimations for critical water quality work. At present, the DEP estimates the overall need for water quality improvement at \$4.7 billion through 2028, with treatment plant construction costs and combined sewer overflow correction program needs of over \$2.7 billion.

Ongoing discussions about the following issues will shape the program in the coming years:

LONG-TERM PLANNING	Coordination with DEP and continued collaboration with other state agencies and the Office of the State Treasurer.
	Addressing areas of decentralized system management, including wastewater system assessments, as part of real estate transactions.
	Staffing needs to support Connecticut Clean Water Fund projects.
	Outreach and education efforts with systems in support of programs such as Nitrogen Credit Exchange.
	The priority of projects.

The State also will continue to develop additional financing alternatives. Following a comprehensive review during the year, long-term goals and objectives for the Clean Water SRF Plan of Finance are to:

LONG-TERM GOALS	Achieve low-cost of financing.
	Optimize cash management strategies.
	Continuously improve program administration including items such as consolidating resolutions and simplifying program administration.
	Accomplish appropriate asset/liability match.
	Demonstrate present value savings and/or actual debt service reduction with any refunding.

CONDITION OF THE CONNECTICUT CLEAN WATER FUND

The listing in Appendix XI of wastewater treatment projects funded by the Connecticut Clean Water SRF as of June 30, 2010, shows the projects by municipality and the amounts of funding from each of the State's programs.

The Revenue Bond program has been in place since 1991. During the past 19 years, interest subsidy support provided by the State was as high as \$19.0 million for 1991, the first year of the revenue bond program, and was only \$3.6 million for the 2001 bond issue. No state-funded subsidy has been necessary since the 2003 issue that frees state bond authorizations for project purposes.

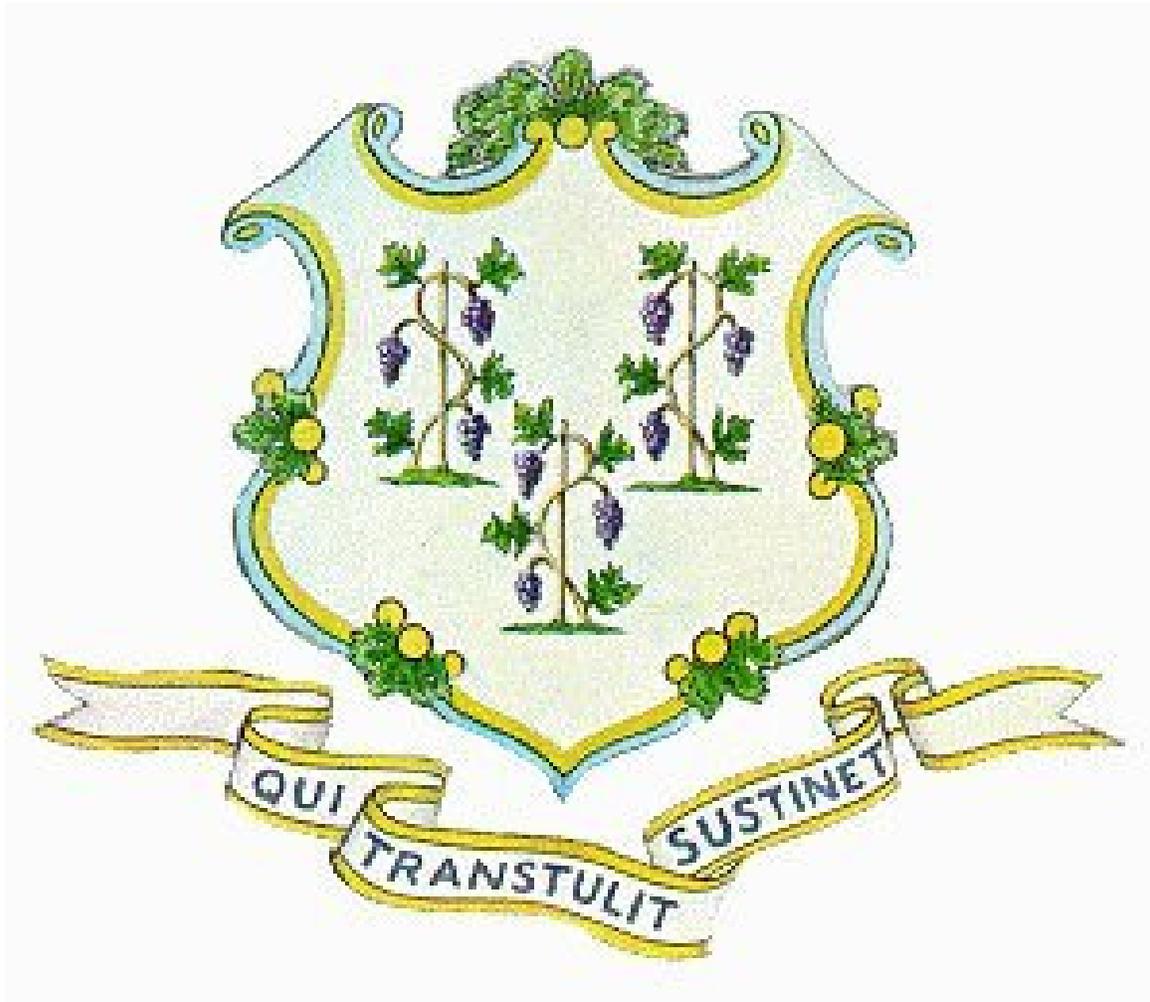
Program capacity projections continue to show that the program can sustain bond issuance of approximately \$90 million in revenue bonds per year through 2022 without further state-funded interest subsidy. The increased capacity provided by the ARRA funding was utilized in two years. Depending on the needs of the program, the State may provide additional support for higher levels of revenue bond issuance in the future.

Since the inception of Connecticut's Clean Water SRF program, over 100 Connecticut municipalities have received grants and loans to finance more than 350 projects to improve local sewer systems, including treatment plants. Total project funding also includes \$70 million for Long Island Sound projects.

With the continued support of the State and the prudent management of the CWF assets, the program can continue to maintain its long-term sustainability, meeting both the requirements of the federal grants as well as the long-term water quality needs of the people of Connecticut.



Amston Lake in Lebanon showing affects of nutrient enrichment from area septic systems in need of remediation



APPENDICES

APPENDIX I: STATE FUNDING AUTHORIZATIONS

State Funding Authorizations as of July 1, 2010	FY	Amount	Revenue Bond Authorizations as of July 1, 2010	FY	Amount
State Funding	1987	\$ 40,000,000			
State Funding	1988	40,000,000			
State Funding	1989	40,000,000			
State Funding	1990	60,000,000			
Bond Fund Transfer	1990	15,000,000			
State Funding (LIS)	1990	25,000,000			
State Funding	1991	100,000,000	Revenue Bond	1991	\$ 100,000,000
State Funding (LIS)	1991	25,000,000			
State Funding	1992	50,000,000	Revenue Bond	1992	200,000,000
State Funding	1993	30,000,000	Revenue Bond	1993	30,000,000
State Funding	1994	58,850,000	Revenue Bond	1994	93,800,000
State Funding	1995	75,020,000	Revenue Bond	1995	51,600,000
Funding Rescission	1995	(22,600,000)	Revision	1995	(8,500,000)
State Funding	1996	16,480,000	Revenue Bond	1996	125,400,000
State Funding	1997	23,580,000	Revenue Bond	1997	41,000,000
State Funding	1998	45,000,000	Revenue Bond	1998	151,300,000
State Funding	1999	14,000,000	Revenue Bond	1999	83,300,000
State Funding	1999	(14,000,000)			
State Funding	2000	43,400,000	Revenue Bond	2000	64,600,000
State Funding	2001	53,100,000	Revenue Bond	2001	66,900,000
State Funding	2002	40,000,000	Revenue Bond	2002	81,000,000
State Funding	2003	40,000,000	Revenue Bond	2003	158,000,000
Funding Deferral	2003	3,200,000			
State Funding	2004	0	Revenue Bond	2004	0
State Funding	2005	(60,000,000)	Revenue Bond	2005	0
State Funding	2006	20,000,000	Revenue Bond	2006	0
State Funding	2007	20,000,000	Revenue Bond	2007	100,000,000
State Funding	2008	90,000,000	Revenue Bond	2008	235,000,000
State Funding	2009	90,000,000	Revenue Bond	2009	180,000,000
State Funding	2010	65,000,000	Revenue Bond	2010	80,000,000
TOTAL:		1,026,030,000			1,833,400,000

APPENDIX II: STATE MATCH FOR FEDERAL CAPITALIZATION GRANTS

CLEAN WATER FUND STATE MATCH CONTRIBUTION as of June 30, 2010

Projects	Contract Date / State Bond Commission Approval Date	AMOUNT
EAST LYME Clean Water Fund 112-C	12/10/1987	\$8,860,816
DANBURY 103-C	11/22/1988	\$6,567,587
EAST LYME Clean Water Fund 175-C	2/3/1989	\$1,092,206
STONINGTON 141-C	6/15/1989	\$1,600,000
MIDDLETOWN 209-D	9/1/1989	\$0
CHESHIRE 111.1-C	11/13/1990	\$567,432
EAST LYME 112-CD1	12/31/1990	\$373,389
Subtotal:		\$ 19,061,429
Privately Placed GO Bonds	1/28/1991	\$12,873,381
Privately Placed GO Bonds	1/22/1992	\$26,144,911
Privately Placed GO Bonds	3/28/1996	\$5,000,000
Privately Placed GO Bonds	9/30/1997	\$19,000,000
Privately Placed GO Bonds	5/6/1999	\$18,000,000
Subtotal:		\$ 81,018,292
TOTAL STATE MATCH:		\$ 100,079,721
REQUIRED STATE MATCH (20%):		76,144,830
* State Obligations & Payments (less) Required State Match:		23,934,891
Total Federal Capitalization Grants:		\$ 380,724,148
<i>* for future capitalization grant match requirements</i>		

APPENDIX III: FEDERAL CAPITALIZATION GRANTS

Federal appropriations continue to be made annually to states for capital funding of wastewater treatment projects even though the Federal Act expired on June 30, 2007. The Clean Water SRF or CWSRF was further authorized through September 30, 1994. Congress has not reauthorized the Act since but the program continues to operate through language in the annual appropriations bill that funds the CWSRF.

The Clean Water Act both authorizes the Clean Water Fund and places legal constraints on its uses. Federal regulations limit the uses of program equity to loans, support for bonds issued to make loans, loan guarantees or insurance, refinancing prior debt, or administrative expenses associated with qualified projects. The Federal Capitalization Grant and the required match must be maintained by the Clean Water Fund in perpetuity.

Fiscal Year	Project Funds	Administrative Funds	FY Total
FY 87	\$ 6,807,840	\$ 283,660	\$ 7,091,500
FY 88	20,258,640	844,110	21,102,750
FY 89	21,277,361	886,557	22,163,918
FY 89	132,707	5,529	138,236
FY 90	21,955,014	914,792	22,869,806
FY 91	24,136,168	1,005,674	25,141,842
FY 91	1,828,380	76,182	1,904,562
FY 91	(1,536,000)	(64,000)	(1,600,000)
FY 92	22,850,942	952,123	23,803,065
FY 93	22,604,694	941,862	23,546,556
FY 94	14,025,908	584,413	14,610,321
FY 95	14,485,807	603,575	15,089,382
FY 95	2,026,008	84,417	2,110,425
FY 96	(2,026,008)	(84,417)	(2,110,425)
FY 96	23,728,949	988,706	24,717,655
FY 97	7,307,712	304,488	7,612,200
FY 98	15,836,515	659,855	16,496,370
FY 99	3,678,986	153,291	3,832,277
FY 99	15,837,846	659,910	16,497,756
FY 00	-	-	-
FY 00	15,784,148	657,673	16,441,821
FY 01	15,643,869	651,828	16,295,697
FY 02	16,087,978	670,332	16,758,310
FY 03	15,576,771	649,032	16,225,803
FY 04	15,823,266	659,303	16,482,569
FY 05	12,673,014	528,042	13,201,056
FY 06	10,298,724	429,114	10,727,838
FY 07	12,587,288	344,470	12,931,758
FY 08	7,987,776	332,824	8,320,600
FY 09	7,987,740	332,760	8,320,500
FY 09*	46,089,888	1,920,412	48,010,300
TOTAL	\$411,757,931	\$16,976,517	\$428,734,448

APPENDIX IV: LOANS CLOSED DURING FY 2010

Clean Water Fund Loan Closing Report

Closing Date	Municipality	IFO/ PLO	Project Number	SCD	New PLO Amount	New IFO Amount
7/31/2009	Bridgeport	IFO	613-C	11/30/2010		1,054,510
7/31/2009	Bridgeport	IFO	621-D	12/31/2010		1,424,957
7/31/2009	The Mattabassett District	IFO	567-D	12/31/2010		3,963,015
8/31/2009	Bridgeport	IFO	102-CSL	2/28/2010		4,973,000
9/1/2009	Marlborough	IFO	210-C1	12/31/2010		8,172,171
9/15/2009	MDC	IFO	626-C	1/31/2012		30,000,000
9/30/2009	Bolton Lakes	IFO	132-C	12/31/2013		7,167,683
10/28/2009	Groton	IFO	386-C1	11/1/2009		12,864,411
10/29/2009	Milford	IFO	532-C1	5/31/2009		43,843,417
11/30/2009	GNHWPCA	PLO	206-CSL	11/30/2008	3,952,524	
12/15/2009	New Milford	IFO	292-C	12/31/2012		23,660,546
12/21/2009	West Haven	IFO	549-C	7/1/2012		28,802,464
1/4/2010	Canton	PLO	155-CSL	7/1/2009	1,295,791	
1/11/2010	Norwalk	IFO	612-C	1/31/2012		21,376,781
1/19/2010	Meriden	IFO	382-C1	12/31/2010		34,731,058
1/27/2010	Torrington	IFO	611-C	9/1/2010		1,163,000
2/5/2010	MDC	IFO	633-C	12/31/2012		15,485,718
3/30/2010	Plainville	PLO	542-C	9/30/2009	19,066,549	
3/30/2010	Brookfield	IFO	584-C	6/30/2010		3,972,098
3/31/2010	Danbury	IFO	515-C	3/31/2010		2,597,287
4/12/2010	South Windsor	IFO	503-C	9/30/2012		28,378,493
4/30/2010	Stratford	IFO	366-C1	4/30/2010		47,170,632
5/3/2010	Groton	IFO	386-C1	5/1/2010		12,864,411
5/19/2010	Bridgeport	IFO	625-CSL	7/31/2010		1,842,303
5/28/2010	Milford	PLO	532-C1	5/31/2009	42,260,238	
5/28/2010	Southington	IFO	590-C1	12/31/2010		11,196,310
6/15/2010	Norwich	IFO	625-D	12/31/2011		3,148,959
6/30/2010	Bridgeport	PLO	102-CSL	2/28/2009	4,608,318	
TOTAL Value on New Loans:					\$ 71,183,420	\$ 349,853,224

New IFO Loans: 13	IFO Loan Amount:	\$169,598,224
IFO Certificates/Amendments: 10	IFO Cert/Amend Amount:	\$180,255,000
New PLO Loans: 5	PLO Loan Amount:	\$71,183,420

APPENDIX V: PENDING PROJECTS

Loan	Total IFO/PLO as of 06/30/10	Undrawn Loan Commitments	Commitments thru 6/30/11	Total Commitments
Ansonia	\$ 31,548,410	\$ 9,442,785	\$ -	\$ 40,991,195
Bethel	1,479,898			1,479,898
Bolton Lake RWPCA	1,949,598	5,218,085	0	7,167,683
Branford	20,805,398			20,805,398
Bridgeport	36,117,769	3,033,286	17,180,000	56,331,055
Bristol	3,603,962			3,603,962
Brookfield	404,987			404,987
Brooklyn	23,917			23,917
Burlington	2,618,480			2,618,480
Canaan F.D.	31,356			31,356
Canton	1,692,135			1,692,135
Cheshire	7,546,575			7,546,575
Chester	1,082,670			1,082,670
Coventry	7,940,448			7,940,448
Danbury	10,141,103	200,579		10,341,682
Darien	509,211			509,211
Deep River	2,765,025			2,765,025
Derby	1,154,158			1,154,158
East Haddam	493,062			493,062
East Hampton	445,566			445,566
East Lyme	1,783,175			1,783,175
East Windsor	3,529,334			3,529,334
Fairfield	20,758,465			20,758,465
Farmington	4,092,096			4,092,096
Glastonbury	21,445,322	2,256,222		23,701,544
Greater New Haven WPCA	29,645,663	12,712,956	11,651,200	54,009,819
Greenwich	12,469,534			12,469,534
Groton	10,928,471	1,935,940		12,864,411
Hartford	1,664,562			1,664,562
Hebron	1,290,809			1,290,809
Jewett City	5,197,418			5,197,418
Ledyard	1,104,006			1,104,006
Litchfield	3,768,654			3,768,654
Manchester			23,000,000	23,000,000
Marlborough	8,525,378	394,287		8,919,665
Mattabassett	2,225,324	1,737,691		3,963,015
Meriden	34,459,080	892,318		35,351,398
MDC	82,978,796	51,946,920	112,738,000	247,663,716
Middlebury	119,228			119,228
Middlefield	1,862,128			1,862,128

(continued)

Loan	Total IFO/PLO as of 06/30/10	Undrawn Loan Commitments	Commitments thru 6/30/11	Total Commitments
Middletown	7,789,400		663,000	8,452,400
Milford	43,369,220			43,369,220
Naugatuck	1,191,650			1,191,650
New Britain	4,365,537			4,365,537
New Canaan	6,105,773			6,105,773
New Hartford			1,047,018	1,047,018
New London	3,904,050			3,904,050
New Milford	4,277,490	20,825,212		25,102,702
Newtown	8,284,965			8,284,965
North Branford	1,172,365			1,172,365
North Haven	2,559,737			2,559,737
Norwalk	29,051,647	15,519,039	42,000,000	86,570,686
Norwich	2,441,109		7,591,725	10,032,834
Plainfield	1,075,485			1,075,485
Plainville	20,756,613			20,756,613
Plymouth	1,288,513			1,288,513
Point-O-Woods	6,491,625	482,373		6,973,998
Portland	2,311,002			2,311,002
Redding	428,118			428,118
Ridgefield	1,540,650			1,540,650
Seymour	2,017,258			2,017,258
Shelton	17,505,127			17,505,127
Simsbury	18,445,218			18,445,218
South Windsor	12,142,880	18,321,744		30,464,624
Southington	9,379,608	868,202		10,247,810
Sprague	31,029			31,029
Stafford	148,413			148,413
Stamford	60,671,137			60,671,137
Stonington	1,171,946			1,171,946
Stratford	46,449,781	3,477,390		49,927,171
Suffield	470,407			470,407
Thomaston	5,641,550			5,641,550
Torrington	3,099,177	751,718		3,850,895
Vernon	10,210,277			10,210,277
Wallingford	1,512,563			1,512,563
Waterbury	60,350,795			60,350,795
West Haven	16,221,613	23,954,075		40,175,688
Westport	26,110,216			26,110,216
Winchester	546,811			546,811
Windham	11,279,458	5,111,504		16,390,962
Windsor Locks	1,093,330			1,093,330
Woodstock	479,619			479,619
TOTALS:	\$833,584,331	\$179,082,325	\$215,870,943	\$1,228,537,599

APPENDIX VI: BORROWERS BY CREDIT RATING

Borrower <i>as of June 30, 2010</i>	Total Commitment	Aaa	A&AA	B to Baa	Not Rated
Ansonia	\$ 40,991,195		\$ 40,991,195		
Bethel	1,479,898		1,479,898		
Bolton Lake RWPCA	7,167,683		7,167,683		
Branford	20,805,398		20,805,398		
Bridgeport	56,331,055		56,331,055		
Bristol	3,603,962		3,603,962		
Brookfield	404,987		404,987		
Brooklyn	23,917		23,917		
Burlington	2,618,480		2,618,480		
Canaan F.D.	31,356				31,356
Canton	1,692,135		1,692,135		
Cheshire	7,546,575		7,546,575		
Chester	1,082,670		1,082,670		
Coventry	7,940,448		7,940,448		
Danbury	10,341,682		10,341,682		
Darien	509,211	509,211			
Deep River	2,765,025				2,765,025
Derby	1,154,158		1,154,158		
East Haddam	493,062		493,062		
East Hampton	445,566		445,566		
East Lyme	1,783,175		1,783,175		
East Windsor	3,529,334		3,529,334		
Fairfield	20,758,465	20,758,465			
Farmington	4,092,096	4,092,096			
Glastonbury	23,701,544	23,701,544			
Greater New Haven WPCA	54,009,819		54,009,819		
Greenwich	12,469,534	12,469,534			
Groton	12,864,411		12,864,411		
Hartford	1,664,562		1,664,562		
Hebron	1,290,809		1,290,809		
Jewett City	5,197,418				5,197,418
Ledyard	1,104,006		1,104,006		
Litchfield	3,768,654		3,768,654		
Manchester	23,000,000		23,000,000		
Marlborough	8,919,665		8,919,665		
Mattabassett	3,963,015				3,963,015
Meriden	35,351,398		35,351,398		
MDC	247,663,716		247,663,716		
Middlebury	119,228		119,228		
Middlefield	1,862,128				1,862,128
Middletown	8,452,400		8,452,400		
Milford	43,369,220		43,369,220		
Naugatuck	1,191,650		1,191,650		

(continued)

Borrower as of June 30, 2010	Total Commitment	Aaa	A&AA	B to Baa	Not Rated
New Britain	4,365,537		4,365,537		
New Canaan	6,105,773	6,105,773			
New Hartford	1,047,018		1,047,018		
New London	3,904,050		3,904,050		
New Milford	25,102,702		25,102,702		
Newtown	8,284,965		8,284,965		
North Branford	1,172,365		1,172,365		
North Haven	2,559,737		2,559,737		
Norwalk	86,570,686	86,570,686			
Norwich	10,032,834		10,032,834		
Plainfield	1,075,485		1,075,485		
Plainville	20,756,613		20,756,613		
Plymouth	1,288,513		1,288,513		
Point-O-Woods	6,973,998		6,973,998		
Portland	2,311,002		2,311,002		
Redding	428,118		428,118		
Ridgefield	1,540,650	1,540,650			
Seymour	2,017,258		2,017,258		
Shelton	17,505,127		17,505,127		
Simsbury	18,445,218	18,445,218			
South Windsor	30,464,624		30,464,624		
Southington	10,247,810		10,247,810		
Sprague	31,029		31,029		
Stafford	148,413		148,413		
Stamford	60,671,137		60,671,137		
Stonington	1,171,946		1,171,946		
Stratford	49,927,171		49,927,171		
Suffield	470,407		470,407		
Thomaston	5,641,550		5,641,550		
Torrington	3,850,895		3,850,895		
Vernon	10,210,277		10,210,277		
Wallingford	1,512,563		1,512,563		
Waterbury	60,350,795			60,350,795	
West Haven	40,175,688			40,175,688	
Westport	26,110,216	26,110,216			
Winchester	546,811		546,811		
Windham	16,390,962		16,390,962		
Windsor Locks	1,093,330		1,093,330		
Woodstock	479,619		479,619		
TOTALS:	1,228,537,599	200,303,393	913,888,782	100,526,482	13,818,942
Percentage of Total Commitment:		16%	75%	8%	1%

APPENDIX VII: CLEAN WATER FUND PRIORITY RANKING LIST 2010 - 2011

	Priority Points	Town	Project Description	Clean Water Fund No.	Eligible Cost (\$ thousands)
1	44	New Haven GNH	WPCF Denitrification	333	N/A
2	44	Bridgeport	WPCF West Side Denitrification	TBD	N/A
3	40	Hartford MDC	WPCF Denitrification	520	\$120,000
4	38	Manchester	WPCF Denitrification	525	N/A
5	38	Bridgeport	WPCF East Side Dechlorination	TBD	\$990
6	36	Mattabassett	WPCF Denitrification	528	\$45,000
7	35	Hartford MDC	CSO Consolidation Piping	597	\$80,000
8	35	Hartford MDC	CSO WPCF Improvements	599	\$105,000
9	35	Hartford MDC	CSO Storage	600	\$165,000
10	35	Hartford MDC	CSO Separation	601	\$260,000
11	35	New Haven GNH	CSO Separation	186	\$160,000
12	35	New Haven GNH	CSO Consolidation Piping	TBD	\$30,000
13	35	New Haven GNH	CSO Storage	TBD	\$50,000
14	35	New Haven GNH	CSO WPCF Improvements	TBD	\$60,000
15	33	Bridgeport	CSO	452	\$4,500
16	33	Norwich	CSO Later Phases	448	\$48,000
17	33	Middletown	WPCF Abandonment	487	\$20,000
18	31	Torrington	WPCF Denitrification / Upgrade	546	\$27,200
19	31	Bristol	WPCF Denitrification Phase II	576	\$5,500
20	29	Clinton	Decentralized Systems	127	\$25,979
21	29	Old Saybrook	Decentralized Systems	116	\$24,460
22	29	Westbrook	Decentralized Systems	128	\$46,700
23	28	Rocky Hill MDC	WPCF Denitrification / Mods	192	\$2,100
24	28	Norfolk	WPCF Improvements	427	\$880
25	27	Norwich	WPCF Denitrification / Upgrade	495	\$30,000
26	27	Farmington	WPCF Denitrification	517	\$2,750
27	27	Goshen	WPCF Woodridge Lake & I/I	519	\$10,000
28	27	Plainfield	WPCF Denitrification / Upgrade	417	\$2,700
29	24	South Windsor	WPCF Denitrification / Upgrade	459	\$37,000
30	24	Killingly	WPCF Denitrification / Mods	524	\$18,500
31	24	New Milford	WPCF Denitrification / Expansion	292	\$28,803
32	23	New Hartford	WPCF Denitrification	579	\$9,100
33	21	East Hampton	WPCF Denitrification	293	\$22,000
34	21	Stafford	WPCF Upgrade	194	\$14,400
35	21	Plymouth	WPCF Denitrification	458	\$850
36	21	Putnam	WPCF Denitrification	449	\$16,900
37	20	Canton	WPCF Denitrification / Mods	514	\$6,500
38	19	Stonington	WPCF Upgrade: Mystic	TBD	\$15,000
39	18	Stonington	WPCF Upgrade: Pawcatuck	456	\$7,100
40	18	Stonington	WPCF Upgrade: Borough	TBD	\$3,600

(continued)

	Priority Points	Town	Project Description	Clean Water Fund No.	Eligible Cost (\$ thousands)
41	18	Chester	Interceptor to Deep River	577	\$1,500
42	18	Sprague	WPCF Upgrade	564	\$7,481
43	17	Bridgeport	Infiltration/Inflow Rehab	TBD	\$4,000
44	17	Bridgeport	Pump Station Rehab	TBD	\$4,000
45	17	Hartford MDC	Infiltration/Inflow Rehab	605	\$135,000
46	17	Waterbury	Infiltration/Inflow Rehab	580	\$40,000
47	15	Bristol	FOG facilities	511	\$150
48	15	Bristol	WPCF Pump Station	TBD	\$450
49	15	Greenwich	UV Disinfection	573	\$2,500
50	15	Naugatuck	Infiltration/Inflow Rehab	357	\$1,800
51	15	New Britain	Infiltration/Inflow Rehab	583	\$4,000
52	15	Norwalk	Infiltration/Inflow Rehab	397	\$1,165
53	15	Rocky Hill MDC	Infiltration/Inflow Rehab	422	\$6,200
54	15	Sharon	WPCF Upgrade	543	\$390
55	14	Bolton Lakes RWPCA	Sewers: Bolton Lakes Int	132	\$14,840
56	14	Bristol	Sewers: Cedar Lake	171	\$2,000
56	14	Bristol	Sewers: Cedar Lake	171	\$2,000
57	14	Marlborough	Sewers to East Hampton	527	\$11,000
58	14	Wolcott	Sewers: Cedar Lake	398	\$1,000
59	13	New Haven GNH	Infiltration/Inflow Rehab	334	\$4,000
60	13	New London	Infiltration/Inflow Rehab	507	\$2,460
61	13	Newington MDC	Infiltration/Inflow Rehab	491	\$8,800
62	13	Shelton	Infiltration/Inflow Rehab	473	\$1,159
63	13	Thompson	Decentralized: Thompson Hill	389	\$3,000
64	13	Torrington	FOG facility	8022	\$960
65	13	Windham	FOG facility	552	\$250
66	13	Windsor MDC	Infiltration/Inflow Rehab	319	\$1,600
67	12	Hartford MDC	Effluent Pump Station Improvements	522	\$3,000
68	12	Hartford MDC	Incinerator & Heat Recovery	TBD	\$17,586
69	11	Ansonia	Infiltration/Inflow Rehab	311	\$4,241
70	11	Bloomfield MDC	Infiltration/Inflow Rehab	TBD	\$7,091
71	11	Bristol	Sewers: Route 69	320	\$3,800
72	11	East Hartford MDC	Infiltration/Inflow Rehab	TBD	\$2,636
73	11	East Haven GNH	Infiltration/Inflow Rehab	TBD	\$11,000
74	11	Fairfield	Infiltration/Inflow Rehab	TBD	\$750
75	11	Hamden GNH	Infiltration/Inflow Rehab	TBD	\$4,000
76	11	Middletown	Infiltration/Inflow Rehab: 17a1-17C-19B	537	\$9,500
77	11	New Milford	Pump Station: West Side-Odor Control	585	\$200
78	11	Wethersfield MDC	Infiltration/Inflow Rehab	TBD	\$9,545
79	11	Woodbridge GNH	Infiltration/Inflow Rehab	TBD	\$800
80	9	Cheshire	Infiltration/Inflow Rehab	TBD	\$400
81	9	East Hampton	Infiltration/Inflow Rehab	TBD	\$1,400
82	9	New Milford	Infiltration/Inflow Rehab: Housatonic Ave	539	\$2,000

(continued)

	Priority Points	Town	Project Description	Clean Water Fund No.	Eligible Cost (\$ thousands)
83	9	Torrington	Infiltration/Inflow Rehab	198	\$4,800
84	8	Burlington	Sewers: Whigville	512	\$1,250
85	8	Cheshire	Sewers: South End	465	\$4,600
86	8	Darien	Sewers: Extensions	421	\$3,500
87	8	East Windsor	Sewers: Prospect Hill Rd	323	\$1,200
88	8	East Windsor	Sewers: North Road	325	\$2,239
89	8	Greenwich	Sewers: North Mianus	485	\$25,000
90	8	Lebanon	Sewers: Amston Lake	TBD	\$4,000
91	8	Mansfield	Sewers: Four Corners	TBD	\$5,000
92	8	Middletown	Sewers: South End	368	\$900
93	8	Middletown	Sewers: Saybrook & Main Rehab	531	NA
94	8	Montville	Sewers: Phase III Extension	212	\$2,000
95	8	Naugatuck	Sewers	332	\$1,500
96	8	Naugatuck	Pump Station: Horton Hill	534	\$355
97	8	New Haven GNH	Pump Station Replacement	335	NA
98	8	Norwich	Sewers: Interceptor	263	\$4,030
99	8	Plymouth	Sewers	339	\$1,000
100	8	Stonington	Sewer Expansion Program	545	\$32,500
101	8	Suffield	Sewers: Extension	300	\$420
102	7	Farmington	WPCF Odor Control Improvements	440	\$250
103	7	Middlebury	Pump Stations Rehab	TBD	\$2,700
104	7	Norfolk	Infiltration/Inflow Rehab	426	\$2,200
105	7	Salisbury	Infiltration/Inflow Rehab	428	\$1,800
106	7	Sharon	Infiltration/Inflow Rehab	544	\$750
107	7	Sharon	Sewer Replacement	TBD	\$1,000
108	6	Ansonia	Naugatuck / Central St. Siphons	TBD	\$300
109	6	Fairfield	WPCF Improvements	TBD	\$230
110	6	Vernon	Sewers: Mtn St. Reconstruction	548	\$500
111	4	Cheshire	Pump Station Upgrades	322	\$3,200
112	4	Cheshire	WPCF Upgrade (no denitrification)	TBD	\$4,400
113	4	Derby	WPCF Upgrade (no denitrification)	TBD	\$3,600
114	4	Enfield	Pump Station Rehab	289	\$575
115	4	Groton (Town)	Pump Station Improvements	419	\$3,920
116	4	Simsbury	Pump Station Upgrade: South PS	TBD	\$400
117	2	Bristol	Pump Station & Force Main	TBD	\$8,600
118	2	Colchester	Pump Station: Flatbrook	TBD	\$4,000
119	2	East Windsor	Pump Station Replacement	324	\$150
120	2	Plymouth	Pump Station Upgrade	493	\$1,250
121	2	Ridgefield	Pump Station: Quail Ridge	TBD	\$1,300
122	2	Windsor Locks	Pump Station: Dexter	TBD	\$1,500
				SUBTOTAL:	\$1,983,085
				(less) Partial CSO Funding:	(\$127,525)
				TOTAL Future Project Funding:	\$1,855,560

APPENDIX VIII: PROGRAM MANAGEMENT BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION

The DEP is responsible for coordinating the conservation, improvement and protection of the State's natural resources and environment, primarily by mitigating water, land and air pollution. To accomplish its mandate under the Connecticut Clean Water Act, the DEP enforces compliance with state and federal laws, discharge permits, rules and regulations pertaining to pollution control in the State. The DEP is also responsible for the supervision of research related to restoring and rehabilitating Long Island Sound. The DEP Bureaus of Water Protection and Land Reuse (BWPLR) and Financial and Support Services (BFSS) have program responsibility for the Connecticut Clean Water Fund.

The BWPLR's mission is to protect and restore the State's surface water and groundwater, to protect public water supply, human health and safety, hazard mitigation, river restoration, and to preserve and enhance water based recreation, propagation of fish and aquatic life. The purpose of these activities is to maintain the natural character and economic well-being of the State. The BWPLR adopts water quality standards for the State's surface and groundwater resources, regulates municipal and industrial wastewater discharges, manages construction on and adjacent to coastal and inland water resources, enforces water quality standards, mitigates natural hazards, and controls floodplain development, river restoration water resource protection, and remediation of waste disposal sites.

Municipal Facilities

The Planning and Standards Division within the BWPLR administers the Connecticut Clean Water Fund, primarily within its Municipal Facilities Section. The Section provides assistance to municipalities for the upgrading of municipal wastewater infrastructure and related infrastructure needs, through planning, design and construction oversight as well as the approval of permits for municipal discharges and enforcing the State's operator certification requirements. It is the role of the engineering and project management staff within the Municipal Facilities section to:

- Guide municipal decision makers and citizens on the need for projects;
- Give a clear explanation of how Clean Water Fund financing will assist them;
- Encourage all municipalities to pursue facility planning to address future needs.
- Collaborate among several units of DEP to perform major tasks for the Clean Water Fund including:
 - Prepare the state capital budget request for the Clean Water Fund;
 - Create a project priority list of eligible municipal water quality projects and wastewater projects, based on approved state and federal appropriations;
 - Develop and enforce compliance schedules for each step of municipal pollution control projects, including planning, design and construction;
 - Review project funding with potential borrowers;
 - Review all project information to ensure compliance with project schedules and budgets including approval of project plans and specifications, amendments and determination of eligibility of proposed costs;
 - Support the Nitrogen Credit Exchange Program;
 - Support municipalities through outreach, monitoring and testing and assistance with planning and education.

A strong public outreach effort is one of the reasons for the success of the Clean Water Fund. Staff members routinely attend local water pollution control authority meetings, public hearings on proposed projects and public meetings on appropriations of local funds to support projects.

Bureau of Financial and Support Services

The BFSS provides business and accounting services for the Clean Water Fund and provides management and oversight of financial and project accounting responsibilities within DEP including contract management and expense monitoring.

Though the use of CORE-CT and working with the Treasurer's Office, the BFSS has streamlined the processing of project payment while capturing more of the data needed to manage the programs and comply with reporting requirements of the EPA. The DEP has also coordinated project management and program accounting with the use of a customized loan and grant management tracking system developed through the EPA.



Mystic River at the Bascule Bridge

APPENDIX IX: PROGRAM MANAGEMENT BY THE STATE TREASURER'S OFFICE

The State Treasurer, elected for a term of four years as prescribed by the State Constitution, is responsible for the safe custody of the property and money of the State and makes disbursements on warrants drawn and presented by the State Comptroller. The State Treasurer receives all the money belonging to the State, makes disbursements as directed by statute, and manages, borrows, and invests all funds in the State's General Fund as well as the assets of the state pension, trusts and other funds. As authorized by the State Bond Commission, the State Treasurer oversees and administers the State's bond and debt financing program including issuance of state bonds, issuance of bonds which are limited or contingent liabilities of the state, monitoring the bond markets, financing structures and economic trends that affect interest rates in order to realize favorable bond issuances. The State Treasurer also ensures the timely payment of principal and interest, and provides information and data to private credit rating agencies.

Pursuant to a Memorandum of Agreement in 1989, updated in 2009, by the State Treasurer and the DEP Commissioner, the State Treasurer manages financial components of the Clean Water Fund and has certain responsibilities with respect to the implementation and management of the Clean Water Fund. A financial administrator in the Office of the State Treasurer manages and coordinates the various financial components of the Clean Water Fund and the Drinking Water Fund Programs on a day-to-day basis with the DEP and OPM. OPM manages the State's capital budget and oversees the bond allocation process. The financial administrator is also responsible for:

- Review of supporting data for financing of Clean Water Fund projects and credit related documents submitted by the borrowers;
- Preparation and review of loan and grant agreements and related documents;
- Management of the bond financing for the Clean Water Fund program including documentation of the projects to meet IRS requirements, investment of bond proceeds and other funds to maximize the yield and meet programmatic requirements and participation in the development of financing plan to new initiatives which might expand the use of revolving funds and leverage financing concepts within the State;
- Coordination of the independent audit of the State's federal account and the audit of all program accounts by the State Auditors of Public Accounts and the preparation of the annual report;
- Ongoing procedures including: surveillance of the borrowers' financial condition; compliance with secondary market disclosure regulations; loan administration, including preparation of loan schedule information and coordination with the trustee on billing and collection of loan payments;
- Participation as a member of the Nitrogen Credit Advisory Board created to administer the Nitrogen Credit Exchange Program

The DEP and the State Treasurer have joint responsibility for the program's data management systems including an extensive project tracking system developed and maintained by the DEP and a dual entry general ledger accounting system developed and maintained by the Office of the State Treasurer.

The program management goals and objectives of the Office of the State Treasurer relating to the Connecticut Clean Water Fund are to:

- Maintain accurate project funding and accounting systems for the State Revolving Fund programs and develop a new project tracking and accounting system for the Clean Water Fund;
- Develop additional capacity to provide low-cost financing for eligible projects, as simply and effectively as possible;
- Manage the payment process for the Nitrogen Credit Program and participate on the Nitrogen Credit Advisory Board;
- Assist municipal water quality projects by creating loan structuring responsive to local needs while ensuring integrity of the Clean Water Fund;
- Maintain both the federal tax-exempt status and the high credit ratings of all of the program's publicly issued debt; and
- Continual review of outstanding debt for structural improvements and refunding savings.

FINANCING PROGRAM ADMINISTRATION

Both the DEP and the Office of the State Treasurer are involved in the evaluation of each project funding application. After review by both offices, the project funding agreements are signed by the Commissioner of the DEP. The State Treasurer has the responsibility to structure loans based on consideration of the borrower's financial condition and financial management capabilities, protection of the high credit quality of the state fund, as well as the laws and regulations of the State. There are four levels of approval for each project:

1. **Evaluation and Enforcement (DEP):** The proposed project must address the needs cited by the DEP and comply with regulatory and statutory requirements for the project.
2. **Project Administration (DEP):** All project costs included in the application must be designated as either eligible or ineligible for funding in accordance with state and federal regulations. Any costs that are considered ineligible remain the responsibility of the local municipality.
3. **Environmental Review (DEP):** Based on information received from the borrowers, the DEP prepares an environmental assessment of all activities to be undertaken in order to ensure that the project is consistent with the State Plan of Conservation and Development and complies with the Connecticut Environmental Policy. The assessment report is submitted to the intergovernmental Policy Division of the OPM for final concurrence.
4. **Credit Review (Office of the State Treasurer):** The applicant must be creditworthy, and the Clean Water Fund underwriting standards must be met. The Office of the State Treasurer reviews the financial information submitted with each application and determines the general terms and conditions for providing financial assistance. The loan agreements are written by the Office of the State Treasurer to permit eventual financing by the State through the program's revenue bonding program.

Although there is some flexibility with regard to the timing of approvals, in all cases funding is subject to the ranking of the project on the most current project priority listing and State Bond Commission approvals.

PROGRAM BOND RESOLUTIONS

Summarized below are the three resolutions under which bonds are outstanding. The flow of funds, security provisions and the accounts held by trustee under each resolution are further discussed in the financial statements.

Summary of Bond Resolutions

Resolutions	Security	Fund Account	Restricted/ Unrestricted	Debt Outstanding as of 6/30/2010
General Revenue Resolution <i>adopted Dec 17, 2002</i>	Available Money Assets of the Fund	Loan Fund	Restricted	\$827 million
		Debt Service Fund (DSF)	Restricted	
		Support Fund	Restricted	
		Revolving Fund	Unrestricted	
Bond Resolution <i>adopted Dec 7, 1990</i>	Revenue, Loans DSF and DSRF	Loan Fund	Restricted	\$0
		Debt Service Fund	Restricted	
		Debt Service Reserve Fund (DSRF)	Restricted	
		Sr. Sinking Fund	Restricted	
Subordinate Bond Resolution <i>adopted Feb 7, 1996</i>	Second Lien on Revenue and Loans	Debt Service Fund	Restricted	\$0

Bond Debt Service

Repayment of the revenue bonds comes from loan repayments, interest earnings on assets and the State's earlier interest subsidy contributions. While all loan repayments are available for the payment of the bonds, a portion of loan repayments is retained in the debt service fund as a cash flow cushion in conformance with rating agency default coverage guidelines. The debt service schedule for all bonds outstanding is provided in the financial statements.

Cross-Collateralization

Both the Drinking Water Fund and the Clean Water Fund make loans from the proceeds of revenue bonds. Loan repayments from both State Revolving Fund Programs are available to pay all bonds whether the loans were made under the Drinking Water or the Clean Water programs. This cross-collateralization of the State Revolving Fund Programs has been structured in accordance with the EPA regulations, interpretations and guidance and the Bond Resolution, as amended and supplemented.

Revenue Bond Swap Information

There were two interest rate swap agreements with Goldman Sachs Mitsui Marine Derivative Products ("GSMMDP") which were terminated at the beginning of the fiscal year. Further information on the swap agreements can be found in the audited financial statements.

Investments and Reserve Account Information

The State currently invests in the State's Short-Term Investment Fund and in guaranteed investment agreements with financial institutions. The 2002 bond resolution requires that the investment agreements be with, or be guaranteed by, institutions with ratings in the two top rating categories given by Standard & Poor's and Moody's Investors Service or any rating service recognized by the State Banking Commissioner. Certain moneys currently held in the fund are invested pursuant to investment agreements with AA providers, which are collateralized with securities issued or guaranteed by the U.S. Government or agencies or instrumentalities whose market value is at least 100% of the funds invested. Upon the issuance of the 2003 bonds and the restructuring of the program's debt, certain of these long-term investments became unrestricted assets of the Clean Water Fund.

CLEAN WATER FUND RESTRICTED ACCOUNTS*

Bond Series	Revenue Bond Amount	Federal Grants Pledged	GO Bonds	Direct Loan Repayment	DST 'Free-Up'	GO Interest Subsidy	Support Fund Assets
1991	\$ 100,000,000	37,126,619	12,873,381	0	0	19,690,000	0
1992	105,000,000	25,155,089	26,144,911	1,200,000	0	6,715,000	0
1993	50,000,000	23,600,217	0	1,399,783	0	7,200,000	0
1994	75,000,000	32,222,500	0	2,900,000	2,377,500	5,100,000	0
1996	80,000,000	18,064,373	5,000,000	7,183,127	9,752,500	3,290,000	0
1997	110,000,000	20,415,930	19,000,000	4,016,570	11,567,500	5,200,000	0
1999	125,000,000	25,088,408	18,000,000	5,389,093	14,022,500	4,875,000	0
2001	70,385,254	3,124,857	0	5,000,000	23,270,000	3,605,000	0
2003	85,021,200	0	0	0	0	0	17,378,036
2004	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0
2007	145,000,000	0	0	0	0	0	24,078,454
2008	171,195,000	0	0	0	0	0	0
2009	194,765,000	0	0	0	0	0	0
Subtotal:	1,311,366,454	184,797,993	81,018,292	27,088,573	60,990,000	55,675,000	41,456,490
Drinking Water Fund							
2001	\$ 29,614,746	13,206,447	10,398,696	0	0	0	0
2002	0	0	0	0	0	0	0
2003	33,063,800	0	0	0	0	0	6,043,487
2004	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0
2007	5,000,000	0	0	0	0	0	822,595
2008	25,000,000	0	0	0	0	0	0
2009	4,675,000	0	0	0	0	0	0
Subtotal:	97,353,546	13,206,447	10,398,696	0	0	0	6,866,082
CWF total	1,408,720,000	198,004,440	91,416,988	27,088,573	60,990,000	55,675,000	48,322,572

* includes Debt Service Revolving Funds in 1991 to 2001; Revolving Funds in 2003 and 2006 restricted accounts except Loan Fund and Debt Service Fund

APPENDIX X: APPLICATION PROCESS

Financing Application and Approval

To qualify for funding from the Clean Water Fund, a project must be listed on the DEP's Priority List of eligible water quality projects that sets forth the projects expected or proposed to receive financial assistance under the program. As a condition to being placed on the Priority List for a wastewater treatment project, a borrower must have previously received an administrative abatement order from the DEP directing the borrower to alleviate existing or potential wastewater disposal problems. Once a project is placed on the Priority List, the potential loan recipient must file an application for financial assistance for the project. The application must be approved as discussed previously and at each level of approval, modifications can be made to address any concerns. The DEP and the Office of the State Treasurer determine whether, and on what terms and conditions, financial assistance will be provided, including whether or not the State will issue revenue bonds for the benefit of the project. If the DEP and the Office of the State Treasurer determine that the State will not finance all or a portion of the cost of a project from the proceeds of revenue bonds, the State may provide a direct loan to assist an eligible project from available moneys in any of the other accounts in the State Revolving Fund Program. Grants to municipalities for qualified wastewater projects are funded solely from state general obligation bonds.

Once all approvals are in place and after completion of an overall review of the project loan agreement and the other loan documents, a closing is scheduled with the Office of the State Treasurer. The project loan agreement is then executed and signed first by the borrower, then by the DEP Commissioner. The State Attorney General also reviews and approves the document forms. Once the closing has taken place, the DEP provides the project administration, contract coordination with the municipality and review of all invoices, working closely with DEP Municipal Facilities Section regarding approvals and change orders. Funds are disbursed on a first-come, first-served basis as project costs are incurred. Under the terms of the loan, the specific amounts disbursed to any borrower will depend upon the actual progress of construction.

Upon project completion, the loan is converted to a long-term obligation, called a Project Loan Obligation (PLO). The borrower is billed according to the terms of the PLO. Generally, all borrowers make monthly repayments. Project audit requirements are subject to the provisions of the State's Single Audit Act (Chapter 55b of the Connecticut General Statutes). DEP and its staff of engineers assist borrowers through the entire process as each department completes its work.

To comply with IRS and SEC rules, all borrowers are required to sign Project Tax Questionnaire and a Continuing Disclosure Agreement (CDA). The Project Tax Questionnaire may need to be refilled when bonds are issued and the CDA assists the State in complying with the requirements of the Securities and Exchange Commission's Rule 15c2-12. The CDA agreement requires a borrower to provide certain information and notification of material events in support of the State revenue bond issues.

APPENDIX XI: LOAN AGREEMENTS

Prior to the making of a loan to a borrower for an eligible project, in accordance with Connecticut General Statutes, the borrower and the State must enter into a Project Loan Agreement between the municipality and the State and the borrower must deliver to the State a borrower obligation or "note" evidencing the loan. In each case, the State agrees to make a loan for eligible project costs incurred by the municipality in an amount up to the maximum amount provided in the loan agreement. Funds are

disbursed to a borrower only to pay eligible project costs that actually have been incurred by the borrower, and the amount of a loan is equal to the aggregate of disbursed amounts.

Each loan is secured by a municipal obligation for which each municipality pledges its full faith and credit and/or a dedicated source of revenue. Additionally, each loan agreement specifies a date by which the project work is to be completed (the Scheduled Completion Date or SCD). Amortization of each Loan is required to begin no later than one year from the earlier of the SCD specified in the Loan Agreement or the actual project completion date.

Principal and interest payments on loans are payable either in equal monthly installments commencing one month after the SCD, or in a single annual installment representing the first year's principal and interest not later than one year after the SCD and thereafter in monthly installments. The final maturity of each Loan is no later than twenty years from the Scheduled Completion Date. Pursuant to the State Act, each Loan bears an interest rate of 2% per annum for Wastewater Program Loans or 50% of Market Rate for Drinking Water Program Loans. Borrowers may elect to make level debt service payments or level principal payments. Municipalities may prepay their loans at any time prior to maturity and there is no penalty for prepayment of loans. A small number of loans including those made under loan agreements dated prior to July 1, 1989 are being repaid in annual installments upon consent of the Office of the State Treasurer.

The following is a section-by-section summary of a typical project loan and grant agreement:

SECTION I	Definitions		
SECTION II	The Project - Project Description		
SECTION III	The Grant - The Project Grant, Increase in Project Grant, and Required Repayment of the Grant Disbursement of Project Grant		
SECTION IV	The Loan - The Loan Commitment Increase in Loan Commitment, The Interim Funding Obligations and Project Loan, Disbursement of Project Loan and Project Grant Proceeds, Required Repayment of Obligations, Optional Prepayment of Principal, Method of Payments, New Municipality, Schedule of payments into Debt Service Reserve Fund.		
SECTION V	Representations & Warranties Existence and Power, Authority, No Litigation Pending, Expenditure of Project Grant and Project Loan by Municipality, Validity, and Events of Default.		
SECTION VI	Conditions Precedent Written Documentation, Evidence of Municipal Action, Opinion of Bond Counsel, Signature and No Litigation Certificate, No Event of Default, Representations and Warranties, and Compliance with Federal and State Requirements		
SECTION VII	Agreements of the Municipality Construction, Municipality to Pay Excess Cost of Project, Inspection of Project By State, Maintenance of Project Records, Maintenance of Existence, Use of Proceeds, Tax Compliance, Nondiscrimination, Executive Orders of the Governor, Insurance Indemnification, Audits, Litigation, Waiver of Governmental Immunity Expenses, Completion of Project, Maintenance of Project, Continuing Disclosure; Official Statement.		
SECTION VIII	Agreements of the State Loan and Grant Termination, Notification of Approval, Audits of Project Grant and Loan		
SECTION IX	Defaults Waivers, Notices, Connecticut Law, Interpretation, Severability, Survival of Representations, Warranties/Covenants, Successors and Assigns, Incorporation of Other Documents, Amendments, Cancellation, Effective Date, Other Provisions of State Contracts		
SECTION X	Miscellaneous		
Exhibit I	Form of Interim Funding Obligation	Exhibit VII	Certification of System of Charges, Assessments and Other Revenues
Exhibit II	Form of Project Loan Obligation	Exhibit VIII	Form of Request for Advance
Exhibit III	Form of Opinion of Bond Counsel	Exhibit IX	Closing Statement
Exhibit IV	Form of Signature No Litigation Certificate	Exhibit X	Conditions Precedent
Exhibit V	Continuing Disclosure Agreement	Exhibit XI	Insurance Requirements
Exhibit VI	Budget	Exhibit XII	MBE/WBE Certification

APPENDIX XII: CWF FUNDED PROJECTS

FY 1987-1990 CWF Funded Projects

Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Federal Grant Amount *	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Manchester	100-C	10/14/87	8/31/90	3,238,332	0	10,203,995	14,300,000	0	0	17,538,332
Suffield	101-C	3/18/88	12/1/89	1,511,595	0	5,572,661	10,837,895	0	0	12,349,490
Bridgeport	109-C	4/26/91	11/1/91	469,205	819,428	3,175,300	1,549,385	0	0	2,838,018
Bridgeport	109-CD1	4/26/91	9/30/93	214,750	0	319,229	492,141	0	0	706,892
Bridgeport	109-CD2	4/26/91	4/30/95	999,091	0	638,050	999,192	0	0	1,998,284
subtotal:				6,432,974	819,428	19,909,235	28,178,613	0	0	35,431,015
Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
East Lyme	112-C	12/10/87	3/1/90	1,770,446	0	0	0	8,860,816	0	10,631,262
No. Haven	104-C	10/11/88	10/31/91	4,414,816	0	12,481,499	0	0	6,136,141	23,032,455
New Haven	107-C	11/22/88	12/31/89	1,263,158	0	1,200,142	0	0	93,029	2,556,329
Danbury	103-D	11/22/88	5/15/89	473,184	0	2,725,595	0	0	0	3,198,779
East Lyme	175-C	2/3/89	5/31/91	561,745	0	0	100,000	1,092,206	714,897	2,468,848
Plymouth	102-C	4/3/89	6/30/91	2,288,886	0	7,547,568	0	0	3,303,961	13,140,415
Middletown	114-C	4/18/89	6/30/93	2,109,631	0	792,642	0	0	179,795	3,082,068
Stonington	141-C	6/15/89	5/31/90	577,741	0	0	0	1,600,000	922,259	3,100,000
Bridgeport	164-D	8/28/89	5/31/91	215,427	0	0	2,742,955	0	0	2,958,382
Middletown	209-D	9/1/89	10/31/91	312,028	0	0	757,532	0	0	1,069,560
New Haven	108-D	9/28/89	12/1/90	0	332,635	0	919,997	0	0	1,252,632
Ridgefield	110.1-C	12/21/89	9/30/92	172,582	0	0	0	0	733,913	906,495
Ridgefield	110.2-C	3/31/90	9/30/92	1,845,733	0	1,670,825	0	0	7,605,997	11,122,555
East Lyme	176-C	5/10/90	6/30/94	1,239,854	0	0	100,257	0	8,487,938	9,828,049
subtotal:				17,245,232	332,635	26,418,270	4,620,741	11,553,021	28,177,929	88,347,828
TOTAL Funded Projects for FY 1987-90:				23,678,205	1,152,063	26,418,270	32,799,354	11,553,021	28,177,929	123,778,843

* Federal grant amount not included as SRF funding

FY 1990 - 1991 CWF Funded Projects

Danbury	103-C	7/20/90	7/30/93	9,527,045	0	0	0	6,567,587	52,600,074	68,694,706
New Haven Pub.	6224-R	11/8/90	N/A	0	30,000	0	0	0	0	30,000
Fairfield Univ.	6222-R	11/8/90	N/A	0	7,048	0	0	0	0	7,048
Guilford Public	6233-R	11/8/90	N/A	0	4,573	0	0	0	0	4,573
Waterbury Public	6240-R	11/9/90	N/A	0	4,992	0	0	0	0	4,992
Cheshire	111.1-C	11/13/90	7/15/90	138,168	0	0	0	567,432	0	705,600
Conn. College	6220-R	11/21/90	N/A	0	51,175	0	0	0	0	51,175
Newington Public	6238-R	11/21/90	N/A	0	5,074	0	0	0	0	5,074
Schooner Inc.	6230-R	12/3/90	N/A	0	50,000	0	0	0	0	50,000
No. Stonington Pub.	6239-R	12/3/90	N/A	0	4,900	0	0	0	0	4,900
Trumbull Public	6235-R	12/6/90	N/A	0	4,806	0	0	0	0	4,806
Norwalk Bd of Ed	6232-R	12/11/90	N/A	0	4,992	0	0	0	0	4,992
Brooklyn	134-D/C	12/14/90	6/30/91	115,336	0	0	0	0	478,367	593,703
Nature Center	6229-R	12/18/90	N/A	0	7,985	0	0	0	0	7,985
Cheshire	111.0-C	12/27/90	7/31/90	2,549,075	0	0	0	0	12,569,081	15,118,156

(continued)

Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Cheshire	111.0-CD1	12/27/90	10/31/94	153,961	0	0	0	0	1,425,949	1,579,910
East Lyme	112-CD1	12/31/90	6/30/91	59,114	0	0	0	373,389	0	432,503
Bridgeport Public	6237-R	1/10/91	N/A	0	5,000	0	0	0	0	5,000
Norwich Free Acad.	6242-R	1/10/91	N/A	0	5,000	0	0	0	0	5,000
Fairfield Univ.	6091-R	1/10/91	N/A	0	2,000	0	0	0	0	2,000
Groton Public	6241-R	1/10/91	N/A	0	5,000	0	0	0	0	5,000
Seymour	121-C	1/28/91	4/30/92	1,890,643	0	0	0	0	10,257,454	12,148,097
Wesleyan Univ.	6223-R	2/13/91	N/A	0	61,663	0	0	0	0	61,663
E. Hdfd Bd of Ed	6236-R	2/21/91	N/A	0	4,780	0	0	0	0	4,780
East Lyme Public	6231-R	2/28/91	N/A	0	5,000	0	0	0	0	5,000
Greenwich	115-C	3/25/91	4/1/93	5,195,334	0	0	10,211	0	27,053,620	32,259,166
Middletown	114-CD1	3/27/91	6/30/93	0	0	0	0	0	1,151,932	1,151,932
New Haven	108-C	4/15/91	7/1/92	0	7,767,873	0	0	0	7,935,645	15,703,518
Middletown	209-C	4/26/91	5/31/92	0	908,540	0	0	0	1,027,979	1,936,520
UCONN	6227-R	5/1/91	N/A	0	116,514	0	0	0	0	116,514
UCONN	6228-R	5/1/91	N/A	0	358,208	0	0	0	0	358,208
UCONN	6219-R	5/6/91	N/A	0	44,847	0	0	0	0	44,847
Woodstock Acad.	6234-R	5/6/91	N/A	0	4,975	0	0	0	0	4,975
Sprague	154-D/C	5/13/91	4/30/92	71,857	0	0	0	0	338,504	410,361
Ferry Landing	3008-CO	5/15/91	N/A	0	25,000	0	0	0	0	25,000
Norwalk	5001-CL	5/20/91	N/A	78,750	0	0	0	0	0	78,750
Thomaston	5000	6/3/91	N/A	23,321	0	0	0	0	0	23,321
Stratford	5004-CL	6/3/91	N/A	96,900	0	0	0	0	0	96,900
Hamden	178-P	6/14/91	8/31/92	0	0	0	135,202	0	0	135,202
Ambient Monitoring	7000	6/26/91	N/A	0	197,680	0	0	0	0	197,680
Aquaculture		5/22/91	N/A	0	302,320	0	0	0	0	302,320
TOTAL Funded Projects for FY 1990-91:				19,899,505	9,989,946	0	145,414	7,508,408	114,838,605	152,381,877

FY 1991 - 1992 CWF Funded Projects

New London	5002-CL	7/3/91	N/A	70,000	0	0	0	0	0	70,000
Watertown FD	5003-CL	7/5/91	N/A	6,697	0	0	0	0	0	6,697
Essex	135-P	7/15/91	12/31/91	0	0	0	132,079	0	0	132,079
Willimantic	5009-CL	7/25/91	N/A	27,663	0	0	0	0	0	27,663
Bristol	5008-CL	8/2/91	N/A	51,000	0	0	0	0	0	51,000
Torrington	5011-CL	8/2/91	N/A	36,750	0	0	0	0	0	36,750
Glastonbury	5010-CL	8/2/91	N/A	18,785	0	0	0	0	0	18,785
Meriden	5005-CL	8/12/91	N/A	60,900	0	0	0	0	0	60,900
Leets Island	3004-CO	8/20/91	N/A	0	2,500	0	0	0	0	2,500
Simsbury	5007-CL	9/3/91	N/A	9,750	0	0	0	0	0	9,750
Norwich	5029-CL	9/27/91	N/A	44,625	0	0	0	0	0	44,625
Groton	5015-CL	9/27/91	N/A	35,000	0	0	0	0	0	35,000
Plainfield	5013-CL	9/27/91	N/A	2,727	0	0	0	0	0	2,727

(continued)

Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
South Windsor	5024-CL	9/27/91	N/A	25,060	0	0	0	0	0	25,060
Southington	5027-CL	9/27/91	N/A	34,405	0	0	0	0	0	34,405
Shelton	5012-CL	9/27/91	N/A	19,180	0	0	0	0	0	19,180
Derby	5023-CL	9/27/91	N/A	22,780	0	0	0	0	0	22,780
MDC	5021-CL	9/30/91	N/A	379,588	0	0	0	0	0	379,588
West Haven	5016-CL	9/30/91	N/A	111,125	0	0	0	0	0	111,125
Mattabasset	5017-CL	9/30/91	N/A	140,000	0	0	0	0	0	140,000
Fletchers Creek	3007-CO	10/23/91	N/A	0	13,000	0	0	0	0	13,000
Beacon Falls	5019-CL	10/25/91	N/A	4,626	0	0	0	0	0	4,626
East Haddam	173-P	11/1/91	1/31/92	0	0	0	38,591	0	0	38,591
Branford	5020-CL	11/5/91	N/A	110,000	0	0	0	0	0	110,000
Ansonia	5022-CL	11/21/91	N/A	18,375	0	0	0	0	0	18,375
East Hampton	5031-CL	11/27/91	N/A	4,620	0	0	0	0	0	4,620
Enfield	5028-CL	12/13/91	N/A	52,500	0	0	0	0	0	52,500
Bridgeport	5026-CL	12/15/91	N/A	234,209	0	0	0	0	0	234,209
Wallingford	5014-CL	12/27/91	N/A	33,369	0	0	0	0	0	33,369
Quiambaug Cove	8012-CO	12/27/91	N/A	0	85,978	0	0	0	0	85,978
Vernon	244-C	12/27/91	11/30/92	159,085	0	0	0	0	649,740	808,825
Stonington	5036-CL	12/27/91	N/A	73,761	0	0	0	0	0	73,761
New Haven Public	6270-R	1/2/92	N/A	0	102,670	0	0	0	0	102,670
UCONN	6262-R	1/8/92	N/A	0	9,000	0	0	0	0	9,000
UCONN	6261-R	1/8/92	N/A	0	21,516	0	0	0	0	21,516
UCONN	6268-R	1/8/92	N/A	0	99,260	0	0	0	0	99,260
Univ of New Haven	6264-R	1/12/92	N/A	0	106,087	0	0	0	0	106,087
New Milford	5032-CL	1/24/92	N/A	5,355	0	0	0	0	0	5,355
Fairfield	5006-CL	1/24/92	N/A	36,944	0	0	0	0	0	36,944
UCONN	6265-R	1/27/92	N/A	0	110,095	0	0	0	0	110,095
UCONN	6267-R	1/27/92	N/A	0	225,555	0	0	0	0	225,555
UCONN	6263-R	1/27/92	N/A	0	131,670	0	0	0	0	131,670
Torrington	162-C	2/10/92	3/31/94	2,741,276	0	0	371,600	0	12,024,879	15,137,755
Milford	5033-CL	2/11/92	N/A	25,810	0	0	0	0	0	25,810
Bridgeport	164-C	2/13/92	1/31/93	422,669	0	0	2,193,820	0	0	2,616,489
Vernon	211-C	2/14/92	5/31/92	38,013	0	0	0	0	199,611	237,623
Waterbury Bd of Ed	6259-R	2/21/92	N/A	0	5,047	0	0	0	0	5,047
East Lyme Public	6256-R	2/21/92	N/A	0	2,992	0	0	0	0	2,992
Vernon	5018-CL	2/28/92	N/A	32,000	0	0	0	0	0	32,000
Riverwatch Network	6260-R	3/4/92	N/A	0	23,500	0	0	0	0	23,500
Reg Planning Assoc	6269-R	3/4/92	N/A	0	49,997	0	0	0	0	49,997
Stamford	5030-CL	3/12/92	N/A	0	0	0	0	0	0	0
New Haven	5037-CL	3/12/92	N/A	280,000	0	0	0	0	0	280,000
Norwalk Mill Pond	8009-CO	3/17/92	N/A	0	53,800	0	0	0	0	53,800
North Branford	138-PDC	3/19/92	9/30/93	1,584,946	0	0	198,035	0	7,029,388	8,812,369
Litchfield	5035-CL	3/31/92	N/A	1,989	0	0	0	0	0	1,989
Norwalk Bd of Ed	6257-R	3/31/92	N/A	0	5,925	0	0	0	0	5,925

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Wesleyan Univ.	6266-R	3/31/92	N/A	0	38,186	0	0	0	0	38,186
Middletown	5034-CL	4/10/92	N/A	70,815	0	0	0	0	0	70,815
Stamford Pub. Sch.	6249-R	4/15/92	N/A	0	5,990	0	0	0	0	5,990
W. Haven Bd of Ed	6255-R	4/24/92	N/A	0	5,980	0	0	0	0	5,980
Interdistrict Comm	6253-R	4/24/92	N/A	0	6,000	0	0	0	0	6,000
Ridgefield Bd of Ed	6254-R	4/28/92	N/A	0	5,342	0	0	0	0	5,342
Hartford Bd of Ed	6252-R	4/28/92	N/A	0	6,000	0	0	0	0	6,000
Newington Bd of Ed	6248-R	5/14/92	N/A	0	228	0	0	0	0	228
East Hampton	247-C	5/21/92	3/31/93	185,273	0	0	0	0	837,030	1,022,302
West Haven	9900-BNR	5/22/92	N/A	0	29,846	0	0	0	0	29,846
Branford	9902-BNR	6/23/92	N/A	0	92,968	0	0	0	0	92,968
Hebron	124-DC	6/30/92	11/30/93	1,606,818	0	5,329,036	153,138	0	2,186,095	9,275,087
TOTAL Funded Projects for FY 1991-92:				8,818,486	1,239,132	5,329,036	3,087,263	0	22,926,743	41,400,660

FY 1992 - 1993 CWF Funded Projects

Farmington	159-C	7/2/92	4/30/94	3,380,445	0	0	0	0	18,453,777	21,834,222
Leets Island	3005-CO	7/13/92	N/A	0	8,250	0	0	0	0	8,250
MDC	105-P	7/23/92	6/30/92	315,555	0	0	369,903	0	0	685,458
Corps of Eng.	3001-CO	7/24/92	N/A	0	30,000	0	0	0	0	30,000
New Haven	272-D	7/28/92	1/31/93	98,913	175,892	0	0	0	432,387	707,192
East Lyme	177-C	8/13/92	9/30/94	1,163,170	0	0	20,022	0	578,665	1,761,856
Milford	9905-BNR	8/19/92	N/A	0	25,000	0	0	0	0	25,000
Stratford	9903-BNR	8/19/92	N/A	0	9,750	0	0	0	0	9,750
Hebron	124-CD1	8/31/92	11/30/93	268,719	0	0	39,869	0	1,855,191	2,163,780
New Haven	9904-BNR	9/4/92	N/A	0	86,085	0	0	0	0	86,085
Ashford	284-P	9/11/92	4/30/93	0	0	0	50,000	0	0	50,000
Bridgeport	9907-BNR	9/28/92	N/A	0	52,273	0	0	0	0	52,273
Stamford	9901-BNR	10/5/92	N/A	0	40,000	0	0	0	0	40,000
UCONN	6225-R	10/7/92	N/A	0	225,787	0	0	0	0	225,787
Portland	278-P	10/30/92	3/31/93	0	0	0	237,984	0	0	237,984
Middletown	262-C	10/30/92	2/28/94	0	901,256	0	0	0	1,766,655	2,667,911
W. River Park	8008-CO	10/30/92	N/A	0	24,108	0	0	0	0	24,108
Stamford	117-C	10/30/92	11/30/94	646,162	0	0	0	0	2,731,211	3,377,373
Stafford	282-C	10/30/92	4/30/93	194,659	0	0	0	0	896,560	1,091,218
Middletown	260-C	10/30/92	6/30/94	0	499,794	0	0	0	683,739	1,183,534
Fairfield	9906-BNR	11/9/92	N/A	0	23,500	0	0	0	0	23,500
Westport	9910-BNR	11/17/92	N/A	0	23,500	0	0	0	0	23,500
Mianus River	8003-CO	12/16/92	N/A	0	76,000	0	0	0	0	76,000
Bridgeport	206-D	12/22/92		181,783	0	0	2,810,440	0	0	2,992,223
New Canaan	9909-BNR	1/5/93	N/A	0	27,946	0	0	0	0	27,946
West Haven	166-CD1	1/19/93	7/1/95	1,482,827	0	0	0	0	2,769,461	4,252,288
West Haven	166-C	1/19/93	10/30/93	1,361,970	0	0	0	0	9,213,384	10,575,353
Seymour	146-C	2/23/93	6/30/94	800,379	0	0	0	0	4,714,906	5,515,285

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
UCONN	6226-R	2/23/93	N/A	0	141,140	0	0	0	0	141,140
Greenwich	9908-BNR	2/25/93	N/A	0	29,724	0	0	0	0	29,724
Waterbury	201-P	3/1/93	8/31/94	0	0	0	0	0	4,007,585	4,007,585
Canton	120-C	3/2/93	6/30/93	392,524	0	0	0	0	2,265,032	2,657,556
Bluff Point	8005-CO	3/3/93	N/A	0	14,700	0	0	0	0	14,700
Suffield	306-C	3/30/93	11/30/93	301,239	0	0	0	0	1,589,472	1,890,711
Suffield	306-C1	3/30/93	11/30/94	108,808	0	0	0	0	610,016	718,824
New Haven	243-C	3/31/93	3/1/94	0	1,032,592	0	0	0	1,054,378	2,086,970
Ferry Landing	3009-CO	4/4/93	N/A	0	307,000	0	0	0	0	307,000
Jewett City	5039-CL	4/7/93	N/A	7,052	0	0	0	0	0	7,052
West Haven	4900-BNR	4/16/93	N/A	0	771,000	0	0	0	0	771,000
Bridgeport	218-C	4/26/93	7/31/96	9,405,545	0	0	34,259,604	0	0	43,665,149
Middletown	114-CD2	4/29/93	6/30/93	0	0	0	70,185	0	177,416	247,601
Meriden	216-C	5/21/93	12/31/93	398,875	0	0	0	0	2,320,480	2,719,355
Vernon	244-CD1	5/28/93		12,968	0	0	0	0	51,873	64,841
Vernon	200-D	5/28/93	9/30/93	0	0	0	0	0	0	0
Wilson Cove	8011-CO	5/28/93	N/A	0	32,450	0	0	0	0	32,450
Middletown	266-C	6/1/93	5/31/94	559,026	0	0	0	0	652,782	1,211,808
Westport	4910-BNR	6/9/93	N/A	0	530,000	0	0	0	0	530,000
New Haven	4904-BNR	6/9/93	N/A	0	4,384,262	0	0	0	0	4,384,262
Middletown	304-C	6/14/93	7/31/93	71,152	0	0	0	0	320,953	392,105
New Haven	108-CD1	6/14/93	10/31/93	458,445	0	0	0	0	529,473	987,918
Norwalk	4911-BNR	6/22/93	N/A	0	1,022,190	0	0	0	0	1,022,190
Norwalk	9911-BNR	6/22/93	N/A	0	29,800	0	0	0	0	29,800
TOTAL Funded Projects for FY 1992-93:				21,610,217	10,523,998	0	37,858,006	0	57,675,395	127,667,616

FY 1993 - 1994 CWF Funded Projects

Marsh Road	8004-CO	7/9/93	N/A	0	21,084	0	0	0	0	21,084
Wesleyan Univ.	6310-R	7/9/93	N/A	0	26,739	0	0	0	0	26,739
Milford	4905-BNR	7/19/93	N/A	0	1,436,173	0	0	0	0	1,436,173
Greenwich	115-CD1	7/30/93	5/31/94	1,788,416	0	0	0	0	8,423,535	10,211,951
MDC	285-D	7/30/93	9/30/93	0	372,978	0	0	0	875,983	1,248,960
Branford	275-P/D	7/30/93	6/30/93	29,553	0	0	0	0	284,863	314,416
Middletown	261-C	7/30/93	5/31/95	502,985	0	0	0	0	610,612	1,113,597
Stratford	246-C	8/5/93	2/28/95	770,691	0	0	0	0	3,340,576	4,111,267
New Canaan	185-P	8/16/93	7/30/93	0	0	0	185,063	0	0	185,063
Lighthouse Point	8007-CO	8/20/93	N/A	0	17,346	0	0	0	0	17,346
Stamford	4901-BNR	9/22/93	N/A	0	1,909,000	0	0	0	0	1,909,000
Ridgefield	9912-BNR	9/28/93	N/A	0	10,000	0	0	0	0	10,000
Univ. of New Haven	6317-R	10/26/93	N/A	0	239,006	0	0	0	0	239,006
Wetland Restoration	2001-CO	11/1/93	N/A	0	318,250	0	0	0	0	318,250
Stratford	4903-BNR	11/2/93	N/A	0	773,888	0	0	0	0	773,888
UCONN	6313-R	11/5/93	N/A	0	49,854	0	0	0	0	49,854

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Ridgefield	110-CD1	11/15/93	6/30/94	83,655	0	0	0	0	374,498	458,153
Alewife Cove	8013-CO	11/18/93	N/A	0	40,000	0	0	0	0	40,000
MDC	285-C	11/18/93	10/31/95	2,616,344	10,869,998	0	0	0	15,322,113	28,808,454
UCONN	6314-R	11/22/93	N/A	0	188,224	0	0	0	0	188,224
Univ. of New Haven	6221-R	11/23/93	N/A	0	102,572	0	0	0	0	102,572
Wesleyan Univ.	6316-R	11/29/93	N/A	0	151,803	0	0	0	0	151,803
Watertown FD	312-C	11/30/93	9/30/94	186,377	0	0	0	0	780,112	966,489
East Windsor	302-C	12/2/93	3/31/96	1,474,598	0	0	0	0	10,812,482	12,287,080
Middlebury	303-C	12/30/93	7/31/94	131,748	0	0	0	0	583,971	715,719
Lighthouse Point	8006-CO	1/14/94	N/A	0	9,760	0	0	0	0	9,760
Fairfield	4906-BNR	2/1/94	N/A	0	2,595,500	0	0	0	0	2,595,500
Danbury	305-C	2/14/94	7/30/94	69,588	0	0	0	0	441,322	510,910
Jewett City	179-P	3/15/94	4/30/95	0	0	0	287,437	0	0	287,437
Old Field Creek	3011-CO	3/25/94	N/A	0	27,600	0	0	0	0	27,600
Vernon	200-C	3/31/94	12/31/96	4,811,217	0	0	0	0	27,635,550	32,446,767
UCONN	6322-R	4/21/94	N/A	0	245,570	0	0	0	0	245,570
UCONN	6323-R	5/18/94	N/A	0	61,887	0	0	0	0	61,887
New Haven	272-C	5/18/94	3/31/96	3,204,703	0	0	0	0	3,314,300	6,519,003
Nature Conservancy	6320-R	5/20/94	N/A	0	114,898	0	0	0	0	114,898
Connecticut College	6318-R	5/20/94	N/A	0	76,654	0	0	0	0	76,654
Yale University	6319-R	5/27/94	N/A	0	165,887	0	0	0	0	165,887
MDC	274-C	6/8/94	10/31/95	1,978,564	0	0	0	0	8,915,228	10,893,792
Univ. of New Haven	6321-R	6/10/94	N/A	0	148,642	0	0	0	0	148,642
UCONN	6324-R	6/16/94	N/A	0	52,025	0	0	0	0	52,025
Sasco Brook	8014-CO	6/26/94	N/A	0	8,359	0	0	0	0	8,359
Waterford	151-C	6/27/94	12/31/94	385,359	0	0	1,512,205	0	0	1,897,565
New Milford	143-C	6/29/94	12/30/95	954,614	0	0	350,636	0	4,893,572	6,198,822
Ridgefield	4912-BNR	6/30/94	N/A	0	200,000	0	0	0	0	200,000
TOTAL Funded Projects for FY 1993-94:				18,988,413	20,233,696	0	2,335,342	0	86,608,716	128,166,166

FY 1994 - 1995 CWF Funded Projects

Ledyard	119-D	7/1/94	9/1/95	0	0	0	0	0	0	0
Norwalk	190-L	7/13/94	7/1/95	0	0	0	4,550,161	0	0	4,550,161
UCONN	6315-R	7/23/94	N/A	0	208,480	0	0	0	0	208,480
Thomaston	264-C	8/1/94	4/30/96	57,407	0	0	130,000	0	947,413	1,134,820
Fairfield	245-D	8/4/94	10/1/95	81,972	0	0	0	0	334,689	416,661
North Branford	138-CD1	9/30/94	9/30/94	10,619	0	0	0	0	(11,631)	(1,012)
New London	187-C	10/13/94	12/31/95	926,378	0	0	29,000	0	4,589,393	5,544,771
New Haven	333-C	10/21/94	4/30/96	618,750	0	0	0	0	2,474,972	3,093,722
Newtown	113-C	10/31/94	12/31/96	0	0	0	0	0	4,570,000	4,570,000
Newtown	113-C2	10/31/94	10/31/97	3,863,917	0	0	300,000	0	15,828,596	19,992,513
Norwich	106-P/D/C	11/30/94	10/31/96	2,245,242	350,083	0	379,800	0	3,029,773	6,004,897
David Pond	8002-CO	12/21/94	N/A	0	210,000	0	0	0	0	210,000

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
UCONN	6325-R	2/1/95	N/A	0	245,019	0	0	0	0	245,019
Norwalk	190-P/D	2/14/95	6/30/96	0	0	0	0	0	0	0
Fairfield	355-C	2/15/95	6/30/96	347,755	0	0	0	0	1,574,814	1,922,569
Milford	356-C	2/21/95	1/31/96	32,765	0	0	0	0	148,605	181,370
Fairfield	245-PG	3/3/95	NA	257,974	0	0	0	0	0	257,974
Canaan FD	189-C	3/17/95	5/30/95	30,014	0	0	0	0	121,377	151,391
Middletown	295-C	3/30/95	4/30/97	2,034,229	0	0	0	0	2,073,684	4,107,913
Norwalk	381-D	4/3/95	6/30/96	0	0	0	0	0	0	0
North Branford	380-PG	4/13/95	NA	16,632	0	0	0	0	0	16,632
Hebron	124-CD2	5/3/95	5/30/95	306,202	0	0	0	0	1,133,393	1,439,596
New Haven	243-CD1	5/14/95	12/31/95	0	660,001	0	0	0	666,191	1,326,192
Cheshire Mills Mdw.	3010-CO	5/15/95	N/A	0	23,285	0	0	0	0	23,285
Greenwich	4908-BNR	5/25/95	N/A	0	420,754	0	0	0	0	420,754
New Milford	379-PG	6/1/95	N/A	13,258	0	0	0	0	0	13,258
Branford	358-PG	6/1/95	NA	245,585	0	0	0	0	0	245,585
Bridgeport	208-D	6/21/95	11/30/95	681,136	0	0	0	0	706,147	1,387,282
Seymour	146-CD1	6/29/95	6/30/96	140,406	0	0	0	0	627,428	767,834
Middletown	262-CD1	6/30/95	1/31/96	0	20,514	0	0	0	834,240	854,753
TOTAL Funded Projects for FY 1994-95:				11,910,241	2,138,137	0	5,388,961	0	39,649,082	59,086,420

FY 1995 - 1996 CWF Funded Projects

Wetland Restoration	3012-CO	7/15/95	N/A	0	308,000	0	0	0	0	308,000
Redding	131-C	8/7/95	4/1/96	296,327	0	0	0	0	1,293,905	1,590,232
Waterbury	201-D	8/10/95	7/31/96	1,505,257	0	0	0	0	6,447,616	7,952,873
Groton	386-PG	8/24/95	6/30/96	128,651	0	0	0	0	0	128,651
Middletown	363-C	8/25/95	10/31/97	1,656,654	0	0	79,626	0	1,751,985	3,488,265
UCONN	6326-R	8/28/95	N/A	0	249,901	0	0	0	0	249,901
Norwalk	301-C	8/31/95	12/31/96	426,521	0	0	0	0	1,934,212	2,360,733
MDC	270-C	8/31/95	12/30/96	6,036,844	0	0	0	0	6,690,902	12,727,747
Thompson	389-PG	9/9/95	NA	29,774	0	0	0	0	0	29,774
Berlin	391-PG	9/25/95	N/A	27,500	0	0	0	0	0	27,500
UCONN	6329-R	9/25/95	N/A	0	106,314	0	0	0	0	106,314
Cheshire Sybil Crk.	3002-CO	9/28/95	N/A	0	83,500	0	0	0	0	83,500
East Haddam	173-D/C	10/10/95	11/30/97	297,377	0	0	90,000	0	1,471,364	1,858,741
New Canaan	185-D	10/13/95	NA	0	0	0	0	0	0	0
Wesleyan Univ.	6327-R	11/9/95	N/A	0	59,074	0	0	0	0	59,074
Middletown	261-CD1	11/15/95	3/31/97	1,193,190	0	0	0	0	1,205,526	2,398,716
UCONN	6330-R	11/21/95	N/A	0	138,814	0	0	0	0	138,814
UCONN	6331-R	11/21/95	N/A	0	38,193	0	0	0	0	38,193
West Haven	167-D	12/15/95	4/30/96	0	0	0	293,596	0	0	293,596
East Windsor	380005-RI	1/4/96	N/A	30,000	0	0	0	0	0	30,000
UCONN	6032-R	2/1/96	N/A	0	101,060	0	0	0	0	101,060
MDC	383-PG	2/23/96	12/31/96	91,462	0	0	0	0	0	91,462

(continued)

Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Stratford	246-CD1		6/30/96	148,489	0	0	0	0	615,122	763,612
Burlington	321-C	3/29/96	6/30/97	385,076	0	0	0	0	1,631,817	2,016,893
Woodstock	277-C	3/29/96	3/1/97	369,510	0	0	0	0	1,580,232	1,949,742
Bridgeport	208-C	3/6/96	5/31/97	3,789,833	0	0	78,931	0	3,810,902	7,679,665
Naugatuck	184-CI/I	4/22/96	4/30/98	48,926	0	0	0	0	480,131	529,056
Naugatuck	184-CTP	4/22/96	4/30/98	210,550	0	0	0	0	1,197,223	1,407,773
Norwalk Mill Pond	8010-CO	4/25/96	N/A	0	350,000	0	0	0	0	350,000
Ledyard	119-D/C	5/1/96	1/1/98	695,679	0	0	0	0	2,911,665	3,607,344
East Hartford	380010-RI	4/15/96	N/A	10,000	0	0	0	0	0	10,000
West Haven	167-C	4/26/96	10/31/97	714,361	0	0	0	0	4,858,956	5,573,317
David Pond	8001-CO	5/17/96	N/A	0	17,179	0	0	0	0	17,179
New Haven	380001-RI	5/9/96	N/A	24,000	0	0	0	0	0	24,000
East Haven	308-C	5/24/96	8/1/96	55,067	0	0	0	0	238,575	293,642
New Haven	350-D	5/29/96	7/31/97	592,747	0	0	0	0	1,141,173	1,733,920
Windham	380008-RI	6/18/96	N/A	134,943	0	0	0	0	0	134,943
TOTAL Funded Projects for FY 1995-96:				18,898,736	1,452,035	0	542,153	0	39,261,306	60,154,230

FY 1996 - 1997 CWF Funded Projects										
Stamford	375-C	7/26/96	1/31/97	204,484	0	0	0	0	864,280	1,068,764
ACOE Bride Brook	3003-CO	8/14/96	N/A	0	61,000	0	0	0	0	61,000
Leets Island Design	3006-CO	8/28/96	N/A	0	20,525	0	0	0	0	20,525
Danbury	380002-RI	9/12/96	N/A	21,500	0	0	0	0	0	21,500
Norwalk	190-D/C	9/25/96	9/30/99	7,279,799	0	0	548,667	0	40,745,455	48,573,921
DEP	380011-RI	10/21/96	N/A	19,900	0	0	0	0	0	19,900
Bridgeport	372-C	10/31/96	12/31/98	2,414,630	0	0	0	0	3,211,547	5,626,178
Bridgeport	372-CD1	12/1/99	1/31/01	1,433,038	0	0	0	0	1,858,034	3,291,072
Wesleyan Univ.	6328-R	10/31/96	N/A	0	107,263	0	0	0	0	107,263
Litchfield	396-PDC	11/14/96	1/31/97	314,150	0	0	0	0	900,340	1,214,490
Jewett City	443-D	11/26/96	8/31/97	13,194	0	0	0	0	80,095	93,289
Derby	367-PG	11/26/96	12/31/96	53,900	0	0	0	0	0	53,900
Stonington	196-D/C	11/27/96	8/31/97	381,104	0	0	0	0	1,563,520	1,944,624
Fairfield	399-PG	12/6/96	12/31/96	136,620	0	0	0	0	0	136,620
New London	187-CD1	12/18/96	6/30/99	321,915	0	0	0	0	1,306,151	1,628,066
Ansonia	311-PG	12/20/96	4/30/97	172,810	0	0	0	0	0	172,810
Stamford	414-PG	12/20/96	N/A	264,019	0	0	0	0	0	264,019
Brgpt East Side Stp	206-C/C1	1/22/97	7/31/00	12,500,440	0	0	0	0	32,033,046	44,533,486
Bridgeport	416-PG	2/11/97		395,582	0	0	0	0	0	395,582
New Haven	272-CD1	3/19/97	9/30/98	0	0	0	0	0	0	0
Norwich	298-C	3/24/97	6/30/99	1,335,070	0	0	0	0	1,507,962	2,843,032
North Canaan	380007-RI	3/25/97	N/A	28,733	0	0	0	0	0	28,733
New Canaan	185-D/C		5/31/99	2,639,354	0	0	0	0	12,440,686	15,080,040
Waterbury	201-C	5/30/97	7/31/00	26,743,551	1,968,510	0	200,000	0	80,363,282	109,275,343
Darien	407-PG	6/6/97		90,750	0	0	0	0	0	90,750
TOTAL Funded Projects for FY 1996-97:				56,764,543	2,157,298	0	748,667	0	176,874,399	236,544,907

(continued)

Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
FY 1997 - 1998 CWF Funded Projects										
Westbrook-Mid Bch	8015-CO	9/3/97	N/A	0	65,275	0	0	0	0	65,275
Middletown	371-C	10/28/97	10/31/01	3,393,752	0	0	0	0	3,525,940	6,919,692
Branford	358-D	12/30/97	9/30/98	192,515	0	0	0	0	1,270,151	1,462,666
West Haven	425-PG	12/31/97	11/30/97	35,310	0	0	0	0	0	35,310
Stratford	246-CD2	12/31/97	12/31/97	139,556	0	0	0	0	572,273	711,829
Plainfield	417-PG	1/12/98	10/1/98	164,340	0	0	0	0	0	164,340
Westbrook	128-PG	1/15/98		154,000	0	0	0	0	0	154,000
Meriden	388-C	1/26/98	12/31/97	126,753	0	0	0	0	571,353	698,105
New Britain	400-PG	2/25/98	11/30/98	510,389	0	0	0	0	0	510,389
Meriden	388-PG	2/26/98		30,878	0	0	0	0	0	30,878
New Haven	272-CD2	3/20/98	9/30/98	2,131,993	0	0	0	0	2,225,629	4,357,622
MDC	361-C	4/15/98	12/31/99	2,557,675	0	0	10,100	0	2,624,979	5,192,754
Litchfield	181-C	5/19/98	7/31/98	127,697	0	0	78,560	0	491,867	698,124
West Haven	347-C	5/29/98	11/30/99	381,053	0	0	0	0	1,618,947	2,000,000
Ansonia	311-PG1	6/12/98	11/9/99	223,740	0	0	0	0	0	223,740
Burlington	321-CD1	6/30/98	10/31/99	120,635	0	0	0	0	518,460	639,096
DEP	380011-C	6/30/98	N/A	56,575	0	0	0	0	0	56,575
TOTAL Funded Projects for FY 1997-98:				10,346,862	65,275	0	88,660	0	13,419,598	23,920,395

FY 1998 - 1999 CWF Funded Projects										
Fairfield	245-C	7/9/98	7/1/98	150,708	0	0	0	0	830,224	980,932
DEP*	380011-C	7/16/98	N/A	56,575	0	0	0	0	0	56,575
Woodstock	413-PG	7/17/98	N/A	16,928	0	0	0	0	0	16,928
Oxford	423-PG		N/A	37,604	0	0	0	0	0	37,604
Putnam*	380006-C	7/27/98	N/A	100,000	0	0	0	0	0	100,000
Stonington	196-CD1	8/27/98	12/31/99	258,096	0	0	0	0	1,148,280	1,406,376
Fairfield	399-D	8/28/98	7/1/98	266,437	0	0	0	0	2,280,106	2,546,543
Thomaston	197-C	8/31/98	3/31/01	1,722,430	0	0	0	0	9,091,656	10,814,086
Middlefield	182-C	8/31/98	11/30/00	373,388	0	0	0	0	3,271,712	3,645,100
Danbury*	380002-C	9/21/98	N/A	62,580	0	0	0	0	0	62,580
Naugatuck	184-CD1	5/14/99	9/1/99	135,528	0	0	0	0	566,969	702,496
New London	390-C	9/30/98	3/31/99	384,859	0	0	0	0	1,615,141	2,000,000
Simsbury	392-PG	12/14/98	1/1/99	68,557	0	0	0	0	0	68,557
New Haven	431-PG	11/13/98	12/31/99	1,177,000	0	0	0	0	0	1,177,000
West Haven	348-C	11/24/98	11/30/00	0	0	0	0	0	4,407,222	4,407,222
Darien	407-C	1/26/99	12/1/00	216,403	0	0	0	0	894,671	1,111,075
Norwalk	397-C	1/26/99	1/31/99	159,259	0	0	0	0	673,270	832,529
MDC	319-C	2/16/99	12/31/98	419,975	0	0	0	0	1,691,005	2,110,980
Old Saybrook	116-PG	3/22/99	3/31/99	204,146	0	0	0	0	0	204,146
West Haven	444-C	2/16/99	9/30/00	397,000	0	0	0	0	1,603,000	2,000,000
Enfield	403-C	5/7/99	8/30/00	360,229	0	0	0	0	0	360,229

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Fairfield	399-C	5/14/99	7/30/02	8,537,526	0	0	0	0	29,436,399	37,973,925
Manchester*	380016-C	12/21/98	6/30/99	100,000	0	0	0	0	0	100,000
MDC	383-C	3/10/99	6/30/99	1,009,706	0	0	0	0	4,241,334	5,251,040
TOTAL Funded Projects for FY 1998-99:				16,214,934	0	0	0	0	61,750,989	77,965,923

* River Projects

FY 1999 - 2000 CWF Funded Projects										
Derby	367-C	7/6/99	2/26/00	674,613	0	0	0	0	2,347,440	3,022,053
New Haven	350-C	7/28/99	9/30/02	3,092,371	0	0	0	0	3,364,745	6,457,116
Waterbury	344-C	8/31/99	4/30/02	9,721,551	0	0	750,000	0	10,797,353	21,268,904
Bristol	415-PG	10/29/99	DONE	522,500	0	0	0	0	0	522,500
Wethersfield*	380009-C	8/31/99		17,100	0	0	0	0	0	17,100
Stamford	414-D	1/25/00	6/30/00	381,812	0	0	0	0	3,574,208	3,956,020
Wolcott	398-PG	4/17/00	DONE	25,864	0	0	0	0	0	25,864
Southington	9913-BNR	5/18/00		0	67,600	0	0	0	0	67,600
Wallingford	479-BNR	2/24/00		0	55,900	0	0	0	0	55,900
North Haven	9914-BNR	4/17/00		0	25,000	0	0	0	0	25,000
Bridgeport	4907-BNR	1/28/00		0	276,842	0	0	0	0	276,842
Branford	358-C	5/18/00	9/30/02	3,615,925	0	0	0	0	20,929,997	24,545,922
Portland	340-C	5/31/00	1/31/01	723,351	143,436	0	0	0	4,031,639	4,898,427
TOTAL Funded Projects for FY 1999-2000:				18,775,087	568,778	0	750,000	0	45,045,382	65,139,248

FY 2000 - 2001 CWF Funded Projects										
Cheshire	915-BNR	9/27/00	3/31/01	0	51,500	0	0	0	0	51,500
Glastonbury	454-PG	10/5/00	12/31/00	90,163	0	0	0	0	0	90,163
Plainfield	417-PG1	10/13/00	3/31/01	135,075	0	0	0	0	0	135,075
Suffield	478-PG	10/13/00	9/30/01	190,088	0	0	0	0	0	190,088
Greenwich	430-C	10/31/00	10/31/99	172,169	0	0	0	0	708,676	880,845
Plymouth	458-PG	11/7/00	10/31/00	13,750	0	0	0	0	0	13,750
Ansonia	311-PG2	11/7/00	3/1/01	64,968	0	0	0	0	0	64,968
Coventry	461-PG	11/7/00	4/30/01	58,300	0	0	0	0	0	58,300
Stratford	366-PG	11/15/00	3/31/01	199,878	0	0	0	0	0	199,878
New London	455-PDC	9/22/00	8/30/01	701,767	0	0	0	0	2,014,170	2,715,937
Bridgeport	283-PG	12/13/00	11/30/00	0	483,945	0	0	0	0	483,945
Woodbridge	434-PG	12/7/00	10/31/00	43,022	0	0	0	0	0	43,022
Norwalk	190CD1	12/15/00	12/31/01	0	0	0	0	0	0	0
MDC	405-C	12/14/00	12/31/01	1,983,762	0	0	0	0	8,163,200	10,146,962
MDC	267-C	12/14/00	9/30/02	1,235,143	0	0	0	0	5,213,046	6,448,189
Southbury	477-PG	12/13/00	12/1/01	0	126,557	0	0	0	0	126,557
New Milford	292-PG	12/21/00	6/30/01	0	106,843	0	0	0	0	106,843
Woodbridge	434-C	12/20/00	1/31/01	69,039	0	0	0	0	312,272	381,311
New Haven	463-C	11/10/00	1/31/04	0	0	0	0	0	0	0
West Haven	346-C	6/30/03	12/31/02	188,397	0	0	0	0	801,945	990,341

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Shelton	411-PG	9/28/00	N/A	220,689	0	0	0	0	0	220,689
Stonington	456-PG	1/26/01	6/1/02	0	277,302	0	0	0	0	277,302
Plainville	432-PG	2/22/01	3/1/01	48,889	0	0	0	0	0	48,889
Litchfield	499-D	1/26/01	3/31/01	0	0	0	0	0	0	0
Norwich	349-C	2/7/01	12/31/01	840,756	0	0	0	0	880,594	1,721,350
Waterbury	201-CD1	12/31/00	12/31/02	2,202,111	0	0	0	0	1,137,959	3,340,070
New London	390-CD1	2/27/01	12/31/00	165,215	0	0	0	0	700,861	866,076
Groton	386-PG1	3/7/01		96,062	0	0	0	0	0	96,062
West Haven	348-C1	2/28/01	12/30/03	1,264,589	0	0	0	0	1,728,831	2,993,419
Bristol	464-PG	4/10/01	4/1/02	0	223,795	0	0	0	0	223,795
South Windsor	459-PDC	4/12/01	7/1/01	209,110	0	0	0	0	800,000	1,009,110
Cheshire	394-PG	5/23/01		104,082	0	0	0	0	0	104,082
Norwalk	190-L1	4/24/01	7/1/01	0	0	0	4,930,815	0	0	4,930,815
Bristol	498-DC	6/20/01	6/30/01	339,830	0	0	0	0	1,483,380	1,823,210
Bristol	415-DC	11/27/00	6/30/01	346,894	0	0	0	0	1,409,533	1,756,427
Bridgeport	409-D	4/3/01	4/30/03	581,711	0	0	0	0	611,285	1,192,996
TOTAL Funded Projects for FY 2000-01:				11,565,458	1,269,942	0	4,930,815	0	25,965,751	43,731,966

FY 2001 - 2002 CWF Funded Projects										
Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amount	Title VI SRF Revenue Loan Amt	Total SRF Project Funding
Berlin	391-PG1	7/11/01	3/31/99	33,550	0	0	0	0	0	33,550
Point O' Woods	501-PG	7/5/01	9/30/01	70,226	0	0	0	0	0	70,226
East Hampton	480-C	7/26/01	12/31/01	201,571	0	0	0	0	503,694	705,266
New Haven	463-C1	7/17/01	1/31/04	10,073,288	0	0	0	0	11,236,716	21,310,004
Waterbury	351-C	8/24/01	4/30/03	1,057,560	0	0	0	0	2,953,070	4,010,630
MDC	494-C	10/30/01	12/31/02	1,968,392	0	0	0	0	2,168,792	4,137,184
Stamford	414-C	12/21/01	8/31/05	8,035,157	15,626,407	0	0	0	73,561,481	97,223,045
New Britain	400-DC	1/11/02	1/31/03	578,186	0	0	0	0	2,317,896	2,896,082
Middletown	487-PG	2/15/02	2/28/03	0	54,175	0	0	0	0	54,175
Bridgeport	372-CD2	3/11/02	3/31/03	1,186,484	0	0	0	0	649,570	1,836,054
Litchfield	499-C	3/28/02	7/31/03	1,076,058	0	0	0	0	4,595,198	5,671,256
Greenwich	364-C	1/15/02	12/31/03	1,578,306	0	0	0	0	8,671,620	10,249,926
MDC-Weth. Cove	451-C	4/15/02	6/30/04	3,959,893	0	0	0	0	3,987,010	7,946,903
Milford	502-PG	3/13/02	8/1/02	0	311,850	0	0	0	0	311,850
Ledyard	505-PG	5/3/02	5/1/02	0	36,438	0	0	0	0	36,438
Sharon	506-PG	5/20/02	4/30/03	0	77,550	0	0	0	0	77,550
Farmington	440-PG	4/11/02	7/1/02	0	48,886	0	0	0	0	48,886
South Windsor	503-PG	4/1/02	8/1/02	0	132,000	0	0	0	0	132,000
Naugatuck	555-PG	6/20/02	5/31/02	0	26,950	0	0	0	0	26,950
Portland	340-C1	NO IFO	12/31/02	206,813	0	0	0	0	0	206,813
Bristol	504-C	6/30/03	12/31/02	358,357	0	0	0	0	1,488,101	1,846,458
TOTAL Funded Projects for FY 2001-02:				30,383,843	16,314,256	0	0	0	112,133,147	158,831,245

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt *	Total SRF Project Funding
FY 2002 - 2003 CWF Funded Projects										
Windsor Locks**	436-PDC	11/26/02	5/31/02	635,136	0	0	0	1,715,669		2,350,805
Stafford**	558-PG	10/28/02	9/30/02	0	44,000	0	0	0		44,000
Salisbury	193-PDC	NA	7/1/02	57,251	0	0	0	0		57,251
Bridgeport**	416-C	7/31/02	7/23/03	1,376,309	0	0	0	3,384,911		4,761,220
Plainfield	417-C	1/17/03	11/30/03	355,224	0	0	0	1,606,152		1,961,376
Bristol	562-C	2/20/03	11/30/03	165,015	0	0	0	693,527		858,542
New Britain	488-C	2/24/03	5/30/04	681,388	0	0	0	2,695,515		3,376,903
Farmington	517-PG	NA	1/31/03	0	28,125	0	0	0		28,125
Middletown	362-C	4/24/03	6/30/05	1,224,506	0	0	0	1,574,008		2,798,514
Killingly**	524-PG	NA	8/1/04	0	96,355	0	0	0	96,335	96,355
Plainville**	542-PG	NA	4/1/03	0	110,500	0	0	0	77,500	110,500
TOTAL Funded Projects for FY 2002-03:				4,494,830	278,980	0	0	11,669,782	173,835	16,443,591

* LISRA Federal Grants eff FY 2003 ** Nitrogen Removal Projects

FY 2003 - 2004 CWF Funded Projects										
MDC	508-PG	7/18/03	6/30/03	0	149,348	0	0	0	128,906	149,348
New Harford	560PG	7/24/03	9/30/03	45,161	0	0	0	0	0	45,161
Ansonia	554-PG	7/30/03	7/1/04	0	198,925	0	0	0	120,000	198,925
Torrington	546-PG	7/30/03	7/1/04	0	101,172	0	0	0	101,172	101,172
Meriden	382-PG	7/30/03	8/1/03	0	253,562	0	0	0	82,997	253,562
Windham	551-PG	7/30/03	3/31/04	0	169,063	0	0	0	85,525	169,063
New Haven	563-DC	8/15/03	8/31/05	0	0	0	0	0	0	0
Putnam	449-PG	9/2/03	4/1/04	0	59,955	0	0	0	59,955	59,955
West Haven	549-PG	9/2/03	12/31/03	0	303,268	0	0	0	239,260	303,268
Norwich	448-PG	12/3/03	7/1/04	0	117,821	0	0	0	117,821	117,821
Winchester	553-PG	10/30/03	7/1/04	0	23,250	0	0	0	23,250	23,250
Stafford	194-PG	11/18/03	10/1/04	0	57,410	0	0	0	57,410	57,410
Plainfield	191-PG	12/22/03	11/1/04	0	24,500	0	0	0	24,500	24,500
Abbey/R. Laudis*	380024-C	12/22/03		50,000	0	0	0	0	0	50,000
West Haven	346-CD1	12/10/03	6/30/04	0	0	0	0	0	0	0
West Haven	348-CD1	12/30/04	3/31/06	415,101	0	0	0	617,707	0	1,032,809
Norwalk	190-CD1	12/30/03	6/30/04	1,581,833	0	0	0	1,830,187	0	3,412,020
Sprague	564-PG	1/6/04	8/1/04	0	36,572	0	0	0	36,572	36,572
Norfolk Sewer Dist.	565-PG	3/22/04	3/1/05	88,135	0	0	0	0	0	88,135
Woodridge Lake SD	519-PG	3/22/04	7/31/04	0	94,302	0	0	0	0	94,302
Coventry	461-DC	12/22/02	6/30/07	1,598,359	0	0	0	6,263,437	0	7,861,795
Danbury	515-PG	4/16/04	2/1/05	23,100	0	0	0	0	0	23,100
Manchester*	380017-1	4/16/04		60,738	0	0	0	0	0	60,738
Bridgeport	559-C	12/22/03	6/30/05	308,829	0	0	0	1,260,316	0	1,569,145
TOTAL Funded Projects for FY 2003-04:				4,171,256	1,589,148	0	0	9,971,647	1,077,368	15,732,051

* River Projects

(continued)

Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	Total SRF Project Funding
FY 2004 - 2005 CWF Funded Projects										
New Haven	509-PG	7/12/04	7/1/04	0	79,500	0	0	0	79,500	79,500
Waterbury	351-CD1	8/19/04	5/31/05	366,279	0	0	0	1,340,977	0	1,707,256
Mattabassett Dist	567-PG	9/2/04	3/1/05	0	259,472	0	0	0	259,472	259,472
Deep River	500-C	7/30/04	4/30/06	1,125,000	0	0	0	3,375,000	0	4,500,000
Stratford	366-D	9/2/04	6/30/05	0	416,418	0	0	1,297,068	1,713,486	1,713,486
South Windsor	109-CSL	9/23/04	5/31/05	0	0	0	0	402,727	0	402,727
Bridgeport	409-C	9/10/04	7/31/06	1,886,749	0	0	0	1,911,749	0	3,798,498
Waterbury	201-CD2	10/28/04	7/31/07	2,022,647	0	0	0	3,438,594	0	5,461,241
New Haven	563-C1	11/2/04	8/31/05	8,861,758	0	0	0	8,961,758	0	17,823,515
East Hampton	556-PG	12/16/04	2/1/05	77,880	0	0	0	0	0	77,880
West Haven	346-CD2	12/30/04	11/30/06	208,603	0	0	0	801,055	0	1,009,659
Milford	502-D	1/31/05	9/30/05	803,475	0	0	0	2,561,525	0	3,365,000
New Haven	463-CD1	1/31/05	11/30/05	1,924,277	0	0	0	957,546	0	2,881,823
Simsbury	392-C	2/10/05	9/30/07	6,788,572	0	0	0	20,051,511	0	26,840,083
Jewett City	443-C	4/21/05	3/31/05	3,134,900	0	0	0	11,702,090	0	14,836,990
Windsor Locks	393-PG	5/13/05	6/1/06	191,600	0	0	0	0	150,590	191,600
Thompson	570-PG	5/13/05	3/31/06	54,781	0	0	0	0	54,781	54,781
West Haven	549-PG1	4/29/05	12/31/05	9,425	0	0	0	0	0	9,425
Stafford	194-PG1	5/13/05	12/31/05	9,750	0	0	0	0	9,750	9,750
Norwich	448-PG1	6/27/05	12/31/05	101,092	0	0	0	0	0	101,092
Sprague	564-PG1	4/29/05	12/31/05	51,891	0	0	0	0	0	51,891
TOTAL Funded Projects for FY 2004-05:				27,618,679	755,390	0	0	56,801,600	2,267,579	85,175,669

FY 2005 - 2006 CWF Funded Projects										
Cheshire	481-C	7/7/05	3/31/07	2,223,561	0	0	0	5,226,439	0	7,450,000
Ansonia	311-C	7/13/05	9/30/06	913,668	0	0	0	5,319,961	0	6,233,629
Plainville	542-D	7/18/05	3/31/06	219,648	0	0	0	733,677	953,325	953,325
Westport	550-C	7/19/05	9/1/08	8,214,369	0	0	0	29,308,869	0	37,523,238
Marlborough	210-D	7/13/05	1/31/06	241,664	0	0	0	972,991	0	1,214,655
Old Saybrook	116-PG1	8/1/05	12/31/06	132,931	0	0	0	0	0	132,931
Wallingford	479-C	8/11/05	8/1/05	868,297	0	0	0	2,187,092	0	3,055,389
Windham	551-D	9/29/05	1/31/07	199,854	0	0	0	789,646	989,500	989,500
Branford	138-CSL	1/18/06	2/1/07	0	0	0	0	7,442,287	0	7,442,287
Bridgeport	572-C	1/31/06	1/31/06	154,092	0	0	0	624,067	0	778,159
Meriden	382-D	2/1/06	10/1/06	229,314	0	0	0	760,420	989,734	989,734
South Windsor	135-CSL	2/1/06	7/1/06	0	0	0	0	1,569,370	0	1,569,370
Orange	437-PG	2/23/06	8/1/05	11,550	0	0	0	0	0	11,550
Manchester	526-C	2/23/06	5/1/06	237,612	0	0	0	0	0	237,612
Milford	111-CSL	2/28/06	1/31/07	0	0	0	0	2,050,307	0	2,050,307
Stratford	105-CSL	3/9/06	1/31/07	0	0	0	0	1,964,400	0	1,964,400
North Haven	489-C	4/20/06	4/30/06	355,818	0	0	0	889,772	0	1,245,589

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	Total SRF Project Funding
Bristol	464-C	4/20/06	3/31/06	201,525	0	0	0	470,225	29,250	671,750
Shelton	165-C	4/27/06	8/31/08	4,664,341	0	0	0	16,907,636	0	21,571,976
New Britain	583-C	4/28/06	1/31/07	290,084	0	0	0	1,491,011	0	1,781,095
Killingly	524-PG1	5/3/06	6/30/06	84,440	0	0	0	0	0	84,440
Cheshire	112-CSL	5/22/06	3/31/07	0	0	0	0	1,568,900	0	1,568,900
Winchester	553-C	6/19/06	1/31/07	294,086	0	0	0	714,802	0	1,008,888
MDC	578-C	6/29/06	6/30/07	5,975,902	0	0	0	6,126,413	0	12,102,315
MDC	142-CSL	6/29/06	2/29/08	0	0	0	0	6,200,000	0	6,200,000
Bridgeport *	559-C	12/22/03	6/30/05	(3,979)	0	0	0	(24,126)	0	(28,104)
Waterbury**	351-CD1	8/19/04	5/31/05	(77,284)	0	0	0	(797,154)	0	(874,438)
Jewett City**	443-C	4/21/05	3/31/05	0	0	0	0	(3,530,084)	0	(3,530,084)
TOTAL Funded Projects for FY 2005-06:				25,431,494	0	0	0	88,966,920	2,961,809	114,398,414

* FY 03-04 project ** FY 04-05 project

FY 2006 - 2007 CWF Funded Projects

Bridgeport	102-CSL	7/12/06	2/28/09		0	0	0	4,973,000		4,973,000
Suffield	478-C	7/27/06	9/30/07	1,246,975	0	0	0	0		1,246,975
MDC Hartford	160-C	9/5/06	6/30/07	4,341,442	0	0	0	4,577,758		8,919,200
Milford	532-C	10/23/06	5/31/09	4,081,296	0	0	0	15,926,704		20,008,000
Burlington	513-C	9/28/06	8/31/07	716,250	0	0	0	2,183,750		2,900,000
Bridgeport	575-C	9/29/06	3/31/08	2,321,469	0	0	0	3,038,719		5,360,187
Beacon Falls	591-C	10/26/06	9/30/06	83,389	0	0	0	343,556		426,945
Stratford	366-C	9/28/06	6/30/09	8,146,418	0	0	0	24,487,068	1,713,486	32,633,486
Ansonia	554-D	11/13/06	4/1/08	263,216	0	0	0	988,682	1,251,898	1,251,898
Naugatuck	175-CSL	12/15/06	6/30/07		0	0	0	472,000		472,000
Shelton	104-CSL	1/25/07	11/30/07		0	0	0	2,590,293		2,590,293
Point-O-Woods	501D	1/12/07	7/1/08	167,616	0	0	0	708,324		875,940
Branford	139-CSL	3/22/07	12/1/07		0	0	0	2,520,000		2,520,000
Gr New Hvn. WPCA	581-C	5/9/07	12/31/08	5,117,984	0	0	0	5,303,017		10,421,000
West Haven	549-D	5/15/07	7/1/08	405,261	0	0	0	1,246,561	1,235,852	1,651,822
Plainville	183-CSL	6/27/07	10/1/08		0	0	0	2,500,000		2,500,000
Groton	386-C	6/20/07	5/1/09	5,875,000	0	0	0	9,361,766		15,236,766
Winchester	553-C				0	0	0		44,200	0
SUBTOTAL List of New Projects for FY 2006-07:				32,766,315	0	0	0	81,221,197	4,245,436	113,987,512
Subtotal - Amendments to Existing Projects:				13,544,930	0	0	0	26,761,142	1,893,396	40,306,072
Subtotal - Changes to Amended Agreements:				-16,150,999	0	0	0	-32,709,790	-3,724,240	-48,860,790
TOTAL New Projects and Amendments:				30,160,242	0	0	0	75,272,549	2,414,592	105,432,795

FY 2007 - 2008 CWF Funded Projects

New Projects (IFO)

Gr New Hvn. WPCA	206-CSL	8/2/07	11/30/08	0	0	0	0	4,000,000	0	4,000,000
MDC	149-CSL	11/1/07	9/30/08	0	0	0	0	12,710,000	0	12,710,000

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Municipality	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	Total SRF Project Funding
MDC	508-C	11/1/07	10/31/07	537,096	0	0	64,050	1,288,276	91,500	1,889,422
MDC	520-C	12/14/07	9/30/08	2,058,638	0	0	0	4,837,463	0	6,896,101
MDC	521-C	12/14/07	3/31/08	4,284,559	0	0	0	4,240,340	0	8,524,899
Bridgeport	452-C	3/7/08	5/31/10	2,646,000	0	0	0	2,687,000	0	5,333,000
Meriden	382-C	3/31/08	5/31/10	10,186,837	0	0	0	33,342,762	0	43,529,599
Canton	155-CSL	4/21/08	7/1/09	0	0	0	0	1,400,000	0	1,400,000
Plainville	542-C	4/21/08	9/30/09	5,065,269	0	0	0	19,066,549	0	24,131,818
Southington	590-C	4/21/08	6/30/10	4,223,366	0	0	0	10,247,810	0	14,471,175
Glastonbury	454-C	6/20/08	12/31/10	6,909,436	0	0	0	23,701,544	0	30,610,980
Norwalk	616-PG	6/5/08	3/31/10?	240,000	0	0	0	0	0	240,000
Marlborough	210-C	6/30/08	9/30/10	2,250,000	0	0	0	6,750,000	0	9,000,000
<i>SUB TOTAL List of New Projects (IFO):</i>				<i>38,401,201</i>	<i>0</i>	<i>0</i>	<i>64,050</i>	<i>124,271,744</i>	<i>91,500</i>	<i>162,736,994</i>
<i>FY 2007-08 New Projects (PLO)</i>										
Milford	111-CSL	2/28/06	1/31/07	0	0	0	0	1,737,319	0	1,737,319
Stratford	105-CSL	3/9/06	1/31/07	0	0	0	0	1,837,123	0	1,837,123
Marlborough	210-D	7/13/05	1/31/06	241,664	0	0	0	908,774	0	1,150,438
Ansonia	311-DC	7/13/05	9/30/06	913,668	0	0	0	5,082,808	0	5,996,476
Cheshire	112-CSL	5/22/06	3/31/07	0	0	0	0	1,497,614	0	1,497,614
Cheshire	481-C	7/7/05	3/31/07	2,165,786	0	0	0	5,226,439	0	7,392,226
New Britain	583-C	4/28/06	1/31/07	290,084	0	0	0	1,173,344	0	1,463,428
Middletown	362-C	4/24/03	6/30/05	1,224,506	0	0	0	1,574,008	0	2,798,514
Bridgeport	208-C	3/6/96	5/31/97	3,780,185	0	0	0	0	0	3,780,185
Bridgeport	208-D	6/21/95	11/30/95	667,283	0	0	0	0	0	667,283
Bgpt East Side Stp	206-C1	1/22/97	7/31/00	12,471,466	0	0	0	0	0	12,471,466
Bridgeport	206-D	12/22/92	9/30/93	181,666	0	0	0	0	0	181,666
New Haven	463-CD1	1/31/05	11/30/05	1,675,165	0	0	0	934,984	0	2,610,149
Naugatuck	175-CSL	12/15/06	6/30/07	0	0	0	0	472,000	0	472,000
Suffield	478-C	7/27/06	9/30/07	1,157,875	0	0	0	0	0	1,157,875
MDC Hartford	160-C	9/5/06	6/30/07	1,800,719	0	0	0	1,888,557	0	3,689,276
MDC Hartford	160-C1	9/5/06	6/30/07	1,834,021	0	0	0	1,921,859	0	3,755,880
Winchester	553-C	6/19/06	7/31/07	266,251	0	0	0	642,019	44,200	908,270
Burlington	513-C	9/28/06	8/31/07	693,620	0	0	0	2,102,440	0	2,796,060
Simsbury	392-C	2/10/05	9/30/07	5,640,542	0	0	0	20,019,205	0	25,659,747
Simsbury	392-C1	2/10/05	9/30/07	121,733	0	0	0	1,018,011	0	1,139,744
MDC	508-C	4/30/08	10/31/07	508,813	0	0	64,050	1,168,028	91,500	1,740,891
Shelton	104-CSL	1/25/07	11/30/07	0	0	0	0	2,590,293	0	2,590,293
Coventry	461-C1	6/30/08	12/31/07	2,782,483	0	0	0	9,815,810	0	12,598,293
Beacon Falls	591-C	10/26/06	9/30/06	83,389	0	0	0	0	0	83,389
<i>SUBTOTAL List of New Projects (PLO):</i>				<i>38,500,919</i>	<i>0</i>	<i>0</i>	<i>64,050</i>	<i>61,610,634</i>	<i>135,700</i>	<i>100,175,603</i>
<i>SUBTOTAL List of New IFO/PLOs for FY 07-08:</i>				<i>76,902,120</i>	<i>0</i>	<i>0</i>	<i>128,100</i>	<i>185,882,378</i>	<i>227,200</i>	<i>262,912,597</i>
<i>Subtotal Changes to Amended Agreements:</i>				<i>-54,587,318</i>	<i>0</i>	<i>0</i>	<i>-64,050</i>	<i>-109,496,971</i>	<i>-1,849,186</i>	<i>-164,148,339</i>
<i>Subtotal Amendments to Existing Projects:</i>				<i>27,853,607</i>	<i>405,261</i>	<i>0</i>	<i>1,297,068</i>	<i>102,407,887</i>	<i>2,129,456</i>	<i>131,963,824</i>
TOTAL New Projects and Amendments:				50,168,409	405,261	0	1,361,118	178,793,294	507,470	230,728,082

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icity	Project Number	Contract Date	SCD	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	Total SRF Project Funding
FY 2008 - 2009 CWF Funded Projects										
New IFO Projects										
Bridgeport	613-D	7/17/08	6/30/09	27,823	0	0	0	126,291	0	154,114
Point O' Woods	501-C	7/30/08	12/31/10	1,924,988	0	0	0	6,265,674	0	8,190,662
Point O' Woods	20080-C2	7/30/08	12/31/10	0	0	0	0	0	0	0
Stafford	194-D	8/12/08	6/30/09	147,950	0	0	0	544,050	0	692,000
Chester	577-C	8/14/08	7/31/09	375,000	0	0	0	1,125,000	0	1,500,000
MDC-Tremont	619-D	10/16/08	9/30/10	9,600,000	0	0	0	9,600,000	0	19,200,000
Windham	551-C	10/31/08	10/31/12	3,977,235	0	0	0	15,811,494	0	19,788,729
New Haven	614-PG	11/4/08	6/30/09	240,000	0	0	0	0	0	240,000
New London	615-PG	11/4/08	12/31/09	240,000	0	0	0	0	0	240,000
Milford	568-PG	11/7/08	9/30/08	467,940	0	0	0	0	0	467,940
Ansonia	554-C	11/25/08	7/1/11	10,136,760	0	0	0	35,764,481	0	45,901,241
Bolton Lakes	132-D	12/30/08	12/31/13	201,850	0	0	0	605,550	0	807,400
Portland	571-PG	12/16/08	12/31/08	10,712	0	0	0	0	0	10,712
MDC	166-CSL	1/9/09	9/30/10	0	0	0	0	20,000,000	0	20,000,000
Tolland	136-PG	1/21/09	2/28/10	160,710	0	0	0	0	0	160,710
Danbury	515-C	1/30/09	9/30/09	1,102,716	0	0	0	2,597,287	0	3,700,003
Bridgeport	625-CSL	5/15/09	1/31/10	0	0	0	0	1,842,303	0	1,842,303
Norwich	200801-C	6/30/09	5/30/09	0	0	0	0	0	0	0
<i>SUBTOTAL List of New Projects (IFO):</i>				28,613,683	0	0	0	94,282,130	0	122,895,814
New PLO Projects and Revised Grant Closeouts										
Middletown	362-CD1	7/31/08	1/31/08	482,473	0	0	0	1,974,803	0	2,457,276
Windham	551-D	7/31/08	1/31/08	168,650	0	0	668,189	0	817,528	836,839
Shelton	165-C	8/19/08	8/31/08	4,555,902	0	0	0	16,548,262	0	21,104,165
MDC	142-CSL	9/4/08	2/29/08	0	0	0	0	6,200,000	0	6,200,000
MDC	521-C	9/30/08	3/31/08	4,211,644	0	0	0	4,240,340	0	8,451,984
Branford	139-CSL	12/1/08	12/1/07	0	0	0	0	2,500,898	0	2,500,898
MDC	578-C	12/19/08	6/30/08	2,065,570	0	0	0	2,042,741	0	4,108,311
Westport	550-DC	2/27/09	9/1/08	7,882,235	0	0	0	28,413,485	0	36,295,720
MDC	149-CSL	3/31/09	9/30/08	0	0	0	0	12,710,000	0	12,710,000
Bridgeport	575-C	3/31/09	3/31/08	2,058,725	0	0	0	2,323,913	0	4,382,638
Bridgeport	575-C	3/31/09	9/30/08	0	0	0	0	0	0	0
MDC	520-C	3/31/09	9/30/08	1,940,783	0	0	0	4,547,580	0	6,488,363
Plainville	183-CSL	4/1/09	10/1/08	0	0	0	0	2,429,116	0	2,429,116
Chester	577-C	6/30/09	7/31/09	375,000	0	0	0	1,125,000	0	1,500,000
Norwich	200801-C	6/30/09	5/30/09	0	0	0	0	0	0	0
<i>SUBTOTAL List New Projects (PLO):</i>				23,740,982	0	0	668,189	85,056,139	817,528	109,465,309
<i>SUBTOTAL List of New IFO/PLO for FY 08-09:</i>				52,354,665	0	0	668,189	179,338,269	817,528	232,361,126
<i>Subtotal Changes to Amended Agreements:</i>				-28,793,111	0	0	-789,646	-92,389,536	-989,500	-121,972,293
<i>Subtotal Amendments to Existing Projects:</i>				15,788,427	0	0	0	14,405,578	0	30,194,005
TOTAL New Projects and Amendments:				39,349,982	0	0	-121,457	101,354,310	-171,972	140,582,835

(continued)

Municipality	Project Number	Contract Date	SCD	State Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	ARRA Federal Loan Amt*	Total SRF Project Funding
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* ARRA Federal Loan projects eff FY 2009-10; no additional State LIS Grant funded projects as of FY 2007-08

FY 2009 - 2010 CWF Funded Projects

New IFO Projects

Bridgeport	205-PG	7/27/09	9/30/11	1,158,918	0	0	0	0	0	1,158,918
Old Saybrook	116-PG2	7/27/09	12/31/09	309,027	0	0	0	0	0	309,027
Mattabasset	567-D	7/31/09	12/31/10	1,136,985	0	0	3,963,015	0	0	5,100,000
Bridgeport	621-D	7/31/09	12/31/10	1,399,957	0	0	1,424,957	0	0	2,824,914
Bridgeport	613-C	7/31/09	11/30/10	256,878	0	0	1,054,510	0	0	1,311,388
Vernon	547-PG	9/3/09	9/30/09	48,290	0	0	0	0	0	48,290
Stonington	456-PG1	9/11/09	9/30/09	165,397	0	0	0	0	0	165,397
MDC-Hartford Reg	626-C	9/15/09	1/31/12	7,915,262	0	0	15,596,910	0	14,403,090	37,915,262
Bolton Lakes	132-C	9/30/09	12/31/13	2,139,717	0	0	7,167,683	0	0	9,307,400
Clinton	127-PG	10/15/09	12/31/10	307,395	0	0	0	0	0	307,395
Hamden	486-PG	11/4/09	12/31/10	207,900	0	0	0	0	0	207,900
Fairfield	608-PG	11/20/09	12/31/11	215,184	0	0	0	0	0	215,184
New Milford	292-C	12/15/09	12/31/12	6,339,257	0	160,000	23,500,546	0	0	29,999,803
West Haven	549-C	12/21/09	7/1/12	9,961,811	0	827,983	27,974,480	1,651,822	0	38,764,274
Norwalk	612-C	1/11/10	1/31/12	14,379,431	0	0	21,376,781	0	0	35,756,212
Norwich	607-PG	1/20/10	12/31/10	1,244,041	0	0	0	0	0	1,244,041
Middletown	537-PG	1/20/10	12/31/10	709,212	0	0	0	0	0	709,212
Norwich	448-PG2	2/2/10	12/31/10	61,275	0	0	0	61,275	0	61,275
Torrington	611-C	1/27/10	9/1/10	277,000	0	0	1,163,000	0	0	1,440,000
MDC-Hartford Reg	633-C	2/5/10	12/31/12	1,804,768	0	0	7,804,070	0	7,681,648	17,290,486
Manchester	288-PG	1/20/10	12/31/10	186,790	0	0	0	0	0	186,790
Cheshire	618-PG	2/24/10	3/31/11	273,680	0	0	0	0	0	273,680
Brookfield	584-C	3/30/10	6/30/10	1,231,906	0	0	3,972,098	0	0	5,204,004
South Windsor	503-C	4/12/10	9/30/12	7,760,005	0	0	28,378,493	0	0	36,138,498
Suffield	635-PG	3/30/10	5/1/12	102,843	0	0	0	0	0	102,843
Avon	592-PG	5/14/10	12/31/11	183,579	0	0	0	0	0	183,579
Greenwich	438-PG	5/14/10	6/30/10	705,350	0	0	0	0	0	705,350
Manchester	557-PG	5/14/10	6/30/10	263,877	0	0	0	0	0	263,877
Norwich	625-D	6/15/10	12/31/11	908,801	0	0	3,148,959	175,040	0	4,057,760
SUBTOTAL New Projects (IFO):				61,654,535	0	987,983	146,525,502	1,888,137	22,084,738	231,252,758

New PLO Projects and Revised Grant Closeouts

Gr New Hvn. WPCA	206-CSL	11/30/09	5/30/09	0	0	0	3,952,524	0	0	3,952,524
Canton	155-CSL	1/4/10	7/1/09	0	0	0	1,295,791	0	0	1,295,791
Plainville	542-C	3/30/10	9/30/09	4,938,955	0	0	19,066,549	0	0	24,005,505
Ansonia	554-PG	7/30/03	7/1/04	0	0	0	0	0	0	0
Stafford	194-PG1	5/13/05	12/31/05	9,221	0	0	0	9,221	0	9,221
Meriden	382-D	1/19/10	10/1/06	0	0	760,420	-760,420	0	0	0
Milford	532-C1	5/28/10	11/30/09	11,756,570	0	0	42,260,238	0	0	54,016,807
Bridgeport	102-CSL	6/30/10	2/28/10	0	0	0	4,608,318	0	0	4,608,318
Winchester	553-C	1/31/08	7/31/07	0	0	30,940	-30,940	0	0	0

(continued)

Municipality	Project Number	Contract Date	SCD	State Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	ARRA Federal Loan Amt*	Total SRF Project Funding
Plainville	542-D	9/28/06	3/31/06	0	0	727,352	-727,352	0	0	0
Windham	551-D	7/31/08	1/31/08	0	0	789,646	-789,646	0	0	0
<i>SUBTOTAL List of New Projects (PLO):</i>				16,704,746	0	2,308,357	68,875,063	9,221	0	87,888,166
<i>SUBTOTAL List of New IFO/PLO for FY 09-10:</i>				78,359,281	0	3,296,341	215,400,565	1,897,358	22,084,738	319,140,924
<i>Subtotal Changes to Amended Agreements:</i>				-17,613,322	0	-760,420	-74,529,527	-2,651,306	0	-92,903,268
<i>Subtotal Amendments to Existing Projects:</i>				1,584,097		808,578	6,453,035			8,845,710
TOTAL New Projects and Amendments:				62,330,056		3,344,499	147,324,074	-753,498	22,084,738	235,083,366

Summary of Annual Clean Water Fund Grant and Loan Commitments – FY 1987 to 2010

Fiscal Year	State Grant Amount	State LIS Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amt	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	Total SRF Project Funding	
1987-90	23,678,205	1,152,063	26,418,270	32,799,354	11,553,021	28,177,929	0	123,778,843	
			19,909,235	FY 87-90 Federal Grant Amount (not included as SRF funding)					
1990-91	19,899,505	9,989,946	0	145,414	7,508,408	114,838,605	0	152,381,877	
1991-92	8,818,486	1,239,132	5,329,036	3,087,263	0	22,926,743	0	41,400,660	
1992-93	21,610,217	10,523,998	0	37,858,006	0	57,675,395	0	127,667,616	
1993-94	18,988,413	20,233,696	0	2,335,342	0	86,608,716	0	128,166,166	
1994-95	11,910,241	2,138,137	0	5,388,961	0	39,649,082	0	59,086,420	
1995-96	18,898,736	1,452,035	0	542,153	0	39,261,306	0	60,154,230	
1996-97	56,764,543	2,157,298	0	748,667	0	176,874,399	0	236,544,907	
1997-98	10,346,862	65,275	0	88,660	0	13,419,598	0	23,920,395	
1998-99	16,214,934	0	0	0	0	61,750,989	0	77,965,923	
1999-2000	18,775,087	568,778	0	750,000	0	45,045,382	0	65,139,248	
2000-01	11,565,458	1,269,942	0	4,930,815	0	25,965,751	0	43,731,966	
2001-02	30,383,843	16,314,256	0	0	0	112,133,147	0	158,831,245	
2002-03	4,494,830	278,980	0	0	0	11,669,782	173,835	16,443,591	
2003-04	4,171,256	1,589,148	0	0	0	9,971,647	1,077,368	15,732,051	
2004-05	27,618,679	755,390	0	0	0	56,801,600	2,267,579	85,175,669	
2005-06	25,431,494	0	0	0	0	88,966,920	2,961,809	114,398,414	
2006-07	30,160,246	0	0	0	0	75,272,549	2,414,592	105,432,795	
2007-08	50,168,409	405,261	0	1,361,118	0	178,793,294	507,470	230,728,082	
2008-09	39,349,982	0	0	-121,457	0	101,354,310	-171,972	140,582,835	

Fiscal Year	State Grant Amount	Fed Direct Loan Amount	Non-SRF CWF State Loan NQ	State Match Title VI Amt	Title VI SRF Rev Loan Amt	LISRA Title VI Fed Grant Amt	ARRA Federal Loan Amt*	Total SRF Project Funding
* ARRA Federal Loan projects eff FY 2009-10; no additional State LIS Grant funded projects as of FY 2007-08								
2009-10	62,330,056	0	3,344,499	0	147,324,074	-753,948	22,084,738	235,083,366
TOTAL:	511,579,481	31,747,306	93,258,794	19,061,429	1,494,481,215	9,650,146	22,084,738	2,242,346,299

STATE ACCOUNT (21014) - UNAUDITED

Balance Sheet

	Fiscal Year Ended June 30, 2010	Fiscal Year Ended June 30, 2009
(in thousands)		
ASSETS		
Cash and equivalents	17,920	3,620
Loans receivable	20,861	24,928
Interest receivable (loans)	14	34
Interest receivable (investments)	120	152
Restricted assets (investments):		
Interest subsidy bonds	7,820	9,330
Total investments	46,735	38,064
Total assets	46,735	38,064
LIABILITIES		
Due to federal account		
Total liabilities	-	-
FUND BALANCE:		
Prior fund balance	38,064	35,329
Net Income/(Loss)	8,671	2,735
Current fund balance	38,064	38,064
Total liabilities and fund balance	46,735	38,064

**Statement of Revenue and Expenses and the Change in Fund
 Balance: State Account (21014) – Unaudited**

	Fiscal Year Ended June 30, 2010	Fiscal Year Ended June 30, 2009
(in thousands)		
OPERATING REVENUE:		
Interest on loans	377	461
Interest on investments	607	565
Miscellaneous revenue		
	984	1,027
OPERATING EXPENSES:		
Salaries & benefits	3,060	2,700
Indirect costs		
Other	18	22
	3,078	2,722
Income before Operating transfers	-2,094	-1,695
Operating transfers:		
Grants	-35,106	-39,860
Bond Proceeds	50,000	50,000
Other operating transfers	-4,130	-5,710
Total Operating Transfers	10,764	4,430
Net Income after Transfers:	8,671	2,735
<u>Fund Balance</u>		
Beginning of the year	38,064	35,329
End of the year	46,735	38,064

* Does not include adjustment for 21015 salary & benefit expenses.

Long Island Sound Account (21016) – Unaudited

Balance Sheet

(in thousands)	Fiscal Year Ended June 30, 2010	Fiscal Year Ended June 30, 2009
ASSETS		
Cash and equivalents	2,021,150	2,087,213
Due to other state funds	-	-
Due from comptrollers	-	-
Total assets	2,021,150	2,087,213
LIABILITIES		
Due to comptroller	-	-
Total liabilities	-	-
FUND BALANCE:		
Prior fund balance	2,087,213	2,186,257
Net Income/(Loss)	(66,064)	(99,044)
Current fund balance	2,021,150	2,087,213
Total liabilities and fund balance	2,021,150	2,087,213

**Statement of Revenue and Expenses and the Change in Fund
 Balance: Long Island Sound Account (21016) – Unaudited**

	Fiscal Year Ended June 30, 2010	Fiscal Year Ended June 30, 2009
(in thousands)		
OPERATING REVENUE:		
Interest on investments	2,912	72,609
Miscellaneous revenue		
	2,912	72,609
OPERATING EXPENSES:		
Salaries & benefits	0	0
Indirect costs	0	0
Other	15,298	171,653
	15,298	171,653
Income before Operating transfers	(12,386)	(99,044)
Operating transfers:		
Grants		0
	(53,679)	
Bond Proceeds	0	0
Other operating transfers	0	0
Total Operating Transfers		-
	(53,679)	
Net Income after Transfers:	(66,065)	(99,044)
<u>Fund Balance</u>		
Beginning of the year	2,087,213	2,186,257
End of the year	2,021,150	2,087,213

**STATE OF CONNECTICUT CLEAN WATER FUND -
*WATER POLLUTION CONTROL AUTHORITY FEDERAL
REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)***

**AUDIT REPORTS AND SCHEDULES IN
ACCORDANCE WITH OMB CIRCULAR A-133**

June 30, 2010 and 2009

**STATE OF CONNECTICUT CLEAN WATER FUND -
WATER POLLUTION CONTROL AUTHORITY FEDERAL
REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
June 30, 2010 and 2009**

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SEWARD AND MONDE
CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

Ms. Denise L. Nappier, Treasurer

Ms. Amey Marrella, Commissioner
Department of Environmental Protection
State of Connecticut

We have audited the accompanying financial statements of the State of Connecticut Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account (State Revolving Fund) (SRF) (an enterprise fund of the State of Connecticut) as of and for the years ended June 30, 2010 and 2009, as listed in the table of contents. These financial statements are the responsibility of the SRF's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account and do not purport to, and do not, present fairly the financial statements of the State of Connecticut, as of June 30, 2010 and 2009, and the changes in its financial position and cash flows, where applicable, for the years then ended in conformity with U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State of Connecticut Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account - SRF as of June 30, 2010 and 2009, and the changes in financial position and cash flows thereof for the years then ended in conformity with U.S. generally accepted accounting principles.

As described in Note 10 to the financial statements, the SRF adopted the provisions of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as of July 1, 2009.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2010, on our consideration of the State of Connecticut Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account - SRF's internal control over financial reporting and on our

tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards on page 34 is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Seward and Monde

September 15, 2010

**OFFICE OF THE TREASURER
 STATE OF CONNECTICUT
 CLEAN WATER FUND
 FISCAL YEAR ENDED JUNE 30, 2010**

MANAGEMENT’S DISCUSSION AND ANALYSIS

This Management’s Discussion and Analysis (MD&A) of the State of Connecticut Clean Water Fund - Water Pollution Control Federal Revolving Loan Account (State Revolving Fund) provides an introduction to the major activities affecting the operation of the state revolving fund and is a narrative overview of the financial performance for the fiscal year ended June 30, 2010. The information contained in this discussion should be considered in conjunction with the Fund's basic financial statements and the notes thereto.

Financial Highlights

Changes in Net Assets - Fund net assets under management in the Clean Water Fund at the close of the fiscal year 2010 were \$ 653,576,354

including assets of	\$ 1,469,738,489	
offset by liabilities of	\$ 816,162,135	
compared to fiscal year 2009 Fund net assets	\$ 639,688,632	
including assets * of	\$ 1,510,030,452	*restated by 2,348,467
offset by liabilities * of	\$ 870,341,820	

Fund net assets increased by \$ 13,887,722
 or 2.2%
 primarily reflecting increased loan activity and the receipt of the 2009 ARRA capitalization grant money.

Net Assets of the Clean Water Fund are categorized as follows:

Restricted - includes net assets that have been restricted in use in accordance with the terms of an award, agreement or by State law.

Unrestricted - includes all net assets not restricted and available for any program purpose.

The majority of the net assets are invested and portions are restricted in accordance with the requirements of state statutes and the federal Clean Water Act. Restricted assets represent the amount of assets which relate to the federal capitalization grants and associated state match.

The financial statements show restricted fund net assets of \$ 634,562,262
 an increase of \$ 29,660,024
 or 4.9%
 above the 2009 balance.

Liabilities: Bonds Outstanding - During the year bonds were issued to refund senior bonds as part of the restructure of the program. The Fund's total debt outstanding decreased during the fiscal year by \$ 59,285,422 to \$ 767,818,081 as a result of scheduled debt repayment.

Loans Receivable - Total loans receivable increased by \$ 48,497,220 from \$ 781,169,397 to \$ 829,666,617 due to the net of new loans less repayments.

Operating Revenues - The Fund's gross operating income increased by \$ 4,300,311 or 32.13% to \$ 17,686,272

Statement of Cash Flows - The Statement of Cash Flows shows an increase in cash for the year of \$ 3,450,566
Capitalization Grants - During the year, \$ 16,997,789 was drawn from the EPA for projects, compared to \$ 19,167,258 drawn in 2009. To date, the State has drawn \$ 372,144,197
Cumulative federal wastewater capitalization grant awards totaled \$ 380,724,148

Overview of the Financial Statements

The Clean Water Fund financial statements are reported by the Office of the Treasurer in conjunction with the Department of Environmental Protection (DEP). The Treasurer is responsible for the detailed financial information in the Clean Water Fund financial statements. The Clean Water Fund is classified as an enterprise fund within the Proprietary Funds of the State of Connecticut. Proprietary Funds focus on the determination of the change in fund net assets, financial position, and cash flows for governmental activities that operate similar to a commercial enterprise. Proprietary funds use the accrual basis of accounting. The Clean Water Fund Balance Sheets, Statements of Revenues, Expenses and Changes in Fund Net Assets, and Statements of Cash Flows together provide information about the activities of the Fund as a whole and present an overall view of the Fund's finances. The Statements of Revenues, Expenses and Changes in Fund Net Assets divide the activities of the Fund into two categories:

Operating Activities (including the Waste Water Loan Program) and Nonoperating Activities (including investment of funds and the Revenue Bond Program).

Operating Activities

The Wastewater Loan Program

For the Waste Water Loan Program activities, the statements indicate the amount of loans financed during the past year. The statements indicate the amount of interest income generated by the investment of funds and describe the structure of the investments. For the Revenue Bond Program activities, these statements indicate the amount of bonds retired during the year and the remaining amount of bonds to be repaid in the future. Fund financial statements also provide information about activities of the Fund as a recipient of federal capitalization grants and the amount of capitalization

grants remaining for future use. The Clean Water Fund issues revenue bonds and uses the proceeds to provide financing for Clean Water and Drinking Water projects. Where necessary, due to the issuance of bonds and investment activities for both the Clean Water Fund and Drinking Water Fund, bond proceeds, interest income and expenses may be allocated between the Clean Water Fund and the Drinking Water Fund.

Loans are made to municipalities for project funding and consist of construction loans or interim funding obligations (IFOs) which accrue interest during construction and long-term permanent financing obligations (PLOs) which are signed after projects are completed. The PLOs have 20 year repayment terms and can be prepaid at any time. There are several state grants available to participants in this program.

Construction loans in progress totaled	\$ 234,380,732
an increase of	\$ 37,219,615

Payments to municipalities for ongoing projects totaled	\$ 108,947,086
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Completed projects which were permanently financed during the year totaled	\$ 71,727,471
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At year end there are no delinquent loans in the Waste Water loan program. Further details about the loans can be found in the notes to the financial statements.

New construction loan commitments totaled	\$ 169,598,224
---	----------------

Loan repayment collection services are provided by the Trustee, US Bank. Repayments on loans made by the DEP since 1987 are paid to the Clean Water Fund account held at US Bank. These funds provide security for the Bonds and any new Bonds issued thereafter.

Non-Operating Activities

Investment of Funds

The federal capitalization grants and state matching funds are used to provide leveraged financing for eligible projects in the state. Federal capitalization grants are held by the Trustee in the form of either cash or permitted investments. State contributions are held by the Trustee in the form of cash, permitted investments or State general obligation bonds. The State currently invests in the State's Short Term Investment Fund (STIF) and in guaranteed investment agreements with financial institutions. The 2002 bond resolution requires that the investment agreements be with, or be guaranteed by, institutions with ratings in the two top rating categories given by Standard & Poor's and Moody's Investors Service or any rating service recognized by the State Banking Commissioner. Certain moneys currently held in the Fund are invested pursuant to investment agreements with AA providers which are collateralized with securities issued or guaranteed by the U.S. Government or agencies or instrumentalities whose market value is at least 100% of the funds invested.

The Bond Program

The Clean Water Fund has issued bonds under three bond resolutions since 1991. The issuance of bonds under the third general bond resolution resulted in the creation of three additional fund accounts within the Clean Water Fund accounts. Two of these accounts, the Senior Sinking Fund and the Support Fund, are restricted accounts and the General Revenue Revolving Fund account is unrestricted. All three accounts are held by the Trustee.

The Connecticut Clean Water Fund has issued long-term debt obligations backed by the pledge of specific assets including loans, reserve funds and other program assets. There are three bond resolutions: the 1990 General Bond Resolution, the 1996 Subordinate Bond Resolution and the 2002 General Revenue Bond Resolution. Currently, there are only bonds outstanding under the 2002 General Revenue Bond Resolution. Long-term debt obligations of the Fund are special obligations of the State which are payable only from the revenues or monies available in the Fund as provided in the Resolutions and the State Act. The proceeds of these bonds were also used to fund loans to Drinking Water Fund borrowers. Further information about outstanding bonds can be found in the notes to the financial statements.

The program's advisors are:

Bond Counsel - Edwards Angell Palmer and Dodge, LLP and Hardwick Law Firm, LLC
 Financial Advisors - Lamont Financial Services Corporation and First Southwest
 Auditor - Seward & Monde CPAs
 Trustee - US Bank
 Loan Repayment Collection Services - US Bank
 Verification Agent - AMTEC
 Arbitrage Rebate Calculation Services - AMTEC
 General Counsel - Attorney General of the State of Connecticut

SELECTED FINANCIAL INFORMATION

	2010	2009	Increase (Decrease)
Change in Net Assets	\$ 13,887,722	\$ 22,491,470	(\$ 8,603,748)
Operating Revenues	\$ 17,686,272	\$ 13,385,961	\$ 4,300,311
Federal Capitalization Grants	\$ 18,491,394	\$ 18,998,366	(\$ 506,972)
Federal Capitalization Grants - American Recovery and Reconciliation Act (ARRA)	\$ 7,484,041	\$ -	\$ 7,484,041
Interest on Investments	\$ 16,891,152	\$ 17,573,025	(\$ 681,873)
Operating Expenses - Less ARRA grants to recipients	\$ 1,017,768	\$ 465,451	\$ 552,317
Interest Expense	\$ 44,205,639	\$ 30,205,904	\$ 13,999,735
Loans Receivable Outstanding - current and long-term portions	\$ 829,666,617	\$ 781,169,397	\$ 48,497,220

ECONOMIC CONDITIONS AND OUTLOOK

Following the market turmoil of 2008 and 2009, the State grappled with its budget deficits and implemented several deficit mitigation and securitization strategies designed to help the State meet its financial commitments at the lowest possible cost. Some recovery continued during fiscal year 2010, and the State experienced slightly lower unemployment, stable state gross production, and a moderation of adverse trends in several economic indicators including a lower house price index and as predicted, the pace of job loss slowed. Like most states, Connecticut used American Recovery and Reinvestment Act (ARRA) money for a number of purposes and projects. As the State's economic and

financial situation improved as indicated by some recovery of jobs and a modest surplus generated by the end of the fiscal year, the State continues to make commitments to improving transportation, water infrastructure and schools. Concerns continue about the unfunded liabilities in the State Employees' Retirement Plan.

The State has continued to enjoy the highest per capita income in the nation, while challenged with relatively high costs (fuel, housing, healthcare and electricity), traffic congestion, an aging population and a widening disparity in economic prosperity between our urban and suburban residents. Economic growth is expected to be slow in the coming year at a time when there are significant needs for transportation and water pollution control upgrades and improvements. State and federal budget constraints which resulted in a slow down in the initiation of water quality and pollution control projects in recent years will mean greater pressure on the Fund to provide critical financial assistance as municipalities embark on major projects in the future.

The major concern for the Clean Water Fund continues to be working with the State's legislators to set priorities and provide financing for critical work. The program continues to provide a most efficient strategy to fund critical projects while maintaining a long term financing structure that can provide financing for current and future water quality needs. DEP and the Office of the Treasurer, working together, will continue to assist legislators and municipalities in determining the most cost effective and efficient ways to meet their water quality needs.

The Debt Management Division continually monitors the impact of credit ratings of investment providers and municipalities, and assists in the preparation of comments on financial regulation. We will continue to monitor and participate in industry discussions on infrastructure, including water and transportation, as well as the economic and growth potential for the State.

REQUIRED SUPPLEMENTARY INFORMATION

The Clean Water Fund does not separately report required supplementary information that contains budgetary comparison schedules; schedules presenting infrastructure assets or supplementary pension fund information because this information is recorded by the State of Connecticut. The State is in compliance with GASB Statement 34.

The Notes to the Financial Statements provide additional information that further explains and supports the information in the financial statements. The Notes provide additional information that is essential to a full understanding of the data provided in the Clean Water Fund's financial statements.

CONTACTS

This financial report is designed to provide a general overview of the Clean Water Fund's finances. Questions about this report or requests for additional information should be addressed to:

Clean Water Fund Financial Administrator
Connecticut State Treasurer's Office
Debt Management Division
55 Elm Street
Hartford, CT 06106-1773
Telephone (860) 702-3134
www.state.ct.us/ott

Questions about the Clean Water Fund and water quality in Connecticut should be addressed to:

Connecticut Department of Environmental Protection
Bureau of Water Protection and Land Reuse
79 Elm Street
Hartford, CT 06106
Telephone (860) 424-3704
www.state.ct.us/dep

**STATE OF CONNECTICUT CLEAN WATER FUND -
WATER POLLUTION CONTROL AUTHORITY FEDERAL
REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
BALANCE SHEETS
June 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,420,913	\$ 970,347
Interest receivable - investments	4,454,015	4,628,588
Interest receivable - loans	7,302,739	4,151,696
Grants receivable	9,001,354	23,708
Other receivable	-	46,616,550
Loans receivable	291,256,200	253,105,169
Total current assets	<u>316,435,221</u>	<u>309,496,058</u>
Noncurrent assets:		
Loans receivable	538,410,417	528,064,228
Revolving fund	223,540,128	159,206,032
Deferred losses on early retirement of bonds	17,589,726	23,514,313
Deferred outflow of resources	-	2,348,467
Restricted assets:		
Bond proceeds fund	67,542,933	173,478,098
Revolving fund	110,368,242	125,454,441
Debt service fund	97,088,505	102,134,689
Support fund	98,763,317	86,334,126
Total restricted assets	<u>373,762,997</u>	<u>487,401,354</u>
Total noncurrent assets	<u>1,153,303,268</u>	<u>1,200,534,394</u>
Total assets	<u>\$ 1,469,738,489</u>	<u>\$ 1,510,030,452</u>
LIABILITIES		
Current liabilities:		
Interest payable on revenue and refunding bonds	\$ 9,362,951	\$ 8,194,533
Revenue bonds payable	37,063,671	31,256,987
Refunding bonds payable	30,245,923	22,488,435
Total current liabilities	<u>76,672,545</u>	<u>61,939,955</u>
Noncurrent liabilities:		
Derivative instruments - interest rate swaps	-	2,348,467
Premiums on revenue and refunding bonds	38,981,103	32,695,317
Revenue bonds payable	493,377,917	530,441,588
Refunding bonds payable	207,130,570	242,916,493
Total noncurrent liabilities	<u>739,489,590</u>	<u>808,401,865</u>
Total liabilities	<u>816,162,135</u>	<u>870,341,820</u>
FUND NET ASSETS		
Unrestricted	19,014,092	34,786,394
Restricted for loans	634,562,262	604,902,238
Total fund net assets	<u>653,576,354</u>	<u>639,688,632</u>
Total liabilities and fund net assets	<u>\$ 1,469,738,489</u>	<u>\$ 1,510,030,452</u>

See notes to financial statements.

**STATE OF CONNECTICUT CLEAN WATER FUND -
WATER POLLUTION CONTROL AUTHORITY FEDERAL
REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
For the years ended June 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
OPERATING REVENUES		
Interest on loans	\$ 17,686,272	\$ 13,385,961
OPERATING EXPENSES		
Salaries	612,734	278,212
Employee benefits	375,171	163,165
Other	29,863	24,074
Project grants	7,484,041	-
Total operating expenses	<u>8,501,809</u>	<u>465,451</u>
Operating income	<u>9,184,463</u>	<u>12,920,510</u>
NONOPERATING REVENUES (EXPENSES)		
Interest on investments	16,891,152	17,573,025
Amortization of bond premium	4,096,128	2,274,574
Interest expense	(44,205,639)	(30,205,904)
Arbitrage expense	<u>(53,881)</u>	<u>(51,670)</u>
Total nonoperating revenues (expenses)	<u>(23,272,240)</u>	<u>(10,409,975)</u>
Income (loss) before federal capitalization grants and transfers	<u>(14,087,777)</u>	<u>2,510,535</u>
FEDERAL CAPITALIZATION GRANTS		
Project funds - loans	17,501,428	18,556,844
Project funds - grants	7,484,041	-
Administrative set-asides	989,966	441,522
Total federal capitalization grants	<u>25,975,435</u>	<u>18,998,366</u>
OPERATING TRANSFERS	<u>2,000,064</u>	<u>982,569</u>
Change in fund net assets	13,887,722	22,491,470
FUND NET ASSETS, beginning	<u>639,688,632</u>	<u>617,197,162</u>
FUND NET ASSETS, ending	<u>\$ 653,576,354</u>	<u>\$ 639,688,632</u>

See notes to financial statements.

**STATE OF CONNECTICUT CLEAN WATER FUND -
WATER POLLUTION CONTROL AUTHORITY FEDERAL
REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
STATEMENTS OF CASH FLOWS
For the years ended June 30, 2010 and 2009**

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received on loans	\$ 14,535,229	\$ 13,718,215
Loan originations	(108,947,086)	(119,374,380)
Principal paid on loans receivable	60,449,866	52,837,921
Payments to employees for salaries and benefits	(987,905)	(441,377)
Payments on project grants	(7,484,041)	-
Other payments	(29,863)	(24,074)
Net cash used by operating activities	<u>(42,463,800)</u>	<u>(53,283,695)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Federal capitalization grants	<u>16,997,789</u>	<u>19,167,258</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Repayment of revenue bonds payable	(31,256,987)	(32,218,360)
Repayment of refunding bonds payable	(22,488,435)	(14,679,089)
Proceeds from revenue bonds payable	-	365,960,000
Proceeds from refunding bonds payable	115,835,000	44,560,000
Premium received on revenue and refunding bonds	10,381,914	20,364,724
Payment to refunded revenue bond escrow agent	(74,758,450)	(46,616,550)
Interest paid on revenue and refunding bonds	(37,112,634)	(23,635,464)
Operating transfers	2,000,064	982,569
Payments on arbitrage liability	(53,881)	(452,790)
Net cash provided (used) by noncapital financing activities	<u>(37,453,409)</u>	<u>314,265,040</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	17,065,725	17,723,044
Cash advance (repayment) from other fund	-	(5,266,997)
Decrease (increase) in bond proceeds fund	105,935,165	(173,476,168)
Increase in revolving fund	(64,334,096)	(89,664,459)
Decrease (increase) in restricted assets	7,703,192	(28,493,927)
Net cash provided (used) by investing activities	<u>66,369,986</u>	<u>(279,178,507)</u>
Net change in cash and cash equivalents	3,450,566	970,096
CASH AND CASH EQUIVALENTS, beginning	<u>970,347</u>	<u>251</u>
CASH AND CASH EQUIVALENTS, ending	<u>\$ 4,420,913</u>	<u>\$ 970,347</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES		
Operating income	\$ 9,184,463	\$ 12,920,510
Adjustments to reconcile operating income to net cash used by operating activities:		
Changes in assets and liabilities:		
Decrease (increase) in interest receivable - loans	(3,151,043)	332,254
Increase in loans receivable	<u>(48,497,220)</u>	<u>(66,536,459)</u>
Net cash used by operating activities	<u>(\$ 42,463,800)</u>	<u>(\$ 53,283,695)</u>

See notes to financial statements.

STATE of CONNECTICUT CLEAN WATER FUND - WATER POLLUTION CONTROL
AUTHORITY FEDERAL REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
NOTES to FINANCIAL STATEMENTS
JUNE 30, 2010 and 2009

1 - NATURE OF ORGANIZATION

The State of Connecticut Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account (State Revolving Fund or SRF), an enterprise fund of the State of Connecticut, established pursuant to Connecticut General Statutes Section 22a-475 to 22a-483, provides financial assistance to the municipalities of Connecticut for the planning, design and construction of water quality projects. The SRF is funded through revenue bonds, State contributions, and federal grants as established under Title VI of the Water Quality Act of 1987 (Act), which requires the State of Connecticut (State) to match federal funds to the extent of 20% of federal funds received.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the SRF conform to U.S. generally accepted accounting principles as applicable to government enterprises. The following is a summary of the SRF's significant accounting policies:

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting and the flow of economic resources as specified by the Governmental Accounting Standards Board's (GASB) requirements for an enterprise fund.

Under GASB Statement No. 20, *Accounting and Reporting for Proprietary Funds and other Governmental Entities that Use Proprietary Fund Accounting*, the SRF has elected to apply all Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, except those that conflict with or contradict GASB pronouncements.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Operating and Nonoperating Revenues and Expenses

The SRF's principal operation consists of making low interest loans and grants to municipalities in Connecticut. Operating revenue consists of interest earned on those loans. Operating expenses consist of personnel, other expenses and grants incurred in the initial approval, disbursement and ongoing servicing of these loans and grants.

Nonoperating revenues include interest earned on investments and nonoperating expenses include interest expense on revenue and refunding bonds.

Revenue Recognition

Federal capitalization grants are reported as nonoperating revenue and are recognized as federal funds are drawn and as the SRF expenditures are made.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the SRF considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. However, the SRF's policy is to exclude restricted assets from cash equivalents for purposes of the statements of cash flows due to the limitations imposed on their use by the Clean Water Fund Revenue Bond Program General Bond Resolutions, adopted by the State Bond Commission on December 7, 1990, as amended and supplemented (the "1990 Resolution") and on December 17, 2002 (the "Resolution").

Investments

The SRF's policy is to present all investments at fair value except for money market investments and investment contracts, which the SRF has elected to report at amortized cost. The fair value of investments traded on public markets is determined using quoted market prices. The fair value of state general obligation bonds, which are not traded on a public market, is estimated using a comparison of other State general obligation bonds. Based on this comparison, the cost or par value of the state general obligation bonds approximates their estimated fair value.

There were no material investment gains or losses for the years ended June 30, 2010 and 2009.

Loans, Allowance for Loan Losses and Credit Risk

The SRF makes loans to municipalities in the State of Connecticut for planning, design and construction of water quality projects. Interest on the loans is calculated at two percent of the outstanding balance and recognized as it is earned. The loans are secured by the full faith and credit or revenue pledges of the municipalities, or both. No allowance for loan losses is considered necessary based on management's evaluation of the collectibility of the loans. The evaluation takes into consideration such factors as changes in the size of the municipal loans, overall quality, review of specific problem loans, and current economic conditions and trends that may affect the borrowers' ability to pay.

Restricted Assets

Restricted assets consist of investments, which are segregated into funds and accounts in accordance with the Resolution as previously described, plus amounts determined to be prudent by management including amortizing long-term investments. The Resolution restricts investments to: a) the State Treasurer's Short-Term Investment Fund, b) Tax Exempt Proceeds Fund of the State, c) interest bearing time deposits held by the trustee, a member bank of the Federal Reserve System, or a bank which is insured by the Federal Deposit Insurance Corporation and d) Investment Obligations as defined in the Resolution.

Bond Premiums/Deferred Loss

The premiums on the revenue and refunding bonds are being amortized over the term of the bonds on a straight-line basis, which yields results equivalent to the interest method.

The deferred losses on early retirement of bonds (Note 8) are being amortized using the outstanding bond method, which yields results equivalent to the interest method.

Revenue Bonds

The following funds and accounts have been established in accordance with the 1990 Resolution:

<u>Fund / Account</u>	<u>Description and Use</u>
Revenue Fund	Receives all pledged receipts including loan repayments from the municipalities. Out-flows include amounts transferred to the interest and principal accounts of the debt service fund for payment of current debt service.
a. Pledged Receipts Account	
b. Earnings Account	Receives all earnings on funds and investments in all funds and accounts. Out-flows include amounts transferred to the interest and principal accounts of the debt service fund for payment of current debt service.
Loan Fund	Receives proceeds from the sale of revenue bonds as specified and determined by the Resolution. Funds expended for purposes of the State Revolving Fund program, including the financing of loans to municipalities.
Debt Service Reserve Fund	Required to be funded in an amount equal to 50% of all outstanding bonds. The reserve is funded by federal capitalization grant payments drawn under the federal letter of credit and state general obligation bonds. Investment income is transferred to the revenue fund for debt service payments. Used for payment of principal and interest in the event of deficiencies in the revenue accounts.
Debt Service Fund	Receives amounts from the revenue fund accounts sufficient to pay the interest portion due on each interest payment date. Pays interest on outstanding bonds.
a. Interest Account	
b. Principal Account	Receives amounts from the revenue fund accounts sufficient to pay the principal or current sinking fund installments. Pays principal on outstanding bonds.
c. Redemption Account	Receives amounts from the interest and principal accounts for the redemption of bonds. Used for redemption of bonds.
d. Capitalized Interest Account	Receives any capitalized interest received by the trustee. Amounts in the account are transferred for payment of capitalized interest on outstanding bonds.
Interest Subsidy Fund	Established outside of the state revolving fund, principal and investment income is transferred to the revenue fund, then to the debt service fund for payment of debt service. Provides payment of principal and interest in the event of a deficiency in the debt service reserve fund.
Administrative Fund: Cost of Issuance Account	Established outside the SRF, receives a portion of the revenue bond proceeds. Investment income is transferred to the revenue fund for debt service payments. Used to pay issuance cost on revenue bonds.
Rebate Fund	Receives any earnings required to be rebated to the United States pursuant to the Tax Regulatory Agreement. Used for IRS obligations as required.

The cash defeasance (see Note 8), on June 30, 2008, allowed all assets of the Revolving Fund that had previously been pledged to the Bonds issued under the 1990 Resolution and the Subordinate Bond Resolution to be released from that pledge and such assets or the receipts thereon are now available money under the Resolution. As a result of the cash defeasance or as fund/account balances are depleted, some of the funds/accounts listed above were or will be closed.

The following funds and accounts have been established in accordance with the Resolution adopted December 17, 2002:

Fund / Account	Description and Use
Revolving Fund	The Revolving Fund consists of amounts in the water pollution control federal revolving loan account and drinking water federal revolving loan account. The State maintains the Revolving Fund in accordance with the Federal Act. The State shall transfer to the Debt Service Fund any amounts necessary, together with any amounts on deposit therein, sufficient to pay principal of, redemption premium, if any, and interest on bonds.
Bond Proceeds Fund	Receives proceeds from the sale of revenue bonds as specified and determined by the Resolution. Funds are expensed for purposes of financing loans to borrowers under the State Revolving Fund program and if other monies are not available, payment of principal and interest on bonds.
Debt Service Fund	Receives amounts from the Revolving Fund, Support Fund and, if necessary, Bond Proceeds Fund sufficient to pay the debt service on the bonds. Pays principal and interest on outstanding bonds.
Support Fund	The Support Fund, and accounts therein, shall be funded in the amounts and in the manner set forth in a Supplemental Resolution. Monies in the Support Fund shall be transferred to the Debt Service Fund to pay the interest, principal and Sinking Fund Installments and Redemption Price due on Bonds, in accordance with the schedule set forth in the applicable Supplemental Resolution.
Administrative Fund: Cost of Issuance Account	Established outside the SRF, receives a portion of the revenue bond proceeds. Investment income is transferred to the revenue fund for debt service payments. Used to pay issuance cost on revenue bonds.
Rebate Fund	Receives any earnings required to be rebated to the United States pursuant to the Tax Regulatory Agreement. Used for IRS obligations as required.

Fund Net Assets - Restricted for Loans

The fund net assets restricted for loans represents amounts accumulated from federal drawdowns, less administrative expenses not exceeding 4% of the federal grant, transfers from the State representing the 20% match on federal funds and interest earned on municipal loans.

Subsequent Events

The SRF has evaluated subsequent events for the period after June 30, 2010 through September 15, 2010, the date the financial statements were available to be issued.

3 - CASH DEPOSITS AND INVESTMENTS

According to GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, the SRF needs to make certain disclosures about deposits and investment risks that have the potential to result in losses. Thus, the following deposit and investment risks are discussed below:

Interest Rate Risk - the risk that changes in interest rates will adversely affect the fair value of an investment.

Credit Risk - the risk that an issuer or other counterparty to an investment will not fulfill its obligation.

Concentration of Credit Risk - the risk of loss attributed to the magnitude of an investment with a single issuer.

Custodial Credit Risk (deposits) - the risk that, in the event of a bank failure, the SRF's deposits may not be recovered.

Custodial Credit Risk (investments) - the risk that, in the event of a failure of the counterparty, the SRF will not be able to recover the value of investments or collateral securities that are in the possession of an outside party.

Cash and cash equivalents

Cash and cash equivalents of the SRF include funds held by the Connecticut State Comptroller and US Bank.

As of June 30, 2010 and 2009 funds held by the State Comptroller were \$4,420,658 and \$970,092, respectively. These funds are pooled with other State of Connecticut accounts, and custodial credit risk cannot be determined at the SRF level. As of cash included in the revolving fund and restricted assets was \$1,267,187 and \$2,164,163, respectively.

As of June 30, 2010 funds held by STIF were \$264,155,176, of which \$67,542,933 is included in the bond proceeds fund, \$196,611,988 is included in the revolving fund and \$255 is included in cash on the balance sheet. As of June 30, 2009 funds held by STIF were \$295,688,340, of which \$173,478,098 is included in the bond proceeds fund, \$122,209,987 is included in the revolving fund, and \$255 is included in cash on the Balance Sheet. STIF is a money market investment pool, rated AAAM as of June 30, 2010 by Standard and Poor's, in which the State, municipal entities, and political subdivisions of the State are eligible to invest. The State Treasurer with the advice of the Investment Advisory Council, whose members include outside investment professionals and pension beneficiaries, establishes investment policies and guidelines. The State Treasurer is authorized to invest STIF funds in U.S. government and agency obligations, certificates of deposit, commercial paper, corporate bonds, savings accounts, bankers' acceptances, repurchase agreements, asset-backed securities, and student loans.

As of June 30, 2010 funds held in Fidelity Institutional Government Money Market (FIGMM) were \$9,816,564, of which \$8,514,376 is included in the debt service fund and \$1,302,188 is included in the revolving fund on the balance sheet. As of June 30, 2009 funds held in FIGMM were \$17,593,212, of which \$11,502,232 is included in the debt service fund, and \$6,090,980 is included in the revolving fund on the balance sheet. FIGMM is a money market investment pool, managed by Fidelity Investments, normally investing at least 80% of assets in U.S. Government securities and repurchase agreements for those securities and generally maintaining a dollar-weighted average maturity of 60 days or less.

Investments

As of June 30, 2010, the SRF had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years)				Rating
		Less than 1	1 - 5	6 - 10	More than 10	
U.S. Treasury State & Local Governments	\$ 52,879,542	\$ 3,211,594	\$ 36,582,298	\$ 9,780,088	\$ 3,305,562	Unrated
Guaranteed Investment Contracts	59,223,769	-	-	42,905,356	16,318,413	AAA
Guaranteed Investment Contracts	81,333,111	-	-	-	81,333,111	AA+
Guaranteed Investment Contracts	48,082,411	-	-	48,082,411	-	A+
Guaranteed Investment Contracts	54,017,799	1,319,689	42,422,411	10,275,699	-	A-
Connecticut General Obligation Bonds	27,795,008	735,622	3,311,688	12,179,458	11,568,240	AA
	<u>\$ 323,331,640</u>	<u>\$ 5,266,905</u>	<u>\$ 82,316,397</u>	<u>\$ 123,223,012</u>	<u>\$ 112,525,326</u>	

As of June 30, 2009, the SRF had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years)				Rating
		Less than 1	1 - 5	6 - 10	More than 10	
U.S. Treasury State & Local Governments	\$ 38,768,130	\$ 8,222,608	\$ 12,927,772	\$ 8,959,463	\$ 8,658,287	Unrated
Guaranteed Investment Contracts	62,754,335	-	-	46,435,922	16,318,413	AAA
Guaranteed Investment Contracts	20,729,643	-	-	-	20,729,643	AA+
Guaranteed Investment Contracts	111,722,802	-	-	51,513,456	60,209,346	AA-
Guaranteed Investment Contracts	63,865,395	-	24,095,089	39,770,306	-	A-
Connecticut General Obligation Bonds	32,054,433	4,259,426	14,238,478	10,616,769	2,939,760	AA
	<u>\$ 329,894,738</u>	<u>\$ 12,482,034</u>	<u>\$ 51,261,339</u>	<u>\$ 157,295,916</u>	<u>\$ 108,855,449</u>	

Interest Rate Risk

The SRF's policy for managing interest rate risk is to have the maturity or redemption dates of investment coincide as nearly as practicable with the times at which funds will be required for purposes as established in the General Bond Resolutions.

Credit Risk

The SRF's minimizes exposure to this risk by investing in Investment Obligations as defined by the Resolution.

Concentration of Credit Risk

The SRF currently invests approximately 75.0% and 73.9%, at , respectively, in long-term investment agreements with AIG Matched Fund Corp., AIG Financial Products (Jersey) Limited, CDC Funding Corp., Societe Generale, Trinity Plus Funding and Bank of America.

4 - LOANS RECEIVABLE

The SRF loans funds to qualified municipalities at an annual interest rate of two percent, secured by the full faith and credit or revenue pledges of the municipalities, or both. Principal and interest payments on loans are payable over a 20 year period in equal monthly installments commencing one month after the scheduled completion date, or in a single annual installment representing the first year's principal and interest not later than one year after the scheduled completion date and thereafter in monthly or annual installments.

Loans receivable by type are as follows as of June 30:

	<u>2010</u>	<u>2009</u>
Construction in process	\$ 234,380,732	\$ 197,161,117
Completed projects	<u>595,285,885</u>	<u>584,008,280</u>
	<u>\$ 829,666,617</u>	<u>\$ 781,169,397</u>

Aggregate maturities of loans receivable in subsequent years for completed projects are as follows:

<u>Year ending June 30</u>	
2011	\$ 56,875,468
2012	56,271,789
2013	52,642,881
2014	46,522,553
2015	43,814,491
Thereafter	<u>339,158,703</u>
	<u>\$ 595,285,885</u>

5 - FEDERAL LETTER OF CREDIT

The following represents a summary of the cumulative amount of funds awarded and drawn, as well as the amount of funds available under the U.S. Environmental Protection Agency's letter of credit as of June 30:

	<u>2010</u>	<u>2009</u>
Awarded	\$ 380,724,148	\$ 372,403,648
Drawn	<u>372,144,197</u>	<u>370,125,948</u>
Available federal letter of credit	<u>\$ 8,579,951</u>	<u>\$ 2,277,700</u>

The following represents a summary of the cumulative amount of funds awarded and drawn under the American Recovery and Reinvestment Act of 2009 (ARRA) award as of June 30:

	<u>2010</u>	<u>2009</u>
Awarded	\$ 48,010,300	\$ 48,010,300
Drawn	<u>14,979,541</u>	<u>-</u>
Available federal letter of credit	<u>\$ 33,030,759</u>	<u>\$ 48,010,300</u>

6 - RESTRICTED ASSETS

Restricted assets as of June 30 are comprised of the following:

	<u>2010</u>	<u>2009</u>
Cash	\$ -	\$ 2,164,163
Cash equivalents:		
Money market investment pool	76,057,309	184,980,330
Investments:		
U.S. Treasury State & Local Governments	52,879,542	38,768,130
Guaranteed Investment Contracts	242,657,090	259,072,175
Connecticut General Obligation Bonds	<u>2,169,056</u>	<u>2,416,556</u>
	<u>\$ 373,762,997</u>	<u>\$ 487,401,354</u>

7 - RELATED PARTY TRANSACTIONS

The SRF is one fund of many within the State of Connecticut financial reporting structure and as a result, certain transactions including operating transfers, loans receivable and allocation of expenses among funds are under the direction of the State.

Investments

The SRF has invested in the State Treasurer's Short Term Investment Fund and also holds State General Obligation Bonds as presented in Note 3.

Allocation of Expenses

Fringe benefit costs which are incurred at the State level are applied as a percentage of salaries to all State governmental units, including the SRF. For the years ended , the basic rates were 61.23% and 58.65%, respectively, of the SRF wages and the amounts charged aggregated \$375,171 and \$163,165, respectively.

8 - BONDS PAYABLE

A summary of changes in bonds payable during the year ended June 30, 2010 is as follows:

	Balance June 30, 2009	Issued	Principal Defeasance	Principal Paydowns	Balance June 30, 2010
Revenue bonds	\$ 561,698,575	\$ -	\$ -	\$ 31,256,987	\$ 530,441,588
Refunding bonds	265,404,928	115,835,000	121,375,000	22,488,435	237,376,493
	<u>\$ 827,103,503</u>	<u>\$ 115,835,000</u>	<u>\$ 121,375,000</u>	<u>\$ 53,745,422</u>	<u>\$ 767,818,081</u>

A summary of changes in bonds payable during the year ended June 30, 2009 is as follows:

	Balance June 30, 2008	Issued	Principal Paydowns	Balance June 30, 2009
Revenue bonds	\$ 227,956,935	\$ 365,960,000	\$ 32,218,360	\$ 561,698,575
Refunding bonds	235,524,017	44,560,000	14,679,089	265,404,928
	<u>\$ 463,480,952</u>	<u>\$ 410,520,000</u>	<u>\$ 46,897,449</u>	<u>\$ 827,103,503</u>

Revenue Bonds

The proceeds of the SRF's bonds are to be used to provide funds to make loans to Connecticut municipalities, for use in connection with the financing or refinancing of wastewater and drinking water treatment projects.

The State of Connecticut has issued the following bonds, a portion of which has been allocated to the Drinking Water Fund:

Issue Date	Issue Name	Original Par Amount	Balance Outstanding June 30, 2010
01/01/1991	Clean Water Fund Revenue Bonds, 1991 Series	\$ 100,000,000	\$ -
01/01/1992	Clean Water Fund Revenue Bonds, 1992 Series	105,000,000	-
01/01/1993	Clean Water Fund Revenue Bonds, 1993 Series	50,000,000	-
06/01/1994	Clean Water Fund Revenue Bonds, 1994 Series	75,000,000	-
03/01/1996	Clean Water Fund Revenue Bonds, 1996 Series	80,000,000	-
03/15/1996	Clean Water Fund Subordinate Revenue Refunding Bonds, 1996 Series	48,445,000	-
09/01/1997	Clean Water Fund Revenue Bonds, 1997 Series	110,000,000	-
04/15/1999	Clean Water Fund Revenue Bonds, 1999 Series	125,000,000	-
05/01/1999	Clean Water Fund Subordinate Revenue Refunding Bonds, 1999 Series	78,995,000	-
06/01/2001	Clean Water Fund Revenue Bonds, 2001 Series	100,000,000	-
07/10/2003	State Revolving Fund General Revenue Bonds, 2003 Series A	118,085,000	78,427,755
07/10/2003	State Revolving Fund Refunding General Revenue Bonds, 2003 Series B	115,785,000	76,361,493
07/10/2003	State Revolving Fund Refunding General Revenue Bonds, 2003 Series C-1	55,000,000	-
07/10/2003	State Revolving Fund Refunding General Revenue Bonds, 2003 Series C-2	66,375,000	-
07/27/2006	State Revolving Fund General Revenue Bonds, 2006 Series A	150,000,000	131,693,833
07/27/2006	State Revolving Fund Refunding General Revenue Bonds, 2006 Series B	30,070,000	8,365,000
08/06/2008	State Revolving Fund General Revenue Bonds, 2008 Series A	196,195,000	128,290,000
06/25/2009	State Revolving Fund General Revenue Bonds, 2009 Series A	199,440,000	192,030,000
06/25/2009	State Revolving Fund Refunding General Revenue Bonds, 2009 Series B	44,560,000	36,815,000
07/09/2009	State Revolving Fund Refunding General Revenue Bonds, 2009 Series C	115,835,000	115,835,000
	Total	<u>\$ 1,963,785,000</u>	<u>\$ 767,818,081</u>

Debt service on these bonds has been paid and is to be paid from a combination of pledged receipts, earnings on investments held in the debt service reserve funds, maturing principal and interest on investments, amounts held in the interest subsidy funds and amounts held in the support funds. "Pledged receipts" means payments of principal and interest on municipal obligations, including both timely and delinquent payments with late charges, if any, and includes any fees and charges, fines and penalties collected or held by the State.

Pledged receipts include the repayments of loans made by the Obligated Group, including all loans previously funded as well as future loans. Although amounts attributable to the Obligated Group are tracked separately for federal reporting purposes, all pledged receipts will secure all bonds of the revenue bond program. The Act and the General Bond Resolution adopted December 7, 1990 permit the pledging of assets of both the SRF and the Drinking Water Fund SRF to secure all bonds.

The State of Connecticut issued State Revolving Fund General Revenue Bonds 2003 Series dated July 10, 2003 pursuant to the General Bond Resolution adopted December 17, 2002. In accordance with the State Revolving Fund General Revenue Bonds, 2003 Series Plan of Finance, the State allocated the proceeds of 2003 Series Bonds between the SRF and the Drinking Water Fund with \$85,021,200 allocated to the SRF and \$33,063,800 allocated to the Drinking Water Fund. The Drinking Water Fund (an enterprise fund of the State of Connecticut) was also established pursuant to Connecticut General Statutes Section 22a-475 to 22a-483 and provides assistance to municipalities of Connecticut to finance the costs of infrastructure needed to achieve or maintain compliance with the Safe Drinking Water Fund Act. Debt service on the 2003 Series Bonds is paid from any available monies in the SRF and the Drinking Water Fund.

The State has pledged amounts in the bond proceeds fund, the support fund and the debt service fund pursuant to the Resolution. After a review of the total expenditures from both programs since 2003, as of July 1, 2006, the State transferred \$10,210,105 in 2003 bond proceeds from the Drinking Water Fund to the Clean Water Fund. An equal principal amount of 2003 Series Bonds will now be designated Clean Water bonds and will be payable from Clean Water revenues for their remaining term. The 2003 Support Fund balances for each program are similarly impacted by the reassignment. Available money equal to \$1,734,740 in the Clean Water Fund's General Revenue Revolving Fund has been deposited in the Clean Water Fund's 2003 Support Fund and \$1,734,740 in the Drinking Water 2003 Support Fund has become available money in the Drinking Water Fund's General Revenue Revolving Fund. Other related accounts were affected and adjusted to reflect the transfer.

The State of Connecticut issued State Revolving Fund General Revenue Bonds 2006 Series dated July 27, 2006 pursuant to the General Bond Resolution adopted December 17, 2002. In accordance with the State Revolving Fund General Revenue Bonds, 2006 Series Plan of Finance, the State allocated the proceeds of 2006 Bond Series between the SRF and the Drinking Water Fund with \$145,000,000 allocated to the SRF and \$5,000,000 allocated to the Drinking Water Fund. Debt service on the 2006 Series Bonds is to be paid from any available monies in the SRF and the Drinking Water Fund. The State has pledged amounts in the bond proceeds fund, the support fund and the debt service fund pursuant to the Resolution.

The State of Connecticut issued State Revolving Fund General Revenue Bonds 2008 Series dated August 6, 2008 pursuant to the General Bond Resolution adopted December 17, 2002. In accordance with the State Revolving Fund General Revenue Bonds, 2008 Series Plan of Finance, the State allocated the proceeds of 2008 Series Bonds between the Clean Water Fund and the SRF with \$171,195,000 allocated to the Clean Water Fund and \$25,000,000 allocated to the SRF. Debt service on the 2008 Series Bonds is to be paid from any available monies in the Clean Water Fund and the SRF. The State has pledged amounts in the bond proceeds fund, the support fund and the debt service fund pursuant to the Resolution.

The State of Connecticut issued State Revolving Fund General Revenue Bonds 2009 Series dated June 25, 2009 pursuant to the General Bond Resolution adopted December 17, 2002. In accordance with the State Revolving Fund General Revenue Bonds, 2009 Series Plan of Finance, the State allocated the proceeds of 2009 Series Bonds between the Clean Water Fund and the SRF with \$194,765,000 allocated to the Clean Water Fund and \$4,675,000 allocated to the SRF. Debt service on the 2009 Series Bonds is to be paid from any available monies in the Clean Water Fund and the SRF. The State has pledged amounts in the bond proceeds fund, the support fund and the debt service fund pursuant to the Resolution.

Revenue bonds payable consist of the following as of June 30:

	<u>2010</u>	<u>2009</u>
Serial bonds, with interest rates from 2.00% to 5.00%, maturing from 2010 through 2028	<u>\$ 530,441,588</u>	<u>\$ 561,698,575</u>

Refunding Bonds - 2003 Series

On July 10, 2003 the State issued \$115,785,000 of State Revolving Fund Refunding General Revenue Bonds 2003, Series B with interest rates of 2.0% to 5.9% and \$121,375,000 of State Revolving Fund Refunding General Revenue Bonds, 2003 Series C (2003 Series B and C Refunding Bonds) as auction rate bonds to advance refund Clean Water Fund 1997, 1999 and 2001 Series Revenue Bonds (Refunded Bonds) with principal balances totaling \$272,805,000 and interest rates of 4.3% to 7.0%. The State allocated \$7,572,339 of the 2003 Series B Refunding Bonds to the Drinking Water Fund. The Refunded Bonds mature at various dates through September 1, 2022.

The net proceeds of the 2003 Series B and C Refunding Bonds of \$291,594,387 were used to purchase U.S. Government securities and those securities were placed in an irrevocable trust with an escrow agent to provide debt service payments until the Refunded Bonds are called on various dates through October 1, 2011. The advance refunding met the requirements of an in-substance debt defeasance and, accordingly, the Refunded Bonds with a principal balance of \$254,971,000 were removed from the SRF's balance sheet. As of , the outstanding principal balance of the Refunded Bonds was \$42,386,000 and \$122,721,000, respectively.

The difference of \$37,699,081 between the book value of the Refunded Bonds and the amount deposited to the irrevocable trust to fund their debt service represents a loss which has been deferred and is being recognized as an adjustment of interest expense over the life of the 2003 Series B and C Refunding Bonds using the outstanding bond method. Amortization of the deferred loss for the years ended totaled \$3,694,778 and \$3,300,981, respectively.

The interest rate on the 2003 Series C Bonds was hedged with an interest rate swap (see Note 10). The 2003 Series C Bonds were issued as auction rate securities with two interest rate reset modes (\$55,000,000 in daily mode and \$67,375,000 in 28-day mode). The maximum interest rate on the Bonds is capped as 150% of one-month LIBOR if auctions fail.

These bonds were defeased on July 30, 2009. See Refunding bonds - 2009 Series C.

Refunding Bonds - 2006 Series

On July 27, 2006 the State issued \$30,070,000 of State Revolving Fund Refunding General Revenue Bonds 2006, Series B (2006 Series B Refunding Bonds) with interest rates of 3.75% to 5.0% to advance refund Clean Water Fund 1996 Series Revenue and Refunding Bonds (Refunded Bonds) with principal balances totaling \$34,065,000 and interest rates of 4.6% to 5.6%. The Refunded Bonds were to mature at various dates through May 1, 2018 but were called on September 8, 2006.

The net proceeds of the 2006 Series B Refunding Bonds of \$34,422,009 were used to purchase U.S. Government securities and those securities were placed in an irrevocable trust with an escrow agent to provide debt service payments until the Refunded Bonds are called on various dates through October 1, 2011. The advance refunding met the requirements of an in-substance debt defeasance and, accordingly, the Refunded Bonds with a principal balance of \$34,065,000 were removed from the SRF's balance sheet.

The difference of \$357,009 between the book value of the Refunded Bonds and the amount deposited to the irrevocable trust to fund their debt service represents a loss which has been deferred and is being recognized as an adjustment of interest expense over the life of the 2006 Series B Refunding Bonds using the outstanding bond method. Amortization of the deferred loss for the years ended totaled \$58,878 and \$90,813, respectively.

Cash Defeasance - 2008

On June 30, 2008 the SRF paid \$109,472,658 to advance refund Clean Water Fund 1993, 1997, 1999 and 2001 Series Revenue and Refunding Bonds (Refunded Bonds) with principal balances totaling \$105,025,734 and interest rates of 4.0% to 6.0%. The Refunded Bonds were scheduled to mature at various dates through March 1, 2020.

The \$109,472,658 was used to purchase U.S. Government securities and those securities were placed in an irrevocable trust with an escrow agent to provide debt service payments and the call premium until the Refunded Bonds are called on various dates through October 1, 2012. The advance refunding met the requirements of an in-substance debt defeasance and, accordingly, the Refunded Bonds with a principal balance of \$105,025,734 were removed from the SRF's balance sheet. As of the outstanding principal balances of the Refunded Bonds were \$15,728,661 and \$87,179,890, respectively.

The difference of \$5,107,760 between the book value of the Refunded Bonds and the amount deposited to the irrevocable trust to fund their debt service represents a loss which has been deferred and is being recognized as an adjustment of interest expense over the life of the Refunding Bonds using the outstanding bond method. Amortization of the deferred loss for the years ended totaled \$567,528.

Refunding Bonds - 2009 Series B

On June 25, 2009 the State issued \$44,560,000 of State Revolving Fund Refunding General Revenue Bonds 2009, Series B (2009 Series B Refunding Bonds) with interest rates of 2.0% to 5.0% to refund on a current basis Clean Water Fund Subordinate Revenue Refunding Bonds, Series 1999, maturing after July 15, 2009, which were previously cash defeased on June 30, 2008. The Bonds were called on July 15, 2009.

The net proceeds of the 2009 Series B Refunding Bonds of \$46,616,550 were used to purchase U.S. Government securities and those securities were placed in an irrevocable trust with an escrow agent to provide debt service payments until the Refunded Bonds were paid on July 15, 2009. Subsequent to the payment of the Refunded Bonds, \$46,616,550 was returned to the SRF and is included in other receivables on the balance sheet.

Refunding Bonds - 2009 Series C

On July 30, 2009 the State issued \$115,835,000 of State Revolving Fund Refunding General Revenue Bonds 2009, Series C (2009 Series C Refunding Bonds) with interest rates of 1.5% to 5.0% to refund on a current basis Clean Water Fund Refunding General Revenue Bonds, Series 2003 C-1 and C-2.

The net proceeds of the 2009 Series C Refunding Bonds of \$121,375,000 were used to purchase U.S. Government securities and those securities were placed in an irrevocable trust with an escrow agent to provide debt service payments until the Refunded Bonds were paid on July 31 and August 3, 2009. The advance refunding met the requirements of an in-substance debt defeasance and, accordingly, the Refunded Bonds with a principal balance of \$121,375,000 were removed from the SRF's balance sheet

The difference of \$6,728,739 between the book value of the Refunded Bonds and the amount deposited to the irrevocable trust to fund their debt service represents a loss which has been deferred and is being recognized as an adjustment of interest expense over the life of the Refunding Bonds using the outstanding bond method. Amortization of the deferred loss for the year ended totaled \$665,015.

Bond Maturities

Requirements at June 30, 2010 to retire the SRF's revenue and refunding bonds are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 67,309,594	\$ 33,423,294
2012	65,226,733	31,205,833
2013	67,848,437	28,215,187
2014	62,143,431	25,288,479
2015	63,495,327	22,469,398
2016-2020	220,022,703	77,175,468
2021-2025	171,869,384	33,262,118
2026-2028	49,902,472	3,069,988
	<u>\$ 767,818,081</u>	<u>\$ 254,109,765</u>

9 - ARBITRAGE LIABILITY

The Internal Revenue Code provides that interest on certain obligations issued by states, including SRF revenue bonds, is not taxable to the holder provided that bond proceeds are not invested in higher yielding investments, which is referred to as arbitrage. To mitigate arbitrage with respect to the SRF's 2001, 2003, 2006, 2008 and 2009 series revenue bonds, the SRF is required to remit excess investment income to the federal government. The arbitrage expense was \$53,881 and \$51,670 for June 30, 2010 and 2009 , respectively.

10 - INTEREST RATE SWAPS

The SRF adopted the provisions of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* as of July 1, 2009. This resulted in a restatement as of June 30, 2009 to recognize a liability for derivative instruments-interest rate swaps of \$2,348,467 and a deferred outflow of resources of \$2,348,467.

On July 10, 2003 when the 2003 Series C refunding bonds were issued, the State entered into fixed payor interest rate swap agreements to lock-in a synthetic fixed rate of 3.1789%. The fixed payor swap agreements provided for the State to pay fixed rates of 3.1789% until October 1, 2013 and 3.0299% thereafter until October 1, 2022 to the swap counterparty and to receive variable payments from the counterparty. The swap agreements included two components in order to better match the swap payments with the underlying auction rates.

The State secured a fixed payment rate of 3.0299% with Swap A in return for receiving a floating payment rate of 1-month London Interbank Offered Rate (LIBOR) multiplied by 67%. Swap A included an option for the State to terminate the agreement effective October 1, 2013 and semiannually thereafter. The notional amount of the swaps were \$121,375,000

The floating rates on the 2003 Series C refunding bonds were expected to trade based on the tax-exempt Securities Industry and Financial Markets Association Municipal Swap index which could equal more than 67% of LIBOR creating a mismatch between floating receipts from the swap agreement and floating interest payments under the 2003 Series C bonds. This situation is called basis risk. To mitigate this risk, the State entered into Swap B.

Swap B paid the State a floating rate equaling the lesser of 33% of LIBOR or (58% of LIBOR plus 0.39%) minus 67% of LIBOR, subject to a 0% minimum. The State made fixed payments with an interest rate of 0.149%. Swap B was to mature on October 1, 2013 and contained no termination option. The combined effect of the swaps was that the State received a higher percentage of LIBOR when LIBOR rates are below 4.33% (to a maximum of 100% of LIBOR) and a lower percentage of LIBOR when rates are higher (to a minimum of 67% of LIBOR). The creation of this structure ("Collar") approximates the relationship between the BMA and the taxable LIBOR index, thereby reducing basis risk.

The fair value of Swap A is estimated to be (\$2,200,056) as of June 30, 2009. The fair value of Swap B is estimated to be (\$148,411) as of June 30, 2009. The fair values of the interest rate swaps are estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement of on the swaps.

On July 30, 2009 the State issued 2009 Series C Refunding Bonds to refund on a current basis the 2003 Series C Refunding Bonds and to pay the termination fee on the interest rate swap agreements. The termination fee was \$4,441,000 and is included in interest expense on the statement of revenues, expenses and changes in fund balance.

11 - FUND NET ASSETS

The following represents an analysis of fund net assets for the years ended June 30, 2010 and 2009:

	<u>Unrestricted</u>	<u>Restricted for Loans</u>	<u>Total</u>
Balance at June 30, 2008	\$ 47,949,061	\$569,248,101	\$ 617,197,162
Change in fund net assets	<u>(13,162,667)</u>	<u>35,654,137</u>	<u>22,491,470</u>
Balance at June 30, 2009	34,786,394	604,902,238	639,688,632
Change in fund net assets	<u>(15,772,302)</u>	<u>29,660,024</u>	<u>13,887,722</u>
Balance at June 30, 2010	<u>\$ 19,014,092</u>	<u>\$634,562,262</u>	<u>\$ 653,576,354</u>

12 - OPERATING TRANSFERS

Operating transfers consist of the following for the years ended June 30:

	<u>2010</u>	<u>2009</u>
Interest subsidy transfers	\$ -	\$ 411,569
Pledged loan repayments	2,072,631	2,082,251
Operating expenses transfer	989,966	441,552
Operating expenses reimbursement	-	(623,650)
IFO loan/grant reclassifications	2,831	(682,675)
Reallocation of deferred loss on 2003 refunding bond	(938,389)	-
Transfer related to cost of issuance of bond offerings	(400,914)	(1,806,728)
Transfer related to DWF debt service	<u>273,939</u>	<u>1,160,250</u>
	<u>\$ 2,000,064</u>	<u>\$ 982,569</u>

13 - LOAN FUNDING COMMITMENTS

The SRF has entered into various loan agreements with municipalities to fund the planning, design and construction of water quality projects. The following represents a summary of loan commitments at June 30:

	<u>2010</u>	<u>2009</u>
Total funds committed to municipalities	\$ 1,228,537,599	\$ 1,189,878,201
Loan amount outstanding to municipalities	<u>829,666,617</u>	<u>781,169,397</u>
Loan commitments outstanding	<u>\$ 398,870,982</u>	<u>\$ 408,708,804</u>

In addition, the SRF has ARRA project loan and grant commitments of \$33,110,347 as of June 30, 2010.

14 - RISK MANAGEMENT

The State of Connecticut is responsible for risk management of the SRF activities through the use of commercial and self-insurance.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Ms. Denise L. Nappier, Treasurer

Ms. Amey Marrella, Commissioner
Department of Environmental Protection
State of Connecticut

We have audited the financial statements of the State of Connecticut Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account (State Revolving Fund) (SRF) (an enterprise fund of the State of Connecticut) as of and for the year ended June 30, 2010, and have issued our report thereon dated September 15, 2010. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the SRF's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the SRF's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the SRF's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the SRF's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management of the SRF and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Seward and Monde

September 15, 2010

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133

Ms. Denise L. Nappier, Treasurer

Ms. Amey Marrella, Commissioner
Department of Environmental Protection
State of Connecticut

COMPLIANCE

We have audited the compliance of the State of Connecticut Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account (State Revolving Fund) (SRF) (an enterprise fund of the State of Connecticut) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of SRF's major federal programs for the year ended June 30, 2010. The SRF's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of SRF's management. Our responsibility is to express an opinion on the SRF's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the SRF's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the SRF's compliance with those requirements.

In our opinion, the SRF complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

INTERNAL CONTROL OVER COMPLIANCE

Management of SRF is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the SRF's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of SRF's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management of SRF and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Seward and Monde

September 15, 2010

STATE OF CONNECTICUT CLEAN WATER FUND - WATER POLLUTION CONTROL
 AUTHORITY FEDERAL REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the year ended June 30, 2010

<u>Federal Grantor; Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
ENVIRONMENTAL PROTECTION AGENCY		
Direct:		
Capitalization Grants for State Revolving Fund	66.458	\$ 10,380,764
Capitalization Grants for State Revolving Fund	ARRA - 66.458	<u>15,594,671</u>
		<u>\$ 25,975,435</u>

See notes to schedule.

STATE OF CONNECTICUT CLEAN WATER FUND - WATER POLLUTION CONTROL
AUTHORITY FEDERAL REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2010

A - ACCOUNTING BASIS

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the State of Connecticut Clean Water Fund - Water Pollution Control Authority Federal Revolving Loan Account (State Revolving Fund) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Revenues are recognized to the extent of expenditures. Expenditures have been recognized to the extent that administrative costs have been incurred by the SRF and charged to the grant and federal funds have been loaned to municipalities during the year.

B - MUNICIPAL LOAN BALANCES

The balance of outstanding loans to municipalities totaled \$829,666,617 as of June 30, 2010.

STATE OF CONNECTICUT CLEAN WATER FUND - WATER POLLUTION CONTROL
AUTHORITY FEDERAL REVOLVING LOAN ACCOUNT (STATE REVOLVING FUND)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2010

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:
Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:
Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
66.458	Capitalization Grants for State Revolving Fund
ARRA 66.458	Capitalization Grants for State Revolving Fund

Dollar threshold used to distinguish between type A and type B programs \$ 779,263

Auditee qualified as low risk auditee? Yes No

SECTION II - FINANCIAL STATEMENT FINDINGS

No findings are reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings or questioned costs are reported.

