



MONTANA LEGISLATIVE AUDIT DIVISION

FINANCIAL AUDIT

Montana Water Pollution Control and Drinking Water State Revolving Fund Programs

For the Fiscal Year Ended June 30, 2010

FEBRUARY 2011

10-29B

REPORT SUMMARY

In early 2009, the U.S. Congress passed the American Recovery and Reinvestment Act (ARRA). The State of Montana Water Pollution Control and Drinking Water State Revolving Fund (SRF) programs received approximately \$38,000,000 of ARRA funds for the fiscal years 2008-09 and 2009-10. There were 64 projects funded from the Federal ARRA funds received.

Context

The SRF programs provide reduced interest rate loans for the construction of waste water pollution treatment facilities and drinking water treatment facilities. The programs are jointly administered by the Department of Natural Resources and Conservation and the Department of Environmental Quality. The Department of Natural Resources and Conservation has requested an annual financial audit as required by the federal Environmental Protection Agency.

The SRF programs have loaned funds to many public entities across the state. The largest loans are to Big Sky, Kalispell, Great Falls, Bozeman, Helena, and Billings. At June 30, 2010, the total outstanding loan principal for the two programs exceeded \$287 million.

Results

This report contains no recommendations and contains an unqualified opinion. Financial statement users can rely on the information in the financial statements and notes.

Recommendation Concurrence	
Concur	0
Partially Concur	0
Do Not Concur	0

Source: Agency audit response included in final report.

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