



Ohio Water
Development Authority

Created in 1968 by the State of Ohio to provide loans to local government agencies for the construction of water and sewer infrastructure

2022 BY THE NUMBERS



Rising interest rates thru the year



1.83%
lowest 20-year Fresh Water Interest rate in February 2022

4.26%
highest 20-year Fresh Water Interest rate in December 2022



981
septic systems replaced with Un-sewered Area Assistance Fund



184
Research and Development grants awarded since 1985

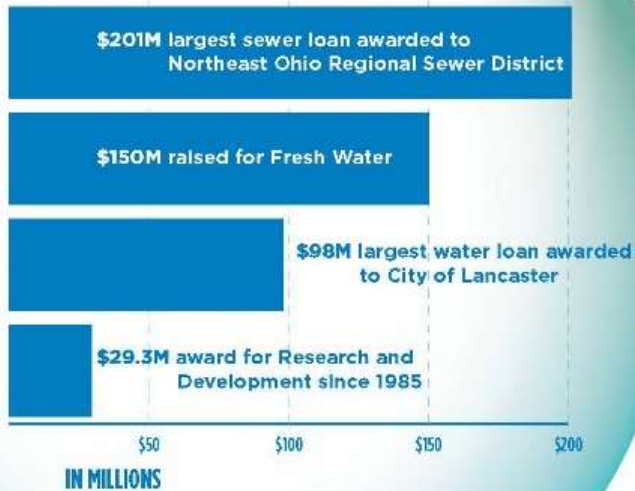


10
Research and Development grants awarded in 2022

Projects awarded in 86 of the 88 counties



\$1.41B AWARDED IN 2022, 35% INCREASE FROM 2021

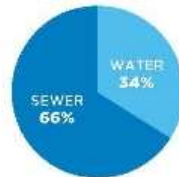


\$20.9 BILLION AWARDED FUNDING SINCE 1968



33 borrowers saved **\$17,000,000** by refinancing with OWDA

Dollars Awarded



Types of Loans



Aaa / AAA
ratings from Moody's and S&P



Water and Sewer Loan Programs



Fresh Water
Loan Program



Water Pollution
Control Loan
Program
(Ohio EPA)



Drinking Water
Assistance Fund
Program
(Ohio EPA)

Interest Rates

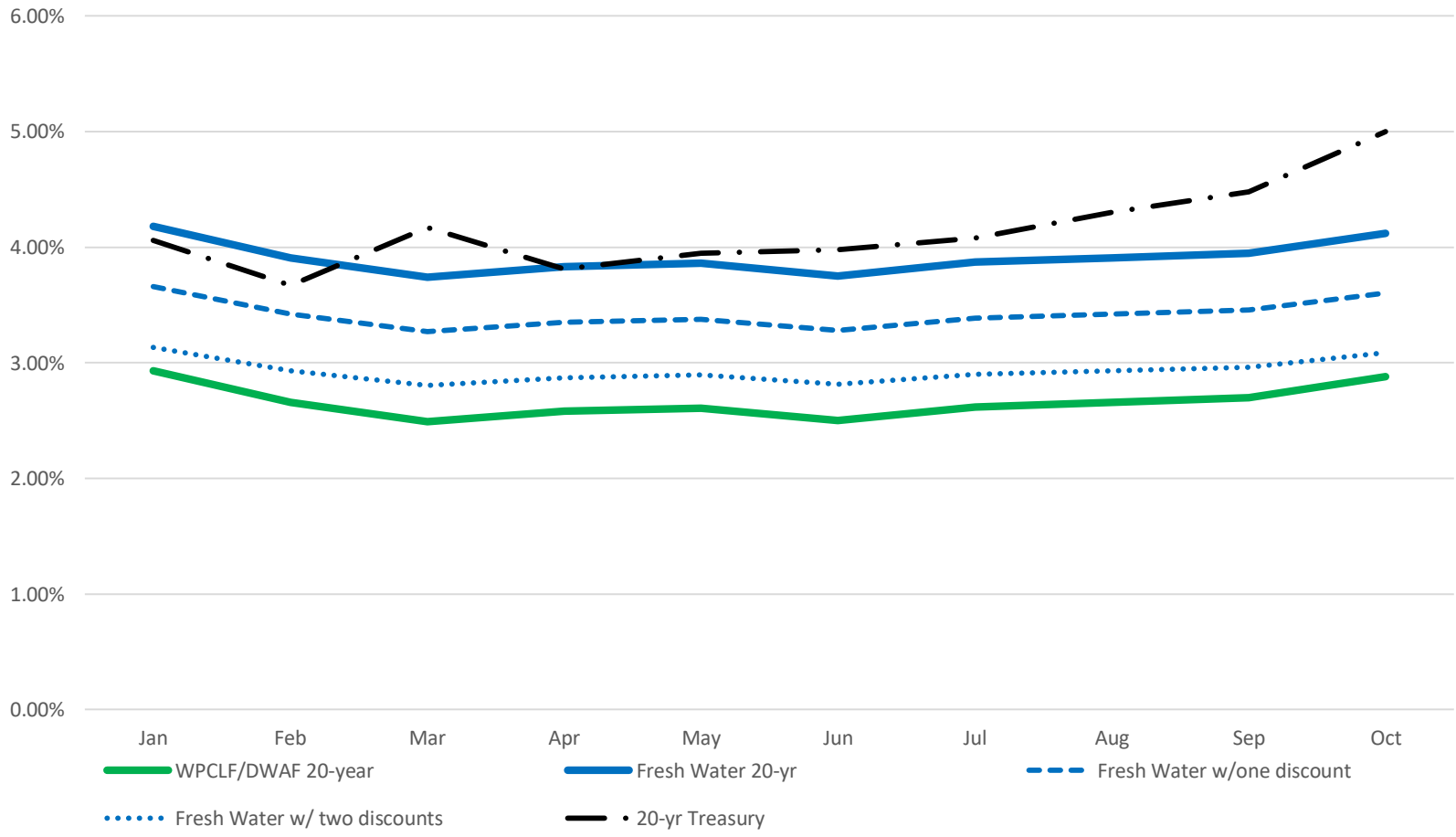
October 2023

Interest rates are published monthly at www.owda.org

The monthly OWDA Fresh Water rates is based on a rolling 8 week average of 20 year AA MMD + .30% with possible discounts based on eligibility

	Term (years)		
	5 to 20	21 to 30	31 to 45
Fresh Water Program			
Market Rate	4.13%	4.38%	
Community Assistance	1.75%	2.00%	
Drinking Water Assistance Fund (DWAF) Water Supply Revolving Loan Account (WSRLA)			
Standard Rate	2.88%	3.08%	
Small Systems	2.38%	2.58%	
Water Pollution Control Loan Fund (WPCLF)			
Standard Rate	2.88%	3.08%	3.23%
Small Systems	2.38%	2.58%	2.73%

2023 Interest Rates



Fresh Water Loan Program

Interest Rate Discounts

- Community has borrowed from OWDA previously
- Community under OEPA Findings and Orders, consent order, or documented health risks
- Connecting to existing treatment system
- Communities purchasing another system
- Compliance with a Balanced Growth Plan certified by the State

Why OWDA?

Pros

- One times coverage
- No debt service reserve requirement
- OWDA loan takes subordinate lien to past and future debt issued
- Our loan fee is .35% for first \$100 million, .175% for \$100-150 million and free after \$150 million.
- No rating required
- OWDA loan is considered revenue debt and therefore will not count against a local governments General Obligation Bond issuing capacity/statutory debt limitation
- A borrower only pays interest on portion of loan drawn.
- OWDA loans are quick and efficient. An LGA can go from application to approval to drawing funds in a month, compared to conventional financing that can often take 2-4 months to complete
- You know your loan rate before you apply.
- No arbitrage calculation required for OWDA loan
- No annual post issuance continuing disclosure filing in accordance with SEC rule 15c2-12

Con

- No prepayment



Refinance Loan Program

- Established January 2021
- Eligible borrowers include public entities having the authority to own and operate water and sewer systems
- Loans thru the Fresh Water Program, Water Pollution Control Loan Program, and the Drinking Water Assistance Fund Program are not eligible for this program

To date:

- 102 refinance loan applications have be received totaling over \$150 M
- Refinancing USDA Rural Development Loans with interest rates ranging from 3.0% to 4.75%
- New loans have interest rates ranging from 0.5% to 1.77%
- Total savings to borrowers - \$49 million

Refinance Loans less than \$50 million

Refinance Interest Rates (as of September 28,2023)	
Tax-Exempt (AAA Non-call MMD yield curve plus .30%)	
10 year term	3.73%
20 year term	3.89%
30 year term	4.55%
Taxable (AAA Taxable MMD yield curve plus .30%)	
10 year term	5.24%
20 year term	5.56%
30 year term	5.97%
Community Assistance	
20 year term	1.75%
30 year term	2.00%

Refinance Loans greater than \$50 million

- The Borrower and OWDA will sign a commitment letter to borrow at a not to exceed rate determined by OWDA based on the structure of the loan
- The contract interest rate will lock in contemporaneously with the pricing of a linked OWDA Bond issue plus 0.05%
- If the pricing of the OWDA bonds exceeds the not to exceed rate in the signed commitment, then OWDA will not issue the bonds and the commitment letter shall be extinguished

Refinance Loan Program Application Process

- Application Fee
 - \$250 to \$1,500
- Loan Administration Fee
 - 0.35% of the loan amount
 - reduced fee for loans greater than \$100M
- All the details can be found at www.owda.org

Loan Programs



Onsite
Stormwater



Local Economic
Development



Brownfield



Solid Waste

Contact Information

Ken Heigel, P.E.

Executive Director

kheigel@owda.org

614-466-5822

Todd Skruck, CPA

Chief Financial Officer

tskruck@owda.org

614-466-5822

Kim Killian

Loan Officer

killian@owda.org

614-466-5822



Questions