



OKLAHOMA
Water Resources Board

2026

**CLEAN WATER STATE
REVOLVING FUND
ANNUAL REPORT**

The Federal Clean Water Act (CWA) requires a report of the annual Clean Water State Revolving Fund (CWSRF) activities. The OWRB hereby submits the CWSRF Annual Report for the State Fiscal Year (SFY) 2026, July 1, 2025 through June 30, 2026.

This report describes sources and uses of funds, environmental performance of construction activities, the OWRB's financial position, as well as the manner in which the OWRB met the SFY 2026 Intended Use Plan (IUP) goals and objectives.

The OWRB has agreed to submit this report to the Environmental Protection Agency (EPA) within 90 days following the end of the fiscal year.

In addition, Oklahoma Statutes require an annual report to be submitted to the Governor and Legislature within 120 days of the end of the state fiscal year. This report is intended to fulfill both requirements.



OKLAHOMA
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LETTER FROM THE CHIEF

As we close another successful year of infrastructure funding in Oklahoma, we are proud to share the work of the Financial Assistance Division (FAD) of the Oklahoma Water Resources Board (OWRB).

Our team is dedicated to helping communities and rural districts maintain and improve essential water and wastewater facilities. Since 1983, our loan and grant programs have funded more than \$8.8 billion in projects, resulting in more than \$3 billion in savings for Oklahoma communities and rural districts.

In SFY 2026, the OWRB provided more than \$507.7 million in funding across Oklahoma. CWSRF loans and loan forgiveness totaled \$79.3 million. Through our affordability criteria, 9 communities were ranked and collectively received more than \$12.9 million in loan forgiveness funding for planning and design and construction projects.

We are proud to play such a significant role in financing water infrastructure projects throughout Oklahoma. The strong relationships we have built with communities and water users across the state also position us to provide meaningful public education and outreach. Through these efforts, we can encourage conservation, water reuse, sustainability, long-term planning, conservation pricing, consolidation, system cooperation, and other strategies that strengthen Oklahoma's water future.

We strive to achieve both sound financing and unparalleled environmental protection through our loan and grant programs. The Financial Assistance Division is proud of the AAA ratings on all of our bond issues and of the innovative approaches we use to help address Oklahoma's water resources and infrastructure needs.

The data collected and presented in the 2025 Oklahoma Comprehensive Water Plan documents a tremendous need for investment, including more than \$6.9 billion in wastewater infrastructure needs over the next five years. Meeting this challenge will require the efforts, expertise, and collaboration of all of us in the water industry.

We look forward to continuing this important work with Oklahoma communities and our partners across the state. Together, we can strengthen the infrastructure that supports our communities today while building a more resilient water future for generations to come.

Sincerely,



Lori Johnson, Chief
Financial Assistance Division



THE FINANCIAL ASSISTANCE DIVISION

The OWRB Financial Assistance Division assists communities in their efforts to protect and conserve water resources for current and future generations through cost-effective financial products, technical assistance, and high-quality customer service.



Pictured from left to right:

Front Row: Traci King, loan analyst; Lori Johnson, division chief; Jerri Hargis, assistant division chief; and Alpha Thapa, engineering manager.

Second Row: Jeswin Thomas, project engineer; Madi Wilson, project engineer; Jordan Johnson, grant analyst; Lindy Clay, environmental manager; Andy Allen, lending manager; Rowan Miller, marketing coordinator; and Paula Mills, project manager.

Back Row: Annette Cherian, environmental specialist; Greg Faris, grant analyst; Brendan Bradford, accountant; Tim Davis, loan analyst; Daniel Anthamatten, project engineer; Kretchen Olmeda, projects and operations manager; Brian Green, environmental specialist; Laura Oak, accountant/comptroller; and Donna Bitsche, senior loan analyst.

Not pictured: Deann Langston, administrative programs officer, Jen Cullins, administrative programs officer, and Ariel LaMontagne, marketing and outreach manager.



EARNs INAUGURAL PISCES STATE EXCELLENCE AWARD



The Oklahoma Water Resources Board was honored with the inaugural Clean Water State Revolving Fund (CWSRF) State Excellence Award through the U.S. Environmental Protection Agency's PISCES Recognition Program.

The award recognizes high-performing state CWSRF programs for outstanding financial and program management and effective delivery of assistance to communities. The recognition reflects the Financial Assistance Division's decades of innovation, fiscal stewardship and commitment to helping Oklahoma communities address critical water infrastructure needs.

OWRB was recognized as the highest performing CWSRF program in the nation in 2026.



"I am exceptionally proud of the commitment and ingenuity demonstrated by our staff and by the local and state officials who we serve," said Julie Cunningham, OWRB Executive Director. "Together, we have built one of the most efficient and cost-effective public financing programs in the nation that prioritizes strengthening communities, accelerating project delivery, and maximizing returns on investment. Through streamlined application processes, disciplined fiscal stewardship, and leveraging the participation of our largest communities to secure lower costs for smaller systems, we have established a national model for water infrastructure investment. This recognition from the EPA affirms the strength of our collective efforts and reinforces that strong water infrastructure is the foundation for an Oklahoma where economic development thrives, communities flourish, and our water resources are protected for generations to come."

OWRB Executive Director Julie Cunningham

EXECUTIVE SUMMARY

Since 1990, the OWRB's Clean Water State Revolving Fund Program (CWSRF) has approved over \$2.9 billion in wastewater and water quality infrastructure projects throughout the state, historically providing over 65% of Oklahoma's wastewater financing needs. Although enormous progress has been made at addressing Oklahoma's wastewater infrastructure needs, much work is still required. Based on the 2025 Oklahoma Comprehensive Water Plan (OCWP), anticipated wastewater infrastructure needs through 2030 are more than \$6.9 billion.

The CWSRF plays a crucial role in meeting this ever-growing need by providing financing approximately 40% below market interest rates with stand-alone AAA bond ratings. The AAA rating allows the OWRB to provide access to significantly lower interest rates than those obtained through local debt issuance. Utilizing the CWSRF Program has saved Oklahomans an estimated \$3 billion in principal and interest.

In SFY 2026, Oklahoma's CWSRF committed approximately \$79 million in loans for projects listed on the SFY 2026 Project Priority List (PPL). In total, systems approved by the OWRB for funding are expected to save more than an estimated \$41 million in principal and interest for the life of the loans.

BINDING COMMITMENTS, ASSISTANCE ACTIVITY, & NIMS

A "binding commitment" as defined by OWRB rules located at OAC 785:50 means "legal obligations by the State to the local recipient that define the terms and the timing for assistance under the Clean Water SRF." Detailed in Table 1, for SFY 2026, the Oklahoma CWSRF entered into binding commitments for fifteen (15) projects, all of which were distributed to §212 sewer construction, water efficiency, energy efficiency projects, and emerging contaminants. OWRB did not fund §320 or §319 projects this fiscal year. The §212 activities, and sections 603(c)(6-8) projects including adjustments, totaled \$78,210,330.85 exceeding the 120% requirement. Assistance provided reportable to NIMS for SFY 2026 totaled \$53,110,189.72.

TABLE 1: PROJECTS IDENTIFIED FOR RECEIVING CWSRF ASSISTANCE (SFY 2026)

BORROWER	PROJECT NUMBER	BINDING COMMIT. REPORTABLE TO ANNUAL REPORT 2026	BINDING COMMIT. DATE	TYPE	PROJECT AND LOAN DESCRIPTION
**Wewoka PWA	ORF-23-0072-CW	\$1,500,000.00	7/15/2025	LF/G	Planning and Design of Sewer Collection Rehabilitation Interest Rate 0.0 Mature Date 9/15/2045
**Locust Grove PWA	ORF-24-0033-CW	\$1,500,000.00	7/15/2025	LF/G	Sanitary Sewer Evaluation Survey Interest Rate 0.00% Mature Date 9/15/2045
**Sallisaw MA	ORF-25-0017-CW	\$1,457,142.85	9/16/2025	LF/G	Planning and Design Wastewater Treatment Plant Interest Rate 0.00% Mature Date 3/15/2046
**Sperry USA	ORF-25-0025-CW	\$1,500,000.00	7/15/2025	LF	Wastewater System Improvements Ph 1 Interest Rate 0.0% Mature Date 9/15/2045
**Carnegie PWA	ORF-25-0036-CW	\$1,000,000.00	7/15/2025	LF	Wastewater Treatment Plant Improvements Interest Rate 0.00% Mature Date 3/15/2046
**Wilburton PWA	ORF-26-0008-CW	\$1,582,700.00	9/16/2025	L/G	Wastewater System Improvements Interest Rate 3.18% Mature Date 3/15/2047
Midwest City MA	ORF-26-0015-CW	\$1,811,000.00	3/17/2026	EC/LF	Planning and Design Emerging Contaminants Interest Rate 0.00% Mature Date 9/15/2049
**Lexington PWA	ORF-26-0018-CW	\$1,500,000.00	9/16/2025	LF/G	Citywide Sanitary Sewer Evaluation Survey Interest Rate 0.00% Mature Date 9/15/2045
**Wynnewood UA	ORF-26-0021-CW	\$1,500,000.00	9/16/2025	LF/G	WWTP Design and Sanitary Sewer Evaluation Interest Rate 0.00% Mature Date 3/15/2046
**Tishomingo MA	ORF-26-0031-CW	\$1,500,000.00	7/15/2025	LF	Wastewater Treatment Plant Improvements Interest Rate 0.00% Mature Date 9/15/2047
**Tishomingo MA	ORF-26-0031-CWA	\$3,300,000.00	10/21/2025	L	Additional Funding for WWTP Interest Rate 3.16% Mature Date 9/15/2057
**Tishomingo MA	ORF-26-0031-CWA	\$4,190,000.00	1/20/2026	L	Additional Funding for WWTP Interest Rate 3.16% Mature Date 9/15/2057
**Roff PWA	ORF-26-0037-CW	\$1,500,000.00	7/15/2025	LF/G	Wastewater Collection System & Treatment Improvements Interest Rate 0.00% Mature Date 9/15/2046
Choctaw UA	ORF-26-0045-CW	\$2,500,000.00	1/20/2026	W	Planning and Design System Improvement
Moore PWA	ORF-26-0048-CW	\$24,290,000.00	1/20/2026	E/G	Wastewater Treatment Plant Repairs Interest Rate 3.11% Mature Date 3/15/2058
Mustang IA	ORF-26-0050-CW	\$6,110,000.00	1/20/2026	NTW/G	Automatic Meter Infrastructure and Readers Interest Rate 2.47% Mature Date 9/15/2041
Commerce DA	ORF-24-0003-CW	\$670,000.00	6/16/2026	W	Automatic Meter Readers
Oklahoma City WUT	ORF-26-0051-CW	\$21,930,141.00	5/19/2026	L	Sewer Improvements Interest Rate 3.18% Mature Date 3/15/2058
*Jay UA	ORF-24-0054-CW	-\$334,053.00	-	-	-
*Salina PWA	ORF-23-0085-CW	-\$681,019.00	-	-	-
*Choctaw UA	ORF-15-0007-CW	-\$115,581.00	-	-	-
Total		\$78,210,330.85			

E=Equivalency; EC=Emerging Contaminants; L = Direct Loans; G = Green Project Reserve; LF= Loan Forgiveness; NTW = Non-Treatment Works; W = Withdrew

*Negative dollars is a De-Obligation **Has a CO/NOV

FFATA REPORTING

Reporting under the Federal Funding Accountability and Transparency Act (FFATA) was completed as listed below.

- The FFY 2025 IJA Supplemental Grant \$ 19,903,000 for Moore Public Works Authority.
- The FFY 2025 Emerging Contaminants grant \$1,811,000 for Midwest City Municipal Authority.
- The FFY 2025 Base Capitalization grant \$12,818,000 will go to SFY 2027 Oklahoma City Water Utilities Trust as there were not enough projects that could meet all equivalency requirements.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES § 602 (B)(9)

CWSRF recipients are required to maintain project accounts in accordance with generally accepted governmental accounting standards. All loan agreements stipulate that the “Borrower shall maintain separate Project accounts in accordance with generally accepted government accounting standards.”

Active borrowers are required to submit annual financial audits to the OWRB. Those audits were reviewed to verify that the borrowers maintained the minimum Debt Coverage Ratio (DCR) of 1.25 times required by their loan covenants. The OWRB requires those audits to be received within five (5) months of the borrowers’ Fiscal Year End.

As of June 30, 2026, 38% of the borrowers were late in submitting their audit. OWRB staff worked with those borrowers in an effort to receive their audits.

Among the CWSRF borrowers for which audits had been received, 100% met DCR requirements, either based on the original audited financials, or after adjustments were made and discussed with OWRB. The audit’s opinions, findings, and notes were also reviewed in an effort to identify risks and concerns regarding the borrower’s financial and operational situation. Issues were discussed with the borrowers or their auditor and resolved as needed. If required, CWSRF borrowers were notified that a single audit was to be completed.

DISADVANTAGED BUSINESS ENTERPRISE

To ensure compliance with the OWRB's Capitalization Grant and EPA's Disadvantaged Business Enterprise (DBE) requirements, the OWRB has established a DBE program in accordance with the regulations of 40 CFR Part 33. Both Loan Recipients (Project Owners) and Prime Contractors are required to implement the DBE Guidance (ORF-267) found at oklahoma.gov/content/dam/ok/en/owrb/documents/financing/forms-and-guidance/ORF-267DBEGuidance.pdf.

Since DBE is an equivalency requirement, OWRB confirmed the borrower and/or the prime contractor followed the "Six Good Faith Efforts," and MBE/WBE subcontractors were contacted in solicitation of services.

LOAN CONDITIONS

The loan documents are reviewed annually to ensure that they adhere to the necessary State and Federal regulations. This includes updating language that is appropriate for each new Capitalization Grant condition.

NEPA REVIEW §602 (B)(6)

All projects requesting funding for treatment works projects from the CWSRF Program were subject to an interdisciplinary environmental review by the OWRB consistent with the National Environmental Policy Act (NEPA) as required by the FWPCA section 511(c) (1).

The Oklahoma CWSRF applies a NEPA-like State Environmental review process to all treatment works projects seeking funding through the CWSRF Program. Oklahoma's State Environmental Review Process is memorialized as part of the OWRB's Chapter 50 Rules and reviewed annually by the EPA.

There are three basic environmental determinations which can apply to treatment works projects funded with the CWSRF. These include Categorical Exclusion (CATEX), Finding of No Significant Impact (FONSI) following the preparation of an Environmental Assessment (EA) or a Record of Decision (ROD) following the preparation of an Environmental Impact Statement (EIS).

The Board may also choose to accept determinations made by other federal agencies in lieu of conducting a formal environmental review. In this case, a Statement of Finding (SOF) would be issued.

Ten (10) environmental determinations were made during SFY 2026. There were six (6) non-treatment works projects completed in SFY 2026, where no determinations were issued. All environmental determinations are listed in Table 2 for each project.

As part of the environmental review, the Oklahoma CWSRF Program required equivalency projects in SFY 2026, to be in compliance with Federal Environmental Cross-Cutting Requirements. The requirements are those provisions in federal law, executive orders, and government wide policies which apply by their own terms to projects and activities receiving federal financial assistance. Documentation for equivalency projects were included in the CATEX determination. No projects were received that required a FONSI or ROD determination.

TABLE 2: ENVIRONMENTAL DETERMINATIONS ISSUED WITHIN SFY 2026

RECIPIENT	LOAN NUMBER	DECISION TYPE	DATE
Carnegie Public Works Authority	ORF-25-0036-CW	CE	7/3/2025
Sperry Utility Service Authority	ORF-25-0025-CW	CE	7/14/2025
Wilburton Public Works Authority	ORF-26-0008-CW	CE	8/28/2025
Lawton Water Authority	ORF-24-0061-CW	CE	12/2/2025
Broken Arrow Municipal Authority	ORF-23-0167-CW	CE	1/15/2026
Moore Public Works Authority	ORF-26-0048-CW	CE	1/16/2026
Oklahoma City Water Utilities Trust	ORF-26-0051-CW	CE	1/23/2026
Warr Acres Public Works Authority	ORF-23-0164-CW	CE	4/16/2026
Tulsa Metropolitan Utility Authority	ORF-19-0001-CW	CE	5/20/2026
Edmond Public Works Authority	ORF-23-0097-CW	SOF	4/21/2026
Wewoka Public Works Authority	ORF-23-0072-CW	NTW	-
Locust Grove Public Works Authority	ORF-24-0033-CW	NTW	-
Sallisaw Municipal Authority	ORF-25-0017-CW	NTW	-
Lexington Public Works Authority	ORF-26-0018-CW	NTW	-
Wynnewood Utilities Authority	ORF-26-0021-CW	NTW	-
Mustang Improvement Authority	ORF-26-0050-CW	NTW	-

CE = Categorical Exclusion

SOF = Statement of Finding

NTW = Non-Treatment Works projects (will not have an environmental decision)

PPL REVISIONS REPORT SFY 2026

After the SFY 2026 IUP was published, the PPL was revised continually in real time for the additions of new projects, adjustments to the loan request, estimated board dates, revisions to construction assistance amounts, updates to GPR amounts as well as subsidy amounts. Several entities with projects listed on the SFY 2026 CWSRF PPL had ranking changes due to revised project items or construction estimates and/or target project approval dates. The list was revised to reflect these adjustments. As such, the changes are listed below without revision numbers as it is an ongoing process.

TABLE 3-PPL REVISIONS

Date of Change	Entity	Revision Type
July 24, 2025	Wilburton Public Works Authority	Adjustment
July 24, 2025	Sapulpa Municipal Authority	Withdrawn
July 24, 2025	Wayne Public Works Authority	Adjustment
August 15, 2025	Sallisaw Municipal Authority	Adjustment
August 19, 2025	Moore Public Works Authority	Addition
August 26, 2025	Hugo Municipal Authority	Withdrawn
September 3, 2025	Tishomingo Municipal Authority	Addition
November 4, 2025	Grady County RWSG & SWMD #1	Addition
December 4, 2025	Moore Public Works Authority	Adjustment
December 12, 2025	Mustang Improvement Authority	Addition
December 22, 2025	Midwest City Municipal Authority	Adjustment
December 29, 2025	Choctaw Utilities Authority	Adjustment
January 13, 2026	Central Oklahoma Master Conservancy District	Addition
February 2, 2026	Hydro Development Authority	Addition
February 6, 2026	Langley Public Works Authority	Adjustment
February 20, 2026	Midwest City Municipal Authority	Adjustment
February 23, 2026	Midwest City Municipal Authority	Adjustment
February 26, 2026	Commerce Development Authority	Adjustment
March 13, 2026	Holdenville Public Works Authority	Addition
March 13, 2026	Mangum Utility Authority	Addition
March 19, 2026	Pauls Valley Municipal Authority	Withdrawn
April 3, 2026	Shawnee Municipal Authority	Addition
April 15, 2026	Chouteau Public Works Authority	Adjustment
April 16, 2026	Quinton Public Works Authority	Withdrawn
April 24, 2026	Okmulgee Municipal Authority	Addition
April 26, 2026	Perkins Public Works Authority	Addition
April 26, 2026	Perkins Public Works Authority	Addition
May 12, 2026	Oklahoma City Water Utilities Trust	Adjustment
June 2, 2026	Okmulgee Municipal Authority	Adjustment
June 4, 2026	Central Oklahoma Master Conservancy District	Adjustment
June 12, 2026	Mangum Utility Authority	Adjustment
June 19, 2026	Okmulgee Municipal Authority	Adjustment
June 25, 2026	Okmulgee Municipal Authority	Adjustment
June 29, 2026	Okmulgee Municipal Authority	Adjustment

GOALS AND ACCOMPLISHMENTS

Goals set in the IUP provide a road map for activities conducted throughout the year. The SFY 2026 IUP included six (6) short-term and six (6) long-term goals for the year.

Short-Term Program Goals

- Apply for all 3 CWSRF capitalization grants within the first year appropriated.

The FFY 2025 Capitalization grant applications were submitted on May 20, 2025. The award for Emerging Contaminants was made August 22, 2025, IJJA General Supplemental was made on September 22, 2025, and Base was made September 11, 2025.

- Assist borrowers listed in this plan that are under enforcement orders to meet deadlines for municipal compliance in accordance with the CWA by providing financial or technical assistance.

Eleven (11) of the fifteen (15) loans funded during SFY 2026 were proposed as a result of violations to wastewater discharge permits and/or enforceable order violations detailing a specific short-term compliance schedule. This assistance allows these communities to attain compliance with the enforceable requirements of the CWA and improve or maintain water quality in receiving streams and underlying groundwater. The OWRB continues to initiate immediate contact with municipalities receiving new consent orders to inform and work with them in determining eligibility and to provide funding in accordance with enforcement schedules.

- Establish and implement a portal/dashboard to inform our clients of our program and where they can upload documents, in a secure environment, for review.

In SFY 2026, we made significant progress by engaging a contractor to initiate the portal project and collaborating closely with Oklahoma Management Enterprise Services to implement the project. Thanks to this partnership, we were able to begin the initial phase of the project, and a substantial portion of the portal was actually constructed during SFY 2026. Although the full implementation and rollout will happen in SFY 2027, much of the groundwork and building was accomplished this year, setting us up for a smooth transition as we move forward.

- Enhance borrower's understanding of federal construction requirements based on project type and equivalency status.

We frequently met with stakeholders to clarify the local, state, and federal requirements applicable to their project type and equivalency status. This included meetings with OCWUT regarding its upcoming Lake Overholser equivalency project. These discussions strengthened understanding of applicable requirements and promoted consistent program implementation.

- Publish project specific technical guidelines and templates as bid inserts for the borrowers.

This fiscal year, we updated our bid packet to incorporate recent legislative changes to the Oklahoma Public Competitive Bidding Act of 1974 under SB 1014, which shifted certain local government guidelines from permissive to mandatory requirements. In addition, we have continued to provide borrowers and their engineers with approved bid language, project-specific guidance, and applicable templates to support the accurate incorporation of federal and state requirements into their bid documents.

- Continue to refine internal templates and review project framework for consistent compliance check.

OWRB worked on updating our PPL request forms, Loan Application form, SOPs, checklists, working on the portal and our internal operating practices to continue our streamlining efforts by keeping our processes efficient as possible.

Long-Term Program Goals

- Maintain the fiscal integrity of the fund to ensure it remains viable and self-perpetuating to meet the long-range water quality needs of the State.

This goal is being achieved on an ongoing basis through stringent program procedures and financial controls as well as continuous repayment of previously issued loans that provide a renewable source of funding for future loans. To maintain the fiscal integrity of the CWSRF, the OWRB performs a variety of processes including providing credit reviews and technical assistance to loan recipients, establishing fiscal controls, and maintaining financial accounts within the CWSRF sufficient to minimize financial risk. The OWRB's credit review of CWSRF applications and the OWRB's procedures for monitoring loan conditions and collecting payments of interest and principal have enhanced the fiscal integrity of the program. Traditionally, each of these processes has ensured that payments from loan recipients are billed and paid promptly, thus enhancing the fiscal integrity of the CWSRF. To date, the program has maintained a zero-default loan repayment record. Should a default occur, the cross-collateralization strategy included in the Master Trust Agreement makes CWSRF revenues available to cure any Drinking Water (DW) SRF bond payment default or reserve fund deficiency, or vice versa. The OWRB also maintains a Capacity Model, which demonstrates perpetuity and is available on OWRB's Financial Documents and Investor Relations webpage.

- Support the implementation of the OK Comprehensive Water Plan and future updates.

This FY the CWSRF program funded over \$54 million in critical infrastructure needs to address the \$6.9 billion wastewater needs identified in the 2025 update to the Oklahoma Comprehensive Water Plan. The OWRB released the 2025 update of the Oklahoma Comprehensive Water Plan's Executive Summary in February of 2026. The Financial Assistance Division provided data from the Clean Watersheds Needs Survey the [2025 Oklahoma Comprehensive Water Plan Infrastructure Needs Dashboard](#).

- Obtain maximum capitalization of the fund for the State while generating sufficient investment and loan interest earnings for debt service of the state match revenue bonds.

During SFY 2026, \$1,185,500 was provided from the Series 2024 Bond Issue, \$3,300,000 was provided from a Legislative Appropriation from the General Fund of the State Treasury and \$2,058,700 from the Series 2025 Bond Issue to meet the state match requirements for the 2025 Capitalization Base and 2025 IJA Supplemental Grants totaling \$6,544,200. Based on the CWSRF's projected cash flows provided by OWRB Financial Advisor, Hilltop Securities, the state match debt was structured to coincide with the repayment of bonds. The intention was for total income to be slightly in excess of debt service to ensure adequate coverage. This schedule and bond sizing provides for required bond repayment while allowing the CWSRF Program sufficient operational capacity for upcoming projects. Additionally, significant cost savings are passed on to CWSRF loan recipients by leveraging federal capitalization grant monies with larger bond issuances, reducing bond issuance costs. Sufficient funds will be generated from interest and investment earnings to retire the balance of the state match bonds by April 1, 2036.

- Maintain and develop relationships with other funding agencies and water quality agencies/professionals to ensure resources are directed in a holistic approach.

The Financial Assistance Division maintained active participation within the Oklahoma Funding Agency Coordinating Team (FACT) which allows for a collaborative approach from multiple state and federal agencies, as well as other organizations which provide water and wastewater infrastructure funding, to curate funding solutions for specific entities. The FACT meeting concept was also adopted by the Choctaw Nation and Cherokee Nation to continue the development of financial solutions for systems throughout their tribal boundaries, with the OWRB engaged as an active contributor.

Through targeted conference attendance and presentations, the OWRB partnered with agencies including the USDA RD, the Oklahoma Department of Commerce, the Oklahoma Department of Environmental Quality (ODEQ), and many others to educate attendees on the different resources available to solve their infrastructure funding challenges. Through the newly introduced Fostering Leadership in Oklahoma Water (FLOW), the OWRB partnered with the Southwest Environmental Finance Center to strengthen the water sector by providing targeted training for topics spanning from building trust with your communities to asset management.

The OWRB also maintained their partnership with ORWA and ODEQ to continue driving growth and resource development for water across Oklahoma through the Oklahoma Strategic Alliance.

- Maintain EPA approval to reserve transfer authority in an amount up to 33% of the Drinking Water (DW) SRF capitalization grant between the DWSRF and the CWSRF.

OWRB received approval from EPA of the transfer authority with the approval of the CWSRF 2026 IUP on August 7, 2025.

SOURCES, USES AND GUARANTEES OF FUNDS

As shown in Table 4, sources of funds totaled \$317,676,977. The use of the funds for SFY 2026 totaled \$212,556,101. The remaining funds of \$105,120,876 will be drawn during the new fiscal year for loan disbursements. All required State Matching funds are drawn prior to any draws from the Capitalization Grants. Federal funds are drawn down as quickly as possible using the First In/First Out method.

TABLE 4: STATEMENT OF SOURCES AND USES OF FUNDS AND AGING SUMMARY

SOURCES	CUMULATIVE TOTAL THROUGH JUNE 30, 2025	JULY 1, 2025 - JUNE 30, 2026	CUMULATIVE TOTAL THROUGH JUNE 30, 2026
Federal Capitalization Grants	\$512,566,700	\$32,905,802	\$545,472,502
State Match - Appropriation/Agency Cash - Committed	\$22,315,020		\$22,315,020
State Match - Provided from State Match Bond Issues	\$67,955,129	\$5,000,000	\$72,955,129
CWSRF Bond Proceeds	\$889,834,646	\$177,761,479	\$1,067,596,125
Principal Repayments on Assistance Provided	\$898,145,567	\$61,686,457	\$959,832,024
Interest Repayments on Assistance Provided	\$195,201,526	\$19,654,192	\$214,855,718
Transfer from DWSRF Program	\$57,992,182	\$10,000,000	\$47,992,182
Investment Earnings	\$103,194,662	\$10,669,047	\$113,863,709
TOTAL SOURCES	\$2,747,205,432	\$317,676,977	\$3,044,882,409

USES			
Loan Assistance Disbursed	\$1,927,819,958	\$158,588,695	\$2,086,408,653
Leveraged Bond Debt Service - Principal	\$305,340,000	\$26,320,000	\$331,660,000
Leveraged Bond Debt Service - Interest	\$187,358,498	\$25,411,362	\$212,769,860
Bond Issuance Cost	\$4,915,031	\$936,044	\$5,851,075
Bond Debt Service Reserve	\$3,154,863		\$0
State Match Bond Debt Service - Principal	\$30,075,000	\$1,300,000	\$31,375,000
Administrative Expenses	\$3,763,205	\$0	\$3,763,205
TOTAL USES	\$2,462,426,555	\$212,556,101	\$2,671,827,793

TOTAL SOURCES OF FUNDS FOR SFY 2026	\$317,676,977
LESS TOTAL SFY 2026 EXPENDITURES	-\$212,556,101
DIFFERENCE OF SOURCES AND FUNDS	\$105,120,876

AGING SCHEDULE FY 2026		
NAME OF LOAN RECIPIENT		OVER 30 DAYS
None		\$0

BYPASS PROCEDURES

The OWRB has established bypass procedures within the OWRB Rules which, along with the Integrated Priority Rating System, guides project funding. The bypass procedure states “A project on the fundable portion of the list may be bypassed if it is determined that the project will not be ready to proceed during the funding year. This determination will be made on projects that are unable to meet the schedule established on the priority list. The applicant whose project is affected shall be given written notice that the project is to be bypassed. Projects that have been bypassed may be reinstated on the fundable portion of the list if sufficient funds are available, and the applicant completes the necessary tasks to proceed. Funds which become available due to the utilization of these bypass procedures will be treated in the same manner as additional allotments.” Due to the Program’s capacity, there were no bypassed priority projects in SFY 2026.

FINANCIAL SUSTAINABILITY

The OWRB and Hilltop Securities have developed the Clean Water SRF capacity model to gauge the long-term health of the SRF. The model is continually monitored throughout each fiscal year to ensure that the perpetuity of the CWSRF Program is sustainable. A snapshot of the long-term sustainability of the fund can be found online on [OWRB's Financial Documents and Investor Relations webpage](#).

CWSRF PROGRAM COMPLIANCE AND FINANCIAL AUDITS

Arledge & Associates Inc., Certified Public Accountants, were retained to audit SFY 2026 CWSRF financial statements and Program compliance. The Single Audit, the CWSRF audited financial statements, along with the audited financial statements of the administrative fund held outside the CWSRF can be found on [OWRB's Financial Documents and Investor Relations webpage](#).

INTEREST RATE SUBSIDY

An additional indicator, “Estimated Interest Rate Savings” provides a description of the subsidy provided by the CWSRF Program’s AAA rated bonds compared to interest rates available to communities whose local debt would fit into a given credit rating category. The OWRB offers CWSRF loans at an interest rate equal to 60% of the MMD AAA scale spot rates for each year through maturity with 40 to 76 basis points added to compensate for risk. The interest rate is calculated approximately 10 days prior to loan closing and is provided to communities regardless of credit quality. CWSRF interest rates have remained low thanks to the attractive market situation. They have varied between 2.47% and 3.18% during the 2026 Fiscal Year. With our low interest rates, borrowers saved an estimated \$41,613,242.85 throughout SFY 2026.

STATE MATCHING FUNDS

Through SFY 2026, Oklahoma received federal capitalization grant awards totaling over \$512 million matched in previous years by \$91.9 million in state funds. The FFY 2025 capitalization grant and FFY 2025 IIJA General Supplemental grant were matched with funds from the State Match proceeds from the 2024 and 2025 Series Bond Issues which occurred in August 2024 and August 2025 as well as a \$3.3 million Legislative appropriation.

TABLE 5: HISTORICAL FUNDING SOURCES AS OF JUNE 30, 2026 (PT. 1)

Fiscal Year	Federal Cap Grant Amount	State Match Amount	Excess Match Funds	Bond Issue Proceeds	Notes	Less 4% Administration	Total Available For Assistance
1988	\$9,278,000.00	\$1,855,600.00	\$0.00	\$0.00	(1)	\$371,120.00	\$10,762,480.00
1989	\$7,597,400.00	\$1,519,480.00	\$0.00	\$0.00	(2)	\$303,896.00	\$8,812,984.00
1990	\$7,862,000.00	\$1,572,400.00	\$0.00	\$0.00	(3)	\$314,480.00	\$9,119,920.00
1991	\$16,580,619.00	\$3,316,123.80	\$0.20	\$0.00	(3)	\$663,224.76	\$19,233,518.24
1992	\$15,697,737.00	\$3,139,547.40	\$0.60	\$0.00	(4)	\$627,909.48	\$18,209,375.52
1993	\$15,528,546.00	\$3,105,709.20	-\$0.20	\$0.00	(5)	\$621,141.84	\$18,013,113.16
1994	\$9,632,600.00	\$1,926,520.00	\$0.00	\$0.00	(6)	\$385,304.00	\$11,173,816.00
1995	\$9,951,183.00	\$1,990,236.60	\$0.40	\$0.00	(7)	\$398,047.32	\$11,543,372.68
1996	\$16,300,350.00	\$3,260,070.00	-\$1.00	\$0.00	(7,8)	\$652,014.00	\$18,908,405.00
1997	\$4,986,100.00	\$997,220.00	\$21,450.00	\$0.00	(8)	\$199,444.00	\$5,805,326.00
1998	\$10,879,110.00	\$2,175,822.00	\$8,644.94	\$0.00	(9)	\$435,164.40	\$12,628,412.54
1999	\$10,880,001.00	\$2,176,000.20	\$105,646.80	\$0.00	(10)	\$435,200.04	\$12,726,447.96
2000	\$10,996,702.00	\$2,199,340.40	\$82,990.54	\$0.00	(11)	\$439,868.08	\$12,839,164.86
2001	\$10,746,747.00	\$2,149,349.40	\$677.89	\$0.00	(12)	\$429,869.88	\$12,466,904.41
2002	\$10,770,705.00	\$2,154,141.00	\$0.00	\$26,000,000.00	(12,13)	\$430,828.20	\$38,494,017.80
2003	\$10,700,700.00	\$2,140,140.00	\$0.00	\$127,500,000.00	(14)	\$428,028.00	\$139,912,812.00
2004	\$10,720,400.00	\$2,144,080.00	\$0.00	\$0.00	(14)	\$428,816.00	\$12,435,664.00
2005	\$8,693,800.00	\$1,738,760.00	\$0.00	\$0.00	(14)	\$347,752.00	\$10,084,808.00
2006	\$7,046,300.00	\$1,409,260.00	\$67,760.00	\$0.00	(14)	\$281,852.00	\$8,241,468.00
2007/2008	\$14,087,400.00	\$2,817,480.00	\$0.00	\$0.00	(15)	\$563,496.00	\$16,341,384.00
ARRA	\$31,662,100.00	N/A	\$0.00	\$0.00		\$1,266,484.00	\$30,395,616.00
2009/2010	\$21,914,200.00	\$4,382,840.00	-\$20.00	\$93,534,169.20	(15,16)	\$876,568.00	\$118,954,621.20
2011	\$11,930,000.00	\$2,386,000.00	\$0.00	\$0.00	(16)	\$477,200.00	\$13,838,800.00
2012	\$11,419,000.00	\$2,283,800.00	\$0.00	\$100,000,000.00	(16,17)	\$456,760.00	\$113,246,040.00
2013	\$10,786,000.00	\$2,157,200.00	-\$67,760.00	\$0.00	(17)	\$431,440.00	\$12,444,000.00
2014	\$11,328,000.00	\$2,265,600.00	\$0.00	\$0.00	(18)	\$453,120.00	\$13,140,480.00
2015	\$11,269,000.00	\$2,253,800.00	\$0.00	\$114,245,235.87	(19)	\$450,760.00	\$127,317,275.87
2016	\$10,795,000.00	\$2,159,000.00	\$124,800.00	\$0.00	(19)	\$431,800.00	\$12,647,000.00
2017	\$10,712,000.00	\$2,142,400.00	\$0.00	\$0.00	(20)	\$428,480.00	\$12,425,920.00
2018	\$12,967,000.00	\$2,593,400.00	\$0.00	\$0.00	(21)	\$518,680.00	\$15,041,720.00
2019	\$12,837,000.00	\$2,567,400.00	\$0.00	\$0.00	(22)	\$513,480.00	\$14,890,920.00
2020	\$12,838,000.00	\$2,567,600.00	\$0.00	\$121,128,525.76	(23)	\$513,520.00	\$136,020,605.76
2021	\$12,837,000.00	\$2,567,400.00	\$0.00	\$0.00	(23)	\$513,480.00	\$14,890,920.00
2022	\$9,349,000.00	\$1,869,800.00	\$0.00	\$0.00	(24)	\$373,960.00	\$10,844,840.00
2022 IIJA Supp	\$14,379,000.00	\$1,437,900.00	\$0.00	\$171,071,209.35	(24)	\$575,160.00	\$186,312,949.35
2022 IIJA EC	\$755,000.00	\$0.00	\$0.00	\$0.00		\$30,200.00	\$724,800.00
2023	\$6,061,000.00	\$1,212,200.00	\$0.00	\$0.00	(24)	\$242,440.00	\$7,030,760.00
2023 IIJA Supp	\$16,840,000.00	\$1,684,000.00	\$0.00	\$0.00	(24)	\$673,600.00	\$17,850,400.00
2023 IIJA EC	\$1,718,000.00	\$0.00	\$0.00	\$0.00		\$68,720.00	\$1,649,280.00
2024	\$6,595,000.00	\$1,319,000.00	\$0.00	\$145,852,953.35	(24,25)	\$263,800.00	\$153,503,153.35
2024 IIJA Supp	\$18,373,000.00	\$3,674,600.00	\$0.00	\$0.00	(25)	\$734,920.00	\$21,312,680.00
2024 IIJA EC	\$1,734,000.00	\$0.00	\$0.00	\$0.00		\$69,360.00	\$1,664,640.00
2025	\$12,818,000	\$2,563,600	\$0.00	\$0.00	(25,26)	\$512,720	\$14,868,880
2025 IIJA Supp	\$19,903,000	\$3,980,600	\$0.00	\$182,761,479	(26,27)	\$796,120	\$205,848,959
2025 IIJA EC	\$1,811,000	\$0.00	\$0.00	\$0.00		\$72,440	\$1,738,560
Totals	\$512,566,700.00	\$91,855,420.00	\$344,190.17	\$1,082,093,572.78	\$0.00	\$20,502,668.00	\$1,666,357,214.95

TABLE 5: HISTORICAL FUNDING SOURCES AS OF JUNE 30, 2026 (PT. 2)

Notes:

- 1 FY 1988 state match appropriated by the legislature from the Statewide Water Development Revolving Fund. - 7/30/88, H.B. 1571
- 2 FY 1989 state match appropriated by the legislature from the Statewide Water Development Revolving Fund. - 4/26/89, S.B. 51
- 3 FYs 1990 and 1991 state matches appropriated by the legislature from the Special Cash Fund. - 3/20/91, S.B. 144
- 4 \$2,892,047 of FY 1992 state match appropriated by the legislature from the Constitutional Reserve Fund. - 5/28/93, S.B. 390; \$200,000 in state match provided by Ute settlement - State of New Mexico and \$47,501 in state match provided from OWRB grant account.
- 5 FY 1993 state match appropriated by the legislature from the Constitutional Reserve Fund. - 5/18/94, H.B. 2761
- 6 OWRB issued its \$1,955,000 SRF Program Notes, Series 1994 on October 25, 1994. The Series 1994 Notes were paid from monies in the Debt Service Reserve Fund for the Board's 1985 State Loan Program Bonds.
- 7 OWRB issued its \$4,050,000 CWSRF Revenue Notes, Series 1996 on May 22, 1996. The Series 1996 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans. \$1,990,237 went toward meeting the FY 1995 state match and \$2,018,545 toward the FY 1996 state match.
- 8 OWRB issued its \$2,275,000 CWSRF Revenue Notes, Series 1997 on June 26, 1997. The Series 1997 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans. \$1,241,524 went toward meeting the FY 1996 state match and \$1,018,670 toward the FY 1997 state match.
- 9 OWRB issued its \$2,200,000 CWSRF Revenue Notes, Series 1998 on June 25, 1998. The Series 1998 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans.
- 10 OWRB issued its \$2,300,000 CWSRF Revenue Notes, Series 1999 on February 15, 1999. The Series 1999 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans.
- 11 OWRB issued its \$2,300,000 CWSRF Revenue Notes, Series 2000 on June 22, 2000. The Series 2000 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans.
- 12 OWRB issued its \$4,345,000 CWSRF Revenue Notes, Series 2001 on April 11, 2001. The Series 2001 Notes were paid from investment and interest earnings on CWSRF accounts. \$2,149,349.40 went toward meeting the FY 2001 state match and \$2,154,141.00 went toward meeting the FY 2002 state match.
- 13 OWRB issued a \$28,890,000 CWSRF Interim Construction Loan Revenue Bonds, Series 2001, on August 15, 2001. The Series 2001 Bonds are to be paid from principal and interest payments made on CWSRF loans made from bond proceeds.
- 14 OWRB issued a \$204,480,000 CWSRF/DWSRF Interim Construction Loan Revenue Bonds, Series 2004, on October 26, 2004. The Series 2004 Bonds are to be paid from principal and interest payments made on CWSRF loans made from bond proceeds. Match for 2003, 2004, 2005, 2006 with \$67,760 left.
- 15 Reallocation of bond funds from the 2004 Bond Issue to state matching funds - \$3,908,100 for the 2007, 2008 and 2009 cap grants.
- 16 OWRB issued a \$85,000,000 Revenue Bond Issue, Series 2011 on April 13, 2011 with \$6,492,200 for the 2010 and 2011 cap grants and a portion of the 2012 cap grant. \$814,000 for the 2012 state match will be available from the 2011 bond issue the remainder will need to come from another source.
- 17 OWRB issued a \$86,505,000 Revenue Bond Issue, Series 2012B on November 7, 2012 with \$2,047,000 for the remainder of the 2012 cap grant. The state match for the 2013 cap grant was provided with a reallocation of the 2012B bond proceeds of \$1,500,000 and excess match funds from 2006 of \$67,760 and excess match funds from 2012B Bonds of \$577,200, and \$12,240 from an appropriation from the Water Infrastructure Development Fund.
- 18 Reallocation of bond funds from the 2012B Bond Issue to state matching funds.
- 19 OWRB issued a \$100,620,000 Revenue Bond Issue, Series 2015 on December 17, 2015 providing state match in the amount of \$4,537,600 for the 2015 and 2016 cap grants. The anticipated 2017 cap grant will be matched with excess match funds and reallocated bond proceeds from the Series 2015 Bond Issue.
- 20 Reallocation of bond funds from the 2015 Bond Issue to state matching funds - approved at November 1, 2017 Board Meeting.
- 21 Reallocation of bond funds from the 2015 Bond Issue to state matching funds - approved at September 2018 Board Meeting.
- 22 Transferred from CW Administration Fund - may be reimbursed with bond proceeds.
- 23 OWRB issued a \$100,000,000 2020A CWSRF Bond Issue on December 17, 2020. The bond issue provided \$5,067,600 for state match for the 2020 cap grant and \$2,500,000 for the 2021 cap grant and \$67,400 was transferred from the CW Administration Fund.
- 24 Transferred \$1,437,900 for the 2022 IJA Supplemental match, \$1,869,800 for the 2022 match and \$117,000 for the 2023 match from the CW Administration Fund. These funds were reimbursed in February 2023 with \$7,500,000 State Match proceeds from the 2023 CWSRF \$150,000,000 Bond Issue. Of the remaining \$4,075,300, \$1,212,200 was used for 2023 Base and \$1,684,000 for IJA Supplemental match. \$1,179,100 will be used for the 2024 Base.
OWRB issued a \$130,000,000 CWSRF Bond Issue on August 22, 2024. The bond issue provided \$5,000,000 for State Match proceeds for the remainder of the 2024 Base and 2024 IJA Supplemental grants. \$1,185,500 will be used for the 2025 Base grant.
- 25 Legislative appropriation of \$3,300,000 from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2023. \$1,378,100 for the remainder of the 2025 Base and \$1,921,900 for the 2025 IJA Supplemental grant.
- 26 OWRB issued a \$175,000,000 CWSRF Bond Issue on August 13, 2025. The bond issue provided \$5,000,000 for State Match proceeds. \$2,058,700 for the 2025 IJA Supplemental grant. The remaining \$2,941,300 will be used for the 2026 Base and 2026 IJA Supplemental grants.
- 27

GRANT PAYMENT SCHEDULE

The OWRB is committed to the timely and expeditious use of its Capitalization Grant funds by expending those funds usually within the SFY they are received. The remainder of the funds, set aside for emerging contaminants projects, should be drawn shortly after the beginning of the SFY 2027.

GOALS FOR FUTURE INTENDED USE PLANS

To provide for better management and greater flexibility of the CWSRF, as well as the DWSRF, the OWRB again requested EPA approval to reserve the right to transfer funds, of up to 33% of the DWSRF capitalization grant, between the two programs. At the end of SFY 2025, the CWSRF program transferred \$10M to the DWSRF to make funds available for DWSRF draws until the 2025 DWSRF Bond Issue closed at the end of June 2025. The \$10M was transferred back to CWSRF in July 2025, the beginning of SFY 2026. No changes in the loan interest rate subsidy are anticipated, however, the OWRB is currently utilizing an independent financial advisor to review all OWRB lending programs and identify the strategy's long-term impact on the health of the fund, along with the financial aspects of the loan application and loan monitoring processes.

RULE CHANGES

There were no rule changes implemented in SFY 2026. A complete list of OWRB Financial Assistance Administrative Rules can be found on the Secretary of State's website at <https://rules.ok.gov/code>. Oklahoma state statutes can be found at <https://www.oscn.net/home/>.

The Financial Assistance Division complies with all applicable state statutes, federal laws and administrative codes.



OKLAHOMA

Water Resources Board



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