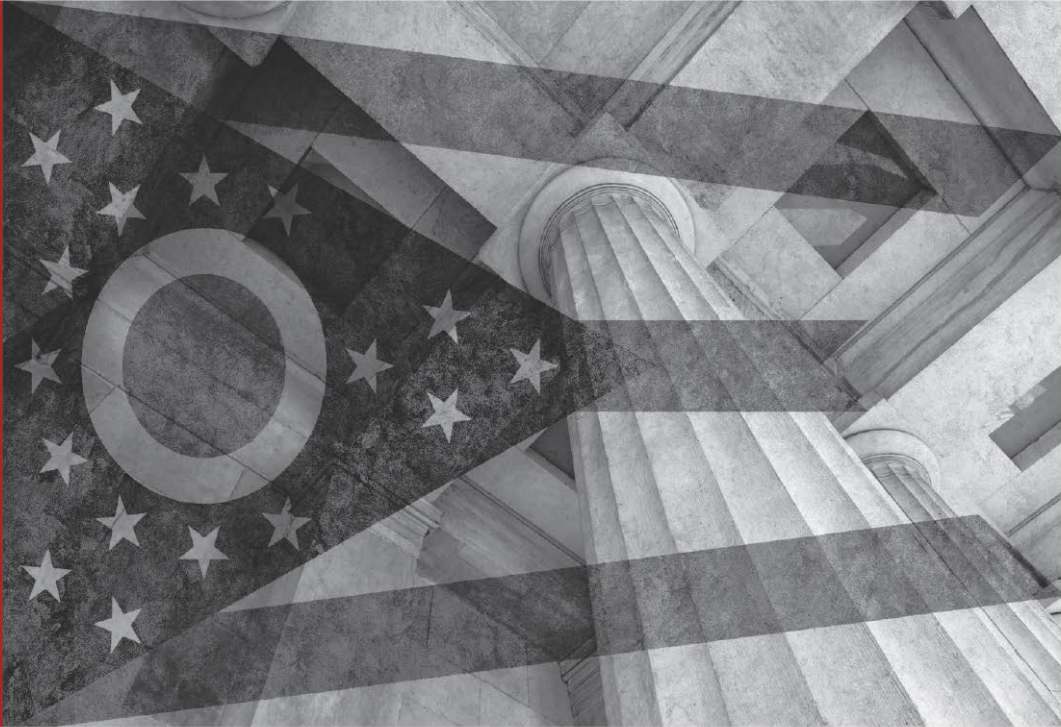


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## Macroeconomic Impacts on Local Governments

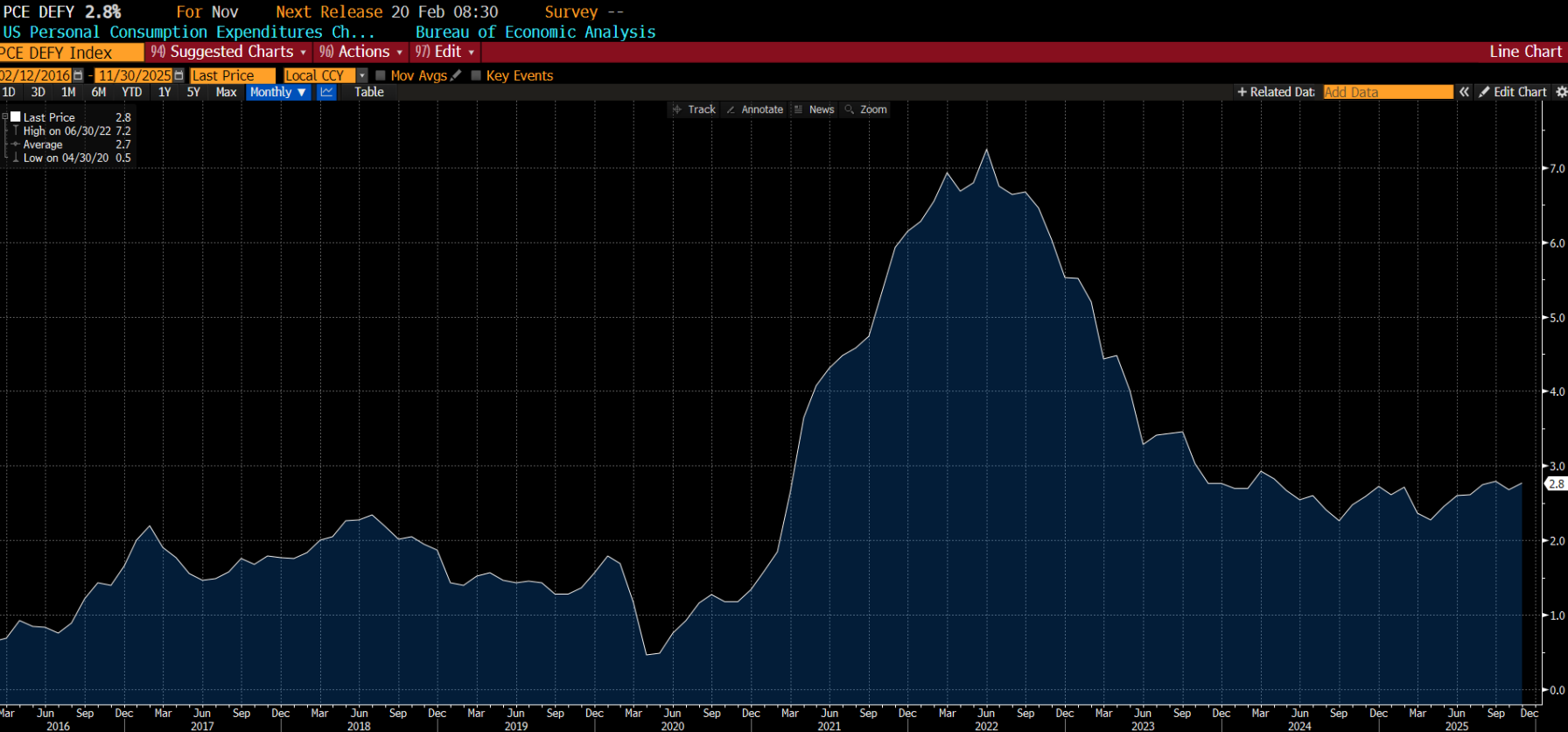
March 19, 2026

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# U.S. Personal Consumption Expenditures Year-over Year Change

As of February 9, 2026

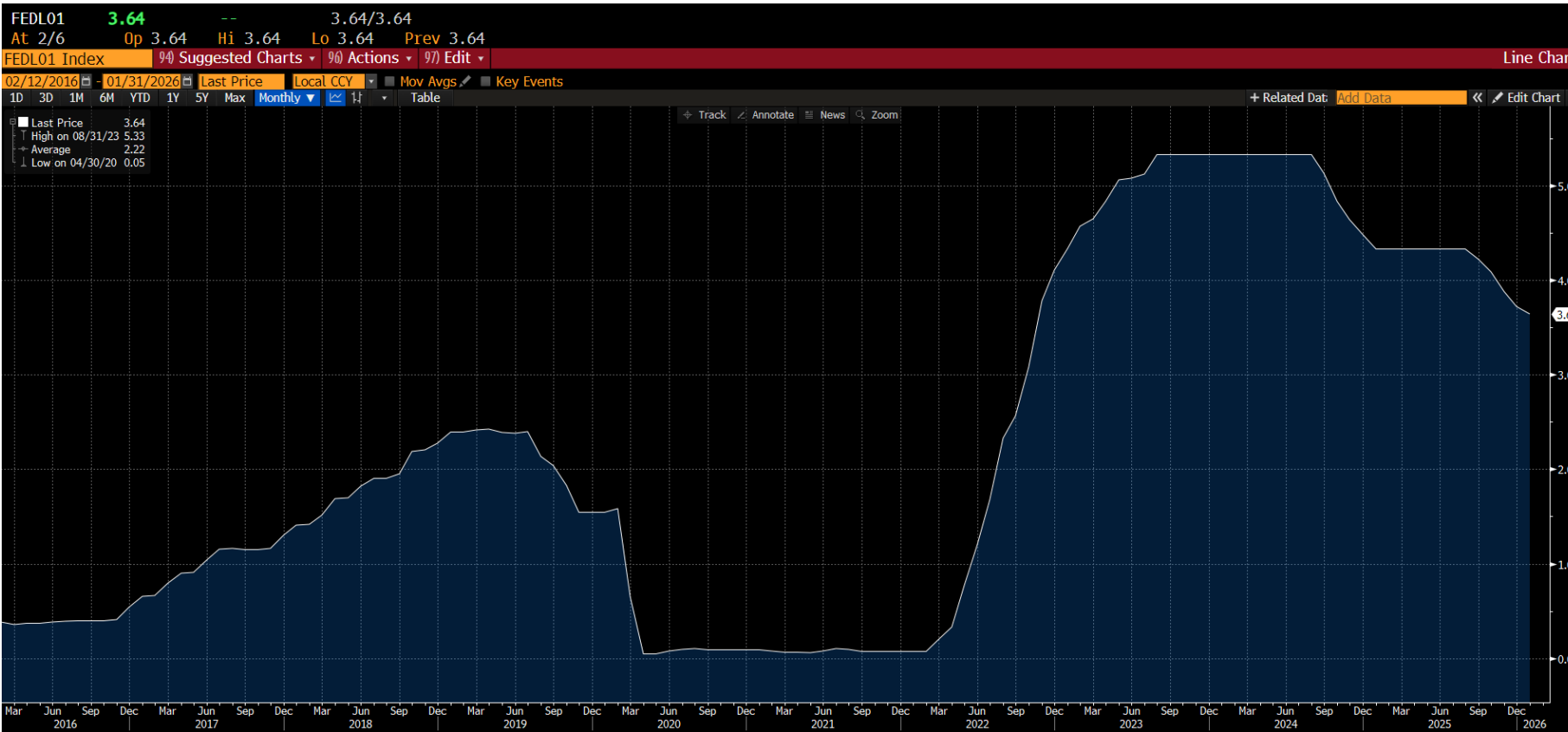


- High 7.2% - 6/30/22
- Low 0.5% 4/30/20
- Avg: 3.4%
- Fed Target: 2.0%



# Fed Funds Effective Rate Last Five Years

As of February 9, 2026



- High 5.33% - 7/27/23
- Low .05% 4/30/21
- Avg: 3.3%
- Fed Target: 3.50% -3.75%

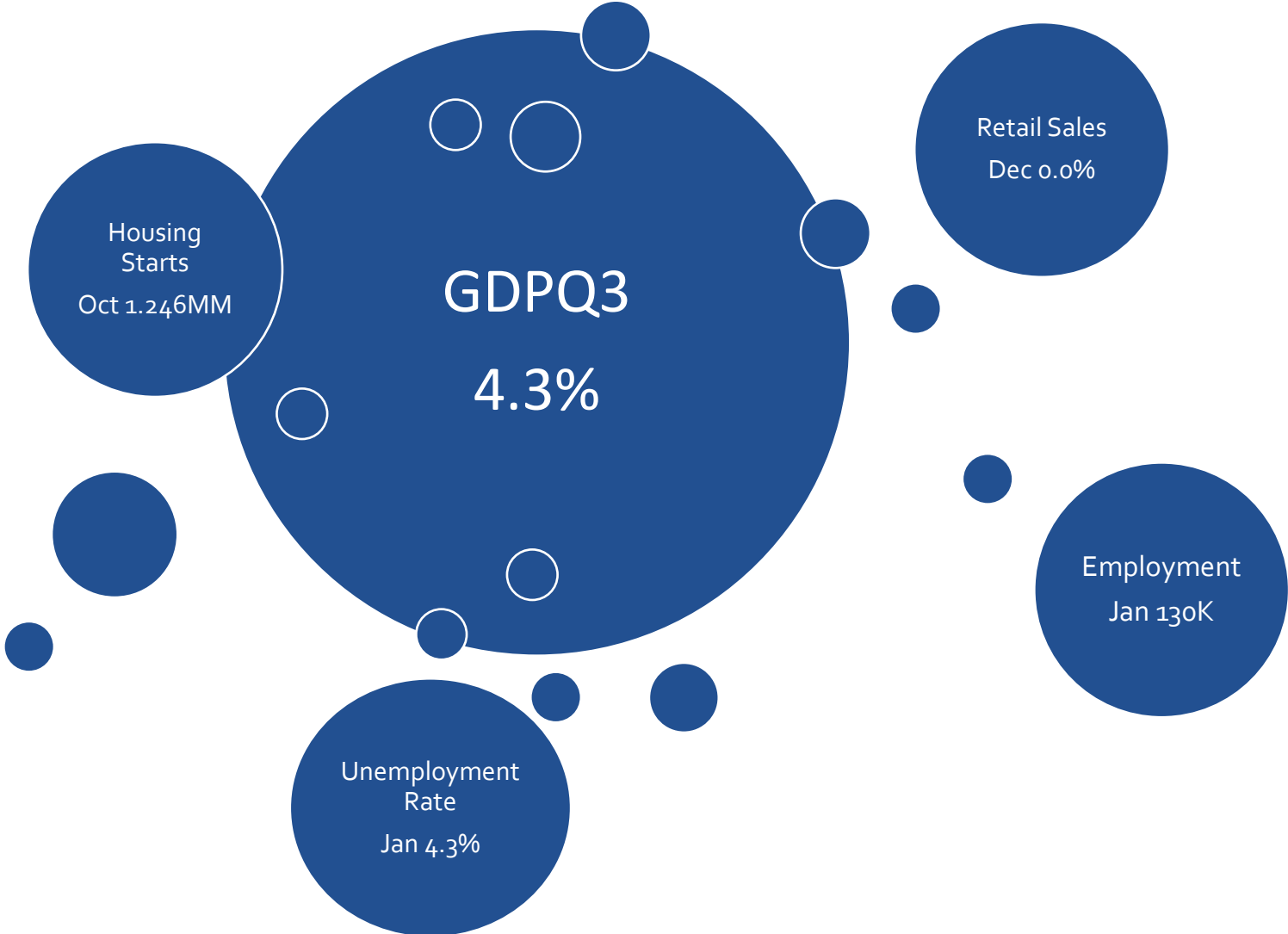


## 2-Year U.S. Treasury Note Last Five Years

As of February 9, 2026



# Economic Indicators



# U.S. Treasury Yield Curve

As of February 9, 2026

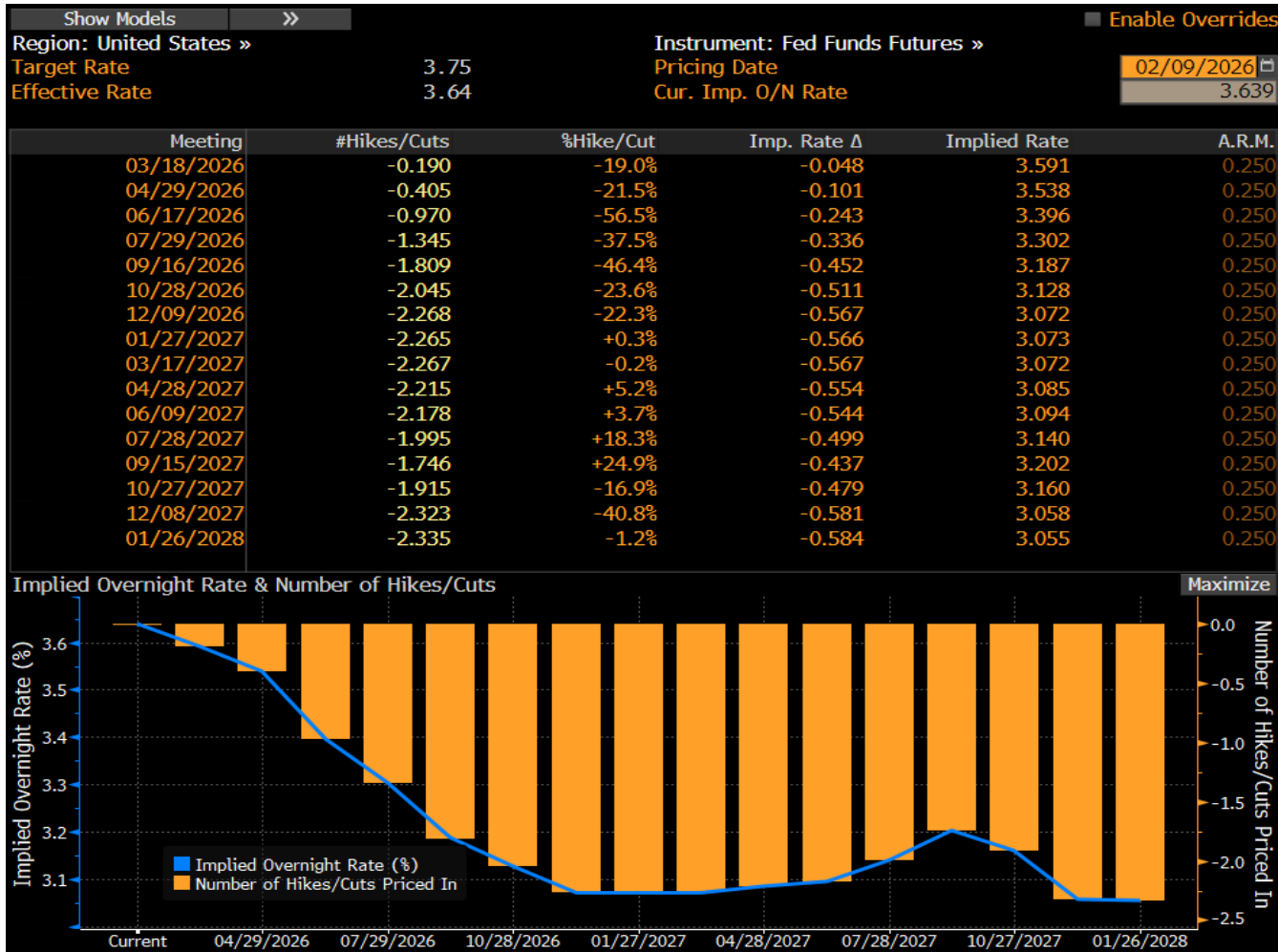


- Inverted yield curve inside of 1 year
- Normal yield curve greater than 1 year



## World Interest Rate Probability (WIRP)

As of February 9, 2026



- Shows the probability of rate moves and the implied Effective Rate on any given Federal Reserve Open Market Committee Meeting date
- Changes throughout the day based on market participants reassessment of future Fed actions, can be impacted by hedging activity and is not predictive
- A little more than two cuts priced in for 2026, which is in line with the Fed's own expectations
- Highest probability of a cut occurs at the June meeting, incidentally this is presumed to be the new Fed Chair's first meeting





## **STAR OHIO** **State Treasury Asset Reserve Fund of Ohio**

An investment pool that allows government subdivisions — from municipalities to school districts — to invest in high-grade, short-term securities, while offering safety, penalty-free liquidity and comparatively higher yields.



# STAR Ohio Fiscal Numbers

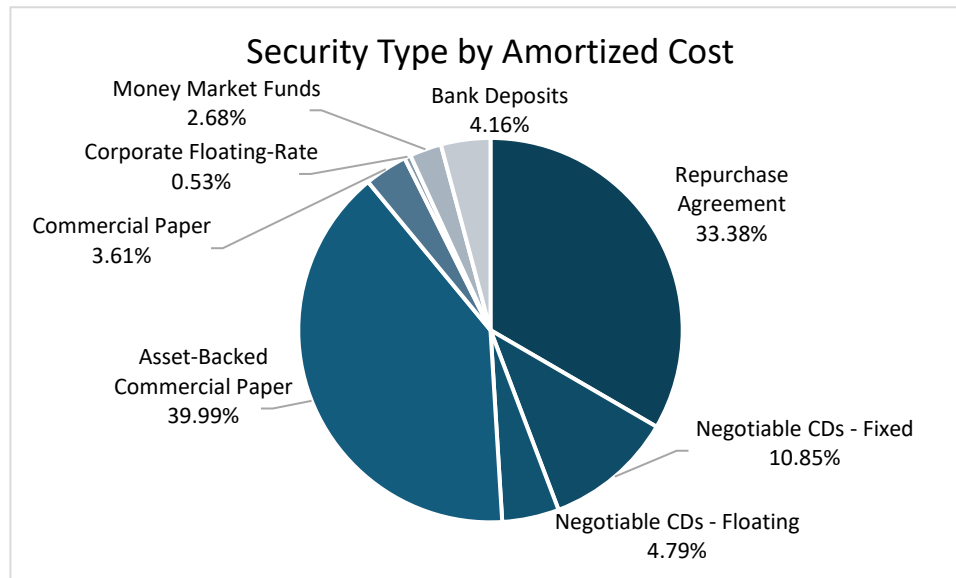
(as of January 30, 2026)

<b>Assets</b>	<b>\$23.498 BN</b>
<b>Yield</b>	<b>3.83%</b> (Daily Simple Yield)
<b>Participants</b> (Unique Tax Ids)	<b>2,121</b>
<b>Net Income Distributed</b> (Fiscal Year-To-Date)	<b>\$636.226 MN</b>
<b>Net Income Distributed</b> (Since 2019)	<b>\$4.283 BN</b>



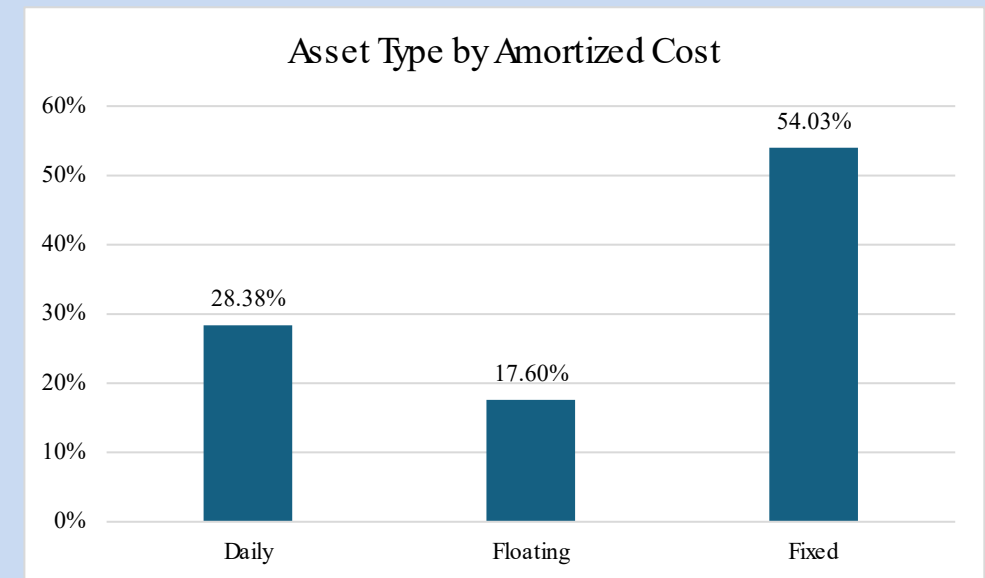
## Securities by Amortized Cost

- Securities are high quality with approximately 60% to 70% of the assets in either the highest rated category of A-1+ or mature within one week and are rated A-1.



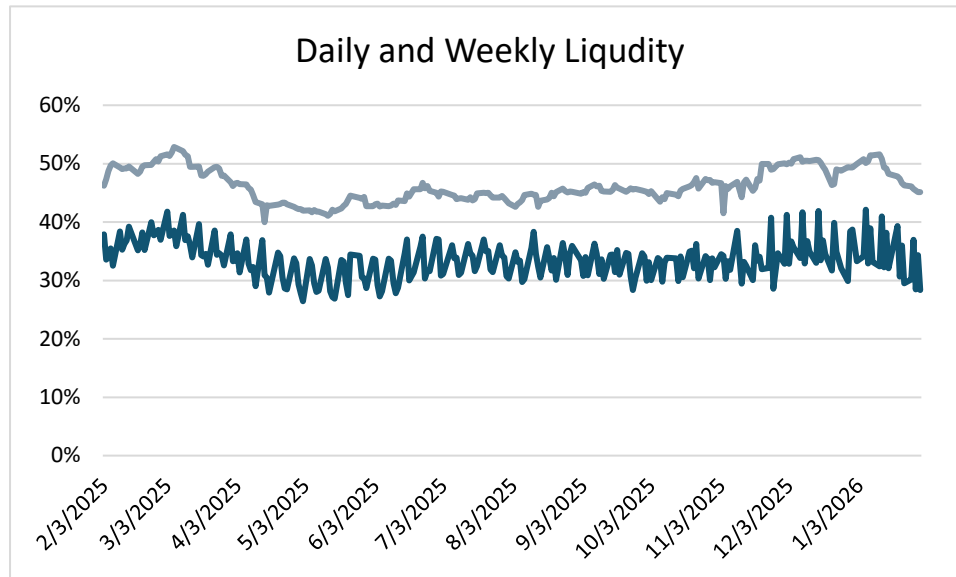
## Asset Type by Amortized Cost

- Assets have a mix of fixed and floating rates to assist with capturing market rate movements, improving income generation consistency.



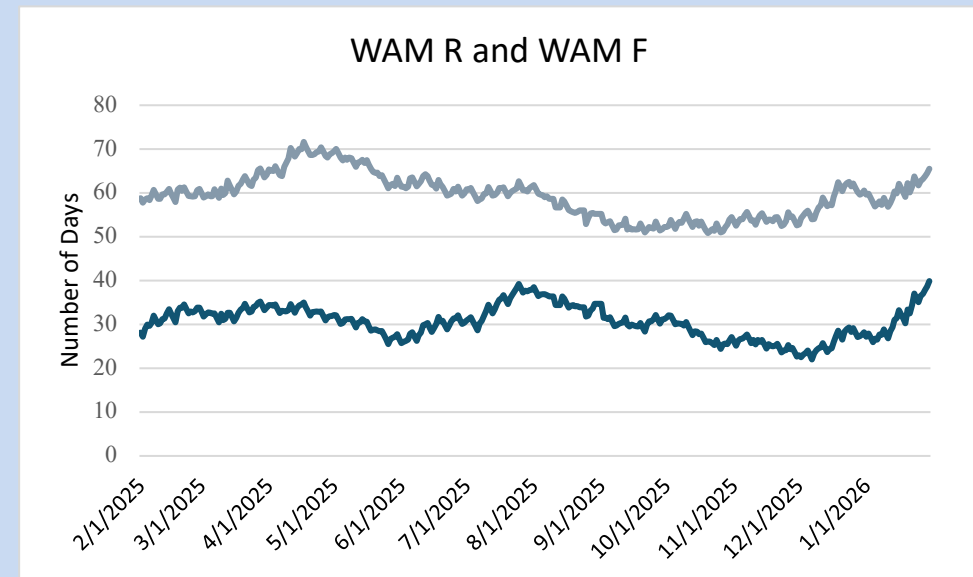
## Daily and Weekly Liquidity

- Highly liquid fund.
- Typically, 26% – 42% of the fund matures daily.
- Typically, 40% – 53% of the fund matures weekly.



## WAM R and WAM F

- Weighted average maturity (WAM F) ranged between 50 and 72 days over the last 12-months.
- The variable rate portion of the fund (WAM R) lowers the average maturity to the reset rate to between 22 and 40 days.



## Financing Tools

Ohio Market Access Program (TOS)

OWDA Loans

OPWC Loans

State Infrastructure Bank (ODOT)

Ohio Credit Enhancement Program (DEW)



# Ohio Market Access Program (OMAP)



Credit enhancement  
that leverages the  
State's liquidity portfolio

STANDARD  
& POOR'S

**SP-1+**

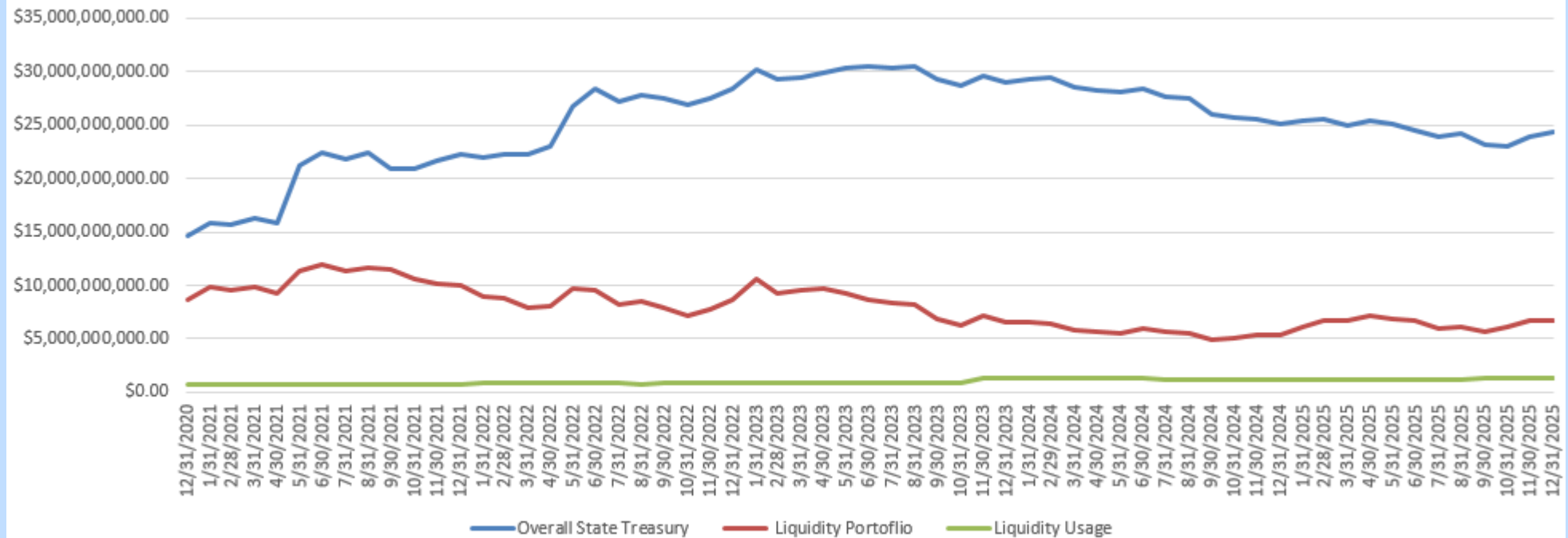
Standard & Poor's  
has assigned a SP-1+  
rating to the program



All Ohio political  
subdivisions and  
special districts are  
eligible to participate

# Five Year Rolling State Treasury Balances

5 Year Rolling State Treasury Balances & Liquidity Usage Information





# OMAP Ratings Benefit



## Improved Marketability

- Investors are familiar with OMAP credit



## Streamlined Process

- TOS coordinates with Rating Agency



**Benefit to communities of any financial standing regardless of underlying credit rating**

# How Does OMAP Work?



Submit Application



Review Process & Approval  
by OMAP Committee



S&P Rating



Pricing



State Signs SNPA



## OMAP Eligibility Requirements

- Obligations issued under R.C. Chapter 133 or Section 12 of Article XVIII of the Ohio Constitution.
- General Obligation Pledge or Electric System Revenues
- Not on Auditor of State's list of "Unauditable Entities"
- Not in a state of fiscal distress
- Investment grade rating from TOS credit evaluation





# OMAP Eligibility Requirements

- Inside millage capacity sufficient to renew notes
- Positive General Fund balance
- Stable and capable financial management
- No questionable, unethical or fraudulent conduct
- Not under investigation by AOS or other entity
- School District
  - No loans outstanding that were entered into resulting from an operating deficit



# OMAP Participation



Pre-negotiated  
Ratings Fee

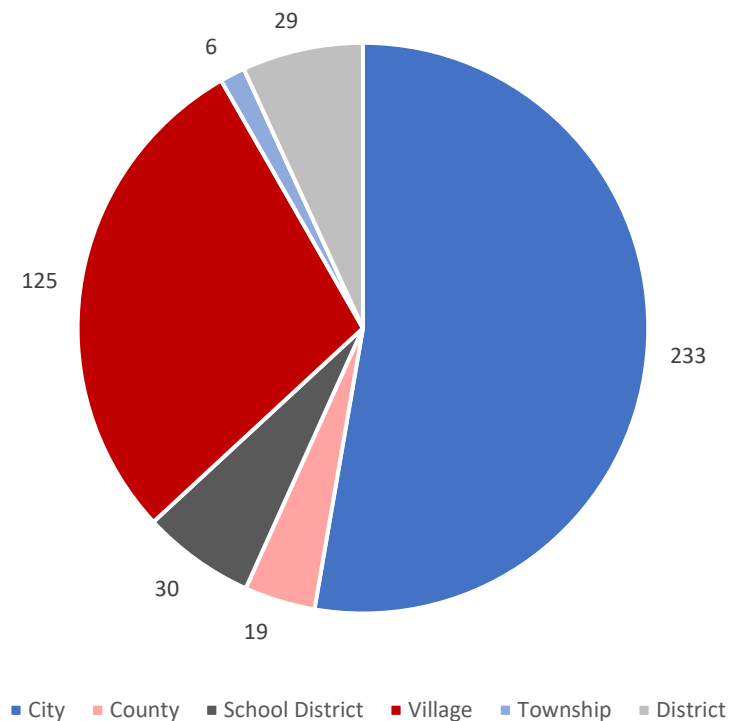
OMAP  
Participation  
Fee Based on Par



Cost/Benefit  
Analysis

# OMAP Participation by Municipality Type as of 01/31/2026

OMAP Participation by Municipality Type

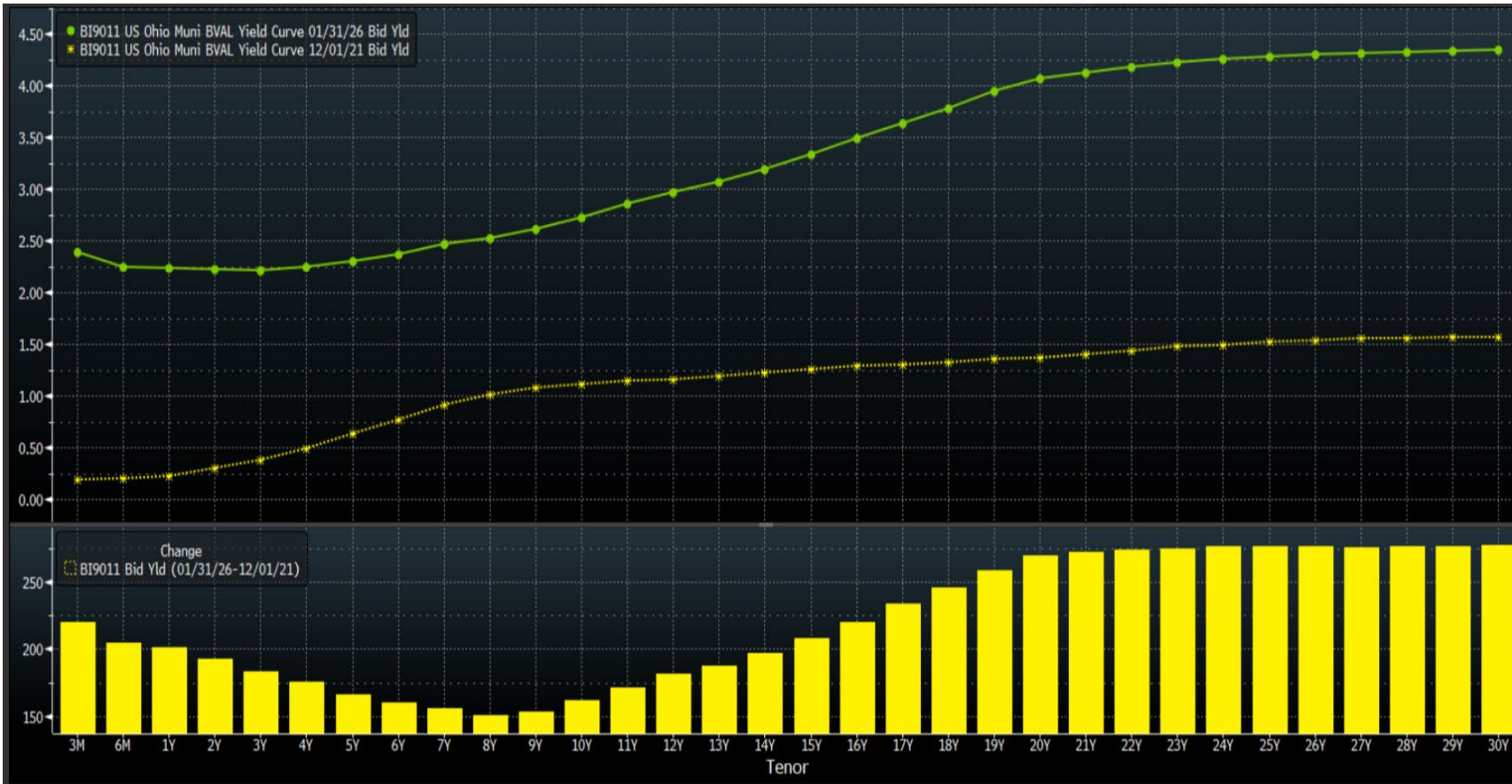




# Credit Analysis

- Outline projects
- Governmental and Business-type Activity fund balances
- Moody's methodology
  - **Economic Factors** – MHI, full value per capita, GDP
  - **Financial Ratios** – fund balances & cash as a percent of revenue
  - **Debt Ratios** – compare debt to revenues
- Other current or fiscal issues





- Ohio BVAL rates Dec 2021 to January 31, 2026
- Increase of 225 bps (2.25%) for 1-year maturity
- For a \$5,000,000 note, that's an increase of \$112,500 in interest costs from rising rates alone
- OMAP saves participants an average of 24% in interest costs, which translates to \$27,000

## OMAP Stats as of January 31st, 2026

394  
Notes Enhanced

394

24%

24%  
Average Savings

\$8.3 MILLION  
Interest Cost Savings

\$8.3M

\$2.4B

Over \$2.4 BILLION  
In Par

## Property Tax Legislation

- 4 bills enacted late last year
- HB 186, HB 335, HB 129, HB 309
- Make changes to county budget commissions, school district's 20 mill floor, tying inside millage growth to inflation, and increasing owner occupied tax credit.
- Total savings to Ohio residents projected to be \$3 billion per year once changes fully phased in



## Property Tax Ballot Initiative

- Proposed constitutional amendment would permanently eliminate all property taxes in the state.
- Approximately \$24 billion in lost revenue for local governments
- To make the ballot, the amendment's supporters need 10% of the votes cast in the 2022 gubernatorial election (413k signatures), and 5% of each county's vote share in 44 of the 88 counties.



## Federal Reserve and Checks

- On December 9<sup>th</sup>, the Federal Reserve Board of Governor's opened a 90-day comment window on "the future of check services".
- "The Board will use responses to this request for information (RFI) to assess possible strategies for the future of the Reserve Banks' check services, including potentially substantial changes that may have longer run effects on the payments system."





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