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Ingalls residents benefit from low interest and clean water

INDIANAPOLIS – The Town of Ingalls closed a \$600,000 loan today through the State’s Drinking Water Revolving Fund, saving the City an estimated \$45,187 in interest over a 20-year period. The loan, which is the second for the town, will finance a new 300,000-gallon water storage tank. A previous loan financed upgrades to the drinking water system, including three new wells, an iron-removal treatment plant and new water lines.

“Working with the State Revolving Fund Program came at the most opportune time,” said Town Council President Pat Fox. “We really needed this water project and it will save the town a significant amount of money to use SRF over a local bond. Now we will be able to finish the project with no additional rate increase to our customers.”

Governor Mitch Daniels created the Indiana Finance Authority in 2005 to more effectively manage the State’s finances under one agency. The Authority manages the State’s Wastewater State Revolving Fund and Drinking Water State Revolving Fund Loan Programs, which provide political subdivisions and other eligible entities a low-cost financing alternative for their wastewater and drinking water infrastructure improvement projects.

“Governor Daniels is committed to helping communities and businesses invest wisely in both the future health and economy of Indiana , and our State Revolving Fund Programs help Hoosier communities and utilities achieve these goals,” said Ryan Kitchell, Director of the Authority.

The SRF Programs receive capitalization grants each year from the U.S. EPA, which the Authority then leverages with tax exempt bonds. Leveraging increases the funds available to the Authority to make loans. Currently, the Authority is able to make more than two dollars in loans for each one dollar received from the U.S. EPA. The SRF Programs have loaned over \$1.7 billion to Indiana communities for infrastructure and improvements since 1991. During 2005 and through the first half of 2006, the SRF Loan Programs have saved Indiana communities \$40.5 million in interest costs.

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