



**GLWA**  
*Great Lakes Water Authority*

## **Summary of 2026 Financing Results**

**Board of Directors Meeting Presentation – May 28, 2026**

### **\$786,215,000 Water Supply System Revenue and Revenue Refunding Bonds, Series 2026**

*\$251,080,000 Water Supply System Revenue Refunding Senior Lien Bonds, Series 2026A*

*\$333,060,000 Water Supply System Revenue Refunding Second Lien Bonds, Series 2026B*

*\$101,650,000 Water Supply System Revenue Senior Lien Bonds, Series 2026C*

*\$100,425,000 Water Supply System Revenue Second Lien Bonds, Series 2026D (Term Rate)*

### **\$239,740,000 Sewage Disposal System Revenue and Revenue Refunding Bonds, Series 2026**

*\$30,155,000 Sewage Disposal System Revenue Refunding Senior Lien Bonds, Series 2026A*

*\$179,565,000 Sewage Disposal System Revenue Refunding Second Lien Bonds, Series 2026B*

*\$30,020,000 Sewage Disposal System Revenue Senior Lien Bonds, Series 2026C*

# Executive Summary

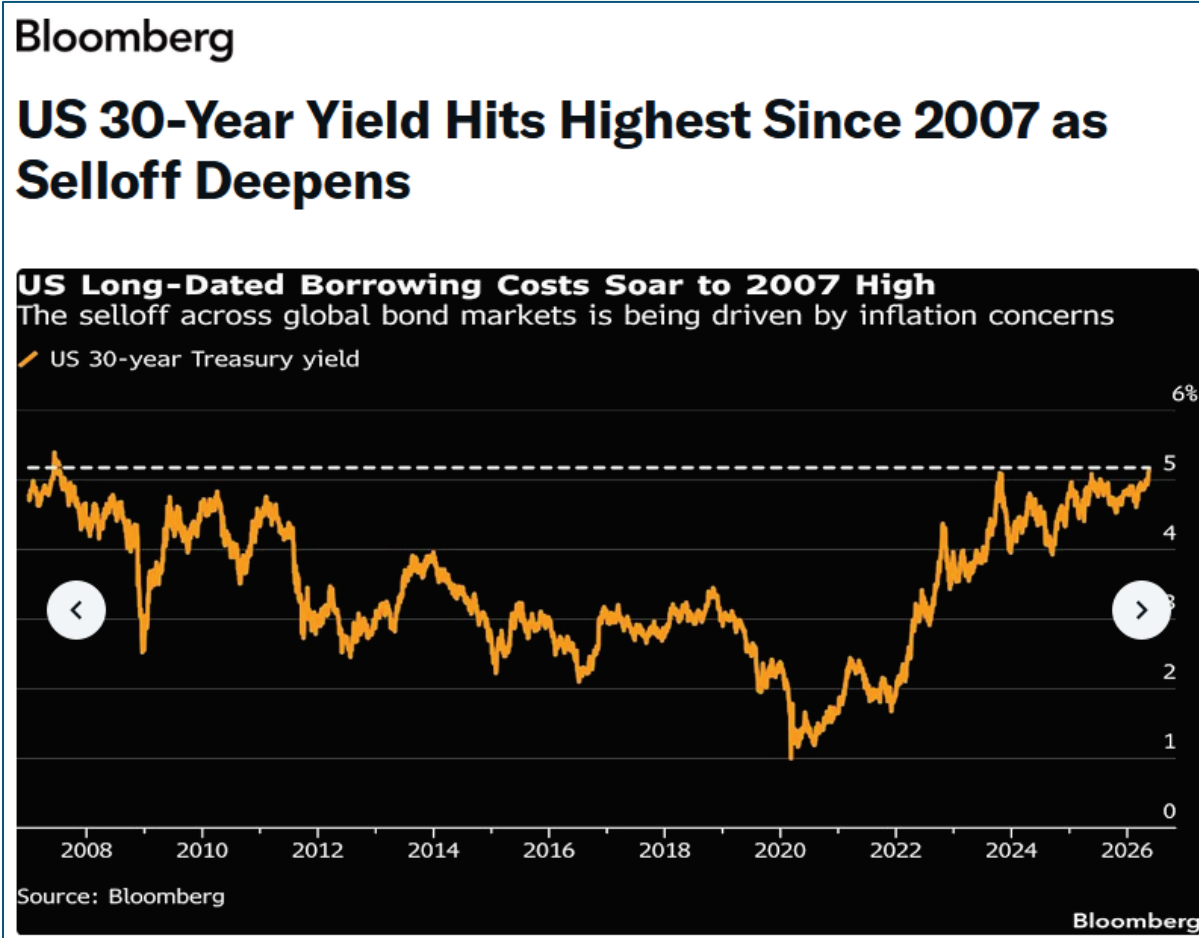
May 19, 2026 Bond Pricing for the Water System and Sewer System achieved favorable outcomes for GLWA

- ◆ New money funding regional system for capital improvement projects: Water System \$208 million and Sewer System \$32 million
- ◆ Achieved all-in cost of new money borrowing at favorable levels compared to the market on fixed rate new money bonds, during a period of increasing volatility and interest rates
  - ◆ Water System: 4.46% (Avg. Maturity Date: 15.1 yrs.)
  - ◆ Sewer System: 4.68% (Avg. Maturity Date: 19.4 yrs.)
- ◆ \$100 million variable rate new money offering lowered debt service and attracted new investors
  - ◆ Term Rate bonds sold at rate of 3.45%, which is fixed through July 2030
- ◆ No deposits to Reserve Funds (criteria to eliminate that mandatory requirement was met in 2024)
- ◆ Successfully refinanced \$628 million of Water System bonds and \$232 million of Sewer System bonds to generate debt service savings
  - ◆ Water System future cashflow savings of \$63.6 million (\$45.4 million net present value, or 7.2%)
    - Within this amount, Local System will realize \$5.2 million of savings (\$3.2 million net present value, or 6.3%) because refunded water bonds included post-bifurcation (in 2016) debt for Local System
    - Savings allocated according to 2018 Memorandum of Understanding
  - ◆ Sewer System future cashflow savings of \$28.1 million (\$22.5million net present value, or 9.7%)
- ◆ Rating affirmations received from all three rating agencies (Moody's / S&P / Fitch) with stable outlooks
- ◆ Ongoing and proactive investor outreach efforts helped drive strong engagement throughout the financing process
  - ◆ GLWA received orders from nearly 80 unique institutional investors, leading to GLWA's lowest ever credit spread to municipal benchmark rates
  - ◆ Siebert Williams Shank & Co., LLC supported the transaction by underwriting \$106.2 million of bonds to maintain the integrity of the order book and help GLWA obtain the desired repayment structure



# Broader Market Backdrop

GLWA was able to achieve its goals with the support of a strong investor base, despite challenging conditions in the broader market

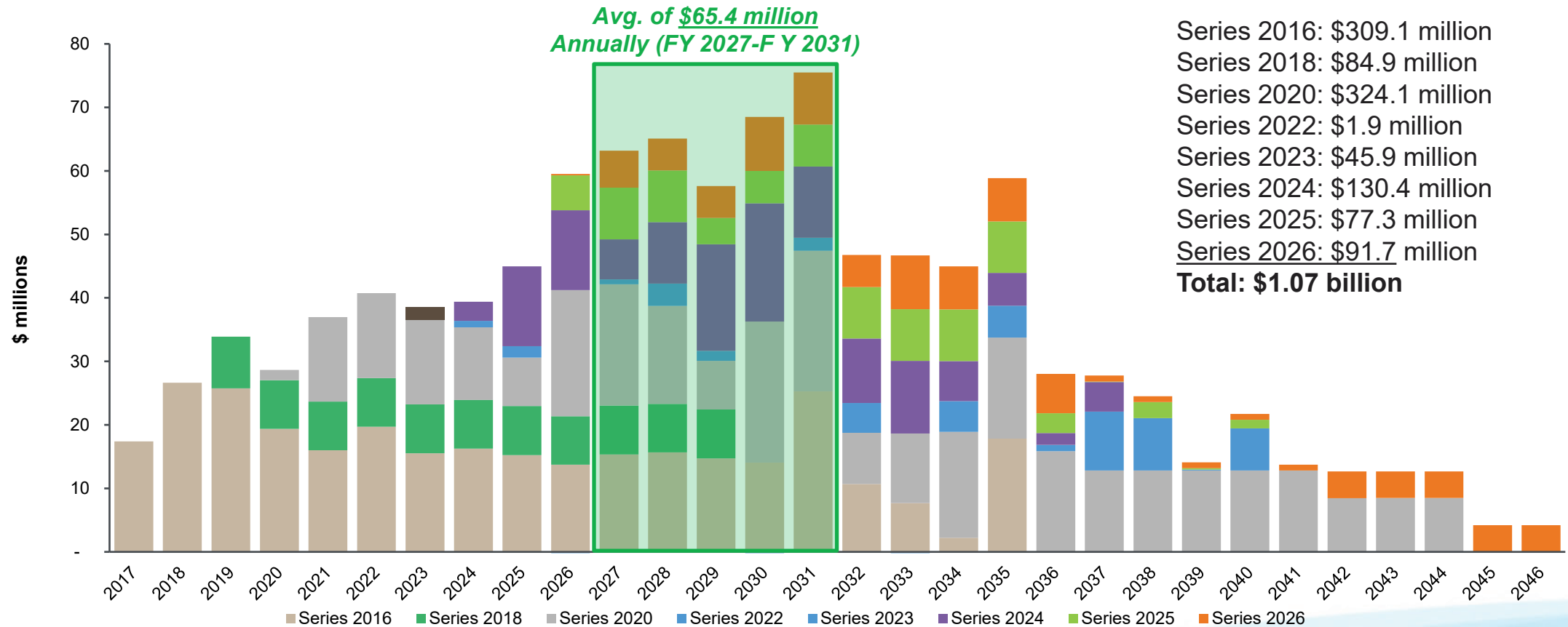


- ◆ On May 19, 2026, bond yields reached their highest levels since 2007, with the 30-year Treasury yield at 5.18% and the 10-year note approaching 4.65%
- ◆ Broader market sell-off has been fueled by investor anxiety over mounting global debt loads and inflation
- ◆ Some of the increase in Treasury yields is driven by expectations that the Fed may need to raise short-term interest rates in order to slow inflation
- ◆ In the tax-exempt market, 2026 has brought elevated issuance, resulting in increased competition for investor attention
- ◆ While this scenario was evolving at time of pricing, moving forward with the transaction was prudent to lock in savings given significant uncertainty on market direction



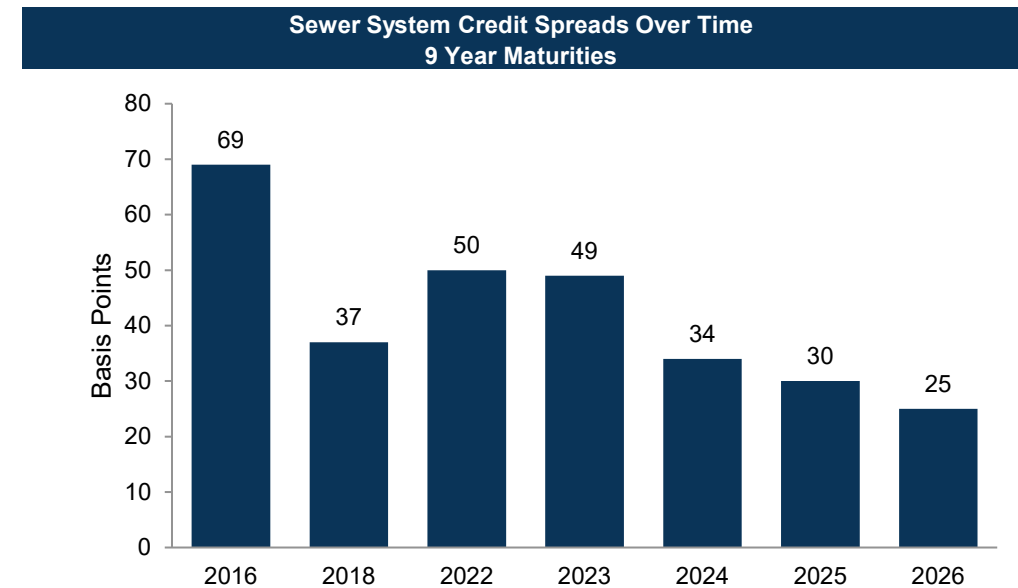
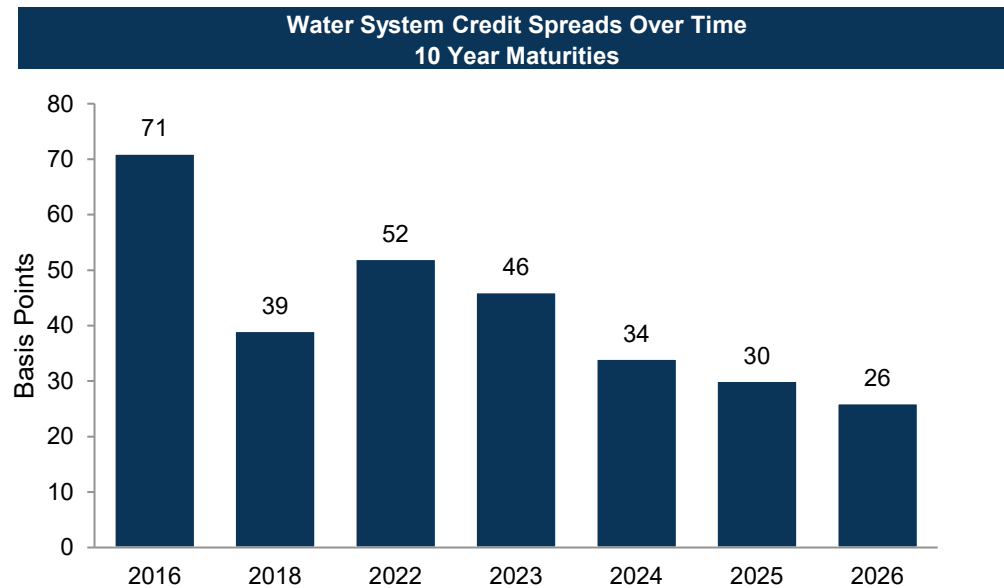
# History of Debt Service Savings Since GLWA Standup

Through the leadership of the Authority's management, the financing team has been able to achieve **over \$1 billion** in cash flow debt service savings since the stand-up of GLWA



# GLWA Credit Spreads Have Declined Since Standup

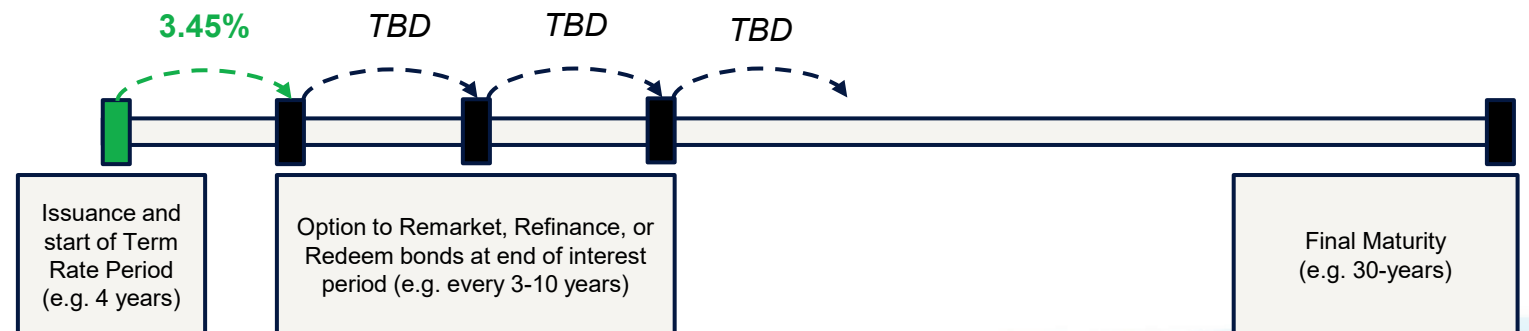
- As GLWA's credit profile has strengthened, GLWA's credit spreads to the benchmark have narrowed – demonstrating excellent performance
  - Narrowing of GLWA credit spreads translates directly to reduced debt service costs and increased availability of refinancing savings, resulting in tangible benefits for member partners that comes from GLWA's stronger credit profile
  - GLWA's tax-exempt borrowing costs are measured as the sum of municipal benchmark rates (which are common to the market and track borrowing costs for a AAA-rated municipal borrower) plus credit spreads that are specific to GLWA
- The following charts show GLWA's credit spreads in the 9 and 10-year part of the yield curve since GLWA's inaugural financing in 2016 (there were some years without 10-year sewer bonds for comparison)
  - Credit spreads are also impacted by market conditions at the time of the sale; GLWA's credit spreads in 2018 reflected very favorable market conditions and overall low rates



Source: Municipal benchmark shown is MMD (Municipal Market Data AAA Tax-Exempt Index). MMD provided by TM3.  
Note: Credit spreads are calculated as the difference between municipal benchmark yields and the GLWA bond yield achieved.

# Variable Rate Debt Diversifies Investor Base and Reduces Expected Costs

- ◆ As a part of the 2026 plan of finance, GLWA introduced \$100 million of variable rate debt to the Water System in the form of a Term Rate bond
- ◆ The inclusion of this financing structure provided tangible benefits for Series 2026 through investor base diversification and is also expected to improve asset-liability matching and reducing expected borrowing costs over the life of the bonds
- ◆ Historically steep yield curve enhances the value of variable rate capacity
  - ◆ The fixed Term Rate of 3.45% compares favorably to the cost of a long-term fixed rate borrowing (i.e. 4.70%)
- ◆ GLWA remains well within policy limits, rating agency guidance, and peer practices in terms of overall variable rate exposure
- ◆ The Term Rate bonds will bear interest at a fixed rate of 3.45% through the expiration of the initial period on 7/1/2030
  - ◆ At the end of the initial period, the bonds can be remarketed into a subsequent interest period, refinanced, or redeemed
  - ◆ The bonds were structured with a soft put option which eliminates the possibility of an event of default from a failed remarketing
- ◆ Key structural benefits include
  - ◆ Lower debt service costs and budgetary certainty for initial period
  - ◆ No investor tender option
  - ◆ No acceleration of principal
  - ◆ No exposure to bank liquidity
  - ◆ No event of default on failed remarketing

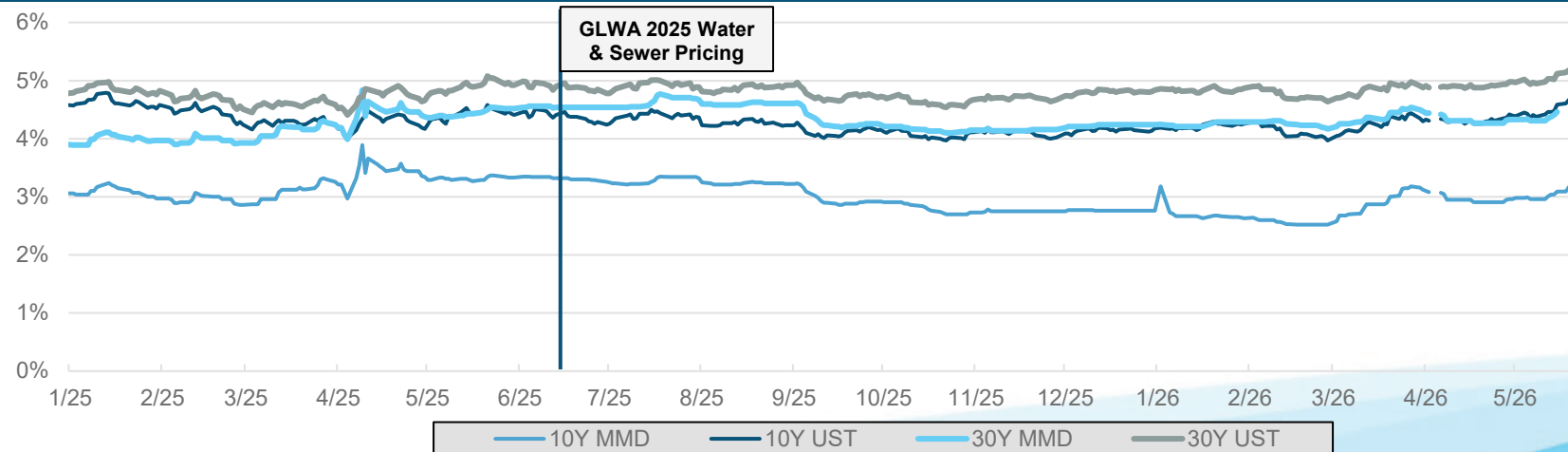


# 10-Year and 30-Year MMD and Treasury Yields

Long Term Interest Rate Landscape Over 30 Years: 10-Year and 30-Year MMD and UST Rates



10-Year and 30-Year MMD and UST Rates from 1/1/2025 to Present



Despite recently elevated levels, interest rates remain historically favorable

1/1/2025 - Present

GLWA Series 2026 Pricing



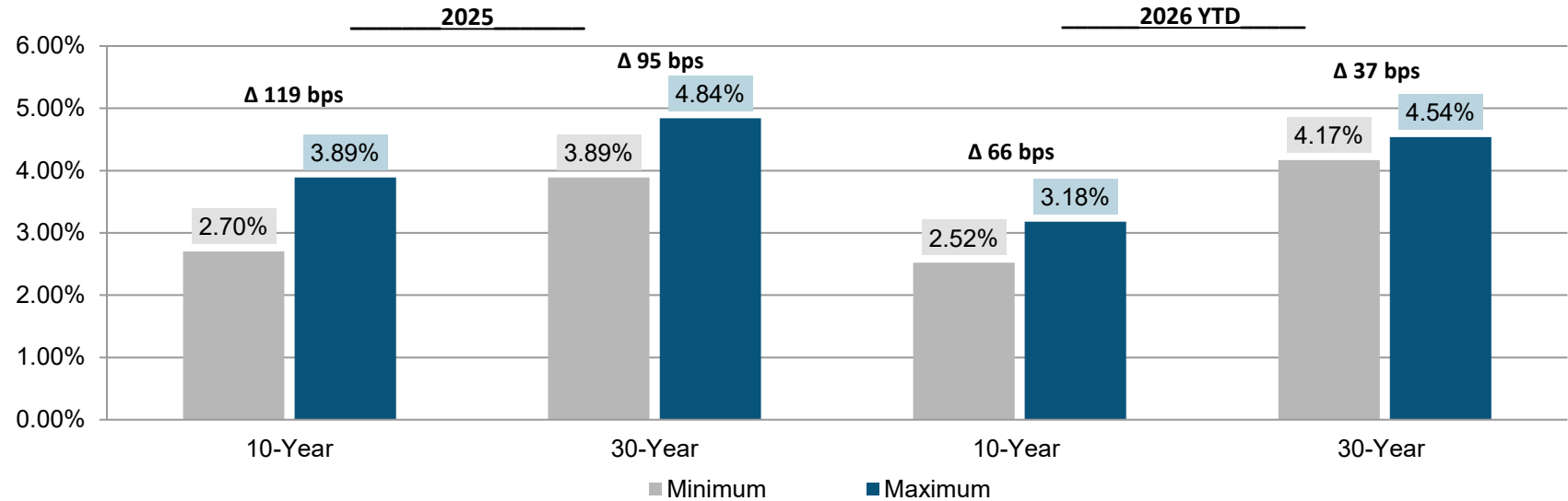
Note: All rates, analyses, and commentary are as of May 19, 2026  
 Sources: MMD provided by TM3, US Treasury rates provided by US Department of Treasury  
 MMD = Municipal Market Data AAA Tax-Exempt Index  
 UST - United States Treasury

# Changing Market Fundamentals and Volatility

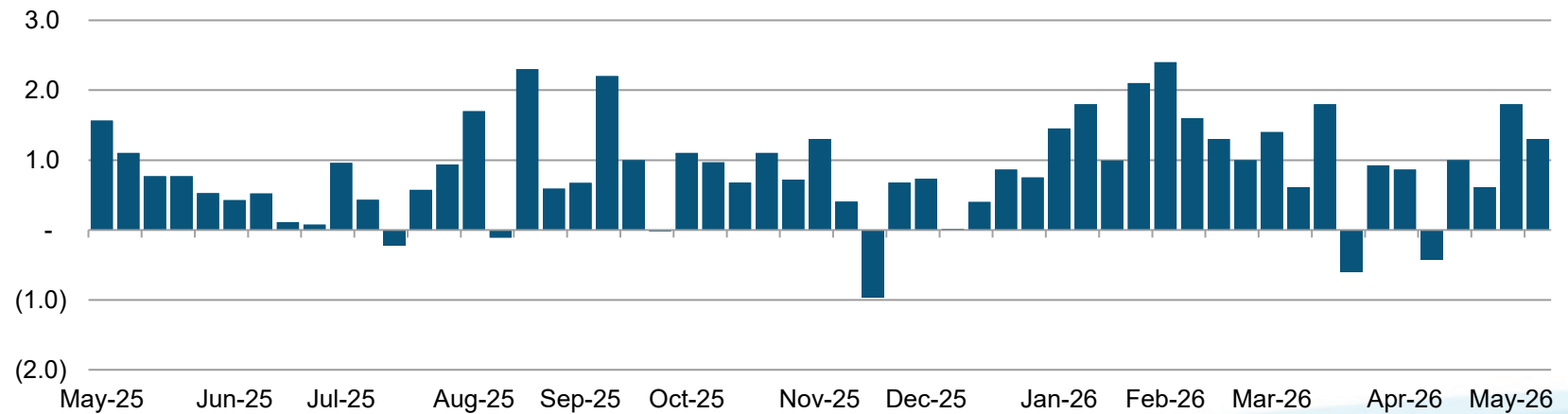
Volatility seen in 2025 has continued so far in 2026, although at lower levels

Strong inflows to tax-exempt bond mutual funds have created strong demand levels for municipal bonds

10-Year and 30-Year MMD Rate Movements



Municipal Bond Mutual Fund Inflows and Outflows (\$billions)



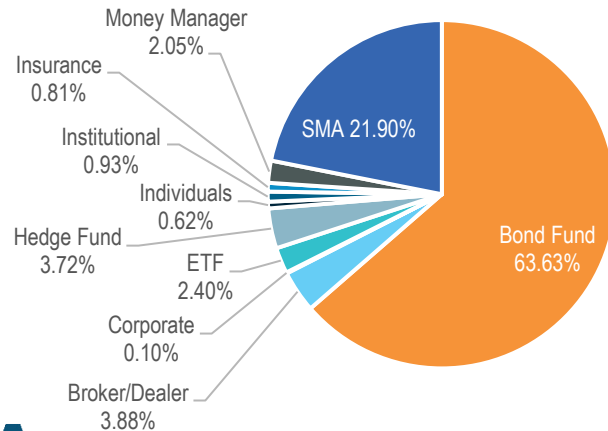
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 Sources: Bloomberg and TM3  
 MMD = Municipal Market Data AAA Tax-Exempt Index

# Comprehensive Marketing Outreach

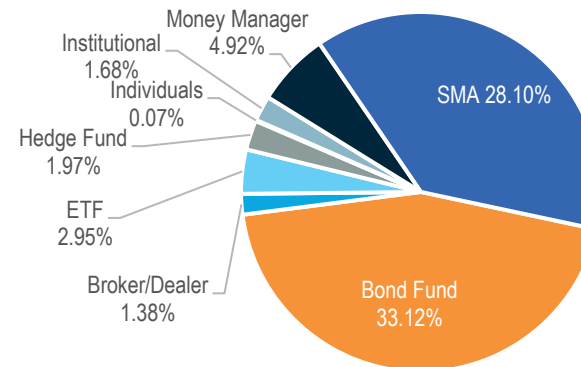
## Order Book & Marketing Process:

- ◆ An extensive premarketing effort led by Siebert Williams Shank & Co., LLC in the days leading up to the sale generated demand from a wide variety of institutional accounts
  - ◆ Marketing outreach efforts included 70 unique investor views of the Preliminary Official Statement and 41 unique investor views of the investor roadshow
  - ◆ Of the roadshow viewers, 20 unique investors followed through with orders on either the water or sewer credits
- ◆ **Institutional Orders:**
  - ◆ **The Water System** transaction received \$2.05 billion in priority orders
    - ◆ 57 unique investors participated, including 24 institutional investors that did not participate in GLWA's 2025 water transaction
  - ◆ **The Sewer System** transaction received \$377.15 million in priority orders
    - ◆ 25 unique investors participated, including 8 institutional investors that did not participate in GLWA's 2025 sewer transaction
- ◆ **Subscription Levels:**
  - ◆ Orders were received from a mix of investors including insurance companies, bond funds, separately managed accounts ("SMA") and bank portfolios
    - ◆ **Water System:** Subscription levels (excluding stock) totaled 2.6x for the water system overall, demonstrating precise pricing levels
    - ◆ **Sewer System:** Subscription levels (excluding stock) totaled 1.6x for the sewer system overall, demonstrating precise pricing levels

**Water System**  
Orders Breakdown by Investor Type



**Sewer System**  
Orders Breakdown by Investor Type



**Acronyms**  
 ETF = Exchange Traded Fund  
 PWM = Private Wealth Management  
 SMA = Separately Managed Account



# Water System – Transaction Overview

- GLWA issued \$786 million in Water System Bonds to fund \$208 million in capital improvements and to refund \$628 million of outstanding bonds for savings
- The refunding and new money components were structured together to optimize transaction cashflows
  - The refunding was structured to create level savings through the term of the refunded debt, to the extent possible
  - New money amortization used to smooth out cashflow impact from savings structure; 30-year final maturity; Principal beginning in 2027
- Refunding component generated \$63.6m of cashflow savings, or \$45.4m of present value savings (7.2% of refunded par)
- New money component included variable rate debt in a term rate mode (Series 2026D)
  - Interest on the term rate bonds is fixed at 3.45% until July 1, 2030 when the bonds will be subject to a remarketing and adjustment of the interest rate
  - GLWA has the option to remarket, refinance, or redeem the bonds at that time

## Water System Sources and Uses

	Senior Lien	Second Lien	Senior Lien	Second Lien	Aggregate
Sources	Series 2026A	Series 2026B	Series 2026C	Series 2026D (Term Rate)	2026 Bonds
Par Amount	251,080,000	333,060,000	101,650,000	100,425,000	786,215,000
Premium	19,227,259	27,819,185	7,217,388	-	54,263,832
GLWA Cash <sup>1</sup>	5,657,641	7,194,208	-	-	12,851,849
<b>Total<sup>2</sup></b>	<b>275,964,900</b>	<b>368,073,393</b>	<b>108,867,388</b>	<b>100,425,000</b>	<b>853,330,681</b>
Uses	Series 2026A	Series 2026B	Series 2026C	Series 2026D (Term Rate)	2026 Bonds
Escrow Account	274,882,263	366,640,117	-	-	641,522,380
Construction Fund	-	-	108,425,000	100,000,000	208,425,000
UWD	691,173	916,848	279,822	276,450	2,164,294
COI	391,463	516,429	162,566	148,550	1,219,007
<b>Total<sup>2</sup></b>	<b>275,964,900</b>	<b>368,073,393</b>	<b>108,867,388</b>	<b>100,425,000</b>	<b>853,330,681</b>

Fiscal Year	Water System Cashflow Impacts <sup>3</sup>					Combined Change in Debt Service
	Refunding Savings	Fixed Rate New Money Principal	Fixed Rate New Money Interest	Variable Rate New Money Principal	Variable Rate New Money Interest <sup>4</sup>	
2026	(136,453)	-	430,076	-	288,722	582,345
2027	(4,192,438)	2,635,000	5,160,913	-	3,464,663	7,068,138
2028	(4,194,688)	3,200,000	5,029,163	-	3,464,663	7,499,138
2029	(4,190,438)	3,355,000	4,869,163	-	3,464,663	7,498,388
2030	(4,194,688)	3,525,000	4,701,413	-	3,464,663	7,496,388
2031	(4,191,688)	3,700,000	4,525,163	-	3,464,663	7,498,138
2032	(4,191,438)	3,885,000	4,340,163	-	3,464,663	7,498,388
2033	(4,194,038)	4,080,000	4,145,913	-	3,464,663	7,496,538
2034	(2,518,425)	2,610,000	3,941,913	-	3,464,663	7,498,150
2035	(3,325,738)	3,545,000	3,811,413	-	3,464,663	7,495,338
2036	(2,721,250)	3,120,000	3,634,163	-	3,464,663	7,497,575
2037	(920,000)	1,475,000	3,478,163	-	3,464,663	7,497,825
2038	(919,500)	1,550,000	3,404,413	-	3,464,663	7,499,575
2039	(919,000)	1,625,000	3,326,913	-	3,464,663	7,497,575
2040	(918,500)	1,705,000	3,245,663	-	3,464,663	7,496,825
2041	(918,000)	1,790,000	3,160,413	-	3,464,663	7,497,075
2042	(4,192,500)	5,155,000	3,070,913	-	3,464,663	7,498,075
2043	(4,193,250)	5,415,000	2,813,163	-	3,464,663	7,499,575
2044	(4,195,750)	5,685,000	2,542,413	-	3,464,663	7,496,325
2045	(4,189,500)	5,965,000	2,258,163	-	3,464,663	7,498,325
2046	(4,189,500)	6,265,000	1,959,913	-	3,464,663	7,500,075
2047	-	5,650,000	1,646,663	-	3,464,663	10,761,325
2048	-	5,945,000	1,350,038	-	3,464,663	10,759,700
2049	-	6,255,000	1,037,925	-	3,464,663	10,757,588
2050	-	6,585,000	709,538	-	3,464,663	10,759,200
2051	-	6,930,000	363,825	-	3,464,663	10,758,488
2052	-	-	-	7,470,000	3,464,663	10,099,663
2053	-	-	-	11,050,000	3,206,948	13,626,948
2054	-	-	-	21,575,000	2,825,723	24,115,723
2055	-	-	-	22,320,000	2,081,385	24,866,385
2056	-	-	-	38,010,000	1,311,345	40,606,345
<b>Totals</b>	<b>(63,606,778)</b>	<b>101,650,000</b>	<b>78,957,564</b>	<b>100,425,000</b>	<b>99,795,347</b>	<b>317,221,132</b>



1: Represents accrued interest and principal on refunded obligations  
 2: Totals may not tie exactly due to rounding of figures  
 3: Represents cashflow impacts on a Debt Service Installment Requirement basis  
 4: "Variable Rate New Money Interest" includes assumption of interest to accrue on Series 2026D Bonds after the Mandatory Purchase Date of 7/1/2030; Interest is assumed to accrue at the current rate of interest through maturity



# Local Water System To Realize Direct Benefits from Series 2026

- As part of Series 2026 plan of finance, GLWA refunded Series 2016A and Series 2016B Water bonds, which funded both Local and Regional Water System projects
- This is the first opportunity for GLWA to refund post-bifurcation debt issued on behalf of DWSD
- The debt service related to the Series 2016A and Series 2016B bonds that is allocable to the Local System was determined at the time of issuance in 2016
- Refunding these post-bifurcation bonds generates savings that requires a re-allocation of bonded indebtedness, consistent with the 2018 MOU
- Local System debt service allocation will decline by \$5.2 million over the next twenty years, a present value benefit of \$3.2 million (6.3% of refunded par)**

Water System DSIR Savings Allocation <sup>1</sup>			
Fiscal Year	Regional System Savings	Local System Savings	Total System Savings
2026	(136,453)	(11,375)	(136,453)
2027	(4,192,438)	(136,500)	(4,192,437)
2028	(4,194,688)	(136,500)	(4,194,688)
2029	(4,190,438)	(136,500)	(4,190,438)
2030	(4,194,688)	(136,500)	(4,194,688)
2031	(4,191,688)	(136,500)	(4,191,688)
2032	(4,191,438)	(136,500)	(4,191,438)
2033	(4,194,038)	(136,500)	(4,194,038)
2034	(2,518,425)	(136,500)	(2,518,425)
2035	(3,325,738)	(136,500)	(3,325,738)
2036	(2,721,250)	(136,500)	(2,721,250)
2037	(920,000)	(136,500)	(920,000)
2038	(919,500)	(136,500)	(919,500)
2039	(919,000)	(136,500)	(919,000)
2040	(918,500)	(136,500)	(918,500)
2041	(918,000)	(136,500)	(918,000)
2042	(4,192,500)	(626,500)	(4,192,500)
2043	(4,193,250)	(632,000)	(4,193,250)
2044	(4,195,750)	(631,000)	(4,195,750)
2045	(4,189,500)	(628,750)	(4,189,500)
2046	(4,189,500)	(635,250)	(4,189,500)
<b>Totals</b>	<b>(58,394,403)</b>	<b>(5,212,375)</b>	<b>(63,606,778)</b>

Existing Local System Principal Allocation			
Fiscal Year	Series 2016A (Local Portion)	Series 2016B (Local Portion)	Total Refunded Par (Local Portion)
2042	3,205,000	5,975,000	9,180,000
2043	3,370,000	6,275,000	9,645,000
2044	3,535,000	6,590,000	10,125,000
2045	3,715,000	6,915,000	10,630,000
2046	3,900,000	7,260,000	11,160,000
<b>Totals</b>	<b>17,725,000</b>	<b>33,015,000</b>	<b>50,740,000</b>

Local System savings matches the maturity profile of the refunded principal



<sup>1</sup>: Represents cashflow impacts on a Debt Service Installment Requirement basis

# Sewer System – Transaction Overview

- ◆ GLWA issued \$240 million in Sewer System Bonds to fund \$32 million in capital improvements and to refund \$232 million of outstanding bonds for savings
- ◆ The refunding and new money components were structured together to optimize transaction cashflows
  - ◆ The refunding was structured to create level savings through the term of the refunded debt, to the extent possible
  - ◆ New money amortization used to smooth out cashflow impact from savings structure; 30-year final maturity; Principal beginning in 2030
- ◆ Refunding component generated \$28.1m of cashflow savings, or \$22.5million of present value savings (9.7% of refunded par)

## Sewer System Sources and Uses

	Senior Lien	Second Lien	Senior Lien	Aggregate
Sources	Series 2026A	Series 2026B	Series 2026C	2026 Bonds
Par Amount	30,155,000	179,565,000	30,020,000	<b>239,740,000</b>
Premium	3,476,040	20,334,519	1,935,481	<b>25,746,040</b>
GLWA Cash <sup>1</sup>	695,625	4,036,688	-	<b>4,732,313</b>
<b>Total<sup>2</sup></b>	<b>34,326,665</b>	<b>203,936,207</b>	<b>31,955,481</b>	<b>270,218,353</b>
Uses	Series 2026A	Series 2026B	Series 2026C	Aggregate
Escrow Account	34,122,104	202,793,977	-	<b>236,916,081</b>
Construction Fund	-	-	31,760,000	<b>31,760,000</b>
UWD	90,942	541,537	90,535	<b>723,014</b>
COI	113,619	600,693	104,946	<b>819,258</b>
<b>Total<sup>2</sup></b>	<b>34,326,665</b>	<b>203,936,207</b>	<b>31,955,481</b>	<b>270,218,353</b>

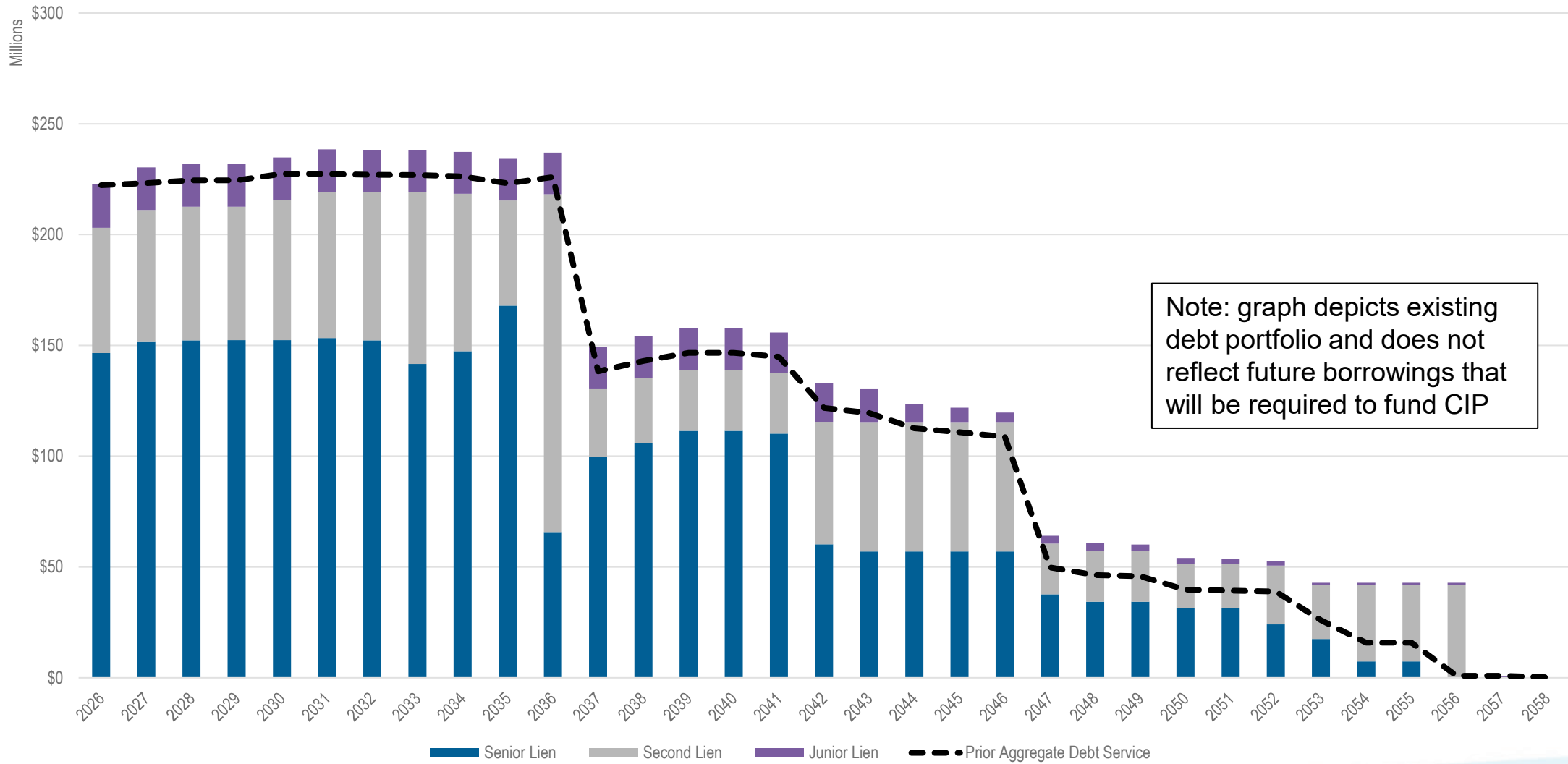
Sewer System Cashflow Impacts <sup>3</sup>				
Fiscal Year	Refunding Savings	New Money Principal	New Money Interest	Combined Change in Debt Service
2026	(72,629)	-	128,263	55,633
2027	(1,656,550)	-	1,539,150	(117,400)
2028	(832,300)	-	1,539,150	706,850
2029	(832,300)	-	1,539,150	706,850
2030	(4,292,300)	1,100,000	1,539,150	(1,653,150)
2031	(4,014,300)	875,000	1,484,150	(1,655,150)
2032	(846,550)	5,000	1,440,400	598,850
2033	(4,293,800)	1,200,000	1,440,150	(1,653,650)
2034	(4,290,300)	1,255,000	1,380,150	(1,655,150)
2035	(3,494,750)	525,000	1,317,400	(1,652,350)
2036	(3,491,250)	545,000	1,291,150	(1,655,100)
2037	-	735,000	1,263,900	1,998,900
2038	-	775,000	1,227,150	2,002,150
2039	-	810,000	1,188,400	1,998,400
2040	-	850,000	1,147,900	1,997,900
2041	-	895,000	1,105,400	2,000,400
2042	-	940,000	1,060,650	2,000,650
2043	-	985,000	1,013,650	1,998,650
2044	-	1,035,000	964,400	1,999,400
2045	-	1,090,000	912,650	2,002,650
2046	-	1,140,000	858,150	1,998,150
2047	-	1,200,000	801,150	2,001,150
2048	-	1,260,000	738,150	1,998,150
2049	-	1,330,000	672,000	2,002,000
2050	-	1,400,000	602,175	2,002,175
2051	-	1,470,000	528,675	1,998,675
2052	-	1,550,000	451,500	2,001,500
2053	-	1,630,000	370,125	2,000,125
2054	-	1,715,000	284,550	1,999,550
2055	-	1,805,000	194,513	1,999,513
2056	-	1,900,000	99,750	1,999,750
<b>Totals</b>	<b>(28,117,029)</b>	<b>30,020,000</b>	<b>30,123,100</b>	<b>32,026,071</b>



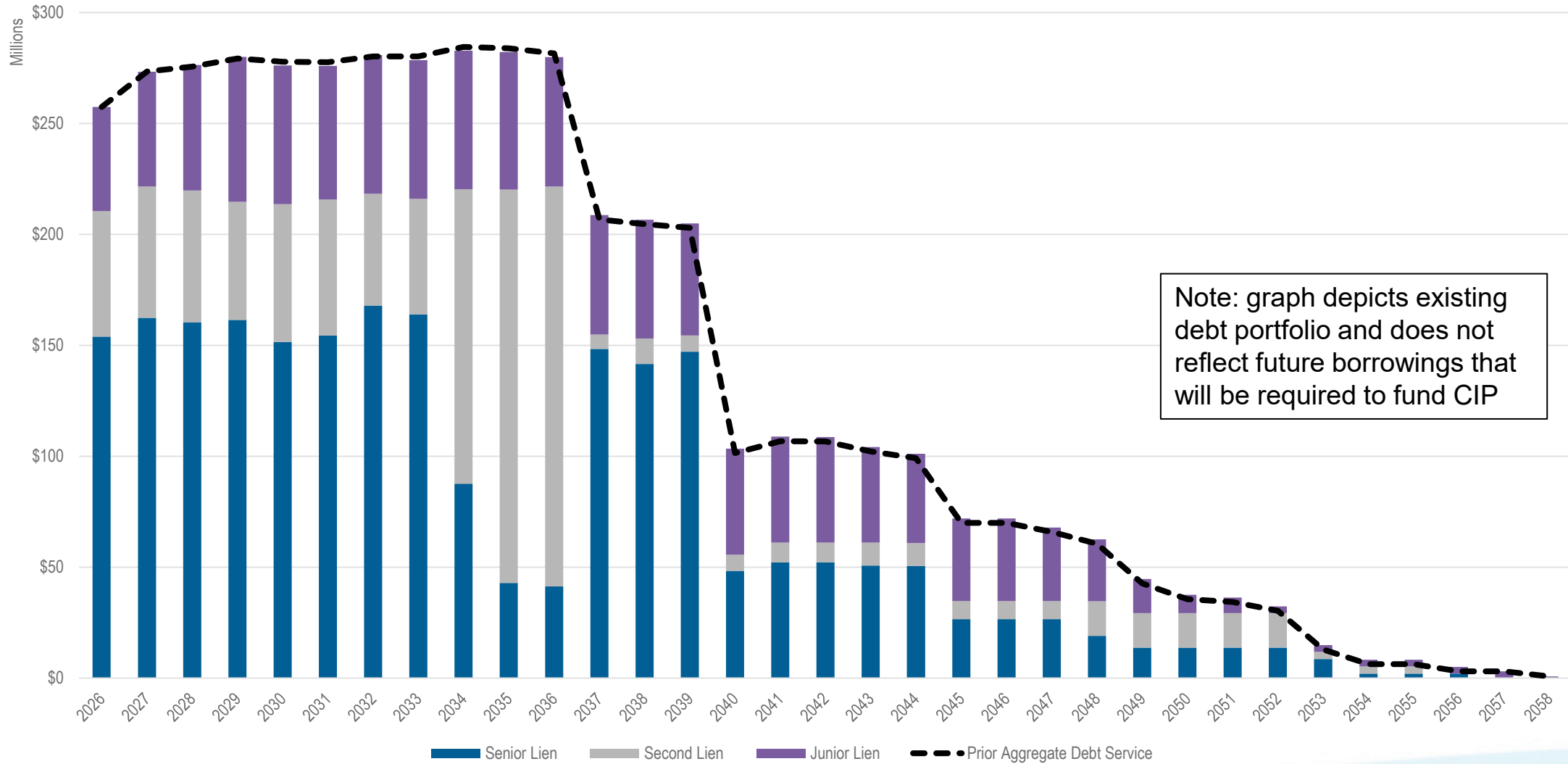
1: Represents accrued interest and principal on refunded obligations  
 2: Totals may not tie exactly due to rounding of figures  
 3: Represents cashflow impacts on a Debt Service Installment Requirement basis



# Water System – Aggregate Debt Portfolio



# Sewer System – Aggregate Debt Portfolio



Note: graph depicts existing debt portfolio and does not reflect future borrowings that will be required to fund CIP

# Transaction Participants

Transaction Role	Firm
<b>Issuer</b>	<ul style="list-style-type: none"> <li>Great Lakes Water Authority</li> </ul>
<b>Financial Advisor</b>	<ul style="list-style-type: none"> <li>PFM Financial Advisors LLC</li> </ul>
<b>Bond Counsel</b>	<ul style="list-style-type: none"> <li>Dickinson Wright, PLLC</li> </ul>
<b>System Consultant</b>	<ul style="list-style-type: none"> <li>The Foster Group</li> </ul>
<b>Trustee</b>	<ul style="list-style-type: none"> <li>U.S. Bank, N.A.</li> </ul>
<b>Senior Bookrunning Manager</b>	<ul style="list-style-type: none"> <li>Siebert Williams Shank &amp; Co., LLC</li> </ul>
<b>Co-Senior Manager</b>	<ul style="list-style-type: none"> <li>BofA Securities, Inc.</li> </ul>
<b>Co-Managing Underwriters</b>	<ul style="list-style-type: none"> <li>Goldman Sachs &amp; Co. LLC</li> <li>Huntington Capital Markets</li> <li>Jefferies LLC</li> <li>Loop Capital Markets LLC</li> <li>Morgan Stanley &amp; Co. LLC</li> <li>Stifel</li> </ul>
<b>Underwriter's Counsel</b>	<ul style="list-style-type: none"> <li>Kutak Rock, LLP</li> </ul>
<b>Auditor</b>	<ul style="list-style-type: none"> <li>Baker Tilly Virchow Krause, LLP</li> </ul>