

## Financial Services Audit Committee Communication

**Date:** June 6, 2025

To: Great Lakes Water Authority Audit Committee

From: Nick Fedewa, CPA, Public Finance Manager

**Re:** 2025 Bond Transaction: Rating Agency Updates

**Background & Analysis:** In conjunction with an upcoming bond transaction, the Great Lakes Water Authority (GLWA) has met with three rating agencies and recently received the rating reports.

**Good news! Positive Bond Rating Agency Action from Fitch on the Sewer System.** In advance of the 2025 bond transaction, Fitch Ratings upgraded GLWA's senior lien debt rating by **one notch from AA- to AA** and second lien debt rating from A+ to AA- with a stable outlook for the sewer system.

For the water system, Fitch Ratings also affirmed GLWA's senior lien debt rating of A+ and second lien debt rating of A with a stable outlook.

For both the water and sewer systems, Moody's Investors Service affirmed GLWA's senior lien debt rating of Aa3 and second lien debt rating of A1 with a stable outlook.

For both the water and sewer systems, Standard & Poor Global Ratings affirmed GLWA's senior lien debt rating of AA- and second lien debt rating of A+ with a stable outlook.

A combined rating agency report is attached with more information.

**Proposed Action:** Receive and file this report.