



Financial Services Audit Committee Communication

Date: January 30, 2026

To: Great Lakes Water Authority Audit Committee

From: Nicholas Fedewa, CPA, Public Finance Manager

Re: Debt Management Considerations - Variable Rate Debt

Background: In our mission to explore all ways to control costs, the Great Lakes Water Authority's (GLWA) asked the eight underwriting firms that served on GLWA's last transaction to provide strategies to consider for future consideration. All firms included variable rate debt as an item that GLWA could consider.

PFM Financial Advisors LLC (PFM) serves as the Great Lakes Water Authority's (GLWA) municipal bond advisors. GLWA has discussed this option with PFM and to provide a briefing on variable rate debt.

Analysis: Referencing the attached presentation titled "Variable Rate Debt: Past and Present", PFM will provide an overview on the History of Variable Rate Debt at DWSD and the Variable Rate Debt Opportunities in 2026 for GLWA's consideration.

Proposed Action: Receive and file this report.