



## Financial Services Audit Committee Communication

**Date:** June 27, 2025

**To:** Great Lakes Water Authority Audit Committee

**From:** Nick Fedewa, CPA, Public Finance Manager

**Re:** 2025 Bond Transaction Update

**Background & Analysis:** The Great Lakes Water Authority (GLWA) this month executed a successful bond transaction at favorable rates to fund \$280 million in capital improvements for the regional water and wastewater systems

GLWA received an upgrade from Fitch on the Sewer System to AA for the senior lien and AA- for the second lien, with affirmation of strong ratings from each of the other rating agencies.

Refinancing of debt generated \$77 million of cash flow savings (\$61 million of present value savings).

Innovative tender refunding generated significant investor participation of 46%, enhancing the cash flow savings accessible with Series 2025 and helping GLWA to manage exposure to interest rates in 2026.

Since 2016, GLWA has pursued debt refunding transactions that are approaching the \$1 billion target in cashflow savings with over \$974 million achieved to date. These substantial savings directly impact the affordability of charges and the amount of funding that is available for new capital projects that are necessary for building resiliency in the regional systems

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