



# Transportation, Infrastructure, Energy & Environment Committee Briefing

Finance Department

March 27, 2024

# Agenda

- Introduction
- Overview and Governance
- Proposed FY2025 Budget and Initiatives
- Efforts to Maintain Affordability
- Long-Term Financial Plan and External Funding
- Rates and Bill Comparison
- Credit Rating Overview
- Questions

# Governance and Overview



# Our Governance

WSSC Water is governed by six Commissioners:

- Three appointed by Montgomery County
- Three appointed by Prince George's County



**Regina Y.  
Speed-Bost**  
**Chair**  
Prince George's  
County  
2022



**T. Eloise  
Foster**  
**Vice-Chair**  
Montgomery  
County  
2016



**Fausto R.  
Bayonet**  
Montgomery  
County  
2015



**Howard A.  
Denis**  
Montgomery  
County  
2016



**Lynnette D.  
Espy-Williams**  
Prince George's  
County  
2022



**Mark J.  
Smith**  
Prince George's  
County  
2022

**105** years & counting  
No drinking water quality violations...ever!



# WSSC WATER AT A GLANCE



Established in 1918, WSSC Water is the largest water/wastewater utility in Maryland and among the largest in the nation. Our service area spans approximately 1,000 square miles in Prince George's and Montgomery counties. We proudly serve 1.9 million residents with safe and reliable drinking water and help protect the Chesapeake Bay by treating and returning clean water to Maryland waterways.



**162,000,000** GALLONS OF WATER PER DAY  
DELIVERED TO **1.9 MILLION** RESIDENTS

**3** RESERVOIRS

**2** WATER FILTRATION PLANTS

**60** WATER TANKS

**55** PUMPING STATIONS

**6** WATER RESOURCE RECOVERY FACILITIES

**1,630** EMPLOYEES

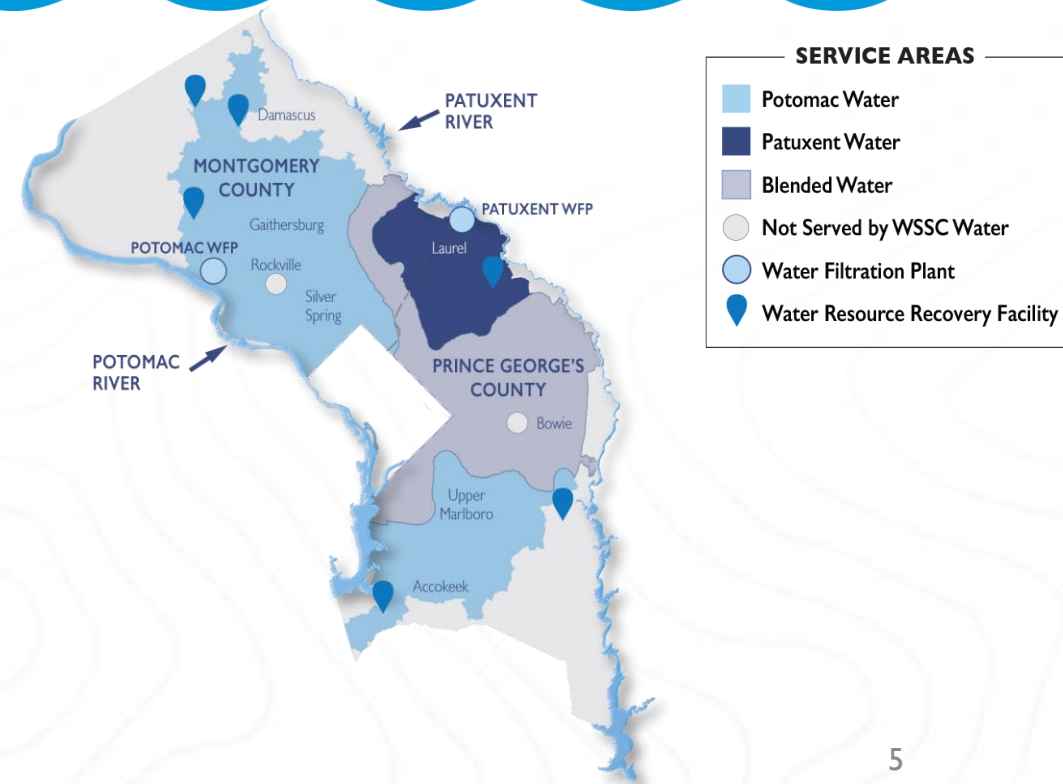
Our drinking water system spans **5,800+** miles

Our wastewater system spans **5,600+** miles

**500,000** WATER QUALITY TESTS PER YEAR

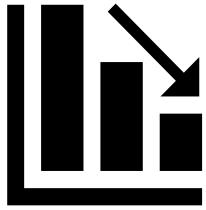
**504,800** METERS IN OUR SYSTEM

**2.25** MILLION METER READS PER YEAR

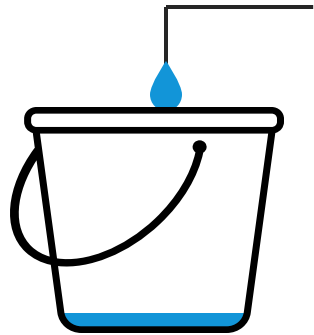


# Water Investment Matters

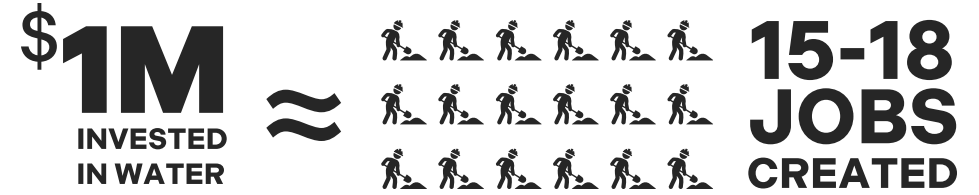
## Federal Funding Gap



In 1977, the federal government invested **63%** of all capital spending on water infrastructure. Four decades later, that figure is now **below 10%**



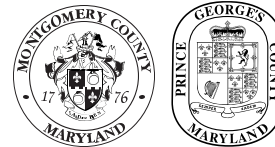
**\$50B** Bipartisan Infrastructure Law investment is only **5%** of the funding needed for the water sector



WSSC Water's FY 2025 Capital Budget of **\$801M** could generate **13,000 jobs**



The budget includes a **\$4.2M increase** in financial assistance to income-constrained customers, bringing the annual total to more than **\$7.7M**



In FY 2023, WSSC Water contracts and projects contributed **\$131M** to **170** different businesses in Montgomery & Prince George's counties

- Including more than **\$75M** to **local minority & women-owned** businesses

## FY 2024 Adopted to FY 2025 Rate Increase

Fiscal Year	Rate Increase
<b>FY 2025 SAG</b>	<b>8.50%</b>
FY 2025 Request	11.60%
FY 2024 Adopted	7.00%

- As part of the annual Spending Affordability Guideline (SAG) process, WSSC Water requested a revenue enhancement increase of 11.6%.
- FY 2025 budget requests have been reduced by \$81.2M to meet 8.5% revenue enhancement
- The proposed revenue enhancement increase of 8.5% results in a \$73.3M revenue increase

# FY 2025 Rate Comparison

**11.6% Requested Revenue Enhancement Increase Compared to 8.5% Spending Affordability Guideline Rate**

WSSC Water has been informed by DC Water that expenses for regional sewage disposal will increase by an additional \$4M to \$17M in FY 2025

(\$ in millions)	Pre-SAG	11.6		9.5		8.5		Pre -SAG			
	\$	\$	%	\$	%	\$	%	\$ Chg	\$	%	
<b>A. OPERATIONS AND MAINTAINANCE</b>											
<b>PRESERVING OUR OPERATIONS</b>											
<b>Inflationary Pressures, Existing Resources</b>											
Supplies, equipment, vehicles	\$12.4	\$12.4	1.4	10.8	1.3	\$7.2	0.8	(\$5.2)			
professional services, and retiree and employee benefits											
<b>ADDITIONAL OPERATING BUDGET REQUESTS</b>	51.5	10.6	1.3	10.5	1.2	10.3	1.2	(41.2)			
Including impact of internal tradeoffs											
<b>AFFORDABILITY AND CUSTOMER SERVICE</b>	5.3	5.3	0.6	5.0	0.6	5.0	0.6	(0.4)			
<b>MEETING OUR LEGAL REQUIREMENT</b>											
<b>Intermunicipal Agreement Mandate</b>											
Regional Sewage Disposal	12.7	12.7	1.5	12.7	1.5	12.7	1.5	0.0	17.0	2.0	
DC Water under IMA with WSSC Water										Note	
<b>Subtotal:</b>	<b>\$81.9</b>	<b>\$40.9</b>	<b>4.8</b>	<b>39.0</b>	<b>4.5</b>	<b>\$35.1</b>	<b>4.1</b>	<b>(\$46.8)</b>			
<b>B. CAPITAL INVESTMENT</b>											
<b>MAINTAINING OUR ASSETS</b>											
Capital Investment											
Debt Service Payable	\$39.3	\$34.7	4.0	33.5	3.9	\$33.5	3.9	(\$5.8)			
New debt issuance and funding annualization of prior year debt service											
<b>C. TEAM H<sub>2</sub>O</b>											
<b>RESOURCING FOR OUR PEOPLE</b>											
<b>Building a Team H<sub>2</sub>O</b>											
A Workforce to deliver on our mission, new positions	\$29.8	\$23.3	2.7	19.2	2.2	\$14.5	1.7	(\$15.3)			
<b>D. BOND RATING</b>											
<b>RETAINING AAA CREDIT RATING</b>											
<b>Improving Financial Metrics</b>											
PAYGO Offset	\$21.0	\$17.1	2.0	6.6	0.8	\$6.6	0.8	(\$14.4)			
Lower debt service payable to improve debt coverage ratio											
<b>OFFSETTING RATE INCREASE</b>	<b>-\$17.5</b>	<b>-\$16.4</b>	<b>-1.9</b>	<b>-16.4</b>	<b>-1.9</b>	<b>-\$16.4</b>	<b>-1.9</b>	<b>\$1.1</b>			
Increase service fees, utilize cost sharing, and capitalization changes											
<b>Total:</b>	<b>\$154.5</b>	<b>\$99.7</b>	<b>11.6</b>	<b>\$81.9</b>	<b>9.5</b>	<b>\$73.3</b>	<b>8.5</b>	<b>(\$81.2)</b>	<b>\$77.6</b>		



# **Proposed FY 2025 Budget: Operating and Capital**

# FY2025 Budget Priorities and Challenges

## Fund Budget Priorities



**Operations and Maintenance** – not asking for more than we need; maintaining \$9B in infrastructure assets



**Capital Investment** – continued investments in critical infrastructure; addressing deferred improvements and regulatory compliance



**Team H<sub>2</sub>O** – competitive wages to retain and recruit talent to SERVE; additional headcount where temporary staff are being utilized



**AAA Bond Rating** - enhance financial metrics and protect AAA rating

## Overcome declining consumption



Downward trend in consumption; change in consumption patterns since 2017 shows projected revenues did not materialize at higher tiers

## Overcome lag in rate increase requests in prior years



Overall, rate increases have been below requested rates leading to unsustainable cuts to operations including work-year reductions, stagnant wages and deferred capital investments

## Overcome inflationary pressures

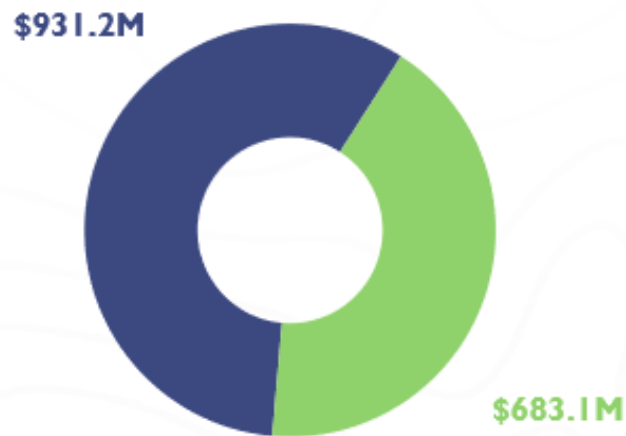


Chemicals, Water Meters, Construction, Heat/Light/Power, Regional Sewage Disposal (DC Water)

# Total Budget – FY 2024 Approved and FY 2025 Proposed

The Proposed Budget increased \$196.8M or 12.2% over the FY 2024 Approved Budget. The Operating Budget increased by \$88.6M and Capital Budget increased by \$108.2M

**FY2024 Approved Budget - \$1.6B**



■ Operating Budget ■ Capital Budget

**FY2025 Proposed Budget – \$1.8B**



■ Operating Budget ■ Capital Budget

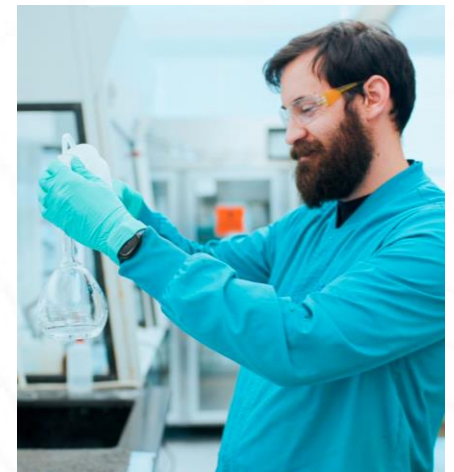
Note: - All funds are included in data.  
 - Capital Budget excludes developer contributions that are included in the CIP.





# FY 2025 Operating Budget Highlighted Initiatives

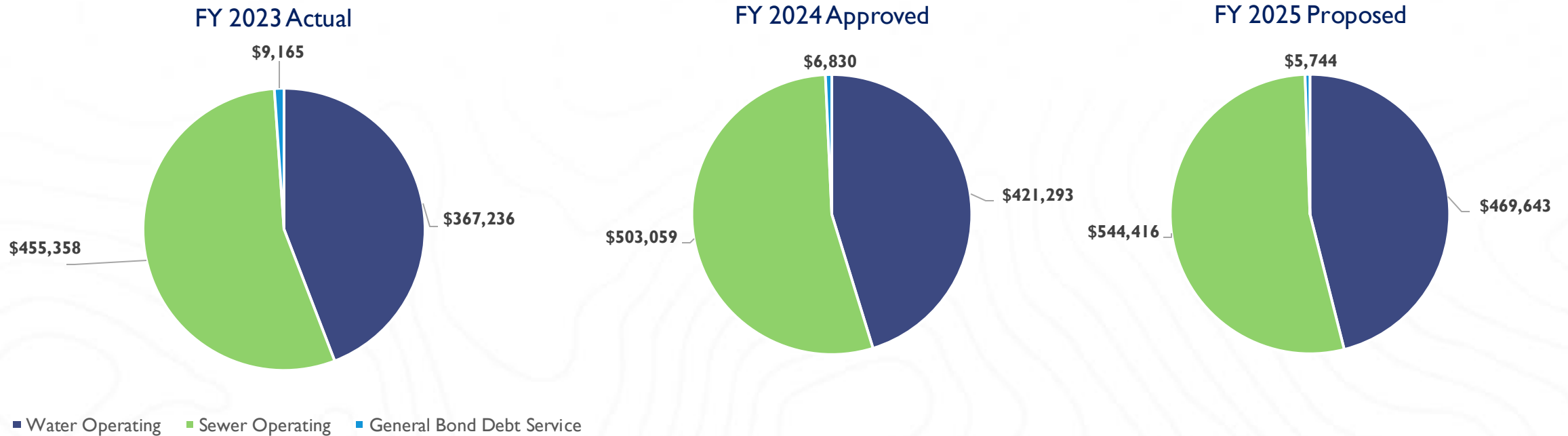
- **Investing in our workforce** through compensation, training and ensuring that the tools, systems, processes and organizational structure employees need to be successful are provided
- **Improving the experience** of internal and external stakeholders, as well as the customer experience and ability to connect
- **Continue water quality excellence** by tracking and addressing the regulatory changes on emerging contaminants for safe drinking water and biosolids management
- **Building resilience** in infrastructure and operations through added capabilities in Enterprise Risk Management, cybersecurity, asset management, and continuity of operations programs
- **Integrating diversity, equity, inclusion and environmental justice** into our procurement, EEO, and investment planning processes
- **Enhancing customer affordability programs** with revision to allow high bill adjustments for up to two consecutive billing periods, CAP re-enrollment every two years, and a leak repair program for CAP customers
- **Increase financial assistance** by \$4.2 million to help more customers, bringing the total to more than \$7.7 million or 121% above FY 2024





# Proposed Fiscal Year 2025 with Operating Budget Summary by Fiscal Year and Fund *(All figures In Thousands)*

- Applied a transparent outcome-focused approach to budgeting
- Supported by an 8.5% revenue enhancement increase (water and sewer volumetric and fixed fees)
- Requested 127 additional work years to support our operations and capital program delivery



# Team H2O – Workyear Additions



Organization	New Workyears	Justification
Utility Services Department	23	Support our mission to maintain the water/wastewater infrastructure and protect the environment
Customer Service Department	22	Increase retention and improve customer service by converting contractors to permanent positions. No budget impact
Production Department	20	Maintenance and operation of the newly constructed biosolids plant, address increased workload at the lab and field to maintain a safe and reliable supply of drinking water
Engineering & Construction Department	17	Assist with water/wastewater projects; ensure compliance during plumbing and gas-fitting inspections; and provide oversight on the water main replacement program
Information Technology Department	10	Improve efficiencies and reduce cost by converting contractors to permanent positions. No budget impact
General Services Department	10	Maintain the newly established division overseeing facilities' maintenance
Human Resources Department	6	Support recruitment and retention as well as promoting and protecting racial equity and social justice within the workforce
Procurement Office	5	Effort to reduce review cycle time, increase work quality and reduce cost
Police & Homeland Security Office	5	Convert contract security guards and police officers to permanent positions to improve retention and reduce cost
General Counsel's Office	4	Reduce delinquent accounts, contain outside counsel cost and continue to provide excellent legal representation to WSSC Water
Commissioners'/Corporate Secretary's Office	2	Serve as a legal advisor to the Ethics Office and Board of Ethics to further underscore the independence of the Board of Ethics. Additionally, a position to assist Commissioners' regarding monthly meeting materials, committee work, information request
Intergovernmental Relations Office	1	Increase external grant funding efforts
Occupational Safety & Health Division	1	Improve safety and security of all employees at the facilities and job sites
Enterprise Risk Management	1	Expand WSSC Water's risk program and culture and to develop an enterprise risk management training program
<b>Total New Workyears</b>	<b>127</b>	

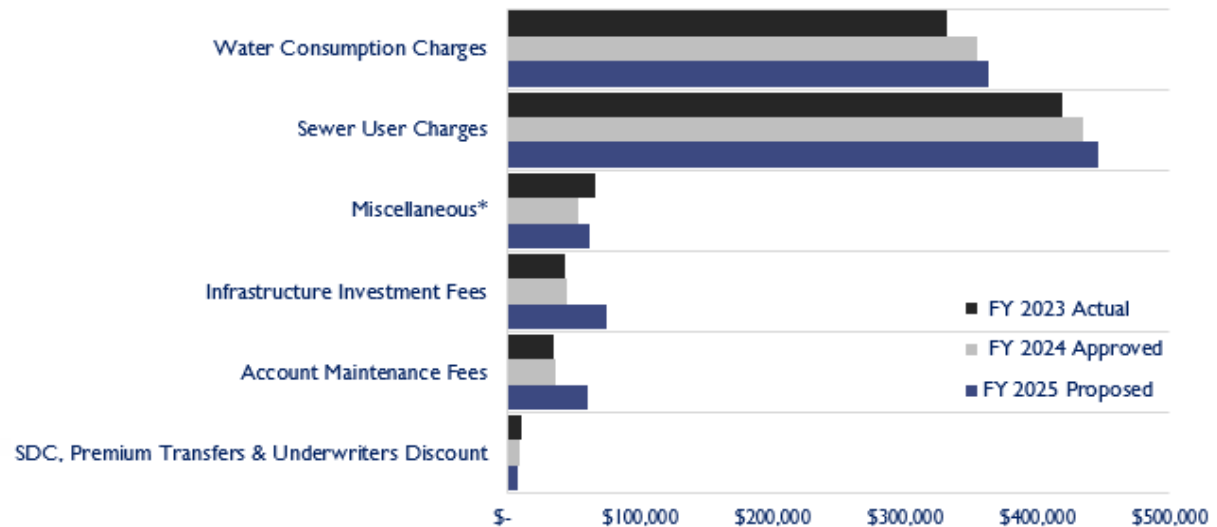
FY24 Approved Workyears – 1,836  
 FY25 Proposed Workyears – 1,963

# Combined Water & Sewer Operating Funds

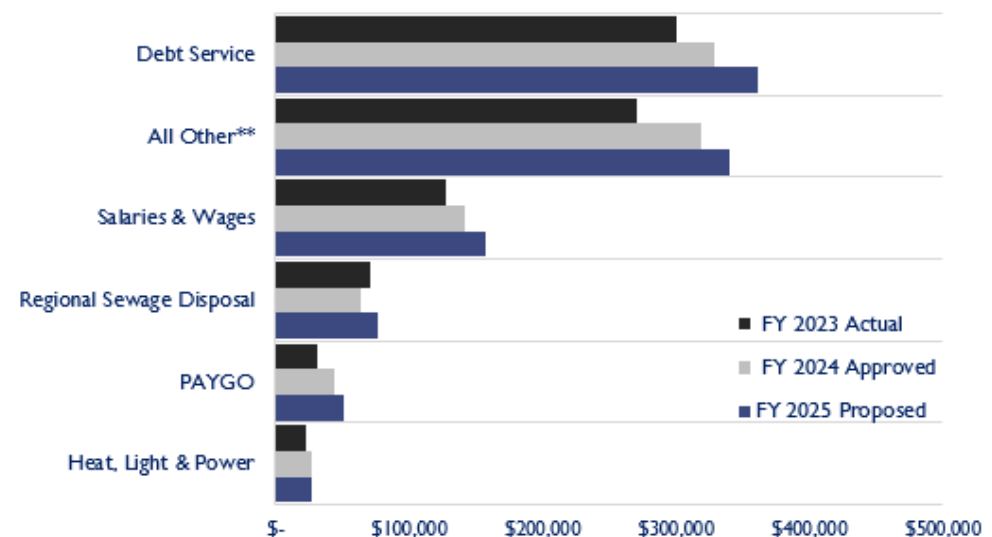
## Annual Comparison *(All figures In Thousands)*



Sources	FY 2023	FY 2024	FY 2025
	Actual	Approved	Proposed
Water Consumption Charges	\$ 331,386	\$ 355,139	\$ 363,662
Sewer User Charges	418,435	435,003	445,443
Miscellaneous*	66,744	53,044	62,379
Infrastructure Investment Fees	43,269	44,180	74,839
Account Maintenance Fees	34,888	36,259	59,964
SDC, Premium Transfers & Underwriters Discount	10,275	8,972	7,772
<b>Total Sources:</b>	<b>\$ 904,997</b>	<b>\$ 932,597</b>	<b>\$ 1,014,059</b>



Uses	FY 2023	FY 2024	FY 2025
	Actual	Approved	Proposed
Heat, Light & Power	\$ 22,390	\$ 27,373	\$ 27,278
PAYGO	31,016	44,000	50,601
Regional Sewage Disposal	71,025	64,201	76,908
Salaries & Wages	127,044	141,179	157,223
All Other**	271,026	319,132	340,081
Debt Service	300,093	328,467	361,968
<b>Total Uses:</b>	<b>\$ 822,594</b>	<b>\$ 924,352</b>	<b>\$ 1,014,059</b>



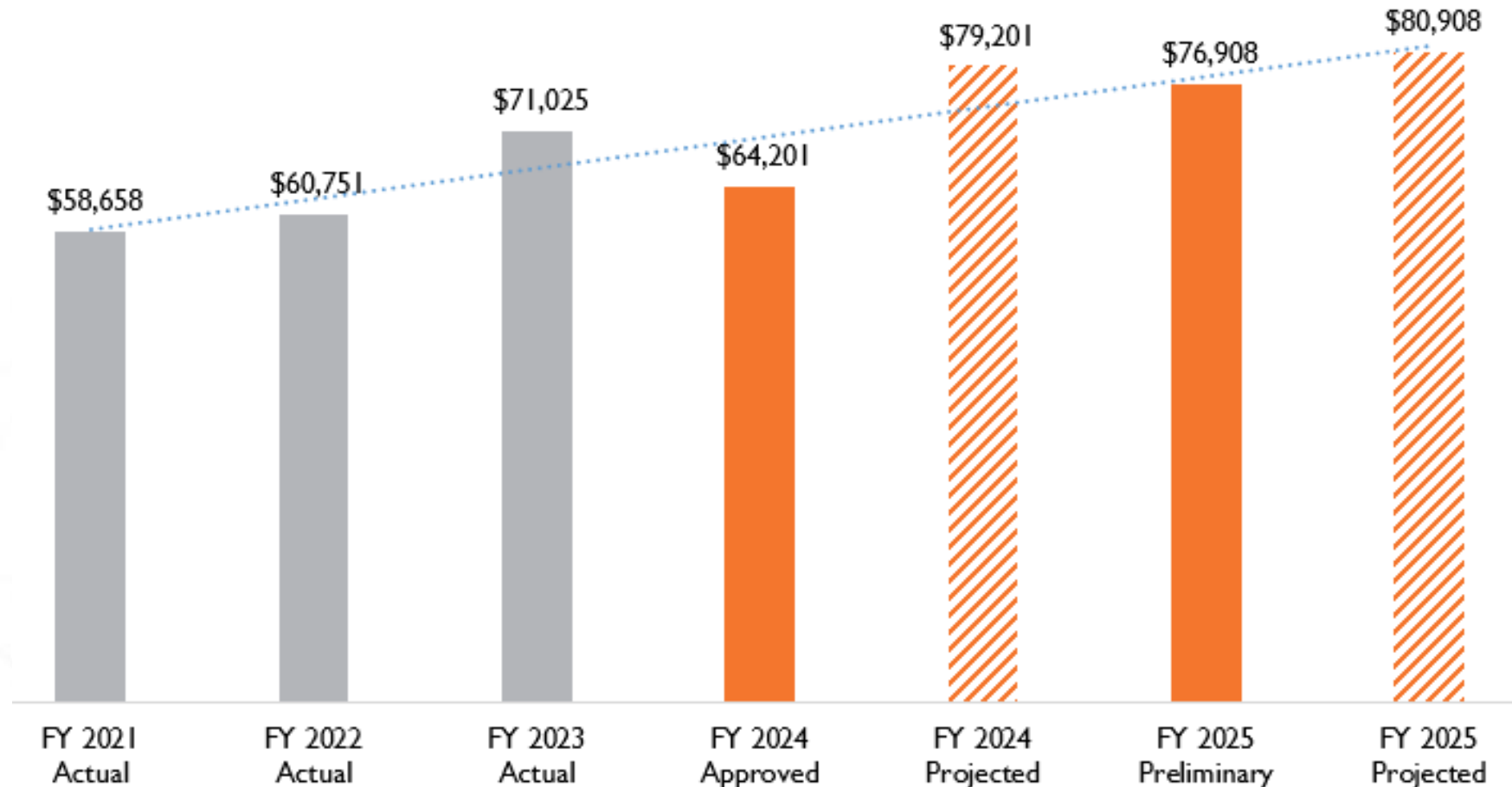
\* Plumbing and inspection fees, Rockville sewer use, interest income and other miscellaneous fees and uncollectible revenue

\*\* Includes employee benefits, contractors cost, temporary services, fleet and computer equipment

# Inflationary Pressures - Regional Sewage Disposal Blue Plains

*(All figures In Thousands)*

- Based on the recent projections provided by DC Water, the Regional Sewage Disposal cost is projected to be \$4.0 million more than the FY 2025 Proposed Budget





# FY 2025 Capital Budget Highlighted Initiatives

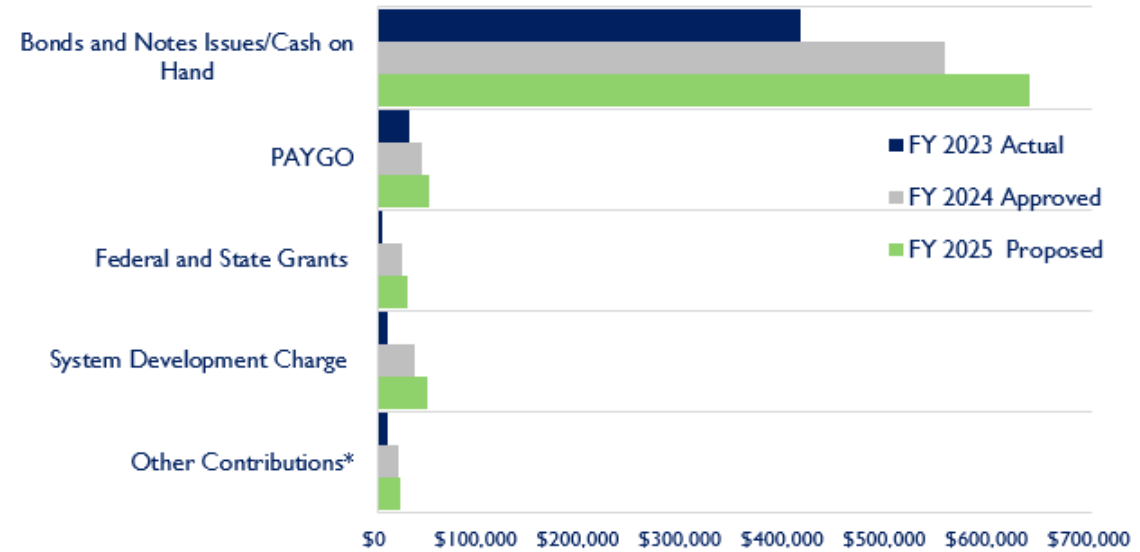
- Invest in Anacostia Depot Reconfiguration (\$25.2 million)
- Plan and implement improvements to address Per- and Polyfluoroalkyl Substances (PFAS) and other regulatory changes (\$6 million)
- Invest in generators (\$1 million) at Colesville and Little Seneca Wastewater Pumping Stations to ensure operational reliability and resilience
- Mitigation of enterprise risks by increasing investment in the Engineering Support Program (\$10 million)
- Develop a comprehensive Facility Plan (\$1 million) to program systematic replacement of critical infrastructure
- Increase fleet refresh and leverage external funds for electric vehicle (EV) charging infrastructure and vehicles
- Transition capital improvement planning to a needs-based model



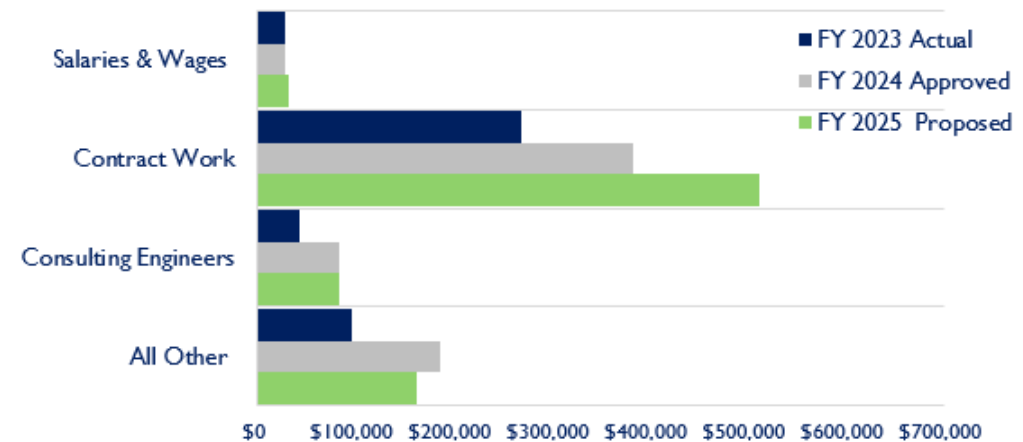
# Capital All Funds Annual Comparison *(All figures In Thousands)*



Sources	FY 2023	FY 2024	FY 2025
	Actual	Approved	Proposed
Bonds and Notes Issues/Cash on Hand	\$414,795	\$555,354	\$637,772
PAYGO	31,016	44,000	50,601
Federal and State Grants	5,697	25,142	30,720
System Development Charge	9,635	36,945	49,926
Other Contributions*	10,158	21,628	22,247
<b>Total Sources:</b>	<b>\$471,301</b>	<b>\$683,069</b>	<b>\$791,266</b>



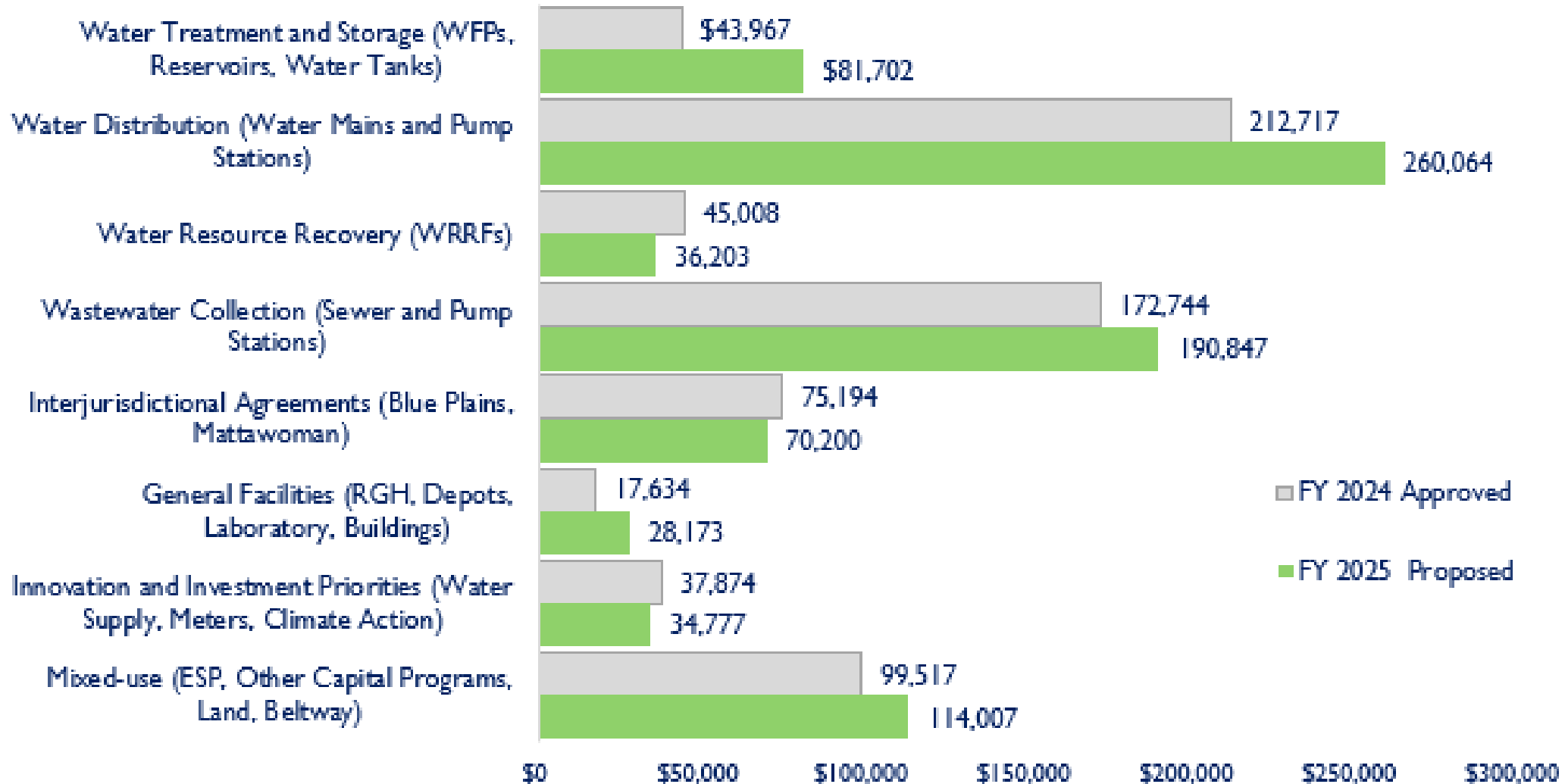
Uses	FY 2023	FY 2024	FY 2025
	Actual	Approved	Proposed
Salaries & Wages	\$27,997	\$28,193	\$32,120
Contract Work	268,792	384,209	512,237
Consulting Engineers	43,531	84,116	83,705
All Other	95,870	186,551	163,204
<b>Total Uses:</b>	<b>\$436,190</b>	<b>\$683,069</b>	<b>\$791,266</b>



\*Developer Contributions are excluded

# FY 2025 Capital Investments by Category

(All figures In Thousands)



# Update on Consent Decree Project and PFAS

## Potomac Consent Decree

New discharge limitations identified in the Consent Decree which was entered by the U.S. District Court of Maryland on April 15, 2016

The two major projects currently under construction are the Sediment Basins and Backwash Treatment Upgrades and the Gravity Thickener Expansion. Total cost of remedial measures are estimated to be \$206.0 million.

Scheduled for completion: replacing equipment within the Sediment Basins and adding an Equalization Basin and Pumping Station; and, adding three new Gravity Thickeners so that the plant can treat all the influent and the chemical solids that are used in the water treatment process.

## Sewer Overflow Consent Decree

WSSC Water has completed the work associated with the remedial measures for the Sanitary Sewer Overflow Consent Decree. Some proactive maintenance activities and reporting will continue until termination. Cost of remedial measures incurred to date have been \$1.6 billion.

## PFAS Planning for Regulatory Changes



# Efforts to Maintain Affordability

## **Current Efforts Maintain Affordability**

### **Identify non-rate revenues including**

- Maximize external funding opportunities (grants and low-interest loans) for priority projects and programs, including carbon reduction initiatives, underserved and unserved areas, customer experience improvements
- Monetize surplus real estate assets, pursue patent licensing revenues, implement biosolid business plan, maximize sale of natural gas and renewable natural gas, sale of Renewable Fuel Credits
- Implement equity improvements to the System Development Charge (SDC) process to support smart growth and consider increases to the SDC rates to ensure that growth pays for growth (SDC rate has not increased since 1999)
- Work with Congressional Delegation and State Elected Officials to ensure that LIHWAP funding and the Maryland Water System Assistance Program are permanent programs

### **Redirect funding in the base budget for strategic priorities**

- Redeploy existing professional staff on a part-time basis to implement the Performance and Accountability Program

### **Continue the Revenue Recovery Strategy to reduce customer delinquencies**

# Revenue Recovery Update

- The pandemic increased delinquent accounts and impacted revenue
  - Pre-pandemic delinquencies were \$37 million
  - During the pandemic delinquencies grew and levelled out at approximately \$64 million by June 30, 2021
- Revenue collection efforts and results through Q2 FY 2024
  - Increased resources for turnoffs resulted in 475% more turnoffs in July – December
  - Set aside of \$35 million reserve for the \$47 million delinquent account receivables (AR) results in a delinquent AR, net of reserves, of \$12 million
  - Active payment plans support by collection vendor resulted in growth of over 10,300 payment plans to over 17,400 through December 2023
  - Increased payments through Q2 FY 2024 by 6.9% or nearly \$28.8 million compared to Q2 FY 2023

# Enhancements to the Customer Assistance Programs



	FY 2024	FY 2025
Customer Assistance Program	\$ 2,200,000	\$ 2,200,000
Customer Assistance Enhancements	-	-
PipeER Program	100,000	200,000
Bill Adjustments	1,212,000	1,212,000
CAP Leak Repair Program	-	350,000
Water Fund Donation	-	500,000
PromisePay	-	3,300,000
<b>Total Budget for Assistance Programs</b>	<b>\$ 3,512,000</b>	<b>\$ 7,762,000</b>



# Long-Term Financial Plan and External Funding

# FY 2025 Long-Range Financial Plan

Fiscal policy and debt service review to be conducted during FY 2024 to ensure alignment with rating agency metric methodologies, as well as ensure prudent financial management of debt service

Metrics	CFO Guideline	FY 2025 Proposed	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected	FY 2030 Projected
<b>I Debt Service Coverage:</b>							
a Debt Service Coverage "Stress Case" *	1.50	1.27	1.42	1.48	1.49	1.48	1.48
b Debt Service (P+I) as a Percentage Total Expenditures	<40.0%	35.7%	34.4%	33.5%	33.6%	33.7%	33.6%
c Leverage Ratio "Stress Case"	<10.0	8.8	7.9	7.5	7.3	7.2	7.1
<b>II Liquidity and Reserves:</b>							
a Days Cash-on-Hand "Stress Case"*	≥250	261	290	309	324	337	346
b Ending Fund Balance as a Percentage of Operating	20.0%	31.7%	29.1%	27.3%	26.1%	25.1%	24.1%
<b>III Workforce</b>							
Workyears	n/a	1,963	1,963	1,963	1,963	1,963	1,963

## Financial Strategy: Leveraging External Funding

Aggressively seek Federal and State financing, including assistance for unserved and underserved communities; increasing the amount of external funds used for supplementing the operating and capital budgets lowers debt service and alleviates rate support resources. Grants are included in the FY 2025 budget for the programs and projects below.

### Capital Budget

- Sewer Reconstruction Program - **\$20.0 million**
- Regional Water Supply Resiliency - **\$4.8 million**
- Piscataway Bioenergy - **\$3.4 million**
- Water Reconstruction - **\$2.0 million**
- Energy Performance Program - **\$0.6 million**

### Operating Budget

Maryland Department of the Environment (MDE) performance-based operating grants for Water Resource Recovery Facilities (WRRFs) - **\$2.5 million**

# **WSSC Water Rates and Bill Comparison**

# Quarterly Customer Bills at Various Consumption Levels



FY 2025 **includes** the proposed volumetric and fixed fee rates per the recently completed Cost of Service study.

Meter Size	Average Daily Consumption (Gallons Per Quarter)	Approved FY 2021	Approved FY 2022	Approved FY 2023	Approved FY 2024	Proposed FY 2025	% Increase
3/4" Residential Meter	100 (9,125 gal/qtr)	\$ 145.58	\$ 152.48	\$ 162.42	\$ 173.77	\$197.92	13.9%
3/4" Residential Meter	145 (13,231 gal/qtr)	203.47	213.79	227.71	243.96	269.45	10.5%
3/4" Residential Meter	500 (45,625 gal/qtr)	840.78	888.79	946.56	1,012.72	1,057.11	4.4%
2" Meter	1,000 (91,250 gal/qtr)	2,004.81	2,110.76	2,248.01	2,405.15	2,614.45	8.7%
3" Meter	5,000 (456,250 gal/qtr)	10,284.01	10,853.51	11,559.50	12,367.29	13,145.49	6.3%
6" Meter	10,000 (912,500 gal/qtr)	20,852.26	22,001.19	23,432.35	25,069.80	26,702.98	6.5%



# FY 2024 Residential Annual Bill Comparison

(150 Gallons per Day; 3/4" Meter)

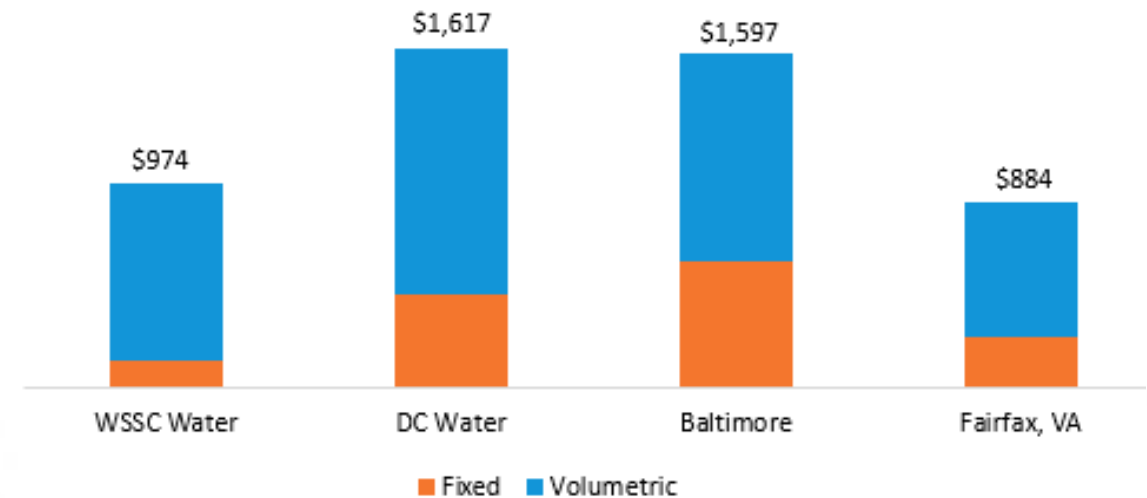


- The Ready-to-Serve charges are the Account Maintenance Fee and the Infrastructure Investment Fee

- AMF is meant to recover costs for account maintenance and servicing, including:
  - Meter reading
  - Preparing and sending bills
  - Receiving and processing payments

- IIF helps pay debt service expenses related to pipe replacement programs in the approved CIP

- WSSC Water's fixed fees are significantly lower than other regional providers



	WSSC Water	DC Water	Baltimore	Fairfax, VA
Fixed	\$ 128	\$ 449	\$ 607	\$ 243
Volumetric	\$ 847	\$ 1,168	\$ 991	\$ 641
<b>Total</b>	<b>\$ 974</b>	<b>\$ 1,617</b>	<b>\$ 1,597</b>	<b>\$ 884</b>

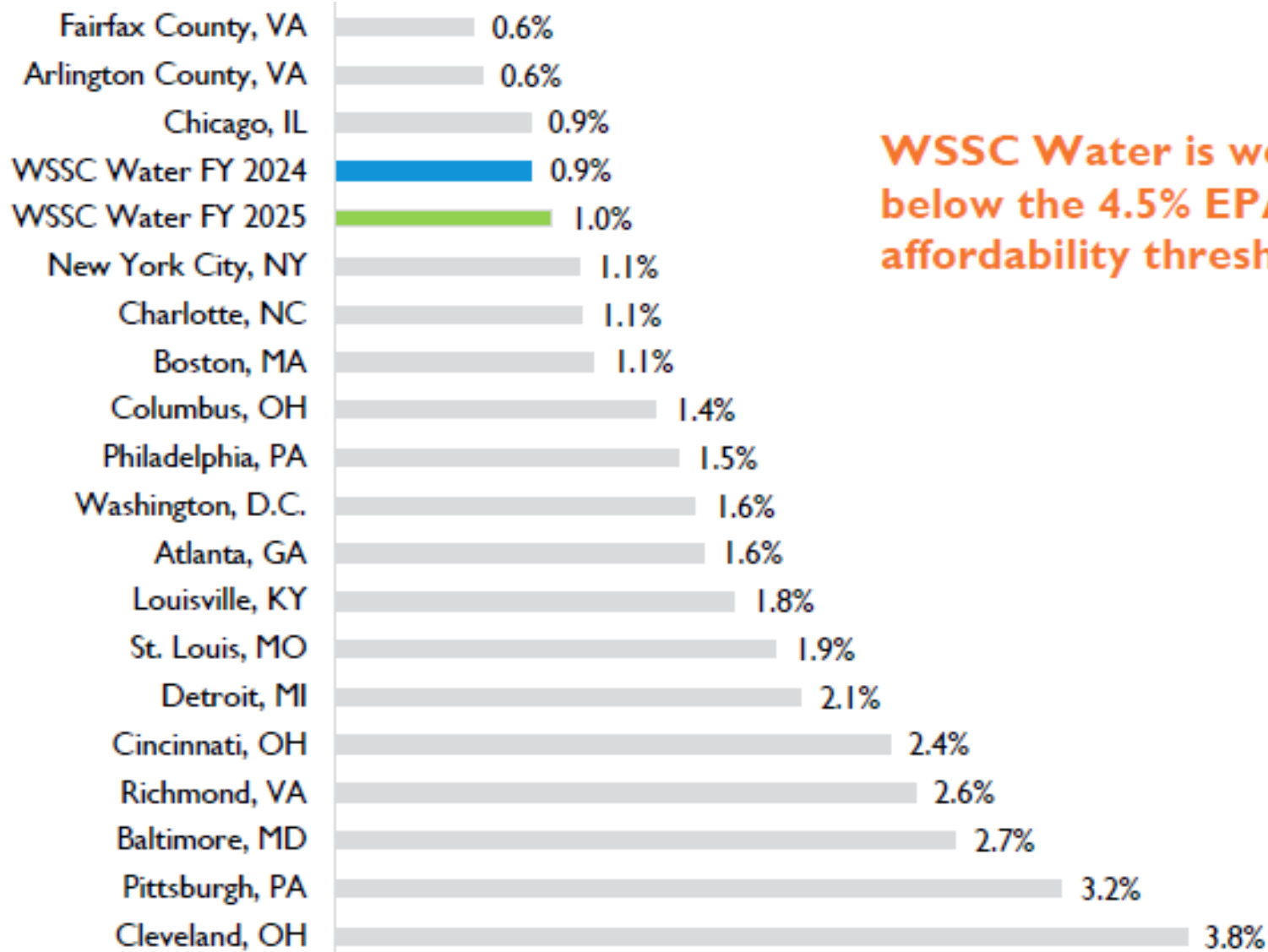
# Rate Increases Comparable Regional Peers



	Actual	Actual	Actual	Actual	Actual						
Agency/ Region	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>WSSC Water</b>											
Water and Sewer Rate Increase	5.0%	6.0%	5.9%	6.5%	7.0%	8.5%	9.0%	7.0%	5.5%	4.2%	4.2%
<b>DC Water</b>											
Water and Sewer Rate Increase	11.5%	9.9%	7.8%	9.5%	3.3%	10.0%	7.5%	8.5%	8.0%	8.0%	7.5%
<b>Baltimore City</b>											
Water Rate Increase	9.9%	9.9%	9.9%	3.0%	3.0%	3.0%	n/a	n/a	n/a	n/a	n/a
Sewer Rate Increase	9.0%	9.0%	9.0%	3.5%	3.5%	3.5%	n/a	n/a	n/a	n/a	n/a
<b>Fairfax, VA</b>											
Fairfax Water	8.5%	0.0%	3.9%	4.5%	5.2%	n/a	n/a	n/a	n/a	n/a	n/a
Fairfax County Sewer	4.0%	0.0%	6.0%	4.8%	4.6%	4.1%	5.9%	5.4%	5.3%	n/a	n/a

**Bold** represents approved rates

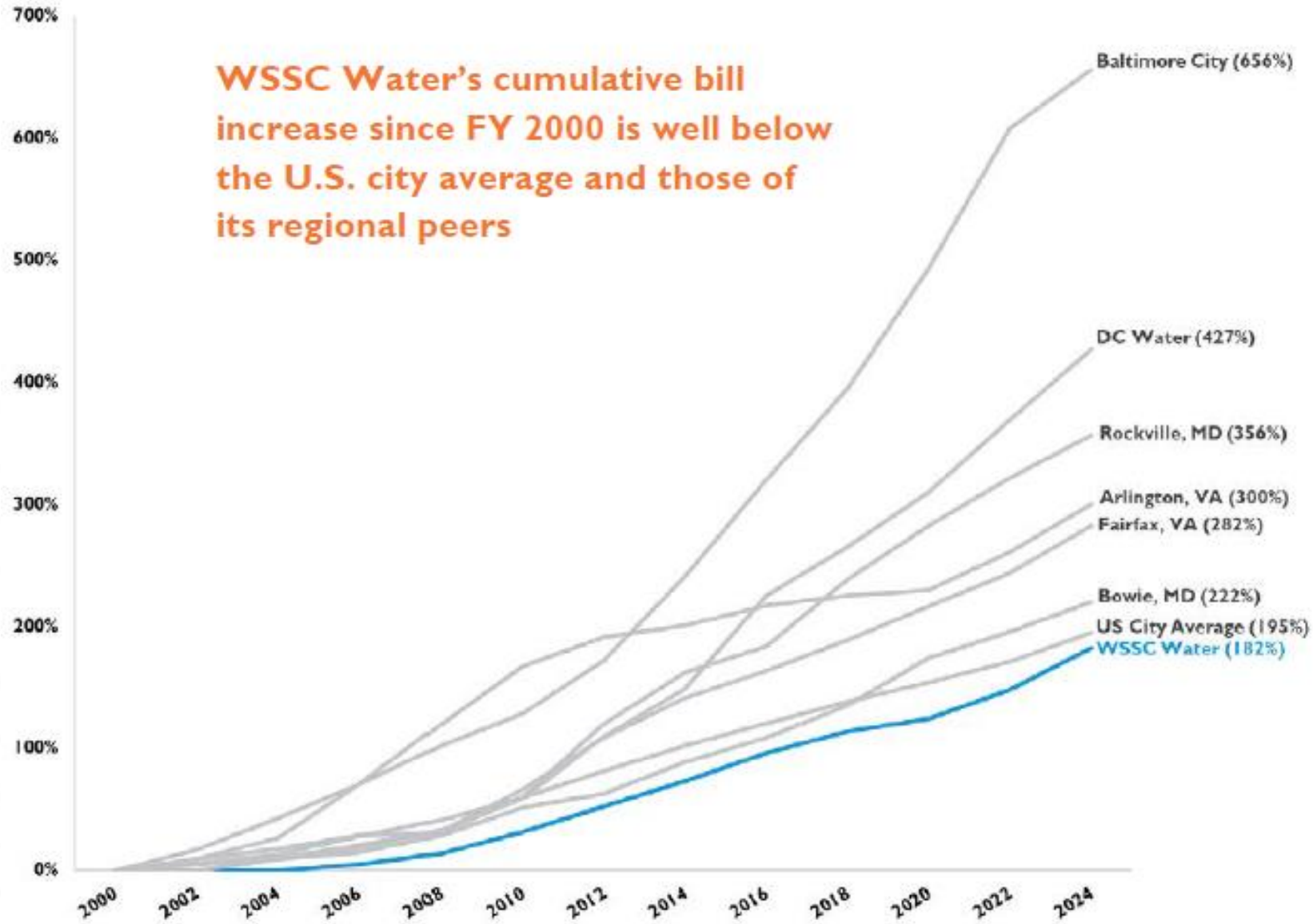
# Average Residential Bill a % of Median Income (145 Gallons per Day)



**WSSC Water is well below the 4.5% EPA affordability threshold**

# FYs 2000-2024 Bill Increase Comparison

(145 Gallons per Day; 5/8" Meter)



# Credit Rating Overview



# Credit Rating Agency Summaries



- **Fitch Ratings – ‘AAA’ Stable Outlook (Revised from Negative)**

- “The ‘AAA’ bond rating considers WSSC’s very strong utility fundamentals reflected in its revenue defensibility and operating risk profiles....”
- “The financial profile...reflects Fitch’s expectations for continued financial profile improvement leading to a trend of declining leverage...to about 8.0x over the next five years.”
- “This trend [declining leverage] is dependent upon continued healthy rate adjustments over the five-year horizon....”

- **Moody’s - ‘Aaa’ Stable Outlook**

- “The “Aaa’ rating reflects the system’s large, robust service area....”
- “[WSSC’s]...revenues provide adequate debt service coverage and the district’s cash position has improved.”
- “...the commission’s debt is ultimately secured by an unlimited taxing authority on all assessable property within the district, a key credit consideration for the Aaa rating.”

- **S&P Global Ratings – ‘AAA’ Stable Outlook**

- “[WSSC’s] credit quality is anchored by the extremely strong management team that has historically demonstrated an ability and willingness to reduce expenditures and increase rates to maintain sufficient coverage and liquidity....”
- “Management has prudent financial, operational, and capital policies, which we view as critical to the ‘AAA’ rating.”



**Questions?**

