



## DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

### Board of Directors

*Finance and Budget Committee*

*Thursday, May 26, 2016*

11:00 a.m.

1. **Call to Order**.....Timothy L. Firestine, Chairperson
2. **Financial Report and Year-End Projections** ..... Mark Kim
  - A. **April 2016 Financial Report (Attachment 1)**
  - B. **Year-End Projections (Attachment 2)**
3. **Insurance Renewal Update (Attachment 3)** .....Tanya DeLeon
4. **Capital Improvement Program Quarterly Update (Attachment 4)** ..... Liliana Maldonado
5. **New Headquarters Building Update (Attachment 5)** .....George Hawkins & Len Benson
6. **Action Items (Attachment 6)** ..... Mark Kim
  - A. Annual Property & Casualty Insurance Renewals
  - B. Approval for GMP Amendment of New Headquarters Building Construction Contract
7. **Agenda for June Committee Meeting (Attachment 7)** ..... Timothy L. Firestine
8. **Executive Session\***
9. **Adjournment**

#### ***FOLLOW-UP ITEMS – Follow-up items from the meeting held March 24, 2016.***

1. Report cost of CHP turbine shutdown (electricity generation and equipment) to May's Finance & Budget Committee meeting. **Status:** *Update will be provided after completion of ongoing performance testing and resolution of the root cause by the contractor; prior to acceptance of the project anticipated by Summer/Fall of 2016.*

\* The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10); proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.

**ATTACHMENT 1**



Fiscal Year 2016

# Monthly Financial Report

Period Ending April 30, 2016

**DEPARTMENT OF FINANCE, ACCOUNTING & BUDGET**

**Mark Kim**, Chief Financial Officer

**Gail Alexander-Reeves**, Director, Budget

**Robert Hunt**, Director, Finance

**Syed Khalil**, Manager, Financial Planning & Revenues

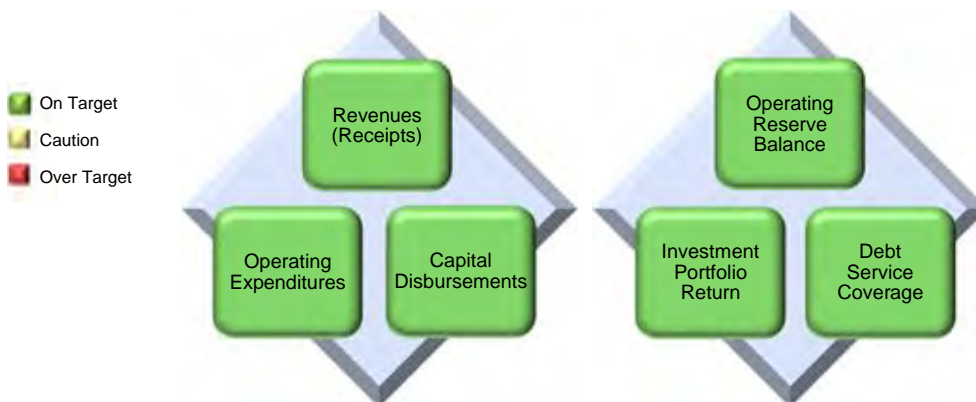
**John Madrid**, Controller

## Monthly Financial Report

### APRIL 2016

### EXECUTIVE SUMMARY

For this reporting period, with approximately 58 percent of the FY completed, we are on track with budgetary expectations and targeted performance metrics. The table below summarizes detailed information provided in the report.



(\$ in millions)

	Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)		Actual % Budget	Year-End Projections
<b>Revenues (Receipts)*</b>	\$580.5	\$338.6	\$334.9	(\$3.7)	(1.1%)	58%	\$579.1
<b>Expenditures*</b>	\$541.6	\$315.9	\$266.6	\$49.3	15.6%	49%	\$496.7
<b>Capital Disbursements</b>	\$549.0	\$338.6	\$343.8	(\$5.2)	(1.5%)	63%	\$540.6

\* *Straight-lined (7/12 of budget)*

#### Highlights:

- Completion of preliminary FY 2016 year-end projections with favorable performance in all categories
- Issued Request For Proposals for Financial Services and Investment Services
- The CEO/GM kicked off the FY 2018 proposed budget on May 16 with departmental submissions and reviews anticipated in June/July 2016
- Upcoming insurance renewals anticipated in July 2016
- DC Water's FY 2017 & 2018 Rate/Fee Proposals
  - Town Hall Meetings completed on April 27, 2016
  - Public Hearing completed May 11, 2016

**Mark T. Kim**, Chief Financial Officer

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

### Operating Revenues (\$000's)

Category	A	B*	C	D = C/A	E = C - B	F = E/B	G	H = G/A
	FY 2016 BUDGET	YTD BUDGET	YTD ACTUAL	ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)	Year-End Projections	% of Budget
Res. / Comm. / Multi.	\$311,897	181,940	\$185,586	59.5%	\$3,646	2.0%	\$321,086	102.9%
Federal	62,989	36,744	46,359	73.6%	9,615	26.2%	62,989	100.0%
Municipal (DC Govt.)	15,175	8,852	8,057	53.1%	(795)	(9.0%)	15,657	103.2%
DC Housing	8,083	4,715	5,412	67.0%	697	14.8%	8,812	109.0%
Metering Fee	10,776	6,286	6,806	63.2%	520	8.3%	11,386	105.7%
Water System Replacement Fee (WSRF)	40,000	23,333	15,964	39.9%	(7,369)	(31.6%)	29,756	74.4%
Wholesale	79,458	46,350	39,821	50.1%	(6,529)	(14.1%)	79,458	100.0%
PILOT/ROW	20,584	12,007	13,055	63.4%	1,048	8.7%	21,527	104.4%
All Other	31,553	18,406	13,899	44.0%	(4,507)	(24.5%)	28,412	90.0%
<b>TOTAL</b>	<b>\$580,514</b>	<b>\$338,633</b>	<b>\$334,960</b>	<b>57.7%</b>	<b>(\$3,673)</b>	<b>(1.1%)</b>	<b>\$579,083</b>	<b>99.8%</b>

\* Straight-lined (7/12 of budget)

### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of April 2016, cash receipts totaled \$334.9 million, or 57.7 percent of the revised FY 2016 budget. Several categories of customers make payments on a quarterly basis, including the Federal Government and wholesale customers.

Residential, Commercial and Multi-Family – Receipts for this category are higher at \$185.6 million or 59.5 percent of the revised budget. The higher receipts are on account of collection of \$2.6 million on October 5, 2015 (FY 2016) from DC Events/Sports Authority, which falls under Commercial category, following resolution of the dispute with D.C. Government regarding the Clean Rivers Impervious Surface Area Charges (CRIAC) associated with RFK stadium.

District Government – Receipts are slightly lower at \$8.1 million or 53.1 percent of the revised budget. The March billed amount of \$1.3 million was received late in May and will be reflected in the next month's report.

DC Housing – Receipts are higher at \$5.4 million or 67.0 percent of the revised budget. The DC Housing Authority did not pay the August billed amount of \$807,477.89 in September. The overdue amount was collected in October (FY2016), which resulted in higher receipts compared to the revised budget.

Water System Replacement Fee – Receipts are lower at \$16.0 million or 39.9 percent of the revised budget. The lower receipts for this new fee are due to (a) partial billing of WSRF for the month of October 2015, (b) time lag for collections, which follow billings by a month and (c) non-receipt of WSRF for Federal category since the 2016 Federal Bill, prepared in April 2014, did not include account-wise estimates for WSRF. The FY 2016 WSRF will be trued-up in FY 2019 Federal Bill.

Wholesale – Receipts are lower at \$39.8 million or 50.1 percent of the revised budget. Wholesale customers will make their third quarterly payment in the month of May 2016.

Other Revenue – Receipts are lower than the straight-lined budget at \$13.9 million or 44.0 percent of the budgeted category primarily due to IMA Indirect Cost Reimbursement, which is not anticipated to be received until the fourth quarter of the fiscal year.

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

### Operating Expenditures (\$000's)

Category	A FY 2016 BUDGET	B* YTD BUDGET	C YTD ACTUAL	D = C/A ACTUAL % BUDGET	E = B - C VARIANCE \$ Fav/(Unfav)	F = E/B VARIANCE % Fav/(Unfav)	G Year-End Projections	H = G/A % of Budget
Personnel	\$140,034	\$81,687	\$81,561	58.2%	\$126	0.2%	\$142,836	102.0%
Contractual Services	79,244	46,226	39,247	49.5%	6,979	15.1%	71,969	90.8%
Water Purchases	30,740	17,932	14,508	47.2%	3,424	19.1%	27,986	91.0%
Supplies & Chemicals	35,951	20,971	15,950	44.4%	5,021	23.9%	29,145	81.1%
Utilities	35,018	20,427	15,213	43.4%	5,214	25.5%	25,706	73.4%
Small Equipment	1,465	855	510	34.8%	345	40.3%	616	42.0%
<b>SUBTOTAL O&amp;M</b>	<b>\$322,452</b>	<b>\$188,097</b>	<b>\$166,988</b>	<b>51.8%</b>	<b>\$21,109</b>	<b>11.2%</b>	<b>\$298,258</b>	<b>92.5%</b>
Debt Service	174,766	101,947	87,550	50.1%	14,397	14.1%	154,244	88.3%
PILOT/ROW	20,744	12,101	12,101	58.3%	(0)	(0.0%)	20,744	100.0%
Cash Financed Capital Improvements	23,644	13,792	0	0.0%	13,792	100.0%	23,475	99.3%
<b>TOTAL OPERATING</b>	<b>\$541,606</b>	<b>\$315,937</b>	<b>\$266,639</b>	<b>49.2%</b>	<b>\$49,298</b>	<b>15.6%</b>	<b>\$496,721</b>	<b>91.7%</b>
Capital Labor	(18,993)	(11,079)	(10,365)	54.6%	(714)	6.4%	(18,335)	96.5%
<b>TOTAL NET OPERATING</b>	<b>\$522,613</b>	<b>\$304,858</b>	<b>\$256,274</b>	<b>49.0%</b>	<b>\$48,583</b>	<b>15.9%</b>	<b>\$478,386</b>	<b>91.5%</b>

\* Straight-lined (7/12 of budget)

### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of April 2016, with approximately 58 percent of the fiscal year completed, operating expenditures totaled \$266.6 million, or 49.2 percent of the FY 2016 budget of \$541.6 million, and are in line with expectations through this reporting period. These numbers include estimated, incurred but unpaid, invoices and are subject to revision in subsequent months.

Personnel Services – YTD expenditures are tracking favorably at \$81.6 million, or 58.2 percent of budget. Of the 1260 positions authorized, 1133 positions were filled with YTD vacancy rate of 10 percent. Overtime spending totals \$4.1 million of the annual budget of \$6.6 million.

Contractual Services – As previously reported, underspending is attributable to the lag in Authority-wide ratification and invoices for O&M contracts. This includes materialized savings from biosolids hauling costs and impact of the delayed fee to operate the CHP project, which is undergoing acceptance testing to meet established performance requirements. YTD average biosolids production is 417 wet tons/day.

Supplies & Chemicals – YTD underspending is primarily from chemicals due to lower unit prices and changes in the treatment process, which now utilizes less chemicals and uses thermal hydrolysis and the Digester system's intense heat and pressure to treat wastewater.

Utilities – YTD underspending is consistent with expectation for onsite electricity generation from the CHP project, which became operational in the summer of 2015. We have 15MW of the Authority's FY 2016 electricity load locked at an average Western Hub unit price of \$40.43/MWh, 17MW at \$36.95/MWh for FY 2017 and 10MW at \$35.75/MWh for FY 2018.

Debt Service – YTD actual debt service continues to trend below budget primarily due to current interest rates being lower than forecast. The recent refunding will also lower debt service for FY 2016.

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

### Capital Disbursements (\$000's)

Service Area	A FY 2016 BUDGET	B YTD BUDGET	C YTD ACTUAL	D = C/A ACTUAL % BUDGET	E = B - C VARIANCE \$ Fav/(Unfav)	F = E/B VARIANCE % Fav/(Unfav)	G Year-End Projections	H = G/A % of Budget
Non Process Area	\$9,309	\$2,681	\$3,103	33.3%	(422)	(15.7%)	\$4,776	51.3%
Wastewater Treatment	168,637	106,666	102,789	61.0%	3,877	3.6%	169,511	100.5%
Combined Sewer Overflow	223,105	140,164	147,783	66.2%	(7,619)	(5.4%)	224,097	100.4%
Stormwater	1,263	710	1,784	141.3%	(1,074)	(151.2%)	1,911	151.3%
Sanitary Sewer	34,786	19,567	28,616	82.3%	(9,048)	(46.2%)	45,424	130.6%
Water	61,878	37,326	50,026	80.8%	(12,700)	(34.0%)	67,808	109.6%
<b>SUBTOTAL: CAPITAL PROJECTS</b>	<b>\$498,977</b>	<b>\$307,115</b>	<b>\$334,101</b>	<b>67.0%</b>	<b>(\$26,986)</b>	<b>(8.8%)</b>	<b>\$513,527</b>	<b>102.9%</b>
Capital Equipment	39,226	23,340	7,995	20.4%	15,346	65.7%	19,751	50.4%
Washington Aqueduct	10,838	8,128	1,663	15.3%	6,465	79.5%	7,340	67.7%
<b>SUBTOTAL: ADD'L CAPITAL PROGRAMS</b>	<b>\$50,063</b>	<b>\$31,468</b>	<b>9,658</b>	<b>19.3%</b>	<b>\$21,811</b>	<b>69.3%</b>	<b>\$27,090</b>	<b>54.1%</b>
<b>TOTAL</b>	<b>\$549,040</b>	<b>\$338,583</b>	<b>\$343,759</b>	<b>62.6%</b>	<b>(\$5,176)</b>	<b>(1.5%)</b>	<b>\$540,617</b>	<b>98.5%</b>

### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of April 2016, capital disbursements are \$343.7 million or 62.6 percent of the FY 2016 budget.

Capital Projects - Project performance will be reviewed in detail as part of the quarterly CIP update by the Department of Engineering & Technical Services to the Environmental Quality & Sewerage Services, Water Quality & Water Services, and Finance & Budget Committees in May 2016.

Capital Equipment - Lower than planned disbursements are driven by the unspent reserve funds in Finance, Accounting and Budget to accommodate requests for Authority-wide projects and IT reserve funds for enterprise technology initiatives.

Washington Aqueduct (WAD) – Lower than planned disbursements represents WAD's plan to delay customer billing to draw down the pre-paid balances currently in escrow and US Treasury accounts.

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

### Cash Investments and Insurance (\$ in millions)

#### Cash Balances

Rate Stabilization Fund Account (RSF)	\$32.5
DC Insurance Reserve	1.0
Operating Reserve Accounts	140.4

**Operating Cash Balance Including RSF                      \$173.9**

Debt Service Reserve - Series 1998	23.7
Bond Fund- Construction Fund 2015A	100.6
Bond Fund- Construction Fund 2015B	145.1
CSO Grants	14.0

**Total All Funds    \$457.3**

#### OVERALL PORTFOLIO PERFORMANCE

- The operating reserve balance was \$140.4 million as compared to the operating reserve level objective of \$125.5 million for FY 2016
- Average cash balance for the month of April was \$158.8 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for April (on a cash basis) was \$98,120; YTD \$533,711
- A detailed investment performance report is attached

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

### Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD 58% Cash Budget	YTD Actual Cash Oct. 1, 2015 - Apr. 30, 2016	Variance Favorable (Unfavorable)		FY16 Year End Projection
<b>OPERATING BUDGET</b>						
<b>Cash Provided</b>						
Retail	\$448,920	\$261,870	\$268,185	\$6,315	2%	\$449,686
Wholesale	79,458	\$46,350	39,821	(6,529)	-14%	79,458
Other	51,890	\$30,269	26,953	(3,316)	-11%	49,939
<b>Total Cash Provided</b>	<b>580,268</b>	<b>338,490</b>	<b>334,959</b>	<b>(3,530)</b>	<b>-1%</b>	<b>579,082</b>
<b>Operating Cash Used</b>						
Personnel Services	121,041	70,607	69,106	1,501	2%	124,501
Contractual Services	79,243	46,225	43,845	2,380	5%	71,969
Chemicals & Supplies	35,951	20,971	22,073	(1,101)	-5%	29,145
Utilities	35,018	20,427	22,994	(2,567)	-13%	25,706
Water Purchases	30,740	17,932	15,568	2,364	13%	27,986
Small Equipment	1,465	855	332	523	61%	616
<b>Total Operating Cash Used</b>	<b>303,458</b>	<b>177,017</b>	<b>173,917</b>	<b>3,100</b>	<b>2%</b>	<b>279,923</b>
Defeasance D.S./Cash Financed Capital Improvements	23,475	13,694		13,694	100%	
<b>Other Cash Used</b>						
Debt Service	157,640	91,957	87,550	4,406	5%	154,244
Payment In Lieu of Taxes/Right of Way	20,744	12,101	10,372	1,729	14%	20,744
<b>Total Other Cash Used</b>	<b>178,384</b>	<b>104,057</b>	<b>97,922</b>	<b>6,135</b>	<b>6%</b>	<b>174,988</b>
<b>Total Cash Used</b>	<b>505,317</b>	<b>294,769</b>	<b>271,840</b>	<b>22,929</b>	<b>8%</b>	<b>454,911</b>
<b>Net Cash Provided (Used) by Operating Act.</b>	<b>74,950</b>	<b>43,721</b>	<b>63,119</b>	<b>19,398</b>		<b>124,172</b>
<b>CAPITAL BUDGET</b>						
<b>Cash Provided</b>						
Debt Proceeds	238,487	139,117	164,141	25,023	18%	213,234
EPA Grants	27,244	15,892	16,688	795	5%	24,138
CSO Grants	14,000	8,167		(8,167)	-100%	14,000
Transfer from Operations	82,548	48,153				79,550
Interest Income	998	582	572	(10)	-2%	998
Wholesale Capital Contributions	126,693	73,904	92,464	18,560	25%	128,084
<b>Total Cash Provided</b>	<b>489,969</b>	<b>285,816</b>	<b>273,865</b>	<b>(11,951)</b>	<b>-4%</b>	<b>460,003</b>
<b>Cash Used</b>						
DC Water Capital Program	538,204	313,952	342,096	(28,143)	-9%	533,278
Washington Aqueduct Projects	10,838	6,322	1,663	4,659	74%	7,340
<b>Total Cash Used</b>	<b>549,042</b>	<b>320,275</b>	<b>343,759</b>	<b>(23,484)</b>	<b>-7%</b>	<b>540,618</b>
<b>Net Cash/PAYGO Provided (Used) by Cap. Act.</b>	<b>(\$59,073)</b>	<b>(\$34,459)</b>	<b>(\$69,894)</b>	<b>(\$35,435)</b>		<b>(\$80,615)</b>
<b>Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected</b>						
Plus (Less) Operating Surplus	\$160,055		\$160,055			\$160,055
Wholesale Customer Refunds from Prior Years	74,950	43,721	63,119			124,172
Interest Earned From Bond Reserve	(5,500)	(3,208)	(4,935)			(17,554)
Transfer to Rate Stabilization Fund	247	144	1			247
Prior Year Federal Billing Reconciliation	(19,000)	(11,083)				(19,000)
DC Fleet Payment	(11,679)	(6,813)	(8,759)			(11,679)
Cash Used for Capital			819			819
<b>Balance Attributable to O&amp;M Reserve</b>	<b>(59,073)</b>	<b>(34,459)</b>	<b>(69,894)</b>			<b>(80,615)</b>
	<b>\$140,000</b>		<b>\$140,405</b>			<b>\$156,444</b>
<b>OTHER CASH RESERVES</b>						
<b>Rate Stabilization Fund</b>	<b>\$32,450</b>					
<b>DC Insurance Reserve</b>	<b>\$1,041</b>					
<b>CSO Grant</b>	<b>\$14,011</b>					



## Monthly Financial Report

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### APPENDIX

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## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

## Operating Revenues Detail

(\$ in millions)

Revenue Category	Budget	YTD Budget	YTD Actual	Variance Favorable / (Unfavorable)		YTD % of Budget	Year End Projections	Variance Proj v. Bud	% of Budget
Residential, Commercial, and Multi-family	\$311.9	\$181.9	\$185.6	\$3.7	2.0%	59.5%	\$321.0	9.1	102.9%
Federal	63.0	36.7	46.4	9.6	26.2%	73.6%	63.0	0.0	100.0%
District Government	15.2	8.9	8.1	(0.8)	-9.0%	53.1%	15.7	0.5	103.2%
DC Housing Authority	8.1	4.7	5.4	0.7	14.8%	67.0%	8.8	0.7	109.0%
Customer Metering Fee	10.8	6.3	6.8	0.5	7.9%	63.2%	11.4	0.6	105.7%
Water System Replacement Fee (WSRF)	40	23.3	16.0	(7.4)	-31.8%	39.9%	29.8	(10.2)	74.4%
Wholesale	79.5	46.3	39.8	(6.5)	-14.0%	50.1%	79.5	0.0	100.0%
Right-of-Way Fee/PILOT	20.6	12.0	13.1	1.1	9.2%	63.4%	21.5	1.0	104.4%
<b>Subtotal (before Other Revenues)</b>	<b>\$548.9</b>	<b>\$320.2</b>	<b>\$321.2</b>	<b>\$0.8</b>	<b>0.2%</b>	<b>58.5%</b>	<b>\$550.6</b>	<b>\$1.7</b>	<b>100.3%</b>
Other Revenue without RSF									
IMA Indirect Cost Reimb. For Capital Projects	8.0	4.7	0.0	(4.7)	-100.0%	0.0%	3.3	(4.7)	41.4%
DC Fire Protection Fee	10.8	6.3	5.4	0.0	0.0%	50.0%	10.8	0.0	100.0%
Stormwater (MS4)	1.0	0.6	0.7	0.1	16.7%	70.0%	0.9	(0.1)	92.7%
Interest	1.3	0.8	0.5	(0.2)	-25.0%	38.0%	1.3	0.0	100.0%
Developer Fees (Water & Sewer)	7.5	4.4	4.9	0.5	11.4%	65.3%	8.0	0.5	106.1%
Others	2.9	1.7	2.4	0.6	35.3%	82.8%	4.1	1.2	139.9%
<b>Subtotal</b>	<b>\$31.6</b>	<b>\$18.4</b>	<b>\$13.9</b>	<b>(\$4.5)</b>	<b>-24.5%</b>	<b>44.0%</b>	<b>\$28.4</b>	<b>(\$3.1)</b>	<b>89.3%</b>
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%	\$0.0	\$0.0	0.0%
<b>Other Revenue Subtotal</b>	<b>\$31.6</b>	<b>\$18.4</b>	<b>\$13.9</b>	<b>(\$4.5)</b>	<b>-24.5%</b>	<b>44.0%</b>	<b>\$28.4</b>	<b>(\$3.1)</b>	<b>90.0%</b>
<b>Grand Total</b>	<b>\$580.5</b>	<b>\$338.6</b>	<b>\$334.9</b>	<b>(\$3.7)</b>	<b>-1.1%</b>	<b>57.7%</b>	<b>\$579.1</b>	<b>(\$1.4)</b>	<b>99.8%</b>

**BREAKDOWN OF RETAIL RECEIPTS BY CUSTOMER CATEGORY**  
(\$ in 000's)

Customer Category	Clean Rivers					Total
	Water	Sewer	IAC	Metering Fee	WSRF	
Residential	\$18,786	\$22,868	\$16,086	\$3,016	\$4,272	\$65,029
Commercial	30,727	31,678	20,337	2,050	7,483	92,275
Multi-family	17,503	20,881	6,720	816	2,981	48,901
Federal	16,572	15,733	14,054	595	0	46,954
District Govt	2,633	3,218	2,207	249	949	9,256
DC Housing Authority	2,129	2,570	713	80	278	5,771
Total:	\$88,350	\$96,948	\$60,117	\$6,806	\$15,964	\$268,185
Note: The breakdown of Collections into Residential, Commercial, & Multi-family and Water and sewer is approximate as it is based on percentages of historical data and does not take into account adjustments and timing differences						

**Clean Rivers IAC - Actual vs Budget**  
(\$ in 000's)

Customer Category	FY 2016 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	\$26,086	\$15,217	\$16,086	\$869	6%	62%
Commercial	30,532	17,810	20,337	2,526	14%	67%
Multi-family	10,202	5,951	6,720	769	13%	66%
Federal	18,739	10,931	14,054	3,123	29%	75%
District Govt	8,357	4,875	2,207	(2,668)	-55%	26%
DC Housing Authority	1,221	712	713	1	0%	58%
<b>Total:</b>	<b>\$95,137</b>	<b>\$55,497</b>	<b>\$60,117</b>	<b>\$4,620</b>	<b>8%</b>	<b>63%</b>

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

### Retail Accounts Receivable (Delinquent Accounts)

The following tables show retail accounts receivable over 90 days including a breakdown by customer class.

#### Greater Than 90 Days by Month

	\$ in millions	# of accounts
September 30, 2012	\$5.5	13,063
September 30, 2013	\$4.9	11,920
September 30, 2014	\$5.3	12,442
September 30, 2015	\$6.5	11,981
October 31, 2015	\$7.1	11,737
November 30, 2015	\$6.7	11,799
December 31, 2015	\$6.9	12,487
January 31, 2016	\$7.2	13,387
February 29, 2016	\$7.3	13,096
March 31, 2016	\$7.2	12,550
April 30, 2016	\$7.0	11,907

#### Greater Than 90 Days by Customer

	Number of Accounts			Month of April (All Categories)				Total Delinquent				
				Active		Inactive						
	W & S a/c	Impervious Only a/c	Total No. of a/c	No. of a/c	Amount (\$)	No. of a/c	Amount (\$)	No. of a/c Mar.	Amount (\$)	No. of a/c Apr.	Amount (\$)	%
Commercial	10,487	3,257	13,744	987	1,702,673	178	\$ 124,829	1,305	\$ 1,825,182	1,165	\$ 1,827,502	26%
Multi-family	8,267	445	8,712	695	1,595,434	168	67,712	890	1,797,715	863	1,663,146	25%
Single-Family Residential	106,192	3,197	109,389	7,466	2,896,132	2,413	627,473	10,355	3,578,721	9,879	3,523,605	50%
Total	124,946	6,899	131,845	9,148	\$ 6,194,239	2,759	\$ 820,014	12,550	\$ 7,201,618	11,907	\$ 7,014,253	100%

Notes: Included in the above \$6.19M (or 9,148 accounts) of the DC Water Over 90 days delinquent accounts, \$2,195,155.40 (or 1,849 accounts) represents Impervious only accounts over 90 days delinquent.

-Reportable delinquencies do not include balances associated with a long standing dispute between DC Water and a large commercial customer.

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

### Overtime by Department

Department	FY 2016			
	Budget	YTD Actual	YTD Actual % of Budget	% of Regular Pay
Office of the Board Secretary	\$5,000	\$7,942	158.8%	5.7%
General Manager	7,500	6,446	85.9%	0.4%
General Counsel	2,000	24	1.2%	0.0%
External Affairs	27,000	121	0.4%	0.0%
Internal Audit	0	0	0.0%	0.0%
Information Technology	26,670	4,400	16.5%	0.2%
Procurement	30,000	13,793	46.0%	0.8%
Customer Service	260,000	185,230	71.2%	3.7%
Finance, Accounting & Budget	30,000	18,039	60.1%	0.6%
Assistant General Manager - Support Services	1,000	291	29.1%	0.1%
Human Capital Management	5,000	1,819	36.4%	0.1%
Occupational Safety and Health	2,000	329	16.4%	0.1%
Facilities Management	250,000	176,538	70.6%	7.7%
Department of Security	0	0	0.0%	0.0%
Distribution and Conveyance System	750,000	441,367	58.8%	11.6%
Engineering and Technical Services	1,063,000	466,073	43.8%	4.9%
Water Services	980,000	986,053	100.6%	13.6%
Clean Rivers	5,000	145	2.9%	0.0%
Sewer Services	900,000	611,202	67.9%	13.1%
Wastewater Treatment - Operations	1,450,780	885,539	61.0%	14.7%
Wastewater Treatment - Process Engineering	120,000	22,059	18.4%	1.6%
Maintenance Services	700,000	249,234	35.6%	5.1%
Permit Operations	15,000	2,945	19.6%	0.4%
Fleet Management	3,500	2,349	67.1%	0.6%
<b>Total DC WATER</b>	<b>\$6,633,450</b>	<b>\$4,081,939</b>	<b>61.5%</b>	<b>6.8%</b>

**Notes:**

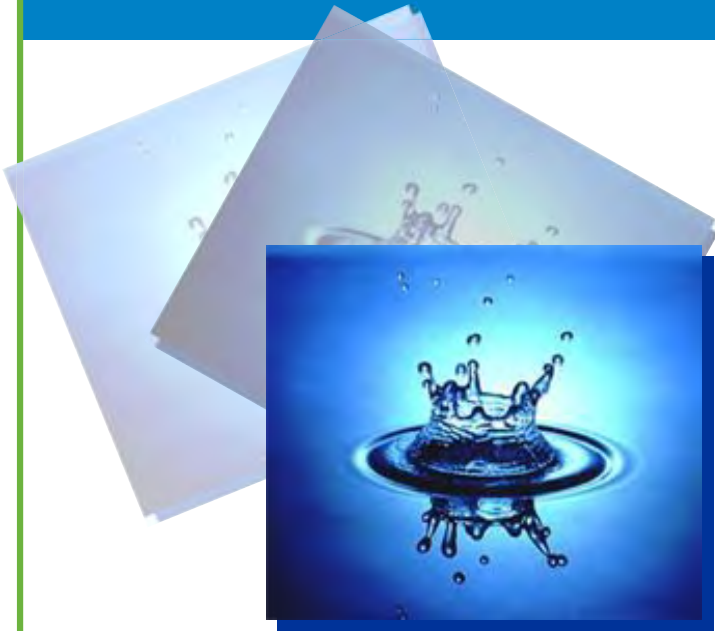
- Engineering and Technical Services department and Clean Rivers department include overtime that will be charged/transferred to capital projects at the end of the fiscal year

## Monthly Financial Report

Fiscal Year-to-Date  
As of April 30, 2016

## Capital Disbursements Detail by Program (\$000's)

Service Areas	Budget		Actual			Variance			Year-End	
	Annual	YTD	Oct. 2015 - Mar. 2016	Apr. 2016	YTD	YTD % Budget	YTD \$ Fav/(Unfav)	YTD % Fav/(Unfav)	Projection	% of Budget
<b>NON PROCESS FACILITIES</b>										
Facility Land Use	\$9,309	\$2,681	\$2,644	\$459	\$3,103	33.3%	(\$422)	-15.7%	\$4,776	51.3%
<b>Subtotal</b>	<b>9,309</b>	<b>2,681</b>	<b>2,644</b>	<b>459</b>	<b>3,103</b>	<b>33.3%</b>	<b>(422)</b>	<b>-15.7%</b>	<b>4,776</b>	<b>51.3%</b>
<b>WASTEWATER TREATMENT</b>										
Liquid Processing	16,193	7,681	5,029	1,180	6,210	38.3%	1,472	19.2%	12,298	75.9%
Plantwide	15,798	9,992	5,844	1,077	6,921	43.8%	3,072	30.7%	13,985	88.5%
Solids Processing	28,652	24,604	14,897	1,274	16,171	56.4%	8,433	34.3%	23,009	80.3%
Enhanced Nitrogen Removal Facilities	107,994	64,389	50,995	8,382	59,377	55.0%	5,012	7.8%	120,219	111.3%
<b>Subtotal</b>	<b>168,637</b>	<b>106,666</b>	<b>90,876</b>	<b>11,913</b>	<b>102,789</b>	<b>61.0%</b>	<b>3,877</b>	<b>3.6%</b>	<b>169,511</b>	<b>100.5%</b>
<b>COMBINED SEWER OVERFLOW</b>										
D.C. Clean Rivers	212,012	132,749	89,045	32,803	121,848	57.5%	10,902	8.2%	212,438	100.2%
Program Management	1,832	1,125	1,422	303	1,724	94.2%	(600)	-53.3%	3,216	175.6%
Combined Sewer	9,261	6,290	6,332	218	6,551	70.7%	(260)	-4.1%	8,443	91.2%
<b>Subtotal</b>	<b>223,105</b>	<b>140,164</b>	<b>114,459</b>	<b>33,324</b>	<b>147,783</b>	<b>66.2%</b>	<b>(7,619)</b>	<b>-5.4%</b>	<b>224,097</b>	<b>100.4%</b>
<b>STORMWATER</b>										
Local Drainage	223	141	169	3	172	77.5%	(32)	-22.4%	315	141.3%
On-Going	459	210	1,224	0	1,224	266.5%	(1,013)	-481.6%	1,160	252.6%
Pumping Facilities	0	0	0	0	0	0.0%	0	0.0%	0	0.0%
DDOT	18	11	0	0	0	0.0%	11	100.0%	0	0.0%
Research and Program Management	256	211	103	25	128	50.0%	83	39.4%	255	99.3%
Trunk/Force Sewers	307	137	180	25	204	66.5%	(67)	-48.7%	182	59.3%
<b>Subtotal</b>	<b>1,263</b>	<b>710</b>	<b>1,731</b>	<b>53</b>	<b>1,784</b>	<b>141.3%</b>	<b>(1,074)</b>	<b>-151.2%</b>	<b>1,911</b>	<b>151.3%</b>
<b>SANITARY SEWER</b>										
Collection Sewers	4,190	2,613	881	1,770	2,651	63.3%	(38)	-1.5%	7,726	184.4%
On-Going	7,463	4,081	7,824	147	7,971	106.8%	(3,890)	-95.3%	12,278	164.5%
Pumping Facilities	2,267	1,456	1,914	225	2,138	94.3%	(682)	-46.9%	3,608	159.2%
Program Management	6,742	3,798	3,933	739	4,672	69.3%	(874)	-23.0%	8,986	133.3%
Interceptor/Trunk Force Sewers	14,124	7,619	5,072	2,157	7,229	51.2%	390	5.1%	12,826	90.8%
<b>Subtotal</b>	<b>34,786</b>	<b>19,567</b>	<b>23,578</b>	<b>5,038</b>	<b>28,616</b>	<b>82.3%</b>	<b>(9,048)</b>	<b>-46.2%</b>	<b>45,424</b>	<b>130.6%</b>
<b>WATER</b>										
Distribution Systems	35,667	22,414	18,272	4,613	22,885	64.2%	(472)	-2.1%	34,509	96.8%
Lead Program	1,575	1,049	1,414	300	1,714	108.8%	(665)	-63.4%	2,476	157.2%
On-Going	5,105	2,727	3,792	257	4,048	79.3%	(1,321)	-48.4%	8,132	159.3%
Pumping Facilities	3,833	2,255	2,507	345	2,853	74.4%	(597)	-26.5%	4,796	125.1%
DDOT	893	549	1,903	0	1,903	213.0%	(1,353)	-246.4%	1,792	200.7%
Storage Facilities	9,515	5,475	6,367	222	6,589	69.2%	(1,114)	-20.3%	8,728	91.7%
Program Management	5,288	2,857	3,457	471	3,928	74.3%	(1,071)	-37.5%	7,375	139.5%
<b>Subtotal</b>	<b>61,878</b>	<b>37,326</b>	<b>43,818</b>	<b>6,208</b>	<b>50,026</b>	<b>80.8%</b>	<b>(12,700)</b>	<b>-34.0%</b>	<b>67,808</b>	<b>109.6%</b>
<b>Capital Projects</b>	<b>\$498,977</b>	<b>\$307,115</b>	<b>\$277,106</b>	<b>\$56,995</b>	<b>\$334,101</b>	<b>67.0%</b>	<b>(\$26,986)</b>	<b>-8.8%</b>	<b>\$513,527</b>	<b>102.9%</b>
<b>CAPITAL EQUIPMENT</b>	<b>39,226</b>	<b>23,340</b>	<b>6,513</b>	<b>1,482</b>	<b>7,995</b>	<b>20.4%</b>	<b>15,346</b>	<b>65.7%</b>	<b>19,751</b>	<b>50.4%</b>
<b>WASHINGTON AQUEDUCT</b>	<b>10,838</b>	<b>8,128</b>	<b>1,663</b>	<b>0</b>	<b>1,663</b>	<b>15.3%</b>	<b>6,465</b>	<b>79.5%</b>	<b>7,340</b>	<b>67.7%</b>
<b>Additional Capital Programs</b>	<b>\$50,063</b>	<b>\$31,468</b>	<b>\$8,176</b>	<b>\$1,482</b>	<b>\$9,658</b>	<b>19.3%</b>	<b>\$21,811</b>	<b>69.3%</b>	<b>\$27,090</b>	<b>54.1%</b>
<b>Total</b>	<b>\$549,040</b>	<b>\$338,583</b>	<b>\$285,282</b>	<b>\$58,476</b>	<b>\$343,759</b>	<b>62.6%</b>	<b>(\$5,176)</b>	<b>-1.5%</b>	<b>\$540,617</b>	<b>98.5%</b>



# DC Water

*Investment Performance Report – April 2016*



**DC Water  
Finance Division  
Economic Update**

### ECONOMIC COMMENTARY

- During the 1<sup>st</sup> quarter, the U.S. economy expanded at an annual rate of 0.5%, compared to 1.4% during the 4<sup>th</sup> quarter.
- The economy added only 160,000 jobs in April. This was the smallest monthly increase in jobs since September 2015 and much lower than the market's expectation of 203,000. Unemployment remained flat at 5.0%, while hourly wages have seen an increase of 2.5% over the past 12 months.
- The Federal Open Market Committee (FOMC) convened in April and maintained the federal funds target rate at 0.25% to 0.50%. The Fed noted that their stance of monetary policy remains "accommodative, thereby supporting further improvement in labor market conditions and a return to 2 percent inflation." They expect inflation to remain low in the near term, partly due to earlier declines in energy prices.

### PORTFOLIO RECAP

- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, Supranational Bonds, Commercial Paper, Negotiable CDs, Corporate Notes/Bonds, Municipal Bonds, FDIC Insured CDs, and SEC registered money market funds.
- The overall yield-to-maturity on cost of the portfolio is 0.74%.

#### Operating Reserve

- PFM sold \$2.1 million of 2¼ to 3-year U.S. Treasuries and purchased 2¼ to 3-year supranational bonds at an average yield of 1.04%. These trades generated an average additional yield of 0.15%.

#### Debt Service Reserve Fund

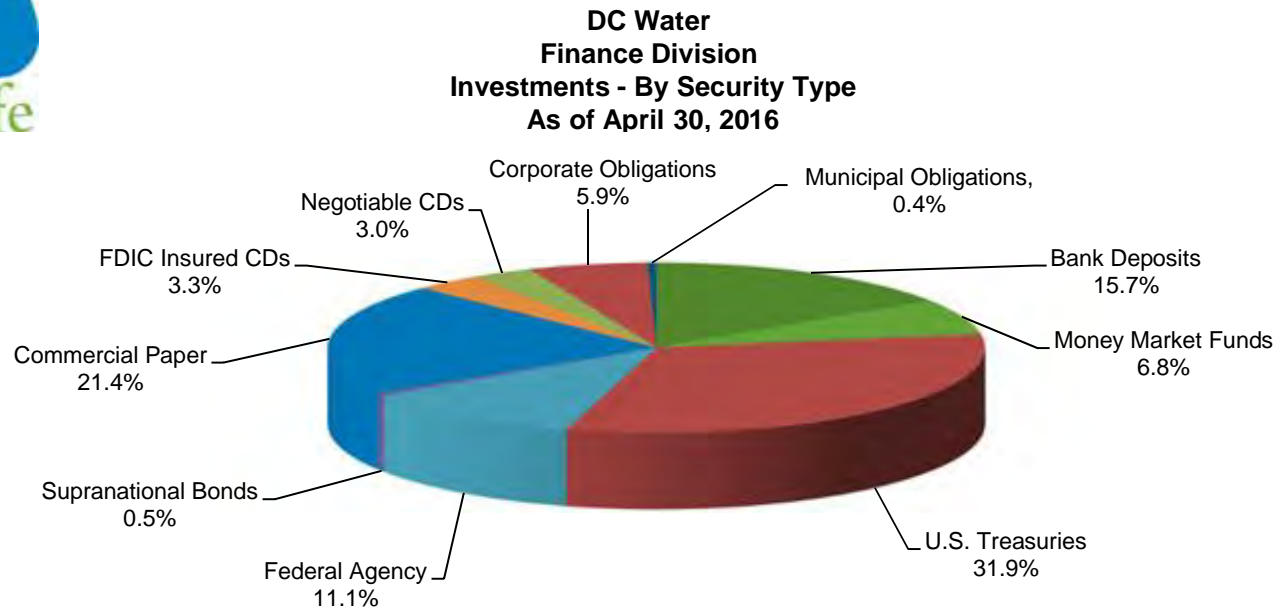
- At the end of the month PFM purchased \$10.4 million of 11-month to 1½-year U.S. Treasuries at an average yield of 0.67%.

#### 2015A Construction Fund

- PFM sold \$11.0 million of 9-month U.S. Treasuries and purchased 9-month commercial paper. This trade generated 0.45% of additional yield.

#### 2015B Construction Fund

- PFM sold \$9.9 million of 8-month U.S. Treasuries and purchased 8-month commercial paper. This trade generated 0.42% of additional yield.

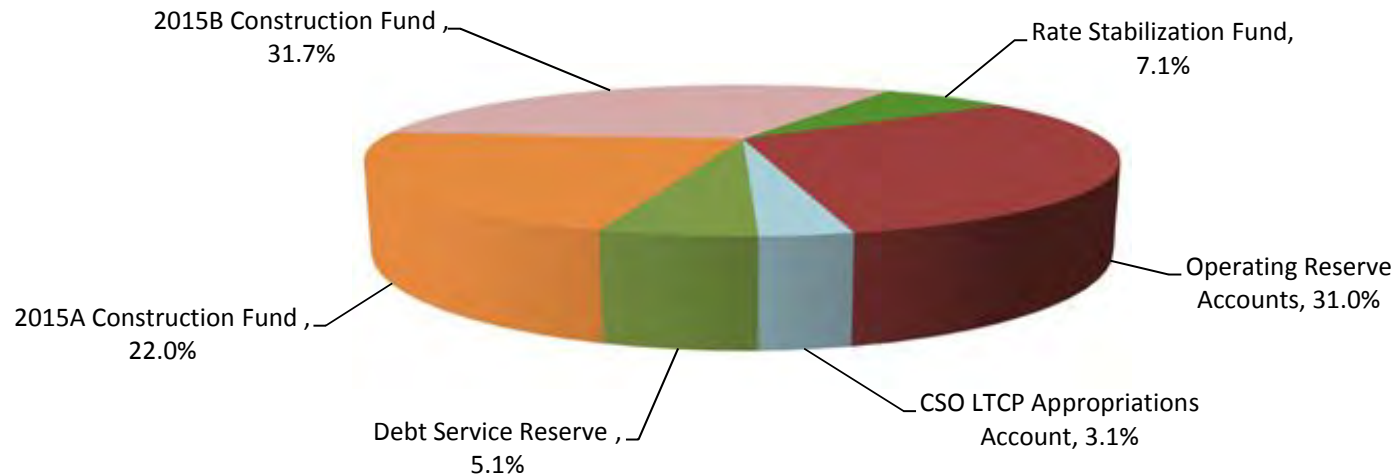


Security Type	Book Value + Accrued Interest	Asset Allocation	Permitted By Policy
Bank Deposits	72,089,852	15.6%	100.0%
Money Market Funds	31,161,717	6.8%	100.0%
U.S. Treasuries	146,194,184	31.9%	100.0%
Federal Agency	50,772,947	11.1%	80.0%
Supranational Bonds	2,155,642	0.5%	30.0%
Commercial Paper	97,777,867	21.3%	35.0%
FDIC Insured CDs	15,192,047	3.3%	30.0%
Negotiable CDs	13,841,437	3.0%	30.0%
Corporate Obligations	26,969,629	5.9%	30.0%
Municipal Obligations	1,925,841	0.4%	20.0%
<b>Total</b>	<b>\$ 458,081,162</b>	<b>100.0%</b>	





**DC Water  
Finance Division  
Investment Analysis – By Fund  
As of April 30, 2016**

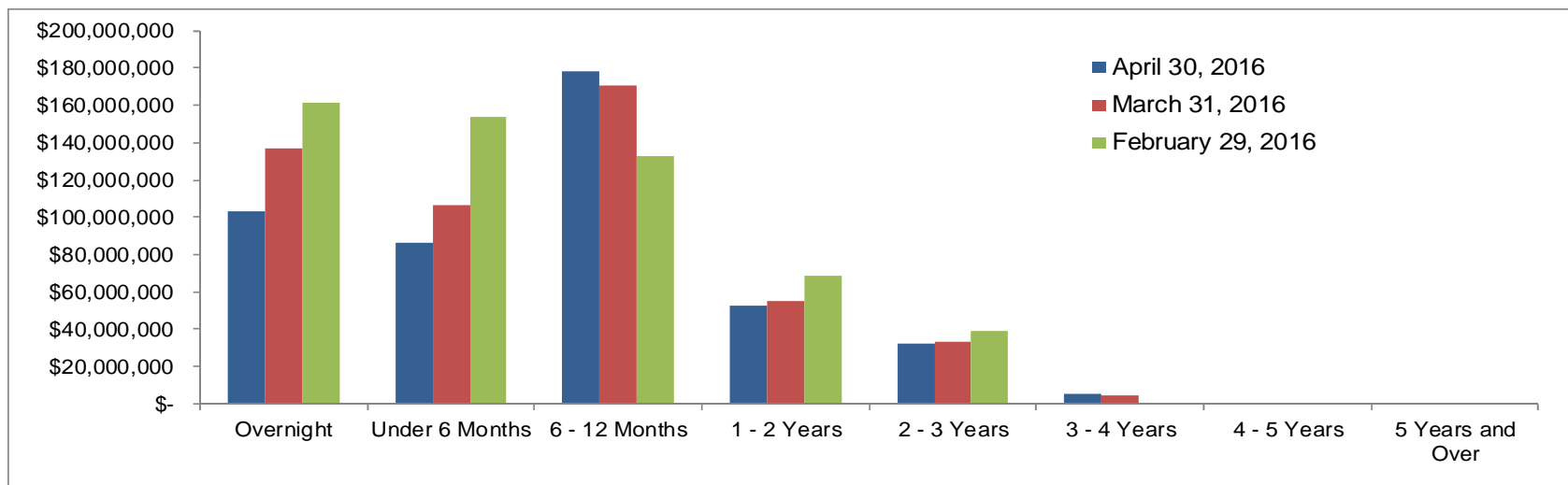


Fund Name	Book Value + Accrued Interest	Yield-to- Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Rate Stabilization Fund	\$ 32,450,000	0.68%	0.00	1.0
Operating Reserve Accounts	\$ 142,166,081	0.98%	1.18	449.9
CSO LTCP Appropriations Account	\$ 14,010,600	0.90%	0.00	1.0
Debt Service Reserve	\$ 23,515,841	0.66%	1.16	426.6
2015A Construction Fund	\$ 100,603,533	0.63%	0.66	241.8
2015B Construction Fund	\$ 145,335,107	0.60%	0.39	141.9
<b>Total</b>	<b>\$ 458,081,162</b>	<b>0.74%</b>	<b>0.69</b>	<b>259.8</b>



**DC Water  
Finance Division  
Investment Analysis – By Maturity**

Maturity Distribution	April 30, 2016	March 31, 2016	February 29, 2016
Overnight \$	103,251,569.13 \$	136,838,308.86 \$	161,162,851.94
Under 6 Months	86,560,523.83	106,498,349.85	153,968,153.69
6 - 12 Months	178,662,542.37	170,457,245.00	132,502,365.46
1 - 2 Years	52,371,384.32	55,089,975.67	68,787,019.47
2 - 3 Years	31,719,800.74	32,946,497.78	39,215,402.85
3 - 4 Years	5,515,341.87	4,253,178.12	-
4 - 5 Years	-	-	-
5 Years and Over	-	-	-
<b>Totals \$</b>	<b>458,081,162.26 \$</b>	<b>506,083,555.28 \$</b>	<b>555,635,793.41</b>





**DC Water  
Finance Division  
Investments – Issuer Allocation**

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
<b>Bank Deposits</b>					
TD Bank		66,994,487.04	14.6%	100.0%	Yes
Capital One Bank		5,095,365.28	1.1%	100.0%	Yes
<b>Sub-Total Bank Deposits</b>		<b>72,089,852.32</b>	<b>15.7%</b>	100.0%	Yes
<b>Money Market Mutual Funds</b>					
Wells Fargo Treasury Plus MMF	AAAm	21,001,218.91	4.6%	50.0%	Yes
Wells Fargo Government MMF	AAAm	10,160,497.90	2.2%	50.0%	Yes
<b>Sub-Total Money Market Mutual Funds</b>		<b>31,161,716.81</b>	<b>6.8%</b>	100.0%	Yes
<b>U.S. Treasuries</b>					
Treasury Note	AA+ / Aaa	146,194,183.58	31.9%	100.0%	Yes
<b>Sub-Total Treasuries</b>		<b>146,194,183.58</b>	<b>31.9%</b>	100.0%	Yes
<b>Federal Agencies</b>					
Fannie Mae	AA+ / Aaa	9,011,746.47	2.0%	40.0%	Yes
Federal Home Loan Bank	AA+ / Aaa	1,778,870.70	0.4%	40.0%	Yes
Freddie Mac	AA+ / Aaa	39,982,329.71	8.7%	40.0%	Yes
<b>Sub-Total Federal Agencies</b>		<b>50,772,946.88</b>	<b>11.1%</b>	80.0%	Yes
<b>Supranational Bonds</b>					
Inter-American Development Bank	AAA / Aaa	1,256,949.02	0.3%	5.0%	Yes
International Bank for Reconstruction and Development	AAA / Aaa	898,692.60	0.2%	5.0%	Yes
<b>Sub-Total Supranational Bonds</b>		<b>2,155,641.62</b>	<b>0.5%</b>	30.0%	Yes
<b>Commercial Paper</b>					
Canadian Imperial Holding	A-1 / P-1	11,058,628.88	2.4%	5.0%	Yes
Bank Of Tokyo Mitsubishi UFJ	A-1 / P-1	8,969,294.97	2.0%	5.0%	Yes
BNP Paribas NY Branch	A-1 / P-1	14,906,575.05	3.3%	5.0%	Yes
JP Morgan Securities LLC	A-1 / P-1	18,991,001.41	4.1%	5.0%	Yes
Rabobank Nederland NV NY	A-1 / P-1	9,948,525.00	2.2%	5.0%	Yes
Toyota Motor Credit Corp	A-1+ / P-1	14,913,025.05	3.3%	5.0%	Yes
UBS Finance Delaware LLC	A-1 / P-1	18,990,816.73	4.1%	5.0%	Yes
<b>Sub-Total Commercial Paper</b>		<b>97,777,867.09</b>	<b>21.3%</b>	35.0%	Yes
<b>FDIC Insured Certificates of Deposit</b>					
CDARS - Placed by Industrial Bank	NR / NR	15,192,047.05	3.3%	5.0%	Yes
<b>Sub-Total FDIC-Insured Certificates of Deposit</b>		<b>15,192,047.05</b>	<b>3.3%</b>	30.0%	Yes



**DC Water  
Finance Division  
Investments – Issuer Allocation**

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
<b>Negotiable Certificates of Deposit</b>					
Canadian Imperial Bank NY	A-1 / P-1	1,801,262.50	0.4%	5.0%	Yes
Credit Suisse NY	A-1 / P-1	1,808,844.00	0.4%	5.0%	Yes
HSBC Bank USA NA	A-1+ / P-1	1,804,470.34	0.4%	5.0%	Yes
Nordea Bank Finland NY	AA- / Aa3	1,809,027.50	0.4%	5.0%	Yes
Rabobank Nederland NV	A-1 / P-1	1,800,535.00	0.4%	5.0%	Yes
Skandinaviska Enskilda Banken NY	A-1 / P-1	1,812,284.00	0.4%	5.0%	Yes
Svenska Handelsbanken NY	A-1+ / P-1	1,803,599.91	0.4%	5.0%	Yes
US Bank NA Cincinnati	AA- / Aa1	1,201,413.81	0.3%	5.0%	Yes
<b>Sub-Total Negotiable Certificates of Deposit</b>		<b>13,841,437.06</b>	<b>3.0%</b>	30.0%	Yes
<b>Corporate Obligations</b>					
ANZ Banking Group Ltd.	AA- / Aa2	1,759,737.56	0.4%	5.0%	Yes
Apple Inc.	AA+ / Aa1	546,663.13	0.1%	5.0%	Yes
Bank of Montreal	A+ / Aa3	1,757,520.68	0.4%	5.0%	Yes
Bank of New York Mellon	A / A1	1,812,605.84	0.4%	5.0%	Yes
Bank of Nova Scotia	A+ / Aa3	1,811,300.26	0.4%	5.0%	Yes
Berkshire Hathaway Inc	AA / Aa2	130,187.71	0.0%	5.0%	Yes
Cisco Systems Inc.	AA- / A1	1,559,473.21	0.3%	5.0%	Yes
Chevron	AA- / Aa2	1,792,255.03	0.4%	5.0%	Yes
Exxon Mobil	AA+ / Aaa	1,803,588.75	0.4%	5.0%	Yes
General Electric Capital Corporation	AA+ / A1	1,820,717.69	0.4%	5.0%	Yes
IBM	AA- / Aa3	2,251,912.03	0.5%	5.0%	Yes
Merck & Co.	AA / A1	735,084.15	0.2%	5.0%	Yes
Royal Bank of Canada	AA- / Aa3	1,751,238.51	0.4%	5.0%	Yes
Toronto Dominion Bank NY	AA- / Aa1	2,000,299.72	0.4%	5.0%	Yes
Toyota Motor Credit Corp	AA- / Aa3	1,530,890.06	0.3%	5.0%	Yes
US Bank	AA- / A1	551,986.31	0.1%	5.0%	Yes
Walmart Stores Inc.	AA / Aa2	818,625.44	0.2%	5.0%	Yes
Wells Fargo & Company Notes	A / A2	1,120,980.27	0.2%	5.0%	Yes
Westpac Banking	AA- / Aa2	1,414,562.55	0.3%	5.0%	Yes
<b>Sub-Total Corporate Obligations</b>		<b>26,969,628.90</b>	<b>5.9%</b>	30.0%	Yes
<b>Municipal Obligations</b>					
Florida State	AA / Aa3	1,805,731.95	0.4%	5.0%	Yes
Mississippi State	AA / Aa2	120,109.00	0.0%	5.0%	Yes
<b>Sub-Total Municipal Obligations</b>		<b>1,925,840.95</b>	<b>0.4%</b>	20.0%	Yes
<b>Grand Total</b>		<b>\$ 458,081,162.26</b>	<b>100.0%</b>		



**DC Water  
Finance Division  
Book Value Performance  
As of April 30, 2016**

*The portfolio is in compliance with the Authority's Investment Policy*

	Trailing 1 Months		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months	Trailing 24 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized		
Total Rate Stabilization Fund	0.06%	0.68%	0.16%	0.67%	0.32%	0.65%	0.60%	0.61%
Operating Reserve Accounts	0.10%	1.20%	0.28%	1.13%	0.50%	1.00%	0.91%	0.78%
Total Debt Service Reserve	0.04%	0.46%	0.12%	0.48%	0.26%	0.52%	0.65%	0.58%
2015A Construction Fund	0.04%	0.52%	0.09%	0.39%	0.20%	0.41%	n/a	n/a
2015B Construction Fund	0.05%	0.61%	0.10%	0.42%	0.19%	0.38%	n/a	n/a
<b>Short-Term</b>	<b>0.05%</b>	<b>0.65%</b>	<b>0.14%</b>	<b>0.58%</b>	<b>0.25%</b>	<b>0.50%</b>	<b>0.42%</b>	<b>0.42%</b>
Merrill Lynch 3-Month Treasury Index (Book Value) <sup>1</sup>	0.01%	0.15%	0.05%	0.19%	0.08%	0.16%	0.09%	0.06%
<b>Core (1+ Years)</b>	<b>0.09%</b>	<b>1.13%</b>	<b>0.27%</b>	<b>1.09%</b>	<b>0.47%</b>	<b>0.95%</b>	<b>0.91%</b>	<b>0.80%</b>
Merrill Lynch 1-3 Year Treasury Index (Book Value) <sup>2</sup>	0.06%	0.75%	0.19%	0.76%	0.42%	0.84%	0.74%	0.65%

- (1) The Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking the on-the-run Treasury Bill. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.
- (2) The Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking a basket of U.S. Treasuries with 1 to 3 year maturities. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.



**DC Water  
Finance Division  
Portfolio Holdings by Fund**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>Rate Stabilization Fund</b>										
TD BANK BANK DEPOSIT		\$ 22,450,000		5/1/2016		0.90%	\$ 22,450,000	\$ 22,450,000	\$ 22,450,000	
WELLS FARGO GOVERNMENT MMF		10,000,000		5/1/2016		0.17%	10,000,000	10,000,000	10,000,000	
										\$ 32,450,000.00
<b>Operating Reserve Accounts</b>										
TD BANK BANK DEPOSIT		\$ 30,533,887		5/1/2016		0.90%	\$ 30,533,887	\$ 30,533,887	\$ 30,533,887	
CAPITAL ONE BANK		5,095,365		5/1/2016		0.25%	5,095,365	5,095,365	5,095,365	
WELLS FARGO GOVERNMENT MMF		160,498		5/1/2016		0.17%	160,498	160,498	160,498	
CREDIT SUISSE NEW YORK CERT DEPOS	22549VX73	1,800,000	0.670	5/6/2016	8/11/2015	0.67%	1,800,000	1,808,933	1,808,844	
INDUSTRIAL BANK CDARS		5,017,482	0.350	10/13/2016	10/15/2015	0.35%	5,017,482	5,027,127	5,027,127	
INDUSTRIAL BANK CDARS		5,045,079	0.400	11/10/2016	11/12/2015	0.40%	5,045,079	5,054,665	5,054,665	
US TREASURY NOTES	912828RX0	600,000	0.875	12/31/2016	12/9/2014	0.69%	602,250	603,143	602,489	
GENERAL ELEC CAP CORP GLOBAL NOTES	36962G5N0	1,200,000	2.900	1/9/2017	7/15/2014	1.03%	1,254,912	1,227,888	1,226,194	
INDUSTRIAL BANK CDARS		2,539,450	0.450	1/19/2017	1/21/2016	0.45%	2,539,450	2,542,656	2,542,656	
US BANK CORP NOTE (CALLABLE)	90331HMC4	550,000	1.100	1/30/2017	11/26/2014	0.98%	551,430	552,463	551,986	
US TREASURY NOTES	912828SC5	3,500,000	0.875	1/31/2017	7/14/2014	0.72%	3,513,945	3,516,133	3,511,789	
US TREASURY NOTES	912828SM3	100,000	1.000	3/31/2017	10/6/2014	0.80%	100,488	100,488	100,266	
CANADIAN IMPERIAL BANK NY YCD	13606JYY9	1,800,000	1.010	4/6/2017	4/10/2015	1.01%	1,800,000	1,800,138	1,801,263	
RABOBANK NEDERLAND NV CERT DEPOS	21684BXH2	1,800,000	1.070	4/21/2017	4/27/2015	1.07%	1,800,000	1,800,562	1,800,535	
FNMA NOTES	3135GQJA2	4,500,000	1.125	4/27/2017	11/21/2014	0.80%	4,535,370	4,520,732	4,515,021	
TORONTO DOMINION BANK NY CORP NT	89114QAQ1	1,200,000	1.125	5/2/2017	7/15/2014	1.14%	1,199,628	1,208,033	1,206,579	
TORONTO DOMINION BANK NY CORP NT	89114QAQ1	790,000	1.125	5/2/2017	11/26/2014	1.21%	788,317	795,288	793,720	
NORDEA BANK FINLAND NY CD	65558LFA5	1,800,000	1.150	5/26/2017	5/29/2015	1.15%	1,800,000	1,806,877	1,809,028	
FHLB GLOBAL NOTES	3130A5EP0	1,775,000	0.625	5/30/2017	5/15/2015	0.67%	1,773,527	1,779,309	1,778,871	
ANZ BANKING GROUP LTD CORP NOTES	05253JAF8	1,200,000	1.250	6/13/2017	10/30/2014	1.15%	1,203,084	1,206,208	1,207,077	
ANZ BANKING GROUP LTD CORP NOTES	05253JAF8	550,000	1.250	6/13/2017	11/26/2014	1.25%	550,055	552,846	552,660	
US TREASURY NOTES	912828TB6	1,850,000	0.750	6/30/2017	11/3/2014	0.79%	1,848,121	1,856,746	1,853,824	
BANK OF MONTREAL CORP NOTES (CALLABLE)	06366RVD4	1,200,000	1.300	7/14/2017	7/15/2014	1.27%	1,201,116	1,206,941	1,205,072	
BANK OF MONTREAL CORP NOTES (CALLABLE)	06366RVD4	550,000	1.300	7/14/2017	11/26/2014	1.25%	550,726	553,181	552,448	
FREDDIE MAC GLOBAL NOTES	3137EADJ5	1,015,000	1.000	7/28/2017	8/14/2014	1.00%	1,014,932	1,021,401	1,017,594	
US TREASURY NOTES	912828NR7	150,000	2.375	7/31/2017	7/18/2014	0.97%	156,311	154,055	153,511	
US TREASURY NOTES	912828TG5	1,560,000	0.500	7/31/2017	2/4/2015	0.63%	1,555,064	1,558,842	1,559,462	
SVENSKA HANDELSBANKEN NY FLT CERT DEPOS	86958DH54	1,800,000	1.075	8/24/2017	11/24/2015	0.84%	1,800,000	1,803,384	1,803,600	
US BANK NA CINCINNATI (CALLABLE) CD	90333VPF1	1,200,000	1.375	9/11/2017	9/11/2014	1.41%	1,198,068	1,205,475	1,201,414	
MS ST TXBL GO BONDS	605581FX0	120,000	1.090	10/1/2017	2/18/2015	1.09%	120,000	120,377	120,109	
ROYAL BANK OF CANADA CORP NOTES	78010U4A2	1,200,000	1.400	10/13/2017	10/15/2014	1.41%	1,199,820	1,204,549	1,200,752	
ROYAL BANK OF CANADA CORP NOTES	78010U4A2	550,000	1.400	10/13/2017	11/26/2014	1.39%	550,198	552,085	550,487	
CHEVRON CORP NOTE	166764AL4	885,000	1.345	11/15/2017	11/18/2014	1.35%	885,000	895,555	890,489	
SKANDINAVISKA ENSKILDA BANKEN NY CD	83050FBG5	1,800,000	1.480	11/16/2017	11/17/2015	1.48%	1,800,000	1,809,017	1,812,284	
HSBC BANK USA NA FLOATING CERT DEPOS	40428AR41	1,800,000	1.208	11/17/2017	11/18/2015	0.97%	1,800,000	1,809,546	1,804,470	
CHEVRON CORP (CALLABLE) GLOBAL NOTES	166764AA8	900,000	1.104	12/5/2017	11/26/2014	1.26%	895,743	904,553	901,766	
GENERAL ELECTRIC CO NOTES	369604BC6	550,000	5.250	12/6/2017	11/26/2014	1.45%	611,727	598,977	594,524	
TOYOTA MOTOR CREDIT CORP NOTE	89236TCA1	590,000	1.450	1/12/2018	1/12/2015	1.50%	589,192	595,576	592,129	
WESTPAC BANKING CORP NOTES	961214BZ5	1,400,000	1.600	1/12/2018	4/29/2015	1.27%	1,412,306	1,413,665	1,414,563	
INDUSTRIAL BANK CDARS		2,563,284	0.600	1/18/2018	1/21/2016	0.60%	2,563,284	2,567,599	2,567,599	
IBM CORP NOTES	459200HZ7	2,250,000	1.125	2/6/2018	2/6/2015	1.23%	2,243,138	2,260,783	2,251,912	
WAL MART STORES INC. CORP NOTES	931142CJ0	750,000	5.800	2/15/2018	6/12/2015	1.30%	838,382	824,911	818,625	
EXXON MOBIL CORP NOTES	30231GAL6	1,800,000	1.305	3/6/2018	3/6/2015	1.31%	1,800,000	1,814,684	1,803,589	
FNMA NOTE	3135GQJ61	2,250,000	0.875	3/28/2018	3/4/2016	0.97%	2,245,500	2,253,128	2,247,644	

## Investment Performance Report – April 2016



**DC Water**  
**Finance Division**  
**Portfolio Holdings by Fund**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>Operating Reserve Accounts</b>										
US TREASURY NOTES	912828UU2	4,350,000	0.750	3/31/2018	3/27/2015	1.00%	4,318,395	4,351,915	4,332,552	
MERCK & CO GLOBAL NOTES	58933YAG0	731,000	1.300	5/18/2018	3/27/2015	1.31%	730,664	739,912	735,084	
BANK OF NEW YORK MELLON CORP (CALLABLE)	06406HDB2	1,800,000	1.600	5/22/2018	5/29/2015	1.60%	1,799,838	1,827,943	1,812,606	
US TREASURY NOTES	912828VE7	2,350,000	1.000	5/31/2018	12/30/2015	1.21%	2,338,342	2,369,278	2,349,770	
BANK OF NOVA SCOTIA CORP NOTE (CALLABLE)	064159GM2	1,800,000	1.700	6/11/2018	6/11/2015	1.72%	1,799,154	1,821,679	1,811,300	
CISCO SYSTEMS INC CORP NOTE	17275RAU6	1,550,000	1.650	6/15/2018	6/17/2015	1.66%	1,549,737	1,580,866	1,559,473	
TOYOTA MOTOR CREDIT CORP	89236TCP8	935,000	1.550	7/13/2018	7/13/2015	1.58%	934,205	948,040	938,761	
INTL BANK OF RECON AND DEV SN NOTES	459058FE8	900,000	0.875	7/19/2018	4/19/2016	0.95%	898,407	898,987	898,693	
US TREASURY NOTES	912828VQ0	1,095,000	1.375	7/31/2018	7/6/2015	1.11%	1,103,811	1,112,153	1,105,254	
US TREASURY NOTES	912828RH5	2,700,000	1.375	9/30/2018	10/9/2015	0.94%	2,734,594	2,737,210	2,731,299	
US TREASURY NOTES	912828WD8	2,350,000	1.250	10/31/2018	12/30/2015	1.30%	2,346,879	2,372,569	2,347,334	
US TREASURY NOTES	912828A34	4,600,000	1.250	11/30/2018	11/9/2015	1.18%	4,609,344	4,668,960	4,631,956	
US TREASURY NOTES	912828A75	5,150,000	1.500	12/31/2018	12/4/2015	1.22%	5,193,654	5,260,985	5,213,844	
WELLS FARGO & COMPANY NOTES	94974BFQ8	1,103,000	2.150	1/15/2019	10/7/2015	1.77%	1,116,225	1,128,682	1,120,980	
APPLE INC CORP NOTES	037833BQ2	545,000	1.700	2/22/2019	2/23/2016	1.71%	544,907	554,199	546,663	
FNMA BENCHMARK NOTE	3135GQJ53	2,250,000	1.000	2/26/2019	2/23/2016	1.08%	2,244,690	2,252,852	2,249,081	
US TREASURY NOTES	912828SH4	800,000	1.375	2/28/2019	2/3/2016	1.02%	808,563	812,416	809,757	
BERKSHIRE HATHAWAY INC NOTES	084664CG4	130,000	1.700	3/15/2019	3/15/2016	1.73%	129,901	132,108	130,188	
US TREASURY NOTES	912828C65	715,000	1.625	3/31/2019	3/4/2016	1.05%	727,401	730,507	727,756	
INTER-AMERICAN DEVELOPMENT BANK	458182DX7	1,260,000	1.000	5/13/2019	4/12/2016	1.10%	1,256,220	1,256,139	1,256,949	
US TREASURY NOTES	912828WL0	2,400,000	1.500	5/31/2019	3/31/2016	0.98%	2,438,625	2,455,175	2,452,661	
FL ST BOARD ADMIN FIN CORP TXBL REV BD	341271AA2	1,800,000	2.163	7/1/2019	3/8/2016	2.16%	1,800,000	1,830,230	1,805,732	
										\$ 142,166,080.98
<b>Debt Service Reserve</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 3,363		5/1/2016		0.12%	\$ 3,363	\$ 3,363	\$ 3,363	
US TREASURY NOTES	912828MV9	6,538,000	3.250	3/31/2017	6/29/2015	0.56%	6,844,213	6,713,060	6,716,160	
US TREASURY NOTES	912828SM3	5,000,000	1.000	3/31/2017	4/26/2016	0.58%	5,019,336	5,023,375	5,023,287	
US TREASURY NOTES	912828PA2	6,257,000	1.875	9/30/2017	6/29/2015	0.76%	6,412,692	6,371,060	6,365,011	
US TREASURY NOTES	912828TS9	5,415,000	0.625	9/30/2017	4/26/2016	0.75%	5,405,058	5,413,004	5,408,020	
										\$ 23,515,841.38
<b>CSO LTCP Appropriations Account</b>										
TD BANK BANK DEPOSIT		14,010,600		5/1/2016		0.90%	14,010,600	14,010,600	14,010,600	
										\$ 14,010,599.78
<b>2015A Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 309,616		5/1/2016		0.12%	\$ 309,616	\$ 309,616	\$ 309,616	
US TREASURY NOTES	912828QR4	13,725,000	1.500	6/30/2016	11/2/2015	0.34%	13,830,082	13,821,383	13,820,245	
US TREASURY NOTES	912828RF9	6,450,000	1.000	8/31/2016	10/30/2015	0.39%	6,482,754	6,474,264	6,473,880	
BNP PARIBAS NY BRANCH COMM PAPER	09659BM98	15,000,000	-	12/9/2016	3/16/2016	1.02%	14,887,217	14,909,655	14,906,575	
CANADIAN IMPERIAL HOLDING COMM PAPER	13607EMW6	11,130,000	-	12/30/2016	4/8/2016	0.96%	11,051,874	11,064,856	11,058,629	
FHLMC NOTES	3137EADT3	38,800,000	0.875	2/22/2017	10/30/2015	0.56%	38,961,408	38,946,279	38,964,736	
US TREASURY NOTES	912828SM3	15,000,000	1.000	3/31/2017	11/2/2015	0.58%	15,087,891	15,070,125	15,069,852	
										\$ 100,603,532.78
<b>2015B Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 20,688,240		5/1/2016		0.12%	\$ 20,688,240	\$ 20,688,240	\$ 20,688,240	
UBS FINANCE DELAWARE LLC COMM PAPER	90262CEX1	19,000,000	-	5/31/2016	11/2/2015	0.58%	18,935,411	18,992,647	18,990,817	
US TREASURY NOTES	912828WM8	7,000,000	0.375	5/31/2016	10/30/2015	0.30%	7,003,008	7,011,925	7,011,395	
JP MORGAN SECURITIES LLC COMM PAPER	46640PF16	19,000,000	-	6/1/2016	10/30/2015	0.55%	18,937,590	18,992,799	18,991,001	
BANK OF TOKYO MITSUBISHI COMM PAPER	06538BJG9	9,000,000	-	9/16/2016	3/16/2016	0.89%	8,959,060	8,973,630	8,969,295	

## Investment Performance Report – April 2016



**DC Water  
Finance Division  
Portfolio Holdings by Fund**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>2015B Construction Fund</b>										
US TREASURY NOTES	912828RJ1	5,450,000	1.000	9/30/2016	10/30/2015	0.41%	5,479,379	5,468,029	5,467,920	
COOPERATIEVE RABOBANK U.A. COMM PAPER	21687ALW1	10,000,000	-	11/30/2016	4/8/2016	0.87%	9,942,967	9,945,230	9,948,525	
TOYOTA MOTOR CREDIT CORP COMM PAPER	89233GLW4	15,000,000	-	11/30/2016	3/16/2016	0.99%	14,894,242	14,922,960	14,913,025	
US TREASURY NOTES	912828RU6	5,285,000	0.875	11/30/2016	10/30/2015	0.45%	5,309,361	5,316,307	5,317,416	
US TREASURY NOTES	912828J35	35,065,000	0.500	2/28/2017	3/8/2016	0.70%	34,997,883	35,078,093	35,037,473	
										\$ 145,335,107.34
							<b>\$ 457,870,193.50</b>	<b>\$ 458,491,551.22</b>	<b>\$ 458,081,162.26</b>	<b>\$ 458,081,162.26</b>



## Investment Performance Report – April 2016



**DC Water  
Finance Division  
Security Purchases  
Last 6 Months**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<u>Operating Reserve Accounts</u>							
912828A34	US TREASURY NOTES	4,600,000.00	1.25	11/30/2018	11/9/2015	1.18	4,634,794.57
RE0960964	INDUSTRIAL BANK CDARS	5,045,079.12	0.40	11/10/2016	11/12/2015	0.41	5,045,079.12
83050FBG5	SKANDINAVISKA ENSKILDA BANKEN NY CD	1,800,000.00	1.48	11/16/2017	11/17/2015	1.48	1,800,000.00
40428AR41	HSBC BANK USA NA FLOATING CERT DEPOS	1,800,000.00	1.21	11/17/2017	11/18/2015	0.98	1,800,000.00
86958DH54	SVENSKA HANDELSBANKEN NY FLT CERT DEPOS	1,800,000.00	1.07	8/24/2017	11/24/2015	0.85	1,800,000.00
912828A75	US TREASURY NOTES	5,550,000.00	1.50	12/31/2018	12/4/2015	1.22	5,632,561.90
912828VE7	US TREASURY NOTES	2,350,000.00	1.00	5/31/2018	12/30/2015	1.21	2,340,268.03
912828WD8	US TREASURY NOTES	2,350,000.00	1.25	10/31/2018	12/30/2015	1.30	2,351,720.94
RE0959511	INDUSTRIAL BANK CDARS	2,539,450.42	0.45	1/19/2017	1/21/2016	0.46	2,539,450.42
RE0959529	INDUSTRIAL BANK CDARS	2,563,284.34	0.60	1/18/2018	1/21/2016	0.61	2,563,284.34
912828SH4	US TREASURY NOTES	3,000,000.00	1.38	2/28/2019	2/3/2016	1.02	3,049,787.95
3135G0J53	FNMA BENCHMARK NOTE	2,250,000.00	1.00	2/26/2019	2/23/2016	1.08	2,244,690.00
037833BQ2	APPLE INC CORP NOTES	545,000.00	1.70	2/22/2019	2/23/2016	1.71	544,907.35
3135G0J61	FNMA NOTE	2,250,000.00	0.88	3/28/2018	3/4/2016	0.97	2,245,500.00
912828C65	US TREASURY NOTES	2,050,000.00	1.63	3/31/2019	3/4/2016	1.05	2,099,753.46
341271AA2	FL ST BOARD ADMIN FIN CORP TXBL REV BD	1,800,000.00	2.16	7/1/2019	3/8/2016	2.16	1,800,000.00
084664CG4	BERKSHIRE HATHAWAY INC NOTES	130,000.00	1.70	3/15/2019	3/15/2016	1.73	129,901.20
912828WL0	US TREASURY NOTES	2,400,000.00	1.50	5/31/2019	3/31/2016	0.98	2,450,625.00
<b>458182DX7</b>	<b>INTER-AMERICAN DEVELOPMENT BANK</b>	<b>1,260,000.00</b>	<b>1.00</b>	<b>5/13/2019</b>	<b>4/12/2016</b>	<b>1.10</b>	<b>1,256,220.00</b>
<b>459058FE8</b>	<b>INTL BANK OF RECON AND DEV SN NOTES</b>	<b>900,000.00</b>	<b>0.88</b>	<b>7/19/2018</b>	<b>4/19/2016</b>	<b>0.95</b>	<b>898,407.00</b>
<u>Total Debt Service Reserve</u>							
<b>912828SM3</b>	<b>US TREASURY NOTES</b>	<b>5,000,000.00</b>	<b>1.00</b>	<b>3/31/2017</b>	<b>4/26/2016</b>	<b>0.58</b>	<b>5,022,887.85</b>
<b>912828TS9</b>	<b>US TREASURY NOTES</b>	<b>5,415,000.00</b>	<b>0.63</b>	<b>9/30/2017</b>	<b>4/26/2016</b>	<b>0.75</b>	<b>5,407,462.60</b>
<u>2015A Construction Fund</u>							
912828QR4	US TREASURY NOTES	13,725,000.00	1.50	6/30/2016	11/2/2015	0.34	13,900,012.40
912828SM3	US TREASURY NOTES	15,000,000.00	1.00	3/31/2017	11/2/2015	0.58	15,101,415.22
09659BM98	BNP PARIBAS NY BRANCH COMM PAPER	15,000,000.00	-	12/9/2016	3/16/2016	1.03	14,887,216.67
<b>13607EMW6</b>	<b>CANADIAN IMPERIAL HOLDING COMM PAPER</b>	<b>11,130,000.00</b>	<b>-</b>	<b>12/30/2016</b>	<b>4/8/2016</b>	<b>0.97</b>	<b>11,051,873.58</b>
<u>2015B Construction Fund</u>							
89233GC20	TOYOTA MOTOR CREDIT CORP COMM PAPER	19,000,000.00	-	3/2/2016	11/2/2015	0.31	18,980,203.06
90262CEX1	UBS FINANCE DELAWARE LLC COMM PAPER	19,000,000.00	-	5/31/2016	11/2/2015	0.59	18,935,410.56
313384PZ6	FEDERAL HOME LOAN BANKS DISC NOTE	30,000,000.00	-	12/2/2015	11/4/2015	0.03	29,999,300.00
912828J35	US TREASURY NOTES	35,065,000.00	0.50	2/28/2017	3/8/2016	0.70	35,001,694.81
06538BJG9	BANK OF TOKYO MITSUBISHI COMM PAPER	9,000,000.00	-	9/16/2016	3/16/2016	0.91	8,959,060.00
89233GLW4	TOYOTA MOTOR CREDIT CORP COMM PAPER	15,000,000.00	-	11/30/2016	3/16/2016	1.00	14,894,241.67
<b>21687ALW1</b>	<b>COOPERATIEVE RABOBANK U.A. COMM PAPER</b>	<b>10,000,000.00</b>	<b>-</b>	<b>11/30/2016</b>	<b>4/8/2016</b>	<b>0.89</b>	<b>9,942,966.70</b>

Securities highlighted in **blue font** denote trades executed during the current month.

## Investment Performance Report – April 2016



**DC Water  
Finance Division  
Security Sales  
Last 6 Months**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<u>Operating Reserve Accounts</u>							
3130A2T97	FHLB NOTES	595,000.00	0.50	9/28/2016	11/9/2015	0.55	595,077.02
912828QX1	US TREASURY NOTES	3,035,000.00	1.50	7/31/2016	11/9/2015	0.45	3,070,494.24
912828WQ9	US TREASURY NOTES	1,000,000.00	0.50	6/30/2016	11/9/2015	0.40	1,002,418.48
912828TG5	US TREASURY NOTES	1,700,000.00	0.50	7/31/2017	11/17/2015	0.77	1,694,814.53
912828TG5	US TREASURY NOTES	100,000.00	0.50	7/31/2017	11/17/2015	0.77	99,694.98
40428AC54	HSBC BANK USA NA CD	1,800,000.00	0.88	8/15/2016	11/18/2015	0.74	1,805,955.83
05574RSY2	BNP PARIBAS NY BRANCH CERT DEPOS	1,800,000.00	0.56	12/4/2015	11/24/2015	0.13	1,807,466.73
3130A2T97	FHLB NOTES	1,000,000.00	0.50	9/28/2016	12/4/2015	0.70	999,326.67
912828WF3	US TREASURY NOTES	4,600,000.00	0.63	11/15/2016	12/4/2015	0.70	4,598,446.00
912828MD9	US TREASURY NOTES	4,225,000.00	3.25	12/31/2016	12/30/2015	0.79	4,396,927.65
912828RX0	US TREASURY NOTES	3,000,000.00	0.88	12/31/2016	2/3/2016	0.64	3,008,780.05
912828A75	US TREASURY NOTES	400,000.00	1.50	12/31/2018	2/23/2016	0.91	407,561.99
912828SH4	US TREASURY NOTES	2,200,000.00	1.38	2/28/2019	2/23/2016	0.94	2,242,985.75
912828RX0	US TREASURY NOTES	2,000,000.00	0.88	12/31/2016	3/4/2016	0.69	2,006,045.68
912828RX0	US TREASURY NOTES	75,000.00	0.88	12/31/2016	3/4/2016	0.69	75,226.71
912828UU2	US TREASURY NOTES	2,200,000.00	0.75	3/31/2018	3/4/2016	0.88	2,201,189.03
912828UU2	US TREASURY NOTES	50,000.00	0.75	3/31/2018	3/4/2016	0.88	50,027.03
46640PDV2	JP MORGAN SECURITIES LLC COMM PAPER	1,800,000.00	-	4/29/2016	3/8/2016	0.51	1,798,700.00
912828C65	US TREASURY NOTES	100,000.00	1.63	3/31/2019	3/15/2016	1.08	102,354.74
912828RX0	US TREASURY NOTES	2,400,000.00	0.88	12/31/2016	3/31/2016	0.59	2,410,406.25
<b>912828C65</b>	<b>US TREASURY NOTES</b>	<b>1,235,000.00</b>	<b>1.63</b>	<b>3/31/2019</b>	<b>4/12/2016</b>	<b>0.88</b>	<b>1,262,625.37</b>
<b>912828VQ0</b>	<b>US TREASURY NOTES</b>	<b>880,000.00</b>	<b>1.38</b>	<b>7/31/2018</b>	<b>4/19/2016</b>	<b>0.80</b>	<b>894,107.35</b>
<u>2014A Construction Fund</u>							
06538BA45	BANK OF TOKYO MITSUBISHI UFJ COMM PAPER	6,400,000.00	-	1/4/2016	12/24/2015	0.42	6,399,198.22
<u>2015A Construction Fund</u>							
912828H29	US TREASURY NOTES	14,875,000.00	0.63	12/31/2016	3/16/2016	0.67	14,888,600.51
<b>912828H29</b>	<b>US TREASURY NOTES</b>	<b>11,025,000.00</b>	<b>0.63</b>	<b>12/31/2016</b>	<b>4/8/2016</b>	<b>0.52</b>	<b>11,052,354.27</b>
<u>2015A Construction Fund</u>							
912828RJ1	US TREASURY NOTES	8,900,000.00	1.00	9/30/2016	42,445.00	0.56	8,962,059.49
912828RU6	US TREASURY NOTES	14,830,000.00	0.88	11/30/2016	42,445.00	0.64	14,892,266.50
<b>912828RU6</b>	<b>US TREASURY NOTES</b>	<b>9,885,000.00</b>	<b>0.88</b>	<b>11/30/2016</b>	<b>42,468.00</b>	<b>0.47</b>	<b>9,941,592.72</b>

Securities highlighted in **blue font** denote trades executed during the current month.



**DC Water  
Finance Division  
Security Maturities  
Last 6 Months**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<u>Operating Reserve Accounts</u>							
RE0908161	INDUSTRIAL BANK CDARS	5,024,994.20	0.40	11/12/2015	11/12/2015	0.00	5,045,094.18
RE0908179	CITY FIRST BK OF WASHINGTON, DC (CDARS)	5,019,985.06	0.30	11/12/2015	11/12/2015	0.00	5,035,045.02
RE0907999	INDUSTRIAL BANK CDARS	2,545,282.08	0.75	1/21/2016	1/21/2016	0.00	2,583,461.31
RE0908229	INDUSTRIAL BANK CDARS	2,539,450.42	0.45	1/21/2016	1/21/2016	0.00	2,550,877.95
RE0908013	CITY FIRST BK OF WASHINGTON, DC (CDARS)	2,530,096.57	0.40	3/17/2016	3/17/2016	0.00	2,550,337.34
RE0908278	CITY FIRST BK OF WASHINGTON, DC (CDARS)	2,530,096.63	0.30	3/17/2016	3/17/2016	0.00	2,537,686.92
<u>Debt Service Reserve Fund</u>							
313375RN9	FHLB NOTES	10,000,000.00	1.00	3/11/2016	3/11/2016	0.00	10,000,000.00
<u>2014A Construction Fund</u>							
06538BA45	BANK OF TOKYO MITSUBISHI UFJ COMM PAPER	1,100,000.00	-	1/4/2016	1/4/2016	0.00	1,100,000.00
22533TA48	CREDIT AGRICOLE CIB NY COMM PAPER	19,000,000.00	-	1/4/2016	1/4/2016	0.00	19,000,000.00
<b>06538BD18</b>	<b>BANK OF TOKYO MITS UFJ LTD COMM PAPER</b>	<b>6,000,000.00</b>	<b>-</b>	<b>4/1/2016</b>	<b>4/1/2016</b>	<b>0.00</b>	<b>6,000,000.00</b>
<b>21687AD18</b>	<b>RABOBANK NEDERLAND NV NY COMM PAPER</b>	<b>19,000,000.00</b>	<b>-</b>	<b>4/1/2016</b>	<b>4/1/2016</b>	<b>0.00</b>	<b>19,000,000.00</b>
<u>2015 BConstruction Fund</u>							
313384PZ6	FEDERAL HOME LOAN BANKS DISC NOTE	30,000,000.00	-	12/2/2015	12/2/2015	0.00	30,000,000.00
06538BC19	BANK OF TOKYO MITSUBISHI COMM PAPER	7,000,000.00	-	3/1/2016	3/1/2016	0.00	7,000,000.00
09659BC16	BNP PARIBAS NY BRANCH COMM PAPER	19,000,000.00	-	3/1/2016	3/1/2016	0.00	19,000,000.00
89233GC20	TOYOTA MOTOR CREDIT CORP COMM PAPER	19,000,000.00	-	3/2/2016	3/2/2016	0.00	19,000,000.00

Securities highlighted in **blue font** denote trades executed during the current month.



**DC Water  
Finance Division  
Upcoming Transaction Cash Flows  
Next 30 Days**

DATE	TRANSACTION	CUSIP	DESCRIPTION	COUPON	MATURITY DATE	PAR VALUE/SHARES	PRINCIPAL	INTEREST	TOTAL
05/02/16	INTEREST	89114QAQ1	TORONTO DOMINION BANK NY CORP NT	1.125	05/02/17	790,000.00	0.00	4,443.75	4,443.75
05/02/16	INTEREST	89114QAQ1	TORONTO DOMINION BANK NY CORP NT	1.125	05/02/17	1,200,000.00	0.00	6,750.00	6,750.00
05/06/16	MATURITY	22549VX73	CREDIT SUISSE NEW YORK CERT DEPOS	0.670	05/06/16	1,800,000.00	1,800,000.00	9,011.50	1,809,011.50
05/15/16	INTEREST	166764AL4	CHEVRON CORP NOTE	1.345	11/15/17	885,000.00	0.00	5,951.63	5,951.63
05/17/16	INTEREST	40428AR41	HSBC BANK USA NA FLOATING CERT DEPOS	1.208	11/17/17	1,800,000.00	0.00	4,293.45	4,293.45
05/18/16	INTEREST	58933YAG0	MERCK & CO GLOBAL NOTES	1.300	05/18/18	731,000.00	0.00	4,751.50	4,751.50
05/22/16	INTEREST	06406HDB2	BANK OF NEW YORK MELLON CORP (CALLABLE)	1.600	05/22/18	1,800,000.00	0.00	14,400.00	14,400.00
05/24/16	INTEREST	86958DH54	SVENSKA HANDELSBANKEN NY FLT CERT DEPOS	1.075	08/24/17	1,800,000.00	0.00	3,744.45	3,744.45
05/26/16	INTEREST	65558LFA5	NORDEA BANK FINLAND NY CD	1.150	05/26/17	1,800,000.00	0.00	10,465.00	10,465.00



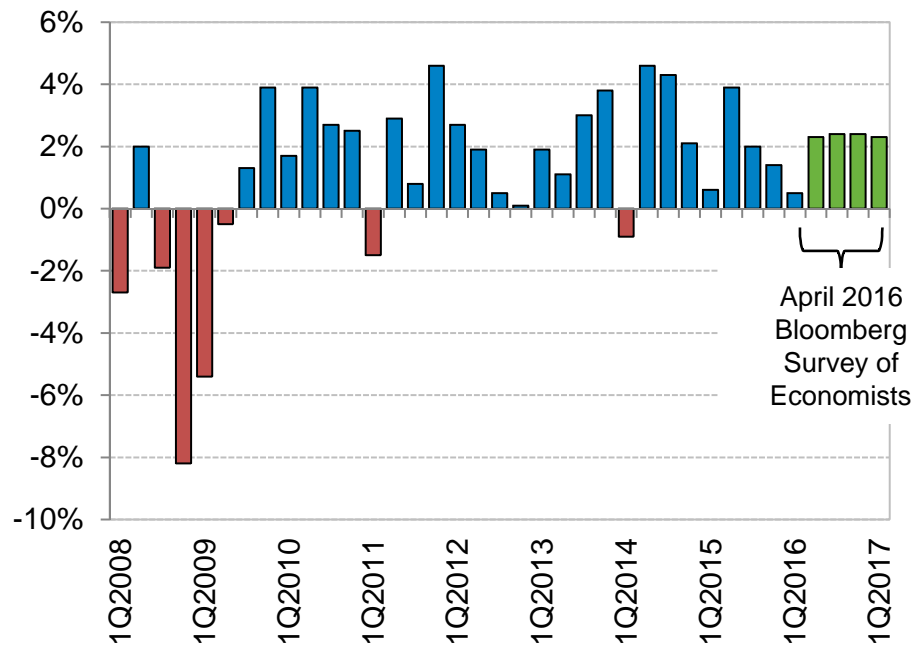
# Appendix: Economic Update



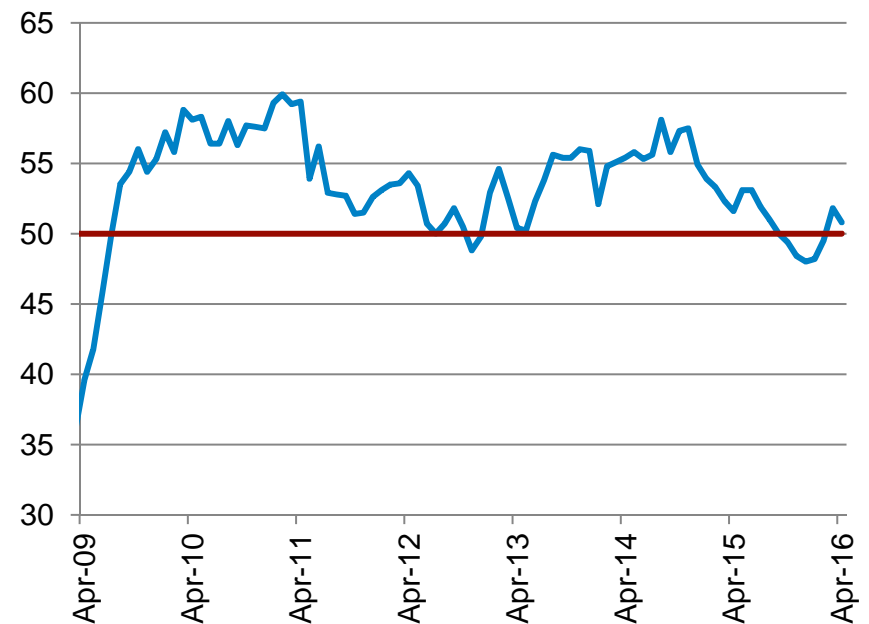
## Gross Domestic Product

- U.S. Gross Domestic Product (GDP) during the first quarter was only 0.5%
- The ISM manufacturing index slowed in April, from 51.8 to 50.8, moderately below expectations but continues to show growth.

**Gross Domestic Product**  
January 2008 – March 2017 (Projected)



**ISM Manufacturing Index**  
April 2009 – April 2016

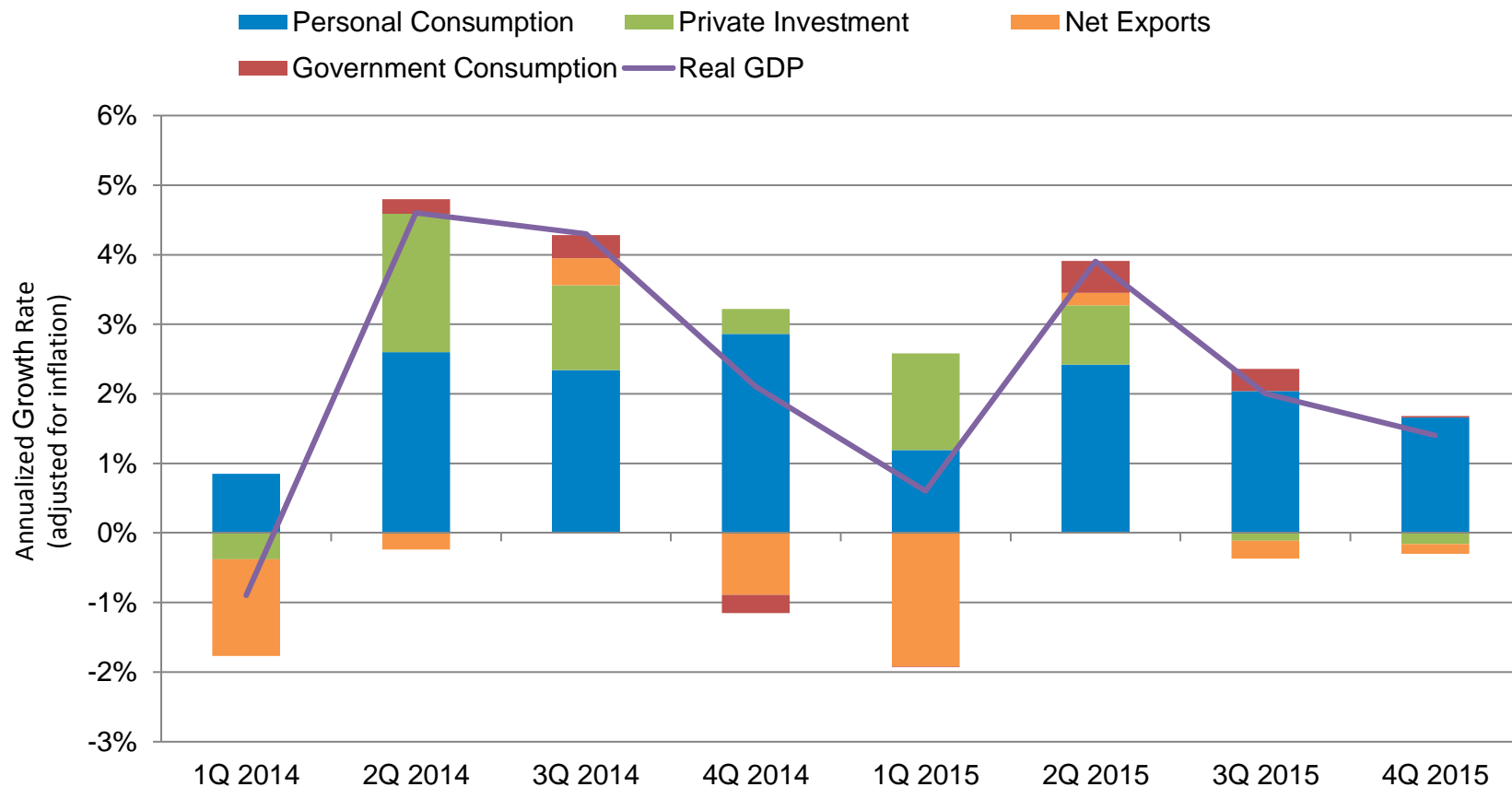


Source: Bloomberg



## The Consumer Continues to Drive GDP

- Consumer spending continued to drive growth while investment and net exports were a drag

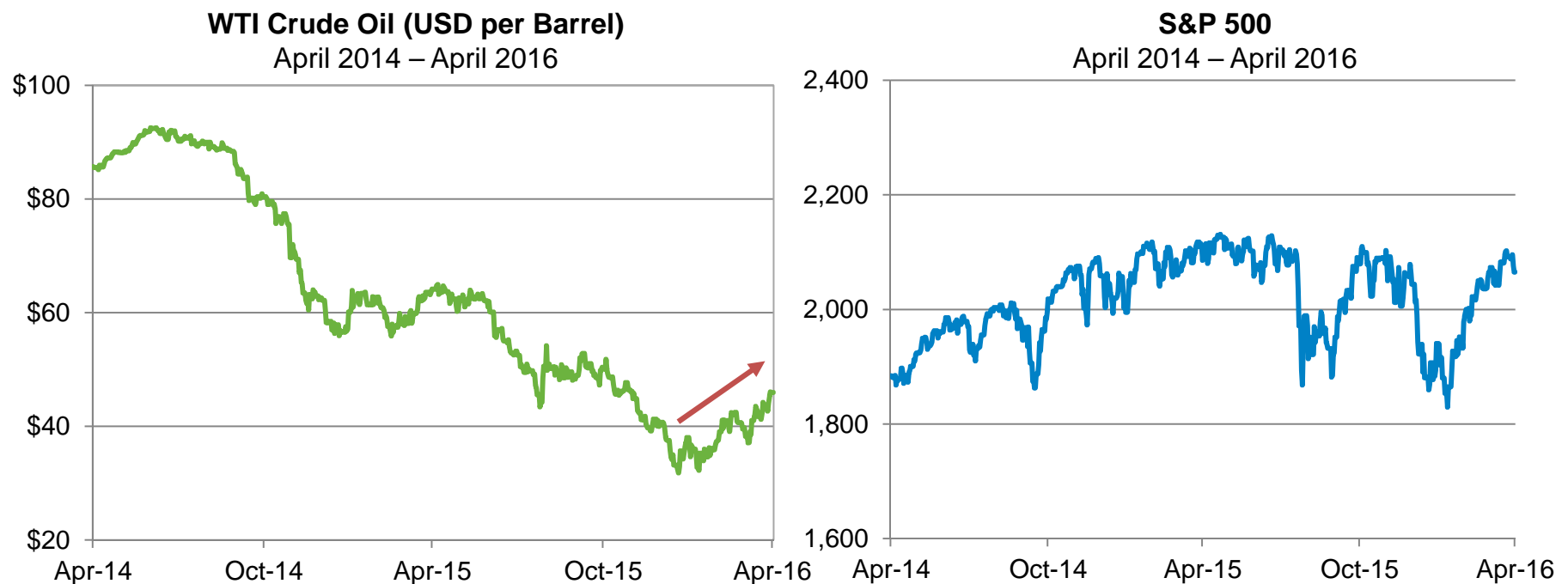


Source: Bloomberg



## Oil Prices

- Oil prices have increased 44.5% since January 2016. The increase in oil prices has helped stabilize the global markets by decreasing the fear of oil companies defaulting and economies of oil exporting countries destabilizing.
- As these global fears have abated, we have seen the stock market rebound.



Source: Bloomberg

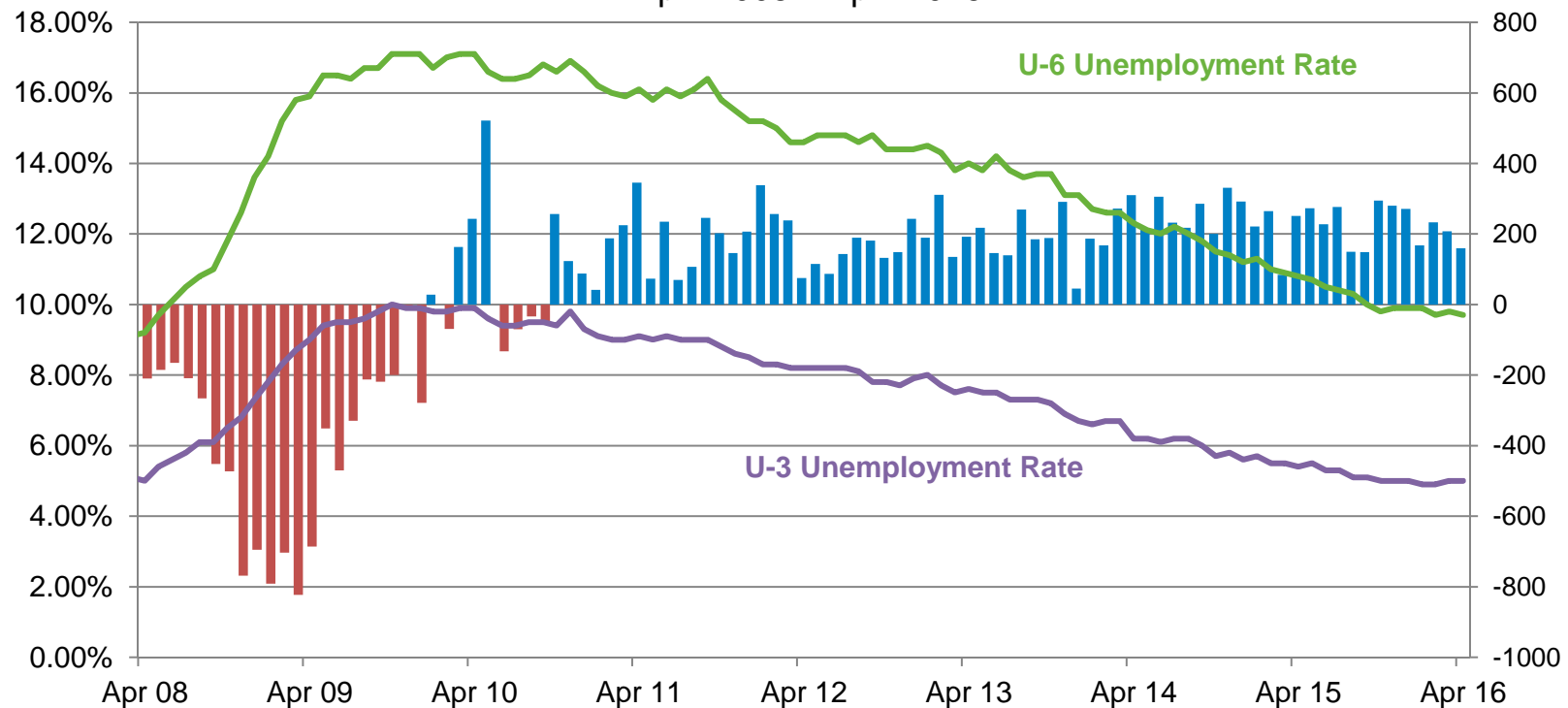




## U.S. Labor Market Improvement

- Through the first four months of 2016, the U.S. economy has added a total of 769,000 jobs (on average 192,000 per month). This consistent job creation has encouraged workers to return to the workforce with a recent uptick in the labor force participation rate.
- The unemployment rate is currently 5.0%, leading some economists to suggest that the U.S. is nearing full employment.

**Unemployment vs. Non-Farm Payrolls**  
April 2008 – April 2016



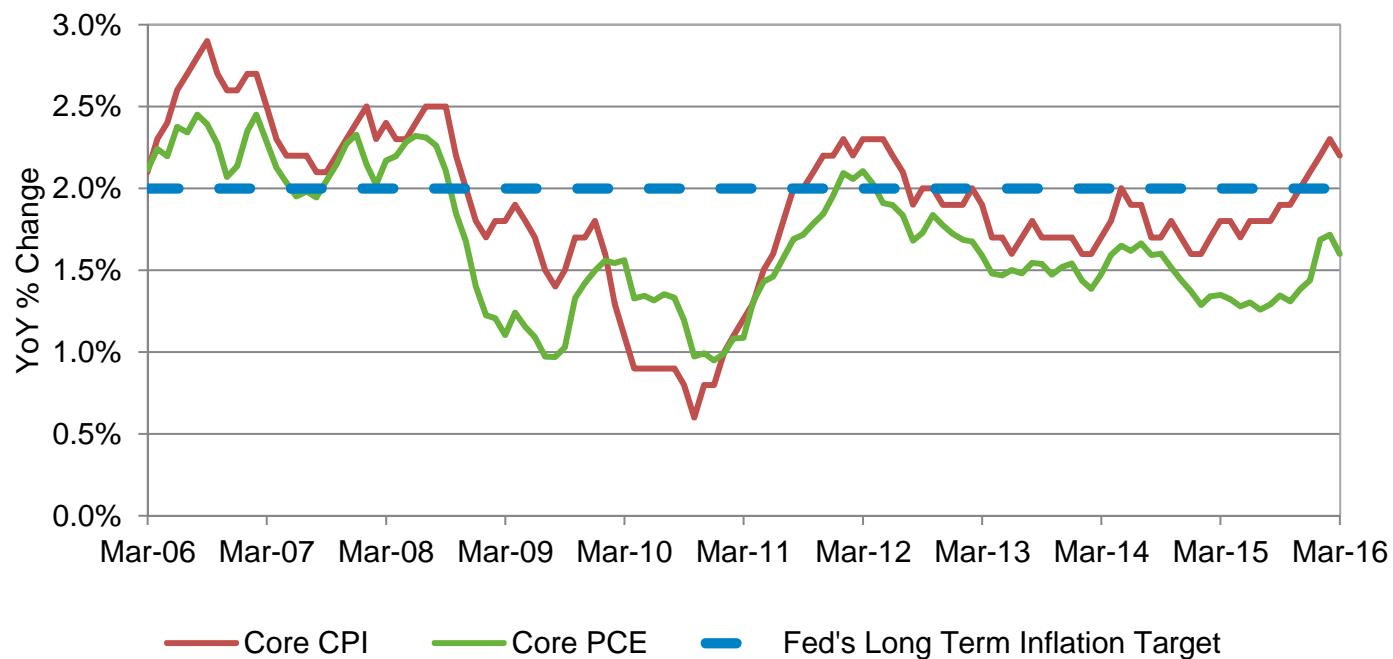
Source: Bloomberg



## Inflation Picking Up

- The core personal consumption expenditures (PCE) price index shows inflation at 1.6%
- Wage growth continues to show modest improvement, while a rebound in home prices remain a strong driver of inflation.

**Inflation Measures**  
**Consumer Price Index vs Personal Consumption Expenditures**  
 March 2006 – March 2016

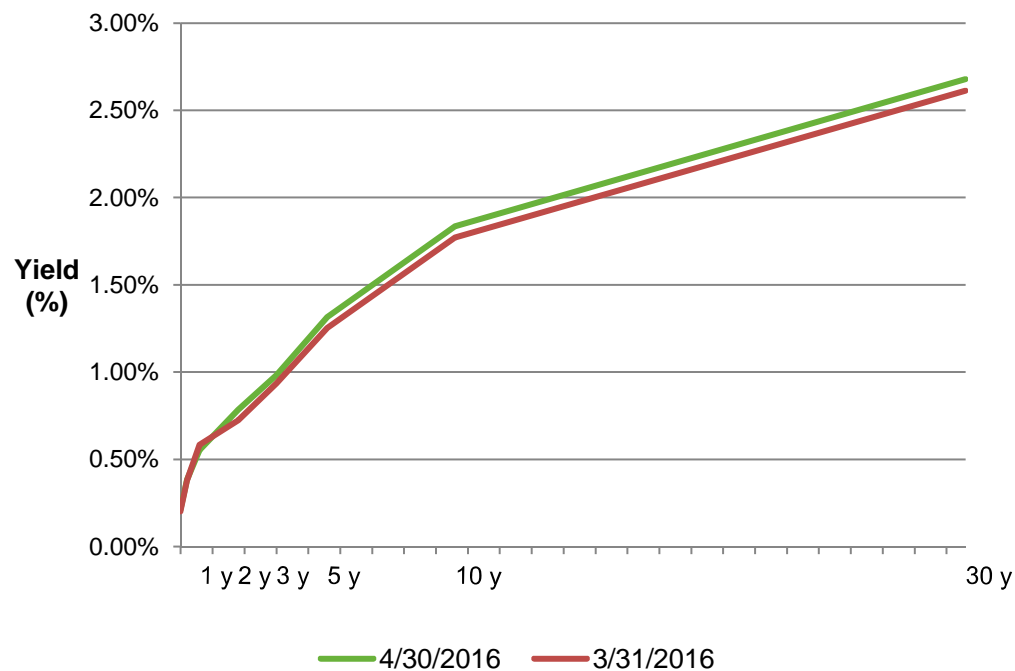


Source: Bloomberg



## Interest Rates Rose Slightly in April

**U.S. Treasury Yield Curve**  
April 30, 2016 vs. March 31, 2016



	4/30/2016	3/31/2016	Change
3 month	0.21%	0.20%	0.01%
6 month	0.38%	0.38%	0.00%
1 year	0.55%	0.58%	-0.03%
2 year	0.78%	0.72%	0.06%
3 year	0.98%	0.93%	0.05%
5 year	1.31%	1.25%	0.06%
10 year	1.83%	1.77%	0.06%
30 year	2.68%	2.61%	0.07%

Source: Bloomberg



## Disclosure

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*CDARS holdings and Bank Deposits are not managed by PFMAM, and therefore we cannot guarantee the accuracy of holdings.*



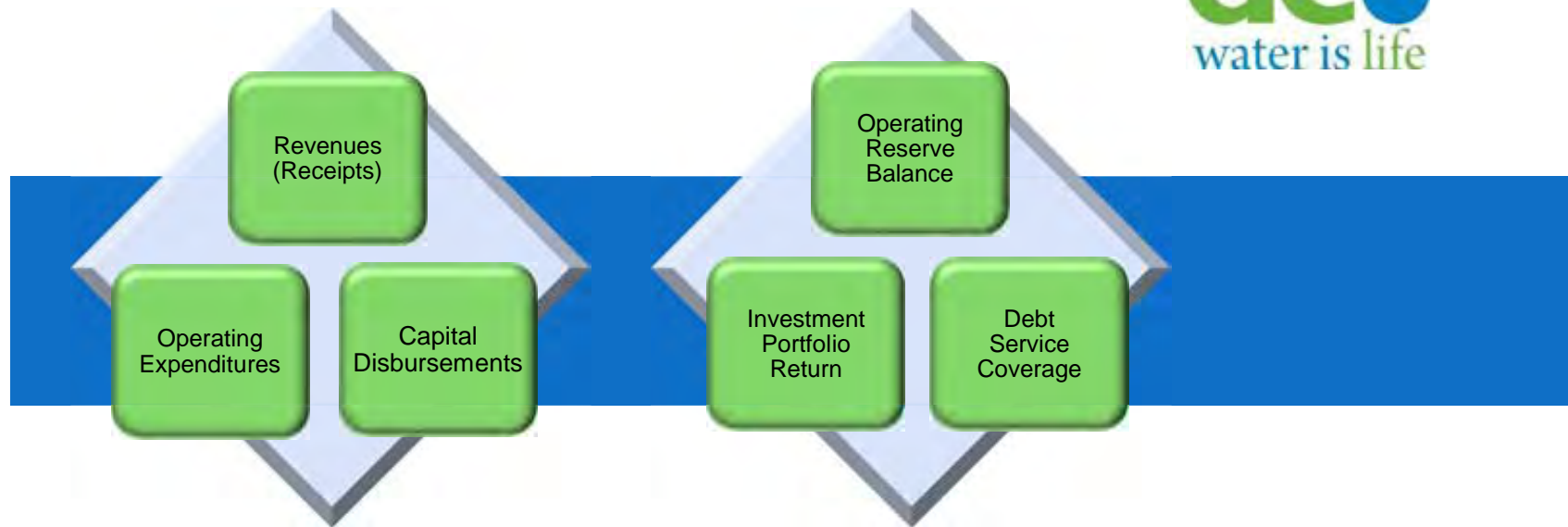
# FY 2016 Operating and Capital Budget (Year-End Projections)

Presentation to the Finance & Budget Committee

Mark Kim, Chief Financial Officer

May 27, 2016

## Summary (as of April 30, 2016)



(\$ in Millions)	Annual Budget	YTD Actual	Year-End Projections	Projected Variance	Projected % of Budget
Revenues/Receipts	\$580.5	\$334.9	\$579.1	(\$1.4)	-0.2%
Operating Expenditures	\$541.6	\$266.6	\$496.7	\$44.9	8.3%
Capital Disbursements	\$549.0	\$343.8	\$540.6	\$8.4	1.5%



# OPERATING REVENUES

## (\$000'S)

Category	FY 2016 Budget	YTD Actual	Year-End Projections	Projected Variance (\$)	Projected % of Budget
Residential, Commercial, and Multi-family	\$311,897	\$185,586	\$321,086	\$9,189	2.9%
Federal	62,989	46,359	62,989	-	0.0%
District Government	15,175	8,057	15,657	482	3.2%
DC Housing Authority	8,083	5,412	8,812	729	9.0%
Customer Metering Fee	10,776	6,806	11,386	610	5.7%
Water System Replacement Fee (WSRF)	40,000	15,964	29,756	(10,244)	-25.6%
Wholesale	79,458	39,821	79,458	-	0.0%
Right-of-Way Fee/PILOT	20,584	13,055	21,527	943	4.6%
<b>Subtotal (before Other Revenues)</b>	<b>\$548,961</b>	<b>\$321,061</b>	<b>\$550,671</b>	<b>\$1,710</b>	<b>0.3%</b>
Other Revenue without RSF:					
IMA Indirect Cost Reimb. For Capital Projects	8,000	-	3,310	(4,690)	-58.6%
DC Fire Protection Fee	10,796	5,398	10,796	-	0.0%
Stormwater (MS4)	1,000	707	927	(73)	-7.3%
Interest	1,340	535	1,340	-	0.0%
Developer Fees (Water & Sewer)	7,500	4,910	7,959	459	6.1%
Others	2,917	2,350	4,080	1,163	39.9%
<b>Subtotal</b>	<b>\$31,553</b>	<b>\$13,899</b>	<b>\$28,412</b>	<b>(\$3,141)</b>	<b>-10.0%</b>
Rate Stabilization Fund Transfer	-	-	-	-	-
<b>Other Revenue Subtotal</b>	<b>\$31,553</b>	<b>\$13,899</b>	<b>\$28,412</b>	<b>(\$3,141)</b>	<b>-10.0%</b>
<b>Grand Total</b>	<b>\$580,514</b>	<b>\$334,960</b>	<b>\$579,083</b>	<b>(\$1,431)</b>	<b>-0.2%</b>



# OPERATING EXPENDITURES (\$000'S)

Category	Budget	YTD Actual	Year-End Projections	Projected Variance (\$)	Projected % of Budget
Personnel	\$140,034	\$81,561	\$142,836	(\$2,802)	(2.0%)
Contractual Services	79,244	39,247	71,969	7,275	9.2%
Water Purchases	30,740	14,508	27,986	2,754	9.0%
Supplies & Chemicals	35,951	15,950	29,145	6,806	18.9%
Utilities	35,018	15,213	25,706	9,312	26.6%
Small Equipment	1,465	510	616	849	58.0%
<b>SUBTOTAL O&amp;M</b>	<b>\$322,451</b>	<b>\$166,988</b>	<b>\$298,257</b>	<b>\$24,194</b>	<b>7.5%</b>
Debt Service	174,766	87,550	\$154,244	20,522	11.7%
Cash Financed Capital Improvements	23,644	0	23,475	169	0.7%
PILOT/ROW	20,744	12,101	20,744	0	0.0%
<b>TOTAL OPERATING</b>	<b>\$541,605</b>	<b>\$266,639</b>	<b>\$496,721</b>	<b>\$44,885</b>	<b>8.3%</b>
Capital Labor	(18,993)	(10,365)	(18,335)	(658)	3.5%
<b>TOTAL NET OPERATING</b>	<b>\$522,612</b>	<b>\$256,274</b>	<b>\$478,386</b>	<b>\$44,227</b>	<b>8.5%</b>

*CFCI – Anticipated PAYGO financing due to favorable preliminary O&M position*





# CAPITAL DISBURSEMENTS (\$000'S)

Service Area	Annual Budget	YTD Actual	Year-End Projections	Projected Variance (\$)	Projected % of Budget
Non Process Area	\$9,309	\$3,103	\$4,776	\$4,532	48.7%
Wastewater	168,637	102,789	169,511	(874)	-0.5%
Combined Sewer Overflow	223,105	147,783	224,097	(992)	-0.4%
Stormwater	1,263	1,784	1,911	(648)	-51.3%
Sanitary Sewer	34,786	28,616	45,424	(10,638)	-30.6%
Water	61,878	50,026	67,808	(5,931)	-9.6%
<b>SUBTOTAL: CAPITAL PROJECTS</b>	<b>\$498,977</b>	<b>\$334,101</b>	<b>\$513,527</b>	<b>(\$14,550)</b>	<b>-2.9%</b>
Capital Equipment	39,226	7,995	19,751	19,475	49.6%
Washington Aqueduct	10,838	1,663	7,340	3,498	32.3%
<b>SUBTOTAL: ADD'L CAPITAL PROGRAMS</b>	<b>\$50,063</b>	<b>\$9,658</b>	<b>\$27,090</b>	<b>\$22,973</b>	<b>45.9%</b>
<b>TOTAL</b>	<b>\$549,040</b>	<b>\$343,759</b>	<b>\$540,617</b>	<b>\$8,423</b>	<b>1.5%</b>



# FY 2016 NET INCOME (\$000'S)

Category	Board Approved Financial Plan	Year-End Projection*	Variance Over/(Under)
Total Revenue	\$580,514	\$579,082	(\$1,432)
Total Expense	481,842	454,911	(26,931)
Cash Finance Capital Improvements	23,475	23,475	-
<b>OPERATING INCOME</b>	<b>\$75,197</b>	<b>\$100,696</b>	<b>\$25,500</b>
Other Transfers/Credits	(17,179)	(29,233)	(12,054)
<b>NET INCOME</b>	<b>\$58,018</b>	<b>\$71,464</b>	<b>\$13,446</b>
Beginning Cash Balance over Target	20,055	20,055	-
Transfer to Capital Improvement Program	(59,073)	(59,073)	-
Transfer to Rate Stabilization Fund	(19,000)	(19,000)	-
<b>SURPLUS</b>	<b>-</b>	<b>\$13,446</b>	<b>\$13,446</b>
<b>Cash Balance</b>	<b>160,055</b>	<b>156,444</b>	<b>(3,611)</b>
<b>ADDITIONAL TRANSFER TO PAYGO</b>			<b>\$17,057</b>

\* Preliminary unaudited year-end projections, subject to change



## NEXT STEPS

### **June – Committee Review of:**

- ✓ FY 2017 & FY 2018 Recommendations
  - PAYGO
  - Rate Stabilization Fund

### **July – Board Adoption of:**

- ✓ FY 2017 & FY 2018 Recommendations
  - Retail rates
  - PAYGO
  - Rate Stabilization Fund



# APPENDIX

## Annual Operating Expenditures

(\$000's)	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Approved Budget	FY 2016 Midyear Projections	FY 2016 Variance	FY 2017 Approved Budget
<i>Authorized Headcount</i>	1243	1243	1260	1260	1260	0	1260
<i>Filled/Budgeted Headcount</i>	1080	1079	1084	1260	1170	90	1260
<i>Vacant Headcount</i>	163	164	176		90		
Salary	\$94,473	\$98,865	105,146	\$108,392	111,968	(3,575)	\$110,665
Regular Pay	87,782	90,716	96,956	101,126	104,791	(3,665)	103,199
On-call	585	624	708	633	633	(0)	711
Overtime	6,106	7,525	7,482	6,633	6,544	90	6,755
Benefits	24,094	26,891	28,789	31,642	30,868	773	34,096
<b>Total Personnel Services</b>	<b>118,567</b>	<b>125,756</b>	<b>133,935</b>	<b>140,034</b>	<b>142,836</b>	<b>(2,802)</b>	<b>144,761</b>
Chemicals	21,401	24,141	22,441	28,106	22,202	5,904	26,288
Supplies	5,719	6,577	7,865	7,845	6,943	902	8,421
Utilities	26,098	29,939	30,848	35,018	25,706	9,312	28,670
Contractual Services	68,430	68,178	66,241	79,244	71,969	7,275	82,760
Water Purchases	27,223	28,407	29,109	30,740	27,986	2,753	29,278
Small Equipment	1,192	317	531	1,465	616	849	1,230
<b>Total Non-Personnel Services</b>	<b>150,063</b>	<b>157,559</b>	<b>157,035</b>	<b>182,417</b>	<b>155,422</b>	<b>26,995</b>	<b>176,647</b>
<b>Total O&amp;M Expenses</b>	<b>\$268,630</b>	<b>\$283,316</b>	<b>\$290,970</b>	<b>\$322,451</b>	<b>298,257</b>	<b>\$24,194</b>	<b>\$321,408</b>
Debt Service	107,700	120,165	134,845	174,766	154,244	20,522	169,346
PILOT / ROW	21,982	11,458	20,437	20,744	20,744	-	21,057
Payment in Lieu of Taxes	16,882	6,358	15,337	15,644	15,644	-	15,957
Right of Way	5,100	5,100	5,100	5,100	5,100	-	5,100
Cash Financed Capital Improvements	-	-	-	23,644	23,475	169	24,014
<b>Total Debt Service/PILOT/ROW/CFCI</b>	<b>129,682</b>	<b>131,623</b>	<b>155,282</b>	<b>219,154</b>	<b>198,463</b>	<b>20,691</b>	<b>214,417</b>
<b>Total Operating Expenditures</b>	<b>\$398,312</b>	<b>\$414,939</b>	<b>\$446,252</b>	<b>\$541,605</b>	<b>496,721</b>	<b>44,885</b>	<b>\$535,825</b>
<i>Less: PS charged to Capital Projects</i>	<i>(14,659)</i>	<i>(17,289)</i>	<i>(18,702)</i>	<i>(18,993)</i>	<i>(18,335)</i>	<i>(658)</i>	<i>(21,934)</i>
<b>Total Net Operating Expenditures</b>	<b>\$383,653</b>	<b>\$397,650</b>	<b>\$427,550</b>	<b>\$522,612</b>	<b>478,386</b>	<b>44,227</b>	<b>\$513,891</b>

**ATTACHMENT 3**

**INSURANCE RENEWAL UPDATE  
FINANCE AND BUDGET COMMITTEE  
May 26, 2016**

The Authority's property, excess liability, worker's compensation, public officials', crime, fiduciary liability and cyber insurance policies are up for renewal on July 1. The property and excess liability insurance coverages are brokered by Alliant Insurance Services and premiums exceed \$1 million.

**Property**

The Authority buys property insurance to protect its more than \$2 billion insurable assets from fires and natural catastrophes. Property insurance market conditions are relatively favorable. The expiring property insurance program premium is \$823,000. We expect renewal premiums to increase to \$950,000, or 15%. Expected increases are due to an approximate 20% increase in insurable values relating to newly completed construction including the biosolids facilities and combined heat and power plant.

**Excess Liability**

The Authority buys a multi-policy layered placement with a \$100 million total limit and total premium of \$945,000. Excess liability insurance market conditions for water organizations are difficult in the wake of Flint, Michigan and other recent unfavorable press coverage.

The current primary layer insurer has decided to no longer underwrite public sector business on a countrywide basis. Alliant has approached over 30 insurers to obtain quotations for the renewal.

Alliant has indicated that the renewal premium may rise to \$1.9 million if the Authority wishes to maintain the same breadth of coverage as currently exists. Part of this increase is due to the 5% increase in DC Water's operating budget from FY 2015 to FY 2016. The remaining estimated increase is attributed to market conditions specific to our class of business.

Lower cost options are available; however, the scope of coverage is still being negotiated.

An informational update will be provided at the next committee meeting regarding these policies as well as others that do not require board approval due to the dollar amount.

# **District of Columbia Water and Sewer Authority**

## **Capital Improvement Program Report**



**FY-2016 2<sup>nd</sup> Quarter  
January 1<sup>st</sup> through March 31<sup>st</sup>, 2016**

**Board of Directors  
Finance and Budget Committee**

**George S. Hawkins, General Manager  
Leonard R. Benson, Chief Engineer**

**May 2016**

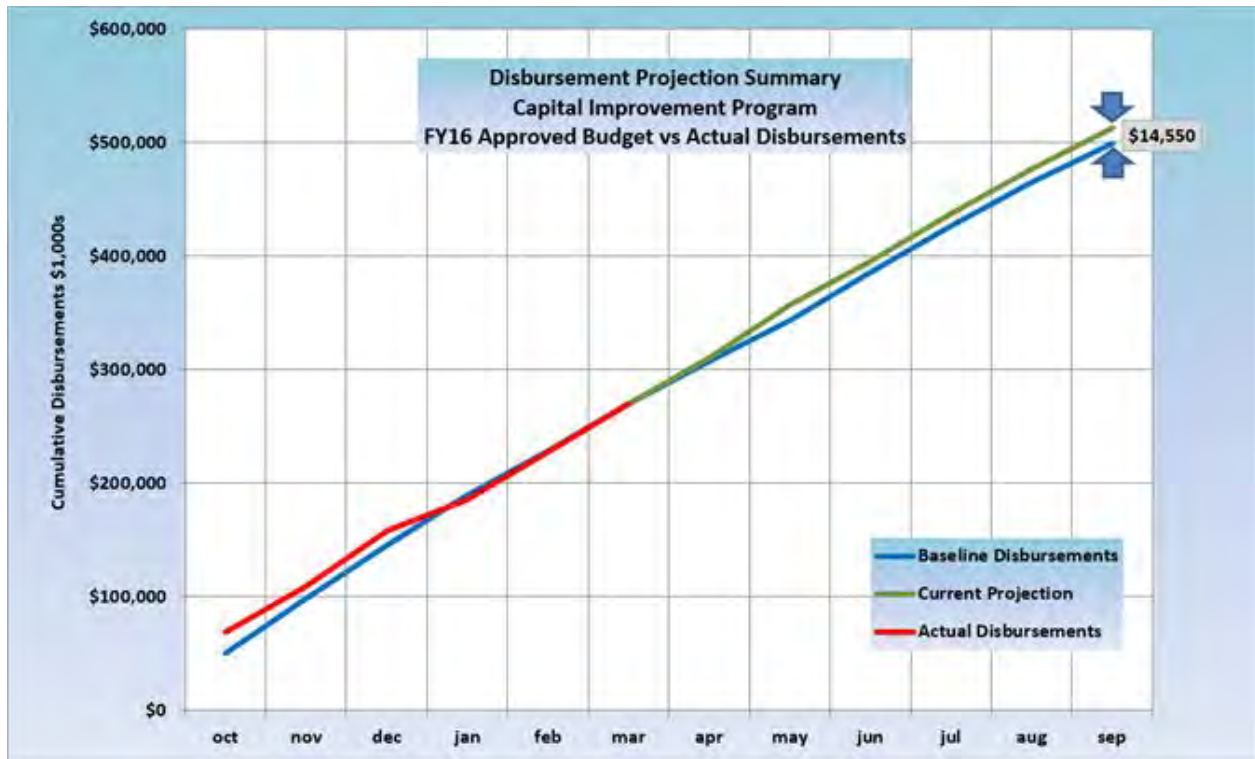


## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

### CIP Disbursement Performance

Current projected program disbursements through the end of the fiscal year compared with the approved FY16 baseline are shown in the chart below:

### Disbursement Summary



Current projected fiscal year 2016 CIP disbursements are \$513,527,000 through the end of March, which is 2.9% above the baseline disbursement projection of \$498,977,000.

Achieved disbursements within the service areas are as follows:

#### Non Process Facilities

Baseline Disbursements      \$9,330,000  
 Projected Disbursements      \$4,776,000 (\$4.6M below baseline projection)  
 Significant project variances are listed below:



## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

- *Non Process Facilities Program Area – (\$4.6M below baseline)*
  - The projected disbursements for Project HH – New Fleet Management Facility are \$4.9 million below baseline mainly due to ongoing coordination of the agreement between DC Water and the District of Columbia Government that has rescheduled the start of design and construction.

### **Wastewater Treatment Service Area**

Baseline Disbursements      \$168,638,000

Projected Disbursements      \$169,511,000 (\$0.87M above baseline projection)

There are no significant project variances for this service area.

### **CSO Service Area**

Baseline Disbursements      \$223,037,000

Projected Disbursements      \$224,097,000 (\$1M above baseline projection)

There are no significant project variances for this service area.

### **Stormwater Service Area**

Baseline Disbursements      \$1,264,000

Projected Disbursements      \$1,911,000 (\$0.6M above baseline projection)

There are no significant project variances for this service area.

### **Sanitary Sewer Service Area**

Baseline Disbursements      \$34,803,000

Projected Disbursements      \$45,424,000 (\$10.6M above baseline projection)

Significant project variances are listed below:

- *Sanitary Collection Sewers – (\$3.5M above baseline)*
  - The projected disbursements for Project GA – Small Local Sewer Rehab 4 are \$3.9 million above baseline largely due to better than anticipated progress of the construction contract during this fiscal year after a slower than expected start to the contract.
- *Sewer On-Going Projects – (\$4.8M above baseline)*
  - The projected disbursements for Project DW – FY2016 – DSS Sanitary Sewer Projects are projected to be \$3.5M above baseline partly due to work paid for in early Fiscal Year 2016 related to the emergency response at the Capital Crescent Trail on the Upper Potomac Interceptor Sewer.

### **Water Service Area**

Baseline Disbursements      \$61,906,000

Projected Disbursements      \$67,808,000 (\$5.9M above baseline projection)

There are no significant project variances for this service area.





## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

### Priority 1 Projects (Court Ordered, Stipulated Agreements, etc.)

All priority 1 projects are on schedule and within budget.

### Large Contract Actions Anticipated – 6 Month Look-Ahead

Project	Name	Contract Type	Cost Range	Committee	BOD
BV	Raw Wastewater Pumping Station No. 2	Construction	\$15M - \$20M	EQ&SS Jun	Jul
Various	Miscellaneous Facilities Upgrades 5	Construction	\$25M - \$35M	EQ&SS Jun	Jul
IL	Creekbed Sewer Rehabilitation – Oregon Avenue	Construction	\$10M - \$15M	EQ&SS Jun	Jul
Various	Program Management Consultant	Agreement	\$55M - \$65M	EQ&SS Jun	Jul
DY	Watermain Infrastructure Repair and Replacement	Construction	\$25M - \$35M	EQ&SS Jun	Jul
O3	Small Diameter Watermain Rehab 11b	Construction	\$5M - \$10M	WQ&WS Jul	Sep
O3	Small Diameter Watermain Rehab 11c	Construction	\$5M - \$10M	WQ&WS Jul	Sep
Various	Project Delivery Consultant	Agreement	\$15 - \$20M	EQ&SS Sept	Oct
DE	Small Diameter Watermain Rehab 12a	Construction	\$5M - \$10M	WQ&WS Sept	Oct
DE	Small Diameter Watermain Rehab 12b	Construction	\$5M - \$10M	WQ&WS Nov	Dec



## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

### Schedule - Key Performance Indicators, Capital Improvement Program

KPI Performance Through End Quarter 2  
**All KPIs**



For the 2nd Quarter, one of the Key Performance Indicators (KPIs) was achieved early, one 1<sup>st</sup> quarter KPI was achieved late and four were achieved on time; one of the remaining planned KPIs was not achieved, as follows:

1. The construction substantial completion for Biosolids Combined Heat and Power due to issues connected with commissioning of the turbines.

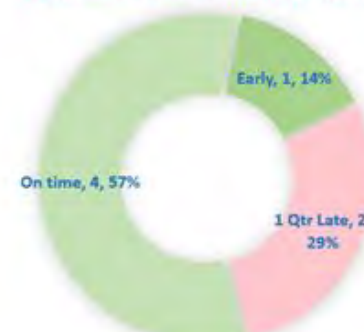
KPI Performance Through End Quarter 2  
**Design Start**



KPI Performance Through End Quarter 2  
**Construction Start**



KPI Performance Through End Quarter 2  
**Construction Substantial Completion**





## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

### FY2016 - KPI Report

DS	Design Start	Planned		On time	
CS	Construction Start	Early		1 Quarter Late	
CSC	Construction Substantial Completion			> 1 Quarter Late	
CO/PC	Consent Oder/Permit Compliance				

				QUARTER				
Qtr.	Project	Job Name	KPI Name	1	2	3	4	To Date
1	N712	Potomac Sewer - Odor Remedy (VA Sites)	CSC					1 Qtr Late
1	FA04	Ft. Stanton Reservoir No. 1 Upgrade	CSC					On time
1	O301	Small Dia Watermain Repl 11a	CS					On time
1	I802	Large Valve Replacements 12	CS					On time



## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

### FY2016 - KPI Report

DS	Design Start	Planned		On time	
CS	Construction Start	Early		1 Quarter Late	
CSC	Construction Substantial Completion			> 1 Quarter Late	
CO/PC	Consent Oder/Permit Compliance				

				QUARTER				
Qtr.	Project	Job Name	KPI Name	1	2	3	4	To Date
2	XA10	Biosolids Combined Heat and Power (CHP)	CSC					1 Qtr Late
2	O103	Small Dia Watermain Repl 9b	CSC					On time
2	Q302	Pope Branch Stream Restoration and Sewer Replacement	CS					Early
2	CY19	Div A - Blue Plains Tunnel MPS Section	CSC					On time
2	F101	Small Diameter Water Main Rehab 13A	DS					On time
2	FA06	Brentwood Reservoir Upgrade	CSC					On time



## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

### FY2016 - KPI Report

DS	Design Start	Planned		On time	
CS	Construction Start	Early		1 Quarter Late	
CSC	Construction Substantial Completion			> 1 Quarter Late	
CO/PC	Consent Oder/Permit Compliance				

				QUARTER				To Date
Qtr.	Project	Job Name	KPI Name	1	2	3	4	
3	S503	Large Dia. Water Main Internal Repairs 3	CSC					Early
3	AY01	Upgrades to Ft. Reno Pumping Station	CSC					
3	MA01	St. Elizabeth Water Tank	CS					
3	O302	Small Dia Watermain Repl 11b	CS					
3	F103	Small Diameter Water Main13C - C&L	DS					
3	F104	Small Diameter Water Main Repl 13D	DS					
3	CY31	Div U - Advance Utility Relocations for NEBT	CS					
3	C904	66" Low Service Steel Main at 8th Street NE & SE	DS					
3	JX01	Sanitary Sewer Rehabilitation 10	DS					



## Capital Improvement Program Report 2<sup>nd</sup> Quarter FY2016

### FY2016 - KPI Report

DS	Design Start	Planned		On time	
CS	Construction Start	Early		1 Quarter Late	
CSC	Construction Substantial Completion			> 1 Quarter Late	
CO/PC	Consent Oder/Permit Compliance				

Qtr.	Project	Job Name	KPI Name	QUARTER				To Date
				1	2	3	4	
4	DE01	Small Diameter Water Main Repl 12A	CS					
4	DR02	Low Area Trunk Sewer - Rehabilitation	CS					
4	G101	Rehab of Sewers in Georgetown	CS					
4	G800	Small Local Sewer Rehab 2	CSC					
4	GA01	Small Local Sewer Rehab 4	CSC					
4	J306	National Arboretum Sewer Rehab	CS					
4	O101	Small Dia Watermain Repl 9a	CSC					
4	O201	Small Dia Watermain Repl 10a	CSC					
4	I801	Large Valve Replacements 11R	CSC					
4	O202	Small Dia Watermain Repl 10b	CSC					
4	BV01	RWWPS No. 2 Upgrades	CS					
4	IL10	Creekbed Sewer Rehab Rock Creek Oregon Avenue	CS					
4	IX01	Headworks HVAC Rehab	DS					
4	DS01	New Headquarters Building	CS					
4	FY02	Rehab of RCMI & Beach Dr Sewers Ph II (Lining)	DS					



District of Columbia Water and Sewer Authority  
George S. Hawkins, General Manager

# *Implementing the Master Plan:* **DC Water Administrative Headquarters Building (HQO)**

Presented to the DC Water Board of Directors

*Finance & Budget Committee Meeting*

**May 26, 2016**

**DCWATER.COM**



## HQO – Leading by Example







## Agenda

- **Summary of the Revised 2013 Non-Process Facilities Master Plan**
  - Approved by the DC Water Board of Directors on September 5, 2013 (Resolution #13-87)
  - Implementation & Next Steps
- **Administrative Headquarters Building (HQO)**
  - Progressive Design-Build Contract approved by the DC Water Board of Directors on January 8, 2015 (Contract No. 140060, Skanska/SmithGroup)
  - Final Design and GMP
- **What We Are Seeking Today**
  - Approval to Amend Design Build Contract for Guaranteed Maximum Price (GMP)



## NON-PROCESS FACILITIES MASTER PLAN

*Revised - July 10, 2013*

*Approved by DC Water Board - September 5, 2013*



Warehouse and Visitor's & Security Center

Prepared for:



By:





## **Pre-2013 Facility Needs = \$105M**

### **LIMITATIONS & CONCERNS WITH SCOPE JUST EXPANDING EXISTING PROJECTS**

Limited scope of planned expansion/renovation would not alleviate growing space problems at the plant; removal of IT Trailer is insufficient to meet growing demand

Next round of NPDES permits, in addition to ongoing TMDL development there is currently no space for any new processes or technologies

Construction projects and related laydown areas have taken up all available land at Blue Plains – we are storing materials on the docks

Innovative Codigestion opportunities can't be taken advantage of because we project no space for safe operations – revenue generating potential is limited

Drastic differences in office space / work conditions not addressed

Does not diversify employee commuting options at Blue Plains, which is an increasingly congested area of the District (St. Elizabeth's/DHS, Bolling AFB, etc.)



## **Revised Master Plan \$98M Proposal**

### **BENEFITS OF REVISING THE SCOPE AND MASTER PLAN STRATEGY**

Reserves space/facilities at Blue Plains for expansion of water treatment processes, allowing for safe and efficient use of the plant well into the future. Focus on engineering oversight/quality control at Blue Plains

Optimizes operational efficiencies and improve response time to our customers; Reserve space and facilities for strategically placed Water & Sewer satellite field operations by consolidating all of Water & Sewer Administrative functions in one location.

DC Water is better suited on it's own land, with full control over building design & operations

Bringing in the same quality fixtures and furnishings to all departments creates a feeling of unity across DC Water, improves morale, and should result in increased performance.

Limit exposure to the largest industrial complex in DC to essential personnel only, nonessential administrative employees should be located at a different location than the treatment plant

O&M savings of almost \$2M per year from not leasing space for Customer Service (\$750,000 per year @ 80M Street SE) and Water & Sewer Administration (estimated at \$1M per year based on 80M St. rates) to offset debt service costs.

Expands commuting options, leveraging existing Metro transit/bus routes in a central DC location.



## HQO – Reduction of Risk

### **Blue Plains is Priceless!**

- Ensures essential personnel with industrial experience and training are located on the Plant for operations and emergencies, removing all non-essential administrative staff off of the Wastewater Plant
- Relocation of Consultant groups from trailers into CMF and COF eliminating trailers – opening up areas for future process improvements and/or innovations

### **Customer Care is more efficient and better prepared for emergencies!**

- Allows DC Water to develop a holistic plan for all facilities outside the fence in accordance with the directive from SHPO, to take strategic advantage of our facilities around the District
- Bryant Street to be developed as our base of operations during emergencies, centrally located with SCADA and Emergency Management functions located away from the floodplain
- Response times for customers to improve through the deployment of operational staff and equipment throughout DC Water satellite facilities in DC



**HQO provides for a centrally-located, sustainable work environment where all of DC Water’s administrative personnel will be located in the same place for the first time!**

Improving operational efficiencies, our interactions with the community that we serve, and making the highest/best use of our very valuable property.

- **HQO provides space for DETS to be housed in one location in COF, and frees up almost an acre of valuable land at Blue Plains**
- **Provides greatest flexibility in the use of our facilities at Blue Plains AND outside the fence for Customer Care and Operations**
- **Leverages operating dollars currently going towards leased space for debt service, resulting in minimal impact to the ratepayers**

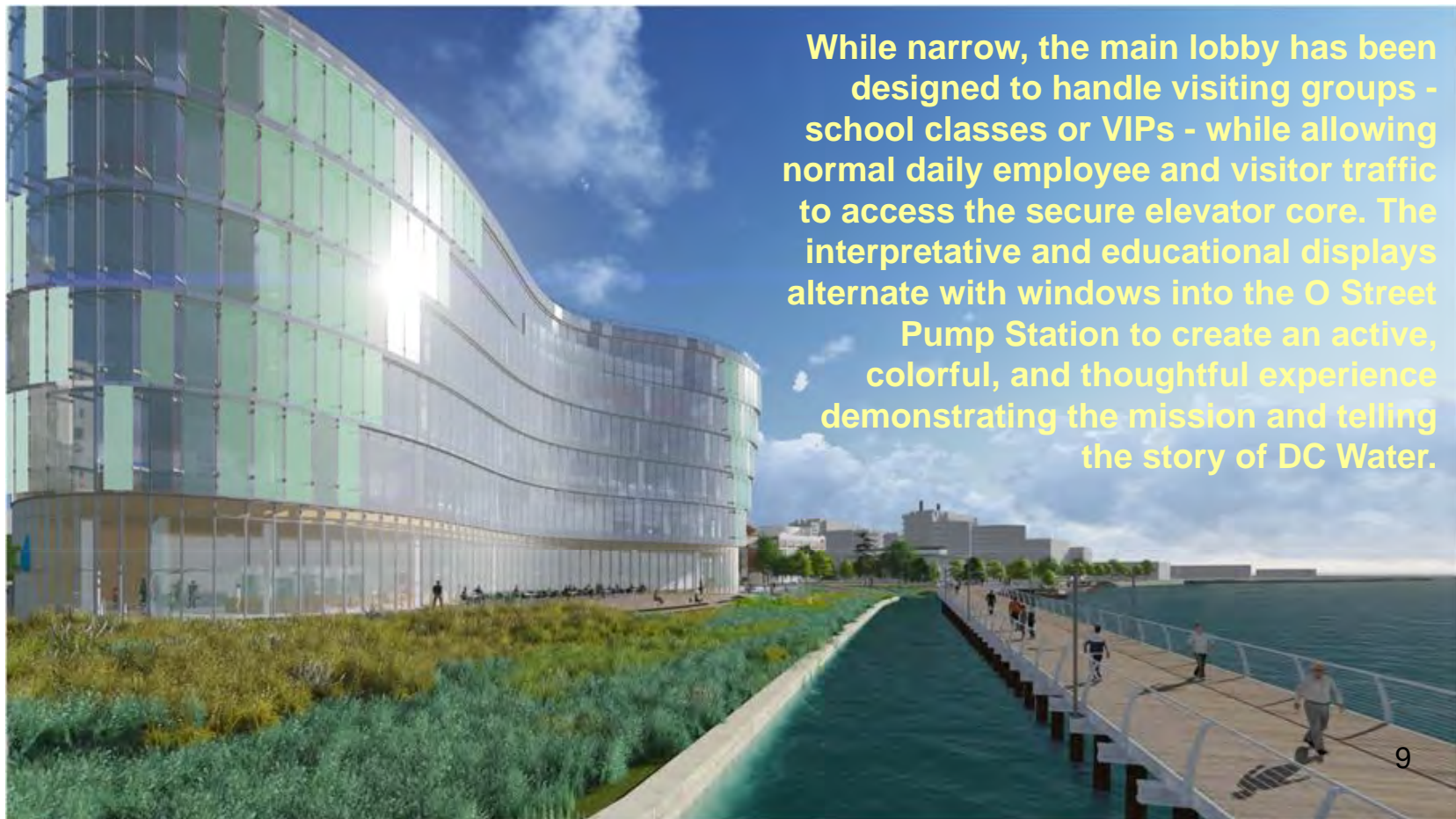
***\*Long-term facilities planning with a 50-year outlook not just 10 or 20 years\****





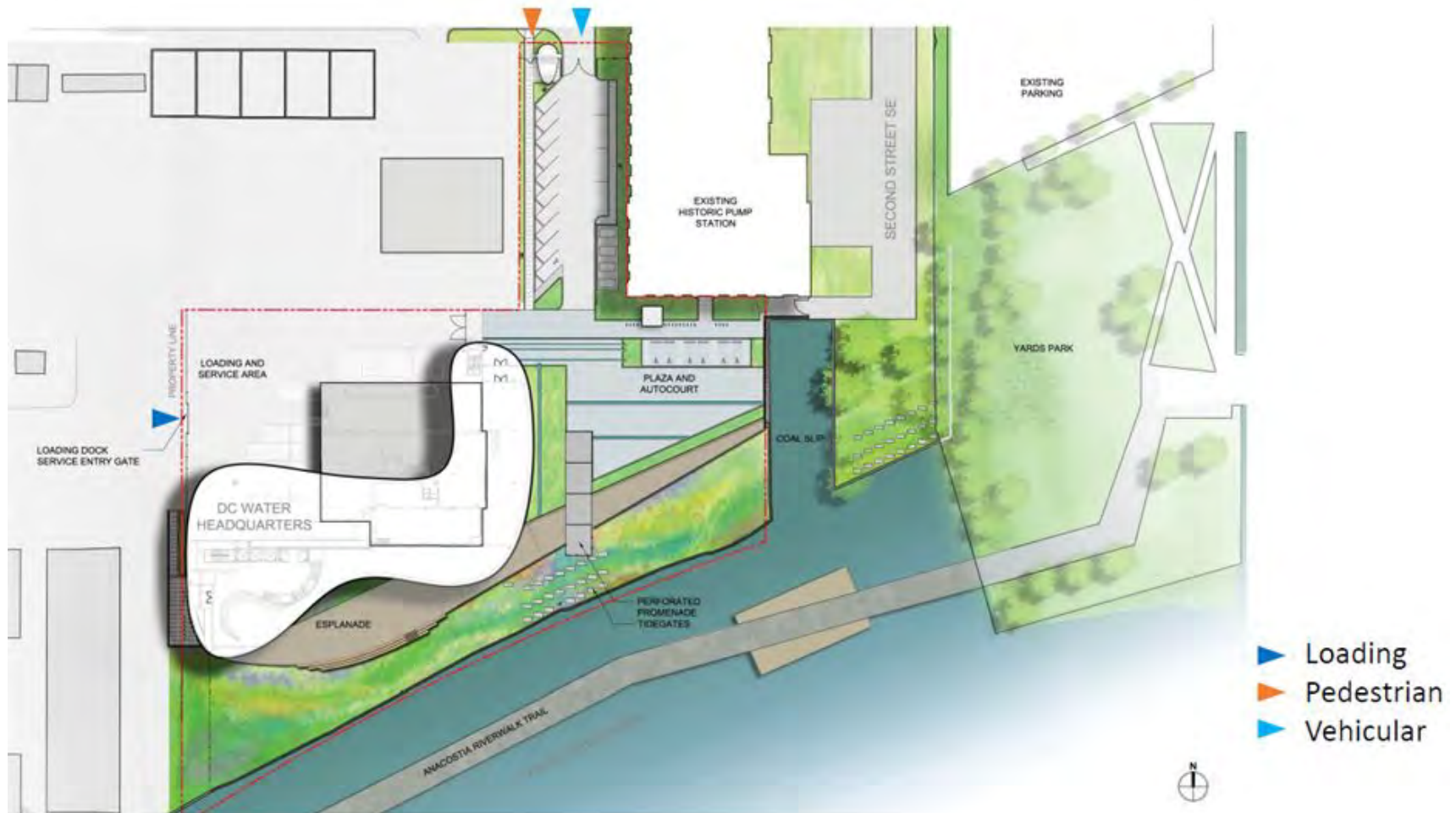
## HQO – Community Engagement

Our design strategy is to make the building welcoming once you enter and present a design that makes you want to enter it – out of civic pride, curiosity, environmental, and/or architectural interest.





## HQO – Community Engagement



10





## HQO – Creative Solutions

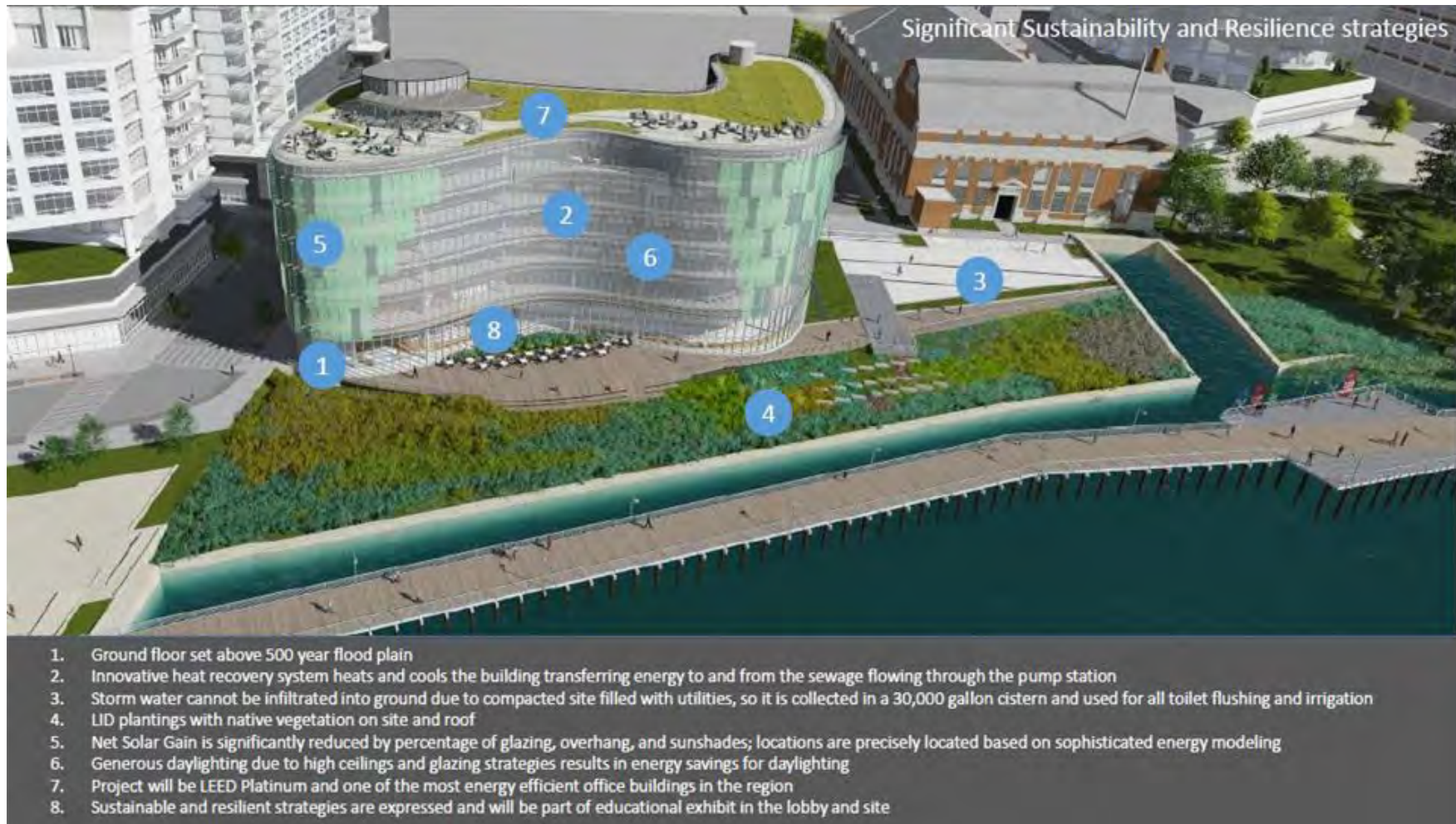
### **SKANSKA - SmithGroup JJR**

**Building an office building around an Sewage Pump Station, which is operational 24/7/365 during construction, required some creative thinking to protect our critical infrastructure before, during and after occupancy**

- Innovative Design - Uses Shape of structure for passive shading
- Built around and over part of building where old offices are located, not over critical pump room operation
- Design provides for clear river views for all users, visitors.
- Provides for more natural light for employees
- Maintains clear access to rear pump station and docks, distinct and apart from public areas
- Direct – secure access to Board Room from Lobby



## HQO – Sustainable and Resilient





## HQO – Ready for Construction

- The National Capital Planning Commission (NCPC) Approved the PUD and related map amendment under the consent calendar on January 7, 2016.
- The DC Zoning Commission issued final approval on February 8, 2016 for Case No. 15-14 District of Columbia Water and Sewer Authority (Consolidated PUD and Related Map Amendment @ Squares 744S and 744SS)
- The U.S. Commission of Fine Arts approved the proposed final design for the new administrative headquarters building, with minimal staff follow-up, on March 17, 2016.

**DC Water and the HQO team are working with DCRA staff on initial foundation/grade and related permits for the Main & O campus**



## HQO – Construction Costs

### Headquarters project in the CIP

<b>Original Budget 2013</b>		<b>\$63,000,000</b>
<b>Current Budget 2016</b>		<b>\$71,100,000</b>
<b>Actual Budget Based On GMP</b>		
GMP Proposal ( Phase I & Phase II)		
• Hard Cost:	\$59,541,931	
• Furniture/Fixtures/Equipment	<u>\$ 5,500,000</u>	
<b>TOTAL GMP</b>	<b>\$65,041,931</b>	
ADD:		
• Owner Contingency/Soft Cost	\$ 10,600,000	
<b>TOTAL REVISED PROJECT BUDGET</b>		<b>\$75,641,931</b>
 <b>BUDGET INCREASE</b>		 <b>\$ 4,541,931</b>



## HQO – Construction Costs

### Budget Adjustments From \$63 Million to \$71.1 Million

Description	Original Amount	Changed Amount	Added Line Item	Increase to Budget
Contingency	\$2,240,000	\$2,990,000		\$ 750,000
FFE			\$ 5,000,000	\$5,000,000
Construction Management	\$3,000,000	\$4,950,000		\$1,950,000
Stipends to final DB Teams			\$ 150,000	\$ 150,000
Legal			\$ 200,000	\$ 200,000
Advertisement			\$ 50,000	\$ 50,000
Total Increase				\$8,100,000



## HQO – Timeline

### Proposed HQO Construction Schedule

June 2, 2016: Board approves the contract

June 9, 2016: Notice to Proceed Issued to Skanska

**June 20, 2016: Construction Starts!**

November, 2017: Substantial Completion



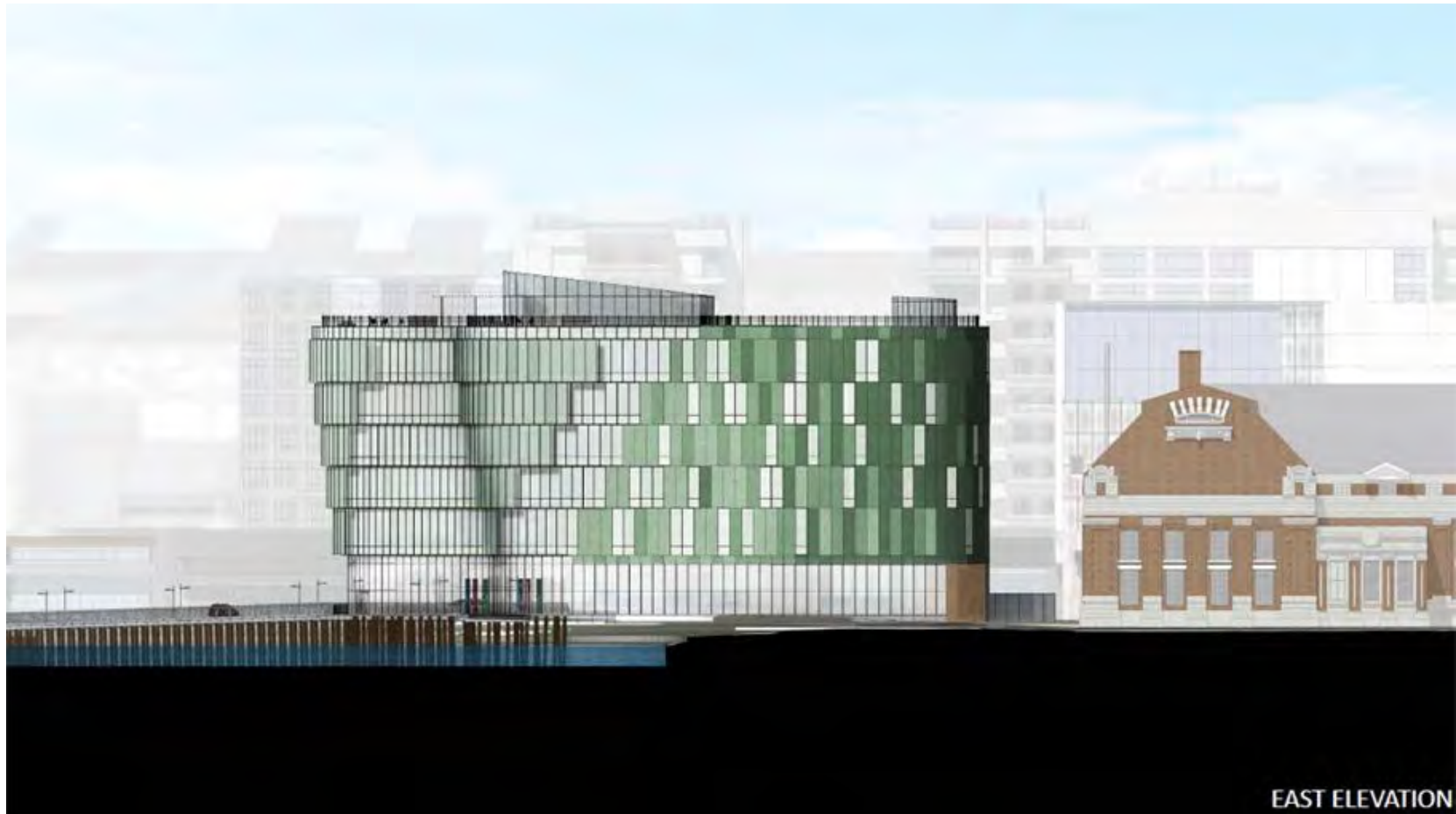
## HQO – North Elevation







## HQO – East Elevation





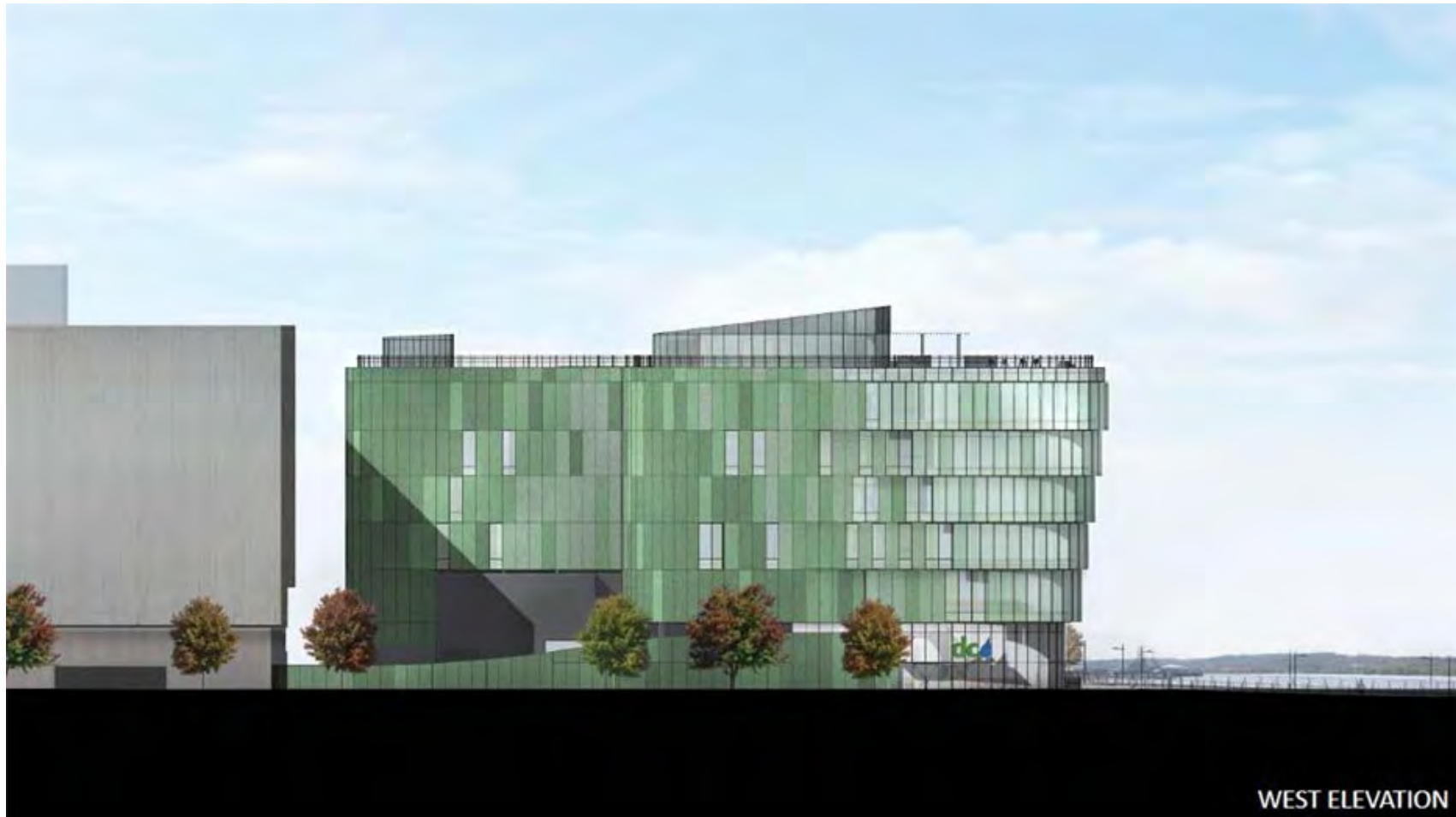


## HQO – South Elevation





## HQO – West Elevation



**ATTACHMENT 6**

**FINANCE & BUDGET COMMITTEE**

***ACTION ITEMS***

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY  
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

**ACTION REQUESTED**

**GOODS AND SERVICES CONTRACT MODIFICATION**

**Property and Casualty Insurance Brokerage Services  
(Joint Use - Indirect)**

Approval to execute contract modification to purchase property and excess liability insurance through DC Water's broker of record in the amount not-to-exceed \$2,875,000.00.

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> Alliant Insurance Services, Inc. 100 Pine Street, 11 <sup>th</sup> Floor San Francisco, CA 94111	<b>SUBS:</b> N/A	<b>PARTICIPATION:</b> N/A
---	---------------------	------------------------------

**DESCRIPTION AND PURPOSE**

**Purpose of the Contract:**

DC Water has a continuous need for various insurance coverages. This contract will allow the broker of record to purchase the following insurance on behalf of DC Water:

Property: \$950,000.00; Excess Liability: \$1,925,000.00

**Period of Coverage:**

07-01-2016 – 06-30-2017

No LBE/LSBE participation

## PROCUREMENT INFORMATION

<b>Contract Type:</b>	Fixed Price	<b>Award Based On:</b>	Highest Rated Firm
<b>Commodity:</b>	Services	<b>Contract Numbers:</b>	WAS-12-019-AB-SS
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

## BUDGET INFORMATION

<b>Funding:</b>	Operating	<b>Department:</b>	Risk Management
<b>Service Area:</b>	DC Water Wide	<b>Department Head:</b>	Robert Hunt

## ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	82.36%	\$2,367,850.00
Washington Suburban Sanitary Commission	12.98%	\$373,175.00
Fairfax County	3.21%	\$92,287.50
Loudoun Water	1.25%	\$35,937.50
Other (PI)	0.20%	\$5,750.00
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$2,875,000.00</b>

  
 Gail Alexander-Reeves  
 Director of Budget

Date

  
 Dan Bae  
 Director of Procurement

Date

  
 Mark Kim  
 Chief Finance Officer

Date

George S. Hawkins  
 General Manager

Date

# DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS CONTRACTOR FACT SHEET

## ACTION REQUESTED

### PROGRESSIVE DESIGN-BUILD CONTRACT: NEW HEADQUARTERS BUILDING (Joint Use)

Approval of Guaranteed Maximum Price (GMP) Admendment in amount of \$65,041,931.00, which includes the original Contract Amount of \$5,000,000 for Phase I – Design.

## CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS: *	PARTICIPATION:
Skanska USA Building, Inc. 700 King Farm Blvd. Suite 200 Rockville, MD 20850	<u>MBE/WBE Planned Goals:*</u>  Phase I: Design (actual) \$ 4,149,620 MBE (\$ 1,161,895) WBE (\$ 165,985)  Phase II: Construction \$ 55,392,311 MBE (\$ 17,725,540) WBE (\$ 3,323,540)  See Attachment A for list of line item participation goals.	   28% 4%  32% 6%

\*AS a Progressive – Design-Build Contract, the GMP price is negotiated at 80% design. Final bids for work to be undertaken are still being negotiated by contractor. However, they have identified categories where MBE and WBE firms will be selected to perform the work. But as contractor is still in final negotiations with sub-contractors the specific names of firms selected have not been finalized. Skanska has committed to meet or exceed the above stated goals for MBE and WBE. Attachment A provides line item goals where they have identified MBE and WBE firms to undertake the work required.

## DESCRIPTION AND PURPOSE

Original Contract Value	\$ 5,000,000.00
Phase II Contract Value	\$ 60,041,931.00
Total Contract Value GMP	\$ 65,041,931.00
Total Contract Time	1,095 Days (3 years)
Contract Start Date	03-13-2015
Anticipated Contract End Date	03-12-2018

### Purpose of the Contract:

Provide design and construction of new Headquarters Building for DC Water.

### Contract Scope:

Work will be completed in two phases:

- Phase I: Design development to 80%, regulatory approval and preconstruction service for the new Headquarters Building featuring approximately 150,000 gross square feet.
- Phase II - GMP: Completion of design, construction and commissioning of the new Headquarters Building. GMP Amendment includes both original contract value of \$5,000,000 plus Phase II of \$60,041,931.

### Federal Grant Status:

- Construction Contract may be eligible for Federal grant funding assistance.



**PROCUREMENT INFORMATION**

<b>Contract Type:</b>	Not to Exceed – Guaranteed Maximum Price (GMP)	<b>Award Based On:</b>	Qualifications and Design Selection
<b>Commodity:</b>	Design and Construction	<b>Contract Number:</b>	140060
<b>Contractor Market:</b>	Open Market		

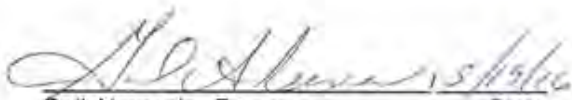
**BUDGET INFORMATION**

<b>Funding:</b>	Capital	<b>Department:</b>	Department of Engineering and Technical Services
<b>Service Area:</b>	Non Process Facilities	<b>Department Head:</b>	Liliana Maldonado
<b>Project:</b>	DS		

**ESTIMATED USER SHARE INFORMATION****Joint Use**


User	Share %	Dollar Amount
District of Columbia	73.14%	\$ 47,571,668.00
Federal Funds	0.00%*	\$ 0.00
Washington Suburban Sanitary Commission	20.95%	\$ 13,626,285.00
Fairfax County	3.83%	\$ 2,491,106.00
Loudoun County & Potomac Interceptor	2.08%	\$ 1,352,872.00
<b>Total Estimated Dollar Amount</b>	<b>100.00%</b>	<b>\$ 65,041,931.00</b>

\* May be eligible for Federal Grant Funding. Grant funding is insufficient to fund all eligible contracts. Federal Grant Funding may be used if additional funding becomes available or if other eligible projects are postponed.

  
 Gail Alexander-Reeves  
 Director of Budget  
 Date

  
 Leonard R. Benson  
 Chief Engineer  
 Date 5-19-16

  
 Dan Bae  
 Director of Procurement  
 Date 5/19/16

  
 George S. Hawkins  
 General Manager  
 Date



**ATTACHMENT 7**

**D.C. WATER AND SEWER AUTHORITY  
BOARD OF DIRECTORS  
FINANCE & BUDGET  
JUNE COMMITTEE MEETING**

Thursday, June 23, 2016; 11:00 a.m.  
Blue Plains Wastewater Treatment Plant  
5000 Overlook Avenue, SW, DC  
**AGENDA**

<b>Call to Order</b>	Chairman
<b>May 2016 Financial Report</b>	Chief Financial Officer
<b>Agenda for July Committee Meeting</b>	Chairman
<b>Adjournment</b>	Chairman

\*Detailed agenda can be found on DC Water's website at [www.dewater.com/about/board\\_agendas.cfm](http://www.dewater.com/about/board_agendas.cfm)