



DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY

Board of Directors

Finance and Budget Committee

Thursday, July 23, 2015

11:00 a.m.

- 1. **Call to Order**..... Robert Mallett, Vice Chairperson
- 2. **June 2015 Financial Report (Attachment 1)**..... Mark Kim
- 3. **Bond Financing Update (Attachment 2)**..... Mark Kim
- 4. **Business Office Update & Alternate Payment Sites for Ratepayers (Attachment 3)**..... Mark Kim
- 5. **Action Items**
- 6. **Agenda for September Committee Meeting (Attachment 4)**..... Robert Mallett
- 7. **Executive Session***
- 8. **Adjournment**

FOLLOW-UP ITEMS –Follow-up Items from the meeting held June 25, 2015.

- 1. Recommended an Independent Audit to be conducted on ROCIP. **(Mr. Firestine) Status:** *Internal Auditor, McGladrey, to incorporate ROCIP audit into FY 2016 Audit Plan.*
- 2. Will the RFK IAC dispute with the District lead to a refund liability to DC Water, if so, how much and who will be billed? **(Mr. Mallett) Status:** *See page 3 of the Financial Report.*

* 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.



Fiscal Year 2015

Monthly Financial Report

Period Ending June 30, 2015

DEPARTMENT OF FINANCE, ACCOUNTING & BUDGET

Mark Kim, Chief Financial Officer

Gail Alexander-Reeves, Director, Budget

Robert Hunt, Director, Finance

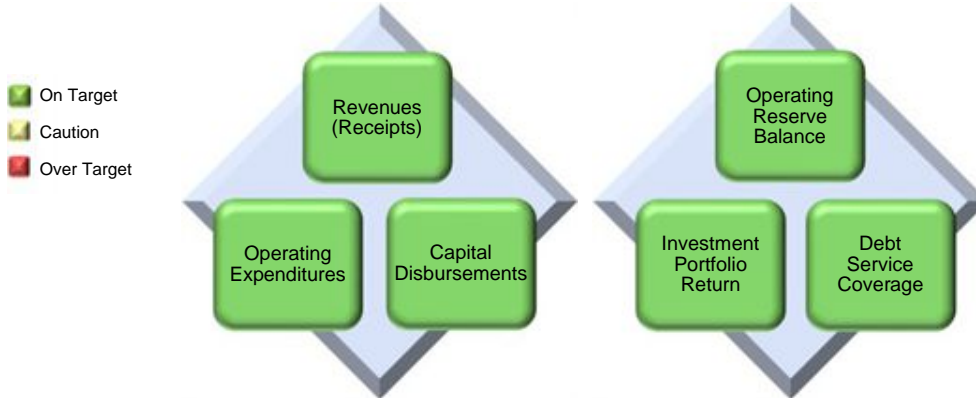
Syed Khalil, Manager, Financial Planning & Revenues

John Madrid, Controller

JUNE 2015

EXECUTIVE SUMMARY

For this reporting period, with approximately 75 percent of the fiscal year completed, we are on track with budgetary expectations and targeted performance metrics. The table below summarizes detailed information provided in the report.



(\$ in millions)

	Revised Budget	YTD Budget	YTD Actual	Variance Favorable (Unfavorable)		% Revised Budget	Year-End Projections
Revenues (Receipts)*	\$542.6	\$407.0	\$397.9	(\$9.1)	(2.2%)	73%	\$546.2
Expenditures*	\$516.0	\$387.0	\$347.2	\$39.8	10.3%	67%	\$497.4
Capital Disbursements	\$625.3	\$473.6	\$415.6	\$58.0	12.2%	66%	\$583.9

* *Straight-lined (9/12 of revised budget)*

Highlights:

- Staff review of FY 2017 departmental proposals for Executive Team review in August 2015 with Board/Committee reviews anticipated in November 2015
- Published proposed FY 2016 Rates in DC Register on July 17, 2015 for:
 - Water System Replacement Fee
 - Fire Protection and
 - Water & Sewer Rates

Mark T. Kim, Chief Financial Officer

Fiscal Year-to-Date
As of June 30, 2015

Operating Revenues (\$000's)

Category	A	B*	C	D=C/A	E=C-B	F=EB	Year-end Projections	Y/E % of Budget
	FY 2015 BUDGET	YTD BUDGET	YTD ACTUAL	YTD % BUDGET	YTD \$ Fav/(Unfav)	YTD % Fav/(Unfav)		
Res. / Comm. / Multi.	\$291,347	\$218,510	\$214,325	73.6%	(\$4,186)	(1.9%)	\$ 292,579	100.4%
Federal	58,695	44,021	45,754	78.0%	1,733	3.9%	58,695	100.0%
Municipal (DC Govt.)	15,735	11,801	9,135	58.1%	(2,667)	(22.6%)	13,164	83.7%
DC Housing	7,472	5,604	5,713	76.5%	109	1.9%	7,757	103.8%
Metering Fee	10,776	8,082	8,370	77.7%	288	3.6%	11,151	103.5%
Wholesale	81,365	61,024	61,085	75.1%	61	0.1%	81,365	100.0%
PILOT/ROW	20,547	15,411	16,237	79.0%	826	5.4%	21,935	106.8%
All Other	56,706	42,529	37,304	65.8%	(5,226)	(12.3%)	59,515	105.0%
TOTAL	\$542,643	\$406,982	\$397,921	73.3%	(\$9,061)	(2.2%)	\$ 546,161	100.7%

Straight-lined (9/12 of revised budget)

VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of June 2015, cash receipts totaled \$397.9 million, or 73.3 percent of the revised FY 2015 budget. Several categories of customers make payments on a quarterly basis, including the Federal and wholesale customers.

Residential, Commercial and Multi-Family – Receipts for this category are slightly lower at \$214.3 million or 73.6 percent of the revised budget. The lower receipts are on account of slightly lower consumption as compared to budget.

District Government – Receipts are lower at \$9.1 million or 58.1 percent of the revised budget. The short payment is due to DC Government disputing the Clean Rivers Impervious Surface Area Charges (CRIAC) associated with RFK Stadium. The DC Water Customer Care and General Counsel staff are discussing with the District's General Counsel for Convention Center (Washington Convention and Sports Authority).

RFK Stadium – Since the 2009 inception of the Clean Rivers Impervious Area charge, the Federal government was billed and paid the CRIAC charge for RFK stadium. In 2013, they submitted documentation showing the property had been transferred to the District government decades ago.

In March 2014, DC Water corrected billing for the Clean Rivers Impervious Area charge for the property surrounding RFK stadium. The billing adjustment transferred the CRIAC charges from 2009 to 2014 from the Federal to the District government, with a total value of \$1.8 million. Subsequent bills have increased the total to \$2.9 million. On June 30, 2015, we received a letter from the District's Department of General Services rejecting responsibility for paying the \$2.9 million stating the property is not under their operational control. DC states they have assigned responsibility for the property to EventsDC. DC Water believes the ownership lies with the District and that EventsDC is a tenant.

Recently, DC Water staff met with an attorney from the Office of the General Counsel of EventsDC and have been discussing to resolve the issue. The attorney has provided us assurances they will pay the bill by the end of their fiscal year. As part of our discussions, they also raised issues about the property boundaries and impervious area attributes of certain surfaces. We agreed to review and possibly adjust the bill. We estimate approximately \$400,000 of the accumulated charges may be transferred back to other property owners.

Other Revenue – Receipts are slightly lower than the straight-lined budget at \$37.3 million or 65.8 percent of the budgeted category primarily due to IMA Indirect Cost Reimbursement and transfer of Rate Stabilization Fund. The IMA indirect capital reimbursement is not anticipated to be received until the fourth quarter of the fiscal year. The Rate Stabilization Fund transfer is anticipated in the fourth quarter of the fiscal year.

Monthly Financial Report

Fiscal Year-to-Date
As of June 30, 2015

Operating Expenditures (\$000's)

Category	A	B*	C	D=C/A	E=B-C	F=E/B	G	H=G/A
	FY 2015 BUDGET	YTD BUDGET	YTD ACTUAL	YTD % BUDGET	YTD \$ Fav/(Unfav)	YTD % Fav/(Unfav)	Year-End Projections	% of Budget
Personnel	\$135,544	\$101,658	\$99,298	73.3%	\$2,360	2.3%	\$136,750	100.9%
Contractual Services	76,944	57,708	46,019	59.8%	11,689	20.3%	68,017	88.4%
Water Purchases	28,831	21,623	20,778	72.1%	845	3.9%	27,672	96.0%
Supplies & Chemicals	36,187	27,140	22,238	61.5%	4,902	18.1%	31,767	87.8%
Utilities	30,416	22,812	23,394	76.9%	(582)	(2.6%)	31,587	103.8%
Small Equipment	1,028	771	408	39.7%	363	47.1%	823	80.1%
SUBTOTAL O&M	\$308,950	\$231,713	\$212,136	68.7%	\$19,577	8.4%	\$296,617	96.0%
Debt Service	160,264	120,198	105,435	65.8%	14,763	12.3%	160,264	100.0%
PILOT/ROW	26,687	20,015	15,300	57.3%	4,715	23.6%	20,437	76.6%
Cash Financed Capital Improvements	20,058	15,044	15,044	75.0%	0	0.0%	20,058	100.0%
TOTAL OPERATING	\$515,959	\$386,969	\$347,915	67.4%	\$39,055	10.1%	\$497,376	96.4%
Capital Labor	(17,266)	(12,950)	(14,278)	82.7%	1,328	(10.3%)	(19,707)	114.1%
TOTAL NET OPERATING	\$498,693	\$374,020	\$333,637	66.9%	\$40,383	10.8%	\$477,669	95.8%

*Straight-lined (9/12 of revised budget)

VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of June 2015, with approximately 75 percent of the fiscal year completed, operating expenditures totaled \$347.9 million, or 67.4 percent of the annual budget. These numbers include estimated, incurred but unpaid, invoices and are subject to revision in subsequent months.

Personnel Services – The YTD spending is consistent with expectation and reflects an increase in hiring efforts to reduce authority-wide vacancies. Of the 1222 positions budgeted (1260 positions authorized), 1114 positions were filled and 146 authorized positions were vacant. As reported in prior months, overtime costs to date, at \$5.7 million, are higher than straight line budget primarily due to cost incurred during the extreme cold season. Staff will continue to monitor and report overtime activities and associated risks to budget.

Contracts - Underspending is attributable to various contracts throughout the Authority. This includes materialized savings from biosolids hauling costs and the impact of the delayed fee of \$4 million contract to operate the CHP Project.

Supplies & Chemicals – Underspending in parts and supplies reflects lower than planned issuances from the warehouse. It is anticipated that parts needed for preventive maintenance will increase based on issuances from the warehouse during the latter part of the fiscal year. The year-to-date chemicals expenditures are currently below budget but are projected to increase in the summer months because of greater need for the usage of sodium hypochlorite, polymer and methanol.

Utilities – YTD overspending is mainly due to increased usage of natural gas to make steam for the new CHP process, and additional water usage needs for the digester project. Some of the natural gas costs attributable to the CHP project will be reclassified to capital at fiscal year-end. We have 20MW or approximately 67 percent of the Authority's electricity load locked at an average Western Hub unit price of \$45.92/MWh for the remainder of the year, 15MW at \$40.43/MWh for FY 2016, 12MW at \$38.23/MWh for FY 2017 and 5MW at \$37.60/MWh for FY 2018. Staff continues to work with Con Edison, our energy service provider, to keep abreast of markets and pricing, in an effort to take advantage of opportunities to lock future loads.

Debt Service – YTD underspending is primarily due to lower interest rates on existing debt and the issuance of additional debt later in the calendar year than originally planned.

Payment In Lieu of Taxes (PILOT) – YTD expenditures of \$11.5 million is based on the current MOU with the District which totals \$15.3 million.

Monthly Financial Report

Fiscal Year-to-Date
As of June 30, 2015

Capital Disbursements (\$000's)

Service Area	A	B	C	D=C/A	E=B-C	F=EB	G	H=G/A
	FY 2015 BUDGET	YTD BUDGET	YTD ACTUAL	YTD % BUDGET	YTD \$ Fav/(Unfav)	YTD % Fav/(Unfav)	Year-End Projections	% of Budget
Wastewater	\$206,260	\$164,657	\$151,961	73.7%	\$12,697	7.7%	\$203,947	98.9%
Sanitary Sewer	40,258	28,340	31,089	77.2%	(2,750)	(9.7%)	30,063	74.7%
Combined Sewer Overflow	271,101	201,580	170,204	62.8%	31,377	15.6%	258,901	95.5%
Stormwater	2,559	2,156	706	27.6%	1,450	67.2%	643	25.1%
Water	65,006	46,834	43,271	66.6%	3,563	7.6%	59,658	91.8%
SUBTOTAL: CAPITAL PROJECTS	\$585,183	\$443,567	\$397,230	67.9%	\$46,337	10.4%	\$553,212	94.5%
Capital Equipment	22,191	16,643	6,698	30.2%	9,945	59.8%	15,287	68.9%
Automated Meter Reading (AMR)	5,314	3,986	3,462	65.1%	524	13.1%	5,300	99.7%
Customer Information System (CIS)	2,586	1,940	61	2.4%	1,878	96.8%	100	3.9%
Washington Aqueduct	10,000	7,500	8,195	82.0%	(695)	(9.3%)	10,000	100.0%
SUBTOTAL: ADD'L CAPITAL PROGRAMS	\$40,091	\$30,068	\$18,417	45.9%	\$11,651	38.7%	\$30,687	76.5%
TOTAL	\$625,274	\$473,636	\$415,647	66.5%	\$57,988	12.2%	\$583,899	93.4%

VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of June 2015, with 75 percent of the fiscal year completed, capital disbursements are at 67 percent of the FY 2015 budget.

Capital Projects – Capital projects implementation performance has been nominal. The year-to-date project performance will be reviewed in detail as part of the quarterly CIP update by DETS in the Environmental Quality and Sewerage Services committee meeting on September 17, 2015.

Capital Equipment - The favorable position is driven by the unspent reserve funds in the Office of the CFO to accommodate requests for projects Authority-wide, if needed.

CIS - Lower than anticipated spending for Customer Information and Billing System (CIS) driven by postponement of CIS project to FY 2016.

Fiscal Year-to-Date
As of June 30, 2015

Cash Investments and Insurance (\$ in millions)

Cash Balances

Rate Stabilization Fund Account (RSF)	\$22.5
DC Insurance Reserve	1.0
Operating Reserve Accounts	<u>153.3</u>
Operating Cash Balance Including RSF	\$176.8
Debt Service Reserve - Series 1998	23.4
CSO LTCP Appropriations Account	13.5
Bond Fund- Construction Fund 2014A	138.7
Bond Fund- Construction Fund 2014B	<u>17.1</u>
Reserves and Bond Proceeds	192.7
Total All Funds	\$369.5

OVERALL PORTFOLIO PERFORMANCE

- The operating reserve balance was \$153.3 million as compared to the operating reserve level objective of \$125.5 million for FY 2015
- Average cash balance for the month of June was \$167.2 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Returns exceeded the established benchmarks for short term (less than one year) and core (one plus years) funds
- Operating funds interest income for June (on a cash basis) was \$19,406 and year-to-date total is above budget at \$655,824
- A detailed investment performance report is attached

Monthly Financial Report

Fiscal Year-to-Date
As of June 30, 2015

Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD 75% Cash Budget	YTD Actual Cash	Variance Favorable (Unfavorable)		FY 2015 Projection
OPERATING BUDGET						
Cash Provided						
Retail	\$384,025	\$288,018	\$283,296	(4,723)	-2%	\$383,346
Wholesale	81,365	\$61,024	61,085	61	0%	81,370
Other	69,634	\$52,226	53,436	1,211	2%	73,941
Transfer from Rate Stabilization Fund	7,500	\$5,625		(5,625)	-100%	7,500
Total Cash Provided	542,524	406,893	397,817	(9,076)	-2%	546,157
Operating Cash Used						
Personnel Services	118,278	88,709	82,977	5,731	6%	117,043
Contractual Services	76,944	57,708	54,569	3,139	5%	68,017
Chemicals & Supplies	36,187	27,140	26,108	1,032	4%	31,767
Utilities	30,416	22,812	18,116	4,696	21%	31,587
Water Purchases	28,831	21,623	20,038	1,585	7%	27,672
Small Equipment	1,028	771	435	336	44%	823
Total Operating Cash Used	291,684	218,763	202,243	16,520	8%	276,909
Defeasance D.S./Cash Financed Capital Improvements	20,229	15,171		15,171	100%	20,229
Other Cash Used						
Debt Service	163,242	122,432	105,435	16,996	14%	160,265
Payment In Lieu of Taxes/Right of Way	20,437	15,328	15,328		0%	20,437
Total Other Cash Used	183,680	137,760	120,763	16,996	12%	180,702
Total Cash Used	495,592	371,694	323,007	48,688	13%	477,840
Net Cash Provided (Used) by Operating Act.	46,931	35,198	74,810	39,612		68,317
CAPITAL BUDGET						
Cash Provided						
Debt Proceeds	261,361	196,021	152,554	(43,467)	-22%	266,936
Transfer from Operations	20,229	15,172				20,229
EPA Grants	51,771	38,828	19,162	(19,666)	-51%	21,995
CSO Grants	22,200	16,650	32,887	16,237	98%	46,334
Interest Income	429	322	880	559	174%	950
Wholesale Capital Contributions	227,745	170,809	137,165	(33,644)	-20%	161,883
Total Cash Provided	583,735	437,801	342,649	(95,152)	-22%	518,326
Cash Used						
DC Water Capital Program	615,275	461,456	407,452	54,004	12%	571,458
Washington Aqueduct Projects	10,000	7,500	8,195	(695)	-9%	10,000
Total Cash Used	625,275	468,956	415,647	53,309	11%	581,458
Net Cash/PAYGO Provided (Used) by Cap. Act.	(\$41,540)	(\$31,155)	(\$72,998)	(\$41,843)		(\$63,132)
Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected						
Plus (Less) Operating Surplus	\$157,642		\$157,642			\$157,642
Wholesale Customer Refunds from Prior Years/ROW	46,931	35,198	74,810	21,386		68,317
Interest Earned From Bond Reserve	(18,100)	(13,575)	(2,483)	10,730		(7,370)
Transfer to Rate Stabilization Fund	120	90	104	31		151
Prior Year Federal Billing Reconciliation	(5,053)	(3,790)	(3,790)	(7,500)		(7,500)
Customer Rebate				()		(5,053)
Cash Used for Capital	(41,540)	(31,155)	(72,998)	(21,592)		(63,132)
Balance Attributable to O&M Reserve	\$140,000		\$153,286	3,055		\$143,055
OTHER CASH RESERVES						
Rate Stabilization Fund						
Rate Stabilization Fund						\$22,450
DC Insurance Reserve						\$1,039
CSO Long-Term Control Plan Appropriation						\$13,449

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Fiscal Year-to-Date
As of June 30, 2015

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	\$291.3	\$218.5	\$214.3	(\$4.2)	-1.9%	73.6%	292.6	1.3	100.4%
Federal	58.7	44.0	45.8	1.7	3.9%	78.0%	58.7	0.0	100.0%
District Government	15.7	11.8	9.1	(2.7)	-22.6%	58.1%	13.2	(2.6)	83.7%
DC Housing Authority	7.5	5.6	5.7	0.1	1.9%	76.5%	7.8	0.3	103.8%
Customer Metering Fee	10.8	8.1	8.4	0.3	3.6%	77.7%	11.2	0.4	103.5%
Wholesale	81.4	61.0	61.1	0.1	0.1%	75.1%	81.4	0.0	100.0%
Right-of-Way Fee/PILOT	20.6	15.4	16.2	0.8	5.4%	79.0%	21.9	1.4	106.8%
Subtotal (before Other Revenues)	\$485.9	\$364.4	\$360.6	-\$3.9	-1.1%	74.2%	\$486.7	\$0.7	100.2%
Other Revenue without RSF									
IMA Indirect Cost Reimb. For Capital Projects	10.0	7.5	0.0	(7.5)	-100.0%	0.0%	10.0	0.0	100.0%
DC Fire Protection Fee	6.9	5.2	8.1	2.9	55.8%	117.4%	10.8	3.9	156.5%
Stormwater (MS4)	1.0	0.8	0.7	(0.1)	-12.5%	70.0%	0.9	(0.1)	89.5%
Interest	0.6	0.5	0.8	0.3	60.0%	133.3%	1.0	0.4	160.3%
Developer Fees (Water & Sewer)	7.7	5.8	6.0	0.2	3.4%	77.9%	8.2	0.5	106.6%
Others	23.0	17.3	21.8	4.6	26.6%	94.8%	21.2	(1.9)	92.2%
Subtotal	\$49.2	\$36.9	\$37.3	\$0.4	1.1%	75.9%	\$52.0	\$2.8	105.7%
Rate Stabilization Fund Transfer	\$7.5	\$5.6	\$0.0	(\$5.6)	-100.0%	0.0%	\$7.5	\$0.0	100.0%
Other Revenue Subtotal	\$56.68	\$42.5	\$37.3	(\$5.2)	-12.2%	65.8%	\$59.5	\$2.8	105.0%
Grand Total	\$542.6	\$407.0	\$397.9	-\$9.1	-2.2%	73.3%	\$546.2	\$3.5	100.7%

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

Customer Category	FY2015 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	\$21,241	\$15,931	\$16,669	\$738	5%	78%
Commercial	26,211	19,658	22,134	2,476	13%	84%
Multi-family	8,199	6,149	6,005	(144)	-2%	73%
Federal	15,787	11,840	11,841	0	0%	75%
District Govt	9,434	7,076	5,598	(1,478)	-21%	59%
DC Housing Authority	981	736	750	14	2%	76%
Total:	\$81,853	\$61,390	\$62,996	\$1,607	3%	77%

Customer Category	Clean Rivers				Total
	Water	Sewer	IAC	Metering Fee	
Residential	\$22,989	\$27,984	\$16,669	\$3,793	\$71,435
Commercial	37,724	38,900	22,134	2,650	101,408
Multi-family	19,115	22,804	6,005	890	48,815
Federal	17,398	16,516	11,841	610	46,364
District Govt	1,591	1,945	5,598	325	9,460
DC Housing Authority	2,248	2,714	750	102	5,815
Total:	\$101,065	\$110,864	\$62,996	\$8,370	\$283,296

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

Monthly Financial Report

Fiscal Year-to-Date
As of June 30, 2015

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
October 31, 2014	\$5.4	12,034
November 30, 2014	\$5.6	12,261
December 31, 2014	\$6.5	13,180
January 31, 2015	\$6.5	13,111
February 28, 2015	\$6.2	13,132
March 31, 2015	\$6.2	12,866
April 30, 2015	\$6.1	12,187
May 31, 2015	\$6.5	12,516
June 30, 2015	\$6.5	12,865

Greater Than 90 Days by Customer

	Number of Accounts			Month of June (All Categories)				Total Delinquent				
	W & S a/c	Impervious Only a/c	Total No. of a/c	Active		Inactive		No. of a/c May	Amount (\$)	No. of a/c June	Amount (\$)	%
				No. of a/c	Amount (\$)	No. of a/c	Amount (\$)					
Commercial	11,831	3,365	15,196	1,233	1,485,782	156	140,474	1,102	\$ 1,936,795	1,389	\$ 1,626,256	25%
Multi-family	7,601	409	8,010	717	1,478,337	152	80,658	841	1,525,679	869	\$ 1,558,995	25%
Single-Family Residential	105020	3332	108,352	8,333	2,689,206	2,274	588,302	10,573	3,046,093	10,607	\$ 3,277,508	51%
Total	124,452	7,106	131,558	10,283	\$ 5,653,325	2,582	\$ 809,433	12,516	\$ 6,508,567	12,865	\$ 6,462,758	100%

Notes: Included in the above \$5.65M (or 10,283 accounts) of the DC Water Over 90 days delinquent accounts, \$1,948,312.30 (or 2,395 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 June 30, 2015

Overtime by Department

Department	FY 2015			
	Budget	Actual	Actual % of Budget	% of Regular Pay
Office of the Board Secretary	\$4,000	\$9,066	226.6%	5.6%
General Manager	5,000	7,194	143.9%	0.6%
General Counsel	2,000	0	0.0%	0.0%
External Affairs	27,000	756	2.8%	0.1%
Internal Audit	0	0	0.0%	0.0%
Information Technology	20,000	9,436	47.2%	0.5%
Procurement	30,000	10,694	35.6%	0.6%
Customer Service	240,000	182,251	75.9%	2.9%
Finance, Accounting & Budget	30,000	29,147	97.2%	0.8%
Assistant General Manager - Support Services	1,030	1,622	157.4%	0.7%
Human Capital Management	5,000	3,051	61.0%	0.1%
Occupational Safety and Health	2,000	414	20.7%	0.1%
Facilities Management	200,000	223,232	111.6%	7.6%
Department of Security	0	57	0.0%	0.0%
Distribution and Conveyance System	553,000	653,730	118.2%	14.8%
Engineering and Technical Services	1,070,000	875,285	81.8%	6.7%
Water Services	960,000	1,272,663	132.6%	14.5%
Clean Rivers	5,000	0	0.0%	0.0%
Sewer Services	767,000	684,310	89.2%	11.9%
Wastewater Treatment - Operations	1,233,890	909,907	73.7%	12.2%
Wastewater Treatment - Process Engineering	100,000	45,413	45.4%	2.4%
Maintenance Services	800,000	770,737	96.3%	12.1%
Permit Operations	11,000	1,592	14.5%	0.2%
Fleet Management	2,000	3,662	183.1%	0.8%
Total DC WATER	\$6,067,920	\$5,694,217	93.8%	7.9%

Notes:

- FY 2015 actual includes accruals for three days (06/28/15-6/30/2015)
- Engineering and Technical Services department includes overtime that will be charged/transferred to capital projects

Fiscal Year-to-Date
As of June 30, 2015

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

Service Areas	Budget		Actual				Year-End		
	Annual	YTD	Oct. 2014 - May. 2015	Jun 2015	YTD	% of YTD Budget	Projection	Variance Budget to Projection	% of Budget
WASTEWATER TREATMENT									
Liquid Processing Projects	\$20,566	\$14,771	\$13,265	\$1,669	\$14,934	101.1%	\$17,556	\$3,010	85.4%
Plantwide Projects	18,322	14,007	12,100	1,081	13,181	94.1%	18,004	318	98.3%
Solids Processing Projects	58,333	55,494	35,242	2,884	38,126	68.7%	60,978	(2,645)	104.5%
Enhanced Nitrogen Removal Facilities	109,039	80,386	81,088	4,631	85,719	106.6%	107,410	1,629	98.5%
Subtotal	206,260	164,657	141,696	10,264	151,961	92.3%	203,947	2,313	98.9%
SANITARY SEWER									
Sanitary Collection Sewers	5,933	3,235	445	10	455	14.1%	2,494	3,439	42.0%
Sanitary On-Going Projects	8,256	5,987	8,637	5,928	14,566	243.3%	8,294	(38)	100.5%
Sanitary Pumping Facilities	1,377	1,177	762	36	799	67.8%	1,453	(76)	105.5%
Sanitary Sewer Program Management	10,106	7,373	5,487	329	5,816	78.9%	6,966	3,140	68.9%
Sanitary Interceptor/Trunk Force Sewers	14,586	10,568	7,958	1,496	9,454	89.5%	10,856	3,730	74.4%
Subtotal	40,258	28,340	23,289	7,800	31,089	109.7%	30,063	10,195	74.7%
COMBINED SEWER OVERFLOW									
CSO Program Management	4,423	3,824	4,513	234	4,747	124.1%	4,729	(306)	106.9%
Combined Sewer Projects	10,769	8,119	6,805	289	7,094	87.4%	10,228	541	95.0%
D.C. Clean Rivers Project	255,909	189,637	148,519	9,844	158,363	83.5%	243,944	11,965	95.3%
Subtotal	271,101	201,580	159,837	10,367	170,204	84.4%	258,901	12,200	95.5%
STORMWATER									
Stormwater Local Drainage	28	20	206	12	219	1088.9%	211	(183)	752.4%
Stormwater On-Going Program	489	328	139	107	246	75.2%	153	336	31.2%
Stormwater Pumping Facilities	-	-	-	-	-	0.0%	-	-	0.0%
DDOT Stormwater Program	27	18	-	-	-	0.0%	1	26	3.7%
Stormwater Research and Program Management	518	429	22	205	227	52.8%	271	247	52.3%
Stormwater Trunk/Force Sewers	1,497	1,361	14	1	15	1.1%	7	1,490	0.5%
Subtotal	2,559	2,156	381	325	706	32.8%	643	1,916	25.1%
WATER									
Water Distribution Systems	33,291	23,535	18,765	2,167	20,932	88.9%	31,520	1,771	94.7%
Water Lead Program	2,350	1,591	1,455	253	1,708	107.4%	2,168	182	92.3%
Water On-Going Projects	7,070	5,331	5,260	1,388	6,647	124.7%	6,639	431	93.9%
Water Pumping Facilities	6,074	4,655	5,739	8	5,747	123.5%	6,710	(636)	110.5%
DDOT Water Projects	2,121	1,679	248	0	249	14.8%	147	1,974	6.9%
Water Storage Facilities	6,323	3,886	904	585	1,489	38.3%	4,957	1,366	78.4%
Water Projects Program Management	7,777	6,157	6,413	85	6,499	105.5%	7,517	260	96.7%
Subtotal	65,006	46,834	38,784	4,486	43,271	92.4%	59,658	5,348	91.8%
Capital Projects	585,183	443,567	363,988	33,243	397,230	89.6%	553,212	31,972	94.5%
CAPITAL EQUIPMENT and AMR/CIS									
Capital Equipment	22,191	16,643	6,143	555	6,698	40.2%	15,287	6,904	68.9%
Automated Meter Reading	5,314	3,986	2,898	564	3,462	86.9%	5,300	14	99.7%
Customer Information System	2,586	1,940	61	0	61	3.2%	100	2,486	3.9%
Subtotal	30,091	22,568	9,102	1,119	10,222	45.3%	20,687	9,404	68.7%
WASHINGTON AQUEDUCT	10,000	7,500	8,195	-	8,195	109.3%	10,000	-	100.0%
Additional Capital Projects	40,091	30,068	17,298	1,119	18,417	61.3%	30,687	9,404	76.5%
Total	\$625,274	\$473,636	\$381,285	\$34,362	\$415,647	87.8%	\$583,899	\$41,376	93.4%

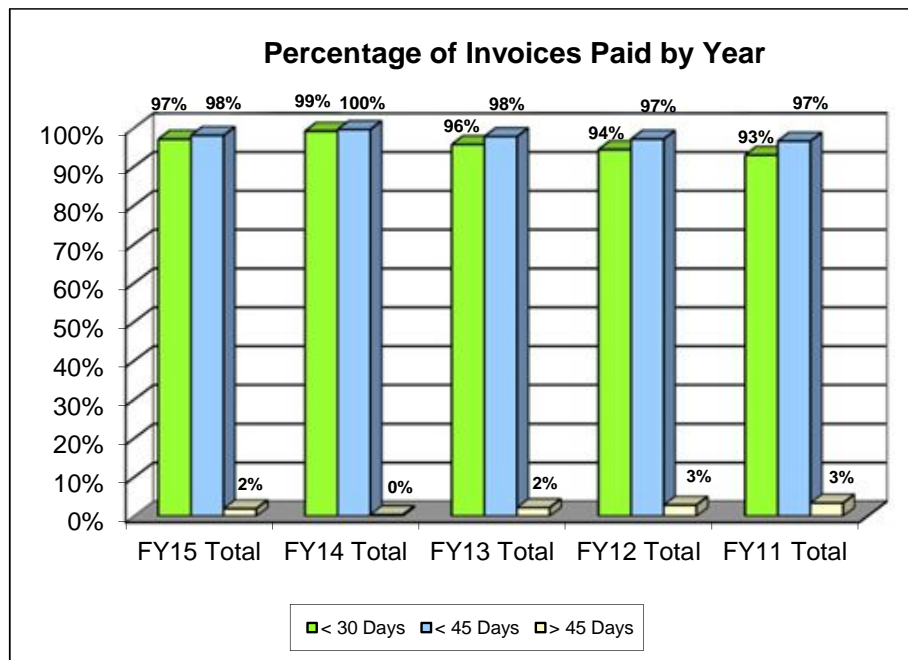
Fiscal Year-to-Date
As of June 30, 2015

Accounts Payable

During the first nine months of fiscal year 2015, a total of 14,352 vendor payments were processed and paid compared to 12,910 in FY 2014 (as shown in the table below) and with a dollar value of \$598.9 million compared to \$627.6 million for FY 2014. For FY 2015, approximately 97.1% of the invoices were paid within 30 days compared to 99.2% for FY 2014. The Authority's goal is to pay 97% of all undisputed invoices within 30 days.

Accounts Payable Performance				
Days	FY 2015		FY 2014	
	Number	Percent	Number	Percent
Less than 30	13,633	97.1%	12,466	99.2%
Less than 45	13,769	98.1%	12,518	99.6%
Greater than 45	271	1.9%	50	0.4%
Sub-Total	14,040	100%	12,568	100%
Retainage/Dispute	312		342	
Total	14,352		12,910	

The chart below shows historical performance for fiscal year 2011 through fiscal year 2015.

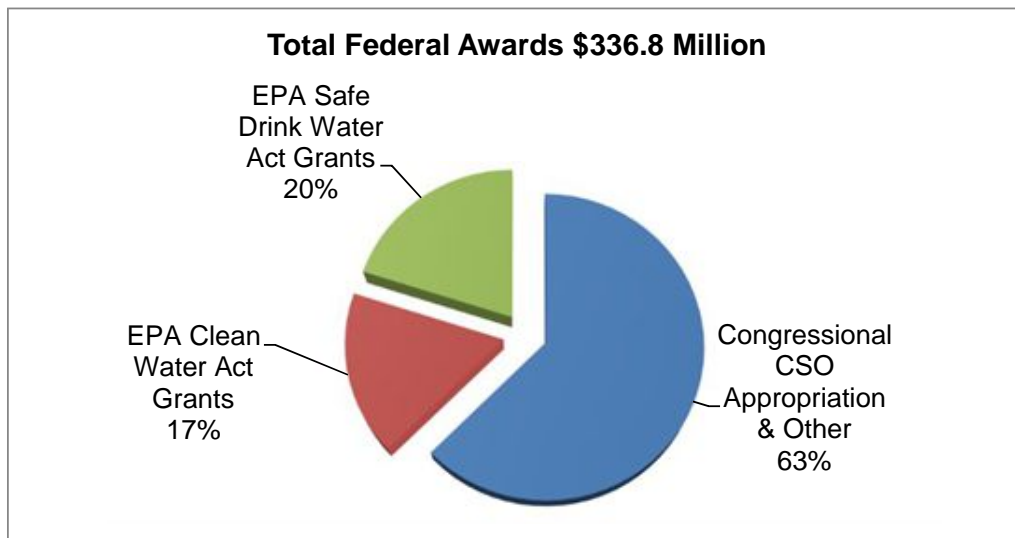


Fiscal Year-to-Date
As of June 30, 2015

Grants Report

The Authority receives grants to fund a portion of its capital costs from the U.S. Environmental Protection Agency (EPA) under two acts, the Clean Water Act of 1972 and the Safe Drinking Water Act of 1974.

As of June 30, 2015, including the CSO appropriation, DC Water has a total of \$336.8 million awarded in federal funds for active projects.



As of June 30, 2015, DC Water received sixteen separate Congressional CSO appropriations totaling \$210.8 million. The cumulative CSO appropriation life-to-date cash disbursement request for reimbursement is \$209.7 million through June 30, 2015. Based on the projected FY 2015 capital spending on the Clean Rivers' projects, and with no additional funding, all remaining CSO funds including interest is projected to be depleted before the end of FY 2015.



DC Water

Investment Performance Report – June 2015



**DC Water
Finance Division
Economic Update**

ECONOMIC COMMENTARY

- U.S. Gross Domestic Product (“GDP”) during the 1st quarter was revised upwards. GDP declined by 0.2% during the period.
- The U.S. economy added 223,000 jobs in June, slightly below the forecast of 233,000. The unemployment rate ticked lower, from 5.5% to 5.3%, a seven-year low, as a result of the labor force shrinking by 432,000 people.
- During the Federal Open Market Committee’s (FOMC’s) June 16th – 17th meeting, an increased number of officials indicated that only one increase in the federal funds target rate will occur in 2015.
- The FOMC is taking a “go slow” approach due to current economic conditions. According to Janet Yellen, the Committee views the weakness during the first quarter as mostly transitory and they would like to see “more decisive evidence that a moderate pace of economic growth will be sustained”.

PORTFOLIO RECAP

- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, 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 0.49%.
- The portfolio is in compliance with the Authority’s Investment Policy.

Operating Reserve Accounts

- During the month, PFM sold \$4.2 million of 1-2 year U.S. Treasuries and used the proceeds to purchase 2 ¾-3 year Corporate Notes at an average yield of 1.62%. Corporate Note issuers included: Bank of Nova Scotia, Wal-Mart, and Cisco Systems.

Debt Service Reserve Fund

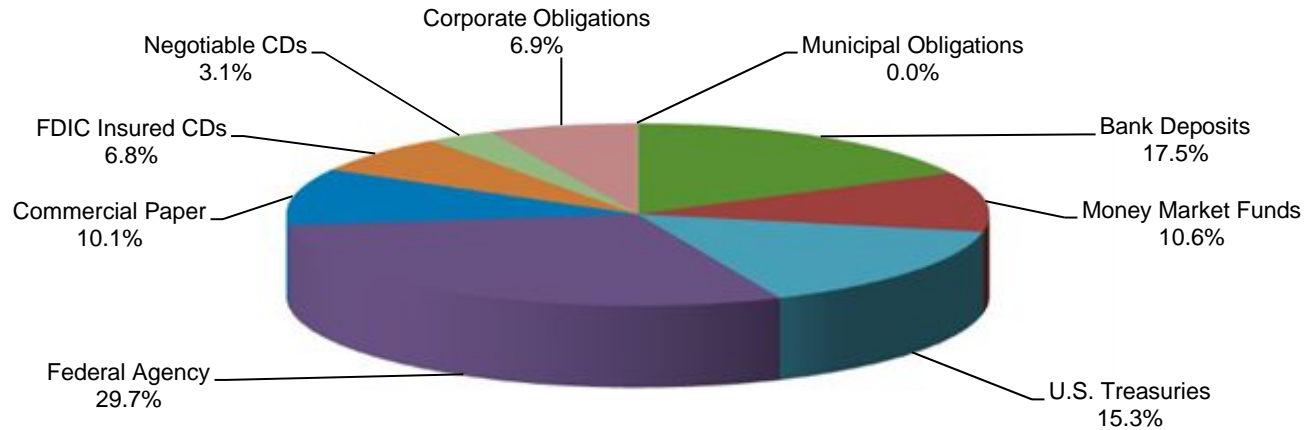
- PFM sold \$4.9 million of 2-month Federal Agencies and \$8.4 million of 1-2 year U.S. Treasuries and used the proceeds to purchase 1¾-2¼ year U.S. Treasuries at an average yield of boosting the yield on these funds by 0.32%.

2014A Construction Fund

- PFM sold \$24 million of 3-month Federal Agencies and used the proceeds to purchase 2- to 3-month Commercial Paper at an average yield of 0.22%. Commercial Paper issuers included: Bank of Tokyo-Mitsubishi UFJ, General Electric, and BNP Paribas.



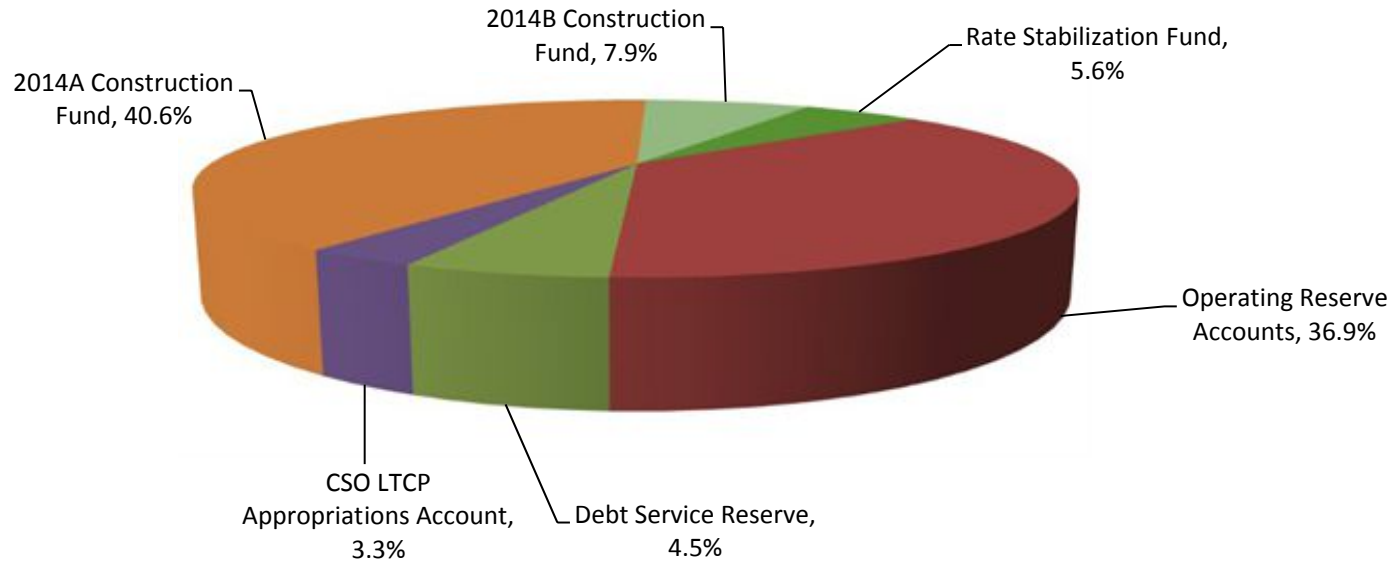
**DC Water
Finance Division
Investments - By Security Type
As of June 30, 2015**



Security Type	Accrued Interest	Allocation	By Policy
Bank Deposits	65,091,672	17.5%	100.0%
Money Market Funds	39,201,297	10.6%	100.0%
U.S. Treasuries	56,489,792	15.3%	100.0%
Federal Agency	109,749,564	29.7%	80.0%
Commercial Paper	37,214,007	10.1%	35.0%
FDIC Insured CDs	25,272,557	6.8%	30.0%
Negotiable CDs	11,422,986	3.1%	30.0%
Corporate Obligations	25,481,296	6.9%	30.0%
Municipal Obligations	120,327	0.0%	20.0%
Total	\$ 370,043,497	100.0%	



**DC Water
Finance Division
Investment Analysis – By Fund
As of June 30, 2015**

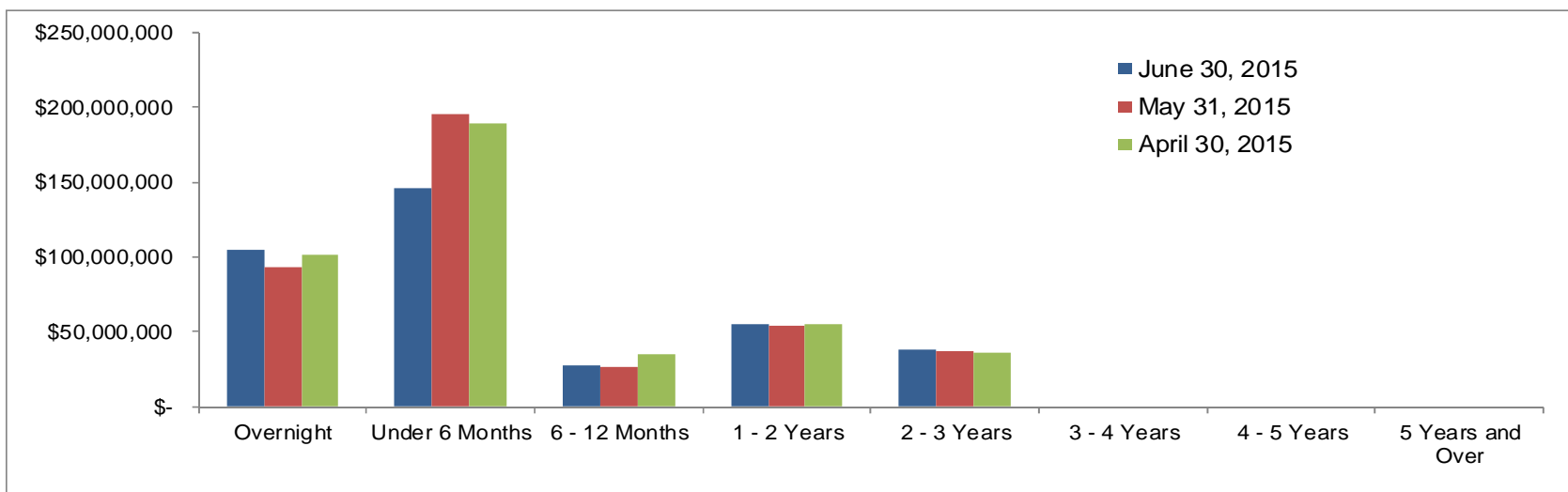


Fund Name	Book Value + Accrued Interest	Yield-to- Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Rate Stabilization Fund	\$ 22,450,000	0.50%	0.00	1.0
Operating Reserve Accounts	\$ 155,023,372	0.79%	1.11	409.8
Debt Service Reserve	\$ 23,411,427	0.56%	1.40	524.7
CSO LTCP Appropriations Account	\$ 13,449,709	0.90%	0.00	1.0
2014A Construction Fund	\$ 138,652,492	0.17%	0.10	36.9
2014B Construction Fund	\$ 17,056,498	0.01%	0.00	1.0
Total	\$ 370,043,497	0.49%	0.59	218.8



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

Maturity Distribution	June 30, 2015	May 31, 2015	April 30, 2015
Overnight \$	104,292,969.03 \$	92,675,759.87 \$	100,964,856.90
Under 6 Months	146,052,947.01	194,940,821.59	188,849,664.45
6 - 12 Months	27,678,661.33	26,571,011.04	35,006,082.27
1 - 2 Years	54,435,639.68	53,553,591.66	54,962,316.56
2 - 3 Years	37,583,280.25	36,507,501.08	35,951,336.32
3 - 4 Years	-	-	734,978.42
4 - 5 Years	-	-	-
5 Years and Over	-	-	-
Totals \$	370,043,497.30 \$	404,248,685.24 \$	416,469,234.92





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

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
Bank Deposits					
TD Bank		60,014,309.01	16.2%	100.0%	Yes
Capital One Bank		5,077,362.72	1.4%	100.0%	Yes
Sub-Total Bank Deposits		65,091,671.73	17.6%	100.0%	Yes
Money Market Mutual Funds					
Wells Fargo Treasury Plus MMF	AAAm	28,967,413.55	7.8%	50.0%	Yes
Federated Government MMF	AAAm	10,233,883.75	2.8%	50.0%	Yes
Sub-Total Money Market Mutual Funds		39,201,297.30	10.6%	100.0%	Yes
U.S. Treasuries					
Treasury Note	AA+ / Aaa	56,489,792.07	15.3%	100.0%	Yes
Sub-Total Treasuries		56,489,792.07	15.3%	100.0%	Yes
Federal Agencies					
Fannie Mae	AA+ / Aaa	35,287,876.20	9.5%	40.0%	Yes
Federal Home Loan Bank	AA+ / Aaa	47,402,925.26	12.8%	40.0%	Yes
Freddie Mac	AA+ / Aaa	27,058,762.20	7.3%	40.0%	Yes
Sub-Total Federal Agencies		109,749,563.66	29.7%	80.0%	Yes
Commercial Paper					
Bank of Tokyo Mitsubishi UFJ	A-1 / P-1	5,997,776.64	1.6%	5.0%	Yes
BNP Paribas	A-1 / P-1	5,997,120.00	1.6%	5.0%	Yes
Credit Agricole CIB NY	A-1 / P-1	11,999,400.00	3.2%	5.0%	Yes
General Electric Capital Corp	A-1+ / P-1	5,997,720.00	1.6%	5.0%	Yes
PNC Bank NA	A-1 / P-1	1,224,685.58	0.3%	5.0%	Yes
Toyota Motor Credit Corp	A-1+ / P-1	5,997,304.98	1.6%	5.0%	Yes
Sub-Total Commercial Paper		37,214,007.20	10.1%	35.0%	Yes
FDIC Insured Certificates of Deposit					
CDARS - Placed by Industrial Bank	NR / NR	15,167,598.00	4.1%	5.0%	Yes
CDARS - Placed by City First Bank	NR / NR	10,104,958.58	2.7%	5.0%	Yes
Sub-Total FDIC-Insured Certificates of Deposit		25,272,556.58	6.8%	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
Negotiable Certificates of Deposit					
BNP Paribas NY Branch	A-1 / P-1	1,803,164.00	0.5%	5.0%	Yes
Canadian Imperial Bank NY	A-1 / P-1	1,804,090.50	0.5%	5.0%	Yes
Citibank NA	A-1 / P-1	1,200,712.04	0.3%	5.0%	Yes
HSBC Bank USA NA	A-1+ / P-1	1,806,072.00	0.5%	5.0%	Yes
Nordea Bank Finland NY	AA- / Aa3	1,801,897.50	0.5%	5.0%	Yes
Rabobank Nederland NV	A-1 / P-1	1,803,424.00	0.5%	5.0%	Yes
US Bank NA Cincinnati	AA- / Aa3	1,203,626.16	0.3%	5.0%	Yes
Sub-Total Negotiable Certificates of Deposit		11,422,986.20	3.1%	30.0%	Yes
Corporate Obligations					
ANZ Banking Group Ltd.	AA- / Aa2	1,753,444.11	0.5%	5.0%	Yes
Bank of Montreal	A+ / Aa3	1,761,867.11	0.5%	5.0%	Yes
Bank of New York Mellon	A+ / A1	1,802,402.41	0.5%	5.0%	Yes
Bank of Nova Scotia	A+ / Aa2	1,800,869.34	0.5%	5.0%	Yes
Cisco Systems Inc.	AA- / A1	1,550,734.40	0.4%	5.0%	Yes
Chevron	AA / Aa1	1,783,810.09	0.5%	5.0%	Yes
Exxon Mobil	AAA / Aaa	1,807,503.75	0.5%	5.0%	Yes
General Electric Capital Corporation	AA+ / A1	1,852,218.58	0.5%	5.0%	Yes
IBM	AA- / Aa3	2,254,240.12	0.6%	5.0%	Yes
Merck & Co.	AA / A2	731,829.18	0.2%	5.0%	Yes
Royal Bank of Canada	AA- / Aa3	1,755,329.48	0.5%	5.0%	Yes
Toronto Dominion Bank NY	AA- / Aa1	1,992,153.76	0.5%	5.0%	Yes
Toyota	AA- / Aa3	593,331.94	0.2%	5.0%	Yes
Wal-Mart Stores Inc.	AA / Aa2	853,104.49	0.2%	5.0%	Yes
Wells Fargo & Company	A+ / A2	1,212,836.11	0.3%	5.0%	Yes
Westpac Banking	AA- / Aa2	1,422,056.46	0.4%	5.0%	Yes
US Bank	AA- / A1	553,564.23	0.1%	5.0%	Yes
Sub-Total Corporate Obligations		25,481,295.56	6.9%	30.0%	Yes
Municipal Obligations					
Mississippi State	AA / Aa2	120,327.00	0.0%	5.0%	Yes
Sub-Total Municipal Obligations		120,327.00	0.0%	20.0%	Yes
Grand Total		\$ 370,043,497.30	100.0%		



**DC Water
Finance Division
Book Value Performance
As of June 30, 2015**

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

	Trailing 1 Months		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized	
Total Rate Stabilization Fund	0.04%	0.50%	0.13%	0.50%	0.25%	0.50%	0.56%
Operating Reserve Accounts	0.06%	0.75%	0.19%	0.78%	0.36%	0.74%	0.67%
Total Debt Service Reserve	0.16%	2.01%	0.24%	0.98%	0.37%	0.74%	0.61%
2014A Construction Fund	0.02%	0.19%	0.04%	0.17%	0.09%	0.18%	n/a
2014B Construction Fund	0.00%	0.03%	0.04%	0.18%	0.08%	0.17%	n/a
Short-Term	0.03%	0.36%	0.08%	0.33%	0.16%	0.33%	0.34%
Merrill Lynch 3-Month Treasury Index (Book Value) ¹	0.00%	0.00%	0.00%	0.01%	0.01%	0.01%	0.02%
Core (1+ Years)	0.07%	0.89%	0.21%	0.84%	0.39%	0.78%	0.69%
Merrill Lynch 1-3 Year Treasury Index (Book Value) ²	0.05%	0.60%	0.14%	0.57%	0.29%	0.58%	0.54%

- (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
Rate Stabilization Fund										
TD BANK BANK DEPOSIT		\$ 12,450,000		7/1/2015		0.90%	\$ 12,450,000	\$ 12,450,000	\$ 12,450,000	
FEDERATED GOVERNMENT MONEY MARKET FUND		10,000,000		7/1/2015		0.01%	10,000,000	10,000,000	10,000,000	
										\$ 22,450,000.00
Operating Reserve Accounts										
TD BANK BANK DEPOSIT		\$ 34,114,600		7/1/2015		0.90%	\$ 34,114,600	\$ 34,114,600	\$ 34,114,600	
CAPITAL ONE BANK		5,077,363		7/1/2015		0.50%	5,077,363	5,077,363	5,077,363	
FEDERATED GOVERNMENT MONEY MARKET FUND		233,884		7/1/2015		0.01%	233,884	233,884	233,884	
PNC BANK NA COMM PAPER	69349KV31	1,225,000	-	8/3/2015	11/24/2014	0.28%	1,222,599	1,224,800	1,224,686	
CITIBANK NA FLOATING CERT DEPOS	17304UYB0	1,200,000	0.419	8/11/2015	8/14/2014	0.37%	1,200,000	1,200,820	1,200,712	
INDUSTRIAL BANK CDARS		5,000,000	0.350	10/15/2015	10/16/2014	0.35%	5,000,000	5,012,432	5,012,432	
INDUSTRIAL BANK CDARS		5,024,994	0.400	11/12/2015	11/13/2014	0.40%	5,024,994	5,037,775	5,037,775	
CITY FIRST BK OF WASHINGTON, DC (CDARS)		5,019,985	0.300	11/12/2015	11/13/2014	0.30%	5,019,985	5,029,561	5,029,561	
BNP PARIBAS NY BRANCH CERT DEPOS	05574RSY2	1,800,000	0.560	12/4/2015	3/10/2015	0.56%	1,800,000	1,803,494	1,803,164	
INDUSTRIAL BANK CDARS		2,545,282	0.750	1/21/2016	1/23/2014	0.75%	2,545,282	2,572,862	2,572,862	
INDUSTRIAL BANK CDARS		2,539,450	0.450	1/21/2016	1/22/2015	0.45%	2,539,450	2,544,529	2,544,529	
CITY FIRST BK OF WASHINGTON, DC (CDARS)		2,530,097	0.400	3/17/2016	3/20/2014	0.40%	2,530,097	2,543,132	2,543,132	
CITY FIRST BK OF WASHINGTON, DC (CDARS)		2,530,097	0.300	3/17/2016	3/19/2015	0.30%	2,530,097	2,532,265	2,532,265	
US TREASURY NOTES	912828QP8	2,675,000	1.750	5/31/2016	11/21/2014	0.32%	2,733,202	2,713,866	2,713,939	
US TREASURY NOTES	912828WQ9	4,700,000	0.500	6/30/2016	7/15/2014	0.46%	4,703,855	4,707,777	4,702,031	
WELLS FARGO & COMPANY	94974BFL9	1,200,000	1.250	7/20/2016	7/16/2014	0.76%	1,211,664	1,211,794	1,212,836	
US TREASURY NOTES	912828QX1	3,035,000	1.500	7/31/2016	7/15/2014	0.50%	3,096,767	3,090,980	3,086,786	
HSBC BANK USA NA CD	40428AC54	1,800,000	0.880	8/15/2016	2/13/2015	0.88%	1,800,000	1,807,197	1,806,072	
FHLB NOTES	3130A2T97	1,595,000	0.500	9/28/2016	8/7/2014	0.61%	1,591,411	1,597,438	1,594,974	
US TREASURY NOTES	912828WF3	4,600,000	0.625	11/15/2016	7/15/2014	0.64%	4,598,563	4,615,531	4,602,827	
US TREASURY NOTES	912828MD9	4,225,000	3.250	12/31/2016	11/24/2014	0.61%	4,457,375	4,399,984	4,391,328	
US TREASURY NOTES	912828RX0	5,000,000	0.875	12/31/2016	11/21/2014	0.60%	5,029,102	5,029,414	5,020,824	
US TREASURY NOTES	912828RX0	3,075,000	0.875	12/31/2016	12/9/2014	0.69%	3,086,531	3,093,090	3,083,473	
GENERAL ELEC CAP CORP GLOBAL NOTES	36962G5N0	1,200,000	2.900	1/9/2017	7/15/2014	1.03%	1,254,912	1,252,049	1,250,452	
US BANK CORP NOTE (CALLABLE)	90331HMC4	550,000	1.100	1/30/2017	11/26/2014	0.98%	551,430	553,793	553,564	
US TREASURY NOTES	912828SC5	3,500,000	0.875	1/31/2017	7/14/2014	0.72%	3,513,945	3,532,189	3,521,472	
US TREASURY NOTES	912828SM3	100,000	1.000	3/31/2017	10/6/2014	0.80%	100,488	101,017	100,596	
CANADIAN IMPERIAL BANK NY YCD	13606JY9	1,800,000	1.010	4/6/2017	4/10/2015	1.01%	1,800,000	1,801,121	1,804,091	
RABOBANK NEDERLAND NV CERT DEPOS	21684BXH2	1,800,000	1.070	4/21/2017	4/27/2015	1.07%	1,800,000	1,798,132	1,803,424	
FNMA NOTES	3135GQJA2	4,500,000	1.125	4/27/2017	11/21/2014	0.80%	4,535,370	4,543,173	4,535,553	
TORONTO DOMINION BANK NY CORP NT	89114QAQ1	1,200,000	1.125	5/2/2017	7/15/2014	1.14%	1,199,628	1,203,943	1,201,970	
TORONTO DOMINION BANK NY CORP NT	89114QAQ1	790,000	1.125	5/2/2017	11/26/2014	1.21%	788,317	792,596	790,184	
NORDEA BANK FINLAND NY CD	65558LFA5	1,800,000	1.150	5/26/2017	5/29/2015	1.15%	1,800,000	1,796,723	1,801,898	
FHLB GLOBAL NOTES	3130A5EP0	1,775,000	0.625	5/30/2017	5/15/2015	0.67%	1,773,527	1,772,333	1,774,573	
ANZ BANKING GROUP LTD CORP NOTES	05253JAF8	1,200,000	1.250	6/13/2017	10/30/2014	1.15%	1,203,084	1,202,588	1,203,057	
ANZ BANKING GROUP LTD CORP NOTES	05253JAF8	550,000	1.250	6/13/2017	11/26/2014	1.25%	550,055	551,186	550,387	
US TREASURY NOTES	912828TB6	1,850,000	0.750	6/30/2017	11/3/2014	0.79%	1,848,121	1,853,651	1,848,624	
BANK OF MONTREAL CORP NOTES (CALLABLE)	06366RVD4	1,200,000	1.300	7/14/2017	7/15/2014	1.27%	1,201,116	1,207,474	1,207,990	
BANK OF MONTREAL CORP NOTES (CALLABLE)	06366RVD4	550,000	1.300	7/14/2017	11/26/2014	1.25%	550,726	553,426	553,877	
FREDDIE MAC GLOBAL NOTES	3137EADJ5	1,015,000	1.000	7/28/2017	8/14/2014	1.00%	1,014,932	1,024,041	1,019,267	
US TREASURY NOTES	912828NR7	150,000	2.375	7/31/2017	7/18/2014	0.97%	156,311	156,701	155,835	
US TREASURY NOTES	912828TG5	3,260,000	0.500	7/31/2017	2/4/2015	0.63%	3,249,685	3,255,337	3,258,157	
US TREASURY NOTES	912828TG5	100,000	0.500	7/31/2017	2/10/2015	0.84%	99,164	99,857	99,503	
US BANK NA CINCINNATI (CALLABLE) CD	90333VPF1	1,200,000	1.375	9/11/2017	9/11/2014	1.41%	1,198,068	1,204,372	1,203,626	



**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
Operating Reserve Accounts										
MS ST TXBL GO BONDS	605581FX0	120,000	1.090	10/1/2017	2/18/2015	1.09%	120,000	120,031	120,327	
ROYAL BANK OF CANADA CORP NOTES	78010U4A2	1,200,000	1.400	10/13/2017	10/15/2014	1.41%	1,199,820	1,206,852	1,203,502	
ROYAL BANK OF CANADA CORP NOTES	78010U4A2	550,000	1.400	10/13/2017	11/26/2014	1.39%	550,198	553,141	551,828	
CHEVRON CORP NOTE	166764AL4	885,000	1.345	11/15/2017	11/18/2014	1.35%	885,000	890,119	886,521	
CHEVRON CORP (CALLABLE) GLOBAL NOTES	166764AA8	900,000	1.104	12/5/2017	11/26/2014	1.26%	895,743	896,862	897,289	
GENERAL ELECTRIC CO NOTES	369604BC6	550,000	5.250	12/6/2017	11/26/2014	1.45%	611,727	601,116	601,767	
TOYOTA MOTOR CREDIT CORP NOTE	89236TCA1	590,000	1.450	1/12/2018	1/12/2015	1.50%	589,192	594,584	593,332	
WESTPAC BANKING CORP NOTES	961214BZ5	1,400,000	1.600	1/12/2018	4/29/2015	1.27%	1,412,306	1,414,790	1,422,056	
IBM CORP NOTES	459200HZ7	2,250,000	1.125	2/6/2018	2/6/2015	1.23%	2,243,138	2,245,908	2,254,240	
WAL MART STORES INC. CORP NOTES	931142CJ0	750,000	5.800	2/15/2018	6/12/2015	1.30%	838,382	853,914	853,104	
EXXON MOBIL CORP NOTES	30231GAL6	1,800,000	1.305	3/6/2018	3/6/2015	1.31%	1,800,000	1,806,042	1,807,504	
US TREASURY NOTES	91282UU2	2,200,000	0.750	3/31/2018	2/27/2015	1.04%	2,180,578	2,192,976	2,186,834	
US TREASURY NOTES	91282UU2	4,400,000	0.750	3/31/2018	3/27/2015	1.00%	4,368,031	4,385,952	4,379,078	
MERCK & CO GLOBAL NOTES	58933YAG0	731,000	1.300	5/18/2018	3/27/2015	1.31%	730,664	729,249	731,829	
BANK OF NEW YORK MELLON CORP	06406HDB2	1,800,000	1.600	5/22/2018	5/29/2015	1.60%	1,799,838	1,801,498	1,802,402	
BANK OF NOVA SCOTIA CORP NOTE (CALLABLE)	064159GM2	1,800,000	1.700	6/11/2018	6/11/2015	1.72%	1,799,154	1,802,402	1,800,869	
CISCO SYSTEMS INC CORP NOTE	17275RAU6	1,550,000	1.650	6/15/2018	6/17/2015	1.66%	1,549,737	1,556,502	1,550,734	
										\$ 155,023,372.31
Debt Service Reserve										
WELLS FARGO TREASURY PLUS MMF		\$ 3,041		7/1/2015		0.01%	\$ 3,041	\$ 3,041	\$ 3,041	
FHLB NOTES	313375RN9	10,000,000	1.000	3/11/2016	5/22/2013	0.43%	10,158,100	10,073,716	10,069,902	
US TREASURY NOTES	912828MV9	6,538,000	3.250	3/31/2017	6/29/2015	0.56%	6,844,213	6,898,390	6,896,676	
US TREASURY NOTES	912828PA2	6,257,000	1.875	9/30/2017	6/29/2015	0.76%	6,412,692	6,444,867	6,441,808	
										\$ 23,411,426.55
CSO LTCP Appropriations Account										
TD BANK BANK DEPOSIT		\$ 13,449,709		7/1/2015		0.90%	\$ 13,449,709	\$ 13,449,709	\$ 13,449,709	
										\$ 13,449,708.56
2014A Construction Fund										
WELLS FARGO TREASURY PLUS MMF		\$ 11,907,874		7/1/2015		0.01%	\$ 11,907,874	\$ 11,907,874	\$ 11,907,874	
FANNIE MAE GLOBAL NOTES	3135G0LN1	6,000,000	0.500	7/2/2015	8/1/2014	0.19%	6,016,950	6,014,983	6,014,968	
FHLMC NOTES	3134G4TH1	24,000,000	0.300	7/8/2015	7/30/2014	0.20%	24,022,994	24,035,728	24,035,076	
CREDIT AGRICOLE CIB NY COMM PAPER	22533UUD3	12,000,000	-	7/13/2015	5/1/2015	0.15%	11,996,350	11,999,868	11,999,400	
FNMA NOTES	31398AU34	24,450,000	2.375	7/28/2015	1/21/2015	0.16%	24,730,931	24,736,695	24,737,356	
BANK OF TOKYO MITS UFJ LTD COMM PAPER	06538CVU2	6,000,000	-	8/28/2015	6/12/2015	0.23%	5,997,048	5,998,044	5,997,777	
FHLB AGENCY NOTES	3130A2WK8	16,950,000	0.125	8/28/2015	1/21/2015	0.17%	16,945,237	16,957,054	16,955,908	
FREDDIE MAC GLOBAL NOTES	3134G3ZA1	2,000,000	0.500	8/28/2015	1/21/2015	0.17%	2,003,960	2,004,263	2,004,419	
BNP PARIBAS NY BRANCH COMM PAPER	09659CWB0	6,000,000	-	9/11/2015	6/29/2015	0.24%	5,997,040	5,997,300	5,997,120	
FHLB NOTES	3130A45M0	17,000,000	0.130	9/11/2015	3/2/2015	0.16%	16,997,249	17,007,336	17,007,568	
GENERAL ELEC CAP CORP COMM PAPER	36959JWB5	6,000,000	-	9/11/2015	6/12/2015	0.19%	5,997,118	5,998,494	5,997,720	
TOYOTA MOTOR CREDIT CORP COMM PAPER	89233HWG5	6,000,000	-	9/16/2015	6/12/2015	0.21%	5,996,640	5,997,948	5,997,305	
										\$ 138,652,491.69
2014B Construction Fund										
WELLS FARGO TREASURY PLUS MMF		\$ 17,056,498		7/1/2015		0.01%	\$ 17,056,498	\$ 17,056,498	\$ 17,056,498	
										\$ 17,056,498.19
							\$ 369,892,852.35	\$ 370,134,033.49	\$ 370,043,497.30	\$ 370,043,497.30



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

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
Operating Reserve Accounts							
89236TCA1	TOYOTA MOTOR CREDIT CORP NOTE	590,000.00	1.45	1/12/2018	1/12/2015	1.50	589,191.70
RE0908229	INDUSTRIAL BANK CDARS	2,539,450.42	0.45	1/21/2016	1/22/2015	0.46	2,539,450.42
912828TG5	US TREASURY NOTES	4,500,000.00	0.50	7/31/2017	2/4/2015	0.63	4,486,010.34
459200HZ7	IBM CORP NOTES	2,250,000.00	1.13	2/6/2018	2/6/2015	1.23	2,243,137.50
912828TG5	US TREASURY NOTES	950,000.00	0.50	7/31/2017	2/10/2015	0.84	942,189.81
40428AC54	HSBC BANK USA NA CD	1,800,000.00	0.88	8/15/2016	2/13/2015	0.60	1,800,000.00
605581FX0	MS ST TXBL GO BONDS	120,000.00	1.09	10/1/2017	2/18/2015	1.09	120,000.00
912828UU2	US TREASURY NOTES	4,000,000.00	0.75	3/31/2018	2/27/2015	1.04	3,977,050.14
30231GAL6	EXXON MOBIL CORP NOTES	1,800,000.00	1.31	3/6/2018	3/6/2015	1.31	1,800,000.00
05574RSY2	BNP PARIBAS NY BRANCH CERT DEPOS	1,800,000.00	0.56	12/4/2015	3/10/2015	0.57	1,800,000.00
RE0908278	CITY FIRST BK OF WASHINGTON, DC (CDARS)	2,530,096.63	0.30	3/17/2016	3/19/2015	0.30	2,530,096.63
58933YAG0	MERCK & CO GLOBAL NOTES	731,000.00	1.30	5/18/2018	3/27/2015	1.31	734,068.98
912828UU2	US TREASURY NOTES	4,400,000.00	0.75	3/31/2018	3/27/2015	1.00	4,384,168.61
13606JY9	CANADIAN IMPERIAL BANK NY YCD	1,800,000.00	1.01	4/6/2017	4/10/2015	1.00	1,800,000.00
21684BXH2	RABOBANK NEDERLAND NV CERT DEPOS	1,800,000.00	1.07	4/21/2017	4/27/2015	1.06	1,800,000.00
961214BZ5	WESTPAC BANKING CORP NOTES	1,400,000.00	1.60	1/12/2018	4/29/2015	1.27	1,418,963.78
3130A5EP0	FHLB GLOBAL NOTES	1,775,000.00	0.63	5/30/2017	5/15/2015	0.67	1,773,526.75
06406HDB2	BANK OF NEW YORK MELLON CORP	1,800,000.00	1.60	5/22/2018	5/29/2015	1.60	1,799,838.00
65558LFA5	NORDEA BANK FINLAND NY CD	1,800,000.00	1.15	5/26/2017	5/29/2015	1.15	1,800,000.00
064159GM2	BANK OF NOVA SCOTIA CORP NOTE (CALLABLE)	1,800,000.00	1.70	6/11/2018	6/11/2015	1.72	1,799,154.00
931142CJ0	WAL MART STORES INC. CORP NOTES	750,000.00	5.80	2/15/2018	6/12/2015	1.30	852,519.75
17275RAU6	CISCO SYSTEMS INC CORP NOTE	1,550,000.00	1.65	6/15/2018	6/17/2015	1.66	1,549,736.50
Total Debt Service Reserve							
313384KQ1	FEDERAL HOME LOAN BANKS DISC NOTE	5,100,000.00	-	8/19/2015	2/20/2015	0.14	5,096,430.00
912828MV9	US TREASURY NOTES	6,538,000.00	3.25	3/31/2017	6/29/2015	0.56	6,896,463.77
912828PA2	US TREASURY NOTES	6,257,000.00	1.88	9/30/2017	6/29/2015	0.76	6,441,540.63
2014A Construction Fund							
3130A2WK8	FHLB AGENCY NOTES	16,950,000.00	0.13	8/28/2015	1/21/2015	0.17	16,953,653.20
3134G3ZA1	FREDDIE MAC GLOBAL NOTES	8,000,000.00	0.50	8/28/2015	1/21/2015	0.17	8,031,728.89
31398AU34	FNMA NOTES	24,450,000.00	2.38	7/28/2015	1/21/2015	0.16	25,009,983.10
3130A45M0	FHLB NOTES	35,000,000.00	0.13	9/11/2015	3/2/2015	0.16	34,996,991.17
22533UUD3	CREDIT AGRICOLE CIB NY COMM PAPER	12,000,000.00	-	7/13/2015	5/1/2015	0.15	11,996,350.00
06538CVU2	BANK OF TOKYO MITS UFJ LTD COMM PAPER	6,000,000.00	-	8/28/2015	6/12/2015	0.23	5,997,048.33
36959JWB5	GENERAL ELEC CAP CORP COMM PAPER	6,000,000.00	-	9/11/2015	6/12/2015	0.19	5,997,118.33
89233HWG5	TOYOTA MOTOR CREDIT CORP COMM PAPER	6,000,000.00	-	9/16/2015	6/12/2015	0.21	5,996,640.00
09659CWB0	BNP PARIBAS NY BRANCH COMM PAPER	6,000,000.00	-	9/11/2015	6/29/2015	0.24	5,997,040.00

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



DC Water
Finance Division
Security Purchases
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
2014B Construction Fund							
0556N1T86	BNP PARIBAS FINANCE INC COMM PAPER	16,000,000.00	-	6/8/2015	2/4/2015	0.25	15,986,222.22
06538CSV4	BANK OF TOKYO MITSUBISHI LTD COMM PAPER	16,000,000.00	-	5/29/2015	2/4/2015	0.25	15,987,333.33

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



DC Water
Finance Division
Security Sales
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
Operating Reserve Accounts							
912828PA2	US TREASURY NOTES	350,000.00	1.88	9/30/2017	1/12/2015	0.93	360,679.69
912828WB2	US TREASURY NOTES	4,450,000.00	0.25	10/31/2015	2/4/2015	0.13	4,456,774.50
912828NR7	US TREASURY NOTES	1,100,000.00	2.38	7/31/2017	2/6/2015	0.68	1,146,151.76
912828NR7	US TREASURY NOTES	825,000.00	2.38	7/31/2017	2/6/2015	0.68	859,613.82
912828PA2	US TREASURY NOTES	240,000.00	1.88	9/30/2017	2/6/2015	0.76	248,560.41
3137EADJ5	FREDDIE MAC GLOBAL NOTES	750,000.00	1.00	7/28/2017	2/10/2015	0.83	753,273.21
3137EADJ5	FREDDIE MAC GLOBAL NOTES	200,000.00	1.00	7/28/2017	2/10/2015	0.83	200,872.86
912828QF0	US TREASURY NOTES	1,750,000.00	2.00	4/30/2016	2/13/2015	0.33	1,795,357.01
912828PM6	US TREASURY NOTES	3,900,000.00	2.13	12/31/2015	2/27/2015	0.22	3,975,739.25
912828UU2	US TREASURY NOTES	1,800,000.00	0.75	3/31/2018	3/6/2015	1.14	1,784,447.80
0556N1SU8	BNP PARIBAS FINANCE INC COMM PAPER	1,750,000.00	-	5/28/2015	3/10/2015	0.23	1,749,135.94
3130A0SD3	FEDERAL HOME LOAN BANK GLOBAL NOTES	4,000,000.00	0.38	2/19/2016	3/27/2015	0.34	4,002,863.33
912828PM6	US TREASURY NOTES	725,000.00	2.13	12/31/2015	3/27/2015	0.25	738,996.96
912828PM6	US TREASURY NOTES	375,000.00	2.13	12/31/2015	3/27/2015	0.27	382,181.22
912828SM3	US TREASURY NOTES	1,750,000.00	1.00	3/31/2017	4/10/2015	0.52	1,767,021.11
912828WQ9	US TREASURY NOTES	300,000.00	0.50	6/30/2016	4/27/2015	0.33	301,082.47
06538CRU7	BANK OF TOKYO MITSUBISHI UFJ COMM PAPER	1,500,000.00	-	4/28/2015	4/27/2015	0.13	1,499,994.58
3130A0SD3	FEDERAL HOME LOAN BANK GLOBAL NOTES	1,000,000.00	0.38	2/19/2016	4/29/2015	0.26	1,001,669.17
912828QF0	US TREASURY NOTES	400,000.00	2.00	4/30/2016	4/29/2015	0.27	410,899.78
912828MD9	US TREASURY NOTES	1,775,000.00	3.25	12/31/2016	5/15/2015	0.47	1,876,318.95
912828QF0	US TREASURY NOTES	1,775,000.00	2.00	4/30/2016	5/29/2015	0.27	1,806,017.28
912828QF0	US TREASURY NOTES	1,075,000.00	2.00	4/30/2016	5/29/2015	0.26	1,093,869.09
912828QP8	US TREASURY NOTES	550,000.00	1.75	5/31/2016	5/29/2015	0.30	562,751.81
912828QP8	US TREASURY NOTES	1,775,000.00	1.75	5/31/2016	6/11/2015	0.31	1,800,617.16
912828TG5	US TREASURY NOTES	850,000.00	0.50	7/31/2017	6/12/2015	0.79	846,370.03
912828TG5	US TREASURY NOTES	310,000.00	0.50	7/31/2017	6/17/2015	0.81	308,576.44
912828TG5	US TREASURY NOTES	1,240,000.00	0.50	7/31/2017	6/17/2015	0.81	1,234,305.79
Total Debt Service Reserve							
313384KQ1	FEDERAL HOME LOAN BANKS DISC NOTE	200,000.00	-	8/19/2015	4/9/2015	0.10	199,926.67
912828QX1	US TREASURY NOTES	3,550,000.00	1.50	7/31/2016	6/29/2015	0.36	3,615,876.80
912828QX1	US TREASURY NOTES	1,200,000.00	1.50	7/31/2016	6/29/2015	0.36	1,222,268.22
912828TG5	US TREASURY NOTES	3,600,000.00	0.50	7/31/2017	6/29/2015	0.70	3,592,502.59
313384KQ1	FEDERAL HOME LOAN BANKS DISC NOTE	4,900,000.00	-	8/19/2015	6/29/2015	0.06	4,899,618.21

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



DC Water
Finance Division
Security Sales
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<u>2014A Construction Fund</u>							
31359MA45	FNMA GLOBAL BENCHMARK NOTES	6,850,000.00	5.00	4/15/2015	3/18/2015	0.10	7,020,702.00
3130A45M0	FHLB NOTES	12,000,000.00	0.13	9/11/2015	6/12/2015	0.11	12,005,963.33
3134G3ZA1	FREDDIE MAC GLOBAL NOTES	6,000,000.00	0.50	8/28/2015	6/12/2015	0.11	6,013,826.67
3130A45M0	FHLB NOTES	6,000,000.00	0.13	9/11/2015	6/29/2015	0.11	6,003,230.00

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>							
RE0907981	INDUSTRIAL BANK CDARS	2,528,079.57	0.45	1/22/2015	1/22/2015	0.00	2,539,455.93
RE1000216	CITY FIRST BK OF WASHINGTON, DC (CDARS)	2,519,265.07	0.60	3/19/2015	3/19/2015	0.00	2,549,496.25
<u>Total Debt Service Reserve</u>							
313381YP4	FEDERAL HOME LOAN BANK GLOBAL NOTES	5,000,000.00	0.25	2/20/2015	2/20/2015	0.00	5,000,000.00
<u>2014A Construction Fund</u>							
31344UX0	FHLMC NOTES	3,500,000.00	4.50	1/15/2015	1/15/2015	0.00	3,500,000.00
0556N1NU3	BNP PARIBAS FINANCE INC COMM PAPER	16,750,000.00	-	1/28/2015	1/28/2015	0.00	16,750,000.00
13607FNU6	CANADIAN IMPERIAL HOLDING COMM PAPER	16,750,000.00	-	1/28/2015	1/28/2015	0.00	16,750,000.00
36959JPR8	GENERAL ELEC CAP CORP COMM PAPER	16,750,000.00	-	2/25/2015	2/25/2015	0.00	16,750,000.00
89233HQT4	TOYOTA MOTOR CREDIT CORP COMM PAPER	16,750,000.00	-	3/27/2015	3/27/2015	0.00	16,750,000.00
31359MA45	FNMA GLOBAL BENCHMARK NOTES	13,150,000.00	5.00	4/15/2015	4/15/2015	0.00	13,150,000.00
46640QRQ6	JP MORGAN SECURITIES LLC COMM PAPER	16,750,000.00	-	4/24/2015	4/24/2015	0.00	16,750,000.00
74977LRQ2	RABOBANK USA FIN CORP COMM PAPER	16,750,000.00	-	4/24/2015	4/24/2015	0.00	16,750,000.00
313379ER6	FEDERAL HOME LOAN BANK BONDS	12,235,000.00	0.50	6/12/2015	6/12/2015	0.00	12,235,000.00
313379ER6	FEDERAL HOME LOAN BANK BONDS	2,345,000.00	0.50	6/12/2015	6/12/2015	0.00	2,345,000.00
3133XWNB1	FHLB TAP BONDS	6,000,000.00	2.88	6/12/2015	6/12/2015	0.00	6,000,000.00
3133XWNB1	FHLB TAP BONDS	8,955,000.00	2.88	6/12/2015	6/12/2015	0.00	8,955,000.00
<u>2014B Construction Fund</u>							
06538CSV4	BANK OF TOKYO MITSUBISHI LTD COMM PAPER	16,000,000.00	-	5/29/2015	5/29/2015	0.00	16,000,000.00
0556N1T86	BNP PARIBAS FINANCE INC COMM PAPER	16,000,000.00	-	6/8/2015	6/8/2015	0.00	16,000,000.00

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
<u>Operating Reserve Accounts</u>									
07/02/15	MATURITY	3135G0LN1	FANNIE MAE GLOBAL NOTES	0.500	07/02/15	6,000,000.00	6,000,000.00	15,000.00	6,015,000.00
07/08/15	MATURITY	3134G4TH1	FHLMC NOTES	0.300	07/08/15	24,000,000.00	24,000,000.00	36,000.00	24,036,000.00
07/09/15	INTEREST	36962G5N0	GENERAL ELEC CAP CORP GLOBAL NOTES	2.900	01/09/17	1,200,000.00	0.00	17,400.00	17,400.00
07/12/15	INTEREST	89236TCA1	TOYOTA MOTOR CREDIT CORP NOTE	1.450	01/12/18	590,000.00	0.00	4,277.50	4,277.50
07/12/15	INTEREST	961214BZ5	WESTPAC BANKING CORP NOTES	1.600	01/12/18	1,400,000.00	0.00	11,200.00	11,200.00
07/13/15	MATURITY	22533UUD3	CREDIT AGRICOLE CIB NY COMM PAPER		07/13/15	12,000,000.00	11,996,350.00	3,650.00	12,000,000.00
07/14/15	INTEREST	06366RVD4	BANK OF MONTREAL CORP NOTES (CALLABLE)	1.300	07/14/17	550,000.00	0.00	3,575.00	3,575.00
07/14/15	INTEREST	06366RVD4	BANK OF MONTREAL CORP NOTES (CALLABLE)	1.300	07/14/17	1,200,000.00	0.00	7,800.00	7,800.00
07/20/15	INTEREST	94974BFL9	WELLS FARGO & COMPANY	1.250	07/20/16	1,200,000.00	0.00	7,500.00	7,500.00
07/28/15	INTEREST	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.000	07/28/17	1,015,000.00	0.00	5,075.00	5,075.00
07/28/15	MATURITY	31398AU34	FNMA NOTES	2.375	07/28/15	24,450,000.00	24,450,000.00	290,343.75	24,740,343.75
07/30/15	INTEREST	90331HMC4	US BANK CORP NOTE (CALLABLE)	1.100	01/30/17	550,000.00	0.00	3,025.00	3,025.00
07/31/15	INTEREST	912828NR7	US TREASURY NOTES	2.375	07/31/17	150,000.00	0.00	1,781.25	1,781.25
07/31/15	INTEREST	912828QX1	US TREASURY NOTES	1.500	07/31/16	3,035,000.00	0.00	22,762.50	22,762.50
07/31/15	INTEREST	912828SC5	US TREASURY NOTES	0.875	01/31/17	3,500,000.00	0.00	15,312.50	15,312.50
07/31/15	INTEREST	912828TG5	US TREASURY NOTES	0.500	07/31/17	100,000.00	0.00	250.00	250.00
07/31/15	INTEREST	912828TG5	US TREASURY NOTES	0.500	07/31/17	3,260,000.00	0.00	8,150.00	8,150.00



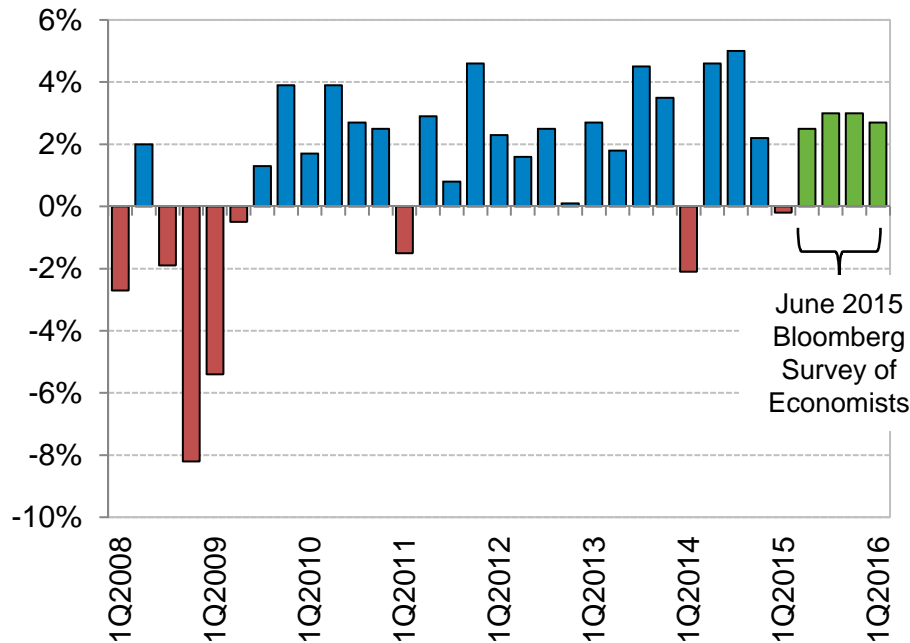
Appendix: Economic Update



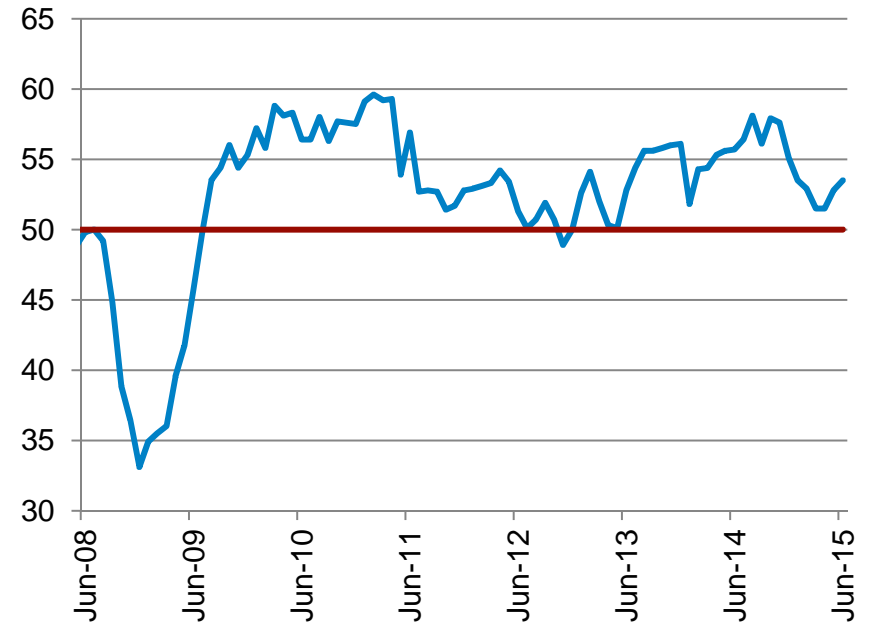
Gross Domestic Product

- U.S. Gross Domestic Product (“GDP”) growth for the first quarter of 2015 decreased by 0.2%.
- The Institute for Supply Management Manufacturing Index for June indicated modest expansion.

**Gross Domestic Product
January 2008 – March 2016 (Projected)**



**ISM Manufacturing Index
June 2008– June 2015**

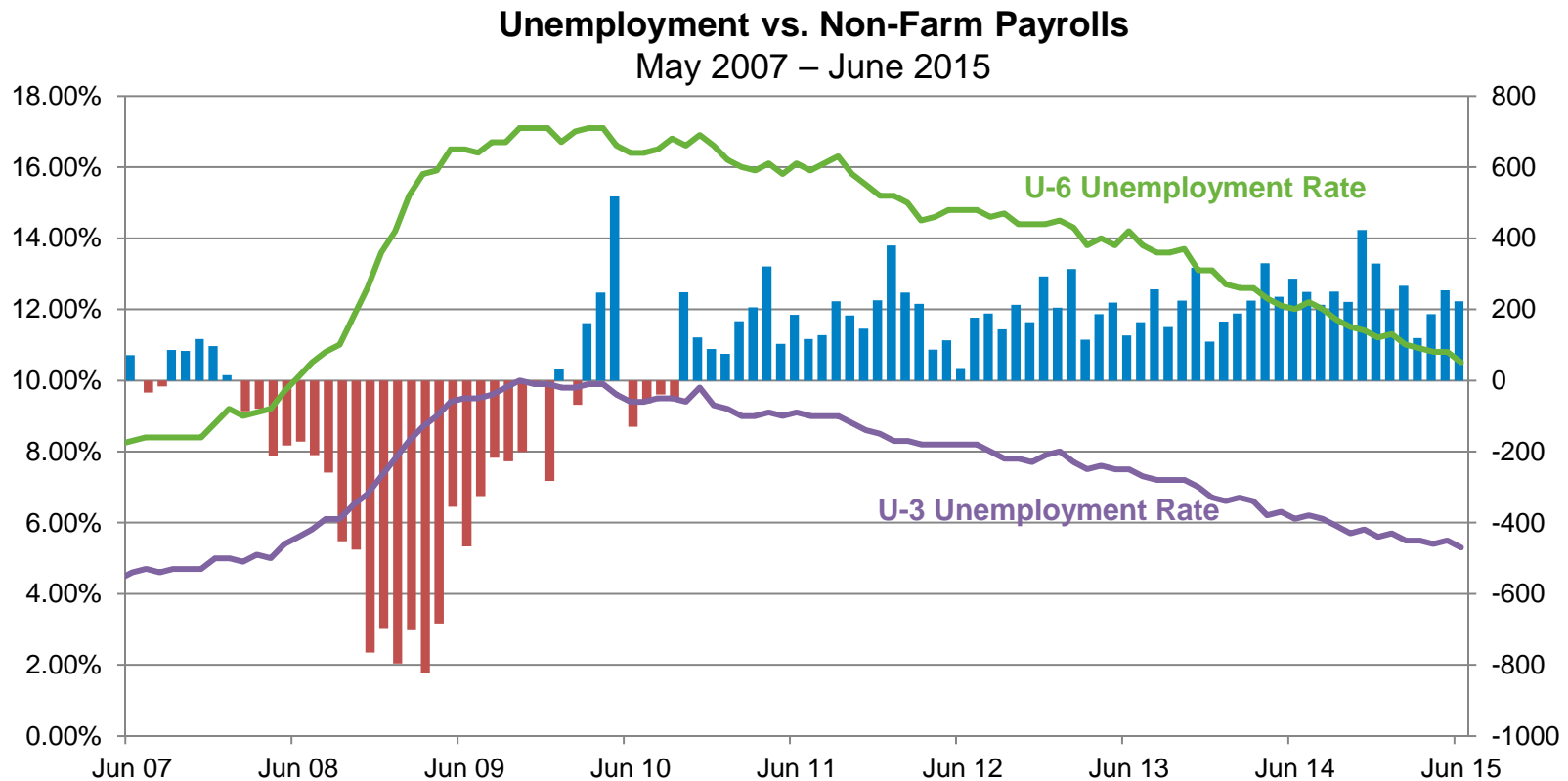


Source: Bloomberg



Employment Growth – Below Expectations

- In June, the U.S economy added 223,000 jobs, slightly below expectations of 233,000 for the month.
- The unemployment rate fell from 5.4% to 5.3 %, a seven-year low.

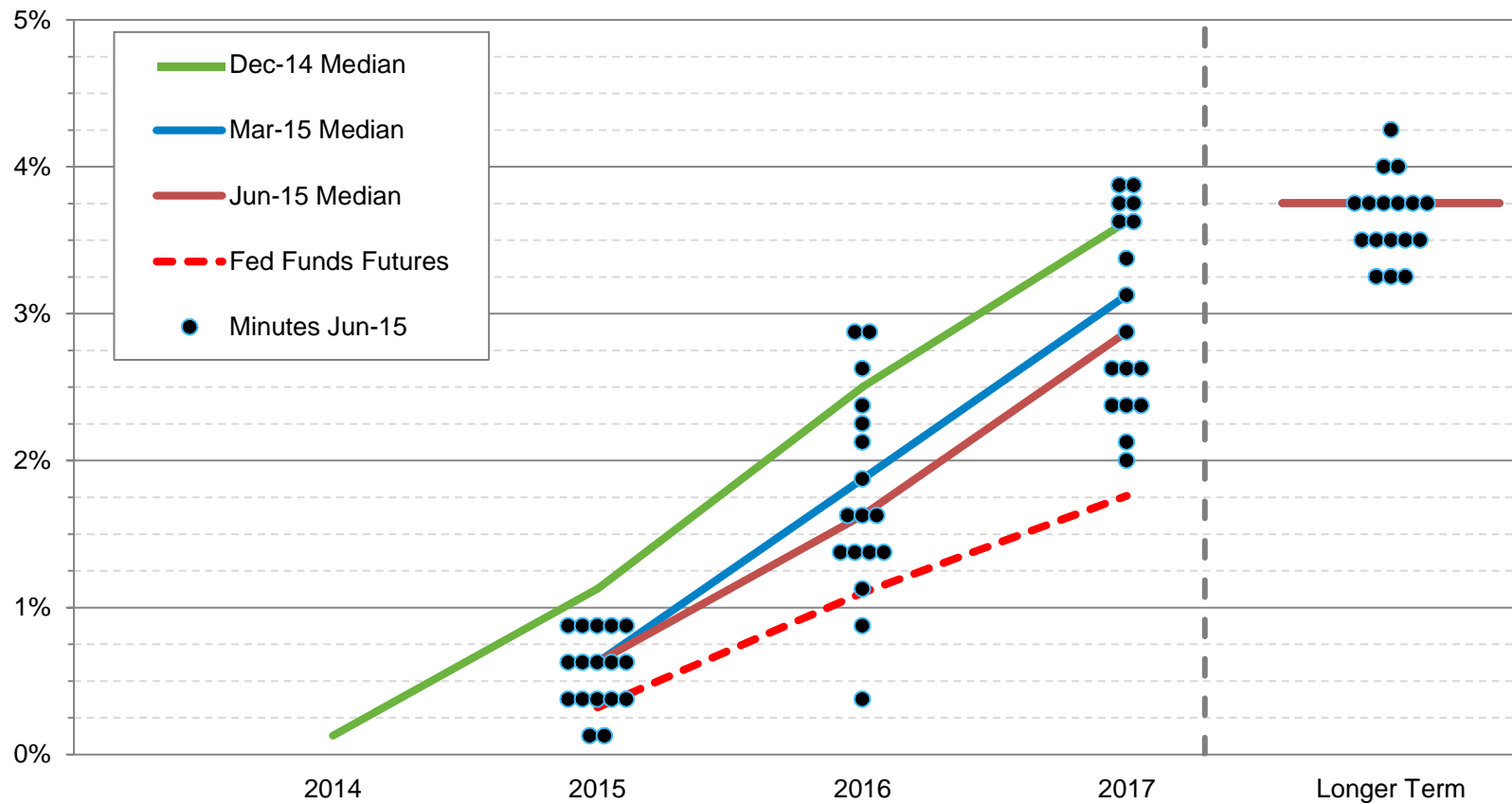


Source: Bloomberg



FOMC “Dot Plot” from June Meeting

- Consensus estimates by the Federal Reserve and the markets is at least one interest rate hike before the end of the year.

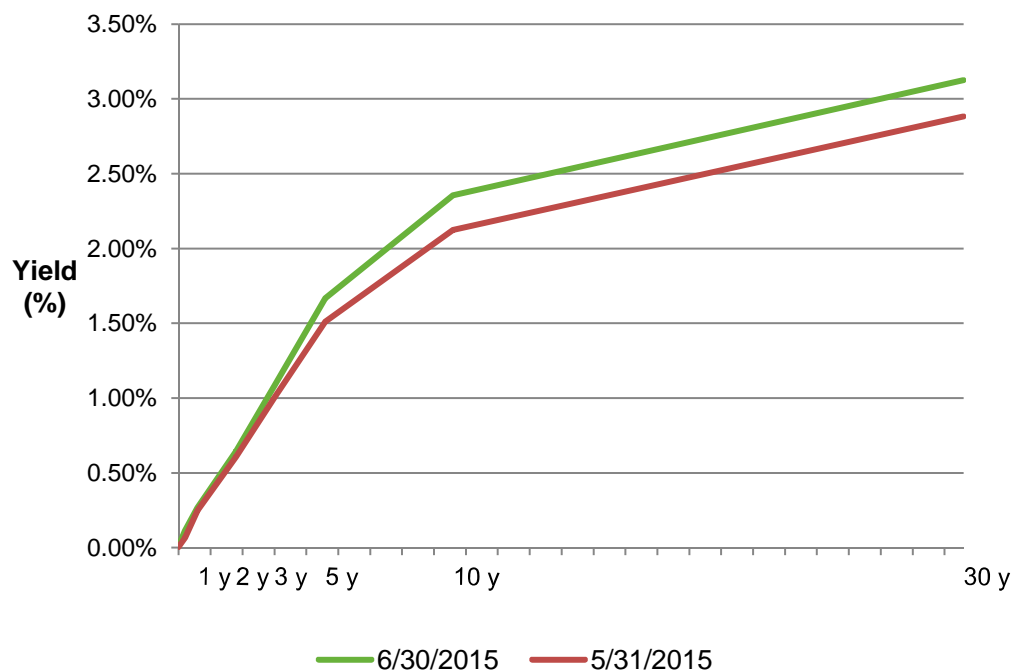


Source: FOMC, Bloomberg; Fed Funds Futures as of 6/17/2015



The Yield Curve Rose During June

U.S. Treasury Yield Curve
June 30, 2015 vs. May 31, 2015



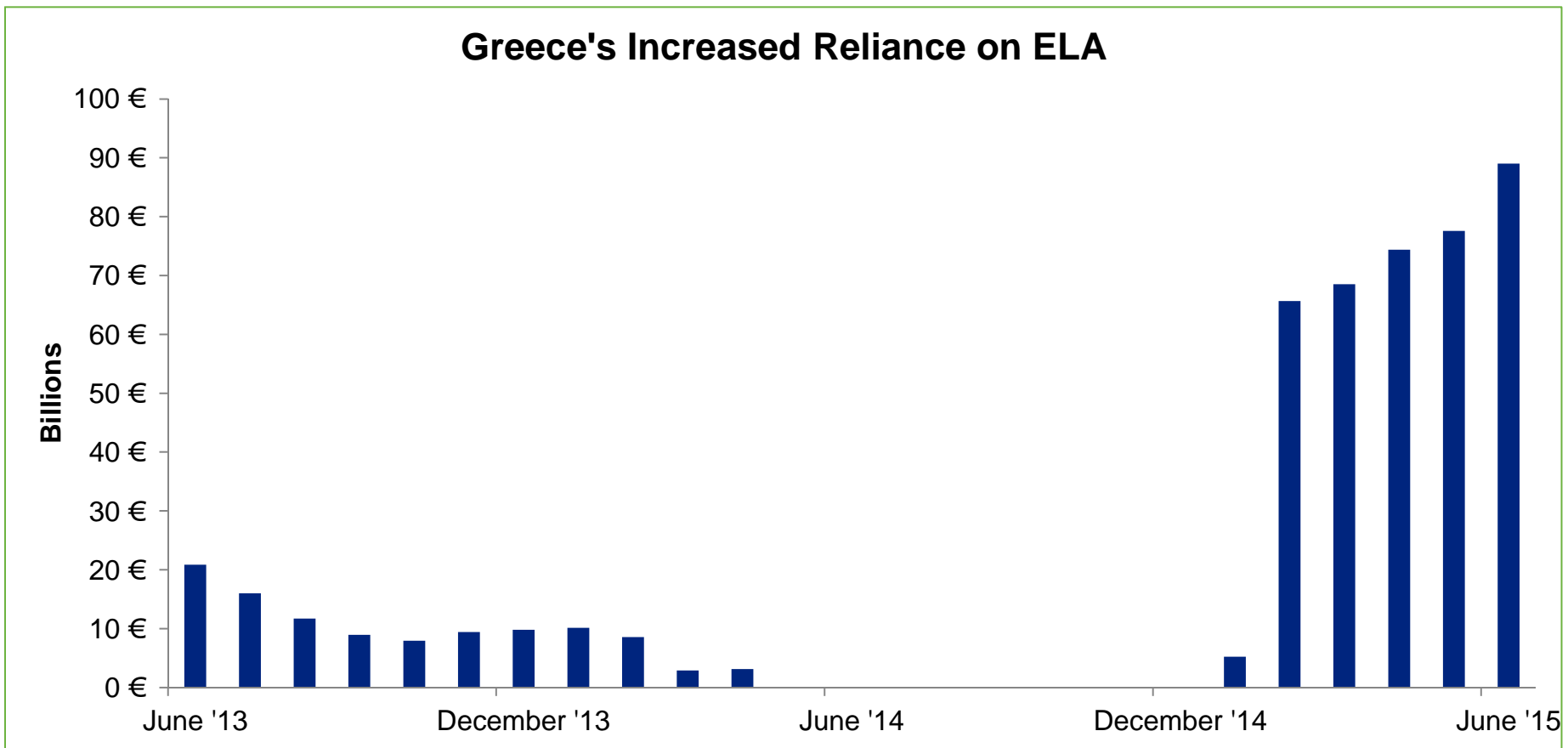
	<u>5/31/2015</u>	<u>6/30/2015</u>	<u>Change</u>
3 month	0.00%	0.01%	0.01%
6 month	0.06%	0.11%	0.05%
1 year	0.25%	0.27%	0.02%
2 year	0.61%	0.65%	0.04%
3 year	1.00%	1.08%	0.08%
5 year	1.51%	1.67%	0.16%
10 year	2.12%	2.35%	0.23%
30 year	2.88%	3.12%	0.24%

Source: Bloomberg



Greek Run on Banks Has Led to Higher ELA Reliance

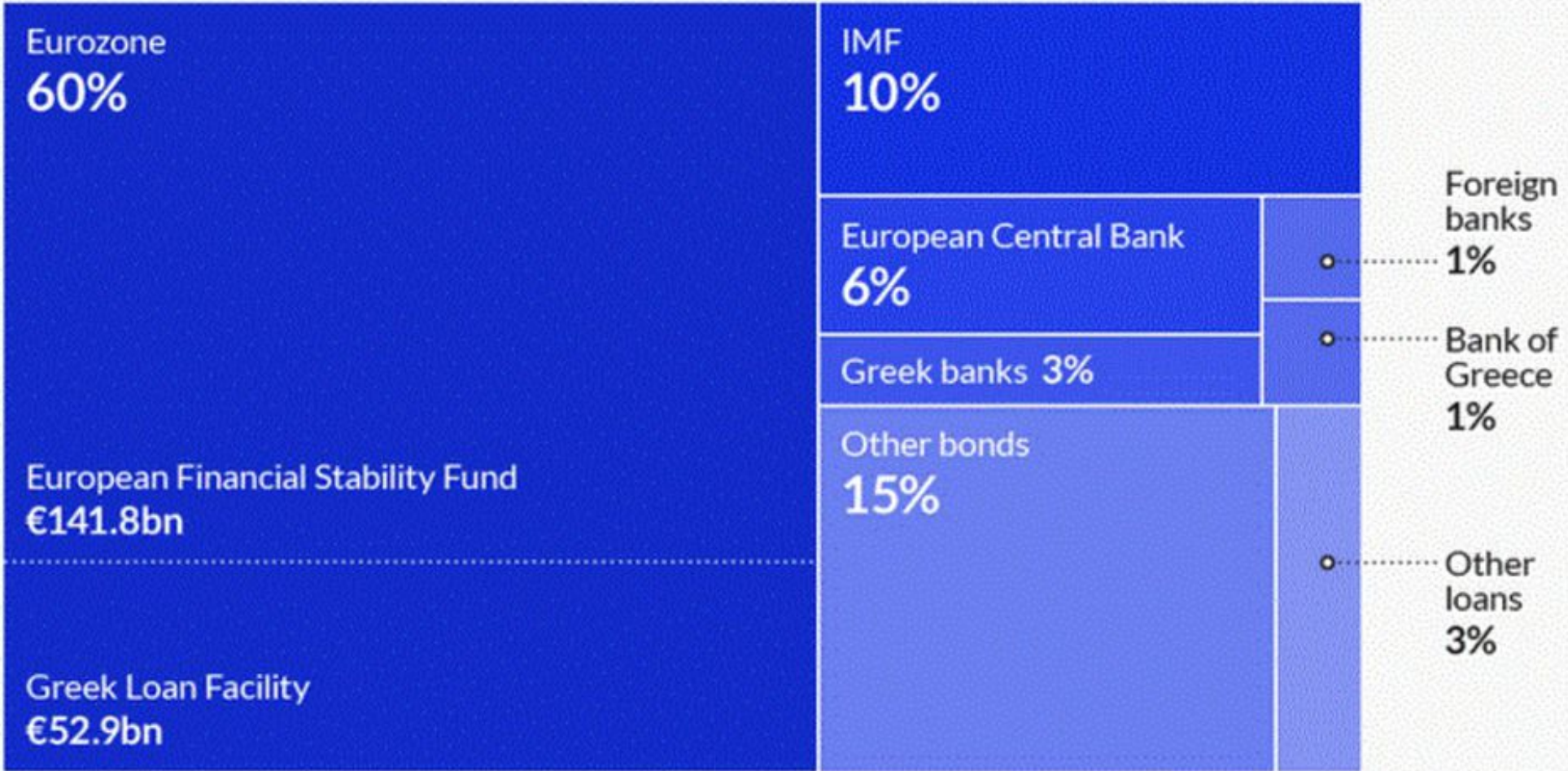
- The ECB’s Emergency Liquidity Assistance (“ELA”) is considered a “lender of last resort” and is turned to for liquidity in times of financial duress. It carries a much higher interest rate than typical governmental lending.
- Greece began using ELA in February after being cut-off by the ECB from traditional lending.



Source: Bloomberg



Who Owns Greece's €323 Billion of Debt



Source: Statista.com, as of 6/16/2015.



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FINANCING PLAN UPDATE TO FINANCE COMMITTEE

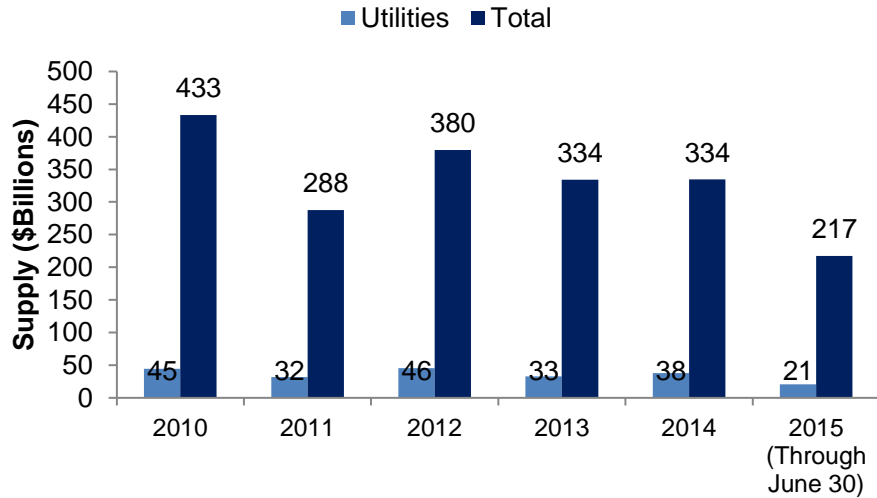
July 16, 2015



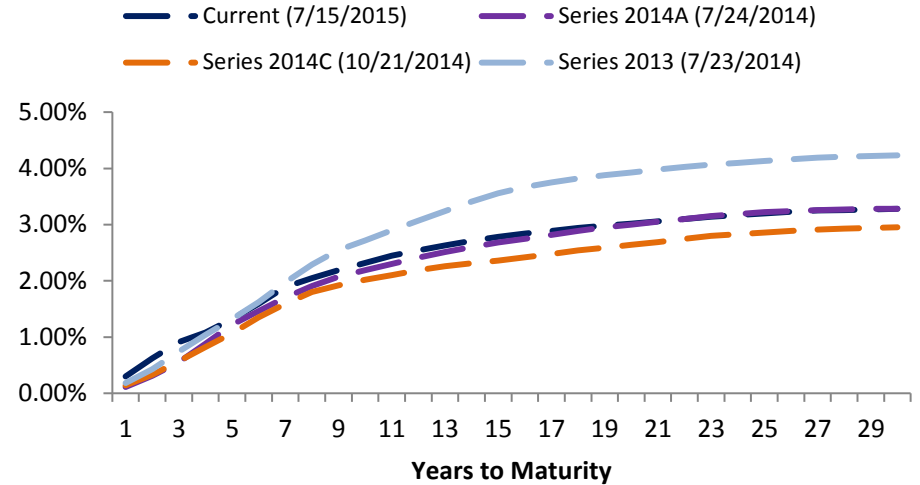


MARKET OVERVIEW

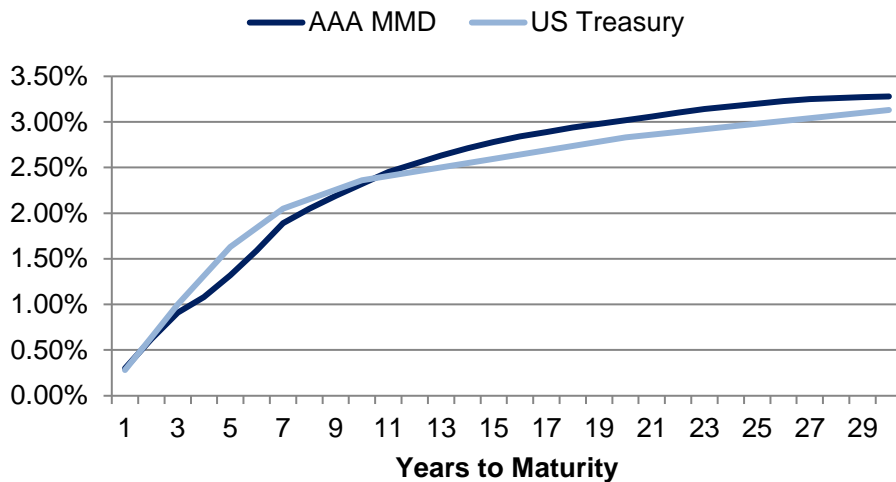
Municipal Supply



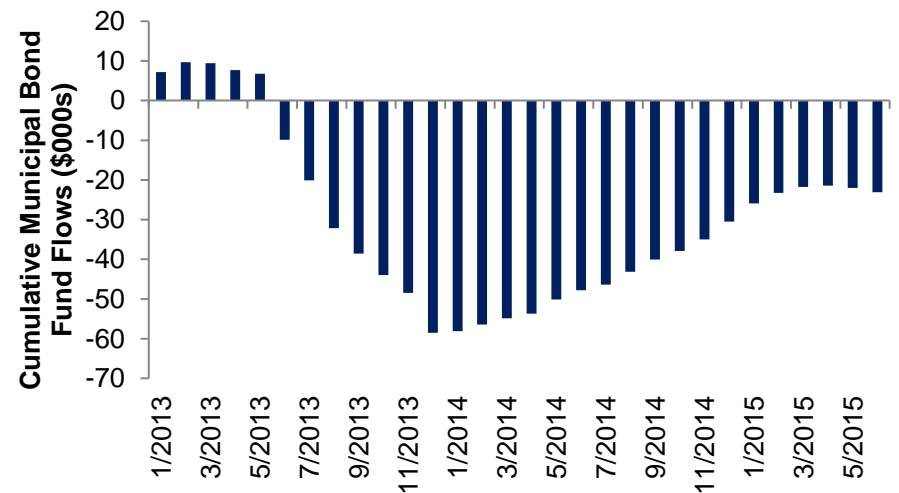
Tax-Exempt Yield Curve



Taxable and Tax-Exempt Yield Curves



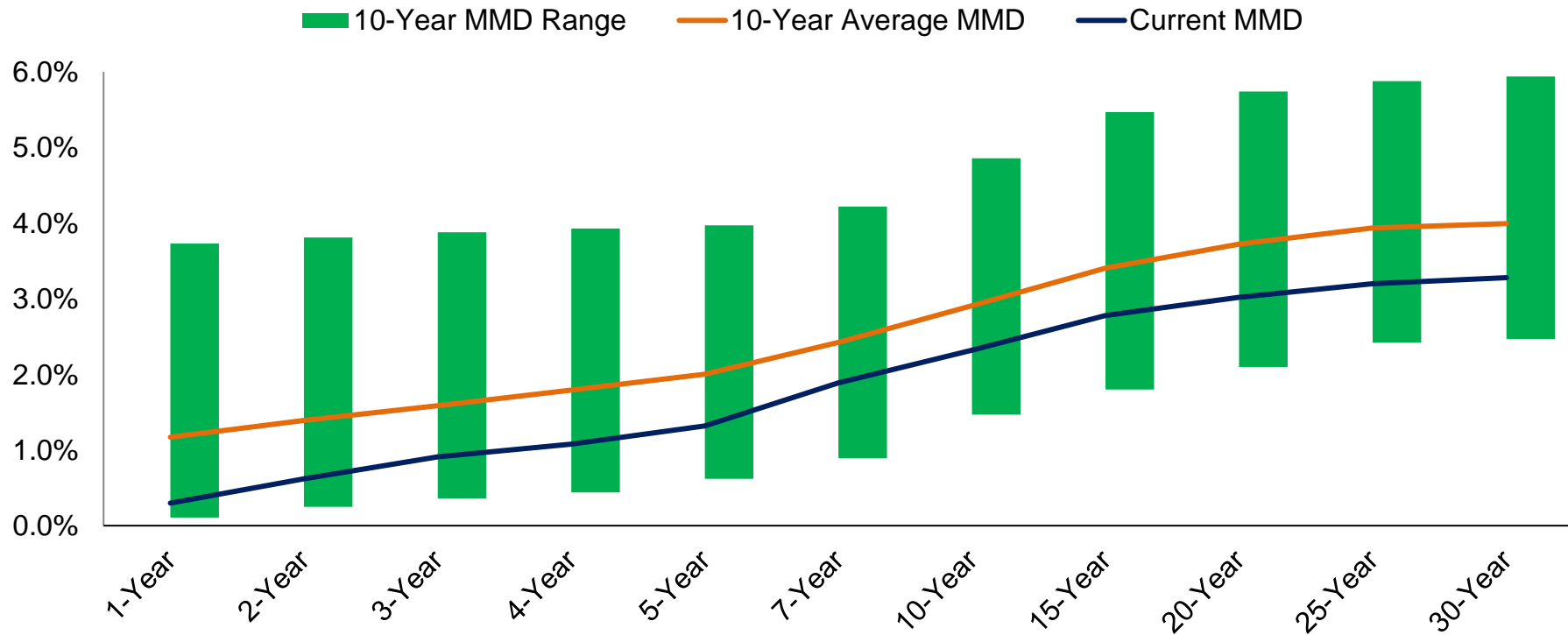
Cumulative Municipal Bond Fund Flows Since 2013



Source: TM3 and Bloomberg as of July 15, 2015.



HISTORICAL LONG-TERM MUNICIPAL RATES



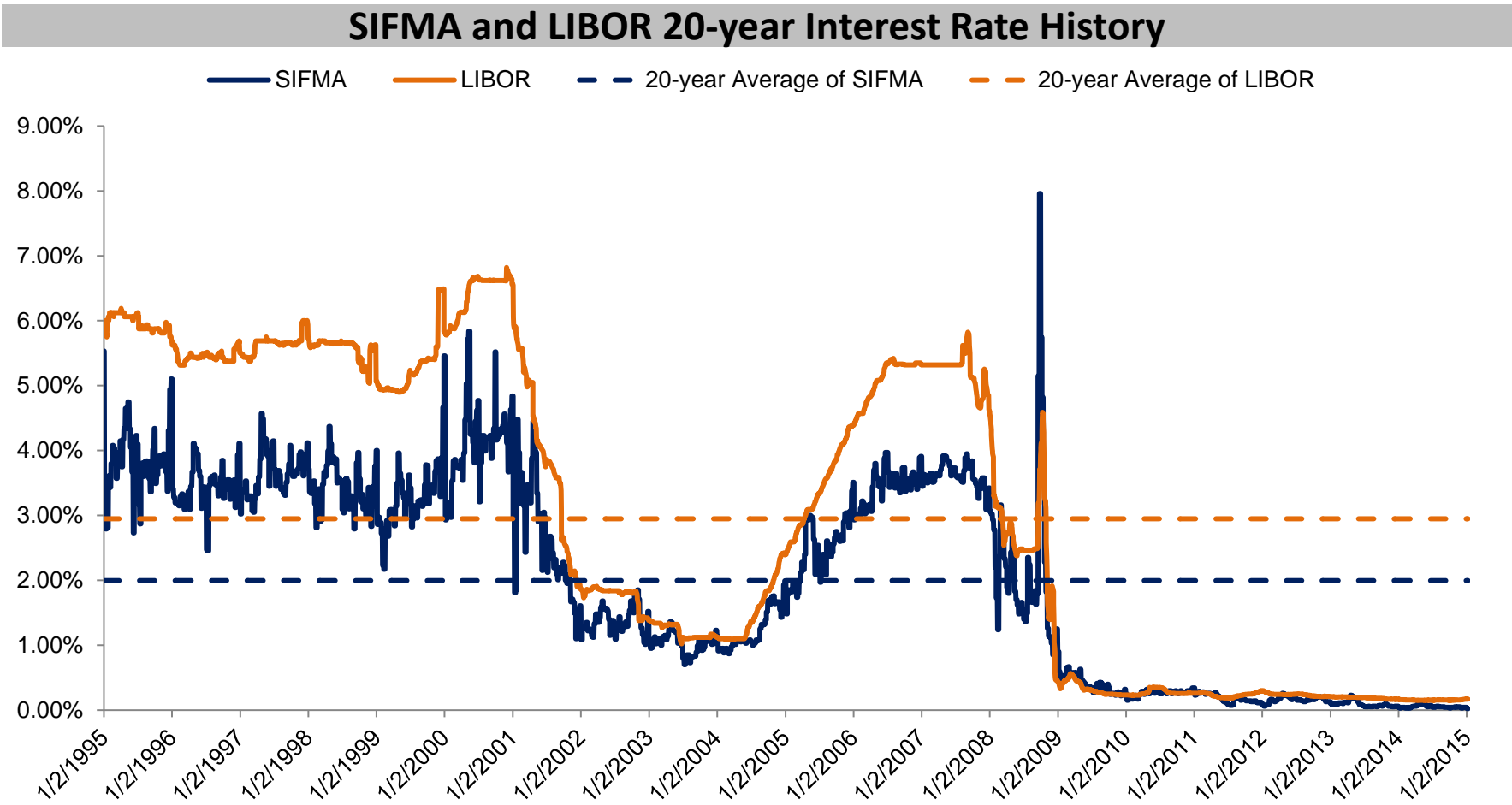
Summary of Current vs. Historical (10 year) MMD Rates												
Statistic	1-Year	2-Year	3-Year	4-Year	5-Year	7-Year	10-Year	15-Year	20-Year	25-Year	30-Year	
Current	0.30%	0.62%	0.91%	1.08%	1.32%	1.89%	2.32%	2.78%	3.02%	3.20%	3.28%	
10-Year Avg.	1.17%	1.39%	1.59%	1.79%	2.00%	2.42%	2.91%	3.41%	3.72%	3.94%	4.00%	
Spread to Avg.	-0.87%	-0.77%	-0.68%	-0.71%	-0.68%	-0.53%	-0.59%	-0.63%	-0.70%	-0.74%	-0.72%	
Min.	0.11%	0.25%	0.36%	0.44%	0.62%	0.89%	1.47%	1.80%	2.10%	2.42%	2.47%	
Spread to Min.	0.19%	0.37%	0.55%	0.64%	0.70%	1.00%	0.85%	0.98%	0.92%	0.78%	0.81%	
Max.	3.73%	3.81%	3.88%	3.93%	3.97%	4.22%	4.86%	5.47%	5.74%	5.88%	5.94%	
Spread to Max.	-3.43%	-3.19%	-2.97%	-2.85%	-2.65%	-2.33%	-2.54%	-2.69%	-2.72%	-2.68%	-2.66%	

Source: TM3 as of July 15, 2015.



HISTORICAL SHORT-TERM MUNICIPAL RATES

- Taxable and tax-exempt short-term interest rates remain at historical lows



Source: TM3 and Bloomberg as of July 15, 2015.

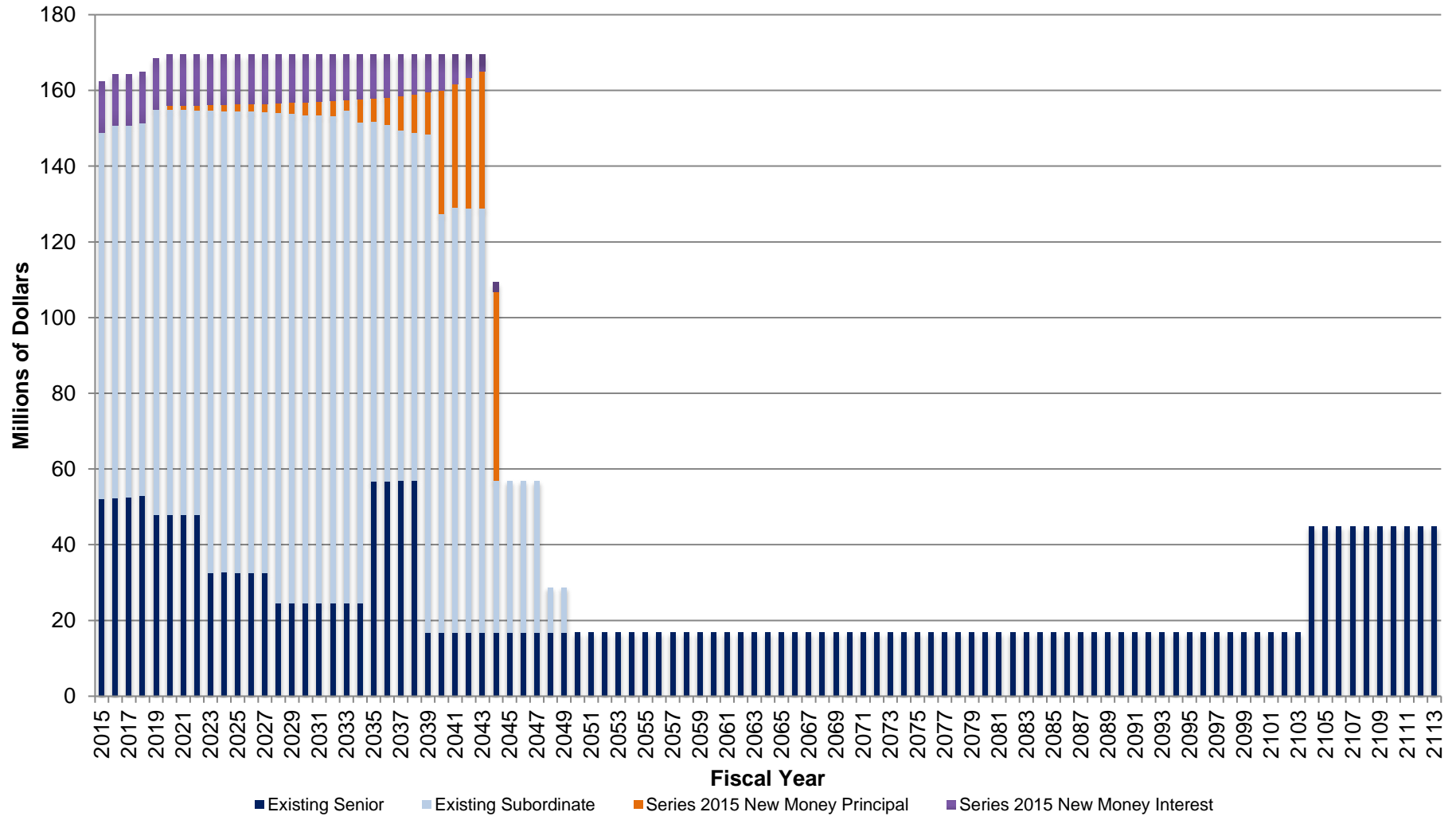


NEW MONEY BOND SALE

- DC Water plans to issue ~\$300 million to address the Capital Improvement Program
- Bonds will be issued in 2 series:
 - \$200 million for Clean Rivers which will receive a “Green Bond” certification
 - \$100 million for other CIP projects
- Both series will be fixed rate, subordinate lien
- Amortization starts in 2020 and will be moderately back-loaded with the final maturity ~2045, subject to market conditions
- All three rating agencies to be utilized
- Finance & Budget Committee scheduled to review near-final documents in September prior to the October 1st Board meeting
- Banking syndicate has been identified



NEW MONEY BOND SALE



Assumes rates and spreads as of July 15, 2015.



EXTENDIBLE MATURITY COMMERCIAL PAPER

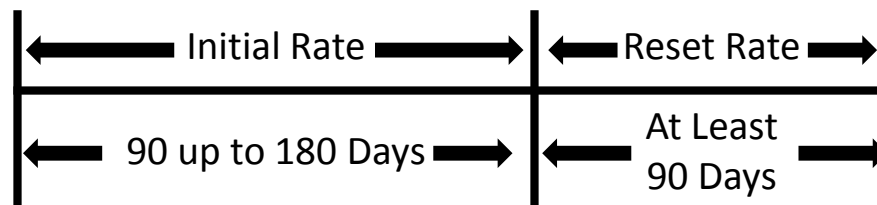
- DC Water conducted a formal RFP process for variable rate debt products
- DC Water's goals of the variable rate product/program RFP were:
 - Diversify DC Water's current variable rate debt portfolio
 - Reduce reliance on variable rate debt requiring a supporting bank letter of credit
 - ~\$100 million with flexibility to ramp the program up and down over time
 - Low cost on a risk-adjusted basis
- 10 banks responded with 3 different products
- Extendible Maturity Commercial Paper (EMCP) was identified as best variable rate product



EXTENDIBLE MATURITY COMMERCIAL PAPER

- Similar to DC Water’s current commercial paper program except that:
 - Does not require a supporting bank letter of credit (reduces cost)
 - Relies on DC Water’s liquidity to address failed roll of the EMCP
 - Initial placement is typically for 90-180 days and in the event of a failed roll due to poor market conditions, DC Water has 3-6 months to address (cash, draw on credit, fix-out) with a maximum number of days from initial issuance of 270 days

Timeline of Events as EMCP Matures:



- First draw of ~\$50 million later in the Fall to address put of the 2012 Series B-2 SIFMA Notes
- Underwriting bank and EMCP dealer have been identified



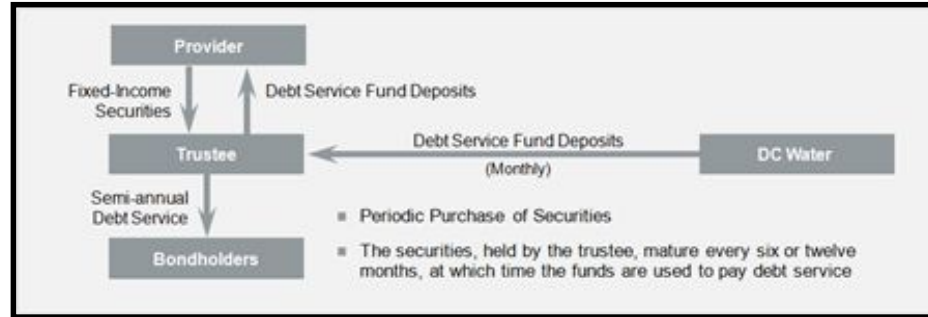
FORWARD PURCHASE AGREEMENT (FPA)

- Based on each Bond resolution, DC Water sets aside bond interest and principal payments monthly into the Debt Service Fund for each bond series
- Currently, funds are held by the Trustee, invested in short-term securities and paid to bond holders semi-annually (April for interest and October for principal and interest)
- FPA improves the interest income earned by DC Water with the Debt Service Fund:
 - Provides for the investment of future debt service fund deposits in DC Water’s permitted securities at a guaranteed fixed yield
 - Securities are delivered and held by Trustee
 - Securities mature on or before the scheduled payments dates (April and October)
 - “Rolling” investment process continues on each monthly Debt Service Fund deposit date
 - FPA achieves a yield above current short-term rates by taking advantage of the shape of the yield curve and implied forward rates.

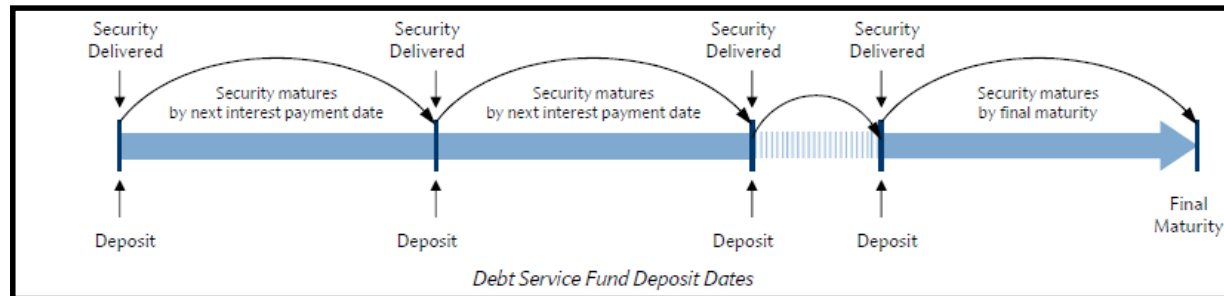


FORWARD PURCHASE AGREEMENT (FPA)

- Graphically, the FPA can be depicted as follows:



- FPA allows for higher interest earnings and securities are delivered just prior to the payment dates



- DC Water anticipates using a portion of the Debt Service Fund set asides (~50%) for a 3-7 year term, based on market conditions and savings targets
- Under current market conditions, a 5 year FPA is expected to earn ~1.30% and a 7 year agreement to earn ~1.70%
- DC Water has identified a counterparty bank for the FPA



DC INVESTOR CONFERENCE

SAVE THE DATE!

District of Columbia 2015 Investor Conference
September 24 & 25






The District of Columbia is hosting an Investor Conference on September 24 and 25, 2015 at the Walter E. Washington Convention Center in Washington, DC. Senior officials from the District of Columbia, as well as key Authorities serving the region, will present an overview of their respective credits; including financial updates, capital improvement programs and planned debt issuances. Experts in the regional economy will discuss the Washington Metropolitan Area's economy.

The following agencies are scheduled to participate:

- ✓ District of Columbia
- ✓ DC Water and Sewer Authority (DC Water)
- ✓ Metropolitan Washington Airports Authority (MWAA)
- ✓ Washington Metropolitan Area Transit Authority (WMATA)

Confirmed speakers include:

District of Columbia:	Mayor Muriel Bowser (welcoming remarks)
	Jeffrey S. DeWitt, CFO
	Jeffrey Barnette, Deputy CFO/Treasurer
DC Water:	Mark Kim, CFO
MWAA:	Andrew Rountree, CFO
WMATA:	Dennis Anosike, CFO

More speakers to be announced later.

Registration, hotel, and other additional information will be available soon.
Meanwhile – Save the Date and Plan to Attend!

- Investor Conference is planned for September 24-25 at the Convention Center
- Includes the District's largest issuers
- Provides investors with both presentations, one-on-one meetings and on-site tours
- Current bond transaction schedule will leverage this conference to improve the interest in and demand for the 2015 Bonds



SCHEDULE OF TRANSACTIONS

- 3 *primary* efforts (Bond Transaction, Extendible Maturity Commercial Paper and Forward Purchase Agreement along with Investor Conference)
- Document review and approval:

Finance & Budget
Board

Week of September 7
October 1

		29 - 3	6 - 10	Jul-15		3 - 7	Aug-15			31 - 4	Sep-15		28 - 2	Oct-15				2 - 6	Nov-15				
	Finance and Budget / Board Mtgs	Board 2-Jul		13 - 17	20 - 24	27 - 31		10 - 14	17 - 21	24 - 28	Board 3-Sep	7 - 11	14 - 18	21 - 25	Board 1-Oct	5 - 9	12 - 16	19 - 23	26 - 30	Board 5-Nov	9 - 13	16 - 20	23 - 27
1	Variable Rate RFP	Finalize Decision			Finance & Budget Update	Notice / Kick-off		Documents Version #1	Documents Version #2		F&B / Board Packet	To F&B			Board Approval	Earliest First Draw of EMCP: Purpose is SIFMA FRN Takeout (2012 B-2s)					First Draw of EMCP: Purpose is SIFMA FRN Takeout (2012 B-2s)		
	DC Investor Conf										Inv Conf Pres Ver #1	Inv Conf Pres Ver #2	Finalize Inv Conf efforts	DC Investor Conf									
2	2015 Trans \$300 New Money		POS Update (Internal)		Finance & Budget Update	Notice to Syndicate / Kick-off POS and DOCs #1 Revision		POS and DOCs #2 Revision	DOCs to Ras		F&B / Board Packet	To F&B Meet with Rating Agencies			Board Approval Post POS	Pricing	Post OS	Finalize DOCs	Closing				
3	Forward Purch. Agrmnt.				Finance & Budget Update	Notice / Kick-off		Documents Version #1	Documents Version #2		F&B / Board Packet	To F&B			Board Approval	Monitor Market Conditions and Execute when targets achieved							



Alternate Payment Sites - APS -

July 23, 2015

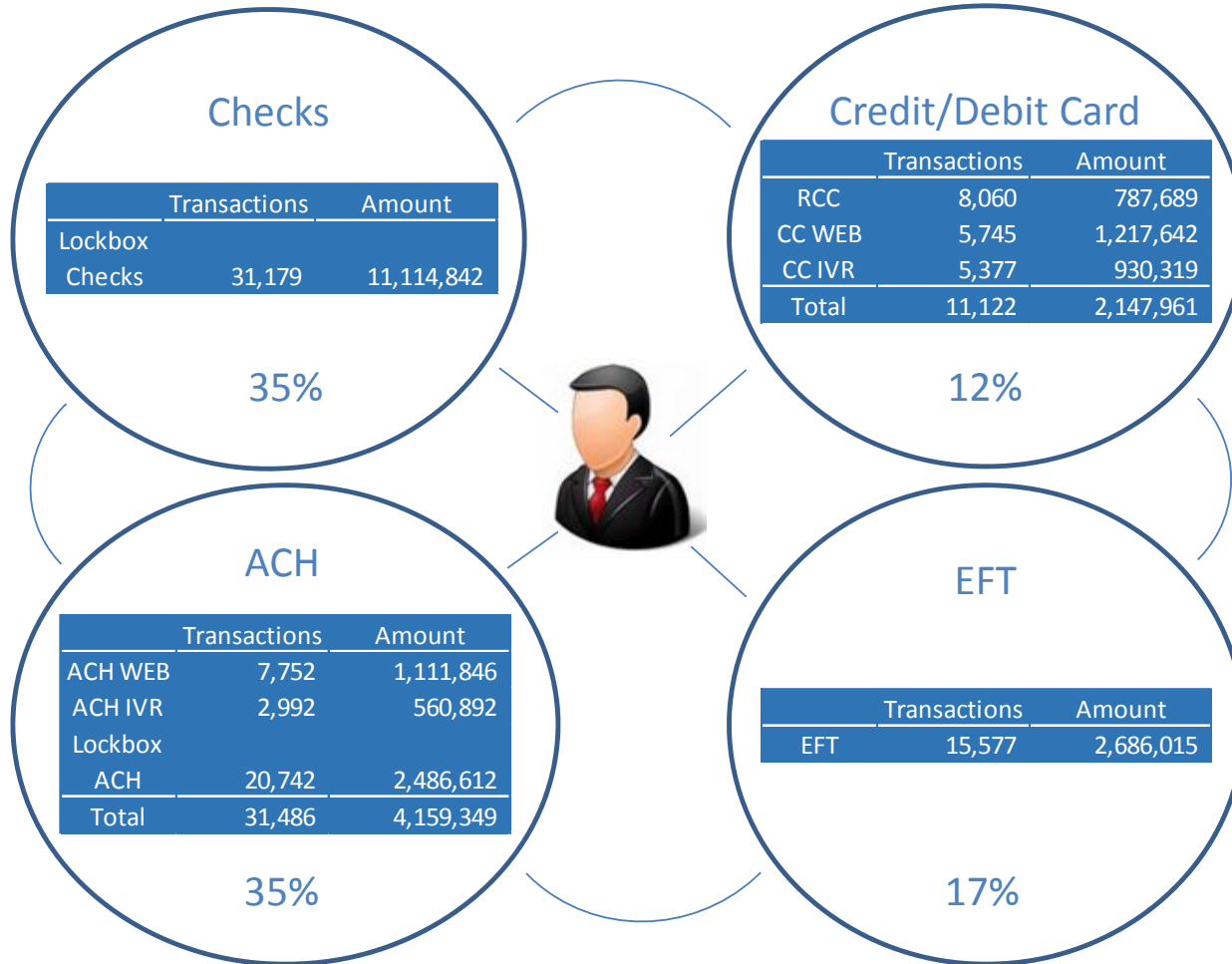


Alternate Payment Proposal

- DC Water is introducing a new customer friendly payment option. A new payment option called the “*Alternate Payment Sites*” or **APS** offers customers convenience of making payments in their neighborhoods. Customers within the DC, Maryland, and northern Virginia metropolitan area will soon be able to pay their DC Water bill via a DC Water selected payment vendor.
- An RFP for payment vendors has been completed. We anticipate the vendor accepting customer payments by September 1, 2015.
- The APS selected vendor has multiple locations in the underbanked areas of Washington, DC. A total of 192 payment locations are within the DC, Maryland, and Northern Virginia metropolitan area.
- This new APS feature will allow customers to save on train and bus fare, which would have been needed for transportation to pay water bills at 810 First Street.
- The new feature will allow customers greater convenience. They can pay our bill at the same time and place as other bills such as gas, electric, and phone.



Current Customer Options



Data for May 2015 excludes 810 First St



Selected Vendor for APS -192 Locations-

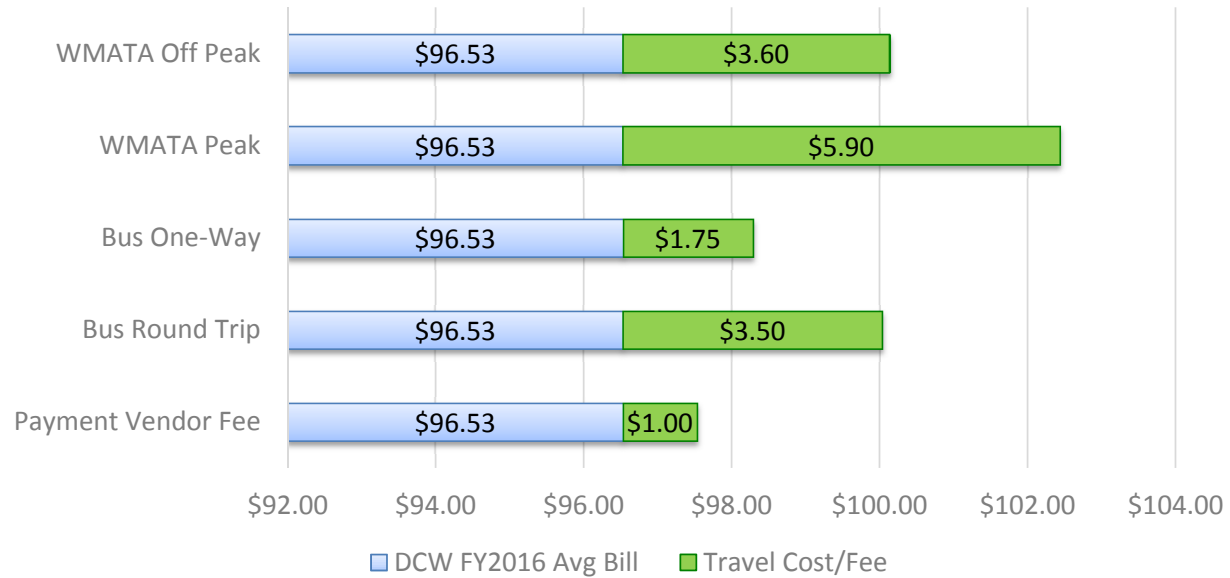
- DC Water customers will soon be able to pay their water bills at major retail stores.
- Payments made at each location will reflect real time data for visibility to the customer and DC Water's customer service department.

DC Locations 52	MD Locations 117	Northern VA Locations 23
-----------------------	------------------------	--------------------------------



water is life

Travel Cost 810 First St vs. Payment Vendor



DC Metro train fare one way

- Off-peak time = \$1.75 minimum and \$3.60 maximum
- Peak time = \$2.15 minimum and \$5.90 maximum

Average Residential proposed water bill for FY2016 = \$96.53

Proposed vendor fee = \$1.00



810 First St Overhead Expenses

- It cost DC Water approximately **\$0.44** to collect **\$1.00** of revenue from the Business Office
- DC Water spends on average **\$59.07** to service each customer that visits our business office



Business Office Overhead	Monthly	Annually
Rent	\$ 9,700	\$ 116,400
Parking (5 Spaces)	\$ 1,400	\$ 16,800
Security Costs (1 armed guard)	\$ 7,100	\$ 85,200
Employee Salaries (5 full time+1 temp)	\$ 30,000	\$ 360,000
Total Expenses	\$ 48,200	\$ 578,400

	Monthly	Annually
Number of Cash Customers	816	9,792
Cash Payments	\$ 109,228	\$ 1,310,730

Cost per Customer = \$59
Cost to Collect \$1 of Cash Revenue = \$0.44

Data for May 2015



APS Convenience Fees

- The proposed APS convenience fee to convert 810 First St customers is \$1.00

	Transaction	Amount	Percentages
Cash	816	109,228	24%
Checks	2,180	2,166,844	65%
Credit Cards	353	98,986	11%
Totals	3,349	2,375,057	100%

- Monthly 750 current payments processed by selected vendor
- Monthly $3,349 + 750 = 4,099$ (4,100) \times \$1.00 = \$4,100
- Annually $\$4,100 \times 12$ months = \$49,200



- Will DC Water absorb the over the counter APS fee?

Data for May 2015 is for 810 First St ONLY



Next Steps

- Develop customer communications strategy
- Implement APS (Sept 2015)
- Report back to Finance & Budget (Dec 2015)
- Close Business Office (Target Jan 2016)



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

Thursday, September 24, 2015; 11:00 a.m.
Blue Plains Wastewater Treatment Plant
5000 Overlook Avenue, SW, DC
AGENDA

Call to Order	Chairman
August 2015 Financial Report	Budget Director, Finance Director
Agenda for October Committee Meeting	Chairman
Adjournment	Chairman

*Detailed agenda can be found on DC Water's website at www.dewater.com/about/board_agendas.cfm