



## District of Columbia Water and Sewer Authority Board of Directors

**Finance and Budget Committee** November 18, 2025 / 9:30 am

**Microsoft Teams meeting**

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Meeting ID: 270 162 620 883 Passcode: Vu9Gi9iv

Call in (audio only) [202-753-6714](#), 292612219#

Phone Conference ID: 292 612 219#

1. **Call to Order** ..... Anthony Giancola, Chairperson
2. **Roll Call** ..... Michelle Rhodd, Board Secretary
3. [October 2025 Financial Report \(Attachment 1\)](#) ..... [Lola Oyeyemi](#)
4. [Capital Improvement Program Quarterly Update \(Attachment 2\)](#) ..... [Paul Guttridge](#)
5. [Agenda for December 2025 Committee Meeting \(Attachment 3\)](#) ..... [Anthony Giancola](#)
6. **Executive Session\*** ..... Anthony Giancola
7. **Adjournment** ..... Anthony Giancola

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at [opengovoffice@dc.gov](mailto:opengovoffice@dc.gov).

1The 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 certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters 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); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2- 575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.

**ATTACHMENT 1**



Fiscal Year 2026

# Monthly Financial Report

Period Ending October 31, 2025

**DEPARTMENT OF FINANCE**

**Matthew T. Brown**, CFO & Executive Vice President, Finance, Procurement & Compliance

**Ivan Boykin**, Vice President, Finance

**Syed Khalil**, Vice President, Rates & Revenue

**Lola Oyeyemi**, Vice President, Budget

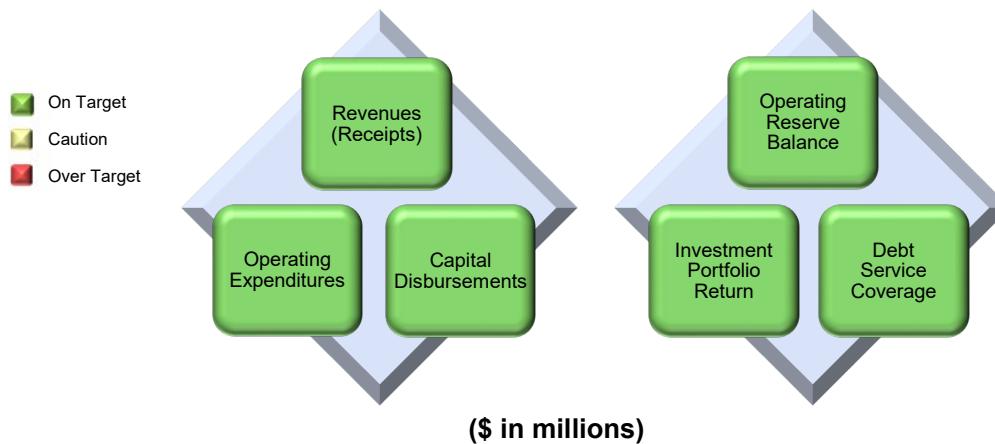
**Henok Getahun**, Controller

## Monthly Financial Report

### OCTOBER 2025

#### EXECUTIVE SUMMARY

The table below summarizes the first month of FY 2026 with approximately 8.3 percent of the fiscal year completed. At this early stage in the fiscal year, we are on track with budgetary expectations and targeted performance metrics.



	Revised Budget	YTD Budget	Actual	Variance Fav(Unfav) \$	Variance Fav(Unfav) %	Actual % Budget
<b>Revenues (Receipts)</b>	\$1,011.4	\$90.9	\$98.8	\$7.9	8.7%	9.8%
<b>Expenditures</b>	\$838.1	\$54.3	\$53.7	\$0.7	1.2%	6.4%
<b>Capital Disbursements</b>	\$927.1	\$91.3	\$40.4	\$51.0	55.8%	4.4%

#### Highlights:

- The FY 2025 Audit is currently underway
- Proposed FY 2027 budget and Two-Year rate proposal anticipated for Board review in January 2026

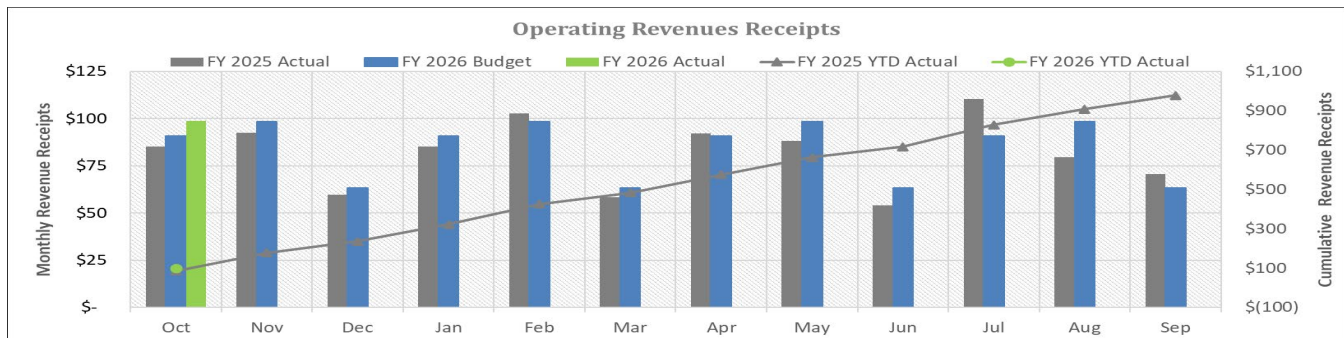
**Matthew T. Brown**, Executive Vice President & Chief Financial Officer

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

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

FY 2025 Actual		CATEGORY	FY 2026						
Total Annual	YTD October		Year-to-Date Performance						
			Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)	
\$576,751	\$53,183	Residential / Commercial / Multi-Family*	\$586,408	\$48,870	\$52,641	9.0%	\$3,771	7.7%	
92,625	\$23,847	Federal	99,339	24,835	19,166	19.3%	(5,669)	(22.8%)	
25,727	\$2,852	Municipal (DC Govt.)	28,256	2,355	2,436	8.6%	81	3.4%	
14,990	\$1,456	DC Housing Authority	18,120	1,510	968	5.3%	(542)	(35.9%)	
24,479	\$2,262	Metering Fee	24,083	2,263	2,304	9.6%	41	1.8%	
43,382	\$4,463	Water System Replacement Fee (WSRF)	40,717	4,339	4,563	11.2%	224	5.2%	
114,341	\$7,782	Wholesale	122,612	0	8,168	6.7%	8,168	-	
24,989	\$2,821	PILOT/ROW	24,156	2,509	2,740	11.3%	231	9.2%	
61,225	\$2,929	All Other	67,695	4,176	5,791	8.6%	1,615	38.7%	
\$978,509	\$101,595	TOTAL	\$1,011,386	\$90,857	\$98,777	9.8%	\$7,920	8.7%	



### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of October 2025, cash receipts totaled \$98.8 million, or 9.8 percent of the FY 2026 Budget. The FY 2026 budgeted receipts were \$1,011.4 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their 1st quarterly payment in October 2025), and wholesale customers (who typically make their first quarterly payment in November).

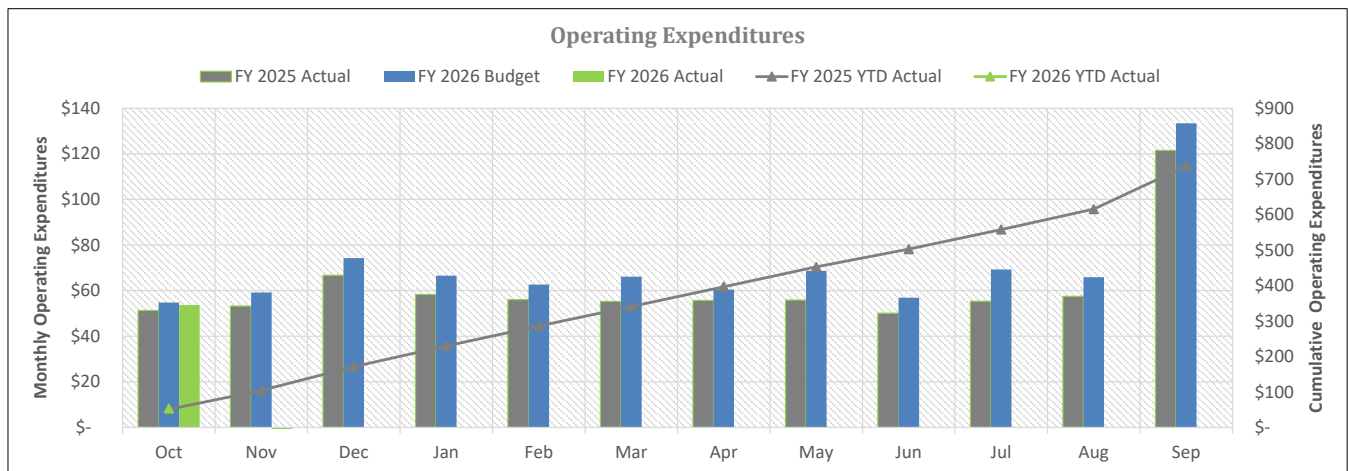
<b>Favorable Variances</b>	<b>Unfavorable Variances</b>
<p><u>Residential, Commercial, and Multi-Family</u> – Receipts for this category are favorable at \$52.6 million or 9.0 percent of the budget. The October 2025 receipts were higher by \$3.8 million as compared to the monthly budget of \$48.9 million mainly due to higher consumption.</p> <p><u>District Government</u> – Receipts are on track at \$2.4 million or 8.6 percent of the budget.</p> <p><u>Metering Fee</u> – Receipts are on track at \$2.3 million or 9.6 percent of the budget.</p> <p><u>Water System Replacement Fee (WSRF)</u> – Receipts for this category are on track at \$4.6 million or 11.2 percent of the budget.</p> <p><u>Wholesale</u> – At the end of October 30, 2025, the actual receipts for this category totaled \$8.2 million or 6.7 percent of the budget. Fairfax and Loudoun County made their first quarterly payment early in October 2025 instead of scheduled in November 2025.</p> <p><u>PILOT/ROW</u> – The receipts for PILOT/ROW are higher at \$2.7 million or 11.3 percent of the budget. The higher receipts are mainly due to higher overall consumption as compared to the budget.</p> <p><u>Other Revenue</u> – Receipts are higher at \$5.8 million or 8.6 percent of the budget. Interest Earnings (\$0.4 million) and Washington Aqueduct Backwash (\$0.8 million) are higher than the budget. The receipts for Developer Fees (\$0.2 million), System Availability Fee (SAF \$0.5 million), Stormwater (\$0.1 million) and Indirect Cost Reimbursement for Capital Projects (\$0.4 million) are lower than the budget.</p>	<p><u>DC Housing Authority</u> – Receipts are slightly lower at \$1.0 million or 5.3 percent of the budget. The receipts are lower mainly due to lower consumption as compared to the budget. The October 2025 receipts are lower by \$0.5 million as compared to the budget of \$1.5 million.</p> <p><u>Federal</u> - Actual receipts through October 2025 totaled \$19.2 million or 19.3 percent of the budget. This is partial payment due to Federal Government shutdown. The receipts are 77.2 percent of the quarterly budget. The balance is anticipated after the shutdown is over. The Federal Government made its first quarter payment in October 2025.</p>

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

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

FY 2025 Actual		CATEGORY	FY 2026					
Total Annual	YTD October		Year-to-Date Performance					
			Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$198,736	\$15,087	Personnel	\$217,462	\$16,512	\$16,063	7.4%	\$449	2.7%
89,951	7,037	Contractual Services	102,284	7,523	6,958	6.8%	564	7.5%
44,279	3,635	Water Purchases	48,149	3,663	3,613	7.5%	51	1.4%
58,202	3,085	Supplies & Chemicals	57,491	3,320	3,284	5.7%	36	1.1%
37,834	2,309	Utilities	41,659	2,546	2,078	5.0%	468	18.4%
1,290	52	Small Equipment	1,531	42	23	1.5%	19	45.0%
\$430,292	\$31,204	SUBTOTAL O&M	\$468,576	\$33,605	\$32,018	6.8%	\$1,587	4.7%
224,506	18,116	Debt Service	271,489	18,700	19,636	7.2%	(936)	(5.0%)
24,170	1,983	PILOT/ROW	24,170	1,998	1,998	8.3%	0	0.0%
58,438	0	Cash Financed Capital Improvements	73,897	0	0	0.0%	0	0.0%
\$737,406	\$51,303	TOTAL OPERATING	\$838,133	\$54,303	\$53,652	6.4%	\$651	1.2%
(25,928)	(1,543)	Capital Labor	(30,907)	(2,243)	(1,564)	5.1%	(679)	30.3%
\$711,478	\$49,760	TOTAL NET OPERATING	\$807,226	\$52,059	\$52,087	6.5%	(\$28)	(0.1%)



#### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

Total operating expenditures for this period (including debt service and the Right-of-Way & PILOT fees) totaled \$53.7 million or 6.4 percent of the FY 2026 approved budget of \$838.1 million.

These numbers include estimated incurred but unpaid invoices and are subject to revision during year-end close-out. The FY 2025 close-out process continues, which entails finalizing a number of GAAP-related accruals. Detailed variance explanations will be included in future monthly reports starting with the December 2025 report in January.

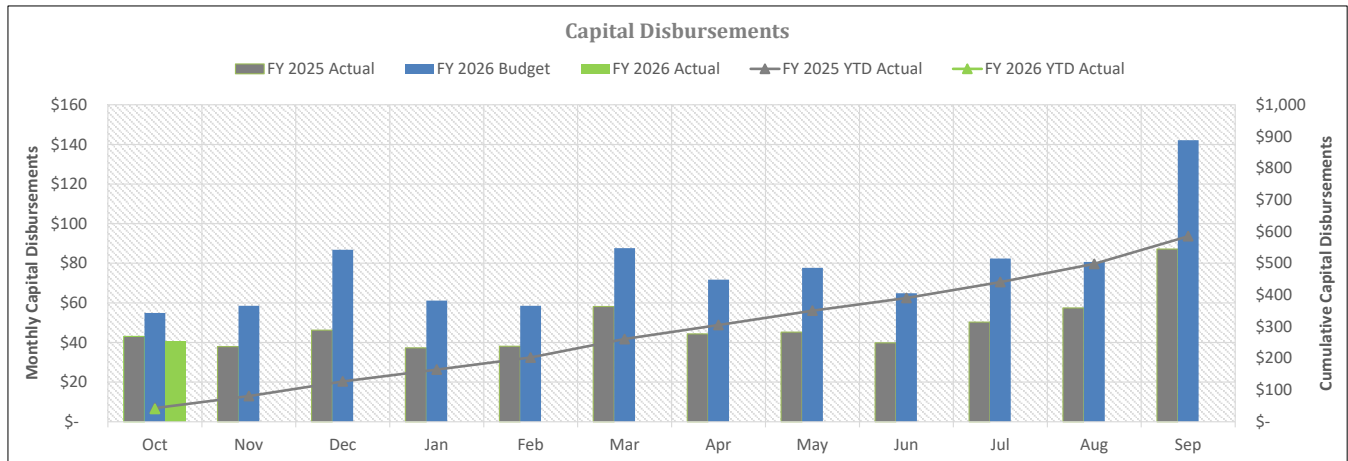
The authorized headcount was 1283 positions as part of the adopted FY 2026 budget. A total of 1116 positions were filled at the end of October 2025. The vacancy rate is 13.1 percent based on the total number of authorized positions. The active vacancy rate is 7.2 percent based on positions that are under recruitment.

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

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

FY 2025 Actual		CATEGORY	FY 2026					
Total Annual	YTD October		Year-to-Date Performance					
			Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$5,323	\$571	Non Process Facilities	\$51,570	\$5,157	\$798	1.5%	\$4,359	84.5%
64,982	5,090	Wastewater Treatment	106,353	10,635	4,201	4.0%	6,434	60.5%
165,015	11,640	Combined Sewer Overflow	250,386	25,039	11,231	4.5%	13,808	55.1%
7,427	930	Stormwater	17,360	1,736	286	1.6%	1,450	83.5%
109,368	7,808	Sanitary Sewer	148,796	14,880	10,360	7.0%	4,520	30.4%
191,258	15,061	Water	270,680	27,068	11,342	4.2%	15,726	58.1%
\$543,373	\$41,099	SUBTOTAL CAPITAL PROJECTS	\$845,145	\$84,515	\$38,218	4.5%	\$46,297	54.8%
19,911	2,012	Capital Equipment	32,481	2,707	2,163	6.7%	544	20.1%
22,060	0	Washington Aqueduct	49,480	4,123	-	0.0%	4,123	100.0%
\$41,971	\$2,012	SUBTOTAL ADD'L CAPITAL PROGRAMS	\$81,961	\$6,830	\$2,163	2.6%	\$4,667	68.3%
\$585,343	\$43,112	TOTAL	\$927,106	\$91,345	\$40,381	4.4%	\$50,964	55.8%



### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of October 2025, capital disbursements totaled \$40.4 million or 4.4 percent of the FY 2026 approved budget, which is subject to revision as part of the FY 2027 budget process.

Detailed project performance will be provided to the Environmental Quality & Operations and Finance & Budget Committees as part of the quarterly CIP update by Shared Services and Asset Management in November 2025.

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

### Cash Investments (\$ in millions)

#### Cash Balances

Rate Stabilization Fund Balance	\$40.64
DC Insurance Reserve Balance	1.00

Operating Reserve Accounts	
Renewal & Replacement Balance	35.00
O & M Reserve per Indenture	66.42
282 Days of Cash O&M Reserve	224.18
<b>282 Days of Cash O&amp;M Reserve Target FY2026</b>	<b>325.60</b>
Excess Above 282 Days of Cash O&M Reserve	84.99
<b>Operating Cash Balance</b>	<b>410.59</b>

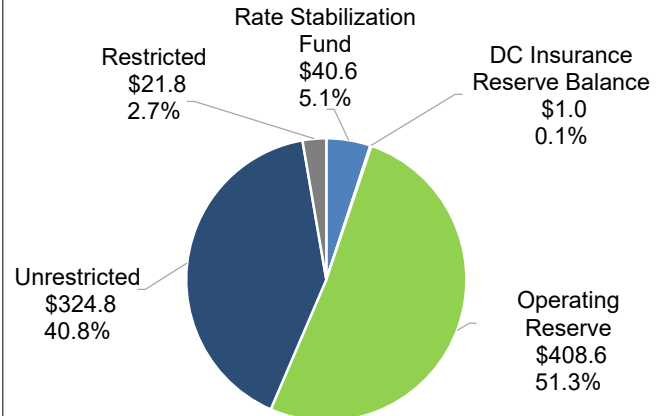
Operating Cash Balance Including RSF 452.24

Additional Reserve Accounts	
Unrestricted	
DC Water - FY2025 CSO Funding	0.01
Bond Fund - Construction 2025B	150.37
Bond Fund - Construction 2025C	174.44
Bond Fund - Construction 2022D	0.00
Bond Fund - Construction 2022E	0.00
<b>Unrestricted Total</b>	<b>324.82</b>

Restricted	
Debt Service Reserve - Series 1998	8.22
DC Water - CARES Residential Relief Fund	0.02
DC Water - CARES Multi-Family Relief Fund	0.00
DC Water - CARES FY2022 Targeted Assistance	0.17
DC Water - DDOT Projects	12.99
District Funds	0.36
DOEE - CRIAC Res + Emergency Res Relief	0.00
DOEE - CRIAC Non-Profit Relief	0.00
DOEE - Lead Pipe Replacement (LPRAP)	0.00
DOEE - Lead Service Line Replacement (ERW)	0.00
<b>Restricted Total</b>	<b>21.77</b>

Total All Funds \$798.83

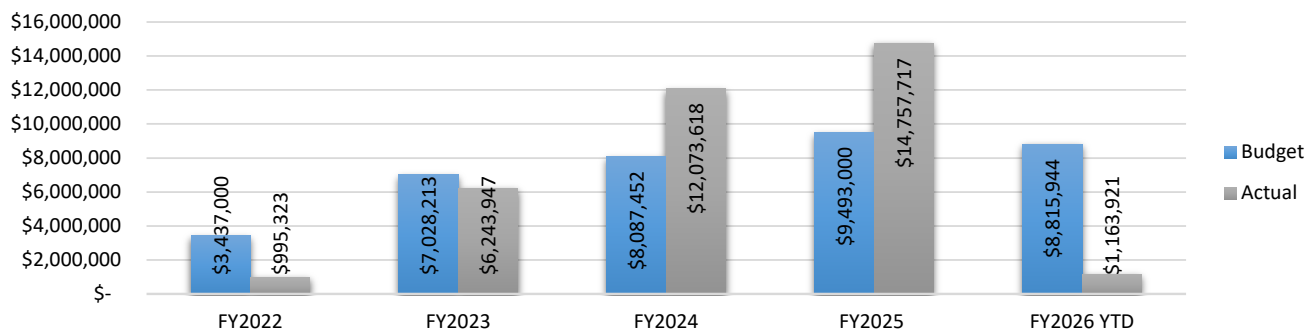
#### Breakdown of Cash Balances



#### Overall Portfolio Performance

- The operating reserve balance was \$410.6 million as compared to the revised operating reserve management target level of \$325.6 million for FY 2026
- Average cash balance for the month of October was \$408.6 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for October (on a cash basis) was \$1,163,921
- A detailed investment performance report is attached

#### Operating Interest Income 5 Year History



## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

### FY 2025 Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD Cash Budget	YTD Actual Cash Oct. 1, 2025 - Oct. 31, 2025	Variance Favorable (Unfavorable)	
<b>OPERATING BUDGET</b>					
<b>Cash Provided</b>					
Retail	\$796,923	\$66,410	\$82,077	\$15,667	24%
Wholesale	122,612		8,168	\$8,168	0%
Other	91,450	7,621	8,531	\$910	12%
<b>Total Cash Provided</b>	<b>1,010,984</b>	<b>74,031</b>	<b>98,776</b>	<b>24,745</b>	<b>33%</b>
<b>Operating Cash Used</b>					
Personnel Services	186,555	15,546	14,121	(1,425)	-9%
Contractual Services	102,284	8,524	9,137	\$614	7%
Chemicals & Supplies	57,491	4,791	6,068	\$1,277	27%
Utilities	41,659	3,472	5,053	\$1,582	46%
Water Purchases	48,149	4,012	4,001	(11)	0%
Small Equipment	1,531	128	109	(18)	-14%
<b>Total Operating Cash Used</b>	<b>437,669</b>	<b>36,472</b>	<b>38,491</b>	<b>2,018</b>	<b>6%</b>
Defeasance D.S./Cash Financed Capital Construction	73,897		0	\$	0%
<b>Other Cash Used</b>					
Debt Service	271,489	22,624	19,693	(2,931)	-13%
Payment In Lieu of Taxes/Right of Way	24,170			\$	0%
<b>Total Other Cash Used</b>	<b>295,660</b>	<b>22,624</b>	<b>19,693</b>	<b>(2,931)</b>	<b>-13%</b>
<b>Total Cash Used</b>	<b>807,226</b>	<b>59,097</b>	<b>58,184</b>	<b>(913)</b>	<b>-2%</b>
<b>Net Cash Provided (Used) by Operating Act.</b>	<b>203,759</b>	<b>16,980</b>	<b>40,593</b>	<b>23,613</b>	
<b>CAPITAL BUDGET</b>					
<b>Cash Provided</b>					
Debt Proceeds	483,189	40,266	67,971	\$27,705	69%
Proceeds from WIFIA Loan	26,000	2,167		(2,167)	-100%
Cash Financed Capital Improvements	0			\$	0%
System Availability Fee	7,700	642		(642)	-100%
Federal Grants - Infrastructure Funding	37,036	3,086		(3,086)	-100%
EPA Grants	13,461	1,122	1,061	(61)	-5%
CSO Grants				\$	0%
Interest Income	9,244	770	167	(603)	-78%
Wholesale Capital Contributions	137,800	11,483	11,118	(366)	-3%
<b>Total Cash Provided</b>	<b>714,431</b>	<b>59,536</b>	<b>80,316</b>	<b>20,780</b>	<b>35%</b>
<b>Cash Used</b>					
DC Water Capital Program	877,626	73,136	40,381	(32,755)	-45%
Washington Aqueduct Projects	35,770			\$	0%
<b>Total Cash Used</b>	<b>913,396</b>	<b>73,136</b>	<b>40,381</b>	<b>(32,755)</b>	<b>-45%</b>
<b>Net Cash/PAYGO Provided (Used) by Cap. Act.</b>	<b>(\$198,966)</b>	<b>(\$16,580)</b>	<b>\$39,935</b>	<b>\$56,516</b>	
<b>Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected</b>	<b>\$333,716</b>		<b>\$333,716</b>		
Plus (Less) Operating Surplus	203,759	16,980	40,593		
Wholesale Customer Refunds for Prior Years	(3,000)	(250)			
Transfer to Rate Stabilization Fund					
Transfer to CAP Fund					
Transfer from CAP Fund					
Transfer from SAF					
Interest Earned from Bond Reserve	401	33			
DDOT 2002 MOU Transfers (CapEx Reimbursement years later)					
Miscellaneous (i.e. Settlement for previous years, Voided AP, etc.)					
Prior Year Federal Billing Reconciliation	(11,310)	(2,827)	(2,827)		
Project Billing Refunds			(824)		
Cash Used for Capital	(197,966)	(16,497)	39,935		
<b>Balance Attributable to O&amp;M Reserve</b>	<b>\$325,600</b>		<b>\$410,592</b>		
<b>OTHER CASH RESERVES</b>	<b>Current Balance</b>				
Rate Stabilization Fund	\$40,644				
DC Insurance Reserve	1,000				
Unrestricted Reserves	324,816				
Restricted Reserves	21,773				



APPENDIX

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Investment Performance Summary Report ..... 13

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

### Operating Revenues Detail

Revenue Category	FY 2026 Budget	Budget	Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$586.4	\$48.9	\$52.6	\$3.7	7.7%	9.0%
Federal	\$99.3	\$24.8	\$19.2	(\$5.6)	-22.8%	19.3%
District Government	\$28.3	\$2.4	\$2.4	\$0.0	3.4%	8.6%
DC Housing Authority	\$18.1	\$1.5	\$1.0	(\$0.5)	-35.9%	5.3%
Customer Metering Fee	\$24.1	\$2.3	\$2.3	\$0.0	1.8%	9.6%
Water System Replacement Fee (WSRF)	\$40.7	\$4.3	\$4.6	\$0.3	5.2%	11.2%
Wholesale	\$122.6	\$0.0	\$8.2	\$8.2	0.0%	6.7%
Right-of-Way Fee/PILOT	\$24.2	\$2.5	\$2.7	\$0.2	9.2%	11.3%
<b>Subtotal (before Other Revenues)</b>	<b>\$943.7</b>	<b>\$86.7</b>	<b>\$93.0</b>	<b>\$6.3</b>	<b>7.3%</b>	<b>9.9%</b>
IMA Indirect Cost Reimb. For Capital Projects	13.4	1.1	0.7	(0.4)	-36.4%	5.2%
DC Fire Protection Fee	17.6	0.0	0.0	0.0	0.0%	0.0%
Stormwater (MS4)	1.0	0.1	0.0	(0.1)	-100.0%	0.0%
Interest	9.2	0.8	1.2	0.4	50.0%	13.0%
Developer Fees (Water & Sewer)	9.0	0.8	0.6	(0.2)	-25.0%	6.7%
System Availability Fee (SAF)	7.7	0.6	0.1	(0.5)	-83.3%	1.3%
Washington Aqueduct Backwash	2.6	0.2	1.0	0.8	400.0%	38.5%
Others	7.2	0.6	2.2	1.6	266.7%	30.6%
<b>Subtotal</b>	<b>\$67.7</b>	<b>4.2</b>	<b>5.8</b>	<b>\$1.6</b>	<b>38.1%</b>	<b>8.6%</b>
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%
<b>Other Revenue Subtotal</b>	<b>\$67.7</b>	<b>\$4.2</b>	<b>\$5.8</b>	<b>\$1.6</b>	<b>38.7%</b>	<b>8.6%</b>
<b>Grand Total</b>	<b>\$1,011.4</b>	<b>\$90.9</b>	<b>\$98.8</b>	<b>\$7.9</b>	<b>8.7%</b>	<b>9.8%</b>

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

Customer Category	Water	Sewer	Clean Rivers IAC	Metering Fee	WSRF	Total
Residential	4,432	6,991	2,617	917	816	15,773
Commercial	9,290	10,518	3,144	596	1,414	24,961
Multi-family	5,674	8,727	1,249	316	707	16,673
Federal	6,340	7,207	5,619	385	1,419	20,969
District Govt	709	959	768	69	175	2,681
DC Housing Authority	356	527	84	20	33	1,021
<b>Total:</b>	<b>26,800</b>	<b>34,929</b>	<b>13,481</b>	<b>2,303</b>	<b>4,563</b>	<b>82,077</b>

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	FY2026 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	33,222	2,769	2,617	(152)	-5%	8%
Commercial	39,450	3,288	3,144	(144)	-4%	8%
Multi-family	15,612	1,301	1,249	(52)	-4%	8%
Federal	22,478	5,620	5,619	(0)	0%	25%
District Govt	9,892	824	768	(56)	-7%	8%
DC Housing Authority	1,465	122	84	(38)	-31%	6%
<b>Total:</b>	<b>122,119</b>	<b>13,923</b>	<b>13,481</b>	<b>(441)</b>	<b>-52%</b>	<b>62%</b>

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

### Retail Accounts Receivable (Delinquent Accounts)

The following tables show retail accounts receivable over 90 days (from the billing date) 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
September 30, 2016	\$7.7	12,406
September 30, 2017	\$8.4	11,526
September 30, 2018	\$13.4	16,273
September 30, 2019	\$10.6	8,744
September 30, 2020	\$17.9	13,775
September 30, 2021	\$26.3	13,065
September 30, 2022	\$29.1	12,168
September 30, 2023	\$28.0	10,420
September 30, 2024	\$33.9	11,832
September 30, 2025	\$33.4	11,414
October 31, 2025	\$30.7	11,435

#### Greater than 90 Days by Customer

Notes: The temporary suspension of collection procedures in order to carry out the upgrade of the billing system to VertexOne in December 2017 was the cause of the increase in accounts receivable over 90 days (from the billing date) for September 2018. The increase in accounts receivable from March 2020 to September 2022 is primarily due to increased delinquencies and deferred payments due to the impact of COVID-19.

The overall delinquencies declined by \$2.7 million in October 2025. The Commercial Delinquencies declined by \$2.3 million mainly due to the \$2.2 million CSX Railroad settlement.

Number of Accounts				Month of Oct (All Categories)				Total Delinquent				
				Active		Inactive		Sep		Oct		
	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	Amount (\$)	No. of a/c	Amount (\$)	%
Commercial	8,403	1,831	10,234	860	5,314,264	127	\$778,419	954	\$8,420,802	987	\$6,092,683	20%
Multi-family	9,095	301	9,396	1,165	14,680,633	48	\$541,918	1,233	\$15,464,847	1,213	\$15,222,551	50%
Single-Family Residential	108,123	1,875	109,998	9,091	9,155,684	144	\$207,971	9,227	\$9,496,001	9,235	\$9,363,655	31%
Total	125,621	4,007	129,628	11,116	\$29,150,581	319	\$1,528,308	11,414	\$33,381,650	11,435	\$30,678,889	100%

Notes: Included in the above \$30.7M (or 11,435 accounts) of the DC Water Over 90 days delinquent accounts, \$2,480,082.47 (or 937 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.

-Delinquent accounts (11,435) as a percentage of total accounts (129,628) is 8.8 percent.

-Delinquent impervious only accounts (937) as a percentage of total accounts (129,628) is 0.7 percent.

-Delinquent impervious only accounts (937) as a percentage of total delinquent accounts (11,435) are 8.2 percent.

-Delinquent impervious only accounts (937) as a percentage of total impervious only accounts (4,007) are 23.4 percent

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

### Developer Deposits

Developer Deposits are funds paid to DC Water for plans that are approved by the Permit Operations Department. They include:

- Flat fees for taps, abandonments, sewer connections, etc.
- Reimbursable estimated fees for inspection labor hours charged to the account.
- Deposits held as security against damage and uncharged accounts.
- Miscellaneous non-commercial account items (hydrant use, groundwater dewatering, waste hauler fees, etc.)
- As of October 31, 2025, developer deposits had \$33.53 million in credit balances (liability) and \$11.47 million in debit balances (receivable).

### Balances by Year as of October 31, 2025

Credit Balances (Liability)	Debit Balances (Receivables)
\$33.53 million	\$11.47 million

Year	Credit Balances	Number of Accounts with Credit Balances	Debit Balances	Number of Accounts with Debit Balances	Net Balance
2001	\$ -	-	\$ 960,164.05	1	\$ 960,164.05
2002	\$ -	-	\$ 1,836.00	2	\$ 1,836.00
2004	\$ -	-	\$ 9,066.08	6	\$ 9,066.08
2005	\$ (282,698.64)	74	\$ 260,270.23	86	\$ (22,428.41)
2006	\$ (267,855.30)	22	\$ 271,416.02	74	\$ 3,560.72
2007	\$ (114,482.12)	24	\$ 141,076.99	48	\$ 26,594.87
2008	\$ (230,820.68)	28	\$ 189,458.72	48	\$ (41,361.96)
2009	\$ (135,490.53)	19	\$ 167,157.88	42	\$ 31,667.35
2010	\$ (85,507.27)	22	\$ 126,745.67	37	\$ 41,238.40
2011	\$ (238,662.63)	49	\$ 472,753.69	54	\$ 234,091.06
2012	\$ (454,948.91)	105	\$ 438,313.53	84	\$ (16,635.38)
2013	\$ (499,097.36)	86	\$ 245,969.44	76	\$ (253,127.92)
2014	\$ (797,117.87)	88	\$ 950,615.89	61	\$ 153,498.02
2015	\$ (903,358.80)	199	\$ 260,868.80	36	\$ (642,490.00)
<b>Subtotal - 2001 through 2015</b>	<b>\$ (4,010,040.11)</b>	<b>716</b>	<b>\$ 4,495,712.99</b>	<b>655</b>	<b>\$ 485,672.88</b>
2016	\$ (2,219,911.69)	298	\$ 466,742.14	55	\$ (1,753,169.55)
2017	\$ (1,583,335.79)	359	\$ 414,246.42	113	\$ (1,169,089.37)
2018	\$ (2,167,974.87)	394	\$ 817,860.86	112	\$ (1,350,114.01)
2019	\$ (3,260,837.62)	346	\$ 1,584,391.94	153	\$ (1,676,445.68)
2020	\$ (3,713,017.66)	228	\$ 514,270.86	118	\$ (3,198,746.80)
2021	\$ (3,441,305.83)	278	\$ 588,940.00	145	\$ (2,852,365.83)
2022	\$ (5,308,293.34)	278	\$ 930,769.20	168	\$ (4,377,524.14)
2023	\$ (3,031,213.87)	169	\$ 960,988.10	122	\$ (2,070,225.77)
2024	\$ (2,596,142.39)	148	\$ 523,564.02	101	\$ (2,072,578.37)
2025	\$ (2,199,161.81)	146	\$ 167,709.83	97	\$ (2,031,451.98)
<b>Subtotal - 2016 through 2025</b>	<b>\$ (29,521,194.87)</b>	<b>2,644</b>	<b>\$ 6,969,483.37</b>	<b>1,184</b>	<b>\$ (22,551,711.50)</b>
<b>Total</b>	<b>\$ (33,531,234.98)</b>	<b>3,360</b>	<b>\$ 11,465,196.36</b>	<b>1,839</b>	<b>\$ (22,066,038.62)</b>

#### Forfeiture Action

Accounts Forfeited on August 16, 2021	(4,838,938.52)	1,011
Accounts Forfeited on September 23, 2022	(1,286,705.10)	348
Accounts Forfeited on March 26, 2024	(1,621,242.25)	262
Accounts Forfeited on September 27, 2024	(764,105.79)	113
Accounts Forfeited on September 28, 2025	(969,992.94)	182
Accounts pending forfeiture determination and execution.	(4,010,040.11)	716

## Monthly Financial Report

Fiscal Year-to-Date  
As of October 31, 2025

### Developer Deposits

#### Customer Communication

Statements are provided to customers when there is activity on the account. To ensure that all customers are aware of the balances, statements are also mailed annually irrespective of whether there is activity on the account. For the last four years, annual statements were mailed to customers on June 20, 2025, March 26, 2024, April 28, 2023, and January 25, 2022.

By law, refunds are to be requested by the account owner within two years of completion (DC Code § 34–2401.10). If not requested in that period, these accounts can be forfeited and closed. DC Water has placed a statement on invoices beginning in November 2019 notifying customers of the District law and that funds would be forfeited unless a refund is requested within two years of project completion or account inactivity. A notification to customers that is posted on our website indicates that unless a refund is requested, funds will be forfeited for projects without activity for ten years. AOBA and DCBIA have been asked to notify their membership to examine the invoices.

For accounts that were forfeited, zero balance statements were mailed to customers on August 16, 2021, September 21, 2022, March 26, 2024, September 27, 2024, and September 28, 2025.

#### Refund Requests and Forfeiture Disputes

Following the distribution of annual account statements to customers on June 20, 2025, it was determined that refund requests impact a total of 2,044 accounts. The table below provides a summary of the progress made to date.

#### Construction Inspection Refund Data

	Number of Accounts	Amount (\$)
Refund request received to date	2044	
Refunded this month	53	\$824,336.78
Refunded last month	12	\$54,520.61
Refunded FY26	53	\$824,336.78
Refunded FY25	250	\$3,127,116.31
Refunded in FY24	369	\$6,931,447.14
Refunded in FY23 (Oct 22 - Sept 23)	105	\$1,756,574.39
Refund requests that are debits (\$0 balance or owe DC Water)	150	(\$63,548.59)
<b>Number of Refund Accounts Reviewed, Awaiting Information from Developers*</b>	357	\$2,104,480.51
<i>Number of Refund Account Requested after forfeiture date**</i>	33	\$159,241.56

\*Documentation required to process the refund accounts has been thoroughly examined and assembled. DC Water is in the process of obtaining address verification and/or proof of payment from the developers to complete the refund issuance. Request for this information has already been communicated to the developers.

\*\* These accounts were forfeited, and zero balance statements were sent to the developers before they requested a refund. As a result, these accounts are not eligible for a refund.

## Monthly Financial Report



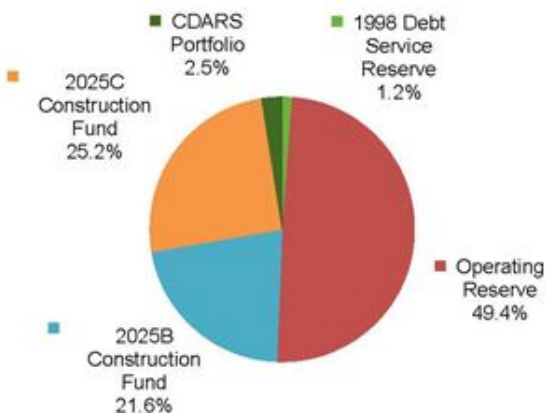
Investment Performance Report – October 2025

## DC Water Finance Division Economic Update & Portfolio Summary

## ECONOMIC COMMENTARY

- The Federal Reserve (Fed) cut the target range for the federal funds rate at the second consecutive meeting to a three-year low of 3.75% to 4.00%. It also announced the end of its quantitative tightening program on December 1, at which point it will halt balance sheet reductions. Despite the lack of official economic data due to the government shutdown, Powell stated that available data suggest the outlook for employment and inflation remains unchanged since the last meeting. However, he emphasized another rate cut in December is "far from" a foregone conclusion.
- The Consumer Price Index (CPI) came in below expectations, rising 3.0% year-over-year. Tariff passthroughs remain modest, though certain import-reliant categories are showing some inflationary pressures. The White House said the October CPI report will not likely be released, adding complexity to the Fed's decision-making process.
- The September and October jobs reports have not been released due to the shutdown. Available private-sector data along with new layoff announcements continue to show a cooling labor market.

## INVESTMENT PORTFOLIOS



## PORTFOLIO RECAP

- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, Mortgage-Backed Securities, Supranational Bonds, 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 3.78%. The short term consolidated composite periodic 1 month return was 0.32% and the benchmark of ICE BofA 3-month Treasury Index periodic 1 month return was 0.32%. The Core Consolidated Composite periodic 1 month return was 0.34% and the benchmark of ICE BofA 1-3 Year Treasury Index periodic 1 month return was 0.31%.

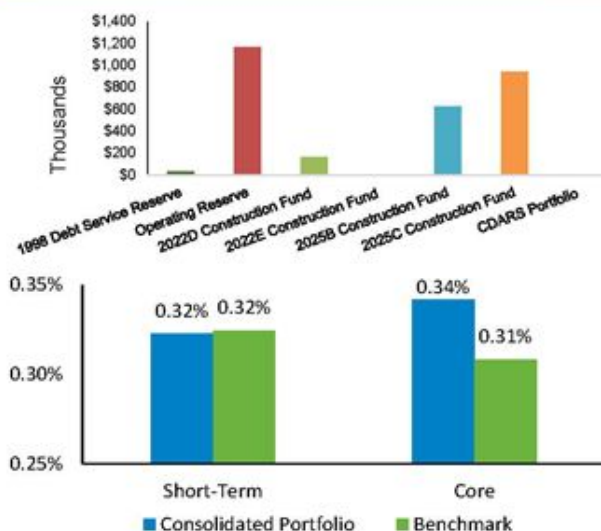
## Operating Reserve and Bond Proceeds Portfolios

- During October, the investment advisor (PFMAM) purchased two corporate bonds totaling \$1.29 million at an average yield of 3.96% and a Treasury Note totaling \$2.1 million with an average yield of 3.59% and a bank note totaling \$730 thousand with an average yield of 4.14%.

Operating Funds Interest Income Earnings<sup>3</sup>

- October 2025 - \$1,163,920.96
- Total FY 2026 - \$1,163,920.96

Certificates of Deposit Account Registry Services (CDARs)

MONTHLY EARNINGS<sup>1</sup> AND PERFORMANCE<sup>2</sup>

1. Monthly earnings shown are total accrual basis earnings based on amortized costs.

2. Please reference performance details under "portfolio recap" and on Page 10 of the Monthly Board Report.

3. Operating Funds Interest Income Earnings Reported by DC Water.

Prepared by PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.



# CIP Quarterly Report

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Moussa Wone, Ph.D., PE, DBIA  
Chief Engineer

Vice President, Engineering and Clean Rivers

Paul Guttridge, PMP, Assoc. DBIA  
Director, Shared Services and Asset Management





# Process Facilities Program Updates

## Capital Program Delivery

- Issued Preconstruction Services NTP for Headworks and Primary Upgrades Portfolio **CMAR Contract**; preparing Guaranteed Maximum Price (GMP) proposal for Headworks Electrical Upgrades
- Issued Preconstruction Services NTP for Filtration and Disinfection Upgrades Portfolio **CMAR Contract**; finalizing GMP proposal
- Issued Preconstruction Services NTP for Floodwall Segments ABD **PDB Contract**; preparing Draft Concept Finalization Report

## System Reliability and Regulatory Compliance

- Preparing Q1 RFQ for Miscellaneous Facilities Upgrade Phase 9 (MFU-9) Master Services Agreement
- Provides construction support to Department of Wastewater Treatment (DWT) and Department of Pumping and Sewer Operations (DPSO) to deliver urgent, near-term capital needs and provide rapid response to emergency issues

## CONTRACT SPOTLIGHT:

***Blue Plains Headworks Electrical Upgrades*** - Headworks and Primary Upgrades Portfolio CMAR Contract.



### Design Completed

Contractor preparing Phase II Construction GMP proposal to replace and/or upgrade:

- Process Control System (PCS) & Unit Substations
- Mechanical Equipment
- Architectural and Life Safety Systems

**Anticipated Construction NTP  
Q3 FY26**





## Sewer Program Updates

### ACCOMPLISHMENTS:

- Completed emergency repairs on Anacostia Force Main at Ponds St NE.
  - Fast-tracked design of additional high-priority work (structural lining and air release valves) in areas at greatest risk of corrosion.
  - Awaiting proposals from pre-qualified contractors. NTP expected within 4-6 weeks.
- Selected Clark-Michels for ~\$500M Anacostia Area Sewer Rehab PDB contract.
- Procurement planning underway for \$400M+ Rock Creek Area Sewer Rehab contract. Delivery method TBD.
- FY25 inspection totals:
  - 45 miles of local sewers (goal=40)
  - 32 miles of very large sewers (goal=12)
  - 1,979 manholes (no goal separate from above)

### PROJECT SPOTLIGHT:

***Little Falls Trunk Sewer (LFTS):*** Recent inspections show significant corrosion from steep slope alignment and H<sub>2</sub>S. Approx. 1,000 LF of brick and concrete sanitary sewer to be rehabilitated. Alignment intersects NPS and DDOT, in addition to the Capital Crescent Trail. Anticipated design NTP December 2025.





## Water Program Updates

### Small Diameter Water Project 19A:

- Completed contractor selection and negotiation. NTP pending

### Small Diameter Water Main Progressive Design Build Packages 1 & 2:

- Contractor selection completed and negotiations underway



36" valve replacement at 39<sup>th</sup> Street and Fessenden Ave

### Valve Replacement:

- Completed Design and Construction at 39<sup>th</sup> Street and Fessenden Avenue NW for 36" valve replacement
- In collaboration with Washington Aqueduct, coordinated an interagency response to synchronize design and construction activities, minimizing system interruptions

### PROJECT SPOTLIGHT:

*On October 14, 2025, DC Water and the Washington Aqueduct (WA) conducted maintenance work at the Francis Scott Key Bridge to replace a malfunctioning 10-inch water meter; critical for monitoring flows from DC Water assets into Virginia's Federally Owned Water Mains. During the isolation and removal phase, a coupling within the vault failed, causing rapid water intrusion and flooding. Emergency repairs were coordinated with WA, and although the incident disrupted operations, no injuries occurred. Crews responded swiftly, followed safety protocols, and maintained operational control throughout the event.*



Water intrusion and repair photos at meter within vault

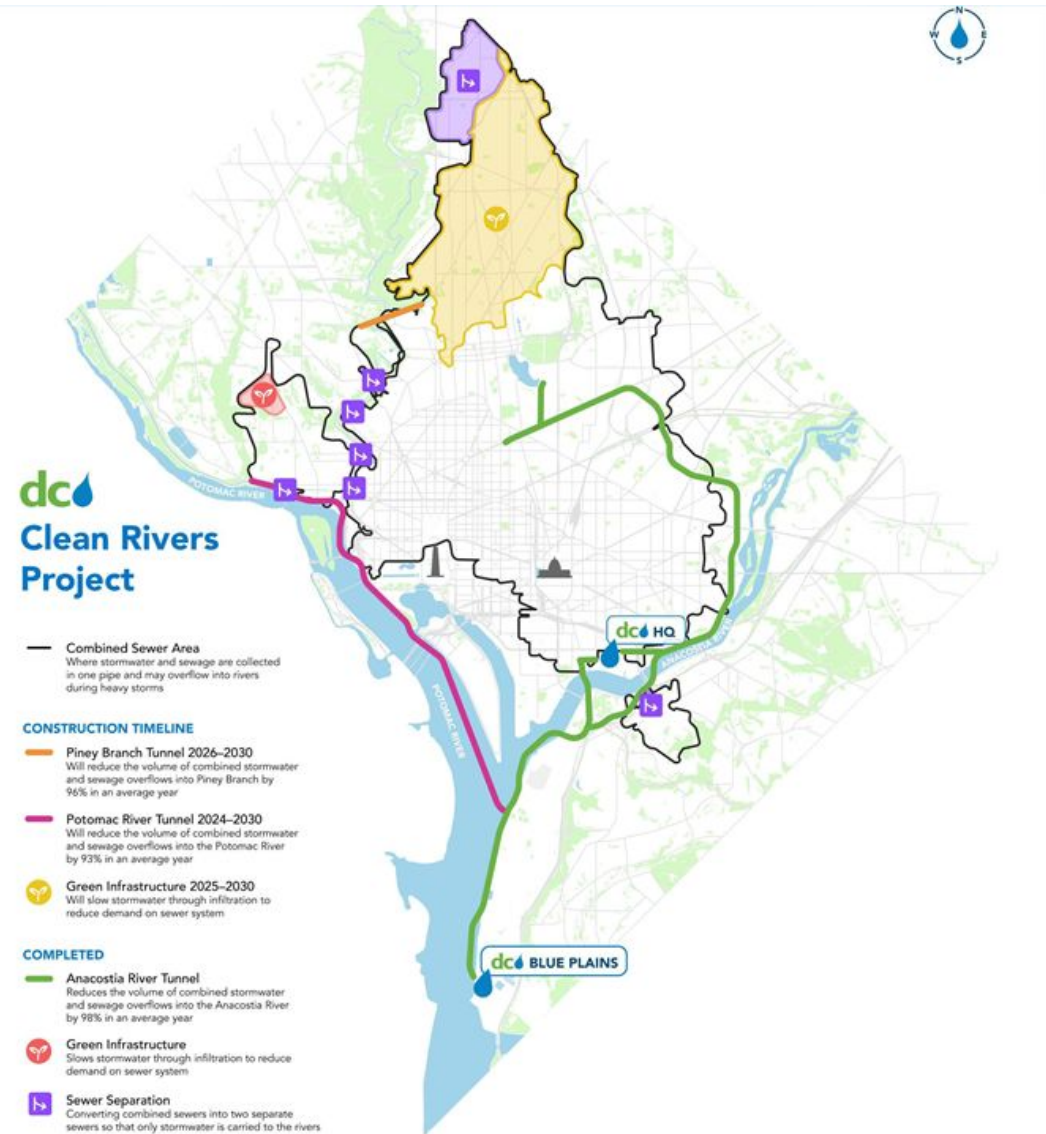
# dc Clean Rivers

## Priority:

- Meet requirements of the Piney Branch Tunnel, an increase of \$259 million
  - Tunnel will be constructed in lieu of storage tank with pumping station, necessary to secure National Park Service approvals

## Projects to Complete Consent Decree:

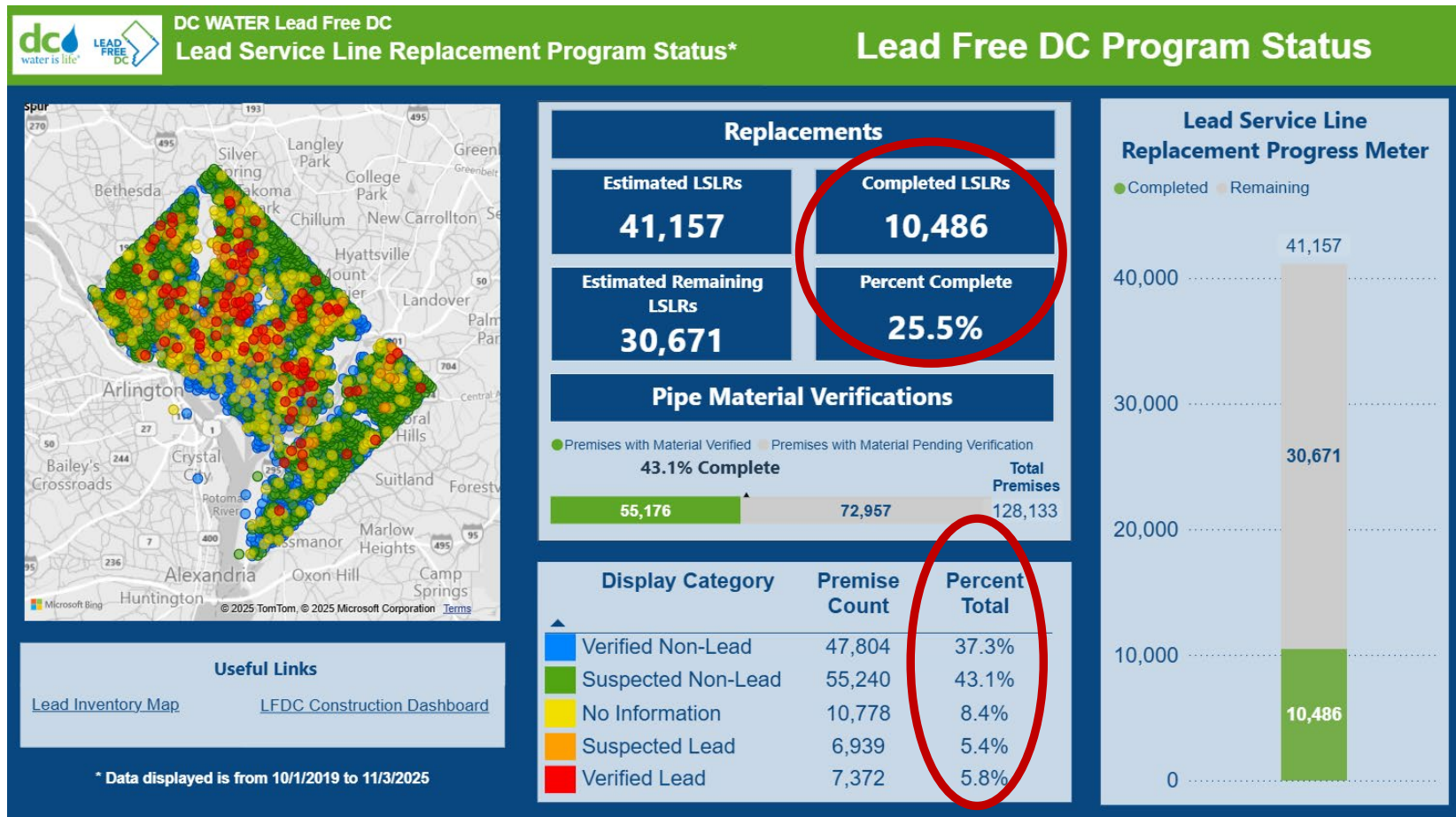
Project	Construction Timeframe
Anacostia River	All controls in service
Potomac River	
Potomac River Tunnel	2024 – 2030 (in construction)
Rock Creek	
Green Infrastructure Project C	2025 – 2027 (in construction)
Green Infrastructure Project D	2028 – 2030
Piney Branch Tunnel	2025 – 2029







# Lead Free DC Program Dashboard

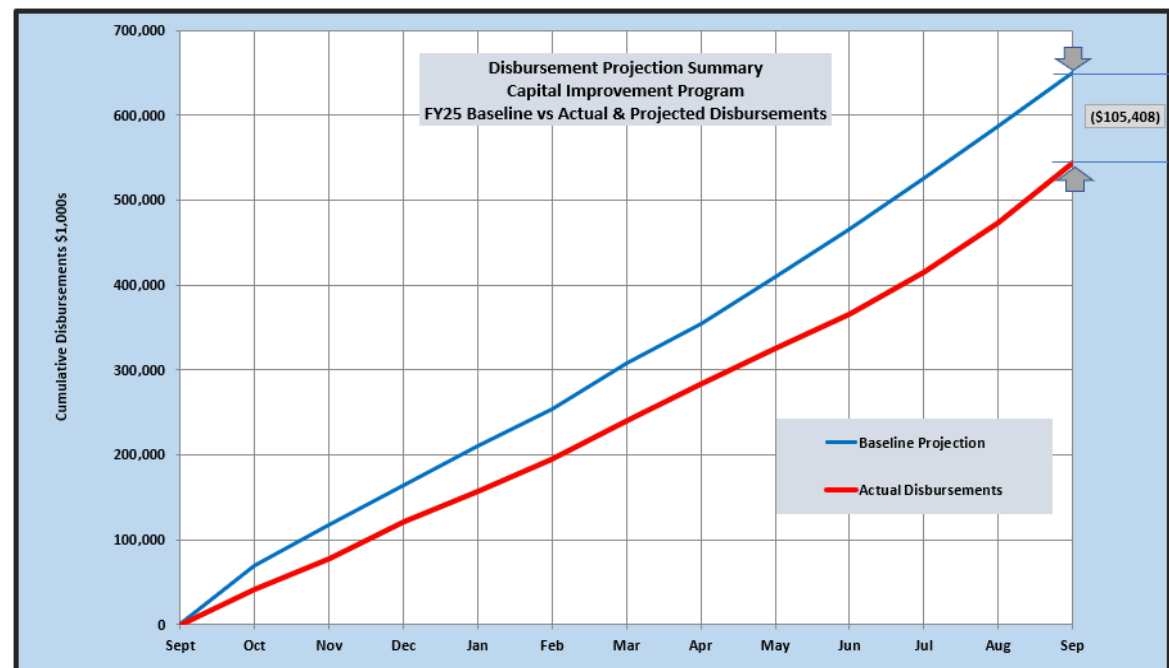




# CIP Quarterly Update

## FY25 CIP Disbursement Performance

- The Baseline projection for FY25 was developed to better align with the anticipated execution of the planned work. Total Baseline budget was **\$650M**
- The actual total program disbursements achieved through the end of **Q4** were **\$545M**, or **84%** of the overall target.





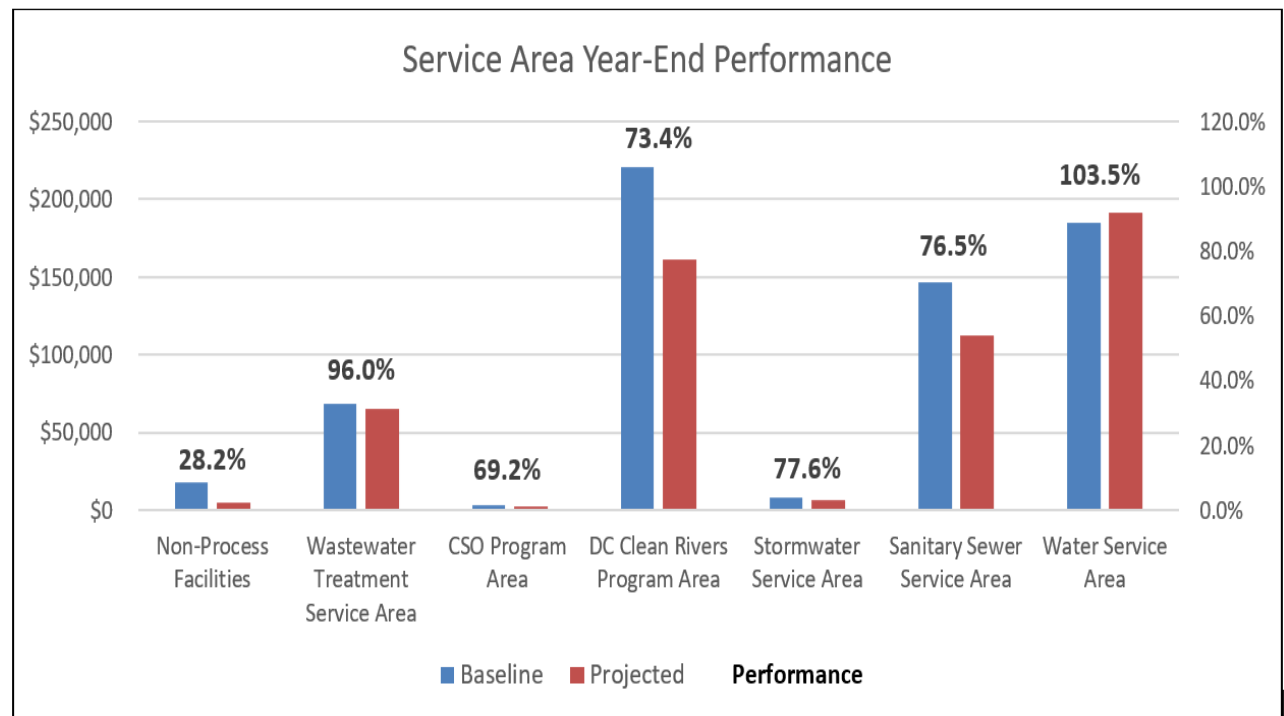
# FY25 Spending Performance by Service Area

## Service & Program Area Deltas

- The **Water program** achieved 104% of the planned spend due to better than anticipated progress
- The **Clean Rivers Area** achieved 73% of the baseline prediction mainly due to slower than anticipated progress at the Potomac River Tunnel
- The **Sewer Area** achieved 77% due to changing direction on the Potomac Interceptor program. Additional discrepancy stems from contingency fund savings.

## Summary of FY25 KPIs– Schedule Milestones:

	Performance
52	Total KPIs due this year
19	KPIs completed within threshold
33	KPIs projected outside threshold (>90 days)





ATTACHMENT 3

# District of Columbia Water and Sewer Authority Board of Directors

**Finance and Budget Committee** December 16, 2025 / 11:00am

**Microsoft Teams meeting**

[Click here to join the meeting](#)

Meeting ID: 258 192 568 581 Passcode: k2HB9HM3

Call in (audio only) [202-753-6714, 636623879#](#)

Phone Conference ID: 636 623 879#

1. **Call to Order** ..... Anthony Giancola, Chairperson
2. **Roll Call** ..... Michelle Rhodd, Board Secretary
3. **November 2025 Financial Report (Attachment 1)** ..... Lola Oyeyemi
4. **Agenda for January 2026 Committee Meeting (Attachment 2)** ..... Anthony Giancola
5. **Executive Session\*** ..... Anthony Giancola
6. **Adjournment** ..... Anthony Giancola

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at [opengovoffice@dc.gov](mailto:opengovoffice@dc.gov).

1The 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 certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters 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); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Codes § 2- 575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.