



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Finance and Budget Committee

Tuesday, February 23, 2021

11:00 a.m.

Microsoft Teams

Join on your computer or mobile app

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Or call in (audio only)

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Phone Conference ID: 719 645 203#

- 1. **Call to Order**.....Anthony Giancola, Chairperson
- 2. **Roll Call**..... Linda Manley, Board Secretary
- 3. **January 2021 Financial Report (Attachment 1)** Lola Oyeyemi
- 4. **Capital Improvement Program Quarterly Update (Attachment 2)** Paul Guttridge
- 5. **Agenda for March Committee Meeting (Attachment 3)**..... Anthony Giancola
- 6. **Executive Session***
- 7. **Adjournment**

FOLLOW-UP ITEMS – There were no follow-up items from the Finance and Budget Committee meeting held on January 28, 2021.

1 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)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4)(A); 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); train and develop members of a public body and staff under D.C. Official Codes § 2-575(b)(12); 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 2021

Monthly Financial Report

Period Ending January 31, 2021

DEPARTMENT OF FINANCE

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

Ivan Boykin, Director, Finance

Syed Khalil, Director, Rates & Revenue

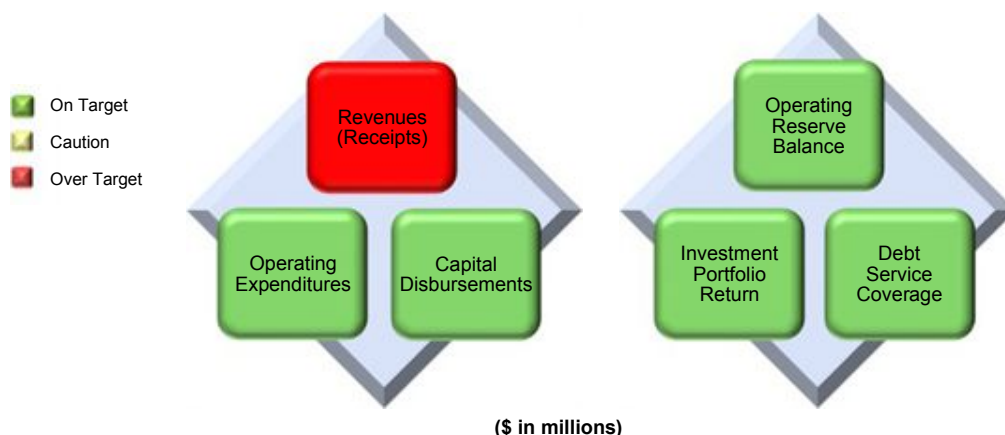
Genes Malasy, Controller

Lola Oyeyemi, Director, Budget

JANUARY 2021

EXECUTIVE SUMMARY

As of the end of January 2020, with approximately 33 percent of the fiscal year completed, we are on track with budgetary expectations and targeted performance metrics, with the exception of revenue receipts due to the decline in consumption resulting from the impact of the COVID-19 pandemic.



(\$ in millions)

	Budget	YTD Budget	Actual	Variance Favorable	Variance (Unfavorable)	Actual % Budget
Revenues (Receipts)	\$733.7	\$250.4	\$234.4	(\$16.0)	-6.4%	31.9%
Expenditures	\$642.7	\$200.9	\$181.5	\$19.4	9.6%	28.2%
Capital Disbursements	\$507.6	\$176.6	\$112.9	\$63.7	36.1%	22.2%

Highlights:

- FY 2020 Year-End Closeout Status Update
 - Development of Comprehensive Annual Financial Report (CAFR) is underway
 - The OMB Uniform Guidance Audit is on-going with expected completion by the end of February 2021
 - FY 2020 Green Bond Report will be completed by the end of February 2021
 - FY 2020 IMA Operating & Maintenance Settlement is underway with expected completion by end of March 2021
- DC Council Public Oversight Hearing for FY 2020 - FY 2021 Performance is scheduled for March 15, 2021
- Detailed review of FY 2022 Proposed Budget with various Board Committees continues in February with committee actions anticipated in March 2021

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

Fiscal Year-to-Date
As of January 31, 2021

Operating Revenues (\$000's)

FY 2020		CATEGORY	FY 2021					
Actual			Year-to-Date Performance					
Total Annual	YTD January		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$396,884	\$135,519	Residential / Commercial / Multi-Family	\$421,633	\$140,544	\$124,423	29.5%	(\$16,121)	(11.5%)
71,954	36,357	Federal	77,571	38,786	38,586	49.7%	(200)	(0.5%)
18,067	6,218	Municipal (DC Govt.)	18,377	6,126	6,886	37.5%	760	12.4%
10,998	3,662	DC Housing Authority	11,941	3,980	3,987	33.4%	6	0.2%
11,829	3,992	Metering Fee	15,405	5,270	4,796	31.1%	(473)	(9.0%)
41,456	14,536	Water System Replacement Fee (WSRF)	39,717	14,249	15,246	38.4%	997	7.0%
79,157	20,370	Wholesale	81,986	20,497	21,037	25.7%	540	2.6%
21,546	7,856	PILOT/ROW	22,463	7,951	7,616	33.9%	(335)	(4.2%)
58,206	16,525	All Other	44,645	13,005	11,826	26.5%	(1,178)	(9.1%)
\$710,097	\$245,036	TOTAL	\$733,738	\$250,407	\$234,404	31.9%	(\$16,003)	(6.4%)



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

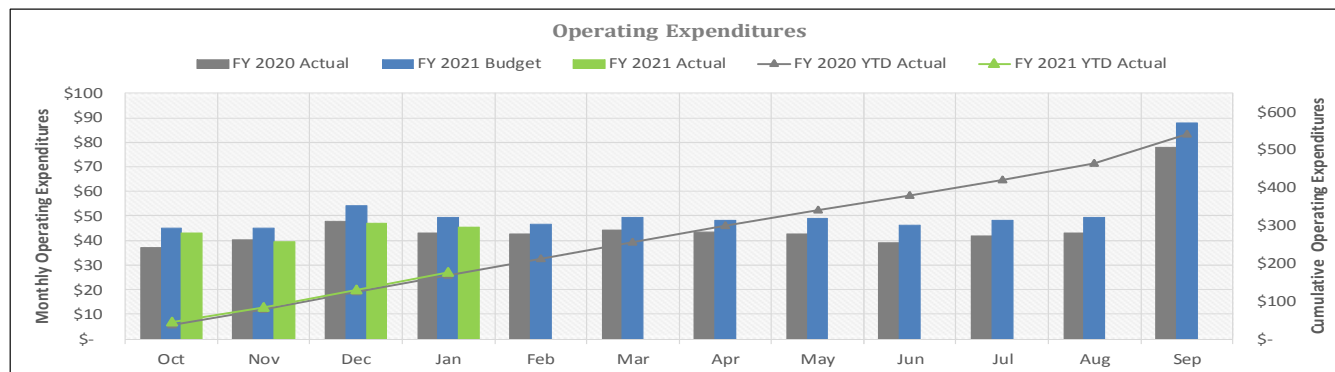
At the end of January 2021, cash receipts totaled \$234.4 million, or 31.9 percent of the FY 2021 budget. The total receipts for December were \$61.0 million as compared to the budgeted \$67.6 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their second quarterly payment in January), and wholesale customers (which made their first quarter payment in November).

Areas of Overcollection	Areas of Undercollection
<p>Federal - Actual receipts through January 2021 total \$38.6 million or 49.7 percent of the budget. The Federal government made their second quarter payment in January 2021.</p> <p>Wholesale - The wholesale customers actual receipts through January 2021 total \$21.0 million or 25.7 percent of FY 2021 budget. The wholesale customers made their first quarter payment in November 2020. The next payment will be in February 2021.</p> <p>District Government - Receipts are slightly higher at \$6.9 million or 37.5 percent of the budget. The January receipts are at \$1.4 million. The January 2021 receipts are slightly lower by \$0.2 million due to lower consumption.</p> <p>DC Housing - Receipts are slightly higher at \$4.0 million or 33.4 percent of the budget. The January 2021 receipts are slightly lower by seventy nine thousand dollars as compared to the monthly budget of \$1.0 million.</p>	<p>Residential, Commercial and Multi-Family - Receipts for this category are lower at \$124.4 million or 29.5 percent of the budget. The lower receipts are mainly due to decline in consumption in Commercial category on account of the impact of COVID-19. The January 2021 receipts were lower by \$7.5 million or 21.3 percent as compared to the monthly budget.</p> <p>PILOT/ROW - The YTD receipts for PILOT/ROW are slightly lower at \$7.6 million or 33.9 percent of the budget. The January 2021 receipts are slightly lower by \$0.3 million as compared to the monthly budget.</p> <p>Other Revenue - Receipts are lower at \$11.8 million or 26.5 percent of the budget. The \$1.2 million lower receipts are primarily due to (i) \$1.9 million lower receipts from System Availability Fee, (ii) \$1.4 million lower miscellaneous receipts, and (iii) \$0.9 million lower Developer Contractor Fees (water and sewer). These were offset by \$3.1 million earlier payment of Fire Protection Service Fee. The January 2021 receipts were \$1.4 million higher than the monthly budget primarily due to \$3.1 million Fire Protection Services Fee payment received early for second quarter FY 2021 from the District Government, which was scheduled to be received in February 2021.</p>

Fiscal Year-to-Date
As of January 31, 2021

Operating Expenditures (\$000's)

FY 2020		CATEGORY	FY 2021					
Actual			Year-to-Date Performance					
Total Annual	YTD January		Annual Budget	YTD Budget	% of Actual	% of Budget	Variance \$	Variance %
\$159,244	\$52,150	Personnel	\$177,863	\$ 58,228	\$52,366	29.4%	\$5,862	10.1%
74,503	25,122	Contractual Services	88,532	30,127	26,322	29.7%	3,805	12.6%
31,696	9,413	Water Purchases	36,250	10,921	10,183	28.1%	738	6.8%
28,659	10,407	Supplies & Chemicals	36,081	12,586	10,304	28.6%	2,282	18.1%
24,705	8,393	Utilities	27,911	9,398	8,471	30.4%	927	9.9%
806	262	Small Equipment	1,030	344	35	3.4%	309	89.8%
\$319,613	\$105,747	SUBTOTAL O&M	\$367,667	\$121,605	\$107,681	29.3%	\$13,923	11.4%
199,056	62,738	Debt Service	222,268	71,796	66,361	29.9%	5,435	7.6%
22,034	7,345	PILOT/ROW	22,374	7,458	7,458	33.3%	0	0.0%
28,556	0	Cash Financed Capital Improvements	30,355	0	0	0.0%	0	0.0%
\$569,258	\$175,829	TOTAL OPERATING	\$642,664	\$200,859	\$181,500	28.2%	\$19,359	9.6%
(24,906)	(7,891)	Capital Labor	(24,382)	(7,238)	(6,747)	27.7%	(491)	6.8%
\$544,352	\$167,938	TOTAL NET OPERATING	\$618,281	\$193,621	\$174,754	28.3%	\$18,868	9.7%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

Total operating expenditures for this period (including debt service and the Right-of-Way & PILOT fees) totaled \$181.5 million or 28.2 percent of the FY 2021 Board-approved budget of \$642.7 million.

These numbers include estimated incurred but unpaid invoices and are subject to revision in subsequent months.

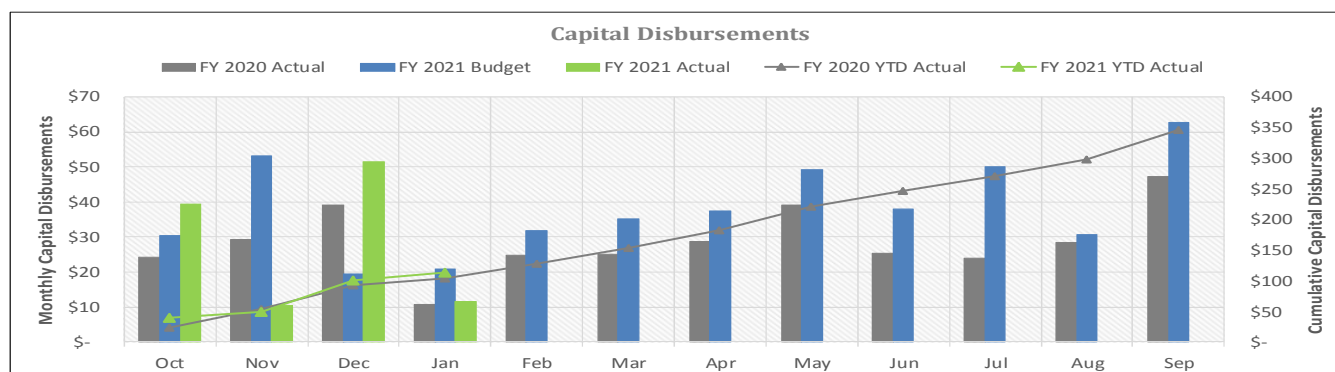
Areas of Underspending
<p>Personnel Services – YTD underspending is due to deliberate pause in the hiring process with the exception of critical positions needed to achieve spending target reductions in response to the reduced revenue forecasts. Of the 1231 positions authorized, 1084 were filled at the end of January with a vacancy rate of 12 percent.</p>
<p>Contractual Services – Spending is in line with expectations at this time of the fiscal year. Expenses are curtailed to ensure that we are only performing critical and COVID-related purchases.</p>
<p>Water Purchases – Reflect DC Water’s share of Washington Aqueduct expenditures (approx. 75%).</p>
<p>Supplies & Chemicals – Underspending in chemicals is due to lower than budgeted unit prices for some of the major chemicals used at Blue Plains, coupled with lower influent and decrease in industrial load coming into Blue Plains.</p>
<p>Utilities – Underspending is primarily due to lower than budgeted electricity prices. A total of 5MW of the Authority’s electric load is locked at an average Western Hub price of \$27.67/MWh for the remainder of the fiscal year.</p>
<p>Small Equipment – Spending is consistent with purchases at this time of the fiscal year.</p>
<p>Debt Service – As previously reported, YTD spending excludes payment of \$2.2 million for the Build America Bonds Subsidy (BABS) which was accrued in FY 2020 and paid during this fiscal year.</p>

Monthly Financial Report

Fiscal Year-to-Date
As of January 31, 2021

Capital Disbursements (\$000's)

FY 2020		CATEGORY	FY 2021						
Actual			Year-to-Date Performance					Variance	
Total Annual	YTD January		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$	%	
\$10,016	\$4,719	Non Process Facilities	\$31,849	\$12,163	\$5,891	18.5%	\$6,272	51.6%	
48,987	13,934	Wastewater Treatment	102,976	37,439	26,918	26.1%	10,521	28.1%	
181,745	52,929	Combined Sewer Overflow	157,058	67,940	48,918	31.1%	19,022	28.0%	
2,587	2,408	Stormwater	9,631	1,244	480	5.0%	764	61.4%	
23,359	8,631	Sanitary Sewer	63,926	17,529	6,471	10.1%	11,058	63.1%	
41,721	13,106	Water	88,677	26,338	17,332	19.5%	9,006	34.2%	
\$308,415	\$95,727	SUBTOTAL CAPITAL PROJECTS	\$454,118	\$162,653	\$106,010	23.3%	\$56,643	34.8%	
24,371	7,504	Capital Equipment	37,207	12,402	6,302	16.9%	6,100	49.2%	
13,073	0	Washington Aqueduct	16,266	1,497	550	3.4%	947	63.2%	
\$37,444	\$7,504	SUBTOTAL ADD'L CAPITAL PROGRAMS	\$53,473	\$13,899	\$6,852	12.8%	\$7,047	50.7%	
\$345,858	\$103,231	TOTAL	\$507,591	\$176,552	\$112,862	22.2%	\$63,690	36.1%	



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of January 2021, capital disbursements are \$112.9 million or 22.2 percent of the FY 2021 approved budget, which is subject to revision as part of the FY 2022 budget process.

The year-to-date underspending in various service areas reflects management’s efforts to mitigate potential impacts of reduced revenue due to the coronavirus pandemic.

Capital Projects	Additional Capital Programs
<p>YTD disbursements remain low in various service areas with anticipated uptick in spending expected during the latter part of the fiscal year.</p> <p>Overall project performance will be reviewed in detail as part of the quarterly CIP update by the Department of Engineering & Technical Services to the Environmental Quality & Operations and Finance & Budget Committees in February 2021.</p>	<p><u>Capital Equipment</u> – Lower than planned disbursements are primarily attributable to delays in spending in the Wastewater, Water, Engineering and AMI Replacement departments. Spending is expected to increase during the year for the Authority Reserves, and other major projects including Enterprise Resource Planning (ERP), AMI Replacement and equipment for the new Fleet and Sewer Facilities.</p> <p><u>Washington Aqueduct</u> – YTD underspending is expected to remain low throughout the remainder of the fiscal year due to COVID-19 impacts. The next payment of \$948 thousand is anticipated to be paid before the end of the second quarter.</p>

Monthly Financial Report

Fiscal Year-to-Date
As of January 31, 2021

Cash Investments (\$ in millions)

Cash Balances

Rate Stabilization Fund Balance	\$90.24
DC Insurance Reserve Balance	1.00

Operating Reserve Accounts	
Renewal & Replacement Balance	35.00
O & M Reserve per Indenture	50.03
Undesignated Reserve Balance	40.47
O & M Reserve per Board Policy	125.50
Excess Above O & M Reserve	44.50
Management O & M Reserve Target	170.00
Project Billing Refunds	19.00
Excess Revenue	16.34
Operating Reserve Accounts	205.34

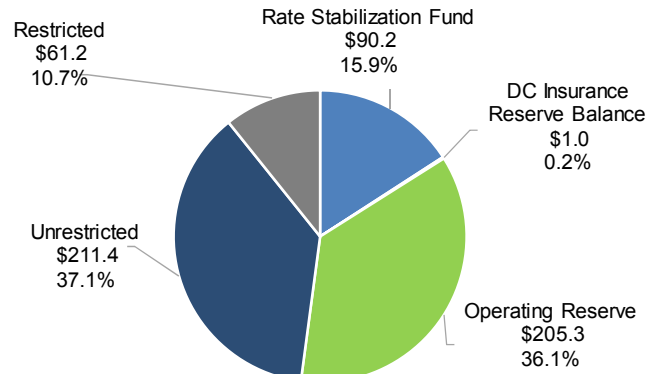
Operating Cash Balance Including RSF **296.59**

Additional Reserve Accounts	
Unrestricted	
Bond Fund - Construction 2019A	102.26
Bond Fund - Construction 2019B	7.76
Bond Fund - Construction 2019C	101.42
Unrestricted Total	211.44

Restricted	
Debt Service Reserve - Series 1998	20.53
DC Water - COVID Residential Relief Fund	3.00
DC Water - CAP Multi-Family Buildings	7.00
DC Water - CAP FY2022 Targeted Assistance	5.00
District Funds	23.84
DOEE - CRIAC Res + Emergency Res Relief	0.06
DOEE - CRIAC Non-Profit Relief	0.06
DOEE - Lead Pipe Replacement (LPRAP)	1.20
DOEE - Lead Service Line Replacement (ERW)	0.50
Restricted Total	61.18

Total All Funds **\$569.21**

Breakdown of Cash Balances



Overall Portfolio Performance

- The operating reserve balance was \$205.3 million as compared to the operating reserve management target level of \$170.0 million for FY 2021
- Average cash balance for the month of January was \$221.6 million; year end target is \$180 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for January (on a cash basis) was \$374,997; YTD \$1,411,213
- A detailed investment performance report is attached

Monthly Financial Report

Fiscal Year-to-Date
As of January 31, 2021

FY 2021 Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD Cash Budget	YTD Actual Cash Oct. 1, 2020 - Jan. 31, 2021	Variance Favorable (Unfavorable)	
OPERATING BUDGET					
Cash Provided					
Retail	\$584,644	\$208,955	\$193,924	(15,031)	-7%
Wholesale	81,986	20,497	21,037	540	3%
Other	66,699	20,955	19,436	(1,519)	-7%
Total Cash Provided	733,328	250,407	234,397	(16,010)	-6%
Operating Cash Used					
Personnel Services	153,482	50,990	47,332	3,658	7%
Contractual Services	88,532	30,127	23,859	6,268	21%
Chemicals & Supplies	36,081	12,586	12,819	(233)	-2%
Utilities	27,911	9,398	10,257	(859)	-9%
Water Purchases	36,250	10,921	12,967	(2,046)	-19%
Small Equipment	1,030	344	56	288	84%
Total Operating Cash Used	343,286	114,366	107,290	7,076	6%
Defeasance D.S./Cash Financed Capital Construction	30,355	10,118	0	10,118	100%
Other Cash Used					
Debt Service	222,268	71,796	66,361	5,435	8%
Payment In Lieu of Taxes/Right of Way	22,372	7,458	5,593	1,865	25%
Total Other Cash Used	244,640	79,254	71,954	7,300	9%
Total Cash Used	618,282	203,738	179,245	24,494	12%
Net Cash Provided (Used) by Operating Act.	115,047	38,349	55,152	16,804	
CAPITAL BUDGET					
Cash Provided					
Debt Proceeds	243,929	81,310	52,986	(28,323)	-35%
Cash Financed Capital Improvements	30,355	10,118		(10,118)	0%
System Availability Fee					0%
EPA Grants	28,464	9,488	5,767	(3,721)	-39%
CSO Grants					0%
Interest Income	6,365	2,122	306	(1,815)	-86%
Wholesale Capital Contributions	95,205	31,735	23,536	(8,199)	-26%
Total Cash Provided	404,318	134,773	82,595	(52,178)	-39%
Cash Used					
DC Water Capital Program	491,324	175,055	118,968	56,087	32%
Washington Aqueduct Projects	16,266	1,497	550	947	63%
Total Cash Used	507,590	176,552	119,518	57,034	32%
Net Cash/PAYGO Provided (Used) by Cap. Act.	(\$103,272)	(\$34,424)	(\$36,923)	(\$2,499)	
Beginning Balance, October 1 (Net of Rate Stab. Fund) Projects	\$186,827		\$186,827		
Plus (Less) Operating Surplus	115,047	38,349	55,152		
Wholesale Customer Refunds from Prior Years	(5,417)	(1,806)	(837)		
Interest Earned From Bond Reserve	410	137	7		
Transfer to Rate Stabilization Fund					
Transfer to CAP Fund					
Transfer from CAP Fund					
Transfer from SAF					
Prior Year Federal Billing Reconciliation	2,233	744	1,117		
Project Billing Refunds	(4,000)	(1,333)			
Cash Used for Capital	(103,272)	(34,424)	(36,923)		
Balance Attributable to O&M Reserve	\$191,828		\$205,343		
OTHER CASH RESERVES					
Rate Stabilization Fund	\$90,244				
DC Insurance Reserve	1,000				
Unrestricted Reserves	211,451				
Restricted Reserves	62,994				

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Fiscal Year-to-Date
As of January 31, 2021

Operating Revenues Detail

(\$ in millions)

Revenue Category	FY 2021 Budget	YTD Budget	Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$421.6	\$140.5	\$124.4	(\$16.1)	-11.5%	29.5%
Federal	77.6	38.8	38.6	(0.2)	-0.5%	49.7%
District Government	18.4	6.1	6.9	0.8	12.4%	37.5%
DC Housing Authority	11.9	4.0	4.0	0.0	0.2%	33.4%
Customer Metering Fee	15.4	5.3	4.8	(0.5)	-9.0%	31.1%
Water System Replacement Fee (WSRF)	39.7	14.2	15.2	1.0	7.0%	38.4%
Wholesale	82.0	20.5	21.0	0.5	2.6%	25.7%
Right-of-Way Fee/PILOT	22.5	8.0	7.6	(0.3)	-4.2%	33.9%
Subtotal (before Other Revenues)	\$689.1	\$237.4	\$222.6	(\$14.8)	-6.2%	32.3%
Other Revenue without RSF						
IMA Indirect Cost Reimb. For Capital Projects	5.1	1.7	1.3	(0.4)	-23.5%	25.5%
DC Fire Protection Fee	12.5	3.1	6.3	3.2	103.2%	50.4%
Stormwater (MS4)	1.0	0.3	0.4	0.1	33.3%	40.0%
Interest	3.4	1.1	1.4	0.3	27.3%	41.2%
Developer Fees (Water & Sewer)	6.0	2.0	1.1	(0.9)	-45.0%	18.3%
Transfer From Rates Stabilization	2.5	0.0	0.0	0.0	0.0%	0.0%
System Availability Fee (SAF)	7.7	2.6	0.7	(1.9)	-73.1%	9.1%
Others	6.4	2.1	0.7	(1.4)	-66.7%	10.9%
Subtotal	\$44.6	\$13.0	\$11.8	(\$1.2)	-9.1%	26.5%
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%
Other Revenue Subtotal	\$44.6	\$13.0	\$11.8	(\$1.2)	-9.1%	26.5%
Grand Total	\$733.7	\$250.4	\$234.4	(\$16.0)	-6.4%	31.9%

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

Customer Category	Clean Rivers					Total
	Water	Sewer	IAC	Metering Fee	WSRF	
Residential	\$10,975	\$17,311	\$9,312	\$2,085	\$3,179	\$42,860
Commercial	\$17,156	\$19,424	\$11,471	\$1,425	\$5,699	\$55,175
Multi-family	\$13,593	\$20,908	\$4,273	\$665	\$2,536	\$41,976
Federal	\$12,871	\$14,631	\$11,084	\$402	\$3,032	\$42,020
District Govt	\$1,777	\$2,404	\$2,705	\$168	\$661	\$7,714
DC Housing Authority	\$1,451	\$2,150	\$385	\$51	\$140	\$4,178
Total:	\$57,824	\$76,828	\$39,231	\$4,796	\$15,246	\$193,924

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	FY2021 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	\$24,793	\$8,264	\$9,312	\$1,048	13%	38%
Commercial	\$28,102	\$9,367	\$11,471	\$2,104	22%	41%
Multi-family	\$11,370	\$3,790	\$4,273	\$483	13%	38%
Federal	\$21,541	\$10,771	\$11,084	\$314	3%	51%
District Govt	\$7,663	\$2,554	\$2,705	\$151	6%	35%
DC Housing Authority	\$1,135	\$378	\$385	\$7	2%	34%
Total:	\$94,604	\$35,125	\$39,231	\$4,106	12%	41%

Monthly Financial Report

Fiscal Year-to-Date
As of January 31, 2021

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
October 31, 2020	\$18.9	14,276
November 30, 2020	\$19.8	14,772
December 31, 2020	\$22.7	15,605
January 31, 2021	\$23.4	15,444

Notes: The increase in the accounts receivable over 90 days (from the billing date) is due to the temporary suspension of collections procedures because of the new billing system VertexOne, which was implemented in December 2017. The increase in accounts receivable from March to January 2021 is primarily due to increased delinquencies and deferred payments due to the impact of COVID-19.

Greater Than 90 Days by Customer

	Number of Accounts			Month of Jan (All Categories)				Total Delinquent				
	W & S	Impervious Only	Total No. of	Active		Inactive		Dec		Jan		
				No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	%
a/c	a/c	a/c	a/c	(\$)	a/c	(\$)	a/c	(\$)	a/c	(\$)	%	
Commercial	8,999	2,262	11,261	1,541	\$6,411,577	41	\$110,770	1,578	\$6,512,349	1,582	\$6,522,347	28%
Multi-family	8,464	335	8,799	1,247	\$7,655,996	15	\$168,291	1,284	\$7,625,152	1,262	\$7,824,288	33%
Single-Family Residential	106,740	2,237	108,977	12,482	\$8,961,015	118	\$87,006	12,743	\$8,587,014	12,600	\$9,048,021	39%
Total	124,203	4,834	129,037	15,270	\$23,028,588	174	\$366,068	15,605	\$22,724,516	15,444	\$23,394,656	100%

Notes: Included in the above \$23.4 million (or 15,444 accounts) of the DC Water over 90 days delinquent accounts, \$4,186,589.23 (or 1,644 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 (15,444) as a percentage of total accounts (129,037) is 12.0 percent.

Monthly Financial Report

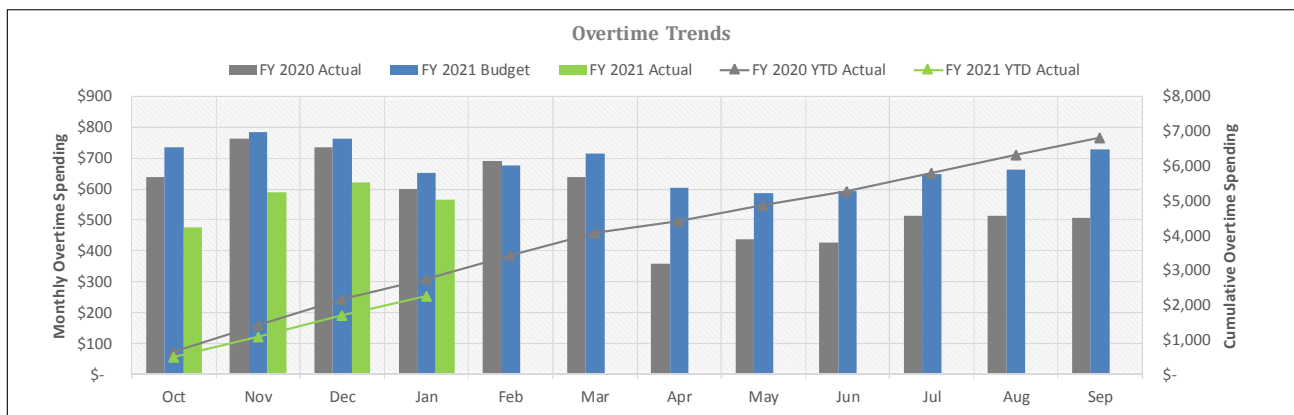
Fiscal Year-to-Date
As of January 31, 2021

Overtime by Department

Department	FY 2021			
	Budget	Actual	YTD Actual % of Budget	% of Regular Pay
Administrative Office	\$0	\$0	0.0%	0.0%
Board	11,000	0	0.0%	0.0%
CIP Infrastructure	0	18	0.0%	0.0%
Clean Rivers	0	0	0.0%	0.0%
Customer Service	462,000	125,819	0.0%	0.0%
Engineering	938,000	165,875	17.7%	4.8%
Facilities	250,000	51,014	20.4%	3.9%
Finance*	40,000	24,505	61.3%	1.1%
Fleet**	5,000	1,932	38.6%	0.6%
Information Technology	10,000	1,000	0.0%	0.0%
Legal Affairs	3,000	0	0.0%	0.0%
Marketing & Communications	0	0	0.0%	0.0%
Maintenance	630,000	176,554	28.0%	6.5%
Occupational Safety		0	0.0%	0.0%
Office of OCEO	0	0	0.0%	0.0%
Office of Emergency Mgmt	5,000	0	0.0%	0.0%
People & Talent	5,000	727	14.5%	0.1%
Permit Operations	45,000	5,644	12.5%	0.7%
Process Engineering	50,000	11,008	22.0%	0.9%
Procurement & Compliance	30,000	7,196	0.0%	0.5%
Pumping & Sewer	2,068,000	610,265	29.5%	12.4%
Security	1,000	0	0.0%	0.0%
Wastewater Engineering	25,000	2,153	8.6%	0.4%
Wastewater Treatment Ops	1,796,000	632,625	35.2%	15.4%
Water	1,780,000	435,221	24.5%	8.8%
Total DC WATER	\$8,154,000	\$2,251,555	27.6%	5.9%

* Finance - Overtime used to cover Year End Closing and Audit

** Fleet – Contract requires more administration; limited resources



Monthly Financial Report

Fiscal Year-to-Date
As of January 31, 2021

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

Service Areas			Actual			Variance		
	APPROVED BUDGET	YTD BUDGET	Oct 2020 - Dec 2020	Jan 2020	YTD	ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)
NON PROCESS FACILITIES								
Facility Land Use	\$31,849	\$12,163	\$5,206	\$685	\$5,891	18.5%	\$6,272	51.6%
Subtotal	31,849	12,163	5,206	685	5,891	18.5%	6,272	51.6%
WASTEWATER TREATMENT								
Liquids Processing	42,496	11,586	7,056	679	7,736	18.2%	3,850	33.2%
Plantwide	32,784	9,419	3,860	1,394	5,254	16.0%	4,165	44.2%
Solids Processing	27,314	10,754	10,383	1,052	11,435	41.9%	(681)	-6.3%
Enhanced Nitrogen Removal Facilities	382	5,680	2,493	1	2,494	652.8%	3,186	56.1%
Subtotal	102,976	37,439	23,793	3,126	26,918	26.1%	10,521	28.1%
COMBINED SEWER OVERFLOW								
D.C. Clean Rivers	147,565	64,443	47,927	776	48,702	33.0%	15,741	24.4%
Program Management	1,792	-	38	-	38	2.1%	(38)	0.0%
Combined Sewer	7,701	3,497	154	62	215	2.8%	3,282	93.8%
Subtotal	157,058	67,940	48,118	837	48,955	31.2%	18,985	27.9%
STORMWATER								
Local Drainage	22	-	-	-	-	0.0%	-	0.0%
On-Going	631	58	29	384	413	65.4%	(355)	-611.8%
Pumping Facilities	8,392	1,151	65	1	66	0.8%	1,085	94.2%
Research and Program Management	445	11	-	-	-	0.0%	11	100.0%
Trunk/Force Sewers	141	24	-	1	1	0.4%	23	97.5%
Subtotal	9,631	1,244	95	385	480	5.0%	764	61.4%
SANITARY SEWER								
Collection Sewers	8,134	445	20	-	20	0.2%	425	95.6%
On-Going	12,327	4,630	2,225	1,070	3,295	26.7%	1,335	28.8%
Pumping Facilities	5,995	370	205	-	205	3.4%	165	44.6%
Program Management	5,464	2,900	280	-	280	5.1%	2,620	90.4%
Interceptor/Trunk Force Sewers	32,006	9,185	2,230	404	2,634	8.2%	6,550	71.3%
Subtotal	63,926	17,529	4,960	1,474	6,434	10.1%	11,096	63.3%
WATER								
Distribution Systems	60,464	15,093	5,116	2,227	7,343	12.1%	7,750	51.3%
Lead Program	5,408	2,146	1,917	680	2,597	48.0%	(451)	-21.0%
On-Going	11,075	3,850	3,186	479	3,665	33.1%	186	4.8%
Pumping Facilities	2,650	613	345	10	356	13.4%	257	42.0%
DDOT	10	690	1	-	1	12.0%	689	99.8%
Storage Facilities	4,318	2,846	1,542	464	2,005	46.4%	840	29.5%
Program Management	4,752	1,100	1,019	345	1,364	28.7%	(264)	-24.0%
Subtotal	88,677	26,338	13,127	4,205	17,332	19.5%	9,006	34.2%
Capital Projects	454,118	162,653	95,299	10,711	106,010	23.3%	56,643	34.8%
CAPITAL EQUIPMENT	37,207	12,402	5,419	883	6,302	16.9%	6,100	49.2%
WASHINGTON AQUEDUCT	16,266	1,497	550	-	550	3.4%	947	63.2%
Additional Capital Programs	53,473	13,899	5,969	883	6,852	12.8%	7,047	50.7%
Total	\$507,591	\$176,552	\$101,268	\$11,594	\$112,862	22.2%	\$63,690	36.1%

District of Columbia Water and Sewer Authority

Capital Improvement Program Report



**FY-2021 1st Quarter
October 1st through December 31st, 2020**

**Board of Directors
Environmental Quality and Operations Committee**

**David L. Gadis CEO
Leonard R. Benson, Senior Vice President CIP Project Delivery**

February 2021

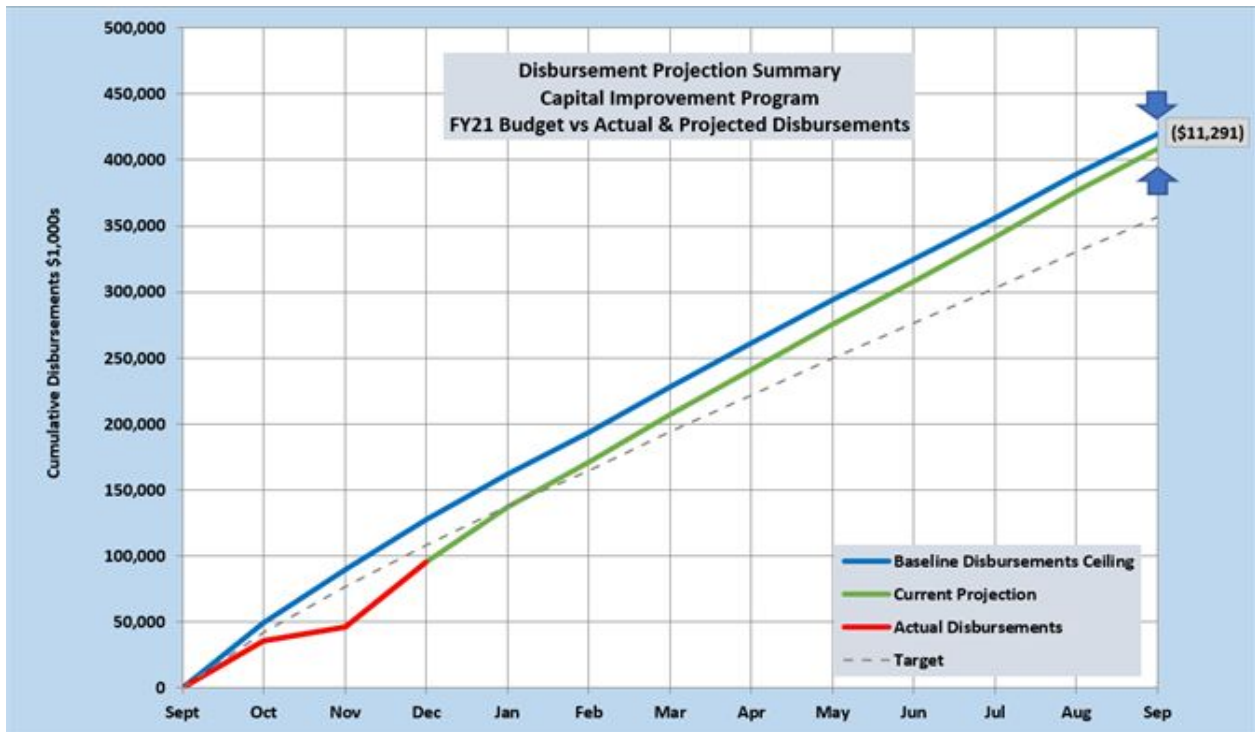


Capital Improvement Program Report 1st Quarter FY2021

CIP Disbursement Performance

Current projected program disbursements through the end of the fiscal year compared with the proposed FY21 baseline budget ceiling are shown in the chart below:

Disbursement Summary



Current projected fiscal year 2021 CIP disbursements are \$408,382,000 through the end of September 2021, which is on track to meet the proposed baseline disbursement projection of \$419,673,000 (Note: this is below last year’s FY21 Approved Budget of \$454,118,000).

Current disbursement projections within the service areas are as follows:

Non-Process Facilities

Baseline Disbursements	\$38,002,000
Projected Disbursements	\$33,058,000 (\$4.94M below baseline projection)

Significant project variances are listed below:

- *Facility Land Use Program Area:*



Capital Improvement Program Report 1st Quarter FY2021

- The forecast disbursements for Project HH Main & O Redevelopment Efforts (Formerly New Fleet Management Facility) The forecast disbursements for Project HH00 are \$2.4M under the baseline due permitting delays for the Fleet Facility.

Wastewater Treatment Service Area

Baseline Disbursements	\$78,993,000
Projected Disbursements	\$86,187,000 (\$7.2M above baseline projection)

Significant project variances are listed below:

- *Solids Processing Program Area – (\$3.7M above baseline)*
 - The forecast disbursements for Project BX - Gravity Thickener Upgrades Phase II are \$2.7M above the baseline due to work currently progressing slightly ahead of the forecast baseline schedule, additionally an invoice anticipated to be paid in September was paid in October.
 - The forecast disbursements for Project AM - Solids Processing Program Management are \$1.3M above the baseline due to invoices anticipated to be paid in September being paid in October and a re-adjustment of the remaining spending forecast.
- *Plantwide Program Area – (\$2.0M above baseline)*
 - The disbursements for Project AL - Plantwide Project Program Management, are \$1.8M over the baseline due to an invoice anticipated to be paid in September paid in October and a re-adjustment of the remaining spending forecast.
- *Nitrogen Removal Program area – (\$1.5M above baseline)*
 - The disbursements for Project LM - ENR Program Management are \$1.1M above baseline due to an invoice anticipated to be paid in September that was paid in October and a re-adjustment of the remaining spending forecast.

For clarity, the Combined Sewer Overflow (CSO) Service Area comments are addressed separately by the CSO and DC Clean Rivers Program Areas:

CSO Program Area

Baseline Disbursements	\$5,403,000
Projected Disbursements	\$4,622,000 (\$781K below baseline projection)

There are no significant project variances for this service area currently projected over the fiscal year

DC Clean Rivers Program Area

Baseline Disbursements	\$166,434,000
Actual Disbursements	\$166,434,000

There are no significant project variances for this service area currently projected over the fiscal year.



Capital Improvement Program Report 1st Quarter FY2021

Stormwater Service Area

Baseline Disbursements	\$5,936,000
Projected Disbursements	\$3,614,000 (\$2.3M below baseline projection)

Significant project variances are listed below:

- *Storm Pumping Facilities Program Area – (\$2.0 M below baseline)*
 - The disbursements for Project NG - Storm Pump Stations Rehabilitation are \$2.0M below the baseline due to the Kenilworth DDOT construction contract procurement being delayed.

Sanitary Sewer Service Area

Baseline Disbursements	\$50,538,000
Projected Disbursements	\$42,751,000 (\$7.8M below baseline projection)

Significant project variances for the first quarter are listed below:

- *Interceptor/ Trunk Force Sewers Program Area (\$2.7 M below baseline)*
 - The disbursements for Project LZ – Potomac Interceptor Projects – Rehab Phase II are \$1.7 M below the baseline due to an extended schedule for the CFR/NEPA and design for Clara Barton Parkway.
- *Sanitary Ongoing Projects Program Area (\$3.5 M below baseline)*
 - The disbursements for Projects LN FY2021 – DSS Sanitary Sewer Projects and JI FY2020 – DSS Sanitary Sewer Projects – \$2.8 M and \$0.7 M below the baseline respectively, due to delays with processing of POs.
- *Sanitary Program Management Program Area (\$1.2 M below baseline)*
 - The disbursements for Project AU – Sanitary Sewer Program Management are \$0.8 M below baseline due to transition to the new Program Management Agreement.

Water Service Area

Baseline Disbursements	\$75,367,000
Projected Disbursements	\$72,715,000 (\$2.7M below baseline projection)

Significant project variances for the first quarter are listed below:

- *Water Distribution System Program (\$3.2M below baseline projection)*
 - The disbursements for Project F1 - Small Diameter Water Main Rehab 13 are \$2.7M below the forecast partially due to delays in invoicing from Contractor issues with their



Capital Improvement Program Report 1st Quarter FY2021

subcontractors' documents and partially due to cost savings from transfer of paving to a Pepco project.

- *Water Ongoing Program Area (\$2.2M below baseline projection)*
 - The disbursements for Project KW - FY2021 DWS Water Project – are \$3.3M below the baseline due to delays with processing of POs.



Capital Improvement Program Report 1st Quarter FY2021

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

All priority 1 projects are on schedule and within budget.

Significant Contract Actions Anticipated – 6 Month Look-Ahead

Project	Name	Contract Type	Joint Use?	Cost Range	Committee	BOD
F200	Small Diameter Water Main Repl. 14c	Construction	No	\$5M-\$10M	EQ & Ops Mar	Apr
F200	Small Diameter Water Main Repl. 14b	Construction	No	\$5M-\$10M	EQ & Ops Mar	Apr
IY00	Reclaimed Final Effluent Pump Station	Construction	Yes	\$5M-\$15M	EQ & Ops Apr	May
G500	Soapstone Valley Creekbed Sewer Rehab	Construction	No	\$5M-\$10M	EQ & Ops May	Jun
Multiple	Miscellaneous Facilities Upgrade 7	Construction	Yes	\$30M-\$35M	EQ & Ops May	Jun
CZ00	Potomac River Tunnel Contract A – Advanced Utility Construction	Construction	Yes	\$5M-\$15M	EQ & Ops Jun	Jul



Capital Improvement Program Report 1st Quarter FY2021

Schedule - Key Performance Indicators Capital Improvement Program

Summary:

For the 1st Quarter, all the Key Performance Indicators (KPIs) completed this period were achieved within 90 days of their target date.

#	Performance
1	KPIs completed within threshold
0	KPIs completed outside threshold
1	Total KPIs completed to date
33	Total KPIs due this year

Reasons for any KPIs not meeting the 90-day threshold this period:

N/A

The table below provides a detailed breakdown of each KPI due date grouped by Quarter:

Quarter	Job Code	Job Name	Activity Name	Due Date (Baseline)	Estimated Complete Date	Actual Complete Date	Variance (positive is early)	Met within 90 days
Q2	RC07	Major Sewer Rehab 1-5 Northeast Boundary	Design Start Milestone	1-Jan-21	1-Jan-21		0	<input type="checkbox"/>
Q2	KE01	Small Dia Water Main Rehab 18A	Design Start Milestone	28-Jan-21	28-Jan-21	9-Dec-20	50	<input checked="" type="checkbox"/>
Q2	SD01	Main PS Building Modifications - Historic Restoration	KPI Design Start Milestone	29-Jan-21	1-May-21		-92	<input type="checkbox"/>
Q2	F201	Small Diameter Water Main Repl 14A	Construction Start Milestone	2-Feb-21	2-Feb-21		0	<input type="checkbox"/>
Q2	LD00	Pre-Dewatering Additional Centrifuges	Design Start Milestone	4-Feb-21	4-Feb-21		0	<input type="checkbox"/>
Q2	KE02	Small Dia Water Main Rehab 18B	Design Start Milestone	22-Feb-21	22-Feb-21		0	<input type="checkbox"/>
Q2	CZ05	CSO 025/026 Separation	Consent Decree Construction Start KPI	22-Mar-21	22-Mar-21		0	<input type="checkbox"/>



Capital Improvement Program Report 1st Quarter FY2021

Quarter	Job Code	Job Name	Activity Name	Due Date (Baseline)	Estimated Complete Date	Actual Complete Date	Variance (positive is early)	Met within 90 days
Q3	SC01	Main & O Seawall Restoration (Phase 2 HQO)	KPI Design Start Milestone	31-Mar-21	1-May-21		-31	<input type="checkbox"/>
Q3	HH02	New Sewer Services Headquarters	Construction Substantial Completion Milestone	31-May-21	31-May-21		0	<input type="checkbox"/>
Q3	BV01	RWWPS No. 2 Upgrades	Construction Substantial Completion Milestone	1-Apr-21	1-Apr-21		0	<input type="checkbox"/>
Q3	KE03	Small Dia Water Main Rehab 18C	Design Start Milestone	3-Apr-21	3-Apr-21		0	<input type="checkbox"/>
Q3	KF01	SDWM Renewal 19A	Design Start Milestone	29-Apr-21	29-Apr-21		0	<input type="checkbox"/>
Q3	DE04	Small Dia Water Main Repl 12B2 (Colonial Village & Bunker Hill)	Construction Substantial Completion	30-Apr-21	30-Apr-21		0	<input type="checkbox"/>
Q3	FA03	Soldiers Home Reservoir Upgrade	Construction Substantial Completion	21-May-21	21-May-21		0	<input type="checkbox"/>
Q3	KF02	SDWM Renewal 19B	Design Start Milestone	30-May-21	30-May-21		0	<input type="checkbox"/>
Q3	IY03	High & Low PSW Pumps Evaluation and Replacement	Construction Start Milestone	7-Jun-21	7-Jun-21		0	<input type="checkbox"/>
Q3	LZ07	PI Phase 5 Pipe Rehab between MH31 and MH30	Design-Build NTP - Phase II	13-Jun-21	13-Jun-21		0	<input type="checkbox"/>
Q4	JF03	Construction of Flood Seawall Segment C	Segment C Construction Substantial Completion Milestone	14-Jun-21	14-Jun-21		0	<input type="checkbox"/>
Q4	G502	Creekbed Sewer Rehabilitation Soapstone Valley	Construction Start Milestone	1-Jul-21	1-Jun-21		0	<input type="checkbox"/>
Q4	IL06	Creekbed Sewer Rehabilitation Fenwick Branch E Beach Dr & Red Bud Lane	Design Start KPI Milestone	1-Jul-21	1-Jul-21		0	<input type="checkbox"/>
Q4	FT03	Out of Service LDWM Elimination Contract 1	Design Start Milestone	10-Jul-21	10-Jul-21		0	<input type="checkbox"/>
Q4	F102	Small Diameter Water Main Repl 13B	Construction Substantial Completion	13-Jul-21	13-Jul-21		0	<input type="checkbox"/>
Q4	F202	Small Diameter Water Main Repl 14B	Construction Start Milestone	15-Jul-21	15-Jul-21		0	<input type="checkbox"/>



Capital Improvement Program Report 1st Quarter FY2021

Quarter	Job Code	Job Name	Activity Name	Due Date (Baseline)	Estimated Complete Date	Actual Complete Date	Variance (positive is early)	Met within 90 days
Q4	F101	Small Diameter Water Main Repl 13A	Construction Substantial Completion	16-Jul-21	16-Jul-21		0	<input type="checkbox"/>
Q4	QS02	Local Sewer Rehab Project 5-2	Design Start Milestone	16-Jul-21	16-Jul-21		0	<input type="checkbox"/>
Q4	KF03	SDWM Renewal 19C	Design Start Milestone	30-Jul-21	30-Jul-21		0	<input type="checkbox"/>
Q4	EK01	Long Term Rehabilitation - Main Pump Station - Ph. 1	Concept Design Start Milestone	1-Aug-21	1-Aug-21		0	<input type="checkbox"/>
Q4	IY10	Filter Underdrain and Backwash System Upgrade (FUBS)	Design Start Milestone	2-Aug-21	2-Aug-21		0	<input type="checkbox"/>
Q4	F203	Small Diameter Water Main Repl 14C	Construction Start Milestone	10-Aug-21	10-Aug-21		0	<input type="checkbox"/>
Q4	NG05	Stormwater Pump Station Rehab - 1st and D	Construction Start Milestone	9-Sep-21	3-Aug-22		6	<input type="checkbox"/>
Q4	I801	Large Valve Replacements 11R	Construction Substantial Completion	30-Sep-21	30-Sep-21		0	<input type="checkbox"/>
Q4	IL10	Creekbed Sewer Rehabilitation Rock Creek Oregon Avenue	Construction Substantial Completion	30-Sep-21	30-Sep-21		0	<input type="checkbox"/>
Q4	F103	Small Diameter Water Main Repl 13C	Construction Substantial Completion	30-Sep-21	30-Sep-21		0	<input type="checkbox"/>

Table Key: Positive variance = Finishing earlier than baseline plan Bold = Actual Date achieved



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

Thursday, March 25, 2021; 11:00 a.m.

**DC Water Headquarters
1385 Canal Street, SE, DC**

AGENDA

Call to Order	Chairperson
February 2021 Financial Report	Chief Financial Officer
Agenda for April Committee Meeting	Chairperson
Adjournment	Chairperson

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