

**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

**Board of Directors**

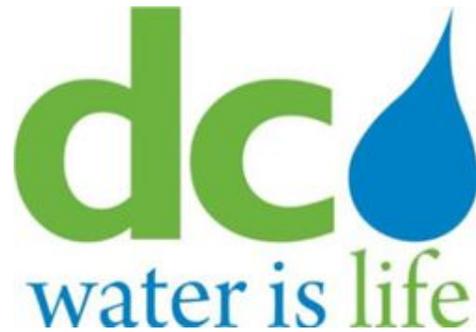
*Finance and Budget Committee*

*Thursday, October 26, 2017*

11:00 a.m.

- 1. **Call to Order**..... Timothy L. Firestine, Chairperson
- 2. **September 2017 Financial Report (Attachment 1)**..... Matthew T. Brown
- 3. **Action Items**..... Matthew T. Brown
  - A. **Bond Counsel Services (Attachment 2)**
- 4. **Agenda for November Committee Meeting (Attachment 3)** ..... Timothy L. Firestine
- 5. **Executive Session**
- 6. **Adjournment**

\* 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 2017

# Monthly Financial Report

Period Ending September 30, 2017

**DEPARTMENT OF FINANCE, ACCOUNTING & BUDGET**

**Matthew T. Brown**, Chief Financial Officer

**Robert Hunt**, Director, Finance

**Syed Khalil**, Director, Rates & Revenue

**John Madrid**, Controller

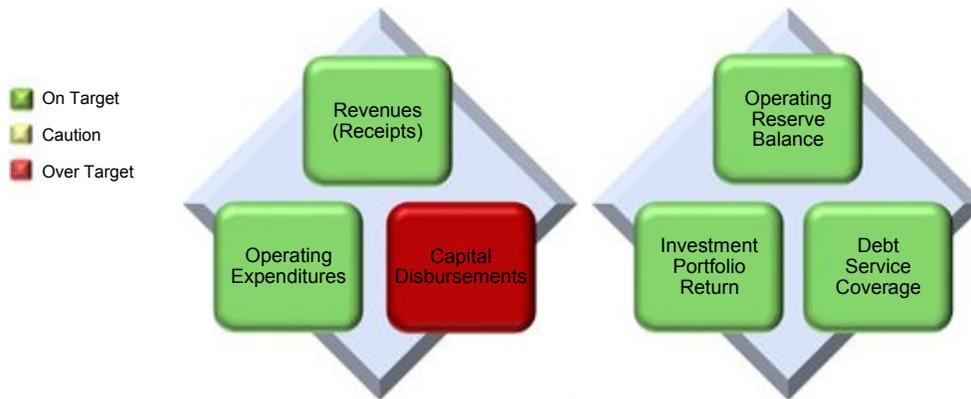
**Lola Oyeyemi**, Director, Budget

**Monthly Financial Report**

**SEPTEMBER 2017**

**EXECUTIVE SUMMARY**

DC Water ended FY 2017 favorably with revenues above budget and operating expenditures below budget. As previously reported, capital disbursements were higher than budget mainly in the Wastewater Treatment & Combined Sewer Overflow (Clean Rivers) areas. All other budgetary and targeted performance metrics were consistent with expectations. The actual numbers below are estimates and subject to change based on results of the annual financial statement audit.



(\$ in millions)

	Budget	Actual	Variance		Actual %
			Favorable (Unfavorable)		Budget
<b>Revenues (Receipts)</b>	\$595.4	\$617.0	\$21.6	3.6%	103.6%
<b>Expenditures</b>	\$535.8	\$512.8	\$23.0	4.3%	95.7%
<b>Capital Disbursements</b>	\$507.0	\$545.3	(\$38.3)	(7.6%)	107.6%

**Highlights:**

- The audit of the FY 2017 financial statements is currently underway and will be conducted in accordance with generally accepted auditing principles (GAAP) in the United States
- The Green Bond Attestation is currently underway in accordance with attestation standards established by the American Institute of Certified Public Accountants
- On-going management review of Proposed FY 2019 operating budget and ten-year capital budgets. Budget workshop anticipated immediately following the Board meeting in January 2018

**Matthew T. Brown, Chief Financial Officer**

## Monthly Financial Report

Fiscal Year-to-Date  
As of September 30, 2017

Operating Revenues (\$000's)					
Category	FY 2017	ACTUAL	ACTUAL %	VARIANCE \$	VARIANCE %
	BUDGET		BUDGET	Fav/(Unfav)	Fav/(Unfav)
Res. / Comm. / Multi.	\$328,988	\$338,646	102.9%	\$9,658	2.9%
Federal	57,540	57,540	100.0%	0	0.0%
Municipal (DC Govt.)	17,505	17,628	100.7%	123	0.7%
DC Housing Authority	8,372	8,560	102.2%	188	2.2%
Metering Fee	10,776	11,566	107.3%	790	7.3%
Water System Replacement Fee (WSRF)	39,717	40,522	102.0%	805	2.0%
Wholesale	81,468	81,136	99.6%	(332)	(0.4%)
PILOT/ROW	21,082	20,777	98.6%	(305)	(1.4%)
All Other	29,998	40,642	135.5%	10,644	35.5%
<b>TOTAL</b>	<b>\$595,446</b>	<b>\$617,017</b>	<b>103.6%</b>	<b>\$21,571</b>	<b>3.6%</b>

### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of September 2017, cash receipts totaled \$617.0 million, or 103.6 percent of the revised FY 2017 budget. Several categories of customers make payments on a quarterly basis, including the Federal Government and wholesale customers.

Residential, Commercial and Multi-Family – Receipts for this category are higher at \$338.6 million or 102.9 percent of the revised budget. The higher receipts are on account of slightly higher Clean Rivers Impervious Area Charge (CRIAC) as compared to budget.

Municipal – Receipts are higher at \$17.6 million or 100.7 percent of the revised budget. The District Government made their catch-up payment of \$2.8 million in the month of May. However, the District Government did not pay the August 2017 billed amount of \$2.0 million, which was due in September. This payment is expected to be received in October 2017.

DC Housing – Receipts are higher at \$8.6 million or 102.2 percent of the revised budget. The FY 2017 actual consumption and CRIAC are higher than the budget.

Wholesale – Wholesale customers' actual receipts through September total \$81.1 million or 99.6 percent of the revised FY 2017 budget. Wholesale customers' fourth quarter payment was received in the month of August 2017.

Other Revenue – Receipts are higher at \$40.6 million or 135.5 percent of the budget mainly for miscellaneous fees and revenues.

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

Category	FY 2017		ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)
	BUDGET	ACTUAL			
Personnel	\$144,761	\$149,038	103.0%	(\$4,277)	(3.0%)
Contractual Services	82,760	72,940	88.1%	9,820	11.9%
Water Purchases	29,278	26,796	91.5%	2,482	8.5%
Supplies & Chemicals	34,709	31,778	91.6%	2,931	8.4%
Utilities	28,670	24,618	85.9%	4,052	14.1%
Small Equipment	1,230	1,145	93.1%	85	6.9%
<b>SUBTOTAL O&amp;M</b>	<b>\$321,408</b>	<b>\$306,315</b>	<b>95.3%</b>	<b>\$15,093</b>	<b>4.7%</b>
Debt Service	169,346	161,208	95.2%	8,138	4.8%
PILOT/ROW	21,057	21,057	100.0%	0	0.0%
Cash Financed Capital Improvements	24,014	24,199	100.8%	(185)	(0.8%)
<b>TOTAL OPERATING</b>	<b>\$535,825</b>	<b>\$512,779</b>	<b>95.7%</b>	<b>\$23,046</b>	<b>4.3%</b>
Capital Labor	(21,934)	(17,359)	79.1%	(4,575)	20.9%
<b>TOTAL NET OPERATING</b>	<b>\$513,891</b>	<b>\$495,420</b>	<b>96.4%</b>	<b>\$18,471</b>	<b>3.6%</b>

### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of FY 2017, operating expenditures totaled \$512.8 million, or 95.7 percent of the Board-approved budget, with no significant deviations from previously reported mid-year projections. CFCI was used for Pay-Go financing due to favorable O&M position. These numbers include estimated, incurred but unpaid, invoices and are subject to revision after completion of the year-end financial audit.

Personnel Services – Higher than budget spending was due to annualized salary adjustments, inclusive of ratified union contract, year-end accruals for employee bonus payments, and overtime spending during the winter season in support of higher water main breaks and the on-going Automated Meter Reader (AMR) project. Of the 1260 positions authorized, 1134 positions were filled at the end of September with a vacancy rate of 11 percent.

Contractual Services – Underspending was attributable to various operational and professional service contracts throughout the Authority. This includes materialized savings from biosolids hauling costs due to the Digester Project. Biosolids production during the year averaged 443 wet tons/day as compared to the 500 wet tons/day assumed value when the budget was prepared.

Supplies & Chemicals – Underspending was primarily due to lower unit prices compared to budget for some of the major chemicals (sodium hydroxide, sodium hypochlorite and methanol) used in the wastewater treatment process. However, there was uptick in chemical spending mainly for polymers during the summer months.

Utilities – Underspending was consistent with expectation and primarily associated with onsite electricity generation from the Combined Heat and Power (CHP) project which represents approximately 6MW or 20 percent of Authority-wide usage. Presently, 17MW of the Authority's electricity load is locked at an average Western Hub unit price of \$36.95/MWh for the remainder of the year, while 15MW is locked at \$34.30/MWh for FY 2018 and 5MW at \$31.40 for FY 2019. Staff continues to monitor the electricity market with plans to hedge additional load when market conditions are favorable.

Debt Service – Actual debt service was lower than budget primarily due to refinancing of the Authority's debt.

## Monthly Financial Report

Fiscal Year-to-Date  
As of September 30, 2017

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

Service Area	FY 2017	ACTUAL	ACTUAL %	VARIANCE \$	VARIANCE %
	BUDGET		BUDGET	Fav/(Unfav)	Fav/(Unfav)
Non Process Area	\$34,150	\$25,189	73.8%	8,961	26.2%
Wastewater Treatment	123,789	148,104	119.6%	(24,314)	(19.6%)
Combined Sewer Overflow	184,387	229,425	124.4%	(45,038)	(24.4%)
Stormwater	1,706	1,384	81.1%	322	18.9%
Sanitary Sewer	38,302	40,059	104.6%	(1,756)	(4.6%)
Water	58,819	47,309	80.4%	11,509	19.6%
<b>SUBTOTAL: CAPITAL PROJECTS</b>	<b>\$441,153</b>	<b>\$491,470</b>	<b>111.4%</b>	<b>(\$50,316)</b>	<b>(11.4%)</b>
Capital Equipment	54,949	38,362	69.8%	16,587	30.2%
Washington Aqueduct	10,896	15,483	142.1%	(4,587)	(42.1%)
<b>SUBTOTAL: ADD'L CAPITAL PROGRAMS</b>	<b>\$65,845</b>	<b>53,845</b>	<b>81.8%</b>	<b>\$12,000</b>	<b>18.2%</b>
<b>TOTAL</b>	<b>\$506,998</b>	<b>\$545,315</b>	<b>107.6%</b>	<b>(\$38,318)</b>	<b>(7.6%)</b>

### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of fiscal year 2017, capital disbursements are \$545.3 million or 107.6 percent of the FY 2017 Board approved budget with higher disbursements for capital projects offset by lower disbursements in additional capital programs.

Capital Projects – Project performance and updated year-end projections 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 November.

Capital Equipment – Lower than planned disbursements are primarily attributable to unused funds in the Authority-wide reserves; enterprise technology initiatives; long lead times for renovations and equipment deliverables; and the Automated Meter Reading (AMR) Replacement Program. Approximately 85,000 small meters were planned to be replaced through FY 2018, including 37,000 in FY 2017. There are 40,149 meters installed to date. As part of year-end activities, bulk purchases for the meters were made in FY 2017, and the payments will be reflected in subsequent months.

Washington Aqueduct (WAD) – An additional payment of \$7.4 million was made in September 2017 for the execution of the following major capital projects consistent with previously authorized Capital Authority: SCADA System Upgrades, West Filter Building Valve Replacement and Forebay Dredge System Modifications.

## Monthly Financial Report

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### Cash Investments (\$ in millions)

#### Cash Balances

Rate Stabilization Fund Account (RSF)	\$61.5
DC Insurance Reserve	1.0
Operating Reserve Accounts	147.2
<b>Operating Cash Balance Including RSF</b>	<b>\$209.7</b>
Debt Service Reserve - Series 1998	23.7
Bond Fund- Construction Fund 2015A	1.0
Bond Fund- Construction Fund 2016B	24.7
Bond Fund- Construction Fund 2017A	18.1
Bond Fund- Construction Fund 2017B	127.5
<b>Total All Funds</b>	<b>\$404.7</b>

#### OVERALL PORTFOLIO PERFORMANCE

- The operating reserve balance was \$147.2 million as compared to the operating reserve level objective of \$125.5 million for FY 2017
- Average cash balance for the month of September was \$155.2 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for September (on a cash basis) was \$108,615; YTD \$1,536,783
- A detailed investment performance report is attached

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

	Annual Budget Cash Basis	Actual Cash Oct. 1, 2016 - Sep. 30, 2017
<b>OPERATING BUDGET</b>		
<b>Cash Provided</b>		
Retail	\$462,898	\$474,462
Wholesale	81,468	81,136
Other	50,757	61,280
<b>Total Cash Provided</b>	<b>595,123</b>	<b>616,877</b>
<b>Operating Cash Used</b>		
Personnel Services	122,827	129,512
Contractual Services	82,760	78,443
Chemicals & Supplies	34,709	34,313
Utilities	28,670	22,695
Water Purchases	29,278	26,954
Small Equipment	1,230	895
<b>Total Operating Cash Used</b>	<b>299,474</b>	<b>292,812</b>
Defeasance D.S./Cash Financed Capital Improvements	24,199	24,199
<b>Other Cash Used</b>		
Debt Service	167,733	161,208
Payment In Lieu of Taxes/Right of Way	21,057	21,057
<b>Total Other Cash Used</b>	<b>188,790</b>	<b>182,265</b>
<b>Total Cash Used</b>	<b>512,463</b>	<b>499,276</b>
<b>Net Cash Provided (Used) by Operating Act.</b>	<b>82,660</b>	<b>117,601</b>
<b>CAPITAL BUDGET</b>		
<b>Cash Provided</b>		
Debt Proceeds	272,337	290,724
EPA Grants/DC Reimbursements	25,013	14,246
Transfer from Operations	24,199	24,199
CSO Grant	0	14,021
Interest Income	1,283	1,764
Wholesale Capital Contributions	107,732	107,288
<b>Total Cash Provided</b>	<b>430,564</b>	<b>452,242</b>
<b>Cash Used</b>		
DC Water Capital Program	496,102	529,832
Washington Aqueduct Projects	10,896	15,483
<b>Total Cash Used</b>	<b>506,998</b>	<b>545,315</b>
<b>Net Cash/PAYGO Provided (Used) by Cap. Act.</b>	<b>(\$76,434)</b>	<b>(\$93,073)</b>
<b>Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected</b>	<b>\$162,652</b>	<b>\$162,652</b>
Plus (Less) Operating Surplus	82,660	117,601
Wholesale Customer Refunds from Prior Years	(10,000)	(10,906)
Transfer to Rate Stabilization Fund		(10,000)
Interest Eamed From Bond Reserve	323	140
Prior Year Federal Billing Reconciliation	(19,201)	(19,201)
Cash Used for Capital	(76,434)	(93,073)
<b>Balance Attributable to O&amp;M Reserve</b>	<b>\$140,000</b>	<b>\$147,212</b>
<b>OTHER CASH RESERVES</b>		
<b>Rate Stabilization Fund</b>	<b>Current</b>	<b>Balance</b>
<b>DC Insurance Reserve</b>	\$61,450	1,050

**Monthly Financial Report**

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APPENDIX

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Monthly Financial Report

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Operating Revenues Detail

(\$ in millions)

Revenue Category	Budget	Actual	Variance		% of Budget
			Favorable / (Unfavorable)		
Residential, Commercial, and Multi-family	\$329.0	\$338.7	\$9.7	2.9%	102.9%
Federal	\$57.5	57.5	0.0	0.0%	100.0%
District Government	\$17.5	17.6	0.1	0.7%	100.7%
DC Housing Authority	\$8.4	8.6	0.2	2.2%	102.2%
Customer Metering Fee	\$10.8	11.6	0.8	7.3%	107.3%
Water System Replacement Fee (WSRF)	\$39.7	40.5	0.8	2.0%	102.0%
Wholesale	\$81.5	81.1	(0.4)	-0.4%	99.6%
Right-of-Way Fee/PILOT	\$21.1	20.8	(0.3)	-1.4%	98.6%
<b>Subtotal (before Other Revenues)</b>	<b>\$565.5</b>	<b>\$576.4</b>	<b>\$10.9</b>	<b>1.9%</b>	<b>101.9%</b>
Other Revenue without RSF					
IMA Indirect Cost Reimb. For Capital Projects	6.4	6.2	(0.2)	-3.1%	96.9%
DC Fire Protection Fee	10.8	10.8	0.0	0.0%	100.0%
Stormwater (MS4)	1.0	1.0	0.0	0.0%	100.0%
Interest	1.8	1.7	(0.1)	-5.6%	94.4%
Developer Fees (Water & Sewer)	7.0	9.4	2.4	34.3%	134.3%
Others	2.9	11.6	8.7	300.0%	400.0%
<b>Subtotal</b>	<b>\$29.9</b>	<b>\$40.6</b>	<b>\$10.7</b>	<b>35.5%</b>	<b>135.5%</b>
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	0.0%	0.0%
<b>Other Revenue Subtotal</b>	<b>\$29.9</b>	<b>\$40.6</b>	<b>\$10.7</b>	<b>35.5%</b>	<b>135.5%</b>
<b>Grand Total</b>	<b>\$595.4</b>	<b>\$617.0</b>	<b>\$21.6</b>	<b>3.6%</b>	<b>103.6%</b>

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

Customer Category	Water	Sewer	Clean Rivers			Total
			IAC	Metering Fee	WSRF	
Residential	\$33,988	\$41,373	\$31,056	\$5,194	\$9,295	\$120,906
Commercial	55,133	56,613	38,245	3,453	16,004	169,448
Multi-family	31,402	37,463	13,373	1,583	6,980	90,802
Federal	18,943	17,983	20,615	767	5,641	63,948
District Govt	4,244	5,187	8,197	429	2,016	20,073
DC Housing Authority	3,248	3,922	1,389	139	585	9,284
<b>Total:</b>	<b>\$146,958</b>	<b>\$162,541</b>	<b>\$112,875</b>	<b>\$11,566</b>	<b>\$40,522</b>	<b>\$474,462</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	FY 2017 Budget	Actual Received	Variance		Actual % of Budget
			Favorable / <Unfavorable>	Variance % of Budget	
Residential	\$27,286	\$31,056	\$3,770	14%	114%
Commercial	33,037	38,245	5,208	16%	116%
Multi-family	10,516	13,373	2,857	27%	127%
Federal	20,615	20,615	(0)	0%	100%
District Govt	9,258	8,197	(1,061)	-11%	89%
DC Housing Authority	1,337	1,389	52	4%	104%
<b>Total:</b>	<b>\$102,049</b>	<b>\$112,875</b>	<b>\$10,826</b>	<b>11%</b>	<b>111%</b>

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### Retail Accounts Receivable (Delinquent Accounts)

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

#### Greater Than 90 Days by Month

	\$ in millions	# of accounts
September 30, 2012	\$5.5	13,063
September 30, 2013	\$4.9	11,920
September 30, 2014	\$5.3	12,442
September 30, 2015	\$6.5	11,981
September 30, 2016	\$7.7	12,406
October 31, 2016	\$7.8	12,040
November 30, 2016	\$7.9	12,114
December 31, 2016	\$8.2	12,861
January 31, 2017	\$8.5	13,046
February 28, 2017	\$9.1	12,873
March 31, 2017	\$8.5	11,915
April 30, 2017	\$8.1	11,544
May 31, 2017	\$8.9	10,835
June 30, 2017	\$8.6	11,202
July 31, 2017	\$8.6	11,894
August 31, 2017	\$8.5	11,438
September 30, 2017	\$8.4	11,526

#### Greater Than 90 Days by Customer

	Number of Accounts			Month of September (All Categories)				Total Delinquent			
	W & S a/c	Impervious Only a/c	Total No. of a/c	Active		Inactive		August		September	
				No. of a/c	Amount (\$)	No. of a/c	Amount (\$)	No. of a/c	Amount (\$)	No. of a/c	Amount (\$)
Commercial	10,375	3,463	13,838	931	\$2,592,305	172	\$129,673	1,107	\$2,526,937	1,103	\$2,721,978
Multi-family	8,425	455	8,880	700	2,032,453	181	\$71,763	879	2,257,909	881	\$2,104,216
Single-Family Residential	105,762	4,083	109,845	7,299	3,170,717	2,243	\$372,888	9,452	3,760,920	9,542	\$3,543,605
Total	124,562	8,001	132,563	8,930	\$7,795,475	2,596	\$574,324	11,438	\$ 8,545,766	11,526	\$8,369,799

Notes: Included in the above \$7.80M (or 8,930 accounts) of the DC Water Over 90 days delinquent accounts, \$4,072,683.58 (or 2,357 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.

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### Overtime by Department

Department	FY 2017			
	Budget	Actual	Actual % of Budget	% of Regular Pay
Office of the Board Secretary	\$5,000	\$12,799	256.0%	5.1%
General Manager	7,500	10,730	143.1%	0.4%
General Counsel	2,000	394	19.7%	0.0%
External Affairs	27,000	1,496	5.5%	0.1%
Internal Audit	-	-	0.0%	0.0%
Information Technology	26,670	13,731	51.5%	0.5%
Procurement	30,000	25,973	86.6%	0.8%
Customer Service*	260,000	615,244	236.6%	7.1%
Finance, Accounting & Budget	30,000	24,853	82.8%	0.5%
Assistant General Manager - Support Services	1,000	495	49.5%	0.1%
Human Capital Management	5,000	5,247	104.9%	0.2%
Occupational Safety and Health	2,000	363	18.2%	0.0%
Facilities Management	250,000	275,551	110.2%	7.3%
Department of Security	-	837	0.0%	0.1%
Distribution and Conveyance System	750,000	862,485	115.0%	12.4%
Engineering and Technical Services**	1,063,000	801,591	75.4%	4.6%
Water Services***	1,100,000	1,663,910	151.3%	11.8%
Clean Rivers	5,000	-	0.0%	0.0%
Sewer Services	900,000	1,172,944	130.3%	16.3%
Wastewater Treatment - Operations	1,450,780	1,858,763	128.1%	17.4%
Wastewater Treatment - Process Engineering	120,000	25,404	21.2%	0.8%
Maintenance Services	700,000	763,587	109.1%	9.4%
Permit Operations	15,000	11,256	75.0%	0.8%
Fleet Management	3,500	2,769	79.1%	0.4%
<b>Total DC WATER</b>	<b>\$6,753,450</b>	<b>\$8,150,422</b>	<b>120.7%</b>	<b>7.7%</b>

**Notes:**

- \* Due to shift coverage for the command center and increased man-hours needed to manually read and service the Authority's meters in support of the ongoing Automated Meter Reading (AMR) replacement program
- \*\* Engineering and Technical Services Department includes overtime that will be charged/transferred to capital projects at the end of the fiscal year
- \*\*\* Increased spending was primarily due to unusually high water main breaks partly caused by fluctuations in temperature experienced during the winter season.

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

Service Areas	Budget	Actual				Variance	
	Annual	Oct. 2016 - August 2017	Sep 2017	Total	% Budget	\$ Fav/(Unfav)	% Fav/(Unfav)
<b>NON PROCESS FACILITIES</b>							
Facility Land Use	\$34,150	\$21,897	\$3,292	\$25,189	73.8%	\$8,961	26.2%
<b>Subtotal</b>	<b>34,150</b>	<b>21,897</b>	<b>3,292</b>	<b>25,189</b>	<b>73.8%</b>	<b>8,961</b>	<b>26.2%</b>
<b>WASTEWATER TREATMENT</b>							
Liquid Processing	16,152	15,668	781	16,449	101.8%	(297)	(1.8%)
Plantwide	11,313	10,724	\$620	11,344	100.3%	(31)	(0.3%)
Solids Processing	7,654	15,819	\$305	16,124	210.7%	(8,470)	(110.7%)
Enhanced Nitrogen Removal Facilities	88,670	96,244	\$7,943	104,187	117.5%	(15,517)	(17.5%)
<b>Subtotal</b>	<b>123,789</b>	<b>138,454</b>	<b>9,649</b>	<b>148,104</b>	<b>119.6%</b>	<b>(24,314)</b>	<b>(19.6%)</b>
<b>COMBINED SEWER OVERFLOW</b>							
D.C. Clean Rivers	171,300	200,144	\$16,155	216,298	126.3%	(44,998)	(26.3%)
Program Management	3,827	3,970	\$38	4,008	104.7%	(181)	(4.7%)
Combined Sewer	9,260	8,034	\$1,085	9,119	98.5%	141	1.5%
<b>Subtotal</b>	<b>184,387</b>	<b>212,147</b>	<b>\$17,278</b>	<b>229,425</b>	<b>124.4%</b>	<b>(45,038)</b>	<b>(24.4%)</b>
<b>STORMWATER</b>							
Local Drainage	172	339	\$0	339	196.7%	(167)	(96.7%)
On-Going	424	260	\$0	260	61.4%	164	38.6%
Pumping Facilities	368	117	\$3	121	32.8%	247	67.2%
DDOT	16	0	\$0	0	0.0%	16	100.0%
Research and Program Management	270	487	\$5	492	182.3%	(222)	(82.4%)
Trunk/Force Sewers	456	172	\$0	172	37.8%	283	62.2%
<b>Subtotal</b>	<b>1,706</b>	<b>1,376</b>	<b>\$8</b>	<b>1,384</b>	<b>81.1%</b>	<b>322</b>	<b>18.9%</b>
<b>SANITARY SEWER</b>							
Collection Sewers	4,890	4,096	\$1,742	5,838	119.4%	(948)	(19.4%)
On-Going	11,838	6,525	\$859	7,384	62.4%	4,453	37.6%
Pumping Facilities	2,806	3,547	17	3,564	127.0%	(758)	(27.0%)
Program Management	8,755	6,344	\$20	6,364	72.7%	2,391	27.3%
Interceptor/Trunk Force Sewers	10,013	14,935	\$1,974	16,908	168.9%	(6,895)	(68.9%)
<b>Subtotal</b>	<b>38,302</b>	<b>35,447</b>	<b>\$4,612</b>	<b>40,059</b>	<b>104.6%</b>	<b>(1,756)</b>	<b>(4.6%)</b>
<b>WATER</b>							
Distribution Systems	30,148	16,322	\$786	17,108	56.7%	13,040	43.3%
Lead Program	1,050	2,533	\$0	2,533	241.3%	(1,483)	(141.3%)
On-Going	10,643	7,401	\$436	7,837	73.6%	2,806	26.4%
Pumping Facilities	2,598	4,339	\$60	4,398	169.3%	(1,800)	(69.3%)
DDOT	830	423	\$152	575	69.4%	254	30.6%
Storage Facilities	7,728	8,860	\$273	9,133	118.2%	(1,405)	(18.2%)
Program Management	5,823	5,696	\$29	5,725	98.3%	98	1.7%
<b>Subtotal</b>	<b>58,819</b>	<b>45,574</b>	<b>\$1,735</b>	<b>47,309</b>	<b>80.4%</b>	<b>11,509</b>	<b>19.6%</b>
<b>Capital Projects</b>	<b>\$441,153</b>	<b>\$454,895</b>	<b>\$36,574</b>	<b>\$491,470</b>	<b>111.4%</b>	<b>(50,316)</b>	<b>(11.4%)</b>
<b>CAPITAL EQUIPMENT</b>	<b>54,949</b>	<b>36,109</b>	<b>2,254</b>	<b>38,362</b>	<b>69.8%</b>	<b>16,586</b>	<b>30.2%</b>
<b>WASHINGTON AQUEDUCT</b>	<b>10,896</b>	<b>8,008</b>	<b>7,475</b>	<b>15,483</b>	<b>142.1%</b>	<b>(4,587)</b>	<b>(42.1%)</b>
<b>Additional Capital Programs</b>	<b>65,845</b>	<b>44,117</b>	<b>9,729</b>	<b>53,845</b>	<b>81.8%</b>	<b>11,999</b>	<b>18.2%</b>
<b>Total</b>	<b>\$506,998</b>	<b>\$499,012</b>	<b>\$46,303</b>	<b>\$545,315</b>	<b>107.6%</b>	<b>(38,318)</b>	<b>(7.6%)</b>

**Monthly Financial Report**

Fiscal Year-to-Date  
As of September 30, 2017

**Accounts Payable**

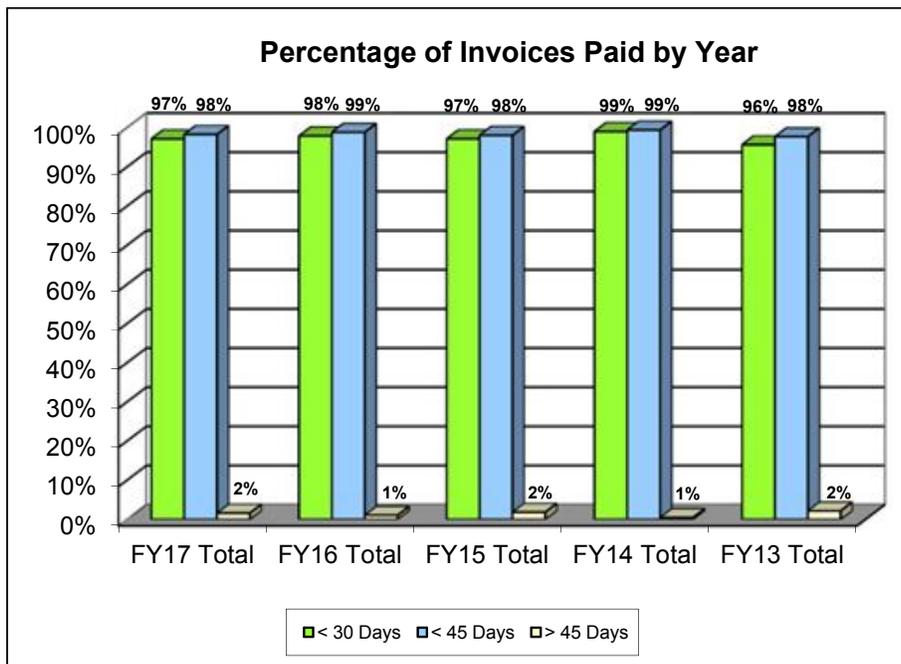
Cumulative performance for the twelve month period ending September FY 2017, a total of 20,247 vendor payments were processed and paid within 30 days compared to 18,998 in FY 2016 (as shown in the table below) and with a dollar value of \$788.0 million compared to \$732.6 million for FY 2016.

At the end of FY 2017, approximately 97.2% of the invoices were paid within 30 days compared to 98.0% for FY 2016. The Authority’s goal is to pay 97% of all undisputed invoices within 30 days.

**Accounts Payable Performance**

Days	FY 2017		FY 2016	
	Number	Percent	Number	Percent
Less than 30	20,247	97.2%	18,998	98.0%
Less than 45	20,486	98.4%	19,177	98.9%
Greater than 45	341	1.6%	213	1.1%
<b>Sub-Total</b>	<b>20,827</b>	<b>100%</b>	<b>19,390</b>	<b>100%</b>
Retainage/Dispute	198		286	
<b>Total</b>	<b>21,025</b>		<b>19,676</b>	

The chart below shows cumulative year to date historical performance for fiscal year 2013 through fiscal year 2017.



**Monthly Financial Report**

Fiscal Year-to-Date  
As of September 30, 2017

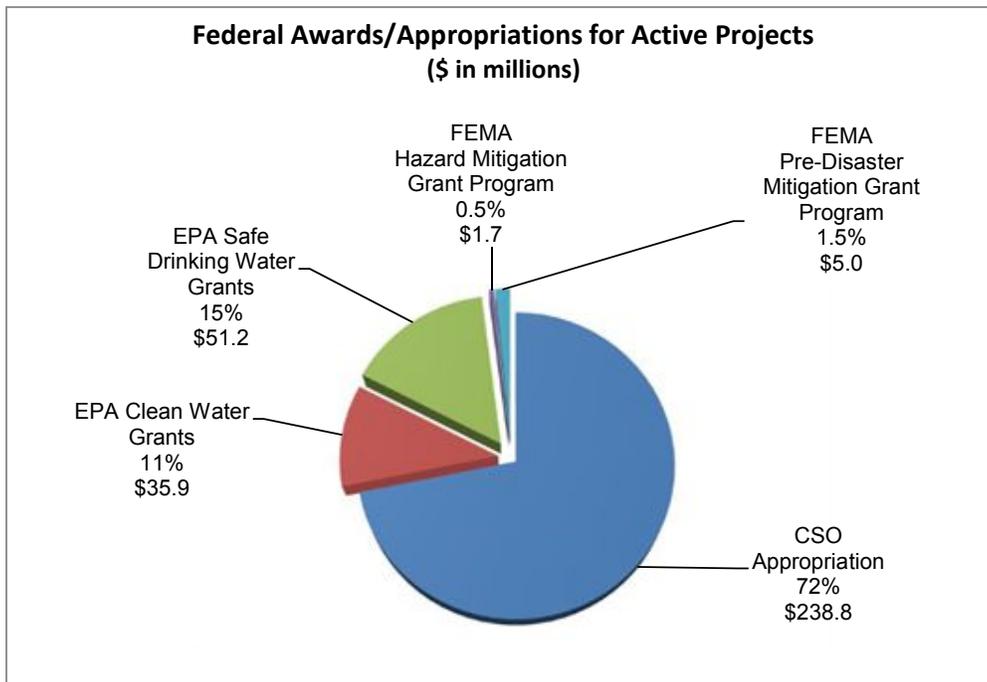
**Grants Report**

The Authority currently receives grants to fund portions of its capital project costs from the U.S. Environmental Protection Agency (EPA) and the Federal Emergency Management Agency (FEMA).

The EPA grants are issued under two acts, the Clean Water Act of 1972 and the Safe Drinking Water Act of 1974.

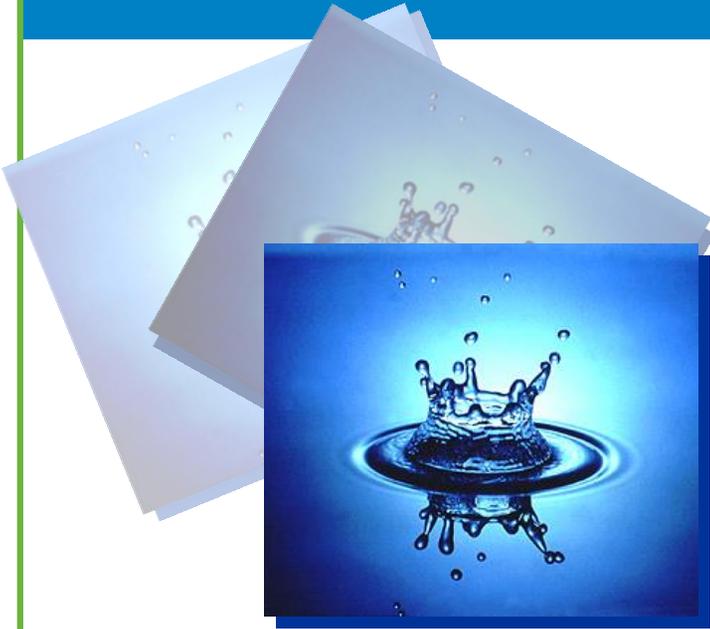
The FEMA mitigation grants are issued under the Robert T. Stafford Disaster Relief and Emergency Assistance Act through the Hazard Mitigation Grant Program (HMGP) Act of 1993 and the Pre-Disaster Mitigation Grant Program (PDM) Act of 2000.

As of September 30, 2017, DC Water has \$332.6 million in total federal funds for active projects, as indicated below:



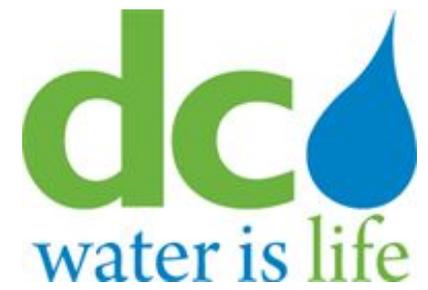
The remaining balance of the EPA funding as of September 30, 2017 is \$30 million. FEMA grants have a balance of \$6.6 million as of September 30, 2017.

DC Water has received eighteen separate Congressional CSO appropriations totaling \$238.8 million plus accrued interest of \$12.3 million, resulting in total CSO funding of \$251.1 million. The cumulative CSO appropriation life-to-date cash disbursement is \$251.1 million, based on requested reimbursement through September 30, 2017. The remaining CSO balance as of September 30, 2017 is \$2,730.18, which represents interest earned on CSO funds during the month of September.



# DC Water

*Investment Performance Report – September 2017*



**DC Water  
Finance Division  
Economic Update**

### ECONOMIC COMMENTARY

- The FOMC unanimously decided to leave the federal funds target rate unchanged in the 1.00% - 1.25% range. An abundance of speeches made by FOMC members in September reiterated the policy makers' intent to increase the target range in their December meeting.
- U.S. Treasury yields increased during the month of September. The yield of the 3-month Treasury bill rose by 0.06% to 1.05% while the yield of the 2-year Treasury note rose by 0.16% to 1.49%.
- The United States labor market lost 33,000 jobs in September, well below the expected increase of 80,000 jobs. The decline in payrolls was the first since 2010, reflecting economic disruptions caused by Hurricanes Harvey and Irma. The unemployment rate fell to 4.2%, compared to the prior month's reading of 4.4%, while wage growth ticked up to 2.9% year-over-year.

### PORTFOLIO RECAP

- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, Supranational Bonds, Commercial Paper, Negotiable CDs, Corporate Notes/Bonds, Municipal Bonds, FDIC Insured CDs, and SEC registered money market funds.
- The overall yield-to-maturity on cost of the portfolio is 1.10%.

#### Operating Reserve

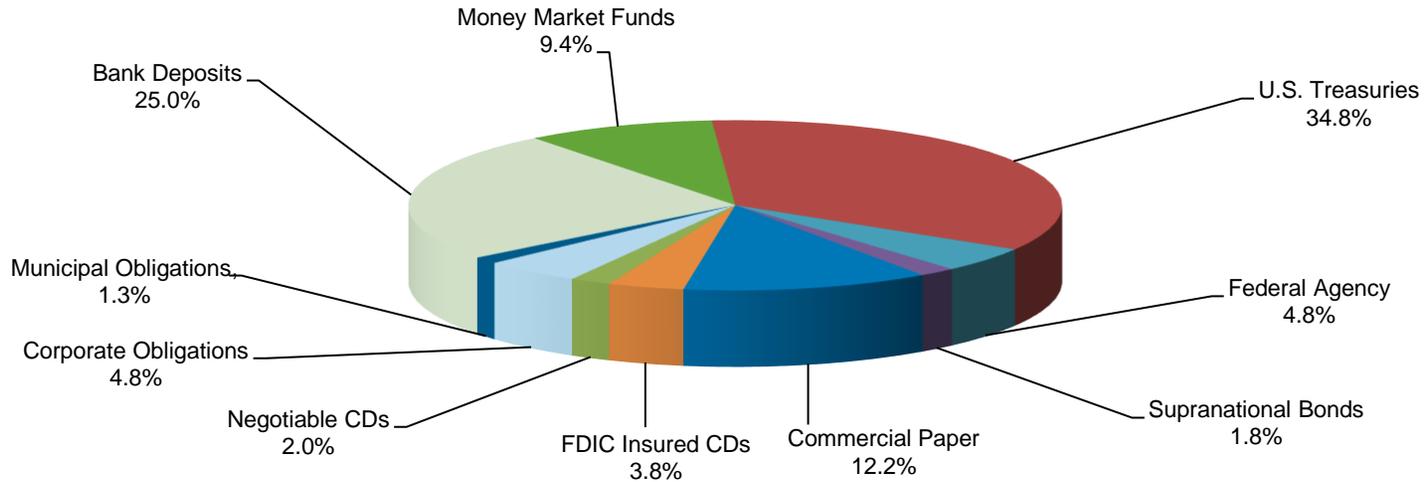
- PFM purchased \$2.82 million of 3-year agencies at an average yield of 1.49% and \$2.90 million of 2½-year US Treasury Notes at a yield of 1.38%.
- We also purchased \$370,000 of 3-year Coca-Cola corporate notes at a yield of 1.78% and \$925,000 of 3-year supranational bonds with a yield of 1.64%.

#### 2017B Construction Fund

- PFM sold \$19.15 million of 7 to 9-month US Treasuries as well as \$2.00 million of 3-month commercial paper.
- Additionally, we purchased \$33.70 million of commercial paper ranging from 3 to 8-months with an average yield of 1.42%



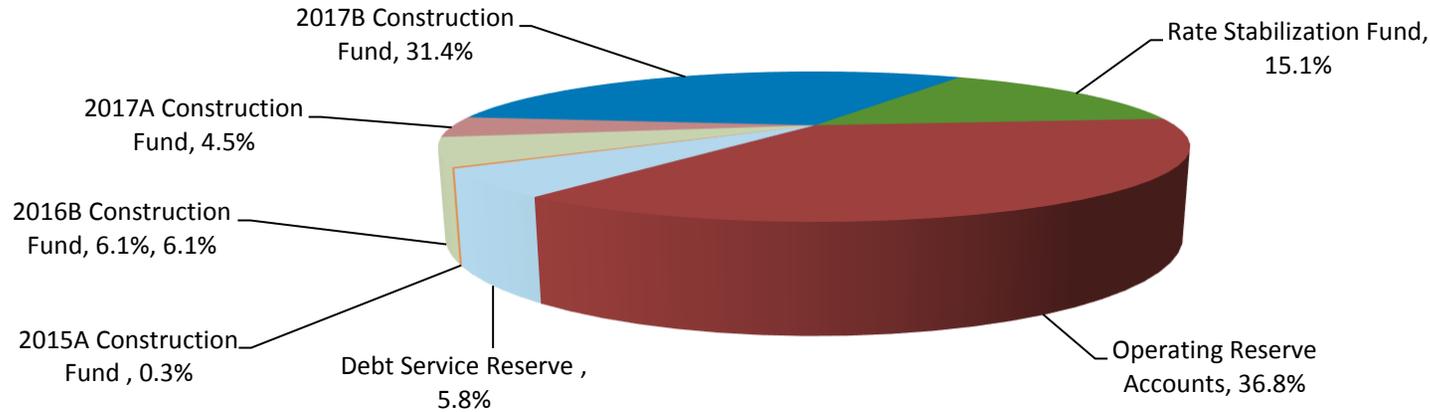
**DC Water  
Finance Division  
Investments - By Security Type  
As of September 30, 2017**



Security Type	Book Value + Accrued Interest	Asset Allocation	Permitted By Policy
Bank Deposits	101,611,734	25.0%	100.0%
Money Market Funds	38,213,461	9.4%	100.0%
U.S. Treasuries	141,637,452	34.8%	100.0%
Federal Agency	19,507,744	4.8%	80.0%
Supranational Bonds	7,382,009	1.8%	30.0%
Commercial Paper	49,655,772	12.2%	35.0%
FDIC Insured CDs	15,295,281	3.8%	30.0%
Negotiable CDs	8,186,168	2.0%	30.0%
Corporate Obligations	19,683,052	4.8%	30.0%
Municipal Obligations	5,270,292	1.3%	20.0%
<b>Total</b>	<b>\$ 406,442,965</b>	<b>100.0%</b>	



**DC Water  
Finance Division  
Investment Analysis – By Fund  
As of September 30, 2017**

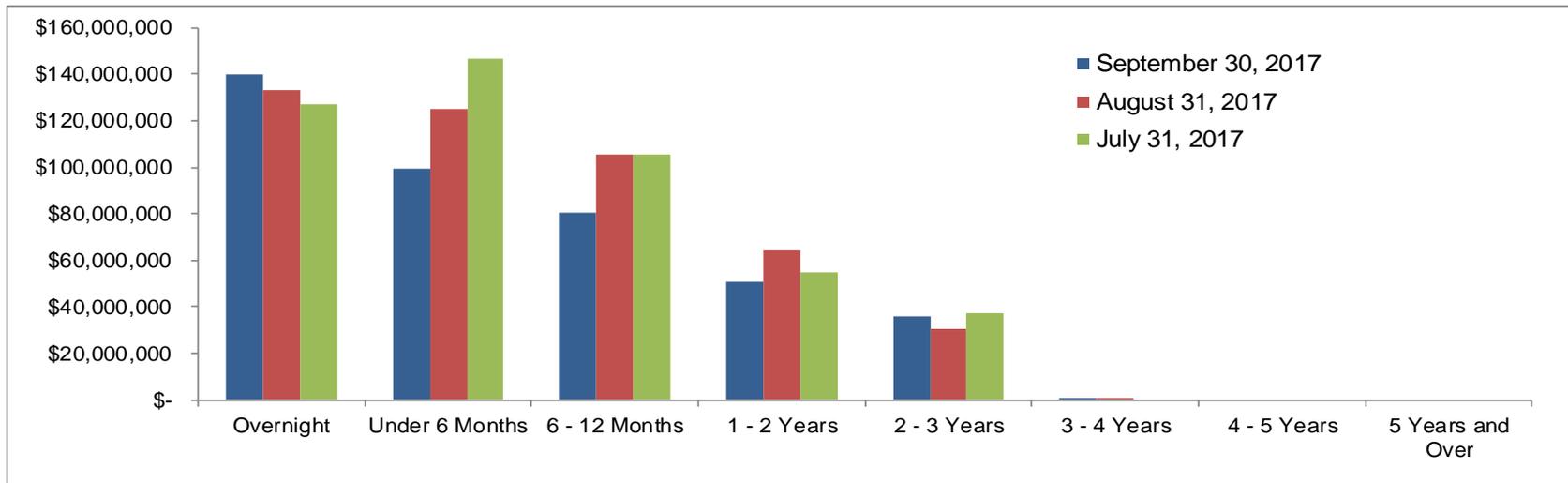


Fund Name	Book Value + Accrued Interest	Yield-to- Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Rate Stabilization Fund	\$ 61,450,000	1.00%	0.00	1.0
Operating Reserve Accounts	\$ 149,460,633	1.18%	1.16	432.7
CSO LTCP Appropriations Account	\$ 2,730	1.07%	0.00	1.0
Debt Service Reserve	\$ 23,775,712	0.95%	0.62	227.9
2015A Construction Fund	\$ 1,043,012	0.85%	0.00	1.0
2015B Construction Fund	\$ 31,429	0.85%	0.00	1.0
2016B Construction Fund	\$ 24,680,341	0.85%	0.00	1.0
2017A Construction Fund	\$ 18,280,893	1.31%	0.15	54.7
2017B Construction Fund	\$ 127,718,215	1.11%	0.48	176.8
<b>Total</b>	<b>\$ 406,442,965</b>	<b>1.10%</b>	<b>0.62</b>	<b>230.7</b>



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

Maturity Distribution	September 30, 2017	August 31, 2017	July 31, 2017
Overnight \$	139,825,195.49 \$	133,056,123.22 \$	127,127,005.62
Under 6 Months	99,122,232.29	124,866,368.71	147,014,461.37
6 - 12 Months	80,546,150.92	105,332,801.28	105,394,123.22
1 - 2 Years	50,802,168.29	63,915,124.34	54,564,957.30
2 - 3 Years	35,757,480.86	30,306,159.82	37,123,487.62
3 - 4 Years	389,736.84	465,285.86	-
4 - 5 Years	-	-	-
5 Years and Over	-	-	-
<b>Totals \$</b>	<b>406,442,964.69 \$</b>	<b>457,941,863.23 \$</b>	<b>471,224,035.13</b>



## Investment Performance Report – September 2017



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

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
<b>Bank Deposits</b>					
TD Bank		101,611,734.27	25.0%	100.0%	Yes
<b>Sub-Total Bank Deposits</b>		<b>101,611,734.27</b>	<b>25.0%</b>	100.0%	Yes
<b>Money Market Mutual Funds</b>					
Wells Fargo Treasury Plus MMF	AAA	38,121,525.59	9.4%	50.0%	Yes
Wells Fargo Government MMF	AAA	91,935.63	0.0%	50.0%	Yes
<b>Sub-Total Money Market Mutual Funds</b>		<b>38,213,461.22</b>	<b>9.4%</b>	100.0%	Yes
<b>U.S. Treasuries</b>					
Treasury Note	AA+ / Aaa	141,637,452.09	34.8%	100.0%	Yes
<b>Sub-Total Treasuries</b>		<b>141,637,452.09</b>	<b>34.8%</b>	100.0%	Yes
<b>Federal Agencies</b>					
Fannie Mae	AA+ / Aaa	10,935,544.64	2.7%	40.0%	Yes
Federal Home Loan Bank	AA+ / Aaa	4,612,022.39	1.1%	40.0%	Yes
Freddie Mac	AA+ / Aaa	3,960,177.09	1.0%	40.0%	Yes
<b>Sub-Total Federal Agencies</b>		<b>19,507,744.12</b>	<b>4.8%</b>	80.0%	Yes
<b>Supranational Bonds</b>					
African Development Bank	AAA / Aaa	2,443,482.43	0.6%	5.0%	Yes
Asian Development Bank	AAA / Aaa	928,231.81	0.2%	5.0%	Yes
Inter-American Development Bank	AAA / Aaa	1,262,832.90	0.3%	5.0%	Yes
International Bank for Reconstruction and Development	AAA / Aaa	2,747,461.46	0.7%	5.0%	Yes
<b>Sub-Total Supranational Bonds</b>		<b>7,382,008.60</b>	<b>1.8%</b>	30.0%	Yes
<b>Commercial Paper</b>					
BNP Paribas	A-1 / P-1	16,467,825.00	4.1%	5.0%	Yes
Bank of Tokyo Mitsubishi	A-1 / P-1	6,941,259.99	1.7%	5.0%	Yes
Canadian Imperial Holding	A-1 / P-1	6,946,132.62	1.7%	5.0%	Yes
Credit Agricole	A-1 / P-1	6,983,822.23	1.7%	5.0%	Yes
JP Morgan Securities LLC	A-1 / P-1	6,928,133.31	1.7%	5.0%	Yes
Toyota Motor Credit	A-1+ / P-1	5,388,598.39	1.3%	5.0%	Yes
<b>Sub-Total Commercial Paper</b>		<b>49,655,771.54</b>	<b>12.2%</b>	35.0%	Yes
<b>FDIC Insured Certificates of Deposit</b>					
CDARS - Placed by Industrial Bank	NR / NR	15,295,281.20	3.8%	5.0%	Yes
<b>Sub-Total FDIC-Insured Certificates of Deposit</b>		<b>15,295,281.20</b>	<b>3.8%</b>	30.0%	Yes

CDARS holdings are not managed by PFMAM, and we therefore cannot guarantee the accuracy of holdings information provided.



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

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
<b>Negotiable Certificates of Deposit</b>					
Canadian Imperial Bank NY	A+ / A1	1,809,824.97	0.4%	5.0%	Yes
Nordea Bank Finland NY	AA- / Aa3	1,810,912.00	0.4%	5.0%	Yes
Skandinav Enskilda Banken NY	A+ / Aa3	1,854,820.20	0.5%	5.0%	Yes
Svenska Handelsbanken NY	AA- / Aa2	1,807,843.50	0.4%	5.0%	Yes
Westpac Banking Corp NY	AA- / Aa3	902,767.50	0.2%	5.0%	Yes
<b>Sub-Total Negotiable Certificates of Deposit</b>		<b>8,186,168.17</b>	<b>2.0%</b>	30.0%	Yes
<b>Corporate Obligations</b>					
Apple Inc.	AA+ / Aa1	1,446,946.61	0.4%	5.0%	Yes
Bank of Montreal	A+ / A1	902,215.28	0.2%	5.0%	Yes
Bank of New York Mellon	A / A1	1,810,284.02	0.4%	5.0%	Yes
Bank of Nova Scotia	A+ / A1	1,808,581.34	0.4%	5.0%	Yes
Berkshire Hathaway Inc	AA / Aa2	350,361.35	0.1%	5.0%	Yes
Cisco Systems Inc.	AA- / A1	788,781.70	0.2%	5.0%	Yes
Chevron	AA- / Aa2	905,268.38	0.2%	5.0%	Yes
Coca-Cola	AA- / Aa3	389,736.84	0.1%	5.0%	Yes
Colgate-Palmolive Company	AA- / Aa3	928,400.34	0.2%	5.0%	Yes
Exxon Mobil	AA+ / Aaa	929,340.42	0.2%	5.0%	Yes
General Electric Capital	AA- / A1	456,718.49	0.1%	5.0%	Yes
Merck & Co.	AA / A1	734,442.91	0.2%	5.0%	Yes
Microsoft	AAA / Aaa	1,041,605.79	0.3%	5.0%	Yes
Pfizer Inc.	AA / A1	899,003.97	0.2%	5.0%	Yes
Royal Bank of Canada	AA- / A1	901,694.44	0.2%	5.0%	Yes
Toronto Dominion Bank NY	AA- / Aa2	901,688.55	0.2%	5.0%	Yes
Total Capital	A+ / Aa3	913,689.60	0.2%	5.0%	Yes
Toyota Motor Credit Corp	AA- / Aa3	1,534,925.18	0.4%	5.0%	Yes
Wells Fargo & Company Notes	A / A2	1,113,309.81	0.3%	5.0%	Yes
Westpac Banking	AA- / Aa3	926,056.90	0.2%	5.0%	Yes
<b>Sub-Total Corporate Obligations</b>		<b>19,683,051.92</b>	<b>4.8%</b>	30.0%	Yes
<b>Municipal Obligations</b>					
Connecticut State	A+ / A1	987,975.21	0.2%	5.0%	Yes
Florida State	AA / Aa3	1,809,733.50	0.4%	5.0%	Yes
Mississippi State	AA / Aa2	120,654.00	0.0%	5.0%	Yes
New York City	AAA / Aa1	542,704.80	0.1%	5.0%	Yes
Regional Transportation Authority, IL	AA / NR	1,809,224.05	0.4%	5.0%	Yes
<b>Sub-Total Municipal Obligations</b>		<b>5,270,291.56</b>	<b>1.3%</b>	20.0%	Yes
<b>Grand Total</b>		<b>\$ 406,442,964.69</b>	<b>100.0%</b>		



**DC Water  
Finance Division  
Book Value Performance  
As of September 30, 2017**

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

	Trailing 1 Months		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months	Trailing 24 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized		
Total Rate Stabilization Fund	0.08%	1.00%	0.17%	0.66%	0.29%	0.58%	0.52%	0.59%
Operating Reserve Accounts	0.11%	1.30%	0.32%	1.27%	0.59%	1.19%	1.15%	1.18%
Total Debt Service Reserve	0.08%	0.92%	0.23%	0.92%	0.42%	0.84%	0.82%	0.73%
2016B Construction Fund	0.35%	4.33%	0.44%	1.76%	0.52%	1.04%	n/a	n/a
2017A Construction Fund	0.12%	1.44%	0.38%	1.52%	0.58%	1.16%	n/a	n/a
2017B Construction Fund	0.07%	0.80%	0.25%	0.99%	0.53%	1.05%	n/a	n/a
<b>Short-Term</b>	<b>0.08%</b>	<b>1.02%</b>	<b>0.25%</b>	<b>0.98%</b>	<b>0.48%</b>	<b>0.95%</b>	<b>0.81%</b>	<b>0.71%</b>
Merrill Lynch 3-Month Treasury Index (Book Value) <sup>1</sup>	0.08%	0.99%	0.25%	1.01%	0.46%	0.92%	0.69%	0.45%
<b>Core (1+ Years)</b>	<b>0.12%</b>	<b>1.43%</b>	<b>0.35%</b>	<b>1.39%</b>	<b>0.66%</b>	<b>1.33%</b>	<b>1.26%</b>	<b>1.18%</b>
Merrill Lynch 1-3 Year Treasury Index (Book Value) <sup>2</sup>	0.12%	1.48%	0.35%	1.38%	0.67%	1.35%	1.23%	1.05%

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



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

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>Rate Stabilization Fund</b>										
TD BANK BANK DEPOSIT		\$ 61,450,000		10/1/2017		1.00%	\$ 61,450,000	\$ 61,450,000	\$ 61,450,000	\$ 61,450,000.00
<b>Operating Reserve Accounts</b>										
TD BANK BANK DEPOSIT		\$ 40,159,004		10/1/2017		0.90%	\$ 40,159,004	\$ 40,159,004	\$ 40,159,004	
WELLS FARGO GOVERNMENT MMF		91,936		10/1/2017		0.86%	91,936	91,936	91,936	
MS ST TXBL GO BONDS	605581FX0	120,000	1.090	10/1/2017	2/18/2015	1.09%	120,000	120,654	120,654	
INDUSTRIAL BANK CDARS		5,035,026	0.350	10/12/2017	10/13/2016	0.35%	5,035,026	5,052,071	5,052,071	
INDUSTRIAL BANK CDARS		5,065,244	0.400	11/9/2017	11/10/2016	0.40%	5,065,244	5,083,303	5,083,303	
INDUSTRIAL BANK CDARS		2,563,284	0.600	1/18/2018	1/21/2016	0.60%	2,563,284	2,589,447	2,589,447	
INDUSTRIAL BANK CDARS		2,562,346	0.450	1/18/2018	1/19/2017	0.45%	2,562,346	2,570,461	2,570,461	
REGIONAL TRANS AUTH, IL TXBL REV BONDS	7599112M1	1,800,000	1.250	5/4/2018	5/20/2016	1.44%	1,793,358	1,809,090	1,809,224	
MERCK & CO GLOBAL NOTES	58933YAG0	731,000	1.300	5/18/2018	3/27/2015	1.31%	730,664	734,097	734,443	
BANK OF NEW YORK MELLON CORP (CALLABLE)	06406HDB2	1,800,000	1.600	5/22/2018	5/29/2015	1.60%	1,799,838	1,811,821	1,810,284	
BANK OF NOVA SCOTIA CORP NOTE (CALLABLE)	064159GM2	875,000	1.700	6/11/2018	6/11/2015	1.72%	874,589	880,259	879,448	
CISCO SYSTEMS INC CORP NOTE	17275RAU6	785,000	1.650	6/15/2018	6/17/2015	1.66%	784,867	789,791	788,782	
TOYOTA MOTOR CREDIT CORP	89236TCP8	600,000	1.550	7/13/2018	7/13/2015	1.58%	599,490	602,353	601,880	
BERKSHIRE HATHAWAY INC GLOBAL NOTES	084670BX5	220,000	1.150	8/15/2018	8/15/2016	1.16%	219,974	219,677	220,312	
AFRICAN DEVELOPMENT BANK NOTE	00828EBB4	700,000	1.625	10/2/2018	11/3/2016	1.12%	706,699	706,279	709,185	
CANADIAN IMPERIAL BANK NY CD	13606A5Z7	1,800,000	1.760	11/30/2018	12/5/2016	1.78%	1,798,596	1,815,186	1,809,825	
NORDEA BANK FINLAND NY CD	65558LWA6	1,800,000	1.760	11/30/2018	12/5/2016	1.74%	1,800,000	1,815,450	1,810,912	
US TREASURY NOTES	912828A34	2,130,000	1.250	11/30/2018	11/9/2015	1.18%	2,134,327	2,135,452	2,140,614	
US TREASURY NOTES	912828A34	3,000,000	1.250	11/30/2018	5/6/2016	0.83%	3,031,641	3,007,679	3,027,025	
US TREASURY NOTES	912828A75	4,225,000	1.500	12/31/2018	12/4/2015	1.22%	4,260,813	4,245,638	4,255,712	
SVENSKA HANDELSBANKEN NY LT CD	86958JHB8	1,800,000	1.890	1/10/2019	1/12/2017	1.91%	1,800,000	1,802,075	1,807,844	
WELLS FARGO & COMPANY NOTES	94974BFQ8	1,103,000	2.150	1/15/2019	10/7/2015	1.77%	1,116,225	1,113,591	1,113,310	
FHLB NOTES	3130AAE46	1,800,000	1.250	1/16/2019	12/8/2016	1.25%	1,799,928	1,800,301	1,804,640	
APPLE INC CORP NOTES	037833BQ2	545,000	1.700	2/22/2019	2/23/2016	1.71%	544,907	547,286	545,934	
FNMA BENCHMARK NOTE	3135G0J53	2,250,000	1.000	2/26/2019	2/23/2016	1.08%	2,244,690	2,237,862	2,249,690	
FNMA BENCHMARK NOTE	3135G0J53	825,000	1.000	2/26/2019	8/8/2016	0.90%	827,087	820,549	826,957	
FNMA BENCHMARK NOTE	3135G0J53	1,425,000	1.000	2/26/2019	9/2/2016	0.97%	1,425,926	1,417,312	1,426,912	
BERKSHIRE HATHAWAY INC NOTES	084664CG4	130,000	1.700	3/15/2019	3/15/2016	1.73%	129,901	130,350	130,050	
COLGATE-PALMOLIVE COMPANY CORP NOTES	19416QEF3	925,000	1.750	3/15/2019	5/1/2017	1.55%	928,432	927,211	928,400	
FREDDIE MAC NOTES	3137EADZ9	1,700,000	1.125	4/15/2019	5/31/2016	1.10%	1,701,309	1,700,184	1,709,528	
US TREASURY NOTES	912828D23	1,465,000	1.625	4/30/2019	6/29/2016	0.70%	1,502,998	1,479,082	1,496,239	
US TREASURY NOTES	912828D23	2,820,000	1.625	4/30/2019	11/14/2016	1.06%	2,858,555	2,847,107	2,864,065	
INTER-AMERICAN DEVELOPMENT BANK	458182DX7	1,260,000	1.000	5/13/2019	4/12/2016	1.10%	1,256,220	1,251,667	1,262,833	
CHEVRON CORP NOTES	166764BH2	900,000	1.561	5/16/2019	5/16/2016	1.56%	900,000	903,996	905,268	
FHLB GLOBAL NOTE	3130A8DB6	1,840,000	1.125	6/21/2019	6/3/2016	1.14%	1,839,227	1,834,386	1,845,309	
FL ST BOARD ADMIN FIN CORP TXBL REV BD	341271AA2	1,800,000	2.163	7/1/2019	3/8/2016	2.16%	1,800,000	1,817,438	1,809,734	
BANK OF MONTREAL	06367THQ6	900,000	1.500	7/18/2019	7/18/2016	1.53%	899,136	897,028	902,215	
FHLMC REFERENCE NOTE	3137EAE1	2,250,000	0.875	7/19/2019	7/20/2016	0.96%	2,244,555	2,227,889	2,250,649	
ROYAL BANK OF CANADA CORP NOTES	78012KRK5	900,000	1.500	7/29/2019	7/29/2016	1.54%	898,974	897,121	901,694	
APPLE INC CORP NOTES	037833CB4	900,000	1.100	8/2/2019	8/4/2016	1.13%	899,100	893,792	901,012	
SKANDINAV ENSKILDA BANKEN NY CD	83050FXT3	1,850,000	1.840	8/2/2019	8/4/2017	1.85%	1,849,279	1,853,801	1,854,820	
MICROSOFT CORP NOTES	594918BN3	595,000	1.100	8/8/2019	8/8/2016	1.14%	594,387	590,658	595,583	
TORONTO DOMINION BANK NY CORP NOTES	89114QBJ6	900,000	1.450	8/13/2019	7/13/2016	1.45%	899,919	895,583	901,689	

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

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>Operating Reserve Accounts</b>										
CT ST TXBL GO BONDS	20772J3D2	985,000	1.300	8/15/2019	8/17/2016	1.23%	987,128	976,461	987,975	
INTL BANK OF RECON AND DEV SN NOTE	459058FK4	900,000	0.875	8/15/2019	7/13/2016	0.88%	899,811	888,479	900,890	
FNMA NOTES	3135G0P49	1,450,000	1.000	8/28/2019	9/2/2016	1.05%	1,447,738	1,437,122	1,449,877	
FNMA NOTES	3135G0P49	1,975,000	1.000	8/28/2019	10/5/2016	1.02%	1,973,815	1,957,459	1,976,028	
AFRICAN DEVELOPMENT BANK NOTE	00828EBQ1	700,000	1.125	9/20/2019	9/20/2016	1.16%	699,258	692,845	699,751	
US TREASURY NOTES	912828G61	2,325,000	1.500	11/30/2019	12/5/2016	1.45%	2,328,633	2,336,358	2,339,369	
PFIZER INC CORP NOTE	717081EB5	595,000	1.700	12/15/2019	11/21/2016	1.72%	594,572	597,662	597,666	
PFIZER INC CORP NOTE	717081EB5	300,000	1.700	12/15/2019	11/21/2016	1.73%	299,775	301,342	301,338	
ASIAN DEVELOPMENT BANK NOTE	045167DT7	925,000	1.750	1/10/2020	1/12/2017	1.77%	924,464	930,050	928,232	
US TREASURY NOTES	912828H52	3,475,000	1.250	1/31/2020	1/5/2017	1.52%	3,447,309	3,459,515	3,461,187	
MICROSOFT CORP	594918BV5	445,000	1.850	2/6/2020	2/6/2017	1.87%	444,702	448,090	446,023	
FNMA NOTES	3135G0T29	1,150,000	1.500	2/28/2020	2/28/2017	1.52%	1,149,264	1,148,847	1,150,988	
US TREASURY NOTES	912828J50	725,000	1.375	2/29/2020	2/3/2017	1.58%	720,610	722,851	722,385	
US TREASURY NOTES	912828J50	2,900,000	1.375	2/29/2020	9/1/2017	1.38%	2,899,887	2,891,406	2,903,305	
EXXON MOBIL CORP NOTE	30231GAG7	925,000	1.912	3/6/2020	4/28/2017	1.77%	928,635	928,736	929,340	
WESTPAC BANKING CORP NOTES	961214DJ9	925,000	2.150	3/6/2020	3/6/2017	2.16%	924,602	929,545	926,057	
AFRICAN DEVELOPMENT BANK NOTE	00828ECA5	1,035,000	1.875	3/16/2020	3/16/2017	1.93%	1,033,468	1,039,351	1,034,547	
TOYOTA MOTOR CREDIT CORP	89236TDU6	630,000	1.950	4/17/2020	4/17/2017	1.97%	629,710	635,826	635,350	
TOYOTA MOTOR CREDIT CORP	89236TDU6	295,000	1.950	4/17/2020	4/17/2017	1.94%	295,089	297,728	297,696	
US TREASURY NOTES	912828K58	2,750,000	1.375	4/30/2020	4/5/2017	1.53%	2,737,646	2,752,074	2,755,403	
US TREASURY NOTES	912828K58	1,575,000	1.375	4/30/2020	4/10/2017	1.55%	1,566,879	1,576,188	1,577,180	
NYC TRANS FIN AUTH, NY TXBL REV BONDS	64971W5W6	540,000	1.960	5/1/2020	6/29/2017	1.96%	540,000	543,963	542,705	
TOTAL CAPITAL SA CORP NOTES	89152UAD4	850,000	4.450	6/24/2020	4/10/2017	2.07%	912,492	917,778	913,690	
US TREASURY NOTES	912828M8	1,825,000	1.625	6/30/2020	6/16/2017	1.51%	1,830,988	1,833,991	1,837,923	
US TREASURY NOTES	912828M8	3,650,000	1.625	6/30/2020	6/28/2017	1.50%	3,663,117	3,667,982	3,677,002	
BANK OF NOVA SCOTIA HOUSTON BKNT	064159JX5	925,000	2.150	7/14/2020	7/14/2017	2.15%	924,871	931,765	929,133	
FNMA NOTES	3135G0T60	1,850,000	1.500	7/30/2020	9/1/2017	1.49%	1,850,481	1,844,513	1,855,094	
US TREASURY NOTES	912828M7	825,000	1.625	7/31/2020	7/7/2017	1.60%	825,516	827,710	827,738	
WESTPAC BANKING CORP NY CD	96121TA3	900,000	2.050	8/3/2020	8/7/2017	2.05%	900,000	907,127	902,768	
INTL BANK OF RECONSTRUCTION AND DEV NOTE	45905UP32	925,000	1.561	9/12/2020	9/19/2017	1.64%	922,780	917,596	923,286	
INTL BANK OF RECONSTRUCTION AND DEV NOTE	45905UP32	925,000	1.561	9/12/2020	9/19/2017	1.64%	922,780	917,596	923,286	
GENERAL ELECTRIC CAPITAL CORP CORP NOTE	36962G4R2	425,000	4.375	9/16/2020	8/31/2017	1.84%	456,790	455,947	456,718	
FHLB NOTES	3130ACE26	965,000	1.375	9/28/2020	9/8/2017	1.48%	961,902	955,879	962,074	
COCA-COLA CO/THE GLOBAL NOTES	191216AR1	370,000	3.150	11/15/2020	9/12/2017	1.78%	385,584	389,095	389,737	
										\$ 149,460,633.01
<b>Debt Service Reserve</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 5,525,709		10/1/2017		0.85%	\$ 5,525,709	\$ 5,525,709	\$ 5,525,709	
US TREASURY NOTES	912828Q45	6,820,000	0.875	3/31/2018	11/2/2016	0.76%	6,831,189	6,807,895	6,824,128	
US TREASURY NOTES	912828RH5	4,975,000	1.375	9/30/2018	11/15/2016	1.00%	5,009,786	4,974,994	4,993,792	
US TREASURY NOTES	912828T42	6,460,000	0.750	9/30/2018	5/19/2017	1.19%	6,421,644	6,421,018	6,432,083	
										\$ 23,775,712.30
<b>CSO LTCP Appropriations Account</b>										
TD BANK BANK DEPOSIT		2,730		10/1/2017		1.07%	2,730	2,730	2,730	
										\$ 2,730.18

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Investment Performance Report – September 2017



DC Water  
Finance Division  
Portfolio Holdings by Fund

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>2015A Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 1,043,012		10/1/2017		0.85%	\$ 1,043,012	\$ 1,043,012	\$ 1,043,012	\$ 1,043,011.64
<b>2015B Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 31,429		10/1/2017		0.85%	\$ 31,429	\$ 31,429	\$ 31,429	\$ 31,429.20
<b>2016B Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 24,680,341		10/1/2017		0.85%	\$ 24,680,341	\$ 24,680,341	\$ 24,680,341	\$ 24,680,341.22
<b>2017A Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 116,510		10/1/2017		0.85%	\$ 116,510	\$ 116,510	\$ 116,510	
BNP PARIBAS NY BRANCH COMM PAPER	09659BYQ7	16,500,000	-	11/24/2017	3/1/2017	1.31%	16,340,317	16,469,789	16,467,825	
TOYOTA MOTOR CREDIT CORP COMM PAPER	89233GYQ3	1,700,000	-	11/24/2017	3/1/2017	1.36%	1,682,915	1,696,867	1,696,558	\$ 18,280,892.63
<b>2017B Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 6,724,524		10/1/2017		0.85%	\$ 6,724,524	\$ 6,724,524	\$ 6,724,524	
BANK OF TOKYO MITSUBISHI COMM PAPER	06538BZ48	1,650,000	-	12/4/2017	9/1/2017	1.30%	1,644,399	1,646,146	1,646,187	
TOYOTA MOTOR CREDIT CORP COMM PAPER	89233GZ41	3,700,000	-	12/4/2017	9/1/2017	1.21%	3,688,310	3,691,812	3,692,041	
CREDIT AGRICOLE CIB NY COMM PAPER	22533TZ58	7,000,000	-	12/5/2017	9/1/2017	1.28%	6,976,356	6,984,292	6,983,822	
US TREASURY N/B	912828H37	17,485,000	0.875	1/15/2018	3/2/2017	0.92%	17,477,487	17,503,143	17,514,956	
US TREASURY N/B	912828J68	28,870,000	1.000	3/15/2018	3/2/2017	1.02%	28,865,489	28,855,622	28,880,781	
CANADIAN IMPERIAL HOLDING COMM PAPER	13607FDD5	7,000,000	-	4/13/2018	9/14/2017	1.44%	6,941,412	6,946,114	6,946,133	
US TREASURY NOTES	912828K25	11,555,000	0.750	4/15/2018	3/2/2017	1.04%	11,517,537	11,564,326	11,576,985	
JP MORGAN SECURITIES LLC COMM PAPER	46640QEV9	7,000,000	-	5/29/2018	9/1/2017	1.56%	6,919,150	6,929,132	6,928,133	
BANK OF TOKYO MITSUBISHI UFJ LTD COMM PA	06538CEV9	5,350,000	-	5/29/2018	9/1/2017	1.56%	5,288,208	5,294,076	5,295,073	
US TREASURY NOTES	912828XF2	18,710,000	1.125	6/15/2018	3/2/2017	1.08%	18,721,694	18,751,642	18,778,564	
US TREASURY NOTES	912828XK1	12,750,000	0.875	7/15/2018	3/2/2017	1.10%	12,710,654	12,730,322	12,751,016	\$ 127,718,214.51
							<b>\$ 405,733,546.70</b>	<b>\$ 406,026,237.11</b>	<b>\$ 406,442,964.69</b>	<b>\$ 406,442,964.69</b>

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Investment Performance Report – September 2017



DC Water  
Finance Division  
Security Purchases  
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<b>Operating Reserve Accounts</b>							
912828K58	US TREASURY NOTES	2,750,000.00	1.38	4/30/2020	4/5/2017	1.53	2,753,941.37
89152UAD4	TOTAL CAPITAL SA CORP NOTES	850,000.00	4.45	6/24/2020	4/10/2017	2.07	923,629.36
912828K58	US TREASURY NOTES	1,575,000.00	1.38	4/30/2020	4/10/2017	1.55	1,576,510.56
89236TDU6	TOYOTA MOTOR CREDIT CORP	630,000.00	1.95	4/17/2020	4/17/2017	1.97	629,710.20
89236TDU6	TOYOTA MOTOR CREDIT CORP	295,000.00	1.95	4/17/2020	4/17/2017	1.94	295,088.50
30231GAG7	EXXON MOBIL CORP NOTE	925,000.00	1.91	3/6/2020	4/28/2017	1.77	931,189.89
19416QEF3	COLGATE-PALMOLIVE COMPANY CORP NOTES	925,000.00	1.75	3/15/2019	5/1/2017	1.55	930,500.15
912828XH8	US TREASURY NOTES	1,825,000.00	1.63	6/30/2020	6/16/2017	1.51	1,844,669.48
912828XH8	US TREASURY NOTES	3,650,000.00	1.63	6/30/2020	6/28/2017	1.50	3,692,445.75
64971W5W6	NYC TRANS FIN AUTH, NY TXBL REV BONDS	540,000.00	1.96	5/1/2020	6/29/2017	1.96	540,000.00
912828XM7	US TREASURY NOTES	2,700,000.00	1.63	7/31/2020	7/7/2017	1.60	2,720,716.16
064159JX5	BANK OF NOVA SCOTIA HOUSTON BKNT	925,000.00	2.15	7/14/2020	7/14/2017	2.15	924,870.50
83050FXT3	SKANDINAV ENSKILDA BANKEN NY CD	1,850,000.00	1.84	8/2/2019	8/4/2017	1.88	1,849,278.50
96121T4A3	WESTPAC BANKING CORP NY CD	900,000.00	2.05	8/3/2020	8/7/2017	2.05	900,000.00
36962G4R2	GENERAL ELECTRIC CAPITAL CORP CORP NOTE	425,000.00	4.38	9/16/2020	8/31/2017	1.84	465,312.14
3135G0T60	<b>FNMA NOTES</b>	<b>1,850,000.00</b>	<b>1.50</b>	<b>7/30/2020</b>	<b>9/1/2017</b>	<b>1.49</b>	<b>1,852,793.50</b>
912828J50	<b>US TREASURY NOTES</b>	<b>2,900,000.00</b>	<b>1.38</b>	<b>2/29/2020</b>	<b>9/1/2017</b>	<b>1.38</b>	<b>2,899,996.87</b>
3130ACE26	<b>FHLB NOTES</b>	<b>965,000.00</b>	<b>1.38</b>	<b>9/28/2020</b>	<b>9/8/2017</b>	<b>1.48</b>	<b>961,902.35</b>
191216AR1	<b>COCA-COLA CO/THE GLOBAL NOTES</b>	<b>370,000.00</b>	<b>3.15</b>	<b>11/15/2020</b>	<b>9/12/2017</b>	<b>1.78</b>	<b>389,372.28</b>
45905UP32	<b>INTL BANK OF RECONSTRUCTION AND DEV NOTE</b>	<b>925,000.00</b>	<b>1.56</b>	<b>9/12/2020</b>	<b>9/19/2017</b>	<b>1.64</b>	<b>922,780.00</b>
<b>Total Debt Service Reserve</b>							
912828T42	US TREASURY NOTES	6,460,000.00	0.750	9/30/2018	5/19/2017	1.189	6,428,130.23
<b>2017B Construction Fund</b>							
06538BZ48	BANK OF TOKYO MITSUBISHI COMM PAPER	1,650,000.00	0.000	12/4/2017	9/1/2017	1.323	1,644,399.17
22533TZ58	CREDIT AGRICOLE CIB NY COMM PAPER	7,000,000.00	0.000	12/5/2017	9/1/2017	1.302	6,976,355.56
46640QEV9	JP MORGAN SECURITIES LLC COMM PAPER	7,000,000.00	0.000	5/29/2018	9/1/2017	1.576	6,919,150.00
89233GZ41	TOYOTA MOTOR CREDIT CORP COMM PAPER	5,700,000.00	0.000	12/4/2017	9/1/2017	1.231	5,681,991.17
06538CEV9	BANK OF TOKYO MITSUBISHI UFJ LTD COMM PA	5,350,000.00	0.000	5/29/2018	9/1/2017	1.576	5,288,207.50
13607FDD5	CANADIAN IMPERIAL HOLDING COMM PAPER	7,000,000.00	0.000	4/13/2018	9/14/2017	1.459	6,941,412.33

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

## Investment Performance Report – September 2017



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

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<b>Operating Reserve Accounts</b>							
3130A8BD4	FEDERAL HOME LOAN BANKS AGCY	1,880,000.00	0.88	6/29/2018	4/5/2017	1.16	1,877,731.47
3130A8BD4	FEDERAL HOME LOAN BANKS AGCY	870,000.00	0.88	6/29/2018	4/5/2017	1.16	868,950.20
166764AA8	CHEVRON CORP (CALLABLE) GLOBAL NOTES	900,000.00	1.10	12/5/2017	4/10/2017	1.32	902,181.00
3130A8BD4	FEDERAL HOME LOAN BANKS AGCY	805,000.00	0.88	6/29/2018	4/10/2017	1.22	803,659.56
931142CJ0	WAL MART STORES INC. CORP NOTES	750,000.00	5.80	2/15/2018	4/10/2017	1.37	784,530.83
89236TCA1	TOYOTA MOTOR CREDIT CORP NOTE	590,000.00	1.45	1/12/2018	4/17/2017	1.32	592,823.97
89236TCP8	TOYOTA MOTOR CREDIT CORP	40,000.00	1.55	7/13/2018	4/17/2017	1.53	40,172.29
89236TCP8	TOYOTA MOTOR CREDIT CORP	295,000.00	1.55	7/13/2018	4/17/2017	1.54	296,214.58
30231GAL6	EXXON MOBIL CORP NOTES	925,000.00	1.31	3/6/2018	4/28/2017	1.33	926,540.13
912828A75	US TREASURY NOTES	925,000.00	1.50	12/31/2018	5/1/2017	1.25	933,467.86
459200HZ7	IBM CORP NOTES	1,825,000.00	1.13	2/6/2018	6/16/2017	1.31	1,830,315.31
3130A8PK3	FHLB NOTES	3,675,000.00	0.63	8/7/2018	6/28/2017	1.29	3,656,984.84
30231GAL6	EXXON MOBIL CORP NOTES	300,000.00	1.31	3/6/2018	6/29/2017	1.39	301,063.88
90333VPF1	US BANK NA CINCIN CD(CALLED OMD 9/11/17)	1,200,000.00	1.38	8/11/2017	7/7/2017	1.20	1,205,580.67
30231GAL6	EXXON MOBIL CORP NOTES	575,000.00	1.31	3/6/2018	7/7/2017	1.39	577,200.09
459058FE8	INTL BANK OF RECON AND DEV SN NOTES	900,000.00	0.88	7/19/2018	7/7/2017	1.40	898,819.20
064159GM2	BANK OF NOVA SCOTIA CORP NOTE (CALLABLE)	925,000.00	1.70	6/11/2018	7/14/2017	1.56	927,625.46
83050FBG5	SKANDINAVISKA ENSKILDA BANKEN NY CD	1,800,000.00	1.48	11/16/2017	8/4/2017	1.27	1,820,226.62
961214BZ5	WESTPAC BANKING CORP NOTES	475,000.00	1.60	1/12/2018	8/7/2017	1.41	475,903.03
40428AR41	HSBC BANK USA NA FLOATING CERT DEPOS	275,000.00	1.90	11/17/2017	8/7/2017	1.29	276,514.99
17275RAU6	CISCO SYSTEMS INC CORP NOTE	375,000.00	1.65	6/15/2018	8/31/2017	1.48	376,808.75
<b>3137EAED7</b>	<b>FHLMC REFERENCE NOTE</b>	<b>2,375,000.00</b>	<b>0.88</b>	<b>10/12/2018</b>	<b>9/1/2017</b>	<b>1.30</b>	<b>2,371,932.62</b>
<b>78010U4A2</b>	<b>ROYAL BANK OF CANADA CORP NOTES</b>	<b>850,000.00</b>	<b>1.40</b>	<b>10/13/2017</b>	<b>9/1/2017</b>	<b>1.36</b>	<b>854,595.67</b>
<b>40428AR41</b>	<b>HSBC BANK USA NA FLOATING CERT DEPOS</b>	<b>1,525,000.00</b>	<b>1.90</b>	<b>11/17/2017</b>	<b>9/1/2017</b>	<b>1.33</b>	<b>1,527,976.26</b>
<b>912828XM7</b>	<b>US TREASURY NOTES</b>	<b>950,000.00</b>	<b>1.63</b>	<b>7/31/2020</b>	<b>9/8/2017</b>	<b>1.37</b>	<b>958,389.95</b>
<b>17275RAU6</b>	<b>CISCO SYSTEMS INC CORP NOTE</b>	<b>390,000.00</b>	<b>1.65</b>	<b>6/15/2018</b>	<b>9/12/2017</b>	<b>1.45</b>	<b>392,147.93</b>
<b>912828XM7</b>	<b>US TREASURY NOTES</b>	<b>925,000.00</b>	<b>1.63</b>	<b>7/31/2020</b>	<b>9/19/2017</b>	<b>1.45</b>	<b>931,522.76</b>
<b>Total Debt Service Reserve</b>							
912828PA2	US TREASURY NOTES	6,257,000.00	1.88	9/30/2017	5/19/2017	1.02	6,292,259.74

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

Investment Performance Report – September 2017



DC Water  
Finance Division  
Security Sales  
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<b>2017A Construction Fund</b>							
313589GH0	FNMA DISC NOTE	8,500,000.00	-	6/1/2017	5/2/2017	0.76	8,494,687.50
89233GX27	TOYOTA MOTOR CREDIT CORP COMM PAPER	2,015,000.00	-	10/2/2017	8/8/2017	1.19	2,011,398.19
89233GYQ3	TOYOTA MOTOR CREDIT CORP COMM PAPER	2,350,000.00	-	11/24/2017	8/8/2017	1.26	2,341,258.00
89233GYQ3	TOYOTA MOTOR CREDIT CORP COMM PAPER	4,200,000.00	-	11/24/2017	8/9/2017	1.24	4,184,770.33
<b>2017B Construction Fund</b>							
313385HN9	FED HOME LN DISCOUNT NT	885,000.00	-	6/30/2017	6/6/2017	0.90	884,474.90
36164JW18	GE CAPITAL TREASURY LLC COMM PAPER	16,500,000.00	-	9/1/2017	6/6/2017	1.07	16,458,131.25
89233GW51	TOYOTA MOTOR CREDIT CORP	6,250,000.00	-	9/5/2017	6/6/2017	1.10	6,232,937.50
912796LR8	US TREASURY BILL	1,400,000.00	-	8/31/2017	6/6/2017	0.96	1,396,832.81
<b>912828XF2</b>	<b>US TREASURY NOTES</b>	<b>12,195,000.00</b>	<b>1.13</b>	<b>6/15/2018</b>	<b>9/1/2017</b>	<b>1.24</b>	<b>12,213,281.56</b>
<b>912828K25</b>	<b>US TREASURY NOTES</b>	<b>6,950,000.00</b>	<b>0.75</b>	<b>4/15/2018</b>	<b>9/14/2017</b>	<b>1.19</b>	<b>6,954,001.06</b>
<b>89233GZ41</b>	<b>TOYOTA MOTOR CREDIT CORP COMM PAPER</b>	<b>2,000,000.00</b>	<b>-</b>	<b>12/4/2017</b>	<b>9/27/2017</b>	<b>1.22</b>	<b>1,995,466.67</b>

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

Investment Performance Report – September 2017



DC Water  
Finance Division  
Security Maturities  
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<u>Total Debt Service Reserve</u>							
912828TS9	US TREASURY NOTES	5,415,000.00	0.63	9/30/2017	9/30/2017	0.00	5,415,000.00
<u>2016B Construction Fund</u>							
912796KU2	US TREASURY BILL	24,564,000.00	-	5/4/2017	5/4/2017	0.00	24,564,000.00
<u>2017A Construction Fund</u>							
313385DW3	FED HOME LN DISCOUNT NT	31,515,000.00	-	4/3/2017	4/3/2017	0.00	31,515,000.00
313589GH0	FNMA DISC NOTE	41,500,000.00	-	6/1/2017	6/1/2017	0.00	41,500,000.00
313589GH0	FNMA DISC NOTE	40,000.00	-	6/1/2017	6/1/2017	0.00	40,000.00
<u>2017B Construction Fund</u>							
912796LR8	US TREASURY BILL	11,135,000.00	-	8/31/2017	8/31/2017	0.00	11,135,000.00
06538BW17	BANK TOKYO MITSUBISHI UFJ LTD COMM PAPER	16,500,000.00	-	9/1/2017	9/1/2017	0.00	16,500,000.00
21687AW17	COOPERATIEVE RABOBANK U.A. COMM PAPER	16,500,000.00	-	9/1/2017	9/1/2017	0.00	16,500,000.00
22533TW10	CREDIT AGRICOLE CIB NY COMM PAPER	16,500,000.00	-	9/1/2017	9/1/2017	0.00	16,500,000.00
46640PW17	JP MORGAN SECURITIES LLC COMM PAPER	16,500,000.00	-	9/1/2017	9/1/2017	0.00	16,500,000.00

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
10/01/17	MATURITY	605581FX0	MS ST TXBL GO BONDS	1.090	10/01/17	120,000.00	120,000.00	654.00	120,654.00
10/01/17	INTEREST	7599112M1	REGIONAL TRANS AUTH, IL TXBL REV BONDS	1.250	05/04/18	1,800,000.00	0.00	11,250.00	11,250.00
10/02/17	INTEREST	00828EBB4	AFRICAN DEVELOPMENT BANK NOTE	1.625	10/02/18	700,000.00	0.00	5,687.50	5,687.50
10/12/17	MATURITY	RE0959594	INDUSTRIAL BANK CDARS	0.350	10/12/17	5,035,026.00	5,035,025.80	17,574.44	5,052,600.24
10/15/17	INTEREST	3137EADZ9	FREDDIE MAC NOTES	1.125	04/15/19	1,700,000.00	0.00	9,562.50	9,562.50
10/17/17	INTEREST	89236TDU6	TOYOTA MOTOR CREDIT CORP	1.950	04/17/20	295,000.00	0.00	2,876.25	2,876.25
10/17/17	INTEREST	89236TDU6	TOYOTA MOTOR CREDIT CORP	1.950	04/17/20	630,000.00	0.00	6,142.50	6,142.50
10/31/17	INTEREST	912828D23	US TREASURY NOTES	1.625	04/30/19	1,465,000.00	0.00	11,903.13	11,903.13
10/31/17	INTEREST	912828D23	US TREASURY NOTES	1.625	04/30/19	2,820,000.00	0.00	22,912.50	22,912.50
10/31/17	INTEREST	912828K58	US TREASURY NOTES	1.375	04/30/20	1,575,000.00	0.00	10,828.13	10,828.13
10/31/17	INTEREST	912828K58	US TREASURY NOTES	1.375	04/30/20	2,750,000.00	0.00	18,906.25	18,906.25



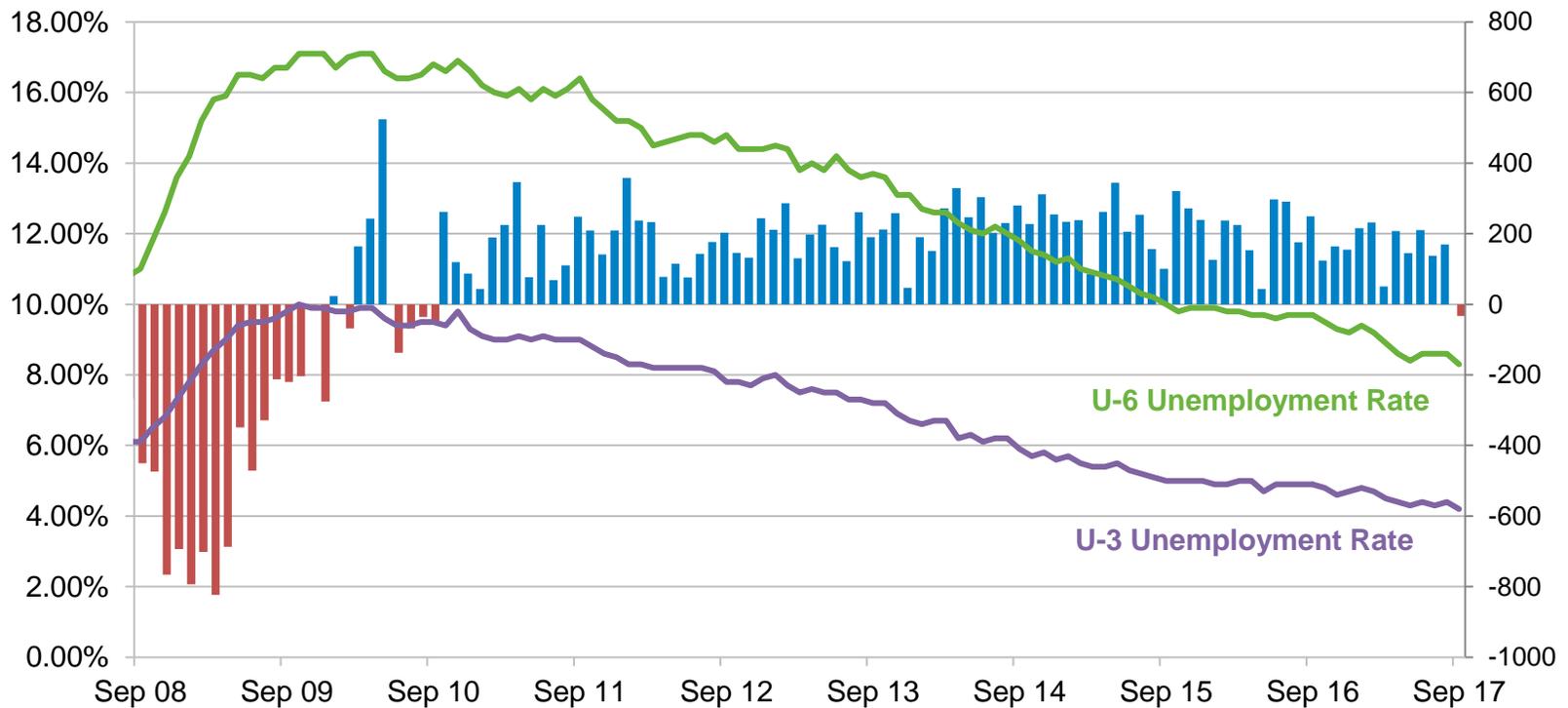
# Appendix: Economic Update



## U.S. Labor Market

- The U.S. labor market lost 33,000 jobs in September due to disruptions caused by the hurricanes impacting Florida and Texas.
- The unemployment rate fell to 4.2%.

**Unemployment vs. Non-Farm Payrolls**  
September 2008 – September 2017



Source: Bloomberg



## FOMC Statement Highlights

September

20

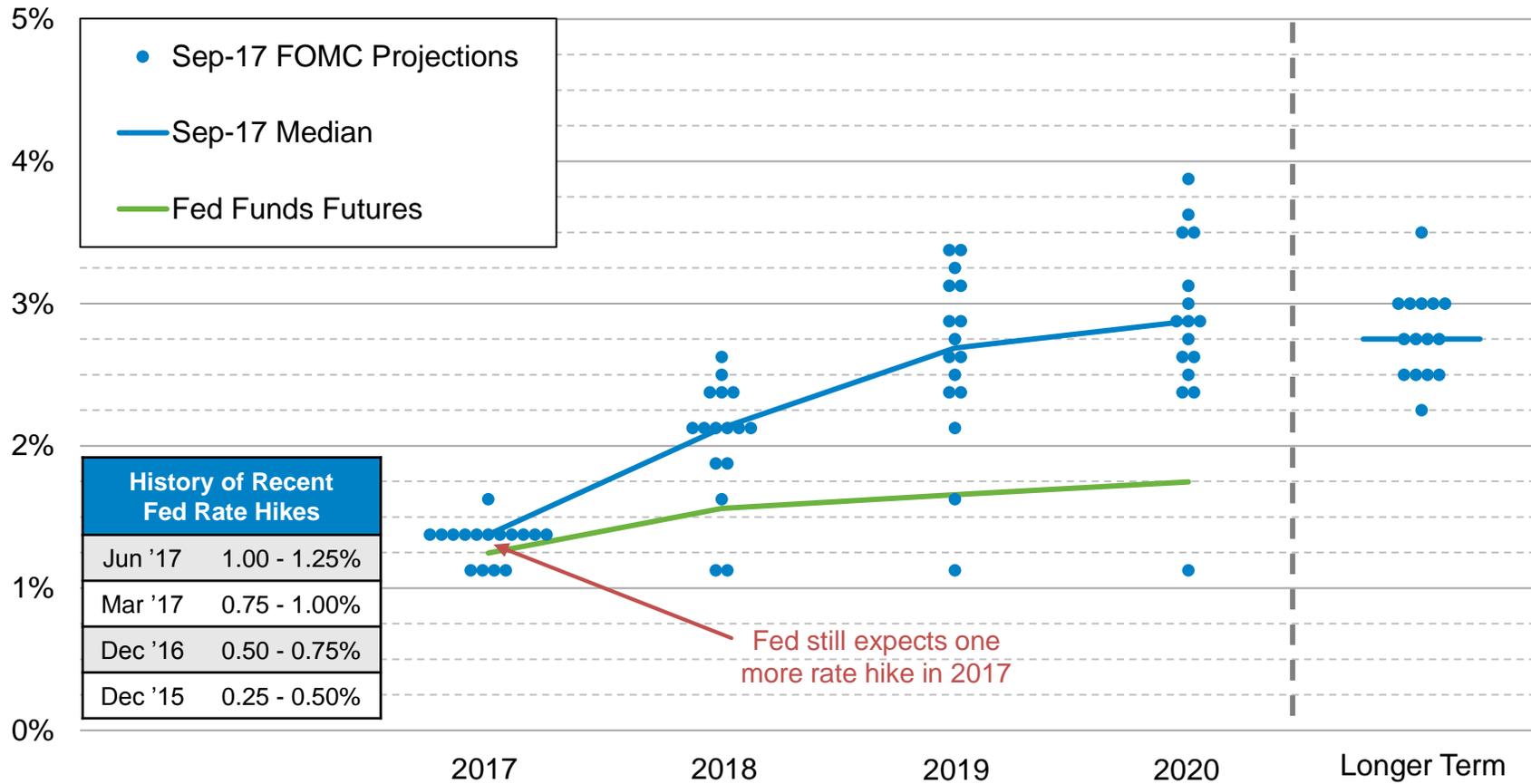
- Information received since the FOMC met in July indicates that the **labor market has continued to strengthen** and that economic activity has been rising moderately so far this year. **Job gains have remained solid in recent months**, and the **unemployment rate has stayed low**.
- **Storm-related disruptions and rebuilding will affect economic activity in the near term**, but past experience suggests that the **storms are unlikely to materially alter the course of the national economy over the medium term**.
- Higher prices for gasoline and some other items in the aftermath of the hurricanes **will likely boost inflation temporarily**; apart from that effect, **inflation on a 12-month basis is expected to remain somewhat below 2 percent in the near term** but to stabilize around the Committee's 2 percent objective over the medium term.
- The Committee decided to **maintain the target range for the federal funds rate at 1 to 1-¼ percent**. The committee expects that economic conditions will evolve in a manner that will warrant **gradual increases in the federal funds rate**.
- **In October, the Committee will initiate the balance sheet normalization program** described in the June 2017 Addendum to the Committee's Policy Normalization Principles and Plans.
- All nine voting members of the FOMC supported the monetary policy action.

*Source: Federal Reserve.*



# FOMC “Dot Plot” – September 2017

## Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy

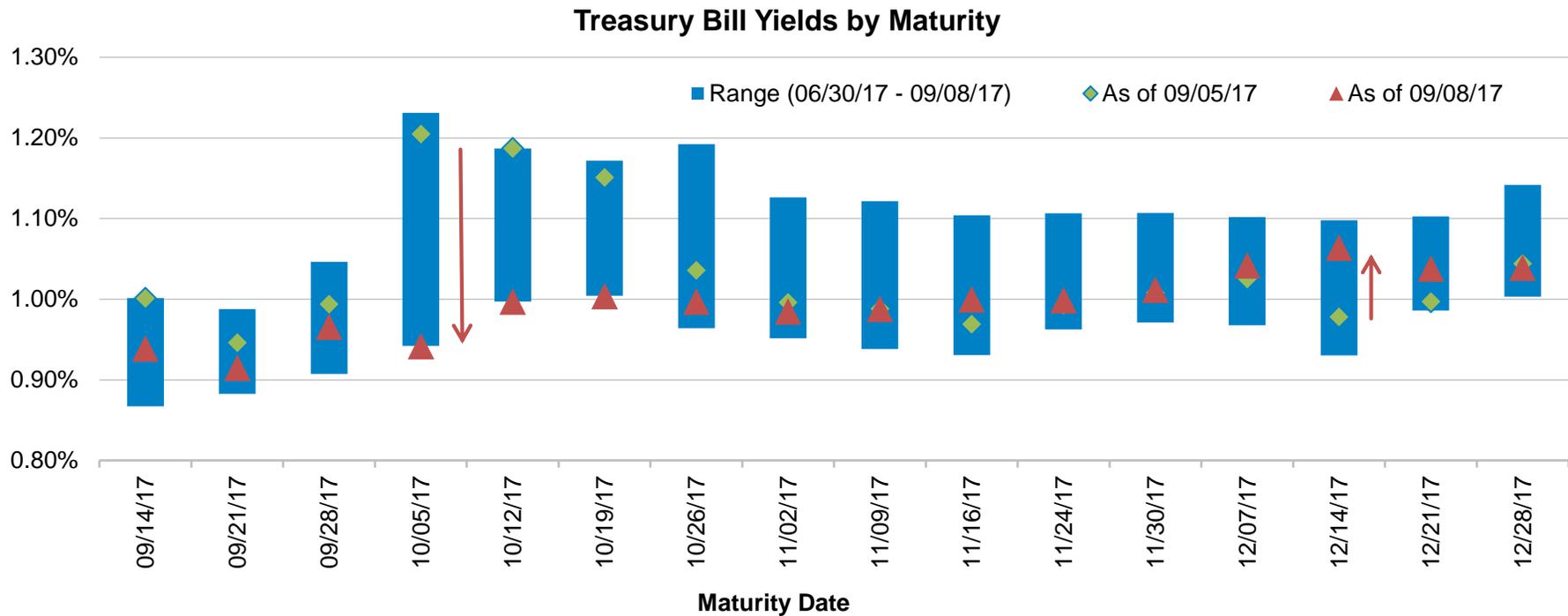


Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members’ judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 09/20/17.



## Treasury Bill Yields Shift with Timing of Debt Ceiling

- Yields on Treasury bills maturing in October have normalized now that Congress voted to extend the debt ceiling deadline to December 8.
- Lawmakers will have more time to debate further extending the deadline, or abolishing the federal debt limit altogether, a move favored by President Trump. Risks have not completely subsided however, as the debt limit will be reached again in December, at which time the Treasury will have to reinstate extraordinary measures to keep operating.

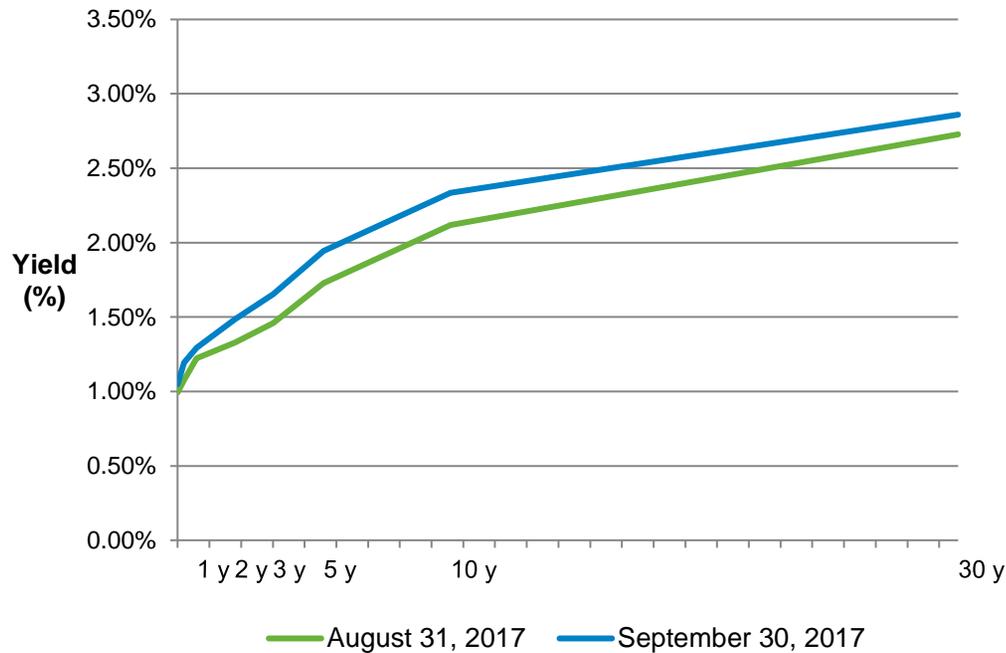


Source: Bloomberg, as of 09/08/17.



# U.S Treasury Yields

**U.S. Treasury Yield Curve**  
August 31, 2017 vs. September 30, 2017



	<b>8/31/2017</b>	<b>9/30/2017</b>	<b>Change</b>
3 month	0.99%	1.05%	0.06%
6 month	1.08%	1.19%	0.11%
1 year	1.22%	1.29%	0.07%
2 year	1.33%	1.49%	0.16%
3 year	1.46%	1.65%	0.19%
5 year	1.73%	1.94%	0.21%
10 year	2.12%	2.33%	0.21%
30 year	2.73%	2.86%	0.13%

Source: Bloomberg



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

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

**ACTION REQUESTED**

**GOODS AND SERVICES MODIFICATION/CONTRACT EXTENSION**

**BOND COUNSEL SERVICES**

**(Joint-Use)**

Approval to extend the existing contract for 12 months for bond counsel services in the amount of \$355,000.00.

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> Squire, Patton, Boggs (US) LLP 1200 19 <sup>th</sup> Street, NW, Suite 300 Washington, DC 20036	<b>SUBS:</b> Leftwich LLC 1400 K Street, NW, Suite 1000 Washington, DC 20005-3420	<b>PARTICIPATION:</b> 30%
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**DESCRIPTION AND PURPOSE**

<b>Original Contract Value:</b>	\$335,000.00
<b>Original Contract Dates:</b>	11-1-2012—10-31-2013
<b>No. of Option Years in Contract:</b>	4
<b>Modification 1 Value:</b>	\$50,000.00
<b>Modification 1 Dates:</b>	3-1-2013 – 10-31-2013
<b>Option Year 1 Value:</b>	\$340,000.00
<b>Option Year 1 Dates:</b>	11-1-2013—10-31-2014
<b>Option Year 2 Value:</b>	\$287,500.00
<b>Option Year 2 Dates:</b>	11-1-2014—10-31-2015
<b>Option Year 3 Value:</b>	\$350,000.00
<b>Option Year 3 Dates:</b>	11-1-2015—10-31-2016
<b>Option Year 4 Value:</b>	\$355,000.00
<b>Option Year 4 Dates:</b>	11-1-2016 — 10-31-2017
<b>Prior Contract Extension Value:</b>	<b>\$0.00</b>
<b>Prior Contract Extension Dates</b>	<b>11-1-2017 — 12-31-2017</b>
<b>Contract Extension Value:</b>	<b>\$355,000.00</b>
<b>Contract Extension Dates</b>	<b>1-1-2018 — 12-31-2018</b>

**Purpose of the Contract:**

This contract is to provide legal advice to the District of Columbia Water and Sewer Authority (DC Water) regarding the sale of bonds, commercial paper and other instruments of indebtedness.

**Contract Scope:**

To contract for the provision of bond counsel services for DC Water.

**Reason for the Extension:**

DC Water anticipates a new bond issuance in June 2018 and the Department of Finance, Accounting and Budget requested the current vendor to complete this June 2018 transaction. The Department of Procurement will initiate a new solicitation process for new bond counsel services in early 2018 to award a new contract by October 31, 2018.

**Spending Previous Year:**

Cumulative Contract Value:	10-15-2012 to 10-15-2017: \$1,717,500.00
Cumulative Contract Spending:	10-15-2012 to 09-30-2017: \$1,663,306.43

**Contractor's Past Performance:**

According to the COTR, the Contractor's quality of products and timeliness of deliverables, conformance to DC Water's policies, procedures and contract terms, and invoicing all meet expectations and requirements.

**PROCUREMENT INFORMATION**

<b>Contract Type:</b>	Fixed Price	<b>Award Based On:</b>	Highest Ranked Offeror
<b>Commodity:</b>	Bond Counsel Services	<b>Contract Numbers:</b>	WAS-12-052-AA-SS
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

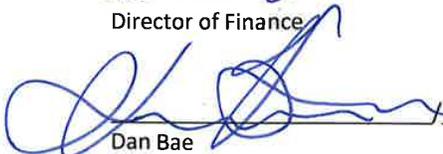
**BUDGET INFORMATION**

<b>Funding:</b>	Operating	<b>Department:</b>	Finance, Accounting & Budget
<b>Service Area:</b>	DC Water Wide	<b>Department Head:</b>	Robert Hunt

**ESTIMATED USER SHARE INFORMATION**

User	Share %	Dollar Amount
District of Columbia	83.65%	\$296,957.50
Washington Suburban Sanitary Commission	12.07%	\$42,848.50
Fairfax County	2.84%	\$10,082.00
Loudoun Water	1.25%	\$4,437.50
Other (PI)	0.19%	\$674.50
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$355,000.00</b>

  
 Robert Hunt  
 Director of Finance  
 Date: 9/22/17

  
 Dan Bae  
 Director of Procurement  
 Date: 9/21/17

  
 Matthew T. Brown  
 Chief Financial Officer  
 Date: 9/22/17

\_\_\_\_\_  
 George S. Hawkins  
 General Manager  
 Date



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

**Tuesday, November 14, 2017; 11:00 a.m.  
Blue Plains Wastewater Treatment Plant  
5000 Overlook Avenue, SW, DC**

**AGENDA**

<b>Call to Order</b>	<b>Chairman</b>
<b>October 2017 Financial Report</b>	<b>Chief Financial Officer</b>
<b>Agenda for December Committee Meeting</b>	<b>Chairman</b>
<b>Adjournment</b>	<b>Chairman</b>

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