



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Finance and Budget Committee

Tuesday, November 16, 2021

11:00 a.m.

Microsoft Teams

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Phone Conference ID: 943 196 67#

This meeting can be lived streamed at https://dcwater.com/watch-boardmeetings

- 1. Call to Order Anthony Giancola, Chairperson
2. Roll CallLinda Manley, Board Secretary
3. October 2021 Financial Report (Attachment 1)Lola Oyeyemi
4. Capital Improvement Program Quarterly Report (Attachment 2)Paul Guttridge
5. Investment Policy Discussion (Attachment 3) Ivan Boykin
6. Agenda for December Committee Meeting (Attachment 4) Anthony Giancola, Chairperson
7. Executive Session* Anthony Giancola, Chairperson
8. Adjournment Anthony Giancola, Chairperson

FOLLOW-UP ITEMS

Follow-up item from the April 22, 2021 Finance and Budget Committee meeting.

- 1. Provide a plan of action to revise the investment policy last adopted in May 2014. (Mr. Giancola) Status: See Attachment 3

Follow-up item from the September 23, 2021 Finance and Budget Committee meeting.

- 2. Provide additional/routine report on the recruitment efforts to achieve lower vacancy rates and address concerns of continued staff shortages and deterioration of KPI's (key performance indicators). (Mr. Franco) Status: Will be provided at a future Finance & Budget Committee Meeting

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 2022

Monthly Financial Report

Period Ending October 31, 2021

DEPARTMENT OF FINANCE

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

Ivan Boykin, Director, Finance

Syed Khalil, Director, Rates & Revenue

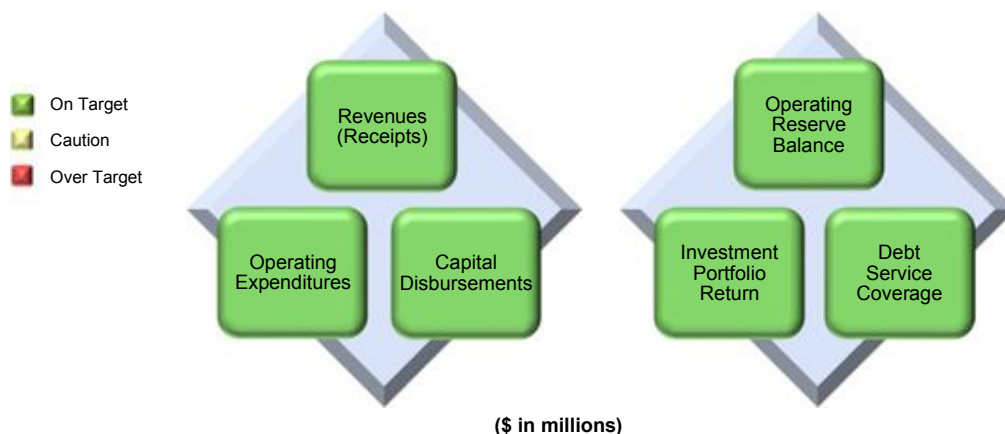
Genes Malasy, Controller

Lola Oyeyemi, Director, Budget

OCTOBER 2021

EXECUTIVE SUMMARY

The table below summarizes the first month of FY 2022 with approximately 8.3 percent of the fiscal year completed. At this early stage in the fiscal year, we are on track with budgetary expectations and targeted performance metrics.



	Budget	YTD Budget	Actual	Variance Favorable	Variance (Unfavorable)	Actual % Budget
Revenues (Receipts)	\$756.4	\$69.5	\$69.5	\$0.0	0.0%	9.2%
Expenditures	\$658.4	\$65.9	\$41.7	\$24.3	36.8%	6.3%
Capital Disbursements	\$476.1	\$31.5	\$22.4	\$9.0	28.7%	4.7%

Highlights:

- The FY 2020 Audit is currently underway
- Proposed FY 2023 budget recommendations anticipated for Board review in January 2022
- Staff from Payroll and People & Talent departments continue to work on Phase 3 & 5 of the ERP Project

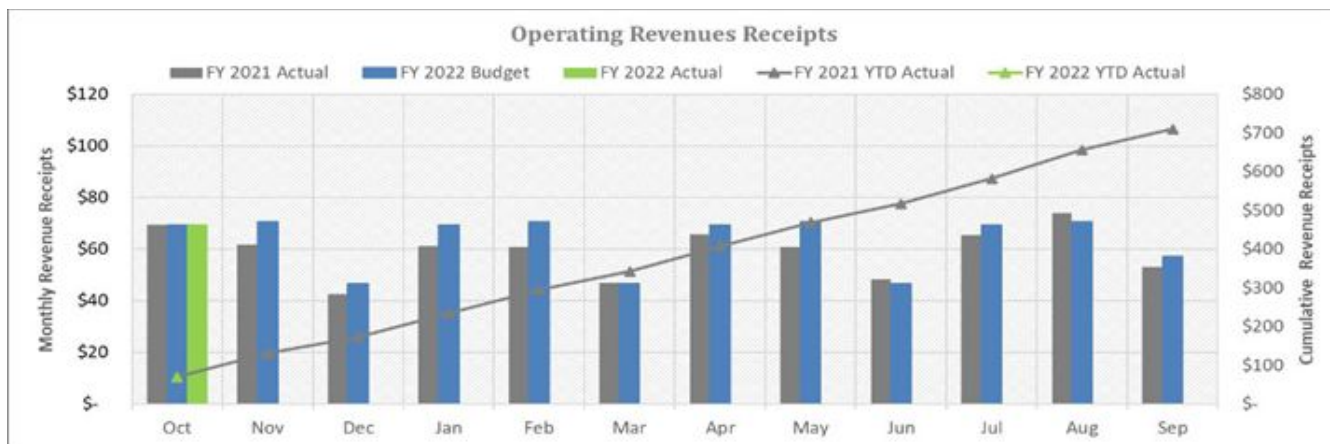
Matthew T. Brown, Executive Vice President & Chief Financial Officer

Monthly Financial Report

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

Operating Revenues (\$000's)

FY 2021		CATEGORY	FY 2022					
Actual			Year-to-Date Performance					
Total Annual	YTD October		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$396,892	\$33,492	Residential / Commercial / Multi-Family	\$422,794	\$35,233	\$36,727	8.7%	\$1,494	4.2%
76,206	19,535	Federal	81,339	20,335	18,391	22.6%	(1,944)	(9.6%)
20,933	2,162	Municipal (DC Govt.)	18,668	1,556	-	0.0%	(1,556)	(100.0%)
12,173	1,004	DC Housing Authority	12,592	1,049	1,141	9.1%	92	8.7%
14,862	1,193	Metering Fee	24,083	2,277	1,581	6.6%	(696)	(30.6%)
42,212	4,767	Water System Replacement Fee (WSRF)	39,717	4,321	4,363	11.0%	42	1.0%
82,986	-	Wholesale	84,669	-	1,927	2.3%	1,927	0.0%
21,612	2,516	PILOT/ROW	21,588	2,279	2,416	11.2%	137	6.0%
41,694	4,588	All Other	50,935	2,470	2,978	5.8%	508	20.6%
\$709,569	\$69,257	TOTAL	\$756,385	\$69,520	\$69,523	9.2%	\$4	0.0%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of October 2021, cash receipts totaled \$69.5 million, or 9.2 percent of the FY 2022 budget. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their first quarterly payment in October), and wholesale customers (scheduled to make their first quarterly payment in November 2021). Loudoun County made their first quarter payment of \$1.9 million in October earlier than the scheduled payment date of November 2021.

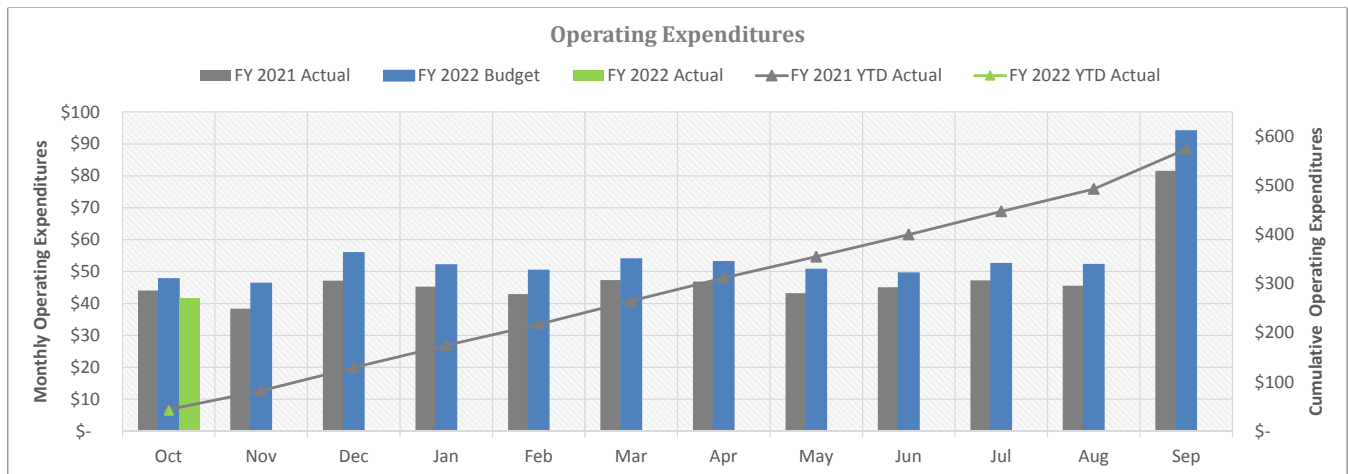
Areas of Overcollection	Areas of Undercollection
<p>Residential, Commercial and Multi-Family – Receipts for this category are slightly higher at \$36.7 million or 8.7 percent of the budget. The October 2021 receipts were slightly higher by \$1.5 million or 4.2 percent as compared to the monthly budget of \$35.2 million.</p> <p>DC Housing - Receipts are slightly higher at \$1.1 million or 9.1 percent of the budget. The October 2021 receipts are slightly higher by ninety-two thousand dollars as compared to the monthly budget of \$1.0 million.</p> <p>Wholesale – The wholesale customers actual receipts in the month of October 2021 total \$1.9 million or 2.3 percent of FY 2022 budget. Loudoun County made their first quarter payment of \$1.9 million earlier in October than the scheduled payment in November 2021. The wholesale customers are scheduled to make their first quarter payment in November 2021.</p> <p>PILOT/ROW – The receipts for PILOT/ROW are slightly higher at \$2.4 million or 11.2 percent of the budget.</p> <p>Other Revenue - Receipts are slightly higher at \$3.0 million or 5.8 percent of the budget.</p>	<p>Federal - Actual receipts through October 2021 total \$18.4 million or 22.6 percent of the budget. The Federal government made their first quarter payment in October 2021. The lower actual Federal receipt is partly due to disputed accounts of Soldiers Home.</p> <p>District Government – The District Government has not made their payment of \$2.2 million pertaining to October 2021 bill. The payment is expected to be received in November 2021.</p>

Monthly Financial Report

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

Operating Expenditures (\$000's)

FY 2021 Actual		CATEGORY	FY 2022 Year-to-Date Performance					
Total Annual	YTD October		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$	Variance %
\$167,902	\$12,692		Personnel	\$180,353	\$ 13,697	\$12,603	7.0%	\$1,094
76,991	\$5,378	Contractual Services	88,504	6,331	5,750	6.5%	581	9.2%
33,500	\$2,521	Water Purchases	35,217	2,786	2,556	7.3%	230	8.3%
34,236	\$2,207	Supplies & Chemicals	34,201	2,423	2,508	7.3%	\$ (85)	(3.5%)
27,145	\$1,826	Utilities	27,329	2,047	2,177	8.0%	\$ (130)	(6.4%)
557	31	Small Equipment	1,108	36	18	1.6%	18	49.5%
\$340,331	\$24,655	SUBTOTAL O&M	\$366,712	\$27,319	\$25,611	7.0%	\$1,708	6.3%
204,878	17,497	Debt Service	231,164	17,249	14,148	6.1%	3,101	18.0%
22,374	1,865	PILOT/ROW	22,718	1,879	1,893	8.3%	(14)	(0.8%)
30,355	0	Cash Financed Capital Improvements	37,830	19,493	0	0.0%	19,493	0.0%
\$597,938	\$44,017	TOTAL OPERATING	\$658,424	\$65,939	\$41,652	6.3%	\$24,287	36.8%
(23,401)	(988)	Capital Labor	(25,086)	(1,544)	(1,743)	6.9%	199	(12.9%)
\$574,537	\$43,029	TOTAL NET OPERATING	\$633,337	\$64,395	\$39,910	6.3%	\$24,486	38.0%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

Total operating expenditures for this period (including debt service and the Right-of-Way & PILOT fees) totaled \$41.7 million or 6.3 percent of the FY 2022 Board-approved budget of \$658.4 million.

These numbers include estimated incurred but unpaid invoices and are subject to revision in subsequent months. The FY 2021 close-out process continues, which entails finalizing a number of GAAP-related accruals.

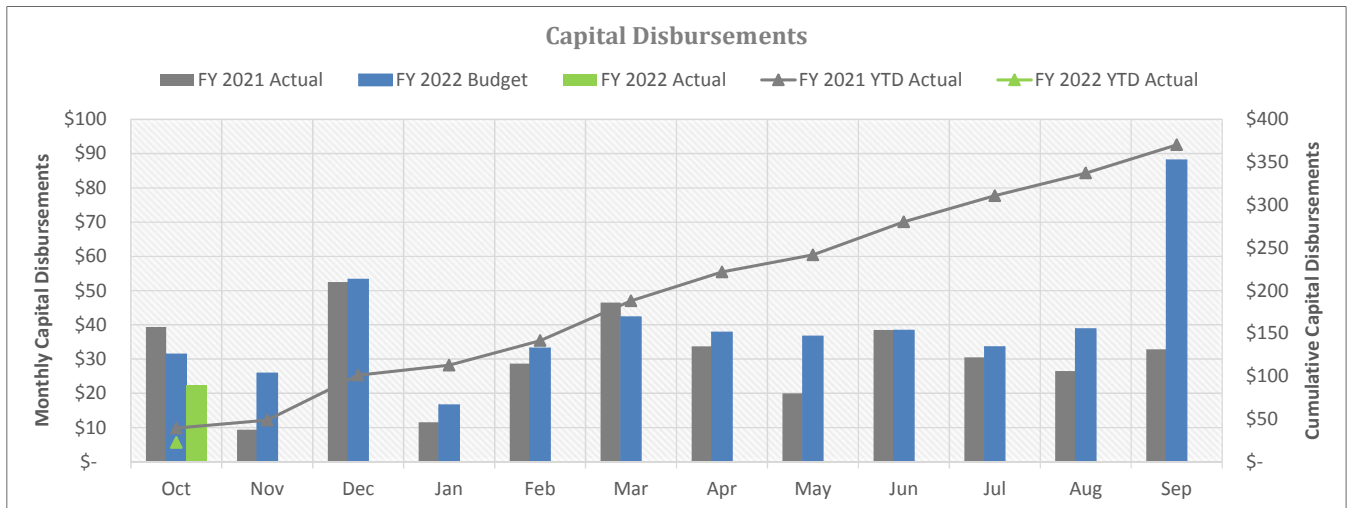
A total of 1092 positions were filled at the end of October with overall vacancy rate of 12 percent.

Monthly Financial Report

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

Capital Disbursements (\$'000's)

FY 2021 Actual		CATEGORY	FY 2022 Year-to-Date Performance					
Total Annual	YTD October		Annual Budget	YTD Budget	Actual	% of Budget	Variance \$	Variance % Fav(Unfav)
21,508	\$1,700	Non Process Facilities	\$12,725	\$1,251	\$394	3.1%	\$12,331	96.9%
72,007	11,871	Wastewater Treatment	63,922	5,548	2,597	4.1%	61,325	95.9%
161,517	16,616	Combined Sewer Overflow	165,276	8,256	10,887	6.6%	154,389	93.4%
1,831	15	Stormwater	9,228	219	238	2.6%	8,990	97.4%
28,204	1,231	Sanitary Sewer	75,437	5,247	3,335	4.4%	72,102	95.6%
55,880	4,153	Water	100,209	6,813	3,688	3.7%	96,521	96.3%
\$340,946	\$35,587	SUBTOTAL CAPITAL PROJECTS	\$426,797	\$27,334	\$21,139	5.0%	\$6,195	1.5%
19,585	3,796	Capital Equipment	36,019	4,118	1,288	3.6%	34,731	96.4%
9,588	0	Washington Aqueduct	13,324	0	0	0.0%	13,324	100.0%
\$29,174	\$3,796	SUBTOTAL ADD'L CAPITAL PROGRAMS	\$49,343	\$4,118	\$1,288	2.6%	\$2,830	5.7%
\$370,119	\$39,383	TOTAL	\$476,140	\$31,452	\$22,427	4.7%	\$9,025	28.7%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of October 2021, capital disbursements are \$22.4 million or 4.7 percent of the FY 2022 approved budget, which is subject to revision as part of the FY 2023 budget process.

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 November 2021.

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

Cash Investments (\$ in millions)

Cash Balances

Rate Stabilization Fund Balance	\$87.74
DC Insurance Reserve Balance	1.00

Operating Reserve Accounts	
Renewal & Replacement Balance	35.00
O & M Reserve per Indenture	55.47
Undesignated Reserve Balance	40.47
O & M Reserve per Board Policy	130.94
Excess Above O & M Reserve	63.06
Management O & M Reserve Target	194.00
Operating Reserve Accounts	206.09

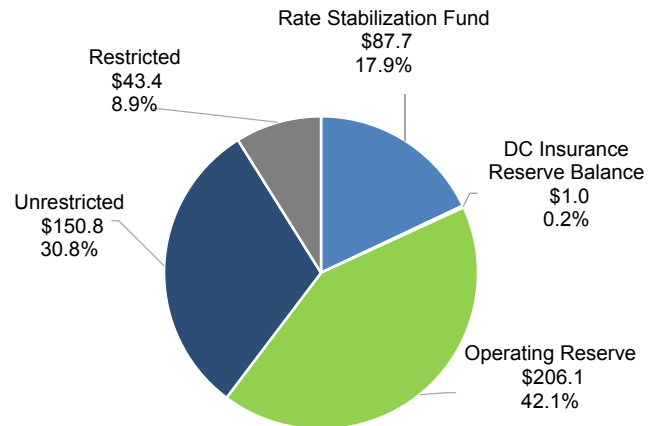
Operating Cash Balance Including RSF	294.83
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Additional Reserve Accounts	
Unrestricted	
TD Bank - Deposits (CSO)	0.00
Bond Fund - Construction 2019A	50.66
Bond Fund - Construction 2019C	100.15
Unrestricted Total	150.81

Restricted	
Debt Service Reserve - Series 1998	15.52
DC Water - CARES Residential Relief Fund	1.11
DC Water - CARES Multi-Family Relief Fund	4.23
DC Water - CARES FY2022 Targeted Assistance	5.00
DC Water - DDOT Projects	1.55
District Funds	16.03
DOEE - CRIAC Res + Emergency Res Relief	0.00
DOEE - CRIAC Non-Profit Relief	0.00
DOEE - Lead Pipe Replacement (LPRAP)	0.00
DOEE - Lead Service Line Replacement (ERW)	0.00
Restricted Total	43.43

Total All Funds	\$489.07
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Breakdown of Cash Balances



Overall Portfolio Performance

- The operating reserve balance was \$206.1 million as compared to the revised operating reserve management target level of \$194.0 million for FY 2022
- Average cash balance for the month of October was \$206.1 million; revised year-end target is \$194.0 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for October (on a cash basis) was \$160,044
- A detailed investment performance report is attached

Monthly Financial Report

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

FY 2022 Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD Cash Budget	YTD Actual Cash Oct. 1, 2021 - Oct. 31, 2021	Variance Favorable (Unfavorable)	
OPERATING BUDGET					
Cash Provided					
Retail	\$599,193	\$35,233	\$62,202	\$26,969	77%
Wholesale	84,669	\$	1,927	1,927	0%
Other	72,438	\$4,749	5,418	669	14%
Total Cash Provided	756,300	39,982	69,547	29,566	74%
Operating Cash Used					
Personnel Services	155,267	12,153	10,410	1,743	14%
Contractual Services	88,504	6,331	6,765	(434)	-7%
Chemicals & Supplies	34,202	2,423	2,695	(272)	-11%
Utilities	27,329	2,047	2,545	(498)	-24%
Water Purchases	35,217	2,786	3,183	(397)	-14%
Small Equipment	1,108	36	27	9	26%
Total Operating Cash Used	341,627	25,776	25,624	152	1%
Defeasance D.S./Cash Financed Capital Construction	37,830	3,152	0	3,152	100%
Other Cash Used					
Debt Service	231,164	17,249	14,150	3,099	18%
Payment In Lieu of Taxes/Right of Way	22,718	1,893		1,893	100%
Total Other Cash Used	253,882	19,142	14,150	4,992	26%
Total Cash Used	633,339	48,070	39,774	8,296	17%
Net Cash Provided (Used) by Operating Act.	122,961	10,247	29,773	19,527	
CAPITAL BUDGET					
Cash Provided					
Debt Proceeds	228,388	19,032	20	(19,013)	-100%
Cash Financed Capital Improvements	0				0%
System Availability Fee	7,700	642		(642)	-100%
EPA Grants	31,311	2,609	1,333	(1,276)	-49%
CSO Grants					0%
Interest Income	2,623	219	4	(214)	-98%
Wholesale Capital Contributions	83,640	6,970	3,058	(3,912)	-56%
Total Cash Provided	353,662	29,472	4,415	(25,057)	-85%
Cash Used					
DC Water Capital Program	462,816	27,334	22,427	4,907	18%
Washington Aqueduct Projects	13,324	4,118		4,118	100%
Total Cash Used	476,140	31,452	22,427	9,025	29%
Net Cash/PAYGO Provided (Used) by Cap. Act.	(\$122,478)	(\$10,206)	(\$18,781)	(\$8,574)	
Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected	\$196,286		\$196,286		
Plus (Less) Operating Surplus	122,961	10,247	29,773		
Wholesale Customer Refunds from Prior Years	(3,342)	(279)	(2,058)		
Interest Earned From Bond Reserve	85	7	(24)		
Transfer to Rate Stabilization Fund					
Transfer to CAP Fund					
Transfer from CAP Fund					
Transfer from SAF					
Prior Year Federal Billing Reconciliation	488	41	122		
Project Billing Refunds					
Cash Used for Capital	(122,478)	(10,206)	(18,011)		
Balance Attributable to O&M Reserve	\$194,000		\$206,088		
OTHER CASH RESERVES					
Rate Stabilization Fund	\$87,744				
DC Insurance Reserve	1,000				
Unrestricted Reserves	150,808				
Restricted Reserves	43,434				

APPENDIX

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Monthly Financial Report

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

Operating Revenues Detail

(\$ in millions)

Revenue Category	FY 2022 Budget	YTD Budget	Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$422.8	\$35.2	\$36.7	\$1.5	4.2%	8.7%
Federal	81.3	20.3	18.4	(1.9)	-9.6%	22.6%
District Government	18.7	1.6	0.0	(1.6)	-100.0%	0.0%
DC Housing Authority	12.6	1.0	1.1	0.1	8.7%	9.1%
Customer Metering Fee	24.1	2.3	1.6	(0.7)	-30.6%	6.6%
Water System Replacement Fee (WSRF)	39.7	4.3	4.4	0.0	1.0%	11.0%
Wholesale	84.7	0.0	1.9	1.9	0.0%	2.3%
Right-of-Way Fee/PILOT	21.6	2.3	2.4	0.1	6.0%	11.2%
Subtotal (before Other Revenues)	\$705.5	\$67.0	\$66.5	(\$0.5)	-0.7%	9.4%
IMA Indirect Cost Reimb. For Capital Projects	5.1	0.4	0.1	(0.3)	-75.0%	2.0%
DC Fire Protection Fee	10.8	0.0	0.0	0.0	0.0%	0.0%
Stormwater (MS4)	1.0	0.1	0.0	(0.1)	-100.0%	0.0%
Interest	3.4	0.3	0.1	(0.2)	-66.7%	2.9%
Developer Fees (Water & Sewer)	6.0	0.5	0.9	0.4	80.0%	15.0%
System Availability Fee (SAF)	7.7	0.6	0.8	0.2	33.3%	10.4%
Others	6.4	0.5	1.1	0.6	120.0%	17.2%
Subtotal	\$40.4	\$2.5	\$3.0	\$0.5	20.6%	7.4%
Rate Stabilization Fund Transfer	\$10.5	\$0.0	\$0.0	\$0.0	0.0%	0.0%
Other Revenue Subtotal	\$50.9	\$2.5	\$3.0	\$0.5	20.6%	5.8%
Grand Total	\$756.4	\$69.5	\$69.5	\$0.0	0.0%	9.2%

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

Customer Category	Water	Sewer	Clean Rivers IAC	Metering Fee	WSRF	Total
Residential	\$2,952	\$4,656	\$2,369	\$571	\$783	\$11,330
Commercial	\$6,061	\$6,862	\$3,023	\$410	\$1,397	\$17,752
Multi-family	\$3,838	\$5,904	\$1,063	\$185	\$642	\$11,632
Federal	\$6,365	\$7,235	\$4,791	\$401	\$1,507	\$20,299
District Govt	\$0	\$0	\$0	\$0	\$0	\$0
DC Housing Authority	\$422	\$626	\$93	\$14	\$35	\$1,190
Total:	\$19,638	\$25,283	\$11,338	\$1,581	\$4,363	\$62,202

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	FY2022 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	\$23,608	\$1,967	\$2,369	\$402	20%	10%
Commercial	\$27,192	\$2,266	\$3,023	\$757	33%	11%
Multi-family	\$10,847	\$904	\$1,063	\$159	18%	10%
Federal	\$19,239	\$4,810	\$4,791	-\$19	0%	25%
District Govt	\$7,224	\$602	\$0	-\$602	-100%	0%
DC Housing Authority	\$1,070	\$89	\$93	\$4	4%	9%
Total:	\$89,180	\$10,638	\$11,338	\$700	7%	13%

Monthly Financial Report

Fiscal Year-to-Date
As of October 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
September 30, 2021	\$26.3	13,065
October 31, 2021	\$27.1	13,054

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 2020 to October 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 Oct (All Categories)				Total Delinquent					
	W & S	Impervious Only	Total No. of	Active		Inactive		Sep		Oct			
				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	9,138	2,208	11,346	1,388	6,255,705	42	\$120,176	1,453	\$6,264,150	1,430	\$6,375,881	23%	
Multi-family	8,470	351	8,821	1,164	9,996,032	19	\$106,990	1,214	\$9,574,477	1,183	\$10,103,023	37%	
Single-Family Residential	106,803	2,172	108,975	10,298	10,512,845	143	\$143,665	10,398	\$10,472,653	10,441	\$10,656,510	39%	
Total	124,411	4,731	129,142	12,850	\$26,764,583	204	\$370,831	13,065	\$26,311,281	13,054	\$27,135,414	100%	

Notes: Included in the above \$27.1 million (or 13,054 accounts) of the DC Water over 90 days delinquent accounts, \$4,235,545.32 (or 1,374 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 (13,054) as a percentage of total accounts (129,1142) is 10.1 percent.



DC Water

Investment Performance Report – October 2021





**DC Water
Finance Division
Economic Update**

ECONOMIC COMMENTARY

- U.S. gross domestic product (“GDP”) grew at a 2% annualized rate in the third quarter, down from 6.7% in the second quarter. The slowdown is in part due to the rise in the Delta variant of the coronavirus that caused many Americans to ease up on consumption, particularly services, such as traveling, dining out, and other in-person activities. Another major detractor to growth was supply-chain bottlenecks that have made it difficult for U.S. businesses to get the products and parts they need. Despite the weak third quarter GDP report, most economists expect significantly faster growth in the final three months of the year.
- U.S. retail sales for September unexpectedly increased in a broad advance, suggesting resilient demand for merchandise even as production constraints limit supply.
- U.S. job openings declined in August for the first time this year, though remained near a record high, as demand for labor wavered slightly. The number of available positions eased to 10.4 million from an upwardly revised 11.1 million in July. More people voluntarily left their jobs as the quits rate increased to a record 2.9%.
- During the meeting in early November, the Fed announced the tapering of its monthly asset purchases including \$10 billion in Treasuries and \$5 billion in mortgage-backed securities per month. If this pace remains constant at \$15 billion per month, the central bank will conclude purchases in mid-2022. Fed chair Powell stressed that the focus of the November FOMC meeting was on tapering asset purchases and not on raising interest rates at this time.
- Personal consumption expenditures (PCE), the Fed’s favorite inflation index, climbed by 4.4% in the year through September. This marks the fastest pace of increase in 30 years. Prices climbed 0.3% from August to September, which was in line with many economist expectations. Fed officials believe inflation will decrease as supply-chain channels unravel and consumer demand cools off. Core PCE increased by 0.2%, following a 0.3% gain in August. The year-over-year rate held steady at 3.6% for the fourth straight month, which is well above the Fed’s 2% target.

PORTFOLIO RECAP

- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, Mortgage-Backed Securities, Commercial Paper, Supranational Bonds, Negotiable CDs, Corporate Notes/Bonds, Municipal Bonds, FDIC Insured CDs, Bank Notes and SEC registered money market funds.
- The overall yield-to-maturity on cost of the portfolio is 0.17%.

Operating Reserve

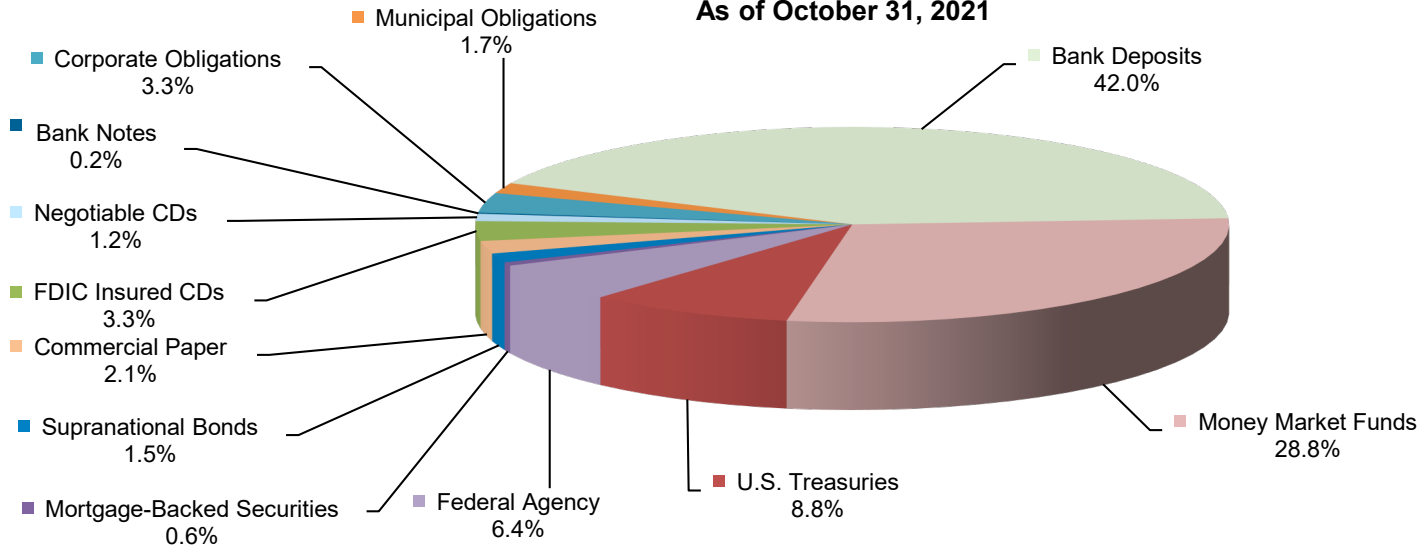
- The investment advisor (PFMAM) purchased a combined \$4.0 million in U.S. Treasury notes during the month of October.

Total Debt Service Reserve

- PFMAM also purchased \$3.8 million in U.S. Treasury notes.



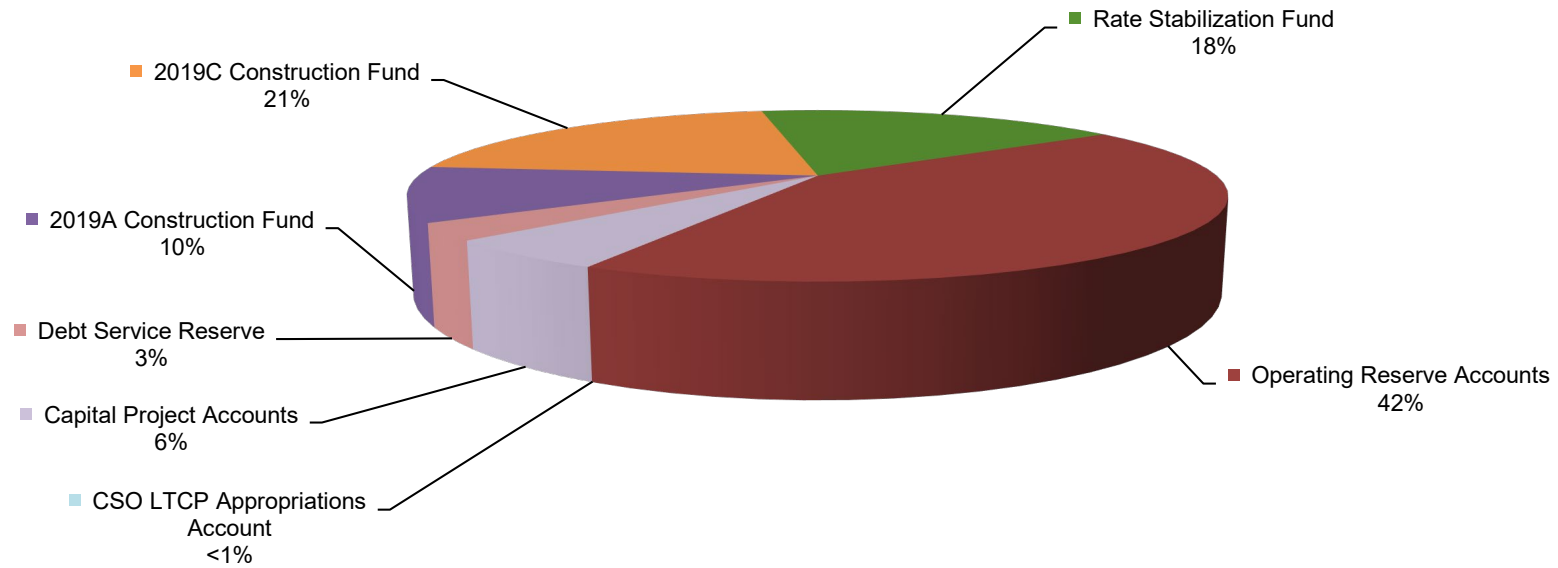
**DC Water
Finance Division
Investments - By Security Type
As of October 31, 2021**



Security Type	Book Value + Accrued Interest	Asset Allocation	Permitted By Policy
Bank Deposits	205,729,413	42.0%	100.0%
Money Market Funds	140,869,076	28.8%	100.0%
U.S. Treasuries	43,240,323	8.8%	100.0%
Federal Agency	31,543,757	6.4%	80.0%
Mortgage-Backed Securities	2,822,919	0.6%	30.0%
Supranational Bonds	7,485,842	1.5%	30.0%
Commercial Paper	10,298,036	2.1%	35.0%
FDIC Insured CDs	15,925,809	3.3%	30.0%
Negotiable CDs	5,941,041	1.2%	30.0%
Bank Notes	930,208	0.2%	40.0%
Corporate Obligations	15,992,712	3.3%	30.0%
Municipal Obligations	8,478,201	1.7%	20.0%
Total	\$ 489,257,336	100.0%	



**DC Water
Finance Division
Investment Analysis – By Fund
As of October 31, 2021**

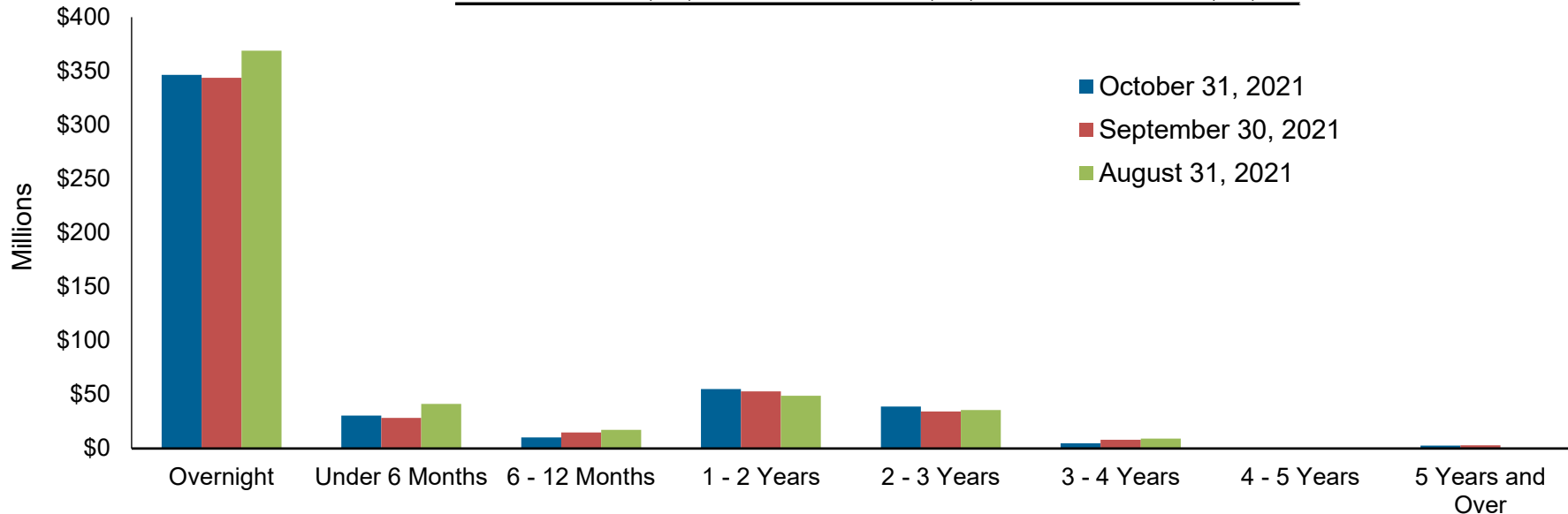


Fund Name	Book Value + Accrued Interest	Yield-to- Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Rate Stabilization Fund	\$ 87,743,912	0.00%	0.00	1.0
Operating Reserve Accounts	\$ 207,231,514	0.35%	0.92	383.2
CSO LTCP Appropriations Account	\$ 1,810	0.00%	0.00	1.0
Capital Project Accounts	\$ 27,911,549	0.00%	0.00	1.0
Debt Service Reserve	\$ 15,552,307	0.35%	1.50	552.4
2019A Construction Fund	\$ 50,659,690	0.01%	0.00	1.0
2019C Construction Fund	\$ 100,156,555	0.01%	0.01	4.6
Total	\$ 489,257,336	0.17%	0.44	181.2



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

Maturity Distribution	October 31, 2021	September 30, 2021	August 31, 2021
Overnight \$	346,598,489.46	\$343,855,363.33	\$369,027,494.76
Under 6 Months	30,467,245.63	28,277,109.85	41,463,357.95
6 - 12 Months	10,403,410.44	14,881,438.11	17,411,205.39
1 - 2 Years	55,205,917.16	52,878,709.57	48,953,966.95
2 - 3 Years	38,930,644.42	34,276,279.44	35,720,321.24
3 - 4 Years	4,828,710.47	8,204,503.34	9,152,858.17
4 - 5 Years	-	-	-
5 Years and Over	2,822,918.70	2,916,327.18	2,485,903.68
Totals \$	489,257,336 \$	485,289,731 \$	524,215,108





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

	Credit Ratings		Investment Policy Limit	Compliance with Investment Policy	
	S&P / Moody's	Book Value			
Bank Deposits					
TD Bank		205,729,413.24	42.0%	100.0%	Yes
Sub-Total Bank Deposits		205,729,413.24	42.0%	100.0%	Yes
Money Market Mutual Funds					
Wells Fargo Government MMF	AAAm	350,867.46	0.1%	50.0%	Yes
Wells Fargo 100% Treasury MMF	AAAm	140,518,208.76	28.7%	50.0%	Yes
Sub-Total Money Market Mutual Funds		140,869,076.22	28.8%	100.0%	Yes
U.S. Treasuries					
Treasury Note	AA+ / Aaa	43,240,322.60	8.8%	100.0%	Yes
Sub-Total Treasuries		43,240,322.60	8.8%	100.0%	Yes
Federal Agencies					
Fannie Mae	AA+ / Aaa	13,286,433.59	2.7%	40.0%	Yes
Federal Home Loan Bank	AA+ / Aaa	1,327,688.95	0.3%	40.0%	Yes
Freddie Mac	AA+ / Aaa	16,929,634.27	3.5%	40.0%	Yes
Sub-Total Federal Agencies		31,543,756.81	6.4%	80.0%	Yes
Mortgage-Backed Securities					
Fannie Mae	AA+ / Aaa	1,958,397.89	0.4%	5.0%	Yes
Freddie Mac	AA+ / Aaa	864,520.81	0.2%	5.0%	Yes
Sub-Total Mortgage-Backed Securities		2,822,918.70	0.6%	30.0%	Yes
Supranational Bonds					
African Development Bank	AAA / Aaa	799,940.63	0.2%	5.0%	Yes
Asian Development Bank	AAA / Aaa	2,916,632.83	0.6%	5.0%	Yes
Inter-American Development Bank	AAA / Aaa	1,995,737.36	0.4%	5.0%	Yes
International Bank for Reconstruction and Development	AAA / Aaa	1,773,531.33	0.4%	5.0%	Yes
Sub-Total Supranational Bonds		7,485,842.15	1.5%	30.0%	Yes
Commercial Paper					
ASB Bank Ltd (Commonwealth Bank of Australia)	A-1+ / P-1	2,999,425.00	0.6%	5.0%	Yes
Mizuho Bank Ltd	A-1 / P-1	799,919.11	0.2%	5.0%	Yes
Santander UK PLC	A-1 / P-1	2,999,650.00	0.6%	5.0%	Yes
Skandinav Enskilda Bank	A-1 / P-1	499,904.17	0.1%	5.0%	Yes
Societe Generale	A-1 / P-1	2,999,137.50	0.6%	5.0%	Yes
Sub-Total Commercial Paper		10,298,035.78	2.1%	35.0%	Yes

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**DC Water
Finance Division
Investments – Issuer Allocation (Continued)**

	Credit Ratings		Book Value	Investment Policy Limit	Compliance with Investment Policy	
	S&P / Moody's					
FDIC Insured Certificates of Deposit						
CDARS - Placed by Industrial Bank	NR		15,925,808.61	3.3%	5.0%	Yes
Sub-Total FDIC-Insured Certificates of Deposit			15,925,808.61	3.3%	30.0%	Yes
Negotiable Certificates of Deposit						
Barclays Bank PLC NY	A-1 / P-1		2,029,273.88	0.4%	5.0%	Yes
Nordea Bank AB NY	A-1+ / P-1		1,454,992.43	0.3%	5.0%	Yes
Skandinaviska Enskilda Bank	A-1 / P-1		1,455,019.42	0.3%	5.0%	Yes
UBS AG Stamford CT	A-1 / P-1		1,001,755.00	0.2%	5.0%	Yes
Sub-Total Negotiable Certificates of Deposit			5,941,040.73	1.2%	30.0%	Yes
Corporate Obligations						
Amazon	AA / A1		1,406,251.91	0.3%	5.0%	Yes
Apple	AA+ / Aa1		320,691.37	0.1%	5.0%	Yes
Bank of America	A- / A2		747,212.76	0.2%	5.0%	Yes
Bank of Montreal	A- / A2		890,445.01	0.2%	5.0%	Yes
Bank of New York Mellon	A / A1		812,804.58	0.2%	5.0%	Yes
Bank of Nova Scotia Houston	A- / A2		1,092,948.30	0.2%	5.0%	Yes
Berkshire Hathaway Inc.	AA / Aa2		511,701.28	0.1%	5.0%	Yes
Canadian Imperial Bank NY	BBB+ / A2		1,001,542.75	0.2%	5.0%	Yes
Chevron	AA- / Aa2		492,266.39	0.1%	5.0%	Yes
JP Morgan	A- / A2		1,277,355.96	0.3%	5.0%	Yes
Microsoft Corp	AAA / Aaa		503,686.69	0.1%	5.0%	Yes
Nestle Holdings Inc	AA- / Aa3		1,090,862.37	0.2%	5.0%	Yes
Nordea Bank AB	AA- / Aa3		375,983.75	0.1%	5.0%	Yes
Royal Bank of Canada NY	A / A2		1,190,796.73	0.2%	5.0%	Yes
Skandinaviska Enskilda	NR / NR		439,818.52	0.1%	5.0%	Yes
Svenska Handelsbanken AB	AA- / Aa2		425,624.48	0.1%	5.0%	Yes
Swedbank AB	A+ / Aa3		500,274.01	0.1%	5.0%	Yes
Toronto Dominion Bank NY	A / A1		1,503,725.18	0.3%	5.0%	Yes
UBS AG London	A+ / Aa3		910,829.44	0.2%	5.0%	Yes
US Bank Cincinnati	AA- / A1		497,890.17	0.1%	5.0%	Yes
Sub-Total Corporate Obligations			15,992,711.65	3.3%	30.0%	Yes

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**DC Water
Finance Division
Investments – Issuer Allocation (Continued)**

	Credit Ratings		Book Value	Investment Policy Limit	Compliance with Investment Policy	
	S&P / Moody's					
Bank Notes						
Citibank	A+ / Aa3		450,703.71	0.1%	5.0%	Yes
US Bank Cincinnati	AA- / A1		479,504.63	0.1%	5.0%	Yes
Sub-Total Bank Notes			930,208.34	0.2%	30.0%	Yes
Municipal Obligations						
Avondale School District, Michigan	NR / Aa1		937,557.50	0.2%	5.0%	Yes
Florida State Board of Administration	AA / Aa3		246,027.37	0.1%	5.0%	Yes
Honolulu, Hawaii	NR / Aa1		391,695.53	0.1%	5.0%	Yes
Louisiana State	AA- / Aa3		481,300.00	0.1%	5.0%	Yes
Maryland State	AAA / Aaa		500,512.50	0.1%	5.0%	Yes
Mississippi State	AA / Aa2		375,791.25	0.1%	5.0%	Yes
New York City, New York	AA / Aa2		806,487.21	0.2%	5.0%	Yes
New York State Urban Development	AA+ / NR		2,508,405.95	0.5%	5.0%	Yes
NYC Transitional Finance Authority	AAA / Aa1		936,655.00	0.2%	5.0%	Yes
Oaklahoma State Turnpike Authority	AA- / Aa3		355,951.40	0.1%	5.0%	Yes
Prince George County	AAA / Aaa		500,385.25	0.1%	5.0%	Yes
San Jose, California	AA+ / Aa1		437,432.49	0.1%	5.0%	Yes
Sub-Total Municipal Obligations			8,478,201.45	1.7%	20.0%	Yes
Grand Total			\$ 489,257,336.28	100.0%		

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**DC Water
Finance Division
Book Value Performance
As of October 31, 2021**

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

	Trailing 1 Month		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months	Trailing 24 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized		
Rate Stabilization Fund	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.11%	0.51%
Operating Reserve Accounts	0.10%	1.14%	0.30%	1.21%	0.68%	1.36%	1.76%	2.33%
Debt Service Reserve	0.02%	0.29%	0.08%	0.30%	0.15%	0.30%	0.30%	1.55%
2019A Construction Fund	0.001%	0.01%	0.00%	0.01%	0.01%	0.01%	0.04%	n/a
2019C Construction Fund	0.00%	0.03%	0.01%	0.05%	0.05%	0.09%	0.12%	n/a
Short Term Consolidated Composite	0.01%	0.06%	0.02%	0.07%	0.04%	0.08%	0.10%	0.51%
ICE BoAML 3-Month Treasury Index (Book Value) ¹	0.00%	0.06%	0.01%	0.05%	0.02%	0.04%	0.05%	0.32%
Core (1+Years) Consolidated Composite	0.05%	0.56%	0.16%	0.62%	0.35%	0.69%	0.89%	1.52%
ICE BoAML 1-3 Year Treasury Index (Book Value) ²	0.04%	0.47%	0.08%	0.32%	0.13%	0.26%	0.21%	0.41%

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



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

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Rate Stabilization Fund										
TD BANK BANK DEPOSIT		\$ 87,743,912		11/1/2021		0.00%	\$ 87,743,912	\$ 87,743,912	\$ 87,743,912	\$ 87,743,912.00
Operating Reserve Accounts										
TD BANK BANK DEPOSIT		\$ 89,072,143		11/1/2021		0.00%	\$ 89,072,143	\$ 89,072,143	\$ 89,072,143	
DC RESERVES TD BANK DEPOSIT		1,000,000		11/1/2021		0.00%	1,000,000	1,000,000	1,000,000	
WELLS FARGO GOVERNMENT MMF		350,867		11/1/2021		0.01%	350,867	350,867	350,867	
INDUSTRIAL BANK CDARS		5,279,271	0.100	11/4/2021	5/6/2021	0.10%	5,279,271	5,281,861	5,281,861	
INDUSTRIAL BANK CDARS		2,705,463	0.100	1/13/2022	1/14/2021	0.10%	2,705,463	2,707,621	2,707,621	
INDUSTRIAL BANK CDARS		2,748,428	0.100	1/13/2022	1/14/2021	0.10%	2,748,428	2,750,620	2,750,620	
BARCLAYS BANK PLC NY CERT DEPOS	06742TWL6	2,025,000	0.290	2/4/2022	2/12/2021	0.29%	2,025,000	2,029,547	2,029,547	
NY ST DORM AUTH PITS TXBL REV BONDS	64990FRJ5	450,000	1.935	2/15/2022	1/3/2020	1.93%	450,000	454,255	451,838	
UBS AG STAMFORD CT CERT DEPOS	90275DNS5	1,000,000	0.270	3/11/2022	3/15/2021	0.27%	1,000,000	1,001,864	1,001,755	
NY ST DORM AUTH PITS TXBL REV BONDS	64990FYV0	760,000	0.550	3/15/2022	10/15/2020	0.55%	760,000	761,727	760,534	
INDUSTRIAL BANK CDARS		5,182,767	0.100	4/7/2022	4/8/2021	0.10%	5,182,767	5,185,707	5,185,707	
AVONDALE SCH DIST, MI TXBL GO BONDS	054375VQ0	460,000	1.600	5/1/2022	2/25/2020	1.60%	460,000	466,753	463,680	
HONOLULU, HI TXBL GO BONDS	438687KR5	390,000	1.739	8/1/2022	8/21/2019	1.74%	390,000	396,454	391,696	
SKANDINAV ENSKILDA BANK LT CD	83050PDR7	1,450,000	1.860	8/26/2022	9/3/2019	1.85%	1,450,000	1,473,749	1,455,019	
NORDEA BANK ABP NEW YORK CERT DEPOS	65558TL7	1,450,000	1.850	8/26/2022	8/29/2019	1.84%	1,450,000	1,473,603	1,454,992	
US TREASURY NOTES	912828ZS8	225,000	1.625	8/31/2022	10/4/2019	1.34%	226,846	228,404	226,153	
SAN JOSE, CA TXBL GO BONDS	798135H44	435,000	2.300	9/1/2022	7/25/2019	2.08%	437,854	444,215	437,432	
PRINCE GEORGES CNTY, MD TXBL GO BONDS	7417017E0	500,000	0.603	9/15/2022	6/16/2020	0.60%	500,000	502,000	500,385	
NYC, NY TXBL GO BONDS	64966QEE6	385,000	1.690	10/1/2022	10/22/2019	1.69%	385,000	390,759	385,542	
US TREASURY NOTES	912828YK0	625,000	1.375	10/15/2022	11/4/2019	1.55%	621,826	632,726	624,375	
US TREASURY NOTES	912828YK0	3,175,000	1.375	10/15/2022	12/4/2019	1.63%	3,152,676	3,214,246	3,169,612	
BANK OF MONTREAL CORP NOTES	06367WRC9	500,000	2.050	11/1/2022	10/21/2019	2.09%	499,415	513,427	504,932	
NYC, NY TXBL GO BONDS	64966QLD0	420,000	0.450	11/1/2022	9/9/2020	0.45%	420,000	421,676	420,945	
NYC TRANS FIN AUTH, NY TXBL REV BONDS	64971XHY7	925,000	2.520	11/1/2022	4/12/2019	2.52%	925,000	957,616	936,655	
TORONTO-DOMINION BANK	89114QC08	500,000	1.900	12/1/2022	10/10/2019	1.94%	499,445	511,574	503,767	
US TREASURY NOTES	912828Z29	1,700,000	1.500	1/15/2023	2/5/2020	1.33%	1,708,367	1,733,319	1,710,978	
BANK OF NOVA SCOTIA	064159QD1	410,000	2.375	1/18/2023	7/18/2019	2.39%	409,807	421,889	412,719	
BANK OF NY MELLON CORP NOTES (CALLABLE)	06406RAM9	325,000	1.850	1/27/2023	1/28/2020	1.87%	324,773	331,596	326,476	
US TREASURY NOTES	912828P38	1,325,000	1.750	1/31/2023	1/6/2020	1.61%	1,330,383	1,355,497	1,333,050	
US TREASURY NOTES	91282CBG5	3,000,000	0.125	1/31/2023	2/3/2021	0.11%	3,000,703	2,995,791	3,001,389	
US TREASURY NOTES	912828Z86	625,000	1.375	2/15/2023	3/4/2020	0.78%	635,864	635,708	631,568	
FEDERAL HOME LOAN BANKS NOTES	3130AJ7E3	1,325,000	1.375	2/17/2023	2/21/2020	1.44%	1,322,562	1,347,424	1,327,689	
BERKSHIRE HATHAWAY FIN (CALLABLE) NOTES	084670BR8	500,000	2.750	3/15/2023	3/9/2020	1.16%	523,550	515,084	511,701	
NY ST URBAN DEV CORP TXBL REV BONDS	650036AR7	375,000	0.720	3/15/2023	6/25/2020	0.72%	375,000	376,793	375,345	
NY ST URBAN DEV CORP TXBL REV BONDS	650036DR4	225,000	0.480	3/15/2023	12/23/2020	0.48%	225,000	225,325	225,138	
AFRICAN DEVELOPMENT BANK SUPRANATL	008281BC0	800,000	0.750	4/3/2023	4/3/2020	0.80%	798,888	804,618	799,941	
INTL BK OF RECON AND DEV NOTE	459058JV6	715,000	0.126	4/20/2023	4/20/2021	0.23%	713,520	712,436	713,943	
FREDDIE MAC NOTES	3137EAEQ8	2,475,000	0.375	4/20/2023	4/20/2020	0.46%	2,468,813	2,476,439	2,472,260	
AVONDALE SCH DIST, MI TXBL GO BONDS	054375VR8	470,000	1.650	5/1/2023	2/25/2020	1.65%	470,000	481,647	473,878	
FREDDIE MAC NOTES	3137EAE6	1,865,000	0.375	5/5/2023	5/7/2020	0.39%	1,864,217	1,868,473	1,868,025	
FREDDIE MAC NOTES	3137EAE6	1,200,000	0.375	5/5/2023	6/4/2020	0.35%	1,200,960	1,202,235	1,202,696	
APPLE INC CORPORATE NOTES	037833DV9	320,000	0.750	5/11/2023	5/11/2020	0.84%	319,130	322,336	320,691	
FANNIE MAE NOTES	3135G04Q3	1,975,000	0.250	5/22/2023	5/22/2020	0.35%	1,969,055	1,973,407	1,974,102	
FANNIE MAE NOTES	3135G04Q3	1,125,000	0.250	5/22/2023	6/4/2020	0.36%	1,121,355	1,124,092	1,124,332	
INTER-AMERICAN DEVEL BK NOTES	4581X0DM7	505,000	0.500	5/24/2023	4/24/2020	0.51%	504,828	506,940	506,014	
UBS AG LONDON CORPORATE NOTES	902674YF1	555,000	0.375	6/1/2023	6/1/2021	0.43%	554,406	553,184	555,398	
AMAZON.COM INC CORPORATE NOTES	023135BP0	535,000	0.400	6/3/2023	6/3/2020	0.45%	534,251	535,330	535,484	
CHEVRON CORP	166764AH3	475,000	3.191	6/24/2023	2/27/2020	1.62%	499,097	497,639	492,266	

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DC Water
Finance Division
Portfolio Holdings by Fund (Continued)

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Operating Reserve Accounts										
FREDDIE MAC NOTES	3137EAES4	1,820,000	0.250	6/26/2023	6/26/2020	0.35%	1,814,686	1,816,695	1,818,658	
FANNIE MAE NOTES	3135G05G4	1,915,000	0.250	7/10/2023	7/10/2020	0.32%	1,910,883	1,910,572	1,914,160	
FANNIE MAE NOTES	3135G05G4	750,000	0.250	7/10/2023	10/8/2020	0.26%	749,730	748,266	750,413	
ASIAN DEVELOPMENT BANK NOTES	045167EV1	1,000,000	0.250	7/14/2023	7/14/2020	0.31%	998,330	997,476	999,797	
US TREASURY NOTES	912828S92	519,000	1.250	7/31/2023	5/28/2021	0.16%	531,306	528,100	530,512	
MD ST TXBL GO BONDS	574193TP3	500,000	0.410	8/1/2023	8/5/2020	0.41%	500,000	500,253	500,513	
FANNIE MAE NOTES (CALLABLE)	3135G05R0	1,525,000	0.300	8/10/2023	8/12/2020	0.36%	1,522,255	1,521,618	1,524,404	
FREDDIE MAC NOTES	3137EAEV7	1,810,000	0.250	8/24/2023	8/21/2020	0.28%	1,808,154	1,803,883	1,809,731	
US TREASURY N/B NOTES	91282CCU3	375,000	0.125	8/31/2023	9/27/2021	0.27%	373,945	372,912	374,078	
FREDDIE MAC NOTES	3137EAEW5	285,000	0.250	9/8/2023	9/4/2020	0.24%	285,052	283,881	285,137	
FREDDIE MAC NOTES	3137EAEW5	1,240,000	0.250	9/8/2023	9/4/2020	0.26%	1,239,591	1,235,132	1,240,205	
FREDDIE MAC NOTES	3137EAEW5	750,000	0.250	9/8/2023	10/8/2020	0.26%	749,760	747,056	750,124	
TORONTO-DOMINION BANK CORPORATE NOTES	89114QCJ5	500,000	0.450	9/11/2023	9/11/2020	0.50%	499,285	498,348	499,869	
US TREASURY NOTES	91282CDA6	2,000,000	0.250	9/30/2023	10/6/2021	0.28%	1,998,906	1,992,315	1,999,385	
ROYAL BANK OF CANADA CORPORATE NOTES	78015K7J7	690,000	0.500	10/26/2023	10/26/2020	0.52%	689,572	687,699	689,765	
MS ST TXBL GO BONDS	605581MY0	375,000	0.422	11/1/2023	8/6/2020	0.42%	375,000	374,951	375,791	
US TREASURY NOTES	91282CAW1	4,000,000	0.250	11/15/2023	12/3/2020	0.22%	4,003,750	3,982,744	4,007,210	
INTL BK RECON & DEVELOP NOTES	459058JM6	1,060,000	0.250	11/24/2023	11/24/2020	0.32%	1,057,721	1,055,445	1,059,588	
FREDDIE MAC NOTES	3137EAF2	1,155,000	0.250	12/4/2023	12/4/2020	0.28%	1,153,857	1,149,149	1,155,382	
BANK OF MONTREAL CORPORATE NOTES	06368EA36	385,000	0.450	12/8/2023	12/8/2020	0.47%	384,750	383,581	385,513	
CANADIAN IMPERIAL BANK CORPORATE NOTES	13607GRS5	1,000,000	0.500	12/14/2023	12/14/2020	0.52%	999,490	995,751	1,001,543	
OK ST TURNPIKE AUTH TXBL REV BONDS	679111ZR8	355,000	0.804	1/1/2024	10/29/2020	0.80%	355,000	355,618	355,951	
US TREASURY NOTES	91282CBE0	3,250,000	0.125	1/15/2024	2/3/2021	0.18%	3,244,795	3,219,211	3,247,309	
CITIBANK NA BANK NOTES	17325FAS7	425,000	3.650	1/23/2024	5/12/2020	1.31%	460,696	454,761	450,704	
US TREASURY NOTES	91282CBM2	3,000,000	0.125	2/15/2024	3/3/2021	0.27%	2,986,992	2,969,857	2,990,717	
TORONTO-DOMINION BANK CORPORATE NOTES	89114QCQ9	500,000	0.550	3/4/2024	3/4/2021	0.58%	499,555	496,007	500,089	
NY ST URBAN DEV CORP TXBL REV BONDS	650036DS2	695,000	0.620	3/15/2024	12/23/2020	0.62%	695,000	691,110	695,551	
SWEDBANK AB CORPORATE NOTES	87020PAM9	500,000	0.850	3/18/2024	3/18/2021	0.87%	499,705	499,408	500,274	
BANK OF NOVA SCOTIA CORPORATE NOTES	0641593X2	450,000	0.700	4/15/2024	4/19/2021	0.71%	449,892	447,271	450,051	
US TREASURY NOTES	912828X70	1,000,000	2.000	4/30/2024	4/5/2021	0.37%	1,049,648	1,033,493	1,040,403	
AMAZON.COM INC CORPORATE NOTES	023135BW5	870,000	0.450	5/12/2024	5/12/2021	0.50%	868,730	864,440	870,768	
NORDEA BANK AB CORPORATE NOTES	65559CAC5	375,000	0.625	5/24/2024	5/24/2021	0.63%	374,955	373,194	375,984	
LA ST TXBL GO BONDS	546417DP8	480,000	0.650	6/1/2024	10/14/2020	0.65%	480,000	480,330	481,300	
ASIAN DEVELOPMENT BANK CORPORATE NOTES	045167FE8	1,915,000	0.375	6/11/2024	6/9/2021	0.40%	1,913,851	1,900,121	1,916,835	
SVENSKA HANDELSBANKEN AB CORPORATE NOTES	86959LAG8	425,000	0.550	6/11/2024	6/11/2021	0.58%	424,673	423,132	425,624	
US TREASURY N/B NOTES	91282CCG4	2,850,000	0.250	6/15/2024	7/7/2021	0.47%	2,831,520	2,820,198	2,836,239	
US TREASURY N/B NOTES	91282CCL3	580,000	0.375	7/15/2024	8/9/2021	0.38%	579,932	575,569	580,582	
US TREASURY N/B NOTES	91282CCL3	1,025,000	0.375	7/15/2024	8/10/2021	0.41%	1,023,919	1,017,170	1,025,141	
ROYAL BANK OF CANADA CORPORATE NOTES	78016EZU4	500,000	0.650	7/29/2024	7/30/2021	0.64%	500,220	496,597	501,032	
BANK OF NOVA SCOTIA CORPORATE NOTES	0641596E1	230,000	0.650	7/31/2024	8/3/2021	0.68%	229,795	228,290	230,178	
UBS AG LONDON CORPORATE NOTES	902674YK0	355,000	0.700	8/9/2024	8/9/2021	0.71%	354,854	352,821	355,432	
US TREASURY N/B NOTES	91282CCT6	2,250,000	0.375	8/15/2024	9/3/2021	0.41%	2,247,539	2,231,046	2,249,462	
SKANDINAVISKA ENSKILDA CORPORATE NOTES	83051GAS7	440,000	0.650	9/9/2024	9/9/2021	0.70%	439,375	436,416	439,819	
NESTLE HOLDINGS INC CORP NOTES (CALLABLE)	641062AU8	1,090,000	0.606	9/14/2024	9/14/2021	0.61%	1,090,000	1,085,386	1,090,862	
US TREASURY N/B NOTES	91282CCX7	2,000,000	0.375	9/15/2024	10/6/2021	0.51%	1,991,875	1,980,974	1,993,045	
JPMORGAN CHASE & CO CORPORATE NOTES (CAL	46647PBS4	375,000	0.653	9/16/2024	9/16/2020	0.65%	375,000	374,729	375,306	
JPMORGAN CHASE & CO CORPORATE NOTES (CAL	46647PBS4	125,000	0.653	9/16/2024	9/30/2020	0.66%	124,968	124,910	125,078	
INTER-AMERICAN DEVEL BK NOTES	4581X0DZ8	1,490,000	0.500	9/23/2024	9/23/2021	0.52%	1,488,897	1,480,420	1,489,723	
US TREASURY NOTES	912828YM6	3,250,000	1.500	10/31/2024	5/6/2021	0.44%	3,368,701	3,321,228	3,352,158	
US TREASURY NOTES	912828YV6	1,050,000	1.500	11/30/2024	6/7/2021	0.42%	1,088,965	1,079,268	1,091,089	
US BANK NA CINCINNATI (CALLABLE) CORPORA	90331HPL1	475,000	2.050	1/21/2025	10/14/2020	0.70%	501,937	491,311	497,890	
US BANK NA CINCINNATI CORP NOTE (CALLABL	90331HMS9	450,000	2.800	1/27/2025	3/8/2021	0.95%	481,631	476,150	479,505	

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**DC Water
Finance Division
Portfolio Holdings by Fund (Continued)**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
Operating Reserve Accounts										
MICROSOFT CORP (CALLABLE) NOTES	594918BB9	475,000	2.700	2/12/2025	3/10/2021	0.98%	506,388	501,809	503,687	
JPMORGAN CHASE & CO CORP NOTES (CALLABLE)	46647PBY1	305,000	0.563	2/16/2025	2/16/2021	0.56%	305,000	302,054	305,358	
BANK OF AMERICA CORP CORP NOTES	06051GHR3	700,000	3.458	3/15/2025	7/26/2021	1.53%	747,635	739,379	747,213	
BANK OF NY MELLON (CALLABLE) CORP NOTES	06406RAN7	475,000	1.600	4/24/2025	3/8/2021	0.91%	488,329	481,977	486,329	
JPMORGAN CHASE & CO CORPORATE NOTES	46647PCH7	470,000	0.824	6/1/2025	6/1/2021	0.82%	470,000	466,664	471,614	
FL ST BOARD OF ADMIN TXBL REV BONDS	341271AD6	245,000	1.258	7/1/2025	9/16/2020	1.26%	245,000	246,218	246,027	
FG J20795	31306X3C5	284,436	2.500	10/1/2027	3/24/2020	2.35%	287,280	296,313	287,265	
FANNIE MAE POOL	3138MRLV1	296,855	2.500	11/1/2028	2/18/2020	2.25%	302,142	309,159	301,616	
FR ZS6941	3132A7WA5	288,944	2.000	3/1/2028	5/18/2020	1.61%	297,161	297,478	296,105	
FG J23552	31307B5M8	276,400	2.500	5/1/2028	2/18/2020	2.25%	281,669	287,873	281,151	
FN BM4614	3140J9DU2	371,880	3.000	3/1/2033	8/17/2021	2.35%	396,284	395,325	396,774	
FN FM5616	3140X9G25	451,112	3.000	12/1/2034	9/21/2021	2.49%	477,122	474,602	478,028	
FN FM0047	3140X3BR8	417,963	3.000	12/1/2034	6/17/2021	2.45%	444,412	443,678	444,719	
FN FM3770	3140X7FL8	317,455	3.000	7/1/2035	8/19/2020	2.48%	338,139	336,581	337,260	
										\$ 207,231,513.67
Debt Service Reserve										
WELLS FARGO TREASURY PLUS MMF		\$ -		11/1/2021		0.01%	\$ -	\$ -	\$ -	
US TREASURY NOTES	912828L57	1,290,000	1.750	9/30/2022	11/1/2019	1.53%	1,298,113	1,310,932	1,294,524	
US TREASURY NOTES	912828TY6	3,740,000	1.625	11/15/2022	10/7/2021	0.13%	3,801,798	3,824,760	3,826,049	
FANNIE MAE NOTES	3135G05G4	6,000,000	0.250	7/10/2023	7/10/2020	0.31%	5,990,040	5,986,127	5,999,022	
FREDDIE MAC NOTES	3137EAEW5	4,325,000	0.250	9/8/2023	9/4/2020	0.24%	4,326,341	4,308,020	4,327,417	
US TREASURY NOTES	912828D58	100,000	2.875	9/30/2023	7/30/2021	0.23%	105,723	104,784	105,296	
										\$ 15,552,307.35
CSO LTCP Appropriations Account										
TD BANK BANK DEPOSIT		\$ 1,810		11/1/2021		0.00%	\$ 1,810	\$ 1,810	\$ 1,810	
										\$ 1,810.01
Capital Project Accounts										
TD BANK - DEPOSITS (DC WATER - COVID RESIDENTIAL RELIEF FUND)		\$ 1,107,157		11/1/2021		0.00%	\$ 1,107,157	\$ 1,107,157	\$ 1,107,157	
TD BANK - DEPOSITS (DC WATER - CAP MULTI-FAMILY BLDGS)		4,225,044		11/1/2021		0.00%	4,225,044	4,225,044	4,225,044	
TD BANK - DEPOSITS (DC WATER - CAP FY2022 TARGETED ASSIST.)		5,000,000		11/1/2021		0.00%	5,000,000	5,000,000	5,000,000	
TD BANK - REPLACEMENT OF WATER MAINS AT MASS AVE		1,545,000		11/1/2021		0.00%	1,545,000	1,545,000	1,545,000	
TD BANK - DEPOSITS (DISTRICT FUNDS)		16,033,623		11/1/2021		0.00%	16,033,623	16,033,623	16,033,623	
TD BANK - DEPOSITS (DOEE - CRIAC RES + EMERGENCY RES RELIEF)		0		11/1/2021		0.00%	0	0	0	
TD BANK - DEPOSITS (DOEE - CAP3 + NON-PROFIT RELIEF)		33		11/1/2021		0.00%	33	33	33	
TD BANK - DEPOSITS (DOEE - LEAD SERVICE LINE-LRPAP)		488		11/1/2021		0.00%	488	488	488	
TD BANK - DEPOSITS (DOEE - LEAD SERVICE LINE-ERW)		204		11/1/2021		0.00%	204	204	204	
										\$ 27,911,548.71
2019A Construction Fund										
WELLS FARGO 100% TREASURY MMF		\$ 50,659,690		11/1/2021		0.01%	\$ 50,659,690	\$ 50,659,690	\$ 50,659,690	
										\$ 50,659,689.82
2019C Construction Fund										
WELLS FARGO 100% TREASURY MMF		\$ 89,858,519		11/1/2021		0.01%	\$ 89,858,519	\$ 89,858,519	\$ 89,858,519	
MIZUHO BANK LTD/NY COMM PAPER	60689FYV4	800,000	-	11/29/2021	7/19/2021	0.13%	799,616	799,930	799,919	
SANTANDER UK PLC COMM PAPER	80285PZ13	3,000,000	-	12/1/2021	7/19/2021	0.14%	2,998,425	2,999,733	2,999,650	
ASB FINANCE LTD LONDON COMM PAPER	0020P2Z17	3,000,000	-	12/1/2021	3/17/2021	0.23%	2,995,036	2,999,670	2,999,425	
SOCIETE GENERALE COMM PAPER	83368YFV4	3,000,000	-	12/16/2021	3/16/2021	0.23%	2,994,729	2,999,898	2,999,138	
SKANDINAV ENSKILDA BANK COMM PAPER	83050TZH7	500,000	-	12/17/2021	7/19/2021	0.15%	499,685	499,899	499,904	
										\$ 100,156,554.72
							\$ 489,106,715.25	\$ 489,175,211.21	\$ 489,257,336.28	\$ 489,257,336.28

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

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
Operating Reserve Accounts								
912828YM6	US TREASURY NOTES	3,250,000.00	1.50	10/31/2024	5/4/2021	5/6/2021	0.44	3,369,496.01
RE1330845	INDUSTRIAL BANK CDARS	5,279,271.17	0.10	11/4/2021	5/6/2021	5/6/2021	0.10	5,279,271.17
023135BW5	AMAZON.COM INC CORPORATE NOTES	870,000.00	0.45	5/12/2024	5/10/2021	5/12/2021	0.50	868,729.80
65559CAC5	NORDEA BANK AB CORPORATE NOTES	375,000.00	0.63	5/24/2024	5/17/2021	5/24/2021	0.63	374,955.00
46647PCH7	JPMORGAN CHASE & CO CORPORATE NOTES	470,000.00	0.82	6/1/2025	5/24/2021	6/1/2021	0.82	470,000.00
902674YF1	UBS AG LONDON CORPORATE NOTES	555,000.00	0.38	6/1/2023	5/24/2021	6/1/2021	0.43	554,406.15
912828S92	US TREASURY NOTES	519,000.00	1.25	7/31/2023	5/26/2021	5/28/2021	0.16	533,402.77
045167FE8	ASIAN DEVELOPMENT BANK CORPORATE NOTES	1,915,000.00	0.38	6/1/2024	6/2/2021	6/9/2021	0.40	1,913,851.00
912828YV6	US TREASURY NOTES	1,050,000.00	1.50	11/30/2024	6/2/2021	6/7/2021	0.42	1,089,266.07
86959LAG8	SVENSKA HANDELSBANKEN AB CORPORATE NOTES	425,000.00	0.55	6/1/2024	6/7/2021	6/1/2021	0.58	424,672.75
3140X3BR8	FN FM0047	475,801.72	3.00	12/1/2034	6/10/2021	6/17/2021	2.45	506,545.45
91282CCG4	US TREASURY N/B NOTES	2,850,000.00	0.25	6/15/2024	7/1/2021	7/7/2021	0.47	2,831,947.81
06051GHR3	BANK OF AMERICA CORP CORP NOTES	700,000.00	3.46	3/15/2025	7/22/2021	7/26/2021	1.53	756,443.29
0641596E1	BANK OF NOVA SCOTIA CORPORATE NOTES	230,000.00	0.65	7/31/2024	7/27/2021	8/3/2021	0.68	229,795.30
78016EZU4	ROYAL BANK OF CANADA CORPORATE NOTES	500,000.00	0.65	7/29/2024	7/28/2021	7/30/2021	0.64	500,229.03
3140J9DU2	FN BM4614	390,736.74	3.00	3/1/2033	8/3/2021	8/17/2021	2.35	416,899.82
902674YK0	UBS AG LONDON CORPORATE NOTES	355,000.00	0.70	8/9/2024	8/3/2021	8/9/2021	0.71	354,854.45
91282CCL3	US TREASURY N/B NOTES	580,000.00	0.38	7/15/2024	8/5/2021	8/9/2021	0.38	580,079.79
91282CCL3	US TREASURY N/B NOTES	1,025,000.00	0.38	7/15/2024	8/9/2021	8/10/2021	0.41	1,024,190.52
83051GAS7	SKANDINAVISKA ENSKILDA CORPORATE NOTES	440,000.00	0.65	9/9/2024	8/31/2021	9/9/2021	0.70	439,375.20
91282CCT6	US TREASURY N/B NOTES	2,250,000.00	0.38	8/15/2024	9/1/2021	9/3/2021	0.41	2,247,974.69
641062AU8	NESTLE HOLDINGS INC CORP NOTES (CALLABLE)	1,090,000.00	0.61	9/14/2024	9/7/2021	9/14/2021	0.61	1,090,000.00
4581X0DZ8	INTER-AMERICAN DEVEL BK NOTES	1,490,000.00	0.50	9/23/2024	9/15/2021	9/23/2021	0.52	1,488,897.40
3140X9G25	FN FM5616	469,808.15	3.00	12/1/2034	9/16/2021	9/21/2021	2.49	497,678.54
91282CCU3	US TREASURY N/B NOTES	375,000.00	0.13	8/31/2023	9/24/2021	9/27/2021	0.27	373,980.27
91282CCX7	US TREASURY N/B NOTES	2,000,000.00	0.38	9/15/2024	10/1/2021	10/6/2021	0.51	1,992,310.08
91282CDA6	US TREASURY NOTES	2,000,000.00	0.25	9/30/2023	10/1/2021	10/6/2021	0.28	1,998,988.67
Total Debt Service Reserve								
9128285D8	US TREASURY NOTES	100,000.00	2.88	9/30/2023	7/29/2021	7/30/2021	0.23	106,673.14
912828TY6	US TREASURY NOTES	3,740,000.00	1.63	11/15/2022	10/6/2021	10/7/2021	0.13	3,825,744.33
2019C Construction Fund								
60689FYV4	MIZUHO BANK LTD/NY COMM PAPER	800,000.00	0.000	11/29/2021	7/19/2021	7/19/2021	0.130	799,615.78
80285PZ13	SANTANDER UK PLC COMM PAPER	3,000,000.00	0.000	12/1/2021	7/19/2021	7/19/2021	0.140	2,998,425.00
83050TZH7	SKANDINAV ENSKILDA BANK COMM PAPER	500,000.00	0.000	12/17/2021	7/19/2021	7/19/2021	0.150	499,685.42

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

Investment Performance Report – October 2021



DC Water
Finance Division
Security Sales
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	REALIZED GAIN/LOSS	TRANSACTION AMOUNT
Operating Reserve Accounts								
3137EAEZ8	FREDDIE MAC NOTES	1,000,000.00	0.25	11/6/2023	5/4/2021	5/6/2021	640.55	999,890.00
9128285V8	US TREASURY NOTES	1,200,000.00	2.50	1/15/2022	5/4/2021	5/6/2021	20,798.52	1,229,589.51
9128285V8	US TREASURY NOTES	1,000,000.00	2.50	1/15/2022	5/4/2021	5/6/2021	16,518.84	1,024,657.94
665859AN4	NORTHERN TRUST COMPANY CORP NOTES	500,000.00	2.38	8/2/2022	5/11/2021	5/12/2021	5,122.80	516,598.61
912828V72	US TREASURY NOTES	300,000.00	1.88	1/31/2022	5/11/2021	5/12/2021	5,250.46	305,530.35
912828V72	US TREASURY NOTES	325,000.00	1.88	1/31/2022	5/18/2021	5/24/2021	5,446.76	331,015.47
09247XAJ0	BLACKROCK INC CORP NOTES	775,000.00	3.38	6/1/2022	5/25/2021	6/1/2021	24,793.26	799,536.50
46647PBB1	JPMORGAN CHASE & CO BONDS	200,000.00	3.21	4/1/2023	5/25/2021	6/1/2021	4,854.00	205,923.00
93974EHJ8	WA ST T/E GO BONDS	475,000.00	5.00	7/1/2023	5/26/2021	5/28/2021	9,653.75	533,076.67
912828V72	US TREASURY NOTES	1,850,000.00	1.88	1/31/2022	6/2/2021	6/9/2021	29,077.41	1,884,329.77
045167ET6	ASIAN DEVELOPMENT BANK NOTES	920,000.00	0.63	4/7/2022	6/3/2021	6/7/2021	4,369.04	924,978.73
09247XAJ0	BLACKROCK INC CORP NOTES	150,000.00	3.38	6/1/2022	6/3/2021	6/7/2021	4,706.38	154,741.88
912828V72	US TREASURY NOTES	425,000.00	1.88	1/31/2022	6/8/2021	6/11/2021	6,616.30	432,880.79
3137EAF2	FREDDIE MAC NOTES	500,000.00	0.25	12/4/2023	6/10/2021	6/17/2021	646.85	500,285.14
9128286C9	US TREASURY NOTES	1,775,000.00	2.50	2/15/2022	7/1/2021	7/7/2021	26,679.93	1,818,685.09
912828V72	US TREASURY NOTES	900,000.00	1.88	1/31/2022	7/1/2021	7/7/2021	12,258.90	916,529.66
9128286C9	US TREASURY NOTES	650,000.00	2.50	2/15/2022	7/22/2021	7/26/2021	9,021.26	666,113.93
9128286C9	US TREASURY NOTES	200,000.00	2.50	2/15/2022	7/27/2021	8/3/2021	2,664.77	204,959.25
9128286C9	US TREASURY NOTES	475,000.00	2.50	2/15/2022	7/28/2021	7/30/2021	6,479.20	486,795.45
9128286C9	US TREASURY NOTES	350,000.00	2.50	2/15/2022	8/4/2021	8/9/2021	4,538.17	358,700.67
73358W4V3	PORT AUTH OF NY/NJ TXBL REV BONDS	285,000.00	1.09	7/1/2023	8/5/2021	8/9/2021	4,178.10	289,504.81
73358W4V3	PORT AUTH OF NY/NJ TXBL REV BONDS	285,000.00	1.09	7/1/2023	8/5/2021	8/9/2021	3,116.43	289,504.81
9128286C9	US TREASURY NOTES	1,000,000.00	2.50	2/15/2022	8/9/2021	8/10/2021	12,769.89	1,024,732.83
9128286C9	US TREASURY NOTES	300,000.00	2.50	2/15/2022	8/17/2021	8/17/2021	3,723.37	303,708.73
64966QED8	NYC, NY TXBL GO BONDS	385,000.00	1.68	10/1/2021	9/1/2021	9/3/2021	473.55	388,204.48
9128286C9	US TREASURY NOTES	400,000.00	2.50	2/15/2022	9/1/2021	9/3/2021	4,473.21	404,922.56
9128286C9	US TREASURY NOTES	1,250,000.00	2.50	2/15/2022	9/1/2021	9/3/2021	12,625.16	1,265,382.98
9128286M7	US TREASURY NOTES	425,000.00	2.25	4/15/2022	9/1/2021	9/9/2021	5,550.90	434,452.01
9128286M7	US TREASURY NOTES	160,000.00	2.25	4/15/2022	9/1/2021	9/3/2021	2,145.37	163,555.64
313379Q69	FEDERAL HOME LOAN BANK	700,000.00	2.13	6/10/2022	9/8/2021	9/14/2021	9,345.53	714,545.03
9128286M7	US TREASURY NOTES	225,000.00	2.25	4/15/2022	9/8/2021	9/14/2021	2,869.13	230,002.85
037833DL1	APPLE INC CORPORATE NOTES	140,000.00	1.70	9/1/2022	9/9/2021	9/13/2021	2,151.28	142,156.62
313379Q69	FEDERAL HOME LOAN BANK	575,000.00	2.13	6/10/2022	9/16/2021	9/23/2021	7,402.34	586,942.67
9128282P4	US TREASURY NOTES	500,000.00	1.88	7/31/2022	9/16/2021	9/23/2021	7,623.65	509,110.06
742718EU9	PROCTER & GAMBLE CO/THE CORP NOTES	950,000.00	2.15	8/11/2022	9/21/2021	9/23/2021	16,681.16	969,093.42
9128282S8	US TREASURY NOTES	375,000.00	1.63	8/31/2022	9/21/2021	9/21/2021	4,496.73	380,846.66
931142EK5	WAL-MART STORES INC CORP NOTES	340,000.00	3.40	6/26/2023	9/23/2021	9/23/2021	2,740.02	360,490.67
9128282P4	US TREASURY NOTES	2,550,000.00	1.88	7/31/2022	10/1/2021	10/6/2021	36,712.80	2,595,958.90
92826CAG7	VISA INC (CALLABLE) NOTE	925,000.00	2.15	9/15/2022	10/4/2021	10/6/2021	19,241.62	942,014.60

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

Investment Performance Report – October 2021



DC Water
Finance Division
Security Maturities
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	TRANSACTION AMOUNT
Operating Reserve Accounts							
RE1332650	INDUSTRIAL BANK CDARS	5,276,639.11	0.10	5/6/2021		5/6/2021	5,279,270.20
Total Debt Service Reserve							
912828F21	US TREASURY NOTES	6,840,000.00	2.13	9/30/2021	9/30/2021	9/30/2021	6,912,675.00
2019A Construction Fund							
912828S27	US TREASURY NOTES	1,800,000.00	1.13	6/30/2021	6/30/2021	6/30/2021	1,810,125.00
2019C Construction Fund							
00084BUG7	ABN AMRO FUNDING USA LLC COMM PAPER	3,000,000.00	-	7/16/2021	7/16/2021	7/16/2021	3,000,000.00
09659BUK4	BNP PARIBAS NY BRANCH COMM PAPER	3,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	3,000,000.00
62479LUK9	MUFG BANK LTD/NY COMM PAPER	3,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	3,000,000.00
63873JUK4	NATIXIS NY BRANCH COMM PAPER	3,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	3,000,000.00
78009AUK8	ROYAL BANK OF CANADA COMM PAPER	5,000,000.00	-	7/19/2021	7/19/2021	7/19/2021	5,000,000.00
63307LUL3	NATIONAL BANK OF CANADA COMM PAPER	3,000,000.00	-	7/20/2021	7/20/2021	7/20/2021	3,000,000.00
912828WY2	US TREASURY NOTES	5,000,000.00	2.25	7/31/2021	7/31/2021	7/31/2021	5,056,250.00
912828F6	US TREASURY NOTES	45,550,000.00	1.13	8/31/2021	8/31/2021	8/31/2021	45,806,218.75
86960JWF8	SVENSKA HANDELSBANKEN AB COMM PAPER	3,000,000.00	-	9/15/2021	9/15/2021	9/15/2021	3,000,000.00
19424HWH9	COLLAT COMM PAPER V CO COMM PAPER	3,000,000.00	-	9/17/2021	9/17/2021	9/17/2021	3,000,000.00
53944QX13	LMA AMERICAS LLC COMM PAPER	3,000,000.00	-	10/1/2021	10/1/2021	10/1/2021	3,000,000.00

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



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

DATE	TRANSACTION	CUSIP	DESCRIPTION	COUPON	MATURITY DATE	PAR VALUE/SHARES	PRINCIPAL	INTEREST	TOTAL
11/01/21	INTEREST	64971XHY7	NYC TRANS FIN AUTH, NY TXBL REV BONDS	2.520	11/01/22	925,000	0.00	11,655.00	11,655.00
11/01/21	INTEREST	06367WRC9	BANK OF MONTREAL CORP NOTES	2.050	11/01/22	500,000	0.00	5,125.00	5,125.00
11/01/21	INTEREST	054375VQ0	AVONDALE SCH DIST, MI TXBL GO BONDS	1.600	05/01/22	460,000	0.00	3,680.00	3,680.00
11/01/21	INTEREST	054375VR8	AVONDALE SCH DIST, MI TXBL GO BONDS	1.650	05/01/23	470,000	0.00	3,877.50	3,877.50
11/01/21	INTEREST	605581MY0	MS ST TXBL GO BONDS	0.422	11/01/23	375,000	0.00	791.25	791.25
11/01/21	INTEREST	64966QLD0	NYC, NY TXBL GO BONDS	0.450	11/01/22	420,000	0.00	945.00	945.00
11/05/21	INTEREST	3137EAER6	FREDDIE MAC NOTES	0.375	05/05/23	3,065,000	0.00	5,746.88	5,746.88
11/11/21	INTEREST	037833DV9	APPLE INC CORPORATE NOTES	0.750	05/11/23	320,000	0.00	1,200.00	1,200.00
11/12/21	INTEREST	023135BW5	AMAZON.COM INC CORPORATE NOTES	0.450	05/12/24	870,000	0.00	1,957.50	1,957.50
11/15/21	INTEREST	912828TY6	US TREASURY NOTES	1.625	11/15/22	3,740,000	0.00	30,387.50	30,387.50
11/15/21	INTEREST	31307B5M8	FG J23552	2.500	05/01/28	276,400	0.00	575.83	575.83
11/15/21	INTEREST	31306X3C5	FG J20795	2.500	10/01/27	284,436	0.00	592.57	592.57
11/15/21	INTEREST	91282CAW1	US TREASURY NOTES	0.250	11/15/23	4,000,000	0.00	5,000.00	5,000.00
11/22/21	INTEREST	3135G04Q3	FANNIE MAE NOTES	0.250	05/22/23	3,100,000	0.00	3,875.00	3,875.00
11/24/21	INTEREST	4581X0DM7	INTER-AMERICAN DEVEL BK NOTES	0.500	05/24/23	505,000	0.00	1,262.50	1,262.50
11/24/21	INTEREST	459058JM6	INTL BK RECON & DEVELOP NOTES	0.250	11/24/23	1,060,000	0.00	1,325.00	1,325.00
11/24/21	INTEREST	65559CAC5	NORDEA BANK AB CORPORATE NOTES	0.625	05/24/24	375,000	0.00	1,171.88	1,171.88
11/25/21	INTEREST	3138MRLV1	FANNIE MAE POOL	2.500	01/01/28	296,855	0.00	618.45	618.45
11/25/21	INTEREST	3132A7WA5	FR ZS6941	2.000	03/01/28	288,944	0.00	481.57	481.57
11/25/21	INTEREST	3140X7FL8	FN FM3770	3.000	07/01/35	317,455	0.00	793.64	793.64
11/25/21	INTEREST	3140X3BR8	FN FM0047	3.000	12/01/34	417,963	0.00	1,044.91	1,044.91
11/25/21	INTEREST	3140J9DU2	FN BM4614	3.000	03/01/33	371,880	0.00	929.70	929.70
11/25/21	INTEREST	3140X9G25	FN FM5616	3.000	12/01/34	451,112	0.00	1,127.78	1,127.78
11/29/21	MATURITY	60689FYV4	MIZUHO BANK LTD/NY COMM PAPER	-	11/29/21	800,000	800,000.00	0.00	800,000.00
11/30/21	INTEREST	912828YV6	US TREASURY NOTES	1.500	11/30/24	1,050,000	0.00	7,875.00	7,875.00

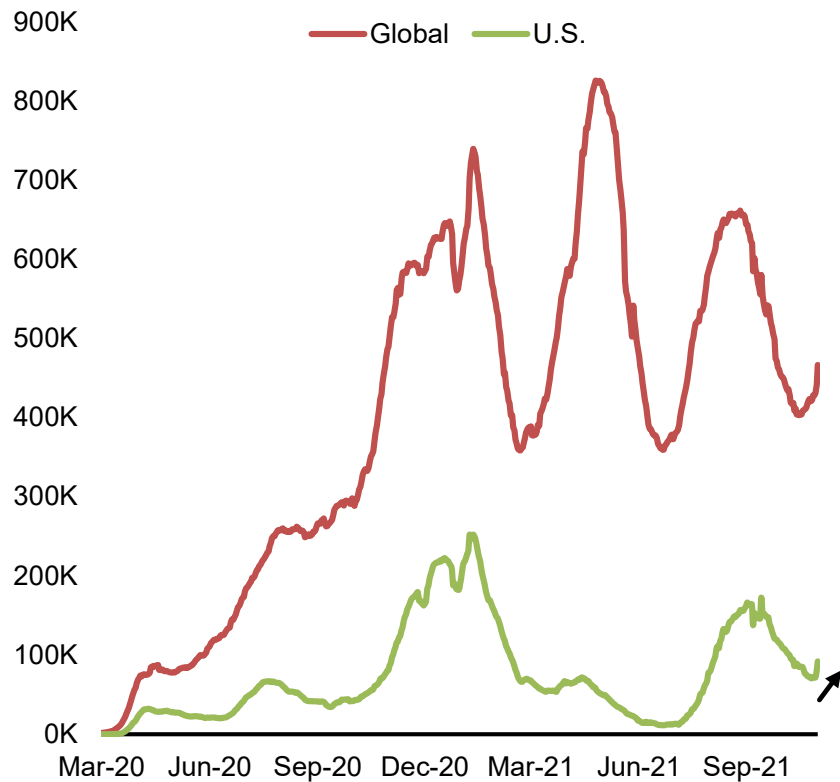


Appendix: Economic Update

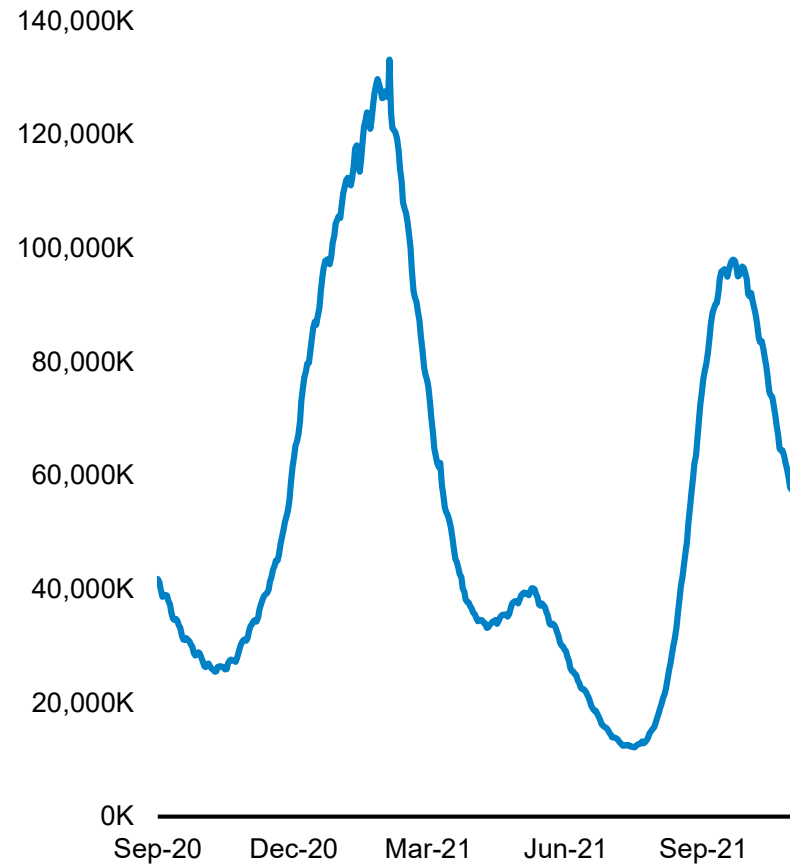


Delta Variant COVID-19 Caseload Has Likely Peaked

**U.S. New Cases Reported Daily
7-Day Moving Average**



U.S. COVID-19 patients in hospital

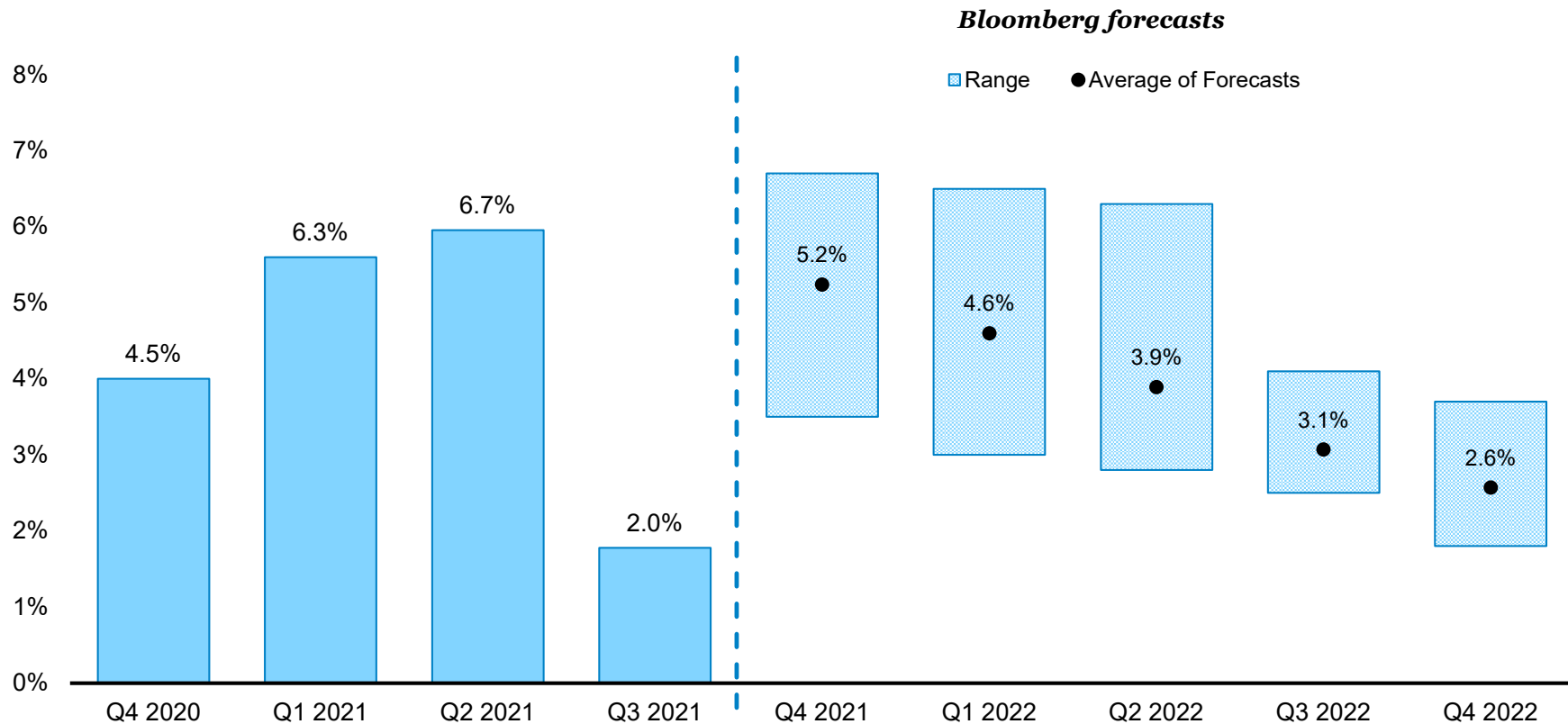


Source: John Hopkins University Coronavirus Resource Center, PFM calculations; as of 10/31/2021.

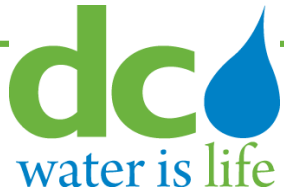


U.S. Economic Growth Slowed on Delta Surge and Supply Chain Issues

U.S. GDP Forecasts Annualized Rate

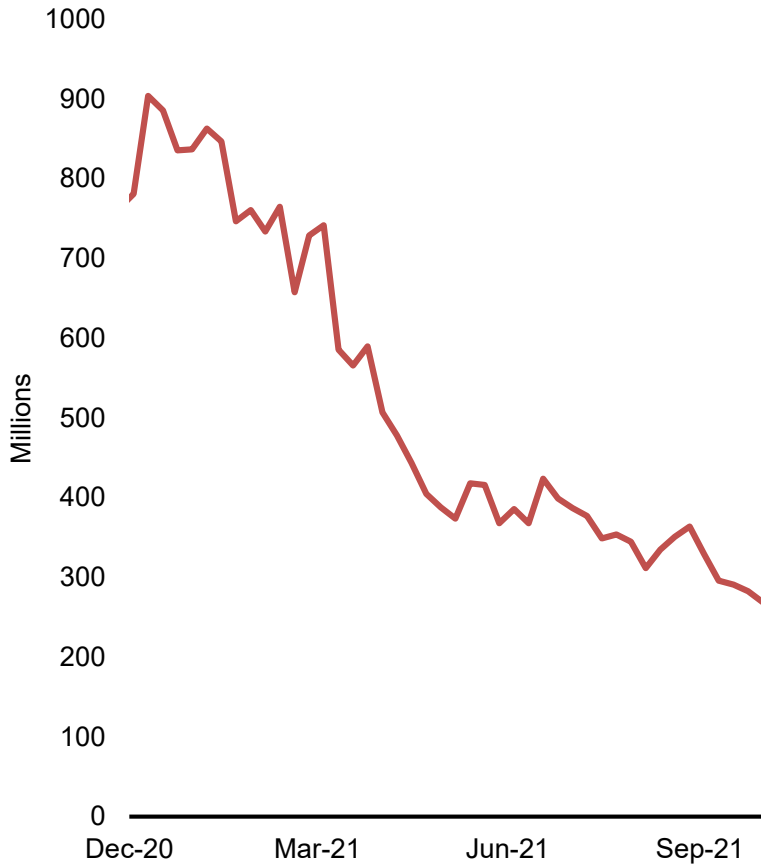


Source: Bloomberg, as of October 2021. Forecasts by Goldman Sachs Group, Deutsche Bank, ING Group, JPMorgan Chase, BMO Capital, Barclays, UBS, Morgan Stanley, and Wells Fargo.

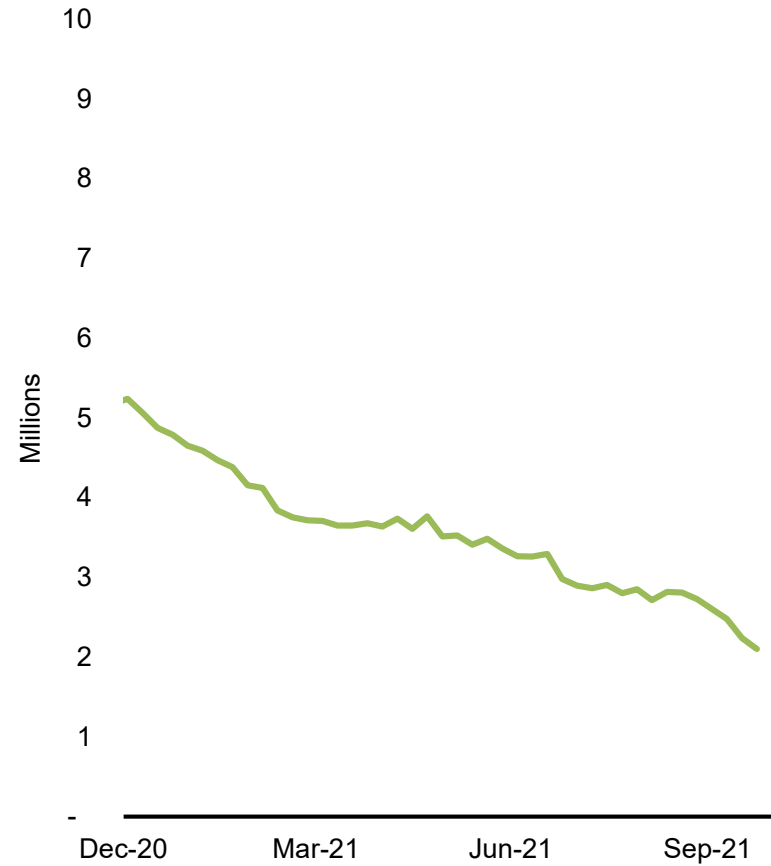


Initial Jobless Claims Dropped in October

U.S. Initial Jobless Claims



U.S. Continuing Jobless Claims

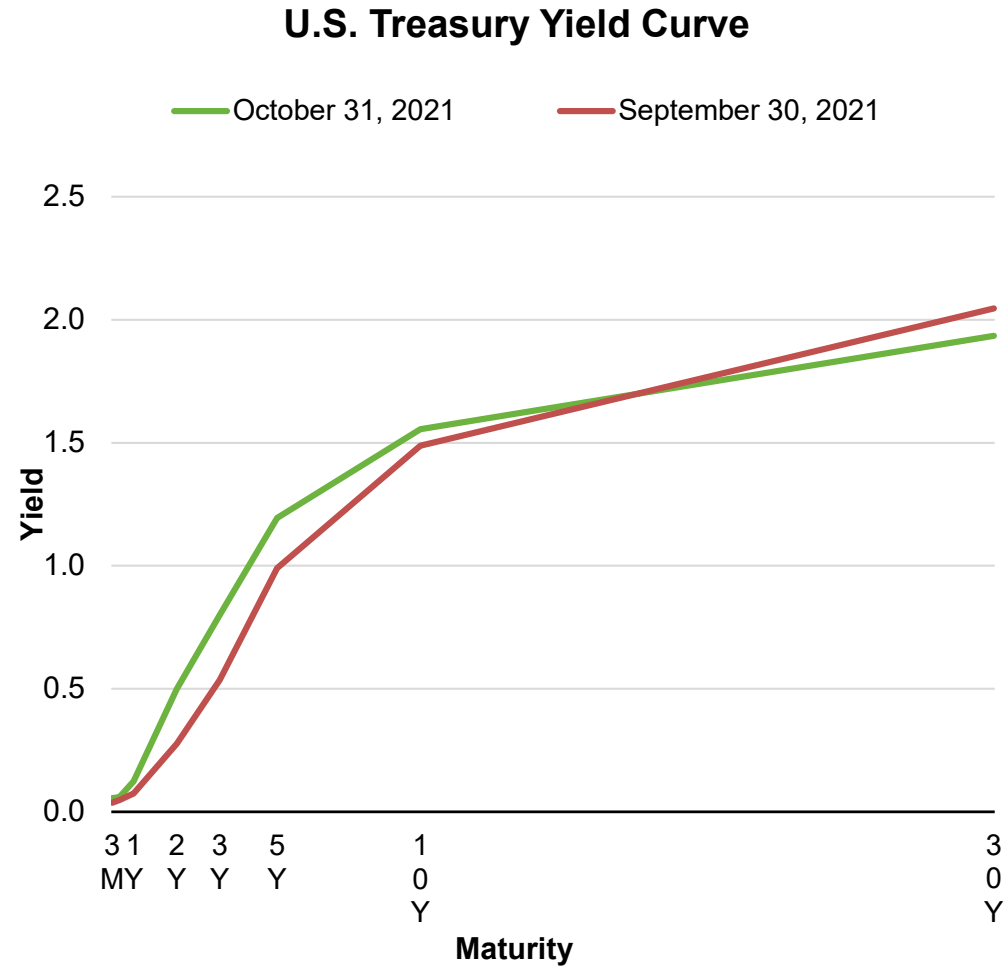


Source: Bloomberg, latest available data as of October 2021.



2-5 Year Treasury Yields Now Tracking Higher

	9/30/2021	10/31/2021	Change
3 month	0.04%	0.06%	0.02%
6 month	0.05%	0.06%	0.01%
1 year	0.07%	0.12%	0.05%
2 year	0.28%	0.50%	0.22%
3 year	0.54%	0.80%	0.26%
5 year	0.99%	1.19%	0.20%
10 year	1.49%	1.56%	0.07%
30 year	2.05%	1.93%	-0.12%



Source: Bloomberg, as of 9/30/2021 and 10/31/2021, as indicated.



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District of Columbia Water and Sewer Authority

Capital Improvement Program Report



FY-2021 4th Quarter
July 1st through September 30th, 2021

Board of Directors
Finance and Budget Committee

David L. Gadis, CEO and General Manager
Kishia L. Powell, Chief Operating Officer

November 2021

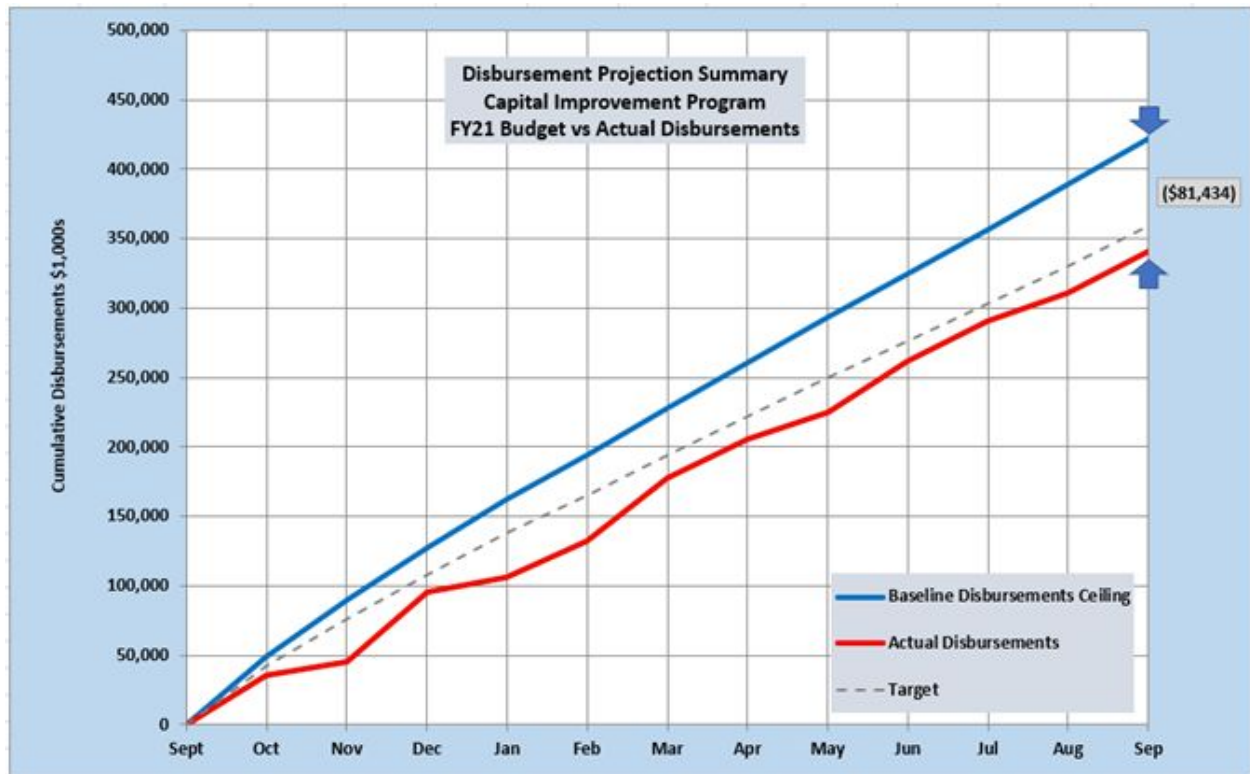


Capital Improvement Program Report 4th Quarter FY2021

CIP Disbursement Performance

FY21 program disbursements compared with the FY21 baseline budget ceiling are shown in the chart below:

Disbursement Summary



Fiscal year 2021 CIP disbursements were \$340,939,000, which is below the revised baseline disbursement projection of \$422,373,000.

FY21 disbursements within the service areas are as follows:

Non-Process Facilities

Baseline Disbursements	\$38,002,000
Actual Disbursements	\$21,508,000 (\$16.4M below baseline)



Capital Improvement Program Report 4th Quarter FY2021

Significant project variances are listed below:

- *Facility Land Use Program Area:*
 - The forecast disbursements for Project HH Main & O Redevelopment Efforts (Formerly New Fleet Management Facility) are \$10.1M under the baseline due permitting delays for the Fleet Facility.

Wastewater Treatment Service Area

Baseline Disbursements	\$78,993,000
Actual Disbursements	\$72,007,000 (\$7.0M below baseline)

Significant project variances are listed below:

- *Solids Processing Program Area – (\$6.1M above baseline)*
 - The disbursements for Project BX – Gravity Thickener Upgrades Phase II are \$5.4M above the baseline due to work that progressed slightly ahead of the forecast baseline schedule; additionally, a significant invoice anticipated to be paid in FY20 was paid in FY21.
 - The disbursements for Project AM - Solids Processing Program Management are \$1.8M above the baseline due to invoices anticipated to be paid in FY20 being paid in FY21 and a re-adjustment of the remaining spending forecast.
- *Liquid Processing Program Area – (\$8.3M below baseline)*
 - The disbursements for Project IZ – Replace Influent Screens are \$3.0M under for FY21 due to delays in installation of new screen equipment.
 - The disbursements for Project IY – Effluent Filter Upgrade are \$1.1M under for FY21 due to the design start delayed to FY22 to evaluate critical equipment selections.
 - The disbursements for Project BC – Headworks Influent Structures are \$1.6M under for FY21. The design was suspended to approve use of allowance for additional scope. Also, MFU-6 billing lagged into FY22.
 - The disbursements for Project PE – Nitrification Reactor/Sedimentation Upgrades are \$0.9 M under for FY21 due to MFU-6 billing lag and delayed NTP for MFU-7.
- *Plantwide Program Area – (\$2.1M below baseline)*
 - Project TZ - 504I6 - Elec Power Sys - Switch Gear is \$1.6M under for FY21 due to scope change and subsequent delays to start of Miscellaneous Facilities Contract 6 tasks.
- *Nitrogen Removal Program area – (\$2.7M below baseline)*
 - Project E8 – Enhanced Clarification Facilities is \$2.2M under for FY21 due to retainage, expected to be returned in FY21, now expected to be returned in FY22.



Capital Improvement Program Report 4th Quarter FY2021

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
Actual Disbursements	\$1,158,000 (\$4.2M below baseline)

Significant project variances are listed below:

- The disbursements for Project FQ – Main & O Pump Stations Intermediate Upgrades are \$2.8M below the baseline. This work is associated with Miscellaneous Facilities Contract 7, which is proceeding later than expected.

DC Clean Rivers Program Area

Baseline Disbursements	\$165,434,000
Actual Disbursements	\$160,358,000 (\$5.0M below baseline)

There are no significant project variances currently projected over the fiscal year.

Stormwater Service Area

Baseline Disbursements	\$5,936,000
Actual Disbursements	\$1,831,000 (\$4.1M below baseline)

Significant project variances are listed below:

- *Storm Pumping Facilities Program Area – (\$3.8M below baseline)*
 - The disbursements for Project NG - Storm Pump Stations Rehabilitation are \$3.8M below the baseline due to the Kenilworth DDOT construction contract procurement being delayed. Additionally, 1st and D Street pump station work was rescheduled to allow for higher priority work (Inflatable Dams) to proceed.

Sanitary Sewer Service Area

Baseline Disbursements	\$50,538,000
Actual Disbursements	\$28,204,000 (\$22.3M below baseline)

Significant project variances are listed below:

- *Interceptor/ Trunk Force Sewers Program Area (\$14.6M below baseline)*
 - The disbursements for Project LZ – Potomac Interceptor Projects – Rehab Phase II are \$5.7M below the baseline due to slippages on multiple contracts under the LZ Project. These include:
 - An extended schedule for the Concept Finalization Report and National Environmental Policy Act requirements for Phase 1 Clara Barton Parkway segment.



Capital Improvement Program Report 4th Quarter FY2021

- The completion of design for Phase 4 Fairfax/Loudoun County segment has been delayed, subsequently delaying construction activities.
 - The design/build for Phase 5 (MH30-31) of the Pipe Rehab is \$2.8M below baseline due to additional permitting required due to changed field conditions.
 - The disbursements for Project RA – Major Sewer Assessment and Heavy Cleaning 1 are \$1.9M below the baseline due to previously postponed procurements to alleviate spending concerns due to Covid.
 - The disbursements for Project RD – Major Sewer Rehab 2 are \$1.2M below the baseline. This project will now be executed in partnership with DOEE and other agencies to create a holistic improvement to Oxon Run, the sewers, the adjacent park land, and other infrastructure. As such, our schedule will be adjusted to follow DDOE’s plan for bidding and executing this work, which is later than we previously planned.
 - The disbursements for Project HT - Rehabilitation of Anacostia Force Main are \$1.6M below the baseline due to the Firth Stirling Construction DDOT activity, as payment depends on DDOT schedule.
 - The disbursements for Project IL – Creekbed Sewer Rehabilitation 2 are \$1.6M below the baseline, due to slower than anticipated billing by the construction contractor for Creekbed Sewer Rehab at Ft Stanton Park, which is a joint project with DOEE, and slower billing for Creekbed Sewer Rehab at Oregon Ave., whose restoration was rescheduled for this spring.
- *Sanitary Program Management Program Area (\$5.0M below baseline)*
 - The disbursements for Project AU – Sanitary Sewer Program Management are \$3.2 M below baseline due to transition to the new Program Management Agreement.
 - The disbursements for Project DN – Sewer Inspection Program are \$1.7M below baseline due to a delay in inspection activities due to contractor and procurement issues.

Water Service Area

Baseline Disbursements \$78,067,000 (revised for Lead Free DC)

Actual Disbursements \$55,873,000 (\$22.1M below baseline)

Significant project variances are listed below:

- *Water Distribution System Program (\$22.2M below baseline projection)*
 - The disbursements for Project F1 - Small Diameter Water Main Rehab 13 are \$3.8M below the forecast partially due to cost savings from transfer of paving to a Pepco project and partially due to DDOT open trench restrictions.
 - The disbursements for Project GR - Small Diameter Water Main Rehab 15 are \$1.6M below baseline due to Oregon Avenue DDOT activity as payment depends on DDOT schedule.
 - The disbursements for Project FT – Water Main Rehab Phase 2 are \$4.9M below baseline due to delaying the schedule to coordinate with the Clean Rivers project.



Capital Improvement Program Report 4th Quarter FY2021

- The disbursements for Project HX - Small Diameter Water Main Rehab 16 are \$3.7M below baseline due to Florida Avenue DDOT activity as payment depends on DDOT schedule.
- The disbursements for Project F2 – Small Diameter Water Main Rehab 14 are \$1.8M below baseline due a longer than expected design and permitting process. Because the project is located directly adjacent to the Supreme Court, additional permits and permissions were required by the Architect of the Capitol. This required additional coordination and negotiation as well as developing and confirming a Memorandum of Understanding.
- The disbursements for Project O2 – Small Diameter Water Main Rehab 10 are \$1M below the baseline due to the actual quantities were less than the contract quantities, resulting in a lower contract cost.
- *Water Ongoing Program Area (\$2.6M above baseline projection)*
 - The disbursements for Project JA- FY2020 - DWS Water Projects are \$2.0M over baseline due to higher than anticipated water main break work. This is within the limits of forecasting accuracy for this program area as the number and size of emergency work is difficult to predict year-on-year



Capital Improvement Program Report 4th 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
Various	Water Main As-Built – 2 Contracts	Design	No	\$5M-\$15M	EQ & Ops Dec	Jan
GR00	Small Diameter Watermain Rehab 15B	Construction	No	\$10M-\$15M	EQ & Ops Dec	Jan
Various	Construction Management BOA (DCFA-514)	Construction Management	Yes	\$5M-\$10M	EQ & Ops Jan	Feb
Various	Water and Sewer Assessment Support Services	Construction	Yes	\$5M-\$15M	EQ & Ops Feb	Mar
GR00	Small Diameter Watermain Rehab 15D	Construction	No	\$10M-\$15M	EQ & Ops Feb	Mar



Capital Improvement Program Report 4th Quarter FY2021

Schedule - Key Performance Indicators Capital Improvement Program

Summary:

For the 4th Quarter, the Key Performance Indicators (KPIs) completed this period were achieved within 90 days or earlier of their target date, except as noted.

#	Performance
21	KPIs completed within threshold
0	KPIs completed outside threshold
12	KPIs estimated to be completed outside threshold
21	Total KPIs completed this year
33	Total KPIs due this year

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

- Job LZ07 delays due to change in field conditions and need for Land Water Conservation Fund permits.
- Jobs SD01 and SC01 are both delayed due to the extended time needed to finalize the Program/Design Management contract for the Non-process Service Area
- Job DE04 in process of negotiating a Change Order with contractor for resolution of issue at Colonial Village, NW which will extend contract time.
- Job IL06 scope is being modified to incorporate all new requirements of National Park Service/National Environmental Policy Act that came into effect since the original design in 2018.
- Job EK01 was rescheduled to adjust for current priorities and resources.
- Job IY10 was rescheduled to provide time for additional consideration and analysis to ensure a complete scope of work is provided to the Project Design Engineer.
- Job NG05 was purposely delayed to allow higher-prioritized work to proceed
- Job I801 substantial completion was not reached due to lack of contractor responsiveness and permanent restoration rescheduled to spring of next year.
- Job IL10 completion approval by outside agencies took longer than expected, resulting in final restoration rescheduled to spring of next year.
- Job F103 was slowed by unanticipated Maintenance of Traffic (MOT) limitations.
- Job HH02 was slowed by longer than expected time to get utilities connected to the site.



Capital Improvement Program Report 4th Quarter FY2021

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

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

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		22-Mar-21	-80	✓
Q2	KE01	Small Dia Water Main Rehab 18A	Design Start Milestone	28-Jan-21		9-Dec-20	50	✓
Q2	SD01	Main PS Building Modifications - Historic Restoration	KPI Design Start Milestone	29-Jan-21	29-Jan-22		-365	☐
Q2	F201	Small Diameter Water Main Repl 14A	Construction Start Milestone	2-Feb-21		1-Feb-21	1	✓
Q2	LD00	Pre-Dewatering Additional Centrifuges	Design Start Milestone	4-Feb-21		1-Mar-21	-25	✓
Q2	KE02	Small Dia Water Main Rehab 18B	Design Start Milestone	22-Feb-21		1-Jan-21	52	✓
Q2	CZ05	CSO 025/026 Sewer Separation	Consent Decree Construction Start KPI	23-Mar-21		26-Jan-21	55	✓
Q3	SC01	Main & O Seawall Restoration (Phase 2 HQO)	KPI Design Start Milestone	31-Mar-21	29-Jan-22		-304	☐
Q3	HH02	New Sewer Services Headquarters	Construction Substantial Completion Milestone	31-May-21		27-Oct-21	-149	☐
Q3	BV01	RWWPS No. 2 Upgrades	Construction Substantial Completion Milestone	1-Apr-21		9-Mar-21	23	✓
Q3	KE03	Small Dia Water Main Rehab 18C	Design Start Milestone	3-Apr-21		8-Feb-21	54	✓
Q3	KF01	SDWM Renewal 19A	Design Start Milestone	29-Apr-21		1-Mar-21	59	✓
Q3	DE04	Small Dia Water Main Repl 12B2 (Colonial Village & Bunker Hill)	Construction Substantial Completion	30-Apr-21	31-Oct-21		-184	☐
Q3	FA03	Soldiers Home Reservoir Upgrade	Construction Substantial Completion	21-May-21		3-Aug-21	-71	✓
Q3	KF02	SDWM Renewal 19B	Design Start Milestone	30-May-21		10-May-21	20	✓



Capital Improvement Program Report 4th 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	IY03	High & Low PSW Pumps Evaluation and Replacement	Construction Start Milestone	7-Jun-21		21-Jul-21	-44	✓
Q3	LZ07	PI Phase 5 Pipe Rehab between MH31 and MH30	Design-Build NTP - Phase II	13-Jun-21	15-Dec-21		-185	☐
Q4	JF03	Construction of Flood Seawall Segment C	Segment C Construction Substantial Completion Milestone	14-Jun-21		14-Jun-21	0	✓
Q4	G502	Creekbed Sewer Rehabilitation Soapstone Valley	Construction Start Milestone	1-Jul-21		30-Sep-21	-90	✓
Q4	IL06	Creekbed Sewer Rehabilitation Fenwick Branch E Beach Dr & Red Bud Lane	Design Start KPI Milestone	1-Jul-21	01-Apr-22		-274	☐
Q4	FT03	Out of Service LDWM Elimination Contract 1	Design Start Milestone	10-Jul-21		10-May-21	61	✓
Q4	F102	Small Diameter Water Main Repl 13B	Construction Substantial Completion	13-Jul-21		30-Apr-21	74	✓
Q4	F202	Small Diameter Water Main Repl 14B	Construction Start Milestone	15-Jul-21		30-Jun-21	15	✓
Q4	F101	Small Diameter Water Main Repl 13A	Construction Substantial Completion	16-Jul-21		24-Feb-21	142	✓
Q4	QS02	Local Sewer Rehab Project 5-2	Design Start Milestone	16-Jul-21		9-Apr-21	98	✓
Q4	KF03	SDWM Renewal 19C	Design Start Milestone	30-Jul-21		1-Apr-21	120	✓
Q4	EK01	Long Term Rehabilitation - Main Pump Station - Ph. 1	Concept Design Start Milestone	1-Aug-21	1-Oct-22		-426	☐
Q4	IY10	Filter Underdrain and Backwash System Upgrade (FUBS)	Design Start Milestone	2-Aug-21	7-Mar-22		-217	☐
Q4	F203	Small Diameter Water Main Repl 14C	Construction Start Milestone	10-Aug-21		12-Jul-21	29	✓
Q4	NG05	Stormwater Pump Station Rehab - 1st and D	Construction Start Milestone	9-Sep-21	3-Aug-22		-328	☐



Capital Improvement Program Report 4th 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	I801	Large Valve Replacements 11R	Construction Substantial Completion	30-Sep-21	30-Sep-22		-365	<input type="checkbox"/>
Q4	IL10	Creekbed Sewer Rehabilitation Rock Creek Oregon Avenue	Construction Substantial Completion	30-Sep-21	31-Mar-22		-182	<input type="checkbox"/>
Q4	F103	Small Diameter Water Main Repl 13C	Construction Substantial Completion	30-Sep-21	30-June-22		-273	<input type="checkbox"/>

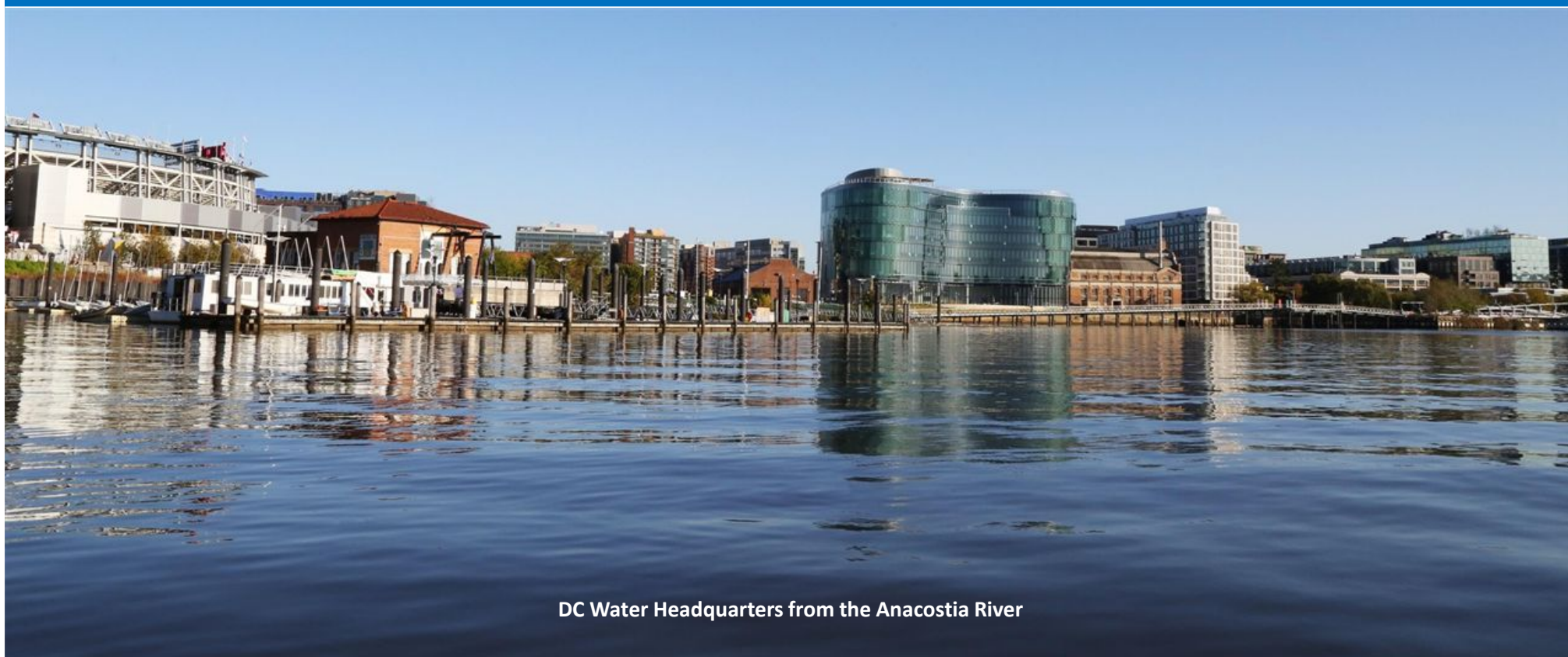


Investment Policy Discussion

ATTACHMENT 3

Presentation to the Finance and Budget Committee, November 16, 2021
Ivan Boykin, Director of Finance

District of Columbia Water and Sewer Authority



DC Water Headquarters from the Anacostia River



Purpose

- Seek Committee's input on recommended changes to DC Water's investment policy



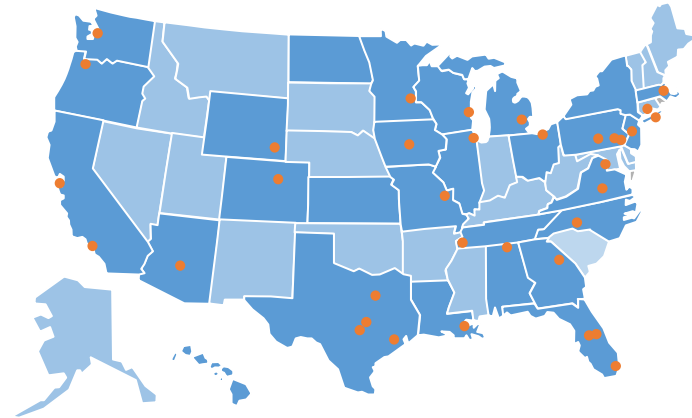
DC Water's Investments

- 💧 DC Water's Investment Policy was adopted by the Board of Directors on May 1, 2014
 - All invested according to DC Water's investment policy
 - Detailed investment report provided monthly to Finance and Budget Committee
- 💧 Finance Committee Chair requested a review and update to the policy
- 💧 DC Water's investments
 - Operating reserves, including Rate Stabilization Fund, have typically been held in short-term (overnight) reserves
 - Construction funds (bond proceeds) are invested with expected expenditures

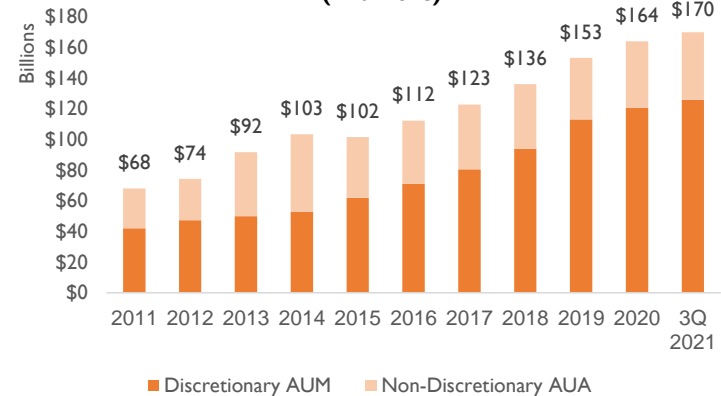


PFM Asset Management LLC (“PFMAM”)

- Our asset management business has 40 years’ experience in managing high-quality portfolios.
- \$170 billion in total assets, including \$126 billion in discretionary assets under management and \$44 billion in non-discretionary assets under advisement as of September 30, 2021.
- Relative value manager with a focus on downside protection.
- Specialist in high-quality, short- and intermediate-duration **fixed-income portfolios serving 564 public funds clients** (41 Authorities and 24 Water/Wastewater Clients)
- Manages **multi-asset class portfolios** that employ institutional managers for 264 clients (10 Authorities and 3 Water/Wastewater Clients)
- Culture of transparency and risk management



PFM’s Assets Under Management and Advisement (in billions)





DC Water's Assets

- DC Water maintains assets totaling \$489.3 million including cash reserves and unexpended bond proceeds as of October 31, 2021
- Toronto Dominion Bank (TD Bank)
 - Operating/Cash Balance account totaling \$80.0 – \$100.0 million at any given time
 - Rate Stabilization Fund totaling \$87.7 million
 - Various other accounts totaling \$35.0 – \$50.0 million at any given time
- Industrial Bank
 - Certificate of Deposit Account Registry Service (CDARS) keeps money insured and below the FDIC insurance limit of \$250,000 per depositor per bank
 - DC Water has four (4) CDARS totaling \$15.9 million
- Wells Fargo Bank
 - Custodial/Operating Reserve account totaling \$100.0 million and above
 - All current construction fund proceeds within the last three (3) years



Public Funds Investment Landscape

- Public funds across the country are generally invested with main goals of funds preservation of capital (aka “safety”) and liquidity followed by the tertiary objective of yield/return
- Public funds in DC Water’s wholesale/retail service area (DC Government, Montgomery County, Prince Georges County, and Fairfax County) are also invested with the primary investment objectives of safety, liquidity, and yield
- Notable expectations to these primary objectives exists for funds set aside for defined benefit pension plans and other post-employment benefit trusts
- DC Water’s own investment objectives have been prioritized in the same manner to focus on:
 - Unrestricted fund balance that is needed to provide for cash flow needs and to ensure that unexpected expenditures or revenue losses can be absorbed
 - Deviations from Unrestricted Fund Balances policies may impact bond ratings
 - Virtually all states restrict permitted investments to ensure that public funds are invested with “safety” and liquidity are investment priorities



Comparable Entities

These comparable entities are operating authorities in the same businesses as DC Water & Sewer Authority that have portfolios of similar size in which PFMAM services as the investment advisor:

- 💧 San Bernardino Valley Municipal Water District (“SBVMWD”)
- 💧 Tohopekaliga Water Authority (“TWA”)
- 💧 The Metropolitan Water District of Southern California (“MWDSC”)



Comparable Public Funds Investment Guidelines

Permitted Investments	DC Water	DC Government	Virginia	Maryland	Comps
“Government” Securities					
U.S. Treasury Obligations	✓	✓	✓	✓	SBVMWD ✓ TWA ✓ MWDS ✓
Federal Agency/GSE Obligations	✓	✓	✓	✓	SBVMWD ✓ TWA ✓** MWDS ✓
Federal Agency/GSE Mortgage-Backed Securities	✓		✓		SBVMWD ✗ TWA ✓ MWDS ✓
Supranational Bonds	✓		✓	✓	SBVMWD ✓ TWA ✓ MWDS ✓

**Limited Issuers



Comparable Public Funds Investment Guidelines

Permitted Investments	DC Water	DC Government	Virginia	Maryland	Comps
Linked to “Government” Securities					
Treasury Money Market Funds	✓	✓	✓	✓	SBVMWD ✓ TWA ✓ MWDS ✓
Repurchase Agreements	✓	✓	✓	✓	SBVMWD ✓ TWA ✓ MWDS ✓
Collateralized Certificates of Deposit	✓	✓	✓	✓	SBVMWD ✓ TWA ✓ MWDS ✓
FDIC-Insured Certificates of Deposit	✓	✓	✓	✓	SBVMWD ✓ TWA ✓ MWDS ✓



Comparable Public Funds Investment Guidelines

Permitted Investments	DC Water	DC Government	Virginia	Maryland	Comps
“Credit” Securities					
Bankers’ Acceptances	A-1	A-1	A-1	A-1/P-1	SBVMWD ✓ (A-1/A) TWA ✓ (A-1/P-1) MWDS ✓ (A-1)
Commercial Paper	A-1/P-1	A-1/P-1	A-1/P-1	A-1/P-1	SBVMWD ✓ (A) TWA ✓ (A-1/P-1) MWDS ✓ (A-1/P-1)
Corporate Notes	AA/A		A/A		SBVMWD ✓ (A) TWA ✓ (A-/A3) MWDS ✓ (A)



Comparable Public Funds Investment Guidelines

Permitted Investments	DC Water	DC Government	Virginia	Maryland	Comps
“Credit” Securities (continued)					
Negotiable Certificates of Deposit	AA/AA	(unclear)	AA/AA		SBVMWD ✓ (A-1/A) TWA ✗ MWDS ✓ (A-1/A)
Municipal Obligations	AA/Aa	AA/Aa	BBB/Baa		SBVMWD ✓ (unclear) TWA ✓ (A-/A3) MWDS ✓ (A-1/A)
Asset Backed Securities			AAA/AAA		SBVMWD ✗ TWA ✓ (AAA/Aaa) MWDS ✓ (AA)



Investment Objectives

DC Water's investment objectives (from Investment Policy)

Safety

- The safeguarding of principal shall be the foremost objective of the investment program and other objectives shall be subordinated to the attainment of this objective.

Liquidity

- The portfolio shall be managed at all times with sufficient liquidity to meet seasonal needs , as well as special projects and other operational requirements either known or which might reasonably be anticipated.

Return on Investment

- The investment portfolio shall be managed with the objective of obtaining no worse than a market rate of return over the course of budgetary and economic cycles, taking into account the constraints contained herein and the cash flow patterns of DC Water.



Permitted Investments - I

Permitted Investments	Description	Proportion of Current Portfolio
US Treasury Obligations	Limited to maturity of five years	9%
Mutual Funds	High rated funds with an extremely strong capacity to maintain principal stability, which limits investments to Treasury and other government funds	25%
Repurchase Agreements	Short-term (overnight) investments where one party sells securities to another and agrees to repurchase those securities later at a higher price	0%
Federal Agency Obligations	Bonds issued or guaranteed by U.S. federal government agencies and bonds issued by government-sponsored enterprises, like Fannie Mae, with rating of AA from two agencies	6%



Permitted Investments - 2

Permitted Investments	Description	Proportion of Current Portfolio
Bankers' Acceptances	An instrument representing a promised future payment by a bank, maturities limited to 180 days and rating of A-1	0%
Commercial Paper	Unsecured short-term debt, maturities limited to 270 days and a rating of A-1	4%
Collateralized Certificates of Deposit	Bank instrument offered that guarantees the depositor a rate of return	1%
Corporate Notes	High quality corporate notes with a rating of at least AA with maturities not exceeding five years	3%
FDIC Insured Certificates of Deposit	Certificates of Deposit	3%
Federal Agency Mortgage-Backed Securities	With ratings of at least AA and maturities not exceeding five year	<1%



Permitted Investments - 3

Permitted Investments	Description	Proportion of Current Portfolio
Negotiable Certificates of Deposit and Bank Deposit Notes	For maturities of less than a year a rating of A-1, for maturities over a year a rating of at least AA and at least A; final maturity may not exceed five years	1%
Supranational Bonds	Obligations of any Federal agency, instrumentality, or US government sponsored enterprise with rating of at least A and maturities not exceeding five years	1%
Municipal Obligations	Have final maturity of less than five years, highly rates, and not more than 25% of the total issue	2%
Bank Deposits		45%



Prohibited practices

- Investments in reverse repurchase agreements
- Short sales – selling a specific security before it has been legally purchased
- Borrowing funds for the sole purpose of investing those funds
- Investment in complex derivatives
- Investing in any security not specifically permitted by the Investment Policy



Comparable Entities

Comparable entities neighboring DC Water:

- 💧 The Government of D.C.
- 💧 Virginia Agencies (“VA Agencies”)
- 💧 Virginia Political Subdivisions (“VA PS”)
- 💧 Maryland Political Subdivisions (“MD PS”)

Comparable entities below are operating authorities in the same businesses as DC Water & Sewer Authority that have portfolios of similar size in which PFMAM services as the investment advisor:

- 💧 San Bernardino Valley Municipal Water District (“SBVMWD”)
- 💧 Tohopekaliga Water Authority (“TWA”)
- 💧 The Metropolitan Water District of Southern California (“MWDSC”)



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Federal Agency Obligations	Remove language from current policy prohibiting the purchase of Collateralized Mortgage Obligations	Mortgage-backed securities that contains a pool of mortgages bundled together and sold as an investment.	Provides additional opportunities to invest in other highly rated issuers to help enhance potential yield of the portfolio and further diversify	Government of DC X VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD X TWA ✓ MWDSC ✓
Federal Agency Obligations	Allow for flexible maturity on Agency Obligations		Removing maturity limits allow for longer maturities to try and pick up additional yields while taking on interest rate risk and still maintaining the duration strategy of the portfolio	Government of DC X VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD X TWA ✓ MWDSC ✓



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	
Commercial Paper	Allow for foreign issuers		Allows for additional diversification	Government of DC ✗ VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD ✗ TWA ✗ MWDSC ✓
Commercial Paper	Allow maturities of up to a year, instead of 270 days		Allows for additional diversification	Government of DC (180 days) VA Agencies (270 days) VA PS (270 days) MD PS (unclear) SBVMWD (270 days) TWA (270 days) MWDSC (270 days)



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Commercial Paper	Expand sector limit to 50%, from 35%		Broader market access and further diversification	Government of DC (30%) VA Agencies (35%) VA PS (35%) MD PS (10%) SBVMWD (25%) TWA (35%) MWDSC (40%)
Corporate Notes	Allow “A” rated corporate notes, instead of A-1		Opportunities to purchase with additional credit risk to enhance the yield	Government of DC X VA Agencies (A/A) VA PS (AA/AA) MD PS X SBVMWD (A) TWA (A-/A3) MWDSC (A)



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Corporate Notes	Expand sector limit to 40% from 30%		Broader market access	Government of DC ✗ VA Agencies (100%) VA PS (100%) MD PS ✗ SBVMWD (30%) TWA (35%) MWDS (30%)
Federal Agency Mortgage-Backed Securities (MBS)	Remove requirement for Federal Agency MBS	Ability to purchase from issuers other than Fannie Mae, Freddie Mac, and Government National Mortgage Association	Flexibility and diversity to purchase from other issuers	Government of DC ✓ VA Agencies ✓ VA PS ✓ MD PS ✓ SBVMWD ✗ TWA ✓ MWDS ✓



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Negotiable Certificates of Deposit	Allow for “A” rated Negotiable CDs for maturities over 1 year	Change from AA for maturities over a year	Opportunity for purchase with additional credit risk to enhance the yield of Portfolio	Government of DC (unclear) VA Agencies (AA/AA) VA PS (AA/AA) MD PS X SBVMWD (A-1/A) TWA X MWDS (A-1/A)
Negotiable Certificates of Deposit	Expand sector limit to 50%, from 30% current limit		Broader market access	Government of DC (30%) VA Agencies (100%) VA PS (100%) MD PS X SBVMWD (30%) TWA X MWDS (30%)



PFMAM Recommendations

	Recommendation	Explanation	Potential Benefit	Comps
Municipal Obligation	Expand sector limit to 30%, from current 20% limit		Broader market access	Government of DC (20%) VA Agencies(100%) VA PS (100%) MD PS X SBVMWD (30%) TWA (25%) MWDS (30%)

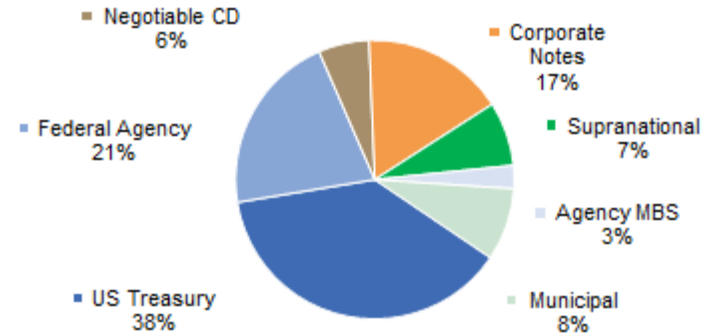


Current Operating Portfolio Snapshot

Portfolio Statistics

Duration <i>Benchmark</i>	1.9 years <i>1.9 years</i>
Gross Yield <i>Benchmark</i>	0.54% <i>0.44%</i>

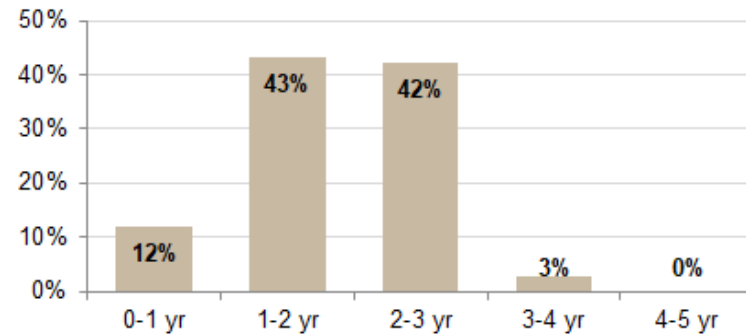
Sector Allocation



Credit Quality



Duration Distribution



- Data Source: Bloomberg. Data as of November 3, 2021. Comparative benchmark is the ICE BofAML 1-3 Year US Treasury Index.
- Actual portfolio holdings as of November 2, 2021. Please see important disclosures at the end of this presentation.

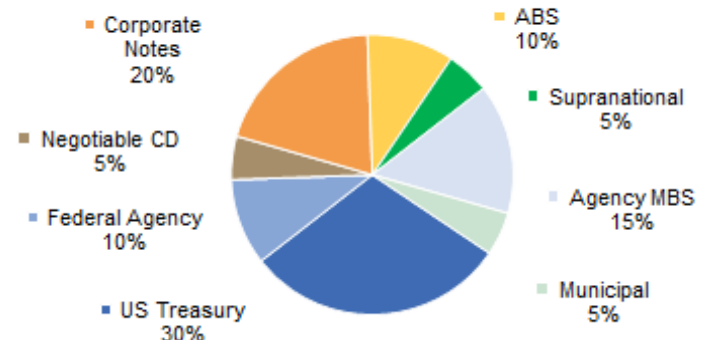


Sample Portfolio I-5 Year (Expanded IPS)

Portfolio Statistics

Duration <i>Benchmark</i>	2.6 years <i>2.6 years</i>
Gross Yield <i>Benchmark</i>	0.83% <i>0.64%</i>

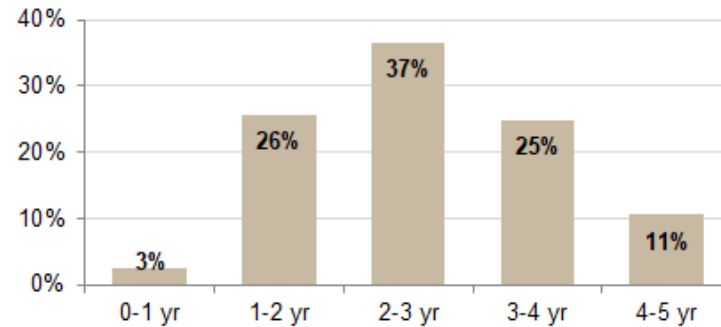
Sector Allocation



Credit Quality



Duration Distribution



- Data Source: Bloomberg. Data as of November 3, 2021. Comparative benchmark is the ICE BofAML 1-3 Year US Treasury Index.
- Sample portfolio structured by PFM. Please see important disclosures at the end of this presentation.



PFMAM Disclosure

This material is based on information obtained from sources generally believed to be reliable and available to the public, however PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some but not all of which are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Sample portfolio is provided for illustrative purposes only and is not a recommendation.
- Portfolio based on assumed investment noted on each respective page.
- Yield source Bloomberg as of November 3, 2021.
- Security universe sourced from Bloomberg and Market Axess and further limited to those issuers permitted by PFMAM's internal Approved Credit List.
- Actual yields and security availability may vary at time of purchase.
- As economic and market conditions may change in the future, so may PFMAM's recommendations as to the sale and purchase of securities in the portfolio.



Next Steps

- 💧 Hear committee comments and questions
- 💧 Recommendation of revised policy at next Finance and Budget Committee



ATTACHMENT 4

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

**Thursday, December 14, 2021; 11:00 a.m.
DC Water Headquarters
1385 Canal Street, SE, DC
AGENDA**

Call to Order	Chairperson
November 2021 Financial Report	Chief Financial Officer
Agenda for January 2022 Committee Meeting	Chairperson
Adjournment	Chairperson

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