



December 2020 Review

Finance Committee

March 3, 2021

December 2020 Highlights



- The Water Fund cash receipts were \$7.4 million for December which was \$1.6 million below target.
- The year to date Water Fund receipts were \$51.5 million compared to \$50.3 million from FY20 through December.
- The Sewerage Fund cash receipts were \$22.9 million for December which was \$2 million below target.
- The year to date Sewerage Fund receipts were \$147.8 million compared to \$138.3 million from FY20 through December.
- Residential Collections were improved in both November and December by CARES act funding. In November DWSD received \$10 million and in December \$4.5 million, all of these funds were applied directly to customer's accounts to fund balances incurred between March and September.
- The year to date operations and maintenance spending through December is \$23.5 million below budget which is 11% of the total budget.
- The DWSD FY2021 personnel headcount vacancy rate is currently at 142 vacant positions, this is contributing approximately \$8 million in savings.

Summary Financial Metrics - Water



| Month Ended | | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 |
|---|----------|----------|----------|----------|----------|----------|----------|
| WATER Retail Receipts (\$ in millions) | Target | \$ 9.0 | \$ 9.0 | \$ 9.0 | \$ 9.0 | \$ 9.0 | \$ 9.0 |
| | Actual | \$ 8.0 | \$ 7.0 | \$ 9.0 | \$ 9.4 | \$ 10.6 | \$ 7.4 |
| | Variance | \$ (1.0) | \$ (2.0) | \$ (0.0) | \$ 0.4 | \$ 1.6 | \$ (1.6) |
| | Status | ● -11.4% | ● -22.6% | ● 0.0% | ● 4.6% | ● 17.3% | ● -17.7% |
| WATER Volumes (Mcf) | Target | 258,260 | 276,560 | 277,460 | 233,030 | 222,270 | 208,140 |
| | Actual | 248,085 | 265,796 | 250,308 | 218,840 | 197,362 | 194,648 |
| | Variance | (10,175) | (10,764) | (27,152) | (14,190) | (24,908) | (13,492) |
| | Status | ● -3.9% | ● -3.9% | ● -9.8% | ● -6.1% | ● -11.2% | ● -6.5% |
| WATER 5/8" Equivalent Meters | Target | 290,581 | 290,581 | 290,581 | 290,581 | 290,581 | 290,581 |
| | Actual | 295,675 | 296,709 | 296,847 | 297,970 | 298,932 | 299,154 |
| | Variance | 5,094 | 6,128 | 6,266 | 7,389 | 8,351 | 8,573 |
| | Status | ● 1.8% | ● 2.1% | ● 2.2% | ● 2.5% | ● 2.9% | ● 3.0% |
| WATER 6" Equivalent Firelines | Target | 1,658 | 1,658 | 1,658 | 1,658 | 1,658 | 1,658 |
| | Actual | 1,653 | 1,656 | 1,658 | 1,663 | 1,662 | 1,670 |
| | Variance | (5) | (2) | - | 5 | 4 | 12 |
| | Status | ● -0.3% | ● -0.1% | ● 0.0% | ● 0.3% | ● 0.2% | ● 0.7% |
| WATER Current Month Collection Rate | Target | 93.0% | 93.0% | 93.0% | 93.0% | 93.0% | 93.0% |
| | Actual | 97.7% | 77.9% | 87.5% | 92.9% | 132.3% | 80.0% |
| | Variance | 4.7% | -15.1% | -5.5% | -0.1% | 39.3% | -13.0% |
| | Status | ● 5.1% | ● -16.2% | ● -5.9% | ● -0.1% | ● 42.3% | ● -14.0% |
| WATER 3-Month Rolling Average Collection Rate | Target | 93.0% | 93.0% | 93.0% | 93.0% | 93.0% | 93.0% |
| | Actual | 105.1% | 95.5% | 87.3% | 86.2% | 103.3% | 102.0% |
| | Variance | 12.1% | 2.5% | -5.7% | -6.8% | 10.3% | 9.0% |
| | Status | ● 13.0% | ● 2.7% | ● -6.1% | ● -7.3% | ● 11.0% | ● 9.7% |

Summary Financial Metrics - Sewer



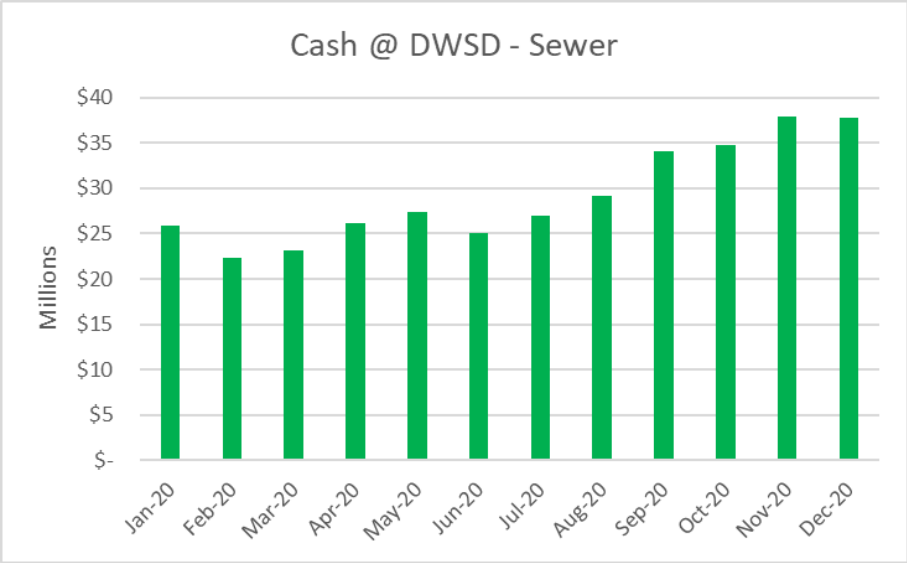
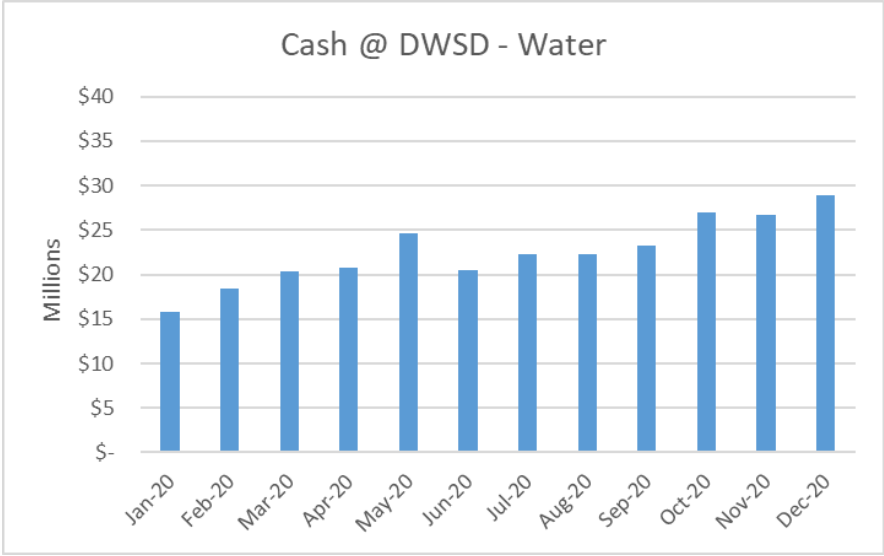
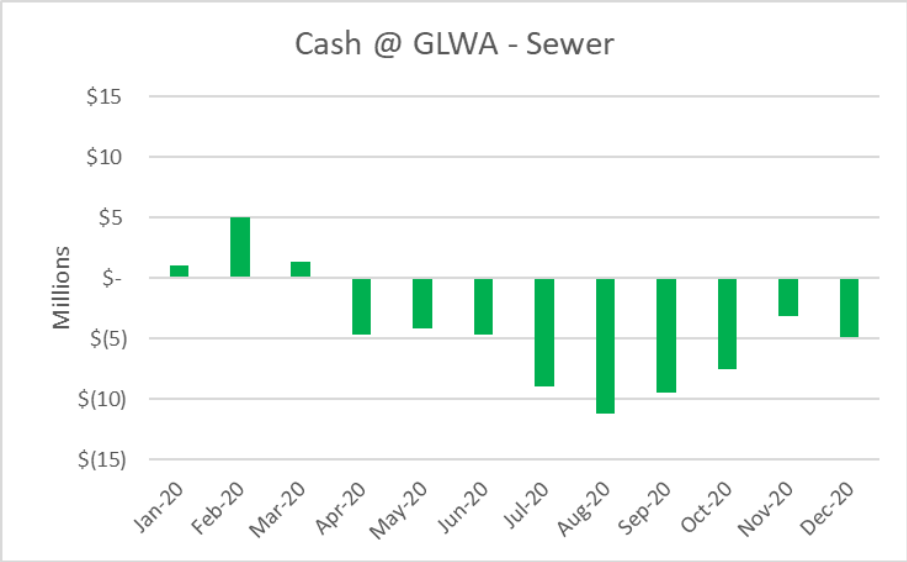
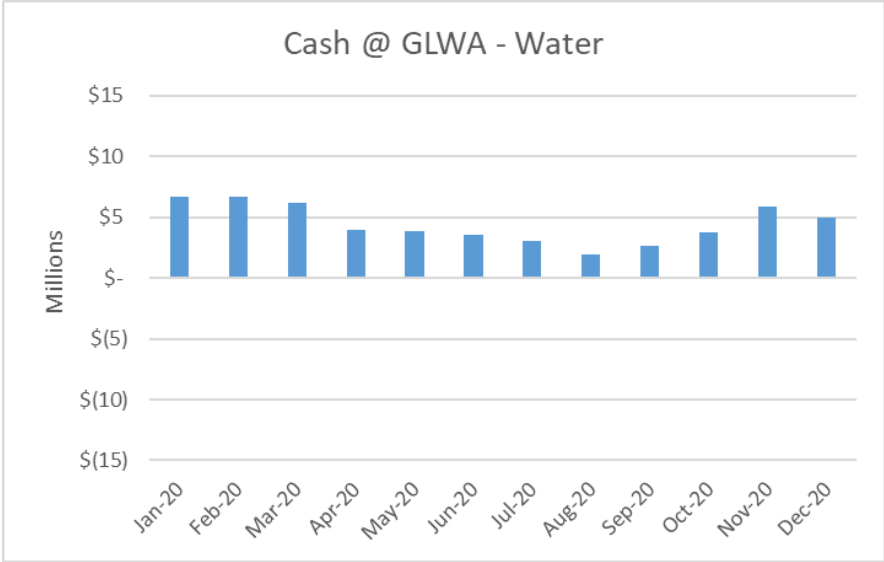
| Month Ended | | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 |
|---|----------|----------|----------|----------|----------|----------|----------|
| SEWER Retail Receipts (\$ in millions) | Target | \$ 24.9 | \$ 24.9 | \$ 24.9 | \$ 24.9 | \$ 24.9 | \$ 24.9 |
| | Actual | \$ 20.6 | \$ 22.4 | \$ 26.5 | \$ 26.7 | \$ 28.7 | \$ 22.9 |
| | Variance | \$ (4.3) | \$ (2.5) | \$ 1.5 | \$ 1.7 | \$ 3.8 | \$ (2.0) |
| | Status | ● -17.3% | ● -10.2% | ● 6.1% | ● 7.0% | ● 15.2% | ● -8.1% |
| SEWER Volumes (Mcf) | Target | 258,260 | 276,560 | 277,460 | 233,030 | 222,270 | 208,140 |
| | Actual | 238,679 | 252,929 | 240,390 | 206,880 | 188,816 | 184,240 |
| | Variance | (19,581) | (23,631) | (37,070) | (26,150) | (33,454) | (23,900) |
| | Status | ● -7.6% | ● -8.5% | ● -13.4% | ● -11.2% | ● -15.1% | ● -11.5% |
| SEWER Total Meters | Target | 179,200 | 179,200 | 179,200 | 179,200 | 179,200 | 179,200 |
| | Actual | 183,772 | 184,278 | 184,791 | 185,525 | 186,478 | 187,060 |
| | Variance | 4,572 | 5,078 | 5,591 | 6,325 | 7,278 | 7,860 |
| | Status | ● 2.6% | ● 2.8% | ● 3.1% | ● 3.5% | ● 4.1% | ● 4.4% |
| DRAINAGE Billable Impervious Acreage | Target | 27,187 | 27,187 | 27,187 | 27,187 | 27,187 | 27,187 |
| | Actual | 27,307 | 27,291 | 27,295 | 27,291 | 27,297 | 27,291 |
| | Variance | 120 | 104 | 108 | 104 | 110 | 104 |
| | Status | ● 0.4% | ● 0.4% | ● 0.4% | ● 0.4% | ● 0.4% | ● 0.4% |
| SEWER Current Month Collection Rate | Target | 90.0% | 90.0% | 90.0% | 90.0% | 90.0% | 90.0% |
| | Actual | 80.4% | 82.4% | 87.4% | 91.9% | 105.5% | 83.4% |
| | Variance | -9.6% | -7.6% | -2.6% | 1.9% | 15.5% | -6.6% |
| | Status | ● -10.7% | ● -8.4% | ● -2.9% | ● 2.2% | ● 17.3% | ● -7.3% |
| SEWER 3-Month Rolling Average Collection Rate | Target | 90.0% | 90.0% | 90.0% | 90.0% | 90.0% | 90.0% |
| | Actual | 88.1% | 85.0% | 83.6% | 87.3% | 94.7% | 93.6% |
| | Variance | -1.9% | -5.0% | -6.4% | -2.7% | 4.7% | 3.6% |
| | Status | ● -2.1% | ● -5.5% | ● -7.1% | ● -3.0% | ● 5.2% | ● 4.0% |

Summary Financial Metrics - Operations

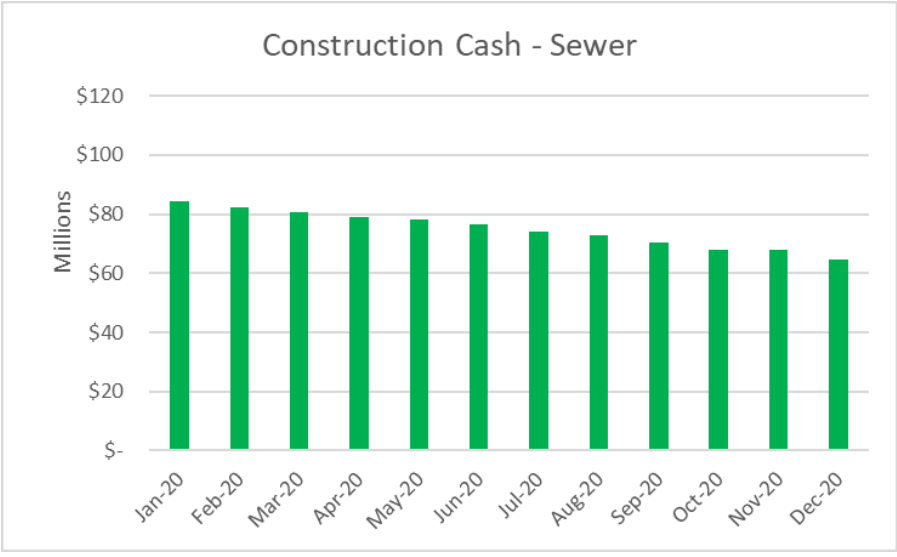
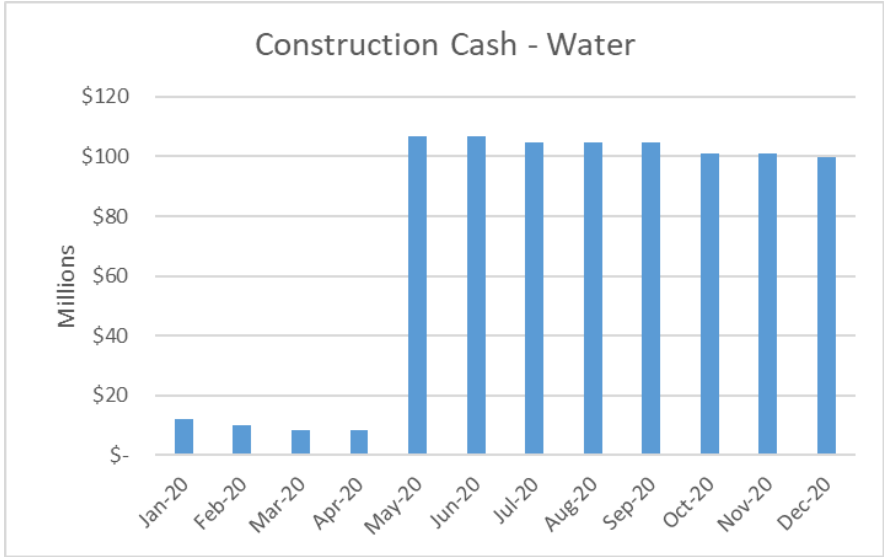
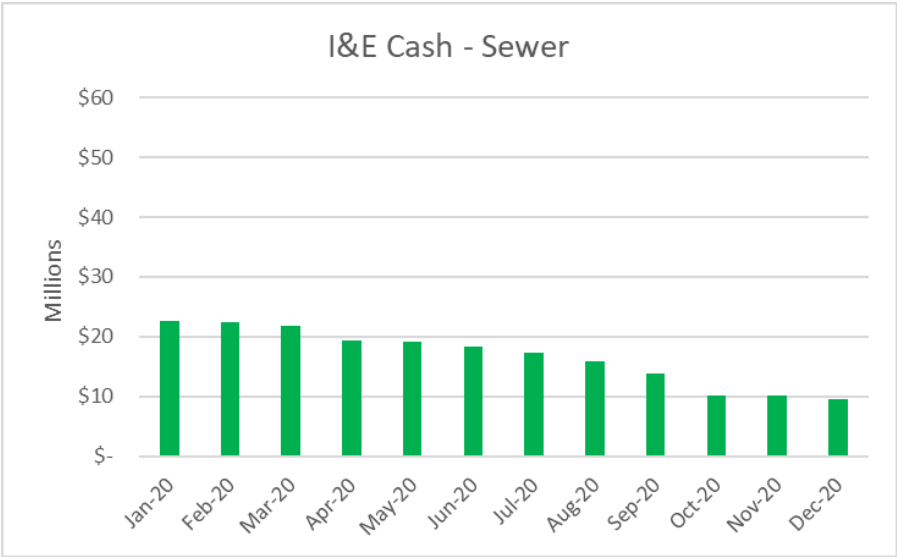
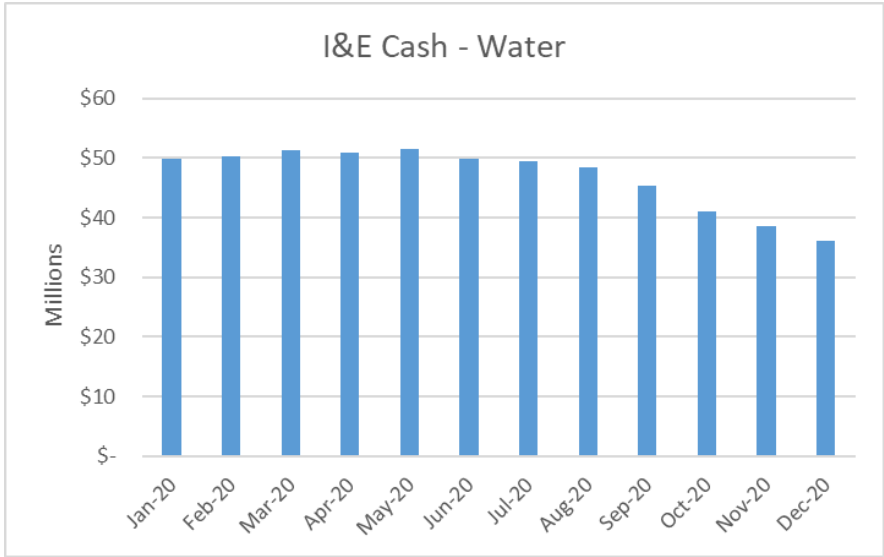


| Month Ended | | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 |
|---|-----------|----------|----------|----------|----------|----------|----------|
| OPERATING CASH Days on Hand | Target | 120 | 120 | 120 | 120 | 120 | 120 |
| | Actual | 154 | 167 | 181 | 183 | 199 | 205 |
| | Variance | 34 | 47 | 61 | 63 | 79 | 85 |
| | Status | 28.0% | 39.1% | 50.7% | 52.2% | 66.0% | 71.1% |
| ACTIVE ACCOUNTS RECEIVABLE Days in Accounts Receivable | Target | 145 | 145 | 145 | 145 | 145 | 145 |
| | Actual | 158 | 152 | 157 | 169 | 153 | 178 |
| | Variance | (13) | (7) | (12) | (24) | (8) | (33) |
| | Status | -8.6% | -4.6% | -8.6% | -16.8% | -5.8% | -22.4% |
| ACCOUNTS PAYABLE Weighted Average Days | Target | 45 | 45 | 45 | 45 | 45 | 45 |
| | Actual | 53 | 62 | 41 | 30 | 44 | 45 |
| | Variance | (8) | (17) | 4 | 15 | 2 | - |
| | Status | -17.8% | -37.8% | 8.9% | 33.0% | 3.3% | 0.0% |
| HEADCOUNT FTEs | Target | 659 | 659 | 659 | 659 | 650 | 650 |
| | Actual | 552 | 541 | 526 | 518 | 522 | 517 |
| | Vacancies | 107 | 118 | 133 | 141 | 128 | 133 |
| | Status | 16.2% | 17.9% | 20.2% | 21.4% | 19.7% | 20.5% |
| O&M Spending (\$ 000s) | Target | \$ 8,812 | \$ 8,812 | \$ 8,812 | \$ 8,812 | \$ 8,812 | \$ 8,812 |
| | Actual | \$ 4,378 | \$ 5,891 | \$ 4,130 | \$ 5,766 | \$ 5,444 | \$ 8,043 |
| | Variance | \$ 4,435 | \$ 2,921 | \$ 4,683 | \$ 3,046 | \$ 3,368 | \$ 769 |
| | Status | 50.3% | 33.1% | 53.1% | 34.6% | 38.2% | 8.7% |

Operating Cash



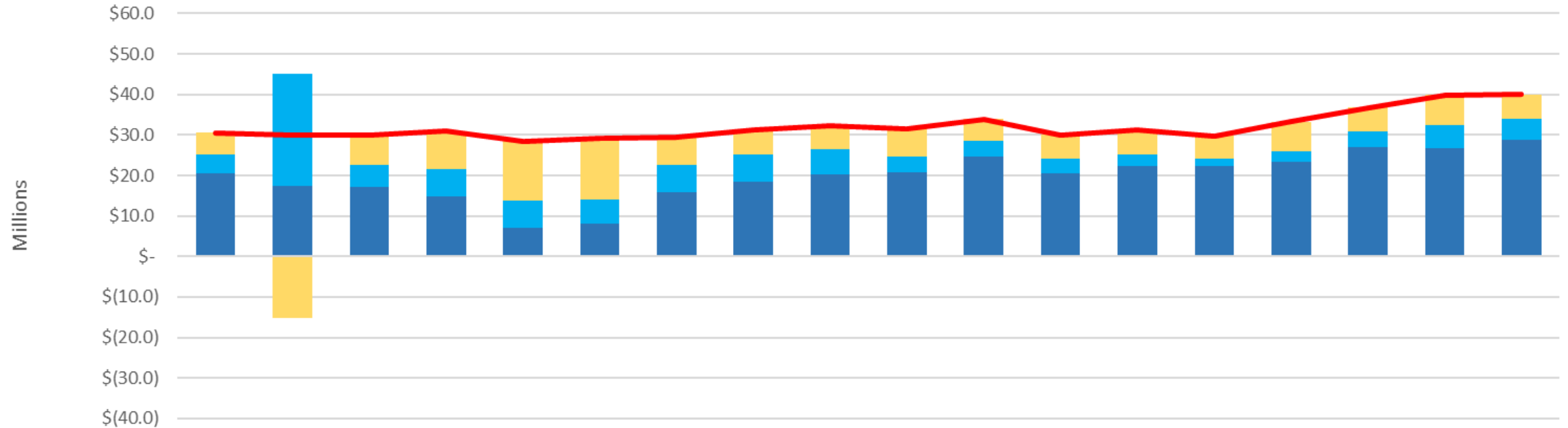
Improvement & Extension / Construction Cash



Net Operating Cash and Intrafunds - Water



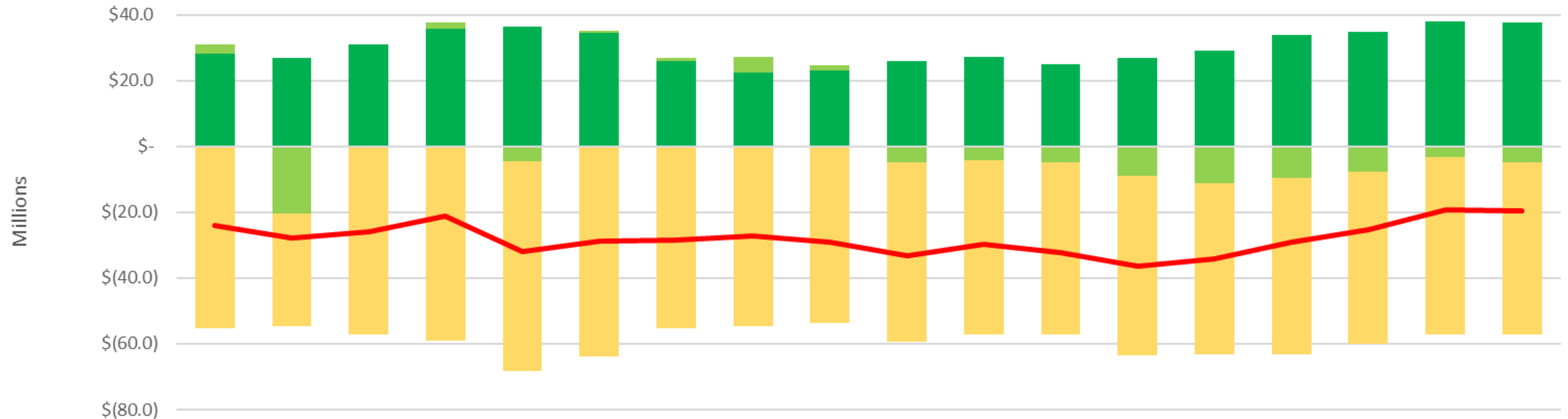
Net Operating Cash and Intrafunds - Water



| | J-19 | A-19 | S-19 | O-19 | N-19 | D-19 | J-20 | F-20 | M-20 | A-20 | M-20 | J-20 | J-20 | A-20 | S-20 | O-20 | N-20 | D-20 |
|----------------|--------|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Net Intrafunds | \$5.4 | \$(15.3) | \$7.4 | \$9.4 | \$14.7 | \$15.1 | \$6.9 | \$6.1 | \$5.8 | \$6.9 | \$5.4 | \$6.0 | \$6.0 | \$5.6 | \$7.3 | \$5.9 | \$7.4 | \$6.1 |
| Cash at GLWA | \$4.6 | \$27.8 | \$5.4 | \$6.8 | \$6.8 | \$6.0 | \$6.7 | \$6.7 | \$6.2 | \$4.0 | \$3.8 | \$3.5 | \$3.0 | \$1.9 | \$2.7 | \$3.8 | \$5.9 | \$5.0 |
| Cash at DWSD | \$20.6 | \$17.3 | \$17.2 | \$14.7 | \$7.0 | \$8.1 | \$15.8 | \$18.4 | \$20.3 | \$20.8 | \$24.6 | \$20.5 | \$22.3 | \$22.3 | \$23.3 | \$27.0 | \$26.6 | \$28.9 |
| Net Cash | \$30.5 | \$29.9 | \$30.0 | \$30.9 | \$28.5 | \$29.3 | \$29.3 | \$31.2 | \$32.2 | \$31.6 | \$33.8 | \$30.1 | \$31.3 | \$29.8 | \$33.3 | \$36.7 | \$39.9 | \$39.9 |

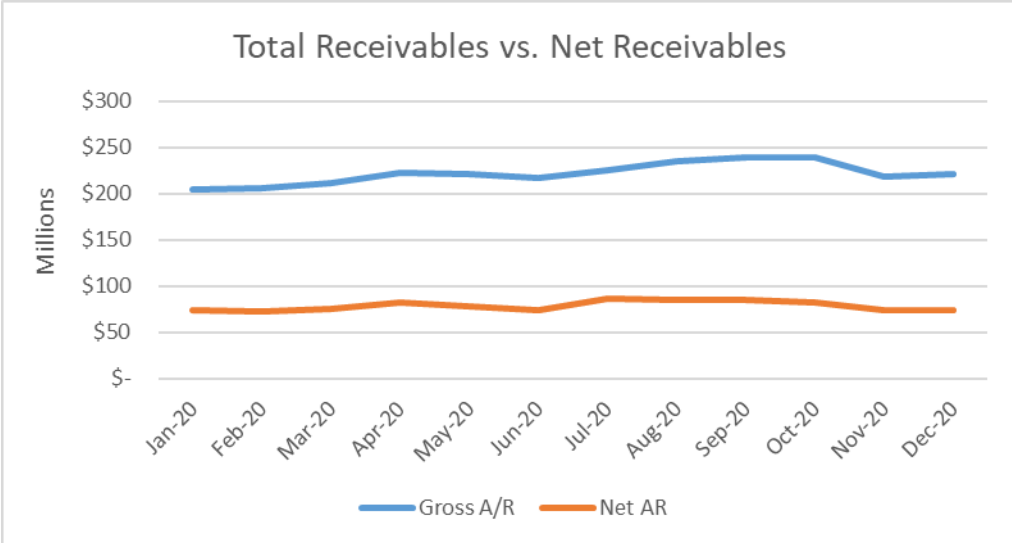
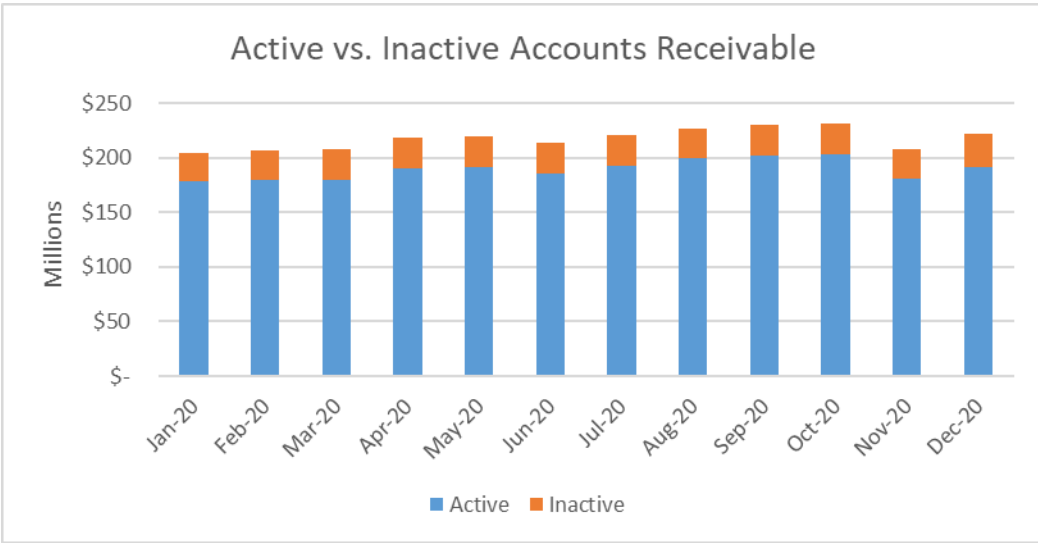
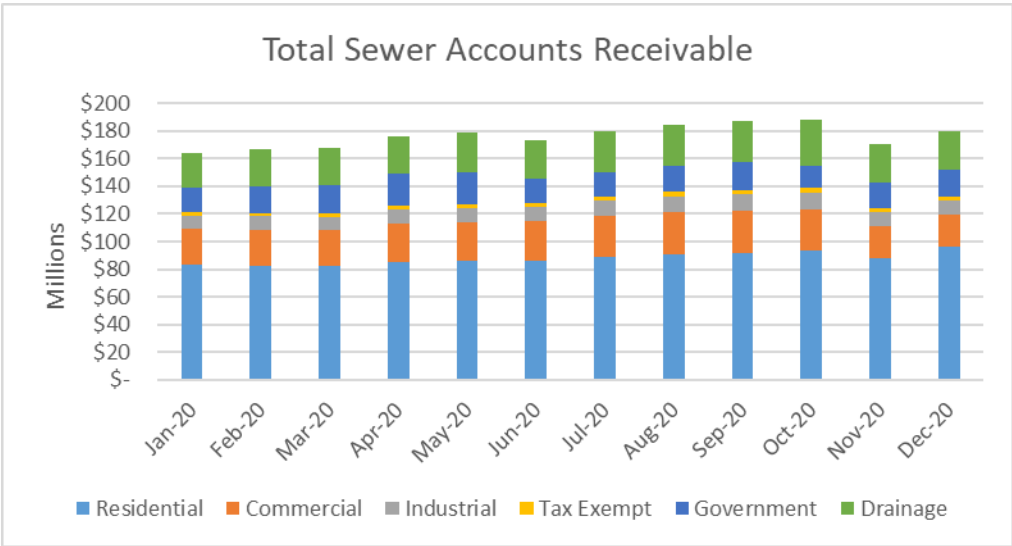
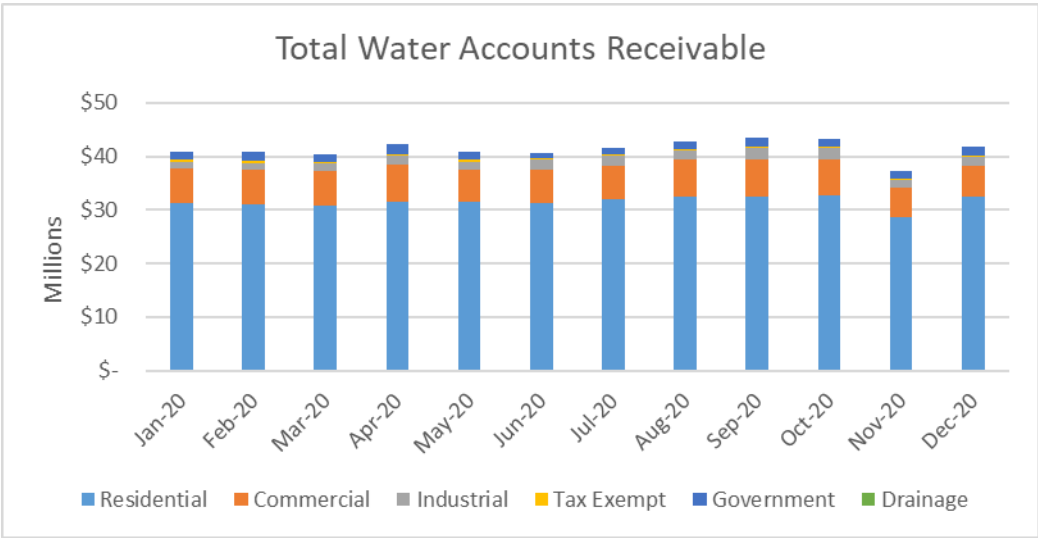
Net Operating Cash and Intrafunds - Sewer

Net Operating Cash and Intrafunds - Sewer

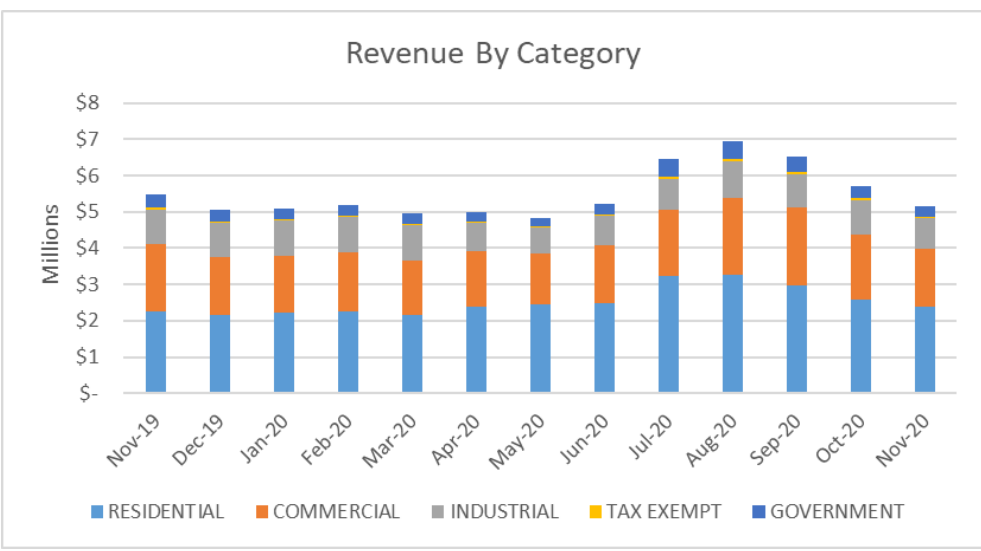
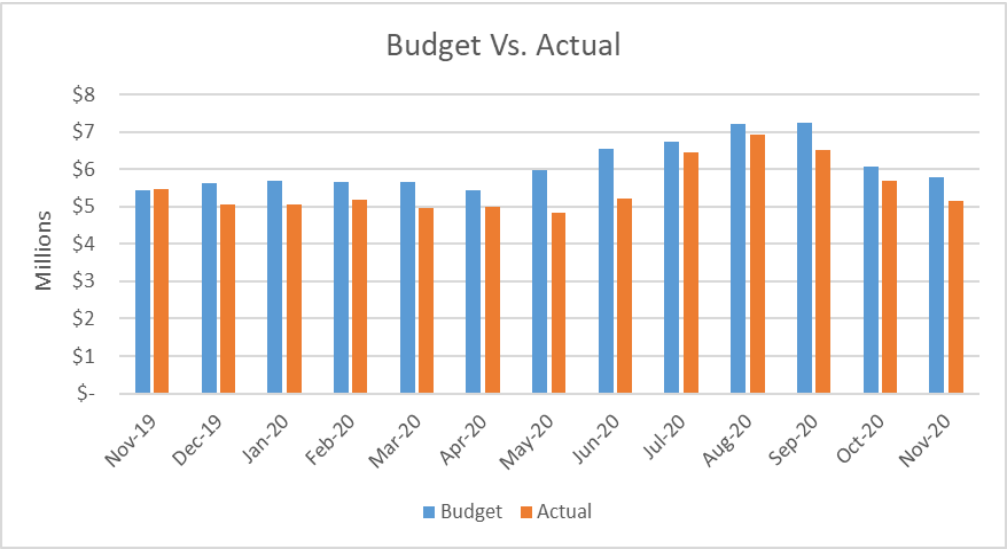
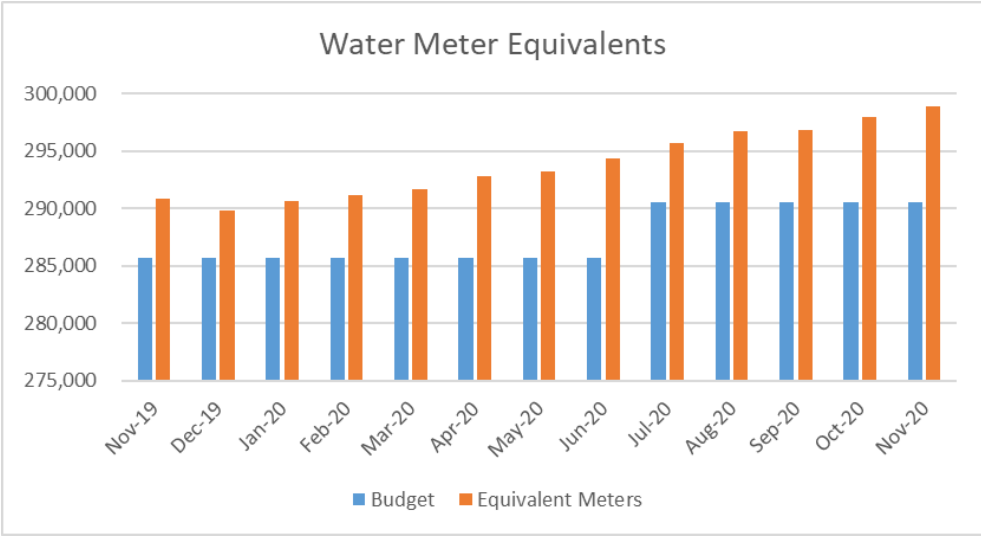
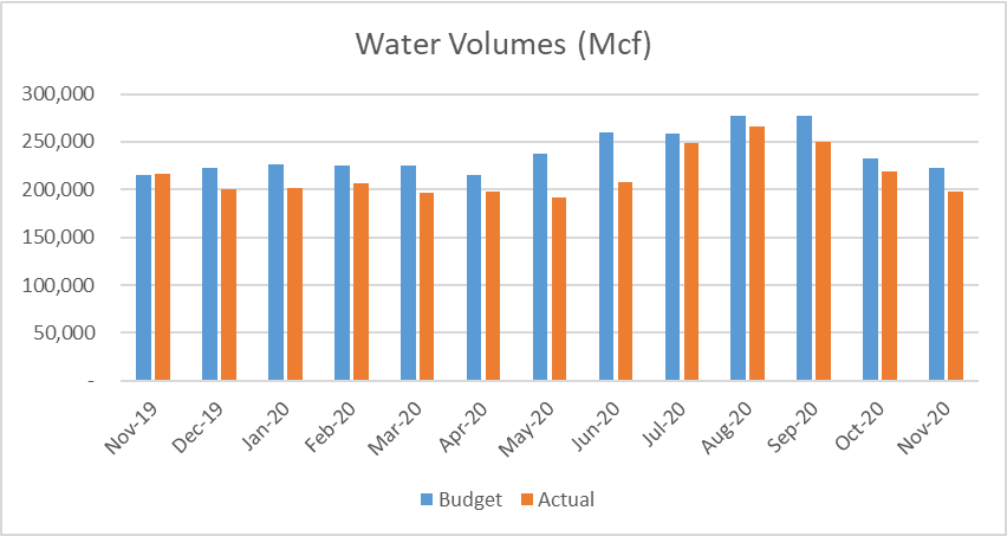


| | J-19 | A-19 | S-19 | O-19 | N-19 | D-19 | J-20 | F-20 | M-20 | A-20 | M-20 | J-20 | J-20 | A-20 | S-20 | O-20 | N-20 | D-20 |
|----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Net Intrafunds | \$(55.2) | \$(34.4) | \$(57.1) | \$(59.1) | \$(63.8) | \$(63.8) | \$(55.4) | \$(54.6) | \$(53.7) | \$(54.7) | \$(53.0) | \$(52.6) | \$(54.5) | \$(52.1) | \$(53.8) | \$(52.4) | \$(54.0) | \$(52.3) |
| Cash at GLWA | \$2.9 | \$(20.3) | \$(0.1) | \$2.1 | \$(4.6) | \$0.7 | \$1.0 | \$5.0 | \$1.4 | \$(4.6) | \$(4.2) | \$(4.7) | \$(8.9) | \$(11.2) | \$(9.5) | \$(7.6) | \$(3.2) | \$(4.9) |
| Cash at DWSD | \$28.2 | \$26.8 | \$31.1 | \$35.7 | \$36.3 | \$34.4 | \$25.8 | \$22.4 | \$23.2 | \$26.1 | \$27.4 | \$25.1 | \$27.0 | \$29.1 | \$34.0 | \$34.7 | \$37.9 | \$37.7 |
| Net Cash | \$(24.1) | \$(27.9) | \$(26.0) | \$(21.2) | \$(32.0) | \$(28.7) | \$(28.5) | \$(27.2) | \$(29.1) | \$(33.2) | \$(29.7) | \$(32.2) | \$(36.4) | \$(34.1) | \$(29.2) | \$(25.2) | \$(19.2) | \$(19.4) |

Accounts Receivable

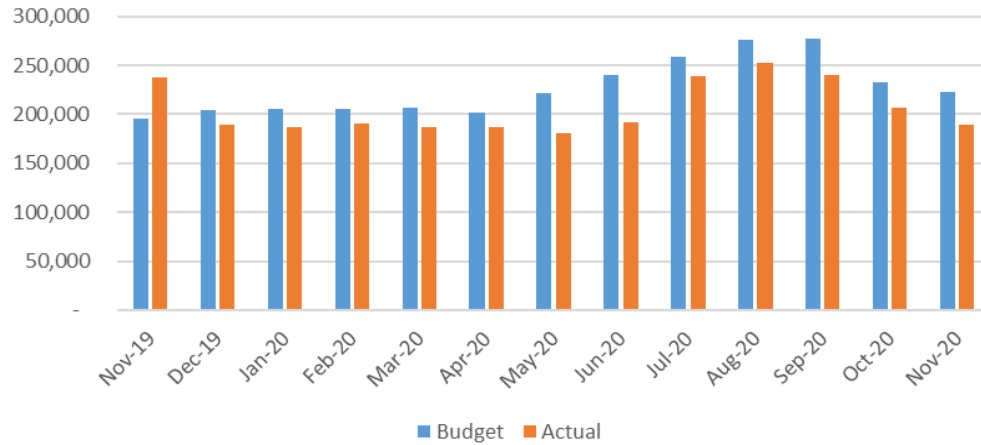


Revenue - Water

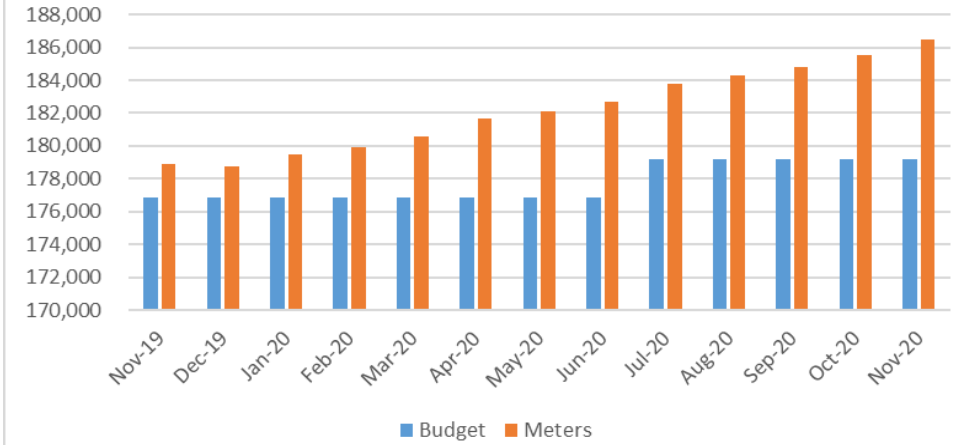


Revenue – Sewer (Excludes Drainage)

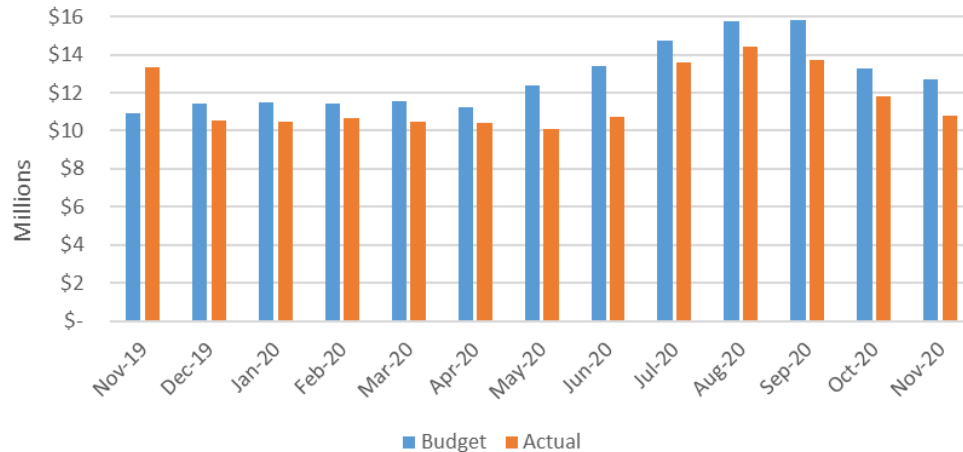
Sewer Volumes (Mcf)



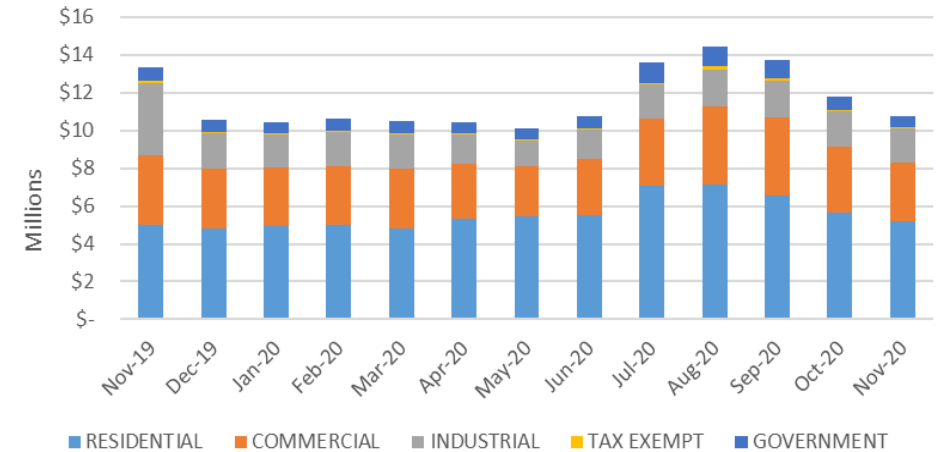
Sewer Meters



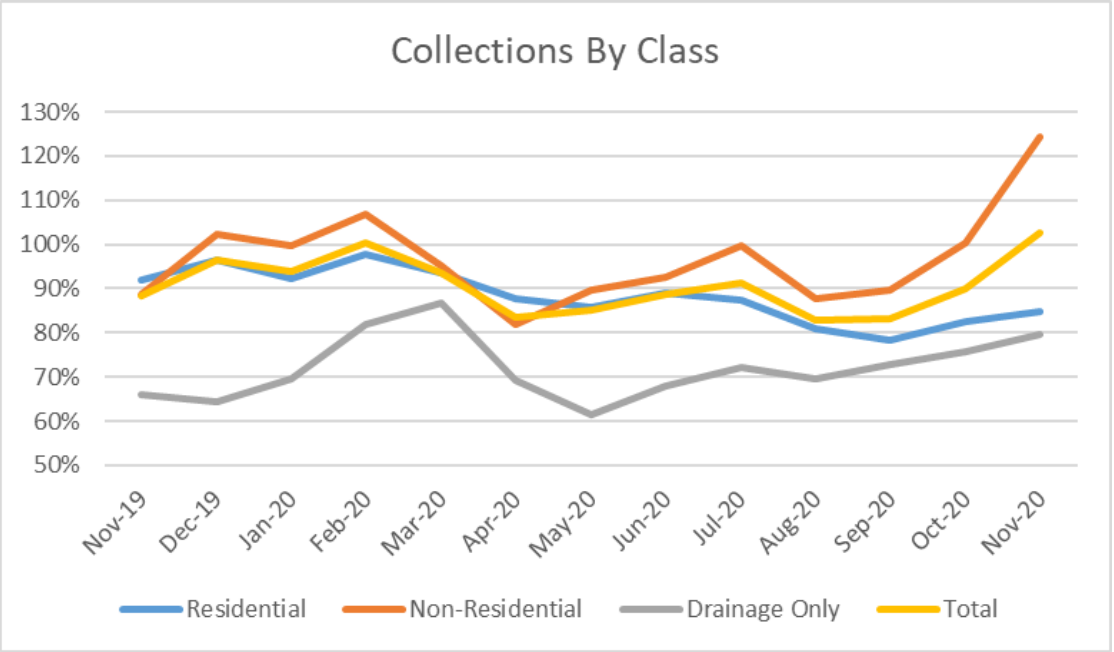
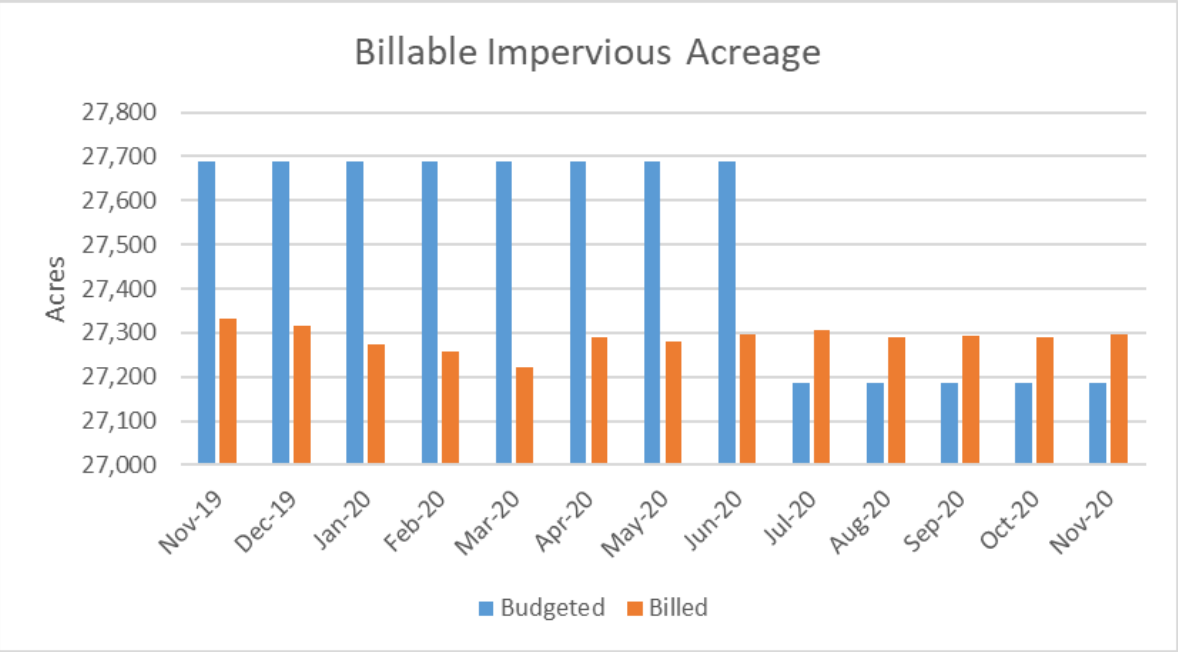
Budget Vs. Actual



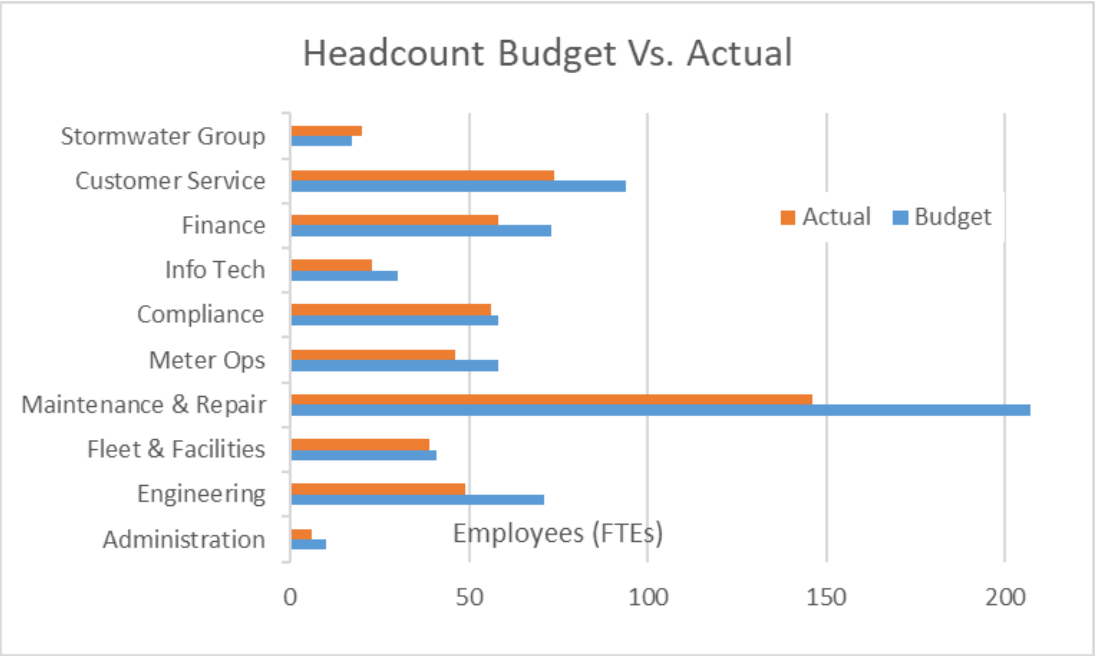
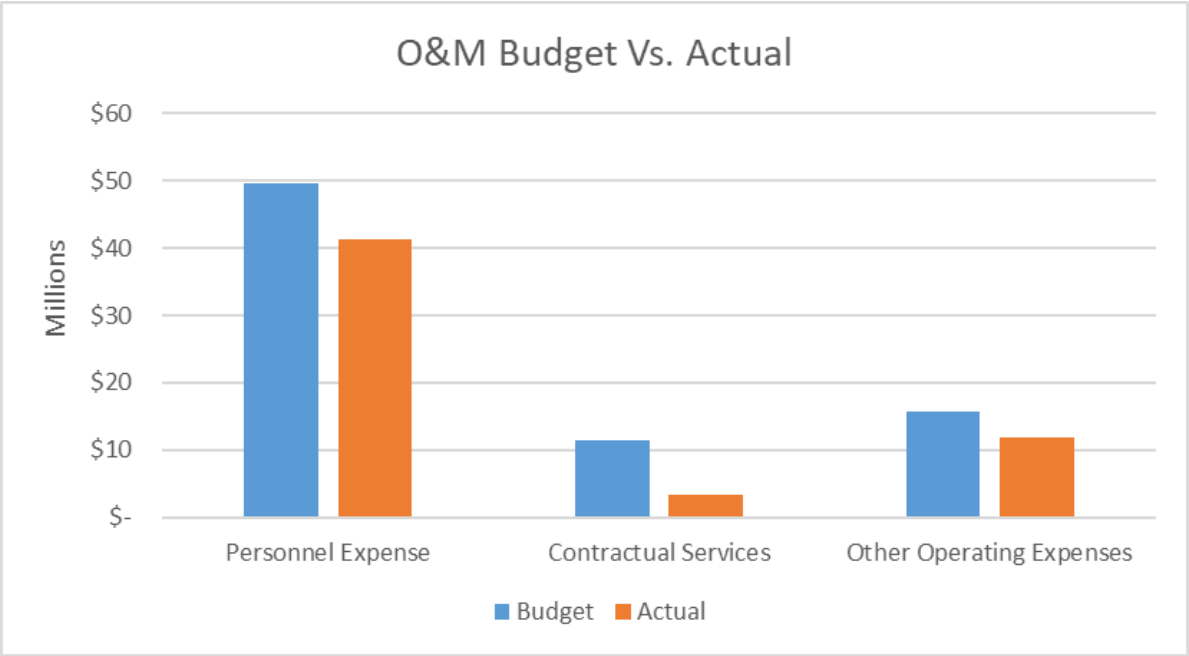
Revenue By Class



Revenue – Drainage and Collections



Operations (O&M) Spending





THANK YOU!

Detroit Water & Sewerage Department

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