



Financial Review

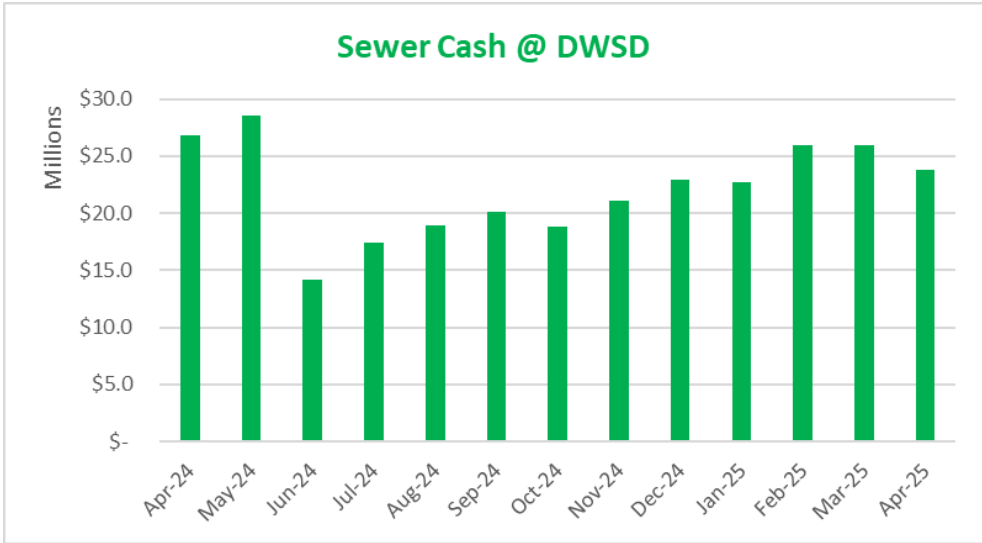
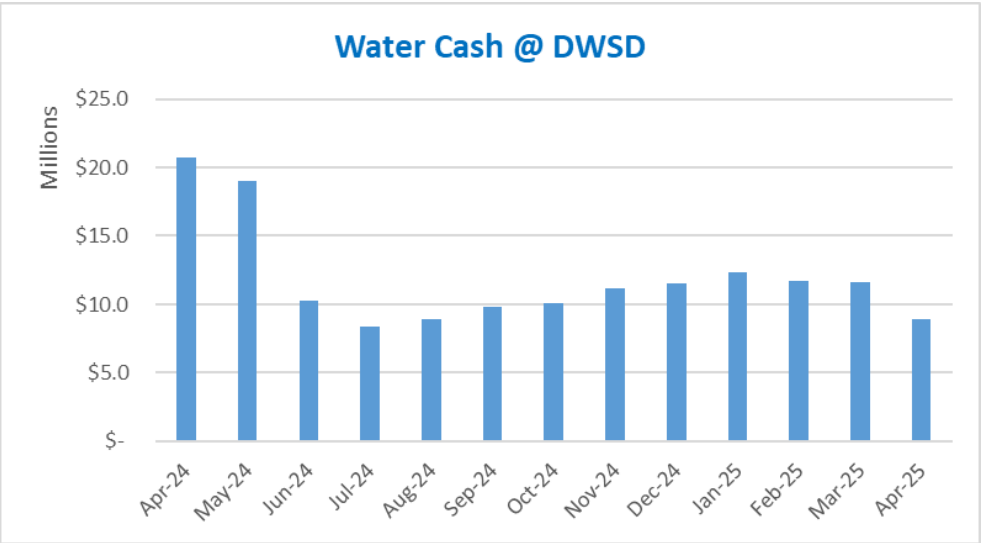
April 2025

BOWC Finance Committee

July 2, 2025

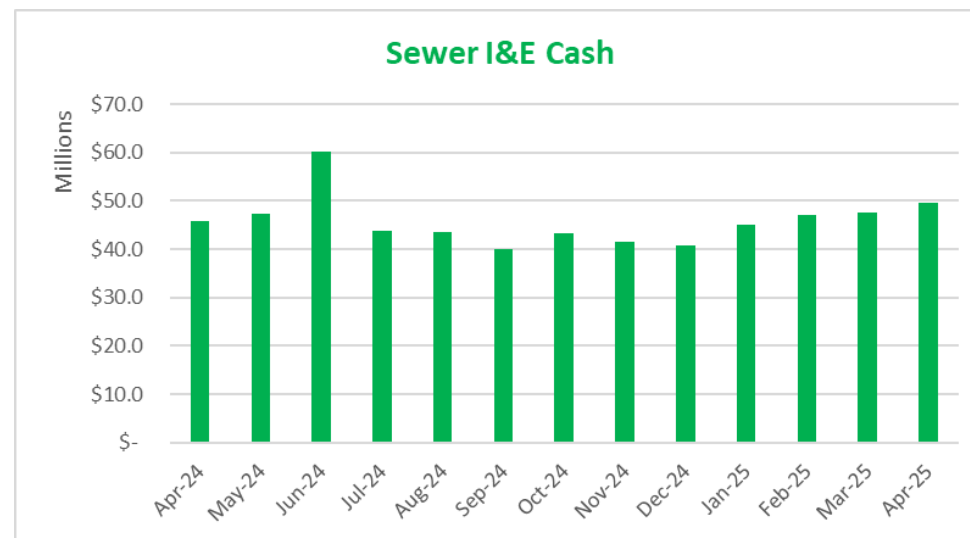
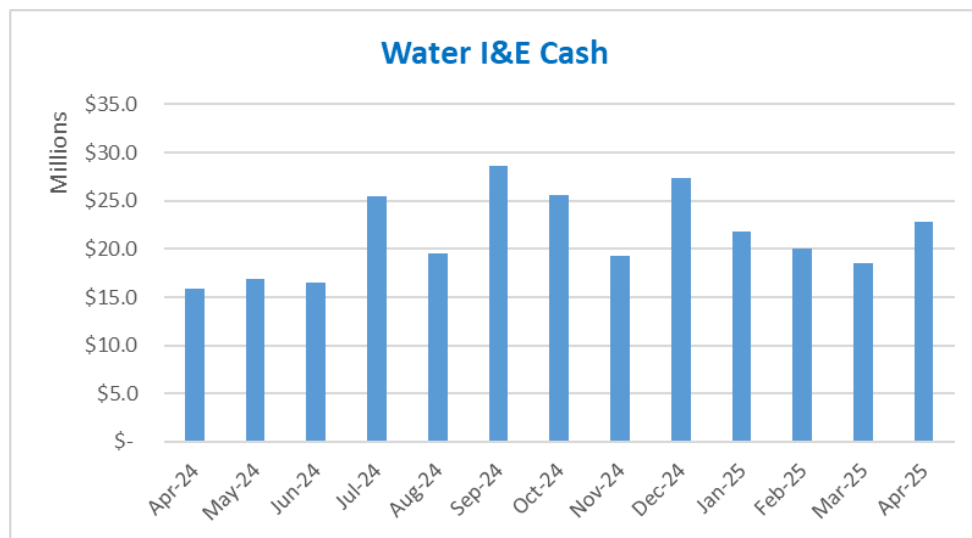
April 2025 Highlights – Operating Cash

- DWSD continues to maintain adequate cash reserves to support its operating and capital programs.
- On a systemwide basis, Cash and Investments in the Operating, Improvement & Extension (I&E), Trust accounts and Construction accounts amounted to \$279.1 million (\$121.8 million in the Water Fund and \$157.3 million in the Sewer Fund). This represents an overall decrease of \$3.7 million over the March balance.
- Water Operating Cash** of \$8.9 million decreased by \$2.7 million over the previous month.
- Sewer Operating Cash** of \$23.8 million decreased by \$2.1 million over the previous month.



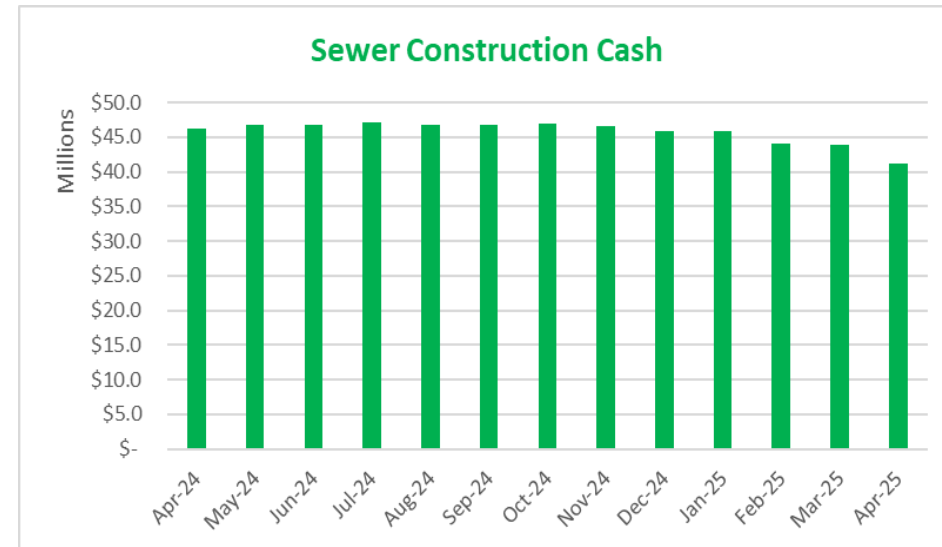
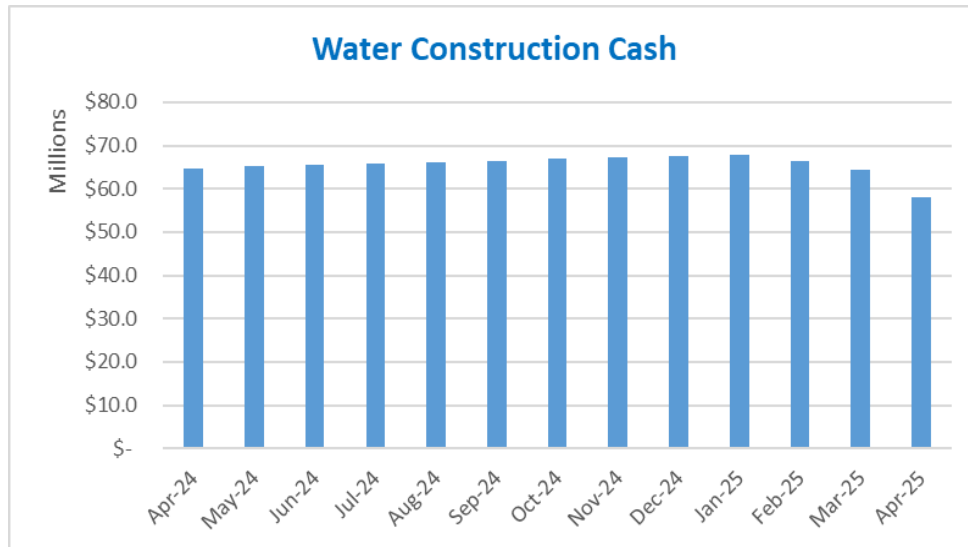
April 2025 Highlights – Improvement & Extension (I&E) Cash

- DWSD continues to spend down I&E and Construction Cash in support of its Capital Improvement Program.
- Water I&E Cash** amounted to \$22.8 million at the end of April, an increase of \$4.3 million over March balance.
- Sewer I&E Cash** amounted to \$49.5 million at the end of April, an increase of \$1.8 million over March balance.



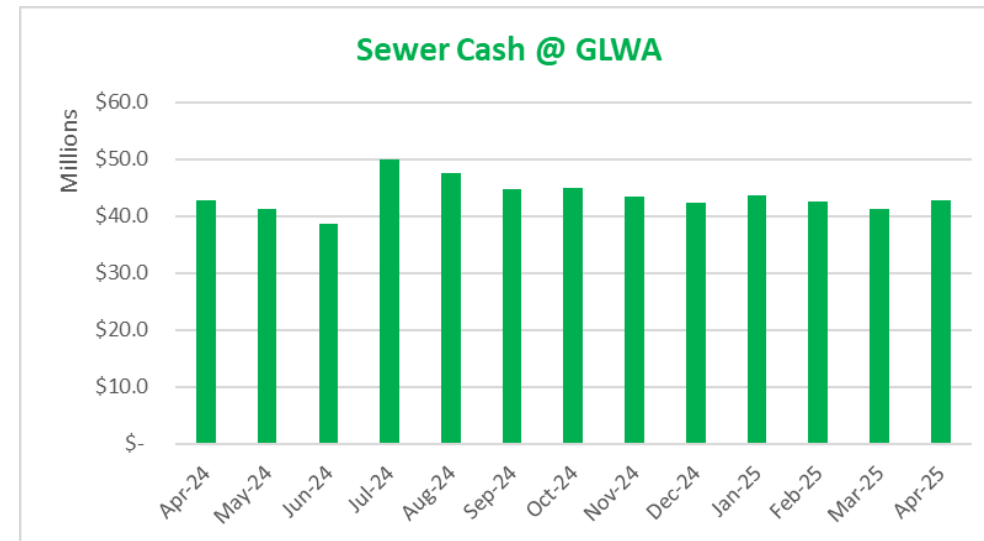
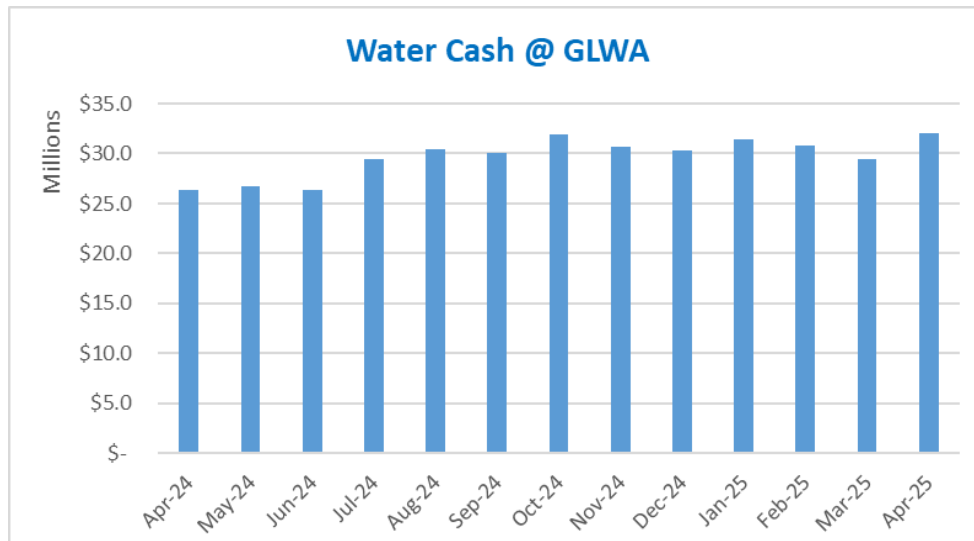
April 2025 Highlights – Construction Cash

- **Water Construction Cash** amounted to \$58.1 million at the end of April, a decrease of \$6.2 million over March balance.
- **Sewer Construction cash** amounted to \$41.2 million at the end of April, a decrease of \$2.7 million over March balance.



April 2025 Highlights – Cash Held in Trust

- **Water Cash @ GLWA** amounted to \$32.0 million at the end of April, an increase of \$2.5 million over March balance.
- Retail Water receipts of \$11.7 million in April was higher than March's receipts of \$8.9 million and exceeded the target collection by \$2.5 million for the month.
- **Sewer Cash @ GLWA** amounted to \$42.7 million at the end of April, an increase of \$1.4 million over March balance.
- Retail Sewer receipts of \$25.3 million in April was higher than March's receipts of \$23.9 million and exceeded the target collection by \$1.3 million for the month.



Comparative Accounts Receivable

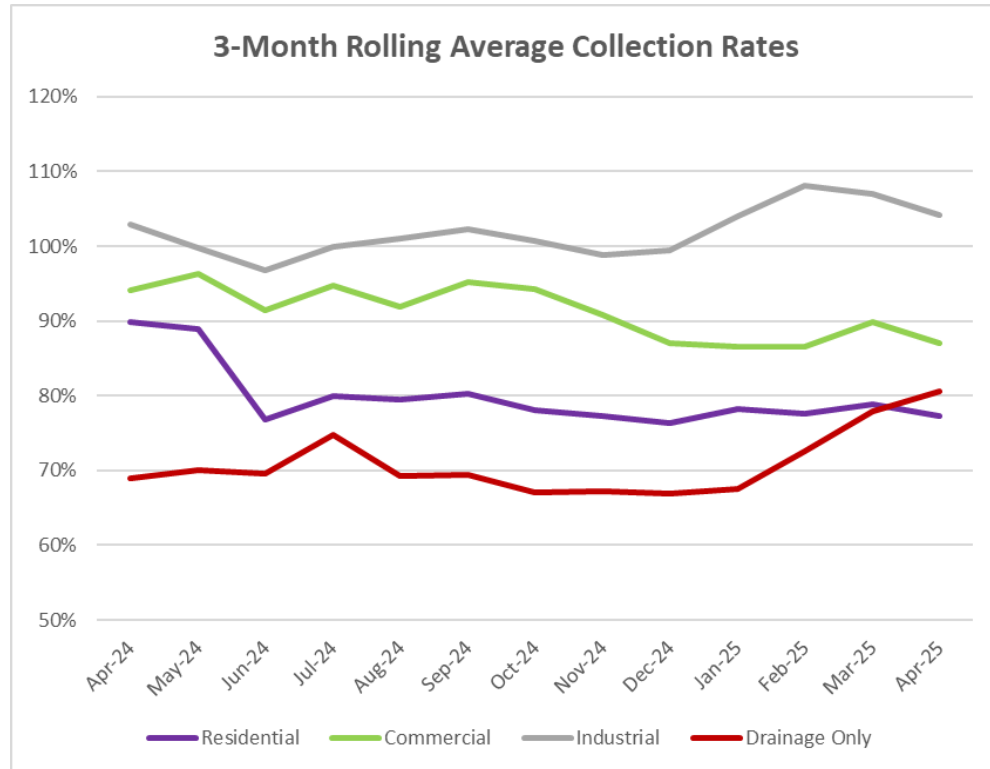


- April sales of \$40.7 million remained consistent with March sales.
- Receivables of \$321.5 million for all actives increased by \$900,000 (0.03%) compared to March receivables of \$320.6 million.
- April cash collection \$37.6 million increased by \$4.3 million (12.18%) compared to March's cash collection of \$33.3 million.
- Active Residential Accounts Receivable continue to increase by \$2.1 million (1.0%) and the aging increased by 6 days in April.
- Allowance for Doubtful Accounts are 76.6% of the Total Accounts Receivable (including Tax Roll Transfer) balance as of April.

Sales Class	June 30, 2024			March 31, 2025			April 30, 2025		
	Sales	Receivables	Days in AR	Sales	Receivables	Days in AR	Sales	Receivables	Days in AR
Residential	\$ 16,323,530	\$ 194,421,286	357	\$ 17,761,420	\$ 225,133,875	380	\$ 17,670,030	\$ 227,245,550	386
Commercial	8,418,084	28,005,835	100	8,576,961	29,949,788	105	8,733,062	30,496,398	105
Industrial	5,410,839	13,952,124	77	5,271,675	12,998,594	74	5,436,465	12,839,533	71
Tax Exempt	714,440	2,738,594	115	771,105	2,945,825	115	784,858	3,007,360	115
Government	4,639,256	19,324,545	125	4,728,509	22,516,595	143	4,560,312	20,882,874	137
Drainage Only	3,522,661	28,647,608	244	3,617,879	27,031,546	224	3,535,652	27,032,220	229
Total Active Accounts	\$ 39,028,810	287,089,991	221	\$ 40,727,549	320,576,223	236	\$ 40,720,379	321,503,935	237
Inactive Accounts Receivable		37,776,601			47,753,330			49,323,607	
Total Accounts Receivable		324,866,592			368,329,554			370,827,541	
Allowance for Doubtful Accounts		(249,922,100)			(295,595,683)			(300,717,348)	
Net Accounts Receivable		\$ 74,944,492			\$ 72,733,871			\$ 70,110,193	
Tax Roll Transfer					20,495,069			21,599,854	
Total					\$ 93,228,940			\$ 91,710,047	

*DWSD continues to monitor its Receivable balance, and appropriate allowances are made to account for uncertainty of collection.

Collection Rates

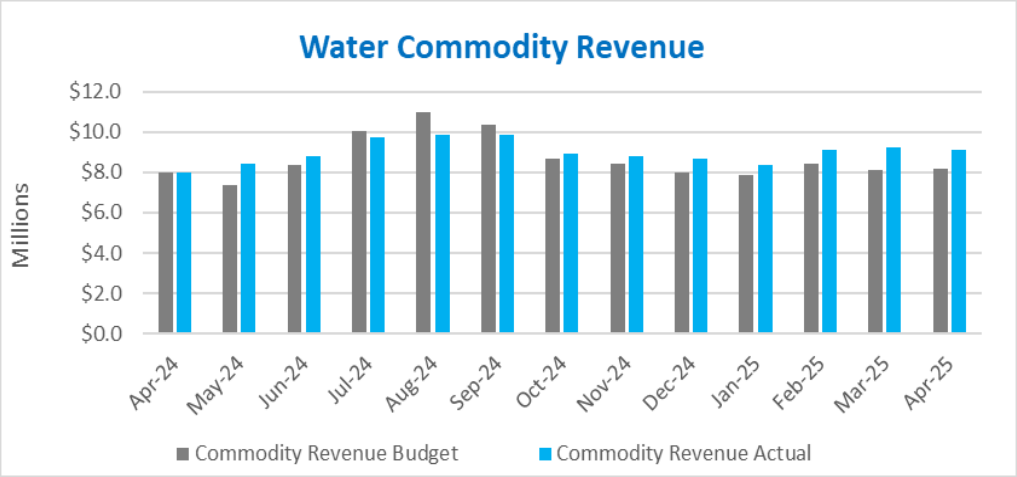
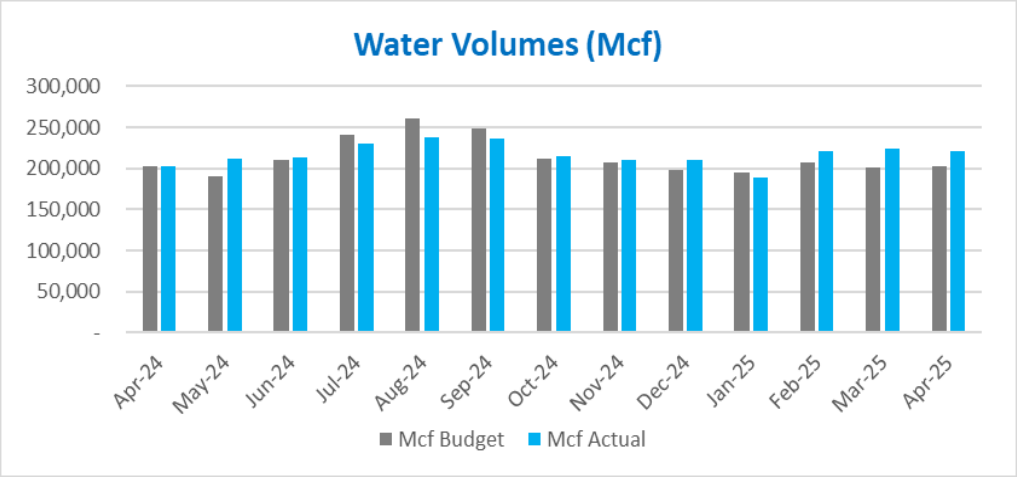


	Feb-25	Mar-25	Apr-25	3 - Month
Customer Class	Coll Rate	Coll Rate	Coll Rate	Rolling Average
Residential	73.4%	77.5%	80.6%	77.2%
Commercial	81.0%	90.6%	89.6%	87.0%
Industrial	109.4%	95.7%	106.9%	104.2%
Tax Exempt	81.2%	89.3%	85.4%	85.3%
Government	157.8%	69.7%	126.1%	111.5%
Drainage Only	73.5%	86.1%	82.2%	80.7%

- **Residential** collection rates for the last three months have averaged at 77.2%. April collections increased to 80.6% compared to 77.5% in March and 73.4% in February.
- **Commercial and Industrial** Commercial 3-month rolling averaged at 87.0%, a decrease from March's 3 month average of 89.9%. Industrial 3-month averaged at 104.2%, a decrease from 107% as of March. Collection rates for both Commercial and Industrial customer classes continue to show positive results.
- **Drainage Only** collections rate for April stood at 82.2% compared to 86.1% in March. The 3-month rolling average at 80.7% showed an increase from 77.8% 3-month average as of March.
- Residential and Drainage only collections rates continue to be a concern.
- April combined collection rate of 91.4% for all active customer classes was higher than March's combined collection rate of 82.7%. The 3-month moving average rate for all active customer classes was 87.0%, an improvement from 85.5% as of March.

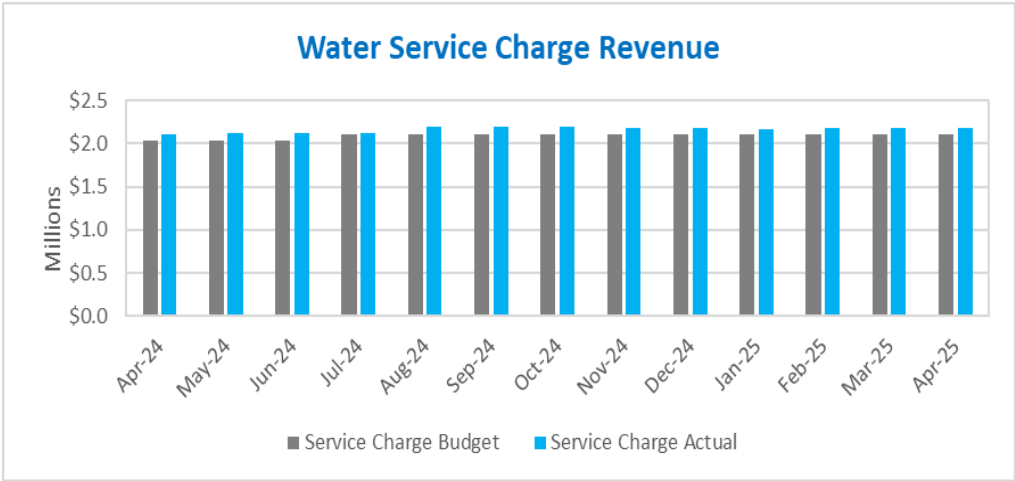
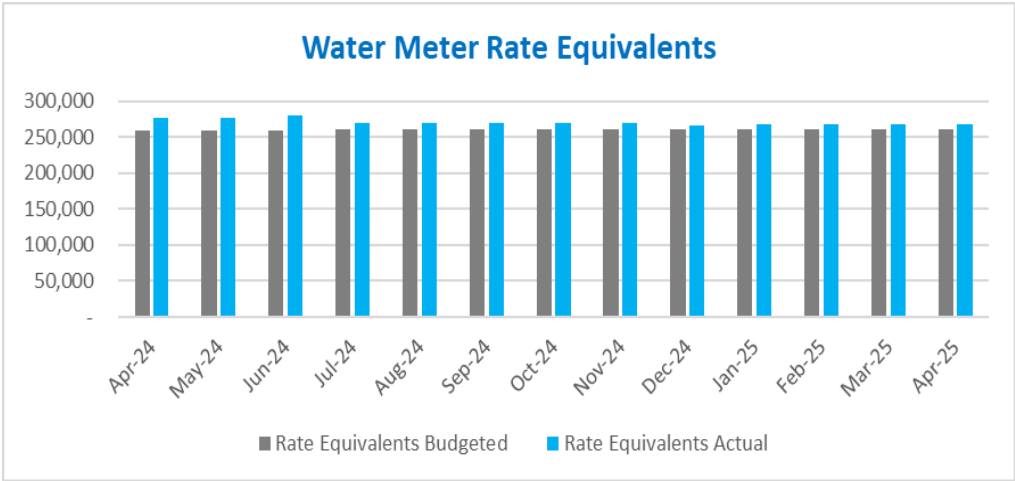
Water Commodity Metrics and Revenues

- April actual Volume exceeded the budget for the month by 8.9% but was 1.6% lower than actual March Volume and 9.1% above April 2024 Volume.
- Year-to-date actual Water Volume was 1.1% over seasonally adjusted budget.
- April actual Commodity Revenue exceeded the budget for the month by 10.9% but was 1.9% lower than actual March Revenue and 13.4% above April 2024 Revenue.
- Year-to-date actual Commodity Revenue was 3.1% above seasonally adjusted budget.



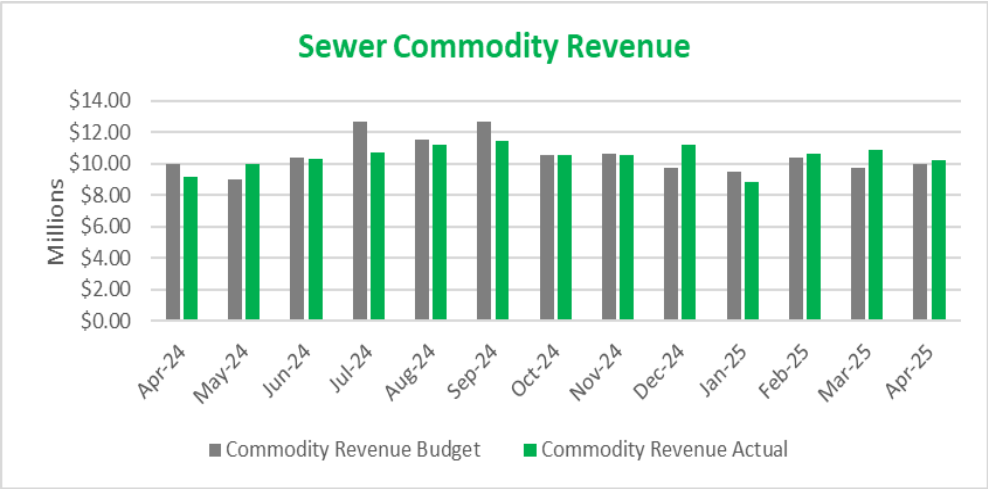
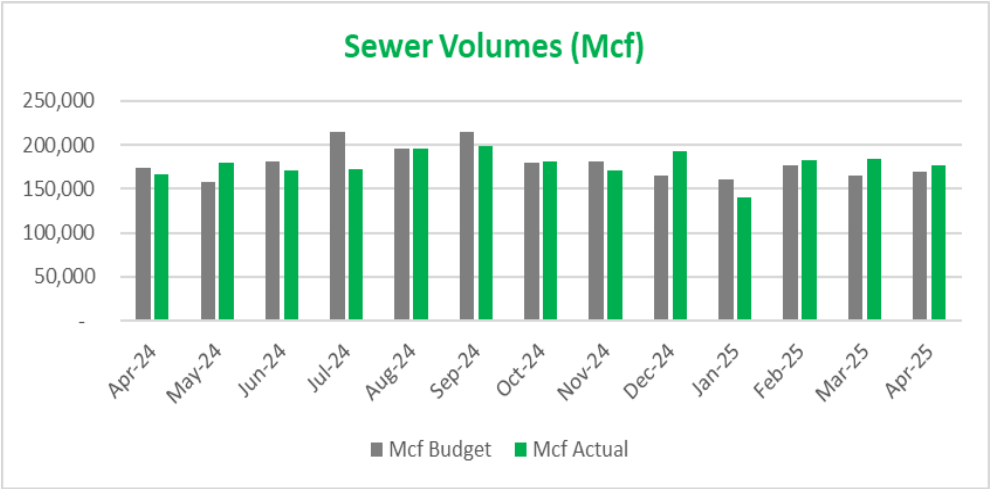
Water Service Charge Metrics and Revenues

- April actual Meter Equivalents exceeded the budget for the month by 2.5% but was 0.1% lower than March Equivalents and 3.5% below April 2024 Equivalents.
- Year-to-date actual Water Meter Equivalents exceeded budget by 2.9%.
- April actual Water Service Charge Revenue exceeded the budget for the month by 3.2% and was steady with March Revenue and 3.0% above April 2024 Revenue.
- Year-to-date actual Water Service Charge Revenue exceeded budget by 3.2%.



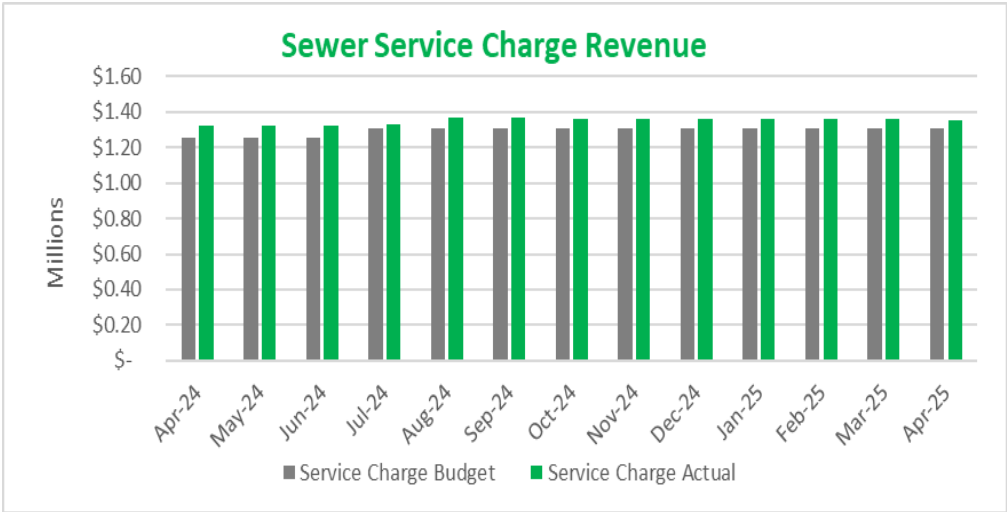
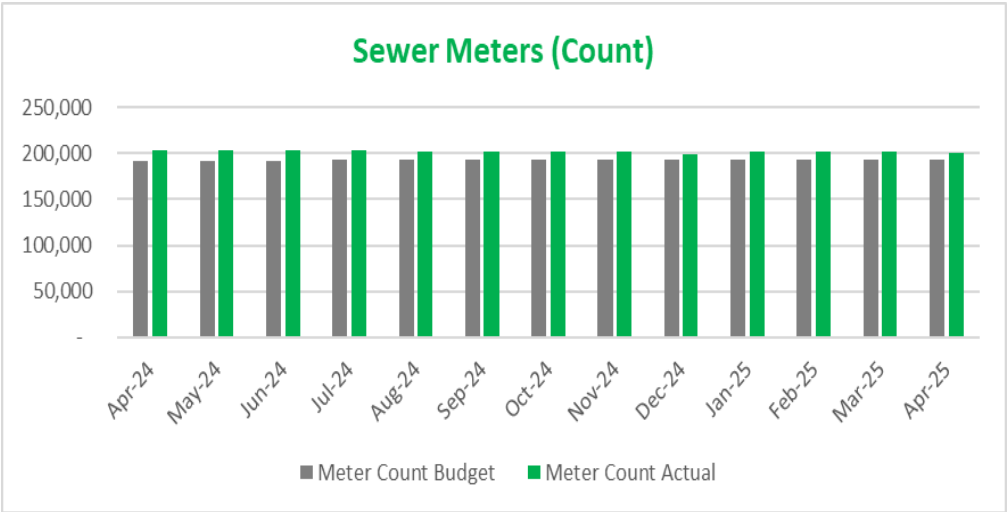
Sewer Commodity Metrics and Revenues

- April actual Volume exceeded the budget for the month by 4.3% but was 4.3% lower than actual March Volume and was 6.2% above April 2024 Volume.
- Year-to-date actual Sewer Volume was 1.4% under seasonally adjusted budget.
- April actual Commodity Revenue exceeded the budget for the month by 3.0% but was 5.4% lower than actual March Revenue and 11.6% above April 2024 Revenue.
- Year-to-date actual Commodity Revenue was 1.1% under seasonally adjusted budget.



Sewer Service Charge Metrics and Revenues

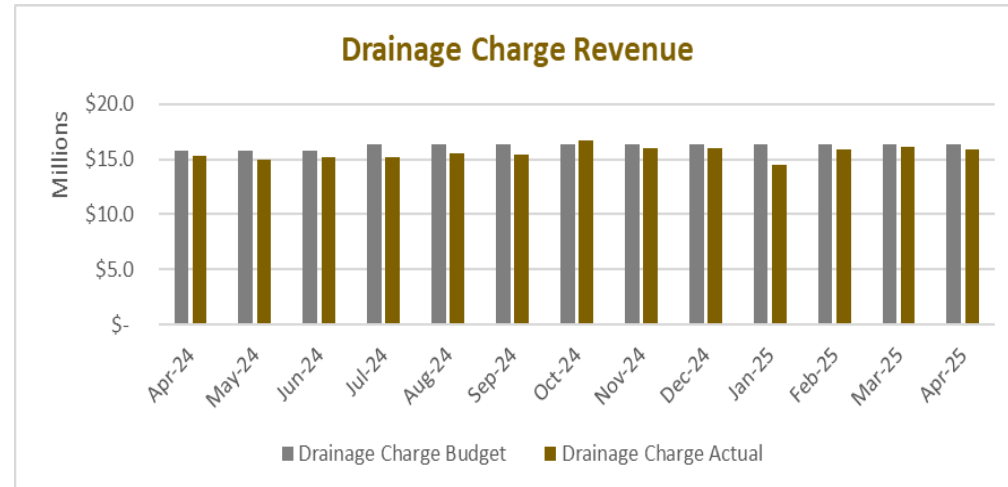
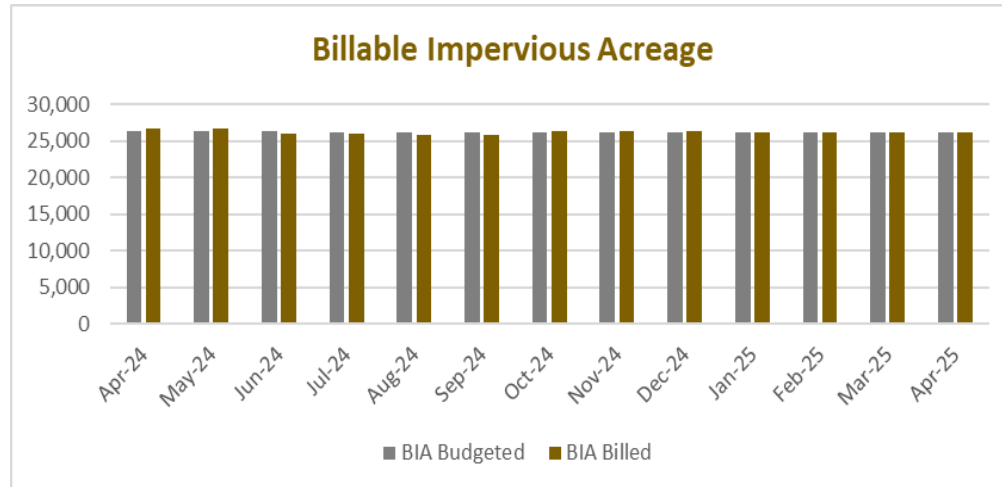
- April actual Sewer Meter Counts exceeded the budget for the month by 3.7% but was 0.4% lower than compared to March Counts and was 1.1% lower than April 2024 Counts.
- Year-to-date actual Sewer Meter Counts exceeded budget by 4.3%.
- April actual Sewer Service Charge Revenue exceeded the budget for the month by 3.8% but was 0.4% lower than compared to March Revenue and was 2.6% over April 2024 Revenue.
- Year-to-date actual Sewer Service Charge Revenue exceeded budget by 4.1%.



Drainage Charge Metrics and Revenues



- April actual Billable Impervious Acreage (BIA) exceeded the budget for the month by 0.3% and was consistent with March actual BIA but was 2.2% under April 2024 actual BIA.
- Year-to-date actual BIA was 0.2% over budget.
- April actual Drainage Revenue fell short of the budget for the month by 3.0% and was 1.3% lower than actual March Revenue and was 4.1% above April 2024 actual Revenue.
- Year-to-date actual Drainage Charge Revenue was 3.9% under budget.





THANK YOU!

Detroit Water & Sewerage Department

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