



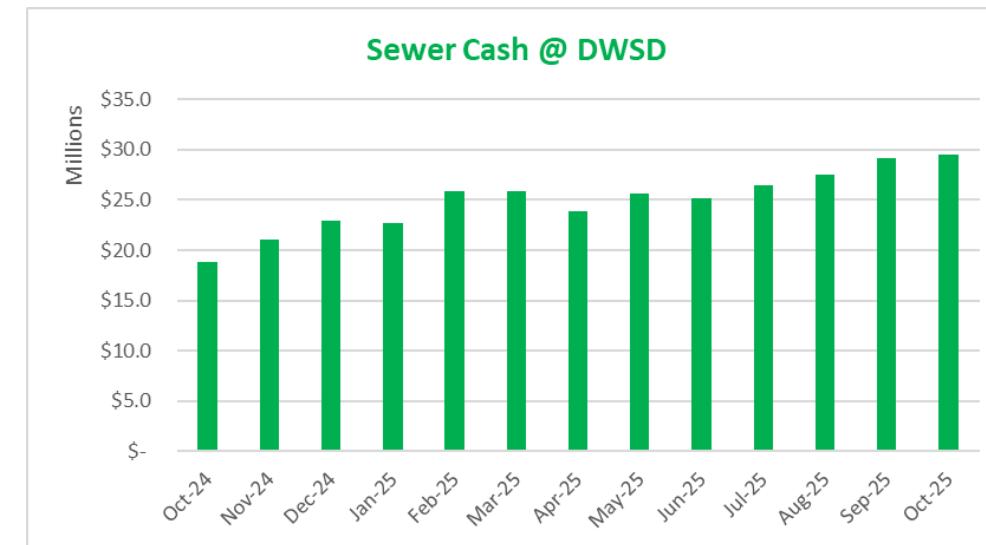
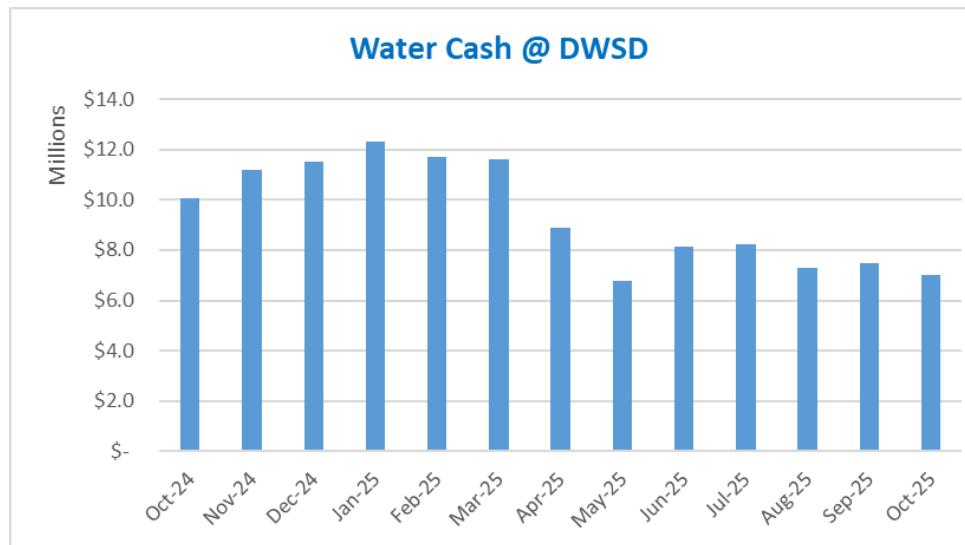
Financial Review October 2025

BOWC Finance Committee

January 13, 2026

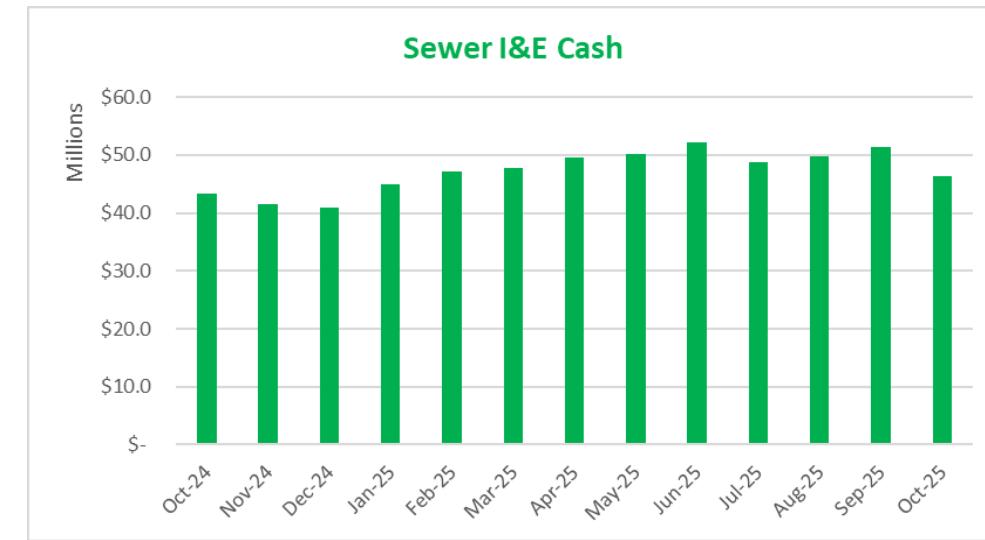
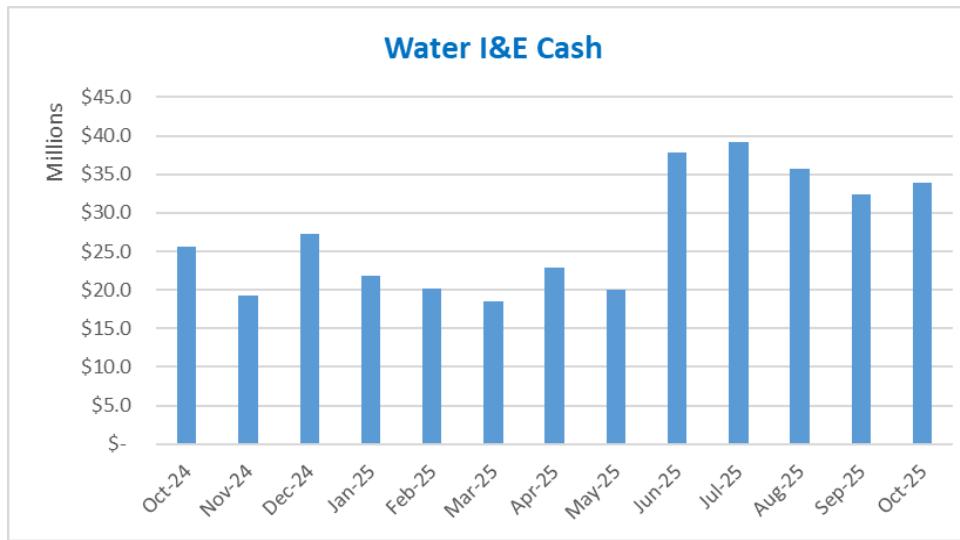
October 2025 Highlights – Operating Cash

- 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 \$259.7 million (\$96.8 million in the Water Fund and \$162.9 million in the Sewer Fund). This represents a decrease of \$5.2 million over the September balance.
- **Water Operating Cash** of \$7.0 million decreased by \$438,000 over the previous month.
- **Sewer Operating Cash** of \$29.5 million increased by \$300,000 over the previous month.



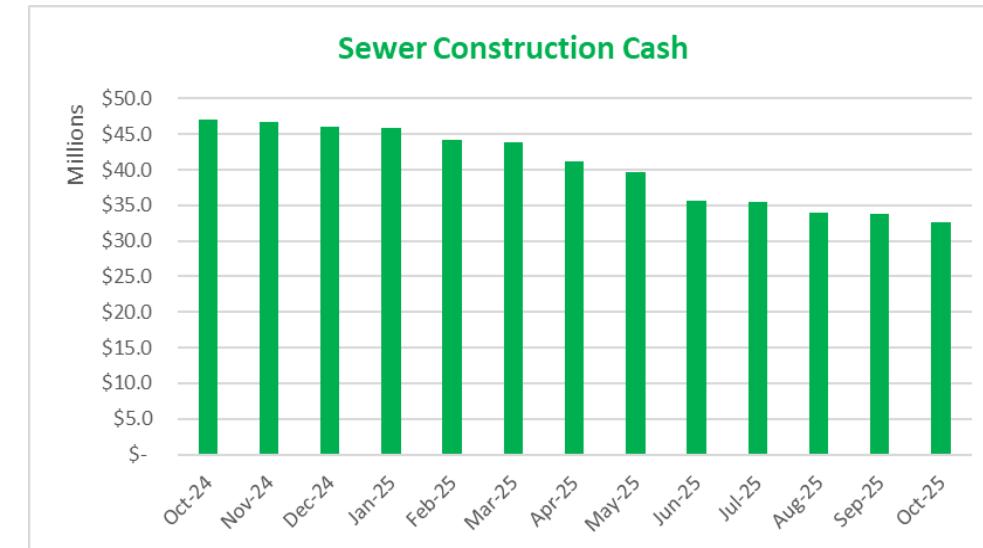
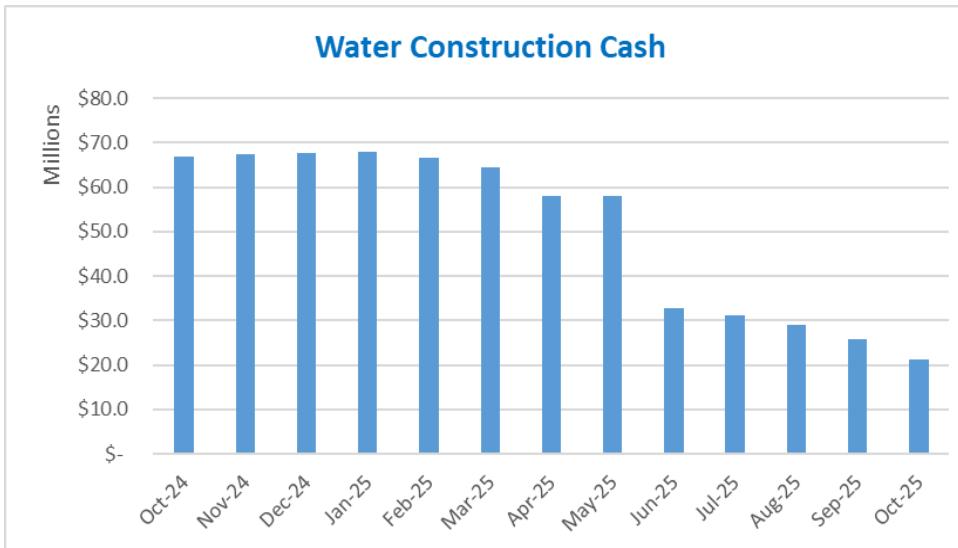
October 2025 Highlights – Improvement & Extension (I&E) Cash

- DWSD continues to spend down I&E and Construction Cash in support of its Capital Improvement Program.
- **Water I&E Cash** amounted to \$33.9 million at month end, an increase of \$1.5 million over September balance.
- **Sewer I&E Cash** amounted to \$46.3 million at month end, a decrease of \$5.1 million over September balance.



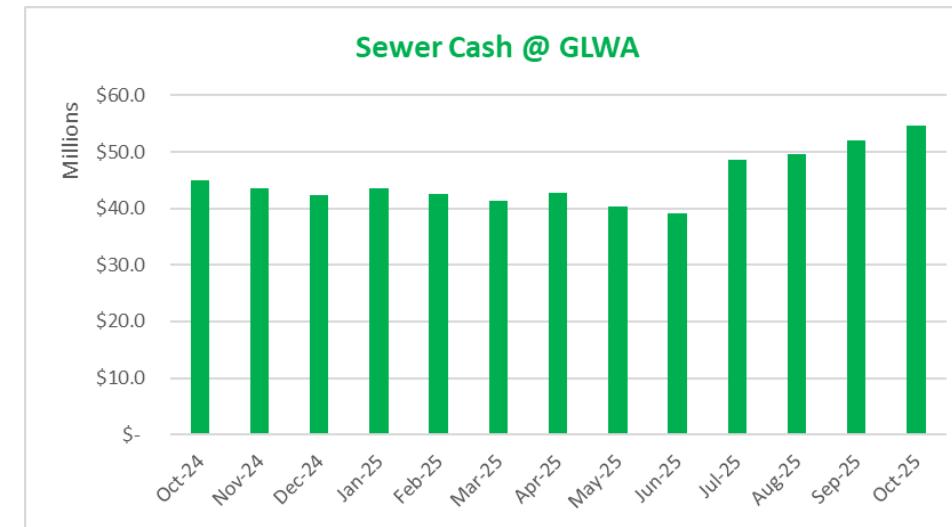
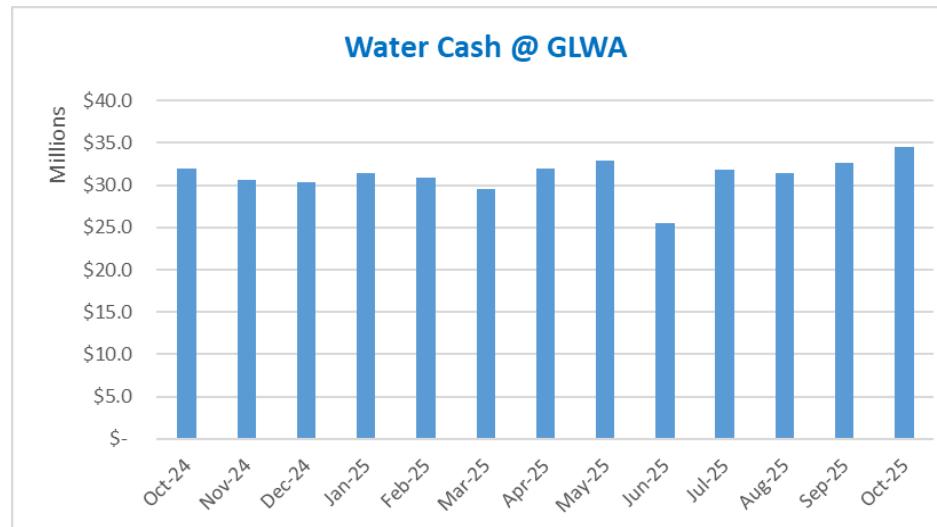
October 2025 Highlights – Construction Cash

- **Water Construction Cash** amounted to \$21.4 million at month end, a decrease of \$4.6 million over September balance.
- **Sewer Construction cash** amounted to \$32.5 million at month end, a decrease of \$1.2 million over September balance.



October 2025 Highlights – Cash Held in Trust

- **Water Cash @ GLWA** amounted to \$34.5 million at month end, an increase of \$1.9 million over September balance.
- Retail Water receipts of \$12.5 million in October exceeded September's receipts by \$0.7 million and exceeded the target for the month by \$1.9 million.
- **Sewer Cash @ GLWA** amounted to \$54.6 million at month end, an increase of \$2.5 million over September balance.
- Retail Sewer receipts of \$28.5 million in October was at par with September receipts and exceeded the target for the month by \$2.5 million.



October 2025 Highlights - Comparative Accounts Receivable

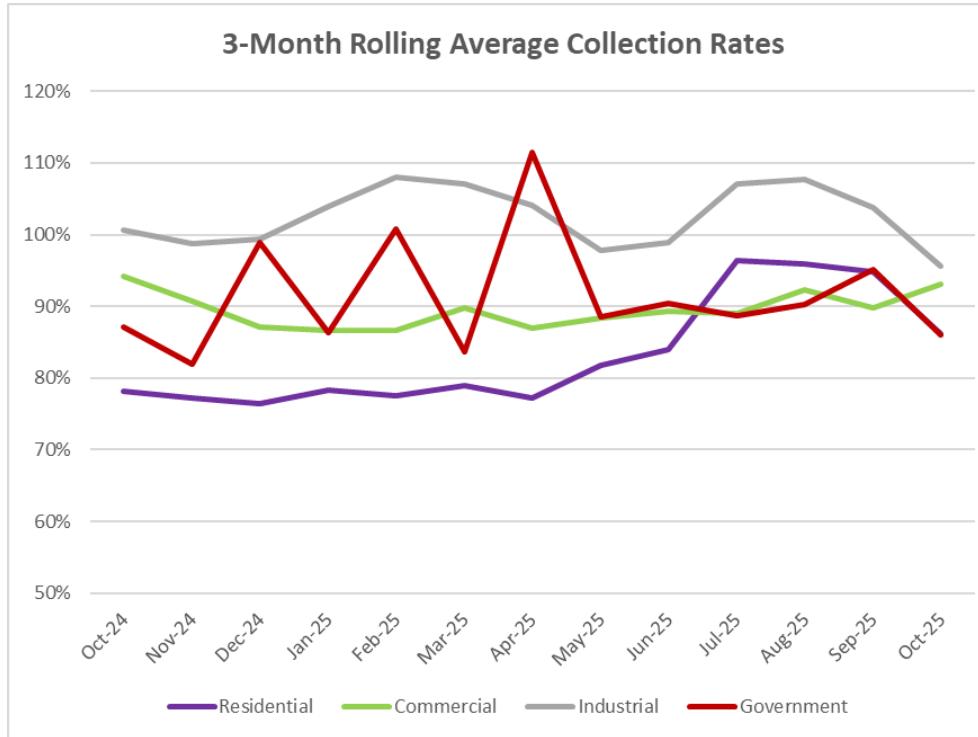


- October sales were \$42.2 million, a \$1.1 million (2.5%) decrease from September sales of \$43.3 million.
- Receivables of \$330.6 million for total active accounts decreased by \$1.4 million (0.4%) compared to September receivables of \$332.0 million.
- October's cash collection \$41.4 million increased by 2.2% over September's cash collection of \$40.7 million.
- October Tax Roll transfer receivable amounted to \$10.4 million, a 1.3% decrease from the September's balance.
- Active Residential Receivables remained flat over September's balance. However, Days in receivable increased by 14 days in October.
- Allowance for Doubtful Accounts are 82.6% of the Total Accounts Receivable (including Tax Roll Transfer) balance.

Sales Class	June 30, 2025			September 30, 2025			October 31, 2025		
	Sales	Receivables	Days in AR	Sales	Receivables	Days in AR	Sales	Receivables	Days in AR
Residential	\$ 16,952,600	\$ 228,181,542	404	\$ 17,573,099	\$ 232,254,059	396	\$ 17,017,960	\$ 232,425,985	410
Commercial	8,683,254	32,053,891	111	9,154,938	37,043,166	121	8,713,650	36,975,926	127
Industrial	5,399,644	13,600,488	76	7,166,025	19,080,612	80	7,061,054	18,363,718	78
Tax Exempt	766,651	3,196,851	125	5,056,561	23,233,997	138	5,099,603	23,400,739	138
Government	4,856,313	23,664,329	146	4,395,989	20,385,774	139	4,276,811	19,438,540	136
Drainage Only	3,568,189	27,969,932	235	-	-	-	-	-	-
Total Active Accounts	\$ 40,226,650	328,667,033	245	\$ 43,346,612	331,997,607	230	\$ 42,169,077	330,604,909	235
Inactive Accounts Receivable		53,084,537			61,070,747			61,985,259	
Total Accounts Receivable		381,751,570			393,068,354			392,590,168	
Allowance for Doubtful Accounts		(310,878,978)			(327,310,291)			(332,847,881)	
Net Accounts Receivable		\$ 70,872,592			\$ 65,758,063			\$ 59,742,287	
Tax Roll Transfer		11,167,067			10,506,099			10,368,496	
Total		\$ 82,039,659			\$ 76,264,162			\$ 70,110,783	

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

October 2025 Highlights – Average Collection Rates

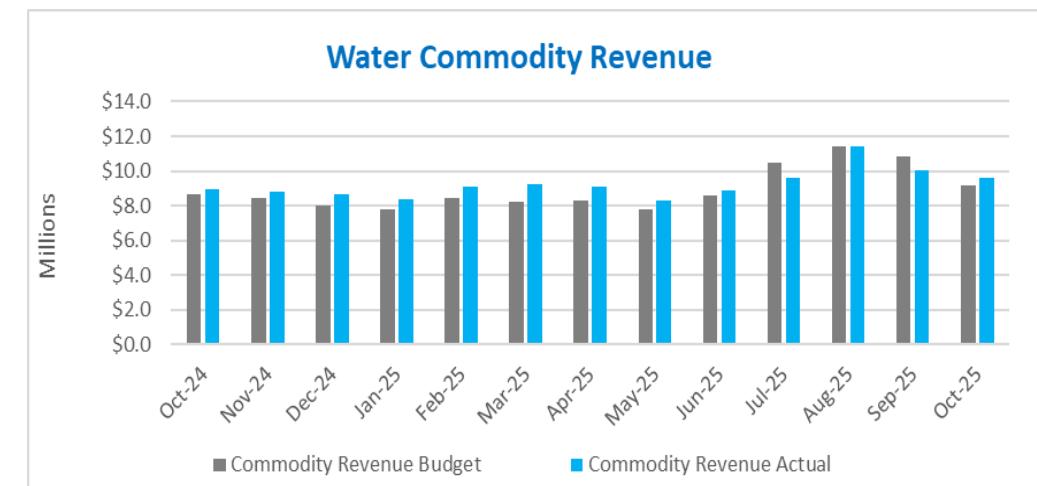
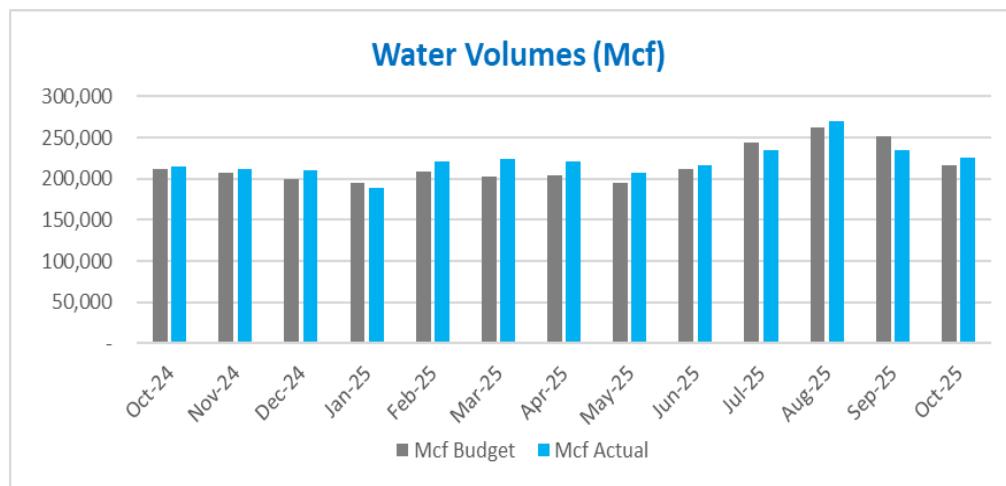


Customer Class	Aug-25	Sep-25	Oct-25	3 - Month Rolling Average
Customer Class	Coll Rate	Coll Rate	Coll Rate	Rolling Average
Residential	85.4%	81.5%	91.6%	86.2%
Commercial	94.2%	86.7%	98.6%	93.1%
Industrial	95.2%	91.5%	100.3%	95.6%
Tax Exempt	88.2%	91.6%	99.0%	92.8%
Government	73.3%	90.2%	94.9%	86.1%

- **Residential** 3-month collection rate averaged 86.2%, a decrease from September's 3-month average of 94.9%. October collection rate increased to 91.6% from September's rate of 81.5% and 85.4% in August. In general,
- **Commercial and Industrial** - 3-month rate averaged 93.1%, an increase from September's 3 month average of 89.7%. Industrial 3-month average was 95.6%, a decrease from September's 3 month average of 103.8%. Collection rates for both Commercial and Industrial customer classes continue to show positive results.
- **Government** 3-month average was 86.1%, a decrease from September's 3 month average of 95.1%.
- October combined collection rate of 95.7% for all active customer classes was higher than September's combined collection rate of 86.7%. The 3-month moving average rate for all active customer classes was 90.0% compared to September's rate of 94.8%.

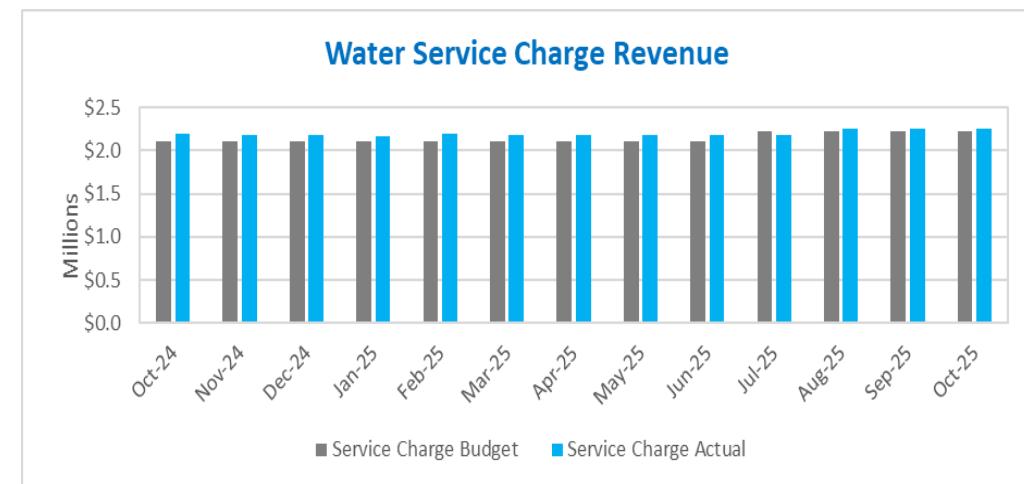
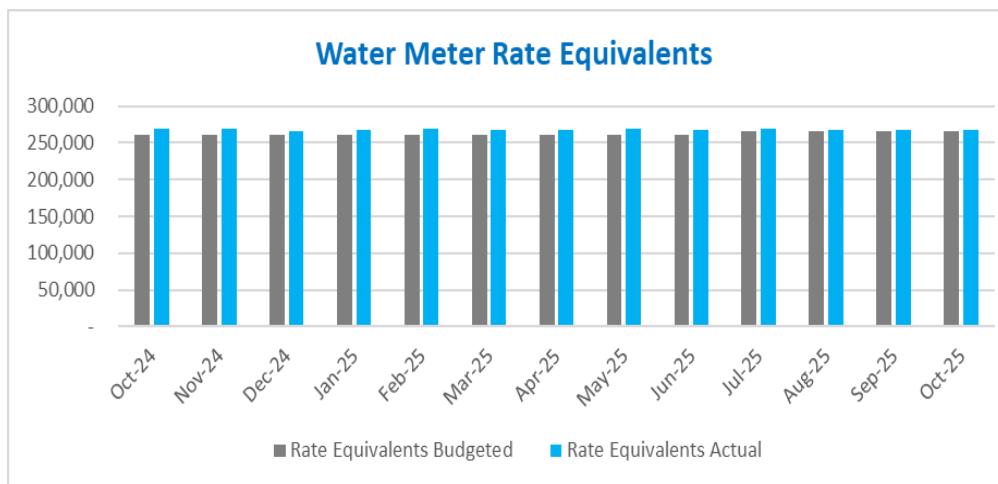
October 2025 Highlights - Water Commodity Metrics and Revenues

- October actual Volume exceeded the budget for the month by 4.2% but was 4.1% lower than actual September Volume and 4.8% above October 2024 Volume.
- Year-to-date actual Water Volume was 0.9% below seasonally adjusted budget.
- October actual Commodity Revenue exceeded the budget for the month by 4.9% but was 4.8% lower than actual September Revenue and was 7.2% above October 2024 Revenue.
- Year-to-date actual Commodity Revenue was 2.8% below seasonally adjusted budget.



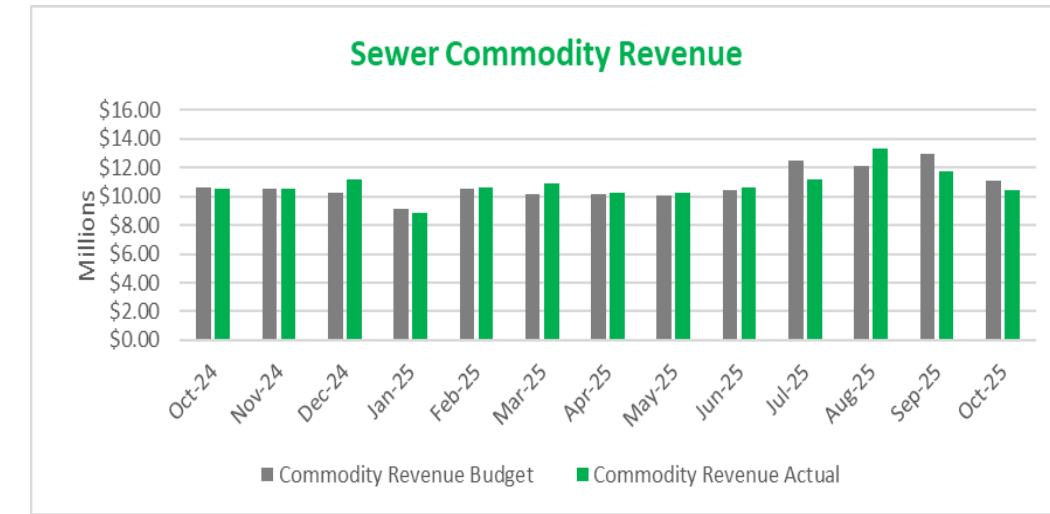
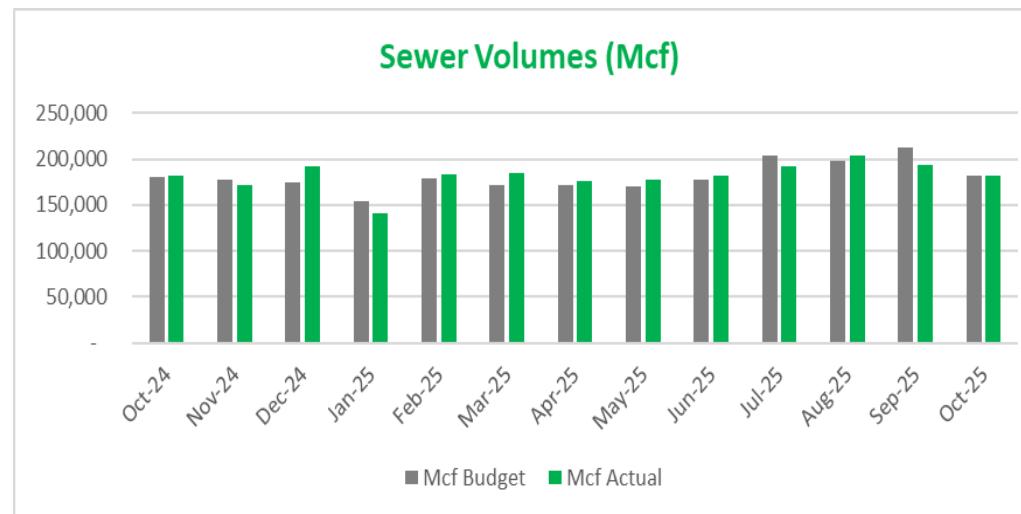
October 2025 Highlights - Water Service Charge Metrics and Revenues

- October actual Meter Equivalents exceeded the budget for the month by 0.3% but was 0.3% lower than actual September Equivalents and was 0.8% below October 2024 Equivalents.
- Year-to-date actual Water Meter Equivalents exceeded budget by 0.6%.
- October actual Water Service Charge Revenue exceeded the budget for the month by 0.9% but was 0.2% lower than actual September Revenue and was 2.7% above October 2024 Revenue.
- Year-to-date actual Water Service Charge Revenue exceeded the budget by 0.2%



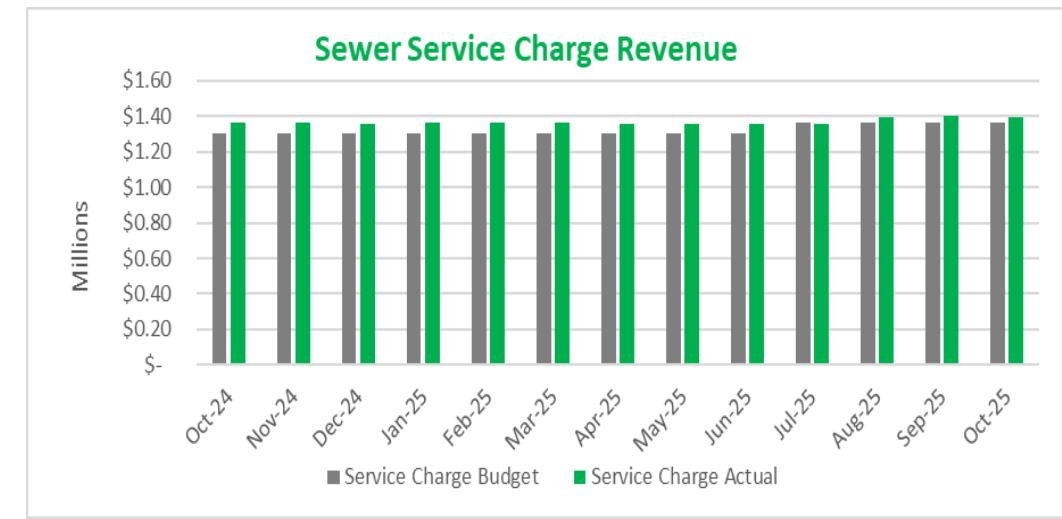
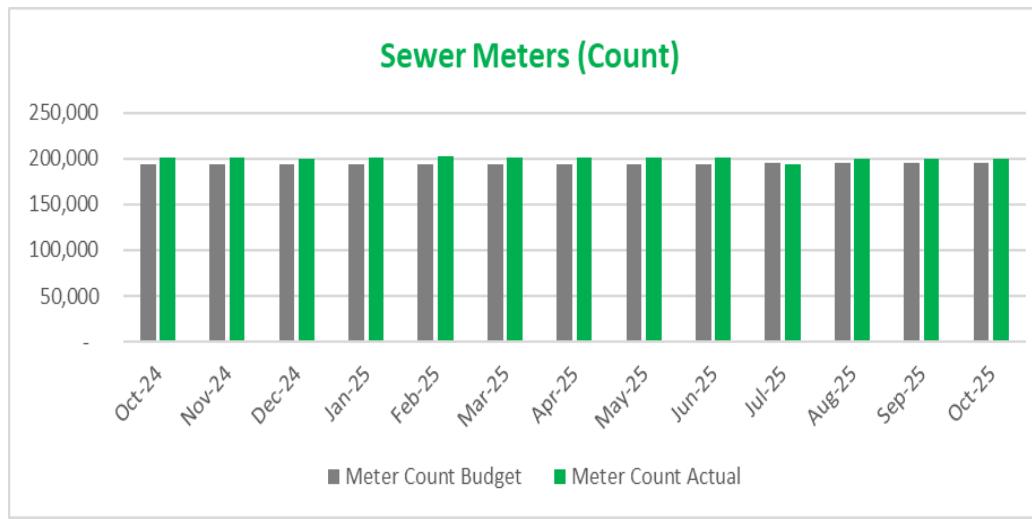
October 2025 Highlights - Sewer Commodity Metrics and Revenues

- October actual Volume fell short of the budget for the month by 0.3% and 5.8% lower than actual September Volume but was steady with October 2024 Volume.
- Year-to-date actual Sewer Volume was 3.3% below seasonally adjusted budget.
- October actual Commodity Revenue fell short of the budget for the month by 6.7% and 11.4% lower than actual September Revenue and was 1.4% below October 2024 Revenue.
- Year-to-date actual Commodity Revenue was 4.0% below seasonally adjusted budget.



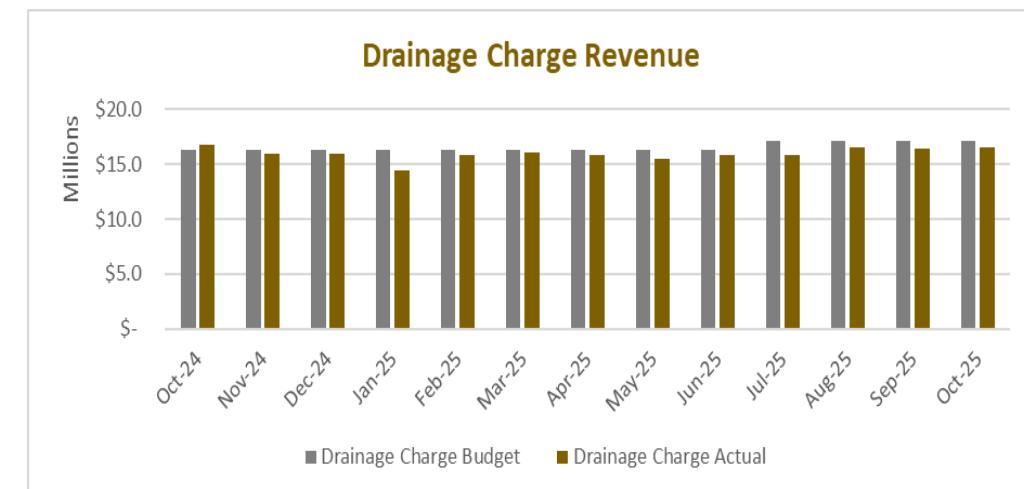
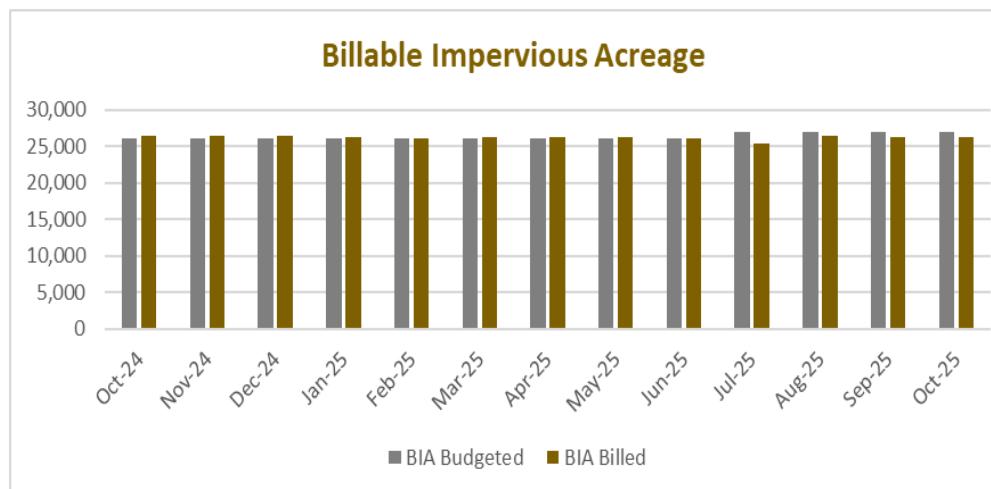
October 2025 Highlights - Sewer Service Charge Metrics and Revenues

- October actual Sewer Meter Counts exceeded the budget for the month by 1.9% but were 0.5% below actual September Counts and were 1.3% below October 2024 Counts.
- Year-to-date actual Sewer Meter Counts exceeded budget by 1.5%.
- October actual Sewer Service Charge Revenue exceeded the budget for the month by 2.0% but was 0.5% below actual September Revenue and was 2.1% over October 2024 Revenue.
- Year-to-date actual Sewer Service Charge Revenue exceeded budget by 1.5%.



October 2025 Highlights - Drainage Charge Metrics and Revenues

- October actual Billable Impervious Acreage (BIA) fell short of the budget for the month by 2.7% and was 0.2% higher than September actual BIA but 0.4% below October 2024 actual BIA.
- Year-to-date actual BIA was 3.6% below budget.
- October actual Drainage Revenue fell short of the budget for the month by 3.6% and was 0.2% higher than actual September Revenue but 1.3% below October 2024 actual Revenue.
- Year-to-date actual Drainage Charge Revenue was 4.5% below budget.





THANK YOU!

Detroit Water & Sewerage Department

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