



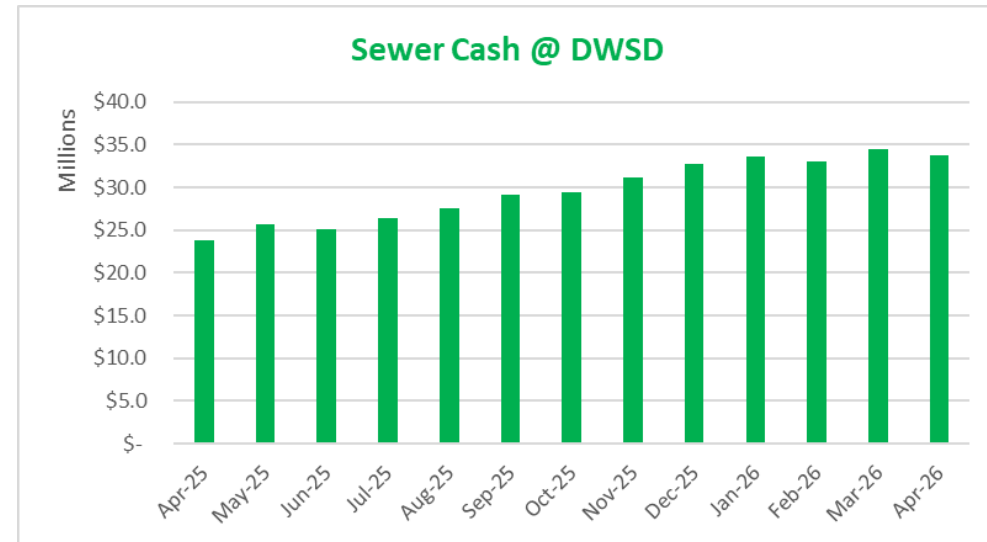
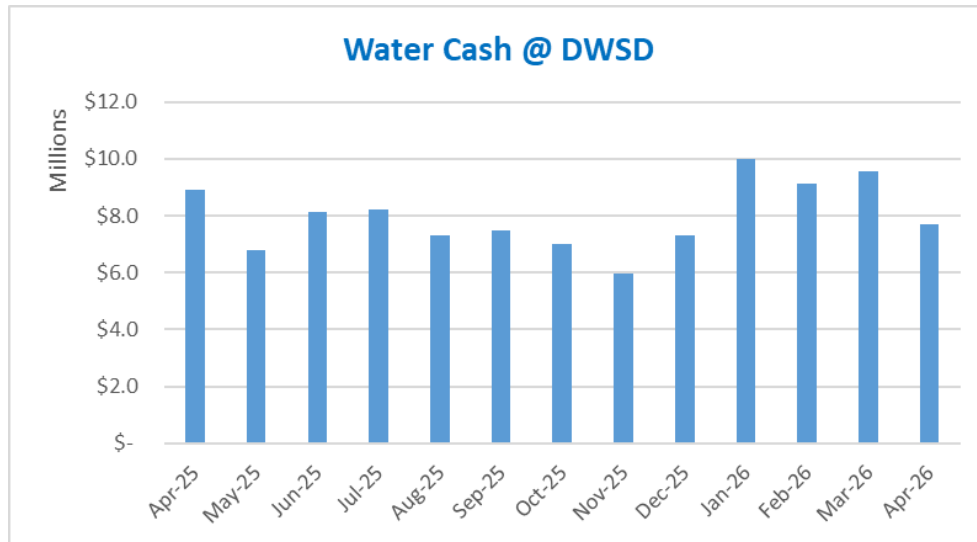
Financial Review April 2026

BOWC Finance Committee

July 8, 2026

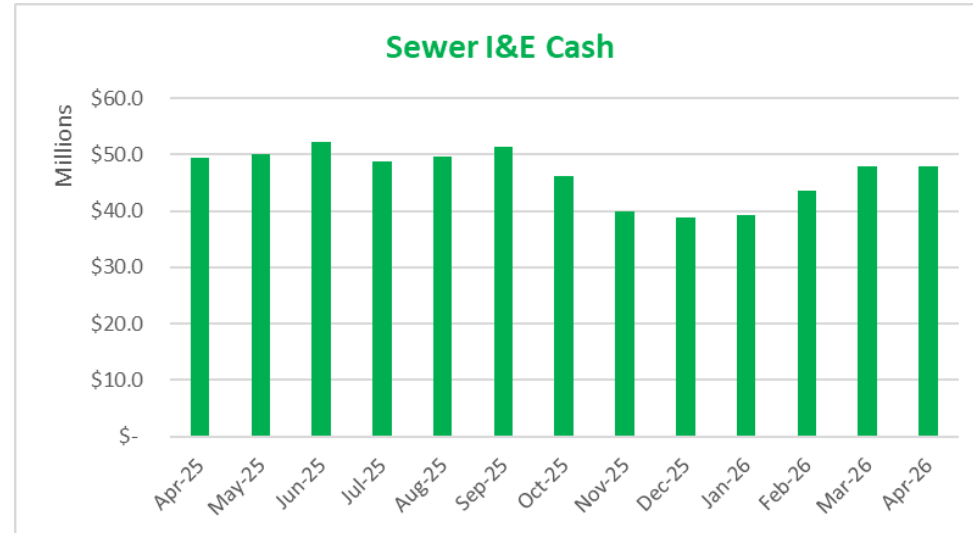
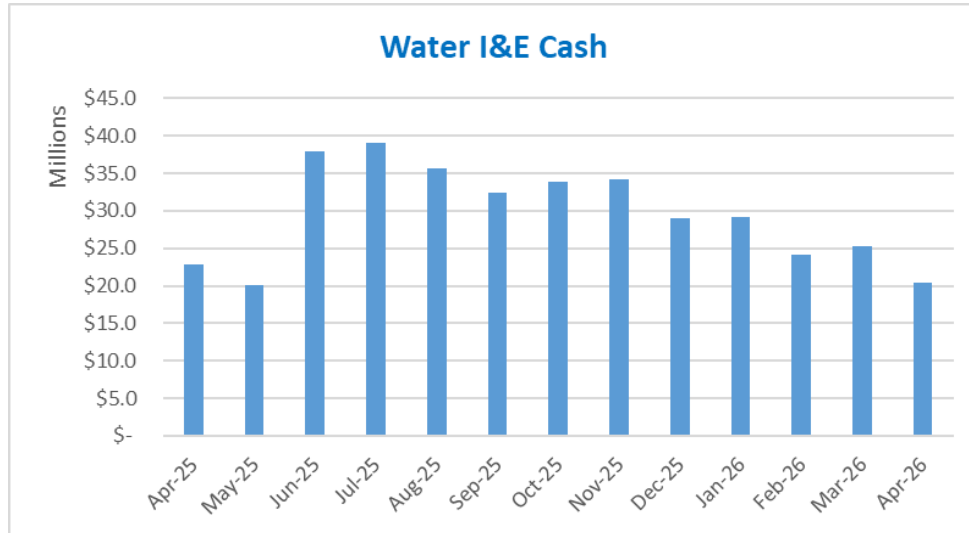
April 2026 Highlights – Operating Cash

- 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 \$238.4 million (\$78.1 million in the Water Fund and \$160.3 million in the Sewer Fund). This represents an overall decrease of \$10.7 million over the March balance.
- **Water Operating Cash** of \$7.7 million decreased by \$1.9 million over the previous month.
- **Sewer Operating Cash** of \$33.8 million decreased by \$760,000 over the previous month.



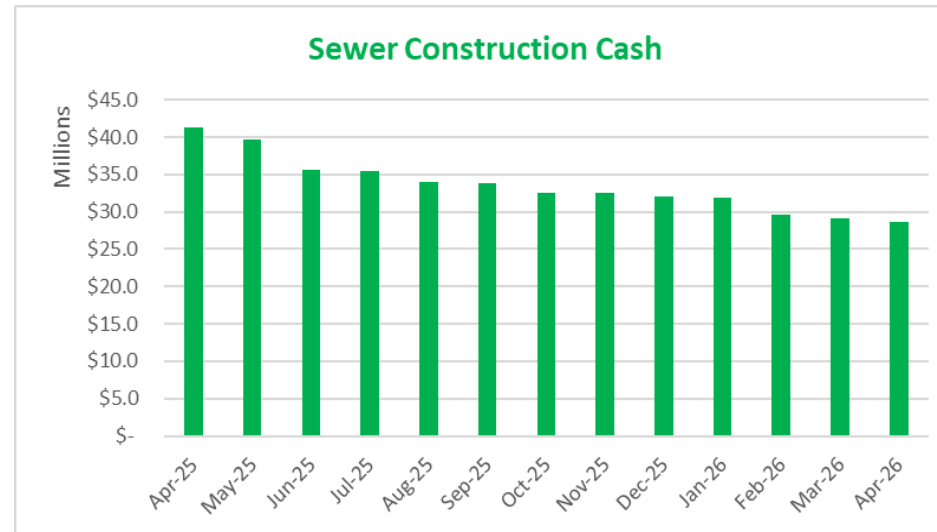
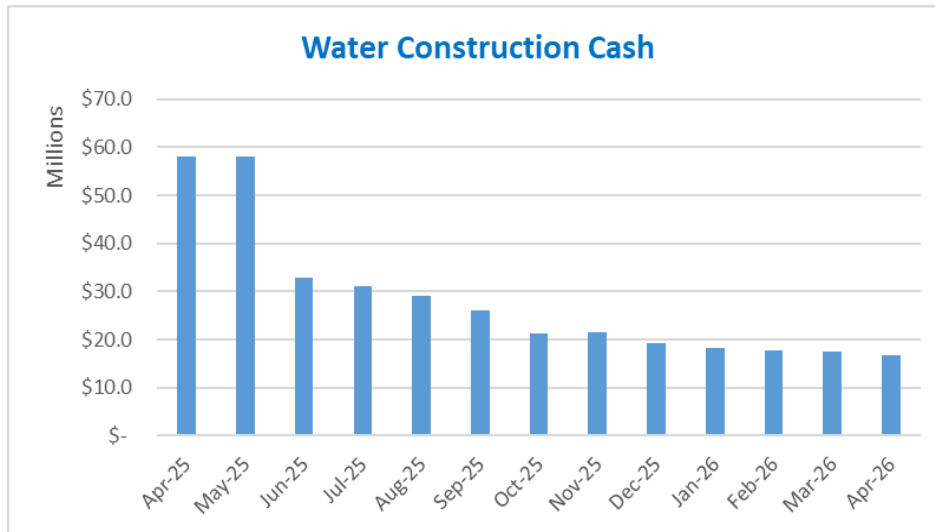
April 2026 Highlights – Improvement & Extension (I&E) Cash

- DWSD continues to spend down I&E and Construction Cash in support of its Capital Improvement Program.
- **Water I&E Cash** amounted to \$20.4 million at the end of April, a decrease of \$4.9 million over March balance.
- **Sewer I&E Cash** amounted to \$48.0 million at the end of April, balance held steady compared to March.



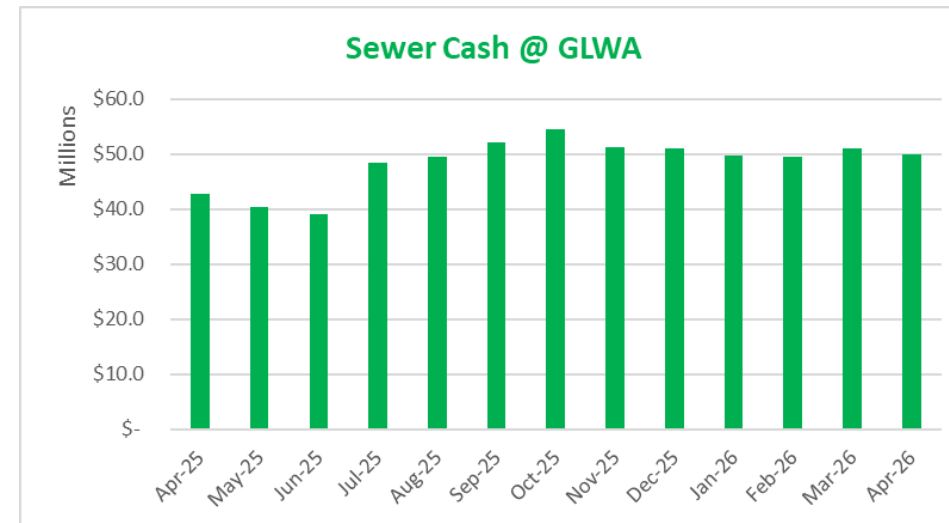
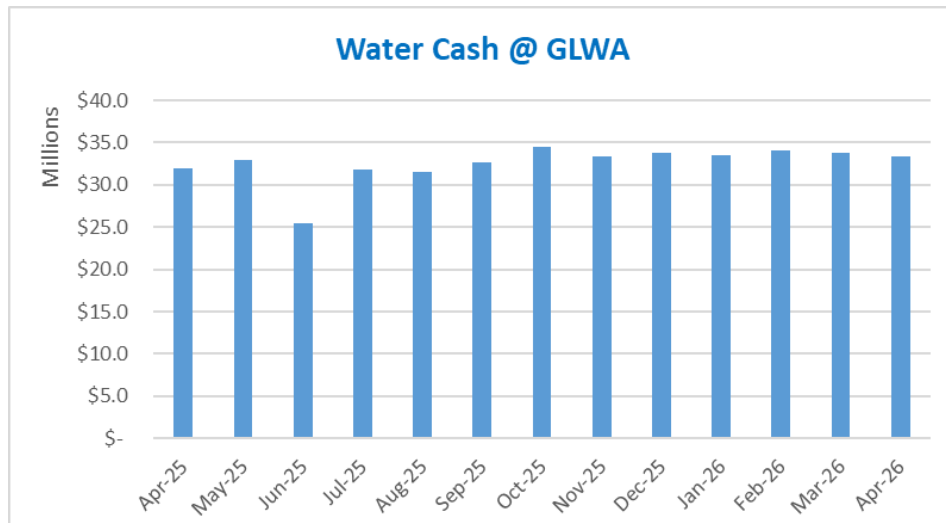
April 2026 Highlights – Construction Cash

- **Water Construction Cash** amounted to \$16.6 million at the end of April, a decrease of \$1.0 million over March balance.
- **Sewer Construction cash** amounted to \$28.6 million at the end of April, a decrease of \$500,000 over March balance.



April 2026 Highlights – Cash Held in Trust

- **Water Cash @ GLWA** amounted to \$33.4 million at the end of April, a decrease of \$450,000 over March balance.
- Retail Water receipts of \$10.2 million in April fell short of the target collection by \$450,000 for the month.
- **Sewer Cash @ GLWA** amounted to \$49.9 million at the end of April, a decrease of \$1.2 million over March balance.
- Retail Sewer receipts of \$24.8 million in April fell short of the target collection by \$1.2 million for the month.



April 2026 Highlights - Comparative Accounts Receivable



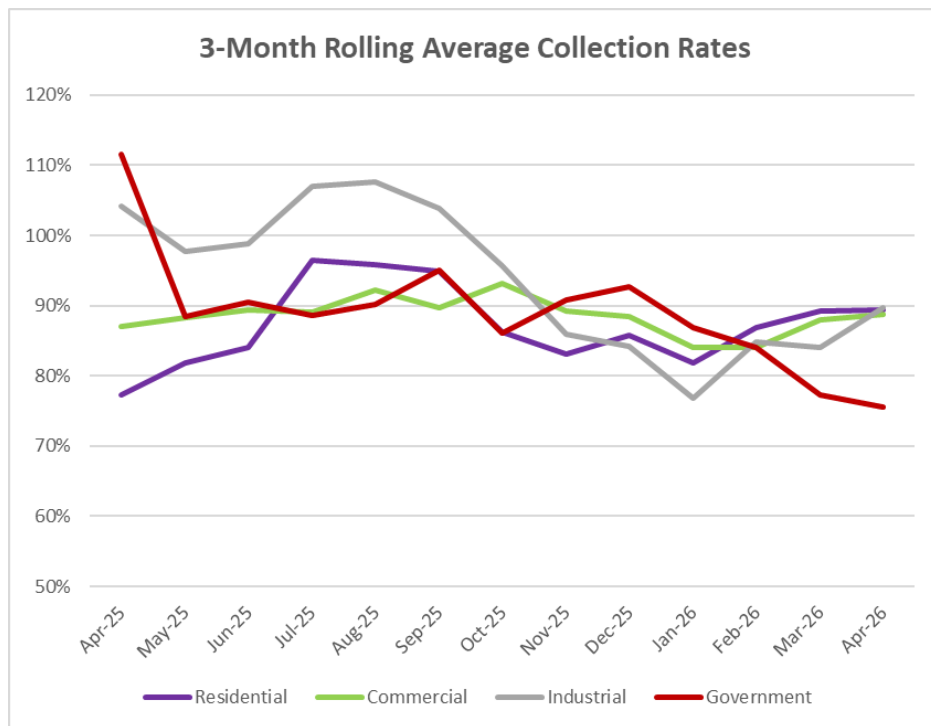
- April sales were \$40.4 million, a \$1.2 million (2.8%) decrease from March's \$41.6 million.
- Receivables of \$346.9 million for total active accounts increased by \$5.5 million (1.6%) compared to March receivables of \$341.4 million.
- April's cash collection \$35.2 million decreased by \$2.9 million (7.5%) compared to March's cash collection of \$38.1 million.
- Active Residential Accounts Receivable increased by \$1.5 million (0.6%) and days in AR increased by 22 days in April.
- Allowance for Doubtful Accounts are 83.7% of the Total Accounts Receivable (including Tax Roll Transfer) balance as of April.

| Sales Class | June 30, 2025 | | | March 31, 2026 | | | April 30, 2026 | | |
|----------------------------------|----------------------|----------------------|------------|----------------------|----------------------|------------|----------------------|----------------------|------------|
| | Sales | Receivables | Days in AR | Sales | Receivables | Days in AR | Sales | Receivables | Days in AR |
| Residential | \$ 16,952,600 | \$ 228,181,542 | 404 | \$ 17,571,324 | \$ 244,511,900 | 417 | \$ 16,808,198 | \$ 246,035,827 | 439 |
| Commercial | 8,683,254 | 32,053,891 | 111 | 8,312,340 | 33,778,639 | 122 | 8,044,824 | 35,053,048 | 131 |
| Industrial | 5,399,644 | 13,600,488 | 76 | 6,941,623 | 17,712,489 | 77 | 6,945,223 | 19,155,642 | 83 |
| Tax Exempt | 766,651 | 3,196,851 | 125 | 4,827,399 | 23,838,926 | 148 | 4,674,574 | 24,181,435 | 155 |
| Government | 4,856,313 | 23,664,329 | 146 | 3,950,116 | 21,582,798 | 164 | 3,957,813 | 22,459,334 | 170 |
| Drainage Only | 3,568,189 | 27,969,932 | 235 | - | - | - | - | - | - |
| Total Active Accounts | \$ 40,226,650 | 328,667,033 | 245 | \$ 41,602,803 | 341,424,752 | 246 | \$ 40,430,632 | 346,885,285 | 257 |
| Inactive Accounts Receivable | | 53,084,537 | | | 68,174,019 | | | 69,618,932 | |
| Total Accounts Receivable | | 381,751,570 | | | 409,598,770 | | | 416,504,218 | |
| Allowance for Doubtful Accounts | | (310,878,978) | | | (360,314,738) | | | (365,625,959) | |
| Net Accounts Receivable | | \$ 70,872,592 | | | \$ 49,284,032 | | | \$ 50,878,259 | |
| Tax Roll Transfer | | 11,167,067 | | | 20,656,144 | | | 20,559,099 | |
| Total | | \$ 82,039,659 | | | \$ 69,940,176 | | | \$ 71,437,358 | |

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



April 2026 Highlights - Collection Rates

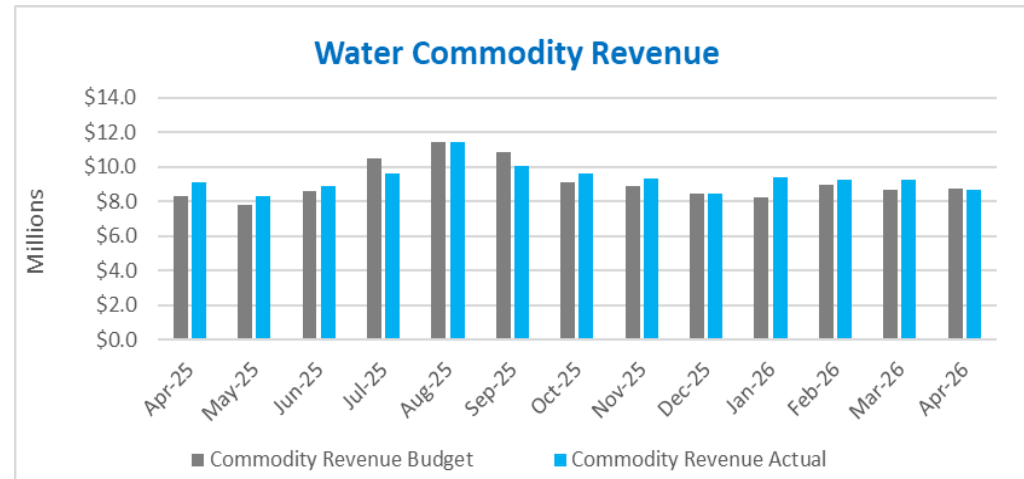
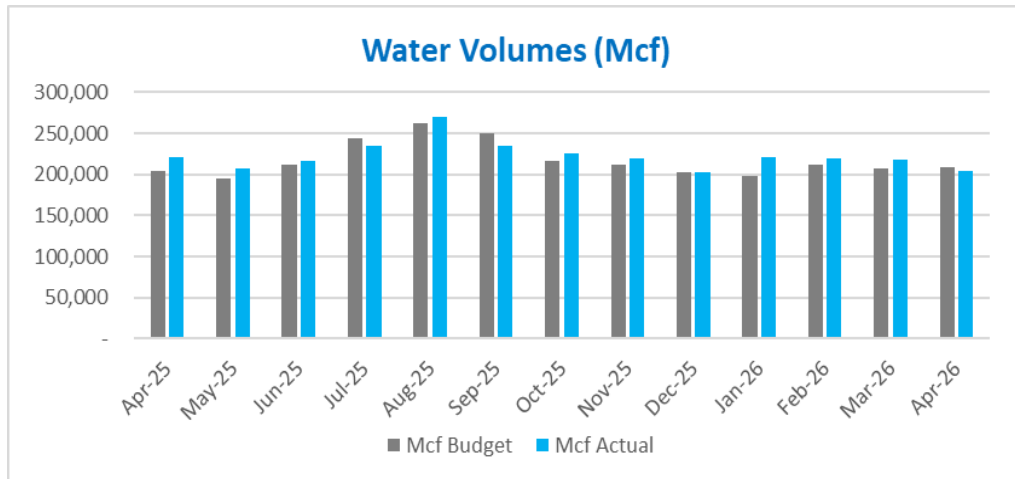


| | Feb-26 | Mar-26 | Apr-26 | 3 - Month |
|----------------|-----------|-----------|-----------|-----------------|
| Customer Class | Coll Rate | Coll Rate | Coll Rate | Rolling Average |
| Residential | 90.7% | 96.8% | 80.8% | 89.3% |
| Commercial | 81.8% | 95.6% | 89.1% | 88.8% |
| Industrial | 90.0% | 84.6% | 94.5% | 89.7% |
| Tax Exempt | 90.9% | 97.3% | 95.1% | 94.4% |
| Government | 77.6% | 76.1% | 73.0% | 75.6% |

- **Residential** collection rate for the last three months have averaged at 89.3% which is consistent with the 3-month average as of March. April’s collection rate was 80.8% compared to 96.8% in March and 90.7% in February.
- **Commercial and Industrial** - Commercial 3-month rolling rate averaged at 88.8% compared to 87.9% as of March. April’s collection rate stood at 89.1% compared to 95.6% in March and 81.8% in February. Industrial 3-month rolling rate averaged at 89.7% compared to 84.1% as of March. April’s collection rate was 94.5% compared to 84.6% in March and 90.0% in February.
- **Tax Exempt** The 3-month rolling average stood at 94.4% compared to 94.8% as of March. April’s collection rate was 95.1% compared to 97.3% in March and 90.9% in February.
- **Government** collection rates for the last three months have averaged at 75.6%. Compared to 77.4% as of March. April’s collection rate was 73.0% compared to 76.1% in March and 77.6% in February.
- April combined collection rate of 85.6% for all active customer classes was lower than March’s combined collection rate of 92.5%. The 3-month moving average rate for all active customer classes stood at 88.5%. March’s rate stood at 87.6%.

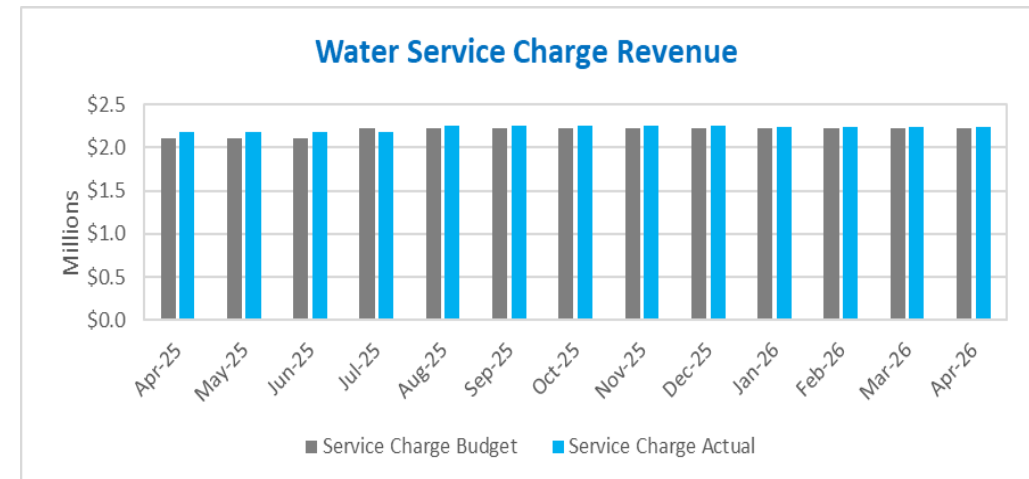
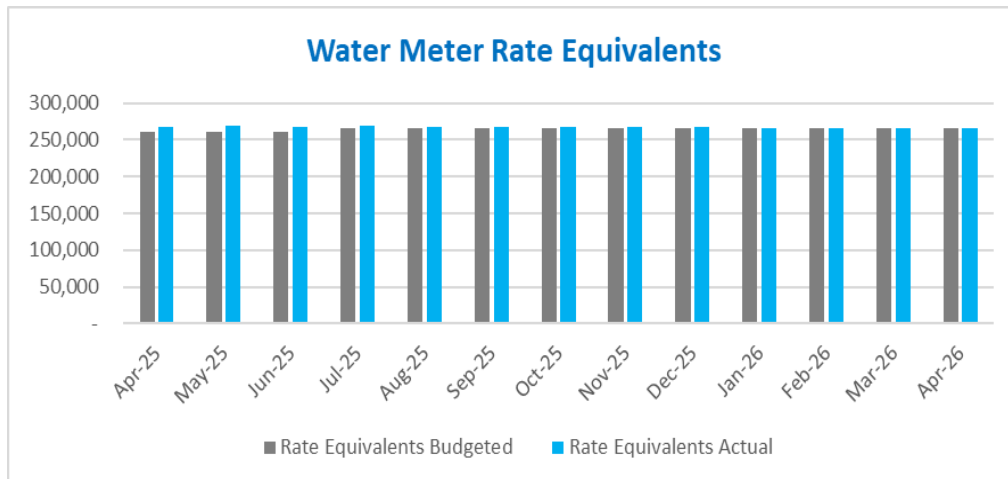
April 2026 Highlights - Water Commodity Metrics and Revenues

- April actual Volume fell short of the budget for the month by 1.8% and was 6.4% lower than actual March Volume and 7.3% below April 2025 Volume.
- Year-to-date actual Water Volume was 1.6% above seasonally adjusted budget.
- April actual Commodity Revenue fell short of the budget for the month by 0.5% and was 6.3% lower than actual March Revenue and 4.5% below April 2025 Revenue.
- Year-to-date actual Commodity Revenue was 1.4% above seasonally adjusted budget.



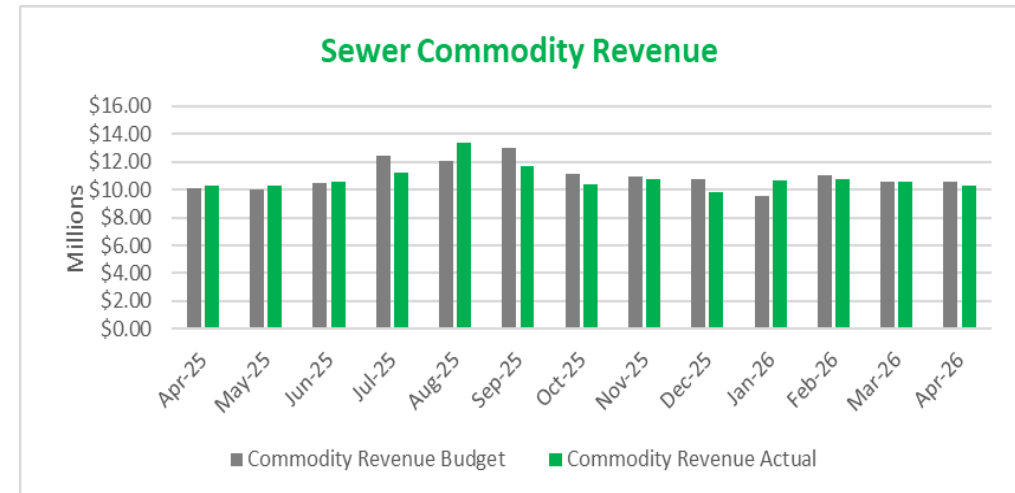
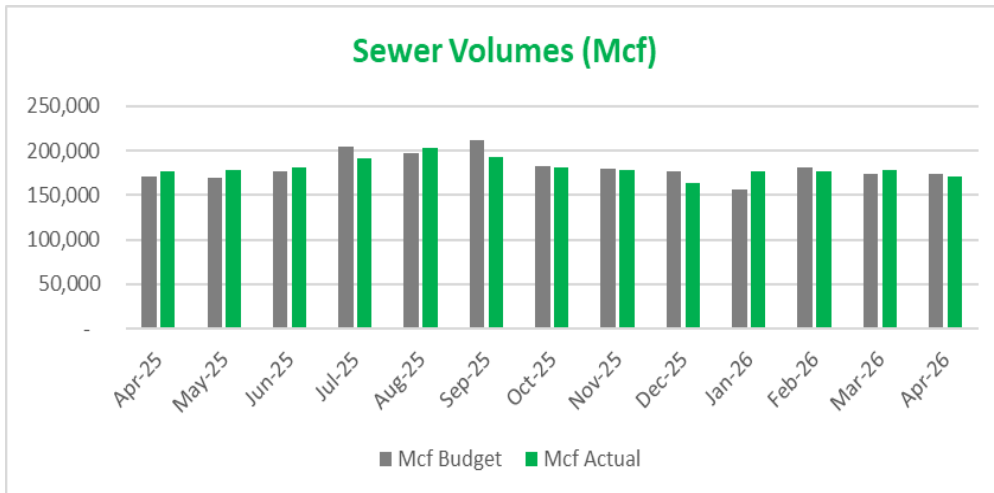
April 2026 Highlights - Water Service Charge Metrics and Revenues

- April actual Meter Equivalents exceeded the budget for the month by 0.2% and was 0.2% above March Equivalents but was 0.4% below April 2025 Equivalents.
- Year-to-date actual Water Meter Equivalents exceeded budget by 0.3%.
- April actual Water Service Charge Revenue exceeded the budget for the month by 0.4% and was steady with actual March Revenue and was 2.7% above April 2025 Revenue.
- Year-to-date actual Water Service Charge Revenue exceeded the budget by 0.5%.



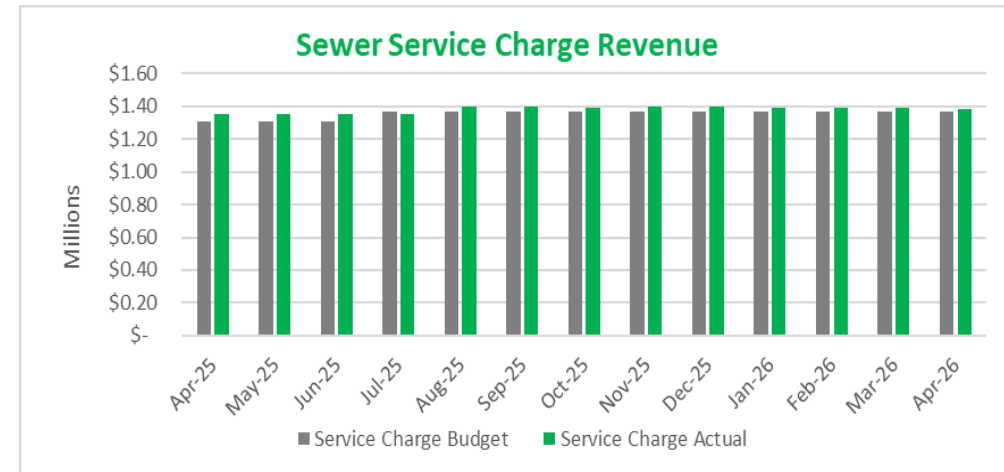
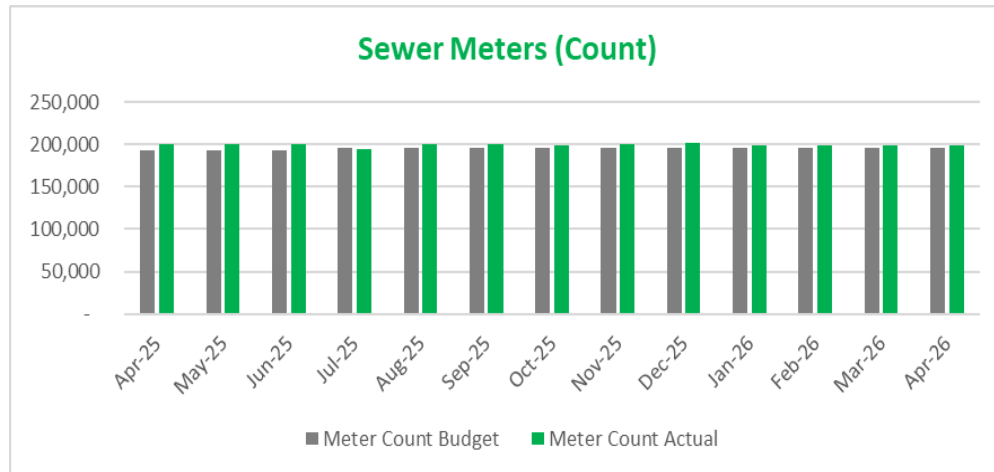
April 2026 Highlights - Sewer Commodity Metrics and Revenues

- April actual Volume fell short of the budget for the month by 1.2% and was 4.0% lower than actual March Volume and was 2.8% lower than April 2025 Volume.
- Year-to-date actual Sewer Volume was 1.2% below seasonally adjusted budget.
- April actual Commodity Revenue fell short of the budget for the month by 2.5% and was 2.7% lower than actual March Revenue but was 0.3% higher than April 2025 Revenue.
- Year-to-date actual Commodity Revenue was 2.2% below seasonally adjusted budget.



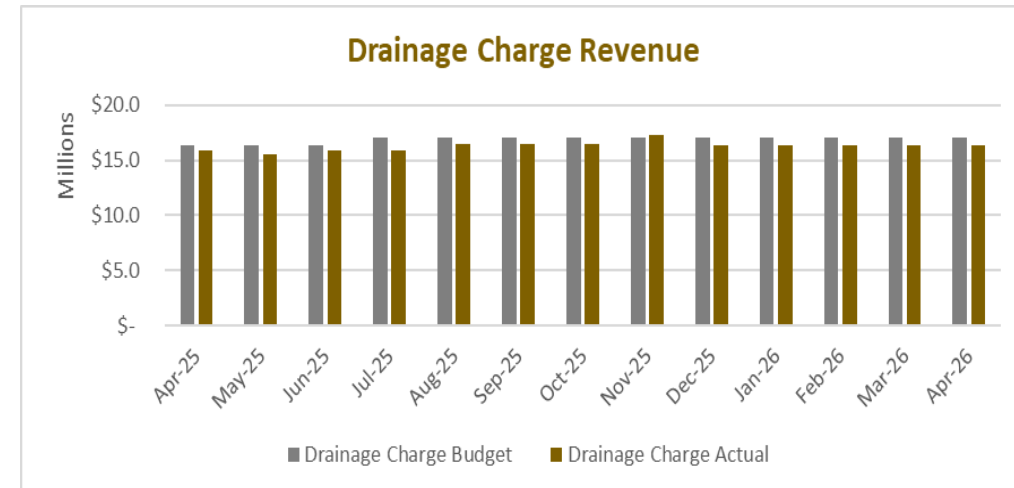
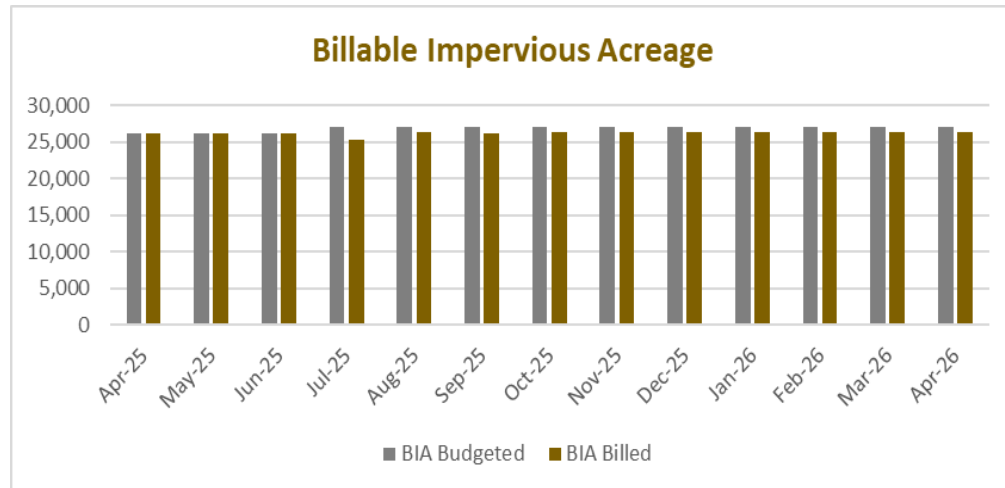
April 2026 Highlights - Sewer Service Charge Metrics and Revenues

- April actual Sewer Meter Counts exceeded the budget for the month by 1.5% but were 0.2% below actual March Counts and were 1.1% below April 2025 Counts.
- Year-to-date actual Sewer Meter Counts exceeded budget by 1.8%.
- April actual Sewer Service Charge Revenue exceeded the budget for the month by 1.5% but was 0.2% below actual March Revenue and was 2.2% over April 2025 Revenue.
- Year-to-date actual Sewer Service Charge Revenue exceeded budget by 1.8%.



April 2026 Highlights - Drainage Charge Metrics and Revenues

- April actual Billable Impervious Acreage (BIA) fell short of the budget for the month by 2.8% but was steady with March actual BIA and was 0.3% above April 2025 actual BIA.
- Year-to-date actual BIA was 3.1% below budget.
- April actual Drainage Revenue fell short of the budget for the month by 4.3% but was steady with actual March Revenue and was 3.2% above April 2025 actual Revenue.
- Year-to-date actual Drainage Charge Revenue was 3.8% below budget.



THANK YOU!

Detroit Water & Sewerage Department

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