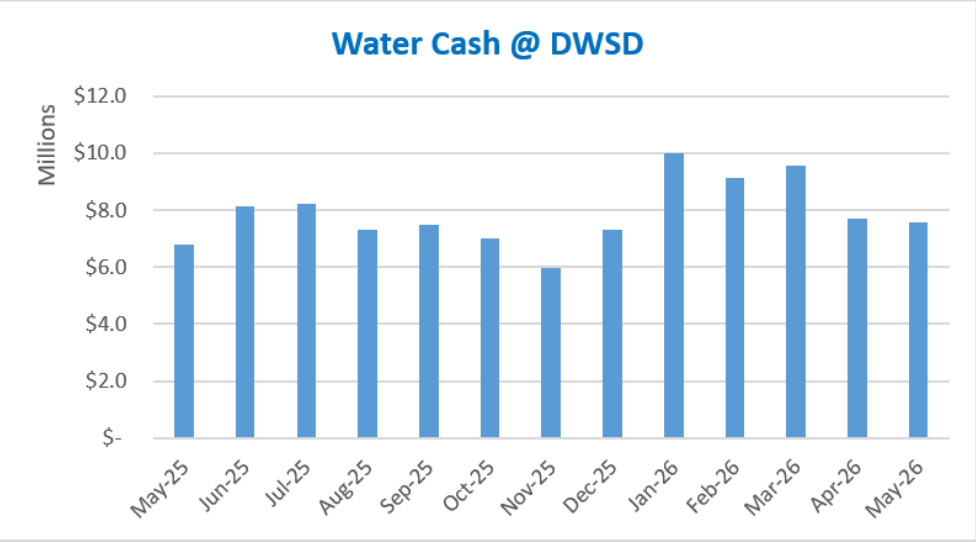
Financial Review
May 2026

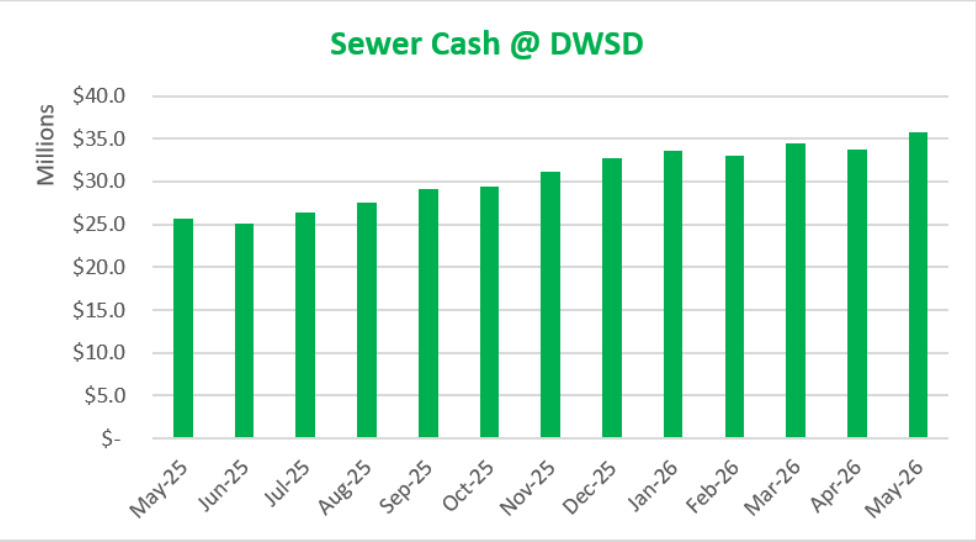
BOWC Finance Committee

August 5, 2026

May 2026 Highlights – Operating Cash

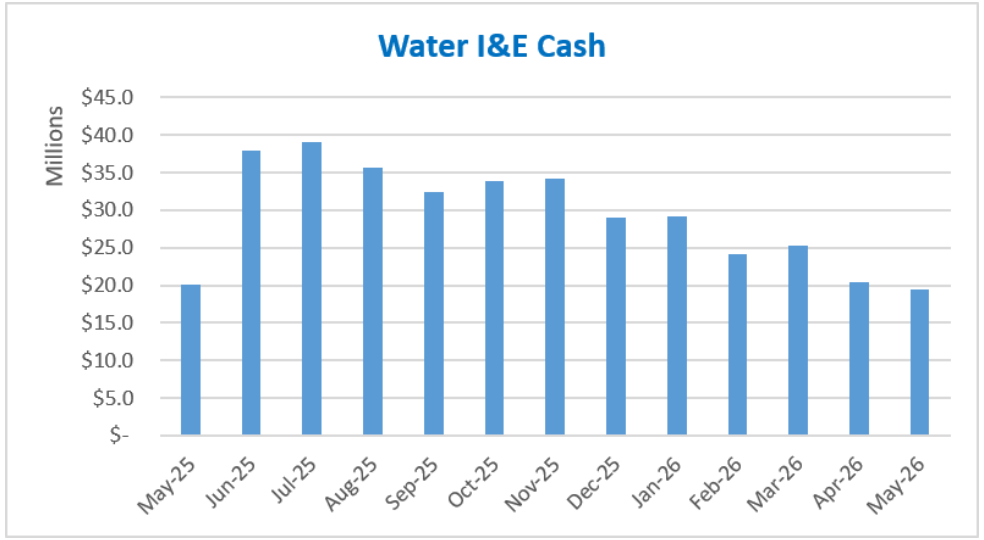
- DWSD continues to maintain adequate cash reserves to support its operating and capital programs.
- On a systemwide basis, Cash and Investments in the Operating, Improvement & Extension (I&E), Trust accounts and Construction accounts amounted to $237.0 million ($77.1 million in the Water Fund and $159.9 million in the Sewer Fund). This represents an overall decrease of $1.4 million over the April balance.
- ***Water Operating Cash*** of $7.6 million decreased by $140,000 over the previous month.
- ***Sewer Operating Cash*** of $33.8 million increased by $2.0 million over the previous month.

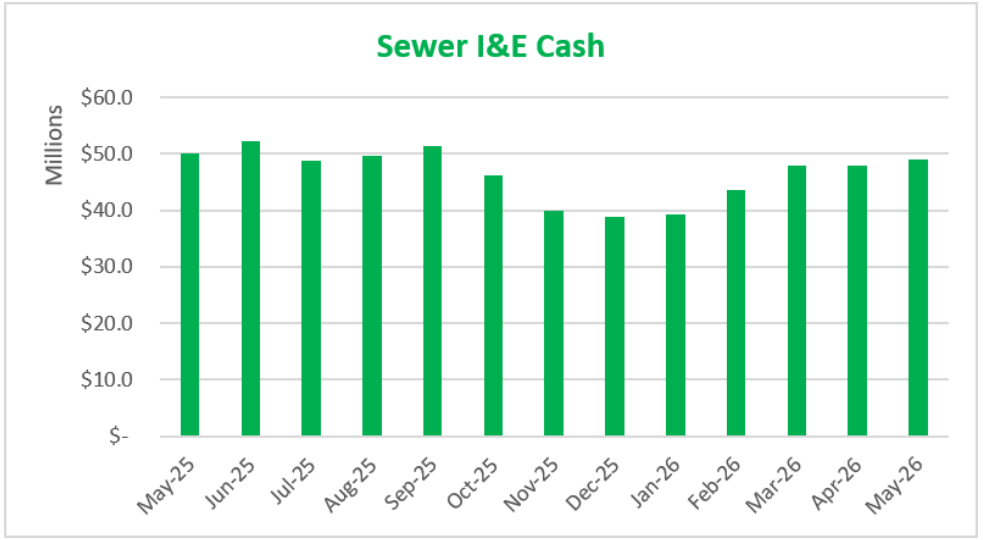




May 2026 Highlights – Improvement & Extension (I&E) Cash

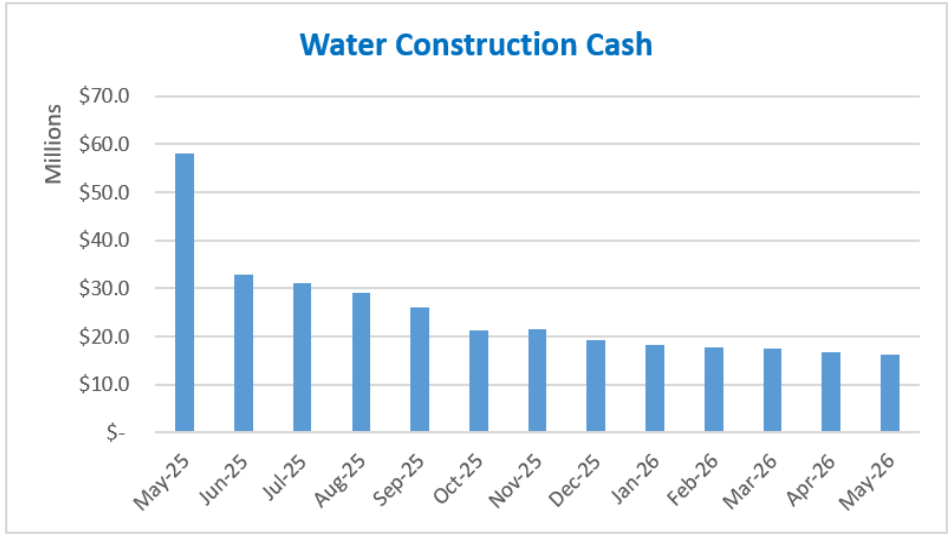
- DWSD continues to spend down I&E and Construction Cash in support of its Capital Improvement Program.
- ***Water I&E Cash*** amounted to $19.5 million at the end of May, a decrease of $946,000 over April balance.
- ***Sewer I&E Cash*** amounted to $49.1 million at the end of May, an increase of $1.1 million over April balance.

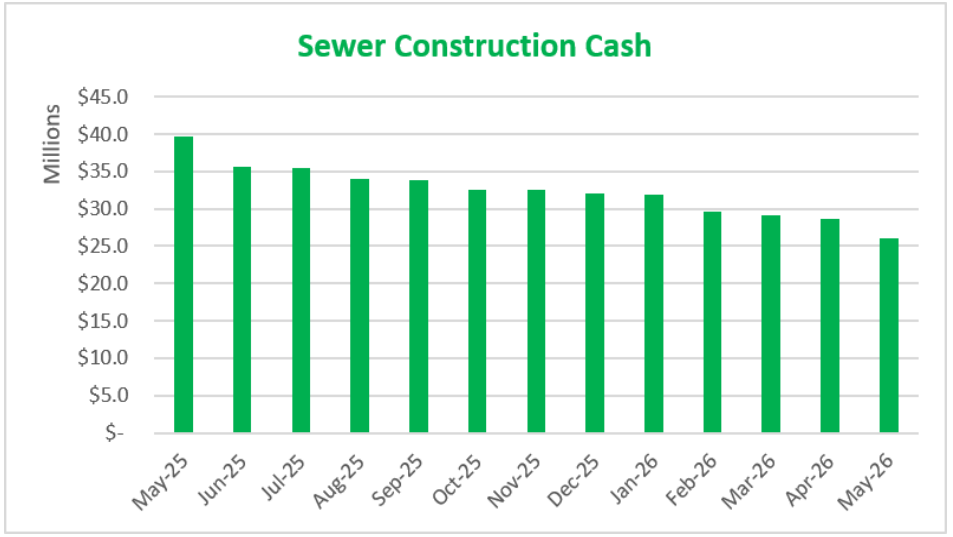




May 2026 Highlights – Construction Cash

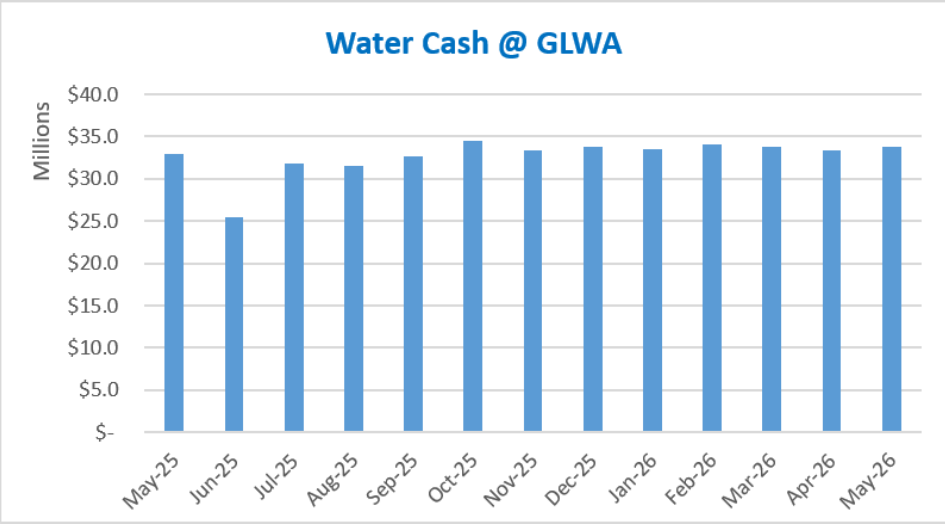
- ***Water Construction Cash*** amounted to $16.3 million at the end of May, a decrease of $281,000 over April balance.
- ***Sewer Construction cash*** amounted to $26.0 million at the end of May, a decrease of $2.6 million over April balance.

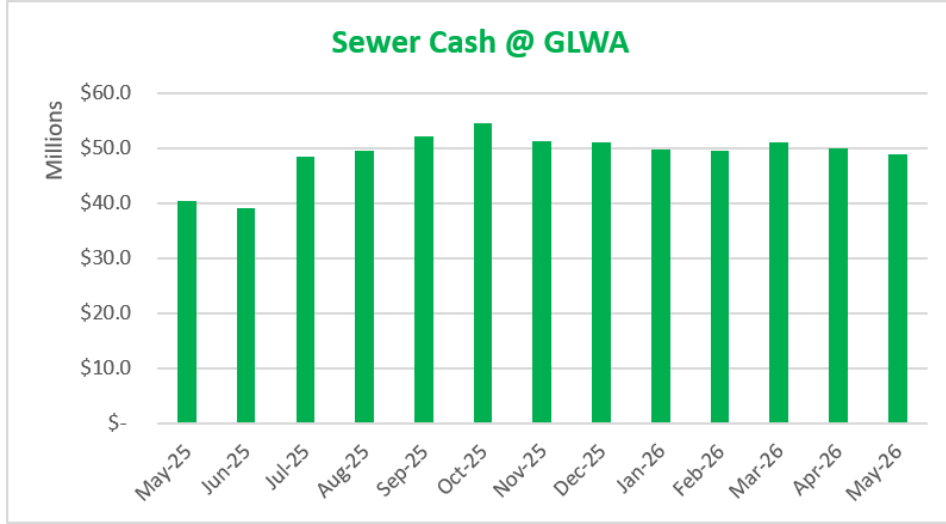




May 2026 Highlights – Cash Held in Trust

- ***Water Cash @ GLWA*** amounted to $33.8 million at the end of May, an increase of $368,000 over April balance.
- Retail Water receipts of $11.0 million in May exceeded the target collection by $368,000 for the month.
- ***Sewer Cash @ GLWA*** amounted to $49.0 million at the end of May, a decrease of $904,000 over April balance.
- Retail Sewer receipts of $25.1 million in May fell short of the target collection by $904,000 for the month.





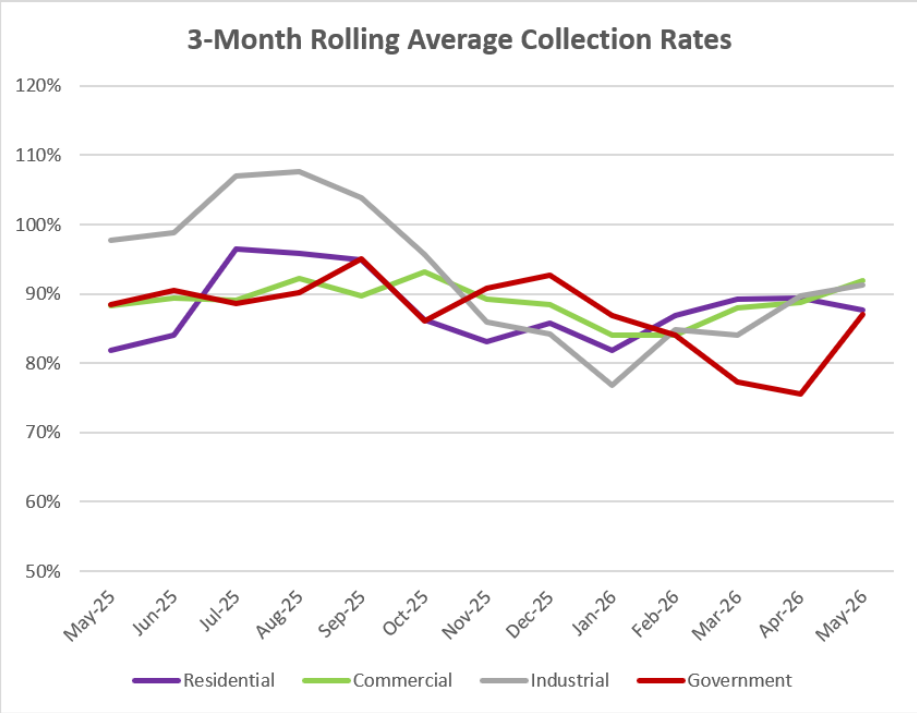
May 2026 Highlights - Comparative Accounts Receivable

- May sales were $41.1 million, a $711,000 (1.8%) increase from April's $40.4 million.
- Receivables of $349.2 million for total active accounts increased by $2.3 million (0.7%) compared to April receivables of $346.9 million.
- May's cash collection $36.6 million increased by $1.4 million (3.7%) compared to April's cash collection of $35.2 million.
- Active Residential Accounts Receivable increased by $760,000 (0.3%) and the aging days remained steady to April.
- Allowance for Doubtful Accounts are 84.3% of the Total Accounts Receivable (including Tax Roll Transfer) balance as of May.

	June 30, 2025			April 30, 2026			May 31, 2026		
Sales Class	**Sales**	**Receivables**	**Days in AR**	**Sales**	**Receivables**	**Days in AR**	**Sales**	**Receivables**	**Days in AR**
Residential	$ 16,952,600	$ 228,181,542	404	$ 16,808,198	$ 246,035,827	439	$ 16,855,236	$ 246,795,584	439
Commercial	8,683,254	32,053,891	111	8,044,824	35,053,048	131	8,192,657	35,202,649	129
Industrial	5,399,644	13,600,488	76	6,945,223	19,155,642	83	7,012,489	20,005,547	86
Tax Exempt	766,651	3,196,851	125	4,674,574	24,181,435	155	4,975,347	24,722,065	149
Government	4,856,313	23,664,329	146	3,957,813	22,459,334	170	4,106,095	22,434,071	164
Drainage Only	3,568,189	27,969,932	235	-	-	-	-	-	-
Total Active Accounts	**$ 40,226,650**	**328,667,033**	**245**	**$ 40,430,632**	**346,885,285**	**257**	**$ 41,141,824**	**349,159,916**	**255**
Inactive Accounts Receivable		53,084,537			69,618,932			70,493,801	
Total Accounts Receivable		**381,751,570**			**416,504,218**			**419,653,717**	
Allowance for Doubtful Accounts		(310,878,978)			(365,625,959)			(371,116,136)	
Net Accounts Receivable		**$ 70,872,592**			**$ 50,878,259**			**$ 48,537,581**	
Tax Roll Transfer		11,167,067			20,559,099			20,642,253	
Total		**$ 82,039,659**			**$ 71,437,358**			**$ 69,179,834**	

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

May 2026 Highlights - Collection Rates



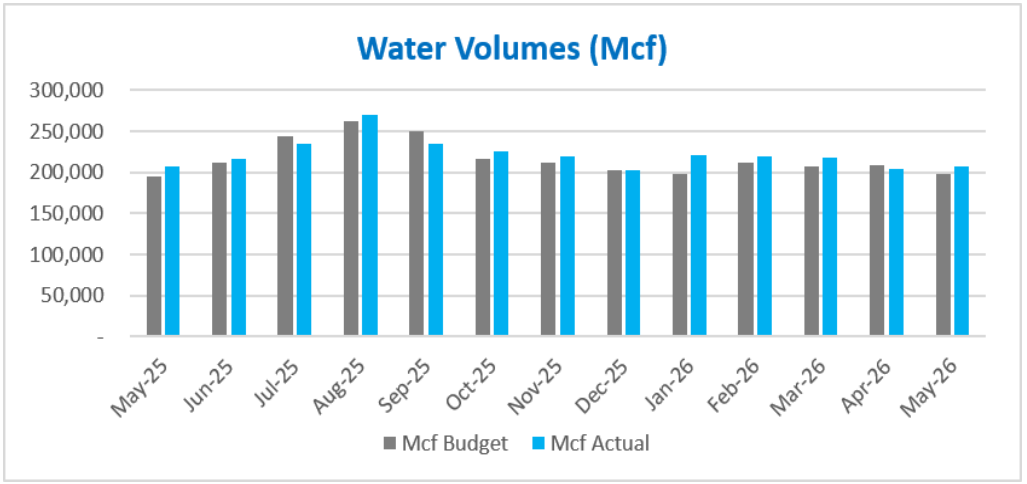
- May combined collection rate was 90.7% for all active customer compared to 85.6% in April. The 3-month moving average rate for all active customer classes was 89.6% compared to 88.5% in April.

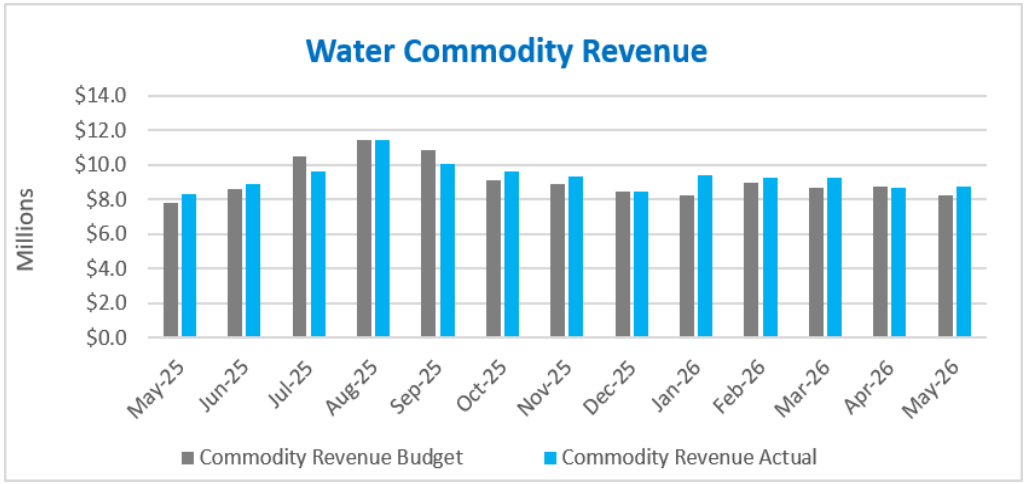
	Mar-26	Apr-26	May-26	3 - Month
Customer Class	Coll Rate	Coll Rate	Coll Rate	Rolling Average
Residential	96.8%	80.8%	85.7%	87.7%
Commercial	95.6%	89.1%	90.9%	91.9%
Industrial	84.6%	94.5%	94.9%	91.3%
Tax Exempt	97.3%	95.1%	84.0%	92.1%
Government	76.1%	73.0%	112.0%	87.0%

- **Residential** collection rate for the last three months have averaged at 87.7%, a decrease from the 3-month average of 89.3% in April. May collections stood at 85.7% compared to 80.8% in April.
- **Commercial and Industrial** - Commercial 3-month rolling rate averaged at 91.9%, an increase from the 3-month average of 88.8% in April. May collection stood at 91.9% compared to 88.8% in April. Industrial 3-month rolling rate averaged at 91.3%, an increase from the 3-month average of 89.7% in April. May collection stood at 91.3% compared to 89.7% in April.
- **Tax Exempt** collection rate for the last three months have averaged 92.1%, a decrease from the 3-month average of 94.4% in April. May collection stood at 84.0% compared to 95.1% in April.
- **Government** collection rates for the last three months have averaged at 87.0%, an increase from the 3-month average of 75.6% in April. May collections stood at 112.0% compared to 73.0% in April.

May 2026 Highlights - Water Commodity Metrics and Revenues

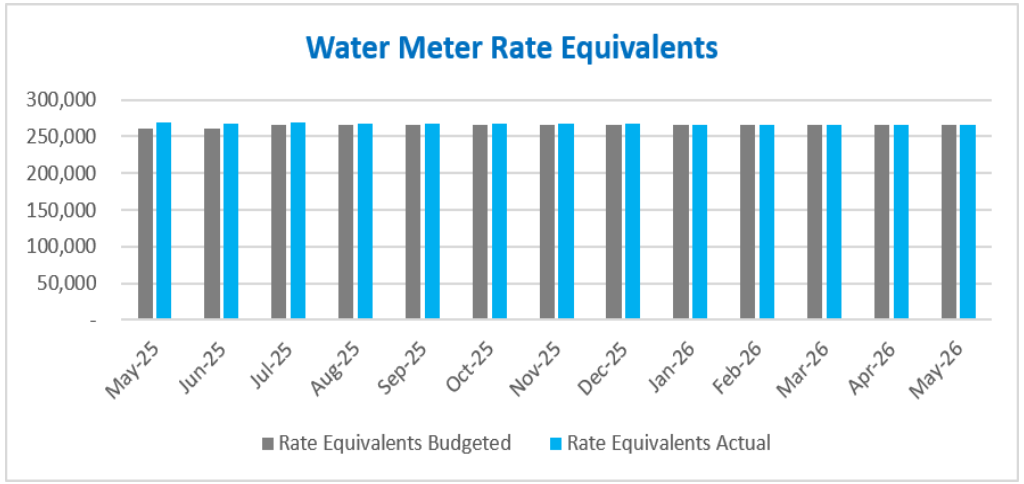
- May actual Volume exceeded the budget for the month by 4.6% and was 1.3% higher than actual April Volume and 0.2% above May 2025 Volume.
- Year-to-date actual Water Volume was 1.9% above seasonally adjusted budget.
- May actual Commodity Revenue exceeded the budget for the month by 6.1% and was 0.5% higher than actual April Revenue and 5.5% above May 2025 Revenue.
- Year-to-date actual Commodity Revenue was 1.7% above seasonally adjusted budget.

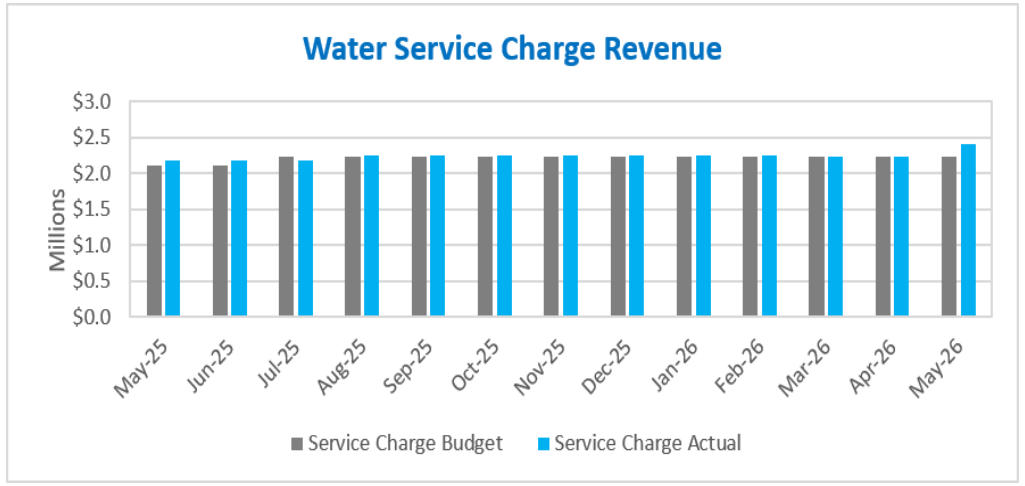




May 2026 Highlights - Water Service Charge Metrics and Revenues

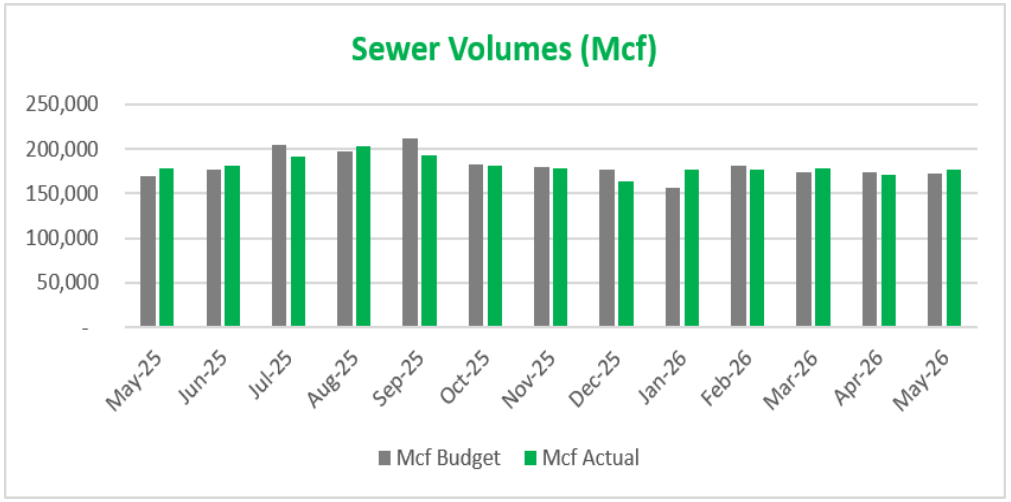
- May actual Meter Equivalents fell short of the budget for the month by 0.2% and was 0.4% below April Equivalents and was 1.1% below May 2025 Equivalents.
- Year-to-date actual Water Meter Equivalents exceeded budget by 0.3%.
- May actual Water Service Charge Revenue exceeded the budget for the month by 8.1% and was 7.6% above actual April Revenue and was 10.4% above May 2025 Revenue.
- Year-to-date actual Water Service Charge Revenue exceeded the budget by 1.2%.

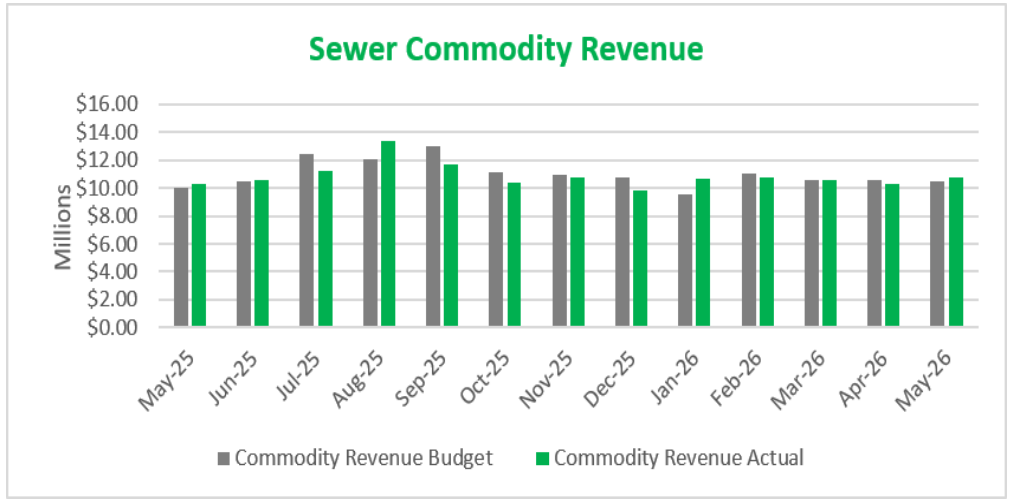




May 2026 Highlights - Sewer Commodity Metrics and Revenues

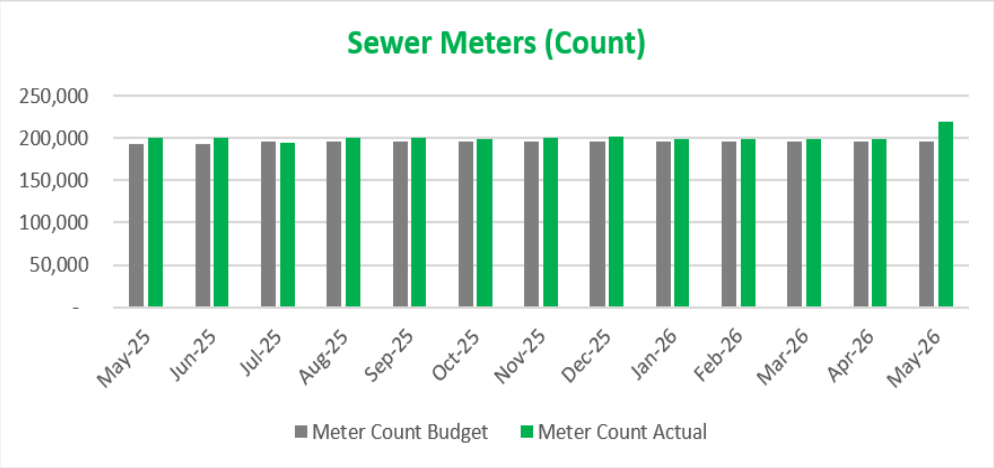
- May actual Volume exceeded the budget for the month by 2.9% and was 3.2% higher than actual April Volume but was 0.8% lower than May 2025 Volume.
- Year-to-date actual Sewer Volume was 0.8% below seasonally adjusted budget.
- May actual Commodity Revenue exceeded the budget for the month by 2.6% and was 4.3% higher than actual April Revenue and was 4.6% higher than May 2025 Revenue.
- Year-to-date actual Commodity Revenue was 1.8% below seasonally adjusted budget.

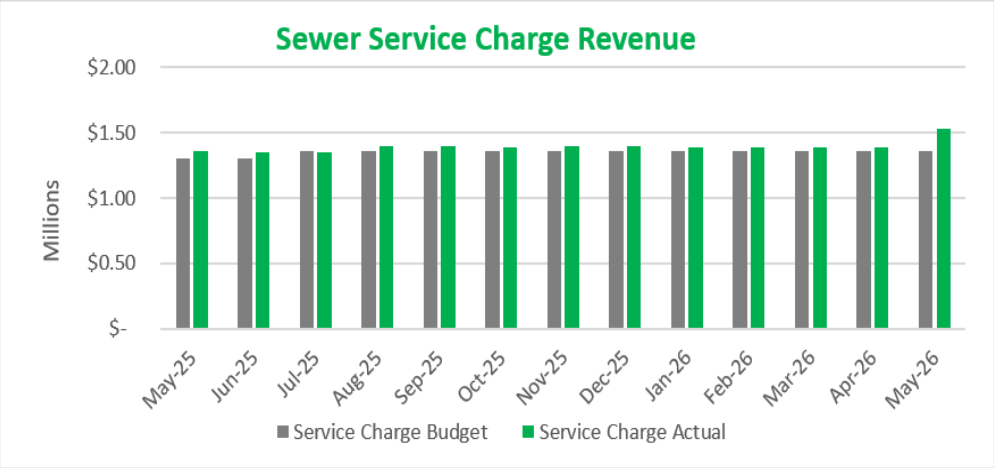




May 2026 Highlights - Sewer Service Charge Metrics and Revenues

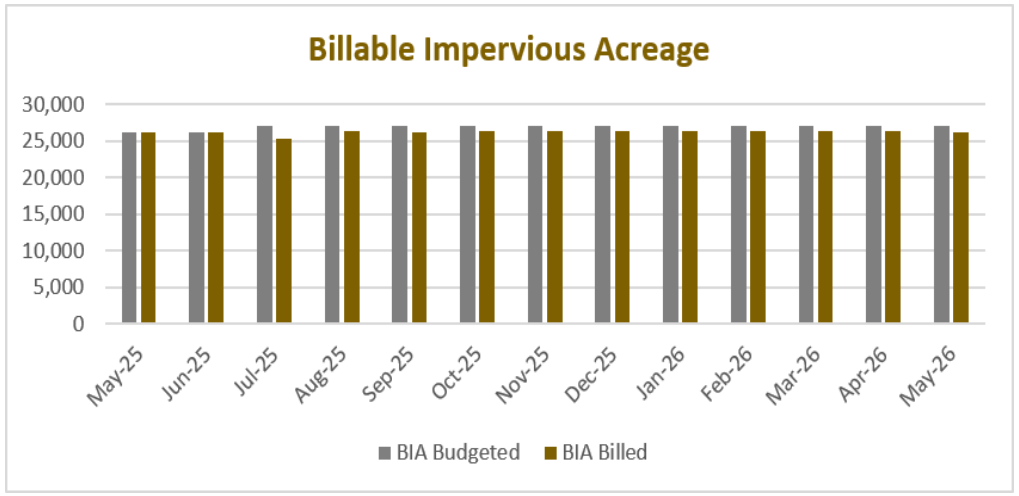
- May actual Sewer Meter Counts exceeded the budget for the month by 12.2% and were 10.5% higher than actual April Counts and were 9.2% above May 2025 Counts.
- Year-to-date actual Sewer Meter Counts exceeded budget by 2.8%.
- May actual Sewer Service Charge Revenue exceeded the budget for the month by 12.2% and was 10.5% above actual April Revenue and was 12.8% over May 2025 Revenue.
- Year-to-date actual Sewer Service Charge Revenue exceeded budget by 2.7%.

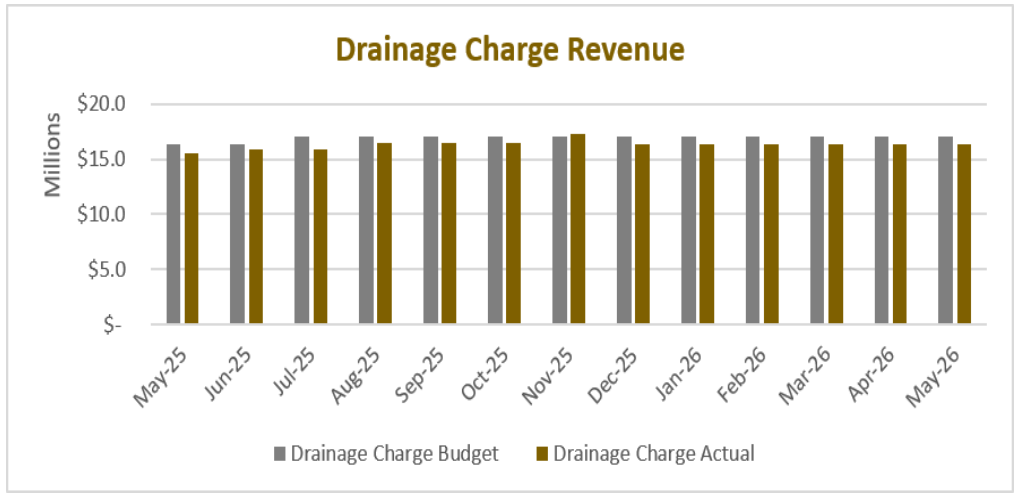




May 2026 Highlights - Drainage Charge Metrics and Revenues

- May actual Billable Impervious Acreage (BIA) fell short of the budget for the month by 2.8% but was steady with April actual BIA and was 0.3% above May 2025 actual BIA.
- Year-to-date actual BIA was 3.1% below budget.
- May actual Drainage Revenue fell short of the budget for the month by 4.3% but was steady with actual April Revenue and was 5.7% above May 2025 actual Revenue.
- Year-to-date actual Drainage Charge Revenue was 3.9% below budget.





THANK YOU!

Detroit Water & Sewerage Department

For more information visit: www.detroitmi.gov/dwsd

FOLLOW US!

Facebook.com/DWSDDetroit

@DetroitWaterDep

@detroitwatersewerage