DWSD FINANCIAL SUMMARY
2 + 10 Forecast

FINANCE COMMITTEE DISCUSSION

10/4/2016

The Bottom Line…

- **Water volumes remain in track however sewer volumes trending down**
  - Water volumes projected to outperform budget by 0.7%
  - Current sewer trend suggest 4.6% departure from budgeted volumes

- **Long term collection rate for water averaging 92% for the year; sewer rate trailing at 86%**

- **Higher than expected Field Services overtime and flood claims contributing to poor Sewer performance**
  - Flood claims could approach $2 million
  - Field Services OT running at more than 30% of salaries

- **Some of the costs may be recoverable from GLWA**
  - Field services labor on Water Main breaks
  - Flood claims

- **Bank cash at the end of August approximated $51 million or 145 days**

Financial Risk & Opportunities…

Risks

- Weak sewer revenues
- Expenses related to flood claims could approach $2 million – cost sharing with GLWA anticipated
- Beginning cash balance still unknown
  - Cash yet to be bifurcated
  - Legacy liabilities
- Credit card fees being netted against revenue
- Overtime running much higher than expected
- Water utilities running higher than anticipated

Opportunities

- Freezing headcount and salary raises
- Recommended pass-through of credit card fees
- Beginning to transition temp employees to full time to save costs
- Anticipated charges to GLWA
  - Flood chargeback
  - Field Services labor
- Use of Bond money for reimbursement of labor and Green Infrastructure

Risks & Opportunities by Fund

	Risks		Opportunities	
Item	**Water**	**Sewer**	**Water**	**Sewer**
Flood Damage Claims		$ 1,984,660		
Credit Card Fees	300,000	200,000		
Excess Overtime	682,829	1,024,244		
Drainage Fees		843,750		
Temporary Hires	80,000	120,000		
Utilities	675,000			
Labor Reimbursement			651,699	977,549
Credit Cards			210,000	140,000
Headcount Freeze			594,000	891,000
GLWA Chargeback on Flood				992,330
GLWA Net Chargeback on Salaries			680,000	1,020,000
Field Services Charges			170,707	256,061
Green Infrastructure Reimbursement				625,000
Raise Freeze			11,475	17,213
Operating Cost Risks	$ 1,737,829	$ 4,172,653	$ 2,317,882	$ 4,919,152
Volume & Customer Fixed Fee Risks		6,794,172	108,048	
Total Risks & Opportunities	**$ 1,737,829**	**$ 10,966,825**	**$ 2,425,929**	**$ 4,919,152**

DETROIT WATER & SEWER DEPARTMENT
SUMMARY FINANCIAL STATEMENTS (YTD)

Preliminary

	WATER Budget	WATER Actual	WATER F / (U)		SEWER Budget	SEWER Actual	SEWER F / (U)	
Net Sales Revenue	$ 19,224,587	$ 19,534,941	$ 310,354	[1]	$ 51,662,972	$ 50,371,278	$ (1,291,694)	[5]
Total O&M Charges	6,382,823	4,717,766	1,665,057	[2]	7,595,352	7,984,333	(388,980)	[6]
Contribution Margin	12,841,764	14,817,176	1,975,412		44,067,620	42,386,945	(1,680,675)	
Total Wholesale Rate Charges	276,612	276,612	0	[3]	7,947,169	7,967,006	(19,837)	
Gross Margin	12,565,152	14,540,563	1,975,412		36,120,451	34,419,939	(1,700,512)	
Total Other Operating Expenses	127,419	4,407,911	(4,280,492)	[3]	2,605,980	6,748,931	(4,142,951)	
Net Operating Income	12,437,733	10,132,653	(2,305,080)		33,514,471	27,671,008	(5,843,463)	
Total Non-Operating Expenses	6,166,693	2,514,208	3,652,484	[4]	16,117,962	12,044,681	4,073,281	[7]
Fund Surplus	6,271,040	7,618,444	1,347,404		17,396,509	15,626,327	(1,770,182)	
Interest Expense	5,019,667	5,019,667	-		12,142,117	12,142,117	-	
Fund Surplus Before Int. & Depr.	$ 11,290,707	$ 16,918,603	$ 5,627,896		$ 29,538,626	$ 31,931,232	$ 2,392,606	
Actual Debt Payments	(30,216,877)	(30,216,877)	-		(61,739,982)	(61,739,982)	-	
Change in Receivables	(1,021,760)	(835,525)	186,235		(2,421,769)	(2,448,054)	(26,285)	
Net Surplus / Deficit	$ (19,947,929)	$ (14,133,798)	$ 5,814,131		$ (34,623,125)	$ (32,256,804)	$ 2,366,321	
Unrestricted Lease Payment		3,750,000	3,750,000			4,583,333	4,583,333	
Net Surplus / Deficit Less Lease	$ (19,947,929)	$ (17,883,798)	$ 2,064,131		$ (34,623,125)	$ (36,840,138)	$ (2,217,012)	

Note: Amounts represets expenditures in Funds 5402, 5502, 5720 &5820

[1] Lower revenue as a result of 1.0% positive volume variation offset by lower than budgeted fireline revenue

[2] Positive variation driven by lower than anticipated contract spending offset by higher than anticipated personnel costs

[3] Includes Return on Equity ($20.7 million for water / $5.5 million or sewer)

[4] Includes value of net Water Lease Payment

[5] Lower revenue as a result of 3.6% negative volume variation offset by higher than expected drainage charges

[6] Negative variation driven by highrt than expected personnel costs

[7] Includes value of net Sewer Lease Payment

Preliminary

DETROIT WATER & SEWER DEPARTMENT
SUMMARY FINANCIAL STATEMENTS (2+ 10 FORECAST)

	WATER				SEWER			
	Budget	Fcst	F / (U)		Budget	Fcst	F / (U)	
Net Sales Revenue	$ 104,960,314	$ 104,978,362	$ 18,048	[1]	$ 289,131,093	$ 281,433,171	$ (7,697,922)	[3]
Total O&M Charges	36,099,185	35,097,764	1,001,421		44,223,982	44,695,865	(471,883)	
Contribution Margin	68,861,129	69,880,598	1,019,469		244,907,111	236,737,306	(8,169,806)	
Total Wholesale Rate Charges	1,659,674	1,659,674	0		47,683,013	47,802,034	(119,021)	
Gross Margin	67,201,455	68,220,924	1,019,469		197,224,098	188,935,271	(8,288,827)	
Total Other Operating Expenses	764,512	51,450,416	(50,685,904)		15,635,878	63,457,983	(47,822,105)	
	66,436,943	16,770,508	(49,666,435)		181,588,219	125,477,288	(56,110,932)	
Total Non-Operating Expenses	37,000,157	14,597,672	22,402,484	[2]	96,707,774	69,757,007	26,950,767	[4]
Fund Surplus	29,436,786	2,172,835	(27,263,951)		84,880,445	55,720,281	(29,160,165)	
Interest Expense	30,118,002	30,118,002	-		72,852,701	72,852,701	-	
Fund Surplus Before Int. & Depr.	$ 59,554,788	$ 83,656,741	$ 24,101,953		$ 157,733,146	$ 178,526,438	$ 20,793,291	
Actual Debt Payments	(45,195,714)	(46,158,597)	(962,883)		(121,809,319)	(121,510,810)	298,509	
Change in Receivables	(12,261,123)	(9,911,278)	2,349,845		(29,061,230)	(25,618,437)	3,442,792	
Net Surplus / Deficit	$ 2,097,950	$ 27,586,866	$ 25,488,916		$ 6,862,597	$ 31,397,190	$ 24,534,593	
Unrestricted Lease Payment		22,500,000	22,500,000			27,500,000	27,500,000	
Net Surplus / Deficit Less Lease	$ 2,097,950	$ 5,086,866	$ 2,988,916		$ 6,862,597	$ 3,897,190	$ (2,965,407)	

Note: Amounts represets expenditures in Funds 5402, 5502, 5720 &5820

[1] Higher revenue as a result of 0.7% projected positive volume variation

[2] Includes value of net Water Lease Payment

[3] Lower revenue as a result of 4.6% projected negative volume variation offset by higher than budgeted drainage charges

[4] Includes value of net Sewer Lease Payment

DETROIT WATER & SEWER YTD CASHFLOW

CASHFLOW STATEMENT FORECAST

	Water			Sewer		
	YTD 2017	FCST 2017	FY Forecast 2+10	YTD 2017	FCST 2017	2+10
Beginning Cash	$ 27,395,997	$ 27,240,404	$ 27,395,997	$ 21,105,580	$ 23,156,893	$ 21,105,580
Cashflow From Operating Activities						
Net Operating Surplus / (Deficit)	$ 10,132,653	$ 6,057,803	$ 16,190,455	$ 27,671,008	$ 97,059,781	$ 124,730,789
Transfers to GLWA	12,625,419	(58,122,017)	(45,496,598)	83,223,549	(85,261,954)	(2,038,406)
Transfers from GLWA	6,016,531	33,090,920	39,107,451	7,370,664	40,538,650	47,909,313
Depreciation / Amortization	4,280,492	47,085,412	51,365,904	4,162,788	45,790,668	49,953,456
Change In Other Receivables	(835,525)	(7,054,555)	(7,890,080)	(2,448,054)	(25,061,183)	(27,509,237)
Change in Payables		-	-		-	-
Net Cashflow From Operating Activites	$ 32,219,570	$ 21,057,562	$ 53,277,131	$ 119,979,954	$ 73,065,961	$ 193,045,915
Cashflow From Investing Activites						
CAPEX	(5,085,393)	(55,211,393)	(60,296,786)	(1,747,601)	(23,150,501)	(24,898,103)
Lease Payment (Net)	3,750,000	18,750,000	22,500,000	4,583,333	22,916,667	27,500,000
Extraordinary Repair & Replacement Deposits	(118,965)	(594,827)	(713,792)	(170,749)	(853,744)	(1,024,493)
Sale of Capital Assets						
Purchase of Securities						
Sale of Securities						
Net Cashflow From Investing Activities	$ (1,454,358)	$ (37,056,220)	$ (38,510,578)	$ 2,664,983	$ (1,087,579)	$ 1,577,404
Cashflow From Financing Activities						
Senior Principal Payments	(24,311,906)	(11,662,700)	(35,974,605)	(69,836,313)	(28,480,502)	(98,316,815)
2nd Lien Principal Payments	(5,500,387)	(4,111,016)	(9,611,403)	(30,268,836)	(11,015,807)	(41,284,643)
Junior Lien Principal Payments	(404,584)	(168,004)	(572,589)	(18,165,071)	(20,274,520)	(38,439,591)
New DWSDR Borrowings	-	90,000,000	90,000,000			
WRAP Payments	(120,749)	(504,008)	(624,757)	(263,184)	(1,140,465)	(1,403,649)
B-Note Payment	(117,774)	(588,870)	(706,644)	(1,201,072)	(6,005,359)	(7,206,431)
Budget Stablization Requirements	(465,405)	(1,939,188)	(2,404,593)	(859,147)	(1,960,111)	(2,819,258)
Total Wholesale Rate Charges	$ (30,920,805)	$ 71,026,214	$ 40,105,409	$ (120,593,623)	$ (68,876,763)	$ (189,470,386)
Total Increase / (Decrease) In Cash Balanaces	$ (155,593)	$ 55,027,556	$ 54,871,963	$ 2,051,314	$ 3,101,619	$ 5,152,933
Ending Cash	$ 27,240,404	82,267,959	82,267,959	$ 23,156,893	26,258,513	26,258,513

Note: Cash flow statement is pro forma; DWSD still lacks certain data to perform full reconciliation. Unreconciled balance as of 6831/2016 approximates $0.4 million

Summary financial metrics

DETROIT WATER & SEWER DEPARTMENT
SUMMARY FINANCIAL METRICS

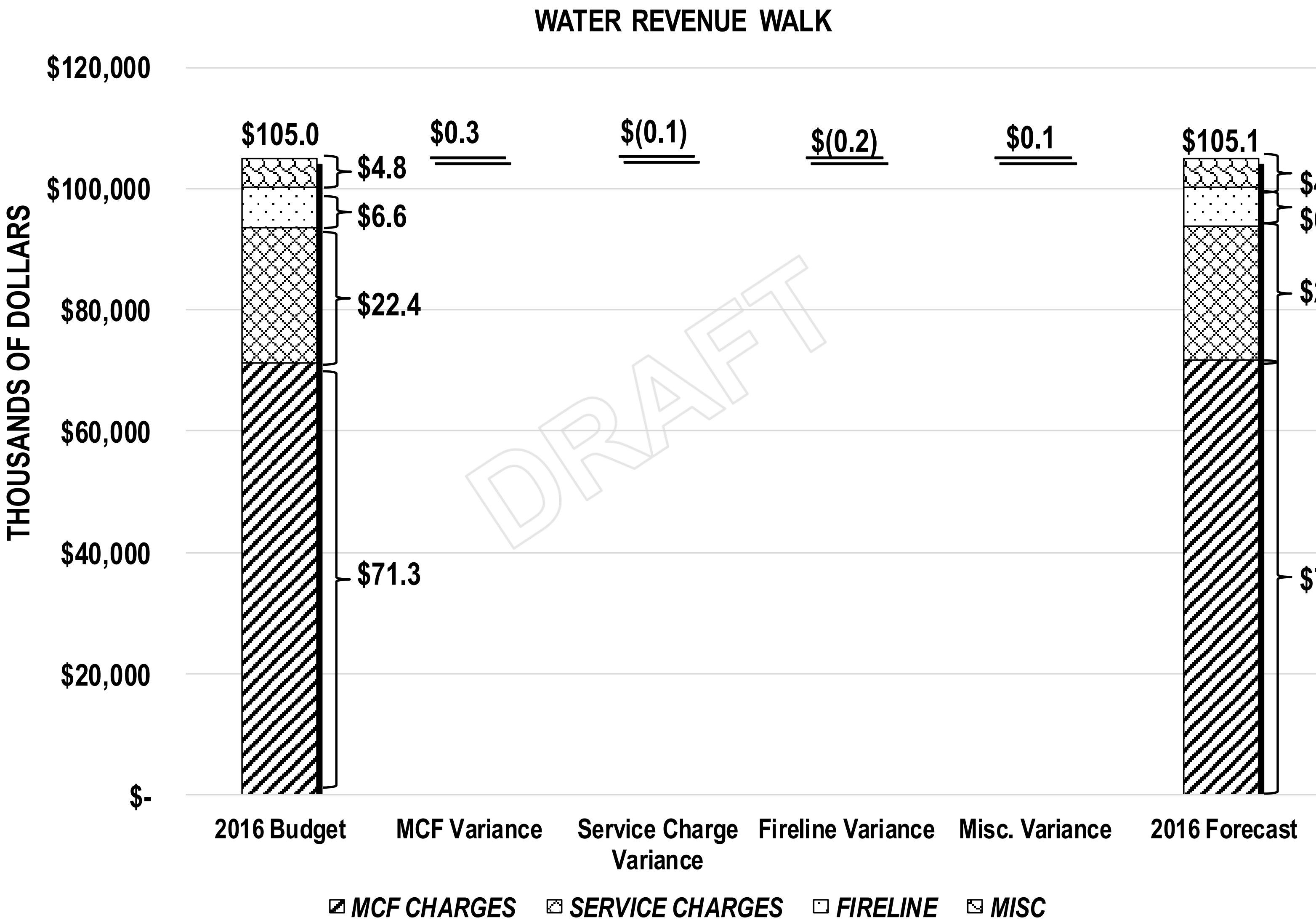
MONTHLY

		7/31/2016	8/31/2016	9/30/2016	10/31/2016	11/30/2016	12/31/2016	1/31/2017	2/28/2017	3/31/2017	4/30/2017	5/31/2017	6/30/2017
VOLUMES	Budget	287,528	291,860	247,328	247,588	220,621	238,853	236,314	238,143	243,011	224,902	266,567	291,284
	Actual	286,452	294,876										
	Status												
DAYS CASH	Budget	125.00	127.27	129.55	131.82	134.09	136.36	138.64	140.91	143.18	145.45	147.73	150
	Actual	144.79	144.79										
	Status												
WATER 30 - 60 DAY COLLECTION RATE	Budget	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
	Actual	69.91%	79.23%										
	Status												
SEWER 30 - 60 DAY COLLECTION RATE	Budget	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%	68.00%
	Actual	63.98%	70.79%										
	Status												
WATER 330 - 360 DAY COLLECTION RATE	Budget	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
	Actual	88.53%	95.03%										
	Status												
SEWER 330 - 360 DAY COLLECTION RATE	Budget	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
	Actual	84.95%	85.94%										
	Status												
HEADCOUNT	Budget	488	488	488	488	488	488	488	488	488	488	488	488
	Actual	450	463										
	Status												
O&M COSTS	Budget	6,978,986	6,999,190	6,645,710	6,620,775	6,423,587	6,572,668	6,590,350	6,580,907	6,611,493	6,478,605	6,807,220	7,013,676
	Actual	4,765,394	7,503,394										
	Status												
WATER OUTSTANDING RECEIVABLES	Budget	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00
	Actual	131.98	128.26										
	Status												
SEWER OUTSTANDING RECEIVABLES	Budget	175.00	175.00	175.00	175.00	175.00	175.00	175.00	175.00	175.00	175.00	175.00	175.00
	Actual	165.45	162.62										
	Status												

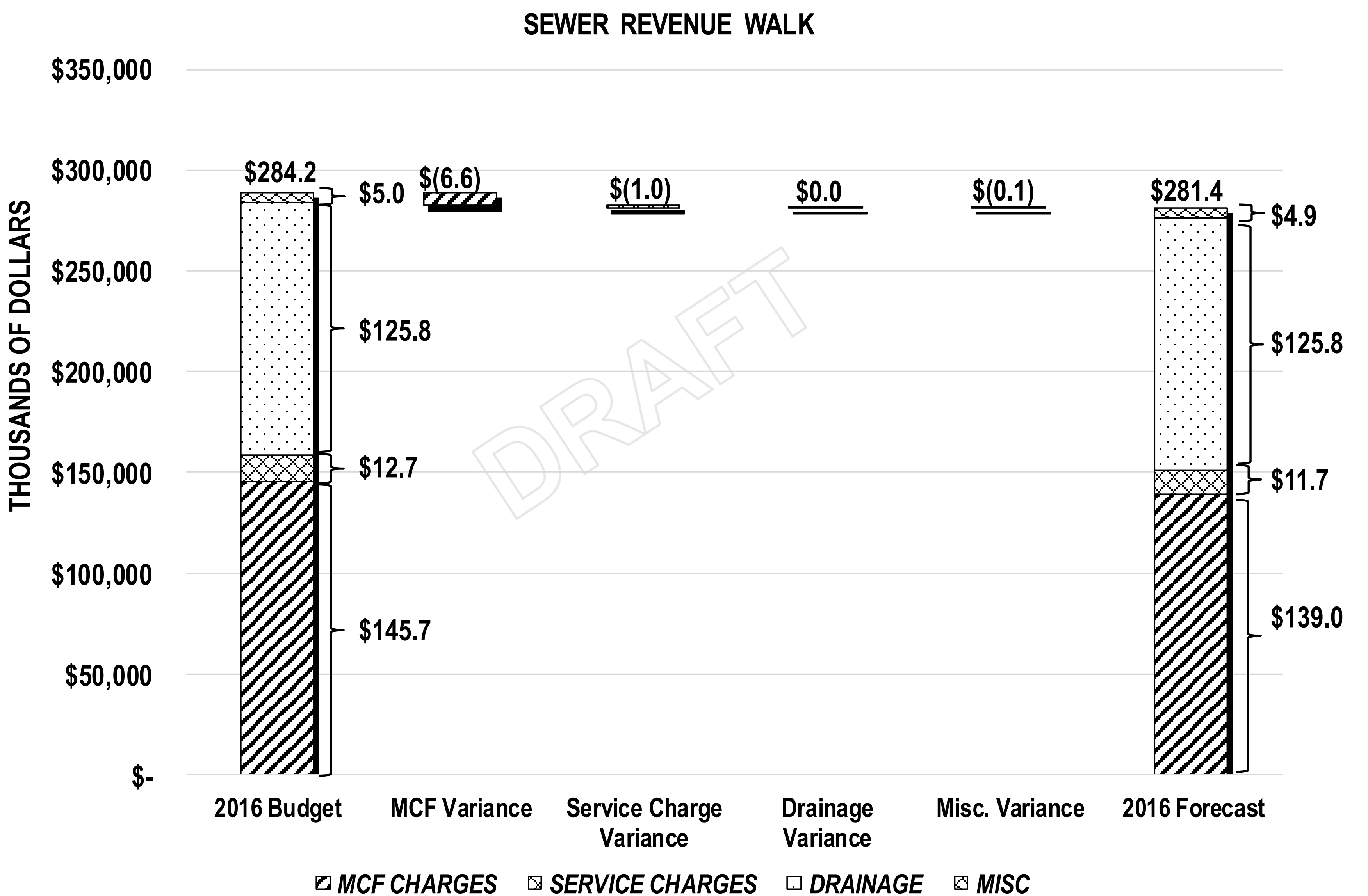
ANNUAL

	BUDGET	PROJECTED	STATUS
EQUIVALENT ACTIVE ACCOUNTS (WATER)	281,839	280,190	
EQUIVALENT ACTIVE ACCOUNTS (SEWER)	187,852	186,312	
COMMODITY VOLUME (WATER)	3,034,000	3,011,564	
COMMODITY VOLUME (SEWER)	2,800,000	2,672,273	
O&M COSTS (MILLION)	$ 148.0	$ 147.5	
CAPEX			

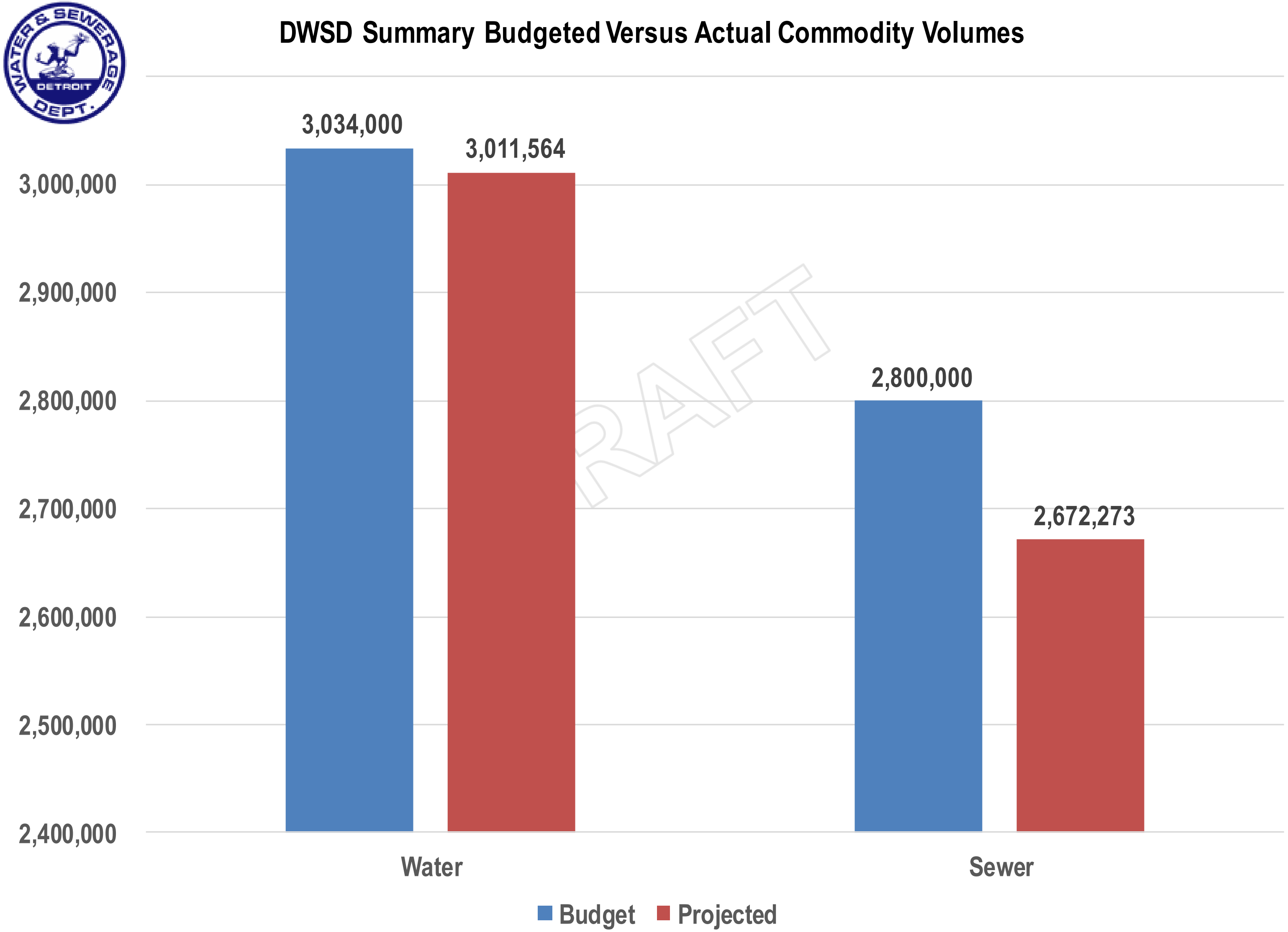
Water MCF volumes and monthly service charges deviated by 4.4% and 23.%, respectively; resulting in a $9.8 million miss to budget



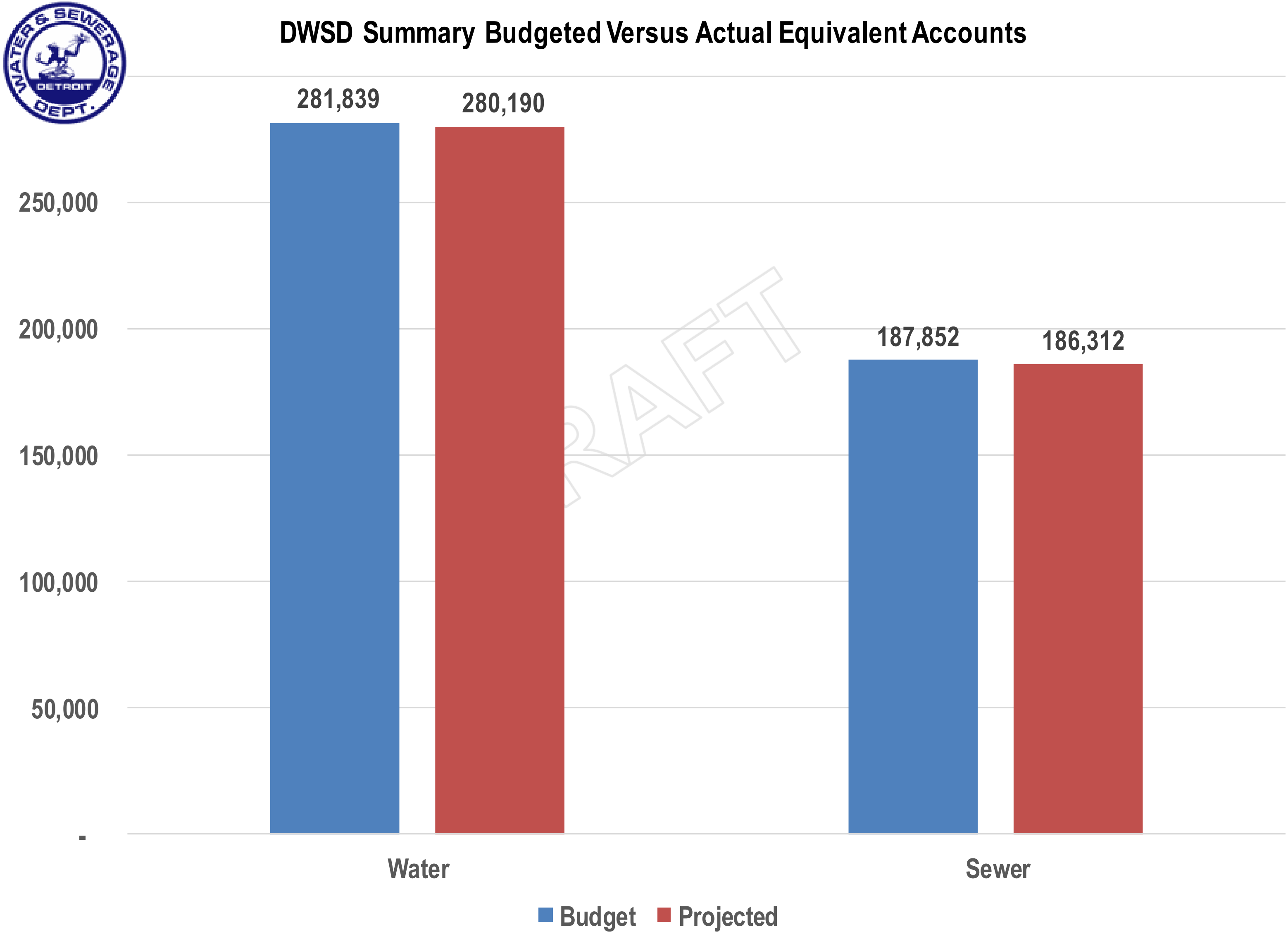
Sewer MCF volumes were 7.8% lower than plan; however, lower commodity revenue has been partially offset by higher drainage charges



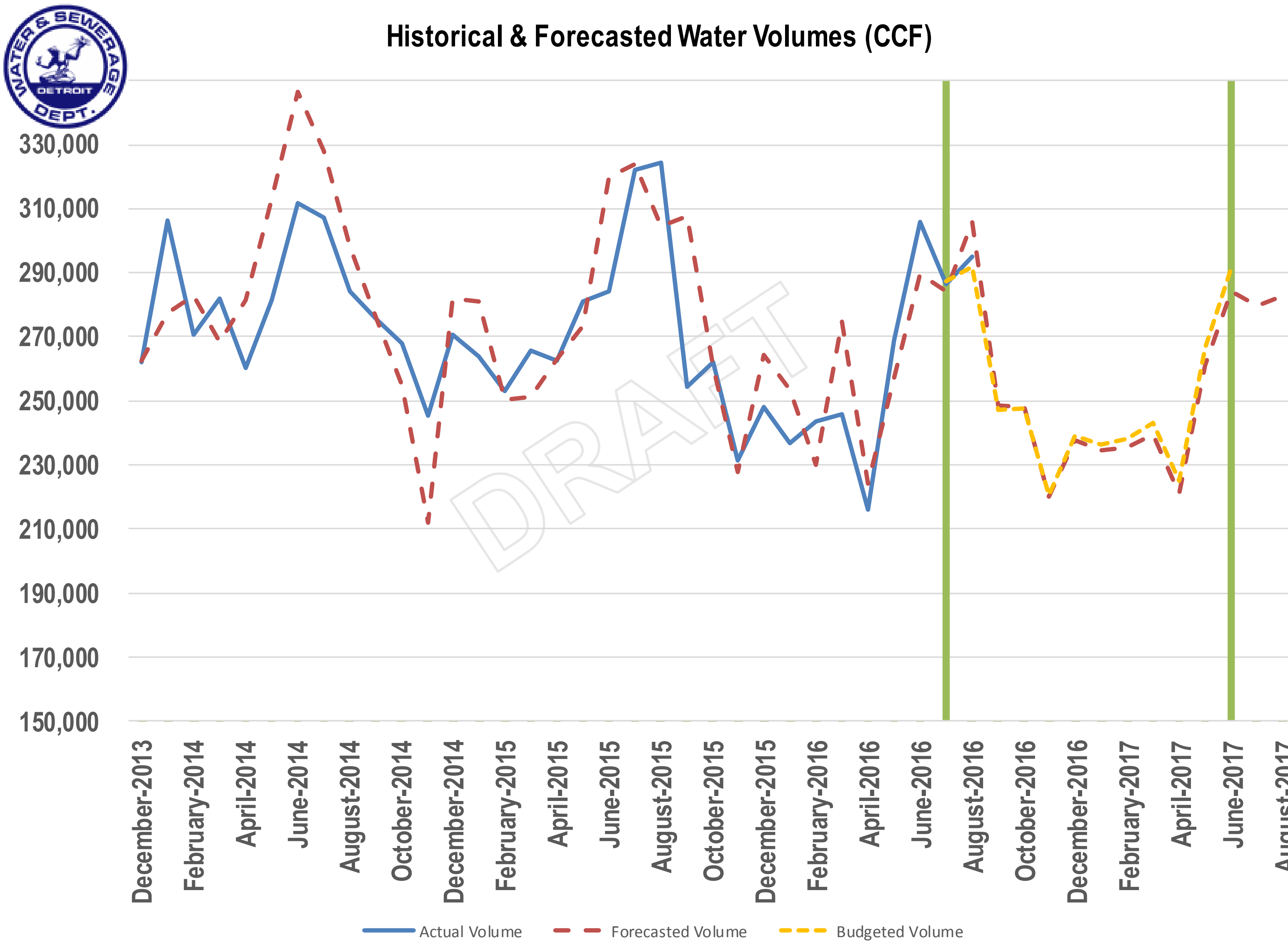
Volumes underperformed budget for both water and sewer



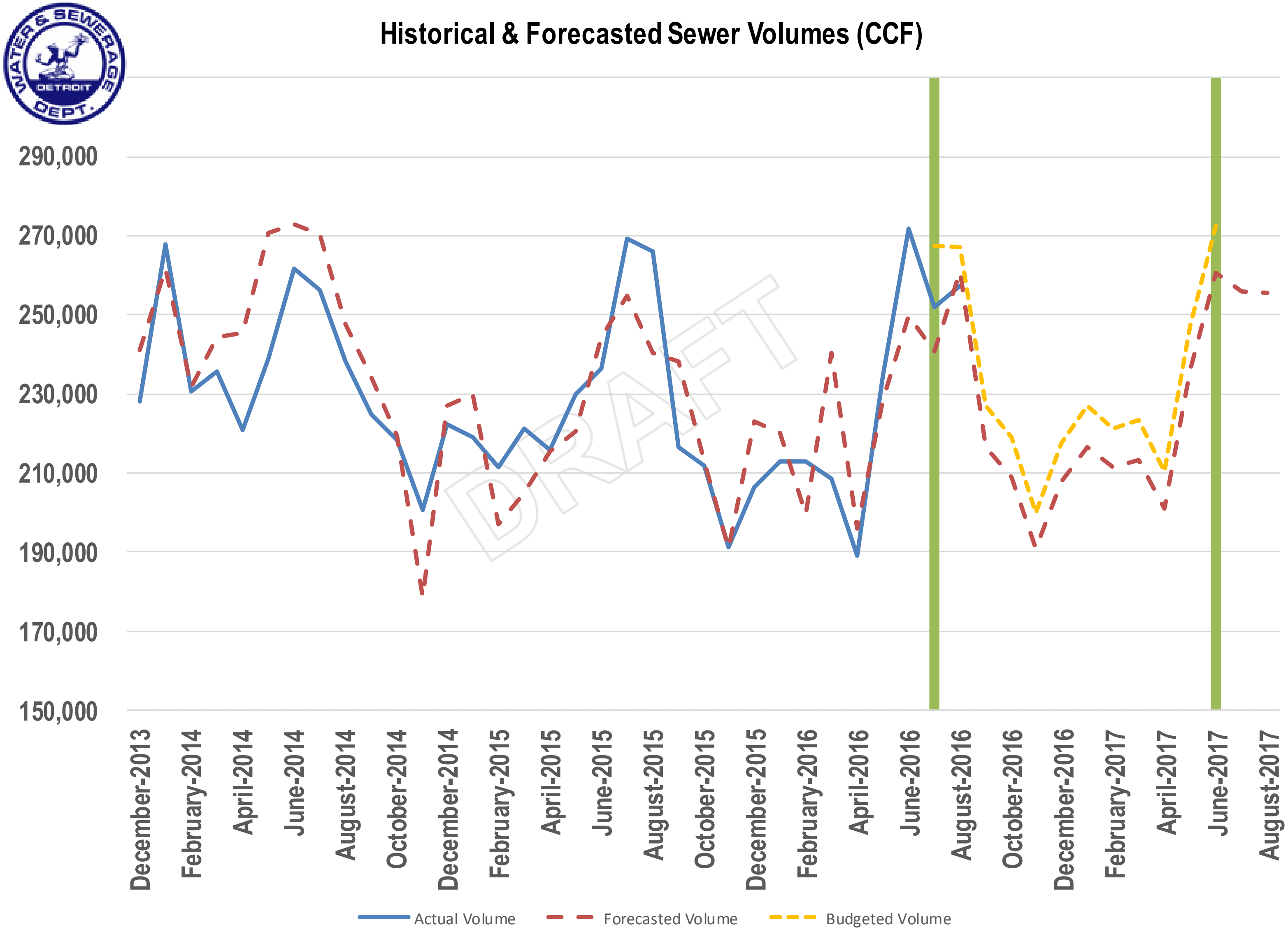
Account creation also lagged budget for the year



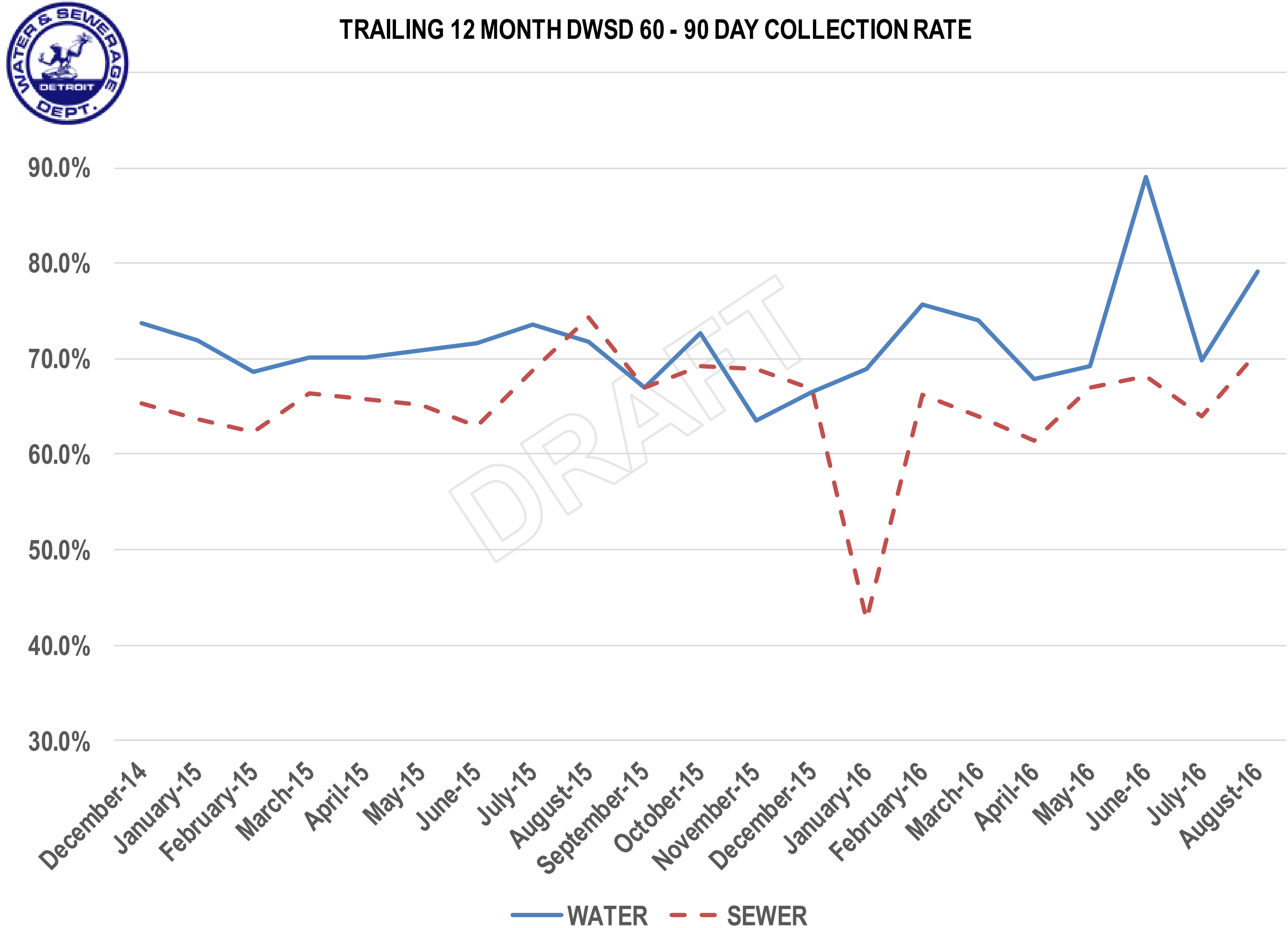
Water volumes continue to track below budget for most of the year with large deviations from October ‘15 to April ‘16



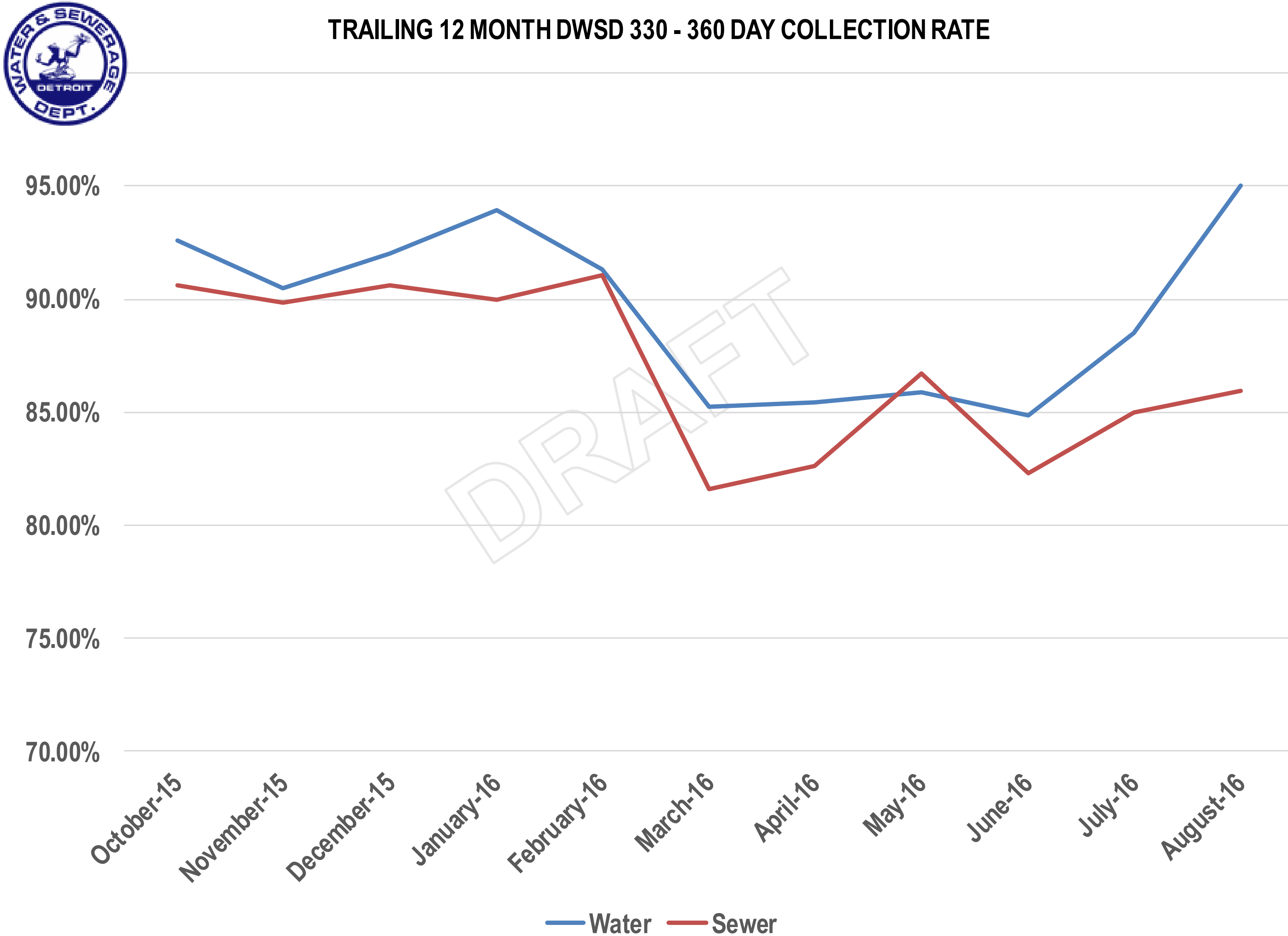
Similarly, sewer volumes were ostensibly set to high given large deviations in every month of the year



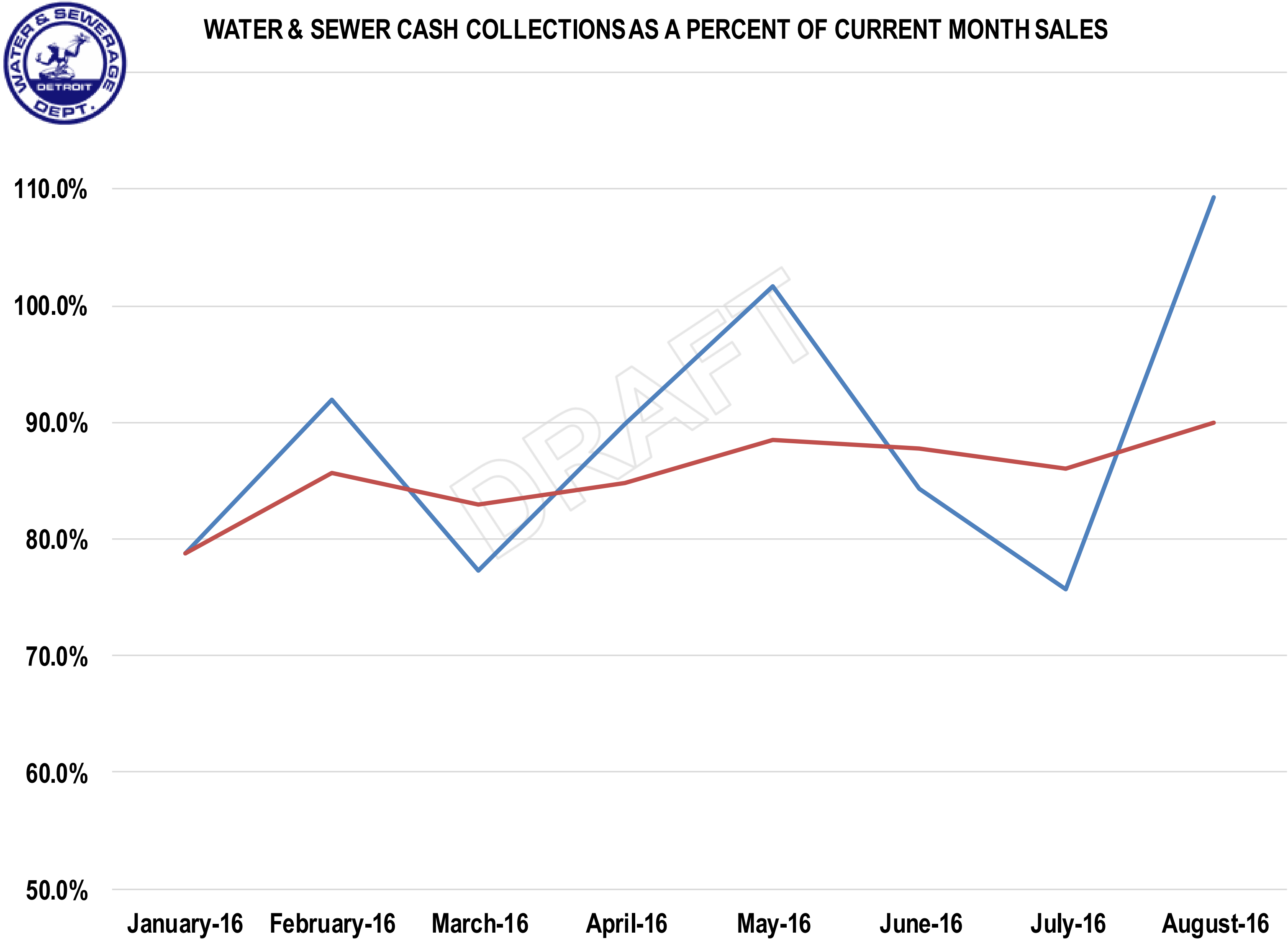
With few exceptions, 3-month collection rate was fairly steady in FY 2016



Water and Sewer experienced significant declines in the one year collection rate; this was predictable but should reverse as WRAP comes on line



Cash as a percentage of sales tailed toward the end of the year as customers signed up for WRAP; freezing receivables



APPENDIX – SELECTED RECEIVABLES REPORTS

Detroit Water and Sewerage Department

Aging Balances as of Sep 6, 2016

Retail Delinquency Report by Tax Type - Water

Tax Type Description	Total Credit Balance	Total Current Balance	Total 30 Days	Total 60 Days	Total 90 Days	Total 120 Days	Total 150 Days	Total 180 Days	Grand Total Balance (Less Credit Balance)
APARTMENT BUILDING	-59,509.61	516,709.13	148,504.09	44,867.62	58,425.99	52,432.53	30,924.31	529,635.50	1,321,989.56
CHURCHES	-28,072.93	46,664.57	18,913.10	8,583.12	12,126.80	7,509.37	6,351.72	209,398.79	281,474.54
CITY OF DET BANKRUPTCY	-93.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-93.27
COMMERCIAL	-289,115.27	1,850,421.84	740,392.79	220,575.93	89,749.45	102,261.53	142,112.01	2,054,241.64	4,909,869.70
DET PUB SCHOOLS- LEASED	0.00	5.18	0.00	0.00	0.00	0.00	0.00	0.00	5.18
DET PUBLIC SCHOOLS-EAA	0.00	16,882.74	3,306.23	0.00	0.00	0.00	0.00	0.00	20,188.97
DETROIT PUBLIC SCHOOLS	-299.69	116,232.23	104,982.65	87,026.69	92,931.76	89,972.29	58,626.89	628,150.67	1,177,623.49
DWSD FORECLOSURE	0.00	0.00	0.00	0.00	40.00	0.00	0.00	0.00	40.00
FEDERAL GOVERNMENT	-20,082.60	21,588.29	1,572.52	685.65	528.74	528.74	0.00	984.33	5,805.67
FIRELINES COMMERCIAL	-65,955.78	315,849.33	84,238.78	43,733.58	44,887.08	40,243.03	29,785.78	683,550.87	1,176,332.67
FIRELINES INDUSTRIAL	-4,205.46	89,412.71	29,683.96	23,322.08	26,349.21	20,710.99	17,594.40	523,548.53	726,416.42
HOUSING COMMISSION	0.00	63,757.18	60,054.96	31,558.46	9,681.15	6,901.21	21.30	130,452.87	302,427.13
INDUSTRIAL	-417,622.30	1,177,111.37	330,020.80	141,692.69	14,914.37	9,566.92	13,814.36	175,803.34	1,445,301.55
MEDICAL	-16.42	59,564.56	20,825.60	14,190.17	12,111.00	13,557.88	59,880.53	101,169.80	281,283.12
MUNICIPAL	-165.94	194,171.50	261,494.44	76,772.83	46,772.95	27,039.87	10,678.88	279,751.36	896,515.89
PLANNING & DEVELOPMENT	-8,751.81	4,897.23	4,520.47	3,919.47	2,981.90	3,741.25	2,401.60	112,973.84	126,869.71
RESIDENTIAL	-1,135,104.60	3,451,050.73	2,535,547.74	1,715,139.47	1,428,264.84	1,197,396.83	1,335,224.30	21,868,705.60	32,396,094.69
SCHOOLS	-2,160.91	21,677.16	6,981.39	3,121.23	2,790.94	2,606.68	2,217.36	39,671.20	76,905.05
STATE OF MICHIGAN	-418.20	56,720.08	63,835.02	93,779.03	60,253.47	15,519.67	22,919.59	257,872.99	570,481.65
STORM ONLY COMMERCIAL	-442.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-442.50
STORM ONLY EXEMPT	-90.75	40.00	40.00	0.00	0.00	0.00	0.00	0.00	-10.75
STORM ONLY INDUSTRIAL	-16.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-16.13
STORM ONLY OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STORM ONLY RESIDENTIAL	-665.00	0.00	80.00	0.00	0.00	0.00	0.00	0.00	-585.00
UNKNOWN AT CONVERSION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Detroit Water and Sewerage Department

Aging Balances as of Sep 6, 2016

Retail Delinquency Report by Tax Type - Sewer

Tax Type Description	Total Credit Balance	Total Current Balance	Total 30 Days	Total 60 Days	Total 90 Days	Total 120 Days	Total 150 Days	Total 180 Days	Grand Total Balance (Less Credit Balance)
APARTMENT BUILDING	-220,392.02	1,349,665.70	349,863.14	117,670.29	146,119.43	113,820.42	80,828.52	1,387,703.02	3,325,278.50
SCHOOLS	-69,355.49	138,072.01	47,222.62	19,992.08	24,310.50	16,899.84	12,590.64	401,475.15	591,207.35
STORM ONLY RESIDENTIAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DETROIT PUBLIC SCHOOLS	0.00	464,870.56	426,452.34	482,100.45	408,895.13	403,269.20	435,735.94	2,294,275.85	4,915,599.47
INDUSTRIAL	-972,978.04	3,111,749.29	1,085,338.46	604,241.75	581,529.69	579,035.64	537,513.02	10,387,091.46	15,913,521.27
STORM ONLY EXEMPT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FEDERAL GOVERNMENT	-13,333.14	55,814.07	10,590.63	5,676.33	5,470.81	5,470.81	1,760.69	50,823.22	122,273.42
COMMERCIAL	-345,503.39	5,121,956.56	1,965,882.62	1,115,636.75	1,104,405.08	1,060,230.88	1,088,646.42	17,896,473.91	29,007,728.83
WATER FOUNTAINS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CITY OF DET BANKRUPTCY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PLANNING & DEVELOPMENT	-1,667.46	18,483.82	19,480.11	17,868.88	17,724.72	19,040.18	13,006.02	583,702.84	687,639.11
STATE OF MICHIGAN	0.00	238,587.56	233,607.69	221,791.56	148,709.53	51,545.35	69,057.70	791,473.69	1,754,773.08
FIRELINES INDUSTRIAL	-2,751.86	6,723.53	57.76	41.67	31.62	34.14	31.88	14,794.89	18,963.63
HOUSING COMMISSION	0.00	157,229.80	148,607.75	78,509.32	24,819.84	17,919.94	365.84	706,948.85	1,134,401.34
UNKNOWN AT CONVERSION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MEDICAL	-1,406.21	129,565.47	36,997.99	21,730.85	19,991.55	21,762.71	44,960.96	148,972.28	422,575.60
STORM ONLY COMMERCIAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STORM ONLY INDUSTRIAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WAYNE COUNTY	-8,773.70	123,079.37	177.10	51.13	25.85	0.00	0.00	0.00	114,559.75
DET PUB SCHOOLS- LEASED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESIDENTIAL	-432,699.54	7,898,098.84	5,086,233.17	3,021,152.29	3,062,052.46	2,816,272.69	2,263,397.81	45,801,940.35	69,516,467.33
STORM ONLY OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CHURCHES	-59,648.65	203,436.73	79,481.51	48,693.75	48,656.56	46,967.95	30,646.24	836,111.92	1,234,346.01
FIRELINES COMMERCIAL	-6,764.60	28,428.63	16,362.94	8,725.25	8,428.18	9,434.86	8,631.06	166,839.89	240,086.21

Detroit Water and Sewerage Department

Accounts under Bankruptcy by Sales Class

Water and Sewer Combined

60 Days Days Past Due

Billing Cycles:

Customer Class	Sales Class Description	Total Number of Accounts	Total Balance	Total Number of Accounts Past Due	Total Past Due	Average Amount Past Due
1	City Residential	1,037	612,244.59	645	631,786.45	979.51
2	Suburban Residential	0	0.00	0	0.00	0
3	City Commercial	24	105,589.08	16	95,516.31	5,969.77
5	City Industrial	8	-218,854.62	2	1,140.06	570.03
6	Suburban Industrial	0	0.00	0	0.00	0
7	City Municipal	2	-93.27	0	0.00	0
9	City Schools	1	5,521.95	1	5,147.35	5,147.35
11	City Housing	0	0.00	0	0.00	0
13	Firelines Industr	0	0.00	0	0.00	0
15	City Firelines Comm	1	112.05	0	0.00	0
Overall - Total		**1,073**	**504,519.78**	**664**	**733,590.17**	

Detroit Water and Sewerage Department

Accounts under Bankruptcy by Sales Class

Water and Sewer Combined

60 Days Days Past Due

Billing Cycles:

Customer Class	Sales Class Description	Total Number of Accounts	Total Balance	Total Number of Accounts Past Due	Total Past Due	Average Amount Past Due
1	City Residential	1,037	612,244.59	645	631,786.45	979.51
2	Suburban Residential	0	0.00	0	0.00	0
3	City Commercial	24	105,589.08	16	95,516.31	5,969.77
5	City Industrial	8	-218,854.62	2	1,140.06	570.03
6	Suburban Industrial	0	0.00	0	0.00	0
7	City Municipal	2	-93.27	0	0.00	0
9	City Schools	1	5,521.95	1	5,147.35	5,147.35
11	City Housing	0	0.00	0	0.00	0
13	Firelines Industr	0	0.00	0	0.00	0
15	City Firelines Comm	1	112.05	0	0.00	0
Overall - Total		**1,073**	**504,519.78**	**664**	**733,590.17**	

Detroit Water and Sewerare Department

Accounts with Active Installments by Sales Class

Water and Sewer Combined

60 Days Days Past Due

Billing Cycles:

Customer Class	Sales Class Description	Total Number of Accounts	Total Balance	Total Number of Accounts Past Due	Total Past Due	Average Amount Past Due
1	City Residential	25,645	17,777,727.84	25,158	13,666,972.57	543.25
2	Suburban Residential	5	1,510.09	5	1,302.19	260.44
3	City Commercial	610	1,969,234.99	590	1,572,500.57	2,665.26
5	City Industrial	29	259,331.33	29	230,694.01	7,954.97
9	City Schools	8	150,917.42	6	43,964.18	7,327.36
11	City Housing	2	782.41	2	610.60	305.30
13	Firelines Industr	4	21,522.36	4	17,911.32	4,477.83
15	City Firelines Comm	44	228,993.31	42	189,051.93	4,501.24
21	City Commercial IWC	1	1,202.56	1	749.93	749.93
Overall - Total		**26,348**	**20,411,222.31**	**25,837**	**15,723,757.30**	

Detroit Water and Sewerage Department

Retail Delinquency Report by Sales Class

Water and Sewer Combined

60 Days Days Past Due

Accounts Billed between Aug 1, 2016 and Sep 2, 2016

Accounts with a Balance >= 0

Sales Class	Sales Class Description	Total Number of Accounts	Total Balance	Total Number of Accounts Past Due	Total Past Due	Average Amount Past Du
1	City Residential	164,153	56,216,822.96	60,870	38,293,915.15	629.
2	Suburban Residential	149	18,875.87	42	10,835.75	257.
3	City Commercial	17,471	36,028,062.05	8,862	25,702,183.89	2,900.
4	Suburban Commercial	15	66,898.30	11	64,291.40	5,844.
5	City Industrial	1,528	16,308,440.53	753	12,083,300.59	16,046.
6	Suburban Industrial	12	312,263.06	3	56,482.28	18,827.
7	City Municipal	518	8,546,031.00	51	5,279,160.18	103,512.
9	City Schools	569	7,947,610.47	77	5,680,118.99	73,767.
11	City Housing	515	1,219,360.60	11	788,286.76	71,662.
13	Firelines Industr	128	920,781.85	35	617,146.59	17,632.
15	City Firelines Comm	1,476	3,863,653.20	244	1,828,882.22	7,495.
21	City Commercial IWC	5	1,488.19	1	749.93	749.
verall - Total		**186,539**	**131,450,288.08**	**70,960**	**90,405,353.73**	

Detroit Water and Sewerage Department

City of Detroit Accounts - Water

Aging Account Balances as of September 6, 2016 - Summary

Customer Name	Total Balance Due	Current	> 30 Days	> 60 Days	> 90 Days	> 120 Days	> 150 Days	> 180 Days
36TH DISTRICT COURT	5,578.84	3,797.62	1,746.82	34.40	0.00	0.00	0.00	0.00
CITY OF DETROIT - CAYMC	2,180.31	945.80	663.38	431.23	139.90	0.00	0.00	0.00
DWSD	152,620.23	72,710.59	50,319.08	11,971.76	10,335.33	1,757.08	1,072.11	4,454.28
ELECTIONS COMMISSION	3,650.65	3,650.65	0.00	0.00	0.00	0.00	0.00	0.00
FIRE DEPARTMENT	194,841.53	5,876.58	96,729.34	5,721.26	0.00	0.00	0.00	86,514.35
GENERAL SERVICES DEPARTMENT	21,564.99	5,786.55	5,781.87	5,283.42	4,507.32	205.83	0.00	0.00
HEALTH DEPARTMENT	42,311.63	1,388.94	2,382.10	846.77	829.65	851.32	858.14	35,154.71
INSTITUTE OF ARTS	9,545.62	9,545.62	0.00	0.00	0.00	0.00	0.00	0.00
MARIA LINDA ADAMS-LAWTON	603.83	261.39	289.57	52.87	0.00	0.00	0.00	0.00
MUNICIPAL PARKING	19,210.21	5,028.89	4,554.22	5,082.24	4,544.86	0.00	0.00	0.00
PLANNING & DEVELOPMENT DEPT-DPS	155,833.38	5,206.23	4,815.61	5,355.90	5,223.67	5,309.92	7,188.47	122,733.58
POLICE DEPARTMENT	43,364.38	9,768.00	9,191.90	8,971.15	8,270.11	7,163.22	0.00	0.00
PUBLIC LIBRARY	28,814.67	15,808.86	9,825.88	3,179.93	0.00	0.00	0.00	0.00
PUBLIC LIGHTING	25,636.43	1,803.64	4,910.02	2,174.28	1,223.30	1,222.58	1,560.16	12,742.45
PUBLIC WORKS	55,823.74	6,184.55	18,835.60	5,250.82	4,731.31	3,084.50	0.00	17,736.96
RECREATION	57,003.52	21,804.50	20,039.19	14,774.80	0.00	0.00	0.00	385.03
RECREATION (2)	38,798.80	4,933.26	11,907.04	7,545.58	6,967.50	7,445.42	0.00	0.00
TRANSPORTATION	39,133.13	19,669.83	19,366.88	96.42	0.00	0.00	0.00	0.00
Grand Total	**896,515.89**	**194,171.50**	**261,358.50**	**76,772.83**	**46,772.95**	**27,039.87**	**10,678.88**	**279,721.36**

Detroit Water and Sewerage Department

City of Detroit Accounts - Sewer

Aging Account Balances as of September 6, 2016 - Summary

Customer Name	Total Balance Due	Current	> 30 Days	> 60 Days	> 90 Days	> 120 Days	> 150 Days	> 180 Days
36TH DISTRICT COURT	12,870.67	8,880.79	3,964.85	25.03	0.00	0.00	0.00	0.00
CITY OF DETROIT - CAYMC	4,641.50	2,048.09	1,420.13	907.98	265.30	0.00	0.00	0.00
DETROIT CITY AIRPORT	65,058.00	45,339.39	19,718.61	0.00	0.00	0.00	0.00	0.00
DWSD	295,208.92	161,941.94	105,210.78	6,307.02	6,277.40	6,368.03	6,509.82	2,593.93
ELECTIONS COMMISSION	7,845.03	7,845.03	0.00	0.00	0.00	0.00	0.00	0.00
FIRE DEPARTMENT	447,182.32	20,113.51	220,371.87	19,602.21	2,748.63	0.00	0.00	184,346.10
GENERAL SERVICES DEPARTMENT	64,720.31	17,145.12	16,949.19	15,849.59	14,137.43	638.98	0.00	0.00
HEALTH DEPARTMENT	197,003.27	7,551.62	9,493.25	6,194.45	6,228.41	6,204.49	6,219.55	155,111.50
INSTITUTE OF ARTS	26,708.61	26,708.61	0.00	0.00	0.00	0.00	0.00	0.00
MARIA LINDA ADAMS-LAWTON	2,193.31	871.31	922.09	399.91	0.00	0.00	0.00	0.00
MUNICIPAL PARKING	39,929.78	10,395.38	9,349.41	10,514.26	9,670.73	0.00	0.00	0.00
PLANNING & DEVELOPMENT DEPT-DPS	1,869,577.10	90,317.05	83,047.87	88,046.30	87,677.04	87,866.93	93,597.34	1,339,024.57
POLICE DEPARTMENT	144,806.97	30,370.29	28,682.98	27,919.80	26,287.98	23,841.83	7,704.09	0.00
PUBLIC LIBRARY	97,132.17	45,151.00	31,498.68	16,837.36	3,645.13	0.00	0.00	0.00
PUBLIC LIGHTING	382,644.29	28,464.32	34,323.68	27,275.35	26,510.77	26,692.80	27,253.87	212,123.50
PUBLIC WORKS	267,282.23	45,653.63	72,442.55	41,938.79	41,427.98	27,179.22	0.00	38,640.06
RECREATION	1,853,558.83	577,381.52	556,358.47	544,744.91	172,942.03	0.00	0.00	2,131.90
RECREATION (2)	886,286.06	163,440.62	173,892.18	163,970.68	156,686.05	164,110.80	64,185.73	0.00
TRANSPORTATION	122,941.26	62,042.05	60,603.36	295.85	0.00	0.00	0.00	0.00

Detroit Water and Sewerage Department

City of Detroit Accounts - Water

Aging Account Balances as of September 6, 2016 - Detail

Customer Name	Customer Number	Total Balance Due	Current	> 30 Days	> 60 Days	> 90 Days	> 120 Days	> 150 Days	> 180 Days
36TH DISTRICT COURT	100,591.300	366.27	172.51	159.36	34.40	0.00	0.00	0.00	0.00
	101,292.301	5,212.57	3,625.11	1,587.46	0.00	0.00	0.00	0.00	0.00
36TH DISTRICT COURT - Total		**5,578.84**	**3,797.62**	**1,746.82**	**34.40**	**0.00**	**0.00**	**0.00**	**0.00**
CITY OF DETROIT - CAYMC	301,068.301	2,180.31	945.80	663.38	431.23	139.90	0.00	0.00	0.00
CITY OF DETROIT - CAYMC - Total		**2,180.31**	**945.80**	**663.38**	**431.23**	**139.90**	**0.00**	**0.00**	**0.00**
DWSD	200,128.300	40,602.28	9,726.52	9,729.79	10,965.65	9,420.25	760.07	0.00	0.00
	200,602.300	4,212.89	261.39	259.99	289.57	253.16	275.92	289.57	2,583.29
	201,463.300	1,429.95	17.06	16.52	16.52	50.66	55.21	57.49	1,216.49
	300,808.300	946.84	125.65	130.80	167.21	123.97	139.90	133.07	126.24
	2,804,999.300	2,474.63	355.30	330.46	344.12	332.74	346.39	421.50	344.12
	8,305,411.300	2,674.88	1,440.32	357.11	188.69	154.55	179.59	170.48	184.14
	9,990,047.300	100,278.76	60,784.35	39,494.41	0.00	0.00	0.00	0.00	0.00
DWSD - Total		**152,620.23**	**72,710.59**	**50,319.08**	**11,971.76**	**10,335.33**	**1,757.08**	**1,072.11**	**4,454.28**
ELECTIONS COMMISSION	101,272.301	3,650.65	3,650.65	0.00	0.00	0.00	0.00	0.00	0.00
ELECTIONS COMMISSION - Total		**3,650.65**	**3,650.65**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
FIRE DEPARTMENT	63,003.303	177,212.95	0.00	90,698.60	0.00	0.00	0.00	0.00	86,514.35
	9,990,027.301	17,628.58	5,876.58	6,030.74	5,721.26	0.00	0.00	0.00	0.00
FIRE DEPARTMENT - Total		**194,841.53**	**5,876.58**	**96,729.34**	**5,721.26**	**0.00**	**0.00**	**0.00**	**86,514.35**
GENERAL SERVICES DEPARTMENT	9,990,015.301	21,564.99	5,786.55	5,781.87	5,283.42	4,507.32	205.83	0.00	0.00
GENERAL SERVICES DEPARTMENT - Total		**21,564.99**	**5,786.55**	**5,781.87**	**5,283.42**	**4,507.32**	**205.83**	**0.00**	**0.00**
HEALTH DEPARTMENT	9,990,007.301	42,311.63	1,388.94	2,382.10	846.77	829.65	851.32	858.14	35,154.71
HEALTH DEPARTMENT - Total		**42,311.63**	**1,388.94**	**2,382.10**	**846.77**	**829.65**	**851.32**	**858.14**	**35,154.71**
INSTITUTE OF ARTS	601,993.301	454.77	454.77	0.00	0.00	0.00	0.00	0.00	0.00
	9,990,013.301	9,090.85	9,090.85	0.00	0.00	0.00	0.00	0.00	0.00
INSTITUTE OF ARTS - Total		**9,545.62**	**9,545.62**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
MARIA LINDA ADAMS-LAWTON	1,902,764.302	603.83	261.39	289.57	52.87	0.00	0.00	0.00	0.00
MARIA LINDA ADAMS-LAWTON - Total		**603.83**	**261.39**	**289.57**	**52.87**	**0.00**	**0.00**	**0.00**	**0.00**
MUNICIPAL PARKING	9,990,018.301	19,210.21	5,028.89	4,554.22	5,082.24	4,544.86	0.00	0.00	0.00
MUNICIPAL PARKING - Total		**19,210.21**	**5,028.89**	**4,554.22**	**5,082.24**	**4,544.86**	**0.00**	**0.00**	**0.00**
PLANNING & DEVELOPMENT DEPT-DPS	9,990,045.300	155,833.38	5,206.23	4,815.61	5,355.90	5,223.67	5,309.92	7,188.47	122,733.58
PLANNING & DEVELOPMENT DEPT-DPS - Total		**155,833.38**	**5,206.23**	**4,815.61**	**5,355.90**	**5,223.67**	**5,309.92**	**7,188.47**	**122,733.58**
POLICE DEPARTMENT	9,990,012.301	43,364.38	9,768.00	9,191.90	8,971.15	8,270.11	7,163.22	0.00	0.00
POLICE DEPARTMENT - Total		**43,364.38**	**9,768.00**	**9,191.90**	**8,971.15**	**8,270.11**	**7,163.22**	**0.00**	**0.00**
PUBLIC LIBRARY	9,990,005.301	28,814.67	15,808.86	9,825.88	3,179.93	0.00	0.00	0.00	0.00
PUBLIC LIBRARY - Total		**28,814.67**	**15,808.86**	**9,825.88**	**3,179.93**	**0.00**	**0.00**	**0.00**	**0.00**
PUBLIC LIGHTING	9,990,006.301	25,636.43	1,803.64	4,910.02	2,174.28	1,223.30	1,222.58	1,560.16	12,742.45
PUBLIC LIGHTING - Total		**25,636.43**	**1,803.64**	**4,910.02**	**2,174.28**	**1,223.30**	**1,222.58**	**1,560.16**	**12,742.45**
PUBLIC WORKS	63,004.303	30,412.00	0.00	12,675.04	0.00	0.00	0.00	0.00	17,736.96
	9,990,008.301	25,411.74	6,184.55	6,160.56	5,250.82	4,731.31	3,084.50	0.00	0.00
PUBLIC WORKS - Total		**55,823.74**	**6,184.55**	**18,835.60**	**5,250.82**	**4,731.31**	**3,084.50**	**0.00**	**17,736.96**
RECREATION	301,138.300	(30.00)	0.00	0.00	0.00	0.00	0.00	0.00	(30.00)
	7,400,804.301	325.03	0.00	0.00	0.00	0.00	0.00	0.00	325.03
	8,800,027.300	60.00	0.00	0.00	0.00	0.00	0.00	0.00	60.00
	8,800,241.300	30.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00
	9,990,016.301	56,618.49	21,804.50	20,039.19	14,774.80	0.00	0.00	0.00	0.00
RECREATION - Total		**57,003.52**	**21,804.50**	**20,039.19**	**14,774.80**	**0.00**	**0.00**	**0.00**	**385.03**
RECREATION (2)	63,002.301	(135.94)	0.00	(135.94)	0.00	0.00	0.00	0.00	0.00
	9,990,014.301	38,934.74	4,933.26	12,042.98	7,545.58	6,967.50	7,445.42	0.00	0.00
RECREATION (2) - Total		**38,798.80**	**4,933.26**	**11,907.04**	**7,545.58**	**6,967.50**	**7,445.42**	**0.00**	**0.00**
TRANSPORTATION	9,990,017.301	39,133.13	19,669.83	19,366.88	96.42	0.00	0.00	0.00	0.00

Detroit Water and Sewerage Department

City of Detroit Accounts - Sewer

Aging Account Balances as of September 6, 2016 - Detail

Customer Name	Customer Number	Total Balance Due	Current	> 30 Days	> 60 Days	> 90 Days	> 120 Days	> 150 Days	> 180 Days
36TH DISTRICT COURT	100,591.400	265.39	124.42	115.94	25.03	0.00	0.00	0.00	0.00
	101,292.401	12,605.28	8,756.37	3,848.91	0.00	0.00	0.00	0.00	0.00
36TH DISTRICT COURT - Total		**12,870.67**	**8,880.79**	**3,964.85**	**25.03**	**0.00**	**0.00**	**0.00**	**0.00**
CITY OF DETROIT - CAYMC	301,068.401	4,641.50	2,048.09	1,420.13	907.98	265.30	0.00	0.00	0.00
CITY OF DETROIT - CAYMC - Total		**4,641.50**	**2,048.09**	**1,420.13**	**907.98**	**265.30**	**0.00**	**0.00**	**0.00**
DETROIT CITY AIRPORT	9,990,002.401	65,058.00	45,339.39	19,718.61	0.00	0.00	0.00	0.00	0.00
DETROIT CITY AIRPORT - Total		**65,058.00**	**45,339.39**	**19,718.61**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
DWSD	200,602.400	14,288.96	2,412.38	2,345.19	2,410.46	2,330.13	2,380.34	2,410.46	0.00
	201,463.400	7,117.28	1,183.02	1,145.04	1,148.80	1,224.62	1,234.91	1,180.89	0.00
	300,871.400	979.21	169.10	155.79	155.79	155.79	155.79	155.79	31.16
	2,804,999.400	1,639.34	227.39	189.98	220.11	195.00	225.13	390.82	190.91
	3,300,742.400	7,990.46	1,175.96	1,135.75	1,135.75	1,135.75	1,135.75	1,135.75	1,135.75
	3,402,446.400	8,696.54	1,279.88	1,236.11	1,236.11	1,236.11	1,236.11	1,236.11	1,236.11
	9,990,047.400	254,497.13	155,494.21	99,002.92	0.00	0.00	0.00	0.00	0.00
DWSD - Total		**295,208.92**	**161,941.94**	**105,210.78**	**6,307.02**	**6,277.40**	**6,368.03**	**6,509.82**	**2,593.93**
ELECTIONS COMMISSION	101,272.401	7,845.03	7,845.03	0.00	0.00	0.00	0.00	0.00	0.00
ELECTIONS COMMISSION - Total		**7,845.03**	**7,845.03**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
FIRE DEPARTMENT	63,003.403	384,432.95	0.00	200,086.85	0.00	0.00	0.00	0.00	184,346.10
	9,990,027.401	62,749.37	20,113.51	20,285.02	19,602.21	2,748.63	0.00	0.00	0.00
FIRE DEPARTMENT - Total		**447,182.32**	**20,113.51**	**220,371.87**	**19,602.21**	**2,748.63**	**0.00**	**0.00**	**184,346.10**
GENERAL SERVICES DEPARTMENT	9,990,015.401	64,720.31	17,145.12	16,949.19	15,849.59	14,137.43	638.98	0.00	0.00
GENERAL SERVICES DEPARTMENT - Total		**64,720.31**	**17,145.12**	**16,949.19**	**15,849.59**	**14,137.43**	**638.98**	**0.00**	**0.00**
HEALTH DEPARTMENT	9,990,007.401	197,003.27	7,551.62	9,493.25	6,194.45	6,228.41	6,204.49	6,219.55	155,111.50
HEALTH DEPARTMENT - Total		**197,003.27**	**7,551.62**	**9,493.25**	**6,194.45**	**6,228.41**	**6,204.49**	**6,219.55**	**155,111.50**
INSTITUTE OF ARTS	601,993.401	1,127.34	1,127.34	0.00	0.00	0.00	0.00	0.00	0.00
	9,990,013.401	25,581.27	25,581.27	0.00	0.00	0.00	0.00	0.00	0.00
INSTITUTE OF ARTS - Total		**26,708.61**	**26,708.61**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
MARIA LINDA ADAMS-LAWTON	1,902,764.402	2,193.31	871.31	922.09	399.91	0.00	0.00	0.00	0.00
MARIA LINDA ADAMS-LAWTON - Total		**2,193.31**	**871.31**	**922.09**	**399.91**	**0.00**	**0.00**	**0.00**	**0.00**
MUNICIPAL PARKING	9,990,018.401	39,929.78	10,395.38	9,349.41	10,514.26	9,670.73	0.00	0.00	0.00
MUNICIPAL PARKING - Total		**39,929.78**	**10,395.38**	**9,349.41**	**10,514.26**	**9,670.73**	**0.00**	**0.00**	**0.00**
PLANNING & DEVELOPMENT DEPT-DPS	9,990,045.400	1,869,577.10	90,317.05	83,047.87	88,046.30	87,677.04	87,866.93	93,597.34	1,339,024.57
PLANNING & DEVELOPMENT DEPT-DPS - Total		**1,869,577.10**	**90,317.05**	**83,047.87**	**88,046.30**	**87,677.04**	**87,866.93**	**93,597.34**	**1,339,024.57**
POLICE DEPARTMENT	9,990,012.401	144,806.97	30,370.29	28,682.98	27,919.80	26,287.98	23,841.83	7,704.09	0.00
POLICE DEPARTMENT - Total		**144,806.97**	**30,370.29**	**28,682.98**	**27,919.80**	**26,287.98**	**23,841.83**	**7,704.09**	**0.00**
PUBLIC LIBRARY	9,990,005.401	97,132.17	45,151.00	31,498.68	16,837.36	3,645.13	0.00	0.00	0.00
PUBLIC LIBRARY - Total		**97,132.17**	**45,151.00**	**31,498.68**	**16,837.36**	**3,645.13**	**0.00**	**0.00**	**0.00**
PUBLIC LIGHTING	9,990,006.401	382,644.29	28,464.32	34,323.68	27,275.35	26,510.77	26,692.80	27,253.87	212,123.50
PUBLIC LIGHTING - Total		**382,644.29**	**28,464.32**	**34,323.68**	**27,275.35**	**26,510.77**	**26,692.80**	**27,253.87**	**212,123.50**
PUBLIC WORKS	63,004.403	66,602.01	0.00	27,961.95	0.00	0.00	0.00	0.00	38,640.06
	9,990,008.401	200,680.22	45,653.63	44,480.60	41,938.79	41,427.98	27,179.22	0.00	0.00
PUBLIC WORKS - Total		**267,282.23**	**45,653.63**	**72,442.55**	**41,938.79**	**41,427.98**	**27,179.22**	**0.00**	**38,640.06**
RECREATION	7,400,804.401	2,131.90	0.00	0.00	0.00	0.00	0.00	0.00	2,131.90
	9,990,016.401	1,851,426.93	577,381.52	556,358.47	544,744.91	172,942.03	0.00	0.00	0.00
RECREATION - Total		**1,853,558.83**	**577,381.52**	**556,358.47**	**544,744.91**	**172,942.03**	**0.00**	**0.00**	**2,131.90**
RECREATION (2)	9,990,014.401	886,286.06	163,440.62	173,892.18	163,970.68	156,686.05	164,110.80	64,185.73	0.00
RECREATION (2) - Total		**886,286.06**	**163,440.62**	**173,892.18**	**163,970.68**	**156,686.05**	**164,110.80**	**64,185.73**	**0.00**
TRANSPORTATION	9,990,017.401	122,941.26	62,042.05	60,603.36	295.85	0.00	0.00	0.00	0.00

APPENDIX – DETAILED FINANCIALS & FORECAST

DETROIT WATER & SEWER CURRENT PERIOD BUDGET VERSUS ACTUAL

8/31/2016

INCOME STATEMENT FORECAST

Water

	8/31/2016 BUDGET	8/31/2016 ACTUAL	8/31/2016 VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE
Sales Revenue						
Retail Domestic MCF Charges	$ 6,853,710	$ 7,011,359	$ 157,649	$ 13,605,700	$ 13,856,096	$ 250,396
Retail Fixed Charges	2,401,074	2,403,765	2,690	4,802,148	4,807,585	5,437
Fee's & Penalties	408,369	306,303	(102,066)	816,739	871,260	54,521
Less: Bad Debet & NSFs		-	-	-	-	-
Net Sales Revenue	$ 9,663,153	$ 9,721,427	$ 58,273	$ 19,224,587	$ 19,534,941	$ 310,354
Controllable Operations & Maintenance						
Personnel	1,086,165	1,098,821	(12,656)	2,172,331	2,288,702	(116,371)
Contracted Services	1,450,125	618,668	831,458	2,878,728	1,335,242	1,543,486
Utilities	6,115	65,506	(59,392)	12,230	186,518	(174,288)
Fringes, Taxes & Other Overhead	659,767	1,539,414	(879,647)	1,319,534	907,303	412,231
Total O&M Charges	$ 3,202,172	$ 3,322,409	$ (120,237)	$ 6,382,823	$ 4,717,766	$ 1,665,057
Contribution Margin	$ 6,460,981	$ 6,399,017	$ (61,964)	$ 12,841,764	$ 14,817,176	$ 1,975,412
Wholesale O&M Allocation						
Monthly Wholesale O&M Charges	1,319,295	1,319,295	-	2,638,591	2,638,591	-
Depreciation and Amortization	-	-	-	-	-	-
Ownership Equity	(1,180,989)	(1,180,989)	-	(2,361,978)	(2,361,978)	-
Total Wholesale Rate Charges	$ 138,306	$ 138,306	$ -	$ 276,612	$ 276,612	$ -
Gross Margin	$ 6,322,675	$ 6,260,711	$ (61,964)	$ 12,565,152	$ 14,540,563	$ 1,975,412
Shared Services & Other Expenses						
Retail Allocation	414,122	414,122	-	828,245	828,245	-
Other CTA Allocation	193,598	193,598	-	387,196	387,196	-
Additonal Cost of Equity	(544,011)	(544,011)	-	(1,088,022)	(1,088,022)	-
Depreciation and Amortization	-	2,140,246	(2,140,246)	-	4,280,492	(4,280,492)
Total Other Operating Expenses	$ 63,709	$ 2,203,955	$ (2,140,246)	$ 127,419	$ 4,407,911	$ (4,280,492)
Operating Surplus/(Deficit)	$ 6,258,966	$ 4,056,756	$ (2,202,210)	$ 12,437,733	$ 10,132,653	$ (2,305,080)
Non-Operating Expense / (Income)						
Interest Expense	2,509,833	2,509,833	-	5,019,667	5,019,667	-
Lease Payments	210,824	(1,664,176)	1,875,000	421,647	(3,328,352)	3,749,999
WRAP Deposits	50,401	50,312	89	100,802	120,749	(19,947)
ER&R	59,483	59,483	-	118,965	118,965	-
B-Note Payment	58,887	58,887	-	117,774	117,774	-
Budget Stabilization Deposits	193,919	193,919	-	387,838	465,405	(77,568)
Total Non-Operating Expenses	$ 3,083,346	$ 1,208,258	$ 1,875,089	$ 6,166,693	$ 2,514,208	$ 3,652,484
Surplus /(Deficit) Before Other Adj.	$ 3,175,619	$ 2,848,498	$ (327,121)	$ 6,271,040	$ 7,618,444	$ 1,347,404
Other Adjustments/(Credit)						
Net Surplus /(Deficit)	$ 3,175,619	$ 2,848,498	$ (327,121)	$ 6,271,040	$ 7,618,444	$ 1,347,404
SBIDA	$ 5,685,453	$ 7,498,578	$ 1,813,125	$ 11,290,707	$ 16,918,603	$ (2,933,088)
Memo: % of Net Sales Revenue						
Contribution Margin - Products	66.86%	65.82%	-106.33%	66.80%	75.85%	636.50%
Gross Margin - Products and Tooling	65.43%	64.40%	-106.33%	65.36%	74.43%	636.50%
Operating Surplus/(Loss)	64.77%	41.73%	-3779.12%	64.70%	51.87%	-742.73%
Surplus/(Loss) Before Other Adjustments	32.86%	29.30%	-561.36%	32.62%	39.00%	434.15%
Net Surplus/(Loss)	32.86%	29.30%	-561.36%	32.62%	39.00%	434.15%
SBIDA	58.84%	77.13%	3111.43%	58.73%	86.61%	-945.08%

Sewer

	8/31/2016 BUDGET	8/31/2016 ACTUAL	8/31/2016 VARIANCE	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YEAR TO DATE VARIANCE
Sales Revenue						
Retail Domestic MCF Charges	$ 24,334,299	$ 23,991,801	$ (342,497)	$ 48,688,983	$ 47,673,267	$ (1,015,715)
Retail Fixed Charges	1,055,726	975,114	(80,612)	2,111,452	1,950,616	(160,836)
Fee's & Penalties	431,269	276,221	(155,048)	862,537	747,394	(115,143)
Less: Bad Debet & NSFs		-	-	-	-	-
Net Sales Revenue	$ 25,821,293	$ 25,243,137	$ (578,156)	$ 51,662,972	$ 50,371,278	$ (1,291,694)
Controllable Operations & Maintenance						
Personnel	1,629,248	1,648,232	(18,984)	3,258,496	3,433,053	(174,557)
Contracted Services	1,573,669	1,236,843	336,826	3,148,656	3,118,170	30,486
Utilities	111,831	110,349	1,482	223,662	111,404	112,258
Fringes, Taxes & Other Overhead	482,269	1,185,561	(703,292)	964,539	1,321,706	(357,167)
Total O&M Charges	$ 3,797,017	$ 4,180,985	$ (383,968)	$ 7,595,352	$ 7,984,333	$ (388,980)
Contribution Margin	$ 22,024,276	$ 21,062,152	$ (962,124)	$ 44,067,620	$ 42,386,945	$ (1,680,675)
Wholesale O&M Allocation						
Monthly Wholesale O&M Charges	4,319,742	4,319,742	-	8,639,483	8,639,483	-
Depreciation and Amortization	-	-	-	-	-	-
Ownership Equity	(346,157)	(346,157)	-	(692,314)	(672,478)	(19,837)
Total Wholesale Rate Charges	$ 3,973,584	$ 3,973,584	$ -	$ 7,947,169	$ 7,967,006	$ (19,837)
Gross Margin	$ 18,050,692	$ 17,088,568	$ (962,124)	$ 36,120,451	$ 34,419,939	$ (1,700,512)
Shared Services & Other Expenses						
Retail Allocation	850,772	850,772	-	1,701,545	1,701,545	-
Other CTA Allocation	565,727	565,727	-	1,131,454	1,131,454	-
Additonal Cost of Equity	(113,509)	(113,509)	-	(227,019)	(246,856)	19,837
Depreciation and Amortization		2,081,394	(2,081,394)	-	4,162,788	(4,162,788)
Total Other Operating Expenses	$ 1,302,990	$ 3,384,384	$ (2,081,394)	$ 2,605,980	$ 6,748,931	$ (4,142,951)
Operating Surplus/(Deficit)	$ 16,747,702	$ 13,704,184	$ (3,043,518)	$ 33,514,471	$ 27,671,008	$ (5,843,463)
Non-Operating Expense / (Income)						
Interest Expense	6,071,058	6,071,058	-	12,142,117	12,142,117	-
Lease Payments	995,873	(1,295,794)	2,291,667	1,991,746	(2,591,587)	4,583,333
WRAP Deposits	110,128	109,660	468	220,257	263,184	(42,927)
ER&R	85,374	85,374	-	170,749	170,749	-
B-Note Payment	600,536	600,536	-	1,201,072	1,201,072	-
Budget Stabilization Deposits	196,011	357,978	(161,967)	392,022	859,147	(467,125)
Total Non-Operating Expenses	$ 8,058,981	$ 5,928,813	$ 2,130,168	$ 16,117,962	$ 12,044,681	$ 4,073,281
Surplus /(Deficit) Before Other Adj.	$ 8,688,721	$ 7,775,371	$ (913,350)	$ 17,396,509	$ 15,626,327	$ (1,770,182)
Other Adjustments/(Credit)						
Net Surplus /(Deficit)	$ 8,688,721	$ 7,775,371	$ (913,350)	$ 17,396,509	$ 15,626,327	$ (1,770,182)
SBIDA	$ 14,759,779	$ 15,927,823	$ (2,994,744)	$ 29,538,626	$ 31,931,232	$ (5,932,970)
Memo: % of Net Sales Revenue						
Contribution Margin - Products	85.30%	83.44%	166.41%	85.30%	84.15%	130.11%
Gross Margin - Products and Tooling	69.91%	67.70%	166.41%	69.92%	68.33%	131.65%
Operating Surplus/(Loss)	64.86%	54.29%	526.42%	64.87%	54.93%	452.39%
Surplus/(Loss) Before Other Adjustments	33.65%	30.80%	157.98%	33.67%	31.02%	137.04%
Net Surplus/(Loss)	33.65%	30.80%	157.98%	33.67%	31.02%	137.04%
SBIDA	57.16%	63.10%	517.98%	57.18%	63.39%	459.32%

DETROIT WATER & SEWER BUDGET TO FORECAST

FY2017 2+10

	Water						Sewer					
	BUDGET	2+10 FCST	2+10 RISKS	2+10 OPPS.	2+10 RISKS ADJUSTED	2+10 VAR. F/(U)	BUDGET	2+10 FCST	2+10 RISKS	2+10 OPPS.	2+10 RISKS ADJUSTED	2+10 VAR. F/(U)
Sales Revenue												
Retail Domestic MCF Charges	$ 71,246,992	$ 70,965,924	$ (300,000)	$ 210,000	70,875,924	(371,067)	$ 271,287,158	$ 265,709,517	$ (1,043,750)	$ 140,000	264,805,767	(6,481,391)
Retail Fixed Charges	28,812,890	29,272,844	-	-	29,272,844	459,954	12,668,712	11,713,343	-	-	11,713,343	(955,369)
Fee's, Penalties, & Adjustments	4,900,433	4,829,593	-	-	4,829,593	(70,839)	5,175,223	4,914,061	-	-	4,914,061	(261,162)
Less: Bad Debet & NSFs		-	-	-	-	-		-	-	-	-	-
Net Sales Revenue	$ 104,960,314	$ 105,068,362	$ (300,000)	$ 210,000	$ 104,978,362	$ 18,048	$ 289,131,093	$ 282,336,921	$ (1,043,750)	$ 140,000	$ 281,433,171	$ (7,697,922)
Controllable Operations & Maintenance												
Personnel	13,033,985	12,814,242	682,829	(1,427,882)	12,069,190	964,795	19,550,977	19,221,364	1,024,244	(2,141,822)	18,103,785	1,447,192
Contracted Services	15,074,618	13,897,424	80,000	-	13,977,424	1,097,194	17,543,802	17,738,005	2,104,660	(625,000)	19,217,665	(1,673,863)
Utilities	73,378	247,666	675,000	-	922,666	(849,288)	1,341,971	1,230,017	-	-	1,230,017	111,954
Fringes, Taxes & Other Overhead	7,917,204	8,128,484	-	-	8,128,484	(211,280)	5,787,231	6,144,399	-	-	6,144,399	(357,167)
Total O&M Charges	$ 36,099,185	$ 35,087,816	$ 1,437,829	$ (1,427,882)	$ 35,097,764	$ 1,001,421	$ 44,223,982	$ 44,333,784	$ 3,128,903	$ (2,766,822)	$ 44,695,865	$ (471,883)
Contribution Margin	$ 68,861,129	$ 69,980,545	$ (1,737,829)	$ 1,637,882	$ 69,880,598	$ 1,019,469	$ 244,907,111	$ 238,003,137	$ (4,172,653)	$ 2,906,822	$ 236,737,306	$ (8,169,806)
Wholesale O&M Allocation												
Monthly Wholesale O&M Charges	15,831,543	15,831,543	-	-	15,831,543	-	51,836,900	51,836,900	-	-	51,836,900	-
Depreciation and Amortization	-	-	-	-	-	-	-	-	-	-	-	-
Ownership Equity	(14,171,869)	(14,171,869)	-	-	(14,171,869)	-	(4,153,887)	(4,034,866)	-	-	(4,034,866)	(119,021)
Total Wholesale Rate Charges	$ 1,659,674	$ 1,659,674	$ -	$ -	$ 1,659,674	$ -	$ 47,683,013	$ 47,802,034	$ -	$ -	$ 47,802,034	$ (119,021)
Gross Margin	$ 67,201,455	$ 68,320,872	$ (1,737,829)	$ 1,637,882	$ 68,220,924	$ 1,019,469	$ 197,224,098	$ 190,201,102	$ (4,172,653)	$ 2,906,822	$ 188,935,271	$ (8,288,827)
Shared Services & Other Expenses												
Retail Allocation	4,969,467	4,969,467	-	(680,000)	4,289,467	680,000	10,209,270	10,209,270	-	(2,012,330)	8,196,940	2,012,330
Other CTA Allocation	2,323,176	2,323,176	-	-	2,323,176	-	6,788,722	6,788,722	-	-	6,788,722	-
Additonal Cost of Equity	(6,528,131)	(6,528,131)	-	-	(6,528,131)	-	(1,362,113)	(1,481,134)	-	-	(1,481,134)	119,021
Depreciation and Amortization		51,365,904	-	-	51,365,904	(51,365,904)		49,953,456	-	-	49,953,456	(49,953,456)
Total Other Operating Expenses	$ 764,512	$ 52,130,416	$ -	$ (680,000)	$ 51,450,416	$ (50,685,904)	$ 15,635,878	$ 65,470,313	$ -	$ (2,012,330)	$ 63,457,983	$ (47,822,105)
Operating Surplus/(Deficit)	$ 66,436,943	$ 16,190,455	$ (1,737,829)	$ 2,317,882	$ 16,770,508	$ (49,666,435)	$ 181,588,219	$ 124,730,789	$ (4,172,653)	$ 4,919,152	$ 125,477,288	$ (56,110,932)
Non-Operating Expense / (Income)												
Interest Expense	30,118,002	30,118,002	-	-	30,118,002	-	72,852,701	72,852,701	-	-	72,852,701	-
Lease Payments	2,529,884	(19,970,115)	-	-	(19,970,115)	22,499,999	11,950,476	(15,549,524)	-	-	(15,549,524)	27,500,000
WRAP Deposits	604,809	624,757	-	-	624,757	(19,947)	1,321,541	1,403,649	-	-	1,403,649	(82,108)
ER&R	713,792	713,792	-	-	713,792	-	1,024,493	1,024,493	-	-	1,024,493	-
B-Note Payment	706,644	706,644	-	-	706,644	-	7,206,431	7,206,431	-	-	7,206,431	-
Budget Stabilization Deposits	2,327,026	2,404,593	-	-	2,404,593	(77,568)	2,352,133	2,819,258	-	-	2,819,258	(467,125)
Total Non-Operating Expenses	$ 37,000,157	$ 14,597,672	$ -	$ -	$ 14,597,672	$ 22,402,484	$ 96,707,774	$ 69,757,007	$ -	$ -	$ 69,757,007	$ 26,950,767
Surplus /(Deficit) Before Other Adj.	$ 29,436,786	$ 1,592,783	$ (1,737,829)	$ 2,317,882	$ 2,172,835	$ (27,263,951)	$ 84,880,445	$ 54,973,782	$ (4,172,653)	$ 4,919,152	$ 55,720,281	$ (29,160,165)
Other Adjustments/(Credit)												
Net Surplus /(Deficit)	$ 29,436,786	$ 1,592,783	$ (1,737,829)	$ 2,317,882	$ 2,172,835	$ (27,263,951)	$ 84,880,445	$ 54,973,782	$ (4,172,653)	$ 4,919,152	$ 55,720,281	$ (29,160,165)
SBIDA	$ 59,554,788	$ 83,076,689	$ (1,737,829)	$ 2,317,882	$ 83,656,741	$ 24,101,953	$ 157,733,146	$ 177,779,939	$ (4,172,653)	$ 4,919,152	$ 178,526,438	$ 20,793,291
Beginning Reserves	$ -	$ -					$ -	$ -	-	-		
Transition Cash	-	27,395,997	-	-	27,395,997	27,395,997	-	21,105,580	-	-	21,105,580	21,105,580
Capital Spending	-	(55,211,370)	-	-	(55,211,370)	(55,211,370)	-	(21,402,900)	-	-	(21,402,900)	(21,402,900)
New Borrowings	-	90,000,000	-	-	90,000,000	90,000,000			-	-		
Actual Debt Payments	(45,195,714)	(46,158,597)	-	-	(46,158,597)	(962,883)	(121,809,319)	(121,510,810)	-	-	(121,510,810)	298,509
Change in Receivables Net of Write-Offs	(12,261,123)	(7,890,080)	-	-	(7,890,080)	4,371,043	(29,061,230)	(27,509,237)	-	-	(27,509,237)	1,551,992
Ending Reserves	$ 2,097,950	$ 91,212,638	$ (1,737,829)	$ 2,317,882	$ 91,792,690	89,694,740	$ 6,862,597	$ 28,462,571	$ (4,172,653)	$ 4,919,152	$ 29,209,070	22,346,473

(1) Unaccounted for expenses

(2) Unaccrued Operating Pension Expense

DETROIT WATER & SEWER 5-YEAR FORECAST

FY2017 - FY2020

INCOME STATEMENT FORECAST

Water

	YTD 2017	Remaing Proj. 2017	FY Forecast 2+10	FORECAST 2018	2019	2020	2021
Sales Revenue							
Retail Domestic MCF Charges	$ 13,856,096	$ 57,109,828	$ 70,965,924	$ 72,104,714	$ 72,149,076	$ 72,193,465	$ 72,237,882
Retail Fixed Charges	4,807,585	24,465,259	29,272,844	31,051,125	32,293,170	33,584,897	34,928,293
Fee's, Penalties, & Adjustments	871,260	3,958,333	4,829,593	4,750,000	4,750,000	4,750,000	4,750,000
Less: Bad Debet & NSFs		-	-	-	-	-	-
Net Sales Revenue	$ 19,534,941	$ 85,533,420	$ 105,068,362	$ 107,905,839	$ 109,192,246	$ 110,528,362	$ 111,916,174
Controllable Operations & Maintenance							
Personnel	2,288,702	10,525,540	12,814,242	13,033,985	13,451,333	13,885,349	14,336,678
Contracted Services	1,335,242	12,562,182	13,897,424	15,074,618	15,074,618	15,074,618	15,074,618
Utilities	186,518	61,148	247,666	73,378	73,378	73,378	73,378
Fringes, Taxes & Other Overhead	907,303	7,221,181	8,128,484	7,917,204	7,917,204	7,917,204	7,917,204
Total O&M Charges	$ 4,717,766	$ 30,370,051	$ 35,087,816	$ 36,099,185	$ 36,516,533	$ 36,950,550	$ 37,401,878
Contribution Margin	$ 14,817,176	$ 55,163,370	$ 69,980,545	$ 71,806,654	$ 72,675,713	$ 73,577,812	$ 74,514,297
Wholesale O&M Allocation							
Monthly Wholesale O&M Charges	2,638,591	13,192,953	15,831,543	16,464,805	17,123,397	17,808,333	18,520,666
Depreciation and Amortization	-	-	-	-	-	-	-
Ownership Equity	(2,361,978)	(11,809,891)	(14,171,869)	(13,740,771)	(13,350,283)	(12,995,188)	(12,671,120)
Total Wholesale Rate Charges	$ 276,612	$ 1,383,062	$ 1,659,674	$ 2,724,034	$ 3,773,114	$ 4,813,145	$ 5,849,546
Gross Margin	$ 14,540,563	$ 53,780,308	$ 68,320,872	$ 69,082,619	$ 68,902,599	$ 68,764,667	$ 68,664,750
Shared Services & Other Expenses							
Retail Allocation	828,245	4,141,223	4,969,467	5,168,246	5,374,976	5,589,975	5,813,574
Other CTA Allocation	387,196	1,935,980	2,323,176	3,170,614	4,051,949	4,968,538	5,921,790
Additonal Cost of Equity	(1,088,022)	(5,440,109)	(6,528,131)	(6,959,229)	(7,349,717)	(7,704,812)	(8,028,880)
Depreciation and Amortization	4,280,492	47,085,412	51,365,904	51,365,904	51,365,904	51,365,904	51,365,904
Total Other Operating Expenses	$ 4,407,911	$ 47,722,506	$ 52,130,416	$ 52,745,534	$ 53,443,112	$ 54,219,605	$ 55,072,388
Operating Surplus/(Deficit)	$ 10,132,653	$ 6,057,803	$ 16,190,455	$ 16,337,085	$ 15,459,487	$ 14,545,063	$ 13,592,362
Non-Operating Expense / (Income)							
Interest Expense	5,019,667	25,098,335	30,118,002	29,440,141	28,655,138	27,974,325	27,132,760
Lease Payments	(3,328,352)	(16,641,763)	(19,970,115)	(19,970,116)	(19,970,116)	(19,970,116)	(19,970,116)
WRAP Deposits	120,749	504,008	624,757	605,235	605,235	606,711	608,812
ER&R	118,965	594,827	713,792	713,792	713,792	713,792	713,792
B-Note Payment	117,774	588,870	706,644	706,644	706,644	706,644	706,644
Budget Stabilization Deposits	465,405	1,939,188	2,404,593	2,327,026	-	-	-
Total Non-Operating Expenses	$ 2,514,208	$ 12,083,464	$ 14,597,672	$ 13,822,722	$ 10,710,694	$ 10,031,356	$ 9,191,892
Surplus /(Deficit) Before Other Adj.	$ 7,618,444	$ (6,025,661)	$ 1,592,783	$ 2,514,363	$ 4,748,793	$ 4,513,707	$ 4,400,470
Other Adjustments/(Credit)							
Net Surplus /(Deficit)	$ 7,618,444	$ (6,025,661)	$ 1,592,783	$ 2,514,363	$ 4,748,793	$ 4,513,707	$ 4,400,470
SBIDA	$ 16,918,603	$ 66,158,085	$ 83,076,689	$ 83,320,408	$ 84,769,836	$ 83,853,936	$ 82,899,134
Memo: % of Net Sales Revenue							
Contribution Margin - Products	75.85%	64.49%	66.60%	66.55%	66.56%	66.57%	66.58%
Gross Margin - Products and Tooling	74.43%	62.88%	65.03%	64.02%	63.10%	62.21%	61.35%
Operating Surplus/(Loss)	51.87%	7.08%	15.41%	15.14%	14.16%	13.16%	12.15%
Surplus/(Loss) Before Other Adjustments	39.00%	-7.04%	1.52%	2.33%	4.35%	4.08%	3.93%
Net Surplus/(Loss)	39.00%	-7.04%	1.52%	2.33%	4.35%	4.08%	3.93%
SBIDA	86.61%	77.35%	79.07%	77.22%	77.63%	75.87%	74.07%

Sewer

	YTD 2017	Remaing Proj. 2017	2+10	2018	2019	2020	2021
Sales Revenue							
Retail Domestic MCF Charges	$ 47,673,267	$ 218,036,250	$ 265,709,517	$ 269,422,577	$ 277,578,181	$ 286,087,677	$ 294,966,448
Retail Fixed Charges	1,950,616	9,762,727	11,713,343	11,917,448	12,394,146	12,889,911	13,405,508
Fee's, Penalties, & Adjustments	747,394	4,166,667	4,914,061	5,000,000	5,000,000	5,000,000	5,000,000
Less: Bad Debet & NSFs		-	-	-	-	-	-
Net Sales Revenue	$ 50,371,278	$ 231,965,643	$ 282,336,921	$ 286,340,025	$ 294,972,326	$ 303,977,588	$ 313,371,956
Controllable Operations & Maintenance							
Personnel	3,433,053	15,788,310	19,221,364	19,550,977	20,176,999	20,828,024	21,505,016
Contracted Services	3,118,170	14,619,835	17,738,005	17,543,802	17,543,802	17,543,802	17,543,802
Utilities	111,404	1,118,613	1,230,017	1,346,351	1,350,731	1,355,116	1,357,769
Fringes, Taxes & Other Overhead	1,321,706	4,822,693	6,144,399	5,787,231	5,787,231	5,787,231	5,787,231
Total O&M Charges	$ 7,984,333	$ 36,349,451	$ 44,333,784	$ 44,228,362	$ 44,858,763	$ 45,514,174	$ 46,193,819
Contribution Margin	$ 42,386,945	$ 195,616,192	$ 238,003,137	$ 242,111,663	$ 250,113,563	$ 258,463,415	$ 267,178,138
Wholesale O&M Allocation							
Monthly Wholesale O&M Charges	8,639,483	43,197,417	51,836,900	53,910,376	56,066,791	58,309,463	60,641,841
Depreciation and Amortization	-	-	-	-	-	-	-
Ownership Equity	(672,478)	(3,362,388)	(4,034,866)	(3,841,564)	(3,672,394)	(3,523,211)	(3,390,766)
Total Wholesale Rate Charges	$ 7,967,006	$ 39,835,029	$ 47,802,034	$ 50,068,812	$ 52,394,397	$ 54,786,252	$ 57,251,075
Gross Margin	$ 34,419,939	$ 155,781,163	$ 190,201,102	$ 192,042,851	$ 197,719,166	$ 203,677,163	$ 209,927,062
Shared Services & Other Expenses							
Retail Allocation	1,701,545	8,507,725	10,209,270	10,698,861	11,208,035	11,737,577	12,288,300
Other CTA Allocation	1,131,454	5,657,268	6,788,722	10,768,746	14,907,972	19,212,767	23,689,753
Additonal Cost of Equity	(246,856)	(1,234,279)	(1,481,134)	(1,674,436)	(1,843,606)	(1,992,789)	(2,125,234)
Depreciation and Amortization	4,162,788	45,790,668	49,953,456	49,953,456	49,953,456	49,953,456	49,953,456
Total Other Operating Expenses	$ 6,748,931	$ 58,721,382	$ 65,470,313	$ 69,746,627	$ 74,225,857	$ 78,911,010	$ 83,806,275
Operating Surplus/(Deficit)	$ 27,671,008	$ 97,059,781	$ 124,730,789	$ 122,296,224	$ 123,493,309	$ 124,766,152	$ 126,120,787
Non-Operating Expense / (Income)							
Interest Expense	12,142,117	60,710,584	72,852,701	74,137,432	72,357,117	#DIV/0!	68,584,611
Lease Payments	(2,591,587)	(12,957,937)	(15,549,524)	(15,549,525)	(15,549,525)	(15,549,525)	(15,549,525)
WRAP Deposits	263,184	1,140,465	1,403,649	1,398,348	1,400,007	1,408,750	1,408,841
ER&R	170,749	853,744	1,024,493	1,024,493	1,024,493	1,024,493	1,024,493
B-Note Payment	1,201,072	6,005,359	7,206,431	7,206,431	7,206,431	7,206,431	7,206,431
Budget Stabilization Deposits	859,147	1,960,111	2,819,258	2,352,133	-	-	-
Total Non-Operating Expenses	$ 12,044,681	$ 57,712,326	$ 69,757,007	$ 70,569,313	$ 66,438,524	#DIV/0!	$ 62,674,852
Surplus /(Deficit) Before Other Adj.	$ 15,626,327	$ 39,347,455	$ 54,973,782	$ 51,726,911	$ 57,054,785	#DIV/0!	$ 63,445,936
Other Adjustments/(Credit)							
Net Surplus /(Deficit)	$ 15,626,327	$ 39,347,455	$ 54,973,782	$ 51,726,911	$ 57,054,785	#DIV/0!	$ 63,445,936
SBIDA	$ 31,931,232	$ 145,848,707	$ 177,779,939	$ 175,817,800	$ 179,365,358	#DIV/0!	$ 181,984,003
Memo: % of Net Sales Revenue							
Contribution Margin - Products	84.15%	84.33%	84.30%	84.55%	84.79%	85.03%	85.26%
Gross Margin - Products and Tooling	68.33%	67.16%	67.37%	67.07%	67.03%	67.00%	66.99%
Operating Surplus/(Loss)	54.93%	41.84%	44.18%	42.71%	41.87%	41.04%	40.25%
Surplus/(Loss) Before Other Adjustments	31.02%	16.96%	19.47%	18.06%	19.34%	#DIV/0!	20.25%
Net Surplus/(Loss)	31.02%	16.96%	19.47%	18.06%	19.34%	#DIV/0!	20.25%
SBIDA	63.39%	62.88%	62.97%	61.40%	60.81%	#DIV/0!	58.07%

DETROIT WATER & SEWER 5-YEAR FORECAST

CASHFLOW STATEMENT FORECAST

	Water							Sewer						
	YTD 2017	FCST 2017	FY Forecast 2+10	FORECAST 2018	2019	2020	2021	YTD 2017	FCST 2017	2+10	2018	2019	2020	2021
Beginning Cash	$ 27,395,997	$ 27,240,404	$ 27,395,997	87,990,469	72,997,731	40,289,517	19,985,784	$ 21,105,580	$ 23,156,893	$ 21,105,580	29,753,716	53,013,553	58,588,852	64,747,501
Cashflow From Operating Activities														
Net Operating Surplus / (Deficit)	$ 10,132,653	$ 6,057,803	$ 16,190,455	$ 16,337,085	$ 15,459,487	$ 14,545,063	$ 13,592,362	$ 27,671,008	$ 97,059,781	$ 124,730,789	$ 122,296,224	$ 123,493,309	$ 124,766,152	$ 126,120,787
Transfers to GLWA	12,625,419	(57,484,924)	(44,859,504)	(37,697,763)	(34,489,592)	(38,475,812)	(35,449,876)	26,693,310	(85,261,954)	(58,568,645)	(52,121,153)	(54,534,906)	(56,071,710)	(59,243,931)
Transfers from GLWA	6,016,531	33,090,920	39,107,451	41,851,239	38,115,111	34,923,609	38,927,140	7,370,664	40,538,650	47,909,313	54,887,693	52,751,555	55,190,316	56,751,355
Depreciation / Amortization	4,280,492	47,085,412	51,365,904	51,365,904	51,365,904	51,365,904	51,365,904	4,162,788	45,790,668	49,953,456	49,953,456	49,953,456	49,953,456	49,953,456
Change In Receivables	(835,525)	(7,054,555)	(7,890,080)	(14,317,269)	(14,434,266)	(14,615,148)	(14,803,037)	(2,448,054)	(25,061,183)	(27,509,237)	(29,579,218)	(30,936,089)	(31,898,849)	(32,903,216)
Change in Payables		-	-	-	-	-	-		-	-	-	-	-	-
Net Cashflow From Operating Activites	$ 32,219,570	$ 21,694,655	$ 53,914,225	$ 57,539,196	$ 56,016,645	$ 47,743,615	$ 53,632,493	$ 63,449,715	$ 73,065,961	$ 136,515,677	$ 145,437,002	$ 140,727,325	$ 141,939,365	$ 140,678,451
Cashflow From Investing Activites														
CAPEX	(5,085,393)	(50,125,977)	(55,211,370)	(42,531,000)	(56,093,000)	(40,063,000)	(38,240,000)	(1,747,601)	(19,655,299)	(21,402,900)	(13,875,000)	(28,793,000)	(29,993,000)	(29,993,000)
Lease Payment (Gross)	3,750,000	18,750,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	4,583,333	22,916,667	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000
Extraordinary Repair & Replacement Deposits	(118,965)	(594,827)	(713,792)	(713,792)	(713,792)	(713,792)	(713,792)	(170,749)	(853,744)	(1,024,493)	(1,024,493)	(1,024,493)	(1,024,493)	(1,024,493)
Sale of Capital Assets														
Purchase of Securities														
Sale of Securities														
Net Cashflow From Investing Activities	$ (1,454,358)	$ (31,970,804)	$ (33,425,162)	$ (20,744,792)	$ (34,306,792)	$ (18,276,792)	$ (16,453,792)	$ 2,664,983	$ 2,407,624	$ 5,072,607	$ 12,600,507	$ (2,317,493)	$ (3,517,493)	$ (3,517,493)
Cashflow From Financing Activities														
Senior Principal Payments	(24,311,906)	(11,662,700)	(35,974,605)	(36,264,491)	(40,468,371)	(33,388,737)	(35,689,099)	(46,495,727)	(28,480,502)	(74,976,230)	(75,298,236)	(76,181,729)	(74,850,387)	(72,050,504)
2nd Lien Principal Payments	(5,500,387)	(4,111,016)	(9,611,403)	(10,717,765)	(10,851,814)	(12,987,175)	(13,034,040)	(15,244,254)	(11,015,807)	(26,260,061)	(26,156,710)	(25,665,071)	(26,388,310)	(27,005,741)
Junior Lien Principal Payments	(404,584)	(168,004)	(572,589)	(1,165,981)	(1,786,002)	(2,081,289)	(2,068,635)	-	(20,274,520)	(20,274,520)	(22,365,814)	(22,381,295)	(22,409,346)	(22,449,398)
New DWSDR Borrowings	-	90,000,000	90,000,000	-	-	-	-							
WRAP Payments	(120,749)	(504,008)	(624,757)	(605,235)	(605,235)	(606,711)	(608,812)	(263,184)	(1,140,465)	(1,403,649)	(1,398,348)	(1,400,007)	(1,408,750)	(1,408,841)
B-Note Payment	(117,774)	(588,870)	(706,644)	(706,644)	(706,644)	(706,644)	(706,644)	(1,201,072)	(6,005,359)	(7,206,431)	(7,206,431)	(7,206,431)	(7,206,431)	(7,206,431)
Budget Stablization Requirements	(465,405)	(1,939,188)	(2,404,593)	(2,327,026)	-	-	-	(859,147)	(1,960,111)	(2,819,258)	(2,352,133)	-	-	-
Total Wholesale Rate Charges	$ (30,920,805)	$ 71,026,214	$ 40,105,409	$ (51,787,142)	$ (54,418,066)	$ (49,770,556)	$ (52,107,230)	$ (64,063,385)	$ (68,876,763)	$ (132,940,147)	$ (134,777,671)	$ (132,834,533)	$ (132,263,223)	$ (130,120,915)
Total Increase / (Decrease) In Cash Balanaces	$ (155,593)	$ 60,750,065	$ 60,594,472	$ (14,992,738)	$ (32,708,214)	$ (20,303,733)	$ (14,928,529)	$ 2,051,314	$ 6,596,822	$ 8,648,136	$ 23,259,838	$ 5,575,298	$ 6,158,649	$ 7,040,043
Ending Cash	$ 27,240,404	87,990,469	87,990,469	72,997,731	40,289,517	19,985,784	5,057,255	$ 23,156,893	29,753,716	29,753,716	53,013,553	58,588,852	64,747,501	71,787,544

Note: Cash flow statement is pro forma; DWSD still lacks certain data to perform full reconciliation