



NOVEMBER 2017 REVIEW

FINANCE COMMITTEE

January 11, 2018



Summary Financial Metrics

		7/31/2017	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018
Volumes (Mcf)	Budget	295,700	303,100	248,900	236,100	218,400	238,500	224,700	224,700	235,700	217,700	256,700	284,800
	Actual	274,267	269,802	259,341	247,700								
	Status												
DAYS CASH (days)	Budget	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Actual	74.57	82.17	91.59	92.76	99.46							
	Status												
DAYS PAYABLE OUTSTANDING (days)	Budget	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00
	Actual	82.32	75.02	39.52	22.85								
	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	73.00%	80.30%	55.40%	75.40%								
	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	62.80%	57.80%	60.50%	55.80%								
	Status												
WATER 330-360 DAYS 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	92.10%	92.10%	94.70%	96.60%								
	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	86.80%	86.10%	95.30%	95.00%								
	Status												
HEADCOUNT (Full Time Employees)	Budget	579	579	579	579	579	579	579	579	579	579	579	579
	Actual	488	488	486	506	510							
	Status												
O&M COSTS (\$)	Budget	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573	9,827,573
	Actual	6,723,202	9,986,668	3,915,421	6,757,316	10,588,422							
	Status												



Retail Water Customers

Month	FY 2018 - Budget			FY 2018 - Actual			Variance	
	Volume (MCF)	Revenue (\$)	Unit Revenue \$/MCF	Volume (MCF)	Revenue (\$)	Unit Revenue \$/MCF	Volume (MCF)	Revenue (\$)
July	295,700	9,332,300	\$ 31.56	274,267	8,813,936	\$ 32.14	(21,433)	(518,364)
August	303,100	9,517,000	31.40	269,802	8,631,595	31.99	(33,298)	(885,405)
September	248,900	8,393,900	33.72	259,341	8,463,041	32.63	10,441	69,141
October	236,100	7,947,500	33.66	247,700	8,187,943	33.06	11,600	240,443
November	218,400	7,585,100	34.73	-	-	-	-	-
December	238,500	8,008,200	33.58	-	-	-	-	-
January	224,700	7,673,100	34.15	-	-	-	-	-
February	224,700	7,813,100	34.77	-	-	-	-	-
March	235,700	7,944,800	33.71	-	-	-	-	-
April	217,700	7,529,200	34.59	-	-	-	-	-
May	256,700	8,946,300	34.85	-	-	-	-	-
June	284,800	9,089,900	31.92	-	-	-	-	-
Totals	2,985,000	99,780,400	33.43	1,051,110	34,096,515	32.44	(32,690)	(1,094,185)
Subtotals YTD	847,700	\$ 27,243,200	\$ 32.14	1,051,110	\$ 34,096,515	\$ 32.44	(32,690)	\$ (1,094,185)



Retail Sewer Customers

Month	FY 2018 - Budget		FY 2018 - Actual		Variance	
	Volume (MCF)	Revenue (\$)	Volume (MCF)	Revenue (\$)	Volume (MCF)	Revenue (\$)
July	260,000	24,615,100	244,512	24,624,820	(15,488)	9,720
August	260,600	24,754,400	239,911	24,348,011	(20,689)	(406,389)
September	222,800	22,752,800	228,122	23,517,204	5,322	764,404
October	205,500	22,717,800	224,159	23,573,505	18,659	855,705
November	189,900	21,987,300	-	-	-	-
December	204,400	22,774,800	-	-	-	-
January	195,300	22,296,100	-	-	-	-
February	198,300	23,060,600	-	-	-	-
March	203,000	23,026,900	-	-	-	-
April	189,300	22,215,900	-	-	-	-
May	219,400	23,798,700	-	-	-	-
June	251,500	24,635,500	-	-	-	-
Totals	2,600,000	278,635,900	936,704	96,063,539	(12,196)	1,223,439
Subtotals YTD	743,400	\$ 72,122,300	936,704	\$ 96,063,539	(12,196)	\$ 1,223,439

Cash Balance Summary

Water Fund Cash Summary			
	6/30/2017	11/30/2017	
Operating	\$ 1,767,951	\$ 1,669,092	
Restricted			
Bond	43,338,112	32,612,185	
Affordability	977,278	1,042,265	
Pension	218,285	1,459,048	
Retainage	2,488,101	2,276,811	
Construction	2,109,646	1,607,372	
	49,131,420	38,997,682	
Improvement and Extension	36,425,537	45,250,774	
Total Cash	\$ 87,324,908	\$ 85,917,549	

Sewer Fund Cash Summary			
	6/30/2017	11/30/2017	
Operating	\$ 21,041,345	\$ 30,465,906	
Restricted			
Bond	-	-	
Affordability	-	-	
Pension	171,239	1,165,087	
Retainage	1,106,171	1,246,341	
Construction	834,367	694,603	
	2,111,777	3,106,031	
Improvement and Extension	12,446,472	19,288,500	
Total Cash	\$ 35,599,594	\$ 52,860,438	

Accounts Receivable Aging Balances as of November 30, 2017

Water Fund

Detroit Water and Sewerage Department

Sales Class	# of Accounts	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	TOTAL A/R BALANCE
RESIDENTIAL	182,981	\$ 88.28	\$ 3,034,517	\$ 841,863	\$ 3,403,415	\$ 8,874,279	\$ 16,154,074
COMMERCIAL	10,782	367.10	2,109,717	874,771	665,404	308,134	3,958,026
INDUSTRIAL	1,280	582.21	1,083,454	201,970	(302,753)	(237,447)	745,223
TAX EXEMPT	437	2,470.81	629,116	135,993	244,876	69,757	1,079,742
FAITH BASED	665	279.78	35,209	18,362	47,945	84,542	186,056
CITY OF DETROIT	873	2,224.42	141,608	141,877	1,558,802	99,636	1,941,922
WAYNE STATE	2	28.97	58	-	-	-	58
	197,020	\$ 122.15	\$ 7,033,679	\$ 2,214,836	\$ 5,617,688	\$ 9,198,900	\$ 24,065,102
<i>% of Total DWSD A/R</i>			29.2%	9.2%	23.3%	38.2%	100.0%

Accounts Receivable Aging Balances as of November 30, 2017

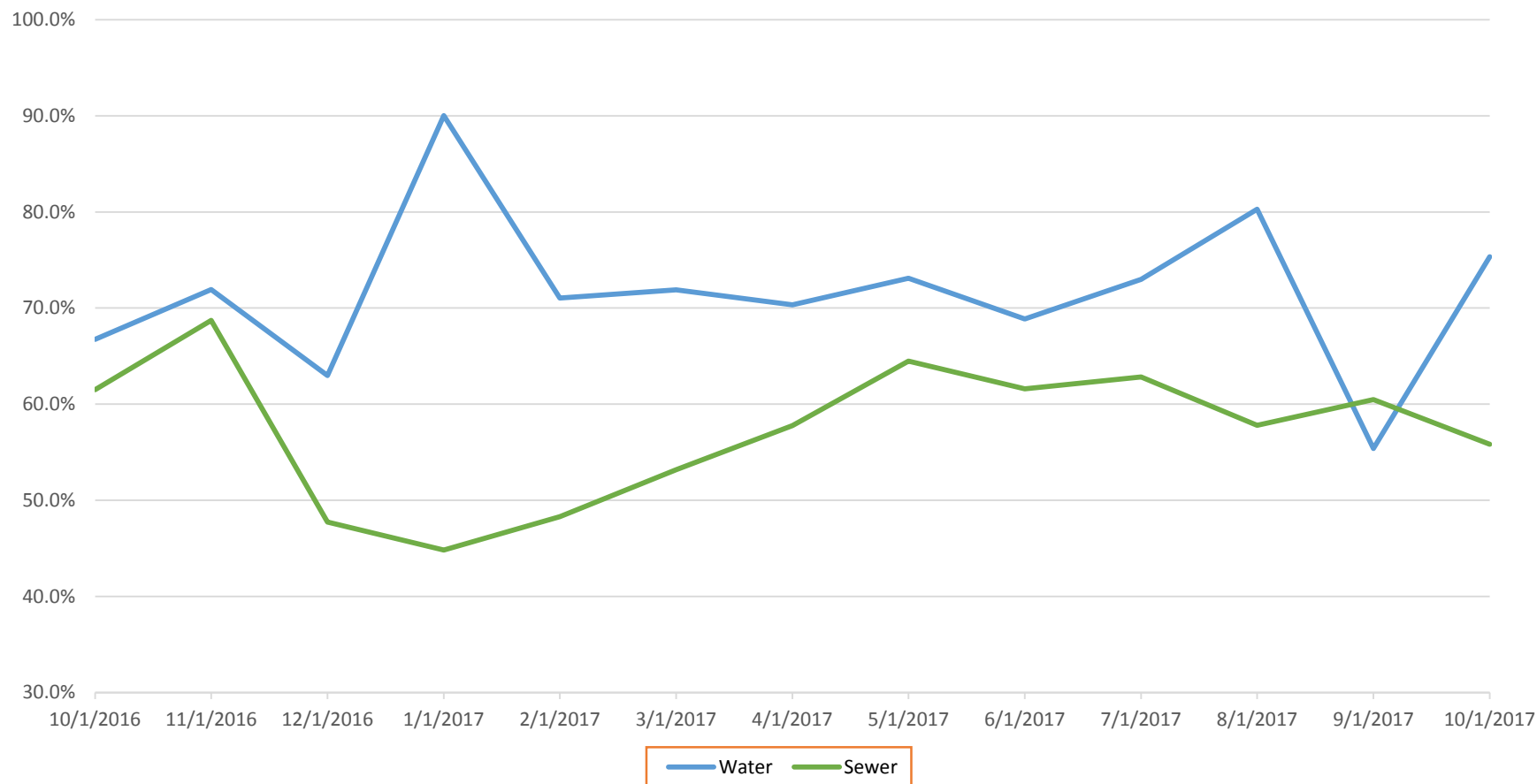
Sewer Fund

Detroit Water and Sewerage Department

Sales Class	# of Accounts	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	TOTAL A/R BALANCE
RESIDENTIAL	176,812	\$ 236.66	\$ 8,293,514	\$ 3,906,445	\$ 8,818,667	\$ 20,825,223	\$ 41,843,849
COMMERCIAL	19,648	913.82	5,931,916	3,197,994	5,584,776	3,240,138	17,954,824.79
INDUSTRIAL	3,426	2,305.48	3,299,660	1,223,897	3,086,858	288,173	7,898,588.49
TAX EXEMPT	2,918	2,647.98	4,108,325	848,939	1,918,508	851,031	7,726,803.59
FAITH BASED	722	1,573.27	191,214	89,444	321,645	533,597	1,135,899.78
CITY OF DETROIT	3,495	1,722.20	795,705	1,119,642	2,104,036	1,999,711	6,019,094.04
WAYNE STATE	9	2,149.84	2,404	2,314	9,750	4,880	19,348.57
HIGHWAY DRAINAGE	1	1,579,238.58	214,907	205,139	595,879	563,313	1,579,238.58
	207,031	\$ 406.59	\$ 22,837,646	\$ 10,593,814	\$ 22,440,120	\$ 28,306,065	\$ 84,177,647
<i>% of Total DWSD A/R</i>			27.1%	12.6%	26.7%	33.6%	100.0%



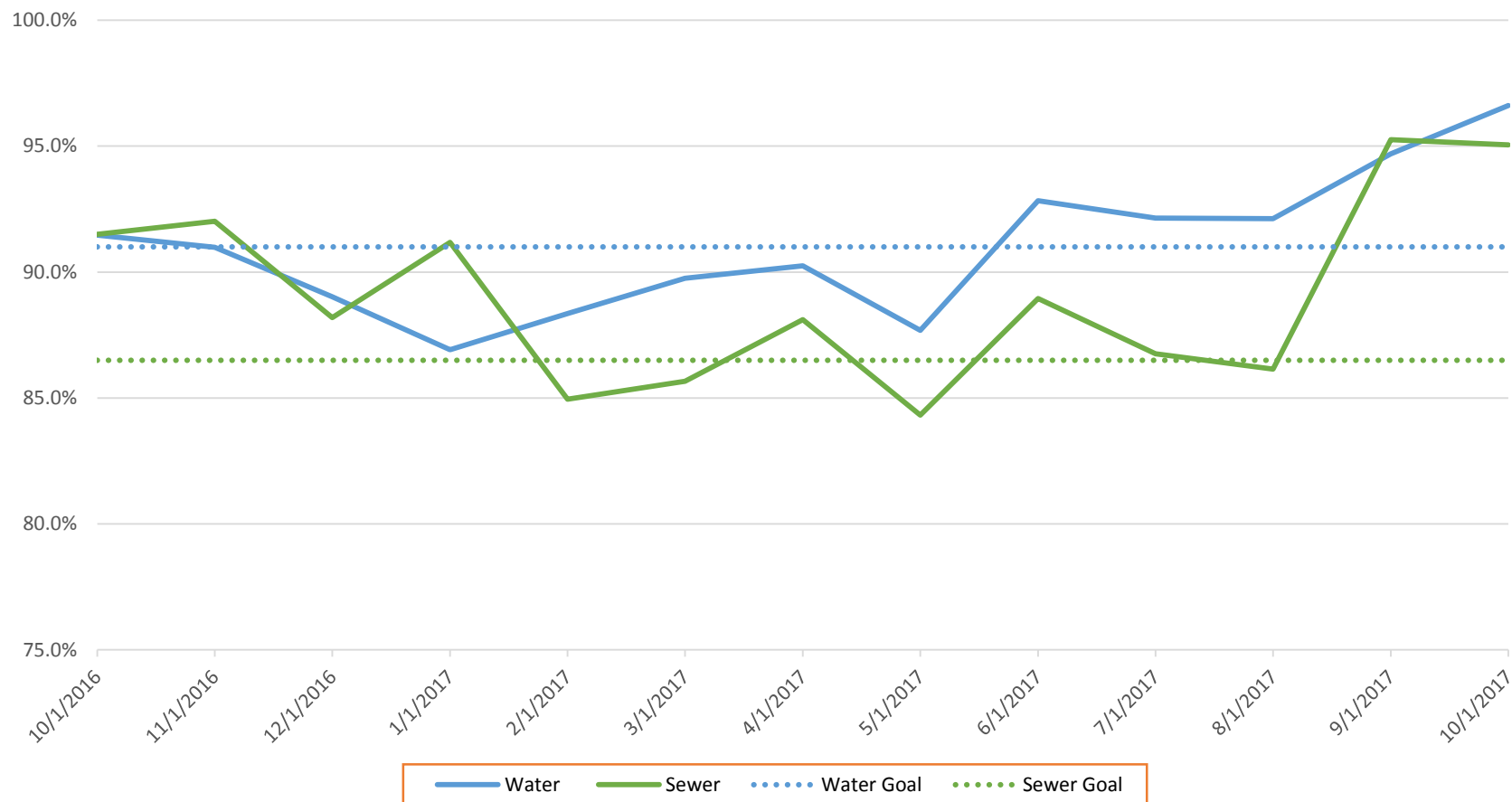
30-60 Day Collection Rate



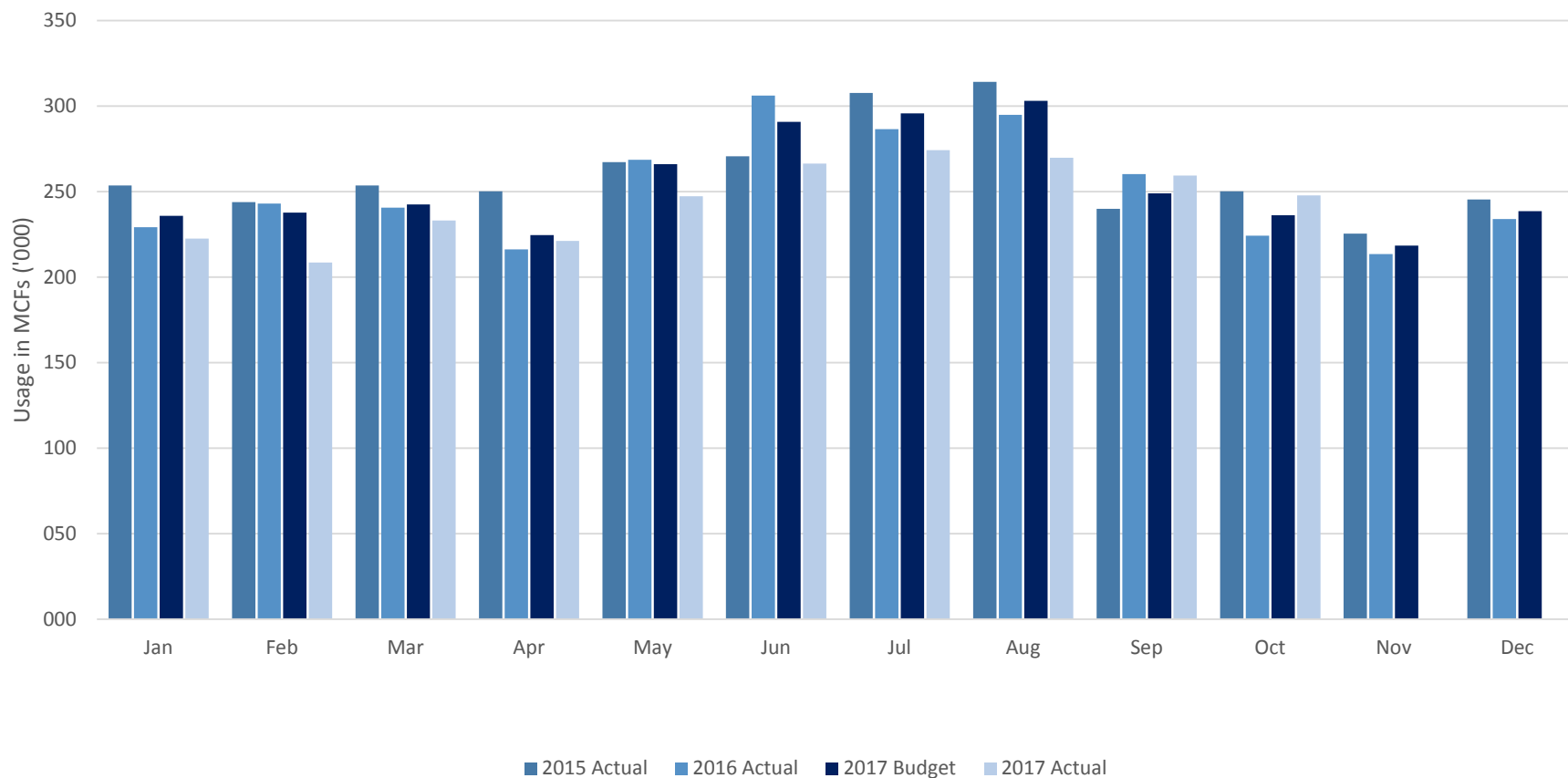


DETROIT
Water & Sewerage
Department

330 – 360 Day Collection Rate

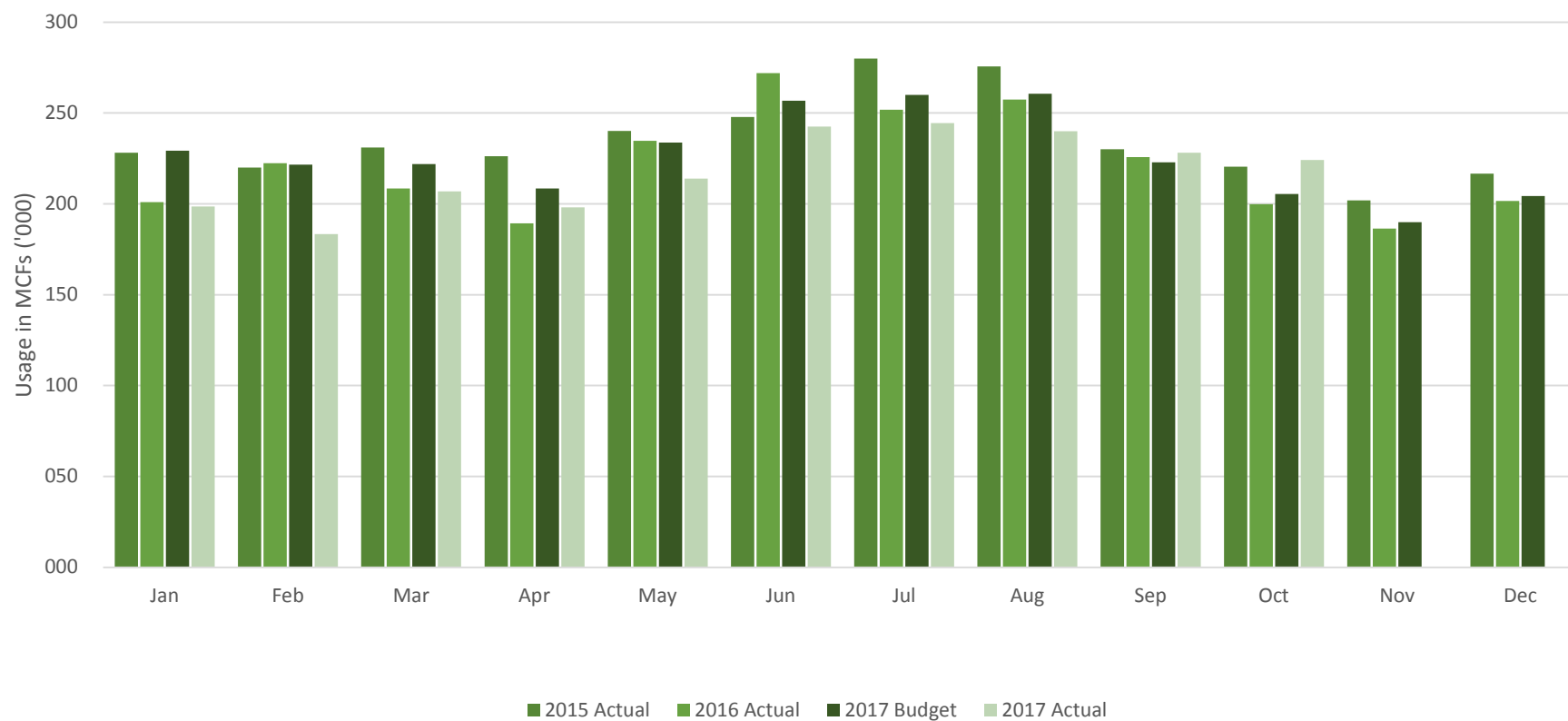


Water Usage



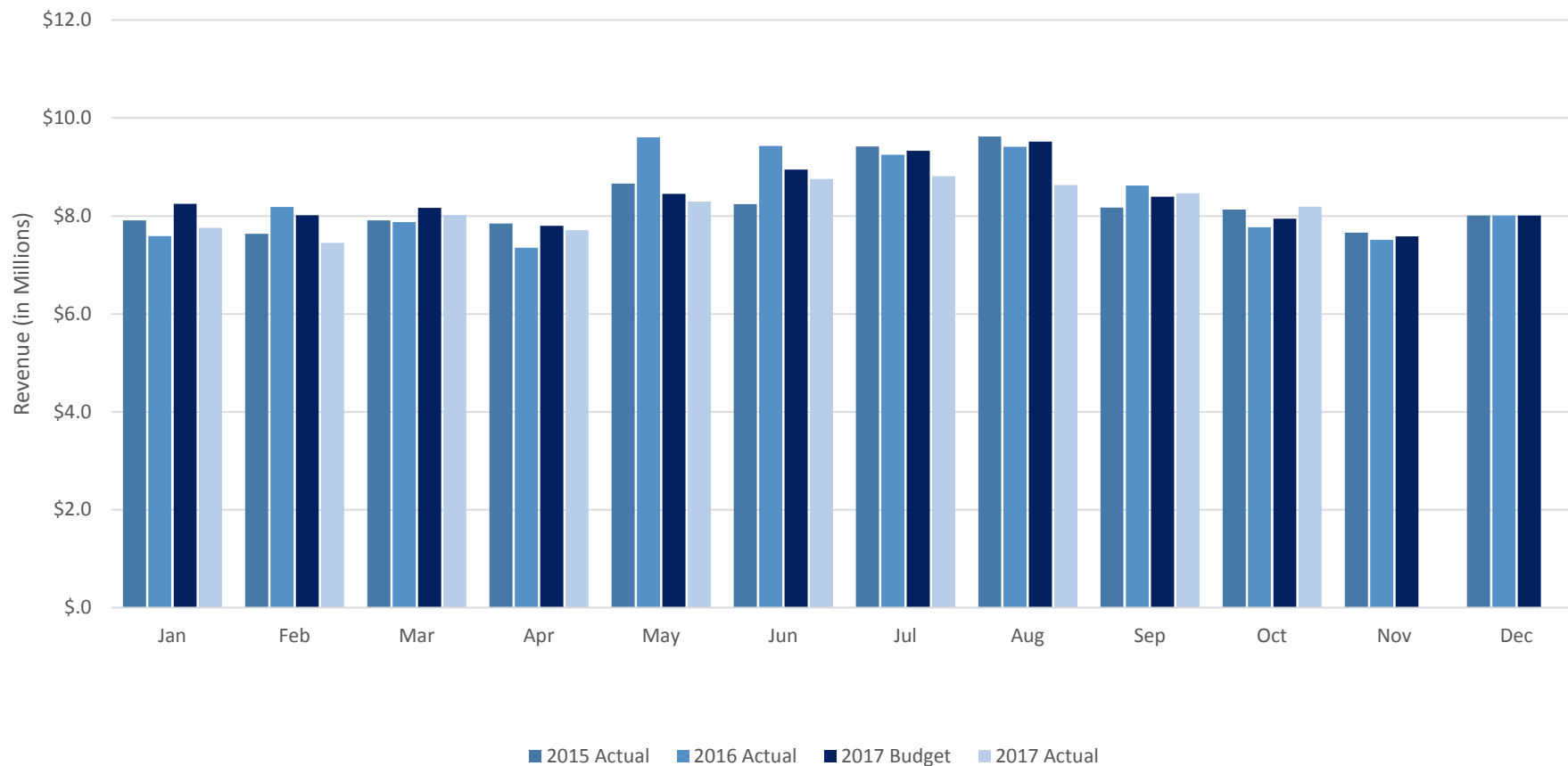


Sewer Usage



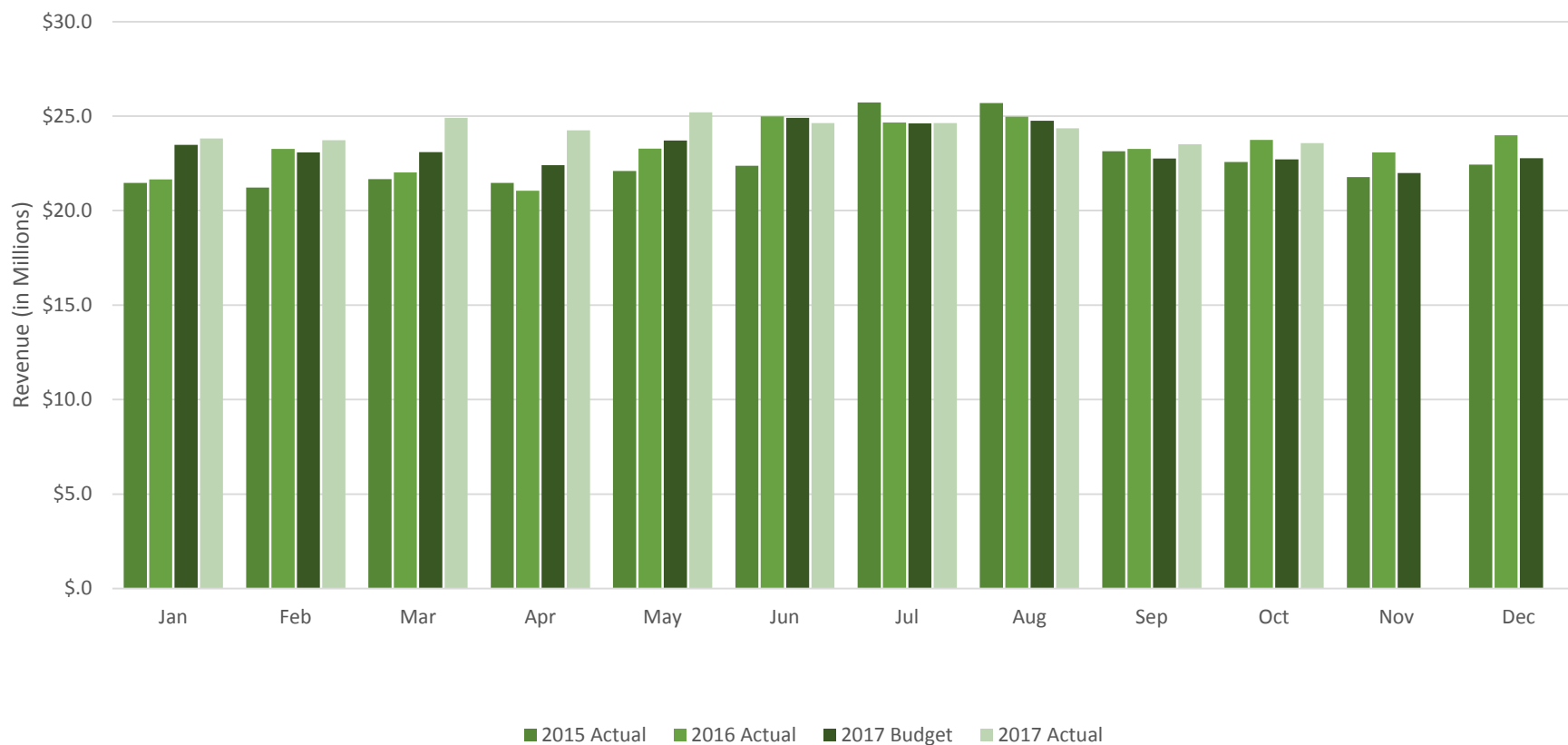


Water Revenue





Sewer Revenue



Appendix:

Financial Statements

Four Months Ended November 30, 2017

City of Detroit Water Fund

Statement of Net Position

	June 30, 2017 (Unaudited)	November 30, 2017 (Unaudited)
Assets		
Cash and cash equivalents	\$ 6,641,024	\$ 11,630,313
Restricted - Cash and cash equivalents	88,423,279	85,734,643
Accounts receivable - Net of Allowance	18,181,034	20,191,211
Due from other funds	54,868,681	47,614,982
Due from other governmental agencies	(83,463)	(3,541,622)
Inventory	4,171,425	4,171,425
Prepaid expenses	279,533	279,533
Receivables from Great Lakes Water Authority	467,394,593	464,672,192
Deferred premium on bonds	(6,392,648)	(6,392,648)
Capital assets - net	515,018,766	517,077,665
Total assets	1,148,502,224	1,141,437,693
Deferred Outflows of Resources - Pensions	16,184,679	16,184,679

City of Detroit Water Fund

Statement of Net Position (Continued)

	June 30, 2017 (Unaudited)	November 30, 2017 (Unaudited)
Liabilities		
Current liabilities:		
Accounts and contracts payable	\$ 8,538,195	\$ 6,964,072
Accrued wages	1,196,406	3,843,626
Accrued benefits	3,037,058	3,362,743
Due to other funds	29,821,641	36,858,905
Due to other governmental agencies	13,438,679	(18,329,096)
Accrued interest	1,901,626	12,875,868
Other liabilities	13,848,694	15,456,738
Accrued compensated absences	907,748	907,748
Long-term debt	545,767,506	529,715,404
Net pension liability	50,867,233	50,867,233
Total liabilities	669,324,786	642,523,240
Deferred Inflows of Resources -Pensions	5,314,746	5,314,746
Net Position		
Fund Balance - End of year	490,047,371	509,784,386
Total net position	\$ 490,047,371	\$ 509,784,386

City of Detroit Water Fund

Statement of Revenue, Expenses, and Changes in Fund Net Position

	Five Months Ended November 30, 2017	
	Accrual Basis	Contract Basis
Operating Revenue		
Retail sales - Detroit	\$ 44,134,180	\$ 44,134,180
Other fees	1,232,414	1,232,414
Other revenue	978,236	978,236
Total operating revenue	46,344,830	46,344,830
Operating Expenses		
Salaries, wages and benefits	4,151,901	4,151,901
Contractual Services	5,557,126	5,557,126
Other operating expense	2,144,665	2,144,665
Damage claims	662	662
Wholesale Charges	9,671,583	9,671,583
Depreciation	9,023,958	-
Total operating expenses	30,549,895	21,525,937
Operating Income	15,794,935	24,818,893
Nonoperating Revenue (Expenses)		
Investment income	7,136,774	5,671,408
Other revenue	(284,542)	(284,542)
Debt Service	(10,974,242)	(10,974,242)
Gain (loss) on sale of assets	13,834	13,834
Total nonoperating expenses - Net	(4,108,176)	(5,573,542)
Change in Net Position	\$ 11,686,759	\$ 19,245,351

City of Detroit Sewage Disposal Fund

Statement of Net Position

	June 30, 2017 (Unaudited)	November 30, 2017 (Unaudited)
Assets		
Cash and cash equivalents	\$ 23,151,675	\$ 31,620,686
Restricted - Cash and cash equivalents	20,692,172	27,671,827
Accounts receivable - Net of Allowance	79,693,406	94,115,335
Due from other funds	16,697,105	22,438,558
Due from other governmental agencies	-	-
Inventory	1,053,886	1,053,886
Prepaid expenses	169,728	169,728
Receivables from Great Lakes Water Authority	599,128,002	596,843,295
Deferred premium on bonds	-	-
Capital assets - net	486,025,515	485,496,593
Total assets	1,226,611,490	1,259,409,907
Deferred Outflows of Resources - Pensions	11,440,084	11,440,084

City of Detroit Sewage Disposal Fund

Statement of Net Position (Continued)

	June 30, 2017 (Unaudited)	November 30, 2017 (Unaudited)
Liabilities		
Current liabilities:		
Accounts and contracts payable	\$ 1,258,358	\$ 3,822,004
Accrued wages	523,062	2,892,331
Accrued benefits	2,268,064	2,748,657
Due to other funds	42,326,639	45,624,156
Due to other governmental agencies	80,614,707	69,278,570
Accrued interest	3,169,374	10,352,414
Other liabilities	26,190,392	28,000,571
Accrued compensated absences	1,008,566	1,008,566
Long-term debt	416,591,578	412,144,324
Net pension liability	35,306,921	35,306,921
Total liabilities	609,257,661	611,178,515
Deferred Inflows of Resources -Pensions	4,062,753	4,062,753
Net Position		
Fund Balance - End of year	624,731,159	655,608,724
Total net position	\$ 624,731,159	\$ 655,608,724

City of Detroit Sewage Disposal Fund

Statement of Revenue, Expenses, and Changes in Fund Net Position

	Five Months Ended November 30, 2017	
	Accrual Basis	Contract Basis
Operating Revenue		
Retail sales - Detroit	\$ 108,112,857	\$ 108,112,857
Other fees	8,647,728	8,647,728
Other revenue	1,919,559	1,919,559
Total operating revenue	118,680,145	118,680,145
Operating Expenses		
Salaries, wages and benefits	13,803,030	13,803,030
Contractual Services	4,784,882	4,784,882
Other operating expense	2,850,035	2,850,035
Damage claims	12,829	12,829
Wholesale Charges	61,907,483	61,907,483
Depreciation	5,603,455	-
Total operating expenses	88,961,714	83,358,259
Operating Income	29,718,431	35,321,886
Nonoperating Revenue (Expenses)		
Investment earnings	8,606,415	6,875,000
Other revenue	(264,241)	(264,241)
Debt Service	(7,183,041)	(7,183,041)
Gain (loss) on sale of assets	-	-
Total nonoperating expenses - Net	1,159,133	(572,282)
Change in Net Position	\$ 30,877,564	\$ 34,749,604

Thank You



facebook.com/DWSDDetroit



[@DetroitWaterDep](https://twitter.com/DetroitWaterDep)



[@detroitwatersewerage](https://instagram.com/detroitwatersewerage)