



# WATER AND SEWER AUTHORITY

## Board of Directors

*Finance and Budget Committee*

*Thursday, January 28, 2016*

11:00 a.m.

## DISTRICT OF COLUMBIA

- 1. **Call to Order**.....Timothy L. Firestine, Chairperson
- 2. **December 2015 Financial Report (Attachment 1)**..... Gail Alexander-Reeves
- 3. **Financing Update** ..... Robert Hunt
- 4. **Digester Project Update (Attachment 2)** .....Len Benson & Diala Dandach
- 5. **Healthcare Cost Presentation (Attachment 3)**.....Otho Milbourne
- 6. **Agenda for February Committee Meeting (Attachment 4)**..... Timothy L. Firestine
- 7. **Executive Session\***
- 8. **Adjournment**

### ***FOLLOW-UP ITEMS – Follow-up Items from the meeting held November 20, 2015.***

- 1. Provide cost/benefit analysis of the estimated operational savings from Digester project in comparison to the original project assumptions (**Chairman Firestine**) **Status: See Agenda Item 4**
- 2. Provide benchmark analysis on the escalating health care costs for employees in comparison to similar entities and industry trends (**Chairman Firestine**) **Status: See Attachment 3.**

\* The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10);proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.



Fiscal Year 2016

# Monthly Financial Report

Period Ending December 31, 2015

## DEPARTMENT OF FINANCE, ACCOUNTING & BUDGET

**Mark Kim**, Chief Financial Officer

**Gail Alexander-Reeves**, Director, Budget

**Robert Hunt**, Director, Finance

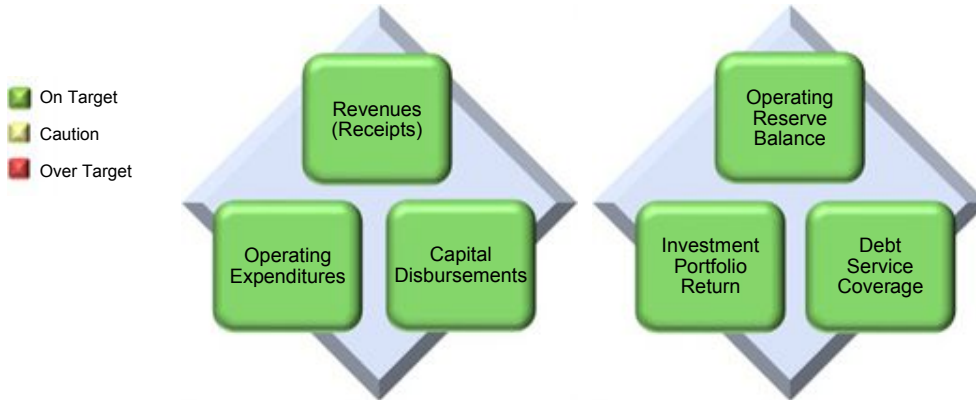
**Syed Khalil**, Manager, Financial Planning & Revenues

**John Madrid**, Controller

DECEMBER 2015

EXECUTIVE SUMMARY

As of the end of the first quarter of FY 2016, with approximately 25 percent of the fiscal year completed, we are on track with budgetary expectations and targeted performance metrics.



(\$ in millions)

	Budget	YTD Budget	Actual	Variance		Actual % Budget
				Favorable (Unfavorable)		
<b>Revenues (Receipts)*</b>	\$580.5	\$145.1	\$148.9	\$3.8	2.6%	26%
<b>Expenditures*</b>	\$541.6	\$135.4	\$112.3	\$23.1	17.1%	21%
<b>Capital Disbursements</b>	\$549.0	\$156.1	\$168.2	(\$12.1)	(7.8%)	31%

\* Straight-lined (3/12 of budget)

Highlights:

- FY 2015 Status Update:
  - Year-end financial results favorable to budget
  - Financial audit completed with unmodified “clean” opinion issued on December 18, 2015
  - A-133 Single Audit is ongoing
- The internal auditors completed the overtime report which is scheduled for discussion at the Audit Committee meeting on January 28, 2016
- Approved FY 2017 budget book is available online at dcwater.com
- Alternative Payment Sites (APS), which offer DC Water customers the convenience of making their water bill payments in their neighborhoods via a DC Water selected payment vendor went live on December 9, 2015
- Refinancing of existing debt is anticipated prior to the end of January 2016

Mark T. Kim, Chief Financial Officer

## Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

## Operating Revenues (\$000's)

Category	A	B*	C	D = CA	E = C-B	F = EB
	FY 2016 BUDGET	YTD BUDGET	YTD ACTUAL	ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)
Res. / Comm. / Multi.	\$311,897	\$77,974	\$87,156	27.9%	\$9,182	11.8%
Federal	62,989	15,747	15,526	24.6%	(221)	(1.4%)
Municipal (DC Govt.)	15,175	3,794	4,991	32.9%	1,198	31.6%
DC Housing	8,083	2,021	2,744	33.9%	723	35.8%
Metering Fee	10,776	2,694	2,861	26.5%	167	6.2%
Water System Replacement Fee (WSRF)	40,000	10,000	4,421	11.1%	(5,579)	(55.8%)
Wholesale	79,458	19,865	20,048	25.2%	184	0.9%
PILOT/ROW	20,584	5,146	5,876	28.5%	730	14.2%
All Other	31,553	7,888	5,285	16.7%	(2,603)	(33.0%)
<b>TOTAL</b>	<b>\$580,514</b>	<b>\$145,129</b>	<b>\$148,909</b>	<b>25.7%</b>	<b>\$3,780</b>	<b>2.6%</b>

\*Straight-lined (3/12 of budget)

## VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of December 2015, cash receipts totaled \$148.9 million, or 25.7 percent of the revised FY 2016 budget. Several categories of customers make payments on a quarterly basis, including the Federal Government and wholesale customers.

Residential, Commercial and Multi-Family – Receipts for this category are higher at \$87.2 million or 27.9 percent of the revised budget. The higher receipts are on account of (a) higher consumption as compared to budget and (b) collection of \$2.6 million on October 5, 2015 (FY 2016) from DC Events/Sports Authority, which falls under Commercial category, following resolution of the dispute with D.C. Government regarding the Clean Rivers Impervious Surface Area Charges (CRIAC) associated with RFK stadium.

District Government – Receipts are higher at \$5.0 million or 32.9 percent of the revised budget. The increase in municipal payment is on account of (a) collection of prior year's short payment of approximately \$0.5 million from Federal National Capital Region/Parks Service (DCPA) and (b) stormwater adjustment of approximately \$0.7 million with respect to the resolution of the dispute of the Clean Rivers Impervious Service Area Charges (CRIAC) associated with RFK stadium.

DC Housing – Receipts are higher at \$2.7 million or 33.9 percent of the revised budget. The DC Housing Authority did not pay the August billed amount of \$807,477.89 as anticipated in September. The overdue amount was collected in October (FY2016), which resulted in higher receipts compared to the revised budget.

Water System Replacement Fee (WSRF) – Receipts are lower at \$4.4 million or 11.1 percent of the revised budget. The lower receipts for this new fee are due to (a) partial billing of WSRF for the month of October 2015, (b) time lag for collections, which follow billings by a month and (c) non-receipt of WSRF for Federal category since the 2016 Federal Bill, prepared in April 2014, did not include account-wise estimates for WSRF. The FY 2016 WSRF will be trued-up in FY 2019 Federal Bill.

Other Revenue – Receipts are slightly lower than the straight-lined budget at \$5.3 million or 16.7 percent of the budgeted category primarily due to IMA Indirect Cost Reimbursement, which is not anticipated to be received until the fourth quarter of the fiscal year.

## Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

## Operating Expenditures (\$000's)

Category	A	B*	C	D = C/A	E = B-C	F = E/B
	FY 2016 BUDGET	YTD BUDGET	YTD ACTUAL	ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)
Personnel	\$140,034	\$35,009	\$34,922	24.9%	\$87	0.2%
Contractual Services	79,244	19,811	15,694	19.8%	4,117	20.8%
Water Purchases	30,740	7,685	6,291	20.5%	1,394	18.1%
Supplies & Chemicals	35,951	8,988	6,610	18.4%	2,378	26.5%
Utilities	35,018	8,755	5,850	16.7%	2,905	33.2%
Small Equipment	1,465	366	76	5.2%	290	79.2%
<b>SUBTOTAL O&amp;M</b>	<b>\$322,452</b>	<b>\$80,613</b>	<b>\$69,443</b>	<b>21.5%</b>	<b>\$11,170</b>	<b>13.9%</b>
Debt Service	174,766	43,692	37,704	21.6%	5,988	13.7%
PILOT/ROW	20,744	5,186	5,186	25.0%	0	0.0%
Cash Financed Capital Improvements	23,644	5,911	0	0.0%	5,911	100.0%
<b>TOTAL OPERATING</b>	<b>\$541,606</b>	<b>\$135,402</b>	<b>\$112,334</b>	<b>20.7%</b>	<b>\$23,068</b>	<b>17.0%</b>
Capital Labor	(18,993)	(4,748)	(4,344)	22.9%	(404)	8.5%
<b>TOTAL NET OPERATING</b>	<b>\$522,613</b>	<b>\$130,653</b>	<b>\$107,990</b>	<b>20.7%</b>	<b>\$22,663</b>	<b>17.3%</b>

\*Straight-lined (3/12 of budget)

## VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of the first quarter, operating expenditures totaled \$112.3 million, or 20.7 percent of the FY 2016 budget of \$541.6 million. These numbers include estimated, incurred but unpaid, invoices and are subject to revision in subsequent months.

Personnel Services – Expenditures total \$34.9 million or 24.9 percent of budget and is consistent with expectations and impact of increased hiring effort to reduce Authority-wide vacancies. Of the 1260 positions authorized, 1129 positions were filled with a YTD vacancy rate of 10%. Overtime spending totals \$1.7 million of the annual budget of \$6.6 million.

Contractual Services - Underspending is attributable to various contracts throughout the Authority, which is typical at this time of year due to fiscal year startup. This includes materialized savings from biosolids hauling costs and impact of the delayed fee to operate the CHP project, which is undergoing acceptance testing.

Supplies & Chemicals – YTD underspending is primarily for chemicals as a result of a change in the treatment process from lime stabilization, which utilizes less lime and polymer to the innovative thermal hydrolysis and Digester system which uses intense heat and pressure to treat wastewater.

Utilities – YTD underspending is consistent with expectations primarily due to onsite electricity generation from the CHP project, which became operational in the summer of 2015. To mitigate the Authority's exposure to uncertainties in the electricity market, we have 15MW of the Authority's FY 2016 electricity load locked at an average Western Hub unit price of \$40.43/MWh, 17MW at \$36.95/MWh for FY 2017 and 10MW at \$35.75/MWh for FY 2018. Other areas of underspending include lower automobile fuel costs due to global decline in the oil market prices.

Debt Service – Year to date actual debt service is trending lower than budget primarily due to current interest rates being lower than forecast.

## Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

### Capital Disbursements (\$000's)

Service Area	A	B	C	D = C/A	E = B-C	F = E/B
	FY 2016 BUDGET	YTD BUDGET	YTD ACTUAL	ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)
Non Process Area	\$9,309	\$1,027	\$1,415	15.2%	(388)	(37.8%)
Wastewater Treatment	168,637	48,729	52,216	31.0%	(3,487)	(7.2%)
Combined Sewer Overflow	223,105	69,692	67,591	30.3%	2,101	3.0%
Stormwater	1,263	320	1,350	106.9%	(1,029)	(321.5%)
Sanitary Sewer	34,786	9,247	16,060	46.2%	(6,813)	(73.7%)
Water	61,878	16,056	25,892	41.8%	(9,836)	(61.3%)
<b>SUBTOTAL: CAPITAL PROJECTS</b>	<b>\$498,977</b>	<b>\$145,072</b>	<b>\$164,524</b>	<b>33.0%</b>	<b>(\$19,064)</b>	<b>(13.1%)</b>
Capital Equipment	39,226	8,326	3,720	9.5%	4,606	55.3%
Washington Aqueduct	10,838	2,709	-	0.0%	2,709	100.0%
<b>SUBTOTAL: ADD'L CAPITAL PROGRAMS</b>	<b>\$50,063</b>	<b>\$11,036</b>	<b>\$3,720</b>	<b>7.4%</b>	<b>\$7,316</b>	<b>66.3%</b>
<b>TOTAL</b>	<b>\$549,040</b>	<b>\$156,108</b>	<b>\$168,244</b>	<b>30.6%</b>	<b>(\$12,136)</b>	<b>(7.8%)</b>

### VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of December 2015, capital disbursements are \$168.2 million or 30.6 percent of the FY 2016 budget.

Capital Projects - Project performance will be reviewed in detail as part of the quarterly CIP update by DETS at the February 2016 Environmental Quality and Sewerage Services committee meeting.

Capital Equipment - Lower than planned disbursements are driven by the unspent reserve funds in the Finance, Accounting and Budget to accommodate requests for projects Authority-wide and IT reserve funds for enterprise technology initiatives. The IT department will provide an update on the IT Strategy Plan for FY 2016 at the February committee meeting.

Washington Aqueduct (WAD) - Lower disbursements represents WAD's plan to postpone customer billing until 2<sup>nd</sup> quarter to draw down the pre-paid balances currently in escrow and US Treasury accounts.

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**Monthly Financial Report**

Fiscal Year-to-Date  
As of December 31, 2015

**Cash Investments and Insurance (\$ in millions)**
**Cash Balances**

Rate Stabilization Fund Account (RSF)	\$32.5
DC Insurance Reserve	1.0
Operating Reserve Accounts	<u>130.2</u>
<b>Operating Cash Balance Including RSF</b>	<b>\$163.7</b>
Debt Service Reserve - Series 1998	23.6
Bond Fund- Construction Fund 2014A	67.6
Bond Fund- Construction Fund 2015A	115.8
Bond Fund- Construction Fund 2015B	165.2
<b>Total All Funds</b>	<b>\$535.9</b>

**OVERALL PORTFOLIO PERFORMANCE**

- The operating reserve balance was \$130.2 million as compared to the operating reserve level objective of \$125.5 million for FY 2016
- Average cash balance for the month of December was \$145.0 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Returns exceeded the established benchmarks for short term (less than one year). The return on core funds did not exceed the benchmark. A review of the portfolio performance and selected benchmark will be presented to the Finance and Budget Committee at the February meeting
- Operating funds interest income for December (on a cash basis) was \$152,752; YTD \$300,263
- A detailed investment performance report is attached

Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD 25% Cash Budget	YTD Actual Cash Oct. 1, 2015 - Dec. 31, 2015	Variance Favorable (Unfavorable)	
<b>OPERATING BUDGET</b>					
<b>Cash Provided</b>					
Retail	\$448,920	\$112,230	\$117,700	\$5,470	5%
Wholesale	79,458	19,864	20,048	184	1%
Other	51,890	12,973	11,161	(1,812)	-14%
<b>Total Cash Provided</b>	<b>580,268</b>	<b>145,067</b>	<b>148,909</b>	<b>3,842</b>	<b>3%</b>
<b>Operating Cash Used</b>					
Personnel Services	121,041	30,260	32,065	(1,805)	-6%
Contractual Services	79,243	19,811	20,770	(959)	-5%
Chemicals & Supplies	35,951	8,988	10,356	(1,368)	-15%
Utilities	35,018	8,755	13,646	(4,891)	-56%
Water Purchases	30,740	7,685	7,653	32	0%
Small Equipment	1,465	366	76	290	79%
<b>Total Operating Cash Used</b>	<b>303,458</b>	<b>75,865</b>	<b>84,565</b>	<b>(8,700)</b>	<b>-11%</b>
Defeasance D.S./Cash Financed Capital Improvements	23,475	5,869		5,869	100%
<b>Other Cash Used</b>					
Debt Service	157,640	39,410	37,704	1,706	4%
Payment In Lieu of Taxes/Right of Way	20,744	5,186	5,186		0%
Total Other Cash Used	178,384	44,596	42,890	1,706	4%
<b>Total Cash Used</b>	<b>505,317</b>	<b>126,329</b>	<b>127,454</b>	<b>(1,125)</b>	<b>-1%</b>
<b>Net Cash Provided (Used) by Operating Act.</b>	<b>74,950</b>	<b>18,738</b>	<b>21,454</b>	<b>2,717</b>	
<b>CAPITAL BUDGET</b>					
<b>Cash Provided</b>					
Debt Proceeds	238,487	59,622	61,210	1,588	3%
EPA Grants	27,244	6,811	3,855	(2,956)	-43%
CSO Grants	14,000	3,500		(3,500)	-100%
Transfer from Operations	82,548	20,637			
Interest Income	998	249	203	(46)	-19%
Wholesale Capital Contributions	126,693	31,673	53,735	22,062	70%
<b>Total Cash Provided</b>	<b>489,969</b>	<b>122,492</b>	<b>119,002</b>	<b>(3,490)</b>	<b>-3%</b>
<b>Cash Used</b>					
DC Water Capital Program	538,204	134,551	168,244	(33,693)	-25%
Washington Aqueduct Projects	10,838	2,710		2,710	100%
<b>Total Cash Used</b>	<b>549,042</b>	<b>137,261</b>	<b>168,244</b>	<b>(30,983)</b>	<b>-23%</b>
<b>Net Cash/PAYGO Provided (Used) by Cap. Act.</b>	<b>(\$59,073)</b>	<b>(\$14,768)</b>	<b>(\$49,242)</b>	<b>(\$34,473)</b>	
<b>Beginning Balance, October 1 (Net of Rate Stab. Fund) Projected</b>	<b>\$160,055</b>		<b>\$160,055</b>		
Plus (Less) Operating Surplus	74,950	18,738	21,454		
Wholesale Customer Refunds from Prior Years	(5,500)	(1,375)			
Interest Earned From Bond Reserve	247	62			
Transfer to Rate Stabilization Fund	(19,000)	(4,750)			
Prior Year Federal Billing Reconciliation	(11,679)	(2,920)	(2,920)		
DC Fleet Payment			819		
Cash Used for Capital	(59,073)	(14,768)	(49,242)		
<b>Balance Attributable to O&amp;M Reserve</b>	<b>\$140,000</b>		<b>\$130,166</b>		
<b>OTHER CASH RESERVES</b>					
<b>Rate Stabilization Fund</b>	<b>\$32,450</b>				
<b>DC Insurance Reserve</b>	<b>1,039</b>				



**Monthly Financial Report**

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APPENDIX

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Fiscal Year-to-Date  
As of December 31, 2015

**Operating Revenues Detail**

(\$ in millions)

Revenue Category	Budget	YTD Budget	YTD Actual	Variance		YTD % of Budget
				Favorable / (Unfavorable)		
Residential, Commercial, and Multi-family	\$311.9	\$78.0	\$87.2	\$9.2	11.8%	27.9%
Federal	63.0	15.7	15.5	(0.2)	-1.4%	24.6%
District Government	15.2	3.8	5.0	1.2	31.6%	32.9%
DC Housing Authority	8.1	2.0	2.7	0.7	35.8%	33.9%
Customer Metering Fee	10.8	2.7	2.9	0.2	6.2%	26.5%
Water System Replacement Fee (WSRF)	40	10.0	4.4	(5.6)	-55.8%	11.1%
Wholesale	79.5	19.9	20.1	0.2	0.9%	25.2%
Right-of-Way Fee/PILOT	20.6	5.1	5.9	0.7	14.2%	28.5%
<b>Subtotal (before Other Revenues)</b>	<b>\$548.9</b>	<b>\$137.2</b>	<b>\$143.7</b>	<b>\$6.4</b>	<b>4.7%</b>	<b>26.2%</b>
Other Revenue without RSF						
IMA Indirect Cost Reimb. For Capital Projects	8.0	2.0	0.0	(2.0)	-100.0%	0.0%
DC Fire Protection Fee	10.8	2.7	2.7	0.0	0.0%	25.0%
Stormwater (MS4)	1.0	0.3	0.2	(0.1)	-33.3%	20.0%
Interest	1.3	0.3	0.3	0.0	0.0%	23.1%
Developer Fees (Water & Sewer)	7.5	1.9	1.4	(0.5)	-26.3%	18.7%
Others	2.9	0.7	0.7	0.0	0.0%	24.1%
<b>Subtotal</b>	<b>\$31.6</b>	<b>\$7.9</b>	<b>\$5.3</b>	<b>(\$2.6)</b>	<b>-33.0%</b>	<b>16.7%</b>
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	0.0%
<b>Other Revenue Subtotal</b>	<b>\$31.55</b>	<b>\$7.9</b>	<b>\$5.3</b>	<b>(\$2.6)</b>	<b>-33.0%</b>	<b>16.7%</b>
<b>Grand Total</b>	<b>\$580.5</b>	<b>\$145.1</b>	<b>\$148.9</b>	<b>\$3.8</b>	<b>2.6%</b>	<b>25.7%</b>

**BREAKDOWN OF RETAIL RECEIPTS BY CUSTOMER CATEGORY**  
(\$ in 000's)

Customer Category	Water	Sewer	Clean Rivers			Total
			IAC	Metering Fee	WSRF	
Residential	\$8,520	\$10,371	\$6,654	\$1,278	\$1,149	\$27,972
Commercial	16,165	16,670	8,534	895	2,111	44,376
Multi-family	7,955	9,490	2,797	347	819	21,408
Federal	5,562	5,280	4,685	198	0	15,724
District Govt	2,403	2,937	(350)	108	264	5,363
DC Housing Authority	1,109	1,339	296	35	78	2,857
<b>Total:</b>	<b>\$41,714</b>	<b>\$46,088</b>	<b>\$22,616</b>	<b>\$2,861</b>	<b>\$4,421</b>	<b>\$117,700</b>

Note: The breakdown of Collections into Residential, Commercial, & Multi-family and Water and sewer is approximate as it is based on percentages of historical data and does not take into account adjustments and timing differences

**Clean Rivers IAC - Actual vs Budget**  
(\$ in 000's)

Customer Category	FY2016 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	\$26,086	\$6,522	\$6,654	\$133	2%	26%
Commercial	30,532	7,633	8,534	901	12%	28%
Multi-family	10,202	2,551	2,797	247	10%	27%
Federal	18,739	4,685	4,685	0	0%	25%
District Govt	8,357	2,089	(350)	(2,439)	-117%	-4%
DC Housing Authority	1,221	305	296	(9)	-3%	24%
<b>Total:</b>	<b>\$95,137</b>	<b>\$23,784</b>	<b>\$22,616</b>	<b>(\$1,169)</b>	<b>-5%</b>	<b>24%</b>

Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

**Retail Accounts Receivable (Delinquent Accounts)**

The following tables show retail accounts receivable over 90 days including a breakdown by customer class.

**Greater Than 90 Days by Month**

	\$ in millions	# of accounts
September 30, 2012	\$5.5	13,063
September 30, 2013	\$4.9	11,920
September 30, 2014	\$5.3	12,442
September 30, 2015	\$6.5	11,981
October 31, 2015	\$7.1	11,737
November 30, 2015	\$6.7	11,799
December 31, 2015	\$6.9	12,487

**Greater Than 90 Days by Customer**

	Number of Accounts			Month of November (All Categories)				Total Delinquent				
	W & S a/c	Impervious Only a/c	Total No. of a/c	Active		Inactive		No. of a/c Nov.	Amount (\$)	No. of a/c Dec.	Amount (\$)	%
				No. of a/c	Amount (\$)	No. of a/c	Amount (\$)					
Commercial	10,787	3,279	14,066	1,171	1,607,057	160	107,653	1,049	\$ 1,690,138	1,331	\$ 1,714,710	25%
Multi-family	8,154	447	8,601	703	1,656,384	166	91,404	817	1,681,379	869	\$ 1,747,788	26%
Single-Family Residential	105,786	3,280	109,066	7,936	2,798,941	2,351	655,675	9,933	3,347,985	10,287	\$ 3,454,616	50%
<b>Total</b>	<b>124,727</b>	<b>7,006</b>	<b>131,733</b>	<b>9,810</b>	<b>6,062,382</b>	<b>2,677</b>	<b>854,732</b>	<b>11,799</b>	<b>\$ 6,719,502</b>	<b>12,487</b>	<b>\$ 6,917,114</b>	<b>100%</b>

Notes: Included in the above \$6.06M (or 9,810 accounts) of the DC Water Over 90 days delinquent accounts, \$2,125,768.60 (or 2,239 accounts) represents Impervious only accounts over 90 days delinquent.  
-Reportable delinquencies do not include balances associated with a long standing dispute between DC Water and a large commercial customer.

Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

Overtime by Department

Department	FY 2016			
	Budget	Actual	Actual % of Budget	% of Regular Pay
Office of the Board Secretary	\$5,000	\$3,019	60.4%	5.0%
General Manager	7,500	3,114	41.5%	0.5%
General Counsel	2,000	0	0.0%	0.0%
External Affairs	27,000	9	0.0%	0.0%
Internal Audit	0	0	0.0%	0.0%
Information Technology	26,670	418	1.6%	0.1%
Procurement	30,000	2,996	10.0%	0.4%
Customer Service	260,000	76,609	29.5%	3.5%
Finance, Accounting & Budget	30,000	11,370	37.9%	0.9%
Assistant General Manager - Support Services	1,000	1,094	109.4%	1.0%
Human Capital Management	5,000	423	8.5%	0.1%
Occupational Safety and Health	2,000	132	6.6%	0.1%
Facilities Management	250,000	57,841	23.1%	5.8%
Department of Security	0	0	0.0%	0.0%
Distribution and Conveyance System	750,000	175,016	23.3%	10.9%
Engineering and Technical Services	1,063,000	217,680	20.5%	4.9%
Water Services	980,000	421,552	43.0%	13.4%
Clean Rivers	5,000	0	0.0%	0.0%
Sewer Services	900,000	219,677	24.4%	11.0%
Wastewater Treatment - Operations	1,450,780	338,935	23.4%	12.5%
Wastewater Treatment - Process Engineering	120,000	7,070	5.9%	1.2%
Maintenance Services	700,000	144,980	20.7%	6.8%
Permit Operations	15,000	1,597	10.6%	0.5%
Fleet Management	3,500	407	11.6%	0.2%
<b>Total DC WATER</b>	<b>\$6,633,450</b>	<b>\$1,683,940</b>	<b>25.4%</b>	<b>6.5%</b>

**Notes:**

- FY 2016 actual includes accruals for five days (12/27/15 - 12/31/15)
- Engineering and Technical Services department includes overtime that will be charged/transferred to capital projects at the end of the fiscal year

Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

Capital Disbursements Detail by Program (\$000's)

Service Areas	Budget		Actual			Variance		
	Annual	YTD	Oct. - Nov. 2015	Dec. 2015	YTD	YTD % Budget	YTD \$ Fav/(Unfav)	YTD % Fav/(Unfav)
<b>NON PROCESS FACILITIES</b>								
Facility Land Use	\$9,309	\$1,027	\$1,062	\$353	\$1,415	15.2%	(\$388)	-37.8%
<b>Subtotal</b>	<b>9,309</b>	<b>1,027</b>	<b>1,062</b>	<b>353</b>	<b>1,415</b>	<b>15.2%</b>	<b>(388)</b>	<b>-37.8%</b>
<b>WASTEWATER TREATMENT</b>								
Liquid Processing	16,193	3,813	2,403	1,424	3,827	23.6%	(14)	-0.4%
Plantwide	15,798	4,273	2,818	1,619	4,437	28.1%	(164)	-3.8%
Solids Processing	28,652	12,312	8,651	2,635	11,287	39.4%	1,025	8.3%
Enhanced Nitrogen Removal Facilities	107,994	28,331	19,169	13,496	32,665	30.2%	(4,334)	-15.3%
<b>Subtotal</b>	<b>168,637</b>	<b>48,729</b>	<b>33,042</b>	<b>19,174</b>	<b>52,216</b>	<b>31.0%</b>	<b>(3,487)</b>	<b>-7.2%</b>
<b>COMBINED SEWER OVERFLOW</b>								
D.C. Clean Rivers	212,012	66,365	43,260	18,668	61,928	29.2%	4,437	6.7%
Program Management	1,832	526	705	511	1,216	66.4%	(690)	-131.3%
Combined Sewer	9,261	2,802	3,081	1,367	4,448	48.0%	(1,645)	-58.7%
<b>Subtotal</b>	<b>223,105</b>	<b>69,692</b>	<b>47,046</b>	<b>20,546</b>	<b>67,591</b>	<b>30.3%</b>	<b>2,101</b>	<b>3.0%</b>
<b>STORMWATER</b>								
Local Drainage	223	47	60	0	60	26.9%	(13)	-28.7%
On-Going	459	75	16	1,133	1,149	250.3%	(1,075)	-1442.6%
Pumping Facilities	0	0	0	0	0	0.0%	0	0.0%
DDOT	18	5	0	0	0	0.0%	5	100.0%
Research and Program Management	256	136	58	32	90	35.2%	45	33.5%
Trunk/Force Sewers	307	59	50	0	50	16.4%	9	14.7%
<b>Subtotal</b>	<b>1,263</b>	<b>320</b>	<b>184</b>	<b>1,165</b>	<b>1,350</b>	<b>106.9%</b>	<b>(1,029)</b>	<b>-321.5%</b>
<b>SANITARY SEWER</b>								
Collection Sewers	4,190	1,291	365	87	452	10.8%	839	65.0%
On-Going	7,463	1,442	3,738	3,280	7,017	94.0%	(5,575)	-386.6%
Pumping Facilities	2,267	734	1,020	316	1,336	58.9%	(602)	-82.1%
Program Management	6,742	1,887	1,938	1,469	3,408	50.5%	(1,520)	-80.5%
Interceptor/Trunk Force Sewers	14,124	3,893	3,413	434	3,847	27.2%	47	1.2%
<b>Subtotal</b>	<b>34,786</b>	<b>9,247</b>	<b>10,474</b>	<b>5,586</b>	<b>16,060</b>	<b>46.2%</b>	<b>(6,813)</b>	<b>-73.7%</b>
<b>WATER</b>								
Distribution Systems	35,667	10,299	10,046	1,669	11,715	32.8%	(1,415)	-13.7%
Lead Program	1,575	507	222	166	388	24.6%	120	23.6%
On-Going	5,105	799	1,722	466	2,189	42.9%	(1,390)	-174.0%
Pumping Facilities	3,833	1,106	1,814	170	1,984	51.7%	(878)	-79.4%
DDOT	893	235	1,849	0	1,849	207.1%	(1,614)	-687.3%
Storage Facilities	9,515	2,176	2,961	2,514	5,475	57.5%	(3,299)	-151.7%
Program Management	5,288	934	1,418	875	2,293	43.4%	(1,359)	-145.5%
<b>Subtotal</b>	<b>61,878</b>	<b>16,056</b>	<b>20,032</b>	<b>5,860</b>	<b>25,892</b>	<b>41.8%</b>	<b>(9,836)</b>	<b>-61.3%</b>
<b>Capital Projects</b>	<b>\$498,977</b>	<b>\$145,072</b>	<b>\$111,840</b>	<b>\$52,683</b>	<b>\$164,524</b>	<b>33.0%</b>	<b>(\$19,452)</b>	<b>-13.4%</b>
<b>CAPITAL EQUIPMENT</b>	<b>39,226</b>	<b>8,326</b>	<b>3,013</b>	<b>708</b>	<b>3,720</b>	<b>9.5%</b>	<b>4,606</b>	<b>55.3%</b>
<b>WASHINGTON AQUEDUCT</b>	<b>10,838</b>	<b>2,709</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>2,709</b>	<b>100.0%</b>
<b>Additional Capital Programs</b>	<b>\$50,063</b>	<b>\$11,036</b>	<b>\$3,013</b>	<b>\$708</b>	<b>\$3,720</b>	<b>7.4%</b>	<b>\$7,316</b>	<b>66.3%</b>
<b>Total</b>	<b>\$549,040</b>	<b>\$156,108</b>	<b>\$114,853</b>	<b>\$53,391</b>	<b>\$168,244</b>	<b>30.6%</b>	<b>(\$12,136)</b>	<b>-7.8%</b>

Monthly Financial Report

Fiscal Year-to-Date  
As of December 31, 2015

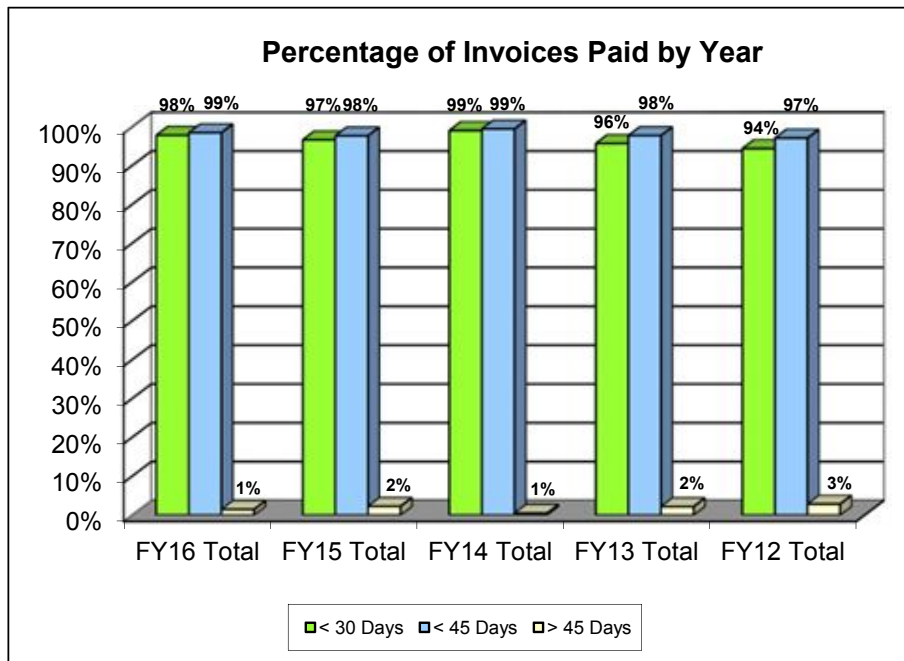
**Accounts Payable**

During the third month of FY 2016, a total of 5,548 vendor payments were processed and paid compared to 4,814 in FY 2015 (as shown in the table below) and with a dollar value of \$229.9 million compared to \$243.7 million for FY 2015.

For FY 2016, approximately 97.8% of the invoices were paid within 30 days compared to 96.7% for FY 2015. The Authority's goal is to pay 97% of all undisputed invoices within 30 days.

Accounts Payable Performance				
Days	FY 2016		FY 2015	
	Number	Percent	Number	Percent
Less than 30	5,272	97.8%	4,536	96.7%
Less than 45	5,308	98.5%	4,585	97.7%
Greater than 45	80	1.5%	107	2.3%
<b>Sub-Total</b>	<b>5,388</b>	<b>100%</b>	<b>4,692</b>	<b>100%</b>
Retainage/Dispute	160		122	
<b>Total</b>	<b>5,548</b>		<b>4,814</b>	

The chart below shows historical performance for fiscal year 2012 through fiscal year 2016.



Fiscal Year-to-Date  
As of December 31, 2015

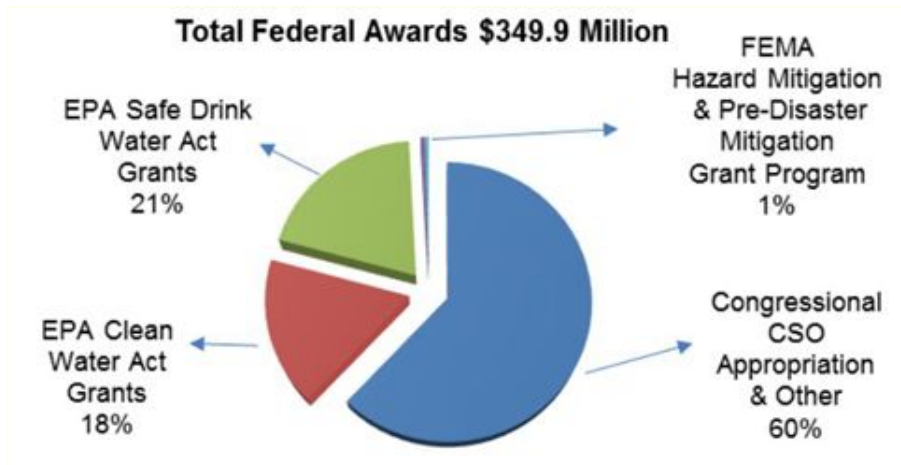
**Grants Report**

The Authority currently receives grants to fund portions of its capital project costs from the U.S. Environmental Protection Agency (EPA) and starting in Fiscal Year 2015 additional grants awarded from the Federal Emergency Management Agency (FEMA).

The EPA grants are issued under two acts, the Clean Water Act of 1972 and the Safe Drinking Water Act of 1974.

The FEMA mitigation grants are issued under the Robert T. Stafford Disaster Relief and Emergency Assistance Act through the Hazard Mitigation Grant Program (HMGP) act of 1993 and the Pre-Disaster Mitigation Grant Program (PDM) act of 2000.

As of December 31 2015, DC Water has a total of \$349.9 million awarded in federal funds for active projects, of which, CSO appropriations total \$210.8 million, EPA Grants total \$136 million and FEMA Grants total \$2.9 million.



DC Water has received sixteen separate Congressional CSO appropriations totaling \$210.8 million plus accrued interest of \$12.3 million resulting in total CSO funding of \$223.1 million. The cumulative CSO appropriation life-to-date cash disbursement based on requested reimbursement is \$223.1 million through September 30, 2015 which has depleted all the CSO appropriations funding. The FY 2016 CSO appropriation has not been funded as of December 31, 2016.

The remaining balance of the EPA funding as of December 31 2015 is \$32.8 million and FEMA's funding balance remains the same at \$2.9 million as there are no request for reimbursement at this time.

Monthly Financial Report

**FY 2015 Budget to Actual Performance**

**Operating Revenues (\$ 000's)**

Category	A	B	C = B/A	D = B - A
	BUDGET	ACTUAL	% of BUDGET	\$ Fav/(Unfav)
Res. / Comm. / Multi.	\$291,347	\$291,867	100.2%	\$520
Federal	58,695	59,171	100.8%	476
Municipal	15,735	12,894	81.9%	(2,841)
DC Housing	7,472	6,968	93.3%	(504)
Metering Fee	10,776	11,111	103.1%	335
Wholesale	81,365	81,230	99.8%	(135)
PILOT/ROW	20,547	22,098	107.5%	1,551
All Other	56,706	60,756	107.1%	4,050
<b>TOTAL</b>	<b>\$542,643</b>	<b>\$546,096</b>	<b>100.6%</b>	<b>\$3,453</b>

**Operating Expenditures (\$ 000's)**

Category	A	B	C = B/A	D = A - B
	BUDGET	ACTUAL	% of BUDGET	\$ Fav/(Unfav)
Personnel	\$135,544	\$133,935	98.8%	\$1,610
Contractual Services	76,944	66,241	86.1%	10,703
Water Purchases	28,831	29,109	101.0%	(278)
Supplies & Chemicals	36,186	30,306	83.8%	5,880
Utilities	30,416	30,848	101.4%	(432)
Small Equipment	1,028	531	51.7%	497
<b>SUBTOTAL O&amp;M</b>	<b>\$308,950</b>	<b>\$290,970</b>	<b>94.2%</b>	<b>\$17,981</b>
Debt Service	160,264	134,845	84.1%	25,419
Cash Financed Capital Improvements	20,058	0	0.0%	20,058
PILOT/ROW	26,687	20,437	76.6%	6,250
<b>TOTAL OPERATING</b>	<b>\$515,959</b>	<b>\$446,252</b>	<b>86.5%</b>	<b>\$69,707</b>
Capital Labor	(17,266)	(18,702)	108.3%	1,436
<b>TOTAL NET OPERATING</b>	<b>\$498,693</b>	<b>\$427,550</b>	<b>85.7%</b>	<b>\$71,143</b>

**Capital Disbursements (\$000's)**

Service Area	A	B	C = B/A	D = A - B
	BUDGET	ACTUAL	% of BUDGET	\$ Fav/(Unfav)
Wastewater	\$206,260	\$210,024	101.8%	(\$3,764)
Sanitary Sewer	40,258	39,363	97.8%	895
Combined Sewer Overflow	271,101	246,512	90.9%	24,589
Stormwater	2,559	1,374	53.7%	1,185
Water	65,006	64,861	99.8%	145
<b>SUBTOTAL: CAPITAL PROJECTS</b>	<b>\$585,183</b>	<b>\$562,134</b>	<b>96.1%</b>	<b>\$23,049</b>
Capital Equipment	22,191	9,351	42.1%	12,840
Automated Meter Reading (AMR)	5,314	5,870	110.5%	(556)
Customer Information System (CIS)	2,586	61	2.4%	2,525
Washington Aqueduct	10,000	11,750	117.5%	(1,750)
<b>SUBTOTAL: ADD'L CAPITAL PROGRAMS</b>	<b>\$40,091</b>	<b>\$27,033</b>	<b>67.4%</b>	<b>\$13,058</b>
<b>TOTAL</b>	<b>\$625,274</b>	<b>\$589,167</b>	<b>94.2%</b>	<b>\$36,107</b>





# DC Water

*Investment Performance Report – December 2015*



**DC Water  
Finance Division  
Economic Update**

### ECONOMIC COMMENTARY

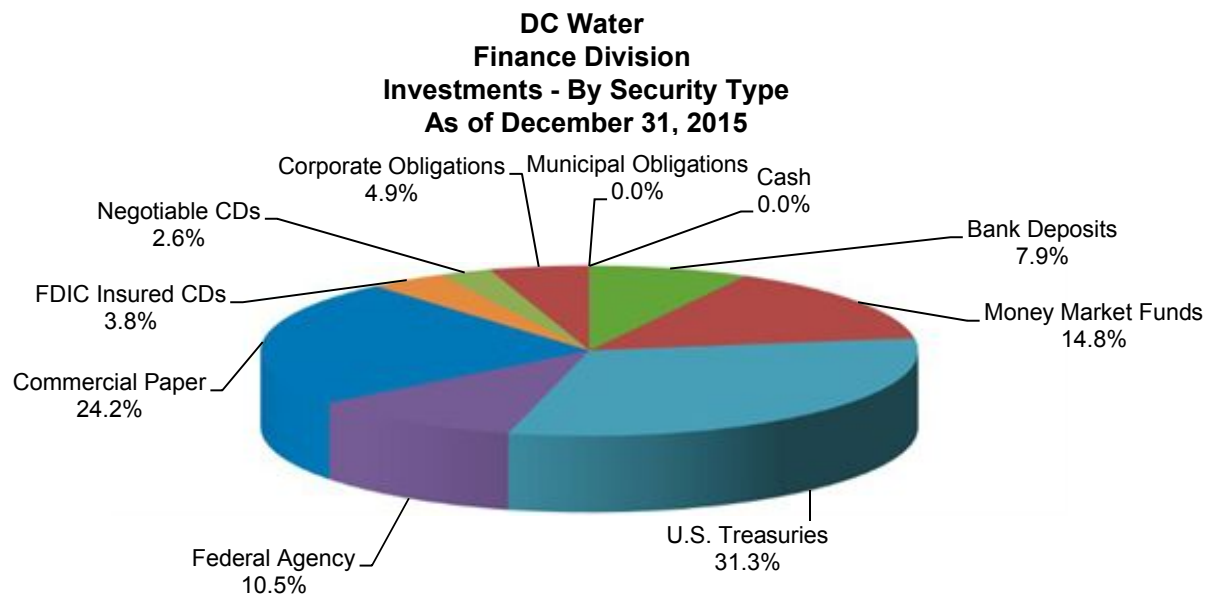
- At its December meeting, the Federal Open Market Committee (“FOMC”) announced that it would increase the federal funds target range to 0.25% to 0.50% by a unanimous vote.
- The manufacturing sector continued to contract, as the sector had the second straight month of declines and the weakest reading in more than six years.
- The U.S. economy added 295,000 jobs in December, well above estimates. Revisions to prior reports added a total of 50,000 jobs to payrolls in October and November. For all of 2015, employment climbed by 2.65 million after a 3.1 million gain in 2014, for the best back-to-back years since 1998-99. The unemployment rate remained at a seven year low of 5.0%.

### PORTFOLIO RECAP

- The portfolio is diversified among Cash, Bank Deposits, U.S. Treasuries, Federal Agencies, Commercial Paper, Negotiable CDs, Corporate Notes/Bonds, Municipal Bonds, FDIC Insured CDs, and SEC registered money market funds.
- The overall yield-to-maturity on cost of the portfolio is 0.53%.

#### Operating Reserve Accounts

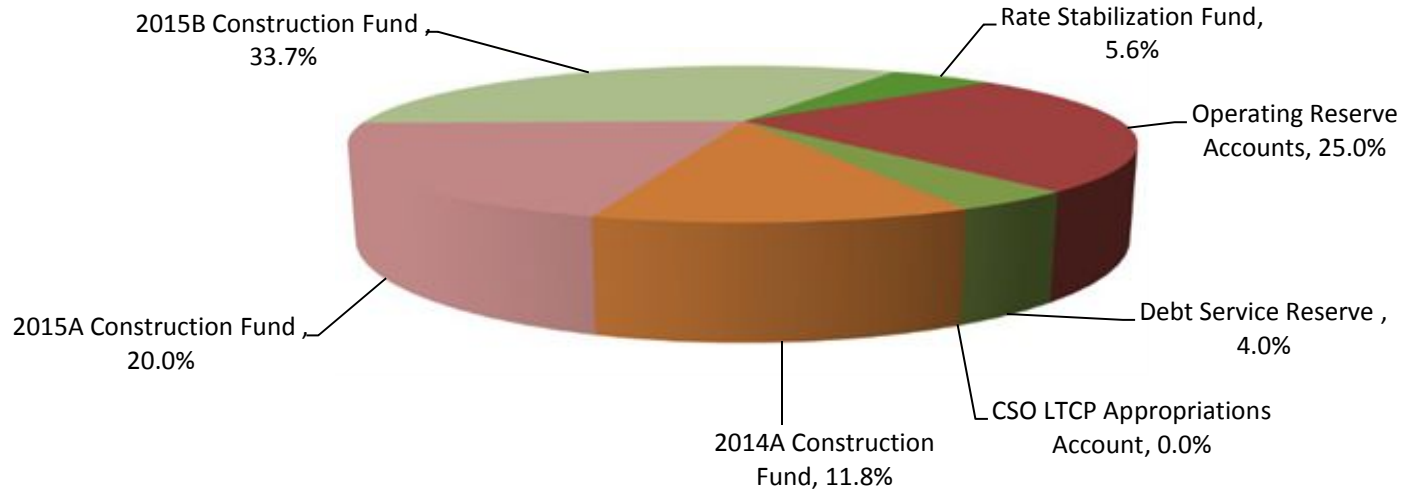
- In December, PFM sold \$4.6 million of 11-month U.S. Treasuries and 1.0 million of \$9-month Federal Agencies and used the proceeds to purchase 3-year U.S. Treasuries at an average yield of 1.22%.
- At the end of December, PFM purchased \$4.7 million of 2 ½- to 2 ¾-year U.S. Treasury Notes at an average yield of 1.26%.



Security Type	Book Value + Accrued Interest	Asset Allocation	Permitted By Policy
Cash	80,937.50	0.0%	100.0%
Bank Deposits	42,812,129	7.9%	100.0%
Money Market Funds	79,149,896	14.8%	100.0%
U.S. Treasuries	167,667,434	31.3%	100.0%
Federal Agency	56,426,377	10.5%	80.0%
Commercial Paper	129,756,470	24.2%	35.0%
FDIC Insured CDs	20,286,155	3.8%	30.0%
Negotiable CDs	13,825,859	2.6%	30.0%
Corporate Obligations	26,298,161	4.9%	30.0%
Municipal Obligations	120,327	0.0%	20.0%
<b>Total</b>	<b>\$ 536,423,746</b>	<b>100.0%</b>	



**DC Water  
Finance Division  
Investment Analysis – By Fund  
As of December 31, 2015**

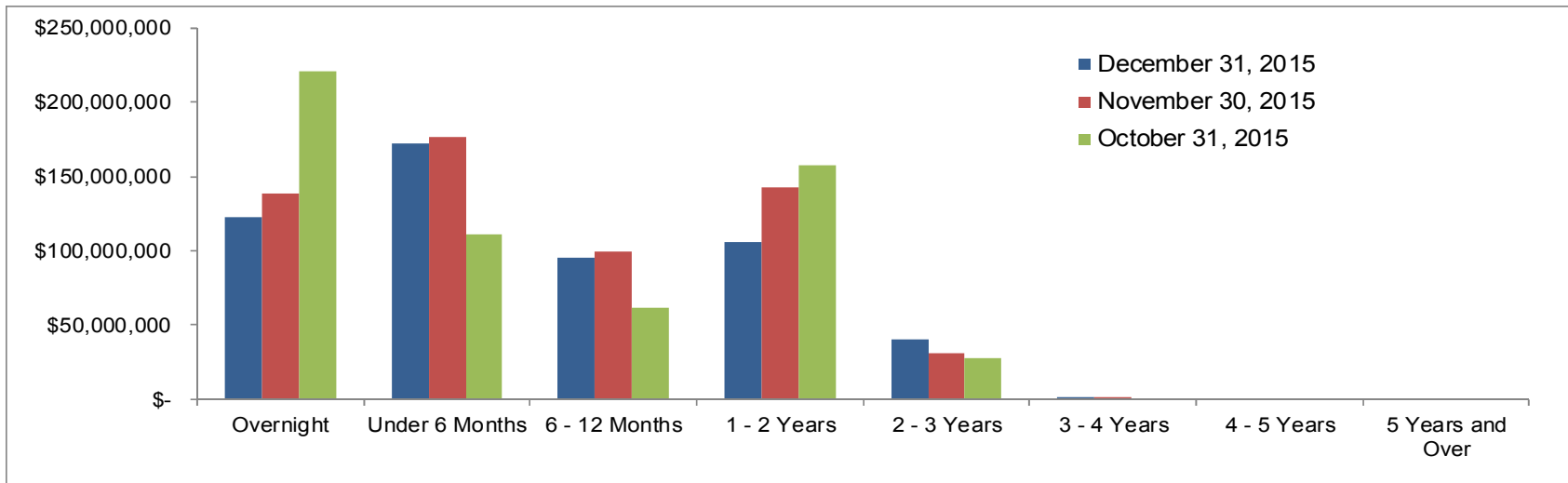


Fund Name	Book Value + Accrued Interest	Yield-to- Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Rate Stabilization Fund	\$ 32,450,000	0.66%	0.00	1.0
Operating Reserve Accounts	\$ 131,638,584	0.93%	1.32	499.1
Debt Service Reserve	\$ 23,476,960	0.56%	0.91	337.1
CSO LTCP Appropriations Account	\$ 885	0.90%	0.00	1.0
2014A Construction Fund	\$ 67,631,085	0.23%	0.10	35.5
2015A Construction Fund	\$ 115,953,626	0.44%	0.86	318.0
2015B Construction Fund	\$ 165,272,606	0.37%	0.39	143.4
<b>Total</b>	<b>\$ 536,423,746</b>	<b>0.53%</b>	<b>0.68</b>	<b>254.7</b>



**DC Water  
Finance Division  
Investment Analysis – By Maturity**

Maturity Distribution	December 31, 2015	November 30, 2015	October 31, 2015
Overnight	\$ 122,042,962.98	\$ 137,898,748.91	\$ 220,627,538.39
Under 6 Months	172,628,998.36	176,221,424.03	111,342,939.64
6 - 12 Months	95,192,988.26	99,584,992.77	61,174,880.80
1 - 2 Years	105,473,683.06	142,480,024.81	157,704,099.31
2 - 3 Years	39,958,861.48	31,174,965.08	27,447,183.96
3 - 4 Years	1,126,251.90	1,124,600.01	1,122,948.12
4 - 5 Years	-	-	-
5 Years and Over	-	-	-
<b>Totals</b>	<b>\$ 536,423,746.04</b>	<b>\$ 588,484,755.61</b>	<b>\$ 579,419,590.22</b>





**DC Water  
Finance Division  
Investments – Issuer Allocation**

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
<b>Cash</b>					
Wells Fargo Cash		80,937.50	0.0%	100.0%	Yes
<b>Sub-Total Cash</b>		<b>80,937.50</b>	<b>0.0%</b>	100.0%	Yes
<b>Bank Deposits</b>					
TD Bank		37,724,183.53	7.0%	100.0%	Yes
Capital One Bank		5,087,945.74	0.9%	100.0%	Yes
<b>Sub-Total Bank Deposits</b>		<b>42,812,129.27</b>	<b>8.0%</b>	100.0%	Yes
<b>Money Market Mutual Funds</b>					
Wells Fargo Treasury Plus MMF	AAAm	69,017,682.82	12.9%	50.0%	Yes
Federated Government MMF	AAAm	10,132,213.39	1.9%	50.0%	Yes
<b>Sub-Total Money Market Mutual Funds</b>		<b>79,149,896.21</b>	<b>14.8%</b>	100.0%	Yes
<b>U.S. Treasuries</b>					
Treasury Note	AA+ / Aaa	167,667,434.06	31.3%	100.0%	Yes
<b>Sub-Total Treasuries</b>		<b>167,667,434.06</b>	<b>31.3%</b>	100.0%	Yes
<b>Federal Agencies</b>					
Fannie Mae	AA+ / Aaa	4,528,304.19	0.8%	40.0%	Yes
Federal Home Loan Bank	AA+ / Aaa	11,816,511.79	2.2%	40.0%	Yes
Freddie Mac	AA+ / Aaa	40,081,561.04	7.5%	40.0%	Yes
<b>Sub-Total Federal Agencies</b>		<b>56,426,377.02</b>	<b>10.5%</b>	80.0%	Yes
<b>Commercial Paper</b>					
Bank Of Tokyo Mitsubishi UFJ	A-1 / P-1	14,088,602.09	2.6%	5.0%	Yes
BNP Paribas NY Branch	A-1 / P-1	18,989,233.27	3.5%	5.0%	Yes
Credit Agricole CIB NY Comm Paper	A-1 / P-1	18,999,699.23	3.5%	5.0%	Yes
JP Morgan Securities LLC	A-1 / P-1	20,752,188.83	3.9%	5.0%	Yes
Rabobank Nederland NV NY	A-1 / P-1	18,982,950.16	3.5%	5.0%	Yes
Toyota Motor Credit Corp	A-1+ / P-1	18,990,019.68	3.5%	5.0%	Yes
UBS Finance Delaware LLC	A-1 / P-1	18,953,777.18	3.5%	5.0%	Yes
<b>Sub-Total Commercial Paper</b>		<b>129,756,470.44</b>	<b>24.2%</b>	35.0%	Yes
<b>FDIC Insured Certificates of Deposit</b>					
CDARS - Placed by Industrial Bank	NR / NR	15,201,828.90	2.8%	5.0%	Yes
CDARS - Placed by City First Bank	NR / NR	5,084,326.42	0.9%	5.0%	Yes
<b>Sub-Total FDIC-Insured Certificates of Deposit</b>		<b>20,286,155.32</b>	<b>3.8%</b>	30.0%	Yes



**DC Water  
Finance Division  
Investments – Issuer Allocation**

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
<b>Negotiable Certificates of Deposit</b>					
Canadian Imperial Bank NY	A-1 / P-1	1,804,292.50	0.3%	5.0%	Yes
Credit Suisse NY	A-1 / P-1	1,804,790.50	0.3%	5.0%	Yes
HSBC Bank USA NA	A-1+ / P-1	1,802,099.02	0.3%	5.0%	Yes
Nordea Bank Finland NY	AA- / Aa3	1,802,070.00	0.3%	5.0%	Yes
Rabobank Nederland NV	A-1 / P-1	1,803,745.00	0.3%	5.0%	Yes
Skandinaviska Enskilda Banken NY	A-1 / P-1	1,803,330.00	0.3%	5.0%	Yes
Svenska Handelsbanken NY	A-1+ / P-1	1,801,580.99	0.3%	5.0%	Yes
US Bank NA Cincinnati	AA- / A1	1,203,950.51	0.2%	5.0%	Yes
<b>Sub-Total Negotiable Certificates of Deposit</b>		<b>13,825,858.52</b>	<b>2.6%</b>	<b>30.0%</b>	<b>Yes</b>
<b>Corporate Obligations</b>					
ANZ Banking Group Ltd.	AA- / Aa2	1,752,846.41	0.3%	5.0%	Yes
Bank of Montreal	A+ / Aa3	1,761,535.06	0.3%	5.0%	Yes
Bank of New York Mellon	A / A1	1,802,987.70	0.3%	5.0%	Yes
Bank of Nova Scotia	A+ / Aa2	1,801,007.47	0.3%	5.0%	Yes
Cisco Systems Inc.	AA- / A1	1,550,919.17	0.3%	5.0%	Yes
Chevron	AA / Aa1	1,784,507.69	0.3%	5.0%	Yes
Exxon Mobil	AAA / Aaa	1,807,503.75	0.3%	5.0%	Yes
General Electric Capital Corporation	AA+ / A1	1,831,070.43	0.3%	5.0%	Yes
IBM	AA- / Aa3	2,255,371.99	0.4%	5.0%	Yes
Merck & Co.	AA / A1	731,881.46	0.1%	5.0%	Yes
Royal Bank of Canada	AA- / Aa3	1,755,324.90	0.3%	5.0%	Yes
Toronto Dominion Bank NY	AA- / Aa1	1,992,563.17	0.4%	5.0%	Yes
Toyota Motor Credit Corp	AA- / Aa3	1,534,554.72	0.3%	5.0%	Yes
US Bank	AA- / A1	553,223.36	0.1%	5.0%	Yes
Walmart Stores Inc.	AA / Aa2	836,805.46	0.2%	5.0%	Yes
Wells Fargo & Company Notes	A / A2	1,126,251.90	0.2%	5.0%	Yes
Westpac Banking	AA- / Aa2	1,419,806.06	0.3%	5.0%	Yes
<b>Sub-Total Corporate Obligations</b>		<b>26,298,160.70</b>	<b>4.9%</b>	<b>30.0%</b>	<b>Yes</b>
<b>Municipal Obligations</b>					
Mississippi State	AA / Aa2	120,327.00	0.0%	5.0%	Yes
<b>Sub-Total Municipal Obligations</b>		<b>120,327.00</b>	<b>0.0%</b>	<b>20.0%</b>	<b>Yes</b>
<b>Grand Total</b>		<b>\$ 536,423,746.04</b>	<b>100.0%</b>		



**DC Water  
Finance Division  
Book Value Performance  
As of December 31, 2015**

*The portfolio is in compliance with the Authority's Investment Policy*

	Trailing 1 Months		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized	
Total Rate Stabilization Fund	0.05%	0.63%	0.16%	0.63%	0.30%	0.59%	0.55%
Operating Reserve Accounts	0.07%	0.81%	0.21%	0.85%	0.42%	0.84%	0.79%
Total Debt Service Reserve	0.05%	0.55%	0.14%	0.55%	0.28%	0.56%	0.65%
2014A Construction Fund	0.02%	0.21%	0.04%	0.16%	0.06%	0.12%	0.15%
2015A Construction Fund	0.04%	0.43%	n/a	n/a	n/a	n/a	n/a
2015B Construction Fund	0.03%	0.33%	n/a	n/a	n/a	n/a	n/a
<b>Short-Term</b>	<b>0.03%</b>	<b>0.39%</b>	<b>0.09%</b>	<b>0.37%</b>	<b>0.18%</b>	<b>0.36%</b>	<b>0.34%</b>
Merrill Lynch 3-Month Treasury Index (Book Value) <sup>1</sup>	0.01%	0.07%	0.02%	0.06%	0.02%	0.04%	0.03%
<b>Core (1+ Years)</b>	<b>0.07%</b>	<b>0.81%</b>	<b>0.19%</b>	<b>0.77%</b>	<b>0.43%</b>	<b>0.85%</b>	<b>0.82%</b>
Merrill Lynch 1-3 Year Treasury Index (Book Value) <sup>2</sup>	0.09%	1.04%	0.22%	0.89%	0.39%	0.77%	0.68%

- (1) The Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking the on-the-run Treasury Bill. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.
- (2) The Merrill Lynch 3-Month Treasury Bill is an unmanaged index tracking a basket of U.S. Treasuries with 1 to 3 year maturities. The Index is produced and maintained by Merrill Lynch & Co. Performance for this index is shown on a book value basis.





DC Water  
Finance Division  
Portfolio Holdings by Fund

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>Rate Stabilization Fund</b>										
TD BANK BANK DEPOSIT		\$ 22,450,000		1/1/2016		0.90%	\$ 22,450,000	\$ 22,450,000	\$ 22,450,000	
FEDERATED GOVERNMENT MONEY MARKET FUND		10,000,000		1/1/2016		0.11%	10,000,000	10,000,000	10,000,000	
										\$ 32,450,000.00
<b>Operating Reserve Accounts</b>										
TD BANK BANK DEPOSIT		\$ 15,273,299		1/1/2016		0.90%	\$ 15,273,299	\$ 15,273,299	\$ 15,273,299	
CAPITAL ONE BANK		5,087,946		1/1/2016		0.50%	5,087,946	5,087,946	5,087,946	
FEDERATED GOVERNMENT MONEY MARKET FUND		132,213		1/1/2016		0.11%	132,213	132,213	132,213	
INDUSTRIAL BANK CDARS		2,545,282	0.750	1/21/2016	1/23/2014	0.75%	2,545,282	2,582,424	2,582,424	
INDUSTRIAL BANK CDARS		2,539,450	0.450	1/21/2016	1/22/2015	0.45%	2,539,450	2,550,257	2,550,257	
CITY FIRST BK OF WASHINGTON, DC (CDARS)		2,530,097	0.400	3/17/2016	3/20/2014	0.40%	2,530,097	2,548,224	2,548,224	
CITY FIRST BK OF WASHINGTON, DC (CDARS)		2,530,097	0.300	3/17/2016	3/19/2015	0.30%	2,530,097	2,536,102	2,536,102	
JP MORGAN SECURITIES LLC COMM PAPER	46640PDV2	1,800,000	-	4/29/2016	8/3/2015	0.62%	1,791,630	1,796,940	1,796,311	
CREDIT SUISSE NEW YORK CERT DEPOS	22549VX73	1,800,000	0.670	5/6/2016	8/11/2015	0.67%	1,800,000	1,804,130	1,804,791	
INDUSTRIAL BANK CDARS		5,017,482	0.350	10/13/2016	10/15/2015	0.35%	5,017,482	5,021,266	5,021,266	
INDUSTRIAL BANK CDARS		5,045,079	0.400	11/10/2016	11/12/2015	0.40%	5,045,079	5,047,882	5,047,882	
US TREASURY NOTES	912828RX0	5,000,000	0.875	12/31/2016	11/21/2014	0.60%	5,029,102	5,003,245	5,013,931	
US TREASURY NOTES	912828RX0	3,075,000	0.875	12/31/2016	12/9/2014	0.69%	3,086,531	3,076,996	3,080,678	
GENERAL ELEC CAP CORP GLOBAL NOTES	36962G5N0	1,200,000	2.900	1/9/2017	7/15/2014	1.03%	1,254,912	1,236,619	1,239,399	
US BANK CORP NOTE (CALLABLE)	90331HMC4	550,000	1.100	1/30/2017	11/26/2014	0.98%	551,430	551,743	553,223	
US TREASURY NOTES	912828SC5	3,500,000	0.875	1/31/2017	7/14/2014	0.72%	3,513,945	3,513,089	3,518,769	
US TREASURY NOTES	912828SM3	100,000	1.000	3/31/2017	10/6/2014	0.80%	100,488	100,410	100,500	
CANADIAN IMPERIAL BANK NY YCD	13606JY9	1,800,000	1.010	4/6/2017	4/10/2015	1.01%	1,800,000	1,795,608	1,804,293	
RABOBANK NEDERLAND NV CERT DEPOS	21684BXH2	1,800,000	1.070	4/21/2017	4/27/2015	1.07%	1,800,000	1,795,105	1,803,745	
FNMA NOTES	3135G0JA2	4,500,000	1.125	4/27/2017	11/21/2014	0.80%	4,535,370	4,516,434	4,528,304	
TORONTO DOMINION BANK NY CORP NT	89114QAQ1	1,200,000	1.125	5/2/2017	7/15/2014	1.14%	1,199,628	1,198,332	1,202,036	
TORONTO DOMINION BANK NY CORP NT	89114QAQ1	790,000	1.125	5/2/2017	11/26/2014	1.21%	788,317	788,902	790,528	
NORDEA BANK FINLAND NY CD	65558LFA5	1,800,000	1.150	5/26/2017	5/29/2015	1.15%	1,800,000	1,791,810	1,802,070	
FHLB GLOBAL NOTES	3130A5EP0	1,775,000	0.625	5/30/2017	5/15/2015	0.67%	1,773,527	1,767,648	1,774,933	
ANZ BANKING GROUP LTD CORP NOTES	05253JAF8	1,200,000	1.250	6/13/2017	10/30/2014	1.15%	1,203,084	1,197,685	1,202,471	
ANZ BANKING GROUP LTD CORP NOTES	05253JAF8	550,000	1.250	6/13/2017	11/26/2014	1.25%	550,055	548,939	550,376	
US TREASURY NOTES	912828TB6	1,850,000	0.750	6/30/2017	11/3/2014	0.79%	1,848,121	1,844,257	1,848,976	
BANK OF MONTREAL CORP NOTES (CALLABLE)	06366RVD4	1,200,000	1.300	7/14/2017	7/15/2014	1.27%	1,201,116	1,204,313	1,207,800	
BANK OF MONTREAL CORP NOTES (CALLABLE)	06366RVD4	550,000	1.300	7/14/2017	11/26/2014	1.25%	550,726	551,977	553,735	
FREDDIE MAC GLOBAL NOTES	3137EADJ5	1,015,000	1.000	7/28/2017	8/14/2014	1.00%	1,014,932	1,017,626	1,019,278	
US TREASURY NOTES	912828NR7	150,000	2.375	7/31/2017	7/18/2014	0.97%	156,311	154,655	154,801	
US TREASURY NOTES	912828TG5	1,560,000	0.500	7/31/2017	2/4/2015	0.63%	1,555,064	1,551,442	1,560,119	
SVENSKA HANDELSBANKEN NY FLT CERT DEPOS	86958DH54	1,800,000	0.832	8/24/2017	11/24/2015	0.84%	1,800,000	1,800,528	1,801,581	
US BANK NA CINCINNATI (CALLABLE) CD	90333VPF1	1,200,000	1.375	9/11/2017	9/11/2014	1.41%	1,198,068	1,200,611	1,203,951	
MS ST TXBL GO BONDS	605581FX0	120,000	1.090	10/1/2017	2/18/2015	1.09%	120,000	120,134	120,327	
ROYAL BANK OF CANADA CORP NOTES	78010U4A2	1,200,000	1.400	10/13/2017	10/15/2014	1.41%	1,199,820	1,200,554	1,203,532	
ROYAL BANK OF CANADA CORP NOTES	78010U4A2	550,000	1.400	10/13/2017	11/26/2014	1.39%	550,198	550,254	551,793	
CHEVRON CORP NOTE	166764AL4	885,000	1.345	11/15/2017	11/18/2014	1.35%	885,000	883,736	886,521	
SKANDINAVISKA ENSKILDA BANKEN NY CD	83050FBG5	1,800,000	1.480	11/16/2017	11/17/2015	1.48%	1,800,000	1,796,256	1,803,330	
HSBC BANK USA NA FLOATING CERT DEPOS	40428AR41	1,800,000	0.954	11/17/2017	11/18/2015	0.97%	1,800,000	1,801,658	1,802,099	
CHEVRON CORP (CALLABLE) GLOBAL NOTES	166764AA8	900,000	1.104	12/5/2017	11/26/2014	1.26%	895,743	894,529	897,987	
GENERAL ELECTRIC CO NOTES	369604BC6	550,000	5.250	12/6/2017	11/26/2014	1.45%	611,727	589,231	591,671	
TOYOTA MOTOR CREDIT CORP NOTE	89236TCA1	590,000	1.450	1/12/2018	1/12/2015	1.50%	589,192	592,894	593,465	
WESTPAC BANKING CORP NOTES	961214BZ5	1,400,000	1.600	1/12/2018	4/29/2015	1.27%	1,412,306	1,407,797	1,419,806	



DC Water  
Finance Division  
Portfolio Holdings by Fund

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>Operating Reserve Accounts</b>										
IBM CORP NOTES	459200HZ7	2,250,000	1.125	2/6/2018	2/6/2015	1.23%	2,243,138	2,245,129	2,255,372	
WAL MART STORES INC. CORP NOTES	931142CJ0	750,000	5.800	2/15/2018	6/12/2015	1.30%	838,382	835,917	836,805	
EXXON MOBIL CORP NOTES	30231GAL6	1,800,000	1.305	3/6/2018	3/6/2015	1.31%	1,800,000	1,804,644	1,807,504	
US TREASURY NOTES	912828UU2	2,200,000	0.750	3/31/2018	2/27/2015	1.04%	2,180,578	2,184,514	2,190,009	
US TREASURY NOTES	912828UU2	4,400,000	0.750	3/31/2018	3/27/2015	1.00%	4,368,031	4,369,027	4,384,453	
MERCK & CO GLOBAL NOTES	58933YAG0	731,000	1.300	5/18/2018	3/27/2015	1.31%	730,664	730,420	731,881	
BANK OF NEW YORK MELLON CORP (CALLABLE)	06406HDB2	1,800,000	1.600	5/22/2018	5/29/2015	1.60%	1,799,838	1,796,388	1,802,988	
US TREASURY NOTES	912828VE7	2,350,000	1.000	5/31/2018	12/30/2015	1.21%	2,338,342	2,340,030	2,340,423	
BANK OF NOVA SCOTIA CORP NOTE (CALLABLE)	064159GM2	1,800,000	1.700	6/11/2018	6/11/2015	1.72%	1,799,154	1,794,873	1,801,007	
CISCO SYSTEMS INC CORP NOTE	17275RAU6	1,550,000	1.650	6/15/2018	6/17/2015	1.66%	1,549,737	1,557,614	1,550,919	
TOYOTA MOTOR CREDIT CORP	89236TCP8	935,000	1.550	7/13/2018	7/13/2015	1.58%	934,205	939,555	941,090	
US TREASURY NOTES	912828VQ0	1,975,000	1.375	7/31/2018	7/6/2015	1.11%	1,990,893	1,993,925	1,999,771	
US TREASURY NOTES	912828RH5	2,700,000	1.375	9/30/2018	10/9/2015	0.94%	2,734,594	2,717,871	2,741,391	
US TREASURY NOTES	912828WD8	2,350,000	1.250	10/31/2018	12/30/2015	1.30%	2,346,879	2,351,699	2,351,888	
US TREASURY NOTES	912828A34	4,600,000	1.250	11/30/2018	11/9/2015	1.18%	4,609,344	4,597,299	4,613,944	
US TREASURY NOTES	912828A75	5,550,000	1.500	12/31/2018	12/4/2015	1.22%	5,597,045	5,575,376	5,596,145	
WELLS FARGO & COMPANY NOTES	94974BFQ8	1,103,000	2.150	1/15/2019	10/7/2015	1.77%	1,116,225	1,120,096	1,126,252	
										\$ 131,638,584.15
<b>Debt Service Reserve</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 217,947		1/1/2016		0.11%	\$ 217,947	\$ 217,947	\$ 217,947	
FHLB NOTES	313375RN9	10,000,000	1.000	3/11/2016	5/22/2013	0.43%	10,158,100	10,043,116	10,041,579	
US TREASURY NOTES	912828MV9	6,538,000	3.250	3/31/2017	6/29/2015	0.56%	6,844,213	6,779,960	6,809,796	
US TREASURY NOTES	912828PA2	6,257,000	1.875	9/30/2017	6/29/2015	0.76%	6,412,692	6,375,047	6,407,638	
										\$ 23,476,959.93
<b>CSO LTCP Appropriations Account</b>										
TD BANK BANK DEPOSIT		\$ 885		1/1/2016		0.90%	\$ 885	\$ 885	\$ 885	
										\$ 884.67
<b>2014A Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 22,555,283		1/1/2016		0.11%	\$ 22,555,283	\$ 22,555,283	\$ 22,555,283	
BANK OF TOKYO MITSUBISHI UFJ COMM PAPER	06538BA45	1,100,000	-	1/4/2016	10/30/2015	0.25%	1,099,496	1,099,957	1,099,977	
CREDIT AGRICOLE CIB NY COMM PAPER	22533TA48	19,000,000	-	1/4/2016	10/30/2015	0.19%	18,993,382	18,999,278	18,999,699	
BANK OF TOKYO MITS UFJ LTD COMM PAPER	06538BD18	6,000,000	-	4/1/2016	10/30/2015	0.45%	5,988,450	5,991,186	5,993,175	
RABOBANK NEDERLAND NV NY COMM PAPER	21687AD18	19,000,000	-	4/1/2016	10/30/2015	0.36%	18,971,146	18,973,438	18,982,950	
										\$ 67,631,084.94
<b>2015A Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 15,449,294		1/1/2016		0.11%	\$ 15,449,294	\$ 15,449,294	\$ 15,449,294	
WELLS FARGO CASH		80,938		1/1/2016		0.00%	80,938	80,938	80,938	
US TREASURY NOTES	912828QR4	13,725,000	1.500	6/30/2016	11/2/2015	0.34%	13,830,082	13,788,824	13,804,732	
US TREASURY NOTES	912828RF9	6,450,000	1.000	8/31/2016	10/30/2015	0.39%	6,482,754	6,484,895	6,497,770	
US TREASURY NOTES	912828H29	25,900,000	0.625	12/31/2016	10/30/2015	0.46%	25,949,574	25,856,933	25,942,789	
FHLMC NOTES	3137EADT3	38,800,000	0.875	2/22/2017	10/30/2015	0.56%	38,961,408	38,901,439	39,062,283	
US TREASURY NOTES	912828SM3	15,000,000	1.000	3/31/2017	11/2/2015	0.58%	15,087,891	15,061,545	15,115,820	
										\$ 115,953,625.97
<b>2015B Construction Fund</b>										
WELLS FARGO TREASURY PLUS MMF		\$ 30,795,158		1/1/2016		0.11%	\$ 30,795,158	\$ 30,795,158	\$ 30,795,158	
BANK OF TOKYO MITSUBISHI COMM PAPER	06538BC19	7,000,000	-	3/1/2016	10/30/2015	0.39%	6,990,673	6,994,274	6,995,450	
BNP PARIBAS NY BRANCH COMM PAPER	09659BC16	19,000,000	-	3/1/2016	10/30/2015	0.34%	18,977,928	18,983,812	18,989,233	
TOYOTA MOTOR CREDIT CORP COMM PAPER	89233GC20	19,000,000	-	3/2/2016	11/2/2015	0.31%	18,980,203	18,985,465	18,990,020	



**DC Water  
Finance Division  
Portfolio Holdings by Fund**

DESCRIPTION	CUSIP	PAR AMOUNT	COUPON RATE	MATURITY DATE	SETTLEMENT DATE	YTM AT COST	ORIGINAL COST	MARKET VALUE + ACCRUED INTEREST	AMORTIZED COST + ACCRUED INTEREST	TOTAL VALUE
<b>2015B Construction Fund</b>										
UBS FINANCE DELAWARE LLC COMM PAPER	90262CEX1	19,000,000	-	5/31/2016	11/2/2015	0.58%	18,935,411	18,959,644	18,953,777	
US TREASURY NOTES	912828WM8	7,000,000	0.375	5/31/2016	10/30/2015	0.30%	7,003,008	6,999,558	7,004,419	
JP MORGAN SECURITIES LLC COMM PAPER	46640PF16	19,000,000	-	6/1/2016	10/30/2015	0.55%	18,937,590	18,952,690	18,955,878	
US TREASURY NOTES	912828RJ1	14,350,000	1.000	9/30/2016	10/30/2015	0.41%	14,427,355	14,415,048	14,449,332	
US TREASURY NOTES	912828RU6	30,000,000	0.875	11/30/2016	10/30/2015	0.45%	30,138,281	30,040,531	30,139,340	\$ 165,272,606.38
							<b>\$ 536,163,476.88</b>	<b>\$ 535,616,220.87</b>	<b>\$ 536,423,746.04</b>	<b>\$ 536,423,746.04</b>



DC Water  
Finance Division  
Security Purchases  
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<b>Operating Reserve Accounts</b>							
912828VQ0	US TREASURY NOTES	2,900,000.00	1.38	7/31/2018	7/6/2015	1.11	2,940,519.64
89236TCP8	TOYOTA MOTOR CREDIT CORP	935,000.00	1.55	7/13/2018	7/13/2015	1.58	934,205.25
46640PDV2	JP MORGAN SECURITIES LLC COMM PAPER	1,800,000.00	-	4/29/2016	8/3/2015	0.63	1,791,630.00
22549VX73	CREDIT SUISSE NEW YORK CERT DEPOS	1,800,000.00	0.67	5/6/2016	8/11/2015	0.68	1,800,000.00
94974BFQ8	WELLS FARGO & COMPANY NOTES	1,103,000.00	2.15	1/15/2019	10/7/2015	1.77	1,121,626.61
912828RH5	US TREASURY NOTES	2,700,000.00	1.38	9/30/2018	10/9/2015	0.94	2,735,506.66
RE0908369	INDUSTRIAL BANK CDARS	5,017,482.34	0.35	10/13/2016	10/15/2015	0.35	5,017,482.34
912828A34	US TREASURY NOTES	4,600,000.00	1.25	11/30/2018	11/9/2015	1.18	4,634,794.57
RE0960964	INDUSTRIAL BANK CDARS	5,045,079.12	0.40	11/10/2016	11/12/2015	0.41	5,045,079.12
83050FBG5	SKANDINAVISKA ENSKILDA BANKEN NY CD	1,800,000.00	1.48	11/16/2017	11/17/2015	1.48	1,800,000.00
40428AR41	HSBC BANK USA NA FLOATING CERT DEPOS	1,800,000.00	0.95	11/17/2017	11/18/2015	0.98	1,800,000.00
86958DH54	SVENSKA HANDELSBANKEN NY FLT CERT DEPOS	1,800,000.00	0.83	8/24/2017	11/24/2015	0.85	1,800,000.00
<b>912828A75</b>	<b>US TREASURY NOTES</b>	<b>5,550,000.00</b>	<b>1.50</b>	<b>12/31/2018</b>	<b>12/4/2015</b>	<b>1.22</b>	<b>5,632,561.90</b>
<b>912828VE7</b>	<b>US TREASURY NOTES</b>	<b>2,350,000.00</b>	<b>1.00</b>	<b>5/31/2018</b>	<b>12/30/2015</b>	<b>1.21</b>	<b>2,340,268.03</b>
<b>912828WD8</b>	<b>US TREASURY NOTES</b>	<b>2,350,000.00</b>	<b>1.25</b>	<b>10/31/2018</b>	<b>12/30/2015</b>	<b>1.30</b>	<b>2,351,720.94</b>
<b>2014A Construction Fund</b>							
06538BA45	BANK OF TOKYO MITSUBISHI UFJ COMM PAPER	7,500,000.00	-	1/4/2016	10/30/2015	0.25	7,496,562.50
06538BD18	BANK OF TOKYO MITS UFJ LTD COMM PAPER	6,000,000.00	-	4/1/2016	10/30/2015	0.46	5,988,450.00
21687AD18	RABOBANK NEDERLAND NV NY COMM PAPER	19,000,000.00	-	4/1/2016	10/30/2015	0.36	18,971,146.39
22533TA48	CREDIT AGRICOLE CIB NY COMM PAPER	19,000,000.00	-	1/4/2016	10/30/2015	0.19	18,993,381.67
<b>2015A Construction Fund</b>							
3137EADT3	FHLMC NOTES	38,800,000.00	0.88	2/22/2017	10/30/2015	0.56	39,025,535.78
912828H29	US TREASURY NOTES	25,900,000.00	0.63	12/31/2016	10/30/2015	0.46	26,003,239.30
912828RF9	US TREASURY NOTES	6,450,000.00	1.00	8/31/2016	10/30/2015	0.39	6,493,385.78
912828QR4	US TREASURY NOTES	13,725,000.00	1.50	6/30/2016	11/2/2015	0.34	13,900,012.40
912828SM3	US TREASURY NOTES	15,000,000.00	1.00	3/31/2017	11/2/2015	0.58	15,101,415.22
<b>2015A Construction Fund</b>							
912828RJ1	US TREASURY NOTES	14,350,000.00	1.00	9/30/2016	10/30/2015	0.41	14,439,117.76
912828RU6	US TREASURY NOTES	30,000,000.00	0.88	11/30/2016	10/30/2015	0.45	30,247,297.64
912828WM8	US TREASURY NOTES	7,000,000.00	0.38	5/31/2016	10/30/2015	0.30	7,013,909.45
06538BC19	BANK OF TOKYO MITSUBISHI COMM PAPER	7,000,000.00	-	3/1/2016	10/30/2015	0.40	6,990,672.50
09659BC16	BNP PARIBAS NY BRANCH COMM PAPER	19,000,000.00	-	3/1/2016	10/30/2015	0.35	18,977,928.33
46640PF16	JP MORGAN SECURITIES LLC COMM PAPER	19,000,000.00	-	6/1/2016	10/30/2015	0.56	18,937,590.32
89233GC20	TOYOTA MOTOR CREDIT CORP COMM PAPER	19,000,000.00	-	3/2/2016	11/2/2015	0.31	18,980,203.06
90262CEX1	UBS FINANCE DELAWARE LLC COMM PAPER	19,000,000.00	-	5/31/2016	11/2/2015	0.59	18,935,410.56
313384PZ6	FEDERAL HOME LOAN BANKS DISC NOTE	30,000,000.00	-	12/2/2015	11/4/2015	0.03	29,999,300.00

Securities highlighted in **blue font** denote trades executed during the current month.



DC Water  
Finance Division  
Security Sales  
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<b>Operating Reserve Accounts</b>							
912828QP8	US TREASURY NOTES	2,675,000.00	1.75	5/31/2016	7/6/2015	0.30	2,714,400.41
912828VQ0	US TREASURY NOTES	925,000.00	1.38	7/31/2018	7/13/2015	0.94	942,795.31
912828WQ9	US TREASURY NOTES	450,000.00	0.50	6/30/2016	8/3/2015	0.30	451,016.47
912828WQ9	US TREASURY NOTES	600,000.00	0.50	6/30/2016	8/11/2015	0.35	601,115.83
94974BFL9	WELLS FARGO & COMPANY	1,200,000.00	1.25	7/20/2016	10/7/2015	0.66	1,208,752.33
912828WQ9	US TREASURY NOTES	2,650,000.00	0.50	6/30/2016	10/9/2015	0.24	2,658,708.82
3130A2T97	FHLB NOTES	595,000.00	0.50	9/28/2016	11/9/2015	0.55	595,077.02
912828QX1	US TREASURY NOTES	3,035,000.00	1.50	7/31/2016	11/9/2015	0.45	3,070,494.24
912828WQ9	US TREASURY NOTES	1,000,000.00	0.50	6/30/2016	11/9/2015	0.40	1,002,418.48
912828TG5	US TREASURY NOTES	1,700,000.00	0.50	7/31/2017	11/17/2015	0.77	1,694,814.53
912828TG5	US TREASURY NOTES	100,000.00	0.50	7/31/2017	11/17/2015	0.77	99,694.98
40428AC54	HSBC BANK USA NA CD	1,800,000.00	0.88	8/15/2016	11/18/2015	0.74	1,805,955.83
05574RSY2	BNP PARIBAS NY BRANCH CERT DEPOS	1,800,000.00	0.56	12/4/2015	11/24/2015	0.13	1,807,466.73
<b>3130A2T97</b>	<b>FHLB NOTES</b>	<b>1,000,000.00</b>	<b>0.50</b>	<b>9/28/2016</b>	<b>12/4/2015</b>	<b>0.70</b>	<b>999,326.67</b>
<b>912828WF3</b>	<b>US TREASURY NOTES</b>	<b>4,600,000.00</b>	<b>0.63</b>	<b>11/15/2016</b>	<b>12/4/2015</b>	<b>0.70</b>	<b>4,598,446.00</b>
<b>912828MD9</b>	<b>US TREASURY NOTES</b>	<b>4,225,000.00</b>	<b>3.25</b>	<b>12/31/2016</b>	<b>12/30/2015</b>	<b>0.79</b>	<b>4,396,927.65</b>
<b>2014A Construction Fund</b>							
<b>06538BA45</b>	<b>BANK OF TOKYO MITSUBISHI UFJ COMM PAPER</b>	<b>6,400,000.00</b>	<b>-</b>	<b>1/4/2016</b>	<b>12/24/2015</b>	<b>0.42</b>	<b>6,399,198.22</b>

Securities highlighted in **blue font** denote trades executed during the current month.



**DC Water  
Finance Division  
Security Maturities  
Last 6 Months**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<b>Operating Reserve Accounts</b>							
69349KV31	PNC BANK NA COMM PAPER	1,225,000.00	-	8/3/2015	8/3/2015	0.00	1,225,000.00
17304UYB0	CITIBANK NA FLOATING CERT DEPOS	1,200,000.00	0.42	8/11/2015	8/11/2015	0.00	1,200,000.00
RE0908153	INDUSTRIAL BANK CDARS	5,000,000.00	0.35	10/15/2015	10/15/2015	0.00	5,017,500.00
RE0908161	INDUSTRIAL BANK CDARS	5,024,994.20	0.40	11/12/2015	11/12/2015	0.00	5,045,094.18
RE0908179	CITY FIRST BK OF WASHINGTON, DC (CDARS)	5,019,985.06	0.30	11/12/2015	11/12/2015	0.00	5,035,045.02
<b>2014A Construction Fund</b>							
3135G0LN1	FANNIE MAE GLOBAL NOTES	6,000,000.00	0.50	7/2/2015	7/2/2015	0.00	6,000,000.00
3134G4TH1	FHLMC NOTES	24,000,000.00	0.30	7/8/2015	7/8/2015	0.00	24,000,000.00
22533UUD3	CREDIT AGRICOLE CIB NY COMM PAPER	12,000,000.00	-	7/13/2015	7/13/2015	0.00	12,000,000.00
31398AU34	FNMA NOTES	24,450,000.00	2.38	7/28/2015	7/28/2015	0.00	24,450,000.00
3130A2WK8	FHLB AGENCY NOTES	16,950,000.00	0.13	8/28/2015	8/28/2015	0.00	16,950,000.00
3134G3ZA1	FREDDIE MAC GLOBAL NOTES	2,000,000.00	0.50	8/28/2015	8/28/2015	0.00	2,000,000.00
06538CVU2	BANK OF TOKYO MITS UFJ LTD COMM PAPER	6,000,000.00	-	8/28/2015	8/28/2015	0.00	6,000,000.00
3130A45M0	FHLB NOTES	17,000,000.00	0.13	9/11/2015	9/11/2015	0.00	17,012,891.67
09659CWB0	BNP PARIBAS NY BRANCH COMM PAPER	6,000,000.00	-	9/11/2015	9/11/2015	0.00	6,000,000.00
36959JWB5	GENERAL ELEC CAP CORP COMM PAPER	6,000,000.00	-	9/11/2015	9/11/2015	0.00	6,000,000.00
89233HWG5	TOYOTA MOTOR CREDIT CORP COMM PAPER	6,000,000.00	-	9/16/2015	9/16/2015	0.00	6,000,000.00
<b>2014B Construction Fund</b>							
<b>313384PZ6</b>	<b>FEDERAL HOME LOAN BANKS DISC NOTE</b>	<b>30,000,000.00</b>	<b>-</b>	<b>12/2/2015</b>	<b>12/2/2015</b>	<b>0.00</b>	<b>30,000,000.00</b>

Securities highlighted in **blue font** denote trades executed during the current month.



**DC Water  
Finance Division  
Upcoming Transaction Cash Flows  
Next 30 Days**

DATE	TRANSACTION	CUSIP	DESCRIPTION	COUPON	MATURITY DATE	PAR VALUE/SHARES	PRINCIPAL	INTEREST	TOTAL
01/04/16	MATURITY	06538BA45	BANK OF TOKYO MITSUBISHI UFJ COMM PAPER	0.000	01/04/16	1,100,000.00	1,099,495.83	504.17	1,100,000.00
01/04/16	MATURITY	22533TA48	CREDIT AGRICOLE CIB NY COMM PAPER	0.000	01/04/16	19,000,000.00	18,993,381.67	6,618.33	19,000,000.00
01/09/16	INTEREST	36962G5N0	GENERAL ELEC CAP CORP GLOBAL NOTES	2.900	01/09/17	1,200,000.00	0.00	17,400.00	17,400.00
01/12/16	INTEREST	89236TCA1	TOYOTA MOTOR CREDIT CORP NOTE	1.450	01/12/18	590,000.00	0.00	4,277.50	4,277.50
01/12/16	INTEREST	961214BZ5	WESTPAC BANKING CORP NOTES	1.600	01/12/18	1,400,000.00	0.00	11,200.00	11,200.00
01/13/16	INTEREST	89236TCP8	TOYOTA MOTOR CREDIT CORP	1.550	07/13/18	935,000.00	0.00	7,246.25	7,246.25
01/14/16	INTEREST	06366RVD4	BANK OF MONTREAL CORP NOTES (CALLABLE)	1.300	07/14/17	550,000.00	0.00	3,575.00	3,575.00
01/14/16	INTEREST	06366RVD4	BANK OF MONTREAL CORP NOTES (CALLABLE)	1.300	07/14/17	1,200,000.00	0.00	7,800.00	7,800.00
01/15/16	INTEREST	94974BFQ8	WELLS FARGO & COMPANY NOTES	2.150	01/15/19	1,103,000.00	0.00	11,857.25	11,857.25
01/21/16	MATURITY	RE0907999	INDUSTRIAL BANK CDARS	0.750	01/21/16	2,545,282.00	2,545,282.08	38,179.23	2,583,461.31
01/21/16	MATURITY	RE0908229	INDUSTRIAL BANK CDARS	0.450	01/21/16	2,539,450.00	2,539,450.42	11,427.53	2,550,877.95
01/28/16	INTEREST	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.000	07/28/17	1,015,000.00	0.00	5,075.00	5,075.00
01/30/16	INTEREST	90331HMC4	US BANK CORP NOTE (CALLABLE)	1.100	01/30/17	550,000.00	0.00	3,025.00	3,025.00
01/31/16	INTEREST	912828NR7	US TREASURY NOTES	2.375	07/31/17	150,000.00	0.00	1,781.25	1,781.25
01/31/16	INTEREST	912828SC5	US TREASURY NOTES	0.875	01/31/17	3,500,000.00	0.00	15,312.50	15,312.50
01/31/16	INTEREST	912828TG5	US TREASURY NOTES	0.500	07/31/17	1,560,000.00	0.00	3,900.00	3,900.00
01/31/16	INTEREST	912828VQ0	US TREASURY NOTES	1.375	07/31/18	1,975,000.00	0.00	13,578.13	13,578.13



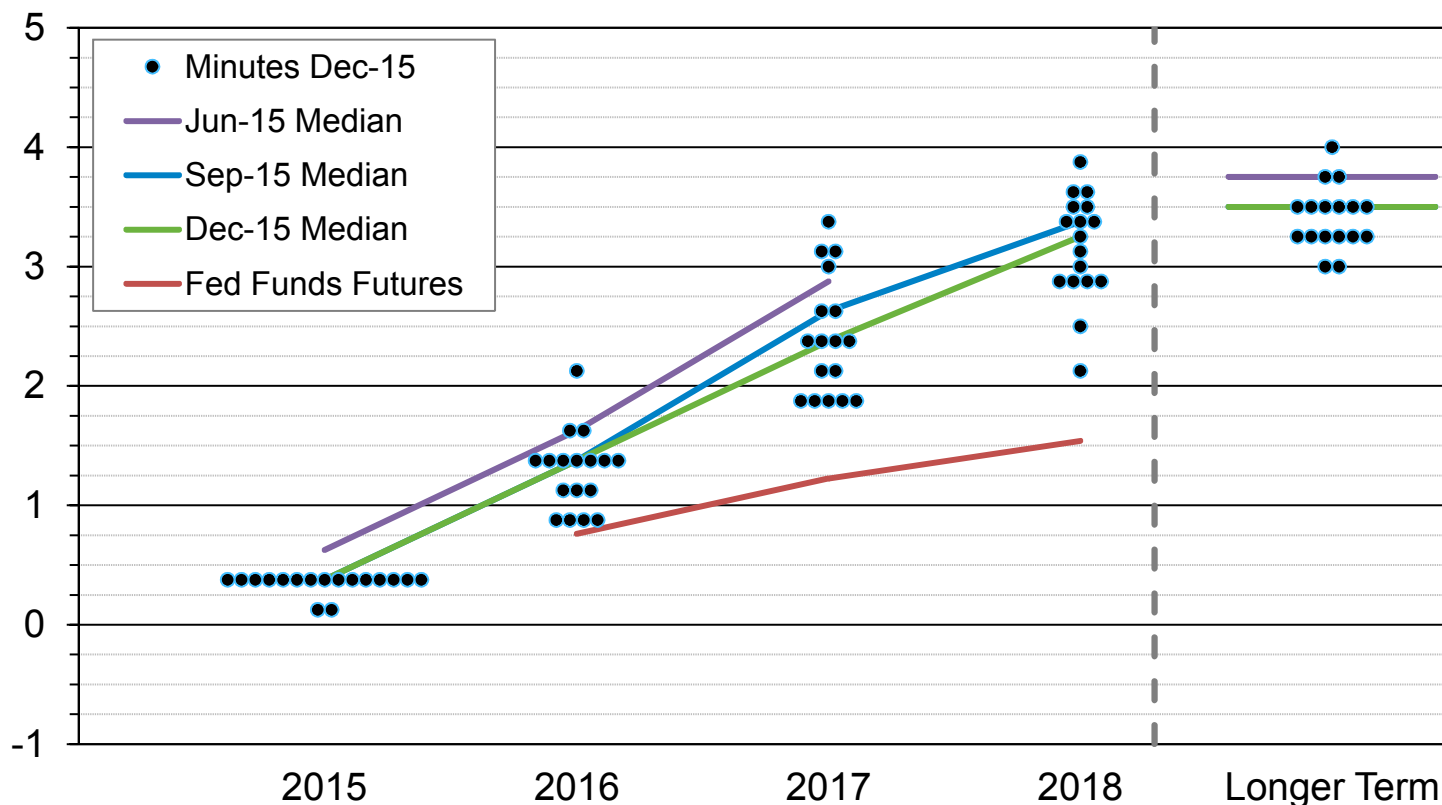
# Appendix: Economic Update





## FOMC Increases Short-Term Rates

- At its December meeting, the Federal Open Market Committee (“FOMC”) decided to raise short term rates by 0.25%.
- The FOMC expects that economic conditions will evolve in a manner that will warrant only graduate increases in the federal funds rate going forward.



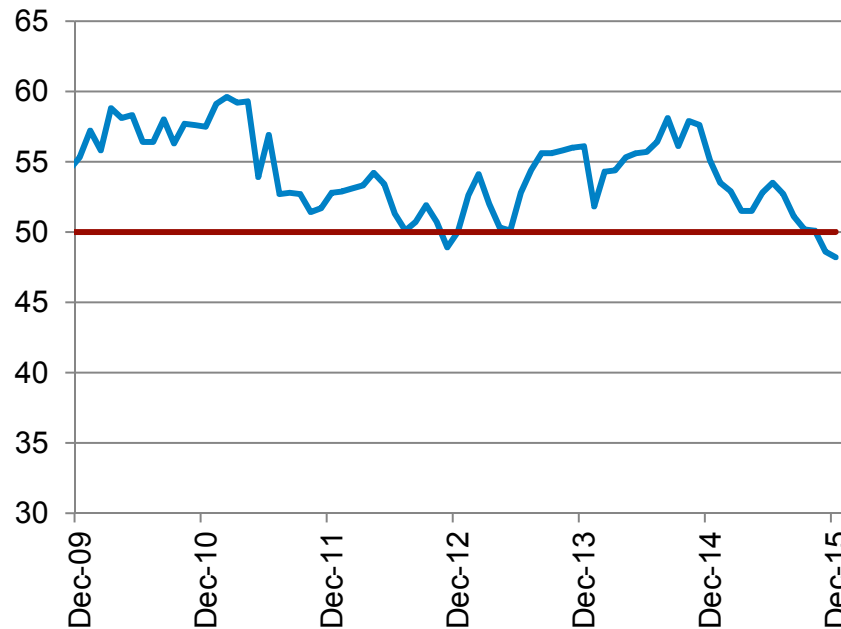
Source: FOMC; Fed Funds Futures as of 1/7/2016



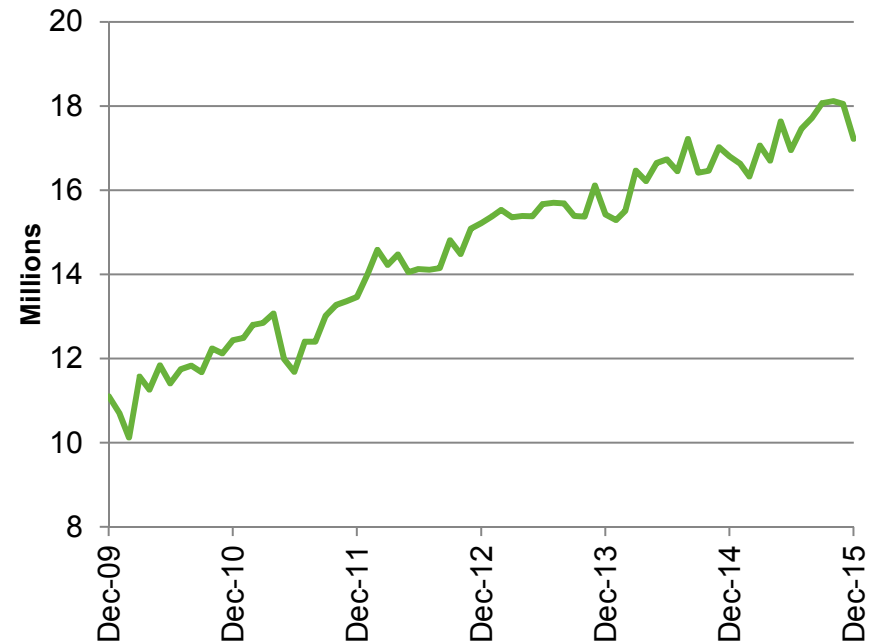
## Manufacturing and Consumption

- The ISM manufacturing reading for December fell from 48.6 to 48.2, the second straight month of declines and the weakest reading in more than six years.
- Auto sales, which make up 20% of total retail sales, fell 5.0% to an annualized rate of 17.3 million in December, however remains at brisk levels.

**ISM Manufacturing Index  
December 2008 – December 2015**



**Total Vehicle Sales  
December 2009 – December 2015**



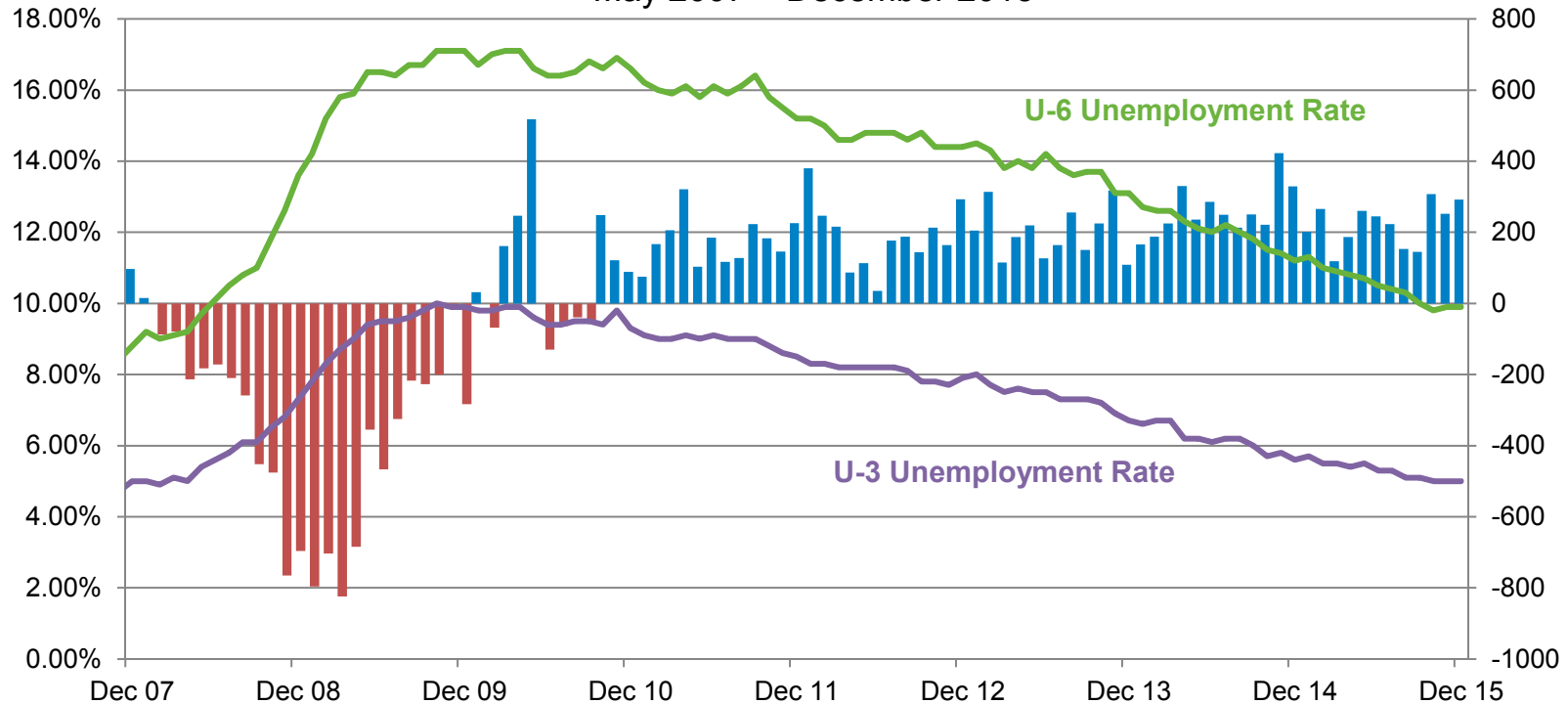
Source: Bloomberg



## Employment Growth – Above Expectations

- For all of 2015, employment climbed by 2.65 million after a 3.1 million gain in 2014, for the best back-to-back years since 1998-99.
- Worker pay has yet to show a sustainable pickup increasing only 2.5% in 2015.

**Unemployment vs. Non-Farm Payrolls**  
May 2007 – December 2015



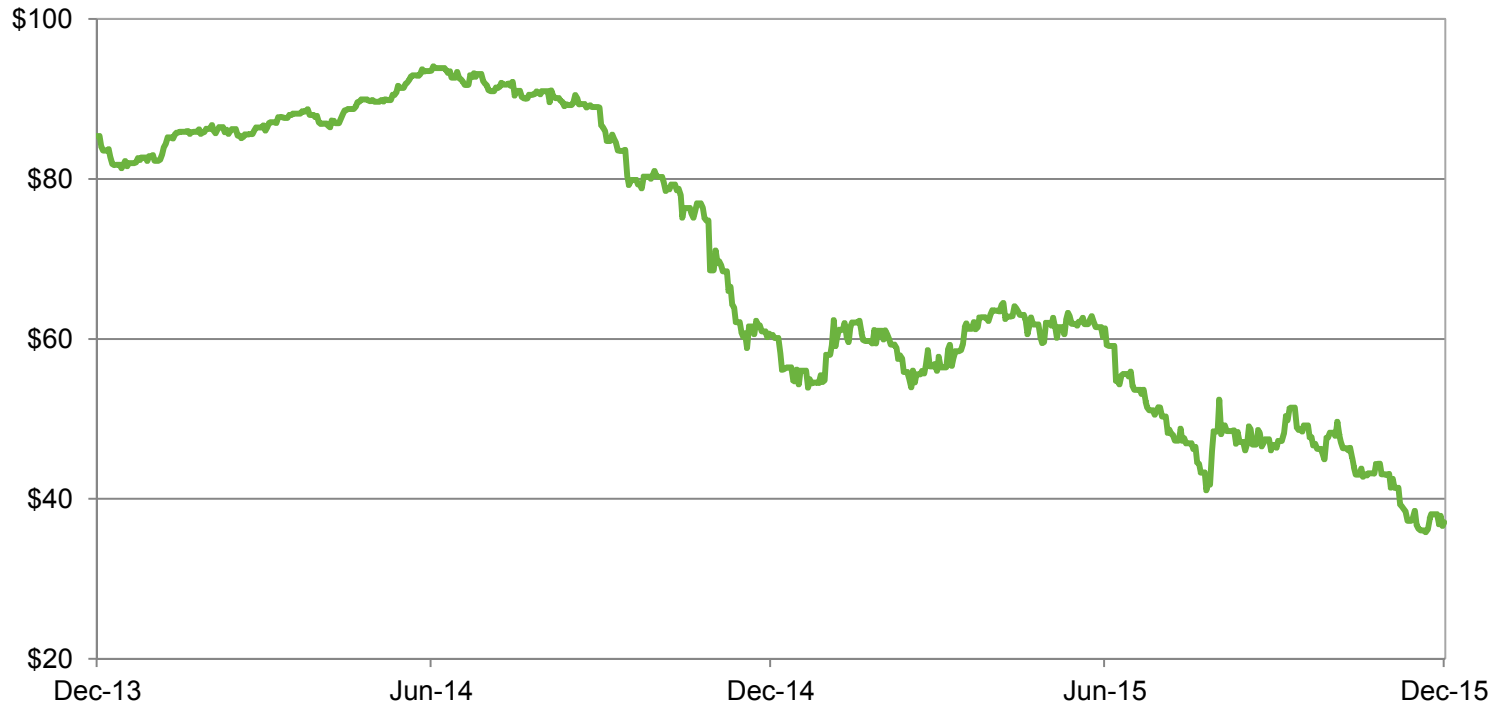
Source: Bloomberg



## Falling Oil Prices

- Oil prices plunged to below \$35 per barrel in December, the lowest level in nearly seven years.
- The downward pressure on energy prices is expected to remain through 2016.

**WTI Crude Oil (per barrel)**

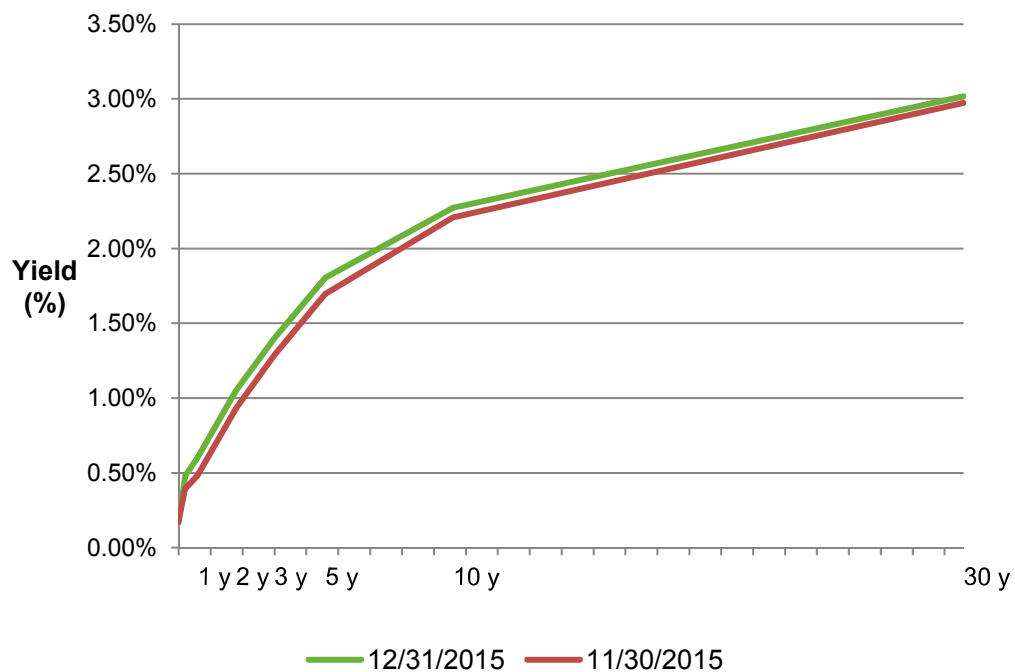


Source: Bloomberg



## Interest Rates Rose Slightly in December

**U.S. Treasury Yield Curve**  
December 31, 2015 vs. November 30, 2015



	<u>11/30/2015</u>	<u>12/31/2015</u>	<u>Change</u>
3 month	0.17%	0.17%	0.00%
6 month	0.39%	0.48%	0.09%
1 year	0.48%	0.60%	0.12%
2 year	0.93%	1.05%	0.12%
3 year	1.29%	1.40%	0.11%
5 year	1.69%	1.80%	0.11%
10 year	2.21%	2.27%	0.06%
30 year	2.97%	3.02%	0.04%

Source: Bloomberg



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# Biosolids Management Program: Performance Update

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Presented to Finance & Budget Committee  
January 28, 2016



## Objective

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- 11/20/2015 F&B committee meeting:
  - Reviewed the Biosolids Program goals and benefits
  - Provided status on the performance of the Facility
  - Provided a summary of potential future optimization opportunities
- It was requested to
  - *“Provide a cost/benefit analysis of the estimated operational savings from Digester project in comparison to the original project assumptions”*





## Approach

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- Major program phases:
  - *Concept Phase – 2009 update*
    - *Design: 1%-5%*
    - *Cost certainty: +50% to -30%*
  - *After Bid Phase – 2012 update*
    - *Design: 20%-30% (Design Build)*
    - *Cost certainty: +40% to -20%*
  - *Current status – 2016 update*
    - *Design and construction complete; commissioning on-going*
    - *Cost certainty: Less than +5% to -3%*



## 2009 Update

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- Operational costs:
  - 2009 biosolids model compared alternatives to the lime stabilization alternative and did not include costs common to alternatives (Blend Tanks, DAF, GT, PSSDB)
  - Savings were based on theoretical assumptions on the performance of new processes and available flows and loads projections to the plant
- CIP costs update:
  - Based on concept level (1-5 % design level) with project budget estimates with high level of uncertainty (+50% and -30%)



## 2012 Update

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By May 2012:

- Operational costs:
  - A new Zero-base cost model was developed to estimate O&M costs for new Biosolids program (presented to F&B on July 26, 2012)
  - Includes MPT, CHP, and FDF projects in addition to existing processes needed to support the new facilities
  - *This is the first zero-base cost model for Biosolids. The prior 2009 comparative model was built to compare different biosolids treatment alternatives and accordingly costs common to all alternatives were not considered*
- CIP costs update:
  - Greater cost certainty: Update of projected costs based on hard bid values



## 2016 Update

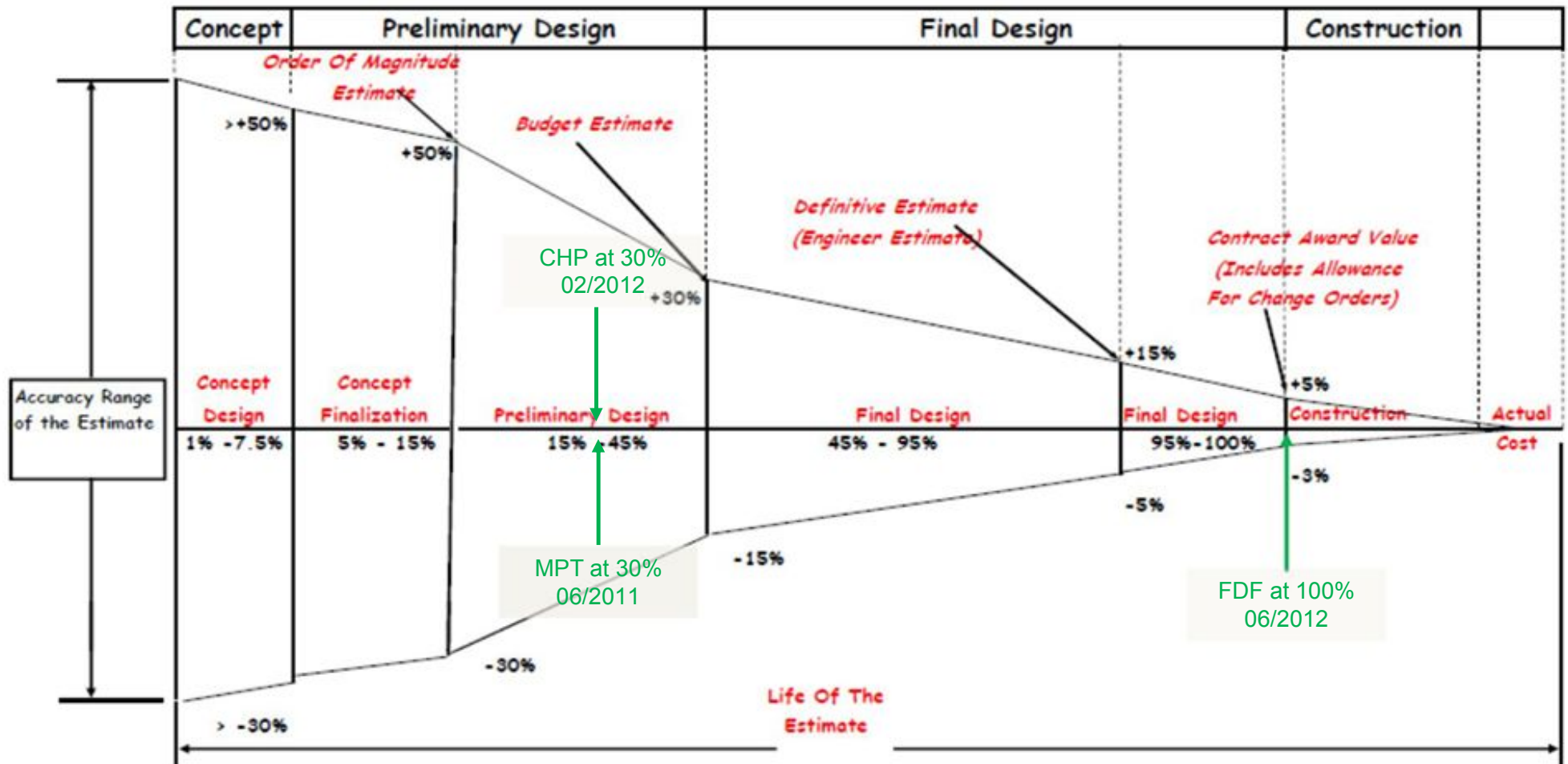
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- Operational costs:
  - THP and Digestion Facilities are in full operation and performance tests are ongoing
  - Belt press facility is fully commissioned
  - CHP is operating and being optimized for performance
    - Daily average power generated ~ 8.1 MW net in December
    - 32% of total power use was generated by CHP
  
- CIP costs update:
  - Greater cost certainty:
    - » Substantial completion is achieved.
    - » projects are in commissioning phase and performance optimization



# Capital Budget Assumptions

The cone of uncertainty for project estimates in **Engineering and Construction\***



\* AACE: American Association of Cost Engineers



# F&B Committee Updates

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As the program progressed, several updates were made to this committee at major milestones or as requested:

- F&B July 26, 2012:
  - Update on new zero-based model
  - Update on current CIP projections based on bids received
- F&B September 25, 2014: (start-up)
  - Construction progress update and commissioning update
  - Impact of delay of commissioning on operating costs and mitigation plans
- F&B March 26, 2015: (full operation)
  - Construction progress update and commissioning update
  - Impact of delay on FY2015 budget and FY2016
- F&B April 23, 2015: (full operation)
  - CIP costs update
  - Detailed analysis of impact to FY2015 budget and FY2016
- F&B November 20, 2015: (full operation)
  - Commissioning and performance update



# Capital Budget Update

Project XA - New Digestion Facilities Budget (\$'000)				
	Job	2009 Update to F&B	2012 Update to F&B	2016 Update to F&B
XA08	Main Process Train	234,770	237,940	247,532
XA10	Combined Heat and Power	29,980	93,240	98,446
XA11	Site Preparation	38,520	7,430	6,952
XA12	Final Dewatering Contract (1&2)	84,030	101,460	114,868
	PM Costs	\$21,170	35,650	36,398
	<b>Budget Projection</b>	<b>\$408,470</b>	<b>\$475,720</b>	<b>\$504,196</b>

- Budget projection does not include contingency, traditional program management or sunk costs of early feasibility planning effort.



# O&M Cost Update

O&M Costs Estimates	2009 Biosolids O&M Cost Comparative Model	2012 Biosolids O&M Costs Zero Base Biosolids Cost Model	Current 2016 Biosolids O&M Costs	O&M Costs for Lime Stabilization Option
	Projected FY 2016	Projected FY 2016	Projected FY 2016	Projected FY 2016
Electrical Energy Usage	\$4,077,159	\$5,139,885	\$3,013,440	\$3,392,000
Lime & Chemicals	\$5,363,000	\$5,940,089	\$3,680,000	\$10,058,000
Other Maintenance & Materials	\$7,547,328	\$10,326,082	\$10,326,082	\$6,632,652
Land Application	\$9,087,862	\$9,087,862	\$10,783,000	\$26,998,864
CHP Operation	(\$8,689,552)	(\$3,713,953)	\$(1,045,760)	0
<b>Total O&amp;M for Biosolids</b>	<b>\$17,385,796</b>	<b>\$26,779,965</b>	<b>\$26,756,762</b>	<b>\$47,081,515</b>





# O&M Savings Update

- Savings are defined against the Lime Alternative
- The operating savings remain a significant project benefit

O&M Savings Estimates	2009 Biosolids O&M Savings Comparative Model	2012 Biosolids O&M Savings Zero Base Biosolids Cost Model	Current 2016 Biosolids O&M Savings
	Projected FY 2016	Projected FY 2016	Projected FY 2016
Electrical Energy Usage	\$685,159	\$1,747,885	\$(378,560)
Lime & Chemicals	\$(4,695,000)	\$(4,117,911)	\$(6,378,000)
Other Maintenance & Materials	\$914,676	\$3,693,430	\$3,693,430
Land Application	\$(17,911,002)	\$(17,911,002)	\$(16,215,864)
CHP Operation	\$(8,689,552)	\$(3,713,953)	\$(1,045,760)
<b>Total O&amp;M for Biosolids</b>	<b>\$(29,695,719)</b>	<b>\$(20,301,551)</b>	<b>\$(20,324,754)</b>



# Healthcare Costs

Finance and Budget Committee

Timothy L. Firestine, Chairperson

January 28, 2016



## DC Water Health Benefits

Benefit	Participation	2016 Estimated Cost	
		DC Water	Employee
CIGNA PPO Medical	360	\$5,710,715	\$1,427,676
CIGNA HMO Medical	206	\$3,203,262	\$800,819
Kaiser HMO Medical	286	\$3,375,569	\$843,892
FEHB (Federal Health)	141	\$1,347,424	\$643,950

Employer cost share for DC Water sponsored medical plans is 80/20 as referenced in article 13, section A of the Union Master Agreement on Compensation.



## Excise Tax Exposure

- In 2020 an excise tax will be imposed on high-value health care plans
- Tax exposure was evaluated by DC Water's outside consultant
  - Calculation based on current guidance and a specific set of assumptions
    - Key assumption – 8% increase in medical premiums
- DC Water sponsored medical plans are “high-value health care plans”



## Current Excise Tax Implications – No changes in 2016

Excise Tax owed is estimated to be \$5.5 Million Dollars  
(Cumulative 2019-2023)

PPACA Excise Tax Projection				
All Plans - 2015 Plan Designs				
Year	Plan Costs	Excise Tax	% of Plan Costs	per Enrollee
<b>2019</b>	<b>\$17,802,900</b>	<b>\$142,200</b>	<b>0.8%</b>	<b>\$183</b>
<b>2020</b>	<b>\$19,227,300</b>	<b>\$491,800</b>	<b>2.6%</b>	<b>\$631</b>
<b>2021</b>	<b>\$20,765,300</b>	<b>\$1,008,300</b>	<b>4.9%</b>	<b>\$1,294</b>
<b>2022</b>	<b>\$22,426,700</b>	<b>\$1,593,100</b>	<b>7.1%</b>	<b>\$2,045</b>
<b>2023</b>	<b>\$24,220,800</b>	<b>\$2,268,700</b>	<b>9.4%</b>	<b>\$2,912</b>
2024	\$26,158,400	\$3,136,100	12.0%	\$4,026
2025	\$28,251,100	\$4,081,600	14.4%	\$5,240
2026	\$30,511,200	\$5,113,300	16.8%	\$6,564
2027	\$32,952,100	\$6,253,800	19.0%	\$8,028
2028	\$35,588,300	\$7,478,400	21.0%	\$9,600



## **Medical Plan Redesign – Gradual Migration**

- Multiyear strategy to reduce healthcare premium
- Gradual Plan Design Changes
- Increase copays, coinsurance and deductibles
  - Actuarial value of medical plans will be reduced
  - Medical Premiums decreased
- \$5.5 Million of estimated excise tax avoided



## 2016 Healthcare Benefit Renewals

Carrier	Plan	2016 Initial Renewal	2016 Renewal as of 08/21/2015	2016 Final Renewal
Cigna	HMO	15.3%	12.2%	8.7%
Cigna	PPO	15.3%	12.2%	8.7%
Kaiser	HMO	1.6%	0.0%	-0.7%

**2014 Aon Hewitt Healthcare Trend Survey:**

- HMO with RX – 7.9%
- PPO with RX – 9.0%



## **Cost Containment Measures**

- Health plan bidding every 5 years
- Annual evaluation of medical claims and projected renewal costs
- Facilitate a Robust Wellness Program
  - Ongoing wellness activities e.g. weight loss and walking challenge programs
  - Free health screenings and seminars
  - Incentives for employees to get annual physicals and complete online Health Risk Assessments





# Appendix



## 2015 Healthcare Benchmarking – PPO/POS

	DC Water Open Access Plan PPO	Montgomery County BCBS CareFirst Standard POS	Prince Georges County CIGNA POS/PPO	WSSC UHC POS	Fairfax - CIGNA OAP Copay Plan	District Government - Aetna PPO
Annual Deductible (Individual)						
In-Network	\$300	None	\$50	None	\$0	\$750
Out-of-Network	\$600	\$300	\$300	\$300	\$250	\$1,500
Annual Deductible (Family)						
In-Network	\$600	None	\$50 per person	None	\$0	\$1,500
Out-of-Network	\$1,200	\$600	\$550	\$600	\$500	\$3,000
Office Co-Pays (In-Network)	\$25 - PCP \$50 - Spec	\$15 - PCP \$30 - Spec	\$30 PCP, \$35 Spec	\$20 PCP, \$25 Spec	\$15 - PCP \$30 - Spec	\$15 PCP, \$30 Spec
ER Copay	\$150 (waived if admitted)	\$35 (waived if admitted)	\$150 (waived if admitted)	\$100 (waived if admitted)	\$150 Copay (waived if admitted)	\$100
Coinsurance (In-Network)	0%	0%	0%	0%	0%	15%
Coinsurance (Out-of-Network)	20% after deductible is met	20% after deductible is met	20%	30%	30%	25%
Out-of-Pocket Max (Individual)						
In-Network	\$1,500 for single coverage \$3,000 for family	\$1,000 per member (excludes deductible)	\$2,000	\$2,250	\$2,000	\$1,500
Out-of-Network			\$2,000	\$2,250	\$4,250	\$3,000
Out-of-Pocket Max (Family)						
In-Network			\$4,000	\$4,500	\$4,000	\$3,000
Out-of-Network			\$4,000	\$4,500	\$8,500	\$6,000
RX Plan Retail		CVS Standard Plan RX Ded: \$50 per Individual/Family	RX Ded: \$50 per Individual		RX Ded - \$50 Ind/ \$100 Family RX OOP - \$1,000 Ind/\$2,000 Fam	
Generic	\$5	\$10	\$10	\$10	\$7	\$10
Brand Formulary	\$25	\$20	Greater of \$20 or 20% to a max of \$50	\$20	20% to a max of \$50	\$20
Brand Non Formulary	\$50	\$35	Greater of \$40 or 30% to a max of \$50	\$40	30% to a max of \$100	\$40
RX Plan Mail						
Generic	\$10	\$10	\$20	\$20	\$0 maintenance, \$14 non maintenance	\$20
Brand Formulary	\$50	\$20	Greater of \$40 or 20% to a max of \$100	\$40	20% to a max of \$100	\$40
Brand Non Formulary	\$100	\$35	Greater of \$80 or 30% to a max of \$100	\$80	30% to a max of \$200	\$80
Employee Cost Share Percent	20%	25%	27%	23%	15% for EE, 25% for EE+1 and family/Fixed	25%
Total Monthly Costs						
Employee	\$710.08	\$635.12	\$701.30	\$1,015.00	\$738.64	\$657.48
Employee +1	\$1,496.56	\$1,114.66	\$1,413.10	\$2,005.00	\$1,440.20	\$1,292.44
Family	\$2,140.03	\$1,843.86	\$1,951.21	\$2,535.00	\$2,148.90	\$1,900.00

Note: Montgomery County, Prince Georges County and Fairfax County offer different rates for employees who are Medicare eligible. Changes from 2014 plan design are in red.



## 2016 Cigna Health Plan Design Changes (Yr 2)

Current	2016
<b>Cigna HMO</b>	
\$0 deductible for Med and RX	\$150/\$300 deductible for Med and RX
\$2000/\$6,000 OOP Maximum	\$5,000/\$10,000 OOP Maximum
<b>Cigna PPO</b>	
\$300/\$600 deductible for Med only	\$500/\$1,000 ded for Med and RX
\$1,500/\$3,000 OOP Maximum	\$5,000/\$10,000 OOP Maximum
\$25 PCP Copay	\$30 PCP Copay
\$50 Specialist Copay	\$60 Specialist Copay



## 2016 Kaiser HMO Plan Design Changes (Yr 2)

Current	2016
<b>Kaiser HMO</b>	
\$10 Specialist Copay	\$25 Specialist Copay
\$10 Urgent Care Copay	\$25 Urgent Care
\$10 Outpatient Copay	\$25 Outpatient Copay



## Financial Impact – Medical Premium Savings

- Cigna premiums will decrease from 12.2% to 8.7%
- Cigna plan design changes will result in approximately \$351,000 of first year savings
  - Employee Savings: \$70,200
  - DC Water Savings: \$280,800
- Kaiser premiums will decrease from 0% to -.7%
- Kaiser plan design changes will result in approximately \$26,000 of first year savings
  - Employee Savings: \$5,000
  - DC Water Savings: \$21,000



**D.C. WATER AND SEWER AUTHORITY  
BOARD OF DIRECTORS  
FINANCE & BUDGET  
FEBRUARY COMMITTEE MEETING**

**Thursday, February 25, 2016; 11:00 a.m.  
Blue Plains Wastewater Treatment Plant  
5000 Overlook Avenue, SW, DC  
AGENDA**

<b>Call to Order</b>	Chairman
<b>January 2016 Financial Report</b>	Chief Financial Officer
<b>Agenda for March Committee Meeting</b>	Chairman
<b>Adjournment</b>	Chairman

\*Detailed agenda can be found on DC Water’s website at [www.dewater.com/about/board\\_agendas.cfm](http://www.dewater.com/about/board_agendas.cfm)