



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Finance and Budget Committee

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Conference ID: 323 233 859#

Thursday, October 22, 2020

11:00 a.m.

1. **Call to Order**..... Major Riddick, Chairperson
2. **Roll Call**..... Linda Manley
3. **September 2020 Financial Report (Attachment 1)**..... Lola Oyeyemi
4. **Enterprise Resource Planning (ERP) Project Update (Attachment 2)**Francis Cooper
5. **Merchant Card Fees Update (Attachment 3)**..... Ivan Boykin
6. **Agenda for November Committee Meeting (Attachment 4)**..... Major Riddick
7. **Executive Session***
8. **Adjournment**

FOLLOW-UP ITEMS – There were no follow-up items from the Finance and Budget Committee meeting held on September 24, 2020.

1 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)(2); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4)(A); 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); train and develop members of a public body and staff under D.C. Official Codes § 2-575(b)(12); 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 2020

Monthly Financial Report

Period Ending September 30, 2020

DEPARTMENT OF FINANCE

Matthew T. Brown, CFO & Executive Vice President, Finance and Procurement

Ivan Boykin, Director, Finance

Syed Khalil, Director, Rates & Revenue

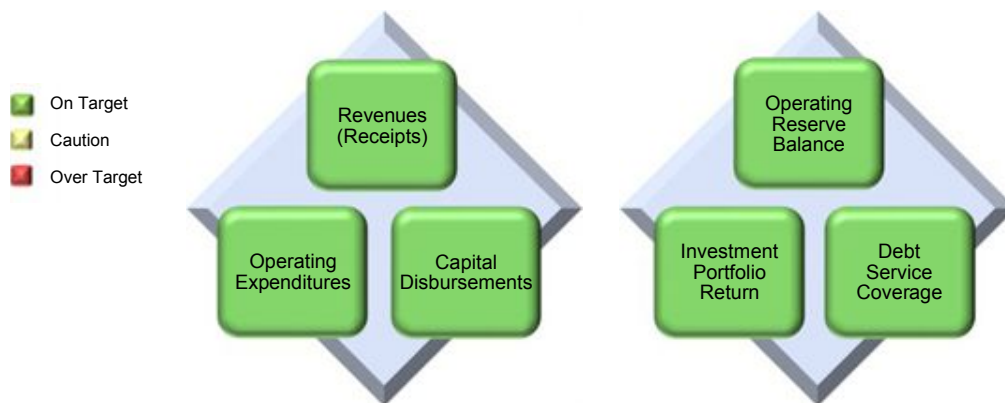
Genes Malasy, Controller

Lola Oyeyemi, Director, Budget

SEPTEMBER 2020

EXECUTIVE SUMMARY

DC Water ended FY 2020 favorably with exceptional performance, particularly in light of COVID impacts to the Authority. Estimated revenues were above budget and estimated operating expenditures and capital disbursements ended below budget. All other budgetary and targeted performance metrics were consistent with expectations. The actual numbers below are estimates and subject to change based on results of the annual financial statement audit.



(\$ in millions)

	Budget	Actual	Variance		Actual %
			Favorable	(Unfavorable)	Budget
Revenues (Receipts)	\$699.0	\$710.1	\$11.1	1.6%	101.6%
Expenditures	\$606.5	\$566.6	\$40.0	6.6%	93.4%
Capital Disbursements	\$452.2	\$345.9	\$106.4	23.5%	76.5%

Highlights:

- On-going management review of Proposed FY 2022 operating and ten-year capital budget requests. The Budget Workshop and Committee reviews are planned for early 2021 and Board adoption in March 2021
- Preparation for FY 2020 financial statements audit is currently underway and will be conducted in accordance with generally accepted principles (GAAP) in the United States
- Preparation for the Green Bond Attestation is currently underway in accordance with attestation standards established by the American Institute of Certified Public Accountants
- The Enterprise Resource Planning (ERP) System for the Finance and Procurement functions went live on October 1, 2020 with ongoing change management and end-user trainings
- Staff working on preliminary operating, capital and financial plan forecasts in preparation for the upcoming meeting with the Rating Agency on November 18, 2020 for the Water Infrastructure Finance and Innovation Act (WIFIA) application
- Finance staff preparing to issue new payment gateway Request for Proposal (RFP) to assist in reducing credit card fees

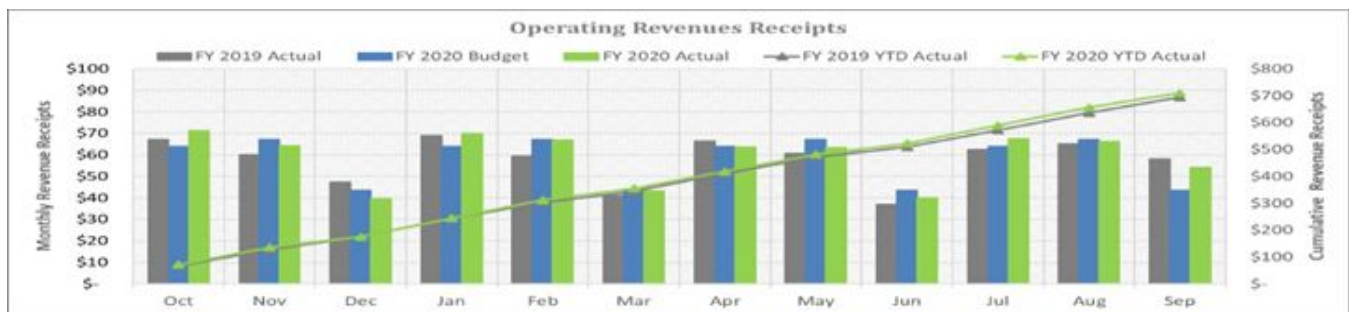
Matthew T. Brown, Executive Vice President & Chief Financial Officer

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

Operating Revenues (\$000's)

FY 2019 Actual Total Annual	CATEGORY	FY 2020 Year-to-Date Performance				
		Annual Budget	Actual	% of Budget	Variance \$ Fav(Unfav)	Variance % Fav(Unfav)
\$394,202	Residential / Commercial / Multi-Family	\$399,063	\$396,884	99.5%	(\$2,179)	(0.5%)
68,163	Federal	71,887	71,954	100.1%	67	0.1%
17,356	Municipal (DC Govt.)	17,585	18,067	102.7%	482	2.7%
11,136	DC Housing Authority	10,525	10,998	104.5%	473	4.5%
11,613	Metering Fee	10,776	11,829	109.8%	1,053	9.8%
40,660	Water System Replacement Fee (WSRF)	39,717	41,456	104.4%	1,739	4.4%
82,116	Wholesale	82,539	79,157	95.9%	(3,382)	(4.1%)
21,076	PILOT/ROW	22,113	21,546	97.4%	(567)	(2.6%)
48,116	All Other	44,774	58,206	130.0%	13,432	30.0%
\$694,438	TOTAL	\$698,979	\$710,097	101.6%	\$11,118	1.6%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of September 2020, cash receipts totaled \$710.1 million, or 101.6 percent of the revised FY 2020 budget. The total receipts for September were \$54.2 million as compared to the budgeted \$43.6 million. Several categories of customers make payments on a quarterly basis, including the Federal Government (which made their fourth quarterly payment in July), and wholesale customers (who made their fourth quarter payment in August). The year-over-year total revenue increased by only 2.3 percent despite the rate increase in FY 2020. The commercial consumption declined by 1.8 million Ccf or 15.2 percent as compared to last year. This was offset by the higher receipts in October 2019 partly due to increased year-end billing of the unbilled accounts and also due to higher total Other/Miscellaneous revenue in FY 2020 as compared to FY 2019.

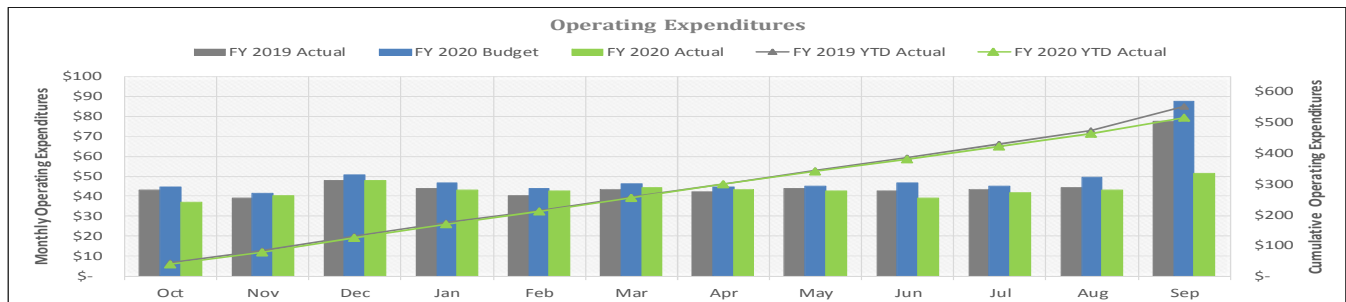
Areas of Overcollection	Areas of Undercollection
<p>Federal - Actual receipts through September 2020 total \$72.0 million or 100.1 percent of the revised budget. The Federal government made their fourth quarter payment of \$17.2 million in July 2020.</p> <p>District Government – Receipts are slightly higher at \$18.1 million or 102.7 percent of the revised budget. The September 2020 receipts are at \$1.7 million or \$0.27 million higher than the budget.</p> <p>DC Housing - Receipts are slightly higher at \$11.0 million or 104.5 percent of the revised budget. The September 2020 receipts are at \$0.93 million or fifty seven thousand dollars higher as compared to the budget.</p> <p>Other Revenue - Receipts are slightly higher at \$58.2 million or 130.0 percent of the revised budget. The receipts are higher primarily due to (i) \$1.7 million payment received in October 2019 from the District Government for the fourth quarter 2019 short-payment of Fire Protection Service Fee that was due in August 2019, (ii) higher Development Contractor Water and Sewer Service Fees and (iii) \$5.586 million unexpended CAP2 amount added to Other Revenue. The September 2020 receipts were \$10.3 million higher than the budget primarily due to (i) \$5.586 million CAP2 unexpended fund, (ii) higher Development Contractor Water and Sewer Service Fees and (iii) other miscellaneous revenue.</p>	<p>Residential, Commercial and Multi-Family – Receipts for this category are slightly lower at \$396.9 million or 99.5 percent of the budget. The lower receipts are mainly due to decline in consumption in Commercial category on account of the impact of COVID-19, which also offset the increased year-end billings of the unbilled accounts. The September 2020 receipts were lower by forty seven thousand dollars as compared to the budget.</p> <p>Wholesale – The wholesale customer actual receipts through September 2020 total \$79.2 million or 95.9 percent of revised FY 2020 budget. The lower receipts are due to low flows as compared to the budget. FY 2020 fourth quarter payment was received in August 2020.</p> <p>PILOT/ROW – The receipts for PILOT/ROW are slightly lower at \$21.5 million or 97.4 percent due to lower consumption as compared to budget.</p>

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

Operating Expenditures (\$000's)

FY 2019 Actual	CATEGORY	FY 2020				
		Year-to-Date Performance				
Total Annual		Annual Budget	Actual	% of Budget	Variance \$	Variance % Fav(Unfav)
\$157,979	Personnel	\$170,680	\$159,651	93.5%	\$11,029	6.5%
76,206	Contractual Services	81,886	70,360	85.9%	11,526	14.1%
32,430	Water Purchases	34,929	32,141	92.0%	2,788	8.0%
34,979	Supplies & Chemicals	33,158	29,565	89.2%	3,593	10.8%
25,778	Utilities	26,953	24,411	90.6%	2,542	9.4%
731	Small Equipment	989	779	78.8%	210	21.2%
\$328,104	SUBTOTAL O&M	\$348,595	\$316,907	90.9%	\$31,688	9.1%
193,035	Debt Service	207,340	199,056	96.0%	8,284	4.0%
21,702	PILOT/ROW	22,034	22,034	100.0%	0	0.0%
26,999	Cash Financed Capital Improvements	28,556	28,556	100.0%	0	0.0%
\$569,840	TOTAL OPERATING	\$606,523	\$566,553	93.4%	\$39,970	6.6%
(17,588)	Capital Labor	(22,748)	(24,062)	105.8%	1,314	(5.8%)
\$552,252	TOTAL NET OPERATING	\$583,775	\$542,490	92.9%	\$41,285	7.1%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

Total operating expenditures for this period (including debt service and the Right-of-Way & PILOT fees) totaled \$566.6 million or 93.4 percent of the revised FY 2020 budget of \$606.5 million. These preliminary year-end results are approximately \$11.5 million, or 1.9 percent, lower than previously reported projections with additional underspending mainly in personnel, contractual services and debt services. These numbers include estimated incurred but unpaid invoices and are subject to change based on completion of the FY 2020 Financial Statement Audit.

Areas of Underspending

Personnel Services – Underspending is primarily due to vacancies resulting from the deliberate measure in effect for the hiring process and lower than anticipated benefits costs. Of the 1226 positions authorized, 1086 were filled at the end of September with a vacancy rate of 11 percent. Total overtime costs of \$6.8 million was below budget and historical trends due to modified shifts during the COVID-19 pandemic.

Contractual Services – Underspending is mainly due to proactive steps undertaken to curtail expenses and allow only critical and COVID-related expenditures. These include lower than anticipated use of consultants including the ERP project, performing critical repairs only for sewer repair and water main infrastructure contracts, work transferred in-house for maintenance electrical services, and lower estimated costs for worker’s compensation claims, legal matters, and Authority-wide travel and training.

Water Purchases – Reflect DC Water’s share of Washington Aqueduct expenditures and the decline in water consumption resulting from the COVID-19 pandemic. These are preliminary estimates and are subject to change as part of the annual true-up process.

Supplies & Chemicals – Underspending is due to lower than anticipated unit price of major chemicals and decreased usage due to normalized weather pattern coupled with relatively lower influent into the treatment plant and strength of the waste received.

Utilities – Underspending is primarily due to lower than budgeted electricity unit prices and improved efficiency in water usage in the wastewater treatment process. Automotive fuel prices were also lower than budget.

Debt Service – FY 2020 actual bond issuance and refunding vs. the revised bond issuance, along with the 1998 Debt Service Reserve Fund savings resulted in the underspending. This excludes the transfer of \$8 million to the Rate Stabilization Fund as approved by the Board during the revision of the budget.

CFCI - Due to favorable O&M expectations at 91.6 percent of budget, the CFCI was fully utilized for Pay-Go financing.

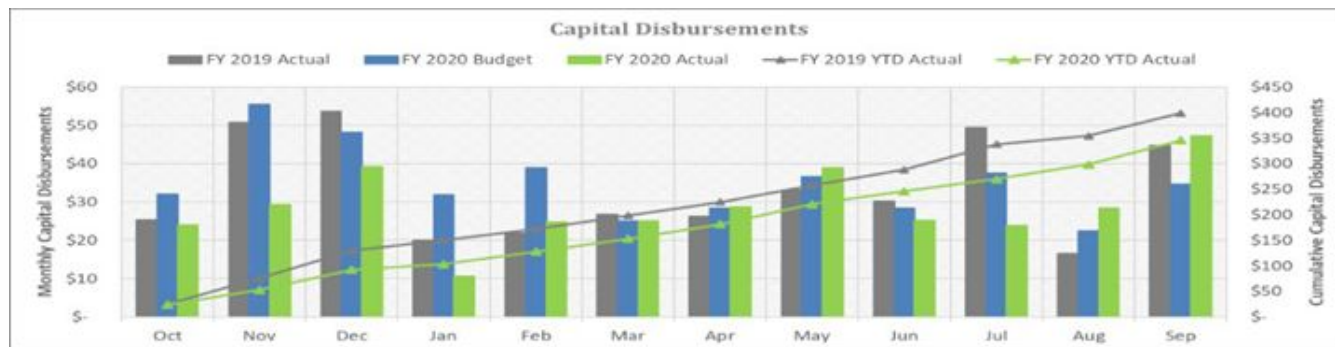
Capital Labor – Spending includes capitalized costs for Infrastructure Repair & Replacement (IR&R) projects and higher than expected utilization of employees’ time for the ERP projects.

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

Capital Disbursements (\$'000's)

FY 2019 Actual Total Annual	CATEGORY	FY 2020 Year-to-Date Performance				
		Revised Budget	Actual	% of Budget	Variance \$	Variance % Fav(Unfav)
\$8,529	Non Process Facilities	\$42,066	\$10,016	23.8%	\$32,050	76.2%
53,127	Wastewater Treatment	77,536	48,987	63.2%	28,549	36.8%
221,752	Combined Sewer Overflow	171,436	181,745	106.0%	(10,309)	(6.0%)
2,210	Stormwater	6,869	2,587	37.7%	4,282	62.3%
36,224	Sanitary Sewer	44,934	23,359	52.0%	21,575	48.0%
45,310	Water	62,163	41,721	67.1%	20,442	32.9%
\$367,152	SUBTOTAL CAPITAL PROJECTS	\$405,004	\$308,415	76.2%	\$96,589	23.8%
21,367	Capital Equipment	31,703	24,371	76.9%	7,332	23.1%
10,847	Washington Aqueduct	15,515	13,073	84.3%	2,442	15.7%
\$32,214	SUBTOTAL ADD'L CAPITAL PROGRAMS	\$47,218	\$37,444	79.3%	\$9,774	20.7%
\$399,366	TOTAL	\$452,223	\$345,858	76.5%	\$106,365	23.5%



VARIANCE ANALYSIS FOR MAJOR REPORTED ITEMS

At the end of September 2020, capital disbursements are \$345.9 million or 76.5 percent of the revised FY 2020 budget and is approximately \$6.1 million, or 1.7 percent, lower than the previously reported projections. The overall project performance will be reviewed in detail as part of the quarterly CIP update by the Department of Engineering and Technical Services to the Environmental Quality & Operations and Finance & Budget Committees in November 2020.

Capital Projects	Additional Capital Programs
<p><u>Non-Process Facilities</u> – Lower disbursement is due to the delay in the contract award for the new Fleet and Sewer Facilities.</p> <p><u>Wastewater Treatment</u> – Lower disbursements in the Liquid Processing Program area due to the delay in procuring the next Miscellaneous Facilities Upgrades construction contract.</p> <p><u>Sanitary Sewer</u> – Lower than anticipated spending due to the change in the DDOT requirements for the Local Sewer Assessment 1 project.</p> <p><u>Combined Sewer Overflow</u> – Higher spending for the Clean Rivers project due to the fiscal year-end invoice payments for the Anacostia River Tunnel.</p> <p><u>Water</u> – YTD underspending due to Administrative, permitting and contract closing delays for various Watermain Rehabilitation projects in the Water Distribution System Area.</p>	<p><u>Capital Equipment</u> – Lower disbursements are due to the delays in the start dates for Phases 3 & 4 of the Enterprise Resource Planning (ERP) project, long lead times for the delivery of specialized Fleet equipment, and the Automated Meter Infrastructure (AMI) program due to the COVID-19 pandemic. There was also lower spending for facilities renovation, HVAC and small construction projects throughout the year.</p> <p><u>Washington Aqueduct</u> – Year end spending reflects a fourth quarter payment in the amount of \$2.8 million, the overall disbursement is consistent with expectations.</p>

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

Cash Investments (\$ in millions)

Cash Balances

Rate Stabilization Fund Balance	\$90.24
DC Insurance Reserve Balance	1.00

Operating Reserve Accounts	
Renewal & Replacement Balance	35.00
O & M Reserve per Indenture	54.31
Undesignated Reserve Balance	36.19
O & M Reserve per Board Policy	125.50
Excess Above O & M Reserve	39.50
Management O & M Reserve Target	165.00
Project Billing Refunds	15.00
Excess Revenue	6.83
Operating Reserve Accounts	186.83

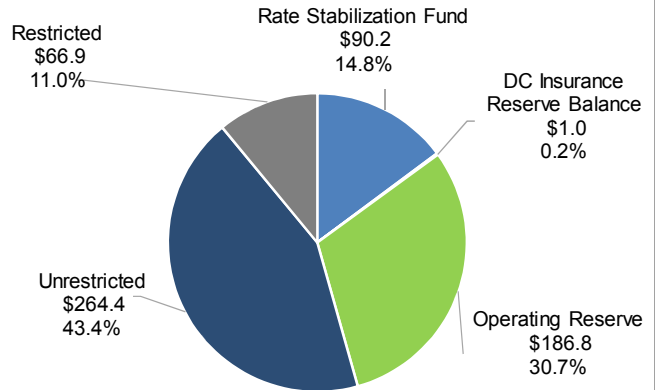
Operating Cash Balance Including RSF	278.07
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Additional Reserve Accounts	
Unrestricted	
Bond Fund - Construction 2019A	102.31
Bond Fund - Construction 2019B	60.99
Bond Fund - Construction 2019C	101.15
Unrestricted Total	264.44

Restricted	
Debt Service Reserve - Series 1998	20.53
DC Water - COVID Residential Relief Fund	3.00
DC Water - CAP Multi-Family Buildings	7.00
DC Water - CAP FY2022 Targeted Assistance	5.00
District Funds	25.64
DOEE - CAP3/Non-Profit	2.44
DOEE - Lead Pipe Replacement (LPRAP)	1.19
DOEE - Lead Service Line Replacement (ERW)	0.81
DOEE - COVID-19 CRIAC Fund	1.33
Restricted Total	66.93

Total All Funds	\$609.44
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Breakdown of Cash Balances



Overall Portfolio Performance

- The operating reserve balance was \$186.8 million as compared to the operating reserve level of \$165.0 million for FY 2020
- Average cash balance for the month of September was \$224.6 million; year end target is \$180 million
- Total investment portfolio was in compliance with the Authority's Investment Policy
- Operating funds interest income for September (on a cash basis) was \$295,857; YTD \$4,468,922
- A detailed investment performance report is attached

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

Cash Flow Summary (\$000's)

	Annual Budget Cash Basis	YTD 100% Cash Budget	YTD Actual Cash Oct. 1, 2019 - Sept 30, 2020	Variance Favorable (Unfavorable)	
OPERATING BUDGET					
Cash Provided					
Retail	\$549,553	\$549,553	\$551,188	\$1,635	0%
Wholesale	82,539	\$82,539	79,157	(3,382)	0%
Other	66,317	\$66,317	79,639	13,322	20%
Total Cash Provided	698,409	698,409	709,984	11,575	2%
Operating Cash Used					
Personnel Services	147,932	147,932	134,542	13,390	9%
Contractual Services	81,886	81,886	80,767	1,119	1%
Chemicals & Supplies	33,158	33,158	33,835	(677)	-2%
Utilities	26,953	26,953	20,849	6,104	23%
Water Purchases	34,929	34,929	29,234	5,695	16%
Small Equipment	989	989	960	29	3%
Total Operating Cash Used	325,847	325,847	300,187	25,660	8%
Defeasance D.S./Cash Financed Capital Construction	28,556	28,556	28,556		0%
Other Cash Used					
Debt Service	207,340	207,340	199,056	8,284	4%
Payment In Lieu of Taxes/Right of Way	22,034	22,034	22,034		0%
Total Other Cash Used	229,374	229,374	221,090	8,284	4%
Total Cash Used	583,776	583,776	549,832	33,944	6%
Net Cash Provided (Used) by Operating Act.	114,633	114,633	160,152	45,519	
CAPITAL BUDGET					
Cash Provided					
Debt Proceeds	205,626	205,626	104,702	(100,924)	-49%
Cash Financed Capital Improvements	28,556	28,556	28,556		0%
System Availability Fee			5,271	5,271	0%
EPA Grants/DC Reimbursements/Bloomingtondale	38,990	38,990	16,822	(22,168)	-57%
CSO Grants			8,038	8,038	0%
Interest Income	3,658	3,658	3,498	(160)	-4%
Wholesale Capital Contributions	67,321	67,321	63,256	(4,065)	-6%
Total Cash Provided	344,151	344,151	230,142	(114,008)	-33%
Cash Used					
DC Water Capital Program	409,690	409,690	332,784	76,906	19%
Washington Aqueduct Projects	15,532	15,532	13,073	2,459	0%
Total Cash Used	425,222	425,222	345,856	79,366	19%
Net Cash/PAYGO Provided (Used) by Cap. Act.	(\$81,071)	(\$81,071)	(\$115,714)	(\$34,643)	
Beginning Balance, October 1 (Net of Rate Stab. Fund) Projects					
Plus (Less) Operating Surplus	114,633	114,633	160,152		
Wholesale Customer Refunds from Prior Years	(3,448)	(3,448)	167		
DC Fleet Reimbursement			1,275		
Interest Earned From Bond Reserve	570	570	113		
Transfer to Rate Stabilization Fund	(13,000)	(13,000)	(28,794)		
Transfer to CAP Fund			(15,000)		
Transfer from CAP Fund			5,818		
Transfer from SAF			(5,271)		
Prior Year Federal Billing Reconciliation	1,317	1,317	1,317		
Project Billing Refunds	(4,000)	(4,000)	(4,000)		
Cash Used for Capital	(81,071)	(81,071)	(115,714)		
Balance Attributable to O&M Reserve	\$180,000	\$180,000	\$186,827		
OTHER CASH RESERVES					
Rate Stabilization Fund			\$90,244		
DC Insurance Reserve			1,000		
Unrestricted Reserves			264,441		
Restricted Reserves			66,931		

APPENDIX

Operating Revenues Detail 9
Retail Accounts Receivable..... 10
Overtime Spending..... 11
Capital Disbursements Detail 12
Accounts Payable 13
Grants Report..... 14
Investment Report..... 15

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

Operating Revenues Detail

(\$ in millions)

Revenue Category	FY 2020 Budget	Actual	Variance Favorable / (Unfavorable)		Actual % of Budget
Residential, Commercial, and Multi-family	\$399.1	\$396.9	(\$2.2)	-0.5%	99.5%
Federal	71.9	72.0	0.1	0.1%	100.1%
District Government	17.6	18.1	0.5	2.7%	102.7%
DC Housing Authority	10.5	11.0	0.5	4.5%	104.5%
Customer Metering Fee	10.8	11.8	1.1	9.8%	109.8%
Water System Replacement Fee (WSRF)	39.7	41.5	1.7	4.4%	104.4%
Wholesale	82.5	79.2	(3.4)	-4.1%	95.9%
Right-of-Way Fee/PILOT	22.1	21.5	(0.6)	-2.6%	97.4%
Subtotal (before Other Revenues)	\$654.2	\$651.9	(\$2.3)	-0.4%	99.6%
Other Revenue without RSF					
IMA Indirect Cost Reimb. For Capital Projects	4.6	4.0	(0.6)	-13.0%	87.0%
DC Fire Protection Fee	12.5	14.3	1.8	14.4%	114.4%
Stormwater (MS4)	1.0	1.1	0.1	10.0%	110.0%
Interest	4.0	4.6	0.6	15.0%	115.0%
Developer Fees (Water & Sewer)	6.0	12.4	6.4	106.7%	206.7%
Transfer From Rates Stabilization	0.0	0.0	0.0	0.0%	0.0%
System Availability Fee (SAF)	5.8	5.3	(0.5)	-8.6%	91.4%
Others	10.9	16.5	5.6	51.4%	151.4%
Subtotal	\$44.8	\$58.2	\$13.4	30.0%	130.0%
Rate Stabilization Fund Transfer	\$0.0	\$0.0	\$0.0	0.0%	0.0%
Other Revenue Subtotal	\$44.8	\$58.2	\$13.4	30.0%	130.0%
Grand Total	\$699.0	\$710.1	\$11.1	1.6%	101.6%

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

Customer Category	Water	Sewer	Clean Rivers			Total
			IAC	Metering Fee	WSRF	
Residential	\$36,165	\$57,044	\$29,565	\$5,272	\$9,467	\$137,513
Commercial	59,282	66,989	35,553	3,546	16,402	181,773
Multi-family	39,159	60,230	12,897	1,654	7,370	121,310
Federal	22,467	25,540	23,947	786	5,772	78,512
District Govt	3,986	5,393	8,689	438	2,015	20,520
DC Housing Authority	3,922	5,809	1,267	133	429	11,560
Total:	\$164,981	\$221,004	\$111,917	\$11,829	\$41,456	\$551,188

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	FY2020 Budget	Year-To-Date Budget	Actual Received	Variance Favorable / <Unfavorable>	Variance % of YTD Budget	Actual % of Budget
Residential	\$26,357	\$26,357	\$29,565	\$3,208	12%	112%
Commercial	28,804	28,804	35,553	6,749	23%	123%
Multi-family	11,193	11,193	12,897	1,704	15%	115%
Federal	23,947	23,947	23,947	(0)	0%	100%
District Govt	7,533	7,533	8,689	1,156	15%	115%
DC Housing Authority	1,289	1,289	1,267	(22)	-2%	98%
Total:	\$99,123	\$99,123	\$111,917	\$12,794	13%	113%

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

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
September 30, 2016	\$7.7	12,406
September 30, 2017	\$8.4	11,526
September 30, 2018	\$13.4	16,273
September 30, 2019	\$10.6	8,744
October 31, 2019	\$11.0	8,985
November 30, 2019	\$11.5	9,153
December 31, 2019	\$12.3	10,214
January 31, 2020	\$12.1	9,612
February 29, 2020	\$12.0	9,561
March 31, 2020	\$12.8	9,933
April 30, 2020	\$14.2	11,908
May 31, 2020	\$15.1	12,481
June 30, 2020	\$16.1	12,399
July 31, 2020	\$18.3	13,061
August 31, 2020	\$18.1	13,344
September 30, 2020	\$17.9	13,775

Notes: The increase in the accounts receivable over 90 days is due to the temporary suspension of collections procedures because of the new billing system VertexOne, which was implemented in December 2017. The increase in accounts receivable from March to September 2020 is primarily due to increased delinquencies and deferred payments due to the impact of COVID-19.

Greater Than 90 Days by Customer

	Number of Accounts			Month of Sep (All Categories)				Total Delinquent				
	W & S	Impervious Only	Total No. of	Active		Inactive		Aug		Sep		
				No. of	Amount	No. of	Amount	No. of	Amount	No. of	Amount	%
a/c	a/c	a/c	a/c	(\$)	a/c	(\$)	a/c	(\$)	a/c	(\$)	%	
Commercial	8,985	2,309	11,294	1,352	\$4,968,270	39	\$119,063	1,374	\$5,751,221	1,391	\$5,087,333	28%
Multi-family	8,414	348	8,762	1,127	\$6,012,621	12	\$165,423	1,089	\$6,116,741	1,139	\$6,178,045	35%
Single-Family Residential	106,656	2,308	108,964	11,144	\$6,562,663	101	\$76,921	10,881	\$6,253,800	11,245	\$6,639,584	37%
Total	124,055	4,965	129,020	13,623	\$17,543,550	152	\$361,407	13,344	\$18,121,763	13,775	\$17,904,962	100%

Notes: Included in the above \$17.9 million (or 13,775 accounts) of the DC Water over 90 days delinquent accounts, \$4,179,541.14 (or 1,480 accounts) represents Impervious only accounts over 90 days delinquent.

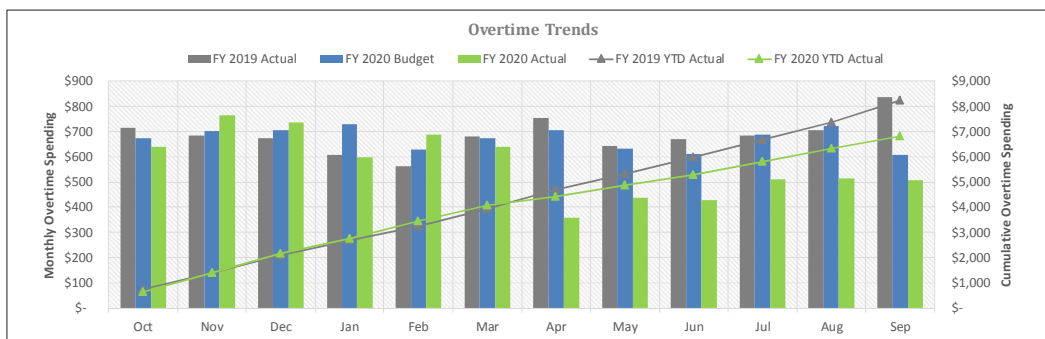
- Reportable delinquencies do not include balances associated with a long standing dispute between DC Water and a large commercial customer.

Fiscal Year-to-Date
As of September 30, 2020

Overtime by Department

Department	FY 2020			
	Budget	Actual	YTD Actual % of Budget	% of Regular Pay
Office of the Board Secretary	\$9,000	\$ 2,394	26.6%	0.9%
General Manager	3,000	1,510	50.3%	0.1%
Legal Affairs	3,000	761	25.4%	0.1%
Office of Marketing and Communications*	1,000	2,246	224.6%	0.2%
Internal Audit	-	-	0.0%	0.0%
Information Technology	10,000	9,188	91.9%	0.3%
Procurement	30,000	25,669	85.6%	0.7%
Customer Service **	302,000	374,108	123.9%	4.3%
Finance	40,000	25,085	62.7%	0.4%
Assistant General Manager - Administrative Services	1,000	-	0.0%	0.0%
Office of Emergency Management	-	-	0.0%	0.0%
Human Capital Management	5,000	3,330	66.6%	0.1%
Occupational Safety and Health	1,000	-	0.0%	0.0%
Facilities Management	275,000	195,606	71.1%	5.4%
Department of Security	-	68	0.0%	0.0%
Wastewater Engineering	25,000	16,047	64.2%	1.2%
CIP Infrastructure Management	-	10,933	0.0%	1.0%
Distribution and Conveyance System	750,000	668,690	89.2%	9.2%
Engineering and Technical Services	938,000	1,135,414	121.0%	5.9%
Water Services	1,815,000	1,098,299	60.5%	8.7%
Clean Rivers	-	-	0.0%	0.0%
Sewer Services	1,318,000	779,074	59.1%	13.3%
Wastewater Treatment - Operations	1,845,000	1,687,470	91.5%	15.3%
Wastewater Treatment - Process Engineering ***	50,000	79,722	159.4%	2.3%
Maintenance Services ****	610,000	684,439	112.2%	8.6%
Permit Operations	50,000	14,921	29.8%	0.7%
Fleet Management*****	3,000	4,880	162.7%	0.6%
Total DC WATER	\$8,084,000	\$6,819,856	84.4%	6.1%

- * Marketing & Communication - Includes overtime costs incurred in support of Blue Drop events at HQO
- ** Customer Service – Overtime for the backlog of billing-related work by Billing, Call Center and Collections staff
- *** Wastewater Treatment - Process Engineering – Due to the scale back of non-critical maintenance work, the on-duty crews are working 50 hours a week to support critical corrective and preventive maintenance.
- **** Maintenance Services – We scaled back only noncritical maintenance; the on-duty crews are working 50-hour weeks to support critical corrective and preventive maintenance.
- ***** Fleet Management - More administrative hours are required with the change in contract services, limited resources due to vacant positions



Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

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

Service Areas			Variance		
	REVISED BUDGET	ACTUAL	ACTUAL % BUDGET	VARIANCE \$ Fav/(Unfav)	VARIANCE % Fav/(Unfav)
NON PROCESS FACILITIES					
Facility Land Use	\$42,066	\$10,016	23.8%	\$32,050	76.2%
Subtotal	42,066	10,016	23.8%	32,050	76.2%
WASTEWATER TREATMENT					
Liquids Processing	24,516	14,810	60.4%	9,706	39.6%
Plantwide	17,387	11,475	66.0%	5,912	34.0%
Solids Processing	19,847	12,340	62.2%	7,507	37.8%
Enhanced Nitrogen Removal Facilities	15,786	10,362	65.6%	5,424	34.4%
Subtotal	77,536	48,987	63.2%	28,549	36.8%
COMBINED SEWER OVERFLOW					
D.C. Clean Rivers	162,197	178,557	110.1%	(16,360)	-10.1%
Program Management	1,287	427	33.2%	860	66.8%
Combined Sewer	7,952	2,760	34.7%	5,192	65.3%
Subtotal	171,436	181,744	106.0%	(10,308)	-6.0%
STORMWATER					
Local Drainage	12	-	0.0%	12	100.0%
On-Going	1,011	818	80.9%	193	19.1%
Pumping Facilities	5,310	1,770	33.3%	3,540	66.7%
DDOT	-	-	0.0%	-	0.0%
Research and Program Management	410	-	0.0%	410	100.0%
Trunk/Force Sewers	126	-	0.0%	126	100.0%
Subtotal	6,869	2,588	37.7%	4,281	62.3%
SANITARY SEWER					
Collection Sewers	4,613	621	13.5%	3,992	86.5%
On-Going	12,100	8,517	70.4%	3,583	29.6%
Pumping Facilities	2,570	497	19.3%	2,073	80.7%
Program Management	4,150	1,383	33.3%	2,767	66.7%
Interceptor/Trunk Force Sewers	21,501	12,341	57.4%	9,160	42.6%
Subtotal	44,934	23,359	52.0%	21,575	48.0%
WATER					
Distribution Systems	33,871	16,509	48.7%	17,362	51.3%
Lead Program	4,711	3,954	83.9%	757	16.1%
On-Going	10,532	12,825	121.8%	(2,293)	-21.8%
Pumping Facilities	1,525	297	19.5%	1,228	80.5%
DDOT	1,721	359	20.9%	1,362	79.1%
Storage Facilities	6,216	4,514	72.6%	1,702	27.4%
Program Management	3,587	3,263	91.0%	324	9.0%
Subtotal	62,163	41,721	67.1%	20,442	32.9%
Capital Projects	405,004	308,415	76.2%	96,589	23.8%
CAPITAL EQUIPMENT	31,703	24,371	76.9%	7,332	23.1%
WASHINGTON AQUEDUCT	15,515	13,073	84.3%	2,443	0.0%
Additional Capital Programs	47,218	37,443	79.3%	9,775	20.7%
Total	\$452,223	\$345,858	76.5%	\$106,364	23.5%

Monthly Financial Report

Fiscal Year-to-Date
As of September 30, 2020

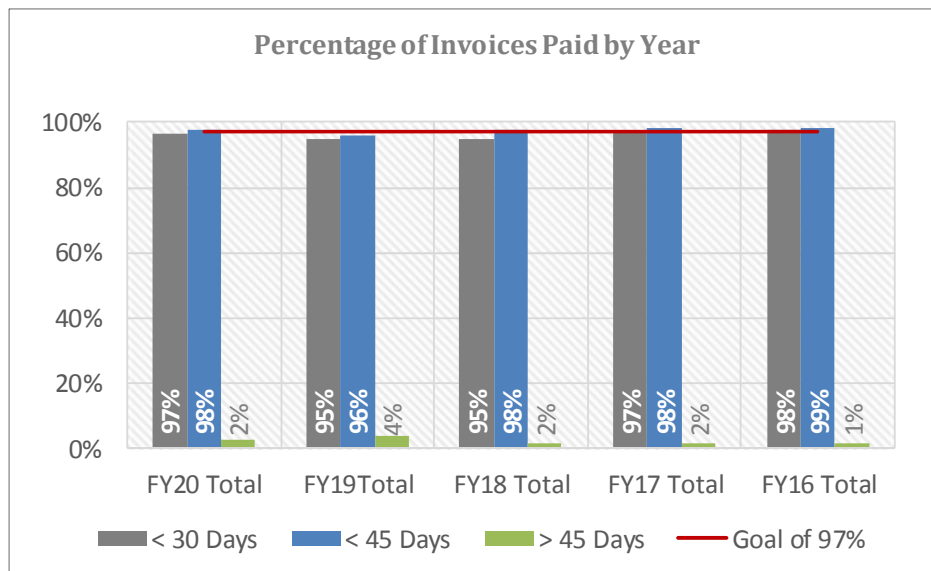
Accounts Payable Performance

Cumulative performance for the twelve-month period ending September FY 2020, a total of 19,152 vendor payments were processed and paid within 30 days compared to in 20,086 FY 2019 (as shown in the table below) and with a dollar value of \$566.0 million compared to \$874.39 million for FY 2019.

For FY 2020, approximately 96 percent of the invoices were paid within 30 days compared to 95 percent for FY 2019. The Authority’s goal is to pay 97 percent of all undisputed invoices within 30 days.

Accounts Payable Performance				
	FY 2020		FY 2019	
	Number	Percent	Number	Percent
Less than 30	19,152	96.6%	20,086	94.9%
Less than 45	19,399	98.0%	20,427	96.5%
Greater than 45	492	2.0%	744	3.5%
Sub-Total ≤ 45	19,891	100%	21,171	100%
Retainage/Dispute	151		285	
Total	20,042		21,456	

The chart below shows cumulative year to date historical performance for fiscal years 2016 through 2020.



Fiscal Year-to-Date
As of September 30, 2020

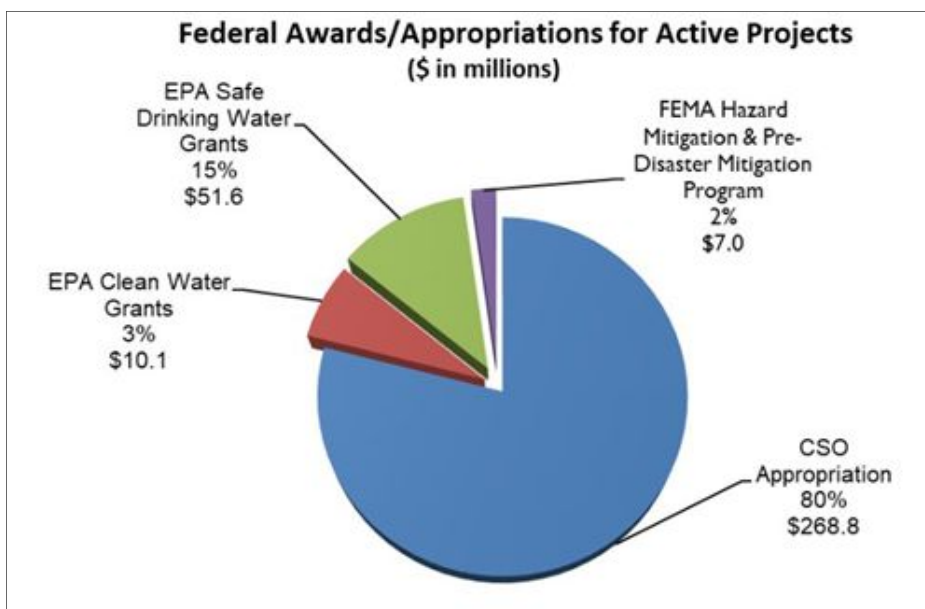
Grants Report

The Authority currently receives grants to fund portions of its capital project costs from the U.S. Environmental Protection Agency (EPA) and 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 September 30, 2020, DC Water has \$337.5 million in total federal funds for active projects, as indicated below:



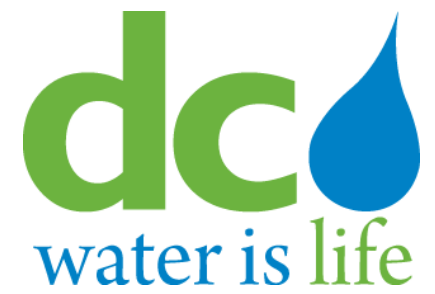
The remaining balance of the EPA funding as of September 30, 2020 is \$31.8 million. FEMA grants have a balance of \$3.7 million as of September 30, 2020.

DC Water has received twenty-one separate Congressional CSO appropriations totaling \$268.8 million plus accrued interest of \$12.5 million, resulting in total CSO funding of \$281.3 million. The cumulative CSO appropriation life-to-date cash disbursement is \$281.3 million, based on requested reimbursements through September 30, 2020. The remaining CSO balance as of September 30, 2020 is \$131 which represents interest earned on CSO funds through the month of September 2020.



DC Water

Investment Performance Report – September 2020





**DC Water
Finance Division
Economic Update**

ECONOMIC COMMENTARY

- The effects of the Coronavirus continued to ripple through global economies and financial markets during September:
 - **Global Health Crisis.** Coronavirus restrictions were gradually eased throughout the U.S. but were followed by regional hot spots of infection, reminding people of how long the virus may linger.
 - **Economic Shutdown.** U.S. second quarter GDP plunged by a record annualized rate of 31.7%. For context, GDP fell by 8.4% during the height of the 2008 financial crisis. However, other economic indicators were surprisingly strong and recovered at a faster pace than originally expected, leading various economists to pull forward the expected timeframe for recovery. The labor market has rebounded off its lows, but with the unemployment rate still near 8%, the jobs landscape remains a significant headwind to a more robust and sustained recovery.
 - **Financial Markets.** The Federal Reserve (Fed) continued to play a large role in supporting financial market stability. The central bank re-affirmed its ongoing support of many bond market sectors through its continuing purchase and liquidity programs, and it extended the expiration date of many of its lending facilities. The Fed also extended its forward guidance regarding zero short-term interest rates through 2023.
- The U.S. Treasury yield curve remained relatively unchanged over the month, with almost all maturities ending the month within 0.05% of where they began. Longer-dated yields inched only slightly higher, nudged primarily by the Fed's new inflation targeting policy.

PORTFOLIO RECAP

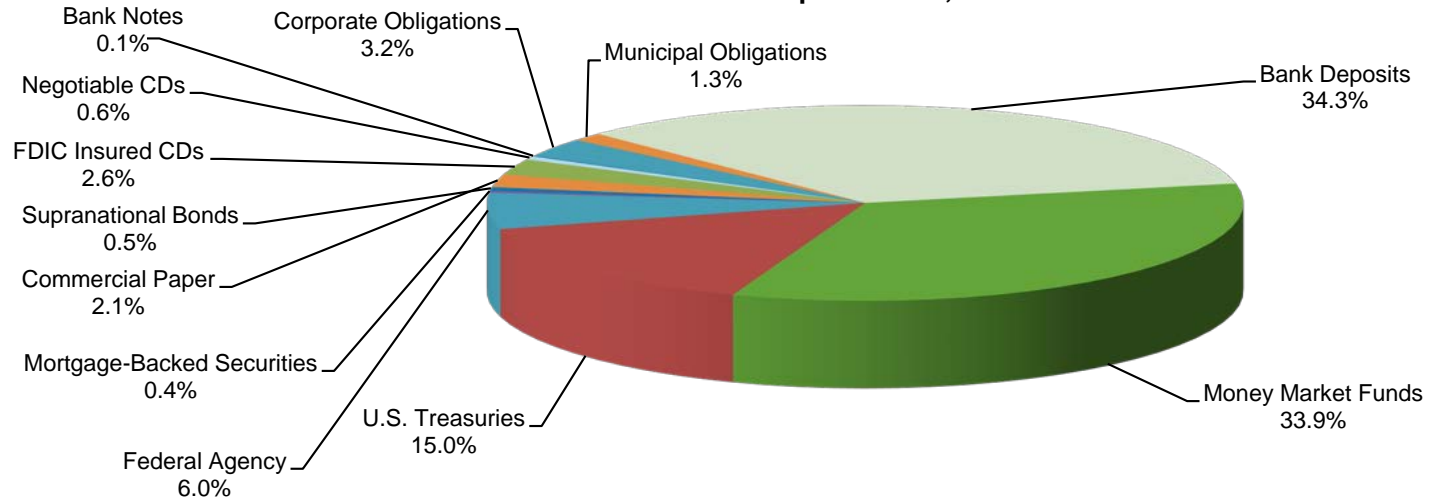
- The portfolio is diversified among Bank Deposits, U.S. Treasuries, Federal Agencies, Mortgage-Backed Securities, Commercial Paper, Supranational Bonds, Negotiable CDs, Corporate Notes/Bonds, Municipal Bonds, FDIC Insured CDs, Bank Notes and SEC registered money market funds.
- The overall yield-to-maturity on cost of the portfolio is 0.50%.

Operating Reserve

- The investment advisor (PFM) purchased \$2.3 million in Federal Agencies, \$0.25 million in Municipal, and \$1.0 million in Corporate securities.



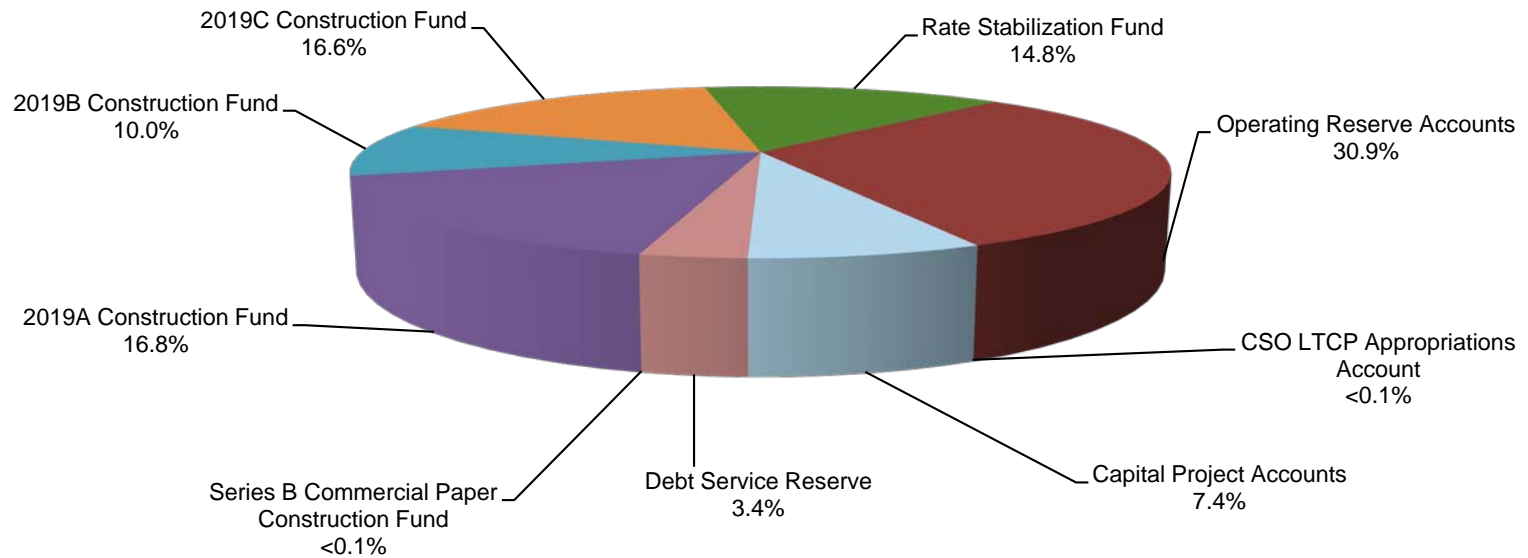
**DC Water
Finance Division
Investments - By Security Type
As of September 30, 2020**



Security Type	Book Value + Accrued Interest	Asset Allocation	Permitted By Policy
Bank Deposits	208,985,216	34.3%	100.0%
Money Market Funds	206,214,851	33.9%	100.0%
U.S. Treasuries	91,449,927	15.0%	100.0%
Federal Agency	36,636,534	6.0%	80.0%
Mortgage-Backed Securities	2,209,061	0.4%	30.0%
Supranational Bonds	3,228,912	0.5%	30.0%
Commercial Paper	12,982,170	2.1%	35.0%
FDIC Insured CDs	15,869,340	2.6%	30.0%
Negotiable CDs	3,612,562	0.6%	30.0%
Bank Notes	459,874	0.1%	40.0%
Corporate Obligations	19,249,169	3.2%	30.0%
Municipal Obligations	8,185,338	1.3%	20.0%
Total	\$ 609,082,954	100.0%	



**DC Water
Finance Division
Investment Analysis – By Fund
As of September 30, 2020**

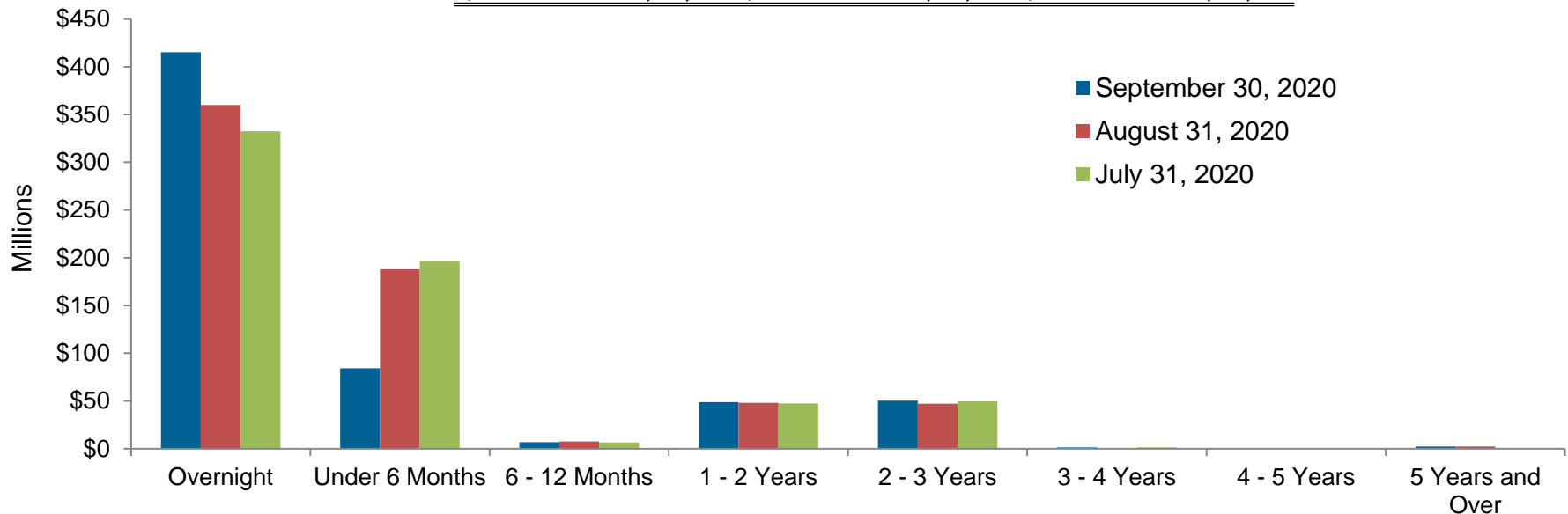


Fund Name	Book Value + Accrued Interest	Yield-to- Maturity at Cost	Effective Duration (years)	Weighted Average Maturity (days)
Rate Stabilization Fund	\$ 90,355,198	0.00%	0.00	1.0
Operating Reserve Accounts	\$ 188,457,619	1.06%	0.98	395.9
CSO LTCP Appropriations Account	\$ 131	0.00%	0.00	1.0
Capital Project Accounts	\$ 45,076,896	0.00%	0.00	1.0
Debt Service Reserve	\$ 20,540,794	0.39%	1.61	589.8
Series B Commercial Paper Construction Fund	\$ 1,726	0.01%	0.00	1.0
2019A Construction Fund	\$ 102,307,925	0.01%	0.00	1.0
2019B Construction Fund	\$ 60,987,471	0.01%	0.00	1.0
2019C Construction Fund	\$ 101,355,195	0.01%	0.12	42.9
Total	\$ 609,082,954	0.50%	0.38	150.0



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

Maturity Distribution	September 30, 2020	August 31, 2020	July 31, 2020
Overnight \$	415,200,066.86	\$359,967,497.23	\$332,421,006.72
Under 6 Months	84,233,860.80	187,921,296.90	196,714,630.64
6 - 12 Months	6,848,221.27	7,612,463.97	6,591,345.55
1 - 2 Years	48,745,607.17	48,041,659.72	47,425,148.10
2 - 3 Years	50,265,789.51	47,157,930.45	49,596,773.63
3 - 4 Years	1,335,219.34	834,483.85	1,333,900.31
4 - 5 Years	245,128.42	-	-
5 Years and Over	2,209,060.88	2,260,646.18	1,804,953.63
Totals \$	609,082,954	653,795,978	635,887,759





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

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
Bank Deposits					
TD Bank		208,985,216.05	34.3%	100.0%	Yes
Sub-Total Bank Deposits		208,985,216.05	34.3%	100.0%	Yes
Money Market Mutual Funds					
Wells Fargo Treasury Plus MMF	AAA	7,703,027.51	1.3%	50.0%	Yes
Wells Fargo Government MMF	AAA	839,073.69	0.1%	50.0%	Yes
Wells Fargo 100% Treasury MMF	AAA	197,671,023.48	32.5%	50.0%	Yes
First American Treasury	AAA	1,726.13	0.0%	50.0%	Yes
Sub-Total Money Market Mutual Funds		206,214,850.81	33.9%	100.0%	Yes
U.S. Treasuries					
Treasury Note	AA+ / Aaa	91,449,926.85	15.0%	100.0%	Yes
Sub-Total Treasuries		91,449,926.85	15.0%	100.0%	Yes
Federal Agencies					
Fannie Mae	AA+ / Aaa	14,394,443.05	2.4%	40.0%	Yes
Federal Home Loan Bank	AA+ / Aaa	6,721,107.06	1.1%	40.0%	Yes
Freddie Mac	AA+ / Aaa	15,520,983.97	2.5%	40.0%	Yes
Sub-Total Federal Agencies		36,636,534.08	6.0%	80.0%	Yes
Mortgage-Backed Securities					
Fannie Mae	AA+ / Aaa	923,807.37	0.2%	5.0%	Yes
Freddie Mac	AA+ / Aaa	1,285,253.51	0.2%	5.0%	Yes
		2,209,060.88	0.4%	30.0%	Yes
Supranational Bonds					
African Development Bank	AAA / Aaa	802,038.48	0.1%	5.0%	Yes
Asian Development Bank	AAA / Aaa	1,921,130.16	0.3%	5.0%	Yes
Inter-American Development Bank	AAA / Aaa	505,743.48	0.1%	5.0%	Yes
Sub-Total Supranational Bonds		3,228,912.12	0.5%	30.0%	Yes

CDARS holdings are not managed by PFMAM, and we therefore cannot guarantee the accuracy of holdings information provided.



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

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
Commercial Paper					
Toyota Motor Corporation	A-1+ / P-1	994,416.67	0.2%	5.0%	Yes
Mizuho Bank	A-1 / P-1	2,997,544.58	0.5%	5.0%	Yes
Citigroup	A-1 / P-1	2,992,795.83	0.5%	5.0%	Yes
Canadian Imperial	A-1 / P-1	2,998,583.33	0.5%	5.0%	Yes
Credit Suisse	A-1 / P-1	2,998,830.00	0.5%	5.0%	Yes
Sub-Total Commercial Paper		12,982,170.41	2.1%	35.0%	Yes
FDIC Insured Certificates of Deposit					
CDARS - Placed by Industrial Bank	NR	15,869,339.88	2.6%	5.0%	Yes
Sub-Total FDIC-Insured Certificates of Deposit		15,869,339.88	2.6%	30.0%	Yes
Negotiable Certificates of Deposit					
Nordea Bank AB NY	AA- / Aa3	1,452,682.50	0.2%	5.0%	Yes
Royal Bank of Canada NY	A-1+ / P-1	707,182.00	0.1%	5.0%	Yes
Skandinaviska Enskilda Bank	A+ / Aa2	1,452,697.00	0.2%	5.0%	Yes
Sub-Total Negotiable Certificates of Deposit		3,612,561.50	0.6%	30.0%	Yes
Corporate Obligations					
3M Company	A+ / A1	340,260.36	0.1%	5.0%	Yes
Apple	AA+ / Aa1	1,445,845.37	0.2%	5.0%	Yes
Bank of Montreal	A- / A2	1,447,148.21	0.2%	5.0%	Yes
Bank of New York Mellon	A / A1	797,108.78	0.1%	5.0%	Yes
Bank of Nova Scotia Houston	A- / A2	1,394,007.06	0.2%	5.0%	Yes
Berkshire Hathaway Inc.	AA / Aa2	1,008,458.62	0.2%	5.0%	Yes
Blackrock	AA- / Aa3	934,895.76	0.2%	5.0%	Yes
Chevron	AA / Aa2	974,388.00	0.2%	5.0%	Yes
Costco Wholesale	A+ / Aa3	202,803.17	0.0%	5.0%	Yes
Exxon Mobil Corporation	AA / Aa1	345,820.24	0.1%	5.0%	Yes
JP Morgan	A- / A2	982,720.19	0.2%	5.0%	Yes
Merck & Co.	AA- / A1	895,705.87	0.1%	5.0%	Yes
Northern Trust Company	A+ / A2	994,612.59	0.2%	5.0%	Yes
Pfizer Inc.	AA- / A1	845,933.51	0.1%	5.0%	Yes
Procter & Gamble Co	AA- / Aa3	952,898.67	0.2%	5.0%	Yes
Toronto Dominion Bank NY	A / Aa3	1,479,852.36	0.2%	5.0%	Yes
Total Capital	A+ / Aa3	480,965.11	0.1%	5.0%	Yes

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

	Credit Ratings S&P / Moody's	Book Value		Investment Policy Limit	Compliance with Investment Policy
Corporate Obligations					
US Bank Cincinnati	A+ / A1	975,074.12	0.2%	5.0%	Yes
Amazon	AA- / A2	535,034.52	0.1%	5.0%	Yes
Visa	AA- / Aa3	918,853.65	0.2%	5.0%	Yes
Wal-Mart Stores Inc.	AA / Aa2	366,761.05	0.1%	5.0%	Yes
Westpac Banking	AA- / Aa3	930,022.02	0.2%	5.0%	Yes
Sub-Total Corporate Obligations		19,249,169.23	3.2%	30.0%	Yes
Bank Notes					
Citibank	A+ / Aa3	459,874.01	0.1%	5.0%	Yes
		459,874.01	0.1%	30.0%	Yes
Municipal Obligations					
Avondale School District, Michigan	NR / Aa1	939,069.00	0.2%	5.0%	Yes
Florida State Board of Administration	AA / Aa3	245,128.42	0.0%	5.0%	Yes
New York & New Jersey Port Authority	A+ / Aa3	572,968.24	0.1%	5.0%	Yes
Maryland State	AAA / Aaa	500,318.89	0.1%	5.0%	Yes
Mississippi State	AA / Aa2	375,241.77	0.1%	5.0%	Yes
Prince George County	AAA / Aaa	500,134.00	0.1%	5.0%	Yes
Honolulu, Hawaii	NR / Aa1	391,130.35	0.1%	5.0%	Yes
New York City, New York	AA / Aa2	1,196,602.75	0.2%	5.0%	Yes
New York State	NR / Aa2	1,216,769.96	0.2%	5.0%	Yes
NYC Transitional Finance Authority	AAA / Aa1	934,712.50	0.2%	5.0%	Yes
San Jose, California	AA+ / Aa1	437,595.23	0.1%	5.0%	Yes
University of California	AA / Aa2	343,890.58	0.1%	5.0%	Yes
Washington State	AA+ / Aaa	531,776.74	0.1%	5.0%	Yes
Sub-Total Municipal Obligations		8,185,338.43	1.3%	20.0%	Yes
Grand Total		\$ 609,082,954.25	100.0%		

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**DC Water
Finance Division
Book Value Performance
As of September 30, 2020**

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

	Trailing 1 Month		Trailing 3 Months		Trailing 6 Months		Trailing 12 Months	Trailing 24 Months
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized		
Rate Stabilization Fund	0.04%	0.51%	0.10%	0.40%	0.19%	0.38%	1.03%	1.59%
Operating Reserve Accounts	0.21%	2.63%	0.64%	2.58%	1.40%	2.82%	3.16%	2.68%
Debt Service Reserve	0.08%	1.01%	1.07%	4.31%	1.46%	2.94%	2.69%	2.62%
2019A Construction Fund	0.00%	0.06%	0.04%	0.17%	0.27%	0.54%	n/a	n/a
2019B Construction Fund	0.09%	1.11%	0.33%	1.33%	0.72%	1.44%	n/a	n/a
2019C Construction Fund	0.09%	1.06%	0.31%	1.22%	0.75%	1.51%	n/a	n/a
Short Term Consolidated Composite	0.02%	0.30%	0.12%	0.48%	0.29%	0.59%	1.01%	1.55%
ICE BoAML 3-Month Treasury Index (Book Value) ¹	0.01%	0.10%	0.03%	0.10%	0.06%	0.12%	0.69%	1.53%
Core (1+Years) Consolidated Composite	0.13%	1.53%	0.42%	1.67%	0.94%	1.87%	2.12%	2.38%
ICE BoAML 1-3 Year Treasury Index (Book Value) ²	0.01%	0.13%	0.03%	0.14%	0.08%	0.16%	0.70%	1.54%

- (1) The Bank of America 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 Bank of America 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
Rate Stabilization Fund										
TD BANK BANK DEPOSIT		\$ 90,355,198		10/1/2020		0.00%	\$ 90,355,198	\$ 90,355,198	\$ 90,355,198	\$ 90,355,198.47
Operating Reserve Accounts										
TD BANK BANK DEPOSIT		\$ 72,552,991		10/1/2020		0.00%	\$ 72,552,991	\$ 72,552,991	\$ 72,552,991	
DC RESERVES TD BANK DEPOSIT		1,000,000		10/1/2020		0.00%	1,000,000	1,000,000	1,000,000	
WELLS FARGO GOVERNMENT MMF		839,074		10/1/2020		0.01%	839,074	839,074	839,074	
INDUSTRIAL BANK CDARS		5,103,271	1.500	10/8/2020	10/10/2019	1.50%	5,103,271	5,178,693	5,178,693	
INDUSTRIAL BANK CDARS		5,187,939	1.700	11/5/2020	11/7/2019	1.70%	5,187,939	5,268,045	5,268,045	
INDUSTRIAL BANK CDARS		2,652,037	2.000	1/14/2021	1/16/2020	2.00%	2,652,037	2,689,942	2,689,942	
INDUSTRIAL BANK CDARS		2,694,154	2.000	1/14/2021	1/16/2020	2.00%	2,694,154	2,732,660	2,732,660	
TOYOTA MOTOR CREDIT CORP COMM PAPER	89233GPC4	1,000,000	-	2/12/2021	5/19/2020	1.52%	988,792	999,203	994,417	
NY ST DORM AUTH PITS TXBL REV BONDS	64990FJN5	390,000	3.100	3/15/2021	12/21/2018	3.10%	390,000	395,096	390,537	
UNIV OF CAL TXBL REV BONDS	91412HBH5	340,000	3.029	5/15/2021	6/5/2018	3.03%	340,000	349,725	343,891	
ROYAL BANK OF CANADA NY CD	78012JEE1	700,000	3.240	6/7/2021	6/8/2018	3.24%	700,000	722,077	707,182	
US TREASURY NOTES	9128284W7	425,000	2.750	8/15/2021	10/11/2018	2.97%	422,443	436,188	425,710	
US TREASURY NOTES	9128284W7	450,000	2.750	8/15/2021	10/4/2018	2.89%	448,295	461,846	451,062	
US TREASURY NOTES	9128284W7	1,100,000	2.750	8/15/2021	9/28/2018	2.90%	1,095,316	1,128,957	1,102,448	
US TREASURY NOTES	9128284W7	1,675,000	2.750	8/15/2021	9/7/2018	2.72%	1,676,374	1,719,094	1,681,290	
3M COMPANY	88579YBA8	340,000	3.000	9/14/2021	9/14/2018	3.07%	339,303	348,816	340,260	
PFIZER INC CORP NOTE	717081EM1	575,000	3.000	9/15/2021	9/7/2018	3.05%	574,224	590,766	575,521	
NYC, NY TXBL GO BONDS	64966QED8	385,000	1.680	10/1/2021	10/22/2019	1.68%	385,000	393,177	388,234	
FEDERAL HOME LOAN BANKS NOTES	3130AF5B9	1,575,000	3.000	10/12/2021	12/12/2018	2.85%	1,581,395	1,643,505	1,599,504	
FEDERAL HOME LOAN BANKS NOTES	3130AF5B9	1,850,000	3.000	10/12/2021	11/6/2018	3.02%	1,848,927	1,930,466	1,875,677	
UNITED STATES TREASURY NOTES	9128285F3	1,000,000	2.875	10/15/2021	12/12/2018	2.77%	1,002,852	1,041,713	1,014,316	
US TREASURY NOTES	912828T67	540,000	1.250	10/31/2021	11/5/2019	1.61%	536,224	549,322	540,770	
US TREASURY NOTES	912828T67	925,000	1.250	10/31/2021	11/12/2019	1.69%	917,195	940,968	925,551	
FANNIE MAE NOTES	3135G0U92	925,000	2.625	1/11/2022	1/31/2019	2.62%	925,241	959,695	930,500	
FANNIE MAE NOTES	3135G0U92	935,000	2.625	1/11/2022	1/11/2019	2.65%	934,327	970,070	940,167	
WESTPAC BANKING CORP NY CORP NOTES	961214DG5	925,000	2.800	1/11/2022	4/10/2019	2.86%	923,418	960,192	930,022	
US TREASURY NOTES	9128285V8	1,000,000	2.500	1/15/2022	2/11/2019	2.43%	1,001,992	1,035,768	1,006,177	
US TREASURY NOTES	9128285V8	4,600,000	2.500	1/15/2022	1/31/2019	2.55%	4,593,352	4,764,531	4,621,476	
US TREASURY NOTES	912828V72	3,800,000	1.875	1/31/2022	1/9/2019	2.50%	3,730,828	3,899,879	3,781,873	
MERCK & CO INC CORP NOTES	58933Yaq8	450,000	2.350	2/10/2022	1/16/2019	2.99%	441,639	464,488	447,791	
NY ST DORM AUTH PITS TXBL REV BONDS	64990FRJ5	450,000	1.935	2/15/2022	1/3/2020	1.93%	450,000	461,308	451,113	
US TREASURY NOTES	9128286C9	1,250,000	2.500	2/15/2022	4/3/2019	2.29%	1,257,275	1,294,421	1,257,473	
US TREASURY NOTES	9128286C9	5,150,000	2.500	2/15/2022	3/5/2019	2.54%	5,144,367	5,333,014	5,163,821	
TOTAL CAPITAL SA CORP NOTE	89153VAB5	475,000	2.875	2/17/2022	7/19/2019	2.20%	483,047	492,687	480,965	
CHEVRON CORP (CALLABLE) NOTES	166764BN9	475,000	2.498	3/3/2022	5/17/2019	2.56%	474,202	489,556	475,518	
PFIZER INC CORP BONDS	717081ER0	270,000	2.800	3/11/2022	3/11/2019	2.80%	269,984	280,003	270,412	
US BANCORP (CALLABLE) NOTE	91159HHC7	965,000	3.000	3/15/2022	6/18/2019	2.33%	982,032	1,001,204	975,074	
BANK OF MONTREAL CORP NOTES	06367WJM6	465,000	2.900	3/26/2022	3/26/2019	2.99%	463,819	482,591	464,604	
ASIAN DEVELOPMENT BANK SUPRANATL	045167ET6	920,000	0.625	4/7/2022	4/7/2020	0.67%	919,163	928,088	922,145	
UNITED STATES TREASURY NOTES	9128286M7	810,000	2.250	4/15/2022	5/3/2019	2.23%	810,570	844,740	818,712	
AVONDALE SCH DIST, MI TXBL GO BONDS	054375VQ0	460,000	1.600	5/1/2022	2/25/2020	1.60%	460,000	473,266	464,416	
APPLE INC CORP NOTES	037833BF6	475,000	2.700	5/13/2022	6/14/2019	2.25%	481,056	498,775	483,269	
APPLE INC CORP NOTES	037833BF6	500,000	2.700	5/13/2022	1/10/2019	3.08%	494,015	525,026	502,283	
BERKSHIRE HATHAWAY INC CORP NOTE	084664BT7	475,000	3.000	5/15/2022	8/15/2019	1.85%	489,559	500,614	488,953	
COSTCO WHOLESALE CORP CORP NOTES	22160KAK1	200,000	2.300	5/18/2022	8/16/2019	1.94%	201,910	207,895	202,803	

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Investment Performance Report – September 2020



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
Operating Reserve Accounts										
BLACKROCK INC CORP NOTES	09247XAJO	925,000	3.375	6/1/2022	11/9/2018	3.41%	923,909	981,574	934,896	
FEDERAL HOME LOAN BANK	313379Q69	1,900,000	2.125	6/10/2022	7/1/2019	1.86%	1,914,269	1,976,057	1,920,639	
US TREASURY NOTES	9128282P4	3,050,000	1.875	7/31/2022	6/5/2019	1.85%	3,052,502	3,156,377	3,061,086	
HONOLULU, HI TXBL GO BONDS	438687KR5	390,000	1.739	8/1/2022	8/21/2019	1.74%	390,000	401,816	391,130	
NORTHERN TRUST COMPANY CORP NOTES	665859AN4	475,000	2.375	8/2/2022	8/13/2019	1.95%	480,767	495,646	480,410	
NORTHERN TRUST COMPANY CORP NOTES	665859AN4	500,000	2.375	8/2/2022	3/6/2020	1.02%	516,080	521,732	514,203	
PROCTER & GAMBLE CO/THE CORP NOTES	742718EU9	950,000	2.150	8/11/2022	6/21/2019	2.15%	950,105	986,399	952,899	
EXXON MOBIL CORPORATION	30231GBB7	345,000	1.902	8/16/2022	8/16/2019	1.90%	345,000	354,420	345,820	
BANK OF NY MELLON CORP CORP NOTES	06406RAK3	295,000	1.950	8/23/2022	8/23/2019	1.96%	294,906	304,432	295,548	
BANK OF NY MELLON CORP CORP NOTES	06406RAK3	175,000	1.950	8/23/2022	9/5/2019	1.85%	175,483	180,595	175,668	
NORDEA BANK ABP NEW YORK CERT DEPOS	65558TLL7	1,450,000	1.850	8/26/2022	8/29/2019	1.84%	1,450,000	1,495,524	1,452,683	
SKANDINAV ENSKILDA BANK LT CD	83050PDR7	1,450,000	1.860	8/26/2022	9/3/2019	1.85%	1,450,000	1,495,814	1,452,697	
US TREASURY NOTES	9128282S8	600,000	1.625	8/31/2022	10/4/2019	1.34%	604,922	617,897	604,074	
SAN JOSE, CA TXBL GO BONDS	798135H44	435,000	2.300	9/1/2022	7/25/2019	2.08%	437,854	450,828	437,595	
APPLE INC	037833DL1	140,000	1.700	9/11/2022	9/11/2019	1.71%	139,976	143,940	140,117	
MERCK & CO INC CORP NOTES	589331AT4	450,000	2.400	9/15/2022	3/15/2019	2.71%	445,401	466,258	447,915	
VISA INC (CALLABLE) NOTE	92826CAG7	925,000	2.150	9/15/2022	5/24/2019	2.56%	913,086	958,196	918,854	
PRINCE GEORGES CNTY, MD TXBL GO BONDS	7417017E0	500,000	0.603	9/15/2022	6/16/2020	0.60%	500,000	502,039	500,134	
NYC, NY TXBL GO BONDS	64966QEE6	385,000	1.690	10/1/2022	10/22/2019	1.69%	385,000	397,516	388,253	
UNITED STATES TREASURY NOTES	912828YK0	625,000	1.375	10/15/2022	11/4/2019	1.55%	621,826	644,691	626,774	
UNITED STATES TREASURY NOTES	912828YK0	3,175,000	1.375	10/15/2022	12/4/2019	1.63%	3,152,676	3,275,029	3,179,279	
BANK OF MONTREAL CORP NOTES	06367WRC9	975,000	2.050	11/1/2022	10/21/2019	2.09%	973,859	1,017,349	982,544	
NYC, NY TXBL GO BONDS	64966QLD0	420,000	0.450	11/1/2022	9/9/2020	0.45%	420,000	420,636	420,116	
NYC TRANS FIN AUTH, NY TXBL REV BONDS	64971XHY7	925,000	2.520	11/1/2022	4/12/2019	2.52%	925,000	970,297	934,713	
BANK OF NOVA SCOTIA HOUSTON CORP NOTES	064159SH0	975,000	2.000	11/15/2022	10/15/2019	2.01%	974,698	1,013,496	982,159	
TORONTO-DOMINION BANK	89114QQD8	975,000	1.900	12/1/2022	10/10/2019	1.94%	973,918	1,012,416	980,429	
UNITED STATES TREASURY NOTES	912828Z29	1,700,000	1.500	1/15/2023	2/5/2020	1.33%	1,708,367	1,757,999	1,711,912	
BANK OF NOVA SCOTIA	064159QD1	410,000	2.375	1/18/2023	7/18/2019	2.39%	409,807	429,328	411,848	
BANK OF NY MELLON CORP NOTES	06406RAM9	325,000	1.850	1/27/2023	1/28/2020	1.87%	324,773	336,625	325,893	
US TREASURY NOTES	912828P38	1,325,000	1.750	1/31/2023	1/6/2020	1.61%	1,330,383	1,378,387	1,332,998	
UNITED STATES TREASURY NOTES	912828Z86	625,000	1.375	2/15/2023	3/4/2020	0.78%	635,864	644,359	634,835	
FEDERAL HOME LOAN BANKS NOTES	3130AJ7E3	1,325,000	1.375	2/17/2023	2/21/2020	1.44%	1,322,562	1,363,921	1,325,287	
BERKSHIRE HATHAWAY FIN (CALLABLE) NOTES	084670BR8	500,000	2.750	3/15/2023	3/9/2020	1.16%	523,550	526,956	519,505	
NY ST URBAN DEV CORP TXBL REV BONDS	650036AR7	375,000	0.720	3/15/2023	6/25/2020	0.72%	375,000	374,685	375,120	
JPMORGAN CHASE & CO BONDS	46647PBB1	475,000	3.207	4/1/2023	3/22/2019	3.21%	475,000	501,163	482,617	
AFRICAN DEVELOPMENT BANK SUPRANATL	008281BC0	800,000	0.750	4/3/2023	4/3/2020	0.80%	798,888	812,603	802,038	
FREDDIE MAC NOTES	3137EAEO8	2,475,000	0.375	4/20/2023	4/20/2020	0.46%	2,468,813	2,489,113	2,473,890	
AVONDALE SCH DIST, MI TXBL GO BONDS	054375VR8	470,000	1.650	5/1/2023	2/25/2020	1.65%	470,000	488,786	474,653	
FREDDIE MAC NOTES	3137EAER6	1,865,000	0.375	5/5/2023	5/7/2020	0.39%	1,864,217	1,875,425	1,867,120	
FREDDIE MAC NOTES	3137EAER6	1,200,000	0.375	5/5/2023	6/4/2020	0.35%	1,200,960	1,206,708	1,202,653	
APPLE INC CORPORATE NOTES	037833DV9	320,000	0.750	5/11/2023	5/11/2020	0.84%	319,130	324,194	320,177	
FANNIE MAE NOTES	3135G04Q3	1,975,000	0.250	5/22/2023	5/22/2020	0.35%	1,969,055	1,978,495	1,971,541	
FANNIE MAE NOTES	3135G04Q3	1,125,000	0.250	5/22/2023	6/4/2020	0.36%	1,121,355	1,126,991	1,122,764	
INTER-AMERICAN DEVEL BK CORPORATE NOTES	4581XODM7	505,000	0.500	5/24/2023	4/24/2020	0.51%	504,828	508,858	505,743	
AMAZON.COM INC CORPORATE NOTES	023135BP0	535,000	0.400	6/3/2023	6/3/2020	0.45%	534,251	536,386	535,035	
CHEVRON CORP	166764AH3	475,000	3.191	6/24/2023	2/27/2020	1.62%	499,097	512,086	498,870	
FREDDIE MAC NOTES	3137EAES4	1,820,000	0.250	6/26/2023	6/26/2020	0.35%	1,814,686	1,822,351	1,816,357	

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**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
Operating Reserve Accounts										
WAL-MART STORES INC CORP NOTES	931142EK5	340,000	3.400	6/26/2023	5/6/2020	0.80%	367,339	370,109	366,761	
WA ST T/E GO BONDS	93974EHJ8	475,000	5.000	7/1/2023	4/29/2020	1.03%	533,696	543,300	531,777	
PORT AUTH OF NY/NJ T/E REV BONDS	73358W4V3	285,000	1.086	7/1/2023	7/8/2020	1.09%	285,000	289,974	285,714	
PORT AUTH OF NY/NJ T/E REV BONDS	73358W4V3	285,000	1.086	7/1/2023	7/9/2020	0.89%	286,670	289,974	287,255	
FANNIE MAE NOTES	3135G05G4	1,915,000	0.250	7/10/2023	7/10/2020	0.32%	1,910,883	1,917,305	1,912,272	
ASIAN DEVELOPMENT BANK CORPORATE NOTES	045167EV1	1,000,000	0.250	7/14/2023	7/14/2020	0.31%	998,330	1,000,069	998,985	
MD ST TXBL GO BONDS	574193TP3	500,000	0.410	8/1/2023	8/5/2020	0.41%	500,000	502,289	500,319	
FANNIE MAE NOTES (CALLABLE)	3135G05R0	1,525,000	0.300	8/10/2023	8/12/2020	0.36%	1,522,255	1,526,449	1,523,029	
FREDDIE MAC NOTES	3137EAEV7	1,810,000	0.250	8/24/2023	8/21/2020	0.28%	1,808,154	1,811,714	1,808,726	
FREDDIE MAC NOTES	3137EAEW5	785,000	0.250	9/8/2023	9/4/2020	0.24%	785,143	785,450	785,287	
FREDDIE MAC NOTES	3137EAEW5	1,240,000	0.250	9/8/2023	9/4/2020	0.26%	1,239,591	1,240,711	1,239,833	
TORONTO-DOMINION BANK CORPORATE NOTES	89114QCJ5	500,000	0.450	9/11/2023	9/11/2020	0.50%	499,285	499,006	499,423	
MS ST TXBL GO BONDS	605581MY0	375,000	0.422	11/1/2023	8/6/2020	0.42%	375,000	373,434	375,242	
CITIBANK NA BANK NOTES	17325FA57	425,000	3.650	1/23/2024	5/12/2020	1.31%	460,696	467,281	459,874	
JPMORGAN CHASE & CO CORPORATE NOTES	46647PBS4	375,000	0.653	9/16/2024	9/16/2020	0.65%	375,000	375,054	375,102	
JPMORGAN CHASE & CO CORPORATE NOTES	46647PBS4	125,000	0.653	9/16/2024	9/30/2020	0.66%	124,968	125,018	125,002	
FL ST BOARD OF ADMIN TXBL REV BONDS	341271AD6	245,000	1.258	7/1/2025	9/16/2020	1.26%	245,000	248,845	245,128	
FG J20795	31306X3C5	428,867	2.500	10/1/2027	3/24/2020	2.35%	433,156	448,970	433,751	
FANNIE MAE POOL	3138MLV1	421,669	2.500	1/1/2028	2/18/2020	2.25%	429,180	441,330	429,468	
FR ZS6941	3132A7WA5	426,543	2.000	3/1/2028	5/18/2020	1.61%	438,673	444,972	438,803	
FG J23552	31307B5M8	404,723	2.500	5/1/2028	2/18/2020	2.25%	412,438	424,128	412,699	
FN FM3770	3140X7FL8	463,238	3.000	7/1/2035	8/19/2020	2.48%	493,421	494,682	494,340	
										\$ 188,457,618.68
Debt Service Reserve										
WELLS FARGO TREASURY PLUS MMF		\$ 7,703,028		10/1/2020		0.01%	\$ 7,703,028	\$ 7,703,028	\$ 7,703,028	
US TREASURY NOTES	912828F21	1,225,000	2.125	9/30/2021	4/2/2018	2.49%	1,210,214	1,249,189	1,220,857	
US TREASURY NOTES	912828L57	1,290,000	1.750	9/30/2022	11/1/2019	1.53%	1,298,113	1,331,584	1,295,621	
FANNIE MAE NOTES	3135G05G4	6,000,000	0.250	7/10/2023	7/10/2020	0.31%	5,990,040	6,007,221	5,994,170	
FREDDIE MAC NOTES	3137EAEW5	4,325,000	0.250	9/8/2023	9/4/2020	0.24%	4,326,341	4,327,480	4,327,119	
										\$ 20,540,793.62
CSO LTCP Appropriations Account										
TD BANK BANK DEPOSIT		\$ 131		10/1/2020		0.00%	\$ 131	\$ 131	\$ 131	
										\$ 131.25
Capital Project Accounts										
TD BANK - DEPOSITS (DISTRICT FUNDS)		\$ 25,636,214		10/1/2020		0.00%	\$ 25,636,214	\$ 25,636,214	\$ 25,636,214	
TD BANK - DEPOSITS (DC WATER - CAP2)		\$ 1,354		10/1/2020		0.30%	\$ 1,354	\$ 1,354	\$ 1,354	
TD BANK - DEPOSITS (DOEE - CAP3/NON-PROFIT)		\$ 2,437,360		10/1/2020		0.30%	\$ 2,437,360	\$ 2,437,360	\$ 2,437,360	
TD BANK - DEPOSITS (DOEE - LEAD SERVICE LINE-RAP)		\$ 1,194,675		10/1/2020		0.25%	\$ 1,194,675	\$ 1,194,675	\$ 1,194,675	
TD BANK - DEPOSITS (DOEE - LEAD SERVICE LINE-ERW)		\$ 806,960		10/1/2020		0.25%	\$ 806,960	\$ 806,960	\$ 806,960	
TD BANK - CSX PROJECT		\$ 333		10/1/2020		0.25%	\$ 333	\$ 333	\$ 333	
TD BANK - DEPOSITS (CAP MULTI-FAMILY BLDGS)		\$ 7,000,000		10/1/2020		0.00%	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000	
TD BANK - DEPOSITS (TARGETED ASSIST)		\$ 5,000,000		10/1/2020		0.00%	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	
TD BANK - DEPOSITS (RESIDENTIAL RELIEF FUND)		\$ 3,000,000		10/1/2020		0.00%	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	
										\$ 45,076,895.70

CDARS holdings are not managed by PFMAM, and we therefore cannot guarantee the accuracy of holdings information provided.

Investment Performance Report – September 2020



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
<u>Series B Commercial Paper Construction Fund</u>										
FIRST AMERICAN FUNDS TREASURY MMF		\$ 1,726		10/1/2020		0.01%	\$ 1,726	\$ 1,726	\$ 1,726	\$ 1,726.13
<u>2019A Construction Fund</u>										
WELLS FARGO 100% TREASURY MMF		\$ 102,307,925		10/1/2020		0.01%	\$ 102,307,925	\$ 102,307,925	\$ 102,307,925	\$ 102,307,924.54
<u>2019B Construction Fund</u>										
WELLS FARGO 100% TREASURY MMF		\$ 60,987,471		10/1/2020		0.01%	\$ 60,987,471	\$ 60,987,471	\$ 60,987,471	\$ 60,987,470.62
<u>2019C Construction Fund</u>										
WELLS FARGO 100% TREASURY MMF		\$ 34,375,628		10/1/2020		0.01%	\$ 34,375,628	\$ 34,375,628	\$ 34,375,628	
CANADIAN IMPERIAL HLDING COMM PAPER	13607EKS7	3,000,000	-	10/26/2020	4/24/2020	0.68%	2,989,517	2,999,694	2,998,583	
US TREASURY NOTES	912828L99	24,640,000	1.375	10/31/2020	12/20/2019	1.64%	24,585,138	24,804,880	24,776,572	
CREDIT SUISSE NEW YORK COMM PAPER	2254EAL68	3,000,000	-	11/6/2020	5/7/2020	0.39%	2,994,053	2,999,367	2,998,830	
MIZUHO BANK LTD/NY COMM PAPER	60689FMP0	3,000,000	-	12/23/2020	6/29/2020	0.36%	2,994,764	2,998,722	2,997,545	
UNITED STATES TREASURY NOTES	9128285S5	28,520,000	2.500	12/31/2020	12/20/2019	1.64%	28,768,436	28,865,067	28,760,155	
CITIGROUP GLOBAL MARKETS COMM PAPER	17327AMX2	3,000,000	-	12/31/2020	4/17/2020	0.96%	2,979,575	2,998,551	2,992,796	
UNITED STATES TREASURY NOTES	9128285X4	1,445,000	2.500	1/31/2021	12/20/2019	1.66%	1,458,378	1,462,375	1,455,086	
										\$ 101,355,195.24
							\$ 608,215,864.18	\$ 611,488,731.47	\$ 609,082,954.25	\$ 609,082,954.25

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

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
Operating Reserve Accounts								
008281BC0	AFRICAN DEVELOPMENT BANK SUPRANATL	800,000.00	0.75	4/3/2023	3/26/2020	4/3/2020	0.80	798,888.00
045167E6	ASIAN DEVELOPMENT BANK SUPRANATL	920,000.00	0.63	4/7/2022	3/31/2020	4/7/2020	0.67	919,162.80
3137EAEQ8	FREDDIE MAC NOTES	2,475,000.00	0.38	4/20/2023	4/17/2020	4/20/2020	0.46	2,468,812.50
4581X0DM7	INTER-AMERICAN DEVEL BK CORPORATE NOTES	505,000.00	0.50	5/24/2023	4/17/2020	4/24/2020	0.51	504,828.30
93974EHJ8	WA ST T/E GO BONDS	475,000.00	5.00	7/1/2023	4/23/2020	4/29/2020	1.03	533,695.75
037833DV9	APPLE INC CORPORATE NOTES	320,000.00	0.75	5/11/2023	5/4/2020	5/11/2020	0.84	319,129.60
931142EK5	WAL-MART STORES INC CORP NOTES	340,000.00	3.40	6/26/2023	5/4/2020	5/6/2020	0.80	371,513.84
3137EAE6	FREDDIE MAC NOTES	1,865,000.00	0.38	5/5/2023	5/5/2020	5/7/2020	0.39	1,864,216.70
17325FAS7	CITIBANK NA BANK NOTES	425,000.00	3.65	1/23/2024	5/8/2020	5/12/2020	1.31	465,392.59
3132A7WA5	FR ZS6941	474,856.22	2.00	3/1/2028	5/11/2020	5/18/2020	1.61	488,808.42
89233GPC4	TOYOTA MOTOR CREDIT CORP COMM PAPER	1,000,000.00	-	2/12/2021	5/18/2020	5/19/2020	1.52	988,791.67
3135G04Q3	FANNIE MAE NOTES	1,975,000.00	0.25	5/22/2023	5/20/2020	5/22/2020	0.35	1,969,055.25
023135BP0	AMAZON.COM INC CORPORATE NOTES	535,000.00	0.40	6/3/2023	6/1/2020	6/3/2020	0.45	534,251.00
3135G04Q3	FANNIE MAE NOTES	1,125,000.00	0.25	5/22/2023	6/3/2020	6/4/2020	0.36	1,121,448.75
3137EAE6	FREDDIE MAC NOTES	1,200,000.00	0.38	5/5/2023	6/3/2020	6/4/2020	0.35	1,201,297.50
7417017E0	PRINCE GEORGES CNTY, MD TXBL GO BONDS	500,000.00	0.60	9/15/2022	6/10/2020	6/16/2020	0.60	500,000.00
650036AR7	NY ST URBAN DEV CORP TXBL REV BONDS	375,000.00	0.72	3/15/2023	6/18/2020	6/25/2020	0.72	375,000.00
3137EAE5	FREDDIE MAC NOTES	1,820,000.00	0.25	6/26/2023	6/24/2020	6/26/2020	0.35	1,814,685.60
73358W4V3	PORT AUTH OF NY/NJ T/E REV BONDS	285,000.00	1.09	7/1/2023	7/2/2020	7/8/2020	1.09	285,000.00
045167EV1	ASIAN DEVELOPMENT BANK CORPORATE NOTES	1,000,000.00	0.25	7/14/2023	7/7/2020	7/14/2020	0.31	998,330.00
73358W4V3	PORT AUTH OF NY/NJ T/E REV BONDS	285,000.00	1.09	7/1/2023	7/7/2020	7/9/2020	0.89	286,678.70
3135G05G4	FANNIE MAE NOTES	1,915,000.00	0.25	7/10/2023	7/8/2020	7/10/2020	0.32	1,910,882.75
574193TP3	MD ST TXBL GO BONDS	500,000.00	0.41	8/1/2023	7/23/2020	8/5/2020	0.41	500,000.00
605581MY0	MS ST TXBL GO BONDS	375,000.00	0.42	11/1/2023	7/24/2020	8/6/2020	0.42	375,000.00
3135G05R0	FANNIE MAE NOTES (CALLABLE)	1,525,000.00	0.30	8/10/2023	8/11/2020	8/12/2020	0.36	1,522,280.42
3140X7FL8	FN FM3770	470,547.01	3.00	7/1/2035	8/17/2020	8/19/2020	2.48	501,911.91
3137EAEV7	FREDDIE MAC NOTES	1,810,000.00	0.25	8/24/2023	8/19/2020	8/21/2020	0.28	1,808,153.80
64966QLD0	NYC, NY TXBL GO BONDS	420,000.00	0.45	11/1/2022	8/27/2020	9/9/2020	0.45	420,000.00
3137EAEW5	FREDDIE MAC NOTES	785,000.00	0.25	9/8/2023	9/2/2020	9/4/2020	0.24	785,143.35
3137EAEW5	FREDDIE MAC NOTES	1,240,000.00	0.25	9/8/2023	9/2/2020	9/4/2020	0.26	1,239,590.80
341271AD6	FL ST BOARD OF ADMIN TXBL REV BONDS	245,000.00	1.26	7/1/2025	9/3/2020	9/16/2020	1.26	245,000.00
46647PBS4	JPMORGAN CHASE & CO CORPORATE NOTES	375,000.00	0.65	9/16/2024	9/9/2020	9/16/2020	0.65	375,000.00
89114QCJ5	TORONTO-DOMINION BANK CORPORATE NOTES	500,000.00	0.45	9/11/2023	9/9/2020	9/11/2020	0.50	499,285.00
46647PBS4	JPMORGAN CHASE & CO CORPORATE NOTES	125,000.00	0.65	9/16/2024	9/28/2020	9/30/2020	0.66	124,999.24
Total Debt Service Reserve								
62479LJW6	MUFG BANK LTD/NY COMM PAPER	3,750,000.00	-	9/30/2020	5/26/2020	5/27/2020	0.28	3,746,325.00
8923A0JW4	TOYOTA CRED PUERTO RICO COMM PAPER	3,750,000.00	-	9/30/2020	5/26/2020	5/27/2020	0.43	3,744,356.25
3135G05G4	FANNIE MAE NOTES	6,000,000.00	0.25	7/10/2023	7/9/2020	7/10/2020	0.31	5,990,040.00
3137EAEW5	FREDDIE MAC NOTES	4,325,000.00	0.25	9/8/2023		9/4/2020	0.24	4,326,340.75

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



**DC Water
Finance Division
Security Purchases
Last 6 Months (Continued)**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
2019A Construction Fund								
912796XH7	UNITED STATES TREASURY BILL	12,000,000.00	0.000	9/3/2020	6/5/2020	6/8/2020	0.150	11,995,650.00
2019B Construction Fund								
17327AJW8	CITIGROUP GLOBAL MARKETS COMM PAPER	2,250,000.00	0.000	9/30/2020	4/17/2020	4/17/2020	1.060	2,239,106.25
87019RJ49	SWEDBANK COMM PAPER	2,000,000.00	0.000	9/4/2020	6/5/2020	6/8/2020	0.210	1,998,873.33
59157TJA2	METLIFE SHORT TERM FUND COMM PAPER	2,000,000.00	0.000	9/10/2020	6/8/2020	6/8/2020	0.210	1,998,903.33
2019C Construction Fund								
17327AMX2	CITIGROUP GLOBAL MARKETS COMM PAPER	3,000,000.00	0.000	12/31/2020	4/17/2020	4/17/2020	0.960	2,979,575.00
13607EKS7	CANADIAN IMPERIAL HLDING COMM PAPER	3,000,000.00	0.000	10/26/2020	4/23/2020	4/24/2020	0.680	2,989,516.67
2254EAL68	CREDIT SUISSE NEW YORK COMM PAPER	3,000,000.00	0.000	11/6/2020	5/6/2020	5/7/2020	0.390	2,994,052.50
60689FMP0	MIZUHO BANK LTD/NY COMM PAPER	3,000,000.00	0.000	12/23/2020	6/26/2020	6/29/2020	0.360	2,994,763.75

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	TRADE DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
Operating Reserve Accounts								
912828WN6	US TREASURY NOTES	750,000.00	2.00	5/31/2021	3/26/2020	4/2/2020	3.57	770,990.17
912828M7	UNITED STATES TREASURY NOTES	875,000.00	2.25	4/15/2022	3/31/2020	4/7/2020	2.21	919,550.14
9128284P2	US TREASURY NOTES	1,900,000.00	2.63	5/15/2021	4/17/2020	4/20/2020	2.26	1,971,461.24
912828WN6	US TREASURY NOTES	225,000.00	2.00	5/31/2021	4/17/2020	4/20/2020	3.64	231,281.06
912828Z86	UNITED STATES TREASURY NOTES	600,000.00	1.38	2/15/2023	4/17/2020	4/20/2020	0.75	620,832.59
912828Z86	UNITED STATES TREASURY NOTES	500,000.00	1.38	2/15/2023	4/23/2020	4/29/2020	0.75	516,866.41
912828Z86	UNITED STATES TREASURY NOTES	825,000.00	1.38	2/15/2023	5/5/2020	5/7/2020	0.74	853,562.30
045167EF6	ASIAN DEVELOPMENT BANK NOTE	700,000.00	2.25	1/20/2021	5/6/2020	5/7/2020	2.40	714,243.25
06417GU22	BANK OF NOVA SCOTIA HOUSTON CD	925,000.00	3.08	6/5/2020	5/6/2020	5/6/2020	3.51	939,127.61
912828RC6	US TREASURY NOTES	150,000.00	2.13	8/15/2021	5/7/2020	5/7/2020	1.10	154,456.34
3135G0U35	FANNIE MAE NOTES	475,000.00	2.75	6/22/2021	5/11/2020	5/12/2020	2.77	493,607.86
912828Z86	UNITED STATES TREASURY NOTES	325,000.00	1.38	2/15/2023	5/11/2020	5/18/2020	0.73	336,488.42
89236TCZ6	TOYOTA MOTOR CREDIT CORP	475,000.00	1.90	4/8/2021	5/18/2020	5/19/2020	5.04	479,979.85
89236TEU5	TOYOTA MOTOR CREDIT CORP NOTES	290,000.00	2.95	4/13/2021	5/18/2020	5/19/2020	2.96	296,127.70
89236TEU5	TOYOTA MOTOR CREDIT CORP NOTES	160,000.00	2.95	4/13/2021	5/18/2020	5/19/2020	2.96	163,380.80
3135G0U35	FANNIE MAE NOTES	845,000.00	2.75	6/22/2021	5/20/2020	5/22/2020	2.77	878,207.09
912828Z86	UNITED STATES TREASURY NOTES	1,000,000.00	1.38	2/15/2023	5/20/2020	5/22/2020	0.73	1,035,656.34
4581X0DB1	INTER-AMERICAN DEVELOPMENT BANK NOTE	525,000.00	2.63	4/19/2021	6/2/2020	6/3/2020	2.88	537,536.13
4581X0DB1	INTER-AMERICAN DEVELOPMENT BANK NOTE	535,000.00	2.63	4/19/2021	6/2/2020	6/4/2020	2.88	547,755.07
00828ECZ0	AFRICAN DEVELOPMENT BANK NOTE	800,000.00	2.63	3/22/2021	6/4/2020	6/4/2020	2.75	819,216.00
912828RC6	US TREASURY NOTES	925,000.00	2.13	8/15/2021	6/4/2020	6/4/2020	1.04	952,186.17
78013XKG2	ROYAL BANK OF CANADA CORP NOTES	450,000.00	3.20	4/30/2021	6/10/2020	6/15/2020	3.28	462,933.00
78013XKG2	ROYAL BANK OF CANADA CORP NOTES	420,000.00	3.20	4/30/2021	6/22/2020	6/25/2020	3.28	432,187.93
40435RCN9	HSBC BANK USA NA CERT DEPOS	925,000.00	2.70	10/2/2020	6/25/2020	6/26/2020	2.61	962,217.38
912828RC6	US TREASURY NOTES	200,000.00	2.13	8/15/2021	6/25/2020	6/26/2020	0.98	205,978.71
931142EJ8	WAL-MART STORES INC CORP NOTES	575,000.00	3.13	6/23/2021	6/25/2020	6/26/2020	3.13	591,341.74
912828RC6	US TREASURY NOTES	125,000.00	2.13	8/15/2021	7/1/2020	7/7/2020	0.95	128,738.84
912828RC6	US TREASURY NOTES	975,000.00	2.13	8/15/2021	7/7/2020	7/14/2020	0.93	1,004,142.44
06406FAA1	BANK OF NEW YORK MELLON CORP (CALLABLE)	275,000.00	2.50	4/15/2021	7/8/2020	7/9/2020	4.45	280,643.92
89114QBZ0	TORONTO DOMINION BANK CORP NOTES	925,000.00	3.25	6/11/2021	7/8/2020	7/10/2020	3.30	952,045.20
912828Z86	UNITED STATES TREASURY NOTES	925,000.00	1.38	2/15/2023	7/8/2020	7/10/2020	0.70	958,935.46
9128284W7	US TREASURY NOTES	125,000.00	2.75	8/15/2021	8/4/2020	8/5/2020	2.67	130,017.86
912828RC6	US TREASURY NOTES	475,000.00	2.13	8/15/2021	8/4/2020	8/5/2020	0.86	489,585.00
45950VLQ7	INTERNATIONAL FINANCE CORPORATION NOTE	925,000.00	2.64	3/9/2021	8/11/2020	8/12/2020	2.77	947,809.34
9128284W7	US TREASURY NOTES	175,000.00	2.75	8/15/2021	8/11/2020	8/12/2020	2.67	181,980.85
9128284W7	US TREASURY NOTES	325,000.00	2.75	8/15/2021	8/12/2020	8/12/2020	2.67	337,939.04
89153VAP4	TOTAL CAPITAL INTL SA CORP NOTE	475,000.00	2.75	6/19/2021	8/17/2020	8/19/2020	1.59	486,895.58
13063DGA0	CA ST TXBL GO BONDS	1,075,000.00	2.80	4/1/2021	8/20/2020	8/21/2020	2.79	1,103,497.06
87019U6D6	SWEDBANK (NEW YORK) CERT DEPOS	525,000.00	2.27	11/16/2020	8/20/2020	8/21/2020	2.26	530,768.49
9128284W7	US TREASURY NOTES	350,000.00	2.75	8/15/2021	8/27/2020	9/9/2020	2.66	359,417.54
06406FAA1	BANK OF NEW YORK MELLON CORP (CALLABLE)	135,000.00	2.50	4/15/2021	9/2/2020	9/4/2020	4.78	137,927.17
06406FAA1	BANK OF NEW YORK MELLON CORP (CALLABLE)	190,000.00	2.50	4/15/2021	9/2/2020	9/4/2020	4.78	194,119.73
459058GH0	INTL BANK OF RECONSTRUCTION AND DEV NOTE	1,335,000.00	2.75	7/23/2021	9/2/2020	9/4/2020	3.02	1,369,218.65
87019U6D6	SWEDBANK (NEW YORK) CERT DEPOS	400,000.00	2.27	11/16/2020	9/3/2020	9/4/2020	2.26	404,459.25
46647PAS5	JPMORGAN CHASE & CO CORP NOTES	375,000.00	3.51	6/18/2022	9/9/2020	9/16/2020	3.48	386,917.42

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



**DC Water
Finance Division
Security Sales
Last 6 Months(Continued)**

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	YTM	TRANSACTION AMOUNT
<u>Operating Reserve Accounts</u>								
9128284W7	US TREASURY NOTES	475,000.00	2.75	8/15/2021	9/9/2020	9/14/2020	2.66	487,420.35
9128284W7	US TREASURY NOTES	375,000.00	2.75	8/15/2021	9/10/2020	9/11/2020	2.66	384,838.65
46647PAS5	JPMORGAN CHASE & CO CORP NOTES	550,000.00	3.51	6/18/2022	9/21/2020	9/21/2020	3.48	568,275.31
<u>Total Debt Service Reserve</u>								
912828F21		5,800,000.00	2.13	9/30/2021	7/9/2020	7/10/2020	3.14	5,973,574.11
912828VZ0		4,275,000.00	2.00	9/30/2020	9/3/2020	9/4/2020	10.22	4,318,021.93
<u>2019B Construction Fund</u>								
9128285B2	US TREASURY N/B	2,210,000.00	2.75	9/30/2020	4/17/2020	4/17/2020	0.86	2,239,152.96
<u>2019C Construction Fund</u>								
9128285S5	UNITED STATES TREASURY NOTES	2,910,000.00	2.50	12/31/2020	4/17/2020	4/17/2020	1.25	2,980,123.05
912828L99	US TREASURY NOTES	2,950,000.00	1.38	10/31/2020	4/23/2020	4/24/2020	1.81	2,989,087.25
912828L99	US TREASURY NOTES	2,975,000.00	1.38	10/31/2020	5/6/2020	5/7/2020	1.84	2,994,255.65
9128285S5	UNITED STATES TREASURY NOTES	2,900,000.00	2.50	12/31/2020	6/26/2020	6/29/2020	0.76	2,970,261.76

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

Investment Performance Report – September 2020



DC Water
Finance Division
Security Maturities
Last 6 Months

CUSIP	DESCRIPTION	PAR	COUPON	MATURITY DATE	TRADE DATE	SETTLE DATE	TRANSACTION AMOUNT
Total Debt Service Reserve							
62479LJW6	MUFG BANK LTD/NY COMM PAPER	3,750,000.00	-	9/30/2020		9/30/2020	3,750,000.00
8923A0JW4	TOYOTA CRED PUERTO RICO COMM PAPER	3,750,000.00	-	9/30/2020		9/30/2020	3,750,000.00
2019A Construction Fund							
9128284J6	US TREASURY N/B NOTES	18,480,000.00	2.38	4/30/2020	4/30/2020	4/30/2020	18,699,450.00
912828XH8	US TREASURY NOTES	11,400,000.00	1.63	6/30/2020	6/30/2020	6/30/2020	11,492,625.00
912828XH8	US TREASURY NOTES	3,745,000.00	1.63	6/30/2020	6/30/2020	6/30/2020	3,775,428.13
912828XY1	UNITED STATES TREASURY NOTES	14,750,000.00	2.50	6/30/2020	6/30/2020	6/30/2020	14,934,375.00
912828XM7	US TREASURY NOTES	19,662,000.00	1.63	7/31/2020	7/31/2020	7/31/2020	19,821,753.75
912796XH7	UNITED STATES TREASURY BILL	12,000,000.00	-	9/3/2020	9/3/2020	9/3/2020	12,000,000.00
912828VZ0	US TREASURY NOTES	3,328,000.00	2.00	9/30/2020	9/30/2020	9/30/2020	3,361,280.00
2019B Construction Fund							
21687AHX4	COOPERATIVE RABOBANK U.A. COMM PAPER	3,800,000.00	-	8/31/2020	8/31/2020	8/31/2020	3,800,000.00
912828VV9	US TREASURY NOTES	1,685,000.00	2.13	8/31/2020	8/31/2020	8/31/2020	1,702,903.13
87019RJ49	SWEDBANK COMM PAPER	2,000,000.00	-	9/4/2020	9/4/2020	9/4/2020	2,000,000.00
59157TJA2	METLIFE SHORT TERM FUND COMM PAPER	2,000,000.00	-	9/10/2020	9/10/2020	9/10/2020	2,000,000.00
22533TJB3	CREDIT AGRICOLE CIB NY COMM PAPER	2,280,000.00	-	9/11/2020	9/11/2020	9/11/2020	2,280,000.00
89233GJB3	TOYOTA MOTOR CREDIT CORP COMM PAPER	3,800,000.00	-	9/11/2020	9/11/2020	9/11/2020	3,800,000.00
62479LJE6	MUFG BANK LTD/NY COMM PAPER	2,280,000.00	-	9/14/2020	9/14/2020	9/14/2020	2,280,000.00
63873JJE1	NATIXIS NY BRANCH COMM PAPER	2,280,000.00	-	9/14/2020	9/14/2020	9/14/2020	2,280,000.00
09659BJU5	BNP PARIBAS NY BRANCH COMM PAPER	2,800,000.00	-	9/28/2020	9/28/2020	9/28/2020	2,800,000.00
46640PJU8	JP MORGAN SECURITIES LLC COMM PAPER	3,800,000.00	-	9/28/2020	9/28/2020	9/28/2020	3,800,000.00
17327AJW8	CITIGROUP GLOBAL MARKETS COMM PAPER	2,250,000.00	-	9/30/2020	9/30/2020	9/30/2020	2,250,000.00
9128285B2	US TREASURY N/B	37,290,000.00	2.75	9/30/2020	9/30/2020	9/30/2020	37,802,737.50
912828VZ0	US TREASURY NOTES	1,200,000.00	2.00	9/30/2020	9/30/2020	9/30/2020	1,212,000.00
2019C Construction Fund							
46640PHX4	JP MORGAN SECURITIES LLC COMM PAPER	4,000,000.00	-	8/31/2020	8/31/2020	8/31/2020	4,000,000.00
22533TJB3	CREDIT AGRICOLE CIB NY COMM PAPER	3,040,000.00	-	9/11/2020	9/11/2020	9/11/2020	3,040,000.00
89233GJB3	TOYOTA MOTOR CREDIT CORP COMM PAPER	5,065,000.00	-	9/11/2020	9/11/2020	9/11/2020	5,065,000.00
62479LJE6	MUFG BANK LTD/NY COMM PAPER	3,040,000.00	-	9/14/2020	9/14/2020	9/14/2020	3,040,000.00
63873JJE1	NATIXIS NY BRANCH COMM PAPER	3,040,000.00	-	9/14/2020	9/14/2020	9/14/2020	3,040,000.00

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
10/01/20	INTEREST	64966QEE6	NYC, NY TXBL GO BONDS	1.690	10/01/22	385,000.00	0.00	3,253.25	3,253.25
10/01/20	INTEREST	46647PBB1	JPMORGAN CHASE & CO BONDS	3.207	04/01/23	475,000.00	0.00	7,616.63	7,616.63
10/01/20	INTEREST	64966QED8	NYC, NY TXBL GO BONDS	1.680	10/01/21	385,000.00	0.00	3,234.00	3,234.00
10/03/20	INTEREST	008281BC0	AFRICAN DEVELOPMENT BANK SUPRANATL	0.750	04/03/23	800,000.00	0.00	3,000.00	3,000.00
10/07/20	INTEREST	045167ET6	ASIAN DEVELOPMENT BANK SUPRANATL	0.625	04/07/22	920,000.00	0.00	2,875.00	2,875.00
10/12/20	INTEREST	3130AF5B9	FEDERAL HOME LOAN BANKS NOTES	3.000	10/12/21	3,425,000.00	0.00	51,375.00	51,375.00
10/15/20	INTEREST	9128285F3	UNITED STATES TREASURY NOTES	2.875	10/15/21	1,000,000.00	0.00	14,375.00	14,375.00
10/15/20	INTEREST	9128286M7	UNITED STATES TREASURY NOTES	2.250	04/15/22	810,000.00	0.00	9,112.50	9,112.50
10/15/20	INTEREST	31306X3C5	FG J20795	2.500	10/01/27	428,867.00	0.00	893.47	893.47
10/15/20	INTEREST	31307B5M8	FG J23552	2.500	05/01/28	404,723.00	0.00	843.17	843.17
10/15/20	INTEREST	912828YK0	UNITED STATES TREASURY NOTES	1.375	10/15/22	3,800,000.00	0.00	26,125.00	26,125.00
10/20/20	INTEREST	3137EAEQ8	FREDDIE MAC NOTES	0.375	04/20/23	2,475,000.00	0.00	4,640.63	4,640.63
10/25/20	INTEREST	3140X7FL8	FN FM3770	3.000	07/01/35	463,238.00	0.00	1,158.09	1,158.09
10/25/20	INTEREST	3132A7WA5	FR ZS6941	2.000	03/01/28	426,543.00	0.00	710.90	710.90
10/25/20	INTEREST	3138MRLV1	FANNIE MAE POOL	2.500	01/01/28	421,669.00	0.00	878.48	878.48
10/26/20	MATURITY	13607EKS7	CANADIAN IMPERIAL HLDING COMM PAPER	0.000	10/26/20	3,000,000.00	3,000,000.00	0.00	3,000,000.00
10/31/20	INTEREST	912828T67	US TREASURY NOTES	1.250	10/31/21	1,465,000.00	0.00	9,156.25	9,156.25
10/31/20	MATURITY	912828L99	US TREASURY NOTES	1.375	10/31/20	24,640,000.00	24,809,400.00	0.00	24,809,400.00



Appendix: Economic Update



Expansion in the Manufacturing & Services Sectors Slow

ISM Manufacturing PMI



ISM Non-Manufacturing PMI

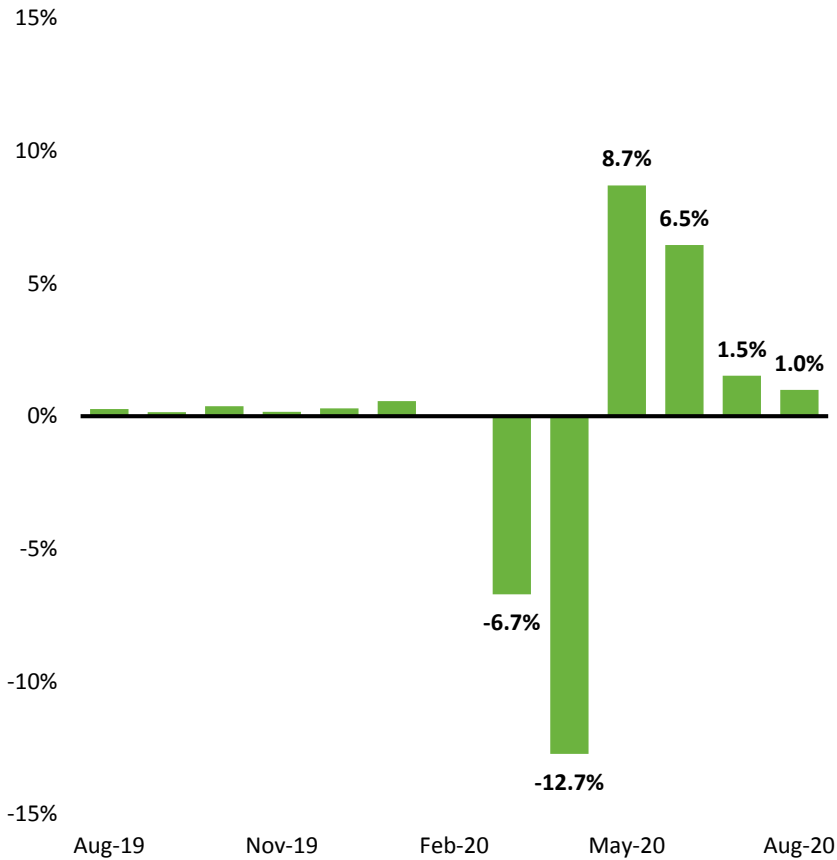


Source: Bloomberg, latest available data as of October 2020.

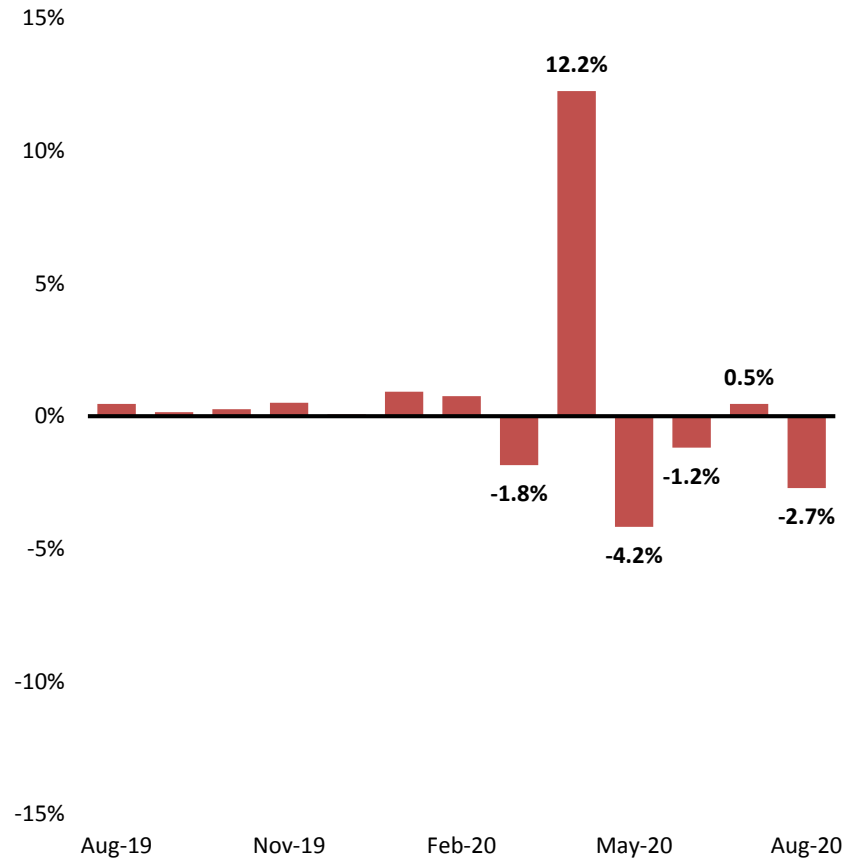


Personal Spending Stalls as Income Declines

Personal Spending (MoM%)



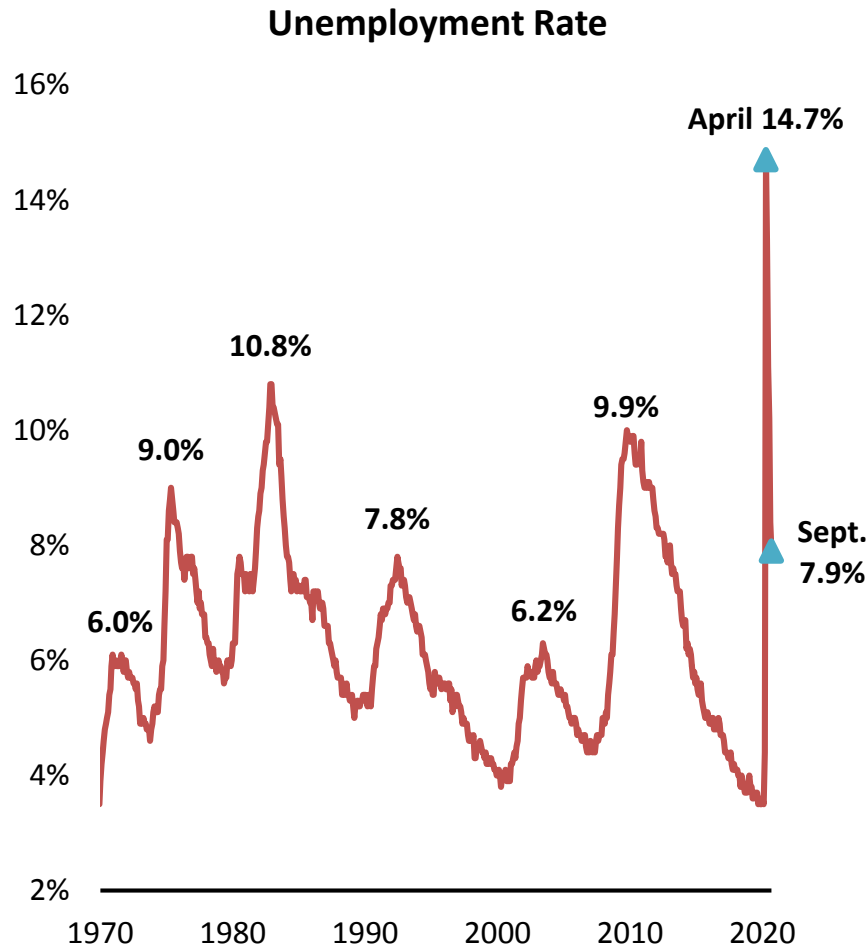
Personal Income (MoM%)



Source: Bloomberg, as of 9/30/2020.



Slowing Momentum in the Labor Market Recovery



Source: Bloomberg, as of 9/30/2020. Data is seasonally adjusted.



Yield Environment as of October 2, 2020.

Maturity	Treasury	Federal Agency	AA Corporate	A Corporate
3-Month	0.09%	0.05%	0.19%	0.22%
6-Month	0.10%	0.06%	0.24%	0.29%
1-Year	0.11%	0.12%	0.25%	0.32%
2-Year	0.13%	0.12%	0.32%	0.41%
3-Year	0.16%	0.23%	0.41%	0.54%
5-Year	0.28%	0.35%	0.68%	0.84%

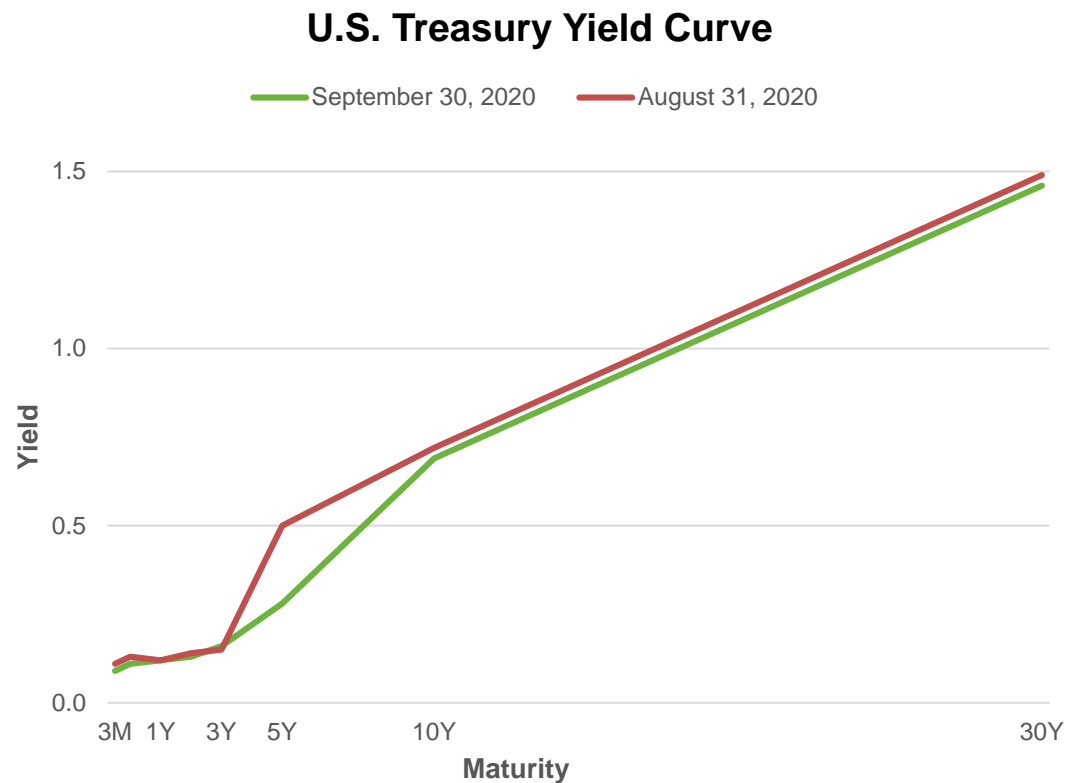
Source: Bloomberg BVAL yield curves for Treasury and Corporate. TradeWeb for Federal Agency yields. 3- and 6-month corporate yields from commercial paper; A-1+ for AA and A-1 for A. Yields are for indicative purposes only; actual yields may vary by issue.



U.S. Treasury Yields Curve Steepens

- The U.S. Treasury yield curve remained relatively unchanged at most maturities, although 5-year rates dropped more than 20 bps over the month.

	<u>8/31/2020</u>	<u>9/30/2020</u>	<u>Change</u>
3 month	0.11%	0.09%	-0.02%
6 month	0.13%	0.11%	-0.02%
1 year	0.12%	0.12%	0.00%
2 year	0.14%	0.13%	-0.01%
3 year	0.15%	0.16%	0.01%
5 year	0.50%	0.28%	-0.22%
10 year	0.72%	0.69%	-0.03%
30 year	1.49%	1.46%	-0.03%

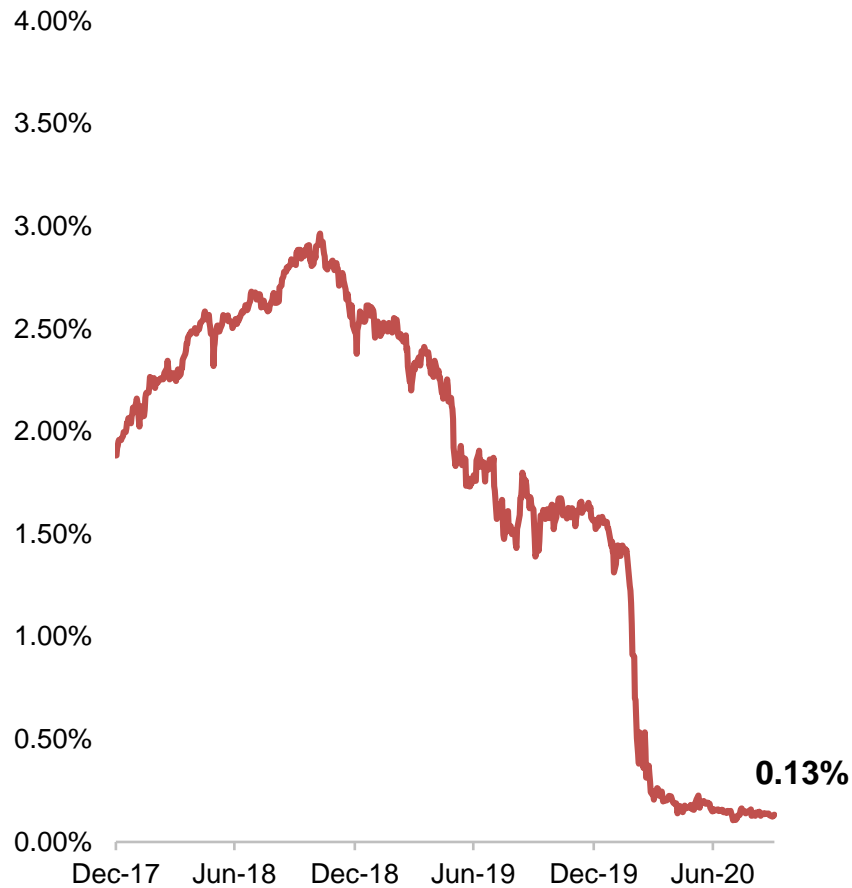


Source: Bloomberg, as of 9/30/2020.



Treasury Yields Trade Sideways

2-Year Treasury



10-Year Treasury



Source: Bloomberg, as of 10/02/2020.



Disclosure

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ATTACHMENT 2

Finance and
Budget
Committee



Business Transformation Program 'Zeus' Updates



Business
Transformation
Program



Purpose

- PROVIDE AN UPDATE ON THE ORACLE CLOUD ENTERPRISE RESOURCE PLANNING (ERP) IMPLEMENTATION



Project Zeus Overview

- ◆ Project Zeus / Oracle ERP is an enterprise-wide effort to modernize DC Water's financial, procurement, budgeting, and human capital systems to reduce manual efforts and lead-time, improve efficiency and quality, and increase productivity.
 - ◆ Phase 1- Core Financials and Procurement
 - ◆ Phase 2 – Advance Procurement
 - ◆ Phase 3 – Enterprise Planning and Budgeting
 - ◆ Phase 4 – HCM and Payroll
 - ◆ Phase 5 – Advanced Human Resources





Major Accomplishments



- ◆ Financials and Procurement Implementation (Phase I & II) Completed
 - ◆ A single integrated system, Financial, HCM, and Procurement in a centralized database, real-time, AI enabled with expanded read-only system access to support decision making.
 - ◆ Increased auditability and compliance with best practices improvements in application level and segregation of duties controls. (KPMG Audit Finding - Dec 2015 – Jan 2016)
 - ◆ Implemented a revised Chart of Accounts to achieve uniformity and connectivity across multiple systems and to better aligned financial statements with (GASB – Government Accounting Standards Board)
 - ◆ Implemented enhanced automated controls over the Annual Capital Budget
 - ◆ Enhanced Management Reporting leveraging automated dashboards, customized management reports, e-signature, paperless workflows, etc.
 - ◆ Reduction in manual processes
 - ◆ New character recognition (OCR- Optical Character Recognition) technology reads the paper or pdf invoices sent by vendors
 - ◆ Automation and enhanced integration of capital procurement and supplier management processes



Major Accomplishments



- ◆ Reduction in manual processes continued
 - ◆ Bank Statements are imported directly from Bank without any manual intervention through scheduled processes, running automatically on a daily basis.
 - ◆ Payments made using Oracle system and the files directly transmitted to Bank of America without manual intervention.
 - ◆ Ability to capture additional information on service invoices (i.e. service start and end date) allows for more accurate reporting.
 - ◆ End to End transactional/process flow between DC Water systems (P16/ Maximo/ Procurement/ Payables/ Projects/ FA) reducing the manual processes and help streamline the capitalization functions.
 - ◆ Created operating projects to enhance ability for cost recovery.
 - ◆ Self-service inquiry access given to suppliers, which will significantly reduce the workload of AP on inquiry calls about invoices and payments.



Project Success

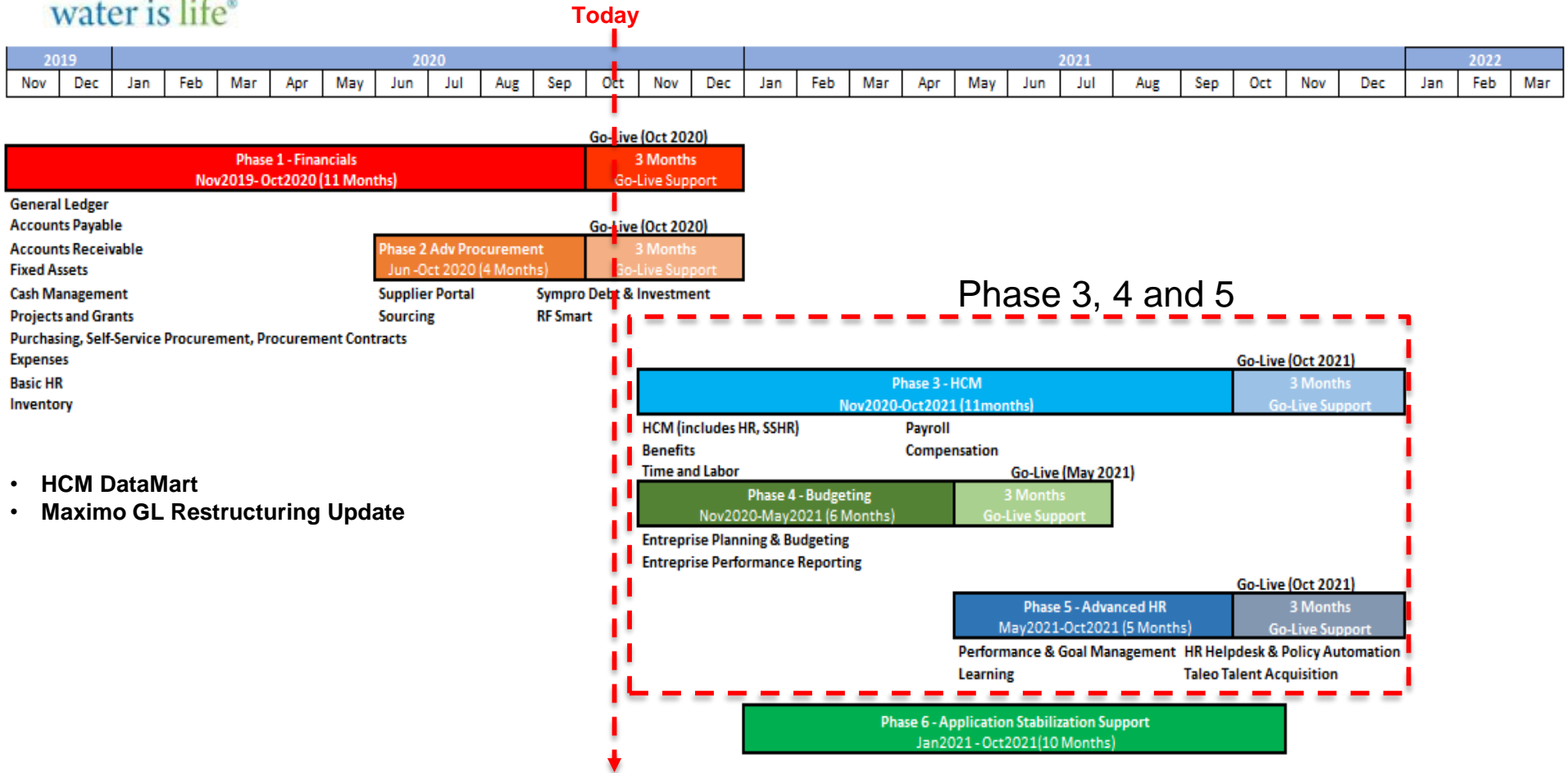
◆ Project Zeus Implementation Phases 1 & 2 were a success:

- ◆ Effective Project Governance Structures (DC Water Program Leadership)
 - ◆ Enterprise Program Management Office (EPMO)
- ◆ Fully Integrated Enterprise Change Management led by DC Water (Stakeholder Ownership & Engagement)
- ◆ Strong collaboration by project team - DC Water & Implementation Partners (Stakeholder Ownership & Engagement)
- ◆ MS Teams platform allowed full implementation remotely (Efficient and Effective Project Execution)
 - ◆ Full Commitment from DC Water Staff to the Implementation (Design , Testing, and Training Phases)
- ◆ Project Management – DC Water & System Integrator (Shared Accountability)
- ◆ Project Risk Management (Effective Risk Management)
 - ◆ Impact of COVID-19
 - ◆ Impact on Ongoing Operations and Staffing





ERP Program Schedule: 24 months





Project Zeus Current Activities

- ◆ Project Zeus Oracle ERP “Go-Live” on October 1st and 5th
 - ◆ Independent Validation and Verification (IV&V) – **completed**
 - ◆ Project Zeus Post Go-Live War Room for End Users Support – **In-Progress**
 - ◆ Pre-Assessment of application controls and segregation of duties by Internal Audit Team – **In-Progress**

- ◆ Project Zeus Oracle ERP Phase 3 and 4 (HCM, Payroll and Budget Planning)
 - ◆ As-Is Process Documentation – **completed**
 - ◆ Oracle Orientation Sessions (from Oracle)
 - Core HCM, Benefits, Compensation – **In-Progress**
 - Budget (Enterprise Planning and Budgeting, Reporting) – **completed**





HCM DataMart & Maximo G/L Restructuring Projects

HCM DATAMART – IN-PROGRESS

- **SCOPE:** Consolidate HR and payroll data from six legacy source systems into an HCM DataMart and to build an application for users to access data and provide standard and ad-hoc reporting capabilities.
- **IMPLEMENTATION PARTNER :** Vigilant Technologies
- **ACHIEVEMENTS:** Planning and Requirement Gathering Phase Completed
- **UPCOMING ACTIVITIES (NEXT 6-8 WEEKS)**
 - Continue Design and Development

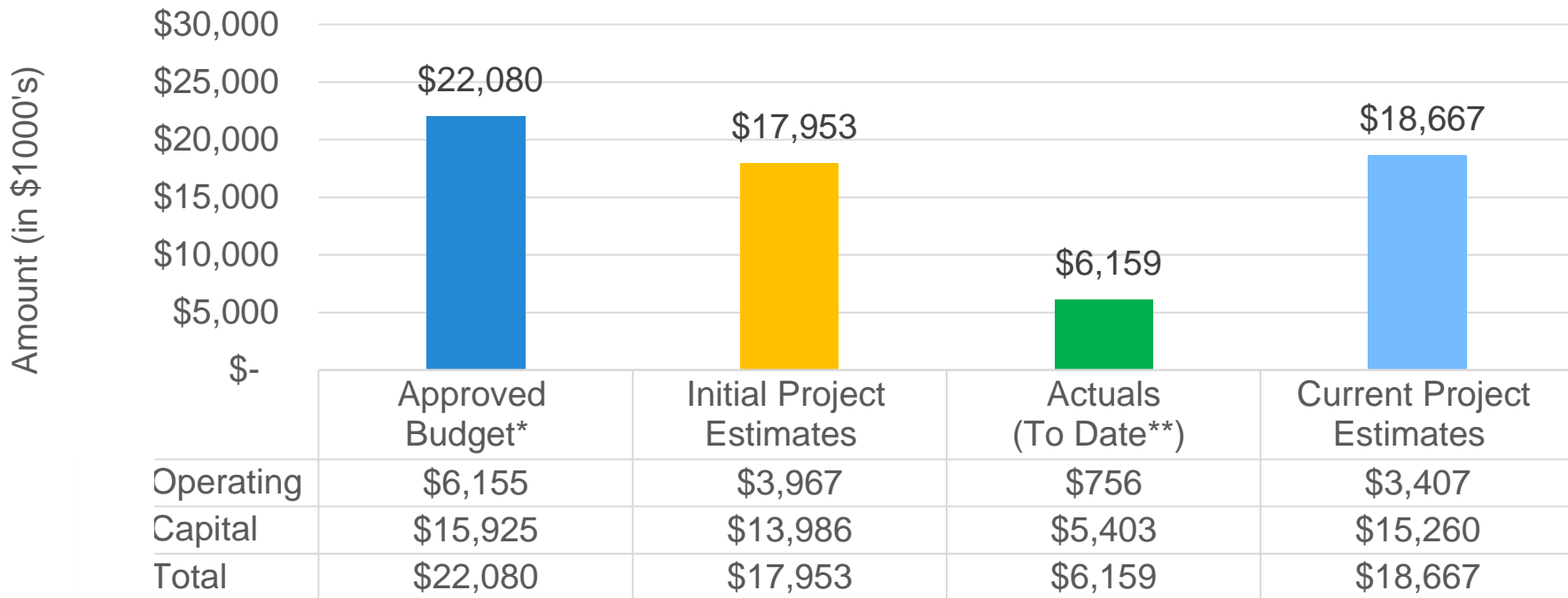
MAXIMO G/L RESTRUCTURING – COMPLETED

- **SCOPE:** Re-align the GL Segments (codes and structure) in Maximo System to support new ERP Oracle Implementation.
- **IMPLEMENTATION PARTNER :** Infosys Technologies
- **ACHIEVEMENTS:**
 - ❖ Successfully went live along with the Oracle Phase 1 and 2
 - ❖ Supported 2 weeks of Hypercare Support as per the Contract.





ERP Program Budget (FY 2020-2022)



* Reflects Board-approved budgets through FY 2021 with preliminary estimates for FY 2022

** Actuals Paid as of 30th Sept,2020 and subject to change pending outstanding invoices for year-end financial results



Project Costs Estimates Remain Under Budget

- **BOARD-APPROVED BUDGET AND PROJECT COST ESTIMATES COVERING THE THREE-YEAR PERIOD:**
 - Capitalized Costs – System integrations & implementation, 3rd party Independent Verification & Validation Services (IV&V), Project Management, Network, Quality Assurance Analyst, System Admin, Employee Labor etc.
 - Operating Costs – Software Subscription, Staff Augmentation, Training, and Data Conversion
- **BUDGET VS CURRENT PROJECT ESTIMATE: \$22.08M (BUDGETED) Vs \$18.67M (CURRENT PROJECT ESTIMATE)
NET REDUCTION: \$3.4M**
 - Lower than anticipated use to date of temporary staff to backfill employees and augment day-to-day operations (**\$2.8M decr.**)
 - Estimated savings with 3rd Party S/w licenses Vendors negotiations (**\$200K decr.**)
 - Estimated savings with Lawson decommissioning and legacy HCM Data (**410K decr.**)

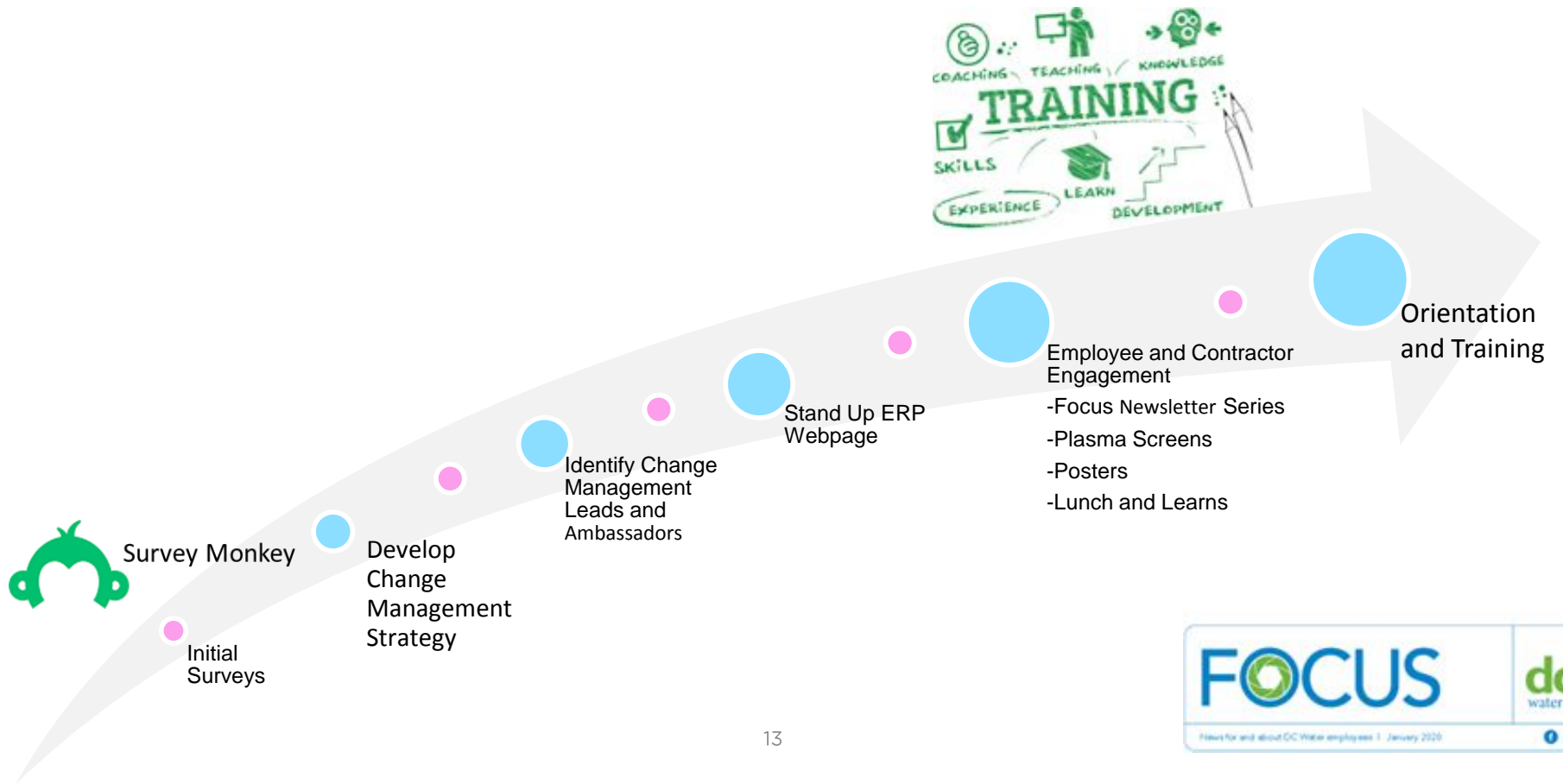


Project Costs Estimates Remain Under Budget

- **CURRENT VS. INITIAL PROJECT ESTIMATE – \$18.67M (CURRENT) Vs \$17.95M (INITIAL) NET INCREASE OF \$734K ABOVE THE INITIAL ESTIMATE**
 - Capital Costs – Increase of \$1,274K
 - Additional integration project efforts for Maximo and Customer Information Billing systems (\$250K *incr.*)
 - Increased capitalized labor costs due to higher than anticipated utilization of employees time for the project (\$840K *incr.*)*
 - Covid-19 related extension of program management and advisory support due to the delay of Phases 3-5 (\$335K *incr.*)
 - Negotiated contract savings for various services including IV&V, uPerform, Sympro etc. (**\$150K *decr.***)
 - Operating Costs – Decrease of \$540K
 - Estimated savings with 3rd Party S/w licenses Vendors negotiations, (**\$200K *decr.***)
 - Estimated savings with Lawson decommissioning and legacy HCM Data (**410K *decr.***)
 - Oracle training costs were higher than initial planned (\$70K *incr.*)



Change Management Implementation Strategy





Change Management Team Updates

- ◆ Training Schedule, Logistics and Communication
 - ❖ Train the Trainers Sessions - **Completed**
 - ❖ Train the End Users – **Completed**
 - ❖ Contractor Training – **Completed**/ More as per more Feedback
 - ❖ Training Material Development (uPerform) – **Completed**/Ongoing
- ◆ GL/Accounting Outreach - **Completed**
- ◆ Go-LIVE Communication to the End Users - **Completed**
- ◆ Updates Project Zeus ERP Webpage - **Completed**/ Ongoing
- ◆ Online Activities:
 - ❖ ERP Palooza – Online Gaming Series
 - ❖ ERP Town Hall Series – Virtual Meetings with DC Water Staff





Upcoming Project Milestones

☐ PHASE 1 (FINANCIALS AND PROCUREMENT)

- ❖ Hypercare Support to End-Users

☐ PHASE 2 (ADVANCED PROCUREMENT)

- ❖ Hypercare Support to End-Users

☐ PHASE 3 (HCM/PAYROLL)

- ❖ Project Team Onboarding and Logistics Setup
- ❖ Oracle Orientation Sessions (Phase 3)
- ❖ Project Phase 3 Kick-Off
- ❖ Detailed Project Plan
- ❖ Discovery Workshop Sessions
- ❖ Sprint 1 & 2 Configurations and Sessions
- ❖ Data Conversion Programs Design and Development
- ❖ Interface Functional Design and Development
- ❖ Test Strategy and Plan prepared and Test Scripts
- ❖ User Acceptance Testing Complete
- ❖ Payroll Parallel Testing Complete
- ❖ Go-Live with HCM Applications for the Phase
- ❖ Hypercare Support (3 Months)

☐ PHASE 4 (BUDGETING)

- ❖ Project Team Onboarding and Logistics Setup
- ❖ Oracle Orientation Sessions (Phase 4)
- ❖ Project Phase 4 Kick-Off
- ❖ Detailed Project Plan
- ❖ Discovery Workshop Sessions
- ◁ Sprint 1 & 2 Configurations and Sessions
- ◁ Data Conversion Programs Design and Development
- ◁ Interface Functional Design and Development
- ◁ Test Strategy and Plan prepared and Test Scripts
- ◁ User Acceptance Testing Complete
- ◁ Go-Live with HCM Applications for the Phase
- ◁ Hypercare Support (3 Months)

☐ HCM DATAMART

- ❖ Design and Development
- ❖ System Integration Testing (SIT)
- ❖ User Acceptance Testing Complete
- ❖ Go-Live and Hypercare Support

☐ PHASE 6 (APPLICATION STABILIZATION)

- ❖ Stabilization Support by AST



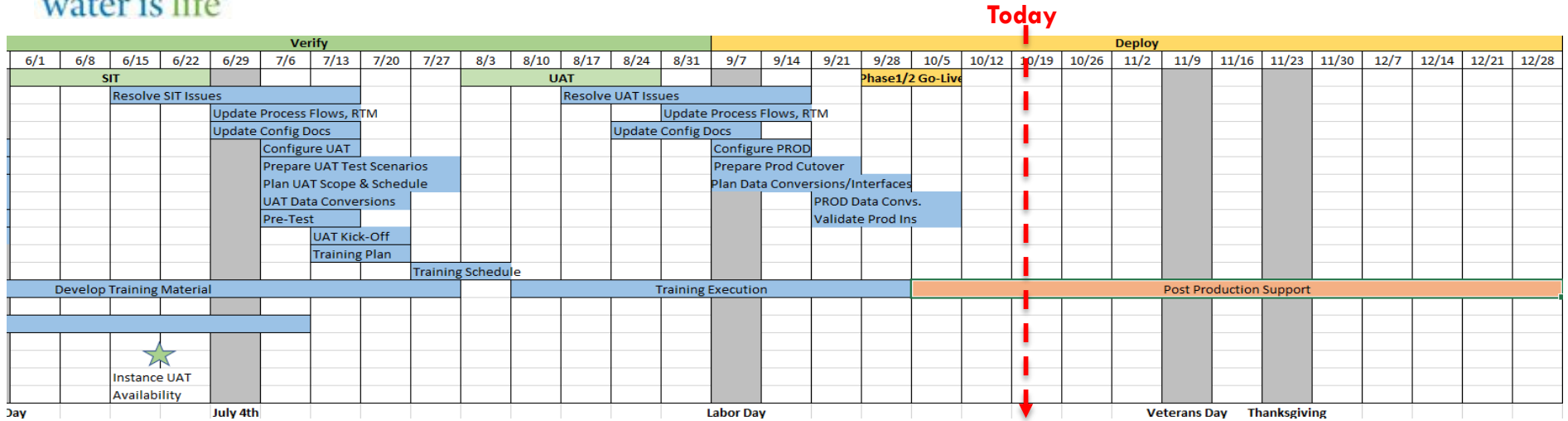
Q & A



Appendix



Phase 1 and 2 Detailed Timelines





Contracts Status with Vendors Updates

- ◆ **MASTER SERVICE AGREEMENT (MSA) & SOW (MAIN) WITH AST – COMPLETED**
- ◆ **INDEPENDENT VALIDATION AND VERIFICATION (IV&V) WITH ACCENTURE – COMPLETED**
- ◆ **OTHER SOWs (INCLUDING 3RD PARTY)**
 - SYMPRO – S/W END USER LICENSE AGREEMENT (EULA) - COMPLETED
 - RFSMART – S/W END USER LICENSE AGREEMENT (EULA) - COMPLETED
 - ORACLE SUBSCRIPTIONS (OCI/ICS) – COMPLETED
 - SKILLSOFT – COMPLETED (BY PEOPLE & TALENT DEPT. FOR INITIAL 400 USER LICENSES)
 - SYMPRO – IMPLEMENTATION SERVICES WITH AST – COMPLETED
 - RFSMART – IMPLEMENTATION SERVICES WITH AST – COMPLETED
 - AUTONOMOUS CLOUD TESTING (ACT) WITH AST - COMPLETED
 - APPLICATION STABILIZATION SUPPORT WITH AST - IN-PROGRESS (80%) (TARGET: 10/31/2020)
 - UPERFORM – COMPLETED
 - HCM DATAMART – COMPLETED
 - MAXIMO GL RESTRUCTURING - COMPLETED
- ◆ **ORACLE SAAS AND PAAS S/W LICENSING SUBSCRIPTIONS RENEWAL - COMPLETED**



Payment Milestones (Vendors) – Summary

	Vendor	Total (# of Milestones)	Completed (# of Milestones)	In-Progress (# of Milestones)	Not Started (# of Milestones)
Phase 1	AST	32	27	2	3
Phase 2	AST	28	24	1	3
ACT Testing	AST	6	1	1	4
Change Orders	AST	18	2	1	15
Maximo GL Restructuring	Infosys	7	6	1	0
HCM DataMart (Phase1 & 2)	Vigilant	11	2	1	8
	Total	102	62	7	33



Merchant Card Fee Update and Plan Forward

Presentation to the Finance and Budget Committee
October 22, 2020

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY





Purpose

- Provide update and continue discussion of credit card fees



Customer Payment Types

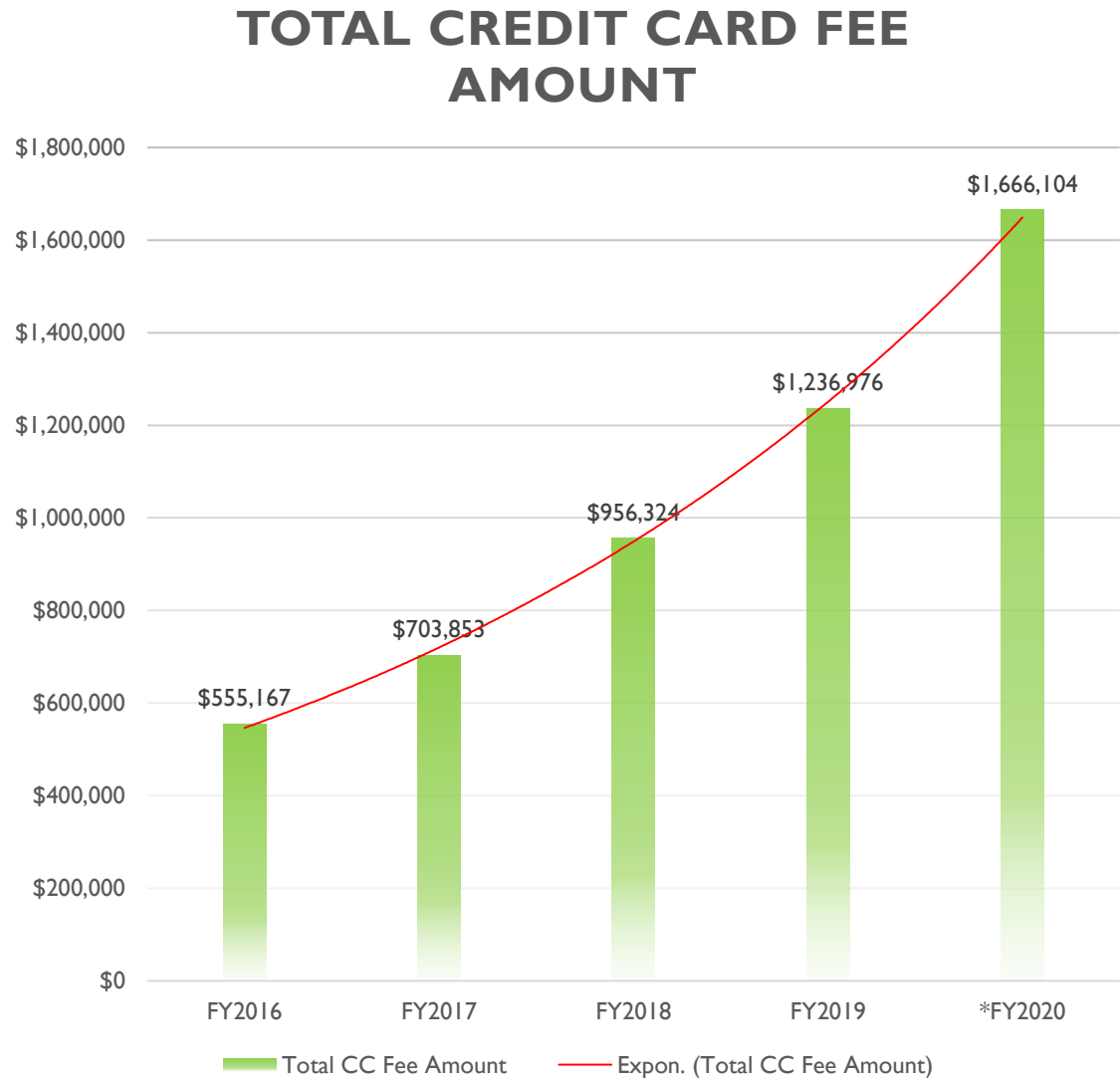
DC Water accepts customer payments various ways

Merchant Account	Payment Type	Payment Gateway
Alternate Payment Sites (Walk-Ins)	Cash (Cash or Debit)	Western Union
IVR (Interactive Voice Response)	Credit Card	PayPal
WEB (Website/Online)	Credit Card	Kubra
One-Time IVR or WEB	Debit Card (ACH)	Kubra
RCC (Recurring Credit Card)	Credit Card	Kubra
Permits (Construction)	Credit Card	Bank of America
Lockbox (PO Box 97200)	Checks	TD Bank
Bill Pay (Electronic Funds Transfer)	EFT (ACH)	TD Bank
Electronic Check	E-Check (ACH)	Kubra
Text to Pay	Text (ACH)	Kubra
PDF Secure Pay	Email (ACH)	Kubra
<i>Water Quality (Fire Hydrant)</i>	Credit Card	Bank of America



Actual Credit Card Transaction Costs

- Credit Card fees have increased an average of 32% each year from FY2016 to FY2020

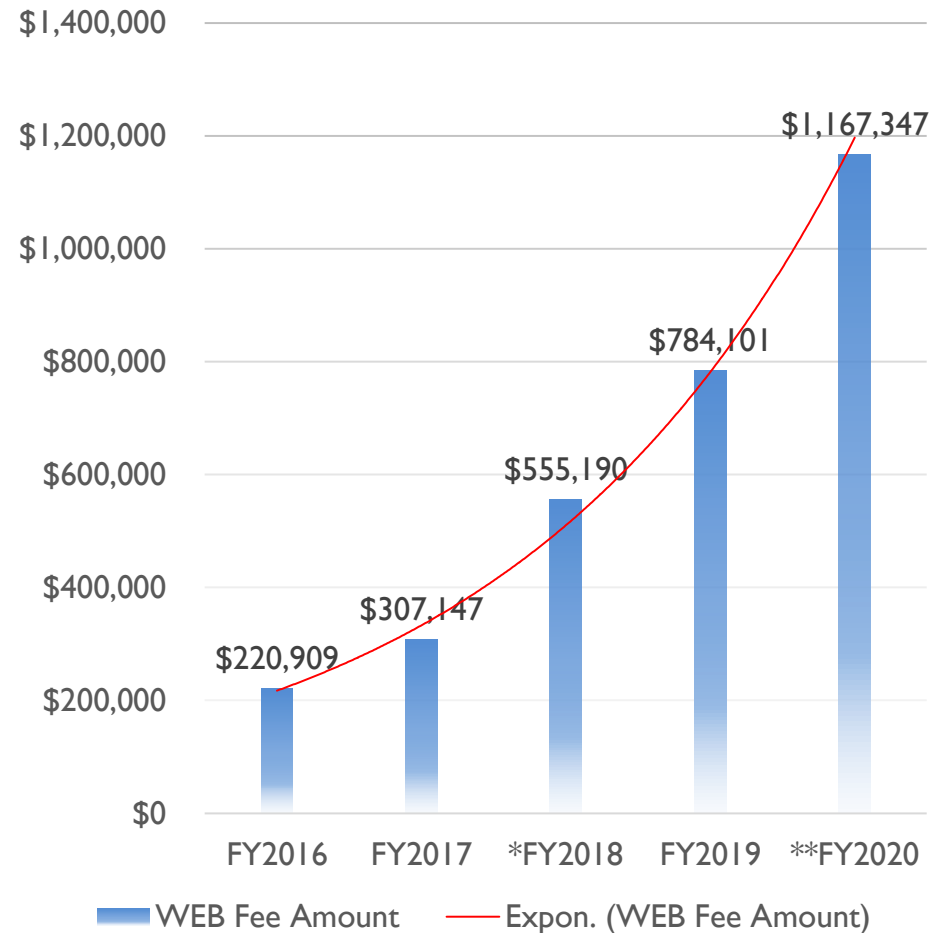




WEB (Online) Costs

- WEB credit card fees are the largest portion and have the highest costs
- Cost have grown from 0.4% of credit card revenue in FY2016 to 1% of credit card revenue in FY2020

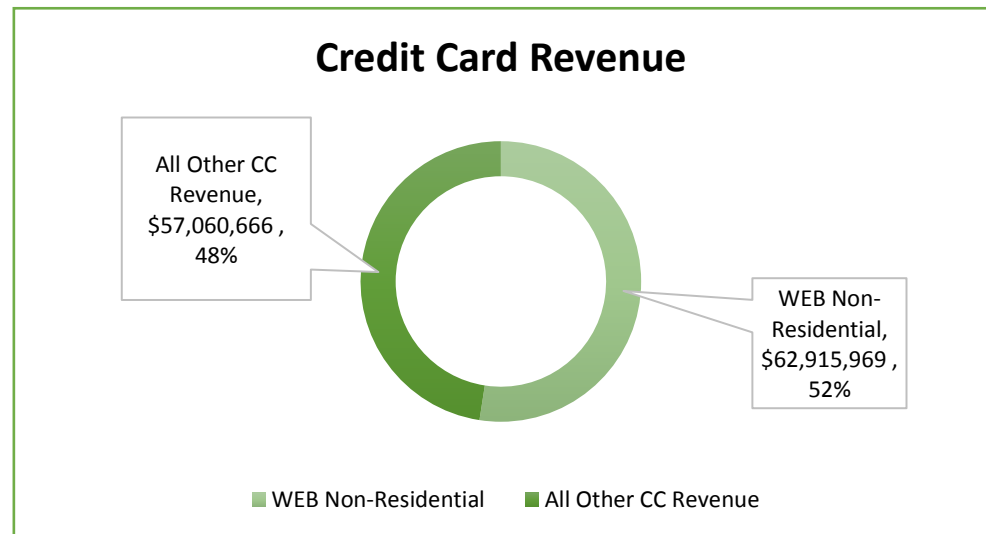
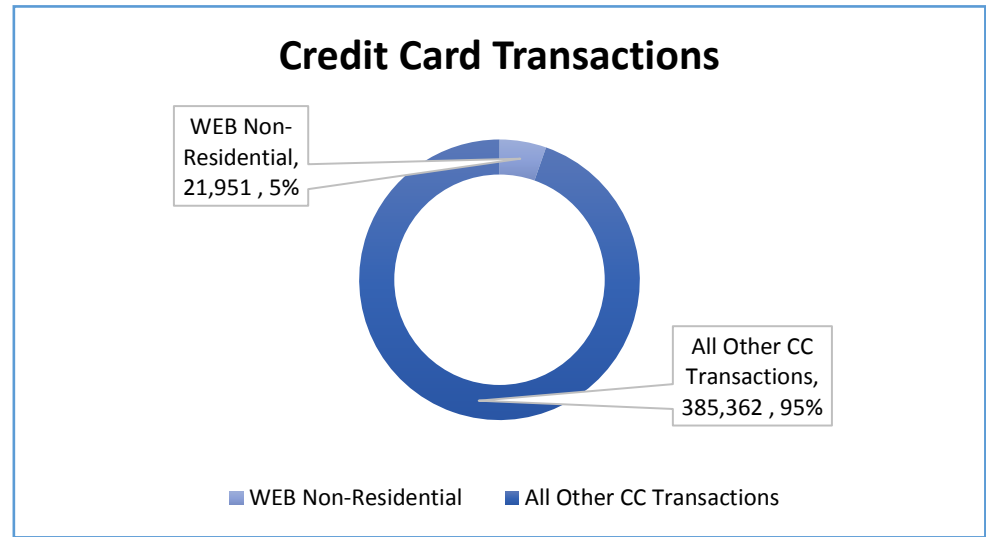
TOTAL WEB CREDIT CARD FEE AMOUNT





WEB Non-Residential Credit Card Data

- WEB non-residential credit card transactions accounted for approximately 5% of all credit card transactions in FY2020, but accounted for over 50% of all credit card revenue
- WEB non-residential credit card revenue increased by 52% driving credit card fees significantly higher during the FY



Source: FY2020 Authority records - VI/SAP



Timeline

- DC Water has been working to understand fees and find ways to reduce costs
 - May 2019: Met with nine payment gateway vendors to discuss process and fees
 - One-on-one discussions with multiple vendors over last 16 months to discuss challenges and potential solutions to reduce costs for DC Water
 - November 2019 – Provided update to Finance and Budget Committee on fees and possible options to reduce credit card costs
 - February 2020 - Met with Finance and Budget Committee to discuss plan to block all non-residential customers from paying by credit card via WEB as one-time unauthenticated payment
 - March 2020 – COVID 19 delayed option to move forward with blocking all non-residential customers from paying by credit card via WEB



WEB Processing Concerns

- The growth in WEB transactions and fees have increased costs for DC Water each year from FY2016 – FY2020
- Payment aggregators or proxies are using their rewards cards via corporate credit cards (i.e. fleet card, fuel cards, etc.) to process payments, while DC Water absorbs the fees
 - Aggregators or management companies create accounts for business owners and make WEB credit/debit card payments on their behalf
 - Aggregators are shifting from lower cost ACH payments averaging \$0.20 per transaction to higher cost WEB payments averaging \$7.97 per transaction (*Fee reported at F&B Committee in Feb 2020 was \$7.22*)



Options Considered

- Pass a \$1.00 credit card fee to customers
- Pass all credit card fees to customers
- Restrict credit card processing to Residential only
- Cap the credit card dollar value per transaction
- Cap the number of monthly transactions
- Incentivize ACH payments
- Restrict Guest Payments

Presented above options at November 2019 Finance & Budget Committee meeting



Block Non-Authenticated Cards

- Web (Online) one-time credit card payments processed through the guest portal are non-authenticated or unauthenticated with no profile account
- These transactions could be blocked, and some residential customer payment posting/processing may be delayed because non-authenticated payments would be blocked
- Customer outreach would be necessary in advance of implementation

Profile Account	Non-Profile Account
<ul style="list-style-type: none"> • Authenticated • Customers create a profile account with DC Water to input their account number, service address, and credit card information to make payments 	<ul style="list-style-type: none"> • Unauthenticated or Guest portal • Customers enter account number and dollar amount only • Bypasses critical credit card steps to validate card information
<ul style="list-style-type: none"> • Customers need to log-in • Validates a Level 2 or Level 3 authentication level for better merchant card pricing 	<ul style="list-style-type: none"> • Customers do not need to log in • Level 1 results in the most expensive way for a business to accept a credit card, and less information is required from customers



Block Non-Residential Credit Cards

- Restrict credit card payments to residential customers only
- Non-residential customers can only pay by cash via ACH online or via check mailed to DC Water's lockbox
- Would eliminate payment aggregators from processing high end rewards cards across all of DC Water's payment type platforms
- DC Water's credit card processing fees would be reduced
- Would also limit businesses from paying via credit card, especially during COVID-19



Charge a Fee

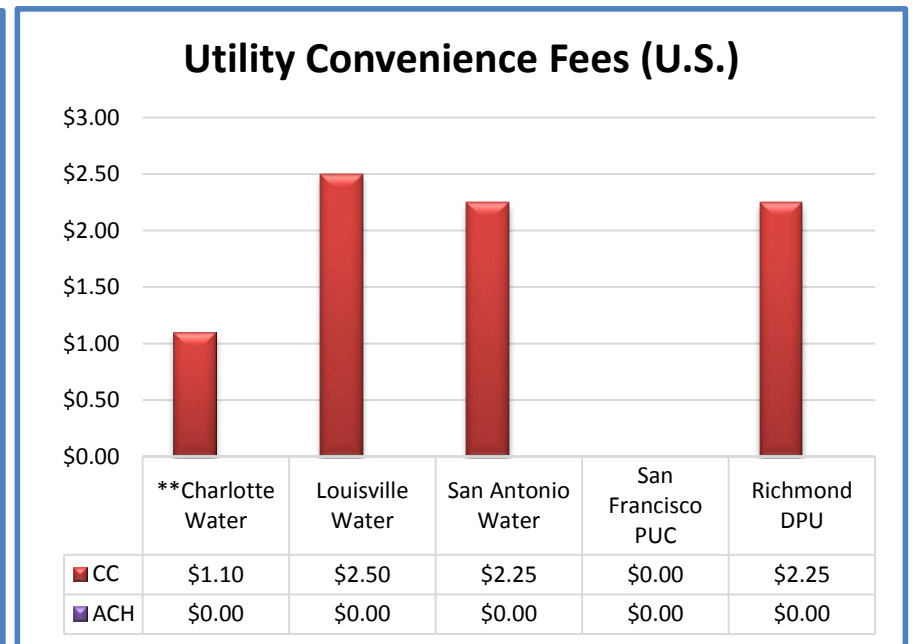
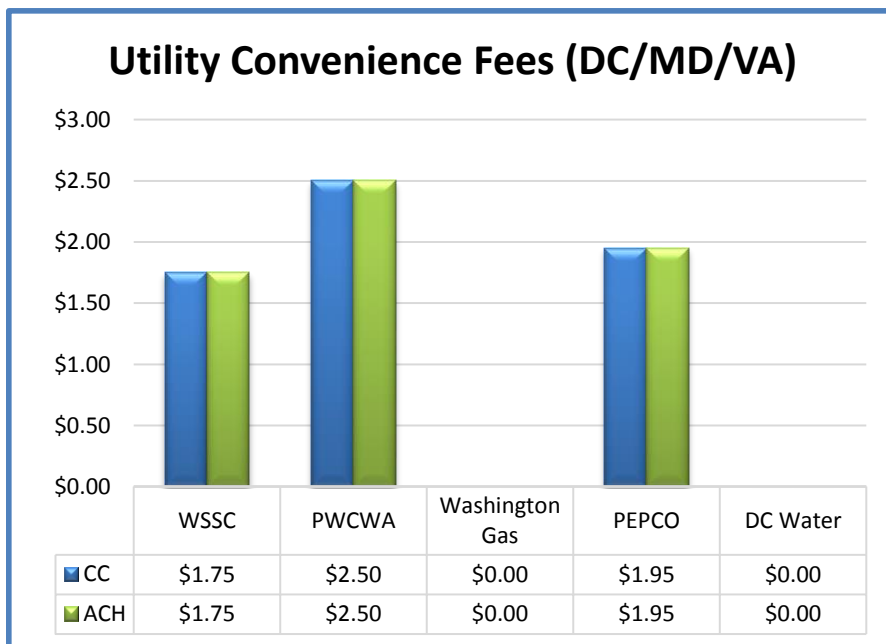
- DC Water could begin charging a fee for customers to use credit cards
 - Fee could apply to all customers or non-residential customers
 - To charge a fee, DC Water would need to select a payment gateway provider that can quickly implement a customized solution (will need to issue an RFP)
 - A payment gateway vendor may charge \$8.00 per transaction for merchant (credit/debit) card customers based on the average cost that DC Water currently pays (based on data analysis from our current payment gateway vendor)
- ACH costs are lower than credit card costs; under a scenario where DC Water passes credit card costs to customers but pays ACH costs:
 - Credit/debit card costs would be \$0.00 annually
 - ACH costs could range from \$100,000 - \$125,000 annually

Fee Type	Transactions	Fee	DC Water Cost	Customer Cost
Merchant Card	420,000	\$8.00	\$0.00	\$3,360,000
ACH	550,000	\$0.20	\$110,000	\$0.00



Merchant Card Fees by Utilities

- Convenience fees for select utilities locally (DC/MD/VA) and across the United States
- DC Water absorbs credit card/convenience fees
 - FY2019 = \$3.27 and *FY2020 = \$4.13



WSSC – Washington Suburban Sanitary Commission

PWCWA – Prince William County Water Authority

*FY2020 – Projection based on stats through 8/31/2020 (11 months)

**Charlotte Water - \$1.10 fee for payments less than \$999, but \$55.00 fee for payments greater than \$999



Utility Hybrid Flat Fee Example

- 💧 Charlotte Water charges a convenience fee where two separate flat fees are charged per transaction based on the transaction amount
- 💧 \$1.10 fee for payments made under \$999.99
 - Payments under \$999.99 are assessed for residential/small business customers
- 💧 \$55.00 fee for payments made over \$999.99
 - Payments over \$999.99 are assessed for large customers
- 💧 Each transaction is assessed a fee no matter how many transactions are processed within a month



Next Steps

- Respond to Committee concerns
- Discuss and hear feedback about options presented



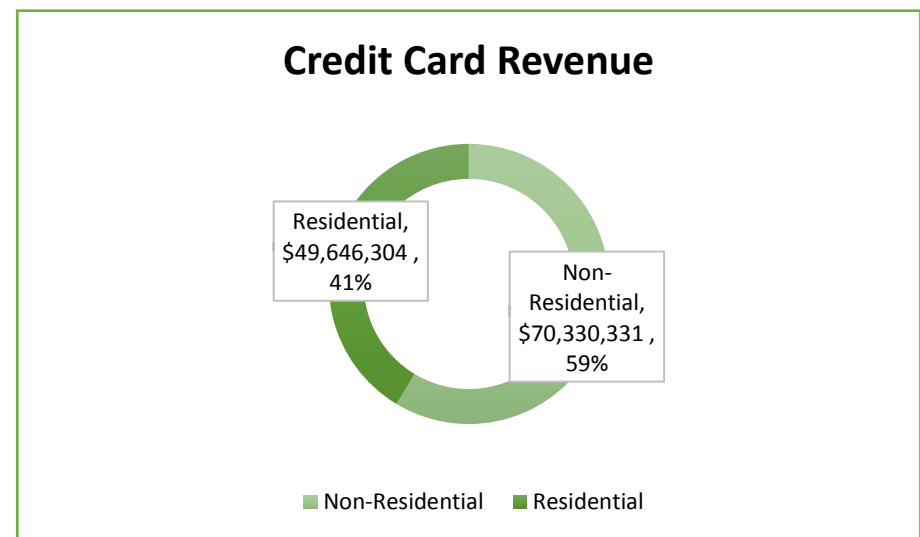
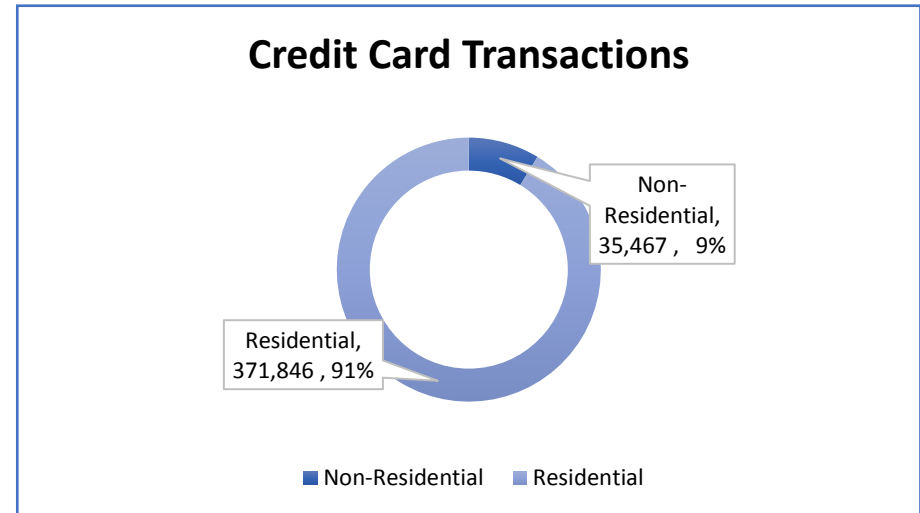


Appendix



Non-Residential Credit Card Data

- Non-residential credit card transactions impact all credit card fees
- Non-residential credit card transactions accounted for approximately 10% of all credit card transactions in FY2020, but accounted for nearly 60% of all credit card revenue

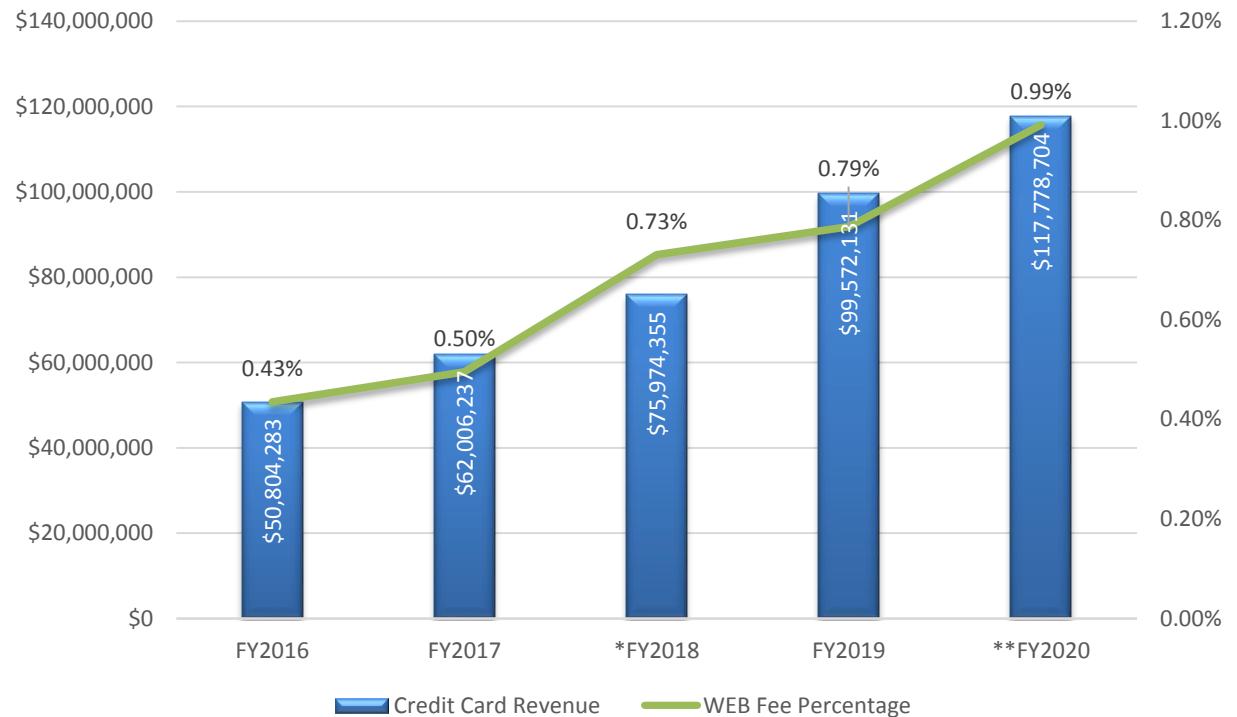


Source: FY2020 Authority records -VI/SAP



WEB Credit Card Fees as a Percentage of Credit Card Revenue

- Total credit card revenue was \$50.8 million in FY2016 to \$117.8 million FY2020 YTD
- WEB CC fees remained at less than 1.00% of total credit card revenue each year



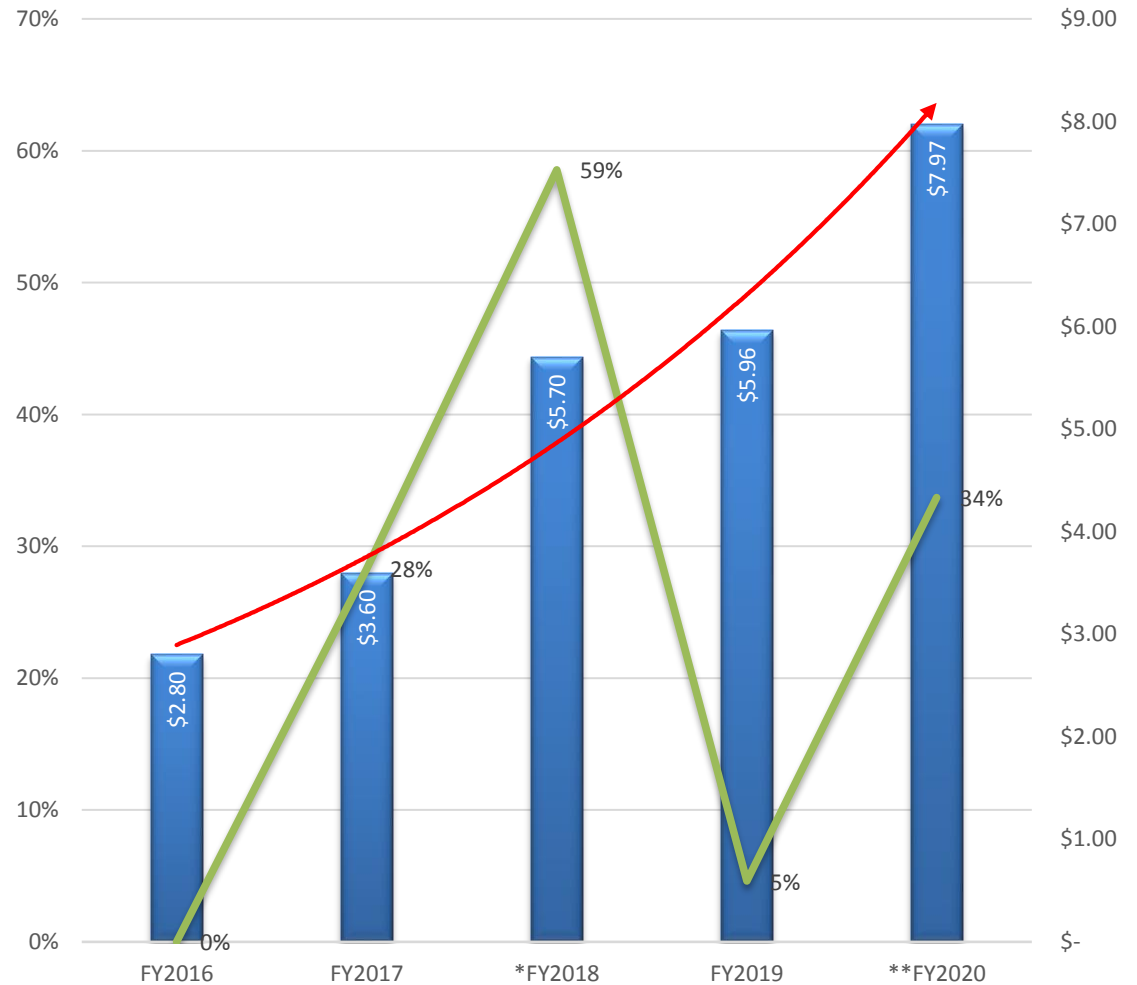
*FY2018 - Conversion to new Vertex One system

**FY2020 - Projection based on stats through 8/31/2020 (11 months)



WEB Per Transaction Fee History

- The FY2020 average per transaction WEB fee cost was \$7.97
- As of FY2020, WEB fees are almost 75% of the annual credit card fees



*FY2018 - Conversion to new Vertex One system

**FY2020 - Projection based on stats through 8/31/2020 (11 months)



Total Credit Card Costs -5 Year Projections

- Credit card fees are projected to exceed \$2.0 million in FY 2021
- Historical credit card costs from FY2016 – FY2020 were 32% per year
- Projections over the next five years at the same 32% rate annually

PROJECTED COSTS





Nov 2019 Challenges

- DC Water paid \$1.2 million in FY2019 for credit card fees
- Reasons why our fees are expensive
- Level 1 authentication vs. levels 2 and 3 authentications
- Payment aggregators
- WEB credit card costs

Presented above options at November 2019 Finance & Budget meeting



Merchant Card Processing

- Customer makes a debit or credit card payment
- Payment gateway receives the customer's payment, verifies funds, and passes confirmed funds to merchant's bank
- Merchant receives and passes to DC Water's depository bank





Merchant Card Background

- June 2011 - Bank of America selected as the backend Merchant Bank Card services provider
 - The Merchant Bank Card Services provider charges all of the fees for credit and debit card transactions
 - Bank of America is also the payment gateway for Permit construction payments
- May 2014 –Vertex contracted with Kubra to process all ACH and Recurring Credit Card (RCC) payments
- Dec 2017 (FY2018) - DC Water converted to Vertex One and Kubra began processing WEB credit card payments

WEB (Online) - IVR (Interactive Voice Response) - RCC (Recurring Credit Card)

YEAR	WEB	IVR	RCC	Permits
2009	PayPal	PayPal	ORCC	BofA
2014	PayPal	PayPal	Kubra	BofA
2017	Kubra	PayPal	Kubra	BofA

ORCC – Online Resources Corporation
 BofA – Bank of America



Payment Gateway Enhancements

- Reducing three current payment gateway vendors into one
- Ensure level 2 and 3 security data will be passed from the payment gateway to the merchant processor to certify DC Water is obtaining the lowest possible convenience fee
- High end rewards processing incentives from payment aggregators will no longer exist
- The evaluation criteria will emphasize a provider that has demonstrated experience in protecting and securing customer payment data and compliance with PCI requirements



WEB Fees with Current Payment Gateway

- Credit card costs increased substantially with current payment gateway vendor
- WEB credit card fees increase on average by 52% annually vs the overall 32% overall increase
- DC Water has no direct contract with payment gateway and little control over transaction costs

Fiscal Year	WEB Fee Amount	Fee Increase per Year by Amount	Fee Increase per Year by Percentage
FY2016	\$220,909	N/A	N/A
FY2017	\$307,147	\$86,238	39%
*FY2018	\$555,190	\$248,043	81%
FY2019	\$784,101	\$228,911	41%
**FY2020	\$1,167,347	\$383,245	49%

*FY2018 - Conversion to new Vertex One system

**FY2020 - Projection based on stats through 8/31/2020 (11 months)



Contractual Limitations

- The current payment gateway that manages most DC Water’s payment channels is a subcontractor to our customer information system vendor
- With no direct contract, DC Water cannot control these fees or predict their cost. In our contract, we will set a per transaction fee for residential customers and a percentage of the fee for non-residential
- Additional concerns
 - Ensuring level 1, 2, and 3 authentications are being passed to the backend merchant provider
 - Understanding what security mechanism stops payment aggregators from converting ACH payments into credit card payments for high end rewards
 - No contractual obligation to turn on fee or “flip switch” to begin assessing convenience fee if DC Water passes all or a portion of the credit fee to customers



Contractual Benefits

- Solution will pass credit card fees to non-residential customers
 - Significant reduction in credit card activity is anticipated
 - Solution will permit non-residential customers the option to pay by credit card, if desired, with a fee assessed to the customer
- Solution will allow DC Water to continue to absorb credit card fees for residential customers, who have lower average bills
- Seeking a solution that can be flexible should fees need to be charged for residential customers in the future
- Integrated solution with one responsible party accountable for meeting DC Water's needs





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

Tuesday, November 17, 2020; 11:00 a.m.

**DC Water Headquarters
1385 Canal Street, SE, DC**

AGENDA

Call to Order	Chairperson
October 2020 Financial Report	Chief Financial Officer
Capital Improvement Program Quarterly Update	CIP Infrastructure Management Director
Agenda for December Committee Meeting	Chairperson
Adjournment	Chairperson

*Detailed agenda can be found on DC Water’s website at www.dewater.com/about/board_agendas.cfm