



General Manager's Report

September 20, 2017

Table of Contents

Customer Service

Contact Center Operations

Percent of Calls Answered Chart..... 1

Percent of Calls Answered Within 180 Seconds Chart 2

Delinquent Accounts Chart..... 3

ePermitting Transaction Report 4

Infrastructure

Water & Wastewater Permit Compliance 5

Potomac Plant Treatment Change..... 5

Water Production Chart 6

Wastewater Treatment Chart 6

Accomplishments..... 7

Water Main Breaks and Leaks Charts..... 7

Employee Matters

Recruitment – July 2017 Average Time to Fill Vacancies Chart 8

Retirement Eligibility Projections Chart..... 9

Stakeholders

Supplier Diversity and Inclusion (SDI)

SDI Dashboard..... 10-11

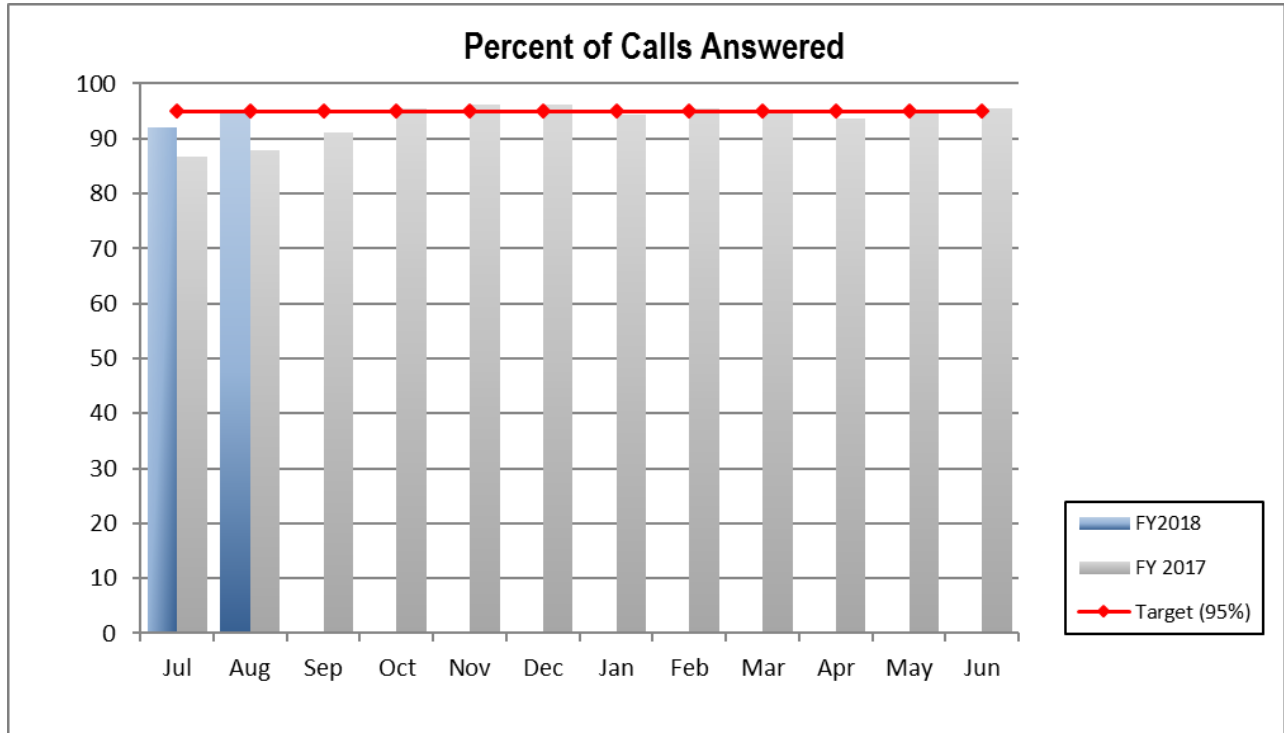
Financial Stewardship

Monthly Status Report 12-27

Customer Service

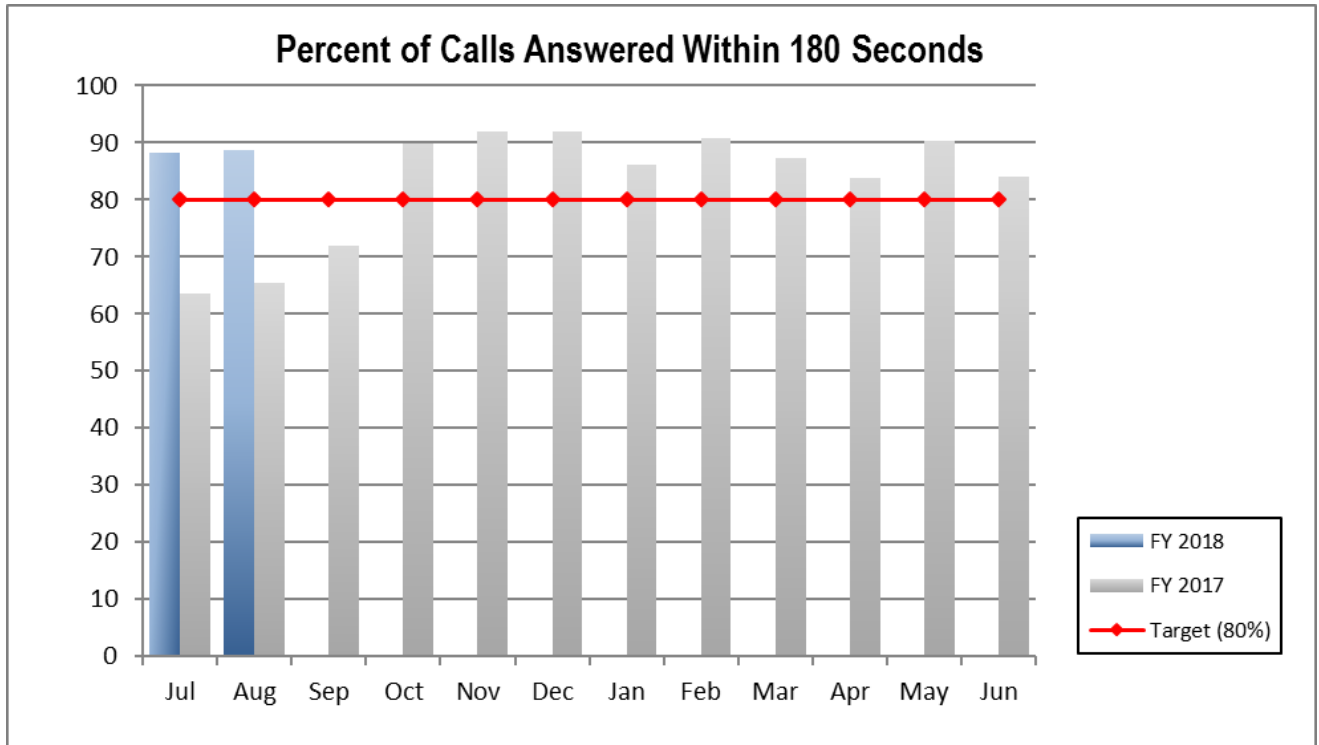
The Customer Service Department is committed to delivering world-class service by listening and learning from feedback, being solution-oriented across all customer channels, continuously seeking value added services; and educating, engaging and empowering all of our customers.

Departmental Stats – August 2017:



In August 2017, the Call Center answered 95% of calls received. The average monthly answer to-date this fiscal year is 93.5%.

Customer Service



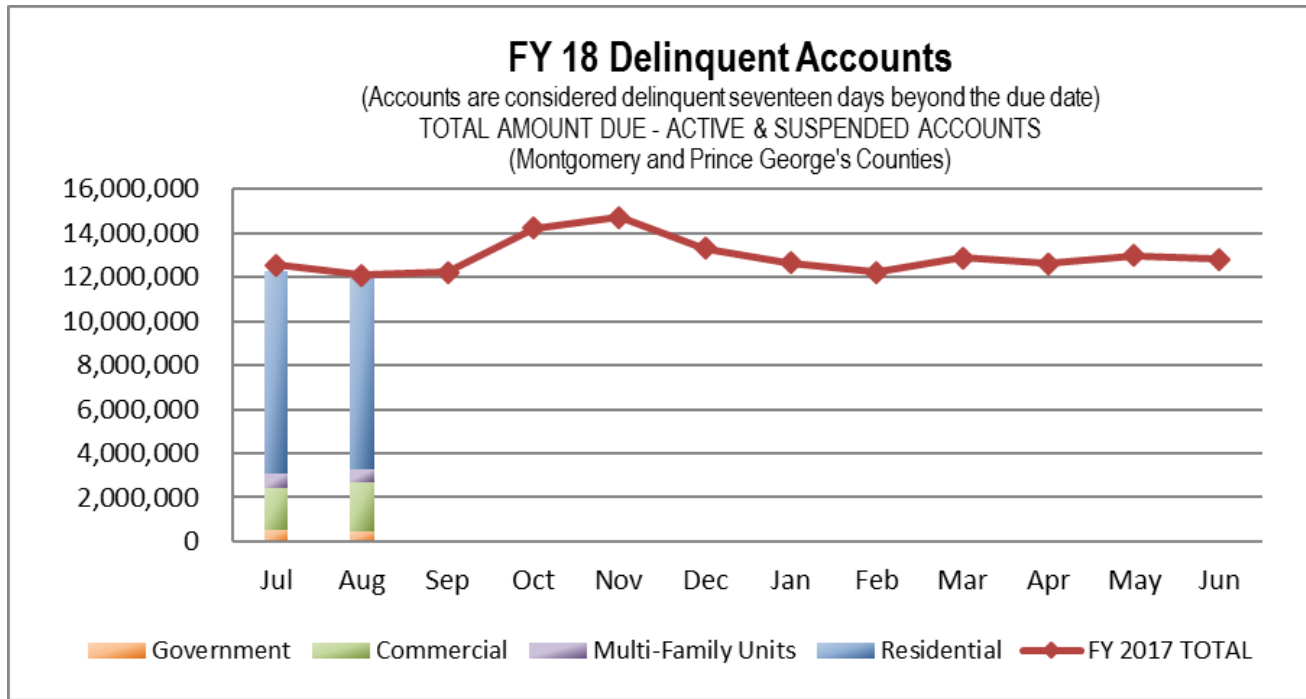
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2018 TOTAL	88.3%	88.8%										
FY 2017 TOTAL	63.5%	65.5%	72.1%	89.9%	91.9%	91.9%	86.1%	90.8%	87.4%	83.8%	90.4%	92.2%
TARGET	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%

The chart reports the percent of calls answered within 180 seconds. The goal is to answer 80% of incoming calls within 180 seconds. In August 2017, the service level was 89%. The average monthly answer to-date this fiscal year is 88.5%.

Customer Service

➤ Delinquent Accounts

TOTAL AMOUNT DUE – ACTIVE & SUSPENDED ACCOUNTS (Montgomery and Prince George’s counties)



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Government	\$ 497,161.66	\$ 426,667.68	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial	\$ 1,901,169.94	\$ 2,261,377.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Multi-Family Units	\$ 713,498.13	\$ 559,490.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential	\$ 9,172,770.74	\$ 8,975,664.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2018 TOTAL	\$ 12,284,600.47	\$ 12,223,199.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY 2017 TOTAL	\$ 12,562,161.32	\$ 12,085,019.19	\$ 12,224,333.80	\$ 14,221,893.34	\$ 14,725,463.36	\$ 13,298,584.03	\$ 12,643,103.14	\$ 12,229,593.79	\$ 12,878,106.03	\$ 12,607,012.76	\$ 12,962,447.56	\$ 12,824,901.67

Customer Service

ePermitting Permits Issued Online vs. Walk-Ins Issue Date: 11/01/2016 to 08/31/2017



	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Total
Permits Issued Online	704 85%	2,706 92%	2,606 92%	2,642 94%	2,808 92%	2,630 92%	2,472 90%	3,132 91%	2,534 92%	2,692 88%			24,926 91%
Permits Issued at Counter	127 15%	228 8%	213 8%	180 6%	251 8%	223 8%	285 10%	296 9%	226 8%	353 12%			2,382 9%
Total Permits Issued	831	2,934	2,819	2,822	3,059	2,853	2,757	3,428	2,760	3,045			27,308
Revenue*	\$1,413,842.40	\$3,182,263.57	\$3,911,797.60	\$3,052,454.49	\$5,056,918.49	\$3,983,814.96	\$3,789,122.32	\$4,796,002.21	\$3,687,105.16	\$3,933,500.34			\$36,806,821.54

*NOTE: Revenue totals include all payments collected via ePermitting, not just revenue for permits.

Infrastructure Asset Management

Water & Wastewater Permit Compliance

In the month of August, there were zero violations for both drinking water quality permits and wastewater effluent permits.

Treatment Changes at Potomac WFP Increase Discolored Water Complaints

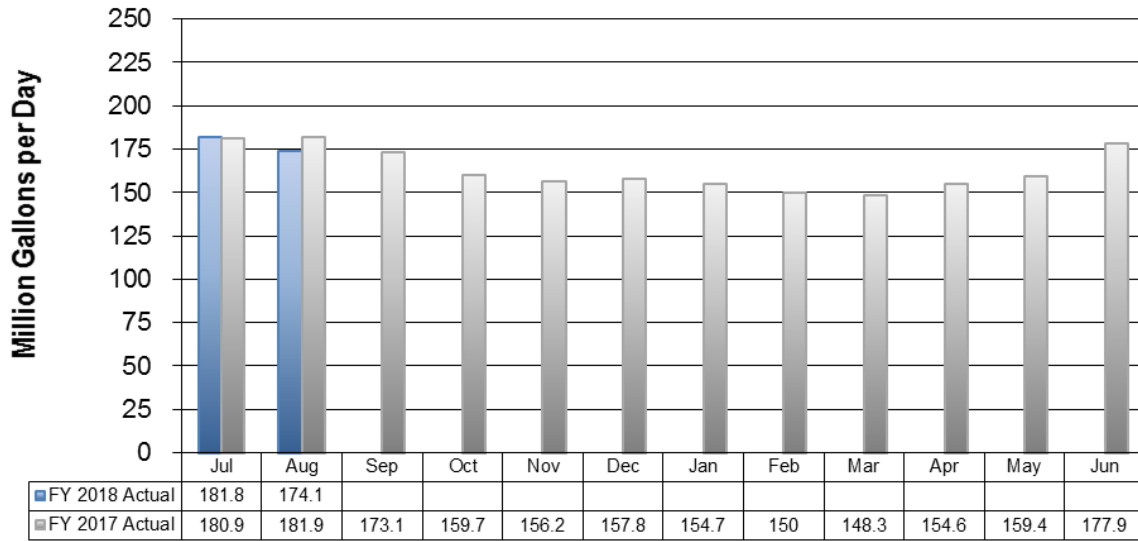
Due to the severe weather and heavy rains the past several weeks, WSSC water quality experts have seen a dramatic increase in organic material (decayed leaves, river grasses, trees, vegetation, etc.) and manganese coming into our Potomac Water Filtration Plant intake. Both naturally occur in waterways. This plant uses chlorine to disinfect the water and make it safe for drinking. Chlorine also controls manganese levels to prevent discoloration. However, chlorine also reacts with organic material to form disinfection byproducts. Disinfection byproducts are a public health concern, and as such, are highly regulated by the U.S. EPA. Levels cannot exceed the EPA limit as an annual average. Fortunately, WSSC is well below the EPA limit. To ensure we keep the level of disinfection byproducts well below the EPA limit, WSSC slightly reduce the level of chlorine on August 8. While we still add enough to disinfect the water and kill all bacteria, a slightly lower chlorine level allows manganese levels to increase in our finished water – causing the discoloration

In an effort to help customers understand the treatment change and the reason for the water discoloration, a press conference was held at the Potomac plant on August, 14, 2017. The event was very successful and the multiple television and radio news outlets in attendance helped to deliver the information to customers in our service area. In addition, we hosted FOX 5 and WUSA9 at our Consolidated Laboratory to provide an update on the discoloration and to showcase the numerous water quality tests WSSC conducts to assure water safety.

Social media has also been instrumental in helping to deliver the message. Using Twitter and Facebook allows for interaction with customers, adding additional ways for customers to contact WSSC.

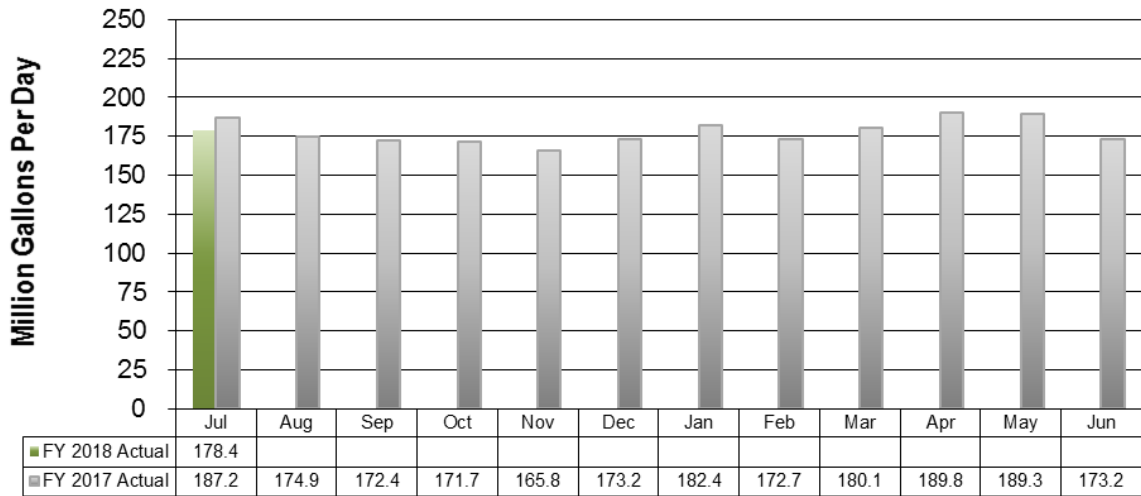
Infrastructure

Water Production



Wastewater Treatment

(Includes wastewater treated at Blue Plains Facility)



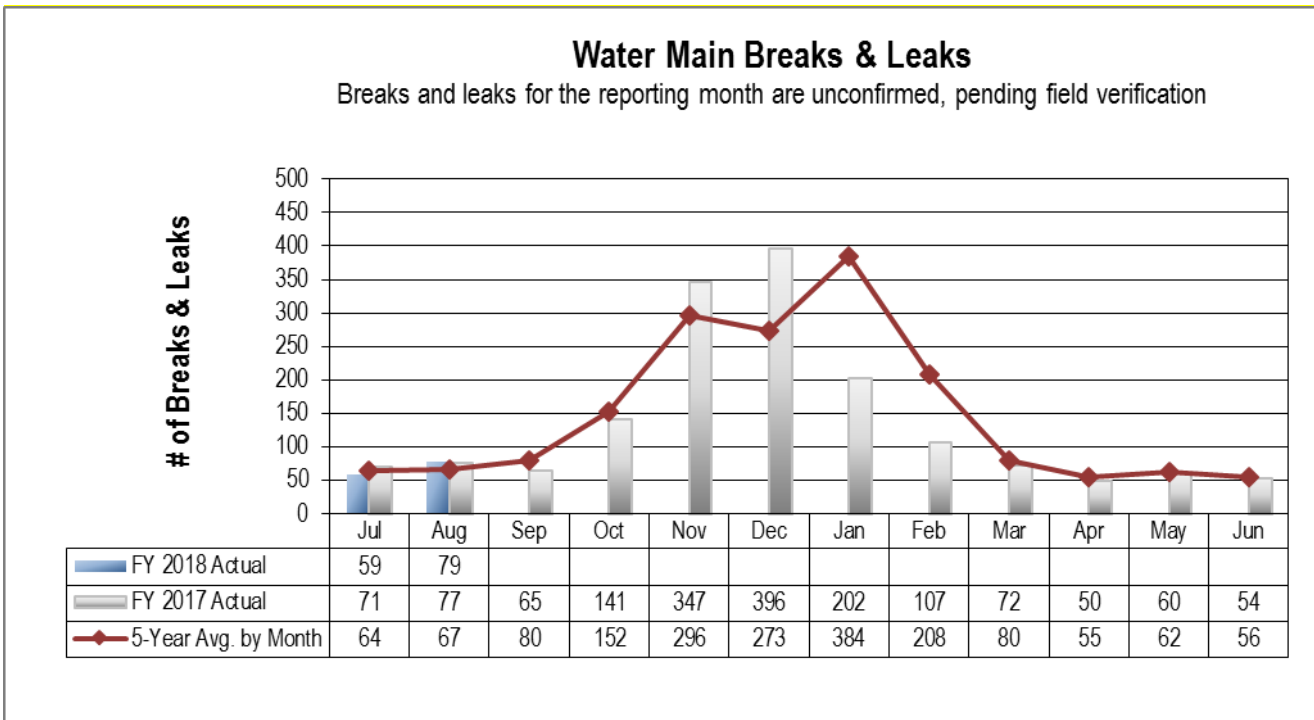
Accomplishments

Partnership for Safe Water President’s Award

On August 25th, WSSC received notification that the Partnership for Safe Water Steering Committee had bestowed the President’s Award to the WSSC Potomac Water Filtration Plant. As provided in the notice, the award recognizes the highest possible level of filter performance. Potomac joins the Patuxent Plant as the only two water treatment plants in Maryland to have ever received this elite distinction. This award will be officially presented at ACE18 next June.

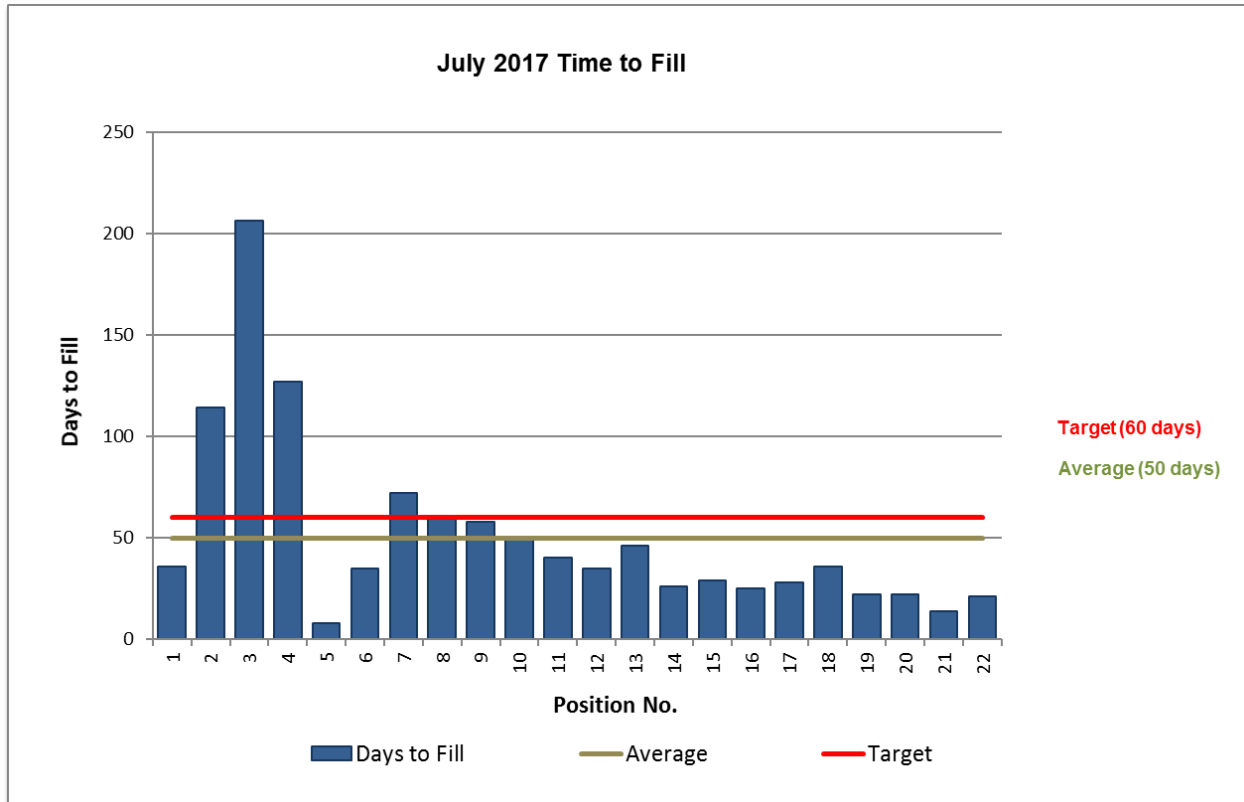
WSSC Receives Awards at 2017 Tri-Association Conference (August 28-31)

- **Greg Whitley, Seneca WWTP** – WWOA’s William McLean Bingley Award for Distinguished Service in Wastewater
- **Denise Junis, Laboratory Division** - CEWA’s Laboratory Analyst Award
- **Seneca WWTP** – CWEA Biosolids Beauty Contest
 - Overall Class B
 - Best Presentation
- Pipe Tapping team, formed by members of Utility Services Division
 - Won Chesapeak region and will compete at ACE18
- 2 Top Ops teams formed by members of the Potomac and Patuxent plants
 - Reached finals



Employee Matters

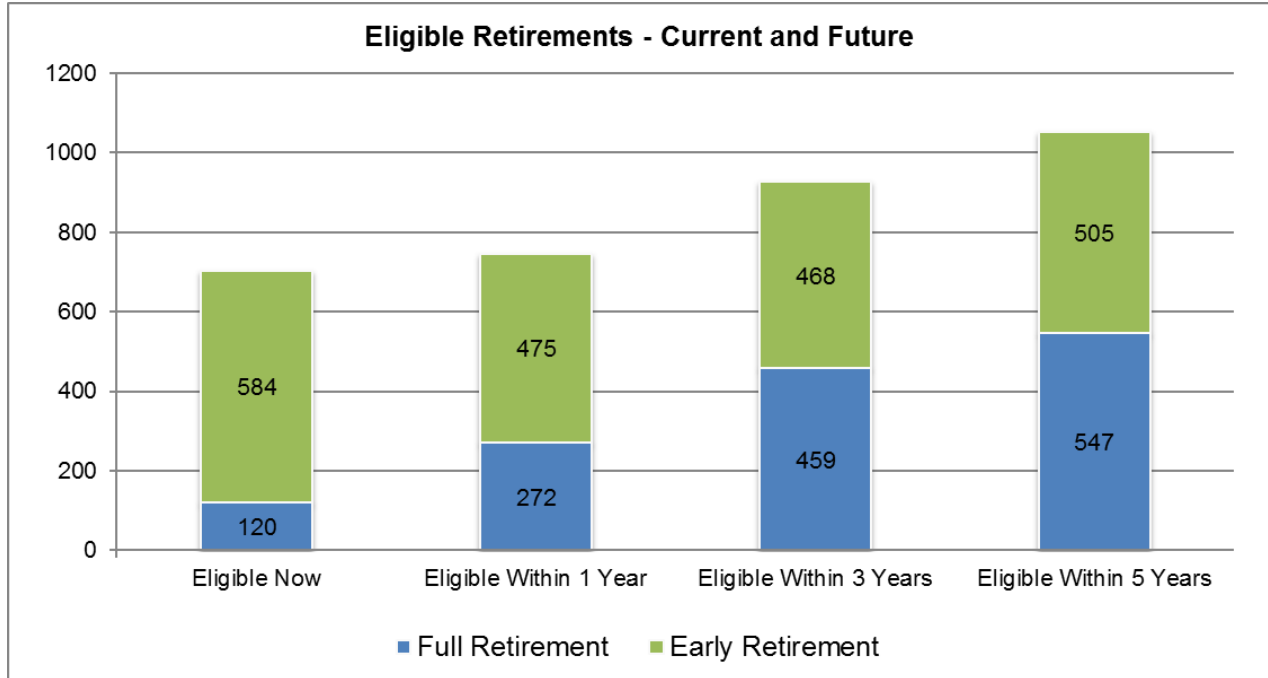
Recruitment – July 2017 Average Time to Fill (TTF) Vacancies



Employee Matters

Retirement Eligibility Projections

As of July 2017, approximately 65% of WSSC employees are eligible to retire in five years, including full and early retirement.



July 2017		Eligible Now	Eligible Within 1 Year	Eligible Within 3 Years	Eligible Within 5 Years
	Full Retirement	120	272	459	547
	Early Retirement	584	475	468	505
	Full Retirement %	7.4%	16.8%	28.4%	33.8%
	Early Retirement %	36.1%	29.3%	28.9%	31.2%
	Total WSSC Workforce	1619			

MWBE TOTAL CONTRACT PAYMENT AND AWARD DATA

Summary - Total Contract Payments to MWBE Firms

Fiscal Year-To-Date

Contracting Area	^Goal	M/WBE\$**	M/WBE%** FYTD	MBE \$	WBE \$	Majority \$	Total Contract Payments
A/E Services	24%	\$ 2,168,409	28%	\$ 2,168,409	\$ -	\$ 5,698,310	\$ 7,866,719
Construction Services	13%	\$ 9,296,388	21%	\$ 9,296,388	\$ -	\$ 35,521,472	\$ 44,817,860
Goods and Services	33%	\$ 6,139,556	26%	\$ 5,052,773	\$ 1,086,783	\$ 17,039,807	\$ 23,179,363
Professional Services	23%	\$ 2,811,569	36%	\$ 2,063,524	\$ 748,045	\$ 5,019,935	\$ 7,831,504
Totals		\$ 20,415,922	24%	\$ 18,581,094	\$ 1,834,828	\$ 63,279,524	\$ 83,695,446

Note: numbers are rounded to the nearest whole dollar

FISCAL YTD M/WBE VALIDATED SUBCONTRACT PAYMENTS: \$1,882,848 in A&E Payments; \$1,414,023 in Construction Payments; \$970,947 in Goods and Services Payments; and \$397,097 in Professional Services Payment

^Goal represents the MBE Utilization Aspirational Goal

**M/WBE includes Certified-MBE and WBE firms (displayed for reporting purposes only.)

The Total Contract Payments FYTD is \$83,695,446 of which \$4,664,915 is FYTD M/WBE validated Subcontract Payments. These validated M/WBE Subcontract Payments have been subtracted from the Majority Contract Payments and added to the M/WBE Prime Contract Payments (\$15,751,007) to ensure that they are not double counted. The Majority Contract Payments depicted in the table above have been adjusted to reflect the subtraction.

The following equation has been applied to the Total Contract Payments to determine the M/WBE percentage of Contract payments:

M/WBE\$ (excluding Subcontract Payments) + Majority \$ = Total Payments. The Total M/WBE\$/Total Payments = Total M/WBE%.

Note: M/WBE\$ (excluding Subcontract Payments) + Majority \$ = Total Payments. The Total M/WBE\$/Total Payments = Total M/WBE%

Summary - MWBE Total Contract Award Dollars*

Fiscal Year-To-Date

Contracting Area	^Goal	M/WBE\$**	M/WBE%* FYTD	WBE \$	MBE \$	Majority \$	Total Contract Awards
A/E Services	24%	\$ 840,000	11%	\$ -	\$ 840,000	\$ 7,160,000	\$ 8,000,000
Construction Services	13%	\$ 7,737,070	21%	\$ -	\$ 7,737,070	\$ 28,832,407	\$ 36,569,477
Goods & Services	33%	\$ 16,684,648	51%	\$ 7,101,850	\$ 9,582,798	\$ 15,857,070	\$ 32,541,718
Professional Services	23%	\$ 12,335,032	45%	\$ 3,970,663	\$ 8,364,369	\$ 15,298,088	\$ 27,633,120
Totals		\$ 37,596,750	36%	\$ 11,072,513	\$ 26,524,237	\$ 67,147,565	\$ 104,744,315

Note: numbers are rounded to the nearest whole dollar

MBE Subcontract Awards FYTD: \$840,000 in A&E Awards; \$1,490,595 in Construction Awards; \$1,365,995 in Goods & Services Awards; \$700,000 in Professional Services Awards

^Goal represents the MBE Utilization Aspirational Goal

*MBE and WBE Award Dollars include Prime and Subcontract Award Dollars. Majority Award Dollars are adjusted to exclude the amount proffered to Subcontractors.

Note: Majority Prime Award Dollars - Subcontract Award Dollars proffered to MWBE = Majority\$. MWBE Prime Award Dollars + Subcontract Award Dollars proffered to MWBE = M/WBE\$

SLBE TOTAL CONTRACT PAYMENT AND AWARD DATA

Total Contract Payments to SLBE Firms
Fiscal Year-To-Date

Contracting Area	*Total MWBE%	WBE \$	MBE \$	Majority \$	Total Contract Payments
A/E Services	100%	\$ -	\$ 154,736	\$ -	\$ 154,736
Construction Services	41%	\$ 1,060,990	\$ 550,474	\$ 2,282,094	\$ 3,893,558
Goods & Services	38%	\$ 50,992	\$ 20,324	\$ 118,596	\$ 189,912
Professional Services	22%	\$ -	\$ 53,094	\$ 184,551	\$ 237,645
Totals	42%	\$ 1,111,982	\$ 778,628	\$ 2,585,241	\$ 4,475,851

Note: numbers are rounded to the nearest whole dollar

The Total Prime and Subcontract Payments to SLBE firms FYTD for August 2017 is \$4.4M

*Total MBE% and MBE\$ includes MBE and WBE Payments

Note: Majority refers to approved SLBEs that have not been identified as either a MBE or WBE. The SLBE Program is a race/gender neutral

Total Contract Awards to SLBE Firms
Fiscal Year-to-Date

Contracting Area	*Total MWBE%	WBE \$	MBE \$	Majority \$	Total Contract Awards
A/E Services	100%	\$ -	\$ 1,965,000	\$ -	\$ 1,965,000
Construction Services	100%	\$ -	\$ 2,248,700	\$ -	\$ 2,248,700
Goods & Services	21%	\$ -	\$ 273,090	\$ 1,050,000	\$ 1,323,090
Professional Services	0%	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
Totals	69%	\$ -	\$ 4,486,790	\$ 2,050,000	\$ 6,536,790

Note: numbers are rounded to the nearest whole dollar

The Total Prime and Subcontract Awards to SLBE firms FYTD for August 2017 is \$6.5M

*Total MBE% and MBE\$ includes MBE and WBE Awards

Note: Majority refers to approved SLBEs that have not been identified as either a MBE or WBE. The SLBE Program is a race/gender neutral Program.

WSSC SUPPLIER PORTAL SYSTEM
(FORMALLY:CENTRALIZED BIDDER REGISTRATION (CBR) SYSTEM)

Registered Vendors	Jul-17	Aug-17	FYTD 2018	MBE/SLBE % of YTD Registered
Total Vendors	85	62	147	100%
Total MBE/SLBE Vendors	75	38	113	77%
Total MBE Only Vendors	68	35	103	70%
Total SLBE Only Vendors	12	3	15	10%
Total Combo MBE/SLBE Vendors	5	0	5	3%

CBR vendor registration officially began on December 3, 2007. Effective November 1, 2015, WSSC launched the WSSC Supplier Portal System which will be the new Bidder Registration System. As of August 31, 2017, the total number of registered firms were 5,435. PLEASE NOTE: The numbers reflected above are tentative and are subject to change.



WSSC

Where Water Matters

FY 2017
MONTHLY STATUS REPORT


JUNE 2017



Washington Suburban Sanitary Commission

Interoffice Memorandum

TO: CARLA A. REID
GENERAL MANAGER/CEO

FROM: JOSEPH F. BEACH 
CHIEF FINANCIAL OFFICER

DATE: SEPTEMBER 13, 2017

SUBJECT: MONTHLY STATUS REPORT – JUNE 2017

Attached is the final Monthly Status Report on the budgetary and fiscal performance of the Commission for fiscal year 2017. The report provides summary information delineating the Commission's end-of-year financial status. The overall end-of-year financial performance for fiscal year 2017 operations was positive. Total Operating Fund revenues, at \$751.1 million, were \$22.0 million greater than budgeted, Net Operating Fund expenses, at \$678.0 million, were \$48.4 million less than budgeted, (see page 1 of the report).

The Combined Water & Sewer Operating Funds posted a \$66.0 million net gain for FY'17. Combined revenues were \$21.4 million greater than budgeted, while combined expenses were \$44.6 million less than budgeted, primarily due to lower actual expenses for salaries & wages, benefits, professional services, chemicals, biosolids hauling and debt service. The FY'17 end-of-year accumulated net revenue increased to \$190.0 million, of which \$68.4 million is restricted for our working capital reserve, \$11.6 million is planned for use in the FY2018 budget, and \$39.6 million is projected to be used in the FY2019 through FY2022 budgets and to maintain the targeted 10% operating reserve, (page 2).

Water production for the month of June, at 177.9 MGD, was 5.4 MGD above the five-year average for the month. Final FY'17 water production averaged 163.1 MGD, which was 0.1% above the five-year average and 0.9 MGD less than the budgeted level of 164.0 MGD, (pages 3 & 4).

Although water production was lower than expected, the average billing rates were higher than budgeted and as a result, the revenues derived from combined water and sewer use charges were \$20.2 million greater than budgeted for FY'17. Water and sewer revenue depends not only on the water produced and ultimately consumed, but also on the average billing rate. The average billing rate represents the water and sewer revenue received per thousand gallons of water produced. Since WSSC's rate structure consists of 16 steps, changes in customer use patterns can also cause changes in the billing rate and thus in the total revenues derived. For FY'17, the end-of-year combined water and sewer billing rate was \$10.072 per thousand gallons, compared to the budgeted level of \$9.677 per thousand gallons.

The General Bond Debt Service Fund finished the year with a net gain of \$7.2 million, the gain was \$4.4 million greater than budgeted, primarily due to lower debt service expenses, (page 12).

Other highlights of the June 2017 report are as follows:

Revenues

- Total operating revenues (all funds) for FY'17 were \$751.1 million or 103% of total budgeted.

Expenses

- Total operating expenses (all funds) for FY'17 were \$678.0 million or 93% of total budgeted.

Water Production

- Water production for FY'17 averaged 163.1 MGD or 0.6% less than budgeted (page 4).

Workyears

- Cumulative workyears through the end of June were 1,625 (page 5).

System Development Charge

- The System Development Charge account balance at the end of FY'17 was \$15.3 million. During the year, \$36.8 million was transferred to fund water and sewer growth-related capital expenditures (page 13).

I recommend transmittal of the attached report to Prince George's and Montgomery Counties.

**OPERATING FUNDS
CONSOLIDATED STATEMENT OF REVENUES AND EXPENDITURES**

(In Thousands)

	<u>FY'16 ACTUAL</u>	<u>FY'17 APPROVED BUDGET</u>	<u>ACTUAL YEAR ENDING 6/30/17</u>
<u>REVENUES</u>			
Water Consumption and Sewer Use Charges	\$543,069	\$579,236	\$599,466
All Other Revenues	124,677	149,895	151,683
TOTAL REVENUES	<u>667,746</u>	<u>729,131</u>	<u>751,149</u>
<u>EXPENSES</u>			
Operating Expenses	411,267	468,421	433,121
Debt Service Expense	228,472	261,437	250,745
GROSS EXPENSES	639,739	729,858	683,866
Less: Reconstruction Debt Service Offset	(8,500)	(9,800)	(9,800)
Less: SDC Debt Service Offset	(728)	(206)	(2,609)
Working Capital Reserve Transfer	6,300	6,524	6,524
NET EXPENSES	<u>636,811</u>	<u>726,376</u>	<u>677,981</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$30,935</u>	<u>\$2,755</u>	<u>\$73,168</u>

COMBINED WATER AND SEWER OPERATING FUNDS

(In Thousands)

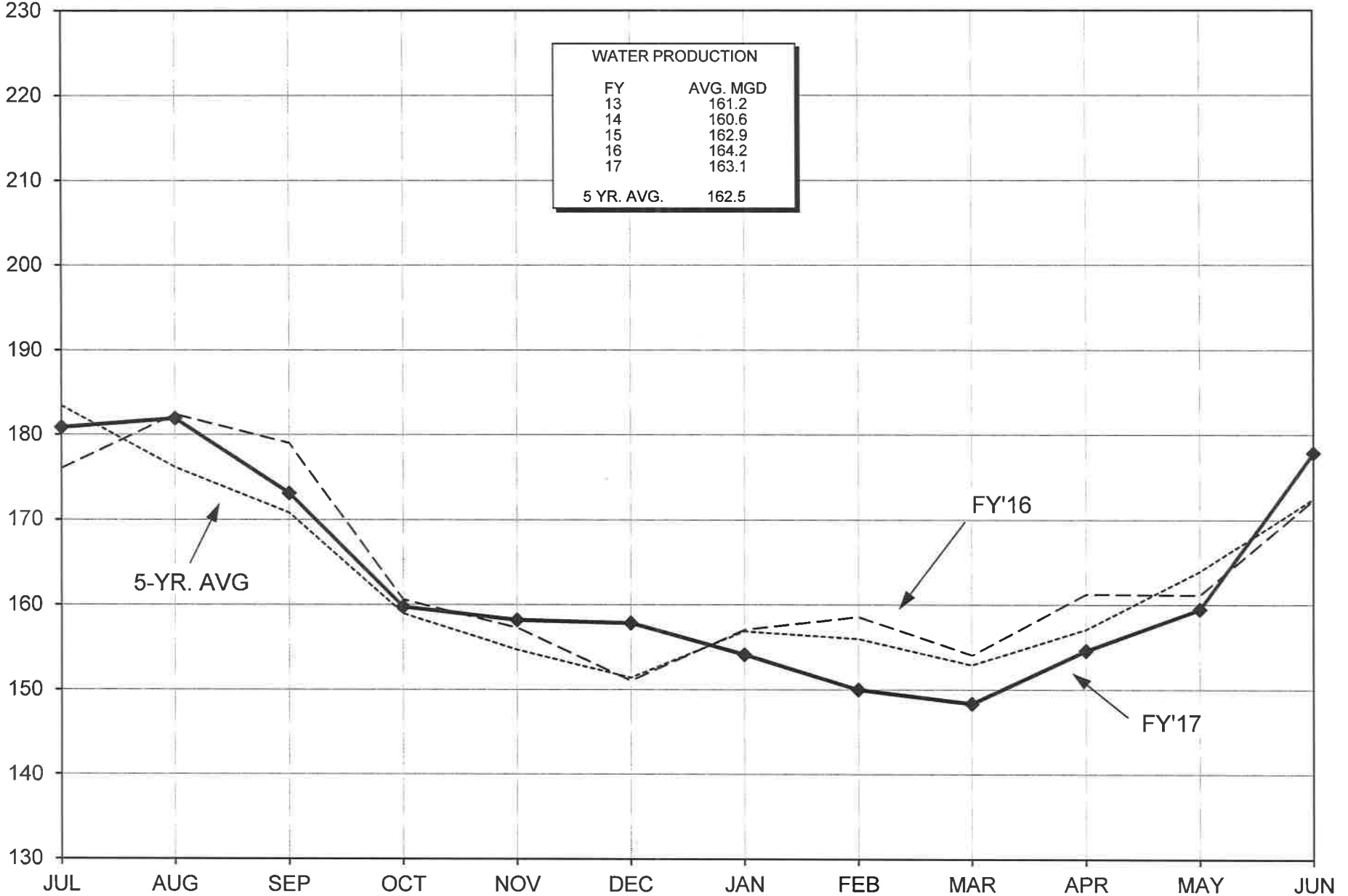
	FY'16 ACTUAL	FY'17 APPROVED BUDGET	ACTUAL YEAR ENDING 6/30/17
REVENUES			
Water Consumption & Sewer Use Charges	\$543,069	\$579,236	\$599,466
Use of Accumulated Net Revenue	20,721	26,050	24,450
All Other Revenues	78,632	101,726	104,517
TOTAL REVENUES	642,422	707,012	728,433
EXPENSES			
Operating Expenses	390,705	443,591	410,079
PAYGO	18,821	23,095	21,495
Debt Service Expense	210,361	243,808	236,735
GROSS EXPENSES	619,887	710,494	668,309
Less: Reconstruction Debt Service Offset	(8,500)	(9,800)	(9,800)
Less: SDC Debt Service Offset	(728)	(206)	(2,609)
Working Capital Reserve Transfer	6,300	6,524	6,524
NET EXPENSES	616,959	707,012	662,424
NET REVENUE (LOSS) FOR YEAR	\$25,463	\$0	\$66,009
ACCUMULATED NET REVENUE - BEGINNING OF YEAR	138,815		141,873
NET REVENUE (LOSS) FOR YEAR	25,463		66,009
USE OF ACCUMULATED NET REVENUE	(14,421)		(17,926)
ACCUMULATED NET REVENUE - END OF YEAR	\$149,857		\$189,956 *
WATER PRODUCED (MGD)	164.2	164.0	163.1

* Includes Working Capital Reserve of \$68.4 million.

NOTE: Refer to Pages 8 and 9 for details of Water and Sewer Operating Funds.

WATER PRODUCED

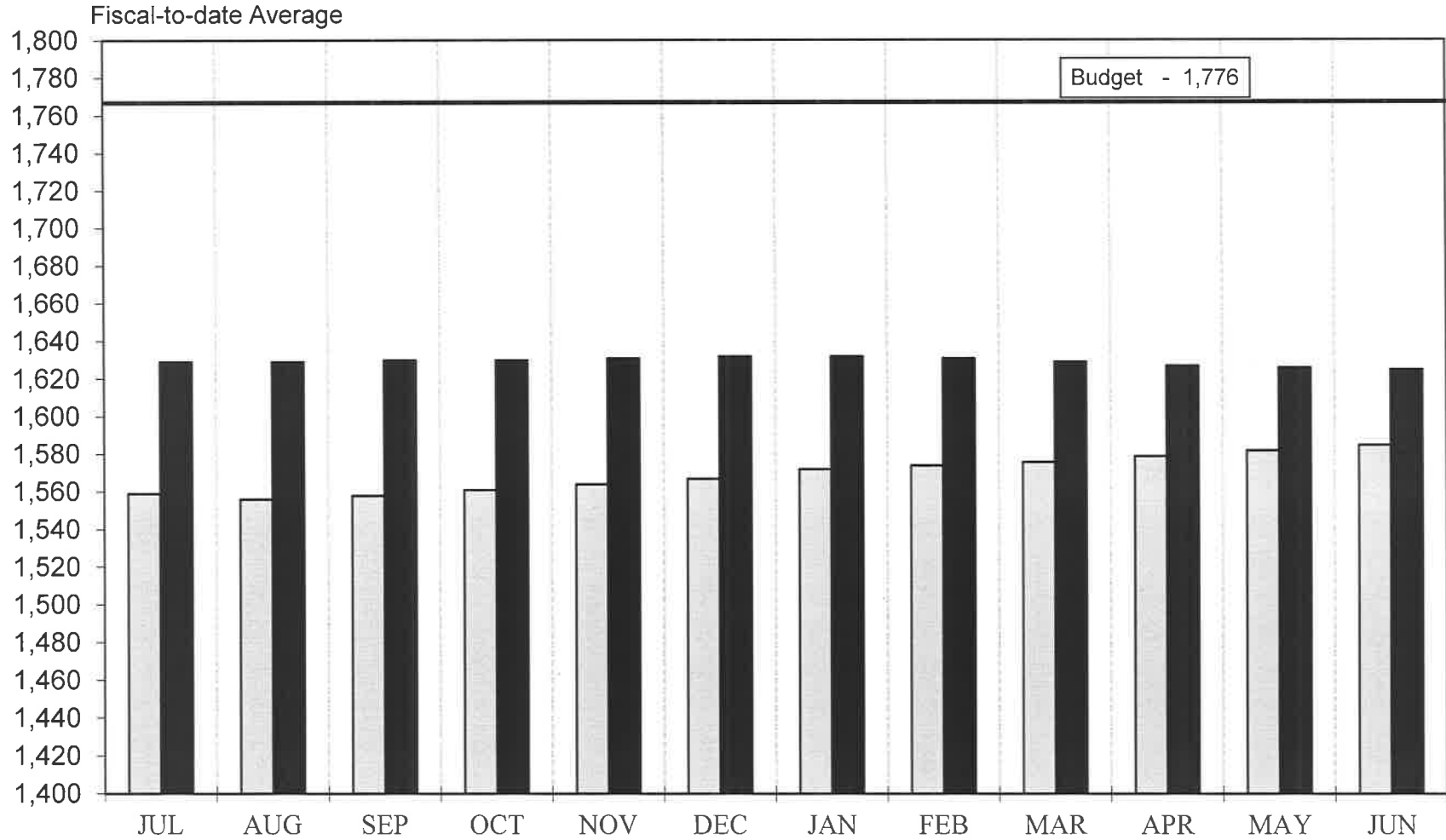
AVERAGE MGD



**FY'17
WATER PRODUCED**

<u>MONTH</u>	<u>MONTHLY TOTAL (MG)</u>	<u>MONTHLY AVERAGE (MGD)</u>	<u>FY'17 CUMULATIVE AVERAGE (MGD)</u>	<u>FY'16 CUMULATIVE AVERAGE (MGD)</u>
July	5,606.727	180.862	180.862	176.027
August	5,638.672	181.893	181.377	179.202
September	5,192.943	173.098	178.678	179.141
October	4,952.072	159.744	173.906	174.469
November	4,745.056	158.169	170.820	171.099
December	4,892.095	157.810	168.628	167.722
January	4,777.029	154.098	166.533	166.182
February	4,200.024	150.001	164.628	165.275
March	4,598.515	148.339	162.785	164.009
April	4,637.398	154.580	161.975	163.735
May	4,942.735	159.443	161.741	163.494
June	5,335.686	177.856	163.066	164.220
TOTAL	<u><u>59,518.952</u></u>	<u><u>163.066</u></u>		

ACTUAL WORKYEARS



□ FY'16	1,559	1,556	1,558	1,561	1,564	1,567	1,572	1,574	1,576	1,579	1,582	1,585
■ FY'17	1,629	1,629	1,630	1,630	1,631	1,632	1,632	1,631	1,629	1,627	1,626	1,625

STATEMENT OF CAPITAL FUNDS INCOME AND EXPENDITURES
CAPITAL FUNDS TOTAL

(In Thousands)

	<u>FY'16 ACTUAL</u>	<u>FY'17 APPROVED BUDGET</u>	<u>ACTUAL YEAR ENDING 6/30/17</u>
<u>GROSS FUNDS AVAILABLE</u>			
Bonds Issued and Cash on Hand	\$495,787	\$571,371	\$534,035
Anticipated Contributions:			
Federal & State Grants	30,778	16,822	12,976
System Development Charge	8,600	77,978	36,766
Other	28,610	24,127	35,158
Available for Current Construction	<u>563,775</u>	<u>690,298</u>	<u>618,935</u>
<u>CAPITAL COSTS</u>			
Salaries & Wages	\$29,390	\$28,667	\$30,229
Contract Work	379,093	442,324	328,614
Consulting Engineers	45,626	54,851	53,763
All Other	196,090	164,456	144,379
TOTAL COSTS	<u><u>\$650,199</u></u>	<u><u>\$690,298</u></u>	<u><u>\$556,985</u></u>
Change in Funds Available for Construction			61,950
Funds Balance - July 1			<u>(120,244)</u>
Funds Balance - June 30			<u><u>(\$58,294)</u></u>

CONSOLIDATED STATEMENT OF OPERATING FUNDS, REVENUES AND EXPENDITURES

(In Thousands)

	FY'16 ACTUAL	FY'17 APPROVED BUDGET	ACTUAL YEAR ENDING 6/30/17
REVENUES			
Water Consumption Charges	\$235,805	\$255,054	\$270,134
Sewer Use Charges	307,264	324,182	329,332
Account Maintenance Fees	29,247	32,552	32,508
Infrastructure Investment Fee	16,700	38,962	37,561
Front Foot Benefit & House Connection Assessments	24,925	21,719	22,039
Plumbing & Inspection Fees	10,430	9,380	11,178
Interest Income	783	800	1,923
Rockville Sewer Use	3,142	2,632	2,907
Use of Fund Balance	20,721	26,050	24,450
Miscellaneous	18,729	17,800	19,117
TOTAL REVENUES	667,746	729,131	751,149
EXPENSES			
Salaries & Wages	104,753	114,718	109,747
Heat, Light & Power	22,000	23,581	22,099
Regional Sewage Disposal	50,068	54,501	53,946
All Other	215,625	252,526	225,834
PAYGO	18,821	23,095	21,495
Debt Service	228,472	261,437	250,745
GROSS EXPENSES	639,739	729,858	683,866
Less: Reconstruction Debt Service Offset	(8,500)	(9,800)	(9,800)
Less: SDC Debt Service Offset	(728)	(206)	(2,609)
Working Capital Reserve Transfer	6,300	6,524	6,524
NET EXPENSES	636,811	726,376	677,981
NET REVENUE (LOSS) FOR YEAR	30,935	<u>\$2,755</u>	73,168
ACCUMULATED NET REVENUE - JULY 1	199,323		199,353
Use of Fund Balance	(22,921)		(27,726)
ACCUMULATED NET REVENUE - JUNE 30	<u>\$207,337</u>		<u>\$244,795</u>

Note: Details of the Water and Sewer Operating Funds and General Bond Debt Service Fund are on pages 8, 9 & 12, respectively.

WATER OPERATING

(In Thousands)

	FY'16 ACTUAL	FY'17 APPROVED BUDGET	ACTUAL YEAR ENDING 6/30/17
<u>REVENUES</u>			
Water Consumption Charges	\$235,805	\$255,054	\$270,134
Account Maintenance Fee	14,916	16,276	16,579
Infrastructure Investment Fee	8,517	19,481	19,156
Plumbing & Inspection Fees	6,037	5,460	6,518
Interest Income	30	100	130
Use of Fund Balance	10,102	10,962	9,362
Miscellaneous	10,527	9,900	10,199
TOTAL REVENUES	285,934	317,233	332,078
<u>EXPENSES</u>			
Salaries & Wages	57,368	60,897	60,383
Heat, Light & Power	13,316	12,843	12,733
All Other	112,755	127,384	116,446
PAYGO	8,388	10,707	9,107
Debt Service	87,912	105,305	98,830
GROSS EXPENSES	279,739	317,136	297,499
Less: Reconstruction Debt Service Offset	(1,000)	(2,800)	(2,800)
Less: SDC Debt Service Offset	(213)	(203)	(446)
Working Capital Reserve Transfer	3,213	3,100	3,100
NET EXPENSES	281,739	317,233	297,353
NET REVENUE (LOSS)	4,195	\$0	34,725
ACCUMULATED NET REVENUE - JULY 1	20,301		12,447 *
Use of Fund Balance	(6,889)		(6,262)
ACCUMULATED NET REVENUE - JUNE 30	\$17,607		\$40,910

*Reflects a decrease in net revenues of \$5,160,000 resulting from prior year adjustments.

SEWER OPERATING

(In Thousands)

	FY'16 ACTUAL	FY'17 APPROVED BUDGET	ACTUAL YEAR ENDING 6/30/17
<u>REVENUES</u>			
Sewer Use Charges	\$307,264	\$324,182	\$329,332
Account Maintenance Fee	14,331	16,276	15,929
Infrastructure Investment Fee	8,183	19,481	18,405
Rockville Sewer Use	3,142	2,632	2,907
Interest Income	666	600	1,410
Plumbing & Inspection Fees	4,393	3,920	4,660
Use of Fund Balance	10,619	15,088	15,088
Miscellaneous	7,890	7,600	8,624
TOTAL REVENUES	356,488	389,779	396,355
<u>EXPENSES</u>			
Salaries & Wages	46,662	53,191	48,676
Heat, Light & Power	8,684	10,738	9,366
Regional Sewage Disposal	50,068	54,501	53,946
All Other	101,852	124,037	108,529
PAYGO	10,433	12,388	12,388
Debt Service	122,449	138,503	137,905
GROSS EXPENSES	340,148	393,358	370,810
Less: Reconstruction Debt Service Offset	(7,500)	(7,000)	(7,000)
Less: SDC Debt Service Offset	(515)	(3)	(2,163)
Working Capital Reserve Transfer	3,087	3,424	3,424
NET EXPENSES	335,220	389,779	365,071
NET REVENUE (LOSS)	21,268	\$0	31,284
ACCUMULATED NET REVENUE - JULY 1	118,514		129,426 *
Use of Fund Balance	(7,532)		(11,664)
ACCUMULATED NET REVENUE - JUNE 30	\$132,250		\$149,046

*Reflects a decrease in net revenues of \$2,824,000 resulting from prior years' Blue Plains audit adjustments and other prior year adjustments.

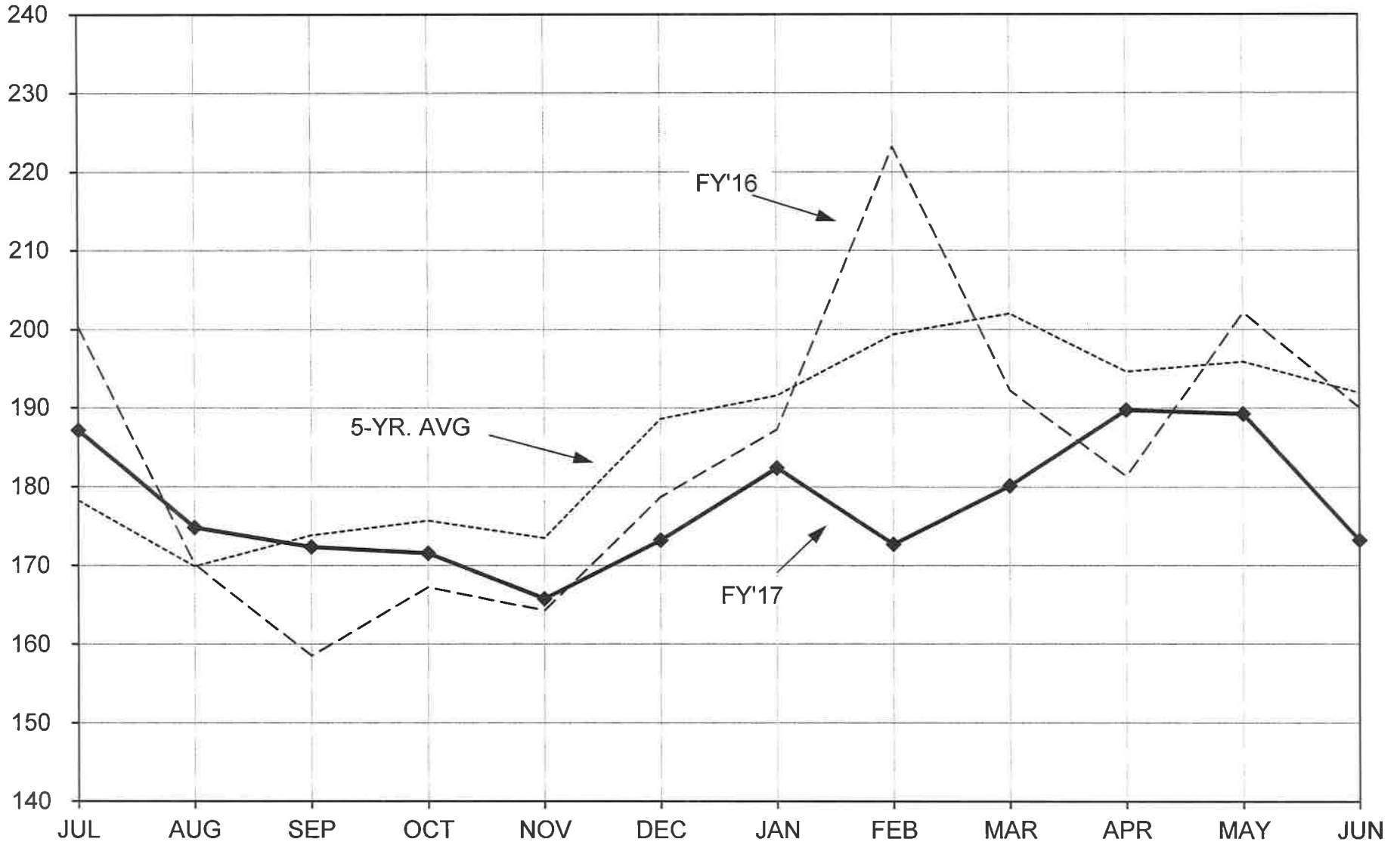
**FY'17
SEWAGE FLOWS**

<u>MONTH</u>	<u>WSSC PLANTS AVERAGE (MGD)</u>	<u>BLUE PLAINS AVERAGE (MGD)</u>	<u>FY'17 MONTHLY AVERAGE (MGD)</u>
July	67.17	120.00	187.17
August	64.85	110.00	174.85
September	62.78	109.60	172.38
October	63.77	107.80	171.57
November	60.86	104.90	165.76
December	64.03	109.20	173.23
January	67.40	115.00	182.40
February	62.30	110.40	172.70
March	66.73	113.40	180.13
April	70.06	119.70	189.76
May	65.06	124.20	189.26
June	58.54	114.70	173.24
TOTAL (MG)	<u><u>23,540.64</u></u>	<u><u>41,345.80</u></u>	<u><u>64,886.44</u></u>
AVG. (MGD)	<u><u>64.49</u></u>	<u><u>113.28</u></u>	<u><u>177.77</u></u>

SEWAGE FLOWS

(INCLUDES BLUE PLAINS)

AVERAGE MGD



GENERAL BOND DEBT SERVICE FUND

(In Thousands)

	FY'16 ACTUAL	FY'17 APPROVED BUDGET	ACTUAL YEAR ENDING 6/30/17
<u>REVENUES</u>			
Front Foot Benefit & House Connection			
Assessments	\$24,925	\$21,719	\$22,039
Interest Income	87	100	383
Miscellaneous	312	300	294
Use of Fund Balance	8,500	9,800	9,800
Reconstruction Debt Service Offset	(8,500)	(9,800)	(9,800)
TOTAL REVENUES	25,324	22,119	22,716
<u>EXPENSES</u>			
Salaries & Wages	723	630	688
All Other	1,018	1,105	859
Debt Service	18,111	17,629	14,010
GROSS EXPENSES	19,852	19,364	15,557
NET EXPENSES	19,852	19,364	15,557
NET REVENUE (LOSS)	5,472	\$2,755	7,159
ACCUMULATED NET REVENUE - JULY 1	60,508		57,480
Use of Fund Balance	(8,500)		(9,800) *
ACCUMULATED NET REVENUE - JUNE 30	\$57,480		\$54,839

* Reflects the transfer of \$9,800,000 for Reconstruction Debt Service from General Bond Debt Service Fund to Water & Sewer Operating Funds.

SYSTEM DEVELOPMENT CHARGE ACCOUNT

(In Thousands)

ACCOUNT BALANCE, JULY 1, 2016	\$31,073
<u>ACCOUNT ADDITIONS:</u>	
SDC Revenues, Net	28,875
Interest Income	200
FUNDS AVAILABLE	60,148
Less MOU Credit Reimbursement	(1,489)
<u>TRANSFERRED TO OPERATING FUNDS:*</u>	
Water Operating - Debt Service	(446)
Sewer Operating - Debt Service	(2,163)
<u>TRANSFERRED TO BOND FUNDS:</u>	
Water Supply Bond	(11,334)
Sewer Disposal Bond	(25,432)
Account Balance	19,284
Less Amounts Billed But Not Yet Collected	0
Less Reserve for MOU Related Reimbursements	(4,000)
AVAILABLE ACCOUNT BALANCE, JUNE 30, 2017	\$15,284

*Transfers to operating funds service debt issued in FY'98 & FY'16 and are shown on pages 8 & 9 as SDC Debt Service Offset.