



WSSC WATER
DELIVERING THE ESSENTIAL

FY2025
MONTHLY STATUS REPORT

JANUARY 2025



Interoffice Memorandum

TO: KISHIA L. POWELL
GENERAL MANAGER/CEO

FROM: MUNETSI TIMOTHY MUSARA, CPA
CHIEF FINANCIAL OFFICER

Signed by:

Munetsi Timothy Musara

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DATE: March 26, 2025

SUBJECT: MONTHLY STATUS REPORT – JANUARY 2025

Attached is the January Monthly Status Report on the budgetary and fiscal performance of WSSC Water. The report provides summary information delineating WSSC Water's financial status as of January 31, 2025, for Fiscal Year 2025 (FY'25). Total operating fund revenues are at \$643.2 million, and net operating fund expenses are at \$512.8 million. The net revenues of \$130.4 million compares favorably with the fiscal year 2025 approved budget providing for net revenues of \$(2.7) million. The additional net revenues are the result of higher water consumption and lower expenditure realization.

Highlights as of the January 2025 report as follows:

Revenues:

- Water and Sewer revenues – which make up 79.1 percent of total revenues are at 63.5 percent YTD versus a prorated target of 58.3 percent based on the first seven months of the fiscal year.
- Other revenues which make up 20.9 percent of total revenues are at 64.6 percent of YTD versus a prorated target of 58.3 percent. (Page 3)
- Interest Income on cash balances is materially ahead of budget for the first seven months, reflecting the increase in interest rates and its positive impact on interest earned. (Page 4)

Prior Year Comparison:

- Water and Sewer revenues were at 62.1 percent of actual revenues for FY'24 at the end of

KISHIA L. POWELL
MONTHLY STATUS REPORT - JANUARY
March 26, 2025
PAGE 2

seven months of the fiscal year.

- Other revenues were at 70.6 percent at the end of seven months of the fiscal year.

Expenditures:

- Operating expenditures are at 48.9 percent budget year to date (YTD) versus a prorated target of 58.3 percent based on the first seven months of the fiscal year.
- PAYGO and Debt Service Expenses are on target.

Prior Year Comparison:

- Operating expenditures were at 49.4 percent of actual expenditures for FY'24 at the end of seven months of the fiscal year.

Factors Impacting Revenues: Water and Sewer Consumption trends.

- Water consumption is higher for the first seven months of the fiscal year, (135.0 MGD in FY'25 versus 133.2 MGD in FY'24) Sewer usage is also higher (115.9 MGD versus 113.0 MGD) for a similar prior period giving net overall revenues a stronger realization compared to the budget. (Pages 9 and 11)

Work years:

- The workforce saw an increase of 96 to 1,738 through January FY'25, from a similar period in FY24. The current filled complement is well below the approved work years of 1963. The recruitment process continues to reflect the competitive labor environment. (Page 15)

System Development Charge:

- The available account balance at the end of January FY'25 is \$69.8 million.

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

OPERATING FUNDS
CONSOLIDATED STATEMENT OF REVENUES AND EXPENDITURES

(In Thousands)

	FY'24	FY'25	FY'24	FY'25	FY'25	FY'25	PROJECTED
	ACTUAL	REVISED	ACTUAL THRU	ACTUAL THRU	VARIANCE	% VARIANCE	THRU
	ACTUAL	BUDGET*	1/31/24	1/31/25	TO BUDGET	TO BUDGET	6/30/25
REVENUES							
Water Consumption and Sewer Use Charges	\$801,723	\$801,204	\$485,540	\$508,708	(\$292,496)	-37%	\$801,204
Use of Accumulated Net Revenue	0	0	0	0	\$0	0%	0
All Other Revenues	176,637	208,116	103,685	134,541	(\$73,575)	-35%	208,116
TOTAL REVENUES	978,360	1,009,320	589,225	643,249	(366,071)	-36%	1,009,320
EXPENSES							
Operating Expenses	533,257	603,753	273,766	295,115	(\$308,638)	-51%	603,753
PAYGO	32,506	50,601	7,558	21,745	(\$28,856)	-57%	50,601
Debt Service Expense	343,480	365,449	188,964	200,500	(\$164,949)	-45%	365,449
GROSS EXPENSES	909,243	1,019,803	470,288	517,360	(502,443)	-49%	1,019,803
Less: Reconstruction Debt Service & Misc Offset	0	0	0	0	\$0	0%	0
Less: SDC Debt Service Offset	(5,772)	(5,772)	(3,367)	(3,367)	\$2,405	-42%	(5,772)
Less: Premium & Underwriter's Discount Transfers	(2,000)	(2,000)	(1,167)	(1,167)	\$833	-42%	(2,000)
NET EXPENSES	901,471	1,012,031	465,754	512,826	(499,205)	-49%	1,012,031
NET REVENUE (LOSS) FOR YEAR	\$76,889	(\$2,711)	\$123,471	\$130,423	\$133,134	-4911%	(\$2,711)

*Reflects transfers between major expense categories from the approved budget

CONSOLIDATED STATEMENT OF OPERATING FUNDS, REVENUES AND EXPENDITURES

(In Thousands)

	FY'24	FY'25	FY'24	FY'25	FY'25	FY'25	PROJECTED
	ACTUAL	REVISED	ACTUAL THRU	ACTUAL THRU	VARIANCE	% VARIANCE	THRU
	ACTUAL	BUDGET*	1/31/24	1/31/25	TO BUDGET	TO BUDGET	6/30/25
REVENUES							
Water Consumption Charges	\$356,194	\$360,111	\$217,942	\$229,819	(\$130,292)	-36%	\$360,111
Sewer Use Charges	445,529	441,093	267,598	278,889	(\$162,204)	-37%	441,093
Account Maintenance Fees	37,846	59,964	22,083	36,923	(\$23,041)	-38%	59,964
Infrastructure Investment Fee	46,610	74,839	27,293	45,471	(\$29,368)	-39%	74,839
Front Foot Benefit & House Connection Assessments	5,685	2,823	3,437	2,948	\$125	4%	2,823
Plumbing & Inspection Fees	20,975	21,356	11,760	12,496	(\$8,860)	-41%	21,356
Interest Income	28,296	8,860	15,734	13,816	\$4,956	56%	8,860
Rockville Sewer Use	4,507	3,300	2,675	2,607	(\$693)	-21%	3,300
Miscellaneous	32,718	36,974	20,703	20,280	(\$16,694)	-45%	36,974
TOTAL REVENUES	978,360	1,009,320	589,225	643,249	(366,071)	-36%	1,009,320
EXPENSES							
Salaries & Wages	141,282	160,344	81,784	95,572	(\$64,772)	-40%	160,344
Heat, Light & Power	22,079	27,278	12,321	13,044	(\$14,234)	-52%	27,278
Regional Sewage Disposal	79,822	76,908	47,458	44,850	(\$32,058)	-42%	76,908
All Other	290,074	339,223	132,203	141,649	(\$197,574)	-58%	339,223
PAYGO	32,506	50,601	7,558	21,745	(\$28,856)	-57%	50,601
Debt Service	343,480	365,449	188,964	200,500	(\$164,949)	-45%	365,449
GROSS EXPENSES	909,243	1,019,803	470,288	517,360	(502,443)	-49%	1,019,803
Less: Reconstruction Debt Service & Misc Offset	0	0	0	0	\$0	0%	0
Less: SDC Debt Service Offset	(5,772)	(5,772)	(3,367)	(3,367)	\$2,405	-42%	(5,772)
Less: Premium & Underwriter's Discount Transfers	(2,000)	(2,000)	(1,167)	(1,167)	\$833	-42%	(2,000)
NET EXPENSES	901,471	1,012,031	465,754	512,826	(499,205)	-49%	1,012,031
NET REVENUE (LOSS) FOR YEAR	\$76,889	<u>(\$2,711)</u>	<u>\$123,471</u>	<u>\$130,423</u>	<u>\$133,134</u>	<u>-4911%</u>	<u>(\$2,711)</u>
ACCUMULATED NET REVENUE - JULY 1	312,785						388,275
Use of Fund Balance	0						0
ACCUMULATED NET REVENUE - JUNE 30	<u>\$389,674</u>						<u>\$385,564</u>

*Reflects transfers between major expense categories from the approved budget

Note: Details of the Water and Sewer Operating Funds and General Bond Debt Service Fund are on pages 6, 7 & 8, respectively.

COMBINED WATER AND SEWER OPERATING FUNDS

(In Thousands)

	FY'24 ACTUAL	FY'25 REVISED BUDGET*	FY'24 ACTUAL THRU 1/31/24	FY'25 ACTUAL THRU 1/31/25	FY'25 VARIANCE TO BUDGET	FY'25 % VARIANCE TO BUDGET	PROJECTED THRU 6/30/25
<u>REVENUES</u>							
Water Consumption & Sewer Use Charges	\$801,723	\$801,204	\$485,540	\$508,708	(\$292,496)	-37%	\$801,204
Use of Accumulated Net Revenue	0	0	0	0	\$0	0%	0
All Other Revenues	170,551	205,083	100,123	130,768	(\$74,315)	-36%	205,083
TOTAL REVENUES	972,274	1,006,287	585,663	639,476	(366,811)	-36%	1,006,287
<u>EXPENSES</u>							
Operating Expenses	531,376	601,490	272,778	294,031	(\$307,459)	-51%	601,490
PAYGO	32,506	50,601	7,558	21,745	(\$28,856)	-57%	50,601
Debt Service Expense	338,326	361,968	185,906	198,246	(\$163,722)	-45%	361,968
GROSS EXPENSES	902,208	1,014,059	466,242	514,022	(500,037)		1,014,059
Less: Reconstruction Debt Service & Misc Offset	20,000	0	0	0	\$0	0%	0
Less: SDC Debt Service Offset	(5,772)	(5,772)	(3,367)	(3,367)	\$2,405	-42%	(5,772)
Less: Premium & Underwriter's Discount Transfers	(2,000)	(2,000)	(1,167)	(1,167)	\$833	-42%	(2,000)
NET EXPENSES	914,436	1,006,287	461,708	509,488	(496,799)	-49%	1,006,287
NET REVENUE (LOSS) FOR YEAR	\$57,838	\$0	\$123,955	\$129,988	\$129,988	0%	\$0
ACCUMULATED NET REVENUE - BEGINNING OF YEAR	311,084						367,523
NET REVENUE (LOSS) FOR YEAR	57,838						0
USE OF ACCUMULATED NET REVENUE	0						0
ACCUMULATED NET REVENUE - END OF YEAR	\$368,922						\$367,523
WATER CONSUMPTION (MGD)	127.5	124.6	133.2	135.0	10.4	8%	124.6

*Reflects transfers between major expense categories from the approved budget

NOTE: Refer to Pages 6 and 7 for details of Water and Sewer Operating Funds.

WATER OPERATING

(In Thousands)

	FY'24	FY'25	FY'24	FY'25	FY'25	FY'25	PROJECTED
	ACTUAL	REVISED	ACTUAL THRU	ACTUAL THRU	VARIANCE	% VARIANCE	THRU
	ACTUAL	BUDGET*	1/31/24	1/31/25	TO BUDGET	TO BUDGET	6/30/25
REVENUES							
Water Consumption Charges	\$356,194	\$360,111	217,942	\$229,819	(\$130,292)	-36%	\$360,111
Account Maintenance Fee	19,594	\$33,122	11,444	19,118	(\$14,004)	-42%	\$33,122
Infrastructure Investment Fee	23,957	\$41,059	14,033	23,376	(\$17,683)	-43%	\$41,059
Plumbing & Inspection Fees	12,317	\$12,406	6,962	7,345	(\$5,061)	-41%	\$12,406
Interest Income	10,456	\$3,285	4,787	5,462	\$2,177	66%	\$3,285
Miscellaneous	14,489	\$16,022	8,439	8,477	(\$7,545)	-47%	\$16,022
TOTAL REVENUES	437,007	466,005	263,607	293,597	(172,408)	-37%	466,005
EXPENSES							
Salaries & Wages	77,811	86,691	45,065	53,726	(\$32,965)	-38%	86,691
Heat, Light & Power	11,349	14,946	6,374	7,771	(\$7,175)	-48%	14,946
All Other	161,615	181,820	74,818	82,311	(\$99,509)	-55%	181,820
PAYGO	5,194	21,961	3,030	5,268	(\$16,693)	-76%	21,961
Debt Service	159,293	164,225	80,751	88,256	(\$75,969)	-46%	164,225
GROSS EXPENSES	415,262	469,643	210,038	237,332	(232,311)	-49%	469,643
Less: Reconstruction Debt Service & Misc Offset	5,000	\$0	0	0	\$0	0%	0
Less: SDC Debt Service Offset	(2,731)	(\$2,731)	(1,593)	(1,593)	\$1,138	-42%	(2,731)
Less: Premium & Underwriter's Discount Transfers	(888)	(907)	(518)	(529)	\$378	-42%	(907)
NET EXPENSES	416,643	466,005	207,927	235,210	(230,795)	-50%	466,005
NET REVENUE (LOSS)	\$20,364	-	\$55,680	\$58,387	\$58,387	0%	\$0
ACCUMULATED NET REVENUE - JULY 1	114,959						133,283 **
Use of Fund Balance	0						0
Fund Balance Transfer	0						0
ACCUMULATED NET REVENUE - JUNE 30	\$135,323						\$133,283

*Reflects transfers between major expense categories from the approved budget

**Reflects a decrease in net revenues of \$2,040,000 resulting from prior year adjustments.

SEWER OPERATING

(In Thousands)

	FY'24	FY'25	FY'24	FY'25	FY'25	FY'25	PROJECTED
	ACTUAL	REVISED	ACTUAL THRU	ACTUAL THRU	VARIANCE	% VARIANCE	THRU
	ACTUAL	BUDGET*	1/31/24	1/31/25	TO BUDGET	TO BUDGET	6/30/25
<u>REVENUES</u>							
Sewer Use Charges	\$445,529	\$441,093	267,598	\$278,889	(\$162,204)	-37%	\$441,093
Account Maintenance Fee	18,252	\$26,842	10,639	17,805	(\$9,037)	-34%	\$26,842
Infrastructure Investment Fee	22,653	\$33,780	13,260	22,095	(\$11,685)	-35%	\$33,780
Rockville Sewer Use	4,507	\$3,300	2,675	2,607	(\$693)	-21%	\$3,300
Interest Income	17,540	\$5,575	10,874	7,676	\$2,101	38%	\$5,575
Plumbing & Inspection Fees	8,658	\$8,950	4,798	5,151	(\$3,799)	-42%	\$8,950
Miscellaneous	18,128	\$20,742	12,212	11,656	(\$9,086)	-44%	\$20,742
TOTAL REVENUES	535,267	540,282	322,056	345,879	(194,403)	-36%	540,282
<u>EXPENSES</u>							
Salaries & Wages	62,513	72,800	36,171	41,207	(\$31,593)	-43%	72,800
Heat, Light & Power	10,730	12,332	5,947	5,273	(\$7,059)	-57%	12,332
Regional Sewage Disposal	79,822	76,908	47,458	44,850	(\$32,058)	-42%	76,908
All Other	127,536	155,993	56,945	58,893	(\$97,100)	-62%	155,993
PAYGO	27,312	28,640	4,528	16,477	(\$12,163)	-42%	28,640
Debt Service	179,033	197,743	105,155	109,990	(\$87,753)	-44%	197,743
GROSS EXPENSES	486,946	544,416	256,204	276,690	(267,726)	-49%	544,416
Less: Reconstruction Debt Service Offset	15,000	\$0	0	0	\$0	0%	0
Less: SDC Debt Service Offset	(3,041)	(\$3,041)	(1,774)	(1,774)	\$1,267	-42%	(3,041)
Less: Premium & Underwriter's Discount Transfers	(1,112)	(1,093)	(649)	(638)	\$455	-42%	(1,093)
NET EXPENSES	497,793	540,282	253,781	274,278	(266,004)	-49%	540,282
NET REVENUE (LOSS)	\$37,474	\$0	\$68,275	\$71,601	\$71,601	0%	\$0
ACCUMULATED NET REVENUE - JULY 1	196,125						234,240 **
Use of Fund Balance	0						0
Fund Balance Transfer	0						0
ACCUMULATED NET REVENUE - JUNE 30	\$233,599						\$234,240

*Reflects transfers between major expense categories from the approved budget

**Reflects an increase in net revenues of \$641,000 resulting from prior year adjustments.

GENERAL BOND DEBT SERVICE FUND

(In Thousands)

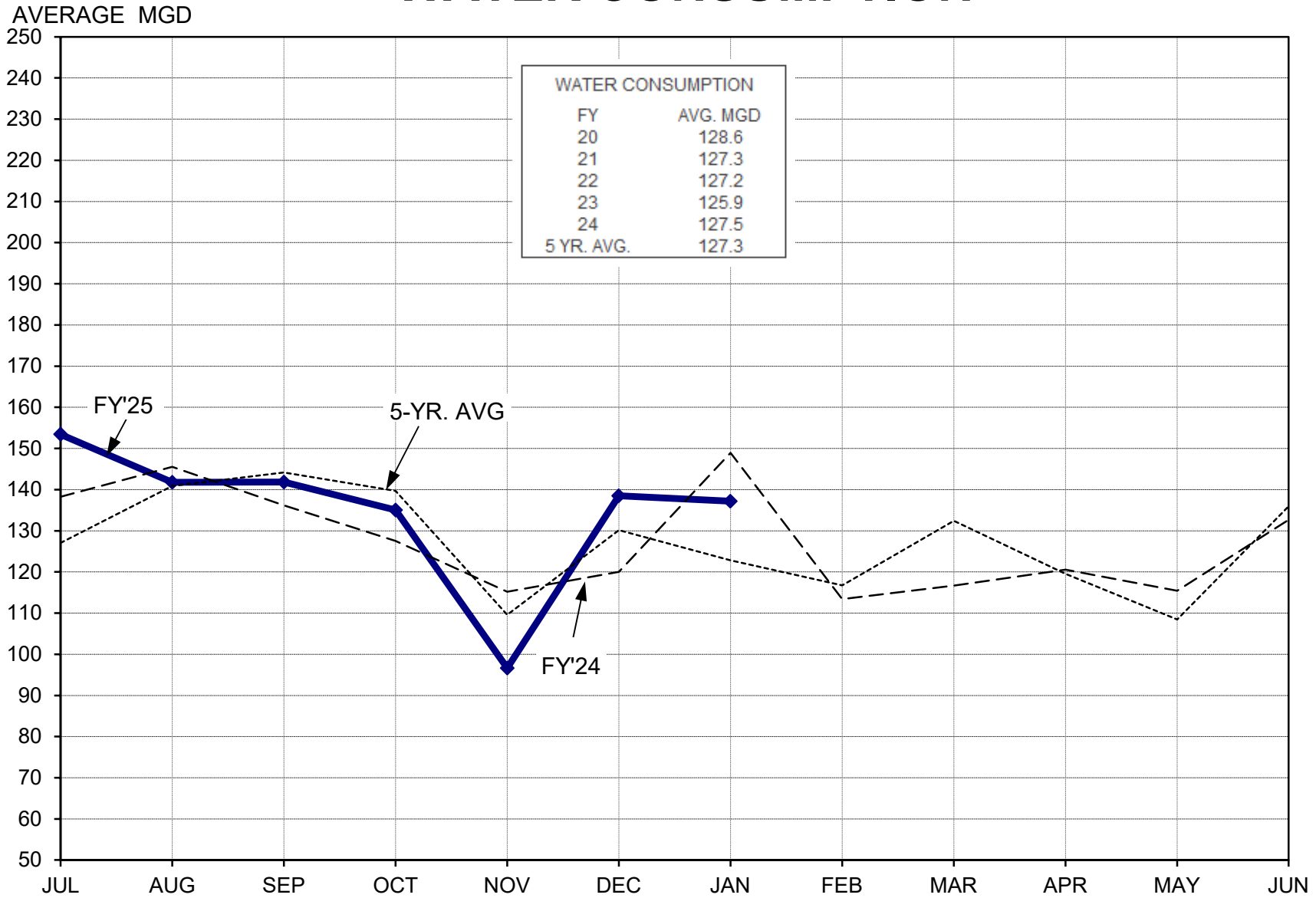
	FY'24	FY'25	FY'24	FY'25	FY'25	FY'25	PROJECTED
	ACTUAL	REVISED	ACTUAL THRU	ACTUAL THRU	VARIANCE	% VARIANCE	THRU
		BUDGET*	1/31/24	1/31/25	TO BUDGET	TO BUDGET	6/30/25
REVENUES							
Front Foot Benefit & House Connection							
Assessments	\$5,685	\$2,823	\$3,437	\$2,948	\$125	4%	\$2,823
Interest Income	300	\$0	73	678	\$678	0%	\$0
Miscellaneous	101	\$210	52	147	(\$63)	-30%	\$210
Use of Accumulated Net Revenue	0	0	0	0	\$0	0%	\$0
Reconstruction Debt Service Offset	20,000	\$0	0	0	\$0	0%	\$0
TOTAL REVENUES	26,086	3,033	3,562	3,773	740	24%	3,033
EXPENSES							
Salaries & Wages	958	853	548	639	(\$214)	-25%	853
All Other	923	1,410	440	445	(\$965)	-68%	1,410
Debt Service	5,154	3,481	3,058	2,254	(\$1,227)	-35%	3,481
GROSS EXPENSES	7,035	5,744	4,046	3,338	(2,406)	-42%	5,744
NET EXPENSES	7,035	5,744	4,046	3,338	(2,406)	-42%	5,744
NET REVENUE (LOSS)	\$19,051	<u>(\$2,711)</u>	<u>(\$484)</u>	<u>\$435</u>	<u>\$3,146</u>	<u>-116%</u>	<u>(\$2,711)</u>
ACCUMULATED NET REVENUE - JULY 1	1,701						20,752
Use of Fund Balance	0						0
ACCUMULATED NET REVENUE - JUNE 30	<u>\$20,752</u>						<u>\$18,041</u>

*Reflects transfers between major expense categories from the approved budget

**FY'25
WATER CONSUMPTION**

<u>MONTH</u>	<u>MONTHLY AVERAGE (MGD)</u>	<u>FY'25 CUMULATIVE AVERAGE (MGD)</u>	<u>FY'24 CUMULATIVE AVERAGE (MGD)</u>
July	153.427	153.427	138.277
August	141.750	147.588	141.908
September	141.836	145.713	140.045
October	135.019	143.017	136.891
November	96.623	133.920	132.631
December	138.484	134.689	130.505
January	137.187	135.049	133.165
February			130.819
March			129.228
April			128.377
May			127.180
June			127.630

WATER CONSUMPTION

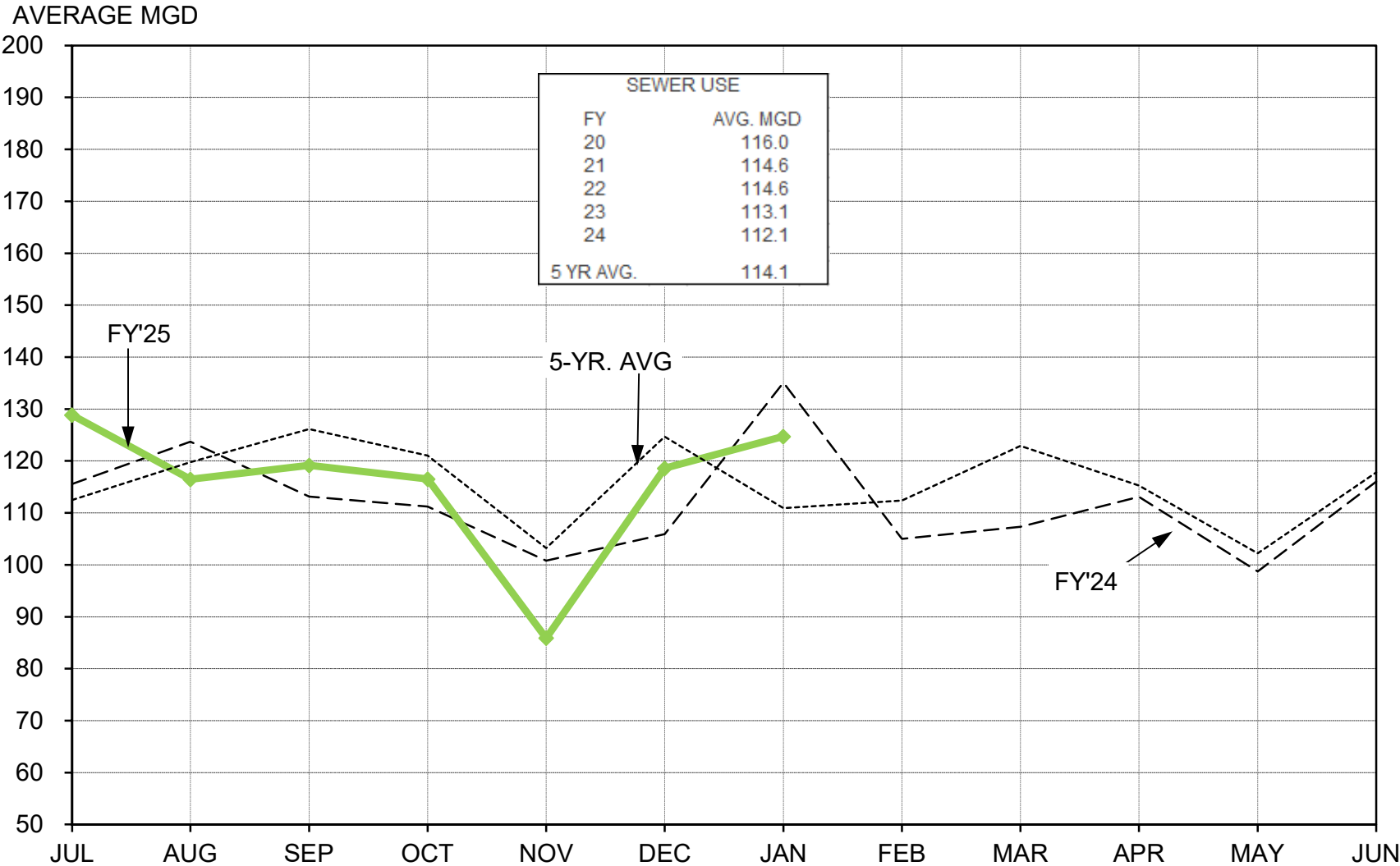


**FY'25
SEWER USE**

<u>MONTH</u>	<u>FY'25 MONTHLY AVERAGE (MGD)</u>	<u>FY'25 CUMULATIVE AVERAGE (MGD)</u>	<u>FY'24 CUMULATIVE AVERAGE (MGD)</u>
July	128.84	128.84	112.56
August	116.46	122.65	116.87
September	119.14	121.51	120.65
October	116.52	120.25	117.61
November	85.91	113.52	111.18
December	118.58	114.37	112.72
January	124.73	115.86	113.03
February			112.98
March			114.15
April			112.97
May			112.43
June			113.14

SEWER USE

(INCLUDES BLUE PLAINS)



STATEMENT OF CAPITAL FUNDS INCOME AND EXPENDITURES
CAPITAL FUNDS TOTAL

(In Thousands)

	FY'24	FY'25	FY'25	FY'24	FY'25	FY'25	FY'25	PROJECTED
	ACTUAL	REVISED	BUDGET AT	ACTUAL THRU	ACTUAL THRU	VARIANCE	% VARIANCE	THRU
	ACTUAL	BUDGET*	70% COMPLETION	1/31/24	1/31/25	TO BUDGET	TO BUDGET	6/30/25
<u>GROSS FUNDS AVAILABLE</u>								
FUNDS AVAILABLE-JULY 1	\$132,156							
Bonds Issued and Cash on Hand	\$338,711	\$688,373	\$450,993					
Anticipated Contributions:								
Federal & State Grants	4,959	30,720	30,720					
System Development Charge	12,484	49,926	49,926					
Other	22,227	22,248	22,248					
Available for Current Construction	510,537	791,267	553,887					
<u>CAPITAL COSTS</u>								
Salaries & Wages	\$31,381	32,360	32,360	\$18,086	\$22,089	(\$10,271)	-32%	32,360
Contract Work	245,931	512,077	348,746	129,422	161,201	(\$187,545)	-54%	348,746
Consulting Engineers	33,838	83,705	58,594	11,643	14,095	(\$44,499)	-76%	58,594
All Other **	99,011	163,125	114,187	50,514	54,892	(\$59,295)	-52%	114,187
TOTAL COSTS	\$410,161	791,267	\$553,887	\$209,665	\$252,277	(\$301,610)	-54%	\$553,887

*Reflects transfers between major expense categories from the approved budget

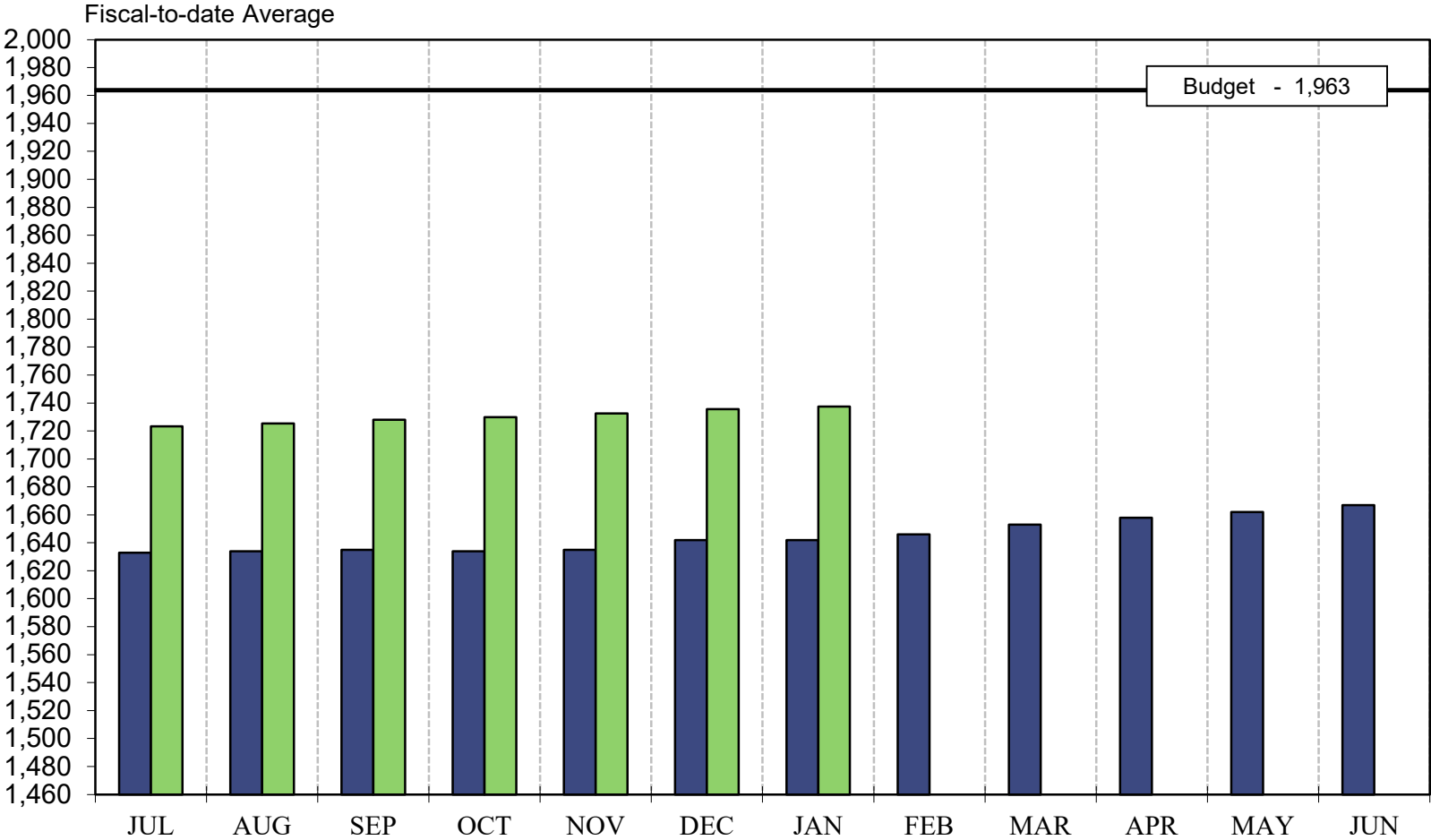
**Reflects prior year adjustments. No Bond Premium transfer in FY24-FY25

SYSTEM DEVELOPMENT CHARGE ACCOUNT

(In Thousands)

ACCOUNT BALANCE, JULY 1, 2024	\$68,377
<u>ACCOUNT ADDITIONS:</u>	
SDC Revenues, Net	14,747
Interest Income	<u>2,016</u>
FUNDS AVAILABLE	85,140
Less MOU Credit Reimbursement	(181)
<u>TRANSFERRED TO OPERATING FUNDS:*</u>	
Water Operating - Debt Service	(1,593)
Sewer Operating - Debt Service	(1,774)
<u>TRANSFERRED TO BOND FUNDS:</u>	
Water Supply Bond	0
Sewer Disposal Bond	<u>0</u>
Account Balance	81,592
Less Amounts Billed But Not Yet Collected	0
Less Reserve for MOU Related Reimbursements	<u>(11,840)</u>
AVAILABLE ACCOUNT BALANCE, JANUARY 31, 2025	<u><u>\$69,752</u></u>

ACTUAL WORKYEARS



<div></div> FY'24	1,633	1,634	1,635	1,634	1,635	1,642	1,642	1,646	1,653	1,658	1,662	1,667
<div></div> FY'25	1,723	1,725	1,728	1,730	1,733	1,736	1,738	-	-	-	-	-