



**MWD**

*METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA*

9-4

## EXECUTIVE FINANCIAL SUMMARY

**July 31, 1993**



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

September 29, 1993

To: Board of Directors  
From: General Manager  
Subject: Executive Financial Summary


Transmitted herewith is the District's Executive Financial Summary for the 1993-94 fiscal year as of July 31, 1993.

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John R. Wodraska

  
By: Greg D. Leddy  
Director of Finance

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

September 29, 1993

To: General Manager  
From: Controller  
Subject: Monthly Financial Summary

Transmitted herewith is the Monthly Financial Summary as of July 31, 1993. Included in the report are the following statements:

- Financial Board Charts
- Budget v. Cost Report
- Statement of Receipts, Disbursements, and Balances by Fund
- Statement of Operations--Accrual Basis
- Supplementary Information

The following appropriation was closed in July and transferred to Completed Features:

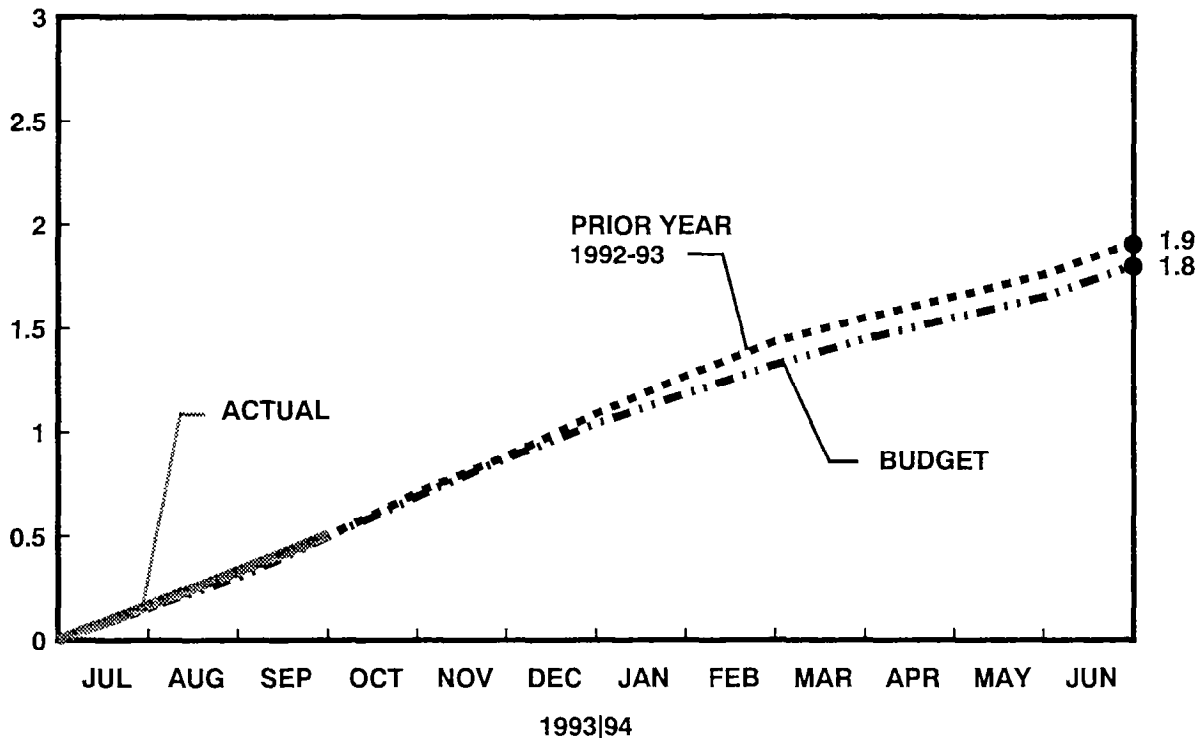
<u>Appn.</u>	<u>Description</u>
579	Mills Filtration Plant-Ferric Chloride Study

David I. Furukawa

Encl.

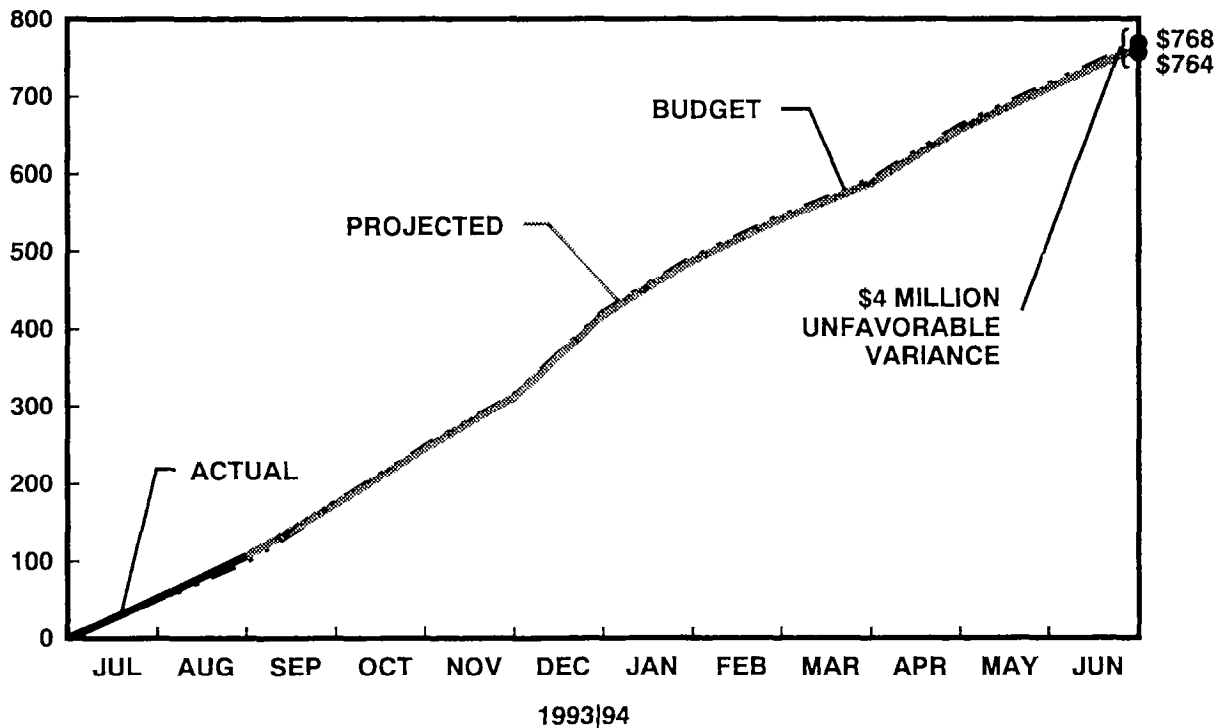
# ACRE-FEET SOLD

MILLIONS



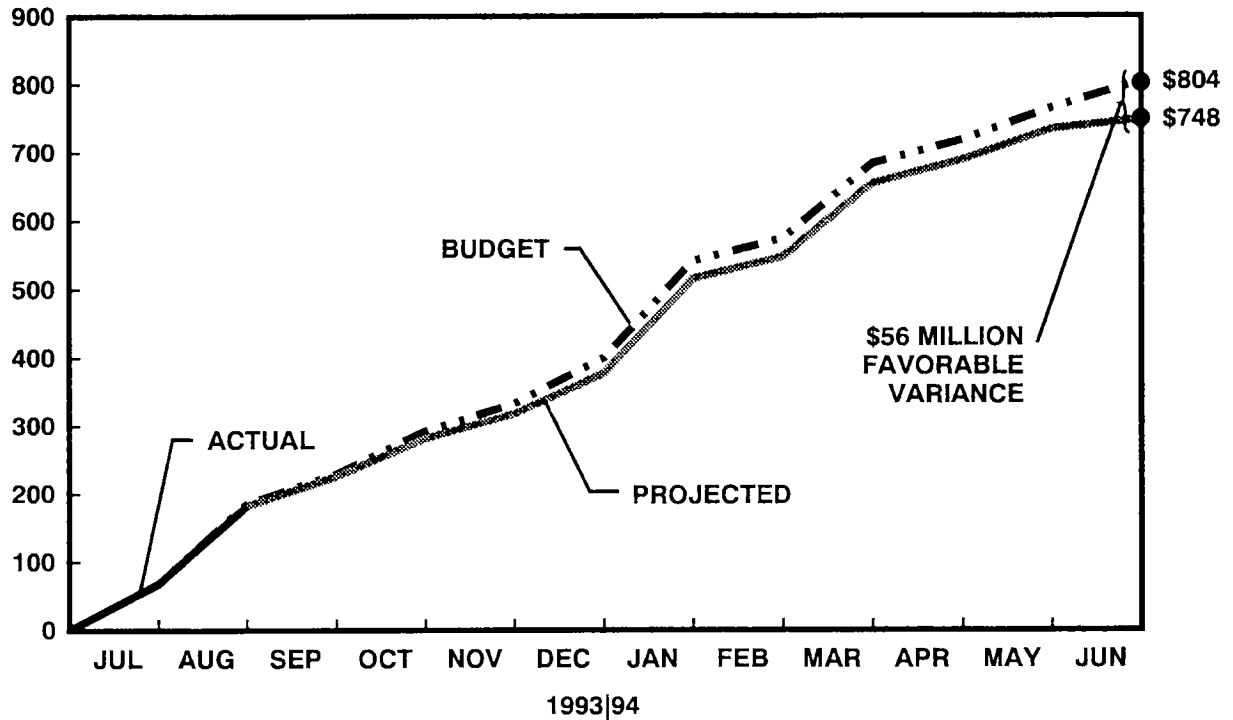
# RECEIPT COMPARISONS (BUDGET VS ACTUAL VS PROJECTED) FY TO JUNE 30, 1994

IN \$ MILLIONS



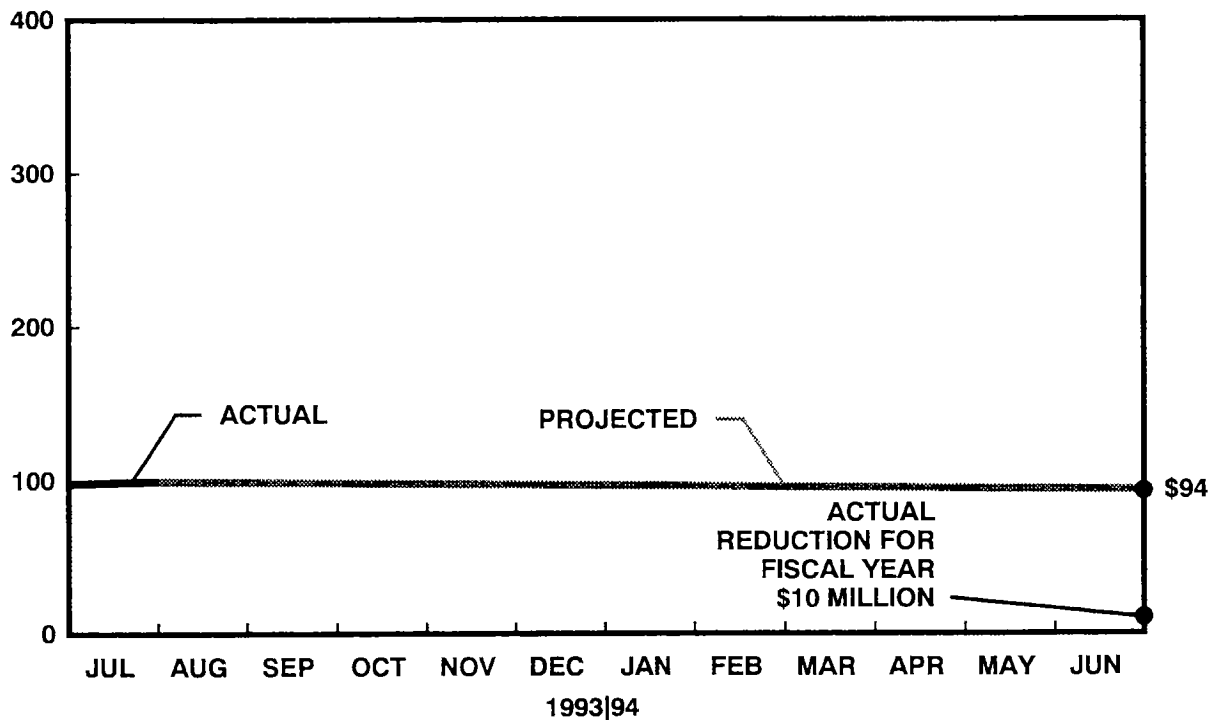
# EXPENDITURE COMPARISONS (BUDGET VS ACTUAL VS PROJECTED) FY TO JUNE 30, 1994

IN \$ MILLIONS

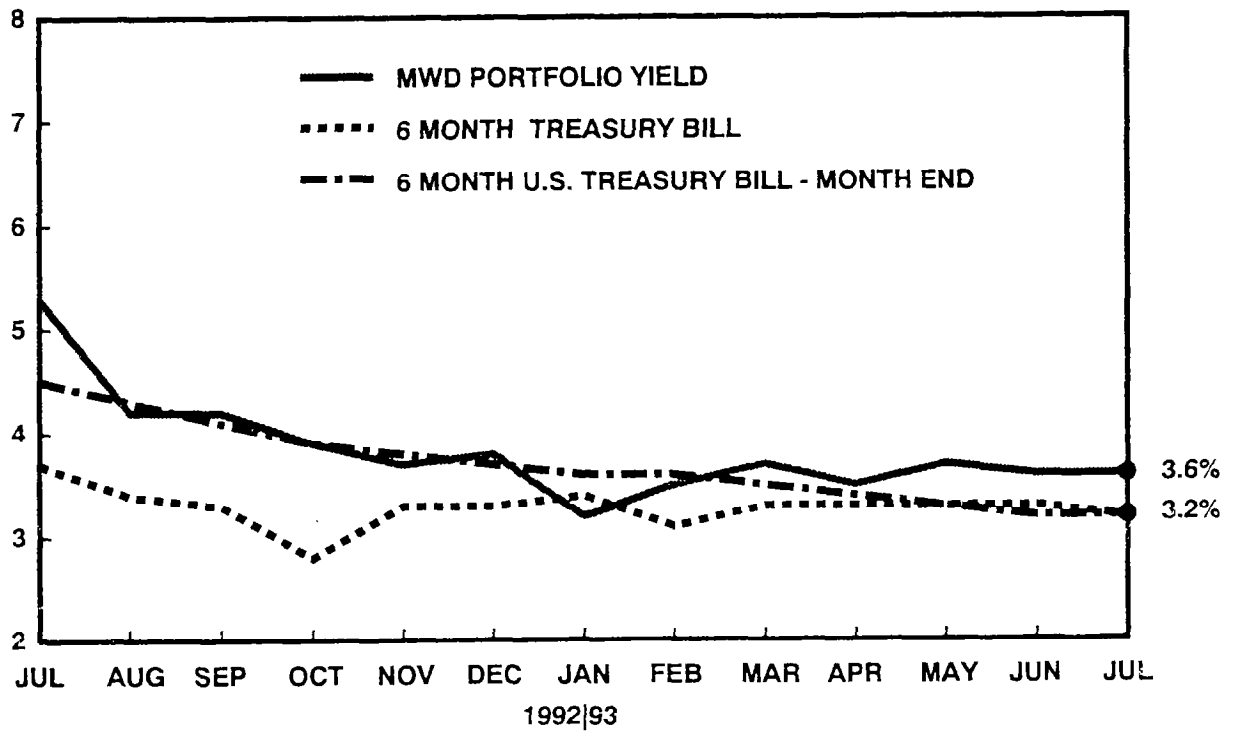


# WATER RATE STABILIZATION BALANCES FY 1993-94

IN \$ MILLIONS



## YIELD COMPARISONS



**BUDGET VS COST REPORT - CASH BASIS SUMMARY\***  
**JULY 1, 1993 - JULY 31, 1993**  
**(IN MILLIONS OF DOLLARS)**

	PRIOR YEAR ACTUAL	ANNUAL BUDGET	BUDGET TO DATE	ACTUAL TO DATE	VARIANCE**	
					AMOUNT	PERCENT
<b>OPERATING RECEIPTS:</b>						
Receipts from Water Sales	\$526.5	\$588.2	\$45.7	\$48.2	\$2.5	5.5%
Receipts from Power Recoveries	14.3	19.0	0.9	1.6	0.7	75.6% (a)
Additional Revenues	23.7	50.0	0.4	0.4	0.0	-0.0%
<b>TOTAL OPERATING RECEIPTS</b>	<b>\$564.5</b>	<b>\$657.2</b>	<b>\$47.0</b>	<b>\$50.2</b>	<b>\$3.2</b>	
<b>OPERATIONS &amp; MAINTENANCE EXPENDITURES:</b>						
MWD O&M & CRA Power	\$229.5	\$255.3	\$24.3	\$32.5	(\$8.2)	-33.8% (b)
SWC O&M and Power (Net)	77.1	131.4	10.2	10.8	(0.6)	-5.8%
Water Transfers\Options	1.8	12.0	0.0	0.0	0.0	0.0%
Additional CRA Supplies: O&M	4.6	6.7	4.6	4.6	0.0	0.0%
<b>TOTAL O&amp;M EXPENDITURES</b>	<b>\$313.1</b>	<b>\$405.3</b>	<b>\$39.1</b>	<b>\$47.8</b>	<b>(\$8.8)</b>	
<b>NET OPERATING REVENUES</b>	<b>\$251.4</b>	<b>\$251.9</b>	<b>\$7.9</b>	<b>\$2.4</b>	<b>(\$5.5)</b>	
Interest on Investments	\$18.8	\$20.0	\$3.2	\$3.0	(\$0.2)	-5.4%
Revenue Bond/Commerical Paper Debt Service	48.5	49.5	18.0	18.5	(0.4)	-2.5%
<b>FUNDS AVAILABLE FROM OPERATIONS</b>	<b>\$221.8</b>	<b>\$222.4</b>	<b>(\$6.9)</b>	<b>(\$13.1)</b>	<b>(\$6.2)</b>	
Additional CRA Supplies - Capital	(\$26.5)	(\$42.2)	\$0.0	(\$0.0)	(\$0.0)	0.0%
Pay-As-You-Go Construction	(10.1)	(64.9)	(0.5)	0.4	0.9	185.0% (c)
Operating Equipment, Other Receipts, Trust Activity & General Fund Expenditures	11.5	(2.6)	(0.2)	0.6	0.8	355.0% (d)
Tax Receipts	86.4	90.0	2.5	2.0	(0.5)	-18.8% (e)
State Water Contract Capital	(170.1)	(181.6)	(5.1)	(5.1)	0.0	0.0%
G.O. Bond/Other Debt Service	(56.8)	(57.7)	(0.1)	(0.1)	0.0	0.0%
<b>CHANGE IN CASH ON HAND</b>	<b>\$56.2</b>	<b>(\$36.4)</b>	<b>(\$10.3)</b>	<b>(\$15.3)</b>	<b>(\$5.0)</b>	
<b>SR. LIEN DEBT SERVICE COVERAGE</b>	<b>10.26</b>	<b>10.70</b>	<b>1.27</b>	<b>0.37</b>		
<b>JR. LIEN DEBT SERVICE COVERAGE</b>	<b>10.92</b>	<b>10.35</b>	<b>0.42</b>	<b>-0.08</b>		
<b>CONSTRUCTION EXPENDITURES FROM BONDS</b>	<b>\$248.5</b>	<b>\$329.8</b>	<b>\$27.5</b>	<b>\$12.1</b>	<b>\$15.4</b>	<b>56.1% (f)</b>

\* Excluding Bond Construction Funds, Excess Earnings Funds, other Trust Funds, and the Deferred Compensation Fund.

\*\* A positive variance is favorable to MWD, a negative variance is unfavorable.

Minor differences are due to rounding.

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Prepared by: WEH

CASH BASIS EXECUTIVE FINANCIAL SUMMARY  
VARIANCE EXPLANATIONS  
( Through July 31, 1993 )

Criteria:       +\$500,000 and 10 percent or more

OPERATING RECEIPTS

- (a)       Receipts from power recoveries were 75.6 percent over budget because several power plants were operated at higher levels than was anticipated in the budget due to increased water deliveries.

OPERATIONS AND MAINTENANCE EXPENDITURES

- (b)       MWD O&M expenditures and CRA power were \$8.2 million over budget mainly because of several accounting transactions for the recording of completed features, including the partial completion of the Imperial Irrigation District (IID) facilities, the loss on the sale of the South Laguna and Los Virgenes Reclamation projects to their member agencies, and the adjustment for the 1993 IID funding call payment to reflect the O&M portion of the expenditure.

OTHER RECEIPTS AND EXPENDITURES

- (c)       Pay-As-You-Go construction disbursements were \$900,000 less than budget due to the retirement of plant assets remaining on the records in June which were reflected in July as receipts to the fund.
- (d)       Operating equipment purchases, other receipts, trust accounts, and General Fund expenditures were \$800,000 under budget due to the deferral of disbursements for operating equipment, and reimbursement transactions that are not included in the budget.
- (e)       Receipts from taxes were under budget by 18.8 percent due to the timing of receipts from current and delinquent taxes.

CONSTRUCTION EXPENDITURES FROM BOND PROCEEDS

- (f)       Construction expenditures from bond proceeds were 56.1 percent below budget mainly because delays in Right of Way acquisition for the Domenigoni Valley Reservoir; capacity charges for the month of July are not reflected in actual charges for the South County Pipeline Joint Participation program; Mills Filtration Plant bid/award was delayed coupled with the construction bid for plant expansion being less than original estimate; the All Filtration Plants and Distribution System Chemical Containment Program is experiencing delays in consultant design and construction at Jensen Filtration Plant; and several scheduled capital improvement programs ( i.e. Allen-McColloch Pipeline purchase, Perris Filtration Plant Land Acquisition, and the Information Systems Strategic Plan Phase 1) are waiting for Board authorization.



STATEMENT OF RECEIPTS, DISBURSEMENTS, BALANCES AND APPROPRIATED FUNDS  
 JULY 1, 1993 THROUGH JULY 31, 1993

	OPERATING FUNDS	STATE CONTRACT FUNDS	DEBT SERVICE FUNDS	RATE STABILIZATION FUNDS	PAY-AS-YOU-GO FUND	REVOLVING CONSTR. FUND	REVENUE BOND CONSTR. FUNDS	OTHER FUNDS
<b>BALANCES - START OF PERIOD</b>								
CASH AND INVESTMENTS	291,178,136.55	60,538,414.05	99,304,423.72	98,055,882.28	65,000,092.46	281,654.05	487,074,693.94	265,024,004.95
<b>RECEIPTS</b>								
Net Tax Collections		873,923.19	1,119,719.17					
Water Sales	48,197,235.03							
Water Standby Charge	373,451.36							
Power Recoveries	1,635,013.83							
Interest on Investments	200,370.42	269,976.81	688,020.11	1,712,861.03	109,415.12	12,076.28	4,716,970.86	113,564.95
Bond Sales/CP Sales			4,210,011.78					162,084,027.92
Other Collections	252,454.66				422.19			
<b>TOTAL RECEIPTS</b>	50,658,525.30	1,143,900.00	6,017,751.06	1,712,861.03	109,837.31	12,076.28	4,716,970.86	162,197,592.87
INTER-FUND TRANSFERS	(6,879,595.60)	10,000,000.00	1,922,674.02		(630,735.64)	(525.86)	(8,739,617.28)	4,527,800.36
<b>REIMBURSEMENTS</b>								
Operation & Maintenance	460,344.42							
Operating Equipment								
Inventories								
Construction	1,093,537.86				2,906.45		12,086.64	
Interest & Premium on Bonds			903,701.76					
<b>TOTAL REIMBURSEMENTS</b>	1,553,882.28		903,701.76		2,906.45		12,086.64	
<b>DISBURSEMENTS</b>								
Operation & Maintenance	35,509,469.06							
Operating Equipment (Net)	1,080,134.85							
Invent. & Undistr. Payroll (Net)	(453,884.28)							
Construction	(1,222,869.10)				(424,827.44)	49,046.86	10,986,378.13	
DWR - Capital Payments								
DWR - Minimum O&M	6,594,744.00							
Off Aqueduct Facilities	4,948,427.00	3,810,622.00						
CRA - Power	2,002,259.10							
SWC - Variable Power	487,097.00							
SWC - Credit								
DWR - Water Bank								
To SDCWA - 1st Aqueduct								
Debt Service on MWD Bonds			31,536,368.52					
Net Book Losses on Investment Transactions								
<b>TOTAL DISBURSEMENTS</b>	48,945,377.63	3,810,622.00	31,536,368.52		(424,827.44)	49,046.86	10,986,378.13	
TRANSFERS TO ESCROW BANK ACCOUNT								166,611,828.28
TRUST ACCOUNT TRANSACTIONS (NET)	(1,363,041.36)		(960,526.25)					(121,690.68)
<b>BALANCES - END OF PERIOD</b>								
CASH AND INVESTMENTS	286,202,529.54	67,671,692.05	75,651,655.79	98,768,743.31	64,706,828.02	244,157.61	472,077,756.03	265,015,879.22
<b>APPROPRIATED FUNDS</b>	587,541,000.00	288,234,000.00	131,081,000.00		18,900,000.00	5,792,000.00	447,048,000.00	

STATEMENT OF OPERATIONS  
FISCAL YEAR THROUGH JULY 31, 1992

GROSS OPERATING INCOME		
Water Sales:	Acre Feet	
Noninterruptible		
Untreated	47,390.0	12,886,654.00
Treated	111,255.1	36,104,016.30
Interruptible		
Untreated	7,240.3	1,328,581.70
Treated	7,520.0	2,100,172.50
Reclaimed Water	2,036.8	171,091.20
	175,442.2	52,590,515.70
Water Standby Charge		.00
Power Recoveries: ( 31,022,000 kWh )		1,631,599.23
		54,222,114.93
OPERATION AND MAINTENANCE		
Operations		15,727,005.96
Power and Water Costs		20,710,613.83
		36,437,619.79
Operating Income before Amort. & Depr.		17,784,495.14
Amort. of Participation Rights in State Project		6,276,449.00
Depreciation, Plant		1,998,838.00
		8,275,287.00
Operating Income		9,509,208.14
OTHER INCOME		
Net Tax Revenues		7,403,494.58
Interest Earned on Investments		2,695,287.84
Current Interest Levies - Annexation Commitments		170,000.00
Property Rentals		12,925.49
Gain on Land Sales		.00
Earnings on Escrow Accounts		.00
Sundry Revenues	74,174.48	10,355,882.39
INTEREST AND OTHER EXPENSE		
Bond Interest Expense		4,545,219.03
Adjustment for OAPF Obligation		.00
Arbitrage Rebate Tax		.00
Sundry Expense	148,073.71	4,693,292.74
Income before Annex. Inc. & Prior Years' Adjust.		15,171,797.79
ANNEXATION INCOME		
Levies for Uncapitalized Annexation - Principal	10,000.00	
New Annexations - Principal	.00	10,000.00
ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS		17,125,770.00
EXTRAORDINARY LOSS ON DEFEASANCE OF BONDS		.00
NET INCOME		32,307,567.79
RETAINED EARNINGS AT START OF YEAR		2,245,408,572.51
RETAINED EARNINGS TO DATE		2,277,716,140.30

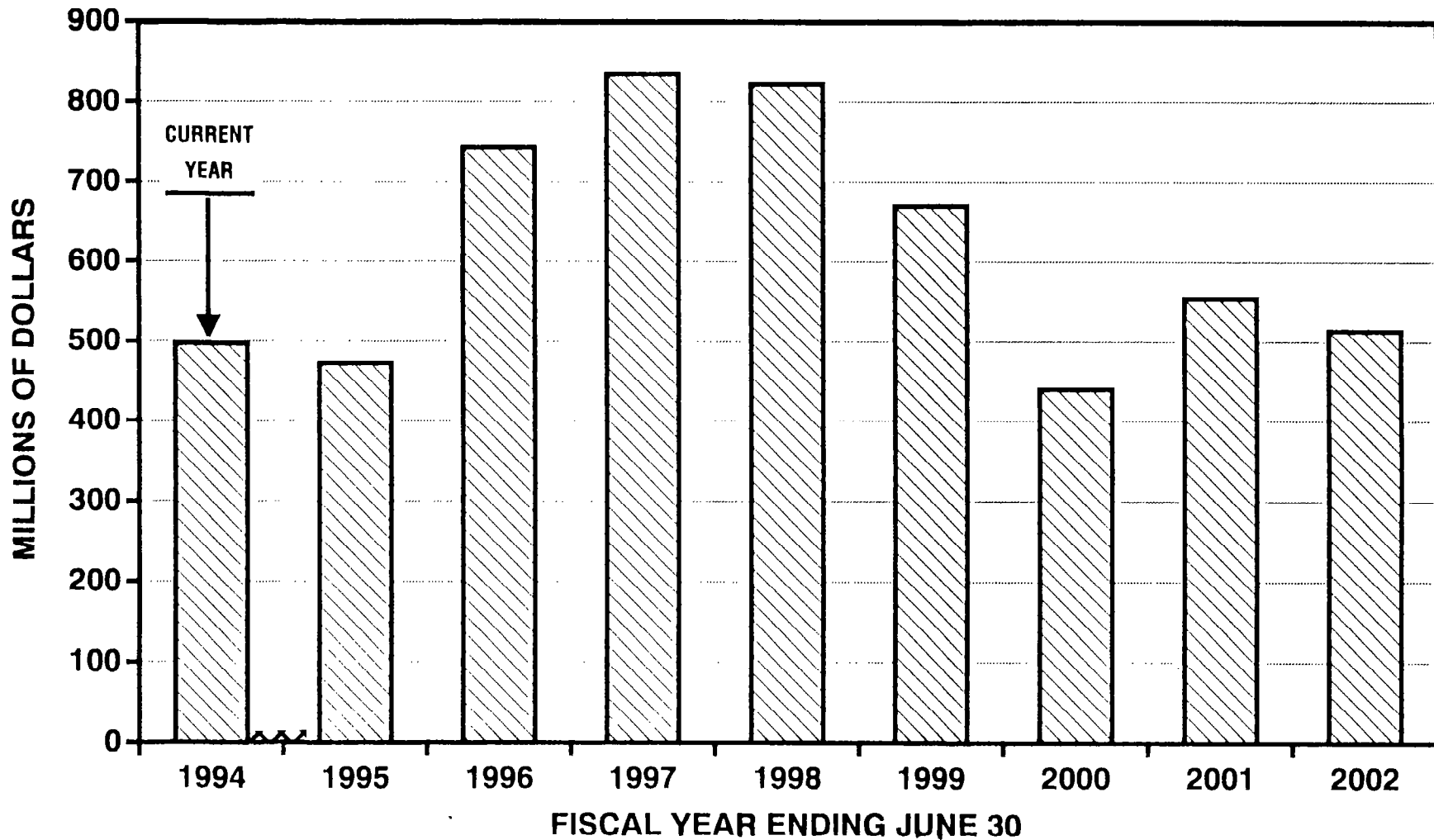
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA  
**PROJECTED AND ACTUAL CONSTRUCTION COSTS**

JULY 1993

PROJECTED COSTS THROUGH 2002\* ESCALATED AT 5.5%: TOTAL PROGRAM   \$ 5,548.6

EXPENDITURES TO DATE (F/Y 1993-94)   10.6

APPROPRIATIONS APPROVED TO DATE (F/Y 1993-94) 17.0



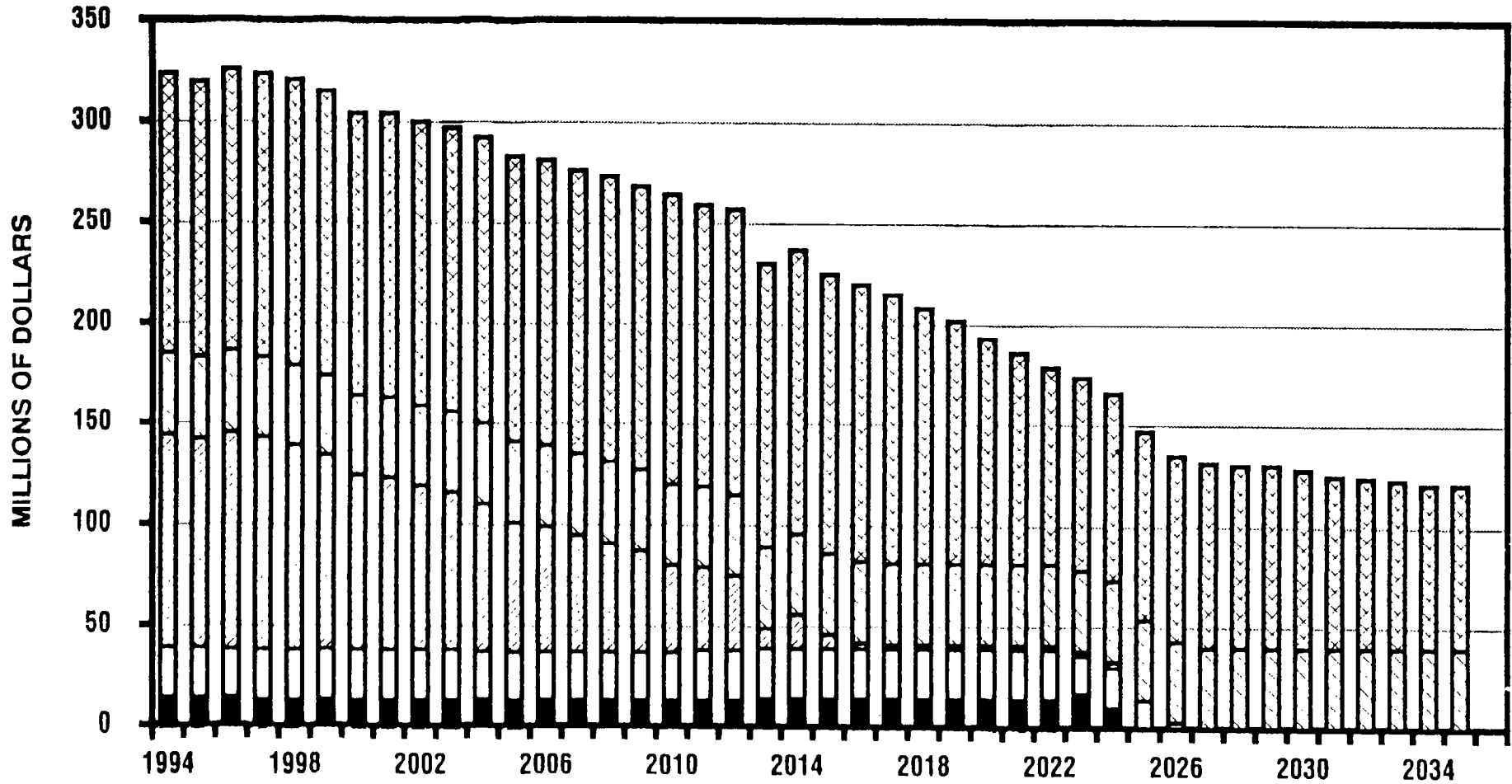
\* BASED ON CAPITAL IMPROVEMENT PROGRAM AS OF 7/15/93. INCLUDES PROJECTED EXPENDITURES FOR SECURING ADDITIONAL WATER SUPPLIES ON THE COLORADO RIVER AQUEDUCT.

# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA PROJECTED FIXED SWC CHARGES THROUGH 2035

☒	TRANSPORTATION	\$ 5,082
☐	STORAGE & CONSERVATION	1,683
▨	OFF-AQUEDUCT	1,483
□	EAST BRANCH ENLARGEMENT	773
■	REVENUE BOND SURCHARGE	417

\* FROM ATTACHMENT 3, DEPARTMENT OF WATER RESOURCES INVOICE DATED JULY 1, 1993. ALL AMOUNTS IN 1993 DOLLARS. AMOUNT CHARGES ARE BASED ON ORIGINAL ENTITLEMENT OF 2,011,500 AF FOR 1994 - 2035.

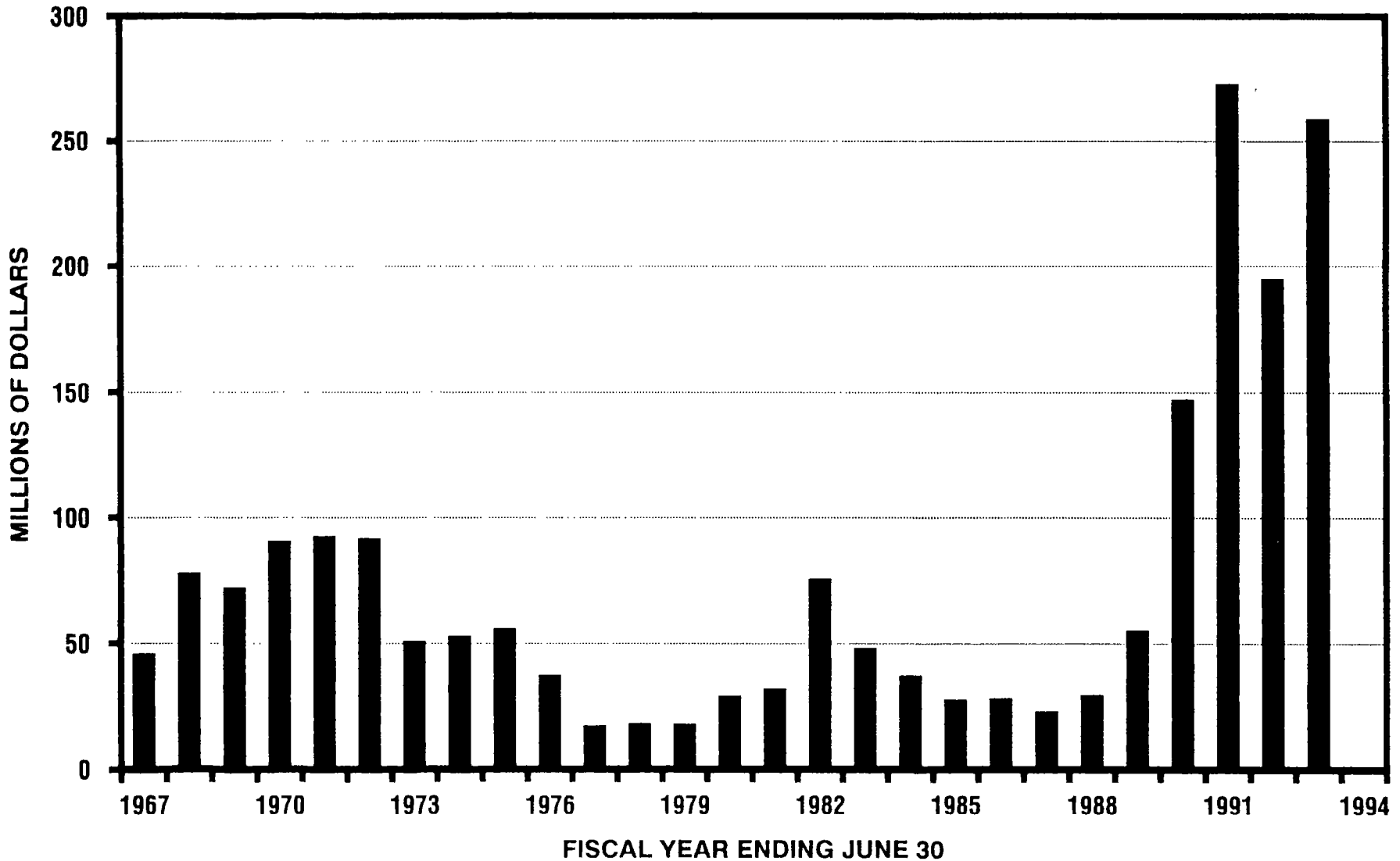
TRANSPORTATION \$ 9,438



THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA  
**HISTORICAL CONSTRUCTION EXPENDITURES**

from 7-1-66 through 6-30-93

■ EXPENDITURES THROUGH 6-30-93 \$ 1.98 BILLION



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

August 24, 1993

To: Board of Directors

From: General Counsel

Subject: **Review as to Eligibility of Securities Invested in by the Treasurer for the Month of July 1993**

Pursuant to Sections 2741(a) and 5101(b)(5) of the Administrative Code, this office has examined the Treasurer's Monthly Report to the Board for the month of July 1993 covering the investment of securities for that period. The reported forms of investment are within the eligible group of securities authorized by Section 5101(b)(2) of the Administrative Code, and as of the end of the month are within the percentage constraints specified in that section except for commercial paper, investments in which exceeded the limitation provided in Administrative Code Section 5101(b)(2)(vii) by .9%.

  
N. Gregory Taylor

SBB:gm  
memo-sb\treas-07.93

cc: J. R. Wodraska  
G. D. Leddy  
D. I. Furukawa  
R. D. Sjoberg

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

August 23, 1993

To: General Manager

From: Treasurer

Subject: Treasurer's Monthly Report - July 1993

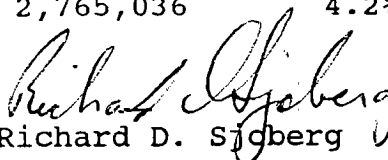
This letter transmits a summary report of investments and cash balances and yield comparisons for the end of the current month. A detail report of investments is filed each month with the Executive Secretary. These reports are required by Section 5114 (b) of the Administrative Code. All of the investments comply with Section 5101 of the Administrative Code and the Investment Policy dated March 17, 1992.

District investments and cash balances are held in various funds designated for certain purposes as follows:

	<u>Book Value</u>
Operating Fund	\$286,203,000
State Water Contract Fund	67,872,000
Debt Service Funds	75,652,000
Water Rate Stabilization Fund	<u>99,769,000</u>
Total	\$529,496,000
Construction and Trust Funds	\$573,412,000

The average weighted days to maturity is 333.2 days. The return on investments ranged from 3.0 percent to 10.3 percent. Interest earnings and average weighted portfolio yields follow:

		<u>Interest Earnings</u>		
		<u>Month</u>	<u>Fiscal Year to Date</u>	<u>Portfolio Yield</u>
July	1993	\$3,453,186	\$ 3,453,186	3.7%
July	1992	\$2,765,036	\$ 2,765,036	4.2%

  
 Richard D. Sjoberg

RDS:yc

Attachments

## THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Summary Report of Investment Activity & Status of Cash for the Month Ending July 31, 1993  
(Shown at Book Value and in \$ Thousands)

SECURITIES:	BEGINNING BALANCE	WITH-			ENDING BALANCE	% of Portfolio	
		PURCHASES DEPOSITS	DRAWALS SALES	MATURITIES		ACT.	ADMIN. CODE
U. S. TREASURY	\$388,886	\$24,717		\$156,587	\$257,016	23.3	100
U.S. GUARANTEES-GNMA'S	6,299			\$456	5,843	0.5	100
FEDERAL AGENCIES	195,248	\$7,987		81,000	122,235	11.1	33
REPURCHASE AGREEMENTS	232,456	3,017,308		3,083,653	166,111	15.1	30
BANKERS' ACCEPTANCES	70,908	27,922		32,405	66,425	6.0	30
COMMERCIAL PAPER	177,031	263,766		210,236	230,561	20.9	20 (A)
NEGOTIABLE CERTIFICATES OF DEPOSIT	53,522			14,821	38,701	3.5	20
LOCAL AGENCY INVESTMENT FUND - CALIFORNIA	15,000	200,000			215,000	19.5	(B)
CALIFORNIA SWP BONDS	35				35	0.0	(C)
<b>SUBTOTAL</b>	<b>\$1,139,385</b>	<b>\$3,541,700</b>		<b>\$3,579,158</b>	<b>\$1,101,927</b>		
<b>CASH:</b>							
DEMAND ACCOUNTS	\$836	\$824			\$1,660	0.2	100
DRAFT/MWD CU/PETTY CAS	170	\$7			177	0.0	(D)
LESS OVERNIGHT INVEST.	(2,565)	1,709			(856)	-0.1	(E)
<b>SUBTOTAL</b>	<b>(\$1,559)</b>	<b>\$2,540</b>			<b>\$981</b>		
<b>TOTAL</b>	<b>\$1,137,826</b>	<b>\$3,544,240</b>		<b>\$3,579,158</b>	<b>\$1,102,908</b>	<b>100.0</b>	

A) Commercial Paper in compliance with Admin. Code as of August 2, 1993.

B) Construction funds \$200,000,000; other funds \$15,000,000.

C) Additional purchases limited to one \$5,000 bond of each series of SWP bonds.

D) Petty Cash, \$4,000; Draft Accounts, \$73,000; MWD Credit Union, \$100,000.

E) Includes investment of outstanding checks.

Note: Excludes cash and securities held in escrow for the District's refunded bonds and crossover refunding bonds.



**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

*YIELD COMPARISONS*  
July 1993

<i>Month/Year at Month- End</i>	<u>COLLATERALIZED TIME DEPOSITS</u>			<u>U.S. TREASURY BILLS</u>			<u>MWD PORTFOLIO</u>
	<i>(12-Month Moving Average)</i>			<i>(12-Month Moving Average)</i>			
	<u>3 Mo.</u>	<u>6 Mo.</u>	<u>1 Yr.</u>	<u>3 Mo.</u>	<u>6 Mo.</u>	<u>1 Yr.</u>	
Jan. 1992	5.3	5.4	5.6	5.2	5.3	5.5	5.8
Feb. 1992	5.1	5.2	5.4	5.0	5.1	5.3	5.4
Mar. 1992	4.9	5.0	5.3	4.9	5.0	5.2	5.2
Apr. 1992	4.8	4.9	5.1	4.7	4.9	5.0	5.0
May 1992	4.6	4.7	5.0	4.6	4.7	4.8	5.1
June 1992	4.4	4.5	4.8	4.4	4.5	4.7	5.3
July 1992	4.2	4.3	4.6	4.2	4.3	4.5	4.2
Aug. 1992	4.0	4.1	4.4	4.0	4.1	4.3	4.2
Sep. 1992	3.8	3.9	4.2	3.8	3.9	4.1	3.9
Oct. 1992	3.7	3.8	4.1	3.6	3.8	4.0	3.7
Nov. 1992	3.5	3.6	3.9	3.5	3.7	3.9	3.8
Dec. 1992	3.4	3.5	3.8	3.5	3.6	3.8	3.2
Jan. 1993	3.3	3.4	3.7	3.4	3.6	3.8	3.5
Feb. 1993	3.2	3.3	3.6	3.3	3.5	3.7	3.7
Mar. 1993	3.1	3.2	3.5	3.1	3.4	3.6	3.5
Apr. 1993	3.0	3.1	3.3	3.1	3.3	3.5	3.7
May 1993	2.9	3.0	3.2	3.1	3.2	3.4	3.6
June 1993	2.8	3.0	3.2	3.0	3.2	3.4	3.6
July 1993	2.8	2.9	3.1	3.0	3.2	3.4	3.7