

JUL 12 1994



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Karen E. Duff
EXECUTIVE SECRETARY

June 30, 1994

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 May 31, 1994.

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John R. Wodraska

Greg Leddy

By: Greg D. Leddy
Director of Finance

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

June 30, 1994

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

Transmitted herewith is the Monthly Financial Summary as of May 31, 1994. Included in the report are the following statements:

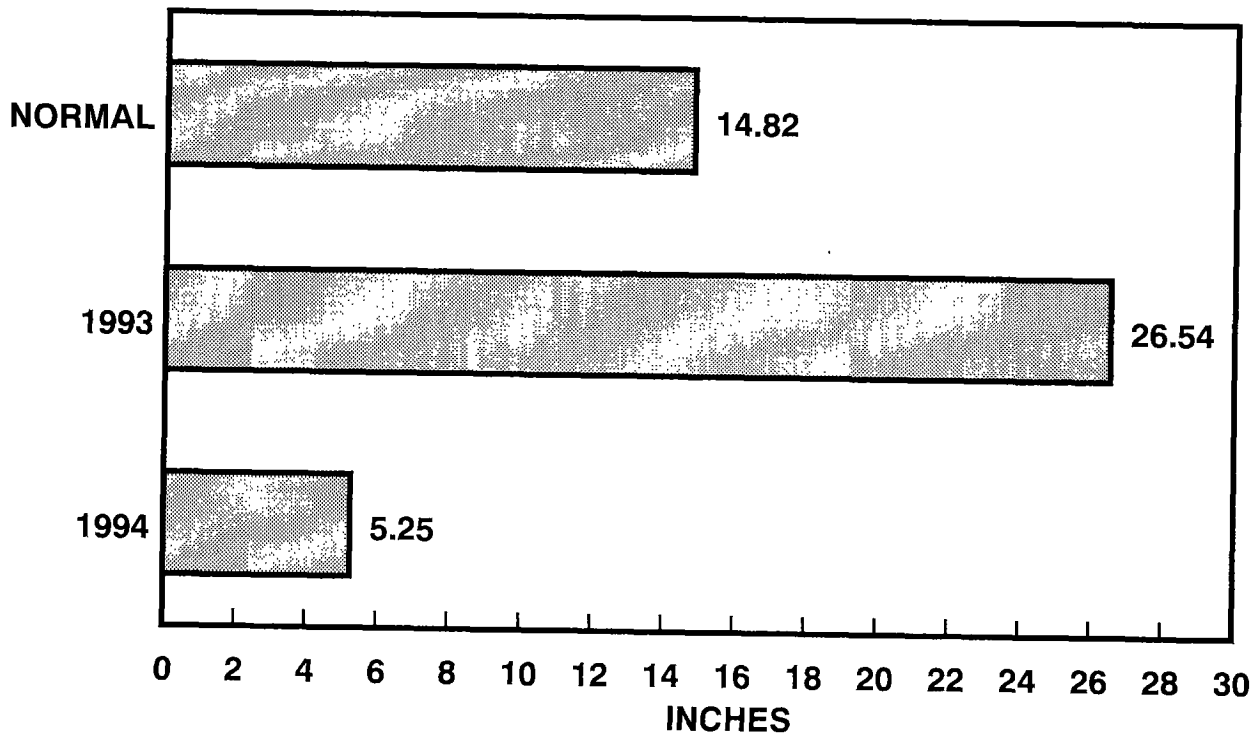
- Financial Board Charts
- Budget v. Cost Report
- Statement of Receipts, Disbursements, and Balances by Fund
- Statement of Operations--Accrual Basis
- Supplementary Information

There were no appropriations closed in the month of May 1994.

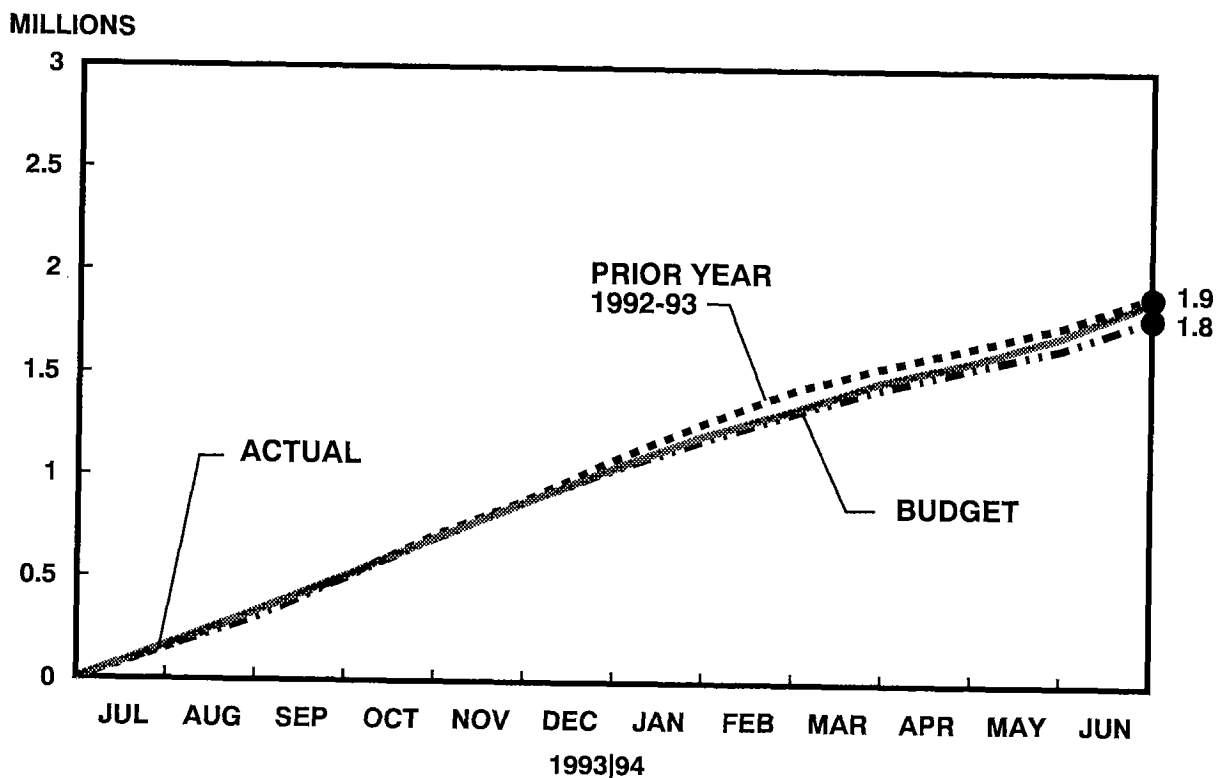
David I. Furukawa

Encl.

RAINFALL AT LOS ANGELES CIVIC CENTER THROUGH THE MONTH OF MAY



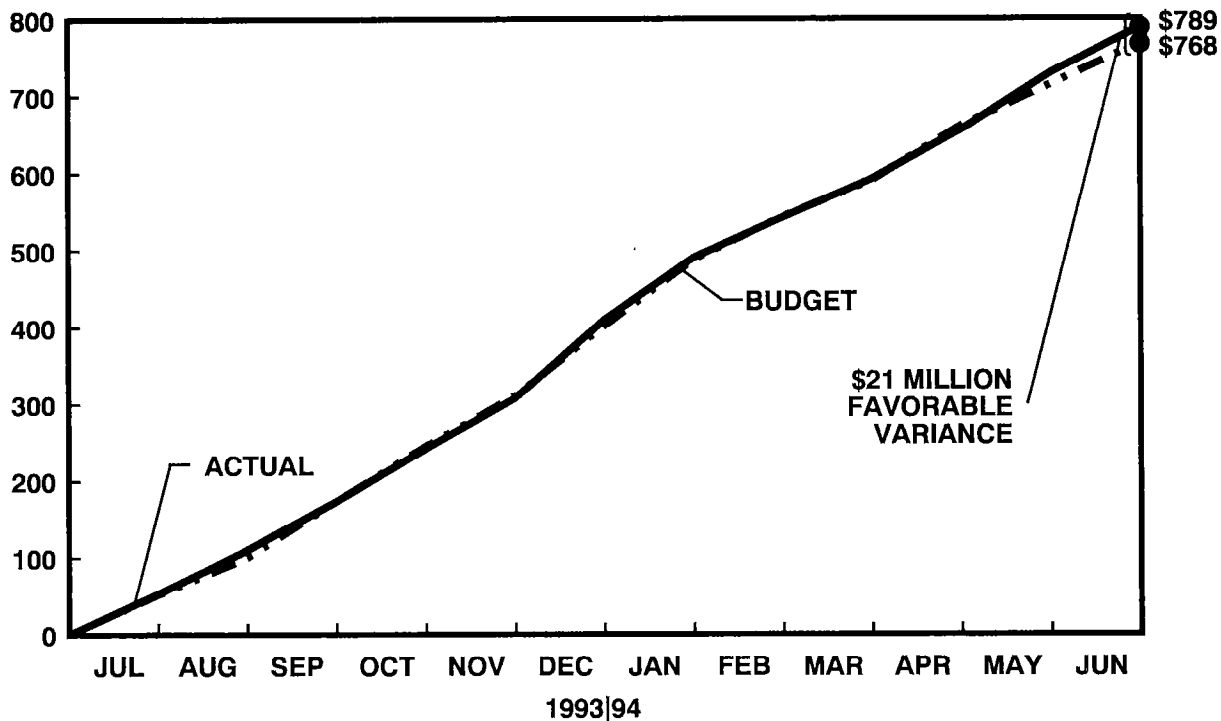
ACRE-FEET SOLD



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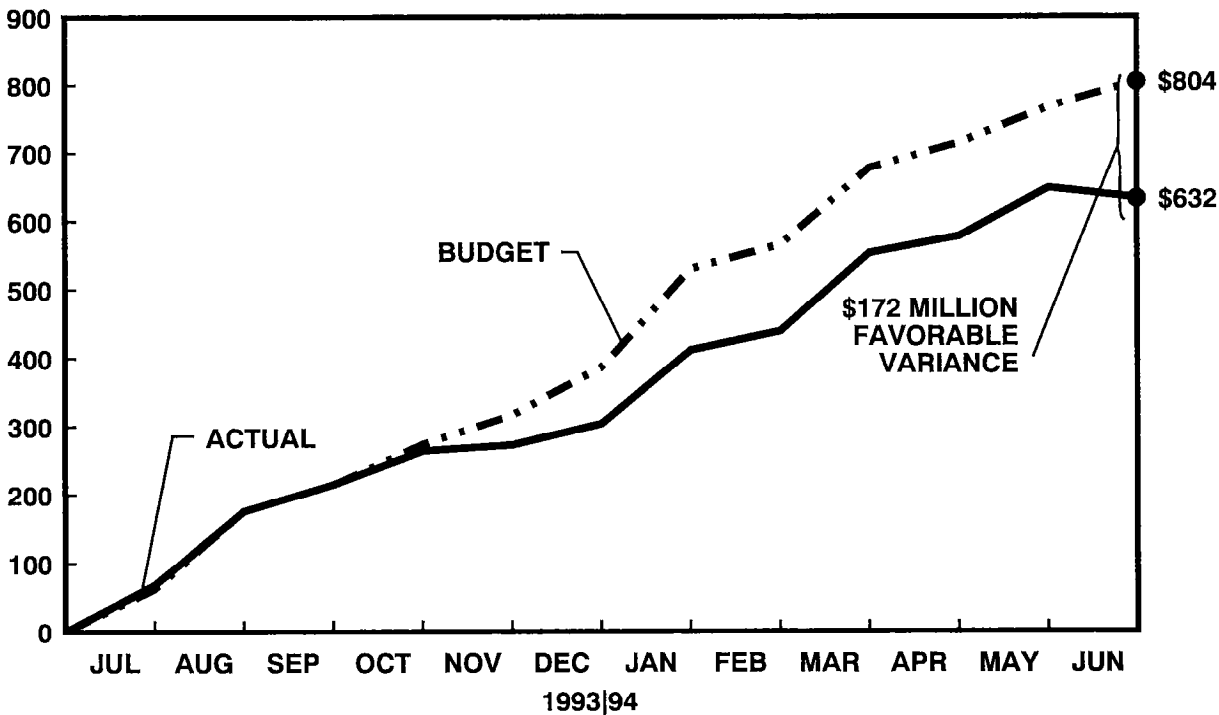
RECEIPT COMPARISONS (BUDGET VS ACTUAL VS PROJECTED) FY TO JUNE 30, 1994

IN \$ MILLIONS



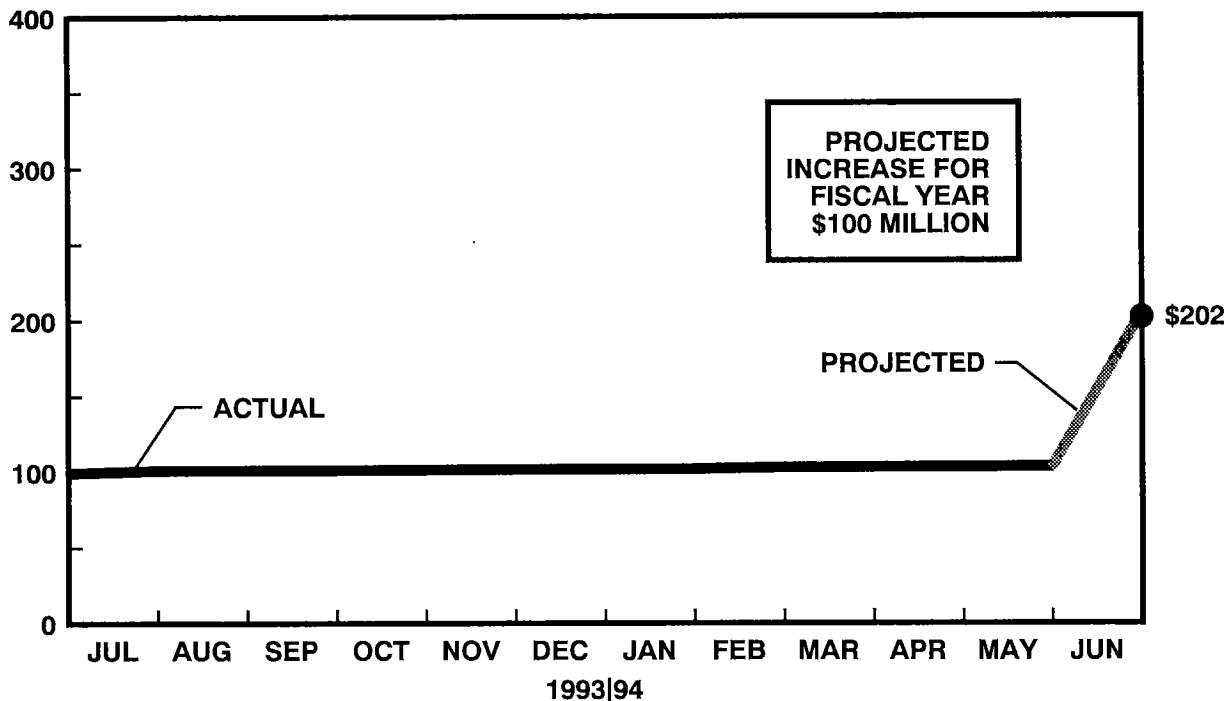
EXPENDITURE COMPARISONS (BUDGET VS ACTUAL VS PROJECTED) FY TO JUNE 30, 1994

IN \$ MILLIONS



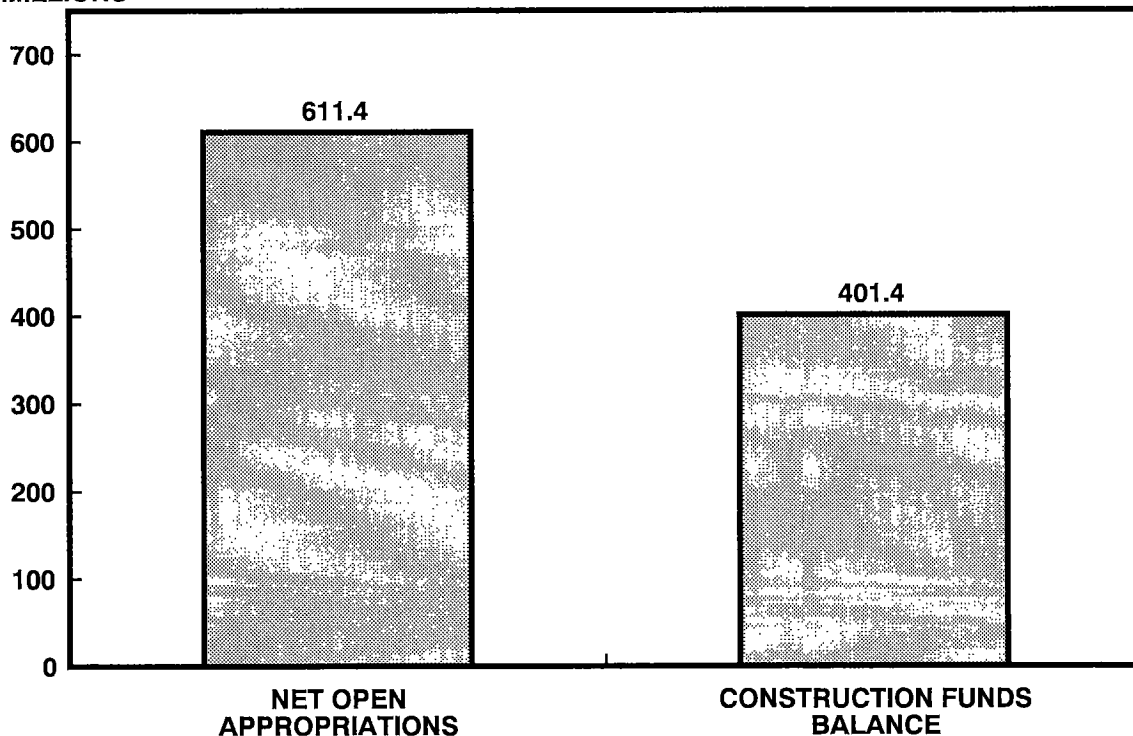
WATER RATE STABILIZATION BALANCES FY 1993-94

\$ IN MILLIONS



APPROPRIATIONS APPROVED TO DATE AND UNEXPENDED APPROPRIATIONS AS OF APRIL 30, 1994

\$ IN MILLIONS



BUDGET VS COST REPORT - CASH BASIS SUMMARY*
JULY 1, 1993 - MAY 31, 1994
(IN MILLIONS OF DOLLARS)

	1992-93	ANNUAL	BUDGET	ACTUAL	VARIANCE**	
	ACTUAL	BUDGET	TO DATE	TO DATE	AMOUNT	PERCENT
OPERATING RECEIPTS:						
Receipts from Water Sales	\$526.5	\$588.2	\$538.2	\$556.3	\$18.1	3.4%
Receipts from Power Recoveries	14.3	19.0	17.7	12.1	(5.6)	-31.4% (a)
Additional Revenues	23.7	50.0	49.3	48.1	(1.2)	-2.5%
TOTAL OPERATING RECEIPTS	\$564.5	\$657.2	\$605.2	\$616.6	\$11.3	
OPERATIONS & MAINTENANCE EXPENDITURES:						
MWD O&M & CRA Power	\$229.5	\$255.3	\$229.5	\$238.2	(\$8.7)	-3.8%
SWC O&M and Power (Net)	77.1	131.4	130.7	81.1	49.7	38.0% (b)
Water Transfers/Options	1.8	12.0	0.5	0.5	0.0	0.8%
Additional CRA Supplies: O&M	4.6	6.7	6.7	4.6	2.1	31.1% (c)
TOTAL O&M EXPENDITURES	\$313.1	\$405.3	\$367.4	\$324.4	\$43.0	
NET OPERATING REVENUES	\$251.4	\$251.9	\$237.8	\$292.2	\$54.4	
Interest on Investments	\$18.8	\$20.0	\$19.5	\$20.8	\$1.3	6.7%
Revenue Bond/Commercial Paper Debt Service	(48.5)	(49.5)	(43.7)	(44.4)	(0.7)	1.5%
FUNDS AVAILABLE FROM OPERATIONS	\$221.8	\$222.4	\$213.6	\$268.6	\$55.0	
Additional CRA Supplies - Capital	(\$26.5)	(\$42.2)	(\$40.8)	(\$15.9)	\$24.9	-61.0% (d)
Pay-As-You-Go Construction	(10.1)	(50.0)	(48.7)	(31.0)	17.7	36.4% (e)
Operating Equipment, Other Receipts, Trust Activity & General Fund Construction	11.5	(17.5)	(17.0)	3.5	20.5	120.7% (f)
Tax Receipts	86.4	90.0	89.0	83.3	(5.7)	-6.4%
State Water Contract Capital	(170.1)	(181.6)	(181.6)	(159.9)	21.7	-11.9% (g)
G.O. Bond/Other Debt Service	(56.8)	(57.7)	(57.7)	(59.6)	(2.0)	3.4%
CHANGE IN CASH ON HAND	\$56.2	(\$36.4)	(\$43.0)	\$89.1	\$132.1	
CONSTRUCTION EXPENDITURES						
FROM BONDS:	\$248.5	\$329.8	\$302.3	\$182.4	\$119.9	39.7% (h)

* 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.

**CASH BASIS EXECUTIVE FINANCIAL SUMMARY
VARIANCE EXPLANATIONS
Through May 31, 1994**

Criteria: (plus or minus) \$500,000 and 10 percent or more

OPERATIONS AND MAINTENANCE EXPENDITURES

- (a). Receipts from power recoveries are \$5.6 million under budget because power plants have been operated at lower levels than were anticipated in the budget, and certain power plants have been out of service during this period.
- (b). State Water Contract O&M and variable power expenditures are \$49.7 million less than budget due to: (1) revised costs for the calendar year 1993 billing for adjustments in the District's allocated share of Off-Aqueduct costs, (2) variable power unit rates being reduced to zero from July 1993 to December 1993, (3) higher credits received for prior period cost adjustments and return of bond cover, and unanticipated refunds received for prior deposits and surplus money investment fund interest earnings for replacement of control systems.
- (c). Additional CRA Supplies for the O&M are \$2.1 million under budget due to payment made to Imperial Irrigation District in January which included a capital and O&M portion. The portion of the payment that represents O&M expense has not been determined, thus the reported variance. The necessary adjustments will be made by the end of the fiscal year.

OTHER RECEIPTS AND EXPENDITURES

- (d). Capital payments for additional Colorado River Aqueduct supplies are \$24.9 million under budget mainly due to delays in the completion of the final Environmental Impact Report (EIR) for some projects. The payments will be made when the final EIR is issued.
- (e). Pay-As-You-Go construction disbursements are \$17.7 million less than budget due to lower than anticipated expenditures on construction projects being funded from the PAYG Fund.
- (f). Operating equipment purchases, other receipts, trust activity, and General Fund construction are \$20.5 million under budget due to reimbursement and trust account activity transactions that are not included in the budget. This item also includes the unanticipated \$8.8 million received in March from the Castaic Lake Water Agency for the sale of a portion of the capacity in the Foothill Feeder.
- (g). State Water Contract capital payments are \$21.7 million under budget due to revised Off-Aqueduct costs for calendar year 1993 billing, a reduction of approximately \$19 million. In addition, credits received in November for prior period cost adjustments and interest earnings were greater than anticipated.

CONSTRUCTION EXPENDITURES FROM BOND PROCEEDS

- (h). Construction expenditures from bond proceeds are 39.7 percent below budget mainly because of delays in Right of Way acquisition for the Domenigoni Valley Reservoir; the Perris Filtration Plant Site Acquisition, and the Central Pool Augmentation Site Acquisition; Mills Filtration Plant and Garvey Reservoir have construction contracts delays; all Filtration Plants and Distribution System Chemical Containment Program are delayed because of changes in scope of the design; the Allen McColloch project is delayed because negotiations for the purchase of the pipeline; certain aspects of San Diego Pipeline No. 6 have been delayed pending results of the IRP which has delayed the release of RFP's for Geotechnical investigation and Aerial Survey, and the Inland Feeder project has a delay in completing preliminary design and right of way acquisition.

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STATEMENT OF RECEIPTS, DISBURSEMENTS, BALANCES AND APPROPRIATED FUNDS
 JULY 1, 1993 THROUGH MAY 31, 1994

	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
BALANCES - START OF PERIOD								
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
RECEIPTS								
Net Tax Collections		35,629,457.82	47,717,589.96					
Water Sales	556,307,648.13							
Water Standby Charge	48,114,555.41							
Power Recoveries	12,133,537.90							
Interest on Investments	10,823,772.15	1,183,021.57	2,609,435.25	4,169,315.67	1,954,526.35	15,167.14	19,034,889.73	12,887,161.13
Bond Sales/CP Sales			4,210,011.78					162,084,027.92
Other Collections	824,443.12				29,122.19			
TOTAL RECEIPTS	628,203,954.71	36,812,479.39	54,537,036.99	4,169,315.67	1,983,648.54	15,167.14	19,034,889.73	174,971,188.05
INTER-FUND TRANSFERS	(182,140,803.15)	120,000,000.00	72,639,841.22	1,000.05	(11,830,735.57)	(839.93)	(3,250,269.29)	4,581,806.67
REIMBURSEMENTS								
Operation & Maintenance	3,954,284.00							
Operating Equipment Inventories								
Construction	5,523,160.99				15,875.28		3,158,796.30	
Interest & Premium on Bonds			903,701.76				0.00	
TOTAL REIMBURSEMENTS	9,477,444.99		903,701.76		15,875.28		3,158,796.30	
DISBURSEMENTS								
Operation & Maintenance	219,783,619.72							
Operating Equipment (Net)	3,627,040.53							
Invent. & Undistr. Payroll (Net)	(7,008,736.59)							
Construction	27,758,376.51				30,968,844.07	188,431.62	182,209,697.92	
DWR - Capital Payments		128,351,416.42						
DWR - Minimum O&M	83,444,222.58							
Off Aqueduct Facilities	37,346,322.00	48,506,622.00						
CRA - Power	30,040,643.01							
SWC - Variable Power	(6,288,331.00)							
SWC - Credit	(33,407,487.01)	(16,983,854.70)						
DWR - Water Bank	496,132.00							
To SDCWA - 1st Aqueduct	153,781.22							
Debt Service on MWD Bonds			135,134,441.30					12,351,557.89
Net Book Losses on Investment Transactions	(45,356.76)		(5,768.21)	(10,690.54)	(12,570.49)			
TOTAL DISBURSEMENTS	355,900,226.21	159,874,183.72	135,128,673.09	(10,690.54)	30,956,273.58	188,431.62	182,209,697.92	12,351,557.89
TRANSFERS TO ESCROW BANK ACCOUNT								166,611,828.28
TRUST ACCOUNT TRANSACTIONS (NET)	7,762,397.87		(10,059,578.66)					(591,975.34)
BALANCES - END OF PERIOD								
CASH AND INVESTMENTS	398,580,904.76	57,476,709.72	82,196,751.94	102,236,888.54	24,212,807.13	107,549.64	323,808,412.76	265,021,639.16
APPROPRIATED FUNDS	287,744,000.00	132,170,000.00	27,988,000.00		126,953,000.00	261,000.00	454,893,000.00	

STATEMENT OF OPERATIONS

FISCAL YEAR THROUGH MAY 31, 1994

GROSS OPERATING INCOME

Water Sales:	Acre Feet		
Noninterruptible			
Untreated	295,084.4	94,990,511.00	
Treated	877,744.7	340,585,132.40	
Interruptible			
Untreated	235,160.2	49,680,849.40	
Treated	290,314.7	75,742,591.40	
Reclaimed Water	17,582.5	1,903,160.40	
	1,715,886.5	562,902,244.60	
Water Standby Charge		45,834,000.01	
Power Recoveries: (250,747,520 kWh)		11,733,058.85	620,469,303.46

OPERATION AND MAINTENANCE

Operations		188,577,410.76	
Power and Water Costs		159,732,497.54	348,309,908.30
Operating Income before Amort. & Depr.			272,159,395.16
Amort. of Participation Rights		76,419,574.00	
Depreciation, Plant		22,219,409.88	98,638,983.88
Operating Income			173,520,411.28

OTHER INCOME

Net Tax Revenues		75,622,616.50	
Interest Earned on Investments		47,971,998.64	
Current Interest Levies - Annexation Commitments		1,624,384.30	
Property Rentals		634,381.98	
Gain on Land Sales			
Earnings on Escrow Accounts			
Sundry Revenues		958,811.50	126,812,192.92

INTEREST AND OTHER EXPENSE

Bond Interest Expense		70,054,995.19	
Adjustment for OAPF Obligation			
Arbitrage Rebate Tax			
Sundry Expense		565,407.77	70,620,402.96
Income before Annex. Inc. & Prior Years' Adjust.			229,712,201.24

ANNEXATION INCOME

Levies for Uncapitalized Annexation - Principal		14,703.30	
New Annexations - Principal		2,259,738.69	2,274,441.99

ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS
EXTRAORDINARY LOSS ON DEFEASANCE OF BONDS

38,058,826.47
(3,031,933.60)

NET INCOME

267,013,536.10

RETAINED EARNINGS AT START OF YEAR
RETAINED EARNINGS TO DATE

2,448,106,359.14
2,715,119,895.24

STATEMENT OF OPERATIONS
FISCAL YEAR THROUGH MAY 31, 1993

GROSS OPERATING INCOME

Water Sales:	Acre Feet		
Noninterruptible			
Untreated	407,532.2	109,947,942.30	
Treated	967,417.1	311,963,859.30	
Interruptible			
Untreated	191,848.1	33,838,482.60	
Treated	159,114.9	37,829,112.60	
Reclaimed Water	16,210.6	1,344,104.43	
	1,742,122.9	494,923,501.23	
Water Standby Charge		23,128,225.80	
Power Recoveries: (264,214,800 kWh)		11,955,899.60	530,007,626.63

OPERATION AND MAINTENANCE

Operations		170,910,331.52	
Power and Water Costs		151,995,282.25	322,905,613.77
Operating Income before Amort. & Depr.			207,102,012.86
Amort. of Participation Rights in State Project		72,032,972.00	
Depreciation, Plant		20,936,354.62	92,969,326.62
Operating Income			114,132,686.24

OTHER INCOME

Net Tax Revenues		73,993,272.92	
Interest Earned on Investments		39,814,490.60	
Current Interest Levies - Annexation Commitments		1,744,534.69	
Property Rentals		426,536.47	
Gain on Land Sales			
Earnings on Escrow Accounts			
Sundry Revenues		471,004.75	116,449,839.43

INTEREST AND OTHER EXPENSE

Bond Interest Expense		71,360,346.24	
Adjustment for OAPF Obligation			
Arbitrage Rebate Tax			
Sundry Expense		555,689.35	71,916,035.59
Income before Annex. Inc. & Prior Years' Adjust.			158,666,490.08

ANNEXATION INCOME

Levies for Uncapitalized Annexation - Principal		1,667.30	
New Annexations - Principal		6,964,529.74	6,966,197.04

ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS

EXTRAORDINARY LOSS ON DEFEASANCE OF BONDS (17,234,283.71)

NET INCOME

180,586,870.40

RETAINED EARNINGS AT START OF YEAR

2,245,408,572.51

RETAINED EARNINGS TO DATE

2,425,995,442.91

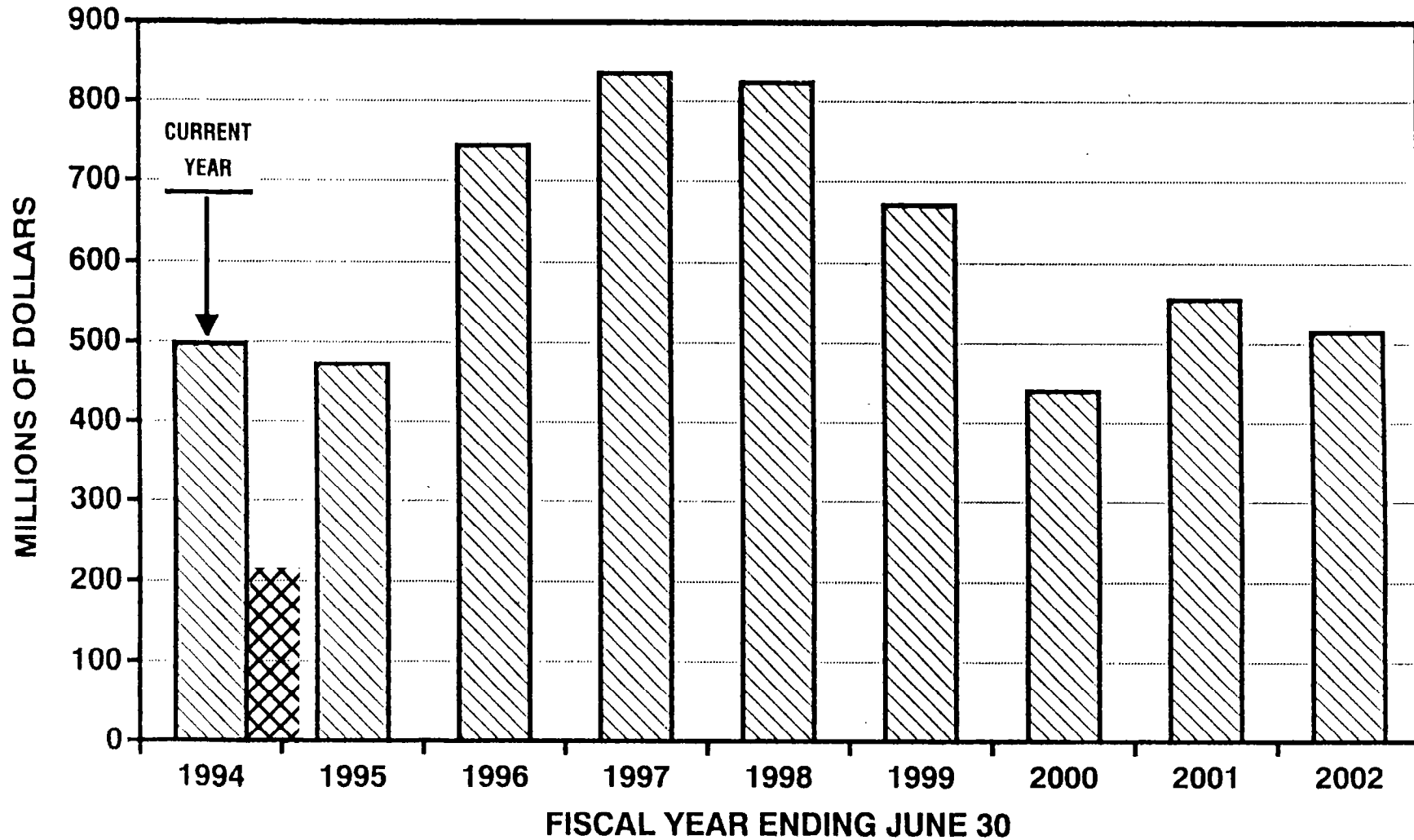
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
PROJECTED AND ACTUAL CONSTRUCTION COSTS

MAY 1994

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






EXPENDITURES TO DATE (F/Y 1993-94) X 210.2

APPROPRIATIONS APPROVED TO DATE (F/Y 1993-94) 323.8



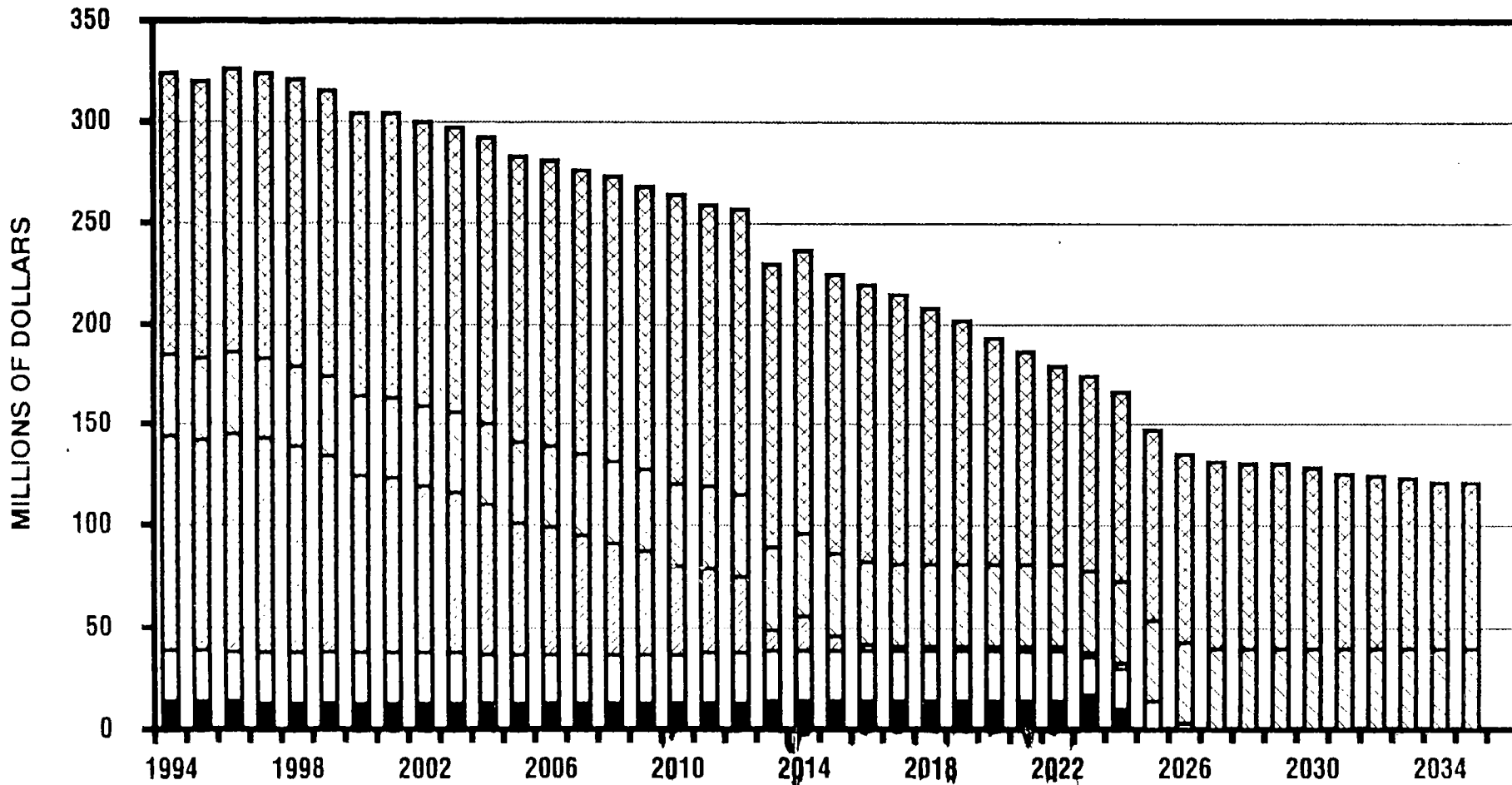
* BASED ON CAPITAL IMPROVEMENT PROGRAM AS OF 7/15/93. INCLUDES PROJECTED EXPENDITURES FOR SECURING ADDITIONAL WATER SUPPLIES ON THE COLORADO RIVER AQUEDUCT.

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

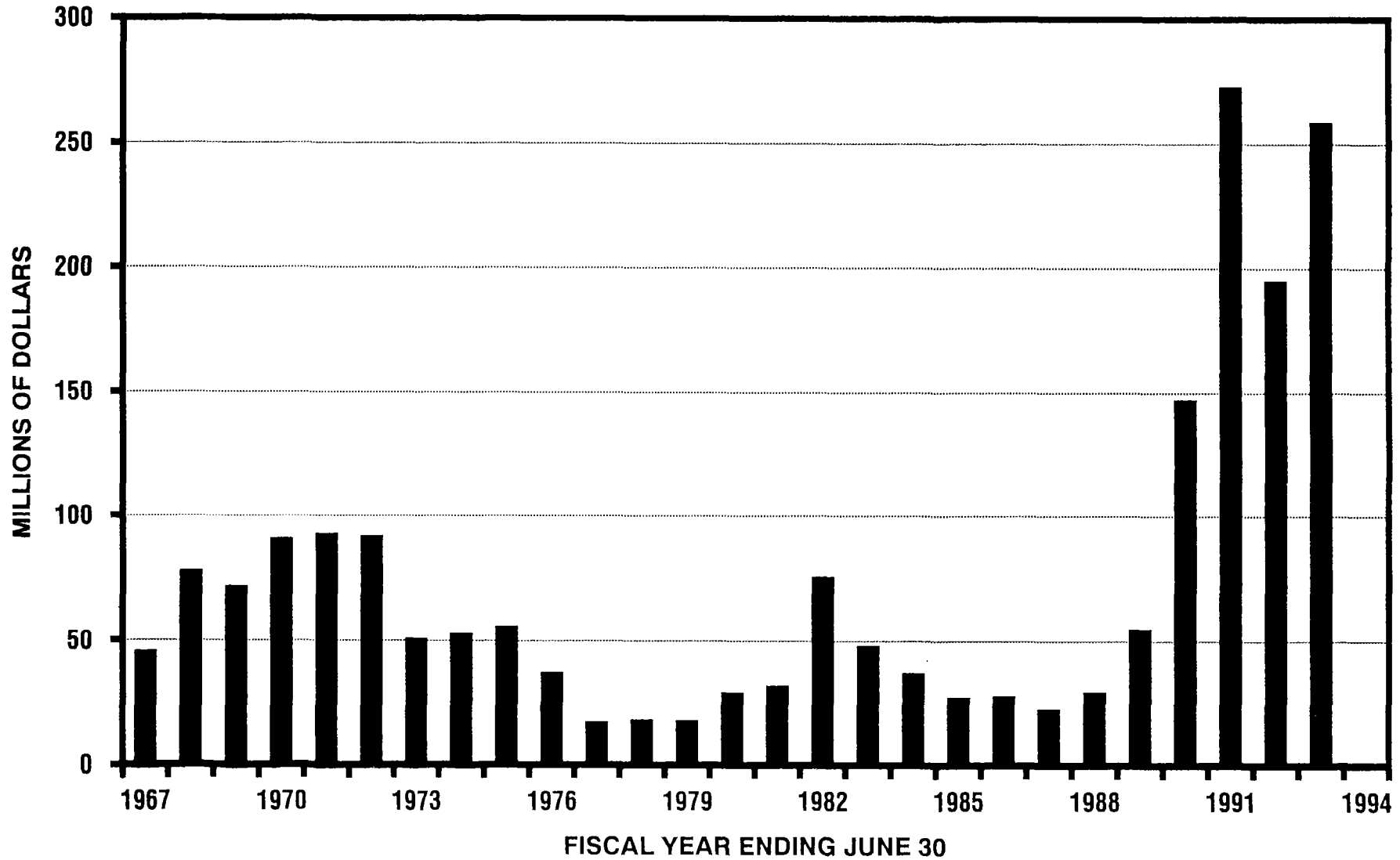


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THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
HISTORICAL CONSTRUCTION EXPENDITURES

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

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



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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

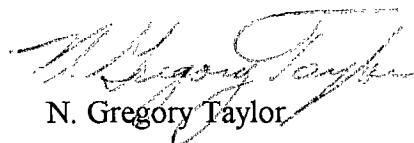
June 9, 1994

To: Board of Directors

From: General Counsel

Subject: **Review as to Eligibility of Securities Invested in by the Treasurer for the Month of May 1994**

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 May 1994 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.



N. Gregory Taylor

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

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**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

June 7, 1994

To: **General Manager**

From: **Treasurer**

Subject: **Treasurer's Monthly Report - May 1994**

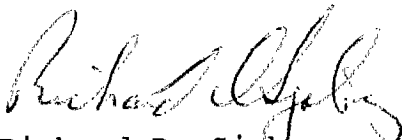
This letter transmits a summary report of investments and cash balances and yield comparisons for the end of the current month. A detail report of investments is filed each month with the Executive Secretary. These reports are required by Section 5114 of the MWD Administrative Code. All of the investments comply with Chapter 5101 of the MWD Administrative Code and the Investment Policy dated January 11, 1994.

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

	<u>Book Value</u>
Operating Funds	\$398,581,000
State Water Contract Fund	57,476,000
Debt Service Funds	82,197,000
Water Rate Stabilization Fund	<u>102,237,000</u>
Total	\$640,491,000
 Construction and Trust Funds	 \$385,212,000

The average weighted days to maturity is 426 days. The return on investments ranged from 3.1 percent to 10.0 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>
May	1994	\$3,748,000	\$38,710,000	4.4
May	1993	\$3,466,000	\$37,965,000	3.6


 Richard D. Sjoberg

Attachments

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Summary Report of Investment Activity & Status of Cash for the Month Ending May 31, 1994

(Shown at Book Value and in \$ Thousands)

SECURITIES:	BEGINNING BALANCE	PURCHASES DEPOSITS	WITH-		ENDING BALANCE	% of Portfolio	
			SALES	MATURITIES		ACT.	ADMIN. CODE
U. S. TREASURY	\$358,528	\$27,949	\$2,274		\$384,203	37.5	100
U.S. GUARANTEES-GNMA'S	3,250			119	3,131	0.3	100
FEDERAL AGENCIES	153,987			39	153,948	15.0	33
REPURCHASE AGREEMENTS	138,818	840,114		843,207	135,725	13.2	30
BANKERS' ACCEPTANCES	14,462			14,462	0	0.0	30
COMMERCIAL PAPER	121,490	200,304	1,254	204,529	116,011	11.3	30
NEGOTIABLE CERTIFICATES OF DEPOSIT	47,251			16,430	30,821	3.0	20
LOCAL AGENCY INVESTMENT FUND - CALIFORNIA	203,000				203,000	19.8	(A)
CALIFORNIA SWP BONDS	35				35	0.0	(B)
SUBTOTAL	\$1,040,821	\$1,068,367	\$3,528	\$1,078,786	\$1,026,874		
CASH:							
DEMAND ACCOUNTS	\$614	\$2,208			\$2,822	0.3	100
DRAFT/MWDCU/PETTY CASH	153	4			157	0.0	(C)
LESS OVERNIGHT INVEST.	(3,346)	(804)			(4,150)	-0.4	(D)
SUBTOTAL	(\$2,579)	\$1,408	\$0	\$0	(\$1,171)		
TOTAL	\$1,038,242	\$1,069,775	\$3,528	\$1,078,786	\$1,025,703	100.0	

A) Construction \$188,000,000; other funds \$15,000,000.

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

C) Petty Cash, \$10,000; Draft Accounts, \$47,000; MWD Credit Union, \$100,000.

D) Includes investment of outstanding checks.

Note: Sales and Purchases may contain internal transfers.

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
May 1994

<i>Month/Year at Month- End</i>	<u>CERTIFICATE OF DEPOSIT</u>			<u>U.S. TREASURY BILLS</u>			<u>MWD PORTFOLIO</u>
	<u>3 Mo.</u>	<u>6 Mo.</u>	<u>1 Yr.</u>	<u>3 Mo.</u>	<u>6 Mo.</u>	<u>1 Yr.</u>	
Feb. 1993	2.6	2.7	3.0	3.0	3.0	3.2	3.7
Mar. 1993	2.7	2.8	3.0	2.8	3.0	3.2	3.5
Apr. 1993	2.7	2.8	2.9	3.0	3.0	3.2	3.7
May 1993	2.7	2.9	3.1	3.1	3.3	3.6	3.6
June 1993	2.7	2.9	4.1	3.1	3.2	3.4	3.6
July 1993	2.7	2.9	3.2	3.1	3.3	3.5	3.7
Aug. 1993	2.7	2.8	2.9	3.0	3.1	3.2	3.8
Sep. 1993	2.6	2.8	2.9	3.0	3.1	3.4	4.0
Oct. 1993	2.7	2.8	2.9	3.1	3.3	3.4	3.9
Nov. 1993	2.7	2.8	3.0	3.1	3.3	3.4	3.9
Dec. 1993	2.7	2.8	3.0	3.1	3.3	3.6	3.9
Jan. 1994	2.6	2.7	3.0	2.9	3.1	3.4	4.0
Feb. 1994	2.9	3.2	3.5	3.4	3.6	3.8	4.1
Mar. 1994	3.2	3.6	3.9	3.5	3.9	4.4	4.1
Apr. 1994	3.5	3.9	4.5	3.7	4.4	4.8	4.2
May 1994	3.9	4.3	4.8	4.2	4.7	5.4	4.4