

SEP 13 1994

September 8, 1994



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

EXECUTIVE SECRETARY

September 8, 1994

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

Transmitted herewith is the District's Executive Financial Summary for the 1994-95 fiscal year as of July 31, 1994.

<u>Controller's Report</u>	<u>Page</u>
Transmittal Letter	1
Cash Basis Information:	
Financial Board Charts	2
Budget v. Cost	5
Receipts, Disbursements, Balances and Appropriated Funds by Fund Type	7
Accrual Basis Statements:	
Statement of Operations	8
Supplementary Information (Graphs):	
Projected and Actual Construction Costs	10
Projected Fixed SWC Charges Through 2035	11
Historical Construction Expenditures	12

<u>Treasurer's Report</u>	
Eligibility of Securities	13
Transmittal Letter	14
Summary of Investment Activity and Status of Cash	15
Yield Comparisons	16

John R. Wodraska

By: Greg D. Leddy
Chief Financial Officer

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

September 8, 1994

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

Transmitted herewith is the Monthly Financial Summary as of July 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 July 1994.

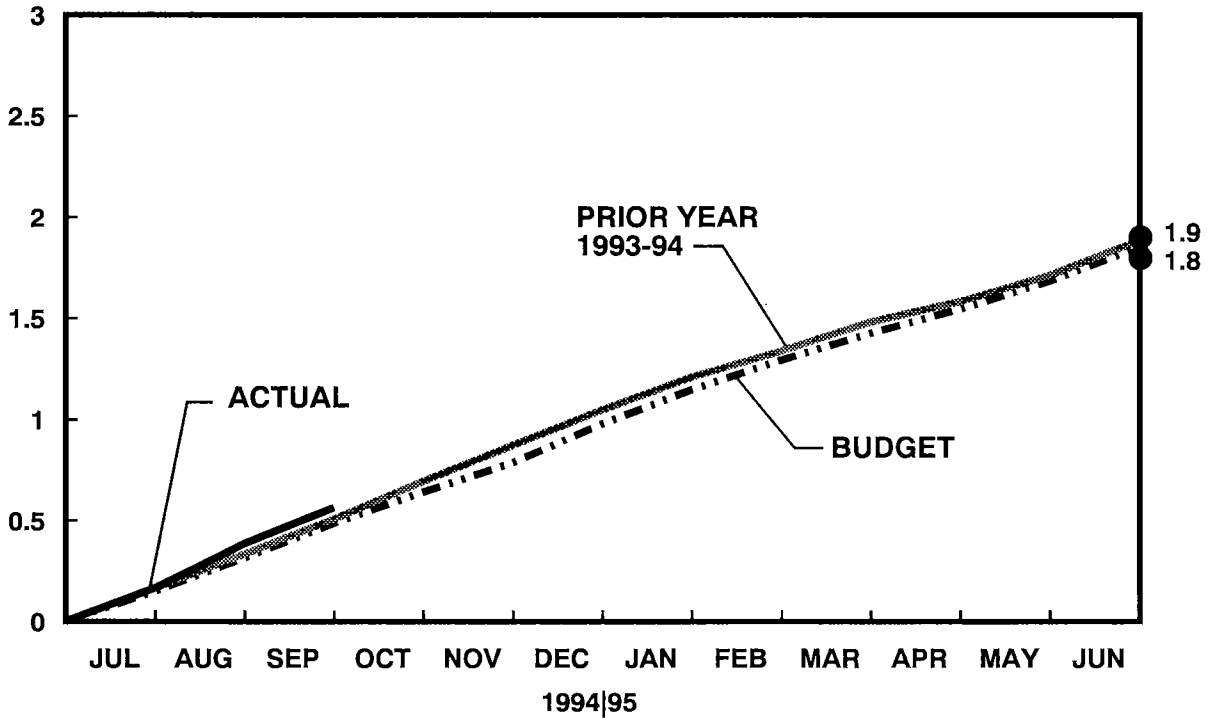
David I. Furukawa

Encl.

41040

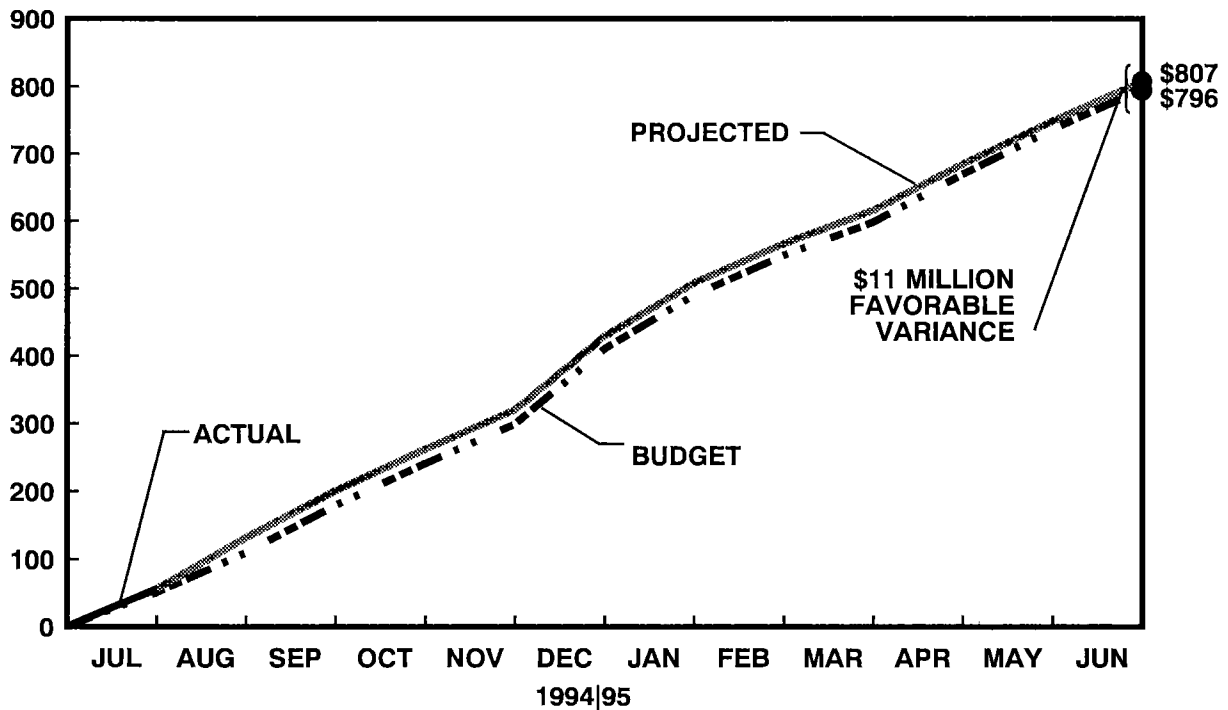
ACRE-FEET SOLD

MILLIONS



RECEIPT COMPARISONS (BUDGET VS ACTUAL VS PROJECTED) FY TO JUNE 30, 1995

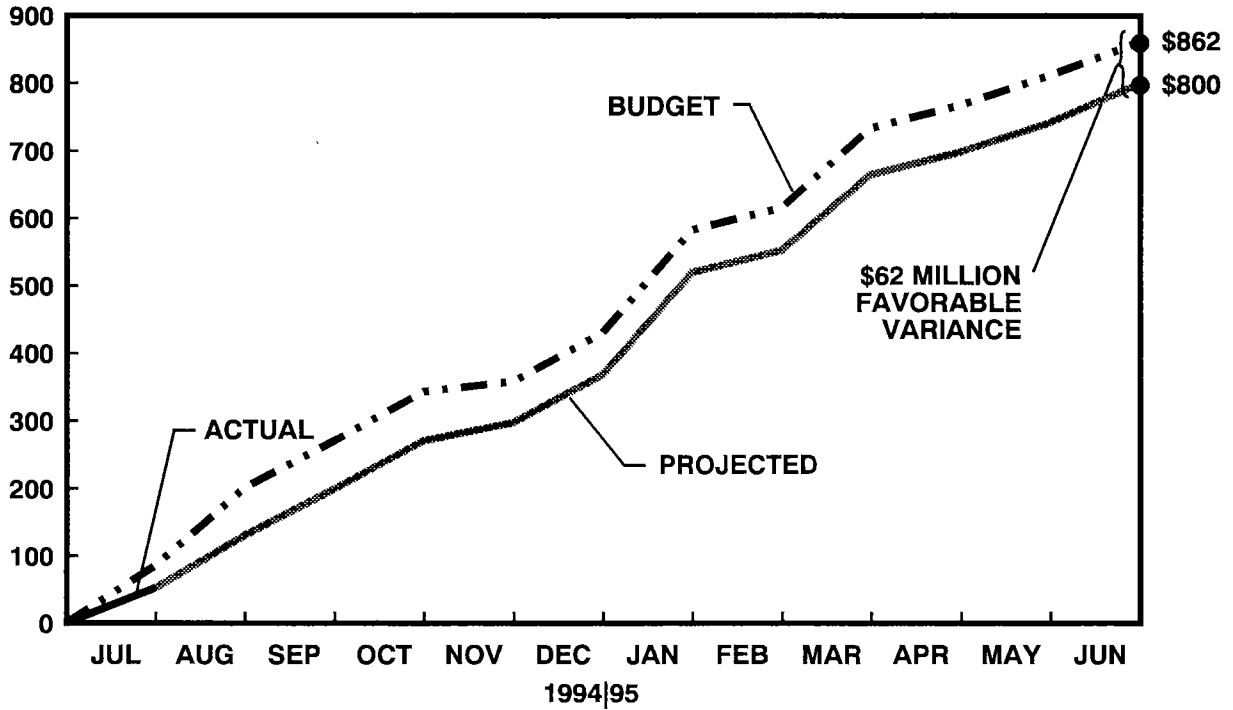
IN \$ MILLIONS



EXPENDITURE COMPARISONS (BUDGET VS ACTUAL VS PROJECTED) FY TO JUNE 30, 1995

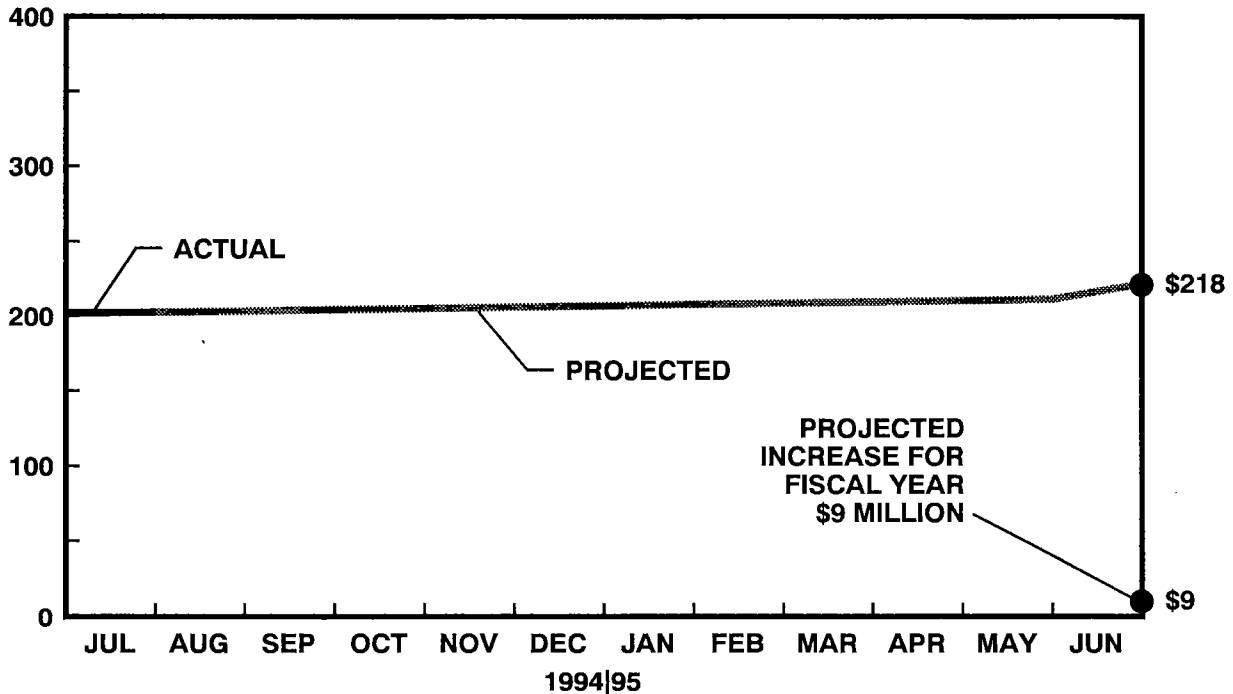
41040

IN \$ MILLIONS



WATER RATE STABILIZATION BALANCES FY 1994-95

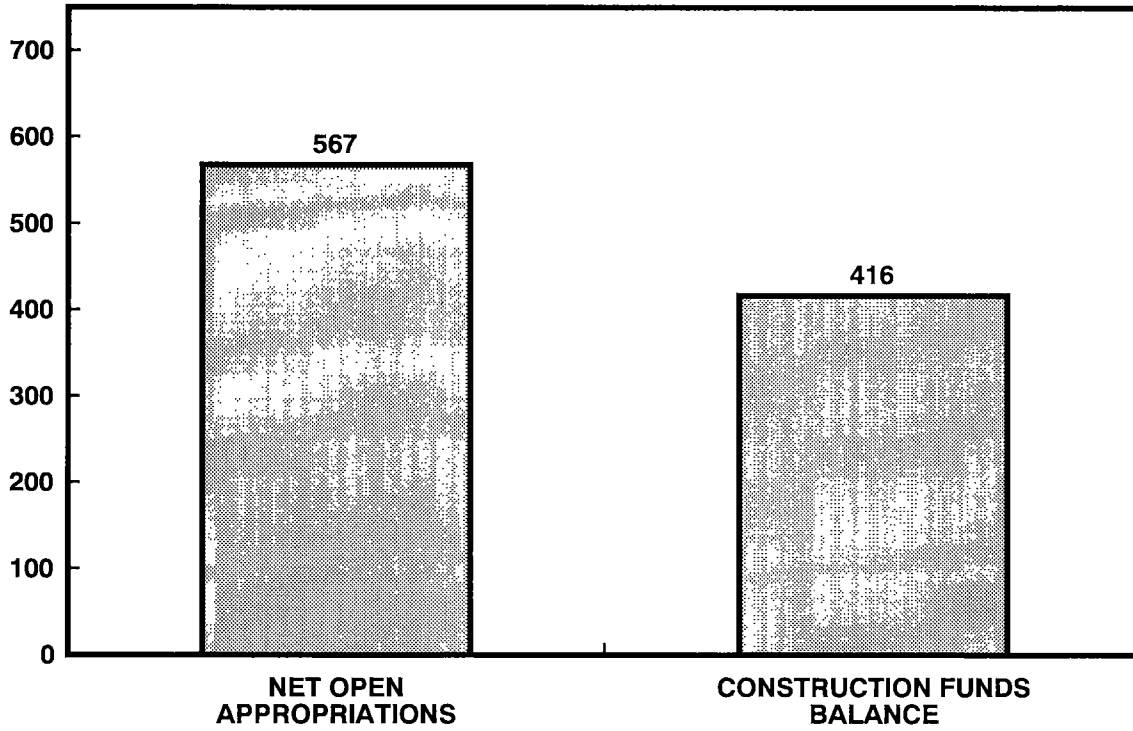
\$ IN MILLIONS



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

41040

\$ IN MILLIONS



41040

BUDGET VS. COST REPORT

CASH BASIS
(\$ in Thousands)

FISCAL YEAR 1994-95	ANNUAL BUDGET	BUDGET THRU JULY 94	ACTUAL THRU JULY 94	VARIANCE	
				DOLLARS	PERCENT
RECEIPTS					
WATER SALES	615,627	44,451	47,016	2,565	5.8%
TAXES	87,654	2,392	4,496	2,104	88.0% (a)
STANDBY CHARGES	50,000	373	1,075	702	188.2% (b)
INTEREST	24,000	3,139	1,443	(1,696)	-54.0% (c)
POWER RECOVERIES	18,000	882	2,572	1,690	191.6% (d)
OTHER	750	62	73	11	17.7%
TOTAL	796,031	51,299	56,675	5,376	
EXPENDITURES					
O&M	224,989	22,987	16,919	6,068	26.4% (e)
OPERATING EQUIPMENT	3,586	1,000	1,173	(173)	-17.3%
STATE WATER SUPPLIES					
SWC CAPITAL	127,813	0	0	0	0.0%
SWC OMP&R	89,321	7,493	7,475	18	0.2%
OFF AQUEDUCT	103,972	8,710	8,710	0	0.0%
SWC VARIABLE POWER	15,981	1,512	1,092	420	27.8%
SWC CREDITS	(40,000)	0	(26,864)	26,864	100.0% (f)
WATER TRANSFERS\OPTIONS	24,000	0	10	(10)	100.0%
COLORADO RIVER SUPPLIES					
IID CAPITAL	18,385	0	372	(372)	-100.0%
IID O&M AND INDIRECT	6,621	4,600	4,600	0	0.0%
ALL AMERICAN/COACHELLA	10,033	0	0	0	0.0%
PVID	5,513	0	12	(12)	-100.0%
ARIZONA GROUNDWATER	10,000	0	0	0	0.0%
CRA POWER	34,472	2,133	2,589	(456)	-21.4%
MWD CAPITAL PROGRAM					
REVENUE BOND DEBT SERVICE	78,830	33,786	33,522	264	0.8%
G.O. BOND DEBT SERVICE	57,070	0	45	(45)	-100.0%
COMM PAPER DEBT SERVICE	1,800	150	104	46	30.7%
SDCWA 1ST AQUEDUCT	150	37	101	(64)	-173.0%
PAYG CONSTRUCTION	89,417	5,000	2,825	2,175	43.5% (g)
TOTAL	861,953	87,408	52,685	34,723	
NET CHANGE IN CASH	(65,922)	(36,109)	3,990	40,099	
BOND CONSTRUCTION EXPENDITURES					
	445,083	39,071	18,371	20,700	53.0% (h)

**CASH BASIS SUMMARY
VARIANCE EXPLANATIONS
Through July 31, 1994**

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

RECEIPTS:

- (a) Tax receipts are \$2.1 million greater than budget due to prior year collections. Taxpayers from Los Angeles County that were impacted by the January 1994 earthquake were given an additional 90 days to pay their April 1994 tax bills. Therefore, July 1994 tax collections reflect the deferral of these payments.
- (b) Water Standby Charges are \$.7 million over budget mainly due to delinquencies and the 90 day tax payment deferral given to taxpayers in Los Angeles County that were impacted by the January 1994 earthquake.
- (c) Interest on investments are \$1.7 million less than budgeted mainly due to the timing of interest collections.
- (d) Receipts from power recoveries are \$1.7 million over budget because power plants were operated at higher levels than were anticipated in the budget.

EXPENDITURES:

- (e) MWD O&M was \$6.1 million under budget for the month of July. Staff anticipates that expenditures will equal budget as the fiscal year progresses.
- (f) Credits of \$26.9 million were received during July from the Department of Water Resources for the return of Oroville replacement fund deposits.
- (g) Pay-As-You-Go construction disbursements are \$2.2 million less than budget due to lower than anticipated expenditures during July on construction projects being funded from the PAYG Fund.
- (h) Construction expenditures from bond proceeds are 53.0 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. The Mills Filtration Plant and Garvey Reservoir have construction contract delays, all Filtration Plants and the Distribution System Chemical Containment Program are delayed because of changes in the scope of design. The Allen McColloch project is delayed because of 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 preliminary design and right of way acquisition for the Inland Feeder project is delayed.

STATEMENT OF RECEIPTS, DISBURSEMENTS, BALANCES AND APPROPRIATED FUNDS
 JULY 1, 1993 THROUGH JULY 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	297,043,841.67	69,260,690.71	84,463,237.85	199,194,974.75	89,429,727.27	108,445.98	299,218,226.81	265,801,502.61
RECEIPTS								
Net Tax Collections		1,968,452.10	2,527,791.47					
Water Sales	47,015,716.60							
Water Standby Charge	1,074,818.31							
Power Recoveries	2,571,936.30							
Interest on Investments	507,736.56	66,555.55	372,535.01	361,899.29	131,194.62	369.37	1,542,223.59	57,230.92
Bond Sales/CP Sales								
Other Collections	72,749.11							
TOTAL RECEIPTS	51,242,756.88	2,037,007.65	2,900,326.48	361,899.29	131,194.62	369.37	1,542,223.59	57,230.92
INTER-FUND TRANSFERS	(22,309,481.53)	15,000,000.00	7,309,481.53				0.00	
REIMBURSEMENTS								
Operation & Maintenance	18,091.34							
Operating Equipment Inventories								
Construction	1,439,167.22				45.00		955,948.43	
Interest & Premium on Bonds							0.00	
TOTAL REIMBURSEMENTS	1,457,258.56				45.00		955,948.43	
DISBURSEMENTS								
Operation & Maintenance	20,022,112.96							
Operating Equipment (Net)	1,173,400.86							
Invent. & Undistr. Payroll (Net)	1,515,268.42							
Construction	3,133,437.96				1,514,954.10	2,707.22	19,327,326.89	
DWR - Capital Payments								
DWR - Minimum O&M	7,475,536.00							
Off Aqueduct Facilities	3,644,991.00	5,065,495.00						
CRA - Power	2,589,493.91							
SWC - Variable Power	1,092,362.00							
SWC - Credit								
DWR - Water Bank	10,000.00							
To SDCWA - 1st Aqueduct	100,917.97							
Debt Service on MWD Bonds			33,671,528.38					
Net Book Losses on Investment Transactions								
TOTAL DISBURSEMENTS	40,757,521.08	5,065,495.00	33,671,528.38		1,514,954.10	2,707.22	19,327,326.89	
TRANSFERS TO ESCROW BANK ACCOUNT								
TRUST ACCOUNT TRANSACTIONS (NET)	26,773,175.51		(555,369.87)					(194,412.09)
BALANCES - END OF PERIOD								
CASH AND INVESTMENTS	313,450,032.01	81,232,203.36	60,446,147.61	199,556,674.04	88,046,012.79	108,108.13	282,389,071.94	265,464,321.44
APPROPRIATED FUNDS	665,887,000.00	137,832,000.00	138,728,000.00		141,827,000.00	258,000.00	420,058,000.00	

STATEMENT OF OPERATIONS

FISCAL YEAR THROUGH JULY 31, 1994

GROSS OPERATING INCOME

Water Sales:	Acre Feet		
Noninterruptible			
Untreated	41,179.9	13,985,374.20	
Treated	85,240.9	36,219,733.30	
Interruptible			
Untreated	12,366.8	2,698,782.90	
Treated	37,283.0	9,518,797.30	
Reclaimed Water	2,142.0	242,046.00	
	178,212.6	62,664,733.70	
Water Standby Charge		4,166,666.64	
Power Recoveries: (27,732,800 kWh)		1,442,123.48	68,273,523.82

OPERATION AND MAINTENANCE

Operations		17,075,662.15	
Power and Water Costs		20,015,024.71	37,090,686.86
Operating Income before Amort. & Depr.			31,182,836.96
Amort. of Participation Rights		6,943,204.00	
Depreciation, Plant		2,011,189.00	8,954,393.00
Operating Income			22,228,443.96

OTHER INCOME

Net Tax Revenues		7,021,652.62	
Interest Earned on Investments		4,539,868.86	
Current Interest Levies - Annexation Commitments		147,700.00	
Property Rentals		67,878.42	
Gain on Land Sales			
Earnings on Escrow Accounts			
Sundry Revenues		4,490.86	11,781,590.76

INTEREST AND OTHER EXPENSE

Bond Interest Expense		6,051,171.45	
Adjustment for OAPF Obligation			
Arbitrage Rebate Tax	(1,110,628.96)	
Sundry Expense		112,239.11	5,052,781.60
Income before Annex. Inc. & Prior Years' Adjust.			28,957,253.12

ANNEXATION INCOME

Levies for Uncapitalized Annexation - Principal		1,400.00	
New Annexations - Principal		117,079.24	118,479.24

ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS			4,517,204.00
EXTRAORDINARY LOSS ON DEFEASANCE OF BONDS			

NET INCOME 33,592,936.36

RETAINED EARNINGS AT START OF YEAR			2,769,298,250.65
RETAINED EARNINGS TO DATE			2,802,891,187.01

41040

STATEMENT OF OPERATIONS
FISCAL YEAR THROUGH JULY 31, 1993

GROSS OPERATING INCOME			
Water Sales:	Acre Feet		
Noninterruptible			
Untreated	29,914.0	9,975,153.20	
Treated	101,519.1	41,114,411.30	
Interruptible			
Untreated	11,038.7	2,021,754.70	
Treated	29,128.9	6,675,988.10	
Reclaimed Water	1,179.5	118,969.10	
	172,780.2	59,906,276.40	
Water Standby Charge		4,200,000.00	
Power Recoveries: (30,234,000 kWh)		1,633,394.84	65,739,671.24
OPERATION AND MAINTENANCE			
Operations		13,868,094.26	
Power and Water Costs		19,704,160.14	33,572,254.40
Operating Income before Amort. & Depr.			32,167,416.84
Amort. of Participation Rights		6,640,977.00	
Depreciation, Plant		1,881,010.03	8,521,987.03
Operating Income			23,645,429.81
OTHER INCOME			
Net Tax Revenues		7,403,082.14	
Interest Earned on Investments		4,251,439.40	
Current Interest Levies - Annexation Commitments		170,000.00	
Property Rentals		43,279.87	
Gain on Land Sales			
Earnings on Escrow Accounts			
Sundry Revenues		40,992.80	11,908,794.21
INTEREST AND OTHER EXPENSE			
Bond Interest Expense		6,899,004.35	
Adjustment for OAPF Obligation			
Arbitrage Rebate Tax			
Sundry Expense		31,032.28	6,930,036.63
Income before Annex. Inc. & Prior Years' Adjust.			28,624,187.39
ANNEXATION INCOME			
Levies for Uncapitalized Annexation - Principal		10,000.00	
New Annexations - Principal			10,000.00
ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS			5,110,427.00
EXTRAORDINARY LOSS ON DEFEASANCE OF BONDS			(3,031,933.60)
NET INCOME			30,712,680.79
RETAINED EARNINGS AT START OF YEAR			2,448,106,359.14
RETAINED EARNINGS TO DATE			2,478,819,039.93

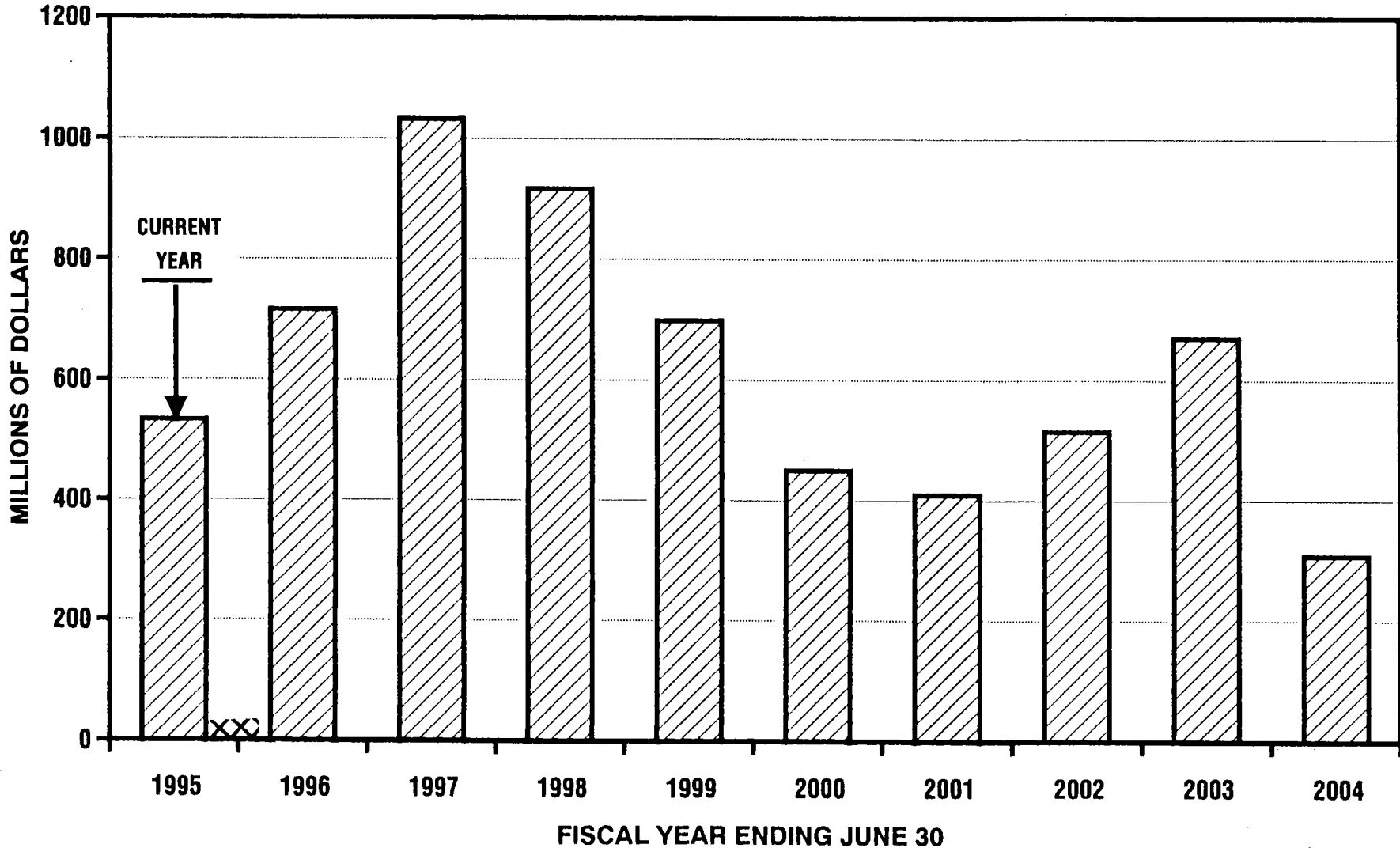
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
PROJECTED AND ACTUAL CONSTRUCTION COSTS

JULY 1994

PROJECTED COSTS THROUGH 2004* ESCALATED AT 5%: TOTAL PROGRAM / \$ 6,249.1

EXPENDITURES TO DATE (F/Y 1994-95) X 19.9

APPROPRIATIONS APPROVED TO DATE (F/Y 1994-95) 26.9



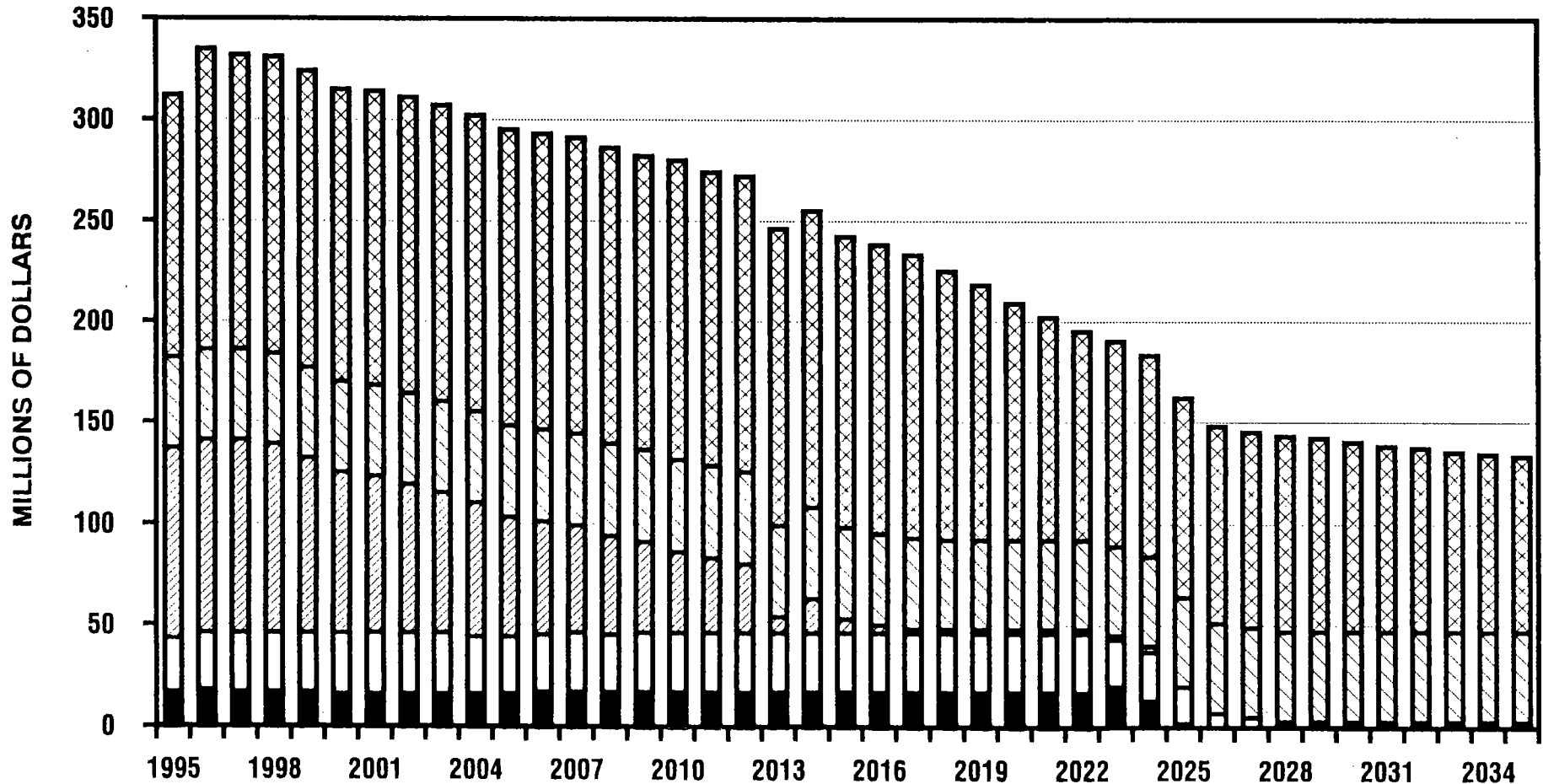
* BASED ON CAPITAL IMPROVEMENT PROGRAM AS OF 4/22/94. INCLUDES PROJECTED EXPENDITURES FOR SECURING ADDITIONAL WATER SUPPLIES ON THE COLORADO RIVER AQUEDUCT.

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

☒	TRANSPORTATION	\$ 5,154
☑	STORAGE & CONSERVATION	1,827
▨	OFF-AQUEDUCT	1,253
□	EAST BRANCH ENLARGEMENT	909
■	REVENUE BOND SURCHARGE	506

* FROM ATTACHMENT 3, DEPARTMENT OF WATER RESOURCES INVOICE DATED JULY 1, 1994. ALL AMOUNTS IN 1994 DOLLARS. AMOUNT CHARGES ARE BASED ON ORIGINAL ENTITLEMENT OF 2,011,500 AF FOR 1995 - 2035.

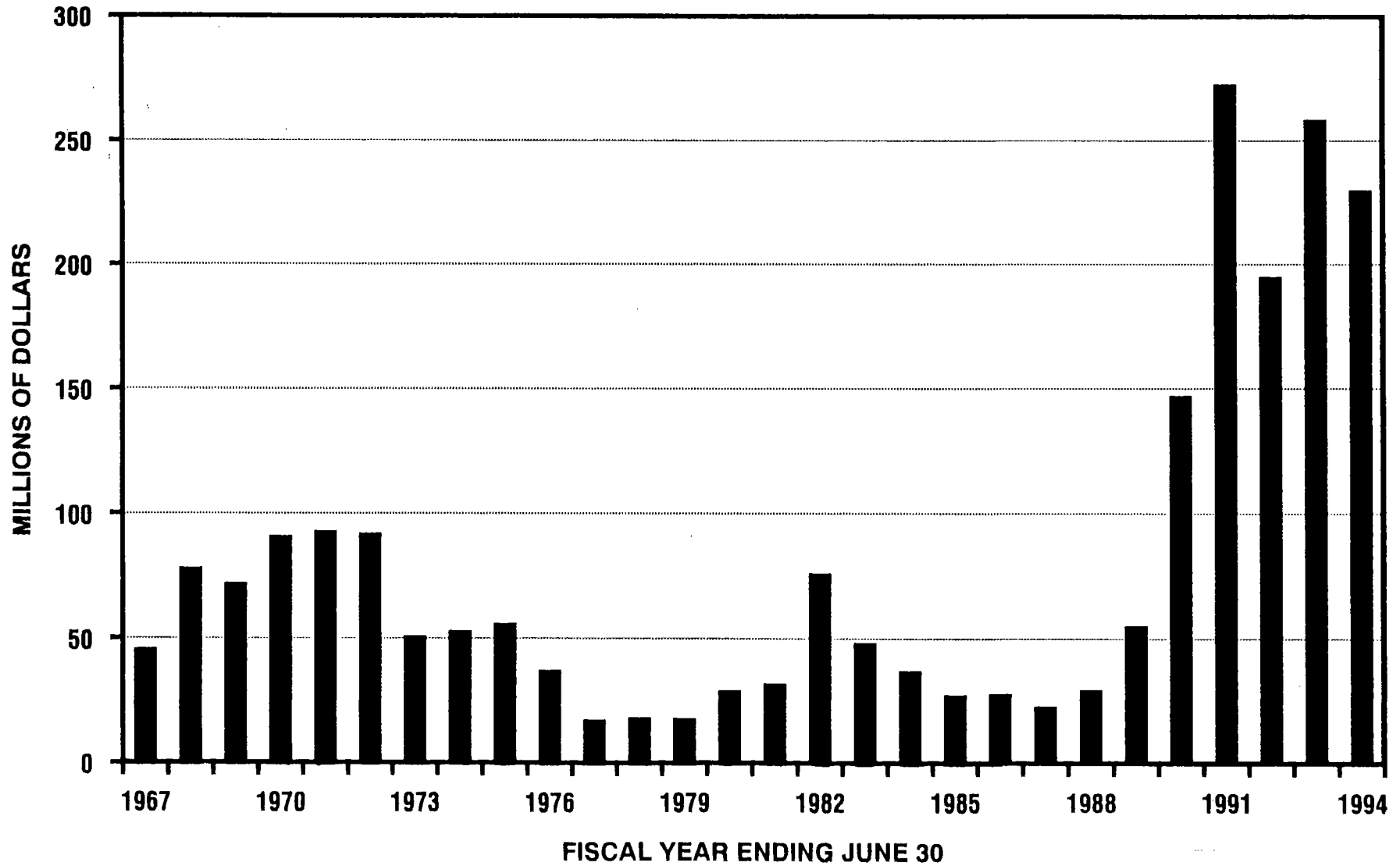
TOTAL \$ 9,649



THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA HISTORICAL CONSTRUCTION EXPENDITURES

from 7-1-66 through 6-30-94

■ EXPENDITURES THROUGH 6-30-94 \$ 2.21 BILLION



41040

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

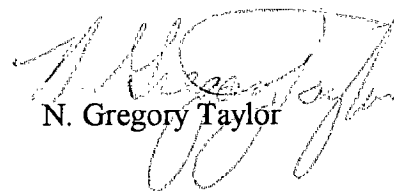
August 24, 1994

To: Board of Directors

From: General Counsel

Subject: **Review as to Eligibility of Securities Invested in by the Treasurer for the Month of July 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 July 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
memo-sb\tres0794.doc

cc: J. R. Wodraska
G. D. Leddy
D. I. Furukawa
R. N. Marumoto

41040

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

August 12, 1994

To: General Manager

From: Acting Treasurer

Subject: Treasurer's Monthly Report - July 1994

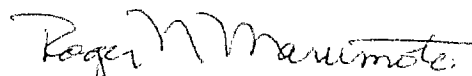
This letter transmits a summary report of investments and cash balances and yield comparisons for the end of the current month. A detail report of investments is filed each month with the Executive Secretary. These reports are required by Section 5114 of the MWD Administrative Code. All of the investments 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	\$313,450,000
State Water Contract Fund	81,232,000
Debt Service Funds	60,446,000
Water Rate Stabilization Fund	<u>199,557,000</u>
Total	\$654,685,000
Construction and Trust Funds	\$408,068,000

The average weighted days to maturity is 356 days. The return on investments ranged from 3.2 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>
July	1994	\$4,069,798	\$4,069,798	4.71
July	1993	\$3,453,185	\$3,453,185	3.70


 Roger N. Marumoto

RGN:yc

Attachments

c:\yc\worddocs\reports\mnmth

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

41040

Summary Report of Investment Activity & Status of Cash for the Month Ending July 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	\$394,047	\$14,109			\$408,156	38.3	100
U.S. GUARANTEES-GNMA'S	2,990			82	2,908	0.3	100
FEDERAL AGENCIES	150,660	7,916		62	158,514	15.0	33
REPURCHASE AGREEMENTS	247,791	2,207,989		2,189,065	266,715	25.1	30
BANKERS' ACCEPTANCES	1,972	17,861			19,833	1.9	30
COMMERCIAL PAPER	166,200	77,669		90,684	153,185	14.4	30
NEGOTIABLE CERTIFICATES OF DEPOSIT	25,821	10,360			36,181	3.4	20
LOCAL AGENCY INVESTMENT FUND - CALIFORNIA	87,000		72,000		15,000	1.4	(A)
ASSET-BACKED SECURITIES		2,591			2,591	0.2	(E)
CALIFORNIA SWP BONDS	35				35	0.0	(B)
SUBTOTAL	\$1,076,516	\$2,338,495	\$72,000	\$2,279,893	\$1,063,118	100.0	
CASH:							
DEMAND ACCOUNTS	\$2,148	\$188			\$2,336		
DRAFT/MWDCU/PETTY CASH	148	18			166		(C)
LESS OVERNIGHT INVEST.	(2,429)	(438)			(2,867)		(D)
SUBTOTAL	(\$133)	(\$232)	\$0	\$0	(\$365)		
TOTAL	\$1,076,383	\$2,338,263	\$72,000	\$2,279,893	\$1,062,753		

A) Construction \$72,000,000; 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, \$56,000; MWD Credit Union, \$100,000.

D) Includes investment of outstanding checks.

E) Maturities of asset-backed securities are five years or less.

Note: Sales and Purchases may contain internal transfers.

Note: Excludes \$227,938,000 in cash and securities held in escrow for the District's crossover refunding bonds.

41040

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

YIELD COMPARISONS

July 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>	
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
June 1994	4.1	4.5	5.0	4.2	4.6	5.5	4.5
July 1994	4.1	4.6	5.0	4.4	4.8	5.4	4.7