

NOV - 8 1994



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Darwin E. Dreyfus
EXECUTIVE SECRETARY

November 3, 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 September 30, 1994.

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John R. Wodraska

Lambertus H. Becker

By: Lambertus H. Becker
Acting Chief Financial Officer

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

November 3, 1994

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

Transmitted herewith is the Monthly Financial Summary as of September 30, 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

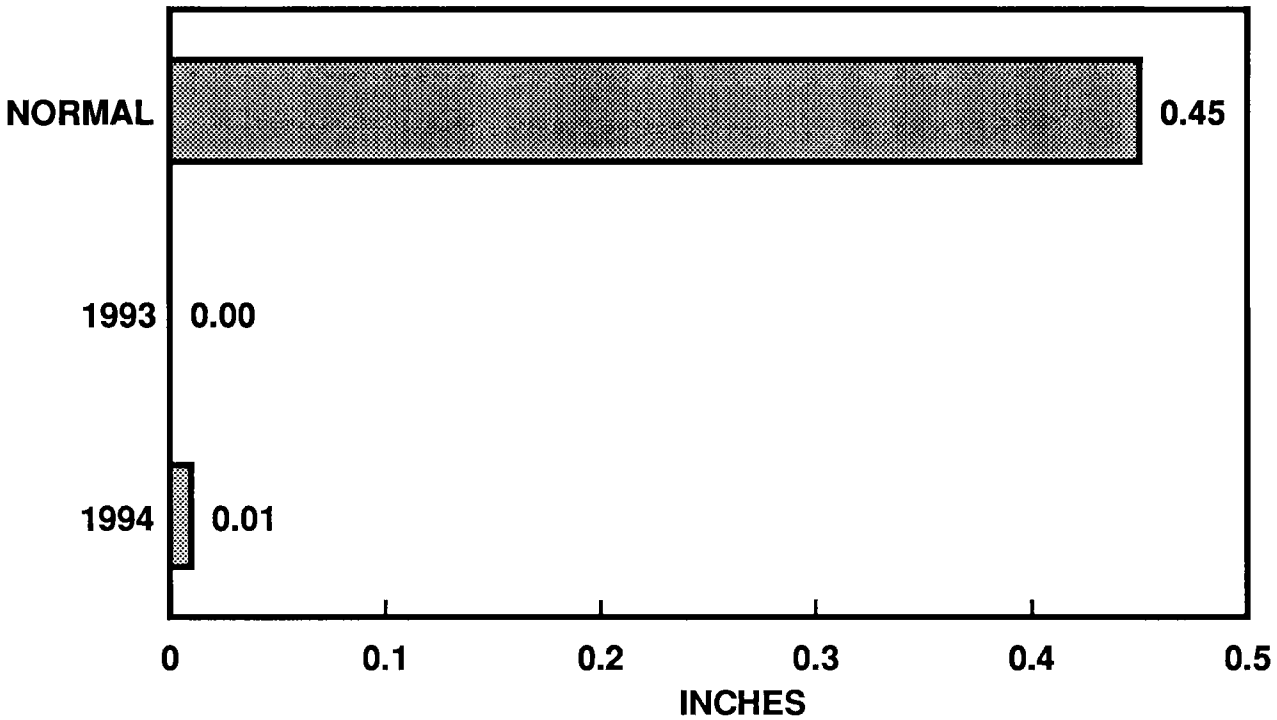
There were no appropriations closed in the month of September 1994.

David I. Furukawa

Encl.

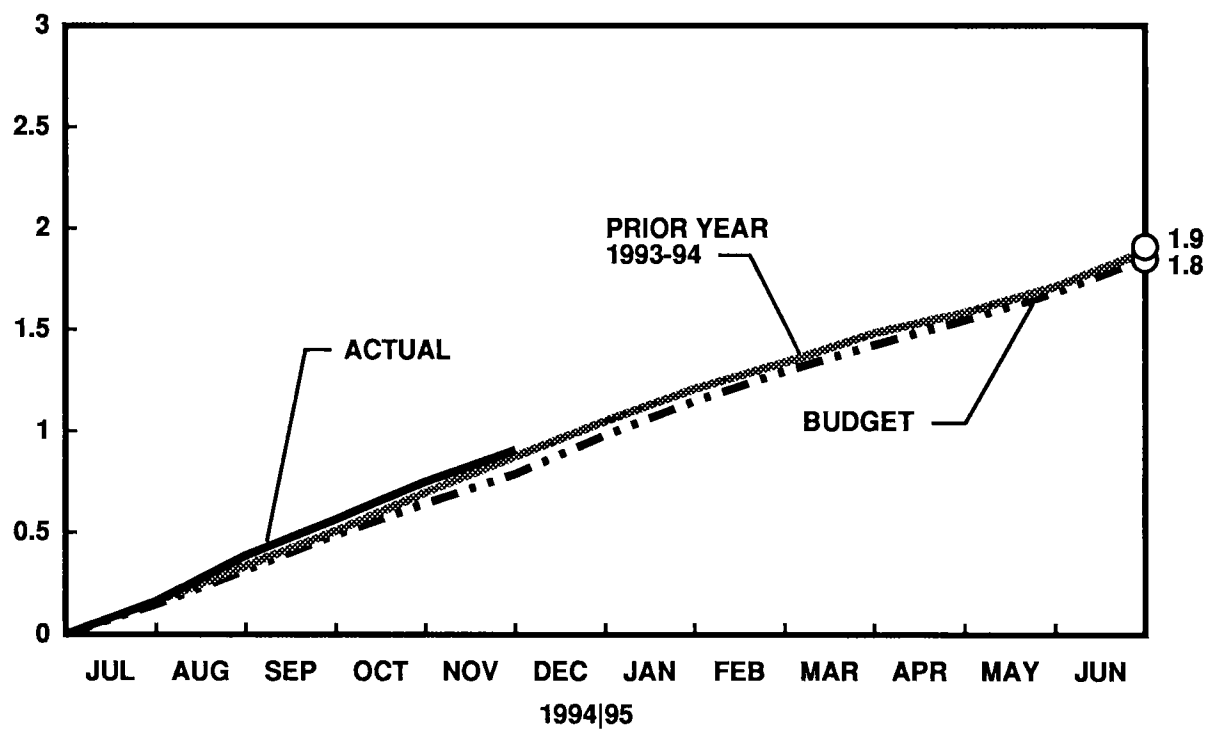
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RAINFALL AT LOS ANGELES CIVIC CENTER THROUGH THE MONTH OF SEPTEMBER



ACRE-FEET SOLD

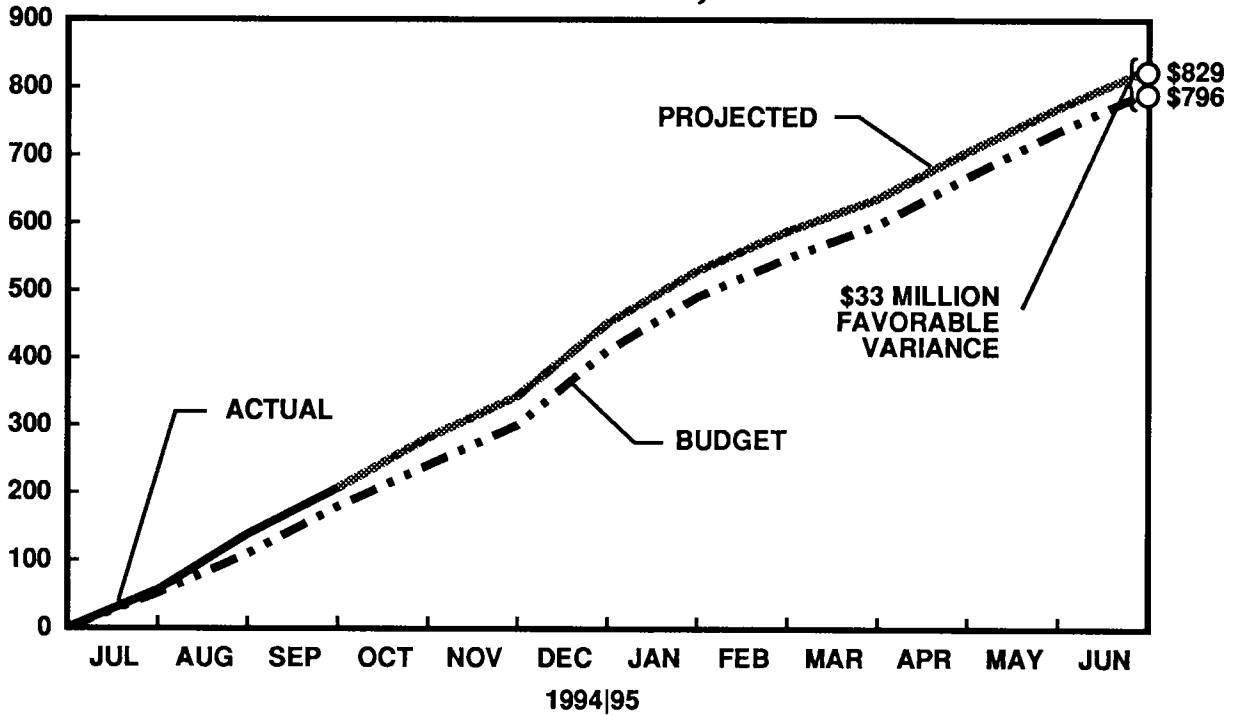
MILLIONS



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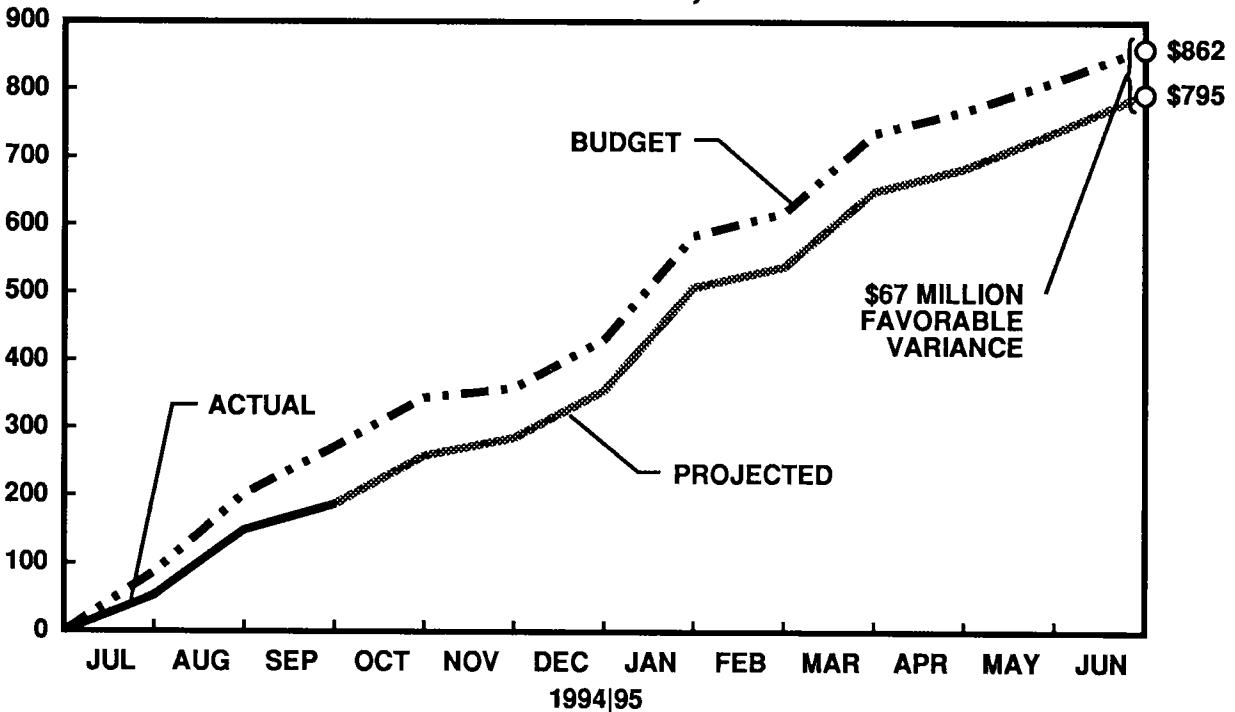
RECEIPT COMPARISONS (BUDGET VS ACTUAL VS PROJECTED) FY TO JUNE 30, 1995

IN \$ MILLIONS



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

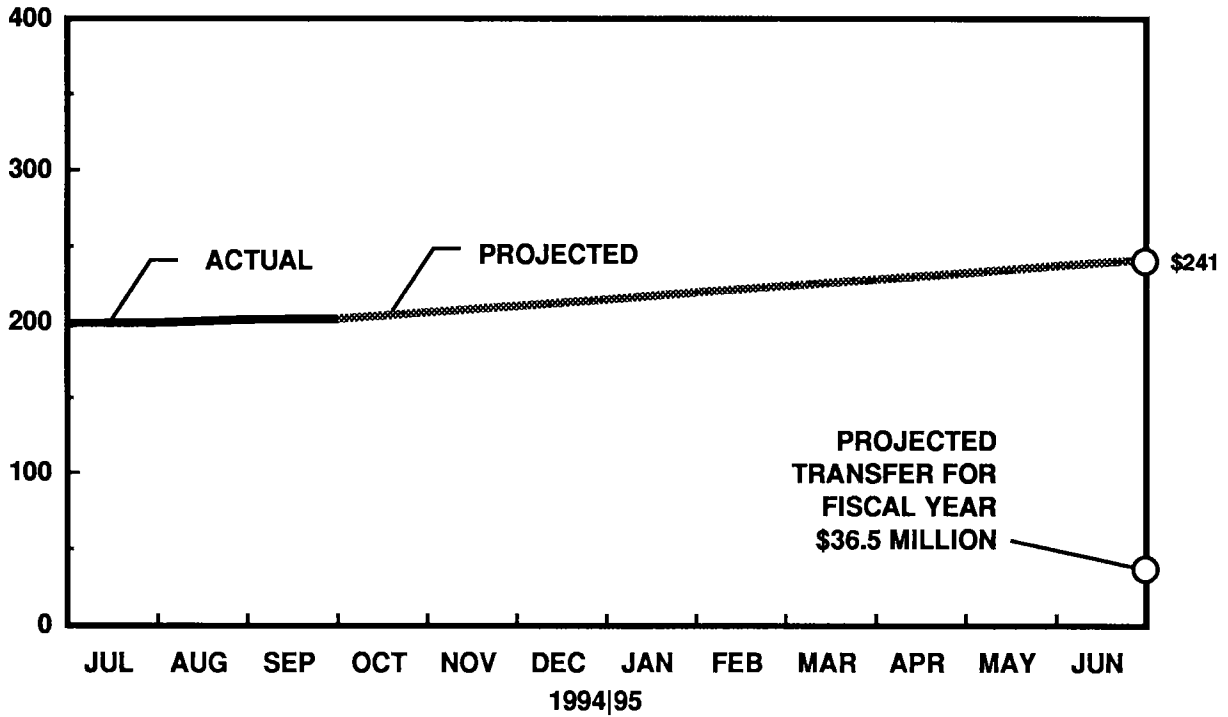
IN \$ MILLIONS



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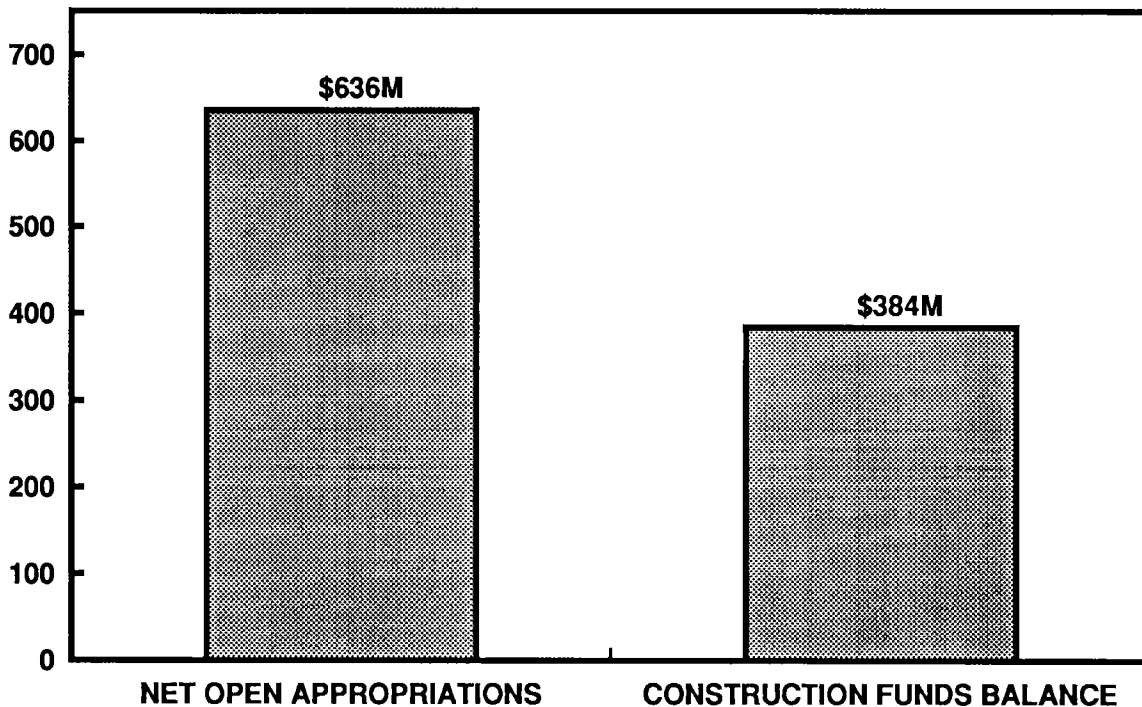
WATER RATE STABILIZATION BALANCES FY 1994-95

\$ IN MILLIONS



APPROPRIATIONS APPROVED TO DATE AND CONSTRUCTION FUNDS BALANCE AS OF AUGUST 31, 1994

\$ IN MILLIONS



BUDGET VS. COST REPORT

CASH BASIS
 (\$ in Thousands)

FISCAL YEAR 1994-95

	ANNUAL BUDGET	BUDGET THRU SEPT. 94	ACTUAL THRU SEPT. 94	VARIANCE		X-REF.
				DOLLARS	PERCENT	
<u>RECEIPTS</u>						
WATER SALES	\$615,627	\$159,066	\$179,494	\$20,428	12.8%	(a)
TAXES	87,654	8,176	8,728	552	6.8%	
STANDBY CHARGES	50,000	442	1,378	936	211.8%	(b)
INTEREST	24,000	9,314	10,339	1,025	11.0%	(c)
POWER RECOVERIES	18,000	2,279	4,809	2,530	111.0%	(d)
OTHER	750	186	324	138	74.2%	
TOTAL	\$796,031	\$179,463	\$205,072	\$25,609		
<u>EXPENDITURES</u>						
O&M	224,989	58,824	53,264	5,560	9.5%	
OPERATING EQUIPMENT	3,586	1,200	339	861	71.8%	(e)
<u>STATE WATER SUPPLIES</u>						
SWC CAPITAL	127,813	51,447	51,447	0	0.0%	
SWC OMP&R	89,321	22,479	22,427	52	0.2%	
OFF AQUEDUCT	103,972	26,130	24,043	2,087	8.0%	
SWC VARIABLE POWER	15,981	5,572	4,941	631	11.3%	(f)
SWC CREDITS	(40,000)	0	(77,684)	77,684	100.0%	(g)
WATER TRANSFERS/OPTIONS	24,000	0	10	(10)	100.0%	
<u>COLORADO RIVER SUPPLIES</u>						
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	3,000	0	3,000	100.0%	(h)
PVID	5,513	2,757	5,056	(2,299)	-83.4%	(i)
ARIZONA GROUNDWATER	10,000	5,000	0	5,000	100.0%	(j)
CRA POWER	34,472	7,089	6,938	151	2.1%	
<u>MWD CAPITAL PROGRAM</u>						
REVENUE BOND DEBT SERVICE	78,830	38,257	38,220	37	0.1%	
G.O. BOND DEBT SERVICE	57,070	18,112	17,846	266	1.5%	
COMM PAPER DEBT SERVICE	1,800	450	704	(254)	-56.4%	
SDCWA 1ST AQUEDUCT	150	37	101	(64)	-173.0%	
PAYG CONSTRUCTION	89,417	30,113	34,060	(3,947)	-13.1%	(k)
TOTAL	\$861,953	\$275,067	\$186,684	\$88,383		
NET CHANGE IN CASH	(\$65,922)	(\$95,604)	\$18,388	\$113,992		

**BOND CONSTRUCTION
 EXPENDITURES**

\$445,083

\$117,213

\$41,211

\$76,002

64.8%

(l)

**CASH BASIS SUMMARY
VARIANCE EXPLANATIONS
Through September 30, 1994**

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

RECEIPTS:

- (a) Receipts from water sales are \$20.4 million (12.8%) greater than budgeted as water sales from May to July were 77,000 acre-feet greater than budgeted.
- (b) Water Standby Charges are \$ 0.9 million over budget mainly due to prior year 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 \$1.0 million greater than budget due to lengthening the average maturity and higher interest rates.
- (d) Receipts from power recoveries are \$2.5 million over budget because of increased flows as higher water sales resulted in increased power production, and Southern California Edison is accelerating their payment schedule.

EXPENDITURES:

- (e) Operating equipment is \$.9 million under budget due to the timing of the purchases of operating equipment through September.
- (f) Variable power charges from the SWP are \$0.6 million under budget through the month of September. Staff anticipates that expenditures will continue to run under budget due to adjustments by Department of Water Resources expected this calendar year. Expenditures are expected be more in line with monthly budget amounts by the end of the third quarter.
- (g) Credits of \$77.7 million have been received through September from the DWR. The credits received thus far relate to the Oroville replacement fund (\$26.9 million), Control Systems replacement fund (\$4.6 million), Excess Variable replacement deposits (\$17.3 million), adjustments to 1993 Off Aqueduct power charges (\$16.4 million), and return of bond cover and interest earnings from prior periods (\$12.5 million).
- (h) Payments for the All American Canal and Coachella Canal Lining projects are \$3.0 million under budget because the Coachella Project has been deferred and the All American Project is currently under staff review as a result of the cost containment program.
- (i) Payments made to PVID are \$2.3 million over budget through the month of September. The budget anticipated expenditures to be made in two installments, August 1994 and February 1995, however, landowners received the entire amount during the months of July and August this fiscal year.
- (j) Payments for the Arizona Groundwater project are \$5.0 million under budget because the project has been delayed as a result of the cost containment program.

- (k) Pay-As-You-Go construction disbursements are \$3.9 million less than budget due to lower than anticipated expenditures through September on construction projects being funded from the PAYG Fund.

- (l) Construction expenditures from bond proceeds are 64.8 percent below budget. The Mills Filtration Plant had delays in contractor mobilization and there have been delays in the repair of Garvey Reservoir. The Chemical Containment Program for the distribution system and all filtration plants is expected to be less than originally anticipated as District personnel will design the project, rather than using consultants as originally planned, and has been delayed due to ongoing risk analysis which will omit some construction originally planned, reducing overall costs. Certain aspects of San Diego Pipeline No. 6 have been delayed pending results of the IRP which delayed release of RFP's for geotechnical investigations. Minor delays in the start-up of the Ozone program have resulted in an under run of costs. Staff anticipates expenditures to reflect current schedules of the Capital Programs as the fiscal year progresses. There are also delays in the site acquisition for Perris Filtration Plant, the Central Pool Augmentation Filtration Plant and the Inland Feeder.

STATEMENT OF RECEIPTS, DISBURSEMENTS, BALANCES AND APPROPRIATED FUNDS
 JULY 1, 1993 THROUGH SEPTEMBER 30, 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	69,280,690.71	84,463,237.85	199,194,974.75	89,429,727.27	108,445.98	299,218,226.81	285,601,502.61
RECEIPTS								
Net Tax Collections		3,448,963.55	5,279,372.13					
Water Sales	179,494,048.20							
Water Standby Charge	1,377,866.39							
Power Recoveries	4,808,998.22							
Interest on Investments	4,716,798.90	723,494.59	928,410.25	2,839,510.24	1,081,441.56	1,253.15	4,476,983.85	6,082,470.86
Bond Sales/CP Sales								
Other Collections	324,062.14							
TOTAL RECEIPTS	190,721,773.85	4,172,458.14	6,207,782.38	2,839,510.24	1,081,441.56	1,253.15	4,476,983.85	6,082,470.86
INTER-FUND TRANSFERS	(56,039,482.71)	35,008,500.00	20,008,499.55		1,780,000.00		0.00	(757,516.84)
REIMBURSEMENTS								
Operation & Maintenance	162,914.92							
Operating Equipment Inventories								
Construction	2,122,798.41				252.36		10,672,213.65	
Interest & Premium on Bonds							0.00	
TOTAL REIMBURSEMENTS	2,285,713.33				252.36		10,672,213.65	
DISBURSEMENTS								
Operation & Maintenance	64,057,365.34							
Operating Equipment (Net)	338,950.48							
Invent. & Undistr. Payroll (Net)	(6,030,470.90)							
Construction	9,457,746.41				32,153,430.39	(5,035.28)	51,882,598.25	
DWR - Capital Payments		51,446,680.00						
DWR - Minimum O&M	22,426,608.00							
Off Aqueduct Facilities	10,061,021.00	13,981,947.00						
CRA - Power	6,938,060.94							
SWC - Variable Power	4,940,918.00							
SWC - Credit	(55,716,697.31)	(9,445,860.69)						
DWR - Water Bank	10,000.00							
To SDCWA - 1st Aqueduct	100,917.97							
Debt Service on MWD Bonds			56,770,217.40					6,227,876.25
Arbitrage Rebate Tax								5,753,900.00
Net Book (Gains)/Losses on Investment Transactions	(29,158.98)			(20,507.71)				(654.06)
TOTAL DISBURSEMENTS	56,555,260.95	55,982,766.31	56,770,217.40	(20,507.71)	32,153,430.39	(5,035.28)	51,882,598.25	11,980,922.17
TRANSFERS TO ESCROW BANK ACCOUNT								
TRUST ACCOUNT TRANSACTIONS (NET)	14,541,779.69		(1,370,467.34)					119,000.08
BALANCES - END OF PERIOD								
CASH AND INVESTMENTS	391,996,364.88	52,458,882.54	52,538,835.04	202,054,992.70	60,137,990.80	114,734.41	282,484,826.06	259,064,534.54
APPROPRIATED FUNDS	637,623,000.00	249,302,000.00	109,402,000.00		142,983,000.00	266,000.00	441,076,000.00	

STATEMENT OF OPERATIONS

FISCAL YEAR THROUGH SEPTEMBER 30, 1994

GROSS OPERATING INCOME

Water Sales:	Acre Feet		
Noninterruptible			
Untreated	124,051.0	41,870,590.80	
Treated	295,088.4	123,003,404.50	
Interruptible			
Untreated	23,000.6	5,013,873.10	
Treated	68,684.4	19,035,705.10	
Reclaimed Water	8,689.8	981,947.40	
	519,514.2	189,905,520.90	
Water Standby Charge		12,499,999.97	
Power Recoveries: (79,332,800 kWh)		3,879,179.63	206,284,700.50
OPERATION AND MAINTENANCE			
Operations		52,188,608.40	
Power and Water Costs		48,391,628.21	100,580,236.61
Operating Income before Amort. & Depr.			105,704,463.89
Amort. of Participation Rights		20,906,005.13	
Depreciation, Plant		6,081,086.00	26,987,091.13
Operating Income			78,717,372.76
OTHER INCOME			
Net Tax Revenues		20,259,119.44	
Interest Earned on Investments		14,454,218.52	
Current Interest Levies - Annexation Commitments		404,872.40	
Property Rentals		223,711.66	
Gain on Land Sales			
Earnings on Escrow Accounts			
Sundry Revenues		85,946.67	35,427,868.69
INTEREST AND OTHER EXPENSE			
Bond Interest Expense		17,912,012.98	
Adjustment for OAPF Obligation			
Arbitrage Rebate Tax (1,110,628.96)	
Sundry Expense		207,271.02	17,008,655.04
Income before Annex. Inc. & Prior Years' Adjust.			97,136,586.41
ANNEXATION INCOME			
Levies for Uncapitalized Annexation - Principal		1,551.43	
New Annexations - Principal		117,079.24	118,630.67
ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS			53,321,877.00
EXTRAORDINARY LOSS ON DEFEASANCE OF BONDS			
NET INCOME			150,577,094.08
RETAINED EARNINGS AT START OF YEAR			2,769,298,250.65
RETAINED EARNINGS TO DATE			2,919,875,344.73

41125

STATEMENT OF OPERATIONS

FISCAL YEAR THROUGH SEPTEMBER 30, 1993

GROSS OPERATING INCOME		
Water Sales:	Acre Feet	
Noninterruptible		
Untreated	99,842.8	32,882,621.20
Treated	308,505.0	120,990,268.80
Interruptible		
Untreated	47,546.7	9,316,993.50
Treated	74,721.7	18,631,387.40
Reclaimed Water	7,059.3	716,431.30
	537,675.5	182,537,702.20
Water Standby Charge		12,600,000.00
Power Recoveries: (99,602,320 kWh)		5,318,116.84
		200,455,819.04
OPERATION AND MAINTENANCE		
Operations		46,989,603.05
Power and Water Costs		50,724,031.93
		97,713,634.98
Operating Income before Amort. & Depr.		102,742,184.06
Amort. of Participation Rights		20,118,920.00
Depreciation, Plant		5,643,212.03
		25,762,132.03
Operating Income		76,980,052.03
OTHER INCOME		
Net Tax Revenues		20,672,282.06
Interest Earned on Investments		13,065,096.57
Current Interest Levies - Annexation Commitments		443,013.90
Property Rentals		223,803.49
Gain on Land Sales		
Earnings on Escrow Accounts		
Sundry Revenues	95,978.73	34,500,174.75
INTEREST AND OTHER EXPENSE		
Bond Interest Expense		20,498,234.66
Adjustment for OAPF Obligation		
Arbitrage Rebate Tax		
Sundry Expense	37,313.20	20,535,547.86
Income before Annex. Inc. & Prior Years' Adjust.		90,944,678.92
ANNEXATION INCOME		
Levies for Uncapitalized Annexation - Principal	4,010.02	
New Annexations - Principal	489,619.81	493,629.83
ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS		5,207,594.42
EXTRAORDINARY LOSS ON DEFEASANCE OF BONDS		(3,031,933.60)
NET INCOME		93,613,969.57
RETAINED EARNINGS AT START OF YEAR		2,448,106,359.14
RETAINED EARNINGS TO DATE		2,541,720,328.71

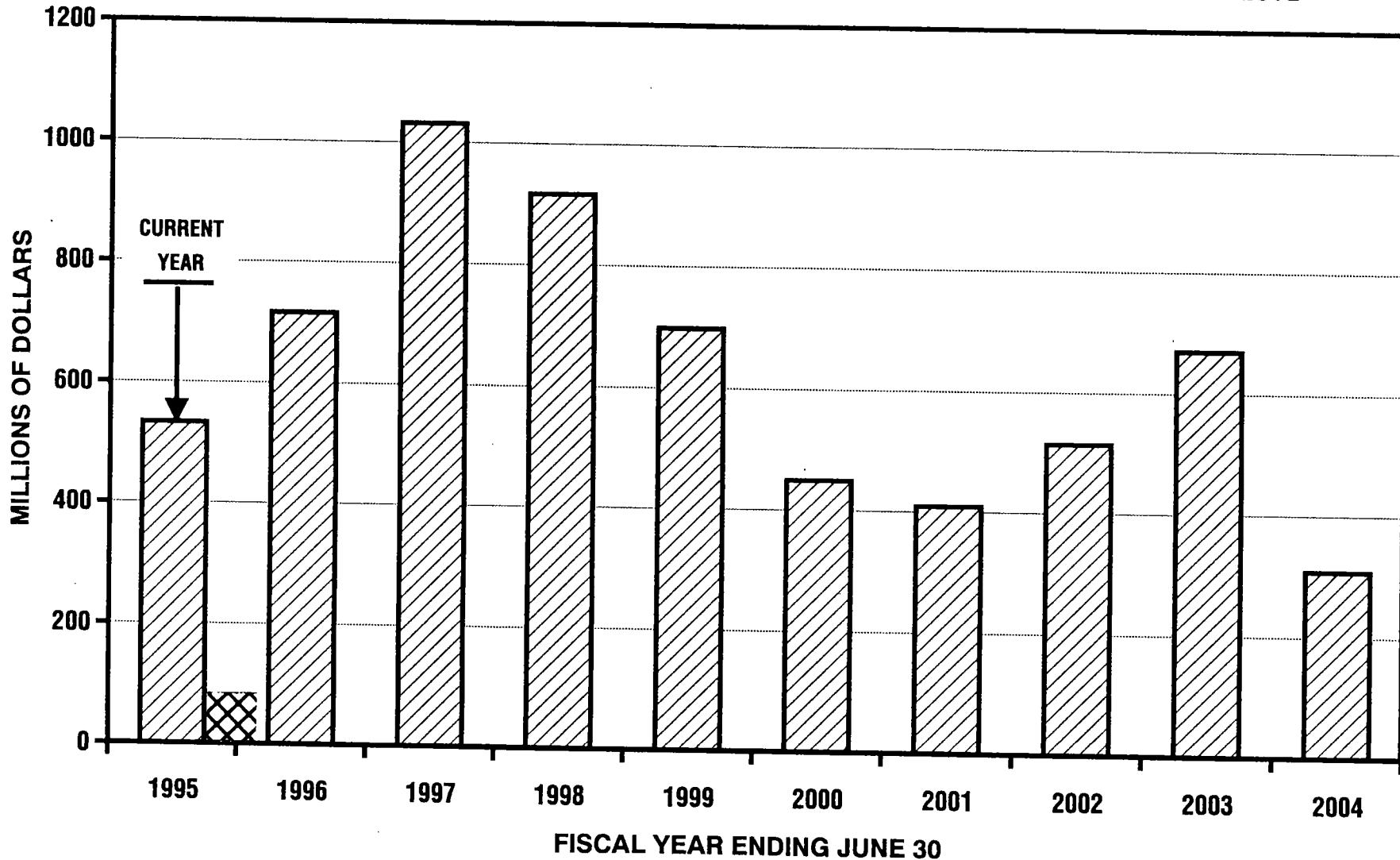
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
PROJECTED AND ACTUAL CONSTRUCTION COSTS

SEPTEMBER 1994

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

EXPENDITURES TO DATE (F/Y 1994-95)  73.4

APPROPRIATIONS APPROVED TO DATE (F/Y 1994-95) 113.1

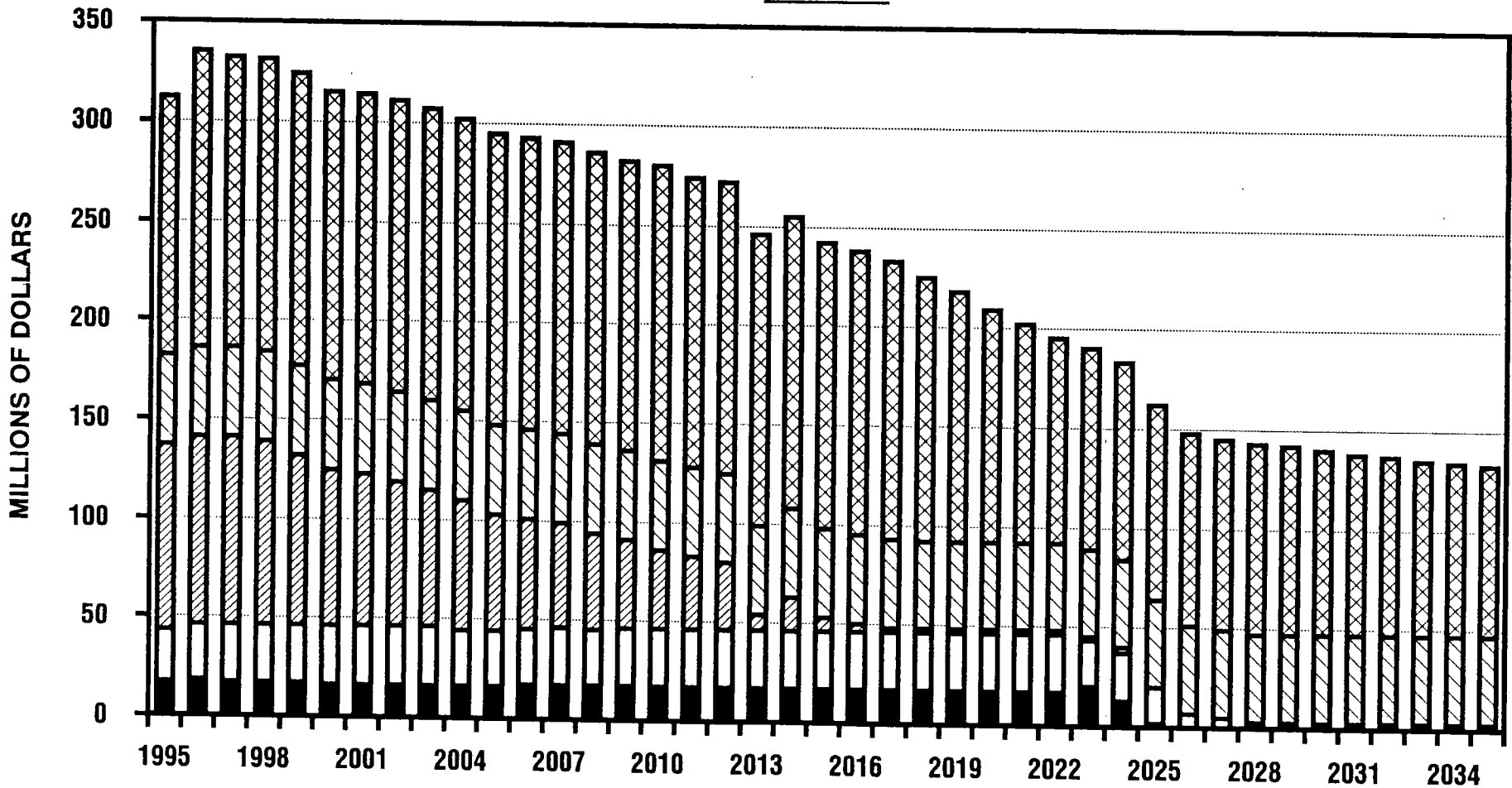


* BASED ON CAPITAL IMPROVEMENT PROGRAM AS OF 4/22/94. INCLUDES PROJECTED EXPENDITURES FOR SECURING ADDITIONAL WATER SUPPLIES ON THE COLORADO RIVER AQUEDUCT.

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
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TOTAL	<u>\$ 9,649</u>

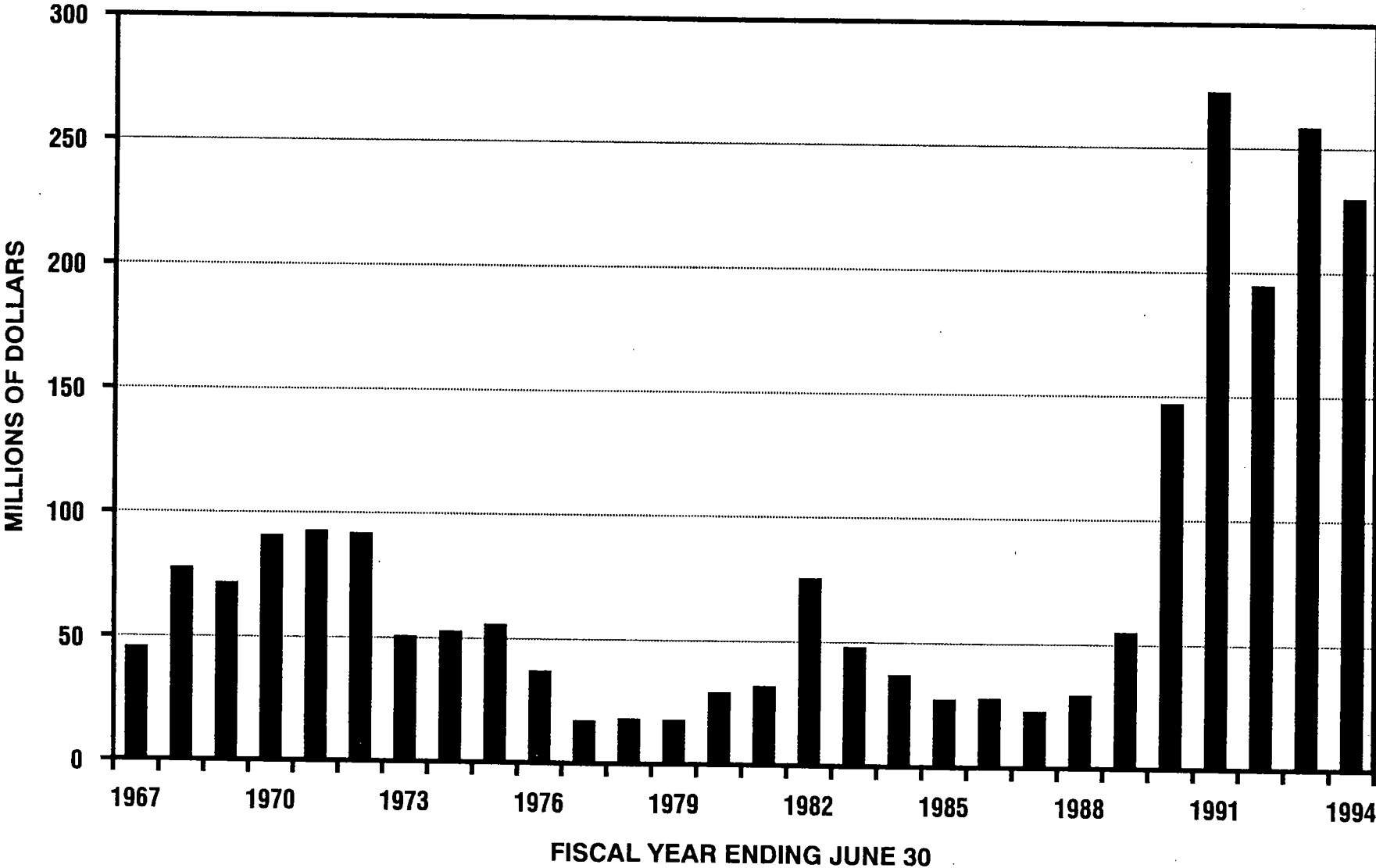
* FROM ATTACHMENT 3, DEPARTMENT OF WATER RESOURCES INVOICE DATED JULY 1, 1994. ALL AMOUNTS IN 1994 DOLLARS. AMOUNT CHARGES ARE BASED ON ORIGINAL ENTITLEMENT OF 2,011,500 AF FOR 1995 - 2035.



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



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**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

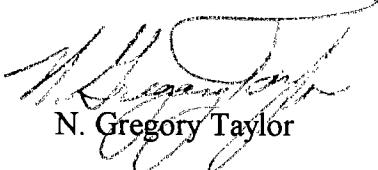
November 2, 1994

To: Board of Directors

From: General Counsel

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

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

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

October 6, 1994

To: General Manager

From: Treasurer

Subject: Treasurer's Monthly Report - September 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	\$391,998,000
State Water Contract Fund	52,459,000
Debt Service Funds	52,539,000
Rate Stabilization Funds	<u>202,055,000</u>
Total	\$699,051,000
Construction and Trust Funds	\$354,215,000

The average weighted days to maturity is 399.8 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>
September 1994	\$3,985,115	\$12,102,298	4.92
September 1993	\$3,437,700	\$10,462,786	4.00

Roger N. Marumoto

RNM:yc

Attachments

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Summary Report of Investment Activity & Status of Cash for the Month Ending September 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	\$380,593	\$40,832	\$576		\$420,849	39.9	100
U.S. GUARANTEES-GNMA'S	2,845			38	2,807	0.3	100
FEDERAL AGENCIES	161,986	5,433		4,903	162,516	15.4	33
REPURCHASE AGREEMENTS	281,557	2,490,946		2,498,780	273,723	26.0	30
BANKERS' ACCEPTANCES	19,833	1,997		21,830	0	0.0	30
COMMERCIAL PAPER	150,860	234,799		264,044	121,615	11.5	30
NEGOTIABLE CERTIFICATES OF DEPOSIT	10,360	10,000			20,360	1.9	20
LOCAL AGENCY INVESTMENT FUND - CALIFORNIA	15,000				15,000	1.4	
ASSET-BACKED SECURITIES	14,989	22,273			37,262	3.6	10 (A)
CALIFORNIA SWP BONDS	35				35	0.0	(B)
SUBTOTAL	\$1,038,058	\$2,806,280	\$576	\$2,789,595	\$1,054,167	100.0	
CASH:							
DEMAND ACCOUNTS	\$656	386			\$1,042		
DRAFT/MWDCU/PETTY CASH	145		4		141		(C)
LESS OVERNIGHT INVEST.	(8,121)	6,050			(2,071)		(D)
SUBTOTAL	(\$7,320)	\$6,436	\$4	\$0	(\$888)		
TOTAL	\$1,030,738	\$2,812,716	\$580	\$2,789,595	\$1,053,279		

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

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

C) Petty Cash, \$10,000; Draft Accounts, \$31,000; MWD Credit Union, \$100,000.

D) Includes investment of outstanding checks.

Note: Sales and Purchases may contain internal transfers.

Note: Excludes \$227,587,000 in cash and securities held in escrow for the District's crossover refunding bonds.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

YIELD COMPARISONS
September 1994

<i>Month/Year at Month- End</i>	<u>CERTIFICATE OF DEPOSIT</u>			<u>U.S. TREASURY BILLS</u>			<u>MWD PORTFOLIO</u>
	<i>3 Mo</i>	<i>6 Mo.</i>	<i>1 Yr.</i>	<i>3 Mo.</i>	<i>6 Mo.</i>	<i>1 Yr.</i>	
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
Aug. 1994	4.2	4.6	5.0	4.6	5.0	5.5	4.8
Sept. 1994	4.6	5.0	5.4	4.7	5.2	5.6	4.9