

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

January 19, 1998

To: Board of Directors

From: General Manager

Subject: Executive Financial Summary

Transmitted herewith is the District's Executive Financial Summary for the 1997-98 fiscal year as of December 31, 1997.

<u>Controller's Report</u>	<u>Page</u>
Transmittal Letter	1
Cash Basis Information:	
Financial Board Charts	2
Budget v. Cost	4
Receipts, Disbursements, and Balances by Fund Type	7
Accrual Basis Statements:	
Balance Sheet	8
Statement of Operations	10
Supplementary Information: (Graphs)	
Projected and Actual Construction Costs	12
Projected Fixed SWC Charges through 2035	13
Historical Construction Expenditures	14
 <u>Treasurer's Report</u>	
Eligibility of Securities	15
Transmittal Letter	16
Summary of Investment Activity and Status of Cash	17
Yield Comparisons	18

John R. Wodraska

for By: Lambertus H. Becker
Chief Financial Officer



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

January 19, 1998

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

Transmitted herewith is the Monthly Financial Summary as of December 31, 1997. Included in the report are the following statements.

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

There were no appropriations closed in the month of December 1997.

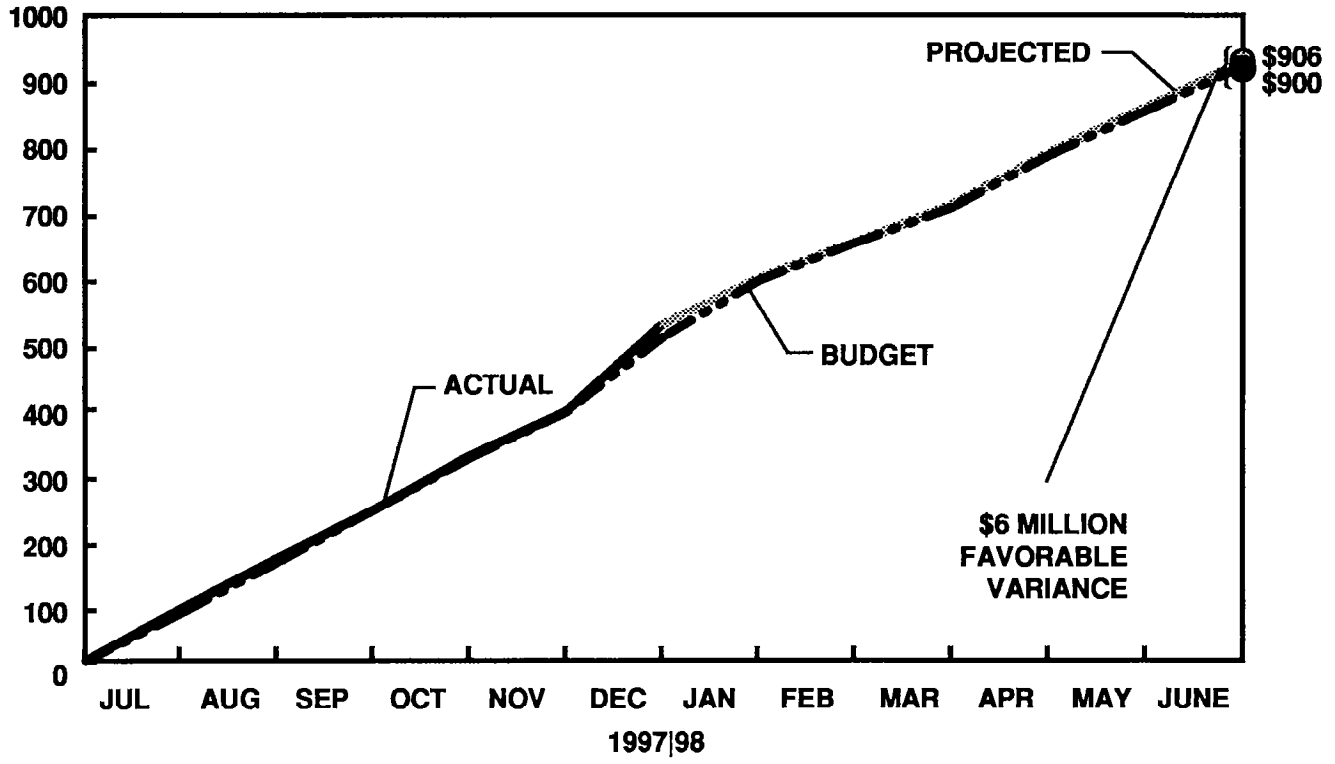
David I. Furukawa

Encl.

DIF/RHY

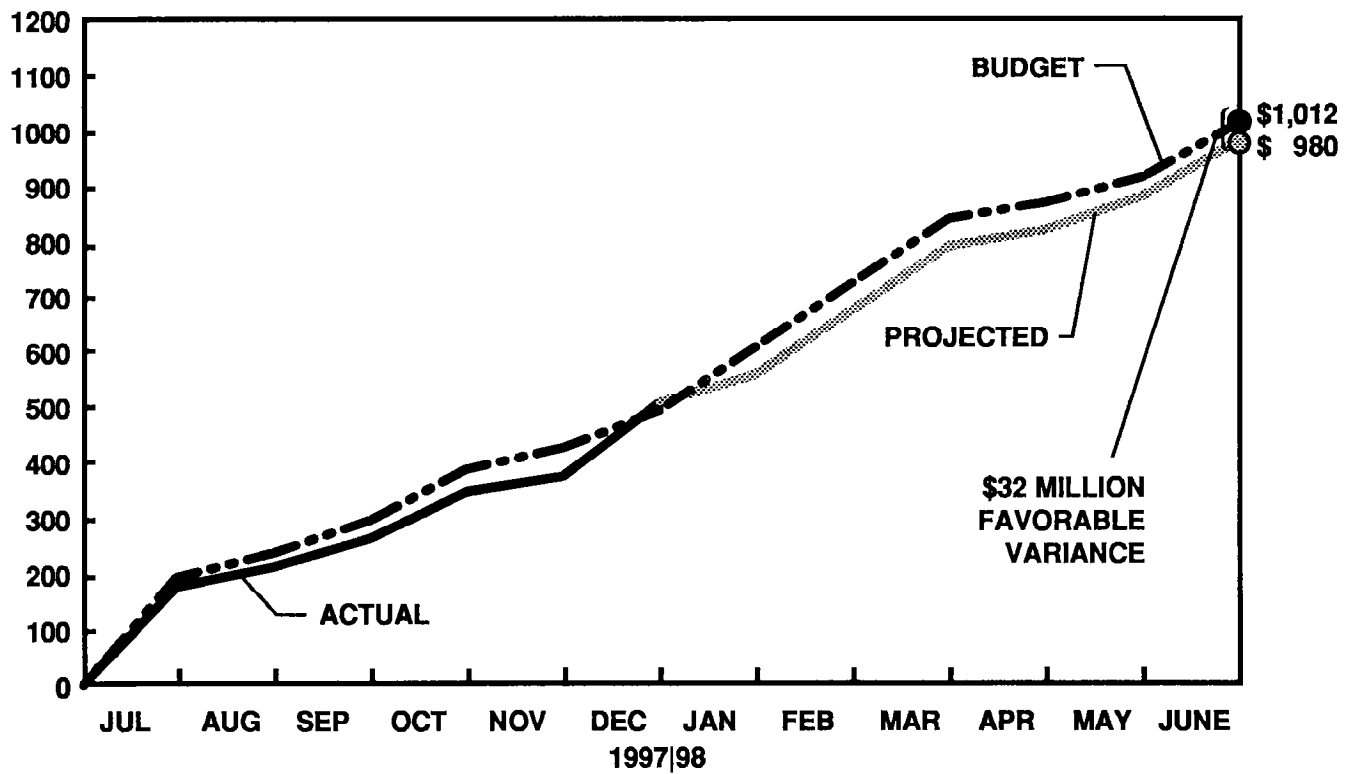
RECEIPT COMPARISONS (BUDGET VS ACTUAL) FY 1997 - 1998

\$ IN MILLIONS

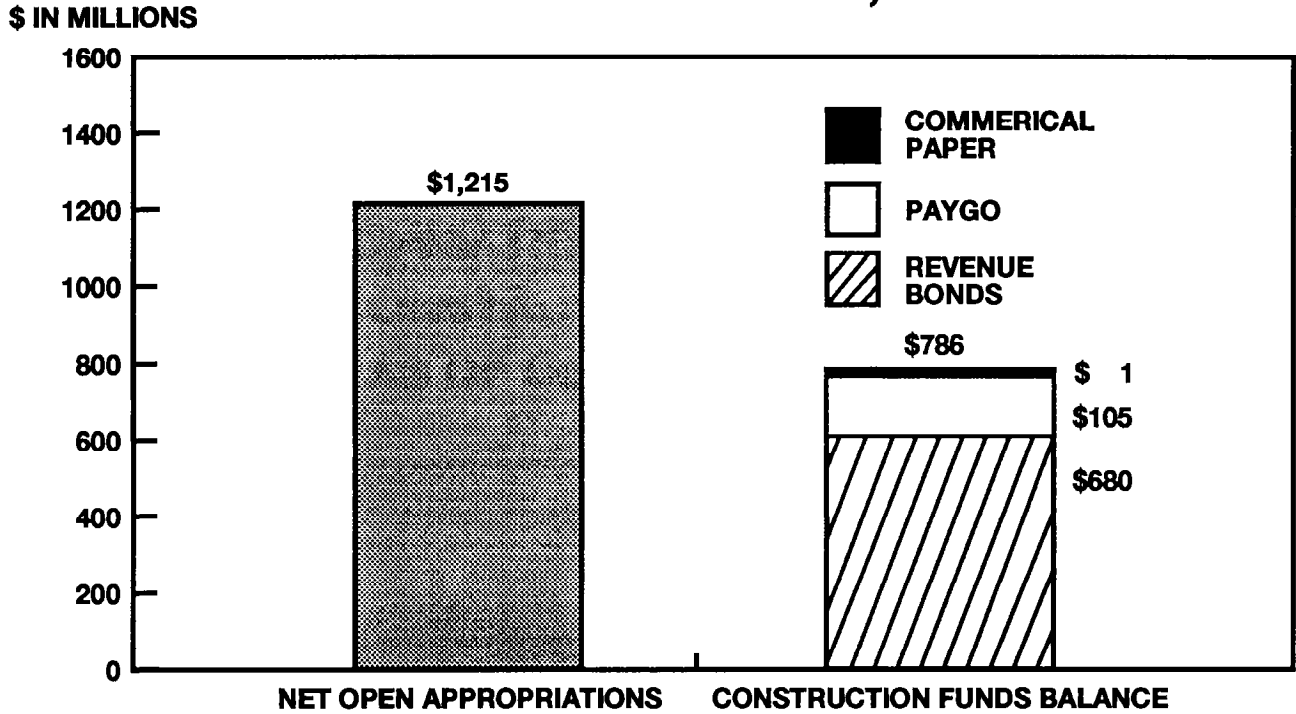


EXPENDITURE COMPARISONS (BUDGET VS ACTUAL) FY 1997 - 1998

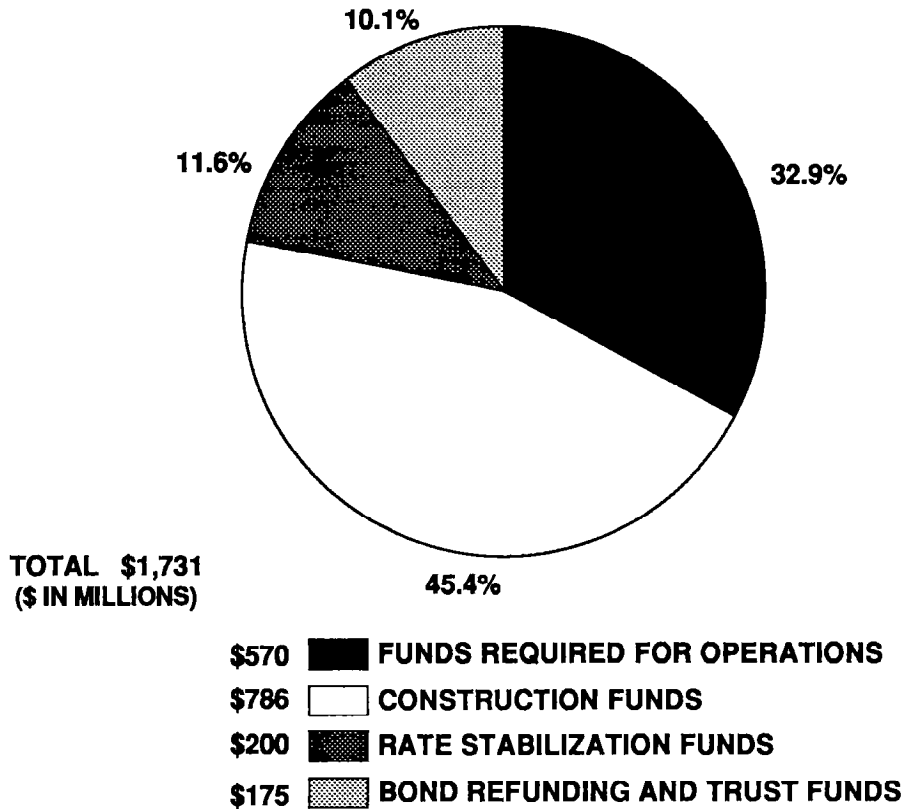
\$ IN MILLIONS



APPROPRIATIONS APPROVED TO DATE AND CONSTRUCTION FUNDS BALANCE AS OF DECEMBER 31, 1997



CASH AND INVESTMENTS AS OF DECEMBER 31, 1997



BUDGET VS. COST REPORT
JULY 1, 1997 to DECEMBER 31, 1997
CASH BASIS
(\$ in Thousands)

FISCAL YEAR 1997-98	ANNUAL BUDGET	BUDGET THROUGH DEC. 1997	ACTUAL THROUGH DEC. 1997	VARIANCE DOLLARS	PERCENT	X-REF.
SOURCES OF FUNDS						
RECEIPTS						
WATER SALES	\$ 676,600	\$ 395,200	\$ 401,532	\$ 6,332	1.6%	
TAXES	\$ 84,272	\$ 40,709	\$ 41,376	\$ 667	1.6%	
READINESS-TO-SERVE CHARGES	\$ 76,050	\$ 21,943	\$ 33,328	\$ 11,385	51.9%	(a)
INTEREST ON INVESTMENTS	\$ 44,277	\$ 19,649	\$ 22,952	\$ 3,303	16.8%	(b)
POWER RECOVERY AND MISCELLANEOUS	\$ 15,684	\$ 10,065	\$ 9,814	\$ (251)	-2.5%	
BUSINESS DEVELOPMENT	\$ 3,545	\$ 1,743	\$ 75	\$ (1,668)	-95.7%	(c)
TOTAL RECEIPTS	\$ 900,428	\$ 489,309	\$ 509,077	\$ 19,768	4.0%	
USE OF STABILIZATION FUNDS (1)	\$ 72,955	-	-	-	-	
USE OF PRIOR YEAR PAYG FUNDS	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	0.0%	
USE OF DEBT PROCEEDS FOR CONSTRUCTION	\$ 496,834	\$ 251,761	\$ 196,892	\$ (54,869)	-21.8%	(d)
TOTAL SOURCES OF FUNDS	\$ 1,520,218	\$ 791,070	\$ 755,969	\$ (35,101)	-4.4%	
USES OF FUNDS						
EXPENDITURES						
STATE WATER CONTRACT	\$ 288,320	\$ 165,525	\$ 162,470	\$ 3,055	1.8%	
WATER TRANSFERS \ OPTIONS	\$ 21,800	\$ 5,092	\$ 5,092	\$ -	0.0%	
COLORADO RIVER SUPPLIES	\$ 28,691	\$ 12,569	\$ 16,318	\$ (3,749)	-29.8%	(e)
MWD CAPITAL CONSTRUCTION FINANCING PROGRAM						
DEBT SERVICE	\$ 204,571	\$ 96,492	\$ 95,245	\$ 1,247	1.3%	
PAYG FUND CONSTRUCTION	\$ 140,000	\$ 69,731	\$ 58,206	\$ 11,525	16.5%	(f)
HEADQUARTERS BUILDING & OTHER (2)	\$ 54,437	\$ 27,219	\$ 23,042	\$ 4,177	15.3%	(g)
MWD O&M and OPERATING EQUIPMENT	\$ 223,616	\$ 108,433	\$ 104,984	\$ 3,449	3.2%	
BUSINESS DEVELOPMENT	\$ 3,255	\$ 1,600	\$ 126	\$ 1,474	92.1%	(h)
PERS UNFUNDED LIABILITY PAYMENT	\$ 32,000	\$ 32,000	\$ 31,332	\$ 668	-	
LOCAL RESOURCES PROGRAM - NET	\$ 15,193	\$ 7,470	\$ 7,476	\$ (6)	-0.1%	
SUBTOTAL	\$ 1,011,883	\$ 526,131	\$ 504,291	\$ 21,840		
DEBT-FINANCED CONSTRUCTION EXPENDITURES	\$ 496,834	\$ 251,761	\$ 196,892	\$ 54,869	21.8%	(i)
TOTAL EXPENDITURES	\$ 1,508,717	\$ 777,892	\$ 701,183	\$ 76,709	9.9%	
WATER TRANSFER DEPOSITS (3)	\$ 2,200	-	-	-	-	
ADJUSTMENTS IN RESERVES (1)	\$ 9,301	-	-	-	-	
TOTAL USE OF FUNDS	\$ 1,520,218	\$ 777,892	\$ 701,183	\$ 76,709	9.9%	
Net Sources / (Uses) of Funds	\$ 0	\$ 13,178	\$ 54,786	\$ 41,608	-315.7%	

Note: Trust Account Transactions are not reflected in this report. Minor differences are due to rounding.

- (1): Actual amounts to be determined at end of fiscal year.
- (2): Other includes cash activity in the General Fund for reimbursable projects.
- (3): Deposit to the Water Transfer Fund during the fiscal year net of expenditures.

**CASH BASIS SUMMARY
VARIANCE EXPLANATIONS
Through December 31, 1997**

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

RECEIPTS:

- (a) Revenues from the Readiness To Serve charges are \$11.4 million over budget due to timing differences in collections. By year end, it is anticipated that actual RTS charges will equal budget.
- (b) Revenues from interest on investments are \$3.3 million over budget due to a lengthening in the weighted average days to maturity in the portfolio and additional money available for investment from water sales and RTS charges.
- (c) Revenues for Business Development are under budget due to the initial classification of program revenues. The revenues from Seawater Desalination (\$400,095), real property leases and various other contracts have not yet been incorporated into this report. Staff is currently reviewing the program and reclassification of related revenues and expenditures will be completed before the end of the fiscal year.
- (d) Use of Debt Proceeds for Construction (See explanation for item (i)).

EXPENDITURES

(e) **Colorado River Supplies**

CRA supplies are \$3.7 million over budget because a portion of the capital payment under the IID Agreement for Fiscal Year 1996-97 was made in September 1997, as approved by the Program Coordinating Committee.

MWD Capital Construction Financing Program

- (f) PAYG Fund Construction is under budget by \$11.5 million or 16.5 %. See (i) for explanation of construction payments to date. It is anticipated that PAYG expenditures will approximate budget by year end.
- (g) The Headquarters' Building expenditures and other costs paid from the General Fund are under budget by 15.3% through December. Certain invoices for the Headquarters facility have lagged from the initial contractor supplied payment schedule. By year end, it is anticipated that the Headquarters' costs will equal budget.

**CASH BASIS SUMMARY
VARIANCE EXPLANATIONS
Through December 31, 1997**

- (h) Expenditures for Business Development are under budget due to the initial classification of program expenditures. The expenses from Seawater Desalination, real estate leases and various other contracts have not yet been included. Staff is currently reviewing the program and reclassification of related revenues and expenditures will be completed before the end of the fiscal year.

- (i) Debt Financed Construction Expenditures are \$54.9 million under budget as of December 1997, for the first half of the fiscal year. The variance is primarily due to (1) lower contractor payments on the Eastside Reservoir Project and Inland Feeder Project than anticipated in the budget, and (2) delays in right of way acquisition of North Las Posas and suspended negotiations with Raymond Basin projects in the Local Groundwater Storage program. Although there have been some delays in construction expenditures, it is anticipated that year end debt financed construction expenditures will be at or slightly below budget.

STATEMENT OF RECEIPTS, DISBURSEMENTS AND BALANCES
JULY 1, 1997 THROUGH DECEMBER 31, 1997
(\$ in Thousands)

	TOTAL ALL FUNDS	OPERATING FUNDS	STATE CONTRACT FUNDS	DEBT SERVICE FUNDS	RATE STABILIZATION FUNDS	PAY-AS-YOU GO FUND	REVOLVING CONSTRUCTION FUNDS	REVENUE BOND CONSTRUCTION FUNDS	COMMERCIAL PAPER NOTE CONSTRUCTION	OTHER FUNDS
CASH AND INVESTMENT BALANCES - START OF PERIOD	\$ 1,197,542	\$ 318,730	\$ 69,593	\$ 126,161	\$ 200,000	\$ 159,118	\$ -	\$ 146,535	\$ -	\$ 177,405
RECEIPTS										
Net Tax Collections	41,376	0	16,894	24,482	0	0	0	0	0	0
Water Sales	412,301	412,301	0	0	0	0	0	0	0	0
Readiness-To-Serve (WSC)	33,328	33,328	0	0	0	0	0	0	0	0
Power Recoveries	7,864	7,864	0	0	0	0	0	0	0	0
Interest on Investments	34,878	9,690	1,368	2,138	5,845	3,865	0	18	1,189	10,765
Debt Proceeds	730,518	0	0	713	0	0	0	629,805	100,000	0
Reimbursements	11,829	3,834	0	0	0	2,957	0	4,959	78	0
Other Collections	1,875	1,875	0	0	0	0	0	0	0	0
TOTAL RECEIPTS	1,273,968	468,891	18,262	27,333	5,845	6,822	0	634,782	101,267	10,765
INTER-FUND TRANSACTIONS										
Inter-Fund Transfers	0	(114,842)	57,000	70,883	(5,621)	0	0	0	0	(7,420)
TOTAL INTER-FUND TRANSACTIONS	0	(114,842)	57,000	70,883	(5,621)	0	0	0	0	(7,420)
DISBURSEMENTS - NET										
Operations & Maintenance	123,959	123,959	0	0	0	0	0	0	0	0
Operating Equipment	3,085	3,085	0	0	0	0	0	0	0	0
Operating Supplies Inventory	(67)	(67)	0	0	0	0	0	0	0	0
Undistributed Payroll (Net)	34,312	34,312	0	0	0	0	0	0	0	0
Construction	289,290	26,197	0	0	0	61,163	0	101,335	100,594	0
DWR - Capital Payments	73,174	0	73,174	0	0	0	0	0	0	0
DWR - Minimum O&M	62,459	62,459	0	0	0	0	0	0	0	0
Off Aqueduct Facilities	34,113	16,962	17,151	0	0	0	0	0	0	0
CRA - Power	11,440	11,440	0	0	0	0	0	0	0	0
SWC - Variable Power	5,225	5,225	0	0	0	0	0	0	0	0
SWC - Credit	(12,501)	(3,532)	(8,969)	0	0	0	0	0	0	0
DWR - Water Bank/Transfer/Options	5,092	5,092	0	0	0	0	0	0	0	0
To MWDOC - Allen-McColloch Ppl	0	0	0	0	0	0	0	0	0	0
Debt Service on MWD Bonds	99,152	0	0	95,245	0	0	0	0	0	3,907
Arbitrage Rebate Tax to IRS	0	0	0	0	0	0	0	0	0	0
Net Book Gain/Loss on Investment	(47)	(25)	0	(3)	(10)	0	0	0	0	(9)
TOTAL DISBURSEMENTS	728,688	285,109	81,356	95,243	(10)	61,164	0	101,335	100,594	3,897
TRANSFERS TO ESCROW BANK ACCOUNT	0	0	0	0	0	0	0	0	0	0
TRUST ACCT TRANSACTIONS <NET>	(12,154)	(9,737)	0	(506)	0	0	0	0	0	(1,911)
CASH AND INVESTMENT BALANCES - END OF PERIOD	\$ 1,730,668	\$ 377,933	\$ 63,499	\$ 128,628	\$ 200,234	\$ 104,777	\$ -	\$ 679,982	\$ 672	\$ 174,942

Note: Due to rounding, detail and subtotals may not foot or crossfoot to subtotals and total.

BALANCE SHEET AS OF DECEMBER 31, 1997

ASSETS
(\$ in Thousands)

CASH AND INVESTMENTS	
Operating, Construction and Other	\$ 1,580,466
Held for Crossover Refunding Bonds	138,202
Held for Future Desalination Facilities	<u>12,000</u>
Total Cash and Investments	1,730,668
ACCOUNTS RECEIVABLE	
Tax Assessments	46,315
Annexation Charges	17,229
Water Sales	94,854
Readiness-To-Serve (WSC)	46,089
Power Recoveries	655
Interest Accrued on Investments	24,606
Notes Receivable	410
Sundry	<u>(1,715)</u>
Total Accounts Receivable	228,442
INVENTORIES	
	15,271
OTHER ASSETS	
Deferred Charges	270,664
Feasibility Studies, Reimbursables, etc.	13,644
Construction & Right of Way Deposits	<u>2,799</u>
Total Other Assets	287,107
PROPERTY, PLANT AND EQUIPMENT	
Land, Easements & Right of Way	431,633
Completed Features	1,951,700
Work in Progress	2,073,561
Less: Allowance for Depreciation	<u>(536,749)</u>
Total Comp. Features & WIP Net of Allow. for Depr.	3,488,512
Preoperating Costs - Capitalized	44,595
Less: Portion Amortized	<u>(20,263)</u>
Total Preoperating Costs Net of Amortization	24,331
Participation Rights - State Fac.	2,921,878
Less: Portion Amortized	<u>(1,442,307)</u>
Total State Fac. Partic. Rts Net of Amort.	1,479,571
Participation Rights - Other Fac.	167,185
Less: Portion Amortized	<u>(12,938)</u>
Total Other Fac. Partic. Rts. Net of Amort.	154,247
Major Operating Equipment	90,619
Less: Allowance for Depreciation	<u>(66,847)</u>
Total Major Operating Equipment Net of Depr.	23,772
TOTAL ASSETS	\$ 7,863,555

Note: Due to rounding, detail and subtotals may not foot or crossfoot to subtotals and total.

BALANCE SHEET AS OF DECEMBER 31, 1997

LIABILITIES AND EQUITY
(\$ in Thousands)

ACCOUNTS PAYABLE & ACCRUED EXPENSE

Commercial Paper Notes	\$	300,000
Matured Bonds & Coupon not Presented for Payments		528
Bond Int. Accrued but not Due		60,686
Accrued Prem. on Called Bonds		<u>(65)</u>
Total Bonds		61,148
Participation Rights - State Facilities		181,779
State Variable and Minimum OMP&R Services, Material, etc.		139,619
Compensated Absences		25,973
Trust Funds		23,711
Customer Deposits		22,224
		<u>10,143</u>
Total Accounts Payable & Accrued Expense		764,597

DEFERRED INCOME

Deferred Readiness-To-Serve (WSC)	38,025
Deferred Water Sales	858
Deferred Tax Levies - Current Year	40,650
PERS Employer's Credits	15,128
Deferred Interest	0
Deferred Water Bank Sales	<u>0</u>
Total Deferred Income	94,661

LONG TERM OBLIGATIONS

Bonds & Notes Payable:	
1966/69 G.O. Bonds	396,065
* G.O. Refunding Bonds.	181,435
Revenue Bonds	1,745,280
* Revenue Refunding Bonds	582,955
Crossover Refunding Bonds	<u>138,085</u>
Total Bonds & Notes Payable	3,043,820
Other Long Term Obligations:	
Due to MWDOC - Allen-McColloch Pipeline	31,826
Unamortized Bond Premium	2,261
Unamortized Bond Discount	(61,177)
Employees' Deferred Compensation Payable	35,302
Obligation for Off-Aqueduct Power Facilities	126,760
Interest to Be Rebated to IRS	737
Obligation for Iron Mountain Landfill Closure	<u>1,945</u>
Total Other Long Term Obligations	137,653

EQUITY

Contributions	35,880
Annexation Commitments	375,154
Other Retained Earnings	3,217,455
Estimated Income	<u>194,335</u>
Total Equity	3,822,825
TOTAL LIABILITIES AND EQUITY	\$ 7,863,555

* Net of Deferred Loss on Early Retirement of Debt. \$ 2,540 & \$ 19,730 respectively.

Note: Due to rounding, detail and subtotals may not foot or crossfoot to subtotals and total.

STATEMENT OF OPERATIONS

FISCAL YEAR THROUGH DECEMBER 31, 1997
(\$, Acre Feet and kWh in Thousands)

GROSS OPERATING INCOME

Water Sales:	Acre Feet		
Treated	655	\$ 273,097	
Untreated	291	94,256	
Reclaimed Water	35	8,307	
	<u>980</u>	<u>375,660</u>	
Readiness-To-Serve (WSC)		38,025	
Connection Maintenance Charge		1,467	
Power Recoveries (147,242 kWh)		6,766	
Business Development		75	\$ 421,993

OPERATION AND MAINTENANCE

Operations		101,312	
Power and Water Costs		105,285	
Business Development		126	<u>206,723</u>
Operating Income before Amort. & Depr.			215,270
Amort. of Participation Rights		37,349	
Depreciation, Plant		<u>22,043</u>	<u>59,392</u>
Operating Income			155,878

OTHER INCOME

Net Tax Revenues		40,026	
Interest Earned on Investments		35,150	
Current Interest Levies - Annexation Commitments		577	
Property Rentals		342	
Gain on Land Sales		7	
Earnings on Escrow Accounts		-	
Sundry Revenues		<u>201</u>	<u>76,303</u>

INTEREST AND OTHER EXPENSE

Bond Interest Expense		41,769	
Adjustment for OAPF obligation		-	
Arbitrage Rebate Tax		-	
Sundry Expense		<u>11</u>	<u>41,781</u>

Income before Annex Inc. & Prior Years' Adjust 190,400

ANNEXATION INCOME

Levies for Uncapitalized Annexation - Principal		1	
New Annexations - Principal		<u>31</u>	<u>32</u>

ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS 3,903

MEMBER AGENCY DISTRIBUTIONS -

NET INCOME \$ 194,335

RETAINED EARNINGS AT START OF YEAR \$ 3,592,609
RETAINED EARNINGS TO DATE \$ 3,786,945

Note: Due to rounding, detail and subtotals may not foot or crossfoot to subtotals and total.

STATEMENT OF OPERATIONS

FISCAL YEAR THROUGH DECEMBER 31, 1996
(\$, Acre Feet and kWh in Thousands)

GROSS OPERATING INCOME			
Water Sales:	Acre Feet		
Treated	671	\$ 274,587	
Untreated	227	72,808	
Reclaimed Water	31	7,613	
	<u>929</u>	<u>355,008</u>	
Readiness-To-Serve (WSC)		27,598	
Connection Maintenance Charge		1,421	
Power Recoveries (179,602 kWh)		<u>7,884</u>	\$ 391,912
OPERATION AND MAINTENANCE			
Operations		98,510	
Power and Water Costs		<u>81,427</u>	<u>179,937</u>
Operating Income before Amort. & Depr.			211,975
Amort. of Participation Rights		40,908	
Depreciation, Plant		<u>15,889</u>	<u>56,797</u>
Operating Income			155,178
OTHER INCOME			
Net Tax Revenues		38,886	
Interest Earned on Investments		33,030	
Current Interest Levies - Annexation Commitments		652	
Property Rentals		299	
Gain on Land Sales		8,390	
Earnings on Escrow Accounts		-	
Sundry Revenues		<u>241</u>	<u>81,498</u>
INTEREST AND OTHER EXPENSE			
Bond Interest Expense		28,380	
Adjustment for OAPF obligation		-	
Arbitrage Rebate Tax		-	
Sundry Expense		<u>328</u>	<u>28,708</u>
Income before Annex Inc. & Prior Years' Adjust			207,968
ANNEXATION INCOME			
Levies for Uncapitalized Annexation - Principal		1	
New Annexations - Principal		<u>1,369</u>	<u>1,371</u>
ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS			<u>7,432</u>
NET INCOME			<u>\$ 216,771</u>
RETAINED EARNINGS AT START OF YEAR			\$ 3,327,507
RETAINED EARNINGS TO DATE			\$ 3,544,278

Note: Due to rounding, detail and subtotals may not foot or crossfoot to subtotals and total.

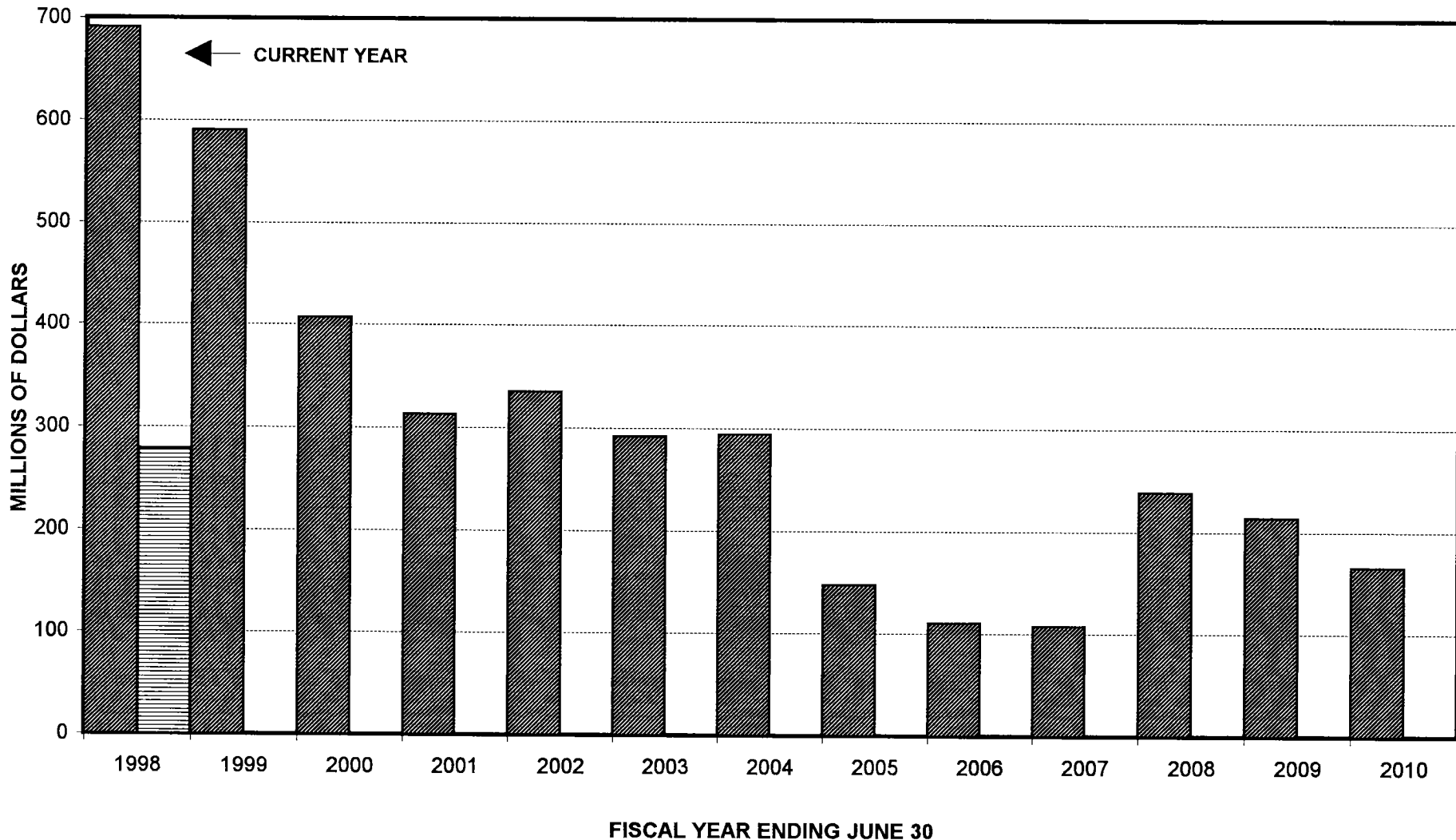
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

PROJECTED AND ACTUAL CONSTRUCTION COSTS

(BASED ON FINAL 1997 - 1998 BUDGET FORECAST)

DECEMBER 1997

■ PROJECTED COSTS THROUGH 2010 ESCALATED AT 5%: TOTAL PROGRAM	\$3,906.6
□ EXPENDITURES TO DATE (F/Y 1997-98)	278.7
APPROPRIATIONS APPROVED TO DATE (F/Y 1997-98)	177.0

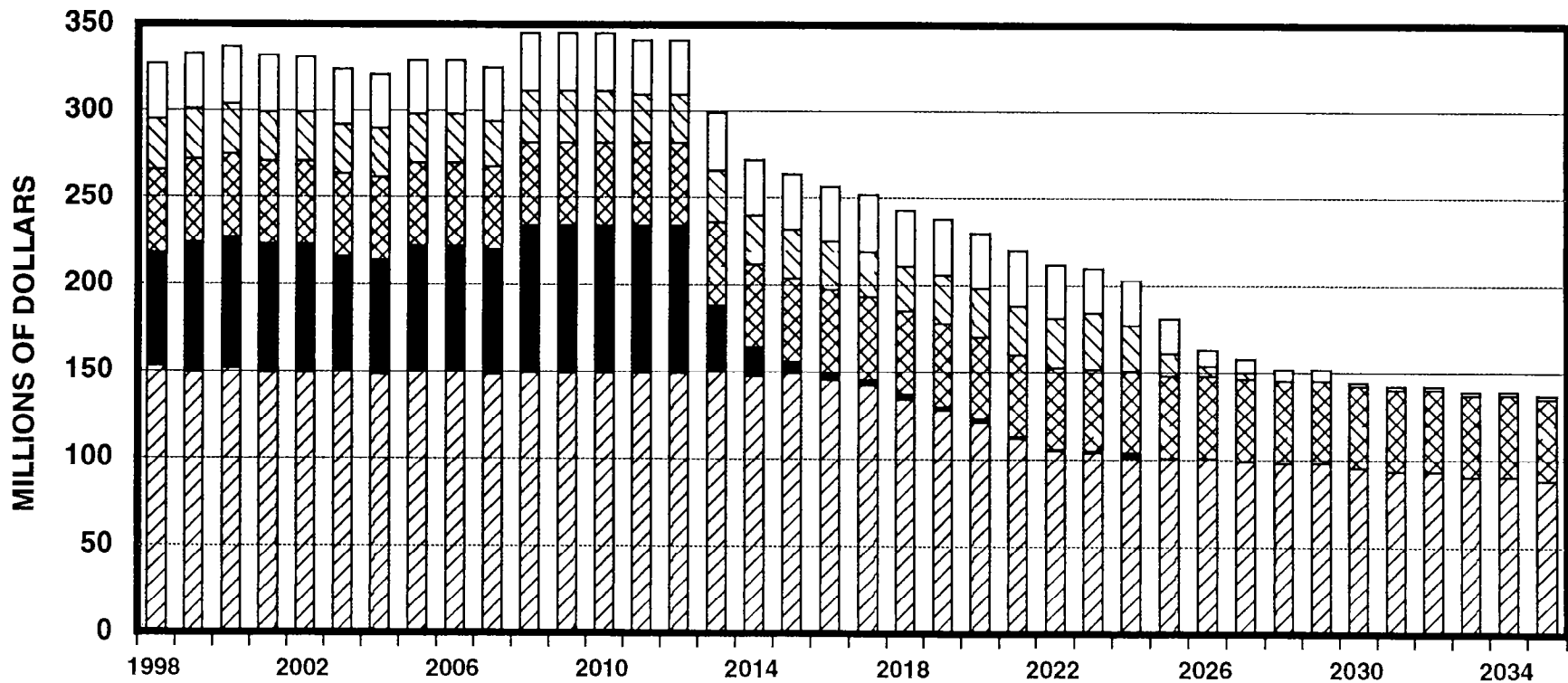


THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

PROJECTED FIXED SWC CHARGES THROUGH 2035

☐	TRANSPORTATION	\$ 4,827
■	OFF-AQUEDUCT	1,218
☒	STORAGE & CONSERVATION	1,808
▨	REVENUE BOND SURCHARGE	786
□	EAST BRANCH ENLARGEMENT	915
TOTAL		\$ 9,702

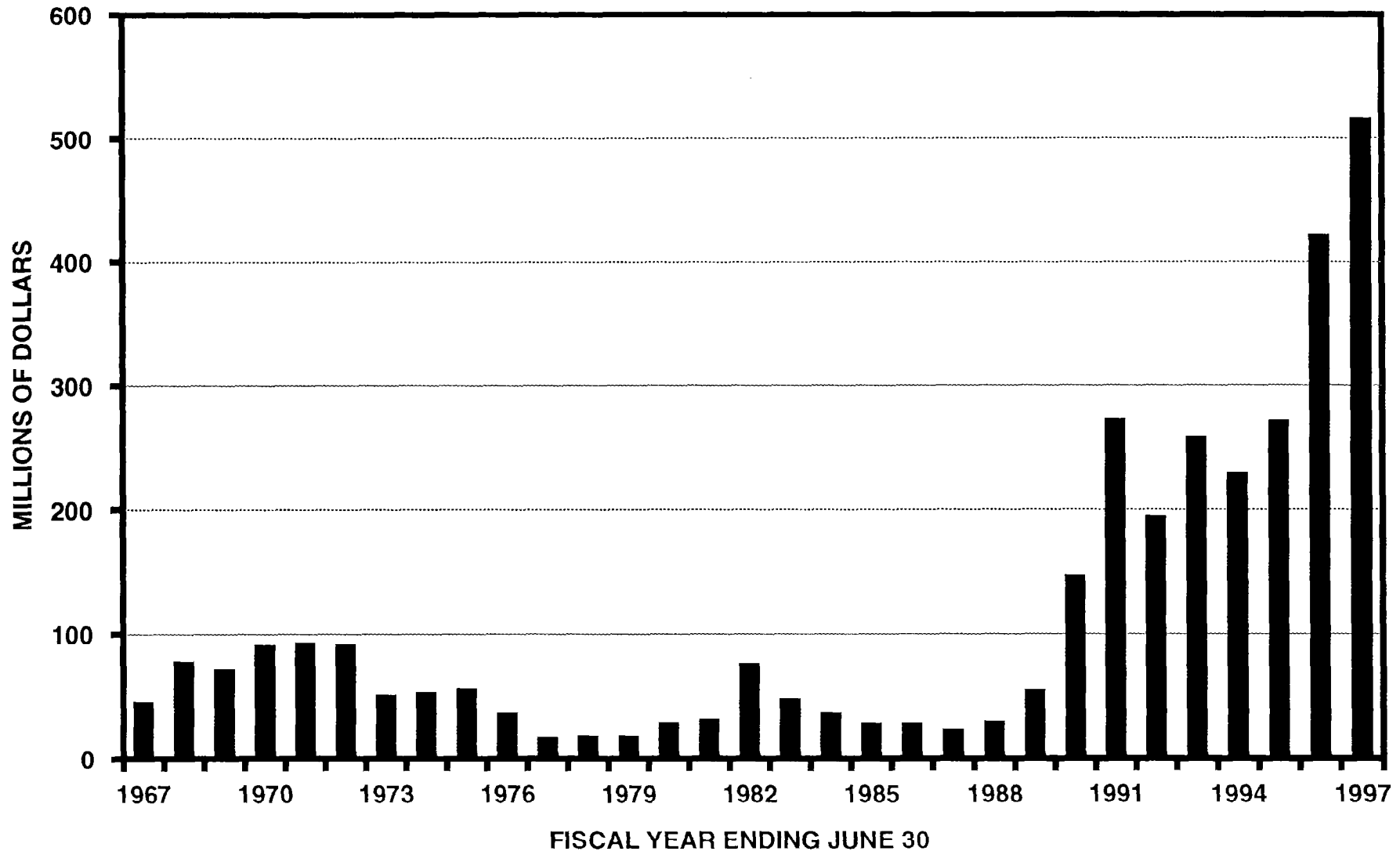
* FROM ATTACHMENT 3, DEPARTMENT OF WATER RESOURCES INVOICE DATED JULY 1, 1997. ALL AMOUNTS IN 1997 DOLLARS. AMOUNT CHARGES ARE BASED ON ORIGINAL ENTITLEMENT OF 2,011,500 AF FOR 1998 - 2035.



THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
HISTORICAL CONSTRUCTION EXPENDITURES

from 7-1-66 through 6-30-97

■ EXPENDITURES THROUGH 6-30-97 \$ 3.43 BILLION





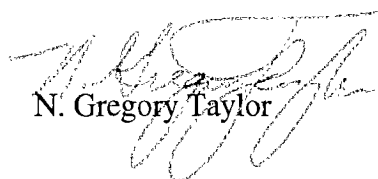
MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

January 13, 1998

To: Board of Directors
General Counsel
From: **Review as to Eligibility of Securities Invested in by the Treasurer**
Subject: **for the Month of December 1997**

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 December 1997 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:mg
#8350

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

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

January 9, 1998

To: General Manager

From: Treasurer

Subject: Treasurer's Monthly Report - December 1997

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 June 10, 1997.

Interest Earnings

<u>Portfolio</u>	<u>1 Year</u>	<u>Month</u>	<u>Fiscal Year</u>	<u>Weighted Average</u>
<u>Yield</u>	<u>Treasury Bill</u>		<u>to Date</u>	<u>Days to Maturity</u>
6.23%	5.48%	\$7,472,000	\$32,660,000	371
		<u>Book Value</u>	<u>Market Value</u>	<u>Excess of</u>
Operating Funds		\$ 377,629,000		<u>Market Over Cost</u>
State Water Contract Fund		63,498,000		
Debt Service Funds		128,613,000		
Rate Stabilization Funds		200,233,000		
Total		\$ 769,973,000	\$ 772,902,000	
Construction and Trust Funds		\$ 822,064,000	\$ 827,098,000	
		\$1,592,037,000	\$1,600,000,000	\$7,963,000


 Roger N. Marumoto

RNM

Attachments

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Summary Report of Investment Activity & Status of Cash for the Month Ending December 31, 1997

(Shown at Book Value and \$ in Thousands)

SECURITIES:	BALANCE	PURCHASES	SALES	MATURITIES	BALANCE	% of Portfolio	
						ACT.	CODE
U. S. TREASURY	\$145,651	\$38			\$145,689	9.2	100
U.S. GUARANTEES-GNMA'S	\$10,352			\$78	\$10,274	0.6	100
FEDERAL AGENCIES	\$79,350	\$16,886		\$10,205	\$86,031	5.4	50
REPURCHASE AGREEMENTS	\$160,000	\$1,750,871		\$1,860,871	\$50,000	3.1	50
BANKERS' ACCEPTANCES	\$111,665	\$272,155		\$95,701	\$288,119	18.1	40
COMMERCIAL PAPER	\$205,138	\$1,736,790		\$1,574,289	\$367,639	23.1	30
NEGOTIABLE CERTIFICATES OF DEPOSIT	\$140,848	\$365,799		\$94,974	\$411,673	25.9	30
TIME DEPOSITS	\$0	\$1,799			\$1,799	0.1	
SHARES OF BENEFICIAL INTEREST	\$0				\$0	0.0	15
LOCAL AGENCY INVESTMENT FUND - CALIFORNIA	\$20,000				\$20,000	1.3	
MEDIUM TERM NOTES	\$64,639	\$154,448		\$58,753	\$160,334	10.1	20
ASSET-BACKED SECURITIES	\$37,789	\$12,529		\$1,330	\$48,988	3.1	10
MUNICIPAL BONDS	\$1,497			\$6	\$1,491	0.1	
SUBTOTAL	\$976,929	\$4,311,315	\$0	\$3,696,207	\$1,592,037	100.0	
CASH:							
DEMAND ACCOUNTS	\$4,465		\$4,046		\$419		
PETTY CASH	\$10				\$10		(A)
LESS OVERNIGHT INVEST.	(\$10,000)	\$10,000			\$0		(B)
SUBTOTAL	(\$5,525)	\$10,000	\$4,046	\$0	\$429		
TOTAL	\$971,404	\$4,321,315	\$4,046	\$3,696,207	\$1,592,466		

A) Petty Cash, \$10,000

B) Includes investment of outstanding checks.

Note: Sales and Purchases may contain internal transfers.

Note: Excludes \$138,202,302 in cash and securities held in escrow for the District's crossover refunding bonds.

METROPOLITAN'S PORTFOLIO YIELD vs. MARKET YIELDS

