

May 21, 1999

To: Board of Directors (Budget and Finance Committee--Information)

From: General Manager _____

Submitted by: Lambertus H. Becker
Chief Financial Officer _____

Subject: April 1999 Executive Financial Summary

RECOMMENDATION

For information only.

REPORTS

Cash Basis Information:

Financial Board Charts

Budget v. Cost

Receipts, Disbursements, and Balances by Fund Type

Accrual Basis Statements:

Balance Sheet

Statement of Operations

Supplementary Information:

Projected and Actual Construction Costs

Projected Fixed SWC Charges through 2035

Historical Construction Expenditures

Treasurer's Report

Eligibility of Securities

Transmittal Letter

Summary of Investment Activity and Status of Cash

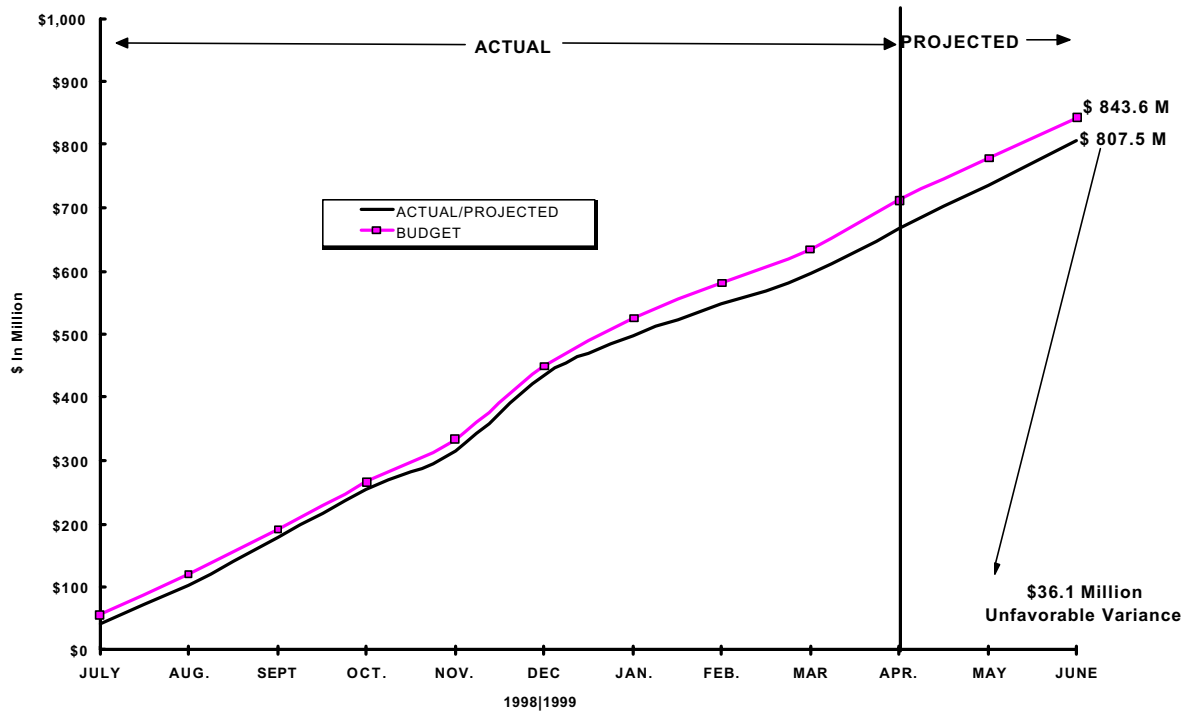
Yield Comparisons

DIF/RHY

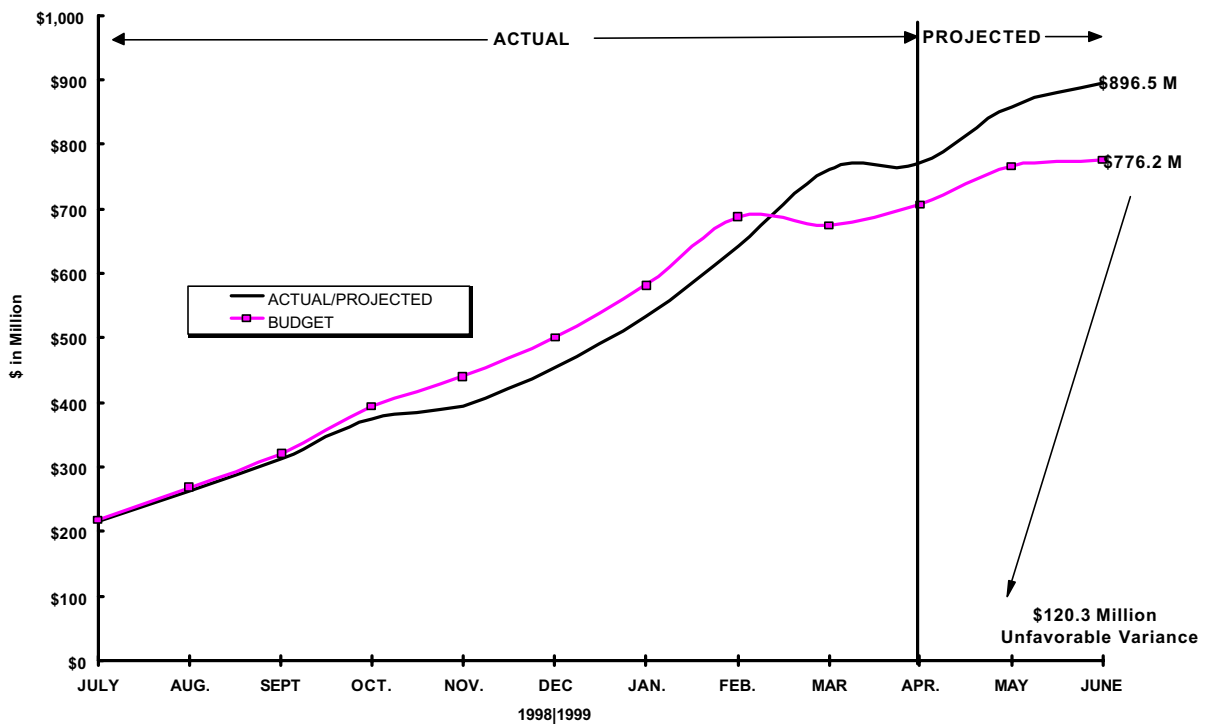
Attachment 10-4A

FINANCIAL BOARD CHARTS

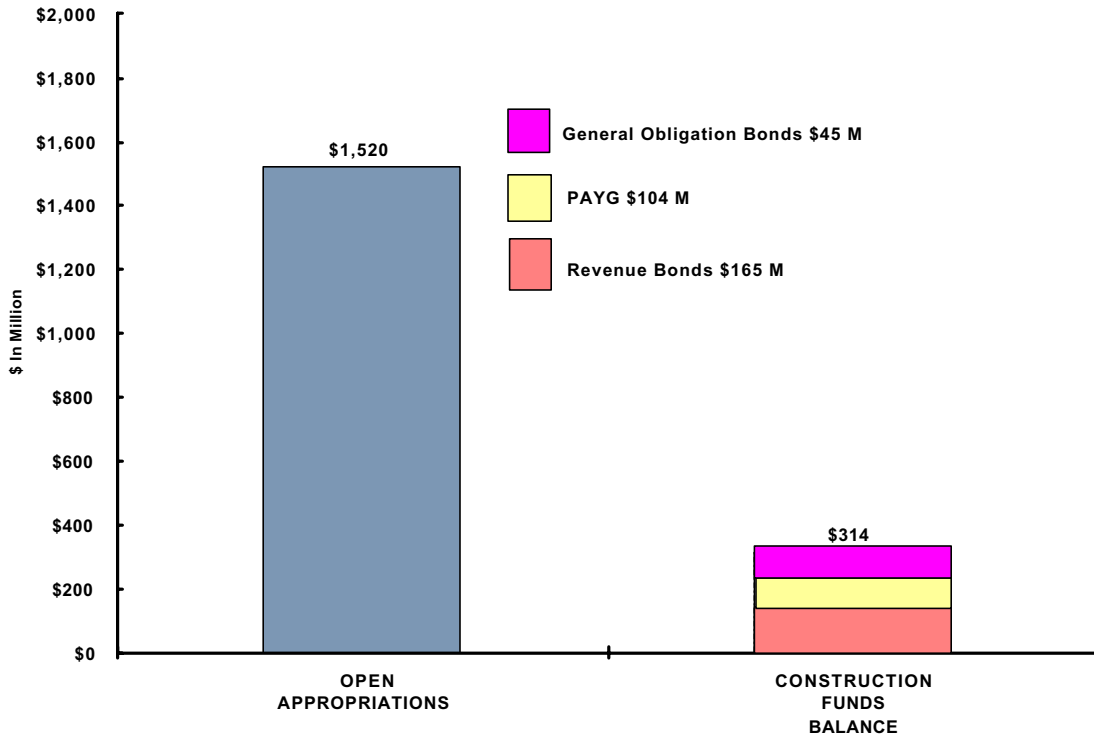
Receipt Comparisons
Budget VS Actual
Fiscal Year 1998-1999



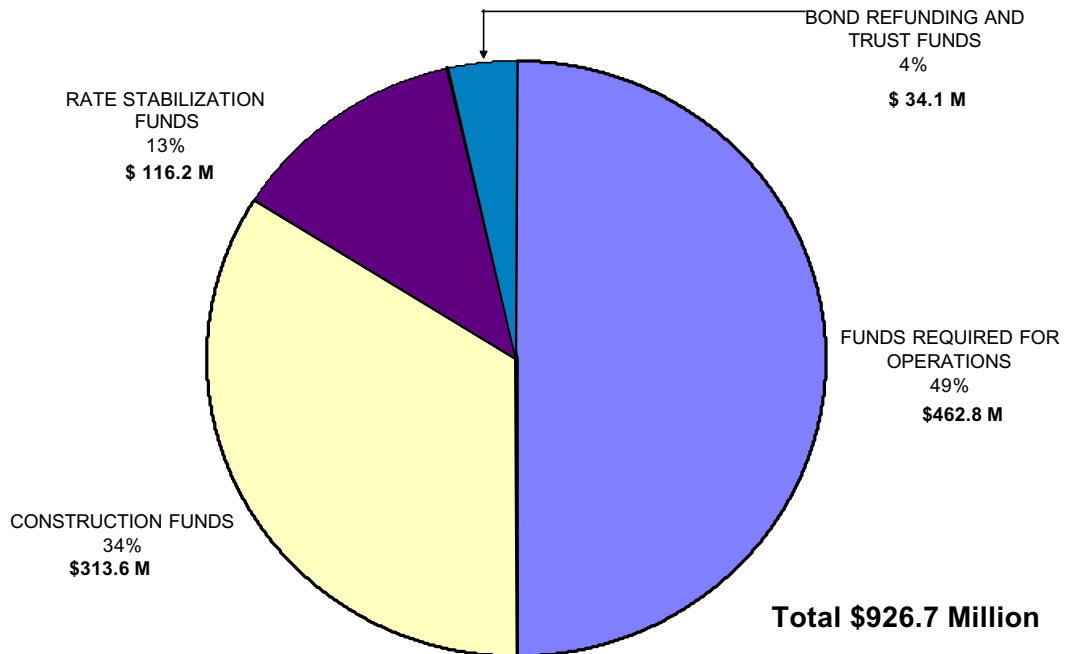
Expenditure Comparisons
Budget VS Actual
Fiscal Year 1998-1999



**Appropriations Approved To Date
And Construction Funds Balance
As of April 30, 1999**



**Cash and Investments
As of April 30, 1999**



BUDGET VS. COST REPORT
July 1, 1998 to April 30, 1999
CASH BASIS
(\$ in Thousands)

<u>FISCAL YEAR 1998-99</u>	ANNUAL BUDGET	BUDGET THROUGH April 1999	ACTUAL THROUGH April 1999	VARIANCE		(5) X- REF.
				DOLLARS	PERCENT	
SOURCES OF FUNDS						
RECEIPTS						
WATER SALES	\$ 614,506	\$ 520,349	\$ 477,913	\$ (42,436)	-8.2%	
TAXES	\$ 85,958	\$ 76,630	\$ 81,453	\$ 4,823	6.3%	
READINESS-TO-SERVE CHARGE (RTS)	\$ 80,000	\$ 61,793	\$ 62,533	\$ 740	1.2%	
INTEREST ON INVESTMENTS (1)	\$ 43,519	\$ 35,670	\$ 31,070	\$ (4,600)	-12.9%	
POWER RECOVERY AND MISCELLANEOUS	\$ 16,345	\$ 14,232	\$ 12,469	\$ (1,763)	-12.4%	
BUSINESS DEVELOPMENT	\$ 3,300	\$ 2,631	\$ 460	\$ (2,171)	-82.5%	
TOTAL RECEIPTS	\$ 843,628	\$ 711,303	\$ 665,898	\$ (45,405)	-6.4%	
PROJ. USE OF PRIOR YEAR PAYG FUNDS	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	-	
PROJ. USE OF DEBT PROCEEDS FOR CONSTRUCTION	\$ 450,600	\$ 378,452	\$ 456,421	\$ 77,968	20.6%	
TOTAL SOURCES OF FUNDS	\$ 1,309,228	\$ 1,104,756	\$ 1,137,319	\$ 32,563	2.9%	
USES OF FUNDS						
EXPENDITURES						
STATE WATER CONTRACT	\$ 240,255	\$ 274,781	\$ 249,192	\$ 25,589	9.3%	
WATER TRANSFERS \ OPTIONS	\$ 5,100	\$ 5,100	\$ 7,761	\$ (2,661)	-52.2%	
COLORADO RIVER SUPPLIES	\$ 35,650	\$ 21,489	\$ 19,956	\$ 1,533	7.1%	
DEBT SERVICE	\$ 245,050	\$ 227,840	\$ 225,284	\$ 2,556	1.1%	
PAYG CONSTRUCTION FROM CURRENT YEAR RECEIPTS	\$ 90,000	\$ 73,188	\$ 34,408	\$ 38,780	53.0%	
UNION STATION HEADQUARTERS & OTHER (2)	\$ 22,422	\$ 18,685	\$ 21,853	\$ (3,168)	-17.0%	
REIMBURSEMENT FROM MWDAFC	\$ (129,000)	\$ (129,000)	\$ -	\$ (129,000)	100.0%	
MWD O&M	\$ 223,252	\$ 177,962	\$ 181,249	\$ (3,287)	-1.8%	
OPERATING EQUIPMENT	\$ 9,211	\$ 7,676	\$ 6,409	\$ 1,267	16.6%	
LOCAL RESOURCES PROGRAM - NET	\$ 19,260	\$ 15,353	\$ 9,230	\$ 6,123	39.9%	
SUBTOTAL	\$ 761,200	\$ 693,073	\$ 755,342	\$ (62,269)	-8.9%	
PAYG CONSTRUCTION FUNDED FROM PAYG RESERVES	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	-	
DEBT-FINANCED CONSTRUCTION EXPENDITURES	\$ 450,600	\$ 378,452	\$ 456,421	\$ (77,968)	-20.6%	
TOTAL EXPENDITURES	\$ 1,226,800	\$ 1,086,526	\$ 1,226,763	\$ (140,237)	-12.9%	
WATER TRANSFER DEPOSITS (3)	\$ 18,900	\$ -	\$ -	\$ -	-	
ADJUSTMENTS IN RESERVES (4)	\$ 4,395	\$ -	\$ -	\$ -	-	
INCREASE IN RATE STABILIZATION FUNDS (4)	\$ 59,133	\$ -	\$ -	\$ -	-	
TOTAL USE OF FUNDS	\$ 1,309,228	\$ 1,086,526	\$ 1,226,763	\$ (140,237)	-12.9%	
Net Sources / (Uses) of Funds	\$ -	\$ 18,230	\$ (89,444)	\$ (107,674)	-	

STATEMENT OF RECEIPTS, DISBURSEMENTS AND BALANCES
JULY 1, 1998 THROUGH APRIL 30, 1999
 (\$ in Thousands)

	TOTAL ALL FUNDS	OPERATING FUNDS	STATE CONTRACT FUNDS	DEBT SERVICE FUNDS	STABILIZATION FUNDS	PAY-AS-YOU GO FUND
CASH AND INVESTMENT						
BALANCES - START OF PERIOD	\$ 1,561,943	\$ 318,193	\$ 68,988	\$ 160,008	\$ 111,157	\$ 141,186
RECEIPTS						
Net Tax Collections	81,453	0	32,619	48,834	0	0
Water Sales	494,974	494,974	0	0	0	0
Wheeling	410	410	0	0	0	0
Readiness-To-Serve (WSC)	62,533	62,533	0	0	0	0
Power Recoveries	8,948	8,948	0	0	0	0
Interest on Investments	69,732	14,094	1,402	3,972	5,128	6,535
Debt Proceeds	259,382	0	0	741	0	0
Reimbursements	11,055	4,756	0	0	0	5,954
Other Collections	3,571	3,571	0	0	0	0
TOTAL RECEIPTS	992,059	589,286	34,021	53,547	5,128	12,489
INTER-FUND TRANSACTIONS						
Inter-Fund Transfers	0	(226,947)	84,700	135,182	0	5,000
TOTAL INTER-FUND TRANSACTIONS	0	(226,947)	84,700	135,182	0	5,000
DISBURSEMENTS - NET						
Operations & Maintenance	213,223	213,223	0	0	0	0
Operating Equipment	6,617	6,617	0	0	0	0
Operating Supplies Inventory	(2,138)	(2,138)	0	0	0	0
Undistributed Payroll (Net)	763	763	0	0	0	0
Construction	547,122	34,995	0	0	0	55,362
DWR - Capital Payments	145,399	0	145,399	0	0	0
DWR - Minimum O&M	90,218	90,218	0	0	0	0
Off Aqueduct Facilities	45,004	22,552	22,452	0	0	0
CRA - Power	17,531	17,531	0	0	0	0
SWC - Variable Power	5,305	5,305	0	0	0	0
SWC - Credit	(30,816)	(3,388)	(27,428)	0	0	0
DWR - Water Bank/Transfer/Options	7,761	7,761	0	0	0	0
To MWDOC - Allen-McColloch Ppl	0	0	0	0	0	0
Debt Service on MWD Bonds	371,407	0	0	0	0	0
Arbitrage Rebate Tax to IRS	589	0	0	225,284	0	0
Net Book Gain/Loss on Investment	59	4	0	2	0	(4)

BALANCE SHEET

BALANCE SHEET AS OF APRIL 30, 1999

ASSETS
(\$ in Thousands)

CASH AND INVESTMENTS	
Operating, Construction and Other	\$ 924,383
Held for Crossover Refunding Bonds	0
Held for Future Desalination Facilities	2,351
Change in Fair Value of Investments	<u>8,072</u>
Total Cash and Investments	934,806
ACCOUNTS RECEIVABLE	
Tax Assessments	11,534
Annexation Charges	13,879
Water Sales	97,883
Readiness-To-Serve (WSC)	18,336
Power Recoveries	1,208
Interest Accrued on Investments	19,469
Notes Receivable	5,121
Sundry	<u>(1,487)</u>
Total Accounts Receivable	165,943
INVENTORIES	
	14,533
OTHER ASSETS	
Deferred Charges	228,258
Feasibility Studies, Reimbursables, etc.	11,684
Construction & Right of Way Deposits	<u>3,114</u>
Total Other Assets	243,057
PROPERTY, PLANT AND EQUIPMENT	
Land, Easements & Right of Way	441,747
Completed Features	2,129,065
Work in Progress	2,796,734
Less: Allowance for Depreciation	<u>(595,392)</u>
Total Comp. Features & WIP Net of Allow. for Depr.	4,330,407
Preoperating Costs - Capitalized	44,595
Less: Portion Amortized	<u>(21,644)</u>
Total Preoperating Costs Net of Amortization	22,951
Participation Rights - State Fac.	3,013,584
Less: Portion Amortized	<u>(1,541,454)</u>
Total State Fac. Partic. Rts Net of Amort.	1,472,129
Participation Rights - Other Fac.	200,288
Less: Portion Amortized	<u>(17,877)</u>
Total Other Fac. Partic. Rts. Net of Amort.	182,410
Major Operating Equipment	91,895
Less: Allowance for Depreciation	<u>(69,826)</u>
Total Major Operating Equipment Net of Depr.	22,069
TOTAL ASSETS	<u>\$ 7,830,052</u>

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

BALANCE SHEET AS OF APRIL 30, 1999

LIABILITIES AND EQUITY
(\$ in Thousands)

ACCOUNTS PAYABLE & ACCRUED EXPENSE	
Commercial Paper Notes	\$ 300,000
Matured Bonds & Coupon not Presented for Payments	5,937
Bond Int. Accrued but not Due	42,494
Accrued Prem. on Called Bonds	<u>(65)</u>
Total Bonds	48,366
Participation Rights - State Facilities	101,341
State Variable and Minimum OMP&R	119,153
Services, Material, etc.	20,527
Compensated Absences	25,142
Trust Funds	22,557
Customer Deposits	<u>3,548</u>
Total Accounts Payable & Accrued Expense	640,635
DEFERRED INCOME	
Deferred Readiness-To-Serve (WSC)	13,333
Deferred Water Sales	858
Deferred Tax Levies - Current Year	14,550
PERS Employer's Credits	7,065
Deferred Interest	-
Deferred Water Bank Sales	<u>-</u>
Total Deferred Income	35,806
LONG TERM OBLIGATIONS	
Bonds & Notes Payable:	
1966/69 G.O. Bonds	221,340
* G.O. Refunding Bonds	350,316
Revenue Bonds	1,675,870
* Revenue Refunding Bonds	711,964
Crossover Refunding Bonds	<u>0</u>
Total Bonds & Notes Payable	2,959,490
Other Long Term Obligations:	
Due to MWDOC - Allen-McColloch Pipeline	29,011
Unamortized Bond Premium	6,721
Unamortized Bond Discount	(57,991)
Employees' Deferred Compensation Payable	42,843
Obligation for Off-Aqueduct Power Facilities	117,969
Interest to Be Rebated to IRS	148
Obligation for Iron Mountain Landfill Closure	<u>1,327</u>
Total Other Long Term Obligations	140,028
EQUITY	
Contributions	37,288
Annexation Commitments	376,576
Other Retained Earnings	3,455,935
Estimated Income	<u>184,294</u>
Total Equity	4,054,093
TOTAL LIABILITIES AND EQUITY	<u>\$ 7,830,052</u>

* Net of Deferred Loss on Early Retirement of Debt. \$ 6,379 & \$29,691 respectively.

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

STATEMENT OF OPERATIONS**STATEMENT OF OPERATIONS****FISCAL YEAR THROUGH APRIL 30, 1999****(\$, Acre Feet and kWh in Thousands)**

GROSS OPERATING INCOME			
Water Sales:	Acre Feet		
Treated	938	\$ 388,880	
Untreated	322	106,271	
Wheeling	1	410	
Reclaimed Water	<u>55</u>	<u>13,209</u>	
	1,317	508,770	
Readiness-To-Serve (WSC)		66,667	
Connection Maintenance Charge		2,446	
Power Recoveries (206,262 kWh)		9,024	
Business Development		<u>459</u>	\$ 587,366
OPERATION AND MAINTENANCE			
Operations		172,268	
Power and Water Costs		173,981	
Business Development		<u>479</u>	<u>346,728</u>
Operating Income before Amort. & Depr.			240,638
Amort. of Participation Rights		63,358	
Depreciation, Plant		<u>39,560</u>	<u>102,918</u>
Operating Income			137,721
OTHER INCOME			
Net Tax Revenues		71,735	
Interest Earned on Investments		55,789	
Change in Fair Value of Investments		(6,436)	
Current Interest Levies - Annexation Commitments		830	
Property Rentals		564	
Gain on Land Sales		(143)	
Earnings on Escrow Accounts		-	
Sundry Revenues		<u>137</u>	122,476
INTEREST AND OTHER EXPENSE			
Bond Interest Expense		76,408	
Adjustment for OAPF obligation		3,554	
Arbitrage Rebate Tax		-	
Sundry Expense		<u>374</u>	<u>80,336</u>
Income before Annex Inc. & Prior Years' Adjust			179,860
ANNEXATION INCOME			
Levies for Uncapitalized Annexation - Principal		11	
New Annexations - Principal		<u>197</u>	208
ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS			<u>4,226</u>
NET INCOME			<u>\$ 184,294</u>

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

STATEMENT OF OPERATIONS

FISCAL YEAR THROUGH APRIL 30, 1998

(\$, Acre Feet and kWh in Thousands)

GROSS OPERATING INCOME

Water Sales:	Acre Feet		
Treated	900	\$ 372,830	
Untreated	398	123,503	
Reclaimed Water	<u>45</u>	<u>11,415</u>	
	1,343	507,749	
Readiness-To-Serve (WSC)		63,375	
Connection Maintenance Charge		2,446	
Power Recoveries (205,570 kWh)		9,025	
Business Development		<u>93</u>	\$ 582,687

OPERATION AND MAINTENANCE

Operations		176,062	
Power and Water Costs		163,743	
Business Development		<u>150</u>	<u>339,955</u>
Operating Income before Amort. & Depr.			242,732
Amort. of Participation Rights		62,248	
Depreciation, Plant		<u>36,739</u>	<u>98,987</u>
Operating Income			143,745

OTHER INCOME

Net Tax Revenues		66,695	
Interest Earned on Investments		67,214	
Current Interest Levies - Annexation Commitments		962	
Property Rentals		491	
Gain on Land Sales		7	
Earnings on Escrow Accounts		-	
Sundry Revenues		<u>336</u>	<u>135,705</u>

INTEREST AND OTHER EXPENSE

Bond Interest Expense		78,226	
Adjustment for OAPF obligation		-	
Arbitrage Rebate Tax		-	
Sundry Expense		<u>14</u>	<u>78,240</u>

Income before Annex Inc. & Prior Years' Adjust 201,210

ANNEXATION INCOME

Levies for Uncapitalized Annexation - Principal		2	
New Annexations - Principal		<u>180</u>	<u>182</u>

ADJUSTMENTS OF PRIOR YEARS' POWER AND WATER COSTS 15,736NET INCOME \$ 217,128

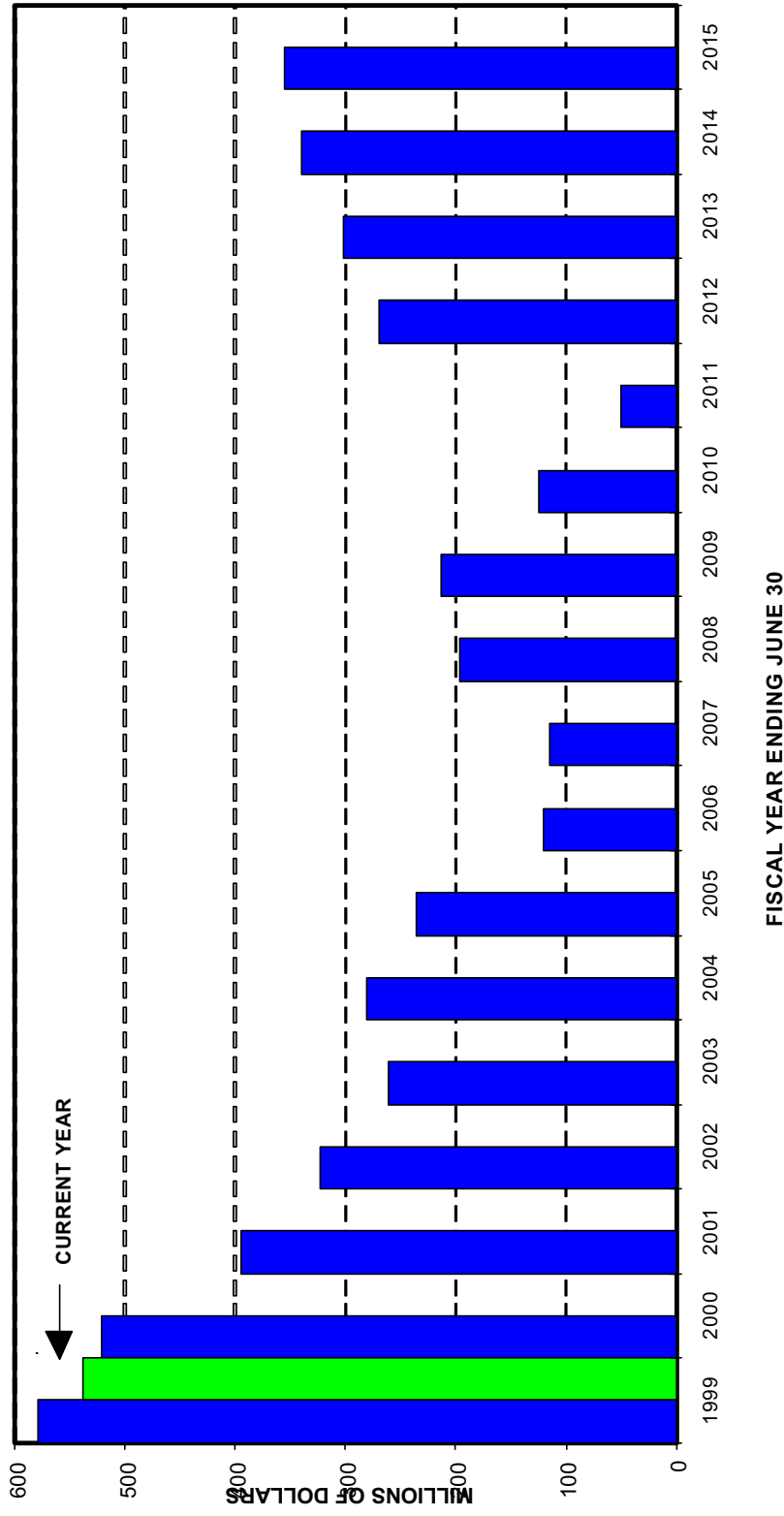
Note: Due to rounding, detail and subtotals may not foot or crossfoot to subtotals and total.

PROJECTED AND ACTUAL CONSTRUCTION COSTS

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

PROJECTED AND ACTUAL CONSTRUCTION COSTS
 (BASED ON FINAL 1998 - 1999 BUDGET FORECAST)
 APRIL 1999






■ PROJECTED COSTS THROUGH 2015 ESCALATED AT 5% FOR THOSE PROJECTS FOR WHICH FORMAL CONSTRUCTION CONTRACTS HAVE NOT BEEN AWARDED: TOTAL PROGRAM \$ 4,680.3
■ EXPENDITURES TO DATE (F/Y 1998-99) 537.9
 APPROPRIATIONS APPROVED TO DATE (F/Y 1998-99) 91.0



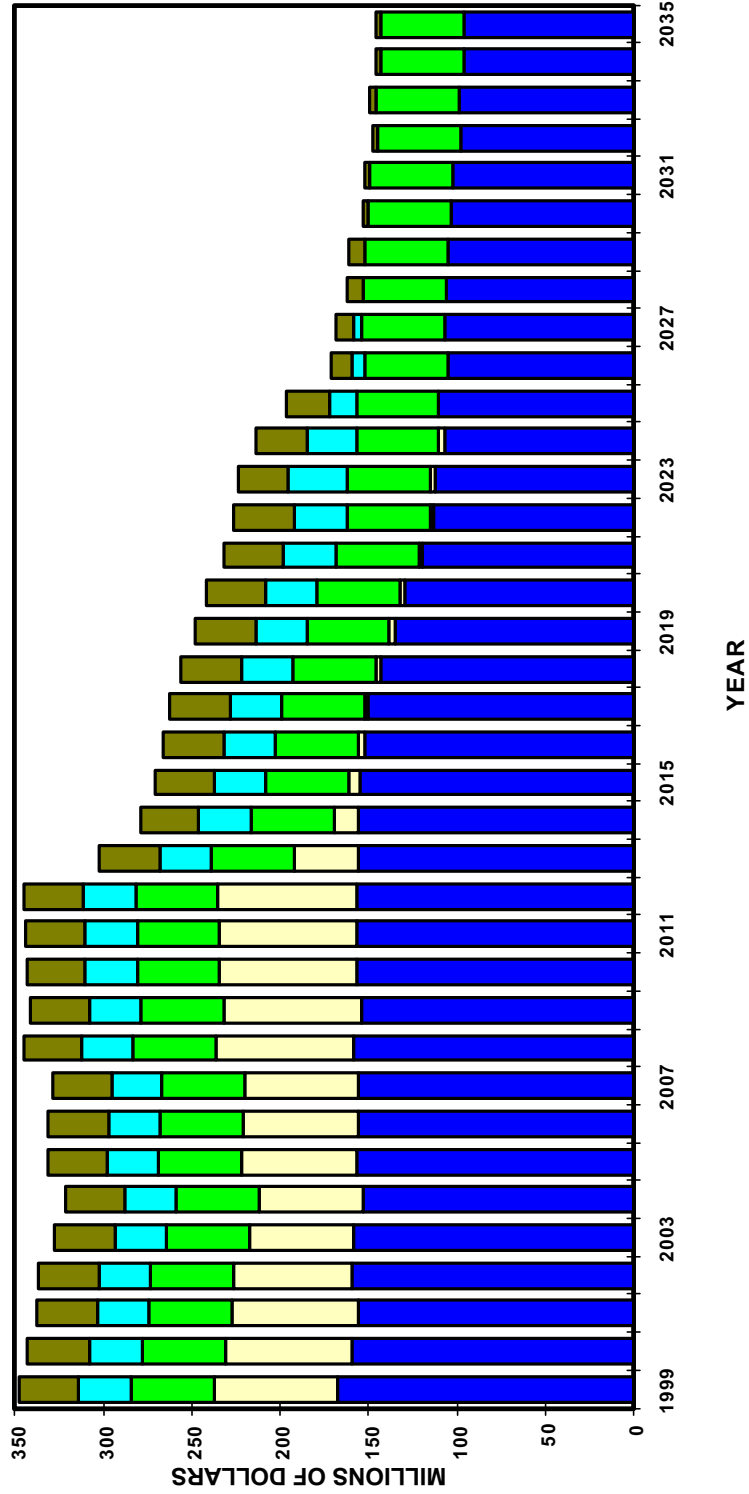
PROJECTED FIXED SWC CHARGES THROUGH 2035

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

PROJECTED FIXED SWC CHARGES THROUGH 2035

	TRANSPORTATION	\$ 4,961	* FROM ATTACHMENT 3, DEPARTMENT
	OFF-AQUEDUCT	1,057	OFF WATER RESOURCES INVOICE DATED
	STORAGE & CONSERVATION	1,755	JULY 1, 1998. ALL AMOUNTS IN 1998
	REVENUE BOND SURCHARGE	791	DOLLARS. AMOUNT CHARGES ARE
	EAST BRANCH ENLARGEMENT	951	BASED ON ORIGINAL ENTITLEMENT OF

TOTAL \$ 9,515 2,011,500 AF FOR 1999-2035



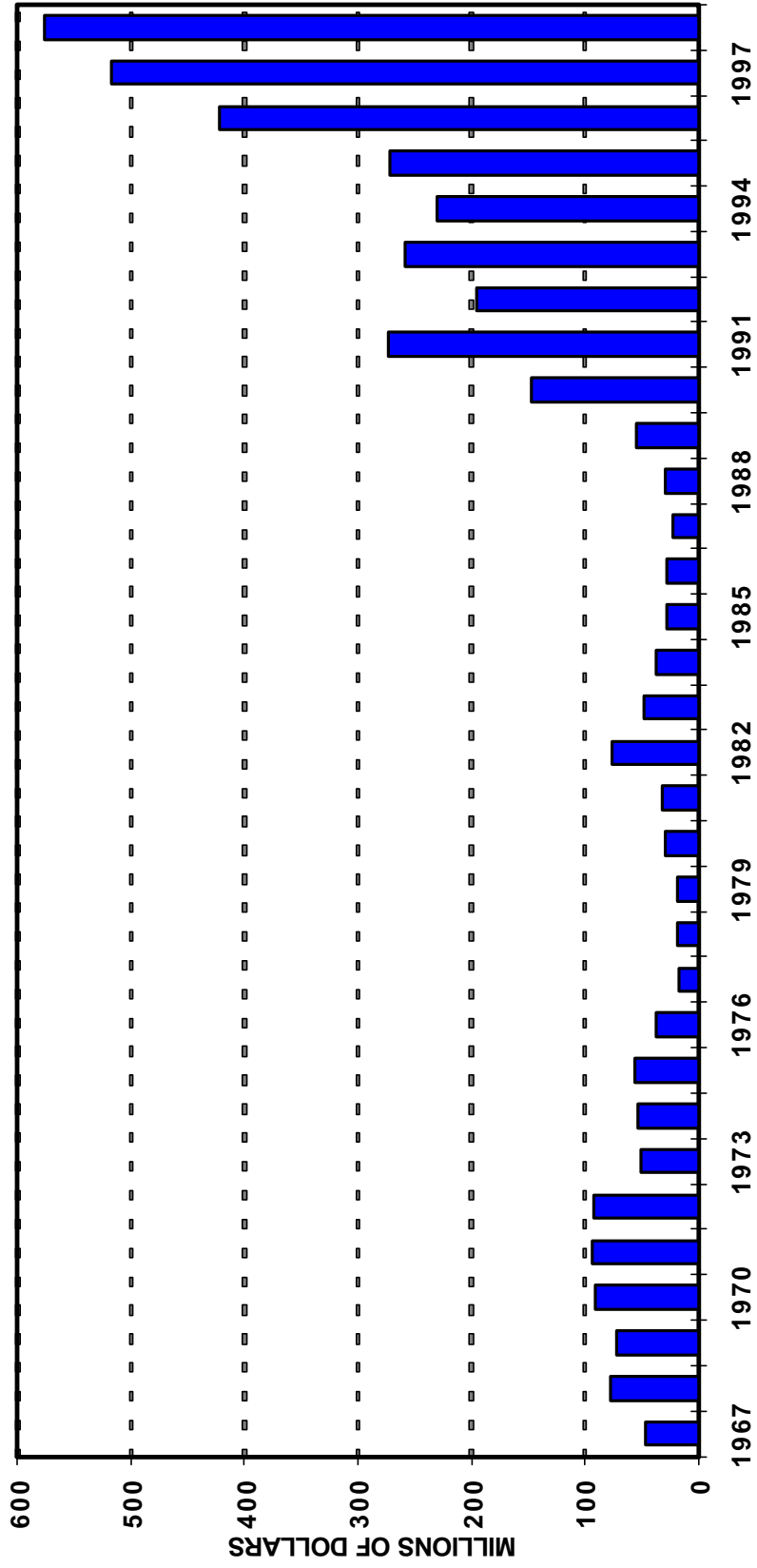
HISTORICAL CONSTRUCTION EXPENDITURES

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

HISTORICAL CONSTRUCTION EXPENDITURES

from 7-1-66 through 6-30-98

EXPENDITURES THROUGH 6-30-98 \$4.00 BILLION



FISCAL YEAR ENDING JUNE 30

ELIGIBILITY OF SECURITIES

Date: May 17, 1999
To: Board of Directors
From: N. Gregory Taylor, General Counsel
Subject: Review as to Eligibility of Securities Invested in by the
Treasurer for the Month of April 1999

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 April 1999 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
#14225

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

TRANSMITTAL LETTER

Date: May 6, 1999
To: Budget and Finance Committee
From: General Manager
Subject: Treasurer's Monthly Report - April, 1999

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 1, 1998.

Interest Earnings

Portfolio	1 Year		Fiscal Year	Weighted Average
<u>Yield</u>	<u>Treasury Bill</u>	<u>Month</u>	<u>to Date</u>	<u>Days to Maturity</u>
5.53%	4.77 %	\$4,146,000	\$52,983,000	450

	<u>Book Value</u>	<u>Market Value</u>	<u>Excess of Market Over Cost</u>
Operating Funds	\$ 299,831,000		
State Water Contract Fund	47,286,000		
Debt Service Funds	123,030,000		
Rate Stabilization Funds	<u>116,285,000</u>		
Total	\$ 586,432,000	\$ 588,208,000	
Construction and Trust Funds	<u>\$ 347,571,000</u>	<u>\$ 353,867,000</u>	
	\$934,003,000	\$942,075,000	\$8,072,000

General Manager

By: Lambertus H. Becker
 Chief Financial Officer

Attachments
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SUMMARY OF INVESTMENT ACTIVITY AND STATUS OF CASH

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Summary Report of Investment Activity & Status of Cash for the Month Ending April 30, 1999

(Shown at Book Value and \$ in Thousands)

SECURITIES:	BALANCE	PURCHASES	SALES	MATURITIES	BALANCE	% of Portfolio ACT. CODE	
U. S. TREASURY	\$96,800			\$4,007	\$92,793	9.9	100
U.S. GUARANTEES-GNMA'S	\$6,872			\$218	\$6,654	0.7	100
FEDERAL AGENCIES	\$75,236	\$18,340		\$15,703	\$77,874	8.3	50
REPURCHASE AGREEMENTS	\$55,000	\$1,101,772		\$1,071,772	\$85,000	9.1	50
BANKERS' ACCEPTANCES	\$5,621	\$25,939		\$6,587	\$24,973	2.7	40
COMMERCIAL PAPER	\$271,655	\$655,357	\$5,923	\$692,656	\$228,433	24.5	30
NEGOTIABLE CERTIFICATES OF DEPOSIT	\$143,948	\$50,493		\$49,514	\$144,927	15.5	30
TIME DEPOSITS	\$1,000				\$1,000	0.1	
SHARES OF BENEFICIAL INTEREST	\$0					0.0	15
LOCAL AGENCY INVESTMENT FUND - CALIFORNIA	\$79,255	\$1,014	\$384		\$79,884	8.6	
MEDIUM TERM NOTES	\$152,329	\$16,361		\$1,646	\$167,044	17.9	20
ASSET-BACKED SECURITIES	\$27,632			\$2,542	\$25,089	2.7	10
MUNICIPAL BONDS	\$331				\$332	0.0	
SUBTOTAL	\$915,679	\$1,869,276	\$6,307	\$1,844,645	\$934,003	100.0	
CASH:							
DEMAND ACCOUNTS	\$1,417			\$484	\$933		
PETTY CASH	\$10				\$10		(A)
LESS OVERNIGHT INVEST.	(\$3,408)	(\$4,804)			(\$8,212)		(B)
SUBTOTAL	(\$1,981)	(\$4,804)	\$0	\$484	(\$7,269)		
TOTAL	\$913,698	\$1,864,472	\$6,307	\$1,845,129	\$926,734		

A) Petty Cash, \$10,000

B) Includes investment of outstanding checks.

Note: Sales and Purchases may contain internal transfers.

YIELD COMPARISONS

