



**MWD**

*METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA*

## **Executive Financial Summary**

**April 2005**

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# The Metropolitan Water District of Southern California

## Statements of Operations - Accrual Basis (Dollars in millions)

	For the Ten Months Ended April 30,		<i>Favorable/ (Unfavorable) Variance</i>
	2005	2004	
<b>Operating Revenues:</b>			
Water Sales	\$ 639.1	\$ 713.3	\$ (74.2)
Wheeling / Exchange	5.6	4.5	1.2
RTS	66.7	66.7	0.0
Capacity Charge	24.8	17.4	7.4
Power Sales	17.3	18.8	(1.5)
Total Operating Revenues	<b>753.5</b>	820.6	(67.1)
<b>Operating Expenses:</b>			
Cost of Water	224.1	212.3	(11.9)
Operations & Maintenance	225.4	213.1	(12.3)
Grant Expense	13.5	-	(13.5)
Water Management Programs, Net	26.2	31.6	5.4
Member Agency Distributions/Refund	-	47.5	47.5
Depreciation & Amortization	174.0	168.3	(5.7)
Total Operating Expenses	<b>663.2</b>	672.7	9.5
<b>Net Operating Income</b>	<b>90.3</b>	147.9	(57.6)
<b>Other Income (Expense):</b>			
Net Taxes/Annexations	79.9	79.0	0.9
Investment Income	36.7	9.2	27.5
Bond Interest Expense	(80.6)	(85.4)	4.8
Other	(2.0)	(1.6)	(0.5)
Total Other Income - Net	<b>33.9</b>	1.3	32.7
<b>Net Income</b>	<b>\$ 124.3</b>	\$ 149.2	\$ (24.9)
<b>Sales Statistics:</b>			
Water Sales (TAF)	1,713.3	1,941.2	(227.9)
Wheeling/Exchange (TAF)	21.6	17.4	4.3
Power Sales (mWh)	348.8	394.6	(45.9)
Average Sales Price			
Water Sales	\$ 373.05	\$ 367.47	\$ 5.59
Wheeling/Exchange	\$ 260.16	\$ 256.54	\$ 3.62
Power Sales	\$ 0.05	\$ 0.05	\$ 0.00
<b>Ratios:</b>			
Operating (Operating Expense* divided by Operating Revenue)	63.1 %	55.7 %	

\* Excludes depreciation/amortization, member agency distribution and grant expense.

Totals may not foot / cross foot due to rounding.

# The Metropolitan Water District of Southern California

## Balance Sheets - Accrual Basis (Dollars in millions)

	2005	April 30, 2004	Increase/ (Decrease)
<b>Assets:</b>			
Cash and investments at book value <sup>(1)</sup>	\$ 1,270.0	\$ 1,055.6	\$ 214.4
Fair Value Adjustment	1.9	(1.1)	3.0
Accounts Receivable	171.3	218.8	(47.5)
Property, Plant and Equipment, net	6,143.9	5,899.5	244.4
Participation Rights, net	1,785.1	1,765.2	19.9
Deferred Charges and Water Rights	226.0	232.0	(6.0)
Other	104.0	88.8	15.2
<b>Total Assets</b>	<b>\$ 9,702.2</b>	<b>\$ 9,258.8</b>	<b>\$ 443.4</b>
<b>Liabilities and Equity:</b>			
Long-Term Debt	\$ 3,756.0	\$ 3,523.6	\$ 232.3
Off-Aqueduct Power Facilities	88.8	93.4	(4.6)
Accounts Payable and Accrued Bond Interest	82.6	75.3	7.3
Deferred Income	52.6	52.4	0.2
State Water Project Obligations	234.8	241.0	(6.1)
Trust Funds and Other	82.6	70.1	12.5
<b>Total Liabilities</b>	<b>4,297.5</b>	<b>4,055.8</b>	<b>241.7</b>
<b>Equity</b>	<b>5,404.7</b>	<b>5,203.1</b>	<b>201.7</b>
<b>Total Liabilities and Equity</b>	<b>\$ 9,702.2</b>	<b>\$ 9,258.8</b>	<b>\$ 443.4</b>

Debt as a percent of equity (Long-Term Debt divided by Equity) 69.5 %      67.7 %

(1) Fair value of cash and investments was \$1,271.9 million and \$1,054.5 million at April 30, 2005 and 2004 respectively.

Certain reclassifications of prior year amounts have been made to conform to current year's presentation.

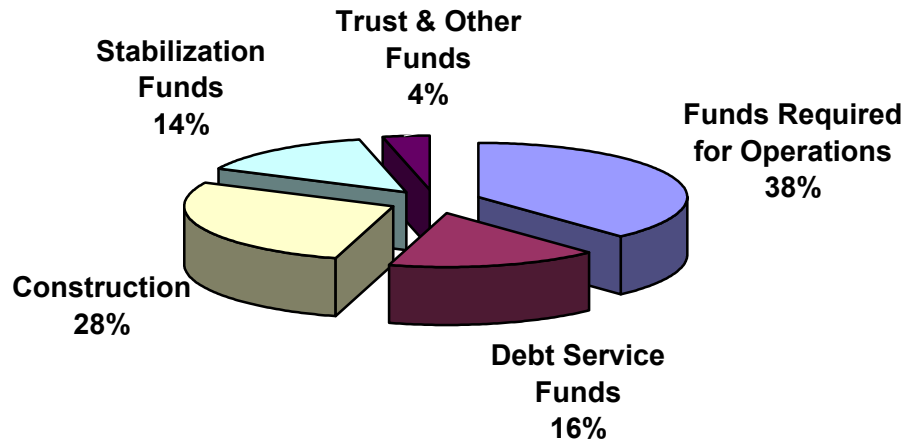
Totals may not foot / cross foot due to rounding.

# The Metropolitan Water District of Southern California

## Cash and Investments at Book Value As of April 30, 2005 (Dollars in millions)

	Restricted		Unrestricted	Total
	Contractual	Board		
Funds Required for Operations	\$118.8	\$182.6	\$180.5	\$481.9
Debt Service Funds	209.0	0.0	0.0	209.0
Construction	245.4	0.0	107.8	353.2
Stabilization Funds	0.0	0.0	180.4	180.4
Trust & Other Funds	20.9	24.6	0.0	45.5
<b>Total</b>	<b>\$594.1</b>	<b>\$207.2</b>	<b>\$468.7</b>	<b>\$1,270.0</b>

Totals may not foot / cross foot due to rounding.



The Metropolitan Water District of Southern California

Estimate vs. Actual: Construction Activities - Accrual Basis  
For the Ten Months Ended April 30, 2005  
(Dollars in millions)

	Estimate to Date		Actual to Date		Variance from Estimate		Fiscal Year	Projected	Variance from Estimate	
	\$	%	\$	%	\$	%	Estimate	Year-End <sup>(1)</sup>	\$	%
<b>Sources of Funds</b>										
Bond Construction Funds	\$ 218.7		\$ 145.7		\$ 73.0	33%	\$ 300.7	\$ 214.5	\$ 86.2	29%
R & R Funds	107.6		71.7		35.9	33%	100.1	84.3	15.8	16%
<b>Total</b>	<b>\$ 326.3</b>		<b>\$ 217.3</b>		<b>\$ 108.9</b>	<b>33%</b>	<b>\$ 400.8</b>	<b>\$ 298.8</b>	<b>\$ 102.0</b>	<b>25%</b>
<b>Program Expenditures</b>										
Inland Feeder	\$ 62.0		\$ 55.3		\$ 6.7	11%	\$ 75.1	\$ 68.1	\$ 7.0	9%
Oxidation Retrofit Programs	62.1		45.7		16.4	26%	74.1	48.1	26.0	35%
Treatment Plant Improvement	36.6		3.2 <sup>(2)</sup>		33.4	91%	43.1	25.1	18.0	42%
Skinner Filtration Plant Expansion No. 4	23.7		21.9		1.8	7%	31.0	20.1	10.9	35%
CRA - Reliability/Containment Programs	20.8		23.4		(2.6)	(12%)	27.1	31.2	(4.1)	(15%)
Diamond Valley Lake Recreation	14.6		8.5		6.1	42%	21.0	20.4	0.6	3%
Diemer - Solids Handling/Water Reclamation	14.1		1.1		12.9	92%	16.6	1.3	15.3	92%
San Diego Pipeline No. 6	10.6		4.2		6.4	60%	15.0	7.1	7.9	53%
Distribution System - Rehabilitation Program	11.6		5.1		6.5	56%	14.2	9.4	4.8	34%
Local Groundwater Storage Agreements	8.3		6.8		1.5	18%	10.7	7.0	3.7	35%
Other	61.9		42.1		19.9	32%	72.9	61.0	11.9	16%
<b>Total</b>	<b>\$ 326.3</b>		<b>\$ 217.3</b>		<b>\$ 108.9</b>	<b>33%</b>	<b>\$ 400.8</b>	<b>\$ 298.8</b>	<b>\$ 102.0</b>	<b>25%</b>

(1) Projected numbers are updated at quarter-end.

(2) Per Board authorization approximately \$6 million was transferred from the Skinner Improvement Program to the Skinner Expansion Program.

Totals may not foot / cross foot due to rounding.



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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Office of the General Counsel

**Date:** May 9, 2005  
**To:** Board of Directors  
**From:** Jeffrey Kightlinger, General Counsel  
**Subject:** Review as to Eligibility of Securities Invested in by the Treasurer for the Month of April 2005

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 2005 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. For purposes of this letter, we have not undertaken to independently verify the accuracy of the information submitted by the Treasurer to this office.

  
Jeffrey Kightlinger

cc: T. E. DeBacker  
R. N. Marumoto  
B. G. Thomas  
D. B. Underwood