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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Executive Financial Summary

May 2005

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The Metropolitan Water District of Southern California

Statements of Operations - Accrual Basis (Dollars in millions)

	For the Eleven Months Ended		<i>Favorable/ (Unfavorable) Variance</i>
	2005	May 31, 2004	
Operating Revenues:			
Water Sales	\$ 698.2	\$ 802.7	\$ (104.5)
Wheeling / Exchange	6.3	4.9	1.4
RTS	73.3	73.3	(0.0)
Capacity Charge	27.4	19.7	7.7
Power Sales	18.8	20.8	(2.0)
Total Operating Revenues	824.1	921.5	(97.4)
Operating Expenses:			
Cost of Water	248.2	238.9	(9.3)
Operations & Maintenance	247.8	234.3	(13.6)
Grant Expense	13.5	-	(13.5)
Water Management Programs, Net	29.0	35.4	6.4
Member Agency Distributions/Refund	-	47.5	47.5
Depreciation & Amortization	191.5	185.2	(6.3)
Total Operating Expenses	730.1	741.2	11.2
Net Operating Income	94.0	180.2	(86.2)
Other Income (Expense):			
Net Taxes/Annexations	87.9	86.9	0.9
Investment Income	42.4	8.5	33.9 ⁽¹⁾
Bond Interest Expense	(90.9)	(92.2)	1.3
Other	(2.8)	(2.0)	(0.8)
Total Other Income - Net	36.6	1.3	35.3
Net Income	\$ 130.6	\$ 181.5	\$ (50.9)
Sales Statistics:			
Water Sales (TAF)	1,859.1	2,184.2	(325.1)
Wheeling/Exchange (TAF)	24.1	19.0	5.1
Power Sales (mWh)	381.7	448.9	(67.2)
Average Sales Price			
Water Sales	\$ 375.57	\$ 367.51	\$ 8.06
Wheeling/Exchange	\$ 259.93	\$ 256.23	\$ 3.70
Power Sales	\$ 0.05	\$ 0.05	\$ 0.00

Ratios:

Operating (Operating Expense* divided by Operating Revenue) 63.7 % 55.2 %

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

(1) Investment income includes fair value adjustments of \$8.2 million and (\$17.2) million for fiscal 2005 and 2004, respectively.

Totals may not foot / cross foot due to rounding.

The Metropolitan Water District of Southern California

Balance Sheets - Accrual Basis (Dollars in millions)

	2005	May 31,	2004	Increase/ (Decrease)
Assets:				
Cash and investments at book value ⁽¹⁾	\$ 1,245.2	\$	1,083.6	\$ 161.6
Fair Value Adjustment	3.6		(3.6)	7.2
Accounts Receivable	185.5		226.8	(41.2)
Property, Plant and Equipment, net	6,173.2		5,918.0	255.2
Participation Rights, net	1,755.4		1,749.9	5.5
Deferred Charges and Water Rights	223.2		215.6	7.6
Other	101.7		91.0	10.7
Total Assets	\$ 9,687.8	\$	9,281.2	\$ 406.6
Liabilities and Equity:				
Long-Term Debt	\$ 3,756.3	\$	3,523.4	\$ 232.9
Off-Aqueduct Power Facilities	88.3		92.9	(4.6)
Accounts Payable and Accrued Bond Interest	101.0		83.4	17.6
Deferred Income	35.3		35.4	(0.1)
State Water Project Obligations	208.7		233.1	(24.4)
Trust Funds and Other	87.1		77.5	9.6
Total Liabilities	4,276.8		4,045.8	231.0
Equity	5,411.0		5,235.4	175.6
Total Liabilities and Equity	\$ 9,687.8	\$	9,281.2	\$ 406.6

Debt as a percent of equity (Long-Term Debt divided by Equity) 69.4 % 67.3 %

(1) Fair value of cash and investments was \$1,248.8 million and \$1,080.0 million at May 31, 2005 and 2004 respectively.

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

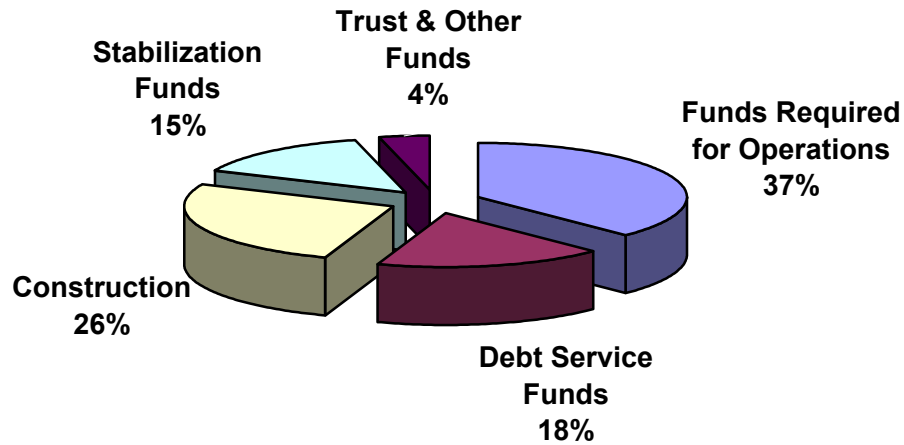
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The Metropolitan Water District of Southern California

Cash and Investments at Book Value As of May 31, 2005 (Dollars in millions)

	Restricted		Unrestricted	Total
	Contractual	Board		
Funds Required for Operations	\$105.8	\$211.5	\$150.4	\$467.7
Debt Service Funds	221.0	0.0	0.0	221.0
Construction	229.2	0.0	98.1	327.3
Stabilization Funds	0.0	0.0	180.7	180.7
Trust & Other Funds	23.8	24.6	0.0	48.4
Total	\$579.8	\$236.1	\$429.3	\$1,245.2

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 Eleven Months Ended May 31, 2005
(Dollars in millions)

	Estimate	Actual	Variance from Estimate		Fiscal Year	Projected	Variance from Estimate		
	to Date	to Date	\$	%	Estimate	Year-End ⁽¹⁾	\$	%	
Sources of Funds									
Bond Construction Funds	\$ 243.7	\$ 164.8	\$ 78.9	32%	\$ 300.7	\$ 214.5	\$ 86.2	29%	
R & R Funds	119.6	80.9	38.7	32%	100.1	84.3	15.8	16%	
Total	\$ 363.3	\$ 245.7	\$ 117.6	32%	\$ 400.8	\$ 298.8	\$ 102.0	25%	
Program Expenditures									
Inland Feeder	\$ 68.5	\$ 60.6	\$ 7.9	12%	\$ 75.1	\$ 68.1	\$ 7.0	9%	
Oxidation Retrofit Programs	68.1	50.3	17.8	26%	74.1	48.1	26.0	35%	
Treatment Plant Improvement	39.9	6.4 ⁽²⁾	33.5	84%	43.1	25.1	18.0	42%	
Skinner Filtration Plant Expansion No. 4	27.3	25.1	2.2	8%	31.0	20.1	10.9	35%	
CRA - Reliability/Containment Programs	24.0	25.5	(1.5)	(6%)	27.1	31.2	(4.1)	(15%)	
Diamond Valley Lake Recreation	17.8	10.2	7.6	43%	21.0	20.4	0.6	3%	
Diemer - Solids Handling/Water Reclamation	15.3	1.1	14.2	93%	16.6	1.3	15.3	92%	
San Diego Pipeline No. 6	12.8	4.9	7.9	62%	15.0	7.1	7.9	53%	
Distribution System - Rehabilitation Program	12.9	5.4	7.6	58%	14.2	9.4	4.8	34%	
Local Groundwater Storage Agreements	9.5	7.5	2.0	21%	10.7	7.0	3.7	35%	
Other	67.1	48.8	18.4	27%	72.9	61.0	11.9	16%	
Total	\$ 363.3	\$ 245.7	\$ 117.6	32%	\$ 400.8	\$ 298.8	\$ 102.0	25%	

(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: June 15, 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 May 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 May 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