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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Executive Financial Summary
January 2006

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The Metropolitan Water District of Southern California

Statements of Operations - Accrual Basis (Dollars in millions)

	For the Seven Months Ended January 31,		<i>Favorable/ (Unfavorable) Variance</i>
	2006	2005	
Operating Revenues:			
Water Sales	\$ 525.7	\$ 510.9	\$ 14.8
Wheeling / Exchange	4.8	3.3	1.5
Readiness-to-Serve	46.7	46.7	0.0
Capacity Charge	18.6	16.8	1.8
Power Sales	17.8	13.7	4.2
Total Operating Revenues	613.6	591.4	22.2
Operating Expenses:			
Cost of Water	178.8	160.2	(18.5)
Operations & Maintenance	169.2	157.7	(11.5)
Grant Expense	-	13.5	13.5
Water Management Programs, Net	21.1	18.9	(2.2)
Depreciation & Amortization	119.0	119.5	0.5
Total Operating Expenses	488.1	469.8	(18.3)
Net Operating Income	125.5	121.6	3.9
Other Income (Expense):			
Net Taxes/Annexations	58.6	56.0	2.6
Investment Income	20.5	25.4	(4.9)
Bond Interest Expense	(56.9)	(53.3)	(3.7)
Other	2.3	(2.1)	4.4
Total Other Income - Net	24.5	26.1	(1.6)
Net Income	\$ 150.0	\$ 147.6	\$ 2.3
Sales Statistics:			
Water Sales (TAF)	1,351.7	1,393.3	(41.6)
Wheeling/Exchange (TAF)	18.5	12.9	5.6
Power Sales (mWh)	310.0	273.6	36.4
Average Sales Price			
Water Sales	\$ 388.95	\$ 366.67	\$ 22.27
Wheeling/Exchange	\$ 258.31	\$ 258.22	\$ 0.08
Power Sales	\$ 0.06	\$ 0.05	\$ 0.01
Ratios:			
Operating (Operating Expense* divided by Operating Revenue)	60.2 %	57.0 %	

* Excludes depreciation/amortization 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)

	2006	January 31, 2005	<i>Increase/ (Decrease)</i>
Assets:			
Cash and investments at book value ⁽¹⁾	\$ 1,174.1	\$ 1,339.4	\$ (165.3)
Fair Value Adjustment	(1.7)	2.1	(3.8)
Accounts Receivable	227.7	212.5	15.1
Property, Plant and Equipment, net	6,427.3	6,066.9	360.4
Participation Rights, net	1,871.3	1,815.9	55.4
Deferred Charges and Water Rights	331.9	281.0	50.8
Other	102.8	88.8	14.1
Total Assets	\$ 10,133.4	\$ 9,806.6	\$ 326.7
Liabilities and Equity:			
Long-Term Debt	\$ 3,897.2	\$ 3,783.5	\$ 113.7
Off-Aqueduct Power Facilities	84.7	90.3	(5.6)
Accounts Payable and Accrued Bond Interest	113.0	68.1	44.9
Deferred Income	110.8	106.2	4.6
State Water Project Obligations	281.3	249.9	31.4
Trust Funds and Other	84.9	80.7	4.3
Total Liabilities	4,571.9	4,378.6	193.4
Equity	5,561.5	5,428.1	133.4
Total Liabilities and Equity	\$ 10,133.4	\$ 9,806.6	\$ 326.7

Debt as a percent of equity (Long-Term Debt divided by Equity) **70.1 %** 69.7 %

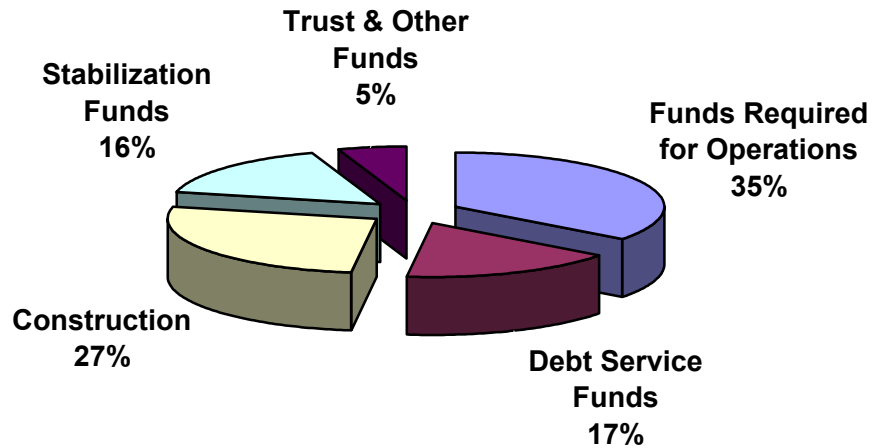
(1) Fair value of cash and investments was \$1,172.4 million and \$1,341.5 million at January 31, 2006 and 2005 respectively.

Totals may not foot / cross foot due to rounding.

The Metropolitan Water District of Southern California

Cash and Investments at Book Value As of January 31, 2006 (Dollars in millions)

	Restricted		Unrestricted	Total
	Contractual	Board		
Funds Required for Operations	\$100.8	\$147.0	\$166.4	\$414.2
Debt Service Funds	195.4	0.0	0.0	195.4
Construction	262.4	0.0	52.3	314.7
Stabilization Funds	0.0	0.0	187.6	187.6
Trust & Other Funds	33.9	28.3	0.0	62.2
Total	\$592.5	\$175.3	\$406.3	\$1,174.1



The Metropolitan Water District of Southern California

Estimate vs. Actual: Construction Activities - Accrual Basis
For the Seven Months Ended January 31, 2006
(Dollars in millions)

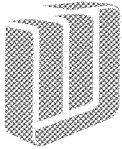
	Estimate to Date		Actual to Date		Variance from Estimate		Fiscal Year Estimate	Projected Year-End (1)	Variance from Estimate	
	\$	%	\$	%	\$	%	\$	\$	\$	%
Sources of Funds										
Bond Construction Funds	\$ 207.9		\$ 152.1		\$ 55.8	27%	\$ 411.3	\$ 345.0	\$ 66.3	16%
R & R Funds	48.0		36.2		11.8	25%	95.0	95.0	-	0%
Total	\$ 255.9		\$ 188.3		\$ 67.6	26%	\$ 506.3	\$ 440.0	\$ 66.3	13%
Program Expenditures										
Oxidation Retrofit Programs	\$ 50.4		\$ 37.0	(2)	\$ 13.3	26%	\$ 102.7	\$ 80.0	\$ 22.7	22%
Inland Feeder	45.5		34.9		10.7	23%	79.8	71.0	8.8	11%
Treatment Plant Improvement	29.8		19.4	(2)	10.4	35%	65.5	54.0	11.5	18%
Skinner Filtration Plant Expansion No. 4	33.8		32.7		1.1	3%	65.4	64.0	1.4	2%
San Diego Pipeline No. 6	20.7		26.0		(5.3)	(26%)	43.9	48.0	(4.1)	(9%)
Diamond Valley Lake Recreation	11.8		4.9		6.9	58%	20.9	14.0	6.9	33%
Distribution System - Rehabilitation Program	6.4		7.9		(1.5)	(24%)	13.5	13.0	0.5	4%
CRA - Reliability/Containment Programs	9.7		2.1		7.5	78%	13.2	13.0	0.2	1%
Chlorine Containment and Handling Facilities	3.5		1.4		2.1	59%	13.1	12.0	1.1	9%
Diemer - Solids Handling/Water Reclamation	5.6		6.3		(0.7)	(13%)	12.4	16.0	(3.6)	(29%)
Other	38.8		15.6	(3)	23.2	60%	75.7	55.0	20.7	27%
Total	\$ 255.9		\$ 188.3		\$ 67.6	26%	\$ 506.3	\$ 440.0	\$ 66.3	13%

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

(2) \$2.85 million of costs transferred from Jensen ORP to Jensen Plant Improvement program.

(3) Credited to construction were \$3.747 million for DVL land sales and \$4.764 million for Oxnard land sales in August 2005.

Totals may not foot / cross foot due to rounding.

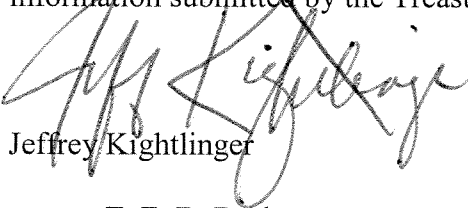


MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Date: February 13, 2006
To: Board of Directors
From: General Counsel
Subject: Review as to Eligibility of Securities Invested in by the
Treasurer for the Month of January 2006

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 January 2006 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
D. C. Man
R. N. Marumoto
B. G. Thomas