



*THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA*

Executive Financial Report For the Ten Months Ended April 30, 2010

Executive Financial Report
Table of Contents
For the Ten Months Ended April 30, 2010

Schedule	Page No.
Financial Statements Year-to-date Current vs. Prior Year – Accrual Basis	
Statements of Operations	1
Balance Sheets	2
Statistics and Ratios – Cash and Accrual Basis	3
Cash and Investments	4
Construction Activities Year-to-date Actual vs. Budget – Accrual Basis	5
Eligibility of Securities	6

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)</i>
	2010	2009	<i>Variance</i>
Operating Revenues:			
Water Sales	\$ 774.9	\$ 783.8	\$ (8.9)
Wheeling / Exchange	48.8	23.0	25.8
Readiness-to-Serve	85.8	72.5	13.3
Capacity Charge	27.7	27.2	0.5
Power Sales	15.3	14.5	0.8
Total Operating Revenues	952.5	921.0	31.5
Operating Expenses:			
Cost of Water	354.0	320.3	(33.7)
Operations & Maintenance	273.5	283.3	9.9
Demand Management Programs	45.6	62.8	17.2
Depreciation & Amortization	200.4	187.2	(13.3)
Total Operating Expenses	873.4	853.6	(19.8)
Net Operating Income	79.1	67.4	11.6
Other Income (Expense):			
Net Taxes/Annexations	88.0	89.2	(1.2)
Investment Income	29.9	28.0	1.9
Bond Interest Expense	(106.8)	(83.2)	(23.6)
Other	2.8	(0.3)	3.1
Total Other Income/(Expense) - Net	13.8	33.6	(19.8)
Net Income	\$ 92.9	\$ 101.0	\$ (8.2)

Note:

(1) Totals may not foot / cross foot due to rounding.

The Metropolitan Water District of Southern California

Balance Sheets - Accrual Basis (Dollars in millions)

	2010	April 30, 2009	Increase/ (Decrease)
Assets:			
Cash and investments at book value ⁽¹⁾	\$ 1,054.7	\$ 979.7	\$ 75.0
Fair Value Adjustment	0.8	(0.3)	1.1
Accounts Receivable	264.0	304.4	(40.4)
Property, Plant and Equipment, net	7,978.1	7,771.8	206.3
Prepaid State Water Project Costs, net	1,550.9	1,535.4	15.6
Participation Rights, net	351.8	249.3	102.5
Deferred Charges and Water Rights	295.8	301.4	(5.6)
Other	192.3	154.2	38.1
Total Assets	\$ 11,688.5	\$ 11,296.0	\$ 392.5
Liabilities and Equity:			
Long-Term Debt	\$ 4,854.1	\$ 4,642.4	\$ 211.7
Off-Aqueduct Power Facilities	54.8	61.3	(6.5)
Accounts Payable and Accrued Bond Interest	195.4	185.3	10.1
Deferred Income	50.1	43.8	6.3
State Water Project Obligations	304.7	300.5	4.1
Trust Funds and Other	89.4	89.1	0.3
Total Liabilities	5,548.5	5,322.4	226.1
Equity	6,140.0	5,973.6	166.4
Total Liabilities and Equity	\$ 11,688.5	\$ 11,296.0	\$ 392.5

Notes:

- (1) Fair value of cash and investments was \$1,055.5 million and \$979.4 million at April 30, 2010 and 2009, respectively.
- (2) Certain reclassifications of prior year amounts have been made to conform to current year presentation.
- (3) Totals may not foot / cross foot due to rounding.

The Metropolitan Water District of Southern California

Statistics and Ratios - Cash and Accrual Basis For the Ten Months Ended

	2010	April 30, 2009	Increase/ (Decrease)
Sales Statistics:			
Water Sales (TAF)	1,312.5	1,674.8	(362.3)
Wheeling/Exchange (TAF)	157.4	81.8	75.6
Power Sales (mWh)	203.1	221.6	(18.5)

Average Sales Price ⁽¹⁾

Water Sales	\$ 590.36	\$ 468.00	\$ 122.37
Wheeling/Exchange	\$ 309.95	\$ 281.29	\$ 28.66
Power Sales	\$ 0.08	\$ 0.07	\$ 0.01

Ratios:

Fixed Charge Coverage (rolling 12 months) - Cash Basis:

Actual	1.07 x	1.03 x
Target ⁽²⁾	≥ 1.20 x	≥ 1.20 x

Revenue Bond Debt Service Coverage (rolling 12 months) - Cash Basis:

Actual	1.56 x	1.45 x
Target ⁽²⁾	> 2.00 x	> 2.00 x

Revenue Bond Debt as a Percent of Equity

Actual	76.0 %	71.1 %
Target ⁽³⁾	< 100.0 %	< 100.0 %

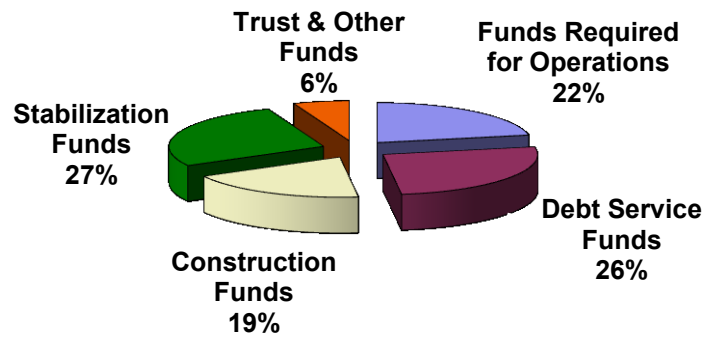
Notes:

- (1) Average prices calculated using exact rather than rounded dollar amounts.
- (2) Board adopted guideline.
- (3) Per Metropolitan Water District Act - Part 5, Chapter 1.6, Section 239.2.

The Metropolitan Water District of Southern California

Cash and Investments at Book Value As of April 30, 2010 (Dollars in millions)

	Restricted		Unrestricted	Total
	Contractual	Board		
Funds Required for Operations	\$ 180.8	\$ 50.1	\$ 0.4	\$ 231.3
Debt Service Funds	275.9	-	-	275.9
Construction Funds	175.6	-	24.0	199.6
Stabilization Funds	-	-	286.5	286.5
Trust & Other Funds	41.8	19.6	-	61.4
Total	\$ 674.1	\$ 69.7	\$ 310.9	\$ 1,054.7



The Metropolitan Water District of Southern California

Actual vs. Budget: Construction Activity - Accrual Basis
(Dollars in millions)

	For the Ten Months Ended April 30, 2010				Fiscal Year Ending June 30, 2010			
	Budget	Actual	Variance from Budget		Budget	Projected ⁽¹⁾	Variance from Budget	
			\$	%			\$	%
Sources of Funds								
Bond Construction Funds	\$ 317.7	\$ 202.9	\$ 114.8	36%	\$ 375.4	\$ 273.3	\$ 102.0	27%
R & R/General Funds	31.1	31.4	(0.4)	(1%)	36.7	36.7	-	0%
Total	\$ 348.7	\$ 234.3	\$ 114.4	33%	\$ 412.1	\$ 310.0	\$ 102.0	25%
Program Expenditures								
Treatment Plant Improvement	\$ 96.4	\$ 51.1	\$ 45.3	47%	\$ 118.2	\$ 80.0	\$ 38.2	32%
Oxidation Retrofit Programs	77.1	72.3	4.9	6%	92.8	81.4	11.4	12%
Inland Feeder	45.9	44.3	1.6	3%	49.6	45.9	3.8	8%
Distribution System - Rehabilitation Program	19.7	11.8	7.8	40%	23.1	15.0	8.1	35%
Perris Valley Pipeline	17.8	17.1	0.7	4%	19.5	15.4	4.1	21%
CRA - Reliability/Containment Programs	13.1	8.8	4.3	33%	17.3	12.0	5.3	31%
Hayfield Ground Storage Program	11.5	1.1	10.4	91%	13.4	2.0	11.4	85%
Riverside Treatment Plant Land Acquisition	11.9	0.0	11.9	100%	11.9	-	11.9	100%
Power Reliability & Energy Conservation	9.5	1.5	8.0	84%	9.6	3.6	6.0	62%
Information Technology System - Infrastructure	5.0	2.8	2.2	44%	6.0	4.0	2.0	33%
Other	40.9	23.5	17.4	43%	50.7	50.7	-	0%
Total	\$ 348.7	\$ 234.3	\$ 114.4	33%	\$ 412.1	\$ 310.0	\$ 102.0	25%

Note:

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

(2) Totals may not foot / cross foot due to rounding.



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Date: May 12, 2010
To: Board of Directors
From: General Counsel
Subject: Review as to Eligibility of Securities Invested in by the
Treasurer for the Month of April 2010

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 2010 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. We note that the Investment Policy authorizes continued holding of the investments listed on Attachment 2a for orderly and systematic liquidation. For purposes of this letter, we have not undertaken to independently verify the accuracy of the information submitted by the Treasurer to this office.


Karen L. Tachiki

cc: T. E. DeBacker
J. Kightlinger
R. N. Marumoto
B. G. Thomas