

Financial Summary

Fiscal Year 2010/11

Twelve Months Ended

June 30, 2011

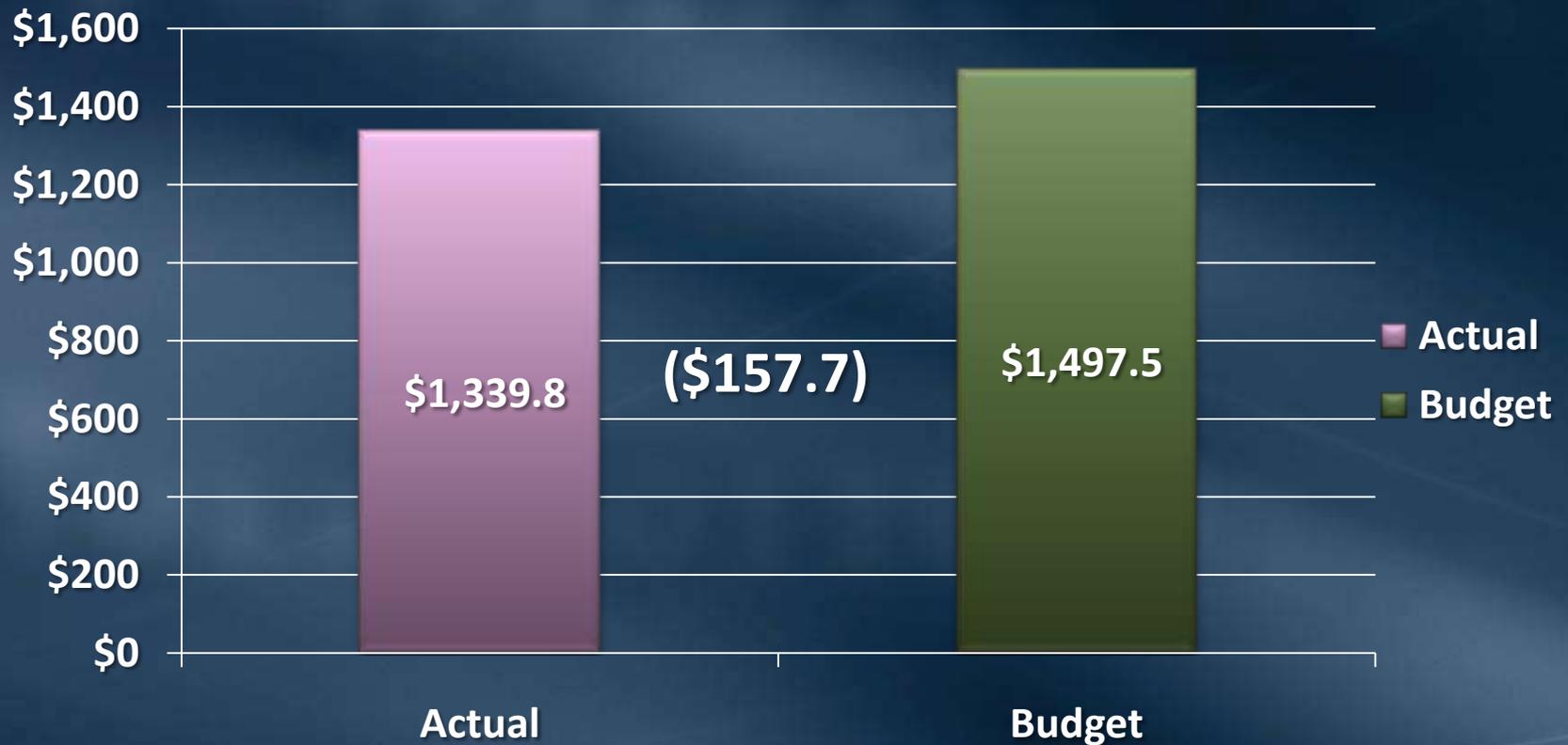
(Preliminary)

Finance and Insurance Committee

July 11, 2011

FY 10/11 Receipts

As of June 30, 2011
(\$'s in millions)



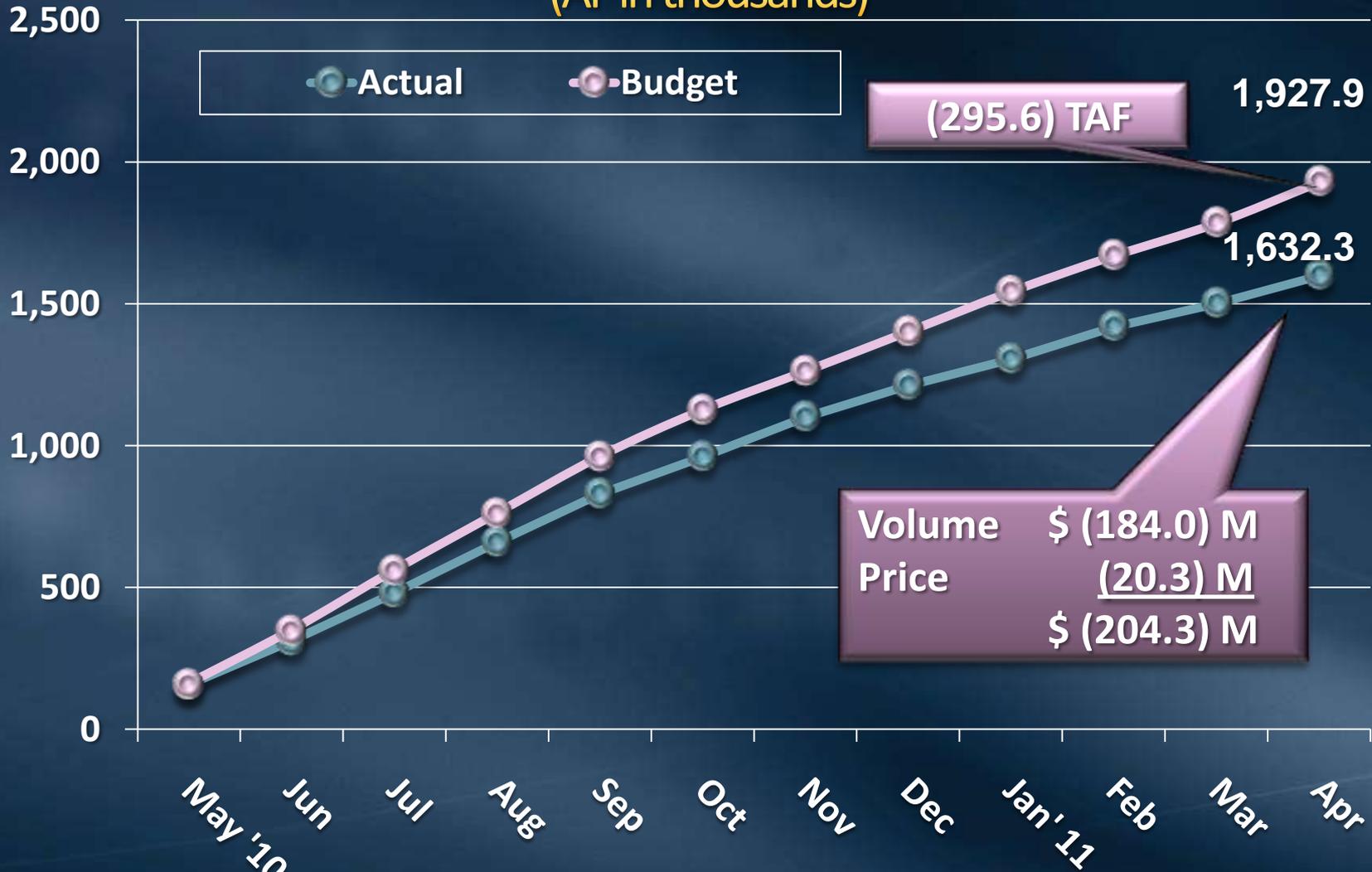
FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)



Cumulative Water Sales Volumes

As of June 30, 2011
(AF in thousands)



Monetizing Water Inventory

As of June 30, 2011

	TAF	Tier 1 Rate (untreated)	Monetized (\$ millions)
Storage Balance	1,844	\$527	\$ 972
Emergency Storage	<u>626</u>	\$527	<u>330</u>
	2,470		\$1,302

FY 10/11 Receipts

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Water	\$ 995.6	\$ 1,199.9	\$ (204.3)
RTS	119.2	119.5	(0.3)
Capacity Charge	34.4	34.9	(0.5)
Power	22.1	22.4	(0.3)
Taxes, net	88.0	81.8	6.2
Interest	16.6	30.2	(13.6)
Other	63.9	8.8	55.1
Total Receipts	\$ 1,339.8	\$ 1,497.5	\$ (157.7)

FY 10/11 Receipts

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Water	\$ 995.6	\$ 1,199.9	\$ (204.3)
RTS	119.2	119.5	(0.3)
Capacity Charge	34.4	34.9	(0.5)
Power	22.1	22.4	(0.3)
Taxes, net	88.0	81.8	6.2
Interest			(13.6)
Other			55.1
Total Receipts	\$ 1,339.8	\$ 1,497.5	\$ (157.7)

Collection of prior year taxes

FY 10/11 Receipts

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Water	\$ 995.6	\$ 1,199.9	\$ (204.3)
RTS	119.2	119.5	(0.3)
Capacity Charge	34.4	34.9	(0.5)
Power	22.1	22.4	(0.3)
Taxes, net	88.0	81.8	6.2
Interest	16.6	30.2	(13.6)
Other			55.1
Total Receipts	1,312.9	1,470.7	\$ (157.7)

Lower average interest rates and
portfolio balances

FY 10/11 Receipts

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Water	\$ 995.6	\$ 1,199.9	\$ (204.3)
Las Posas		\$ 28.2	(0.3)
La Verne		7.9	(0.5)
Prop 13 grant (final reimbursement)		10.8	
Return of Gas Hedging Advance		7.2	(0.3)
Other receipts		<u>1.0</u>	
		\$ 55.1	6.2
Interest	16.6	30.2	(13.6)
Other	63.9	8.8	55.1
Total Receipts	\$ 1,339.8	\$ 1,497.5	\$ (157.7)

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
State Water Contract	\$ 491.9	\$ 488.5	\$ (3.4)
Supply Programs	99.7	101.4	1.7
CRA Power Costs	46.9	59.6	12.7
Debt Service	314.0	331.7	17.7
Demand Management	48.2	58.2	10.0
Departmental O&M	330.6	336.8	6.2
R&R/General Fund	45.0	95.0	50.0
Total Expenditures	\$ 1,376.3	\$ 1,471.2	\$ 94.9

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
State Water Contract	\$ 491.9	\$ 488.5	\$ (3.4)
Supply Programs			1.7
	Capital	\$ 7.4	
CRA Power Costs	OMP&R	2.6	12.7
	Power	3.0	
Debt Service	Credits	<u>(16.4)</u>	17.7
		\$ (3.4)	
Demand Management		2	10.0
Departmental O&M	330.6	336.8	6.2
R&R/General Fund	45.0	95.0	50.0
Total Expenditures	\$ 1,376.3	\$ 1,471.2	\$ 94.9

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
State Water Contract	\$ 491.9	\$ 488.5	\$ (3.4)
Supply Programs	99.7	101.4	1.7
CRA Power Co	Actual	Budget	Variance
Cost	\$ 99.7	\$ 101.4	\$ 1.7
Debt Service TAF	669.6	545.4	124.2
Demand Management	48.2	58.2	10.0
Departmental O&M	330.6	336.8	6.2
R&R/General Fund	45.0	95.0	50.0
Total Expenditures	\$ 1,376.3	\$ 1,471.2	\$ 94.9

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
State Water Contract	\$ 491.9	\$ 488.5	\$ (3.4)
Supply Programs	99.7	101.4	1.7
CRA Power Costs	46.9	59.6	12.7
Debt Service	Lower average unit cost \$4.8		17.7
Demand Man	Lower volumes purchased <u>7.9</u>		10.0
	\$12.7		
Departmental O&M	330.6	336.8	6.2
R&R/General Fund	45.0	95.0	50.0
Total Expenditures	\$ 1,376.3	\$ 1,471.2	\$ 94.9

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

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CRA Power Costs	46.9	59.6	12.7
Debt Service	314.0	331.7	17.7
			10.0
			6.2
R&R/General Fund	45.0	95.0	50.0
Total Expenditures	\$ 1,376.3	\$ 1,471.2	\$ 94.9

Lower variable interest rates and lower administrative fees due to variable rate debt refunding

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
State Water Contract	\$ 491.9	\$ 488.5	\$ (3.4)
Supply Programs	99.7	101.4	1.7
CRA Power Costs	46.9	59.6	12.7
Debt Service	314.0	331.7	17.7
Demand Management	48.2	58.2	10.0
			6.2
LRP	\$ 35.2	\$ 39.1	\$ 3.9
Conservation	<u>13.0</u>	<u>19.1</u>	<u>6.1</u>
	\$ 48.2	\$ 58.2	\$10.0
			\$ 94.9

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
State Water Contract	\$ 491.9	\$ 488.5	\$ (3.4)
Supply Programs	99.7	101.4	1.7
CRA Power Costs	46.9	59.6	12.7
Debt Service	314.0	331.7	17.7
Demand Management	48.2	58.2	10.0
Departmental O&M	330.6	336.8	6.2
R&R/General Fund			50.0
Total Expenditures			\$ 94.9

Lower chemical costs

FY 10/11 Expenditures

As of June 30, 2011
(\$'s in millions)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
State Water Contract	\$ 491.9	\$ 488.5	\$ (3.4)
Supply Programs	99.7	101.4	1.7
CRA Power Costs	46.9	59.6	12.7
Debt Service	314.0	331.7	17.7
		58.2	10.0
		36.8	6.2
R&R/General Fund	45.0	95.0	50.0
Total Expenditures	\$ 1,376.3	\$ 1,471.2	\$ 94.9

R&R/General Fund capital spending reduced by \$50 million

Reserve Fund Balance

(\$'s in millions)



\$56.6M over the minimum

San Diego Litigation Trust

FY 10/11 Use of Reserve Funds

As of June 30, 2011
(\$'s in millions)

Revenue Shortfall:	Variance
Water Sales	(204)
Las Posas	28
La Verne	8
Other, Net	10
Total Shortfall in Revenue	(158)
Use of Reserve Funds	62
Lower PAYGO	50
Lower CRA Power Costs	13
Lower Debt Service Costs	18
Other, Net	15
Total Coverage	158

Financial Ratios

As of June 30, 2011

	<u>Actual</u>	<u>Target</u>
Revenue Bond Debt Service Coverage ⁽¹⁾	1.47x	> 2.00 x
Fixed Charge Coverage ⁽¹⁾	1.03x	≥ 1.20 x
Revenue Bond Debt as a Percent of Equity ⁽²⁾	77.0%	<100.0%

Target based on:

(1) Board adopted guideline

(2) MWD Act

Cash and Investments

As of June 30, 2011

(\$'s in millions)

Book Value

	Restricted		Unrestricted	Total
	Contractual	Board		
Funds Required for Operations	\$ 165.9	\$ 107.0	\$ 0.4	\$ 273.3
Debt Service Funds	298.2	-	-	298.2
Construction	209.7	-	33.8	243.5
Stabilization Funds	10.4	-	223.1	233.5 ⁽¹⁾
Trust & Other Funds	57.8	19.8	-	77.6
Total	\$ 742.0	\$ 126.8	\$ 257.3	\$ 1,126.1
	 \$ 868.8			

(1) Restricted investments of \$10.4 million are posted as collateral with Morgan Stanley.

