



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Finance and Administration Group

- **Finance and Administration Group Activities Report**

Summary

This report provides a summary of the Finance and Administration group activities for August 2025 and September 2025.

Purpose

Informational

Attachments

Attachment 1–Finance and Administration group activities for August 2025 and September 2025

Finance and Administration Group Activities Report for August 2025 and September 2025

GM Business Plan – Goals, Outcomes, Target Measures

Develop a Biennial Budget that Meets Metropolitan’s Needs	
Provide transparency and broad engagement to support informed policy making; Budget for enhanced mission-critical capabilities	A Board of Directors Workshop on the FAAME Committee was held in September to review and discuss Metropolitan’s staffing needs analysis.

Maintain Strong Financial Position

Provide timely and discerning financial analyses, planning, and management to ensure that forecasted revenues are sufficient to meet planned expenses and provide a prudent level of reserves consistent with board policy.

In September at the Board of Directors Workshop on Finance, Affordability, Asset Management, and Efficiency, an informational report was provided on staffing needs for the next three biennium budgets (Fiscal Year 2026/27 through Fiscal Year 3031/32).

Manage risk to protect Metropolitan’s assets against exposure to loss.

The Risk Management Unit completed 42 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits, and spills.

Risk Management completed 51 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events, and film permits.

Business Continuity

Facilitate district-wide planning and training to prepare employees and managers to effectively carry out critical roles and recover mission essential functions thus ensuring continuity of operations and resiliency in the event of a disaster.

Manage the Business Continuity Management Program in accordance with Operating Policy A-06.

Staff participated in training for Metropolitan’s Emergency Operations Center focused on the Incident Command System and overall emergency coordination.

Kicked off cross-functional planning for the district-wide annual Great ShakeOut earthquake drill and preparedness campaign taking place in October.

Updated the Fusion Risk Management system to enhance business continuity metrics and reporting capabilities. This will allow for improved tracking of Business Continuity Program deliverables and resiliency progress.

Effective 9/1/2025, Metropolitan fully transitioned from the old MetAlert system (MIR3) to the new MetAlert system (Everbridge). The Everbridge platform provides an improved interface for sending important alerts along with many new features and capabilities.

Financial Management

Manage Metropolitan's finances in an ethical and transparent manner and provide consistent, clear, and timely financial reporting. Update Metropolitan's capital financing plans and work with rating agencies and investors to communicate Metropolitan's financial needs, strategies, and capabilities, thus ensuring that Metropolitan has cost-effective access to capital markets and the ability to finance ongoing future needs. In addition, actively manage Metropolitan's short-term investment portfolio to meet ongoing liquidity needs and changing economic environments.

Record and report the financial activities of Metropolitan in a timely, accurate, and transparent manner to the Board, executive management, member agencies, and the financial community.

FY25-26 Cash Water Transactions and Revenues Budget vs Actual (Preliminary, subject to change)

Month		Acre-Feet (AF) ¹		Variance		Revenue (\$) ²		Variance	
Delivered/ Billed In	To be Collected in	Budget	Actual	AF	%	Budget	Actual	\$	%
May	July	110,834	104,802	(6,032)	-5%	122,873,672	134,899,988	12,026,316	10%
June	August	117,893	105,957	(11,936)	-10%	150,194,358	117,905,817	(32,288,541)	-21%
July	September ³	130,799	117,703	(13,096)	-10%	149,512,493	134,460,017	(15,052,476)	-10%
August	October ³	133,060	122,998	(10,062)	-8%	152,486,828	149,830,784	(2,656,044)	-2%
YTD Total		492,586	451,460	(41,126)	-8%	575,067,351	537,096,606	(37,970,745)	-7%
September	November	125,227	-	-	0%	141,365,920	-	-	0%
October	December	126,161	-	-	0%	139,251,900	-	-	0%
November	January	128,056	-	-	0%	136,399,566	-	-	0%
December	February	107,621	-	-	0%	112,940,010	-	-	0%
January	March	90,739	-	-	0%	105,775,733	-	-	0%
February	April	78,856	-	-	0%	91,212,001	-	-	0%
March	May	84,484	-	-	0%	98,206,004	-	-	0%
April	June	110,200	-	-	0%	129,990,583	-	-	0%
FY Total		1,343,930	451,460	N/A	N/A	1,530,209,068	537,096,606	N/A	N/A

¹ AF reflected does not include non-member agency transactions.

² Includes Water Sales, Exchanges, and Wheeling for member agency and non-member agency.

³ Information is presented on an accrual basis; corresponding cash data is not yet available.

In accordance with California Government Code 53065.5, Metropolitan Water District has prepared a report disclosing reimbursements to employees and members of the board equal to or greater than \$100. The report, which supports our commitment to transparency, is available on the MWD website under the Transparency section and on the Intranet under Finance/Accounts Payable.

Public Link: <https://d1q0afiq12ywwq.cloudfront.net/media/32gm3pyu/disclosure-report-over-100-fy2025.pdf>

Intranet Link: [https://intranet.mwd.h2o/Applications/My_HR/Disclosure%20Report%20Over%20\\$100%20FY2025.pdf](https://intranet.mwd.h2o/Applications/My_HR/Disclosure%20Report%20Over%20$100%20FY2025.pdf)

Update capital financing plans and work with rating agencies and investors to communicate financial needs and capabilities, ensure cost-effective access to capital markets, and maintain long-term bond ratings of AA or better.

Metropolitan staff and the financing team began preparing documentation, including an update of Appendix A, for the Special Variable Rate Revenue Refunding Bonds, 2025 Series B, to be sold in mid-December 2025. The 2025 Series B refunding bonds will refund, on a tax-exempt basis, the \$134,625,000, taxable, Special Variable Rate Water Revenue Refunding Bonds, 2022 Series C-2; the tax-exempt, \$25,325,000, Special Variable Rate Water Revenue Refunding Bonds, 2016 Series B-2; and the \$24,275,000, Water Revenue Bonds, 2017 Authorization, Series A.

The 2025 Series B refunding bonds will be supported by a Standby Bond Purchase Agreement with PNC Bank, National Association.

Prudently manage the investment of Metropolitan's funds in accordance with policy guidelines and liquidity considerations.

As of August 31, 2025, Metropolitan's investment portfolio balance was \$1.3 billion; in the same month, total earnings were \$4.37 million, and the effective rate of return was 4.21%.

In August 2025, Metropolitan's portfolio manager executed eleven buy and three sell trades.

Treasury staff managed daily cash flow to cover Metropolitan's operational expenditures and invest excess funds.

Treasury staff completed the following transactions:

- 29 Dreyfus Cash Management Fund transactions
- 22 CAMP Investment Pool transactions
- \$1.65 million in Metropolitan's bond payments and Swap payments
- \$0.10 million interest payment of BANA Revolver 2025 Ser A1
- 1,033 disbursements by check, 25 by Automated Clearing House (ACH), and 158 by wire transfer
- 46 receipts by check, 23 by ACH, and 53 by incoming wires and bank transfers
- One exception confirmation and no unauthorized ACH
- Stop payments: 7 for the Demand Account; zero for the Payroll Account
- No GOP Alerts received from Bank of America

The Treasury staff also processed for DCA the following transactions:

- Received and deposited 10 checks totaling \$2.94 million
- Issued ten checks and 15 wires totaling approximately \$2.84 million

In addition, Treasury staff processed ten professional services invoice payment requests totaling approximately \$58 thousand.

Furthermore, 9,951 P-One Card transactions, totaling \$1.47 million, recorded in the August bank statement, were monitored by the P-One Card Administrator.