



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 December 2025 and January 2026.

Purpose

Informational

Attachments

Attachment 1–Finance and Administration group activities for December 2025 and January 2026

Finance and Administration Group Activities Report for December 2025 and January 2026

Maintain Strong Financial Position

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

The Risk Management Unit completed 98 incident reports, communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits, and spills.

Risk Management completed 79 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 A06.

- Kicked off the Business Continuity Plan update process for the Information Technology Group.
- In partnership with the Office of Safety, Security, and Protection, participated in briefings related to protest activity near Headquarters to ensure business continuity.
- Collaborated with the Office of Enterprise Cybersecurity to initiate planning efforts for a comprehensive Tabletop exercise focused on a cyberattack scenario.
- In collaboration with Engineering and External Affairs, reviewed the public comments received during the review period for Metropolitan's Local Hazard Mitigation Plan.

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.

FY 2025/26 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	130,799	117,324	(13,475)	-10%	149,512,493	134,297,129	(15,215,364)	-10%
August	October	133,060	121,437	(11,623)	-9%	152,486,828	153,574,498	1,087,670	1%
September	November	125,227	131,836	6,609	5%	141,365,920	150,893,965	9,528,045	7%
October	December	126,161	123,200	(2,961)	-2%	139,251,899	132,150,366	(7,101,533)	-5%
November	January ³	128,056	104,335	(23,721)	-19%	136,399,566	122,602,949	(13,796,617)	-10%
December	February ³	107,621	119,244	11,623	11%	112,940,009	136,943,652	24,003,643	21%
YTD Total		979,651	928,136	(51,516)	-5%	1,105,024,746	1,083,268,364	(21,756,382)	-2%
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	928,136	N/A	N/A	1,530,209,068	1,083,268,364	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.

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.

In December 2025, Metropolitan sold \$184,225,000 Special Variable Rate Water Revenue Refunding Bonds, 2025 Series B (“2025B”), as fully tax-exempt debt with an initial weekly pricing of 2.20 percent. The 2025B bonds refunded two series of tax-exempt variable rate bonds and one series of taxable variable rate bonds. The refunded taxable variable rate bond was a planned component of a larger refunding transaction that began in July 2022 and contemplated the conversion back to tax-exempt debt at this time. The 2025B refunding will also consolidate all three series of refunded bonds under one new Standby Bond Purchase Agreement with PNC Bank.

Staff completed the filing of our Continuing Disclosure Annual Report in coordination with the Controller and General Counsel’s office. Staff also completed our filing of applicable reports regarding Metropolitan’s outstanding debt with the California Debt and Investment Advisory Commission in the State Treasurer’s Office.

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

As of December 31, 2025, Metropolitan’s investment portfolio balance was \$1.7 billion; in the same month, total earnings were \$5.09 million, and the effective rate of return was 4.08 percent.

In December 2025, Metropolitan’s portfolio manager executed twenty-two buy and four sell trades.

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

Treasury staff completed the following transactions:

- 24 Dreyfus Cash Management Fund transactions
- 26 CAMP Investment Pool transactions
- \$2.0 million in Metropolitan’s bond payments and Swap payments

- 1,011 disbursements by check, 26 by Automated Clearing House (ACH), and 194 by wire transfer
- 56 receipts by check, 35 by ACH, and 55 by incoming wires and bank transfers
- Zero exception confirmation and zero unauthorized ACH
- Stop payments: 5 for the Demand Account; zero for the Payroll Account
- No GOP Alerts received from Bank of America

The Treasury staff also processed the following transactions for the Delta Conveyance Design and Construction Authority:

- Received and deposited twenty-three checks totaling \$7.77 million.
- Issued eight checks and twenty-three wires totaling approximately \$7.73 million.

In addition, Treasury staff processed eighteen professional services invoice payment requests totaling approximately \$0.59 million.

Furthermore, 9,563 P-One Card transactions totaling \$1.36 million, as recorded in the December bank statement, were monitored by the P-One Card Administrator.