Finance and Administration Group

- **Finance and Administration Group Activities Report**

Summary

This report provides a summary of the Finance and Administration group activities for April 2026 and May 2026.

Purpose

Informational

Attachments

Attachment 1– Finance and Administration group activities for April 2026 and May 2026

Date of Report: June 9, 2026

Finance and Administration Group Activities Report for April 2026 and May 2026

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 May, the Finance, Affordability, Asset Management, and Efficiency Committee took action to adopt a resolution to continue Metropolitan's Water Standby Charge for Fiscal Year 2026/27. In addition, informational reports were provided on Metropolitan's third-quarter financial projections for fiscal year 2025/26.

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

The Risk Management Unit completed 45 incident reports, communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits, and spills.

Risk Management completed 42 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.

- Continued working with various areas across Metropolitan on Business Continuity Plan updates.
- Continued collaboration with the Office of Enterprise Cybersecurity on planning efforts for a comprehensive tabletop exercise focused on a cyberattack scenario.
- Updated the Business Impact Analysis for the Water Quality section, which identifies critical functions and their prioritization based on financial and operational impacts over time.
- Provided assistance to the San Diego County Water Authority on their evaluation of business continuity software products.
- Participated in the Critical Lifeline Sector tabletop exercise at MWD Headquarters. Facilitated by the Transportation Security Administration, participants included external partners from various agencies and provided a good forum for information sharing, relationship building and collaboration.

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	128,056	103,951	(24,105)	-19%	136,399,566	109,283,424	(27,116,142)	-20%
December	February	107,621	118,702	11,081	10%	112,940,009	119,011,598	6,071,589	5%
January	March	90,739	78,972	(11,767)	-13%	105,775,733	97,372,901	(8,402,832)	-8%
February	April	78,856	56,904	(21,953)	-28%	91,212,001	66,031,067	(25,180,934)	-28%
March	May [3]	84,484	78,592	(5,892)	-7%	98,206,004	92,435,206	(5,770,799)	-6%
April	Jun [3]	110,200	101,065	(9,135)	-8%	129,990,583	120,106,395	(9,884,188)	-8%
FY Total		**1,343,930**	**1,242,741**	**(101,189)**	**-8%**	**1,530,209,068**	**1,427,962,354**	**(102,246,714)**	**-7%**

[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.

Metropolitan's debt management team worked with Legal to issue an RFP for bond counsel for the proposed transactions to be issued this Fall. The team also initiated an analysis to support our Bond Ordinance board report, which seeks board authorization to issue revenue bonds. Lastly, the team began planning for the Appendix A disclosure update for the upcoming bond issuance cycle.

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

As of April 30, 2026, Metropolitan's investment portfolio balance was $1.7 billion; in the same month, total earnings were $5.2 million, and the effective rate of return was 4.05 percent.

In April 2026, Metropolitan's portfolio manager executed 30 buy and eleven sell trades.

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

Treasury staff completed the following transactions:

- 41 Dreyfus Cash Management Fund transactions
- 25 CAMP Investment Pool transactions
- $59.96 million in Metropolitan's bond and Swap payments
- 1,066 disbursements by check, 25 by Automated Clearing House (ACH), and 184 by wire transfer
- 59 receipts by check, 27 by ACH, and 49 by incoming wires and bank transfers
- One exception confirmations and zero unauthorized ACH
- Stop payments: 12 for the Demand Account; zero for the Payroll Account
- One wire confirmation alert from Bank of America, the Global Payment Operations fraud prevention on suspicious high-risk transactions

The Treasury staff also processed for DCA the following transactions:

- Received and deposited seventeen checks totaling $1.93 million
- Issued ten checks and 34 wires totaling approximately $4.94 million

In addition, Treasury staff processed eleven professional services invoice payment requests totaling approximately $0.27 million.

Furthermore, 11,084 P-One Card transactions totaling $1.69 million recorded in the April bank statement were monitored by the P-One Card Administrator.

Administrative Services

The April/May *InsideMet* newsletter highlighted several key initiatives within Records Management and Imaging Services, showcasing the team's growing impact across the organization. The feature article on the Imaging Services Team underscored their exceptional 99.8 percent on-time job completion rate and their continued leadership in delivering high-quality, cost-efficient print production supported by outstanding customer service and innovative technology. The newsletter also introduced the launch of the Generations Project, a new archival initiative capturing institutional knowledge and personal narratives through recorded peer interviews that will be permanently preserved in the Metropolitan Archives, strengthening organizational continuity and cultural memory. Additionally, "Spotted in the Archives" showcased a historical look at Metropolitan's 1981 conservation campaign featuring Joan Rivers, illustrating how archival stewardship continues to bring forward meaningful stories that connect past and present and support ongoing public engagement efforts.

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