



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 2024 and January 2025.

Purpose

Informational

Attachments

Attachment 1–Finance and Administration group activities for December 2024 and January 2025.

Finance Group Activities Report for December 2024 and January 2025

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.

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

The Risk Management Unit completed 38 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits, and spills.

Risk Management completed 48 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.

- Participated in the Emergency Operation Center's activation in response to the winds and fire events. This involved coordination with the response team, regular briefings, monitoring for any business impacts, supporting overall response operations, and sending several MetAlert emergency notifications to employees.
- Facilitated Business Continuity Plan updates across the District.

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.

FY24-25 Cash Water Transactions and Revenues Budget vs Actual (Preliminary, subject to change)

Month		Acre-Feet (AF) ²		Variance		Revenue (\$)¹		Variance	
Delivered/ Billed In	To be Collected in	Budget	Actual	AF	%	Budget	Actual	\$	%
May	July	111,381	93,988	(17,393)	-16%	115,411,844	111,844,425	(3,567,419)	-3%
June	August	119,830	101,259	(18,571)	-15%	142,766,424	100,440,378	(42,326,046)	-30%
July	September	133,150	113,715	(19,435)	-15%	141,775,001	121,901,017	(19,873,984)	-14%
August	October	136,454	116,650	(19,804)	-15%	145,410,622	129,047,328	(16,363,294)	-11%
September	November	127,137	114,291	(12,846)	-10%	133,836,426	124,663,850	(9,172,576)	-7%
October	December	123,989	115,743	(8,246)	-7%	128,665,932	122,055,973	(6,609,959)	-5%
November	January	124,881	96,871	(28,010)	-22%	125,782,252	103,605,338	(22,176,914)	-18%
December	February	104,337	243,696	139,359	38%	103,324,010	269,626,583	166,302,573	39%
YTD Total		981,159	996,213	15,054	2%	1,036,972,511	1,083,184,892	46,212,381	4%
January	March	88,988	-	-	0%	95,074,177	-	-	0%
February	April	77,291	-	-	0%	81,911,825	-	-	0%
March	May	82,757	-	-	0%	88,153,603	-	-	0%
April	June	107,565	-	-	0%	116,431,176	-	-	0%
FY Total		1,337,760	996,213	N/A	N/A	1,418,543,292	1,083,184,892	N/A	N/A

¹ Includes Water Sales, Exchanges, and Wheeling for member agency and non-member agency.

² AF reflected does not include non-member agency transactions.

³ Acre-feet and revenue include 100 TAF and \$125.6M, respectively, of Reversed Cyclic sales to be delivered within five years.

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.

Finance Staff finalized the selection of several underwriting/banking teams to assist Metropolitan with various debt related financings over the next several months. Staff will work on financing time schedules for the remainder of the year, including board reports and/or presentations for Board consideration. The Debt Management Team continued to work on report submittals due to CDIAC by January 31, 2025.

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

As of December 31, 2024, Metropolitan's investment portfolio balance was \$1.3 billion; the total December earnings were \$4.04 million, and the effective rate of return was 4.28%.

In December 2024, Metropolitan's portfolio manager executed twenty-two buy and one sell trades.

Treasury staff managed daily cash flow to cover Metropolitan's operational expenditures and invest excess funds. Treasury staff completed the following transactions:

- 36 Dreyfus Cash Management Fund transactions
- 22 CAMP Investment Pool transactions
- \$2.81 million in Metropolitan's bond and SWAP payments
- \$9.81 thousand in Metropolitan's SWAP receipts
- 1,033 disbursements by check, 19 by Automated Clearing House (ACH), and 141 by wire transfer
- 61 receipts by check, 34 by ACH, and 40 by incoming wires and bank transfers
- One exception confirmation and no unauthorized ACH

The Treasury staff also processed for DCA the following transactions:

- Received and deposited 10 checks totaling \$1.24 million
- Issued nine checks and 17 wires totaling approximately \$2.11 million

In addition, Treasury staff processed twelve professional services invoice payment requests totaling approximately \$0.58 million.

Furthermore, 9,049 P-One Card transactions, totaling \$1.22 million, recorded in the December bank statement were monitored by the P-One Card Administrator.

Administrative Services

Accomplishments

Procurement Team: To help internal customers prepare requisitions with accuracy, Procurement developed an Eform checklist that guides a preparer, requestor, or anyone through questions and criterion to triage their specific request. The outcome is a printable checklist that is now a tool to build their requisition and include all required support documents for Procurement's review and for the Buyer to develop the Contract. The infrastructure of the Eform works on an "if this, then that" decision tree basis and automates the thinking process. Procurement implemented the checklist by conducting two workshops for users to attend and obtain hands on training. Continual training will be provided for new staff when requested.

Professional Services Contracting Team (PSCT), Agreement Administrator Training and Re-Certification Module:

This training has been recently updated to enhance current content and add a new section featuring helpful tips and reminders. It covers the key roles and responsibilities of Agreement Administrators, including managing agreements, amendments, and the solicitation process. The newly updated training is now live and available to both new Administrators and those due for re-certification in MyLearning, which is required every three years. This training will be continuously updated to include the latest PSCT and Metropolitan guidelines and information, helping users apply best practices to their workflows.

Request for Proposal (RFP) No. 1361 – Headquarters HVAC System Equipment and Chiller Plant Upgrades. This solicitation is to perform preliminary design for the upgrades at the Union Station Headquarters building. This project aims to rehabilitate, upgrade, and improve infrastructure reliability and flexibility for the Chiller Plant and HVAC system equipment.

Request for Qualifications (RFQ) No. 1370 – On-Call Value Engineering, Meeting Facilitation, And Technical Engineering Services.

This solicitation is to acquire on-call Value Engineering (VE), constructability review, technical services including specialized assistance from subject matter experts (SMEs) and cost estimators, and workshop facilitation to reduce costs, increase functionality, improve value, foster innovative solutions, and sustainable development for Metropolitan.

The Warehouse Team was called upon after-hours and on weekends to provide urgent support to MWD's Emergency Operations Center ("EOC") at headquarters and the Rose Bowl due to the recent wildfires affecting our service area. The Warehouse provided personal protective equipment (N95 masks, P-100 respirators, safety eyewear, bottled drinking water, and portable air purifier units) for distribution and deployment to aid in EOC efforts including PPE for Board Directors on site at the Rose Bowl. The La Verne Warehouse Team responded quickly by fulfilling their various requests and providing prompt onsite delivery. Additionally, the Warehouse Team expedited acquisition of 500 fire hydrant "out of service" covers to support a local member agency's immediate need.