



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Board Report

Finance, Affordability, Asset Management, and Efficiency Committee

• Treasurer's Monthly Report

Summary

The attached Treasurer's monthly report provides a summary of Metropolitan's investment portfolios and demonstrates compliance with Metropolitan's Statement of Investment Policy.

Purpose

Administrative Code Requirement 5114

Attachments

Attachment 1:	Summary of Portfolio Performance Report – October 2025
Attachment 2:	Summary of Portfolio Duration Report – October 2025
Attachment 3:	Summary of Portfolio Holding Report – October 2025
Attachment 4:	Summary Report of Investment & Cash Activity – October 2025
Attachment 5:	Credit Quality Compliance Report – October 2025
Attachment 5a:	Credit Activity Exception Report – October 2025
Attachment 6:	Holding Limit Compliance Report – October 2025
Attachment 7:	Maturity Compliance Report – October 2025

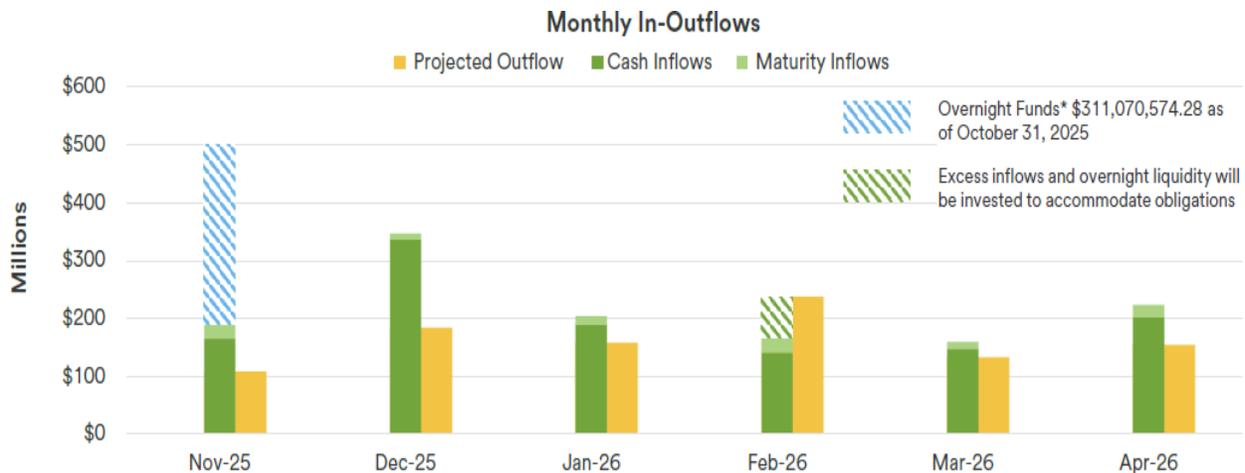


THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Date: November 18, 2025
To: Finance, Affordability, Asset Management, and Efficiency Committee
From: Katano Kasaine, Assistant General Manager/Chief Financial Officer
Subject: Treasurer's Monthly Report October 2025

This letter transmits a summary report of investments, cash balances, and performance report with interest and total return, as well as duration comparisons for the end of the reported month. A detailed report of investments is filed each month with the Board Executive Secretary. These reports are required by Section 5114 of the MWD Administrative Code. All of the investments comply with Section 5101 of the MWD Administrative Code and the Investment Policy dated June 10, 2025.

As of October 31, 2025, Metropolitan has a market value of approximately \$1.3 billion in funds in its investment portfolio. Metropolitan has sufficient liquidity to pay for the next six months of expenditures, as demonstrated in the chart below.



**Overnight funds, as of 10/31/25, include CAMP and MMF.*

The LAIF balance (currently \$75 million) is included in the "Total Daily Portfolio Balance" but not included in the "Monthly In-Outflows" as it is not intended to be used as a primary source of liquidity.

Portfolio maturities, water sales, and bond proceeds are included in the Portfolio Inflows.

Katano Kasaine

KK: mt

Attachments

Attachment 1
The Metropolitan Water District of Southern California (MWD)
Summary of Portfolio Performance Report
October 31, 2025

		Market Value (\$ in Thousands)	Monthly Return			Fiscal YTD Return			Annualized Total Return	
			Interest Return	Total Return (1)	Benchmark	Interest Return	Total Return (1)	Benchmark	Inception-to-Date MWD	Benchmark
Liquidity	(2,3)	\$ 602,606	0.34%	0.36%	0.35%	1.33%	1.51%	1.43%	2.15%	1.71%
Core	(4)	<u>650,903</u>	0.29%	0.33%	0.37%	1.12%	1.60%	1.59%	3.14%	2.70%
Liquidity and Core		\$ 1,253,509								
Endowment	(5,6,7)	45,728	0.33%	0.41%	0.45%	1.31%	1.75%	1.86%	4.95%	4.80%
Total		<u><u>\$ 1,299,237</u></u>								

- (1) Total return includes: (a) interest income from fixed income investments (interest return) and (b) changes in the market price of securities (realized/unrealized gains and/or unrealized losses) over a given evaluation period.
- (2) The Liquidity Portfolio market value balance includes a PNC Bank 3-Month collateralized time certificate of deposit of \$964,536, a financial assurance of The California State Mining and Geology Board (SMGB), and The Department of Conservation Division of Mine Reclamation as of Oct 2025.
- (3) The Liquidity Portfolio Benchmark is the ICE BofAML 3-Month Treasury Bill Index, which serves as a comparative performance metric to the Portfolio's Total Return. Inception date May 2002.
- (4) The Core Portfolio Benchmark is comprised of 20% of the ICE BofAML 0 - 1 YEAR US Treasury Index and 80% of the ICE BofAML 1 - 5 Years AAA-A US Corporate & Government Index, which serves as a comparative performance metric to the Portfolio's Total Return. Inception date July 2023.
- (5) The Endowment Portfolio includes the Lake Mathews Trust; the DVR Multi-Species Reserve Fund; the Habitat Maintenance Fund-Lower Colorado; the Water Utility Climate Alliance Membership; and the HCP Remedial Measures Fund, among others. The Endowment Portfolio inception date is July 2023.
- (6) The total return for the Endowment portfolio reflects the consolidation of multiple funds into a new Endowment Portfolio. It includes (a) interest income and (b) the unrealized losses from the difference between the transferred book value of existing securities and their ending market value.
- (7) The Endowment Portfolio Benchmark is comprised of 40% of the ICE BofAML 0 - 5 YEAR US Treasury Index, 25% of the ICE BofAML 1 - 5 Years AAA-A US Corporate Index, and 35% of the ICE BofAML 5-10 YEAR US Treasury Index, which serves as a comparative performance metric to the Portfolio's Total Return. Inception date December 2023.

Attachment 2
The Metropolitan Water District of Southern California (MWD)
Summary of Portfolio Duration Report
October 31, 2025

		Market Value (\$ in Thousands)	Minimum <u>Duration</u>	MWD <u>Duration</u>	Maximum <u>Duration</u>	<u>Benchmark</u>
Liquidity	(1,2)	\$ 602,606	0.00	0.19	0.73	0.23
Core	(3)	<u>650,903</u>	0.64	1.99	3.64	2.14
Liquidity and Core		\$ 1,253,509				
Endowment	(4,5)	45,728		2.71		3.60
Total		<u><u>\$ 1,299,237</u></u>				

(1) The Liquidity Portfolio market value balance includes a PNC Bank 3-Month collateralized time certificate of deposit of \$964,536, a financial assurance of The California State Mining and Geology Board (SMGB), and The Department of Conservation Division of Mine Reclamation as of October 2025.

(2) The Liquidity Portfolio Benchmark is the ICE BofAML 3-Month Treasury Bill Index, which serves as a comparative performance metric to the Portfolio's Total Return. Inception date May 2002.

(3) The Core Portfolio Benchmark is comprised of 20% of the ICE BofAML 0 - 1 YEAR US Treasury Index and 80% of the ICE BofAML 1 - 5 Years AAA-A US Corporate & Government Index, which serves as a comparative performance metric to the Portfolio's Total Return. Inception date July 2023.

(4) The Endowment Portfolio includes the Lake Mathews Trust; the DVR Multi-Species Reserve Fund; the Habitat Maintenance Fund-Lower Colorado; the Water Utility Climate Alliance Membership; and the HCP Remedial Measures Fund, among others.

(5) The Endowment Portfolio Benchmark is comprised of 40% of the ICE BofAML 0 - 5 YEAR US Treasury Index, 25% of the ICE BofAML 1 - 5 Years AAA-A US Corporate Index, and 35% of the ICE BofAML 5-10 YEAR US Treasury Index, which serves as a comparative performance metric to the Portfolio's Total Return. Inception date December 2023.

Attachment 3
Summary of Portfolio Holding Report
(sorted in descending order by Market Value)
October 31, 2025

(\$ in Thousands)

<u>Securities</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Percent of Portfolio Market Value</u>	<u>Cumulative % of Portfolio</u>
United States Treasuries	\$ 334,381	\$ 336,315	25.89%	25.89%
California Asset Management Program	321,697	321,697	24.76%	50.65%
Medium Term Notes	234,263	236,307	18.19%	68.84%
Asset-Backed Securities	97,773	98,291	7.57%	76.41%
Negotiable Certificates of Deposit	94,250	94,344	7.26%	83.67%
Mortgage-Backed Securities	75,443	77,192	5.94%	89.61%
California Local Agency Investment Fund	75,000	75,000	5.77%	95.38%
Commercial Paper	31,321	31,334	2.41%	97.79%
Federal Agencies	19,376	19,473	1.50%	99.29%
Money Market Funds	5,229	5,229	0.40%	99.69%
Municipals	2,310	2,285	0.18%	99.87%
Bank Deposits (Certificate of Deposit) (1)	965	965	0.07%	99.94%
Supranationals	799	805	0.06%	100.00%
Bankers' Acceptances	-	-	-	
Repurchase Agreements	-	-	-	
Total Portfolio	<u>\$ 1,292,807</u>	<u>\$ 1,299,237</u>	<u>100.00%</u>	

(1) PNC Bank 3-Month collateralized time certificate of deposit of \$964,536, a financial assurance of The California State Mining and Geology Board (SMGB), and The Department of Conservation Division of Mine Reclamation as of October 2025.

Attachment 4
Summary Report of Investment & Cash Activity
(sorted alphabetically by security)
October 31, 2025

(Shown at Book Value and \$ in Thousands)

<u>Securities</u>	<u>Beginning Balance</u>	<u>Purchases & Amortization</u>	<u>Sales</u>	<u>Maturities</u>	<u>Ending Balance</u>
Asset-Backed Securities	\$ 92,709	\$ 7,235	\$ 2,171	\$ -	\$ 97,773
Bankers' Acceptances	-	-	-	-	-
California Asset Management Program	352,480	156,330	187,113	-	321,697
California Local Agency Investment Fund	75,000	-	-	-	75,000
Commercial Paper	33,726	10,095	-	12,500	31,321
Federal Agencies	19,351	25	-	-	19,376
Medium Term Notes	237,181	82	-	3,000	234,263
Money Market Funds	766	8,452	3,989	-	5,229
Mortgage-Backed Securities	76,267	40	864	-	75,443
Municipals	2,310	-	-	-	2,310
Negotiable Certificates of Deposit	98,500	10,750	-	15,000	94,250
Repurchase Agreements	-	-	-	-	-
Supranationals	799	-	-	-	799
Bank Deposits (Certificate of Deposit) (1)	956	965	-	956	965
United States Treasuries	338,244	262	2,775	1,350	334,381
Subtotals	\$ 1,328,289	\$ 194,236	\$ 196,912	\$ 32,806	\$ 1,292,807
	Beginning Balance	Deposits		Withdrawals	Ending Balance
Cash					
Demand Accounts	\$ 1	\$ 5,930		\$ -	\$ 5,931
Petty Cash & Payroll	5				5
Overnight Investment	-				-
Subtotals	\$ 6	\$ 5,930		\$ -	\$ 5,936
Total	\$ 1,328,295	\$ 200,166	\$ 196,912	\$ 32,806	\$ 1,298,743

(1) PNC Bank 3-Month collateralized time certificate of deposit of \$964,536, a financial assurance of The California State Mining and Geology Board (SMGB), and The Department of Conservation Division of Mine Reclamation as of October 2025.

Attachment 5
Credit Quality Compliance Report
(sorted alphabetically by Security)
October 31, 2025

(\$ in Thousands)

<u>Securities</u>		<u>Credit Quality</u>	<u>Market Value</u>	<u>Meets Policy Credit Requirement</u>
Asset-Backed Securities		"AA or higher"	\$ 98,291	yes
Bank Deposits (Certificate of Deposit)	(1)	Collateralized/FDIC Insured	965	yes
Bankers' Acceptances		"A-1 or higher"	-	n/a
California Asset Management Program	(2)	"AAAm or higher"	321,697	yes
California Local Agency Investment Fund		N/A	75,000	yes
Commercial Paper		"A1/P1 or higher"	31,334	yes
Federal Agencies	(3)	N/A	19,473	yes
Medium Term Notes	(4)(5)	"A or higher"	236,307	yes
Money Market Funds		"AAAm"	5,229	yes
Mortgage-Backed Securities		"AAA"	77,192	yes
Municipals		"A or higher"	2,285	yes
Negotiable Certificates of Deposit		"A-1 or higher"	94,344	yes
Repurchase Agreements		"AAA"	-	n/a
Supranationals		"AA or higher"	805	yes
United States Treasuries	(6)	N/A	336,315	yes
Total Portfolio			\$ 1,299,237	

- (1) PNC Bank 3-Month collateralized time certificate of deposit of \$964,536, a financial assurance of The California State Mining and Geology Board (SMGB), and The Department of Conservation Division of Mine Reclamation as of October 2025.
- (2) The California Asset Management Program is a program created through a joint powers agency as a pooled short-term portfolio and cash management vehicle for California public agencies. CAMP is a permitted investment for all local agencies under California Government Code Section 53601(p).
- (3) Federal Agencies and United States Treasuries are rated 'AAA' by two nationally recognized rating agencies and 'AA+' by one nationally recognized rating agency.
- (4) Please see attachment 5a for medium term notes that are rated less than A.
- (5) Effective July 2025, the credit requirement was updated to AA or its equivalent or better by at least one NRSRO. Securities purchased before July 2025 meet the prior rating requirement of A or its equivalent or better by an NRSRO.
- (6) Securities have an explicit United States Government guarantee.

Attachment 5a
Credit Activity Exception Report
October 31, 2025
(\$ in Thousands)

Credit Ratings		Medium Term Notes	Maturity Date	Market Value	Book Value
Moody's	S&P				
Baa1 (1)	A-	Truist Financial Corporate @ 1.125%	8/3/2027	\$ 475	\$ 466
Total				\$ 475	\$ 466

(1) One notch downgrade effective May 2024.

Attachment 6
Holding Limit Compliance Report
(sorted in descending order by Holding Limit)
October 31, 2025

(\$ in Thousands)

<u>Securities</u>	<u>Market Value</u>	<u>Percent of Portfolio Market Value</u>	<u>Holding Limits</u>
Federal Agencies	\$ 19,473	1.50%	100%
Mortgage-Backed Securities	77,192	5.94%	100%
United States Treasuries	336,315	25.89%	100%
Bankers' Acceptances	-	-	40%
California Asset Management Program	321,697	24.76%	40%
Commercial Paper	31,334	2.41%	40%
Bank Deposits (Certificate of Deposit) (1)	965	0.07%	30%
Medium Term Notes	236,307	18.19%	30%
Municipals	2,285	0.18%	30%
Negotiable Certificates of Deposit	94,344	7.26%	30%
Supranationals	805	0.06%	30%
Asset-Backed Securities	98,291	7.57%	20%
Money Market Funds	5,229	0.40%	20%
Repurchase Agreements (2)	-	-	20%
California Local Agency Investment Fund (3)	75,000	5.77%	N/A
Total Portfolio	\$ 1,299,237	100.00%	

(1) PNC Bank 3-Month collateralized time certificate of deposit of \$964,536, a financial assurance of The California State Mining and Geology Board (SMGB), and The Department of Conservation Division of Mine Reclamation as of October 2025.

(2) Repurchase agreements can only be executed with primary dealers and collateral consists of Treasuries and/or Federal Agencies with maturities under 5 years.

(3) \$75 million maximum allowed by California Local Agency Investment Fund for Operating Accounts.

Attachment 7
Maturity Compliance Report
(sorted alphabetically by Security)
October 31, 2025

(weighted average maturity in years)

<u>Securities</u>		<u>Liquidity Portfolio</u>	<u>Core Portfolio</u>	<u>Endowment Portfolio</u>	<u>Maximum Maturity</u>	<u>Compliance (4)</u>
Asset-Backed Securities		2.507	3.651	3.923	5.00	yes
Bank Deposits (Certificate of Deposit)	(1)	0.189	-	-	5.00	yes
Bankers' Acceptances		-	-	-	0.49	n/a
California Asset Management Program		0.003	-	0.003	N/A	yes
California Local Agency Investment Fund		0.003	-	-	N/A	yes
Commercial Paper		0.381	-	-	0.74	yes
Federal Agencies	(2,3)	-	2.288	9.184	5.00	yes
Medium Term Notes		0.858	2.252	2.510	5.00	yes
Money Market Funds		0.003	0.003	0.003	N/A	yes
Mortgage-Backed Securities		-	2.844	3.392	5.00	yes
Municipals	(3)	-	0.405	-	5.00	yes
Negotiable Certificates of Deposit		0.367	0.690	1.252	5.00	yes
Repurchase Agreements		-	-	-	0.74	n/a
Supranationals		-	-	1.205	5.00	yes
United States Treasuries	(2,3)	-	2.411	4.926	5.00	yes
Weighted Average Maturity		0.274	2.507	3.205		

(1) PNC Bank 3-Month collateralized time certificate of deposit of \$964,536, a financial assurance of The California State Mining and Geology Board (SMGB), and The Department of Conservation Division of Mine Reclamation as of October 2025.

(2) The Core Portfolio may be invested in Federal Agency and United States Treasury securities with maturities in excess of five years.

(3) The Treasurer is authorized to invest the Endowment Portfolio in investments with a term to maximum maturity in excess of five years. The Endowment Portfolio includes, but is not limited to, the Lake Mathews Trust; the DVR Multi-Species Reserve Fund; the Habitat Maintenance Fund-Lower Colorado; the Water Utility Climate Alliance Membership; and the HCP Remedial Fund.

(4) While the Maturity Compliance Report displays the weighted average maturity by security type, the response regarding compliance to the investment policy is at the individual security level.