

FIVE-YEAR COMPARATIVE FINANCIAL HIGHLIGHTS

ACCRUAL BASIS	Fiscal Year Ended June 30,				
(Dollars in millions)	2008	2007	2006	2005	2004
Operational (acre-feet ⁽¹⁾ in thousands)					
Water sales by type:					
Treated water	1,308	1,461	1,401	1,346	1,540
Untreated water	868	835	680	705	878
Total water sales	2,176	2,296	2,081	2,051	2,418
Water sales usage:					
Domestic and municipal uses (full service)	1,922	1,873	1,710	1,579	2,014
Agricultural uses	119	135	122	115	143
Seasonal storage & other	135	288	249	357	261
Total water sales	2,176	2,296	2,081	2,051	2,418
Balance Sheet					
Total assets	\$ 11,026	\$ 10,942	\$ 9,964	\$ 9,761	\$ 9,341
Long-term liabilities	(4,627)	(4,704)	(3,972)	(3,804)	(3,582)
Other liabilities	(522)	(533)	(490)	(525)	(476)
Net assets	\$ 5,877	\$ 5,705	\$ 5,502	\$ 5,432	\$ 5,283
Capital Assets					
Plant and equipment	\$ 8,953	\$ 8,471	\$ 7,888	\$ 7,377	\$ 7,004
Participation rights	328	328	326	314	248
Accumulated depreciation and amortization	(1,437)	(1,337)	(1,247)	(1,167)	(1,084)
Total capital assets, net	\$ 7,844	\$ 7,462	\$ 6,967	\$ 6,524	\$ 6,168
Operating Revenues and Expenses					
Revenues	\$ 1,096	\$ 1,069	\$ 971	\$ 911	\$ 1,017
Operating expenses	(755)	(704)	(737)	(600)	(592)
Depreciation and amortization	(229)	(214)	(205)	(210)	(202)
Operating income	\$ 112	\$ 151	\$ 29	\$ 101	\$ 223
Debt as Percent of Net Assets ⁽²⁾	77%	81%	70%	69%	67%
Weighted Average Interest Rate on Outstanding Debt	4.19%	4.32%	4.12%	3.93%	3.61%
Debt Service Coverage Ratio ⁽³⁾	1.75	2.19	1.84	2.51	2.50

Credit Ratings	Moody's		
	Fitch Ratings	Investors Service	Standard & Poor's
General obligation bonds	AAA	Aaa	AAA
Water revenue bonds - fixed rate	AA+	Aa2	AAA
Water revenue bonds - variable rate	F1+	VMIG 1	A1+

(1) An acre-foot is about 325,900 gallons and represents the needs of two average families, in and around the home for one year.

(2) Long-term debt, including current portion due in one year, divided by net assets.

(3) Coverage ratio on all obligations.