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

Date of Report: 10/14/2025

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Date: October 14, 2025

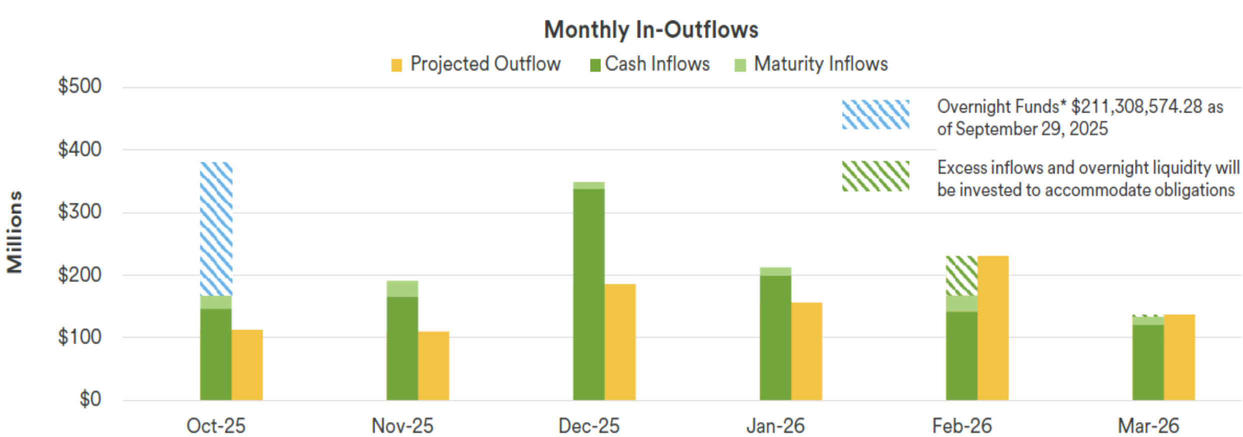
To: Finance, Affordablility, Asset Management, and Effiency Committee

From: Katano Kasaine, Assistant General Manager/Chief Financial Officer

Subject: Treasurer's Monthly Report September 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 September 30, 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 9/29/25, 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

Katano Kasaine
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Attachments

Attachment 1

The Metropolitan Water District of Southern California (MWD)
Summary of Portfolio Performance Report
September 30, 2025

		Market Value ($ in Thousands)	Monthly Return: Interest Return	Monthly Return: Total Return (1)	Monthly Return: Benchmark	Fiscal YTD Return: Interest Return	Fiscal YTD Return: Total Return (1)	Fiscal YTD Return: Benchmark	Annualized Total Return Inception-to-Date: MWD	Annualized Total Return Inception-to-Date: Benchmark
Liquidity	(2,3)	$ 641,094	0.33%	0.38%	0.34%	0.99%	1.15%	1.08%	2.14%	1.71%
Core	(4)	648,411	0.28%	0.33%	0.29%	0.84%	1.26%	1.22%	3.14%	2.69%
Liquidity and Core		$ 1,289,505								
Endowment	(5,6,7)	45,391	0.32%	0.37%	0.35%	0.99%	1.34%	1.39%	4.99%	4.77%
Total		$ 1,334,896								

(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 $956,197, a financial assurance of The California State Mining and Geology Board (SMGB) and The Department of Conservation Division of Mine Reclamation as of July 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 1-5 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
September 30, 2025

		Market Value ($ in Thousands)	Minimum Duration	MWD Duration	Maximum Duration	Benchmark
Liquidity	(1,2)	$ 641,094	0.00	0.18	0.73	0.23
Core	(3)	648,411	0.66	2.05	3.66	2.16
Liquidity and Core		$ 1,289,505				
Endowment	(4,5)	45,391		2.76		3.62
Total		$ 1,334,896				

(1) The Liquidity Portfolio market value balance includes a PNC Bank 3-Month collateralized time certificate of deposit of $956,197, a financial assurance of The California State Mining and Geology Board (SMGB) and The Department of Conservation Division of Mine Reclamation as of July 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 1-5 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)
September 30, 2025

($ in Thousands)

Securities		**Book Value**	**Market Value**	**Percent of Portfolio Market Value**	**Cumulative % of Portfolio**
California Asset Management Program		$ 352,480	$ 352,480	26.40%	26.40%
United States Treasuries		338,244	340,067	25.48%	51.88%
Medium Term Notes		237,181	239,354	17.93%	69.81%
Negotiable Certificates of Deposit		98,500	98,654	7.39%	77.20%
Asset-Backed Securities		92,709	93,345	6.99%	84.19%
Mortgage-Backed Securities		76,267	77,980	5.84%	90.03%
California Local Agency Investment Fund		75,000	75,000	5.62%	95.65%
Commercial Paper		33,726	33,740	2.53%	98.18%
Federal Agencies		19,351	19,467	1.46%	99.64%
Municipals		2,310	2,280	0.17%	99.81%
Bank Deposits (Certificate of Deposit)	(1)	956	956	0.07%	99.88%
Supranationals		799	806	0.06%	99.94%
Money Market Funds		766	766	0.06%	100.00%
Bankers' Acceptances		-	-	-	
Repurchase Agreements		-	-	-	
Total Portfolio		$ 1,328,289	$ 1,334,895	100.00%	

(1) PNC Bank 3-Month collateralized time certificate of deposit of $956,197, a financial assurance of The California State Mining and Geology Board (SMGB) and The Department of Conservation Division of Mine Reclamation as of July 2025.

Attachment 4

Summary Report of Investment & Cash Activity
(sorted alphabetically by security)
September 30, 2025

(Shown at Book Value and $ in Thousands)

Securities		**Beginning Balance**	**Purchases & Amortization**	**Sales**	**Maturities**	**Ending Balance**
Asset-Backed Securities		$ 82,114	$ 12,838	$ 2,243	$ -	$ 92,709
Bankers' Acceptances		-	-	-	-	-
California Asset Management Program		335,158	152,582	135,260	-	352,480
California Local Agency Investment Fund		25,000	50,000	-	-	75,000
Commercial Paper		53,583	143	-	20,000	33,726
Federal Agencies		23,336	24	4,009	-	19,351
Medium Term Notes		238,698	3,580	2,497	2,600	237,181
Money Market Funds		706	20,561	20,501	-	766
Mortgage-Backed Securities		69,010	7,353	96	-	76,267
Municipals		2,310	-	-	-	2,310
Negotiable Certificates of Deposit		98,500	-	-	-	98,500
Repurchase Agreements		-	-	-	-	-
Supranationals		799	-	-	-	799
Bank Deposits (Certificate of Deposit)	(1)	956	-	-	-	956
United States Treasuries		340,080	19,017	13,478	7,375	338,244
Subtotals		**$ 1,270,250**	**$ 266,098**	**$ 178,084**	**$ 29,975**	**$ 1,328,289**

Cash	Beginning Balance	Deposits		Withdrawals	Ending Balance
Demand Accounts	$ 33	$ -		$ 32	$ 1
Petty Cash & Payroll	5				5
Overnight Investment	-				-
Subtotals	**$ 38**	**$ -**		**$ 32**	**$ 6**
Total	**$ 1,270,288**	**$ 266,098**	**$ 178,084**	**$ 30,007**	**$ 1,328,295**

(1) PNC Bank 3-Month collateralized time certificate of deposit of $956,197, a financial assurance of The California State Mining and Geology Board (SMGB) and The Department of Conservation Division of Mine Reclamation as of July 2025.

Attachment 5

Credit Quality Compliance Report
(sorted alphabetically by Security)
September 30, 2025

($ in Thousands)

Securities		**Credit Quality**	**Market Value**	**Meets Policy Credit Requirement**
Asset-Backed Securities		"AA or higher"	$ 93,345	yes
Bank Deposits (Certificate of Deposit)	(1)	Collateralized/FDIC Insured	956	yes
Bankers' Acceptances		"A-1 or higher"	-	n/a
California Asset Management Program	(2)	"AAAm or higher"	352,480	yes
California Local Agency Investment Fund		N/A	75,000	yes
Commercial Paper		"A1/P1 or higher"	33,740	yes
Federal Agencies	(3)	N/A	19,467	yes
Medium Term Notes	(4)(5)	"A or higher"	239,354	yes
Money Market Funds		"AAAm"	766	yes
Mortgage-Backed Securities		"AAA"	77,980	yes
Municipals		"A or higher"	2,280	yes
Negotiable Certificates of Deposit		"A-1 or higher"	98,654	yes
Repurchase Agreements		"AAA"	-	n/a
Supranationals		"AA or higher"	806	yes
United States Treasuries	(6)	N/A	340,067	yes
Total Portfolio			$ 1,334,895	

(1) PNC Bank 3-Month collateralized time certificate of deposit of $956,197, a financial assurance of The California State Mining and Geology Board (SMGB) and The Department of Conservation Division of Mine Reclamation as of July 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

September 30, 2025

($ in Thousands)

Credit Ratings Moody's	S&P	Medium Term Notes	Maturity Date	Market Value	Book Value
Baa1 (1)	A-	Truist Financial Corporate @ 1.125%	8/3/2027	$ 474	$ 464
Total				$ 474	$ 464

(1) One notch downgrade effective May 2024.

Attachment 6

Holding Limit Compliance Report
(sorted in descending order by Holding Limit)
September 30, 2025

($ in Thousands)

Securities		Market Value	Percent of Portfolio Market Value	Holding Limits
Federal Agencies		$ 19,467	1.46%	100%
Mortgage-Backed Securities		77,980	5.84%	100%
United States Treasuries		340,067	25.48%	100%
Bankers' Acceptances		-	-	40%
California Asset Management Program		352,480	26.40%	40%
Commercial Paper		33,740	2.53%	40%
Bank Deposits (Certificate of Deposit)	(1)	956	0.07%	30%
Medium Term Notes		239,354	17.93%	30%
Municipals		2,280	0.17%	30%
Negotiable Certificates of Deposit		98,654	7.39%	30%
Supranationals		806	0.06%	30%
Asset-Backed Securities		93,345	6.99%	20%
Money Market Funds		766	0.06%	20%
Repurchase Agreements	(2)	-	-	20%
California Local Agency Investment Fund	(3)	75,000	5.62%	N/A
Total Portfolio		$ 1,334,895	100.00%	

(1) PNC Bank 3-Month collateralized time certificate of deposit of $956,197, a financial assurance of The California State Mining and Geology Board (SMGB) and The Department of Conservation Division of Mine Reclamation as of July 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)
September 30, 2025

(weighted average maturity in years)

Securities		**Liquidity Portfolio**	**Core Portfolio**	**Endowment Portfolio**	**Maximum Maturity**	**Compliance (4)**
Asset-Backed Securities		2.578	3.621	3.893	5.00	yes
Bank Deposits (Certificate of Deposit)	(1)	0.022	-	-	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		0.252	-	-	0.74	yes
Federal Agencies	(2,3)	-	2.375	9.268	5.00	yes
Medium Term Notes		0.942	2.290	2.595	5.00	yes
Money Market Funds		0.003	0.003	0.003	N/A	yes
Mortgage-Backed Securities		-	2.901	3.477	5.00	yes
Municipals	(3)	-	0.490	-	5.00	yes
Negotiable Certificates of Deposit		0.332	0.775	1.337	5.00	yes
Repurchase Agreements		-	-	-	0.74	n/a
Supranationals		-	-	1.290	5.00	yes
United States Treasuries	(2,3)	-	2.466	4.992	5.00	yes
Weighted Average Maturity		0.266	2.556	3.258		

(1) PNC Bank 3-Month collateralized time certificate of deposit of $956,197, a financial assurance of The California State Mining and Geology Board (SMGB) and The Department of Conservation Division of Mine Reclamation as of July 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.