

WEST BASIN MUNICIPAL WATER DISTRICT

NOVEMBER 15, 2001 – Finance Committee  
Smith, Dear

NOVEMBER 26, 2001 – Board Meeting

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Approved by: Darryl G. Miller

ACTION CALENDAR

MWD CREDIT OF SURPLUS REVENUES TO WEST BASIN MWD

SUMMARY:

Due to high water sales during FY 2000-01, the Metropolitan Water District had \$83.5 million more than the target level of its Water Rate Stabilization Fund (WRSF) as of June 30, 2001. According to MWD policy, if certain financial parameters are met the Board of Directors may use the available WRSF funds for any lawful purpose. In a similar situation at the end of FY 1999-00, the Board authorized the defeasance of outstanding debt.

This year, the MWD Board authorized a dual purpose for the surplus funds at its October meeting: 60% of the \$83.5 million (\$50.1 million) to be applied to MWD's Capital Investment Program, thereby deferring the issuance of additional debt, and 40% (\$33.4 million) as a credit on each member agency's water bill. West Basin's share of the credit will be \$2,466,632.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Finance Committee on November 15, 2001 and it was recommended that the Board approve a pass-through of the MWD Surplus Revenue Credit to the District's purveyors at the November 26, 2001 Board meeting.

RECOMMENDED MOTION:

That the Board approves the pass-through of the MWD Surplus Revenue Credit to West Basin's purveyors.