

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223



**SAN GORGONIO PASS
WATER AGENCY**
A California State Water Project Contractor

Finance & Budget Committee Meeting
January 29, 2026 at 3:00 p.m.

AGENDA

*This meeting is being held virtually and in person.
Link and telephone option provided is available for the
convenience of the public.*

TO JOIN VIA ZOOM: [Zoom Teleconference Link](#)
TO JOIN THE MEETING BY TELEPHONE
CALL: 669-900-6833 | MEETING ID: 942 7637 8467

Members of the public who wish to comment on any item within the jurisdiction of the Agency or any item on the agenda may submit comments by emailing mcabral@sgpwa.com or may do so during the meeting. Comments will become part of the meeting record.

****In order to reduce feedback, please mute your audio when you are not speaking.***

*Esta reunión se llevará a cabo virtualmente y en persona.
El enlace y la opción telefónica proporcionada
es para la comodidad del público.*

PARA UNIRSE VÍA ZOOM: [Zoom Teleconference Link](#)
PARA UNIRSE A LA JUNTA CON LA OPCIÓN TELEFONICA
LLAMAR: 669-900-6833 | ID DE REUNIÓN: 942 7637 8467

Los miembros del público que deseen comentar sobre cualquier tema dentro de la jurisdicción de la Agencia o cualquier tema en la agenda pueden enviar comentarios por correo electrónico a mcabral@sgpwa.com o pueden hacerlo durante la reunión. Los comentarios pasarán a formar parte del registro de la reunión de la Junta.

****Para reducir los comentarios, silencia el audio cuando no estés hablando.***

1. Call to Order, Pledge of Allegiance, and Roll Call

2. Adjustment and Adoption of Agenda

3. Public Comment: Members of the public may address the Committee at this time concerning items relating to any matter within the Agency's jurisdiction. There will be an opportunity to comment on specific agenda items as the items are addressed. Speakers are requested to keep their comments to no more than five (5) minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Committee or Staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to Staff for follow-up.

President

Robert Ybarra

Vice President

Larry Smith

Treasurer

James Tickemyer

Secretary

Sarah Wargo

Directors

Dr. Blair M Ball

Chander Letulle

Mickey Valdivia

General Manager

Lance Eckhart,

PG, CHG

Legal Counsel

Holland Stewart

4. Approval of the Minutes

- A. Approval of the Minutes of the Finance & Budget Committee Meeting, December 18, 2025, ([pg. 4](#))

5. New Business – Discussion and Possible Action:

- A. Ratification of Paid Invoices and Monthly Payroll for December 2025, ([pg. 6](#))
- B. Review of Bank Reconciliation for December 2025, ([pg. 10](#))
- C. Review of Budget Report for December 2025, ([pg. 13](#))
- D. Review of Pending Legal Invoices for December 2025, ([pg. 25](#))
- E. Gap Funding and Heli-Hydrant Funding Report, ([pg. 26](#))
- F. Review Cash Reconciliation Report for December, 2025, ([pg. 28](#))
- G. Review Reserve Allocation Report for December, 2025, ([pg. 31](#))
- H. Review Investment Report for 4th Quarter, 2025, ([pg. 32](#))
- I. FY 2025-26 Six-Month Budget Review, ([pg.55](#))

6. Committee Member Comments

7. Announcements

- A. Regular Board Meeting, January 26, 2026 at 6:00 p.m.
- B. Regular Board Meeting, February 2, 2026 at 1:30 p.m.
- C. Finance & Budget Committee Meeting, February 26, 2026 time TBD

8. Adjournment

(1) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, during regular business hours. When practical, these public records will also be made available on the Agency's website, accessible at: www.sgpwa.com (2) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

San Gorgonio Pass Water Agency

DATE: January 22, 2026
TO: Finance and Budget Committee
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: Summary of Recommended Committee Actions

RECOMMENDATIONS

Recommendations for Finance and Budget Committee actions:

Item 4A: **Motion: The Committee approves the minutes.**

Item 5A: The Committee **accepts** payments as listed in the Check History reports for Accounts Payable and Payroll.

Item 5B: The Committee **accepts** the Bank Reconciliation.

Item 5C: The Committee **accepts** the Budget Report.

Motion: The Committee accepts items 5A-C.

Item 5D: **Motion: The Committee approves payment of the Legal Invoice.**

Item 5F: **Motion: The Committee accepts the Cash Reconciliation Report.**

Item 5G: **Motion: The Committee approves the Reserve Allocation Report.**

Item 5H: **Motion: The Committee recommends presentation of the Investment Report for the 4th Quarter of 2025 to the Board.**

Item 5I: **Motion: The Committee accepts the FY 2025-26 Six-Month Budget Review.**

BACKGROUND

The Finance & Budget Committee reviews the necessary financial material during this meeting and will present its findings at the next regular Board meeting.

ACTION

The Committee takes the above listed actions and recommends Board ratification of the same.

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue
Beaumont, California 92223
Minutes of the
Finance and Budget Committee
December 18, 2025

THIS MEETING WAS HELD IN PERSON AND VIA ZOOM.

Committee Members Present:

In person Robert Ybarra, Chair
 Mickey Valdivia, Member

Committee Members Absent: Chander Letulle, Member

Staff Present:

In person Tom Todd, Jr., Chief Financial Officer
 Lance Eckhart, General Manager

Consultants Present:

Remote Paul Kaymark, Nigro & Nigro

1. **Call to Order, Flag Salute, and Roll Call:** The San Gorgonio Pass Water Agency Finance and Budget Committee meeting was called to order by Chair Robert Ybarra at 3:00 p.m., December 18, 2025. Mr. Ybarra led the Pledge of Allegiance. Mr. Ybarra asked for a roll call. A quorum was present.
2. **Adjustment and/or Adoption of the Agenda.** Mr. Todd asked to have Item 5F moved to the beginning of New Business. The agenda was adopted as modified.
3. **Public Comment:** None.
4. **Approval of Minutes**
 - A. Approval of the Minutes of the Finance & Budget Committee Meeting, November 20, 2025.
After review and discussion, Mr. Valdivia moved, seconded by Mr. Ybarra, to accept Item 4A. Approved unanimously by voice vote, with Mr. Letulle absent.
5. **New Business**
 - F. Review of Draft Audited Financial Statements for FY 2024-25
Mr. Todd introduced Mr. Paul Kaymark of Nigro & Nigro. Mr. Kaymark review the draft audited statements. The audit was completed with no concerns. Mr. Kaymark stated that this was an unmodified opinion, or a clean audit. After further review and discussion, Mr. Valdivia moved, seconded by Mr. Ybarra, to recommend that the Board accept and file the audited statements for FY 2024-25. Approved unanimously by voice vote, with Mr. Letulle absent.
 - A. Ratification of Paid Invoices and Monthly Payroll for November 2025
 - B. Review of Bank Reconciliation for November 2025

C. Review of Budget Report for November 2025

After review and discussion, Mr. Ybarra moved, seconded by Mr. Valdivia, to accept Items 5A-C. Approved unanimously by voice vote, with Mr. Letulle absent.

D. Review of Pending Legal Invoices for November 2025

After review and discussion, Mr. Ybarra moved, seconded by Mr. Valdivia, to approve payment of the Legal Invoice. Approved unanimously by voice vote, with Mr. Letulle absent.

E. Review of Gap Funding and Heli-Hydrant Funding Report

The Committee reviewed the Gap Funding Report and Heli-Hydrant Funding Report.

G. Discussion: Vendor Review

Mr. Todd made a presentation about the use of local vendors. After review and discussion, the Committee requested Legal Counsel review before presenting this matter to the Board at a future meeting.

6. Committee Member Comments

There were no additional Committee comments.

7. Announcements

Mr. Ybarra reviewed the announcements:

A. The office will be closed December 24, 2025 through January 1, 2026 in observance of the Christmas and New Year's holidays.

B. Regular Board Meeting, January 5, 2026, 1:30 p.m.

C. The office will be closed January 19, 2026 in observance of Martin Luther King, Jr. Day

D. Finance & Budget Committee Meeting, January 22, 2026, at 10:00 a.m.

8. Adjournment

The Finance and Budget Committee of the San Geronio Pass Water Agency was adjourned by Mr. Ybarra at 3:51 p.m.

Draft - Subject to Committee Approval

Robert Ybarra, Committee Chair

San Geronio Pass Water Agency
Check History Report
December 1 through December 31, 2025

ACCOUNTS PAYABLE

Date	Number	Name	Amount
12/3/25	122042	ATAC EXTERMINATORS INC	89.00
12/3/25	122043	BEST BEST & KRIEGER	35,535.48
12/3/25	122044	CONTROL TEMP, INC.	185.00
12/3/25	122045	THE FERGUSON GROUP	7,472.50
12/3/25	122046	FISH WINDOW CLEANING	130.00
12/3/25	122047	GALLAGHER BENEFIT SERVICES	8,400.00
12/3/25	122048	MACRO COMMUNICATIONS	1,322.50
12/3/25	122049	SOUTHERN CALIFORNIA EDISON	206.64
12/3/25	122050	UNLIMITED SERVICES	407.00
12/3/25	122051	UNDERGROUND SERVICE ALERT	22.00
12/3/25	122052	VERIZON BUSINESS	80.04
12/3/25	122053	WATER RESOURCES ECONOMICS	1,430.00
12/3/25	122054	WASTE MGT CORPORATE SERVICES	138.46
12/8/25	122055	ACWA BENEFITS	1,146.57
12/8/25	122056	CRIDER PUBLIC RELATIONS	2,040.00
12/8/25	122057	EARTHCAM, INC	3,232.50
12/8/25	122058	THE FERGUSON GROUP	2,625.00
12/8/25	122059	GF ADVOCACY, LLC	2,500.00
12/8/25	122060	LENITY TECHNOLOGY	3,843.85
12/8/25	122061	PUBLIC AGENCY RETIREMENT SERVICES	1,926.00
12/8/25	122062	PROJECT PARTNERS, INC	4,560.00
12/8/25	122063	STANDARD INSURANCE COMPANY	915.37
12/8/25	122064	CV STRATEGIES	92,685.04
12/15/25	122065	ATAC EXTERMINATORS INC	89.00
12/15/25	122066	BANNING HEIGHTS MUTUAL WATER CO.	300,974.25
12/15/25	122067	CRM TECH	8,900.00
12/15/25	122068	ERNST & YOUNG LLP	682.00
12/15/25	122069	KVAC ENVIRONMENTAL	12,225.28
12/15/25	122070	MATTHEW PISTILLI LANDSCAPE SERVICES	470.00
12/15/25	122071	MT FENCING, INC	4,200.00
12/15/25	122072	NATIONAL AUTO FLEET GROUP	55,632.32
12/15/25	122073	NIGRO & NIGRO	10,000.00
12/15/25	122074	PROVOST & PRITCHARD	7,953.20
12/15/25	122075	SOUTHERN CALIFORNIA GAS	158.15
12/19/25	122076	ALBERT WEBB ASSOCIATES	14,961.65
12/19/25	122077	AVEK WATER AGENCY	393,326.40
12/19/25	122078	BEACON ECONOMICS, LLC	1,620.40
12/19/25	122079	FRONTIER COMMUNICATIONS	389.39
12/19/25	122080	LAND ENGINEERING CONSULTANTS	46,357.25
12/19/25	122081	PURCOR PEST SOLUTIONS	66.80
12/19/25	122082	WELLS FARGO ELITE CREDIT CARD	12,061.13
12/19/25	122083	WEKA, INC	430,151.56
12/19/25	122084	ZANJERO WATER CONSULTING	14,205.00
12/19/25	122086	PUBLIC AGENCY RETIREMENT SERVICES	1,926.00
12/2/25	901232	EMPLOYMENT DEVELOPMENT DEPARTMENT	3,105.02
12/2/25	901233	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	12,523.09
12/2/25	901234	CALPERS RETIREMENT	11,282.20
12/2/25	901235	CAL PERS RETIREMENT - SIP-457	4,559.00

San Gorgonio Pass Water Agency
Check History Report
December 1 through December 31, 2025

ACCOUNTS PAYABLE (CON'T)

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
12/2/25	901236	PAYCHEX	218.44
12/2/25	901237	MATTHEW E. HOWARD - REIMBURSEMENT	2,088.36
12/2/25	901238	SARAH C. WARGO - REIMBURSEMENT	4,656.00
12/17/25	901239	EMPLOYMENT DEVELOPMENT DEPARTMENT	3,214.75
12/17/25	901240	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	11,979.20
12/17/25	901241	CALPERS RETIREMENT	10,477.14
12/17/25	901242	CAL PERS RETIREMENT - SIP-457	4,558.00
12/17/25	901243	PAYCHEX	199.25
12/17/25	901244	MARICELA V. CABRAL - REIMBURSEMENT	536.38
12/17/25	901245	JAMES N. TICKEMYER - REIMBURSEMENT	230.53
12/17/25	901246	MICHAEL R. VALDIVIA - REIMBURSEMENT	141.40
12/17/25	901247	SARAH C. WARGO - REIMBURSEMENT	40.00
12/19/25	901248	CALPERS HEALTH	14,926.49
12/23/25	901249	EMPLOYMENT DEVELOPMENT DEPARTMENT	2,357.33
12/23/25	901250	ELECTRONIC FEDERAL TAX PAYMENT SYSTEM	8,764.73
12/23/25	901251	CALPERS RETIREMENT	156.10
12/23/25	901252	PAYCHEX	161.25
12/29/25	901253	DEPARTMENT OF WATER RESOURCES	1,043,987.00
		TOTAL ACCOUNTS PAYABLE CHECKS	<u>2,627,404.39</u>

PAYROLL

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
12/1/25	803072	MARICELA V. CABRAL	4,485.33
12/1/25	803073	EMMETT G. CAMPBELL	5,735.50
12/1/25	803074	LANCE E. ECKHART	7,994.39
12/1/25	803075	MATTHEW E. HOWARD	5,278.99
12/1/25	803076	LAWRENCE R. SMITH	2,935.04
12/1/25	803077	SCOTT W. TIRRELL	471.46
12/1/25	803078	THOMAS W. TODD, JR.	4,957.79
12/1/25	803079	MICHAEL R. VALDIVIA	2,935.05
12/1/25	803080	SARAH C. WARGO	2,877.57
12/1/25	803081	ROBERT G. YBARRA	2,131.45
12/1/25	803082	JAMES N. TICKEMYER	5.00
12/16/25	803083	MARICELA V. CABRAL	4,485.33
12/16/25	803084	EMMETT G. CAMPBELL	6,011.89
12/16/25	803085	LANCE E. ECKHART	7,191.25
12/16/25	803086	MATTHEW E. HOWARD	4,603.26
12/16/25	803087	SCOTT W. TIRRELL	928.20
12/16/25	803088	THOMAS W. TODD, JR.	4,958.80
12/16/25	803089	JAMES N. TICKEMYER	608.57
12/22/25	803090	LANCE E. ECKHART - 4TH QTR BUY-OUT	14,573.59
12/22/25	803091	MATTHEW E. HOWARD - 4TH QTR BUY-OUT	2,320.03
12/22/25	803092	THOMAS W. TODD, JR. - 4TH QTR BUY-OUT	7,510.15
		TOTAL PAYROLL	<u>92,998.64</u>
		TOTAL DISBURSEMENTS FOR DECEMBER 2025	<u><u>2,720,403.03</u></u>

San Gorgonio Pass Water Agency
Check History Report
December 1 through December 31, 2025

NOTES

*Reimbursements to Staff and Directors may include medical, wellness, travel or office expenditures.

Check and expenditure series numbers:

121xxx	Accounts payable checks
802xxx	Payroll direct deposits to employees
900xxx	Electronic Funds Transfers

SAN GORGONIO PASS WATER AGENCY
New Vendors List
December 2025

Vendor - Name and Address	Expenditure Type
National Auto Fleet Group 490 Auto Center Dr., Watsonville, CA 95076	Transportation & Equipt
WEKA, Inc 236 W. Orange Show Rd, San Bernardino, CA 92408	Construction
Morongo Band of Mission Indians 12700 Pumarra Road, Banning, CA 92220	County Line Recharge Cultural Monitoring

**SAN GORGONIO PASS WATER AGENCY
BANK RECONCILIATION
WELLS FARGO CHECKING ACCOUNT
December 31, 2025**

BALANCE PER BANK AT:	12/31/25	1,171,427.36
IN-TRANSIT DEPOSIT		
PENDING TRANSFER TO LAIF		
BALANCE to RECONCILE		1,171,427.36

LESS OUTSTANDING CHECKS

CHECK NUMBER	AMOUNT	CHECK NUMBER	AMOUNT
122035	1,526.00	122071	4,200.00
122064	92,685.04	122073	10,000.00
122066	300,974.25	122076	14,961.65
	395,185.29		29,161.65

TOTAL OUTSTANDING CHECKS	(424,346.94)
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BALANCE PER GENERAL LEDGER	747,080.42
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BALANCE PER GENERAL LEDGER AT:	11/30/25	592,091.88
CASH RECEIPTS FOR MONTH OF:	December	10,475,391.57
CASH DISBURSEMENTS FOR MONTH:	December	
ACCOUNTS PAYABLE - CHECK HISTORY REPORT	2,627,404.39	
PAYROLL - CHECK HISTORY REPORT	92,998.64	(2,720,403.03)
BANK CHARGES		
TRANSFERS FROM LAIF OR CAMP		-
TRANSFERS TO LAIF OR CAMP		(7,600,000.00)
OTHER		-
VOIDED CHECKS FROM PRIOR MONTH		-
BALANCE PER GENERAL LEDGER AT:	12/31/25	747,080.42

REPORT PREPARED BY:

Thomas W. Ford, Jr.

**SAN GORGONIO PASS WATER AGENCY
DEPOSIT RECAP
FOR THE MONTH OF DECEMBER 2025**

DATE	RECEIVED FROM	DESCRIPTION	AMOUNT
DEPOSIT TO CHECKING ACCOUNT			
12/4/25	RIVERSIDE COUNTY	FISH & GAME FY25-26	556.69
12/9/25	RIVERSIDE COUNTY	HELI-HYDRANT GRANT PYMNT - HVWD	120,000.00
12/18/25	RIVERSIDE COUNTY	HOMEOWNERS EXEMPTION	33,381.20
12/18/25	RIVERSIDE COUNTY	NON-COMMERICAL AIRPLANES	1,000.95
12/18/25	RIVERSIDE COUNTY	SECURED SA1	9,875,703.35
12/18/25	RIVERSIDE COUNTY	HELI-HYDRANT GRANT PYMNT - HVWD	300,000.00
12/24/25	YVWD	WATER SALES	2,773.05
12/24/25	RIVERSIDE COUNTY	UNSECURED UC2	141,976.33
TOTAL FOR DECEMBER 2025			10,475,391.57

SAN GORGONIO PASS WATER AGENCY

Local Water Purchases and Deliveries
Calendar Year 2025
DRAFT - Subject to Change
January 5, 2026

ORDERS (AF)					
City of Banning		BCVWD		YVWD	
Replenish	Pre-Stored	Replenish	Pre-Stored	Direct	Pre-Stored*
1,500	250	11,200	5,000	200	0

Delivery Point						Pre-Stored Water					
Month	Brookside East	LSGC	Noble Connect.	SBVMWD	Total	SGPWA Transfers-In	SGPWA Transfers-Out	SGPWA Balance	Banning Transfers-In	BCVWD Transfers-In	YVWD Transfers-In
Bal. Prior Year						Bal. Prior Year		1,595			
Jan	10		43		53	10		1,605			
Feb	397		637		1,034	397		2,002			
Mar	724		1,582	13	2,319	724		2,726			
Apr	572		1,401		1,973	572		3,298			
May	126		1,389		1,515	126		3,424			
Jun	1,056		996		2,052	1,056	3,250	1,230	750	2,500	
Jul	922		867		1,789	922		2,152			
Aug	820		1,312		2,132	820		2,972			
Sep	885		1,573		2,458	885		3,857			
Oct	633		1,393		2,026	633		4,490			
Nov	489	16	1,004	7	1,516	489	2,503	2,476	1,000	1,503	
Dec	13		30	13	56	13		2,489			
TOTALS	6,647	16	12,227	33	18,923	6,647	5,753		1,750	4,003	0

Billing Detail										
Month	City of Banning			BCVWD			YVWD			Totals
	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	Deliveries	Transfers-in	Total	
Jan			0	43		43			0	43
Feb			0	637		637			0	637
Mar			0	1,582		1,582	13		13	1,595
Apr			0	1,401		1,401			0	1,401
May			0	1,389		1,389			0	1,389
Jun		750	750	996	2,500	3,496			0	4,246
Jul			0	867		867			0	867
Aug			0	1,312		1,312			0	1,312
Sep			0	1,573		1,573			0	1,573
Oct			0	1,393		1,393			0	1,393
Nov		1,000	1,000	1,004	1,503	2,507	7		7	3,514
Dec			0	0		0	13		13	13
TOTALS	0	1,750	1,750	12,197	4,003	16,200	33	0	33	17,983

*Pre-stored water for YVWD will be delivered thru the Brookside East facility.

San Gorgonio Pass Water Agency
Budget Highlights

December 2025

Overall FY 2025-26

Tax revenue is beginning to come in, but a bit slower than last year. Interest continues to exceed expectations; future decisions by the Fed may affect this. Expenses by category are all well within budget.

General Fund (Green Bucket)

Income

Water sales always lags by two months compared to actual deliveries, and grant revenue will come in chunks. Otherwise, General Fund revenue is being received as expected.

Expenses

As mentioned above, all expense categories for the General Fund are well within budget. Within categories, there are some line items worth noting.

Previously mentioned:

- Payroll Services
- Dues and Assessments
- Office Expense
- LAFCO Cost Share
- Accounting and Auditing
- SAWPA Regional Projects
- Dues – ACWA dues were paid

For the month of December, Legal Services is barely over budget.

As mentioned last month, in the New Property line item (row 114), the property at 1216 Beaumont Ave was purchased. This was not previously budgeted for strategic reasons, so this budget item is over budget. A budget revision will be proposed at the mid-year review.

Consigned – SWP Support Fund (Orange Bucket)

No changes.

Debt Service Fund (Red Bucket)

Income

As mentioned in the General Fund section, tax revenue was being received, but at a slightly slower pace than last year. Interest continues to exceed expectations for the Debt Service Fund.

Expenses

Previously mentioned:

- State Water Contract Dues
- State Water Contract Payments

Purchased water has edged into being over-budget this month. As mentioned in previous reports, due to the large EBX payment made in September, State Water Contract Payments are over-budget, but overall, the Debt Service Fund is within budget this month.

Funding Programs

Gap Funding Expenses

Gap Funding Income

There was no income nor expenses for these categories in December.

For further detail about the budget at mid-year, please refer to the Six-Month Review, which is included in the agenda for January's Finance and Budget Committee meeting.

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND							
		INCOME				% of Budget Year:	50.0%
							Over budget
							Under budget
1		WATER SALES	7,500,000		7,500,000	2,055,628.05	27.4%
2		OTHER WATER SALES	0		0	0.00	
3		TAX REVENUE	13,250,000		13,250,000	1,553,051.53	11.7%
4		INTEREST	600,000		600,000	822,275.30	137.0%
5		GOV'T CONTRIBUTIONS	320,000		320,000	100,000.00	31.3%
6		GRANT REVENUE	3,600,000		3,600,000	903,707.52	25.1%
7		OTHER MISCELLANEOUS INCOME	45,000		45,000	35,460.70	78.8%
8		TOTAL GENERAL FUND INCOME	25,315,000	0	25,315,000	5,470,123.10	21.6%
							Under budget
		EXPENSES					Over budget
		COMMODITY PURCHASE					
12		PURCHASED WATER FOR DELIVERY	2,700,000		2,700,000	0.00	0.0%
13		PURCHASED WATER FOR BANKING (FUTURE SALE)	1,000,000		1,000,000	0.00	0.0%
14		TOTAL COMMODITY PURCHASE	3,700,000	0	3,700,000	0.00	0.0%
		SALARIES AND EMPLOYEE BENEFITS					
17		SALARIES	800,000		800,000	346,364.80	43.3%
18		PAYROLL TAXES	73,000		73,000	20,838.54	28.5%
19		PAYROLL SERVICES	11,000		11,000	8,055.19	73.2%
20		RETIREMENT	350,000		350,000	192,070.95	54.9%
21		OTHER POST-EMPLOYMENT BENEFITS (OPEB)	200,000		200,000	52,445.79	26.2%
22		HEALTH INSURANCE	75,000		75,000	29,046.63	38.7%
23		ACWA BENEFITS	12,000		12,000	4,430.32	36.9%
24		DISABILITY INSURANCE	8,000		8,000	2,782.46	34.8%
25		WORKERS COMPENSATION INSURANCE	7,000		7,000	974.59	13.9%
26		SGPWA STAFF MEDICAL REIMBURSEMENT	22,000		22,000	4,916.16	22.3%
27		EMPLOYEE EDUCATION	7,000		7,000	0.00	0.0%
28		TOTAL SALARIES AND EMPLOYEE BENEFITS	1,565,000	0	1,565,000	661,925.43	42.3%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND							
	EXPENSES					Remaining %	50.0%
	ADMINISTRATIVE AND PROFESSIONAL SERVICES						Under budget
	DIRECTOR EXPENDITURES						Over budget
33	DIRECTORS FEES		285,000		285,000	67,252.59	23.6%
34	DIRECTORS TRAVEL AND EDUCATION		80,000		80,000	22,349.28	27.9%
35	DIRECTORS MEDICAL		214,000		214,000	20,950.66	9.8%
	OFFICE EXPENDITURES						
37	OFFICE EXPENSE		40,000		40,000	25,774.04	64.4%
38	POSTAGE		1,000		1,000	234.55	23.5%
39	TELEPHONE		8,000		8,000	3,560.68	44.5%
40	UTILITIES		7,000		7,000	2,019.66	28.9%
	SERVICE EXPENDITURES						
42	COMPUTER, WEBSITE AND PHONE SUPPORT		75,000		75,000	36,764.78	49.0%
43	GENERAL MANAGER AND STAFF TRAVEL		50,000		50,000	17,189.17	34.4%
44	SUCCESSION PLANNING		65,000		65,000	13,287.42	20.4%
45	INSURANCE AND BONDS		70,000		70,000	69,170.39	98.8%
46	ACCOUNTING AND AUDITING		22,000		22,000	20,000.00	90.9%
47	LEGAL SERVICES		350,000		350,000	179,189.12	51.2%
48	DUES AND ASSESSMENTS		70,000		70,000	38,900.02	55.6%
49	OTHER PROFESSIONAL SERVICES		25,000		25,000	6,039.30	24.2%
50	BANK CHARGES		1,000		1,000	0.00	0.0%
51	MISCELLANEOUS EXPENSES		1,000		1,000	0.00	0.0%
	MAINTENANCE AND EQUIPMENT EXPENDITURES						
53	TOOLS PURCHASE AND MAINTENANCE		2,000		2,000	373.63	18.7%
54	MAINTENANCE AND REPAIRS - VEHICLE		30,000		30,000	646.39	2.2%
55	MAINTENANCE AND REPAIRS - BUILDING		50,000		50,000	10,623.49	21.2%
56	MAINTENANCE AND REPAIRS - FIELD		60,000		60,000	9,868.63	16.4%
	COUNTY EXPENDITURES						
58	LAFCO COST SHARE		10,000		10,000	10,915.52	109.2%
59	ELECTION EXPENSE		0		0	0.00	
60	TAX COLLECTION CHARGES		70,000		70,000	3,885.74	5.6%
61	TOTAL ADMINISTRATIVE AND PROFESSIONAL SERVICES		1,586,000	0	1,586,000	558,995.06	35.2%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND							
	EXPENSES					Remaining %	50.0%
	CONSULTING AND ENGINEERING SERVICES						Under budget
	PLANS & CONSTRUCTION						Over budget
65	INFRASTRUCTURE PLAN - Phase 2		25,000		25,000	0.00	0.0%
66	BACKBONE INFRASTRUCTURE STUDY AND DESIGN		750,000	-415,000	335,000	0.00	0.0%
67	BUNKER HILL BANKING AND RECOVERY PROGRAM		75,000		75,000	0.00	0.0%
68	COUNTY LINE RECHARGE		100,000		100,000	88,294.24	88.3%
69	SMALL SYSTEM ASSISTANCE PROGRAM		210,000		210,000	30,835.89	14.7%
70	SIGNAGE AND FRONTAGE BROOKSIDE EAST		75,000		75,000	0.00	0.0%
71	MONITORING WELL DRILLING		1,800,000		1,800,000	39,692.72	2.2%
72	HELI-HYDRANT		1,200,000		1,200,000	94,184.49	7.8%
	OTHER PROJECTS						
74	WATER BANKING INVESTIGATIONS		25,000	415,000	440,000	393,326.40	89.4%
75	SAN GORGONIO GSA		550,000		550,000	14,304.76	2.6%
76	YUCAIPA GSA VERBENIA GSA		50,000		50,000	7,552.29	15.1%
77	FLUME MONITORING AND SUPPORT		30,000		30,000	0.00	0.0%
	STUDIES AND REPORTS						
79	FINANCIAL MODELING + NEXUS RATE STUDY		55,000		55,000	17,416.23	31.7%
80	USGS STUDIES AND MONITORING		400,000		400,000	0.00	0.0%
81	LOCAL SUPPLIES		50,000		50,000	0.00	0.0%
82	LOCAL RECHARGE FEASIBILITY STUDIES		750,000		750,000	17,870.10	2.4%
83	UWMP SUPPORT AND ANNUAL REPORT COMPLETION		300,000		300,000	34,965.00	11.7%
	GENERAL ENGINEERING SERVICES						
85	ON-CALL ENGINEERING SERVICES		500,000		500,000	59,905.68	12.0%
86	GRANT SUPPORT SERVICES		50,000		50,000	26,425.00	52.9%
87	STATE + FEDERAL ADVOCACY		80,000		80,000	12,500.00	15.6%
88	SAWPA REGIONAL PROJECTS		15,000		15,000	9,889.00	65.9%
89	GENERAL ENGINEERING and ENVIRONMENTAL		50,000		50,000	1,247.50	2.5%
90	TOTAL CONSULTING AND ENGINEERING SERVICES		7,140,000	0	7,140,000	848,409.30	11.9%

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
GENERAL FUND							
		EXPENSES				Remaining %	50.0%
							Under budget
							Over budget
		CONSERVATION AND EDUCATION					
98		SCHOOL EDUCATION PROGRAMS	65,000		65,000	0.00	0.0%
99		PUBLIC INFORMATION AND EDUCATION	260,000		260,000	126,144.13	48.5%
100		SPONSORSHIPS	10,000		10,000	3,750.00	37.5%
101		TRANSFER TO PASS WATER AGENCY FOUNDATION	35,000		35,000	33,221.62	94.9%
102		65th ANNIVERSARY CELEBRATION	50,000		50,000	9,010.00	18.0%
103		TOTAL CONSERVATION AND EDUCATION	420,000	0	420,000	172,125.75	41.0%
		MAJOR AND CAPITAL EXPENDITURES					
		BUILDING AND EQUIPMENT					
107		BUILDING	50,000		50,000	0.00	0.0%
108		FRONT LANDSCAPING	0		0	0.00	
109		FURNITURE AND OFFICE EQUIPMENT	25,000		25,000	0.00	0.0%
110		OTHER EQUIPMENT	20,000		20,000	0.00	0.0%
111		VEHICLES	80,000		80,000	55,632.32	69.5%
		OTHER ITEMS					
113		SITES RESERVOIR	840,000		840,000	0.00	0.0%
114		NEW PROPERTY	50,000		50,000	477,343.96	954.7%
115		COUNTY LINE RECHARGE - CONSTRUCTION	6,500,000		6,500,000	490,307.81	7.5%
117		TOTAL MAJOR AND CAPITAL EXPENDITURES	7,565,000	0	7,565,000	1,023,284.09	13.5%
119		TRANSFERS TO OTHER FUNDS					
121		TOTAL GENERAL FUND EXPENSES	21,976,000	0	21,976,000	3,264,739.63	14.9%
123		GENERAL FUND NET INCOME YTD	3,339,000	0	3,339,000	2,205,383.47	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
CONSIGNED - SWP SUPPORT FUND							
						Remaining %	50.0%
		INCOME					Over budget
							Under budget
		INCOME					
130		UNITARY TAX REVENUE ALLOCATED	9,100,000		9,100,000	0.00	0.0%
131		INTEREST	580,000		580,000	548,123.23	94.5%
132		OTHER INCOME	0		0		
133		TOTAL SWP SUPPORT FUND INCOME	9,680,000	0	9,680,000	548,123.23	5.7%
		EXPENSES					Under budget
							Over budget
		EXPENDITURES					
139		TAX COLLECTION CHARGES	24,000		24,000	0.00	0.0%
140		OTHER EXPENSES	0		0		
141		TOTAL SWP SUPPORT FUND EXPENSES	24,000	0	24,000	0.00	0.0%
143		TRANSFERS TO OTHER FUNDS					
145		CONSIGNED - SWP SUPPORT FUND NET INCOME YTD	9,656,000	0	9,656,000	548,123.23	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

		1	2	3	4	5
		ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
DEBT SERVICE FUND						
	INCOME				Remaining %	50.0%
						Over budget
						Under budget
153	TAX REVENUE	34,754,000		34,754,000	10,257,046.64	29.5%
154	INTEREST	2,000,000		2,000,000	1,587,165.98	79.4%
155	CONTRIBUTIONS - GOVERNMENT	0		0		
156	DWR CREDITS - BOND COVER, OTHER	3,550,000		3,550,000	1,727,252.00	48.7%
157	TOTAL DEBT SERVICE FUND INCOME	40,304,000	0	40,304,000	13,571,464.62	33.7%
	EXPENSES					Under budget
						Over budget
161	SWP PURCHASED WATER	4,800,000		4,800,000	2,430,862.00	50.6%
162	SALARIES	640,000		640,000	262,128.22	41.0%
163	PAYROLL TAXES	40,000		40,000	9,470.14	23.7%
164	BENEFITS	400,000		400,000	168,637.70	42.2%
165	SWP UTILITIES	12,000		12,000	3,370.40	28.1%
166	STATE WATER CONTRACT AUDIT	8,000		8,000	6,818.00	85.2%
167	STATE WATER CONTRACTOR DUES	45,000		45,000	47,973.00	106.6%
168	STATE WATER LEGAL SERVICES	1,000		1,000	0.00	0.0%
169	DELTA CONVEYANCE FINANCING AUTHORITY	30,000		30,000	0.00	0.0%
170	WATER TREATMENT EXPENSE	100,000		100,000	42,512.51	42.5%
171	EBX CONTRACT OPERATIONS	400,000		400,000	126,886.50	31.7%
172	SWP ENGINEERING AND MAINTENANCE	2,400,000		2,400,000	61,239.88	2.6%
173	WATER TRANSFERS	2,700,000		2,700,000	0.00	0.0%
174	STATE WATER CONTRACT PAYMENTS	26,000,000		26,000,000	14,675,089.00	56.4%
175	TAX COLLECTION CHARGES	170,000		170,000	25,674.36	15.1%
176	TOTAL DEBT SERVICE FUND EXPENSES	37,746,000	0	37,746,000	17,860,661.71	47.3%
178	TRANSFERS FROM RESERVES			0.00	0.00	
180	DEBT SERVICE NET INCOME YTD	2,558,000	0	2,558,000	-4,289,197.09	

SAN GORGONIO PASS WATER AGENCY
APPROVED BUDGET FOR FISCAL YEAR JULY 1, 2025 - JUNE 30, 2026
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

			1	2	3	4	5
			ADOPTED BUDGET	REVISIONS TO BUDGET	TOTAL REVISED BUDGET	ACTUAL YTD	Over/Under Budget
		FUNDING PROGRAMS					
		GAP FUNDING PROGRAM				Remaining %	50.0%
		INCOME					Over budget
							Under budget
185		CABAZON WATER DISTRICT	0		0	0.00	
186		SOUTH MESA WATER COMPANY	600,000		600,000	0.00	0.0%
187		HIGH VALLEYS WATER DISTRICT	2,000,000		2,000,000	0.00	0.0%
188		BANNING HEIGHTS MUTUAL WATER CO.	0		0	100,000.00	
191		TOTAL INCOME	2,600,000	0	2,600,000	100,000.00	3.8%
		EXPENSES					Under budget
							Over budget
194		CABAZON WATER DISTRICT	0		0	0.00	
195		SOUTH MESA WATER COMPANY	1,100,000		1,100,000	0.00	0.0%
196		HIGH VALLEYS WATER DISTRICT	1,000,000		1,000,000	0.00	0.0%
197		BANNING HEIGHTS MUTUAL WATER CO.	900,000		900,000	632,842.50	70.3%
198		TOTAL EXPENSE	3,000,000	0	3,000,000	632,842.50	21.1%
202		GAP FUNDING PROGRAM NET BALANCE YTD	-400,000	0	-400,000	-532,842.50	
		HELI-HYDRNAT FUNDING PROGRAM					
		INCOME					
208		CABAZON WATER DISTRICT			0	480,000.00	
210		SOUTH MESA WATER COMPANY			0	0.00	
212		HIGH VALLEYS WATER DISTRICT			0	0.00	
214		BANNING HEIGHTS MUTUAL WATER CO.			0	0.00	
216		TOTAL INCOME	0	0	0	480,000.00	
		EXPENSES					
222		SOUTH MESA WATER COMPANY			0	0.00	
224		HIGH VALLEYS WATER DISTRICT			0	600,000.00	
226		BANNING HEIGHTS MUTUAL WATER CO.			0	0.00	
228		TOTAL EXPENSE	0	0	0	600,000.00	
232		HELI-HYDRANT FUNDING PROGRAM NET BALANCE YTD	21 0	0	0	-120,000.00	

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
ACWA	Association of California Water Agencies	Affinity organization that provides conferences, training, lobbying and insurance services for water agencies in California
ACWA JPIA	ACWA Joint Powers Insurance Agency	Designation for payments made for property, liability and workers compensation insurance
ACWABE	ACWA Benefits	Designation for dental, vision and life insurance
ALWEAS	Albert Webb Associates	Provides engineering consulting services
ARPA	American Rescue Plan Act	Grants from the Federal Government, channeled to counties, to fund specific projects.
AVEK	Antelope Valley-East Kern Water Agency	State Water Contractor
BBK	Best Best & Krieger	Provides legal counsel
BCVWD	Beaumont-Cherry Valley Water District	Provides retail water service in Beaumont
BHMWC	Banning Heights Mutual Water Company	Mutual water company within Agency boundaries
CalPERS	California Public Employees Retirement System	Provides retirement and health insurance services for public agencies in California
CAMP	California Asset Management Plan	Financial entity that advises and manages investments for public agencies in California
COBRA	Consolidated Omnibus Budget Reconciliation Act	Designation for continued health coverage
CONTEM	Control Temp, Inc.	Provides building maintenance for heating and air conditioning
CWD	Cabazon Water District	Retail water agency within Agency boundaries
CY	Calendar Year	12-month reporting period that coincides with the calendar year
DUCCLE	Ducking Clean	Provides building maintenance for outside cleaning - gutters and solar panels
DWR	Department of Water Resources	Branch of the California government that is responsible for managing the SWP
EBE	East Branch Enlargement	Construction projects along the East Branch of the SWP to increase capacity
EBX	East Branch Extension	Infrastructure from East Branch of SWP to SGPWA service area
EDD	Employee Development Department	State of California department for collection of employment taxes
EFTPS	Electronic Federal Tax Payment System	Federal system for collection of employment taxes
ERSC	Engineering Services of Southern California	Provides engineering consulting services
ESRI	ESRI	Provides mapping services
FSA	Flexible Spending Account	Pre-tax deduction for health and dependent-care expenses
FY	Fiscal Year	12-month accounting cycle used for financial reporting
GSA	Groundwater Sustainability Act	or Groundwater Sustainability Agency; required under SGMA to manage groundwater
GSP	Groundwater Sustainability Plan	Plan required under SGMA to manage groundwater assets
HCN	HCN Bank	Local regional bank; formerly the Bank of Hemet
HdL Coren & Cone		Provide tax revenue consulting services

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
HOX	Homeowners Exemption	Exemption for homeowners; also a tax revenue income received by the Agency
HVWD	High Valleys Water District	Mutual water company within Agency boundaries
IERCD	Inland Empire Resources Conservation District	Special District that provides conservation education
LAFCO	Local Agency Formation Commission	Branch of Riverside County government; reviews district and agency formation
LAIF	Local Agency Investment Fund	Financial organization sponsored by the state California for public agencies to investment surplus money on a short-term basis
LAMMA	Local Agency Money Market Account	Investment account provided by HCN for local agencies
LEC	Land Engineering Consultants	Consulting firm based in Calimesa that provides engineering services to the Agency.
MAPILA	Matthew Pistilli Landscape Services	Provides landscape and gardening services
OAP	Off-Aqueduct Power	DWR invoice for specific facilities that are not directly part of the SWP aqueduct
OPEB	Other Post-Employment Benefits	
PARS	Public Agency Retirement Services	Provider of defined contribution plans, of which the Agency participates
PPIC	Public Policy Institute of California	Think tank on issues in California
PROPRI	Provost & Pritchard	Provides engineering and other consulting services
RC	Riverside County	
RDV	Redevelopment	
RPTTF	Redevelopment Property Tax Trust Fund	Proceeds of redevelopment properties that are sold and distributed to County entities.
SAWPA	Santa Ana Watershed Project Authority	Coordinates activities to protect the Santa Ana watershed
SBE	State Board of Equalization	AKA Unitary taxes
SBVMWD	San Bernardino Valley Municipal Water District	State Water Contractor in San Bernardino County and a partner with EBX
SCADA	Supervisory Control and Data Acquisition	Electronic monitoring and control system used by DWR and other water purveyors
SCWC	Southern California Water Coalition	
SGMA	Sustainable Groundwater Management Act	A legislative package that requires local agencies to form GSAs and develop GSPs.
SMIF	Surplus Money Investment Fund	State of California depository for government funds that are not currently needed
SMWC	South Mesa Water Company	Retail water agency within Agency boundaries
SRJP	Sites Reservoir Joint Powers Authority	Joint powers authority formed to construct and manage Sites Reservoir
STAINS	Standard Insurance Company	Disability insurance provider
SWC	State Water Contractors	Professional organization representing districts and agencies that have a water supply contract with the state of California
SWP	State Water Project	System of reservoirs, aqueducts, and pump stations that distributes water throughout

San Gorgonio Pass Water Agency

List of Some Acronyms and Vendors and Their Functions

Acronym	Name	Function and Information
SWP	State Water Project	the state of California; governed by agreements called water supply contracts
TSAB	Tehachapi Second After-Bay	A DWR facility that SGPWA participates in
UNIVAR	Univar Solutions, Inc.	Provides EarthTec copper sulfite solution for water treatment
USGS	U.S. Geological Survey	Federal agency that provides groundwater data and modeling
UWMP	Urban Water Management Plan	
WEF	Water Education Foundation	
Weka, Inc.	Construction firm	Bid approved to construct County Line Recharge facility
WSRB	Water System Revenue Bonds	Bonds sold by the state of California to pay for SWP construction
YTD	Year to Date	
YVWD	Yucaipa Valley Water District	Retail water district with part of its service area within Agency boundaries
		Version 251106

SAN GORGONIO PASS WATER AGENCY

**LEGAL INVOICES
ACCOUNTS PAYABLE INVOICE LISTING**

<u>VENDOR</u>	<u>INVOICE NBR</u>	<u>COMMENT</u>	<u>AMOUNT</u>
BEST, BEST & KRIEGER	251231	LEGAL SERVICES DECEMBER 2025	23,543.55

TOTAL PENDING INVOICES FOR APPROVAL JANUARY 2026

23,543.55

San Geronio Pass Water Agency
Gap Funding Program
Summary Report
Report Date: January 5, 2026

OVERALL Current Balance: 7,588,924.61

(Owed to Agency)

Cabazon Water District	(CWD owes us) - Current Balance: 34,370.00
Gap Funding Maximum: 1,300,000	
Approximate Project Cost: 1,700,000.00	Approximate Gap Funding Available: 1,265,630.00
Payments Made to CWD: 1,576,885.54	Payments Received from CWD: 1,542,515.54
	9/10/25 258,294.18

South Mesa Water Company	(SMWC owes us) - Current Balance: 5,847,530.11
Gap Funding Maximum: 7,000,000	
Approximate Project Cost: 10,300,000.00	Approximate Gap Funding Available: 1,152,469.89
Payments Made to SMWC: 6,325,017.13	Payments Received from SMWC: 477,487.02
1/14/25	2,097,743.37

High Valleys Water District	(HVWD owes us) - Current Balance: 908,627.50
Gap Funding Maximum: 1,000,000	
Approximate Project Cost: 1,000,000.00	Approximate Gap Funding Available: 91,372.50
Payments Made to HVWD: 908,627.50	Payments Received from HVWD: 0.00
4/28/25	520,695.00
5/28/25	387,932.50

Banning Heights Mutual Water Co.	(BHMWC owes us) - Current Balance: 798,397.00
Gap Funding Maximum: 1,500,000	
Approximate Project Cost: 3,756,000.00	Approximate Gap Funding Available: 701,603.00
Payments Made to BHMWC: 898,397.00	Payments Received from BHMWC: 100,000.00
3/27/25	331,036.75
7/15/25	331,868.25
	10/29/25 100,000.00

San Gorgonio Pass Water Agency
Heli-Hydrant Funding Program
Summary Report
Report Date: January 5, 2026

OVERALL Current Balance: 480,000.00

(Owed to Agency)

Cabazon Water District	(Owed to us) - Current Balance: 0.00
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Heli-Hydrant Maximum: 600,000

Heli-Hydrant Funding Available: 600,000.00

Payments Made to CWD: 600,000.00

Payments Received: 600,000.00

3/11/25	120,000.00
4/29/25	360,000.00
5/28/25	120,000.00

5/29/25	120,000.00
9/22/25	480,000.00

South Mesa Water Company	(Owed to us) - Current Balance: 0.00
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Heli-Hydrant Maximum: 300,000

Heli-Hydrant Funding Available: 300,000.00

Payments Made to SMWC: 0.00

Payments Received: 0.00

High Valleys Water District	(Owed to us) - Current Balance: 480,000.00
------------------------------------	---

Heli-Hydrant Maximum: 600,000

Heli-Hydrant Funding Available: 120,000.00

Payments Made to HVWD: 600,000.00

Payments Received: 120,000.00

8/18/25	120,000.00
10/13/25	240,000.00
11/3/25	240,000.00

12/9/25	120,000.00
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Banning Heights Mutual Water Co.	(Owed to us) - Current Balance: 0.00
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Heli-Hydrant Maximum: 300,000

Heli-Hydrant Funding Available: 300,000.00

Payments Made to BHMWC: 0.00

Payments Received: 0.00

SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2025-26
FOR THE THREE MONTHS ENDING ON SEPTEMBER 30, 2025

RESTRICTED - DEBT SERVICE FUND

BEGINNING BALANCE - JULY 1, 2025			
RESERVE FOR STATE WATER PROJECT		<u>84,030,484</u>	
DEBT SERVICE ACTIVITY			
DEBT SERVICE DEPOSITS			
PROPERTY TAX - DEBT SERVICE DEPOSITS		0	
INTEREST INCOME AND CHANGE IN MARKET VALUES		945,697	
DWR REFUNDS		0	
CHANGE IN RECIEVABABLES		770,042	
DEBT SERVICE DISBURSEMENTS		<u>-14,401,822</u>	
ENDING DEBT SERVICE FUND BALANCE ----- Sep. 30, 2025		71,344,401	71,344,401

UNRESTRICTED - GENERAL FUND

BEGINNING BALANCE - JULY 1, 2025		<u>37,475,569</u>	
GENERAL FUND ACTIVITY			
GENERAL FUND DEPOSITS			
WATER SALES		869,421	
PROPERTY TAX - GENERAL PURPOSE DEPOSITS		40	
INTEREST INCOME AND CHANGE IN MARKET VALUES		425,564	
OTHER INCOME		829	
CHANGE IN RECIEVABABLES		2,981,926	
GENERAL FUND DISBURSEMENTS			
CHANGE IN LIABILITIES		-1,425,709	
CHANGE IN CAPITAL ASSETS		-47,951	
OPERATING EXPENDITURES		<u>-666,514</u>	
ENDING GENERAL FUND BALANCE ----- Sep. 30, 2025		39,613,175	39,613,175

UNRESTRICTED- CONSIGNED SWP SUPPORT FUND

BEGINNING BALANCE - JULY 1, 2025		<u>29,169,103</u>	
CONSIGNED FUND ACTIVITY			
PROPERTY TAX DEPOSITS		0	
INTEREST INCOME AND CHANGE IN MARKET VALUES		299,471	
CHANGE IN RECIEVABABLES		277	
CONSIGNED FUND EXPENDITURES		<u>0</u>	
ENDING CONSIGNED SWP FUND BALANCE ----- Sep. 30, 2025		29,468,851	29,468,851

GAP FUNDING PROGRAM

Net Gap Funding Balance as of:	Sep. 30, 2025	-7,837,056	-7,837,056
---------------------------------------	----------------------	-------------------	-------------------

TOTAL CASH ----- Sep. 30, 2025	132,589,370
---------------------------------------	--------------------

LOCATION OF CASH ----- Sep. 30, 2025

PETTY CASH	100
CASH IN WELLS FARGO CHECKING ACCOUNT	479,543
LOCAL AGENCY INVESTMENT FUND	24,255,801
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) - LIQUIDITY	19,995,958
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) - PFM INVESTMENTS	87,857,968
TOTAL CASH ----- Sep. 30, 2025	132,589,370

SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION REPORT
FY 2025-26
FOR THE SIX MONTHS ENDING ON DECEMBER 31, 2025

RESTRICTED - DEBT SERVICE FUND

BEGINNING BALANCE - JULY 1, 2025			
RESERVE FOR STATE WATER PROJECT		<u>84,030,484</u>	
DEBT SERVICE ACTIVITY			
DEBT SERVICE DEPOSITS			
PROPERTY TAX - DEBT SERVICE DEPOSITS		10,257,047	
INTEREST INCOME AND CHANGE IN MARKET VALUES		1,648,614	
DWR REFUNDS		1,727,252	
CHANGE IN RECIEVABABLES		770,042	
DEBT SERVICE DISBURSEMENTS		<u>-17,860,662</u>	
ENDING DEBT SERVICE FUND BALANCE -----	Dec. 31, 2025	<u>80,572,777</u>	<u>80,572,777</u>

UNRESTRICTED - GENERAL FUND

BEGINNING BALANCE - JULY 1, 2025		<u>37,475,569</u>	
GENERAL FUND ACTIVITY			
GENERAL FUND DEPOSITS			
WATER SALES		2,055,628	
PROPERTY TAX - GENERAL PURPOSE DEPOSITS		1,553,052	
INTEREST INCOME AND CHANGE IN MARKET VALUES		822,275	
OTHER INCOME		939,168	
CHANGE IN RECIEVABABLES		3,145,555	
GENERAL FUND DISBURSEMENTS			
CHANGE IN LIABILITIES		-1,214,043	
CHANGE IN CAPITAL ASSETS		-1,155,985	
OPERATING EXPENDITURES		<u>-2,108,755</u>	
ENDING GENERAL FUND BALANCE -----	Dec. 31, 2025	<u>41,512,464</u>	<u>41,512,464</u>

UNRESTRICTED- CONSIGNED SWP SUPPORT FUND

BEGINNING BALANCE - JULY 1, 2025		<u>29,169,103</u>	
CONSIGNED FUND ACTIVITY			
PROPERTY TAX DEPOSITS		0	
INTEREST INCOME AND CHANGE IN MARKET VALUES		548,123	
CHANGE IN RECIEVABABLES		277	
CONSIGNED FUND EXPENDITURES		<u>0</u>	
ENDING CONSIGNED SWP FUND BALANCE -----	Dec. 31, 2025	<u>29,717,503</u>	<u>29,717,503</u>

GAP FUNDING PROGRAM

Net Gap Funding Balance as of:	Dec. 31, 2025	<u>-8,369,899</u>	<u>-8,369,899</u>
--------------------------------	---------------	-------------------	-------------------

TOTAL CASH -----	Dec. 31, 2025		<u>143,432,846</u>
-------------------------	----------------------	--	---------------------------

LOCATION OF CASH -----	Dec. 31, 2025		
PETTY CASH			100
CASH IN WELLS FARGO CHECKING ACCOUNT			1,919,216
LOCAL AGENCY INVESTMENT FUND			32,614,431
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) - LIQUIDITY			20,203,371
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) - PFM INVESTMENTS			<u>88,695,729</u>
TOTAL CASH -----	Dec. 31, 2025		<u>143,432,846</u>

SAN GORGONIO PASS WATER AGENCY
CASH RECONCILIATION SUMMARY REPORT
FY 2025-26
BY QUARTER

	SEP 30, 25	DEC 31, 25	MAR 31, 26	JUN 30, 26
RESTRICTED - DEBT SERVICE FUND				
BEGINNING BALANCE - JULY 1, 2024				
RESERVE FOR STATE WATER PROJECT	84,030,484	84,030,484		
DEBT SERVICE ACTIVITY				
DEBT SERVICE DEPOSITS				
PROPERTY TAX - D. S. DEPOSITS	0	10,257,047		
INTEREST INCOME + MARKET CHANGES	945,697	1,648,614		
DWR REFUNDS	0	1,727,252		
CHANGES IN RECIEVABLES	770,042	770,042		
DEBT SERVICE DISBURSEMENTS	-14,401,822	-17,860,662		
ENDING DEBT SERVICE FUND BALANCE	71,344,401	80,572,777		
UNRESTRICTED - GENERAL FUND				
BEGINNING BALANCE - JULY 1, 2024	37,475,569	37,475,569		
GENERAL FUND ACTIVITY				
GENERAL FUND DEPOSITS				
WATER SALES	869,421	2,055,628		
PROPERTY TAX - GENERAL DEPOSITS	40	1,553,052		
INTEREST INCOME + MARKET CHANGES	425,564	822,275		
OTHER INCOME	829	939,168		
CHANGES IN RECIEVABLES	2,981,926	3,145,555		
GENERAL FUND DISBURSEMENTS				
CHANGE IN LIABILITIES	-1,425,709	-1,214,043		
CHANGE IN CAPITAL ASSETS	-47,951	-1,155,985		
OPERATING EXPENDITURES	-666,514	-2,108,755		
ENDING GENERAL FUND BALANCE	39,613,175	41,512,464		
UNRESTRICTED - CONSIGNED SWP SUPPORT FUND				
BEGINNING BALANCE - JULY 1, 2024	29,169,103	29,169,103		
CONSIGNED FUND ACTIVITY				
PROPERTY TAX DEPOSITS	0	0		
INTEREST INCOME + MARKET CHANGES	299,471	548,123		
CHANGES IN RECIEVABLES	277	277		
CONSIGNED FUND EXPENDITURES	0	0		
ENDING CONSIGNED FUND BALANCE	29,468,851	29,717,503		
GAP FUNDING PROGRAM				
Net Gap Funding Balance as of: March 31, 2025	-7,837,056	-8,369,899		
TOTAL CASH - END OF QUARTER	132,589,370	143,432,846		
LOCATION OF CASH AND INVESTMENTS				
PETTY CASH	100	100		
CASH IN WELLS FARGO CHECKING ACCOUNT	479,543	1,919,216		
LOCAL AGENCY INVESTMENT FUND	24,255,801	32,614,431		
CA ASSET MNGMNT PRGRM - LIQUIDITY	19,995,958	20,203,371		
CA ASSET MNGMNT PRGRM - PFM INVESTMENTS	87,857,968	88,695,729		
TOTAL - END OF QUARTER	132,589,370	143,432,846		

SAN GORGONIO PASS WATER AGENCY
RESERVE ALLOCATION REPORT
FY 2025-26
FOR THE SIX MONTHS ENDING DECEMBER 31, 2025

	JUN 30, 25	SEP 30, 25	DEC 31, 25	MAR 31, 26	JUN 30, 26
RESTRICTED					
STATE WATER CONTRACT FUND	84,030,484	71,344,401	80,572,777		
UNRESTRICTED					
GENERAL FUND					
OPERATIONS	1,500,000	2,500,000	2,500,000		
NEW INFRASTRUCTURE		30,085,858	30,723,464		
Adjustments/Additions		637,606	1,899,289		
Expenditures					
Ending Balance	30,085,858	30,723,464	32,622,753	0	0
ADDITIONAL WATER		4,339,711	4,839,711		
Adjustments/Additions		500,000			
Expenditures					
Ending Balance	4,339,711	4,839,711	4,839,711	0	0
RATE STABILIZATION					
Previous Balance	150,000	150,000	150,000		
Expenditures					
Ending Balance	150,000	150,000	150,000	0	0
REPLACEMENTS	1,250,000	1,250,000	1,250,000		
UNEXPECTED LEGAL SERVICES	150,000	150,000	150,000		
SUB-TOTAL GENERAL FUND	37,475,569	39,613,175	41,512,464	0	0
UNRESTRICCTED					
CONSIGNED SWP FUND	29,169,103	29,169,103	29,468,851		
Net Changes		299,748	248,652		
Ending Balance	29,169,103	29,468,851	29,717,503	0	0
Gap Funding and Heli-Hydrant Programs	-8,095,351	-7,837,056	-8,369,899		
TOTAL UNRESTRICTED RESERVES	58,549,321	61,244,969	62,860,067	0	0
TOTAL RESERVES	142,579,805	132,589,370	143,432,846	0	0
CASH LOCATION					
Petty Cash	100	100	100		
Wells Fargo Checking Account	302,082	479,543	1,919,216		
LAIF	35,890,858	24,255,801	32,614,431		
CAMP - Liquidity	19,776,201	19,995,958	20,203,371		
CAMP - PFM - Investments	86,610,564	87,857,968	88,695,729		
TOTAL CASH	142,579,805	132,589,370	143,432,846	0	0



San Geronio Pass Water Agency

Investment Performance Review For the Quarter Ended December 31, 2025

Client Management Team

Monique Spyke, Managing Director
Robert Montoya, Relationship Manager
Jeremy King, Key Account Manager
Rachael Miller, Client Consultant

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Market Update

Current Market Themes



- ▶ U.S. economy remains resilient but government shutdown obscures data
 - ▶ Inflation print likely biased lower due to data collection gaps and technical adjustments
 - ▶ Unemployment rate trends higher with net new job creation near zero
 - ▶ Strong consumer and business spending, along with steadier trade dynamics, support growth



- ▶ The Fed lowered the target rate by 50 basis points in the fourth quarter to 3.50-3.75%
 - ▶ Fed Chair Powell acknowledged ongoing challenges in achieving the Fed's dual mandate of maximum employment and price stability
 - ▶ The Fed's December "dot plot" indicates 25 bps of cuts in both 2026 and 2027, but the wide dispersion in underlying projections highlights differing views on path forward
 - ▶ Markets view policy is skewed towards additional easing assuming a more dovish Chair takes office in mid-2026

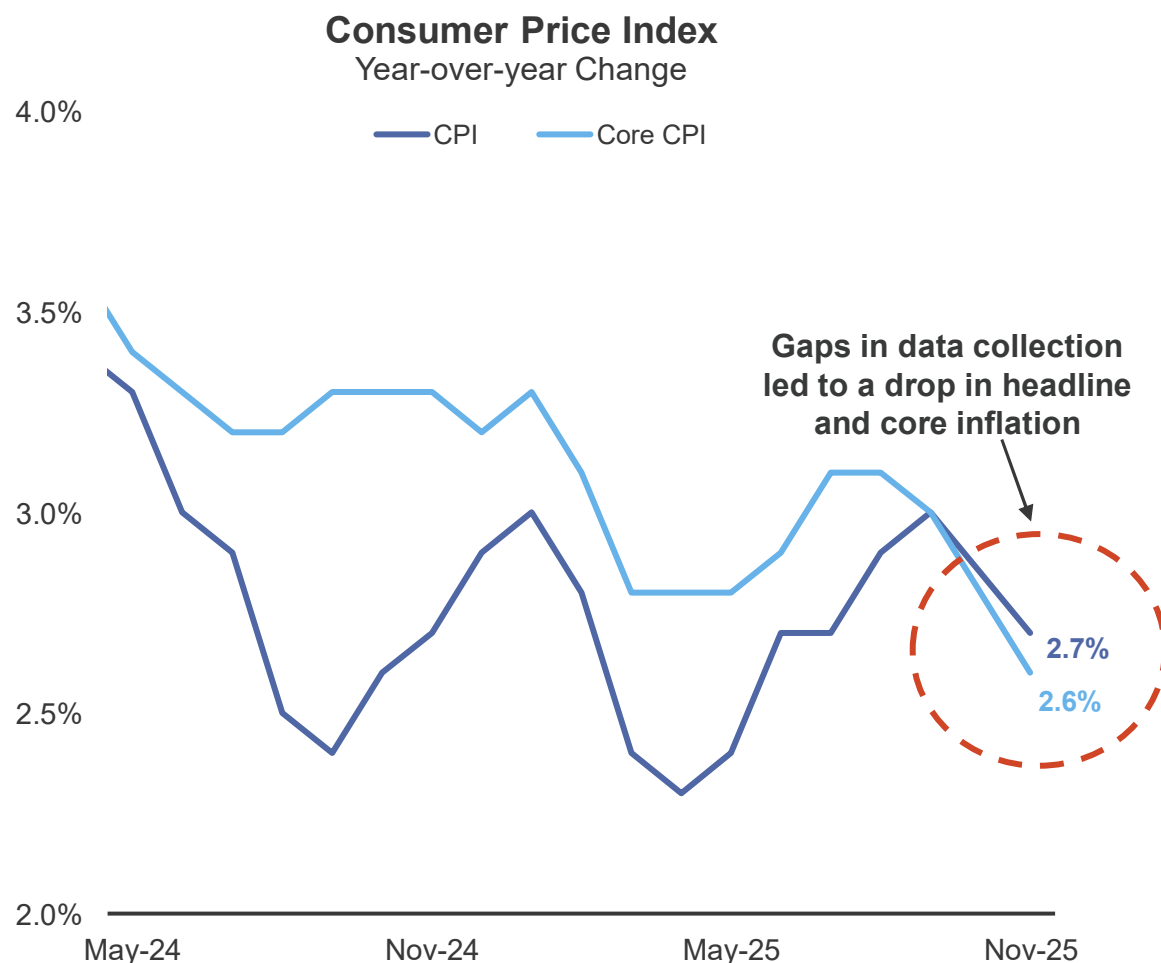


- ▶ Treasury yield curve continues to steepen but remains inverted inside 2 years
 - ▶ Front end Treasury yields moved lower during the fourth quarter on Fed rate cut expectations
 - ▶ Yields were range bound as volatility waned into year end
 - ▶ Credit spreads widened marginally but remain near historically narrow levels

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of December 31, 2025.






Data Distortions Bias Inflation Lower

Fed Chair Powell: "The data may be distorted ... because [it] was not collected in October and half of November."



Price Increases For Key Goods

3-Month Annualized Inflation Rates (Sep-25)
2024

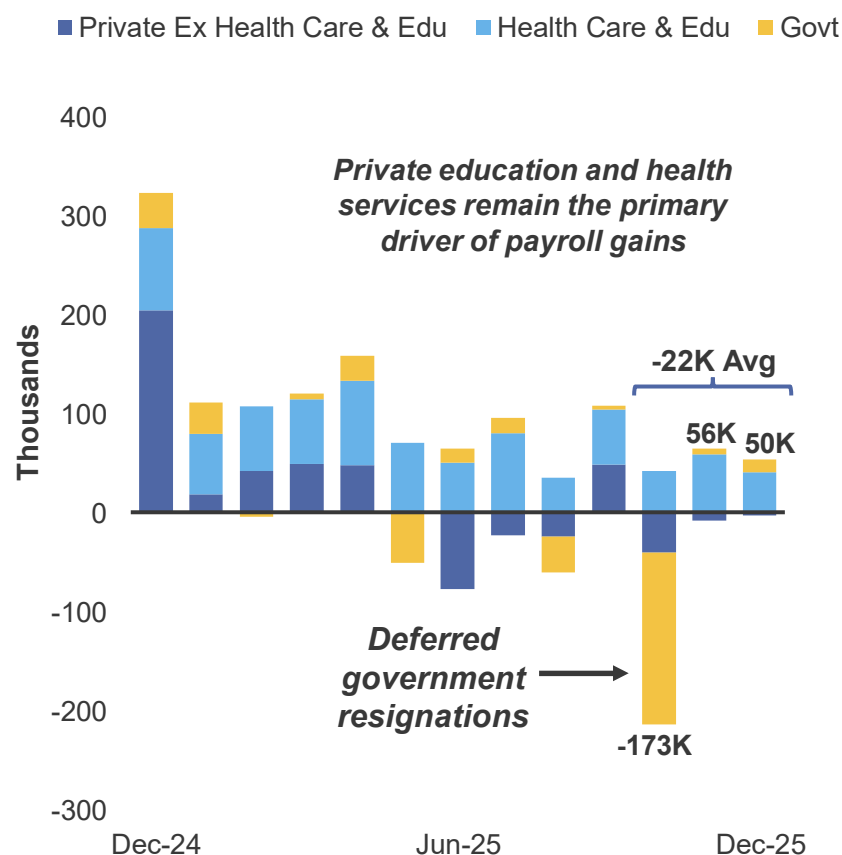
		3-Month Average	2024
	Home Furnishings	+4.1%	-0.9%
	Apparel	+5.3%	+1.2%
	Transportation	+3.1%	-1.2%
	Food at Home	+3.2%	+1.8%
	Energy	+4.6%	-0.5%

Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bureau of Labor Statistics and Bloomberg Finance L.P. as of November 2025.

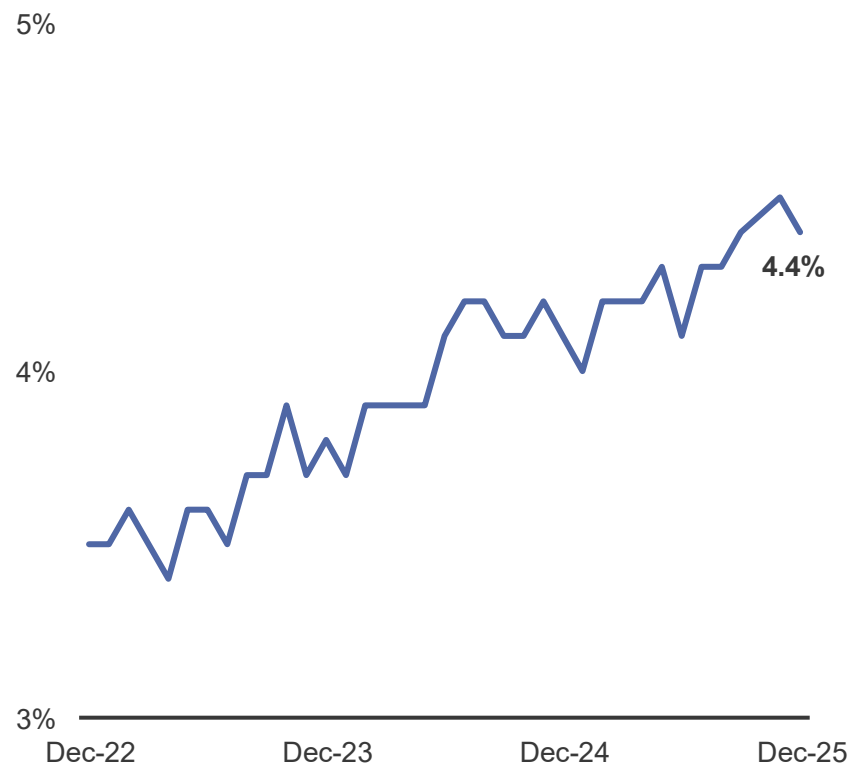
Labor Market Continues to Cool

Fed Chair Powell: “[S]upply of workers has also gone way down, so the unemployment rate hasn’t moved that much. It is a labor market that seems to have significant downside risks...”

Monthly Change In Nonfarm Payrolls



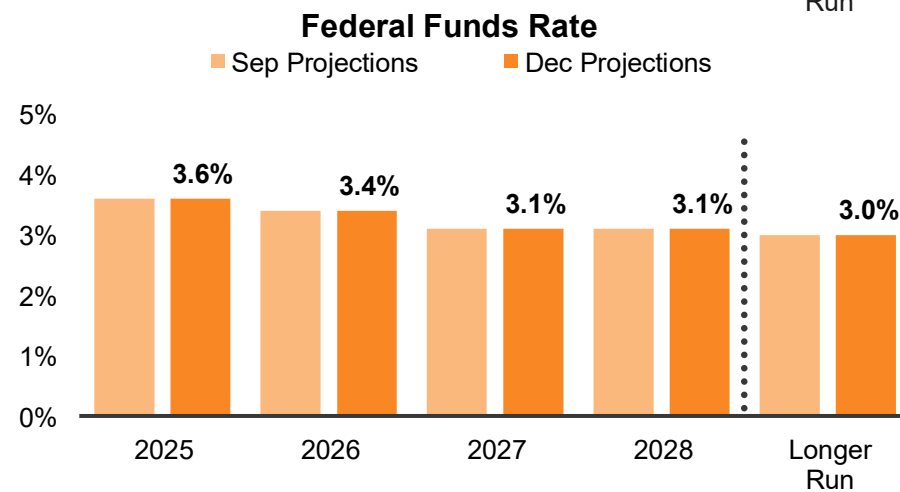
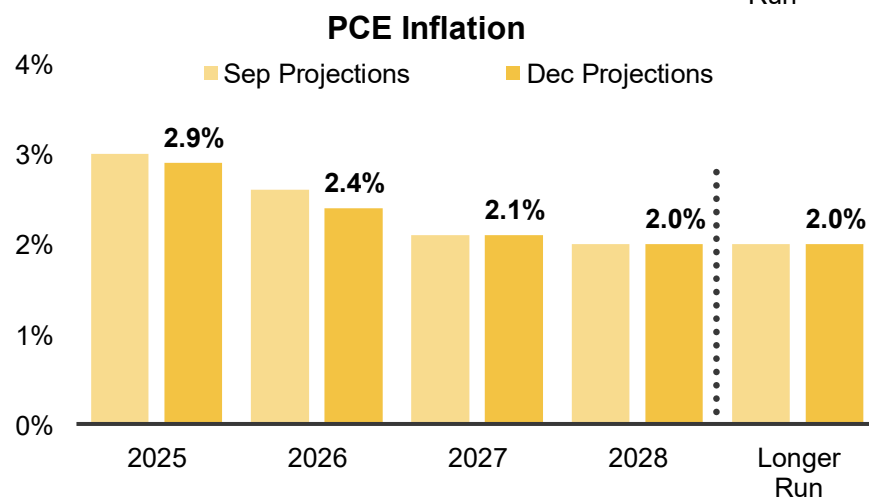
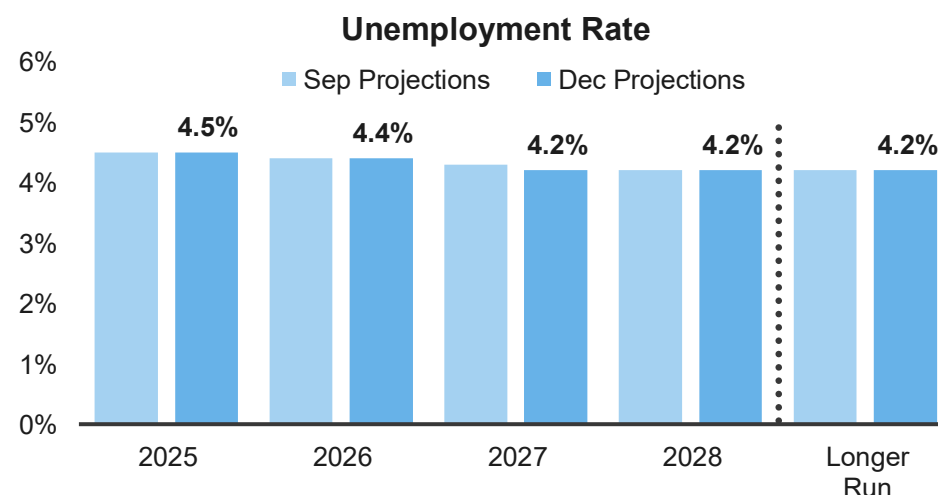
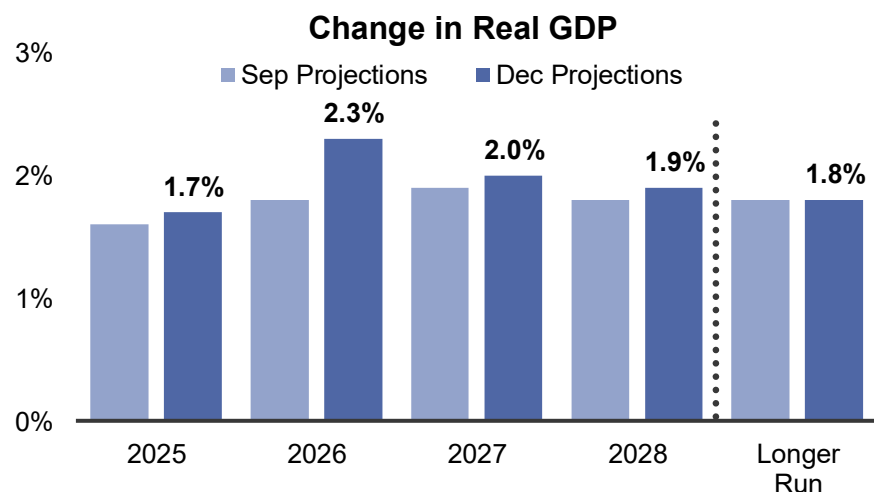
Unemployment Rate



Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bureau of Labor Statistics and Bloomberg Finance L.P. as of December 2025.

Fed's Updated Summary of Economic Projections

Fed Chair Powell: "[T]he baseline [expectation] would be solid growth next year" ... "[We] feel like we have made progress this year in nontariff-related inflation."

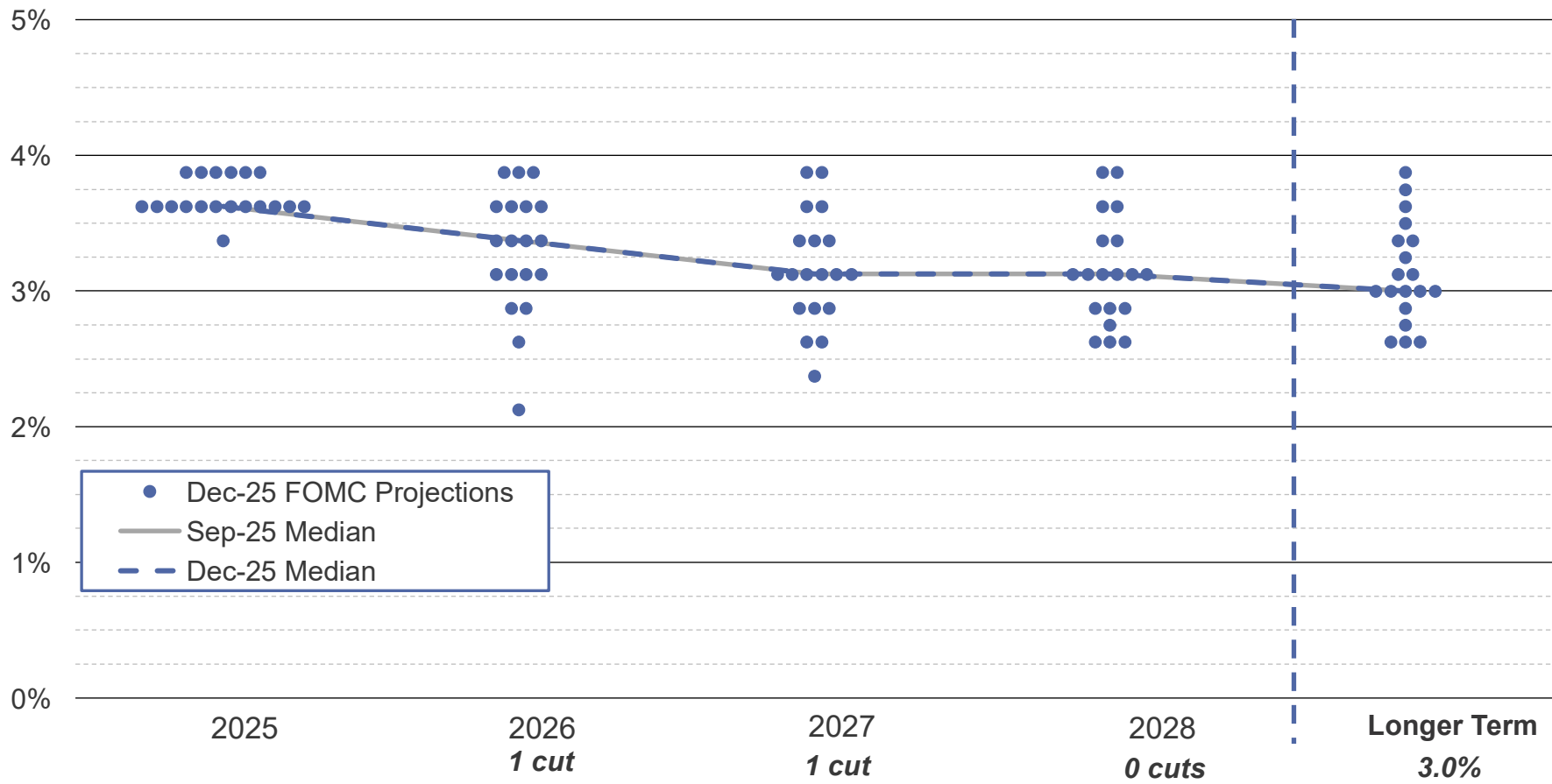


Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Federal Reserve, latest median economic projections, as of December 2025.

The December Fed “Dot Plot”

Fed Chair Powell: “[I]t is very unusual to have persistent tension between the two parts of the mandate... But it is not like the normal situation where everyone agrees on the direction and what to do. It is more spread out.”

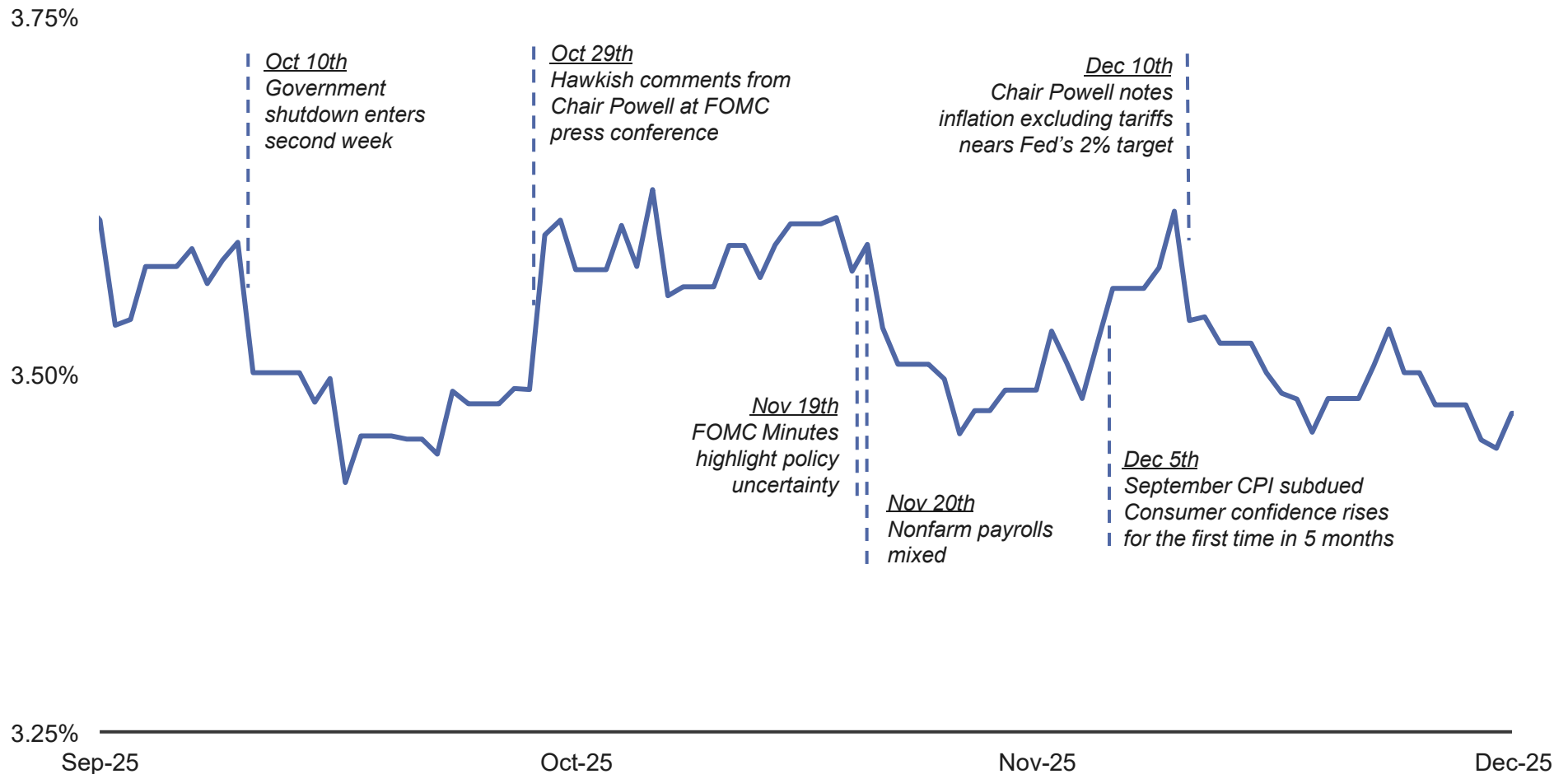
Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy



Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Federal Reserve; Bloomberg Finance L.P.. Individual dots represent each Fed members’ judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of December 2025.

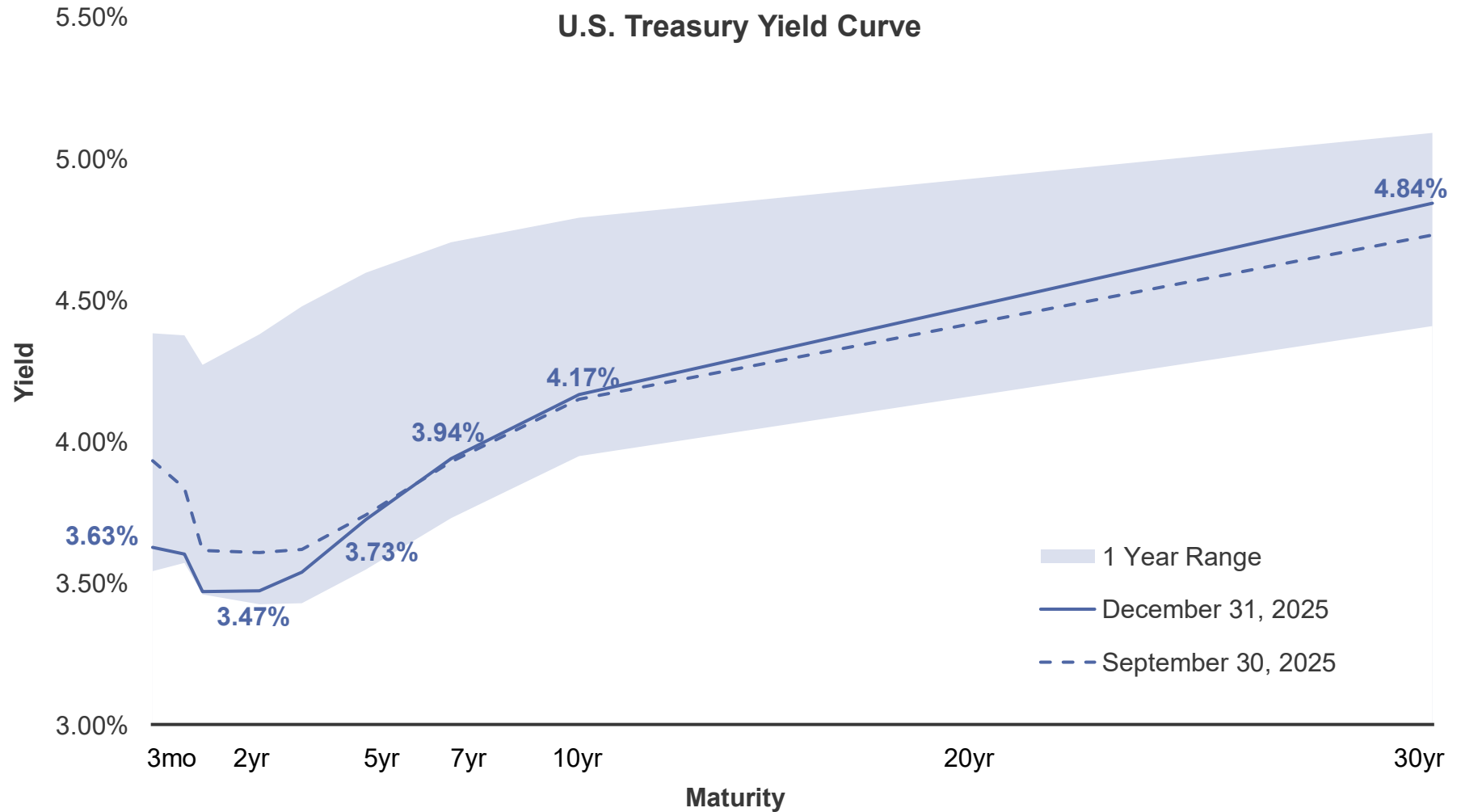
Treasury Yields Range Bound As Volatility Wanes

2-Year U.S. Treasury Yield September 30, 2025 – December 31, 2025



Source: Bloomberg Finance L.P., as of December 31, 2025.

Treasury Yield Curve Nears Dis-inversion



Source: Bloomberg Finance L.P., as of December 31, 2025.

Treasury Yields Remain Above Historical Averages

2-Year Treasury Yield



Source: Bloomberg Finance L.P., as of December 31, 2025.

Factors to Consider for 6-12 Months

Monetary Policy (Global):



- The Fed cut rates by 50 bps in Q4 but noted continuing challenges to achieving its dual mandate of maximum employment and stable prices.
- The “dot plot” indicates 25 bps of projected cuts in both 2026 and 2027, but the wide dispersion underscores growing differences of opinion.
- Markets view policy risks as skewed towards additional easing assuming a more dovish Chair takes office in mid-2026 as expected.
- Most major central banks have continued easing with the BOJ being the notable exception.

Economic Growth (Global):



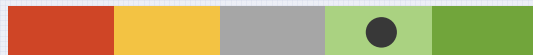
- Strong consumer and business spending and steadier trade dynamics continue to fuel economic growth.
- The effects of U.S. government shutdown are expected to be temporary and fully recouped in 1Q26.
- Benefits from the tax and reconciliation bill and increases in anticipated AI capex are expected to support growth in 2026.

Inflation (U.S.):



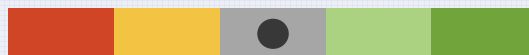
- While headline inflation moved lower in Q4, significant gaps in data collection due to the U.S. government shutdown likely biased the data lower.
- Lower shelter inflation continues to support disinflation going forward although goods prices continue to experience tariff passthroughs.
- Fed Chair Powell noted inflation excluding tariffs is near 2%, suggesting the Fed is looking through these effects.

Financial Conditions (U.S.):



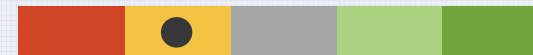
- Financial conditions eased further as corporate earnings exceeded expectations and tariff concerns abated.
- Equities reached new all-time highs, credit spreads remain tight, and volatility remains low.
- Fiscal uncertainty and geopolitical risks could reintroduce tighter financial conditions over the next 6-12 months.

Consumer Spending (U.S.):



- Consumer confidence sank given a more pessimistic views of the labor market, particularly among lower-income cohorts.
- Consumer activity remained resilient through the holiday shopping season, highlighting the disconnect between sentiment and actual activity.
- Consumer spending is dominated by higher-income cohorts who benefit from elevated wage growth, strong equity markets, and home price appreciation.
- A significant correction in the equity market or a material slowdown in the labor market are the largest threats to consumer spending.

Labor Markets (U.S.):



- Labor market conditions continued to cool with net new job creation close to zero with gains concentrated in the healthcare sector.
- The breakeven employment level to keep pace with labor force growth has fallen. Initial jobless claims and layoff rates remains low, easing some concerns over labor weakness.
- The unemployment rate continued to tick higher, while job openings declined and the quits rate remain subdued, signaling reduced worker leverage.
- Wage growth continues to exceed inflation, supporting consumer spending.

● Current outlook ○ Outlook one quarter ago

Stance Unfavorable
to Risk Assets

Negative

Slightly
Negative

Neutral

Slightly
Positive

Positive

Stance Favorable
to Risk Assets

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg Finance L.P. and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (12/31/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Portfolio Review: CA-SAN GORGONIO PASS WATER AGENCY

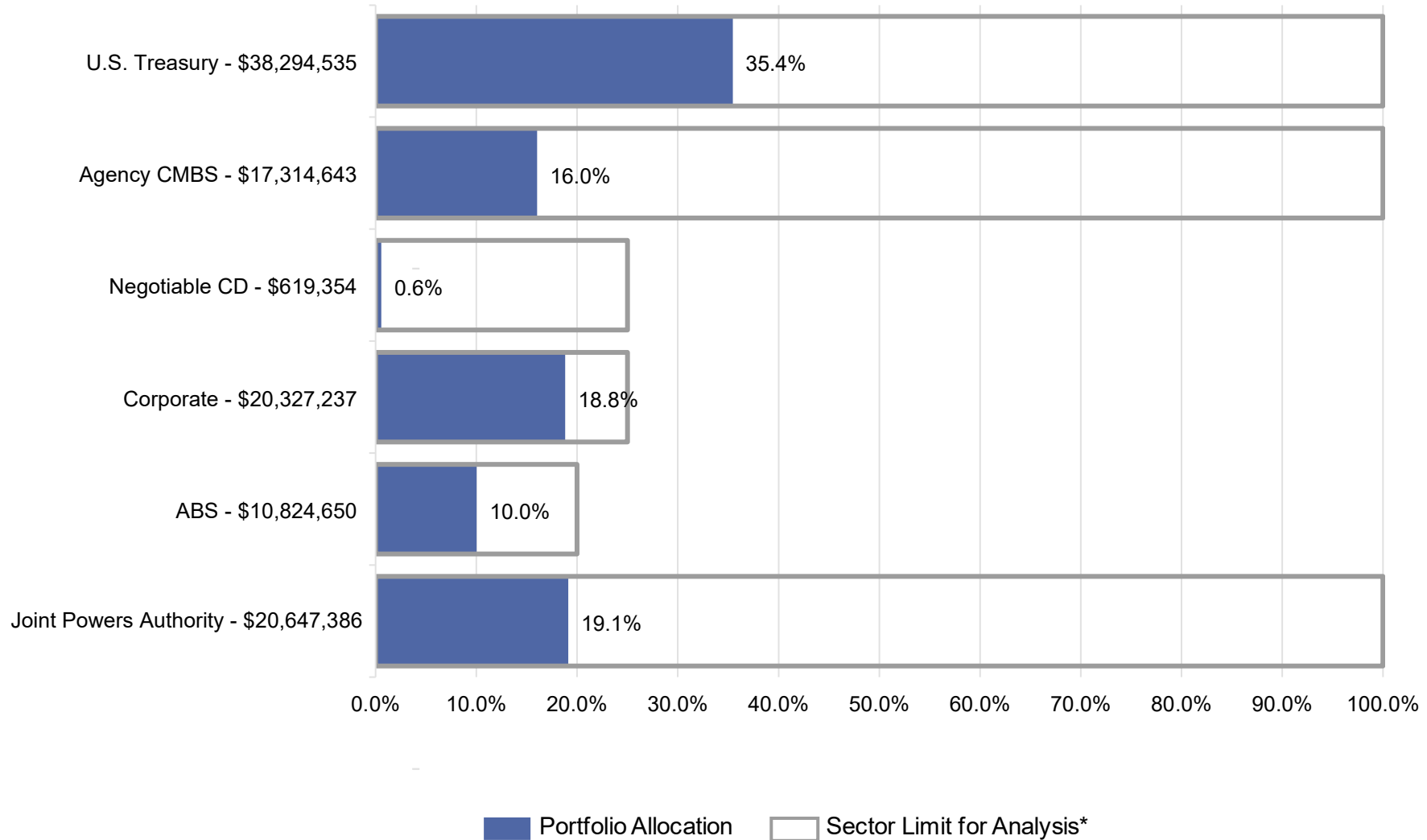
Certificate of Compliance

During the reporting period for the quarter ended December 31, 2025, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").

Sector Allocation Analytics

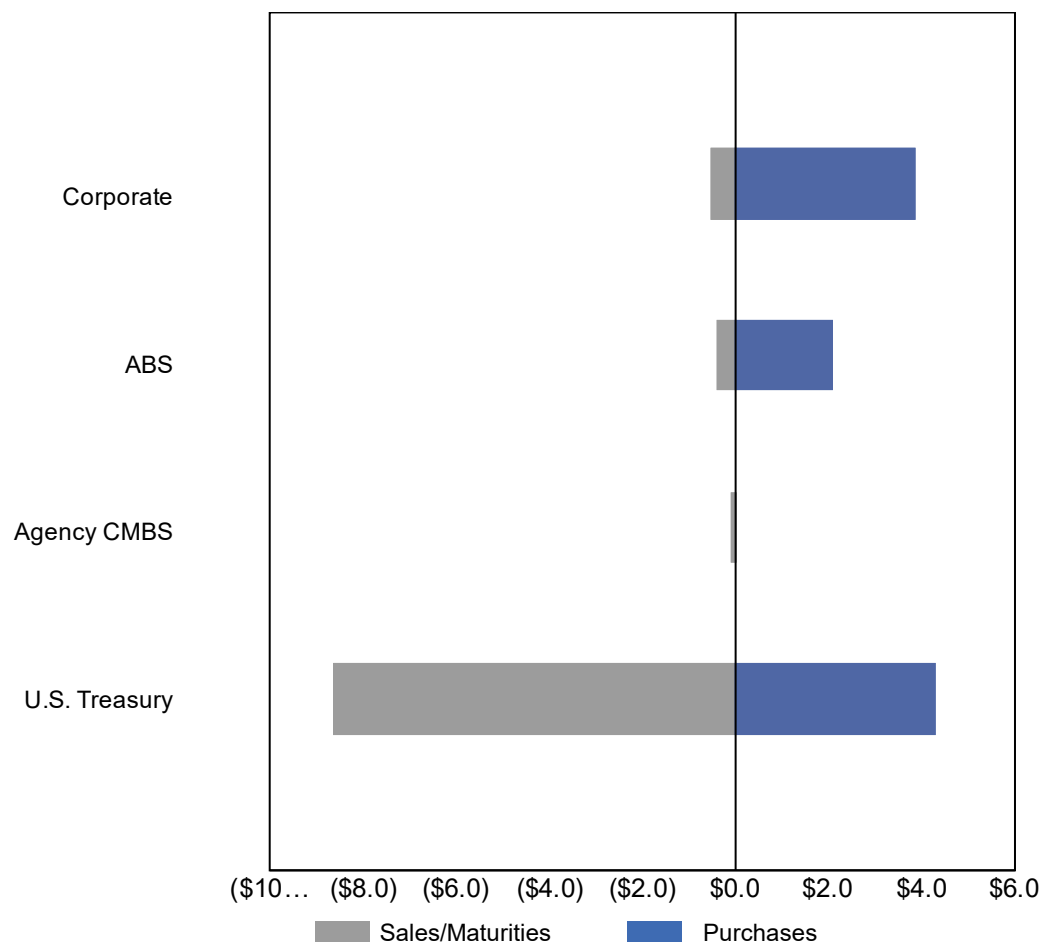


For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.

*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.

Portfolio Activity - CA-SAN GORGONIO PASS WATER AGENCY

Net Activity by Sector
(\$ millions)



Sector	Net Activity
Corporate	\$3,365,626
ABS	\$1,734,534
Agency CMBS	(\$81,975)
U.S. Treasury	(\$4,319,832)
Total Net Activity	\$698,353

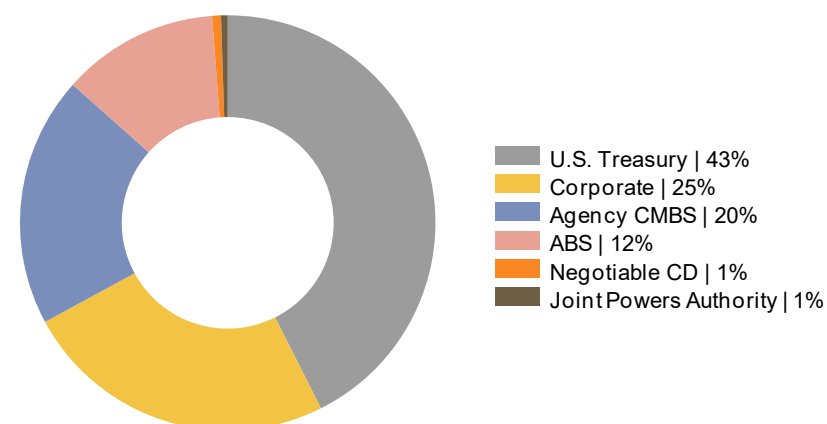
Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

Portfolio Snapshot - CA-SAN GORGONIO PASS WATER AGENCY¹

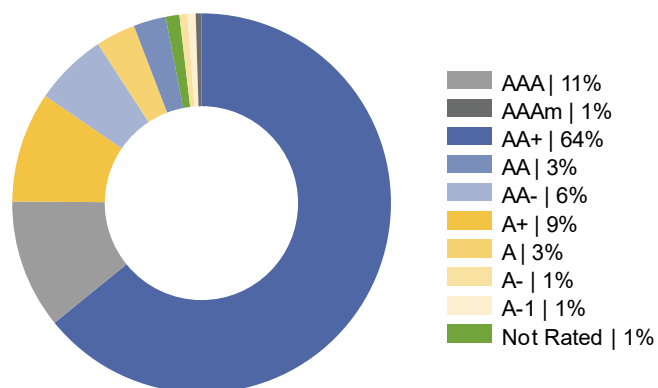
Portfolio Statistics

Total Market Value	\$89,392,345.93
Managed Account Sub-Total	\$88,251,713.02
Accrued Interest	\$696,617.35
Pool	\$444,015.56
Portfolio Effective Duration	2.47 years
Benchmark Effective Duration	2.47 years
Yield At Cost	4.21%
Yield At Market	3.73%
Portfolio Credit Quality	AA

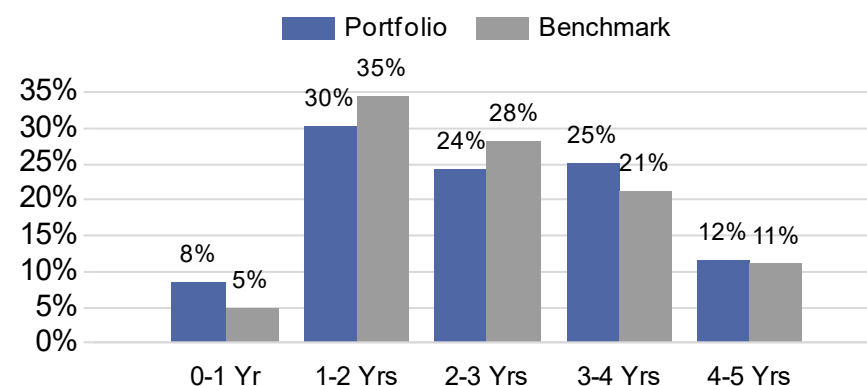
Sector Allocation



Credit Quality - S&P



Duration Distribution



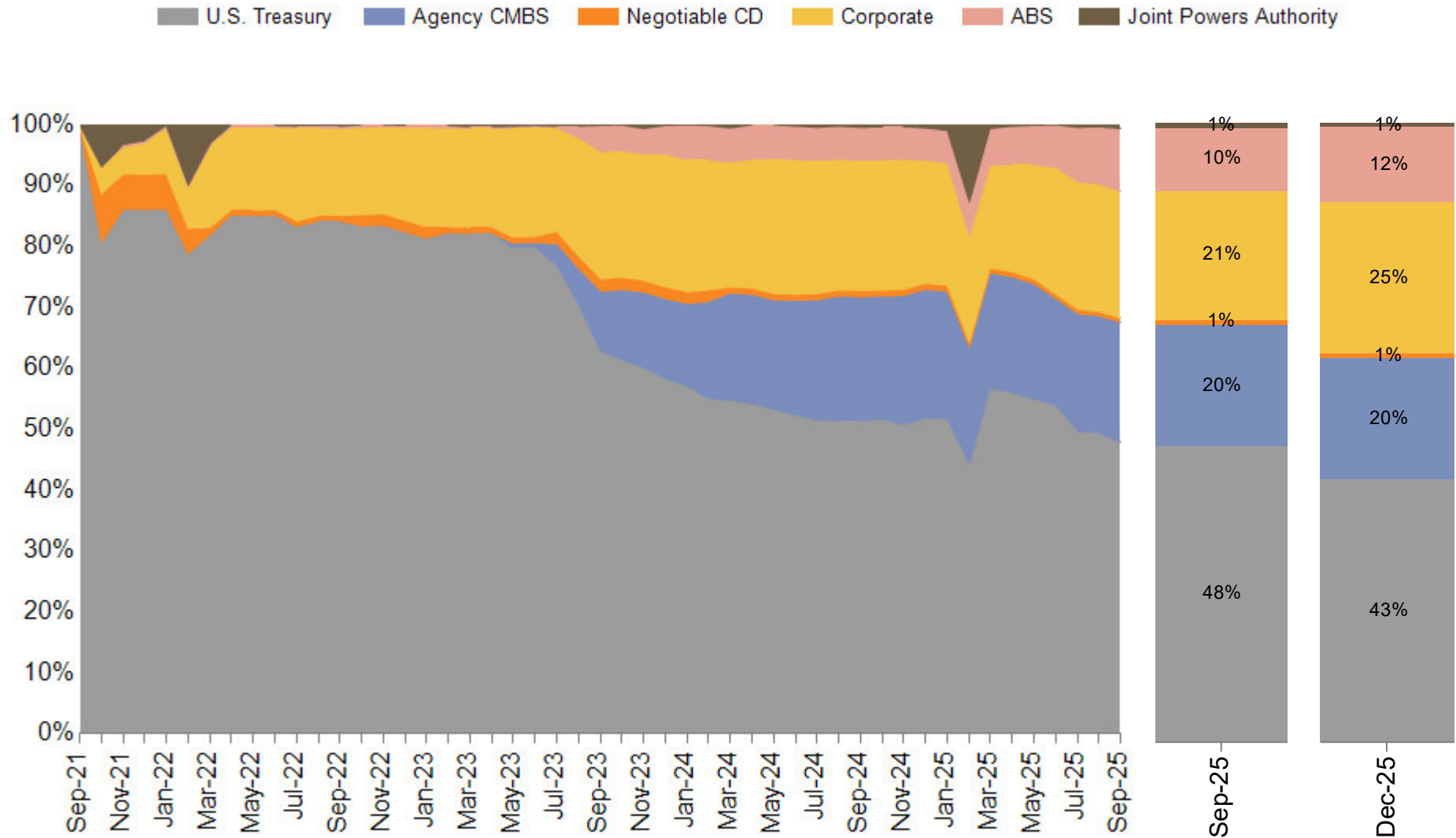
1. Total market value includes accrued interest and balances invested in CAMP, as of December 31, 2025.

Yield and duration calculations exclude balances invested in CAMP.

The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

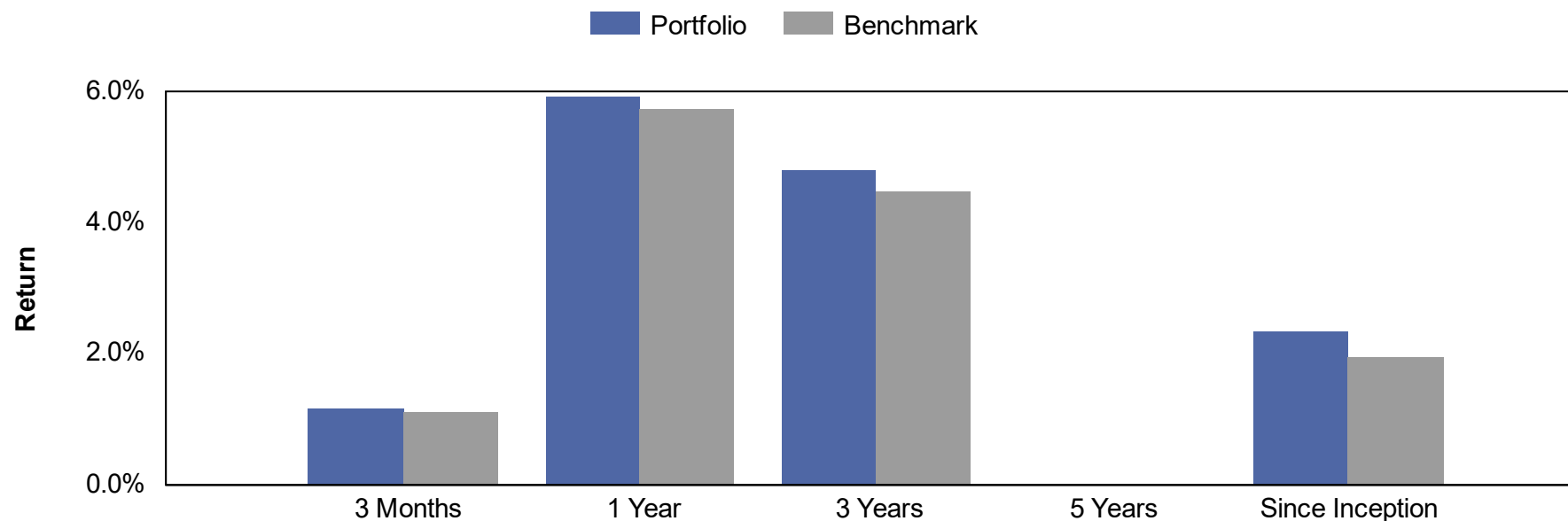
An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Historical Sector Allocation - CA-SAN GORGONIO PASS WATER AGENCY



Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM.

Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception ¹
Interest Earned ²	\$877,658	\$2,992,447	\$5,741,719	-	\$6,234,058
Change in Market Value	\$146,388	\$1,693,477	\$4,074,780	-	\$728,076
Total Dollar Return	\$1,024,046	\$4,685,924	\$9,816,499	-	\$6,962,134
Total Return³					
Portfolio	1.16%	5.92%	4.79%	-	2.33%
Benchmark ⁴	1.12%	5.74%	4.48%	-	1.96%
Difference	0.05%	0.18%	0.31%	-	0.38%

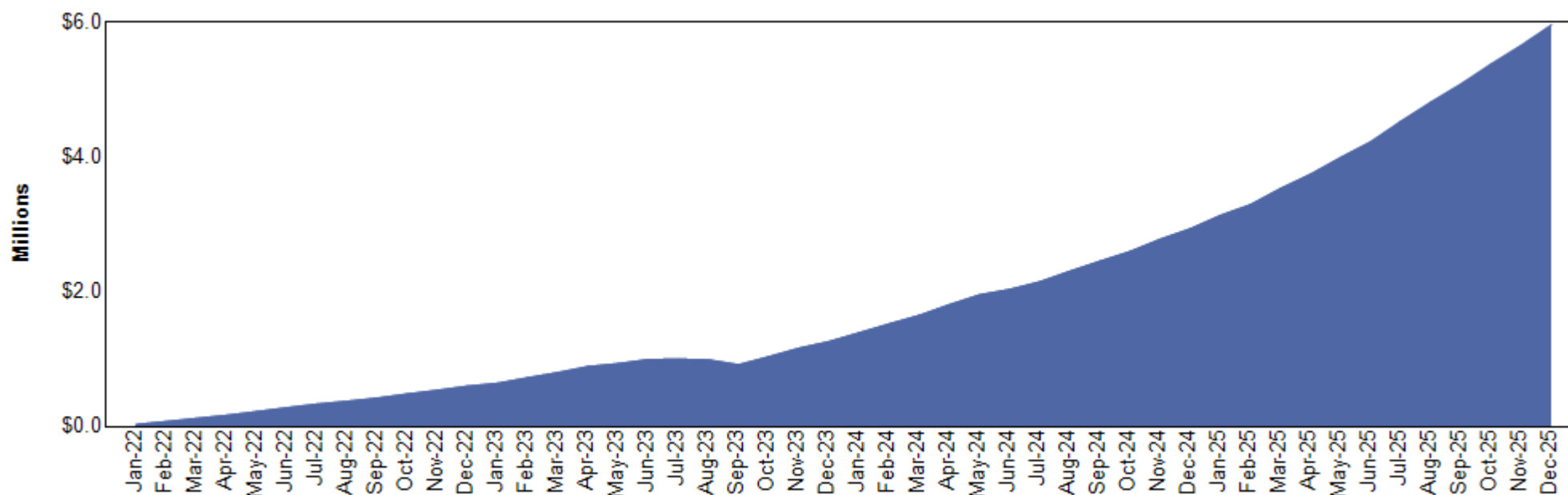
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is December 31, 2021.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

Accrual Basis Earnings - CA-SAN GORGONIO PASS WATER AGENCY



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception ¹
Interest Earned ²	\$877,658	\$2,992,447	\$5,741,719	-	\$6,234,058
Realized Gains / (Losses) ³	(\$40,459)	(\$188,020)	(\$1,306,496)	-	(\$1,398,025)
Change in Amortized Cost	\$36,768	\$219,328	\$923,236	-	\$1,118,301
Total Earnings	\$873,967	\$3,023,756	\$5,358,458	-	\$5,954,333

1. The lesser of 10 years or since inception is shown. Performance inception date is December 31, 2021.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Realized gains / (losses) are shown on an amortized cost basis.

Issuer Distribution

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	43.1%	
United States Treasury	43.1%	AA / Aa / AA
Agency CMBS	19.5%	
Federal Home Loan Mortgage Corp	18.8%	AA / Aa / AA
Federal National Mortgage Association	0.7%	AA / Aa / AA
Negotiable CD	0.7%	
Cooperatieve Rabobank UA	0.7%	A / Aa / AA
Corporate	24.6%	
Adobe Inc	0.5%	A / A / NR
Alphabet Inc	0.8%	AA / Aa / NR
Amazon.com Inc	1.5%	AA / A / AA
Apple Inc	1.1%	AA / Aaa / NR
Bank of America Corp	0.2%	A / Aa / AA
Bank of New York Mellon Corp	2.0%	A / Aa / AA
BlackRock Inc	1.4%	AA / Aa / NR
Cisco Systems Inc	1.5%	AA / A / NR
Citigroup Inc	2.0%	A / Aa / A
Deere & Co	0.5%	A / A / A
Eli Lilly & Co	0.7%	A / Aa / NR
Goldman Sachs Group Inc	0.6%	A / A / A
Home Depot Inc	0.7%	A / A / A
HSBC Holdings PLC	0.7%	A / A / A
JPMorgan Chase & Co	1.2%	A / Aa / AA
Kenvue Inc	0.5%	A / A / NR
Mastercard Inc	1.1%	A / Aa / NR
Morgan Stanley	0.7%	A / Aa / AA
Novartis AG	1.3%	AA / Aa / NR

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	24.6%	
PACCAR Inc	0.5%	A / A / NR
PepsiCo Inc	0.8%	A / A / NR
Target Corp	0.5%	A / A / A
Texas Instruments Inc	0.7%	A / Aa / NR
Toyota Motor Corp	0.6%	A / A / A
Walmart Inc	1.3%	AA / Aa / AA
Wells Fargo & Co	1.0%	A / Aa / AA
ABS	12.2%	
Ally Auto Receivables Trust	0.2%	AAA / NR / AAA
American Express Co	1.1%	AAA / NR / AAA
BA Credit Card Trust	0.6%	AAA / Aaa / AAA
Capital One Financial Corp	0.8%	AAA / NR / AAA
Chase Auto Owner Trust	0.6%	NR / Aaa / AAA
Citigroup Inc	0.9%	AAA / Aaa / NR
Fifth Third Auto Trust	0.3%	AAA / Aaa / NR
GM Financial Consumer Automobile Receiv	0.2%	AAA / Aaa / AAA
Honda Auto Receivables Owner Trust	1.8%	AAA / Aaa / AAA
Hyundai Auto Receivables Trust	1.7%	AAA / NR / AAA
JPMorgan Chase & Co	2.0%	AAA / NR / AAA
Kubota Credit Owner Trust	0.3%	NR / Aaa / AAA
Toyota Auto Receivables Owner Trust	1.3%	AAA / Aaa / AAA
USAA Auto Owner Trust	0.5%	AAA / Aaa / NR
Total	100.0%	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

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- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- ICE Bank of America Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

San Geronio Pass Water Agency

DATE: January 22, 2026

TO: Finance and Budget Committee

FROM: Lance Eckhart, General Manager

BY: Tom Todd, Jr., Chief Financial Officer

SUBJECT: MID-YEAR BUDGET REVIEW FY 2025-26

Executive Summary

Once again, as with last year, the expenditure and income levels are performing as expected in all budget buckets and almost all budget categories. The Agency is on-track to end the fiscal year with surpluses. This is a six month review, so 50% of the annual approved budget amount would be a suggested target to review income and expenditure levels.

In the General Fund, the overall percentage of income received is about 22%, which is a bit lower than the same report at this time last year, and less than 50%, but this is a typical pattern. The percentage of expenditures is about 15%. The Agency has undertaken a major construction project, but we have received only one invoice, so little has been expended in the first half of the fiscal year.

In the Debt Service Fund, a higher percentage of income has been received, about 34%, which is again typical of the income pattern experienced in this bucket. Expenditures are very close to 50%, so right on budget.

Unrestricted Funds – General Fund – ‘The Green Bucket’ Revenue

General Fund income is derived primarily from two sources, water sales and tax revenue. Both of these revenue sources are out of phase with a six-month cycle, for different reasons.

Revenue recorded by water sales usually lags by one or two months from the time it was delivered, because it takes a month or so to issue an invoice and receive payment. This year was no exception. Even though we finished delivering water at the end of November, the final payments for the calendar year were not received until January. Adding expected receipts to recorded receipts yields a number very close to the budgeted amount for the first six months of the year.

The Agency delivered about 18,900 acre-feet of water in the calendar year 2025, which is a significant accomplishment considering the 50% allocation from DWR. Matt Howard, Operations Manager, and Emmett Campbell, Director of Water Resources, did a great



job of using every opportunity to purchase and deliver water, which allowed the Agency to meet all delivery requests and pay back exchange water as well.

Revenue received for the Agency allocation of the 1% property tax assessed by Riverside County usually is divided into two major portions. The first portion is delivered starting in December and extending through February. As of December, the Agency had received about 12% of its expected tax revenue. In January, it is expected that will increase to about 35%. This is the pattern of receipts that the Agency has previously experienced.

Finally, income from interest on investments continues to be received at levels similar to last year. The audited financial statements for the Agency showed a rate of return of about 4.8%, which is very good, considering the jitters the economy has experience over the past few months.

Expenditures

Expenditures for the General Fund are grouped into major categories for context. All Categories are within budget at this time. Almost all line items are also within budget with a few exceptions:

- Payroll services is over budget, most likely as a result of paying for PARS administration for the whole year in August (row 19).
- Office Expense is over budget, most likely due to unexpected equipment purchases (row 37).
- Legal Services is just slightly over budget, due to a number of new legal matters (row 47).
- Public Information and Education is currently within budget, but this amount does not include November and December invoices, which would make it over budget (row 99).
- Vehicles shows the recent purchase of a Ford Explorer for the General Manager, so is over budget because it was a one-time purchase (row 111).
- New Property is over budget because the purchase of the property to the north of the Headquarters was planned, but not included in the budget for strategic reasons (row 114).

Unrestricted Funds - Consigned State Water Project (SWP) Fund 'The Orange Bucket'

The Board authorized the SWP Fund starting in FY 2021-22, with the provision that expenditures would not be authorized by the Board for two to three years. At this time, no expenditures have been authorized by the Board.

As mentioned under the General Fund, interest income allocated to the Consigned SWP Fund continues to show a good rate of return.



Restricted Funds – Debt Service Fund – ‘The Red Bucket’ Revenue

Debt Service Fund tax revenue follows a similar pattern of timing as the General Fund, but with slightly larger percentages. As of December, the Agency has received about 30% of the expected Debt Service revenue. By the end of January, it is expected to increase to about 50%.



Expenditures

Expenditures for the Debt Service Fund tend to have a wider range of variances, depending on the type of expense. Salaries and related expenses, Utilities, and Tax Collection Services track evenly throughout the year. But, the SWC Audit gets paid at the beginning of the year, so is currently over budget for the first half of the fiscal year. Because no more invoices are expected, it will be within budget at the end of the fiscal year.

Other line items come in chunks, rather than being evenly spread over 12 months. Water Transfers are usually one-time payments, so look inactive, then exceed the monthly guide after the payment is made. Invoices for SWP Engineering and Maintenance and EBX Contract Operations come in when billed, depending on repairs needed and the amount of water delivered.

Finally, State Water Contract Payments are generally even month to month, with the exception of September (largest EBX payment) and March (next largest EBX payment), with slight increases in January and July, all of which relate to making bond payments.

And because State Water Contract Payments make up almost 60% of all the expenditures for the Debt Service Fund, any variance in that line item affects the total Debt Service expenditure percentage more significantly than any other item. So, while SWC Payments are slightly over budget, Debt Service expenditures overall are within budget for the first half of the fiscal year.

Gap Funding and Heli-Hydrant Funding Programs

The current balance of the Gap Funding program is \$7,588,924.61. The largest portion of the funding is being utilized by South Mesa Water Company. An agreement was added this year for Banning Heights Mutual Water Company. Cabazon Water District has paid off all but a small amount of retention, demonstrating the value of the program to retailers who don't have the cash-flow to support the long reimbursement cycles of typical grant awards.

In addition, the Board authorized advancing funds to water districts that want to install Heli-Hydrants. So far, Cabazon Water District and High Valleys Water District have taken advantage of this program. The County of Riverside has reimbursed the Agency through their ARPA grant all the expenditures related to Cabazon Water District.

Considerations and Recommendations General Fund

In looking forward to the second half of the fiscal year, Staff recommend making the following adjustments to the General Fund Budget for FY 2025-26:

- In order to meet expected expenses related to payroll, retirement administration, and flexible spending account administration services, increase the budget by \$5,000 for a total of \$16,000 for the fiscal year (row 19)
- In order to meet budget expectations for Office Expenses, increase the budget by \$12,000 for a total of \$52,000 for the fiscal year (row 37)
- In order to purchase an appropriate additional operations vehicle, increase the budget by \$65,000 for a total of \$145,000 for the fiscal year (row 111)
- In order to adjust the budget as promised in previous updates, add \$480,000 to New Property for a total of \$530,000 for the fiscal year, to bring the line item within budget (row 114)

The total for the above items is about \$562,000. This represents an addition of about 2.6% for the General Fund Expenditure budget for FY 2025-26. This will reduce the expected amount to be added to reserves, but the addition to reserves will still be positive at year-end.

Further consideration should be given to Public Information and Education. Staff recommend a workshop later this fiscal year to review activities of C V Strategies, to determine if additional budgeted amounts are necessary for the rest of the fiscal year.

Retirement

Retirement funding and its position relative to the audited financial statements has been a subject of much controversy in the past decade. The Board of Directors, at Staff's recommendation, has authorized numerous advance payments over the last 15 or so years. The most recent payment was an additional \$350,000, allocated between the Green Bucket and the Red Bucket. This payment changed the Agency's retirement position with CalPERS to a positive balance as of July 1, 2025. This is an enviable accomplishment, one that reflects positively on our balance sheet, and relieves major concerns about meeting future retirement requirements for the Agency.

Debt Service Fund

There are no recommendations for budget adjustments for the Debt Service Fund.