

Administration and Finance Committee  
Meeting and Special Meeting of the Board  
of Directors

**Tuesday, February 03, 2026**  
**4:30 P.M.**

**Committee Members:**

Jennifer Santana, Chair  
Charles Treviño, Vice-Chair

\*The Administration and Finance Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Administration and Finance Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. To preserve the function of the Committee as advisory to the Board, members of the Board who are not assigned to the Administration and Finance Committee will not vote on matters before the Committee.

**Communications**

1. Call to Order
2. Public Comment

**Discussion/Action**

3. Quarterly Investment Update – December 31, 2025 (A representative from Chandler Asset Management will provide a presentation)
4. Mid-Year Review with Budget Amendments (Staff memorandum enclosed)
5. FY 2025-26 Budget Schedule (Staff memorandum enclosed)

**Oral Reports**

6. Accounting Procedures Improvements

**Other Matters**

- 7.

**Adjournment**

**Next Meeting:** Tuesday, March 03, 2026 at 4:30 p.m.

**American Disabilities Act Compliance** (Government Code Section 54954.2(a))

To request special assistance to participate in this meeting, please contact the District office at (626) 443-2297.





# INVESTMENT REPORT

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Upper San Gabriel Valley Municipal Water District | As of December 31, 2025

**CHANDLER ASSET MANAGEMENT** | [chandlerasset.com](http://chandlerasset.com)

**Chandler Team:**

For questions about your account, please call (800) 317-4747,  
or contact [clientservice@chandlerasset.com](mailto:clientservice@chandlerasset.com)

[ECONOMIC UPDATE](#)

[ACCOUNT PROFILE](#)

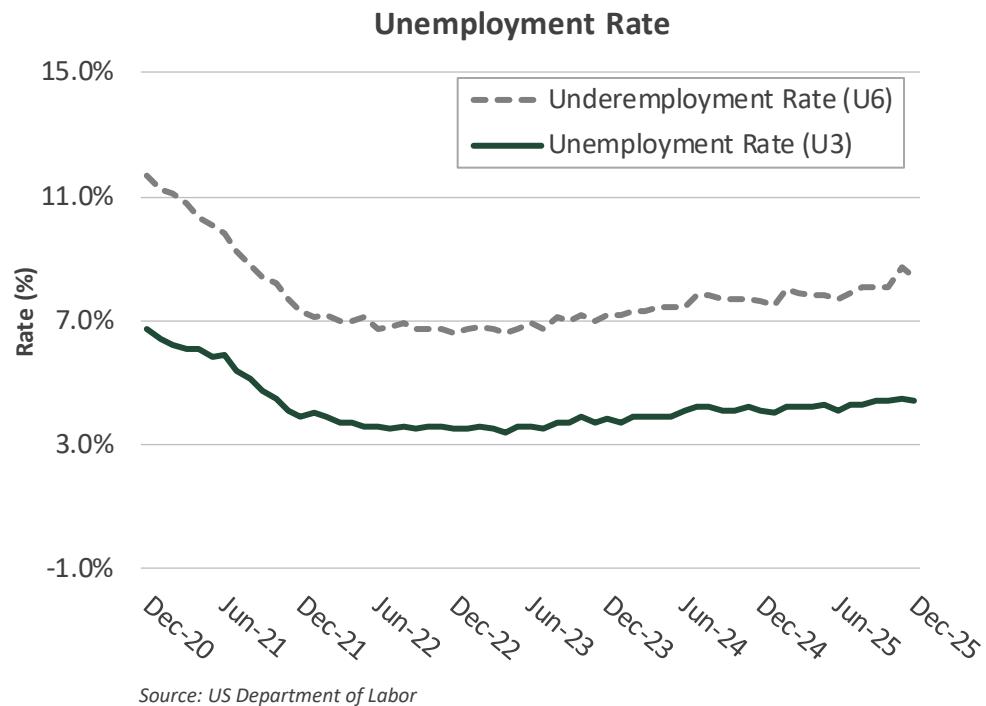
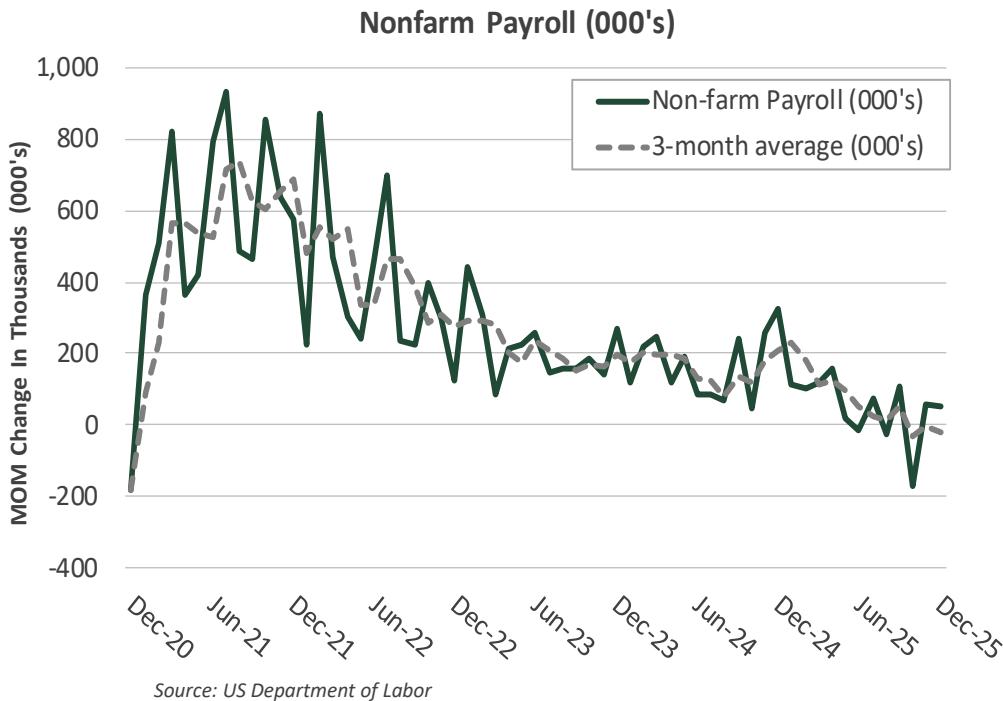
[PORTFOLIO HOLDINGS](#)

[TRANSACTIONS](#)

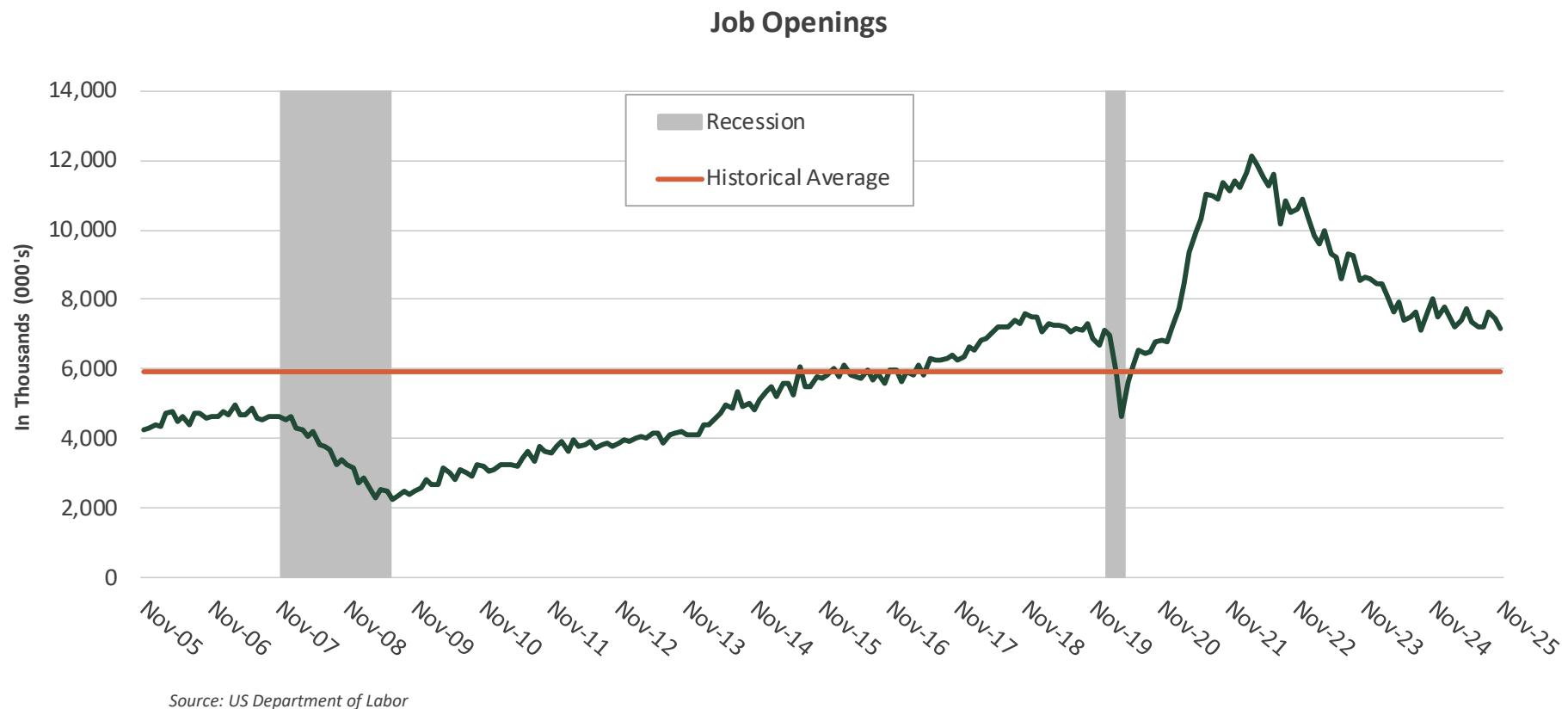
## ECONOMIC UPDATE

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- The near-term economic outlook continues to be distorted by the data delays from the government shutdown. Recently released government data—reflecting conditions from two to three months ago—indicate inflation remains moderately above the Federal Reserve's target, while labor market conditions have continued to soften. As the flow of economic data normalizes, the Chandler team expects further yield curve steepening as the Federal Reserve moves the policy rate toward a more neutral range. U.S. trade and fiscal policy also remain sources of elevated market uncertainty.
- The Federal Reserve's December Federal Open Market Committee meeting concluded with the third consecutive 25-basis-point rate cut in 2025, lowering the target range to 3.50%–3.75%. However, policymakers remain divided on the path forward. Four Fed governors project one additional 25-basis-point cut in 2026, another four anticipate no further easing, eight expect multiple cuts, and three call for a potential rate hike. Chair Jerome Powell noted that the Fed is now “well placed to wait and see” how labor market conditions and inflation evolve in the near term.
- The US Treasury yield curve steepened in December, as the 2-year Treasury yield dropped 2 basis points to 3.48%, the 5-year Treasury was up 13 basis points to 3.73%, and the 10-year Treasury yield was 15 basis points higher at 4.17%. The spread between the 2-year and 10-year Treasury yield points on the curve was 17 basis points wider from November at +69 basis points at December month-end. The spread between the 2-year Treasury and 10-year Treasury yield one year ago was +33 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was +54 basis points in December versus +21 basis points in November.

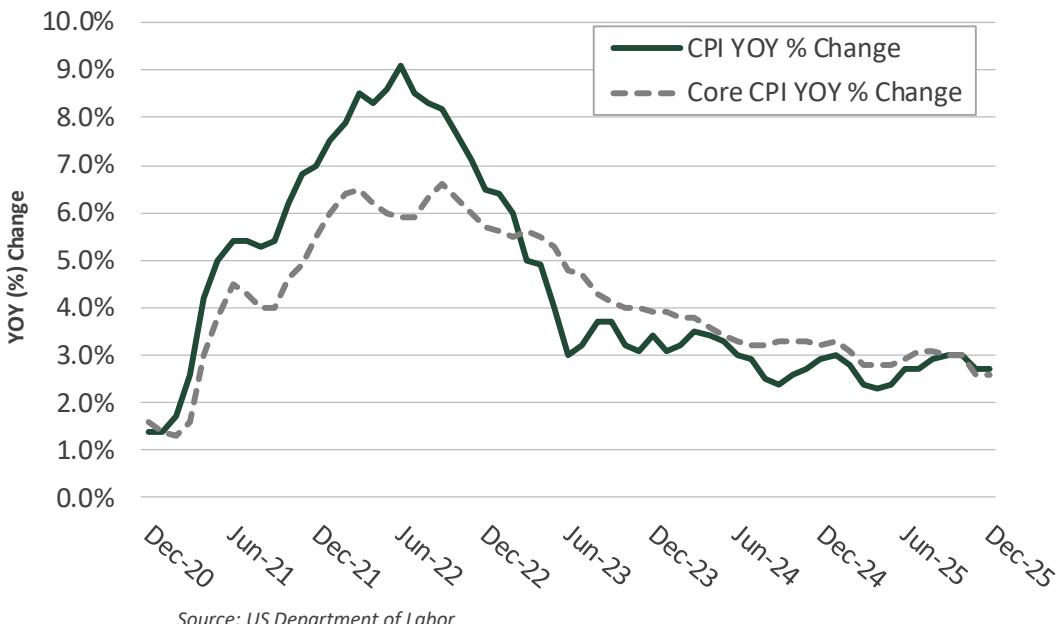


The December Nonfarm Payrolls report showed weaker-than-expected job growth, with payrolls rising by 50,000 compared with the consensus estimate of 70,000. This follows a downwardly revised gain of 56,000 in November. Employment declines were most pronounced in retail trade and construction, while leisure and hospitality posted the strongest gains. Notably, the unemployment rate edged down to 4.4% after increasing to 4.6% in November.



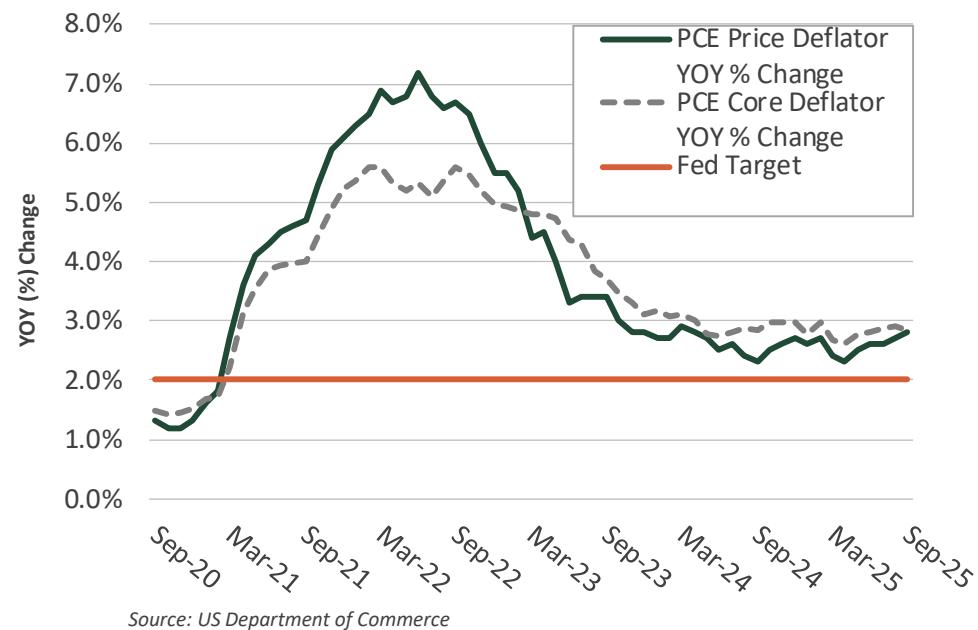
The Labor Department's Job Openings and Labor Turnover Survey (JOLTS) reported that job openings fell to 7.1 million in November from a downwardly revised 7.4 million in October. The drop in vacancies, alongside slower hiring, suggests the labor market continues to soften, though employers remain cautious about laying off workers. The number of openings now roughly matches the number of unemployed individuals, pointing to a labor market that is approaching equilibrium.

### Consumer Price Index (CPI)



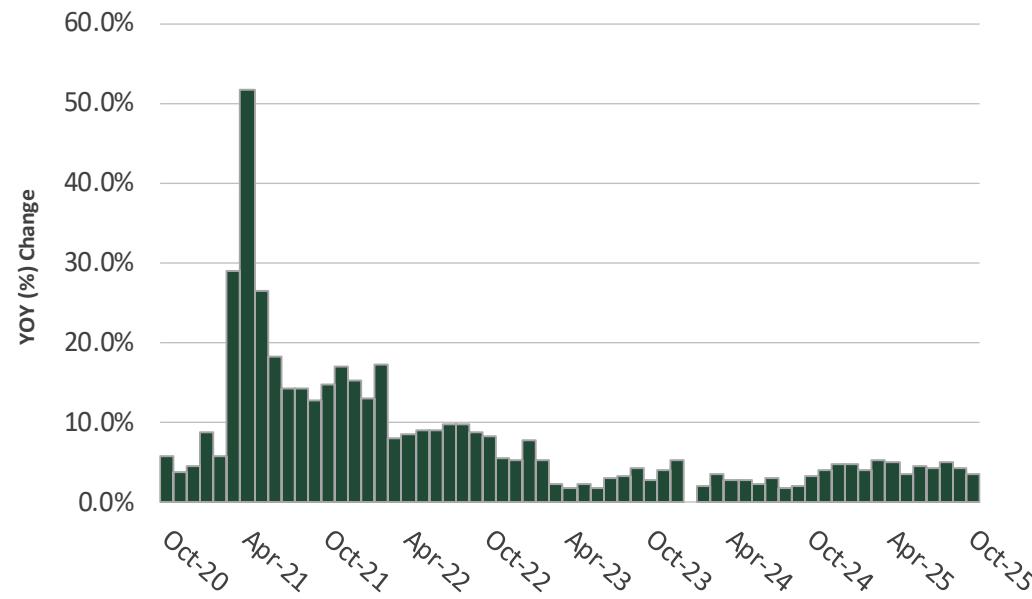
Source: US Department of Labor

### Personal Consumption Expenditures (PCE)

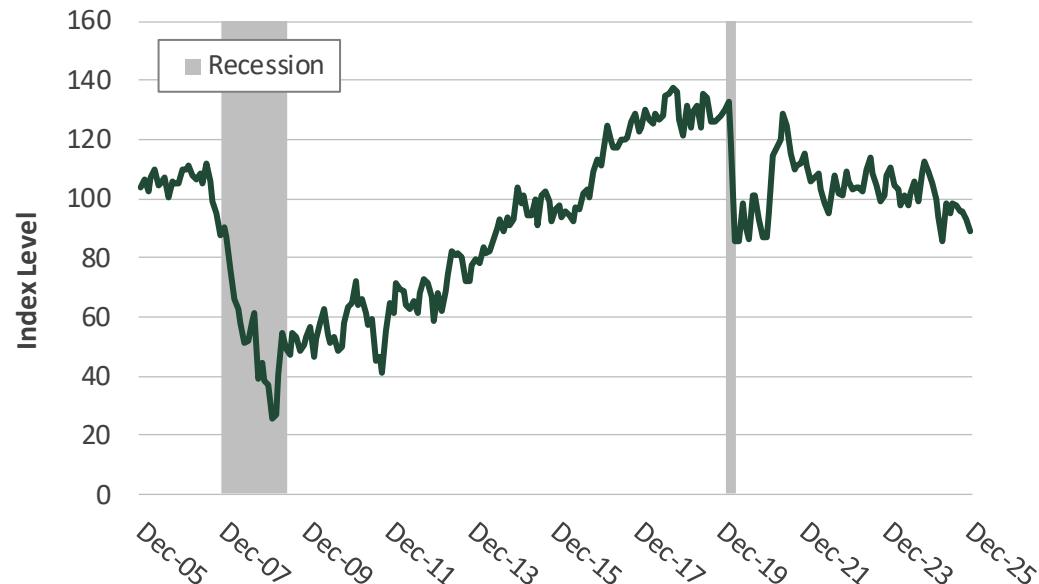


Source: US Department of Commerce

Inflation came in lower than expected in November, with the Consumer Price Index (CPI) rising 2.7% year over year and core CPI easing to 2.6%. Notably, both Owners' Equivalent Rent and Rent of Primary Residence contributed to the slowdown in services inflation. Shelter costs typically lag broader market trends by 12 to 18 months. Services, meanwhile, have remained the dominant driver of inflation throughout the post-pandemic period. The Personal Consumption Expenditures (PCE) Index for September, released on December 5, showed headline inflation up 0.3% from August and 2.8% year over year. Core PCE rose 0.2% on the month and 2.8% on an annual basis.

**Retail Sales YOY % Change**


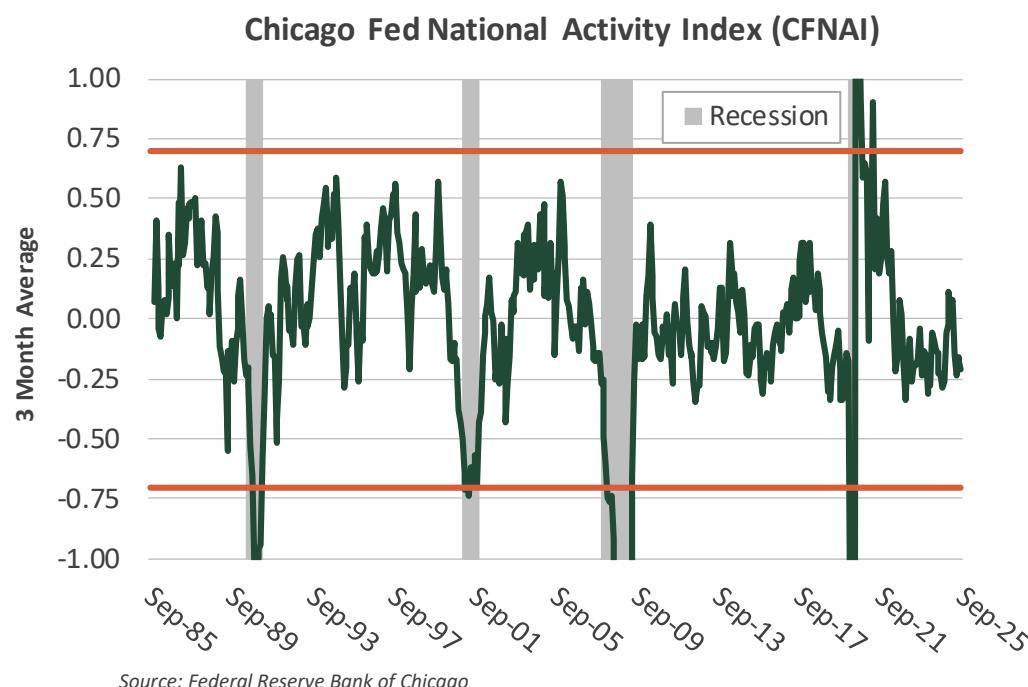
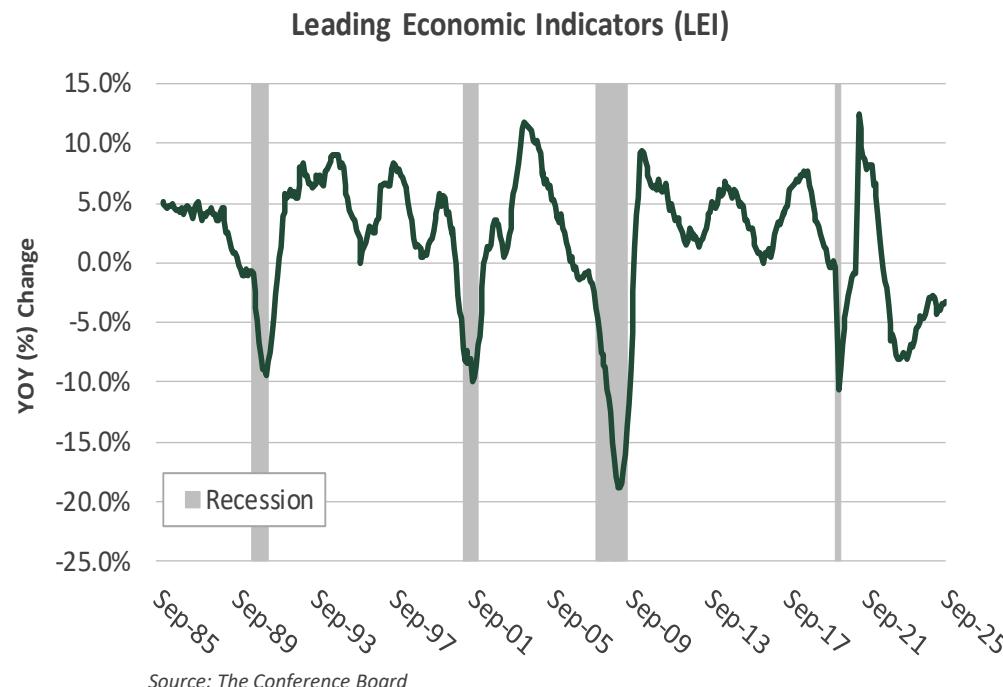
Source: US Department of Commerce

**Consumer Confidence**


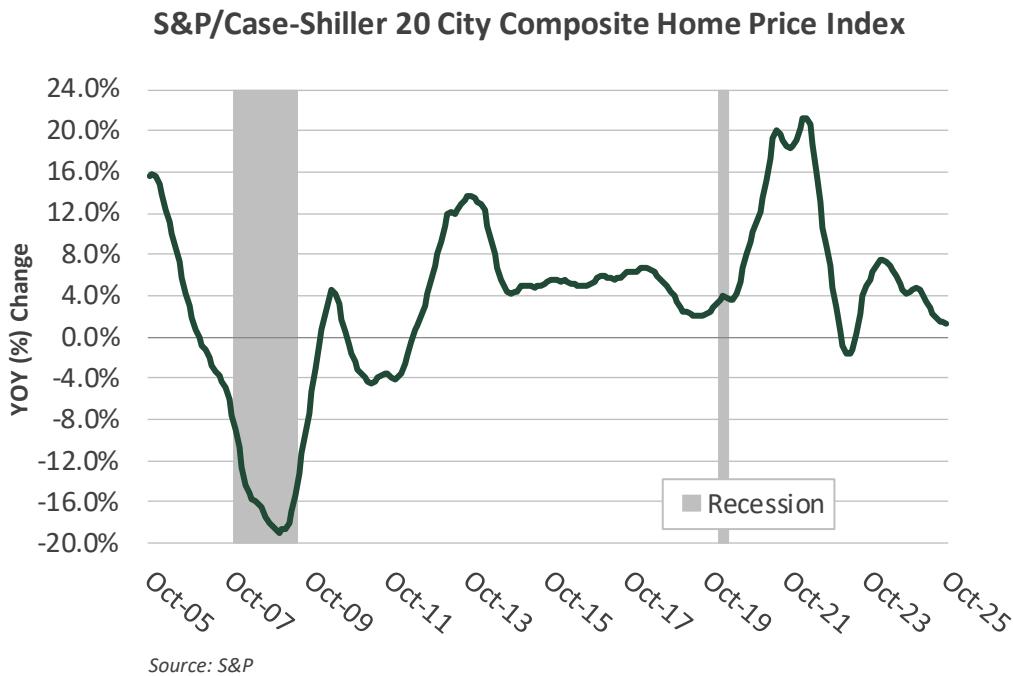
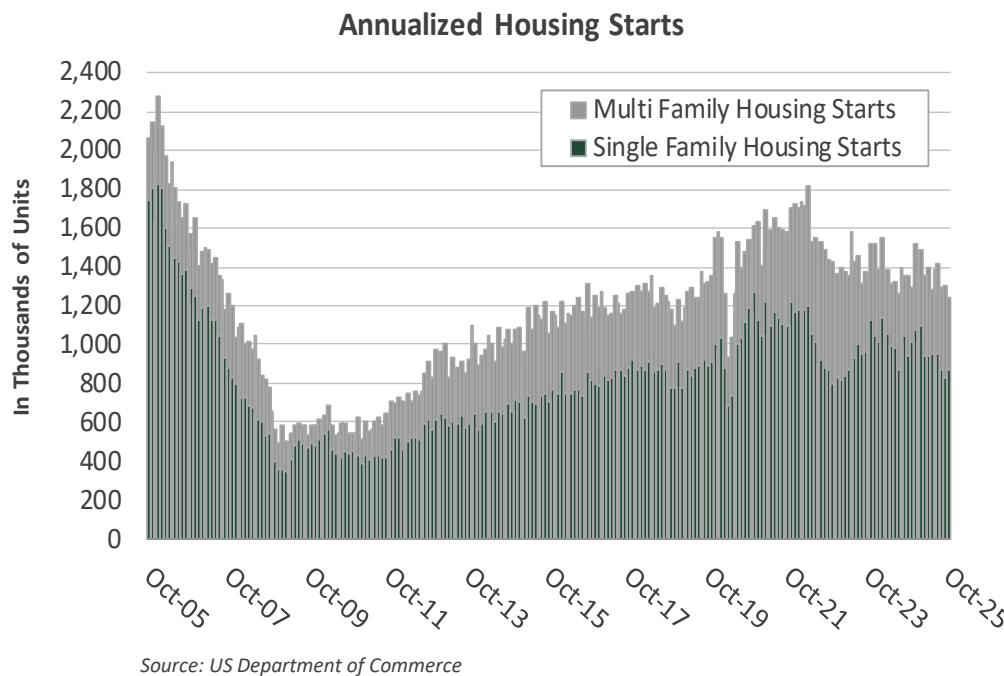
Source: The Conference Board

All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

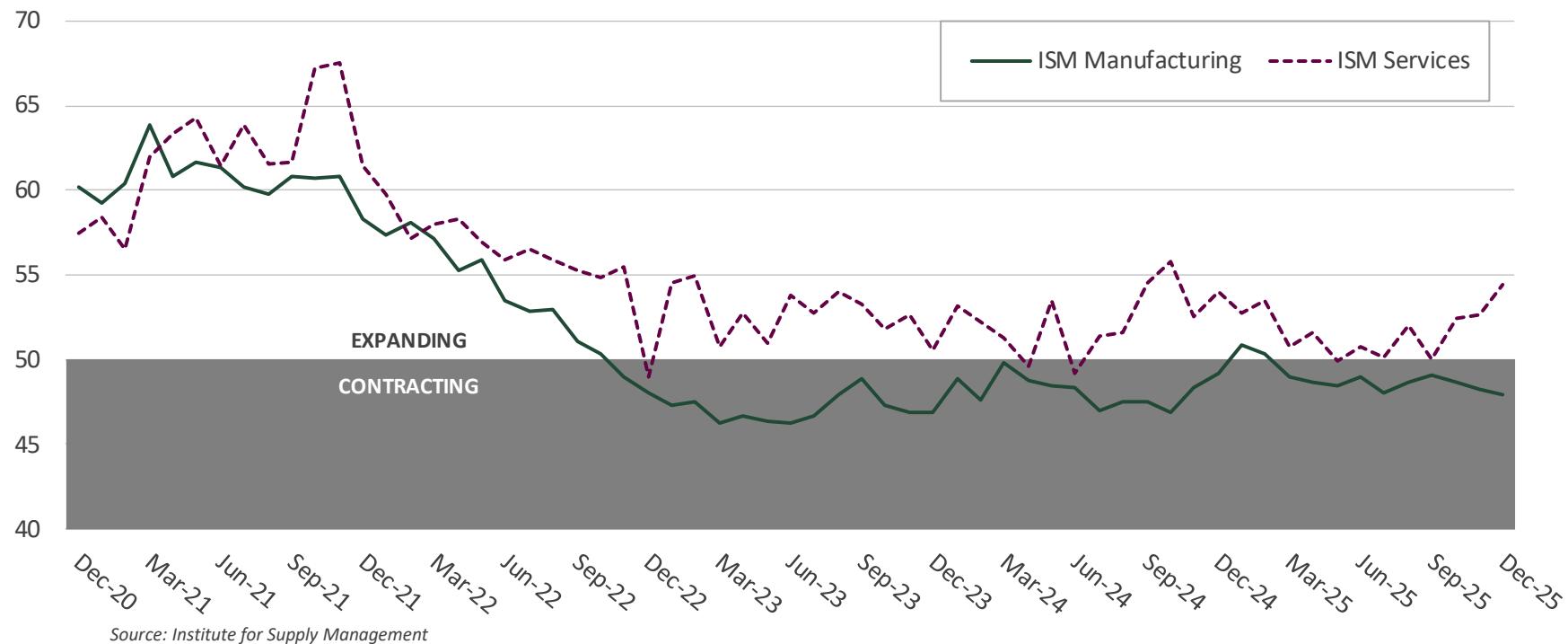
October Retail Sales, released with a one-month delay, were flat from the prior month but up 3.5% year over year. Eight of thirteen major categories posted gains, while motor vehicle sales declined following the expiration of federal tax incentives for electric vehicles, and gas station sales weakened amid lower fuel prices. The government shutdown may have weighed on consumer confidence regarding jobs, incomes, and overall financial conditions, both current and in the future. The Conference Board's Consumer Confidence Index declined to 89.1 in December from an upwardly revised 92.9 in November, marking its fifth consecutive monthly drop. Consumers were pessimistic about both business conditions and the labor market.



The Conference Board's Leading Economic Index (LEI) declined 0.3% in September, marking its second consecutive monthly decrease after a revised 0.3% drop in August. On a year-over-year basis, the index fell 3.3%. According to the Conference Board, weakening expectations among consumers and businesses contributed most to the LEI's overall decline. The index continues to signal slower economic growth through the end of 2025 and into 2026. The Chicago Fed National Activity Index (CFNAI) came in at -0.21 in September, following a downwardly revised -0.31 in August, signaling that U.S. economic activity remained below its historical trend for the sixth consecutive month. The three-month moving average ticked down to -0.21 in September from -0.18 in August, reinforcing signs of ongoing below-trend national growth. Employment-related indicators turned slightly positive, contributing +0.01 in September after a -0.11 result in August.



The S&P Cotality Case-Shiller 20-City Composite Home Price Index rose 1.3% year over year in October, slightly down from a 1.4% gain in September and marking the slowest annual increase since mid-2023. Short-term momentum also weakened, with 80 percent of the 20 tracked markets recording month-over-month price declines on a non-seasonally adjusted basis. Housing starts declined in October to an annualized rate of 1.25 million units, down from 1.29 million in September. Existing home sales inched higher in November to a 4.13 million-unit pace, indicating only modest improvement despite some relief in mortgage rates. The Freddie Mac 30-year fixed mortgage rate fell throughout 2025 and averaged 6.18% at the end of December.

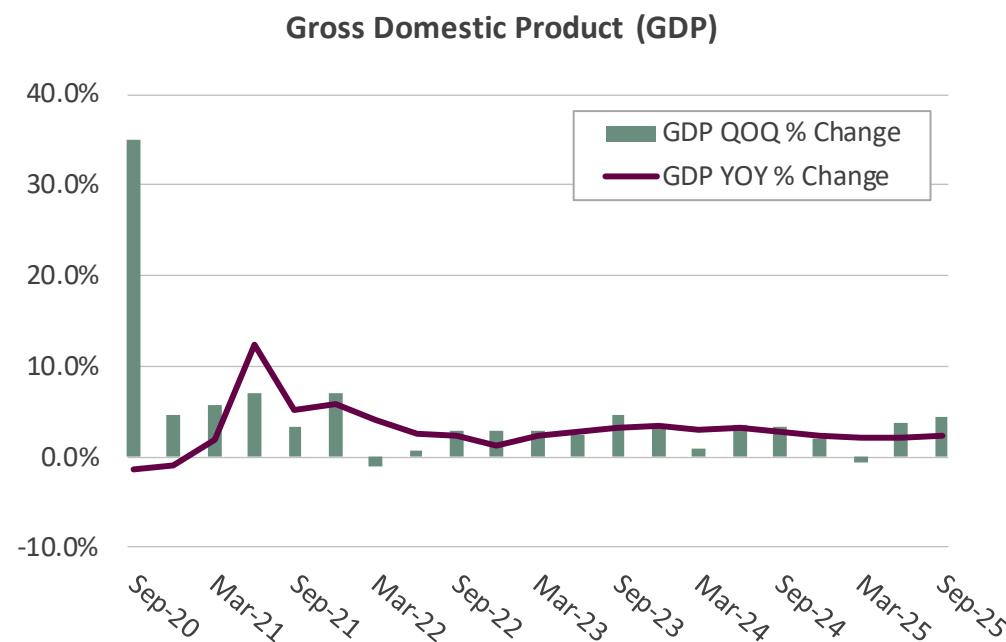
**Institute of Supply Management (ISM) Surveys**


Source: Institute for Supply Management

The Institute for Supply Management's (ISM) manufacturing index slipped to 47.9 in December, down from 48.2 in November, marking continued weakness across the sector. Manufacturing activity has now been in contraction for 36 of the past 38 months, as readings below 50 indicate contraction and those above 50 signal expansion. The latest decline was driven primarily by pullbacks in the Production and Inventories components. In contrast, the ISM services index remained in expansion territory, rising to 54.4 in December from 52.6 in November. Respondents attributed the improvement to seasonal strength, though many remained cautious about the potential impact of tariffs.

| Components of GDP                                  | 12/24       | 3/25         | 6/25        | 9/25        |
|--|-------------|--------------|-------------|-------------|
| Personal Consumption Expenditures                  | 2.6%        | 0.4%         | 1.7%        | 2.4%        |
| Gross Private Domestic Investment                  | -1.3%       | 3.8%         | -2.7%       | 0.0%        |
| Net Exports and Imports                            | -0.1%       | -4.7%        | 4.8%        | 1.6%        |
| Federal Government Expenditures                    | 0.3%        | -0.4%        | -0.4%       | 0.2%        |
| State and Local (Consumption and Gross Investment) | 0.3%        | 0.2%         | 0.3%        | 0.2%        |
| <b>Total</b>                                       | <b>1.9%</b> | <b>-0.6%</b> | <b>3.8%</b> | <b>4.3%</b> |

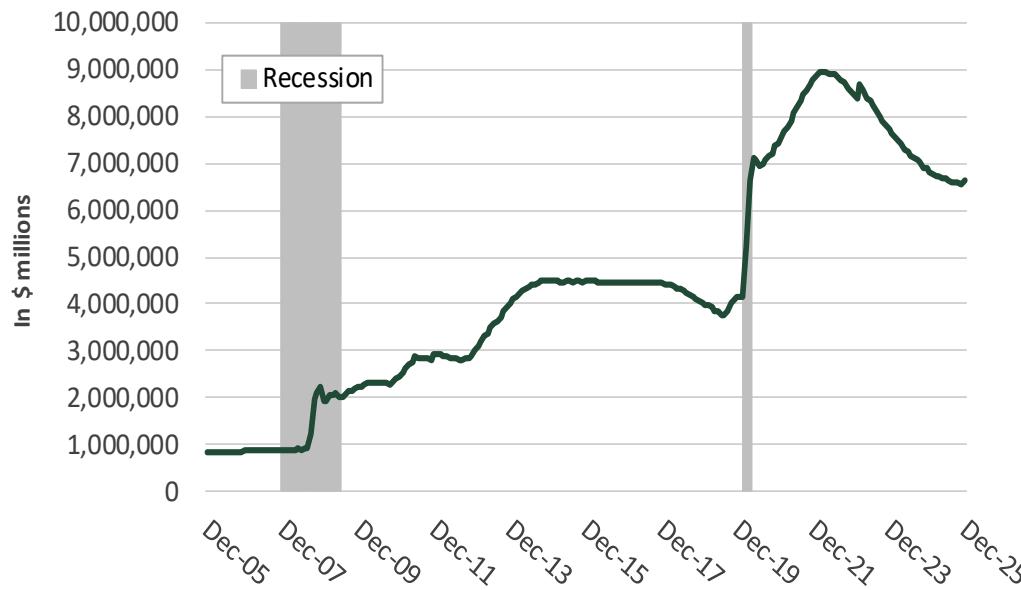
Source: US Department of Commerce



Source: US Department of Commerce

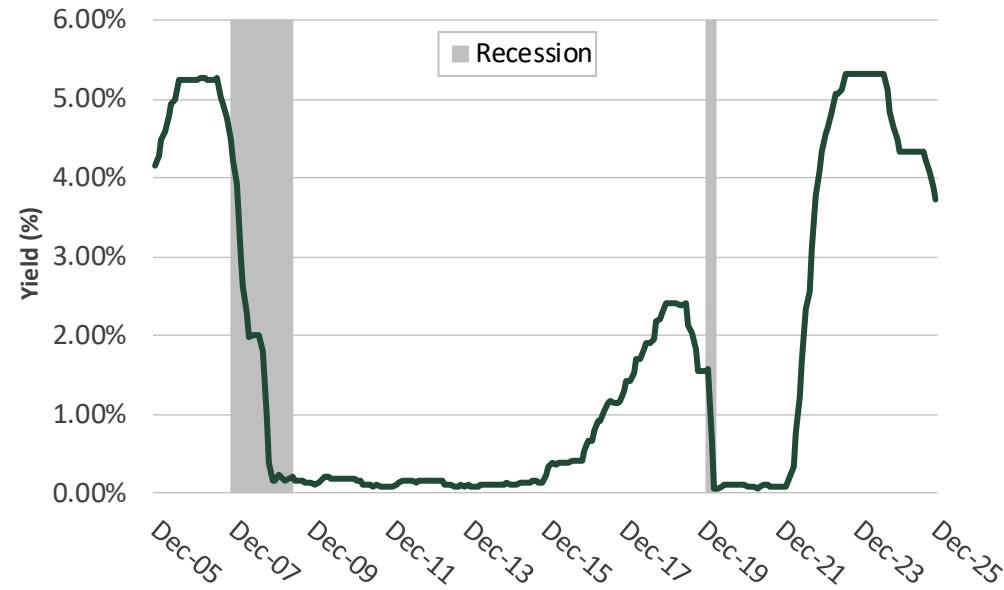
The U.S. inflation adjusted gross domestic product (GDP) report demonstrated continued strength in the third quarter, with the first estimate showing a 4.3% annualized quarter-over-quarter increase, up from 3.8% in the second quarter. Consumer spending accelerated, while exports contributed 1.6 percentage points to growth—both key drivers of the quarter's performance. The stronger-than-expected result represented the fastest pace of U.S. economic expansion in two years. The consensus projection calls for 1.1% growth in the fourth quarter and 2.0% growth for the full year 2025.

Federal Reserve Balance Sheet Assets



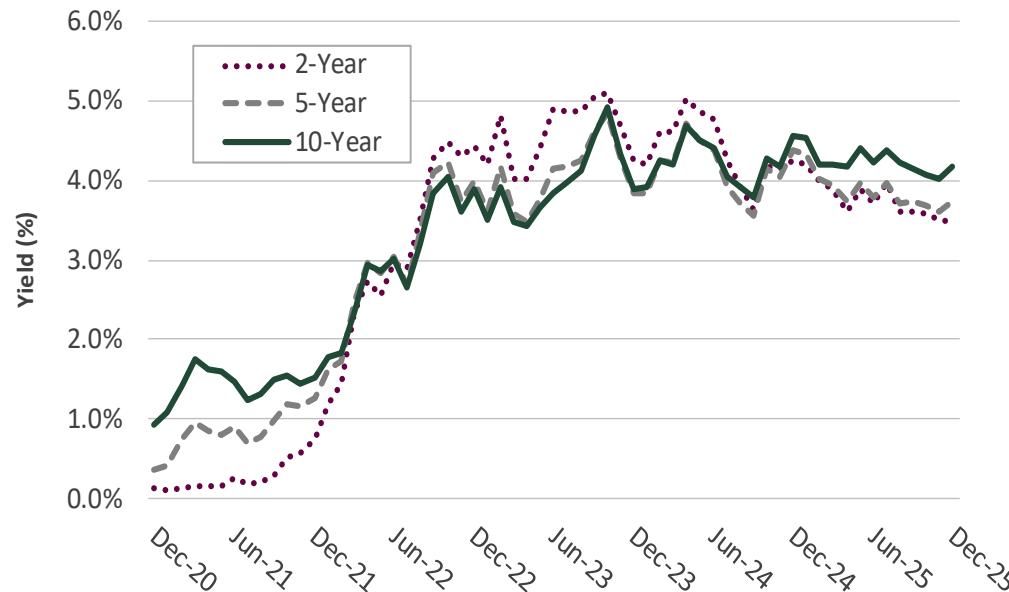
Source: Federal Reserve

Effective Federal Funds Rate

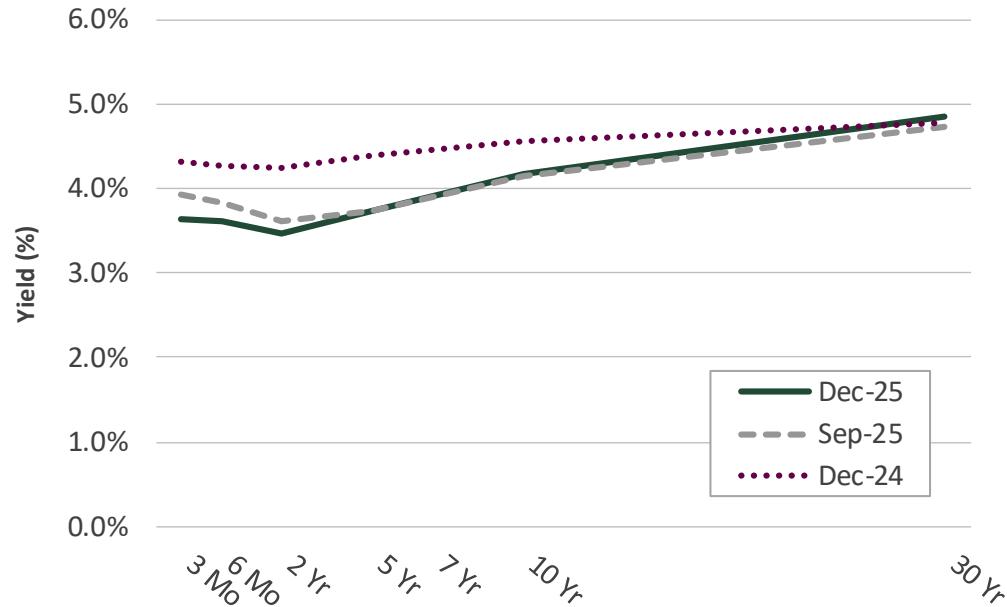


Source: Bloomberg

The Federal Reserve lowered its benchmark interest rate by a quarter point to a target range of 3.50% to 3.75% at its December meeting, citing concerns about emerging weakness in the labor market. A few policymakers dissented, arguing that tighter monetary policy may still be warranted to ensure progress on price stability. Beginning December 1, the Fed also halted its balance sheet runoff, announcing that principal and interest payments from its holdings will be reinvested in Treasury securities to maintain ample reserves and support market stability.

**US Treasury Note Yields**


Source: Bloomberg

**US Treasury Yield Curve**


Source: Bloomberg

At the end of December, the 2-year yield was 77 basis points lower, and the 10-year yield was 40 basis points lower, year-over-year. The spread between the 2-year and 10-year Treasury yield points on the curve increased to +69 basis points at December month-end versus +52 basis points at November month-end. The prior 2-year/10-year yield curve inversion, which spanned from July 2022 to August 2024, was historically long. The average historical spread (since 2005) is about +95 basis points. The spread between the 3-month and 10-year Treasury yield points on the curve was +54 basis points in December versus +21 basis points in November.

## ACCOUNT PROFILE

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### Investment Objectives

The investment objectives of the Upper San Gabriel Valley Municipal Water District are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all disbursement requirements; and third, to earn an acceptable rate of return after first considering safety of principal and liquidity.

### Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

### Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the investment policy and California Government Code.

## STATEMENT OF COMPLIANCE



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Rules Name  | Limit | Actual | Compliance Status | Notes |
|---|-------|--------|-------------------|-------|
| <b>ASSET BACKED/MORTGAGE BACKED/COLLATERALIZED MORTGAGE OBLIGATIONS</b> |       |        |                   |       |
| Max % (MV)  | 20.0  | 7.1    | Compliant         |       |
| Max % Issuer (MV)   | 5.0   | 1.8    | Compliant         |       |
| Max Maturity (Years)  | 5.0   | 4.5    | Compliant         |       |
| Min Rating (AA- by 1)   | 0.0   | 0.0    | Compliant         |       |
| <b>COLLATERALIZED BANK DEPOSITS</b>                                     |       |        |                   |       |
| Max Maturity (Years)  | 1.0   | 0.0    | Compliant         |       |
| Min Rating (F1 by Fitch if > FDIC Limit)                                | 0.0   | 0.0    | Compliant         |       |
| <b>COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)</b>              |       |        |                   |       |
| Max Maturity (Years)  | 1.0   | 0.0    | Compliant         |       |
| Min Rating (F1 by Fitch if > FDIC Limit)                                | 0.0   | 0.0    | Compliant         |       |
| <b>CORPORATE MEDIUM TERM NOTES</b>                                      |       |        |                   |       |
| Max % (MV)  | 30.0  | 20.0   | Compliant         |       |
| Max % Issuer (MV)   | 5.0   | 1.1    | Compliant         |       |
| Max Maturity (Years)  | 5     | 3      | Compliant         |       |
| Min Rating (A- by 1 if < 2 Years; AA- if > 2 Years)                     | 0.0   | 0.0    | Compliant         |       |
| <b>FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)</b>                |       |        |                   |       |
| Max Maturity (Years)  | 1     | 0.0    | Compliant         |       |
| <b>FEDERAL AGENCIES</b>   |       |        |                   |       |
| Max % (MV)  | 60.0  | 23.5   | Compliant         |       |
| Max Maturity (Years)  | 5     | 2      | Compliant         |       |
| <b>LOCAL AGENCY INVESTMENT FUND (LAIF)</b>                              |       |        |                   |       |
| Max Concentration (MV)  | 75.0  | 0.0    | Compliant         |       |
| <b>LOCAL GOVERNMENT INVESTMENT POOL (LGIP)</b>                          |       |        |                   |       |
| Max % (MV)  | 100.0 | 0.0    | Compliant         |       |
| <b>MONEY MARKET MUTUAL FUNDS</b>  |       |        |                   |       |
| Max % (MV)  | 20.0  | 3.1    | Compliant         |       |

## STATEMENT OF COMPLIANCE



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Rules Name                                      | Limit | Actual | Compliance Status | Notes |
|---|-------|--------|-------------------|-------|
| Min Rating (AAA by 2)                           | 0.0   | 0.0    | Compliant         |       |
| <b>NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)</b> |       |        |                   |       |
| Max % (MV)                                      | 30.0  | 0.0    | Compliant         |       |
| Max Maturity (Years)                            | 1     | 0.0    | Compliant         |       |
| Min Rating (F1 by Fitch if > FDIC Limit)        | 0.0   | 0.0    | Compliant         |       |
| <b>SUPRANATIONAL OBLIGATIONS</b>                |       |        |                   |       |
| Max % (MV)                                      | 30.0  | 2.7    | Compliant         |       |
| Max % Issuer (MV)                               | 10.0  | 1.8    | Compliant         |       |
| Max Maturity (Years)                            | 5     | 1      | Compliant         |       |
| Min Rating (AA- by 1)                           | 0.0   | 0.0    | Compliant         |       |
| <b>U.S. TREASURIES</b>                          |       |        |                   |       |
| Max % (MV)                                      | 100.0 | 38.3   | Compliant         |       |
| Max Maturity (Years)                            | 5     | 4      | Compliant         |       |

## PORTFOLIO CHARACTERISTICS

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025



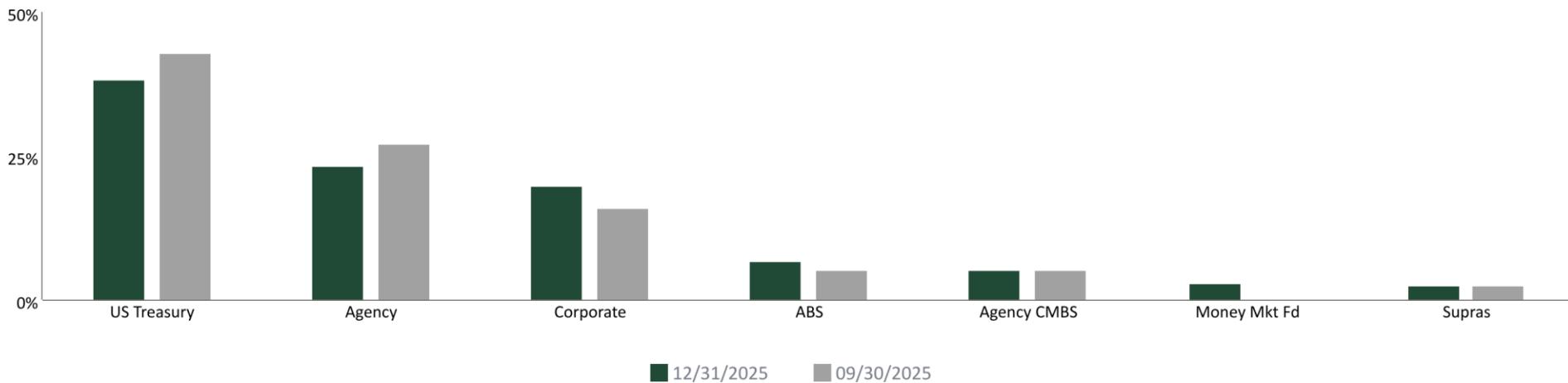
|                           | Benchmark* | 12/31/2025<br>Portfolio | 9/30/2025<br>Portfolio |
|---------------------------|------------|-------------------------|------------------------|
| Average Maturity (yrs)    | 1.40       | 1.65                    | 1.68                   |
| Average Modified Duration | 1.34       | 1.41                    | 1.47                   |
| Average Purchase Yield    |            | 4.15%                   | 4.22%                  |
| Average Market Yield      | 3.46%      | 3.66%                   | 3.84%                  |
| Average Quality**         | AA+        | AA+                     | AA+                    |
| Total Market Value        |            | 5,774,830               | 5,713,835              |

\*Benchmark: ICE BofA 0-3 Year US Treasury Index

\*\*The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

## SECTOR DISTRIBUTION

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025



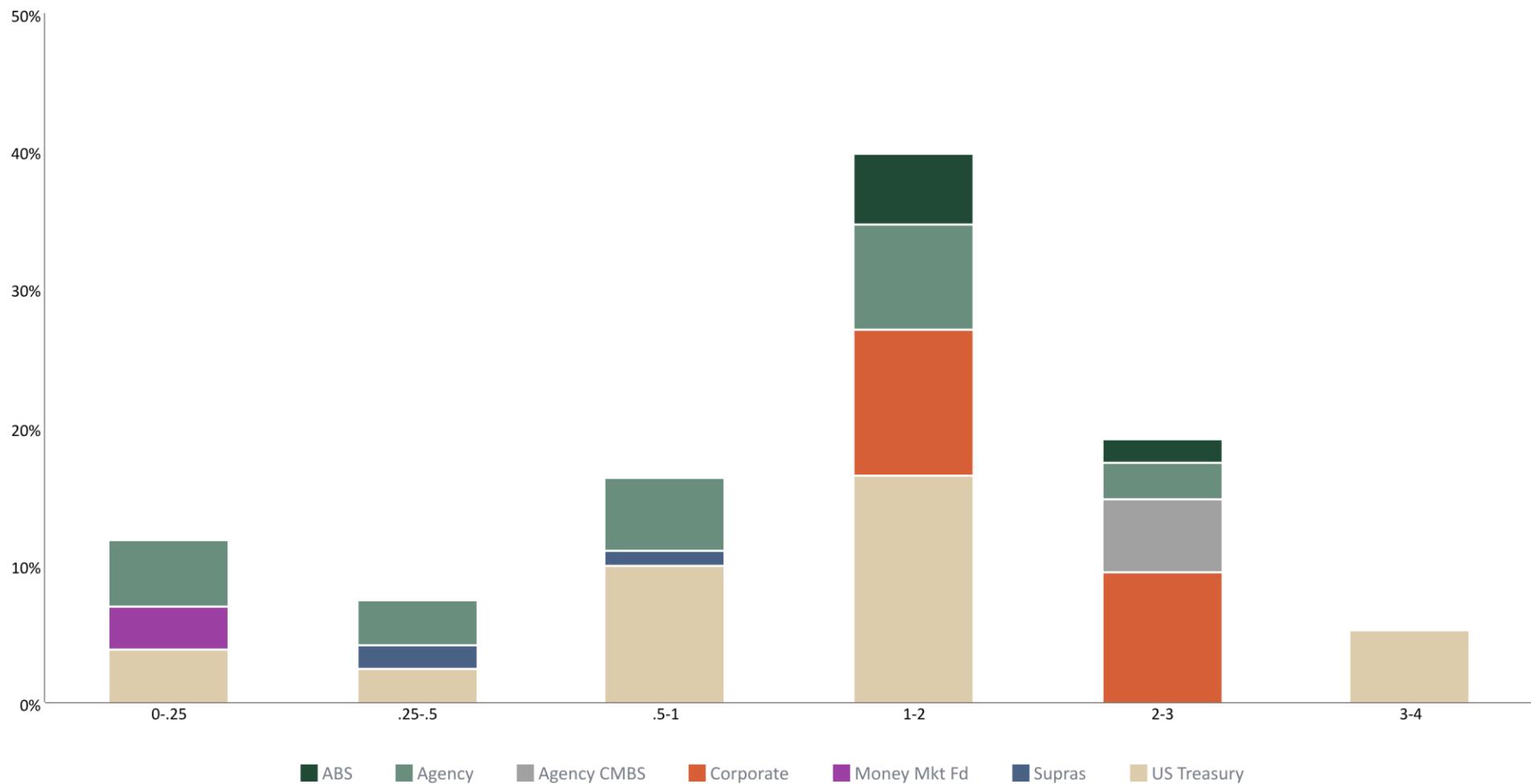
### Sector as a Percentage of Market Value

| Sector       | 12/31/2025 | 09/30/2025 |
|--------------|------------|------------|
| US Treasury  | 38.30%     | 42.93%     |
| Agency       | 23.51%     | 27.31%     |
| Corporate    | 20.04%     | 16.06%     |
| ABS          | 7.07%      | 5.37%      |
| Agency CMBS  | 5.25%      | 5.30%      |
| Money Mkt Fd | 3.11%      | 0.29%      |
| Supras       | 2.72%      | 2.75%      |

## DURATION ALLOCATION



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025



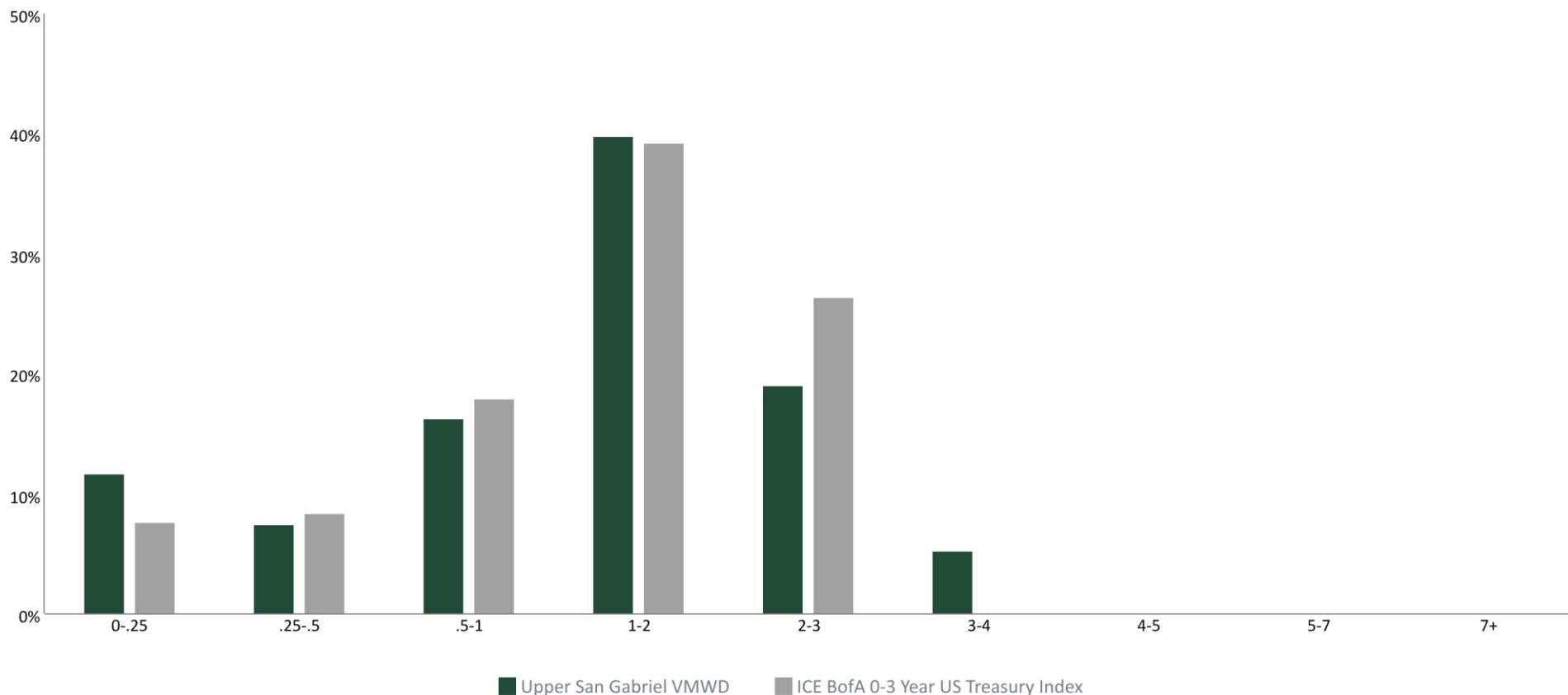
|            | 0-.25 | .25-.5 | .5-1  | 1-2   | 2-3   | 3-4  | 4-5  | 5-7  | 7+   |
|------------|-------|--------|-------|-------|-------|------|------|------|------|
| 12/31/2025 | 11.8% | 7.5%   | 16.3% | 39.9% | 19.2% | 5.3% | 0.0% | 0.0% | 0.0% |

## DURATION DISTRIBUTION



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

Portfolio Compared to the Benchmark



|                                     | 0-.25 | .25-.5 | .5-1  | 1-2   | 2-3   | 3-4  | 4-5  | 5-7  | 7+   |
|-------------------------------------|-------|--------|-------|-------|-------|------|------|------|------|
| Portfolio                           | 11.8% | 7.5%   | 16.3% | 39.9% | 19.2% | 5.3% | 0.0% | 0.0% | 0.0% |
| ICE BofA 0-3 Year US Treasury Index | 7.8%  | 8.5%   | 18.0% | 39.3% | 26.5% | 0.0% | 0.0% | 0.0% | 0.0% |

## ISSUERS



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Issuer                               | Investment Type | % Portfolio |
|--------------------------------------|-----------------|-------------|
| United States                        | US Treasury     | 38.29%      |
| Farm Credit System                   | Agency          | 17.39%      |
| Federal Home Loan Banks              | Agency          | 6.11%       |
| FHLMC                                | Agency CMBS     | 5.25%       |
| First American Govt Oblig Fund       | Money Mkt Fd    | 3.11%       |
| American Express Credit Master Trust | ABS             | 1.77%       |
| Mercedes-Benz Auto Receivables Trust | ABS             | 1.77%       |
| Chase Issuance Trust                 | ABS             | 1.76%       |
| WF Card Issuance Trust               | ABS             | 1.76%       |
| Inter-American Development Bank      | Supras          | 1.75%       |
| Blackrock, Inc.                      | Corporate       | 1.07%       |
| Meta Platforms, Inc.                 | Corporate       | 1.07%       |
| Eli Lilly and Company                | Corporate       | 1.07%       |
| State Street Corporation             | Corporate       | 1.06%       |
| Florida Power & Light                | Corporate       | 1.06%       |
| Toyota Motor Corporation             | Corporate       | 1.06%       |
| BNY Mellon Corp                      | Corporate       | 1.06%       |
| Abbvie Inc.                          | Corporate       | 1.06%       |
| Alphabet Inc.                        | Corporate       | 1.05%       |
| National Rural Utilities Cooperative | Corporate       | 1.05%       |
| Bank of America Corporation          | Corporate       | 1.05%       |
| Northern Trust Corporation           | Corporate       | 1.05%       |
| JPMorgan Chase & Co.                 | Corporate       | 1.05%       |
| Amazon.com, Inc.                     | Corporate       | 1.05%       |
| CME Group Inc.                       | Corporate       | 1.05%       |
| Realty Income Corporation            | Corporate       | 1.05%       |
| Merck & Co., Inc.                    | Corporate       | 1.05%       |
| American Express Company             | Corporate       | 1.04%       |
| Air Products and Chemicals, Inc.     | Corporate       | 1.02%       |
| International Finance Corporation    | Supras          | 0.97%       |

## ISSUERS



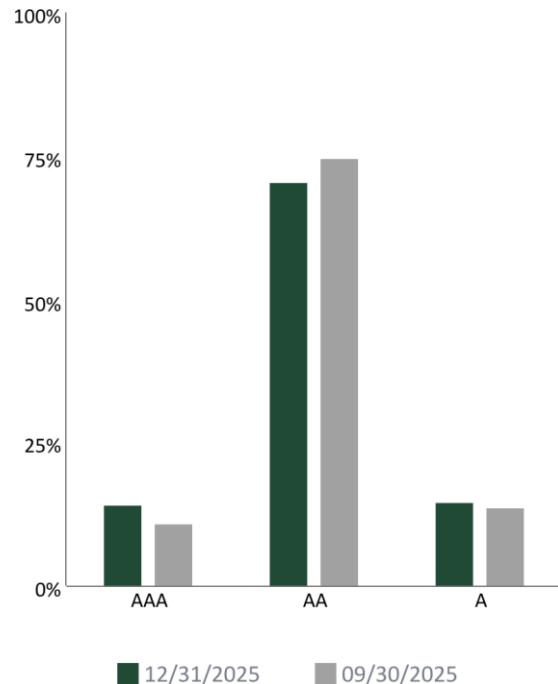
Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Issuer       | Investment Type | % Portfolio    |
|--------------|-----------------|----------------|
| Cash         | Cash            | 0.01%          |
| <b>TOTAL</b> |                 | <b>100.00%</b> |

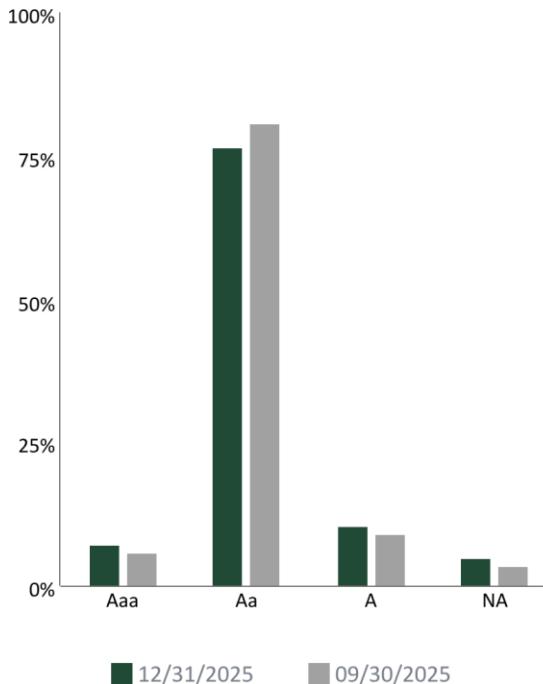
## QUALITY DISTRIBUTION

Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

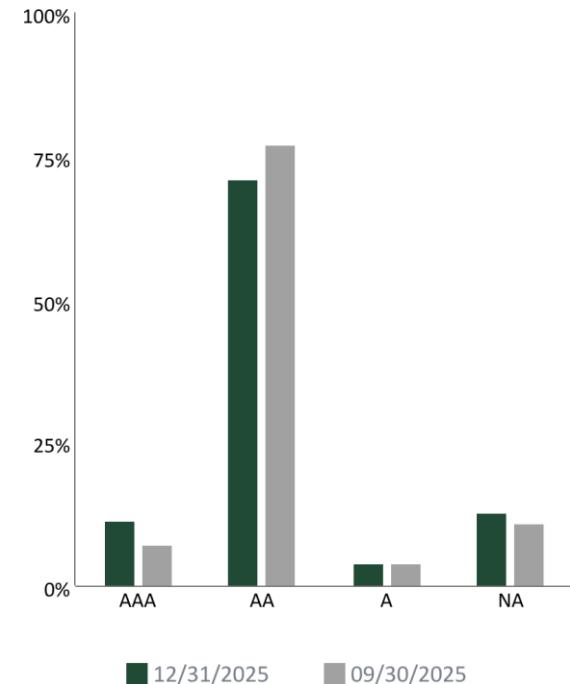
S&P Rating



Moody's Rating



Fitch Rating



| Rating | 12/31/2025 | 09/30/2025 |
|--------|------------|------------|
| AAA    | 14.58%     | 11.35%     |
| AA     | 70.64%     | 74.85%     |
| A      | 14.78%     | 13.79%     |

| Rating | 12/31/2025 | 09/30/2025 |
|--------|------------|------------|
| Aaa    | 7.57%      | 6.04%      |
| Aa     | 76.65%     | 80.90%     |
| A      | 10.51%     | 9.51%      |
| NA     | 5.27%      | 3.56%      |

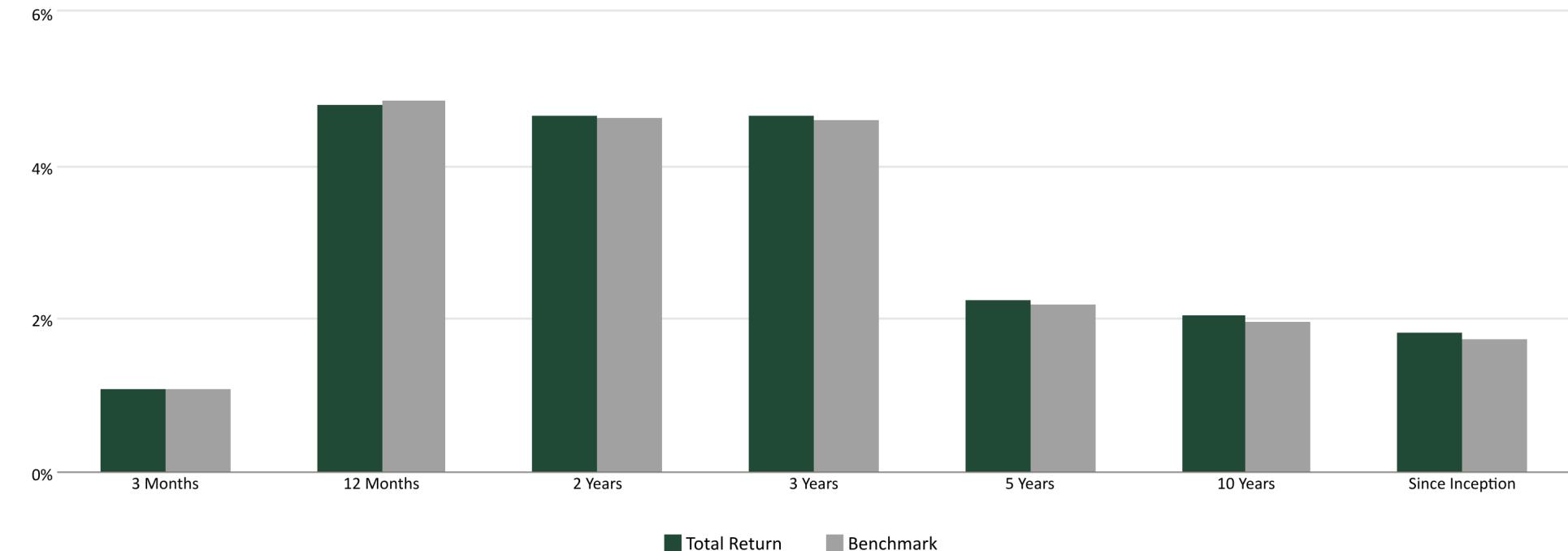
| Rating | 12/31/2025 | 09/30/2025 |
|--------|------------|------------|
| AAA    | 11.84%     | 7.42%      |
| AA     | 71.04%     | 77.36%     |
| A      | 4.21%      | 4.24%      |
| NA     | 12.92%     | 10.97%     |

## INVESTMENT PERFORMANCE



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

Total Rate of Return : Inception | 06/01/2014



| TOTAL RATE OF RETURN*  | 3 Months | 12 Months | 2 Years | 3 Years | 5 Years | 10 Years | Since Inception |
|------------------------|----------|-----------|---------|---------|---------|----------|-----------------|
| Upper San Gabriel VMWD | 1.10%    | 4.81%     | 4.66%   | 4.67%   | 2.27%   | 2.06%    | 1.84%           |
| Benchmark              | 1.10%    | 4.86%     | 4.65%   | 4.61%   | 2.20%   | 1.97%    | 1.76%           |

\*Periods over 1 year are annualized.

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

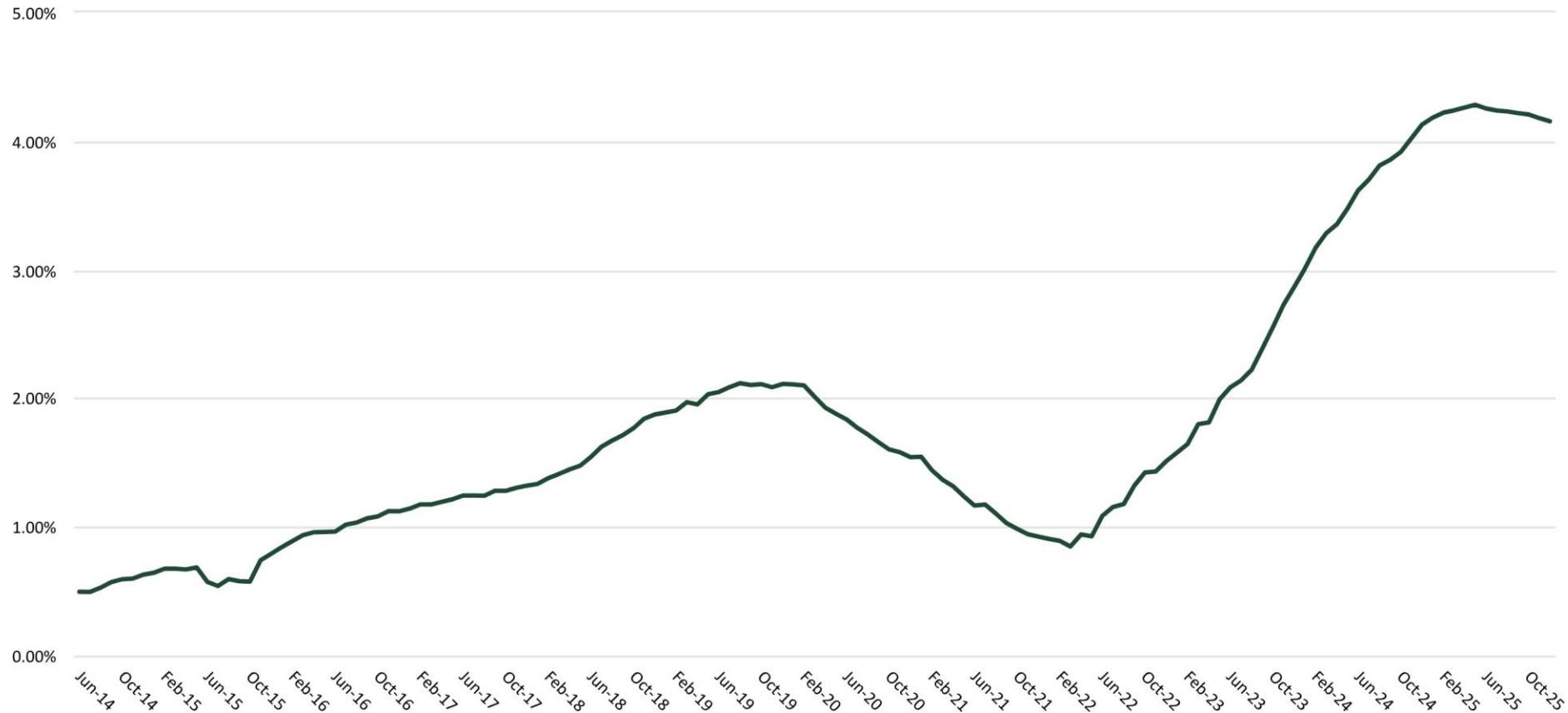
Benchmark: ICE BofA 0-3 Year US Treasury Index

## HISTORICAL AVERAGE PURCHASE YIELD



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

Purchase Yield as of 12/31/25 = 4.15%



## PORTFOLIO HOLDINGS

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## HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Cusip            | Security Description                                       | Par Value/<br>Units | Purchase<br>Date<br>Purchase<br>Yield | Cost Value<br>Book Value | Mkt<br>Price<br>Mkt<br>YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody's/<br>S&P/<br>Fitch | Maturity<br>Duration |
|------------------|--|---------------------|---------------------------------------|--------------------------|----------------------------|------------------------------|-------------------------|---------------------------|----------------------|
| <b>ABS</b>       |  |                     |                                       |                          |                            |                              |                         |                           |                      |
| 58768YAD7        | MBALT 2025-A A3 4.61<br>04/16/2029                         | 100,000.00          | 09/24/2025<br>3.87%                   | 101,410.16<br>101,251.86 | 101.32<br>3.94%            | 101,318.60<br>204.89         | 1.77%<br>66.74          | NA/AAA<br>AAA             | 3.29<br>1.84         |
| 02589BAE0        | AMXCA 2024-3 A 4.65 07/15/2027                             | 100,000.00          | 09/24/2025<br>3.85%                   | 101,449.22<br>101,233.38 | 101.37<br>3.76%            | 101,368.70<br>206.67         | 1.77%<br>135.32         | NA/AAA<br>AAA             | 1.54<br>1.46         |
| 92970QAE5        | WFCIT 2024-2 A 4.29 10/15/2029                             | 100,000.00          | 09/24/2025<br>3.88%                   | 100,863.28<br>100,750.48 | 100.97<br>3.76%            | 100,968.70<br>190.67         | 1.76%<br>218.22         | Aaa/AAA<br>NA             | 3.79<br>1.69         |
| 161571HZ0        | CHAIT 2025-1 A 4.16 07/15/2030                             | 100,000.00          | 10/23/2025<br>3.76%                   | 101,101.56<br>101,025.17 | 100.97<br>3.79%            | 100,971.90<br>184.89         | 1.76%<br>(53.27)        | NA/AAA<br>AAA             | 4.54<br>2.36         |
| <b>Total ABS</b> |  | <b>400,000.00</b>   | <b>3.84%</b>                          | <b>404,824.22</b>        | <b>101.16</b>              | <b>404,627.90</b>            | <b>7.07%</b>            |                           | <b>3.29</b>          |
|                  |  |                     |                                       | <b>404,260.89</b>        | <b>3.81%</b>               | <b>787.11</b>                | <b>367.01</b>           |                           | <b>1.84</b>          |
| <b>AGENCY</b>    |  |                     |                                       |                          |                            |                              |                         |                           |                      |
| 3133EPW68        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 4.125 01/22/2026 | 100,000.00          | 01/24/2024<br>4.40%                   | 99,490.00<br>99,985.29   | 100.03<br>3.60%            | 100,025.40<br>1,821.88       | 1.75%<br>40.11          | Aa1/AA+<br>AA+            | 0.06<br>0.06         |
| 3133EN7J3        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 3.875 02/02/2026 | 69,000.00           | 02/15/2023<br>4.51%                   | 67,798.71<br>68,964.47   | 100.01<br>3.72%            | 69,005.38<br>1,106.64        | 1.21%<br>40.91          | Aa1/AA+<br>AA+            | 0.09<br>0.08         |
| 3133EPCFO        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 4.5 03/02/2026   | 100,000.00          | 03/23/2023<br>3.97%                   | 101,445.00<br>100,080.73 | 100.15<br>3.54%            | 100,150.10<br>1,487.50       | 1.75%<br>69.37          | Aa1/AA+<br>AA+            | 0.17<br>0.17         |
| 3133EPFT7        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 3.75 04/13/2026  | 100,000.00          | 04/10/2023<br>3.99%                   | 99,332.00<br>99,937.83   | 100.02<br>3.64%            | 100,023.00<br>812.50         | 1.75%<br>85.17          | Aa1/AA+<br>AA+            | 0.28<br>0.28         |
| 3130AWLZ1        | FEDERAL HOME LOAN BANKS 4.75<br>06/12/2026                 | 90,000.00           | 07/19/2023<br>4.45%                   | 90,720.00<br>90,110.25   | 100.48<br>3.63%            | 90,436.23<br>225.63          | 1.58%<br>325.98         | Aa1/AA+<br>AA+            | 0.45<br>0.44         |
| 3133EPZY4        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 5.0 07/30/2026   | 100,000.00          | 10/30/2023<br>5.01%                   | 99,970.00<br>99,993.72   | 100.73<br>3.71%            | 100,726.60<br>2,097.22       | 1.76%<br>732.88         | Aa1/AA+<br>AA+            | 0.58<br>0.56         |
| 3133EPUW3        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 4.75 09/01/2026  | 95,000.00           | 10/23/2023<br>4.99%                   | 94,392.00<br>94,858.35   | 100.74<br>3.61%            | 95,699.68<br>1,504.17        | 1.67%<br>841.33         | Aa1/AA+<br>AA+            | 0.67<br>0.64         |
| 3130AXU63        | FEDERAL HOME LOAN BANKS<br>4.625 11/17/2026                | 105,000.00          | 11/16/2023<br>4.69%                   | 104,814.15<br>104,945.74 | 100.85<br>3.62%            | 105,896.81<br>593.54         | 1.85%<br>951.07         | Aa1/AA+<br>AA+            | 0.88<br>0.85         |
| 3133EP6K6        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 4.5 03/26/2027   | 125,000.00          | 03/25/2024<br>4.45%                   | 125,181.25<br>125,074.32 | 101.18<br>3.51%            | 126,473.25<br>1,484.38       | 2.21%<br>1,398.93       | Aa1/AA+<br>AA+            | 1.23<br>1.18         |
| 3133ERFJ5        | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 4.5 05/20/2027   | 100,000.00          | 05/23/2024<br>4.80%                   | 99,184.50<br>99,623.27   | 101.31<br>3.52%            | 101,312.20<br>512.50         | 1.77%<br>1,688.93       | Aa1/AA+<br>AA+            | 1.38<br>1.33         |

# HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Cusip                    | Security Description                                      | Par Value/<br>Units | Purchase<br>Date<br>Purchase<br>Yield | Cost Value<br>Book Value       | Mkt<br>Price<br>Mkt<br>YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss     | Moody's/<br>S&P/<br>Fitch | Maturity<br>Duration       |
|--------------------------|---|---------------------|---------------------------------------|--------------------------------|----------------------------|------------------------------|-----------------------------|---------------------------|----------------------------|
| 3133ERMB4                | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 4.25 07/23/2027 | 100,000.00          | 07/22/2024<br>4.34%                   | 99,752.00<br>99,871.36         | 101.12<br>3.50%            | 101,121.80<br>1,865.28       | 1.77%<br>1,250.44           | Aa1/AA+<br>AA+            | 1.56<br>1.47               |
| 3133ERNP2                | FEDERAL FARM CREDIT BANKS<br>FUNDING CORP 4.0 08/06/2027  | 100,000.00          | 08/22/2024<br>3.86%                   | 100,383.00<br>100,206.78       | 100.70<br>3.54%            | 100,703.20<br>1,611.11       | 1.76%<br>496.42             | Aa1/AA+<br>AA+            | 1.60<br>1.51               |
| 3130AWTR1                | FEDERAL HOME LOAN BANKS<br>4.375 09/08/2028               | 150,000.00          | 09/15/2023<br>4.51%                   | 149,059.50<br>149,492.22       | 102.14<br>3.53%            | 153,208.50<br>2,059.90       | 2.68%<br>3,716.28           | Aa1/AA+<br>AA+            | 2.69<br>2.49               |
| <b>Total Agency</b>      |   | <b>1,334,000.00</b> | <b>4.46%</b>                          | <b>1,331,522.11</b>            | <b>100.81</b>              | <b>1,344,782.14</b>          | <b>23.50%</b>               |                           | <b>1.00</b>                |
|                          |   |                     |                                       | <b>1,333,144.32</b>            | <b>3.58%</b>               | <b>17,182.23</b>             | <b>11,637.83</b>            |                           | <b>0.94</b>                |
| <b>AGENCY CMBS</b>       |   |                     |                                       |                                |                            |                              |                             |                           |                            |
| 3137FEZU7                | FHMS K-076 A2 3.9 04/25/2028                              | 100,000.00          | 09/24/2025<br>3.81%                   | 100,011.72<br>100,010.52       | 100.11<br>3.76%            | 100,107.10<br>325.00         | 1.75%<br>96.58              | Aa1/AA+<br>AAA            | 2.32<br>2.09               |
| 3137FG6X8                | FHMS K-077 A2 3.85 05/25/2028                             | 100,000.00          | 09/24/2025<br>3.81%                   | 99,902.34<br>99,912.05         | 100.00<br>3.76%            | 100,002.10<br>320.83         | 1.75%<br>90.05              | Aa1/AA+<br>AAA            | 2.40<br>2.17               |
| 3137FGZT5                | FHMS K-079 A2 3.926 06/25/2028                            | 100,000.00          | 09/24/2025<br>3.81%                   | 100,105.47<br>100,095.31       | 100.15<br>3.78%            | 100,146.30<br>327.17         | 1.75%<br>50.99              | Aa1/AAA<br>AA+            | 2.48<br>2.31               |
| <b>Total Agency CMBS</b> |   | <b>300,000.00</b>   | <b>3.81%</b>                          | <b>300,019.53</b>              | <b>100.09</b>              | <b>300,255.50</b>            | <b>5.25%</b>                |                           | <b>2.40</b>                |
|                          |   |                     |                                       | <b>300,017.88</b>              | <b>3.77%</b>               | <b>973.00</b>                | <b>237.62</b>               |                           | <b>2.19</b>                |
| <b>CASH</b>              |   |                     |                                       |                                |                            |                              |                             |                           |                            |
| CCYUSD                   | Receivable  | 418.38              | --                                    | 418.38<br>418.38               | 1.00                       | 418.38<br>0.00               | 0.01%<br>0.00               | Aaa/AAA<br>AAA            | 0.00<br>0.00               |
| <b>Total Cash</b>        |   | <b>418.38</b>       |                                       | <b>418.38</b><br><b>418.38</b> | <b>1.00</b>                | <b>418.38</b><br><b>0.00</b> | <b>0.01%</b><br><b>0.00</b> |                           | <b>0.00</b><br><b>0.00</b> |
| <b>CORPORATE</b>         |   |                     |                                       |                                |                            |                              |                             |                           |                            |
| 00287YDR7                | ABBVIE INC 4.8 03/15/2027                                 | 60,000.00           | 09/23/2025<br>3.89%                   | 60,733.20<br>60,590.59         | 101.05<br>3.90%            | 60,628.44<br>848.00          | 1.06%<br>37.85              | A3/A-<br>NA               | 1.20<br>1.07               |
| 025816CP2                | AMERICAN EXPRESS CO 3.3<br>05/03/2027                     | 60,000.00           | 09/23/2025<br>3.90%                   | 59,444.40<br>59,538.26         | 99.32<br>3.83%             | 59,589.54<br>319.00          | 1.04%<br>51.28              | A2/A-<br>A                | 1.34<br>1.29               |
| 665859AW4                | NORTHERN TRUST CORP 4.0<br>05/10/2027                     | 60,000.00           | 09/24/2025<br>3.87%                   | 60,114.00<br>60,094.12         | 100.33<br>3.75%            | 60,195.72<br>340.00          | 1.05%<br>101.60             | A2/A+<br>A+               | 1.36<br>1.22               |

## HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Cusip     | Security Description  | Par Value/<br>Units | Purchase<br>Date<br>Purchase<br>Yield | Cost Value<br>Book Value | Mkt<br>Price<br>Mkt<br>YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody's/<br>S&P/<br>Fitch | Maturity<br>Duration |
|-----------|---|---------------------|---------------------------------------|--------------------------|----------------------------|------------------------------|-------------------------|---------------------------|----------------------|
| 009158AY2 | AIR PRODUCTS AND CHEMICALS INC 1.85 05/15/2027                    | 60,000.00           | 09/23/2025<br>3.83%                   | 58,123.20<br>58,433.91   | 97.49<br>3.74%             | 58,495.68<br>141.83          | 1.02%<br>61.77          | A2/A<br>NA                | 1.37<br>1.33         |
| 756109BG8 | REALTY INCOME CORP 3.95 08/15/2027                                | 60,000.00           | 09/24/2025<br>3.97%                   | 59,978.40<br>59,981.47   | 100.01<br>3.94%            | 60,003.12<br>895.33          | 1.05%<br>21.65          | A3/A-<br>NA               | 1.62<br>1.53         |
| 63743HFT4 | NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.12 09/16/2027 | 60,000.00           | 09/24/2025<br>3.90%                   | 60,240.60<br>60,206.43   | 100.46<br>3.84%            | 60,276.30<br>721.00          | 1.05%<br>69.87          | A2/A-<br>A                | 1.71<br>1.54         |
| 89236TKJ3 | TOYOTA MOTOR CREDIT CORP 4.55 09/20/2027                          | 60,000.00           | 09/23/2025<br>3.90%                   | 60,740.40<br>60,639.44   | 101.24<br>3.79%            | 60,742.92<br>765.92          | 1.06%<br>103.48         | A1/A+<br>A+               | 1.72<br>1.62         |
| 532457CU0 | ELI LILLY AND CO 4.55 02/12/2028                                  | 60,000.00           | 09/24/2025<br>3.81%                   | 60,964.20<br>60,851.58   | 101.71<br>3.70%            | 61,023.66<br>1,054.08        | 1.07%<br>172.08         | Aa3/A+<br>NA              | 2.12<br>1.89         |
| 341081GN1 | FLORIDA POWER & LIGHT CO 4.4 05/15/2028                           | 60,000.00           | 09/24/2025<br>3.87%                   | 60,742.80<br>60,662.10   | 101.25<br>3.84%            | 60,747.24<br>337.33          | 1.06%<br>85.14          | Aa2/A+<br>AA-             | 2.37<br>2.07         |
| 30303M8L9 | META PLATFORMS INC 4.6 05/15/2028                                 | 60,000.00           | 12/09/2025<br>3.81%                   | 61,056.00<br>61,028.89   | 101.84<br>3.78%            | 61,106.22<br>352.67          | 1.07%<br>77.33          | Aa3/AA-<br>NA             | 2.37<br>2.14         |
| 12572QAJ4 | CME GROUP INC 3.75 06/15/2028                                     | 60,000.00           | 12/09/2025<br>3.79%                   | 59,949.60<br>59,950.81   | 100.08<br>3.71%            | 60,049.98<br>100.00          | 1.05%<br>99.17          | Aa3/AA-<br>AA-            | 2.46<br>2.09         |
| 02079KAV9 | ALPHABET INC 3.875 11/15/2028                                     | 60,000.00           | --<br>3.78%                           | 60,150.80<br>60,145.02   | 100.49<br>3.69%            | 60,292.68<br>355.21          | 1.05%<br>147.66         | Aa2/AA+<br>NA             | 2.88<br>2.60         |
| 023135CS3 | AMAZON.COM INC 3.9 11/20/2028                                     | 60,000.00           | --<br>3.88%                           | 60,026.55<br>60,025.49   | 100.31<br>3.79%            | 60,183.60<br>266.50          | 1.05%<br>158.11         | A1/AA<br>AA-              | 2.89<br>2.62         |
| 06406RBN6 | BANK OF NEW YORK MELLON CORP 4.543 02/01/2029                     | 60,000.00           | 09/23/2025<br>3.94%                   | 60,799.80<br>60,707.73   | 101.21<br>4.23%            | 60,728.58<br>1,135.75        | 1.06%<br>20.85          | Aa3/A<br>AA-              | 3.09<br>1.93         |
| 857477CN1 | STATE STREET CORP 4.53 02/20/2029                                 | 60,000.00           | 09/23/2025<br>4.00%                   | 60,717.60<br>60,636.78   | 101.29<br>4.16%            | 60,772.26<br>989.05          | 1.06%<br>135.48         | Aa3/A<br>AA-              | 3.14<br>1.99         |
| 09290DAA9 | BLACKROCK INC 4.7 03/14/2029                                      | 60,000.00           | 09/23/2025<br>3.87%                   | 61,574.40<br>61,448.60   | 102.22<br>3.95%            | 61,333.32<br>838.17          | 1.07%<br>(115.28)       | Aa3/AA-<br>NA             | 3.20<br>2.84         |
| 58933YBW4 | MERCK & CO INC 3.85 03/15/2029                                    | 60,000.00           | 12/09/2025<br>3.93%                   | 59,851.20<br>59,853.95   | 99.97<br>3.86%             | 59,980.08<br>173.25          | 1.05%<br>126.13         | Aa3/A+<br>NA              | 3.20<br>2.98         |
| 46647PAV8 | JPMORGAN CHASE & CO 4.203 07/23/2029                              | 60,000.00           | 09/23/2025<br>4.09%                   | 60,178.20<br>60,161.12   | 100.32<br>4.37%            | 60,194.58<br>1,106.79        | 1.05%<br>33.46          | A1/A<br>AA-               | 3.56<br>2.36         |
| 06051GHM4 | BANK OF AMERICA CORP 4.271 07/23/2029                             | 60,000.00           | 09/23/2025<br>4.08%                   | 60,294.00<br>60,265.82   | 100.46<br>4.39%            | 60,274.98<br>1,124.70        | 1.05%<br>9.16           | A1/A-<br>AA-              | 3.56<br>2.36         |

# HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Cusip                          | Security Description                           | Par Value/<br>Units | Purchase<br>Date<br>Purchase<br>Yield | Cost Value<br>Book Value         | Mkt<br>Price<br>Mkt<br>YTM | Market Value<br>Accrued Int.   | % of Port.<br>Gain/Loss | Moody's/<br>S&P/<br>Fitch | Maturity<br>Duration |
|--------------------------------|--|---------------------|---------------------------------------|----------------------------------|----------------------------|--------------------------------|-------------------------|---------------------------|----------------------|
| <b>Total Corporate</b>         |  | <b>1,140,000.00</b> | <b>3.90%</b>                          | <b>1,145,679.35</b>              | <b>100.59</b>              | <b>1,146,618.90</b>            | <b>20.04%</b>           |                           | <b>2.38</b>          |
| <b>MONEY MARKET FUND</b>       |  |                     |                                       |                                  |                            |                                |                         |                           |                      |
| 31846V203                      | FIRST AMER:GVT OBLG Y                          | 178,173.55          | --<br>3.38%                           | 178,173.55<br>178,173.55         | 1.00<br>3.38%              | 178,173.55<br>0.00             | 3.11%<br>0.00           | Aaa/AAAm<br>AAA           | 0.00<br>0.00         |
| <b>Total Money Market Fund</b> |  | <b>178,173.55</b>   | <b>3.38%</b>                          | <b>178,173.55<br/>178,173.55</b> | <b>1.00<br/>3.38%</b>      | <b>178,173.55<br/>0.00</b>     | <b>3.11%<br/>0.00</b>   |                           | <b>0.00<br/>0.00</b> |
| <b>SUPRANATIONAL</b>           |  |                     |                                       |                                  |                            |                                |                         |                           |                      |
| 4581X0EKO                      | INTER-AMERICAN DEVELOPMENT BANK 4.5 05/15/2026 | 100,000.00          | 06/27/2023<br>4.53%                   | 99,923.00<br>99,990.12           | 100.25<br>3.78%            | 100,254.30<br>575.00           | 1.75%<br>264.18         | Aaa/AAA<br>NA             | 0.37<br>0.36         |
| 45950KDF4                      | INTERNATIONAL FINANCE CORP 4.375 01/15/2027    | 55,000.00           | 11/29/2023<br>4.49%                   | 54,820.70<br>54,940.18           | 100.71<br>3.67%            | 55,389.90<br>1,109.80          | 0.97%<br>449.71         | Aaa/AAA<br>NA             | 1.04<br>0.99         |
| <b>Total Supranational</b>     |  | <b>155,000.00</b>   | <b>4.52%</b>                          | <b>154,743.70<br/>154,930.30</b> | <b>100.42<br/>3.74%</b>    | <b>155,644.20<br/>1,684.80</b> | <b>2.72%<br/>713.90</b> |                           | <b>0.61<br/>0.59</b> |
| <b>US TREASURY</b>             |  |                     |                                       |                                  |                            |                                |                         |                           |                      |
| 91282CGE5                      | UNITED STATES TREASURY 3.875 01/15/2026        | 100,000.00          | --<br>4.33%                           | 99,214.45<br>99,983.54           | 100.00<br>3.69%            | 100,004.10<br>1,790.08         | 1.75%<br>20.56          | Aa1/AA+<br>AA+            | 0.04<br>0.04         |
| 91282CKB6                      | UNITED STATES TREASURY 4.625 02/28/2026        | 125,000.00          | 03/25/2024<br>4.63%                   | 124,980.47<br>124,998.39         | 100.13<br>3.74%            | 125,162.50<br>1,964.35         | 2.19%<br>164.11         | Aa1/AA+<br>AA+            | 0.16<br>0.16         |
| 91282CHB0                      | UNITED STATES TREASURY 3.625 05/15/2026        | 140,000.00          | 05/23/2023<br>3.98%                   | 138,610.94<br>139,828.76         | 100.03<br>3.53%            | 140,037.94<br>658.91           | 2.45%<br>209.18         | Aa1/AA+<br>AA+            | 0.37<br>0.36         |
| 91282CHU8                      | UNITED STATES TREASURY 4.375 08/15/2026        | 100,000.00          | 08/24/2023<br>4.69%                   | 99,144.53<br>99,821.97           | 100.47<br>3.59%            | 100,473.30<br>1,652.51         | 1.76%<br>651.33         | Aa1/AA+<br>AA+            | 0.62<br>0.60         |
| 91282CHY0                      | UNITED STATES TREASURY 4.625 09/15/2026        | 125,000.00          | 09/15/2023<br>4.72%                   | 124,682.62<br>124,925.37         | 100.73<br>3.55%            | 125,912.88<br>1,724.79         | 2.20%<br>987.50         | Aa1/AA+<br>AA+            | 0.71<br>0.68         |
| 91282CLS8                      | UNITED STATES TREASURY 4.125 10/31/2026        | 100,000.00          | 11/26/2024<br>4.29%                   | 99,691.41<br>99,866.99           | 100.43<br>3.59%            | 100,427.20<br>706.49           | 1.76%<br>560.21         | Aa1/AA+<br>AA+            | 0.83<br>0.80         |
| 91282CJP7                      | UNITED STATES TREASURY 4.375 12/15/2026        | 120,000.00          | 09/25/2024<br>3.53%                   | 122,151.56<br>120,924.37         | 100.78<br>3.53%            | 120,941.28<br>245.19           | 2.11%<br>16.91          | Aa1/AA+<br>AA+            | 0.96<br>0.92         |

## HOLDINGS REPORT



Upper San Gabriel Valley Municipal Water District | Account #10214 | As of December 31, 2025

| Cusip                                   | Security Description                       | Par Value/<br>Units | Purchase<br>Date<br>Purchase<br>Yield | Cost Value<br>Book Value | Mkt<br>Price<br>Mkt<br>YTM | Market Value<br>Accrued Int. | % of Port.<br>Gain/Loss | Moody's/<br>S&P/<br>Fitch | Maturity<br>Duration |
|---|--|---------------------|---------------------------------------|--------------------------|----------------------------|------------------------------|-------------------------|---------------------------|----------------------|
| 91282CJT9                               | UNITED STATES TREASURY 4.0<br>01/15/2027   | 125,000.00          | 01/31/2024<br>4.00%                   | 124,985.35<br>124,994.86 | 100.48<br>3.52%            | 125,599.38<br>2,309.78       | 2.20%<br>604.52         | Aa1/AA+<br>AA+            | 1.04<br>0.99         |
| 91282CKE0                               | UNITED STATES TREASURY 4.25<br>03/15/2027  | 125,000.00          | 04/25/2024<br>4.86%                   | 122,954.10<br>124,149.00 | 100.85<br>3.52%            | 126,059.63<br>1,584.94       | 2.20%<br>1,910.63       | Aa1/AA+<br>AA+            | 1.20<br>1.15         |
| 91282CKJ9                               | UNITED STATES TREASURY 4.5<br>04/15/2027   | 125,000.00          | 04/25/2024<br>4.85%                   | 123,793.95<br>124,478.19 | 101.23<br>3.51%            | 126,538.13<br>1,205.36       | 2.21%<br>2,059.93       | Aa1/AA+<br>AA+            | 1.29<br>1.23         |
| 91282CKV2                               | UNITED STATES TREASURY 4.625<br>06/15/2027 | 150,000.00          | 06/26/2024<br>4.51%                   | 150,462.89<br>150,226.53 | 101.60<br>3.48%            | 152,396.55<br>324.00         | 2.66%<br>2,170.02       | Aa1/AA+<br>AA+            | 1.45<br>1.39         |
| 91282CKZ3                               | UNITED STATES TREASURY 4.375<br>07/15/2027 | 100,000.00          | 07/22/2024<br>4.30%                   | 100,218.75<br>100,112.70 | 101.33<br>3.48%            | 101,328.10<br>2,021.06       | 1.77%<br>1,215.40       | Aa1/AA+<br>AA+            | 1.54<br>1.45         |
| 91282CLG4                               | UNITED STATES TREASURY 3.75<br>08/15/2027  | 100,000.00          | 08/22/2024<br>3.82%                   | 99,812.50<br>99,898.06   | 100.41<br>3.48%            | 100,414.10<br>1,416.44       | 1.76%<br>516.04         | Aa1/AA+<br>AA+            | 1.62<br>1.54         |
| 91282CLL3                               | UNITED STATES TREASURY 3.375<br>09/15/2027 | 120,000.00          | 09/25/2024<br>3.48%                   | 119,653.13<br>119,800.97 | 99.82<br>3.49%             | 119,779.68<br>1,208.29       | 2.09%<br>(21.29)        | Aa1/AA+<br>AA+            | 1.71<br>1.62         |
| 91282CLQ2                               | UNITED STATES TREASURY 3.875<br>10/15/2027 | 100,000.00          | 10/23/2024<br>4.02%                   | 99,593.75<br>99,756.10   | 100.67<br>3.48%            | 100,668.00<br>830.36         | 1.76%<br>911.90         | Aa1/AA+<br>AA+            | 1.79<br>1.70         |
| 91282CLX7                               | UNITED STATES TREASURY 4.125<br>11/15/2027 | 120,000.00          | 11/26/2024<br>4.23%                   | 119,643.75<br>119,775.33 | 101.14<br>3.49%            | 121,368.72<br>642.68         | 2.12%<br>1,593.39       | Aa1/AA+<br>AA+            | 1.87<br>1.78         |
| 91282CMA6                               | UNITED STATES TREASURY 4.125<br>11/30/2029 | 150,000.00          | 12/19/2024<br>4.40%                   | 148,154.30<br>148,539.59 | 101.73<br>3.65%            | 152,589.90<br>543.96         | 2.67%<br>4,050.31       | Aa1/AA+<br>AA+            | 3.91<br>3.58         |
| 91282CGB1                               | UNITED STATES TREASURY 3.875<br>12/31/2029 | 150,000.00          | 09/22/2025<br>3.66%                   | 151,283.20<br>151,200.94 | 100.85<br>3.64%            | 151,271.55<br>16.06          | 2.64%<br>70.61          | Aa1/AA+<br>AA+            | 4.00<br>3.67         |
| <b>Total US Treasury</b>                |  | <b>2,175,000.00</b> | <b>4.24%</b>                          | <b>2,169,031.65</b>      | <b>100.74</b>              | <b>2,190,972.92</b>          | <b>38.29%</b>           |                           | <b>1.47</b>          |
| <b>Total Portfolio</b>                  |  | <b>5,682,591.93</b> | <b>4.15%</b>                          | <b>5,684,412.49</b>      | <b>97.60</b>               | <b>5,721,493.49</b>          | <b>100.00%</b>          |                           | <b>1.65</b>          |
| <b>Total Market Value +<br/>Accrued</b> |  |                     |                                       | <b>5,689,449.09</b>      | <b>3.66%</b>               | <b>53,336.97</b>             | <b>32,044.39</b>        |                           | <b>1.41</b>          |
|   |  |                     |                                       |                          |                            | <b>5,774,830.46</b>          |                         |                           |                      |

## TRANSACTIONS

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## TRANSACTION LEDGER



Upper San Gabriel Valley Municipal Water District | Account #10214 | 10/01/2025 Through 12/31/2025 |

| Transaction Type                    | Settlement Date | CUSIP     | Quantity                    | Security Description                                    | Price   | Acq/Disp Yield | Amount                        | Interest Pur/Sold           | Total Amount                  | Gain/Loss             |
|-------------------------------------|-----------------|-----------|-----------------------------|---|---------|----------------|-------------------------------|-----------------------------|-------------------------------|-----------------------|
| <strong>ACQUISITIONS</strong>       |                 |           |                             |   |         |                |                               |                             |                               |                       |
| Purchase                            | 10/24/2025      | 161571HZ0 | 100,000.00                  | CHAIT 2025-1 A 4.16 07/15/2030                          | 101.102 | 3.76%          | (101,101.56)                  | (104.00)                    | (101,205.56)                  | 0.00                  |
| Purchase                            | 11/06/2025      | 02079KAV9 | 20,000.00                   | ALPHABET INC 3.875 11/15/2028                           | 99.914  | 3.91%          | (19,982.80)                   | 0.00                        | (19,982.80)                   | 0.00                  |
| Purchase                            | 11/20/2025      | 023135CS3 | 45,000.00                   | AMAZON.COM INC 3.9 11/20/2028                           | 99.978  | 3.91%          | (44,990.10)                   | 0.00                        | (44,990.10)                   | 0.00                  |
| Purchase                            | 11/20/2025      | 02079KAV9 | 40,000.00                   | ALPHABET INC 3.875 11/15/2028                           | 100.420 | 3.72%          | (40,168.00)                   | (60.28)                     | (40,228.28)                   | 0.00                  |
| Purchase                            | 11/20/2025      | 023135CS3 | 15,000.00                   | AMAZON.COM INC 3.9 11/20/2028                           | 100.243 | 3.81%          | (15,036.45)                   | 0.00                        | (15,036.45)                   | 0.00                  |
| Purchase                            | 12/10/2025      | 12572QAJ4 | 60,000.00                   | CME GROUP INC 3.75 06/15/2028                           | 99.916  | 3.79%          | (59,949.60)                   | (1,093.75)                  | (61,043.35)                   | 0.00                  |
| Purchase                            | 12/10/2025      | 30303M8L9 | 60,000.00                   | META PLATFORMS INC 4.6 05/15/2028                       | 101.760 | 3.81%          | (61,056.00)                   | (191.67)                    | (61,247.67)                   | 0.00                  |
| Purchase                            | 12/10/2025      | 58933YBW4 | 60,000.00                   | MERCK & CO INC 3.85 03/15/2029                          | 99.752  | 3.93%          | (59,851.20)                   | (38.50)                     | (59,889.70)                   | 0.00                  |
| <strong>Total Purchase</strong>     |                 |           | <strong>400,000.00</strong> |   |         |                | <strong>(402,135.71)</strong> | <strong>(1,488.20)</strong> | <strong>(403,623.91)</strong> | <strong>0.00</strong> |
| <strong>TOTAL ACQUISITIONS</strong> |                 |           | <strong>400,000.00</strong> |   |         |                | <strong>(402,135.71)</strong> | <strong>(1,488.20)</strong> | <strong>(403,623.91)</strong> | <strong>0.00</strong> |
| <strong>DISPOSITIONS</strong>       |                 |           |                             |   |         |                |                               |                             |                               |                       |
| Maturity                            | 10/15/2025      | 91282CFP1 | (120,000.00)                | UNITED STATES TREASURY 4.25 10/15/2025                  | 100.000 | 4.15%          | 120,000.00                    | 0.00                        | 120,000.00                    | 0.00                  |
| Maturity                            | 11/03/2025      | 594918BJ2 | (65,000.00)                 | MICROSOFT CORP 3.125 11/03/2025                         | 100.000 | 4.28%          | 65,000.00                     | 0.00                        | 65,000.00                     | 0.00                  |
| Maturity                            | 11/13/2025      | 3133EPC37 | (100,000.00)                | FEDERAL FARM CREDIT BANKS FUNDING CORP 4.875 11/13/2025 | 100.000 | 4.93%          | 100,000.00                    | 0.00                        | 100,000.00                    | 0.00                  |
| Maturity                            | 12/08/2025      | 3133EPL37 | (100,000.00)                | FEDERAL FARM CREDIT BANKS FUNDING CORP 4.625 12/08/2025 | 100.000 | 4.50%          | 100,000.00                    | 0.00                        | 100,000.00                    | 0.00                  |

## TRANSACTION LEDGER



Upper San Gabriel Valley Municipal Water District | Account #10214 | 10/01/2025 Through 12/31/2025 |

| Transaction Type          | Settlement Date | CUSIP     | Quantity            | Security Description                     | Price   | Acq/Disp Yield | Amount            | Interest Pur/Sold | Total Amount      | Gain/Loss   |
|---------------------------|-----------------|-----------|---------------------|--|---------|----------------|-------------------|-------------------|-------------------|-------------|
| Maturity                  | 12/15/2025      | 91282CGA3 | (120,000.00)        | UNITED STATES TREASURY 4.0<br>12/15/2025 | 100.000 | 3.95%          | 120,000.00        | 0.00              | 120,000.00        | 0.00        |
| <b>Total Maturity</b>     |                 |           | <b>(505,000.00)</b> |  |         |                | <b>505,000.00</b> | <b>0.00</b>       | <b>505,000.00</b> | <b>0.00</b> |
| <b>TOTAL DISPOSITIONS</b> |                 |           | <b>(505,000.00)</b> |  |         |                | <b>505,000.00</b> | <b>0.00</b>       | <b>505,000.00</b> | <b>0.00</b> |

## IMPORTANT DISCLOSURES



2025 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

| Benchmark                         | Disclosure   |
|-----------------------------------|--|
| ICE BofA 0-3 Yr US Treasury Index | <p>The ICE BofA 0-3 Year US Treasury Index tracks the performance of US Dollar denominated Sovereign debt publicly issued by the US government in its domestic market with maturities less than three years. Qualifying securities must have at least 18 months to maturity at point of issuance, at least one month and less than three years remaining term to final maturity, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion.</p> |

## MEMORANDUM

### Item 4.

**DATE:** January 28, 2026

**TO:** Administration and Finance Committee and the Board of Directors

**FROM:** General Manager

**SUBJECT:** Amendment of the Budget for Fiscal Year 2025/26 for Payment of Unfunded Pension Actuarial Liability (UAL) and Purchase of Cyclic Water from MWD and, Mid-Year Financial Report

### Recommendation

Staff recommend that the Board of Directors:

1. Approve an amendment to the District's adopted budget for Fiscal Year 2025/26 for the Board approved (11/12/2025) additional discretionary payment of \$500,000 to CalPERS;
2. Approve an amendment to the fiscal year 2025/26 budget for the Board approved purchase of water from the MWD Cyclic Storage account in the amount of \$6.84M;
3. Receive and file the mid-year financial report.

### Background

#### Pension Liability

From 2022 to 2024, the Board of Directors authorized additional discretionary payments (ADP) to CalPERS totaling \$2 million. These additional payments increased the District's funded ratio from 72% to 88% as of the most recent valuation report on June 30, 2024. The District's unfunded accrued liability (UAL) for pension amounts to \$1.83 million as of the last valuation. This additional payment of \$500,000, approved at the November 12, 2025 Board meeting could potentially save the District about \$281,000 in interest payments over 10 years using CalPERS' current discount rate of 6.8%.

#### Cyclic Water Purchase

At the November 12, 2025 meeting the Board approved the purchase of 7,500 acre-feet of water from the MWD cyclic storage account. This water purchase was not included in the fiscal year budget. This recommendation makes the appropriate budget adjustment.

#### Mid-Year Financial Trend Summary

As of December 31, 2025, the mid-year financial indicate that both revenues and expenditures are tracking favorably against the FY 2025–26 adopted budget, with variances primarily due to timing differences. Year-to-date operating expenses represent approximately 79% of the total operating budget remaining, largely attributable to the deferral of water purchase payments and program expenses scheduled for later in the fiscal year. Administrative expenses include the annual CalPERS unfunded liability contribution; certain costs, such as election-related expenditures, will be recognized at fiscal year-end. Water purchase expenditures are significantly under budget at mid-year, as large untreated water and cyclic storage purchases are planned for the second half of the year. Operating revenues remain below budget levels at this point, with approximately 71% of the budget remaining, primarily due to the recognition of untreated water sales in

subsequent periods. Overall, operations have generated a positive net position through December, supporting reserve levels and maintaining financial stability as the District enters the second half of the fiscal year.

Attachment

## MEMORANDUM

### ITEM 5. ACTION

**DATE:** February 3, 2026

**TO:** Administration and Finance Committee and the Board of Directors

**FROM:** General Manager

**SUBJECT:** Biennial Budget Calendar for Fiscal Years 2026–2027 and 2027–2028

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#### **Recommendation**

Staff recommends that the Administration and Finance Committee receive and file the Biennial Budget Calendar for Fiscal Years 2026–2027 and 2027–2028.

#### **Background**

Upper Water's budget development process begins in February 2026 and reflects a coordinated, district-wide effort involving multiple departments. The process and key milestones are outlined in the budget calendar below:

#### **February–March 2026**

- The Finance Department will collaborate with Program Managers to prepare year-end projections for Fiscal Year 2025–2026.
- Program Managers will update goals and objectives and develop proposed initiatives for the upcoming fiscal years 2026–2027 and 2027–2028.
- Program Managers will present preliminary budgets to the respective committees.

#### **April 2026**

- A consolidated draft of Upper District's proposed budget for Fiscal Years 2026–2027 and 2027–2028 (the "Proposed Budget") will be presented to the Administration and Finance Committee.

#### **May 2026**

- The Proposed Budget will be presented to the producers. As appropriate, revisions will be made prior to a subsequent presentation to the Administration and Finance Committee.

#### **June 2026**

- Staff will present the Proposed Budget, along with the proposed water rates for calendar year 2027, to the Board of Directors with a recommendation for adoption.