Victor Valley Wastewater Reclamation Authority

Financial and Cash Reports

For the Quarter Ended March 31, 2026

Victor Valley Wastewater Reclamation Authority
CASH AND RESERVE SUMMARY
March 31, 2026

G/L Account	Description	Balance	% of Total
1000	DCB Checking Account	$ 1,062,017	4.60%
1030	DCB Sweep Account	2,374,295	10.29%
1070	LAIF	7,628,255	33.07%
1074/1075	Cal Trust	11,999,748	52.03%
	Total Cash	$ 23,064,316	100.00%

G/L Account	Description	Beginning Balance	Deposits or (Disbursement)	Ending Balance
1070	LAIF	7,548,726	79,530	7,628,255
		Quarterly Interest Earned		Quarterly Yield
		79,530		1.05%

G/L Account	Description	Beginning Balance	Deposits or (Market Fluctuations)	Ending Balance
1074/1075	Cal Trust	11,943,967	55,781	11,999,748
		Quarterly Interest Earned **excluding** Value Fluctuation		Quarterly Yield
		115,326		0.97%

	Current Balance	Restricted	Assigned
O&M Reserve: 10% of Prior Year Budgeted Operating Expenses	$ 2,220,900	$	$ 2,220,900
R&R Reserve: 1% of Land Improvements/Plants/Interceptors PY CAFR	3,048,015		3,048,015
Reserve for SRF Payments (P& I) - Operating	2,749,738	2,749,738	
Reserve for SRF Payments (P& I) - Capital	1,295,052	1,295,052	
Cash Available for Operations and Capital	13,750,610	-	
Total Cash	$ 23,064,316	$ 4,044,790	$ 5,268,915

SRF LOAN PAYMENTS:

	9.5 MGD, 11.0 MGD, NAVI, Phase III-A	Upper Narrows Replacement	Nanticoke Bypass	Sub-Regional Apple Valley	Sub-Regional Hesperia	Total
Reserve for SRF Payments (P& I) - Operating	$ 770,708	257,745	203,725	625,220	892,340	$ 2,749,738
Reserve for SRF Payments (P& I) - Capital	256,902	-	67,909	399,731	570,510	1,295,052
	$ 1,027,610	257,745	271,634	1,024,951	1,462,850	$ 4,044,790

Payment Schedule

Upper Narrows Replacement	December	257,745
Subregional - AV	February	1,024,951
Subregional - HES	February	1,462,850
Phase III-A	June	1,027,611
Nanticoke	June	271,633
		$ 4,044,790

Notes:
- The above investments are in compliance with the VVWRA investment policy.
- The above investments are made based on the prediction that the Authority will meet its anticipated expenditure requirements for the next six months.

Victor Valley Wastewater Reclamation Authority
Statement of Net Position
March 31, 2026

Assets and Deferred Outflows of Resources		2026
Current assets:		
Cash and cash equivalents	$	23,064,316
Interest receivable		101,385
Accounts receivable		9,514,444
Accounts receivable - Lease		1,465,470
Accounts receivable - Other		24,974
Allowance for Doubtful Accounts		(174,521)
Materials and supplies inventory		20,094
Prepaid expenses and other deposits		469,625
Total current assets		34,485,787
Fixed assets:		
Capital assets not being depreciated		4,105,607
Capital assets being depreciated		135,323,245
Total capital assets		139,428,852
Total assets		173,914,639
Deferred outflows of resources		
Deferred outflows of resources - OPEB		237,718
Deferred outflows of resources - pension		2,718,983
		2,956,701
Total	**$**	**176,871,340**
Liabilities, Deferred Inflows of Resources, and Net Position		
Current liabilities:		
Accounts payable and accrued expenses	$	1,586,633
Accrued interest on long-term debt		186,035
Long-term liabilities - due within one year:		-
Compensated absences		768,072
Lease payables		793,904
Loans payables		59,778,323
Other payables		-
Total current liabilities		63,112,967
Non-current liabilities:		
Long-term liabilities - due in more than one year:		
Compensated absences		-
Other post employment benefits payable		2,402,485
Lease payables		-
Loans payable		-
Net pension liability		7,839,265
Other payables		90,632
Total non-current liabilities:		10,332,382
Total liabilities		73,445,349
Deferred inflows of resources		
Deferred inflows of resources - OPEB		1,456,140
Deferred inflows of resources - pension		273,632
Deferred inflows of resources - lease		977,768
		2,707,540
Net position:		
Net investment in capital assets		85,776,342
Restricted for capital projects		-
Restricted for SRF loan covenant		4,044,789
Unrestricted		11,064,973
Decrease in net position FY 2024		(167,653)
Total net position		100,718,451
Total	**$**	**176,871,340**

Victor Valley Wastewater Reclamation Authority
Revenues and Expenses
Operations and Maintenance
For the Quarter Ended March 31, 2026

	Quarter Actual January - March	YTD Actual FY 25-26	Approved Budget FY 25-26
REVENUES			
User Charges	$ 7,234,322	$ 23,210,602	$ 32,800,164
Recyled Flow	637,346	734,035	
Sludge Flow Charge	61,349	180,654	144,000
High Strength Waste Surcharges	6,280	28,016	12,000
Post Consumer Food Waste Revenue	-	-	-
Septage Receiving Facility Charges	229,372	585,642	960,000
Reclaimed Water Sales	19,046	61,409	97,703
Potable Well Water Sales	554	1,643	-
Interest	213	653	-
Pretreatment Fees	18,275	46,550	55,150
FOG Revenue	16,261	38,881	-
Grant - CalRecycle	-	-	-
Grant - USDA	-	-	-
Lease	20,629	60,691	500,000
Settlement Revenue	-	-	-
Sale of Assets, Scrap, & Misc Income	15,632	22,649	2,220
Total REVENUES	$ 8,259,279	$ 24,971,425	$ 34,571,237
EXPENSES			
Personnel	$ 1,916,887	$ 6,744,555	$ 9,756,126
Maintenance	1,343,788	3,673,369	5,575,317
Operations	1,586,818	4,700,031	7,506,415
Administrative	791,672	2,403,910	3,998,060
Contingency	141,283	1,540,621	725,000
Total EXPENSES	$ 5,780,448	$ 19,062,486	$ 27,560,918
Revenues over Expenses before Depreciation, Debt Service and Transfers	**$ 2,478,831**	**$ 5,908,939**	**$ 7,010,319**
Depreciation Expense	3,073,825	9,246,440	-
Lease Payments	$ -	$ 109,427	$ -
DEBT SERVICE			
SRF Principal	$ -	$ -	$ 2,234,190
SRF Interest	310,429	343,233	515,546
	$ 310,429	$ 343,233	$ 2,749,736
FUND TRANSFERS IN			
Salary/Benefits Charge from Capital	$ -	$ -	-
Admin Charge from Capital	-	-	-
Total FUND TRANSFERS IN	$ -	$ -	$ -
FUND TRANSFERS OUT			
Transfer to Repairs and Replacements Fund	$ -	$ -	-
Inter-fund loan payment to Capital	-	-	-
Total FUND TRANSFERS OUT	$ -	$ -	$ -
Excess Revenues Over Expenses	$ (905,423)	$ (3,790,161)	$ 4,260,583

Victor Valley Wastewater Reclamation Authority
Revenues and Expenditures
Capital
For the Quarter Ended March 31, 2026

	January - March	YTD Actual FY 25-26	Approved Budget FY 25-26
REVENUES			
Connection Fees	$ 867,563	$ 3,044,976	$ 1,842,783
Title 16 Grant - Subregional	-	-	-
Grant- Water Recycling	-	-	-
Sale of Assets, Scrap, & Misc Income	-	-	-
Interest	202,320	589,271	62,610
Grant - Other	300,000	300,000	300,000
Grant - USDA	-	-	-
CEC Microgrid Grant	-	-	-
FMV Adjustment	(59,545)	(39,014)	-
Total REVENUES	$ 1,310,338	$ 3,895,233	$ 2,205,393
CAPITAL EXPENSES			
Personnel	$ -	$ -	$ -
Maintenance	-	-	-
Operations	-	-	-
Administrative	-	(2,054)	-
Construction	42,858	76,308	-
Total CAPITAL EXPENSES	$ 42,858	$ 74,254	$ -
Revenues over Expenses before Debt Service and Transfers	**$ 1,267,480**	**$ 3,820,979**	**$ 2,205,393**
DEBT SERVICE			
SRF Principal	$ -	$ -	$ 1,039,145
SRF Interest	198,471	198,471	255,908
	$ 198,471	$ 198,471	$ 1,295,053
FUND TRANSFERS IN			
Capital Recovery - Septage from O&M	$ -	$ -	$ -
Interfund Loan Payment from O&M	-	-	-
Total FUND TRANSFERS IN	$ -	-	$ -
FUND TRANSFERS OUT			
Salary/Benefits Charge to O & M	$ -	$ -	$ -
Admin Charge to O & M	-	-	-
Total FUND TRANSFERS OUT	$ -	-	$ -
Excess Revenues Over Expenses	$ 1,069,009	$ 3,622,508	$ 910,340

Accrual Basis

Victor Valley Wastewater Reclamation Authority
Statements of Cash Flows
For the Quarter Ended March 31, 2026

		2026
Cash flows from operating activities:		
Cash receipts from customers	$	5,471,137
Cash paid to employees for salaries and wages		(1,875,562)
Cash paid to vendors and suppliers for materials and services		(6,365,015)
Net cash provided by operating activities		(2,769,440)
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets		-
Payments for flood damage		-
Proceeds from connection fees		991,714
Proceeds from grant funding		-
Proceeds from loans		-
Principal and Interest paid for long-term debt		-
Net cash provided by (used in) capital and related financing activities		991,714
Cash flows from investing activities:		
Proceeds from sale of investments		-
LAIF FMV Adjustment		-
Investment earnings		135,311
Net cash provided by investing activities		135,311
Net increase in cash and cash equivalents		(1,642,415)
Cash and cash equivalents, beginning of quarter		24,706,732
Cash and cash equivalents, end of quarter	$	23,064,316
Reconciliation of cash and cash equivalents to the statements of net position:		
Cash and cash equivalents	$	23,064,316
Total cash and cash equivalents	$	23,064,316

VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

SRF LOAN SUMMARY

March 31, 2026

	Existing	Existing	Existing	Existing	Existing	
	Phase IIIA Regulatory Upgrades	UN Replacement Project	Nanticoke Pump Station Bypass	Apple Valley Sub-Regional	Hesperia Sub-Regional	Total Agreed SRF Loans
SRF LOAN #	**5376**	**7805**	**7833**	**4806**	**4807**	
Original Amount Financed	$ 18,581,561.00	$ 4,286,380.00	$ 4,495,212.79	$ 26,455,228.84	$ 37,758,384.81	$ 91,576,767.44
SRF Interest Rate (fixed)	2.70%	1.90%	1.90%	1.00%	1.00%	Varies
Local Match Amount	-	-	-	-	-	-
Principal Forgiveness	**3,000,000.00**	n/a	n/a	n/a	n/a	3,000,000.00
SRF Amount Borrowed	15,717,667.66	4,286,380.00	4,495,212.79	26,455,228.84	37,758,384.81	88,712,874.10
Annual Payment Amount	1,027,609.73	257,745.38	271,632.70	1,024,950.85	1,462,850.30	4,044,788.96
Annual Payment Due Date	June 30	December 31	June 30	February 28	February 28	Varies
Loan Term (years)	20	20	20	30	30	Varies
Years remaining	7	7	12	22	22	Varies
DEBT SERVICE						
Loan Outstanding Balance	**6,452,893.99**	**1,501,565.63**	**2,890,329.83**	**20,150,922.02**	**28,640,851.34**	**59,636,562.81**
Principal Paid to Date	9,264,773.67	2,784,814.37	1,604,882.96	6,304,306.82	9,117,533.47	29,076,311.29
Interest Paid to Date	4,036,377.69	486,448.35	568,178.64	1,895,300.13	2,585,268.63	9,571,573.44
First Payment Date	June 30, 2013	Dec. 31, 2016	Jun 30, 2018	February 28 2019	February 28 2019	Varies
Final Payment Date	June 30, 2032	Dec. 31, 2032	Jun. 30, 2037	February 28, 2048	February 28, 2048	Varies
Effective interest rate	2.700%	1.900%	1.900%	1.00%	1.00%	Varies

* An imputed interest rate is 1.707% per annum.