

ZONE 7 BOARD OF DIRECTORS FINANCE COMMITTEE

DATE: Wednesday, May 13, 2026
TIME: 3:00 p.m.
LOCATION: Boardroom
Zone 7 Administration Building
100 North Canyons Parkway, Livermore

Director Benson
Director Brown
Director Narum

AGENDA

1. Call Meeting to Order
2. Public Comment on Items Not on Agenda
3. Investment Report as of March 31, 2026
4. Proposed Investment Policy
5. FY 2025-26 Audit: Communication with Those Charged with Governance
6. FY 2025-26 Unaudited Third Quarter Revenue & Expenditure Report
7. Adjournment



100 North Canyons Parkway
 Livermore, CA 94551
 (925) 454-5000

March 31, 2026

Board of Directors
 Zone 7 Water Agency
 100 N. Canyons Pkwy.
 Livermore, CA 94551

Subject: Investment Report as of March 31, 2026 (Unaudited)

Dear Board Members,

Pursuant to Resolution No. 25-48, dated June 18, 2025, the Board adopted the Agency’s Investment Policy. In accordance with Strategic Plan Goal H – Fiscal Responsibility: Operate the Agency in a fiscally responsible manner, and Strategic Plan Initiative No. 21 – Continue to effectively manage financial resources for the Agency in a prudent manner and in accordance with the Investment Policy, the Agency’s quarterly informational investment report as of March 31, 2026, is attached. Enclosed with this report is a detailed composition of investments held in Zone 7’s name by securities category as of March 31, 2026. This report reflects both the market value and cost of purchase of the securities.

All Agency investments in this investment management portfolio conform to the Investment Policy and are in accordance with California Government Code Section 53600, et seq. Below is the Agency’s investment portfolio management summary:

Investment Type	Face Amount	Market Value	Book Value	% of Portfolio	Permitted by Agency Policy	In Compliance	Book Yield (YTM at Cost)
U.S. Treasury Bond/ Note	\$ 58,310,000	\$ 57,905,209	\$ 58,566,398	34.49%	No Limit	Yes	3.69%
Corporate Bonds (Medium Term Notes)	49,170,000	48,800,059	49,196,500	29.06%	30%	Yes	4.38%
Federal Agency Commercial Mortgage-Backed Security	31,671,278	32,007,181	31,808,169	19.06%	No Limit	Yes	4.71%
Negotiable Certificate of Deposit (CD)	1,350,000	1,355,989	1,364,097	0.81%	30%	Yes	5.08%
Asset-Backed Securities	22,620,530	22,622,646	22,673,559	13.47%	20%	Yes	4.27%
Money Market (1)	5,211,917	5,211,917	5,211,917	3.10%	20%	Yes	3.53%
Total Investments	\$ 168,333,724	\$ 167,903,002	\$ 168,820,640	100.00%			4.19%
US Bank	726,451	726,451	726,451				
Total Cash & Investments	\$ 169,060,175	\$ 168,629,453	\$ 169,547,091				4.19%

(1) **Money Market:** The Money Market Book Yield (Yield to Maturity at Cost) is not included in the overall securities YTM at Cost reported by PFM Asset Management; rather, it is provided by U.S. Bank, the Agency’s custodian.

In addition, the Agency has cash and investments pooled with the Alameda County Treasury. The County Treasurer acts as the disbursing agent for these funds, and the cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer for the County.

As of March 31, 2026, the County Treasurer held approximately \$209,644,320 (unaudited) for the Agency. The amount held by the County Treasurer is sufficient to meet the Agency's operating cash needs for the next six months. A link to the County investment reports is provided below:

<https://treasurer.acgov.org/reports/>

I hereby certify that, to the best of my knowledge, this report includes all investments in the Agency pool investment portfolio and is in conformity with the Agency's current investment policy dated July 1, 2025.

Market value amounts are from PFM Asset Management, which provides investment management services for the Agency. U.S. Bank provides custody services for the Agency. Book value amounts include premiums or discounts and are adjusted at year end on the general ledger.

Sincerely,

Osborn Solitei
Treasurer

Attachment

- Zone 7 Investment Performance Review for the Quarter Ended March 31, 2026

c: Valerie Pryor



ZONE 7 WATER AGENCY

Investment Performance Review For the Quarter Ended March 31, 2026

Client Management Team

Monique Spyke, Managing Director
Joseph Creason, Portfolio Manager
Jeremy King, Key Account Manager

PFM Asset Management A division of U.S. Bancorp Asset Management, Inc

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Market Update

Current Market Themes



- ▶ Geopolitics has overtaken U.S. macro fundamentals as the market's primary focus
 - ▶ Conflict in Iran has increased near-term inflation risks due to higher commodity prices
 - ▶ Unemployment rate remains stable with net new job creation near zero
 - ▶ Consumer spending and business investment continue to support growth, though momentum is slowing



- ▶ The Federal Reserve paused during both meetings in Q1, keeping rates at 3.50-3.75%
 - ▶ The median "dot plot" projection continues to show one 25 basis point cut in 2026, though individual projections showed less easing
 - ▶ Fed Chair Powell acknowledged the path forward is complicated by geopolitical uncertainty, making it more difficult for the Fed to balance its dual mandate



- ▶ Rising front-end yields unwound the inversion in the Treasury curve
 - ▶ Rate cut expectations were pushed further out, lifting front-end yields
 - ▶ Escalating Middle East conflict drove a spike in volatility
 - ▶ Credit spreads widened from historically tight levels amid heavy supply and geopolitical pressure

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of March 31, 2026.

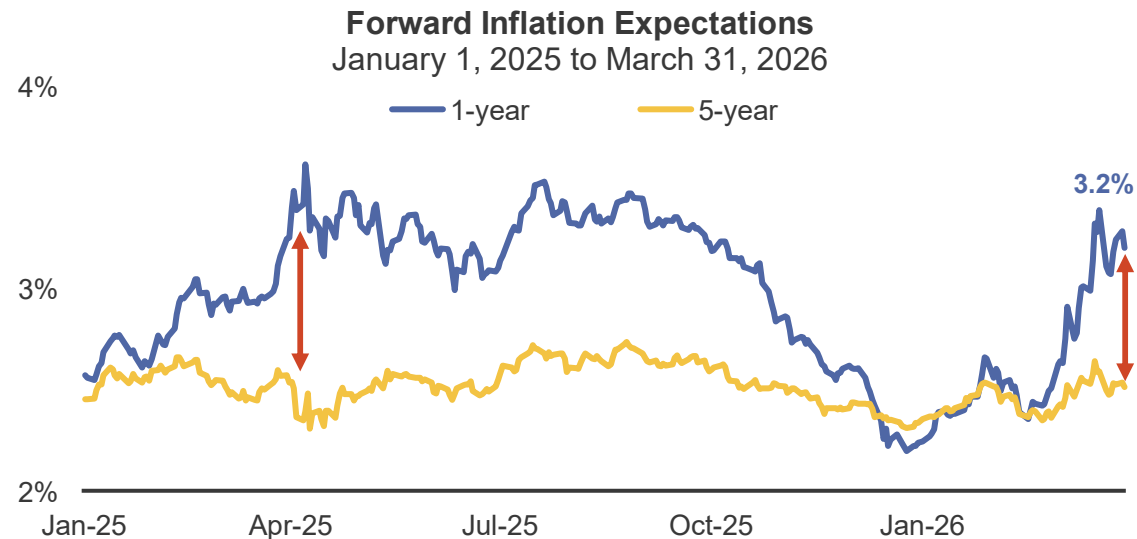
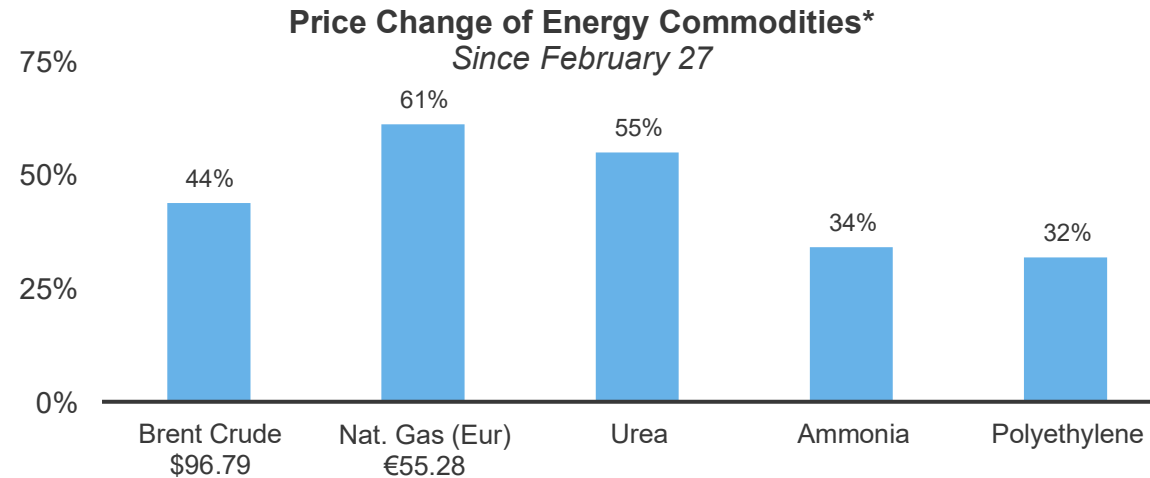
Market Pricing Conflict In Iran

▶ **Closure of the Strait of Hormuz creates a supply shock**

- ▶ Higher oil prices pressure agricultural and industrial inputs
- ▶ Duration of price shock more important than magnitude

▶ **Federal Reserve likely to remain on hold as it assesses evolving risks**

- ▶ Headline inflation expected to rise though uncertainty remains regarding passthrough to core inflation and labor markets
- ▶ Fed to look through supply-side energy shock if inflation expectations remain anchored



*Brent Crude are quoted in dollars per barrel based on the front-month futures contract. Natural gas prices are quoted in euros per megawatt-hour. Ammonia, and urea prices are based on the front-month exchange-traded futures contract. Polyethylene is price are based on the active exchange-traded futures contract.

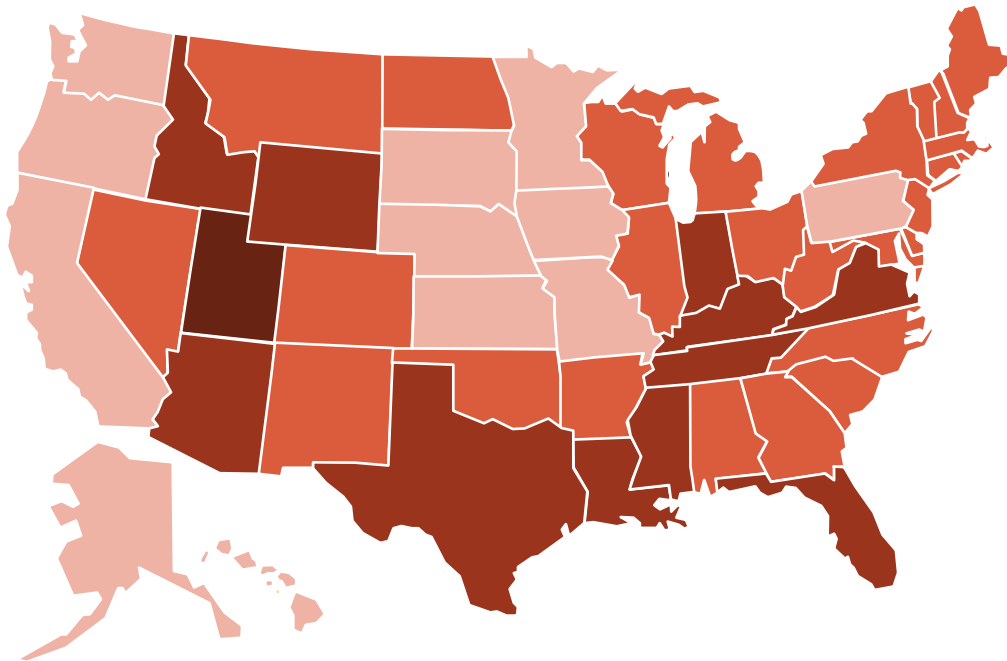
Source: Bloomberg Finance L.P., as of March 31, 2026. Market implied inflation expectations shown using 1-year and 5-year inflation swaps.

Gasoline Prices Surge Across the Country

% Change in Gas Prices

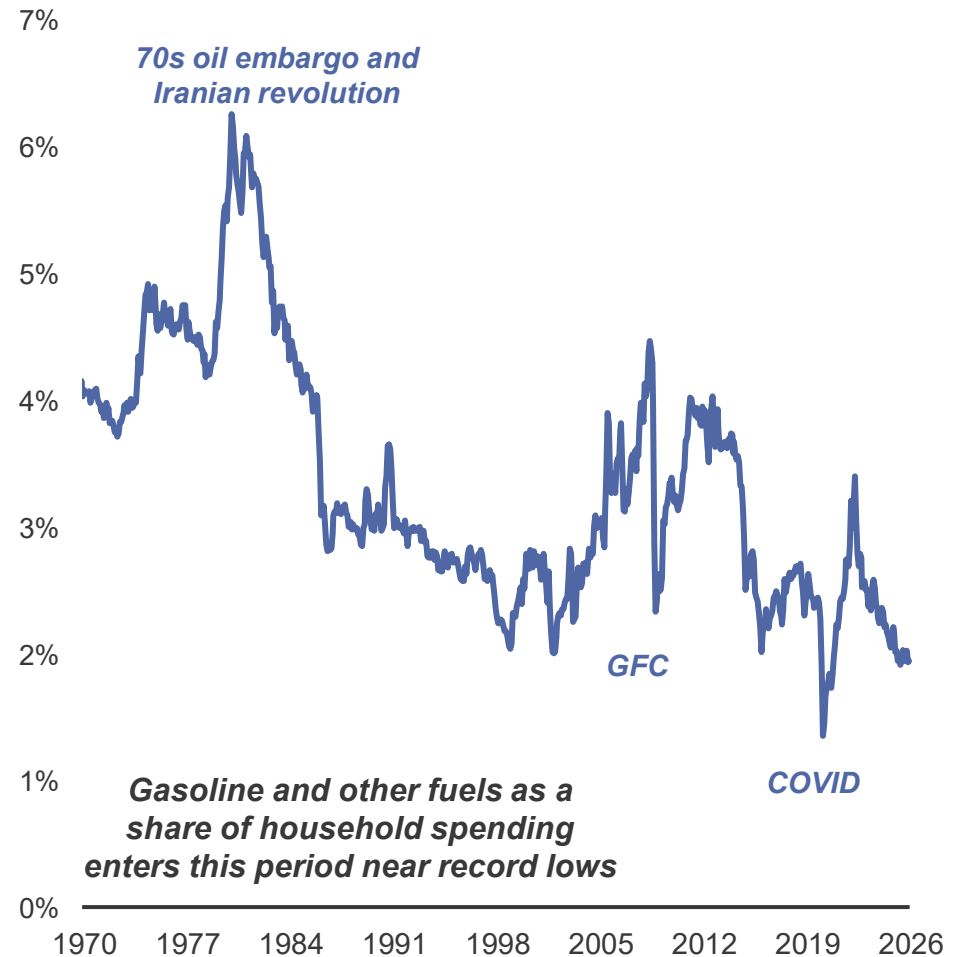
2/28 – 3/31

■ Greater than 50% ■ 40% to 49% ■ 30% to 39% ■ 20% to 29%



National Average Price of Gasoline
\$4.02

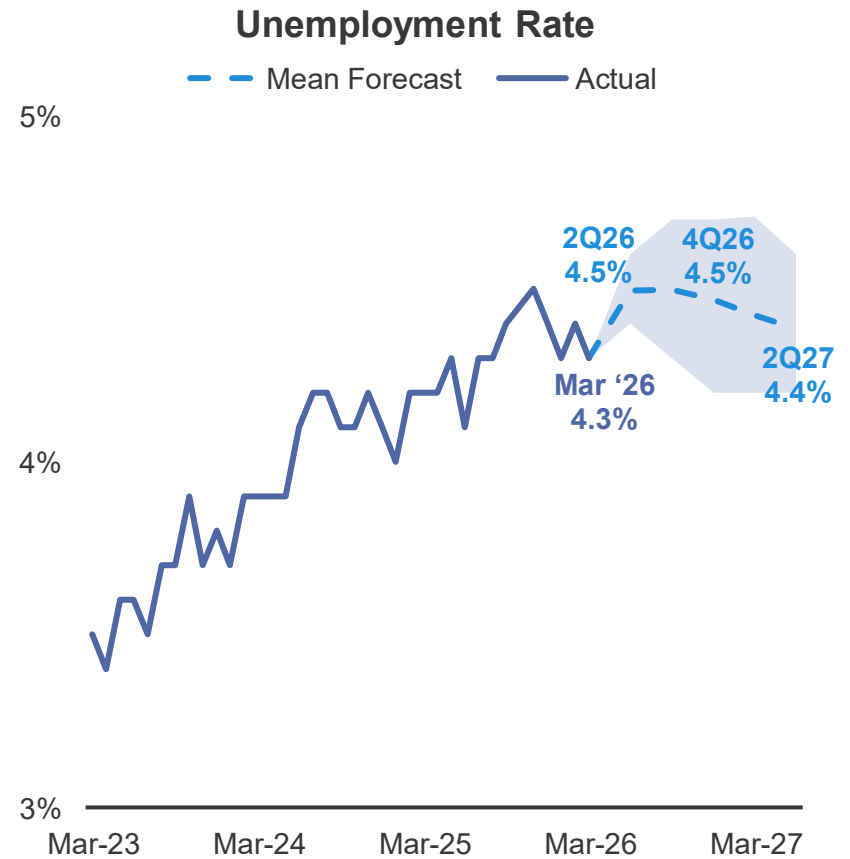
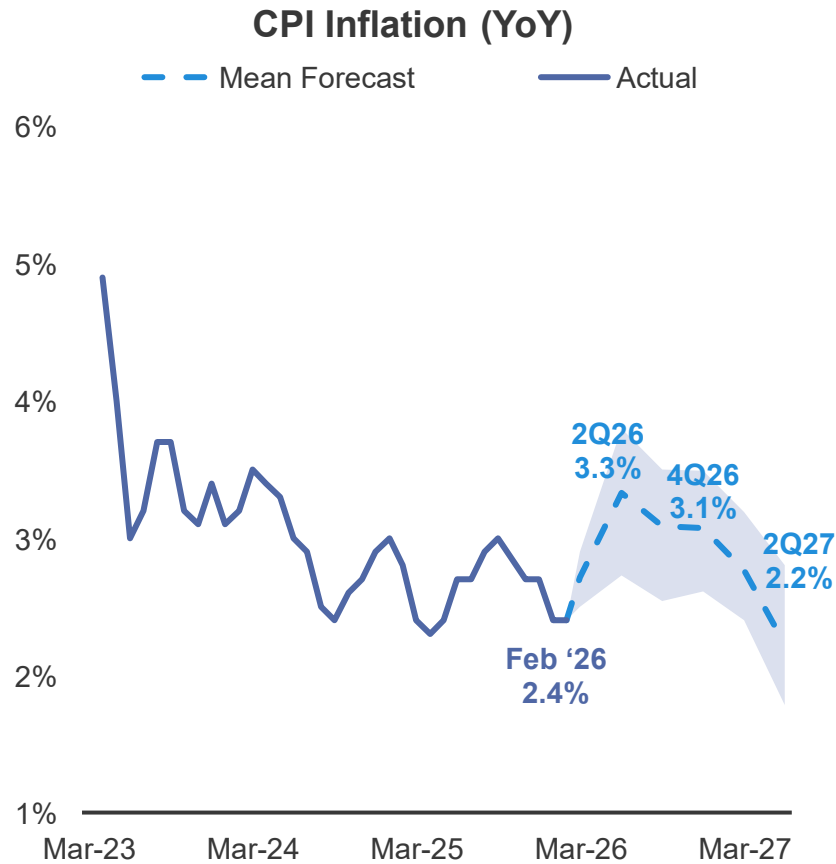
Gasoline and Other Fuel Spending as a Percentage of Household Spending



Source: Bloomberg Finance L.P., Bureau of Economic Analysis, and gasprices.aaa.com. BEA data as of February 2026 and gasoline data as of 3/31/2026. Other fuels contain diesel, fuel oil, kerosene and others.

Macro Data Takes a Back Seat

Fed Chair Powell: "What we have is some tension between the goals, and we're trying to manage our way through it."

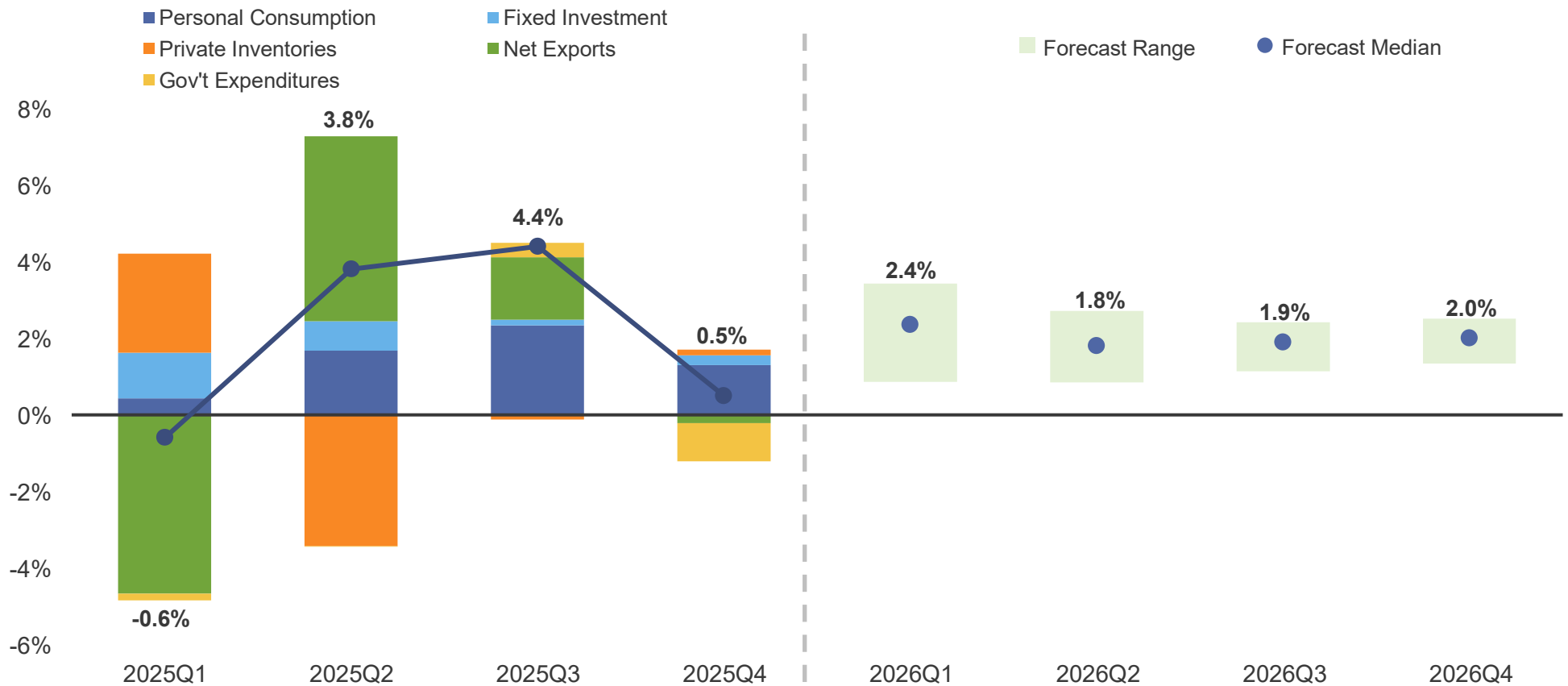


Source: FOMC Chair Jerome Powell Press Conference, March 18, 2026. Bureau of Labor Statistics and Bloomberg Finance L.P. CPI Inflation as of February 2026 and Unemployment Rate as of March 2026. Survey responses after March 27, 2026, included in mean and forecast range for CPI Inflation and Unemployment Rate. Shading represents the central 80% of the forecasts.

U.S. Growth Forecasts Remain Steady

Fed Chair Powell: “[I]f we have a long period of much higher gas prices, that is going to weigh on consumption... Meanwhile, the economy is solid... It’s just we don’t know what the effects of this will be.”

U.S. Real GDP Contributors and Detractors



Source: FOMC Chair Jerome Powell Press Conference, March 18, 2026. Bloomberg Finance L.P. and Bureau of Economic Analysis, as of December 2025 (left). Survey responses after March 27, 2026, included in Median and forecast range. Shading represents the central 80% of the forecasts (right).

Factors Shaping the Economic Outlook

Negative

- ▶ Geopolitical uncertainty
- ▶ Higher energy prices
- ▶ Net new job creation near zero
- ▶ Increasing retail credit card balances
- ▶ Rising student loan delinquencies

Neutral

- ▶ Stable Fed Policy
- ▶ Core inflation stable but above target
- ▶ Stabilizing credit card delinquencies

Positive

- ▶ Above-average tax refunds
- ▶ Resilient consumer spending
- ▶ Positive real disposable personal income growth
- ▶ Corporate fundamentals

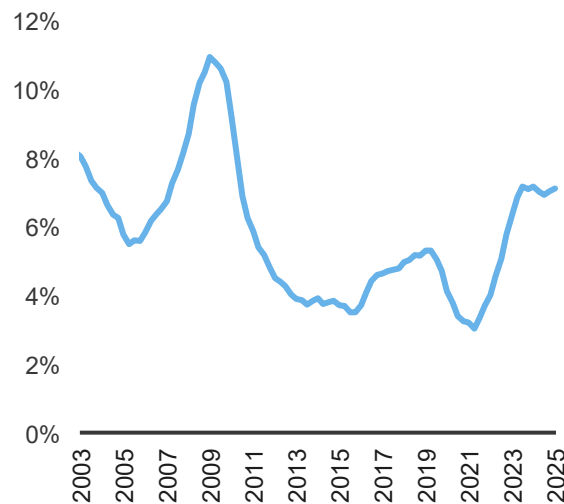
Price of Oil

WTI crude oil futures, \$/barrel



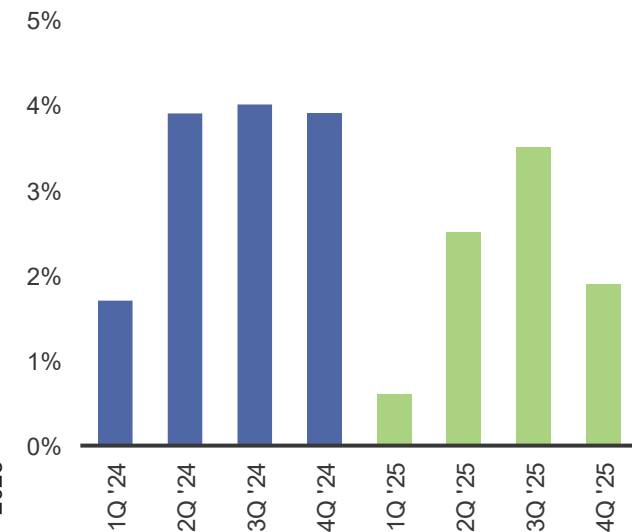
Credit Card Delinquencies

90+ Days



Personal Consumption

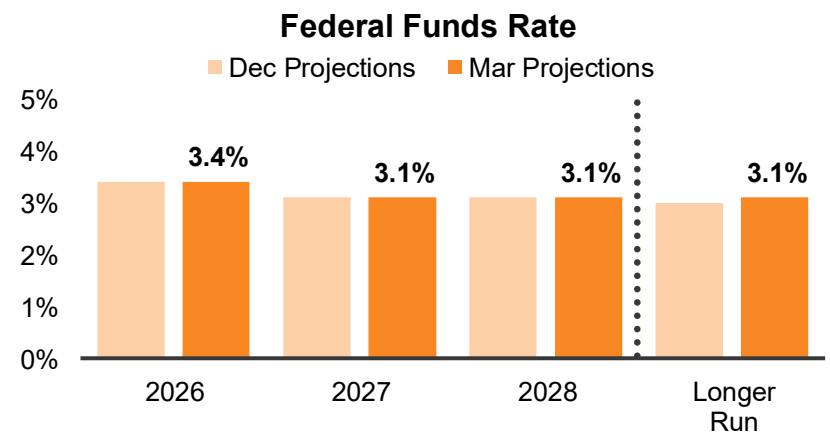
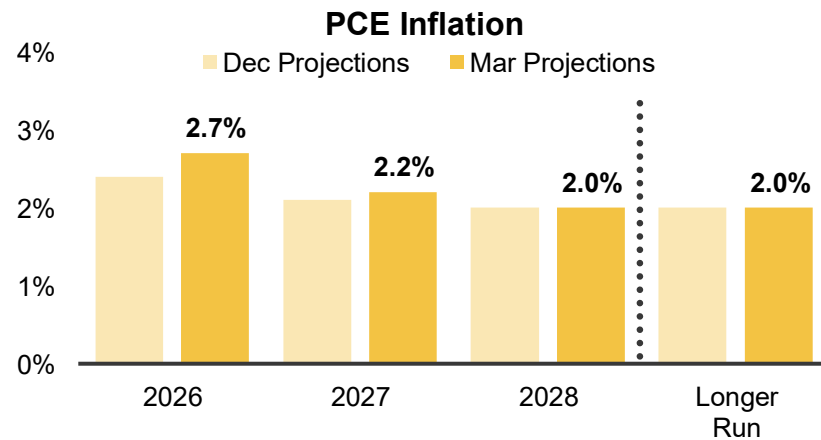
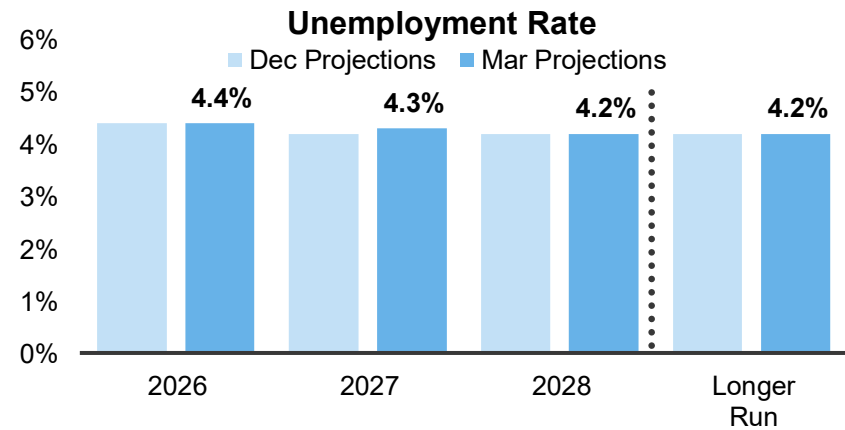
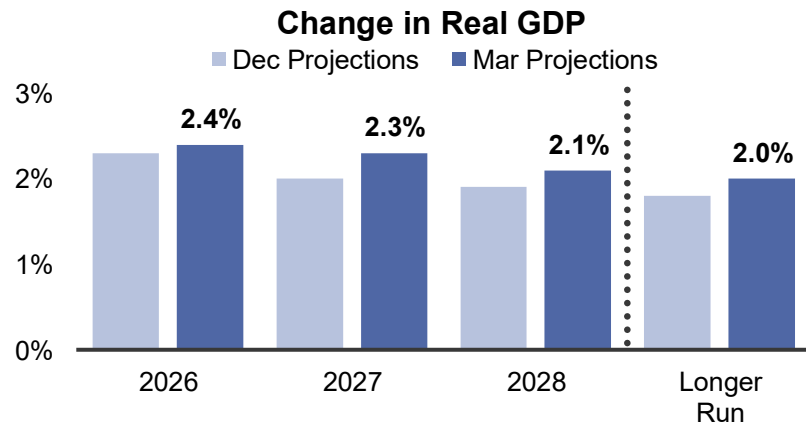
Quarter-Over-Quarter Change



Sources: Bloomberg Finance L.P., March 31, 2026, Federal Reserve Bank of New York as of December 2025, and Bureau of Economic Analysis as of December 2025.

Fed's Updated Summary of Economic Projections

Fed Chair Powell: "The economic effect could be bigger, they could be smaller ... We just don't know. People are writing down what seems to make sense to them but have no conviction."

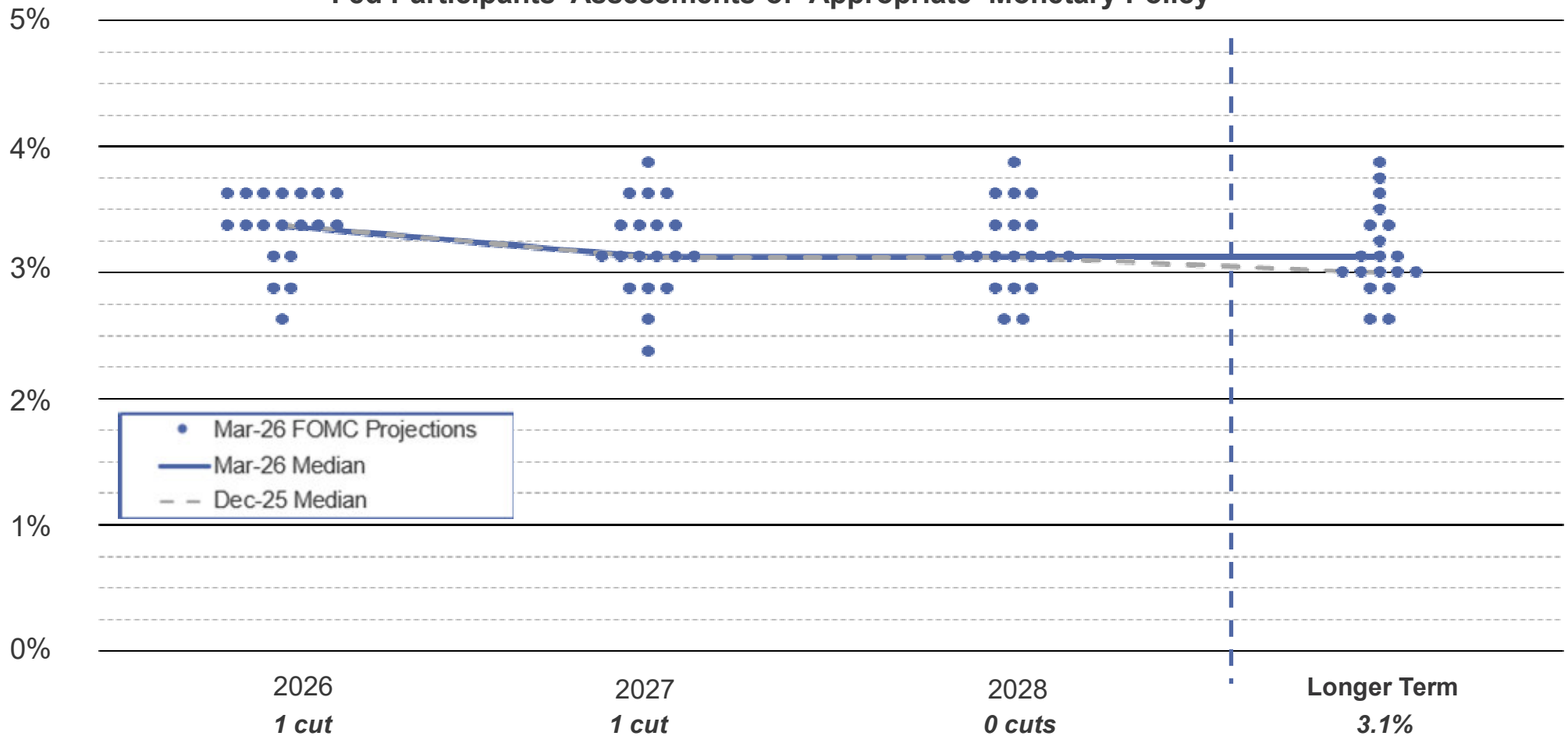


Source: FOMC Chair Jerome Powell Press Conference, March 18, 2026. Federal Reserve, latest median economic projections, as of March 2026.

The Latest Fed “Dot Plot”

Fed Chair Powell: “We feel like the framework calls to balance the risks. We feel where we are now is on the higher borderline of restrictive versus not restrictive, we feel like that is the right place to be.”

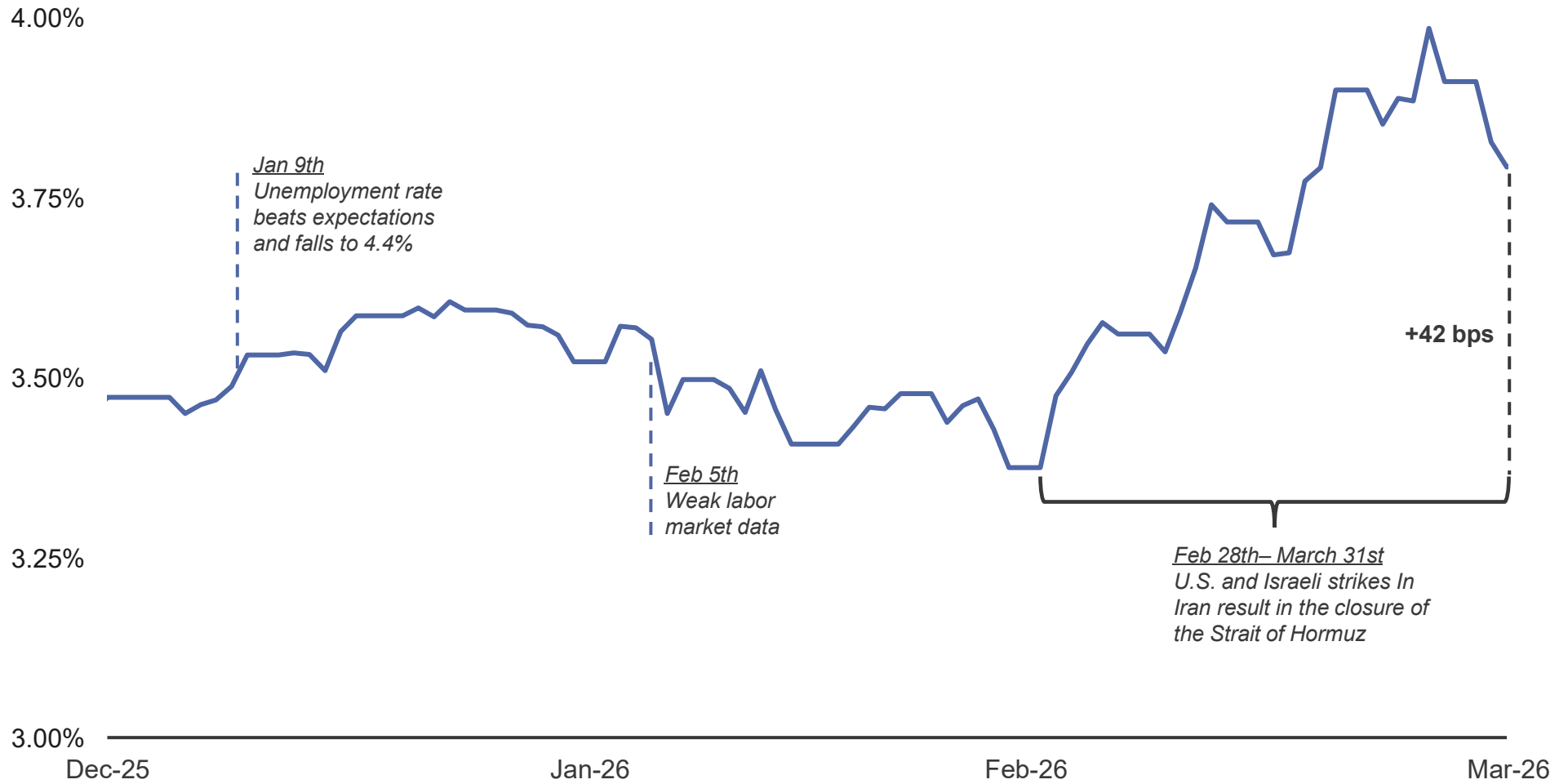
Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy



Source: FOMC Chair Jerome Powell Press Conference, March 18, 2026. 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 March 2026.

Treasury Yields Reach 8-Month High

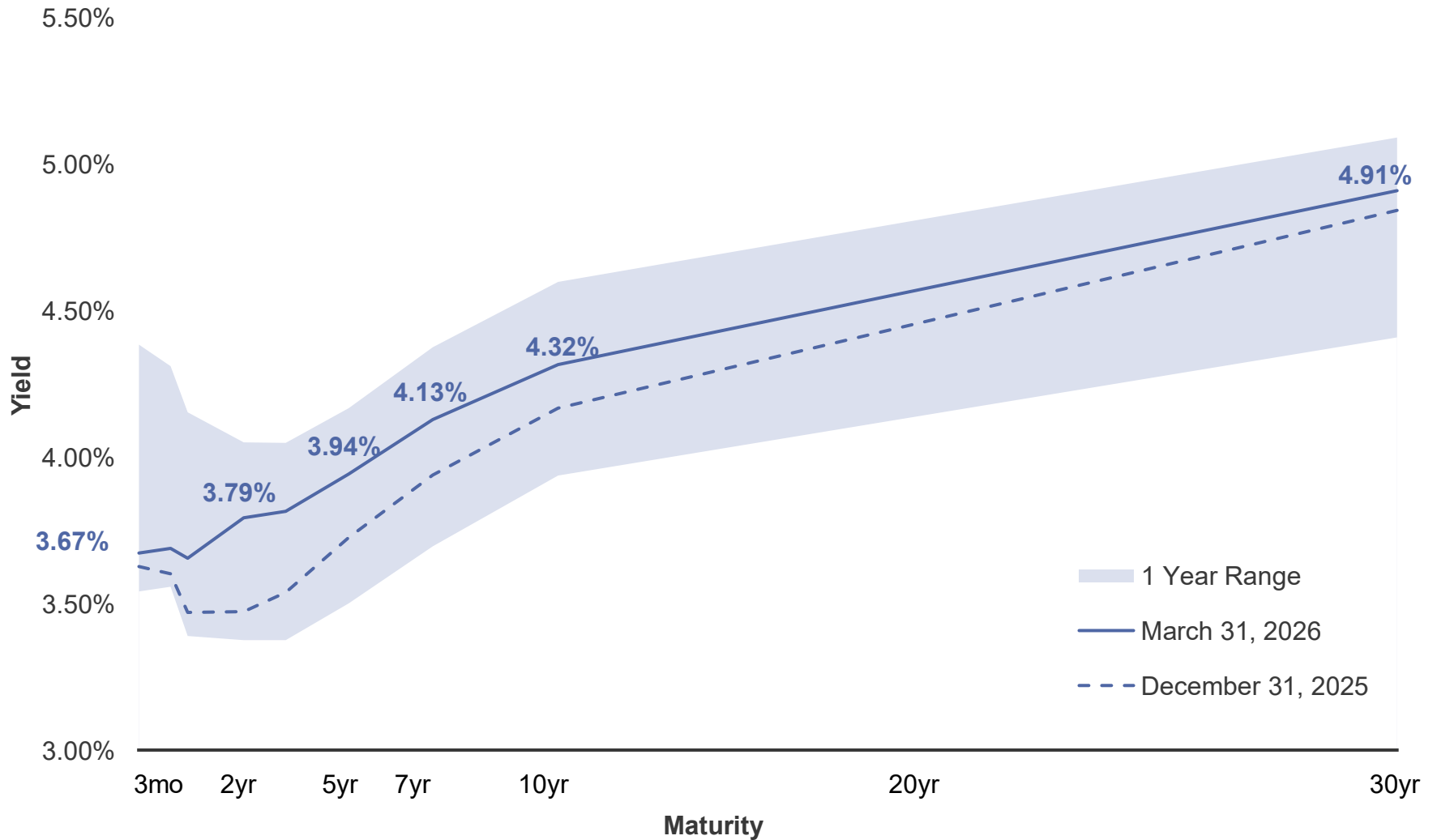
2-Year U.S. Treasury Yield December 31, 2025 – March 31, 2026



Source: Bloomberg Finance L.P., as of March 31, 2026.

Treasury Yields Rise Across the Curve

U.S. Treasury Yield Curve



Source: Bloomberg Finance L.P., as of March 31, 2026.

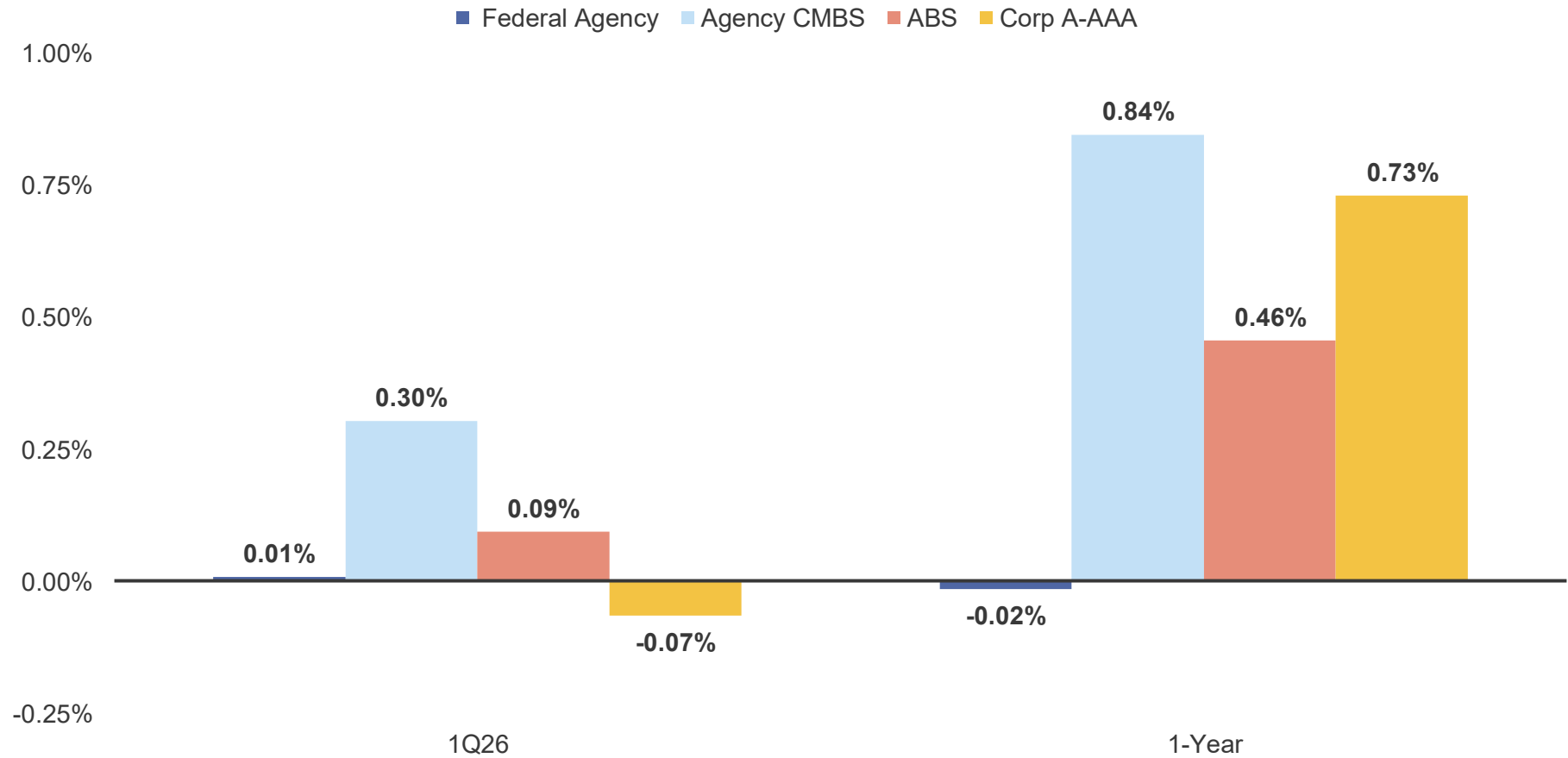
Sector Yield Spreads 1-5 Year Yield Spreads



Source: ICE BofA 1-5 year Indices via Bloomberg Finance L.P. as of March 31, 2026. Spreads on ABS and MBS are option-adjusted spreads based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

Fixed-Income Index Excess Returns

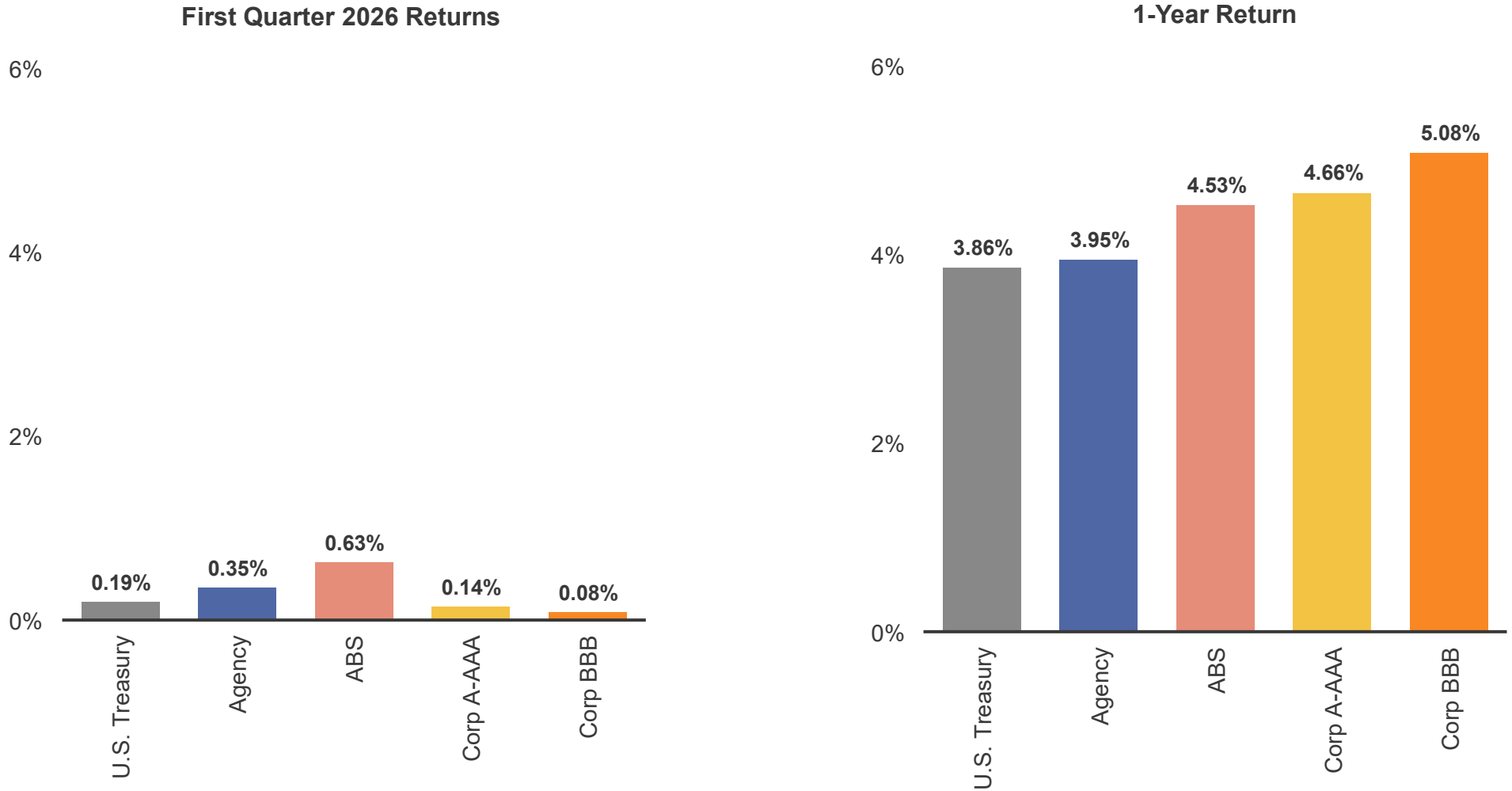
Excess Returns 1-5 Year Indices



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. Agency CMBS represented by ICE BofA CMBY Index. As of March 31, 2026.

Fixed-Income Index Total Returns in 1Q 2026

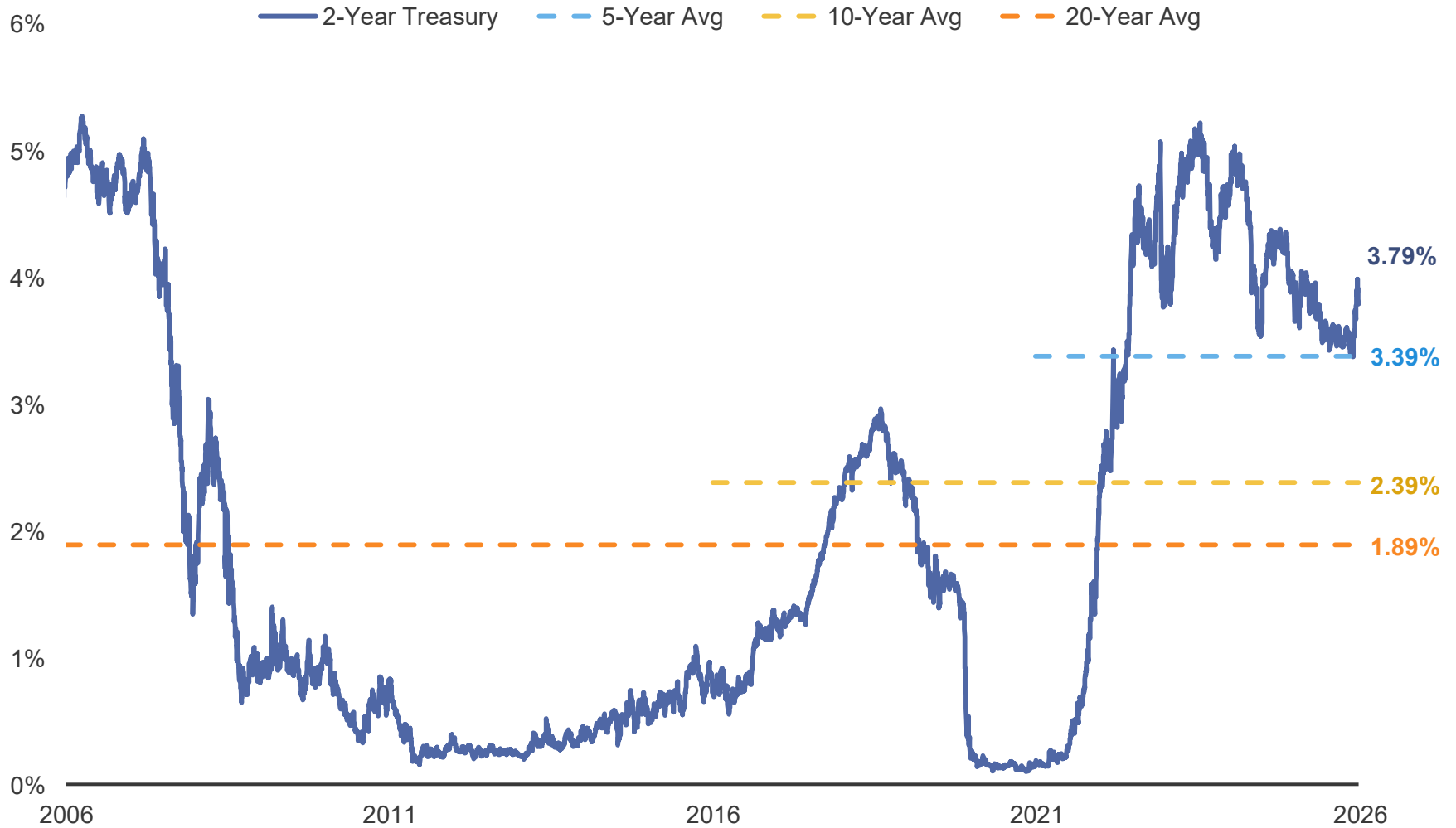
1-5 Year Indices



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of March 31, 2026.

Treasury Yields Remain Above Historical Averages

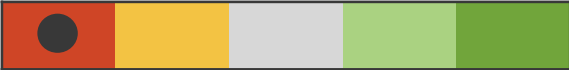
2-Year Treasury Yield



Source: Bloomberg Finance L.P., as of March 31, 2026.

Government Sector Strategy

AGENCY BULLETS



Reduce allocations

Summary:

- Spreads remain rich, especially in the 1–7 year area, trading near or through Treasuries
- Limited issuance outside of 12 months continues to keep spreads narrow

Outlook:

- Spreads expected to remain tight unless issuance increases
- Opportunistically sell for rebalancing or swaps into new issue across sectors
- Continue monitoring ongoing privatization efforts of Fannie Mae and Freddie Mac

CALLABLE AGENCIES



Reduce allocations

Summary:

- Front-end spreads have widened over the month on increased market volatility
- Activity remains elevated versus 1H25 as redemptions drive more issuance
- Valuations remain rich across the front end

Outlook:

- Evaluate callables cautiously with a preference for longer lockouts
- Spread widening has improved valuations but caution remains as most inventory is still at negative OAS

SUPRANATIONALS



Reduce allocations

Summary:

- Spreads remain near historic lows and continues to tighten as issuance slows
- Flat spread curve favors shorter maturities inside 2.5 years
- The sector offers on average 5 to 10 bps of value over Agencies

Outlook:

- New issue opportunities remain historically low and increased volatility could keep issuance muted
- Continue evaluating new issues
- Opportunistically sell for rebalancing or sector rotation

● Current outlook

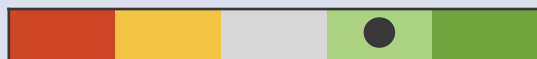


Statements and opinions were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (3/31/2026) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Corporate Sector Strategy

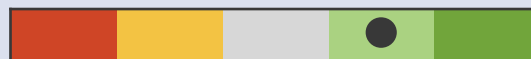
OVERALL		Short (<5 year) Corporates: Maintain flexibility to add / swap as opportunities arise
FINANCIALS		
INDUSTRIALS		

Fundamentals:



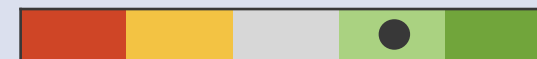
- Corporate balance sheets remain strong and default risk is low
- Some issuers or sectors such as industrials could find credit metrics under pressure on heightened spending and M&A activity
- Credit risks seem to be stabilizing, with upgrades continuing to outpace downgrade
- We view volatility in private credit as contained and not a systemic risk
- Corporate fundamentals will be impacted by direction of economy once Middle East conflict is settled

Technicals:



- Corporate supply remains exceptionally strong with full-year gross issuance projected at a record \$2 trillion; however, issuance is expected to slow in Q2
- Strong issuance has been met with extremely robust domestic demand
- Lower yields and higher supply are main risks
- Market positioning is shifting towards higher-quality issuance, with sentiment around spreads pointing towards broader spreads.

Valuations:



- Short-term credit spreads are at their widest levels since May '25 with new-issue concessions rising with secondary spreads
- Longer-duration credit remains extremely rich with spreads near decades-long tight
- Breakevens have widened modestly across the curve year-to-date, with the short end still offering value
- Corporate spread curve remains flat but expected to steepen on long end, improving relative value on the short end.
- All-in yields remain elevated

● **Current outlook**



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Securitized Sector Strategy

AGENCY MBS



Maintain target allocations

Summary:

- Spreads have widened on geopolitical pressure and increased volatility but remain historically narrow
- 2026 net supply is projected to increase modestly
- The sector is expected to underperform in the short term

Outlook:

- Maintain target underweight with a focus on specific structures

AGENCY CMBS



Reduce through attrition

Summary:

- Spreads have barely widened despite market volatility
- Fundamentals are weak but stabilizing with soft rent growth and moderately high vacancies
- Issuance is up notably year-to-date and dealer inventory remains near record highs

Outlook:

- New issue remains extremely robust
- Valuations remain extremely tight
- Sector expected to perform well if/when volatility increases

ASSET-BACKED



Reduce through attrition

Summary:

- Prime ABS fundamentals remain stable
- Credit metrics have normalized and structures remain resilient to recession scenarios

Outlook:













- Supply expected to be well digested, limiting new issue attractiveness
- Spread versus corporates is narrowing, reducing relative value
- Prime auto and credit card ABS may be more defensive in a widening environment
- Carry expected to be driver of excess returns
- Evolution of labor market and economy remain key risks

● Current outlook



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Fixed-Income Sector Outlook – 2Q 2026

Sector	Our Investment Preferences
COMMERCIAL PAPER / CD	
TREASURIES	
T-Bill	
T-Note	
FEDERAL AGENCIES	
Bullets	
Callables	
SUPRANATIONALS	
CORPORATES	
Financials	
Industrials	
SECURITIZED	
Asset-Backed	
Agency Mortgage-Backed	
Agency CMBS	
MUNICIPALS	

● Current outlook

○ Outlook one quarter ago



Fixed-Income Sector Commentary – 1Q 2026

- ▶ The **Federal Open Market Committee (FOMC)** maintained the target range for the federal funds rate, noting continuing challenges to achieving its dual mandate of maximum employment and stable prices.
- ▶ **U.S. Treasury** yields rose across the curve with 2- to 5-year tenors experiencing the largest repricing. The short-end curve inversion ended given the move higher in yields.
- ▶ **Federal Agency & supranational** issuance remained limited, keeping spreads narrow and excess returns muted. The announcement of \$200 billion of mortgage purchases by FNMA and FHLMC is unlikely to materially affect issuance trends with buying funded by cash.
- ▶ **Investment-Grade (IG) corporate** bond yield spreads were stable in the first two months of the quarter. However, in response to geopolitical tensions, heightened issuance, and concerns over private debt capital in the last month of the quarter, spreads widened noticeably. Excess returns for the sector were generally negative, but strong carry is expected to provide support.
- ▶ Spreads on **Asset-Backed Securities** widened marginally, but spreads versus equivalent-duration corporate notes narrowed. Auto loan collateral marginally outperformed credit receivables.
- ▶ 30-year **Agency-backed mortgage-backed securities (MBS)** generated solid excess returns in Q1 and outperformed 15-year tenors. Surging bond volatility toward quarter end neared weighed on excess returns. **Agency-backed commercial MBS (CMBS)** also produced positive excess returns for the quarter.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) experienced spread widening which created opportunities, particularly in 9- to 12-month tenors. Floating-rate notes also saw notable spread widening, ending the quarter 10 to 15 bps wider versus year end levels.

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Fixed-Income Sector Outlook – 2Q 2026

- ▶ While future Fed policy remains uncertain amid the ongoing conflict, we view the meaningful rise in **U.S. Treasury** yields as an opportunity. As a result, for shorter duration strategies, we prefer a modestly longer duration stance. For longer duration strategies, we believe the risk profile is less favorable relative to shorter strategies but will maintain a curve steepening bias by modestly underweighting the long end of the curve.
- ▶ **Federal Agency & Supranational** spreads are likely to remain at tight levels. Government-only accounts may find occasional value on an issue-by-issue basis.
- ▶ **Taxable Municipals** continue to present limited opportunity due to an ongoing lack of supply and strong demand which is keeping yields low. We do not expect this dynamic to change in the near term.
- ▶ **Investment-Grade (IG) Corporate** bond fundamentals remain stable with technicals supportive of the sector. All-in yields remain attractive and wider spreads have improved value. We expect an increase in buying opportunities across both new-issue and secondary markets.
- ▶ **Asset-Backed Securities** fundamentals remain within expectations and credit enhancements remain robust. We expect supply to increase as credit card issuers re-enter the market, with demand remaining strong and new issues well-digested. We expect solid consumer fundamentals and structural credit enhancements to insulate the sector from meaningful downturns. We expect carry to be the driver of excess returns.
- ▶ **Mortgage-Backed Securities** are expected to remain rich despite increased market volatility modestly aiding valuations. With spreads remaining historically tight, opportunities are limited, and we will look to other sectors for better value.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) spreads have widened notably in Q1. We favor maturities beyond 9 months given the positively sloped curve, wider spreads, and added protection against potential Fed rate cuts late this year.

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Factors to Consider for 6-12 Months

Monetary Policy (Global):



- The Fed held rates steady in Q1 amid persistent inflation pressures and limited net job creation.
- Policymakers acknowledged the path forward is complicated, with geopolitical uncertainty adding additional strain to the Fed’s dual mandate.
- The “dot plot” projects 25 bps of rate cuts in both 2026 and 2027; however, this is predicated on inflation progress.
- Global central banks remained on pause in Q1 but energy inflation pressures may necessitate hikes.

Economic Growth (Global):



- Stable consumer and business spending support growth, offsetting the weakness seen from the U.S. government shutdown in Q4 GDP.
- Fiscal support and AI investment should aid growth; however, a prolonged conflict in Iran may weigh on consumer discretionary spending.
- Risks to global growth prospects have increased amid the escalating conflict due to higher energy prices, supply-chain disruptions, and increased uncertainty.

Inflation (U.S.):



- The inflation outlook depends on the duration of the Middle East conflict and the degree to which higher energy and commodity costs raise core goods and services prices.
- Inflation remains sticky with limited progress on core services and continuing pressure from tariffs passthroughs.
- Near-term inflation expectations have increased due to the higher energy prices while long-run expectations remain anchored.

Financial Conditions (U.S.):



- Corporate fundamentals and underlying demand remain strong. Spread widening has improved valuations, though the sector is still rich from a historic perspective.
- The conflict in the Middle East has tightened financial conditions. The duration of the conflict and its impact on the economy will be a key driver of corporate fundamentals.
- Geopolitical conflict, higher oil prices, and the evolution of the economy are key risks. At this time we view volatility in private credit as contained and not a systemic risk.

Consumer Spending (U.S.):



- Modest job growth and inflationary pressures continue to weigh on consumer sentiment. Higher energy and food prices will likely drive consumer sentiment lower.
- Wage growth continues to exceed inflation, but this gap has narrowed. Energy shocks may compress real incomes and reduce discretionary spending.
- Lower-income cohorts remained more exposed to higher energy prices as a larger share of household budgets are allocated to essentials.
- Higher-income cohorts benefit from strong equity markets and home price appreciation in recent years.

Labor Markets (U.S.):



- Labor market conditions continued to cool with net new job creation close to zero.
- The unemployment rate remained unchanged as lower job creation was offset by a reduction in the pace of labor force growth.
- The Fed has framed the combination of limited job growth and a stable unemployment rate as an uncomfortable balance.
- Initial jobless claims and layoff rates remain low, consistent with a continued “low-hire/low-fire” environment.

● Current outlook ○ Outlook one quarter ago

Stance Unfavorable to Risk Assets

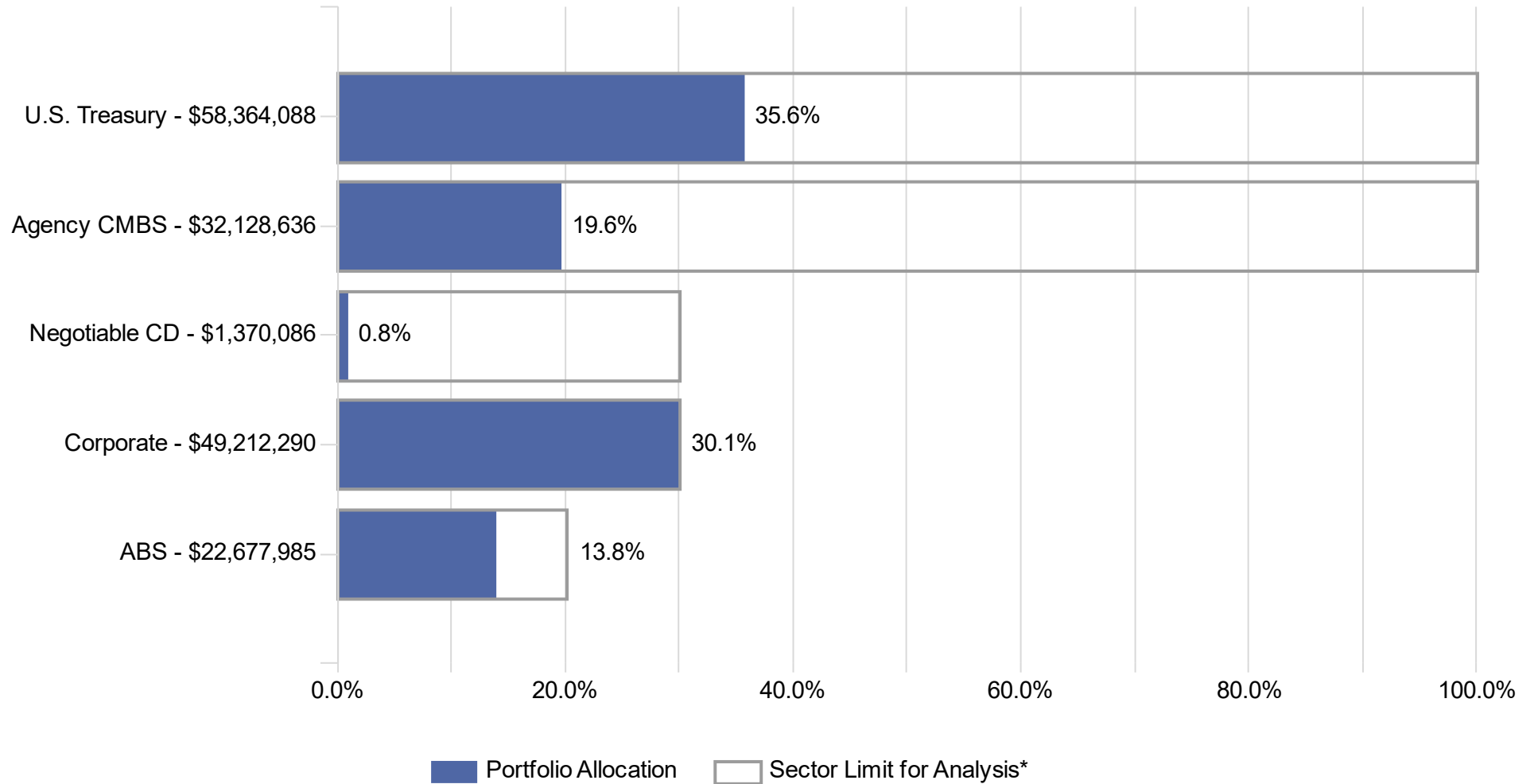


Stance Favorable to Risk Assets

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 (3/31/2026) 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.

Account Summary

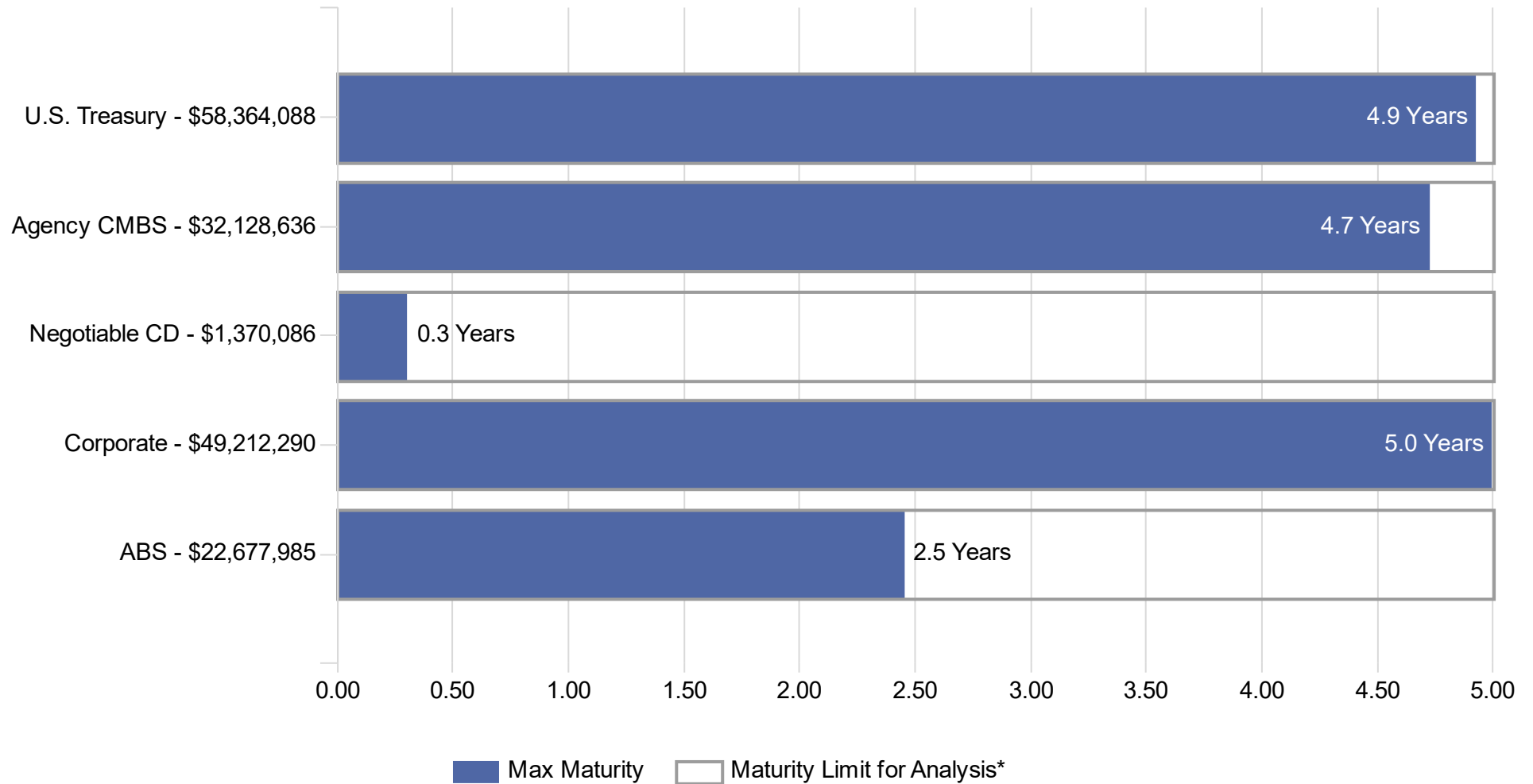
Sector Allocation Analytics



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.*

Max Maturity Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest and excludes balances invested in overnight funds.

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

Mortgage-backed securities and asset-backed securities, if any, limit is based on weighted average life, if applicable. Callable securities, if any, limit is based on maturity date.

Certificate of Compliance

During the reporting period for the quarter ended March 31, 2026, 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").

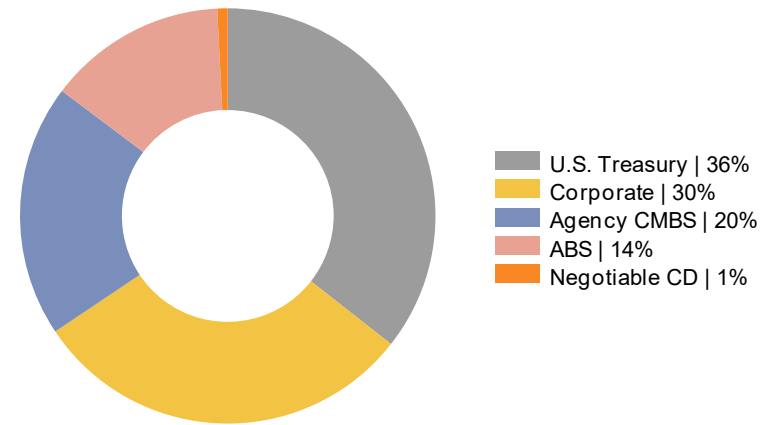
Portfolio Review:
ZONE 7 WATER AGENCY

Portfolio Snapshot - ZONE 7 WATER AGENCY¹

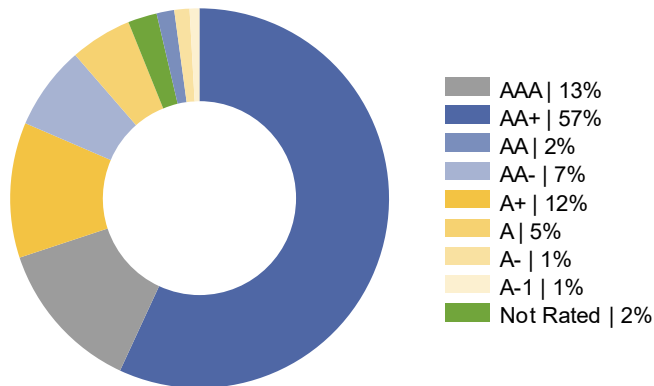
Portfolio Statistics

Total Market Value	\$168,965,000.96
<i>Securities Sub-Total</i>	\$162,691,084.76
<i>Accrued Interest</i>	\$1,061,999.29
<i>Cash</i>	\$5,211,916.91
Portfolio Effective Duration	2.55 years
Benchmark Effective Duration	2.47 years
Yield At Cost	4.19%
Yield At Market	4.06%
Portfolio Credit Quality	AA

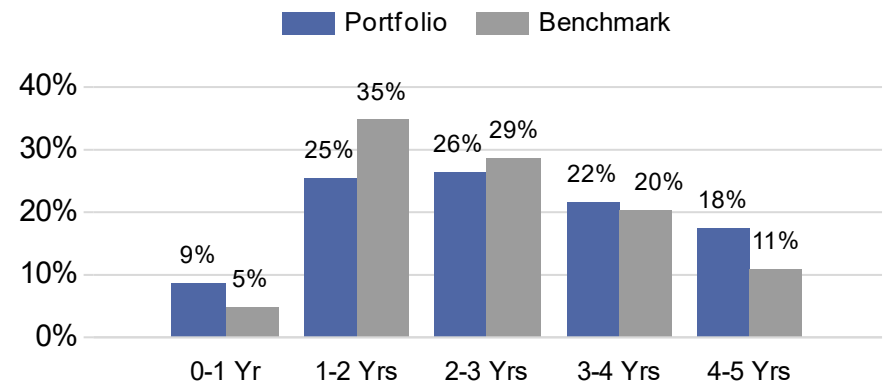
Sector Allocation



Credit Quality - S&P



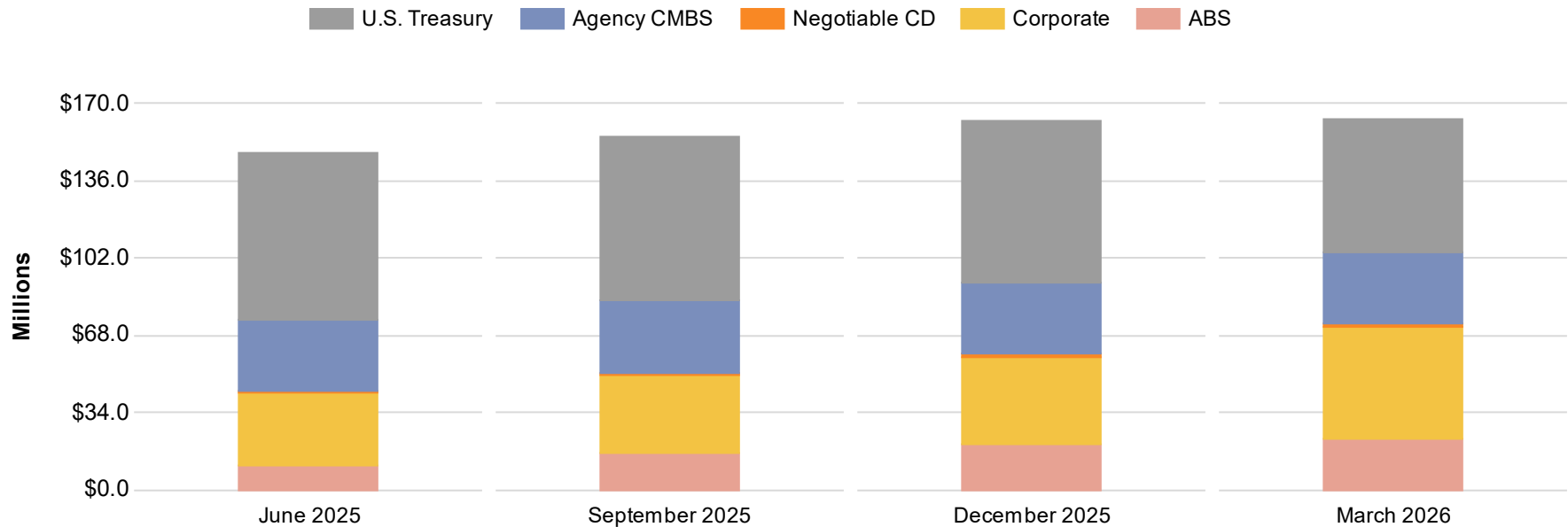
Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. 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.

Sector Allocation Review - ZONE 7 WATER AGENCY

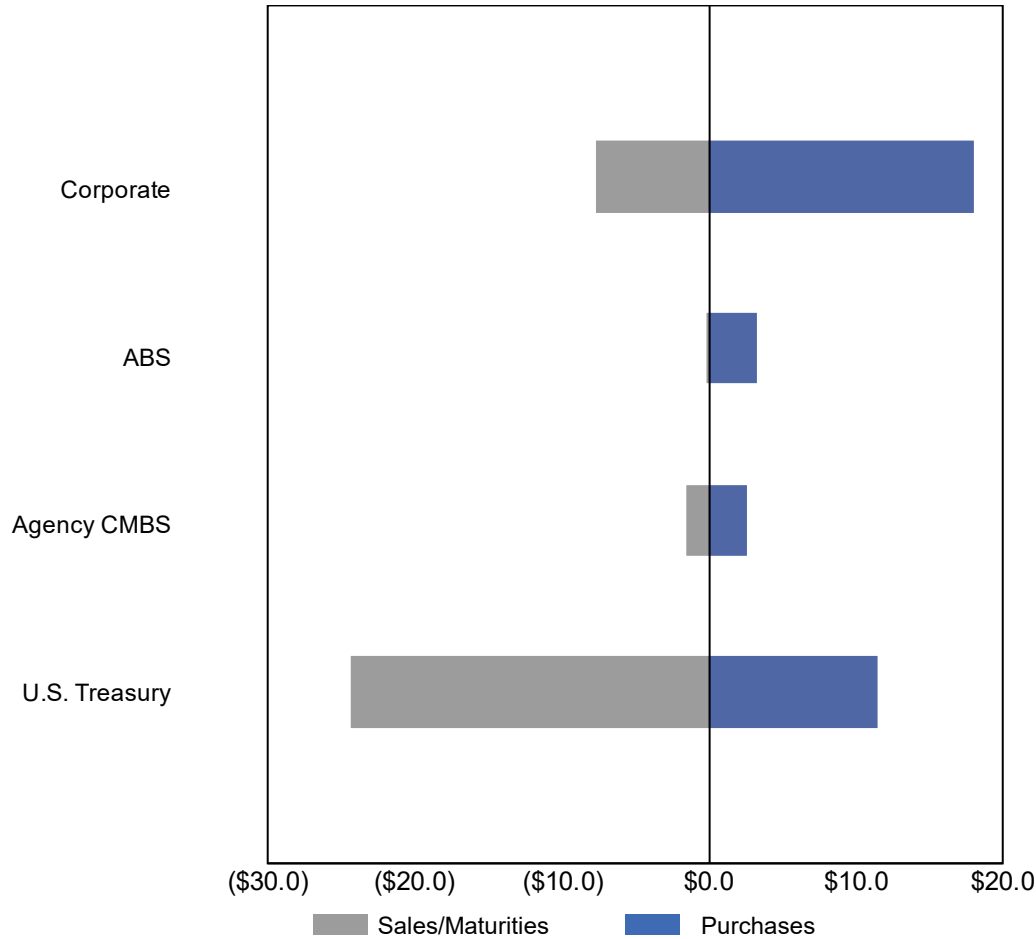
Security Type	Jun-25	% of Total	Sep-25	% of Total	Dec-25	% of Total	Mar-26	% of Total
U.S. Treasury	\$74.0	50.0%	\$71.9	46.4%	\$71.2	43.9%	\$57.9	35.6%
Agency CMBS	\$30.6	20.6%	\$31.4	20.3%	\$31.3	19.3%	\$32.0	19.7%
Negotiable CD	\$1.4	0.9%	\$1.4	0.9%	\$1.4	0.8%	\$1.4	0.8%
Corporate	\$32.1	21.6%	\$34.0	21.9%	\$38.8	23.9%	\$48.8	30.0%
ABS	\$10.3	6.9%	\$16.2	10.5%	\$19.7	12.1%	\$22.6	13.9%
Total	\$148.4	100.0%	\$154.9	100.0%	\$162.4	100.0%	\$162.7	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Portfolio Activity - ZONE 7 WATER AGENCY

Net Activity by Sector
(\$ millions)

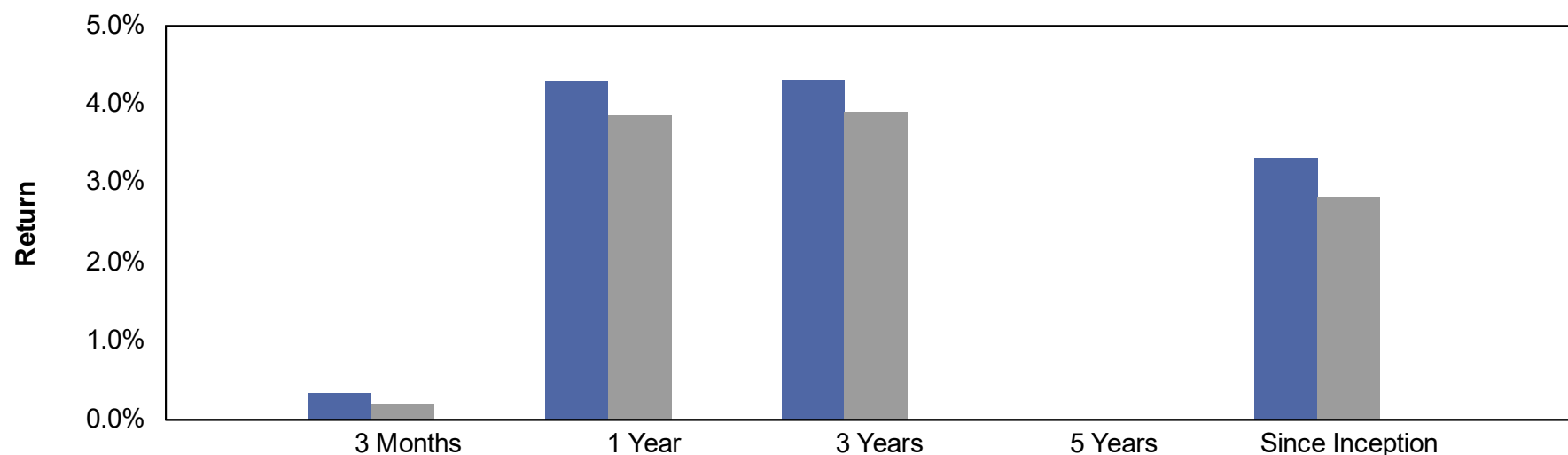


Sector	Net Activity
Corporate	\$10,325,543
ABS	\$3,065,880
Agency CMBS	\$928,636
U.S. Treasury	(\$13,045,976)
Total Net Activity	\$1,274,083

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 Performance

Portfolio Benchmark



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception ¹
Interest Earned ²	\$1,631,186	\$6,010,391	\$13,656,394	-	\$15,471,395
Change in Market Value	(\$1,078,865)	\$695,241	\$5,256,284	-	\$4,055,919
Total Dollar Return	\$552,321	\$6,705,632	\$18,912,678	-	\$19,527,314
Total Return³					
Portfolio	0.33%	4.30%	4.33%	-	3.34%
Benchmark ⁴	0.20%	3.86%	3.92%	-	2.83%

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 March 31, 2022.

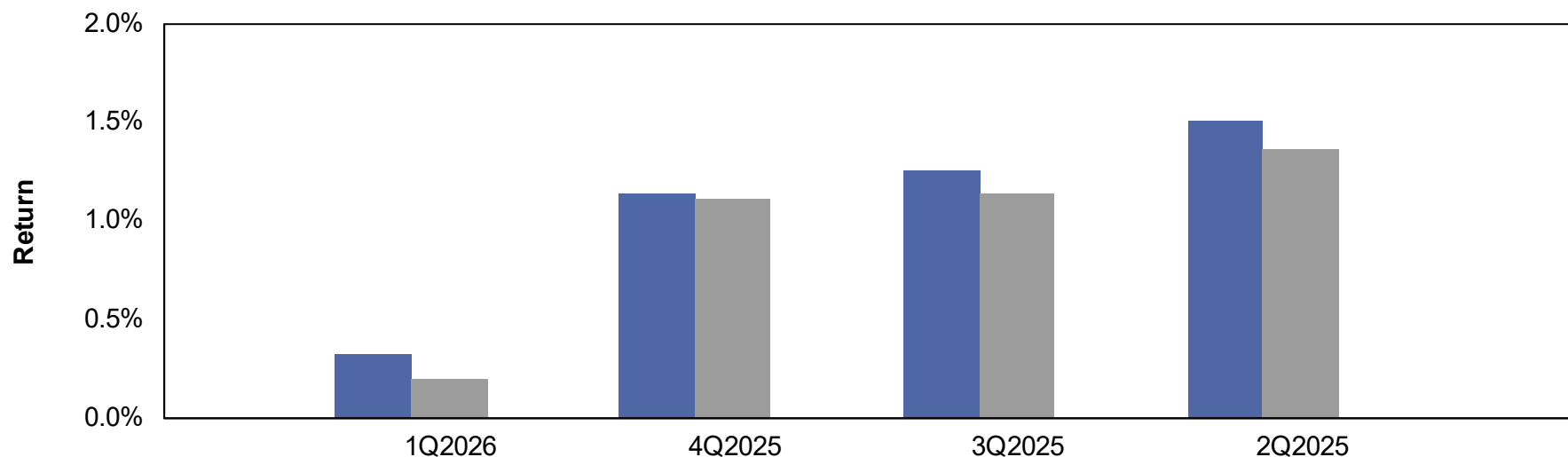
2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

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.

Portfolio Performance

Portfolio Benchmark



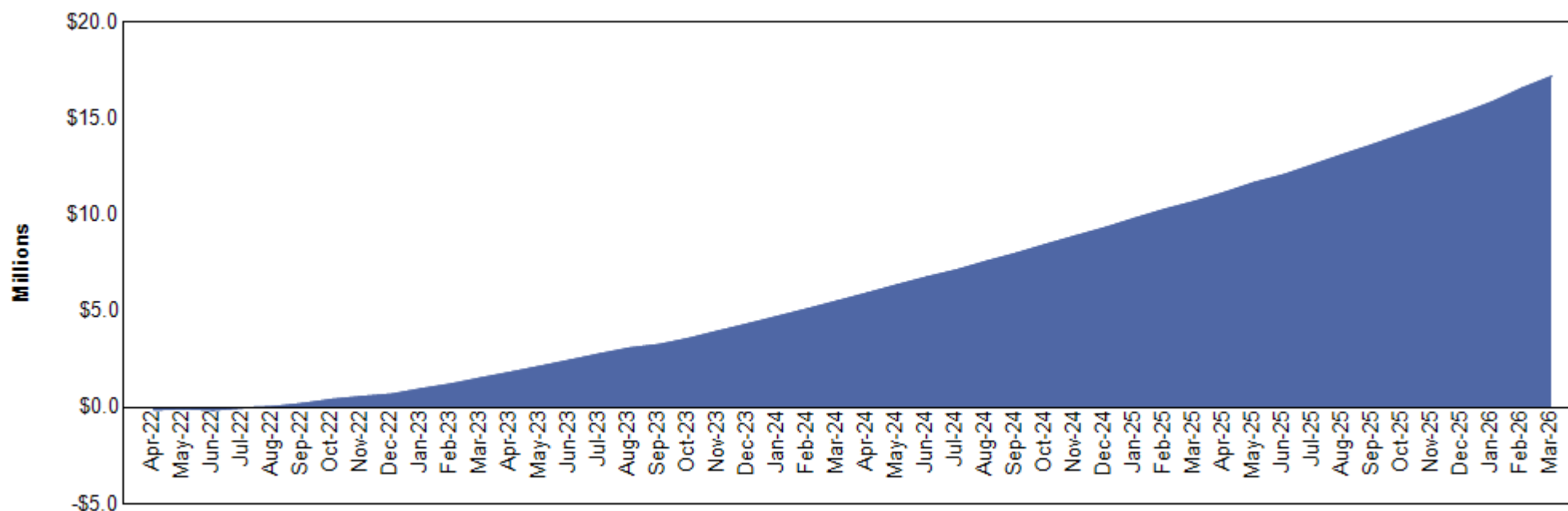
Market Value Basis Earnings	1Q2026	4Q2025	3Q2025	2Q2025
Interest Earned ¹	\$1,631,186	\$1,584,773	\$1,436,884	\$1,357,548
Change in Market Value	(\$1,078,865)	\$296,052	\$519,004	\$959,050
Total Dollar Return	\$552,321	\$1,880,825	\$1,955,888	\$2,316,598
Total Return²				
Portfolio	0.33%	1.14%	1.25%	1.52%
Benchmark ³	0.20%	1.12%	1.14%	1.36%

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

2. Returns are presented on a periodic basis.

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

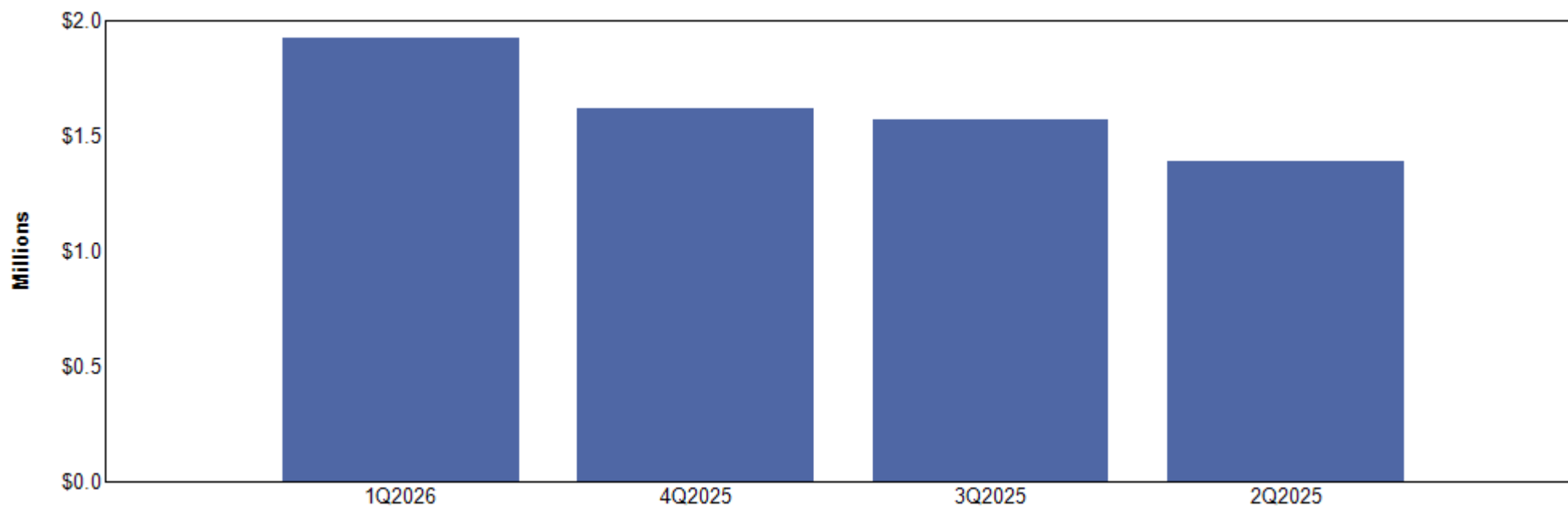
Accrual Basis Earnings - ZONE 7 WATER AGENCY



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception ¹
Interest Earned ²	\$1,631,186	\$6,010,391	\$13,656,394	-	\$15,471,395
Realized Gains / (Losses) ³	\$165,648	(\$75,541)	(\$798,329)	-	(\$1,796,016)
Change in Amortized Cost	\$124,281	\$560,481	\$2,795,534	-	\$3,508,644
Total Earnings	\$1,921,115	\$6,495,331	\$15,653,599	-	\$17,184,023

1. The lesser of 10 years or since inception is shown. Performance inception date is March 31, 2022.
 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.

Accrual Basis Earnings - ZONE 7 WATER AGENCY



Accrual Basis Earnings	1Q2026	4Q2025	3Q2025	2Q2025
Interest Earned ¹	\$1,631,186	\$1,584,773	\$1,436,884	\$1,357,548
Realized Gains / (Losses) ²	\$165,648	(\$78,566)	(\$25,376)	(\$137,248)
Change in Amortized Cost	\$124,281	\$110,366	\$155,731	\$170,104
Total Earnings	\$1,921,115	\$1,616,573	\$1,567,239	\$1,390,404

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

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

Portfolio Holdings and Transactions

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	35.6%	
United States Treasury	35.6%	AA / Aa / AA
Agency CMBS	19.6%	
Federal Home Loan Mortgage Corp	18.8%	AA / Aa / AA
Federal National Mortgage Association	0.8%	AA / Aa / AA
Negotiable CD	0.8%	
Cooperatieve Rabobank UA	0.8%	A / Aa / AA
Corporate	30.1%	
Adobe Inc	0.9%	A / A / NR
Alphabet Inc	1.4%	AA / Aa / NR
Amazon.com Inc	1.5%	AA / A / AA
Bank of America Corp	1.3%	A / A / AA
Bank of New York Mellon Corp	1.5%	AA / Aa / AA
BlackRock Inc	1.4%	AA / Aa / NR
Caterpillar Inc	0.8%	A / A / A
Cisco Systems Inc	1.5%	AA / A / NR
Citigroup Inc	1.3%	A / Aa / A
Deere & Co	0.6%	A / A / A
Depository Trust & Clearing Corp	0.2%	AA / Aa / NR
Eli Lilly & Co	0.7%	A / Aa / NR
Goldman Sachs Group Inc	0.7%	A / A / A
Home Depot Inc	0.8%	A / A / A
JPMorgan Chase & Co	1.2%	A / A / AA
Kenvue Inc	0.5%	A / A / NR
Mastercard Inc	0.6%	A / Aa / NR
Microsoft Corp	1.3%	AAA / Aaa / NR
Morgan Stanley	1.5%	A / Aa / AA

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	30.1%	
National Rural Utilities Cooperative Fi	0.3%	NR / A / A
Novartis AG	1.3%	AA / Aa / NR
PACCAR Inc	0.6%	A / A / NR
PepsiCo Inc	0.7%	A / A / NR
Salesforce Inc	0.8%	A / A / NR
State Street Corp	0.4%	A / Aa / AA
Target Corp	0.8%	A / A / A
Texas Instruments Inc	0.7%	A / Aa / NR
TotalEnergies SE	1.0%	A / Aa / NR
Toyota Motor Corp	0.9%	A / A / A
Visa Inc	1.5%	AA / Aa / NR
Wells Fargo & Co	1.2%	A / Aa / AA
ABS	13.8%	
Ally Auto Receivables Trust	0.2%	AAA / NR / AAA
American Express Co	1.2%	AAA / NR / AAA
BA Credit Card Trust	0.7%	AAA / Aaa / AAA
Capital One Financial Corp	0.8%	AAA / NR / AAA
Chase Auto Owner Trust	0.3%	NR / Aaa / AAA
Citigroup Inc	0.9%	AAA / Aaa / NR
Ford Credit Auto Owner Trust	0.8%	AAA / Aaa / AAA
GM Financial Consumer Automobile Receiv	0.2%	AAA / Aaa / AAA
Honda Auto Receivables Owner Trust	1.9%	AAA / Aaa / AAA
Hyundai Auto Receivables Trust	2.0%	AAA / NR / AAA
JPMorgan Chase & Co	2.1%	AAA / NR / AAA
Toyota Auto Receivables Owner Trust	1.6%	AAA / Aaa / AAA
USAA Auto Owner Trust	0.2%	AAA / Aaa / NR

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.

**Issuer Distribution
As of March 31, 2026**

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	57,905,209	35.59 %
FEDERAL HOME LOAN MORTGAGE CORP	30,748,142	18.90 %
JPMORGAN CHASE & CO	5,447,285	3.35 %
CITIGROUP INC	3,555,257	2.19 %
HYUNDAI AUTO RECEIVABLES TRUST	3,344,717	2.06 %
HONDA AUTO RECEIVABLES OWNER TRUST	3,037,759	1.87 %
TOYOTA AUTO RECEIVABLES OWNER TRUST	2,627,790	1.62 %
VISA INC	2,497,528	1.54 %
MORGAN STANLEY	2,454,215	1.51 %
AMAZON.COM INC	2,446,833	1.50 %
CISCO SYSTEMS INC	2,443,951	1.50 %
BANK OF NEW YORK MELLON CORP	2,366,716	1.45 %
ALPHABET INC	2,236,664	1.37 %
BLACKROCK INC	2,216,217	1.36 %
BANK OF AMERICA CORP	2,142,466	1.32 %
NOVARTIS AG	2,111,218	1.30 %
MICROSOFT CORP	2,063,878	1.27 %
WELLS FARGO & CO	1,951,520	1.20 %
AMERICAN EXPRESS CO	1,929,941	1.19 %
TOTALENERGIES SE	1,654,593	1.02 %
ADOBE INC	1,491,471	0.92 %
VERIZON MASTER TRUST	1,442,870	0.89 %
TOYOTA MOTOR CORP	1,413,014	0.87 %
HOME DEPOT INC	1,366,159	0.84 %

Issuer	Market Value (\$)	% of Portfolio
COOPERATIEVE RABOBANK UA	1,355,989	0.83 %
TARGET CORP	1,353,426	0.83 %
CAPITAL ONE FINANCIAL CORP	1,332,250	0.82 %
SALESFORCE INC	1,302,692	0.80 %
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,259,039	0.77 %
FORD CREDIT AUTO OWNER TRUST	1,255,942	0.77 %
CATERPILLAR INC	1,250,299	0.77 %
TEXAS INSTRUMENTS INC	1,173,860	0.72 %
BA CREDIT CARD TRUST	1,170,630	0.72 %
GOLDMAN SACHS GROUP INC	1,151,424	0.71 %
ELI LILLY & CO	1,101,042	0.68 %
PEPSICO INC	1,061,207	0.65 %
DEERE & CO	1,014,282	0.62 %
PACCAR INC	991,727	0.61 %
MASTERCARD INC	963,803	0.59 %
KENVUE INC	862,972	0.53 %
STATE STREET CORP	688,844	0.42 %
NATIONAL RURAL UTILITIES COOPERATIVE FI	563,152	0.35 %
CHASE AUTO OWNER TRUST	527,091	0.32 %
DEPOSITORY TRUST & CLEARING CORP	395,810	0.24 %
USAA AUTO OWNER TRUST	364,190	0.22 %
GM FINANCIAL CONSUMER AUTOMOBILE RECEIV	331,347	0.20 %
ALLY AUTO RECEIVABLES TRUST	324,654	0.20 %
Grand Total	162,691,085	100.00 %

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 04/30/2020 0.500% 04/30/2027	912828ZN3	1,150,000.00	AA+	Aa1	8/3/2022	8/5/2022	1,027,812.50	2.92	2,414.36	1,122,156.23	1,110,458.40
US TREASURY N/B DTD 05/15/2017 2.375% 05/15/2027	912828X88	6,220,000.00	AA+	Aa1	6/10/2022	6/13/2022	5,966,826.56	3.28	55,906.98	6,162,377.33	6,122,327.34
US TREASURY N/B DTD 06/30/2020 0.500% 06/30/2027	912828ZV5	2,750,000.00	AA+	Aa1	8/9/2022	8/10/2022	2,440,410.16	2.99	3,456.49	2,671,084.94	2,639,785.50
US TREASURY N/B DTD 08/15/2017 2.250% 08/15/2027	9128282R0	2,570,000.00	AA+	Aa1	9/1/2022	9/6/2022	2,436,580.86	3.40	7,188.19	2,532,947.35	2,515,788.42
US TREASURY N/B DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	735,000.00	AA+	Aa1	12/13/2022	12/14/2022	751,135.55	3.63	12,730.52	740,233.64	738,043.64
US TREASURY N/B DTD 11/17/1997 6.125% 11/15/2027	912810FB9	830,000.00	AA+	Aa1	1/26/2023	1/30/2023	920,813.67	3.62	19,239.61	860,772.86	860,184.61
US TREASURY N/B DTD 02/18/2025 4.250% 02/15/2028	91282CMN8	100,000.00	AA+	Aa1	9/3/2025	9/4/2025	101,539.06	3.59	528.31	101,192.03	100,765.60
US TREASURY N/B DTD 04/15/2025 3.750% 04/15/2028	91282CMW8	3,520,000.00	AA+	Aa1	10/15/2025	10/16/2025	3,541,862.50	3.49	60,923.08	3,537,986.27	3,515,188.16
US TREASURY N/B DTD 05/15/2025 3.750% 05/15/2028	91282CND9	1,755,000.00	AA+	Aa1	1/21/2026	1/22/2026	1,760,278.71	3.61	24,906.94	1,759,862.79	1,752,600.92
US TREASURY N/B DTD 07/01/2024 4.250% 06/30/2029	91282CKX8	860,000.00	AA+	Aa1	7/2/2024	7/3/2024	855,128.91	4.38	9,187.98	856,714.21	870,413.74
US TREASURY N/B DTD 07/31/2024 4.000% 07/31/2029	91282CLC3	230,000.00	AA+	Aa1	8/1/2024	8/2/2024	231,608.20	3.84	1,524.86	231,107.51	231,024.19
US TREASURY N/B DTD 09/03/2024 3.625% 08/31/2029	91282CLK5	3,420,000.00	AA+	Aa1	9/4/2024	9/5/2024	3,427,080.47	3.58	10,780.43	3,424,989.68	3,393,816.48
US TREASURY N/B DTD 10/31/2024 4.125% 10/31/2029	91282CLR0	445,000.00	AA+	Aa1	10/30/2024	10/31/2024	444,634.96	4.14	7,707.60	444,731.66	448,650.34
US TREASURY N/B DTD 12/02/2024 4.125% 11/30/2029	91282CMA6	7,280,000.00	AA+	Aa1	12/5/2024	12/6/2024	7,293,081.25	4.08	100,650.00	7,289,889.84	7,340,285.68
US TREASURY N/B DTD 01/31/2025 4.250% 01/31/2030	91282CMG3	1,585,000.00	AA+	Aa1	2/4/2025	2/5/2025	1,579,118.16	4.33	11,165.06	1,580,371.90	1,605,059.76

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury											
US TREASURY N/B DTD 02/28/2023 4.000% 02/28/2030	91282CGQ8	5,065,000.00	AA+	Aa1	3/4/2025	3/5/2025	5,075,288.28	3.95	17,617.39	5,073,241.58	5,084,191.29
US TREASURY N/B DTD 03/31/2025 4.000% 03/31/2030	91282CMU2	2,030,000.00	AA+	Aa1	4/11/2025	4/14/2025	2,014,299.22	4.17	221.86	2,017,104.27	2,037,295.82
US TREASURY N/B DTD 03/31/2025 4.000% 03/31/2030	91282CMU2	40,000.00	AA+	Aa1	4/1/2025	4/2/2025	40,200.00	3.89	4.37	40,163.21	40,143.76
US TREASURY N/B DTD 04/30/2025 3.875% 04/30/2030	91282CMZ1	1,035,000.00	AA+	Aa1	3/19/2026	3/20/2026	1,035,485.16	3.86	16,840.19	1,035,484.00	1,033,867.71
US TREASURY N/B DTD 09/02/2025 3.625% 08/31/2030	91282CNX5	4,065,000.00	AA+	Aa1	9/2/2025	9/3/2025	4,043,404.69	3.74	12,813.59	4,045,721.88	4,015,138.71
US TREASURY N/B DTD 09/30/2025 3.625% 09/30/2030	91282CPA3	200,000.00	AA+	Aa1	10/30/2025	10/31/2025	199,140.63	3.72	19.81	199,208.35	197,507.80
US TREASURY N/B DTD 09/30/2025 3.625% 09/30/2030	91282CPA3	3,200,000.00	AA+	Aa1	10/1/2025	10/2/2025	3,191,000.00	3.69	316.94	3,191,833.72	3,160,124.80
US TREASURY N/B DTD 12/01/2025 3.500% 11/30/2030	91282CPN5	4,680,000.00	AA+	Aa1	12/3/2025	12/5/2025	4,653,309.37	3.63	54,900.00	4,654,906.10	4,593,897.36
US TREASURY N/B DTD 12/31/2025 3.625% 12/31/2030	91282CPR6	415,000.00	AA+	Aa1	12/31/2025	12/31/2025	413,508.59	3.70	3,781.72	413,579.30	409,358.49
US TREASURY N/B DTD 02/02/2026 3.750% 01/31/2031	91282CPW5	2,225,000.00	AA+	Aa1	2/4/2026	2/5/2026	2,217,177.74	3.83	13,829.42	2,217,398.43	2,206,051.90
US TREASURY N/B DTD 02/02/2026 3.750% 01/31/2031	91282CPW5	1,395,000.00	AA+	Aa1	2/5/2026	2/10/2026	1,394,945.51	3.75	8,670.58	1,394,951.08	1,383,120.18
US TREASURY N/B DTD 03/02/2026 3.500% 02/28/2031	91282CQD6	510,000.00	AA+	Aa1	3/2/2026	3/3/2026	507,469.92	3.61	1,552.17	507,508.90	500,118.75
Security Type Sub-Total		58,310,000.00					57,563,140.63	3.69	458,878.45	58,107,519.06	57,905,209.35
Negotiable CD											
COOPERAT RABOBANK UA/NY DTD 07/20/2023 5.080% 07/17/2026	21684LGS5	1,350,000.00	A-1	P-1	7/17/2023	7/20/2023	1,350,000.00	5.08	14,097.00	1,350,000.00	1,355,988.60
Security Type Sub-Total		1,350,000.00					1,350,000.00	5.08	14,097.00	1,350,000.00	1,355,988.60

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
WELLS FARGO BANK NA (CALLABLE) DTD 08/09/2023 5.450% 08/07/2026	94988J6D4	1,945,000.00	A+	Aa2	8/18/2023	8/22/2023	1,942,335.35	5.50	15,900.38	1,944,684.74	1,951,519.64
TARGET CORP (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	1,375,000.00	A	A2	2/7/2022	2/9/2022	1,366,915.00	2.08	5,660.42	1,373,707.13	1,353,426.25
MICROSOFT CORP (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027	594918BY9	2,075,000.00	AAA	Aaa	12/14/2022	12/16/2022	2,015,634.25	4.06	10,461.46	2,062,847.95	2,063,878.00
GOLDMAN SACHS BANK USA (CALLABLE) DTD 05/21/2024 5.414% 05/21/2027	38151LAG5	1,150,000.00	A+	A1	5/21/2025	5/22/2025	1,157,233.50	5.08	22,483.14	1,151,019.36	1,151,423.70
HOME DEPOT INC (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	1,390,000.00	A	A2	1/26/2023	1/30/2023	1,311,326.00	4.16	1,837.89	1,365,272.53	1,366,158.72
TOYOTA MOTOR CREDIT CORP DTD 01/12/2023 4.625% 01/12/2028	89236TKQ7	980,000.00	A+	A1	8/14/2023	8/16/2023	967,946.00	4.94	9,946.32	975,128.24	988,938.58
KENVUE INC (CALLABLE) DTD 10/17/2023 5.050% 03/22/2028	49177JAF9	850,000.00	A	A2	6/27/2025	6/30/2025	870,068.50	4.12	1,073.13	864,579.97	862,971.85
MORGAN STANLEY BANK NA (CALLABLE) DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	460,000.00	A+	Aa3	5/28/2024	5/30/2024	460,000.00	5.50	8,791.11	460,000.00	465,231.58
MORGAN STANLEY BANK NA (CALLABLE) DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	890,000.00	A+	Aa3	5/30/2024	5/31/2024	891,877.90	5.45	17,008.89	890,706.93	900,121.97
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	345,000.00	A	A1	7/14/2023	7/18/2023	348,381.00	4.73	3,652.69	346,549.31	351,685.76
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	455,000.00	A	A1	7/11/2023	7/14/2023	454,322.05	4.98	4,817.31	454,690.03	463,817.45
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	195,000.00	A	A1	7/13/2023	7/14/2023	197,652.00	4.64	2,064.56	196,212.55	198,778.91
PACCAR FINANCIAL CORP DTD 08/10/2023 4.950% 08/10/2028	69371RS64	975,000.00	A+	A1	8/17/2023	8/21/2023	970,407.75	5.06	6,837.19	972,820.67	991,727.10
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 08/25/2025 4.150% 08/25/2028	63743HFZ0	565,000.00	NR	A2	8/19/2025	8/25/2025	564,367.20	4.19	2,344.75	564,487.94	563,152.45
CITIBANK NA (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028	17325FBB3	1,975,000.00	A+	Aa3	9/26/2023	9/29/2023	1,975,000.00	5.80	636.72	1,975,000.00	2,050,826.17

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
ALPHABET INC (CALLABLE) DTD 11/06/2025 3.875% 11/15/2028	02079KAV9	195,000.00	AA+	Aa2	11/3/2025	11/6/2025	194,832.30	3.91	3,043.49	194,853.66	194,368.01
ALPHABET INC (CALLABLE) DTD 02/13/2026 3.700% 02/15/2029	02079KBJ5	1,385,000.00	AA+	Aa2	2/10/2026	2/13/2026	1,383,587.30	3.74	6,832.67	1,383,650.63	1,373,097.31
ALPHABET INC (CALLABLE) DTD 02/13/2026 3.700% 02/15/2029	02079KBJ5	230,000.00	AA+	Aa2	2/10/2026	2/13/2026	229,753.90	3.74	1,134.67	229,764.75	228,023.38
ALPHABET INC (CALLABLE) DTD 02/13/2026 3.700% 02/15/2029	02079KBJ5	230,000.00	AA+	Aa2	2/10/2026	2/13/2026	229,772.30	3.74	1,134.67	229,782.12	228,023.38
ALPHABET INC (CALLABLE) DTD 02/13/2026 3.700% 02/15/2029	02079KBJ5	215,000.00	AA+	Aa2	2/9/2026	2/13/2026	214,219.55	3.83	1,060.67	214,252.62	213,152.29
STATE STREET CORP (CALLABLE) DTD 08/20/2024 4.530% 02/20/2029	857477CN1	685,000.00	A	Aa3	8/14/2024	8/20/2024	685,000.00	4.53	3,534.03	685,000.00	688,844.22
CATERPILLAR FINL SERVICE DTD 02/24/2026 3.750% 02/23/2029	14913UBJ8	1,100,000.00	A	A1	2/18/2026	2/24/2026	1,098,548.00	3.80	4,239.58	1,098,595.79	1,086,844.00
CISCO SYSTEMS INC (CALLABLE) DTD 02/26/2024 4.850% 02/26/2029	17275RBR2	2,400,000.00	AA-	A1	11/7/2025	11/10/2025	2,463,600.00	3.98	11,316.67	2,456,274.59	2,443,951.20
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	125,000.00	AA-	Aa3	3/5/2024	3/14/2024	124,773.75	4.74	277.43	124,860.34	126,943.00
SALESFORCE INC (CALLABLE) DTD 03/13/2026 4.650% 03/15/2029	79466LAR5	1,300,000.00	A+	A2	3/11/2026	3/13/2026	1,299,714.00	4.66	3,022.50	1,299,719.52	1,302,692.30
ADOBE INC (CALLABLE) DTD 04/04/2024 4.800% 04/04/2029	00724PAF6	545,000.00	A+	A1	4/1/2024	4/4/2024	544,187.95	4.83	12,862.00	544,488.45	553,881.32
ADOBE INC (CALLABLE) DTD 04/04/2024 4.800% 04/04/2029	00724PAF6	445,000.00	A+	A1	4/2/2024	4/4/2024	444,256.85	4.84	10,502.00	444,531.83	452,251.72
BANK OF NEW YORK MELLON (CALLABLE) DTD 04/22/2025 4.729% 04/20/2029	06405LAH4	2,350,000.00	AA-	Aa2	5/6/2025	5/7/2025	2,373,688.00	4.45	49,700.48	2,366,784.16	2,366,715.55
MASTERCARD INC (CALLABLE) DTD 05/31/2019 2.950% 06/01/2029	57636QAM6	1,000,000.00	A+	Aa3	6/26/2024	6/27/2024	918,740.00	4.82	9,833.33	945,632.53	963,803.00
PEPSICO INC (CALLABLE) DTD 07/17/2024 4.500% 07/17/2029	713448FX1	720,000.00	A+	A1	7/15/2024	7/17/2024	718,884.00	4.53	6,660.00	719,239.30	726,919.92
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	855,000.00	A+	Aa3	8/13/2024	8/14/2024	856,248.30	4.17	4,688.25	855,870.24	855,809.69

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	245,000.00	A+	Aa3	8/12/2024	8/14/2024	244,463.45	4.25	1,343.42	244,626.90	245,232.02
ADOBE INC (CALLABLE) DTD 02/03/2020 2.300% 02/01/2030	00724PAD1	525,000.00	A+	A1	2/9/2026	2/10/2026	490,087.50	4.13	2,012.50	491,245.25	485,337.83
PEPSICO INC (CALLABLE) DTD 02/07/2025 4.600% 02/07/2030	713448GB8	330,000.00	A+	A1	2/5/2025	2/7/2025	329,445.60	4.64	2,277.00	329,562.60	334,287.03
MORGAN STANLEY PVT BANK (CALLABLE) DTD 02/02/2026 4.213% 02/08/2030	61776NU43	1,100,000.00	A+	Aa3	2/4/2026	2/5/2026	1,100,385.00	4.20	7,595.10	1,100,368.83	1,088,861.40
BLACKROCK INC (CALLABLE) DTD 01/27/2020 2.400% 04/30/2030	09247XAQ4	2,250,000.00	AA-	Aa3	6/26/2025	6/27/2025	2,065,050.00	4.30	22,650.00	2,091,653.42	2,089,273.50
TEXAS INSTRUMENTS INC (CALLABLE) DTD 05/04/2020 1.750% 05/04/2030	882508BJ2	1,300,000.00	A+	Aa3	7/2/2025	7/3/2025	1,157,767.00	4.28	9,289.58	1,177,809.90	1,173,859.70
JPMORGAN CHASE & CO (CALLABLE) DTD 07/22/2024 4.995% 07/22/2030	46647PEJ1	1,990,000.00	A	A1	3/17/2026	3/18/2026	2,027,511.50	4.51	19,051.76	2,027,228.83	2,018,252.03
BANK OF AMERICA CORP (CALLABLE) DTD 10/22/2019 2.884% 10/22/2030	06051GHX0	2,265,000.00	A-	A1	3/11/2026	3/11/2026	2,155,872.30	4.04	28,850.82	2,157,066.51	2,142,465.77
NOVARTIS CAPITAL CORP (CALLABLE) DTD 11/05/2025 4.100% 11/05/2030	66989HAY4	2,135,000.00	AA-	Aa3	11/3/2025	11/5/2025	2,128,595.00	4.17	35,500.31	2,129,075.43	2,111,218.24
CATERPILLAR FINL SERVICE DTD 01/08/2026 4.150% 01/08/2031	14913UBH2	165,000.00	A	A1	1/5/2026	1/8/2026	164,940.60	4.16	1,578.73	164,943.44	163,454.78
TOYOTA MOTOR CREDIT CORP DTD 01/12/2026 4.200% 01/10/2031	89236TPH2	430,000.00	A+	A1	1/7/2026	1/12/2026	429,866.70	4.21	3,963.17	429,872.88	424,075.46
TOTALENERGI CAP USA LLC (CALLABLE) DTD 01/13/2026 4.248% 01/13/2031	89158TAA7	965,000.00	A+	Aa3	1/7/2026	1/13/2026	967,277.40	4.20	8,881.86	967,189.59	956,096.91
TOTALENERGI CAP USA LLC (CALLABLE) DTD 01/13/2026 4.248% 01/13/2031	89158TAA7	705,000.00	A+	Aa3	1/6/2026	1/13/2026	705,000.00	4.25	6,488.82	705,000.00	698,495.67
VISA INC (CALLABLE) DTD 02/12/2026 4.100% 02/12/2031	92826CAZ5	2,500,000.00	AA-	Aa3	3/2/2026	3/3/2026	2,524,150.00	3.88	13,951.39	2,523,798.80	2,497,527.50

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate											
AMAZON.COM INC (CALLABLE) DTD 03/13/2026 4.250% 03/13/2031	023135DD5	1,075,000.00	AA	A1	3/11/2026	3/13/2026	1,071,312.75	4.33	2,284.38	1,071,347.35	1,067,077.25
AMAZON.COM INC (CALLABLE) DTD 03/13/2026 4.250% 03/13/2031	023135DD5	1,390,000.00	AA	A1	3/10/2026	3/13/2026	1,387,776.00	4.29	2,953.75	1,387,801.79	1,379,755.70
DEPOSITORY TRUST COMPANY (CALLABLE) DTD 03/27/2026 4.550% 03/27/2031	249672AA4	395,000.00	AA+	Aa1	3/23/2026	3/27/2026	394,668.20	4.57	199.69	394,670.30	395,810.15
Security Type Sub-Total		49,170,000.00					48,617,441.70	4.38	412,230.68	48,784,269.70	48,800,059.36
Agency CMBS											
FHMS K061 A2 DTD 01/01/2017 3.347% 11/01/2026	3137BTUM1	910,452.79	AA+	Aa1	5/19/2023	5/24/2023	882,427.92	4.29	2,539.40	905,252.29	905,582.77
FHMS K064 A2 DTD 05/01/2017 3.224% 03/01/2027	3137BXQY1	1,320,000.00	AA+	Aa1	8/16/2023	8/18/2023	1,245,131.25	4.94	3,546.40	1,299,565.51	1,310,254.44
FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	1,152,718.57	AA+	Aa1	8/17/2023	8/22/2023	1,077,971.97	4.97	2,994.19	1,128,721.83	1,141,088.79
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	631,059.02	AA+	Aa1	9/7/2023	9/14/2023	621,621.54	5.01	2,445.35	626,444.91	636,574.47
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	1,056,095.31	AA+	Aa1	7/19/2023	7/27/2023	1,056,068.90	4.78	4,204.14	1,056,083.30	1,062,185.81
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	1,350,000.00	AA+	Aa1	7/13/2023	7/20/2023	1,363,483.80	4.59	5,421.38	1,356,107.59	1,365,075.45
FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BQDE6	1,260,197.14	AA+	Aa1	7/18/2023	7/31/2023	1,238,832.85	4.58	4,400.19	1,250,265.24	1,259,039.02
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	1,300,000.00	AA+	Aa1	9/7/2023	9/14/2023	1,280,769.10	4.99	5,037.50	1,290,045.15	1,313,097.50
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	359,228.45	AA+	Aa1	9/19/2023	9/28/2023	359,226.66	5.27	1,578.21	359,227.64	362,381.04
FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028	3137HAQ74	1,325,000.00	AA+	Aa1	10/11/2023	10/19/2023	1,295,934.80	5.25	5,233.75	1,309,643.57	1,339,242.43
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	1,300,000.00	AA+	Aa1	9/20/2023	9/28/2023	1,284,461.10	5.07	5,200.00	1,291,628.91	1,316,672.50

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028	3137HAST4	1,015,000.00	AA+	Aa1	10/25/2023	10/31/2023	982,638.76	5.60	4,102.29	997,174.06	1,030,171.20
FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028	3137HB3G7	750,000.00	AA+	Aa1	11/28/2023	12/7/2023	747,845.25	4.93	3,037.50	748,799.76	761,682.00
FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028	3137HB3D4	515,000.00	AA+	Aa1	11/14/2023	11/21/2023	513,511.14	5.14	2,175.45	514,175.59	525,390.64
FHMS K512 A2 DTD 12/01/2023 5.000% 11/01/2028	3137HBCF9	626,526.26	AA+	Aa1	12/11/2023	12/21/2023	632,376.76	4.79	2,610.53	629,853.07	639,017.94
FHMS K513 A2 DTD 01/01/2024 4.724% 12/01/2028	3137HBFY5	770,000.00	AA+	Aa1	1/10/2024	1/18/2024	777,691.53	4.50	3,031.23	774,481.54	780,030.02
FHMS K514 A2 DTD 02/01/2024 4.572% 12/01/2028	3137HBLV4	780,000.00	AA+	Aa1	2/1/2024	2/8/2024	787,799.22	4.34	2,971.80	784,583.72	786,768.84
FHMS K515 A2 DTD 02/01/2024 5.400% 01/01/2029	3137HBPD0	1,350,000.00	AA+	Aa1	2/14/2024	2/22/2024	1,386,369.00	4.79	6,075.00	1,371,896.74	1,390,095.00
FHMS K517 A2 DTD 03/01/2024 5.355% 01/01/2029	3137HC2C5	1,210,000.00	AA+	Aa1	3/5/2024	3/14/2024	1,246,283.06	4.67	5,399.63	1,232,063.61	1,245,809.95
FHMS K516 A2 DTD 03/01/2024 5.477% 01/01/2029	3137HBPM0	1,350,000.00	AA+	Aa1	2/29/2024	3/7/2024	1,390,495.95	4.79	6,161.63	1,374,566.57	1,391,532.75
FHMS K518 A2 DTD 03/01/2024 5.400% 01/01/2029	3137HC2L5	975,000.00	AA+	Aa1	3/19/2024	3/28/2024	998,541.38	4.83	4,387.50	989,662.78	1,005,832.43
FHMS K520 A2 DTD 04/01/2024 5.180% 03/01/2029	3137HCKV3	765,000.00	AA+	Aa1	4/23/2024	4/30/2024	768,105.14	5.09	3,302.25	767,016.01	784,233.63
FHMS K524 A2 DTD 07/01/2024 4.720% 05/01/2029	3137HDV56	1,145,000.00	AA+	Aa1	7/16/2024	7/25/2024	1,152,031.44	4.58	4,503.67	1,149,841.81	1,163,364.66
FHMS K526 A2 DTD 08/01/2024 4.543% 07/01/2029	3137HDXL9	1,300,000.00	AA+	Aa1	8/7/2024	8/15/2024	1,312,160.20	4.33	4,921.58	1,308,455.13	1,313,079.30
FHMS K528 A2 DTD 09/01/2024 4.508% 07/01/2029	3137HFNZ4	510,000.00	AA+	Aa1	9/4/2024	9/12/2024	520,189.80	4.06	1,915.90	517,167.88	514,607.85
FHMS K530 A2 DTD 11/01/2024 4.792% 09/01/2029	3137HHJL6	1,465,000.00	AA+	Aa1	11/19/2024	11/27/2024	1,472,628.26	4.67	5,850.23	1,470,770.22	1,491,106.30
FHMS K529 A2 DTD 10/01/2024 4.791% 09/01/2029	3137HH6C0	855,000.00	AA+	Aa1	10/8/2024	10/16/2024	872,088.89	4.34	3,413.59	867,438.76	870,148.89
FHMS K533 A2 DTD 01/01/2025 4.230% 12/01/2029	3137HHW23	880,000.00	AA+	Aa1	1/7/2025	1/16/2025	857,259.92	4.82	3,102.00	862,313.16	880,273.68

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Agency CMBS											
FHMS K546 A2 DTD 09/01/2025 4.361% 05/01/2030	3137HN4R6	975,000.00	AA+	Aa1	9/9/2025	9/18/2025	989,611.35	4.01	3,543.31	988,081.57	978,109.28
FHMS K553 A2 DTD 01/01/2026 4.070% 12/01/2030	3137HPU50	780,000.00	AA+	Aa1	1/7/2026	1/15/2026	780,975.78	4.04	2,645.50	780,939.08	772,650.06
FHMS K555 A2 DTD 02/01/2026 4.050% 01/01/2031	3137HQ4U2	1,690,000.00	AA+	Aa1	2/4/2026	2/12/2026	1,684,303.01	4.13	5,703.75	1,684,447.05	1,672,082.62
Security Type Sub-Total		31,671,277.53					31,578,835.73	4.71	121,454.85	31,686,714.05	32,007,181.26
ABS											
TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4	177,253.51	AAA	NR	11/7/2023	11/14/2023	177,234.40	5.54	436.44	177,243.68	178,904.09
CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028	161571HT4	1,045,000.00	AAA	NR	9/7/2023	9/15/2023	1,044,710.33	5.17	2,396.53	1,044,848.48	1,050,669.13
AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028	02582JKD1	1,070,000.00	AAA	NR	9/12/2023	9/19/2023	1,069,952.17	5.23	2,487.16	1,069,975.39	1,076,196.37
HART 2023-C A3 DTD 11/13/2023 5.540% 10/16/2028	44918CAD4	242,714.87	AAA	NR	11/3/2023	11/13/2023	242,682.96	5.54	597.62	242,697.65	244,504.17
BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028	05522RDH8	480,000.00	NR	Aaa	12/7/2023	12/14/2023	479,935.54	4.98	1,062.40	479,964.67	483,054.72
GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	85,561.37	NR	Aaa	1/9/2024	1/17/2024	85,544.17	4.85	172.91	85,551.39	85,893.01
CHAIT 2024-A1 A DTD 01/31/2024 4.600% 01/15/2029	161571HV9	1,175,000.00	AAA	NR	1/24/2024	1/31/2024	1,174,821.05	4.60	2,402.22	1,174,895.63	1,180,323.93
HAROT 2025-1 A3 DTD 02/11/2025 4.570% 09/21/2029	43814VAC1	1,070,000.00	AAA	NR	2/4/2025	2/11/2025	1,069,967.04	4.57	1,358.31	1,069,975.99	1,077,073.77
HART 2025-A A3 DTD 03/12/2025 4.320% 10/15/2029	44935CAD3	935,000.00	AAA	NR	3/4/2025	3/12/2025	934,862.09	4.32	1,795.20	934,892.79	937,186.03
TAOT 2025-B A3 DTD 04/30/2025 4.340% 11/15/2029	89231HAD8	575,000.00	AAA	NR	4/24/2025	4/30/2025	574,967.05	4.34	1,109.11	574,974.99	577,151.08
HART 2025-B A3 DTD 06/11/2025 4.360% 12/17/2029	44935XAD7	360,000.00	AAA	NR	6/3/2025	6/11/2025	359,967.49	4.36	697.60	359,972.91	361,358.28
USAOT 2025-A A3 DTD 10/09/2025 3.950% 12/17/2029	90327HAC3	365,000.00	AAA	Aaa	10/2/2025	10/9/2025	364,967.95	3.95	640.78	364,972.32	364,189.70

ZONE 7 WATER AGENCY

Portfolio Holdings

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
HAROT 2025-3 A3 DTD 08/12/2025 4.040% 02/21/2030	43813QAD1	870,000.00	AAA	Aaa	8/5/2025	8/12/2025	869,981.82	4.04	976.33	869,984.37	867,550.95
ALLYA 2025-1 A3 DTD 10/16/2025 3.960% 03/15/2030	02008KAC7	325,000.00	AAA	NR	10/7/2025	10/16/2025	324,953.59	3.96	572.00	324,958.42	324,653.88
TAOT 2025-C A3 DTD 07/30/2025 4.110% 03/15/2030	89238VAD0	615,000.00	AAA	Aaa	7/22/2025	7/30/2025	614,935.18	4.11	1,123.40	614,943.96	615,637.14
FORDO 2025-B A3 DTD 09/26/2025 3.910% 04/15/2030	34532BAG6	585,000.00	NR	Aaa	9/23/2025	9/26/2025	584,936.88	3.91	1,016.60	584,945.44	583,104.02
HART 2025-C A3 DTD 09/17/2025 3.880% 04/15/2030	44935JAD8	770,000.00	AAA	NR	9/9/2025	9/17/2025	769,874.34	3.88	1,327.82	769,890.79	765,970.59
GMCAR 2025-2 A3 DTD 05/14/2025 4.280% 04/16/2030	362549AD9	245,000.00	AAA	Aaa	5/6/2025	5/14/2025	244,963.94	4.28	436.92	244,970.04	245,454.48
BACCT 2025-A1 A DTD 06/12/2025 4.310% 05/15/2030	05522RDK1	685,000.00	AAA	NR	6/5/2025	6/12/2025	684,997.40	4.31	1,312.16	685,000.00	687,574.92
HAROT 2025-4 A3 DTD 11/12/2025 3.980% 06/17/2030	43814XAD5	725,000.00	AAA	NR	11/5/2025	11/12/2025	724,859.64	3.98	1,282.44	724,870.91	721,243.05
TAOT 2025-D A3 DTD 10/23/2025 3.840% 06/17/2030	89231GAD0	860,000.00	AAA	NR	10/15/2025	10/23/2025	859,901.10	3.84	1,467.73	859,909.85	853,777.90
CCCIT 2025-A1 A DTD 06/26/2025 4.300% 06/21/2030	17305EHA6	1,500,000.00	AAA	Aaa	6/18/2025	6/26/2025	1,499,593.05	4.31	17,916.67	1,499,650.26	1,504,431.00
AMXCA 2025-4 A DTD 07/22/2025 4.300% 07/15/2030	02582JKV1	850,000.00	AAA	NR	7/15/2025	7/22/2025	849,877.52	4.30	1,624.44	849,893.65	853,745.10
CHAIT 2025-A1 A DTD 07/25/2025 4.160% 07/15/2030	161571HZ0	1,195,000.00	AAA	NR	7/18/2025	7/25/2025	1,194,975.98	4.16	2,209.42	1,194,981.25	1,198,040.08
COPAR 2025-1 A3 DTD 11/05/2025 3.850% 07/15/2030	14043YAD7	375,000.00	AAA	NR	10/28/2025	11/5/2025	374,920.58	3.85	641.67	374,927.47	373,082.25
COMET 2025-A1 A DTD 09/16/2025 3.820% 09/15/2030	14041NGF2	965,000.00	AAA	NR	9/9/2025	9/16/2025	964,817.04	3.82	1,638.36	964,838.15	959,167.54
TAOT 2026-A A3 DTD 01/21/2026 3.860% 09/16/2030	89240KAD0	405,000.00	AAA	Aaa	1/13/2026	1/21/2026	404,965.49	3.86	694.80	404,966.87	402,319.31
HART 2025-D A3 DTD 11/12/2025 3.990% 09/16/2030	44891XAD9	750,000.00	AAA	NR	11/5/2025	11/12/2025	749,936.55	3.99	1,330.00	749,941.89	748,149.75
HAROT 2026-1 A3 DTD 02/18/2026 3.780% 09/23/2030	43815CAD0	375,000.00	NR	Aaa	2/10/2026	2/18/2026	374,940.26	3.78	393.75	374,942.93	371,891.63

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
ABS											
FORDO 2026-A A3 DTD 03/24/2026 4.050% 10/15/2030	34532WAD7	675,000.00	AAA	Aaa	3/17/2026	3/24/2026	674,871.01	4.05	531.56	674,874.27	672,837.98
CHAOT 2025-2A A3 DTD 10/29/2025 3.860% 10/25/2030	16144MAD6	530,000.00	NR	Aaa	10/17/2025	10/29/2025	529,979.01	3.86	340.97	529,982.27	527,091.36
HART 2026-A A3 DTD 02/18/2026 3.790% 02/18/2031	448981AD2	290,000.00	AAA	NR	2/10/2026	2/18/2026	289,980.43	3.79	488.49	289,981.94	287,548.63
VZMT 2026-1 A1A DTD 03/13/2026 3.940% 02/20/2031	92348KFC2	1,450,000.00	NR	Aaa	3/5/2026	3/13/2026	1,449,798.16	3.94	2,856.50	1,449,800.53	1,442,870.35
Security Type Sub-Total		22,620,529.76					22,617,671.21	4.27	55,338.31	22,618,221.15	22,622,646.19
Managed Account Sub Total		163,121,807.29					161,727,089.27	4.19	1,061,999.29	162,546,723.96	162,691,084.76
Securities Sub Total		\$163,121,807.29					\$161,727,089.27	4.19%	\$1,061,999.29	\$162,546,723.96	\$162,691,084.76
Accrued Interest											\$1,061,999.29
Total Investments											\$163,753,084.05

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
1/5/2026	1/8/2026	165,000.00	14913UBH2	CATERPILLAR FINL SERVICE	4.15%	1/8/2031	164,940.60	4.16%	
1/6/2026	1/13/2026	705,000.00	89158TAA7	TOTALENERGI CAP USA LLC (CALLABLE)	4.24%	1/13/2031	705,000.00	4.25%	
1/7/2026	1/12/2026	430,000.00	89236TPH2	TOYOTA MOTOR CREDIT CORP	4.20%	1/10/2031	429,866.70	4.21%	
1/7/2026	1/15/2026	780,000.00	3137HPU50	FHMS K553 A2	4.07%	12/1/2030	782,210.35	4.04%	
1/7/2026	1/13/2026	965,000.00	89158TAA7	TOTALENERGI CAP USA LLC (CALLABLE)	4.24%	1/13/2031	967,277.40	4.20%	
1/8/2026	1/9/2026	781,000.00	912797RJ8	TREASURY BILL	0.00%	1/15/2026	780,543.31	3.51%	
1/13/2026	1/21/2026	405,000.00	89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	404,965.49	3.86%	
1/21/2026	1/22/2026	2,305,000.00	91282CND9	US TREASURY N/B	3.75%	5/15/2028	2,328,169.89	3.61%	
2/4/2026	2/5/2026	1,100,000.00	61776NU43	MORGAN STANLEY PVT BANK (CALLABLE)	4.21%	2/8/2030	1,100,771.19	4.20%	
2/4/2026	2/5/2026	3,300,000.00	91282CPW5	US TREASURY N/B	3.75%	1/31/2031	3,290,107.69	3.83%	
2/4/2026	2/12/2026	1,690,000.00	3137HQ4U2	FHMS K555 A2	4.05%	1/1/2031	1,686,394.39	4.13%	
2/5/2026	2/10/2026	1,395,000.00	91282CPW5	US TREASURY N/B	3.75%	1/31/2031	1,396,390.61	3.75%	
2/9/2026	2/10/2026	525,000.00	00724PAD1	ADOBE INC (CALLABLE)	2.30%	2/1/2030	490,389.38	4.13%	
2/9/2026	2/13/2026	215,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	214,219.55	3.83%	
2/10/2026	2/13/2026	1,385,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	1,383,587.30	3.74%	
2/10/2026	2/13/2026	230,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	229,772.30	3.74%	
2/10/2026	2/13/2026	230,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	229,753.90	3.74%	

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
2/10/2026	2/18/2026	290,000.00	448981AD2	HART 2026-A A3	3.79%	2/18/2031	289,980.43	3.79%	
2/10/2026	2/18/2026	375,000.00	43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	374,940.26	3.78%	
2/18/2026	2/24/2026	1,100,000.00	14913UBJ8	CATERPILLAR FINL SERVICE	3.75%	2/23/2029	1,098,548.00	3.80%	
3/2/2026	3/3/2026	2,500,000.00	92826CAZ5	VISA INC (CALLABLE)	4.10%	2/12/2031	2,530,129.17	3.88%	
3/2/2026	3/3/2026	1,910,000.00	91282CQD6	US TREASURY N/B	3.50%	2/28/2031	1,901,069.58	3.61%	
3/5/2026	3/13/2026	1,450,000.00	92348KFC2	VZMT 2026-1 A1A	3.94%	2/20/2031	1,449,798.16	3.94%	
3/10/2026	3/13/2026	1,390,000.00	023135DD5	AMAZON.COM INC (CALLABLE)	4.25%	3/13/2031	1,387,776.00	4.29%	
3/11/2026	3/11/2026	2,265,000.00	06051GHX0	BANK OF AMERICA CORP (CALLABLE)	2.88%	10/22/2030	2,181,094.08	4.04%	
3/11/2026	3/13/2026	1,300,000.00	79466LAR5	SALESFORCE INC (CALLABLE)	4.65%	3/15/2029	1,299,714.00	4.66%	
3/11/2026	3/13/2026	1,075,000.00	023135DD5	AMAZON.COM INC (CALLABLE)	4.25%	3/13/2031	1,071,312.75	4.33%	
3/17/2026	3/18/2026	1,990,000.00	46647PEJ1	JPMORGAN CHASE & CO (CALLABLE)	4.99%	7/22/2030	2,042,973.80	4.51%	
3/17/2026	3/24/2026	675,000.00	34532WAD7	FORDO 2026-A A3	4.05%	10/15/2030	674,871.01	4.05%	
3/18/2026	3/18/2026	550,000.00	912797TA5	TREASURY BILL	0.00%	3/24/2026	549,672.17	3.58%	
3/19/2026	3/20/2026	1,035,000.00	91282CMZ1	US TREASURY N/B	3.87%	4/30/2030	1,050,995.86	3.86%	
3/23/2026	3/27/2026	395,000.00	249672AA4	DEPOSITORY TRUST COMPANY (CALLABLE)	4.55%	3/27/2031	394,668.20	4.57%	
Total BUY		34,906,000.00					34,881,903.52		0.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
CALL									
3/11/2026	3/11/2026	2,170,000.00	06051GJQ3	BANK OF AMERICA CORP (CALLABLE)	1.65%	3/11/2027	2,170,000.00	1.66%	
Total CALL		2,170,000.00					2,170,000.00		0.00
INTEREST									
1/1/2026	1/25/2026		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
1/1/2026	1/25/2026		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
1/1/2026	1/25/2026		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
1/1/2026	1/25/2026		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,564.38		
1/1/2026	1/25/2026		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
1/1/2026	1/25/2026		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
1/1/2026	1/25/2026		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
1/1/2026	1/25/2026		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
1/1/2026	1/25/2026		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	5,251.70		
1/1/2026	1/25/2026		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,457.95		
1/1/2026	1/25/2026		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
1/1/2026	1/25/2026		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,455.14		
1/1/2026	1/25/2026		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
1/1/2026	1/25/2026		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,573.44		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/1/2026	1/25/2026		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
1/1/2026	1/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	3,543.31		
1/1/2026	1/25/2026		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
1/1/2026	1/25/2026		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,604.41		
1/1/2026	1/25/2026		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
1/1/2026	1/25/2026		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,221.94		
1/1/2026	1/25/2026		3137HHW23	FHMS K533 A2	4.23%	12/1/2029	3,102.00		
1/1/2026	1/25/2026		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.37		
1/1/2026	1/25/2026		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
1/1/2026	1/25/2026		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
1/1/2026	1/25/2026		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
1/1/2026	1/25/2026		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
1/1/2026	1/25/2026		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
1/1/2026	1/25/2026		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
1/1/2026	1/25/2026		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		
1/1/2026	1/25/2026		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
1/2/2026	1/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		19,127.10		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/12/2026	1/12/2026		89236TKQ7	TOYOTA MOTOR CREDIT CORP	4.62%	1/12/2028	22,662.50		
1/14/2026	1/14/2026		24422EXB0	JOHN DEERE CAPITAL CORP	4.95%	7/14/2028	24,626.25		
1/15/2026	1/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	2,404.58		
1/15/2026	1/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	2,493.75		
1/15/2026	1/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	3,366.00		
1/15/2026	1/15/2026		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
1/15/2026	1/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	2,106.38		
1/15/2026	1/15/2026		87612EBM7	TARGET CORP (CALLABLE)	1.95%	1/15/2027	13,406.25		
1/15/2026	1/15/2026		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,010.77		
1/15/2026	1/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	2,752.00		
1/15/2026	1/15/2026		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	3,045.83		
1/15/2026	1/15/2026		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	4,504.17		
1/15/2026	1/15/2026		05522RDK1	BACCT 2025-A1 A	4.31%	5/15/2030	2,460.29		
1/15/2026	1/15/2026		44935XAD7	HART 2025-B A3	4.36%	12/17/2029	1,308.00		
1/15/2026	1/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	1,072.50		
1/15/2026	1/15/2026		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
1/15/2026	1/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	1,906.12		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
1/15/2026	1/15/2026		161571HZ0	CHAIT 2025-A1 A	4.16%	7/15/2030	4,142.67		
1/15/2026	1/15/2026		90327HAC3	USAOT 2025-A A3	3.95%	12/17/2029	1,201.46		
1/15/2026	1/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	2,079.58		
1/15/2026	1/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	3,071.92		
1/15/2026	1/15/2026		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
1/15/2026	1/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	1,203.12		
1/15/2026	1/15/2026		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	2,489.67		
1/15/2026	1/15/2026		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,419.62		
1/16/2026	1/16/2026		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	873.83		
1/16/2026	1/16/2026		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	435.56		
1/17/2026	1/17/2026		21684LGS5	COOPERAT RABOBANK UA/NY	5.08%	7/17/2026	34,290.00		
1/17/2026	1/17/2026		713448FX1	PEPSICO INC (CALLABLE)	4.50%	7/17/2029	16,200.00		
1/21/2026	1/21/2026		43813QAD1	HAROT 2025-3 A3	4.04%	2/21/2030	2,929.00		
1/21/2026	1/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	4,074.92		
1/25/2026	1/25/2026		16144MAD6	CHAOT 2025-2A A3	3.86%	10/25/2030	1,704.83		
1/31/2026	1/31/2026		91282CMG3	US TREASURY N/B	4.25%	1/31/2030	33,681.25		
1/31/2026	1/31/2026		91282CLC3	US TREASURY N/B	4.00%	7/31/2029	4,600.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/1/2026	2/25/2026		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,558.96		
2/1/2026	2/25/2026		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
2/1/2026	2/25/2026		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
2/1/2026	2/25/2026		3137HPU50	FHMS K553 A2	4.07%	12/1/2030	2,645.50		
2/1/2026	2/25/2026		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
2/1/2026	2/25/2026		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
2/1/2026	2/25/2026		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,452.28		
2/1/2026	2/25/2026		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,457.34		
2/1/2026	2/25/2026		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,573.00		
2/1/2026	2/25/2026		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,217.04		
2/1/2026	2/25/2026		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
2/1/2026	2/25/2026		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
2/1/2026	2/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	3,543.31		
2/1/2026	2/25/2026		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,597.92		
2/1/2026	2/25/2026		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,611.35		
2/1/2026	2/25/2026		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
2/1/2026	2/25/2026		3137HHW23	FHMS K533 A2	4.23%	12/1/2029	3,102.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/1/2026	2/25/2026		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
2/1/2026	2/25/2026		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
2/1/2026	2/25/2026		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
2/1/2026	2/25/2026		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
2/1/2026	2/25/2026		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
2/1/2026	2/25/2026		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
2/1/2026	2/25/2026		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
2/1/2026	2/25/2026		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		
2/1/2026	2/25/2026		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
2/1/2026	2/25/2026		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
2/1/2026	2/25/2026		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
2/1/2026	2/25/2026		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
2/1/2026	2/25/2026		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
2/1/2026	2/25/2026		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.37		
2/2/2026	2/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		16,100.05		
2/6/2026	2/6/2026		594918BY9	MICROSOFT CORP (CALLABLE)	3.30%	2/6/2027	34,237.50		
2/7/2026	2/7/2026		94988J6D4	WELLS FARGO BANK NA (CALLABLE)	5.45%	8/7/2026	53,001.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/7/2026	2/7/2026		713448GB8	PEPSICO INC (CALLABLE)	4.60%	2/7/2030	7,590.00		
2/10/2026	2/10/2026		69371RS64	PACCAR FINANCIAL CORP	4.95%	8/10/2028	24,131.25		
2/14/2026	2/14/2026		532457CQ9	ELI LILLY & CO (CALLABLE)	4.20%	8/14/2029	23,100.00		
2/15/2026	2/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	2,404.58		
2/15/2026	2/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	2,752.00		
2/15/2026	2/15/2026		44935XAD7	HART 2025-B A3	4.36%	12/17/2029	1,308.00		
2/15/2026	2/15/2026		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	2,489.67		
2/15/2026	2/15/2026		91282CMN8	US TREASURY N/B	4.25%	2/15/2028	2,125.00		
2/15/2026	2/15/2026		9128282R0	US TREASURY N/B	2.25%	8/15/2027	28,912.50		
2/15/2026	2/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	3,366.00		
2/15/2026	2/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	2,079.58		
2/15/2026	2/15/2026		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,318.03		
2/15/2026	2/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	2,493.75		
2/15/2026	2/15/2026		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	4,504.17		
2/15/2026	2/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	1,906.12		
2/15/2026	2/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	1,203.12		
2/15/2026	2/15/2026		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/15/2026	2/15/2026		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	3,045.83		
2/15/2026	2/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	1,072.50		
2/15/2026	2/15/2026		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
2/15/2026	2/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	1,042.20		
2/15/2026	2/15/2026		161571HZ0	CHAIT 2025-A1 A	4.16%	7/15/2030	4,142.67		
2/15/2026	2/15/2026		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	942.51		
2/15/2026	2/15/2026		90327HAC3	USAOT 2025-A A3	3.95%	12/17/2029	1,201.46		
2/15/2026	2/15/2026		05522RDK1	BACCT 2025-A1 A	4.31%	5/15/2030	2,460.29		
2/15/2026	2/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	2,106.38		
2/15/2026	2/15/2026		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
2/15/2026	2/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	3,071.92		
2/16/2026	2/16/2026		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	402.64		
2/16/2026	2/16/2026		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	873.83		
2/20/2026	2/20/2026		857477CN1	STATE STREET CORP (CALLABLE)	4.53%	2/20/2029	15,515.25		
2/21/2026	2/21/2026		43813QAD1	HAROT 2025-3 A3	4.04%	2/21/2030	2,929.00		
2/21/2026	2/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	4,074.92		
2/25/2026	2/25/2026		16144MAD6	CHAOT 2025-2A A3	3.86%	10/25/2030	1,704.83		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
2/25/2026	2/25/2026		63743HFZ0	NATIONAL RURAL UTIL COOP (CALLABLE)	4.15%	8/25/2028	11,723.75		
2/26/2026	2/26/2026		17275RBR2	CISCO SYSTEMS INC (CALLABLE)	4.85%	2/26/2029	58,200.00		
2/28/2026	2/28/2026		91282CLK5	US TREASURY N/B	3.62%	8/31/2029	61,987.50		
2/28/2026	2/28/2026		91282CGQ8	US TREASURY N/B	4.00%	2/28/2030	101,300.00		
2/28/2026	2/28/2026		91282CNX5	US TREASURY N/B	3.62%	8/31/2030	73,678.13		
3/1/2026	3/25/2026		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.37		
3/1/2026	3/25/2026		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
3/1/2026	3/25/2026		3137HHW23	FHMS K533 A2	4.23%	12/1/2029	3,102.00		
3/1/2026	3/25/2026		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
3/1/2026	3/25/2026		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
3/1/2026	3/25/2026		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,590.74		
3/1/2026	3/25/2026		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
3/1/2026	3/25/2026		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
3/1/2026	3/25/2026		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
3/1/2026	3/25/2026		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
3/1/2026	3/25/2026		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
3/1/2026	3/25/2026		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/1/2026	3/25/2026		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
3/1/2026	3/25/2026		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,449.41		
3/1/2026	3/25/2026		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,212.12		
3/1/2026	3/25/2026		3137HQ4U2	FHMS K555 A2	4.05%	1/1/2031	5,703.75		
3/1/2026	3/25/2026		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,394.54		
3/1/2026	3/25/2026		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
3/1/2026	3/25/2026		3137HPU50	FHMS K553 A2	4.07%	12/1/2030	2,645.50		
3/1/2026	3/25/2026		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,611.04		
3/1/2026	3/25/2026		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
3/1/2026	3/25/2026		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
3/1/2026	3/25/2026		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
3/1/2026	3/25/2026		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
3/1/2026	3/25/2026		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
3/1/2026	3/25/2026		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
3/1/2026	3/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	3,543.31		
3/1/2026	3/25/2026		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,553.52		
3/1/2026	3/25/2026		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/1/2026	3/25/2026		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
3/1/2026	3/25/2026		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
3/2/2026	3/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		14,714.15		
3/11/2026	3/11/2026		06051GJQ3	BANK OF AMERICA CORP (CALLABLE)	1.65%	3/11/2027	17,989.30		
3/14/2026	3/14/2026		09290DAA9	BLACKROCK FUNDING INC (CALLABLE)	4.70%	3/14/2029	2,937.50		
3/14/2026	3/14/2026		437076BT8	HOME DEPOT INC (CALLABLE)	2.80%	9/14/2027	19,460.00		
3/15/2026	3/15/2026		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	2,489.67		
3/15/2026	3/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	2,079.58		
3/15/2026	3/15/2026		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	3,045.83		
3/15/2026	3/15/2026		44935XAD7	HART 2025-B A3	4.36%	12/17/2029	1,308.00		
3/15/2026	3/15/2026		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
3/15/2026	3/15/2026		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	878.37		
3/15/2026	3/15/2026		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	4,504.17		
3/15/2026	3/15/2026		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
3/15/2026	3/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	1,203.12		
3/15/2026	3/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	1,302.75		
3/15/2026	3/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	2,752.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/15/2026	3/15/2026		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,216.59		
3/15/2026	3/15/2026		05522RDK1	BACCT 2025-A1 A	4.31%	5/15/2030	2,460.29		
3/15/2026	3/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	1,906.12		
3/15/2026	3/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	3,071.92		
3/15/2026	3/15/2026		90327HAC3	USAOT 2025-A A3	3.95%	12/17/2029	1,201.46		
3/15/2026	3/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	2,404.58		
3/15/2026	3/15/2026		448981AD2	HART 2026-A A3	3.79%	2/18/2031	824.33		
3/15/2026	3/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	2,106.38		
3/15/2026	3/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	2,493.75		
3/15/2026	3/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	3,366.00		
3/15/2026	3/15/2026		161571HZ0	CHAIT 2025-A1 A	4.16%	7/15/2030	4,142.67		
3/15/2026	3/15/2026		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
3/15/2026	3/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	1,072.50		
3/16/2026	3/16/2026		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	873.83		
3/16/2026	3/16/2026		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	372.67		
3/21/2026	3/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	4,074.92		
3/21/2026	3/21/2026		43813QAD1	HAROT 2025-3 A3	4.04%	2/21/2030	2,929.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
3/21/2026	3/21/2026		43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	1,299.38		
3/22/2026	3/22/2026		49177JAF9	KENVUE INC (CALLABLE)	5.05%	3/22/2028	21,462.50		
3/25/2026	3/25/2026		16144MAD6	CHAOT 2025-2A A3	3.86%	10/25/2030	1,704.83		
3/29/2026	3/29/2026		17325FBB3	CITIBANK NA (CALLABLE)	5.80%	9/29/2028	57,304.63		
3/31/2026	3/31/2026		91282CPA3	US TREASURY N/B	3.62%	9/30/2030	61,625.00		
3/31/2026	3/31/2026		91282CMU2	US TREASURY N/B	4.00%	3/31/2030	41,400.00		
Total INTEREST		0.00					1,481,054.63		0.00
MATURITY									
1/15/2026	1/15/2026	781,000.00	912797RJ8	TREASURY BILL	0.00%	1/15/2026	781,000.00		
3/24/2026	3/24/2026	550,000.00	912797TA5	TREASURY BILL	0.00%	3/24/2026	550,000.00		
Total MATURITY		1,331,000.00					1,331,000.00		0.00
PAYDOWNS									
1/1/2026	1/25/2026	1,943.25	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,943.25		15.37
1/1/2026	1/25/2026	1,228.71	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	1,228.71		0.02
1/1/2026	1/25/2026	53,276.42	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	53,276.42		-307.62
1/1/2026	1/25/2026	126.35	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	126.35		1.10
1/1/2026	1/25/2026	737.70	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	737.70		5.98

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
1/1/2026	1/25/2026	1,478.64	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,478.64		
1/1/2026	1/25/2026	151.33	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	151.33		
1/15/2026	1/15/2026	14,785.25	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	14,785.25		0.89
1/15/2026	1/15/2026	22,004.30	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	22,004.30		1.68
1/16/2026	1/16/2026	8,144.77	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	8,144.77		1.02
2/1/2026	2/25/2026	741.16	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	741.16		5.81
2/1/2026	2/25/2026	1,949.78	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,949.78		13.99
2/1/2026	2/25/2026	52,034.26	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	52,034.26		439.60
2/1/2026	2/25/2026	1,235.40	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	1,235.40		0.02
2/1/2026	2/25/2026	1,632.60	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,632.60		
2/1/2026	2/25/2026	152.12	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	152.12		
2/1/2026	2/25/2026	73.16	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	73.16		-0.41
2/15/2026	2/15/2026	21,972.72	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	21,972.72		1.63
2/15/2026	2/15/2026	13,893.19	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	13,893.19		0.81
2/16/2026	2/16/2026	7,416.02	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	7,416.02		0.91
3/1/2026	3/25/2026	124.16	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	124.16		-0.68
3/1/2026	3/25/2026	12,281.43	3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	12,281.43		272.94

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
3/1/2026	3/25/2026	5,060.86	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	5,060.86		32.61
3/1/2026	3/25/2026	1,046.35	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	1,046.35		7.93
3/1/2026	3/25/2026	2,852.66	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	2,852.66		0.01
3/1/2026	3/25/2026	143.87	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	143.87		1.17
3/1/2026	3/25/2026	2,006.01	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	2,006.01		0.02
3/15/2026	3/15/2026	13,007.75	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	13,007.75		0.73
3/15/2026	3/15/2026	20,806.32	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	20,806.32		1.50
3/16/2026	3/16/2026	6,644.84	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	6,644.84		0.79
Total PAYDOWNS		268,951.38					268,951.38		497.82
SELL									
1/5/2026	1/8/2026	160,000.00	91282CPR6	US TREASURY N/B	3.62%	12/31/2030	159,521.93		-34.30
1/6/2026	1/13/2026	705,000.00	91282CPR6	US TREASURY N/B	3.62%	12/31/2030	703,301.56		-102.46
1/7/2026	1/13/2026	970,000.00	91282CPR6	US TREASURY N/B	3.62%	12/31/2030	968,269.38		465.27
1/7/2026	1/12/2026	435,000.00	91282CPN5	US TREASURY N/B	3.50%	11/30/2030	433,230.20		-1,136.52
1/7/2026	1/9/2026	785,000.00	91282CPN5	US TREASURY N/B	3.50%	11/30/2030	781,610.44		-2,013.49
1/13/2026	1/14/2026	405,000.00	91282CMW8	US TREASURY N/B	3.75%	4/15/2028	410,616.22		-455.90
1/21/2026	1/22/2026	2,300,000.00	037833ET3	APPLE INC (CALLABLE)	4.00%	5/10/2028	2,332,913.00		13,610.34

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
2/4/2026	2/5/2026	585,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	609,160.04		16,333.15
2/4/2026	2/5/2026	475,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	494,617.12		13,006.30
2/4/2026	2/5/2026	2,800,000.00	912828V98	US TREASURY N/B	2.25%	2/15/2027	2,792,928.67		-20,735.65
2/5/2026	2/9/2026	1,685,000.00	91282CMU2	US TREASURY N/B	4.00%	3/31/2030	1,729,253.67		12,716.06
2/5/2026	2/10/2026	681,666.48	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	699,952.69		17,467.70
2/5/2026	2/10/2026	681,666.48	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	699,739.67		17,254.68
2/9/2026	2/10/2026	470,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	490,867.51		14,280.84
2/10/2026	2/13/2026	2,010,000.00	91282CKX8	US TREASURY N/B	4.25%	6/30/2029	2,064,587.45		52,169.82
2/13/2026	2/18/2026	400,000.00	912828ZN3	US TREASURY N/B	0.50%	4/30/2027	386,857.73		-3,032.82
2/20/2026	2/24/2026	475,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	497,829.75		15,328.59
2/20/2026	2/24/2026	600,000.00	91282CKX8	US TREASURY N/B	4.25%	6/30/2029	617,632.12		16,115.60
3/2/2026	3/3/2026	4,000,000.00	912828ZN3	US TREASURY N/B	0.50%	4/30/2027	3,870,233.08		-32,586.21
3/6/2026	3/13/2026	1,425,000.00	91282CFU0	US TREASURY N/B	4.12%	10/31/2027	1,458,675.53		1,598.70
3/10/2026	3/13/2026	1,400,000.00	91282CQD6	US TREASURY N/B	3.50%	2/28/2031	1,386,801.29		-8,025.25
3/11/2026	3/13/2026	1,075,000.00	91282CPW5	US TREASURY N/B	3.75%	1/31/2031	1,077,508.16		1,651.50
3/11/2026	3/13/2026	1,270,000.00	91282CKX8	US TREASURY N/B	4.25%	6/30/2029	1,303,158.80		27,348.75
3/17/2026	3/18/2026	2,000,000.00	48125LRU8	JP MORGAN CHASE BANK NA (CALLABLE)	5.11%	12/8/2026	2,039,988.89		11,600.00

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
3/17/2026	3/18/2026	550,000.00	91282CND9	US TREASURY N/B	3.75%	5/15/2028	557,867.32		-691.20
3/19/2026	3/20/2026	275,000.00	931142FN8	WALMART INC (CALLABLE)	4.35%	4/28/2030	282,606.04		3,285.35
3/19/2026	3/20/2026	750,000.00	931142FN8	WALMART INC (CALLABLE)	4.35%	4/28/2030	770,743.75		2,274.06
3/24/2026	3/27/2026	225,000.00	912828ZN3	US TREASURY N/B	0.50%	4/30/2027	217,397.27		-2,542.74
Total SELL		29,593,332.96					29,837,869.28		165,150.17

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY	1/5/2026	1/8/2026	165,000.00	14913UBH2	CATERPILLAR FINL SERVICE	4.15%	1/8/2031	164,940.60	4.16%	
BUY	1/6/2026	1/13/2026	705,000.00	89158TAA7	TOTALENERGI CAP USA LLC	4.24%	1/13/2031	705,000.00	4.25%	
BUY	1/7/2026	1/12/2026	430,000.00	89236TPH2	TOYOTA MOTOR CREDIT CORP	4.20%	1/10/2031	429,866.70	4.21%	
BUY	1/7/2026	1/15/2026	780,000.00	3137HPU50	FHMS K553 A2	4.07%	12/1/2030	782,210.35	4.04%	
BUY	1/7/2026	1/13/2026	965,000.00	89158TAA7	TOTALENERGI CAP USA LLC	4.24%	1/13/2031	967,277.40	4.20%	
BUY	1/8/2026	1/9/2026	781,000.00	912797RJ8	TREASURY BILL	0.00%	1/15/2026	780,543.31	3.51%	
BUY	1/13/2026	1/21/2026	405,000.00	89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	404,965.49	3.86%	
BUY	1/21/2026	1/22/2026	2,305,000.00	91282CND9	US TREASURY N/B	3.75%	5/15/2028	2,328,169.89	3.61%	
BUY	2/4/2026	2/5/2026	1,100,000.00	61776NU43	MORGAN STANLEY PVT BANK	4.21%	2/8/2030	1,100,771.19	4.20%	
BUY	2/4/2026	2/5/2026	3,300,000.00	91282CPW5	US TREASURY N/B	3.75%	1/31/2031	3,290,107.69	3.83%	
BUY	2/4/2026	2/12/2026	1,690,000.00	3137HQ4U2	FHMS K555 A2	4.05%	1/1/2031	1,686,394.39	4.13%	
BUY	2/5/2026	2/10/2026	1,395,000.00	91282CPW5	US TREASURY N/B	3.75%	1/31/2031	1,396,390.61	3.75%	
BUY	2/9/2026	2/10/2026	525,000.00	00724PAD1	ADOBE INC (CALLABLE)	2.30%	2/1/2030	490,389.38	4.13%	
BUY	2/9/2026	2/13/2026	215,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	214,219.55	3.83%	
BUY	2/10/2026	2/13/2026	1,385,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	1,383,587.30	3.74%	
BUY	2/10/2026	2/13/2026	230,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	229,772.30	3.74%	
BUY	2/10/2026	2/13/2026	230,000.00	02079KBJ5	ALPHABET INC (CALLABLE)	3.70%	2/15/2029	229,753.90	3.74%	
BUY	2/10/2026	2/18/2026	290,000.00	448981AD2	HART 2026-A A3	3.79%	2/18/2031	289,980.43	3.79%	

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY	2/10/2026	2/18/2026	375,000.00	43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	374,940.26	3.78%	
BUY	2/18/2026	2/24/2026	1,100,000.00	14913UBJ8	CATERPILLAR FINL SERVICE	3.75%	2/23/2029	1,098,548.00	3.80%	
BUY	3/2/2026	3/3/2026	2,500,000.00	92826CAZ5	VISA INC (CALLABLE)	4.10%	2/12/2031	2,530,129.17	3.88%	
BUY	3/2/2026	3/3/2026	1,910,000.00	91282CQD6	US TREASURY N/B	3.50%	2/28/2031	1,901,069.58	3.61%	
BUY	3/5/2026	3/13/2026	1,450,000.00	92348KFC2	VZMT 2026-1 A1A	3.94%	2/20/2031	1,449,798.16	3.94%	
BUY	3/10/2026	3/13/2026	1,390,000.00	023135DD5	AMAZON.COM INC (CALLABLE)	4.25%	3/13/2031	1,387,776.00	4.29%	
BUY	3/11/2026	3/11/2026	2,265,000.00	06051GHX0	BANK OF AMERICA CORP (CALLABLE)	2.88%	10/22/2030	2,181,094.08	4.04%	
BUY	3/11/2026	3/13/2026	1,300,000.00	79466LAR5	SALESFORCE INC (CALLABLE)	4.65%	3/15/2029	1,299,714.00	4.66%	
BUY	3/11/2026	3/13/2026	1,075,000.00	023135DD5	AMAZON.COM INC (CALLABLE)	4.25%	3/13/2031	1,071,312.75	4.33%	
BUY	3/17/2026	3/18/2026	1,990,000.00	46647PEJ1	JPMORGAN CHASE & CO (CALLABLE)	4.99%	7/22/2030	2,042,973.80	4.51%	
BUY	3/17/2026	3/24/2026	675,000.00	34532WAD7	FORDO 2026-A A3	4.05%	10/15/2030	674,871.01	4.05%	
BUY	3/18/2026	3/18/2026	550,000.00	912797TA5	TREASURY BILL	0.00%	3/24/2026	549,672.17	3.58%	
BUY	3/19/2026	3/20/2026	1,035,000.00	91282CMZ1	US TREASURY N/B	3.87%	4/30/2030	1,050,995.86	3.86%	
BUY	3/23/2026	3/27/2026	395,000.00	249672AA4	DEPOSITORY TRUST COMPANY	4.55%	3/27/2031	394,668.20	4.57%	
CALL	3/11/2026	3/11/2026	2,170,000.00	06051GJQ3	BANK OF AMERICA CORP (CALLABLE)	1.65%	3/11/2027	2,170,000.00	1.66%	
INTEREST	1/1/2026	1/25/2026		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	1/1/2026	1/25/2026		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	1/1/2026	1/25/2026		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	1/1/2026	1/25/2026		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,564.38		
INTEREST	1/1/2026	1/25/2026		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	1/1/2026	1/25/2026		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	1/1/2026	1/25/2026		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	1/1/2026	1/25/2026		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
INTEREST	1/1/2026	1/25/2026		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	5,251.70		
INTEREST	1/1/2026	1/25/2026		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,457.95		
INTEREST	1/1/2026	1/25/2026		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	1/1/2026	1/25/2026		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,455.14		
INTEREST	1/1/2026	1/25/2026		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
INTEREST	1/1/2026	1/25/2026		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,573.44		
INTEREST	1/1/2026	1/25/2026		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
INTEREST	1/1/2026	1/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	3,543.31		
INTEREST	1/1/2026	1/25/2026		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	1/1/2026	1/25/2026		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,604.41		
INTEREST	1/1/2026	1/25/2026		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	1/1/2026	1/25/2026		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,221.94		
INTEREST	1/1/2026	1/25/2026		3137HHW23	FHMS K533 A2	4.23%	12/1/2029	3,102.00		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	1/1/2026	1/25/2026		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.37		
INTEREST	1/1/2026	1/25/2026		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	1/1/2026	1/25/2026		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	1/1/2026	1/25/2026		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	1/1/2026	1/25/2026		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	1/1/2026	1/25/2026		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
INTEREST	1/1/2026	1/25/2026		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	1/1/2026	1/25/2026		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		
INTEREST	1/1/2026	1/25/2026		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
INTEREST	1/2/2026	1/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		19,127.10		
INTEREST	1/12/2026	1/12/2026		89236TKQ7	TOYOTA MOTOR CREDIT CORP	4.62%	1/12/2028	22,662.50		
INTEREST	1/14/2026	1/14/2026		24422EXB0	JOHN DEERE CAPITAL CORP	4.95%	7/14/2028	24,626.25		
INTEREST	1/15/2026	1/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	2,404.58		
INTEREST	1/15/2026	1/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	2,493.75		
INTEREST	1/15/2026	1/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	3,366.00		
INTEREST	1/15/2026	1/15/2026		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	1/15/2026	1/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	2,106.38		
INTEREST	1/15/2026	1/15/2026		87612EBM7	TARGET CORP (CALLABLE)	1.95%	1/15/2027	13,406.25		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	1/15/2026	1/15/2026		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,010.77		
INTEREST	1/15/2026	1/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	2,752.00		
INTEREST	1/15/2026	1/15/2026		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	3,045.83		
INTEREST	1/15/2026	1/15/2026		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	4,504.17		
INTEREST	1/15/2026	1/15/2026		05522RDK1	BACCT 2025-A1 A	4.31%	5/15/2030	2,460.29		
INTEREST	1/15/2026	1/15/2026		44935XAD7	HART 2025-B A3	4.36%	12/17/2029	1,308.00		
INTEREST	1/15/2026	1/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	1,072.50		
INTEREST	1/15/2026	1/15/2026		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	1/15/2026	1/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	1,906.12		
INTEREST	1/15/2026	1/15/2026		161571HZ0	CHAIT 2025-A1 A	4.16%	7/15/2030	4,142.67		
INTEREST	1/15/2026	1/15/2026		90327HAC3	USAOT 2025-A A3	3.95%	12/17/2029	1,201.46		
INTEREST	1/15/2026	1/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	2,079.58		
INTEREST	1/15/2026	1/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	3,071.92		
INTEREST	1/15/2026	1/15/2026		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	1/15/2026	1/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	1,203.12		
INTEREST	1/15/2026	1/15/2026		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	2,489.67		
INTEREST	1/15/2026	1/15/2026		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,419.62		
INTEREST	1/16/2026	1/16/2026		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	873.83		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	1/16/2026	1/16/2026		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	435.56		
INTEREST	1/17/2026	1/17/2026		21684LGS5	COOPERAT RABOBANK UA/NY	5.08%	7/17/2026	34,290.00		
INTEREST	1/17/2026	1/17/2026		713448FX1	PEPSICO INC (CALLABLE)	4.50%	7/17/2029	16,200.00		
INTEREST	1/21/2026	1/21/2026		43813QAD1	HAROT 2025-3 A3	4.04%	2/21/2030	2,929.00		
INTEREST	1/21/2026	1/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	4,074.92		
INTEREST	1/25/2026	1/25/2026		16144MAD6	CHAOT 2025-2A A3	3.86%	10/25/2030	1,704.83		
INTEREST	1/31/2026	1/31/2026		91282CMG3	US TREASURY N/B	4.25%	1/31/2030	33,681.25		
INTEREST	1/31/2026	1/31/2026		91282CLC3	US TREASURY N/B	4.00%	7/31/2029	4,600.00		
INTEREST	2/1/2026	2/25/2026		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,558.96		
INTEREST	2/1/2026	2/25/2026		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	2/1/2026	2/25/2026		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	2/1/2026	2/25/2026		3137HPU50	FHMS K553 A2	4.07%	12/1/2030	2,645.50		
INTEREST	2/1/2026	2/25/2026		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	2/1/2026	2/25/2026		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
INTEREST	2/1/2026	2/25/2026		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,452.28		
INTEREST	2/1/2026	2/25/2026		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,457.34		
INTEREST	2/1/2026	2/25/2026		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,573.00		
INTEREST	2/1/2026	2/25/2026		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,217.04		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	2/1/2026	2/25/2026		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	2/1/2026	2/25/2026		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	2/1/2026	2/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	3,543.31		
INTEREST	2/1/2026	2/25/2026		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,597.92		
INTEREST	2/1/2026	2/25/2026		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,611.35		
INTEREST	2/1/2026	2/25/2026		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
INTEREST	2/1/2026	2/25/2026		3137HHW23	FHMS K533 A2	4.23%	12/1/2029	3,102.00		
INTEREST	2/1/2026	2/25/2026		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	2/1/2026	2/25/2026		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	2/1/2026	2/25/2026		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	2/1/2026	2/25/2026		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
INTEREST	2/1/2026	2/25/2026		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	2/1/2026	2/25/2026		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
INTEREST	2/1/2026	2/25/2026		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	2/1/2026	2/25/2026		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		
INTEREST	2/1/2026	2/25/2026		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	2/1/2026	2/25/2026		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	2/1/2026	2/25/2026		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	2/1/2026	2/25/2026		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
INTEREST	2/1/2026	2/25/2026		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
INTEREST	2/1/2026	2/25/2026		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.37		
INTEREST	2/2/2026	2/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		16,100.05		
INTEREST	2/6/2026	2/6/2026		594918BY9	MICROSOFT CORP (CALLABLE)	3.30%	2/6/2027	34,237.50		
INTEREST	2/7/2026	2/7/2026		94988J6D4	WELLS FARGO BANK NA (CALLABLE)	5.45%	8/7/2026	53,001.25		
INTEREST	2/7/2026	2/7/2026		713448GB8	PEPSICO INC (CALLABLE)	4.60%	2/7/2030	7,590.00		
INTEREST	2/10/2026	2/10/2026		69371RS64	PACCAR FINANCIAL CORP	4.95%	8/10/2028	24,131.25		
INTEREST	2/14/2026	2/14/2026		532457CQ9	ELI LILLY & CO (CALLABLE)	4.20%	8/14/2029	23,100.00		
INTEREST	2/15/2026	2/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	2,404.58		
INTEREST	2/15/2026	2/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	2,752.00		
INTEREST	2/15/2026	2/15/2026		44935XAD7	HART 2025-B A3	4.36%	12/17/2029	1,308.00		
INTEREST	2/15/2026	2/15/2026		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	2,489.67		
INTEREST	2/15/2026	2/15/2026		91282CMN8	US TREASURY N/B	4.25%	2/15/2028	2,125.00		
INTEREST	2/15/2026	2/15/2026		9128282R0	US TREASURY N/B	2.25%	8/15/2027	28,912.50		
INTEREST	2/15/2026	2/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	3,366.00		
INTEREST	2/15/2026	2/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	2,079.58		
INTEREST	2/15/2026	2/15/2026		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,318.03		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	2/15/2026	2/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	2,493.75		
INTEREST	2/15/2026	2/15/2026		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	4,504.17		
INTEREST	2/15/2026	2/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	1,906.12		
INTEREST	2/15/2026	2/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	1,203.12		
INTEREST	2/15/2026	2/15/2026		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	2/15/2026	2/15/2026		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	3,045.83		
INTEREST	2/15/2026	2/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	1,072.50		
INTEREST	2/15/2026	2/15/2026		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	2/15/2026	2/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	1,042.20		
INTEREST	2/15/2026	2/15/2026		161571HZ0	CHAIT 2025-A1 A	4.16%	7/15/2030	4,142.67		
INTEREST	2/15/2026	2/15/2026		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	942.51		
INTEREST	2/15/2026	2/15/2026		90327HAC3	USAOT 2025-A A3	3.95%	12/17/2029	1,201.46		
INTEREST	2/15/2026	2/15/2026		05522RDK1	BACCT 2025-A1 A	4.31%	5/15/2030	2,460.29		
INTEREST	2/15/2026	2/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	2,106.38		
INTEREST	2/15/2026	2/15/2026		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	2/15/2026	2/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	3,071.92		
INTEREST	2/16/2026	2/16/2026		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	402.64		
INTEREST	2/16/2026	2/16/2026		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	873.83		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	2/20/2026	2/20/2026		857477CN1	STATE STREET CORP (CALLABLE)	4.53%	2/20/2029	15,515.25		
INTEREST	2/21/2026	2/21/2026		43813QAD1	HAROT 2025-3 A3	4.04%	2/21/2030	2,929.00		
INTEREST	2/21/2026	2/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	4,074.92		
INTEREST	2/25/2026	2/25/2026		16144MAD6	CHAOT 2025-2A A3	3.86%	10/25/2030	1,704.83		
INTEREST	2/25/2026	2/25/2026		63743HFZ0	NATIONAL RURAL UTIL COOP	4.15%	8/25/2028	11,723.75		
INTEREST	2/26/2026	2/26/2026		17275RBR2	CISCO SYSTEMS INC (CALLABLE)	4.85%	2/26/2029	58,200.00		
INTEREST	2/28/2026	2/28/2026		91282CLK5	US TREASURY N/B	3.62%	8/31/2029	61,987.50		
INTEREST	2/28/2026	2/28/2026		91282CGQ8	US TREASURY N/B	4.00%	2/28/2030	101,300.00		
INTEREST	2/28/2026	2/28/2026		91282CNX5	US TREASURY N/B	3.62%	8/31/2030	73,678.13		
INTEREST	3/1/2026	3/25/2026		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.37		
INTEREST	3/1/2026	3/25/2026		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	3/1/2026	3/25/2026		3137HHW23	FHMS K533 A2	4.23%	12/1/2029	3,102.00		
INTEREST	3/1/2026	3/25/2026		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	3/1/2026	3/25/2026		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	3/1/2026	3/25/2026		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,590.74		
INTEREST	3/1/2026	3/25/2026		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	3/1/2026	3/25/2026		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	3/1/2026	3/25/2026		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	3/1/2026	3/25/2026		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
INTEREST	3/1/2026	3/25/2026		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	3/1/2026	3/25/2026		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	3/1/2026	3/25/2026		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
INTEREST	3/1/2026	3/25/2026		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,449.41		
INTEREST	3/1/2026	3/25/2026		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,212.12		
INTEREST	3/1/2026	3/25/2026		3137HQ4U2	FHMS K555 A2	4.05%	1/1/2031	5,703.75		
INTEREST	3/1/2026	3/25/2026		3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,394.54		
INTEREST	3/1/2026	3/25/2026		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	3/1/2026	3/25/2026		3137HPU50	FHMS K553 A2	4.07%	12/1/2030	2,645.50		
INTEREST	3/1/2026	3/25/2026		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,611.04		
INTEREST	3/1/2026	3/25/2026		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
INTEREST	3/1/2026	3/25/2026		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
INTEREST	3/1/2026	3/25/2026		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
INTEREST	3/1/2026	3/25/2026		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	3/1/2026	3/25/2026		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	3/1/2026	3/25/2026		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	3/1/2026	3/25/2026		3137HN4R6	FHMS K546 A2	4.36%	5/1/2030	3,543.31		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	3/1/2026	3/25/2026		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,553.52		
INTEREST	3/1/2026	3/25/2026		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		
INTEREST	3/1/2026	3/25/2026		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	3/1/2026	3/25/2026		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	3/2/2026	3/2/2026		MONEY0002	MONEY MARKET FUND	0.00%		14,714.15		
INTEREST	3/11/2026	3/11/2026		06051GJQ3	BANK OF AMERICA CORP (CALLABLE)	1.65%	3/11/2027	17,989.30		
INTEREST	3/14/2026	3/14/2026		09290DAA9	BLACKROCK FUNDING INC	4.70%	3/14/2029	2,937.50		
INTEREST	3/14/2026	3/14/2026		437076BT8	HOME DEPOT INC (CALLABLE)	2.80%	9/14/2027	19,460.00		
INTEREST	3/15/2026	3/15/2026		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	2,489.67		
INTEREST	3/15/2026	3/15/2026		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	2,079.58		
INTEREST	3/15/2026	3/15/2026		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	3,045.83		
INTEREST	3/15/2026	3/15/2026		44935XAD7	HART 2025-B A3	4.36%	12/17/2029	1,308.00		
INTEREST	3/15/2026	3/15/2026		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	3/15/2026	3/15/2026		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	878.37		
INTEREST	3/15/2026	3/15/2026		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	4,504.17		
INTEREST	3/15/2026	3/15/2026		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	3/15/2026	3/15/2026		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	1,203.12		
INTEREST	3/15/2026	3/15/2026		89240KAD0	TAOT 2026-A A3	3.86%	9/16/2030	1,302.75		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	3/15/2026	3/15/2026		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	2,752.00		
INTEREST	3/15/2026	3/15/2026		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,216.59		
INTEREST	3/15/2026	3/15/2026		05522RDK1	BACCT 2025-A1 A	4.31%	5/15/2030	2,460.29		
INTEREST	3/15/2026	3/15/2026		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	1,906.12		
INTEREST	3/15/2026	3/15/2026		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	3,071.92		
INTEREST	3/15/2026	3/15/2026		90327HAC3	USAOT 2025-A A3	3.95%	12/17/2029	1,201.46		
INTEREST	3/15/2026	3/15/2026		43814XAD5	HAROT 2025-4 A3	3.98%	6/17/2030	2,404.58		
INTEREST	3/15/2026	3/15/2026		448981AD2	HART 2026-A A3	3.79%	2/18/2031	824.33		
INTEREST	3/15/2026	3/15/2026		89238VAD0	TAOT 2025-C A3	4.11%	3/15/2030	2,106.38		
INTEREST	3/15/2026	3/15/2026		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	2,493.75		
INTEREST	3/15/2026	3/15/2026		44935CAD3	HART 2025-A A3	4.32%	10/15/2029	3,366.00		
INTEREST	3/15/2026	3/15/2026		161571HZ0	CHAIT 2025-A1 A	4.16%	7/15/2030	4,142.67		
INTEREST	3/15/2026	3/15/2026		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	3/15/2026	3/15/2026		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	1,072.50		
INTEREST	3/16/2026	3/16/2026		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	873.83		
INTEREST	3/16/2026	3/16/2026		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	372.67		
INTEREST	3/21/2026	3/21/2026		43814VAC1	HAROT 2025-1 A3	4.57%	9/21/2029	4,074.92		
INTEREST	3/21/2026	3/21/2026		43813QAD1	HAROT 2025-3 A3	4.04%	2/21/2030	2,929.00		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	3/21/2026	3/21/2026		43815CAD0	HAROT 2026-1 A3	3.78%	9/23/2030	1,299.38		
INTEREST	3/22/2026	3/22/2026		49177JAF9	KENVUE INC (CALLABLE)	5.05%	3/22/2028	21,462.50		
INTEREST	3/25/2026	3/25/2026		16144MAD6	CHAOT 2025-2A A3	3.86%	10/25/2030	1,704.83		
INTEREST	3/29/2026	3/29/2026		17325FBB3	CITIBANK NA (CALLABLE)	5.80%	9/29/2028	57,304.63		
INTEREST	3/31/2026	3/31/2026		91282CPA3	US TREASURY N/B	3.62%	9/30/2030	61,625.00		
INTEREST	3/31/2026	3/31/2026		91282CMU2	US TREASURY N/B	4.00%	3/31/2030	41,400.00		
MATURITY	1/15/2026	1/15/2026	781,000.00	912797RJ8	TREASURY BILL	0.00%	1/15/2026	781,000.00		
MATURITY	3/24/2026	3/24/2026	550,000.00	912797TA5	TREASURY BILL	0.00%	3/24/2026	550,000.00		
PAYDOWN	1/1/2026	1/25/2026	1,943.25	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,943.25		15.37
PAYDOWN	1/1/2026	1/25/2026	1,228.71	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	1,228.71		0.02
PAYDOWN	1/1/2026	1/25/2026	53,276.42	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	53,276.42		-307.62
PAYDOWN	1/1/2026	1/25/2026	126.35	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	126.35		1.10
PAYDOWN	1/1/2026	1/25/2026	737.70	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	737.70		5.98
PAYDOWN	1/1/2026	1/25/2026	1,478.64	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,478.64		
PAYDOWN	1/1/2026	1/25/2026	151.33	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	151.33		
PAYDOWN	1/15/2026	1/15/2026	14,785.25	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	14,785.25		0.89
PAYDOWN	1/15/2026	1/15/2026	22,004.30	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	22,004.30		1.68
PAYDOWN	1/16/2026	1/16/2026	8,144.77	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	8,144.77		1.02

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWN	2/1/2026	2/25/2026	741.16	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	741.16		5.81
PAYDOWN	2/1/2026	2/25/2026	1,949.78	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,949.78		13.99
PAYDOWN	2/1/2026	2/25/2026	52,034.26	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	52,034.26		439.60
PAYDOWN	2/1/2026	2/25/2026	1,235.40	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	1,235.40		0.02
PAYDOWN	2/1/2026	2/25/2026	1,632.60	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,632.60		
PAYDOWN	2/1/2026	2/25/2026	152.12	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	152.12		
PAYDOWN	2/1/2026	2/25/2026	73.16	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	73.16		-0.41
PAYDOWN	2/15/2026	2/15/2026	21,972.72	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	21,972.72		1.63
PAYDOWN	2/15/2026	2/15/2026	13,893.19	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	13,893.19		0.81
PAYDOWN	2/16/2026	2/16/2026	7,416.02	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	7,416.02		0.91
PAYDOWN	3/1/2026	3/25/2026	124.16	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	124.16		-0.68
PAYDOWN	3/1/2026	3/25/2026	12,281.43	3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	12,281.43		272.94
PAYDOWN	3/1/2026	3/25/2026	5,060.86	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	5,060.86		32.61
PAYDOWN	3/1/2026	3/25/2026	1,046.35	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	1,046.35		7.93
PAYDOWN	3/1/2026	3/25/2026	2,852.66	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	2,852.66		0.01
PAYDOWN	3/1/2026	3/25/2026	143.87	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	143.87		1.17
PAYDOWN	3/1/2026	3/25/2026	2,006.01	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	2,006.01		0.02
PAYDOWN	3/15/2026	3/15/2026	13,007.75	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	13,007.75		0.73

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWN	3/15/2026	3/15/2026	20,806.32	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	20,806.32		1.50
PAYDOWN	3/16/2026	3/16/2026	6,644.84	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	6,644.84		0.79
SELL	1/5/2026	1/8/2026	160,000.00	91282CPR6	US TREASURY N/B	3.62%	12/31/2030	159,521.93		-34.30
SELL	1/6/2026	1/13/2026	705,000.00	91282CPR6	US TREASURY N/B	3.62%	12/31/2030	703,301.56		-102.46
SELL	1/7/2026	1/13/2026	970,000.00	91282CPR6	US TREASURY N/B	3.62%	12/31/2030	968,269.38		465.27
SELL	1/7/2026	1/12/2026	435,000.00	91282CPN5	US TREASURY N/B	3.50%	11/30/2030	433,230.20		-1,136.52
SELL	1/7/2026	1/9/2026	785,000.00	91282CPN5	US TREASURY N/B	3.50%	11/30/2030	781,610.44		-2,013.49
SELL	1/13/2026	1/14/2026	405,000.00	91282CMW8	US TREASURY N/B	3.75%	4/15/2028	410,616.22		-455.90
SELL	1/21/2026	1/22/2026	2,300,000.00	037833ET3	APPLE INC (CALLABLE)	4.00%	5/10/2028	2,332,913.00		13,610.34
SELL	2/4/2026	2/5/2026	585,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	609,160.04		16,333.15
SELL	2/4/2026	2/5/2026	475,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	494,617.12		13,006.30
SELL	2/4/2026	2/5/2026	2,800,000.00	912828V98	US TREASURY N/B	2.25%	2/15/2027	2,792,928.67		-20,735.65
SELL	2/5/2026	2/9/2026	1,685,000.00	91282CMU2	US TREASURY N/B	4.00%	3/31/2030	1,729,253.67		12,716.06
SELL	2/5/2026	2/10/2026	681,666.48	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	699,952.69		17,467.70
SELL	2/5/2026	2/10/2026	681,666.48	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	699,739.67		17,254.68
SELL	2/9/2026	2/10/2026	470,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	490,867.51		14,280.84
SELL	2/10/2026	2/13/2026	2,010,000.00	91282CKX8	US TREASURY N/B	4.25%	6/30/2029	2,064,587.45		52,169.82
SELL	2/13/2026	2/18/2026	400,000.00	912828ZN3	US TREASURY N/B	0.50%	4/30/2027	386,857.73		-3,032.82

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL	2/20/2026	2/24/2026	475,000.00	91282CKP5	US TREASURY N/B	4.62%	4/30/2029	497,829.75		15,328.59
SELL	2/20/2026	2/24/2026	600,000.00	91282CKX8	US TREASURY N/B	4.25%	6/30/2029	617,632.12		16,115.60
SELL	3/2/2026	3/3/2026	4,000,000.00	912828ZN3	US TREASURY N/B	0.50%	4/30/2027	3,870,233.08		-32,586.21
SELL	3/6/2026	3/13/2026	1,425,000.00	91282CFU0	US TREASURY N/B	4.12%	10/31/2027	1,458,675.53		1,598.70
SELL	3/10/2026	3/13/2026	1,400,000.00	91282CQD6	US TREASURY N/B	3.50%	2/28/2031	1,386,801.29		-8,025.25
SELL	3/11/2026	3/13/2026	1,075,000.00	91282CPW5	US TREASURY N/B	3.75%	1/31/2031	1,077,508.16		1,651.50
SELL	3/11/2026	3/13/2026	1,270,000.00	91282CKX8	US TREASURY N/B	4.25%	6/30/2029	1,303,158.80		27,348.75
SELL	3/17/2026	3/18/2026	2,000,000.00	48125LRU8	JP MORGAN CHASE BANK NA	5.11%	12/8/2026	2,039,988.89		11,600.00
SELL	3/17/2026	3/18/2026	550,000.00	91282CND9	US TREASURY N/B	3.75%	5/15/2028	557,867.32		-691.20
SELL	3/19/2026	3/20/2026	275,000.00	931142FN8	WALMART INC (CALLABLE)	4.35%	4/28/2030	282,606.04		3,285.35
SELL	3/19/2026	3/20/2026	750,000.00	931142FN8	WALMART INC (CALLABLE)	4.35%	4/28/2030	770,743.75		2,274.06
SELL	3/24/2026	3/27/2026	225,000.00	912828ZN3	US TREASURY N/B	0.50%	4/30/2027	217,397.27		-2,542.74
TOTALS			68,269,284.34					69,970,778.81		165,647.99

Important Disclosures

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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.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- **Repurchase Agreements:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **Settle Date:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **Trade Date:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **Unsettled Trade:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. Treasury:** The department of the U.S. government that issues Treasury securities.
- **Yield:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM at Cost:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM at Market:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

DATE: May 13, 2026

TO: Finance Committee

FROM: Osborn Solitei, Treasurer/Assistant General Manager – Finance

SUBJECT: Proposed Investment Policy

SUMMARY:

- The Agency’s Investment Policy (“Policy”) sets forth guidelines that ensure the Agency’s funds are invested in compliance with State Law and in a prudent manner. The proposed action is in support of Strategic Plan Goal H – Fiscal Responsibility: Operate the Agency in a fiscally responsible manner and Strategic Plan Initiative No. 21 – Continue to effectively manage financial resources for the Agency. In carrying out these fiscal responsibilities and maintaining sound financial management policies, staff continue to submit the annual Investment Policy to the Board.
- The Policy is reviewed on an annual basis by the Finance Committee and approved by the Board. The last recommended change to the Policy was approved by Board Resolution No. 25-48, dated June 18, 2025.
- The California Debt and Investment Advisory Commission (CDIAC) annually updates its Local Agency Investment Guidelines to reflect statutory changes affecting local agency investments. Effective January 1, 2026, amendments to the California Government Code Section 53601 were enacted through Senate Bill 595 and Senate Bill 858, resulting in the following key updates:
 - › **Commercial Paper Maturity Extension**
The maximum allowable maturity for eligible commercial paper has been extended from 270 days to 397 days.
 - › **Increased Commercial Paper Allocation (Temporary)**
Local agencies with at least \$100 million in investment assets may invest up to 40% of their portfolio in commercial paper. This provision remains in effect until January 1, 2031, after which the limit reverts to 25%.
 - › **Extension of Zero-Interest Accrual Securities Authority**
The authorization for local agencies to invest in U.S. government securities that may result in zero-interest accrual if held to maturity has been extended to January 1, 2031.

- Staff, in coordination with PFM Asset Management, reviewed the annual Local Government Investment Guidelines from CDIAC, and the recommended changes have been incorporated into the Agency's Investment Policy to ensure continued compliance with the California Government Code and alignment with current best practices.

FUNDING:

N/A

RECOMMENDATION:

Discuss and forward the proposed Investment Policy to the full Board for adoption at the next Board meeting.

ATTACHMENT:

1. Attachment A – Proposed Investment Policy Redlined

POLICY AND PROCEDURE

POLICY TITLE: Investment Policy	NUMBER: 2021-03	PAGE: 1 of 28
APPROVED BY: Zone 7 Board	REVISION:	EFFECTIVE DATE: July 1, 20252026

This policy is intended to provide guidelines for the prudent investment of surplus cash, reserves, trust funds and restricted monies and to outline a policy for maximizing the efficiency of the Agency's cash management system.

1.0 POLICY

It is the policy of the Board of Directors of the Zone 7 Water Agency ("Agency") to invest public funds in a manner which conforms to the four fundamental criteria in order of importance, as listed:

- Safety of Principal
- Liquidity
- Return on Investment, or Yield
- Diversity

2.0 INVESTMENT AUTHORITY

In accordance with Section 53600, *et. seq.*, of the Government Code of the State of California, the authority to invest Agency public funds has been delegated to the Agency Treasurer/Assistant General Manager – Finance.

3.0 DELEGATION OF AUTHORITY

Responsibility for the investment program is specifically delegated by the Board to the Board-appointed Treasurer or, if no such appointment has been made, to the General Manager, hereafter referred to as Treasurer who will establish procedures for the investment program, consistent with this Investment Policy. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities, including procedures to execute investment transactions in the absence of the Treasurer. All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

The Agency may engage the services of one or more external investment managers to assist in the management of the Agency's investment portfolio in a manner consistent with the

Agency's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

4.0 STATEMENT OF OBJECTIVES

Per Section 53600.5 of the California Government Code, the primary objective of the Treasurer shall be to safeguard the principal of the funds under his or her control when investing public funds. The secondary objective will be to maintain liquidity as required by the Agency and the third objective is to obtain a return on investment of these funds.

In order of priority, the four fundamental criteria shall be followed in the investment of funds:

- 4.1 Safety of Principal** – Investments shall be undertaken in a manner which first seeks to ensure the preservation of principal in the portfolio. Each investment transaction shall be entered only after taking into consideration the quality of the issuer, the underlying security or collateral, and diversification of the portfolio. Cash flow analysis will be conducted and utilized to avoid the need to sell securities prior to maturity. The Agency shall seek to preserve principal by mitigating both credit and market risk.
- 4.2 Liquidity** – Every effort shall be made to ensure that the Agency's portfolio is sufficiently liquid to meet current and anticipated operating requirements. Cash flow analysis should be performed on an ongoing basis. Investments shall be made to ensure maturities are compatible with anticipated cash flow requirements.
- 4.3 Return on Investment, or Yield** – Investments shall be undertaken to produce an investment return consistent with the primary objectives of Safety of Principal and Liquidity, and the Prudent Investor Standard.
- 4.4 Diversity** – The objective is to avoid over concentration or exposure to any one issuer, instrument or maturity sector as specified in the Summary Table of Investment Guidelines and Eligible Securities herein, so that no single investment or class of investments can have a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury securities.

The investment portfolio shall be diversified and designed to attain a market average rate of return, considering cash flow requirements. The Treasurer shall have an overall investment objective of holding investments to maturity and not investing with the objective of trading for speculative purposes. However, the Treasurer may swap or sell securities in order to:

- i) raise cash to meet unanticipated cash-flow requirements

- ii) swap old securities for current coupon securities
- iii) Maintain portfolio allocation limits
- iv) maintain a duration target
- v) Improve the quality, liquidity, or return of the portfolio
- vi) avoid further erosion and loss of investment principal due to deterioration in creditworthiness, as well as to respond to rapidly changing interest rate environments

5. CONCENTRATION OF RISK

Governmental Accounting Standards Board (GASB) statement No. 40 – *Deposits and Investment Risk Disclosures – An Amendment of GASB No. 3*. It recognizes that there are many factors that can affect the value of investments. Investment risk factors include credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

Credit risk is the risk of loss due to failure of an issuer of a security or a financial institution. The Agency purchases U.S. Treasuries and high-grade securities which will lessen this type of risk. In addition, the portfolio will be diversified so that the failure of any one issuer will not unduly harm the Agency's cash flow.

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned. The Agency's investment securities are to be held by a third-party custodian designated by the Agency and evidenced by safekeeping receipts.

Concentration of credit risk is the risk associated with a lack of diversification of having too much invested in a few individual issuers, thereby exposing the organization to greater risks resulting from adverse economic, political, regulatory, geographic, or credit developments. The Agency's investments will be diversified and will not exceed maximum percentages allowed in the California Government Code.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to an increase in general interest rates. Interest rate risk may be reduced by structuring the portfolio so that securities are maturing periodically to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The Agency will limit investments to a maximum maturity of five years (unless otherwise authorized by Agency Board).

Foreign currency risk results from investment in foreign currency-denominated securities. The Agency will not invest in foreign currency (i.e., non-US dollar) dominated instruments.

6.0 SCOPE

The Investment Policy applies to all funds of the Agency including Water Enterprise Operations Funds, Renewal/Replacement & System-Wide Improvement Fund, State Water Facilities Fund, Water Enterprise Capital Expansion Fund, Flood Control Operations Fund, Flood Protection Development Impact Fee Fund, Water Facilities Fund, Water Supply and Reliability Fund, Vehicle/Equipment Replacement Reserve Fund, Endowments, and all other funds held by the Agency. This investment policy does not apply to proceeds of notes, bonds or similar external financings which would be invested pursuant to bond indentures or State of California Government Code Section 53600, *et. seq.*, as applicable.

7.0 PRUDENT INVESTOR STANDARD

All investments and evaluation of such investments shall be made with the Prudent Investor Standard as set forth in the California Government Code, Sections 53600.3 and 27000.3, which is defined as a standard of conduct whereby any person authorized to make investment decisions on behalf of the Agency acts with care, skill, prudence and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of the Agency with the aim to safeguard principal and meet the liquidity needs of the Agency.

8.0 PORTFOLIO ADJUSTMENTS

Portfolio percentage limitations and credit rating requirements for each category of investment are applicable only at the date of purchase. Should an investment percentage be exceeded due to instances such as the fluctuation in overall portfolio size, or market valuation changes, the Treasurer is not required to sell the affected securities.

Should a security held in the portfolio be downgraded below the minimum rating criteria specified in this Investment Policy, the Treasurer or investment advisor, if one is utilized, shall perform a credit analysis of such security to determine whether to hold or sell the security. The Treasurer may elect to sell the security immediately to minimize losses in the event that an orderly disposition with minimal losses cannot be achieved. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored.

The Treasurer shall note in a quarterly report securities which have been downgraded below investment grade and the status of disposition.

9.0 SAFEKEEPING AND CUSTODY

All securities transactions entered into by the Agency shall be conducted on a delivery-versus-payment (DVP) basis pursuant to a custodial safekeeping agreement. All securities owned by the Agency shall be held in safekeeping by an independent custodian designated by the

Treasurer. Financial institutions providing safekeeping services shall provide reports or receipts which verify securities held in safekeeping.

10.0 REPORTING AND DISCLOSURE

The Treasurer shall submit a quarterly report within 45 days following the end of the quarter covered by the report to the Agency Board of Directors pursuant to California Government Code Section 53646 (b)(1). The report shall at a minimum provide information on compliance to this policy and on the composition of the portfolio for each fund with:

- Types of investment
- Issuer
- Maturity dates
- Par and dollar amount
- Market values including source of the valuation
- Rates of Interest
- Expected yields to maturity

In addition, the quarterly report shall also include a statement denoting the ability to meet the Agency's expenditure requirements for the next six (6) months.

11.0 COLLATERALIZATION

Collateral is required for investments in certificates of time deposit and agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for certificate of time deposit and for repurchase agreements it will be at least 102% of market value of principal and accrued interest.

12.0 INVESTMENT GUIDELINES AND ELIGIBLE SECURITIES

Section 53600, *et seq.*, of the Government Code of the State of California prescribes the statutory requirement relating to investments by local treasurers, providing guidance on:

- i. Allowable Investments
- ii. Portfolio diversification requirements including proportional limits on investment types, maximum maturity, and minimum credit rating criteria.

The maximum maturity of any investment in the portfolios shall not exceed five (5) years except when specifically authorized by the Agency Board of Directors through resolution. When practical, the Treasurer shall solicit more than one quotation on each trade for the purpose of awarding investment trades on a competitive basis. The Agency will conform to the legal provisions set forth in the Government Code with further and more specific requirements about allowable investments and restrictions as detailed below:

12.1 US Treasury Bonds, Bills and Notes

Bills, notes, and bonds issued by the U.S. Treasury which are direct obligations of the federal government.

- Maximum limit: Not Applicable (N.A.)
- Maximum maturity: Five (5) years
- Credit Requirement: N.A.

12.2 Federal Agency Bonds and Notes

Notes, bonds, or other instruments of federal agencies, or United States government-sponsored enterprises (GSEs). Not all are direct obligations of the U. S. Treasury but may involve federal sponsorship and/or guarantees, in some instances.

- Maximum limit: N.A.
- Maximum maturity: Five (5) years
- Credit Requirement: N.A.

12.3 Banker's Acceptances

Bills of exchange or time drafts drawn on and accepted by a commercial bank, typically created from a letter of credit issued in a foreign trade transaction.

- Maximum limit: forty percent (40%) of the portfolio
- Maximum maturity: One-hundred eighty (180) days
- Issued by banks with total deposits of over one billion dollars (\$1,000,000,000)
- Twenty-five percent (25%) limitation to any one issuer
- Credit requirement: Ratings of A1, P1 or F1 or better by two Nationally Recognized Statistical Rating Organizations (NRSRO). No rating may be lower than any of the rating listed above.
- Issued by banks from offices in the USA.

12.4 Commercial Paper

Commercial paper is defined as short-term, unsecured promissory notes issued by financial and non-financial companies to raise short-term cash. Financial companies issue commercial paper to support their consumer and/or business lending; non-financial companies issue for operating funds.

- Maximum limit: Forty percent (40%) of the portfolio until January 1, ~~2026~~2031. After January 1, ~~2026~~2031, Twenty-five percent (25%) of the portfolio
- Maximum Maturity: ~~Two hundred seventy~~Three hundred ninety-seven (~~270~~397) days

- Maximum Issuer Exposure: No more than five percent (5%) of the portfolio shall be invested in the commercial paper and the medium-term notes of any one issuer
- Credit requirement: Ratings of "A1" or higher, or the equivalent, by an NRSRO.
- Limited to paper issued by corporations organized and operating in the U.S. with total assets in excess of five hundred million (\$500,000,000) and rated in a rating category of "A" its equivalent or higher for the issuer's debt, other than commercial paper, if any, as provided by an NRSRO.

12.5 Medium Term Corporate Notes

Corporate and depository institution debt securities. Issuers are banks and bank holding companies, thrifts, finance companies, insurance companies and industrial corporations. These debt obligations that are generally unsecured.

- Maximum limit: Thirty percent (30%) of the portfolio
- Maximum maturity: Five (5) years
- Maximum Issuer Exposure: No more than five percent (5%) of the portfolio shall be invested in the commercial paper or medium-term notes of any single issuer
- Credit Requirement: "A" rating category, equivalent or better by an NRSRO.
- Eligibility: Limited to corporations organized and operating within the United States or depository institutions licensed by the United States or any State and operating within the United States.

12.6 Negotiable Certificates of Deposit

Issued by a nationally or state-chartered bank, a savings association, or a federal association, a state or federal credit union or by a federally licensed or state-licensed branch of a foreign bank.

- Maximum limit: Thirty percent (30%) of the portfolio
- Maximum Issuer Exposure: Five percent (5%) per issuer
- Maximum maturity: Five (5) years
- Credit Requirement: "A" rating category, equivalent or better long-term, or "A-1", equivalent or better short-term, by an NRSRO
- Issued by banks with total deposits of one billion dollars (\$1,000,000,000) or more

12.7 Certificates of Time Deposit

Time deposits, which are non-negotiable, are issued most commonly by commercial banks, savings and loans and credit unions with federal deposit insurance available for amounts up to two hundred-fifty thousand (\$250,000).

- Maximum limit: Thirty percent (30%) of the portfolio for all deposits

- Maximum maturity: Five (5) years
- On uncollateralized deposits, limited to FDIC insured amount of two hundred-fifty thousand (\$250,000)
- Amounts over FDIC insured amount must be fully collateralized
- Credit Requirement: For federally insured deposits of two hundred-fifty thousand (\$250,000) or less, no minimum credit rating required. For deposits over two hundred-fifty thousand (\$250,000): Ratings of rating category "A" or the equivalent or better by any two NRSRO

Pursuant to Government Code 53637, the Agency is prohibited from investing in certificate of deposits of a state or federal credit union if a member of the Agency's Board of Directors or decision-making authority serves on the board of directors or committee.

Securities backed by the United States government that could result in a zero- or negative-interest accrual if held to maturity are permitted, in the event of, and for the duration of, a period of negative market interest rates. This provision will sunset on January 1, 2031.

12.8 Money Market Mutual Funds

Regulated by the SEC, these funds operate under strict maturity and diversification guidelines. These funds have no federal guarantee but are viewed as a very safe short-term cash investment.

- Maximum limit: Twenty percent (20%) of the portfolio
- Maximum Maturity: N.A.
- Maximum Issuer Exposure: Ten percent (10%) of the portfolio
- Rating Requirement: Top ranking or highest letter and numerical rating provided by at least two NRSROs
- Daily liquidity
- Net Asset Value (NAV) requirement: one dollar (\$1.00)
- Funds must be invested in securities and obligations permitted under the California Government Code

12.9 State of California, Local Agency Investment Fund (LAIF)

LAIF is a pooled investment fund overseen by the State Treasurer, which operates like a money market fund, but is for the exclusive benefit of governmental entities within the state. The maximum investment amount currently authorized by Local Agency Investment Fund (LAIF) is seventy-five million (\$75 million), which is subject to change. The LAIF is in trust in the custody of the State of California Treasurer. The Agency's right to withdraw its deposited monies from LAIF is not contingent upon the State's failure to adopt a State Budget.

- Maximum limit: Current State limit

- Maximum Maturity: N.A.

12.10 Municipal Bonds and Notes

Municipal obligations issued by the State of California and any other of the states in the union. Including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the 50 states.

Bonds, notes, warrants, or other evidences of indebtedness of a local agency within California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

- Maximum limit: Forty percent (40%) of the portfolio
- Maximum maturity: Five (5) years
- Credit Requirement: "A" rating category, equivalent or better by an NRSRO

12.11 Repurchase Agreement

A repurchase agreement is a purchase of authorized securities with terms including a written agreement by the seller to repurchase the securities on a future date and price.

- Maximum limit: Twenty percent (20%) of the portfolio
- Maximum maturity: Three hundred sixty (360) days
- Master Repurchase Agreement must be on file
- Limited to primary dealers or financial institutions rated "A" or better by Moody's or equivalent.
- Fully collateralized at market value of at least one hundred two percent (102%) with US government or federal agency securities

12.12 California Asset Management Program (CAMP)

- Maximum limit: Ten percent (10%) of the portfolio
- Rated highest rating by an NRSRO

12.13 Supranational Obligations

United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.

- Maximum limit: Thirty percent (30%) of the portfolio
- Maximum maturity: Five (5) years
- Credit Requirement: "AA" rating category, equivalent or better by any NRSRO

12.14 Asset-backed Securities

A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. For securities eligible for investment not issued or guaranteed by federal agencies and GSEs, the following limitations apply:

- Maximum limit: Twenty percent (20%) of the portfolio
- Maximum maturity: Five (5) years
- Credit Requirement: "AA" rating category, equivalent or better by an NRSRO

13.0 CREDIT RATING

Credit rating requirements for eligible securities referred to in this policy shall mean the numeric, alpha, and/or alpha-numeric designations assigned by a National Recognized Statistical Rating Organizations (NRSRO).

Please see Rating Description table herein, below.

14.0 MONITORING SAFETY AND LIQUIDITY

The Treasurer shall monitor on an ongoing basis investments for exposure to risk and credit deterioration to ensure primary objectives of safety of principal and liquidity are adhered to. Such matters shall be reported to the Agency Board of Directors as part of the Treasurer's quarterly and/or annual report.

15.0 ADMINISTRATION

The Treasurer may, at any time, establish more restrictive requirements for securities approved for investment as deemed appropriate in this Investment Policy. These restrictions may include, but are not limited to, higher credit ratings, lower percentage limits by security type or issuer, shorter maturities, and additional collateral requirements for collateralized investments.

16.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Investments not purchased directly from the issuer will be purchased from institutions licensed by the State of California as a broker/dealer, including:

- National or California State Chartered Banks
- Federal or California Chartered Savings Institutions
- Brokerage firms designated as a primary government dealer by the Federal Reserve Bank

- Member of a federally regulated securities exchange
- Institutions licensed by the State of California as a broker/dealer
- Federal or state savings institutions or associations as defined in Finance Code Section 5102

The Treasurer or designee will maintain a current and eligible list of reputable primary and regional dealers, brokers, and financial institutions with whom securities trading and placement of funds are authorized. A strong capital base credit worthiness, and, where applicable, a broker/dealer staff experienced in transactions with California local governments are the primary criteria for inclusion on the Agency's approved list.

Approved dealers and brokers shall be limited to primary dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule) and which provide proof of Financial Industry Regulatory Authority (FINRA) certification; proof of California State registration; and a completed Agency broker/dealer questionnaire. In addition, prior to approval and for every two years thereafter, approved dealers and brokers must provide: an audited financial statement; certification of receipt, review of and willingness to comply with the current Investment Policy; and certification of compliance with Rule G-37 of the Municipal Securities Rulemaking Board regarding limitations on political contributions to the Board of Directors of the Agency or to any candidate for these offices.

The Treasurer may remove a firm from the approved list at any time due to any failure to comply with any of the above criteria; any failure to successfully execute a transaction; any change in broker/dealer staff; or any other action, event, or failure to act which, in the sole discretion of the Treasurer is materially adverse to the best interests of the Agency.

If the Agency utilizes an external investment advisor, the advisor will perform due diligence and maintain their own list of approved broker/dealers. The advisor is authorized to transact with its own approved broker/dealer list on behalf of the Agency.

17.0 INVESTMENT SECURITY

To ensure a high degree of internal control, the Agency shall comply with the following:

- All securities purchased from dealers and brokers shall be held in safekeeping by the Agency's custodial bank, a national bank, a State chartered bank or trust company, established for this purpose as someone other than the selling party of the security. Securities purchased will be covered by a trust or safekeeping receipt in a manner that establishes the Agency's ownership. All transactions completed on a delivery versus pay basis (DVP).
- All trade confirmation shall be received directly and reviewed for conformity to the original transaction by an individual other than the person originating the transaction.

All trade confirmation must be an original; copies of confirmations are not allowed. Any discrepancies will be brought to the attention of the Treasurer.

18.0 FUND WIRE PROCEDURES

Payment for securities purchased from broker dealers that are ineligible for safekeeping will be made through the Agency's custodial bank. Funds will only be transferred subsequently but immediately following the custodial bank's acknowledgement that they are prepared to make settlement on the terms and conditions specified by the Agency. Payment for securities purchased from bank investment departments that will be safely kept with the trust department of the bank will be made immediately upon confirmation of the trade.

19.0 PERFORMANCE REVIEW AND INTERNAL CONTROL

The Treasurer or designee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Agency are protected from loss, theft, or misuse. The internal control structure will be designed to provide reasonable assurance that these objectives are met. The internal control includes; the activities of any subordinate officials acting on behalf of the Agency. Procedures should include references to individuals authorized to execute transactions or transfers, safekeeping agreements, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. An independent analysis by an external auditor shall be conducted annually to review internal control, account activity, and compliance with policies, procedures, and applicable laws.

20.0 ETHICS AND CONFLICT OF INTEREST

All officers and employees involved in the investment process shall refrain from engaging in any personal business activity which could conflict with proper execution and management of the investment program or that could impair their ability to make impartial investment decisions. Any material financial interests in financial institutions which do business with the Agency should be disclosed to the General Manager of the Agency. All individuals involved in the investment process are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission.

21.0 POLICY REVIEW AND ADOPTION

This Investment Policy shall be reviewed at least annually to ensure it is consistent with the Agency's objectives and relevance to current law and financial and economic trends. Any amendments to this Policy, other than State and Federal Laws, which automatically supersede the relevant sections, shall be forwarded to the Board of Directors for adoption by resolution.

22.0 HISTORY

Date	Action	Resolution
May 17, 2017	Originally Adopted	17-42
May 16, 2018	Adopted	18-42
May 15, 2019	Adopted	19-38
April 15, 2020	Adopted	20-47
June 16, 2021	Adopted	21-48
June 15, 2022	Adopted	22-47
June 21, 2023	Adopted	23-46
June 11, 2024	Adopted	24-45
June 18, 2025	Adopted	25-48

**SUMMARY TABLE OF
INVESTMENT GUIDELINES AND ELIGIBLE SECURITIES**

Authorized Investments	Maximum % Holdings	Purchase Restrictions	Maximum Maturity	Credit Quality
US Treasury Bonds, Bills and Notes	100%	N.A.	5 Years	<i>N.A.</i>
Federal Agency and GSE Bonds & Notes	100%	N.A.	5 Years	<i>Full backing by the federal government of the United States of America</i>
Bankers' Acceptance	40%	25% limitation to a single issuer	180 days	<i>"A-1/P-1" rated by an NRSRO or equivalent for domestic banks</i>
Commercial Paper	40% until 1/1/ 2026 <u>2031</u> ; 25% after 1/1/ 2026 <u>2031</u> <u>1</u>	5% limitation to single issuer	270-397 days	<i>"A-1/P-1" rating category, equivalent or better by an NRSRO</i>
Medium Term Corporate Notes	30%	5% limitation to a single issuer. Limited to US licensed and operating corporations	5 years	<i>"A" rating category, equivalent or better by an NRSRO</i>
Negotiable CD	30%	National or state chartered bank, S&L, or branch of foreign bank	5 years	<i>"A" rating category, equivalent or better by an NRSRO</i>
Certificates of Time Deposit	30%	See California Government	5 years	<i>Limit to FDIC Insured amount \$250,000, Fully collateralized on amounts over the insured</i>

Authorized Investments	Maximum % Holdings	Purchase Restrictions	Maximum Maturity	Credit Quality
		Code Section 53637		<i>amount in accordance with California Government Code</i>
Money Market Mutual Funds	20%	10% per fund Must maintain constant NAV of \$1.00	Daily Liquidity	<i>Top ranking or highest letter and numerical by 2 NRSRO Fund must be invested in securities and obligation permitted under Government Code</i>
State of California, Local Agency Investment Fund ("LAIF")	Current State Limit	N.A.	N.A.	<i>Subject to California Government Code Section 16429.1 limitations</i>
Municipal Bonds & Notes	40%	N.A.	5 Years	<i>"A" rating category, equivalent or better by an NRSRO</i>
Repurchase Agreements ("REPO")	20%	Limited to primary dealers or financial institutions rated "A" or better by Moody's	360 days	<i>Fully collateralized (min 102% of funds borrowed with daily mark to market) with US Government or federal agency securities with maximum 5-year maturities</i>
California Asset Management Program ("CAMP")	10%	N.A.	Daily Liquidity	<i>Highest rating by an NRSRO</i>
Section 115 Pension Trust Fund	By Board Approval	By Board Approval	N.A.	<i>Investment Guidelines Document for the Trust Fund</i>
Supranational Obligations	30%	Issued by: International Bank for Reconstruction &	5 Years	<i>"AA" rating category, equivalent or better by an NRSRO</i>

Authorized Investments	Maximum % Holdings	Purchase Restrictions	Maximum Maturity	Credit Quality
		Development, International Finance Corporation, or Inter-American Development Bank		
Asset-Backed Securities	20%	N.A.	5 Years	<i>"AA" rating category, equivalent or better by an NRSRO</i>

RATING DESCRIPTION TABLE

Long Term Debt Ratings			
Credit Quality	Moody's	S&P Global	Fitch
Strongest Quality	Aaa	AAA	AAA
Strong Quality	Aa1/Aa2/Aa3	AA+/AA/AA-	AA
Good Quality	A1/A2/A3	A+/A/A-	A
Medium Quality	Baa1/Baa2/Baa3	BBB+/BBB/BBB-	BBB
Speculative	Ba1/Ba2/Ba3	BB+/BB/BB-	BB
Low	B1/B2/B3	B+/B/B-	B
Poor	Caa	CCC+	CCC
Highly Speculative	Ca/C	CCC/CCC-/CC	CC
Short Debt Ratings			
Credit Quality	Moody's	S&P Global	Fitch
Strongest Quality	P-1	A-1+	F1
Strong Quality		A-1	
Good Quality	P-2	A-2	F2
Medium Quality	P-3	A-3	F3

Note: Investment Grade ratings applies to securities with at least a medium credit quality or higher by one of the nationally recognize rating organization, anything below the medium credit quality is non-investment grade.

EXHIBIT A GLOSSARY

ACCRETION: Adjustment of the difference between the prices of a bond bought at an original discount and the par value of the bond.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises (GSEs), also known as U.S. Government instrumentalities. Securities issued by Government National Mortgage Association (GNMA) are considered true agency securities, backed by the full faith and credit of the U.S. Government. GSEs are financial intermediaries established by the federal government to fund loans to certain groups of borrowers, for example homeowners, farmers and students and are privately owned corporations with a public purpose. The most common GSEs are Federal Farm Credit System Banks, Federal Home Loan Banks, Federal Home Loan Mortgage Association, and Federal National Mortgage Association.

AMORTIZATION: Accounting procedure that gradually reduces the cost value of a limited life or intangible asset through periodic charges to income. For fixed assets, the term used is "depreciation." It is common practice to amortize any premium over par value paid in the purchase of preferred stock or bond investments.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual financial report for the Agency. It includes combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

APPRECIATION: Increase in the value of an asset such as a stock bond, commodity, or real estate.

ASKED PRICE: The price a broker/dealer offers to sell securities.

ASSET BACKED: A type of security that is secured by receivables, such as credit card and auto loans. These securities typically pay principal and interest monthly.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer. This money market instrument is used to finance international trade.

BASIS POINT: One-hundredth of one percent (i.e., 0.01%).

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investment.

BID PRICE: The price a broker/dealer offers to purchase securities.

BOND: A financial obligation for which the issuers promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

BOOK VALUE: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

BROKER: A broker acts as an intermediary between a buyer and seller for a commission and does not trade for his/her own risk and account or inventory.

CALLABLE SECURITIES: A security that can be redeemed by the issuer before the scheduled maturity date.

CASH EQUIVALENTS (CE): Highly liquid and safe instruments or investments that can be converted into cash immediately. Examples include bank accounts, money market funds, and Treasury bills.

CASH FLOW: An analysis of all changes that affect the cash account during a specified period.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATION (CMO): A type of mortgage-backed security that creates separate pools of pass-through rates for different classes of bondholders with varying maturities, called tranches. The repayments from the pool of pass-through securities are used to retire the bonds in the order specified by the bonds' prospectus.

COMMERCIAL PAPER: Short-term, unsecured, negotiable promissory notes of corporations.

CORPORATE NOTE: Debt instrument issued by a private corporation.

COUPON: The annual rate at which a bond pays interest.

CREDIT RATINGS: A grade given to a debt instrument that indicates its credit quality. Private independent rating services such as S&P Global, Moody's and Fitch provide these.

CREDIT RISK: The risk that an obligation will not be paid, and a loss will result due to a failure of the issuer of a security.

CUSIP: Stands for Committee on Uniform Securities Identification Procedures. A CUSIP number identifies most securities, including stocks of all registered U.S. and Canadian companies, and U.S. government and municipal bonds. The CUSIP system—owned by the American Bankers Association and operated by S&P Global—facilitates the clearing and settlement process of securities. The number consists of nine characters (including letters and numbers) that uniquely identify a company or issuer and the type of security.

CURRENT YIELD: The annual interest on an investment divided by the current market value. Since the calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

CUSTODIAN: A bank or other financial institution that keeps custody of stock certificates and other assets.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own risk and account or inventory.

DEBENTURES: A bond secured only by the general credit of the issuers.

DELIVERY VERSUS PAYMENT (DVP): Delivery of securities with a simultaneous exchange of money for the securities.

DERIVATIVES: A financial instrument that is based on, or derived from, some underlying asset, reference date, or index.

DIRECT ISSUER: Issuer markets its own paper directly to the investor without use of an intermediary.

DISCOUNT: The difference between the cost of a security and its value at maturity when quoted at lower than face value.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns and risk profiles.

DURATION: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. Duration measures the price sensitivity of a bond to changes in interest rates.

FACE VALUE: The principal amount owed on a debt instrument. It is the amount on which interest is computed and represents the amount that the issuer promises to pay at maturity.

FAIR VALUE: The amount at which a security could be exchanged between willing parties, other than in a forced or liquidation sale. If a market price is available, the fair value is equal to the market value.

FANNIE MAE: Trade name for the Federal National Mortgage Association (FNMA), a U.S. Government sponsored enterprise.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that provides insurance on bank deposits, guaranteeing deposits to a set limit per account, currently \$250,000.

FEDERAL FARM CREDIT BANK (FFCB): Government-sponsored enterprise that consolidates the financing activities of the Federal Land Banks, the Federal Intermediate Credit Banks, and the Banks for Cooperatives. Its securities do not carry direct U.S. government guarantees.

FEDERAL FUNDS RATE: The rate of interest at which Federal funds are traded. This rate is considered to be the most sensitive indicator of the direction of interest rates, as it is currently pegged by the Federal Reserve through open-market operations.

FEDERAL GOVERNMENT AGENCY SECURITIES: Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored enterprise (currently made up of 12 regional banks) that regulates and lends funds and provides correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. Although the banks operate under federal charter with government supervision, the securities are not guaranteed by the U. S. Government.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC): Government sponsored enterprise that helps maintain the availability of mortgage credit for residential housing. FHLMC finances these operations by marketing guaranteed mortgage certificates and mortgage participation certificates. Its discount notes and bonds do not carry direct U.S. government guarantees.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): Government sponsored enterprise that is the largest single provider of residential mortgage funds in the United States. FNMA is a private stockholder-owned corporation. The corporation's purchases include a

variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted.

FEDERAL OPEN MARKET COMMITTEE (FOMC): A committee of the Federal Reserve Board, which establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

FEDERAL RESERVE SYSTEM: The central bank of the U.S. which consists of a seven-member Board of Governors, 12 regional banks and about 5,700 commercial banks that are members.

FED WIRE: A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

FREDDIE MAC: Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. government sponsored enterprise.

GINNIE MAE: Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB): A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

GUARANTEED INVESTMENT CONTRACTS (GICS): An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

INTEREST RATE: The annual yield earned on an investment, expressed as a percentage.

INTEREST RATE RISK: The risk of gain or loss in market values of securities due to changes in interest-rate levels. For example, rising interest rates will cause the market value of portfolio securities to decline.

INVESTMENT AGREEMENTS: A contract providing for the lending of issuer funds to a financial institution which agrees to repay the funds with interest under predetermined specifications.

INVESTMENT GRADE (LONG TERM RATINGS): The minimum, high quality ratings for long-term debt such as corporate notes. Investment Grade ratings are as follows: A3 (Moody's), A- (S&P Global), and A- (Fitch).

INVESTMENT PORTFOLIO: A collection of securities held by a bank, individual, institution or government agency for investment purposes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash with minimum risk of principal.

LOCAL AGENCY INVESTMENT FUND (LAIF): An investment pool sponsored by the State of California and administered/managed by the State Treasurer. Local government units, with consent of the governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment. Interest earned is distributed by the State Controller to the participating governmental agencies on a quarterly basis.

LOCAL AGENCY INVESTMENT POOL: A pooled investment vehicle sponsored by a local agency or a group of local agencies for use by other local agencies.

MARKET RISK: The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates. Systematic risk of a security that is common to all securities of the same general class (stocks, bonds, notes, money market instruments) and cannot be eliminated by diversification (which may be used to eliminate non-systematic risk).

MARKET VALUE: The price at which a security is currently being sold in the market. See FAIR VALUE.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase agreements and reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date that the principal or stated value of a debt instrument becomes due and payable.

MEDIUM-TERM CORPORATE NOTES (MTNs): Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts either on a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION: The percent change in price for a 100-basis point change in yields. This is a measure of a portfolio's or security's exposure to market risk.

MONEY MARKET: The market in which short-term debt instruments (Treasury Bills, Discount Notes, Commercial Paper, Banker's Acceptances and Negotiable Certificates of Deposit) are issued and traded.

MORTGAGED BACKED SECURITIES: A type of security that is secured by a mortgage or collection of mortgages. These securities typically pay principal and interest monthly.

MUNICIPAL BONDS: Debt obligations issued by states and local governments and their agencies, including cities, counties, government retirement plans, school Agencies, state universities, sewer agency, municipally owned utilities and authorities running bridges, airports, and other transportation facilities.

MUTUAL FUND: An entity that pools money and can invest in a variety of securities which are specifically defined in the fund's prospectus.

NEGOTIABLE CERTIFICATE OF DEPOSIT: A large denomination certificate of deposit which can be sold in the open market prior to maturity.

NET PORTFOLIO YIELD: Calculation in which the 365-day basis equals the annualized percentage of the sum of all Net Earnings during the period divided by the sum of all Average Daily Portfolio Balances.

NATIONALLY RECOGNIZED RATING ORGANIZATION (NRSRO): is a credit rating agency that issues credit rating that U.S. Securities and Exchange Commission permits other financial firms to use for certain regulatory purposes.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit: Sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PAR VALUE: The amount of principal which must be paid at maturity. Also referred to as the face amount of a bond. See FACE VALUE.

PORTFOLIO: The collection of securities held by an individual or institution.

PREMIUM: The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. These dealers are authorized to buy and sell government securities in direct dealing with the Federal Reserve Bank of New York in its execution of market operations to carry out U.S. monetary policy. Such dealers must be qualified in terms of reputation, capacity, and adequacy of staff and facilities.

PRIME (SHORT TERM RATING): High quality ratings for short term debt such as commercial paper. Prime ratings are as follows: P1 (Moody's), A1 (S&P Global), and F1 (Fitch).

PRINCIPAL: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

PRIVATE PLACEMENTS: Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

PROSPECTUS: A legal document that must be provided to any prospective purchaser of a new securities offering registered with the Securities and Exchange Commission that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements (also known as an "official statement").

PRUDENT INVESTOR STANDARD: A standard of conduct for fiduciaries. Investments shall be made with judgment and care--under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

PUBLIC DEPOSIT: A bank that is qualified under California law to accept a deposit of public funds.

PURCHASE DATE: The date in which a security is purchased for settlement on that or a later date. Also known as the "trade date."

RATE OF RETURN: 1) The yield which can be attained on a security based on its purchase price or its current market price. 2) Income earned on an investment, expressed as a percentage of the cost of the investment.

REALIZED GAIN (OR LOSS): Gain or loss resulting from the sale or disposal of a security.

REGIONAL DEALER: A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT (RP or REPO): A transaction in which a counterparty or the holder of securities (e.g. investment dealer) sells these securities to an investor (e.g. the Agency) with a simultaneous agreement to repurchase them at a fixed date. The security "buyer" (e.g. the Agency) in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate the "buyer" for this. Dealers use

RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): The opposite of a repurchase agreement. A reverse repo is a transaction in which the Agency sells securities to a counterparty (e.g. investment dealer) and agrees to repurchase the securities from the counterparty at a fixed date. The counterparty in effect lends the seller (e.g. the Agency) money for the period of the agreement with terms of the agreement structured to compensate the buyer.

RISK: Degree of uncertainty of return on an asset.

SAFEKEEPING: A service which banks offer to clients for a fee, where physical securities are held in the bank's vault for protection and book-entry securities are on record with the Federal Reserve Bank or Depository Trust Company in the bank's name for the benefit of the client. As agent for the client, the safekeeping bank settles securities transactions, collects coupon payments, and redeems securities at maturity or on call date, if called.

SECURITIES AND EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SECONDARY MARKET: A market for the repurchase and resale of outstanding issues following the initial distribution.

SECURITIES: Investment instruments such as notes, bonds, stocks, money market instruments and other instruments of indebtedness or equity.

SETTLEMENT DATE: The date on which a trade is cleared by delivery of securities against funds.

SOFR: Acronym for "Secured Overnight Financing Rate," which represents a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

SPREAD: The difference between two figures or percentages. It may be the difference between the bid (price at which a prospective buyer offers to pay) and asked (price at which an owner offers to sell) prices of a quote, or between the amount paid when bought and the amount received when sold.

STRUCTURED NOTE: A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities, or indices. Examples include "inverse floating rate" notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising and "dual index floaters", which pay interest based on the relationship between two other interest rates, for example, the yield on the ten-year

Treasury note minus the SOFR rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONALS: are international institutions that provide development financing, advisory services and/or financial services to their member countries to achieve the overall goal of improving living standards through sustainable economic growth. The Government Code allows local agencies to purchase the United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.

TIME DEPOSIT: A deposit with a California bank or savings and loan association for a specific amount and with a specific maturity date and interest rate. Deposits of up to \$250,000 are insured by FDIC. Deposits over \$250,000 are collateralized above the insurance with either government securities (at 110% of par value), first trust deeds (at 150% of par value), or letters of credit (at 105% of par value).

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 value and includes interest earnings and realized and unrealized gains and losses on the portfolio. For bonds held to maturity, total return is the yield to maturity.

TRUSTEE OR TRUST COMPANY OR TRUST DEPARTMENT OF A BANK: A financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

UNDERWRITER: A dealer which purchases a new issue of municipal securities for resale.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

U.S. GOVERNMENT AGENCY SECURITIES: Securities issued by U.S. government agencies, most of which are secured only by the credit worthiness of the particular agency. See AGENCIES.

U.S. TREASURY OBLIGATIONS: Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are the benchmark for interest rates on all other securities in the U.S. The Treasury issues both discounted securities and fixed coupon

notes and bonds. The income from Treasury securities is exempt from state and local, but not federal, taxes.

TREASURY BILLS: Securities issued at a discount with initial maturities of one year or less. The Treasury currently issues three-month and six-month Treasury bills at regular weekly auctions. It also issues very short-term "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES: Intermediate-term coupon-bearing securities with initial maturities of one year to ten years.

TREASURY BOND: Long-term coupon-bearing securities with initial maturities of ten years or longer.

UNREALIZED GAIN (OR LOSS): Gain or loss that has not become actual. It becomes a realized gain (or loss) when the security in which there is a gain or loss is actually sold. See REALIZED GAIN (OR LOSS).

VOLATILITY: Characteristic of a security, commodity, or market to rise or fall sharply in price within a short-term period.

WEIGHTED AVERAGE MATURITY: The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

YIELD: The annual rate of return on an investment expressed as a percentage of the investment. See CURRENT YIELD; YIELD TO MATURITY.

YIELD CURVE: Graph showing the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

YIELD TO MATURITY: Concept used to determine the rate of return if an investment is held to maturity. It considers purchase price, redemption value, time to maturity, coupon yield, and the time between interest payments. It is the rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.



100 North Canyons Parkway
Livermore, CA 94551
(925) 454-5000

DATE: May 13, 2026

TO: Finance Committee

FROM: Osborn Solitei, Treasurer/Assistant General Manager – Finance

SUBJECT: FY 2025-26 Audit: Communication with Those Charged with Governance

SUMMARY:

- In accordance with Strategic Plan Goal H – Fiscal Responsibility: Operate the Agency in a fiscally responsible manner and Strategic Plan Initiative No. 21: Continue to effectively manage financial resources for the Agency, the Agency contracted with Maze and Associates, a certified public accounting firm licensed to practice in the State of California, to perform the fiscal year (FY) 2025–26 annual audit and prepare the Annual Comprehensive Financial Report (“Annual Report”).
- AU-C 260 Communication with Those Charged with Governance requires the auditors to have communications with “those charged with governance.” The audit standards outline the Auditors’ responsibilities and the audit process, including:
 - Audit scope
 - Audit timing
 - Management representations
- The Annual Report follows the guidelines recommended by the Government Finance Officers Association of the United States and Canada (“GFOA”), and the Agency will submit the FY 2025–26 Annual Report to GFOA for review and certification.

FUNDING:

N/A

RECOMMENDED ACTION:

Information only.

ATTACHMENT:

FY 2025-26 Audit Planning Meeting Agenda

Alameda County Flood Control and Water Conservation District – Zone 7
AUDIT PLANNING MEETING AGENDA
For The Year Ended June 30, 2026

Audit standards require us to have communications with “those charged with governance” of our clients to discuss the audit process including:

- Audit Scope
- Audit Timing
- Management Representations

Audit Scope

Audit scope generally includes the following subjects to adaptation from our risk assessment process:

- Perform risk assessment brainstorming and planning
- Create audit plan tailored to the District and sector
- Transactions cycles subject to control testing and sampling:
 - Journal Entries
 - Bank Reconciliations
 - Revenue/Receivable
 - Disbursements/Accounts Payable
 - Payroll/Accrued liabilities
- Evaluate overall duty assignment including:
 - Focused attention to conflict of duties – employees with access to assets and related records used to control and account for those assets
 - Tests of mitigating controls
- Transactions and balances tested in total:
 - Confirmation of cash balances with the County and Banks
 - Capital assets testing the schedules of additions and retirements and estimate of depreciation
 - Construction in Progress tested via corroboration with schedules of individual projects
 - Compensated absences balances tested via estimation
 - Claims payable via claims loss run
 - Review the actuary report for Net Pension Liability and Net OPEB Liability
 - Accrual tests at year end
- Perform compliance tests:
 - Certain Government code provisions applicable to cash and investments
 - Local policy compliance, typically:
 - Investment
 - Purchasing

- Financial Statement preparation assistance:
 - Staff has requested that we provide assistance with the preparation of financial statements and disclosures.
 - We are satisfied staff have the capability to perform this task themselves.
 - Financial statement presentation and disclosures are evaluated and amendment proposed as needed

Audit Timing

- We have met with staff and agreed to the following schedule:
 - Fieldwork: one week of June 2026 (Interim) and November 2026 (Final)
 - Report Presentation: Estimating December 2026 or sooner

Management Representations

We will request representations from management that data and assertions provided are complete and accurate. We rely primarily on our audit verification tests and procedures, however, management assertions and judgments unavoidably affect financial data.

If you have any questions, please feel free to reach out to me.

David Alvey | CPA | Audit Partner



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Pleasant Hill, CA 94523

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"We are in the business to help our clients succeed"

DATE: May 13, 2026

TO: Finance Committee

FROM: Osborn Solitei, Treasurer/Assistant General Manager – Finance

SUBJECT: FY 2025–26 Unaudited Third Quarter Revenue and Expenditure Report

SUMMARY:

The proposed action is in support of Strategic Plan Goal H – Fiscal Responsibility: Operate the Agency in a fiscally responsible manner, and Strategic Plan Initiative No. 21 – Continue to effectively manage financial resources for the Agency. In carrying out these fiscal responsibilities, staff provides quarterly financial reports to the Finance Committee and Board. This quarterly report provides a summary of unaudited revenue and expenditures, fiscal year-end projections, and explanations of any major variances through the third quarter of fiscal year 2025–26 (July 1, 2025 – March 31, 2026) for the following funds:

- › Fund 100 – Water Enterprise Operations
- › Fund 110 – State Water Facilities
- › Fund 120 – Water Enterprise Renewal/Replacement and System-Wide Improvements
- › Fund 130 – Water Enterprise Capital Expansion
- › Fund 200 – Flood Protection Operations
- › Fund 210 – Flood Protection Development Impact Fee Fund

Highlights of this report include:

- › **2026 Asset Management Plan Update and FY 2026–27 Ten-Year Water System Capital Improvement Plan** – On April 15, 2026, the Board adopted the 2026 Asset Management Plan Update and FY 2026–27 Ten-Year Water System Capital Improvement Plan. The 2026 Asset Management Plan Update recommended a capital funding amount of \$16,277,000 for FY 2026–27, which has been incorporated into the proposed two-year budget.
- › **State Water Project Allocation** – On January 29, 2026, the Department of Water Resources announced an increase to the 2026 State Water Project allocation from 10% to 30% due to storms in mid-December. The allocation remains at 30% as of April 2026.
- › **Storm Damage Repair Projects** – Delays in environmental permitting for high-priority storm damage sites, the Alamo Creek Project, and Phase 1 Group A Storm

Repairs, have pushed back work to at least summer 2026. The U.S. Army Corps of Engineers successfully completed Phase 1 repairs on four high-priority bank stabilization sites along Arroyo Mocho. Phases 2 and 3 will continue through 2026 and into 2027.

FUNDING:

N/A

RECOMMENDED ACTION:

Information only.

ATTACHMENT:

FY 2025–26 Unaudited Quarterly Revenue and Expenditure Report, Third Quarter



Zone 7 Water Agency Unaudited Quarterly Revenue and Expenditure Report FY 2025-26 | Third Quarter





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Report Overview

The following financial report is produced on a quarterly basis and provides a summary of unaudited revenue and expenditures, fiscal year-end projections, and explanations of any major variances through the third quarter of fiscal year (FY) 2025-26 (July 1, 2025 – March 31, 2026) for the following funds:

- Fund 100 – Water Enterprise Operations
- Fund 110 – State Water Facilities
- Fund 120 – Water Enterprise Renewal/Replacement & System-Wide Improvements
- Fund 130 – Water Enterprise Capital Expansion
- Fund 200 – Flood Protection Operations
- Fund 210 – Flood Protection Development Impact Fee Fund

Fund 100 - Water Enterprise Operations

Primary Funding Source: Water Rates

The purpose of the Water Enterprise Operations Fund is to ensure the delivery of high-quality drinking and irrigation water to the Livermore-Amador Valley. This operations and maintenance fund includes water treatment and distribution of potable water, distribution of untreated/agricultural water, and groundwater management. Activities include water treatment, water quality analysis, water resource management, groundwater recharge and protection, maintenance, and water supply engineering.

Comprehensive Fund Summary

Details of Revenue and Expenses for Fund 100

Category	FY 2026 Amended	FY 2026 YTD Actuals	FY 2026 Projected Actual	Year-End Over/ (Under) Budget
Beginning Fund Balance	\$38,704,352	\$38,704,352	\$38,704,352	-
Revenues				
Water Sales & Service	\$71,268,000	\$53,030,842	\$72,427,000	\$1,159,000
Other Revenue	\$313,000	\$580,209	\$778,000	\$465,000
Grants	\$130,000	\$14,335	\$15,000	-\$115,000
Investment Earnings	\$454,000	\$852,586	\$1,191,000	\$737,000
Total Revenues	\$72,165,000	\$54,477,971	\$74,411,000	\$2,246,000
Expenditures				
Personnel	\$21,851,000	\$16,773,039	\$22,364,000	\$513,000
Professional Services	\$4,297,652	\$2,137,807	\$3,249,000	-\$1,048,652
County Services	\$1,936,000	\$797,067	\$1,936,000	-
Insurance Services	\$900,000	\$766,323	\$900,000	-
Legal Services	\$455,000	\$259,998	\$322,000	-\$133,000
Water	\$6,355,248	\$2,409,803	\$4,987,000	-\$1,368,248
Delta Conveyance Project	\$1,650,000	\$880,000	\$1,320,000	-\$330,000
Chemicals	\$4,350,000	\$2,655,143	\$4,200,000	-\$150,000
Utilities	\$3,220,000	\$3,128,264	\$3,775,000	\$555,000
Telecommunications	\$157,000	\$144,116	\$157,000	-
Maintenance Services	\$2,427,000	\$1,798,731	\$2,427,000	-
Rental Services	\$116,000	\$92,491	\$116,000	-
Office Supplies and Other Services	\$1,050,678	\$838,053	\$1,050,678	-
Organizational Memberships and Support	\$425,752	\$373,443	\$425,752	-
Training and Travel	\$190,000	\$49,054	\$60,000	-\$130,000
Water Conservation Program	\$158,000	\$16,726	\$37,000	-\$121,000
Equipment	\$31,000	\$43,001	\$43,000	\$12,000
Debt Service	\$4,976,000	\$4,975,713	\$4,976,000	-
Capital Funding	\$17,618,000	\$12,435,821	\$16,573,000	-\$1,045,000
Total Expenditures	\$72,164,330	\$50,574,592	\$68,918,430	-\$3,245,900
Total Revenues Less Expenditures	\$670	\$3,903,379	\$5,492,570	\$5,491,900
Ending Fund Balance	\$38,705,022	\$42,607,731	\$44,196,922	\$5,491,900



*Beginning fund balance reflects audited actual.

Explanation of Major Variances

Revenue

1. **Water Sales and Service:** Year-to-date water sales revenue reflects treated water sales of approximately 25,215 acre-feet through March 31, 2026. Year-to-date revenue also includes the sale of 4,000 acre-feet of water to Westside Water Districts. The year-end projection reflects water sales trends. No additional water transfer sales are anticipated through June 30, 2026, as the agreement with Westside Water Districts expired on December 31, 2025.
2. **Other Revenue:** Year-to-date revenue is primarily made up of Department of Water Resources refunds. The year-end projection is higher than the budget due to expected Department of Water Resources refunds through June 2026.
3. **Grants:** The FY 2025-26 Budget includes planned receipt of Prop 1 Integrated Regional Water Management Program Round 2 grant proceeds for the water supply risk model enhancements and optimization project. The year-end projection is less than the budget due to the long reimbursement process. Approximately \$50,000 was received in fiscal year 2024-25 and the remaining reimbursement is expected in fiscal year 2026-27.
4. **Investment Earnings:** The FY 2025-26 Budget assumes 1.5% projected interest earnings for the fiscal year. The year-end projection exceeds the budget due to the Agency's fixed investments. The revised projected interest earnings reflect 3%.

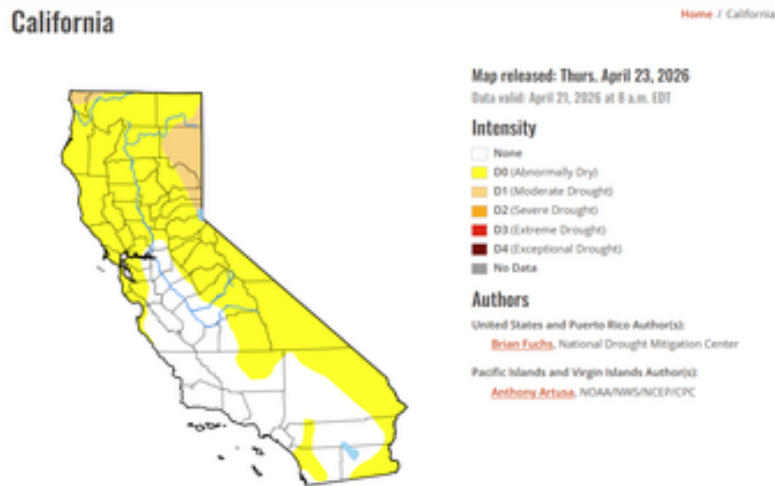
Expenses

1. **Personnel:** Labor costs include payroll through March 31, 2026, and include a 6% cost of living adjustment (effective as of June 2025) and a vacancy rate of 11.5%. The year-end projected labor is greater than the budget due to newly approved longevity pay for employees reaching five- and 10-year milestones with the Agency.
2. **Professional Services:** Includes professional services related to water enterprise operations. The year-end projection is less than the budget primarily due to unused contingencies (\$250K), a variety of as-needed services (~\$300K), and ongoing efforts that will continue into fiscal year 2026-27 (~\$241K).
3. **Water production costs:** Includes Water, Chemicals, and Utilities.
 - a. *Water:* The State Water Project allocation for calendar year 2025 was 50%. The current State Water Project allocation for calendar year 2026 is 30%. Year-to-date expenses primarily reflect the State Water Project conveyance costs. The year-end projection is less than the budget as no water transfers or water recovery from Kern County are likely to be needed to meet demands through June 2026.
 - b. *Chemicals and Utilities:* Year-to-date chemical expenditures are down 10% from this time last year, and utility costs are approximately twice as high compared to this time last year due to an operational shift from surface water to groundwater production in Summer 2025. Additionally, Del Valle Water Treatment Plan was offline in January and February for annual

routine maintenance. This year, the plant shutdown was extended to allow progress on the Underdrain Pump Station Upgrade Project as well as Booster Pump Station Variable Frequency Drive Replacement Project. The year-end projection reflects a planned increase in groundwater production through the next quarter. This plan is expected to increase utility and chemical costs.

4. **Delta Conveyance Project:** The Agency approved funding for pre-construction for calendar years 2026 and 2027 via Resolution No. 24-28, dated October 16, 2024. No expenses were incurred in calendar year 2025. The year-end projection reflects six months of Delta Conveyance Payments as stated in the 2026 Statement of Charges.
5. **Water Conservation Program:** The Agency's water conservation program provides rebates for approved water efficiency projects. The year-end projection reflects a slow-down in rebates as interest in this program typically peaks during droughts.
6. **Capital Funding:** The year-end projected capital funding is less than the budget as the budget assumes a 3% annual adjustment, and the actual Engineering News Record Construction Cost Index (ENRCCI) adjustment from June 2024 to June 2025 was -0.555%.

Water Supply Conditions



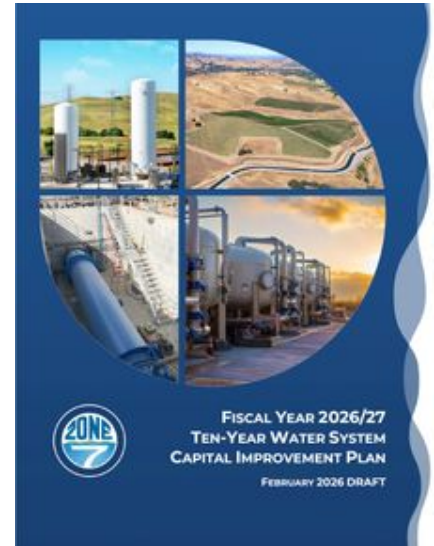
The State Water Project's final allocation for calendar year 2025 is 50% and the current State Water Project allocation for calendar year 2026 is 30% (as of April 2026). The United States Drought Monitor indicates most of California is currently experiencing abnormally dry conditions. For more information, please see the Monthly Water Inventory and Water Budget Update in the monthly Board packets.

Source: U.S. Drought Monitor

Water Enterprise Highlights

Water Transfer Sale with Westside Water Districts — The Agency, through a water transfer agreement, sold 4,000 acre feet of water to Westside Water District. This sale generated \$1.5M in revenue for the Water Enterprise Operations Fund.

2026 Asset Management Plan Update and FY 2026-27 Ten-Year Water System Capital Improvement Plan — On April 15, 2026, the Board adopted the 2026 Asset Management Plan and Ten-Year Water System Capital Improvement Plan. The Capital Improvement Plan is a strategic planning document that identifies the prioritized investment plan for FY 2026-27 through FY 2035-36 to provide the water supply facilities and programs relied upon to achieve the Agency's operational goals and policy objectives. To ensure long-term funding stability, the Asset Management Plan Update recommended an annual capital funding amount of \$16,277,000 from the Water Enterprise Operations Fund to the Water Enterprise Renewal / Replacement and System-Wide Improvements Fund beginning in FY 2026-27, with future annual adjustments for inflation. This annual funding amount was approved with the adoption of Resolution No. 26-30.



Fund 100 Reserves Breakdown

Per Initiative No. 21 of the Agency's Strategic Plan, the Agency shall maintain target levels of reserves, where applicable. Fund 100 reserves are projected to be fully funded at the target level by June 30, 2026. The table below compares minimum, target, and maximum reserves to the projected year-end reserves.

Fund 100 Reserves	Minimum	Target	Maximum	FY 2025-26 Projected Actual
Operating Reserves¹	\$8,867,000	\$13,301,000	\$17,734,000	\$13,301,000
Emergency Reserves²	6,871,000	8,588,000	10,306,000	8,588,000
Reserve for Economic Uncertainties³	3,741,000	5,611,000	7,481,000	5,611,000
Water Reliability Fund⁴	-	-	-	14,507,000
Subtotal	\$19,479,000	\$27,500,000	\$35,521,000	\$42,007,000
Pension Trust Fund⁵				2,190,000
Ending Fund Balance				\$44,197,000
Less: Estimated Budget Carryover for Ongoing Efforts				(241,000)
Net Ending Fund Balance				\$43,956,000

Note: Values rounded to the thousands.

¹The FY 2025-26 Q3 projected FYE Operating Reserve is funded at the target level of 90 days of FY 2025-26 budgeted operating expenses.

²The FY 2025-26 Q3 projected FYE Emergency Reserve is funded at the target level of 2.5% of FY 2024-25 Water Enterprise assets.

³The FY 2025-26 Q3 projected FYE Reserve for Economic Uncertainties is funded at 15% of FY 2025-26 budgeted volume-based water sales revenue.

⁴The Board established the Water Reliability Reserve via Resolution No. 25-47, dated June 18, 2025. The Water Reliability Reserve provides flexibility and agility to address water supply challenges and opportunities. The reserve has no assigned minimum, target, or maximum amount. This reserve holds the balance of funds once target levels are achieved.

⁵The FY 2025-26 Budget plans a one-time contribution of \$100K in addition to the planned annual contribution for FY 2025-26 of \$150K. The additional on-time contribution will be realized in FY 2026-27.

Fund 120 - Water Renewal/Replacement and System-wide Improvements

Primary Funding Source: Water Rates via capital funding from Fund 100

The purpose of this fund is to ensure funding is available for capital renewal, replacement, and system-wide improvement projects needed to keep the current water treatment and delivery systems functioning effectively. Fund 120 pays for capital projects as outlined in the Agency's asset management program and the capital improvement program.

Comprehensive Fund Summary

Details of Revenue and Expenses for Fund 120

Category	FY 2026 Amended	FY 2026 YTD Actuals	FY 2026 Projected Actual	Year-End Over/(Under) Budget
Beginning Fund Balance	\$89,592,777	\$89,592,777	\$89,592,777	-
Revenues				
Other Revenue	\$2,000	\$2,059,714	\$2,060,000	\$2,058,000
Investment Earnings	\$812,000	\$2,243,094	\$2,743,000	\$1,931,000
Capital Funding	\$17,398,000	\$12,265,083	\$16,353,000	-\$1,045,000
Total Revenues	\$18,212,000	\$16,567,890	\$21,156,000	\$2,944,000
Expenditures				
Personnel	\$2,819,013	\$1,481,840	\$1,873,000	-\$946,013
Professional Services	\$29,000	\$18,404	\$29,000	-
Capital Projects	\$25,454,746	\$4,125,126	\$11,341,000	-\$14,113,746
Total Expenditures	\$28,302,759	\$5,625,370	\$13,243,000	-\$15,059,759
Total Revenues Less Expenditures	-\$10,090,759	\$10,942,520	\$7,913,000	\$18,003,759
Ending Fund Balance	\$79,502,018	\$100,535,297	\$97,505,777	\$18,003,759

*Beginning fund balance reflects audited actual.

Explanation of Variances

Revenue

1. **Other Revenue:** The year-to-date actual is made up of a \$250K cash settlement and a \$500K land credit from the City of Pleasanton as well as the \$1.3M DuPont class action settlement payment for per- and polyfluoroalkyl substances (PFAS) contamination. The year-end projection reflects actuals.
2. **Investment Earnings:** The FY 2025-26 Budget assumes 1.5% projected interest earnings for the fiscal year. The year-end projection exceeds the budget due to the Agency's fixed investments. The year-end projection reflects 3% interest earnings.
3. **Capital Funding:** The year-end projected actual capital funding is less than the budget as the budget assumed an annual adjustment of 3%. The ENRCCI adjustment from June 2024 to June 2025 was -0.555%.

Expenses

1. **Personnel:** Year-to-date labor includes payroll through March 31, 2026. The year-end projection reflects trends. A 6% cost of living adjustment took effect in June 2025.
2. **Capital Projects:** The budget includes approved capital projects for FY 2025-26 and ongoing capital projects for the water system. The year-end projection is less than the budget due to the multi-year nature of capital projects. The following major capital projects are in process and will continue into next fiscal year:
 - a. Del Valle Water Treatment Plant HVAC and Fire Alarm Control Panel
 - b. Mocho Wells PFAS Treatment Facility
 - c. Patterson Pass Water Treatment Plant HVAC and Clearwell Improvements
 - d. Silver Oaks Pump Station Replacement
 - e. Stoneridge PFAS Treatment Facility Power and Resource Pooling Authority (PWRPA) Improvements
 - f. Wells & Mocho Groundwater Demineralization Plant Electrical Replacement/Upgrades

Capital Project Highlights

2026 Asset Management Plan Update and the FY 2026-27 Ten-Year Water System Capital Improvement Plan

— On April 15, 2026, the Board adopted the 2026 Asset Management Plan and Ten-Year Water System Capital Improvement Plan. The Capital Improvement Plan is a strategic planning document that identifies the prioritized investment plan for FY 2026-27 through FY 2035-36 to provide the water supply facilities and programs relied upon to achieve the Agency's operational goals and policy objectives. The Fund 120 Ten-Year Capital Improvement Plan totals \$408M, supported by a \$16.3M annual capital funding amount (adjusted annually by inflation). More information on the Agency's Capital Improvement Plan can be found [here](#).

In addition, the Agency has a variety of water system capital improvement projects scheduled to be completed by the end of the fiscal year. A few of these projects are highlighted below:

Del Valle Water Treatment Plant (DVWTP) Booster Pump Station Variable Frequency Drive (VFD) and Underdrain Pump Station Project

— The DVWTP Booster Pump Station VFD and Underdrain Pump Station project included the replacement of the two variable frequency drives at the booster pump station and replacement of the submersible pumps at the underdrain pump station. This work included a new ~500-foot electrical duct bank, Electrical Room 3 modifications, a new local control panel, two new pumps, and various other appurtenances.

Groundwater Regional Well Project Feasibility Study

— To diversify groundwater production and develop new wells to meet future demand, Zone 7 is partnering with the City of Pleasanton to install new wells in a portion of the Bernal subbasin. To evaluate feasibility, three test wells were constructed and tested for water quality, capacity, and aquifer sustainability. Test results and subsequent groundwater modeling were used to evaluate the technical feasibility of these locations as permanent supply wells. The study concluded that it is feasible to install two municipal production wells in Hansen and Tennis parks that would produce sufficient yield to cover the City's groundwater production quota and Zone 7's additional production needs. At the City of Pleasanton's April 21, 2026, City Council meeting, staff recommended moving forward to jointly develop the Regional Groundwater Facilities Project with Zone 7.

Stoneridge Well Emergency Repair

— The purpose of this project is to rehabilitate and replace pump assembly and associated appurtenances and make other necessary improvements to the Stoneridge well, as identified through investigations and surveys. The well was experiencing pressure fluctuations and operating at an amperage that exceeded the motor's rating. Staff found that continued operation at this level may pose a significant risk to failure of the pump and/or motor. Because of this determination, the well was considered only for emergency operations. Work on this project commenced in January 2026. Since then, the contractor has completed the removal of the existing motor, column pipe, pump shaft, and well pump and has sent the materials to the contractor's facilities for testing. The improvements are expected to improve water production reliability and increase operational flexibility.



DVWTP Booster Pump Station VFD and Underdrain Pump Station Project - Completion March 2026



Groundwater Regional Well Project: Tennis & Community Park, Pleasanton



Stoneridge Well Emergency Repair - Well Pump Reinstallation

Fund 120 Capital Projects in Process

The table below summarizes the major water renewal/replacement and system-wide improvement projects in process. For more information on capital projects, please see the Capital Projects Status Report in the February 18, 2026, Board meeting agenda packet.

Project	Total Estimated Cost	Fund 120 Share	Status	Estimated In-Service Date
Asset Management Program and 10-Year CIP Update	\$1,160,000	\$902,000	Adopted	April 15, 2026
Del Valle and Patterson Pass Water Treatment Plant HVAC and Improvements	\$12,100,000	\$12,100,000	Preliminary Design	Summer 2028
Del Valle Water Treatment Plant Booster Pump Station Variable Frequency Drive and Underdrain Pump Station Replacement	\$1,910,000	\$1,910,000	Construction	Spring 2026
Del Valle Water Treatment Plant Master Plan	\$688,000	\$688,000	Planning	Fall 2026
Electric Vehicle Chargers	\$651,000	\$651,000	Pre-construction	Spring 2026
Joint Regional Groundwater Development Project*	\$2,700,000	\$1,350,000	In-process	Spring 2026
Mocho PFAS Treatment Plant**	\$51,500,000	\$51,500,000	Planning / Design	Summer 2028
Silver Oaks Pump Station	\$20,000,000	\$16,000,000	Planning	Fall 2028
Stoneridge PFAS Treatment Plant	\$16,300,000	\$16,300,000	Functional Completion	PWRPA Power Switchover Winter 2026
Stoneridge Well Emergency Repair	\$560,000	\$560,000	In-process	Spring 2026
Transmission System Plan and Hydraulic Model Update	\$931,000	\$698,000	In-process	Summer 2027
Wells and Mocho Groundwater Demineralization Plant Electrical Upgrades/Replacements	\$7,300,000	\$7,300,000	In-process	Spring 2027
Total	\$115,800,000	\$109,959,000		

* The Joint Regional Groundwater Development Project is funded 50% by the City of Pleasanton.

**The total project cost for the Mocho PFAS Treatment Plant is estimated to cost between \$35.3M and \$52M. The project is anticipated to be partially funded by external funding sources.

Fund 120 Reserves Breakdown

The table below compares the FY 2025-26 Amended Budget ending reserve balances to the projected ending reserve balances.

Fund 120 Reserves	FY 25-26 Amended Budget	FY 25-26 Projected Actual
Debt Service Rate Stabilization Reserve	\$6,300,000	\$6,300,000
Pension Trust	64,000	57,000
Designated for Capital Projects Reserve¹	62,560,000	91,149,000
Total	\$68,924,000	\$97,506,000
<i>Less: Estimated Budget Carryover for Multi-Year Capital Projects</i>		<i>(10,929,000)</i>
Net Fund Balance	\$68,924,000	\$86,577,000

Note: Values are rounded to the thousands.

¹Reserve is designated for capital projects to fund water system renewal/replacement and system-wide improvement projects.

Fund 110 - State Water Facilities

Primary Funding Source: Property Taxes. The property tax override is exempt from the ad valorem property tax levy limitations of Article XIII A of the Constitution of the State of California as the indebtedness was approved prior to July 1, 1978.

The Agency's cost of importing water from the Department of Water Resources is funded through the State Water Facilities Fund. This includes repayment of voter-approved, State-incurred, long-term debt.

Comprehensive Fund Summary

Details of Revenues and Expenses for Fund 110

Category	FY 2026 Amended	FY 2026 YTD Actuals	FY 2026 Projected Actual	Year-End Over/(Under) Budget
Beginning Fund Balance	\$57,911,111	\$57,911,111	\$57,911,111	-
Revenues				
Water Sales & Service	\$2,995,000	\$2,695,751	\$2,696,000	-\$299,000
Property Taxes	\$22,201,000	\$12,778,155	\$22,201,000	-
Other Revenue	\$3,675,000	\$2,707,105	\$3,675,000	-
Investment Earnings	\$784,000	\$1,360,560	\$2,033,000	\$1,249,000
Total Revenues	\$29,655,000	\$19,541,570	\$30,605,000	\$950,000
Expenditures				
Professional Services	\$16,000	\$18,916	\$19,000	\$3,000
Water	\$31,236,000	\$27,142,177	\$29,076,000	-\$2,160,000
Total Expenditures	\$31,252,000	\$27,161,093	\$29,095,000	-\$2,157,000
Total Revenues Less Expenditures	-\$1,597,000	-\$7,619,523	\$1,510,000	\$3,107,000
Ending Fund Balance	\$56,314,111	\$50,291,588	\$59,421,111	\$3,107,000

*Beginning fund balance reflects audited actual.

Explanation of Major Variances

Revenue

- Water Sales & Service:** Year-to-date actual reflects the receipt of the Dougherty Valley Surcharge. The year-end projection reflects year-to-date actuals.
- Property Taxes:** FY 2025-26 budgeted revenue is made up of planned property tax collections from the property tax override. The year-to-date actual revenue reflects the first installment of property tax. The second installment will be reflected in the fourth quarter report. The year-end projection reflects the budget.
- Other Revenue:** FY 2025-26 budgeted other revenue includes estimated refunds from the Department of Water Resources. The year-end projection reflects the budget.



4. **Investment Earnings:** The FY 2025-26 Budget assumes 1.5% projected interest earnings for the fiscal year. The year-end projection exceeds the budget due to the Agency's fixed investments. The revised projected interest earnings reflect 3%.

Expenses

1. **Water:** The FY 2025-26 budgeted expenses include the Department of Water Resources fixed charges. Transportation capital charges and the improvement portion of the South Bay Aqueduct Improvement and Enlargement Project debt service payments are paid in January /July and March/September, respectively. The year-end projection is less than the budget as it reflects the anticipated payments through June 2026 based on the actual 2026 Statement of Charges.

State Water Project Highlights

State Water Project Allocation – On January 29, 2026, the Department of Water Resources announced an increase to the calendar year 2026 State Water Project allocation from 10% to 30% due to storms in mid-December 2025. The allocation remains at 30% as of April 2026.



Bethany Reservoir, Alameda County - March 2026

Source: California Department of Water Resources

Fund 110 Reserves Breakdown

The following table compares the FY 2025-26 Amended Budget ending reserve balance to the projected ending reserve balance at June 30, 2026. In December 2024, the Board formally adopted the amended Reserve Policy, via Resolution No. 24-106, removing the maximum level from the State Water Facilities Reserve. The reserve will accumulate funds to offset future volatile increases in State Water Project capital costs.

Fund 110 Reserves	FY 25-26 Amended Budget	FY 25-26 Projected Actual
Operating Reserve	\$56,314,111	\$59,421,111
Total Reserve	\$56,314,111	\$59,421,111

Fund 130 - Water Enterprise Capital Expansion

Primary Funding Source: Water Connection Fees

The purpose of this fund is to ensure the Agency can meet the future needs of new customers with development paying its own way. The program is primarily intended to provide funding for new or expanded facilities and additional water supplies to serve additional capacity requirements for development. Most expenses in this fund are fixed (i.e., bond payment obligations for debt incurred by others to increase capacity, such as the enlargement portion of the South Bay Aqueduct Improvement and Enlargement Project). Developer fees can only be used for projects related to water system expansion.

Comprehensive Fund Summary

Details of Revenue and Expenses for Fund 130

Category	FY 2026 Amended	FY 2026 YTD Actuals	FY 2026 Projected Actual	Year-End Over/(Under) Budget
Beginning Fund Balance	\$78,681,415	\$78,681,415	\$78,681,415	-
Revenues				
Connection/Development Fees	\$10,000,000	\$13,448,643	\$20,326,000	\$10,326,000
Other Revenue	\$3,000,000	\$1,629,156	\$3,000,000	-
Investment Earnings	\$835,000	\$1,890,121	\$2,256,000	\$1,421,000
Total Revenues	\$13,835,000	\$16,967,920	\$25,582,000	\$11,747,000
Expenditures				
Personnel	\$255,166	\$264,203	\$300,000	\$44,834
Professional Services	\$50,000	\$68,213	\$69,000	\$19,000
Legal Services	\$92,000	\$13,191	\$25,000	-\$67,000
Water	\$17,400,000	\$15,674,874	\$16,425,000	-\$975,000
Capital Projects	\$2,737,502	\$209,729	\$966,166	-\$1,771,336
Debt Service	\$1,100,000	\$821,469	\$1,100,000	-
Total Expenditures	\$21,634,668	\$17,051,680	\$18,885,166	-\$2,749,502
Total Revenues Less Expenditures	-\$7,799,668	-\$83,759	\$6,696,834	\$14,496,502
Ending Fund Balance	\$70,881,747	\$78,597,656	\$85,378,249	\$14,496,502

*Beginning fund balance reflects audited actual.



Explanation of Major Variances

Revenue

1. **Connection/Development Fees:** Year-to-date revenue is made up of water connection fees from approximately 354 connections through February 2026. Connections received in March 2026 will be reflected in the fourth quarter report. The connection fee revenue received to-date is primarily from the Dublin San Ramon Services District service area. The year-end projection exceeds budget and plans for an additional 226 water connections, the majority projected to come from the City of Livermore and the Dublin San Ramon Services District.
2. **Other Revenue:** FY 2025-26 budgeted other revenue is estimated refunds from the Department of Water Resources. The year-end projection reflects the budget.
3. **Investment Earnings:** The FY 2025-26 Budget assumes 1.5% projected interest earnings for the fiscal year. The year-end projection exceeds the budget due to the Agency's fixed investments. The revised projected interest earnings reflect 3%.

Expenses

1. **Personnel:** Includes this fund's share of payroll through March 31, 2026, for capital expansion projects. A 6% cost of living adjustment took effect in June 2025. The year-end projection reflects trends.
2. **Water:** Year-to-date expenses are made up of the first installment of the South Bay Aqueduct Enlargement debt service payments (paid in September and March). The year-end projection reflects the first and second installment payments per the 2026 Statement of Charges.
3. **Capital Projects:** Includes approved capital expansion projects for FY 2025-26. The year-end projection is less than budget due to the multi-year nature of projects. For example, the Chain of Lakes Conveyance System and Silver Oaks Pump Station Replacement project will continue into next fiscal year.
4. **Debt Service:** Reflects the Fund 130 portion of the Water Revenue Bonds, 2018 Series A debt service. The bonds refunded the Agency's obligations in connection with the Cawelo Water District Certificates of Participation, Series 2006.

Ongoing Development Highlights

The primary revenue source for Fund 130 is water connection fees from new development within the service area. While the connection fee revenue received through the third quarter of FY 2025-26 primarily came from new connections in the Dublin San Ramon Services District, the City of Livermore is currently underway with numerous developments around the Agency's headquarters. The images below show the ongoing development within the City of Livermore, specifically development as part of the Isabel Neighborhood Plan. The City of Livermore is also developing at Arroyo Crossing on Las Positas Road.



Triad Place, City of Livermore
April 2026



Serenity, City of Livermore
April 2026

Historical Water Connection Fee Collections

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 Projected Actual
Connection Fee Revenue	\$22,461,926	\$13,609,527	\$19,669,510	\$17,023,624	\$11,860,411	\$22,940,368	\$20,326,000
Number of New Connections	796	470	643	535	340	672	580

Expansion Capital Project Highlights

South Bay Aqueduct — The largest expense in Fund 130 is the Agency's annual debt obligations for the South Bay Aqueduct improvements and enlargement by the California Department of Water Resources. The project involved expansion of the South Bay Aqueduct to convey 130 cubic feet per second of water through Reach 1 and 80 cubic feet per second through Reaches 2 through 4. The project also included the construction of the Dyer Reservoir, a 425-acre-foot raw water reservoir located near Dyer Road.

Sites Reservoir Project — Sites Reservoir is a proposed 1.5 million acre foot off stream reservoir designed to adapt to changing climate conditions, providing a more flexible water supply for California. As a rain-fed storage solution, Sites Reservoir will be able to capture water from extreme storm events, which can be used by communities, farms, and the environment when water is more scarce. The Agency has been participating in the planning phase of the project since 2017. The FY 2025-26 budget reflects planned staff time for Phase 2.



Dyer Reservoir

Source: Department of Water Resources



Sites Reservoir Project Map

Fund 130 Reserves Breakdown

The table below compares the FY 2025-26 Amended Budget ending reserve balances to the projected ending reserve balances.

Fund 130 Reserves	FY 25-26 Amended Budget	FY 25-26 Projected Actual
Sinking Funds¹	\$31,540,000	\$31,540,000
Debt Service Rate Stabilization Reserve	2,300,000	2,300,000
Designated for Capital Projects Reserve²	25,756,000	51,521,000
Pension Trust Fund	17,000	17,000
Total Reserves	\$59,613,000	\$85,378,000
<i>Less: Estimated Budget Carryover for Multi-Year Expansion Projects</i>		<i>(776,000)</i>
Net Fund Balance		\$84,602,000

Note: Values are rounded to the nearest thousand.

¹Reserve established by the Board to fund South Bay Aqueduct debt service payments that continue after the Agency's service area is built-out.

²Reserve designated for capital projects to fund expansion capital improvement projects over the next ten years.

Fund 200 - Flood Protection Operations

Primary Funding Source: Property Taxes. Ad valorem property taxes equal to one percent (1%) of the full cash value, of which Zone 7 of the Alameda County Flood and Water Conservation District receives a proportionate share.

This fund receives property taxes to provide general administration, maintenance, and operation of regional flood protection facilities. The Agency manages a watershed of 425 square miles in eastern Alameda County, receiving drainage from parts of Contra Costa, Santa Clara, and San Joaquin Counties. More than 37 miles of flood control channels and regional drainage facilities are owned and maintained by the Agency. This fund supports a comprehensive year-round maintenance program that includes repairing slides and erosion, refurbishing access roads and associated drainage ditches, installing and repairing gates and fences, and maintaining landscaped areas. This fund also supports renewal/replacement and improvement projects for the existing flood protection system.

Comprehensive Fund Summary

Details of Revenues and Expenses for Fund 200

Category	FY 2026 Amended	FY 2026 YTD Actuals	FY 2026 Projected Actual	Year-End Over/(Under) Budget
Beginning Fund Balance	\$33,637,946	\$33,637,946	\$33,637,946	-
Revenues				
Property Taxes	\$13,077,000	\$8,245,814	\$13,077,000	-
Other Revenue	\$236,000	\$738,931	\$740,000	\$504,000
Investment Earnings	\$180,000	\$742,683	\$1,037,000	\$857,000
Total Revenues	\$13,493,000	\$9,727,429	\$14,854,000	\$1,361,000
Expenditures				
Personnel	\$3,208,000	\$2,566,095	\$3,008,000	-\$200,000
Professional Services	\$4,140,162	\$1,196,906	\$2,506,000	-\$1,634,162
County Services	\$110,500	\$112,015	\$150,000	\$39,500
Legal Services	-	\$10,050	\$18,000	\$18,000
Telecommunications	\$6,000	\$3,534	\$10,000	\$4,000
Maintenance Services	\$20,812,141	\$1,756,505	\$4,963,000	-\$15,849,141
Rental Services	-	\$11,413	\$20,000	\$20,000
Office Supplies and Other Services	\$840,322	\$514,277	\$755,500	-\$84,822
Organizational Memberships and Support	\$91,300	\$63,425	\$91,300	-
Training and Travel	\$27,000	\$2,332	\$15,000	-\$12,000
Equipment	\$35,000	-	\$35,000	-
Capital Funding	\$16,000	\$10,513	\$16,000	-
Total Expenditures	\$29,286,425	\$6,247,065	\$11,587,800	-\$17,698,625
Total Revenues Less Expenditures	-\$15,793,425	\$3,480,364	\$3,266,200	\$19,059,625
Ending Fund Balance	\$17,844,521	\$37,118,310	\$36,904,146	\$19,059,625

*Beginning fund balance reflects audited actual.



Explanation of Major Variances

Revenue

1. **Property Tax:** FY 2025-26 budgeted revenue is made up of planned property tax collections. The year-to-date actual reflects the first installment of property tax received in December 2025. The second installment will be reflected in the fourth quarter report. The year-end projection reflects the budget and is also reflective of the property tax estimate for FY 2025-26 provided by the County and projected prior year property tax collections.
2. **Other Revenue:** Year-to-date revenue comprises reimbursement from FEMA and Cal OES for completed 2023 emergency storm repair projects.
3. **Investment Earnings:** The FY 2025-26 Budget assumes 1.5% projected interest earnings for the fiscal year. The year-end projection exceeds the budget due to the Agency's fixed investments. The revised projected interest earnings reflect 3%.

Expenses

1. **Personnel:** Labor costs include this fund's share of payroll through March 31, 2026. The year-end projection reflects the budget. A 6% cost of living adjustment took effect in June 2025.
2. **Professional Services:** The FY 2025-26 Budget includes ongoing project costs for the Flood Management Plan Phase 2A as well as a variety of on-call services for flood-related engineering, permitting, and planning services. The year-end projection is less than the budget primarily due to the multi-year nature of the Flood Management Plan (\$610K), unspent as-needed services (\$300K), as well as unspent contingency (\$500K).
3. **Maintenance Services:** The FY 2025-26 Budget includes routine flood engineering repair services and approximately \$10.7M for planned flood emergency projects. The year-end projection is less than budget due to delayed storm repair projects from environmental permitting delays. Storm repairs planned for summer 2025 have been shifted to summer of 2026. Construction on several sites is scheduled to begin in June 2026.

The Agency is in the process of developing and implementing a Flood Management Plan to direct the Agency's future flood maintenance activities and capital projects. Per Resolution No. 22-73, dated August 17, 2022, the Board adopted the Flood Management Plan Phase 1. Flood Management Plan Phase 2A professional and project management services were approved at the February 15, 2023, Board meeting.

The following table lists major projects that are in-process.

Project	Total Cost	Fund 200 Share	Status	In-service
Alamo Creek Bank Stabilization Pilot Project ¹	\$6.1M	\$1.5M	Permits pending	Winter 2026
2022-23 Storm Damage High Priority Repairs	\$2.4M	\$2.4M	Permits received	Fall 2026
2023 Storm Damage Repairs – Phase 1A/1B	\$24.9M	\$24.9M	Permits received	Fall 2026/Fall 2027

¹DWR has awarded approximately \$3.9M in grants through the Floodplain Management, Protection, and Risk Awareness (FMPRA) Grant program.

Flood Operations and Maintenance Highlights

Flood Maintenance — Each summer the Agency uses goat grazing services at its flood protection facilities for vegetation maintenance to abate fire fuels and maintain channel capacity. This summer, 176 acres of flood control facilities were grazed by goats. The goats are currently grazing in the City of Livermore and will be active through June 2026.

Rehabilitation Project — In November 2025, the U.S. Army Corps of Engineers completed Phase 1 of the Rehabilitation Project, successfully repairing four high-priority bank stabilization sites along Arroyo Mocho near West Las Positas Boulevard in Pleasanton. Phases 2 and 3 will address a total of 41 additional bank repair sites, 21 sites in Pleasanton planned for construction in 2026, followed by 20 sites in Dublin anticipated in 2027. Design for Phases 2 and 3 is complete, and the construction contract is currently out for bid. Environmental permit applications have been submitted to the appropriate regulatory agencies and are currently under review.

Storm Damage Repair Project Delays — Due to delays in environmental permitting for high-priority storm damage sites, the Alamo Creek Project, Phase 1A Storm Repairs, and US Army Corps of Engineers storm sites, work has been pushed to summer 2026.



**Flood Maintenance Goat Grazing -
Summer 2025**



**US Army Corps of Engineers
Rehabilitation Project**



**Future Storm Damage Repairs -
Line H-N at Vasco**

Fund 200 Reserves Breakdown

The table below compares the FY 2025-26 Amended Budget ending reserve balance to the projected ending reserve balance.

Fund 200 Reserves	FY 25-26 Amended Budget	FY 25-26 Projected Actual
Operating Reserves¹	\$9,548,000	\$9,548,000
Designated for Capital Projects Reserve²	-	\$27,118,000
Section 115 Pension Trust	228,000	238,000
Total Reserves	\$9,776,000	\$36,904,000
<i>Less: Estimated Budget Carryovers for Multi-Year Projects</i>		<i>(5,843,000)</i>
Net Fund Balance		\$31,061,000

Note: Values are rounded to the thousand.

¹ This fund may be routinely utilized to cover temporary cash flow deficiencies caused by timing differences between revenue and expenses and/or shifts in the allocation of property taxes to Zone 7.

² Per the Agency's Reserve Policy, there is no minimum or maximum level required for the Flood capital projects reserve.

Fund 210 - Flood Protection Development Impact Fee

Primary Funding Source: Development Impact Fees.

The purpose of this fund is to ensure the Agency can meet future needs for expansion-related flood control facilities. The program is primarily intended to provide funding for any flood control facilities required for new development. Funds are expended on the planning, design, land and right of way acquisition, environmental review, permitting, and construction for drainage projects.

Comprehensive Fund Summary

Details of Revenues and Expenses for Fund 210

Category	FY 2026 Amended	FY 2026 YTD Actuals	FY 2026 Projected Actual	Year-End Over/(Under) Budget
Beginning Fund Balance	\$85,092,017	\$85,092,017	\$85,092,017	-
Revenues				
Connection/Development Fees	\$1,500,000	\$815,977	\$2,000,000	\$500,000
Other Revenue	\$25,000	-	\$25,000	-
Investment Earnings	\$1,187,000	\$1,870,085	\$2,559,000	\$1,372,000
Total Revenues	\$2,712,000	\$2,686,062	\$4,584,000	\$1,872,000
Expenditures				
Personnel	\$160,641	\$57,589	\$62,000	-\$98,641
Professional Services	\$1,636,304	\$422,671	\$965,000	-\$671,304
Capital Projects	\$500,000	-	-	-\$500,000
Total Expenditures	\$2,296,945	\$480,259	\$1,027,000	-\$1,269,945
Total Revenues Less Expenditures	\$415,055	\$2,205,802	\$3,557,000	\$3,141,945
Ending Fund Balance	\$85,507,072	\$87,297,819	\$88,649,017	\$3,141,945

*Beginning fund balance reflects audited actual.

Explanation of Major Variances

Revenue

- Connection/Development Fees:** Development impact fees are collected from a development project within Zone 7's service area equal to the number of square feet of impervious surface created, meaning, any surface or parcel that reduces the rate of natural infiltration of storm water into the soil. The fee is \$1.00 per square foot. The year-to-date actual reflects revenue received from the City of Livermore. The year-end projection is greater than the budget as it reflects the increased development primarily within the City of Livermore.
- Investment Earnings:** The FY 2025-26 Budget assumes 1.5% projected interest earnings for the fiscal year. The year-end projection exceeds the budget due to the Agency's fixed investments. The revised projected interest earnings reflect 3%.



Expenses

1. **Personnel:** Includes flood staff labor for flood expansion projects through March 31, 2026. The year-end projection reflects the budget.
2. **Professional Services:** Primarily includes professional service expenses for the Flood Management Plan Phase 2A. The year-end projection is less than the budget as the Flood Management Plan will continue through next fiscal year.
3. **Capital Projects:** The budget consists of contingency funds for unforeseen projects or emergencies. No major capital projects are budgeted this year.

The Agency is in the process of developing and implementing a Flood Management Plan to direct the Agency's future flood maintenance activities and capital projects. Per Resolution No. 22-73, dated August 17, 2022, the Board adopted the Flood Management Plan Phase 1. Flood Management Plan Phase 2A professional and project management services were approved at the Board meeting on February 15, 2023.

Fund 210 Reserves Breakdown

The following table and chart compare the FY 2025-26 Amended Budget ending reserve balance to the projected ending reserve balance.

Fund 210 Reserves	FY 25-26 Amended Budget	FY 25-26 Projected Actual
Capital Projects Reserve	\$83,715,000	\$88,649,000
Total Reserves	\$83,715,000	\$88,649,000
<i>Less: Estimated Budget Carryovers for Multi-Year Projects</i>		<i>(427,000)</i>
Net Fund Balance		\$88,222,000

Note: Values are rounded to the thousand.