

ZONE 7 BOARD OF DIRECTORS FINANCE COMMITTEE

DATE: Thursday, February 13, 2025
TIME: 3:00 p.m.
LOCATION: 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 December 31, 2024
4. FY 2024-25 Unaudited Second Quarter Revenue and Expenditure Report
5. Adjournment



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

December 31, 2024

Board of Directors
 Zone 7 Water Agency
 100 North Canyons Parkway
 Livermore, CA 94551

Subject: Investment Report as of December 31, 2024 (Unaudited)

Dear Board Members,

Pursuant to Resolution No. 24-45, dated June 11, 2024, the Board adopted the Agency investment policy. In accordance with Strategic Plan Initiative No. 24 – Continue to effectively manage financial resources for the Agency in a prudent manner and in accordance with the Investment Policy, attached is the Agency quarterly informational investment report as of December 31, 2024. Enclosed with this report is a detailed composition of investments held in Zone 7’s name by securities category as of December 31, 2024. This report reflects 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	\$ 85,585,000	\$ 82,613,728	\$ 84,606,325	54.83%	No Limit	Yes	3.26%
Corporate Bonds (Medium Term Notes)	27,440,000	27,190,461	27,506,460	18.05%	30%	Yes	4.30%
Federal Agency Commercial Mortgage-Backed Security	29,256,814	29,255,062	29,357,038	19.42%	No Limit	Yes	4.79%
Negotiable Certificate of Deposit (CD)	1,350,000	1,376,217	1,381,242	0.91%	30%	Yes	5.08%
Asset-Backed Securities	4,855,000	4,900,693	4,865,655	3.25%	20%	Yes	5.07%
Money Market (1)	5,332,919	5,332,919	5,332,919	3.54%	20%	Yes	4.29%
Total Investments	\$ 153,819,733	\$ 150,669,080	\$ 153,049,638	100.00%			3.84%
US Bank	2,242,701	2,242,701	2,242,701				
Total Cash & Investments	\$ 156,062,434	\$ 152,911,781	\$ 155,292,339				3.84%

(1) **Money Market:** The Money Market Book Yield (Yield to Maturity at Cost) is not part of the overall securities YTM at Cost from PFM Asset Management, it’s from the U.S. Bank as custody bank.

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 for the Agency and the cash and investments are invested pursuant to investment policy guidelines established by the County Treasurer for the County.



As of December 31, 2024, the County Treasurer held approximately \$167,058,305 (unaudited) for the Agency. The amount held by the County Treasurer is sufficient to meet all operating cash needs for the Agency within the next six months. Here is a link to the County investment reports: <https://treasurer.acgov.org/reports/>

I hereby certify that, to the best of my actual 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, 2024.

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

Sincerely,

Osborn Solitei

Osborn Solitei
Treasurer

Attachment:

Zone 7 Investment Performance Review for the Quarter Ended December 31, 2024

c: Valerie Pryor, General Manager



ZONE 7 WATER AGENCY

Investment Performance Review For the Quarter Ended December 31, 2024

Client Management Team

Monique Spyke, Managing Director
Justin Resuello, Institutional Sales & Relationship Manager
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



- ▶ U.S. economic soft landing remains on track
 - ▶ Inflation and labor markets are in line with Fed expectations despite slower recent progress
 - ▶ Strong economic growth prospects remain intact, aided by a resilient consumer
 - ▶ Changes to fiscal policy may impact growth and inflation trajectory



- ▶ Fed easing cycle moves forward as expected, but looks to slow in 2025
 - ▶ The Fed cut the federal funds target rate by an additional 50 basis points (bps) during the fourth quarter to 4.25% - 4.50%
 - ▶ The Fed's December "dot plot" implies another 50 bps of cuts in 2025, less than the 100 bps of cuts previously projected in September
 - ▶ Fed Chair Powell noted the slower pace of cuts reflect "stickier" inflation heading into 2025

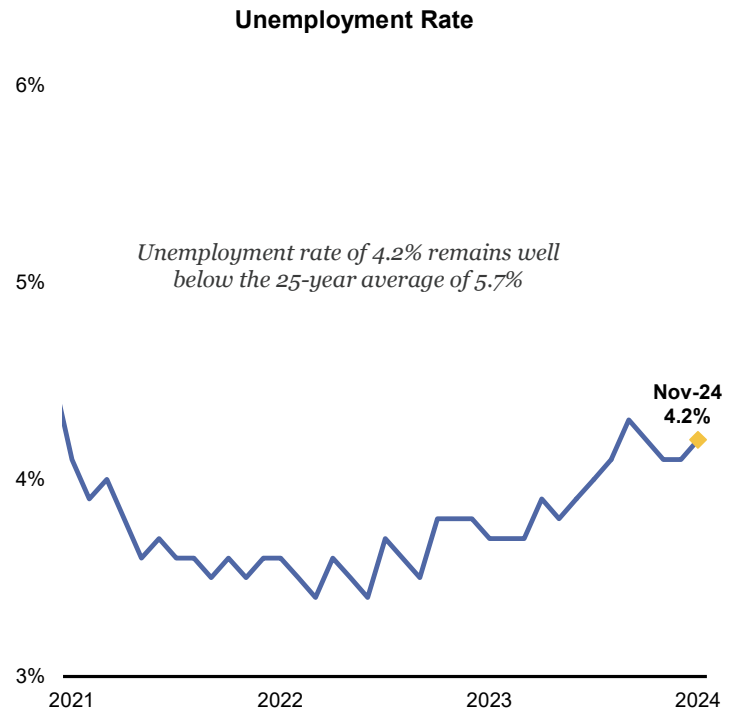
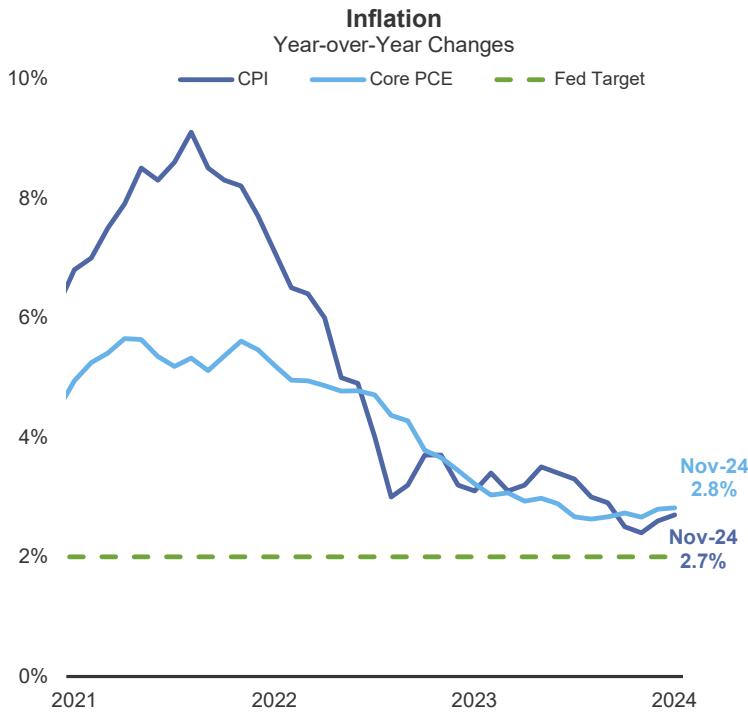


- ▶ Treasury yields responded to expected monetary and fiscal policy
 - ▶ Yields on maturities between 2 years and 10 years rose 60-83 bps during the 4th quarter
 - ▶ The yield curve disinversion continued and was flatter at the front end and positively sloped beyond 1-year
 - ▶ Yield spreads remained near historically tight levels across most sectors aided by robust demand and strength in the economy

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of December 31, 2024.

The Fed's Dual Mandate

Fed Chair Powell: "Downside risks to the labor market do appear to have diminished ... Inflation, we see that story as still broadly on track."



Source: FOMC Chair Jerome Powell Press Conference, December 18, 2024. Bureau of Labor Statistics, Bureau of Economic Analysis, and Bloomberg Finance L.P., as of November 2024. Data is seasonally adjusted. Historical average unemployment rate calculated from January 1990-November 2024.

Election & Potential Policy Implications on the Fed



Taxes

Lower taxes viewed as positive for growth but negative for the deficit



Tariffs

Uncertainty surrounding the scope and scale of tariff policy and viewed as inflationary



Immigration

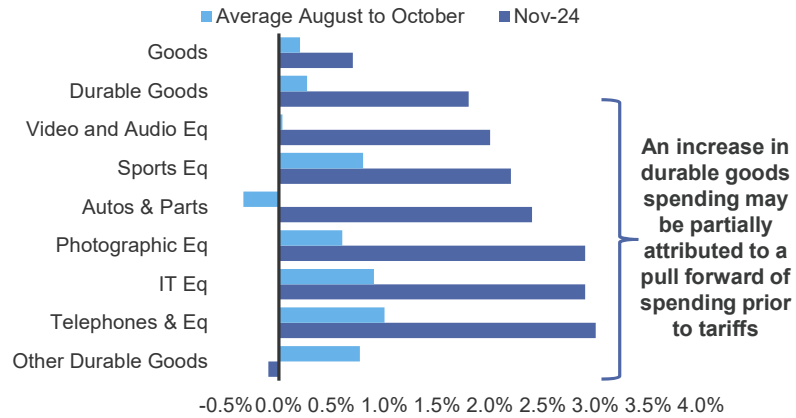
Tighter border policy may have adverse impacts on the labor market



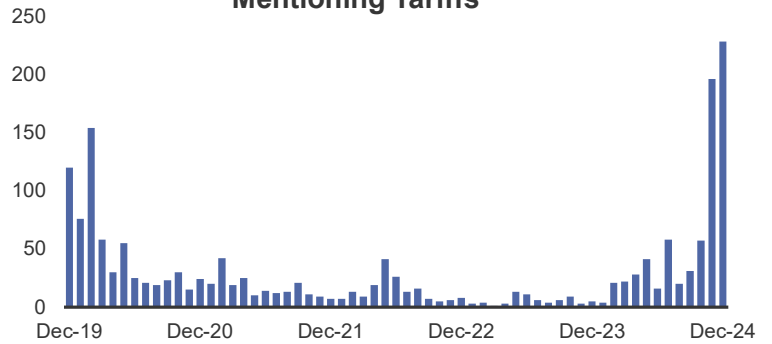
Regulation

Easing regulation is generally viewed as positive for growth

MoM % Change In Real Consumption



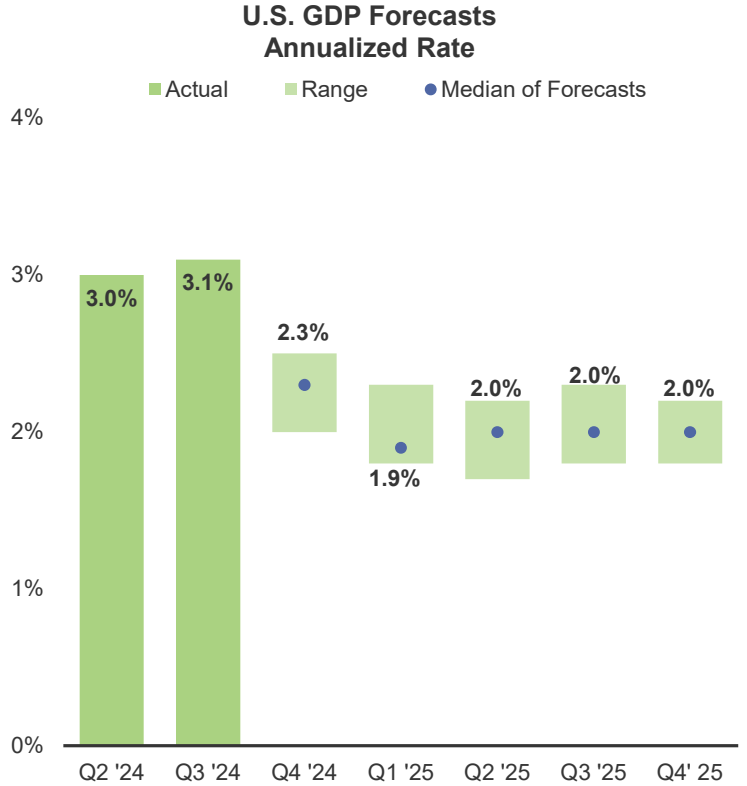
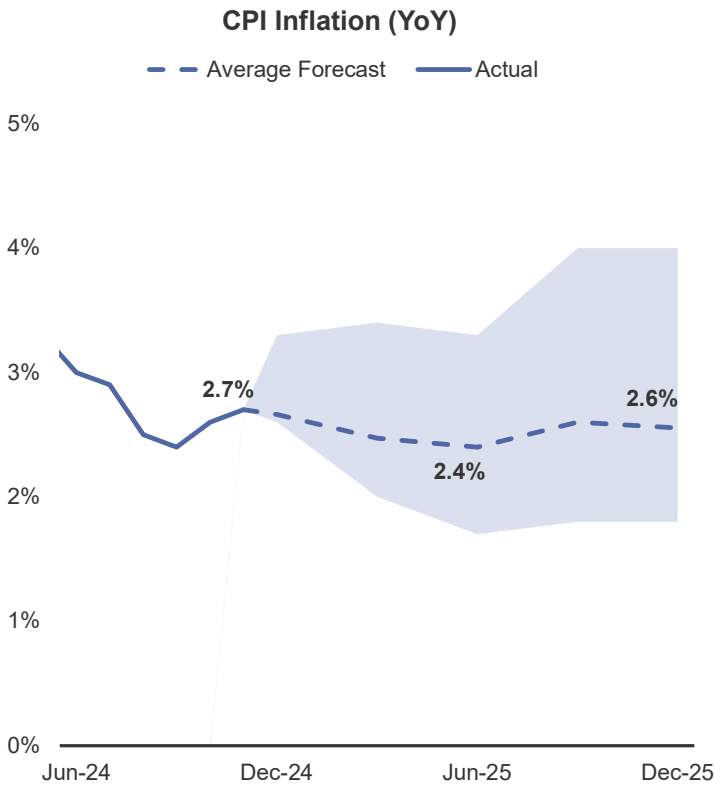
Word Count of S&P500 Companies Mentioning Tariffs



Sources: U.S. Bank: [Stock Market Under The Trump Administration | U.S. Bank \(usbank.com\)](#); Bloomberg Finance L.P. and Bureau of Economic Analysis as of November 2024 (top right). Bloomberg Finance L.P. as of December 2024 (bottom right).

Inflation and Growth Forecasted To Remain Stable

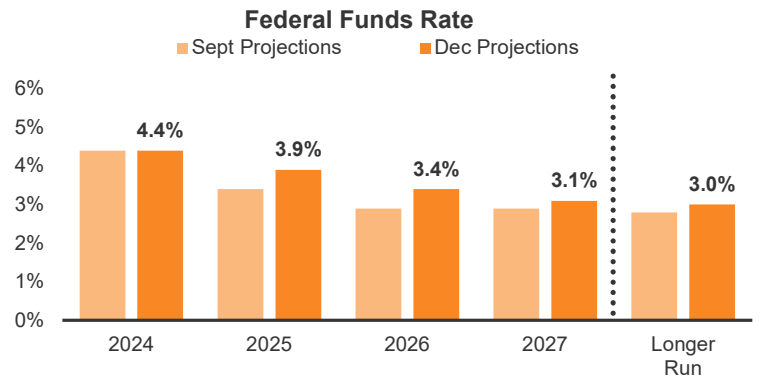
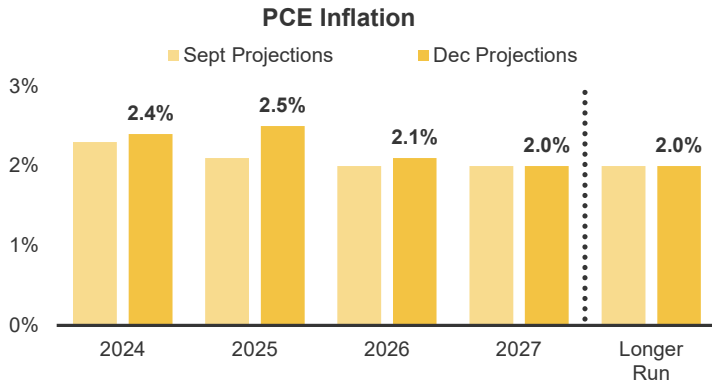
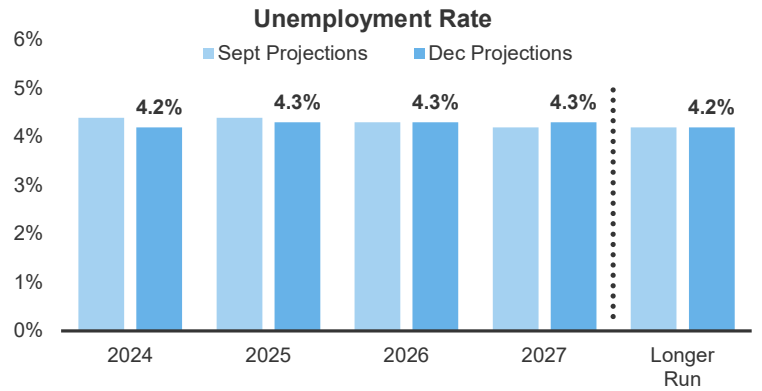
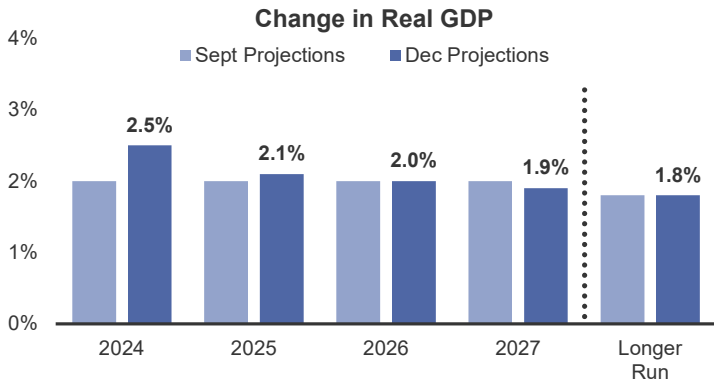
Fed Chair Powell: "I think it's pretty clear we've avoided a recession. I think growth this year has been solid, it really has...Again the U.S. economy has just been remarkable."



Source: Federal Reserve Chair Jerome Powell Press Conference as of December 18, 2024; Bureau of Labor Statistics and Bloomberg Finance L.P. as of December 2024 (left). Bureau of Economic Analysis and Bloomberg Finance L.P., as of December 2024 (right).

Fed's Updated Summary of Economic Projections

Fed Chair Powell: "These median projections are somewhat higher than in September, consistent with the firmer inflation projection."

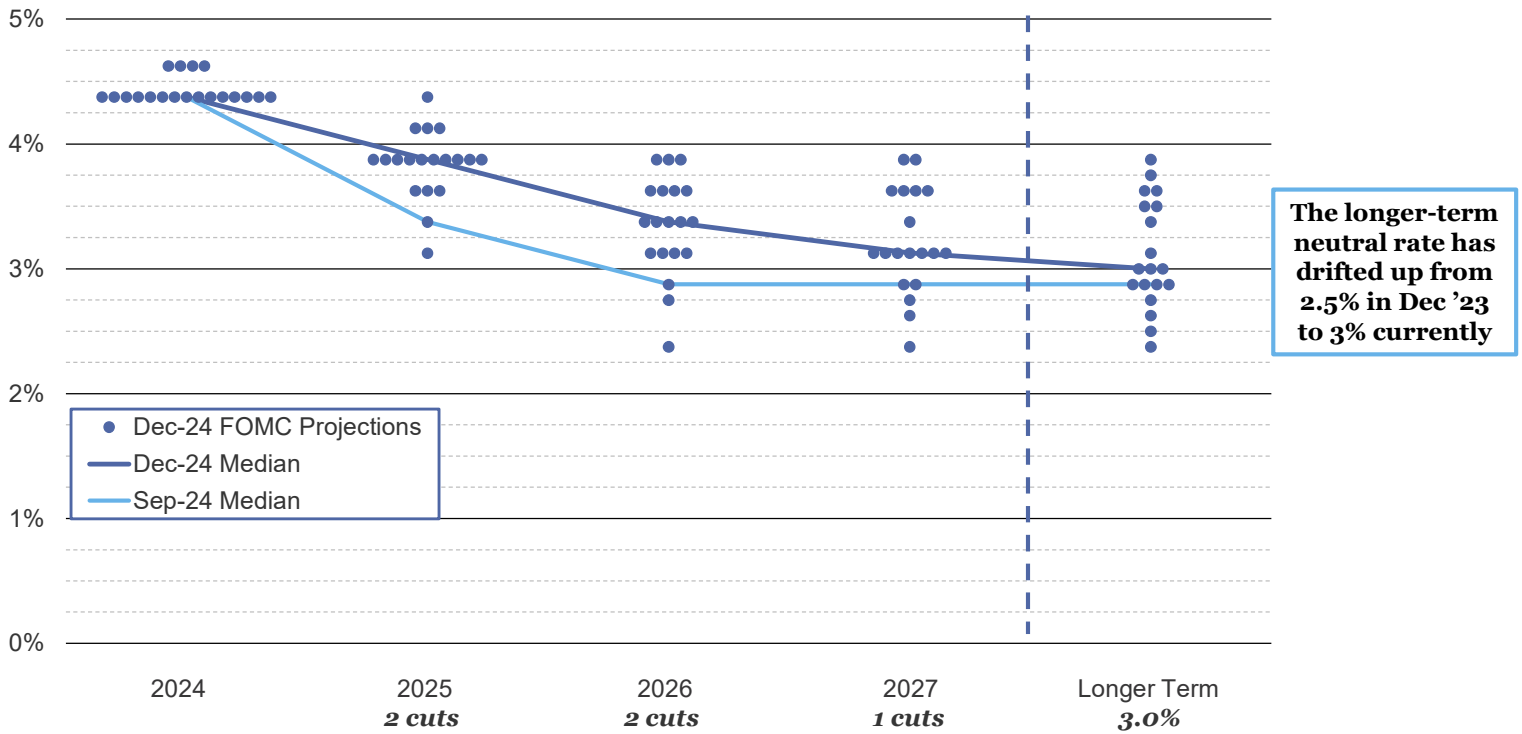


Source: Federal Reserve Chair Jerome Powell Press Conference as of December 18, 2024; Federal Reserve. As of December 2024.

The Fed's Latest "Dot Plot"

Fed Chair Powell: "You see a slower path ... meaningful progress to get inflation down to [2.5%] ... we have the labor market forecast as being in good shape, we are also mindful that it is ... very gradually cooling"

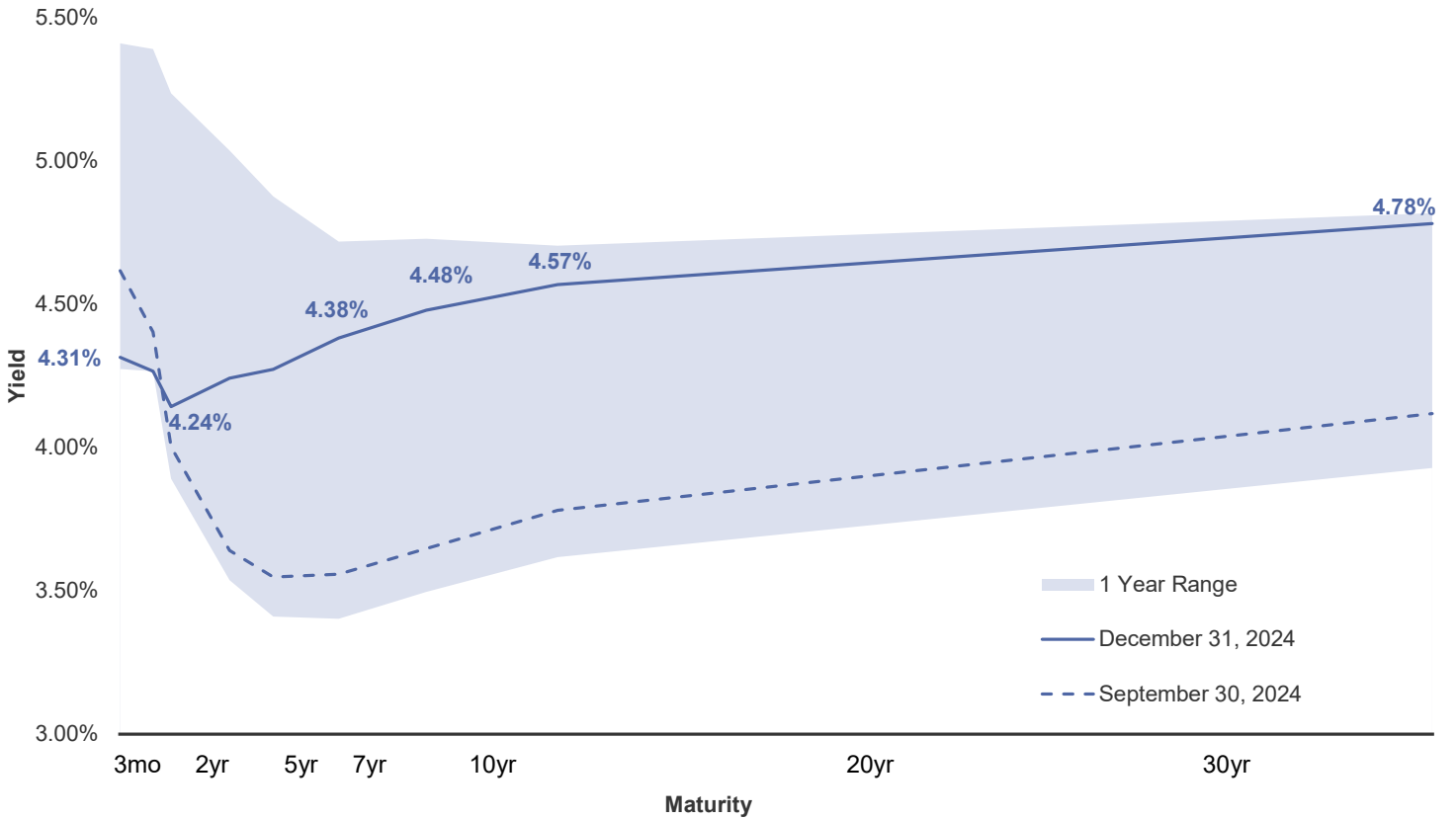
Fed Participants' Assessments of 'Appropriate' Monetary Policy



Source: Federal Reserve Chair Jerome Powell Press Conference as of December 18, 2024; Federal Reserve; Bloomberg Finance L.P.. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of December 2024.

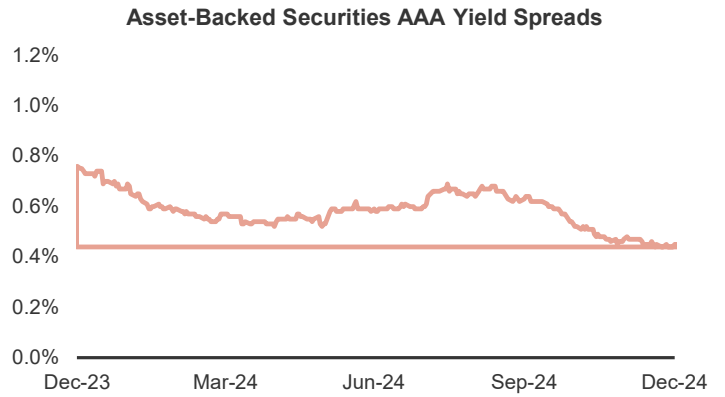
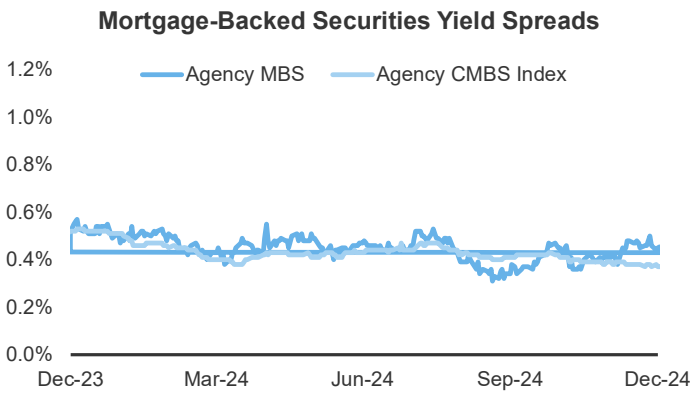
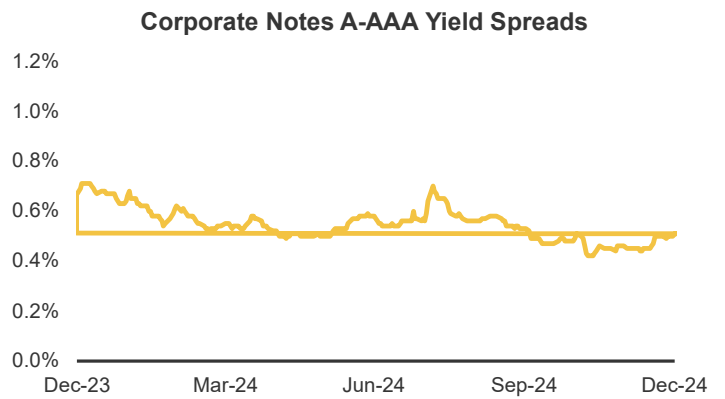
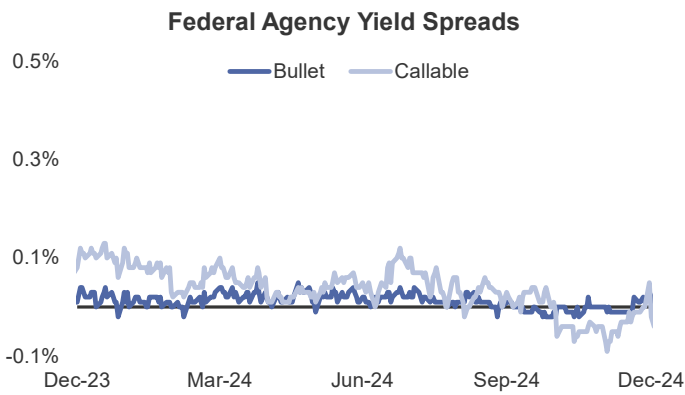
U.S. Treasury Yield Curve Steepens

U.S. Treasury Yield Curve



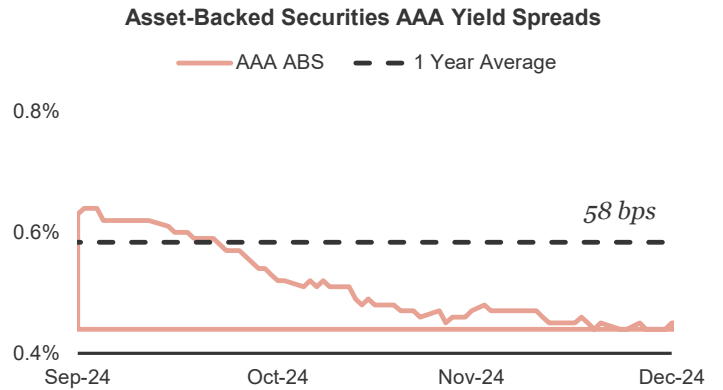
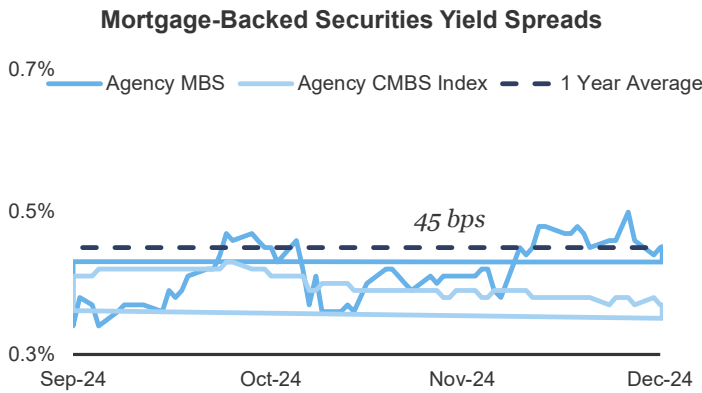
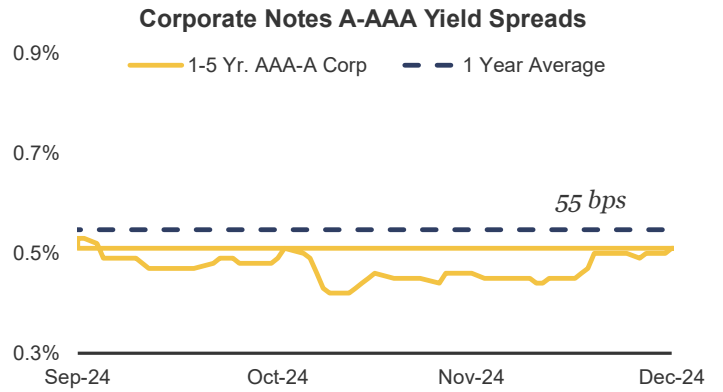
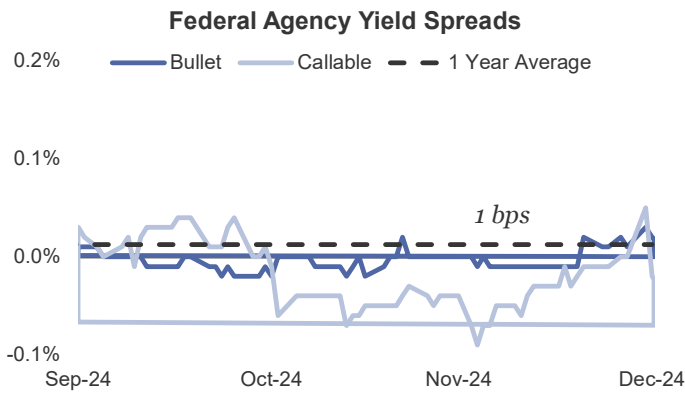
Source: Bloomberg Finance L.P., as of December 31, 2024.

Sector Yield Spreads



Source: ICE BofA 1-5 year Indices via Bloomberg, MarketAxess and PFMAM as of December 31, 2024. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices 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.

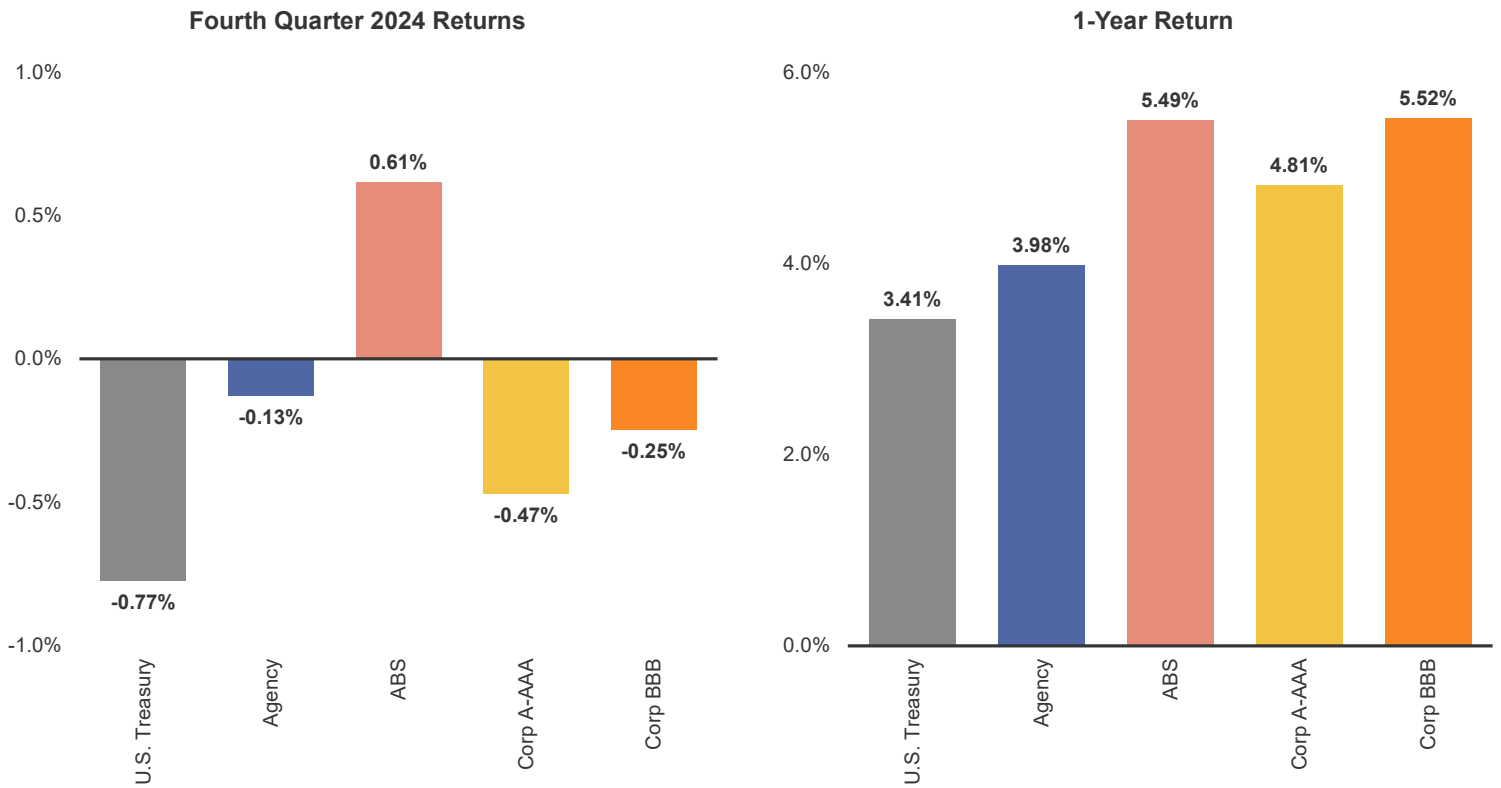
Sector Yield Spreads



Source: ICE BofA 1-5 year Indices via Bloomberg, MarketAxess and PFMAM as of December 31, 2024. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices 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 Total Returns in 4Q 2024

1-5 Year Indices



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of December 31, 2024.

Fixed-Income Sector Commentary – 4Q 2024

- ▶ **U.S. Treasury** yields reacted to the market attempting to digest the potential impacts of the new administration's policy proposals. Areas of focus include taxes, tariffs, immigration, and deregulation, which the market generally expects will result in more growth but larger budget deficits and higher inflation. Additionally, the Federal Open Market Committee (FOMC) continued with rate cuts, as expected, cutting a total of 100 bps (basis points) in 2024. While the Fed cut rates at both FOMC meetings in the 4th quarter, guidance on future rate cuts point toward a much slower pace of cuts than previously anticipated. The culmination of both fiscal and monetary impulses led the Treasury curve steeper with the 2-year Treasury yield rising 60 bps in the quarter while longer 10-year Treasuries rose 79 bps. As a result of the Treasury sell-off, total returns were negative for the period.
- ▶ **Federal Agency & Supranational** spreads remained low and range bound throughout Q4. These sectors produced muted excess returns relative to other investment grade fixed income sectors as issuance has remained quite light and the incremental income from the sectors is minimal.
- ▶ **Investment-Grade (IG) Corporates** posted another strong relative quarter as robust investor demand remained intact while issuance slowed into year end. Yield spreads tightened further toward multi-year tights. From an excess return perspective, lower-quality and longer-duration issuers outperformed in Q4. Excess returns of financial and banking issuers once again led most other industries across much of the yield curve during the quarter.
- ▶ **Asset-Backed Securities** spreads are tighter than their historical average while their underlying technicals remain strong. Cross-sector spread comparisons relative to corporates have shifted notably, as ABS spreads tightened substantially through year-end and now trade through corporates. As a result, ABS was a top of class performer for Q4.
- ▶ **Mortgage-Backed Securities** were adversely affected by heightened rate volatility and headwinds in the housing market. After an exceptionally strong Q3, agency-backed mortgages underperformed Treasuries in the fourth quarter. On the other hand, well-structured Agency-backed commercial MBS (CMBS) performed better for the quarter and saw positive excess returns.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) yields on the front end fell in response to the Fed rate cuts, but the money market yield curve steepened on prospects for "higher for longer." Yield spreads also widened modestly across the money market curve, most notably towards the back end.

The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (12/31/2024) 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.

Fixed-Income Sector Outlook – 1Q 2025

- ▶ **U.S. Treasury** yields moved notably higher throughout the 4th quarter as markets pared back expectations for aggressive Fed rate cuts in 2025 and now price a more tepid pace. We expect to see ongoing steepening of the yield curve with higher volatility as both fiscal and monetary policy evolve.
- ▶ **Federal Agency & Supranational** spreads are likely to remain at tight levels. Government-heavy accounts may find occasional value on an issue-by-issue basis, particularly in Supranationals as issuance increases in the new year.
- ▶ **Taxable Municipals** continue to see little activity due to an ongoing lack of supply and strong demand which continues to suppress yields in both the new issue and secondary markets. We expect few opportunities in the near term.
- ▶ **Investment-Grade Corporate** yield spreads are historically tight and our view is that the combination of heightened market volatility, fiscal policy uncertainty, and higher Q1 issuance seasonality may create opportunities to increase allocations at more attractive levels. Strength in market technicals and favorable fundamentals in the sector will likely limit significant downside. As a result, we will look to tactically reduce allocations in the sector to make room for future opportunities, with a focus on industry and credit quality-specific selectivity.
- ▶ **Asset-Backed Securities** fundamentals remain intact and have led to strong performance in the past quarter. New-year consumer credit trends will depend on the labor market, the resiliency of economic growth, and the consumer's response to monetary policy easing, which tends to work on a lagging basis. Credit metrics are expected to be constructive through 2025 and we will therefore seek to maintain allocations in the sector via the reinvestment of passive cash flows in new issuance over the coming months.
- ▶ **Mortgage-Backed Securities** are expected to produce muted excess returns entering the new year. Since the sector is highly rate sensitive, policy uncertainty and Fed caution may increase volatility. We may use any meaningful spread widening to add at more attractive levels.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) yields have drifted higher in response to a slower pace of rate cuts in 2025. Yield spreads also begin to drift wider, and we believe spreads of 20 to 30 basis points offer good relative value. Given a money market yield curve that is now positively sloped, we favor a mix of floating rate in the front end with fixed rate in longer maturities.







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Fixed-Income Sector Outlook – 1Q 2025

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	



Factors to Consider for 6-12 Months

<p>Monetary Policy (Global):</p>  <ul style="list-style-type: none"> The Fed continued its easing cycle with a total of 100 basis points (bps) of rate cuts in 2024. The FOMC's December median "dot plot" projection suggests another 50 bps in cuts by the end of 2025, which is significantly less than previously implied, in large part due to uncertainty surrounding implications of potential fiscal policy changes. While the Fed and other major central banks (excluding the Bank of Japan) continue to ease, expectations are for policy rates to settle higher in the longer term given the higher inflation outlook. 	<p>Economic Growth (Global):</p>  <ul style="list-style-type: none"> U.S. economic growth remains strong on consumer spending which remains quite resilient. Fiscal policies discussed on the campaign trail are expected to boost growth, however actual policy implementation and timing are uncertain and subject to change. Economic growth outside the U.S. remains modest. Tariffs pose some risks with trading partners. Declines in foreign direct investment and weak domestic demand continue to impact China. 	<p>Inflation (U.S.):</p>  <ul style="list-style-type: none"> While inflation has fallen since its peak in 2022, progress has stalled in the past few months. The Fed has acknowledged higher inflation expectations going into 2025. Further rate cuts will depend on inflation moving closer to its 2% target. Proposed fiscal policies may put pressure on wages and goods costs. Some policymakers have already incorporated these impacts into their outlooks.
<p>Financial Conditions (U.S.):</p>  <ul style="list-style-type: none"> Market metrics such as narrow corporate yield spreads and strong equity returns continue to point to the stability of financial conditions. The potential for decreased regulation under the incoming administration has buoyed economic confidence. We remain attentive to further cooling in the labor markets and fiscal policy considerations as these will play a large role in the evolution of future conditions. While our base case is not for a dramatic shift in conditions, the potential impact of future policies warrants attention. 	<p>Consumer Spending (U.S.):</p>  <ul style="list-style-type: none"> Broad consumer metrics show spending fueled by the stability of the labor market continuing to support economic strength. A growing divergence among consumers exists as lower-income cohorts continue to feel more strain due to the higher overall level of prices. An unexpected material deterioration of labor market conditions is the biggest risk factor to consumer spending. Other headwinds may include slower real wage growth, which could reduce purchasing power, and higher interest rates persisting. 	<p>Labor Markets:</p>  <ul style="list-style-type: none"> The labor market remains well-positioned and in balance despite intra-quarter data volatility caused by weather events and strikes which have now been resolved. Layoffs remain near historically low levels; however, the pace of hiring has slowed considerably. The Fed has acknowledged labor market conditions have loosened, and a further cooling of labor conditions is not necessary to achieve its dual mandate of maximum employment and stable prices.

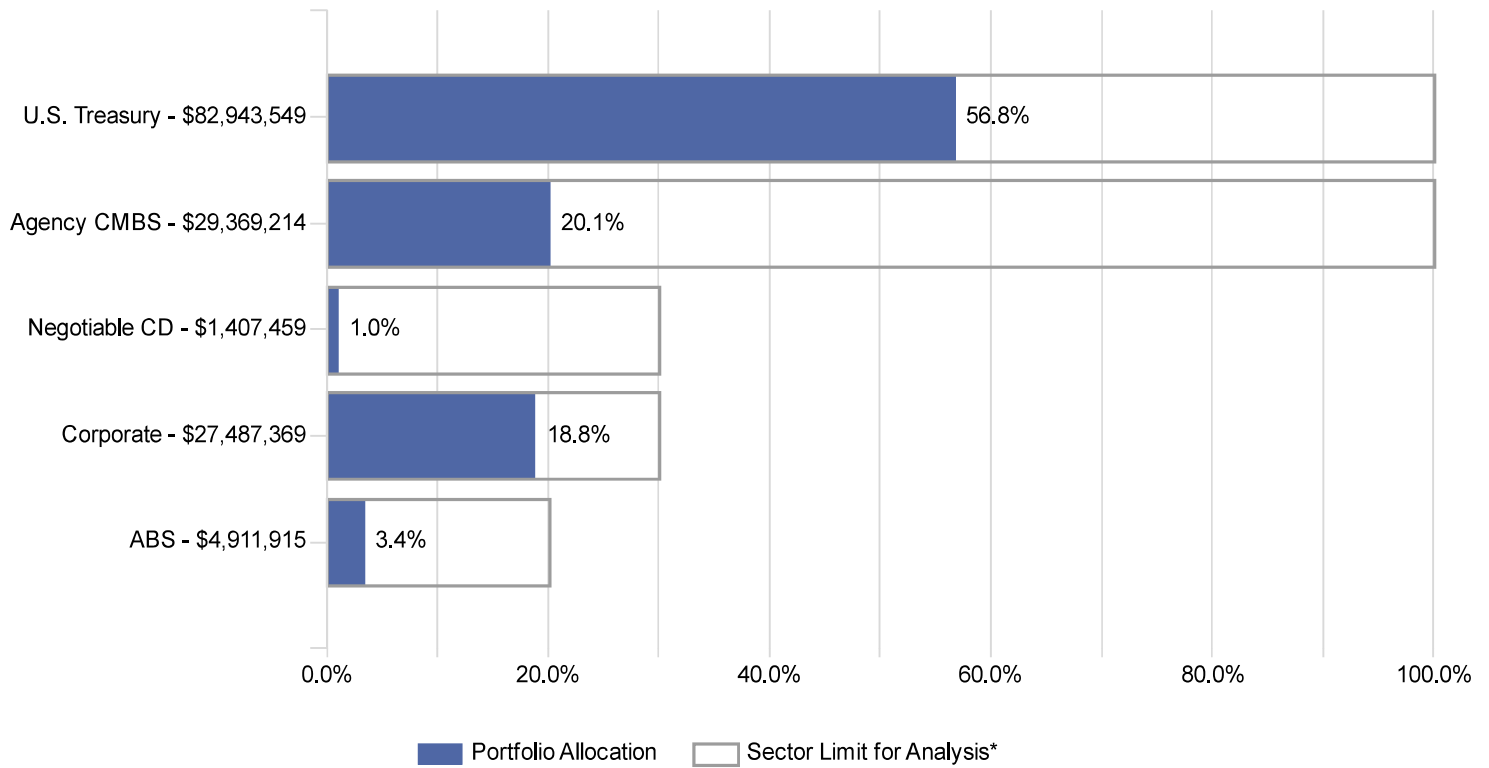
● Current outlook ○ Outlook one quarter ago



Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (12/31/2024) 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

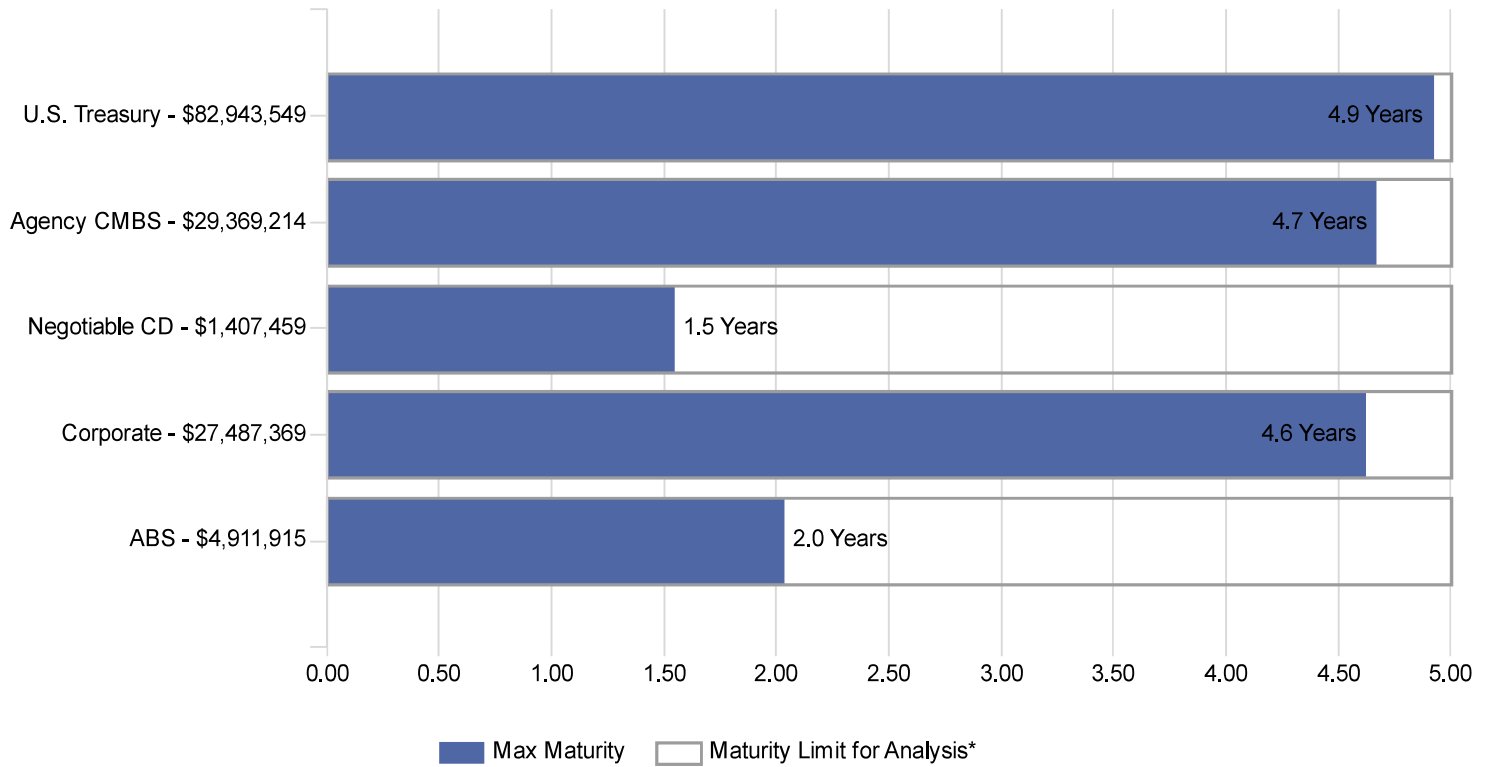
Sector Allocation Analytics



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 December 31, 2024, 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").

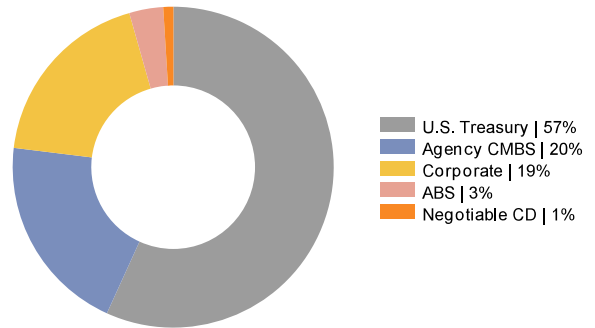
Portfolio Review: ZONE 7 WATER AGENCY

Portfolio Snapshot - ZONE 7 WATER AGENCY¹

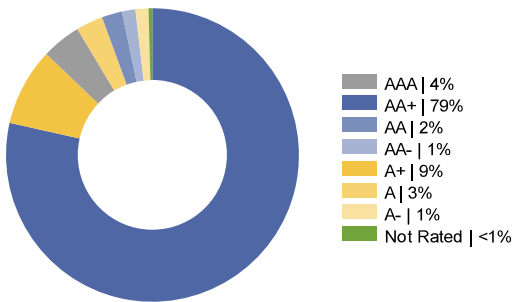
Portfolio Statistics

Total Market Value	\$151,452,425.66
Securities Sub-Total	\$145,336,160.78
Accrued Interest	\$783,345.81
Cash	\$5,332,919.07
Portfolio Effective Duration	2.52 years
Benchmark Effective Duration	2.48 years
Yield At Cost	3.84%
Yield At Market	4.45%
Portfolio Credit Quality	AA

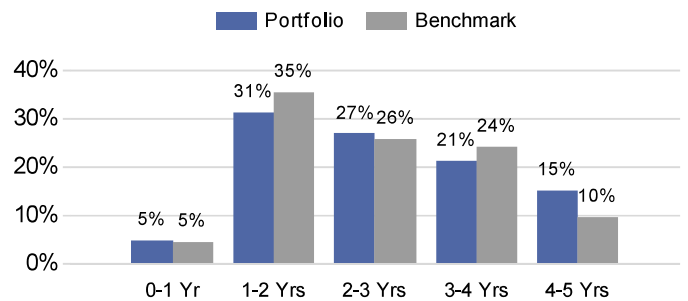
Sector Allocation



Credit Quality - S&P



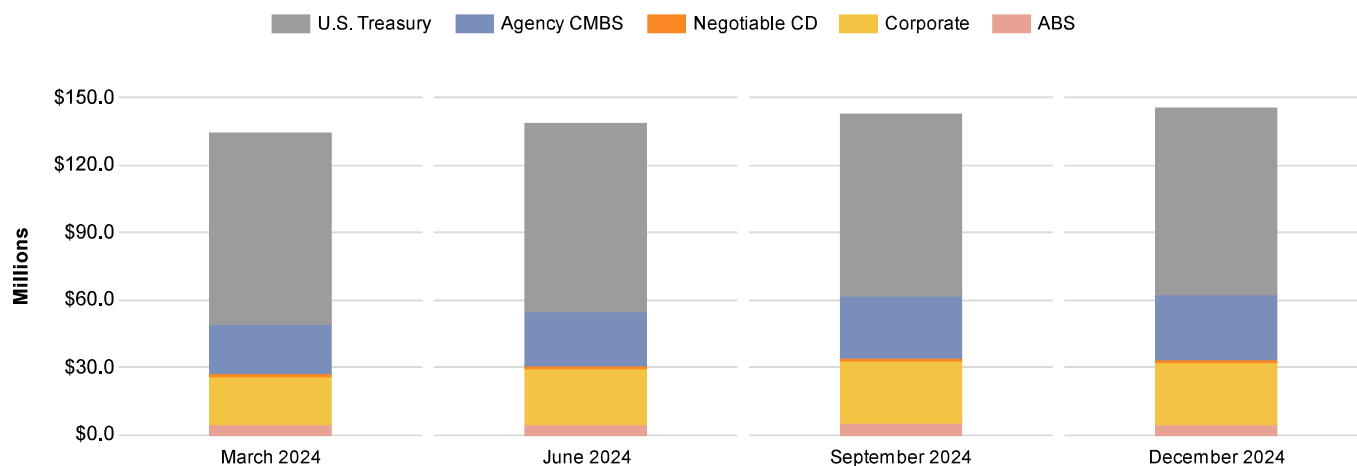
Duration Distribution



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

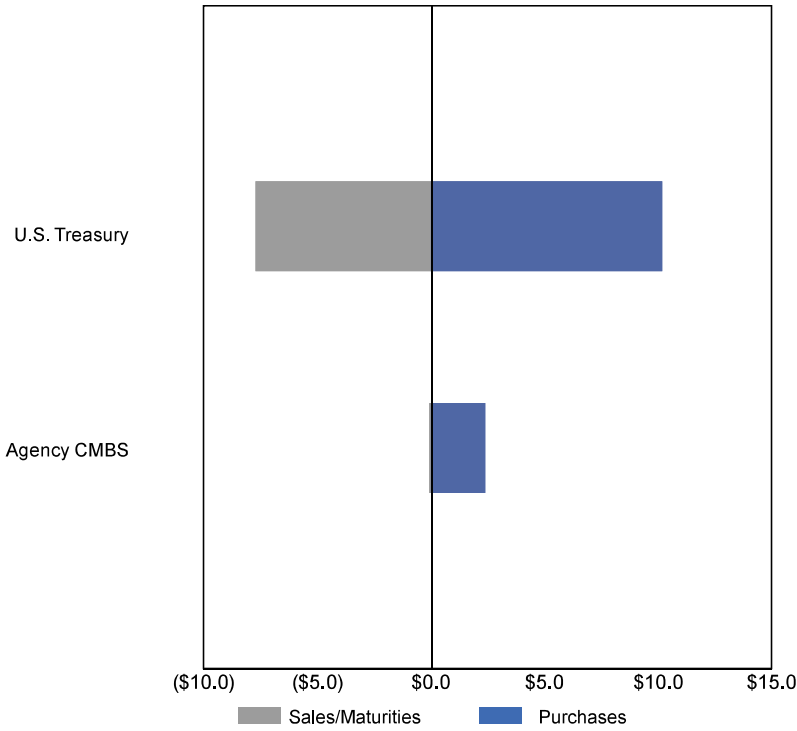
Security Type	Mar-24	% of Total	Jun-24	% of Total	Sep-24	% of Total	Dec-24	% of Total
U.S. Treasury	\$85.0	63.3%	\$83.7	60.4%	\$81.1	56.7%	\$82.6	56.8%
Agency CMBS	\$21.9	16.3%	\$24.0	17.4%	\$27.6	19.4%	\$29.3	20.1%
Negotiable CD	\$1.3	1.0%	\$1.3	1.0%	\$1.4	1.0%	\$1.4	1.0%
Corporate	\$21.2	15.8%	\$24.4	17.7%	\$27.6	19.4%	\$27.2	18.7%
ABS	\$4.9	3.6%	\$4.8	3.5%	\$4.9	3.5%	\$4.9	3.4%
Total	\$134.3	100.0%	\$138.2	100.0%	\$142.6	100.0%	\$145.3	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.

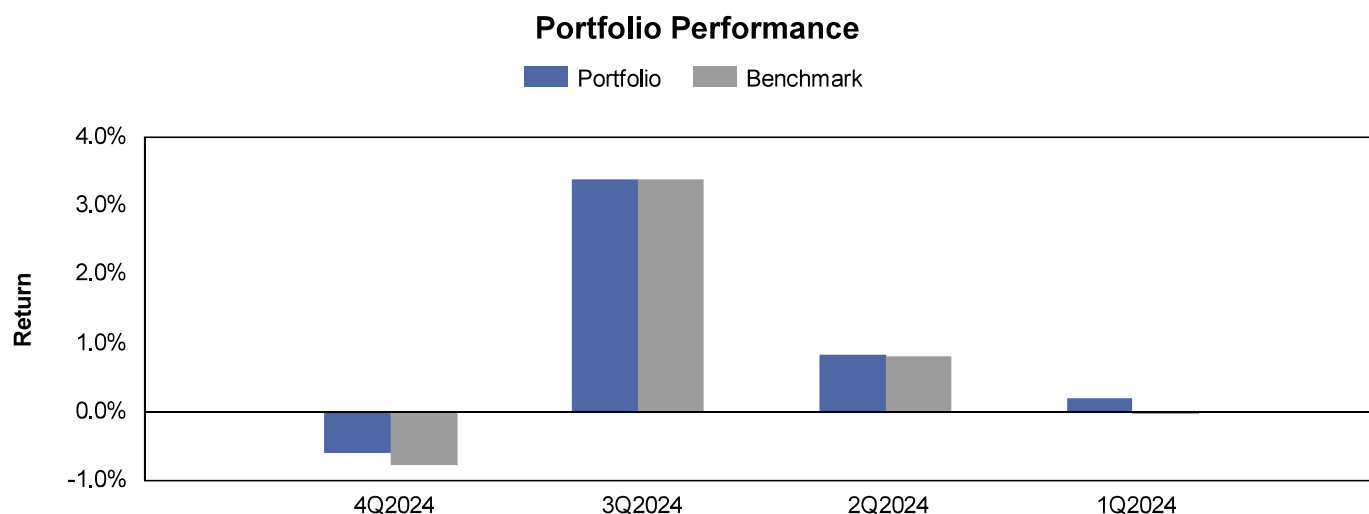
Portfolio Activity - ZONE 7 WATER AGENCY

Net Activity by Sector
(\$ millions)



Sector	Net Activity
U.S. Treasury	\$2,454,527
Agency CMBS	\$2,310,282
Total Net Activity	\$4,764,809

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



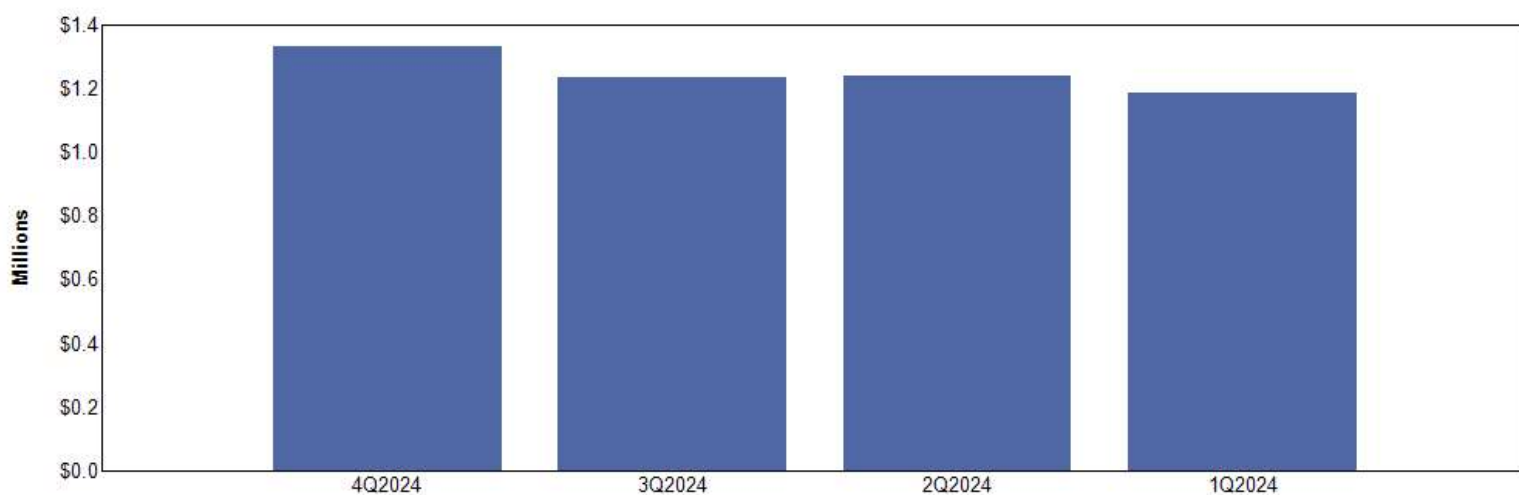
Market Value Basis Earnings	4Q2024	3Q2024	2Q2024	1Q2024
Interest Earned ¹	\$1,179,794	\$1,116,399	\$1,015,062	\$917,674
Change in Market Value	(\$2,048,149)	\$3,774,402	\$195,620	(\$659,386)
Total Dollar Return	(\$868,355)	\$4,890,801	\$1,210,682	\$258,288
Total Return²				
Portfolio	-0.59%	3.40%	0.84%	0.19%
Benchmark ³	-0.77%	3.39%	0.82%	-0.02%

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	4Q2024	3Q2024	2Q2024	1Q2024
Interest Earned ¹	\$1,179,794	\$1,116,399	\$1,015,062	\$917,674
Realized Gains / (Losses) ²	(\$93,804)	(\$143,247)	(\$60,064)	(\$36,910)
Change in Amortized Cost	\$244,213	\$260,606	\$286,265	\$304,774
Total Earnings	\$1,330,203	\$1,233,757	\$1,241,263	\$1,185,538

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

For the Quarter Ended December 31, 2024

ZONE 7 WATER AGENCY

Portfolio Composition

**Issuer Distribution
As of December 31, 2024**

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	82,613,728	56.83 %
FEDERAL HOME LOAN MORTGAGE CORP	27,967,192	19.24 %
JPMORGAN CHASE & CO	4,256,328	2.93 %
CITIGROUP INC	2,333,385	1.61 %
APPLE INC	2,264,658	1.56 %
BANK OF AMERICA CORP	2,090,925	1.44 %
MICROSOFT CORP	2,031,506	1.40 %
AMAZON.COM INC	1,981,996	1.36 %
WELLS FARGO & CO	1,968,284	1.35 %
COOPERATIEVE RABOBANK UA	1,376,217	0.95 %
MORGAN STANLEY	1,368,822	0.94 %
HOME DEPOT INC	1,331,695	0.92 %
TARGET CORP	1,307,996	0.90 %
WALMART INC	1,294,183	0.89 %
FEDERAL NATIONAL MORTGAGE ASSOCIATION	1,287,870	0.89 %
AMERICAN EXPRESS CO	1,083,617	0.75 %
ELI LILLY & CO	1,078,562	0.74 %
DEERE & CO	1,004,612	0.69 %
ADOBE INC	995,260	0.68 %
PACCAR INC	982,512	0.68 %
TOYOTA MOTOR CORP	977,794	0.67 %
MASTERCARD INC	933,116	0.64 %
PEPSICO INC	718,553	0.49 %
STATE STREET CORP	677,261	0.47 %

For the Quarter Ended December 31, 2024

ZONE 7 WATER AGENCY

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
BA CREDIT CARD TRUST	484,623	0.33 %
HYUNDAI AUTO RECEIVABLES TRUST	400,808	0.28 %
TOYOTA AUTO RECEIVABLES OWNER TRUST	268,885	0.19 %
GM FINANCIAL CONSUMER AUTOMOBILE RECEIV	130,664	0.09 %
BLACKROCK INC	125,111	0.09 %
Grand Total	145,336,161	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 09/30/2020 0.250% 09/30/2025	91282CAM3	2,235,000.00	AA+	Aaa	5/3/2022	5/4/2022	2,039,612.11	2.97	1,427.58	2,192,312.85	2,170,028.55
US TREASURY N/B DTD 11/30/2020 0.375% 11/30/2025	91282CAZ4	1,600,000.00	AA+	Aaa	4/13/2022	4/18/2022	1,477,187.50	2.61	527.47	1,569,064.63	1,545,036.80
US TREASURY N/B DTD 02/01/2021 0.375% 01/31/2026	91282CBH3	3,160,000.00	AA+	Aaa	2/7/2022	2/8/2022	2,998,420.31	1.71	4,958.97	3,116,074.34	3,031,994.72
US TREASURY N/B DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,225,000.00	AA+	Aaa	4/1/2022	4/4/2022	2,995,848.63	2.64	6,179.77	3,153,596.62	3,088,946.93
US TREASURY N/B DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	3,405,000.00	AA+	Aaa	5/3/2022	5/4/2022	3,126,614.65	2.98	6,524.69	3,316,431.71	3,261,353.27
US TREASURY N/B DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	1,225,000.00	AA+	Aaa	2/17/2022	2/18/2022	1,170,162.11	1.86	1,573.55	1,207,675.24	1,170,018.33
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	6,760,000.00	AA+	Aaa	6/6/2022	6/8/2022	6,195,434.38	2.99	4,457.14	6,559,895.87	6,438,109.08
US TREASURY N/B DTD 06/01/2021 0.750% 05/31/2026	91282CCF6	1,665,000.00	AA+	Aaa	3/8/2022	3/9/2022	1,592,546.48	1.82	1,097.80	1,640,833.18	1,585,717.70
US TREASURY N/B DTD 09/30/2021 0.875% 09/30/2026	91282CCZ2	3,420,000.00	AA+	Aaa	5/3/2022	5/4/2022	3,122,353.13	3.00	7,645.67	3,302,235.37	3,227,224.86
US TREASURY N/B DTD 11/15/2016 2.000% 11/15/2026	912828U24	6,450,000.00	AA+	Aaa	6/6/2022	6/8/2022	6,181,669.92	3.01	16,748.62	6,336,940.50	6,189,987.60
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	5,300,000.00	AA+	Aaa	7/5/2022	7/7/2022	5,162,945.31	2.85	45,042.80	5,236,925.54	5,085,721.00
US TREASURY N/B DTD 04/30/2020 0.500% 04/30/2027	912828ZN3	5,775,000.00	AA+	Aaa	8/3/2022	8/5/2022	5,161,406.25	2.92	4,945.44	5,473,703.82	5,296,760.70
US TREASURY N/B DTD 05/15/2017 2.375% 05/15/2027	912828X88	6,220,000.00	AA+	Aaa	6/10/2022	6/13/2022	5,966,826.56	3.28	19,179.77	6,098,273.87	5,956,135.16
US TREASURY N/B DTD 06/30/2020 0.500% 06/30/2027	912828ZV5	2,750,000.00	AA+	Aaa	8/9/2022	8/10/2022	2,440,410.16	2.99	37.98	2,592,169.89	2,507,012.75
US TREASURY N/B DTD 08/15/2017 2.250% 08/15/2027	9128282R0	2,570,000.00	AA+	Aaa	9/1/2022	9/6/2022	2,436,580.86	3.40	21,841.51	2,499,296.73	2,442,605.10

For the Quarter Ended December 31, 2024

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 09/30/2022 4.125% 09/30/2027	91282CFM8	1,940,000.00	AA+	Aaa	11/1/2022	11/3/2022	1,927,344.53	4.27	20,445.95	1,932,923.67	1,932,119.72
US TREASURY N/B DTD 10/31/2022 4.125% 10/31/2027	91282CFU0	5,890,000.00	AA+	Aaa	12/13/2022	12/14/2022	6,019,303.91	3.63	41,612.36	5,964,955.63	5,866,074.82
US TREASURY N/B DTD 11/17/1997 6.125% 11/15/2027	912810FB9	1,560,000.00	AA+	Aaa	1/26/2023	1/30/2023	1,730,685.94	3.62	12,405.66	1,662,216.49	1,638,304.20
US TREASURY N/B DTD 02/28/2023 4.000% 02/29/2028	91282CGP0	600,000.00	AA+	Aaa	2/14/2024	2/15/2024	593,203.12	4.31	8,154.70	594,682.31	594,468.60
US TREASURY N/B DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	850,000.00	AA+	Aaa	5/31/2023	5/31/2023	842,263.67	3.83	7,872.42	844,808.86	832,402.45
US TREASURY N/B DTD 05/01/2023 3.500% 04/30/2028	91282CHA2	865,000.00	AA+	Aaa	5/1/2023	5/1/2023	860,877.73	3.61	5,185.22	862,257.09	843,070.52
US TREASURY N/B DTD 04/30/2024 4.625% 04/30/2029	91282CKP5	1,530,000.00	AA+	Aaa	5/30/2024	5/31/2024	1,532,211.33	4.59	12,119.54	1,531,973.15	1,544,463.09
US TREASURY N/B DTD 04/30/2024 4.625% 04/30/2029	91282CKP5	475,000.00	AA+	Aaa	5/2/2024	5/3/2024	476,076.17	4.57	3,762.60	475,946.94	479,490.18
US TREASURY N/B DTD 07/01/2024 4.250% 06/30/2029	91282CKX8	4,740,000.00	AA+	Aaa	7/2/2024	7/3/2024	4,713,152.34	4.38	556.49	4,715,570.20	4,713,152.64
US TREASURY N/B DTD 07/31/2024 4.000% 07/31/2029	91282CLC3	230,000.00	AA+	Aaa	8/1/2024	8/2/2024	231,608.20	3.84	3,850.00	231,487.22	226,325.29
US TREASURY N/B DTD 09/03/2024 3.625% 08/31/2029	91282CLK5	3,420,000.00	AA+	Aaa	9/4/2024	9/5/2024	3,427,080.47	3.58	42,124.10	3,426,667.35	3,310,987.50
US TREASURY N/B DTD 10/31/2024 4.125% 10/31/2029	91282CLR0	445,000.00	AA+	Aaa	10/30/2024	10/31/2024	444,634.96	4.14	3,143.89	444,646.98	439,819.76
US TREASURY N/B DTD 12/02/2024 4.125% 11/30/2029	91282CMA6	7,280,000.00	AA+	Aaa	12/5/2024	12/6/2024	7,293,081.25	4.08	26,400.00	7,292,936.88	7,196,396.48
Security Type Sub-Total		85,585,000.00					82,159,541.98	3.26	329,821.69	84,276,502.93	82,613,727.80
Negotiable CD											
COOPERAT RABOBANK UA/NY DTD 07/20/2023 5.080% 07/17/2026	21684LGS5	1,350,000.00	A+	Aa2	7/17/2023	7/20/2023	1,350,000.00	5.08	31,242.00	1,350,000.00	1,376,217.00
Security Type Sub-Total		1,350,000.00					1,350,000.00	5.08	31,242.00	1,350,000.00	1,376,217.00

For the Quarter Ended December 31, 2024

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 DTD 04/13/2022 3.000% 04/13/2025	023135CE4	1,990,000.00	AA	A1	4/11/2022	4/13/2022	1,986,835.90	3.06	12,935.00	1,989,701.17	1,981,996.22
WALMART INC (CALLABLE) DTD 06/27/2018 3.550% 06/26/2025	931142ED1	1,300,000.00	AA	Aa2	2/7/2022	2/9/2022	1,372,527.00	1.84	640.97	1,307,208.82	1,294,182.50
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	42,401.00	1,943,558.84	1,968,283.60
JP MORGAN CHASE BANK NA (CALLABLE) DTD 12/08/2023 5.110% 12/08/2026	48125LRU8	2,000,000.00	AA-	Aa2	12/5/2023	12/8/2023	2,000,000.00	5.11	6,529.44	2,000,000.00	2,021,144.00
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	12,363.54	1,371,658.56	1,307,996.25
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	27,580.21	2,044,918.70	2,031,505.92
BANK OF AMERICA CORP (CALLABLE) DTD 03/11/2021 1.658% 03/11/2027	06051GJQ3	2,170,000.00	A-	A1	4/13/2022	4/18/2022	2,000,761.70	3.40	10,993.46	2,094,164.35	2,090,925.20
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	11,567.89	1,343,996.51	1,331,695.06
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	21,277.57	971,708.12	977,794.02
APPLE INC (CALLABLE) DTD 05/10/2023 4.000% 05/10/2028	037833ET3	2,300,000.00	AA+	Aaa	5/10/2023	5/11/2023	2,302,001.00	3.98	13,033.33	2,301,333.62	2,264,658.20
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	4,762.49	891,426.81	902,408.38
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	2,461.51	460,000.00	466,413.32
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	7,922.06	347,396.44	348,332.70
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	10,447.94	454,520.54	459,395.30
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	4,477.69	196,875.55	196,883.70

For the Quarter Ended December 31, 2024

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											
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	18,902.81	971,665.55	982,512.38
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	29,289.03	1,975,000.00	2,036,471.88
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	11,291.65	685,000.00	677,260.87
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	1,746.18	124,806.83	125,110.88
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	6,322.00	544,296.79	547,895.59
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	5,162.00	444,356.44	447,364.29
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	2,458.33	926,314.83	933,116.00
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	14,760.00	718,978.54	718,552.80
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	245,000.00	A+	A1	8/12/2024	8/14/2024	244,463.45	4.25	3,915.92	244,501.34	240,225.20
ELI LILLY & CO (CALLABLE) DTD 08/14/2024 4.200% 08/14/2029	532457CQ9	855,000.00	A+	A1	8/13/2024	8/14/2024	856,248.30	4.17	13,665.75	856,163.65	838,336.91
Security Type Sub-Total		27,440,000.00					27,100,477.20	4.30	296,907.77	27,209,552.00	27,190,461.17
Agency CMBS											
FHMS K061 A2 DTD 01/01/2017 3.347% 11/01/2026	3137BTUM1	940,902.52	AA+	Aaa	5/19/2023	5/24/2023	911,940.37	4.29	2,624.33	925,192.68	918,334.03
FHMS K064 A2 DTD 05/01/2017 3.224% 03/01/2027	3137BXQY1	1,320,000.00	AA+	Aaa	8/16/2023	8/18/2023	1,245,131.25	4.94	3,546.40	1,273,589.46	1,283,822.76
FHMS K066 A2 DTD 08/01/2017 3.117% 06/01/2027	3137F2LJ3	1,165,000.00	AA+	Aaa	8/17/2023	8/22/2023	1,089,457.03	4.97	3,026.09	1,116,167.45	1,126,565.49
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	641,882.39	AA+	Aaa	9/7/2023	9/14/2023	632,283.06	5.01	2,487.29	634,703.85	641,508.18

For the Quarter Ended December 31, 2024

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 KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	1,073,814.39	AA+	Aaa	7/19/2023	7/27/2023	1,073,787.54	4.78	4,274.68	1,073,795.34	1,070,713.21
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	1,350,000.00	AA+	Aaa	7/13/2023	7/20/2023	1,363,483.80	4.59	5,421.38	1,359,526.02	1,353,073.95
FNA 2023-M6 A2 DTD 07/01/2023 4.181% 07/01/2028	3136BQDE6	1,313,867.37	AA+	Aaa	7/18/2023	7/31/2023	1,291,593.21	4.58	4,577.73	1,297,925.33	1,287,869.88
FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028	3137HAMH6	1,300,000.00	AA+	Aaa	9/7/2023	9/14/2023	1,280,769.10	4.99	5,037.50	1,285,347.16	1,297,181.60
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	691,346.84	AA+	Aaa	9/19/2023	9/28/2023	691,343.38	5.27	3,037.32	691,344.54	697,621.51
FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028	3137HAQ74	1,325,000.00	AA+	Aaa	10/11/2023	10/19/2023	1,295,934.80	5.25	5,233.75	1,302,431.70	1,324,614.43
FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028	3137HAMS2	1,300,000.00	AA+	Aaa	9/20/2023	9/28/2023	1,284,461.10	5.07	5,200.00	1,287,824.41	1,302,527.20
FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028	3137HAST4	1,015,000.00	AA+	Aaa	10/25/2023	10/31/2023	982,638.76	5.60	4,102.29	989,153.11	1,018,958.50
FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028	3137HB3D4	515,000.00	AA+	Aaa	11/14/2023	11/21/2023	513,511.14	5.14	2,175.45	513,814.20	520,588.78
FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028	3137HB3G7	750,000.00	AA+	Aaa	11/28/2023	12/7/2023	747,845.25	4.93	3,037.50	748,271.49	752,420.25
FHMS K512 A2 DTD 12/01/2023 5.000% 11/01/2028	3137HBFC9	680,000.00	AA+	Aaa	12/11/2023	12/21/2023	686,349.84	4.79	2,833.33	685,151.30	685,869.76
FHMS K513 A2 DTD 01/01/2024 4.724% 12/01/2028	3137HBFY5	770,000.00	AA+	Aaa	1/10/2024	1/18/2024	777,691.53	4.50	3,031.23	776,342.70	769,084.47
FHMS K514 A2 DTD 02/01/2024 4.572% 12/01/2028	3137HBLV4	780,000.00	AA+	Aaa	2/1/2024	2/8/2024	787,799.22	4.34	2,971.80	786,493.22	774,526.74
FHMS K518 A2 DTD 03/01/2024 5.400% 01/01/2029	3137HC2L5	975,000.00	AA+	Aaa	3/19/2024	3/28/2024	998,541.38	4.83	4,387.50	995,521.56	998,039.25
FHMS K516 A2 DTD 03/01/2024 5.477% 01/01/2029	3137HBPM0	1,350,000.00	AA+	Aaa	2/29/2024	3/7/2024	1,390,495.95	4.79	6,161.63	1,384,391.10	1,385,290.35
FHMS K517 A2 DTD 03/01/2024 5.355% 01/01/2029	3137HC2C5	1,210,000.00	AA+	Aaa	3/5/2024	3/14/2024	1,246,283.06	4.67	5,399.63	1,240,909.40	1,236,266.68
FHMS K515 A2 DTD 02/01/2024 5.400% 01/01/2029	3137HBPD0	1,350,000.00	AA+	Aaa	2/14/2024	2/22/2024	1,386,369.00	4.79	6,075.00	1,380,653.97	1,378,426.95

For the Quarter Ended December 31, 2024

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 K520 A2 DTD 04/01/2024 5.180% 03/01/2029	3137HCKV3	765,000.00	AA+	Aaa	4/23/2024	4/30/2024	768,105.14	5.09	3,302.25	767,769.55	776,425.28
FHMS K522 A2 DTD 06/01/2024 4.803% 05/01/2029	3137HDJJ0	1,400,000.00	AA+	Aaa	6/5/2024	6/13/2024	1,399,995.80	4.80	5,603.50	1,400,000.00	1,400,732.20
FHMS K524 A2 DTD 07/01/2024 4.720% 05/01/2029	3137HDV56	1,145,000.00	AA+	Aaa	7/16/2024	7/25/2024	1,152,031.44	4.58	4,503.67	1,151,568.40	1,142,651.61
FHMS K526 A2 DTD 08/01/2024 4.543% 07/01/2029	3137HDXL9	1,300,000.00	AA+	Aaa	8/7/2024	8/15/2024	1,312,160.20	4.33	4,921.58	1,311,324.46	1,287,215.80
FHMS K528 A2 DTD 09/01/2024 4.508% 07/01/2029	3137HFNZ4	510,000.00	AA+	Aaa	9/4/2024	9/12/2024	520,189.80	4.06	1,915.90	519,616.01	504,451.71
FHMS K530 A2 DTD 11/01/2024 4.792% 09/01/2029	3137HHJL6	1,465,000.00	AA+	Aaa	11/19/2024	11/27/2024	1,472,628.26	4.67	5,850.23	1,472,613.29	1,465,405.81
FHMS K529 A2 DTD 10/01/2024 4.791% 09/01/2029	3137HH6C0	855,000.00	AA+	Aaa	10/8/2024	10/16/2024	872,088.89	4.34	3,413.59	871,443.26	854,875.17
Security Type Sub-Total		29,256,813.52					29,174,909.30	4.79	114,152.55	29,242,884.96	29,255,061.55
ABS											
CCCIT 2023-A1 A1 DTD 12/11/2023 5.230% 12/08/2027	17305EGW9	295,000.00	AAA	Aaa	12/4/2023	12/11/2023	294,963.01	5.23	985.71	294,972.24	296,913.08
TAOT 2023-D A3 DTD 11/14/2023 5.540% 08/15/2028	89239FAD4	265,000.00	AAA	NR	11/7/2023	11/14/2023	264,971.43	5.54	652.49	264,978.30	268,884.64
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	1,069,964.03	1,083,616.82
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	1,044,778.41	1,057,238.00
HART 2023-C A3 DTD 11/13/2023 5.540% 10/16/2028	44918CAD4	395,000.00	AAA	NR	11/3/2023	11/13/2023	394,948.06	5.54	972.58	394,959.56	400,808.08
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	479,949.38	484,622.88
GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	130,000.00	NR	Aaa	1/9/2024	1/17/2024	129,973.86	4.85	262.71	129,978.48	130,664.04

For the Quarter Ended December 31, 2024

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											
CHAIT 2024-A1 A DTD 01/31/2024 4.600% 01/16/2029	161571HV9	1,175,000.00	AAA	NR	1/24/2024	1/31/2024	1,174,821.05	4.60	2,402.22	1,174,852.92	1,177,945.72
Security Type Sub-Total		4,855,000.00					4,854,275.45	5.07	11,221.80	4,854,433.32	4,900,693.26
Managed Account Sub Total		148,486,813.52					144,639,203.93	3.84	783,345.81	146,933,373.21	145,336,160.78
Securities Sub Total		\$148,486,813.52					\$144,639,203.93	3.84%	\$783,345.81	\$146,933,373.21	\$145,336,160.78
Accrued Interest											\$783,345.81
Total Investments											\$146,119,506.59

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/8/2024	10/16/2024	855,000.00	3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	873,795.68	4.34%	
10/10/2024	10/10/2024	885,000.00	912797LT2	UNITED STATES TREASURY BILL	0.00%	10/15/2024	884,422.23	4.70%	
10/30/2024	10/31/2024	445,000.00	91282CLR0	US TREASURY N/B	4.12%	10/31/2029	444,634.96	4.14%	
11/19/2024	11/20/2024	1,480,000.00	912797MD6	TREASURY BILL	0.00%	11/26/2024	1,478,894.81	4.48%	
11/19/2024	11/27/2024	1,465,000.00	3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	1,477,698.46	4.67%	
12/5/2024	12/6/2024	7,280,000.00	91282CMA6	US TREASURY N/B	4.12%	11/30/2029	7,298,031.25	4.08%	
Total BUY		12,410,000.00					12,457,477.39		0.00
INTEREST									
10/1/2024	10/1/2024		MONEY0002	MONEY MARKET FUND	0.00%		21,280.56		
10/1/2024	10/25/2024		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
10/1/2024	10/25/2024		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
10/1/2024	10/25/2024		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
10/1/2024	10/25/2024		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
10/1/2024	10/25/2024		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
10/1/2024	10/25/2024		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
10/1/2024	10/25/2024		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
10/1/2024	10/25/2024		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
10/1/2024	10/25/2024		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
10/1/2024	10/25/2024		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	4,647.46		
10/1/2024	10/25/2024		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
10/1/2024	10/25/2024		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
10/1/2024	10/25/2024		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,603.50		
10/1/2024	10/25/2024		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
10/1/2024	10/25/2024		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,493.88		
10/1/2024	10/25/2024		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
10/1/2024	10/25/2024		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
10/1/2024	10/25/2024		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,284.34		
10/1/2024	10/25/2024		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
10/1/2024	10/25/2024		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,640.45		
10/1/2024	10/25/2024		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
10/1/2024	10/25/2024		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
10/1/2024	10/25/2024		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
10/1/2024	10/25/2024		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
10/1/2024	10/25/2024		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
10/1/2024	10/25/2024		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	4,578.01		
10/4/2024	10/4/2024		00724PAF6	ADOBE INC (CALLABLE)	4.80%	4/4/2029	23,760.00		
10/13/2024	10/13/2024		023135CE4	AMAZON.COM INC	3.00%	4/13/2025	29,850.00		
10/15/2024	10/15/2024		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
10/15/2024	10/15/2024		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
10/15/2024	10/15/2024		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
10/15/2024	10/15/2024		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	4,504.17		
10/15/2024	10/15/2024		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
10/15/2024	10/15/2024		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
10/16/2024	10/16/2024		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
10/31/2024	10/31/2024		91282CBW0	US TREASURY N/B	0.75%	4/30/2026	4,593.75		
10/31/2024	10/31/2024		91282CFU0	US TREASURY N/B	4.12%	10/31/2027	121,481.25		
10/31/2024	10/31/2024		912828ZN3	US TREASURY N/B	0.50%	4/30/2027	14,437.50		
10/31/2024	10/31/2024		91282CKP5	US TREASURY N/B	4.62%	4/30/2029	46,365.63		
10/31/2024	10/31/2024		91282CHA2	US TREASURY N/B	3.50%	4/30/2028	15,137.50		
11/1/2024	11/1/2024		MONEY0002	MONEY MARKET FUND	0.00%		21,204.85		
11/1/2024	11/25/2024		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,603.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
11/1/2024	11/25/2024		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
11/1/2024	11/25/2024		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,634.99		
11/1/2024	11/25/2024		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
11/1/2024	11/25/2024		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
11/1/2024	11/25/2024		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
11/1/2024	11/25/2024		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
11/1/2024	11/25/2024		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
11/1/2024	11/25/2024		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
11/1/2024	11/25/2024		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
11/1/2024	11/25/2024		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	4,587.64		
11/1/2024	11/25/2024		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
11/1/2024	11/25/2024		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
11/1/2024	11/25/2024		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
11/1/2024	11/25/2024		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
11/1/2024	11/25/2024		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,491.59		
11/1/2024	11/25/2024		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
11/1/2024	11/25/2024		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,281.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
11/1/2024	11/25/2024		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
11/1/2024	11/25/2024		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,052.00		
11/1/2024	11/25/2024		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
11/1/2024	11/25/2024		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
11/1/2024	11/25/2024		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
11/1/2024	11/25/2024		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
11/1/2024	11/25/2024		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
11/1/2024	11/25/2024		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
11/1/2024	11/25/2024		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
11/10/2024	11/10/2024		037833ET3	APPLE INC (CALLABLE)	4.00%	5/10/2028	46,000.00		
11/15/2024	11/15/2024		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
11/15/2024	11/15/2024		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
11/15/2024	11/15/2024		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
11/15/2024	11/15/2024		912828U24	US TREASURY N/B	2.00%	11/15/2026	64,500.00		
11/15/2024	11/15/2024		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
11/15/2024	11/15/2024		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
11/15/2024	11/15/2024		912828X88	US TREASURY N/B	2.37%	5/15/2027	73,862.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
11/15/2024	11/15/2024		912810FB9	US TREASURY N/B	6.12%	11/15/2027	47,775.00		
11/15/2024	11/15/2024		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	4,504.17		
11/16/2024	11/16/2024		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
11/26/2024	11/26/2024		61690U8B9	MORGAN STANLEY BANK NA (CALLABLE)	5.50%	5/26/2028	36,326.40		
11/30/2024	11/30/2024		91282CCF6	US TREASURY N/B	0.75%	5/31/2026	31,593.75		
11/30/2024	11/30/2024		91282CAZ4	US TREASURY N/B	0.37%	11/30/2025	3,000.00		
12/1/2024	12/1/2024		57636QAM6	MASTERCARD INC (CALLABLE)	2.95%	6/1/2029	14,750.00		
12/1/2024	12/25/2024		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		
12/1/2024	12/25/2024		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,489.59		
12/1/2024	12/25/2024		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
12/1/2024	12/25/2024		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
12/1/2024	12/25/2024		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
12/1/2024	12/25/2024		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
12/1/2024	12/25/2024		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,278.22		
12/1/2024	12/25/2024		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
12/1/2024	12/25/2024		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,603.50		
12/1/2024	12/25/2024		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
12/1/2024	12/25/2024		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
12/1/2024	12/25/2024		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
12/1/2024	12/25/2024		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
12/1/2024	12/25/2024		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
12/1/2024	12/25/2024		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
12/1/2024	12/25/2024		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
12/1/2024	12/25/2024		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
12/1/2024	12/25/2024		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
12/1/2024	12/25/2024		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
12/1/2024	12/25/2024		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
12/1/2024	12/25/2024		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
12/1/2024	12/25/2024		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,045.57		
12/1/2024	12/25/2024		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
12/1/2024	12/25/2024		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
12/1/2024	12/25/2024		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
12/1/2024	12/25/2024		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	4,577.95		
12/1/2024	12/25/2024		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,629.83		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
12/1/2024	12/25/2024		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
12/2/2024	12/2/2024		MONEY0002	MONEY MARKET FUND	0.00%		21,483.37		
12/8/2024	12/8/2024		17305EGW9	CCCIT 2023-A1 A1	5.23%	12/8/2027	7,714.25		
12/8/2024	12/8/2024		48125LRU8	JP MORGAN CHASE BANK NA (CALLABLE)	5.11%	12/8/2026	51,100.00		
12/15/2024	12/15/2024		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	4,504.17		
12/15/2024	12/15/2024		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
12/15/2024	12/15/2024		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
12/15/2024	12/15/2024		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
12/15/2024	12/15/2024		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
12/15/2024	12/15/2024		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
12/16/2024	12/16/2024		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
12/26/2024	12/26/2024		931142ED1	WALMART INC (CALLABLE)	3.55%	6/26/2025	23,075.00		
12/31/2024	12/31/2024		91282CKX8	US TREASURY N/B	4.25%	6/30/2029	100,725.00		
12/31/2024	12/31/2024		912828ZV5	US TREASURY N/B	0.50%	6/30/2027	6,875.00		
Total INTEREST		0.00					1,213,619.91		0.00
MATURITY									
10/15/2024	10/15/2024	885,000.00	912797LT2	UNITED STATES TREASURY BILL	0.00%	10/15/2024	885,000.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
MATURITY									
11/26/2024	11/26/2024	1,480,000.00	912797MD6	TREASURY BILL	0.00%	11/26/2024	1,480,000.00		
Total MATURITY		2,365,000.00					2,365,000.00		0.00
PAYDOWNS									
10/1/2024	10/25/2024	1,957.99	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,957.99		36.99
10/1/2024	10/25/2024	588.58	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	588.58		7.02
10/1/2024	10/25/2024	27,940.53	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	27,940.53		0.10
10/1/2024	10/25/2024	8.31	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	8.31		0.10
10/1/2024	10/25/2024	838.85	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	838.85		0.02
11/1/2024	11/25/2024	7.44	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	7.44		0.09
11/1/2024	11/25/2024	698.66	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	698.66		0.01
11/1/2024	11/25/2024	1,462.37	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,462.37		
11/1/2024	11/25/2024	1,851.25	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,851.25		33.62
11/1/2024	11/25/2024	516.14	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	516.14		6.03
12/1/2024	12/25/2024	890.66	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	890.66		0.01
12/1/2024	12/25/2024	1,879.30	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,879.30		
12/1/2024	12/25/2024	593.61	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	593.61		6.79
12/1/2024	12/25/2024	1,970.36	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,970.36		34.34

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
12/1/2024	12/25/2024	8.40	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	8.40		0.11
Total PAYDOWNS		41,212.45					41,212.45		125.23
SELL									
10/9/2024	10/10/2024	500,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	484,264.61		-10,582.80
11/19/2024	11/20/2024	1,235,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	1,200,722.87		-23,752.11
12/5/2024	12/6/2024	945,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	921,126.23		-16,477.72
12/5/2024	12/6/2024	1,685,000.00	91282CAJ0	US TREASURY N/B	0.25%	8/31/2025	1,636,368.61		-31,121.05
12/5/2024	12/6/2024	1,075,000.00	91282CAJ0	US TREASURY N/B	0.25%	8/31/2025	1,043,974.04		-11,995.53
Total SELL		5,440,000.00					5,286,456.36		-93,929.21

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	10/8/2024	10/16/2024	855,000.00	3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	873,795.68	4.34%	
BUY	10/10/2024	10/10/2024	885,000.00	912797LT2	UNITED STATES TREASURY BILL	0.00%	10/15/2024	884,422.23	4.70%	
BUY	10/30/2024	10/31/2024	445,000.00	91282CLR0	US TREASURY N/B	4.12%	10/31/2029	444,634.96	4.14%	
BUY	11/19/2024	11/20/2024	1,480,000.00	912797MD6	TREASURY BILL	0.00%	11/26/2024	1,478,894.81	4.48%	
BUY	11/19/2024	11/27/2024	1,465,000.00	3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	1,477,698.46	4.67%	
BUY	12/5/2024	12/6/2024	7,280,000.00	91282CMA6	US TREASURY N/B	4.12%	11/30/2029	7,298,031.25	4.08%	
INTEREST	10/1/2024	10/1/2024		MONEY0002	MONEY MARKET FUND	0.00%		21,280.56		
INTEREST	10/1/2024	10/25/2024		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
INTEREST	10/1/2024	10/25/2024		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
INTEREST	10/1/2024	10/25/2024		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	10/1/2024	10/25/2024		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	10/1/2024	10/25/2024		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
INTEREST	10/1/2024	10/25/2024		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	10/1/2024	10/25/2024		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	10/1/2024	10/25/2024		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	10/1/2024	10/25/2024		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	10/1/2024	10/25/2024		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	4,647.46		
INTEREST	10/1/2024	10/25/2024		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		

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	10/1/2024	10/25/2024		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	10/1/2024	10/25/2024		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,603.50		
INTEREST	10/1/2024	10/25/2024		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
INTEREST	10/1/2024	10/25/2024		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,493.88		
INTEREST	10/1/2024	10/25/2024		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	10/1/2024	10/25/2024		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
INTEREST	10/1/2024	10/25/2024		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,284.34		
INTEREST	10/1/2024	10/25/2024		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
INTEREST	10/1/2024	10/25/2024		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,640.45		
INTEREST	10/1/2024	10/25/2024		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	10/1/2024	10/25/2024		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
INTEREST	10/1/2024	10/25/2024		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	10/1/2024	10/25/2024		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	10/1/2024	10/25/2024		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	10/1/2024	10/25/2024		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	4,578.01		
INTEREST	10/4/2024	10/4/2024		00724PAF6	ADOBE INC (CALLABLE)	4.80%	4/4/2029	23,760.00		
INTEREST	10/13/2024	10/13/2024		023135CE4	AMAZON.COM INC	3.00%	4/13/2025	29,850.00		
INTEREST	10/15/2024	10/15/2024		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		

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	10/15/2024	10/15/2024		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	10/15/2024	10/15/2024		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
INTEREST	10/15/2024	10/15/2024		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	4,504.17		
INTEREST	10/15/2024	10/15/2024		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	10/15/2024	10/15/2024		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
INTEREST	10/16/2024	10/16/2024		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
INTEREST	10/31/2024	10/31/2024		91282CBW0	US TREASURY N/B	0.75%	4/30/2026	4,593.75		
INTEREST	10/31/2024	10/31/2024		91282CFU0	US TREASURY N/B	4.12%	10/31/2027	121,481.25		
INTEREST	10/31/2024	10/31/2024		912828ZN3	US TREASURY N/B	0.50%	4/30/2027	14,437.50		
INTEREST	10/31/2024	10/31/2024		91282CKP5	US TREASURY N/B	4.62%	4/30/2029	46,365.63		
INTEREST	10/31/2024	10/31/2024		91282CHA2	US TREASURY N/B	3.50%	4/30/2028	15,137.50		
INTEREST	11/1/2024	11/1/2024		MONEY0002	MONEY MARKET FUND	0.00%		21,204.85		
INTEREST	11/1/2024	11/25/2024		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,603.50		
INTEREST	11/1/2024	11/25/2024		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	11/1/2024	11/25/2024		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,634.99		
INTEREST	11/1/2024	11/25/2024		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	11/1/2024	11/25/2024		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	11/1/2024	11/25/2024		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		

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	11/1/2024	11/25/2024		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
INTEREST	11/1/2024	11/25/2024		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	11/1/2024	11/25/2024		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
INTEREST	11/1/2024	11/25/2024		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	11/1/2024	11/25/2024		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	4,587.64		
INTEREST	11/1/2024	11/25/2024		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	3,413.59		
INTEREST	11/1/2024	11/25/2024		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	11/1/2024	11/25/2024		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	11/1/2024	11/25/2024		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	11/1/2024	11/25/2024		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,491.59		
INTEREST	11/1/2024	11/25/2024		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	11/1/2024	11/25/2024		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,281.00		
INTEREST	11/1/2024	11/25/2024		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	11/1/2024	11/25/2024		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,052.00		
INTEREST	11/1/2024	11/25/2024		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
INTEREST	11/1/2024	11/25/2024		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
INTEREST	11/1/2024	11/25/2024		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	11/1/2024	11/25/2024		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		

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	11/1/2024	11/25/2024		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	11/1/2024	11/25/2024		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	11/1/2024	11/25/2024		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
INTEREST	11/10/2024	11/10/2024		037833ET3	APPLE INC (CALLABLE)	4.00%	5/10/2028	46,000.00		
INTEREST	11/15/2024	11/15/2024		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
INTEREST	11/15/2024	11/15/2024		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
INTEREST	11/15/2024	11/15/2024		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	11/15/2024	11/15/2024		912828U24	US TREASURY N/B	2.00%	11/15/2026	64,500.00		
INTEREST	11/15/2024	11/15/2024		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	11/15/2024	11/15/2024		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	11/15/2024	11/15/2024		912828X88	US TREASURY N/B	2.37%	5/15/2027	73,862.50		
INTEREST	11/15/2024	11/15/2024		912810FB9	US TREASURY N/B	6.12%	11/15/2027	47,775.00		
INTEREST	11/15/2024	11/15/2024		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	4,504.17		
INTEREST	11/16/2024	11/16/2024		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
INTEREST	11/26/2024	11/26/2024		61690U8B9	MORGAN STANLEY BANK NA	5.50%	5/26/2028	36,326.40		
INTEREST	11/30/2024	11/30/2024		91282CCF6	US TREASURY N/B	0.75%	5/31/2026	31,593.75		
INTEREST	11/30/2024	11/30/2024		91282CAZ4	US TREASURY N/B	0.37%	11/30/2025	3,000.00		
INTEREST	12/1/2024	12/1/2024		57636QAM6	MASTERCARD INC (CALLABLE)	2.95%	6/1/2029	14,750.00		

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	12/1/2024	12/25/2024		3137HHJL6	FHMS K530 A2	4.79%	9/1/2029	5,850.23		
INTEREST	12/1/2024	12/25/2024		3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,489.59		
INTEREST	12/1/2024	12/25/2024		3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	12/1/2024	12/25/2024		3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	12/1/2024	12/25/2024		3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	12/1/2024	12/25/2024		3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
INTEREST	12/1/2024	12/25/2024		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,278.22		
INTEREST	12/1/2024	12/25/2024		3137HFNZ4	FHMS K528 A2	4.50%	7/1/2029	1,915.90		
INTEREST	12/1/2024	12/25/2024		3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	5,603.50		
INTEREST	12/1/2024	12/25/2024		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	12/1/2024	12/25/2024		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
INTEREST	12/1/2024	12/25/2024		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	12/1/2024	12/25/2024		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	12/1/2024	12/25/2024		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	12/1/2024	12/25/2024		3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	12/1/2024	12/25/2024		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	12/1/2024	12/25/2024		3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	12/1/2024	12/25/2024		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	12/1/2024	12/25/2024		3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	12/1/2024	12/25/2024		3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	12/1/2024	12/25/2024		3137F2LJ3	FHMS K066 A2	3.11%	6/1/2027	3,026.09		
INTEREST	12/1/2024	12/25/2024		3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,045.57		
INTEREST	12/1/2024	12/25/2024		3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	12/1/2024	12/25/2024		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
INTEREST	12/1/2024	12/25/2024		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	4,503.67		
INTEREST	12/1/2024	12/25/2024		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	4,577.95		
INTEREST	12/1/2024	12/25/2024		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,629.83		
INTEREST	12/1/2024	12/25/2024		3137HDXL9	FHMS K526 A2	4.54%	7/1/2029	4,921.58		
INTEREST	12/2/2024	12/2/2024		MONEY0002	MONEY MARKET FUND	0.00%		21,483.37		
INTEREST	12/8/2024	12/8/2024		17305EGW9	CCCIT 2023-A1 A1	5.23%	12/8/2027	7,714.25		
INTEREST	12/8/2024	12/8/2024		48125LRU8	JP MORGAN CHASE BANK NA	5.11%	12/8/2026	51,100.00		
INTEREST	12/15/2024	12/15/2024		161571HV9	CHAIT 2024-A1 A	4.60%	1/16/2029	4,504.17		
INTEREST	12/15/2024	12/15/2024		02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	12/15/2024	12/15/2024		44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
INTEREST	12/15/2024	12/15/2024		89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
INTEREST	12/15/2024	12/15/2024		05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		

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	12/15/2024	12/15/2024		161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	12/16/2024	12/16/2024		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
INTEREST	12/26/2024	12/26/2024		931142ED1	WALMART INC (CALLABLE)	3.55%	6/26/2025	23,075.00		
INTEREST	12/31/2024	12/31/2024		91282CKX8	US TREASURY N/B	4.25%	6/30/2029	100,725.00		
INTEREST	12/31/2024	12/31/2024		912828ZV5	US TREASURY N/B	0.50%	6/30/2027	6,875.00		
MATURITY	10/15/2024	10/15/2024	885,000.00	912797LT2	UNITED STATES TREASURY BILL	0.00%	10/15/2024	885,000.00		
MATURITY	11/26/2024	11/26/2024	1,480,000.00	912797MD6	TREASURY BILL	0.00%	11/26/2024	1,480,000.00		
PAYDOWN	10/1/2024	10/25/2024	1,957.99	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,957.99		36.99
PAYDOWN	10/1/2024	10/25/2024	588.58	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	588.58		7.02
PAYDOWN	10/1/2024	10/25/2024	27,940.53	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	27,940.53		0.10
PAYDOWN	10/1/2024	10/25/2024	8.31	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	8.31		0.10
PAYDOWN	10/1/2024	10/25/2024	838.85	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	838.85		0.02
PAYDOWN	11/1/2024	11/25/2024	7.44	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	7.44		0.09
PAYDOWN	11/1/2024	11/25/2024	698.66	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	698.66		0.01
PAYDOWN	11/1/2024	11/25/2024	1,462.37	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,462.37		
PAYDOWN	11/1/2024	11/25/2024	1,851.25	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,851.25		33.62
PAYDOWN	11/1/2024	11/25/2024	516.14	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	516.14		6.03
PAYDOWN	12/1/2024	12/25/2024	890.66	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	890.66		0.01

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	12/1/2024	12/25/2024	1,879.30	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,879.30		
PAYDOWN	12/1/2024	12/25/2024	593.61	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	593.61		6.79
PAYDOWN	12/1/2024	12/25/2024	1,970.36	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,970.36		34.34
PAYDOWN	12/1/2024	12/25/2024	8.40	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	8.40		0.11
SELL	10/9/2024	10/10/2024	500,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	484,264.61		-10,582.80
SELL	11/19/2024	11/20/2024	1,235,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	1,200,722.87		-23,752.11
SELL	12/5/2024	12/6/2024	945,000.00	91282CAB7	US TREASURY N/B	0.25%	7/31/2025	921,126.23		-16,477.72
SELL	12/5/2024	12/6/2024	1,685,000.00	91282CAJ0	US TREASURY N/B	0.25%	8/31/2025	1,636,368.61		-31,121.05
SELL	12/5/2024	12/6/2024	1,075,000.00	91282CAJ0	US TREASURY N/B	0.25%	8/31/2025	1,043,974.04		-11,995.53
TOTALS			20,256,212.45					21,363,766.11		-93,803.98

Important Disclosures

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- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- 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.



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DATE: February 13, 2025
TO: Finance Committee
FROM: Osborn Solitei, Treasurer/Assistant General Manager - Finance
SUBJECT: FY 2024-25 Unaudited Second 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 the Board. This quarterly report provides a summary of unaudited revenue and expenditures, fiscal year-end projections, and explanations of any major variances through the second quarter of fiscal year (FY) 2024-25 (July 1, 2024 – December 31, 2024) 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 (DIF)

Highlights of this report include:

- › **2025 State Water Project Allocation** – On January 28, 2025, DWR announced an increase in the State Water Project (SWP) allocation to 20% for calendar year (CY) 2025. The increase comes as the state’s reservoir water levels came in higher than forecasted at the end of December 2024. In addition, strong storms in late November and early December helped boost statewide precipitation to just above average for this time of year.
- › **Amended Reserve Policy** - Staff reviewed and proposed amendments to the Agency’s reserve policy. The proposed amendments included removing the maximum level from the State Water Facilities Reserve and adding a Policy Review section to ensure the policy is formally reviewed every five years. The amended Reserve Policy was adopted by the Board on December 18, 2024, via Resolution No. 24-106.
- › **Adopted Treated Water Rates Review** – Staff performed a review of the CY 2025 and 2026 treated water rates adopted via Resolution No. 22-93, dated November 16, 2022. Based on the results of the review, the adopted rates proved to be sufficient to

meet the Water Enterprise revenue requirements and objectives, with no additional adjustments required. The Board unanimously agreed with the findings. CY 2025 water rates became effective January 1, 2025.

- › **Los Vaqueros Reservoir Expansion Project** – At the Contra Costa Water District (CCWD) November 6 meeting, the CCWD Board passed Resolution No. 24-014, formally ending CCWD’s participation in the Los Vaqueros Reservoir Expansion Project. At the January 8, 2025, Los Vaqueros Reservoir Expansion Joint Powers Authority Board meeting, the Board members voted to formally dissolve the Joint Powers Authority. The dissolution date is scheduled for April 2025.

ANALYSIS:

The Agency maintains several funds that are grouped into two categories – Unrestricted Fund Balances and Restricted Fund Balances.

UNRESTRICTED FUNDS

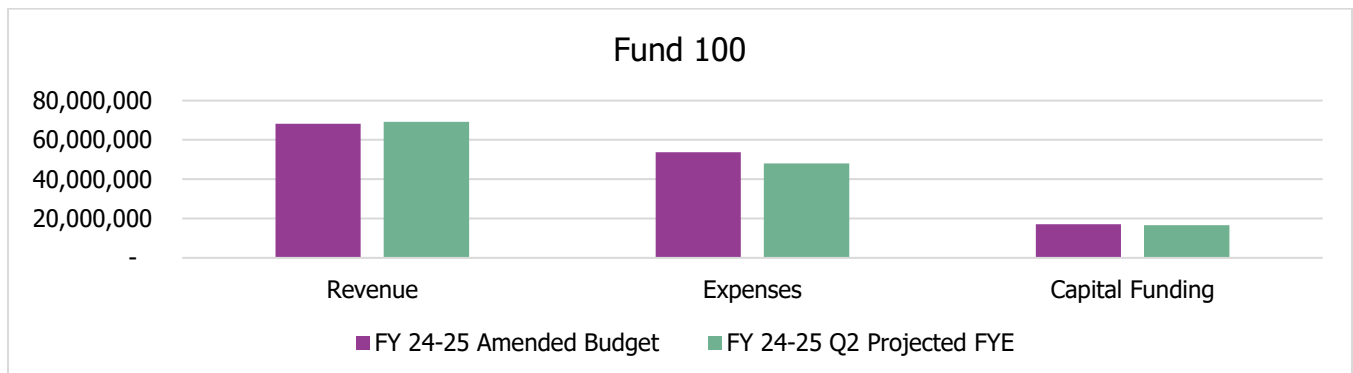
Unrestricted Fund Balance: This describes the portion of fund balance which is not restricted to use. To facilitate the discussion of reserve funds, this report will categorize the various funds as “Unrestricted Reserves” and “Restricted Reserves.” In general, Board policy can most affect Unrestricted Reserves.

Fund 100 – Water Enterprise Operations Fund

Primary Funding Source: Water Rates

The purpose of this 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 (drinking) water, distribution of untreated agricultural/irrigation water, surface water, and groundwater management. Water distributed is a combination of locally stored and imported water from the SWP. Activities include water treatment, water quality analysis, water resource management, groundwater recharge and protection, maintenance, out-of-area water banking infrastructure, and water supply planning and engineering.

The following graph shows the FY 2024-25 Amended Budget and second quarter (Q2) projected fiscal year-end (FYE) revenues, expenditures, and capital funding.



Details of Revenue and Expenses for Fund 100

Fund 100 - Water Enterprise Operations	FY 24-25 Amended Budget	FY 24-25 Q2 YTD Actual	FY 24-25 Q2 Projected FYE	Year-End Over / (Under) Budget
Audited Beg. Fund Balance	\$32,050,000	\$32,031,810	\$32,032,000	(\$18,000)
Revenue				
Water Sales ¹	67,393,000	36,604,091	67,744,000	351,000
Investment Earnings ²	479,000	442,074	881,000	402,000
Other Revenue ³	313,000	520,908	521,000	208,000
Total Revenue	\$68,185,000	\$37,567,073	\$69,146,000	\$961,000
Expenses				
Labor ⁴	20,801,000	10,572,170	20,703,000	(98,000)
Professional Services ⁵	4,964,000	1,078,698	3,795,000	(1,169,000)
Legal Services	455,000	122,644	455,000	-
County Services	1,133,000	538,086	1,133,000	-
Insurance Services	850,000	819,839	850,000	-
Water ⁶	9,268,000	3,098,584	5,085,000	(4,183,000)
Chemicals ⁶	4,000,000	2,262,953	4,000,000	-
Utilities ⁶	2,308,000	1,090,307	2,308,000	-
Repairs and Maintenance	2,388,000	1,362,909	2,388,000	-
Rental Services	556,000	370,411	556,000	-
General/Other Supplies	1,491,000	726,671	1,302,000	(189,000)
Other Services	475,000	289,135	475,000	-
Debt Service	4,976,000	4,975,088	4,976,000	-
Total Operating Expenses	\$53,665,000	\$27,307,494	\$48,026,000	(\$5,639,000)
Capital Funding ⁷	17,118,000	8,316,919	16,647,000	(471,000)
Total Expenses	\$70,783,000	\$35,624,413	\$64,673,000	(\$6,110,000)
Estimated Revenue over Expenses	(2,598,000)	1,942,660	4,473,000	7,071,000
Ending Fund Balance	\$29,452,000	\$33,974,470	\$36,505,000	\$7,053,000

Note: Projected values are rounded to the thousands.

Revenue

- 1. Water Sales:** Year-to-date (YTD) water sales revenue reflects water sales through December 31, 2024. Water sales revenue is up approximately 8% from this time last year due to the Board adopted rate revenue increase (5.5% for CY 2024) and a 4% increase in treated water deliveries as compared to the second quarter of FY 2023-24.
- 2. Investment Earnings:** Projected year-end investment earnings exceed budget and reflect current favorable market conditions.
- 3. Other Revenue:** YTD revenue is primarily made up of DWR refunds. The year-end projection reflects the YTD actual.

Expenditures

- 4. Labor:** YTD labor includes payroll through December 31, 2024. A 4% cost of living adjustment took effect July 1, 2024, and three positions were added to the budget via Resolution No. 24-95, dated November 20, 2024. As of December 31, 2024, the Agency had a 15% vacancy rate. The year-end projection reflects YTD trends.
- 5. Professional Services:** Includes professional services related to water enterprise operations. The year-end projection is less than budget because of multi-year services such as:
- › Water supply model (~\$113K)
 - › ADV Water Rights CEQA Compliance (~\$175K)
 - › Demand Study (~\$78K)
 - › Legislative Advocacy Services (~\$54K)
 - › Groundwater model update (~\$115K)

The projection is also less than budget due to as-needed services (~\$300K), and budgeted contingency (~\$200K).

- 6. Water production costs:** Includes Water, Chemicals, and Utilities.

Water: The SWP allocation for CY 2024 was 40%. The current allocation for CY 2025 is 20%. YTD expenses are primarily made up of the SWP conveyance costs and the Agency's Delta Conveyance Project (DCP) participation costs for CY 2024. The table below summarizes the primary driving forces for the reduced year-end projection.

	2024-25 Adopted Budget	Q2 Year-end Projection	Difference	Reason for Projected Variance
Delta Conveyance Project Funding	\$3,300,000	\$1,187,000	(\$2,113,000)	Per Resolution No. 24-28, dated October 16, 2024 – Agency approved funding for pre-construction for CYs 2026 and 2027. No funding is required for CY 2025.
Water Transfers	\$1,000,000	\$0	(\$1,000,000)	No water transfers anticipated this FY per current water operations plan.
Water Banking Program	\$1,778,000	\$908,000	(\$870,000)	The current water operations plan indicates some recovery could occur before the end of the FY.

Chemicals and Utilities: The YTD chemical expenditure is up 20% from this time last year due to inflationary cost increases. YTD utility costs are trending closely to last year's costs. The year-end projection is based on trends and reflects the budget.

- 7. Capital Funding:** The projected capital funding is less than budget as the budget assumes a 3% annual adjustment, and the actual Engineering News Record Construction Cost Index (ENRCCI) adjustment from June 2023 to June 2024 was 0.001%.

Water Supply Conditions

The current State Water Project (SWP) allocation is 20% for CY 2025. The state’s reservoir water levels came in higher than forecasted at the end of December 2024. In addition, strong storms in late November and early December helped boost statewide precipitation to just above average for this time of year. (see the Monthly Water Inventory and Water Budget Update in the January 15, 2025, Board Agenda packet). The United States Drought Monitor shows no drought in Northern California, abnormally dry to moderate drought in Central California, and extreme drought in the southern part of the State.

(<https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?CA>)

Reserves

Per Initiative #21 of the Agency’s Strategic Plan, the Agency shall maintain target levels of reserves. As of December 31, 2024, Fund 100 reserves are fully funded at the target level. The projected fiscal year-end unallocated fund balance is approximately \$7.9M, of which \$1.3M is planned for use in FY 2025-26 to balance the Adopted Budget. At the February 2024 Finance Committee Meeting, staff were given directions on the Committee’s preferred use of unallocated fund balance. These options included:

- › Offsetting future rate increases,
- › Funding the annual contribution to the IRS Section 115 Pension Trust per the adopted Board policy, and
- › Funding for water supply reliability projects.

The table below compares Minimum, Target, and Maximum reserves to projected fiscal year-end reserves.

Fund 100 Reserves	Minimum	Target	Maximum	FY 24-25 Q2 Projected FYE	Actual Above / (Below) Target
Operating Reserves ¹	\$8,601,000	\$12,902,000	\$17,202,000	\$12,902,000	-
Emergency Reserves ²	6,803,000	8,503,000	10,204,000	8,503,000	-
Reserve for Economic Uncertainties ³	3,532,000	5,298,000	7,065,000	5,298,000	-
Subtotal	\$18,936,000	\$26,703,000	\$34,471,000	\$26,703,000	-
Pension Trust Fund				1,920,000	-
Projected Unallocated Fund Balance				7,882,000	7,882,000
Total Reserves	\$18,936,000	\$26,703,000	\$34,471,000	\$36,505,000	\$7,882,000

Note: Values rounded to the thousands.

¹The FY 24-25 Q2 projected FYE Operating Reserve is funded at the target level of 90 days of operating expenses.

²The FY 24-25 Q2 projected FYE Emergency Reserve is funded at the target level of 2.5% of Water Enterprise assets.

³The FY 24-25 Q2 projected FYE Reserve for Economic Uncertainties is funded at 15% of FY 24-25 budgeted volume-based water sales revenue.

Fund 120 – Water Renewal/Replacement & System-Wide Improvements

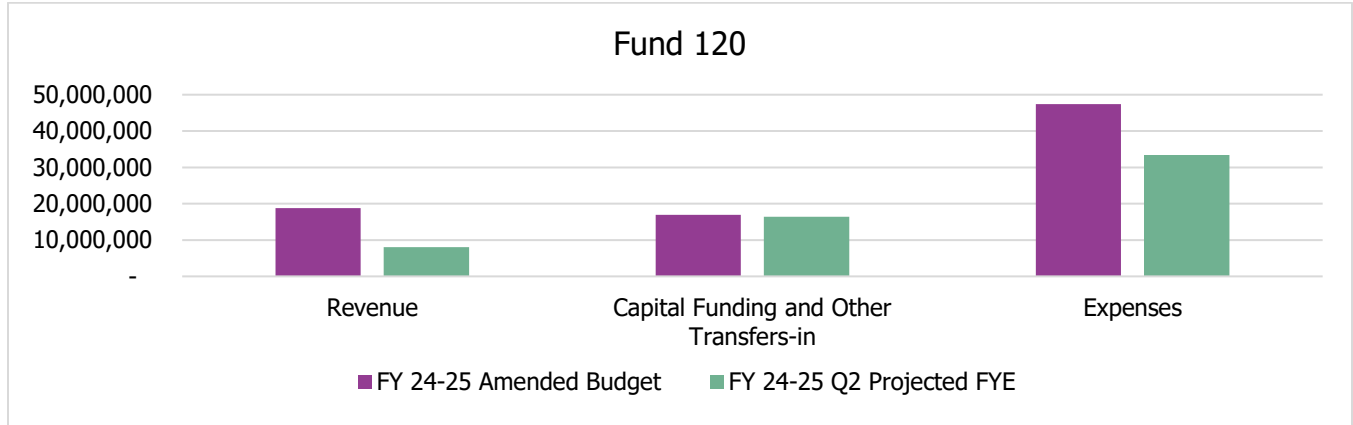
This is a sub-fund of the Fund 100 – Water Enterprise Operations Fund

Primary Funding Source: Water Rates via a transfer 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.

The following graph shows the FY 2024-25 Amended Budget and Q2 projected fiscal year-end revenue, capital funding, and expenditures.



Note: When expenses exceed revenue, capital reserves (working capital) are being expended.

Details of Revenue and Expenses for Fund 120

Fund 120 - Water Enterprise Renewal/Replacement & Systemwide Improvements	FY 24-25 Amended Budget	FY 24-25 Q2 YTD Actual	FY 24-25 Q2 Projected FYE	Year-End Over/(Under) Budget
Audited Beginning Fund Balance	\$70,914,000	\$81,633,309	\$81,633,000¹	\$10,719,000
Revenue				
Investment Earnings ¹	1,378,000	1,405,682	2,121,000	743,000
Other Revenue ²	452,000	1,961	452,000	-
DWR Grant ³	16,958,000	-	5,460,000	(11,498,000)
Total Revenue	\$18,788,000	\$1,407,643	\$8,033,000	(\$10,755,000)
Other Financing Sources				
Capital Funding ⁴	16,912,000	8,220,364	16,441,000	(471,000)
Total Other Financing Sources	\$16,912,000	\$8,220,364	\$16,441,000	(\$471,000)
Expenses				
Labor ⁵	2,118,000	737,904	1,476,000	(642,000)
Capital Projects ⁶	45,296,000	13,204,059	31,907,000	(13,389,000)
Total Expenses	\$47,414,000	\$13,941,962	\$33,383,000	(\$14,031,000)
Estimated Revenue/Other Financing Sources over Expenses	(11,714,000)	(4,313,955)	(8,909,000)	2,805,000
Ending Fund Balance	\$59,200,000	\$77,319,354	\$72,724,000	\$13,524,000

Note: Projected values are rounded to the thousands.

¹ The audited beginning fund balance is approximately \$10.7M higher than budget due to the partial receipt of the Stoneridge PFAS Treatment Facility grant in FY 2023-24.

Revenue

- 1. Investment Earnings:** Projected investment earnings exceed budget and reflect current favorable market conditions.
- 2. Other Revenue:** Includes the City of Pleasanton’s 50% cost share of the Regional Groundwater Project. The project is underway and construction of the first test well has been completed.
- 3. DWR Grant:** The Agency was formally awarded \$16M for the Stoneridge PFAS Treatment Facility project in September 2023. The year-end projection is less than budget because the Agency received approximately \$11.5M in FY 2023-24 and expects to receive the remaining proceeds in FY 2024-25.
- 4. Capital Funding:** The projected capital funding is less than budget as the budget assumes a 3% annual adjustment, and the actual Engineering News Record Construction Cost Index (ENRCCI) adjustment from June 2023 to June 2024 was 0.001%.

Expenses

- 5. Labor costs:** YTD labor includes payroll through December 31, 2024. The year-end projection is based on trends.
- 6. Capital Projects:** The year-end projection is less than budget because of multi-year projects currently in the planning/construction phases or nearing completion/close-out, including:
 - Mocho Wellfield PFAS Treatment Facility
 - Chain of Lakes PFAS Treatment Facility
 - Patterson Pass Improvements and Replacements
 - DWWTP Booster Pump Station VFDs and Sludge Bed Underdrain Pump Station Replacement

Reserves

The table below compares the FY 2024-25 Amended Budget ending reserve balances to the Q2 projected ending reserve balances.

Fund 120 Reserves	FY 24-25 Amended Budget FYE	FY 24-25 Q2 Projected FYE
Debt Service Rate Stabilization Reserve	\$6,300,000	\$6,300,000
Pension Trust	57,000	50,000
Designated for Capital Projects Reserve ¹	52,843,000	66,374,000
Total Reserve	\$59,200,000	\$72,724,000

¹Reserve is designated for capital projects to fund the Fund 120 CIP projects the Agency has committed to over the next five years. The Zone 7 Board adopted the Five-Year Water System CIP on June 21, 2023 (Resolution No. 17-81).

The following table summarizes the Agency’s major projects in progress. For more information on capital projects, see the Capital Projects Status Report to be included in the February 19, 2025, Board meeting agenda packet.

Project	Total Estimated Cost	Fund 120 Share	Fund 120 Cash Financed	Fund 120 Bond Financing	Status	In-Service
Asset Management Program and Ten-Year CIP Update	\$1.15M	\$902K	\$902K	\$-	Planning	Fall 2025
Pipeline Inspection Study	\$250K	\$250K	\$250K	\$-	In-process	Fall 2025
MGDP Concentrate Conditioning	\$7.8M	\$7.8M	\$7.8M	\$-	Construction	Spring 2025
Chain of Lakes PFAS Treatment Facility Project	\$24.4M	\$24.4M	\$2.4M	\$22M	Construction	Spring 2025
Stoneridge Well PFAS Project	\$16.3M	\$16.3M	\$16.3M	\$-	Functional completion September 2023	Winter 2025 (PWRPA Switch)
Wells & MGDP Electrical Upgrades/ Replacement Project	\$7.3M	\$7.3M	\$7.3M	\$-	Construction	Spring 2025
Electric Vehicle Chargers	\$651K	\$651K	\$651K	\$-	Design	Spring 2025
DVWTP Booster Pump Station VFD and Underdrain Pump Station Replacement	\$1.91M	1.91M	\$1.91M	\$-	Construction	Spring 2026
Mocho PFAS Treatment Facility Conceptual Design Report	\$500K	\$500K	\$500K	\$-	Planning	Spring 2025
Risk and Resilience Assessment and Emergency Response Plan	\$200K	\$200K	\$200K	\$-	Planning	March 2025
Joint Regional Groundwater Development Project	\$2.7M	\$1.35M	\$1.35M	\$-	In-process	Fall 2025
Total	\$63.16M	\$61.56M	\$39.56M	\$22.0M		

RESTRICTED FUNDS ANALYSIS

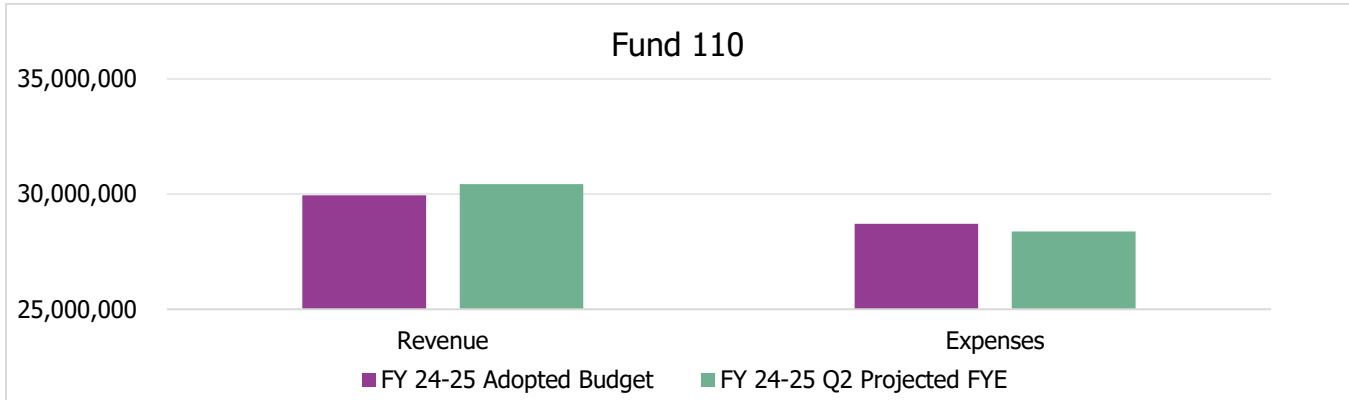
Restricted Fund Balance: Includes the portion of the fund balance that can only be spent for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers. The restricted fund balance also includes a legally enforceable requirement that the resources can only be used for specific purposes enumerated in the law. The restricted funds are not available to serve as operating or emergency reserves. These primarily include property taxes, connection and developer fees received for capital projects, debt service requirements, and fees charged for the provision of future water resources.

Fund 110 – State Water Facilities Fund

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.

Fund 110 funds the fixed cost payment to DWR to import water to the Agency which includes repayment of voter-approved, State-incurred, long-term debt.

The following graph shows the FY 2024-25 Adopted Budget and Q2 projected fiscal year-end revenue and expenditures.



When expenses exceed revenue, operating reserves (working capital) are being expended.

Details of Revenue and Expenses for Fund 110

Fund 110 - State Water Facilities	FY 24-25 Adopted Budget	FY 24-25 Q2 YTD Actual	FY 24-25 Q2 Projected FYE	Year-End Over / (Under) Budget
Audited Beg. Fund Balance	\$51,731,000	\$52,340,307	\$52,340,000	\$609,000
Revenue				
Dougherty Valley Surcharge	2,773,000	-	2,773,000	-
Property Taxes ¹	22,201,000	10,779,324	22,201,000	-
DWR Refunds	3,675,000	3,216,296	4,000,000	325,000
Investment Earnings ²	1,292,000	800,489	1,464,000	172,000
Total Revenue	\$29,941,000	\$14,796,109	\$30,438,000	\$497,000
Expenses³	\$28,712,000	\$22,841,715	\$28,371,000	(\$341,000)
Estimated Revenue over Expenses	1,229,000	(8,045,606)	2,067,000	838,000
Ending Fund Balance	\$52,960,000	\$44,294,701	\$54,407,000	\$1,447,000

Note: Projection values are rounded to the thousands.

Revenue

This is a pass-through fund for fixed charges associated with the SWP, assessed as a property tax override.

- 1. Property Taxes:** YTD revenue includes the first installment of property tax. The second installment is due in April and will be reflected in the fourth quarter report. The year-end revenue projection reflects budget.
- 2. Investment Earnings:** Projected investment earnings exceed budget and reflect current favorable market conditions.

Expenses

- 3. Expenditures:** Include DWR fixed charges that occur both monthly and semi-annually. Transportation capital charges and the improvement portion of the SBA Improvement and Enlargement Project debt service payments are paid in January/July and March/September, respectively. The year-end projected expenses reflect anticipated payments through June 2025 based on the 2025 Statement of Charges.

Reserves

The following table compares the FY 2024-25 Adopted Budget ending reserve balance to the Q2 projected ending reserve balance. 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 volatile future increases in State Water Project capital costs.

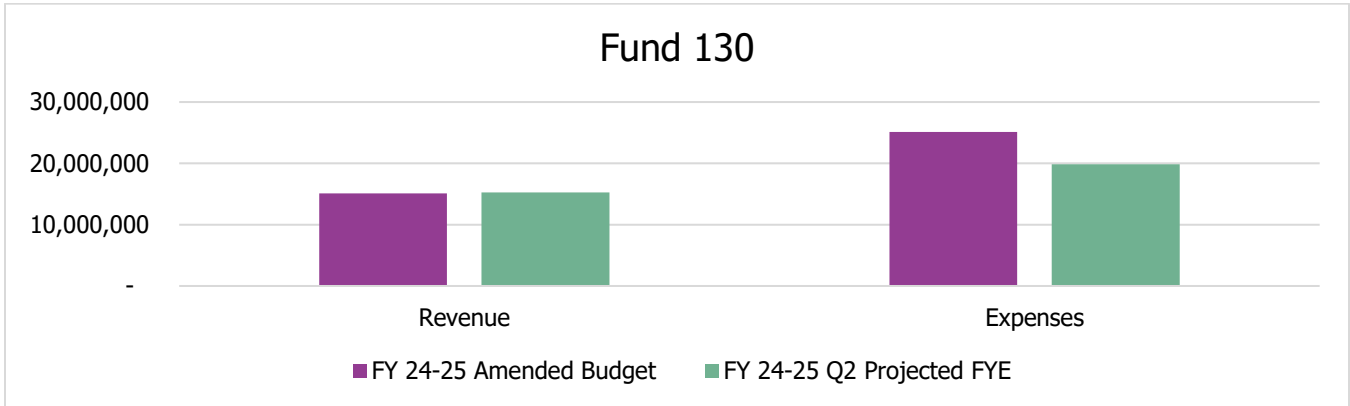
Fund 110 Reserves	FY 24-25 Adopted Budget FYE	FY 24-25 Q2 Projected FYE
Operating Reserve	\$52,960,000	\$54,407,000
Total Reserve	\$52,960,000	\$54,407,000

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 of 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.

The following graph shows the FY 2024-25 Amended Budget and Q2 projected fiscal year-end revenue and expenditures.



Details of Revenue and Expenses for Fund 130

Fund 130 - Water Enterprise Capital Expansion	FY 24-25 Amended Budget	FY 24-25 Q2 YTD Actual	FY 24-25 Q2 Projected FYE	Year-End Over/(Under) Budget
Audited Beg. Fund Balance	\$69,651,000	\$68,034,191	\$68,034,000	(\$1,617,000)
Revenue				
Connection Fees ¹	10,000,000	4,070,801	10,000,000	-
Investment Earnings ²	1,669,000	1,111,902	1,822,000	153,000
DWR Refunds	3,000,000	1,628,480	3,000,000	-
Other Revenue ³	450,000	-	450,000	-
Total Revenue	\$15,119,000	\$6,811,183	\$15,272,000	\$153,000
Expenses				
Labor ⁴	379,000	115,525	231,000	(148,000)
Professional Services	4,407,000	235,412	550,000	(3,857,000)
Water ⁵	16,790,000	12,454,310	16,594,000	(196,000)
Capital Projects ⁶	2,443,000	161,478	1,400,000	(1,043,000)
Debt Service	1,092,000	789,152	1,092,000	-
Total Expenses	\$25,111,000	\$13,755,878	\$19,867,000	(5,244,000)
Estimated Revenue over Expenses	(9,992,000)	(6,944,695)	(4,595,000)	5,397,000
Ending Fund Balance	\$59,659,000	\$61,089,496	\$63,439,000	\$3,780,000

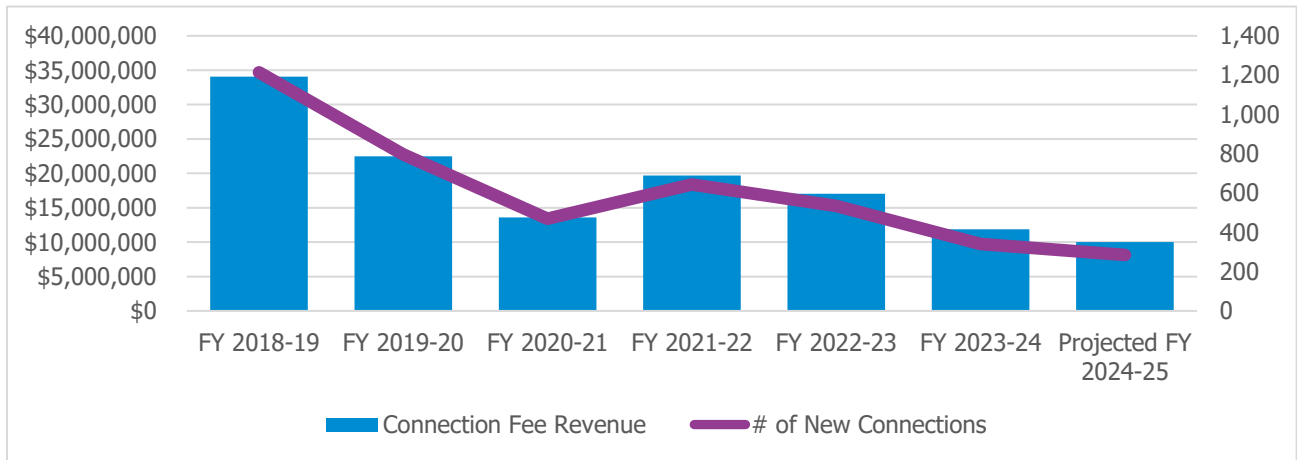
Note: Projected values are rounded to the thousands.

Revenue

The primary source of revenue is connection fees.

- 1. Connection Fees:** YTD revenue is comprised of connection fees from approximately 116 connections primarily from the Dublin San Ramon Services District service area. At the October 16, 2024, Board Meeting, the Board approved the normal inflationary adjustment to the CY 2025 water connection fees. The adjusted fees went into effect January 1, 2025.

Connection fee revenue has continued to decline since 2019. The connection fee study will inform staff of future development in the service area. The following graph illustrates the declining trend from FY 2018-19.



	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Projected FY 2024-25
Connection Fee Revenue	\$34,068,092	\$22,461,926	\$13,609,527	\$19,669,510	\$17,023,627	\$11,860,411	\$10,000,000
# of New Connections	1,214	796	470	643	535	340	285

- Investment Earnings:** Projected investment earnings exceed budget and reflect current favorable market conditions.
- Other Revenue:** Includes the City of Pleasanton’s 50% cost share of the Regional Groundwater Project. The project is underway and construction of the first test well has been completed.

Expenses

- Labor:** Includes this fund’s share of payroll through December 31, 2024, for capital expansion projects. The projected year-end amount is based on trends.
- Water:** YTD expenses are made up of the first installment of the South Bay Aqueduct debt service payment, due annually in September. The projected year-end reflects the first and second installment payments.
- Capital Projects:** Includes water expansion capital project expenses approved in the FY 2024-25 budget, including continued participation in the Sites Reservoir project, the well master plan, the Chain of Lakes Conveyance System, and the 10-year capital improvement plan update. The year-end projection includes the FY 2024-25 Sites participation payment and final close out costs for the PPWTP Ozone and Upgrades project.

Reserves

The table below compares the FY 2024-25 Amended Budget ending reserve balances to the Q2 projected ending reserve balances.

Fund 130 Reserves	FY 24-25 Amended Budget FYE	FY 24-25 Q2 Projected FYE
Sinking Funds ¹	\$29,170,000	\$29,170,000
Debt Service Rate Stabilization Reserve	2,300,000	2,300,000
Designated for Capital Projects Reserve ²	28,170,000	31,954,000
Pension Trust Fund	19,000	15,000
Total Reserves	\$59,659,000	\$63,439,000

¹Reserve established by the Board to fund SBA debt service payments that continue after service is built-out.

²Reserve designated for capital projects to fund expansion CIP projects the Agency has committed to over the next ten years.

Below is a summary of the Agency's major projects in progress or recently completed.

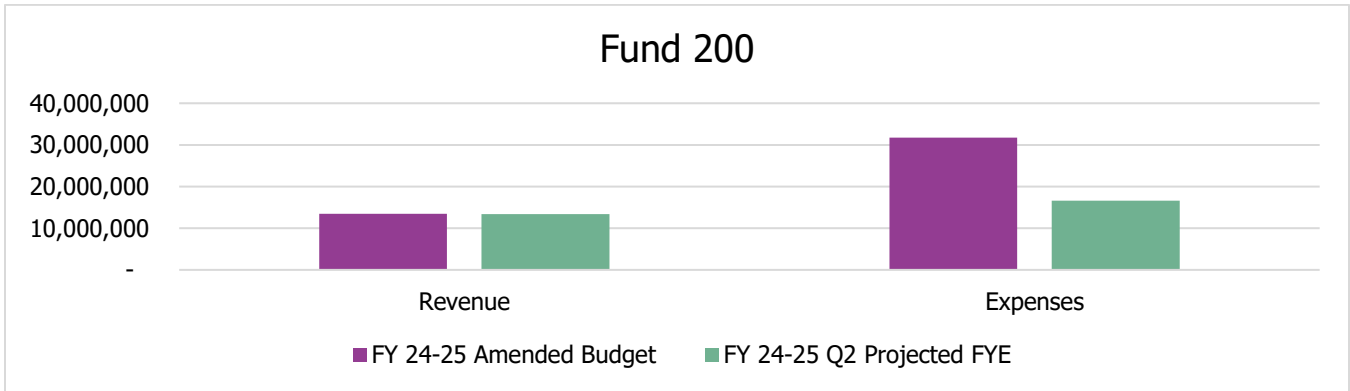
Project	Total Cost	Fund 130 Share	Status	In-Service/Completion
Asset Management Program and Ten-Year CIP Update	\$1.15M	\$250K	In-process	Fall 2025
Non-discretionary obligations	~\$20M annually	~\$20M	n/a	ongoing
Joint Regional Groundwater Development Project	\$2.7M	\$1.35M	In-process	Fall 2025

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 uses 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 finances 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 pays for renewal/replacement and improvement projects for the existing flood protection system.

The following graph shows FY 2024-25 Amended Budget and Q2 projected fiscal year-end revenue and expenditures.



Details of Revenue and Expenses for Fund 200

Fund 200 - Flood Protection Operations	FY 24-25 Amended Budget	FY 24-25 Q2 YTD Actual	FY 24-25 Q2 Projected FYE	Year-End Over/(Under) Budget
Audited Beg. Fund Balance	\$27,790,000	\$27,800,556	\$27,801,000	\$11,000
Revenue				
Property Taxes ¹	12,573,000	6,527,676	12,171,000	(402,000)
Investment Earnings ²	595,000	414,716	710,000	115,000
Grants ³	94,000	64,130	64,000	(30,000)
Other Revenue	236,000	342,042	412,000	176,000
Total Revenue	\$13,498,000	\$7,348,565	\$13,357,000	(\$141,000)
Expenses				
Labor ⁴	3,133,000	1,468,279	2,937,000	(196,000)
Professional Services ⁵	6,319,000	1,233,117	4,550,000	(1,769,000)
Repairs and Maintenance ⁶	21,277,000	1,306,246	8,230,000	(13,047,000)
Rental Services	88,000	12,560	88,000	-
Other Services/Supplies	953,000	420,669	790,000	(163,000)
Total Expenses	\$31,770,000	\$4,440,871	\$16,595,000	(\$15,175,000)
Estimated Revenue over Expenses	(18,272,000)	2,907,694	(3,238,000)	15,034,000
Ending Fund Balance	\$9,518,000	\$30,708,250	\$24,563,000	\$15,045,000

Note: Projected values are rounded to the thousands.

Revenue

The primary source of revenue for this fund is property taxes.

- Property Tax:** The YTD revenue is comprised of the first installment of property tax as well as revenue received to-date through unsecured property taxes. The year-end revenue projection is based on the property tax estimate provided by the County.

- 2. Investment Earnings:** Projected investment earnings exceed budget and reflect current favorable market conditions.
- 3. Grants:** The YTD actual reflects a \$43K federal grant received from Cal OES for prior expenses incurred from the high-priority maintenance work from the 2023 storms and a \$21K State grant for prior expenses incurred on the Arroyo Mocho Floodplain and Riparian Forest Restoration Project. The year-end projection conservatively reflects the YTD actual as grant reimbursement timing is challenging to predict.

Expenses

- 4. Labor:** Includes this fund’s share of payroll through December 31, 2024. The year-end projection is based on trends.
- 5. Professional Services:** Includes professional services for Flood operations and ongoing services related to the Flood Management Plan. The year-end projection is less than budget primarily due to as-needed services and contingency. The year-end projection reflects ongoing design and permitting efforts for the Phase 1 and high priority flood sites.
- 6. Repairs and Maintenance:** The Amended Budget includes ongoing routine flood engineering repair services and repairs related to the Phase 1 and high priority projects resulting from damages caused by the 2023 storms. The year-end projection includes the Agency’s 20% upfront cost share payment to the U.S. Army Corps of Engineers to repair 48 damaged sites (~\$5.3M), and annual routine maintenance efforts (~\$2.8M). The projection is less than the budget as repairs related to Phase 1 and the high priority projects will continue in FY 2025-26, once the Agency receives permits, likely in June 2025.

Reserves

The table below compares the FY 2024-25 Amended Budget ending reserve balance to the Q2 projected ending reserve balance.

Fund 200 Reserves	FY 24-25 Amended Budget	FY 24-25 Q2 Projected FYE
Operating Reserves ¹	\$9,312,000	\$11,854,000
Designated for Capital Projects Reserve ²	-	12,501,000
Section 115 Pension Trust	206,000	208,000
Total Reserves	\$9,518,000	\$24,563,000

¹ This fund may be routinely utilized by staff 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. For example, the 2023 Storm Damage Repair project expenses will be incurred in advance of grant reimbursement.

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

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. Flood Management Plan Phase 2A professional and project management services were approved at the February 15, 2023, Board meeting.

The following table lists major repairs/projects that are in progress or recently completed.

Project	Total Cost	Fund 200 Share	Status	In-service
Alamo Creek Bank Stabilization Pilot Project ¹	\$6.1M	\$1.5M	Permitting	Winter 2025
2022-23 Storm Damage High Priority Repairs	\$2.4M	\$2.4M	Permitting	Fall 2025
2023 Storm Damage Repairs – Phase 1	\$9.0	\$9.0M	Design/Permitting	Winter 2025

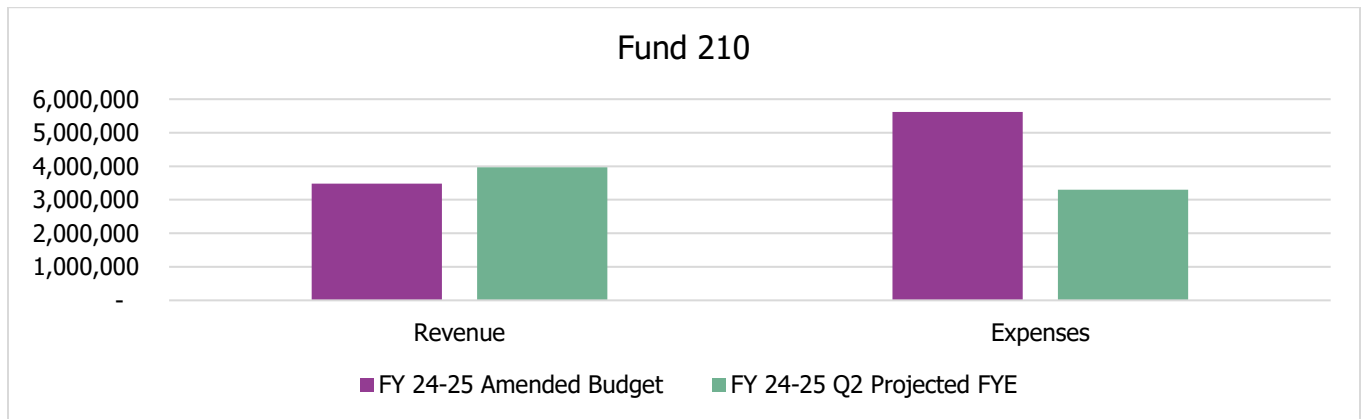
¹DWR has awarded up to \$4.6M in grants through the Floodplain Management, Protection, and Risk Awareness (FMPRA) Grant program. Proceeds of this grant are not reflected in the projected ending fund balance.

Fund 210 – Flood Protection Development Impact Fee Fund

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, lands and right of way acquisition, environmental review, permitting, and construction for drainage projects.

The following graph shows the FY 2024-25 Amended Budget and Q2 projected fiscal year-end revenue and expenditures.



Details of Revenue and Expenses for Fund 210

Fund 210 - Flood Protection DIF Fund	FY 24-25 Amended Budget	FY 24-25 Q2 YTD Actual	FY 24-25 Q2 Projected FYE	Year-End Over/(Under) Budget
Audited Beg. Fund Balance	\$78,092,000	\$79,773,869	\$79,774,000	\$1,682,000
Revenue				
Development Fees ¹	1,500,000	754,974	1,500,000	-
Investment Earnings ²	1,952,000	1,104,922	2,244,000	292,000
Other Revenue	25,000	221,105	221,000	196,000
Total Revenue	\$3,477,000	\$2,081,001	\$3,965,000	\$488,000
Expenses				
Labor ³	147,000	16,350	33,000	(114,000)
Capital Projects ⁴	5,470,000	72,241	3,269,000	(2,201,000)
Total Expenses	\$5,617,000	\$88,591	\$3,302,000	(\$2,315,000)
Revenue over Expenses	(2,140,000)	1,992,409	663,000	2,803,000
Estimated Ending Fund Balance	\$75,952,000	\$81,766,278	\$80,437,000	\$4,485,000

Note: Values are rounded to the thousands.

Revenue

- 1. Development Impact Fees:** Revenue is primarily generated from development impact fees and interest earnings. The year-end projection is based on trends and reflects budget.
- 2. Investment Earnings:** Projected investment earnings exceed budget and reflect current favorable market conditions.

Expenses

- 3. Labor:** Includes staff labor through December 31, 2024. The year-end projection is based on trends.
- 4. Capital Projects:** Includes as-needed professional services, professional services related to the ongoing Flood Management Plan effort, and the Board approved \$3.03M reimbursement to Dublin Crossing, LLC for construction and easements required for the Camp Park Detention Basin (Resolution No. 24-89).

Reserves

The following table and chart compare the FY 2024-25 Amended Budget ending reserve balance to the Q2 projected ending reserve balance.

Fund 210 Reserves	FY 24-25 Amended Budget FYE	FY 24-25 Q2 Projected FYE
Capital Projects Reserve	\$75,952,000	\$80,437,000
Total Reserves	\$75,952,000	\$80,437,000

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. Flood Management Plan Phase 2A professional and project management services were approved at the Board meeting on February 15, 2023.