

ZONE 7 BOARD OF DIRECTORS FINANCE COMMITTEE

DATE: Thursday, August 8, 2024
TIME: 11:00 a.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 June 30, 2024 (Unaudited)
4. Annual Pension Trust Fund Report as of June 30, 2024 (Unaudited)
5. Endowment Trust Funds Annual Report
6. Calendar Year 2023 Untreated Water Rate Reconciliation
7. Adjournment



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

June 30, 2024

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

Subject: Investment Report as of June 30, 2024 (Unaudited)

Dear Board Members:

Pursuant to Resolution No. 23-46, dated June 30, 2023, 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 June 30, 2024. Enclosed with this report is a detailed composition of investments held in Zone 7’s name by securities category as of June 30, 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	\$ 88,335,000	\$ 83,664,427	\$ 86,730,603	58.40%	No Limit	Yes	2.97%
Corporate Bonds (Medium Term Notes)	24,935,000	24,406,913	24,925,655	17.04%	30%	Yes	4.30%
Federal Agency Commercial Mortgage-Backed Security	24,097,256	23,981,276	24,105,360	16.74%	No Limit	Yes	4.87%
Negotiable Certificate of Deposit (CD)	1,350,000	1,344,983	1,381,242	0.94%	30%	Yes	5.08%
Asset-Backed Securities	4,855,000	4,848,848	4,865,592	3.38%	20%	Yes	5.08%
Money Market (1)	5,022,735	5,022,735	5,022,735	3.51%	20%	Yes	5.18%
Total Investments	\$ 148,594,990	\$ 143,269,182	\$ 147,031,186	100.00%			3.63%
US Bank	1,632,869	1,632,869	1,632,869				
Total Cash & Investments	\$ 150,227,860	\$ 144,902,051	\$ 148,664,056				3.63%

(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 June 30, 2024, the County Treasurer held approximately \$158,034,680 (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, 2023.

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 June 30, 2024

c: Valerie Pryor, General Manager



ZONE 7 WATER AGENCY

Investment Performance Review For the Quarter Ended June 30, 2024

Client Management Team

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

PFM Asset Management LLC

1 California Street Ste. 1000
San Francisco, CA 94111-5411
415-393-7270

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

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Market Update

Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▶ Moderating economic growth following two quarters of exceptional strength
 - ▶ Recent inflation prints resuming the path towards the Federal Reserve (Fed)'s 2% target
 - ▶ Labor markets continuing to show strength while unemployment has ticked up modestly
 - ▶ Resilient consumer spending supported by wage growth that is outpacing inflation



- ▶ Federal Reserve pushes out rate cuts
 - ▶ Fed revises expectations from 3 rate cuts in 2024 to 1 by year end following a lack of progress in the fight against inflation
 - ▶ Market continues to expect 1 or 2 rate cuts in 2024
 - ▶ Fed officials note that the risks to its “dual mandate” of stable inflation and maximum employment are becoming more balanced

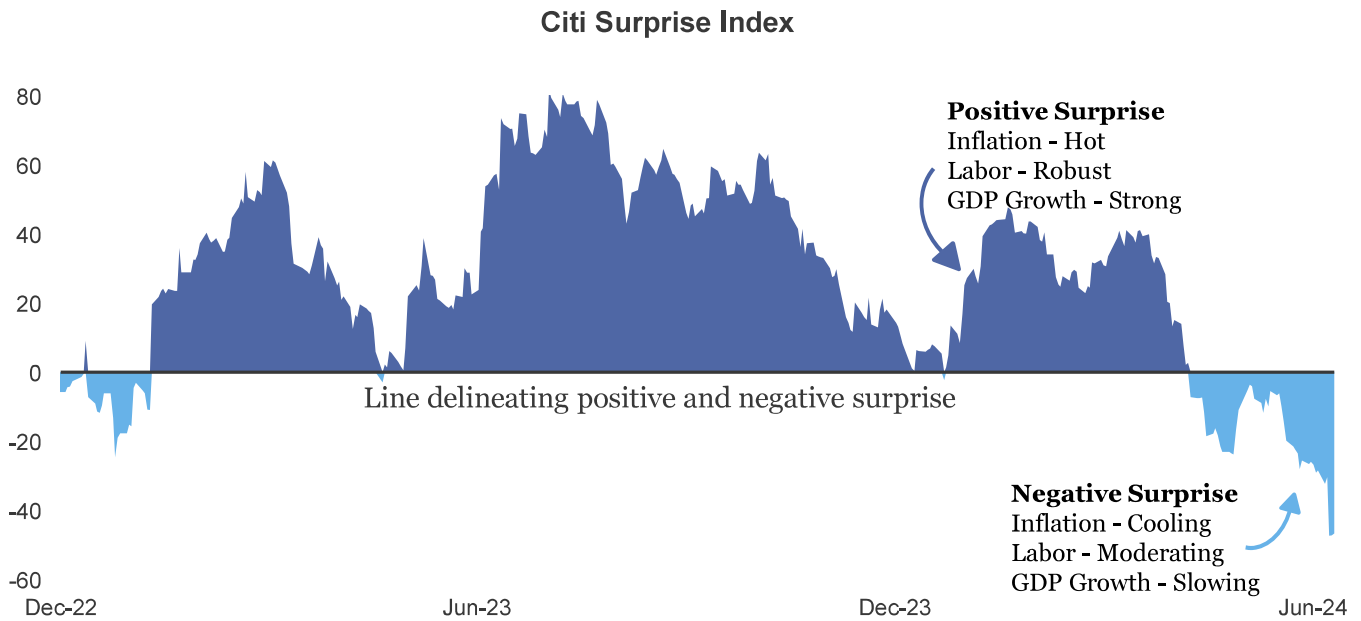


- ▶ Treasury yields increase in response to economic data over the quarter
 - ▶ Yields on maturities between 2 and 10 years rose 13-20 basis points during the quarter
 - ▶ The yield curve has now been inverted for 24 months, the longest period in history
 - ▶ Spreads across most sectors remain near multi-year tight and represent market expectations for a soft landing

Recent Economic Data Points to Moderation

The Citi Surprise Index measures various economic readings relative to market expectations.

- **A positive reading** means that data releases have been **greater than market expectations**
- **A negative reading** means that data releases have been **less than expected**

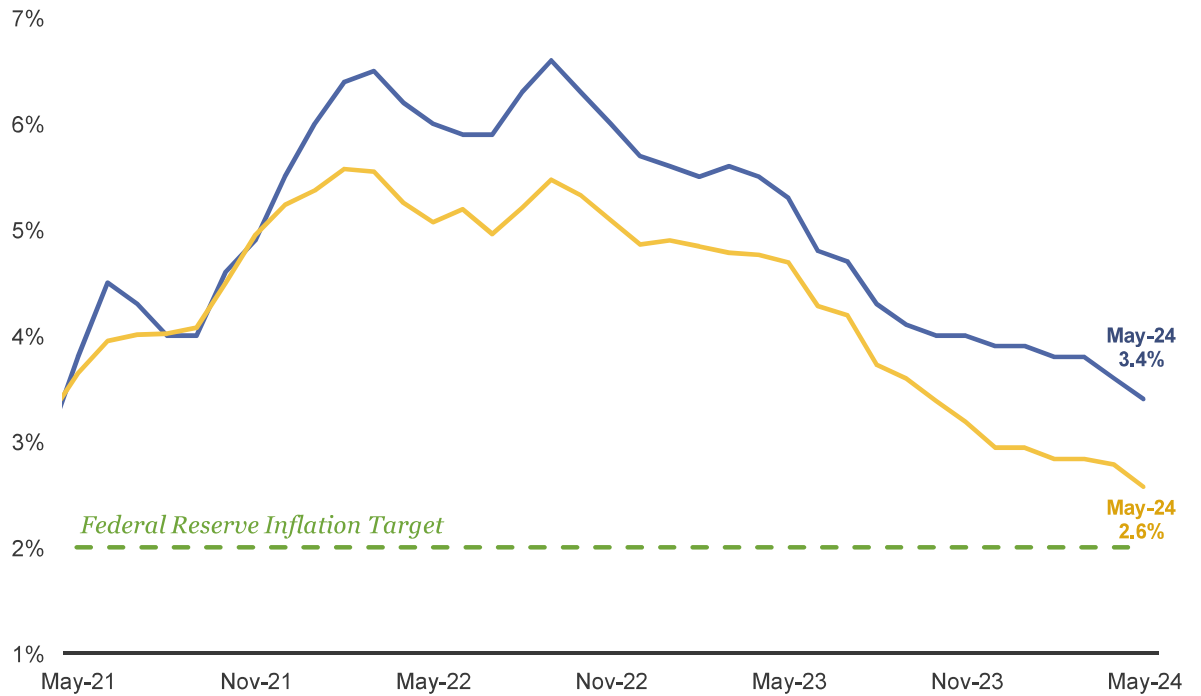


Source: Bloomberg, as of 7/5/2024.

Fed's Preferred Inflation Measure Shows Progress

Core Inflation Measures
Year-Over-Year Changes

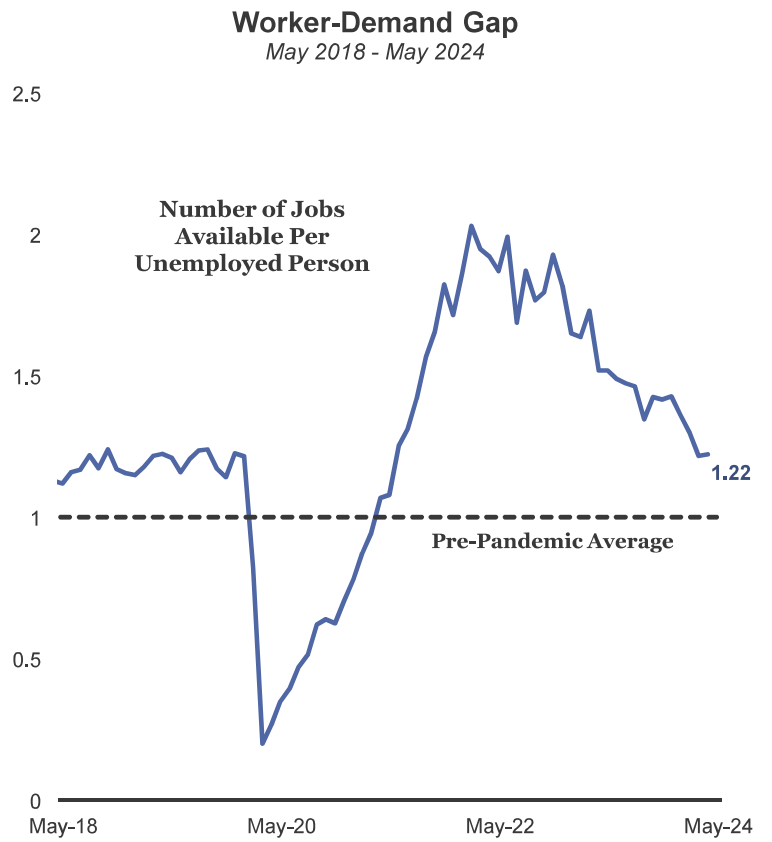
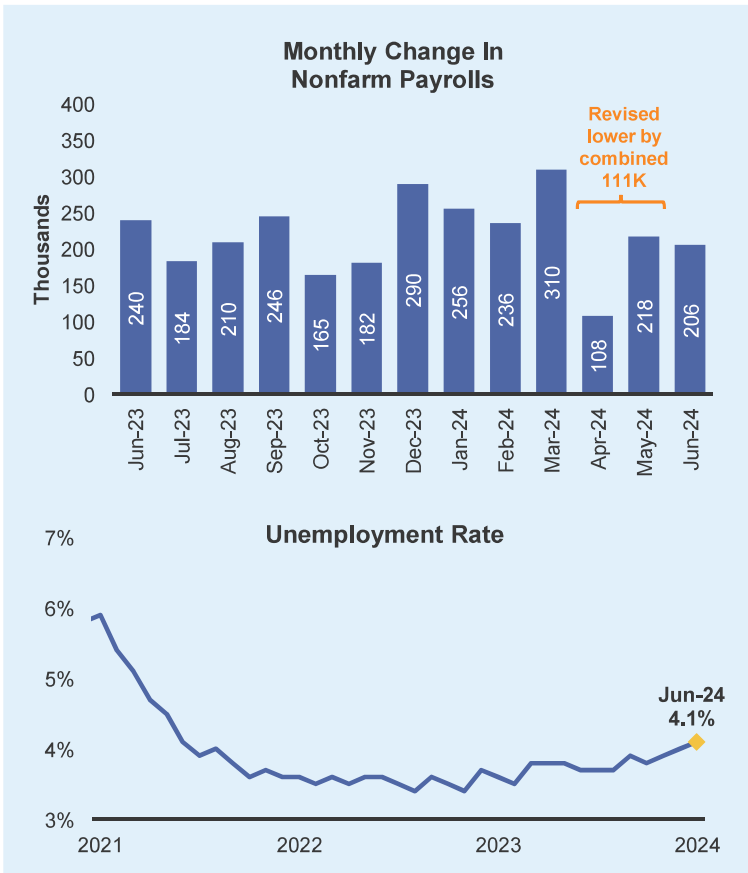
— Core CPI — Core PCE



Core CPI and PCE strips out the volatile food and energy components.

Source: Bureau of Labor Statistics, Bureau of Economic Analysis, and Bloomberg. As of May 2024.

Labor Market Moves Into Better Balance



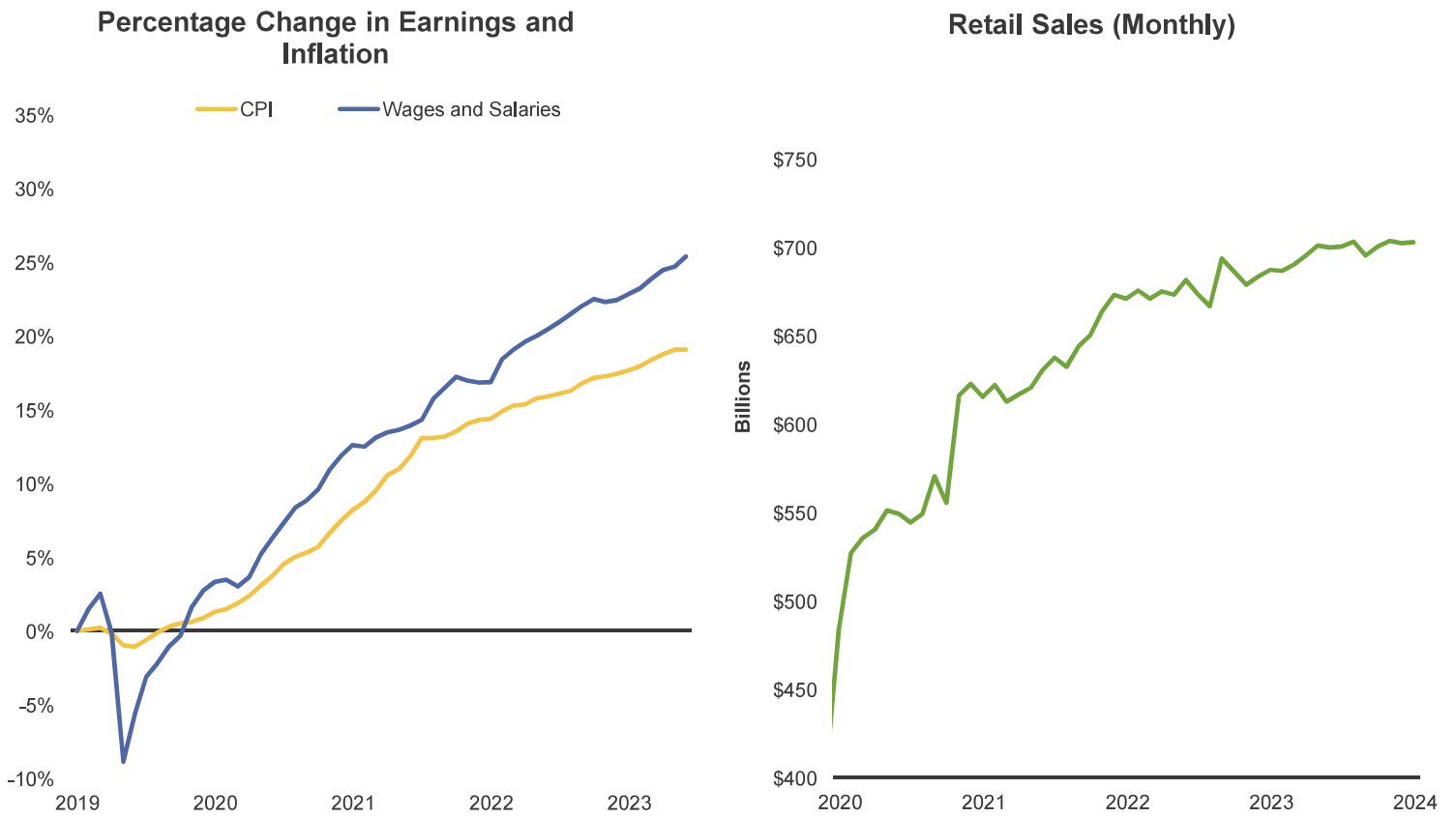
Source: Bloomberg, Bureau of Labor Statistics. Monthly change in nonfarm payrolls and unemployment rate as of June 2024. Data is seasonally adjusted (left). Worker demand gap as of May 2024. Pre-pandemic average from February 2016 – February 2020 (right).

Economic Incentive to Switch Jobs is Declining



Source: Bloomberg, Federal Reserve Bank of Atlanta as of March 2024.

The Consumer Moderates But Remains Well Positioned Given Strong Wage Growth



Source: Bloomberg, U.S. Census Bureau, Bureau of Economic Analysis as of May 2024 (left). Bloomberg, U.S. Census Bureau as of May 2024 (right).

Markets Reflect a “Soft Landing”



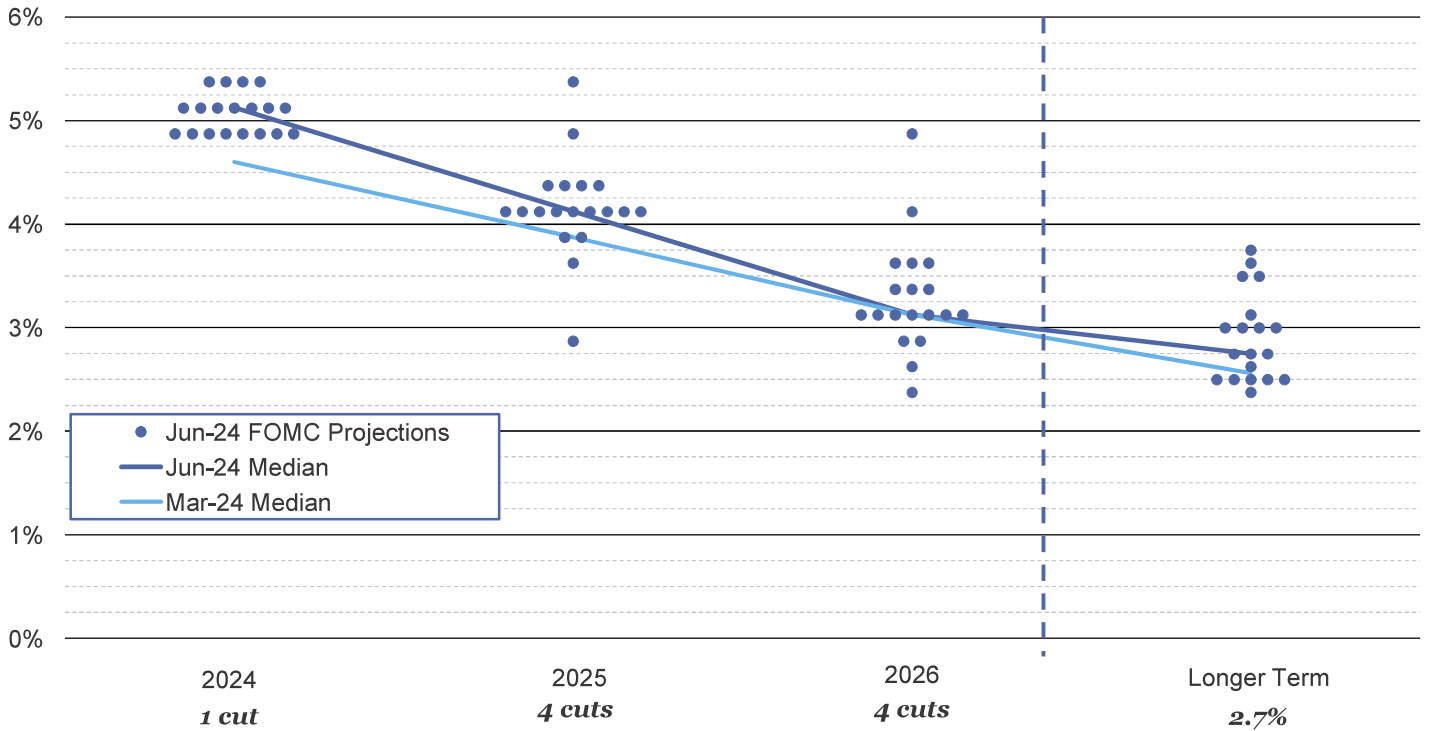
Investment Universe Pricing										
	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Median, 20-Year
Investment Grade Spreads	149	151	126	136	119	118	97	85	86	118
High Yield Spreads	587	543	479	458	405	403	334	312	318	449
S&P 500 Dividend Yield	1.70%	1.85	1.76%	1.68%	1.55%	1.61%	1.49%	1.36%	1.33%	1.94%

Lower Prices/Cheaper | Higher Prices/More Expensive

Source: Bloomberg, ICE BofA Indices, and S&P 500 as of June 28, 2024.
 Green = wider spreads/higher dividend yield and Red = tighter spreads/lower dividend yield. Gradient color based on 1st and 3rd quartile of data series over the past 20 years.

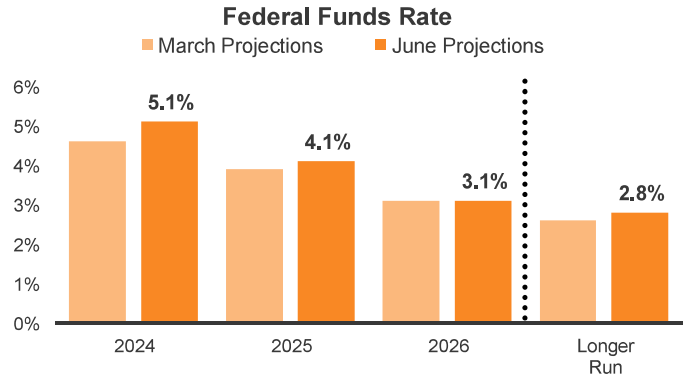
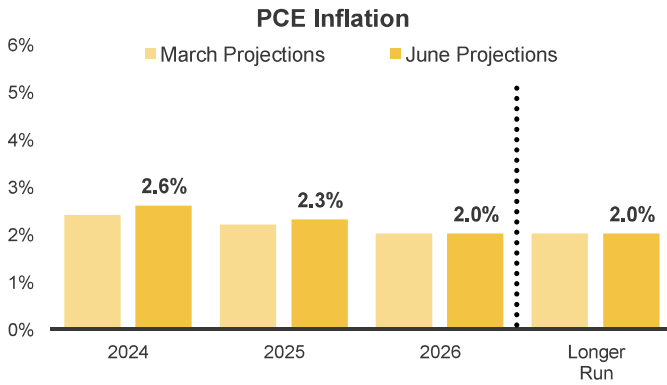
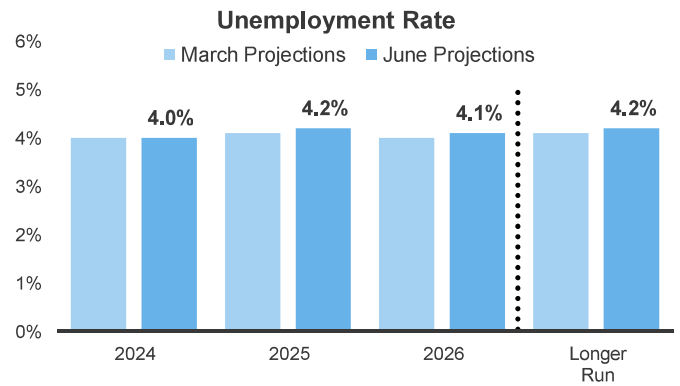
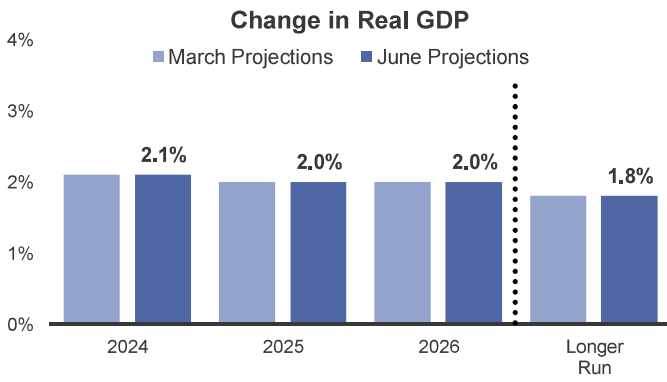
The Fed's Latest "Dot Plot" Shows Only One Rate Cut In 2024

Fed Participants' Assessments of 'Appropriate' Monetary Policy



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end.

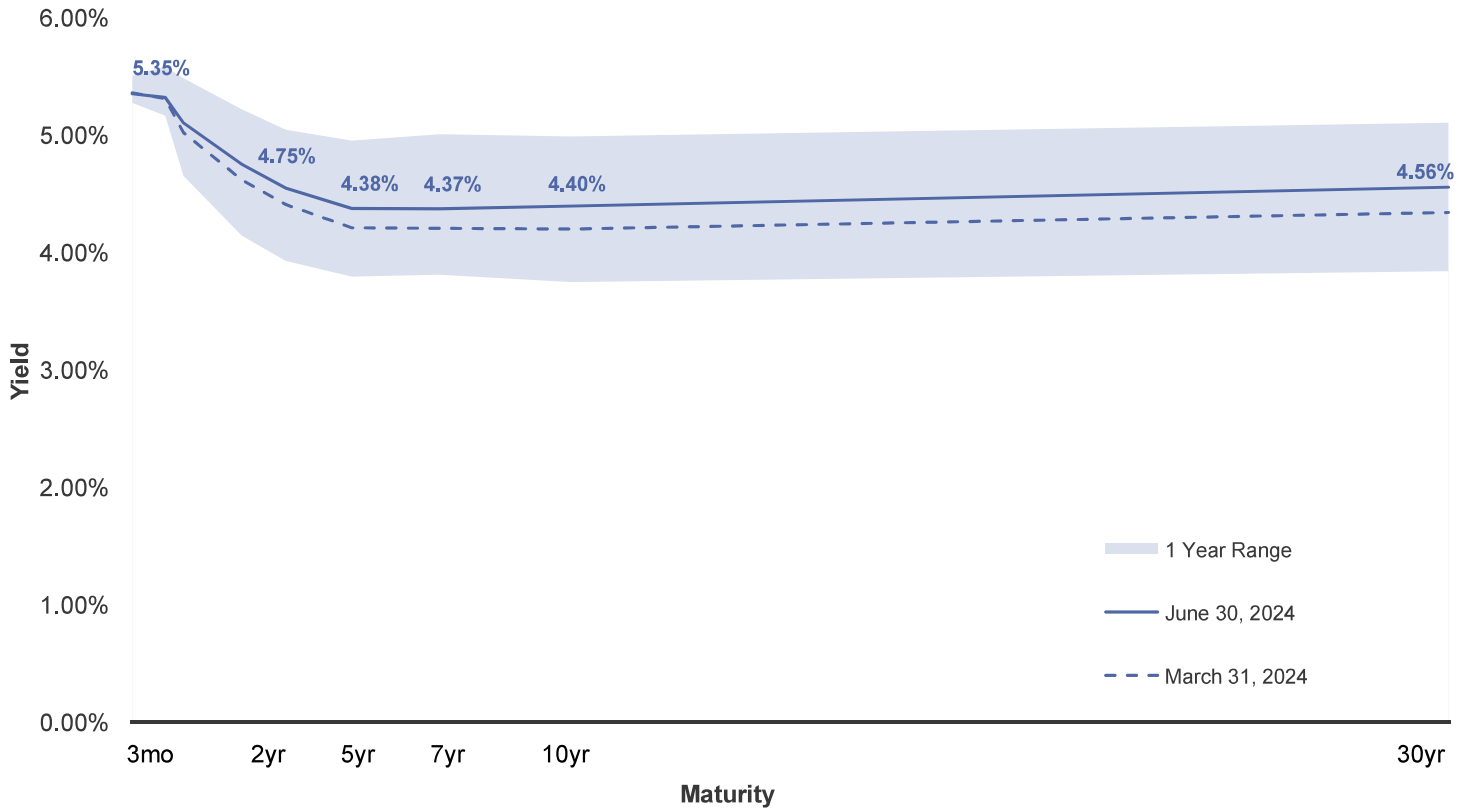
Fed's Updated June Projections Reflect Stable Economic Expectations for 2024



Source: Federal Reserve, latest economic projections as of June 2024.

Treasury Yields Move Higher as Market Evolves to Revised Fed Expectations

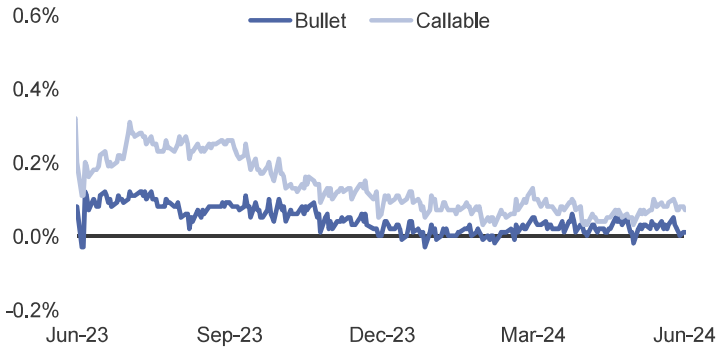
U.S. Treasury Yield Curve



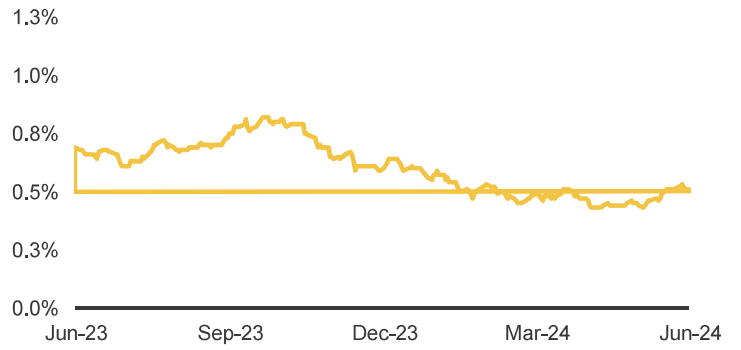
Source: Bloomberg, as of 6/30/2024.

Sector Yield Spreads

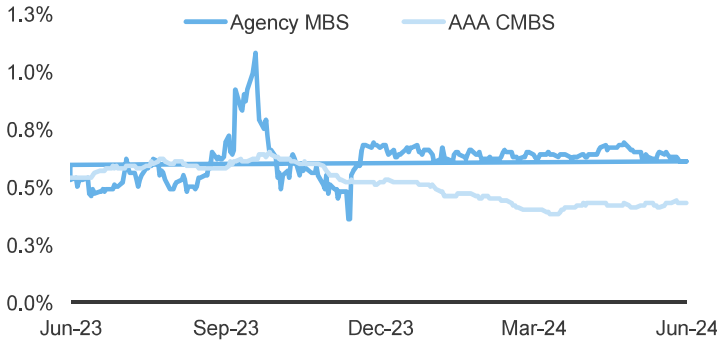
Federal Agency Yield Spreads



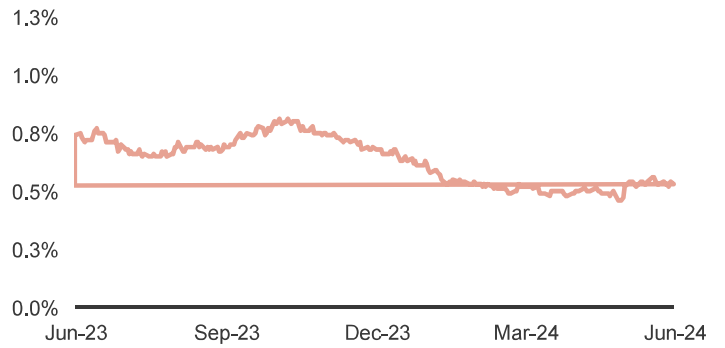
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads



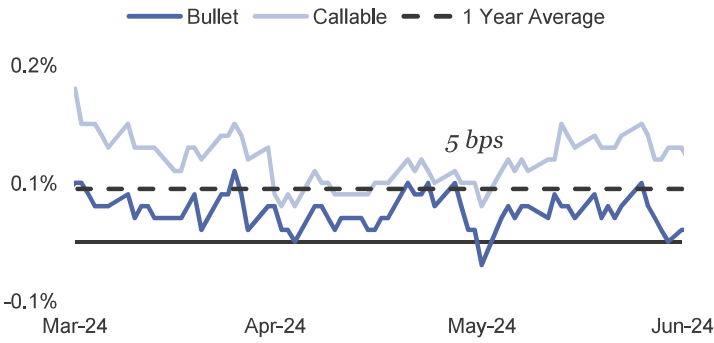
Asset-Backed Securities AAA Yield Spreads



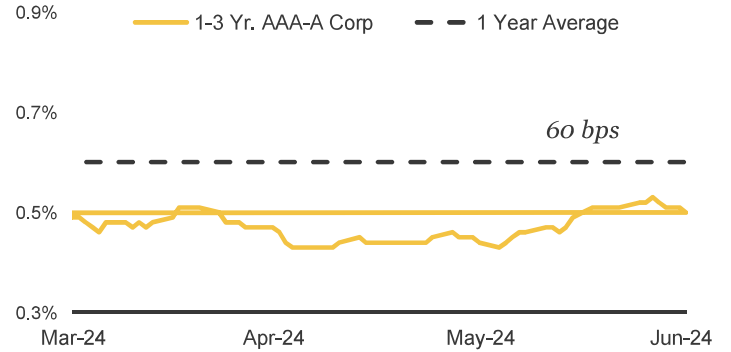
Source: ICE BofA 1-3 year Indices via Bloomberg, MarketAxess and PFMAM as of June 30, 2024. Spreads on ABS and MBS are option-adjusted spreads of 0-3 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

Sector Yield Spreads

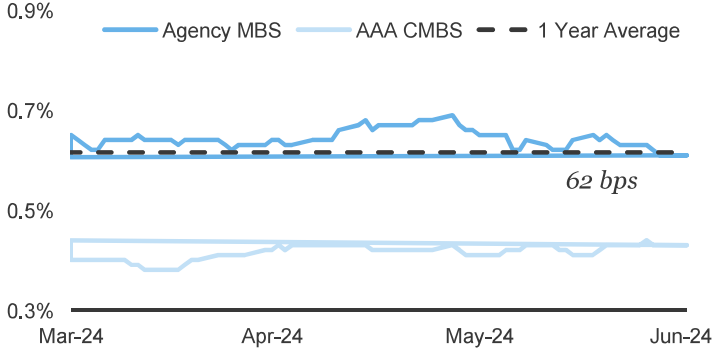
Federal Agency Yield Spreads



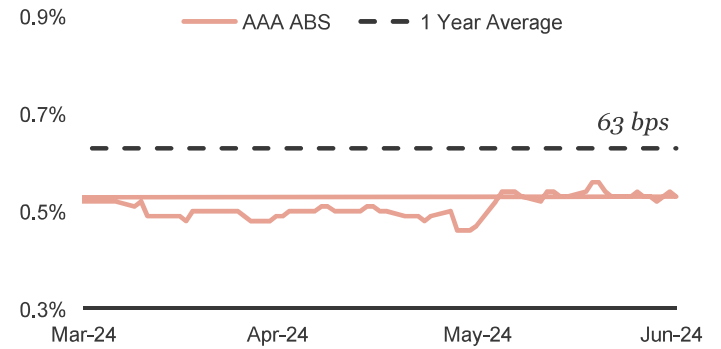
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads



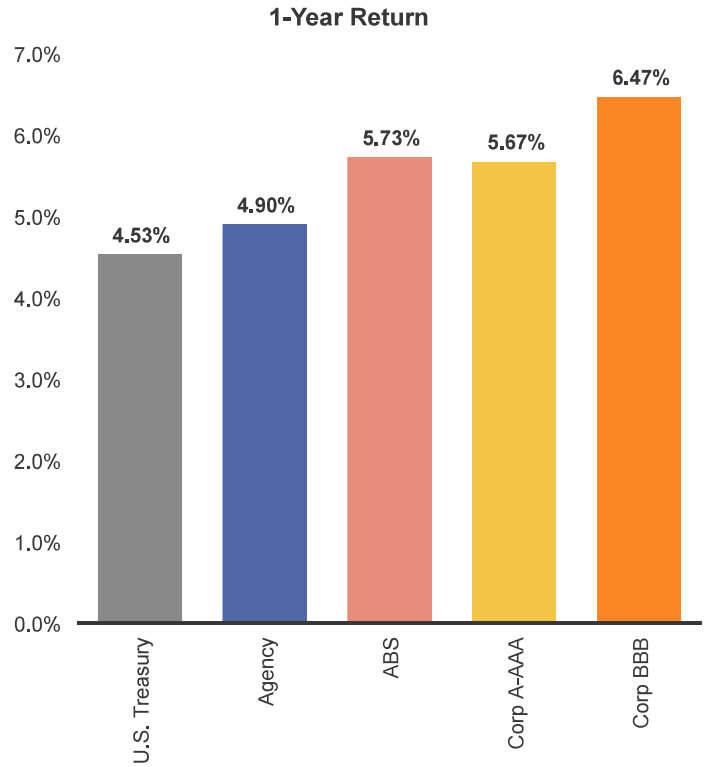
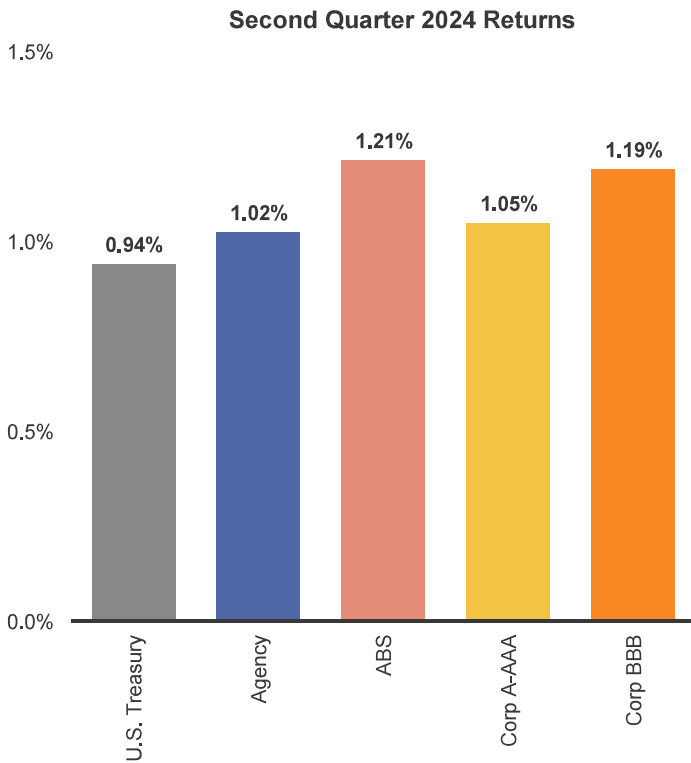
Asset-Backed Securities AAA Yield Spreads



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Fixed-Income Index Total Returns in 2Q 2024

1-3 Year Indices



Source: ICE BofA Indices. ABS indices are 0-3 year, based on weighted average life. As of June 30, 2024.

Factors to Consider for 6-12 Months

Monetary Policy (Global):



- The Fed remains data dependent. Recent Fed guidance has been revised from three rate cuts to one rate cut in 2024. Markets currently expect one or two cuts.
- Globally, major central banks have begun easing cycle with rate cuts leading to divergence from Fed policy.

Economic Growth (Global):



- U.S. economic growth remains resilient but there has been some softness recently as consumer spending tapers.
- Economic growth outside U.S. remain mixed with slower but improved growth projected in Eurozone and continued growth projected in emerging markets.

Inflation (U.S.):



- The latest inflation reading has revived market confidence that inflation is heading in the right direction after experiencing broad disinflation across both goods and services.
- Despite the progress on inflation, policymakers would like more data to confirm the downward trend.

Financial Conditions (U.S.):



- Market measures, such as narrow corporate yield spreads, record equity index levels and low volatility, reflect economic confidence.
- With interest rates elevated and the gradual normalization of labor markets and the consumer, we continue to focus on identifying potential catalysts for a broader slow down.

Consumer Spending (U.S.):



- The consumer has begun to exercise caution and limit spending, which has shed light on a notable downshift over recent months.
- Moderation in the pace of overall spending is expected to continue given persistent inflation, reduced/lower savings, and a cooling job market.

Labor Markets:



- The labor market normalization has begun. After the pandemic-led jolt, the labor force participation rate and non-farm payrolls have moved to be in line with long-term averages.
- With the quits rate and excess demand for workers reaching a better balance, this should help cool wage pressures and inflation.

● 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 LLC at the time of distribution (6/30/2024) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness, or suitability.

Fixed-Income Sector Commentary – 2Q 2024

- ▶ **U.S. Treasury** yields once again rose over the quarter, reflecting the market adjusting to delayed rate cut expectations, but remained largely range-bound following the June Fed meeting. Despite higher yields, U.S. Treasury indexes less than 10 years posted positive returns as higher income more than offset the negative price effects.
- ▶ **Federal Agency** spreads remained in a narrow, tight range over the quarter driven by limited supply. Limited value, tight spreads, and normalized liquidity are likely to remain features of this sector absent an unexpected increase in new issuance. Callables, specifically, longer lockout structures with limited call options, can add value selectively in government-only accounts.
- ▶ **Supranational** spreads tightened on maturities on the short end of the curve, bringing the entire supranational yield curve into rich valuations.
- ▶ **Investment-Grade (IG) Corporates** continued to perform exceedingly well for the majority of the quarter, as strong performance in April and May offset modest weakness in June. Lower rated issuers and longer-duration securities performed best. Given strong trailing performance and spreads near their two-year tights, selective trimming in favor of increased portfolio liquidity or new issues offered at attractive concessions remains appropriate.
- ▶ **Asset-Backed Securities** continued to generate strong returns, as spreads in the sector flatlined in a tight range near their multi-year lows for most of Q2. Despite modest weakening in market confidence of consumer fundamentals and moderating personal consumption, new issuance remained well-digested by investors.
- ▶ **Mortgage-Backed Securities** ended the quarter with flat excess returns as a selloff in the 30-year U.S. Treasury over the final week of Q2 erased the strong performance of MBS in May and June. Several new issue opportunities in agency commercial mortgage-backed securities offered selective new buying opportunities.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) yield spreads continue to tighten closer to similar maturity USTs. However, the sector can selectively provide value with incremental yields ranging 20 to 25 basis point in 9- to 12-month maturities.

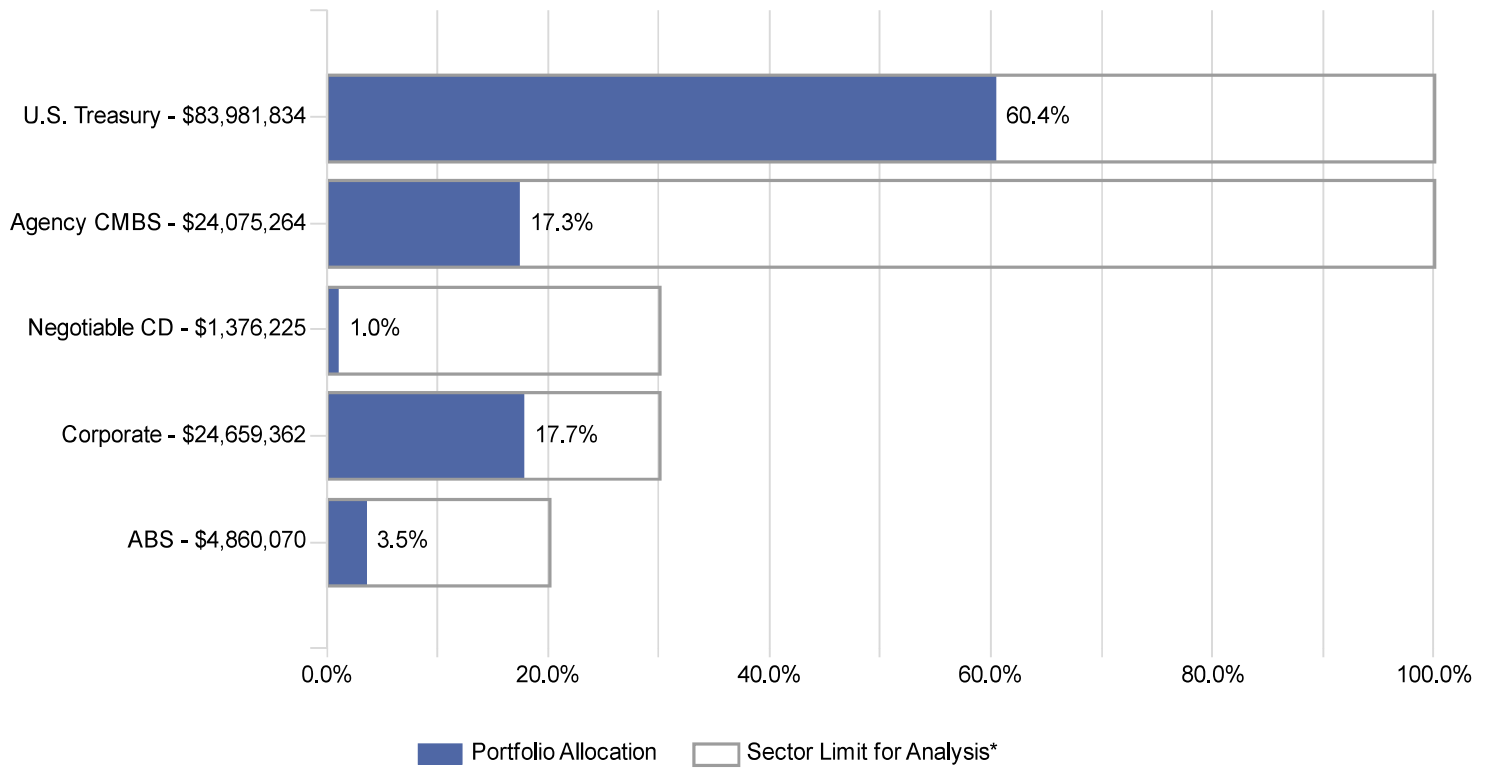
Fixed-Income Sector Outlook – 3Q 2024

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	



Account Summary

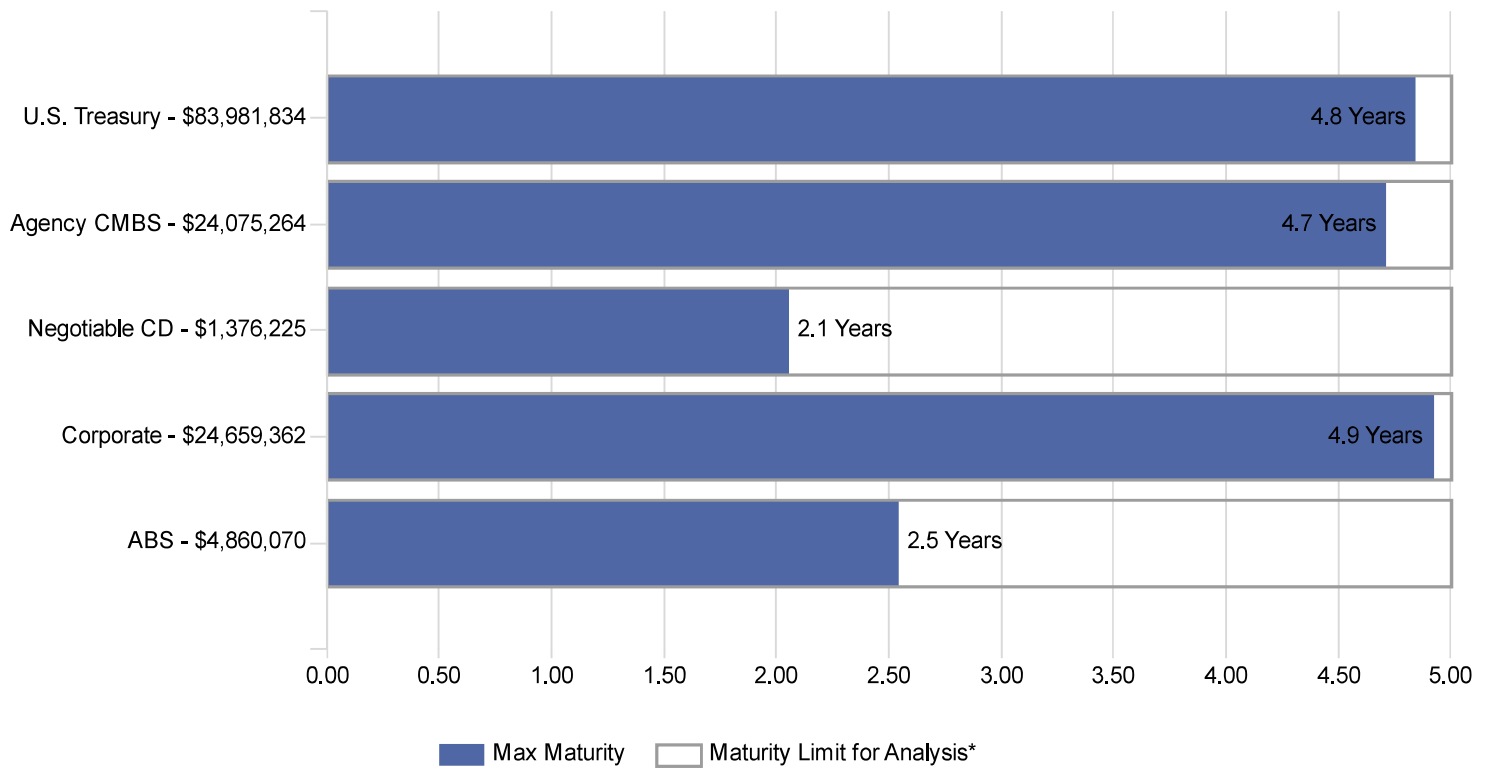
Sector Allocation Analytics



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 June 30, 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 LLC*

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

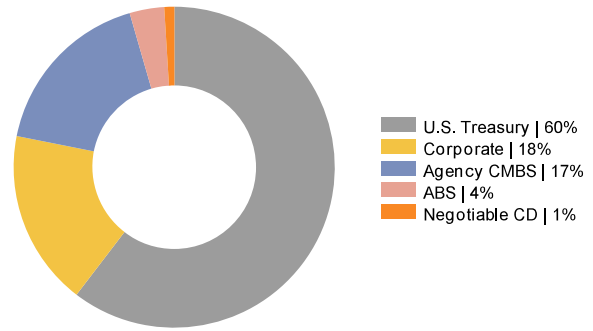
Portfolio Review: ZONE 7 WATER AGENCY

Portfolio Snapshot - ZONE 7 WATER AGENCY¹

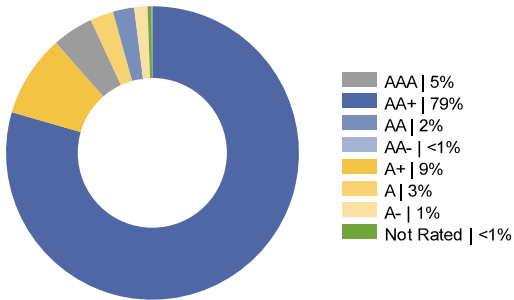
Portfolio Statistics

Total Market Value	\$143,982,363.84
Securities Sub-Total	\$138,246,447.35
Accrued Interest	\$706,306.94
Cash	\$5,029,609.55
Portfolio Effective Duration	2.46 years
Benchmark Effective Duration	2.52 years
Yield At Cost	3.63%
Yield At Market	4.84%
Portfolio Credit Quality	AA

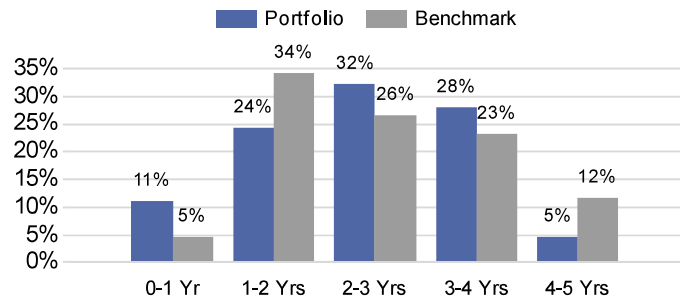
Sector Allocation



Credit Quality - S&P



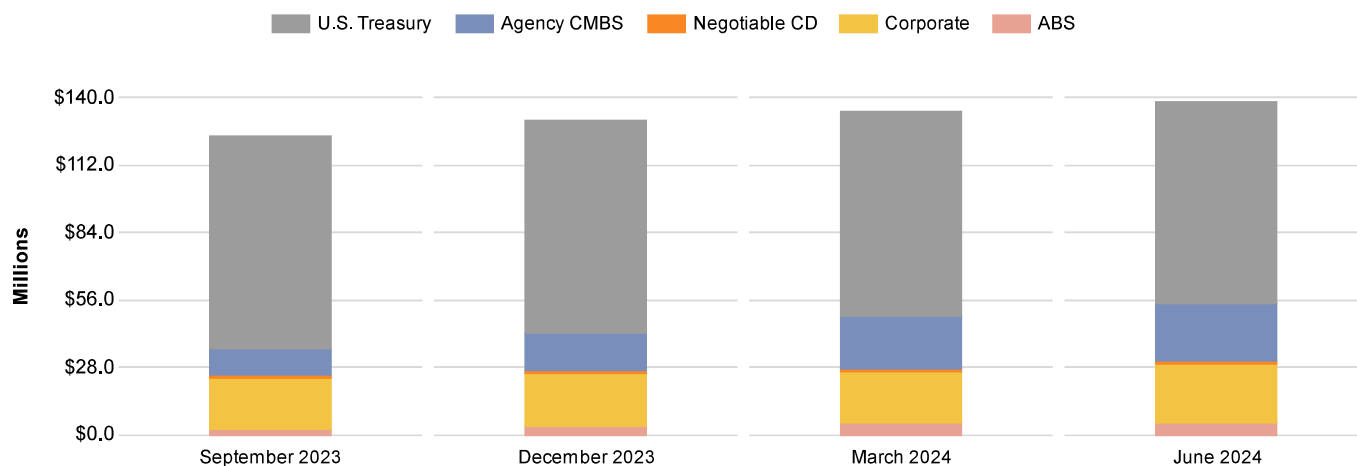
Duration Distribution



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. 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

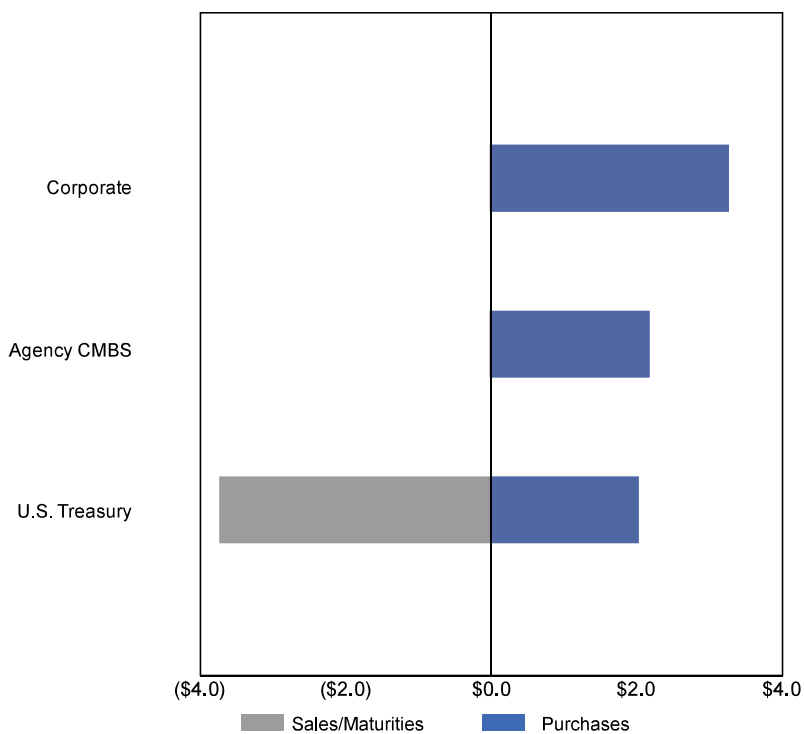
Security Type	Sep-23	% of Total	Dec-23	% of Total	Mar-24	% of Total	Jun-24	% of Total
U.S. Treasury	\$88.1	71.2%	\$88.2	67.5%	\$85.0	63.3%	\$83.7	60.4%
Agency CMBS	\$10.8	8.8%	\$15.6	11.9%	\$21.9	16.3%	\$24.0	17.4%
Negotiable CD	\$1.3	1.1%	\$1.3	1.0%	\$1.3	1.0%	\$1.3	1.0%
Corporate	\$21.3	17.2%	\$21.9	16.8%	\$21.2	15.8%	\$24.4	17.7%
ABS	\$2.1	1.7%	\$3.6	2.8%	\$4.9	3.6%	\$4.8	3.5%
Total	\$123.7	100.0%	\$130.6	100.0%	\$134.3	100.0%	\$138.2	100.0%



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

Portfolio Activity - ZONE 7 WATER AGENCY

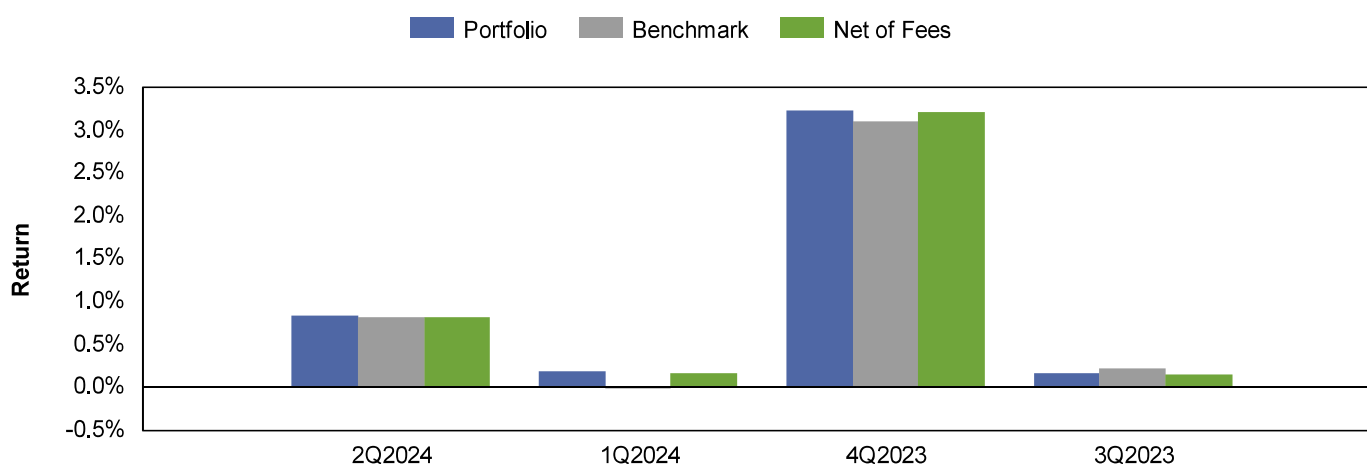
Net Activity by Sector
(\$ millions)



Sector	Net Activity
Corporate	\$3,261,193
Agency CMBS	\$2,161,725
U.S. Treasury	(\$1,708,417)
Total Net Activity	\$3,714,501

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

Portfolio Performance



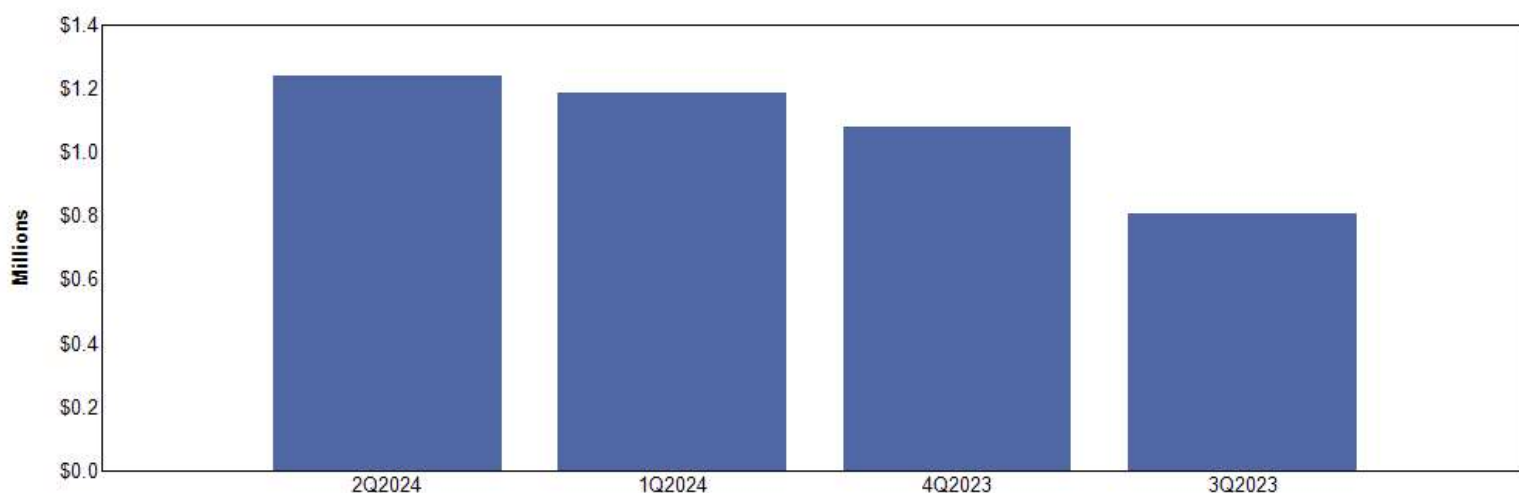
Market Value Basis Earnings	2Q2024	1Q2024	4Q2023	3Q2023
Interest Earned ¹	\$1,015,062	\$917,674	\$842,902	\$710,235
Change in Market Value	\$195,620	(\$659,386)	\$3,420,672	(\$487,156)
Total Dollar Return	\$1,210,682	\$258,288	\$4,263,574	\$223,079
Total Return²				
Portfolio	0.84%	0.19%	3.23%	0.16%
Benchmark ³	0.82%	-0.02%	3.10%	0.23%
Basis Point Fee	0.02%	0.02%	0.02%	0.02%
Net of Fee Return	0.82%	0.18%	3.21%	0.14%

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.

Accrual Basis Earnings - ZONE 7 WATER AGENCY



Accrual Basis Earnings	2Q2024	1Q2024	4Q2023	3Q2023
Interest Earned ¹	\$1,015,062	\$917,674	\$842,902	\$710,235
Realized Gains / (Losses) ²	(\$60,064)	(\$36,910)	(\$68,143)	(\$202,352)
Change in Amortized Cost	\$286,265	\$304,774	\$304,692	\$301,060
Total Earnings	\$1,241,263	\$1,185,538	\$1,079,451	\$808,943

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

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

Portfolio Holdings and Transactions

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	60.4%	
UNITED STATES TREASURY	60.4%	AA / Aaa / AA
Agency CMBS	17.3%	
FANNIE MAE	1.0%	AA / Aaa / AA
FREDDIE MAC	16.4%	AA / Aaa / AA
Negotiable CD	1.0%	
RABOBANK NEDERLAND	1.0%	A / Aa / AA
Corporate	17.7%	
ADOBE INC	0.7%	A / A / NR
AMAZON.COM INC	1.4%	AA / A / AA
APPLE INC	1.6%	AA / Aaa / NR
BANK OF AMERICA CO	1.5%	A / A / AA
BLACKROCK INC	0.1%	AA / Aa / NR
CITIGROUP INC	1.5%	A / Aa / A
DEERE & COMPANY	0.7%	A / A / A
HOME DEPOT INC	0.9%	A / A / A
JP MORGAN CHASE & CO	1.4%	A / Aa / AA
MASTERCARD INC	0.7%	A / Aa / NR
MICROSOFT CORP	1.5%	AAA / Aaa / NR
MORGAN STANLEY	1.0%	A / Aa / AA
PACCAR FINANCIAL CORP	0.7%	A / A / NR
TARGET CORP	0.9%	A / A / A
TOYOTA MOTOR CORP	0.7%	A / A / A
WAL-MART STORES INC	0.9%	AA / Aa / AA
WELLS FARGO & COMPANY	1.4%	A / Aa / AA

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
ABS	3.5%	
AMERICAN EXPRESS CO	0.8%	AAA / NR / AAA
BANK OF AMERICA CO	0.3%	NR / Aaa / AAA
CHASE ISSURANCE	1.6%	AAA / NR / AAA
CITIGROUP INC	0.2%	AAA / Aaa / AAA
GM FINANCIAL CONSUMER AUTOMOBILE TRUST	0.1%	NR / Aaa / AAA
HYUNDAI AUTO RECEIVABLES	0.3%	AAA / NR / AAA
TOYOTA MOTOR CORP	0.2%	AAA / NR / AAA
Total	100.0%	

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

**Issuer Distribution
As of June 30, 2024**

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	83,664,427	60.51%
FREDDIE MAC	22,643,994	16.37%
BANK OF AMERICA CO	2,515,022	1.81%
CITIGROUP INC	2,322,950	1.68%
APPLE INC	2,245,748	1.62%
CHASE ISSURANCE	2,207,503	1.60%
MICROSOFT CORP	2,002,344	1.45%
JP MORGAN CHASE & CO	1,998,096	1.45%
AMAZON.COM INC	1,952,863	1.41%
WELLS FARGO & COMPANY	1,947,762	1.41%
MORGAN STANLEY	1,359,531	0.98%
RABOBANK NEDERLAND	1,344,983	0.97%
FANNIE MAE	1,337,282	0.97%
HOME DEPOT INC	1,299,107	0.94%
WAL-MART STORES INC	1,280,529	0.93%
TARGET CORP	1,278,846	0.93%
TOYOTA MOTOR CORP	1,237,920	0.90%
AMERICAN EXPRESS CO	1,073,943	0.78%
DEERE & COMPANY	995,205	0.72%
ADOBE INC	991,092	0.72%
PACCAR FINANCIAL CORP	976,724	0.71%
MASTERCARD INC	919,860	0.67%
HYUNDAI AUTO RECEIVABLES	397,522	0.29%
GM FINANCIAL CONSUMER AUTOMOBILE TRUST	128,812	0.09%

For the Quarter Ended June 30, 2024

ZONE 7 WATER AGENCY

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
BLACKROCK INC	124,383	0.09%
Grand Total	138,246,447	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 NOTES DTD 01/15/2022 1.125% 01/15/2025	91282CDS7	865,000.00	AA+	Aaa	2/7/2022	2/8/2022	854,863.28	1.54	4,491.35	863,127.73	845,943.01
US TREASURY NOTES DTD 02/15/2022 1.500% 02/15/2025	91282CDZ1	5,100,000.00	AA+	Aaa	5/4/2022	5/5/2022	4,896,398.44	3.01	28,792.58	5,054,154.61	4,980,468.75
US TREASURY NOTES DTD 03/31/2020 0.500% 03/31/2025	91282ZF0	3,200,000.00	AA+	Aaa	4/1/2022	4/4/2022	3,005,750.00	2.62	4,021.86	3,151,437.50	3,090,499.84
US TREASURY NOTES DTD 04/30/2018 2.875% 04/30/2025	9128284M9	3,125,000.00	AA+	Aaa	5/3/2022	5/4/2022	3,120,361.33	2.93	15,136.72	3,123,712.90	3,065,918.13
US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	3,145,000.00	AA+	Aaa	2/7/2022	2/8/2022	2,998,560.94	1.63	3,283.24	3,099,418.10	2,986,767.19
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,685,000.00	AA+	Aaa	3/8/2022	3/9/2022	1,596,603.32	1.81	1,407.98	1,655,372.16	1,593,904.69
US TREASURY NOTES DTD 08/31/2020 0.250% 08/31/2025	91282CAJ0	1,075,000.00	AA+	Aaa	7/6/2022	7/7/2022	990,175.78	2.89	898.27	1,043,605.46	1,016,882.81
US TREASURY NOTES 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	1,404.51	2,163,436.24	2,107,185.94
US TREASURY NOTES 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	508.20	1,551,971.21	1,500,750.08
US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	3,160,000.00	AA+	Aaa	2/7/2022	2/8/2022	2,998,420.31	1.71	4,948.35	3,095,612.77	2,944,231.41
US TREASURY NOTES 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	6,079.92	3,124,657.81	3,007,312.50
US TREASURY NOTES 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	6,419.26	3,280,536.19	3,175,162.50
US TREASURY NOTES 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	1,547.89	1,201,088.96	1,139,058.66
US TREASURY NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	1,665,000.00	AA+	Aaa	3/8/2022	3/9/2022	1,592,546.48	1.82	1,057.69	1,632,198.83	1,544,027.43
US TREASURY NOTES DTD 05/31/2021 0.750% 05/31/2026	91282CCF6	6,760,000.00	AA+	Aaa	6/6/2022	6/8/2022	6,195,434.38	2.99	4,294.26	6,488,402.36	6,268,844.09

For the Quarter Ended June 30, 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 NOTES 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	7,522.13	3,268,218.58	3,147,468.75
US TREASURY NOTES 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	16,475.54	6,306,482.31	6,069,046.88
US TREASURY NOTES 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	44,882.55	5,221,950.45	4,996,077.86
US TREASURY NOTES 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	4,864.81	5,408,405.24	5,160,504.20
US TREASURY NOTES 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	18,867.05	6,072,350.72	5,857,490.94
US TREASURY NOTES 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	37.36	2,560,256.98	2,443,203.13
US TREASURY NOTES 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	21,763.80	2,485,688.57	2,401,343.75
US TREASURY NOTES 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	20,115.57	1,931,624.23	1,918,175.00
US TREASURY NOTES 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	40,933.90	5,978,306.88	5,823,737.50
US TREASURY NOTES DTD 11/15/1997 6.125% 11/15/2027	912810FB9	1,560,000.00	AA+	Aaa	1/26/2023	1/30/2023	1,730,685.94	3.62	12,203.40	1,680,162.90	1,638,975.00
US TREASURY NOTES DTD 02/28/2023 4.000% 02/29/2028	91282CGP0	1,270,000.00	AA+	Aaa	2/14/2024	2/15/2024	1,255,613.28	4.31	16,979.35	1,256,949.54	1,250,553.13
US TREASURY NOTES 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	7,745.22	844,002.81	826,093.75
US TREASURY NOTES DTD 04/30/2023 3.500% 04/30/2028	91282CHA2	865,000.00	AA+	Aaa	5/1/2023	5/1/2023	860,877.73	3.61	5,100.68	861,841.70	836,617.19
US TREASURY N/B NOTES 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	11,921.94	1,532,177.44	1,547,690.62
US TREASURY N/B NOTES 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	3,701.26	476,045.25	480,492.19
Security Type Sub-Total		88,335,000.00					84,175,108.01	2.97	317,406.64	86,413,196.43	83,664,426.92

For the Quarter Ended June 30, 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
Negotiable CD											
COOPERAT RABOBANK UA/NY CERT DEPOS 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	1,344,983.40
Security Type Sub-Total		1,350,000.00					1,350,000.00	5.08	31,242.00	1,350,000.00	1,344,983.40
Corporate											
AMAZON.COM INC CORPORATE NOTES 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	1,989,174.33	1,952,862.62
WALMART INC CORP NOTES (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	1,318,503.05	1,280,528.60
WELLS FARGO BANK NA BANK NOTES (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	1,943,109.36	1,947,761.90
JP MORGAN CORP NOTES (CALLABLE) DTD 12/08/2023 5.110% 12/08/2026	48125LRU8	2,000,000.00	A+	Aa2	12/5/2023	12/8/2023	2,000,000.00	5.11	6,529.44	2,000,000.00	1,998,096.00
TARGET CORP CORP NOTES (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	1,370,834.05	1,278,846.25
MICROSOFT CORP CORP NOTES (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	2,037,724.74	2,002,343.88
BANK OF AMERICA CORP CORP NOTES (CALLABL) 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	2,076,956.80	2,035,763.80
HOME DEPOT INC CORP NOTES (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	1,335,468.85	1,299,106.51
TOYOTA MOTOR CREDIT CORP CORPORATE NOTES 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	970,341.83	970,785.06

For the Quarter Ended June 30, 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											
APPLE INC CORP NOTES 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	2,301,536.40	2,245,747.60
MORGAN STANLEY BANK NA BANK NOTES (CALLA DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	890,000.00	A+	Aa3	5/30/2024	5/31/2024	891,877.90	5.44	4,218.20	891,828.94	896,283.40
MORGAN STANLEY BANK NA BANK NOTES (CALLA 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	2,180.20	460,000.00	463,247.60
JOHN DEERE CAPITAL CORP CORPORATE NOTES 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	347,733.73	345,071.07
JOHN DEERE CAPITAL CORP CORPORATE NOTES 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	454,453.04	455,093.73
JOHN DEERE CAPITAL CORP CORPORATE NOTES 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	197,139.60	195,040.17
PACCAR FINANCIAL CORP CORPORATE NOTES 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	971,204.31	976,723.80
CITIBANK NA CORP NOTES (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	2,028,275.63
BLACKROCK FUNDING INC CORPORATE NOTES (C 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	124,785.73	124,383.38
ADOBE INC CORP NOTES (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	444,288.67	445,490.83
ADOBE INC CORP NOTES (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	544,222.72	545,601.14
MASTERCARD INC CORP NOTES (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	918,899.89	919,860.00
Security Type Sub-Total		24,935,000.00					24,595,881.45	4.30	252,448.85	24,673,206.04	24,406,912.97

For the Quarter Ended June 30, 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 K061 A2 DTD 01/30/2017 3.347% 11/01/2026	3137BTUM1	952,292.74	AA+	Aaa	5/19/2023	5/24/2023	922,979.99	4.31	2,656.10	932,401.11	917,915.21
FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027	3137BXQY1	1,320,000.00	AA+	Aaa	8/16/2023	8/18/2023	1,245,131.25	4.98	3,546.40	1,263,572.97	1,263,989.91
FHLMC MULTIFAMILY STRUCTURED P 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	5.01	3,026.09	1,106,658.26	1,108,749.50
FHMS K506 A1 DTD 09/01/2023 4.650% 05/01/2028	3137HAMG8	645,181.56	AA+	Aaa	9/7/2023	9/14/2023	635,532.88	5.01	2,500.08	637,038.91	640,631.76
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	1,360,852.26	1,345,980.25
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	1,078,318.87	AA+	Aaa	7/19/2023	7/27/2023	1,078,291.90	4.78	4,292.61	1,078,297.08	1,074,009.07
FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028	3136BQDE6	1,375,000.00	AA+	Aaa	7/18/2023	7/31/2023	1,351,689.45	4.58	4,801.04	1,356,048.02	1,337,281.61
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	1,283,599.82	1,288,480.80
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	5.26	5,233.75	1,299,753.75	1,317,180.78
FHMS KJ47 A1 DTD 09/01/2023 5.272% 08/01/2028	3137HAMN3	726,462.57	AA+	Aaa	9/19/2023	9/28/2023	726,458.93	5.27	3,191.59	726,459.45	734,856.35
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	986,613.50	1,013,022.54
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	1,286,608.72	1,295,316.24
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	748,073.27	748,752.72
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	513,678.57	518,083.06
FHMS K512 A2 DTD 12/01/2023 5.000% 11/01/2028	3137HBCF9	680,000.00	AA+	Aaa	12/11/2023	12/21/2023	686,349.84	4.78	2,833.33	685,727.69	682,532.48
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	787,216.35	770,377.33
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	777,043.12	765,106.06

For the Quarter Ended June 30, 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 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	4.78	6,075.00	1,383,977.27	1,376,648.85
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	997,387.07	995,073.04
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	4.66	5,399.63	1,244,255.01	1,232,893.99
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	4.78	6,161.63	1,388,105.92	1,381,302.10
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	768,008.73	775,079.54
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	1,399,995.84	1,398,012.91
Security Type Sub-Total		24,097,255.74					23,959,816.30	4.87	93,987.65	24,011,372.69	23,981,276.10
ABS											
CHAIT 2024-A1 A DTD 01/31/2024 4.600% 01/15/2027	161571HV9	1,175,000.00	AAA	NR	1/24/2024	1/31/2024	1,174,821.05	4.61	2,402.22	1,174,844.90	1,161,678.56
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	294,967.70	294,674.41
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	264,974.80	267,134.92
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	1,069,958.88	1,073,943.27
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	1,044,751.52	1,045,824.30
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	394,953.97	397,522.47
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	479,941.96	479,257.87

For the Quarter Ended June 30, 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											
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	129,976.03	128,812.16
Security Type Sub-Total		4,855,000.00					4,854,275.45	5.08	11,221.80	4,854,369.76	4,848,847.96
Managed Account Sub Total		143,572,255.74					138,935,081.21	3.63	706,306.94	141,302,144.92	138,246,447.35
Securities Sub Total		\$143,572,255.74					\$138,935,081.21	3.63%	\$706,306.94	\$141,302,144.92	\$138,246,447.35
Accrued Interest											\$706,306.94
Total Investments											\$138,952,754.29

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
4/1/2024	4/4/2024	545,000.00	00724PAF6	ADOBE INC CORP NOTES (CALLABLE)	4.80%	4/4/2029	544,187.95	4.83%	
4/2/2024	4/4/2024	445,000.00	00724PAF6	ADOBE INC CORP NOTES (CALLABLE)	4.80%	4/4/2029	444,256.85	4.84%	
4/23/2024	4/30/2024	765,000.00	3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	771,297.32	5.09%	
5/2/2024	5/3/2024	475,000.00	91282CKP5	US TREASURY N/B NOTES	4.62%	4/30/2029	476,255.26	4.57%	
5/28/2024	5/30/2024	460,000.00	61690U8B9	MORGAN STANLEY BANK NA BANK NOTES (CALLA	5.50%	5/26/2028	460,000.00	5.50%	
5/30/2024	5/31/2024	1,530,000.00	91282CKP5	US TREASURY N/B NOTES	4.62%	4/30/2029	1,538,172.30	4.59%	
5/30/2024	5/31/2024	890,000.00	61690U8B9	MORGAN STANLEY BANK NA BANK NOTES (CALLA	5.50%	5/26/2028	891,877.90	5.44%	
6/5/2024	6/13/2024	1,400,000.00	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	1,402,237.20	4.80%	
6/26/2024	6/27/2024	1,000,000.00	57636QAM6	MASTERCARD INC CORP NOTES (CALLABLE)	2.95%	6/1/2029	920,870.56	4.82%	
Total BUY		7,510,000.00					7,449,155.34		0.00
INTEREST									
4/1/2024	4/1/2024		MONEY0002	MONEY MARKET FUND			23,362.26		
4/1/2024	4/25/2024	770,000.00	3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
4/1/2024	4/25/2024	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
4/1/2024	4/25/2024	646,759.86	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,506.19		
4/1/2024	4/25/2024	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
4/1/2024	4/25/2024	1,350,000.00	3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
4/1/2024	4/25/2024	680,000.00	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
4/1/2024	4/25/2024	515,000.00	3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
4/1/2024	4/25/2024	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
4/1/2024	4/25/2024	750,000.00	3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
4/1/2024	4/25/2024	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
4/1/2024	4/25/2024	1,015,000.00	3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
4/1/2024	4/25/2024	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
4/1/2024	4/25/2024	729,265.90	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,203.91		
4/1/2024	4/25/2024	1,080,153.08	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,299.91		
4/1/2024	4/25/2024	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
4/1/2024	4/25/2024	780,000.00	3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
4/1/2024	4/25/2024	957,886.32	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,671.70		
4/1/2024	4/25/2024	1,350,000.00	3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
4/1/2024	4/25/2024	1,210,000.00	3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
4/1/2024	4/25/2024	1,325,000.00	3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
4/1/2024	4/25/2024	975,000.00	3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
4/13/2024	4/13/2024	1,990,000.00	023135CE4	AMAZON.COM INC CORPORATE NOTES	3.00%	4/13/2025	29,850.00		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
4/15/2024	4/15/2024	480,000.00	05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
4/15/2024	4/15/2024	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
4/15/2024	4/15/2024	1,175,000.00	161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2027	4,504.17		
4/15/2024	4/15/2024	395,000.00	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
4/15/2024	4/15/2024	265,000.00	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
4/15/2024	4/15/2024	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
4/16/2024	4/16/2024	130,000.00	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
4/30/2024	4/30/2024	5,890,000.00	91282CFU0	US TREASURY NOTES	4.12%	10/31/2027	121,481.25		
4/30/2024	4/30/2024	1,225,000.00	91282CBW0	US TREASURY NOTES	0.75%	4/30/2026	4,593.75		
4/30/2024	4/30/2024	3,125,000.00	9128284M9	US TREASURY NOTES	2.87%	4/30/2025	44,921.88		
4/30/2024	4/30/2024	5,775,000.00	912828ZN3	US TREASURY NOTES	0.50%	4/30/2027	14,437.50		
4/30/2024	4/30/2024	865,000.00	91282CHA2	US TREASURY NOTES	3.50%	4/30/2028	15,137.50		
5/1/2024	5/1/2024		MONEY0002	MONEY MARKET FUND			21,924.91		
5/1/2024	5/25/2024	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
5/1/2024	5/25/2024	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
5/1/2024	5/25/2024	750,000.00	3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
5/1/2024	5/25/2024	680,000.00	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
5/1/2024	5/25/2024	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
5/1/2024	5/25/2024	1,350,000.00	3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
5/1/2024	5/25/2024	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
5/1/2024	5/25/2024	765,000.00	3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
5/1/2024	5/25/2024	780,000.00	3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
5/1/2024	5/25/2024	646,261.43	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,504.26		
5/1/2024	5/25/2024	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
5/1/2024	5/25/2024	1,210,000.00	3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
5/1/2024	5/25/2024	1,350,000.00	3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
5/1/2024	5/25/2024	1,079,585.62	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,297.65		
5/1/2024	5/25/2024	1,015,000.00	3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
5/1/2024	5/25/2024	515,000.00	3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
5/1/2024	5/25/2024	728,413.01	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,200.16		
5/1/2024	5/25/2024	975,000.00	3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
5/1/2024	5/25/2024	1,325,000.00	3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
5/1/2024	5/25/2024	956,060.35	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,666.61		
5/1/2024	5/25/2024	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
5/1/2024	5/25/2024	770,000.00	3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
5/10/2024	5/10/2024	2,300,000.00	037833ET3	APPLE INC CORP NOTES CALLABLE	4.00%	5/10/2028	46,000.00		
5/15/2024	5/15/2024	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
5/15/2024	5/15/2024	1,560,000.00	912810FB9	US TREASURY NOTES	6.12%	11/15/2027	47,775.00		
5/15/2024	5/15/2024	1,175,000.00	161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2027	4,504.17		
5/15/2024	5/15/2024	265,000.00	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
5/15/2024	5/15/2024	6,220,000.00	912828X88	US TREASURY NOTES	2.37%	5/15/2027	73,862.50		
5/15/2024	5/15/2024	395,000.00	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
5/15/2024	5/15/2024	6,450,000.00	912828U24	US TREASURY NOTES	2.00%	11/15/2026	64,500.00		
5/15/2024	5/15/2024	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
5/15/2024	5/15/2024	480,000.00	05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
5/16/2024	5/16/2024	130,000.00	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
5/31/2024	5/31/2024	8,425,000.00	91282CCF6	US TREASURY NOTES	0.75%	5/31/2026	31,593.75		
5/31/2024	5/31/2024	1,600,000.00	91282CAZ4	US TREASURY NOTES	0.37%	11/30/2025	3,000.00		
6/1/2024	6/25/2024	1,350,000.00	3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
6/1/2024	6/25/2024	727,326.77	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,195.39		
6/1/2024	6/25/2024	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
6/1/2024	6/25/2024	1,325,000.00	3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
6/1/2024	6/25/2024	1,350,000.00	3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
6/1/2024	6/25/2024	750,000.00	3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
6/1/2024	6/25/2024	954,112.48	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,661.18		
6/1/2024	6/25/2024	1,015,000.00	3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
6/1/2024	6/25/2024	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
6/1/2024	6/25/2024	645,685.04	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,502.03		
6/1/2024	6/25/2024	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
6/1/2024	6/25/2024	975,000.00	3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
6/1/2024	6/25/2024	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
6/1/2024	6/25/2024	515,000.00	3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
6/1/2024	6/25/2024	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
6/1/2024	6/25/2024	1,078,893.10	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,294.89		
6/1/2024	6/25/2024	780,000.00	3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
6/1/2024	6/25/2024	765,000.00	3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
6/1/2024	6/25/2024	770,000.00	3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
6/1/2024	6/25/2024	1,210,000.00	3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
6/1/2024	6/25/2024	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
6/1/2024	6/25/2024	680,000.00	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
6/3/2024	6/3/2024		MONEY0002	MONEY MARKET FUND			32,615.74		
6/8/2024	6/8/2024	2,000,000.00	48125LRU8	JP MORGAN CORP NOTES (CALLABLE)	5.11%	12/8/2026	51,100.00		
6/8/2024	6/8/2024	295,000.00	17305EGW9	CCCIT 2023-A1 A1	5.23%	12/8/2027	7,585.68		
6/15/2024	6/15/2024	395,000.00	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
6/15/2024	6/15/2024	1,175,000.00	161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2027	4,504.17		
6/15/2024	6/15/2024	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
6/15/2024	6/15/2024	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
6/15/2024	6/15/2024	480,000.00	05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
6/15/2024	6/15/2024	265,000.00	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
6/16/2024	6/16/2024	130,000.00	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
6/26/2024	6/26/2024	1,300,000.00	931142ED1	WALMART INC CORP NOTES (CALLABLE)	3.55%	6/26/2025	23,075.00		
6/30/2024	6/30/2024	2,750,000.00	912828ZV5	US TREASURY NOTES	0.50%	6/30/2027	6,875.00		
Total INTEREST		132,800,402.96					983,301.19		0.00
PAYDOWNS									
4/1/2024	4/25/2024	852.89	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	852.89		

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
4/1/2024	4/25/2024	498.43	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	498.43		
4/1/2024	4/25/2024	1,825.97	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,825.97		
4/1/2024	4/25/2024	567.46	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	567.46		
5/1/2024	5/25/2024	692.52	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	692.52		
5/1/2024	5/25/2024	1,947.87	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,947.87		
5/1/2024	5/25/2024	1,086.24	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,086.24		
5/1/2024	5/25/2024	576.39	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	576.39		
6/1/2024	6/25/2024	574.23	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	574.23		
6/1/2024	6/25/2024	1,819.74	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,819.74		
6/1/2024	6/25/2024	503.48	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	503.48		
6/1/2024	6/25/2024	864.20	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	864.20		
Total PAYDOWNS		11,809.42					11,809.42		0.00
SELL									
4/2/2024	4/4/2024	705,000.00	91282CCL3	US TREASURY NOTES	0.37%	7/15/2024	696,080.06		-7,470.16
4/24/2024	4/25/2024	425,000.00	91282CCL3	US TREASURY NOTES	0.37%	7/15/2024	420,843.59		-3,626.43
5/2/2024	5/3/2024	485,000.00	91282CCL3	US TREASURY NOTES	0.37%	7/15/2024	480,789.36		-3,755.39
6/12/2024	6/13/2024	1,450,000.00	91282CDS7	US TREASURY NOTES	1.12%	1/15/2025	1,422,511.24		-30,787.14

ZONE 7 WATER AGENCY

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL									
6/26/2024	6/27/2024	715,000.00	91282CDS7	US TREASURY NOTES	1.12%	1/15/2025	702,620.40		-14,424.85
Total SELL		3,780,000.00					3,722,844.65		-60,063.97

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	4/1/2024	4/4/2024	545,000.00	00724PAF6	ADOBE INC CORP NOTES (CALLABLE)	4.80%	4/4/2029	544,187.95	4.83%	
BUY	4/2/2024	4/4/2024	445,000.00	00724PAF6	ADOBE INC CORP NOTES (CALLABLE)	4.80%	4/4/2029	444,256.85	4.84%	
BUY	4/23/2024	4/30/2024	765,000.00	3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	771,297.32	5.09%	
BUY	5/2/2024	5/3/2024	475,000.00	91282CKP5	US TREASURY N/B NOTES	4.62%	4/30/2029	476,255.26	4.57%	
BUY	5/28/2024	5/30/2024	460,000.00	61690U8B9	MORGAN STANLEY BANK NA BANK	5.50%	5/26/2028	460,000.00	5.50%	
BUY	5/30/2024	5/31/2024	1,530,000.00	91282CKP5	US TREASURY N/B NOTES	4.62%	4/30/2029	1,538,172.30	4.59%	
BUY	5/30/2024	5/31/2024	890,000.00	61690U8B9	MORGAN STANLEY BANK NA BANK	5.50%	5/26/2028	891,877.90	5.44%	
BUY	6/5/2024	6/13/2024	1,400,000.00	3137HDJJ0	FHMS K522 A2	4.80%	5/1/2029	1,402,237.20	4.80%	
BUY	6/26/2024	6/27/2024	1,000,000.00	57636QAM6	MASTERCARD INC CORP NOTES	2.95%	6/1/2029	920,870.56	4.82%	
INTEREST	4/1/2024	4/1/2024		MONEY0002	MONEY MARKET FUND			23,362.26		
INTEREST	4/1/2024	4/25/2024	770,000.00	3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	4/1/2024	4/25/2024	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
INTEREST	4/1/2024	4/25/2024	646,759.86	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,506.19		
INTEREST	4/1/2024	4/25/2024	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	4/1/2024	4/25/2024	1,350,000.00	3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	4/1/2024	4/25/2024	680,000.00	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
INTEREST	4/1/2024	4/25/2024	515,000.00	3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	4/1/2024	4/25/2024	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		

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	4/1/2024	4/25/2024	750,000.00	3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	4/1/2024	4/25/2024	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	4/1/2024	4/25/2024	1,015,000.00	3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	4/1/2024	4/25/2024	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	4/1/2024	4/25/2024	729,265.90	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,203.91		
INTEREST	4/1/2024	4/25/2024	1,080,153.08	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,299.91		
INTEREST	4/1/2024	4/25/2024	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
INTEREST	4/1/2024	4/25/2024	780,000.00	3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
INTEREST	4/1/2024	4/25/2024	957,886.32	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,671.70		
INTEREST	4/1/2024	4/25/2024	1,350,000.00	3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	4/1/2024	4/25/2024	1,210,000.00	3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	4/1/2024	4/25/2024	1,325,000.00	3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	4/1/2024	4/25/2024	975,000.00	3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	4/13/2024	4/13/2024	1,990,000.00	023135CE4	AMAZON.COM INC CORPORATE NOTES	3.00%	4/13/2025	29,850.00		
INTEREST	4/15/2024	4/15/2024	480,000.00	05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	4/15/2024	4/15/2024	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	4/15/2024	4/15/2024	1,175,000.00	161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2027	4,504.17		
INTEREST	4/15/2024	4/15/2024	395,000.00	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		

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	4/15/2024	4/15/2024	265,000.00	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
INTEREST	4/15/2024	4/15/2024	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	4/16/2024	4/16/2024	130,000.00	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
INTEREST	4/30/2024	4/30/2024	5,890,000.00	91282CFU0	US TREASURY NOTES	4.12%	10/31/2027	121,481.25		
INTEREST	4/30/2024	4/30/2024	1,225,000.00	91282CBW0	US TREASURY NOTES	0.75%	4/30/2026	4,593.75		
INTEREST	4/30/2024	4/30/2024	3,125,000.00	9128284M9	US TREASURY NOTES	2.87%	4/30/2025	44,921.88		
INTEREST	4/30/2024	4/30/2024	5,775,000.00	912828ZN3	US TREASURY NOTES	0.50%	4/30/2027	14,437.50		
INTEREST	4/30/2024	4/30/2024	865,000.00	91282CHA2	US TREASURY NOTES	3.50%	4/30/2028	15,137.50		
INTEREST	5/1/2024	5/1/2024		MONEY0002	MONEY MARKET FUND			21,924.91		
INTEREST	5/1/2024	5/25/2024	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	5/1/2024	5/25/2024	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
INTEREST	5/1/2024	5/25/2024	750,000.00	3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	5/1/2024	5/25/2024	680,000.00	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
INTEREST	5/1/2024	5/25/2024	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	5/1/2024	5/25/2024	1,350,000.00	3137HBP00	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	5/1/2024	5/25/2024	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
INTEREST	5/1/2024	5/25/2024	765,000.00	3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	5/1/2024	5/25/2024	780,000.00	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	5/1/2024	5/25/2024	646,261.43	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,504.26		
INTEREST	5/1/2024	5/25/2024	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
INTEREST	5/1/2024	5/25/2024	1,210,000.00	3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	5/1/2024	5/25/2024	1,350,000.00	3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	5/1/2024	5/25/2024	1,079,585.62	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,297.65		
INTEREST	5/1/2024	5/25/2024	1,015,000.00	3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	5/1/2024	5/25/2024	515,000.00	3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	5/1/2024	5/25/2024	728,413.01	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,200.16		
INTEREST	5/1/2024	5/25/2024	975,000.00	3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	5/1/2024	5/25/2024	1,325,000.00	3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	5/1/2024	5/25/2024	956,060.35	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,666.61		
INTEREST	5/1/2024	5/25/2024	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	5/1/2024	5/25/2024	770,000.00	3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	5/10/2024	5/10/2024	2,300,000.00	037833ET3	APPLE INC CORP NOTES CALLABLE	4.00%	5/10/2028	46,000.00		
INTEREST	5/15/2024	5/15/2024	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	5/15/2024	5/15/2024	1,560,000.00	912810FB9	US TREASURY NOTES	6.12%	11/15/2027	47,775.00		
INTEREST	5/15/2024	5/15/2024	1,175,000.00	161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2027	4,504.17		
INTEREST	5/15/2024	5/15/2024	265,000.00	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		

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	5/15/2024	5/15/2024	6,220,000.00	912828X88	US TREASURY NOTES	2.37%	5/15/2027	73,862.50		
INTEREST	5/15/2024	5/15/2024	395,000.00	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
INTEREST	5/15/2024	5/15/2024	6,450,000.00	912828U24	US TREASURY NOTES	2.00%	11/15/2026	64,500.00		
INTEREST	5/15/2024	5/15/2024	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		
INTEREST	5/15/2024	5/15/2024	480,000.00	05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	5/16/2024	5/16/2024	130,000.00	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
INTEREST	5/31/2024	5/31/2024	8,425,000.00	91282CCF6	US TREASURY NOTES	0.75%	5/31/2026	31,593.75		
INTEREST	5/31/2024	5/31/2024	1,600,000.00	91282CAZ4	US TREASURY NOTES	0.37%	11/30/2025	3,000.00		
INTEREST	6/1/2024	6/25/2024	1,350,000.00	3137HBPM0	FHMS K516 A2	5.47%	1/1/2029	6,161.63		
INTEREST	6/1/2024	6/25/2024	727,326.77	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	3,195.39		
INTEREST	6/1/2024	6/25/2024	1,320,000.00	3137BXQY1	FHMS K064 A2	3.22%	3/1/2027	3,546.40		
INTEREST	6/1/2024	6/25/2024	1,325,000.00	3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	5,233.75		
INTEREST	6/1/2024	6/25/2024	1,350,000.00	3137HBPD0	FHMS K515 A2	5.40%	1/1/2029	6,075.00		
INTEREST	6/1/2024	6/25/2024	750,000.00	3137HB3G7	FHMS K511 A2	4.86%	10/1/2028	3,037.50		
INTEREST	6/1/2024	6/25/2024	954,112.48	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	2,661.18		
INTEREST	6/1/2024	6/25/2024	1,015,000.00	3137HAST4	FHMS K509 A2	4.85%	9/1/2028	4,102.29		
INTEREST	6/1/2024	6/25/2024	1,300,000.00	3137HAMS2	FHMS K507 A2	4.80%	9/1/2028	5,200.00		
INTEREST	6/1/2024	6/25/2024	645,685.04	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	2,502.03		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST	6/1/2024	6/25/2024	1,350,000.00	3137HACX2	FHMS K505 A2	4.81%	6/1/2028	5,421.38		
INTEREST	6/1/2024	6/25/2024	975,000.00	3137HC2L5	FHMS K518 A2	5.40%	1/1/2029	4,387.50		
INTEREST	6/1/2024	6/25/2024	1,300,000.00	3137HAMH6	FHMS K506 A2	4.65%	8/1/2028	5,037.50		
INTEREST	6/1/2024	6/25/2024	515,000.00	3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	2,175.45		
INTEREST	6/1/2024	6/25/2024	1,165,000.00	3137F2LJ3	FHLMC MULTIFAMILY STRUCTURED P	3.11%	6/1/2027	3,026.09		
INTEREST	6/1/2024	6/25/2024	1,078,893.10	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	4,294.89		
INTEREST	6/1/2024	6/25/2024	780,000.00	3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	2,971.80		
INTEREST	6/1/2024	6/25/2024	765,000.00	3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	3,302.25		
INTEREST	6/1/2024	6/25/2024	770,000.00	3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	3,031.23		
INTEREST	6/1/2024	6/25/2024	1,210,000.00	3137HC2C5	FHMS K517 A2	5.35%	1/1/2029	5,399.63		
INTEREST	6/1/2024	6/25/2024	1,375,000.00	3136BQDE6	FNA 2023-M6 A2	4.19%	7/1/2028	4,801.04		
INTEREST	6/1/2024	6/25/2024	680,000.00	3137HBCF9	FHMS K512 A2	5.00%	11/1/2028	2,833.33		
INTEREST	6/3/2024	6/3/2024		MONEY0002	MONEY MARKET FUND			32,615.74		
INTEREST	6/8/2024	6/8/2024	2,000,000.00	48125LRU8	JP MORGAN CORP NOTES (CALLABLE)	5.11%	12/8/2026	51,100.00		
INTEREST	6/8/2024	6/8/2024	295,000.00	17305EGW9	CCCIT 2023-A1 A1	5.23%	12/8/2027	7,585.68		
INTEREST	6/15/2024	6/15/2024	395,000.00	44918CAD4	HART 2023-C A3	5.54%	10/16/2028	1,823.58		
INTEREST	6/15/2024	6/15/2024	1,175,000.00	161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2027	4,504.17		
INTEREST	6/15/2024	6/15/2024	1,045,000.00	161571HT4	CHAIT 2023-A1 A	5.16%	9/15/2028	4,493.50		

ZONE 7 WATER AGENCY

Portfolio Activity

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	6/15/2024	6/15/2024	1,070,000.00	02582JKD1	AMXCA 2023-3 A	5.23%	9/15/2028	4,663.42		
INTEREST	6/15/2024	6/15/2024	480,000.00	05522RDH8	BACCT 2023-A2 A2	4.98%	11/15/2028	1,992.00		
INTEREST	6/15/2024	6/15/2024	265,000.00	89239FAD4	TAOT 2023-D A3	5.54%	8/15/2028	1,223.42		
INTEREST	6/16/2024	6/16/2024	130,000.00	36288GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	525.42		
INTEREST	6/26/2024	6/26/2024	1,300,000.00	931142ED1	WALMART INC CORP NOTES	3.55%	6/26/2025	23,075.00		
INTEREST	6/30/2024	6/30/2024	2,750,000.00	912828ZV5	US TREASURY NOTES	0.50%	6/30/2027	6,875.00		
PAYDOWN	4/1/2024	4/25/2024	852.89	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	852.89		
PAYDOWN	4/1/2024	4/25/2024	498.43	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	498.43		
PAYDOWN	4/1/2024	4/25/2024	1,825.97	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,825.97		
PAYDOWN	4/1/2024	4/25/2024	567.46	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	567.46		
PAYDOWN	5/1/2024	5/25/2024	692.52	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	692.52		
PAYDOWN	5/1/2024	5/25/2024	1,947.87	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,947.87		
PAYDOWN	5/1/2024	5/25/2024	1,086.24	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	1,086.24		
PAYDOWN	5/1/2024	5/25/2024	576.39	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	576.39		
PAYDOWN	6/1/2024	6/25/2024	574.23	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	574.23		
PAYDOWN	6/1/2024	6/25/2024	1,819.74	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	1,819.74		
PAYDOWN	6/1/2024	6/25/2024	503.48	3137HAMG8	FHMS K506 A1	4.65%	5/1/2028	503.48		
PAYDOWN	6/1/2024	6/25/2024	864.20	3137HAMN3	FHMS KJ47 A1	5.27%	8/1/2028	864.20		

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
SELL	4/2/2024	4/4/2024	705,000.00	91282CCL3	US TREASURY NOTES	0.37%	7/15/2024	696,080.06		-7,470.16
SELL	4/24/2024	4/25/2024	425,000.00	91282CCL3	US TREASURY NOTES	0.37%	7/15/2024	420,843.59		-3,626.43
SELL	5/2/2024	5/3/2024	485,000.00	91282CCL3	US TREASURY NOTES	0.37%	7/15/2024	480,789.36		-3,755.39
SELL	6/12/2024	6/13/2024	1,450,000.00	91282CDS7	US TREASURY NOTES	1.12%	1/15/2025	1,422,511.24		-30,787.14
SELL	6/26/2024	6/27/2024	715,000.00	91282CDS7	US TREASURY NOTES	1.12%	1/15/2025	702,620.40		-14,424.85
TOTALS			144,102,212.38					12,167,110.60		-60,063.97

Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

Investment advisory services are provided by PFM Asset Management LLC ("PFMAM"), an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM. The information contained is not an offer to purchase or sell any securities. Additional applicable regulatory information is available upon request.

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

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Important Disclosures

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value.
- 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.**
- Bank of America/Merrill Lynch 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 or 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.



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

June 30, 2024

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

Subject: Annual Pension Trust Fund Report as of June 30, 2024 (Unaudited)

Dear Board Members,

The proposed action is in support of Strategic Plan Goal G – Fiscal Responsibility: Operate the Agency in a fiscally responsible manner and Strategic Initiative No. 24 – continue to effectively manage financial resources, which includes evaluating the Agency’s unfunded pension and other post-employment benefits (OPEB) liabilities.

Pursuant to Resolution No. 21-05 (as amended) dated February 17, 2021, the Board established an IRS Section 115 Post-Employment Benefits Trust for the purpose of pre-funding pension obligations. Public Agency Retirement Services (PARS) serves as the Trust Administrator for the Pension Trust Fund.

Below is a summary of the investments since inception:

Investments as of June 30, 2024	
Initial Contribution	\$ 1,500,000
Additional Contribution	540,103
Total Contribution	2,040,103
Disbursements:	-
Net Investment Earnings	2,647
Account Balance	\$ 2,042,750

The annualized inception-to-date rate of return is 0.24% as of June 30, 2024, as reported by PARS. Market value amounts are from PFM Asset Management which provides investment management services for the Agency. U.S. Bank as Plan’s Trust. Book value amounts include premiums or discounts and are adjusted at year end on the general ledger.

Sincerely,

Osborn Solitei

Osborn Solitei, Treasurer

Attachment: PARS 115 Trust – Pension Rate Stabilization Program Plan Client Review
 c: Valerie Pryor, General Manager

PARS PUBLIC AGENCY
RETIREMENT SERVICES



ZONE 7 WATER AGENCY

PARS 115 Trust – Pension Rate Stabilization Program Plan Client Review
August 2024

CONTACTS



Ryan Nicasio, CEBS
Senior Vice President
(800) 540-6369 x134
rnicasio@pars.org

Michael Wiehn
Director of National Sales, Public/Taft
Hartley Market
(415) 609-1446
michael.wiehn@usbank.com

INVESTMENT MANAGER UPDATE

- HighMark Capital Management (HighMark) previously served as investment manager for your PARS plans since the inception of the plan in 2011
- On January 1, 2024, HighMark's institutional advisory business was transferred to PFM Asset Management (PFMAM)
- Your PARS plan assets are now currently managed by PFMAM as a result of this transition
- No change in your District's portfolio's asset allocation or investment strategy selection
- No additional action is required by your District
- Investments portfolios will continue to be managed by portfolio managers at PFMAM who were formerly from both HighMark and U.S. Bank

PARS TRUST TEAM

Trust Administrator & Consultant*

PARS PUBLIC AGENCY RETIREMENT SERVICES

- Serves as record-keeper, consultant, and central point of contact
- Sub-trust accounting
- Coordinates all agency services
- Monitors plan compliance (IRS/GASB/State Government Code)
- Processes contributions/disbursements
- Hands-on, dedicated support teams

40 Years of Experience (1984-2024)	2,000+ Plans under Administration	1,000+ Public Agency Clients	500+ 115 Trust Clients	500K+ Plan Participants	\$8.1B Assets under Administration
---	---	--	----------------------------------	-----------------------------------	--

** See important information regarding PARS in the Disclaimer page at the end of the presentation.*

Trustee

usbank

- 5th largest commercial bank
- Safeguard plan assets
- Oversight protection as plan fiduciary
- Custodian of assets

161 Years of Experience (1863-2024)	\$10.3T Assets under Administration
--	---

Investment Manager

pfm asset management

- Investment sub-advisor to trustee U.S. Bank
- Institutional asset management solutions
- Fixed income and multi asset portfolios
- Active and passive platform options
- Customized portfolios (with minimum asset level)

40+ Years of Experience (As of 3/31/24)	\$244.8B* Assets under Management & Advisement
--	--

**Assets under management and advisement as of March 31, 2024, includes fixed income and multi asset class portfolios Investment Management Services by PFM Asset Management as sub-advisor*

PARS PLANS AND PROGRAMS

1 Pension Rate Stabilization Program (PRSP) - Client

A pension prefunding trust designed specifically to address GASB 68 liabilities on its financial statements and stabilize future costs.

115 Combo Trust

2 OPEB Trust Program

An OPEB prefunding trust designed to address OPEB liabilities and increase investment rates of return (discount rate).

3 Alternate Retirement System (ARS)

An alternative to Social Security for part-time employees offered to provide a valuable benefit for employees and permanent payroll savings to the Agency.

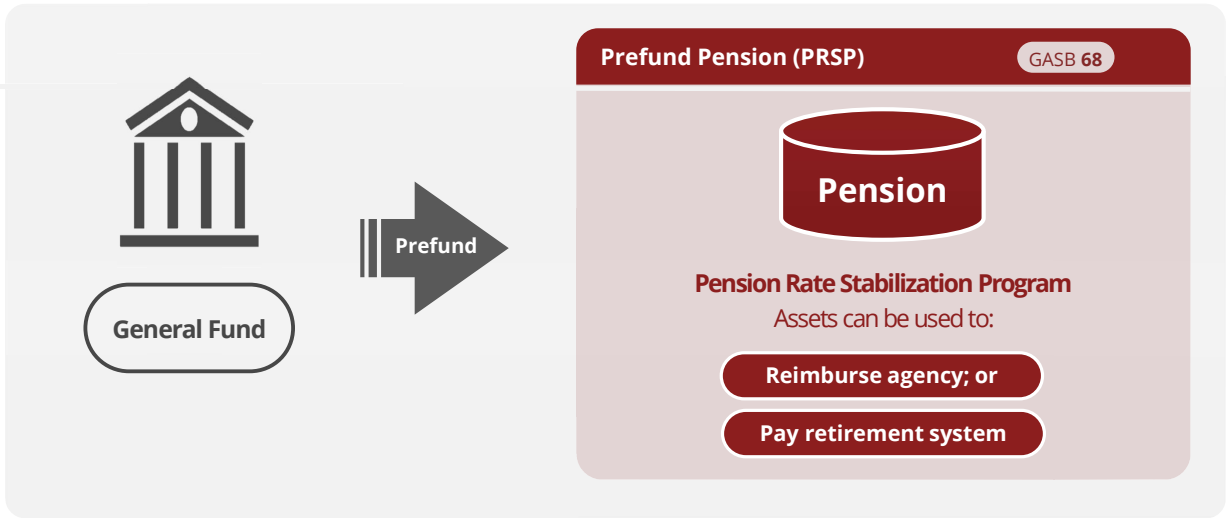
4 Supplemental Defined Contribution Plan

A locally designed retirement plan offered in addition to PERS or 37-Act retirement system with the goal of attracting and retaining select employees to the Agency.

5 Accumulated Leave Plan

A Defined Contribution solution that reduces leave balances on an annual basis during employment and minimizes total payout amounts.

PARS IRS-APPROVED SECTION 115 TRUST



Subaccounts

Pension assets can be divided by dept., bargaining group, or cost center



Financial Stability

Assets in the PARS Section 115 Trust can be used to address unfunded liabilities.



Flexible Investing

Choice of 5 risk tolerance levels or custom strategy



Anytime Access

Trust funds are available anytime for Pension-related expenses



Economies-of-Scale

As assets grow, lower fee rates will be reached on tiered schedule – saving money



No Set Up Cost or Minimums

No set-up costs, no minimum annual contribution amounts, and no fees until assets are added.

SUMMARY OF AGENCY'S PENSION PLAN

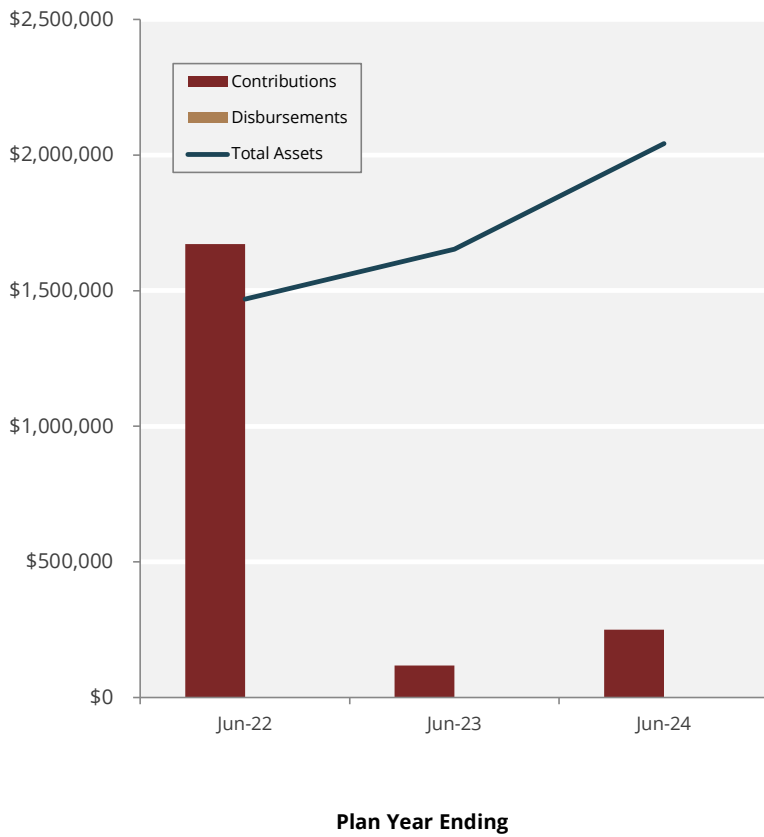
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	February 3, 2021
Plan Administrator:	General Manager
Current Investment Strategy:	Moderately Conservative Strategic Blend; Pooled Account

AS OF JUNE 30, 2024:

Initial Contribution:	July 2021: \$1,500,000
Additional Contributions:	\$540,103
Total Contributions:	\$2,040,103
Disbursements:	\$0
Net Investment Earnings:	\$2,647
Account Balance:	\$2,042,750

SUMMARY OF AGENCY'S PENSION PLAN

HISTORY OF CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF JUNE 30, 2024:



Year	Contributions	Disbursements	Total Assets
Jun-22	\$1,672,072	\$0	\$1,469,615
Jun-23	\$118,031	\$0	\$1,652,255
Jun-24	\$250,000	\$0	\$2,042,750



PENSION FUNDING STATUS

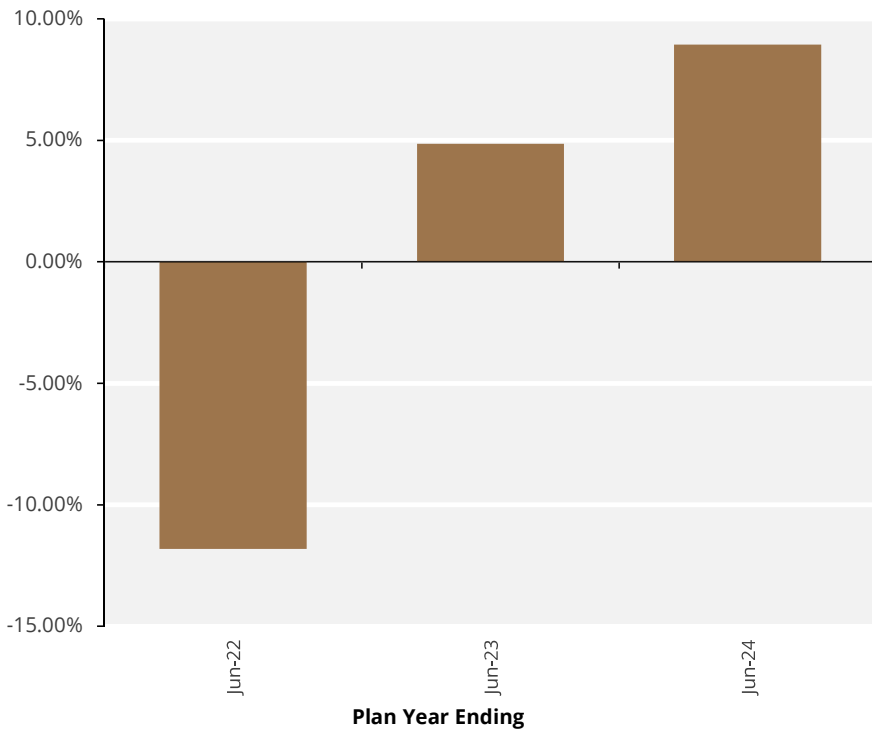
As of June 30, 2023, Zone 7 Water Agency's ACERA pension plan is funded as follows*:

Proportionate Share of Net Pension Liability (1.16%)	\$18.3 M
Actuarially Determined Contribution (FY 22-23)	\$3.3 M
Discount Rate	7.00%

**Data from Agency's 2022-23 Annual Comprehensive Financial Report (ACFR)*

PENSION PLAN TOTAL RETURNS

AS OF JUNE 30, 2024:



Year	Returns
Jun-22	-11.81%
Jun-23	4.85%
Jun-24	8.93%

Inception to Date (Annualized)
0.24%

Returns are net of the embedded fund fees and gross of trustee and trust administrator fees

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value. Past performance does not guarantee future results. Performance returns are impacted by agency plan activity and may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

The advisor to the PARS portfolios is U.S. Bank, and PFM Asset Management serves as sub-advisor to U.S. Bank to manage these portfolios. Please see important additional disclosures to the PARS portfolios included in the individual strategy information at the end of this presentation.

INVESTMENT REVIEW



PARS/115P Moderately Conservative Strategic Blend

Investment Performance Review For the Quarter Ended March 31, 2024

Client Management Team

PFM Asset Management LLC

PFM Asset Management

1 California Street
Suite 1000
San Francisco, CA 94111

1735 Market Street
43rd Floor
Philadelphia, PA 19103

Docusign Envelope ID: 16756653-3AE4-44CB-B2A1-EA2F1D6E8C2F

Financial Markets & Investment Strategy Review

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
DOMESTIC EQUITY							
S&P 500	10.56%	10.56%	29.88%	11.49%	15.05%	14.09%	12.96%
Russell 3000 Index	10.02%	10.02%	29.29%	9.78%	14.34%	13.45%	12.33%
Russell 1000 Value Index	8.99%	8.99%	20.27%	8.11%	10.31%	9.16%	9.01%
Russell 1000 Index	10.30%	10.30%	29.87%	10.45%	14.76%	13.85%	12.68%
Russell 1000 Growth Index	11.41%	11.41%	39.00%	12.50%	18.52%	18.06%	15.98%
Russell Midcap Index	8.60%	8.60%	22.35%	6.07%	11.10%	10.58%	9.95%
Russell 2000 Value Index	2.90%	2.90%	18.75%	2.22%	8.17%	6.55%	6.87%
Russell 2000 Index	5.18%	5.18%	19.71%	-0.10%	8.10%	7.73%	7.58%
Russell 2000 Growth Index	7.58%	7.58%	20.35%	-2.68%	7.38%	8.40%	7.89%
INTERNATIONAL EQUITY							
MSCI EAFE (Net)	5.78%	5.78%	15.32%	4.78%	7.33%	6.70%	4.80%
MSCI AC World Index (Net)	8.20%	8.20%	23.22%	6.96%	10.92%	10.23%	8.66%
MSCI AC World ex USA (Net)	4.69%	4.69%	13.26%	1.94%	5.97%	5.88%	4.25%
MSCI AC World ex USA Small Cap (Net)	2.11%	2.11%	12.80%	0.38%	6.24%	5.74%	4.74%
MSCI EM (Net)	2.37%	2.37%	8.15%	-5.05%	2.22%	3.72%	2.95%
ALTERNATIVES							
FTSE NAREIT Equity REIT Index	-0.20%	-0.20%	10.54%	4.14%	4.15%	5.08%	6.61%
FTSE EPRA/NAREIT Developed Index	-1.05%	-1.05%	8.57%	-0.19%	0.75%	3.08%	4.00%
FTSE Global Core Infrastructure 50/50 Index (Net)	1.55%	1.55%	3.22%	2.91%	3.78%	5.27%	5.60%
Bloomberg Commodity Index Total Return	2.19%	2.19%	-0.56%	9.11%	6.38%	4.26%	-1.56%
FIXED INCOME							
Blmbg. U.S. Aggregate	-0.78%	-0.78%	1.70%	-2.46%	0.36%	1.06%	1.54%
Blmbg. U.S. Government/Credit	-0.72%	-0.72%	1.74%	-2.35%	0.62%	1.27%	1.70%
Blmbg. Intermed. U.S. Government/Credit	-0.15%	-0.15%	2.69%	-1.06%	1.09%	1.43%	1.61%
Blmbg. U.S. Treasury: 1-3 Year	0.28%	0.28%	2.94%	0.01%	1.13%	1.20%	1.06%
ICE BofAML Global High Yield Constrained (USD)	1.47%	1.47%	11.09%	0.43%	3.12%	3.63%	3.52%
Blmbg. Global Aggregate Ex USD	-3.21%	-3.21%	-0.71%	-6.53%	-2.50%	-0.82%	-1.38%
JPM EMBI Global Diversified	2.04%	2.04%	11.28%	-1.39%	0.71%	1.71%	3.05%
CASH EQUIVALENT							
90 Day U.S. Treasury Bill	1.30%	1.30%	5.35%	2.65%	2.06%	1.94%	1.41%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

Investment Strategy Overview





Asset Class	Our Q2 2024 Investment Outlook	Comments
U.S. Equities		<ul style="list-style-type: none"> Fed's guidance of higher economic growth and moderating inflation a positive but recent uptick in inflation data warrants attention. Markets reacted positively to March Fed projections with S&P hitting all time high. Rising valuations are supported by improving earnings growth expectations but any negative news could lead to a pullback. Mid- and small-cap valuations are attractive and would benefit as investor sentiment/earnings growth expectations improve. Exposure to interest rate sensitive sectors such as regional banks remains a concern.
Large-Caps		
Mid-Caps		
Small-Caps		
Non-U.S. Equities		<ul style="list-style-type: none"> International equities continue to trade at a discount to U.S. equities but slowing economic growth in Europe and China is a headwind. EM equities trade at attractive valuations relative to developed market equities. We remain cautious on China and are closely monitoring the recent change in investor sentiment towards Chinese equities. International small-caps provide exposure to foreign local economies, but uneven economic growth and geopolitical tensions leads us to be at neutral positioning. Overall, we maintain neutral exposure to international equities.
Developed Markets		
Emerging Markets		
International Small-Caps		
Fixed Income		<ul style="list-style-type: none"> The Fed's recent guidance points towards soft-landing scenario with three expected rate cuts in 2024. Yields at short-end of the curve look attractive even as long-term yields fell back from the recent highs. We expect a further fall in yields as inflation continues to moderate. Credit markets remain attractive due to strong corporate fundamentals. We continue to seek diversified credit exposure and are closely watching signs for any distress in the corporate credit space.
Long-Duration, Interest Rate-Sensitive Sectors		
Credit-Sensitive Sectors		
Alternatives		<ul style="list-style-type: none"> Higher interest rates and rising foreclosure for office buildings are headwinds for private real estate returns. Public REITs have recovered from the lows in 2023. We expect this trend to continue helped by falling rates and economic soft landing. Private equity is facing headwinds from higher leverage costs and falling valuations. Debt strategies may benefit from banks' tighter lending standards as long as default rates remain low. Increased infrastructure investment in the U.S. post the passing of Jobs Act and Chips Act a positive for infrastructure. Transition to renewable energy is another tailwind for both private and listed infrastructure while higher interest rates are headwinds.
Real Estate		
Private Equity		
Private Debt		
Infrastructure		

● Current outlook ○ Outlook one quarter ago



The view expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (March 31, 2024) and are subject to change.

Factors to Consider Over the Next 6-12 Months

<p>Monetary Policy:</p>  <ul style="list-style-type: none"> Recent Fed guidance implies three rate cuts in 2024 and points to an economic soft landing but path of rate cuts remains uncertain. Globally, central banks are nearing the start of rate cutting cycle in reaction to moderating inflation with the Swiss central bank being the first to cut. 	<p>Economic Growth:</p>  <ul style="list-style-type: none"> U.S. economic growth is led by consumers and supported by a robust labor market. Recent recovery in manufacturing activity along with continued strength in services a tailwind. Economic growth outside U.S. remain mixed with slower growth projected in Eurozone. 	<p>Inflation:</p>  <ul style="list-style-type: none"> Inflation continues to moderate but has proven to be stickier than expected, predominantly in housing and service sectors. Globally, inflation has continued to moderate. Recent upside surprises in the U.S. warrants closer attention but expect moderating trend to continue.
<p>Financial Conditions:</p>  <ul style="list-style-type: none"> Financial conditions continue to ease as the Fed pivot remains in play alongside strength in various economic indicators. With interest rates remaining elevated, we continue to focus on identifying pockets of stress within financial markets. 	<p>Consumer Spending (U.S.):</p>  <ul style="list-style-type: none"> Consumer confidence reached a multi-year high following strong wage growth, a resilient labor market, and moderating inflation. Hiring, wage growth, and increased hours worked have all played a role in boosting personal income and spending and we expect consumer strength to continue as labor markets remain healthy. 	<p>Labor Markets:</p>  <ul style="list-style-type: none"> The labor market remains strong, but we have seen cooling conditions from the extreme levels of 2022. Strong wage increases reflect a competitive labor market and is a key focus for monetary policy moving forward.
<p>Corporate Fundamentals:</p>  <ul style="list-style-type: none"> Earnings growth expectations are improving while profit margins are stabilizing at pre-pandemic levels. Higher cash levels especially across S&P 500 companies, increasing stock buybacks and lower credit default rates are positives. 	<p>Valuations:</p>  <ul style="list-style-type: none"> U.S. equity and credit markets have experienced a run up in valuations amid strong corporate fundamentals and continued economic growth. International equities look attractive but continued economic and geopolitical uncertainty is leading to increased volatility. 	<p>Political Risks:</p>  <ul style="list-style-type: none"> Geopolitical risks continue to remain elevated. U.S./China tensions, Russia/Ukraine war, Israel/Hamas conflict, China's moves in South China Sea and Taiwan Strait further add to risks. Elections across the globe could also lead to short-term volatility.



Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (March 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 LLC cannot guarantee its accuracy, completeness, or suitability.

Plan Performance Summary

PARS/115P Moderately Conservative Strategic Blend

As of March 31, 2024

Asset Allocation & Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Portfolio	95,233,845	100.00	2.25	2.25	9.62	1.17	4.25	4.41	N/A	4.19	07/01/2015
<i>Blended Benchmark</i>			2.15	2.15	8.67	1.26	4.21	4.38	N/A	4.29	
Domestic Equity	23,089,499	24.25	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
<i>Russell 3000 Index</i>			10.02	10.02	29.29	9.78	14.34	13.45	12.33	8.81	
Dodge & Cox Stock	2,526,506	2.65	8.50	8.50	25.59	10.37	13.57	11.80	11.08	8.38	02/01/2024
iShares S&P 500 Value ETF	1,138,794	1.20	8.01	8.01	25.36	11.98	13.06	11.19	10.44	7.70	02/01/2024
Columbia Contrarian Core Inst3	3,044,503	3.20	10.50	10.50	34.37	11.44	16.16	14.07	12.94	8.52	02/01/2024
Vanguard Growth & Income Adm	5,823,839	6.12	12.44	12.44	31.75	11.98	15.21	14.10	13.03	9.70	02/01/2024
Harbor Capital Appreciation Ret	1,675,684	1.76	13.75	13.75	47.91	9.32	17.22	17.99	N/A	9.12	02/01/2024
iShares S&P 500 Growth ETF	1,662,286	1.75	12.69	12.69	33.49	9.99	15.57	15.68	14.36	9.55	02/01/2024
<i>S&P 500</i>			10.56	10.56	29.88	11.49	15.05	14.09	12.96	8.73	
iShares Russell Mid-Cap ETF	3,273,960	3.44	8.55	8.55	22.16	5.90	10.93	10.42	9.78	10.13	02/01/2024
<i>Russell Midcap Index</i>			8.60	8.60	22.35	6.07	11.10	10.58	9.95	10.17	
Undisc Managers Behavioral Val R6	1,982,105	2.08	6.39	6.39	21.25	9.73	12.70	10.04	9.96	8.69	02/01/2024
Emerald Growth Institutional	1,961,823	2.06	5.83	5.83	21.02	-1.45	7.91	9.71	8.79	9.53	02/01/2024
<i>Russell 2000 Index</i>			5.18	5.18	19.71	-0.10	8.10	7.73	7.58	9.44	
International Equity	5,933,487	6.23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
<i>MSCI AC World ex USA (Net)</i>			4.69	4.69	13.26	1.94	5.97	5.88	4.25	5.74	
Dodge & Cox International Stock	778,384	0.82	3.13	3.13	13.38	5.14	7.30	5.47	4.02	6.22	02/01/2024
MFS International Growth R6	791,183	0.83	4.85	4.85	10.36	3.70	8.02	9.21	7.08	5.66	02/01/2024
DFA Large Cap International I	2,246,328	2.36	5.73	5.73	15.46	5.34	7.86	7.10	5.04	6.49	02/01/2024
<i>MSCI AC World ex USA (Net)</i>			4.69	4.69	13.26	1.94	5.97	5.88	4.25	5.74	
Hartford Schroders Emerging Mkts Eq	2,117,592	2.22	3.46	3.46	7.24	-6.93	2.72	4.27	N/A	8.32	02/01/2024
<i>MSCI EM (net)</i>			2.37	2.37	8.15	-5.05	2.22	3.72	2.95	7.35	
Other Growth	833,321	0.88	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
Vanguard Real Estate ETF	833,321	0.88	-1.19	-1.19	8.50	1.72	3.68	4.64	6.20	3.95	02/01/2024
<i>MSCI US REIT Index</i>			-0.32	-0.32	10.37	4.03	4.14	5.07	6.54	3.99	

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

PARS/115P Moderately Conservative Strategic Blend

As of March 31, 2024

Asset Allocation & Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Fixed Income	62,295,046	65.41	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
<i>Blmbg. U.S. Aggregate</i>			-0.78	-0.78	1.70	-2.46	0.36	1.06	1.54	-0.50	
Baird Aggregate Bond Inst	16,249,276	17.06	-0.45	-0.45	2.80	-2.17	0.81	1.45	1.97	0.95	03/01/2024
iShares Core US Aggregate Bond ETF	11,786,198	12.38	-0.75	-0.75	1.61	-2.48	0.32	1.02	1.50	0.84	03/01/2024
<i>Blmbg. U.S. Aggregate</i>			-0.78	-0.78	1.70	-2.46	0.36	1.06	1.54	0.92	
Dodge & Cox Income	15,407,663	16.18	-0.32	-0.32	4.09	-0.92	1.89	2.28	2.52	-0.24	02/01/2024
PGIM Total Return Bond R6	15,727,578	16.51	0.14	0.14	4.61	-1.68	0.96	1.84	2.43	-0.11	02/01/2024
<i>Blmbg. U.S. Aggregate</i>			-0.78	-0.78	1.70	-2.46	0.36	1.06	1.54	-0.50	
MainStay MacKay High Yield Corp Bond Fund	3,124,331	3.28	1.68	1.68	9.56	3.00	4.40	4.48	4.61	1.31	03/01/2024
<i>ICE BofA High Yield Master II</i>			1.51	1.51	11.04	2.21	4.03	4.25	4.36	1.19	
Cash Equivalent	3,082,491	3.24	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
<i>ICE BofA 3 Month U.S. T-Bill</i>			1.29	1.29	5.24	2.58	2.02	1.90	1.38	0.86	
First American Government Obligation - X	3,082,491	3.24	1.31	1.31	5.28	2.61	1.95	1.82	N/A	0.86	02/01/2024
<i>ICE BofA 3 Month U.S. T-Bill</i>			1.29	1.29	5.24	2.58	2.02	1.90	1.38	0.86	

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

PARS/115P Moderately Conservative Strategic Blend**As of March 31, 2024****Calendar Year Comparative Performance**

	Performance(%)							
	2023	2022	2021	2020	2019	2018	2017	2016
Total Portfolio	11.32	-13.32	5.27	10.64	13.64	-2.83	9.44	4.81
<i>Blended Benchmark</i>	10.29	-12.35	5.50	9.89	13.55	-1.87	8.13	5.45
Domestic Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Russell 3000 Index</i>	25.96	-19.21	25.66	20.89	31.02	-5.24	21.13	12.74
Dodge & Cox Stock	17.48	-7.22	31.73	7.16	24.83	-7.07	18.33	21.28
iShares S&P 500 Value ETF	22.02	-5.41	24.67	1.24	31.71	-9.09	15.19	17.17
Columbia Contrarian Core Inst3	32.21	-18.45	24.45	22.44	33.08	-8.81	21.89	8.77
Vanguard Growth & Income Adm	24.76	-17.11	29.11	18.08	29.77	-4.61	20.80	12.12
Harbor Capital Appreciation Ret	53.86	-37.67	15.74	54.56	33.39	-0.96	36.68	N/A
iShares S&P 500 Growth ETF	29.80	-29.51	31.76	33.21	30.91	-0.17	27.20	6.74
<i>S&P 500</i>	26.29	-18.11	28.71	18.40	31.49	-4.38	21.83	11.96
iShares Russell Mid-Cap ETF	17.07	-17.43	22.38	16.91	30.31	-9.13	18.32	13.58
<i>Russell Midcap Index</i>	17.23	-17.32	22.58	17.10	30.54	-9.06	18.52	13.80
Undisc Managers Behavioral Val R6	14.57	-1.10	34.50	3.62	23.34	-15.20	13.53	20.97
Emerald Growth Institutional	19.06	-24.50	4.04	38.85	28.70	-11.57	28.11	10.89
<i>Russell 2000 Index</i>	16.93	-20.44	14.82	19.96	25.53	-11.01	14.65	21.31
International Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>MSCI AC World ex USA (Net)</i>	15.62	-16.00	7.82	10.65	21.51	-14.20	27.19	4.50
Dodge & Cox International Stock	16.70	-6.78	11.03	2.10	22.78	-17.98	23.94	8.26
MFS International Growth R6	14.96	-15.02	9.65	15.82	27.31	-8.79	32.58	2.79
DFA Large Cap International I	17.87	-13.03	12.81	8.12	22.04	-14.14	25.37	3.16
<i>MSCI AC World ex USA (Net)</i>	15.62	-16.00	7.82	10.65	21.51	-14.20	27.19	4.50
Hartford Schroders Emerging Mkts Eq	9.00	-22.14	-4.93	23.78	22.32	-15.42	N/A	N/A
<i>MSCI EM (net)</i>	9.83	-20.09	-2.54	18.31	18.42	-14.57	37.28	11.19
Other Growth	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vanguard Real Estate ETF	11.75	-26.20	40.38	-4.72	28.91	-5.95	4.95	8.53
<i>MSCI US REIT Index</i>	13.74	-24.51	43.06	-7.57	25.84	-4.57	5.07	8.60

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PARS/115P Moderately Conservative Strategic Blend

As of March 31, 2024

Calendar Year Comparative Performance

	Performance(%)							
	2023	2022	2021	2020	2019	2018	2017	2016
Fixed Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Blmbg. U.S. Aggregate</i>	5.53	-13.01	-1.55	7.51	8.72	0.01	3.54	2.65
Baird Aggregate Bond Inst	6.43	-13.35	-1.46	8.63	9.48	-0.30	4.20	3.52
iShares Core US Aggregate Bond ETF	5.59	-13.06	-1.67	7.42	8.68	-0.05	3.53	2.56
<i>Blmbg. U.S. Aggregate</i>	5.53	-13.01	-1.55	7.51	8.72	0.01	3.54	2.65
Dodge & Cox Income	7.70	-10.87	-0.91	9.45	9.73	-0.31	4.36	5.61
PGIM Total Return Bond R6	7.78	-14.86	-1.15	8.10	11.14	-0.63	6.71	4.83
<i>Blmbg. U.S. Aggregate</i>	5.53	-13.01	-1.55	7.51	8.72	0.01	3.54	2.65
MainStay MacKay High Yield Corp Bond Fund	11.97	-7.81	5.35	5.28	13.03	-1.34	6.79	15.99
<i>ICE BofA High Yield Master II</i>	13.46	-11.22	5.36	6.17	14.41	-2.27	7.48	17.49
Cash Equivalent	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>ICE BofA 3 Month U.S. T-Bill</i>	5.02	1.46	0.05	0.67	2.28	1.87	0.86	0.33
First American Government Obligation - X	5.00	1.54	0.03	0.40	2.12	1.74	0.79	N/A
<i>ICE BofA 3 Month U.S. T-Bill</i>	5.02	1.46	0.05	0.67	2.28	1.87	0.86	0.33

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

PARS/115P Moderately Conservative Strategic Blend

As of March 31, 2024

Account Reconciliation

QTR	Market Value As of 01/01/2024	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Portfolio	92,983,920	391,568	1,858,356	95,233,845

PARS/115P Moderately Conservative Strategic Blend
Historical Hybrid Composition - Blended Benchmark

As of March 31, 2024

Allocation Mandate	Weight (%)
Jul-2015 PARS Moderately Conservative	100.0

See next page for a composition of the blended benchmark.

PARS/115P Moderately Conservative Strategic Blend

As of March 31, 2024

Historical Hybrid Composition - PARS Moderately Conservative

Allocation Mandate	Weight (%)
Oct-2012	
BImbg. U.S. Aggregate	49.3
S&P 500	15.5
ICE BofA 1-3 Yr. Gov/Corp	14.0
FTSE 1 Month T-Bill	5.0
Russell 2000 Index	4.5
MSCI EAFE (net)	4.0
Russell Midcap Index	3.0
MSCI EM (net)	2.0
ICE BofA High Yield Master II	1.8
Wilshire US REIT Index	1.0
Apr-2007	
BImbg. U.S. Aggregate	40.0
ICE BofA 1-3 Yr. Gov/Corp	25.0
S&P 500	25.0
FTSE 1 Month T-Bill	5.0
MSCI EAFE (net)	3.5
Russell 2000 Index	1.5
Jul-1986	
BImbg. U.S. Aggregate	40.0
S&P 500	30.0
ICE BofA 1-3 Yr. Gov/Corp	25.0
FTSE 1 Month T-Bill	5.0

IMPORTANT DISCLOSURES

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

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Public Agency Retirement Services (“PARS”) serves as the trust administrator to the Public Agencies Post-Employment Benefits Trust, Public Agencies Post-Retirement Health Care Plan Trust, and the Public Agency Retirement System Trust (the “Trusts”). U.S. Bank National Association (“U.S. Bank”) serves as the discretionary trustee to the Trusts. In its capacity as discretionary trustee, U.S. Bank delegates the investment management of the Trusts to PFM Asset Management LLC (“PFMAM”) through a sub-advisory agreement. PFMAM is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) and an indirect subsidiary of U.S. Bank.

For more information regarding PFMAM’s services please visit www.pfmam.com.

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE



June 30, 2024

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

Subject: **Endowment Trust Fund Annual Report**

Dear Board Members,

In accordance with Strategic Plan Initiative No. 24 – continuing to effectively manage the Agency's financial resources prudently and in alignment with the Investment Policy – below are the two Agency annual endowment trust fund reports, which are part of the investment portfolio as of June 30, 2024.

Camp Parks Endowment Trust Fund

Pursuant to Resolution No. 16-160, dated September 21, 2016, the Board accepted an endowment from Camp Parks developer (Dublin Crossing, LLC.) to manage mitigation portions of the project in perpetuity. Zone 7 has worked with the City of Dublin and the developer of the Dublin Crossings Project to provide Zone 7 a Detention Basin on the Camp Parks Army Installation property that is larger than required for the development, itself, providing excess capacity for regional flood protection and Zone 7 will reimburse the developer using Development Impact Fees collected through Zone 7's SMMP.

The Regulatory Agencies require the Developer to identify an acceptable Land Manager for the Project's ecological mitigation improvements and an Endowment Holder. Based on its discussions with the Regulatory Agencies and the City of Dublin, the parties determined that Zone 7 would be the most appropriate and qualified entity to accept and manage both these responsibilities. This is largely founded on the aforementioned preferences of the Regulatory Agencies, and their acknowledgement that the SMMP identifies Zone 7 as the local entity responsible for maintaining the ecological baseline on the property it owns within its jurisdictional service area, thereby having similar responsibilities as a Land Manager and related fiscal responsibilities.

The United States Army granted an easement to Zone 7 for construction, operation and ecological maintenance of the Upper Chabot Mitigation Area.

As a consideration of Zone 7 to accept the maintenance and long-term management responsibilities of Upper Chabot Mitigation Area and the Restoration and Enhancement Areas (collectively, "Zone 7 Restoration and Enhancement Areas"), Dublin Crossing, LLC., contributed ONE MILLION, THIRTY-ONE THOUSAND, NINE HUNDRED AND EIGHTY-FIVE DOLLARS (\$1,031,985) (the "Endowment").

In accordance with the agreement, Zone 7 shall employ an investment vehicle that assures the maintenance of the Fund principal. The endowment assumed an annual rate of return of 3.5% based on the 30-Year Treasury rate and the San Francisco Bay Area CPI (2.66%) for the annual maintenance cost of the project.

The Zone 7 Restoration and Enhancement Area will be maintained by the Developer ("Dublin Crossing, LLC.") for the first 10 years before Zone 7 assumes maintenance and long-term management responsibilities. There will be no expenditures until after 10 years, i.e., in the fall of 2028 and future reports will include expenditures.

As of June 30, 2024, the endowment held \$1,125,469 of which \$94,484 is investment income earned. The current rate of return of the portfolio is 3.63%. The Endowment's investment is included as part of the Agency Investment Portfolio as presented in item no. 3 of the Finance Committee agenda.

Scarlett Drive Mitigation Area Endowment Trust Fund

Pursuant to Resolution No. 21-06, dated February 3, 2021, the Board accepted an Endowment from Dublin Crossing, LLC, a Delaware Limited Liability Company ("Dublin Crossing", LLC) to manage mitigation portions of the Scarlett Drive/ Iron Horse Trail Extension Project ("Scarlett Drive Mitigation Area") project in perpetuity. This project relates to the 189-acre multi-phased Dublin Crossing (Boulevard) located in Dublin, which plans to construct approximately 2,000 residential units, 35 acres of parks, and a 12-acre elementary school. As part of the Boulevard Project, Zone 7 is reimbursing the developer for constructing the Camp Parks Regional Detention Basin and has also agreed with the developer and the City of Dublin ("Dublin"), to accept channel right-of-way within the development, the associated maintenance responsibilities, and will act as the Land Manager and Conservator for mitigated areas within the development in exchange for compensation.

Zone 7 retains the perpetual rights and obligations of management of Canal 2 as described in the Long-Term Management Plan, Dublin Crossing, dated November 4, 2020, and as established by the Covenants and Deed Restrictions for the Scarlett Drive Mitigation Area. Dublin is the sponsor of the project referred to Scarlett Drive Mitigation Area.

Dublin desires to provide mitigation for Scarlett Drive Mitigation Area project by restoration and preservation of segments of Canal 2. Dublin has requested Zone 7 serve as the Land Manager and provide mitigation. Mitigation consists of removal of concrete lining and riprap, re-contouring of the banks and substrate of the canal, and planting of native riparian vegetation for a total of 0.79 acres (691 linear feet) of Canal 2, restored to mitigate for impacted wetland canal, wetland basin, and wetland drainage ditch.

As a consideration of Zone 7 to accept the maintenance and long-term management responsibilities of Scarlett Drive Mitigation Area and the Restoration and preservation of segments of Canal 2, Dublin Crossing, LLC., contributed THREE HUNDRED AND EIGHTY THOUSAND DOLLARS (\$380,000) (the "Endowment") and an additional \$40,000 for Zone 7's loss of mitigation area usage opportunity.

The Endowment is calculated based on estimated management and maintenance costs for 47 years and is based on 30-Year Treasury Bill Index and the San Francisco Bay Area Consumer Price Index.

Under the Endowment Agreement, Zone 7 management of the Scarlett Mitigation Area within Canal 2 begin after an initial 10-Years where the Developer ("Dublin Crossing, LLC.) will maintain the Scarlett Drive Mitigation Area and then Zone 7 assumes maintenance and long-term management responsibilities. There will be no expenditures until after 10 years, i.e., in the Fall of 2032 and future reports will include expenditures.

As of June 30, 2024, the endowment held \$398,208 of which \$18,208 is investment income earned. The current rate of return of the portfolio is 3.63%. The Endowment's investment is included as part of the Agency Investment Portfolio as presented in item no. 3 of the Finance Committee agenda.

Investments

Market value amounts are from PFM Asset Management which provides investment management services for the Agency. US 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

c: Valerie Pryor, General Manager



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

DATE: August 8, 2024

TO: Finance Committee

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

SUBJECT: Calendar Year 2023 Untreated Water Rate Reconciliation

SUMMARY:

- The proposed action is in support of Strategic Plan Goal G – Fiscal Responsibility: Operate the Agency in a fiscally responsible manner and Strategic Initiative No. 24 – continue to effectively manage financial resources.
- Beginning in 2021, the Agency implemented an annual reconciliation (true-up) process for untreated water rates. The process was developed due to the absence of an established fund balance that could militate against volatile water supply costs. The annual reconciliation can result in either a charge or a credit to the untreated water rates.
- Since the process was implemented, the annual reconciliation resulted in a credit to the untreated water rate in calendar year (CY) 2022, and charges in CY 2023 and CY 2024. These charges, stemming from drought costs incurred in CYs 2021 and 2022, have not been fully collected and make up the outstanding reconciliation balance.
- The reconciliation of the CY 2023 actual costs has been completed. Based on the cash flow analysis of revenue received from the reconciliation charge and the untreated water rate, and actual costs incurred, a credit of \$304,392 was realized. Therefore, the outstanding reconciliation balance will be reduced by \$304,392, bringing the balance to (\$1,108,165) as of December 2023.
- As part of the CY 2024 untreated rate setting process, staff proposed a variety of phase-in options for the Board’s consideration. The five-year implementation schedule to collect the projected remaining balance as of December 2023, was selected and approved via Resolution No. 23-77, dated October 18, 2023. The five-year was selected to maintain equity amongst treated and untreated customers.
- Consistent with past practice, staff will present the annual reconciliation as an informational item at the August Finance Committee meeting. The CY 2025 proposed untreated water rate, incorporating the reconciliation charge, will be considered at the September Finance Committee meeting.

DISCUSSION:

- In 2021, the Agency hired Raftelis Financial Consultants, Inc. (“Raftelis”) to develop a policy and framework for the annual untreated water rate reconciliation or “true-up” of prior year actuals. This process was developed due to the absence of an established fund balance for the untreated water program. The reconciliation framework meets the Agency’s objectives for the following reasons:
 - › Truing-up water supply and water service costs (including labor and overhead) from prior years will ensure the Agency is collecting sufficient revenues to meet its costs,
 - › The reconciliation calculation, which can result in an additional charge or credit, ensures the Agency is not over-or under-collecting revenues from its untreated water customers, and
 - › The reconciliation calculation establishes equity between treated and untreated water customers by ensuring untreated customers are paying their fair share of costs.

- Historical reconciliation results are summarized in the table below:

Table 1: Historical Untreated Reconciliation Results

	CY 2021 Rate ²	CY 2022 Rate ³	CY 2023 Rate ^{3,4}	CY 2024 Rate ^{3,5}
Rate Study Calculated Rate (\$/AF)	\$173	\$226	\$219	\$220
Reconciliation Year	CY 2019	CY 2020	CY 2021	CY 2022
Calculated Charge/(Credit) ¹	\$0	(\$22)	\$164	\$81
Charge/(Credit) Applied to Adopted Rate	\$0	(\$22)	\$36	\$43
Adopted Rate/AF	\$173	\$204	\$255	\$263

¹ Reconciliation charge/(credit) is determined by future planned untreated water deliveries.

² Per Resolution No. 20-38, dated June 17, 2020, the Board did not raise the untreated water rate for CY 2021. Therefore, no reconciliation calculation was performed.

³ Reconciliation calculation based on approved methodology from 2021 Study.

⁴ Reconciliation calculation resulted in a reconciliation amount of (\$978,967). The CY 2023 adopted rate applied a reconciliation charge of \$36/AF. The remaining balance of the reconciliation amount will be collected in future years.

⁵ Reconciliation calculation resulted in a reconciliation amount of (\$433,590). The CY 2024 adopted rate applied a reconciliation charge of \$43/AF. The remaining balance will be collected in future years.

- In October 2023, the Board approved the five-year implementation schedule for the outstanding reconciliation balance as shown below in Table 2. Per the Board approved five-year implementation schedule, a reconciliation charge of \$42/AF is scheduled to be applied to the CY 2025 untreated water rate.

Table 2: Approved Collection Schedule

	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
5-Year Phase-in	\$43 ¹	\$42	\$42	\$41	\$41

¹ Reconciliation charge of \$43/AF has been applied to the CY 2024 untreated water rate. Revenue generated from this charge in the current year will be analyzed as part of the CY 2024 reconciliation and applied to the outstanding reconciliation balance.

- The reconciliation of the CY 2023 actual costs has been completed. Based on the results, the reconciliation balance has been reduced by \$304,392 as shown in Table 3.

Table 3: CY 2023 Cash Flow

Water Reconciliation Amount	CY 2023
CY 2023 Actual Untreated Water Rate Revenue ¹	\$1,205,130
CY 2023 Actual Untreated Water Program Costs ²	\$900,738
CY 2023 Credit	\$304,392

¹ Excludes revenue generated from the sale of 842 AF of Article 21 (SWP surplus water) in May and June 2023.

² SWP Transportation costs exclude 7,900 AF of SWP water conveyed to recharge the groundwater basin and 842 AF of Article 21 (SWP surplus water) sold directly to customers.

- The CY 2023 credit of \$304,392 was a result of the following:
 - › \$36/AF reconciliation charge applied to the rate generating approximately \$170K of revenue.
 - › Approximately \$134K of water supply cost savings due to a 100% State Water Project allocation.
- A detailed reconciliation calculation for CY 2023 can be found in Attachment A.

FUNDING:

N/A

RECOMMENDED ACTION:

Informational item only.

ATTACHMENTS:

Attachment A – Calendar Year 2023 Untreated Water Rate Reconciliation Memorandum

Attachment B – Resolution No. 23-77, dated October 18, 2023 (Adoption of Calendar Year 2024 Untreated Water Rates)

Attachment A
Calendar Year 2023 Untreated Water Rate Reconciliation Memorandum

This memorandum details the calculation for the calendar year (CY) 2023 water reconciliation amount. The reconciliation calculation has a two-year lag due to the timing of receiving actual data for each year.

CY 2023 Reconciliation Calculation

Allocate actual costs for the entire Agency between treated and untreated water based on planned or actual deliveries.

Table 1 shows the planned and actual water deliveries between untreated and treated water in CY 2023. The planned deliveries for CY 2023 are the same as those used to calculate the CY 2023 untreated water rate. The resulting percentage allocations are then used to divide actual water supply and water service costs to untreated water customers.

Table 1: Planned and Actual Water Deliveries and Allocations (CY 2023)

Water Deliveries	Untreated Water	Treated Water	Total
Planned Deliveries (AF)	6,000	36,361	42,361
Percent Allocation	14.16%	85.84%	100%
<hr/>			
Actual Deliveries (AF)	4,726	33,850	38,576
Percent Allocation	12.25%	87.75%	100%

Table 2 shows the CY 2023 actual costs allocated to untreated water customers. Water supply costs are allocated based on the percentage of actual deliveries (12.25%), untreated water program costs are allocated entirely to untreated water (100%), and the remaining water service costs are allocated based on the percentage of planned deliveries (14.16%) from Table 1.

Table 2: Actual Untreated Water Costs (CY 2023)

Actual Costs	Agency Total	Allocation Method	% to Untreated	Total Allocated to Untreated
Water Supply Costs ¹				
Delta Conveyance Project	\$2,375,000	Actual Deliveries	12.25%	\$290,965
SWP Transportation ²	\$2,683,975	Actual Deliveries	12.25%	\$328,818
Yuba Accord	\$0	Actual Deliveries	12.25%	\$0
Dry Year Transfer Program	\$0	Actual Deliveries	12.25%	\$0
Other Water Transfers	\$0	Actual Deliveries	12.25%	\$0
Semitropic Stored/Recovered Water	\$442,492	Actual Deliveries	12.25%	\$54,210
Semitropic Stored Water Fixed O&M Cost	\$547,300	Actual Deliveries	12.25%	\$67,050
Cawelo Stored/Recovered Water	\$0	Actual Deliveries	12.25%	\$0
<i>Total Water Supply Costs</i>	<i>\$6,049,404</i>			<i>\$741,043</i>
Water Service Costs				
State Water Project Administration	\$92,090	Planned Deliveries	14.16%	\$13,044
Untreated Water Administration	\$19,308	Untreated Water	100%	\$19,308
Water Supply and Storage Planning	\$535,085	Planned Deliveries	14.16%	\$75,789
Water Banking Programs	\$22,942	Planned Deliveries	14.16%	\$3,249
<i>Total Water Service Costs</i>	<i>\$669,425</i>			<i>\$111,390</i>
Overhead				
<i>Total Water Service Costs to Untreated</i>	<i>N/A</i>	<i>Planned</i>	<i>43.37%</i>	<i>\$48,305</i>
Total Costs	\$6,718,829			\$900,738

Note: Values may not add due to rounding.

¹ CY 2023 water supply costs reflect a State Water Project Allocation of 100%.

² SWP Transportation costs exclude 7,900 AF of SWP water conveyed to recharge the groundwater basin and 842 AF of Article 21 (SWP surplus water) sold directly to customers.

Calculate the reconciliation amount using a cash flow analysis.

The cash flow analysis in this step calculates whether the untreated water sales revenue, collected in CY 2023, was sufficient to cover the actual untreated water program costs. Where revenues exceed costs, a credit is applied to the reconciliation balance. Where costs exceed revenue, a charge is applied.

Table 3 shows the cash flow analysis used to determine whether CY 2023 resulted in a credit or charge against the untreated water program reconciliation balance.

Table 3: CY 2023 Cash Flow

CY 2023 Cash Flow	CY 2023
Actual Untreated Water Rate Revenue ¹	\$1,205,130
Less: Actual Untreated Water Costs	\$900,738
CY 2023 Credit	\$304,392

¹ Excludes revenue generated from the sale of Article 21 (SWP surplus water) in May and June of 2023.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO. 23-77

INTRODUCED BY DIRECTOR PALMER
SECONDED BY DIRECTOR RAMIREZ HOLMES

Adoption of Calendar Year 2024 Untreated Water Rates

WHEREAS, the proposed action is in support of Strategic Plan Goal G - Fiscal Responsibility: Operate the Zone 7 Water Agency (the "Agency") in a fiscally responsible manner. In carrying out these fiscal responsibilities, the Agency sets rates and fees to recover cost of service; and

WHEREAS, the Agency updated untreated water rates for Calendar Year (CY) 2024 consistent with the Board principles for untreated water rates approved in Board Resolution No. 21-77; and

WHEREAS, in order to minimize rate impacts to untreated water customers, the untreated water rate for CY 2024 shall be calculated using a five-year average of prior year water supply costs of \$7.7 million; and

WHEREAS, should water supply cost for CY 2024 be more or less than \$7.7 million, a rate reconciliation charge or credit shall be applied to future untreated water rates as directed by the Board; and

WHEREAS, in order to minimize impacts to untreated water customers, a five-year implementation schedule for the outstanding reconciliation balance has been determined resulting in a reconciliation charge of \$43 per acre-foot to be applied to the CY 2024 untreated water rate; and

WHEREAS, an outstanding reconciliation balance of \$166/AF will remain after CY 2024. This balance shall be collected over the succeeding four years.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District, adopt the following rate schedule for Untreated Water Service, Temporary Untreated Water Service, and Non-Scheduled Untreated Water Services, be adopted:

FIRST, for Untreated Water Service, a delivery charge of \$263 per acre-foot for all metered water delivered to each customer per month; and

SECOND, for Temporary Untreated Water Service, an initial service establishment charge of \$125 per turnout for each new direct connection to the Zone system or a system supplying the Zone system; and

A monthly service charge of \$21 per turnout; and

A delivery charge of \$916 per acre-foot for all water delivered monthly based on total meter readings or as may be otherwise determined by the Agency; and

THIRD, for Non-Scheduled Untreated Water Service, a delivery charge of \$916 per acre-foot for water delivered to each customer per month; and

BE IT FURTHER RESOLVED, that said rate schedule for Untreated Water Service, Temporary Untreated Water Service, and Non-Scheduled Untreated Water Service shall be effective as of January 1, 2024, and shall end on the next effective date for such water rates adopted by the Board.

ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS BENSON, FIGUERS, GAMBS, GREEN, NARUM, PALMER, RAMIREZ HOLMES

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on October 18, 2023.

DocuSigned by:

By: _____
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President, Board of Directors