MEMORANDUM

FINANCE

TO: Mayor and the City Council

THRU: Benjamin Williamson
City Manager

FROM: Finance Department

DATE: July 23, 2026

SUBJECT: Quarterly Financial Report – Period Ending June 30, 2026

The June 2026 Quarterly Financial Report is attached. Actual revenues and expenditures for this period are based on Generally Accepted Accounting Principles [GAAP] basis. In GAAP accounting, revenues are recognized in governmental funds as soon as they are both “measurable” and “available”, whereas revenue recognition under the budgetary basis of accounting may be deferred until amounts are actually received in cash (revenues are accounted for at the time when received while expenditures are accounted for when paid.)

The attached Investment report represents cash and investment totals by fund and adheres to the City’s Investment Policy as adopted by City Council.

These statements are prepared as a tool for management to identify any trends that need to be addressed.

General Fund Revenues
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
101 GENERAL FUND	(3,807,326)	(3,047,185)	(91,999,900)	(81,582,240)	89%	(78,886,951)	89%
50 PROPERTY TAXES	15,966	288,721	(46,125,000)	(46,030,435)	100%	(44,083,014)	96%
51 SALES TAX	(2,146,667)	(1,861,253)	(23,095,000)	(18,898,284)	82%	(18,201,098)	83%
53 FRANCHISE TAXES	0	(4,047)	(3,690,000)	(3,297,483)	89%	(2,878,709)	76%
418201 FRANCHISE FEES / GAS	0	0	(650,000)	(576,638)	89%	(605,269)	101%
418203 FRANCHISE FEES / TELEPHONE	0	(102)	(180,000)	(86,873)	48%	(110,519)	51%
418205 FRANCHISE FEES / ELECTRICITY	0	0	(2,100,000)	(1,581,967)	75%	(1,625,315)	74%
418207 FRANCHISE FEES / CABLE TV	0	0	(110,000)	(107,594)	98%	(90,887)	83%
418213 FRANCHISE FEES / SOLID WASTE	0	(3,944)	(650,000)	(944,411)	145%	(446,719)	69%
54 LICENSES AND PERMITS	(256,142)	(172,311)	(1,938,800)	(2,015,031)	104%	(1,699,858)	87%
421201 HEALTH PERMITS	(8,202)	(9,920)	(95,000)	(100,196)	105%	(89,130)	99%
422101 BUILDING PERMITS	(204,627)	(91,414)	(1,200,000)	(1,286,779)	107%	(1,039,491)	87%
422105 CERTIFICATE OF OCCUPANCY	(1,200)	(1,350)	(12,000)	(10,350)	86%	(9,703)	81%
422107 REINSPECTIONS	(300)	(600)	(800)	(4,700)	588%	(1,000)	125%
422109 SINGLE FAMILY RNTL/OCC	(4,680)	(3,360)	(50,000)	(40,320)	81%	(33,960)	57%
422113 VACANT BLDG REGISTRATIONS	(400)	(200)	(2,000)	(2,000)	100%	(400)	20%
422115 TECHNOLOGY FEE	(795)	(636)	(9,000)	(6,432)	71%	(5,826)	65%
422701 PLUMBING PERMITS	(8,305)	(10,042)	(130,000)	(108,064)	83%	(107,172)	82%
422803 ELECTRICAL PERMITS	(11,525)	(15,047)	(150,000)	(118,165)	79%	(123,887)	71%
422901 HVAC PERMITS	(10,558)	(9,483)	(100,000)	(84,409)	84%	(80,325)	73%
422904 MULTI-FAMILY	(5,550)	(30,260)	(190,000)	(253,616)	133%	(208,965)	119%
55 CHARGES FOR SERVICE	(1,049,003)	(1,181,723)	(13,472,000)	(8,121,527)	60%	(8,928,871)	77%
441301 ZONING BOARD	0	0	(100)	(180)	180%	0	0%
441303 ZONING APPLICATIONS	(60)	(2,352)	(6,000)	(9,514)	159%	(11,479)	287%
441305 ZONING SITE PLAN APPLICATIONS	(400)	0	(3,500)	(3,750)	107%	(4,200)	168%
441309 ZONING SPECIAL USE PERMITS	(350)	0	(1,700)	(900)	53%	(3,350)	197%
441401 PRINTING - DUPLICATING SERVICE	0	(913)	(200)	0	0%	(6,002)	3001%
441407 PRINTING - LIBRARY FEE	(1,979)	(174)	(11,000)	(10,457)	95%	(964)	14%
442101 POLICE SERVICE - FALSE ALARM	(200)	(3,100)	(40,000)	(2,625)	7%	(28,425)	63%
442102 POLICE SERVICE - ALARM PERMIT	(5,800)	(4,700)	(70,000)	(27,610)	39%	(53,800)	67%
442105 POLICE SERVICE - ACCIDENT RPT	(821)	(1,733)	(5,000)	(6,846)	137%	(6,286)	126%
442201 911	(38,952)	(45,416)	(495,000)	(365,151)	74%	(370,109)	76%
442203 AMBULANCE	(64,804)	(49,908)	(750,000)	(676,082)	90%	(677,888)	94%
442302 FIRE SERVICE - PERMIT	(1,772)	(2,411)	(40,000)	(36,667)	92%	(28,524)	71%
442305 FIRE SERVICE - INSPECTION FEE	(14,350)	(9,650)	(150,000)	(87,000)	58%	(75,050)	63%
444303 LANDFILL	(651,678)	(746,269)	(8,902,000)	(5,241,093)	59%	(5,916,277)	84%

General Fund Revenues
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
444311 LNDFILL ENERGY GENERATION	0	(24,277)	(315,000)	(133,523)	42%	(168,853)	58%
445201 ENVIR HEALTH & SURCHARGE	(50)	0	(113,500)	(2,492)	2%	(26,904)	24%
445401 ANIMAL POUND	(1,150)	(644)	(15,000)	(16,120)	107%	(9,630)	32%
447201 AQUATICS CENTER FEES	(110,341)	(122,860)	(580,000)	(256,875)	44%	(294,819)	51%
447301 ACTIVITY FEES-SENIOR	(14,682)	(3,007)	(75,000)	(62,119)	83%	(11,401)	15%
447401 RENTS CONCESSIONS MISC	(8,985)	(8,286)	(84,700)	(59,759)	71%	(56,135)	41%
447403 SPECIAL INSTRUCTION FEES	(12,104)	(24,318)	(142,000)	(152,109)	107%	(129,487)	81%
447501 PARK PROGRAMS	(118,167)	(128,529)	(1,600,000)	(950,026)	59%	(1,030,906)	68%
447601 ADMISSION/REGS/FEES/ETC	(367)	(75)	(38,200)	(5,702)	15%	(2,153)	6%
447701 SPONSORSHIP REVENUE	(750)	(2,000)	(25,000)	(3,250)	13%	(4,250)	9%
480802 EV CHARGING FEES	(1,240)	(1,102)	(9,000)	(9,634)	107%	(11,980)	100%
56 FINES & FORFEITURES	(180,250)	(241,635)	(1,882,000)	(1,646,754)	88%	(1,958,324)	124%
451107 COURT RECEIPTS	(172,945)	(226,528)	(1,800,000)	(1,575,388)	88%	(1,878,236)	124%
451113 CHILD SAFETY	(4,373)	(11,351)	(60,000)	(47,495)	79%	(56,349)	102%
451115 TRAFFIC	(1,980)	(2,352)	(16,000)	(18,086)	113%	(17,978)	360%
451201 FINES - LIBRARY	(952)	(1,404)	(6,000)	(5,784)	96%	(5,762)	96%
62 INVESTMENT INCOME	(185,093)	(45,625)	(1,578,000)	(1,508,611)	96%	(964,202)	65%
461101 INTEREST	(156,040)	(20,764)	(1,300,000)	(1,298,071)	100%	(1,188,448)	95%
461103 UNREALIZED GAIN	0	0	0	0	0%	467,685	100%
461104 INVESTMENT INCOME	0	0	0	(12,641)	100%	0	0%
463101 COMMERCIAL RENT	(68)	(68)	(700)	(338)	48%	(453)	45%
463105 TOWER RENT - CELL PHONES	(28,985)	(24,793)	(277,300)	(197,561)	71%	(242,987)	108%
57 DONATIONS & MISC	(6,137)	(4,314)	(66,100)	(50,178)	76%	(68,734)	111%
480101 MISC - DEPOSIT OVER/SHORT	0	0	0	258	100%	26	100%
480105 RETURN CHECK FEE	(25)	0	(100)	(111)	111%	(25)	5%
480710 PAY PHONE COMMISSIONS	0	0	(2,000)	(171)	9%	(1,078)	72%
480801 RECYCLING PROCEEDS	(5,744)	0	(14,000)	(7,779)	56%	(16,249)	162%
480999 MISCELLANEOUS	(367)	(4,314)	(50,000)	(42,376)	85%	(33,909)	68%
64 TRANSFER IN	0	0	(153,000)	0	0%	0	0%
491201 TRANSFER IN - HOTEL/MOTEL	0	0	(90,000)	0	0%	0	0%
60 OTH FINANCING SOURCE	0	175,000	0	(13,940)	100%	(104,140)	100%
492101 SALE OF ASSETS	0	0	0	(13,940)	100%	(20,551)	100%
492201 INSURANCE RECOVERY	0	175,000	0	0	0%	(83,589)	100%
Grand Total:	(3,807,326)	(3,047,185)	(91,999,900)	(81,582,240)	89%	(78,886,951)	89%

Hotel/Motel Fund Revenues
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
201 HOTEL - MOTEL	(384,261)	(398,693)	(3,892,400)	(2,612,473)	67%	(3,339,805)	96%
52 HOTEL TAX	(360,169)	(374,413)	(3,600,000)	(2,294,031)	64%	(2,740,364)	88%
55 CHARGES FOR SERVICE	(4,285)	(22,110)	(174,900)	(140,735)	80%	(197,195)	83%
447601 ADMISSION/REGS/FEES/ETC	(4,285)	(22,110)	(167,900)	(140,735)	84%	(195,945)	85%
447701 SPONSORSHIP REVENUE	0	0	(5,000)	0	0%	(1,250)	19%
62 INVESTMENT INCOME	(17,814)	(625)	(80,000)	(158,631)	198%	(76,075)	109%
461101 INTEREST	(17,814)	(625)	(80,000)	(156,914)	196%	(117,717)	168%
461103 UNREALIZED GAIN	0	0	0	0	0%	41,642	100%
461104 INVESTMENT INCOME	0	0	0	(1,716)	100%	0	0%
57 DONATIONS & MISC	(993)	(1,545)	(37,500)	(18,077)	48%	(24,039)	87%
480311 GIFT SHOP SALES	(1)	(365)	(1,000)	(30)	3%	(946)	95%
480315 CHRISTMAS TEAS	0	0	(6,500)	(8,990)	138%	(7,200)	111%
480316 HISTORICAL PARK RENTAL	(108)	(1,180)	(10,000)	(8,162)	82%	(15,892)	79%
480998 FIREHOUSE THEATER	(884)	0	(20,000)	(894)	4%	0	0%
Grand Total:	(384,261)	(398,693)	(3,892,400)	(2,612,473)	67%	(3,339,805)	96%

Enterprise Fund Revenues
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
501 WATER & SEWER	(2,770,193)	(2,613,802)	(35,322,900)	(24,653,453)	70%	(22,096,508)	72%
55 CHARGES FOR SERVICE	(2,758,069)	(2,455,689)	(34,991,100)	(24,392,276)	70%	(22,033,263)	72%
444101 RESIDENTIAL SEWER	(370,302)	(292,978)	(3,925,000)	(3,317,013)	85%	(2,601,465)	74%
444103 COMMERCIAL SEWER	(241,505)	(215,560)	(2,867,000)	(2,045,965)	71%	(1,798,721)	69%
444105 APARTMENT SEWER	(379,413)	(342,257)	(4,715,000)	(3,398,395)	72%	(3,113,585)	75%
444401 RESIDENTIAL WATER	(505,260)	(478,388)	(6,622,500)	(4,723,843)	71%	(4,354,111)	75%
444403 COMMERCIAL WATER	(714,483)	(623,703)	(9,463,200)	(5,979,760)	63%	(5,448,349)	65%
444405 APARTMENT WATER	(493,977)	(463,266)	(6,608,300)	(4,460,562)	68%	(4,225,203)	72%
444409 WATER TAP	(200)	(50)	(2,000)	(3,767)	188%	(1,900)	95%
444413 BACKFLOW PROGRAM	(3,278)	(2,964)	(30,000)	(28,386)	95%	(27,047)	90%
444420 FATS,OIL,GREASE PERMIT & INSPC	(950)	(450)	(62,100)	(21,700)	35%	(2,350)	100%
444501 SERVICE CHARGE	(2,771)	(4,840)	(70,000)	(40,774)	58%	(71,499)	159%
444503 LATE FEES	(24,218)	(13,677)	(225,000)	(162,524)	72%	(231,385)	103%
444504 CREDIT CARD FEE	(10,511)	(9,555)	(400,000)	(95,527)	24%	(59,273)	100%
444505 BILLED DEPOSITS	(9,200)	(8,000)	0	(107,919)	100%	(96,046)	100%
444509 PUBLIC IMP INSPECTIONS	(2,000)	0	(1,000)	(6,140)	614%	(2,330)	233%
62 INVESTMENT INCOME	(12,075)	(158,037)	(330,000)	(250,565)	76%	(62,409)	35%
461101 INTEREST	(12,075)	(158,037)	(330,000)	(246,808)	75%	(160,032)	89%
461103 UNREALIZED GAIN	0	0	0	0	0%	97,623	100%
461104 INVESTMENT INCOME	0	0	0	(3,757)	100%	0	0%
57 DONATIONS & MISC	(50)	(75)	(800)	(725)	91%	(835)	16%
480105 RETURN CHECK FEE	(50)	(75)	(300)	(725)	242%	(235)	235%
480999 MISCELLANEOUS	0	0	(500)	0	0%	(600)	12%
511 STORMWATER UTILITY	(147,607)	(153,475)	(1,798,000)	(1,346,898)	75%	(1,331,212)	74%
55 CHARGES FOR SERVICE	(147,607)	(147,851)	(1,793,000)	(1,330,434)	74%	(1,328,786)	74%
443101 RESIDENTIAL STORMWATER	(44,158)	(43,390)	(518,000)	(394,392)	76%	(388,521)	75%
443103 NONRESIDENTIAL STORMWATER	(103,449)	(104,461)	(1,275,000)	(936,042)	73%	(940,265)	74%
62 INVESTMENT INCOME	0	(5,625)	(5,000)	(16,464)	329%	(2,373)	47%
461101 INTEREST	0	(5,625)	(5,000)	(16,198)	324%	(5,625)	113%
461103 UNREALIZED GAIN	0	0	0	0	0%	3,252	100%
461104 INVESTMENT INCOME	0	0	0	(266)	100%	0	0%
Grand Total:	(2,917,800)	(2,767,277)	(37,120,900)	(26,000,352)	70%	(23,427,720)	72%

General Fund Expenditures
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
101 GENERAL FUND	6,976,863	6,124,639	94,773,063	59,881,937	63%	55,554,520	62%
10 GENERAL ADMINISTRATION	1,814,828	328,359	14,580,390	7,388,282	51%	3,699,165	45%
1001 GENERAL GOVERNMENT	152,012	3,935	455,576	315,815	69%	164,781	35%
1002 ADMINISTRATION	105,675	104,836	1,503,900	1,063,022	71%	963,862	75%
1003 LEGAL	38,728	101,541	710,900	316,268	44%	549,897	100%
1070 GENERAL CONTRACTS	12,500	0	250,000	125,000	50%	125,000	30%
1079 NON-DEPARTMENTAL	1,505,913	118,048	11,660,014	5,568,177	48%	1,895,626	35%
11 COMMUNICATIONS	68,516	27,839	770,393	474,166	62%	518,757	69%
1104 COMMUNICATIONS	68,516	27,839	770,393	474,166	62%	518,757	69%
12 ECONOMIC DEVELOPMENT	18,908	27,535	536,200	330,736	62%	420,287	61%
14 CUSTOMER SERVICE	36,195	47,724	631,500	434,951	69%	400,301	73%
1410 CUSTOMER SERVICE	36,195	47,724	631,500	434,951	69%	400,301	73%
15 HUMAN RESOURCES	122,252	73,353	1,252,272	771,612	62%	798,885	59%
1509 HUMAN RESOURCES	122,252	73,353	1,252,272	771,612	62%	798,885	59%
20 FINANCE	176,279	214,920	3,493,656	2,268,356	65%	2,535,291	75%
2010 FINANCE ADMIN.	59,152	72,043	1,592,100	1,061,109	67%	1,270,503	89%
2011 PURCHASING	7,501	11,853	151,000	68,112	45%	104,501	71%
2014 ACCOUNTING	55,674	70,318	1,046,656	656,575	63%	656,595	60%
2033 MUNICIPAL COURT	53,953	60,706	703,900	482,561	69%	503,691	73%
21 INNOVATION & TECHNOLOGY	282,557	293,638	5,515,485	3,882,984	70%	3,761,604	73%
30 COMMUNITY SERVICES	193,315	170,017	2,542,659	1,480,152	58%	1,728,524	62%
3016 COMMUNITY SERVICES ADMIN	83,492	87,023	1,079,300	521,176	48%	716,031	64%
3017 BUILDING INSPECTIONS	53,117	35,493	599,500	507,430	85%	505,948	60%
3019 ANIMAL SERVICES	56,706	47,501	863,859	451,546	52%	506,545	61%
31 PLANNING	26,965	34,855	670,200	277,185	41%	314,627	47%
40 PUBLIC WORKS	274,336	378,189	5,263,787	3,547,100	67%	4,117,263	67%
4020 PUBLIC WORKS ADMIN	44,984	63,392	843,312	537,171	64%	610,752	72%
4027 STREET MAINTENANCE	229,352	314,797	4,420,476	3,009,929	68%	3,506,511	67%
41 SUSTAINABILITY-PUBLIC HEALTH	78,553	265,653	5,240,293	2,358,579	45%	2,558,955	50%
4124 SUSTAINABILITY - SOLID WASTE	77,966	265,473	5,240,293	2,346,215	45%	2,517,302	50%
4129 ENVIRONMENTAL SERVICES	587	180	0	12,364	100%	41,654	43%
45 POLICE	1,313,084	1,747,007	20,840,570	14,559,331	70%	13,868,649	65%
4530 POLICE ADMIN	209,727	155,173	2,323,206	1,618,159	70%	1,539,974	62%
4531 POLICE INVESTIGATION	169,814	178,511	2,942,900	1,680,946	57%	1,548,866	55%
4532 POLICE PATROL	788,367	780,560	10,536,804	6,881,336	65%	6,873,015	61%
4534 POLICE DETENTION	131,110	127,116	2,043,500	1,418,026	69%	1,218,590	71%
4535 POLICE COMMUNICATIONS	4,478	470,049	2,993,079	2,909,804	97%	2,356,419	88%

General Fund Expenditures
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
55 FIRE	1,333,657	1,382,125	16,585,157	12,057,987	73%	11,954,256	68%
5540 FIRE ADMIN.	104,386	85,405	1,211,984	969,070	80%	1,003,612	56%
5541 FIRE PREVENTION	75,881	77,934	986,100	698,659	71%	786,237	71%
5542 FIRE OPERATIONS	1,153,391	1,218,786	14,387,073	10,390,258	72%	10,164,406	69%
60 PARKS AND RECREATION	1,089,017	986,232	15,087,502	8,806,410	58%	7,608,762	56%
6050 PARKS/REC ADMIN	41,661	31,145	431,600	318,597	74%	281,241	55%
6051 PARK MAINTENANCE	421,827	492,398	6,078,524	4,075,249	67%	4,376,839	61%
6052 RECREATION	140,996	145,734	1,433,493	976,687	68%	1,044,086	48%
6053 AQUATICS CENTER	120,324	153,834	1,339,575	601,017	45%	769,782	52%
6054 BRANCH CONNECTION	45,638	52,028	583,700	412,623	71%	483,951	55%
6055 PARK BOARD	335	0	3,500	3,482	99%	2,252	21%
6056 SENIOR ADVISORY BOARD	265	368	3,500	3,272	93%	2,999	77%
6057 EVENTS	75,695	110,725	1,219,912	663,228	54%	647,612	54%
65 LIBRARY	148,400	147,193	1,763,000	1,244,107	71%	1,269,193	60%
6569 LIBRARY	148,400	147,193	1,763,000	1,244,107	71%	1,269,193	60%
Grand Total:	6,976,863	6,124,639	94,773,063	59,881,937	63%	55,554,520	62%

Hotel/Motel Fund Expenditures
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
201 HOTEL - MOTEL	172,595	172,522	4,100,726	1,990,509	49%	2,294,318	60%
90 HOTEL MOTEL	172,595	172,522	4,100,726	1,990,509	49%	2,294,318	60%
9092 HISTORICAL PRESERVATION	52,526	94,064	1,356,918	439,675	32%	919,236	59%
9093 PROMOTION OF TOURISM	113,904	63,174	2,272,722	1,467,769	65%	1,193,828	69%
9094 CONVENTION CENTER	2,949	2,579	168,535	24,053	14%	34,649	27%
9095 EVENT CENTER	3,215	12,705	302,550	59,012	20%	146,606	38%
Grand Total:	172,595	172,522	4,100,726	1,990,509	49%	2,294,318	60%

Enterprise Fund Expenditures
Quarterly Financial Report
Period Ending June 30, 2026

	Jun-26	Jun-25	June 2026 YTD			June 2025 YTD	
Account Description	Actual	Actual	Budget	Actual	% Used	Actual	% Used
501 WATER & SEWER	320,177	2,040,951	35,263,688	28,897,476	82%	25,217,172	82%
80 PUBLIC UTILITIES	320,177	2,040,951	35,263,688	28,897,476	82%	25,217,172	82%
8085 PUBLIC UTILITIES ADMIN.	49,154	100,105	6,645,668	6,185,526	93%	6,401,596	104%
8086 PUBLIC UTILITIES OPERATNS	271,023	1,940,847	28,618,020	22,711,950	79%	18,815,576	76%
511 STORMWATER UTILITY	5,200	5,000	1,810,163	1,774,111	98%	1,688,144	94%
80 PUBLIC UTILITIES	5,200	5,000	1,810,163	1,774,111	98%	1,688,144	94%
8087 PUBLIC UTILITIES-STORMWTR	5,200	5,000	1,810,163	1,774,111	98%	1,688,144	94%
Grand Total:	325,377	2,045,951	37,073,850	30,671,588	83%	26,905,316	83%

INVESTMENT REPORT

City of Farmers Branch

April 1 to June 30, 2026

Contents

Market Recap

Treasury yields moved higher again in June as markets saw easing energy prices along with a Federal Reserve that remains uncomfortable with current inflation levels. The yield curve bear-flattened, with short-term rates rising more than longer-term rates. After dominating markets for much of the spring, the U.S.-Iran conflict showed tentative signs of progress late in the month, as a pause in hostilities and renewed talks allowed commercial vessels to move more freely through the Strait of Hormuz. Oil prices fell sharply from their spring highs, with West Texas Intermediate crude ending June near $70 per barrel, down from almost $113 in early April.

Despite the improvement in energy prices, inflation remained the focus. The May Consumer Price Index rose to 4.2% year-over-year, keeping price pressures well above the Fed's 2.0% target and making clear that the recent pullback in oil prices has not yet translated into inflation relief. The Fed's preferred inflation measure told a similar story. Headline PCE rose +0.4% in May and +4.1% year-over-year, while core PCE increased +0.3% for the month and +3.4% year-over-year, the highest core reading since October 2023. Energy remained the largest contributor to the monthly increase, but the stickiness in core inflation suggests price pressure has broadened beyond gasoline and fuel.

The labor market remained solid enough to keep the Fed from shifting toward an easier policy stance. The May employment report showed payrolls rising by 172k, while the unemployment rate held at 4.3%, a level that still points to a relatively healthy job market despite some cooling. Job openings also surprised to the upside, rising to 7.6 million in May compared with expectations of 7.3 million. While the labor market has slowed from the extremely tight conditions of prior years, it has not weakened enough to offset the Fed's inflation concerns.

Consumer spending also held up better than expected in May, even as inflation continued to pressure household budgets. Personal consumption expenditures rose +0.7% for the month, while personal income also increased +0.7%. The stronger income growth helped lift the personal savings rate to 3.0%, up from 2.6% in April. Still, with inflation running high, the improvement in nominal spending should be viewed carefully. Consumers are still spending, but a meaningful portion of that growth reflects higher prices rather than stronger real demand.

Economic growth estimates moderated during the month but continued to point to a positive second quarter. The Atlanta Fed's GDPNow model estimated Q2 real GDP growth at +2.5% as of June 25, down from +3.0% earlier in the month. First quarter GDP was also revised higher to +2.1%, suggesting the economy entered the quarter with somewhat firmer momentum than previously thought.

The June FOMC meeting was the first chaired by Kevin Warsh, and it marked a clear shift in tone. The Committee left the federal funds target range unchanged at 3.50% to 3.75%, the fourth consecutive pause, but the accompanying message was more hawkish than markets had been expecting. The updated Summary of Economic Projections showed the median Fed official now expects core PCE inflation of 3.3% at year-end 2026, up from 2.7% in March, while the median projected federal funds rate rose from 3.4% to 3.8%. That effectively removed the rate cuts that had been penciled into the prior outlook and introduced the possibility that the next move could be higher if inflation fails to improve.

Warsh also began reshaping how the Fed communicates, shortening the policy statement and emphasizing that markets should focus less on Fed guidance and more on incoming data. While President Trump has continued to press for lower rates, Warsh's first meeting made clear that the Fed is not yet ready to ease while inflation remains elevated and the labor market resilient.

Looking ahead to July, markets will be focused on whether the decline in oil prices begins to show up in the inflation data. If energy prices remain closer to $70 per barrel rather than $100 seen earlier in the spring, headline inflation should begin to ease. However, the bigger question is whether core inflation follows. For now, the economy remains strong enough to keep the Fed patient, but inflation remains too high to justify rate cuts.

Investment Officers' Certification

This report is prepared for the City of Farmers Branch (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

Investment Officers

Jay Patel
Director of Finance

Patric Short
Deputy Director of Finance

Portfolio Overview

Portfolio Summary

	Prior 31 Mar-26	Current 30 Jun-26
Par Value	151,628,308.33	143,320,333.36
Original Cost	148,813,125.98	140,473,315.07
Book Value	150,150,188.30	142,011,958.32
Market Value	150,320,313.18	141,786,981.41
Accrued Interest	462,879.69	559,665.54
Book Value Plus Accrued	150,613,067.99	142,571,623.86
Market Value Plus Accrued	150,783,192.86	142,346,646.95
Net Unrealized Gain/(Loss)	170,124.88	(224,976.91)

Income Summary

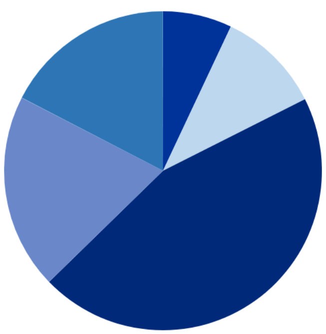
Current Period	1 Apr-26 to 30 Jun-26
Interest Income	1,218,436.10
Net Amortization/Accretion	201,580.93
Realized Gain/(Loss)	0.00
Net Income	1,420,017.04

Fiscal Year-to-Date	1 Oct-25 to 30 Jun-26
Net Income	4,069,922.54

Portfolio Characteristics

	Prior 31 Mar-26	Current 30 Jun-26
Yield to Maturity	3.884%	3.899%
Yield to Worst	3.884%	3.899%
Days to Final Maturity	296	356
Days to Effective Maturity	296	356
Duration	1.70	1.68

Asset Allocation



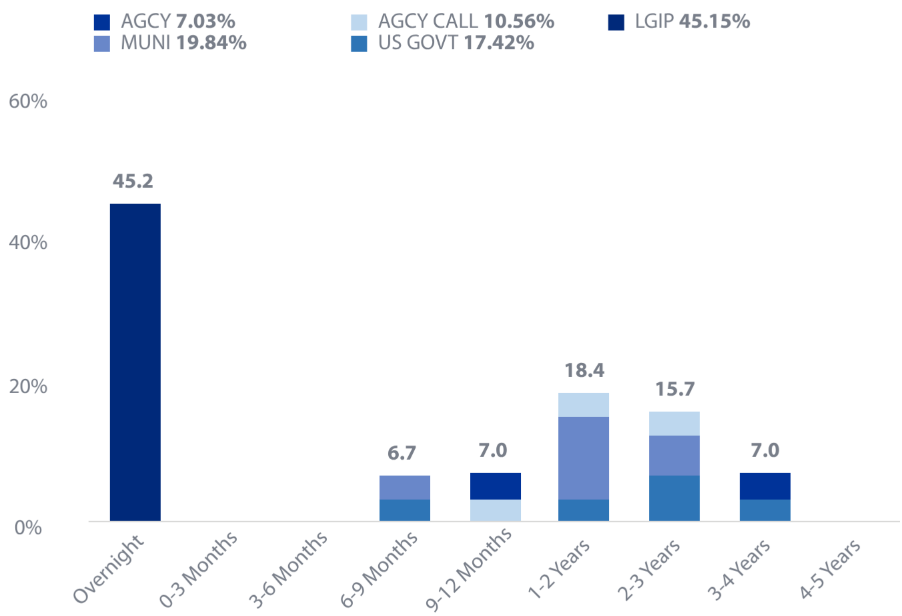
AGCY **7.03%**
AGCY CALL **10.56%**
LGIP **45.15%**
MUNI **19.84%**
US GOVT **17.42%**

Transaction Summary

Transaction Type	Quantity	Principal	Interest	Total Amount	Realized Gain/Loss
Buy	10,000,000.00	(9,968,164.06)	(8,764.78)	(9,976,928.84)	0.00
Coupon	0.00	0.00	438,390.00	438,390.00	0.00

Portfolio Overview

Maturity Distribution by Security Type



Top Ten Holdings

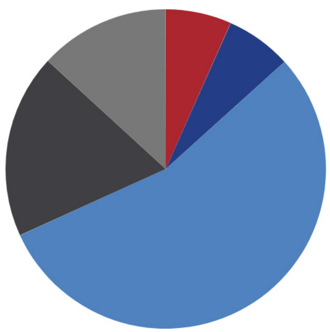
Issuer	Allocation
LOGIC	42.88%
United States	17.42%
Federal Farm Credit Banks Funding Corporation	14.07%
Federal Home Loan Banks	3.52%
State Board Of Administration Finance Corporation	3.43%
Oregon Department of Transportation	3.37%
San Bernardino Community College District	2.29%
TEXPOOL	2.28%
County of Westmoreland, Pennsylvania	2.10%
City Of Gainesville, Florida	1.99%

Maturity Distribution by Security Type

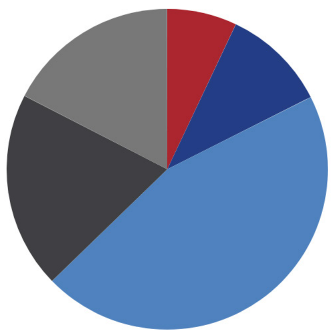
Security Type	Overnight	0-3 Months	3-6 Months	6-9 Months	9-12 Months	1-2 Years	2-3 Years	3-4 Years	4-5 Years	Portfolio Total
AGCY	--	--	--	--	4,998,871.09	--	--	4,979,915.32	--	**9,978,786.41**
AGCY CALL	--	--	--	--	4,998,619.14	4,997,787.87	5,000,000.00	--	--	**14,996,407.01**
LGIP	64,125,333.36	--	--	--	--	--	--	--	--	**64,125,333.36**
MUNI	--	--	--	4,461,744.75	--	16,148,243.66	7,558,209.18	--	--	**28,168,197.60**
US GOVT	--	--	--	5,011,811.34	--	5,012,262.12	9,750,663.19	4,968,497.30	--	**24,743,233.95**
Total	**64,125,333.36**	**–**	**–**	**9,473,556.09**	**9,997,490.23**	**26,158,293.65**	**22,308,872.37**	**9,948,412.62**	**–**	**142,011,958.32**

Asset Allocation

Asset Allocation by Security Type as of 31-Mar-2026



Asset Allocation by Security Type as of 30-Jun-2026



Book Value Basis Security Distribution

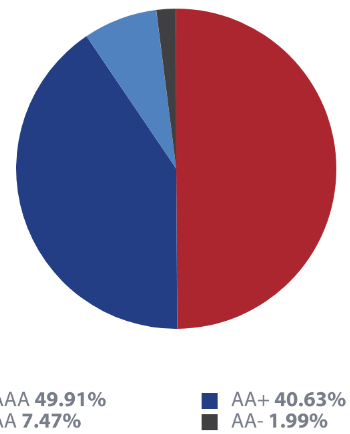
Security Type	Prior Balance 31-Mar-26	Prior Allocation 31-Mar-26	Change in Allocation	Current Balance 30-Jun-26	Current Allocation 30-Jun-26	Yield to Maturity
AGCY	9,977,095.64	6.64%	0.38%	9,978,786.41	7.03%	4.015%
AGCY CALL	9,995,553.27	6.66%	3.90%	14,996,407.01	10.56%	3.831%
LGIP	82,433,308.33	54.90%	(9.75%)	64,125,333.36	45.15%	3.747%
MUNI	27,991,426.54	18.64%	1.19%	28,168,197.60	19.84%	4.393%
US GOVT	19,752,804.52	13.16%	4.27%	24,743,233.95	17.42%	3.724%
Portfolio Total	**150,150,188.30**	**100.00%**		**142,011,958.32**	**100.00%**	**3.899%**

Credit Rating Summary

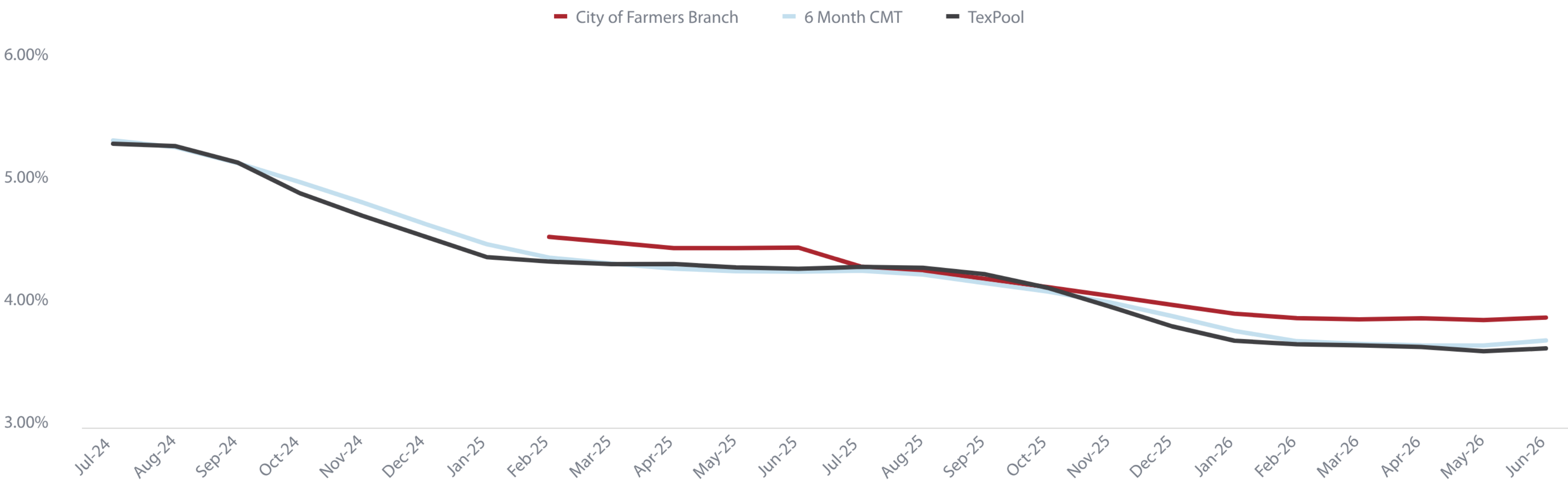
Rating Distribution

	Book Value	Portfolio Allocation
Local Government Investment Pools & Money Market Funds		
AAA	64,125,333.36	45.15%
Total Local Government Investment Pools & Money Market Funds	**64,125,333.36**	**45.15%**
Long Term Rating Distribution		
AAA	6,750,081.64	4.75%
AA	10,610,716.55	7.47%
AA+	57,703,057.79	40.63%
AA-	2,822,768.98	1.99%
Total Long Term Rating Distribution	**77,886,624.96**	**54.85%**
Portfolio Total	**142,011,958.32**	**100.00%**

Allocation by Rating



Benchmark Comparison



Yield Overview

	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26
City of Farmers Branch	–	–	–	–	–	–	–	**4.56**	**4.51**	**4.47**	**4.47**	**4.47**	**4.32**	**4.28**	**4.21**	**4.15**	**4.08**	**4.00**	**3.93**	**3.89**	**3.88**	**3.89**	**3.88**	**3.90**
6 Month CMT	5.34	5.29	5.16	5.00	4.84	4.66	4.50	4.39	4.34	4.30	4.28	4.27	4.28	4.25	4.18	4.11	4.02	3.91	3.79	3.71	3.68	3.67	3.67	3.71
TexPool	5.32	5.30	5.16	4.91	4.73	4.56	4.39	4.36	4.33	4.34	4.31	4.30	4.31	4.31	4.25	4.14	3.99	3.83	3.71	3.68	3.67	3.66	3.62	3.65

Fund Overview

Fund Name	Prior Book Value	Prior Market Value	Changes to Market Value	Current Book Value	Current Market Value	Net Income	Days to Final Mty	YTM	YTW
Pooled Fund	150,150,188.30	150,320,313.18	(8,533,331.76)	142,011,958.32	141,786,981.41	1,420,017.04	356	3.899%	3.899%
Total	**150,150,188.30**	**150,320,313.18**	**(8,533,331.76)**	**142,011,958.32**	**141,786,981.41**	**1,420,017.04**	**356**	**3.899%**	**3.899%**

Detail of Security Holdings

CUSIP	Settle Date	Security Type	Security Description	CPN	Maturity Date	Next Call Date	Call Type	Par Value	Purch Price	Original Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW	Rating
Pooled Fund																		
LOGIC		LGIP	LOGIC	3.753	06/30/26			60,888,218.10	100.000	60,888,218.10	60,888,218.10	100.000	60,888,218.10	1		3.753	3.753	AAA
TEXPOOL		LGIP	TexPool	3.647	06/30/26			3,237,115.26	100.000	3,237,115.26	3,237,115.26	100.000	3,237,115.26	1		3.647	3.647	AAA
91282CJT9	12/15/25	US GOVT	U.S. Treasury Note	4.000	01/15/27			5,000,000.00	100.469	5,023,437.50	5,011,811.34	100.008	5,000,390.60	199		3.553	3.553	AA+
6071143K9	07/26/24	MUNI	MOBILE ALA	3.024	02/15/27			2,520,000.00	96.522	2,432,354.40	2,497,663.75	99.436	2,505,787.59	230		4.482	4.482	AA
64985TDD0	10/25/24	MUNI	NEW YORK ST URBAN DEV CORP ST SALES TAX REV	1.550	03/15/27	03/15/27		2,000,000.00	94.127	1,882,540.00	1,964,081.00	98.235	1,964,701.01	258	258	4.160	4.160	AA+
3133ET6T9	01/28/26	AGCY CALL	FFCB	3.600	04/09/27	07/09/26	Continuous	5,000,000.00	99.960	4,998,000.00	4,998,619.14	99.566	4,978,295.00	283	9	3.637	3.637	AA+
3130B6R24	07/11/25	AGCY	FHLB	3.875	06/04/27			5,000,000.00	99.953	4,997,650.00	4,998,871.09	99.784	4,989,200.00	339		3.900	3.900	AA+
341271AE4	04/11/23	MUNI	FLORIDA ST BRD ADMIN FIN CORP REV	1.705	07/01/27			5,000,000.00	90.219	4,510,950.00	4,876,137.62	97.474	4,873,721.25	366		4.262	4.262	AA
796720NT3	01/15/25	MUNI	SAN BERNARDINO CALIF CMNTY COLLEGE DIST	1.610	08/01/27			3,350,000.00	93.016	3,116,036.00	3,246,867.84	97.238	3,257,475.43	397		4.551	4.551	AA+
960895YY0	10/25/24	MUNI	WESTMORELAND CNTY PA	1.510	08/15/27			3,075,000.00	92.915	2,857,136.25	2,984,635.22	96.997	2,982,662.15	411		4.216	4.216	AA
3133ETB22	10/10/25	AGCY CALL	FFCB	3.730	09/30/27	09/30/26	Continuous	5,000,000.00	99.930	4,996,500.00	4,997,787.87	99.440	4,971,975.00	457	92	3.767	3.767	AA+
68607DVD4	06/20/23	MUNI	OREGON ST DEPT TRANSN HWY USER TAX REV	1.084	11/15/27			5,000,000.00	87.245	4,362,250.00	4,788,323.02	95.989	4,799,432.32	503		4.296	4.296	AAA
426272EQ9	01/30/25	MUNI	HENRY & WHITESIDE CNTYS ILL CMNTY UNIT SCH DIST NO	4.950	02/15/28			250,000.00	101.668	254,170.00	252,279.96	100.374	250,935.37	595		4.362	4.362	AA
91282CMW8	10/10/25	US GOVT	U.S. Treasury Note	3.750	04/15/28			5,000,000.00	100.340	5,016,992.19	5,012,262.12	99.285	4,964,257.80	655		3.607	3.607	AA+
91282CCH2	09/19/25	US GOVT	U.S. Treasury Note	1.250	06/30/28			5,000,000.00	93.988	4,699,414.06	4,781,144.94	94.461	4,723,046.85	731		3.539	3.539	AA+
010878BG0	01/24/25	MUNI	ALAMEDA CNTY CALIF	3.519	08/01/28			2,000,000.00	96.873	1,937,460.00	1,961,758.62	98.366	1,967,320.95	763		4.490	4.490	AAA
362835BY5	01/09/25	MUNI	GAINESVILLE FLA SPL OBLIG	1.835	10/01/28			3,000,000.00	90.534	2,716,020.00	2,822,768.98	94.702	2,841,045.64	824		4.630	4.630	AA-
880558NX5	01/06/25	MUNI	TENNESSEE ST SCH BD AUTH	1.126	11/01/28			3,000,000.00	88.055	2,641,640.00	2,773,681.58	93.049	2,791,463.29	855		4.572	4.572	AA+
91282CQE4	03/16/26	US GOVT	U.S. Treasury Note	3.500	03/15/29			5,000,000.00	99.328	4,966,406.25	4,969,518.25	98.324	4,916,210.95	989		3.739	3.739	AA+
3133EWLL2	04/17/26	AGCY CALL	FFCB	4.090	04/16/29	04/16/27	Continuous	5,000,000.00	100.000	5,000,000.00	5,000,000.00	99.095	4,954,740.00	1,021	290	4.090	4.090	AA+
3133ERZD6	11/01/24	AGCY	FFCB	4.000	11/01/29			5,000,000.00	99.417	4,970,861.00	4,979,915.32	99.244	4,962,190.00	1,220		4.130	4.130	AA+
91282CNG2	06/15/26	US GOVT	U.S. Treasury Note	4.000	05/31/30			5,000,000.00	99.363	4,968,164.06	4,968,497.30	99.336	4,966,796.85	1,431		4.176	4.176	AA+
Total Pooled Fund								**143,320,333.36**		**140,473,315.07**	**142,011,958.32**		**141,786,981.41**	**356**	**145**	**3.899**	**3.899**	

Detail of Security Holdings

CUSIP	Settle Date	Security Type	Security Description	CPN	Maturity Date	Next Call Date	Call Type	Par Value	Purch Price	Original Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW	Rating
Grand Total								**143,320,333.36**		**140,473,315.07**	**142,011,958.32**		**141,786,981.41**	**356**	**145**	**3.899**	**3.899**	

Earned Income

CUSIP	Security Type	Detailed Security Description	Beginning Accrued	Interest Earned	Interest Rec'd/ Sold/Matured	Interest Purchased	Ending Accrued	Disc Accr/Prem Amort	Net Realized Gain/Loss	Net Income
Pooled Fund										
LOGIC	LGIP	LOGIC	0.00	662,801.00	662,801.00	0.00	0.00	0.00	0.00	662,801.00
TEXPOOL	LGIP	TexPool	0.00	29,224.03	29,224.03	0.00	0.00	0.00	0.00	29,224.03
91282CJT9	US GOVT	U.S. Treasury Note 4.0 01/15/2027	41,988.95	50,276.24	0.00	0.00	92,265.19	(5,422.54)	0.00	44,853.70
6071143K9	MUNI	MOBILE ALA 3.024 02/15/2027	9,737.28	19,051.20	0.00	0.00	28,788.48	8,835.23	0.00	27,886.43
64985TDD0	MUNI	NEW YORK ST URBAN DEV CORP ST SALES TAX REV 1.55 03/15/2027	1,377.78	7,750.00	0.00	0.00	9,127.78	12,389.26	0.00	20,139.26
3133ET6T9	AGCY CALL	FFCB 3.6 04/09/2027	41,000.00	45,000.00	45,000.00	0.00	41,000.00	424.94	0.00	45,424.94
3130B6R24	AGCY	FHLB 3.875 06/04/2027	62,968.75	48,437.50	96,875.00	0.00	14,531.25	296.99	0.00	48,734.49
341271AE4	MUNI	FLORIDA ST BRD ADMIN FIN CORP REV 1.705 07/01/2027	21,312.50	21,312.50	0.00	0.00	42,625.00	30,165.65	0.00	51,478.15
796720NT3	MUNI	SAN BERNARDINO CALIF CMNTY COLLEGE DIST 1.61 08/01/2027	8,989.17	13,483.75	0.00	0.00	22,472.92	23,147.27	0.00	36,631.02
960895YY0	MUNI	WESTMORELAND CNTY PA 1.51 08/15/2027	5,933.04	11,608.13	0.00	0.00	17,541.17	19,647.96	0.00	31,256.08
3133ETB22	AGCY CALL	FFCB 3.73 09/30/2027	518.06	46,625.00	0.00	0.00	47,143.06	428.80	0.00	47,053.80
68607DVD4	MUNI	OREGON ST DEPT TRANSN HWY USER TAX REV 1.084 11/15/2027	20,475.56	13,550.00	27,100.00	0.00	6,925.56	37,176.04	0.00	50,726.04
426272EQ9	MUNI	HENRY & WHITESIDE CNTYS ILL CMNTY UNIT SCH DIST NO 4.95 02/15/2028	1,581.25	3,093.75	0.00	0.00	4,675.00	(339.00)	0.00	2,754.75
91282CMW8	US GOVT	U.S. Treasury Note 3.75 04/15/2028	86,538.46	46,658.26	93,750.00	0.00	39,446.72	(1,649.88)	0.00	45,008.38
91282CCH2	US GOVT	U.S. Treasury Note 1.25 06/30/2028	15,711.33	15,708.51	31,250.00	0.00	169.84	26,357.90	0.00	42,066.41
010878BG0	MUNI	ALAMEDA CNTY CALIF 3.519 08/01/2028	11,730.00	17,595.00	0.00	0.00	29,325.00	4,368.76	0.00	21,963.76
362835BY5	MUNI	GAINESVILLE FLA SPL OBLIG 1.835 10/01/2028	27,525.00	13,762.50	27,525.00	0.00	13,762.50	18,594.43	0.00	32,356.93
880558NX5	MUNI	TENNESSEE ST SCH BD AUTH 1.126 11/01/2028	14,075.00	8,445.00	16,890.00	0.00	5,630.00	22,785.46	0.00	31,230.46
91282CQE4	US GOVT	U.S. Treasury Note 3.5 03/15/2029	8,084.24	43,274.46	0.00	0.00	51,358.70	2,646.65	0.00	45,921.11
3133EWLL2	AGCY CALL	FFCB 4.09 04/16/2029	0.00	42,036.11	0.00	(568.06)	42,604.17	0.00	0.00	42,036.11
3133ERZD6	AGCY	FFCB 4.0 11/01/2029	83,333.33	50,000.00	100,000.00	0.00	33,333.33	1,393.78	0.00	51,393.78
91282CNG2	US GOVT	U.S. Treasury Note 4.0 05/31/2030	0.00	8,743.17	0.00	(8,196.72)	16,939.89	333.24	0.00	9,076.41
Total Pooled Fund			**462,879.69**	**1,218,436.10**	**1,130,415.03**	**(8,764.78)**	**559,665.54**	**201,580.93**	**0.00**	**1,420,017.04**
Grand Total			**462,879.69**	**1,218,436.10**	**1,130,415.03**	**(8,764.78)**	**559,665.54**	**201,580.93**	**0.00**	**1,420,017.04**

Investment Transactions

CUSIP	Trade Date	Settle Date	Security Type	Security Description	Coupon	Maturity Date	Call Date	Par Value	Price	Principal Amount	Interest Purchased/ Received	Total Amount	Realized Gain/ Loss	YTM	YTW
Pooled Fund															
Buy															
3133EWLL2	04/15/26	04/17/26	AGCY CALL	FFCB	4.090	04/16/29	04/16/27	5,000,000.00	100.000	5,000,000.00	568.06	5,000,568.06	0.00	4.090	4.090
91282CNG2	06/12/26	06/15/26	US GOVT	U.S. Treasury Note	4.000	05/31/30		5,000,000.00	99.363	4,968,164.06	8,196.72	4,976,360.78	0.00	4.176	4.176
Total Buy								**10,000,000.00**		**9,968,164.06**	**8,764.78**	**9,976,928.84**	**0.00**		
Coupon															
362835BY5	04/01/26	04/01/26	MUNI	GAINESVILLE FLA SPL OBLIG	1.835	10/01/28		0.00		0.00	27,525.00	27,525.00	0.00	--	--
3133ET6T9	04/09/26	04/09/26	AGCY CALL	FFCB	3.600	04/09/27	07/09/26	0.00		0.00	45,000.00	45,000.00	0.00	--	--
91282CMW8	04/15/26	04/15/26	US GOVT	U.S. Treasury Note	3.750	04/15/28		0.00		0.00	93,750.00	93,750.00	0.00	--	--
880558NX5	05/01/26	05/01/26	MUNI	TENNESSEE ST SCH BD AUTH	1.126	11/01/28		0.00		0.00	16,890.00	16,890.00	0.00	--	--
3133ERZD6	05/01/26	05/01/26	AGCY	FFCB	4.000	11/01/29		0.00		0.00	100,000.00	100,000.00	0.00	--	--
68607DVD4	05/15/26	05/15/26	MUNI	OREGON ST DEPT TRANSN HWY USER TAX REV	1.084	11/15/27		0.00		0.00	27,100.00	27,100.00	0.00	--	--
3130B6R24	06/04/26	06/04/26	AGCY	FHLB	3.875	06/04/27		0.00		0.00	96,875.00	96,875.00	0.00	--	--
91282CCH2	06/30/26	06/30/26	US GOVT	U.S. Treasury Note	1.250	06/30/28		0.00		0.00	31,250.00	31,250.00	0.00	--	--
Total Coupon								**0.00**		**0.00**	**438,390.00**	**438,390.00**	**0.00**		

Investment Transactions Totals

Transaction Type	Quantity	Principal Amount	Interest	Total Amount	Realized G/L	YTM	YTW
Total Buy	10,000,000.00	(9,968,164.06)	(8,764.78)	(9,976,928.84)	0.00	4.133	4.133
Total Coupon	0.00	0.00	438,390.00	438,390.00	0.00		

Amortization and Accretion

CUSIP	Settle Date	Security Type	Detailed Security Description	Purchase Qty	Orig Price	Original Cost	Amort/Accr for Period	Total Amort/Accr Since Purch	Remaining Disc/ Premium	Ending Book Value
Pooled Fund										
91282CJT9	12/15/25	US GOVT	U.S. Treasury Note 4.0 01/15/2027	5,000,000.00	100.469	5,023,437.50	(5,422.54)	(11,626.16)	11,811.34	5,011,811.34
6071143K9	07/26/24	MUNI	MOBILE ALA 3.024 02/15/2027	2,520,000.00	96.522	2,432,354.40	8,835.23	65,309.35	(22,336.25)	2,497,663.75
64985TDD0	10/25/24	MUNI	NEW YORK ST URBAN DEV CORP ST SALES TAX REV 1.55 03/15/2027	2,000,000.00	94.127	1,882,540.00	12,389.26	81,541.00	(35,919.00)	1,964,081.00
3133ET6T9	01/28/26	AGCY CALL	FFCB 3.6 04/09/2027	5,000,000.00	99.960	4,998,000.00	424.94	619.14	(1,380.86)	4,998,619.14
3130B6R24	07/11/25	AGCY	FHLB 3.875 06/04/2027	5,000,000.00	99.953	4,997,650.00	296.99	1,221.09	(1,128.91)	4,998,871.09
341271AE4	04/11/23	MUNI	FLORIDA ST BRD ADMIN FIN CORP REV 1.705 07/01/2027	5,000,000.00	90.219	4,510,950.00	30,165.65	365,187.62	(123,862.38)	4,876,137.62
796720NT3	01/15/25	MUNI	SAN BERNARDINO CALIF CMNTY COLLEGE DIST 1.61 08/01/2027	3,350,000.00	93.016	3,116,036.00	23,147.27	130,831.84	(103,132.16)	3,246,867.84
960895YY0	10/25/24	MUNI	WESTMORELAND CNTY PA 1.51 08/15/2027	3,075,000.00	92.915	2,857,136.25	19,647.96	127,498.97	(90,364.78)	2,984,635.22
3133ETB22	10/10/25	AGCY CALL	FFCB 3.73 09/30/2027	5,000,000.00	99.930	4,996,500.00	428.80	1,287.87	(2,212.13)	4,997,787.87
68607DVD4	06/20/23	MUNI	OREGON ST DEPT TRANSN HWY USER TAX REV 1.084 11/15/2027	5,000,000.00	87.245	4,362,250.00	37,176.04	426,073.02	(211,676.98)	4,788,323.02
426272EQ9	01/30/25	MUNI	HENRY & WHITESIDE CNTYS ILL CMNTY UNIT SCH DIST NO 4.95 02/15/2028	250,000.00	101.668	254,170.00	(339.00)	(1,890.04)	2,279.96	252,279.96
91282CMW8	10/10/25	US GOVT	U.S. Treasury Note 3.75 04/15/2028	5,000,000.00	100.340	5,016,992.19	(1,649.88)	(4,730.07)	12,262.12	5,012,262.12
91282CCH2	09/19/25	US GOVT	U.S. Treasury Note 1.25 06/30/2028	5,000,000.00	93.988	4,699,414.06	26,357.90	81,730.88	(218,855.06)	4,781,144.94
010878BG0	01/24/25	MUNI	ALAMEDA CNTY CALIF 3.519 08/01/2028	2,000,000.00	96.873	1,937,460.00	4,368.76	24,298.62	(38,241.38)	1,961,758.62
362835BY5	01/09/25	MUNI	GAINESVILLE FLA SPL OBLIG 1.835 10/01/2028	3,000,000.00	90.534	2,716,020.00	18,594.43	106,748.98	(177,231.02)	2,822,768.98
880558NX5	01/06/25	MUNI	TENNESSEE ST SCH BD AUTH 1.126 11/01/2028	3,000,000.00	88.055	2,641,640.00	22,785.46	132,041.58	(226,318.42)	2,773,681.58
91282CQE4	03/16/26	US GOVT	U.S. Treasury Note 3.5 03/15/2029	5,000,000.00	99.328	4,966,406.25	2,646.65	3,112.00	(30,481.75)	4,969,518.25
3133EWLL2	04/17/26	AGCY CALL	FFCB 4.09 04/16/2029	5,000,000.00	100.000	5,000,000.00	0.00	0.00	0.00	5,000,000.00
3133ERZD6	11/01/24	AGCY	FFCB 4.0 11/01/2029	5,000,000.00	99.417	4,970,861.00	1,393.78	9,054.32	(20,084.68)	4,979,915.32
91282CNG2	06/15/26	US GOVT	U.S. Treasury Note 4.0 05/31/2030	5,000,000.00	99.363	4,968,164.06	333.24	333.24	(31,502.70)	4,968,497.30
Total Pooled Fund				**79,195,000.00**		**76,347,981.71**	**201,580.93**	**1,538,643.25**	**(1,308,375.04)**	**77,886,624.96**
Grand Total				**79,195,000.00**		**76,347,981.71**	**201,580.93**	**1,538,643.25**	**(1,308,375.04)**	**77,886,624.96**

Projected Cash Flows

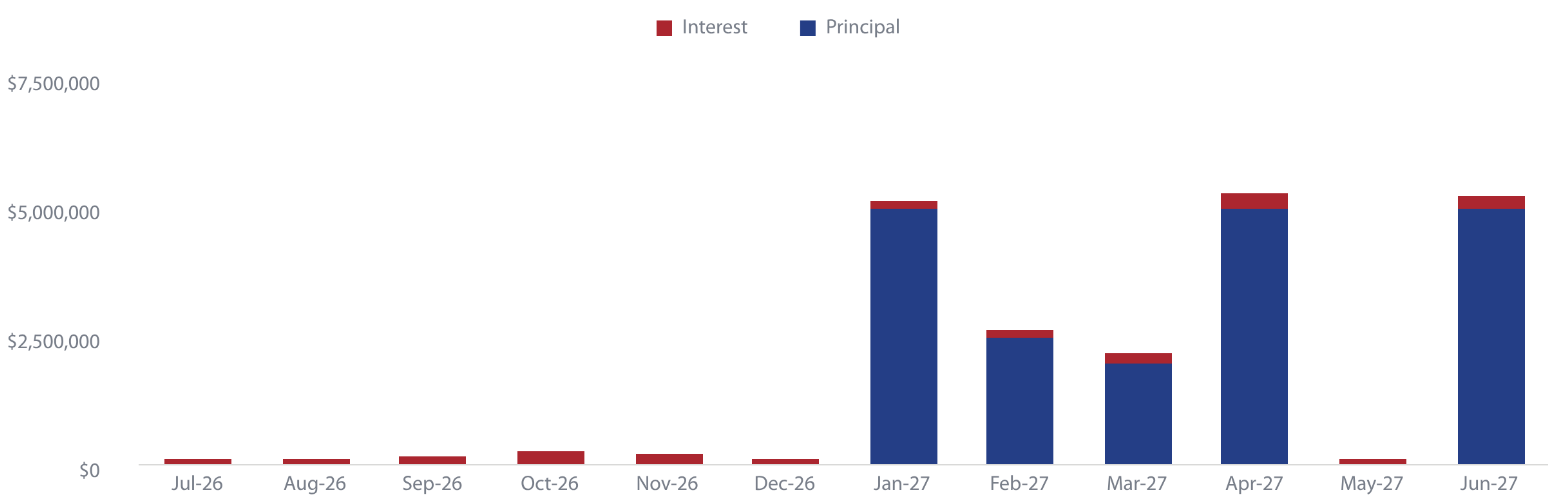
CUSIP	Detailed Security Description	Post Date	Interest	Principal	Total Amount
Pooled Fund					
341271AE4	FLORIDA ST BRD ADMIN FIN CORP REV 1.705 07/01/2027	07/01/26	42,625.00		42,625.00
91282CJT9	U.S. Treasury Note 4.0 01/15/2027	07/15/26	100,000.00		100,000.00
010878BG0	ALAMEDA CNTY CALIF 3.519 08/01/2028	08/03/26	35,190.00		35,190.00
796720NT3	SAN BERNARDINO CALIF CMNTY COLLEGE DIST 1.61 08/01/2027	08/03/26	26,967.50		26,967.50
426272EQ9	HENRY & WHITESIDE CNTYS ILL CMNTY UNIT SCH DIST NO 4.95 02/15/2028	08/17/26	6,187.50		6,187.50
6071143K9	MOBILE ALA 3.024 02/15/2027	08/17/26	38,102.40		38,102.40
960895YY0	WESTMORELAND CNTY PA 1.51 08/15/2027	08/17/26	23,216.25		23,216.25
64985TDD0	NEW YORK ST URBAN DEV CORP ST SALES TAX REV 1.55 03/15/2027	09/15/26	15,500.00		15,500.00
91282CQE4	U.S. Treasury Note 3.5 03/15/2029	09/15/26	87,500.00		87,500.00
3133ETB22	FFCB 3.73 09/30/2027	09/30/26	93,250.00		93,250.00
362835BY5	GAINESVILLE FLA SPL OBLIG 1.835 10/01/2028	10/01/26	27,525.00		27,525.00
3133ET6T9	FFCB 3.6 04/09/2027	10/09/26	90,000.00		90,000.00
91282CMW8	U.S. Treasury Note 3.75 04/15/2028	10/15/26	93,750.00		93,750.00
3133EWLL2	FFCB 4.09 04/16/2029	10/16/26	102,250.00		102,250.00
3133ERZD6	FFCB 4.0 11/01/2029	11/02/26	100,000.00		100,000.00
880558NX5	TENNESSEE ST SCH BD AUTH 1.126 11/01/2028	11/02/26	16,890.00		16,890.00
68607DVD4	OREGON ST DEPT TRANSN HWY USER TAX REV 1.084 11/15/2027	11/16/26	27,100.00		27,100.00
91282CNG2	U.S. Treasury Note 4.0 05/31/2030	11/30/26	100,000.00		100,000.00
3130B6R24	FHLB 3.875 06/04/2027	12/04/26	96,875.00		96,875.00
91282CCH2	U.S. Treasury Note 1.25 06/30/2028	12/31/26	31,250.00		31,250.00
341271AE4	FLORIDA ST BRD ADMIN FIN CORP REV 1.705 07/01/2027	01/04/27	42,625.00		42,625.00
91282CJT9	U.S. Treasury Note 4.0 01/15/2027	01/15/27	100,000.00		100,000.00
91282CJT9	U.S. Treasury Note 4.0 01/15/2027	01/15/27		5,000,000.00	5,000,000.00
010878BG0	ALAMEDA CNTY CALIF 3.519 08/01/2028	02/01/27	35,190.00		35,190.00
796720NT3	SAN BERNARDINO CALIF CMNTY COLLEGE DIST 1.61 08/01/2027	02/01/27	26,967.50		26,967.50
426272EQ9	HENRY & WHITESIDE CNTYS ILL CMNTY UNIT SCH DIST NO 4.95 02/15/2028	02/16/27	6,187.50		6,187.50
6071143K9	MOBILE ALA 3.024 02/15/2027	02/16/27	38,102.40		38,102.40
6071143K9	MOBILE ALA 3.024 02/15/2027	02/16/27		2,520,000.00	2,520,000.00
960895YY0	WESTMORELAND CNTY PA 1.51 08/15/2027	02/16/27	23,216.25		23,216.25
64985TDD0	NEW YORK ST URBAN DEV CORP ST SALES TAX REV 1.55 03/15/2027	03/15/27	15,500.00		15,500.00

Projected Cash Flows

CUSIP	Detailed Security Description	Post Date	Interest	Principal	Total Amount
64985TDD0	NEW YORK ST URBAN DEV CORP ST SALES TAX REV 1.55 03/15/2027	03/15/27		2,000,000.00	2,000,000.00
91282CQE4	U.S. Treasury Note 3.5 03/15/2029	03/15/27	87,500.00		87,500.00
3133ETB22	FFCB 3.73 09/30/2027	03/30/27	93,250.00		93,250.00
362835BY5	GAINESVILLE FLA SPL OBLIG 1.835 10/01/2028	04/01/27	27,525.00		27,525.00
3133ET6T9	FFCB 3.6 04/09/2027	04/09/27	90,000.00		90,000.00
3133ET6T9	FFCB 3.6 04/09/2027	04/09/27		5,000,000.00	5,000,000.00
91282CMW8	U.S. Treasury Note 3.75 04/15/2028	04/15/27	93,750.00		93,750.00
3133EWLL2	FFCB 4.09 04/16/2029	04/16/27	102,250.00		102,250.00
3133ERZD6	FFCB 4.0 11/01/2029	05/03/27	100,000.00		100,000.00
880558NX5	TENNESSEE ST SCH BD AUTH 1.126 11/01/2028	05/03/27	16,890.00		16,890.00
68607DVD4	OREGON ST DEPT TRANSN HWY USER TAX REV 1.084 11/15/2027	05/17/27	27,100.00		27,100.00
91282CNG2	U.S. Treasury Note 4.0 05/31/2030	06/01/27	100,000.00		100,000.00
3130B6R24	FHLB 3.875 06/04/2027	06/04/27	96,875.00		96,875.00
3130B6R24	FHLB 3.875 06/04/2027	06/04/27		5,000,000.00	5,000,000.00
91282CCH2	U.S. Treasury Note 1.25 06/30/2028	06/30/27	31,250.00		31,250.00
Grand Total			**2,308,357.30**	**19,520,000.00**	**21,828,357.30**

Projected Cash Flows Totals

Month and Year	Interest	Principal	Total Amount
July 2026	142,625.00		142,625.00
August 2026	129,663.65		129,663.65
September 2026	196,250.00		196,250.00
October 2026	313,525.00		313,525.00
November 2026	243,990.00		243,990.00
December 2026	128,125.00		128,125.00
January 2027	142,625.00	5,000,000.00	5,142,625.00
February 2027	129,663.65	2,520,000.00	2,649,663.65
March 2027	196,250.00	2,000,000.00	2,196,250.00
April 2027	313,525.00	5,000,000.00	5,313,525.00
May 2027	143,990.00		143,990.00
June 2027	228,125.00	5,000,000.00	5,228,125.00
Total	**2,308,357.30**	**19,520,000.00**	**21,828,357.30**



Disclosures & Disclaimers

As a courtesy to investors this information: (1) is provided for informational purposes only; (2) should not be construed as an offer to sell or a solicitation of an offer to buy any security; and (3) does not replace customer statements.

This report is designed to provide general information and is not intended to provide specific legal, investment, accounting, tax or other professional advice.

It is important to review and save all source documents provided by a product sponsor or brokerage firm which may contain notices, disclosures and other information important to you and may also serve as a reference. If conflicts between this report and sponsor reports or confirmations exist, the information provided by the product sponsors shall prevail. Fees and sales charges paid may not be reflected in the information.

The information and data contained herein is obtained from sources believed to be reliable but its accuracy or completeness is not guaranteed. Additionally, the information may contain assets held away from HTS, therefore investors should contact customer service or other representatives from the respective distributors or issuers to determine SIPC coverage for heldaway assets. HTS and HSAM do not guarantee the information contained herein or its accuracy or completeness regarding contributions, withdrawals, protected values. All information is subject to further review with client to validate final values.

It is not possible to directly invest in an index. Financial forecasts, rates of return, risk, inflation, and other assumptions may be used as the basis for illustrations. They should not be considered a guarantee of future performance or a guarantee of achieving overall financial objectives. Past performance is not a guarantee or a predictor of future results of either the indices or any particular investment. S&P rates the creditworthiness of individual bonds from: AAA highest to D lowest.

Investing in fixed income securities involves interest rate risk, credit risk, and inflation risk. Interest rate risk is the possibility that bond prices will decrease because of an interest rate increase. When interest rates rise, bond prices and the values of fixed income securities fall. When interest rates fall, bond prices and the values of fixed income securities rise. Credit risk is the risk that a company will not be able to pay its debts, including the interest on its bonds. Inflation risk is the possibility that the interest paid on an investment in bonds will be lower than the inflation rate, decreasing purchasing power.

Cash alternatives typically include money market securities and U.S. treasury bills. Investing in such cash alternatives involves inflation risk. In addition, investments in money market securities may involve credit risk and a risk of principal loss. Because money market securities are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency, there is no guarantee the value of your investment will be maintained at $1.00 per share, and your shares, when sold, may be worth more or less than what you originally paid for them. U.S. Treasury bills are subject to market risk if sold prior to maturity. Market risk is the possibility that the value, when sold, might be less than the purchase price.

Investing in stock securities involves volatility risk, market risk, business risk, and industry risk. The prices of most stocks fluctuate. Volatility risk is the chance that the value of a stock will fall. Market risk is the chance that the prices of all stocks will fall due to conditions in the economic environment. Business risk is the chance that a specific company's stock will fall because of issues affecting it. Industry risk is the chance that a set of factors particular to an industry group will adversely affect stock prices within the industry.

Securities offered by HTS: (1) are not FDIC (Federal Deposit Insurance Corporation) insured; (2) are not bank deposits; (3) are not guaranteed by any bank or by any other federal government agency. None of the named entities are affiliates of HTS or HSAM.Hilltop Securities Asset Management (HSAM) is an SEC-registered investment advisor. Hilltop Securities Inc. (HTS) is a registered broker-dealer, registered investment adviser and municipal advisor firm that does not provide tax or legal advice. Member of FINRA & SIPC. HTS and HSAM are wholly owned subsidiaries of Hilltop Holdings, Inc. (NYSE: HTH) located at 717 N. Harwood St., Suite 3400, Dallas, Texas 75201, (214) 859-1800, 833-4HILLTOP.