



City of San Marcos

Quarterly Investment Report

Quarter Ended March 31, 2026



Overview of the Economy

- The Federal Open Market Committee has held steady so far this quarter, keeping the effective rate at 3.50% to 3.75%
- The rate of inflation has slowed, but cumulative inflation is above average
- At the end of March, futures market data are projecting the Fed to be on hold this year
- Inflation in March 2026
 - Consumer Price Index: 3.3%, less food and energy: 2.6%
- Unemployment as of March 2026 (Unadjusted)
 - San Marcos: 3.3%
 - Texas: 4.1%
 - US: 4.3%



Quarter End Results

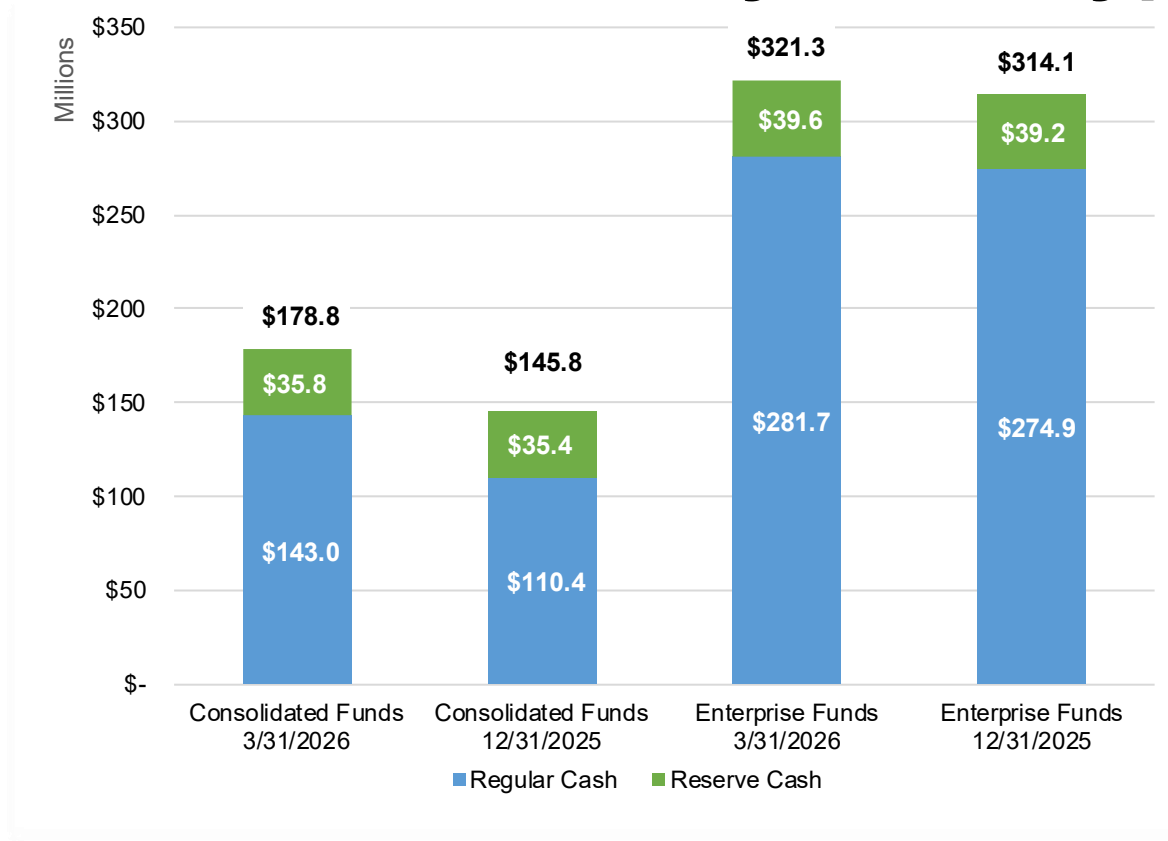
Asset Type	March 31, 2026		December 31, 2025	
	Par Value	Market Value	Par Value	Market Value
Pools/MMA	\$ 224,679,217	\$ 224,679,217	\$ 179,724,669	\$ 179,724,669
Securities	275,315,000	273,551,315	280,140,000	278,787,339
Demand Accounts	96,007	96,007	94,606	94,606
Totals	\$ 500,090,224	\$ 498,326,539	\$ 459,959,275	\$ 458,606,614

Current Quarter Average Yield		Rolling Twelve Month Average Yield	
Total Portfolio	3.78%	Total Portfolio	4.08%
Quarterly Two Year Treasury	3.58%	Rolling Two Year Treasury	3.67%

	Interest Earnings	Bank Fees Offset
2nd Quarter	\$ 4,531,900	\$ 11,619
YTD	\$ 9,355,484	\$ 29,846



Investment Value by Fund Type





Consolidated Funds *as of 3/31/2026*

Consolidated by Fund	\$ 178,750,267	% of Total
Governmental CIP	68,833,799	38.50%
General Fund	35,603,180	19.92%
General Fund Reserves	30,181,797	16.88%
Debt Service Fund	24,513,190	13.71%
Special Revenue Funds*	8,020,417	4.49%
Health Insurance Fund	6,522,858	3.65%
Debt Service Fund Reserves	3,624,834	2.03%
Special Revenue Funds Reserves**	1,449,421	0.81%
Primary Bank Depository	771	0.00%

*Special Revenue includes 25 funds (HOT, ARP, Community Enhancement, CDBG, etc.)

**Special Revenue Funds Reserves includes Community Enhancement and HOT



Enterprise Funds *as of 3/31/2026*

Enterprise by Fund	\$ 321,339,957	% of Total
W/WW Utility CIP	159,490,986	49.63%
Electric Utility CIP	53,499,183	16.65%
Stormwater Utility CIP	42,914,914	13.35%
Electric Utility Fund Reserves	19,003,576	5.91%
W/WW Utility Fund Reserves	17,462,159	5.43%
W/WW Utility Fund	14,735,838	4.59%
Electric Utility Fund	7,967,458	2.48%
Resource Recovery Fund	2,000,000	0.62%
Resource Recovery Fund Reserves	1,399,817	0.44%
Stormwater Utility Fund Reserves	1,242,343	0.39%
Stormwater Utility Fund	1,003,656	0.31%
Transit Fund Reserves	524,791	0.16%
Primary Bank Depository	95,236	0.03%



Investment Diversification *as of 3/31/2026*

Security Type	*Allowable %	FY2026 Q2	FY2026 Q1
Local Government Investment Pools	100.0%	38.99%	35.48%
U.S. Treasuries	100.0%	22.30%	24.10%
Federal Agency Coupon Securities	80.0%	13.19%	15.45%
Commercial Paper	40.0%	10.18%	11.19%
State and Municipal Bonds	20.0%	9.22%	10.05%
Money Market Mutual Funds	70.0%	6.10%	3.71%
Primary Bank Depository	100.0%	0.02%	0.02%
Total		100.0%	100.0%

*Allowable investment percentage per the City of San Marcos Investment Policy



Yields as compared to Benchmark

