



City of San Marcos

Quarterly Investment Report

Quarter Ended September 30, 2025



Overview of the Economy

- The Federal Open Market Committee made one 25-basis point cut in September setting the federal funds rate at 4.00% to 4.25%.
- The Committee is trying to reduce inflation to a rate of 2% over time
- Due to the government shutdown no economic data has been collected since August (Except for the Consumer Price Index)
- Inflation in September 2025
 - Consumer Price Index: 3.0%, less food and energy: 3.0%
- Unemployment as of August 2025 (Unadjusted)
 - San Marcos: 4.1%
 - Texas: 4.7%
 - US: 4.5%



Quarter End Results

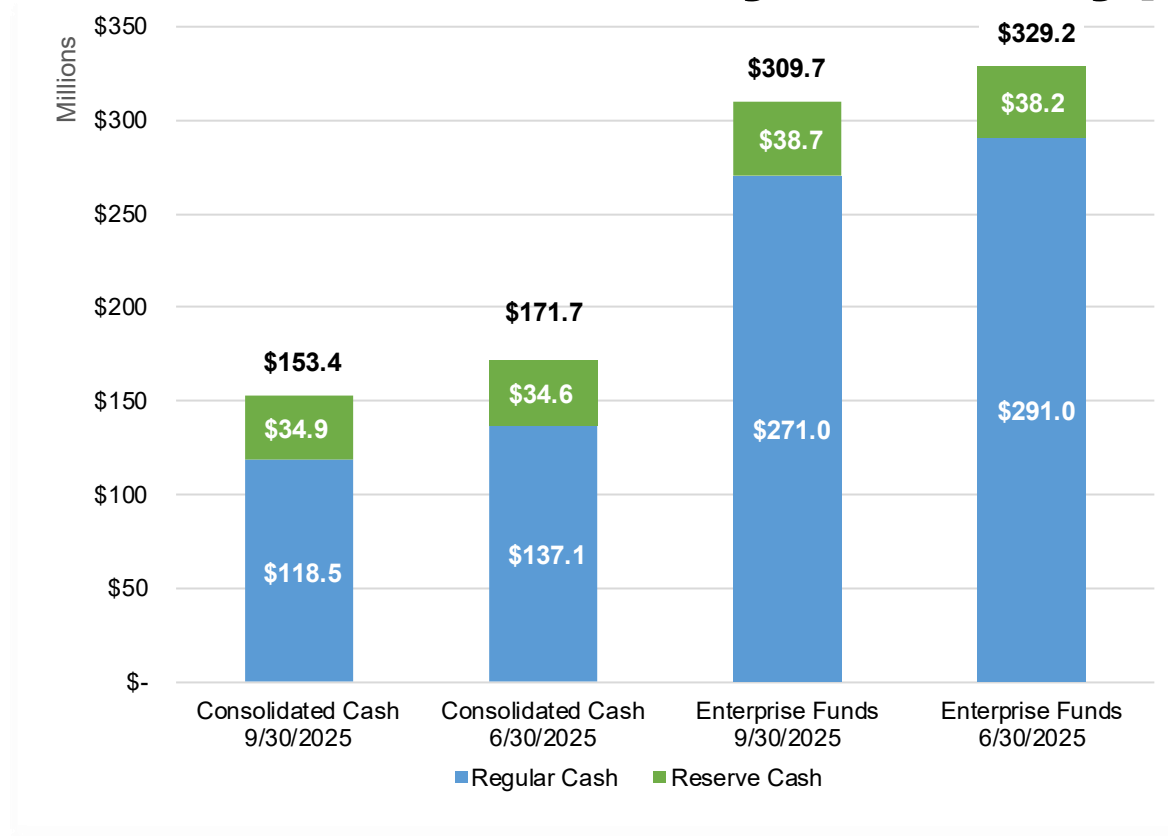
Asset Type	September 30, 2025		June 30, 2025	
	Par Value	Market Value	Par Value	Market Value
Pools/MMA	\$ 347,874,351	\$ 347,874,351	\$ 347,512,421	\$ 347,512,421
Securities	114,780,000	114,917,702	152,780,000	152,654,566
Demand Accounts	442,128	442,128	653,381	653,381
Totals	\$ 463,096,479	\$ 463,234,181	\$ 500,945,802	\$ 500,820,368

Current Quarter Average Yield		Rolling Twelve Month Average Yield	
Total Portfolio	4.28%	Total Portfolio	4.46%
Quarterly Six Month Treasury	4.08%	Rolling Six Month Treasury	4.26%
Quarterly Twelve Month Treasury	3.88%	Rolling Twelve Month Treasury	4.08%

	Interest Earnings	Bank Fees Offset
4th Quarter	\$ 4,942,339	\$ 13,093



Investment Value by Fund Type





Pooled Portfolio By Fund *as of 9/30/2025*

Consolidated Cash by Fund	\$ 153,389,242	% of Total
Governmental CIP	67,246,925	43.84%
General Fund Reserves	29,458,833	19.21%
Special Revenue Funds*	16,617,128	10.83%
Debt Service Fund	15,798,247	10.30%
General Fund	13,601,815	8.87%
Internal Service Fund	5,205,204	3.39%
Debt Service Fund Reserves	3,526,028	2.30%
Special Revenue Funds Reserves**	1,425,597	0.93%
Health Insurance Trust Fund	500,000	0.33%
Primary Bank Depository	9,465	0.01%

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

**Special Revenue Funds Reserves includes Community Enhancement and HOT

Enterprise Portfolio By Fund *as of 9/30/2025*



Enterprise Fund by Fund	\$ 309,707,264	% of Total
W/WW Utility CIP	154,710,384	49.95%
Electric Utility CIP	52,756,668	17.03%
Stormwater Utility CIP	42,082,349	13.59%
Electric Utility Fund Reserves	18,527,515	5.98%
W/WW Utility Fund Reserves	17,078,900	5.51%
W/WW Utility Fund	8,847,996	2.86%
Electric Utility Fund	8,210,797	2.65%
Resource Recovery Fund	2,499,708	0.81%
Stormwater Utility Fund	1,507,180	0.49%
Resource Recovery Fund Reserves	1,344,134	0.43%
Stormwater Utility Fund Reserves	1,228,340	0.40%
Transit Fund Reserves	480,630	0.16%
Primary Bank Depository	432,663	0.14%



Investment Diversification *as of 9/30/2025*

Security Type	*Allowable %	FY2025 Q4	FY2025 Q3
Local Government Investment Pools	100.0%	48.88%	53.52%
Federal Agency Coupon Securities	80.0%	21.64%	24.36%
Money Market Mutual Funds	50.0%	26.21%	15.87%
State and Municipal Bonds	50.0%	3.17%	6.12%
Primary Bank Depository	100.0%	0.10%	0.13%
Total		100.0%	100.0%

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



Yields as compared to Benchmark

