



***Investment Advisory Board
Meeting
City of Rio Rancho
AGENDA
February 18, 2026
6:00 PM
City Council Chambers***

Investment Advisory Board Members

Van Billops, District 1	Vacant, District 2
Vacant, District 3	Ron Baker, District 4
Chandra McCray, District 5	Kelly Wainwright, District 6
David Jablonski, At-Large	

Meeting Information

This meeting will be conducted in-person. A live stream of the meeting can be viewed on the City of Rio Rancho website at <https://rrnm.gov/2303/Watch-and-Download-City-Meetings>

Pursuant to the Rules of Procedures, any person wishing to address the Board related to an item listed under Discussion and Deliberation, shall register in person with the designated City staff person no later than fifteen (15) minutes prior to the scheduled start time of a meeting. No more than two (2) hours in total will be allotted for comments pertaining to a specific agenda item at any meeting. A majority vote of the Board members present may approve to extend the total amount of time allotted for public input related to a specific agenda item at a meeting.

Public input can be submitted in writing to the designated City staff person prior to the date of the meeting in which the item is scheduled to be heard; however, only public input received before 4 p.m. on the day of the meeting will be entered into the record prior to the meeting.

If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at 505-891-5004 at least forty-eight (48) hours in advance to make arrangements. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk if a summary or other type of accessible format is needed.

Call to Order and Pledge of Allegiance

Consent Calendar

There will be no discussion of these items unless a Board Member so requests, in which event the item will be moved to a discussion item on the regular agenda.

- [1 Approval of November 19, 2025, Minutes](#)
[IAB -DRAFT 111925 Minutes](#)

Staff Presentations, Reports and Comments

Public Hearings

Pursuant to the Boards, Commissions, Committees and Advisory Bodies Rules of Procedure, all aggrieved persons, and materially relevant witnesses sponsored by such interested persons, wishing to address the Governing Body shall register in person or via specified communications technology/equipment with the City Clerk no later than fifteen (15) minutes prior the scheduled start time of a related hearing.

Discussion and Deliberation

- 2 Selection of Chair and Vice-Chair
- 3 Review and Input on the Permanent Fund Performance
REVISED Quarterly Presentation
Quarterly Presentation December 2025
- 4 Review and Input on the Core and Liquidity Portfolios Performance
REVISED Quarterly Presentation December 2025
Total Portfolio Quarterly Presentation December 2025.
- 5 Permanent Fund Investment Policy Statement Revision
GPA 2026 Perm Fund Investment Policy Memo
Policy Statement Revised_Draft
- 6 Recommended uses of the 2026 Permanent Fund Distribution
REVISED FY26 IAB Recommendation for Distribution
FY26 IAB Recommendation for Distribution
Rio Rancho ICIP 2026-2030

Comments by Members

- . **Public Forum**
Any person wishing to address a board, commission, committee, or advisory body related to a non-agenda item shall register in person with the applicable City staff person no later than fifteen (15) minutes prior to the scheduled start time of a meeting. No more than two (2) hours in total will be allotted for public forum comments at any meeting. A majority vote of the board, commission, committee, or advisory body members present may approve to extend the total amount of time allotted for public forum at a meeting.

Adjournment



**CITY OF RIO RANCHO
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Legislation Item:

AGENDA DATE:
February 18, 2026

DEPARTMENT:
City Clerk

SUBJECT:
Approval of November 19, 2025, Minutes

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:

ATTACHMENT: [IAB -DRAFT 111925 Minutes](#)



Investment Advisory Board
Meeting
MINUTES
NOVEMBER 19, 2025
6:00 PM
Council Chambers

Members Present:

Ron Baker, District 4
Chandra McCray, District 5
Kelly Wainwright, District 6
David Jablonski, At-Large

Staff Present:

Stephanie Yara, Director of Financial Services
Noel Davis, City Clerk

Members Absent

Van Billops, District 1

SPECIAL GUEST:

Chad Stapleton, PFM Asset Management
Deanne Woodring, GPA
Frank McDonnell, GPA

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Kelly Wainwright called the meeting to order at 6:00 p.m.

CONSENT CALENDAR**1. Approval of August 27, 2025 Minutes**

Chandra McCray moved to approve the consent calendar. Seconded by member David Jablonski.

Chandra McCray moved to amend page 2 "growth fund to cash equity fund". Seconded by member Ron Baker

different verbiage in original meeting

The motion carried by a vote of 4 FOR and 0 AGAINST.

YES: Ron Baker, Kelly Wainwright, Chandra McCray, David Jablonski

NO: None

The motion carried by a vote of 4 FOR and 0 AGAINST.

YES: Ron Baker, Kelly Wainwright, Chandra McCray, David Jablonski

NO: None

STAFF PRESENTATIONS, REPORTS AND COMMENTS**PUBLIC HEARINGS****DISCUSSION AND DELIBERATION****2. Establishment of 2026 Board Meeting Schedule**

1 Noel Davis, City Clerk presented the Board with a proposed meeting schedule for the
2 following dates in 2026 at 6:00 p.m.

- 3
- 4 • February 18
- 5 • May 27
- 6 • August 26
- 7 • November 18
- 8

9 Chandra McCray moved to approve the meeting schedule. Seconded by member
10 Ron Baker

11

12 The motion carried by a vote of 4 FOR and 0 AGAINST.

13 YES: Ron Baker, Kelly Wainwright, Chandra McCray, David Jablonski

14 NO: None

15

16 3. Annual Report Method to Governing Body

17

18 Mrs. Davis stated staff has provided a proposed annual letter for the Board to review.
19 This letter is similar to last year.

20

21 Chandra McCray moved to approve Annual Report to Governing Body. Seconded
22 by member David Jablonski.

23

24 The motion carried by a vote of 4 FOR and 0 AGAINST.

25 YES: Ron Baker, Kelly Wainwright, Chandra McCray, David Jablonski

26 NO: None

27

28 4. Review and Input on the Permanent Fund Performance

29

30 Stephanie Yarra, Director of Financial Services informed the Advisory Board that at the
31 end of September 2025, the City combined both of Investment Advisory contracts to
32 Government Portfolio Advisors the change took effect in October 2025.

33

34 Deanne Woodring, GPA provided an overview of the consulting role to the IAC
35 Permanent Fund. GPA won the RFP procurement effective 8/1/2025 to provide the
36 reports and scope of service to Investment Advisory Board for the Permanent Fund.
37 She went over the investment objectives and structure and explained they will provide
38 ongoing advice and research. The main investment objective of the Fund is to achieve
39 long-term growth of Fund assets by maximizing long-term rate of return on investments
40 and minimizing risk of loss, especially as the monies are initially invested, and to
41 provide funding for general government purposes as determined by the Governing
42 Body. GPA is recommending to update the tactical and strategic allocations in the policy
43 to align with the additions of real return funds. This can be presented at the February
44 meeting and full update will be presented at the August 2026 meeting. U.S. equities
45 have generally shown resilience, supported by strong corporate earnings and
46 moderating inflation. Continued GDP growth and cooling inflation boosted investor
47 confidence. International markets were more mixed, with developed markets performing
48 moderately well and emerging markets facing headwinds. The overall observation is

equity markets globally have been positive but uneven, with U.S. equities outperforming most international counterparts. However, inflation moderation, central bank policy signals, and geopolitical developments will shape future performance. Treasury rates generally declined, as long-duration outperformed for the month to date and year to date. Q2 GDP was revised higher, from 3.3% to 3.8%, with consumer spending as the notable driver of the upward revisions. Data has not been posted throughout the government shutdown and mixed data is expected. She also reviewed the SIC Asset Allocation.

5. Review and Input on the Core and Liquidity Portfolios Performance

Ms. Woodring presented the Core and Liquidity Portfolios and provided an overall update. The yield curve bull steepened over the quarter with front end yields dropping as the Fed cut the fed funds rate by 25 basis points to a range of 4.00%-4.25%. Personal consumption improved after a slow start to the year and despite recent labor market weakness. However, should the labor market continue to weaken, it is reasonable to expect consumption will follow. The Fed cited slowing job gains as support for the move but echoed caution that inflation remains elevated above target, warranting a moderately restrictive stance.

PUBLIC FORUM

COMMENTS BY MEMBERS

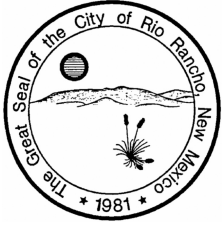
ADJOURNMENT

The meeting adjourned at 6:35 p.m.

APPROVED THIS 18th DAY OF FEBRUARY 2026.

Kelly Wainwright, Chair

Noel C. Davis, City Clerk
SEAL



**CITY OF RIO RANCHO
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Legislation Item:

AGENDA DATE:
February 18, 2026

DEPARTMENT:
City Clerk

SUBJECT:
Selection of Chair and Vice-Chair

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:



**CITY OF RIO RANCHO
COVER PAGE**

Legislation Item:

AGENDA DATE:
February 18, 2026

DEPARTMENT:
City Clerk

SUBJECT:
Review and Input on the Permanent Fund Performance

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

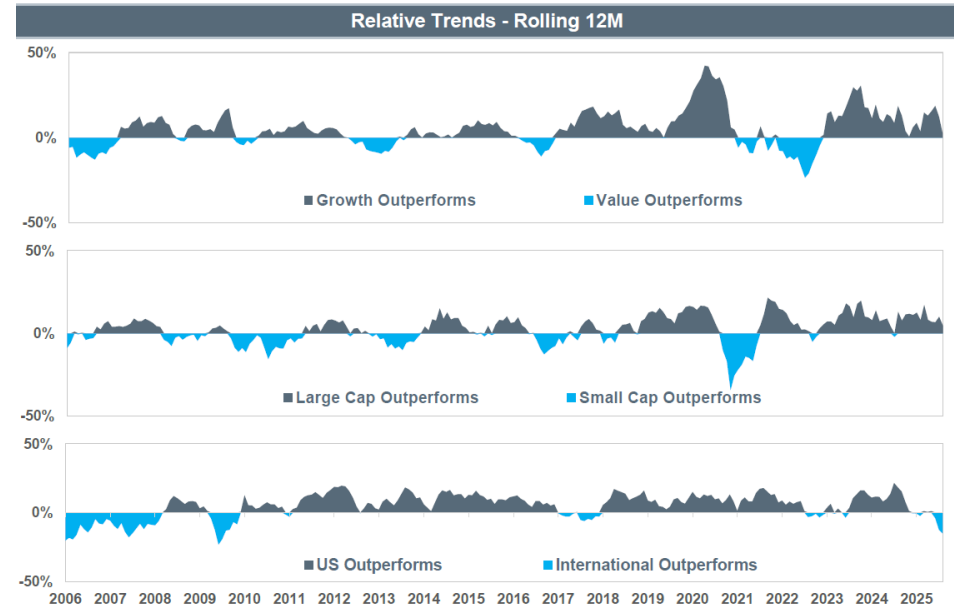
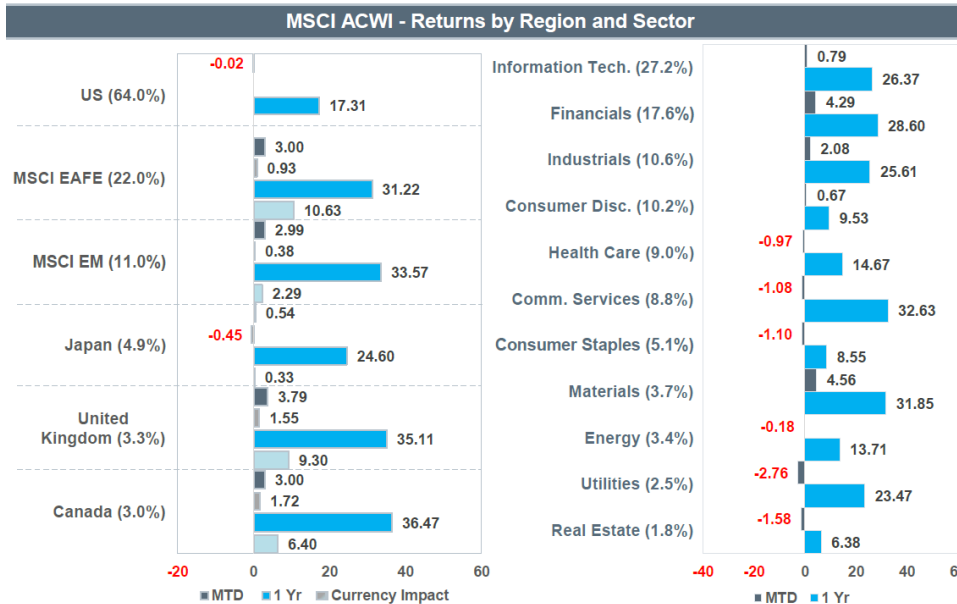
DEPARTMENT RECOMMENDATION:
Presentation by PMF Asset Management.

ATTACHMENT: [REVISED Quarterly Presentation](#)
ATTACHMENT: [Quarterly Presentation December 2025](#)



Permanent Fund – Permanent Fund
City of Rio Rancho
Investment Advisory Board

As of: December 31, 2025



Sector Performance

Information Technology underperformed relative to the prior quarter, declining by ~7%. Most sectors experienced softer returns during the period, while Financials, Consumer Staples, and Materials showed relative improvement.

U.S. Markets

U.S. equity markets experienced a more challenging quarter amid ongoing political and economic uncertainty. The S&P 500 slowed from an 8.12% return in the prior quarter to approximately 2.7% in Q4 2025. This moderation in returns was observed across both large- and small-cap equities and reflects a broader deceleration following earlier strength in the year.

International Markets

International markets showed mixed performance. Emerging markets were more negatively impacted by global uncertainty and currency pressures, while developed markets largely held near prior-quarter return levels. As some investors look to non-U.S. developed markets for diversification away from U.S. equities.

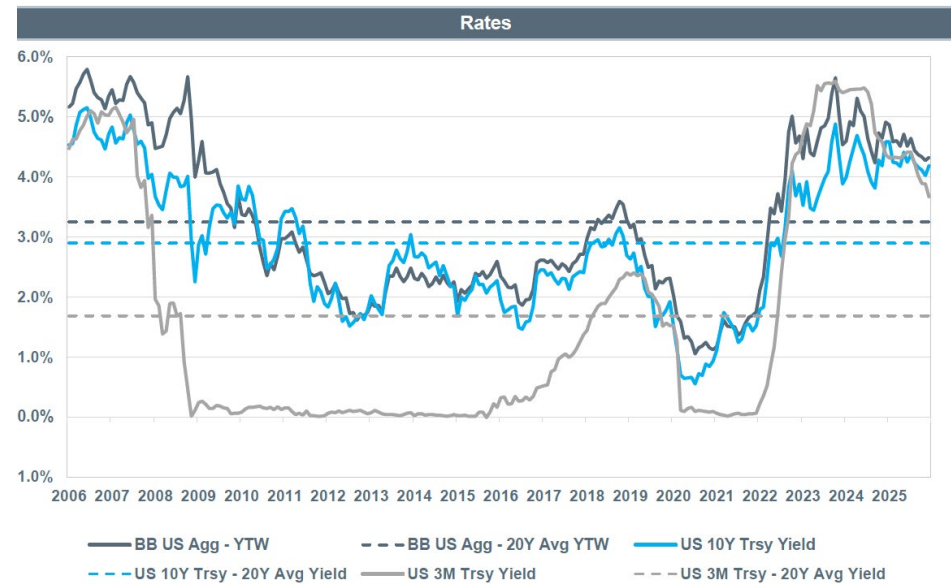
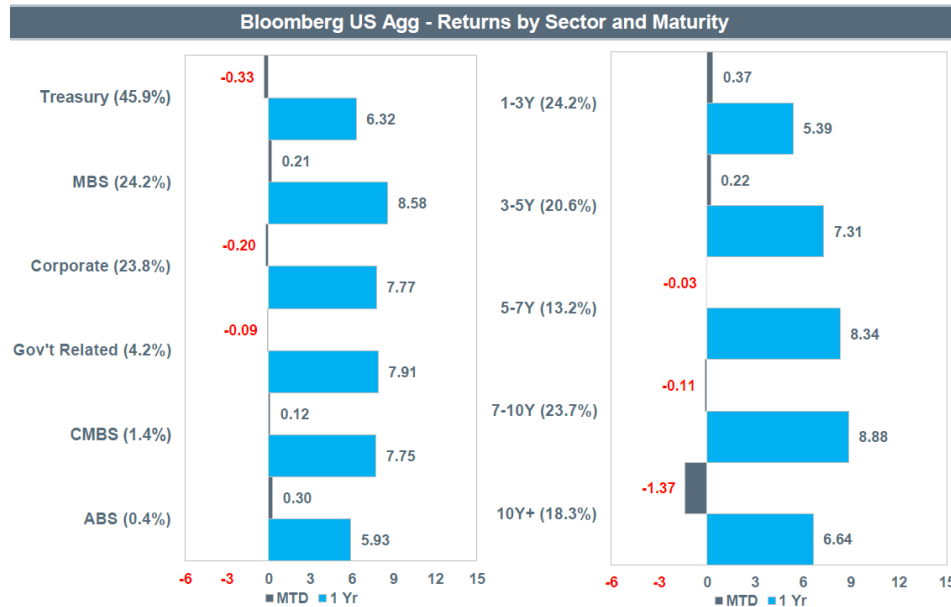
Performance		Index	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr
US Equity	All-Cap	Russell 3000	-0.02	2.40	17.15	17.15	22.25	13.15	14.29
	Large-Cap	S&P 500	0.06	2.66	17.88	17.88	23.01	14.42	14.82
		Russell 1000 Value	0.68	3.81	15.91	15.91	13.90	11.33	10.53
		Russell 1000	0.01	2.41	17.37	17.37	22.74	13.59	14.59
		Russell 1000 Growth	-0.62	1.12	18.56	18.56	31.15	15.32	18.13
	Small-Cap	Russell 2000 Value	0.18	3.26	12.59	12.59	11.73	8.88	9.27
		Russell 2000	-0.58	2.19	12.81	12.81	13.73	6.09	9.62
		Russell 2000 Growth	-1.28	1.22	13.01	13.01	15.59	3.18	9.57
Int'l Equity	All-Country	MSCI ACWI IMI ex US	2.85	4.76	31.96	31.96	17.10	7.77	8.37
	Developed	MSCI EAFE Value	4.18	7.83	42.25	42.25	21.38	13.36	8.69
		MSCI EAFE	3.00	4.86	31.22	31.22	17.22	8.92	8.18
		MSCI EAFE Growth	1.76	1.86	20.76	20.76	13.16	4.43	7.42
	EM	MSCI EM	2.99	4.73	33.57	33.57	16.40	4.20	8.42

Bond Markets

Market Overview



December 31, 2025



Rate and Returns

Over the last quarter, the yield curve pivoted around the 5-year Treasury, with shorter-term yields declining while longer-term yields moved higher. This resulted in a steepening of the yield curve, which has been producing favorable returns for short-term investments while longer-duration bonds returns are lagging.

Economic Indicators

The U.S. economy continues to show relatively strong momentum. Real GDP growth accelerated to 4.4% compared to 1.9% in the prior year. Core CPI has continued to trend lower, declining from 3.2% in December 2024 to 2.6% in December 2025, with a further drop to 2.4% in January. Meanwhile, the unemployment rate remains near its 10-year average, signaling a stable labor market.

Economic Indicators		Dec-25	Rank	Dec-24	10 Yr	20 Yr
Growth	Real US GDP (%)	4.4*	▲ 83	1.9	2.8	2.2
	Consumer Spending YoY (PCE) (%)	2.55*	▼ 59	3.56	2.79	2.25
	Durable Goods Orders (billions) (\$)	323.76*	▲ N/A	290.56	256.27	234.55
	Housing Starts (thousands)	106.10*	▼ N/A	108.00	113.47	96.73
	Consumer Confidence (Conf Board)	94.20	▼ 42	109.50	110.30	92.66
	Leading Economic Index (Conf Board)	97.90*	▼ 42	101.60	108.11	98.69
Inflation	CPI YoY (Headline) (%)	2.7	▼ 61	2.9	3.1	2.6
	CPI YoY (Core) (%)	2.6	▼ 73	3.2	3.1	2.5
	Breakeven Inflation - 10 Year (%)	2.25	▼ 59	2.34	2.05	2.07
	PPI YoY (%)	2.98	▼ 74	3.48	3.14	2.62
Rates	M2 YoY (%)	4.60	▲ 30	3.49	6.41	6.36
	Federal Funds Rate (%)	3.64	▼ 75	4.33	2.18	1.72
	SOFR (%)	3.87*	▼ 75	4.49	2.22	1.82
	2 Year Treasury (%)	3.47	▼ 74	4.25	2.31	1.89
	10 Year Treasury (%)	4.18	▼ 83	4.58	2.68	2.89
Capacity	10-2 Spread (%)	0.71	▲ 44	0.33	0.38	1.00
	Unemployment Rate (%)	4.40	▲ 33	4.10	4.58	5.78
	PMI - Manufacturing (%)	47.90	▼ 12	49.20	52.95	52.61
	PMI - Service (%)	53.80	▲ 37	53.50	55.59	54.49
Currency/Commodity	US Dollar Trade Weighted Index	120.57	▼ 86	127.81	117.20	106.10
	WTI Crude Oil per Barrel (\$)	57	▼ 25	72	64	73

Asset Allocation versus Benchmark Performance



Market Overview

December 31, 2025

	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
US Equity									
US Large Cap Index Pool	2.41	10.60	17.33	17.33	22.74	13.60	16.50	14.21	8.59
Russell 1000 Index	2.41	10.60	17.37	17.37	22.74	13.59	17.03	14.59	8.42
US Small/Mid Cap Active Pool	2.93	15.49	13.65	13.65	14.39	6.71	11.44	9.66	8.02
Russell 2000 Index	2.19	14.86	12.81	12.81	13.73	6.09	10.70	9.67	8.91
Non-US Equity									
Non-US Large Cap Active	4.77	10.74	32.20	32.20	18.03	9.57	11.36	9.18	7.87
MSCI ACW Ex US Index	5.05	12.29	34.38	34.38	17.81	8.94	10.70	8.33	7.32
Non-US Large Cap Passive	4.82	11.68	33.49	33.49	17.25	9.06	10.85	8.40	5.32
Non-US Large Cap Passive Custom Index	5.05	12.29	33.44	33.44	17.54	8.92	10.73	8.27	5.18
Non-US SMID Cap Active	3.74	9.69	23.96	23.96	12.76	1.00	6.69	7.18	3.96
MSCI ACW Ex US Sm Cap Index (Net)	2.96	9.84	26.61	26.61	14.34	3.09	7.24	7.84	4.93
Non-US SMID Cap Passive	3.08	9.78	25.03	25.03	14.43	3.47	7.53	7.97	7.32
MSCI ACW Ex US Sm Cap Index (Net)	2.96	9.84	26.61	26.61	14.34	3.09	7.24	7.84	7.36
Real Assets									
Real Estate Pool	0.53	2.06	2.33	2.33	-4.08	4.89	4.20	5.88	4.86
NCREIF ODCE Index+0.75% (Net) (1 Qtr Lag)	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.53	5.65
Real Return Pool	2.11	5.01	9.64	9.64	10.31	12.37	8.09	7.34	6.07
Consumer Price Index+4%	0.75	2.45	8.78	8.78	5.29	6.51	6.17	5.07	3.39
Fixed Income									
Bloomberg US Agg Bond Index	1.10	3.15	7.30	7.30	4.66	-0.36	1.99	2.01	1.92
Credit Plus Pool	1.36	3.73	8.20	8.20	6.79	1.00	3.46	3.64	4.75
Bloomberg US Unv Bond Index	1.20	3.35	7.58	7.58	5.24	0.06	2.38	2.44	4.22

SIC History

City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

	2023	2024	2025
Contribution	\$10,000,000	\$1,000,000	0.00
Contribution Month	January	December	July-Reallocation
Contribution	\$2,000.00	NA	N/A
Contribution Month	February	NA	N/A
Annual Earnings	\$1,583,807.17	\$1,253,509.89	\$2,057,210.06
Year Ending Balance	\$11,585,807.17	\$13,839,317.06	\$15,896,527.12

Trailing 3 years 1/01/2023 to 12/31/2025			
Estimated Figures	Portfolio Gross Returns	Portfolio Net Returns	40% Bonds/60% Equity
SIC Permanent Fund	13.34%	13.32%	13.50%
Index Returns			
Individual Index			
	Return	Ratio	Weighted Return
Bond Index	6.838%	40%	2.74%
Equity Index	17.940%	60%	10.76%
40% Bonds/60% Equity			
Total			13.50%

SIC Account Quarter and Fiscal Year to Date Balances



City of Rio Rancho | RIO SIC Portfolio

December 31, 2025

Quarter To Date	Market Value As of 10/1/2025	Net Flows	Return on Investment	Market Value as of 12/31/2025
Total Fund	\$15,730,404.37	(\$4,346.91)	\$375,241.72	\$15,896,527.12
Credit Plus Pool	\$6,024,311.69	(\$3,062.43)	\$83,119.25	\$6,067,855.74
Non-US Large Cap Active Index Pool	\$789,570.94	(\$570.93)	\$38,752.26	\$815,603.21
Non-US Large Cap Passive Pool	\$1,808,428.27	(\$106.53)	\$87,556.25	\$1,860,323.09
Non-US SMID Cap Active Index Pool	\$119,902.45	(\$117.19)	\$4,747.81	\$123,613.68
Non-US SMID Cap Passive Index Pool	\$305,765.09	(\$50.42)	\$9,461.13	\$314,977.91
Real Estate Pool	\$419,573.15	-	\$2,936.87	\$422,961.54
Real Return Pool	\$436,432.05	(\$79.23)	\$9,336.48	\$448,148.33
US Large Cap Index Pool	\$5,576,315.53	(\$122.81)	\$131,897.07	\$5,590,238.85
US Small/Mid Cap Pool	\$250,105.20	(\$237.37)	\$7,434.60	\$252,804.77

Fiscal Year to Date	Market Value As of 7/1/2025	Net Flows	Return on Investment	Market Value as of 12/31/2025
Total Fund	\$14,763,038.38	(\$4,346.91)	\$1,137,835.65	\$15,896,527.12
Credit Plus Pool	\$5,651,058.41	(\$3,062.43)	\$219,859.76	\$6,067,855.74
Non-US Developed Markets Active Pool	\$2,104,700.74	-	\$215.88	-
Non-US Emerging Markets Index Pool	\$694,857.16	-	\$325.18	-
Non-US Large Cap Active Index Pool	-	(\$570.93)	\$80,079.59	\$815,603.21
Non-US Large Cap Passive Pool	-	(\$106.53)	\$195,902.30	\$1,860,323.09
Non-US SMID Cap Active Index Pool	-	(\$117.19)	\$11,195.51	\$123,613.68
Non-US SMID Cap Passive Index Pool	-	(\$50.42)	\$28,086.60	\$314,977.91
Real Estate Pool	\$416,537.68	-	\$6,423.86	\$422,961.54
Real Return Pool	\$426,750.23	(\$79.23)	\$21,477.33	\$448,148.33
US Large Cap Index Pool	\$5,250,224.50	(\$122.81)	\$540,137.16	\$5,590,238.85
US Small/Mid Cap Pool	\$218,909.66	(\$237.37)	\$34,132.48	\$252,804.77

SIC Account Over Time

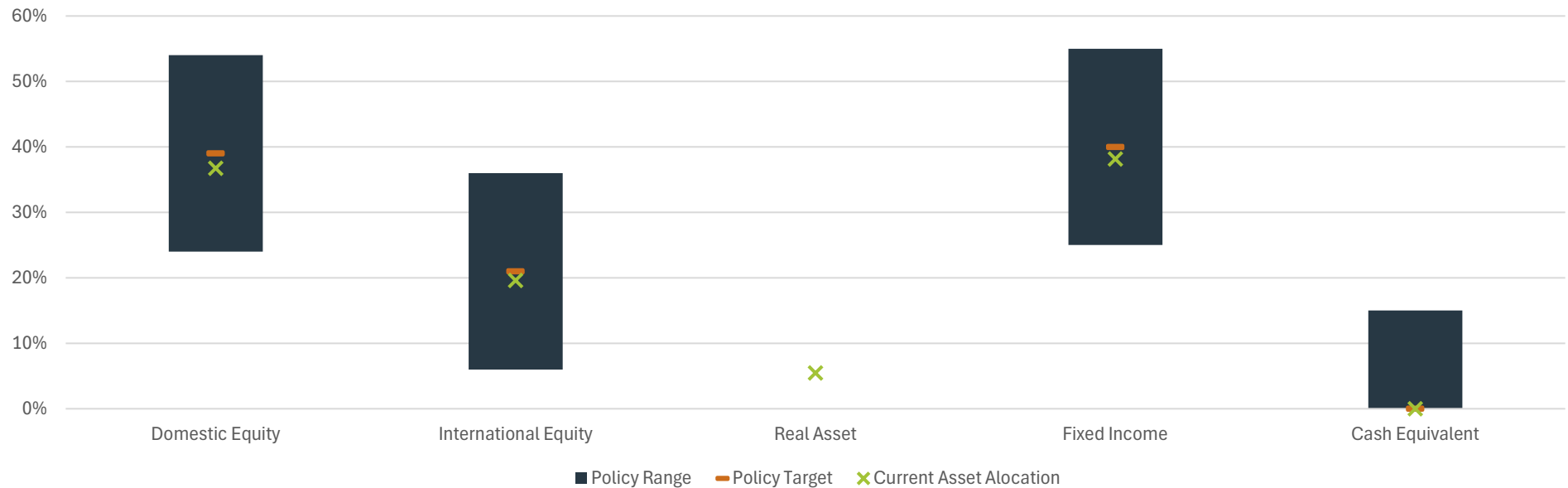
City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

	Current Asset Allocation	Target Allocation	Minimum Allocation	Maximum Allocation	Differences
Total Fund	100%	100%	N/A	N/A	0%
Domestic Equity	37%	39%	24%	54%	-2%
International Equity	20%	21%	6%	36%	-1%
Real Asset	5%				5%
Fixed Income	38%	40%	25%	55%	-2%
Cash Equivalent	0%	0%	0%	15%	0%

Asset Allocation As of 12/31/2025



The City of Rio Rancho Governing Body oversees policies related to the investment of City funds. The Investment Advisory Board shall review the investment policy statement annually and provide input to the Governing Body regarding proposed changes.

GPA has reviewed the policy dated April 22, 2024 and is making the following recommendations for updates.

- 1) Investment Authority – Item 3: Correct the terminology from investment advisor to investment manager of External Investment Pools.
- 2) Investment Guidelines – includes the description “Real Return Assets” , however the table and other sections did not address the asset class that is currently held.
- 3) Asset Class – Update the table to reflect the Real Return Assets and their target % holdings.
- 4) Selection of Investment Managers- Change to Selection of Investment External Investment Pools.
- 5) Limitations on Managers’ Portfolios – Add Real Return constraint
- 6) Review of Investment Performance – clarify how the consultant is presenting and tracking performance. The information is provided by NMSIC and the consultant is not privy to specific data points to run the data. The consultant relies on the data provided directly by NMSIC and their consultant. Additional indices can be incorporated into the analysis by the City’s consultant.

Investment Strategy Target Recommendations in Policy

City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

Asset Classes	Asset Weightings	
	Range	Target
Growth Assets		55%
Domestic Equity	35%-55%	
International Equity	5% - 20%	
Real Return Assets	0%-5%	5%
Real Estate Pool	0%-5%	
Real Assets Pool	0%-5%	
Fixed Income Assets	30%-50%	40%
Credit Plus	10%-30%	
US Core Bonds	0%-30%	

GPA has inherited the current asset allocation and will be completing a full modeling and recommendation to the IAB with any changes to the structure.



Quarterly Investment Report
City of Rio Rancho

December 31, 2025

Interest Rates & The Yield Curve



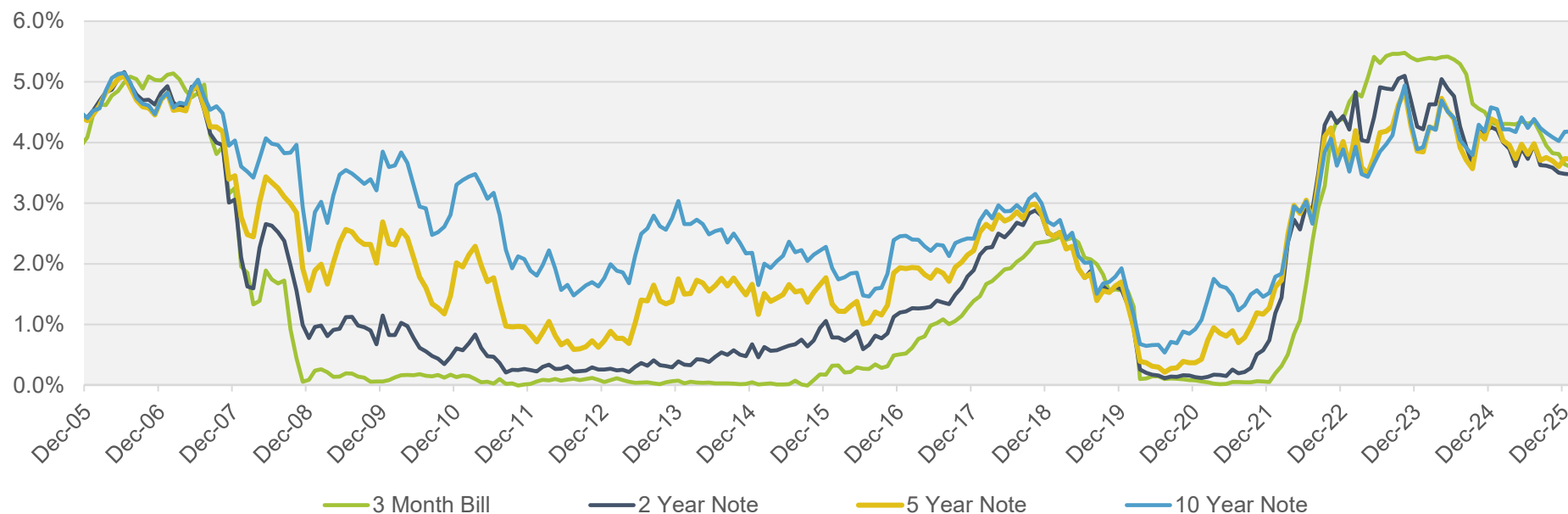
Market Overview

December 31, 2025

- The yield curve continued to steepen in Q4 and was led by a drop in the front end as the Fed cut interest rates twice for a total of 50 basis points.
- 3-month Bill yields fell by 31 basis points to 3.63% while 2-year notes declined by a more modest 13 basis points to 3.48%.
- Yields on 5-10 year tenors were relatively unchanged, finishing the quarter within 2 basis points of where they started.
- The long end of the curve rose.

	Quarterly Treasury Yields					
	<u>12/31/24</u>	<u>3/31/25</u>	<u>6/30/25</u>	<u>9/30/25</u>	<u>12/31/25</u>	<u>YOY Change</u>
3 Month Bill	4.32	4.30	4.30	3.94	3.63	-0.69
2 Year Note	4.24	3.89	3.72	3.61	3.48	-0.77
5 Year Note	4.38	3.95	3.80	3.74	3.73	-0.66
10 Year Note	4.57	4.21	4.23	4.15	4.17	-0.40

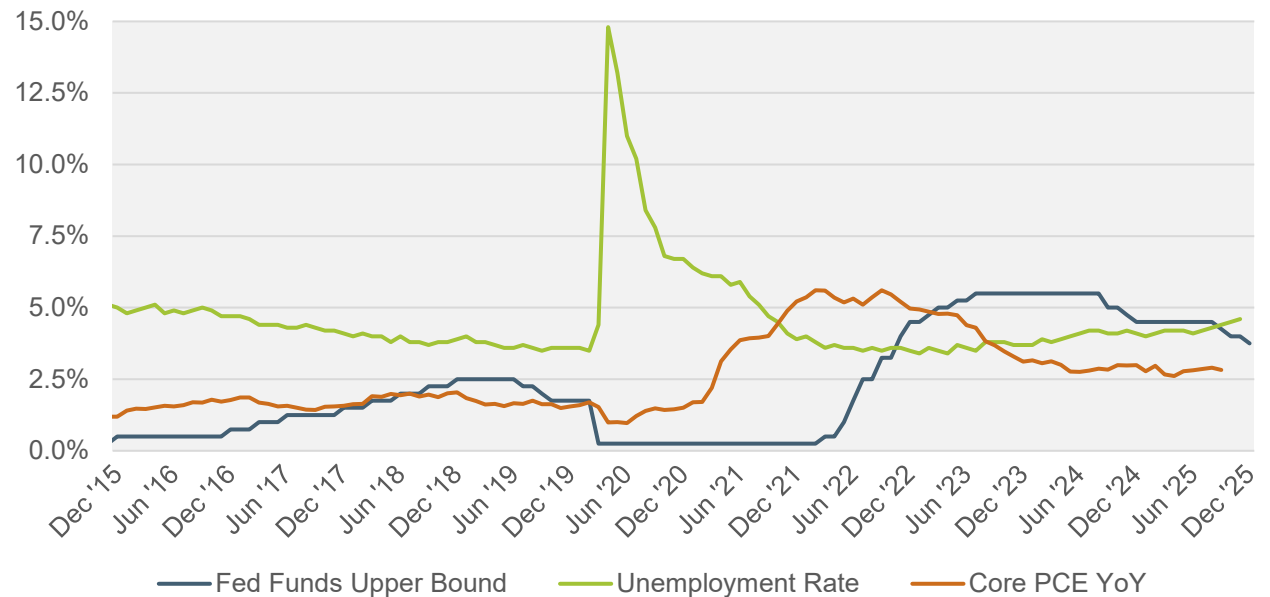
Interest Rates Over Twenty Years



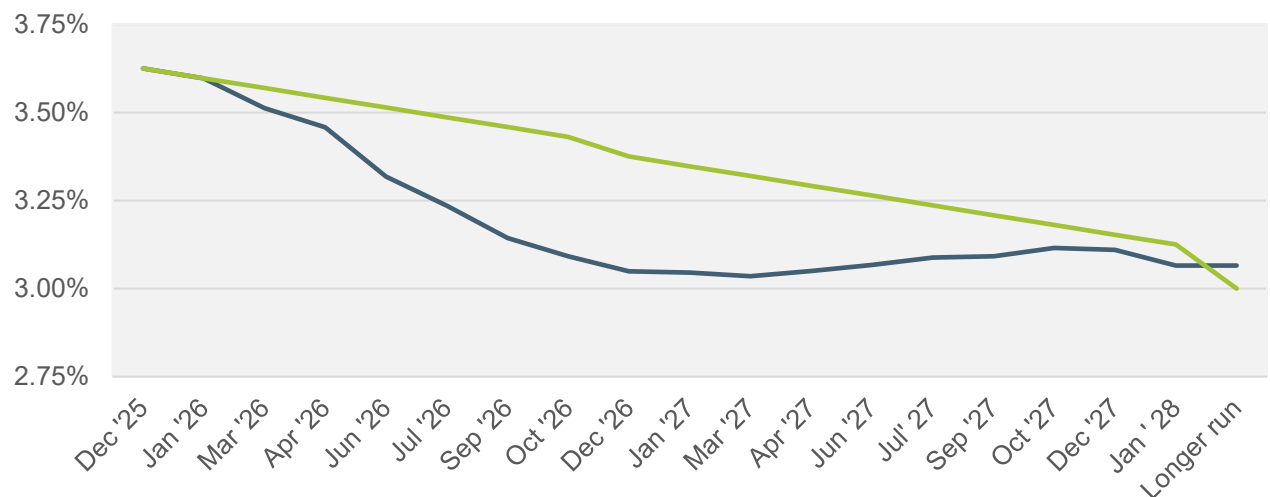
Source: Bloomberg

- The Federal Reserve pressured the front end of the yield curve down as they cut rates by 25 basis points two times in Q4 bringing the Fed funds target range to 3.50%-3.75%.
- The Committee justified the rate cuts by pointing to a softening labor market, along with a broad consensus that the recent uptick in inflation is unlikely to persist.
- The FOMC is forecasting only one rate cut in 2026 and one in 2027 which could ultimately come to be the end of the current policy easing cycle.
- Markets are pricing in two rate cuts in 2026 and none in 2027.

Fed Mandate Chart



Fed Funds Futures Implied Rate vs Fed Projections



Source: Market pricing via Bloomberg as of 1/6/2026

— Market Implied Rate — Fed Projections

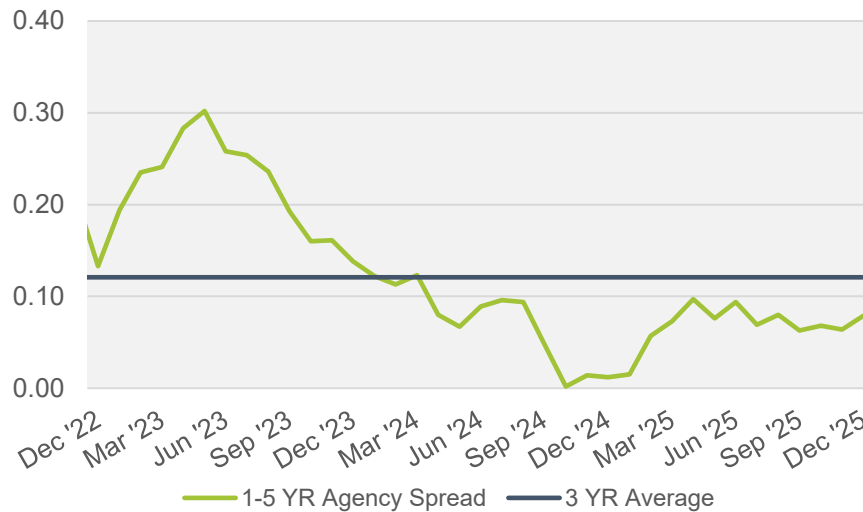
Credit Spreads



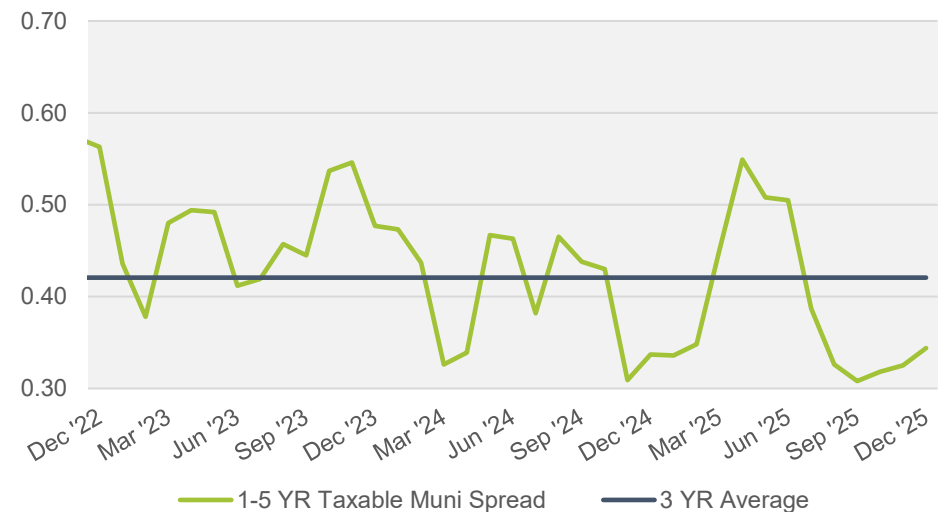
December 31, 2025

Market Overview

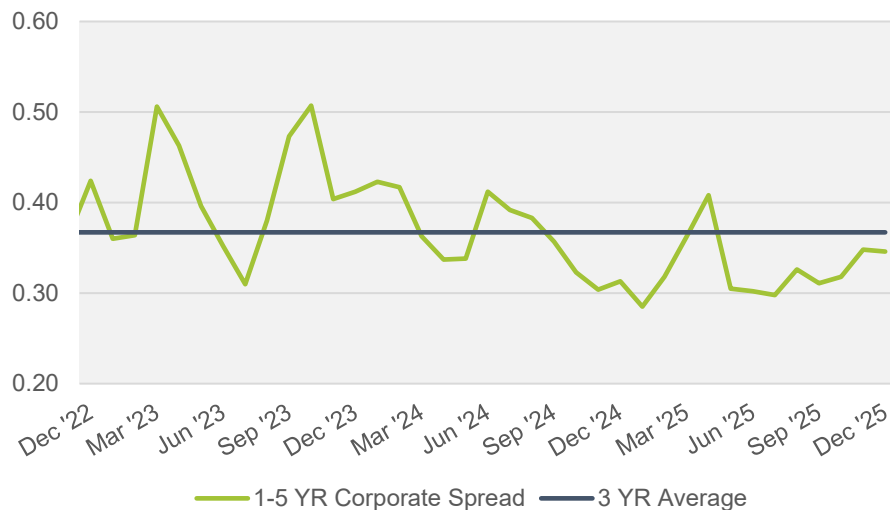
Agency Bullet 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Taxable Muni 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Corporate 1-5 YR Index AA-AAA vs. Treasury 1-5 YR Index
Trailing Three Years



- Credit spreads remain trading tight relative to historical averages but have widened slightly since touching yearly lows over the summer.
- The market is assigning a high price tag by historical standards to the extra “credit” risk taken for investing in corporate and municipal issuers.
- Current pricing supports a tactical underweight to these asset classes and a tactical overweight to Treasuries.

Yield Duration and Asset Class Performance



Market Overview

December 31, 2025

Monitors the returns based on duration sectors of the US Treasury market

Benchmark	Duration	Last Year	3 Year	5 Year	10 year	20 year
US Treasury 0-1 Year	0.49	4.32%	4.85%	3.03%	2.22%	1.86%
US Treasury 0-3 Year	1.41	4.86%	4.62%	2.20%	1.97%	2.05%
US Treasury 1-3 Year	1.83	5.09%	4.48%	1.79%	1.85%	2.13%
US Treasury 0-5 Year	2.08	5.44%	4.58%	1.73%	1.93%	2.31%
US Treasury 1-5 Year	2.54	5.74%	4.48%	1.34%	1.83%	2.44%
US Treasury 0-10 Year	3.03	6.06%	4.47%	1.06%	1.84%	2.62%

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Diversification Constraint	Policy Limit	Actual Value*	Status
US Treasury Obligations Maximum % of Holdings	100.000	64.565	Compliant
US Agency FFCB Issuer Concentration	30.000	7.760	Compliant
US Agency FHLB Issuer Concentration	30.000	3.049	Compliant
US Agency FHLMC Issuer Concentration	30.000	0.000	Compliant
US Agency FNMA Issuer Concentration	30.000	0.592	Compliant
US Agency Obligations - All Other Issuers Combined	30.000	0.000	Compliant
US Agency Obligations - FHLB, FNMA, FHLMC, FFCB, FAMA, GNMA - NM Only	30.000	0.000	Compliant
US Agency Obligations Maximum % of Holdings	80.000	11.401	Compliant
Supranationals - Issuer is IADB, IBRD, or IFC	0.000	0.000	Compliant
Supranationals Issuer Concentration (NM only)	5.000	0.611	Compliant
Supranationals Maximum % of Holdings (NM only)	15.000	0.611	Compliant
Municipal Bonds Maximum % of Holdings	25.000	0.000	Compliant
Municipal Bonds NM Only Issuer	0.000	0.000	Compliant
Fixed Income Mutual Fund (ETF) Maximum Issuer Concentration	20.000	0.000	Compliant
Fixed Income Mutual Fund and (ETF) Combined Maximum % Holdings	40.000	0.000	Compliant
Commercial Paper Issued and Operating in the US	0.000	0.000	Compliant
Commercial Paper Issuer Concentration	5.000	0.000	Compliant
Commercial Paper Maximum % of Holdings	25.000	0.000	Compliant
Certificates of Deposit Issuer Concentration	15.000	0.000	Compliant
Certificates of Deposit Maximum % of Holdings	40.000	0.000	Compliant
Money Market Govt Only	0.000	0.000	Compliant
Money Market Issuer Concentration	20.000	3.198	Compliant
Money Market Maximum % of Holdings	50.000	3.198	Compliant

1) Actual values are based on market value.

2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

LGIP Maximum % of Holdings	75.000	0.000	Compliant
Bank Time Deposits/Savings Accounts Maximum % of Holdings - NM	100.000	15.887	Compliant
Repurchase Agreements Maximum % of Holdings	50.000	0.000	Compliant
SIC New Mexico Funds (% portfolio)	5.000	0.000	Compliant
Federally Insured Obligations or Deposits	100.000	0.000	Compliant

1) Actual values are based on market value.
2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Maturity Structure Constraint	Policy Limit	Actual %	Status
Maturity Constraints Under 7 years Minimum % of Total Portfolio	100.000	100.000	Compliant
Policy Maturity Constraint	Policy Limit	Actual Term	Status
US Treasury Maximum Maturity At Time of Purchase (years)	7.000	5.063	Compliant
US Agency Maximum Maturity At Time of Purchase (years)	7.000	5.379	Compliant
Supranationals Maximum Maturity At Time of Purchase (years)	5.000	4.871	Compliant
Municipals Maximum Maturity At Time of Purchase (years)	7.000	0.000	Compliant
Commercial Paper Days to Final Maturity (days)	180.000	0.000	Compliant
Repurchase Agreements Maximum Maturity At Time of Purchase (days)	365.000	0.000	Compliant
Maximum Single Maturity (years)	7.000	4.747	Compliant
Weighted Effective Duration	3.000	1.281	Compliant
Policy Credit Constraint			Status
Supranationals Ratings AA-/Aa3/AA- or better (Rated by 1 NRSRO)			Compliant
Municipal Bonds Ratings Minimum A-/A3/A- (Rated by 1 NRSRO)			Compliant
Commercial Paper Ratings Minimum A1/P1/F1 (Rated by 1 NRSRO)			Compliant
Money Market Ratings Minimum AAA/Aaa/AAA (Rated by 1 NRSRO)			Compliant

1) Actual values are based on market value.

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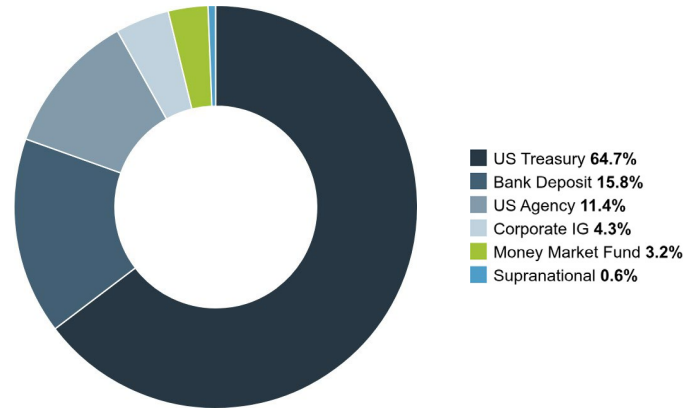
Summary Overview

City of Rio Rancho | RIO Total Portfolio

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	62,887,343
Investments	268,367,408
Book Yield	3.97%
Market Yield	3.59%
Effective Duration	1.40
Years to Maturity	1.49
Avg Credit Rating	AA+

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Maturity*	Effective Duration	Benchmark Duration	Benchmark
RIO-BP2024 Investments	13,844,391	13,867,675	13,888,604	20,929	3.74%	0.67	0.63	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-BP2025 SSGRT Investment	32,965,487	32,861,754	32,924,484	62,730	4.11%	0.36	0.36	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-Cash Matched Investments	41,769,640	41,755,306	41,871,685	116,379	4.08%	0.94	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Investment Core	177,210,689	186,641,446	188,495,094	1,853,648	4.00%	2.27	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Liquidity	52,327,136	52,327,136	52,327,136	0	3.72%	0.01	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	318,117,343	327,453,317	329,507,003	2,053,686	3.97%	1.49	1.40	1.29	

Strategic Quarterly Update

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Metric	Previous	Current
Strategy	09/30/2025	12/31/2025
Effective Duration		
Investment Core	2.13	2.13
Benchmark Duration	2.10	2.08
Total Effective Duration	1.34	1.40
Total Return (Net of Fees %)*		
Investment Core	1.22	1.11
Benchmark Return	1.15	1.10
Total Portfolio Performance	1.14	1.02
<i>*Changes in Market Value include net unrealized and realized gains/losses.</i>		
Maturity Total Portfolio		
Average Maturity Total Holdings	1.43	1.49

Metric	Previous	Current
Book Yield	09/30/2025	12/31/2025
Ending Book Yield		
BP2024 Investments	4.01%	3.74%
BP2025 SSGRT Investment	4.18%	4.11%
Cash Matched Investments	4.30%	4.08%
Investment Core	3.96%	4.00%
Liquidity	4.23%	3.72%
Total Book Yield	4.07%	3.97%
Values		
	09/30/2025	12/31/2025
Market Value + Accrued		
BP2024 Investments	13,835,823	13,980,199
BP2025 SSGRT Investment	32,825,040	33,165,316
Cash Matched Investments	41,760,755	42,209,343
Investment Core	187,488,120	189,572,756
Liquidity	56,714,117	52,327,136
Total MV + Accrued	332,623,855	331,254,751
Net Unrealized Gain/Loss		
Total Net Unrealized Gain/Loss	1,852,834	2,053,686

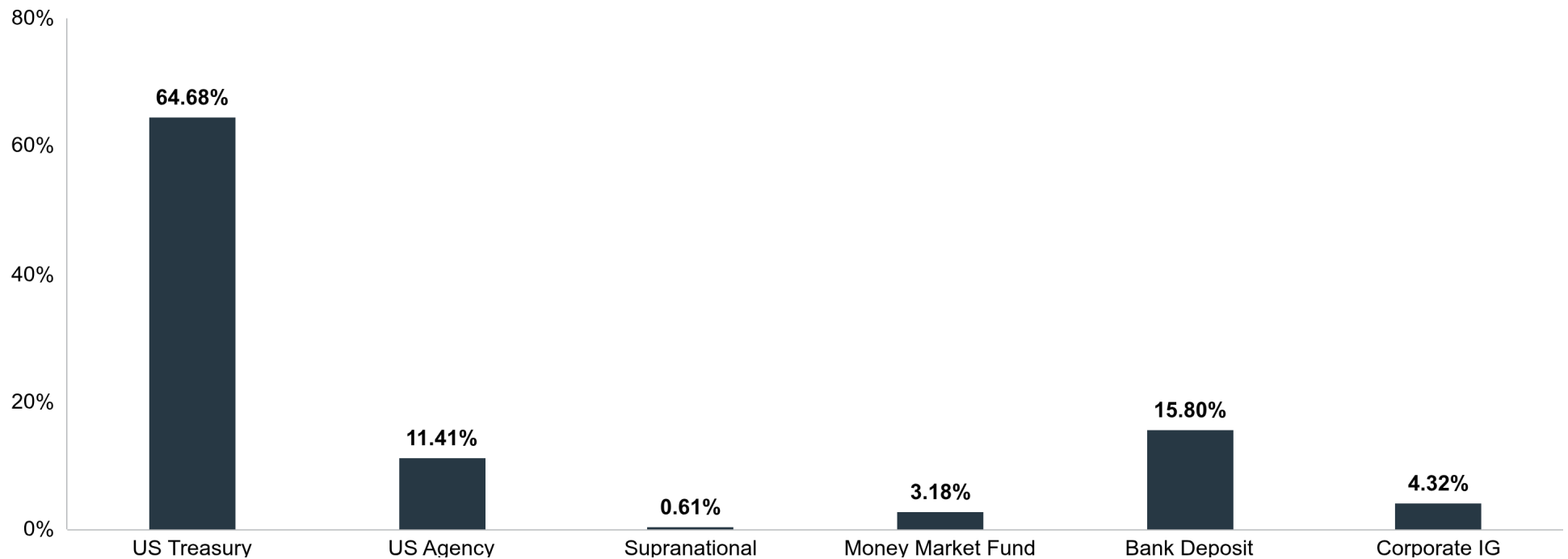
Security Type Distribution

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	215,105,000	3.89%	214,239,861	64.68%
US Agency	37,875,000	4.59%	37,803,407	11.41%
Supranational	2,000,000	4.29%	2,030,140	0.61%
Money Market Fund	10,538,526	3.64%	10,538,526	3.18%
Bank Deposit	52,348,817	3.72%	52,348,817	15.80%
Corporate IG	250,000	4.56%	14,294,000	4.32%
Total	318,117,343	3.97%	331,254,751	100.00%



Risk Management - Maturity/Duration

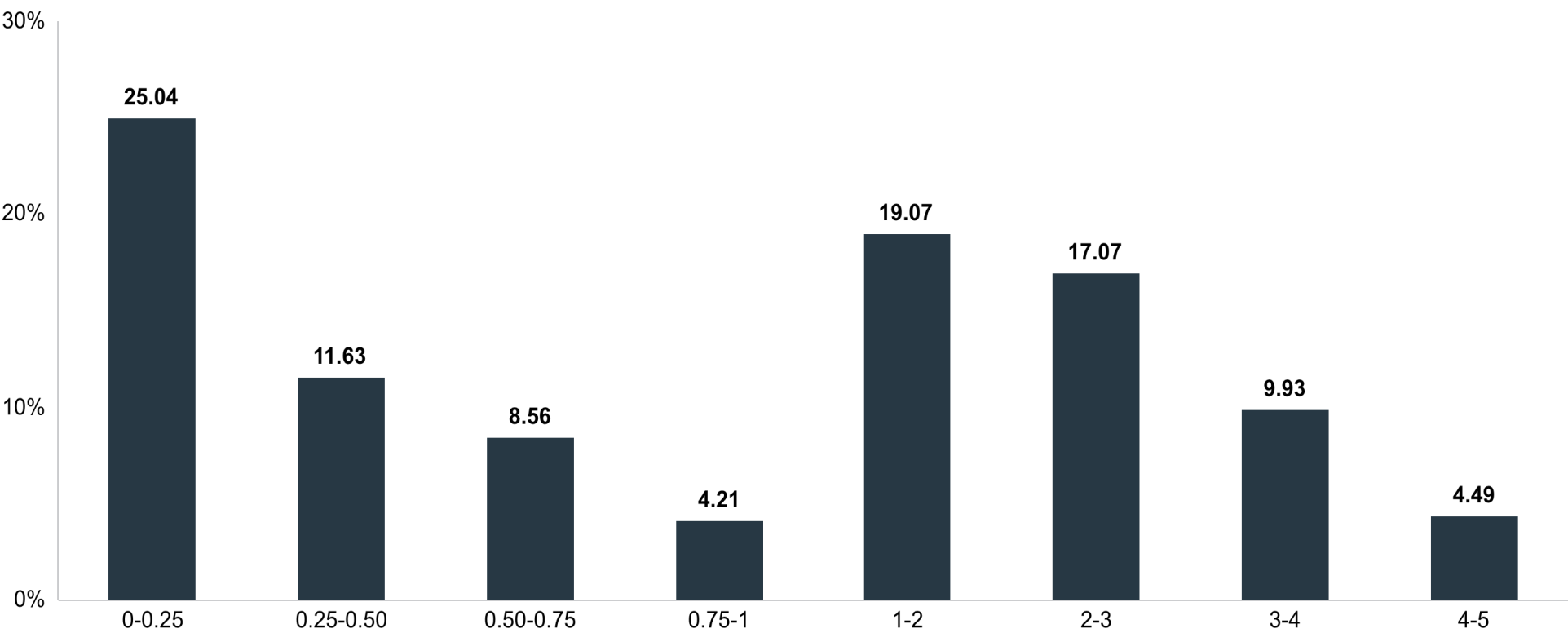
City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.40 Yrs	1.49 Yrs	519

Distribution by Effective Duration



Summary Overview

City of Rio Rancho | RIO_Operating Portfolio

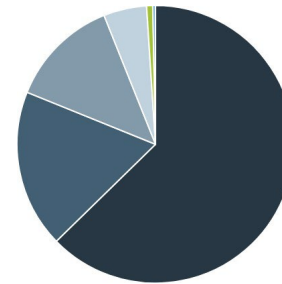


December 31, 2025

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	53,222,464.75
Investments (Market Value + Accrued)	230,886,770.82
Book Yield	3.96%
Market Yield	3.59%
Effective Duration	1.56
Years to Maturity	1.66
Avg Credit Rating	AA+

Allocation by Asset Class



- US Treasury 62.7%
- Bank Deposit 18.4%
- US Agency 12.8%
- Corporate IG 5.0%
- Supranational 0.7%
- Money Market Fund 0.3%

Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Effective Duration	Benchmark Duration	Benchmark
RIO-Investment Core	177,210,688.84	186,641,446.09	188,495,093.64	1,853,647.55	4.00%	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Cash Matched Investments	41,769,639.80	41,755,306.04	41,871,685.15	116,379.11	4.08%	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Liquidity	52,327,136.11	52,327,136.11	52,327,136.11	0.00	3.72%	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	271,307,464.75	280,723,888.24	282,693,914.90	1,970,026.66	3.96%	1.56		

Return Management-Income Detail

City of Rio Rancho | Operating Portfolio



December 31, 2025

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (07/01/2025)
Amortization/Accretion	556.754.28	1,210,156.93
Interest Earned	2,304,102.86	4,574,409.80
Realized Gain (Loss)	0.00	0.00
Book Income	2,860,857.14	5,784,566.73
Average Portfolio Balance	282,897,610.41	285,992,774.01

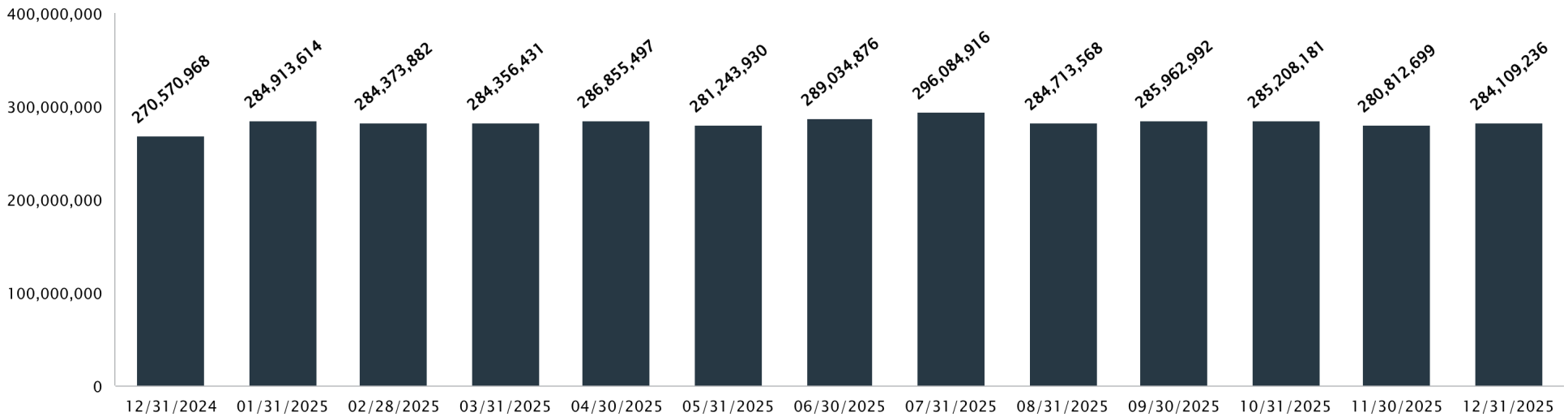
Historical Balances

City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Market Value



Market Value and Return

Period Begin	Period End	Market Value + Accrued	Earned Income	Book Yield	Effective Duration	Maturity in Years
12/01/2024	12/31/2024	270,570,968	1,007,106	4.33%	1.48	1.58
01/01/2025	01/31/2025	284,913,614	938,761	4.34%	1.38	1.51
02/01/2025	02/28/2025	284,373,882	928,403	4.29%	1.44	1.51
03/01/2025	03/31/2025	284,356,431	1,003,991	4.18%	1.40	1.49
04/01/2025	04/30/2025	286,855,497	975,986	4.18%	1.37	1.45
05/01/2025	05/31/2025	281,243,930	987,072	4.15%	1.42	1.50
06/01/2025	06/30/2025	289,034,876	954,474	4.11%	1.35	1.44
07/01/2025	07/31/2025	296,084,916	1,014,214	4.11%	1.36	1.45
08/01/2025	08/31/2025	284,713,568	966,844	4.06%	1.49	1.58
09/01/2025	09/30/2025	285,962,992	942,652	4.06%	1.46	1.55
10/01/2025	10/31/2025	285,208,181	964,855	4.03%	1.48	1.58
11/01/2025	11/30/2025	280,812,699	915,586	3.98%	1.61	1.71
12/01/2025	12/31/2025	284,109,236	980,416	3.96%	1.56	1.66

Security Type Distribution

City of Rio Rancho | RIO_Operating Portfolio

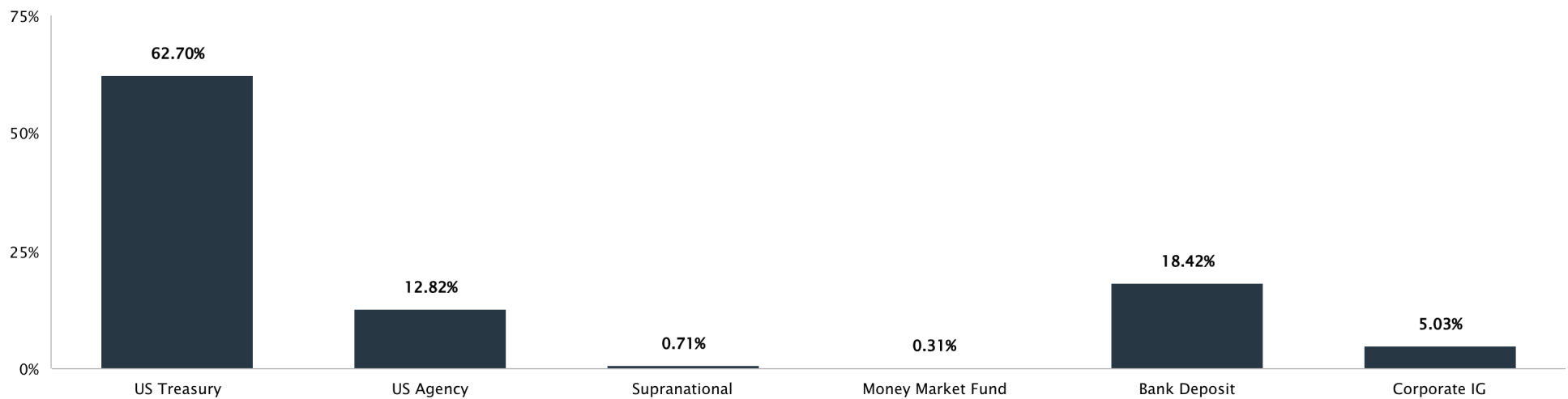


December 31, 2025

Security Type Distribution

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	179,290,000.00	3.85%	178,135,300.75	62.70%
US Agency	36,545,000.00	4.61%	36,427,330.08	12.82%
Supranational	2,000,000.00	4.29%	2,030,140.00	0.71%
Money Market Fund	892,461.26	3.64%	892,461.26	0.31%
Bank Deposit	52,330,003.49	3.72%	52,330,003.49	18.42%
Corporate IG	250,000.00	4.56%	14,294,000.00	5.03%
Total	271,307,464.75	3.96%	284,109,235.57	100.00%

Security Type Distribution



Risk Management-Maturity/Duration

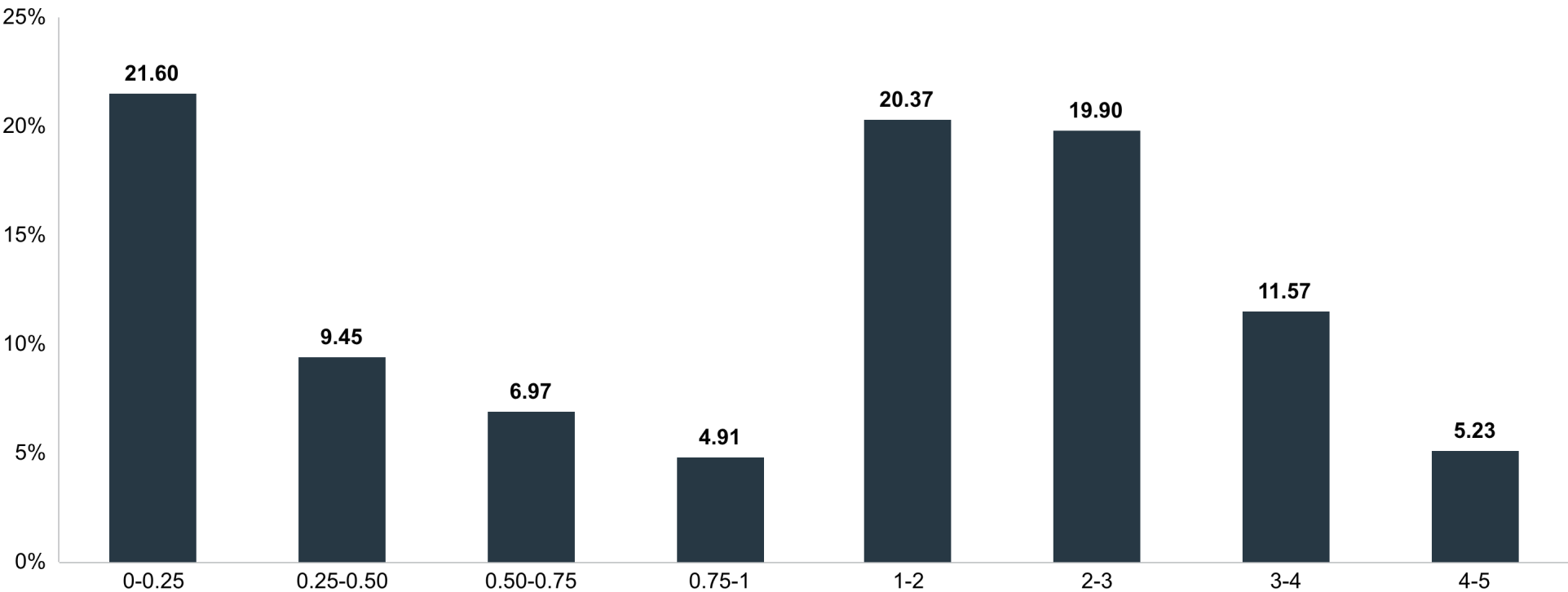
City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.56 Yrs	1.66 Yrs	581

Distribution by Effective Duration



Return Management-Performance

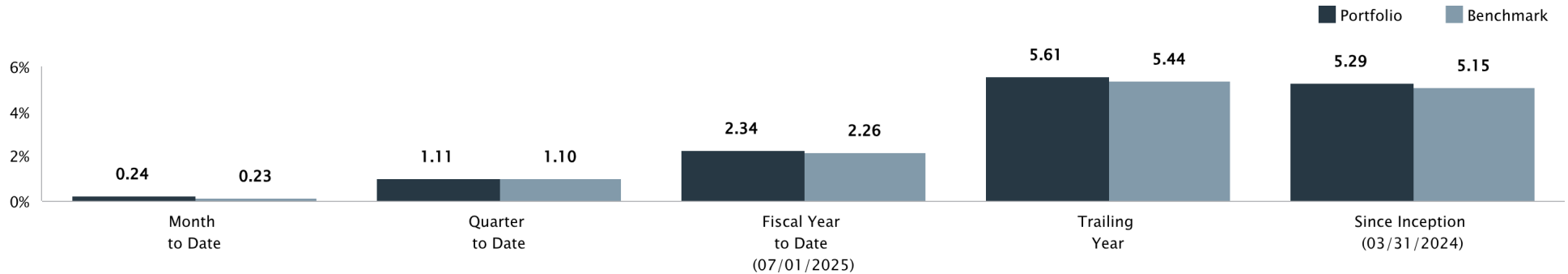
City of Rio Rancho | Investment Core



December 31, 2025

Performance Returns Net of Fees

Periodic for performance less than one year. Annualized for performance greater than one year.



Historical Returns

Period	Month to Date	Quarter to Date	Fiscal Year to Date (07/01/2025)	Trailing Year	Trailing 3 Years	Trailing 5 Years	Since Inception (03/31/2024)
Return (Net of Fees)	0.244%	1.106%	2.339%	5.611%			5.293%
Return (Gross of Fees)	0.247%	1.113%	2.354%	5.642%			5.326%
ICE BofA 0-5 Year US Treasury Index	0.235%	1.102%	2.260%	5.441%			5.149%

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
Fixed Income								
RIO-BP2024 Investments	1,640,000	US TREASURY 3.875 01/15/26	4.16%	240	0.04	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,910,000	US TREASURY 4.250 01/31/26	4.24%	755	0.08	AA+	AA+	Aa1
RIO-Investment Core	1,975,000	US TREASURY 0.375 01/31/26	0.79%	(4,475)	0.08	AA+	AA+	Aa1
RIO-Cash Matched Investments	375,000	US TREASURY 4.000 02/15/26	4.92%	511	0.12	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.000 02/15/26	4.78%	2,386	0.12	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,440,000	US TREASURY 0.500 02/28/26	4.22%	1,931	0.16	AA+	AA+	Aa1
RIO-Investment Core	2,565,000	US TREASURY 0.750 03/31/26	3.92%	2,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,820,000	US TREASURY 4.500 03/31/26	4.19%	6,723	0.25	AA+	AA+	Aa1
RIO-Investment Core	935,000	US TREASURY 4.500 03/31/26	4.07%	1,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,860,000	US TREASURY 0.750 04/30/26	4.18%	6,505	0.33	AA+	AA+	Aa1
RIO-Investment Core	5,300,000	US TREASURY 0.750 04/30/26	4.43%	11,227	0.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	8,060,000	FED FARM CR BNKS 4.750 05/08/26	4.88%	34,808	0.35	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,000,000	US TREASURY 0.750 05/31/26	3.12%	(4,423)	0.41	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,595,000	US TREASURY 4.875 05/31/26	4.03%	8,375	0.41	AA+	AA+	Aa1
RIO-Cash Matched Investments	4,385,000	FHLBANKS 4.875 06/12/26	4.85%	26,057	0.44	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.375 06/23/26	4.89%	26,506	0.47	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,220,000	US TREASURY 0.875 06/30/26	4.15%	8,507	0.49	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 0.875 06/30/26	0.72%	(34,353)	0.49	AA+	AA+	Aa1
RIO-BP2024 Investments	160,000	FED FARM CR BNKS 4.625 07/10/26	3.99%	334	0.5	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 0.625 07/31/26	3.24%	(4,620)	0.57	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 4.375 07/31/26	4.15%	12,166	0.56	AA+	AA+	Aa1
RIO-Investment Core	730,000	US TREASURY 1.500 08/15/26	3.05%	(2,685)	0.61	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,875,000	US TREASURY 4.375 08/15/26	4.02%	20,764	0.6	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/15/26	4.40%	19,595	0.6	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 3.750 08/31/26	4.15%	13,028	0.64	AA+	AA+	Aa1
RIO-Investment Core	5,195,000	US TREASURY 0.875 09/30/26	3.74%	3,169	0.73	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,225,000	US TREASURY 3.500 09/30/26	4.14%	4,740	0.73	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 1.125 10/31/26	3.35%	(7,636)	0.81	AA+	AA+	Aa1
RIO-Cash Matched Investments	1,300,000	US TREASURY 4.625 11/15/26	3.85%	3,167	0.85	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	FED FARM CR BNKS 4.000 11/23/26	3.66%	1,226	0.87	AA+	AA+	Aa1
RIO-Investment Core	1,075,000	US TREASURY 1.250 11/30/26	1.19%	(22,566)	0.9	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Cash Matched Investments	200,000	US TREASURY 4.375 12/15/26	3.81%	526	0.93	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	FANNIE MAE 0.875 12/18/26 '25	4.04%	5,504	0.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 12/31/26	4.29%	25,625	0.98	AA+	AA+	Aa1
RIO-Investment Core	1,500,000	US TREASURY 2.250 02/15/27	4.23%	9,424	1.09	AA+	AA+	Aa1
RIO-Investment Core	1,100,000	FHLBANKS 0.900 02/26/27 '25	4.08%	4,405	1.13	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FHLBANKS 4.875 03/12/27	4.74%	62,114	1.14	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.750 04/30/27	4.73%	68,983	1.28	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,500,000	US TREASURY 2.375 05/15/27	3.61%	9,712	1.33	AA+	AA+	Aa1
RIO-Investment Core	2,350,000	US TREASURY 2.375 05/15/27	3.26%	(9,172)	1.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	5,000,000	US TREASURY 4.625 06/15/27	3.61%	8,789	1.4	AA+	AA+	Aa1
RIO-Investment Core	300,000	US TREASURY 0.500 06/30/27	3.70%	153	1.47	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 3.250 06/30/27	3.61%	3,850	1.45	AA+	AA+	Aa1
RIO-BP2024 Investments	1,170,000	FED FARM CR BNKS 4.500 07/08/27	3.83%	5,272	1.43	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 2.750 07/31/27	4.10%	43,346	1.52	AA+	AA+	Aa1
RIO-Investment Core	700,000	US TREASURY 2.250 08/15/27	4.41%	8,282	1.56	AA+	AA+	Aa1
RIO-Cash Matched Investments	6,500,000	US TREASURY 3.750 08/15/27	3.60%	12,046	1.54	AA+	AA+	Aa1
RIO-Investment Core	1,600,000	US TREASURY 0.500 08/31/27	3.63%	(377)	1.63	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 09/30/27	4.62%	84,048	1.66	AA+	AA+	Aa1
RIO-BP2024 Investments	4,025,000	US TREASURY 3.875 10/15/27	3.70%	15,083	1.7	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 4.125 10/31/27	3.67%	7,867	1.74	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.500 10/31/27	3.91%	3,854	1.79	AA+	AA+	Aa1
RIO-Investment Core	2,325,000	US TREASURY 2.250 11/15/27	3.59%	1,706	1.81	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,500,000	US TREASURY 0.625 12/31/27	3.56%	(3,019)	1.96	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.750 01/31/28	4.29%	11,666	2.03	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 3.500 01/31/28	3.88%	15,462	1.97	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 2.750 02/15/28	3.95%	15,655	2.02	AA+	AA+	Aa1
RIO-Investment Core	3,340,000	US TREASURY 1.250 03/31/28	4.04%	32,022	2.18	AA+	AA+	Aa1
RIO-Investment Core	1,850,000	US TREASURY 1.250 04/30/28	3.77%	5,816	2.26	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 05/31/28	3.69%	11,349	2.34	AA+	AA+	Aa1
RIO-Investment Core	4,700,000	US TREASURY 1.250 06/30/28	4.26%	71,705	2.43	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 07/31/28	4.54%	111,143	2.4	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/31/28	4.49%	95,317	2.47	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.625 09/30/28	4.26%	38,617	2.54	AA+	AA+	Aa1
RIO-Investment Core	3,500,000	US TREASURY 1.250 09/30/28	3.51%	(2,133)	2.65	AA+	AA+	Aa1
RIO-Investment Core	210,000	ISHARES:1-5 IG CORP BD	4.58%	375,180	2.6	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.125 11/15/28	4.13%	59,711	2.71	AA+	AA+	Aa1
RIO-Investment Core	40,000	VANGUARD ST CORP BD;ETF	4.52%	110,000	2.7	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.750 12/31/28	4.12%	62,228	2.82	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.625 02/15/29	4.12%	57,172	2.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 03/31/29	4.13%	56,941	3.07	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 05/15/29	3.89%	34,080	3.19	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 3.250 06/30/29	3.86%	23,745	3.28	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.000 07/31/29	3.52%	(11,621)	3.26	AA+	AA+	Aa1
RIO-Investment Core	2,850,000	US TREASURY 3.125 08/31/29	4.13%	45,852	3.39	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	IBRD 3.875 10/16/29 MTN	4.29%	41,976	3.47	AAA	NA	Aaa
RIO-Investment Core	4,750,000	US TREASURY IO STR 11/15/29	4.21%	60,010	3.8	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 12/31/29	3.93%	41,722	3.65	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	5,000,000	FED FARM CR BNKS 1.320 03/18/30	4.29%	89,779	4.02	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 3.500 04/30/30	4.15%	90,287	3.96	AA+	AA+	Aa1
RIO-Investment Core	5,500,000	US TREASURY 4.000 07/31/30	3.81%	26,647	4.09	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.625 09/30/30	3.62%	(19,715)	4.2	AA+	AA+	Aa1
Fixed Income Total	255,230,000		4.03%	2,053,686	1.72	AA+	AA+	Aa1
Money Market Funds								
RIO-BP2024 Investments	6,834,377	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Liquidity	52,327,136	Wells Fargo Deposit	3.72%	0	0.01	NA	NA	NA
RIO-Investment Core	318,933	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Cash Matched Investments	573,528	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-BP2025 SSGRT Investment	2,811,687	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
Money Market Funds Total	62,865,662		3.70%	0	0.01	AAA	AAA	Aaa
Total	318,117,343		3.97%	2,053,686	1.4	AA+	AA+	Aa1

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
Buy							
31846V567	FIRST AMER:GVT OBLG;Z			(835,757)	835,757	835,757	0
31846V567	FIRST AMER:GVT OBLG;Z			(4,776,414)	4,776,414	4,776,414	0
31846V567	FIRST AMER:GVT OBLG;Z			(1,998,067)	1,998,067	1,998,067	0
31846V567	FIRST AMER:GVT OBLG;Z			(2,731,002)	2,731,002	2,731,002	0
91282CHZ7	US TREASURY 4.625 09/30/30	10/28/2025	10/31/2025	(4,720,577)	4,500,000	4,702,852	17,725
91282CLG4	US TREASURY 3.750 08/15/27	11/14/2025	11/17/2025	(6,578,258)	6,500,000	6,515,996	62,262
91282CKV2	US TREASURY 4.625 06/15/27	11/14/2025	11/17/2025	(5,175,082)	5,000,000	5,077,148	97,934
912828X88	US TREASURY 2.375 05/15/27	11/14/2025	11/17/2025	(7,367,097)	7,500,000	7,366,113	984
91282CKS9	US TREASURY 4.875 05/31/26	11/25/2025	12/01/2025	(1,382,865)	1,375,000	1,382,681	184
91282CLC3	US TREASURY 4.000 07/31/29	11/25/2025	12/01/2025	(4,118,322)	4,000,000	4,064,844	53,478
91282CCY5	US TREASURY 1.250 09/30/28	12/29/2025	12/31/2025	(3,305,296)	3,500,000	3,294,238	11,058
RIO_WF_DEP		12/31/2025	12/31/2025	(2,679,352)	2,679,352	2,679,352	0
Total				(45,668,089)	45,395,592	45,424,464	243,625
Maturity							
91282CFP1	US TREASURY 4.250 10/15/25 MATD	10/15/2025	10/15/2025	2,000,000	(2,000,000)	(2,000,000)	0
912797NA1	US TREASURY BILL 10/30/25 MATD	10/30/2025	10/30/2025	320,000	(320,000)	(320,000)	0

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
91282CAT8	US TREASURY 0.250 10/31/25 MATD	10/31/2025	10/31/2025	2,000,000	(2,000,000)	(2,000,000)	0
3133EPC37	FED FARM CR BNKS 4.875 11/13/25 MATD	11/13/2025	11/13/2025	220,000	(220,000)	(220,000)	0
313385PF7	FHLBANKS D NOTE 11/14/25 MATD	11/14/2025	11/14/2025	1,000,000	(1,000,000)	(1,000,000)	0
91282CFW6	US TREASURY 4.500 11/15/25 MATD	11/15/2025	11/15/2025	910,000	(910,000)	(910,000)	0
91282CAZ4	US TREASURY 0.375 11/30/25 MATD	11/30/2025	11/30/2025	4,000,000	(4,000,000)	(4,000,000)	0
91282CJL6	US TREASURY 4.875 11/30/25 MATD	11/30/2025	11/30/2025	1,280,000	(1,280,000)	(1,280,000)	0
91282CGA3	US TREASURY 4.000 12/15/25 MATD	12/15/2025	12/15/2025	260,000	(260,000)	(260,000)	0
313385QS8	FHLBANKS D NOTE 12/19/25 MATD	12/19/2025	12/19/2025	3,450,000	(3,450,000)	(3,450,000)	0
91282CBC4	US TREASURY 0.375 12/31/25 MATD	12/31/2025	12/31/2025	2,600,000	(2,600,000)	(2,600,000)	0
91282CJS1	US TREASURY 4.250 12/31/25 MATD	12/31/2025	12/31/2025	1,600,000	(1,600,000)	(1,600,000)	0
Total				19,640,000	(19,640,000)	(19,640,000)	0
Sell							
31846V567	FIRST AMER:GVT OBLG;Z			173	(173)	(173)	0
31846V567	FIRST AMER:GVT OBLG;Z			2,975,406	(2,975,406)	(2,975,406)	0
RIO_WF_DEP				7,066,333	(7,066,333)	(7,066,333)	0
31846V567	FIRST AMER:GVT OBLG;Z			270	(270)	(270)	0

Transactions

City of Rio Rancho | RIO Total Portfolio

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
31846V567	FIRST AMER:GVT OBLG;Z	11/17/2025	11/17/2025	18,159,900	(18,159,900)	(18,159,900)	0
Total				28,202,082	(28,202,082)	(28,202,082)	0

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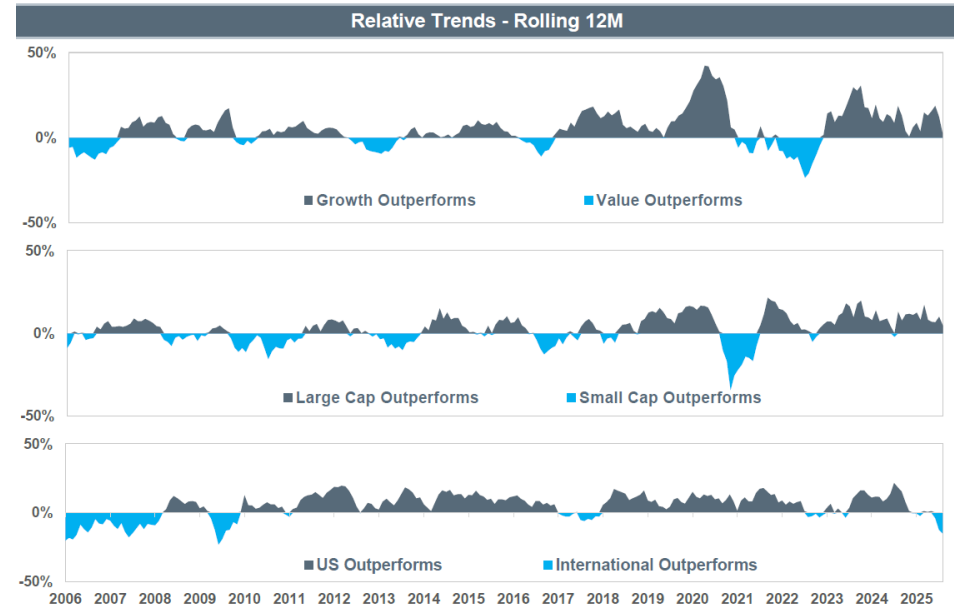
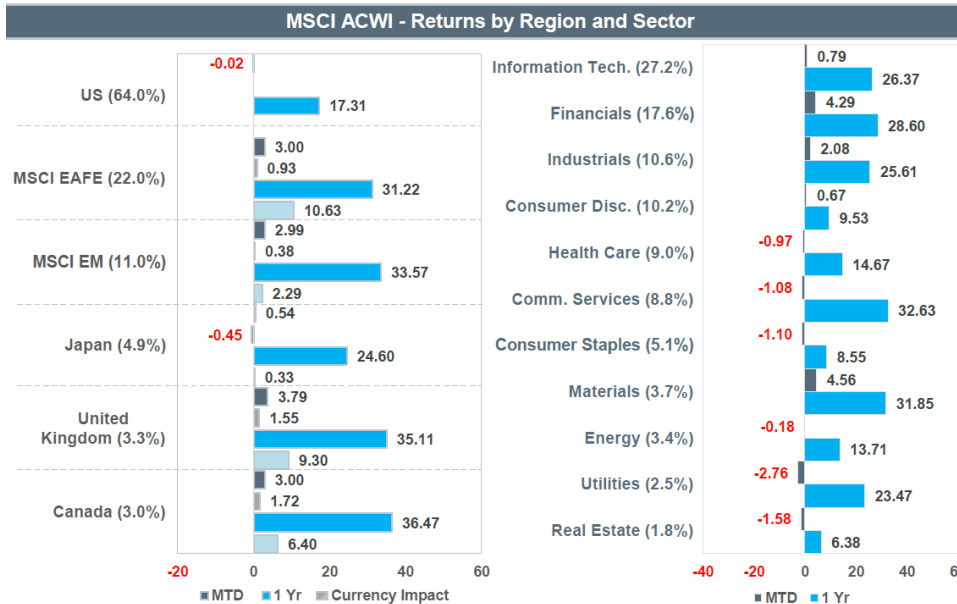
A thick, dark blue line graph that trends upwards from the bottom left towards the top right, with a few minor fluctuations. It serves as a background element for the lower half of the page.

Government Portfolio Advisors
503-248-9973
www.gpafixedincome.com



Permanent Fund – Permanent Fund
City of Rio Rancho
Investment Advisory Board

As of: December 31, 2025



Sector Performance

Information Technology underperformed relative to the prior quarter, declining by ~7%. Most sectors experienced softer returns during the period, while Financials, Consumer Staples, and Materials showed relative improvement.

U.S. Markets

U.S. equity markets experienced a more challenging quarter amid ongoing political and economic uncertainty. The S&P 500 slowed from an 8.12% return in the prior quarter to approximately 2.7% in Q4 2025. This moderation in returns was observed across both large- and small-cap equities and reflects a broader deceleration following earlier strength in the year.

International Markets

International markets showed mixed performance. Emerging markets were more negatively impacted by global uncertainty and currency pressures, while developed markets largely held near prior-quarter return levels. As some investors look to non-U.S. developed markets for diversification away from U.S. equities.

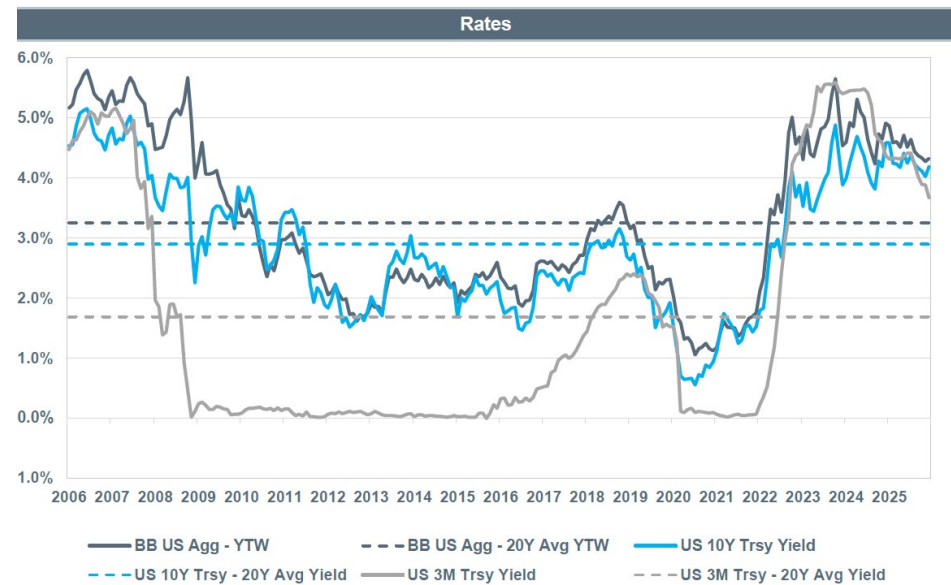
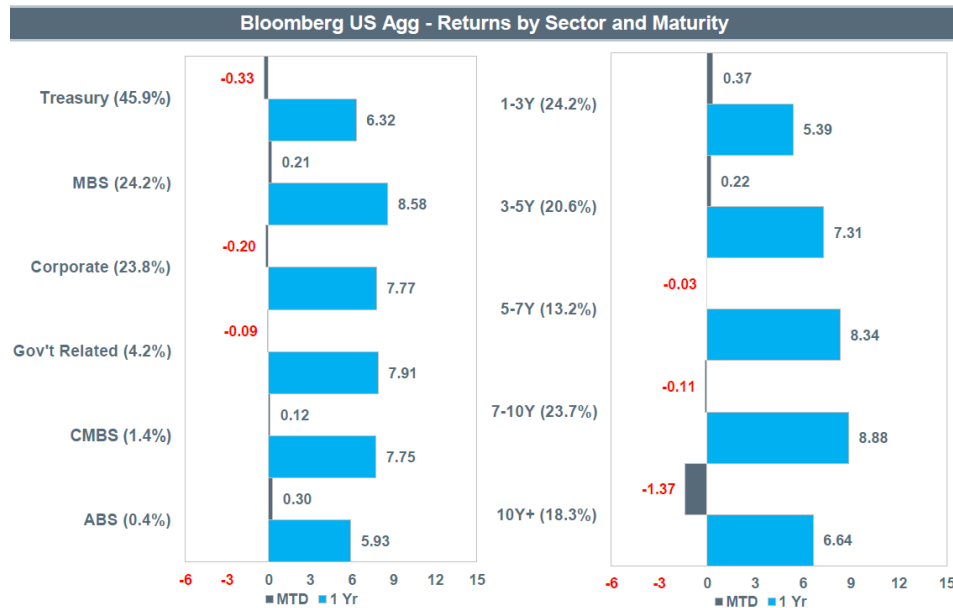
Performance		Index	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr
US Equity	All-Cap	Russell 3000	-0.02	2.40	17.15	17.15	22.25	13.15	14.29
	Large-Cap	S&P 500	0.06	2.66	17.88	17.88	23.01	14.42	14.82
		Russell 1000 Value	0.68	3.81	15.91	15.91	13.90	11.33	10.53
		Russell 1000	0.01	2.41	17.37	17.37	22.74	13.59	14.59
		Russell 1000 Growth	-0.62	1.12	18.56	18.56	31.15	15.32	18.13
	Small-Cap	Russell 2000 Value	0.18	3.26	12.59	12.59	11.73	8.88	9.27
		Russell 2000	-0.58	2.19	12.81	12.81	13.73	6.09	9.62
		Russell 2000 Growth	-1.28	1.22	13.01	13.01	15.59	3.18	9.57
Int'l Equity	All-Country	MSCI ACWI IMI ex US	2.85	4.76	31.96	31.96	17.10	7.77	8.37
	Developed	MSCI EAFE Value	4.18	7.83	42.25	42.25	21.38	13.36	8.69
		MSCI EAFE	3.00	4.86	31.22	31.22	17.22	8.92	8.18
		MSCI EAFE Growth	1.76	1.86	20.76	20.76	13.16	4.43	7.42
	EM	MSCI EM	2.99	4.73	33.57	33.57	16.40	4.20	8.42

Bond Markets

Market Overview



December 31, 2025



Rate and Returns

Over the last quarter, the yield curve pivoted around the 5-year Treasury, with shorter-term yields declining while longer-term yields moved higher. This resulted in a steepening of the yield curve, which has been producing favorable returns for short-term investments while longer-duration bonds returns are lagging.

Economic Indicators

The U.S. economy continues to show relatively strong momentum. Real GDP growth accelerated to 4.4% compared to 1.9% in the prior year. Core CPI has continued to trend lower, declining from 3.2% in December 2024 to 2.6% in December 2025, with a further drop to 2.4% in January. Meanwhile, the unemployment rate remains near its 10-year average, signaling a stable labor market.

Economic Indicators		Dec-25	Rank	Dec-24	10 Yr	20 Yr
Growth	Real US GDP (%)	4.4*	▲ 83	1.9	2.8	2.2
	Consumer Spending YoY (PCE) (%)	2.55*	▼ 59	3.56	2.79	2.25
	Durable Goods Orders (billions) (\$)	323.76*	▲ N/A	290.56	256.27	234.55
	Housing Starts (thousands)	106.10*	▼ N/A	108.00	113.47	96.73
	Consumer Confidence (Conf Board)	94.20	▼ 42	109.50	110.30	92.66
	Leading Economic Index (Conf Board)	97.90*	▼ 42	101.60	108.11	98.69
Inflation	CPI YoY (Headline) (%)	2.7	▼ 61	2.9	3.1	2.6
	CPI YoY (Core) (%)	2.6	▼ 73	3.2	3.1	2.5
	Breakeven Inflation - 10 Year (%)	2.25	▼ 59	2.34	2.05	2.07
	PPI YoY (%)	2.98	▼ 74	3.48	3.14	2.62
Rates	M2 YoY (%)	4.60	▲ 30	3.49	6.41	6.36
	Federal Funds Rate (%)	3.64	▼ 75	4.33	2.18	1.72
	SOFR (%)	3.87*	▼ 75	4.49	2.22	1.82
	2 Year Treasury (%)	3.47	▼ 74	4.25	2.31	1.89
	10 Year Treasury (%)	4.18	▼ 83	4.58	2.68	2.89
Capacity	10-2 Spread (%)	0.71	▲ 44	0.33	0.38	1.00
	Unemployment Rate (%)	4.40	▲ 33	4.10	4.58	5.78
	PMI - Manufacturing (%)	47.90	▼ 12	49.20	52.95	52.61
	PMI - Service (%)	53.80	▲ 37	53.50	55.59	54.49
Currency/ Commodity	US Dollar Trade Weighted Index	120.57	▼ 86	127.81	117.20	106.10
	WTI Crude Oil per Barrel (\$)	57	▼ 25	72	64	73

Asset Allocation versus Benchmark Performance



Market Overview

December 31, 2025

	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
US Equity									
US Large Cap Index Pool	2.41	10.60	17.33	17.33	22.74	13.60	16.50	14.21	8.59
Russell 1000 Index	2.41	10.60	17.37	17.37	22.74	13.59	17.03	14.59	8.42
US Small/Mid Cap Active Pool	2.93	15.49	13.65	13.65	14.39	6.71	11.44	9.66	8.02
Russell 2000 Index	2.19	14.86	12.81	12.81	13.73	6.09	10.70	9.67	8.91
Non-US Equity									
Non-US Large Cap Active	4.77	10.74	32.20	32.20	18.03	9.57	11.36	9.18	7.87
MSCI ACW Ex US Index	5.05	12.29	34.38	34.38	17.81	8.94	10.70	8.33	7.32
Non-US Large Cap Passive	4.82	11.68	33.49	33.49	17.25	9.06	10.85	8.40	5.32
Non-US Large Cap Passive Custom Index	5.05	12.29	33.44	33.44	17.54	8.92	10.73	8.27	5.18
Non-US SMID Cap Active	3.74	9.69	23.96	23.96	12.76	1.00	6.69	7.18	3.96
MSCI ACW Ex US Sm Cap Index (Net)	2.96	9.84	26.61	26.61	14.34	3.09	7.24	7.84	4.93
Non-US SMID Cap Passive	3.08	9.78	25.03	25.03	14.43	3.47	7.53	7.97	7.32
MSCI ACW Ex US Sm Cap Index (Net)	2.96	9.84	26.61	26.61	14.34	3.09	7.24	7.84	7.36
Real Assets									
Real Estate Pool	0.53	2.06	2.33	2.33	-4.08	4.89	4.20	5.88	4.86
NCREIF ODCE Index+0.75% (Net) (1 Qtr Lag)	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.53	5.65
Real Return Pool	2.11	5.01	9.64	9.64	10.31	12.37	8.09	7.34	6.07
Consumer Price Index+4%	0.75	2.45	8.78	8.78	5.29	6.51	6.17	5.07	3.39
Fixed Income									
Bloomberg US Agg Bond Index	1.10	3.15	7.30	7.30	4.66	-0.36	1.99	2.01	1.92
Credit Plus Pool	1.36	3.73	8.20	8.20	6.79	1.00	3.46	3.64	4.75
Bloomberg US Unv Bond Index	1.20	3.35	7.58	7.58	5.24	0.06	2.38	2.44	4.22

SIC History

City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

	2023	2024	2025
Contribution	\$10,000,000	\$1,000,000	0.10
Contribution Month	January	December	July-Reallocation
Contribution	\$2,000.00	NA	200,000.00
Contribution Month	February	NA	August
Annual Earnings	\$1,583,807.17	\$1,253,509.89	\$1,857,209.96
Year Ending Balance	\$11,585,807.17	\$13,839,317.06	\$15,896,527.12

Trailing 3 years 1/01/2023 to 12/31/2025			
Estimated Figures	Portfolio Gross Returns	Portfolio Net Returns	40% Bonds/60% Equity
SIC Permanent Fund	13.34%	13.32%	13.50%
Index Returns			
Individual Index			
	Return	Ratio	Weighted Return
Bond Index	6.838%	40%	2.74%
Equity Index	17.940%	60%	10.76%
40% Bonds/60% Equity			
Total			13.50%

SIC Account Quarter and Fiscal Year to Date Balances



City of Rio Rancho | RIO SIC Portfolio

December 31, 2025

Quarter To Date	Market Value As of 10/1/2025	Net Flows	Return on Investment	Market Value as of 12/31/2025
Total Fund	\$15,730,404.37	(\$4,346.91)	\$375,241.72	\$15,896,527.12
Credit Plus Pool	\$6,024,311.69	(\$3,062.43)	\$83,119.25	\$6,067,855.74
Non-US Large Cap Active Index Pool	\$789,570.94	(\$570.93)	\$38,752.26	\$815,603.21
Non-US Large Cap Passive Pool	\$1,808,428.27	(\$106.53)	\$87,556.25	\$1,860,323.09
Non-US SMID Cap Active Index Pool	\$119,902.45	(\$117.19)	\$4,747.81	\$123,613.68
Non-US SMID Cap Passive Index Pool	\$305,765.09	(\$50.42)	\$9,461.13	\$314,977.91
Real Estate Pool	\$419,573.15	-	\$2,936.87	\$422,961.54
Real Return Pool	\$436,432.05	(\$79.23)	\$9,336.48	\$448,148.33
US Large Cap Index Pool	\$5,576,315.53	(\$122.81)	\$131,897.07	\$5,590,238.85
US Small/Mid Cap Pool	\$250,105.20	(\$237.37)	\$7,434.60	\$252,804.77

Fiscal Year to Date	Market Value As of 7/1/2025	Net Flows	Return on Investment	Market Value as of 12/31/2025
Total Fund	\$14,763,038.38	(\$4,346.91)	\$1,137,835.65	\$15,896,527.12
Credit Plus Pool	\$5,651,058.41	(\$3,062.43)	\$219,859.76	\$6,067,855.74
Non-US Developed Markets Active Pool	\$2,104,700.74	-	\$215.88	-
Non-US Emerging Markets Index Pool	\$694,857.16	-	\$325.18	-
Non-US Large Cap Active Index Pool	-	(\$570.93)	\$80,079.59	\$815,603.21
Non-US Large Cap Passive Pool	-	(\$106.53)	\$195,902.30	\$1,860,323.09
Non-US SMID Cap Active Index Pool	-	(\$117.19)	\$11,195.51	\$123,613.68
Non-US SMID Cap Passive Index Pool	-	(\$50.42)	\$28,086.60	\$314,977.91
Real Estate Pool	\$416,537.68	-	\$6,423.86	\$422,961.54
Real Return Pool	\$426,750.23	(\$79.23)	\$21,477.33	\$448,148.33
US Large Cap Index Pool	\$5,250,224.50	(\$122.81)	\$540,137.16	\$5,590,238.85
US Small/Mid Cap Pool	\$218,909.66	(\$237.37)	\$34,132.48	\$252,804.77

SIC Account Over Time

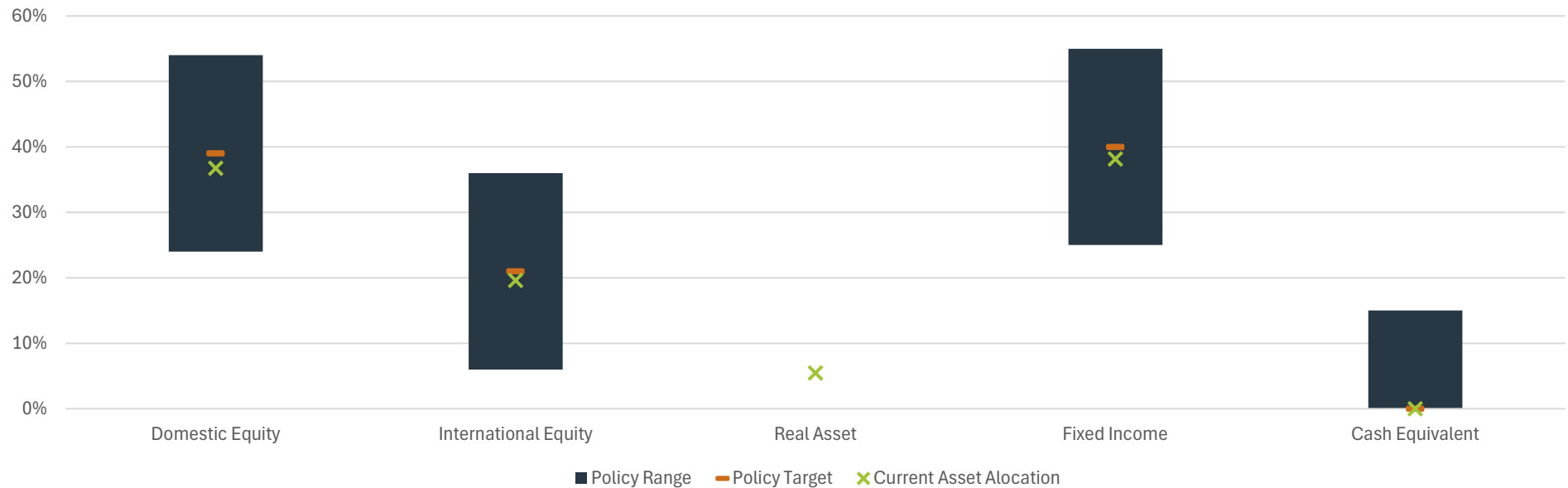
City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

	Current Asset Allocation	Target Allocation	Minimum Allocation	Maximum Allocation	Differences
Total Fund	100%	100%	N/A	N/A	0%
Domestic Equity	37%	39%	24%	54%	-2%
International Equity	20%	21%	6%	36%	-1%
Real Asset	5%				5%
Fixed Income	38%	40%	25%	55%	-2%
Cash Equivalent	0%	0%	0%	15%	0%

Asset Allocation As of 12/31/2025



The City of Rio Rancho Governing Body oversees policies related to the investment of City funds. The Investment Advisory Board shall review the investment policy statement annually and provide input to the Governing Body regarding proposed changes.

GPA has reviewed the policy dated April 22, 2024 and is making the following recommendations for updates.

- 1) Investment Authority – Item 3: Correct the terminology from investment advisor to investment manager of External Investment Pools.
- 2) Investment Guidelines – includes the description “Real Return Assets” , however the table and other sections did not address the asset class that is currently held.
- 3) Asset Class – Update the table to reflect the Real Return Assets and their target % holdings.
- 4) Selection of Investment Managers- Change to Selection of Investment External Investment Pools.
- 5) Limitations on Managers’ Portfolios – Add Real Return constraint
- 6) Review of Investment Performance – clarify how the consultant is presenting and tracking performance. The information is provided by NMSIC and the consultant is not privy to specific data points to run the data. The consultant relies on the data provided directly by NMSIC and their consultant. Additional indices can be incorporated into the analysis by the City’s consultant.

Investment Strategy Target Recommendations in Policy

City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

Asset Classes	Asset Weightings	
	Range	Target
Growth Assets		55%
Domestic Equity	35%-55%	
International Equity	5% - 20%	
Real Return Assets	0%-5%	5%
Real Estate Pool	0%-5%	
Real Assets Pool	0%-5%	
Fixed Income Assets	30%-50%	40%
Credit Plus	10%-30%	
US Core Bonds	0%-30%	

GPA has inherited the current asset allocation and will be completing a full modeling and recommendation to the IAB with any changes to the structure.



Quarterly Investment Report
City of Rio Rancho

December 31, 2025

Interest Rates & The Yield Curve



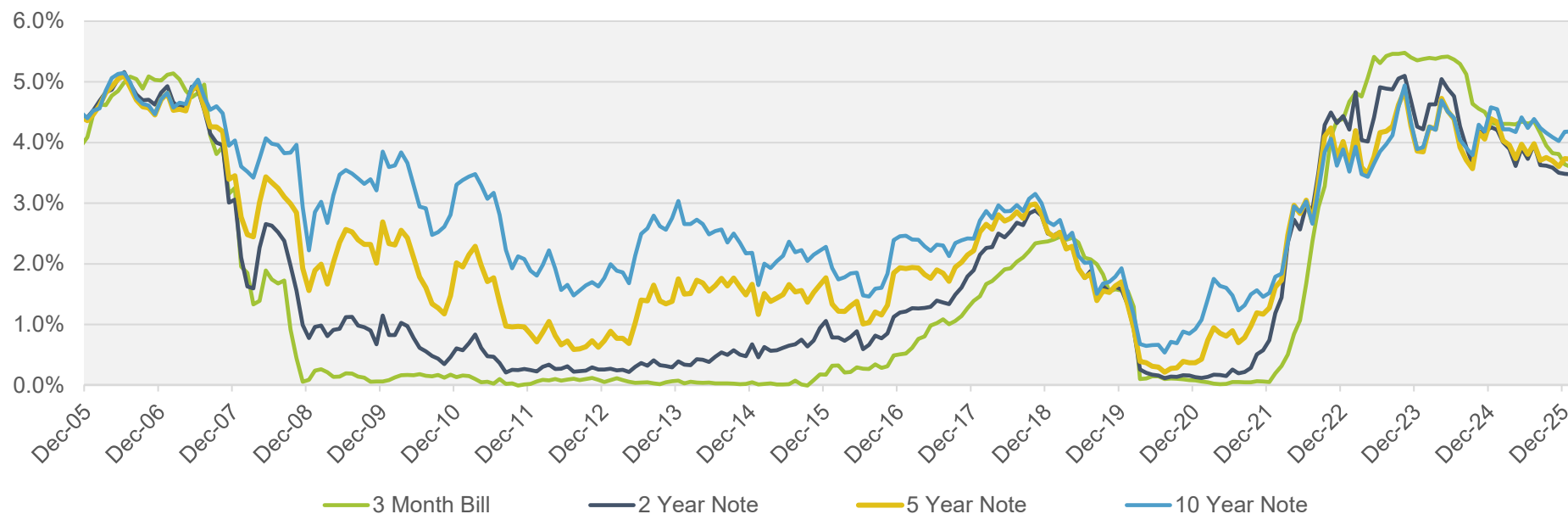
Market Overview

December 31, 2025

- The yield curve continued to steepen in Q4 and was led by a drop in the front end as the Fed cut interest rates twice for a total of 50 basis points.
- 3-month Bill yields fell by 31 basis points to 3.63% while 2-year notes declined by a more modest 13 basis points to 3.48%.
- Yields on 5-10 year tenors were relatively unchanged, finishing the quarter within 2 basis points of where they started.
- The long end of the curve rose.

	Quarterly Treasury Yields					
	<u>12/31/24</u>	<u>3/31/25</u>	<u>6/30/25</u>	<u>9/30/25</u>	<u>12/31/25</u>	<u>YOY Change</u>
3 Month Bill	4.32	4.30	4.30	3.94	3.63	-0.69
2 Year Note	4.24	3.89	3.72	3.61	3.48	-0.77
5 Year Note	4.38	3.95	3.80	3.74	3.73	-0.66
10 Year Note	4.57	4.21	4.23	4.15	4.17	-0.40

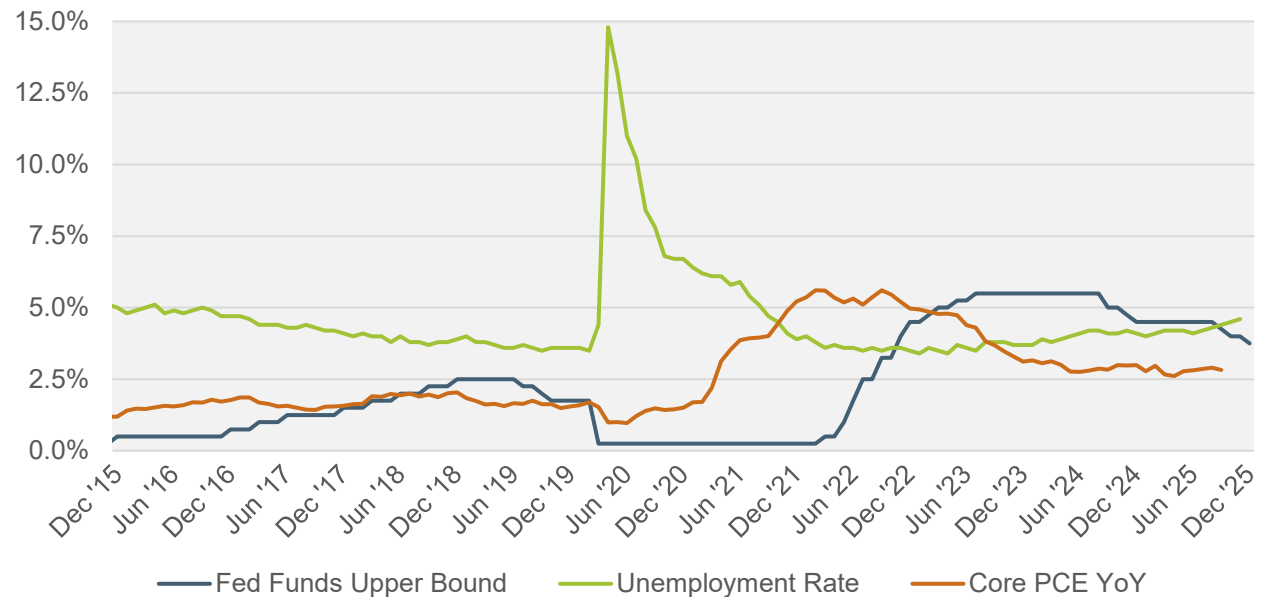
Interest Rates Over Twenty Years



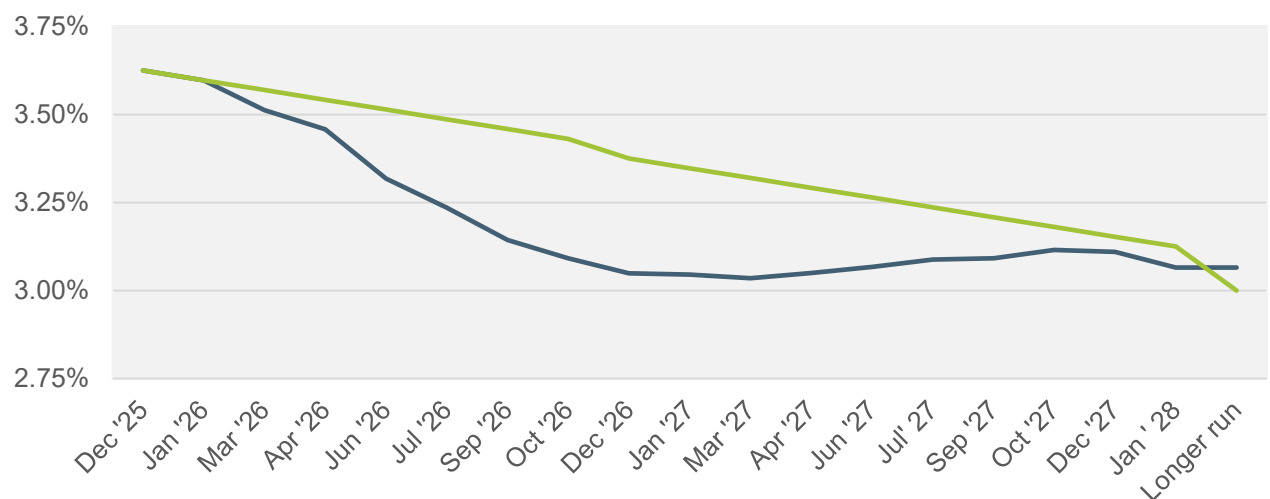
Source: Bloomberg

- The Federal Reserve pressured the front end of the yield curve down as they cut rates by 25 basis points two times in Q4 bringing the Fed funds target range to 3.50%-3.75%.
- The Committee justified the rate cuts by pointing to a softening labor market, along with a broad consensus that the recent uptick in inflation is unlikely to persist.
- The FOMC is forecasting only one rate cut in 2026 and one in 2027 which could ultimately come to be the end of the current policy easing cycle.
- Markets are pricing in two rate cuts in 2026 and none in 2027.

Fed Mandate Chart



Fed Funds Futures Implied Rate vs Fed Projections



Source: Market pricing via Bloomberg as of 1/6/2026

— Market Implied Rate — Fed Projections

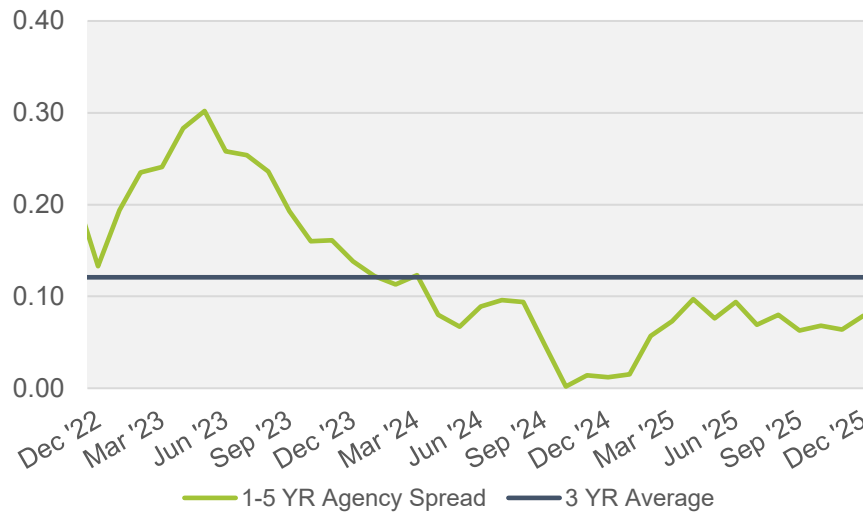
Credit Spreads



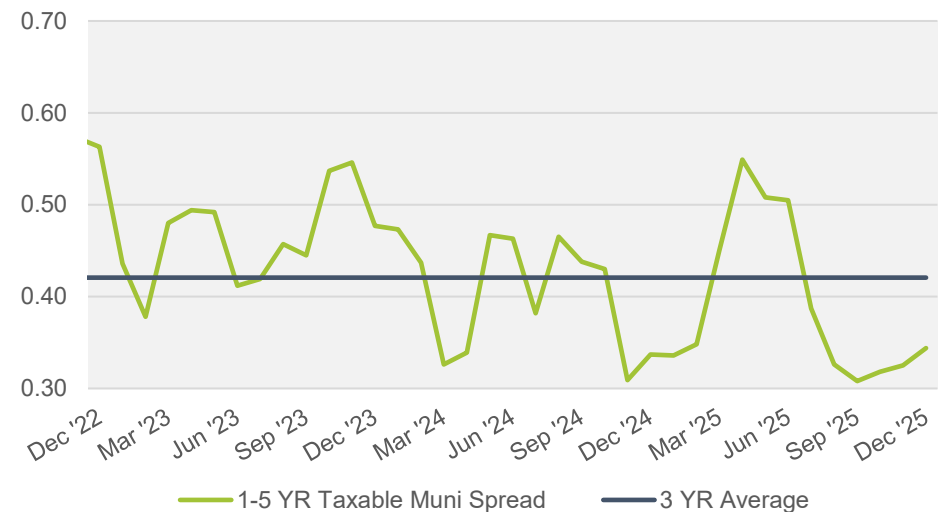
December 31, 2025

Market Overview

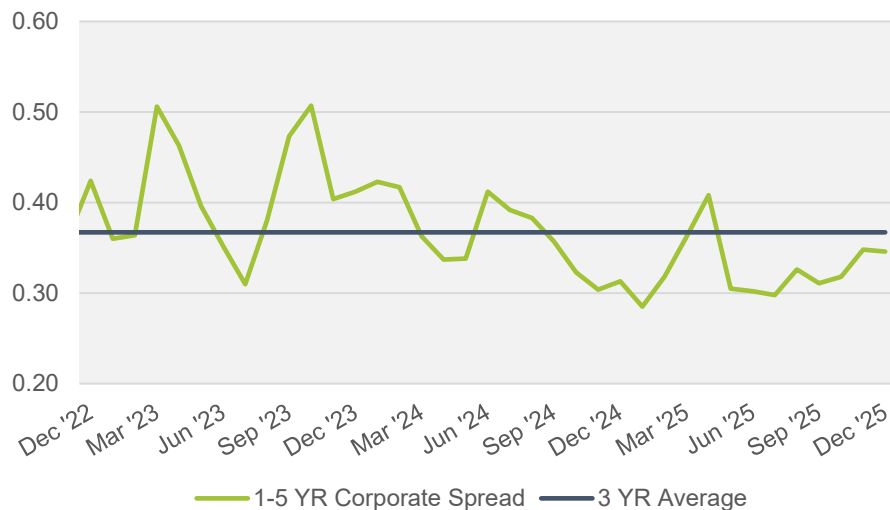
Agency Bullet 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Taxable Muni 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Corporate 1-5 YR Index AA-AAA vs. Treasury 1-5 YR Index
Trailing Three Years



- Credit spreads remain trading tight relative to historical averages but have widened slightly since touching yearly lows over the summer.
- The market is assigning a high price tag by historical standards to the extra “credit” risk taken for investing in corporate and municipal issuers.
- Current pricing supports a tactical underweight to these asset classes and a tactical overweight to Treasuries.



Yield Duration and Asset Class Performance



Market Overview

December 31, 2025

Monitors the returns based on duration sectors of the US Treasury market

Benchmark	Duration	Last Year	3 Year	5 Year	10 year	20 year
US Treasury 0-1 Year	0.49	4.32%	4.85%	3.03%	2.22%	1.86%
US Treasury 0-3 Year	1.41	4.86%	4.62%	2.20%	1.97%	2.05%
US Treasury 1-3 Year	1.83	5.09%	4.48%	1.79%	1.85%	2.13%
US Treasury 0-5 Year	2.08	5.44%	4.58%	1.73%	1.93%	2.31%
US Treasury 1-5 Year	2.54	5.74%	4.48%	1.34%	1.83%	2.44%
US Treasury 0-10 Year	3.03	6.06%	4.47%	1.06%	1.84%	2.62%

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Diversification Constraint	Policy Limit	Actual Value*	Status
US Treasury Obligations Maximum % of Holdings	100.000	64.565	Compliant
US Agency FFCB Issuer Concentration	30.000	7.760	Compliant
US Agency FHLB Issuer Concentration	30.000	3.049	Compliant
US Agency FHLMC Issuer Concentration	30.000	0.000	Compliant
US Agency FNMA Issuer Concentration	30.000	0.592	Compliant
US Agency Obligations - All Other Issuers Combined	30.000	0.000	Compliant
US Agency Obligations - FHLB, FNMA, FHLMC, FFCB, FAMA, GNMA - NM Only	30.000	0.000	Compliant
US Agency Obligations Maximum % of Holdings	80.000	11.401	Compliant
Supranationals - Issuer is IADB, IBRD, or IFC	0.000	0.000	Compliant
Supranationals Issuer Concentration (NM only)	5.000	0.611	Compliant
Supranationals Maximum % of Holdings (NM only)	15.000	0.611	Compliant
Municipal Bonds Maximum % of Holdings	25.000	0.000	Compliant
Municipal Bonds NM Only Issuer	0.000	0.000	Compliant
Fixed Income Mutual Fund (ETF) Maximum Issuer Concentration	20.000	0.000	Compliant
Fixed Income Mutual Fund and (ETF) Combined Maximum % Holdings	40.000	0.000	Compliant
Commercial Paper Issued and Operating in the US	0.000	0.000	Compliant
Commercial Paper Issuer Concentration	5.000	0.000	Compliant
Commercial Paper Maximum % of Holdings	25.000	0.000	Compliant
Certificates of Deposit Issuer Concentration	15.000	0.000	Compliant
Certificates of Deposit Maximum % of Holdings	40.000	0.000	Compliant
Money Market Govt Only	0.000	0.000	Compliant
Money Market Issuer Concentration	20.000	3.198	Compliant
Money Market Maximum % of Holdings	50.000	3.198	Compliant

1) Actual values are based on market value.

2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

LGIP Maximum % of Holdings	75.000	0.000	Compliant
Bank Time Deposits/Savings Accounts Maximum % of Holdings - NM	100.000	15.887	Compliant
Repurchase Agreements Maximum % of Holdings	50.000	0.000	Compliant
SIC New Mexico Funds (% portfolio)	5.000	0.000	Compliant
Federally Insured Obligations or Deposits	100.000	0.000	Compliant

1) Actual values are based on market value.
2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Maturity Structure Constraint	Policy Limit	Actual %	Status
Maturity Constraints Under 7 years Minimum % of Total Portfolio	100.000	100.000	Compliant
Policy Maturity Constraint	Policy Limit	Actual Term	Status
US Treasury Maximum Maturity At Time of Purchase (years)	7.000	5.063	Compliant
US Agency Maximum Maturity At Time of Purchase (years)	7.000	5.379	Compliant
Supranationals Maximum Maturity At Time of Purchase (years)	5.000	4.871	Compliant
Municipals Maximum Maturity At Time of Purchase (years)	7.000	0.000	Compliant
Commercial Paper Days to Final Maturity (days)	180.000	0.000	Compliant
Repurchase Agreements Maximum Maturity At Time of Purchase (days)	365.000	0.000	Compliant
Maximum Single Maturity (years)	7.000	4.747	Compliant
Weighted Effective Duration	3.000	1.281	Compliant
Policy Credit Constraint			Status
Supranationals Ratings AA-/Aa3/AA- or better (Rated by 1 NRSRO)			Compliant
Municipal Bonds Ratings Minimum A-/A3/A- (Rated by 1 NRSRO)			Compliant
Commercial Paper Ratings Minimum A1/P1/F1 (Rated by 1 NRSRO)			Compliant
Money Market Ratings Minimum AAA/Aaa/AAA (Rated by 1 NRSRO)			Compliant

1) Actual values are based on market value.

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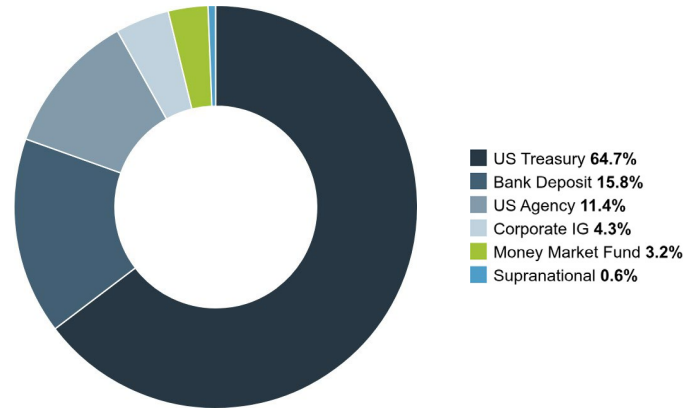
Summary Overview

City of Rio Rancho | RIO Total Portfolio

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	62,887,343
Investments	268,367,408
Book Yield	3.97%
Market Yield	3.59%
Effective Duration	1.40
Years to Maturity	1.49
Avg Credit Rating	AA+

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Maturity*	Effective Duration	Benchmark Duration	Benchmark
RIO-BP2024 Investments	13,844,391	13,867,675	13,888,604	20,929	3.74%	0.67	0.63	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-BP2025 SSGRT Investment	32,965,487	32,861,754	32,924,484	62,730	4.11%	0.36	0.36	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-Cash Matched Investments	41,769,640	41,755,306	41,871,685	116,379	4.08%	0.94	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Investment Core	177,210,689	186,641,446	188,495,094	1,853,648	4.00%	2.27	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Liquidity	52,327,136	52,327,136	52,327,136	0	3.72%	0.01	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	318,117,343	327,453,317	329,507,003	2,053,686	3.97%	1.49	1.40	1.29	

Strategic Quarterly Update

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Metric	Previous	Current
Strategy	09/30/2025	12/31/2025
Effective Duration		
Investment Core	2.13	2.13
Benchmark Duration	2.10	2.08
Total Effective Duration	1.34	1.40
Total Return (Net of Fees %)*		
Investment Core	1.22	1.11
Benchmark Return	1.15	1.10
Total Portfolio Performance	1.14	1.02
<i>*Changes in Market Value include net unrealized and realized gains/losses.</i>		
Maturity Total Portfolio		
Average Maturity Total Holdings	1.43	1.49

Metric	Previous	Current
Book Yield	09/30/2025	12/31/2025
Ending Book Yield		
BP2024 Investments	4.01%	3.74%
BP2025 SSGRT Investment	4.18%	4.11%
Cash Matched Investments	4.30%	4.08%
Investment Core	3.96%	4.00%
Liquidity	4.23%	3.72%
Total Book Yield	4.07%	3.97%
Values		
	09/30/2025	12/31/2025
Market Value + Accrued		
BP2024 Investments	13,835,823	13,980,199
BP2025 SSGRT Investment	32,825,040	33,165,316
Cash Matched Investments	41,760,755	42,209,343
Investment Core	187,488,120	189,572,756
Liquidity	56,714,117	52,327,136
Total MV + Accrued	332,623,855	331,254,751
Net Unrealized Gain/Loss		
Total Net Unrealized Gain/Loss	1,852,834	2,053,686

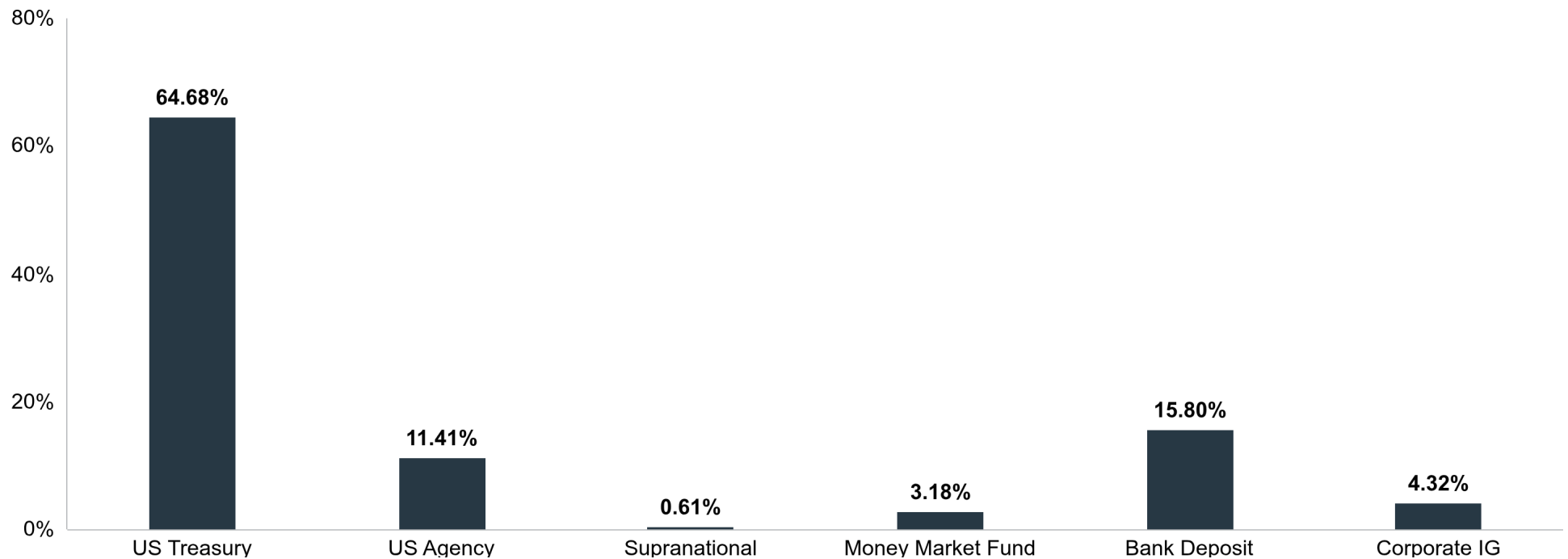
Security Type Distribution

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	215,105,000	3.89%	214,239,861	64.68%
US Agency	37,875,000	4.59%	37,803,407	11.41%
Supranational	2,000,000	4.29%	2,030,140	0.61%
Money Market Fund	10,538,526	3.64%	10,538,526	3.18%
Bank Deposit	52,348,817	3.72%	52,348,817	15.80%
Corporate IG	250,000	4.56%	14,294,000	4.32%
Total	318,117,343	3.97%	331,254,751	100.00%



Risk Management - Maturity/Duration

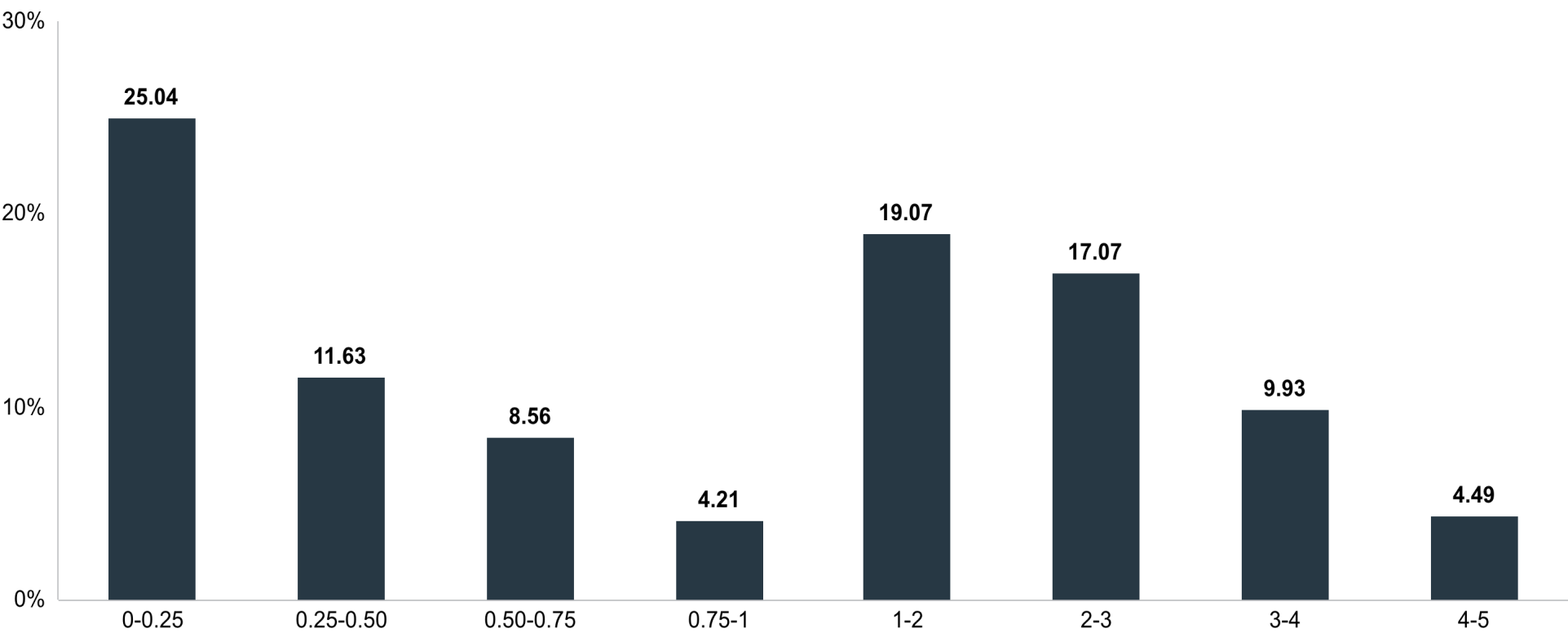


City of Rio Rancho | RIO Total Portfolio

December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.40 Yrs	1.49 Yrs	519

Distribution by Effective Duration



Strategic Operating Portfolio and Core Investments

Summary Overview

City of Rio Rancho | RIO_Operating Portfolio

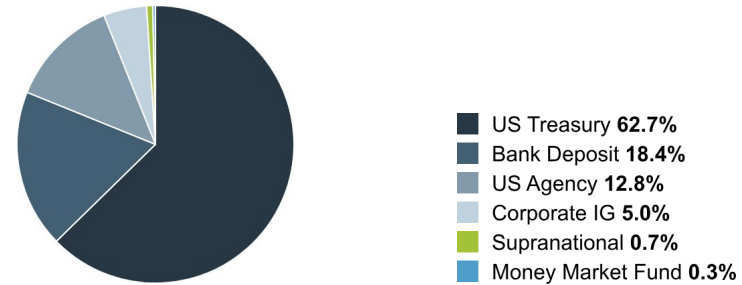


December 31, 2025

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	53,222,464.75
Investments (Market Value + Accrued)	230,886,770.82
Book Yield	3.96%
Market Yield	3.59%
Effective Duration	1.56
Years to Maturity	1.66
Avg Credit Rating	AA+

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Effective Duration	Benchmark Duration	Benchmark
RIO-Investment Core	177,210,688.84	186,641,446.09	188,495,093.64	1,853,647.55	4.00%	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Cash Matched Investments	41,769,639.80	41,755,306.04	41,871,685.15	116,379.11	4.08%	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Liquidity	52,327,136.11	52,327,136.11	52,327,136.11	0.00	3.72%	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	271,307,464.75	280,723,888.24	282,693,914.90	1,970,026.66	3.96%	1.56		

Return Management-Income Detail

City of Rio Rancho | Operating Portfolio



December 31, 2025

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (07/01/2025)
Amortization/Accretion	556.754.28	1,210,156.93
Interest Earned	2,304,102.86	4,574,409.80
Realized Gain (Loss)	0.00	0.00
Book Income	2,860,857.14	5,784,566.73
Average Portfolio Balance	282,897,610.41	285,992,774.01

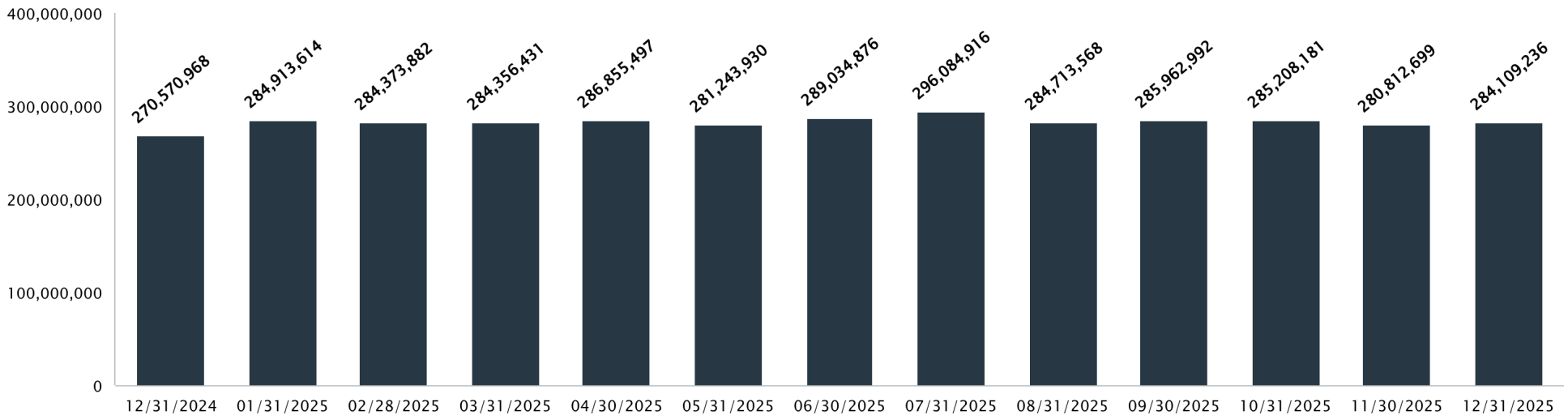
Historical Balances

City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Market Value



Market Value and Return

Period Begin	Period End	Market Value + Accrued	Earned Income	Book Yield	Effective Duration	Maturity in Years
12/01/2024	12/31/2024	270,570,968	1,007,106	4.33%	1.48	1.58
01/01/2025	01/31/2025	284,913,614	938,761	4.34%	1.38	1.51
02/01/2025	02/28/2025	284,373,882	928,403	4.29%	1.44	1.51
03/01/2025	03/31/2025	284,356,431	1,003,991	4.18%	1.40	1.49
04/01/2025	04/30/2025	286,855,497	975,986	4.18%	1.37	1.45
05/01/2025	05/31/2025	281,243,930	987,072	4.15%	1.42	1.50
06/01/2025	06/30/2025	289,034,876	954,474	4.11%	1.35	1.44
07/01/2025	07/31/2025	296,084,916	1,014,214	4.11%	1.36	1.45
08/01/2025	08/31/2025	284,713,568	966,844	4.06%	1.49	1.58
09/01/2025	09/30/2025	285,962,992	942,652	4.06%	1.46	1.55
10/01/2025	10/31/2025	285,208,181	964,855	4.03%	1.48	1.58
11/01/2025	11/30/2025	280,812,699	915,586	3.98%	1.61	1.71
12/01/2025	12/31/2025	284,109,236	980,416	3.96%	1.56	1.66

Security Type Distribution

City of Rio Rancho | RIO_Operating Portfolio

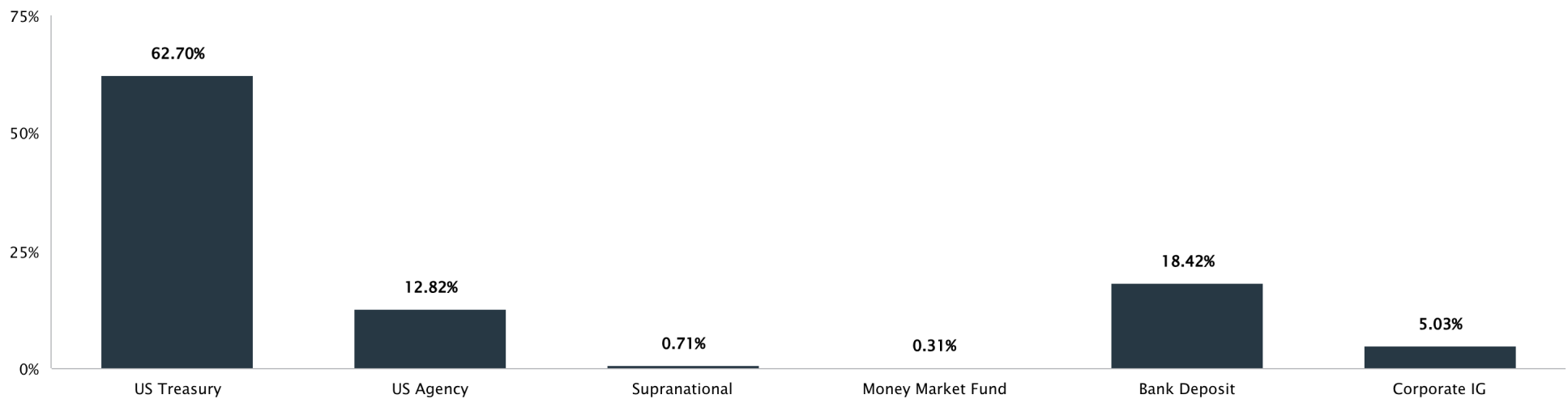


December 31, 2025

Security Type Distribution

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	179,290,000.00	3.85%	178,135,300.75	62.70%
US Agency	36,545,000.00	4.61%	36,427,330.08	12.82%
Supranational	2,000,000.00	4.29%	2,030,140.00	0.71%
Money Market Fund	892,461.26	3.64%	892,461.26	0.31%
Bank Deposit	52,330,003.49	3.72%	52,330,003.49	18.42%
Corporate IG	250,000.00	4.56%	14,294,000.00	5.03%
Total	271,307,464.75	3.96%	284,109,235.57	100.00%

Security Type Distribution



Risk Management-Maturity/Duration

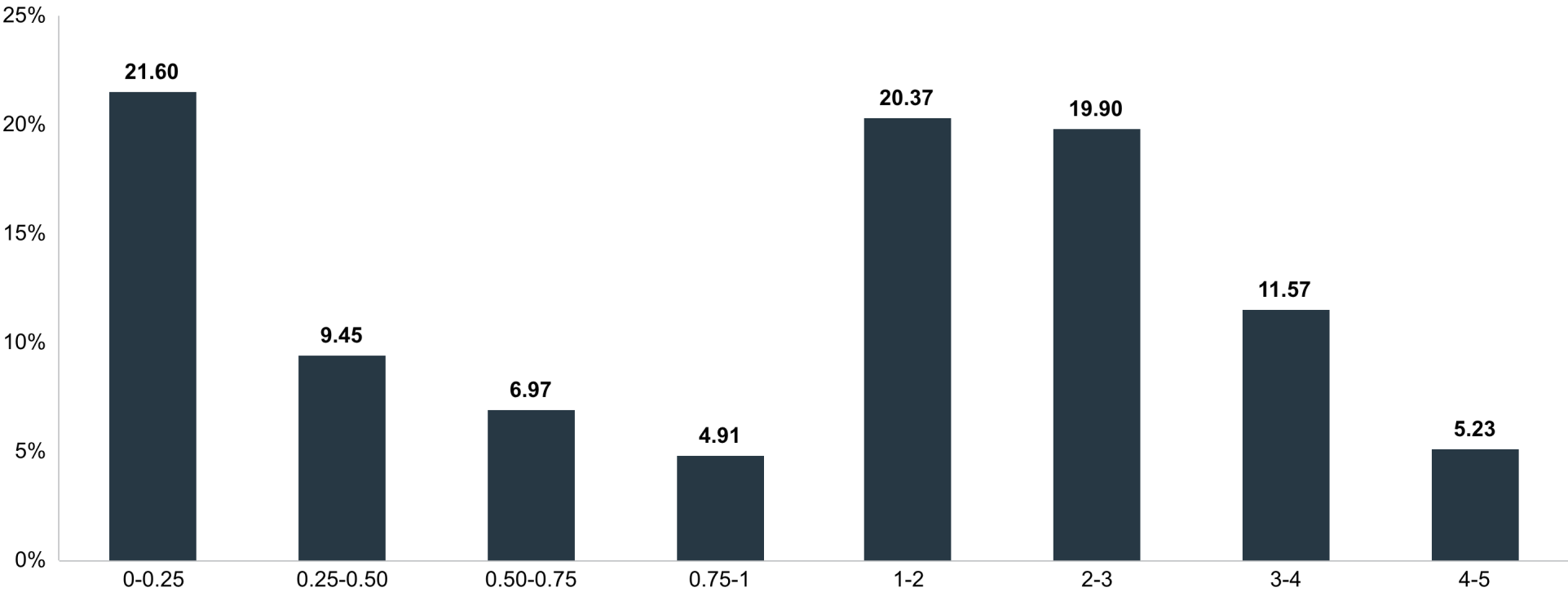
City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.56 Yrs	1.66 Yrs	581

Distribution by Effective Duration



Return Management-Performance

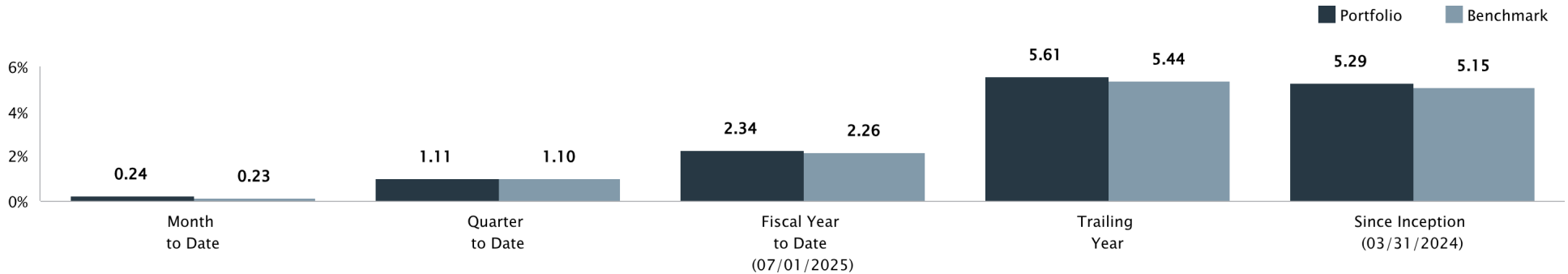
City of Rio Rancho | Investment Core



December 31, 2025

Performance Returns Net of Fees

Periodic for performance less than one year. Annualized for performance greater than one year.



Historical Returns

Period	Month to Date	Quarter to Date	Fiscal Year to Date (07/01/2025)	Trailing Year	Trailing 3 Years	Trailing 5 Years	Since Inception (03/31/2024)
Return (Net of Fees)	0.244%	1.106%	2.339%	5.611%			5.293%
Return (Gross of Fees)	0.247%	1.113%	2.354%	5.642%			5.326%
ICE BofA 0-5 Year US Treasury Index	0.235%	1.102%	2.260%	5.441%			5.149%

Portfolio Holding & Transactions

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
Fixed Income								
RIO-BP2024 Investments	1,640,000	US TREASURY 3.875 01/15/26	4.16%	240	0.04	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,910,000	US TREASURY 4.250 01/31/26	4.24%	755	0.08	AA+	AA+	Aa1
RIO-Investment Core	1,975,000	US TREASURY 0.375 01/31/26	0.79%	(4,475)	0.08	AA+	AA+	Aa1
RIO-Cash Matched Investments	375,000	US TREASURY 4.000 02/15/26	4.92%	511	0.12	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.000 02/15/26	4.78%	2,386	0.12	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,440,000	US TREASURY 0.500 02/28/26	4.22%	1,931	0.16	AA+	AA+	Aa1
RIO-Investment Core	2,565,000	US TREASURY 0.750 03/31/26	3.92%	2,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,820,000	US TREASURY 4.500 03/31/26	4.19%	6,723	0.25	AA+	AA+	Aa1
RIO-Investment Core	935,000	US TREASURY 4.500 03/31/26	4.07%	1,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,860,000	US TREASURY 0.750 04/30/26	4.18%	6,505	0.33	AA+	AA+	Aa1
RIO-Investment Core	5,300,000	US TREASURY 0.750 04/30/26	4.43%	11,227	0.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	8,060,000	FED FARM CR BNKS 4.750 05/08/26	4.88%	34,808	0.35	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,000,000	US TREASURY 0.750 05/31/26	3.12%	(4,423)	0.41	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,595,000	US TREASURY 4.875 05/31/26	4.03%	8,375	0.41	AA+	AA+	Aa1
RIO-Cash Matched Investments	4,385,000	FHLBANKS 4.875 06/12/26	4.85%	26,057	0.44	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.375 06/23/26	4.89%	26,506	0.47	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,220,000	US TREASURY 0.875 06/30/26	4.15%	8,507	0.49	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 0.875 06/30/26	0.72%	(34,353)	0.49	AA+	AA+	Aa1
RIO-BP2024 Investments	160,000	FED FARM CR BNKS 4.625 07/10/26	3.99%	334	0.5	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 0.625 07/31/26	3.24%	(4,620)	0.57	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 4.375 07/31/26	4.15%	12,166	0.56	AA+	AA+	Aa1
RIO-Investment Core	730,000	US TREASURY 1.500 08/15/26	3.05%	(2,685)	0.61	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,875,000	US TREASURY 4.375 08/15/26	4.02%	20,764	0.6	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/15/26	4.40%	19,595	0.6	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 3.750 08/31/26	4.15%	13,028	0.64	AA+	AA+	Aa1
RIO-Investment Core	5,195,000	US TREASURY 0.875 09/30/26	3.74%	3,169	0.73	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,225,000	US TREASURY 3.500 09/30/26	4.14%	4,740	0.73	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 1.125 10/31/26	3.35%	(7,636)	0.81	AA+	AA+	Aa1
RIO-Cash Matched Investments	1,300,000	US TREASURY 4.625 11/15/26	3.85%	3,167	0.85	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	FED FARM CR BNKS 4.000 11/23/26	3.66%	1,226	0.87	AA+	AA+	Aa1
RIO-Investment Core	1,075,000	US TREASURY 1.250 11/30/26	1.19%	(22,566)	0.9	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Cash Matched Investments	200,000	US TREASURY 4.375 12/15/26	3.81%	526	0.93	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	FANNIE MAE 0.875 12/18/26 '25	4.04%	5,504	0.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 12/31/26	4.29%	25,625	0.98	AA+	AA+	Aa1
RIO-Investment Core	1,500,000	US TREASURY 2.250 02/15/27	4.23%	9,424	1.09	AA+	AA+	Aa1
RIO-Investment Core	1,100,000	FHLBANKS 0.900 02/26/27 '25	4.08%	4,405	1.13	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FHLBANKS 4.875 03/12/27	4.74%	62,114	1.14	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.750 04/30/27	4.73%	68,983	1.28	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,500,000	US TREASURY 2.375 05/15/27	3.61%	9,712	1.33	AA+	AA+	Aa1
RIO-Investment Core	2,350,000	US TREASURY 2.375 05/15/27	3.26%	(9,172)	1.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	5,000,000	US TREASURY 4.625 06/15/27	3.61%	8,789	1.4	AA+	AA+	Aa1
RIO-Investment Core	300,000	US TREASURY 0.500 06/30/27	3.70%	153	1.47	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 3.250 06/30/27	3.61%	3,850	1.45	AA+	AA+	Aa1
RIO-BP2024 Investments	1,170,000	FED FARM CR BNKS 4.500 07/08/27	3.83%	5,272	1.43	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 2.750 07/31/27	4.10%	43,346	1.52	AA+	AA+	Aa1
RIO-Investment Core	700,000	US TREASURY 2.250 08/15/27	4.41%	8,282	1.56	AA+	AA+	Aa1
RIO-Cash Matched Investments	6,500,000	US TREASURY 3.750 08/15/27	3.60%	12,046	1.54	AA+	AA+	Aa1
RIO-Investment Core	1,600,000	US TREASURY 0.500 08/31/27	3.63%	(377)	1.63	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 09/30/27	4.62%	84,048	1.66	AA+	AA+	Aa1
RIO-BP2024 Investments	4,025,000	US TREASURY 3.875 10/15/27	3.70%	15,083	1.7	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 4.125 10/31/27	3.67%	7,867	1.74	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.500 10/31/27	3.91%	3,854	1.79	AA+	AA+	Aa1
RIO-Investment Core	2,325,000	US TREASURY 2.250 11/15/27	3.59%	1,706	1.81	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,500,000	US TREASURY 0.625 12/31/27	3.56%	(3,019)	1.96	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.750 01/31/28	4.29%	11,666	2.03	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 3.500 01/31/28	3.88%	15,462	1.97	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 2.750 02/15/28	3.95%	15,655	2.02	AA+	AA+	Aa1
RIO-Investment Core	3,340,000	US TREASURY 1.250 03/31/28	4.04%	32,022	2.18	AA+	AA+	Aa1
RIO-Investment Core	1,850,000	US TREASURY 1.250 04/30/28	3.77%	5,816	2.26	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 05/31/28	3.69%	11,349	2.34	AA+	AA+	Aa1
RIO-Investment Core	4,700,000	US TREASURY 1.250 06/30/28	4.26%	71,705	2.43	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 07/31/28	4.54%	111,143	2.4	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/31/28	4.49%	95,317	2.47	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.625 09/30/28	4.26%	38,617	2.54	AA+	AA+	Aa1
RIO-Investment Core	3,500,000	US TREASURY 1.250 09/30/28	3.51%	(2,133)	2.65	AA+	AA+	Aa1
RIO-Investment Core	210,000	ISHARES:1-5 IG CORP BD	4.58%	375,180	2.6	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.125 11/15/28	4.13%	59,711	2.71	AA+	AA+	Aa1
RIO-Investment Core	40,000	VANGUARD ST CORP BD;ETF	4.52%	110,000	2.7	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.750 12/31/28	4.12%	62,228	2.82	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.625 02/15/29	4.12%	57,172	2.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 03/31/29	4.13%	56,941	3.07	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 05/15/29	3.89%	34,080	3.19	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 3.250 06/30/29	3.86%	23,745	3.28	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.000 07/31/29	3.52%	(11,621)	3.26	AA+	AA+	Aa1
RIO-Investment Core	2,850,000	US TREASURY 3.125 08/31/29	4.13%	45,852	3.39	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	IBRD 3.875 10/16/29 MTN	4.29%	41,976	3.47	AAA	NA	Aaa
RIO-Investment Core	4,750,000	US TREASURY IO STR 11/15/29	4.21%	60,010	3.8	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 12/31/29	3.93%	41,722	3.65	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	5,000,000	FED FARM CR BNKS 1.320 03/18/30	4.29%	89,779	4.02	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 3.500 04/30/30	4.15%	90,287	3.96	AA+	AA+	Aa1
RIO-Investment Core	5,500,000	US TREASURY 4.000 07/31/30	3.81%	26,647	4.09	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.625 09/30/30	3.62%	(19,715)	4.2	AA+	AA+	Aa1
Fixed Income Total	255,230,000		4.03%	2,053,686	1.72	AA+	AA+	Aa1
Money Market Funds								
RIO-BP2024 Investments	6,834,377	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Liquidity	52,327,136	Wells Fargo Deposit	3.72%	0	0.01	NA	NA	NA
RIO-Investment Core	318,933	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Cash Matched Investments	573,528	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-BP2025 SSGRT Investment	2,811,687	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
Money Market Funds Total	62,865,662		3.70%	0	0.01	AAA	AAA	Aaa
Total	318,117,343		3.97%	2,053,686	1.4	AA+	AA+	Aa1

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
Buy							
31846V567	FIRST AMER:GVT OBLG;Z			(835,757)	835,757	835,757	0
31846V567	FIRST AMER:GVT OBLG;Z			(4,776,414)	4,776,414	4,776,414	0
31846V567	FIRST AMER:GVT OBLG;Z			(1,998,067)	1,998,067	1,998,067	0
31846V567	FIRST AMER:GVT OBLG;Z			(2,731,002)	2,731,002	2,731,002	0
91282CHZ7	US TREASURY 4.625 09/30/30	10/28/2025	10/31/2025	(4,720,577)	4,500,000	4,702,852	17,725
91282CLG4	US TREASURY 3.750 08/15/27	11/14/2025	11/17/2025	(6,578,258)	6,500,000	6,515,996	62,262
91282CKV2	US TREASURY 4.625 06/15/27	11/14/2025	11/17/2025	(5,175,082)	5,000,000	5,077,148	97,934
912828X88	US TREASURY 2.375 05/15/27	11/14/2025	11/17/2025	(7,367,097)	7,500,000	7,366,113	984
91282CKS9	US TREASURY 4.875 05/31/26	11/25/2025	12/01/2025	(1,382,865)	1,375,000	1,382,681	184
91282CLC3	US TREASURY 4.000 07/31/29	11/25/2025	12/01/2025	(4,118,322)	4,000,000	4,064,844	53,478
91282CCY5	US TREASURY 1.250 09/30/28	12/29/2025	12/31/2025	(3,305,296)	3,500,000	3,294,238	11,058
RIO_WF_DEP		12/31/2025	12/31/2025	(2,679,352)	2,679,352	2,679,352	0
Total				(45,668,089)	45,395,592	45,424,464	243,625
Maturity							
91282CFP1	US TREASURY 4.250 10/15/25 MATD	10/15/2025	10/15/2025	2,000,000	(2,000,000)	(2,000,000)	0
912797NA1	US TREASURY BILL 10/30/25 MATD	10/30/2025	10/30/2025	320,000	(320,000)	(320,000)	0

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
91282CAT8	US TREASURY 0.250 10/31/25 MATD	10/31/2025	10/31/2025	2,000,000	(2,000,000)	(2,000,000)	0
3133EPC37	FED FARM CR BNKS 4.875 11/13/25 MATD	11/13/2025	11/13/2025	220,000	(220,000)	(220,000)	0
313385PF7	FHLBANKS D NOTE 11/14/25 MATD	11/14/2025	11/14/2025	1,000,000	(1,000,000)	(1,000,000)	0
91282CFW6	US TREASURY 4.500 11/15/25 MATD	11/15/2025	11/15/2025	910,000	(910,000)	(910,000)	0
91282CAZ4	US TREASURY 0.375 11/30/25 MATD	11/30/2025	11/30/2025	4,000,000	(4,000,000)	(4,000,000)	0
91282CJL6	US TREASURY 4.875 11/30/25 MATD	11/30/2025	11/30/2025	1,280,000	(1,280,000)	(1,280,000)	0
91282CGA3	US TREASURY 4.000 12/15/25 MATD	12/15/2025	12/15/2025	260,000	(260,000)	(260,000)	0
313385QS8	FHLBANKS D NOTE 12/19/25 MATD	12/19/2025	12/19/2025	3,450,000	(3,450,000)	(3,450,000)	0
91282CBC4	US TREASURY 0.375 12/31/25 MATD	12/31/2025	12/31/2025	2,600,000	(2,600,000)	(2,600,000)	0
91282CJS1	US TREASURY 4.250 12/31/25 MATD	12/31/2025	12/31/2025	1,600,000	(1,600,000)	(1,600,000)	0
Total				19,640,000	(19,640,000)	(19,640,000)	0
Sell							
31846V567	FIRST AMER:GVT OBLG;Z			173	(173)	(173)	0
31846V567	FIRST AMER:GVT OBLG;Z			2,975,406	(2,975,406)	(2,975,406)	0
RIO_WF_DEP				7,066,333	(7,066,333)	(7,066,333)	0
31846V567	FIRST AMER:GVT OBLG;Z			270	(270)	(270)	0

Transactions

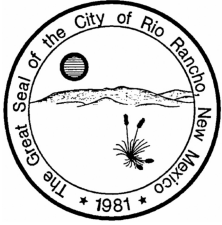
City of Rio Rancho | RIO Total Portfolio

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
31846V567	FIRST AMER:GVT OBLG;Z	11/17/2025	11/17/2025	18,159,900	(18,159,900)	(18,159,900)	0
Total				28,202,082	(28,202,082)	(28,202,082)	0

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A thick, dark blue line graph that trends upwards from the bottom left to the top right, with a small dip in the middle. It spans the width of the page, starting from the left edge and ending at the right edge.

Government Portfolio Advisors
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**CITY OF RIO RANCHO
COVER PAGE**

Legislation Item:

AGENDA DATE:
February 18, 2026

DEPARTMENT:
City Clerk

SUBJECT:
Review and Input on the Core and Liquidity Portfolios Performance

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

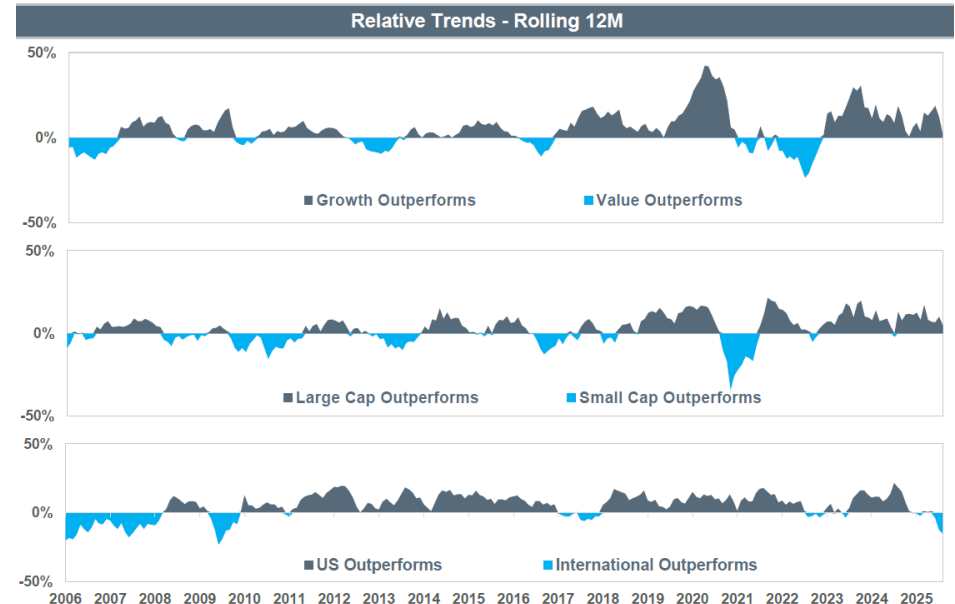
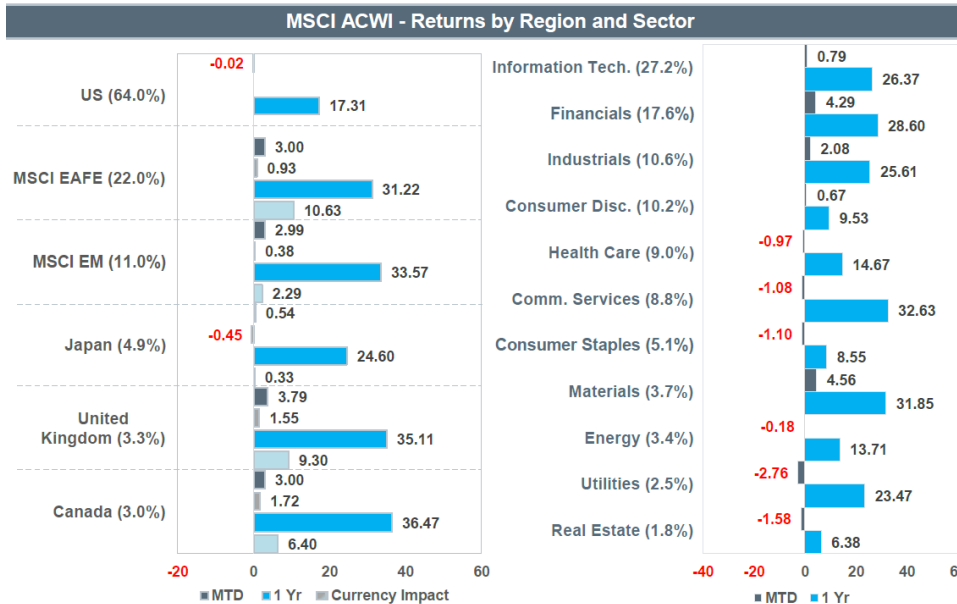
DEPARTMENT RECOMMENDATION:
Presentation by Government Portfolio Advisors

ATTACHMENT: [REVISED Quarterly Presentation December 2025](#)
ATTACHMENT: [Total Portfolio Quarterly Presentation December 2025.](#)



Permanent Fund – Permanent Fund
City of Rio Rancho
Investment Advisory Board

As of: December 31, 2025



Sector Performance

Information Technology underperformed relative to the prior quarter, declining by ~7%. Most sectors experienced softer returns during the period, while Financials, Consumer Staples, and Materials showed relative improvement.

U.S. Markets

U.S. equity markets experienced a more challenging quarter amid ongoing political and economic uncertainty. The S&P 500 slowed from an 8.12% return in the prior quarter to approximately 2.7% in Q4 2025. This moderation in returns was observed across both large- and small-cap equities and reflects a broader deceleration following earlier strength in the year.

International Markets

International markets showed mixed performance. Emerging markets were more negatively impacted by global uncertainty and currency pressures, while developed markets largely held near prior-quarter return levels. As some investors look to non-U.S. developed markets for diversification away from U.S. equities.

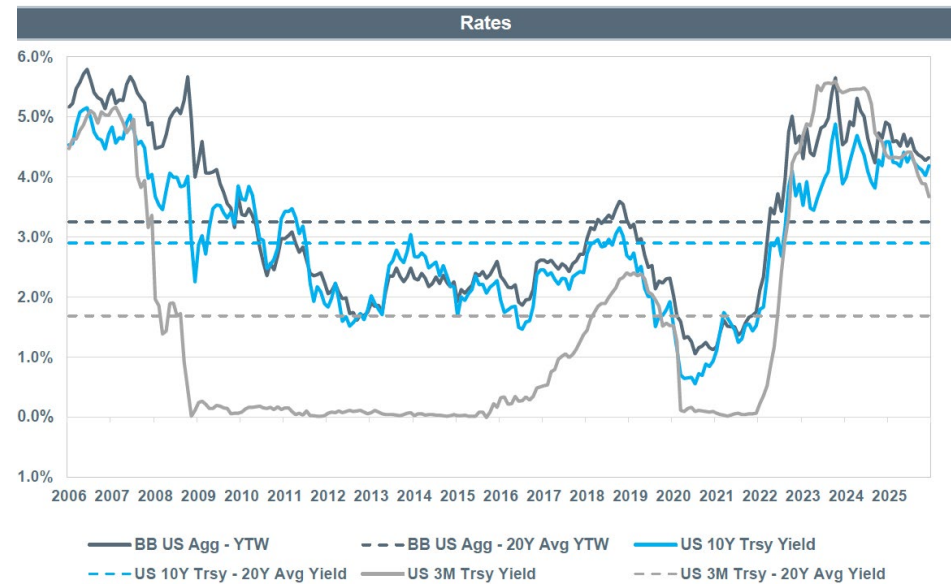
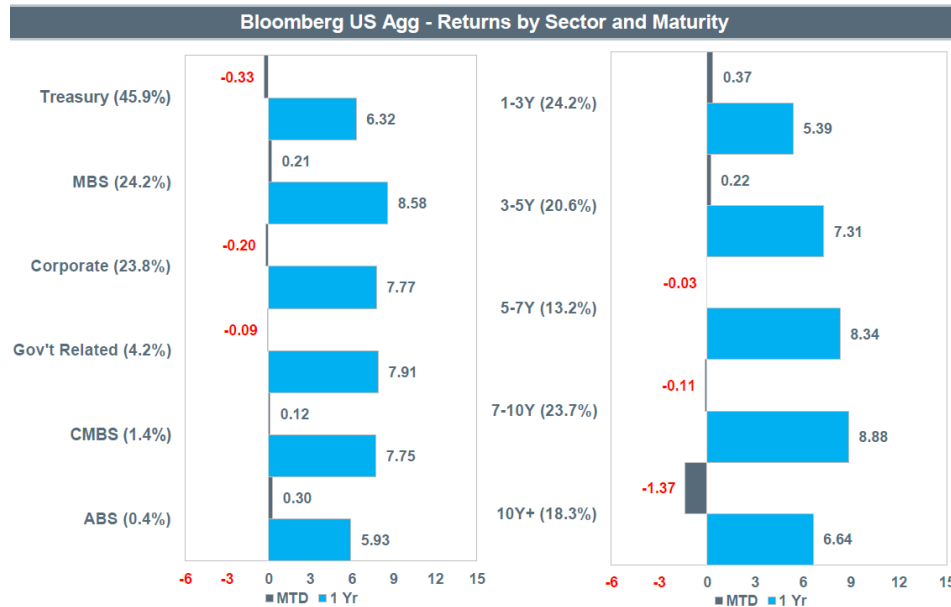
Performance		Index	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr
US Equity	All-Cap	Russell 3000	-0.02	2.40	17.15	17.15	22.25	13.15	14.29
	Large-Cap	S&P 500	0.06	2.66	17.88	17.88	23.01	14.42	14.82
		Russell 1000 Value	0.68	3.81	15.91	15.91	13.90	11.33	10.53
		Russell 1000	0.01	2.41	17.37	17.37	22.74	13.59	14.59
		Russell 1000 Growth	-0.62	1.12	18.56	18.56	31.15	15.32	18.13
	Small-Cap	Russell 2000 Value	0.18	3.26	12.59	12.59	11.73	8.88	9.27
		Russell 2000	-0.58	2.19	12.81	12.81	13.73	6.09	9.62
		Russell 2000 Growth	-1.28	1.22	13.01	13.01	15.59	3.18	9.57
Int'l Equity	All-Country	MSCI ACWI IMI ex US	2.85	4.76	31.96	31.96	17.10	7.77	8.37
	Developed	MSCI EAFE Value	4.18	7.83	42.25	42.25	21.38	13.36	8.69
		MSCI EAFE	3.00	4.86	31.22	31.22	17.22	8.92	8.18
		MSCI EAFE Growth	1.76	1.86	20.76	20.76	13.16	4.43	7.42
	EM	MSCI EM	2.99	4.73	33.57	33.57	16.40	4.20	8.42

Bond Markets

Market Overview



December 31, 2025



Rate and Returns

Over the last quarter, the yield curve pivoted around the 5-year Treasury, with shorter-term yields declining while longer-term yields moved higher. This resulted in a steepening of the yield curve, which has been producing favorable returns for short-term investments while longer-duration bonds returns are lagging.

Economic Indicators

The U.S. economy continues to show relatively strong momentum. Real GDP growth accelerated to 4.4% compared to 1.9% in the prior year. Core CPI has continued to trend lower, declining from 3.2% in December 2024 to 2.6% in December 2025, with a further drop to 2.4% in January. Meanwhile, the unemployment rate remains near its 10-year average, signaling a stable labor market.

Economic Indicators		Dec-25	Rank	Dec-24	10 Yr	20 Yr
Growth	Real US GDP (%)	4.4*	▲ 83	1.9	2.8	2.2
	Consumer Spending YoY (PCE) (%)	2.55*	▼ 59	3.56	2.79	2.25
	Durable Goods Orders (billions) (\$)	323.76*	▲ N/A	290.56	256.27	234.55
	Housing Starts (thousands)	106.10*	▼ N/A	108.00	113.47	96.73
	Consumer Confidence (Conf Board)	94.20	▼ 42	109.50	110.30	92.66
	Leading Economic Index (Conf Board)	97.90*	▼ 42	101.60	108.11	98.69
Inflation	CPI YoY (Headline) (%)	2.7	▼ 61	2.9	3.1	2.6
	CPI YoY (Core) (%)	2.6	▼ 73	3.2	3.1	2.5
	Breakeven Inflation - 10 Year (%)	2.25	▼ 59	2.34	2.05	2.07
	PPI YoY (%)	2.98	▼ 74	3.48	3.14	2.62
Rates	M2 YoY (%)	4.60	▲ 30	3.49	6.41	6.36
	Federal Funds Rate (%)	3.64	▼ 75	4.33	2.18	1.72
	SOFR (%)	3.87*	▼ 75	4.49	2.22	1.82
	2 Year Treasury (%)	3.47	▼ 74	4.25	2.31	1.89
	10 Year Treasury (%)	4.18	▼ 83	4.58	2.68	2.89
Capacity	10-2 Spread (%)	0.71	▲ 44	0.33	0.38	1.00
	Unemployment Rate (%)	4.40	▲ 33	4.10	4.58	5.78
	PMI - Manufacturing (%)	47.90	▼ 12	49.20	52.95	52.61
	PMI - Service (%)	53.80	▲ 37	53.50	55.59	54.49
Currency/Commodity	US Dollar Trade Weighted Index	120.57	▼ 86	127.81	117.20	106.10
	WTI Crude Oil per Barrel (\$)	57	▼ 25	72	64	73

Asset Allocation versus Benchmark Performance



December 31, 2025

Market Overview

	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
US Equity									
US Large Cap Index Pool	2.41	10.60	17.33	17.33	22.74	13.60	16.50	14.21	8.59
Russell 1000 Index	2.41	10.60	17.37	17.37	22.74	13.59	17.03	14.59	8.42
US Small/Mid Cap Active Pool	2.93	15.49	13.65	13.65	14.39	6.71	11.44	9.66	8.02
Russell 2000 Index	2.19	14.86	12.81	12.81	13.73	6.09	10.70	9.67	8.91
Non-US Equity									
Non-US Large Cap Active	4.77	10.74	32.20	32.20	18.03	9.57	11.36	9.18	7.87
MSCI ACW Ex US Index	5.05	12.29	34.38	34.38	17.81	8.94	10.70	8.33	7.32
Non-US Large Cap Passive	4.82	11.68	33.49	33.49	17.25	9.06	10.85	8.40	5.32
Non-US Large Cap Passive Custom Index	5.05	12.29	33.44	33.44	17.54	8.92	10.73	8.27	5.18
Non-US SMID Cap Active	3.74	9.69	23.96	23.96	12.76	1.00	6.69	7.18	3.96
MSCI ACW Ex US Sm Cap Index (Net)	2.96	9.84	26.61	26.61	14.34	3.09	7.24	7.84	4.93
Non-US SMID Cap Passive	3.08	9.78	25.03	25.03	14.43	3.47	7.53	7.97	7.32
MSCI ACW Ex US Sm Cap Index (Net)	2.96	9.84	26.61	26.61	14.34	3.09	7.24	7.84	7.36
Real Assets									
Real Estate Pool	0.53	2.06	2.33	2.33	-4.08	4.89	4.20	5.88	4.86
NCREIF ODCE Index+0.75% (Net) (1 Qtr Lag)	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.53	5.65
Real Return Pool	2.11	5.01	9.64	9.64	10.31	12.37	8.09	7.34	6.07
Consumer Price Index+4%	0.75	2.45	8.78	8.78	5.29	6.51	6.17	5.07	3.39
Fixed Income									
Bloomberg US Agg Bond Index	1.10	3.15	7.30	7.30	4.66	-0.36	1.99	2.01	1.92
Credit Plus Pool	1.36	3.73	8.20	8.20	6.79	1.00	3.46	3.64	4.75
Bloomberg US Unv Bond Index	1.20	3.35	7.58	7.58	5.24	0.06	2.38	2.44	4.22

SIC History

City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

	2023	2024	2025
Contribution	\$10,000,000	\$1,000,000	0.00
Contribution Month	January	December	July-Reallocation
Contribution	\$2,000.00	NA	N/A
Contribution Month	February	NA	N/A
Annual Earnings	\$1,583,807.17	\$1,253,509.89	\$2,057,210.06
Year Ending Balance	\$11,585,807.17	\$13,839,317.06	\$15,896,527.12

Trailing 3 years 1/01/2023 to 12/31/2025			
Estimated Figures	Portfolio Gross Returns	Portfolio Net Returns	40% Bonds/60% Equity
SIC Permanent Fund	13.34%	13.32%	13.50%
Index Returns			
Individual Index			
	Return	Ratio	Weighted Return
Bond Index	6.838%	40%	2.74%
Equity Index	17.940%	60%	10.76%
40% Bonds/60% Equity			
Total			13.50%

SIC Account Quarter and Fiscal Year to Date Balances



City of Rio Rancho | RIO SIC Portfolio

December 31, 2025

Quarter To Date	Market Value As of 10/1/2025	Net Flows	Return on Investment	Market Value as of 12/31/2025
Total Fund	\$15,730,404.37	(\$4,346.91)	\$375,241.72	\$15,896,527.12
Credit Plus Pool	\$6,024,311.69	(\$3,062.43)	\$83,119.25	\$6,067,855.74
Non-US Large Cap Active Index Pool	\$789,570.94	(\$570.93)	\$38,752.26	\$815,603.21
Non-US Large Cap Passive Pool	\$1,808,428.27	(\$106.53)	\$87,556.25	\$1,860,323.09
Non-US SMID Cap Active Index Pool	\$119,902.45	(\$117.19)	\$4,747.81	\$123,613.68
Non-US SMID Cap Passive Index Pool	\$305,765.09	(\$50.42)	\$9,461.13	\$314,977.91
Real Estate Pool	\$419,573.15	-	\$2,936.87	\$422,961.54
Real Return Pool	\$436,432.05	(\$79.23)	\$9,336.48	\$448,148.33
US Large Cap Index Pool	\$5,576,315.53	(\$122.81)	\$131,897.07	\$5,590,238.85
US Small/Mid Cap Pool	\$250,105.20	(\$237.37)	\$7,434.60	\$252,804.77

Fiscal Year to Date	Market Value As of 7/1/2025	Net Flows	Return on Investment	Market Value as of 12/31/2025
Total Fund	\$14,763,038.38	(\$4,346.91)	\$1,137,835.65	\$15,896,527.12
Credit Plus Pool	\$5,651,058.41	(\$3,062.43)	\$219,859.76	\$6,067,855.74
Non-US Developed Markets Active Pool	\$2,104,700.74	-	\$215.88	-
Non-US Emerging Markets Index Pool	\$694,857.16	-	\$325.18	-
Non-US Large Cap Active Index Pool	-	(\$570.93)	\$80,079.59	\$815,603.21
Non-US Large Cap Passive Pool	-	(\$106.53)	\$195,902.30	\$1,860,323.09
Non-US SMID Cap Active Index Pool	-	(\$117.19)	\$11,195.51	\$123,613.68
Non-US SMID Cap Passive Index Pool	-	(\$50.42)	\$28,086.60	\$314,977.91
Real Estate Pool	\$416,537.68	-	\$6,423.86	\$422,961.54
Real Return Pool	\$426,750.23	(\$79.23)	\$21,477.33	\$448,148.33
US Large Cap Index Pool	\$5,250,224.50	(\$122.81)	\$540,137.16	\$5,590,238.85
US Small/Mid Cap Pool	\$218,909.66	(\$237.37)	\$34,132.48	\$252,804.77

SIC Account Over Time

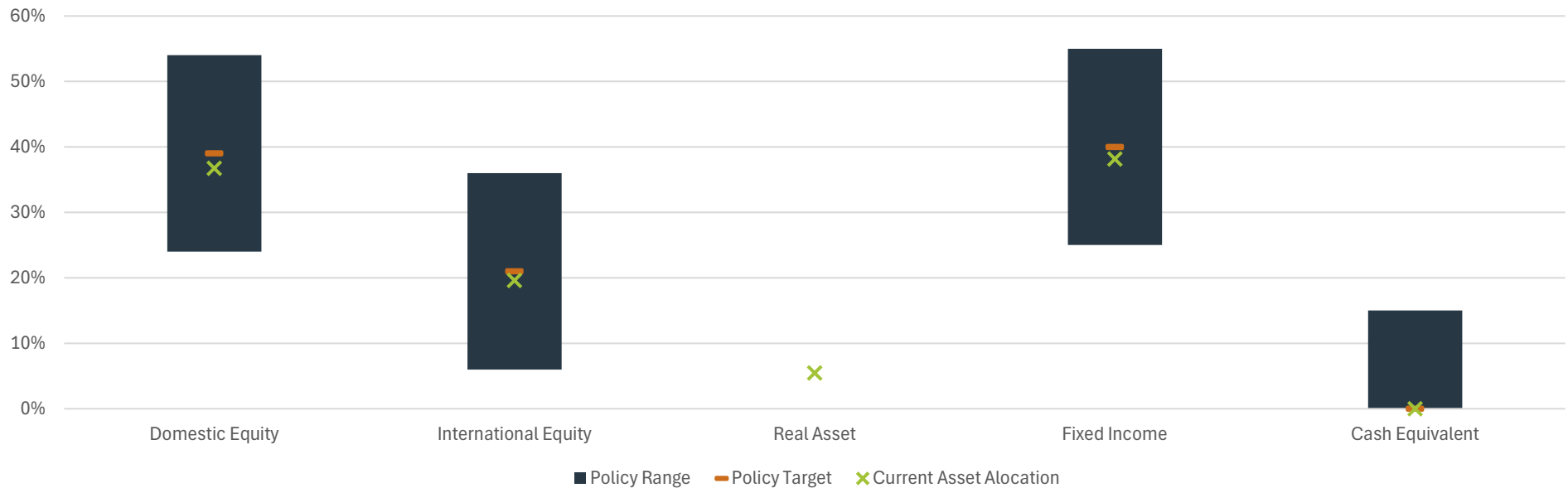
City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

	Current Asset Allocation	Target Allocation	Minimum Allocation	Maximum Allocation	Differences
Total Fund	100%	100%	N/A	N/A	0%
Domestic Equity	37%	39%	24%	54%	-2%
International Equity	20%	21%	6%	36%	-1%
Real Asset	5%				5%
Fixed Income	38%	40%	25%	55%	-2%
Cash Equivalent	0%	0%	0%	15%	0%

Asset Allocation As of 12/31/2025



The City of Rio Rancho Governing Body oversees policies related to the investment of City funds. The Investment Advisory Board shall review the investment policy statement annually and provide input to the Governing Body regarding proposed changes.

GPA has reviewed the policy dated April 22, 2024 and is making the following recommendations for updates.

- 1) Investment Authority – Item 3: Correct the terminology from investment advisor to investment manager of External Investment Pools.
- 2) Investment Guidelines – includes the description “Real Return Assets” , however the table and other sections did not address the asset class that is currently held.
- 3) Asset Class – Update the table to reflect the Real Return Assets and their target % holdings.
- 4) Selection of Investment Managers- Change to Selection of Investment External Investment Pools.
- 5) Limitations on Managers’ Portfolios – Add Real Return constraint
- 6) Review of Investment Performance – clarify how the consultant is presenting and tracking performance. The information is provided by NMSIC and the consultant is not privy to specific data points to run the data. The consultant relies on the data provided directly by NMSIC and their consultant. Additional indices can be incorporated into the analysis by the City’s consultant.

Investment Strategy Target Recommendations in Policy

City of Rio Rancho | RIO SIC Portfolio



December 31, 2025

Asset Classes	Asset Weightings	
	Range	Target
Growth Assets		55%
Domestic Equity	35%-55%	
International Equity	5% - 20%	
Real Return Assets	0%-5%	5%
Real Estate Pool	0%-5%	
Real Assets Pool	0%-5%	
Fixed Income Assets	30%-50%	40%
Credit Plus	10%-30%	
US Core Bonds	0%-30%	

GPA has inherited the current asset allocation and will be completing a full modeling and recommendation to the IAB with any changes to the structure.



Quarterly Investment Report
City of Rio Rancho

December 31, 2025

Interest Rates & The Yield Curve



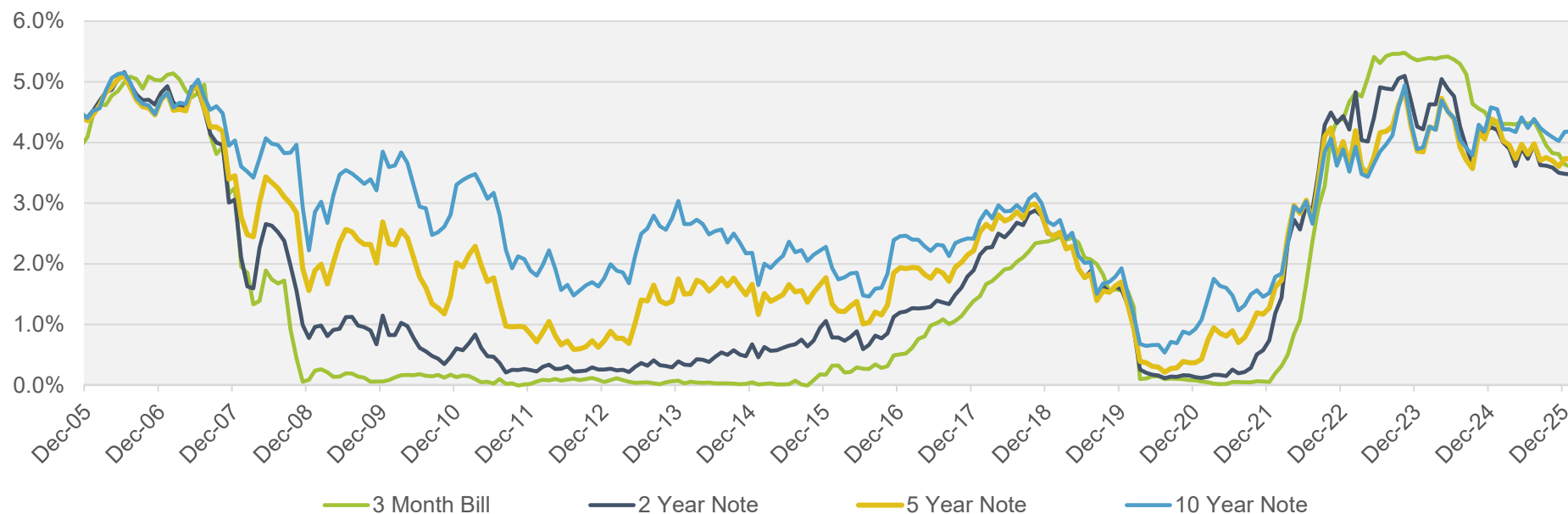
Market Overview

December 31, 2025

- The yield curve continued to steepen in Q4 and was led by a drop in the front end as the Fed cut interest rates twice for a total of 50 basis points.
- 3-month Bill yields fell by 31 basis points to 3.63% while 2-year notes declined by a more modest 13 basis points to 3.48%.
- Yields on 5-10 year tenors were relatively unchanged, finishing the quarter within 2 basis points of where they started.
- The long end of the curve rose.

	Quarterly Treasury Yields					
	<u>12/31/24</u>	<u>3/31/25</u>	<u>6/30/25</u>	<u>9/30/25</u>	<u>12/31/25</u>	<u>YOY Change</u>
3 Month Bill	4.32	4.30	4.30	3.94	3.63	-0.69
2 Year Note	4.24	3.89	3.72	3.61	3.48	-0.77
5 Year Note	4.38	3.95	3.80	3.74	3.73	-0.66
10 Year Note	4.57	4.21	4.23	4.15	4.17	-0.40

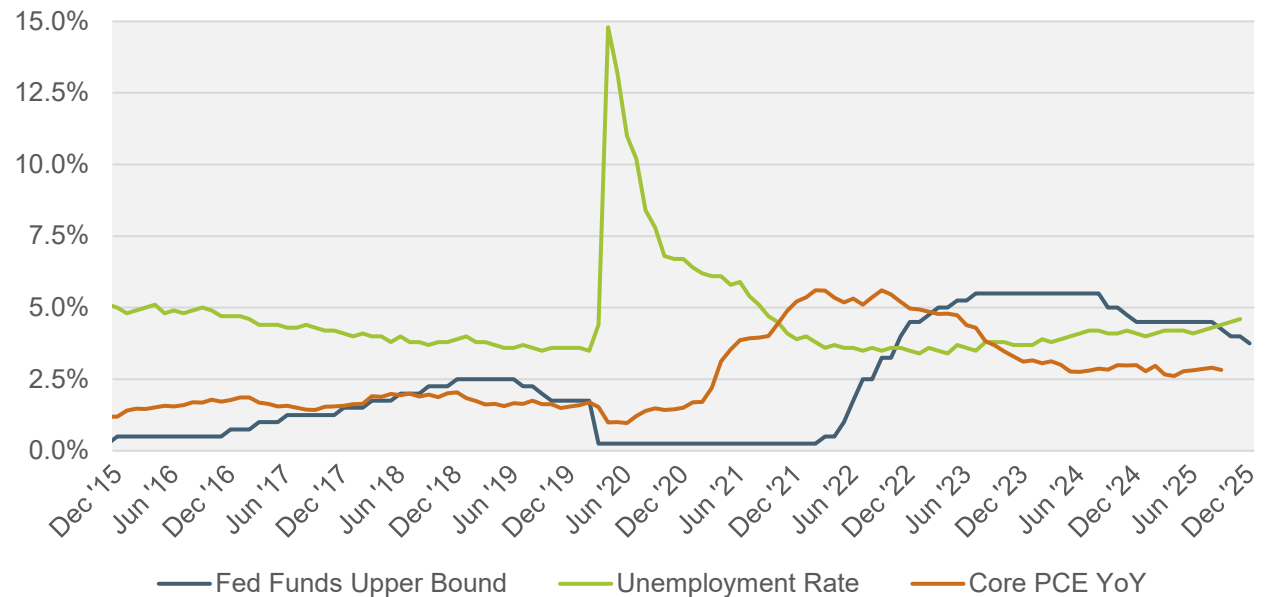
Interest Rates Over Twenty Years



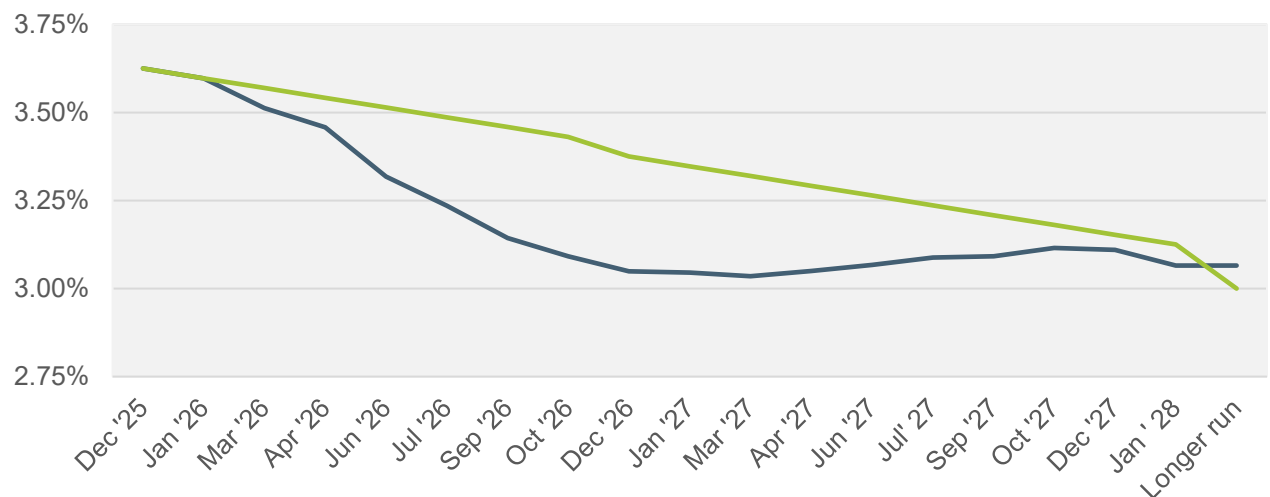
Source: Bloomberg

- The Federal Reserve pressured the front end of the yield curve down as they cut rates by 25 basis points two times in Q4 bringing the Fed funds target range to 3.50%-3.75%.
- The Committee justified the rate cuts by pointing to a softening labor market, along with a broad consensus that the recent uptick in inflation is unlikely to persist.
- The FOMC is forecasting only one rate cut in 2026 and one in 2027 which could ultimately come to be the end of the current policy easing cycle.
- Markets are pricing in two rate cuts in 2026 and none in 2027.

Fed Mandate Chart



Fed Funds Futures Implied Rate vs Fed Projections



Source: Market pricing via Bloomberg as of 1/6/2026

— Market Implied Rate — Fed Projections

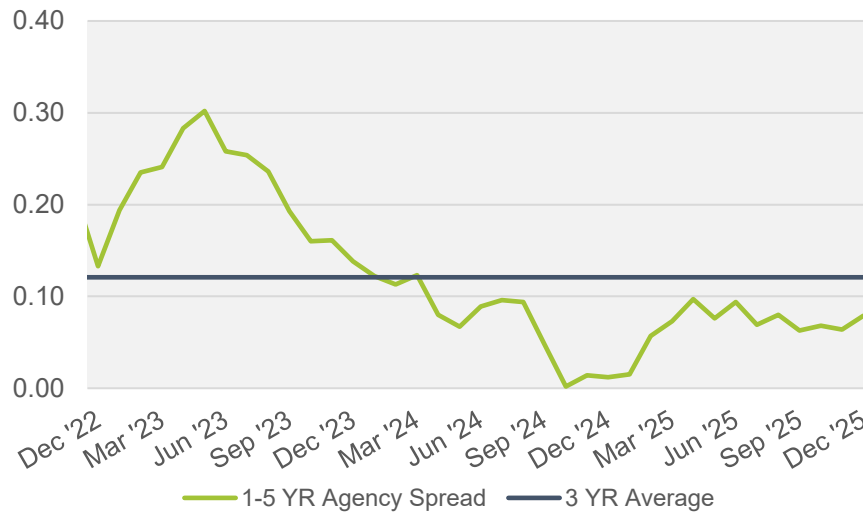
Credit Spreads



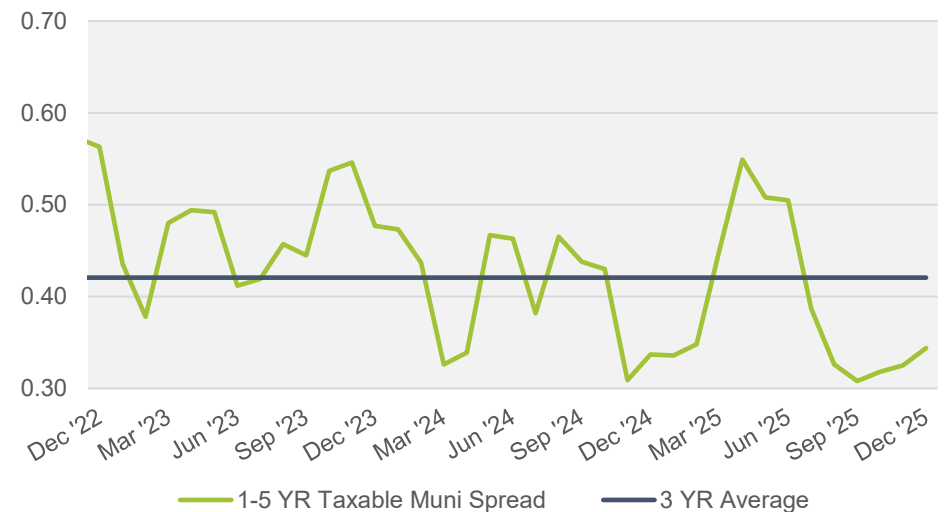
December 31, 2025

Market Overview

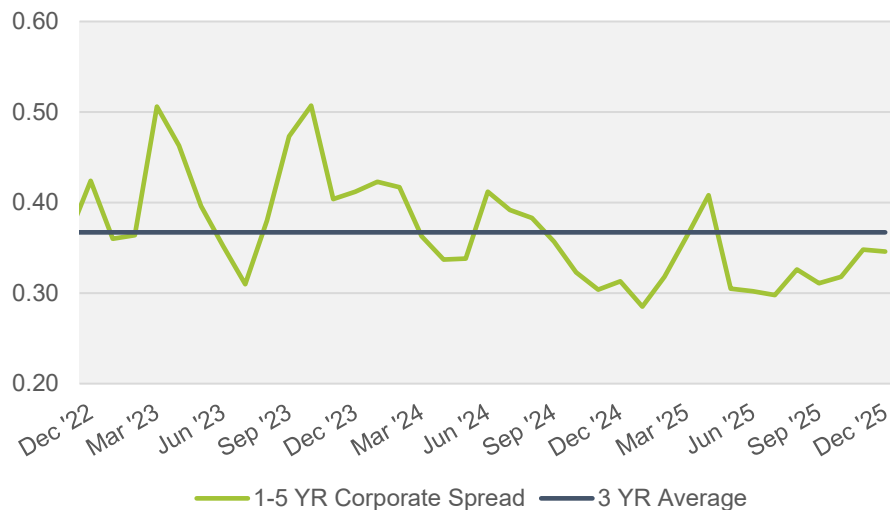
Agency Bullet 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Taxable Muni 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Corporate 1-5 YR Index AA-AAA vs. Treasury 1-5 YR Index
Trailing Three Years



- Credit spreads remain trading tight relative to historical averages but have widened slightly since touching yearly lows over the summer.
- The market is assigning a high price tag by historical standards to the extra “credit” risk taken for investing in corporate and municipal issuers.
- Current pricing supports a tactical underweight to these asset classes and a tactical overweight to Treasuries.

Yield Duration and Asset Class Performance



Market Overview

December 31, 2025

Monitors the returns based on duration sectors of the US Treasury market

Benchmark	Duration	Last Year	3 Year	5 Year	10 year	20 year
US Treasury 0-1 Year	0.49	4.32%	4.85%	3.03%	2.22%	1.86%
US Treasury 0-3 Year	1.41	4.86%	4.62%	2.20%	1.97%	2.05%
US Treasury 1-3 Year	1.83	5.09%	4.48%	1.79%	1.85%	2.13%
US Treasury 0-5 Year	2.08	5.44%	4.58%	1.73%	1.93%	2.31%
US Treasury 1-5 Year	2.54	5.74%	4.48%	1.34%	1.83%	2.44%
US Treasury 0-10 Year	3.03	6.06%	4.47%	1.06%	1.84%	2.62%

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Diversification Constraint	Policy Limit	Actual Value*	Status
US Treasury Obligations Maximum % of Holdings	100.000	64.565	Compliant
US Agency FFCB Issuer Concentration	30.000	7.760	Compliant
US Agency FHLB Issuer Concentration	30.000	3.049	Compliant
US Agency FHLMC Issuer Concentration	30.000	0.000	Compliant
US Agency FNMA Issuer Concentration	30.000	0.592	Compliant
US Agency Obligations - All Other Issuers Combined	30.000	0.000	Compliant
US Agency Obligations - FHLB, FNMA, FHLMC, FFCB, FAMA, GNMA - NM Only	30.000	0.000	Compliant
US Agency Obligations Maximum % of Holdings	80.000	11.401	Compliant
Supranationals - Issuer is IADB, IBRD, or IFC	0.000	0.000	Compliant
Supranationals Issuer Concentration (NM only)	5.000	0.611	Compliant
Supranationals Maximum % of Holdings (NM only)	15.000	0.611	Compliant
Municipal Bonds Maximum % of Holdings	25.000	0.000	Compliant
Municipal Bonds NM Only Issuer	0.000	0.000	Compliant
Fixed Income Mutual Fund (ETF) Maximum Issuer Concentration	20.000	0.000	Compliant
Fixed Income Mutual Fund and (ETF) Combined Maximum % Holdings	40.000	0.000	Compliant
Commercial Paper Issued and Operating in the US	0.000	0.000	Compliant
Commercial Paper Issuer Concentration	5.000	0.000	Compliant
Commercial Paper Maximum % of Holdings	25.000	0.000	Compliant
Certificates of Deposit Issuer Concentration	15.000	0.000	Compliant
Certificates of Deposit Maximum % of Holdings	40.000	0.000	Compliant
Money Market Govt Only	0.000	0.000	Compliant
Money Market Issuer Concentration	20.000	3.198	Compliant
Money Market Maximum % of Holdings	50.000	3.198	Compliant

1) Actual values are based on market value.

2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

LGIP Maximum % of Holdings	75.000	0.000	Compliant
Bank Time Deposits/Savings Accounts Maximum % of Holdings - NM	100.000	15.887	Compliant
Repurchase Agreements Maximum % of Holdings	50.000	0.000	Compliant
SIC New Mexico Funds (% portfolio)	5.000	0.000	Compliant
Federally Insured Obligations or Deposits	100.000	0.000	Compliant

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Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Maturity Structure Constraint	Policy Limit	Actual %	Status
Maturity Constraints Under 7 years Minimum % of Total Portfolio	100.000	100.000	Compliant
Policy Maturity Constraint	Policy Limit	Actual Term	Status
US Treasury Maximum Maturity At Time of Purchase (years)	7.000	5.063	Compliant
US Agency Maximum Maturity At Time of Purchase (years)	7.000	5.379	Compliant
Supranationals Maximum Maturity At Time of Purchase (years)	5.000	4.871	Compliant
Municipals Maximum Maturity At Time of Purchase (years)	7.000	0.000	Compliant
Commercial Paper Days to Final Maturity (days)	180.000	0.000	Compliant
Repurchase Agreements Maximum Maturity At Time of Purchase (days)	365.000	0.000	Compliant
Maximum Single Maturity (years)	7.000	4.747	Compliant
Weighted Effective Duration	3.000	1.281	Compliant
Policy Credit Constraint			Status
Supranationals Ratings AA-/Aa3/AA- or better (Rated by 1 NRSRO)			Compliant
Municipal Bonds Ratings Minimum A-/A3/A- (Rated by 1 NRSRO)			Compliant
Commercial Paper Ratings Minimum A1/P1/F1 (Rated by 1 NRSRO)			Compliant
Money Market Ratings Minimum AAA/Aaa/AAA (Rated by 1 NRSRO)			Compliant

1) Actual values are based on market value.

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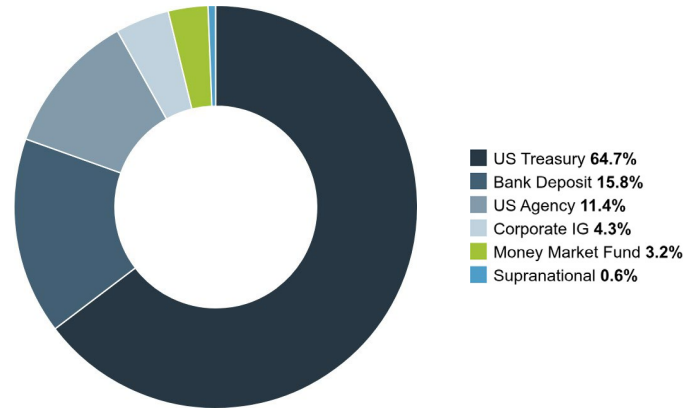
Summary Overview

City of Rio Rancho | RIO Total Portfolio

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	62,887,343
Investments	268,367,408
Book Yield	3.97%
Market Yield	3.59%
Effective Duration	1.40
Years to Maturity	1.49
Avg Credit Rating	AA+

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Maturity*	Effective Duration	Benchmark Duration	Benchmark
RIO-BP2024 Investments	13,844,391	13,867,675	13,888,604	20,929	3.74%	0.67	0.63	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-BP2025 SSGRT Investment	32,965,487	32,861,754	32,924,484	62,730	4.11%	0.36	0.36	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-Cash Matched Investments	41,769,640	41,755,306	41,871,685	116,379	4.08%	0.94	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Investment Core	177,210,689	186,641,446	188,495,094	1,853,648	4.00%	2.27	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Liquidity	52,327,136	52,327,136	52,327,136	0	3.72%	0.01	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	318,117,343	327,453,317	329,507,003	2,053,686	3.97%	1.49	1.40	1.29	

Strategic Quarterly Update

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Metric	Previous	Current
Strategy	09/30/2025	12/31/2025
Effective Duration		
Investment Core	2.13	2.13
Benchmark Duration	2.10	2.08
Total Effective Duration	1.34	1.40
Total Return (Net of Fees %)*		
Investment Core	1.22	1.11
Benchmark Return	1.15	1.10
Total Portfolio Performance	1.14	1.02
<i>*Changes in Market Value include net unrealized and realized gains/losses.</i>		
Maturity Total Portfolio		
Average Maturity Total Holdings	1.43	1.49

Metric	Previous	Current
Book Yield	09/30/2025	12/31/2025
Ending Book Yield		
BP2024 Investments	4.01%	3.74%
BP2025 SSGRT Investment	4.18%	4.11%
Cash Matched Investments	4.30%	4.08%
Investment Core	3.96%	4.00%
Liquidity	4.23%	3.72%
Total Book Yield	4.07%	3.97%

Values	09/30/2025	12/31/2025
Market Value + Accrued		
BP2024 Investments	13,835,823	13,980,199
BP2025 SSGRT Investment	32,825,040	33,165,316
Cash Matched Investments	41,760,755	42,209,343
Investment Core	187,488,120	189,572,756
Liquidity	56,714,117	52,327,136
Total MV + Accrued	332,623,855	331,254,751

Net Unrealized Gain/Loss		
Total Net Unrealized Gain/Loss	1,852,834	2,053,686

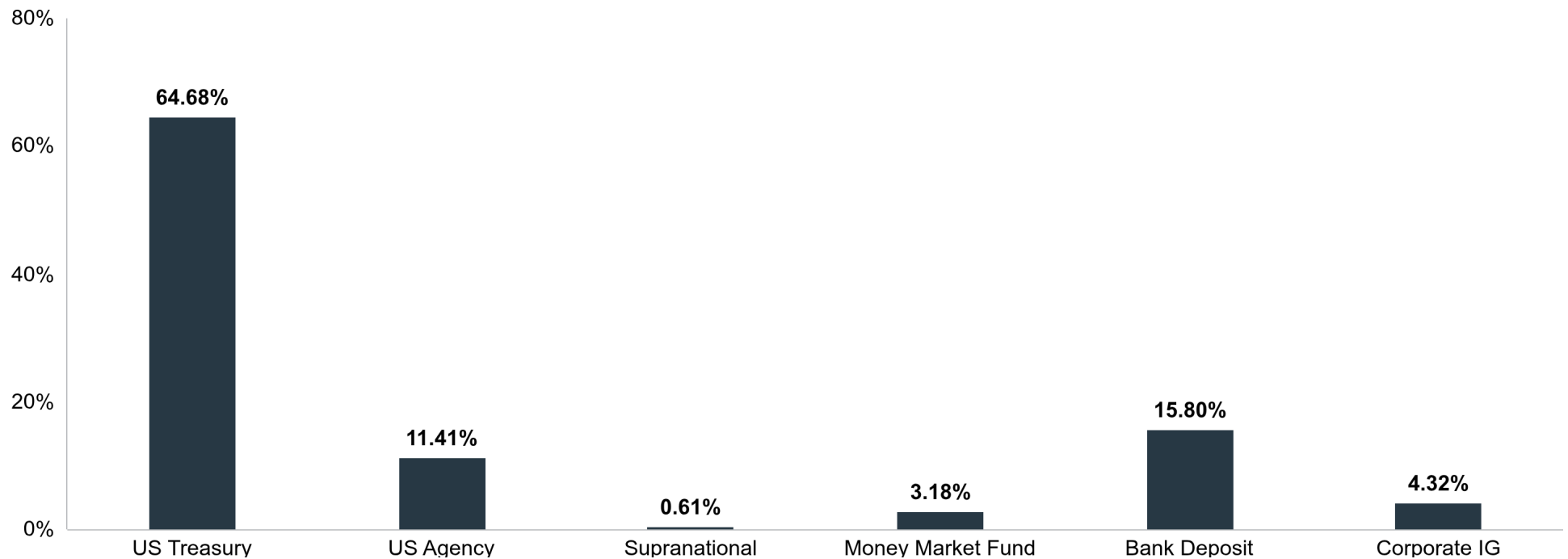
Security Type Distribution

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	215,105,000	3.89%	214,239,861	64.68%
US Agency	37,875,000	4.59%	37,803,407	11.41%
Supranational	2,000,000	4.29%	2,030,140	0.61%
Money Market Fund	10,538,526	3.64%	10,538,526	3.18%
Bank Deposit	52,348,817	3.72%	52,348,817	15.80%
Corporate IG	250,000	4.56%	14,294,000	4.32%
Total	318,117,343	3.97%	331,254,751	100.00%



Risk Management - Maturity/Duration

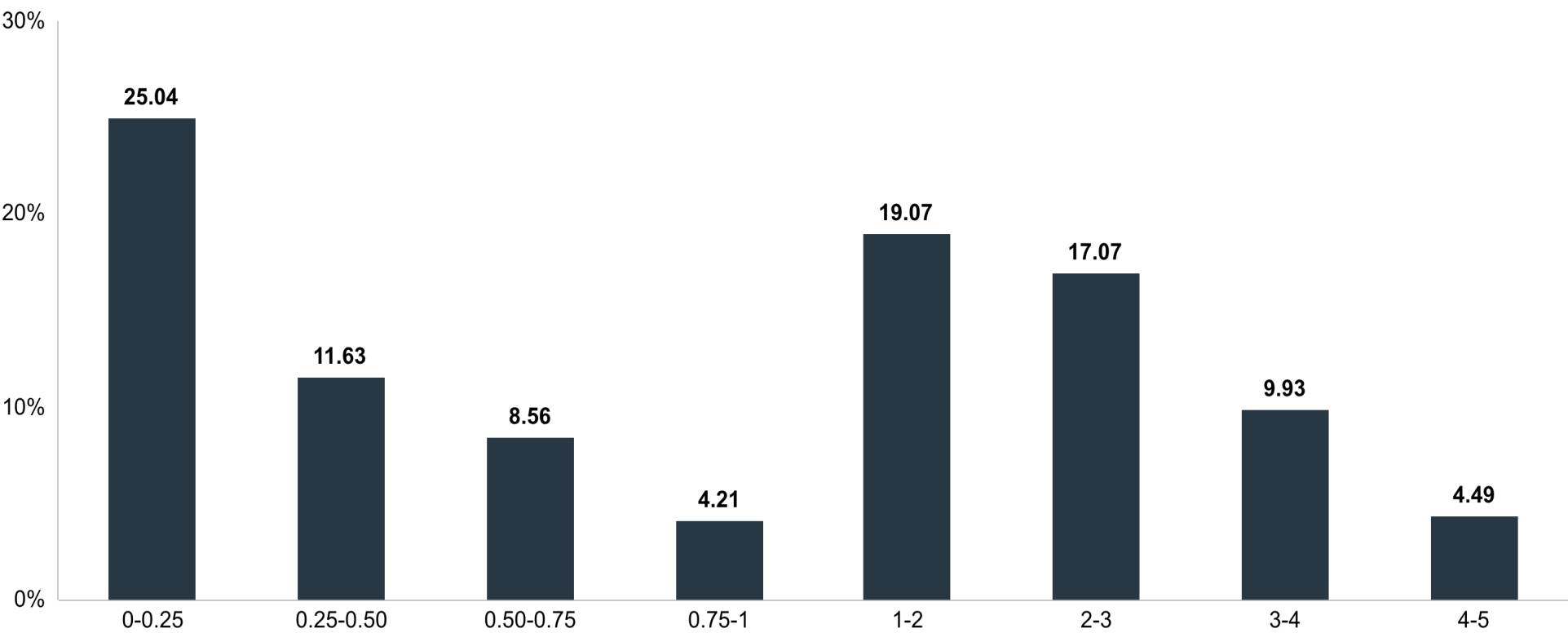


City of Rio Rancho | RIO Total Portfolio

December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.40 Yrs	1.49 Yrs	519

Distribution by Effective Duration



Summary Overview

City of Rio Rancho | RIO_Operating Portfolio

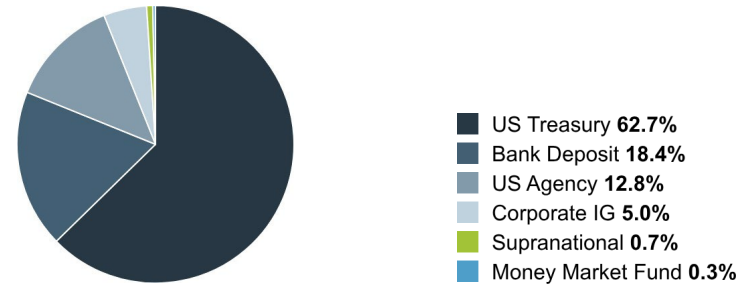


December 31, 2025

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	53,222,464.75
Investments (Market Value + Accrued)	230,886,770.82
Book Yield	3.96%
Market Yield	3.59%
Effective Duration	1.56
Years to Maturity	1.66
Avg Credit Rating	AA+

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Effective Duration	Benchmark Duration	Benchmark
RIO-Investment Core	177,210,688.84	186,641,446.09	188,495,093.64	1,853,647.55	4.00%	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Cash Matched Investments	41,769,639.80	41,755,306.04	41,871,685.15	116,379.11	4.08%	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Liquidity	52,327,136.11	52,327,136.11	52,327,136.11	0.00	3.72%	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	271,307,464.75	280,723,888.24	282,693,914.90	1,970,026.66	3.96%	1.56		

Return Management-Income Detail

City of Rio Rancho | Operating Portfolio



December 31, 2025

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (07/01/2025)
Amortization/Accretion	556.754.28	1,210,156.93
Interest Earned	2,304,102.86	4,574,409.80
Realized Gain (Loss)	0.00	0.00
Book Income	2,860,857.14	5,784,566.73
Average Portfolio Balance	282,897,610.41	285,992,774.01

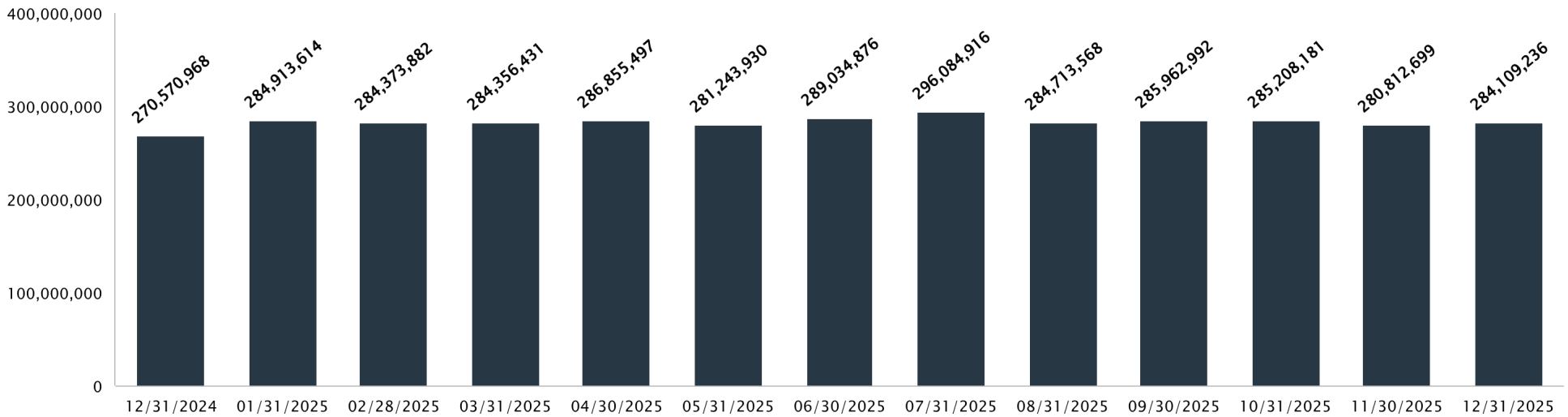
Historical Balances

City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Market Value



Market Value and Return

Period Begin	Period End	Market Value + Accrued	Earned Income	Book Yield	Effective Duration	Maturity in Years
12/01/2024	12/31/2024	270,570,968	1,007,106	4.33%	1.48	1.58
01/01/2025	01/31/2025	284,913,614	938,761	4.34%	1.38	1.51
02/01/2025	02/28/2025	284,373,882	928,403	4.29%	1.44	1.51
03/01/2025	03/31/2025	284,356,431	1,003,991	4.18%	1.40	1.49
04/01/2025	04/30/2025	286,855,497	975,986	4.18%	1.37	1.45
05/01/2025	05/31/2025	281,243,930	987,072	4.15%	1.42	1.50
06/01/2025	06/30/2025	289,034,876	954,474	4.11%	1.35	1.44
07/01/2025	07/31/2025	296,084,916	1,014,214	4.11%	1.36	1.45
08/01/2025	08/31/2025	284,713,568	966,844	4.06%	1.49	1.58
09/01/2025	09/30/2025	285,962,992	942,652	4.06%	1.46	1.55
10/01/2025	10/31/2025	285,208,181	964,855	4.03%	1.48	1.58
11/01/2025	11/30/2025	280,812,699	915,586	3.98%	1.61	1.71
12/01/2025	12/31/2025	284,109,236	980,416	3.96%	1.56	1.66

Security Type Distribution

City of Rio Rancho | RIO_Operating Portfolio

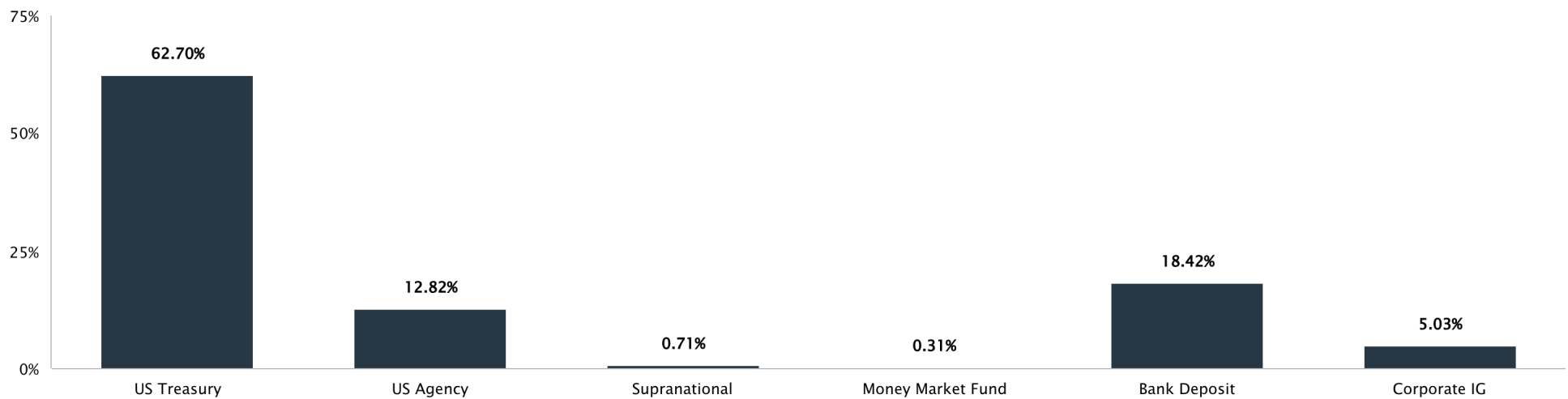


December 31, 2025

Security Type Distribution

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	179,290,000.00	3.85%	178,135,300.75	62.70%
US Agency	36,545,000.00	4.61%	36,427,330.08	12.82%
Supranational	2,000,000.00	4.29%	2,030,140.00	0.71%
Money Market Fund	892,461.26	3.64%	892,461.26	0.31%
Bank Deposit	52,330,003.49	3.72%	52,330,003.49	18.42%
Corporate IG	250,000.00	4.56%	14,294,000.00	5.03%
Total	271,307,464.75	3.96%	284,109,235.57	100.00%

Security Type Distribution



Risk Management-Maturity/Duration

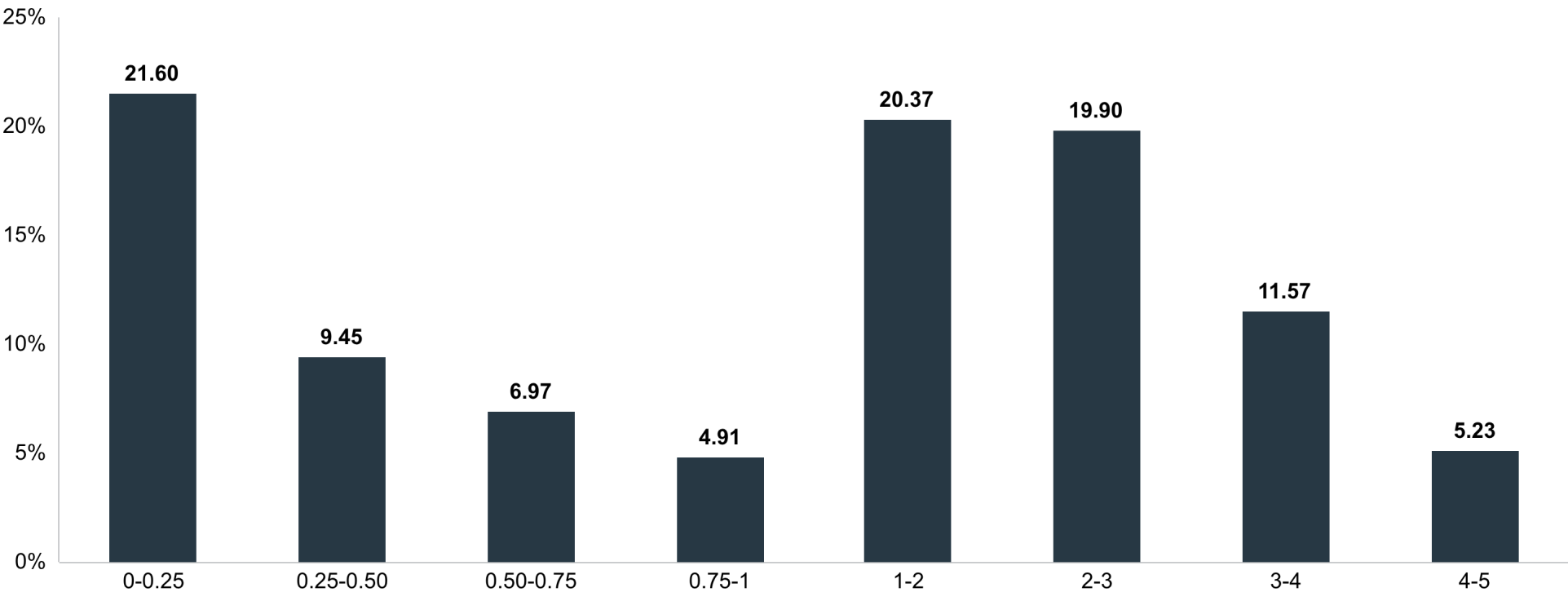
City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.56 Yrs	1.66 Yrs	581

Distribution by Effective Duration



Return Management-Performance

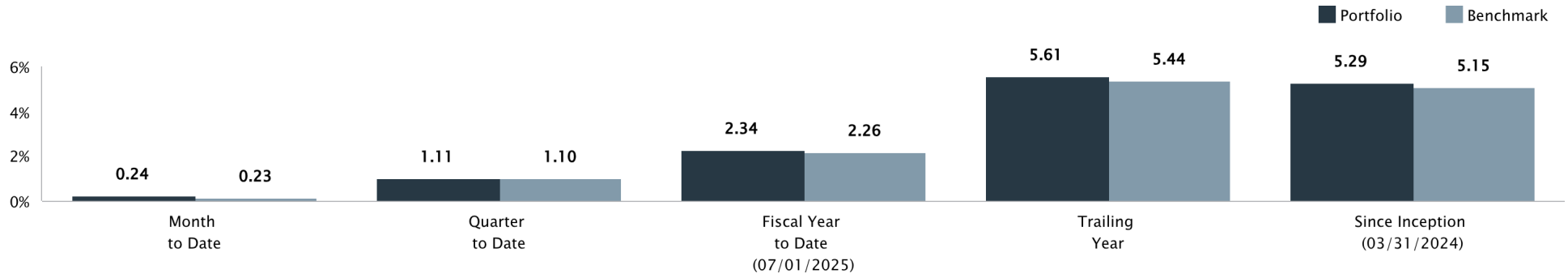
City of Rio Rancho | Investment Core



December 31, 2025

Performance Returns Net of Fees

Periodic for performance less than one year. Annualized for performance greater than one year.



Historical Returns

Period	Month to Date	Quarter to Date	Fiscal Year to Date (07/01/2025)	Trailing Year	Trailing 3 Years	Trailing 5 Years	Since Inception (03/31/2024)
Return (Net of Fees)	0.244%	1.106%	2.339%	5.611%			5.293%
Return (Gross of Fees)	0.247%	1.113%	2.354%	5.642%			5.326%
ICE BofA 0-5 Year US Treasury Index	0.235%	1.102%	2.260%	5.441%			5.149%

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
Fixed Income								
RIO-BP2024 Investments	1,640,000	US TREASURY 3.875 01/15/26	4.16%	240	0.04	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,910,000	US TREASURY 4.250 01/31/26	4.24%	755	0.08	AA+	AA+	Aa1
RIO-Investment Core	1,975,000	US TREASURY 0.375 01/31/26	0.79%	(4,475)	0.08	AA+	AA+	Aa1
RIO-Cash Matched Investments	375,000	US TREASURY 4.000 02/15/26	4.92%	511	0.12	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.000 02/15/26	4.78%	2,386	0.12	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,440,000	US TREASURY 0.500 02/28/26	4.22%	1,931	0.16	AA+	AA+	Aa1
RIO-Investment Core	2,565,000	US TREASURY 0.750 03/31/26	3.92%	2,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,820,000	US TREASURY 4.500 03/31/26	4.19%	6,723	0.25	AA+	AA+	Aa1
RIO-Investment Core	935,000	US TREASURY 4.500 03/31/26	4.07%	1,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,860,000	US TREASURY 0.750 04/30/26	4.18%	6,505	0.33	AA+	AA+	Aa1
RIO-Investment Core	5,300,000	US TREASURY 0.750 04/30/26	4.43%	11,227	0.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	8,060,000	FED FARM CR BNKS 4.750 05/08/26	4.88%	34,808	0.35	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,000,000	US TREASURY 0.750 05/31/26	3.12%	(4,423)	0.41	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,595,000	US TREASURY 4.875 05/31/26	4.03%	8,375	0.41	AA+	AA+	Aa1
RIO-Cash Matched Investments	4,385,000	FHLBANKS 4.875 06/12/26	4.85%	26,057	0.44	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.375 06/23/26	4.89%	26,506	0.47	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,220,000	US TREASURY 0.875 06/30/26	4.15%	8,507	0.49	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 0.875 06/30/26	0.72%	(34,353)	0.49	AA+	AA+	Aa1
RIO-BP2024 Investments	160,000	FED FARM CR BNKS 4.625 07/10/26	3.99%	334	0.5	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 0.625 07/31/26	3.24%	(4,620)	0.57	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 4.375 07/31/26	4.15%	12,166	0.56	AA+	AA+	Aa1
RIO-Investment Core	730,000	US TREASURY 1.500 08/15/26	3.05%	(2,685)	0.61	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,875,000	US TREASURY 4.375 08/15/26	4.02%	20,764	0.6	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/15/26	4.40%	19,595	0.6	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 3.750 08/31/26	4.15%	13,028	0.64	AA+	AA+	Aa1
RIO-Investment Core	5,195,000	US TREASURY 0.875 09/30/26	3.74%	3,169	0.73	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,225,000	US TREASURY 3.500 09/30/26	4.14%	4,740	0.73	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 1.125 10/31/26	3.35%	(7,636)	0.81	AA+	AA+	Aa1
RIO-Cash Matched Investments	1,300,000	US TREASURY 4.625 11/15/26	3.85%	3,167	0.85	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	FED FARM CR BNKS 4.000 11/23/26	3.66%	1,226	0.87	AA+	AA+	Aa1
RIO-Investment Core	1,075,000	US TREASURY 1.250 11/30/26	1.19%	(22,566)	0.9	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Cash Matched Investments	200,000	US TREASURY 4.375 12/15/26	3.81%	526	0.93	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	FANNIE MAE 0.875 12/18/26 '25	4.04%	5,504	0.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 12/31/26	4.29%	25,625	0.98	AA+	AA+	Aa1
RIO-Investment Core	1,500,000	US TREASURY 2.250 02/15/27	4.23%	9,424	1.09	AA+	AA+	Aa1
RIO-Investment Core	1,100,000	FHLBANKS 0.900 02/26/27 '25	4.08%	4,405	1.13	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FHLBANKS 4.875 03/12/27	4.74%	62,114	1.14	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.750 04/30/27	4.73%	68,983	1.28	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,500,000	US TREASURY 2.375 05/15/27	3.61%	9,712	1.33	AA+	AA+	Aa1
RIO-Investment Core	2,350,000	US TREASURY 2.375 05/15/27	3.26%	(9,172)	1.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	5,000,000	US TREASURY 4.625 06/15/27	3.61%	8,789	1.4	AA+	AA+	Aa1
RIO-Investment Core	300,000	US TREASURY 0.500 06/30/27	3.70%	153	1.47	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 3.250 06/30/27	3.61%	3,850	1.45	AA+	AA+	Aa1
RIO-BP2024 Investments	1,170,000	FED FARM CR BNKS 4.500 07/08/27	3.83%	5,272	1.43	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 2.750 07/31/27	4.10%	43,346	1.52	AA+	AA+	Aa1
RIO-Investment Core	700,000	US TREASURY 2.250 08/15/27	4.41%	8,282	1.56	AA+	AA+	Aa1
RIO-Cash Matched Investments	6,500,000	US TREASURY 3.750 08/15/27	3.60%	12,046	1.54	AA+	AA+	Aa1
RIO-Investment Core	1,600,000	US TREASURY 0.500 08/31/27	3.63%	(377)	1.63	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 09/30/27	4.62%	84,048	1.66	AA+	AA+	Aa1
RIO-BP2024 Investments	4,025,000	US TREASURY 3.875 10/15/27	3.70%	15,083	1.7	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 4.125 10/31/27	3.67%	7,867	1.74	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.500 10/31/27	3.91%	3,854	1.79	AA+	AA+	Aa1
RIO-Investment Core	2,325,000	US TREASURY 2.250 11/15/27	3.59%	1,706	1.81	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,500,000	US TREASURY 0.625 12/31/27	3.56%	(3,019)	1.96	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.750 01/31/28	4.29%	11,666	2.03	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 3.500 01/31/28	3.88%	15,462	1.97	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 2.750 02/15/28	3.95%	15,655	2.02	AA+	AA+	Aa1
RIO-Investment Core	3,340,000	US TREASURY 1.250 03/31/28	4.04%	32,022	2.18	AA+	AA+	Aa1
RIO-Investment Core	1,850,000	US TREASURY 1.250 04/30/28	3.77%	5,816	2.26	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 05/31/28	3.69%	11,349	2.34	AA+	AA+	Aa1
RIO-Investment Core	4,700,000	US TREASURY 1.250 06/30/28	4.26%	71,705	2.43	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 07/31/28	4.54%	111,143	2.4	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/31/28	4.49%	95,317	2.47	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.625 09/30/28	4.26%	38,617	2.54	AA+	AA+	Aa1
RIO-Investment Core	3,500,000	US TREASURY 1.250 09/30/28	3.51%	(2,133)	2.65	AA+	AA+	Aa1
RIO-Investment Core	210,000	ISHARES:1-5 IG CORP BD	4.58%	375,180	2.6	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.125 11/15/28	4.13%	59,711	2.71	AA+	AA+	Aa1
RIO-Investment Core	40,000	VANGUARD ST CORP BD;ETF	4.52%	110,000	2.7	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.750 12/31/28	4.12%	62,228	2.82	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.625 02/15/29	4.12%	57,172	2.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 03/31/29	4.13%	56,941	3.07	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 05/15/29	3.89%	34,080	3.19	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 3.250 06/30/29	3.86%	23,745	3.28	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.000 07/31/29	3.52%	(11,621)	3.26	AA+	AA+	Aa1
RIO-Investment Core	2,850,000	US TREASURY 3.125 08/31/29	4.13%	45,852	3.39	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	IBRD 3.875 10/16/29 MTN	4.29%	41,976	3.47	AAA	NA	Aaa
RIO-Investment Core	4,750,000	US TREASURY IO STR 11/15/29	4.21%	60,010	3.8	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 12/31/29	3.93%	41,722	3.65	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	5,000,000	FED FARM CR BNKS 1.320 03/18/30	4.29%	89,779	4.02	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 3.500 04/30/30	4.15%	90,287	3.96	AA+	AA+	Aa1
RIO-Investment Core	5,500,000	US TREASURY 4.000 07/31/30	3.81%	26,647	4.09	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.625 09/30/30	3.62%	(19,715)	4.2	AA+	AA+	Aa1
Fixed Income Total	255,230,000		4.03%	2,053,686	1.72	AA+	AA+	Aa1
Money Market Funds								
RIO-BP2024 Investments	6,834,377	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Liquidity	52,327,136	Wells Fargo Deposit	3.72%	0	0.01	NA	NA	NA
RIO-Investment Core	318,933	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Cash Matched Investments	573,528	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-BP2025 SSGRT Investment	2,811,687	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
Money Market Funds Total	62,865,662		3.70%	0	0.01	AAA	AAA	Aaa
Total	318,117,343		3.97%	2,053,686	1.4	AA+	AA+	Aa1

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
Buy							
31846V567	FIRST AMER:GVT OBLG;Z			(835,757)	835,757	835,757	0
31846V567	FIRST AMER:GVT OBLG;Z			(4,776,414)	4,776,414	4,776,414	0
31846V567	FIRST AMER:GVT OBLG;Z			(1,998,067)	1,998,067	1,998,067	0
31846V567	FIRST AMER:GVT OBLG;Z			(2,731,002)	2,731,002	2,731,002	0
91282CHZ7	US TREASURY 4.625 09/30/30	10/28/2025	10/31/2025	(4,720,577)	4,500,000	4,702,852	17,725
91282CLG4	US TREASURY 3.750 08/15/27	11/14/2025	11/17/2025	(6,578,258)	6,500,000	6,515,996	62,262
91282CKV2	US TREASURY 4.625 06/15/27	11/14/2025	11/17/2025	(5,175,082)	5,000,000	5,077,148	97,934
912828X88	US TREASURY 2.375 05/15/27	11/14/2025	11/17/2025	(7,367,097)	7,500,000	7,366,113	984
91282CKS9	US TREASURY 4.875 05/31/26	11/25/2025	12/01/2025	(1,382,865)	1,375,000	1,382,681	184
91282CLC3	US TREASURY 4.000 07/31/29	11/25/2025	12/01/2025	(4,118,322)	4,000,000	4,064,844	53,478
91282CCY5	US TREASURY 1.250 09/30/28	12/29/2025	12/31/2025	(3,305,296)	3,500,000	3,294,238	11,058
RIO_WF_DEP		12/31/2025	12/31/2025	(2,679,352)	2,679,352	2,679,352	0
Total				(45,668,089)	45,395,592	45,424,464	243,625
Maturity							
91282CFP1	US TREASURY 4.250 10/15/25 MATD	10/15/2025	10/15/2025	2,000,000	(2,000,000)	(2,000,000)	0
912797NA1	US TREASURY BILL 10/30/25 MATD	10/30/2025	10/30/2025	320,000	(320,000)	(320,000)	0

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
91282CAT8	US TREASURY 0.250 10/31/25 MATD	10/31/2025	10/31/2025	2,000,000	(2,000,000)	(2,000,000)	0
3133EPC37	FED FARM CR BNKS 4.875 11/13/25 MATD	11/13/2025	11/13/2025	220,000	(220,000)	(220,000)	0
313385PF7	FHLBANKS D NOTE 11/14/25 MATD	11/14/2025	11/14/2025	1,000,000	(1,000,000)	(1,000,000)	0
91282CFW6	US TREASURY 4.500 11/15/25 MATD	11/15/2025	11/15/2025	910,000	(910,000)	(910,000)	0
91282CAZ4	US TREASURY 0.375 11/30/25 MATD	11/30/2025	11/30/2025	4,000,000	(4,000,000)	(4,000,000)	0
91282CJL6	US TREASURY 4.875 11/30/25 MATD	11/30/2025	11/30/2025	1,280,000	(1,280,000)	(1,280,000)	0
91282CGA3	US TREASURY 4.000 12/15/25 MATD	12/15/2025	12/15/2025	260,000	(260,000)	(260,000)	0
313385QS8	FHLBANKS D NOTE 12/19/25 MATD	12/19/2025	12/19/2025	3,450,000	(3,450,000)	(3,450,000)	0
91282CBC4	US TREASURY 0.375 12/31/25 MATD	12/31/2025	12/31/2025	2,600,000	(2,600,000)	(2,600,000)	0
91282CJS1	US TREASURY 4.250 12/31/25 MATD	12/31/2025	12/31/2025	1,600,000	(1,600,000)	(1,600,000)	0
Total				19,640,000	(19,640,000)	(19,640,000)	0
Sell							
31846V567	FIRST AMER:GVT OBLG;Z			173	(173)	(173)	0
31846V567	FIRST AMER:GVT OBLG;Z			2,975,406	(2,975,406)	(2,975,406)	0
RIO_WF_DEP				7,066,333	(7,066,333)	(7,066,333)	0
31846V567	FIRST AMER:GVT OBLG;Z			270	(270)	(270)	0

Transactions

City of Rio Rancho | RIO Total Portfolio

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
31846V567	FIRST AMER:GVT OBLG;Z	11/17/2025	11/17/2025	18,159,900	(18,159,900)	(18,159,900)	0
Total				28,202,082	(28,202,082)	(28,202,082)	0

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A thick, dark blue line graph that trends upwards from the bottom left towards the top right, with a few minor fluctuations. It serves as a background element for the lower half of the page.

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Quarterly Investment Report
City of Rio Rancho

December 31, 2025

Interest Rates & The Yield Curve



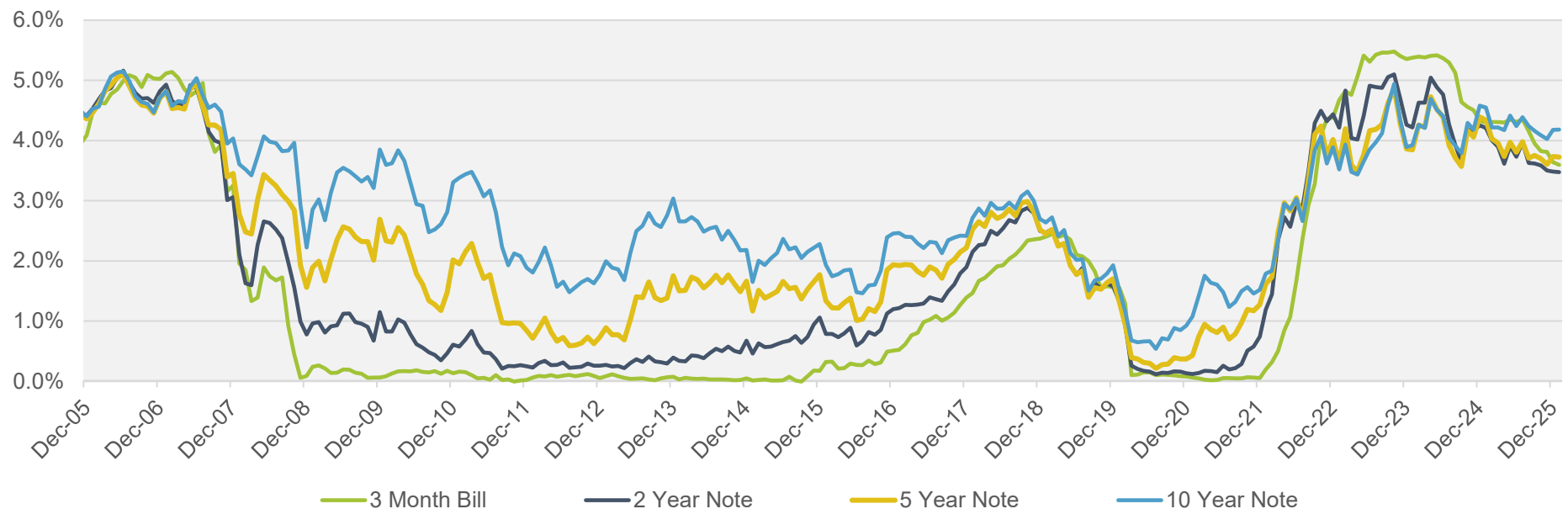
Market Overview

December 31, 2025

- The yield curve continued to steepen in Q4 and was led by a drop in the front end as the Fed cut interest rates twice for a total of 50 basis points.
- 1-month Treasury yields fell by 50 basis points to 3.60% while 2-year notes declined by a more modest 13 basis points to 3.47%.
- Yields on 5-10 year tenors were relatively unchanged, finishing the quarter within 2 basis points of where they started.
- The long end of the curve rose.

	Quarterly Treasury Yields					
	<u>12/31/24</u>	<u>3/31/25</u>	<u>6/30/25</u>	<u>9/30/25</u>	<u>12/31/25</u>	<u>YOY Change</u>
3 Month Bill	4.32	4.30	4.30	3.94	3.63	-0.69
2 Year Note	4.24	3.89	3.72	3.61	3.48	-0.77
5 Year Note	4.38	3.95	3.80	3.74	3.73	-0.66
10 Year Note	4.57	4.21	4.23	4.15	4.17	-0.40

Interest Rates Over Twenty Years

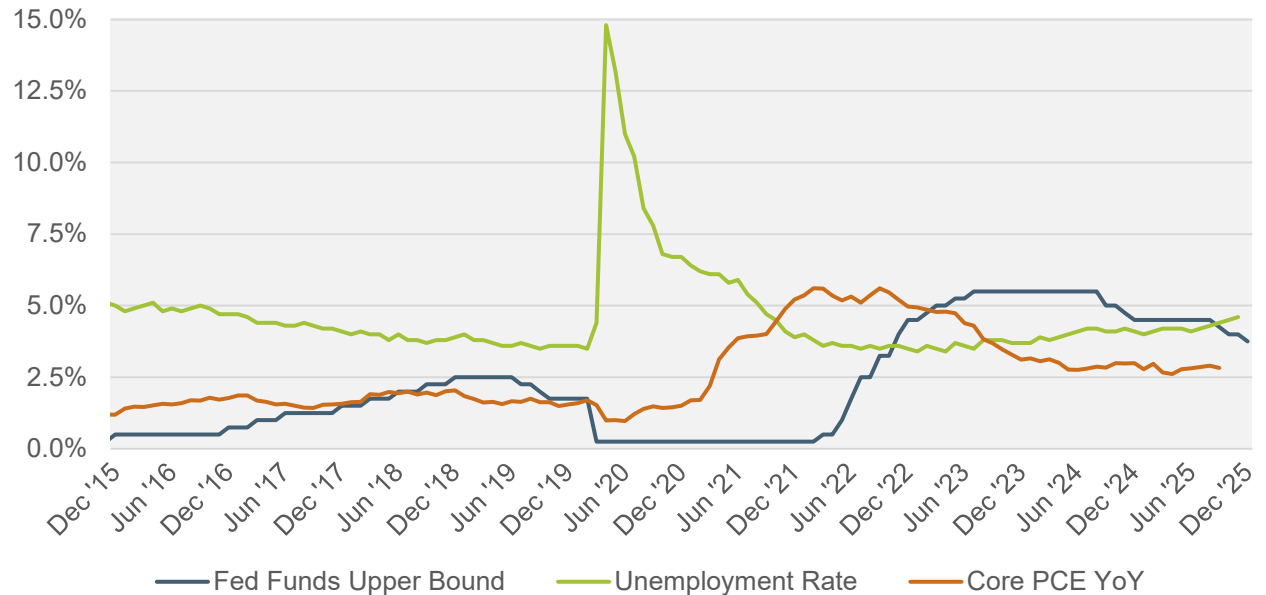


Source: Bloomberg

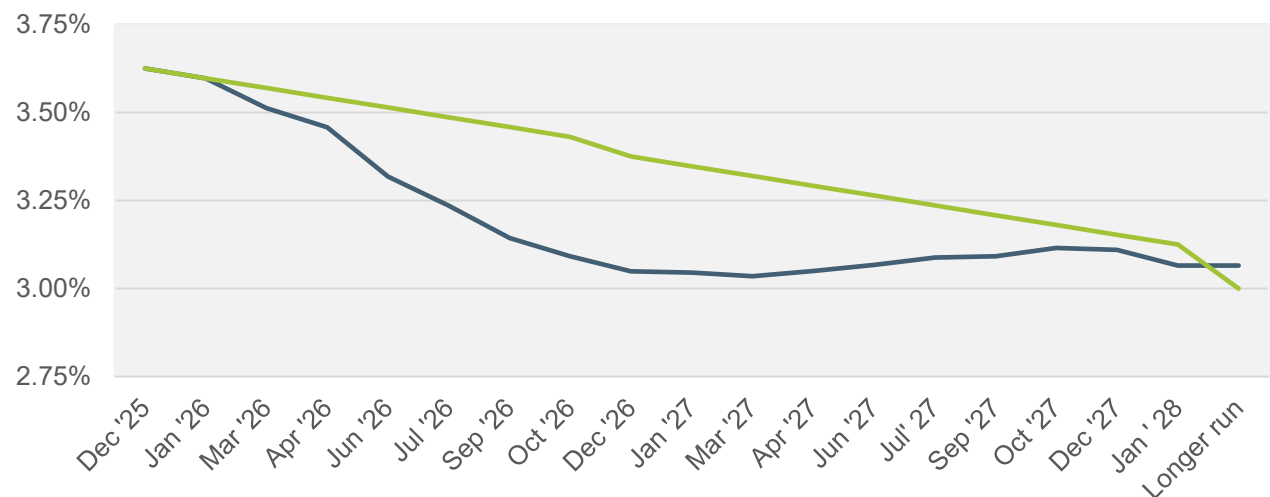
Market Overview

- The Federal Reserve pressured the front end of the yield curve down as they cut rates by 25 basis points two times in Q4 bringing the Fed funds target range to 3.50%-3.75%.
- The Committee justified the rate cuts by pointing to a softening labor market, along with a broad consensus that the recent uptick in inflation is unlikely to persist.
- The FOMC is forecasting only one rate cut in 2026 and one in 2027 which could ultimately come to be the end of the current policy easing cycle.
- Markets are pricing in two rate cuts in 2026 and none in 2027.

Fed Mandate Chart



Fed Funds Futures Implied Rate vs Fed Projections



Source: Market pricing via Bloomberg as of 1/6/2026

— Market Implied Rate — Fed Projections

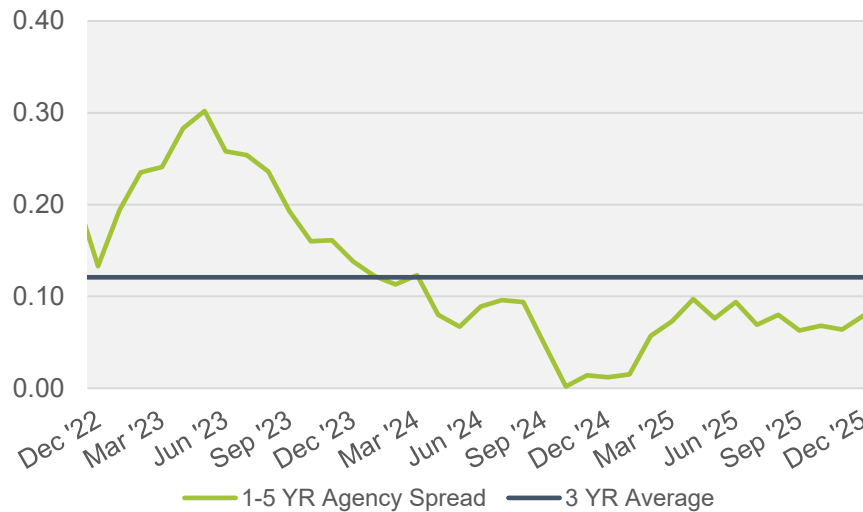
Credit Spreads



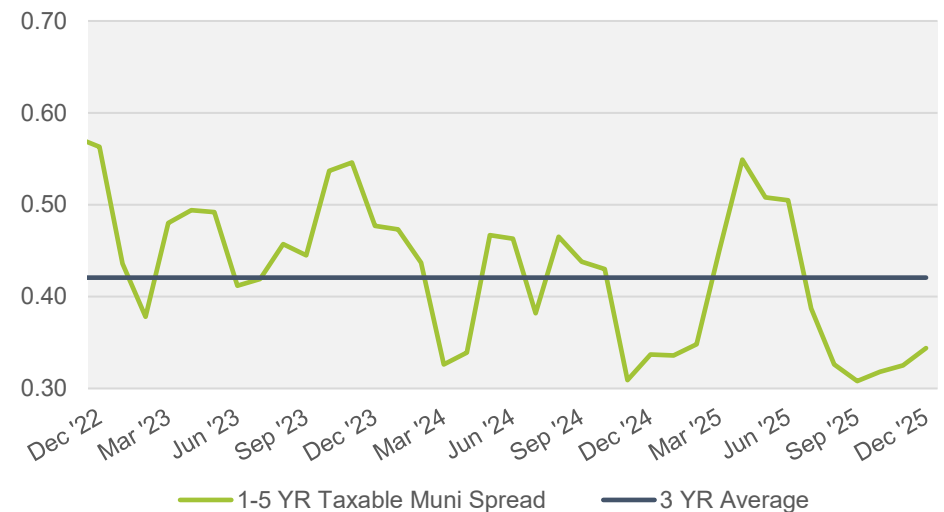
December 31, 2025

Market Overview

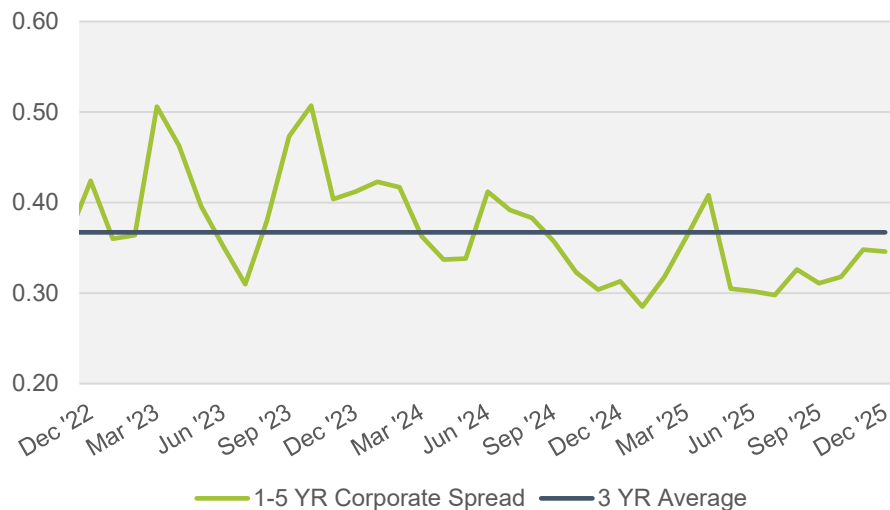
Agency Bullet 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Taxable Muni 1-5 YR Index vs. Treasury 1-5 YR Index
Trailing Three Years



Corporate 1-5 YR Index AA-AAA vs. Treasury 1-5 YR Index
Trailing Three Years



- Credit spreads remain trading tight relative to historical averages but have widened slightly since touching yearly lows over the summer.
- The market is assigning a high price tag by historical standards to the extra “credit” risk taken for investing in corporate and municipal issuers.
- Current pricing supports a tactical underweight to these asset classes and a tactical overweight to Treasuries.

Yield Duration and Asset Class Performance



Market Overview

December 31, 2025

Monitors the returns based on duration sectors of the US Treasury market

Benchmark	Duration	Last Year	3 Year	5 Year	10 year	20 year
US Treasury 0-1 Year	0.49	4.32%	4.85%	3.03%	2.22%	1.86%
US Treasury 0-3 Year	1.41	4.86%	4.62%	2.20%	1.97%	2.05%
US Treasury 1-3 Year	1.83	5.09%	4.48%	1.79%	1.85%	2.13%
US Treasury 0-5 Year	2.08	5.44%	4.58%	1.73%	1.93%	2.31%
US Treasury 1-5 Year	2.54	5.74%	4.48%	1.34%	1.83%	2.44%
US Treasury 0-10 Year	3.03	6.06%	4.47%	1.06%	1.84%	2.62%

Monitors the returns based on asset class sectors with neutral durations.

Benchmark	Duration	Last Year	3 Year	5 Year	10 year	20 year
US Treasury 1-5 Year	2.54	5.74%	4.48%	1.34%	1.83%	2.44%
US Agency 1-5 Year Bullet	2.83	5.73%	4.65%	1.66%	2.00%	2.65%
1-5 Year Corp AA-AAA	2.58	6.04%	5.19%	1.74%	2.42%	3.07%
1-5 Year Corp A-AAA	2.58	6.61%	5.77%	2.09%	2.77%	3.30%
0-5 Yrs WAL Mortgages	2.44	7.28%	5.32%	1.33%	1.97%	3.12%

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Diversification Constraint	Policy Limit	Actual Value*	Status
US Treasury Obligations Maximum % of Holdings	100.000	64.565	Compliant
US Agency FFCB Issuer Concentration	30.000	7.760	Compliant
US Agency FHLB Issuer Concentration	30.000	3.049	Compliant
US Agency FHLMC Issuer Concentration	30.000	0.000	Compliant
US Agency FNMA Issuer Concentration	30.000	0.592	Compliant
US Agency Obligations - All Other Issuers Combined	30.000	0.000	Compliant
US Agency Obligations - FHLB, FNMA, FHLMC, FFCB, FAMA, GNMA - NM Only	30.000	0.000	Compliant
US Agency Obligations Maximum % of Holdings	80.000	11.401	Compliant
Supranationals - Issuer is IADB, IBRD, or IFC	0.000	0.000	Compliant
Supranationals Issuer Concentration (NM only)	5.000	0.611	Compliant
Supranationals Maximum % of Holdings (NM only)	15.000	0.611	Compliant
Municipal Bonds Maximum % of Holdings	25.000	0.000	Compliant
Municipal Bonds NM Only Issuer	0.000	0.000	Compliant
Fixed Income Mutual Fund (ETF) Maximum Issuer Concentration	20.000	0.000	Compliant
Fixed Income Mutual Fund and (ETF) Combined Maximum % Holdings	40.000	0.000	Compliant
Commercial Paper Issued and Operating in the US	0.000	0.000	Compliant
Commercial Paper Issuer Concentration	5.000	0.000	Compliant
Commercial Paper Maximum % of Holdings	25.000	0.000	Compliant
Certificates of Deposit Issuer Concentration	15.000	0.000	Compliant
Certificates of Deposit Maximum % of Holdings	40.000	0.000	Compliant
Money Market Govt Only	0.000	0.000	Compliant
Money Market Issuer Concentration	20.000	3.198	Compliant
Money Market Maximum % of Holdings	50.000	3.198	Compliant

1) Actual values are based on market value.

2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

LGIP Maximum % of Holdings	75.000	0.000	Compliant
Bank Time Deposits/Savings Accounts Maximum % of Holdings - NM	100.000	15.887	Compliant
Repurchase Agreements Maximum % of Holdings	50.000	0.000	Compliant
SIC New Mexico Funds (% portfolio)	5.000	0.000	Compliant
Federally Insured Obligations or Deposits	100.000	0.000	Compliant

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Compliance Report

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Category

Policy Maturity Structure Constraint	Policy Limit	Actual %	Status
Maturity Constraints Under 7 years Minimum % of Total Portfolio	100.000	100.000	Compliant
Policy Maturity Constraint	Policy Limit	Actual Term	Status
US Treasury Maximum Maturity At Time of Purchase (years)	7.000	5.063	Compliant
US Agency Maximum Maturity At Time of Purchase (years)	7.000	5.379	Compliant
Supranationals Maximum Maturity At Time of Purchase (years)	5.000	4.871	Compliant
Municipals Maximum Maturity At Time of Purchase (years)	7.000	0.000	Compliant
Commercial Paper Days to Final Maturity (days)	180.000	0.000	Compliant
Repurchase Agreements Maximum Maturity At Time of Purchase (days)	365.000	0.000	Compliant
Maximum Single Maturity (years)	7.000	4.747	Compliant
Weighted Effective Duration	3.000	1.281	Compliant
Policy Credit Constraint			Status
Supranationals Ratings AA-/Aa3/AA- or better (Rated by 1 NRSRO)			Compliant
Municipal Bonds Ratings Minimum A-/A3/A- (Rated by 1 NRSRO)			Compliant
Commercial Paper Ratings Minimum A1/P1/F1 (Rated by 1 NRSRO)			Compliant
Money Market Ratings Minimum AAA/Aaa/AAA (Rated by 1 NRSRO)			Compliant

1) Actual values are based on market value.

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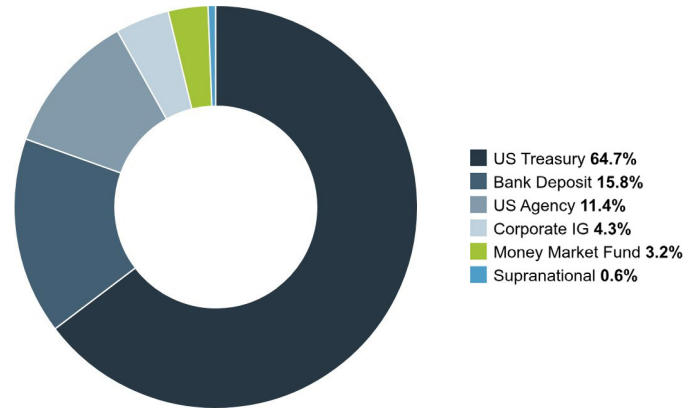
Summary Overview

City of Rio Rancho | RIO Total Portfolio

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	62,887,343
Investments	268,367,408
Book Yield	3.97%
Market Yield	3.59%
Effective Duration	1.40
Years to Maturity	1.49
Avg Credit Rating	AA+

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Maturity*	Effective Duration	Benchmark Duration	Benchmark
RIO-BP2024 Investments	13,844,391	13,867,675	13,888,604	20,929	3.74%	0.67	0.63	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-BP2025 SSGRT Investment	32,965,487	32,861,754	32,924,484	62,730	4.11%	0.36	0.36	0.49	ICE BofA 0-1 Year US Treasury Notes & Bonds
RIO-Cash Matched Investments	41,769,640	41,755,306	41,871,685	116,379	4.08%	0.94	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Investment Core	177,210,689	186,641,446	188,495,094	1,853,648	4.00%	2.27	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Liquidity	52,327,136	52,327,136	52,327,136	0	3.72%	0.01	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	318,117,343	327,453,317	329,507,003	2,053,686	3.97%	1.49	1.40	1.29	

Strategic Quarterly Update

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Metric	Previous	Current
Strategy	09/30/2025	12/31/2025
Effective Duration		
Investment Core	2.13	2.13
Benchmark Duration	2.10	2.08
Total Effective Duration	1.34	1.40
Total Return (Net of Fees %)*		
Investment Core	1.22	1.11
Benchmark Return	1.15	1.10
Total Portfolio Performance	1.14	1.02
<i>*Changes in Market Value include net unrealized and realized gains/losses.</i>		
Maturity Total Portfolio		
Average Maturity Total Holdings	1.43	1.49

Metric	Previous	Current
Book Yield	09/30/2025	12/31/2025
Ending Book Yield		
BP2024 Investments	4.01%	3.74%
BP2025 SSGRT Investment	4.18%	4.11%
Cash Matched Investments	4.30%	4.08%
Investment Core	3.96%	4.00%
Liquidity	4.23%	3.72%
Total Book Yield	4.07%	3.97%
Values		
	09/30/2025	12/31/2025
Market Value + Accrued		
BP2024 Investments	13,835,823	13,980,199
BP2025 SSGRT Investment	32,825,040	33,165,316
Cash Matched Investments	41,760,755	42,209,343
Investment Core	187,488,120	189,572,756
Liquidity	56,714,117	52,327,136
Total MV + Accrued	332,623,855	331,254,751
Net Unrealized Gain/Loss		
Total Net Unrealized Gain/Loss	1,852,834	2,053,686

Return Management-Income Detail

City of Rio Rancho | Total Aggregate Portfolio



December 31, 2025

Accrued Book Return

	Quarter to Date	Fiscal Year to Date (07/01/2025)
Amortization/Accretion	672,627.96	1,456,648.71
Interest Earned	160,664,479.39	163,285,232.41
Realized Gain (Loss)	0.00	0.00
Book Income	161,337,107.35	164,741,881.12
Average Portfolio Balance	329,484,397.07	332,302,204.58

Fair Market Return

	Quarter to Date	Fiscal Year to Date (07/01/2025)
Fair Value Change	(471,776.32)	(779,354.73)
Amortization/Accretion	672,627.96	1,456,648.71
Interest Earned	160,664,479.39	163,285,232.41
Fair Market Earned Income	160,865,331.03	163,962,526.39
Average Portfolio Balance	329,484,397.07	332,302,204.58
Fair Market Return for Period	1.03%	2.19%

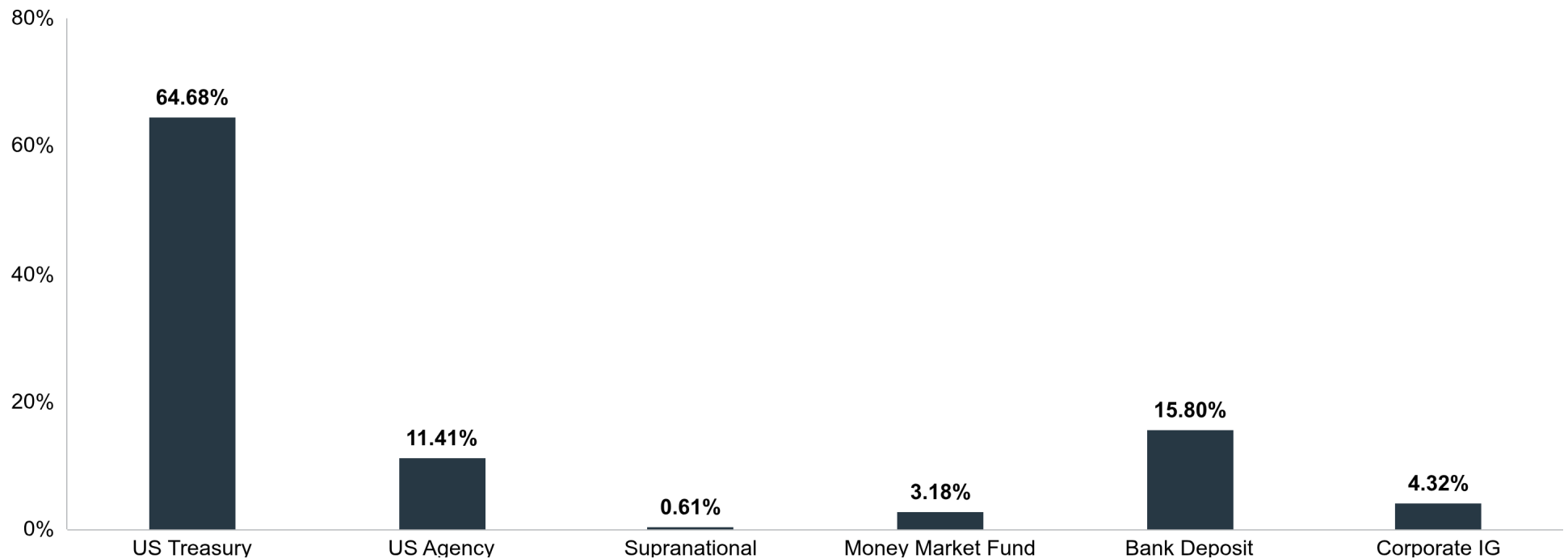
Security Type Distribution

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	215,105,000	3.89%	214,239,861	64.68%
US Agency	37,875,000	4.59%	37,803,407	11.41%
Supranational	2,000,000	4.29%	2,030,140	0.61%
Money Market Fund	10,538,526	3.64%	10,538,526	3.18%
Bank Deposit	52,348,817	3.72%	52,348,817	15.80%
Corporate IG	250,000	4.56%	14,294,000	4.32%
Total	318,117,343	3.97%	331,254,751	100.00%



Risk Management - Maturity/Duration

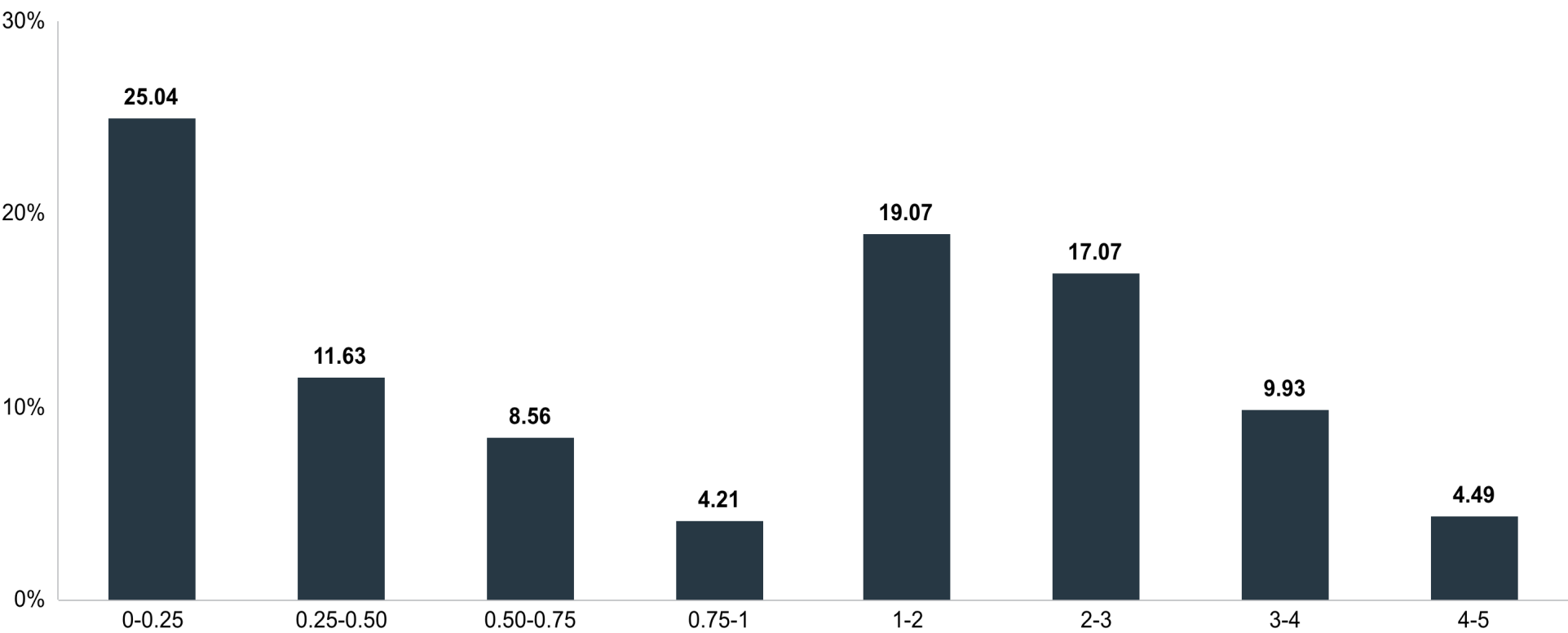


City of Rio Rancho | RIO Total Portfolio

December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.40 Yrs	1.49 Yrs	519

Distribution by Effective Duration



Summary Overview

City of Rio Rancho | RIO_Operating Portfolio

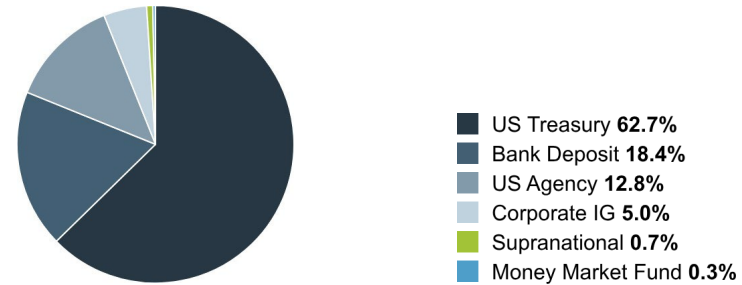


December 31, 2025

Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	53,222,464.75
Investments (Market Value + Accrued)	230,886,770.82
Book Yield	3.96%
Market Yield	3.59%
Effective Duration	1.56
Years to Maturity	1.66
Avg Credit Rating	AA+

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Effective Duration	Benchmark Duration	Benchmark
RIO-Investment Core	177,210,688.84	186,641,446.09	188,495,093.64	1,853,647.55	4.00%	2.13	2.08	ICE BofA 0-5 Year US Treasury Index
RIO-Cash Matched Investments	41,769,639.80	41,755,306.04	41,871,685.15	116,379.11	4.08%	0.90	0.09	ICE BofA US 1-Month Treasury Bill Index
RIO-Liquidity	52,327,136.11	52,327,136.11	52,327,136.11	0.00	3.72%	0.01	0.09	ICE BofA US 1-Month Treasury Bill Index
Total	271,307,464.75	280,723,888.24	282,693,914.90	1,970,026.66	3.96%	1.56		

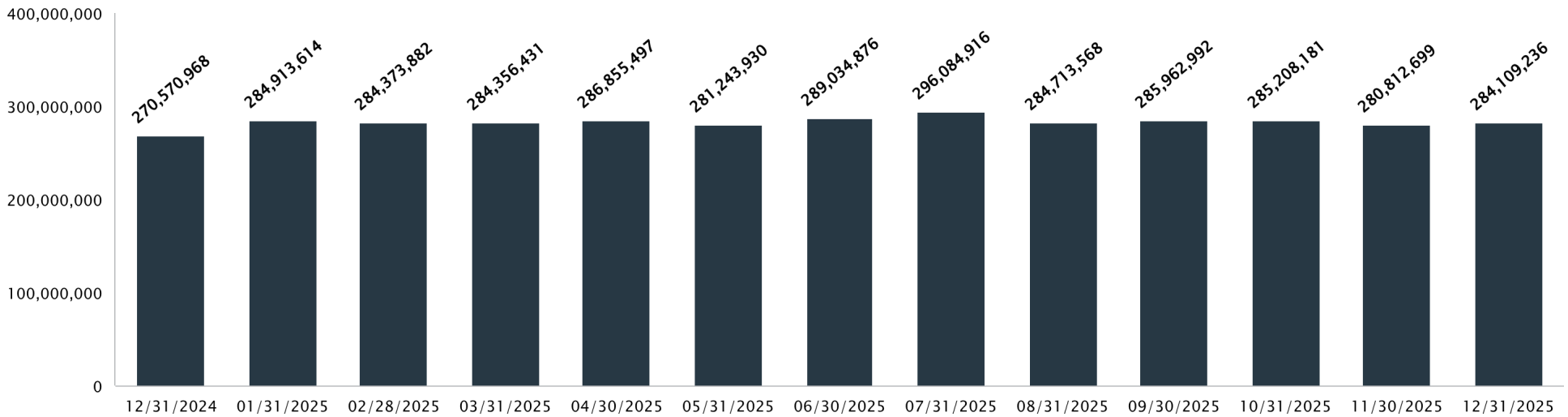
Historical Balances

City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Market Value



Market Value and Return

Period Begin	Period End	Market Value + Accrued	Earned Income	Book Yield	Effective Duration	Maturity in Years
12/01/2024	12/31/2024	270,570,968	1,007,106	4.33%	1.48	1.58
01/01/2025	01/31/2025	284,913,614	938,761	4.34%	1.38	1.51
02/01/2025	02/28/2025	284,373,882	928,403	4.29%	1.44	1.51
03/01/2025	03/31/2025	284,356,431	1,003,991	4.18%	1.40	1.49
04/01/2025	04/30/2025	286,855,497	975,986	4.18%	1.37	1.45
05/01/2025	05/31/2025	281,243,930	987,072	4.15%	1.42	1.50
06/01/2025	06/30/2025	289,034,876	954,474	4.11%	1.35	1.44
07/01/2025	07/31/2025	296,084,916	1,014,214	4.11%	1.36	1.45
08/01/2025	08/31/2025	284,713,568	966,844	4.06%	1.49	1.58
09/01/2025	09/30/2025	285,962,992	942,652	4.06%	1.46	1.55
10/01/2025	10/31/2025	285,208,181	964,855	4.03%	1.48	1.58
11/01/2025	11/30/2025	280,812,699	915,586	3.98%	1.61	1.71
12/01/2025	12/31/2025	284,109,236	158,978,311	3.96%	1.56	1.66

Security Type Distribution

City of Rio Rancho | RIO_Operating Portfolio

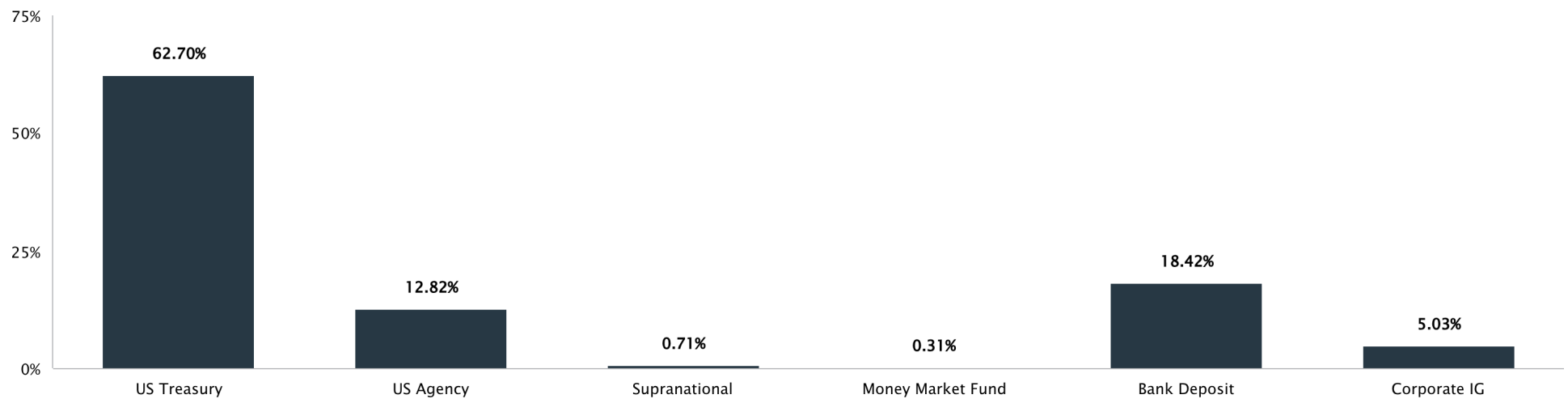


December 31, 2025

Security Type Distribution

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	179,290,000.00	3.85%	178,135,300.75	62.70%
US Agency	36,545,000.00	4.61%	36,427,330.08	12.82%
Supranational	2,000,000.00	4.29%	2,030,140.00	0.71%
Money Market Fund	892,461.26	3.64%	892,461.26	0.31%
Bank Deposit	52,330,003.49	3.72%	52,330,003.49	18.42%
Corporate IG	250,000.00	4.56%	14,294,000.00	5.03%
Total	271,307,464.75	3.96%	284,109,235.57	100.00%

Security Type Distribution



Risk Management-Maturity/Duration

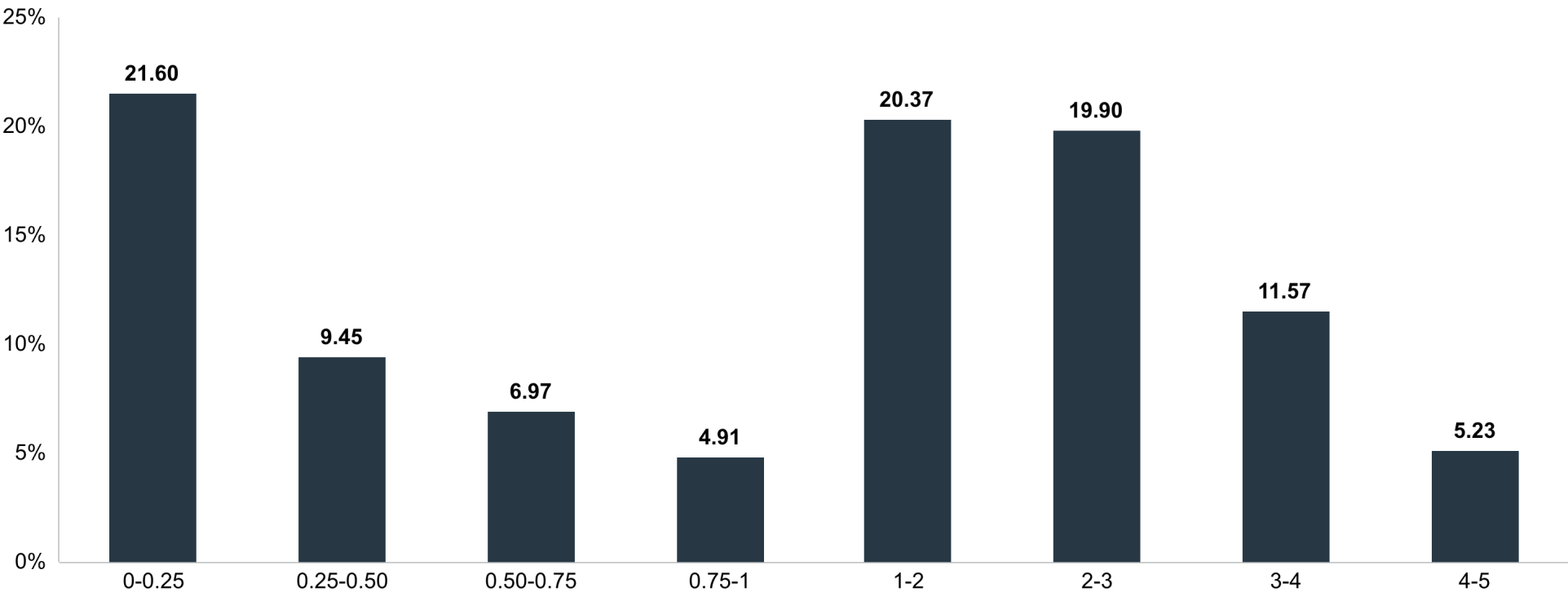
City of Rio Rancho | RIO_Operating Portfolio



December 31, 2025

Effective Duration	Years to Maturity	Days to Maturity
1.56 Yrs	1.66 Yrs	581

Distribution by Effective Duration



Return Management-Performance

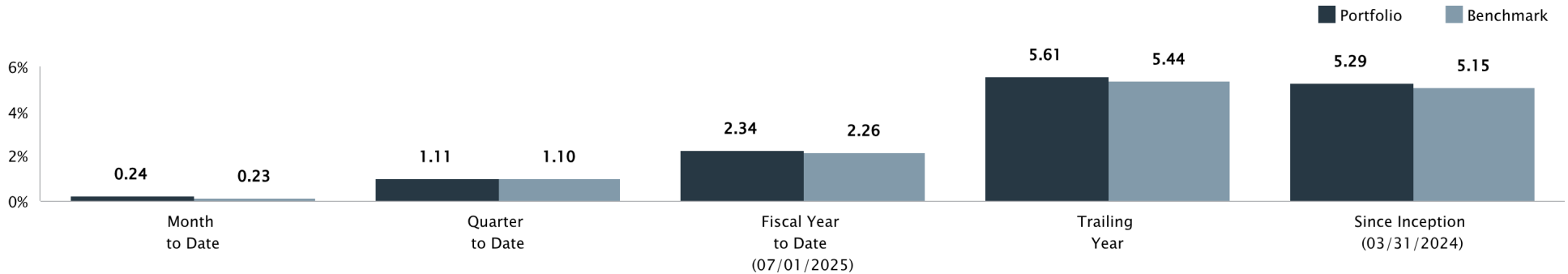
City of Rio Rancho | Investment Core



December 31, 2025

Performance Returns Net of Fees

Periodic for performance less than one year. Annualized for performance greater than one year.



Historical Returns

Period	Month to Date	Quarter to Date	Fiscal Year to Date (07/01/2025)	Trailing Year	Trailing 3 Years	Trailing 5 Years	Since Inception (03/31/2024)
Return (Net of Fees)	0.244%	1.106%	2.339%	5.611%			5.293%
Return (Gross of Fees)	0.247%	1.113%	2.354%	5.642%			5.326%
ICE BofA 0-5 Year US Treasury Index	0.235%	1.102%	2.260%	5.441%			5.149%

Portfolio Holding & Transactions

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
Cash								
RIO-BP2025 SSGRT Investment	3,800	US Dollar		0		AAA	AAA	Aaa
RIO-Cash Matched Investments	1,111	US Dollar		0		AAA	AAA	Aaa
RIO-BP2024 Investments	15,013	US Dollar		0		AAA	AAA	Aaa
RIO-Investment Core	1,756	US Dollar		0		AAA	AAA	Aaa
Cash Total	21,681			0		AAA	AAA	Aaa
Fixed Income								
RIO-BP2024 Investments	1,640,000	US TREASURY 3.875 01/15/26	4.16%	240	0.04	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,910,000	US TREASURY 4.250 01/31/26	4.24%	755	0.08	AA+	AA+	Aa1
RIO-Investment Core	1,975,000	US TREASURY 0.375 01/31/26	0.79%	(4,475)	0.08	AA+	AA+	Aa1
RIO-Cash Matched Investments	375,000	US TREASURY 4.000 02/15/26	4.92%	511	0.12	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.000 02/15/26	4.78%	2,386	0.12	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,440,000	US TREASURY 0.500 02/28/26	4.22%	1,931	0.16	AA+	AA+	Aa1
RIO-Investment Core	2,565,000	US TREASURY 0.750 03/31/26	3.92%	2,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,820,000	US TREASURY 4.500 03/31/26	4.19%	6,723	0.25	AA+	AA+	Aa1
RIO-Investment Core	935,000	US TREASURY 4.500 03/31/26	4.07%	1,046	0.25	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,860,000	US TREASURY 0.750 04/30/26	4.18%	6,505	0.33	AA+	AA+	Aa1
RIO-Investment Core	5,300,000	US TREASURY 0.750 04/30/26	4.43%	11,227	0.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	8,060,000	FED FARM CR BNKS 4.750 05/08/26	4.88%	34,808	0.35	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,000,000	US TREASURY 0.750 05/31/26	3.12%	(4,423)	0.41	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	4,595,000	US TREASURY 4.875 05/31/26	4.03%	8,375	0.41	AA+	AA+	Aa1
RIO-Cash Matched Investments	4,385,000	FHLBANKS 4.875 06/12/26	4.85%	26,057	0.44	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.375 06/23/26	4.89%	26,506	0.47	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,220,000	US TREASURY 0.875 06/30/26	4.15%	8,507	0.49	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 0.875 06/30/26	0.72%	(34,353)	0.49	AA+	AA+	Aa1
RIO-BP2024 Investments	160,000	FED FARM CR BNKS 4.625 07/10/26	3.99%	334	0.5	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 0.625 07/31/26	3.24%	(4,620)	0.57	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 4.375 07/31/26	4.15%	12,166	0.56	AA+	AA+	Aa1
RIO-Investment Core	730,000	US TREASURY 1.500 08/15/26	3.05%	(2,685)	0.61	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,875,000	US TREASURY 4.375 08/15/26	4.02%	20,764	0.6	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/15/26	4.40%	19,595	0.6	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	3,540,000	US TREASURY 3.750 08/31/26	4.15%	13,028	0.64	AA+	AA+	Aa1
RIO-Investment Core	5,195,000	US TREASURY 0.875 09/30/26	3.74%	3,169	0.73	AA+	AA+	Aa1
RIO-BP2025 SSGRT Investment	1,225,000	US TREASURY 3.500 09/30/26	4.14%	4,740	0.73	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 1.125 10/31/26	3.35%	(7,636)	0.81	AA+	AA+	Aa1
RIO-Cash Matched Investments	1,300,000	US TREASURY 4.625 11/15/26	3.85%	3,167	0.85	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	FED FARM CR BNKS 4.000 11/23/26	3.66%	1,226	0.87	AA+	AA+	Aa1
RIO-Investment Core	1,075,000	US TREASURY 1.250 11/30/26	1.19%	(22,566)	0.9	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Cash Matched Investments	200,000	US TREASURY 4.375 12/15/26	3.81%	526	0.93	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	FANNIE MAE 0.875 12/18/26 '25	4.04%	5,504	0.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 12/31/26	4.29%	25,625	0.98	AA+	AA+	Aa1
RIO-Investment Core	1,500,000	US TREASURY 2.250 02/15/27	4.23%	9,424	1.09	AA+	AA+	Aa1
RIO-Investment Core	1,100,000	FHLBANKS 0.900 02/26/27 '25	4.08%	4,405	1.13	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FHLBANKS 4.875 03/12/27	4.74%	62,114	1.14	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	FED FARM CR BNKS 4.750 04/30/27	4.73%	68,983	1.28	AA+	AA+	Aa1
RIO-Cash Matched Investments	7,500,000	US TREASURY 2.375 05/15/27	3.61%	9,712	1.33	AA+	AA+	Aa1
RIO-Investment Core	2,350,000	US TREASURY 2.375 05/15/27	3.26%	(9,172)	1.33	AA+	AA+	Aa1
RIO-Cash Matched Investments	5,000,000	US TREASURY 4.625 06/15/27	3.61%	8,789	1.4	AA+	AA+	Aa1
RIO-Investment Core	300,000	US TREASURY 0.500 06/30/27	3.70%	153	1.47	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 3.250 06/30/27	3.61%	3,850	1.45	AA+	AA+	Aa1
RIO-BP2024 Investments	1,170,000	FED FARM CR BNKS 4.500 07/08/27	3.83%	5,272	1.43	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 2.750 07/31/27	4.10%	43,346	1.52	AA+	AA+	Aa1
RIO-Investment Core	700,000	US TREASURY 2.250 08/15/27	4.41%	8,282	1.56	AA+	AA+	Aa1
RIO-Cash Matched Investments	6,500,000	US TREASURY 3.750 08/15/27	3.60%	12,046	1.54	AA+	AA+	Aa1
RIO-Investment Core	1,600,000	US TREASURY 0.500 08/31/27	3.63%	(377)	1.63	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 09/30/27	4.62%	84,048	1.66	AA+	AA+	Aa1
RIO-BP2024 Investments	4,025,000	US TREASURY 3.875 10/15/27	3.70%	15,083	1.7	AA+	AA+	Aa1
RIO-Investment Core	2,500,000	US TREASURY 4.125 10/31/27	3.67%	7,867	1.74	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.500 10/31/27	3.91%	3,854	1.79	AA+	AA+	Aa1
RIO-Investment Core	2,325,000	US TREASURY 2.250 11/15/27	3.59%	1,706	1.81	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	2,500,000	US TREASURY 0.625 12/31/27	3.56%	(3,019)	1.96	AA+	AA+	Aa1
RIO-Investment Core	1,000,000	US TREASURY 0.750 01/31/28	4.29%	11,666	2.03	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 3.500 01/31/28	3.88%	15,462	1.97	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 2.750 02/15/28	3.95%	15,655	2.02	AA+	AA+	Aa1
RIO-Investment Core	3,340,000	US TREASURY 1.250 03/31/28	4.04%	32,022	2.18	AA+	AA+	Aa1
RIO-Investment Core	1,850,000	US TREASURY 1.250 04/30/28	3.77%	5,816	2.26	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 1.250 05/31/28	3.69%	11,349	2.34	AA+	AA+	Aa1
RIO-Investment Core	4,700,000	US TREASURY 1.250 06/30/28	4.26%	71,705	2.43	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.125 07/31/28	4.54%	111,143	2.4	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 08/31/28	4.49%	95,317	2.47	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	US TREASURY 4.625 09/30/28	4.26%	38,617	2.54	AA+	AA+	Aa1
RIO-Investment Core	3,500,000	US TREASURY 1.250 09/30/28	3.51%	(2,133)	2.65	AA+	AA+	Aa1
RIO-Investment Core	210,000	ISHARES:1-5 IG CORP BD	4.58%	375,180	2.6	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.125 11/15/28	4.13%	59,711	2.71	AA+	AA+	Aa1
RIO-Investment Core	40,000	VANGUARD ST CORP BD;ETF	4.52%	110,000	2.7	NA	NA	NA
RIO-Investment Core	4,000,000	US TREASURY 3.750 12/31/28	4.12%	62,228	2.82	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.625 02/15/29	4.12%	57,172	2.94	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 03/31/29	4.13%	56,941	3.07	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 2.375 05/15/29	3.89%	34,080	3.19	AA+	AA+	Aa1
RIO-Investment Core	3,000,000	US TREASURY 3.250 06/30/29	3.86%	23,745	3.28	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.000 07/31/29	3.52%	(11,621)	3.26	AA+	AA+	Aa1
RIO-Investment Core	2,850,000	US TREASURY 3.125 08/31/29	4.13%	45,852	3.39	AA+	AA+	Aa1
RIO-Investment Core	2,000,000	IBRD 3.875 10/16/29 MTN	4.29%	41,976	3.47	AAA	NA	Aaa
RIO-Investment Core	4,750,000	US TREASURY IO STR 11/15/29	4.21%	60,010	3.8	AA+	AA+	Aa1
RIO-Investment Core	4,000,000	US TREASURY 4.375 12/31/29	3.93%	41,722	3.65	AA+	AA+	Aa1

Holdings

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Account	Par Value	Detailed Description	Book Yield	Net Unrealized Gain/Loss	Effective Duration	S&P Rating	Fitch Rating	Moody's Rating
RIO-Investment Core	5,000,000	FED FARM CR BNKS 1.320 03/18/30	4.29%	89,779	4.02	AA+	AA+	Aa1
RIO-Investment Core	5,000,000	US TREASURY 3.500 04/30/30	4.15%	90,287	3.96	AA+	AA+	Aa1
RIO-Investment Core	5,500,000	US TREASURY 4.000 07/31/30	3.81%	26,647	4.09	AA+	AA+	Aa1
RIO-Investment Core	4,500,000	US TREASURY 4.625 09/30/30	3.62%	(19,715)	4.2	AA+	AA+	Aa1
Fixed Income Total	255,230,000		4.03%	2,053,686	1.72	AA+	AA+	Aa1
Money Market Funds								
RIO-BP2024 Investments	6,834,377	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Liquidity	52,327,136	Wells Fargo Deposit	3.72%	0	0.01	NA	NA	NA
RIO-Investment Core	318,933	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-Cash Matched Investments	573,528	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
RIO-BP2025 SSGRT Investment	2,811,687	FIRST AMER:GVT OBLG;Z	3.64%	0	0	AAAm	AAA	Aaa
Money Market Funds Total	62,865,662		3.70%	0	0.01	AAA	AAA	Aaa
Total	318,117,343		3.97%	2,053,686	1.4	AA+	AA+	Aa1

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
Buy							
31846V567	FIRST AMER:GVT OBLG;Z			(835,757)	835,757	835,757	0
31846V567	FIRST AMER:GVT OBLG;Z			(4,776,414)	4,776,414	4,776,414	0
31846V567	FIRST AMER:GVT OBLG;Z			(1,998,067)	1,998,067	1,998,067	0
31846V567	FIRST AMER:GVT OBLG;Z			(2,731,002)	2,731,002	2,731,002	0
91282CHZ7	US TREASURY 4.625 09/30/30	10/28/2025	10/31/2025	(4,720,577)	4,500,000	4,702,852	17,725
91282CLG4	US TREASURY 3.750 08/15/27	11/14/2025	11/17/2025	(6,578,258)	6,500,000	6,515,996	62,262
91282CKV2	US TREASURY 4.625 06/15/27	11/14/2025	11/17/2025	(5,175,082)	5,000,000	5,077,148	97,934
912828X88	US TREASURY 2.375 05/15/27	11/14/2025	11/17/2025	(7,367,097)	7,500,000	7,366,113	984
91282CKS9	US TREASURY 4.875 05/31/26	11/25/2025	12/01/2025	(1,382,865)	1,375,000	1,382,681	184
91282CLC3	US TREASURY 4.000 07/31/29	11/25/2025	12/01/2025	(4,118,322)	4,000,000	4,064,844	53,478
91282CCY5	US TREASURY 1.250 09/30/28	12/29/2025	12/31/2025	(3,305,296)	3,500,000	3,294,238	11,058
RIO_WF_DEP		12/31/2025	12/31/2025	(2,679,352)	2,679,352	2,679,352	0
Total				(45,668,089)	45,395,592	45,424,464	243,625
Maturity							
91282CFP1	US TREASURY 4.250 10/15/25 MATD	10/15/2025	10/15/2025	2,000,000	(2,000,000)	(2,000,000)	0
912797NA1	US TREASURY BILL 10/30/25 MATD	10/30/2025	10/30/2025	320,000	(320,000)	(320,000)	0

Transactions

City of Rio Rancho | RIO Total Portfolio



December 31, 2025

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
91282CAT8	US TREASURY 0.250 10/31/25 MATD	10/31/2025	10/31/2025	2,000,000	(2,000,000)	(2,000,000)	0
3133EPC37	FED FARM CR BNKS 4.875 11/13/25 MATD	11/13/2025	11/13/2025	220,000	(220,000)	(220,000)	0
313385PF7	FHLBANKS D NOTE 11/14/25 MATD	11/14/2025	11/14/2025	1,000,000	(1,000,000)	(1,000,000)	0
91282CFW6	US TREASURY 4.500 11/15/25 MATD	11/15/2025	11/15/2025	910,000	(910,000)	(910,000)	0
91282CAZ4	US TREASURY 0.375 11/30/25 MATD	11/30/2025	11/30/2025	4,000,000	(4,000,000)	(4,000,000)	0
91282CJL6	US TREASURY 4.875 11/30/25 MATD	11/30/2025	11/30/2025	1,280,000	(1,280,000)	(1,280,000)	0
91282CGA3	US TREASURY 4.000 12/15/25 MATD	12/15/2025	12/15/2025	260,000	(260,000)	(260,000)	0
313385QS8	FHLBANKS D NOTE 12/19/25 MATD	12/19/2025	12/19/2025	3,450,000	(3,450,000)	(3,450,000)	0
91282CBC4	US TREASURY 0.375 12/31/25 MATD	12/31/2025	12/31/2025	2,600,000	(2,600,000)	(2,600,000)	0
91282CJS1	US TREASURY 4.250 12/31/25 MATD	12/31/2025	12/31/2025	1,600,000	(1,600,000)	(1,600,000)	0
Total				19,640,000	(19,640,000)	(19,640,000)	0
Sell							
31846V567	FIRST AMER:GVT OBLG;Z			173	(173)	(173)	0
31846V567	FIRST AMER:GVT OBLG;Z			2,975,406	(2,975,406)	(2,975,406)	0
RIO_WF_DEP				7,066,333	(7,066,333)	(7,066,333)	0
31846V567	FIRST AMER:GVT OBLG;Z			270	(270)	(270)	0

Transactions

City of Rio Rancho | RIO Total Portfolio

Identifier	Detailed Description	Trade Date	Settle Date	Total Amount	Units	Principal Amount	Accrued Interest
31846V567	FIRST AMER:GVT OBLG;Z	11/17/2025	11/17/2025	18,159,900	(18,159,900)	(18,159,900)	0
Total				28,202,082	(28,202,082)	(28,202,082)	0

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A thick, dark blue line graph that trends upwards from the bottom left to the top right, with a small dip in the middle. It serves as a background element for the lower half of the page.

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**CITY OF RIO RANCHO
COVER PAGE**

Legislation Item:

AGENDA DATE:
February 18, 2026

DEPARTMENT:
City Clerk

SUBJECT:
Permanent Fund Investment Policy Statement Revision

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:
Presentation by Stephanie Yara

ATTACHMENT: [GPA 2026 Perm Fund Investment Policy Memo](#)
ATTACHMENT: [Policy Statement Revised_Draft](#)

MEMO

To: Stephanie Yara, Director of Financial Services- City of Rio Rancho
Investment Advisory Board- Vision Fund (Permanent Fund)
From: Deanne Woodring, CFA *Government Portfolio Advisors*
Date: February 5, 2026
Re: Permanent Fund Investment Policy

The City of Rio Rancho Governing Body oversees policies related to the investment of City funds. The Investment Advisory Board shall review the investment policy statement annually and provide input to the Governing Body regarding proposed changes.

GPA has reviewed the policy dated April 22, 2024 and is making the following recommendations for updates.

- 1) Investment Authority – Item 3: Correct the terminology from investment advisor to investment manager of External Investment Pools.
- 2) Investment Guidelines – includes the description “Real Return Assets” , however the table and other sections did not address the asset class that is currently held.
- 3) Asset Class – Update the table to reflect the Real Return Assets and their target % holdings.
- 4) Selection of Investment Managers- Change to Selection of Investment External Investment Pools.
- 5) Limitations on Managers’ Portfolios – Add Real Return constraint
- 6) Review of Investment Performance – clarify how the consultant is presenting and tracking performance. The information is provided by NMSIC and the consultant is not privy to specific data points to run the data. The consultant relies on the data provided directly by NMSIC and their consultant. Additional indices can be incorporated into the analysis by the City’s consultant.

INVESTMENT POLICY STATEMENT
FOR
CITY OF RIO RANCHO VISION FUND

4/10/2026 Draft

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
Purpose.....	1
Investment Authority	1
Statement of Investment Objectives	2
Investment Guidelines.....	2
Initial Investment of Funds	
Time Horizon	
Liquidity and Diversification	
Asset Allocation	
Rebalancing Philosophy	
Risk Tolerance	
Performance Expectations	
Selection of Investment Managers.....	5
Guidelines for Portfolio Holdings.....	5
Direct Investments by Advisor	
Limitations on Managers' Portfolios	
Portfolio Risk Hedging	
Prohibited Portfolio Investments	
Safekeeping	
Control Procedures.....	6
Review of Investment Objectives	
Review of Investment Performance	
Voting of Proxies	
Adoption of Investment Policy Statement	7

The City of Rio Rancho has established a Permanent Fund, known as the City of Rio Rancho Vision Fund (the “Fund”). This Fund will be used to invest monies to support the City’s general operations. The Fund consists of General Fund reserves resulting from positive revenue variances (revenue in excess of budget) and positive expense variances (expenses less than budget) accumulated in excess of policy targets. The City of Rio Rancho Governing Body hereby adopts this Investment Policy Statement (“Policy Statement”) for the following purposes.

Purpose

The main investment objective of the Fund is to achieve long-term growth of Fund assets by maximizing long-term rate of return on investments and minimizing risk of loss, especially as the monies are initially invested, and to provide funding for general government purposes as determined by the Governing Body.

The purpose of this Policy Statement is to achieve the following:

1. Document investment objectives, performance expectations, and investment guidelines for Fund assets.
2. Establish an appropriate investment strategy for managing all Fund assets, including an investment time horizon, risk tolerance ranges, and asset allocation to provide sufficient diversification and overall return over the long-term time horizon of the Fund.
3. Establish investment guidelines to control overall risk and liquidity.
4. Establish periodic performance reporting requirements to monitor investment results and confirm that the investment policy is being followed.
5. Comply with fiduciary, prudence, due diligence, and legal requirements for Fund assets.

Investment Authority

The City of Rio Rancho Governing Body will oversee certain policies and procedures related to the operation and administration of the Fund. The Governing Body will have authority to implement the investment policy and guidelines in the best interest of the Fund to best satisfy the purposes of the Fund. In implementing this Policy Statement, the Governing Body believes it may delegate certain functions to:

1. The City Treasurer, as defined in Section 6.01 of the City Charter as the Director of the Department of Financial Services. The Treasurer shall be responsible for all transactions undertaken and shall establish an investment policy statement to set the specific policy requirements and guidelines for the investment of the City’s Permanent Fund and a system of controls to regulate the activities of subordinate officials.
1. The Investment Advisory Board established pursuant to Chapter 33 of the City Code of

Ordinances. The Investment Advisory Board shall review the investment policy statement annually and provide input to the Governing Body regarding proposed changes, provide input on the use of distributions from the Fund, and review and provide input on administration and management of the Fund.

2. The New Mexico State Investment Council (“NMSIC”), as investment manager of External Investment Pools.
3. A consultant to assist with periodic review of a) the investment policy statement, b) the performance of the investment portfolio, and c) the asset allocation guidelines including recommendations to rebalance the portfolio as referenced in the “Periodic Re-balancing” section. The consultant may be a contracted individual or company with specific subject matter experience, procured by the City to provide expertise for the listed functions.
4. A trustee appointed by the Fund, such as a bank trust department, if the Fund does not have its own Trustees, to assume fiduciary responsibility for the administration of Fund assets; provided, however, that if the Governing Body shall have appointed an investment advisor, then any trustee appointed under this paragraph shall have no authority with respect to selection of investments.
5. Specialists such as attorneys, auditors, and other consultants to assist the Governing Body in meeting its responsibilities and obligations to administer Fund assets prudently.

Statement of Investment Objectives

The investment objectives of the Fund are as follows:

1. To invest assets of the Fund in a manner consistent with the following fiduciary standards: (a) all transactions undertaken must be for the sole interest of Fund beneficiaries, and (b) assets are to be diversified in order to minimize the impact of large losses from individual investments.
2. To provide for funding and anticipated withdrawals on a continuing basis for distribution to the City’s General Fund and reasonable expenses of operation of the Fund.
3. To enhance the value of Fund assets in real terms over the long term through asset appreciation and income generation, while maintaining a reasonable investment risk profile.
4. Subject to performance expectations over the long term, to minimize principal fluctuations over the Time Horizon (defined under the section labeled “Time Horizon”).

To achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding the investment objective set forth in this Policy Statement under the section labeled “Performance Expectations”

Investment Guidelines

Within this section of the Policy Statement, several terms will be used to articulate various investment concepts. The descriptions are meant to be general and may share investments otherwise considered to be in the same asset class. They are:

"Growth Assets" - a collection of investments and/or asset classes whose primary risk and return characteristics are focused on capital appreciation. Investments within the Growth Assets category can include income and risk mitigating characteristics, so long as the predominant investment risk and return characteristic is capital appreciation. Examples of such investments or asset classes are: domestic and international equities or equity funds, and certain real estate investments.

"Income Assets" - a collection of investments and/or asset classes whose primary risk and return characteristics are focused on income generation. Investments within the Income Assets category can include capital appreciation and risk mitigating characteristics, so long as the primary investment risk and return characteristic is income generation. Examples of such investments or asset classes are: fixed income securities, unconstrained bond strategies, structured credit securities, high yield corporate bonds, and opportunistic credit funds.

"Real Return Assets" - a collection of investments and/or asset classes whose primary risk and return characteristics are focused on real returns after inflation. Investments within the Real Return category can include infrastructure, timber, agriculture, energy, inflation-linked securities, commodities, and other similar assets.

Time Horizon

The Fund's investment objectives are based on a long-term investment horizon ("Time Horizon") of 20 years or longer. Interim fluctuations should be viewed with appropriate perspective. The Governing Body has adopted a long-term investment horizon such that the risks and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets.

Liquidity and Diversification

In general, the Fund may hold some cash, cash equivalent, and/or money market funds for near-term Fund benefits and expenses (the "Fund Distributions"). Remaining assets will be invested in longer-term investments and shall be diversified with the intent to minimize the risk of long-term investment losses. Consequently, the total portfolio will be constructed and maintained to provide diversification with regard to the concentration of holdings in individual issues, issuers, countries, governments, or industries.

Asset Allocation

The Governing Body believes that to achieve the greatest likelihood of meeting the Fund's investment objectives and the best balance between risk and return for optimal diversification, assets will be invested in accordance with the targets for each asset class as follows to achieve an average total annual rate of return that is equal to or greater than the Fund's target rate of return over the long term, as described in the section titled "Performance Expectations."

Asset Classes	Asset Weightings Range	Target
Growth Assets		55%
Domestic Equity	35%-55%	
International Equity	5% - 20%	
Real Return Assets	0%-5%	5%
Real Estate Pool	0%-5%	
Real Assets Pool	0%-5%	
Fixed Income Assets	30%-50%	40%
Credit Plus	10%-30%	
US Core Bonds	0%-30%	

The NMSIC and each Manager will be evaluated against their peers on the performance of the total funds under their direct management.

Rebalancing Philosophy

The asset allocation range established by this Policy Statement represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside Policy Statement ranges. When allocations breach the specified ranges, the Consultant will recommend rebalancing the assets within the specified ranges. The Consultant may also recommend rebalancing based on market conditions. Limitations on the timing and frequency of rebalancing due to the operational procedures permitted by NMSIC are anticipated, and will be considered by the Consultant before each rebalance recommendation.

Risk Tolerance

Subject to investment objectives and performance expectations, the Fund will be managed in a style that seeks to minimize principal fluctuations over the established Time Horizon.

Performance Expectations

It is expected that the annual rate of return on Fund assets will be commensurate with the then prevailing investment environment. Measurement of this return expectation will be judged by reviewing returns in the context of industry standard benchmarks, peer universe comparisons for individual Fund investments, and blended benchmark comparisons for the Fund in its entirety.

Selection of Investment External Investment Pools

The Consultant shall prudently recommend appropriate External Investment Pools offered by NMSIC to invest the assets of the Fund.

Guidelines for Portfolio Holdings

Recommended Investments by Consultant

Every effort shall be made, to the extent practical, prudent, and appropriate, to select investments that have investment objectives and policies that are consistent with this Policy Statement (as outlined in the following sub-sections of the “Guidelines for Portfolio Holdings”). However, given the nature of the investments available through the NMSIC, it is recognized that there may be deviations between this Policy Statement and the objectives of these investments.

Limitations on Managers’ Portfolios

EQUITIES

Domestic Equities. Other than the above constraints, there are no quantitative guidelines as to issues, industry, or individual security diversification. However, prudent diversification standards should be developed and maintained by each NMSIC Manager.

International Equities. The overall non-U.S. equity allocation should include a diverse global mix that is comprised of the equity of companies from multiple countries, regions, and sectors.

REAL RETURN

The overall real returns will include real estate and real assets and will be constrained as these are not liquid alternatives as they are part of dedicated pools at NMSIC.

FIXED INCOME

The overall rating of the fixed income assets shall be investment grade, based on the rating of one Nationally Recognized Statistical Rating Organization (“NRSRO”).

CASH EQUIVALENTS

Cash equivalents shall be held in funds complying with Rule 2(a)-7 of the Investment Company Act of 1940.

Prohibited Investments

Except for purchase within authorized investments, securities having the following characteristics are not authorized and shall not be purchased: letter stock and other unregistered securities, direct commodities or commodity contracts, or private placements (with the exception of Rule 144A securities). Further, derivatives, options, or futures for the sole purpose of direct portfolio leveraging are prohibited. Direct ownership of real estate, natural resource properties such as oil, gas, or timber and the purchase of collectibles is also prohibited.

Control Procedures

Review of Investment Objectives

The Consultant shall review annually and report to the Investment Advisory Board and Governing Body the appropriateness of this Policy Statement for achieving the Fund's stated objectives. It is not expected that this Policy Statement will change frequently. In particular, short-term changes in the financial markets should not require an adjustment in this Policy Statement.

Review of Investment Performance

The Consultant shall report on a quarterly basis to the Investment Advisory Board to review the investment performance of the Fund.

The Consultant shall compare the investment results on a quarterly basis to stated NMSIC benchmarks, as well as market indices in both equity and fixed income markets utilizing the information from NMSIC reports. Examples of benchmarks and indexes that will be used include the Russell 3000 Index for broad U.S. equity strategies, S&P 500 Index for large cap U.S. equities, Russell 2000 Index for small cap U.S. equities, MSCI ACWI ex-U.S. Index for broad based non-U.S. equity strategies, MSCI Europe, Australasia, and Far East (EAFE) Index for developed markets international equities, Bloomberg U.S. Aggregate Bond Index for fixed income securities, and the U.S. 91 Day T-bill for cash equivalents. The Russell 3000 Index will be used to benchmark the U.S. equities portfolio; the MSCI ACWI ex-U.S. Index will be used to benchmark the non-U.S. equities portfolio; and the Bloomberg U.S. Aggregate Bond Index will be used to benchmark the fixed income portfolio. The categories "Other" will be benchmarked against appropriate indices depending on the specific characteristics of the strategies and funds used.

Voting of Proxies

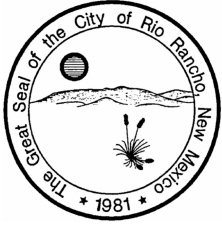
The Governing Body recognizes that proxies are a significant and valuable tool in corporate governance. The voting rights of individual stocks held in separate accounts or collective, common, or pooled funds will be exercised by the investment managers in accordance with their own proxy voting policies. The voting rights of funds will be exercised by the NMSIC.

Other Requirements

The Governing Body will establish additional controls and requirements as necessary for any investments outside of the management of the State Investment Council. These requirements will include permissible investments, safekeeping requirements, requirements for delivery versus payment of investment trades, and collateralization.

Adoption of Investment Policy Statement

Any changes and exceptions to this Policy Statement will be made in writing and adopted by the Governing Body via resolution. This Investment Policy Statement was adopted on April 10, 2026 via Resolution 2025-35.



**CITY OF RIO RANCHO
COVER PAGE**

Legislation Item:

AGENDA DATE:
February 18, 2026

DEPARTMENT:
City Clerk

SUBJECT:
Recommended uses of the 2026 Permanent Fund Distribution

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:
Presentation by Stephanie Yara

ATTACHMENT: [REVISED FY26 IAB Recommendation for Distribution](#)

ATTACHMENT: [FY26 IAB Recommendation for Distribution](#)

ATTACHMENT: [Rio Rancho ICIP 2026-2030](#)

Investment Advisory Board

Review and Input on Recommended Uses of
2025 Permanent Fund Investment Earnings

February 18, 2026

Investment Advisory Board

The City's Permanent Fund Ordinance Section 36.126 states –

“Each January beginning in January 2024, the Treasurer shall determine the fair value and interest and dividend earnings of the fund as of December 31st of the previous year. If the fair value plus interest and dividend earnings is higher than the prior year's principal, a distribution of 50% of the amount above the prior year's principal will be made to the general fund to be used for general purposes, as determined by the Governing Body. The remaining 50% of the amount above the prior year's principal shall be retained in the permanent fund and, combined with the prior year's principal, will become the new principal amount for future distributions. No distribution shall be made if the fair value plus interest and dividend earnings falls below the prior year's principal amount. The Governing Body may, by resolution, direct the Treasurer to retain the annual distribution in the permanent fund to be added to the principal amount rather than distribute it to the general fund.”

Chapter 33 Section 28.G.(2) of the Municipal Code states –

“Beginning with the first quarterly meeting in calendar year 2024, and the first quarterly meeting in each subsequent calendar year, provide input to the Governing Body regarding the general government purpose use of investment earnings that are 50% above the prior year's Permanent Fund principal amount.”

Investment Advisory Board

- The corpus/total of contributions to date of the Permanent Fund is \$14,039,317.16:
 - 2023 Original Contribution \$10,000,000
 - 2023 Additional Contributions \$1,002,000
 - 2023 Reinvested Earnings \$1,583,807.17
 - 2024 Reinvested Earnings \$1,253,509.89

- The market value of the Permanent Fund as of 12/31/25 was \$15,896,527.12.
- Total earnings from inception \$4,694,527.12

- 2025 Earnings (net of fees) total \$2,057,210.06 x 50% = **\$1,028,605.03** is eligible to be withdrawn and used for a general government purpose, or can be added to the corpus of the Fund for reinvestment.

Investment Advisory Board

- The City's 5-year financial plan projects revenue adequate to support its operations.
- Capital needs are planned for and funded in a variety of ways (debt, grants, cash financing, etc.)
- Permanent Fund was established to provide an additional source of funding for City services well into the future.
- The Permanent Fund ordinance allows for the Governing Body to add to the Fund by resolution.

Investment Advisory Board

Capital Outlay Requests

Quality of Life

- \$1,700,000 to design and construct an additional new youth baseball field at Sports Complex North.
- \$276,000 to upgrade two multi-purpose sport courts at Havasu Falls Park.
- \$100,000 to purchase and install replacement shelving in the children's area at Esther Bone Memorial Library.

Public Safety

- \$1,600,000 to replace and equip a Fire and Rescue Ladder Truck.
- \$110,000 to purchase two traffic and equipment trailers.
- \$500,000 to replace and equip Police Department vehicles.

Investment Advisory Board

Capital Outlay Requests

Public Infrastructure

- \$496,500 to design and construct Westside Blvd. median landscaping from A Park Above Ct. to Wellspring Ave.
- \$175,000 to purchase and install Intelligent Transportation Systems (ITS) improvements for Broadmoor Blvd.
- \$150,000 to reconstruct pedestrian curb ramps citywide in compliance with ADA.

Investment Advisory Board

Staff Recommendation –

Option 1- Adding to the corpus of the Permanent Fund in the early years will allow the Fund to grow at a much quicker rate than originally projected. The larger the Permanent Fund the more revenue that it will generate to be used to fund City services in future years when other sources of revenue may not be adequate to meet needs. ***Staff recommends reinvesting the allowable distribution of \$ 1,028,605.03.***

Investment Advisory Board

Alternative Options–

- Utilize the distribution to shore up funding for priority projects presented to the legislature if full funding is not granted during the legislative session. Any remaining amounts from the Permanent Fund distribution not used for these priority projects will be reinvested in the Permanent Fund.
- Consider the creation of an additional 'Rainy-Day' fund with its own investment policy, which the Investment Advisory Board can recommend for use on emerging community needs such as parks, road improvements and facilities. This option would involve changes to the City's Charter and Boards and Commissions Ordinance to allow the IAB the authority to recommend the creation of the fund and provide input as to its use.

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- 2025 Earnings (net of fees) total \$1,857,209.96 x 50% = **\$987,604.98** is eligible to be withdrawn and used for a general government purpose, or can be added to the corpus of the Fund for reinvestment.

Investment Advisory Board

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Infrastructure Capital Improvement Plan FY 2026-2030

Project Summary										Total Project Cost	Amount Not Yet Funded	Phases?
Project ID	Year Rank	Project Title	Category	Funded to date	2026	2027	2028	2029	2030			
Rio Rancho / 29005												
39529	2026-001	Animal Resource Center	Facilities - Other	71,800	890,000	0	0	0	0	961,800	890,000	No
42583	2026-002	Barbara Loop Reconstruction from NM 528 to Sara Ro	Transportation - Highways/Roads/Bridges	113,694	1,900,000	0	0	0	0	2,013,694	1,900,000	No
41988	2026-003	City Wide Right of Way Acquisition	Transportation - Other	868,740	400,000	400,000	400,000	400,000	0	2,468,740	1,600,000	Yes
42584	2026-004	Esther Bone Library and Veterans Monument Park Par	Transportation - Bike/Pedestrian/Equestrian	0	600,000	0	0	0	0	600,000	600,000	No
28264	2026-005	Fire and EMS Equipment	Facilities - Fire Facilities	2,572,655	1,500,000	0	0	0	0	4,072,655	1,500,000	Yes
10569	2026-006	Fire Apparatus, including Refurbishment	Equipment - Public Safety Equipment	10,765,018	260,982	985,000	2,854,000	0	0	14,865,000	4,099,982	Yes
41817	2026-007	Fire Station 8	Facilities - Fire Facilities	8,986,000	1,000,000	0	0	0	0	9,986,000	1,000,000	Yes
23098	2026-008	Fire Station Improvements	Facilities - Fire Facilities	1,280,308	400,000	0	0	0	0	1,680,308	400,000	Yes
41810	2026-009	Fire Training Facility	Facilities - Fire Facilities	394,476	6,125,000	0	0	0	0	6,519,476	6,125,000	Yes
42026	2026-010	General Building Plan	Facilities - Other	6,898,500	375,000	467,000	878,000	878,000	0	9,496,500	2,598,000	Yes
23259	2026-011	Haynes Pool	Facilities - Cultural Facilities	142,013	23,500	30,015	0	0	0	195,528	53,515	Yes
42587	2026-012	Injection Wells and Advance Water Treatment Facili	Water - Other	0	4,335,000	0	0	0	0	4,335,000	4,335,000	No
33261	2026-013	Sewer Lines	Facilities - Administrative Facilities	20,728,202	700,000	0	0	0	0	21,428,202	700,000	Yes
21768	2026-014	Install/Replace Water lines	Water - Water Supply	51,681,208	1,200,000	0	0	0	0	52,881,208	1,200,000	No
42589	2026-015	Iris Road from NM 528 to Idalia Rd Phase A/B	Transportation - Highways/Roads/Bridges	0	1,500,000	0	0	0	0	1,500,000	1,500,000	No
24355	2026-016	SWAT Robot	Equipment - Public Safety Equipment	0	85,000	0	0	0	0	85,000	85,000	No
19203	2026-017	Loma Colorado Boulevard Extension and Roundabout t	Transportation - Highways/Roads/Bridges	98,308	1,000,000	0	0	8,600,000	0	9,698,308	9,600,000	Yes

Infrastructure Capital Improvement Plan FY 2026-2030

Project Summary												
Project				Funded						Total	Amount	
ID	Year Rank	Project Title	Category	to date	2026	2027	2028	2029	2030	Project Cost	Not Yet Funded	Phases?
42591	2026-018	Loma Colorado Library Learn and Play Space	Facilities - Cultural Facilities	0	500,000	0	0	0	0	500,000	500,000	No
40579	2026-019	Multi Purpose Event Center	Facilities - Convention Facilities	3,587,500	385,000	410,000	305,000	650,000	0	5,337,500	1,750,000	No
26757	2026-020	Park Parking Lot Renovation Project	Facilities - Other	712,696	887,000	0	587,000	0	0	2,186,696	1,474,000	Yes
23230	2026-021	Park Playground Replacements	Facilities - Other	1,951,067	380,000	25,002	0	18,945	0	2,375,014	423,947	Yes
24598	2026-022	Pavement Preservation Program	Transportation - Highways/Roads/Bridges	8,500,000	7,500,000	7,500,000	7,500,000	7,500,000	0	38,500,000	30,000,000	Yes
41878	2026-023	Police All Terrain Vehicles	Vehicles - Public Safety Vehicle	23,200	25,300	0	0	0	0	48,500	25,300	No
28347	2026-024	Police Headquarters Quantum Bldg. Imprv.	Facilities - Other	1,947,000	2,000,000	0	1,758,937	0	0	5,705,937	3,758,937	Yes
25803	2026-025	Police Vehicles	Facilities - Administrative Facilities	6,233,365	531,504	546,332	606,483	8,414	0	7,926,098	1,692,733	Yes
26979	2026-026	Sara Rd. and Meadowlark Roundabout	Transportation - Highways/Roads/Bridges	2,784,135	1,766,541	0	0	0	0	4,550,676	1,766,541	No
31601	2026-027	Southern Boulevard Reconstruction	Transportation - Highways/Roads/Bridges	4,272,000	928,000	0	0	0	0	5,200,000	928,000	Yes
25783	2026-028	Sports Complex	Facilities - Cultural Facilities	658,083	100,000	62,000	143,750	143,750	0	1,107,583	449,500	Yes
24552	2026-029	Sports Complex North	Facilities - Other	3,088,575	1,300,000	0	0	2,000,000	0	6,388,575	3,300,000	Yes
41987	2026-030	SWAT Vehicles and Heavy Equipment	Vehicles - Public Safety Vehicle	0	610,000	0	0	0	0	610,000	610,000	No
42832	2026-031	Traffic Calming and Pedestrian Safety	Transportation - Bike/Pedestrian/Equestrian	90,000	90,000	90,000	90,000	90,000	0	450,000	360,000	No
42596	2026-032	Tulip Road from Rainbow Boulevard to Abrazo Road P	Transportation - Highways/Roads/Bridges	0	2,500,000	0	0	0	0	2,500,000	2,500,000	No
41822	2027-001	Aquatic Center	Facilities - Other	0	0	44,450	54,206	0	0	98,656	98,656	Yes
42769	2027-002	Engineering and Inspection Augmentation	Transportation - Other	1,000,000	0	500,000	500,000	500,000	0	2,500,000	1,500,000	No
42770	2027-003	General Fleet and Heavy Equipment	Vehicles - Other	1,000,000	0	500,000	500,000	500,000	0	2,500,000	1,500,000	Yes
23864	2027-004	Lincoln Avenue/Progress Blvd Realignment	Facilities - Administrative Facilities	0	0	1,000,000	0	0	0	1,000,000	1,000,000	No

Infrastructure Capital Improvement Plan FY 2026-2030

Project Summary												
Project				Funded to date	2026	2027	2028	2029	2030	Total Project Cost	Amount Not Yet Funded	Phases?
ID	Year Rank	Project Title	Category									
42771	2027-005	Ped Path between Aquatic Cnt and Loma C Library	Facilities - Administrative Facilities	0	0	570,000	0	0	0	570,000	570,000	No
26756	2027-006	Rainbow Pool Major Repair and Improvement	Facilities - Other	266,107	0	139,818	57,460	0	0	463,385	197,278	No
42772	2027-007	Unser Boulevard Widening Phase IIB Cherry Rd to Pa	Transportation - Highways/Roads/B ridges	14,176,046	0	2,100,000	0	0	0	16,276,046	2,100,000	Yes
42773	2028-001	Montezuma Boulevard from Unser Boulevard to Loma C	Transportation - Highways/Roads/B ridges	0	0	0	1,500,000	0	0	1,500,000	1,500,000	No
13767	2028-002	Northern Blvd Widening	Transportation - Highways/Roads/B ridges	411,763	0	0	16,600,000	0	0	17,011,763	16,600,000	No
42774	2028-003	Southern Boulevard Reconstruction Phase 2A 24th St	Transportation - Highways/Roads/B ridges	3,275,918	0	0	750,000	22,725,000	0	26,750,918	23,475,000	No
17087	2029-001	Broadmoor Blvd. Extension Northern Blvd.. to PDV	Transportation - Highways/Roads/B ridges	500,000	0	0	0	10,000,000	0	10,500,000	10,000,000	No
26752	2029-002	Cabazon Recreation Center Pool & Park Improvements	Facilities - Other	8,000	0	0	0	94,681	0	102,681	94,681	No
28640	2029-003	City Center Storm Drainage	Water - Storm/Surface Water Control	6,561,644	0	0	0	7,453,756	0	14,015,400	7,453,756	Yes
37826	2029-004	Pine Road Drainage Improvements	Water - Storm/Surface Water Control	500,000	0	0	0	3,800,000	0	4,300,000	3,800,000	No
42775	2029-005	Unser Boulevard Six Lane Expansion from City Limit	Transportation - Highways/Roads/B ridges	1,300,000	0	0	0	2,900,000	0	4,200,000	2,900,000	No
42776	2029-006	Wastewater Treatment Plant (WWTP) 2 Biological Nut	Water - Wastewater	6,625,000	0	0	0	16,500,000	0	23,125,000	16,500,000	No
42777	2029-007	Wastewater Treatment Plant (WWTP) 5 Membrane Biore	Water - Wastewater	18,850,000	0	0	0	10,000,000	0	28,850,000	10,000,000	No
Subtotal for Rio Rancho			49 projects	192,923,021	41,797,827	15,369,617	35,084,836	94,762,546	0	379,937,847	187,014,826	