# Board of Trustees

Meeting Date: ____________

## *Executive Summary of Board Agenda Item*

Subject/Title for Agenda Posting: Report to the Board of Trustees - Investment Report For the Year and Quarter ended June 30, 2026

Justification Statement: Presentation to the Board of Trustees on the Quarterly Investment Report for the Year and Quarter Ended June 30, 2026

Purpose of Agenda Item: ☑ Information ☐ Discussion ☑ Action

Item Type: ☐ Curriculum & Instruction ☐ HumanResources ☑ Business Services

Staff Responsible: Cristina Pulley, Chief Financial Officer

*Signature of Requester(s)*

*Signature of Presenter(s)*

CPulley

*Business Services Approval (Initials)*

8/14/2026

*Date*

Agenda Summary:

Presentation for your review and acceptance of the Quarterly Investment Report

RECOMMENDATION: Acceptance of the Quarterly Investment Reports

PRIOR BOARD ACTION: AWARDED: AWARDED AMOUNT:

AMOUNT(S): N/A

ACCOUNT NO(S):

PROCUREMENT METHOD TYPE: (3 Quotes, Cooperative Contract Quotes, Sole Source, Formal Bid)

Various

REQUESTING DEPARTMENT:

Financial Services Department

CONSEQUENCES OF NON-APPROVAL:

Non-compliance with the Investment Policy and Public Funds Investment Act (Chapter 2256)

IMPLEMENTATION TIMELINE:

N/A

ATTACHMENT(S): ✔ Investment Report

# CANUTILLO A Premier District

**TO:** Board of Trustees
Dr. Josue Borrego, Superintendent

**FROM:** Cristina Pulley, Chief Financial Officer

**DATE:** August 5, 2026

**SUBJECT:** Annual Comprehensive Investment Report for Fiscal Year 2026

## Introduction

This report presents a comprehensive overview of the investment program and activity of the Canutillo Independent School District for the year ended June 30, 2026. The Public Funds Investment Act requires quarterly reporting of investment activity and balances (both book and market values). In addition to quarterly reporting, district policy CDA-Local requires a written year end investment report to be presented to the Board of Trustees.

The investment objectives of safety, liquidity, and maturity levels that are sufficient to meet anticipated cash requirements is what drives the investment activity. For fiscal year 2025-2026, the District maintained its investments in investment pools and governmental investment pools with Logic, Lone Star, Texas Class, Texpool, TexSTAR and UMB. The portfolio within these investment pools includes Money Market, Commercial Paper, U.S. Treasury Securities, Government Obligation, and Repurchase Agreements.

## Analysis of Investment Performance

The focus of the investment program is the safety, liquidity and maturity of invested funds. Funds must be available to meet daily cash requirements as well as short and long-term needs. Maximizing investment yields are only considered after the other investments' goals have been met. Investment yields are reported for the fiscal year ending June 30, 2026.

The District ended the first quarter with $92,917,610 in investment funds. In the second quarter, this amount increased to $108,364,190 mainly resulting from tax collections during the month of December. In the third quarter the amount increased to $158,245,148 due to interest earned, increases in market value and additional bond funds were transferred into Construction Investment accounts. The District ended the fourth quarter with $123,100,667 million in investment funds. The decrease was primarily attributable to bond-related expenditures and the seasonal decline in property tax collections following the peak collection period earlier in the fiscal year.

At the beginning of the fiscal year, the average interest yield was 4.24%. In the fourth quarter, the investment rate decreased to an average of 3.84% due to the increase in the market rates. Total interest revenue for the fiscal year totaled $4,558,296.

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## General Fund

General Fund investments are restricted by payroll pay dates and accounts payable check runs, since payments for all funds are initially paid out of this fund. Transfers are made as needed from the pools to the checking bank account to cover cash disbursements. The investment balance in the General Fund ended the year with an average investment yield of 3.7275%. The average investment balance in the General Fund started with $8.372 million invested, increased to $16.426 million in the second quarter and ended the year with a balance of $5.2 million. Revenues during the year came mainly from property taxes and from state funds. The highest peak was mostly due to collection of property taxes in November and December.

## Debt Service Fund

The Debt Service Fund ended with an average investment yield of 3.7746%. The ending investment balance in the Debt Service Fund increased from $8.609 million to $11.491 million. The bulk of property taxes were deposited in December, January, and February. The high cash balance was needed to pay the August and February debt payments of $8.870 million and $9.816 million, respectively and a defeasance of $2 million. Debt payments due on February 15th and August 15th dates must be considered when making investment decisions in the Debt Service Fund.

## Food Service Fund

The Food Service Fund balance increased from $16,493 to $16,985. The generated interest revenue for the fourth quarter was $161 invested in a yield of 3.8200%.

## Health Insurance Fund

The Health Insurance fund ended with an average investment yield of 3.8200%. The ending investment balance increased minimally from $3,968 to $4,086. The total interest revenue in the fourth quarter was $39.

## Construction Projects Fund

The Construction Projects Fund ended the fiscal year with an average investment yield of 3.8350%. The fund balance increased from $75,914,573 at the beginning of the fiscal year to $106,306,336 at year-end, an increase of $30.4 million. Interest revenue earned during the fourth quarter totaled $1,652,323. The increase in investment balance was primarily due to proceeds received from 2026 bond issuances, offset by payments for bond construction projects. During the fourth quarter UMB construction investments were transferred into the Lonestar construction investment account, due to the declining yeilds and fees in the UMB investment account.

## Conclusion

The District will continue to monitor yields in longer term investments. Daily yields have decreased due to the decrease of rates in equity markets. The investment rating for all five investment pools is "AAA" rates. The District utilizes and will continue to utilize governmental investment pools and fixed maturity investments whenever available. As the district's investment officers, we will continue to seek investment opportunities after investment safety, liquidity, and maturity are considered. The investment portfolio is in compliance with the Public Funds Investment Act and the Board's investment policy requirements throughout the year. The District faced a challenging year in maintaining balanced-budget measures which included budget cuts, student program eliminations and staff reductions; these challenges were taken into consideration as they affected the overall amounts that were invested.

*Cristina Pulley, Chief Financial Officer*

*Ricardo Porras, Assistant Director of Financial Services*

Elvira Monzon-Uscanga

*Elvira Monzon-Uscanga, Accountant*

*Rosa Emma Granados, Accountant*

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**TO:** Board of Trustees
Dr. Josue Borrego, Superintendent

**FROM:** Cristina Pulley, Chief Financial Officer

**DATE:** August 5, 2026

**SUBJECT:** Quarterly Investment Report for June 30, 2026

The attached report of investments for the Canutillo Independent School District for the quarter ending June 30, 2026 is in full compliance with the Investment Policy and strategy as established for the District with the Public Funds Investment Act (Chapter 2256).

Approved by:

*Cristina Pulley, Chief Financial Officer*

*Ricardo Porras, Assistant Director of Financial Services*

Elvira Monzon-Uscanga

*Elvira Monzon-Uscanga, Accountant*

*Rosa Emma Granados, Accountant*

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# Canutillo Independent School District
# Quarterly Summary of Investments
# June 30, 2026

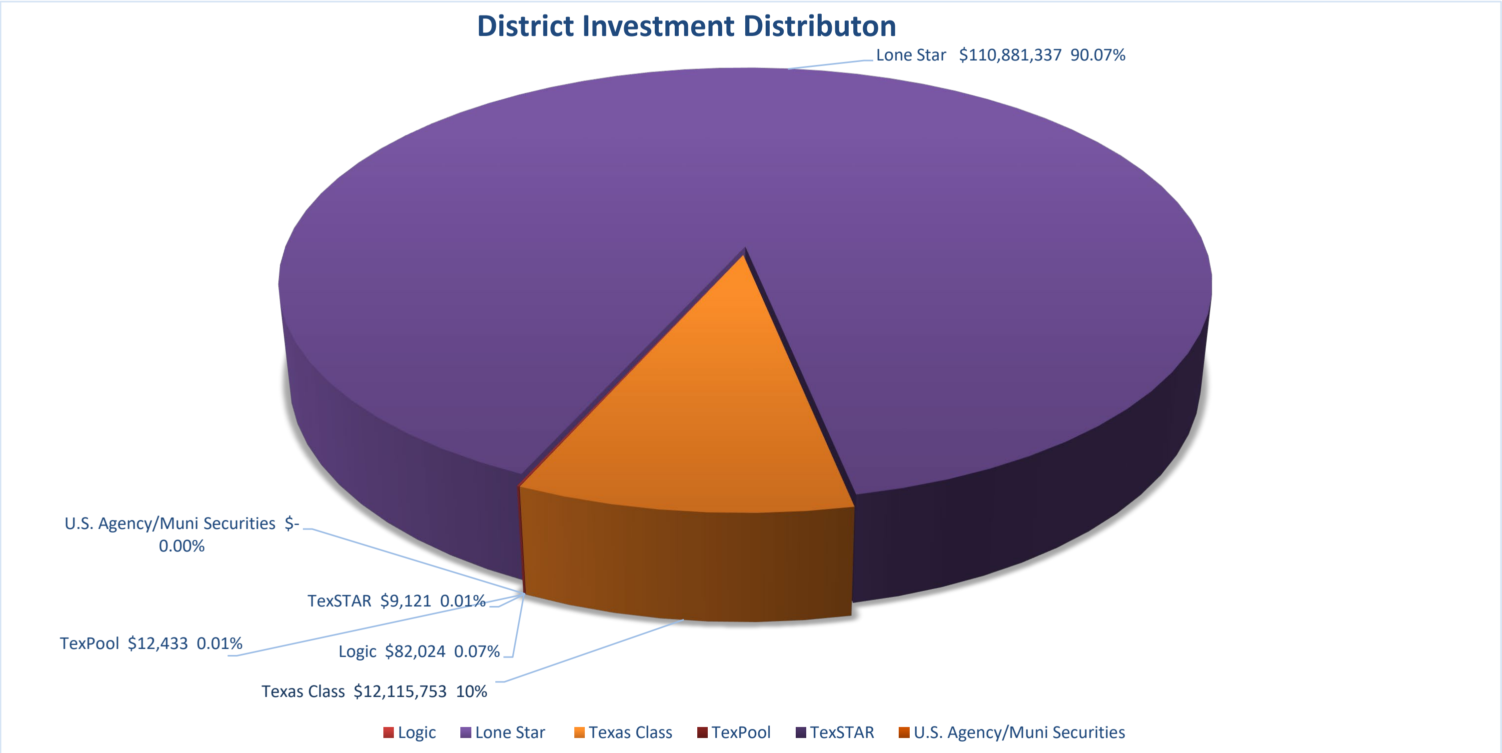
| Description | Maturity Date | Current Month Interest Rate | 6/30/2026 Book Value | 6/30/2026 Market Value | 3/31/2026 Book Value | 3/31/2026 Market Value | Quarterly Accrued Interest | Book Value Increase/Decrease |
|---|---|---|---|---|---|---|---|---|
| **Operating Fund** | | | | | | | | |
| Logic | On Demand | 3.7528% | $ 82,024 | $ 82,024 | $ 81,260 | $ 81,260 | $ 764 | $ 764 |
| Lone Star Corporate COFP | On Demand | 3.8200% | 2,921,987 | 2,921,987 | 3,210,192 | 3,210,192 | 36,991 | (288,205) |
| Lone Star Corporate COF | On Demand | 3.7800% | - | - | 626 | 626 | 3 | (626) |
| Texas Class | On Demand | 3.7666% | 2,256,857 | 2,256,857 | 13,781,544 | 13,781,544 | 67,606 | (11,524,687) |
| TexPool | On Demand | 3.6241% | 12,433 | 12,433 | 12,320 | 12,320 | 112 | 112 |
| TexSTAR | On Demand | 3.6216% | 8,923 | 8,923 | 8,843 | 8,843 | 80 | 80 |
| **Subtotal** | | 3.7275% | $ 5,282,223 | $ 5,282,223 | $ 17,094,784 | $ 17,094,784 | $ 105,556 | $ (11,812,562) |
| **Debt Service Fund** | | | | | | | | |
| Lone Star Corporate | On Demand | 3.8200% | $ 1,631,942 | $ 1,631,942 | $ 1,616,510 | $ 1,616,510 | $ 15,433 | 15,433 |
| Texas Class | On Demand | 3.7666% | 9,858,896 | 9,858,896 | 11,673,080 | 11,673,080 | 109,012 | (1,814,184) |
| TexSTAR | On Demand | 3.6216% | 199 | 199 | 197 | 197 | 2 | 2 |
| **Subtotal** | | 3.7746% | $ 11,491,037 | $ 11,491,037 | $ 13,289,786 | $ 13,289,786 | $ 124,446 | $ (1,798,749) |
| **Food Service Fund** | | | | | | | | |
| Lone Star Corporate | On Demand | 3.8200% | $ 16,985 | $ 16,985 | $ 16,825 | $ 16,825 | $ 161 | $ 161 |
| **Health Insurance Fund** | | | | | | | | |
| Lone Star Corporate | On Demand | 3.8200% | $ 4,086 | $ 4,086 | $ 4,048 | $ 4,048 | $ 39 | 39 |
| **Construction (Bond) Fund** | | | | | | | | |
| Lone Star 2025 | On Demand | 3.7800% | **106,306,336** | 106,306,336 | 50,703,793 | 50,703,793 | 732,111 | 55,602,543 |
| U.S. Agency/Muni Securities | On Demand | 3.8900% | - | - | 77,135,912 | 77,205,025 | 920,212 | (77,205,025) |
| **Subtotal** | | 3.8350% | $ 106,306,336 | $ 106,306,336 | $ 127,839,705 | $ 127,908,818 | $ 1,652,323 | $ (21,602,481) |
| **Total Investments** | | **3.7954%** | **$ 123,100,667** | **$ 123,100,667** | **$ 158,245,148** | **$ 158,314,261** | **$ 1,882,525** | **$ (35,213,593)** |

| Portfolio Weighted Average Maturity | | | | | | S&P Credit |
|---|---|---|---|---|---|---|
| Asset | Book Value | Days to Maturity | Weighted Average Maturity (WAM) | Maturity Date of Each Asset | | Ratings as of: 6/30/2026 |
| Logic | 82,024 | 1 | 0.001 | 6/30/2026 | Liquid pool, due on demand | AAAm |
| Lone Star | 110,881,337 | 1 | 0.901 | 6/30/2026 | Liquid pool, due on demand | **AAAf/S1+** |
| Texas Class | 12,115,753 | 1 | 0.098 | 6/30/2026 | Liquid pool, due on demand | AAAm |
| TexPool | 12,433 | 1 | 0.000 | 6/30/2026 | Liquid pool, due on demand | **AAAm** |
| TexSTAR | 9,121 | 1 | 0.000 | 6/30/2026 | Liquid pool, due on demand | AAAm |
| U.S. Agency/Muni Securities | 0 | 1 | 0.000 | 6/30/2026 | SLGS, due on demand | A-1/AAAm |
| | **$ 123,100,667** | | **1.000** | | | |

# Canutillo Independent School District
# Quarterly Summary of Investments
# June 30, 2026

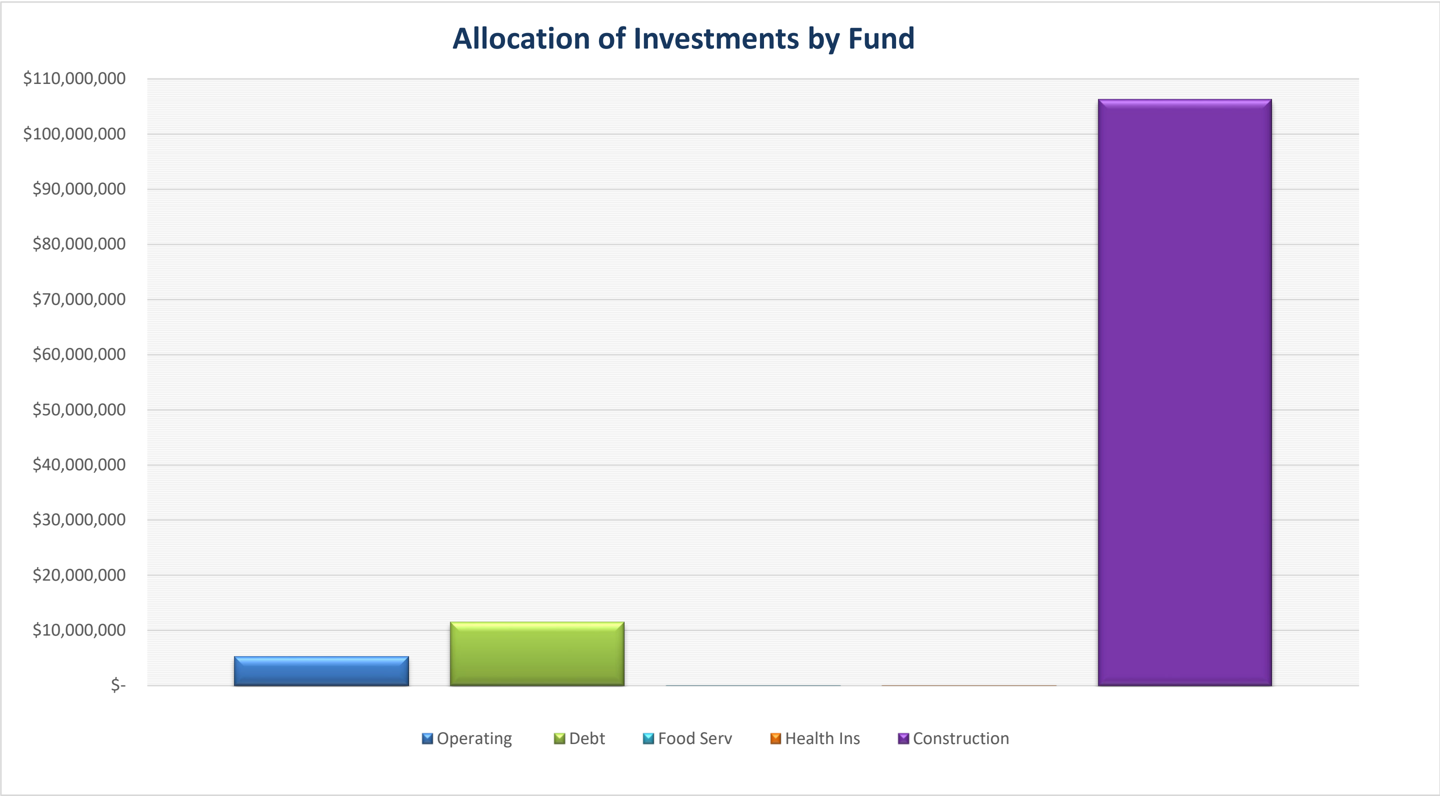
AAA is the highest Issuer Credit Rating assigned by Standar & Poor's
(m is for Money Market, f is for Fund, and S1+designates low volatility)

| Investment | | Amount | Percentage |
|---|---|---|---|
| Logic | $ | 82,024 | 0.07% |
| Lone Star | $ | 110,881,337 | 90.07% |
| Texas Class | $ | 12,115,753 | 9.84% |
| TexPool | $ | 12,433 | 0.01% |
| TexSTAR | $ | 9,121 | 0.01% |
| U.S. Agency/Muni Sec | $ | - | 0.00% |
| **Total** | $ | 123,100,667 | 100.00% |



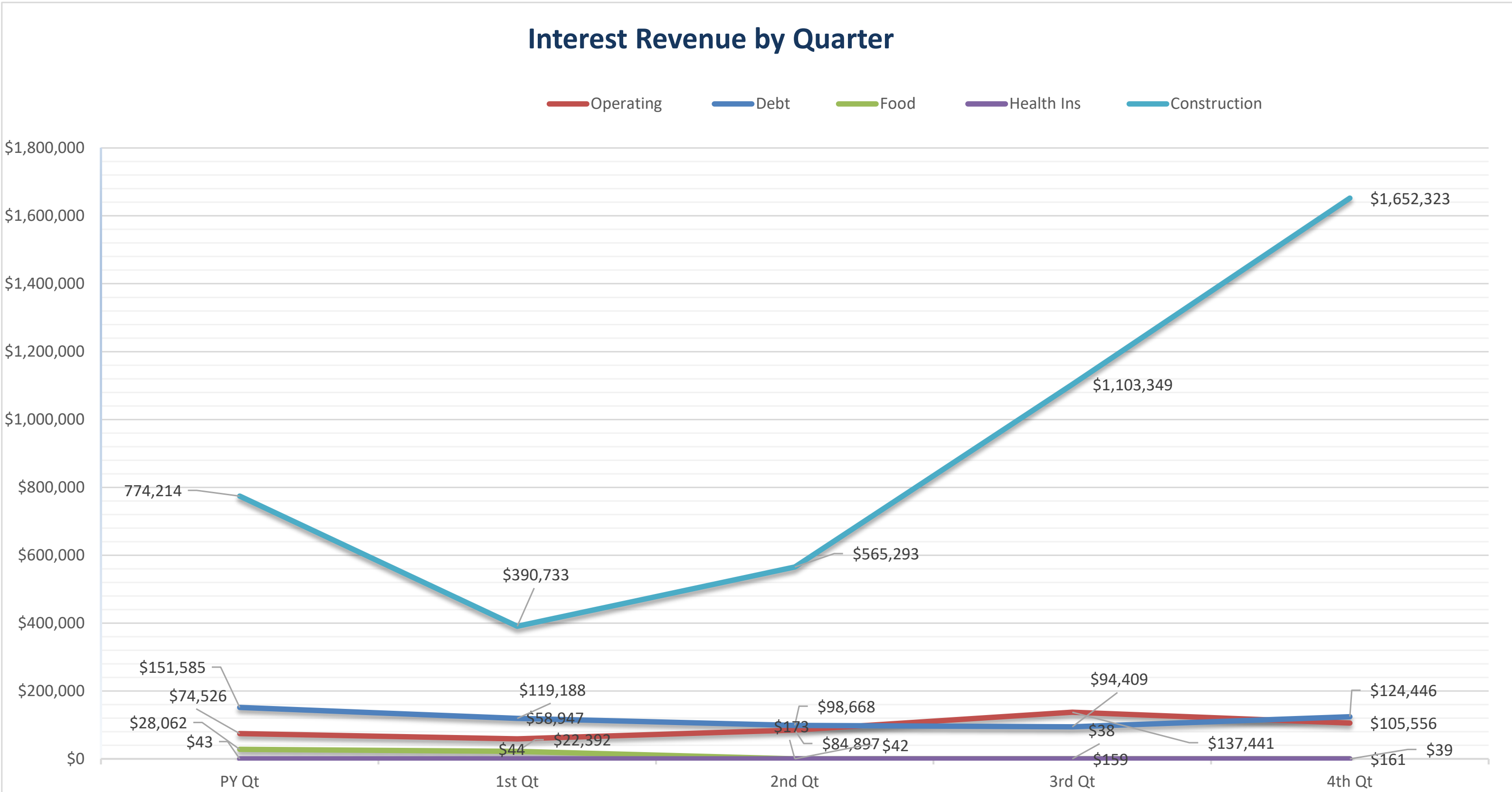
# Canutillo Independent School District
# Quarterly Summary of Investments
# June 30, 2026

| Fund | | Amount | Percentage |
|---|---|---|---|
| Operating | $ | 5,282,223 | 4.29% |
| Debt | $ | 11,491,037 | 9.33% |
| Food Serv | $ | 16,985 | 0.01% |
| Health Ins | $ | 4,086 | 0.00% |
| Construction | $ | 106,306,336 | 86.36% |
| **Total** | $ | 123,100,667 | 100.00% |



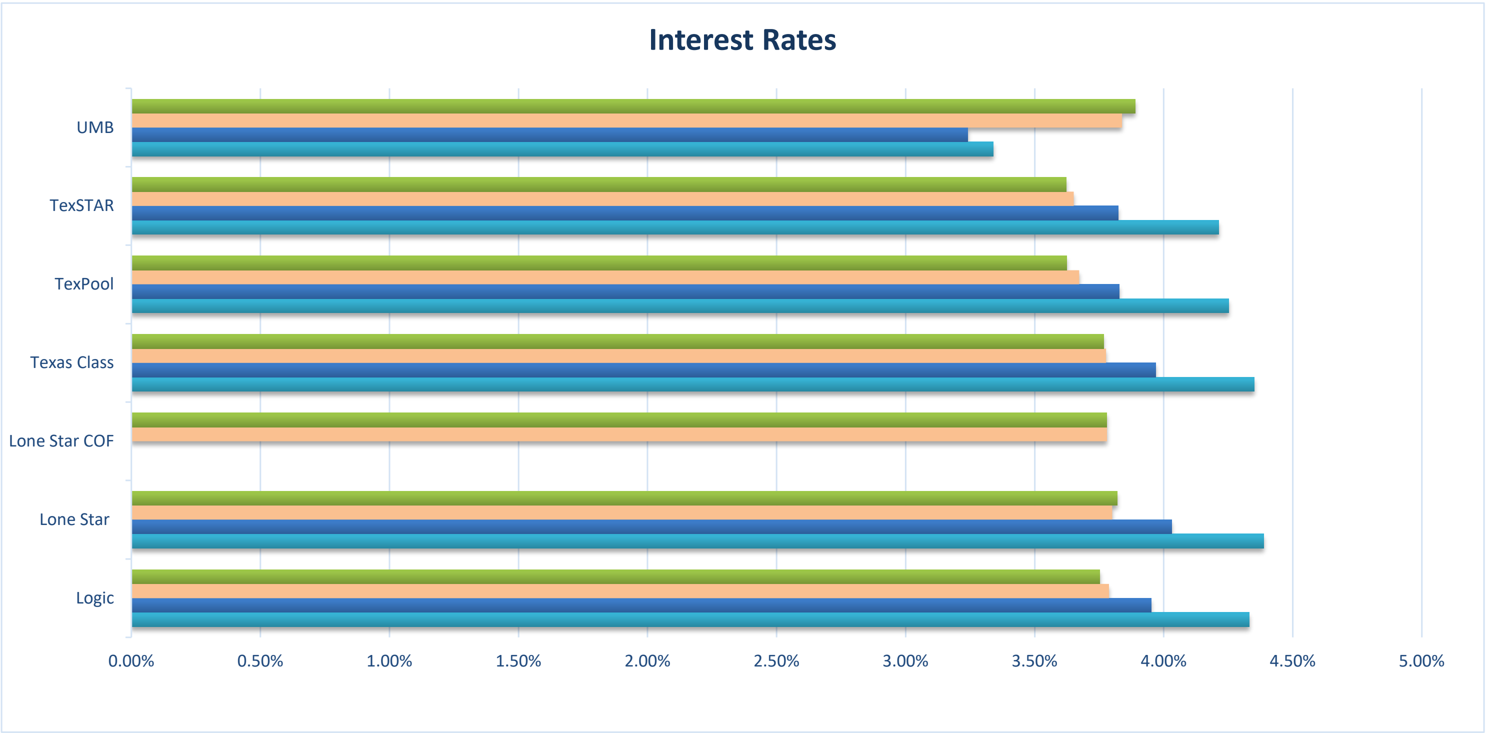
# Canutillo Independent School District
# Quarterly Summary of Investments
# June 30, 2026

| Interest | PY Qt | 1st Qt | 2nd Qt | 3rd Qt | 4th Qt |
|---|---|---|---|---|---|
| Operating | $ 74,526 | $ 58,947 | $ 84,897 | $ 137,441 | $ 105,556 |
| Debt | $ 151,585 | $ 119,188 | $ 98,668 | $ 94,409 | $ 124,446 |
| Food | $ 28,062 | $ 22,392 | $ 173 | $ 159 | $ 161 |
| Health Ins | $ 43 | $ 44 | $ 42 | $ 38 | $ 39 |
| Construction | 774,214 | $ 390,733 | $ 565,293 | $ 1,103,349 | $ 1,652,323 |
| **Total** | $ 1,028,430 | $ 591,303 | $ 749,072 | $ 1,335,396 | $ 1,882,525 |



# Canutillo Independent School District
# Quarterly Summary of Investments
# June 30, 2026

| Investment | 1st Qt | 2nd Qt | 3rd Qt | 4th Qt |
|---|---|---|---|---|
| Logic | 4.33% | 3.95% | 3.79% | 3.75% |
| Lone Star | 4.39% | 4.03% | 3.80% | 3.82% |
| Lone Star COF | | | 3.78% | 3.78% |
| Texas Class | 4.35% | 3.97% | 3.78% | 3.77% |
| TexPool | 4.25% | 3.83% | 3.67% | 3.62% |
| TexSTAR | 4.21% | 3.82% | 3.65% | 3.62% |
| UMB | 3.34% | 3.24% | 3.84% | 3.89% |
| **Average** | 4.24% | 3.90% | 3.85% | 3.80% |



# Canutillo Independent School District
# Quarterly Summary of Investments
# June 30, 2026

| Fund | 1st Qt | 2nd Qt | 3rd Qt | 4th Qt |
|---|---|---|---|---|
| Operating | $ 8,372,688 | $ 16,426,841 | $ 17,094,784 | $ 5,282,223 |
| Debt | $ 8,609,889 | $ 15,456,326 | $ 13,289,786 | $ 11,491,037 |
| Food | $ 16,493 | $ 16,666 | $ 16,825 | $ 16,985 |
| Health Ins | $ 3,968 | $ 4,009 | $ 4,048 | $ 4,086 |
| Construction | $ 75,914,573 | $ 76,460,348 | $ 127,908,818 | $ 106,306,336 |
| **Total** | $ 92,917,610 | $ 108,364,190 | $ 158,314,261 | $ 123,100,667 |