Los Alamos County FY26 4th Quarter Financial Overview

ATTACHMENT "C"

Annual Investment Report

Budget Overview

Capital Improvement Projects (CIP)

Grants Status & Fiscal Impact

OVERVIEW

Annual Investment Report
Los Alamos County

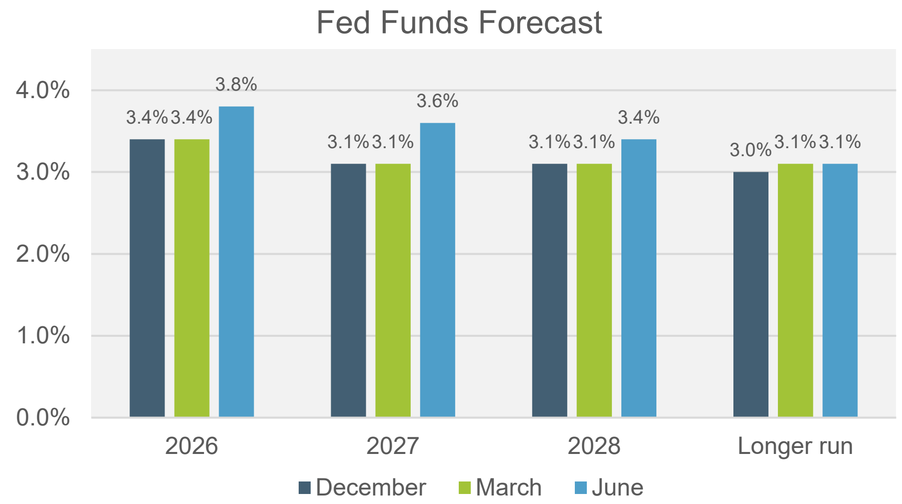
June 30, 2026

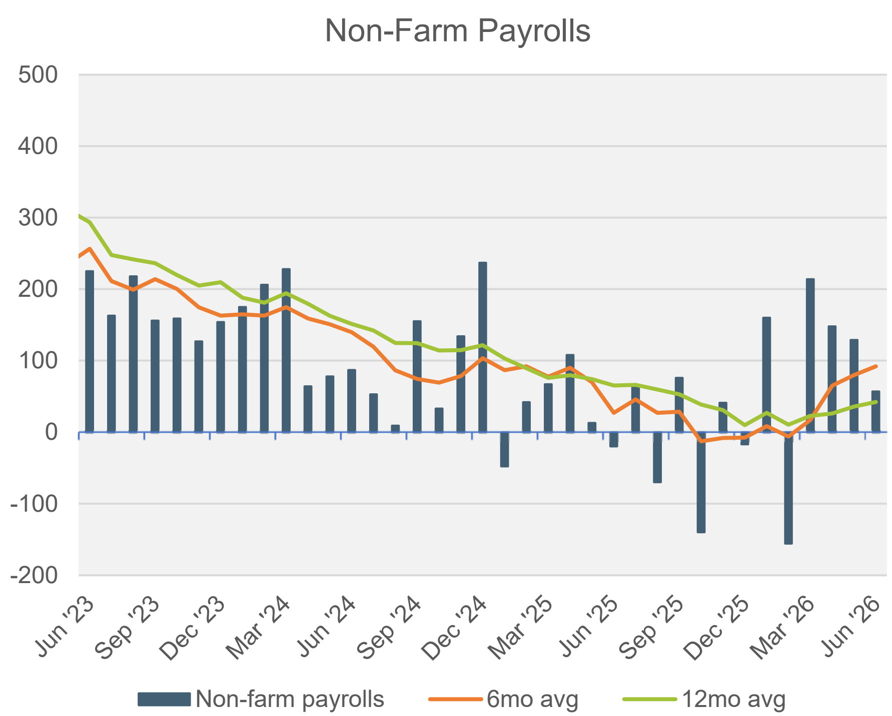
Total Aggregate Portfolio

Fed, Inflation & Labor

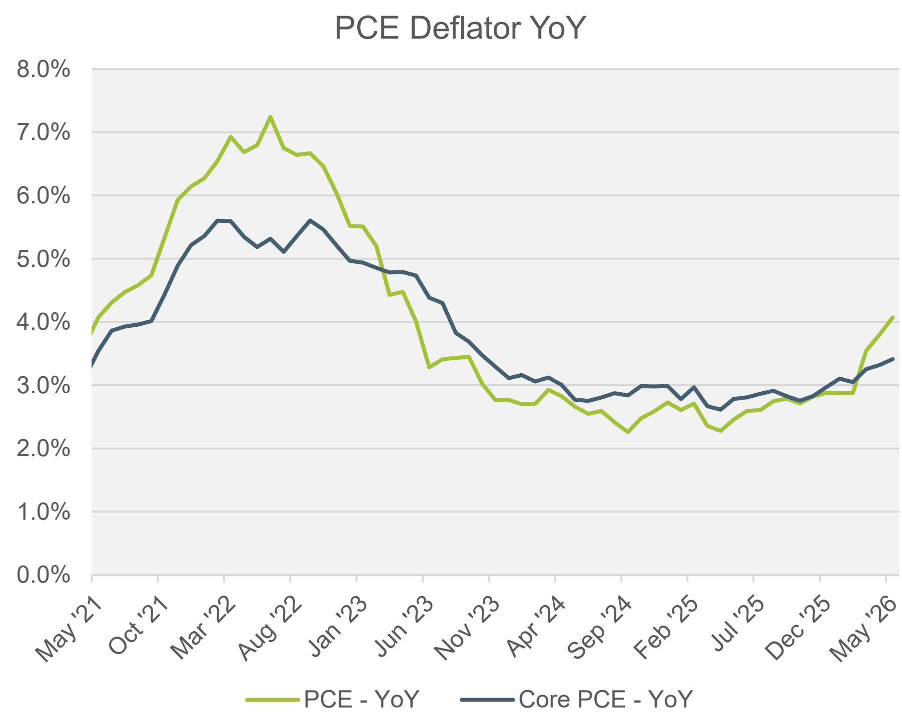
Market Overview

- Fed held rates at 3.50%–3.75%; markets now price ~1.5 hikes by year-end.
- Fed inflation and rate projections have risen three meetings straight.
- Headline PCE hit 4.1% and core 3.4% — well above the 2% target.
- Inflation isn't expected to reach target until 2028.
- Q2 payrolls averaged 111K (up from 73K); June added just 57K.
- Unemployment fell to 4.2% on lower participation.





Source: U.S. Bureau of Labor and Statistics



Source: U.S. Bureau of Economic Analysis

Summary Overview- GPA Managed Assets and SIC

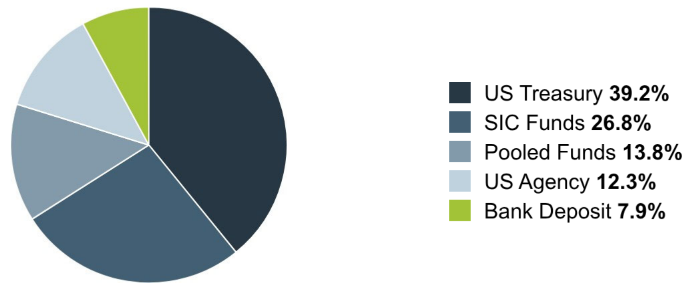
Los Alamos County | Total Aggregate Portfolio

June 30, 2026

Portfolio Characteristics

Metric	Value
Cash and SIC	139,453,954.89
Investments (Market Value + Accrued)	147,904,591.53

Allocation by Asset Class



Strategic Structure

Account	Par Amount	Market Value	Net Unrealized Gain (Loss)	Yield at Cost	Benchmark
LACO-General Core	148,450,000.00	146,876,845.50	(432,603.56)	3.92%	ICE BofA 0-5 Year US Treasury
LACO-General Liquidity	62,325,873.24	62,325,873.24	0.00	3.23%	ICE BofA US 1-Month Treasury
LACO-General SIC	20,210,643.55	25,793,513.43	5,582,869.88		
LACO-Cemetery SIC	1,510,767.98	2,061,367.74	550,599.76		
LACO-Permanent SIC	41,868,353.52	49,273,200.48	7,404,846.96		
Total	**274,365,638.29**	**286,330,800.39**	**13,105,713.04**		

☑ Compliant

Return Management-Income Detail - GPA Managed

Los Alamos County | LACO Operating Portfolio - No SIC General

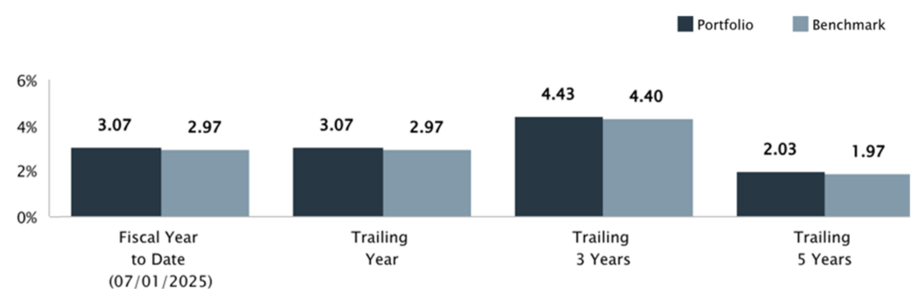
June 30, 2026

Accrued Book Return

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Amortization/Accretion	1,075,896.77	918,365.37
Interest Earned	5,258,491.41	5,875,106.31
Realized Gain (Loss)	0.00	0.00
Book Income	6,334,388.18	6,793,471.69
Average Portfolio Balance	185,265,130.59	187,358,492.10
Book Return for Period	3.56%	3.67%

Performance Returns Net of Fees – Investment Core

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



Fair Market Return

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Fair Value Change	1,950,515.56	(1,814,009.51)
Amortization/Accretion	1,075,896.77	918,365.37
Interest Earned	5,258,491.41	5,875,106.31
Fair Market Earned Income	8,284,903.73	4,979,462.17
Average Portfolio Balance	183,171,769.07	187,358,492.10
Fair Market Return for Period	5.34%	3.24%

Interest Income

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Beginning Accrued Interest	719,886.77	813,416.93
Coupon Income	5,323,127.26	6,006,667.14
Purchased Accrued Interest	158,166.01	345,889.93
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	813,416.93	1,027,746.03
Interest Earned	5,258,491.41	5,875,106.31

Return Management-Income Detail - SIC

Los Alamos County | LACO_SIC Portfolio

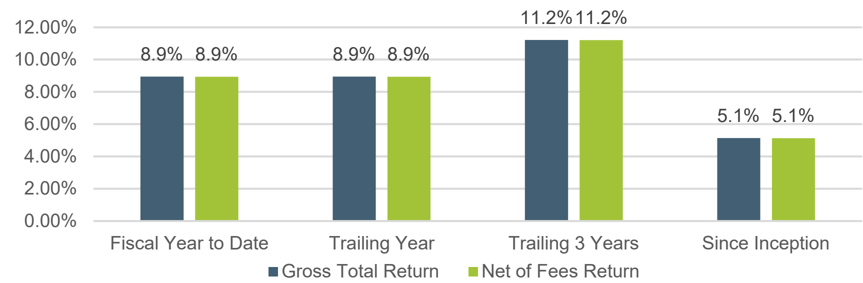
June 30, 2026

Accrued Book Return

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Amortization/Accretion	0.00	0.00
Interest Earned	1,784,836.97	1,799,198.08
Realized Gain (Loss)	0.00	0.00
Book Income	1,784,836.97	1,799,198.08
Average Portfolio Balance	70,937,419.02	74,973,460.28
Book Return for Period	12.96%	9.25%

Return Comparisons

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



Fair Market Return

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Fair Value Change	6,162,601.56	4,536,772.46
Amortization/Accretion	0.00	0.00
Interest Earned	1,784,836.97	1,799,198.08
Fair Market Earned Income	7,947,438.53	6,335,970.54
Average Portfolio Balance	66,901,377.75	74,973,460.28
Fair Market Return for Period	12.38%	8.95%

Interest Income

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Beginning Accrued Interest	0.00	0.00
Coupon Income	1,784,836.97	1,799,198.08
Purchased Accrued Interest	0.00	0.00
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	0.00	0.00
Interest Earned	1,784,836.97	1,799,198.08

Summary Overview – Utility Portfolio

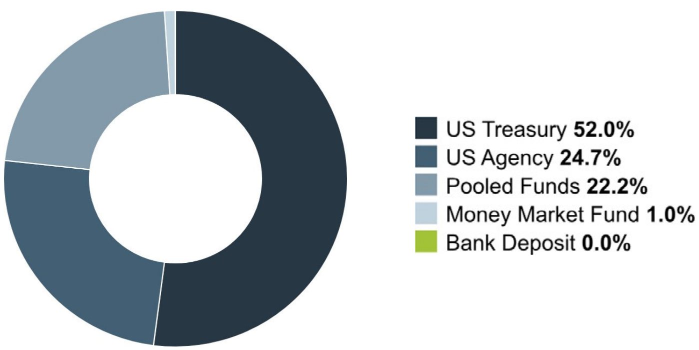
Los Alamos County | LACO Utility Portfolio

June 30, 2026

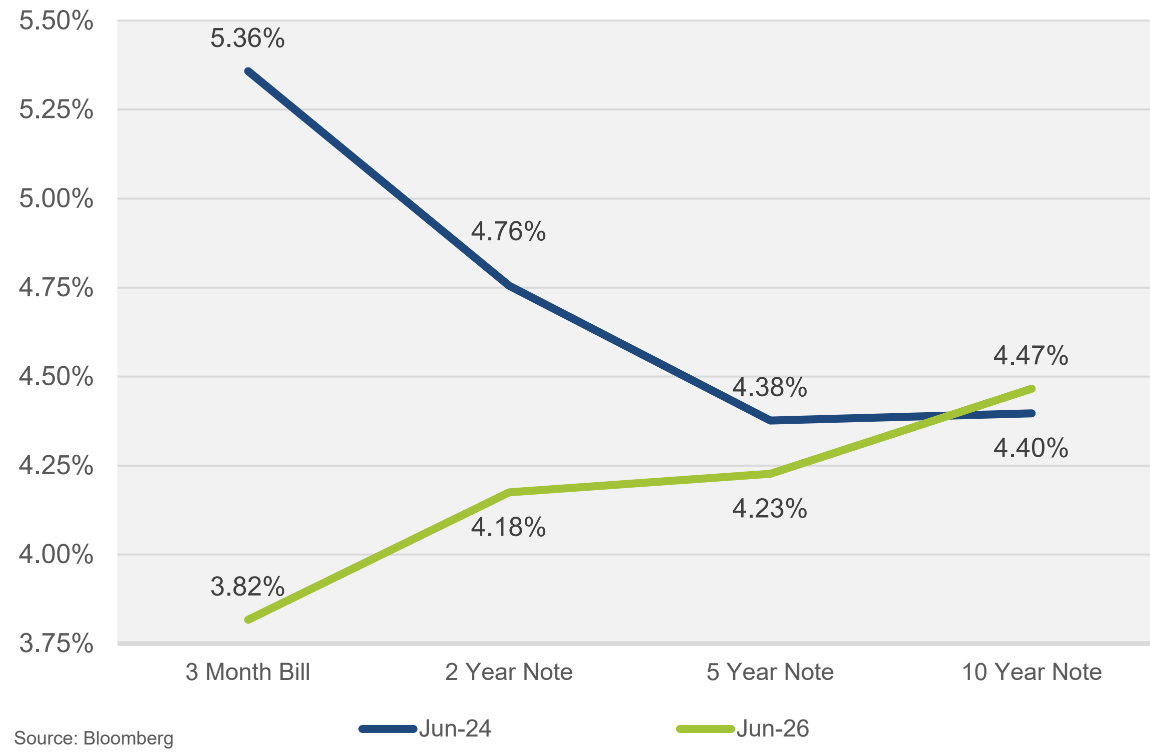
Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	13,037,164
Investments	43,008,925
Book Yield	4.19%
Market Yield	4.04%
Effective Duration	2.03
Years to Maturity	2.28
Avg Credit Rating	AA+

Allocation by Asset Class



Yield Curve Change



Source: Bloomberg

Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Book Yield	Maturity*	Effective Duration	Benchmark Duration	Benchmark
LACO-Utility Core	43,433,518	42,916,544	42,984,412	67,867	4.34%	2.93	2.61	2.87	80% ICE 0-5 Year Treasury, 20% ICE 5-10
LACO-Utility Liquidity	12,462,646	12,462,646	12,462,646	0	3.67%	0.01	0.01	0.09	ICE BofA US 1-Month
Total	**55,896,164**	**55,379,191**	**55,447,058**	**67,867**	**4.19%**	**2.28**	**2.03**	**2.25**	

Return Management-Income Detail – Utility Portfolio

Los Alamos County | LACO Utility Portfolio

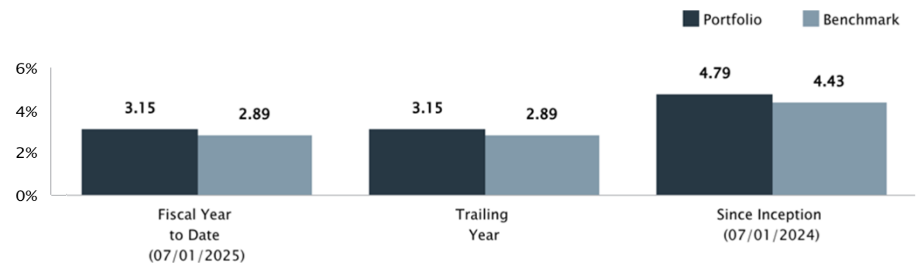
June 30, 2026

Accrued Book Return

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Amortization/Accretion	364,173.45	214,343.28
Interest Earned	2,336,802.11	2,204,057.18
Realized Gain (Loss)	(2,719.44)	(0.00)
Book Income	2,698,256.12	2,418,400.46
Average Portfolio Balance	58,119,867.15	57,303,157.67
Book Return for Period	4.68%	4.33%

Performance Returns Net of Fees – Utility Core

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



Fair Market Return

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Fair Value Change	348,129.66	(727,101.29)
Amortization/Accretion	364,173.45	214,343.28
Interest Earned	2,336,802.11	2,204,057.18
Fair Market Earned Income	3,049,105.21	1,691,299.17
Average Portfolio Balance	58,936,576.63	57,303,157.67
Fair Market Return for Period	5.94%	3.38%

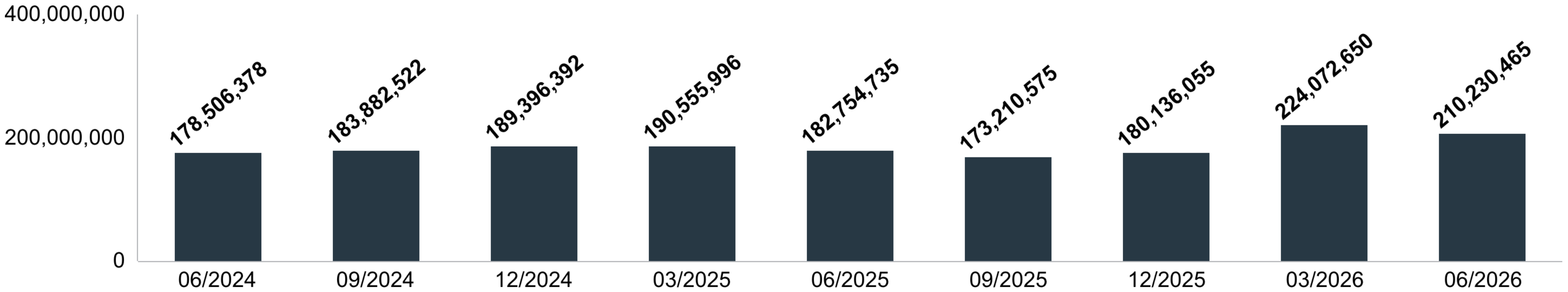
Interest Income

	Fiscal Year Ending 06/30/2025	Fiscal Year Ending 06/30/2026
Beginning Accrued Interest	589,108.97	629,626.98
Coupon Income	2,354,810.35	2,346,035.33
Purchased Accrued Interest	61,481.11	111,382.71
Sold Accrued Interest	(2,954.86)	0.00
Ending Accrued Interest	629,626.98	599,031.54
Interest Earned	2,336,802.11	2,204,057.18

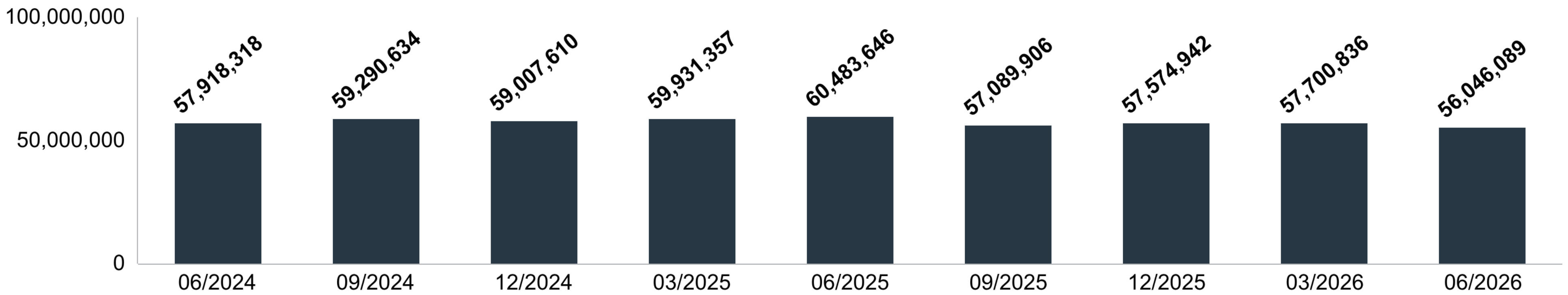
Historical Balances

June 30, 2026

Market Value – Operating Portfolio



Market Value - Utility Portfolio



Strategy Plan FY2027

June 30, 2026

LACO Operating Portfolio

	Current Par	Recommendation	Min	Max
Core	$133,450,000	$155,000,000	$90,000,000	$180,000,000
Liquidity	$85,584,040	$60,000,000	$35,000,000	$90,000,000
Total	$219,034,040	$188,000,000		

	Current	Recommendation
GPA Liquidity Ratio %	39%	32%

	Current	Recommendation	Min	Max
General SIC	20,091,719	$20,000,000	$15,000,000	$25,000,000

LACO Utility Portfolio

	Current Par	Recommendation	Min	Max
Core	$43,355,525	$43,000,000	$40,000,000	$45,000,000
Liquidity	$14,253,295	$15,000,000	$10,000,000	$17,000,000
Total	$57,608,820	$58,000,000		

	Current	Recommendation	Min	Max
GPA Liquidity Ratio %	25%	26%	20%	30%

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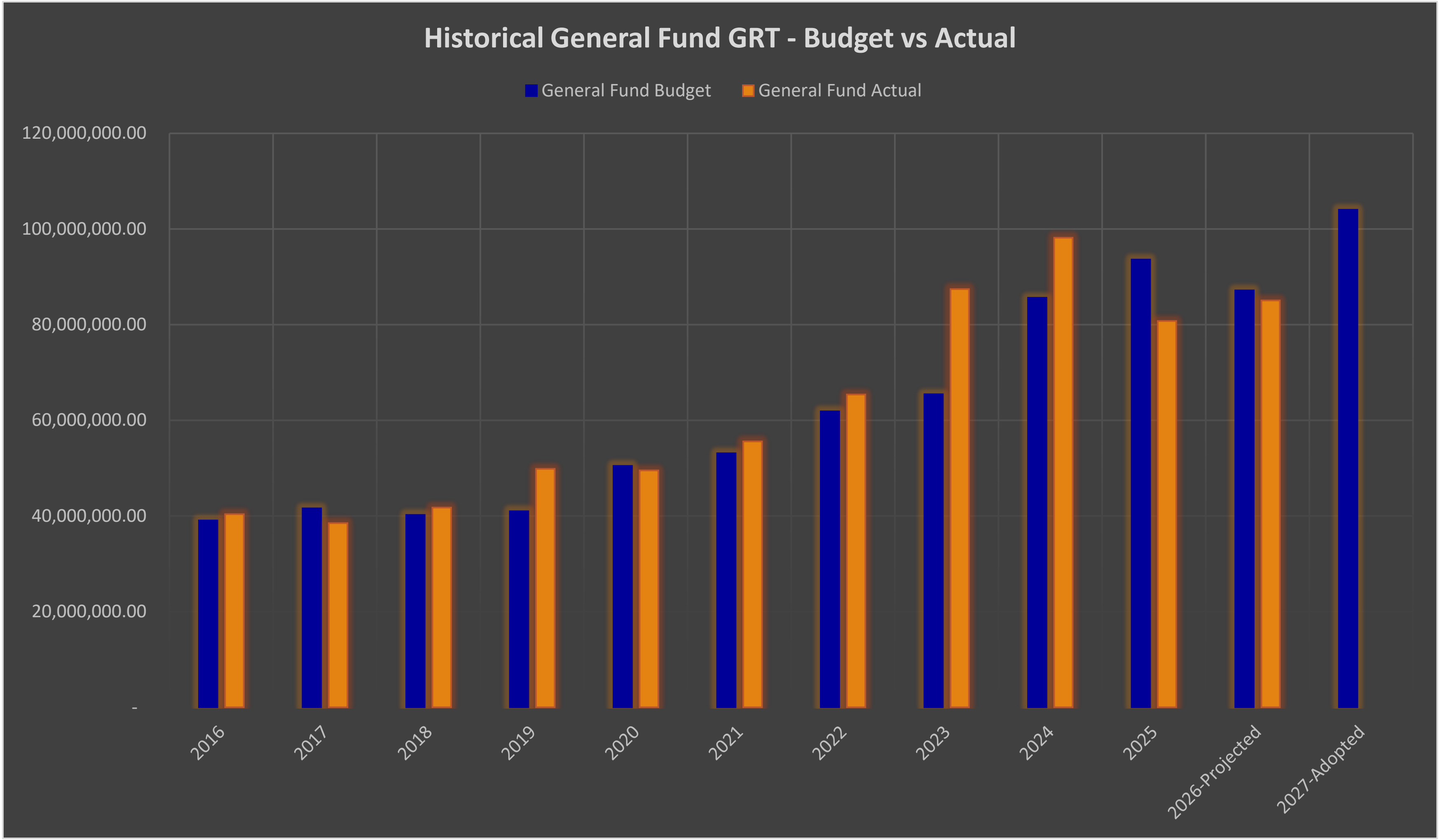
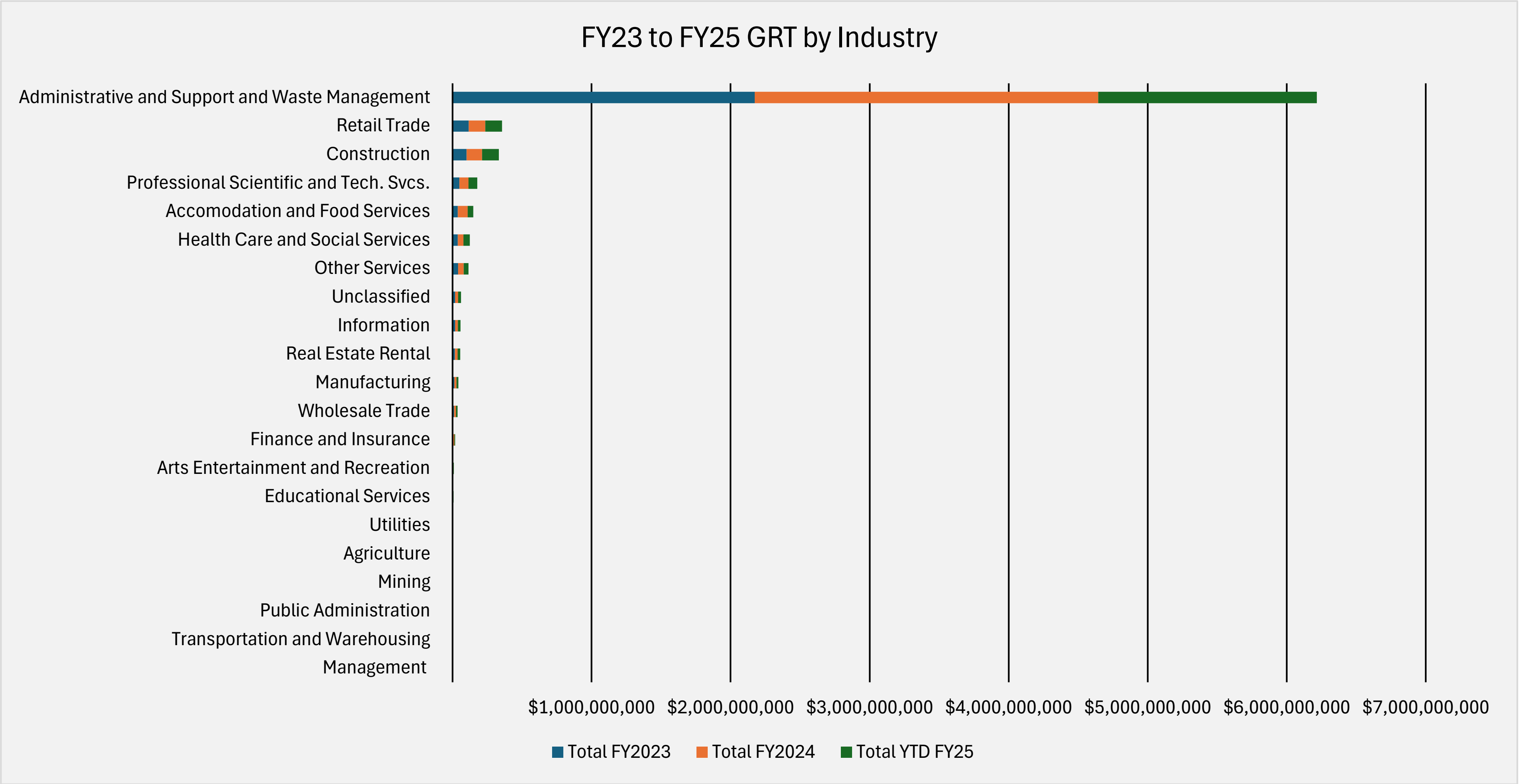
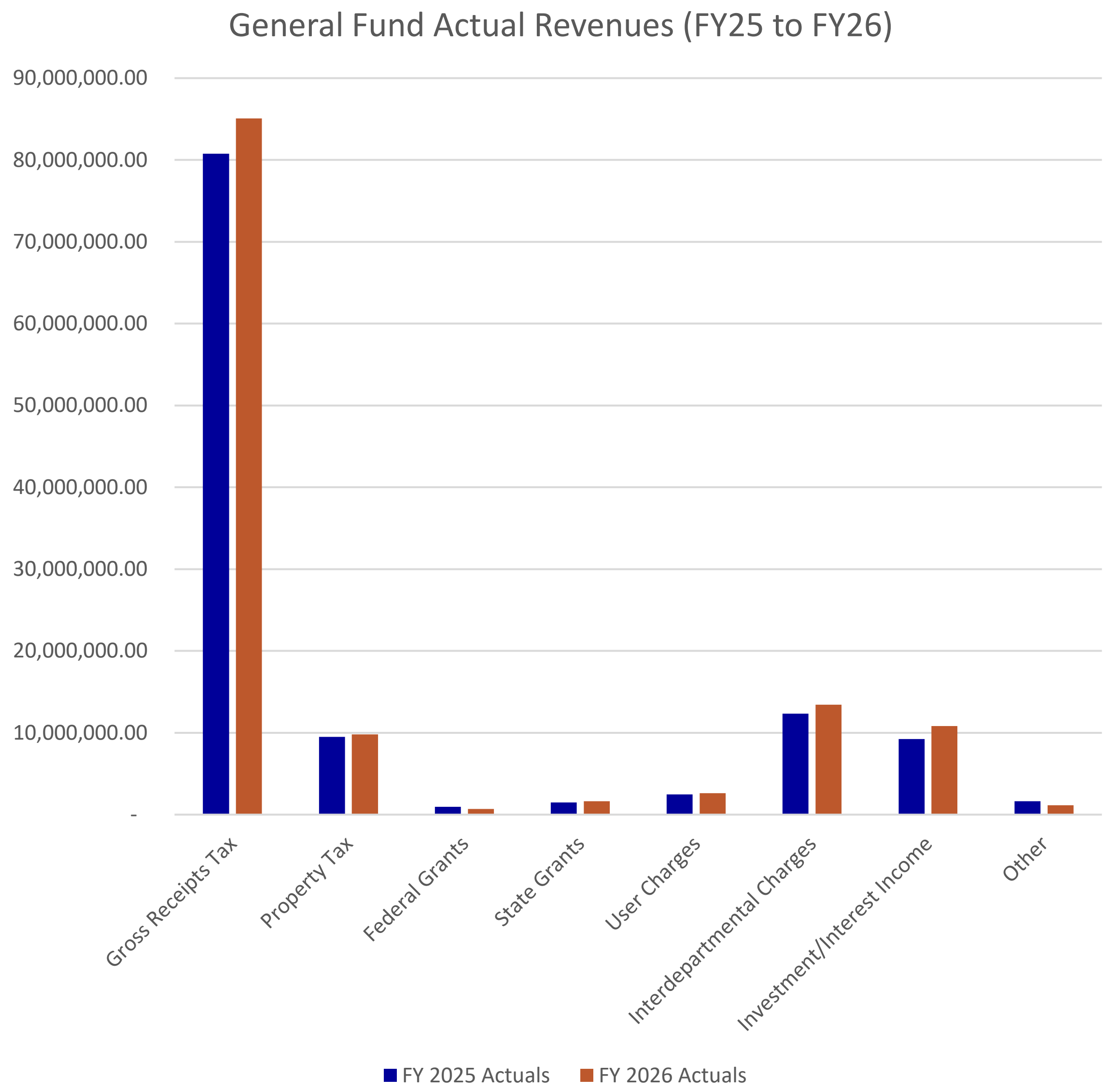


Budget Overview – General Fund GRT Revenue

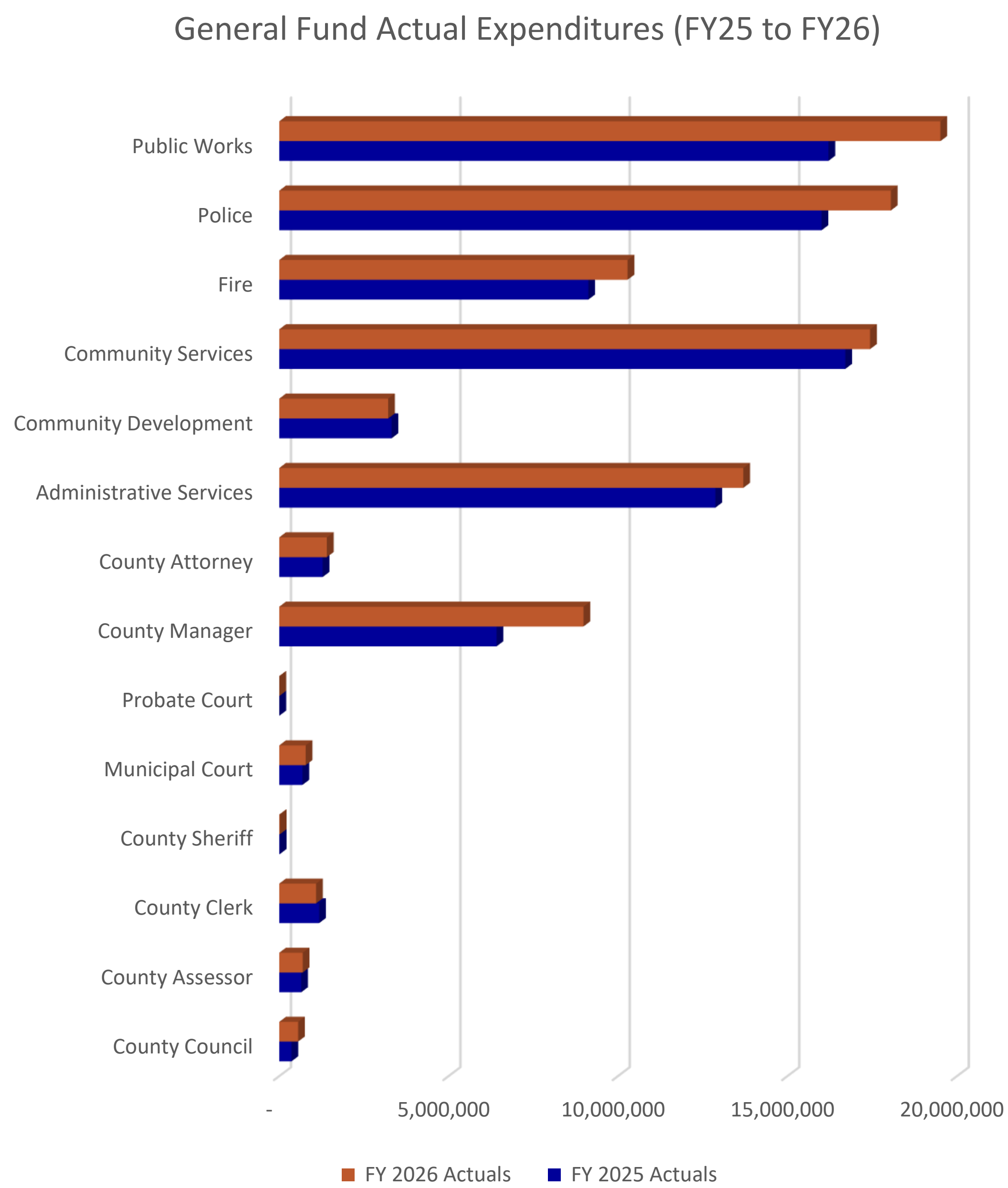


Budget Overview – GRT by Industry

ATTACHMENT "C"



Budget Overview- General Fund Total Revenue



Budget Overview – General Fund Expenditures

ATTACHMENT "C"

CIP Overview

Capital Improvement Projects (CIP)

- **$20M ~ 19% of Life-to-Date Budget**

Project Highlights

- Broadband – Design
- Fire Station 4 – Construction
- Denver Steels Phase II ~ 72% complete
- Manhattan Project Dormitory – Construction Drawings finalized
- Emergency Operation Center – Design
- Community Health Action Center – Starting site selection process

ATTACHMENT "C"

CIP Overview

Capital Improvement Projects (CIP)

- **Project Highlights:**
  - 37th Street and Pinon Playground Renovations – Completed in May 2026
  - Grand Canyon and San Ildefonso Playground Renovations –Design/public input
  - Bayo Canyon Trailhead – Design/public input
  - Los Alamos Mesa Trail – Design
  - Brewer Arena Grandstand – Design

CIP Overview

Capital Improvement Projects (CIP)

- **Project Highlights:**
  - Urban Athletic Courts Renovation – Design
  - Ball Fields – (Spiro, Bun Ryan, Senior) Construction 90% complete
  - Betty Ehart – Pre-construction started July 8, 2026
  - Finch Street – Construction bid awarded June 9, 2026
  - Longview Drive – Realignment in process
  - Wayfinding signs are being installed ~50% complete

ATTACHMENT “C”

Grants Status & Fiscal Impact

Library & Recreation

- Library State Aid $15K grant fully expended and reimbursed by State
- New GO Bond expected in FY27.

Social Services

- County Health Council grant was fully invoiced to NMDOH by June 30, 2026
- CYFD-JJAB grant on year 2 of the 3-year cycle. Was fully invoiced to CYFD by June 30, 2026.
- Betty Ehart Renovations Grant Agreement is fully executed for $1 million
- LARSO Vehicle Grant Agreement is fully executed and obligated for $123k

Police

- Emergency Operations Center (EOC) – received executed legislative funding agreement in the amount of $742K
- Law Enforcement Retention Fund fully expended in the amount of $49K
- Law Enforcement Protection Fund fully expended in the amount of $153K
- Emergency Management Planning Grant (EMPG) funded by NMDHSEM in the amount of $186K for FY26
- State Homeland Security Grant Program (SHSGP) not funded by NMDHSEM due to FEMA constraints

Fire

- Assistance To Firefighters Grant (AFG) – have received $102K reimbursement
- Emergency Medical Services funding not yet announced for FY27.
- Fire Marshal Distribution notice for FY27 received, estimated $998k

ATTACHMENT “C”

Grants Status & Fiscal Impact

PW - Transit

- Federal Transit Administration 5311 Operating Grant ongoing through September 30, 2026.
- Federal Transit Administration 5339 and 5310 Capital grants ongoing and encumbered

Utilities

- Capital project grants ongoing, which include:
  - DHS-FEMA Jemez Mountain Hazard Mitigation Grant
  - DHS-FEMA Hazard Mitigation Generators Grant

PW – Pavement Preservation

- NM Transportation Department funding for various pavement preservation projects

PW - Airport

- NM Transportation Department funding to construct New Hangar Project is ongoing
- NM Transportation Department funding to shift/reconstruct Taxiway F design build phase is ongoing

ATTACHMENT "C"