

**Lamar Consolidated Independent School District
Quarterly Report of Investment Activity
for the quarter ending February 29, 2024**

Preface

House Bill 2459 amended the section of the Education Code that dealt with the investment of school district funds. Code Section 2256.023 as amended requires that the Investment Officer of the District prepare and submit to the Board of Trustees a report of investment activity and position on a quarterly basis. The attached report complies, to the best of our knowledge and ability, with the requirements, and covers the period December 1, 2023 through February 29, 2024.

Investment Strategy by Fund

GENERAL FUND STRATEGY:

Investments purchased will be limited to those authorized by the District's investment policy, Board Policy CDA (Legal) and CDA (Local), and be diversified by security type and institution. To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. Investments may be made in short term securities to maintain appropriate liquidity levels, avoid market risk, and generate superior returns during periods of rising interest rates. The District will limit its maximum stated maturities to one year, unless specific authority to exceed is given by the Board of Trustees (prior to purchase). The District will determine what the appropriate average weighted maturity of the portfolio should be based on the surrounding economic climate. This determination will be made on a periodic basis, by analysis of economic data, at least annually. Investments should be purchased with the intent of holding until maturity.

Reserve funds may be invested in securities exceeding one year if the maturity of such investments is made to coincide with the expected use of the funds. The ability to invest these types of funds should be disclosed to the Board of Trustees, including appropriate time restrictions, if any exist.

DEBT SERVICE FUND STRATEGY:

The investment strategy for the Debt Service Fund is the same as that for the General Fund above, with the following exceptions. The weighted average maturity of investments for the fund may be slightly greater due to the timing of disbursements. The greatest outflow of funds occurs in February and August of each year, when bond interest and/or principal is due. Based on published debt service schedules, investments purchased will mature prior to these obligations and need for funds. Other cash requirements will be considered prior to investment.

The District does not anticipate the existence of significant reserve funds for the Debt Service Fund.

CAPITAL PROJECTS FUND STRATEGY:

Generally, the investment strategy for the Capital Projects Fund is the same as that of the General Fund. The remaining bond proceeds are currently invested in Texpool, Lone Star, MBIA Texas CLASS, TexStar and Texas Range Investment Pools. The yield on the funds varies with the rates for the pools as a whole. As required by law, the District will monitor the investment earnings on the bond proceeds and comply with federal arbitrage regulations.

FOOD SERVICE, WORKMEN'S COMPENSATION, HEALTH INSURANCE TRUST, AND TRUST AND AGENCY FUNDS STRATEGY:

The investment strategy for each of these funds is the same as that of the General Fund.

INVESTMENT POSITION AT FEBRUARY 29, 2024

Securities are purchased to maximize the investment earnings of the District's portfolio and to minimize idle cash balances in demand deposit accounts at the depository bank, while maintaining the liquidity required to meet currently maturing obligations such as payroll and scheduled payments for accounts payable and bonded indebtedness.

The attached report provides details of ending cash and investment balances for each of the past three months and interest earned.

COST TO FAIR MARKET VALUE COMPARISON

The cost to fair market value comparison follows in a separate section. All investable funds were deposited with authorized investment pools as of February 29, 2024. Pertinent details at February 29, 2024 of each pool in which the District had funds invested follows:

<u>POOL NAME</u>	<u>NET ASSET VALUE %</u>	<u>BOOK VALUE OF POOL</u>	<u>MARKET VALUE OF POOL</u>	<u>LCISD % OF POOL</u>
Texpool	1.00	\$37,033,289,073	\$37,032,391,185	1.9715%

The dollar weighted average maturity of the pool's portfolio for February 2024 was 34 days.

Lone Star, Government Overnight Fund	1.00	\$6,951,461,095	\$6,951,531,641	5.3950%
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The dollar weighted average maturity of the portfolio for the Government Overnight Fund for February 2024 was 31 days.

<u>POOL NAME</u>	<u>NET ASSET VALUE %</u>	<u>BOOK VALUE OF POOL</u>	<u>MARKET VALUE OF POOL</u>	<u>LCISD % OF POOL</u>
MBIA, Texas CLASS	1.00	\$26,196,737,535	\$26,196,999,365	0.3292%

The dollar weighted average maturity of the portfolio for Texas CLASS Fund for February 2024 was 44 days.

Texas Range	1.00	\$3,337,993,002	\$3,337,932,920	4.2836%
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The dollar weighted average maturity of the portfolio for TEXAS RANGE/DAILY Fund for February 2024 was 48 days.


TexStar	1.00	\$11,928,691,804	\$11,927,911,436	3.5884%
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The dollar weighted average maturity of the portfolio for TEXSTAR Fund for February 2024 was 37 days.

This report includes all information required by law to be presented to the Board of Trustees on a quarterly basis. We will be pleased to present additional information in this report in the future, if requested. The District's portfolio and investment management strategy is simple and conservative, which facilitates presentation of the required information.

We hereby certify that this report is a true and accurate description of the investment portfolio of the Lamar Consolidated Independent School District for the period ending February 29, 2024. This report fully discloses all material aspects of the District's cash and investment position for the quarter then ended. All investments are in compliance with the Public Funds Investment Act (HB 2459) and local investment policy.

Submitted by:


Jill Ludwig,
Chief Financial Officer


Michele Reynolds
Executive Director of Finance

Date: 4/5/2024

Date: 4/5/2024

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

QUARTERLY CASH BALANCE AND INVESTMENT REPORT FOR THE PERIOD ENDING FEBRUARY 29, 2024

<u>DEMAND DEPOSIT ACCOUNT BALANCES¹</u>	<u>12/31/2023</u>	<u>01/31/2024</u>	<u>02/29/2024</u>
General Fund	1,078,291	5,871,495	1,119,501
Special Revenue Funds (Combined)	11,813,938	13,542,867	11,062,983
Debt Service Fund	13,781,091	13,777,441	9,212,006
Capital Projects Fund	1,772,080	2,554,793	6,457,429
Workmen's Compensation and Health Insurance Trust Funds	1,565,750	1,546,401	1,462,407
Trust and Agency Funds, excluding Student Activity Funds	34,620	34,620	34,620
Student Activity Funds	3,870,075	3,892,276	3,900,621
Total Demand Deposits/Cash on Hand	<u>33,915,845</u>	<u>41,219,893</u>	<u>33,249,567</u>

¹ Balances presented are reconciled balances per book and will differ slightly from actual cash balances reported in the monthly bank statements. Also, totals above include insignificant amounts of cash on hand.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

QUARTERLY CASH BALANCE AND INVESTMENT REPORT FOR THE PERIOD ENDING FEBRUARY 29, 2024

<u>INVESTMENT POOLS*</u>		<u>12/31/2023</u>	<u>01/31/2024</u>	<u>02/29/2024</u>
General Fund				
	Texpool	64,549,857	153,055,835	165,562,196
	Lone Star	3,159,368	3,173,665	2,586,461
	Texas CLASS	17,691,900	17,775,098	17,852,498
Food Service Fund				
	Texpool	8,505,533	8,544,148	8,580,297
	Lone Star	48,956	49,178	49,386
Debt Service Fund				
	Texpool	71,797,526	159,882,009	96,979,463
	Lone Star	4	4	4
	Texas Range	1,519,512	1,526,411	1,532,849
	TexSTAR	1,026	1,031	1,035
Capital Projects Fund				
	Texpool	453,039,124	455,095,912	449,929,853
	Lone Star	371,223,686	372,903,602	372,232,806
	Texas CLASS	67,762,601	68,080,308	68,375,967
	Texas Range	142,967,798	141,458,184	141,453,820
	TexSTAR	482,895,022	454,162,640	428,044,419
Workmen's Compensation and Health Insurance Trust Funds				
	Texpool	8,528,254	9,314,054	8,959,848
	Lone Star	160,209	160,934	161,614
Special Revenue Funds				
	Texpool	60,247	60,521	60,777
Student Activity Funds				
	Texpool	37,464	37,634	37,793
Total Investment in Pools		<u>1,693,948,087</u>	<u>1,845,281,168</u>	<u>1,762,401,086</u>
<u>Summary of Interest Earned by Month</u>				
	Texpool	2,853,255	3,145,330	3,255,144
	Lone Star	1,695,576	1,695,159	1,585,912
	Texas CLASS	402,387	400,905	373,058
	TexSTAR	2,179,724	2,120,899	1,869,247
	Texas Range	662,322	651,189	600,855
Total Interest Earned from Investment Pools		<u>7,793,264</u>	<u>8,013,482</u>	<u>7,684,216</u>
<u>Average Yield by Month</u>				
	Texpool	5.37	5.35	5.33
	Lone Star	5.35	5.34	5.33
	Texas CLASS	5.57	5.54	5.48
	TexSTAR	5.34	5.32	5.30
	Texas Range	5.38	5.36	5.32

* See supplemental report attached for balances at February 29, 2024 and details of transactions.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
DETAILS OF TRANSACTIONS FOR INVESTMENT POOLS

INVESTMENT POOLS		11/30/2023	DEPOSITS	WITHDRAWALS	12/31/2023	DEPOSITS	WITHDRAWALS	01/31/2024	DEPOSITS	WITHDRAWALS	02/29/2024
General Fund	Texpool	80,201,131	9,398,830	(25,050,104)	64,549,857	122,681,082	(34,075,104)	153,055,835	182,624,117	(170,117,756)	165,562,196
	Lone Star	3,145,067	14,301	-	3,159,368	14,297	-	3,173,665	12,796	(600,000)	2,586,461
	Texas CLASS	17,608,339	83,561	-	17,691,900	83,198	-	17,775,098	77,400	-	17,852,498
Food Service Fund	Texpool	8,466,921	38,612	-	8,505,533	38,615	-	8,544,148	36,149	-	8,580,297
	Lone Star	48,734	222	-	48,956	222	-	49,178	208	-	49,386
Debt Service Fund	Texpool	66,138,104	5,659,422	-	71,797,526	88,084,483	-	159,882,009	130,964,439	(193,866,985)	96,979,463
	Lone Star	4	0	-	4	0	-	4	0	-	4
	Texas Range	1,512,603	6,909	-	1,519,512	6,899	-	1,526,411	6,438	-	1,532,849
	TexSTAR	1,021	5	-	1,026	5	-	1,031	4	-	1,035
Capital Projects Fund	Texpool	493,891,342	2,126,217	(42,978,435)	453,039,124	2,056,788	-	455,095,912	1,900,501	(7,066,560)	449,929,853
	Lone Star	369,543,358	1,680,328	-	371,223,686	1,679,916	-	372,903,602	1,572,228	(2,243,024)	372,232,806
	Texas CLASS	67,444,950	318,827	(1,176)	67,762,601	317,707	-	68,080,308	295,659	-	68,375,967
	Texas Range	147,500,112	655,413	(5,187,727)	142,967,798	644,290	(2,153,904)	141,458,184	594,417	(598,781)	141,453,820
	TexSTAR	481,102,558	2,179,720	(387,256)	482,895,022	2,120,895	(30,853,277)	454,162,640	1,869,243	(27,987,464)	428,044,419
Workmen's Compensation and Health Insurance Trust Funds	Texpool	9,657,204	2,595,050	(3,725,000)	8,528,254	2,585,800	(1,810,000)	9,314,054	2,595,794	(2,950,000)	8,959,848
	Lone Star	159,484	725	-	160,209	725	-	160,934	680	-	161,614
Special Revenue Funds	Texpool	59,974	273	-	60,247	274	-	60,521	256	-	60,777
Student Activity Funds	Texpool	37,294	170	-	37,464	170	-	37,634	159	-	37,793
Total Investment in Pools		1,746,518,200	24,759,585	(77,329,698)	1,693,948,087	220,225,366	(68,892,285)	1,845,281,168	322,550,488	(405,430,570)	1,762,401,086