

**Lamar Consolidated Independent School District
Quarterly Report of Investment Activity
for the quarter ending May 31, 2023**

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 March 1, 2023 through May 31, 2023.

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 MAY 31, 2023

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 May 31, 2023. Pertinent details at May 31, 2023 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	\$31,116,675,594	\$31,111,509,799	2.0659%

The dollar weighted average maturity of the pool's portfolio for May 2023 was 22 days.

Lone Star, Government Overnight Fund	1.00	\$ 6,000,027,318	\$ 6,000,177,655	4.4523%
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The dollar weighted average maturity of the portfolio for the Government Overnight Fund for May 2023 was 17 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>
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MBIA, Texas CLASS	1.00	\$22,821,193,489	\$22,815,926,862	0.2721%
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The dollar weighted average maturity of the portfolio for Texas CLASS Fund for May 2023 was 43 days.

Texas Range	1.00	\$3,319,093,291	\$3,318,673,643	5.3690%
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The dollar weighted average maturity of the portfolio for TEXAS RANGE/DAILY Fund for May 2023 was 25 days.


TexStar	1.00	\$10,704,350,597	\$10,702,720,617	3.2075%
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The dollar weighted average maturity of the portfolio for TEXSTAR Fund for May 2023 was 20 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 May 31, 2023. 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

Date: 8/10/2023


 Yvonne Dawson
 Executive Director of
 Budget & Treasury

Date: 8/10/23


 Michele Reynolds
 Executive Director of
 Finance

Date: 8/10/23

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

QUARTERLY CASH BALANCE AND INVESTMENT REPORT FOR THE PERIOD ENDING MAY 31, 2023

<u>DEMAND DEPOSIT ACCOUNT BALANCES¹</u>	<u>3/31/2023</u>	<u>4/30/2023</u>	<u>5/31/2023</u>
General Fund	4,589,087	1,692,895	2,785,045
Special Revenue Funds (Combined)	2,123,638	4,515,934	5,224,888
Debt Service Fund	3,049,051	3,049,051	3,049,051
Capital Projects Fund	96,691	96,667	345,305
Workmen's Compensation and Health Insurance Trust Funds	1,087,943	1,865,428	942,419
Trust and Agency Funds, excluding Student Activity Funds	34,620	34,620	34,620
Student Activity Funds	3,713,671	4,011,578	4,141,390
Total Demand Deposits/Cash on Hand	<u>14,694,701</u>	<u>15,266,173</u>	<u>16,522,718</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 MAY 31, 2023

	3/31/2023	4/30/2023	5/31/2023
INVESTMENT POOLS*			
General Fund			
Texpool	158,644,506	143,493,958	119,984,032
Lone Star	3,038,490	3,050,517	3,063,575
Texas CLASS	16,987,404	17,057,940	17,133,362
Food Service Fund			
Texpool	12,390,310	11,636,546	11,685,986
Lone Star	47,084	47,270	47,472
Debt Service Fund			
Texpool	82,666,376	83,857,982	84,779,580
Lone Star	740	743	746
Texas CLASS	859	863	867
Texas Range	1,461,087	1,466,927	1,473,205
TexSTAR	523,017	525,092	527,343
Capital Projects Fund			
Texpool	438,769,891	425,945,163	417,980,266
Lone Star	263,264,122	264,082,713	263,869,145
Texas CLASS	45,110,384	45,102,203	44,957,168
Texas Range	176,773,203	177,420,037	176,728,257
TexSTAR	343,041,259	342,575,955	342,817,503
Workmen's Compensation and Health Insurance Trust Funds			
Texpool	7,975,889	8,045,420	8,329,762
Lone Star	154,079	154,689	155,351
Special Revenue Funds			
Texpool	57,942	58,171	58,418
Student Activity Funds			
Texpool	36,032	36,174	36,328
Total Investment in Pools	1,550,942,674	1,524,558,363	1,493,628,376
Summary of Interest Earned by Month			
Texpool	2,784,334	2,709,877	2,791,242
Lone Star	1,030,092	1,054,807	1,141,758
Texas CLASS	250,022	256,227	273,149
TexSTAR	1,324,720	1,360,409	1,469,703
Texas Range	706,777	712,319	764,379
Total Interest Earned from Investment Pools	6,095,945	6,093,639	6,440,231
Average Yield by Month			
Texpool	4.62	4.80	5.00
Lone Star	4.64	4.82	5.04
Texas CLASS	4.76	5.04	5.20
TexSTAR	4.61	4.83	5.05
Texas Range	4.70	4.86	5.04

* See supplemental report attached for balances at May 31, 2023 and details of transactions.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
 DETAILS OF TRANSACTIONS FOR INVESTMENT POOLS

INVESTMENT POOLS	2/28/2023	DEPOSITS	WITHDRAWALS	3/31/2023	DEPOSITS	WITHDRAWALS	4/30/2023	DEPOSITS	WITHDRAWALS	5/31/2023
General Fund										
Texpool	180,467,510	4,363,375	(26,186,379)	158,644,506	2,502,884	(17,653,432)	143,493,958	1,804,488	(25,314,414)	119,984,032
Lone Star	3,026,561	11,929	-	3,038,490	12,027	-	3,050,517	13,058	-	3,063,575
Texas CLASS	16,917,443	69,961	-	16,987,404	70,536	-	17,057,940	75,422	-	17,133,362
Food Service Fund										
Texpool	8,149,919	3,240,391	-	12,390,310	46,236	(800,000)	11,636,546	49,450	-	11,685,996
Lone Star	46,899	185	-	47,084	186	-	47,270	202	-	47,472
Debt Service Fund										
Texpool	61,827,459	30,838,917	-	82,666,376	1,191,606	-	83,857,982	921,598	-	84,779,580
Lone Star	737	3	-	740	3	-	743	3	-	746
Texas CLASS	855	4	-	859	4	-	863	4	-	867
Texas Range	1,455,280	5,807	-	1,461,087	5,840	-	1,466,927	6,278	-	1,473,205
TexSTAR	520,979	2,038	-	523,017	2,075	-	525,092	2,251	-	527,343
Capital Projects Fund										
Texpool	158,431,652	294,211,360	(13,873,101)	438,769,891	1,703,348	(14,528,076)	425,945,163	1,785,965	(9,750,862)	417,980,266
Lone Star	132,246,751	131,017,371	-	263,264,122	1,041,981	(223,390)	264,082,713	1,127,832	(1,341,400)	263,869,145
Texas CLASS	12,466,667	32,680,057	(36,340)	45,110,384	195,697	(193,868)	45,102,203	197,723	(342,758)	44,957,168
Texas Range	163,079,834	13,700,969	(7,600)	176,773,203	706,479	(59,645)	177,420,037	758,101	(1,449,881)	176,728,267
TexSTAR	162,955,516	183,322,682	(3,236,939)	343,041,259	1,358,334	(1,823,638)	342,575,955	1,467,452	(1,225,904)	342,817,503
Workmen's Compensation and Health Insurance Trust Funds										
Texpool	7,803,448	2,322,441	(2,150,000)	7,975,889	2,589,531	(2,520,000)	8,045,420	2,504,342	(2,220,000)	8,329,762
Lone Star	153,474	605	-	154,079	610	-	154,689	662	-	155,351
Special Revenue Funds										
Texpool	57,716	226	-	57,942	229	-	58,171	247	-	58,418
Student Activity Funds										
Texpool	35,891	141	-	36,032	142	-	36,174	154	-	36,328
Total Investment in Pools	900,644,571	695,788,482	(45,490,359)	1,550,942,674	11,417,738	(37,802,049)	1,524,553,363	10,715,232	(41,645,219)	1,493,628,376