



To: Board of Trustees
From: Diana Sircar
Subject: Annual Review of Investment Performance
Date: September 28, 2020
Cc: Brad Hunt, Tilisa Stubbs, Erica Devould

Review of Current Performance on Investments

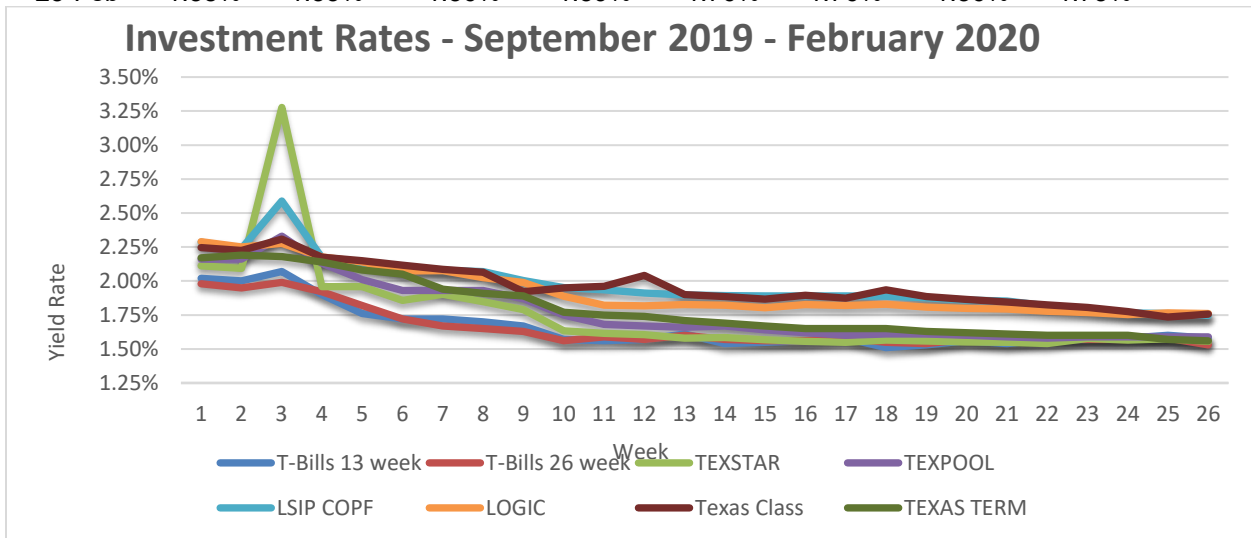
The attached graphs and data compare the rates paid on the investment pools utilized with the rates for the 13 and 26 week T-Bill auctions. A distinct advantage of the investment pools is that investor funds are very liquid. Money can be transferred overnight either into or out of pools. Multiple governmental investment pools are utilized to diversify the investments. Additionally, the District has invested in Certificate of Deposits (CD) through a program offered by TexasTerm to gain additional interest income. The interest rates received on the CDs consistently exceeded both the 13 and 26 week T-Bill rates when purchased. The CD interest rates ranged from a high of 2.05 to the current low of .3 and were fully collateralized by FDIC Insurance. The CDs proved to be a good investment as rates fell consistently over the fiscal year.

The Texas and National economies have fallen into recession due to the Covid-19 pandemic. Over the last fiscal year short-term interest rates dropped approximately 2% since the pandemic hit the US economy in March. The investment pools provided interest rates above the T-Bill rate, significantly out-performing T-Bills from March through May of 2020 and remain a solid investment. The District's interest earnings for Operating and Debt Service Funds results as a percent to budget for 2019-20 were 90% and 75% respectively. As of August 31st, interest earnings in Operating Fund were \$1,579,227 compared to \$2,571,370 in 2018-2019, and in Debt Service were \$348,579 compared to \$655,078 in 2018-2019.

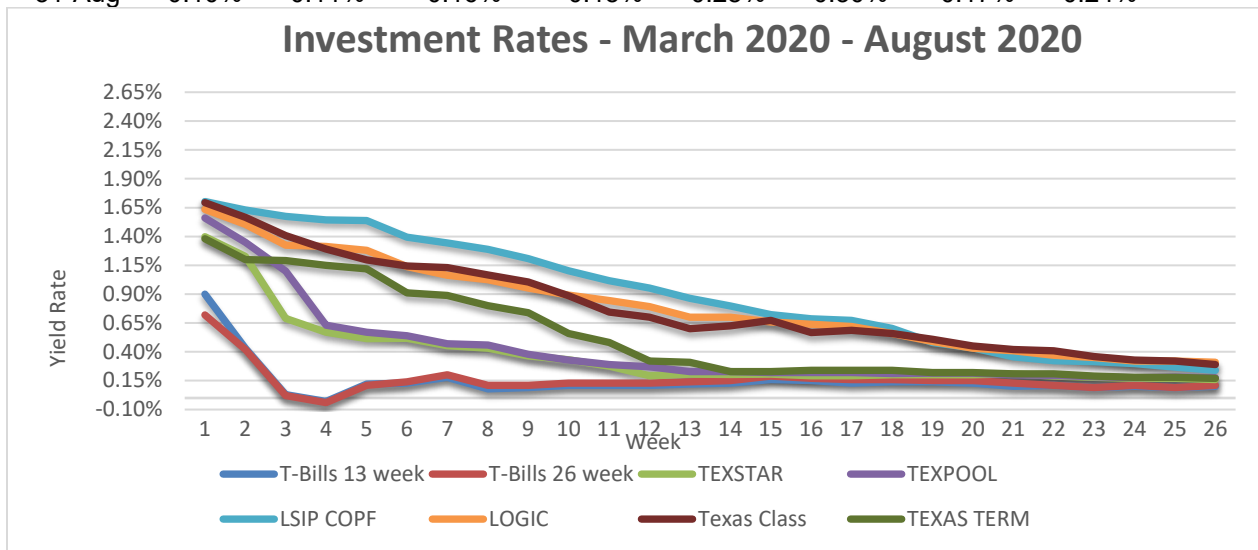
Prior to the 86th legislative session, the Texas Education Agency required that the district make monthly recapture payments from February through August. Districts are now allowed the option to choose to make one payment for the entire recapture payment in August. The district chose this option with the hope of earning additional interest on the \$34 million of invested funds between February and August. Since the district was holding a larger than average balance in the pools, the investments were rebalanced in April to distribute the funds and risk between the three pools with the best return on investment. This helped the district reach 90% to budget on interest earnings within the General Operating Fund.

Recommendation: The Coppell ISD Board of Trustees accepts the annual review of the portfolio performance as presented.

Date:	T-Bills	T-Bills			TEXAS		TEXAS	LONE
2019-	13	26	TexStar	Texpool	CLASS	LOGIC	TERM	STAR
20	week	week						COPF
03-Sep	2.02%	1.98%	2.11%	2.16%	2.25%	2.29%	2.17%	2.29%
10-Sep	2.00%	1.95%	2.09%	2.16%	2.23%	2.25%	2.19%	2.24%
17-Sep	2.07%	1.99%	3.28%	2.33%	2.31%	2.28%	2.18%	2.59%
24-Sep	1.90%	1.92%	1.96%	2.13%	2.18%	2.18%	2.14%	2.17%
01-Oct	1.76%	1.82%	1.96%	2.01%	2.15%	2.14%	2.08%	2.13%
08-Oct	1.72%	1.72%	1.86%	1.93%	2.12%	2.08%	2.05%	2.08%
15-Oct	1.72%	1.67%	1.90%	1.93%	2.09%	2.08%	1.94%	2.08%
22-Oct	1.70%	1.65%	1.85%	1.93%	2.07%	2.03%	1.91%	2.07%
29-Oct	1.67%	1.63%	1.79%	1.87%	1.92%	1.99%	1.89%	2.00%
05-Nov	1.57%	1.56%	1.63%	1.75%	1.95%	1.89%	1.77%	1.95%
12-Nov	1.56%	1.59%	1.61%	1.68%	1.96%	1.82%	1.75%	1.94%
19-Nov	1.57%	1.57%	1.60%	1.67%	2.04%	1.82%	1.74%	1.91%
26-Nov	1.61%	1.60%	1.58%	1.66%	1.90%	1.83%	1.71%	1.90%
03-Dec	1.54%	1.57%	1.59%	1.67%	1.89%	1.82%	1.69%	1.89%
10-Dec	1.55%	1.56%	1.57%	1.64%	1.87%	1.80%	1.67%	1.89%
17-Dec	1.56%	1.56%	1.56%	1.62%	1.90%	1.83%	1.65%	1.89%
24-Dec	1.58%	1.58%	1.55%	1.60%	1.88%	1.82%	1.65%	1.89%
31-Dec	1.51%	1.55%	1.57%	1.61%	1.94%	1.83%	1.65%	1.89%
07-Jan	1.53%	1.54%	1.56%	1.61%	1.89%	1.81%	1.63%	1.88%
14-Jan	1.56%	1.57%	1.55%	1.60%	1.87%	1.80%	1.62%	1.86%
21-Jan	1.54%	1.56%	1.55%	1.59%	1.85%	1.79%	1.61%	1.85%
28-Jan	1.57%	1.57%	1.54%	1.58%	1.83%	1.78%	1.60%	1.82%
04-Feb	1.57%	1.57%	1.58%	1.59%	1.81%	1.77%	1.60%	1.79%
11-Feb	1.58%	1.57%	1.56%	1.59%	1.78%	1.75%	1.60%	1.77%
18-Feb	1.60%	1.58%	1.57%	1.59%	1.74%	1.77%	1.57%	1.76%
25-Feb	1.58%	1.53%	1.56%	1.59%	1.76%	1.76%	1.56%	1.75%



Date:	T-Bills 13 week	T-Bills 26 week	TexStar	Texpool	Texas Class	LOGIC	TEXAS TERM	LONE STAR COPF
04-Mar	0.90%	0.72%	1.40%	1.56%	1.69%	1.63%	1.38%	1.70%
11-Mar	0.43%	0.42%	1.23%	1.35%	1.57%	1.51%	1.20%	1.63%
18-Mar	0.03%	0.02%	0.69%	1.10%	1.41%	1.32%	1.19%	1.57%
25-Mar	-0.03%	-0.04%	0.57%	0.63%	1.29%	1.31%	1.15%	1.54%
31-Mar	0.12%	0.11%	0.51%	0.57%	1.20%	1.28%	1.12%	1.54%
07-Apr	0.13%	0.14%	0.52%	0.54%	1.14%	1.14%	0.91%	1.39%
14-Apr	0.18%	0.20%	0.45%	0.47%	1.13%	1.06%	0.89%	1.34%
21-Apr	0.08%	0.11%	0.43%	0.46%	1.07%	1.02%	0.80%	1.29%
28-Apr	0.09%	0.11%	0.36%	0.38%	1.01%	0.95%	0.74%	1.21%
05-May	0.11%	0.13%	0.33%	0.33%	0.89%	0.89%	0.56%	1.10%
12-May	0.11%	0.13%	0.27%	0.29%	0.75%	0.84%	0.48%	1.02%
19-May	0.11%	0.13%	0.19%	0.27%	0.70%	0.79%	0.32%	0.95%
26-May	0.12%	0.14%	0.21%	0.23%	0.60%	0.70%	0.31%	0.86%
02-Jun	0.13%	0.15%	0.20%	0.23%	0.62%	0.70%	0.23%	0.80%
09-Jun	0.16%	0.19%	0.21%	0.22%	0.67%	0.66%	0.23%	0.72%
16-Jun	0.15%	0.17%	0.19%	0.22%	0.57%	0.64%	0.24%	0.69%
23-Jun	0.13%	0.16%	0.19%	0.22%	0.59%	0.62%	0.24%	0.67%
30-Jun	0.14%	0.16%	0.20%	0.21%	0.56%	0.56%	0.24%	0.60%
07-Jul	0.14%	0.15%	0.20%	0.21%	0.51%	0.49%	0.22%	0.48%
14-Jul	0.13%	0.15%	0.20%	0.21%	0.45%	0.43%	0.22%	0.43%
21-Jul	0.10%	0.13%	0.21%	0.20%	0.42%	0.41%	0.21%	0.36%
28-Jul	0.11%	0.11%	0.19%	0.19%	0.41%	0.37%	0.21%	0.32%
04-Aug	0.09%	0.09%	0.18%	0.18%	0.36%	0.35%	0.19%	0.32%
11-Aug	0.10%	0.11%	0.17%	0.18%	0.33%	0.32%	0.18%	0.30%
18-Aug	0.09%	0.09%	0.17%	0.18%	0.32%	0.32%	0.18%	0.27%
25-Aug	0.10%	0.11%	0.16%	0.18%	0.29%	0.31%	0.17%	0.24%
31-Aug	0.10%	0.11%	0.16%	0.15%	0.28%	0.30%	0.17%	0.24%



POOL BALANCES as of 8/31/2020:

General Ledger Balances by Pool/Fund as of 8/31/2020:

	<u>199</u>	<u>240</u>	<u>599</u>	<u>600</u>	<u>TOTAL</u>
Texpool	48,760		1,444		50,204
Lone Star	61,703,090		671,736	17,394	62,392,220
Logic	12,814,677	794,577	2,360,776	42,583,608	58,553,638
TexStar	5,492		102,793		108,285
Texas CLASS	2,626,511		6,692,250		9,318,761
TexasTerm	7,923,224				7,923,224
Balance:	85,121,754	794,577	9,828,999	42,601,002	138,346,332

CD INVESTMENTS as of 8/31/2020:

INVESTMENT INVENTORY AS OF 08/31/2020 (In order of maturity)

HELD AT	DESCRIPTION	PURCHASE DATE	MATURITY DATE	DAYS TO MATURITY 8/31/2020	WEIGHTED AVERAGE MATURITY	INTEREST RATE	INVESTMENT AMOUNT	ACCRUED INTEREST	EST VALUE at MATURITY
Texas Term	CD-First National Bank of McGregor, TX	9/20/2020	9/18/2020	18	0.03	2.05	244,000.00	4,755.33	248,988.30
Texas Term	CD-First Capital Bank, TN	10/9/2020	10/8/2020	38	0.07	2.05	244,000.00	4,494.95	249,002.00
Texas Term	Financial Federal Savings Bank, TN	11/5/2020	11/4/2020	65	0.11	1.80	245,000.00	3,636.74	249,410.00
Texas Term	First Internet Bank of Indiana, IN	11/12/2020	11/10/2020	71	0.12	1.76	245,000.00	3,473.23	249,300.19
Texas Term	CIBC-MI	12/13/2020	12/11/2020	102	0.18	1.75	245,000.00	3,089.35	249,275.75
Texas Term	Royal Business Bank, CA	1/13/2020	1/12/2021	134	0.23	1.90	245,000.00	2,958.79	249,655.00
Texas Term	Pacific Enterprise Bank, CA	1/14/2020	1/13/2021	135	0.23	1.75	245,000.00	2,713.46	249,287.50
Texas Term	Third Coast Bank SSB, TX	2/18/2020	2/17/2021	170	0.29	1.75	245,000.00	2,302.33	249,287.50
Texas Term	Prospect Bank, IL	2/18/2020	2/17/2021	170	0.29	1.75	245,000.00	2,302.33	249,287.50
Texas Term	Preferred Bank, CA	4/13/2020	4/13/2021	225	0.39	1.10	247,000.00	1,049.58	249,717.00
Texas Term	Golden Bank N.A.	5/28/2020	5/28/2021	270	0.47	0.40	248,000.00	260.91	248,992.00
Texas Term	Pacific Western Bank, NA	7/13/2020	7/13/2021	316	0.55	0.50	248,000.00	169.86	249,240.00
Texas Term	Cit Bank, NA (Fka Onewest Bank, NA), C	7/31/2020	8/2/2021	336	0.59	0.30	248,000.00	65.23	248,748.08
CD Total							3,194,000.00	31,272.09	3,240,190.82
Investment Pool Balances									
Total Portfolio							\$ 138,346,332		
							4.55	\$ 141,540,332	