COPPELL
INDEPENDENT SCHOOL DISTRICT
Empowering Educational Excellence

Board Action Required ☒

No Action Required ☐

To: Board of Trustees
From: Kelly Penny
Subject: Annual Review of Investment Performance
Date: September 25, 2017

Cc: Mr. Brad Hunt, Barbara Sabedra & Kathy Vint

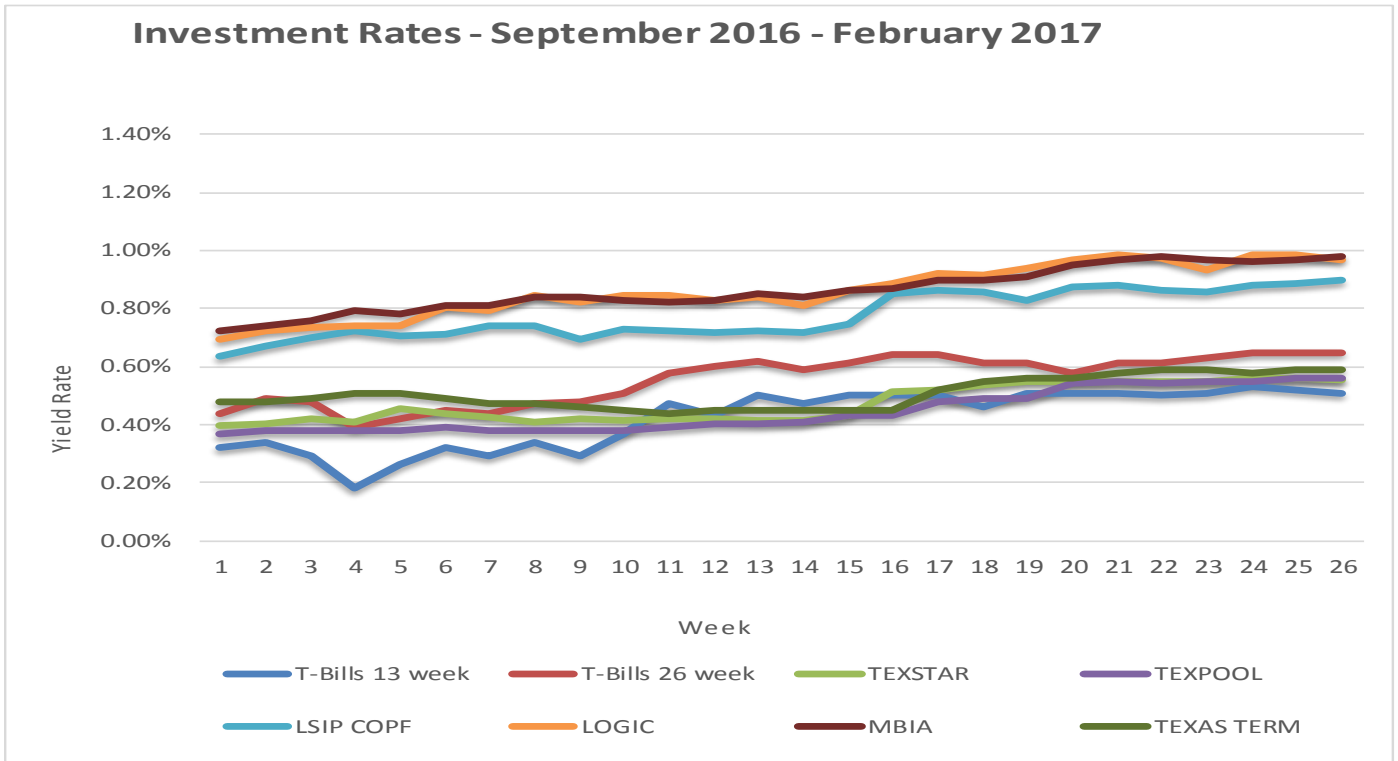### Review of Current Performance on Investments

The attached graphs and data compare the rates paid on the investment pools utilized with the rate 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 CD's consistently exceeded both the 13 and 26 week T-Bill rates. The CD interest rates ranged from a low of .75 to a current high of 1.65 and were fully collateralized by FDIC Insurance. The District's Investment Portfolio's Weighted Average Maturity was 6.82 days as of August 31, 2017.

Over the last fiscal year interest rates have increased slightly, and the results are shown through both a slight increase in Pool, T-Bill and CD interest rates. Additionally, the District's interest earnings for Operating and Debt Service Funds far exceeded the budgetary amount due to the increase in interest rates and investing in CD's. As of August 31st interest earnings in Operating Fund were $870,841 compared to $403,935 in 2015-2016, and in Debt Service $200,827 compared to $71,577 in 2015-2016.
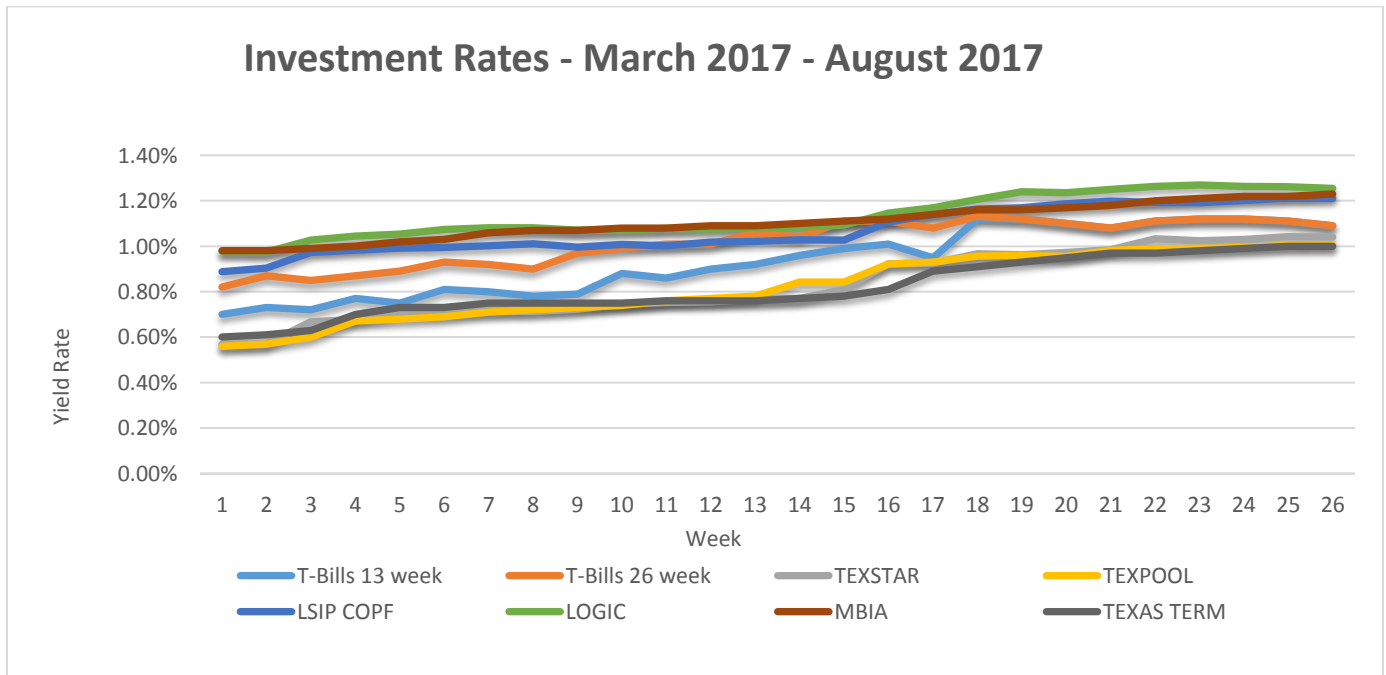
The District received greater earnings from its portfolio than it would have from investing in 13 and 26 week T-Bills, and it is anticipated that interest rates will continue to rise slightly in the upcoming fiscal year. This is also reflected by the amount of interest budgeted for 2017-2018.

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

Date 2016-2017	T-Bills 13 week	T-Bills 26 week	TexStar	Texpool	TEXAS CLASS MBIA	LOGIC	TEXAS TERM	LONE STAR CORF
01-Sep	0.32%	0.44%	0.40%	0.37%	0.72%	0.69%	0.48%	0.64%
08-Sep	0.34%	0.49%	0.40%	0.38%	0.74%	0.72%	0.48%	0.67%
15-Sep	0.29%	0.48%	0.42%	0.38%	0.76%	0.74%	0.49%	0.70%
22-Sep	0.18%	0.39%	0.41%	0.38%	0.79%	0.74%	0.51%	0.72%
29-Sep	0.26%	0.42%	0.45%	0.38%	0.78%	0.74%	0.51%	0.71%
06-Oct	0.32%	0.45%	0.44%	0.39%	0.81%	0.80%	0.49%	0.71%
13-Oct	0.29%	0.44%	0.42%	0.38%	0.81%	0.80%	0.47%	0.74%
20-Oct	0.34%	0.47%	0.41%	0.38%	0.84%	0.85%	0.47%	0.74%
27-Oct	0.29%	0.48%	0.42%	0.38%	0.84%	0.82%	0.46%	0.70%
03-Nov	0.37%	0.51%	0.41%	0.38%	0.83%	0.85%	0.45%	0.73%
10-Nov	0.47%	0.58%	0.42%	0.39%	0.82%	0.85%	0.44%	0.73%
17-Nov	0.43%	0.60%	0.42%	0.40%	0.83%	0.83%	0.45%	0.72%
24-Nov	0.50%	0.62%	0.42%	0.40%	0.85%	0.84%	0.45%	0.72%
01-Dec	0.47%	0.59%	0.42%	0.41%	0.84%	0.81%	0.45%	0.72%
08-Dec	0.50%	0.61%	0.43%	0.43%	0.86%	0.86%	0.45%	0.75%
15-Dec	0.50%	0.64%	0.51%	0.43%	0.87%	0.89%	0.45%	0.85%
22-Dec	0.50%	0.64%	0.52%	0.48%	0.90%	0.92%	0.52%	0.86%
29-Dec	0.46%	0.61%	0.54%	0.49%	0.90%	0.91%	0.55%	0.85%
05-Jan	0.51%	0.61%	0.55%	0.49%	0.91%	0.94%	0.56%	0.83%
12-Jan	0.51%	0.58%	0.55%	0.54%	0.95%	0.97%	0.56%	0.87%
19-Jan	0.51%	0.61%	0.55%	0.55%	0.97%	0.99%	0.58%	0.88%
26-Jan	0.50%	0.61%	0.55%	0.54%	0.98%	0.97%	0.59%	0.86%
02-Feb	0.51%	0.63%	0.55%	0.55%	0.97%	0.93%	0.59%	0.86%
09-Feb	0.53%	0.65%	0.56%	0.55%	0.96%	0.98%	0.58%	0.88%
16-Feb	0.52%	0.65%	0.56%	0.56%	0.97%	0.99%	0.59%	0.89%
23-Feb	0.51%	0.65%	0.55%	0.56%	0.98%	0.97%	0.59%	0.90%

Investment Rates – September 2016 – February 2017

Date 2017	T-Bills 13 week	T-Bills 26 week	TexStar	Texpool	MBIA (Texas Class)	LOGIC	TEXAS TERM	LONE STAR COPF
03-Mar	0.70%	0.82%	0.57%	0.56%	0.98%	0.98%	0.60%	0.89%
10-Mar	0.73%	0.87%	0.57%	0.57%	0.98%	0.98%	0.61%	0.90%
17-Mar	0.72%	0.85%	0.67%	0.60%	0.99%	1.03%	0.63%	0.97%
24-Mar	0.77%	0.87%	0.68%	0.67%	1.00%	1.05%	0.70%	0.98%
31-Mar	0.75%	0.89%	0.71%	0.68%	1.02%	1.05%	0.73%	0.99%
07-Apr	0.81%	0.93%	0.71%	0.69%	1.03%	1.07%	0.73%	1.00%
14-Apr	0.80%	0.92%	0.72%	0.71%	1.06%	1.08%	0.75%	1.00%
21-Apr	0.78%	0.90%	0.71%	0.72%	1.07%	1.08%	0.75%	1.01%
28-Apr	0.79%	0.97%	0.72%	0.73%	1.07%	1.07%	0.75%	1.00%
05-May	0.88%	0.99%	0.75%	0.74%	1.08%	1.07%	0.75%	1.01%
12-May	0.86%	1.01%	0.75%	0.76%	1.08%	1.08%	0.76%	1.00%
19-May	0.90%	1.01%	0.76%	0.77%	1.09%	1.08%	0.76%	1.02%
26-May	0.92%	1.06%	0.77%	0.78%	1.09%	1.08%	0.76%	1.02%
02-Jun	0.96%	1.04%	0.77%	0.84%	1.10%	1.08%	0.77%	1.03%
09-Jun	0.99%	1.11%	0.81%	0.84%	1.11%	1.09%	0.78%	1.03%
16-Jun	1.01%	1.11%	0.92%	0.92%	1.12%	1.15%	0.81%	1.11%
23-Jun	0.95%	1.08%	0.93%	0.93%	1.14%	1.17%	0.89%	1.14%
30-Jun	1.12%	1.13%	0.97%	0.96%	1.16%	1.21%	0.91%	1.16%
07-Jul	1.12%	1.12%	0.96%	0.96%	1.16%	1.24%	0.93%	1.17%
14-Jul	1.10%	1.10%	0.97%	0.96%	1.17%	1.24%	0.95%	1.19%
21-Jul	1.08%	1.08%	0.98%	0.98%	1.18%	1.25%	0.97%	1.20%
28-Jul	1.11%	1.11%	1.03%	0.99%	1.20%	1.26%	0.97%	1.19%
04-Aug	1.12%	1.12%	1.02%	0.99%	1.21%	1.27%	0.98%	1.19%
11-Aug	1.12%	1.12%	1.03%	0.99%	1.22%	1.26%	0.99%	1.20%
18-Aug	1.11%	1.11%	1.04%	1.00%	1.22%	1.26%	1.00%	1.21%
25-Aug	1.09%	1.09%	1.04%	1.01%	1.23%	1.25%	1.00%	1.21%

Investment Rates - March 2017 - August 2017

General Ledger Balances by Pool/Fund As of August 31, 2017

	199	240	599	600	TOTAL
Texpool	864,774		1,376		866,150
Lone Star	15,776,060		6,559,935	6,021,549	28,357,545
Logic	21,279,284	1,531,267	587,479		23,398,030
TexStar	5,235		318,890		324,125
Texas CLASS	21,156,256		951,115	59,567,951	81,675,322
TexasTerm	7,484,018				7,484,018
Balance:	66,565,627	1,531,267	8,418,796	65,589,500	142,105,190

CERTIFICATE OF DEPOSITS AS OF AUGUST 31, 2017									
INVESTMENT INVENTORY (In order of maturity)									
SECURITY TYPE	HELD AT	PURCHASE DATE	MATURITY DATE	DAYS TO MATURITY 8/31/2017	WEIGHTED AVERAGE MATURITY	INTEREST RATE	INVESTMENT AMOUNT	ACCRUED INTEREST	EST VALUE AT MATURITY
Certificate of Deposit	Texas Term	09/29/16	09/29/17	29	0.05	1.15	247,000.00	2,622.60	249,840.50
Certificate of Deposit	Texas Term	06/15/17	11/13/17	74	0.13	1.35	248,000.00	715.46	249,385.06
Certificate of Deposit	Texas Term	1/9/2017	1/9/2018	131	0.23	1.25	246,000.00	1,979.79	249,075.00
Certificate of Deposit	Texas Term	1/9/2017	1/9/2018	131	0.23	1.16	247,000.00	1,844.72	249,865.20
Certificate of Deposit	Texas Term	1/9/2017	1/9/2018	131	0.23	1.20	247,000.00	1,908.33	249,964.00
Certificate of Deposit	Texas Term	1/9/2017	1/9/2018	131	0.23	1.23	246,000.00	1,948.12	249,025.80
Certificate of Deposit	Texas Term	1/26/2017	1/26/2018	148	0.26	1.25	246,000.00	1,836.58	249,075.00
Certificate of Deposit	Texas Term	1/26/2017	1/26/2018	148	0.26	1.20	247,000.00	1,770.28	249,964.00
Certificate of Deposit	Texas Term	1/26/2017	1/26/2018	148	0.26	1.15	247,000.00	1,696.52	249,840.50
Certificate of Deposit	Texas Term	1/26/2017	1/26/2018	148	0.26	1.15	247,000.00	1,696.52	249,840.50
Certificate of Deposit	Texas Term	2/7/2017	2/7/2018	160	0.28	1.25	246,000.00	1,735.48	249,075.00
Certificate of Deposit	Texas Term	2/7/2017	2/7/2018	160	0.28	1.29	246,000.00	1,791.01	249,173.40
Certificate of Deposit	Texas Term	2/7/2017	2/7/2018	160	0.28	1.26	246,000.00	1,749.36	249,099.60
Certificate of Deposit	Texas Term	8/2/2017	2/28/2018	181	0.31	1.50	247,000.00	304.52	249,131.64
Certificate of Deposit	Texas Term	3/6/2017	3/6/2018	187	0.32	1.30	246,000.00	1,568.33	249,198.00
Certificate of Deposit	Texas Term	3/6/2017	3/6/2018	187	0.32	1.25	246,000.00	1,508.01	249,075.00
Certificate of Deposit	Texas Term	3/6/2017	3/6/2018	187	0.32	1.25	246,000.00	1,508.01	249,075.00
Certificate of Deposit	Texas Term	3/6/2017	3/6/2018	187	0.32	1.25	246,000.00	1,508.01	249,075.00
Certificate of Deposit	Texas Term	3/10/2017	3/12/2018	193	0.33	1.40	246,000.00	1,651.23	249,462.87
Certificate of Deposit	Texas Term	6/15/2017	4/11/2018	223	0.39	1.50	246,000.00	788.55	249,032.88
Certificate of Deposit	Texas Term	8/2/2017	8/2/2018	336	0.58	1.65	245,000.00	332.26	249,042.50
Certificate of Deposit Total							*5,174,000.00*	*32,463.69*	*5,236,316.45*
Investment Pool Balances				1	0.96		136,931,190.00		
Total Portfolio as of August 31, 2017					**6.82**		**142,105,190.00**		