

**Lamar Consolidated Independent School District
Quarterly Report of Investment Activity
for the quarter ending August 31, 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 June 1, 2024 through August 31, 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 August 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 August 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 August 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 AUGUST 31, 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 August 31, 2024. Pertinent details at August 31, 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 | \$30,295,015,407 | \$30,300,993,126 | 2.1176% |

The dollar weighted average maturity of the pool’s portfolio for August 2024 was 36 days.

| | | | | |
|---|------|-----------------|-----------------|---------|
| Lone Star, Government Overnight Fund | 1.00 | \$6,140,044,216 | \$6,140,844,510 | 6.4964% |
|---|------|-----------------|-----------------|---------|

The dollar weighted average maturity of the portfolio for the Government Overnight Fund for August 2024 was 23 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 | \$24,274,551,674 | \$24,276,646,607 | 0.6330% |
|----------------------|------|------------------|------------------|---------|

The dollar weighted average maturity of the portfolio for Texas CLASS Fund for August 2024 was 35 days.

| | | | | |
|-------------|------|-----------------|-----------------|---------|
| Texas Range | 1.00 | \$2,523,375,947 | \$2,523,945,985 | 5.7885% |
|-------------|------|-----------------|-----------------|---------|

The dollar weighted average maturity of the portfolio for TEXAS RANGE/DAILY Fund for August 2024 was 42 days.

| | | | | |
|---------|------|------------------|------------------|---------|
| TexStar | 1.00 | \$10,960,587,144 | \$10,963,170,866 | 3.8883% |
|---------|------|------------------|------------------|---------|

The dollar weighted average maturity of the portfolio for TEXSTAR Fund for August 2024 was 29 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 August 31, 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: 10/8/2024

Date: 10/8/2024

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

QUARTERLY CASH BALANCE AND INVESTMENT REPORT FOR THE PERIOD ENDING AUGUST 31, 2024

| | <u>06/30/2024</u> | <u>07/31/2024</u> | <u>08/31/2024</u> |
|---|--------------------------|--------------------------|--------------------------|
| <u>DEMAND DEPOSIT ACCOUNT BALANCES¹</u> | | | |
| General Fund | 6,088,203 | 15,941,202 | 4,015,286 |
| Special Revenue Funds (Combined) | 6,779,879 | 4,391,307 | 1,608,649 |
| Debt Service Fund | 9,207,205 | 9,229,846 | 1,876,366 |
| Capital Projects Fund | 1,877,314 | 1,977,665 | 2,176,672 |
| Workmen's Compensation and Health Insurance Trust Funds | 1,858,051 | 1,635,534 | 1,509,385 |
| Trust and Agency Funds, excluding Student Activity Funds | 34,620 | 34,620 | 34,620 |
| Student Activity Funds | 4,181,874 | 4,105,088 | 4,036,238 |
| Total Demand Deposits/Cash on Hand | <u>30,027,146</u> | <u>37,315,262</u> | <u>15,257,216</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 AUGUST 31, 2024

| INVESTMENT POOLS* | 06/30/2024 | | | 07/31/2024 | | | 08/31/2024 | | |
|---|-------------|----------------------|--|----------------------|--|----------------------|------------|--|--|
| | | | | | | | | | |
| General Fund | | | | | | | | | |
| | Texpool | 92,028,580 | | 79,849,308 | | 97,279,618 | | | |
| | Lone Star | 2,660,648 | | 2,672,662 | | 2,684,699 | | | |
| | Texas CLASS | 18,178,970 | | 18,263,033 | | 18,347,231 | | | |
| Food Service Fund | | | | | | | | | |
| | Texpool | 11,788,341 | | 11,841,578 | | 11,894,858 | | | |
| | Lone Star | 50,270 | | 50,497 | | 50,724 | | | |
| Debt Service Fund | | | | | | | | | |
| | Texpool | 103,369,016 | | 103,886,981 | | 63,495,486 | | | |
| | Lone Star | 4 | | 4 | | 4 | | | |
| | Texas Range | 1,560,140 | | 1,567,154 | | 1,574,185 | | | |
| | TexSTAR | 1,055 | | 1,060 | | 1,065 | | | |
| Capital Projects Fund | | | | | | | | | |
| | Texpool | 373,819,799 | | 372,324,915 | | 457,350,099 | | | |
| | Lone Star | 376,206,565 | | 377,905,250 | | 395,979,103 | | | |
| | Texas CLASS | 69,174,952 | | 69,494,145 | | 135,303,519 | | | |
| | Texas Range | 132,951,221 | | 131,752,551 | | 144,492,628 | | | |
| | TexSTAR | 352,245,204 | | 346,910,203 | | 426,180,266 | | | |
| Workmen's Compensation and Health Insurance Trust Funds | | | | | | | | | |
| | Texpool | 10,415,686 | | 11,239,842 | | 11,423,355 | | | |
| | Lone Star | 164,503 | | 165,246 | | 165,990 | | | |
| Special Revenue Funds | | | | | | | | | |
| | Texpool | 61,864 | | 62,143 | | 62,423 | | | |
| Student Activity Funds | | | | | | | | | |
| | Texpool | 30,850 | | 30,990 | | 31,130 | | | |
| Total Investment in Pools | | 1,544,707,668 | | 1,528,017,562 | | 1,766,316,383 | | | |
| Summary of Interest Earned by Month | | | | | | | | | |
| | Texpool | 2,604,489 | | 2,634,468 | | 2,648,377 | | | |
| | Lone Star | 1,648,697 | | 1,711,669 | | 1,743,550 | | | |
| | Texas CLASS | 387,524 | | 403,257 | | 520,324 | | | |
| | TexSTAR | 1,656,843 | | 1,577,267 | | 1,653,702 | | | |
| | Texas Range | 585,743 | | 601,610 | | 614,594 | | | |
| Total Interest Earned from Investment Pools | | 6,883,296 | | 6,928,271 | | 7,180,547 | | | |
| Average Yield by Month | | | | | | | | | |
| | Texpool | 5.31 | | 5.32 | | 5.30 | | | |
| | Lone Star | 5.33 | | 5.33 | | 5.32 | | | |
| | Texas CLASS | 5.43 | | 5.45 | | 5.43 | | | |
| | TexSTAR | 5.31 | | 5.31 | | 5.29 | | | |
| | Texas Range | 5.30 | | 5.32 | | 5.29 | | | |

* See supplemental report attached for balances at August 31, 2024 and details of transactions.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
 DETAILS OF TRANSACTIONS FOR INVESTMENT POOLS

| INVESTMENT POOLS | 05/31/2024 | DEPOSITS | WITHDRAWALS | 6/30/2024 | DEPOSITS | WITHDRAWALS | 07/31/2024 | DEPOSITS | WITHDRAWALS | 08/31/2024 |
|---|----------------------|-------------------|---------------------|----------------------|-------------------|---------------------|----------------------|--------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Texpool | 108,023,580 | 1,429,799 | (17,424,799) | 92,028,580 | 451,312 | (12,530,584) | 79,849,308 | 65,697,903 | (48,267,593) | 97,279,618 |
| Lone Star | 2,649,076 | 11,572 | - | 2,660,648 | 12,014 | - | 2,672,662 | 12,037 | - | 2,684,699 |
| Texas CLASS | 18,098,284 | 80,686 | - | 18,178,970 | 84,063 | - | 18,263,033 | 84,198 | - | 18,347,231 |
| Food Service Fund | | | | | | | | | | |
| Texpool | 11,737,096 | 51,245 | - | 11,788,341 | 53,237 | - | 11,841,578 | 53,280 | - | 11,894,858 |
| Lone Star | 50,051 | 219 | - | 50,270 | 227 | - | 50,497 | 227 | - | 50,724 |
| Debt Service Fund | | | | | | | | | | |
| Texpool | 102,204,410 | 1,164,606 | - | 103,369,016 | 517,965 | - | 103,886,981 | 43,906,325 | (84,297,820) | 63,495,486 |
| Lone Star | 4 | 0 | - | 4 | 0 | - | 4 | 0 | - | 4 |
| Texas Range | 1,553,390 | 6,750 | - | 1,560,140 | 7,014 | - | 1,567,154 | 7,031 | - | 1,574,185 |
| TexSTAR | 1,050 | 5 | - | 1,055 | 5 | - | 1,060 | 5 | - | 1,065 |
| Capital Projects Fund | | | | | | | | | | |
| Texpool | 374,664,941 | 1,629,317 | (2,474,459) | 373,819,799 | 1,683,117 | (3,178,001) | 372,324,915 | 116,217,750 | (31,192,566) | 457,350,099 |
| Lone Star | 374,570,374 | 1,636,191 | - | 376,206,565 | 1,698,685 | - | 377,905,250 | 18,073,853 | - | 395,979,103 |
| Texas CLASS | 68,995,868 | 306,838 | (131,754) | 69,174,952 | 319,193 | - | 69,494,145 | 65,809,374 | - | 135,303,519 |
| Texas Range | 133,409,099 | 578,993 | (1,036,871) | 132,951,221 | 594,596 | (1,793,266) | 131,752,551 | 16,950,875 | (4,210,798) | 144,492,628 |
| TexSTAR | 386,758,819 | 1,656,839 | (36,170,454) | 352,245,204 | 1,577,262 | (6,912,263) | 346,910,203 | 116,056,881 | (36,786,818) | 426,180,266 |
| Workmen's Compensation and Health Insurance Trust Funds | | | | | | | | | | |
| Texpool | 10,788,635 | 2,972,051 | (3,345,000) | 10,415,686 | 3,084,156 | (2,260,000) | 11,239,842 | 3,163,513 | (2,980,000) | 11,423,355 |
| Lone Star | 163,788 | 715 | - | 164,503 | 743 | - | 165,246 | 744 | - | 165,990 |
| Special Revenue Funds | | | | | | | | | | |
| Texpool | 61,595 | 269 | - | 61,864 | 279 | - | 62,143 | 280 | - | 62,423 |
| Student Activity Funds | | | | | | | | | | |
| Texpool | 35,791 | 154 | (5,095) | 30,850 | 140 | - | 30,990 | 140 | - | 31,130 |
| Total Investment in Pools | 1,593,769,851 | 11,526,249 | (60,588,432) | 1,544,707,668 | 10,084,908 | (26,774,114) | 1,528,017,562 | 446,034,416 | (207,735,595) | 1,766,316,383 |