

**BOARD OF TRUSTEES
AGENDA**

<input type="checkbox"/> Workshop	<input checked="" type="checkbox"/> Regular	<input type="checkbox"/> Special
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- (A) Report Only Recognition

Presenter(s): ISMAEL MIJARES, ASST. SUPERINTENDENT FOR BUSINESS & FINANCE

Briefly describe the subject of the report or recognition presentation.

REVIEW INVESTMENT OFFICER'S QUARTERLY REPORT OF INVESTMENT TRANSACTIONS FOR ALL FUNDS FOR THE QUARTER ENDED FEBRUARY 28, 2014.

- (B) Action Item

Presenter(s):

Briefly describe the action required.

- (C) **Funding source: Identify the source of funds if any are required.**

- (D) **Clarification: Explain any question or issues that might be raised regarding this item.**

THE QUARTERLY INVESTMENT REPORT IS BEING PREPARED IN ACCORDANCE WITH BOARD POLICY CDA (LOCAL).



EAGLE PASS INDEPENDENT SCHOOL DISTRICT

TO: Gilberto Gonzalez, Superintendent
FROM: Ismael Mijares
Asst. Superintendent for Business & Finance-Investment Officer *JAA*
SUBJECT: *QUARTERLY INVESTMENT REPORT*
DATE: March 17, 2014

Attached is the District's Quarterly Investment Report in accordance with Board Policy CDA (Local). The Report includes statements for the period ending February 28, 2014. The following is a summary of the amounts invested in various accounts.

LONESTAR INVESTMENT POOL - CORPORATE OVERNIGHT PLUS FUND

ELEMENTARY FUND	311,941.10
GENERAL FUND	28,368,415.54
INTEREST & SINKING FUND	4,689,660.23
TOTAL:	\$33,370,016.87

The grand total of the District's investments on February 28, 2014 was \$33,370,016.87. The market value of these investments as of February 28, 2014 was \$33,372,931.63.

Eagle Pass Independent School District

Schedule of Investments and Market Values

February 28, 2014

LONESTAR INVESTMENT POOL - **CORPORATE OVERNIGHT PLUS FUND**:

Account	Investments 2/28/2013	3 mth. Avg. Qtr. Yield	Market Values 2/28/2013	Investments 2/28/2014	3 mth. Avg. Qtr. Yield	Market Values 2/28/2014
Elementary Fund	311,432.30	0.19%	311,456.99	311,941.10	0.14%	311,968.35
General Fund	31,082,861.59	0.19%	31,085,325.55	28,368,415.54	0.14%	28,370,893.42
Interest & Sinking Fund	5,104,941.75	0.19%	5,105,346.42	4,689,660.23	0.14%	4,690,069.86
TOTAL OF INVESTMENTS	\$36,499,235.64	0.19%	\$36,502,128.96	\$33,370,016.87	0.14%	\$33,372,931.63

OTHER 3-MONTH YIELD AVERAGES:

	2/28/2013*	5/31/2013*	8/31/2013**	11/30/2013*	2/28/2014 *
Lonestar Investment Pool-Liquidity Corporate Fund	0.19%	0.18%	0.19%	0.15%	0.14%
Wall Street Journal 91-Day US Treasury Bill	0.08%	0.07%	0.07%	0.05%	0.06%
Wall Street Journal 6-Month US Treasury Bill	0.11%	0.10%	0.11%	0.07%	0.08%
Cash in bank accounts	0.18%	0.16%	0.17%	0.15%	0.16%

* 3-Month Average

** 12-Month Average

NOTE: Cash in bank accounts as of 02/28/14--\$14,926,186.16: Food Service Fund \$420,163.89; General Fund \$13,388,915.34; AND I & S Fund \$1,117,106.93.

Market Value of Securities Pledged and FDIC: \$19,231,793.34

EAGLE PASS INDEPENDENT SCHOOL DISTRICT

Quarter Ending: 02-28-2014

Cash in Bank Accounts

Food Service Fund		420,163.89
General Fund		
Tax Collections-Escrow Account	147,602.32	
Designated Purpose Fund	93,259.50	
Tax Collections-Credit Card/ACH Payments	46,356.15	
Payroll Fund	2,250,615.88	
Disbursement Fund	2,712,942.10	
Elementary Fund	122,378.90	
EPISD Non-Interest Bearing Account	1,000,000.00	
Health Insurance Fund	13,455.66	
General Operating	7,002,304.83	13,388,915.34
I & S Fund-Bond Series		1,117,106.93
Total		<u>14,926,186.16</u>
* Federal Deposit Insurance Corporation		500,000.00
** Pledged Amount (LOC)		10,000,000.00
*** Pledged Amount (Securities)		8,731,793.34
TOTAL		<u>\$19,231,793.34</u>
Amount Over/(Under) Pledged		4,305,607.18

* Federal Deposit Insurance Corporation (FDIC) amount provided by the U.S. government as collateral to insure deposits.

** Irrevocable Letter of Credit (ILOC) amount provided by Compass Bank as collateral to protect deposits as required by the Public Funds Investment Act. The ILOC issued by Compass Bank is held independently by the Federal Home Loan Bank of Atlanta and the school district is the only entity that is entitled to draw funds against it should the bank fail.

*** The Security amount provided by Compass Bank as collateral to protect all deposits as required by the Public Funds Investment Act. The security issued by Compass Bank is held independently by the Federal Reserve Bank of Boston and the school district is entitled to the security proceeds sold by the Federal Reserve Bank on the open market should the bank fail. (The security is an asset-backed security that is secured by a collection or pool of mortgages).

Checking Account Interest Rates			3-Month
Dec-2013*	Jan-2014**	Feb-2014***	Average
0.17%	0.15%	0.16%	0.16%

* 91-Day Treasury Bill Rate: 0.07% + Bank Basis Points: .10% = 0.17%

** 91-Day Treasury Bill Rate: 0.05% + Bank Basis Points: .10% = 0.15%

*** 91-Day Treasury Bill Rate: 0.06% + Bank Basis Points: .10% = 0.16%

CD Interest Rates*

3-Month	6-Month	9-Month
0.05%	0.08%	0.10%

BBVA Compass will evaluate each CD rate solicitation upon request; based on market conditions.

* rates as of March 26, 2014

**BBVA COMPASS
EAGLE PASS INDEPENDENT SCHOOL DISTRICT
DEPOSITORY CONTRACT
LIMITS**

PLEGDED AMOUNT:

FDIC	\$	500,000.00
SECURITIES: Book Value		-
Market Value		8,731,793.34
Letter of credit (LOC)	\$	10,000,000.00

Total Collateral \$ 19,231,793.34

BANK ACCOUNT BALANCES AS OF: February 28, 2014

Eagle Pass ISD	3003202299	1,000,000.00
Designated Purpose Fund	3001202264	93,259.50
Disbursement Fund	3003202248	2,712,942.10
Elementary Fund	3003202272	122,378.90
Tax Collections-Escrow Account	0110400402	147,602.32
Food Service Fund	3001202280	420,163.89
General Operating Fund	3003603125	7,002,304.83
Health Insurance Fund	2517032800	13,455.66
I&S Fund	3003202307	1,117,106.93
Payroll Fund	3003202221	2,250,615.88
Tax Collections-Credit Card/ACH	3003018664	46,356.15

Certificates of Deposit \$ -

Total Checking Account Balances \$ 14,926,186.16

Amount Over/(Under) Pledged \$ 4,305,607.18

**BBVA COMPASS
EAGLE PASS INDEPENDENT SCHOOL DISTRICT
DEPOSITORY CONTRACT
LIMITS**

PLEGDED AMOUNT:

FDIC	\$	250,000.00
SECURITIES: Book Value		3,055,317.97
Market Value		3,617,038.85
Letter of credit (LOC)	\$	10,000,000.00

Total Collateral		\$	13,867,038.85
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BANK ACCOUNT BALANCES AS OF: February 28, 2013

Eagle Pass ISD	3003202299	1,000,000.00
Designated Purpose Fund	3001202264	83,260.20
Disbursement Fund	3003202248	688,416.77
Elementary Fund	3003202272	270,958.15
Tax Collections-Escrow Account	0110400402	132,140.41
Food Service Fund	3001202280	166,948.90
General Operating Fund	3003603125	358,762.13
Health Insurance Fund	2517032800	9,685.14
I&S Fund	3003202307	431,408.58
Payroll Fund	3003202221	2,027,824.79
Tax Collections-Credit Card/ACH	3003018664	67,341.86

Certificates of Deposit		\$	-
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Total Checking Account Balances		\$	5,236,746.93
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Amount Over/(Under) Pledged		\$	8,630,291.92
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Participant #: 159901

Lone Star 2014 2nd Quarter
 Investment Pool Quarterly Statement

Statement Period: 12/01/2013 to 02/28/2014

Ismael Mijares
 Eagle Pass ISD
 1420 Eidson Rd
 Eagle Pass, Texas 78852-5410



Summary of Portfolio Holdings

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
<i>Elementary Fund</i>	Corporate Overnight Plus Fund	623,882.20	0.50	311,941.10	311,968.35	0.93%
Totals:				311,941.10	311,968.35	

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
<i>General Fund</i>	Corporate Overnight Plus Fund	56,736,831.08	0.50	28,368,415.54	28,370,893.42	85.01%
Totals:				28,368,415.54	28,370,893.42	

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
<i>Interest & Sinking Fund</i>	Corporate Overnight Plus Fund	9,379,320.46	0.50	4,689,660.23	4,690,069.86	14.06%
Totals:				4,689,660.23	4,690,069.86	

Totals

Fund	Number of Shares	Price Per Share	Fund Balance (USD)	% Port.
Corporate Overnight Fund	0.00	1.00	0.00	0.00 %
Government Overnight Fund	0.00	1.00	0.00	0.00 %
Corporate Overnight Plus Fund	66,740,033.74	.50	33,370,016.87	100.00 %
Total Value:			33,370,016.87	100.00 %

Portfolio Transactions

Elementary Fund - Corporate Overnight Plus Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2013	Starting Balance	623,662.94			311,831.47
12/31/2013	Interest	623,746.80	83.86	0.50	41.93
01/31/2014	Interest	623,822.68	75.88	0.50	37.94
02/28/2014	Interest	623,882.20	59.52	0.50	29.76
02/28/2014	Ending Balance	623,882.20			311,941.10

General Fund - Corporate Overnight Plus Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2013	Starting Balance	50,250,198.84			25,125,099.42
12/02/2013	Deposit	51,971,888.84	1,721,690.00	0.50	860,845.00
12/02/2013	Deposit	57,977,826.84	6,005,938.00	0.50	3,002,969.00
12/04/2013	Transfer Out To Corporate Overnight Plus Fund - Interest & Sinking Fund	50,250,198.84	-7,727,628.00	0.50	-3,863,814.00
12/04/2013	Withdrawal	49,250,198.84	-1,000,000.00	0.50	-500,000.00
12/10/2013	Deposit	50,663,077.44	1,412,878.60	0.50	706,439.30
12/10/2013	Withdrawal	46,663,077.44	-4,000,000.00	0.50	-2,000,000.00
12/12/2013	Withdrawal	45,250,198.84	-1,412,878.60	0.50	-706,439.30
12/12/2013	Vendor Payment Texas State Natural Gas, Inc. RFC-076767, Monthly Billing	45,245,870.16	-4,328.68	0.50	-2,164.34
12/12/2013	Withdrawal	41,245,870.16	-4,000,000.00	0.50	-2,000,000.00
12/16/2013	Withdrawal	41,139,165.40	-106,704.76	0.50	-53,352.38
12/17/2013	Deposit	42,139,165.40	1,000,000.00	0.50	500,000.00
12/17/2013	Withdrawal	36,139,165.40	-6,000,000.00	0.50	-3,000,000.00
12/18/2013	Deposit	37,891,633.40	1,752,468.00	0.50	876,234.00
12/19/2013	Withdrawal	33,891,633.40	-4,000,000.00	0.50	-2,000,000.00
12/20/2013	Vendor Payment Tristar Risk Management RFC-47182, Inv#92676	33,850,777.62	-40,855.78	0.50	-20,427.89
12/20/2013	Vendor Payment Tristar Risk Management RFC-47186, Inv#92736	33,833,218.44	-17,559.18	0.50	-8,779.59
12/20/2013	Vendor Payment HEB Grocery Company, LP Acct#10013731000, Monthly Billing	33,818,158.26	-15,060.18	0.50	-7,530.09
12/24/2013	Deposit	52,167,710.26	18,349,552.00	0.50	9,174,776.00
12/24/2013	Deposit	52,189,520.52	21,810.26	0.50	10,905.13
12/24/2013	Deposit	52,203,520.52	14,000.00	0.50	7,000.00
12/26/2013	Deposit	52,217,281.66	13,761.14	0.50	6,880.57
12/31/2013	Interest	52,223,437.20	6,155.54	0.50	3,077.77
01/10/2014	Deposit	52,968,291.20	744,854.00	0.50	372,427.00
01/10/2014	Deposit	53,338,703.20	370,412.00	0.50	185,206.00
01/10/2014	Withdrawal	53,256,690.06	-82,013.14	0.50	-41,006.57
01/13/2014	Withdrawal	50,388,956.06	-2,867,734.00	0.50	-1,433,867.00
01/14/2014	Withdrawal	46,388,956.06	-4,000,000.00	0.50	-2,000,000.00
01/15/2014	Vendor Payment Texas State Natural Gas, Inc. RFC-076778, Monthly Billing	46,382,267.02	-6,689.04	0.50	-3,344.52
01/16/2014	Deposit	48,382,267.02	2,000,000.00	0.50	1,000,000.00
01/17/2014	Deposit	49,678,776.06	1,296,509.04	0.50	648,254.52
01/17/2014	Deposit	50,228,776.06	550,000.00	0.50	275,000.00
01/17/2014	Vendor Payment HEB Grocery Company, LP Acct-10013731000, Monthly Billing	50,219,544.28	-9,231.78	0.50	-4,615.89
01/22/2014	Deposit	50,219,597.94	53.66	0.50	26.83
01/22/2014	Vendor Payment Tristar Risk Management Inv-92845, RFC-047192	50,188,887.78	-30,710.16	0.50	-15,355.08
01/22/2014	Vendor Payment Tristar Risk Management Inv-92910, RFC-047193	50,163,403.78	-25,484.00	0.50	-12,742.00
01/24/2014	Deposit	68,393,053.78	18,229,650.00	0.50	9,114,825.00
01/27/2014	Deposit	70,393,053.78	2,000,000.00	0.50	1,000,000.00
01/27/2014	Withdrawal	68,393,053.78	-2,000,000.00	0.50	-1,000,000.00
01/29/2014	Withdrawal	61,393,053.78	-7,000,000.00	0.50	-3,500,000.00

General Fund - Corporate Overnight Plus Fund (Continued)

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
01/31/2014	Deposit	61,401,053.78	8,000.00	0.50	4,000.00
01/31/2014	Interest	61,407,711.62	6,657.84	0.50	3,328.92
02/05/2014	Vendor Payment Tristar Risk Management RFC-047196, Invoice#93017	61,361,534.30	-46,177.32	0.50	-23,088.66
02/06/2014	Withdrawal	61,280,453.78	-81,080.52	0.50	-40,540.26
02/07/2014	Deposit	62,881,275.14	1,600,821.36	0.50	800,410.68
02/07/2014	Withdrawal	61,584,766.10	-1,296,509.04	0.50	-648,254.52
02/11/2014	Vendor Payment Tristar Risk Management RFC-64503, Invoice#93088	61,567,662.42	-17,103.68	0.50	-8,551.84
02/12/2014	Deposit	61,751,948.42	184,286.00	0.50	92,143.00
02/12/2014	Deposit	62,275,968.42	524,020.00	0.50	262,010.00
02/12/2014	Withdrawal	54,275,147.06	-8,000,821.36	0.50	-4,000,410.68
02/13/2014	Deposit	54,425,603.06	150,456.00	0.50	75,228.00
02/13/2014	Vendor Payment Texas State Natural Gas, Inc. RFC-69062, Monthly Billing	54,416,424.26	-9,178.80	0.50	-4,589.40
02/14/2014	Vendor Payment HEB Grocery Company, LP Acct-10013731000, Monthly Billing	54,411,651.96	-4,772.30	0.50	-2,386.15
02/19/2014	Withdrawal	53,703,345.96	-708,306.00	0.50	-354,153.00
02/20/2014	Vendor Payment Tristar Risk Management RFC-64506, Invoice#93191	53,676,906.34	-26,439.62	0.50	-13,219.81
02/21/2014	Vendor Payment TASB UC (Treasury)	53,668,594.84	-8,311.50	0.50	-4,155.75
02/25/2014	Deposit	62,731,310.84	9,062,716.00	0.50	4,531,358.00
02/27/2014	Withdrawal	56,731,310.84	-6,000,000.00	0.50	-3,000,000.00
02/28/2014	Interest	56,736,831.08	5,520.24	0.50	2,760.12
02/28/2014	Ending Balance	56,736,831.08			28,368,415.54

Interest & Sinking Fund - Corporate Overnight Plus Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2013	Starting Balance	2,010,342.24			1,005,171.12
12/04/2013	Transfer In From Corporate Overnight Plus Fund - General Fund	9,737,970.24	7,727,628.00	0.50	3,863,814.00
12/17/2013	Deposit	11,237,970.24	1,500,000.00	0.50	750,000.00
12/31/2013	Interest	11,239,276.86	1,306.62	0.50	653.31
01/17/2014	Deposit	12,239,276.86	1,000,000.00	0.50	500,000.00
01/31/2014	Interest	12,240,702.44	1,425.58	0.50	712.79
02/10/2014	Withdrawal	9,378,334.92	-2,862,367.52	0.50	-1,431,183.76
02/28/2014	Interest	9,379,320.46	985.54	0.50	492.77
02/28/2014	Ending Balance	9,379,320.46			4,689,660.23

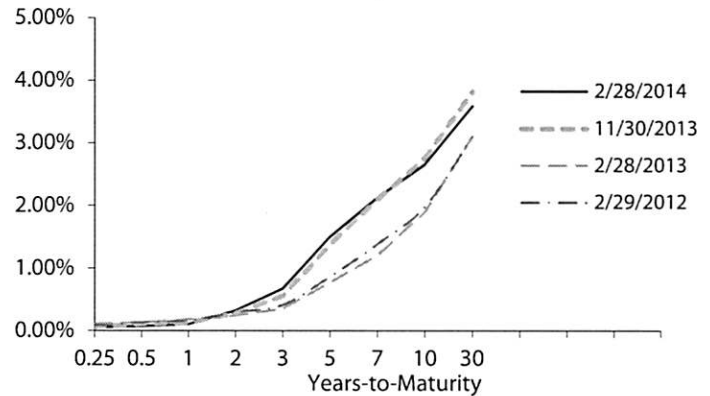
Important Information about this statement

Please review this statement carefully, it is the official record of your account with Lone Star Investment Pool and First Public, LLC. If you disagree with any transaction, or if there are any errors or omissions in this statement please notify us promptly in writing, but no later than 10 business days after receipt of this statement. Trades pending settlement will not appear on this statement. All such trades will appear in the next monthly statement. The yield for the period is an annualized rate that reflects the relationship between the average amount of income earned and the average daily balance for the account. Please notify First Public promptly and in writing of any changes of address or phone number. Times of transactions will be furnished upon written request. The Lone Star Investment Pool Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, charges and expenses associated with municipal fund securities before investing. All transactions are no load. No remuneration has, or will be, paid to any entity in connection with this transaction. An investor may obtain an Information Statement by contacting First Public at the address and phone number identified above. An investment in Lone Star investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency and although Lone Star Investment Pool seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in municipal fund securities.

Lone Star Investment Pool Quarterly Position Report—February 28, 2014

The Treasury yield curve became flatter in the three-month period ending February 28 as yields on shorter maturing bonds rose and yields on longer maturing bonds declined. The spread between the two-year note and 30-year bond tightened by 27 basis points to 3.26%. Despite declining in January, the equity markets rebounded in February to close the three-month period with modest gains. A lot of the economic data early in 2014 has been on the disappointing side, but much of that is being attributed to the severe weather in the Eastern United States. Fourth quarter GDP was revised lower to 2.4% from 3.2%, although core PCE jumped to 1.3%. Both the December and January labor reports were on the disappointing side, but the February data was a bit stronger than expectations. The U.S. economy added 388,000 jobs during the three-month period as the unemployment rate is currently at 6.7%. The Federal Reserve announced another \$10 billion in tapering of its monthly bond purchase program in January. In the statement that followed the announcement, Fed officials noted a slight downgrade to the labor markets as "indicators were mixed" and a slight upgrade to the growth outlook noting that "economic activity will expand at a moderate pace".

U.S. Treasury Yield Curves

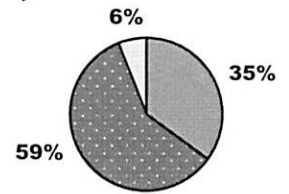


Government Overnight Fund

Duration 0.17305

	Participant Assets	Market Value
Beginning-of-Quarter Balance	2,395,750,183.90	2,396,101,539.33
Deposits	5,159,481,005.81	
Withdrawals	(3,993,082,104.56)	
End-of-Quarter Balance	3,562,149,085.15	3,562,850,034.04

- Cash/Repo
- US Treasuries
- Agencies
- FDIC Guaranteed
- Money Market Funds

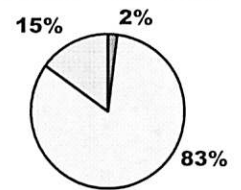


Corporate Overnight Fund

Duration 0.16406

	Participant Assets	Market Value
Beginning-of-Quarter Balance	1,131,264,781.40	1,131,345,725.07
Deposits	2,246,447,125.94	
Withdrawals	(1,175,982,782.88)	
End-of-Quarter Balance	2,201,729,124.46	2,201,828,630.63

- Cash/Repo
- US Treasuries
- Agencies
- Commercial Paper
- FDIC Guaranteed
- Money Market Funds

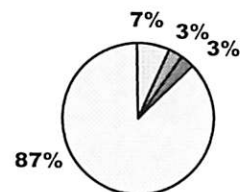


Corporate Overnight Plus Fund

Duration 0.19467

	Participant Assets	Market Value
Beginning-of-Quarter Balance	3,260,605,681.38	3,260,957,778.12
Deposits	4,759,106,088.00	
Withdrawals	(3,074,690,699.91)	
End-of-Quarter Balance	4,945,021,069.47	4,945,453,000.29

- Cash/Repo
- US Treasuries
- Agencies
- Commercial Paper
- FDIC Guaranteed
- Money Market Funds



Returns

	December		January		February	
	Average Rate	7-day SEC Yield	Average Rate	7-day SEC Yield	Average Rate	7-day SEC Yield
Govt Overnight Fund	0.04%	0.03%	0.03%	0.03%	0.03%	0.03%
Corp Overnight Fund	0.13%	0.12%	0.11%	0.11%	0.10%	0.10%
Corp Overnight Plus Fund	0.16%	0.15%	0.14%	0.14%	0.12%	0.13%

William Mastrodicasa
William Mastrodicasa

Lone Star Investment Pool Investment Officers

Chris Szaniszlo
Chris Szaniszlo

Distributed by First Public. The Lone Star Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, charges, and expenses associated with this or any security prior to investing. Investment in Lone Star Investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency, and although Lone Star seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in Lone Star. For further information or for an Information Statement, contact First Public at 800.558.8875.