



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

8C. Action

Date: July 16, 2007

SUBJECT: APPROVAL OF CONTINUED PARTICIPATION IN LOGIC, TEXPOOL, AND TEXSTAR INVESTMENT POOLS

BOARD GOAL: All systems in the Keller Independent School District will be effective, efficient and accountable in support of the district's mission.

FISCAL NOTE: All funds are income from investment interest.

Background Information:

- Each year the Board of Trustees approves the participation in the investment pools.
- The investment pool affords the district the ability to invest its funds in liquid accounts at competitive market rates.
- Currently, a minimal amount is kept in LOGIC due to the high use of commercial paper that has been discussed as an undesirable investment by the district.
- Transfers of funds between pools are made to take advantage of higher rates of return.
- Keller ISD currently has funds on deposit with the following investment pools:
 - Local Government Investment Cooperative (LOGIC)
 - Texas Local Government Investment Pool (TexPool)
 - Texas Short Term Asset Reserve Program (TexSTAR)

Administrative Considerations:

- The monthly average yield comparison from July 2005 through July 8, 2007:

	<u>2005-2006</u>			<u>2006-2007</u>		
	<u>TexPool</u>	<u>TexSTAR</u>	<u>LOGIC</u>	<u>TexPool</u>	<u>TexSTAR</u>	<u>LOGIC</u>
June	4.9843%	4.9875%	5.0184%	5.2771%	5.2795%	5.2604%
May	4.9024%	4.8929%	4.9386%	5.2568%	5.2614%	5.2548%
April	4.7397%	4.7679%	4.7444%	5.2738%	5.2803%	5.2659%
March	4.5697%	4.5746%	4.5529%	5.2933%	5.2999%	5.2758%
February	4.4833%	4.4898%	4.4846%	5.2802%	5.2903%	5.2775%
January	4.2714%	4.3121%	4.2862%	5.2726%	5.2920%	5.2863%
December	4.1676%	4.1835%	4.0946%	5.2859%	5.2991%	5.2774%
November	3.9888%	3.9249%	3.8773%	5.2780%	5.2785%	5.2742%
October	3.7823%	3.7095%	3.6964%	5.2831%	5.2903%	5.2905%
September	3.6028%	3.5527%	3.5398%	5.2648%	5.2742%	5.2945%
August	3.4512%	3.4264%	3.3977%	5.2355%	5.2601%	5.2818%
July	3.2577%	3.2419%	3.2622%	5.0562%	5.0898%	5.0668%

	<u>90 day</u> <u>T- Bill</u>	<u>6 Month</u> <u>T-Bill</u>
June - 07	4.61	4.76
May	4.73	4.78
April	4.87	4.86
March	4.94	4.89
February	5.03	4.96
January	4.98	4.95
December	4.85	4.88
November	4.94	4.95
October	4.92	4.92
September	4.81	4.89
August	4.96	4.97
July - 06	4.95	5.06

- Current investments in the pools are:
 - TexPool \$5,128,762.29
 - TexSTAR \$140,664,519.91
 - LOGIC \$16,438.17

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The administration recommends that the Board of School Trustees approve the continued District participation in LOGIC, TexPool and TexSTAR investment pools.

Respectfully submitted,

Kent V. Morrison III
Chief Financial Officer