

March 27, 2013

TO: Aubrey Independent School District Board of Trustees

FR: Betty Henderson, Finance

RE: Period Coverage for three months ending February 28, 2013

The Aubrey Independent School District has investments in Lone Star Investment Pool Liquidity Funds and Point Bank meeting the requirements of Government Code 2256.016-2256.019.

The attached reports show the activity for the quarter ended February 28, 2013.

I hereby certify that the Aubrey Independent School District's investment portfolio is in compliance with the District's investment strategy as expressed in the District's investment policy, CDA (LEGAL), and with relevant provisions of the law.

The Public Funds Investment Act (Sec.2256.008) requires the District's Investment Officer to obtain ten (10) hours of continuing education each two year period from a source approved by the governing body. Listed below are courses completed by the undersigned in satisfaction of that requirement:

<u>Name of Sponsoring Organization</u>	<u>Course Date</u>	<u>CPE Hours</u>
ESC XI	November 18, 2010	5
ESC XI	November 14, 2011	5
ESC XI	January 23, 2013	5

Respectfully submitted,


Betty Henderson, Finance

2nd Quarter Report: December - February 2013

DESCRIPTION	ACCOUNT #	BEGINNING BALANCE	DISBURSEMENTS	RECEIPTS	ENDING BALANCE	INTEREST RATE
<u>GEN. OPERATING ACCOUNT</u>	900514	\$9,542,574.50	\$1,372,246.56	\$1,153,325.72	\$9,323,653.66	0.59%
		\$9,323,653.66	\$1,182,533.65	\$3,505,133.10	\$11,646,253.11	0.59%
		\$11,646,253.11	\$1,151,359.08	\$1,205,493.52	\$11,700,387.55	0.59%
<u>INTEREST & SINKING</u>	5002373	\$1,581,709.61	\$0.00	\$405,401.14	\$1,987,110.75	0.59%
		\$1,987,110.75	\$500.00	\$1,579,915.40	\$3,566,526.15	0.59%
		\$3,566,526.15	\$2,122,195.01	\$474,017.03	\$1,918,348.17	0.59%
<u>CONSTRUCTION FUND #2</u>	1114347	\$35,981.61	\$0.00	\$17.98	\$35,999.59	0.59%
		\$35,999.59	\$0.00	\$18.04	\$36,017.63	0.59%
		\$36,017.63	\$0.00	\$16.30	\$36,033.93	0.59%

Participant #: 61907

Lone Star 2013 2nd Quarter
Investment Pool Quarterly Statement

Statement Period: 12/01/2012 to 02/28/2013

James Monaco
Aubrey ISD
415 Tisdell Ln
Aubrey, Texas 76227-5109



Summary of Portfolio Holdings

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
Interest and Sinking Fund	Corporate Overnight Fund	4,167.33	1.00	4,167.33	4,167.59	28.19%
Totals:				4,167.33	4,167.59	

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
Local Maintenance Fund	Corporate Overnight Fund	10,617.38	1.00	10,617.38	10,618.06	71.81%
Totals:				10,617.38	10,618.06	

Totals

Fund	Number of Shares	Price Per Share	Fund Balance (USD)	% Port.
Corporate Overnight Fund	14,784.71	1.00	14,784.71	100.00 %
Government Overnight Fund	0.00	1.00	0.00	0.00 %
Corporate Overnight Plus Fund	0.00	.50	0.00	0.00 %
Total Value:			14,784.71	100.00 %

Portfolio Transactions

Interest and Sinking Fund - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2012	Starting Balance	4,165.54			4,165.54
12/31/2012	Interest	4,166.23	0.69	1.00	0.69
01/31/2013	Interest	4,166.83	0.60	1.00	0.60
02/28/2013	Interest	4,167.33	0.50	1.00	0.50
02/28/2013	Ending Balance	4,167.33			4,167.33

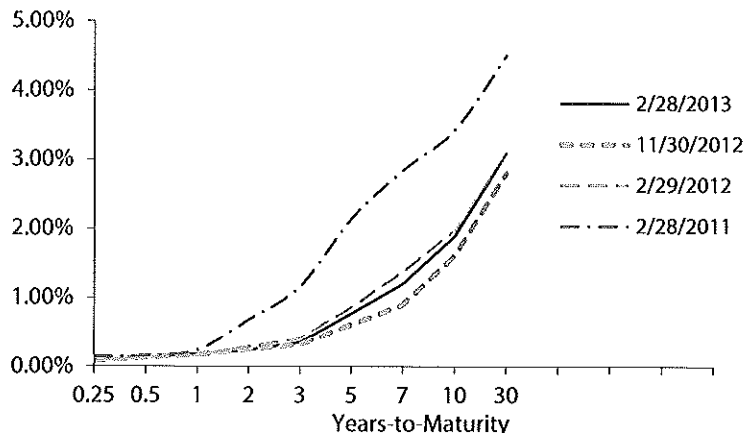
Local Maintenance Fund - Corporate Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
12/01/2012	Starting Balance	10,612.81			10,612.81
12/31/2012	Interest	10,614.57	1.76	1.00	1.76
01/31/2013	Interest	10,616.09	1.52	1.00	1.52
02/28/2013	Interest	10,617.38	1.29	1.00	1.29

Lone Star Investment Pool Quarterly Position Report—February 28, 2013

The main focus of the economy during December was the pending fiscal cliff. On January 1, 2013, Congress passed a bill that President Obama signed blocking most impending tax increases and postponing spending cuts, largely by raising taxes on higher-income Americans. The sequestration was delayed until March 1. In February, the focus was on the pending sequestration. Congress and the White House failed to reach an agreement to avoid sequestration, which took effect at midnight on March 1. The second estimate of fourth quarter GDP was revised slightly higher to 0.1%, versus the previous estimate of -0.1%. Defense spending declined by 22%, the sharpest decline in 40 years. This lowered the GDP figure, but is not an indication of slowing economic growth. At the December FOMC meeting the Fed indicated it will keep rates at the current levels as long as unemployment stays above 6.5%, and inflation projections are below 2.5%. At the January meeting, the Fed noted that employment continues to expand at a moderate pace and that cap-ex is not expanding.

U.S. Treasury Yield Curves

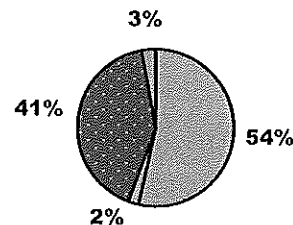


Government Overnight Fund		Duration 0.150478	
	Participant Assets	Market Value	
Beginning-of-Quarter Balance	2,758,748,289.70	2,759,035,528.90	
Deposits	5,535,714,833.56		
Withdrawals	(3,735,245,261.80)		
End-of-Quarter Balance	4,559,217,861.46	4,559,404,445.00	

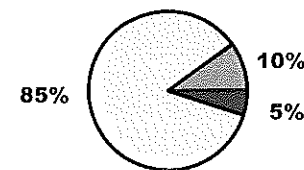
Corporate Overnight Fund		Duration 0.150641	
	Participant Assets	Market Value	
Beginning-of-Quarter Balance	857,652,969.55	857,718,876.67	
Deposits	996,619,396.35		
Withdrawals	(655,034,992.27)		
End-of-Quarter Balance	1,199,237,373.63	1,199,313,623.40	

Corporate Overnight Plus Fund		Duration 0.194262	
	Participant Assets	Market Value	
Beginning-of-Quarter Balance	2,754,075,428.66	2,754,412,458.05	
Deposits	3,432,648,764.02		
Withdrawals	(2,405,982,710.81)		
End-of-Quarter Balance	3,780,741,481.87	3,781,041,184.28	

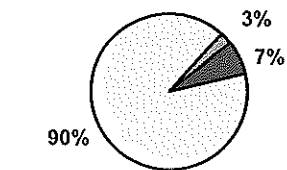
- Cash/Repo
- US Treasuries
- Agencies
- FDIC Guaranteed
- US Dept Ed Guaranteed
- Money Market Funds



- Cash/Repo
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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	0.15%	0.14%	0.10%	0.09%	0.09%	0.11%
Corp Overnight Fund	0.20%	0.19%	0.17%	0.15%	0.16%	0.17%
Corp Overnight Plus Fund	0.21%	0.20%	0.18%	0.17%	0.17%	0.18%

William Mastrodicasa
William Mastrodicasa

Lone Star Investment Pool Investment Officers

Chris Szanislo
Chris Szanislo