



# EAGLE PASS INDEPENDENT SCHOOL DISTRICT

**TO:** Gilberto Gonzalez, Superintendent

**FROM:** Ismael Mijares  
Deputy Superintendent for Business & Finance-Investment Officer

**DATE:** September 25, 2017

**SUBJECT:** ***ANNUAL INVESTMENT REPORT***

Attached is the District's Annual Investment Report in accordance with Board Policy CDA (Local). The Report includes statements for the period ending August 31, 2017. The following is a summary of the amounts invested in various accounts.

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

ELEMENTARY FUND	316,854.27
GENERAL FUND	25,430,231.44
INTEREST & SINKING FUND	1,683,375.78
<b>TOTAL:</b>	<b><u>\$27,430,461.49</u></b>

The grand total of the District's investments on August 31, 2017 was \$27,430,461.49  
The market value of these investments as of August 31, 2017 was \$27,432,711.60

The following yields earned on the District's investments should indicate the performance of the investments by comparing them to other indices.

<b><u>INVESTMENTS</u></b>	<b><u>AVERAGE 12-MONTH YIELD</u></b>	
	<b><u>2015-16</u></b>	<b><u>2016-17</u></b>
FIRST PUBLIC—LONE STAR INVESTMENT POOL - GOVERNMENT OVERNIGHT FUND	0.26%	0.62%
FIRST PUBLIC—LONE STAR INVESTMENT POOL - CORPORATE OVERNIGHT PLUS FUND	0.43%	0.92%

**OTHER INDICES**

<b><u>LONESTAR'S SOURCE</u></b>	<b><u>INDEX</u></b>	<b><u>RETURN</u></b>	
		<b><u>2015-16</u></b>	<b><u>2016-17</u></b>
STANDISH	30-DAY U.S. TREASURY BILL	0.17%	0.75%
STANDISH	90-DAY U.S. TREASURY BILL	0.20%	0.57%
STANDISH	6-MONTH U.S. TREASURY BILL	0.36%	0.68%
STANDISH	FEDERAL FUNDS	0.30%	0.80%

We will continue investing in the *First Public—Lone Star Investment Pool* for the 2017-18 school year.

# Eagle Pass Independent School District

## Schedule of Investments and Market Values

August 31, 2017

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

Account	Investments 8/31/2016	12 mth. Avg. Annual Yield	Market Values 8/31/2016	Investments 8/31/2017	12 mth. Avg. Annual Yield	Market Values 8/31/2017
Elementary Fund	313,940.04	0.43%	313,974.28	316,854.27	0.92%	316,880.26
General Fund	16,161,621.50	0.43%	16,163,384.09	25,430,231.44	0.92%	25,432,317.47
Interest & Sinking Fund	196,394.88	0.43%	196,416.30	1,683,375.78	0.92%	1,683,513.87
<b>TOTAL OF INVESTMENTS</b>	<b>\$16,671,956.42</b>	0.43%	<b>\$16,673,774.67</b>	<b>\$27,430,461.49</b>	0.92%	<b>\$27,432,711.60</b>

### OTHER YIELD AVERAGES:

	8/31/2016**	11/30/2016*	2/28/2017*	5/31/2017*	8/31/2017**
Lonestar Investment Pool-Corporate Overnight Plus Fund	0.43%	0.71%	0.85%	0.98%	<b>0.92%</b>
Wall Street Journal 91-Day US Treasury Bill	0.23%	0.37%	0.52%	0.81%	<b>0.68%</b>
Wall Street Journal 6-Month US Treasury Bill	0.38%	0.51%	0.63%	0.94%	<b>0.80%</b>
Cash in bank accounts	0.33%	0.47%	0.62%	0.91%	<b>0.78%</b>

\* 3-Month Average

\*\* 12-Month Average

### NOTE:

**Cash in bank accounts as of 8/31/17--\$15,789,810.77:** Food Service Fund \$190,549.83; General Operating Fund \$15,329,170.11; AND I&S Fund \$270,090.83.

**Federal Deposit Insurance Corporation and Market Value of Pledged Amount:** \$250,000 + \$30,200,000 = **\$30,450,000.**

**EAGLE PASS INDEPENDENT SCHOOL DISTRICT**  
**Schedule of Investments and Interest Earned**  
**As of August 31, 2017**

Fund	Fund Code	Account Type	Investments	Interest Earned	Investments	Interest Earned
			Account Balance as of 08/31/2016	09/01/2015 to 8/31/2016	Account Balance as of 08/31/2017	09/01/2016 to 8/31/2017
Elementary Fund	865	Corporate Overnight Plus Fund	313,940.04	1,325.73	316,854.27	2,914.23
General Fund	199	Corporate Overnight Plus Fund	16,161,621.50	90,503.70	25,430,231.44	312,464.20
Interest & Sinking Fund	518	Corporate Overnight Plus Fund	196,394.88	15,573.76	1,683,375.78	40,303.90
		Total Invested/Interest Earned	<u>16,671,956.42</u>	<u>107,403.19</u>	<u>27,430,461.49</u>	<u>355,682.33</u>

**EAGLE PASS INDEPENDENT SCHOOL DISTRICT****As of August 31, 2017****Cash in Bank Accounts**

<b>Food Service Fund</b>		190,549.83
<b>General Fund</b>		
Tax Collections-Escrow Account	416,384.90	
Designated Purpose Fund	367,132.26	
Tax Collections-Credit Card/ACH Payments	50,226.79	
Payroll Fund	1,588,385.04	
Disbursement Fund	2,318,203.89	
Elementary Fund	81,871.88	
EPISD Non-Interest Bearing Account	4,000,000.00	
Health Insurance Fund	4,189,080.35	
General Operating	2,317,885.00	15,329,170.11
<b>I &amp; S Fund-Bond Series</b>		270,090.83
<b>Total</b>		<b>15,789,810.77</b>

* <b>Federal Deposit Insurance Corporation</b>	250,000.00
** <b>Pledged Amount (LOC)</b>	30,200,000.00
<b>TOTAL</b>	<b>30,450,000.00</b>

<b>Amount Over/(Under) Pledged</b>	<b>14,660,189.23</b>
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\* 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.

<b>Checking Account Interest Rates</b>			<b>3-Month</b>	
<b>3-Month Avg*</b>	<b>3-Month Avg**</b>	<b>3-Month Avg***</b>	<b>3-Month Avg****</b>	<b>12-Mo. Average</b>
<b>9/16-11/16</b>	<b>12/16-02/17</b>	<b>03/17-05/17</b>	<b>06/17-08/17</b>	
<b>0.47%</b>	<b>0.62%</b>	<b>0.91%</b>	<b>1.13%</b>	<b>0.78%</b>

\* 91-Day Treasury Bill Rate: 0.37% + Bank Basis Points: .10% = 0.47%

\*\* 91-Day Treasury Bill Rate: 0.52% + Bank Basis Points: .10% = 0.62%

\*\*\* 91-Day Treasury Bill Rate: 0.81% + Bank Basis Points: .10% = 0.91%

\*\*\*\* 91-Day Treasury Bill Rate: 1.03% + Bank Basis Points: .10% = 1.13%

<b>CD Interest Rates 12-Month Average</b>		
<b>3-Month</b>	<b>6-Month</b>	<b>9-Month</b>
<b>0.61%</b>	<b>0.68%</b>	<b>0.72%</b>

BBVA Compass will evaluate each CD rate solicitation upon request.

BBVA COMPASS  
EAGLE PASS INDEPENDENT SCHOOL DISTRICT  
DEPOSITORY CONTRACT  
LIMITS

PLEDGED AMOUNT:

FDIC	<b>\$ 250,000.00</b>
SECURITIES: Book Value	-
Market Value	-
Letter of credit (LOC)	<b>\$ 30,200,000.00</b>

Total Collateral	<b>\$ 30,450,000.00</b>
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**BANK ACCOUNT BALANCES AS OF: August 31, 2017**

Eagle Pass ISD	3003202299	4,000,000.00
Designated Purpose Fund	3001202264	367,132.26
Disbursement Fund	3003202248	2,318,203.89
Elementary Fund	3003202272	81,871.88
Tax Collections-Escrow Account	0110400402	416,384.90
Food Service Fund	3001202280	190,549.83
General Operating Fund	3003603125	2,317,885.00
Health Insurance Fund	2517032800	4,189,080.35
I&S Fund	3003202307	270,090.83
Payroll Fund	3003202221	1,588,385.04
Tax Collections-Credit Card/ACH	3003018664	50,226.79

Certificates of Deposit	<b>\$ -</b>
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Total Checking Account Balances	<b>\$ 15,789,810.77</b>
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Amount Over/(Under) Pledged	<b>\$ 14,660,189.23</b>
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BBVA COMPASS  
EAGLE PASS INDEPENDENT SCHOOL DISTRICT  
DEPOSITORY CONTRACT  
LIMITS

PLEDGED AMOUNT:

FDIC	<b>\$ 500,000.00</b>
SECURITIES: Book Value	-
Market Value	-
Letter of credit (LOC)	<b>\$ 33,300,000.00</b>

Total Collateral	<b>\$ 33,800,000.00</b>
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**BANK ACCOUNT BALANCES AS OF: August 31, 2016**

Eagle Pass ISD	3003202299	1,000,000.00
Designated Purpose Fund	3001202264	111,777.30
Disbursement Fund	3003202248	2,735,340.11
Elementary Fund	3003202272	161,791.28
Tax Collections-Escrow Account	0110400402	404,254.66
Food Service Fund	3001202280	216,675.52
General Operating Fund	3003603125	9,672,586.73
Health Insurance Fund	2517032800	6,328,158.52
I&S Fund	3003202307	1,533,932.09
Payroll Fund	3003202221	986,745.33
Tax Collections-Credit Card/ACH	3003018664	44,447.65

Certificates of Deposit	<b>\$ -</b>
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Total Checking Account Balances	<b>\$ 23,195,709.19</b>
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Amount Over/(Under) Pledged	<b>\$ 10,604,290.81</b>
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Participant #: 159901

**Lone Star**  
Investment Pool

**2017 4th Quarter  
Quarterly Statement**

Statement Period: 06/01/2017 to 08/31/2017

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	633,708.54	0.50	316,854.27	316,880.26	1.16%
		<b>Totals:</b>		<b>316,854.27</b>	<b>316,880.26</b>	

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	50,860,462.88	0.50	25,430,231.44	25,432,317.47	92.71%
		<b>Totals:</b>		<b>25,430,231.44</b>	<b>25,432,317.47</b>	

Account	Fund	Number of Shares	Price Per Share	Account Book Value (USD)	Account Market Value (USD)	% Port.
<i>Interest &amp; Sinking Fund</i>	Corporate Overnight Plus Fund	3,366,751.56	0.50	1,683,375.78	1,683,513.87	6.14%
		<b>Totals:</b>		<b>1,683,375.78</b>	<b>1,683,513.87</b>	

### 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	54,860,922.98	.50	27,430,461.49	100.00 %
		<b>Total Value:</b>		<b>27,430,461.49</b>	<b>100.00 %</b>

## Portfolio Transactions

### Elementary Fund - Corporate Overnight Plus Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
06/01/2017	Starting Balance	631,863.48			315,931.74
06/30/2017	Interest	632,426.20	562.72	0.50	281.36
07/31/2017	Interest	633,060.40	634.20	0.50	317.10
08/31/2017	Interest	633,708.54	648.14	0.50	324.07
08/31/2017	Ending Balance	633,708.54			316,854.27



**General Fund - Corporate Overnight Plus Fund**

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
06/01/2017	Starting Balance	77,867,075.18			38,933,537.59
06/05/2017	Withdrawal	77,667,005.08	-200,070.10	0.50	-100,035.05
06/09/2017	Deposit	79,862,660.60	2,195,655.52	0.50	1,097,827.76
06/12/2017	Withdrawal	77,667,005.08	-2,195,655.52	0.50	-1,097,827.76
06/12/2017	Withdrawal	70,667,005.08	-7,000,000.00	0.50	-3,500,000.00
06/16/2017	Deposit	70,741,766.90	74,761.82	0.50	37,380.91
06/19/2017	Withdrawal	70,667,005.08	-74,761.82	0.50	-37,380.91
06/20/2017	Vendor Payment Texas State Natural Gas, Inc.	70,663,668.66	-3,336.42	0.50	-1,668.21
06/22/2017	Vendor Payment Tristar Risk Management	70,637,113.82	-26,554.84	0.50	-13,277.42
06/22/2017	Vendor Payment HEB Grocery Company, LP	70,613,903.00	-23,210.82	0.50	-11,605.41
06/22/2017	Vendor Payment Tristar Risk Management	70,595,936.94	-17,966.06	0.50	-8,983.03
06/23/2017	Deposit	87,470,492.94	16,874,556.00	0.50	8,437,278.00
06/27/2017	Withdrawal	77,470,492.94	-10,000,000.00	0.50	-5,000,000.00
06/30/2017	Interest	77,538,752.76	68,259.82	0.50	34,129.91
07/03/2017	Deposit	77,546,420.90	7,668.14	0.50	3,834.07
07/05/2017	Deposit	77,572,550.16	26,129.26	0.50	13,064.63
07/06/2017	Withdrawal	77,546,420.90	-26,129.26	0.50	-13,064.63
07/06/2017	Withdrawal	77,538,752.76	-7,668.14	0.50	-3,834.07
07/07/2017	Vendor Payment HEB Grocery Company, LP	77,523,202.24	-15,550.52	0.50	-7,775.26
07/11/2017	Withdrawal	69,523,202.24	-8,000,000.00	0.50	-4,000,000.00
07/12/2017	Deposit	69,690,989.10	167,786.86	0.50	83,893.43
07/12/2017	Vendor Payment Texas State Natural Gas, Inc.	69,688,953.18	-2,035.92	0.50	-1,017.96
07/18/2017	Withdrawal	69,592,444.46	-96,508.72	0.50	-48,254.36
07/21/2017	Vendor Payment Tristar Risk Management	69,578,095.94	-14,348.52	0.50	-7,174.26
07/25/2017	Deposit	86,068,945.94	16,490,850.00	0.50	8,245,425.00
07/26/2017	Withdrawal	75,468,945.94	-10,600,000.00	0.50	-5,300,000.00
07/27/2017	Vendor Payment Tristar Risk Management	75,450,819.24	-18,126.70	0.50	-9,063.35
07/27/2017	Withdrawal	75,283,032.38	-167,786.86	0.50	-83,893.43
07/28/2017	Deposit	75,299,132.38	16,100.00	0.50	8,050.00
07/31/2017	Interest	75,373,123.82	73,991.44	0.50	36,995.72
08/01/2017	Withdrawal	75,343,101.48	-30,022.34	0.50	-15,011.17
08/04/2017	Vendor Payment HEB Grocery Company, LP	75,342,593.10	-508.38	0.50	-254.19
08/04/2017	Vendor Payment TASB Risk Management Fund	75,325,479.18	-17,113.92	0.50	-8,556.96
08/07/2017	Deposit	75,366,779.18	41,300.00	0.50	20,650.00
08/10/2017	Withdrawal	75,309,379.18	-57,400.00	0.50	-28,700.00
08/10/2017	Withdrawal	68,909,379.18	-6,400,000.00	0.50	-3,200,000.00
08/10/2017	Vendor Payment Texas State Natural Gas, Inc.	68,907,217.78	-2,161.40	0.50	-1,080.70
08/11/2017	Deposit	68,964,357.78	57,140.00	0.50	28,570.00
08/11/2017	Deposit	69,172,987.78	208,630.00	0.50	104,315.00
08/11/2017	Deposit	69,177,037.78	4,050.00	0.50	2,025.00
08/11/2017	Deposit	69,532,727.78	355,690.00	0.50	177,845.00
08/11/2017	Deposit	69,538,375.78	5,648.00	0.50	2,824.00
08/11/2017	Deposit	70,006,581.78	468,206.00	0.50	234,103.00
08/11/2017	Deposit	72,645,368.14	2,638,786.36	0.50	1,319,393.18
08/11/2017	Deposit	72,686,001.48	40,633.34	0.50	20,316.67

**General Fund - Corporate Overnight Plus Fund (Continued)**

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
08/11/2017	Vendor Payment Tristar Risk Management	72,671,999.48	-14,002.00	0.50	-7,001.00
08/14/2017	Deposit	72,810,009.78	138,010.30	0.50	69,005.15
08/14/2017	Deposit	72,889,880.58	79,870.80	0.50	39,935.40
08/14/2017	Deposit	73,856,185.58	966,305.00	0.50	483,152.50
08/14/2017	Withdrawal	68,973,086.58	-4,883,099.00	0.50	-2,441,549.50
08/15/2017	Withdrawal	68,893,215.78	-79,870.80	0.50	-39,935.40
08/22/2017	Deposit	69,132,198.78	238,983.00	0.50	119,491.50
08/22/2017	Withdrawal	68,893,215.78	-238,983.00	0.50	-119,491.50
08/23/2017	Vendor Payment Tristar Risk Management	68,875,727.88	-17,487.90	0.50	-8,743.95
08/28/2017	Withdrawal	59,875,727.88	-9,000,000.00	0.50	-4,500,000.00
08/30/2017	Withdrawal	56,875,727.88	-3,000,000.00	0.50	-1,500,000.00
08/30/2017	Withdrawal	50,875,727.88	-6,000,000.00	0.50	-3,000,000.00
08/31/2017	Withdrawal	50,789,471.08	-86,256.80	0.50	-43,128.40
08/31/2017	Interest	50,860,462.88	70,991.80	0.50	35,495.90
08/31/2017	Ending Balance	50,860,462.88			25,430,231.44

**Interest & Sinking Fund - Corporate Overnight Plus Fund**

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
06/01/2017	Starting Balance	12,646,182.92			6,323,091.46
06/30/2017	Interest	12,657,445.18	11,262.26	0.50	5,631.13
07/31/2017	Interest	12,670,137.94	12,692.76	0.50	6,346.38
08/07/2017	Withdrawal	10,126,487.94	-2,543,650.00	0.50	-1,271,825.00
08/07/2017	Withdrawal	3,361,487.94	-6,765,000.00	0.50	-3,382,500.00
08/31/2017	Interest	3,366,751.56	5,263.62	0.50	2,631.81
08/31/2017	Ending Balance	3,366,751.56			1,683,375.78

**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.

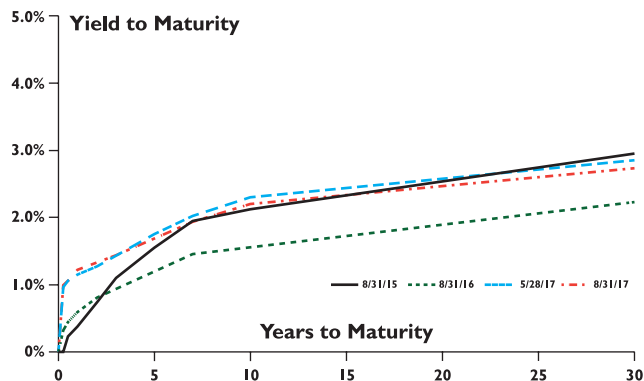
## Lone Star Investment Pool Quarterly Position Report—August 31, 2017

After trading lower in June, front-end Treasury bonds rallied in July and August as the market viewed additional rate hikes in 2017 as less likely.

The equity markets posted gains in the three-month period, and that positive sentiment was reflected in the bond market through tighter credit spreads. The payroll data for August was disappointing, but overall jobs adds for the year remain solid. The story remains the same that wage inflation is below expectations given the low unemployment rate. The first revision of second quarter GDP was revised higher to 3%, the strongest quarterly pace in more than two years.

The Fed is expected to announce plans for the start of balance sheet normalization at the September 20 FOMC meeting. According to the Fed funds futures, the market views just a 25% chance of an additional rate hike by the end of the year.

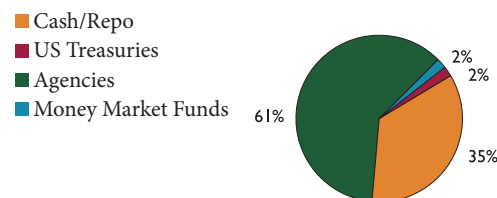
**US Treasury Yield Curves**



### Government Overnight Fund

Duration 0.06078

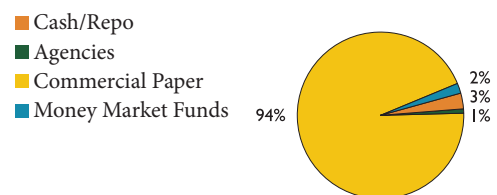
	Participant Assets	Market Value
Beginning-of-Quarter Balance	3,639,189,960.80	3,639,253,642.24
Deposits	1,303,214,020.34	
Withdrawals	(2,061,431,974.36)	
End-of-Quarter Balance	2,880,972,006.78	2,880,973,257.00



### Corporate Overnight Fund

Duration 0.13889

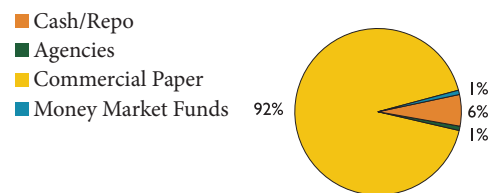
	Participant Assets	Market Value
Beginning-of-Quarter Balance	1,962,230,269.93	1,962,382,236.33
Deposits	814,287,116.40	
Withdrawals	(1,421,739,556.94)	
End-of-Quarter Balance	1,354,777,829.39	1,354,832,811.61



### Corporate Overnight Plus Fund

Duration 0.14186

	Participant Assets	Market Value
Beginning-of-Quarter Balance	4,331,698,820.40	4,332,055,493.82
Deposits	3,104,065,523.63	
Withdrawals	(3,703,828,221.48)	
End-of-Quarter Balance	3,731,936,122.55	3,732,242,251.85



### Returns

	June		July		August	
	Average Rate	7-day SEC Yield	Average Rate	7-day SEC Yield	Average Rate	7-day SEC Yield
Govt Overnight Fund	0.83%	0.89%	0.95%	0.98%	0.99%	1.01%
Corp Overnight Fund	1.07%	1.13%	1.18%	1.19%	1.21%	1.23%
Corp Overnight Plus Fund	1.08%	1.15%	1.18%	1.18%	1.21%	1.22%

William Mastrociccia

Lone Star Investment Pool Investment Officers

Chris Szaraszlo