

**Lamar Consolidated Independent School District
Quarterly Report of Investment Activity
for the quarter ending February 28, 2023**

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 December 1, 2022 through February 28, 2023.

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 may 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 may 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 may 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 FEBRUARY 28, 2023

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 February 28, 2023. Pertinent details at February 28, 2023 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	\$33,619,870,647	\$33,612,022,433	1.2129%

The dollar weighted average maturity of the pool's portfolio for February 2023 was 15 days.

Lone Star,
Government
Overnight
Fund

1.00	\$ 6,502,687,265	\$ 6,502,350,437	2.0834%
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The dollar weighted average maturity of the portfolio for the Government Overnight Fund for February 2023 was 9 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>
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MBIA, Texas CLASS	1.00	\$22,611,437,192	\$22,614,306,796	0.1300%
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The dollar weighted average maturity of the portfolio for Texas CLASS Fund for February 2023 was 38 days.

Texas Range	1.00	\$3,812,439,606	\$3,812,486,478	4.3157%
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The dollar weighted average maturity of the portfolio for TEXAS RANGE/DAILY Fund for February 2023 was 26 days.

TexStar	1.00	\$10,962,890,241	\$10,961,778,646	1.4912%
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The dollar weighted average maturity of the portfolio for TEXSTAR Fund for February 2023 was 10 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 February 28, 2023. 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

Date: 4/14/2023


 Yvonne Dawson
 Director of Budget & Treasury

Date: 4/14/2023


 Michele Reynolds
 Director of Finance

Date: 4/14/23

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

QUARTERLY CASH BALANCE AND INVESTMENT REPORT FOR THE PERIOD ENDING FEBRUARY 28, 2023

<u>DEMAND DEPOSIT ACCOUNT BALANCES¹</u>	<u>12/31/2022</u>	<u>1/31/2023</u>	<u>2/28/2023</u>
General Fund	2,129,646	1,519,570	1,689,999
Special Revenue Funds (Combined)	670,406	5,633,805	8,216,664
Debt Service Fund	4,928,760	4,926,010	2,813,859
Capital Projects Fund	551,912	175,469	70,661
Workmen's Compensation and Health Insurance Trust Funds	1,470,104	863,291	694,717
Trust and Agency Funds, excluding Student Activity Funds	34,620	34,620	34,620
Student Activity Funds	3,716,228	3,633,310	3,604,741
Total Demand Deposits/Cash on Hand	<u>13,501,676</u>	<u>16,786,075</u>	<u>17,125,261</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 FEBRUARY 28, 2023

INVESTMENT POOLS*

12/31/2022

1/31/2023

2/28/2023

General Fund

Texpool
Lone Star
Texas CLASS

60,391,842
3,005,067
16,790,474

164,232,492
3,016,066
16,855,821

180,467,510
3,026,561
16,917,443

Food Service Fund

Texpool
Lone Star

9,085,696
46,566

9,118,448
46,736

9,149,919
46,899

Debt Service Fund

Texpool
Lone Star
Texas CLASS
Texas Range
TexSTAR

31,980,603
731
848
1,444,849
517,322

93,501,704
734
852
1,450,201
519,190

51,827,459
737
855
1,455,280
520,979

Capital Projects Fund

Texpool
Lone Star
Texas CLASS
Texas Range
TexSTAR

174,668,920
131,307,555
12,386,559
161,910,949
167,903,387

163,608,725
131,788,142
12,432,907
162,510,691
165,177,117

158,431,632
132,246,751
12,466,667
163,079,834
162,955,516

Workmen's Compensation and Health
Insurance Trust Funds

Texpool
Lone Star

6,683,804
152,384

6,957,732
152,942

7,803,448
153,474

Special Revenue Funds

Texpool

57,311

57,517

57,716

Student Activity Funds

Texpool

35,640

35,768

35,891

Total Investment in Pools

778,370,507

931,463,785

900,644,571

Summary of Interest Earned by Month

Texpool
Lone Star
Texas CLASS
TexSTAR
Texas Range

906,006
464,322
104,975
568,877
571,682

1,465,728
492,317
111,698
603,162
605,094

1,542,754
469,801
105,477
565,926
574,222

Total Interest Earned from Investment Pools

2,615,862

3,277,999

3,258,180

Average Yield by Month

Texpool
Lone Star
Texas CLASS
TexSTAR
Texas Range

3.98
4.08
4.32
3.97
4.13

4.24
4.31
4.57
4.25
4.39

4.50
4.54
4.76
4.49
4.57

* See supplemental report attached for balances at February 28, 2023 and details of transactions.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
DETAILS OF TRANSACTIONS FOR INVESTMENT POOLS

INVESTMENT POOLS		11/30/2022	DEPOSITS	WITHDRAWALS	12/31/2022	DEPOSITS	WITHDRAWALS	1/31/2023	DEPOSITS	WITHDRAWALS	2/28/2023
General Fund	Texpool	56,646,957	25,331,264	(21,586,379)	60,391,942	135,627,029	(31,786,379)	164,232,492	244,885,052	(228,650,034)	180,467,510
	Lone Star	2,994,694	10,373	-	3,005,067	10,999	-	3,016,066	10,495	-	3,026,561
	Texas CLASS	16,729,032	61,442	-	16,790,474	65,347	-	16,855,821	61,622	-	16,917,443
Food Service Fund	Texpool	9,055,088	30,608	-	9,085,696	32,752	-	9,118,448	31,471	-	9,149,919
	Lone Star	46,405	161	-	46,566	170	-	46,736	163	-	46,899
Debt Service Fund	Texpool	20,500,425	11,480,178	-	31,980,803	61,521,101	-	93,501,704	110,967,863	(152,642,108)	51,827,459
	Lone Star	729	2	-	731	3	-	734	3	-	737
	Texas CLASS	845	3	-	848	4	-	852	3	-	855
	Texas Range TexSTAR	1,439,793 515,584	5,056 1,738	-	1,444,849 517,322	5,352 1,868	-	1,450,201 519,190	5,079 1,789	-	1,455,280 520,979
Capital Projects Fund	Texpool	180,213,522	591,776	(6,136,378)	174,668,920	606,533	(11,666,728)	163,608,725	557,622	(5,734,715)	158,431,632
	Lone Star	130,854,295	453,260	-	131,307,555	480,587	-	131,788,142	458,609	-	132,246,751
	Texas CLASS	12,758,713	43,530	(415,684)	12,386,559	46,348	-	12,432,907	43,852	(10,092)	12,466,667
	Texas Range TexSTAR	161,372,760 169,676,606	566,626 567,139	(28,437) (2,340,358)	161,910,949 167,903,387	599,742 601,294	- (3,327,564)	162,510,691 165,177,117	569,143 564,137	(2,785,738)	163,079,634 162,955,516
Workmen's Compensation and Health Insurance Trust Funds	Texpool	7,085,342	2,313,462	(2,715,000)	6,683,804	2,313,928	(2,040,000)	6,957,732	2,315,716	(1,470,000)	7,803,448
	Lone Star	151,858	526	-	152,384	558	-	152,942	532	-	153,474
Special Revenue Funds	Texpool	57,118	193	-	57,311	206	-	57,517	199	-	57,716
Student Activity Funds	Texpool	35,520	120	-	35,640	128	-	35,768	123	-	35,891
	Texpool	35,520	120	-	35,640	128	-	35,768	123	-	35,891
Total Investment in Pools		770,135,286	41,457,457	(33,222,236)	778,370,507	201,913,949	(48,820,671)	931,463,785	360,473,473	(391,292,687)	900,644,571