



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

5F. Preview

Date: July 10, 2006

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

BOARD GOAL: Budget and Finance

FISCAL NOTE: All funds come from state and local revenue sources that have been previously approved by the Board.

**ANTICIPATED
DATE OF ACTION:** July 24, 2006

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 2004 through June 26, 2006:

	2004-2005			2005-2006		
	<u>TexPool</u>	<u>TexSTAR</u>	<u>LOGIC</u>	<u>TexPool</u>	<u>TexSTAR</u>	<u>LOGIC</u>
June	3.0587%	3.0423%	3.1083%	4.9843%	4.9875%	5.0184%
May	2.9563%	2.9374%	3.0257%	4.9024%	4.8929%	4.9386%
April	2.7591%	2.7499%	2.8624%	4.7397%	4.7679%	4.7444%
March	2.5708%	2.5748%	2.6498%	4.5697%	4.5746%	4.5529%
February	2.4406%	2.4338%	2.4953%	4.4833%	4.4898%	4.4846%
January	2.2325%	2.2163%	2.3015%	4.2714%	4.3121%	4.2862%
December	2.0685%	2.0670%	2.1332%	4.1676%	4.1835%	4.0946%
November	1.8491%	1.8331%	1.9012%	3.9888%	3.9249%	3.8773%
October	1.7181%	1.6956%	1.7556%	3.7823%	3.7095%	3.6964%
September	1.5424%	1.5448%	1.5590%	3.6028%	3.5527%	3.5398%
August	1.4121%	1.3767%	1.3672%	3.4512%	3.4264%	3.3977%
July	1.2557%	1.2278%	1.2675%	3.2577%	3.2419%	3.2622%

- Current investments in the pools are:
 - TexPool \$19,548,875.17
 - TexSTAR \$127,094,918.15
 - LOGIC \$15,598.57

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Respectfully submitted,

Kent V. Morrison III
Chief Financial Officer