



College Station Independent School District

Quarterly Investment Report

For the Quarter Ending May 31, 2020

Prepared and Reviewed by the CSISD Business Office:

Thad Lasater, Director of Business Services
Chris Neely, Asst. Director of Business Services



**Quarterly Investment Report for the
Quarter Ending May 31, 2020**

The quarterly investment report is presented for the quarter ending May 31, 2020, as required by Section 2256.023 of the Public Funds Investment Act and Board policy. At the beginning of the quarter, on March 1, 2020, the District had a portfolio of \$129,397,495 with a Cost to Fair Market Value ratio (FMV) of 100%. At the end of the quarter, the portfolio was \$104,954,294 with a FMV ratio of 100%.

Safety of principal is the first priority of any public investment portfolio. One way to maintain safety is to invest in high credit quality investments and to maintain diversity. College Station ISD is invested in Pools with a AAAm rating and with the option to invest in FDIC/NCUFIC insured Certificates of Deposit. The investment policy states that the district may invest in Investment Pools, Certificates of Deposit, Government Securities, and fully collateralized Repurchase Agreements. As shown by this report, the district currently complies with these requirements by having 63.15% of the district's portfolio in Investment Pools and 0% invested in Certificate of Deposits (at this time). As the market has seen a downturn in interest rates during the previous several months, the investment officers are reviewing investment options to maximize earnings while maintaining safety of principal and liquidity. The District will continue investing to meet cash flow demands.

Board policies CDA(LOCAL) are included in this report for review.

A blue ink signature of Thad Lasater.

Investment Officer: Thad Lasater

A blue ink signature of Chris Neely.

Investment Officer: Chris Neely

This report has been produced in accordance with the Public Funds Investment Act as well as College Station ISD Investment Policy

COLLEGE STATION ISD QUARTERLY INVESTMENT REPORT
 GRAPHIC PRESENTATION OF DISTRICT'S PORTFOLIO
 QUARTER BEGINNING: March 1, 2020

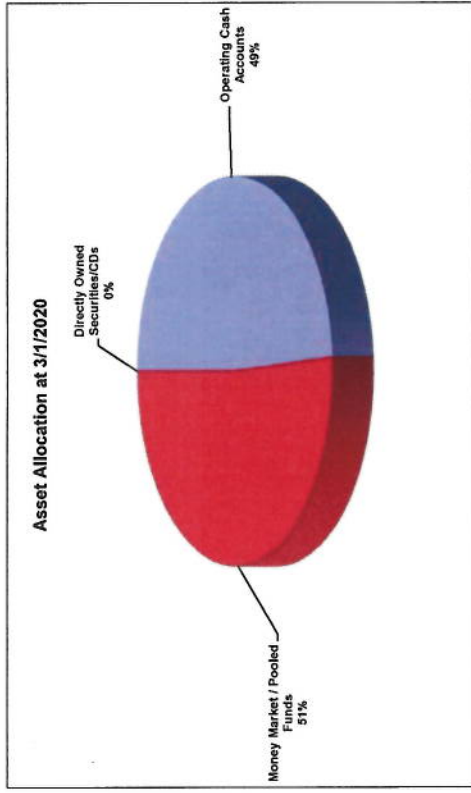
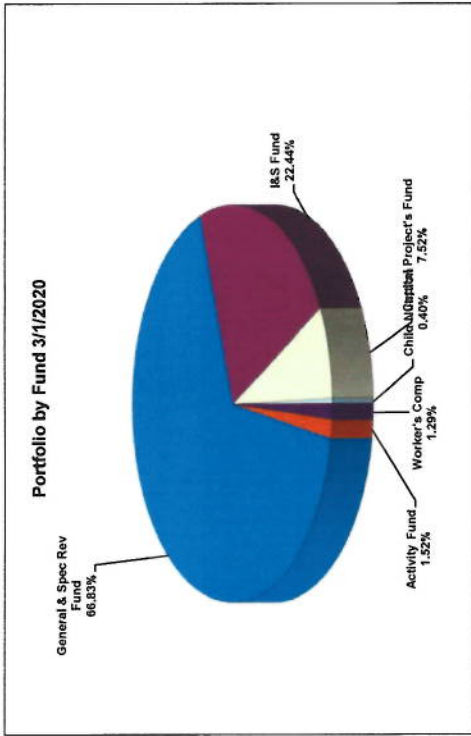
WAM	Security	Effective Yield	General & Spec Rev Fund	Child Nutrition Fund	I&S Fund	Activity Fund	Capital Project's Fund	Worker's Comp Fund	Total Book Value	Market Price	Market Value
1	BB&T Operating Accounts	1.75%	44,989,233	521,304	7,463,814	1,971,667	6,304,547	1,673,166	63,262,731	1.0000	63,262,731
1	Investment Pool:										
1	First Public (Lone Star) Government Overnight Fund	1.57%	8,791,029	-	4,185,358	-	-	-	12,976,387	1.0000	12,976,387
1	First Public (Lone Star) Corporate Overnight Fund	1.73%	7,512,449	-	4,757,597	-	-	-	12,270,046	1.0000	12,270,046
1	TexPool	1.59%	4,117,438	1,059	2,655,139	-	-	974	6,774,609	1.0000	6,774,609
1	TexPool Prime	1.76%	-	-	-	-	-	-	-	-	-
1	Texas CLASS Government	1.61%	10,524,010	-	4,513,675	-	1,006,281	-	16,043,987	1.0000	16,043,987
1	Texas CLASS	1.77%	10,537,294	-	5,518,876	-	2,013,565	-	18,069,735	1.0000	18,069,735
Maturity	Directly Owned Investments										
	Time Deposits (CD's)										
	None At This Time										
Total Cash & Investments			86,471,474	522,363	29,034,458	1,971,667	9,724,394	1,673,139	\$ 129,397,495	100.00	\$ 129,397,495

Comparative Rates:	Beg. Qtr.
90-Day T-Bill Rate	1.28%
90-Day CD Rate	1.54%
Federal Funds Rate	1.58%

Summary of Funds:	Total	Percent	WAY	WAM (days)
Operating Cash Accounts	63,262,731	48.89%	1.75%	1.00
Money Market / Pooled Funds	66,134,765	51.11%	1.66%	1.00
Directly Owned Securities/CDs	-	0.00%	-	-
Total Portfolio	\$ 129,397,495	100.00%	1.71%	1.00

FMV to cost
100.00%

COLLEGE STATION ISD QUARTERLY INVESTMENT REPORT
 GRAPHIC PRESENTATION OF DISTRICT'S PORTFOLIO
 QUARTER BEGINNING: March 1, 2020



**COLLEGE STATION ISD QUARTERLY INVESTMENT REPORT
GRAPHIC PRESENTATION OF DISTRICT'S PORTFOLIO
QUARTER ENDING: May 31, 2020**

WAM	Security	Effective Yield-Avg. Qtr	Effective Yield-End Qtr	General & Spec Rev Fund	Child Nutrition Fund	I&S Fund	Activity Fund	Capital Projects Fund	Worker's Comp Fund	Total Book Value	Market Price	Market Value
1	BBAT Operating Accounts	1.07%	0.25%	\$20,759,261.78	\$258,065	\$8,038,938	\$1,997,648	\$5,916,315	\$1,706,671	\$38,676,898	1.0000	\$38,676,898
	Investment Pools:											
1	First Public (One Star) Government Overnight Fund	0.94%	0.31%	8,805,636	-	4,192,312	-	-	-	12,997,948	1.0000	12,997,948
1	First Public (One Star) Corporate Overnight Fund	1.25%	0.78%	7,533,688	-	4,771,047	-	-	-	12,304,736	1.0000	12,304,736
1	Techool Prime	0.93%	0.27%	4,123,429	1,060	2,659,002	-	-	975	6,784,466	1.0000	6,784,466
1	Texas CLASS Government	1.26%	0.75%	-	-	4,521,027	-	1,007,920	-	16,070,119	1.0000	16,070,119
1	Texas CLASS	0.99%	0.37%	10,541,172	-	5,534,267	-	2,019,181	-	18,120,128	1.0000	18,120,128
	Directly Owned Securities											
	Time Deposits (CD's)											
	None At This Time											
				62,329,867	259,125	29,716,593	1,997,648	8,943,416	1,707,646	104,954,294	100.00	104,954,294

Comparative Rates:

90-Day T-Bill Rate	Avg Qtr	End Qtr
	0.71%	0.14%
90-Day CD Rate	1.08%	0.61%
Federal Funds Rate	0.82%	0.05%

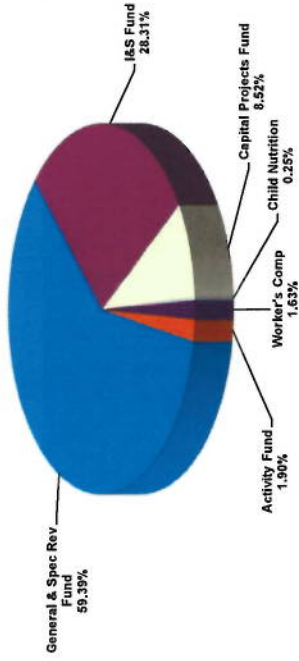
Summary of Funds:

	Total	Percent	WAY	WAM (days)
Cash Operating Accounts	\$38,676,898	36.85%	0.25%	1.00
Money Market / Pooled Funds	\$66,277,397	63.15%	0.53%	1.00
Directly Owned Securities/CDs	-	0.00%	-	-
Total Portfolio	\$104,954,294	100.00%	0.43%	1.00

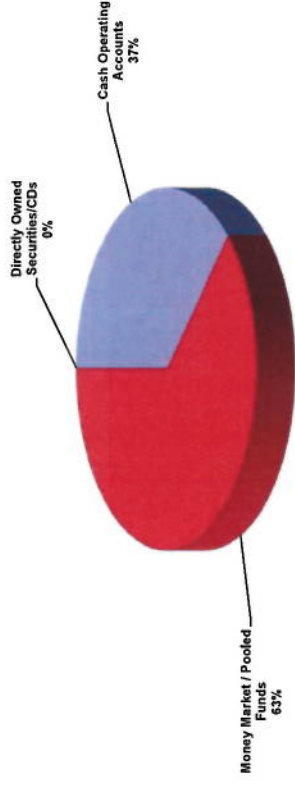
FMV to cost	100.00%
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COLLEGE STATION ISD QUARTERLY INVESTMENT REPORT
 GRAPHIC PRESENTATION OF DISTRICT'S PORTFOLIO
 QUARTER ENDING: May 31, 2020

Portfolio by Fund 5/31/2020



Asset Allocation at 5/31/2020



COLLEGE STATION
INDEPENDENT SCHOOL DISTRICT
QUARTERLY INVESTMENT REPORT
FOR THE QUARTER ENDING
May 31, 2020

INVESTMENT TRANSACTIONS DURING THE QUARTER

	3/1/2020 Beginning Balance	Deposits	Withdrawals	Interest Earned	5/31/2020 Ending Balance
First Public (Lone Star) - Government OverNight Fund					
General Fund	8,791,029	-	-	14,807	8,805,636
Debt Service	4,185,358	-	-	6,954	4,192,312
First Public (Lone Star) - Corporate OverNight Fund					
General Fund	7,512,449			21,239	7,533,688
Debt Service	4,757,597			13,451	4,771,047
	<u>\$ 25,246,433</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,251</u>	<u>\$ 25,302,684</u>
Texas Class Government					
General Fund	10,524,030	-	-	17,141	10,541,172
Debt Service	4,513,875	-	-	7,352	4,521,027
Capital Projects Fund	1,006,281	-	-	1,639	1,007,920
TXClass					
General Fund	10,537,294	-	-	29,386	10,566,681
Debt Service	5,518,876	-	-	15,391	5,534,267
Capital Projects Fund	2,013,565	-	-	5,615	2,019,181
	<u>\$ 34,113,722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,525</u>	<u>\$ 34,190,247</u>
TexPool					
General Fund	4,117,438	-	-	5,990.53	4,123,429
Nutrition Fund	1,059	-	-	2	1,060
Debt Service	2,655,139	-	-	3,863	2,659,002
Worker's Compensation	974	-	-	1	975
TexPool Prime					
General Fund	-	-	-	-	-
Debt Service	-	-	-	-	-
Worker's Compensation	-	-	-	-	-
	<u>\$ 6,774,609</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,857</u>	<u>\$ 6,784,466</u>
CD Investments					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Source of Data: First Public / TEXPOOL / BB&T / Texas Class

OTHER REVENUES
INVESTMENTS

CDA
(LOCAL)

INVESTMENT
AUTHORITY

The Superintendent or other person designated by Board resolution shall serve as the investment officer of the District and shall invest District funds as directed by the Board and in accordance with the District's written investment policy and generally accepted accounting procedures. All investment transactions except investment pool funds and mutual funds shall be executed on a delivery versus payment basis.

APPROVED
INVESTMENT
INSTRUMENTS

From those investments authorized by law and described further in CDA(LEGAL), the Board shall permit investment of District funds in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of, or guaranteed by, governmental entities as permitted by Government Code 2256.009.
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010.
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011.
4. A securities lending program as permitted by Government Code 2256.0115.
5. Banker's acceptances as permitted by Government Code 2256.012.
6. Commercial paper as permitted by Government Code 2256.013.
7. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014.
8. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
9. Public funds investment pools as permitted by Government Code 2256.016.

SAFETY AND
INVESTMENT
MANAGEMENT

The main goal of the investment program is to ensure its safety and maximize financial returns within current market conditions in accordance with this policy. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

OTHER REVENUES
INVESTMENTS

CDA
(LOCAL)

LIQUIDITY AND
MATURITY

Any internally created pool fund group of the District shall have a maximum dollar weighted maturity of 180 days. The maximum allowable stated maturity of any other individual investment owned by the District shall not exceed one year from the time of purchase. The Board may specifically authorize a longer maturity for a given investment, within legal limits.

The District's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.

DIVERSITY

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer.

MONITORING MARKET
PRICES

The investment officer shall monitor the investment portfolio and shall keep the Board informed of significant declines in the market value of the District's investment portfolio. Information sources may include financial/investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisors, and representatives/advisors of investment pools or money market funds. Monitoring shall be done at least quarterly, as required by law, and more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment.

FUNDS / STRATEGIES

Investments of the following fund categories shall be consistent with this policy and in accordance with the strategy defined below.

OPERATING FUNDS

Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.

AGENCY FUNDS

Investment strategies for agency funds shall have as their objectives safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.

DEBT SERVICE
FUNDS

Investment strategies for debt service funds shall have as their objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. Maturities longer than one year are authorized provided legal limits are not exceeded.

CAPITAL PROJECTS

Investment strategies for capital project funds shall have as their objective sufficient investment liquidity to timely meet capital project obligations. Maturities longer than one year are authorized provided legal limits are not exceeded.

OTHER REVENUES
INVESTMENTS

CDA
(LOCAL)

SAFEKEEPING AND
CUSTODY

The District shall retain clearly marked receipts providing proof of the District's ownership. The District may delegate, however, to an investment pool the authority to hold legal title as custodian of investments purchased with District funds by the investment pool.

BROKERS / DEALERS

Prior to handling investments on behalf of the District, brokers/dealers must submit required written documents in accordance with law. [See SELLERS OF INVESTMENTS, CDA(LEGAL)] Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC), and be in good standing with the Financial Industry Regulatory Authority (FINRA).

SOLICITING BIDS FOR
CD'S

In order to get the best return on its investments, the District may solicit bids for certificates of deposit in writing, by telephone, or electronically, or by a combination of these methods.

INTEREST RATE RISK

To reduce exposure to changes in interest rates that could adversely affect the value of investments, the District shall use final and weighted-average-maturity limits and diversification.

The District shall monitor interest rate risk using weighted average maturity and specific identification.

INTERNAL CONTROLS

A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. Also, they shall be designed to protect against losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District. Controls deemed most important shall include:

1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.
4. Clear delegation of authority.
5. Written confirmation of telephone transactions.
6. Documentation of dealer questionnaires, quotations and bids, evaluations, transactions, and rationale.
7. Avoidance of bearer-form securities.

These controls shall be reviewed by the District's independent auditing firm.

College Station ISD
021901

OTHER REVENUES
INVESTMENTS

CDA
(LOCAL)

PORTFOLIO REPORT

In addition to the quarterly report required by law and signed by the District's investment officer, a comprehensive report on the investment program and activity shall be presented annually to the Board.