



IPAIT | Stewardship of Iowa's Public Funds in Service of Our Communities

Dear IPAIT Participants,

At the heart of Iowa's public sector is a shared commitment to serving residents and communities with care, integrity, and fiscal responsibility. The Iowa Public Agency Investment Trust (IPAIT or the Trust) was created to support this mission by providing a conservative, well-governed investment program designed specifically for eligible Iowa public agencies — including cities, counties, city utilities, and other authorized public entities — helping support the responsible management of public funds in service of local communities.

Built for Iowa Public Agencies — Rooted in State Law Since 1987

IPAIT is a professionally managed common law trust established pursuant to Iowa Code Chapter 28E and Sections 331.555 and 384.21 to meet the unique cash management and investment needs of Iowa's public agencies. Its structure reflects Iowa's long-standing, conservative approach to public finance — one that prioritizes **safety of principal first, followed by liquidity and then yield.**

The purpose of IPAIT is to provide Iowa public agencies (the "Participants") with an additional safe and competitive investment option, allowing public funds to be managed conservatively while still working responsibly on behalf of the communities they serve. By generating interest earnings within strict statutory and policy limits, IPAIT helps participating entities retain more local resources to support essential public services, infrastructure, and local government operations.

Participants in IPAIT are also its owners. The net earnings generated by the Trust are returned directly to participating public agencies, supporting communities across the state. Governance is provided by a nine-member **Board of Trustees** composed of representatives of participating public agencies, each serving in a fiduciary capacity on behalf of all Participants.

Part of a Diversified Investment Strategy

IPAIT is designed to serve as one component of a diversified investment strategy for Iowa public entities — one that is intended to complement the local financial relationships our Participants have established.

Participants maintain flexibility to invest funds in a manner that aligns with their specific liquidity needs, time horizons, and investment policies. Through IPAIT, Participants may invest in the **Diversified Fund** or access the **Fixed Term Automated Program**, which allows for investments in **U.S. Treasury securities or competitive products offered by Iowa-based banks and credit unions** (such as certificates of deposit or other deposit accounts), as permitted under state law.

This structure allows public agencies to utilize IPAIT as an additional investment option alongside their existing local financial relationships, while also enabling investments,

through IPAIT's programs, in competitive banking products offered by Iowa-based banks and credit unions, consistent with state law.

By offering flexibility and choice within a disciplined, statutory structure, IPAIT supports prudent cash management and responsible stewardship of public funds.

Safety of Principal Is Paramount

Protecting public funds is IPAIT's foundational objective. The Trust operates under a detailed investment policy that strictly limits allowable investments to those permitted under Iowa law and emphasizes high credit quality, liquidity, and disciplined risk controls.

Key safety features include:

- ✓ Significant investments in U.S. Treasury and federal agency securities
- ✓ Conservative maturity limits designed to support daily liquidity
- ✓ Ongoing monitoring and oversight by experienced investment professionals operating under strict policy guidelines

These safeguards are designed to support liquidity needs and protect public funds through a range of market conditions, while maintaining a conservative risk profile focused on **principal stability and liquidity**.

S&P Global Rating — AAAm Principal Stability Rating

IPAIT's Diversified Fund is rated AAAm by S&P Global Ratings, **the highest principal stability rating offered for local government investment pools and similar public investment funds**. This rating reflects S&P's independent assessment of the Trust's investment policies, portfolio composition, risk controls, governance structure, and liquidity profile.

S&P's rating methodology emphasizes principal stability, credit quality, diversification, liquidity and maturity, as well as the strength of the fund's management and risk controls, consistent with conservative public-fund objectives. The AAAm rating provides Participants with an external, objective evaluation of IPAIT's disciplined investment approach and oversight framework.

Ratings are reviewed on an ongoing basis and are one of several tools Participants may consider when evaluating the appropriateness of an investment option for public funds.

Governed by Peers. Guided by Purpose.

IPAIT's Board and management remain committed to disciplined stewardship, transparency, and fiduciary responsibility. Every decision is guided by the understanding that these are public funds, held in trust to support Iowa communities.

At the end of the day, IPAIT's role is simple: to serve Iowa's public agencies with care, discipline, and integrity. When IPAIT can help Participants responsibly earn additional revenues — within conservative limits and consistent with public-fund objectives — those resources remain available to support essential services and the communities they serve.

In this way, IPAIT fulfills its purpose and does its part in supporting local communities statewide.

Sincerely,

The IPAIT Board of Trustees and Management Team

[For additional information regarding IPAIT products and services, please review the IPAIT Information Statement.](#)