



2024 ANNUAL REPORT

**SOUTH DAKOTA PUBLIC FUNDS INVESTMENT TRUST (FIT)
GOVERNMENT CASH RESERVE FUND**

SPONSORED BY THE:

- SOUTH DAKOTA MUNICIPAL LEAGUE
- SOUTH DAKOTA COUNTIES
- ASSOCIATED SCHOOL BOARDS OF SOUTH DAKOTA

**For Investment Information Call:
Toll Free (866-314-0060)
Or visit: www.sdpfit.org**

**Annual Report
December 31, 2024**



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Board of Trustees and Service Providers (unaudited)

South Dakota Public Funds Investment Trust

Board of Trustees

Duane Peterson, Sanborn County Commissioner (Chair)

Tom Huber, Assistant Finance Director, City of Sioux Falls (Vice Chair)

Duane Alm, Aberdeen Board of Education

Anita Peterson, Haakon Board of Education

Kelli Wollman, Lake County Commissioner

Hilary Nesheim, Mellette County Treasurer

Jordan McQuillen, City Finance Officer, City of Aberdeen

Mike Glover, Finance Officer, City of Burke

South Dakota Public Funds Investment Trust

Service Providers

Investment Advisor:

PMA Asset Management, LLC
5353 Wayzata Blvd., Suite 606
St. Louis Park, MN 55416
612-509-2590

Administrator:

PMA Financial Network, LLC
5298 Kyler Ave. NE, 2nd Floor
Albertville, MN 55301
763-497-1490
763-497-1491 (fax)

Legal Counsel:

Friberg, Nelson & Ask LLP
115 North Third
Beresford, SD 57004
605-763-2107

Trust Distributor:

South Dakota Municipal League
208 Island Drive
Ft. Pierre, SD 57532
605-224-8654 / 800-658-3633
605-224-8655 (fax)

Trust Custodian:

BMO Harris Bank, N.A.
111 W. Monroe St
Chicago, IL 60603
312-461-2323

Independent Auditors:

Eide Bailly LLP
24 2nd Ave. S.W.
P.O. Box 430
Aberdeen, SD 57401
605-225-8783



Letter from the Chair (unaudited)

**South Dakota Public Funds Investment Trust
Government Cash Reserve Fund
Letter to Participants**

Dear Fellow Participants:

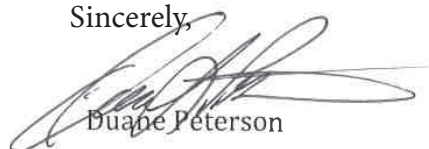
On behalf of the South Dakota Public Funds Investment Trust's Board of Trustees, the South Dakota Municipal League, South Dakota Counties, and Associated School Boards of South Dakota, I am pleased to present the 2024 annual report for the fiscal year ending December 31, 2024, of the South Dakota Public Funds Investment Trust (SD FIT).

The Federal Reserve lowered the federal funds rate three times by a total of 100 basis points in 2024, which had a direct effect on SD FIT's net yield. On January 1, 2024, the net yield of SD FIT was 5.03% and on December 31, 2024, the net yield was 4.10%.

SD FIT continues to be a viable investment option for South Dakota public funds.

The board is interested in the needs and suggestions of all our participants, so do not hesitate to contact any of the board members. All contact information can be found on SD FIT's website www.sdfit.org. Also, feel free to call the SD FIT office for more information at 1-800-658-3633.

Sincerely,



Duane Peterson

Chair, Board of Trustees



Economic Overview (unaudited)

Economic Overview

In 2024, the Federal Reserve's monetary policy continued to significantly influence the economic landscape. The Federal Open Market Committee (FOMC) maintained the federal funds rate within the target range of 5.25% - 5.50% throughout the first eight months of the year. At the September meeting, following softer employment reports late in the summer, the FOMC cut rates by 50 basis points (0.50%) then continued with 25 basis point cuts at the November and December meetings. This brought total cuts for the year to 1.00%, ending with a target range of 4.25% - 4.50%. These cuts reflect the FOMC's opinion that inflation is on trend to return to the 2.0% target and their desire to soften policy prior to any material weakness in the labor markets.

Inflation showed further signs of easing in 2024. The Consumer Price Index (CPI) rose by 2.9% over the year, down from 3.4% in 2023. Service price level increases outpaced goods with the indices annual inflation rates ending the year at 4.4% and -0.5% respectively. Shelter inflation, which is roughly 40% of the core CPI basket, began to show signs of decelerating while continuing to be a large driver of headline inflation ending the year at 4.6%. The continued decline in inflation indicated the effectiveness of the Fed's measures and a return to more stable price levels.

The U.S. economy experienced robust growth in 2024, with the Gross Domestic Product (GDP) increasing at an annual rate of 2.8% over the course of the year. Real GDP growth for the year was strong, supported by solid consumer spending, business investment, and government expenditure. Personal consumption expenditures, the component of GDP comprising approximately 60% of the total, saw significant increases, reflecting consumer confidence and spending power.

The labor market remained resilient in 2024, with nonfarm payroll employment rising by an average of 186,000 jobs per month. The unemployment rate stayed near historically low levels, and real wages grew modestly as inflation pressures eased. Quit rates also eased, indicating workers are remaining at their jobs, likely due to reduced pressure to secure higher wages due to rising costs of goods. This stability in the labor market contributed to overall economic confidence and consumer spending.

Market Overview

The fixed income market in 2024 was marked by significant volatility, influenced by the Federal Reserve's monetary policy actions along with global and domestic political uncertainty. The Fed implemented rate cuts of 100 basis points in the September, November and December meetings. Despite this volatility, the fixed income market saw positive returns across various asset classes. Short-term investments with low durations posted modest gains, while intermediate to long-term bonds benefited from higher starting coupons, which led to positive returns despite an increase in market yields.

Following an extended period of yield curve inversion, the 2-year to 10-year spread turned positive in 2024. This steepening of the yield curve pivoted around the 2-year, which itself was relatively unchanged over the year. Short-term yields follow the FOMC's movements closely with the 3-month bill declining from 5.40% to 4.37%. The yield on the 10-year Treasury note fluctuated throughout the year, ending at 4.58%, up from 3.86% at the start of the year. This increase in yields contributed to the overall positive performance of the fixed income market. Agency mortgage-backed securities (MBS) outperformed Treasuries of similar duration, with spreads for MBS remaining stable.

The equity market experienced spectacular total returns for the second consecutive year, with the S&P 500 returning approximately 27%. This marked the first time in the 21st century that the index achieved back-to-back annual returns exceeding 20%. The final quarter of the year saw particularly strong performance, driven by positive economic data and investor optimism. Key sectors such as technology, healthcare, and industrials led the gains, reflecting broad-based market strength. The technology sector was driven by advancements in artificial intelligence from both software providers, Microsoft and Google, and the chips manufacturers, such as Nvidia and AMD.

In conclusion, 2024 was a year of robust economic growth and market performance, despite the challenges of inflation, geopolitics and uncertain domestic policies in an election year. Strengths in corporate balance sheets and earnings, strong employment and attractive market yields position markets favorably as we look ahead to 2025. Similar to the past year, we expect market volatility to persist as the Federal Reserve remains data dependent and markets look ahead to the effects of evolving monetary and fiscal policies.



Independent Auditor's Report

To the Board of Trustees and Participants
South Dakota Public Fund Investment Trust-Government Cash Reserve Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of South Dakota Public Funds Investment Trust – Government Cash Reserve Fund (the Fund), which comprise the statements of fiduciary net position, including the schedules of investments, as of December 31, 2024 and 2023, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Fund, as of December 31, 2024 and 2023, and the respective changes in financial position, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Fund's basic financial statements. The supplementary schedule of financial highlights is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary schedule of financial highlights is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Board of Trustees and Service Providers, Letter from the Chair, Economic Overview, and Participants, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2025 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Aberdeen, South Dakota
April 22, 2025



Management Discussion and Analysis (unaudited)

This section of the South Dakota Public Investment Trust (SDFIT) Annual Financial Report presents management's discussion and analysis of the financial position and results of operations for the fiscal years ended December 31, 2024 and 2023. This information is being presented to provide additional information regarding the activities of the Government Cash Reserve Fund (GCR), pursuant to the requirements of Governmental Accounting Standards Board. This discussion and analysis should be read in conjunction with the Independent Auditor's Report of Eide Bailly LLP, the financial statements, and the accompanying notes.

Overview of the Financial Statements

The Management Discussion and Analysis provides an introduction to and overview of the basic financial statements of SDFIT GCR. The following components comprise the financial statements: 1) Schedules of Investments, 2) Statements of Fiduciary Net Position, 3) Statements of Changes in Fiduciary Net Position, and 4) Notes to Financial Statements. The Schedules of Investments list each security held in the portfolio as of the date of the two most recent fiscal years. The Statements of Fiduciary Net Position display the financial position (assets and liabilities) of the portfolio as of the date of the two most recent fiscal year-ends. The Statements of Changes in Fiduciary Net Position show the results of operations (income and expenses), additions (net investment income, unit sales, and reinvestments) and deductions (dividends and unit redemptions) of the portfolio for the two most recent fiscal years. The Notes to Financial Statements describe significant accounting policies and disclose summary security transaction amounts and the expenses of the portfolio.

Condensed Financial Information and Financial Analysis

Changes in financial statement amounts reported in the GCR are impacted by the level of average net position (which fluctuates based on the overall levels of participant/unitholder balances invested in the GCR). Additionally, changes in the short-term interest rate environment (which follows the general trend established by monetary policy set by the Federal Reserve) contribute to year-over-year variances in the amount of investment income earned by the portfolio.

Condensed financial information and explanations of changes for the years ended December 31, 2024 and 2023:

| Government Cash Reserve Fund | 2024 | 2023 | % Change |
|-------------------------------------|----------------|----------------|-----------------|
| Assets | \$ 325,725,622 | \$ 286,373,967 | 13.74% |
| Liabilities | 105,522 | 1,193,686 | (91.16%) |
| Net Position | 325,620,100 | 285,180,281 | 14.18% |
| Average Net Position | 278,394,465 | 273,264,763 | 1.88% |
| Investment Income | 14,505,983 | 13,968,348 | 3.85% |
| Total Expenses | 1,088,385 | 1,070,465 | 1.67% |
| Net Investment Income | 13,417,598 | 12,897,883 | 4.03% |
| Units Sold (\$1.00 per unit) | 496,285,065 | 564,019,553 | (12.01%) |
| Units Redeemed (\$1.00 per unit) | 469,262,844 | 477,753,723 | (1.78%) |

| Government Cash Reserve Fund | 2024 | 2023 |
|--|-------------|-------------|
| Total Return | 4.940% | 4.778% |
| Ratio of Expenses to Average Net Position | 0.391% | 0.392% |
| Ratio of Net Investment Income to Average Net Position | 4.820% | 4.720% |
| Net Asset Value per Unit, Beginning of Period | \$ 1.0000 | \$ 1.0000 |
| Net Investment Income per Unit | 0.0482 | 0.0472 |
| Dividends Distributed per Unit | (0.0482) | (0.0472) |
| Net Asset Value per Unit, End of Period | \$ 1.0000 | \$ 1.0000 |



Management Discussion and Analysis (unaudited)

During fiscal year (FY) 2024, the average net position for the GCR increased by 1.88% to \$278,394,465 from an average net position of \$273,264,763 during FY 2023 as a result of a net increase of deposits by Participants. Net investment income increased 4.03% due to increases in short-term interest rates throughout FY 2024. Most expenses of the GCR are calculated on the daily net position totals. The increase in expenses during FY 2024 is the result of increased net position.

| Government Cash Reserve Fund | 2023 | 2022 | % Change |
|-------------------------------------|----------------|----------------|-----------------|
| Assets | \$ 286,373,967 | \$ 187,078,901 | 53.08% |
| Liabilities* | 1,193,686 | 1,062,333 | 12.36% |
| Net Position | 285,180,281 | 186,016,568 | 53.31% |
| Average Net Position | 273,264,763 | 165,924,460 | 64.69% |
| Investment Income | 13,968,348 | 2,666,292 | 423.89% |
| Total Expenses* | 1,070,465 | 561,040 | 90.80% |
| Net Investment Income* | 12,897,883 | 2,105,252 | 512.65% |
| Units Sold (\$1.00 per unit) | 564,019,553 | 402,570,969 | 40.10% |
| Units Redeemed (\$1.00 per unit) | 477,753,723 | 358,298,017 | 33.34% |

| Government Cash Reserve Fund | 2023 | 2022 |
|---|------------------|------------------|
| Total Return* | 4.778% | 1.261% |
| Ratio of Expenses to Average Net Position* | 0.392% | 0.338% |
| Ratio of Net Investment Income to Average Net Position* | 4.720% | 1.269% |
| Net Asset Value per Unit, Beginning of Period | \$ 1.0000 | \$ 1.0000 |
| Net Investment Income per Unit | 0.0472 | 0.0127 |
| Dividends Distributed per Unit | (0.0472) | (0.0127) |
| Net Asset Value per Unit, End of Period | <u>\$ 1.0000</u> | <u>\$ 1.0000</u> |

* Net of fees waived in 2022

During fiscal year (FY) 2023, the average net position for the GCR increased by 64.69% to \$273,264,763 from an average net position of \$165,924,460 during FY 2022 as a result of a net increase of deposits by Participants. Net investment income increased 512.65% due to increases in short-term interest rates throughout FY 2023. Most expenses of the GCR are calculated on the daily net position totals. The increase in expenses during FY 2023 is the result of increased net position and a reduction in fee waivers.



Schedule of Investments 2024

Government Cash Reserve Fund December 31, 2024

| Principal Amount | Description | Amortized Value (Note 2) |
|--|--|-----------------------------|
| U.S. Government Agency Obligations -- 17.3% (a) | | |
| 1,000,000 | Federal Farm Credit Bank, 4.40%, 04/23/2025 (b) | \$ 1,000,000 |
| 1,500,000 | Federal Farm Credit Bank, 4.40%, 09/10/2025 (b) | 1,500,000 |
| 2,000,000 | Federal Farm Credit Bank, 4.42%, 06/11/2025 (b) | 2,000,000 |
| 1,500,000 | Federal Farm Credit Bank, 4.31%, 06/05/2025 | 1,473,036 |
| 3,000,000 | Federal Home Loan Bank, 4.38%, 01/06/2025 (b) | 3,000,000 |
| 2,000,000 | Federal Home Loan Bank, 4.39%, 01/27/2025 (b) | 2,000,000 |
| 1,500,000 | Federal Home Loan Bank, 4.37%, 01/30/2025 (b) | 1,500,000 |
| 1,500,000 | Federal Home Loan Bank, 4.39%, 02/05/2025 | 1,493,715 |
| 3,000,000 | Federal Home Loan Bank, 4.49%, 02/10/2025 | 2,985,333 |
| 2,000,000 | Federal Home Loan Bank, 4.39%, 02/18/2025 (b) | 2,000,000 |
| 2,000,000 | Federal Home Loan Bank, 4.38%, 03/03/2025 (b) | 2,000,000 |
| 3,000,000 | Federal Home Loan Bank, 4.39%, 03/10/2025 (b) | 3,000,000 |
| 2,000,000 | Federal Home Loan Bank, 4.35%, 03/12/2025 | 1,983,472 |
| 3,000,000 | Federal Home Loan Bank, 4.48%, 03/14/2025 | 2,973,720 |
| 2,000,000 | Federal Home Loan Bank, 4.40%, 03/24/2025 (b) | 2,000,000 |
| 1,500,000 | Federal Home Loan Bank, 4.39%, 04/17/2025 | 1,481,119 |
| 3,000,000 | Federal Home Loan Bank, 4.46%, 04/23/2025 | 2,959,540 |
| 3,000,000 | Federal Home Loan Bank, 4.47%, 05/06/2025 | 2,954,792 |
| 1,750,000 | Federal Home Loan Bank, 4.34%, 05/09/2025 | 1,723,804 |
| 1,500,000 | Federal Home Loan Bank, 4.40%, 05/15/2025 | 1,476,159 |
| 1,500,000 | Federal Home Loan Bank, 4.41%, 05/22/2025 (b) | 1,500,000 |
| 1,500,000 | Federal Home Loan Bank, 4.48%, 05/23/2025 | 1,474,322 |
| 1,000,000 | Federal Home Loan Bank, 4.39%, 06/02/2025 (b) | 1,000,000 |
| 1,500,000 | Federal Home Loan Bank, 4.41%, 06/12/2025 | 1,471,245 |
| 1,500,000 | Federal Home Loan Bank, 4.33%, 06/13/2025 | 1,471,611 |
| 1,000,000 | Federal Home Loan Bank, 4.42%, 06/16/2025 | 980,311 |
| 2,250,000 | Federal Home Loan Bank, 4.40%, 07/07/2025 (b) | 2,250,000 |
| 2,000,000 | Federal Home Loan Bank, 4.38%, 07/28/2025 (b) | 2,000,000 |
| 2,000,000 | Federal Home Loan Bank, 4.39%, 08/27/2025 (b) | 2,000,000 |
| 627,839 | International Development Finance Corporation, 4.70%, 01/08/2025 (b) | 627,839 |
| | Total U.S. Government Agency Obligations | 56,280,018 |
| U.S. Treasury Securities -- 26.7% (a) | | |
| 3,000,000 | U.S. Treasury, 5.03%, 01/02/2025 | 2,999,587 |
| 1,500,000 | U.S. Treasury, 4.88%, 01/07/2025 | 1,498,797 |
| 3,000,000 | U.S. Treasury, 4.89%, 01/09/2025 | 2,996,790 |
| 1,500,000 | U.S. Treasury, 5.07%, 01/16/2025 | 1,496,884 |
| 1,500,000 | U.S. Treasury, 4.52%, 01/21/2025 | 1,496,298 |
| 3,000,000 | U.S. Treasury, 4.98%, 01/23/2025 | 2,991,025 |
| 2,000,000 | U.S. Treasury, 4.51%, 01/28/2025 | 1,993,355 |
| 2,095,000 | U.S. Treasury, 4.92%, 01/30/2025 | 2,086,847 |
| 3,000,000 | U.S. Treasury, 4.52%, 02/04/2025 | 2,987,416 |
| 3,000,000 | U.S. Treasury, 4.87%, 02/06/2025 | 2,985,673 |
| 1,500,000 | U.S. Treasury, 4.53%, 02/11/2025 | 1,492,412 |
| 1,500,000 | U.S. Treasury, 4.89%, 02/13/2025 | 1,491,409 |
| 1,500,000 | U.S. Treasury, 1.50%, 02/15/2025 (c) | 1,493,242 |
| 1,500,000 | U.S. Treasury, 4.81%, 02/20/2025 | 1,490,176 |
| 1,500,000 | U.S. Treasury, 4.78%, 02/27/2025 | 1,488,873 |
| 3,000,000 | U.S. Treasury, 4.58%, 03/06/2025 | 2,976,116 |
| 3,000,000 | U.S. Treasury, 4.48%, 03/11/2025 | 2,974,783 |
| 1,500,000 | U.S. Treasury, 4.63%, 03/13/2025 | 1,486,599 |
| 1,500,000 | U.S. Treasury, 4.40%, 03/20/2025 | 1,486,041 |
| 1,500,000 | U.S. Treasury, 4.35%, 03/27/2025 | 1,484,966 |
| 3,000,000 | U.S. Treasury, 4.39%, 04/01/2025 | 2,967,883 |
| 3,000,000 | U.S. Treasury, 4.36%, 04/03/2025 | 2,967,434 |



Schedule of Investments 2024

Government Cash Reserve Fund December 31, 2024

| Principal Amount | Description | Amortized Value (Note 2) |
|--|--|--------------------------|
| U.S. Treasury Securities -- 26.7% (a) (continued) | | |
| 3,000,000 | U.S. Treasury, 4.39%, 04/08/2025 | 2,965,382 |
| 3,000,000 | U.S. Treasury, 4.41%, 04/10/2025 | 2,964,541 |
| 1,500,000 | U.S. Treasury, 4.42%, 04/17/2025 | 1,481,006 |
| 1,500,000 | U.S. Treasury, 4.35%, 04/22/2025 | 1,480,434 |
| 1,500,000 | U.S. Treasury, 4.43%, 04/24/2025 | 1,479,705 |
| 1,500,000 | U.S. Treasury, 4.39%, 05/01/2025 | 1,478,650 |
| 1,500,000 | U.S. Treasury, 4.39%, 05/08/2025 | 1,477,418 |
| 1,500,000 | U.S. Treasury, 4.44%, 05/15/2025 | 1,475,936 |
| 1,500,000 | U.S. Treasury, 4.43%, 05/22/2025 | 1,474,737 |
| 1,500,000 | U.S. Treasury, 2.88%, 05/31/2025 (c) | 1,490,678 |
| 2,500,000 | U.S. Treasury, 4.39%, 06/05/2025 | 2,454,210 |
| 1,500,000 | U.S. Treasury, 4.34%, 06/12/2025 | 1,471,650 |
| 1,500,000 | U.S. Treasury, 4.31%, 06/20/2025 | 1,470,459 |
| 1,500,000 | U.S. Treasury, 4.32%, 06/26/2025 | 1,469,416 |
| 1,500,000 | U.S. Treasury, 0.25%, 06/30/2025 (c) | 1,469,672 |
| 1,500,000 | U.S. Treasury, 4.00%, 07/10/2025 | 1,469,450 |
| 1,500,000 | U.S. Treasury, 0.25%, 07/31/2025 (c) | 1,464,432 |
| 1,500,000 | U.S. Treasury, 4.75%, 07/31/2025 (c) | 1,503,919 |
| 1,500,000 | U.S. Treasury, 3.13%, 08/15/2025 (c) | 1,488,165 |
| 1,000,000 | U.S. Treasury, 0.25%, 08/31/2025 (c) | 973,664 |
| 1,500,000 | U.S. Treasury, 5.00%, 08/31/2025 (c) | 1,506,036 |
| 1,500,000 | U.S. Treasury, 4.15%, 09/04/2025 | 1,459,225 |
| 675,000 | U.S. Treasury, 5.00%, 09/30/2025 (c) | 678,556 |
| 650,000 | U.S. Treasury, 4.30%, 10/02/2025 | 629,659 |
| 1,000,000 | U.S. Treasury, 5.00%, 10/31/2025 (c) | 1,004,491 |
| 1,500,000 | U.S. Treasury, 2.25%, 11/15/2025 (c) | 1,473,369 |
| Total U.S. Treasury Securities | | 87,087,466 |
| Repurchase Agreements -- 37.2% (c) | | |
| 50,000,000 | Bank of Nova Scotia, 4.42%, 01/02/2025 (d) | 50,000,000 |
| 71,000,000 | State Street Bank & Trust, 4.43%, 01/02/2025 (d) | 71,000,000 |
| Total Repurchase Agreements | | 121,000,000 |
| Money Market Fund -- 0.2% (c) | | |
| 691,173 | Federal Government Obligations Fund, 4.32%, 01/02/2025 | 691,173 |
| Total Money Market Fund | | 691,173 |
| Total Investments - 81.4% (at amortized cost, which approximates fair value) | | 265,058,657 |
| Other assets in excess of liabilities - 18.6% | | 60,561,443 |
| Net Position (Participants beneficial interest outstanding) - 100.0% | | \$ 325,620,100 |

(a) Unless otherwise noted, issue shows yield to maturity at the time of purchase (unaudited).

(b) Denotes variable rate securities, which show current rate and next reset date.

(c) Denotes the stated interest rate at December 31, 2024.

(d) Investment exceeds 5% of total investments.

Note: The categories of investments are shown as a percentage of total net position at December 31, 2024.



Schedule of Investments 2023

Government Cash Reserve Fund December 31, 2023

| Principal Amount | Description | Amortized Value (Note 2) |
|--|--|--------------------------|
| U.S. Government Agency Obligations -- 12.4% (a) | | |
| 2,020,000 | Federal Farm Credit Bank, 0.25%, 02/26/2024 (b) | \$ 2,006,274 |
| 1,000,000 | Federal Home Loan Bank, 4.90%, 01/12/2024 | 998,536 |
| 5,000,000 | Federal Home Loan Bank, 5.60%, 01/17/2024 | 4,988,104 |
| 1,000,000 | Federal Home Loan Bank, 5.44%, 01/02/2024 (c) | 1,000,000 |
| 4,000,000 | Federal Home Loan Bank, 5.45%, 01/02/2024 (c) | 4,000,000 |
| 1,000,000 | Federal Home Loan Bank, 4.88%, 02/06/2024 | 995,250 |
| 2,000,000 | Federal Home Loan Bank, 5.45%, 01/02/2024 (c) | 2,000,000 |
| 1,000,000 | Federal Home Loan Bank, 5.22%, 03/01/2024 | 991,558 |
| 1,500,000 | Federal Home Loan Bank, 5.49%, 03/15/2024 | 1,483,766 |
| 1,000,000 | Federal Home Loan Bank, 5.53%, 03/21/2024 | 988,233 |
| 1,000,000 | Federal Home Loan Bank, 2.49%, 03/28/2024 (b) | 994,336 |
| 1,500,000 | Federal Home Loan Bank, 5.50%, 03/28/2024 | 1,480,896 |
| 3,000,000 | Federal Home Loan Bank, 5.64%, 04/08/2024 | 2,956,962 |
| 1,000,000 | Federal Home Loan Bank, 5.53%, 04/15/2024 | 984,614 |
| 3,000,000 | Federal Home Loan Bank, 5.47%, 01/02/2024 (c) | 3,000,000 |
| 3,000,000 | Federal Home Loan Bank, 5.65%, 07/01/2024 | 2,920,906 |
| 2,000,000 | Federal Home Loan Bank, 5.46%, 08/15/2024 | 1,935,179 |
| 1,000,000 | Federal Home Loan Bank, 5.57%, 09/16/2024 | 962,661 |
| 661,830 | International Development Finance Corporation, 5.48%, 01/05/2024 (c) | 661,830 |
| | Total U.S. Government Agency Obligations | 35,349,105 |
| U.S. Treasury Securities -- 33.8% (a) | | |
| 3,000,000 | U.S. Treasury, 5.50%, 01/02/2024 | 2,999,556 |
| 5,000,000 | U.S. Treasury, 5.55%, 01/04/2024 | 4,997,773 |
| 4,000,000 | U.S. Treasury, 5.52%, 01/09/2024 | 3,995,258 |
| 3,000,000 | U.S. Treasury, 5.53%, 01/16/2024 | 2,993,338 |
| 4,000,000 | U.S. Treasury, 5.58%, 01/18/2024 | 3,989,913 |
| 3,000,000 | U.S. Treasury, 5.55%, 01/23/2024 | 2,990,210 |
| 3,473,800 | U.S. Treasury, 5.49%, 01/25/2024 | 3,461,556 |
| 3,000,000 | U.S. Treasury, 5.57%, 01/30/2024 | 2,987,083 |
| 3,000,000 | U.S. Treasury, 5.61%, 02/01/2024 | 2,986,244 |
| 4,000,000 | U.S. Treasury, 5.69%, 02/06/2024 | 3,978,675 |
| 2,000,000 | U.S. Treasury, 5.45%, 02/08/2024 | 1,988,885 |
| 1,000,000 | U.S. Treasury, 5.48%, 02/15/2024 | 993,388 |
| 3,000,000 | U.S. Treasury, 5.64%, 02/20/2024 | 2,977,688 |
| 1,500,000 | U.S. Treasury, 5.50%, 02/22/2024 | 1,488,528 |
| 3,000,000 | U.S. Treasury, 5.64%, 02/27/2024 | 2,974,659 |
| 1,500,000 | U.S. Treasury, 5.56%, 02/29/2024 | 1,486,848 |
| 3,000,000 | U.S. Treasury, 5.67%, 03/05/2024 | 2,971,520 |
| 1,500,000 | U.S. Treasury, 5.52%, 03/07/2024 | 1,485,425 |
| 2,000,000 | U.S. Treasury, 5.64%, 03/12/2024 | 1,979,189 |
| 1,000,000 | U.S. Treasury, 5.82%, 04/02/2024 | 986,596 |
| 1,500,000 | U.S. Treasury, 5.62%, 04/04/2024 | 1,479,085 |
| 2,000,000 | U.S. Treasury, 5.99%, 04/09/2024 | 1,971,180 |
| 2,000,000 | U.S. Treasury, 6.39%, 04/16/2024 | 1,969,083 |
| 2,000,000 | U.S. Treasury, 5.65%, 04/18/2024 | 1,967,990 |
| 4,500,000 | U.S. Treasury, 5.63%, 04/25/2024 | 4,424,268 |
| 1,106,000 | U.S. Treasury, 5.35%, 04/30/2024 | 1,086,953 |
| 1,500,000 | U.S. Treasury, 5.68%, 05/02/2024 | 1,472,957 |
| 3,000,000 | U.S. Treasury, 5.65%, 05/09/2024 | 2,943,455 |
| 3,000,000 | U.S. Treasury, 5.75%, 05/23/2024 | 2,937,610 |
| 1,500,000 | U.S. Treasury, 5.85%, 06/06/2024 | 1,466,049 |
| 1,500,000 | U.S. Treasury, 6.06%, 06/13/2024 | 1,464,535 |
| 2,000,000 | U.S. Treasury, 6.52%, 06/20/2024 | 1,951,265 |
| 1,500,000 | U.S. Treasury, 5.66%, 07/11/2024 | 1,461,340 |



Schedule of Investments 2023

Government Cash Reserve Fund December 31, 2023

| Principal Amount | Description | Amortized Value (Note 2) |
|--|--|--------------------------|
| U.S. Treasury Securities -- 33.8% (a) (continued) | | |
| 1,500,000 | U.S. Treasury, 0.38%, 07/15/2024 (b) | 1,462,884 |
| 1,500,000 | U.S. Treasury, 2.13%, 07/31/2024 (b) | 1,474,599 |
| 1,500,000 | U.S. Treasury, 0.38%, 08/15/2024 (b) | 1,456,772 |
| 2,000,000 | U.S. Treasury, 1.88%, 08/31/2024 (b) | 1,955,134 |
| 1,000,000 | U.S. Treasury, 3.25%, 08/31/2024 (b) | 985,582 |
| 1,500,000 | U.S. Treasury, 5.46%, 09/05/2024 | 1,447,093 |
| 1,000,000 | U.S. Treasury, 0.38%, 09/15/2024 (b) | 966,534 |
| 2,000,000 | U.S. Treasury, 0.63%, 10/15/2024 (b) | 1,928,795 |
| 1,000,000 | U.S. Treasury, 5.61%, 10/31/2024 | 957,001 |
| 2,500,000 | U.S. Treasury, 2.25%, 11/15/2024 (b) | 2,436,246 |
| Total U.S. Treasury Securities | | 96,378,742 |
| Repurchase Agreements -- 40.7% (b) | | |
| 40,000,000 | Royal Bank of Canada, 5.30%, 01/02/2024 (d) | 40,000,000 |
| 76,000,000 | State Street Bank & Trust, 5.31%, 01/02/2024 (d) | 76,000,000 |
| Total Repurchase Agreements | | 116,000,000 |
| Money Market Fund -- 0.5% (b) | | |
| 1,456,035 | Federated Government Obligations Fund, 5.24%, 01/02/2024 | 1,456,034 |
| Total Money Market Fund | | 1,456,034 |
| Total Investments - 87.4% (at amortized cost, which approximates fair value) | | 249,183,881 |
| Other assets in excess of liabilities - 12.6% | | 35,996,400 |
| Net Position (Participants beneficial interest outstanding) - 100.0% | | \$ 285,180,281 |

(a) Unless otherwise noted, issue shows yield to maturity at the time of purchase (unaudited).

(b) Denotes the stated interest rate at December 31, 2023.

(c) Denotes variable rate securities, which show current rate and next reset date.

(d) Investment exceeds 5% of total investments.

Note: The categories of investments are shown as a percentage of total net position at December 31, 2023.



Statements of Fiduciary Net Position

Government Cash Reserve Fund

December 31, 2024 and 2023

| | 2024 | 2023 |
|--|--------------------|--------------------|
| Assets | | |
| Investment in securities, at amortized cost (Note 2) | | |
| U.S. Government agency obligations | \$ 56,280,018 | \$ 35,349,105 |
| U.S. Treasury securities | 87,087,466 | 96,378,742 |
| Repurchase agreements | 121,000,000 | 116,000,000 |
| Money Market Fund | 691,173 | 1,456,034 |
| Total investments | 265,058,657 | 249,183,881 |
| Cash deposits | 60,129,912 | 36,845,718 |
| Interest receivable | 537,053 | 344,368 |
| Total assets | 325,725,622 | 286,373,967 |
| Liabilities | | |
| Custodian and cash management fees payable | 524 | 12,834 |
| Administrative expense payable | 2,625 | 2,325 |
| Administration fee payable | 38,824 | 34,621 |
| Marketing fee payable | 24,726 | 22,332 |
| Investment advisory fee payable | 24,958 | 22,257 |
| Sponsorship fee payable | 13,865 | 12,365 |
| Payable for investments purchased | - | 1,086,952 |
| Total liabilities | 105,522 | 1,193,686 |
| Net position held in pool for participants | \$ 325,620,100 | \$ 285,180,281 |
| Units of beneficial interest outstanding | 325,620,100 | 285,180,281 |
| Net asset value - offering and redemption price per unit | \$ 1.00 | \$ 1.00 |



Statements of Changes in Fiduciary Net Position

Government Cash Reserve Fund For the Years Ended December 31, 2024 and 2023

| | <u>2024</u> | <u>2023</u> |
|--|-----------------------|-----------------------|
| Additions | | |
| Investment income | \$ 14,505,983 | \$ 13,968,348 |
| Expenses | | |
| Administration fees | 389,728 | 382,546 |
| Distribution fees | 252,702 | 248,598 |
| Investment advisory fees | 250,540 | 245,922 |
| Sponsor fees | 139,189 | 136,624 |
| Custodian and cash management fees | 28,511 | 31,640 |
| Other expenses | 27,715 | 25,135 |
| Total expenses | <u>1,088,385</u> | <u>1,070,465</u> |
| Net investment income | <u>13,417,598</u> | <u>12,897,883</u> |
| Unitholder transaction additions: (at constant net asset value of \$1 per unit) | | |
| Units sold | 496,285,065 | 564,019,553 |
| Units issued in reinvestment of dividends from net investment income | <u>13,417,598</u> | <u>12,897,883</u> |
| Total participant transaction additions | <u>509,702,663</u> | <u>576,917,436</u> |
| Total additions | 523,120,261 | 589,815,319 |
| Deductions | | |
| Dividends to unit holders from net investment income | (13,417,598) | (12,897,883) |
| Units redeemed | <u>(469,262,844)</u> | <u>(477,753,723)</u> |
| Total deductions | (482,680,442) | (490,651,606) |
| Change in net position | 40,439,819 | 99,163,713 |
| Net position held in pool for participants at beginning of period | <u>285,180,281</u> | <u>186,016,568</u> |
| Net position held in pool for participants at end of period | <u>\$ 325,620,100</u> | <u>\$ 285,180,281</u> |



Notes to Financial Statements Years ended December 31, 2024 and 2023

1. Organization

South Dakota Public Funds Investment Trust (the "Trust") is a common law trust established under South Dakota Codified Law pursuant to Chapter 1-24, South Dakota Codified Laws, as amended, which authorizes South Dakota public agencies to jointly invest monies pursuant to a joint investment agreement. The Trust was established by the adoption of a Joint Powers Agreement and Declaration of Trust as of November 1, 1991, and commenced operations on December 20, 1991. As amended, the Trust is authorized to operate two investment programs: 1) the Government Cash Reserve Fund (GCR), and 2) the Fixed Rate Account. The objective of the GCR is to maintain a high degree of liquidity and safety of principal through investment in short-term securities as permitted for South Dakota public agencies under South Dakota law. The objective of the Fixed Rate Account is to provide investment in legally permissible individual securities which offer fixed rates of return and fixed maturities. This report covers only the GCR. PMA Asset Management, LLC serves as advisor and PMA Financial Network, LLC serves as the administrator. The South Dakota Municipal League serves as the distributor and BMO Harris Bank, N.A. serves as the custodian.

2. Significant Accounting Policies

Basis of Accounting

An investment trust fund, which is a type of fiduciary fund, is used to account for the investment pool and accounts of the Trust. Fiduciary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Fiduciary fund equity is reported as net position held in the Trust for pool participants.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net position during the period. Actual results could differ from those estimates.

Valuation of Investments

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 79, *Certain External Investment Pools and Pool Participants* (GASB 79), the GCR values its portfolio securities at amortized cost, which approximates fair value. The amortized cost method involves valuing a security at its cost on the date of purchase and recording a constant amortization or accretion to maturity of any discount or premium.

In order for an investment pool to elect amortized cost, GASB 79 requires that certain criteria be met. The criteria requires that an external investment pool must transact with their participants at a stable net asset value per share and meet requirements for portfolio maturity, quality, diversification, liquidity, and shadow pricing. The GCR meets these criteria and, therefore, can measure its investments at amortized cost. The net asset value of the GCR is calculated daily.

The investment process is designed to maintain a stable \$1.00 net asset value and to meet the requirements of GASB 79.

Security transactions are accounted for on the trade date. Interest income is recognized on the accrual basis and includes the amortization or accretion of discount or premium, where applicable.

The GCR is authorized by investment policy and statute to invest public funds in obligations of the U.S. government, its agencies and instrumentalities, and repurchase agreements, provided that the underlying collateral consists of obligations of the U.S. government, its agencies and instrumentalities and that the GCR custodian takes delivery of the collateral either directly or indirectly through an authorized custodian.

In connection with transactions in repurchase agreements, it is the GCR's policy that the value of the underlying collateral securities exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. If the seller were to default on its repurchase obligation and the value of the collateral declines, realization of the collateral by the GCR may be delayed or limited.



Notes to Financial Statements Years ended December 31, 2024 and 2023

2. Significant Accounting Policies (continued)

At December 31, 2024, the securities purchased under overnight repurchase agreements were collateralized by U.S. Treasury Securities or U.S. Government Agency Securities with maturities ranging from 1/28/2025 to 12/1/2048 with collateral value of \$123,420,108. At December 31, 2023, the securities purchased under overnight repurchase agreements were collateralized by U.S. Treasury Securities or U.S. Government Agency Securities with maturities ranging from 5/23/2024 to 6/20/2050 with collateral value of \$118,320,042.

Distributions to Participants

Dividends are declared and accrued daily from net investment income; other income and net realized gains or losses from securities transactions, if any, are credited immediately thereafter pro rata to each Participant's account. Accrued dividends are reinvested in the form of additional shares at the close of each calendar month.

Investment and Redemption Provisions

The GCR allows Participants to purchase and redeem units on a daily basis, subject to limitations whereby liquidity of the fund may require redemptions to be delayed until applicable investments have matured or are liquidated.

Income Taxes

The Trust files annual tax returns and is not subject to federal, state or local income taxes.

3. Fees and Expenses

Investment Advisory Fee

PMA Asset Management, LLC serves as Investment Advisor, for which they receive a fee of 0.09% of the daily average net position in the GCR. For the years ended December 31, 2024 and 2023, the GCR paid PMA Asset Management, LLC \$250,540 and \$245,922, respectively, for advisory services.

Administration Fee

PMA Financial Network, LLC (PMA) serves as Administrator, for which they receive a fee of 0.14% of the daily average net position in the GCR. For the years ended December 31, 2024 and 2023, the GCR paid PMA \$389,728 and \$382,546, respectively, for administration services.

Distribution Fee

The South Dakota Municipal League (SDML) serves as Distributor, for which they receive a fee of 0.13% of the daily average net position of the GCR on the first \$50 million, 0.10% on the next \$25 million, 0.08% on the daily average net position over \$75 million. For the years ended December 31, 2024 and 2023, the GCR paid the SDML \$252,702 and \$248,598, respectively, for distribution services.

Custodian

BMO Harris Bank, N.A. (BMO) serves as Custodian. For the years ended December 31, 2024 and 2023, the GCR paid BMO \$24,778 and \$22,550, respectively, for custody services.

Wells Fargo Bank, N.A. provides cash management services. For the years ended December 31, 2024 and 2023, the GCR paid Wells Fargo \$3,733 and \$9,090, respectively.



Notes to Financial Statements Years ended December 31, 2024 and 2023

3. Fees and Expenses (continued)

Sponsorship

The sponsoring associations collectively receive 0.05% of the daily average net position of the GCR. For the years ended December 31, 2024 and 2023, the GCR paid the sponsoring associations \$139,189 and \$136,624, respectively, for their sponsorship.

Other Fund Expenses

The GCR is responsible for other operating expenses incurred. For the years ended December 31, 2024 and 2023, the GCR paid \$27,715 and \$25,135, respectively, for other operating expenses.

All fees are computed and accrued daily and are paid monthly or when invoiced.

Fee Waivers

The Trust's service providers may voluntarily absorb or waive expenses and fees from time to time. Voluntary reimbursements may be terminated at any time at the Administrator's discretion.

4. Investments and Deposits

Fair Value – Governmental Accounting Standards Statement No. 72, *Fair Value Measurements and Application*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels:

Level 1 Fair Value Measurements – The fair value measurements are based on quoted market values.

Level 2 Fair Value Measurements – The fair value is based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from observable market data.

Level 3 Fair Value Measurements – The fair value is based on unobservable inputs which are the GCR's own assumptions about what market participants would assume when determining a price to pay. Level 3 inputs are used when there is little, if any, market activity for the asset or liability at the measurement date. The GCR does not hold any Level 3 investments.

There are no investments in the GCR measured at fair value on a recurring or non-recurring basis since all investments are carried at amortized cost. All investments are considered Level 2. There were no transfers between levels of the fair value hierarchy for the years ended December 31, 2024 or 2023.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The GCR limits the exposure to credit risk by investing only in high-quality obligations, including those issued or guaranteed by the U.S. government, collateralized perfected repurchase agreements, FDIC insured bank deposits, and registered funds consisting of these investments.



Notes to Financial Statements Years ended December 31, 2024 and 2023

4. Investments and Deposits (continued)

The following tables provide information on the credit ratings of the GCR's investments as of December 31, 2024 and 2023:

| Security Type | Credit Rating | | As of December 31, 2024 | | |
|------------------------------------|---------------|---------|-------------------------|-----------------------|---------------------------|
| | S&P | Moody's | Carrying Value | Fair Value | Percentage of Investments |
| U.S. Government Agency Obligations | A-1+ | P-1 | \$ 56,280,018 | \$ 56,272,572 | 21.23% |
| U.S. Treasury Securities * | N/A | N/A | 87,087,466 | 87,131,470 | 32.86% |
| Repurchase Agreements | A-1+ | P-1 | 121,000,000 | 121,000,000 | 45.65% |
| Government Money Market Fund | A-1+ | P-1 | 691,173 | 691,173 | 0.26% |
| | | | <u>\$ 265,058,657</u> | <u>\$ 265,095,215</u> | <u>100.00%</u> |

| Security Type | Credit Rating | | As of December 31, 2023 | | |
|------------------------------------|---------------|---------|-------------------------|-----------------------|---------------------------|
| | S&P | Moody's | Carrying Value | Fair Value | Percentage of Investments |
| U.S. Government Agency Obligations | A-1+ | P-1 | \$ 35,349,105 | \$ 35,346,353 | 14.19% |
| U.S. Treasury Securities * | N/A | N/A | 96,378,742 | 96,434,888 | 38.68% |
| Repurchase Agreements | A-1+ | P-1 | 116,000,000 | 116,000,000 | 46.55% |
| Government Money Market Fund | A-1+ | P-1 | 1,456,034 | 1,456,034 | 0.58% |
| | | | <u>\$ 249,183,881</u> | <u>\$ 249,237,275</u> | <u>100.00%</u> |

* U.S. Treasury issues are explicitly guaranteed by the United States government and are not considered to have credit risk.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the deposits or collateral securities may not be recovered from an outside party. In accordance with GCR's Investment Policy, deposits are held in eligible depositories which are insured by the FDIC. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the GCR will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Repurchase agreements are required to be collateralized by at least 102% of their value, and the collateral is held in the name of the GCR. The GCR or its agent does not release cash or securities until the counterparty delivers its side of the transaction.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Management attempts to limit the GCR portfolio's exposure to interest rate risk and believes this is addressed by the fact that securities are limited by investment policy to investments of high quality with durations not to exceed 365 days. Significant changes in market interest rates are not expected to present long-term risks to the GCR portfolio.

The following table provides information on the weighted average maturities for deposits and investments of the GCR as of December 31, 2024 and 2023:

| Security Type | As of December 31, 2024 | | As of December 31, 2023 | |
|------------------------------------|-------------------------|------------|-------------------------|------------|
| | Carrying Value | WAM (Days) | Carrying Value | WAM (Days) |
| U.S. Government Agency Obligations | \$ 56,280,018 | 53 | \$ 35,349,105 | 68 |
| U.S. Treasury Securities | 87,087,466 | 103 | 96,378,742 | 97 |
| Cash Deposits | 60,129,912 | 1 | 36,845,718 | 1 |
| Repurchase Agreements | 121,000,000 | 2 | 116,000,000 | 4 |
| Government Money Market Fund | 691,173 | 1 | 1,456,034 | 1 |
| | <u>\$ 325,188,569</u> | <u>38</u> | <u>\$ 286,029,599</u> | <u>43</u> |



Notes to Financial Statements Years ended December 31, 2024 and 2023

4. Investments and Deposits (continued)

As of December 31, 2024 and 2023, the GCR held cash deposits totaling \$60,129,912 and \$36,845,718, respectively, all of which were FDIC insured.

Concentration of credit risk is the risk of loss attributed to the magnitude of the GCR's investments in a single issuer. Management does not believe the GCR is exposed to concentration risk. Securities are limited by investment policy to obligations issued or guaranteed by the U.S. Government. The GCR investments at December 31, 2024, included 21.23% in U.S. Government Agencies, 32.86% in U.S. Treasury Securities, and 45.65% in repurchase agreements collateralized by U.S. Government Agency and U.S. Treasury Securities. The GCR investments at December 31, 2023, included 14.19% in U.S. Government Agencies, 38.68% in U.S. Treasury Securities, and 46.55% in repurchase agreements collateralized by U.S. Government Agencies and U.S. Treasury Securities.

5. Risk Management

The GCR is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

The GCR is covered for various risks by a general liability insurance policy of \$1 million through the South Dakota Public Assurance Alliance. There have been no claims since the inception of the GCR.



Supplementary Schedule of Financial Highlights

Supplementary Schedule of Financial Highlights December 31, 2024 and 2023

| | 2024 | 2023 |
|--|------------|------------|
| Net asset value, beginning of period | \$ 1.00 | \$ 1.00 |
| Net investment income | 0.0482 | 0.0472 |
| Dividends to participants | (0.0482) | (0.0472) |
| Net asset value, end of period | \$ 1.00 | \$ 1.00 |
| Total investment return | 4.940% | 4.778% |
| Ratios to average net position: | | |
| Operating expenses | 0.391% | 0.392% |
| Net investment income | 4.820% | 4.720% |
| Net position, end of period (in 000's) | \$ 325,620 | \$ 285,180 |



Participants (Unaudited)

| | | |
|--|--------------------------|---|
| Aberdeen School District | City of Doland | City of Tea |
| Altamont | City of Elk Point | City of Tripp |
| Andes Central School District | City of Flandreau | City of Valley Springs |
| Associated School Boards Protective Trust | City of Fort Pierre | City of Vermillion |
| Baltic School District | City of Gary | City of Vermillion |
| Belle Fourche School District | City of Gettysburg | City of Watertown |
| Bennett County School District | City of Gregory | City of Waubay |
| Beresford School District | City of Groton | City of Whitewood |
| Bison School District | City of Harrisburg | City of Wood |
| Black Hills Educational Benefits Cooperative | City of Hecla | City of Worthing |
| Brandon Valley School District | City of Hill City | City of Yankton |
| Bridgewater Emery School District | City of Hosmer | Codington County |
| Britton-Hecla School District | City of Hot Springs | Colman-Egan School District |
| Brown County Treasurer | City of Howard | Consolidated Hurley School District |
| Cambria Township of Brown County | City of Huron | Corsica-Stickney School District |
| Canistota School District | City of Irene | Corson County |
| Castlewood School District | City of Kimball | County of Beadle |
| Centerville School District | City of Lake Preston | County of Bennett |
| Chester Area School District | City of Lead | County of Clay |
| Chester Township of Lake County | City of Madison | County of Edmunds |
| City of Aberdeen | City of Milbank | County of Faulk |
| City of Baltic | City of Miller | County of Grant |
| City of Belle Fourche | City of Mission | County of Hughes |
| City of Beresford | City of Mission Hill | County of Jerauld |
| City of Big Stone City | City of Mitchell | County of Lake |
| City of Box Elder | City of Mobridge | County of Lincoln |
| City of Brandon | City of Montrose | County of Miner |
| City of Brookings | City of New Underwood | Custer County |
| City of Burke | City of North Sioux City | Custer School District |
| City of Canton | City of Onida | Dakota Dunes Community Improvement District |
| City of Castlewood | City of Pierre | Dakota Valley School District |
| City of Centerville | City of Rapid City | Davison County |
| City of Clear Lake | City of Redfield | Dell Rapids School District |
| City of Colman | City of Roscoe | Dell Rapids Township of Minnehaha City |
| City of Columbia | City of Sioux Falls | Deuel County |
| City of Corsica | City of Sisseton | Doland School District |
| City of Crooks | City of Spearfish | Douglas School District |
| City of Custer City | City of Springfield | Dupree School District |
| City of Deadwood | City of Sturgis | East Dakota Educational Cooperative |



Participants (Unaudited)

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|--|--|-----------------------------------|
| Edmunds Central School District | Milbank School District | Town of Gayville |
| Elk Point-Jefferson School District | Mina Lake Sanitary & Water District | Town of Henry |
| Eureka School District | Minnehaha County | Town of Hermosa |
| Faith School District | Mitchell School District | Town of Herrick |
| Faulkton Area Schools - District 24-4 | Mobridge-Pollock School District | Town of Humboldt |
| Flandreau Public School District | Northwest Area Schools | Town of Keystone |
| Frederick Area School District | Northwestern Area School District | Town of La Bolt |
| Garretson School District | Oelrichs School District | Town of Langford |
| Grant Township of Lincoln County | Parker School District | Town of Letcher |
| Grant-Deuel School District | Perkins County | Town of Morristown |
| Haakon School District | Perkins County Conservation District | Town of Nisland |
| Hanson School District | Pierre School District | Town of Quinn |
| Harding County School District | Platte-Geddes Comm School District | Town of Revillo |
| Harrisburg School District | Pleasant Township of Lincoln County | Town of Toronto |
| Hartford Township | Rapid City Area School District | Town of Trent |
| Henry School District | Rapid Valley Sanitary District-Water Service | Town of Volin |
| Hot Springs School District | Redfield School District | Town of Wentworth |
| Howard School District | Sanborn Central School District | Town of Wolsey |
| Huron School District | Sanborn County | Tri-Valley School District |
| Ipswich Public School District | Shelby Township of Brown County | Union County |
| Jones County School District | Sisseton School District | Union Township |
| Kadoka Area School District | Southeast Area Cooperative | Vermillion School District |
| Kimball Ambulance District | Spearfish School District | Viborg-Hurley School District |
| Lake Poinsett Sanitary District | Spink County Treasurer | Wagner Community School |
| Langford Area School District | Spring Valley Township of McCook County | Walworth County |
| Lead-Deadwood Sanitary District | Stanley County | Warner School District |
| Lead-Deadwood School District | Stanley County School District | Watertown School District |
| Lennox School District | Taopi Township of Minnehaha County | Waubay School District |
| Leola School District | Tea Area School District | Waverly School District |
| Liberty Township of Brown County | Three Rivers Special Services CO-OP | Webster Area School District |
| Lower James River Water Project District | TM Rural Water District | West Central School District 49-7 |
| Lyman School District | Town of Akaska | White Lake School District |
| Madison Central School District | Town of Bushnell | White River School District |
| Marion School District | Town of Camp Crook | Willow Lake School District |
| McCook Central School District | Town of Central City | Wilmot School District |
| McIntosh School District | Town of Chancellor | Winner School District |
| Meade School District | Town of Egan | Woonsocket School District |
| Mellette County | Town of Florence | Yankton School District |
| Menno School District | Town of Fruitdale | |