

WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S) REQUEST FORM

Date: 6/14/22 Weekly Agenda Date: 6/28/22

ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN: Tina Bertrand, County Treasurer

WORDING FOR AGENDA ITEM:

IPAIT Information Presentation

ACTION REQUIRED:

Approve Ordinance

Approve Resolution

Approve Motion

Give Direction

Other: Informational

Attachments

EXECUTIVE SUMMARY:

Iowa Public Agency Investment Trust (IPAIT)

BACKGROUND:

IPAIT is a comprehensive cash management service for Iowa Cities, Counties, and City Utilities to help expand investment opportunities to best manage cash reserves in a manner that focuses on safety of principal and liquidity for operating funds.

FINANCIAL IMPACT:

None

IF THERE IS A CONTRACT INVOLVED IN THE AGENDA ITEM, HAS THE CONTRACT BEEN SUBMITTED AT LEAST ONE WEEK PRIOR AND ANSWERED WITH A REVIEW BY THE COUNTY ATTORNEY'S OFFICE?

Yes No

RECOMMENDATION:

ACTION REQUIRED / PROPOSED MOTION:

IOWA PUBLIC AGENCY INVESTMENT TRUST (IPAIT)

A comprehensive cash management service for Iowa Cities, Counties, and City Utilities



INFORMATION STATEMENT

January 19, 2022

This booklet provides detailed information about the
Iowa Public Agency Investment Trust.
Please read it carefully and retain it for future reference.

Sponsored by the
Iowa Association of Municipal Utilities
Iowa State Association of Counties
Iowa League of Cities

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No person or entity has been authorized to give any information or to make any representations other than those contained in this Information Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by IPAIT, its Trustees, the Investment Adviser, the Administrator, the Custodian, or any agent of IPAIT or the Trustees.

IOWA PUBLIC AGENCY INVESTMENT TRUST (IPAiT)

The Iowa Public Agency Investment Trust ("IPAiT" or "Trust") is a professionally managed common law trust created with the objective of providing Iowa cities, counties, city utilities, and other eligible participants (the "Participants") with a convenient method for investing their funds in a manner that focuses on safety of principal and liquidity for operating funds, while maximizing current income consistent with those parameters.

IPAiT has been established under Iowa law pursuant to Iowa Code Chapter 28E and Sections 331.555 and 384.21, which authorize Iowa cities, counties, city utilities, and other eligible participants to jointly invest monies pursuant to a joint investment agreement. IPAiT was established by adoption of a Joint Powers Agreement and Declaration of Trust establishing the Iowa Public Agency Investment Trust as of October 1, 1987 and amended as of August 1, 1988, May 1, 1993, September 1 2005, and September 1, 2017 (the "Declaration"). Iowa Code permits judicial districts and rural water districts to participate in a joint investment agreement, and such entities are authorized to participate in IPAiT upon the approval of the Board of Trustees. A city, city utility, or county which is, respectively, a member of the Iowa League of Cities, the Iowa Association of Municipal Utilities, or the Iowa State Association of Counties (the "Sponsoring Associations") or other eligible participants can become a Participant in IPAiT by submitting an application and a certified copy of the form of authorizing resolution contained therein to Iowa Public Agency Investment Trust, c/o PMA Financial Network, LLC, Trust Administrator, at 2135 CityGate Lane, 7th Floor, Naperville, IL 60563. (See "Instructions and Application Form").

IPAiT is an S&P Global Ratings ("S&P") rated money market fund pursuant to the requirements of Iowa Code 12B.10.

This Information Statement provides detailed information about IPAiT and its investment and operating policies. Please read it carefully and retain it for future reference. Additional information, a copy of the Declaration of Trust, and further assistance regarding becoming a Participant in IPAiT may be obtained by calling the IPAiT toll free number, (800) 872-4024, or by contacting Iowa Public Agency Investment Trust, c/o PMA Financial Network, LLC, Trust Administrator, at 2135 CityGate Lane, 7th Floor, Naperville, IL 60563. This Information Statement is qualified in its entirety by reference to the text of the Declaration of Trust.

RATING

IPAiT is voluntarily rated as a money market fund by S&P as a result of the requirements of Iowa Code 12B.10 stating that a joint investment trust that invests public funds either obtain a rating in one of the two highest rating classifications by a least one of the standard rating services specified under Iowa law (a "Rating Agency"), or register as an investment company under the Investment Company Act of 1940. IPAiT Diversified Portfolio holds a AAAM rating, the highest rating in the classification, although there is no guarantee that this or any rating will be maintained.

CASH MANAGEMENT

IPAiT issues Trust Units in which Participants may invest, referred to as the Diversified Portfolio ("Portfolio").

There are no minimum or maximum investments or limitations on redemptions for the Portfolio. Participants may invest any funds in their custody in the Portfolio. The Portfolio is operated according to investment and accounting standards which conform to the requirements of Statement No. 79 of the Governmental Accounting Standards Board for certain external investment pools and S&P's requirements for local government investment pools. Only funds of Participants may be invested in IPAiT.

DIVERSIFIED PORTFOLIO - The Diversified Portfolio is a professionally managed portfolio of U.S. government and federal agency securities, collateralized certificates of deposit of Iowa financial institutions, certificates of deposit and deposits insured under FDIC and permitted by Iowa Code Section 12B10(7), government-only money market funds, and collateralized perfected repurchase agreements as more fully described below. As required:

- all securities have final maturities of no greater than 397 days, and
- the Portfolio maintains a maximum average dollar weighted maturity to reset of 60 days or less, and
- the Portfolio maintains a weighted average life to final of 120 days or less.

AUTHORIZED INVESTMENTS

The objective of IPAIT is to provide Participants with safety of principal, daily liquidity and the highest possible investment yield consistent with those requirements.

Subject to the specific investment restrictions of the Portfolio described herein, assets of IPAIT will only be invested in securities specifically permitted for Participants under present Iowa law, or as may be amended from time to time, including the following types of securities and instruments ("Permitted Investments").

- (1) Securities issued or guaranteed as to payment of principal and interest by the U.S. Government. These include, for example, Treasury bills, bonds and notes which are direct obligations of the U.S. Government ("U.S. Government Securities").
- (2) Obligations issued or guaranteed as to payment of principal and interest by agencies or instrumentalities of the U.S. Government ("Federal Agency Securities"). Such agencies and instrumentalities include, for example, Federal Intermediate Credit Banks, Federal Home Loan Banks, the Federal National Mortgage Association, the Federal Home Loan Mortgage Company, and the Farmers Home Administration. Such securities will include those supported by the full faith and credit of the United States Treasury or the right of the agency or instrumentality to borrow from the Treasury, as well as those supported only by the credit of the issuing agency or instrumentality.
- (3) Collateralized perfected repurchase agreements secured by securities in the immediately foregoing categories. A repurchase agreement involves the sale of such securities to IPAIT with the concurrent agreement of the seller to repurchase them at a specified time and price to yield an agreed upon rate of interest. The securities collateralizing the agreement are held in custody and are regularly verified by the IPAIT Custodian for the benefit of IPAIT and are maintained daily in an amount equal to at least 102 percent of the value of the repurchase agreement. The collateral is delivered to the custodian (or to an independent triparty custodian) in order to perfect the security interest IPAIT holds in the securities.
- (4) Certificates of deposit ("CDs") and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to chapter 12C, or FDIC insured deposits or certificates of deposit invested pursuant to Iowa Code Section 12B10(7).
- (5) Shares of a "government only" open-end management investment company registered with the Federal Securities and Exchange Commission under the Federal Investment Company Act of 1940, 15 U.S.C. § 80a-1, and operated in accordance with 17 C.F.R § 270.2a-7.

Every Permitted Investment shall be purchased on a delivery versus payment ("DVP") basis. No other settlement procedure is allowed. All of IPAIT's portfolio holdings at any time are available on request.

CURRENT INCOME - Because of the participation of many Iowa municipalities, counties, city utilities and other Iowa governmental entities in IPAIT and the large pool of funds resulting therefrom, IPAIT can purchase securities in larger denominations, thereby improving yields and reducing transaction costs. IPAIT's size and experience will also permit the selection of securities maturing at various times which can enhance average portfolio yields. These strategies, implemented by a full-time professional portfolio manager, will maximize the current income earned by IPAIT.

RISK AND MANAGEMENT OF RISK

While investments by IPAIT will be confined to the highest quality securities and instruments with varying maturities, the complete elimination of risk is not possible. It is possible that large redemptions of Trust Units in the Portfolio could necessitate the sale of some Portfolio investments prior to maturity at current market prices. If market values have declined, a reduction in Unit value could result at the time of redemption.

MANAGEMENT POLICIES AND PROCEDURES

Following are the fundamental management policies and procedures for IPAIT. All investments are maintained in an IPAIT custodial account at U.S. Bank National Association, segregated for the Diversified Portfolio on behalf of IPAIT Participants.

- (1) IPAIT investment procedures require that each purchase or sale of a security be handled on a DVP basis. Funds for the purchase of an investment shall not be released to the seller until the security is delivered to the IPAIT Custodian. Conversely a sold security shall not be released to the buyer until funds for the purchase price of the security have been received by the IPAIT Custodian.
- (2) IPAIT investment procedures prohibit "free delivery" transactions. The Custodian shall never release assets from the IPAIT custodial accounts for purchases or sales of securities until the securities or funds are delivered. Prohibiting "free delivery" settlements precludes movement of IPAIT program investments or funds to a third party anywhere.
- (3) Any material deviation (greater than +/-0.15 percent or 0.9985 to 1.0015) from the amortized cost of investments shall be promptly reported by the Investment Adviser to the Officers. The Officers shall monitor the situation and report immediately to the Board of Trustees should the deviation exceed +/- 0.25 percent or 0.9975 to 1.0025. The Investment Adviser will recommend to the Board what action, if any, should be initiated to reasonably eliminate or reduce material dilution or other unfair results to Participants. Such action may include redemption of Trust Units in kind, selling portfolio securities prior to maturity, withholding distributions or utilizing a net asset value per Trust Unit based upon available market quotations.
- (4) The frequent trading of securities, including day trading for the purpose of realizing short-term gains, the purchase and sale of futures and options to buy or sell authorized investments, reverse repurchase agreements and other similar speculative or derivative transactions are expressly prohibited.
- (5) IPAIT may not make any investment other than Permitted Investments authorized by the provisions of the law applicable to the investment of funds by the Participants, as such laws may be amended from time to time.
- (6) IPAIT may not purchase any Permitted Investment for the Diversified Portfolio which has a maturity date of more than 397 days.
- (7) IPAIT may not purchase any Permitted Investment if the effect of such purchase by IPAIT would be to make the average dollar weighted maturity to reset of the Diversified Portfolio greater than sixty (60) days; provided, however, that in making such determination, the maturity of a Permitted Investment shall be determined as set forth under 6 above
- (8) IPAIT may not purchase any Permitted Investment if the effect of such purchase by IPAIT would be to make the average dollar weighted life of the Diversified Portfolio greater than one hundred twenty (120) days to final; provided, however, that in making such determination, the maturity of a Permitted Investment shall be determined as set forth under 6 above.
- (9) IPAIT may not borrow money or incur indebtedness whether or not the proceeds thereof are intended to be used to purchase Permitted Investments;
- (10) IPAIT may not make loans, provided that IPAIT may make Permitted Investments.

The restrictions set forth above are fundamental to the operation and activities of IPAIT and may not be changed without the affirmative approval, in writing, of a majority of the Participants entitled to vote, except that such restrictions may be changed by the Trustees so as to make them more restrictive when necessary to conform the investment program and activities of IPAIT to the laws of the State of Iowa and the United States of America as they may from time to time be amended.

IPAIT may invest in Certificates of Deposit ("CDs") and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to chapter 12C, or FDIC insured deposits or certificates

of deposit invested pursuant to Iowa Code Section 12B10(7). The Trust's Investment Adviser provides a financial assessment of each nonrated IPAIT depository to the IPAIT Board of Trustees comparing that Depository's financial ratios to those of other Iowa and regional financial institutions whose securities are rated in the highest rating category for short-term debt obligations. Pursuant to this credit analysis, each IPAIT depository's Certificates of Deposit are deemed to be First Tier securities and as such they present minimal credit risk of default based upon the credit analysis. The IPAIT Board of Trustees has directed IPAIT's Investment Adviser to monitor the credit quality of all IPAIT depositories on an ongoing basis and to advise the Board of any deterioration of credit quality of any IPAIT depository relative to rated institutions. The State of Iowa requires financial institutions in Iowa to pledge certain collateral under certain circumstances to secure public fund deposits and also the State of Iowa maintains a sinking fund for public deposits to protect against the potential loss of funds by a public body with funds on deposit in an Iowa financial institution. The State of Iowa also has assessment procedures authorized to assess all Iowa depositories holding public funds for any losses experienced by an Iowa public body in excess of the State sinking fund in the event of an Iowa depository failure. There is no assurance that the State of Iowa's collateralization requirements, the sinking fund, or assessment procedures for public deposits will be sufficient in case of bank failure.

In addition to the fundamental restrictions and procedures set forth above, as a condition of providing services to IPAIT, IPAIT presently requires that the IPAIT Custodian, the Investment Adviser, and the Administrator maintain fidelity and errors and omissions insurance coverage for IPAIT's benefit for all services provided to IPAIT.

MATURITY OF IPAIT INVESTMENTS

The Portfolio strictly adheres to Iowa law and S&P Criteria for money market mutual funds, developed to minimize risk that the value of investments in a portfolio might vary. IPAIT's investment policy as set forth herein presently limits portfolio investments to the following:

1. The remaining maturity of any individual investment may not exceed more than 397 days from the date of purchase.
2. The maximum dollar weighted average maturity to reset of all IPAIT investments may not exceed 60 days.
3. Investments are monitored daily by its Investment Adviser to assure that the value of each IPAIT investment does not materially deviate in value from its amortized cost.

MAINTENANCE OF LIQUIDITY

Investments will generally be confined to securities maturing at various times within 397 days from the date of purchase as previously described. Because of their relatively short maturities, high quality, and minimal price fluctuations, ready markets will exist for liquidating all securities in which IPAIT will invest.

As a general policy, the Portfolio will hold investments until they mature. However, in an effort to increase yields, IPAIT may sell securities and realize capital gains when there are perceived disparities between maturities for various categories of investments. Summaries of all securities trades are regularly provided to the Board of Trustees by the Investment Adviser for review.

INVESTING IN IPAIT PORTFOLIO UNITS

To become a Participant in IPAIT, the public body must adopt the Form A resolution included in the Instructions and Application Form available on the fund website, or otherwise provided by IPAIT. The resolution authorizes the public body to become a Participant, adopt the Declaration, and designate officials of the public body authorized to execute transactions with IPAIT. Following adoption of the resolution, the public body must complete and forward to the IPAIT Administrator, the investment trust application Form B along with the Form A and Form A Certificate. (See "Instructions and Application Form".)

Investments may be made at the net asset value per Unit next determined after an investment order has been received. The net asset value of Portfolio Units is determined once daily at the close of the New York Stock Exchange (currently 3:00 p.m., Central Standard Time).

PARTICIPANT RECORDKEEPING SYSTEM - The participant recordkeeping system is an internet-based participant accounting system available to IPAIT participants that allows authorized officials to view balances, initiate transactions, view historical transactions and balances, access daily confirmations and monthly statements, view daily rates, and view account information. The system allows two different levels of authorized users, users that can view and initiate transactions and those that can view only. The system also initiates an electronic notification to participants when confirmations and statements are available online through the system. The system is an added medium of communication with the IPAIT participants in addition to the toll-free phone line.

INVESTMENTS BY BANK FUNDS TRANSFER - A Participant may authorize transfers to its IPAIT account(s) by means of the Automated Clearinghouse System ("ACH"), from the Participant's local bank to IPAIT. The Participant may also have its local bank wire federal funds directly to the Custodian.

A Participant has the ability to invest in the Diversified Portfolio by the following methods:

- (1) An authorized official for the Participant may use the online shareholder recordkeeping system or telephone IPAIT at (800) 872-4024 and furnish the Participant's name, the name of the authorized official initiating the transaction, the customer identification number of the authorized official, the IPAIT account number and the amount being invested. A request for the IPAIT investment to be transferred by ACH, which will begin earning income effective the next business day, must be made by 3:00 p.m.
- (2) To make an investment by wire transfer and begin earning income effective the same business day, an authorized official may use the online shareholder recordkeeping system or telephone an IPAIT representative by 10:00 a.m., furnishing the information described above. The Participant must also instruct its local financial institution to wire funds to the IPAIT Custodian for receipt no later than 10:00 am. Please contact your IPAIT representative at (800) 872-4024 for wire instructions. Failure to properly wire the funds following the authorization for investment may result in failure of the investment or expenses incurred due to overdraft charges.
- (3) A Participant may invest in the Diversified Portfolio Units by issuing and mailing a check or other bank draft to U.S. Bank Institutional Trust & Custody, BC-MN-H5AM, 800 Nicollet Mall, Minneapolis, MN 55402. Until the check has cleared, the investment will not be completed or accepted, and no income will be earned or accrue.

INCOME DISTRIBUTIONS - Net income for the Diversified Portfolio of IPAIT is declared each business day for Participants of record immediately before 3:00 p.m. Central Standard Time. Income distributions are accrued to Participants' accounts daily and reinvested in additional Units monthly for compounded interest. Total distributions for each month are credited to Participants' accounts the first business day of the following month. Distributions are automatically reinvested in Portfolio Trust Units unless cash payment has been requested. Cash payments, if requested, will be made monthly. If a Participant redeems the entire amount in its account during the month, income distributions accrued to the account from the beginning of the month through the date of redemption, are paid into the account at that time, so a complete liquidation can be facilitated.

REDEEMING IPAIT PORTFOLIO UNITS

PORTFOLIO WITHDRAWALS - Units may be redeemed on any day on which the New York Stock Exchange is open for trading and which is not a federal holiday or a holiday officially observed by commercial banks in Iowa. Units will be redeemed at the net asset value next determined after a withdrawal request in good order is received by the Administrator.

Proceeds from the redemption of Units will be transmitted to the Participant's local financial institution by means of the ACH system or by the Federal Reserve wire system. No charge will be made for the ACH transfer of the Participant's funds; however, local financial institutions may reserve the right to charge for an incoming wire transfer. Proceeds can also be transmitted by check to the registered Participant and mailed

to the Participant's address of record.

Proceeds from the redemption of Units, which have been paid for by check, may not be transmitted to the Participant's financial institution by wire for up to a maximum of seven days after the Bank has been informed that the Participant's check has cleared, but in no event for more than 15 days after the Units have been issued and outstanding. A Participant has the ability to redeem Units from either Portfolio by the following methods:

(1) An Authorized Official may redeem all or a portion of its Units by initiating a transaction in the online participant recordkeeping system or telephoning (800) 872-4024 and furnishing the Participant's name, name of the authorized Official initiating the transaction, the customer identification number of the authorized official, the IPAIT account number, and the amount to be redeemed, and the Participant's account number to which the funds are to be transferred. A request for the redemption proceeds to be transferred by the Automated Clearing House System (ACH) the next business day, must be made by 3:00 p.m. Proceeds may be directed through the Vendor Pay program directly to an authorized vendor (following the authorizing certificate and procedure described herein).

(2) To redeem all or a portion of its Units by wire transfer to be sent the same day, an IPAIT representative must be notified or a transaction initiated through the participant recordkeeping system prior to 10:00 a.m. by a Participant's Authorized Official. The Participant must instruct the IPAIT representative to wire funds to its local financial institution on file.

(3) A Participant may redeem all or a portion of its Trust Units by instructing the Administrator by mailing a completed form to the following address: Iowa Public Agency Investment Trust, 2135 CityGate Lane, 7th Floor, Naperville, IL 60563, or emailed to fundservices@pmanetwork.com. This redemption request must be in good order, indicating the dollar amount or number of Trust Units to be redeemed, the method of redemption (i.e., ACH, check or wire) and signed by an Authorized Official of the public body.

VALUING IPAIT PORTFOLIO TRUST UNITS

The net asset value of Units is determined once each day, as of the close of the New York Stock Exchange (currently 3:00 p.m. Central Standard Time). Except for federal holidays, such other holidays that are officially observed by commercial banks in Iowa, and days on which no investments in or redemption of Units occur, the Administrator will compute the Portfolio's net asset value on each day the New York Stock Exchange is open for trading or when there is a sufficient volume of trading which might materially affect the net asset value of Portfolio securities. The net asset value of each Unit is computed by adding the value of all securities and other assets (including income receivable), subtracting liabilities (including accrued expenses) attributable to each Portfolio and dividing by the number of Units of each Portfolio outstanding.

The Administrator will compute the net asset value of Units for the Portfolio by using the amortized cost method for valuing securities. Under the amortized cost method, a security is initially valued at cost on the date of purchase and, thereafter, any discount or premium is amortized to maturity, using the constant interest method, regardless of fluctuating interest rates or the market value of the security. However, the Investment Adviser will establish procedures to stabilize the net asset value of Units at \$1.00 per Unit. These procedures include a review by the Investment Adviser as to the extent of the deviation of net asset value based upon available market quotations from the Portfolio's \$1.00 amortized cost per Unit. If such deviation exceeds +/- \$.0025, the Investment Adviser will recommend to the Board what action, if any, should be initiated to reasonably eliminate or reduce material dilution or other unfair results to Participants. Such action may include redemption of Units in kind, selling portfolio securities prior to maturity, withholding distributions or utilizing a net asset value per Unit based upon available market quotations.

If, and only if, the Trustees, with the advice of the Investment Adviser, shall determine that the amortized cost method of determining the net asset value of Units no longer represents a fair method of valuation, the Trustees may either permit such net asset value to fluctuate or may reflect the fair value thereof in the number of Units allocated to each Participant.

PORTFOLIO MANAGEMENT - Subject to policies set by the Trustees, the Investment Adviser is authorized to determine, consistent with the IPAIT Investment objectives and policies, which securities will be purchased, sold and held by IPAIT. Most securities will be purchased on a principal basis directly from the issuer, from banks, underwriters, or market makers and, thus, will not involve payment of a brokerage

commission. Such purchases may include a discount, concession or mark-up retained by an underwriter or dealer. The Investment Adviser is authorized to select the brokers or dealers that will execute the purchases and sales of securities and is directed to use its best efforts to obtain the best available price and most favorable execution on brokerage transactions.

CALCULATING YIELD - The yield on Trust Units (a 7-calendar-day historical yield) is calculated by first dividing the average daily net income per Trust Unit for that 7-day period by the average daily net asset value per Unit for the same period. This number is then annualized by multiplying the result times 365.

EXPENSES OF IPAIT

The Investment Adviser is paid an annual fee accrued daily and paid monthly based upon average daily net assets for the Portfolio of 0.09 percent for assets up to \$150,000,000, 0.07 percent for assets greater than \$150,000,000 and less than \$250,000,000 and 0.055 percent for assets greater than \$250,000,000.

The Administrator is paid an annual fee accrued daily and paid monthly based upon average daily net assets for the Portfolio of 0.10 percent for assets up to \$150,000,000, 0.09 percent for assets greater than \$150,000,000 and less than \$250,000,000 and 0.075 percent for assets greater than \$250,000,000.

The Marketer is paid a monthly program support and development fee computed at an annual rate equal to 0.06 percent of the average daily assets of the Portfolio.

Pursuant to the Trust's Plan of Distribution there is a fee computed at the annual rate of 0.075 percent of the average daily net assets of the Portfolio that is paid to the Sponsoring Associations based upon Participants attributable to each Sponsoring Association pro rata share of the IPAIT average daily net assets. This fee is paid for marketing and administrative services provided by the Sponsoring Associations to IPAIT, including clerical and administrative services in connection with meetings of the Board of Trustees, evaluation of performance of service providers, review of compliance with investment policies, providing the Board of Trustees various reports thereon, maintaining Trust records and providing marketing services. No specific expenses are paid from this fee.

The Custodian is paid an annual fee based upon average daily net assets for the Portfolio of 0.0033 percent, a flat annual account maintenance charge, and transaction processing fees. Custodial fees are accrued daily and paid monthly.

IPAIT also pays other fees and expenses incurred directly by IPAIT and its Trustees in connection with the discharge of their duties. These expenses include initial and ongoing legal and accounting fees, auditing fees, out-of-pocket expenses of Trustees and the cost of printing, mailing and other services performed independently by IPAIT. Such fees and expenses are accrued daily in an amount determined by the Board of Trustees.

From time to time, the Trust's Investment Adviser, Administrator, Marketer, Custodian and Sponsors may reduce or waive their fees to the extent they deem appropriate to enhance the Portfolio's net yield. Any fee reduction/waiver is voluntary and temporary and may be revised or terminated by these service providers and sponsors at any time without notice.

These fees and operating expenses are subject to adjustment and renegotiation as determined by the Board of Trustees and the terms of the contracts with the service providers and sponsors.

TRUSTEES AND OFFICERS

The Board of Trustees has full and complete control over the business and assets of IPAIT, subject to the rights of IPAIT Participants as provided in the Declaration of Trust. Each Participant will be entitled to vote that number of Units it owns of record the Portfolio as of the record date. The Board of Trustees is currently comprised of nine persons who are representative of the three types of Iowa public agencies (and the Sponsoring Associations – the Iowa Association of Municipal Utilities (IAMU), the Iowa League of Cities (ILC), and the Iowa State Association of Counties (ISAC) that have historically participated in IPAIT with each group having three representatives. The qualifications for the Trustees require that the person be an "official" and/or employee with an Iowa public agency. To the extent that a vacancy occurs, the Board of

Trustees will seek and nominate persons to fill the vacancy with a person associated with the group meeting the qualifications for the vacancy. Each Trustee serves a three-year term and three Trustees are reappointed each year (one each from group).

In addition, the Executive Directors of the Iowa Association of Municipal Utilities, the Iowa League of Cities, and the Iowa State Association of Counties serve as ex officio nonvoting members of the Board of Trustees and, pursuant to the Bylaws, may from time to time serve as secretary and treasurer for the Board. The names, affiliations and positions of the Board members are set forth below:

NAME	AFFILIATION	POSITION
Michelle Weidner	CFO, City of Waterloo	Chair, Trustee
Jarret Heil	Marshal County Treasurer	Second Vice Chair, Trustee
Craig Anderson	Plymouth County Board of Supervisors	Trustee
Jeff Nemmers	Finance Director, City of Fort Dodge	Trustee
Dan Zomermaand	Sioux County Treasurer	Trustee
Steven Pick	General Manager, Spencer Municipal Utilities	Trustee
Tim Stiles	Finance Director, City of West Des Moines	Trustee
Pat Mullenbach	Finance Manager & Treasurer, West Des Moines Water Works	Trustee
Mark Roberts	Director, Finance & Admin Services, Muscatine Power & Water	Trustee
Alan Kemp	Executive Director, ILC	Secretary Ex Off. Trustee
Troy DeJoode	Executive Director, IAMU	Asst. Secretary, Ex Off. Trustee
William Peterson	Executive Director, ISAC	Treasurer, Ex Off. Trustee

The current Board is made up mainly of Trustees with direct responsibility for the financial matters of their respective city, county or municipal utility. Elected public officials and Trustees with general management or administrative responsibilities comprise the rest of the Board.

Ex Officio Trustees have no voting power in connection with any actions that the Trustees may take on behalf of IPAIT. In their capacity as Trustees, the Trustees function on behalf of the Participants, as the agents and fiduciaries of the Participants, to implement and administer the Declaration, as an agreement among the Participants. The officers of IPAIT are the Chair, Vice Chair, Second Vice Chair, Secretary, Assistant Secretary, Treasurer. All officers serve on an Executive Committee. The Executive Committee may exercise all of the authority of the Board of Trustees, except that the Executive Committee cannot create a new Portfolio or a series of units or change investment policies. The Executive Committee serves as the Audit Committee, with the inclusion of a Trustee designated as the financial expert, who may be an additional member of the Audit Committee.

If, at any time after election to the Board of Trustees, a Trustee is associated with a city utility, county or city which ceases to be a Participant, such Trustee must resign.

No Trustee (whether voting or nonvoting) of IPAIT will receive any compensation from IPAIT, the Administrator, Investment Adviser or Custodian for his or her services. IPAIT will reimburse the Trustees for their reasonable expenses incurred on behalf of IPAIT.

IPAIT refers to the Trustees in their capacity collectively as Trustees and not individually or personally. All persons dealing with IPAIT must look solely to IPAIT assets for the enforcement of claims against IPAIT. The Trustees, officers and Participants do not assume any liability for obligations entered into on behalf of IPAIT.

The Joint Powers Agreement and Declaration of Trust shall not create any right, title, privilege or entitlement in any person, corporation or other legal entity except a Participant and a Person that has a direct and written contract with IPAIT. The terms and conditions of the Declaration of Trust are not intended to and shall not be construed to create any cause of action, legal or equitable, in any Person against the Participants, Trustees, officers, employees, Sponsoring Associations or agents of IPAIT, except as is provided by specific language in the Declaration or by specific language in written agreements or contracts entered into by the Trustees in implementing IPAIT. It is not intended and the terms of the Declaration shall not be construed so that any breach thereof by Participants, Trustees, officers, employees or agents of IPAIT creates an action at common law, tort, contract or otherwise. A Trustee is not personally liable for a claim

based upon an act or omission of the Trustee performed in the discharge of the Trustee's duties, except for acts or omissions which involve intentional misconduct or knowing violation of the law or for a transaction from which the Trustee derives an improper personal benefit. The Trustees are responsible for the management of IPAIT, the conduct of its affairs, and the management and distribution of IPAIT assets. Consistent with their responsibility, the Trustees have appointed an Investment Adviser, an Administrator and Custodian and have assigned to them such duties as the Trustees have deemed appropriate with regard to the investment, administration, record keeping and custody of monies and investments of IPAIT.

THE INVESTMENT ADVISER

Prudent Man Advisers, LLC d/b/a PMA Asset Management, LLC (hereinafter the "Investment Adviser") 2135 CityGate Lane, 7th Floor, Naperville, IL 60563, an Investment Adviser registered under the Investment Advisers Act of 1940, serves as the IPAIT Investment Adviser, pursuant to an Investment Adviser Agreement. The Investment Adviser has been providing investment advisory services to public sector clients since 2002 and currently has institutional and retail clients, including local government investment pools, profit-sharing plans, insurance companies, public agencies, banks, endowments and charitable institutions and individuals. As of September 30, 2021, the Investment Adviser had over \$22.9 billion in assets under management. The day-to-day management of the IPAIT portfolio is performed by the Adviser's fixed income management team.

The Investment Adviser furnishes IPAIT with advice with respect to IPAIT operations and the investment of its assets subject to and in conformance with the Declaration of Trust and the policies adopted by the Board of Trustees. The IPAIT agreement with the Investment Adviser is not assignable and may be terminated on 60 days written notice by either party without penalty.

THE ADMINISTRATOR

PMA Financial Network, LLC, an affiliate of the Investment Adviser, serves as the IPAIT Administrator, pursuant to an Administrator Agreement. The Administrator supervises all aspects of IPAIT's operations, other than those managed by IPAIT's Investment Adviser pursuant to the Investment Adviser Agreement (discussed above); acts in conformity with the Declaration of Trust and policies adopted by the Board of Trustees; determines and allocates the income of IPAIT; provides daily account services to Participants; provides all participant transaction confirmations and monthly account summaries; records all telephone calls with participants to confirm transaction details; facilitates and processes all movement of monies between IPAIT and the Participant's accounts at the Participant's local financial institutions; verifies that each transaction is initiated by an authorized representative of the Participant and, utilizing bank and trust procedures, follows procedures that assures that all IPAIT or Participant funds be moved only within a "closed system" between the Participant's preauthorized local account and the Participant's IPAIT account (except those funds which are directed by Participant to be sent to vendors under the Vendor Pay program) and assure that all monies received from or on behalf of Participants are fully collected and available; provides administrative personnel and equipment to IPAIT; determines the net asset value of IPAIT on a daily basis; and performs all related administrative services for IPAIT. The IPAIT Administrator Agreement is approved annually, is not assignable, and may be terminated on 60 days written notice by either party without penalty.

THE CUSTODIAN

U.S. Bank National Association, 800 Nicollet Mall, Minneapolis, MN 55402, acts as Custodian for IPAIT pursuant to a Custodian Agreement. The Custodian will hold in a separate account all investment instruments and monies, including cash received for each Portfolio. All IPAIT security transactions are handled on the basis of delivery versus payment of the custodian or its nominee or nominees. IPAIT's agreement with the Custodian is not assignable and may be terminated on 60 days written notice by either party without penalty.

THE MARKETER

PMA Securities, LLC, 2135 Citygate Lane, 7th Floor, Naperville, IL 60563, acts as the Marketer for IPAIT pursuant to a Marketing and Fixed Term Automated Program Agreement. The Marketer markets the IPAIT program to eligible Participants and potential participants, provides experience and resources to the IPAIT program as well as provides program support and development. IPAIT's agreement with the Marketer is approved annually, is not assignable, and may be terminated 60 days written notice by either party without penalty.

SPONSORSHIP FEE AGREEMENT

The Trust has adopted a Sponsorship Fee Agreement (“Agreement”) which permits the Trust to pay certain distribution related expenses for the sale and distribution of its Units. Because the fees are paid out of the Trust assets on an ongoing basis, over time these fees will increase the costs of your investment and may cost you more than paying other types of sales charges. Under the Agreement, the Trust pays the Sponsoring Associations a fee at the annual rate of .075 percent of average annual net assets for providing to the Trust marketing assistance and various administrative services, including clerical and administrative services in connection with meetings of the Board of Trustees, evaluation of performance of service providers, review of compliance with investment policies, providing the Board of Trustees various reports thereon, and providing marketing assistance. The Sponsoring Associations were instrumental in the establishment of the Trust which was and is intended to assist Iowa public agencies in cash management thereby lessening the burdens of government. The Executive Directors of the Sponsoring Associations serve as officers and members of the Executive Committee of IPAIT. No specific fund expenses are paid from the Agreement. The Agreement is approved annually by the Trustees only after careful consideration of whether there is a reasonable likelihood that the Agreement will benefit the Trust and the Participants.

TAXES

IPAIT and the investment income from IPAIT to Participants are exempt from federal income taxes pursuant to Section 115 of the Internal Revenue Code.

REPORTS TO PARTICIPANTS

Participants receive a daily confirmation of all transactions processed. Participants will receive a monthly statement summarizing all activity on each account opened with IPAIT. This statement will include a list of all investments currently held by IPAIT for the Participant. In addition, Participants will be provided monthly performance information illustrating historical investment performance and yield. IPAIT will issue unaudited semi-annual reports which will include a list of securities owned by IPAIT and complete financial statements. It will also issue an annual report containing a financial report audited by the IPAIT independent registered public accounting firm.

DECLARATION OF TRUST

IPAIT was established as of October 1, 1987, as a common law trust under the laws of the State of Iowa by the adoption and execution of a Joint Powers Agreement and Declaration of Trust by the Maquoketa Municipal Electric Utility, Buchanan County, and the City of Fairfield. Additional Iowa cities, counties, city utilities and the other eligible participants (including 28E organizations) may become Participants in the manner described in this Information Statement. The Joint Powers Agreement and Declaration of Trust was amended on August 1, 1988 and May 1, 1993, and restated as of September 1, 2005 and further amended as of September 1, 2017.

Each potential Participant is given a copy of the Declaration before it becomes a Participant. The summary of the Declaration given herein is qualified in its entirety by reference to the full text of the Declaration.

DESCRIPTION OF TRUST UNITS - The Declaration authorizes an unlimited number of full and fractional Trust Units which may be issued in series. All Trust Units of each series participate equally in

the allocation of distributions and have equal liquidation and other rights pertaining to that series. The Trust Units have no conversion, exchange or preemptive rights.

The Board of Trustees has determined that each Participant shall have the right to vote on a one vote per Unit basis. If submitted to Participants, the approval of a change in the fundamental investment policy requires the approval of a majority of the outstanding Units voting at the meeting. At such meetings of Participants a quorum is based on the total number Units outstanding held by Participants that are represented in person or by proxy. A quorum requires a majority of the Units of the Diversified Portfolio to be present, in person or by proxy.

PARTICIPANT LIABILITY - The Declaration provides that Participants will not be subject to any liability whatsoever in tort, contract or otherwise to any other person or persons in connection with IPAIT property or the affairs of IPAIT. Any Participant made a party to any suit or proceedings to assert or enforce any such liability shall not on account thereof be held to any personal liability.

TERMINATION OF THE DECLARATION OF TRUST - IPAIT may be terminated by the affirmative vote of a majority of Participants entitled to vote at any meeting of Participants or by an instrument in writing, without a meeting, signed by a majority of the Trustees and consented to by not less than a majority of the Participants entitled to vote.

AMENDMENT OF THE DECLARATION OF TRUST - The Declaration may be amended at any meeting of Participants or by an instrument or instruments in writing, by the affirmative vote or signed approval of a majority of the Participants. The Trustees, from time to time, by a two-thirds vote of the Trustees and after 15 days prior written notice to the Participants, may amend the Declaration without the vote or consent of the Participants, to the extent they deem necessary to conform the Declaration to the requirements of applicable laws or regulations, or any interpretation thereof by a court or other governmental agency; but the Trustees shall not be liable for failing to do so.

WITHDRAWAL - A Participant may withdraw from IPAIT at any time by notifying the Trustees as specified in the Declaration.

DEFINITIONS - Unless otherwise expressly defined herein, words that are capitalized in this Information Statement have the meaning defined in the Joint Powers Agreement and Declaration of Trust.

FIXED TERM AUTOMATED PROGRAM –The IPAIT Fixed Term Automated Program (the “FTA Program”) offers Participants the opportunity to purchase deposits from Iowa financial institutions and other fixed term securities and instruments that are permitted for Participants under the Iowa Investment Statute. IPAIT has contracted with PMA Financial Network, LLC and its affiliate, PMA Securities, LLC (together, “PMA”), to administer the FTA Program. The issuers of the instruments offered through the FTA Program are all eligible issuers that meet the credit criteria established by PMA (a “Program Provider”), and which are approved by IPAIT’s Board of Trustees.

Through the FTA Program, a Participant can contact IPAIT to purchase deposits or other fixed income instruments using monies from its IPAIT accounts, and the Program Providers then attempt to secure instruments consistent with the Participant’s investment objectives. Any instruments so purchased are held by IPAIT in trust for the benefit of the Participant. Participants may purchase instruments of varying maturities (including maturities of more than one year) issued by a variety of issuers. All deposit principal and interest is credited to a Participant’s account on the day it is received from the issuing financial institution. In all cases, principal and interest is credited on the next business day if a crediting date falls on a non-business day.

A Participant who purchases a deposit will have use of the interest earned on the deposit, including the opportunity for reinvestment of interest earned; on the date interest is credited to the Participant’s account.

IPAIT reserves the right to delay the interest payment to all investors until the full amount has been collected from the issuing financial institution.

Interest on U.S. government obligations will be posted to the investor's account on the day it is received. Interest payment dates that fall on a day other than a business day for IPAIT will be credited on the next business day.

Participants purchasing deposit products carrying only FDIC insurance through the FTA Program pay an annualized mark-up to the Program Participant that places the investment on the Participant's behalf of up to 0.25% on deposit products carrying only FDIC or NCUA insurance, with an additional fee if applicable not to exceed 0.10% annualized for any assets that require management and administration of collateral, letters of credit, other third party guarantees or reciprocal programs, exclusive of insurance costs or third party placement fees. Investors purchasing other types of instruments through the FTA Program (such as U.S. Government securities,) pay the appropriate Program Participant an annualized mark-up of up to 0.15% of the principal amount of each such investment.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Eide Bailly LLP serves as the IPAIT Independent Registered Public Accounting Firm.

DOCUMENT COPIES

Copies of the Joint Powers Agreement and Declaration of Trust, the Administrator Agreement, the Investment Adviser Agreement, the Marketing and Fixed Term Automated Program Agreement and the Custodian Agreement can be obtained from PMA Financial Network, LLC, Trust Administrator, at 2135 CityGate Lane, 7th Floor, Naperville, IL 60563.



2021
ANNUAL
REPORT

IOWA PUBLIC AGENCY INVESTMENT TRUST

DIVERSIFIED PORTFOLIO ANNUAL
COMPREHENSIVE FINANCIAL REPORT

FISCAL YEARS ENDING JUNE 30, 2021 AND 2020

Shares of the Fund are NOT INSURED BY THE FDIC. Investment products involve investment risk, including the possible loss of principal. Past performance is not predictive of future results, and the composition of the Fund's portfolio is subject to change.

This annual report is not authorized for distribution unless accompanied or preceded by a current Information Statement also known as a prospectus. An investor should consider the Fund's investment objectives, risks, and charges and expenses carefully before investing or sending money. This and other important information about the investment company can be found in the Fund's Information Statement. To obtain more information, please call 800-872-4024 or visit the website IPAIT.org. Please read the Information Statement carefully before investing.

Iowa Public Agency Investment Trust
Diversified Portfolio Annual
Comprehensive Financial Report

For the Fiscal Years Ended June 30, 2021 and 2020

www.IPAIT.org

Prepared by the
Iowa Public Agency Investment Trust
Board of Trustees

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September 1, 2021

Dear Fellow IPAIT Participants:

The Iowa Public Agency Investment Trust ("IPAIT") is pleased to submit the Diversified Portfolio Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2021.

IPAIT is a common law trust established under Iowa law pursuant to Chapter 28E, Iowa Code (1987), as amended, which authorizes Iowa public agencies to jointly invest monies pursuant to a joint investment agreement following the requirements of Iowa Code 12B.10. IPAIT was established by the adoption of a Joint Powers Agreement and Declaration of Trust as of October 1, 1987, and commenced operations on November 13, 1987. The Joint Powers Agreement and Declaration of Trust was amended September 1, 1988, May 1, 1993, September 1, 2005, and again on September 1, 2017. The objective of the portfolio is to maintain a high degree of liquidity and safety of principal through investment in short-term securities as permitted for Iowa public agencies under Iowa law.

IPAIT enables eligible Iowa public agencies to effectively invest their available operating and reserve funds in a competitive rate environment that focuses on safety of principal and liquidity. The Diversified Portfolio follows money market mutual fund investment parameters per GASB 79 and has maintained a \$1 per unit net asset value since inception.

IPAIT is a 'AAAm' rated Fund and obtains an annual rating from S&P Global Ratings ("S&P"). According to S&P, a fund rated 'AAAm' demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. 'AAAm' is the highest principal stability fund rating assigned by S&P. This is accomplished through conservative investment practices and strict internal controls. The portfolio is monitored on a weekly basis by S&P.

ABOUT THE REPORT

While IPAIT's financial statements and the related financial data contained in this report have been prepared in conformity with U.S. generally accepted accounting principles and have been audited by IPAIT's Independent Auditor, Eide Bailly LLP, the ultimate accuracy and validity of this information is the responsibility of IPAIT's Board of Trustees. To carry out this responsibility, the Board of Trustees requires its providers to maintain financial policies, procedures, accounting systems and internal controls which the Board believes provide reasonable, but not absolute, assurance that accurate financial records are maintained, and investment assets are safeguarded. The cost of a control should not exceed the benefits to be derived; the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

In addition, the three ex-officio non-voting Trustees meet with the Diversified Portfolio service providers and legal counsel to review all aspects of IPAIT performance each month. The Board of Trustees meets quarterly to similarly review Diversified Portfolio performance and compliance. In addition, the IPAIT Board of Trustees regularly subjects IPAIT to a comprehensive review of all services and costs of operation.

In the Board's opinion, IPAIT's providers internal controls are adequate to ensure that the financial information in this report presents fairly the IPAIT Diversified Portfolio operations and financial condition.

INVESTMENT SAFEGUARDS

The Diversified Portfolio continues to be focused on the investment objectives as stated in the IPAIT Investment Policy. These goals, in order of priority, are safety of invested principal, maintenance of liquidity, and maximum yield. Within these objectives, the Diversified Portfolio strives to provide participants with the best available rate of return for legally authorized investments. All security settlements within the Diversified Portfolio are settled on a delivery-versus-payment (DVP) basis. DVP settlements greatly reduce the possibility of inappropriate transmission of funds or securities.

STATEMENT OF CHANGES IN NET POSITION

For the fiscal year ending June 30, 2021 (FY 21) and the fiscal year ending June 30, 2020 (FY 20) total interest earned, total operating expenses, and net investment income were as follows:

	Interest Earned	Expenses	Net Investment Income
FY 21	\$737,773	\$663,966	\$73,807
FY 20	\$6,675,406	\$1,500,118	\$5,175,288

The decrease in year-over-year interest earned and net investment income is attributed to lower portfolio yields in FY 21. Although the fund balances were similar year-over-year, the expenses were reduced due to fees being waived by service providers in response to the lower portfolio yields in FY 21.

IPAIT operates pursuant to Service Provider agreements for all aspects of operation. Every agreement specifies the fees to be charged for each component of IPAIT services based on average daily net position. Average net positions were \$482,447,398 in FY 21, up slightly from \$477,412,215 in the previous fiscal year. More financial analysis and detailed information is included in the Management Discussion and Analysis section of this report.

OUR ECONOMY

The COVID-19 global pandemic created an economic and market shock unlike any other crisis in history. The Federal Open Market Committee (FOMC) responded in March of 2020 by reducing the Fed Funds target rate to 0% to 0.25% and the target rate remains unchanged as of their last meeting on June 16, 2021. Although the U.S. economy has recovered significantly, the U.S. Treasury yields for securities maturing one year or less, which are heavily influenced by Federal Reserve policy, continue to return depressed yields. There is more detail on the economic environment relative to the IPAIT portfolio in the Investment Commentary from our registered investment adviser found later in this report.



CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to IPAIT for its comprehensive annual financial report for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

SUMMARY

On behalf of the Board of Trustees, sponsoring associations and service providers, we thank you for your continued support of IPAIT. We encourage you to contact us with comments and suggestions regarding any improvements to the operation of IPAIT. Your involvement in IPAIT is essential in its ability to provide a competitive investment alternative and ongoing program opportunities for association members.

As we begin Fiscal Year 2021-2022, IPAIT will continue to be guided by its objectives of safety of principal, liquidity, and competitive return. In addition, IPAIT will be an excellent resource as a user-friendly investment alternative and also an educational resource. The IPAIT.org website provides monthly updates as well as access to the secure participant recordkeeping system. We collectively pledge to continue working together to provide a viable investment option for every participant during this challenging time.

Respectfully,

Michelle Weidner
Chair, Board of Trustees



Alan Kemp
Executive Director,
Iowa League of Cities
IPAIT Secretary to the Board



William Peterson
Executive Director,
Iowa State Association of Counties
IPAIT Treasurer to the Board



Troy DeJood
Executive Director,
Iowa Association of Municipal Utilities
IPAIT Assistant Secretary to the Board



Michelle Weidner
Chief Financial Officer
City of Waterloo



Tim Stiles
Finance Director
City of West Des Moines



Craig Anderson
Board of Supervisors
Plymouth County



Steven Pick
General Manager
Spencer Municipal Utilities



Jarret Heil
County Treasurer
Marshall County



Jeff Nemmers
City Clerk / Finance Director
City of Fort Dodge



Dan Zomermaand
Treasurer
Sioux County



Mark Roberts
Director, Finance and Administrative Services
Muscatine Power and Water



Pat Mullenbach
Finance Manager & Treasurer
West Des Moines Water Works

Name	Address	Position held with IPAIT	Term of Office	Length of Time Served	Principal Occupation During Past Five Years
Michelle Weidner	715 Mulberry Street Waterloo, IA 50703	Trustee Chair	Term Ending 2023	Since 2013	Chief Financial Officer, City of Waterloo
Dan Zomermaand	104 1 st Street SE Orange City, IA 51041	Trustee	Term Ending 2022	Since 2020	Sioux County Treasurer
Pat Mullenbach	1505 Railroad Ave West Des Moines, IA 50265	Trustee	Term Ending 2023	Since 2010	Finance Manager & Treasurer, West Des Moines Water Works
Craig Anderson	215 4 th Avenue SE LeMars, IA 51031	Trustee	Term Ending 2021	Since 2013	Plymouth County Board of Supervisors Self-employed Farmer
Jeff Nemmers	819 1 st Ave South Fort Dodge, IA 50501	Trustee	Term Ending 2022	Since 2019	City of Fort Dodge City Clerk / Finance Director
Mark Roberts	3205 Cedar Street Muscatine, IA 52761	Trustee	Term Ending 2021	Since 2020	Director, Finance & Administrative Services Muscatine Power & Water
Steven Pick	520 2 nd Ave E, Suite 1 Spencer, IA 51301	Trustee	Term Ending 2022	Since 2014	General Manager, Spencer Municipal Utilities
Tim Stiles	4200 Mills Civic Pkwy West Des Moines, IA 50265	Trustee	Term Ending 2021	Since 2015	Finance Director, City of West Des Moines
Jarret Heil	1 E Main Street Marshalltown, IA 50158	Trustee Vice Chair	Term Ending 2023	Since 2019	Marshall County Treasurer
Alan Kemp Ex Officio Non-Voting Trustee	500 SW 7 th Suite 101 Des Moines, IA 50309	IPAIT Secretary		Since 2007	Iowa League of Cities Executive Director
William Peterson Ex Officio Non-Voting Trustee	5500 Westown Pkwy, Ste 190 West Des Moines, IA 50266	IPAIT Treasurer		Since 1994	Iowa State Association of Counties Executive Director
Troy DeJoode Ex Officio Non-Voting Trustee	1735 NE 70th Ave. Ankeny, IA 50021	IPAIT Assistant Secretary		Since 2014	Iowa Association of Municipal Utilities Executive Director

The trustees and officers are not compensated for Board service. Expenses incurred in attending meetings are paid by the Trust.

Sponsoring Associations



IOWA
ASSOCIATION OF MUNICIPAL
UTILITIES

Iowa Association of Municipal Utilities
1735 NE 70th Avenue
Ankeny, IA 50021-9353
Troy DeJoode, Executive Director
tdejoode@iamu.org
515-289-1999



Iowa State Association of Counties
5500 Westown Parkway, Suite 190
West Des Moines, IA 50266-8202
William Peterson, Executive Director
bpeterson@iowacounties.org
515-244-7181



Iowa League of Cities
500 SW 7th Street, Suite 101
Des Moines, IA 50309
Alan Kemp, Executive Director
alankemp@iowaleague.org
515-244-7282

Legal Counsel



AHLERS & COONEY, P.C.
100 Court Avenue, Suite 600
Des Moines, IA 50309
Elizabeth Grob 515-246-0305
egrob@ahlerslaw.com



Administrator
PMA Financial Network, LLC

Investment Adviser
PMA Asset Management, LLC

Marketer
PMA Securities, LLC

4200 University Ave, Suite 114
West Des Moines, IA 50266
800-783-4273

Jim Davis, CEO
jdavis@pmanetwork.com
Charlie Czachor, SVP, LGIP Investment Director
cczachor@pmanetwork.com
Paul Kruse, SVP, Director – Iowa
pkruise@pmanetwork.com
630-657-6400

Custodian

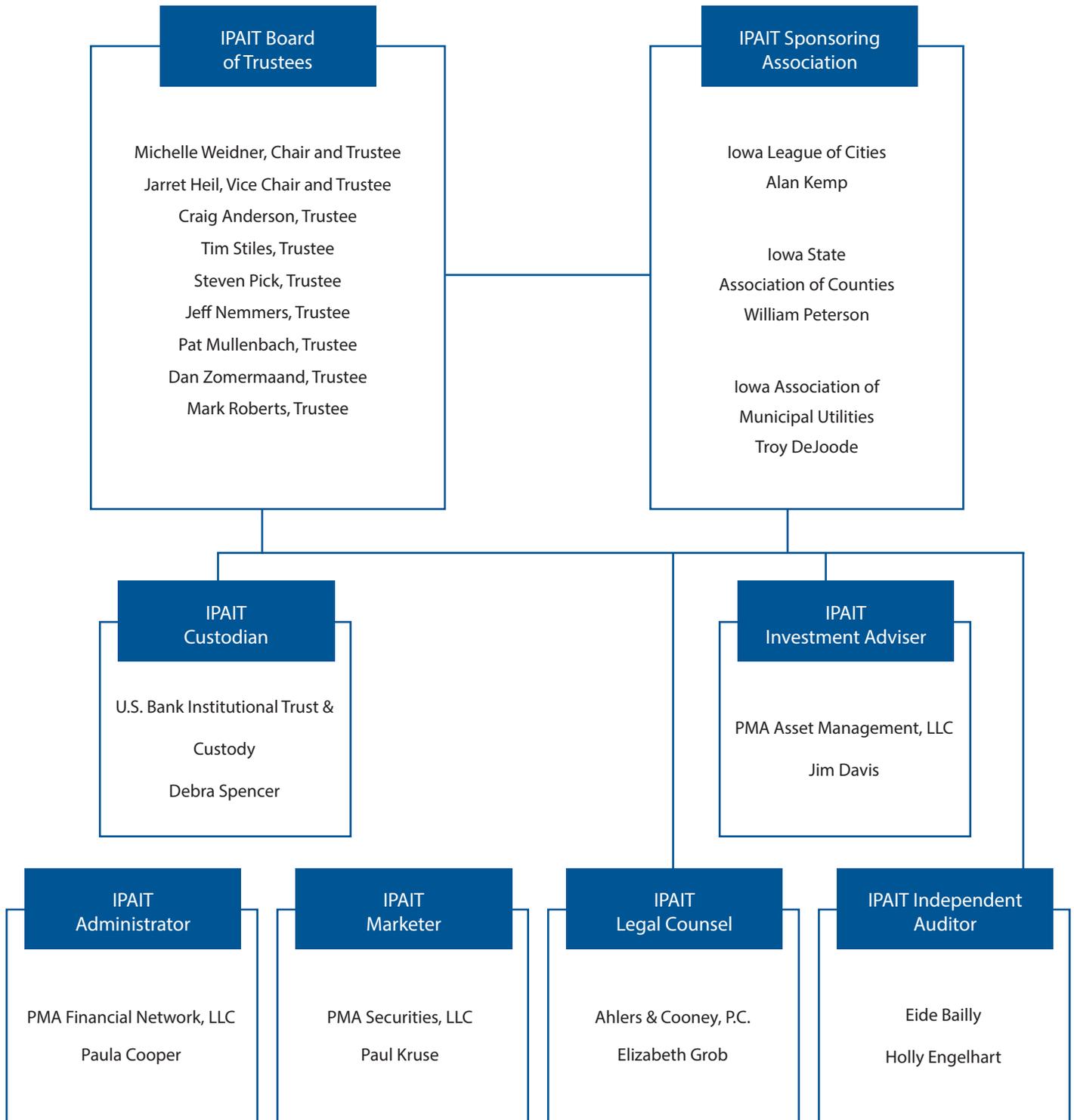


U.S. Bank Institutional Trust & Custody
800 Nicollet Mall
Minneapolis, MN 55402
Debra Spencer 612-303-7943
debra.spencer1@usbank.com

Independent Auditor



Eide Bailly LLP
24 2nd Avenue SW
Aberdeen, SD 57401
Holly Engelhart 605-622-4215
hengelhart@eidebailly.com



See the IPAIT schedule of fees and expenses presented later in this report.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Iowa Public Agency Investment Trust

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

This section of the Iowa Public Agency Investment Trust (IPAIT) Diversified Portfolio's Comprehensive Annual Financial Report presents Management's Discussion and Analysis of the financial position and results of operations for the fiscal years ended June 30, 2021 (FY 21) and 2020 (FY 20). This information is being presented to provide additional information regarding the activities of IPAIT's Diversified Portfolio, pursuant to the requirements of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, Statement No. 37, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus, and Statement No. 38, Certain Financial Statement Note Disclosures (Statements Nos. 34, 37, and 38). This discussion and analysis should be read in conjunction with the Independent Auditors' Report, Eide Bailly LLP, the Financial Statements, and the accompanying notes.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis provides an introduction to and overview of the basic financial statements of IPAIT's Diversified Portfolio. The following components comprise the financial statements: 1) Statements of Fiduciary Net Position, 2) Statements of Changes in Fiduciary Net Position, and 3) Notes to Financial Statements.

- The Statements of Fiduciary Net Position shows 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 display 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 fund expenses of the portfolio.

CONDENSED FINANCIAL INFORMATION AND FINANCIAL ANALYSIS

Year-over-year changes in most financial statement amounts reported in IPAIT's Diversified Portfolio are most significantly impacted by the level of average net position (which fluctuates based on the overall levels of pool participant/unitholder invested balances). The pool is the portfolio. 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. Over the twelve months ended June 30, 2021, the Federal Reserve's Federal Open Market Committee made no changes to the Fed Funds rate which has remained at 0.25 percent since March 16, 2020. The Federal Reserve reacted to the economic impact of the COVID-19 pandemic by decreasing the Fed Funds rate by 1.00 percent on March 16, 2020.

Condensed financial information and variance explanations for FY 21, as compared to FY 20, follow.

Net Position	June 30, 2021	Percent Change	June 30, 2020
Total investments	\$ 486,809,844	6%	\$ 461,370,233
Other assets	368,954	74%	211,762
Total assets	487,178,798	6%	461,581,995
Total liabilities	(8,768,025)	8,556%	(101,295)
Net position held in trust for pool participants	\$ 478,410,773	4%	\$ 461,480,700
Average Net Position	\$ 482,447,398	1%	\$ 477,412,215

Total investments increased 6 percent comparing June 30, 2021 and June 30, 2020 amounts due to higher participant investments in the Diversified Portfolio at the end of FY 21. Other assets were 74 percent higher at the end of FY 21 due to increased interest receivables. The increase in total liabilities at the end of FY 21 was due to payables for investment purchases that had not settled as of June 30, 2021.

Change in Net Position for the years ended	June 30, 2021	Percent Change	June 30, 2020
Investment Income	\$ 737,773	-89%	\$ 6,675,406
Total Expenses	(663,966)	-56%	(1,500,118)
Dividends to unitholders from net investment income	(73,807)	-99%	(5,175,288)
Net increase in assets derived from unit transactions	16,930,073	-37%	26,853,243
Net position held in trust for pool participants at the beginning of the period	461,480,700	6%	434,627,457
Net position held in trust for pool participants at the end of the period	\$ 478,410,773	4%	\$ 461,480,700

During the 12-month periods in FY 21 and FY 20, the Fed Funds target rate decreased from 2.25 to 0.25 percent resulting in decreases in investment income of 89 percent and dividends to unitholders of 99 percent. The Fed Funds target rate is an economic indicator for short-term investments which significantly impacts the investment income earned by the Diversified Portfolio. The Fed Funds target rate has remained at 0.25 percent since March 16, 2020. Total expenses are derived based on the net position of the Diversified Portfolio. Even though the net position increased 4 percent, total expenses decreased 56 percent during FY 21 compared to FY 20 due to service providers and sponsors waiving a significant portion of their fees.

Condensed financial information and variance explanations for FY 20, as compared to FY 19, follow.

Net Position	June 30, 2020	Percent Change	June 30, 2019
Total investments	\$ 461,370,233	4%	\$ 442,402,523
Other assets	211,762	-81%	1,097,051
Total assets	461,581,995	4%	443,499,574
Total liabilities	(101,295)	-99%	(8,872,117)
Net position held in trust for pool participants	\$ 461,480,700	6%	\$ 434,627,457
Average Net Position	\$ 477,412,215	18%	\$ 406,056,830

Total investments increased 4 percent comparing June 30, 2020 and June 30, 2019 amounts due to higher participant investments in the Diversified Portfolio at the end of FY 20. During FY 20, participant investments remained at the higher levels experienced at the end of FY19 resulting in an average net position increase of 18 percent. The increase in other assets over liabilities during FY 20 was due to a decrease in the dividends payable to participants and an investment purchase payable that had not settled as of June 30, 2019.

Change in Net Position for the years ended	June 30, 2020	Percent Change	June 30, 2019
Investment Income	\$ 6,675,406	-31%	\$ 9,623,230
Total Expenses	(1,500,118)	9%	(1,377,193)
Dividends to unitholders from net investment income	(5,175,288)	-37%	(8,246,037)
Net increase in assets derived from unit transactions	26,853,243	-60%	66,557,131
Net position held in trust for pool participants at the beginning of the period	434,627,457	18%	368,070,326
Net position held in trust for pool participants at the end of the period	\$ 461,480,700	6%	\$ 434,627,457

During the 12-month periods in FY 20 and FY 19, the Fed Funds target rate decreased from 2.50 to 0.25 percent resulting in decreases in investment income of 31 percent and dividends to unitholders of 37 percent. The Fed Funds target rate is an economic indicator for short-term investments which significantly impacts the investment income earned by the Diversified Portfolio. Total expenses are derived based on the net position of the Diversified Portfolio. These expenses increased 9 percent during FY 20 compared to FY 19 due to the 18 percent increase in the average net position.



Independent Auditor's Report

To the Trustees and Participants
Iowa Public Agency Investment Trust

Report on the Financial Statements

We have audited the accompanying financial statements of Iowa Public Agency Investment Trust, which comprise the statement of fiduciary net position and the schedule of investments, as of June 30, 2021, and the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Iowa Public Agency Investment Trust as of June 30, 2021, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10-12 be presented to supplement the basic financial statements. Such information, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods or 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Iowa Public Agency Investment Trust's financial statements. The introductory section, schedule of financial highlights, investment section, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The supplemental schedule of financial highlights for the year ended June 30, 2021, on page 25 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. Such 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 auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule of financial highlights is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introductory section on pages 3-9, investment section on pages 26-39, and statistical section on pages 40-43 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The financial statements and schedule of investments of Iowa Public Agency Investment Trust as of and for the year ended June 30, 2020 and the schedule of financial highlights for each of the years in the four-year period ended June 30, 2020, were audited by other auditors, whose report dated September 2, 2020, expressed an unmodified opinion on those statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 1, 2021, on our consideration of Iowa Public Agency Investment Trust'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 Iowa Public Agency Investment Trust'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 Iowa Public Agency Investment Trust's internal control over financial reporting and compliance.



Aberdeen, South Dakota
September 1, 2021



Iowa Public Agency Investment Trust - Diversified Portfolio
 Statements of Fiduciary Net Position - June 30, 2021 and June 30, 2020

	<u>2021</u>	<u>2020</u>
Assets		
Investments in securities, at amortized cost:		
U.S. Treasury Notes	\$ 90,276,206	\$ 149,944,481
U.S. Government Agency Obligations	115,628,453	43,619,424
Certificates of Deposit	-	5,158,894
Money Market Mutual Funds	147,312,481	77,609,818
Deposit Accounts	86,892,704	160,037,616
Repurchase Agreements	46,700,000	25,000,000
Total investments in securities	<u>486,809,844</u>	<u>461,370,233</u>
Interest receivable	368,954	211,762
Total assets	<u>487,178,798</u>	<u>461,581,995</u>
 Liabilities		
Investment advisory fees payable	6,060	17,957
Administrative fees payable	7,543	22,257
Marketing fees payable	5,269	15,437
Custody fees payable	5,605	18,907
Sponsorship fees payable	6,585	19,297
Dividends payable	-	7,440
Payable to brokers for investments purchased	8,736,963	-
Total liabilities	<u>8,768,025</u>	<u>101,295</u>
 Net Position Held in Trust for Pool Participants	<u>\$ 478,410,773</u>	<u>\$ 461,480,700</u>
 Units of beneficial interest outstanding	<u>478,410,773</u>	<u>461,480,700</u>
 Net asset value - offering and redemption price per share	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>

Iowa Public Agency Investment Trust - Diversified Portfolio
Statements of Changes in Fiduciary Net Position for the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Additions		
Investment Income:		
Interest	\$ 737,773	\$ 6,675,406
Expenses:		
Investment advisory fees	332,846	330,748
Administrative fees	414,335	411,394
Marketing fees	289,469	287,029
Sponsorship fees	361,836	358,785
Custody fees	9,720	32,060
Administrative expenses	83,220	129,198
Total expenses	<u>1,491,426</u>	<u>1,549,214</u>
Less: Expenses voluntarily reduced/waived		
Investment advisory fees	(196,773)	(11,729)
Administrative fees	(245,063)	(14,566)
Marketing fees	(171,388)	(10,135)
Sponsorship fees	(214,236)	(12,666)
Total expenses voluntarily reduced/waived	<u>(827,460)</u>	<u>(49,096)</u>
Net expenses	<u>663,966</u>	<u>1,500,118</u>
Net investment income	73,807	5,175,288
Unitholder transaction additions:		
(at constant net asset value of \$1 per unit)		
Units sold	1,217,933,075	1,402,445,182
Units issued in reinvestment of dividends from net investment income	81,248	5,918,269
Total unitholder transaction additions	<u>1,218,014,323</u>	<u>1,408,363,451</u>
Total additions	<u>1,218,088,130</u>	<u>1,413,538,739</u>
Deductions		
Dividends to unitholders from:		
Net investment income	(73,807)	(5,175,288)
From unit transactions:		
Units redeemed	<u>(1,201,084,250)</u>	<u>(1,381,510,208)</u>
Total deductions	<u>(1,201,158,057)</u>	<u>(1,386,685,496)</u>
Change in fiduciary net position	16,930,073	26,853,243
Net position held in trust for pool participants at beginning of period	<u>461,480,700</u>	<u>434,627,457</u>
Net position held in trust for pool participants at end of period	<u>\$ 478,410,773</u>	<u>\$ 461,480,700</u>

Iowa Public Agency Investment Trust - Diversified Portfolio
Notes to Financial Statements Years ended June 30, 2021 and 2020

(1) ORGANIZATION

Iowa Public Agency Investment Trust (the "Trust") is a common law trust established under Iowa law pursuant to Chapter 28E and Sections 331.555 and 384.21, Iowa Code (1987), as amended, which authorizes Iowa public agencies to jointly invest monies pursuant to a joint investment agreement. IPAIT is an S&P Global Ratings 'AAAm' rated money market fund pursuant to the requirements of Iowa Code 12B.10. IPAIT was established by the adoption of a Joint Powers Agreement and Declaration of Trust as of October 1, 1987 and commenced operations on November 13, 1987. The Joint Powers Agreement and Declaration of Trust was amended on August 1, 1988, and May 1, 1993, and September 1, 2005; and further amended as of September 1, 2017. The accompanying financial statements include activities of the Diversified Portfolio. The objective of the Diversified Portfolio is to maintain a high degree of liquidity and safety of principal through investment in short-term securities as permitted for Iowa public agencies under Iowa law. U.S. Bank Institutional Trust & Custody (US Bank) serves as the Custodian. Companies collectively known as PMA Financial Network (PMA) serve as the Administrator, Investment Adviser and Marketer. PMA Financial Network, LLC serves as the Administrator, PMA Asset Management, LLC serves as the Investment Adviser, and PMA Securities, LLC serves as the Marketer.

In 2010, the Board of Trustees approved a resolution ceasing the investment operations of the Direct Government Obligation Portfolio and transferring assets to the Diversified Portfolio. The transfer was facilitated through SEC Rule 17a-7 at fair value. The Direct Government Obligation Portfolio remains available for future investment if IPAIT participants should request it in the future.

(2) SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by IPAIT are as follows:

Basis of Accounting

An investment trust fund, which is a type of fiduciary fund, is used to account for the investment pool and the accounts of the Trust. The accompanying statements are prepared based on the flow of economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and realized. Expenses are recognized in the period incurred. Fiduciary net position 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 increase (decrease) in net assets resulting from operations during the reporting period. Actual results could differ from those estimates.

Fair Value Measurements

The framework for measuring fair value establishes a fair value hierarchy that prioritizes the inputs used in the valuation techniques to measure fair value. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. These inputs are summarized into three broad levels as described below:

Level 1 – quoted prices in active markets for identical securities;

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, and evaluated quotations obtained from pricing services); or

Level 3 – significant unobservable inputs (including IPAIT's own assumptions in determining the fair value of investments).

There are no investments in the Diversified Portfolio measured at fair value on a recurring or non-recurring basis since all investments are carried at amortized cost. Money market mutual funds are considered Level 1 and all remaining investments are considered Level 2.

Investments in Securities

The Diversified Portfolio measures its investments at amortized cost on the Statement of Fiduciary Net Position pursuant to criteria established in Governmental Accounting Standards Board (GASB) Statement No. 79, Certain External Investment Pools and Pool Participants. The criteria in GASB Statement No. 79 specifies that an external investment pool must transact with their participants at a stable net asset value per share and meet requirements for portfolio maturity, portfolio quality, portfolio diversification, portfolio liquidity, and shadow pricing. The Diversified Portfolio meets all of the necessary criteria in GASB Statement No. 79 to measure all of the investments in the Diversified Portfolio at amortized cost, which approximates fair value. This involves valuing a portfolio security at its original cost on the date of purchase, and thereafter amortizing any premium or discount on the interest method. The net asset value of the Diversified Portfolio is calculated daily. Investment policies are followed to maintain a constant net asset value of \$1.00 per unit for the portfolio.

Security transactions are accounted for on the trade date. Interest income, including the accretion of discount and amortization of premium, is accrued daily as earned. Purchases of portfolio securities for the Diversified Portfolio aggregated \$18,650,230,050 and \$35,059,899,160 for the years ended June 30, 2021 and 2020, respectively. Proceeds from the maturity and sale of securities for the Diversified Portfolio aggregated \$18,624,161,086 and \$35,153,745,959 for the years ended June 30, 2021 and 2020, respectively.

The Diversified Portfolio is authorized by investment policy and statute to invest public funds in obligations of the U.S. government, its agencies and instrumentalities; certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to Chapter 12B of the Code of Iowa; federally insured depository institutions through the Insured Cash Sweep (ICS) service regardless of location pursuant to Chapter 12C of the Code of Iowa; and repurchase agreements, provided that the underlying collateral consists of obligations of the U.S. government, its agencies and instrumentalities and that the Diversified Portfolio's custodian takes delivery of the collateral either directly or through an authorized custodian.

In connection with transactions in repurchase agreements, it is the Diversified Portfolio'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 Diversified Portfolio may be delayed or limited. At June 30, 2021 and 2020, the securities purchased under repurchase agreements to resell were collateralized by U.S. Government Agency Securities with a fair value of \$47,634,000 and of \$25,500,707, respectively, with maturities ranging from November 1, 2032 to May 25, 2060.

ICS is a network of banks offering demand deposit accounts below the standard FDIC insurance maximum so that principal and interest are eligible for full FDIC insurance. As of June 30, 2021, the Diversified Portfolio held \$86,848,030 in the ICS program.

Income Tax Status

The Trust is exempt from both state and federal incomes taxes pursuant to Section 115 of the Internal Revenue Code.

Distributions to Participants

Dividends declared and accrued daily from net investment income and net realized gains, if any, are paid in cash or reinvested in the Trust based upon each participant's pro rata participation in the pool.

Investment and Redemption Provisions

The Diversified Portfolio 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.

(3) FEES AND EXPENSES

PMA Financial Network receives 0.190 percent of the average daily net asset value up to \$150 million, 0.160 percent from \$150 to \$250 million, and 0.130 percent exceeding \$250 million for investment adviser and administrative fees. For the years ended June 30, 2021 and 2020, the Diversified Portfolio paid \$305,345 and \$715,847, respectively, to PMA for services provided net of waivers. For the years ended June 30, 2021 and 2020, PMA voluntarily waived investment adviser and administrative fees of \$441,836 and \$26,295, respectively. Future waivers may not be required and are determined on market yields and other market considerations.

PMA Financial Network receives 0.060 percent of the average daily net asset value of the portfolio for marketing fees. For the years ended June 30, 2021 and 2020, the Diversified Portfolio paid \$118,081 and \$276,894, respectively, to PMA for services provided net of waivers. During the years ended June 30, 2021 and 2020, PMA voluntarily waived marketing fees of \$171,388 and \$10,135, respectively. Future waivers may not be required and are determined on market yields and other market considerations.

US Bank receives approximately 0.010 percent of the average daily net asset value of the portfolio for custody fees. For the years ended June 30, 2021 and 2020, the Diversified Portfolio paid \$9,720 and \$32,060, respectively, to US Bank for services provided.

Under a distribution plan, the public agency associations collectively receive an annual fee of 0.075 percent of the average daily net asset value for sponsorship fees. For the years ended June 30, 2021 and 2020, the Diversified Portfolio paid \$66,945 and \$149,732 to the Iowa League of Cities, \$62,286 and \$150,004 to the Iowa State Association of Counties, and \$18,369 and \$46,383 to the Iowa Association of Municipal Utilities, respectively, net of waivers. During the years ended June 30, 2021 and 2020, public agency associations voluntarily waived a portion of their fees. The Iowa League of Cities waived \$95,540 and \$5,911, the Iowa State Association of Counties waived \$92,259 and \$5,157, and the Iowa Association of Municipal Utilities waived \$26,437 and \$1,598, respectively. Future waivers may not be required and are determined on market yields and other market considerations.

In addition, the Trust is responsible for other operating expenses incurred directly by the Trust. The estimated annual other operating expenses are accrued and have averaged between 0.02 percent and 0.03 percent of the average daily net asset value and totaled \$83,220 and \$129,198 for the years ended June 30, 2021 and 2020, respectively. The daily accrued expenses are paid from the Diversified Portfolio to the IPAIT Administrative Fund each month. The IPAIT Administrative Fund pays the direct expenses of IPAIT such as audit, insurance, legal, ratings fees, and other miscellaneous items. The IPAIT Administrative Fund also holds Board designated reserve funds for specific purposes. The IPAIT Administrative Fund is governed by the IPAIT Board of Trustees who approves the annual budget and reviews and approves the transaction activity and balances at each quarterly meeting.

All fees are computed daily and paid monthly. Fees waived in prior periods cannot be recovered in future periods.

(4) INVESTMENTS

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Trust limits the exposure to credit risk in the Diversified Portfolio by investing only in obligations issued or guaranteed by the U.S. Government and collateralized perfected repurchase agreements. The following table provides information on the credit ratings of the Diversified Portfolio investments as of June 30, 2021 and 2020:

Security Type	Credit Rating		June 30, 2021	
	Moody's	S&P	Carrying Value	Percent of Investments
U.S. Government agencies	Aaa	AA+	\$ 115,628,453	23.75%
U.S. Treasury notes and bills *	N/A	N/A	90,276,206	18.54
Repurchase agreements (underlying securities)				
U.S. Government agencies	A1	A+	46,700,000	9.59
Money market mutual funds	Aaa-mf	AAAm	147,312,481	30.27
FDIC insured bank products	Not rated	Not rated	86,892,704	17.85
			<u>\$ 486,809,844</u>	<u>100.00%</u>

Security Type	Credit Rating		June 30, 2020	
	Moody's	S&P	Carrying Value	Percent of Investments
U.S. Government agencies	Aaa	AA+	\$ 43,619,424	9.45%
U.S. Treasury notes and bills *	N/A	N/A	149,944,481	32.50
Repurchase agreements (underlying securities)				
U.S. Government agencies	Aa3	AA-	15,000,000	3.25
U.S. Government agencies	A1	A+	10,000,000	2.17
Money market mutual funds	Aaa-mf	AAAm	77,609,818	16.82
FDIC insured bank products	Not rated	Not rated	165,196,510	35.81
			<u>\$ 461,370,233</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 is the risk that, in the event of the failure of the counterparty, the Trust 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 percent of their value, and the collateral is held in the name of the Diversified Portfolio. The Diversified Portfolio 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 Diversified Portfolio's exposure to interest rate risk and believes this is addressed by the fact that securities are limited by S&P Global guidelines as well as by investment policy to investments of high quality with durations not to exceed 397 days. Significant changes in market interest rates are not expected to present long-term risks to the Diversified Portfolio.

The following table provides information on the weighted average maturities for various asset types of the Diversified Portfolio as of June 30, 2021 and 2020:

Security Type	June 30, 2021		June 30, 2020	
	Carrying Value	WAM (Days)	Carrying Value	WAM (Days)
U.S. Government agencies	\$ 115,628,453	107	\$ 43,619,424	121
U.S. Treasury notes and bills	90,276,206	110	149,944,481	87
Repurchase agreements	46,700,000	1	25,000,000	1
Money market mutual funds	147,312,481	1	77,609,818	1
FDIC insured bank products	86,892,704	1	165,196,510	2
	<u>\$ 486,809,844</u>	46	<u>\$ 461,370,233</u>	40

Concentration credit risk is the risk of loss attributed to the magnitude of the Trust's investments in a single issuer. Management does not believe the Diversified Portfolio has concentration risk. Securities are limited by investment policy to obligations issued or guaranteed by the U.S. Government. The Diversified Portfolio investments at June 30, 2021 included 23.8 percent in U.S. Government agencies, 18.5 percent in U.S. Treasury notes, 9.6 percent in repurchase agreements collateralized by U.S. Government Agency securities, 30.3 percent in money market mutual funds invested in U.S. Government securities, and 17.8 percent in bank products fully insured by the Federal Deposit Insurance Corporation (FDIC).

Foreign currency risk is the risk that changes in exchange rates will adversely affect the value of an investment or deposit. The Diversified Portfolio does not hold interests in foreign currency of interests valued in foreign currency.

(5) **RISK MANAGEMENT**

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

The Trust maintains insurance coverage for fidelity and errors and omissions exposures. There have been no claims or settlements under the Trust insurance coverage since its organization in 1987.

(6) **COVID-19**

The impact of the coronavirus ("COVID-19") outbreak on the financial performance of the Diversified Portfolio's investments will depend on the duration and spread of the outbreak. COVID-19's ultimate impact on financial markets and the overall economy is highly uncertain. If the financial markets and the economy are impacted for an extended period, the Diversified Portfolio's investment results could be materially affected.

(7) **SUBSEQUENT EVENTS**

IPAIT has evaluated the effects of events that occurred subsequent to June 30, 2021, and there have been no material events that would require recognition in the financial statements or disclosure in the notes to the financial statements.



SCHEDULE OF INVESTMENTS

Iowa Public Agency Investment Trust - Diversified Portfolio Schedule of Investments - June 30, 2021

<u>Name of Issuer</u>	<u>Yield at Time of Purchase *</u>	<u>Due Date</u>	<u>Par Value</u>	<u>Amortized Cost</u>
U.S. Government Securities - 42.30%				
Federal Farm Credit Bank - 5.37%				
	0.06%	07/02/21	\$ 3,000,000	\$ 3,000,220
	0.05%	09/20/21	1,420,000	1,428,719
	0.05%	09/24/21	3,000,000	3,001,051
	0.12%	11/16/21	2,500,000	2,500,000
	0.07%	11/22/21	2,000,000	2,012,136
	0.09%	12/13/21	2,050,000	2,066,488
	0.02%	12/15/21	2,500,000	2,499,802
	0.04%	01/18/22	2,571,000	2,607,042
	0.05%	02/07/22	2,500,000	2,499,233
	0.06%	04/08/22	2,500,000	2,506,134
	0.02%	05/26/22	2,000,000	1,999,950
				26,120,775
Federal Home Loan Bank - 14.09%				
	0.12%	07/07/21	2,400,000	2,400,695
	0.13%	07/08/21	2,250,000	2,250,011
	0.10%	07/14/21	4,095,000	4,096,496
	0.02%	07/21/21	4,000,000	3,999,967
	0.01%	07/28/21	2,500,000	2,499,981
	0.15%	08/16/21	2,500,000	2,500,018
	0.10%	08/20/21	2,500,000	2,500,084
	0.01%	08/20/21	3,000,000	2,999,958
	0.15%	08/25/21	2,250,000	2,250,000
	0.06%	09/10/21	2,000,000	2,000,263
	0.05%	09/16/21	2,000,000	1,999,786
	0.04%	09/29/21	2,500,000	2,499,979
	0.08%	09/30/21	2,000,000	2,000,212
	0.06%	10/12/21	9,260,000	9,336,782
	0.12%	10/27/21	2,400,000	2,400,048
	0.04%	10/29/21	2,500,000	2,499,952
	0.07%	11/19/21	2,000,000	2,011,920
	0.06%	11/29/21	4,375,000	4,407,628
	0.06%	12/20/21	2,905,000	2,926,297
	0.06%	03/11/22	2,000,000	2,030,368
	0.06%	03/17/22	4,000,000	3,999,668
	0.07%	03/29/22	2,000,000	1,999,840
	0.06%	05/10/22	3,000,000	2,999,975
				68,609,928
Freddie Mac - 0.89%				
	0.13%	08/12/21	1,802,000	1,804,068
	0.09%	01/13/22	2,500,000	2,530,767
				4,334,835
Fannie Mae - 3.40%				
	0.10%	08/17/21	1,810,000	1,812,699
	0.05%	10/07/21	7,000,000	7,024,722
	0.07%	01/05/22	5,168,000	5,218,885
	0.02%	04/07/22	2,500,000	2,506,609
				16,562,915
Treasury Securities - 18.55%				
	0.02%	07/01/21	5,000,000	5,000,000
	0.02%	07/08/21	4,000,000	3,999,984
	0.13%	07/15/21	2,250,000	2,249,885
	0.05%	07/20/21	2,500,000	2,499,939
	0.02%	07/29/21	5,000,000	4,999,922
	0.02%	08/05/21	5,000,000	4,999,927
	0.03%	08/31/21	3,000,000	2,999,873
	0.06%	09/02/21	3,500,000	3,499,654
	0.05%	09/09/21	5,000,000	4,999,506
	0.02%	09/14/21	3,000,000	2,999,875
	0.03%	09/16/21	1,540,600	1,540,518
	0.05%	09/23/21	3,500,000	3,499,633



SCHEDULE OF INVESTMENTS (cont.)

Iowa Public Agency Investment Trust - Diversified Portfolio Schedule of Investments - June 30, 2021

<u>Name of Issuer</u>	<u>Yield at Time of Purchase *</u>	<u>Due Date</u>	<u>Par Value</u>	<u>Amortized Cost</u>
	0.05%	09/30/21	\$ 2,500,000	\$ 2,499,684
	0.03%	10/05/21	5,000,000	4,999,600
	0.08%	10/07/21	2,500,000	2,499,486
	0.04%	10/28/21	2,000,000	1,999,769
	0.05%	11/02/21	3,000,000	2,999,504
	0.09%	11/04/21	2,500,000	2,499,238
	0.03%	11/12/21	2,500,000	2,499,758
	0.03%	11/18/21	2,500,000	2,499,708
	0.07%	12/02/21	5,000,000	4,998,594
	0.04%	12/09/21	2,500,000	2,499,553
	0.04%	12/16/21	4,000,000	3,999,253
	0.06%	12/23/21	2,500,000	2,499,332
	0.08%	02/24/22	2,000,000	1,998,916
	0.07%	03/24/22	2,500,000	2,498,707
	0.06%	05/19/22	2,500,000	2,498,770
	0.07%	06/16/22	3,500,000	3,497,618
				<u>90,276,206</u>
Total U.S. Government Securities (fair value \$205,899,626)				<u>205,904,659</u>
Money Market Mutual Funds - 30.26%				
Blackrock Liquid - Money Market - 4.24%	0.03%		20,657,392	20,657,392
Dreyfus Govern Cash - Money Market - 8.44%	0.03%		41,099,207	41,099,207
Fed Govt Obligation - Money Market - 8.85%	0.03%		43,072,288	43,072,288
First American Govt - Money Market - 0.01%	0.02%		64,711	64,711
JP Morgan US Govt - Money Market - 8.72%	0.03%		42,418,883	42,418,883
Total Money Market Mutual Funds (fair value \$147,312,481)				<u>147,312,481</u>
Deposit Accounts - 17.85%				
Community State Bank - ICS Savings - 1.09%	0.24%		5,285,568	5,285,568
FNB Omaha - ICS Demand - 0.22%	0.03%		1,091,365	1,091,365
Hills B&T Company - ICS Demand - 15.50%	0.30%		75,436,801	75,436,801
SENB - ICS Demand - 1.03%	0.35%		5,034,296	5,034,296
US Bank NA - Bank Dep - 0.01%	0.10%		44,674	44,674
Total Deposit Accounts (fair value \$86,892,704)				<u>86,892,704</u>
Repurchase Agreements - 9.59%				
BMO Capital Markets LLC - 9.59% (fair value \$46,700,000) (Purchased on 6/30/21; proceeds at maturity \$46,700,052; collateralized by \$76,668,566 U.S. Government Agencies with maturities ranging from 08/01/33 to 07/01/51, collateral worth \$47,634,000)	0.04%	07/01/21	46,700,000	46,700,000
				<u>46,700,000</u>
Total Investments - 100.00% (fair value \$486,804,811)				<u>\$ 486,809,844</u>

* Time-weighted rate of return based on the market rate of return



SCHEDULE OF INVESTMENTS

Iowa Public Agency Investment Trust - Diversified Portfolio Schedule of Investments - June 30, 2020

<u>Name of Issuer</u>	<u>Yield at Time of Purchase</u>	<u>Due Date</u>	<u>Par Value</u>	<u>Amortized Cost</u>
U.S. Government Securities - 41.95%				
Federal Farm Credit Bank - 1.85%	0.21%	10/02/20	\$ 600,000	\$ 602,491
	0.17%	01/15/21	1,300,000	1,309,640
	0.19%	01/29/21	1,000,000	1,011,882
	0.19%	04/05/21	5,500,000	5,598,385
				<u>8,522,398</u>
Federal Home Loan Bank - 4.37%	0.06%	07/17/20	9,000,000	9,000,160
	0.09%	09/28/20	4,500,000	4,499,503
	0.32%	12/11/20	670,000	678,353
	0.20%	12/11/20	1,000,000	1,022,414
	0.12%	03/12/21	5,000,000	5,000,000
				<u>20,200,430</u>
Freddie Mac - 1.35%	0.18%	09/29/20	4,065,000	4,079,353
	0.16%	11/17/20	2,139,000	2,152,843
				<u>6,232,196</u>
Fannie Mae - 1.88%	0.20%	07/30/20	1,429,000	1,430,480
	0.32%	04/13/21	5,175,000	5,263,289
	1.16%	06/01/21	1,956,301	1,970,631
				<u>8,664,400</u>
Treasury Securities - 32.50%	0.13%	07/14/20	10,000,000	9,999,548
	0.14%	07/30/20	10,000,000	9,998,886
	0.16%	08/11/20	6,000,000	5,998,934
	0.12%	08/18/20	10,000,000	9,998,400
	0.16%	08/20/20	4,000,000	3,999,130
	0.16%	08/27/20	6,000,000	5,998,518
	0.14%	09/01/20	4,000,000	3,999,029
	0.16%	09/08/20	6,000,000	5,998,203
	0.16%	09/15/20	6,000,000	5,998,005
	0.14%	09/17/20	8,000,000	7,997,686
	0.17%	09/22/20	6,000,000	5,997,718
	0.15%	09/24/20	6,000,000	5,997,872
	0.16%	10/01/20	6,000,000	5,997,547
	0.16%	10/06/20	6,000,000	5,997,413
	0.14%	10/08/20	6,000,000	5,997,674
	0.14%	10/13/20	2,000,000	1,999,197
	0.15%	10/20/20	4,000,000	3,998,150
	0.17%	10/27/20	6,000,000	5,996,753
	0.15%	10/29/20	6,000,000	5,997,040
	0.17%	11/03/20	6,000,000	5,996,448
	0.18%	11/10/20	6,000,000	5,996,095
	0.15%	11/19/20	4,000,000	3,997,611
	0.15%	11/27/20	6,000,000	5,996,399
	0.17%	12/03/20	6,000,000	5,995,608
	0.19%	12/10/20	2,000,000	1,998,330
	0.19%	12/17/20	2,000,000	1,998,287
				<u>149,944,481</u>
Total U.S. Government Securities (fair value \$193,576,859)				<u>193,563,905</u>
Certificate of Deposit - 1.12%				
FNB Omaha - CDARS Deposit - 1.12% (fair value \$5,158,894)	1.90%	08/06/20	5,158,894	5,158,894



Iowa Public Agency Investment Trust - Diversified Portfolio
Schedule of Investments - June 30, 2020

<u>Name of Issuer</u>	<u>Yield at Time of Purchase</u>	<u>Due Date</u>	<u>Par Value</u>	<u>Amortized Cost</u>
Money Market Mutual Funds - 16.82%				
Blackrock Liquid - Money Market - 7.35%	0.09%		\$ 33,917,149	\$ 33,917,149
Dreyfus Govern Cash - Money Market - 0.02%	0.08%		99,207	99,207
Fed Govt Obligation - Money Market - 0.02%	0.07%		72,288	72,288
First American Govt - Money Market - 0.01%	0.06%		64,711	64,711
JP Morgan US Govt - Money Market - 9.42%	0.15%		43,456,463	43,456,463
Total Money Market Mutual Funds (fair value \$77,609,818)				<u>77,609,818</u>
Deposit Accounts - 34.69%				
Community State Bank - ICS Savings - 1.14%	0.55%		5,265,478	5,265,478
FNB Omaha - ICS Demand - 8.27%	0.40%		38,143,399	38,143,399
Hills B&T Company - ICS Demand - 16.28%	0.55%		75,088,176	75,088,176
SENB - ICS Demand - 1.09%	0.50%		5,013,727	5,013,727
US Bank NA - Bank Dep - 7.91%	0.10%		36,526,836	36,526,836
Total Deposit Accounts (fair value \$160,037,616)				<u>160,037,616</u>
Repurchase Agreements - 5.42%				
RBC Capital Markets LLC - 3.25%	0.07%	07/01/20	15,000,000	15,000,000
BMO Capital Markets LLC - 2.17%	0.05%	07/01/20	10,000,000	10,000,000
Total Repurchase Agreements (fair value \$25,000,000) (Purchased on 6/30/20; proceeds at maturity \$25,000,043; collateralized by \$179,554,892 U.S. Government Agencies with maturities ranging from 11/01/32 to 06/25/60, collateral worth \$25,500,707)				<u>25,000,000</u>
Total Investments - 100.00% (fair value \$461,383,187)				<u>\$ 461,370,233</u>

* Time-weighted rate of return based on the market rate of return

See accompanying notes to financial statements.

Selected Data for Each Unit of Portfolio
Outstanding Through Each Year Ended June 30,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net Asset Value, Beginning of Period	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000
Net Investment Income	0.0002	0.0108	0.0203	0.0105	0.0029
Dividends Distributed	(0.0002)	(0.0108)	(0.0203)	(0.0105)	(0.0029)
Net Asset Value, End of Period	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000
Total Return*	0.02%	1.12%	2.04%	1.06%	0.26%
Ratio of Expenses to Average Net Position, After Waivers	0.14%	0.31%	0.34%	0.35%	0.36%
Ratio of Net Investment Income to Average Net Position, After Waivers	0.02%	1.08%	2.03%	1.05%	0.29%
Ratio of Expenses to Average Net Position, Before Waivers	0.31%	0.32%	0.34%	0.35%	0.37%
Ratio of Net Investment Income to Average Net Position, Before Waivers	-0.16%	1.07%	2.03%	1.05%	0.29%
Net Position, End of Period (000 Omitted)	\$478,411	\$461,481	\$434,627	\$368,070	\$374,567

* Total return is calculated by taking the ending value of an initial \$1,000 investment including monthly reinvested dividends, minus the initial investment, divided by the initial \$1,000 investment.



Diversified Portfolio Facts as of June 30, 2021 (unaudited)

Investment Strategy/Goals: To provide a safe, liquid, effective investment alternative for the operating funds, reserve funds, and bond proceeds for Iowa's municipalities, counties, municipal utilities, and other eligible public agencies by jointly investing participant funds in a professionally managed portfolio of short-term, high-quality, legally authorized, marketable securities.

Date of Inception: November 13, 1987

Total Net Assets: \$478 million

Benchmarks: Money Market Index, Iowa Code Chapter 74A 32-89 day Public Funds Rates, and Iowa Code Chapter 74A 90-179 day Public Funds Rates.

Performance Objective: To provide the highest level of current income from investment in a portfolio of U.S. government and agency securities, certificates of deposit in Iowa financial institutions, and other authorized securities collateralized by U.S. government and agency securities as is consistent with, in order of priority, preservation of principal and provision of necessary liquidity.

Investment Adviser: PMA Asset Management, LLC.

Management Fees: Sliding scale from nine basis points (0.09%) to five and one-half basis points (0.055%)

Total Expense Ratio: Sliding scale from twelve basis points (0.12%) to thirty-three basis points (0.33%)

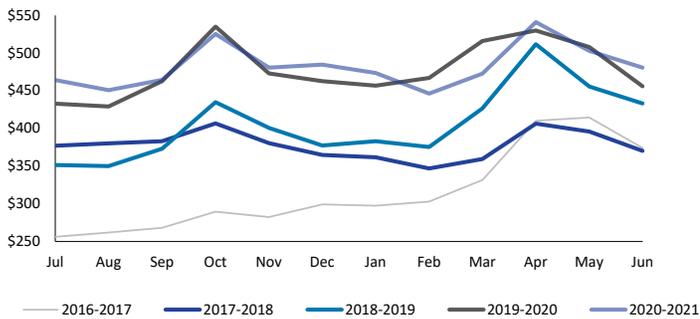
Actual Expense Ratio FYE 2021: The actual fee ratio charged during FYE 2021 was fourteen basis points (0.14%).

INTRODUCTION

The IPAIT Diversified Portfolio (the “Fund”) is a short-term investment pool of high-quality money market instruments. In 2016, the Fund began obtaining an annual rating from S&P Global Ratings (“S&P”) and has maintained a rating of ‘AAAm’ since that time.

The Fund is made up of a professionally managed portfolio of FDIC-insured demand deposits, SEC registered government money market mutual funds, U.S. government and federal agency securities, and fully collateralized repurchase agreements, the latter collateralized by U.S. government and federal agency securities. The Fund is typically used for the investment of public funds subject to the Iowa public funds statutory provisions invested by a participant unless other participant-specific investment restrictions exist.

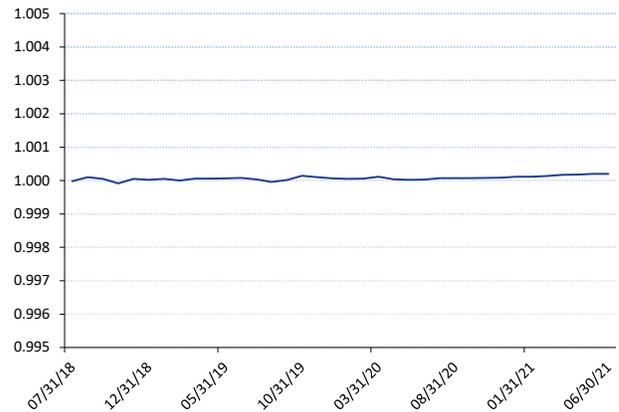
HISTORICAL PORTFOLIO CASH FLOW (expressed in millions) IPAIT DIVERSIFIED PORTFOLIO



The Fund is managed by PMA Asset Management, LLC, a registered investment adviser. Aggregate cash flows are monitored daily and compared to respective Fund cash flow patterns of previous periods. Fund cash flow patterns throughout the fiscal period, as compared to previous years, have traditionally been repetitive. Over thirty years of operating history create a very helpful tool to gauge necessary pool liquidity needs.

The investment objective of the Fund is to provide as high a level of current income as is consistent with preservation of invested principal and provision of adequate liquidity to meet participants’ daily cash flow needs. As a general policy, all purchased securities will be held until they mature. Summaries of all security trades for the Fund are provided quarterly to the IPAIT Board of Trustees for review.

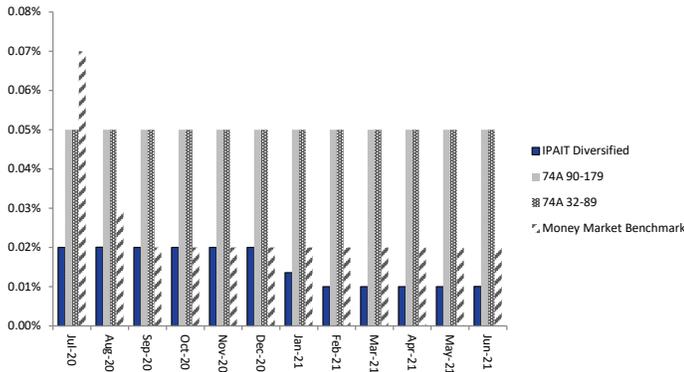
AMORTIZED COST VS. FAIR VALUE PER SHARE JULY 2018 - JUNE 2021 IPAIT DIVERSIFIED PORTFOLIO



The Fund accrues interest income daily and pays accrued income monthly to participant accounts. Interest is paid on the first business day of the month following accrual. Daily income amounts and investment returns are calculated using the interest method. Under this method, a security is initially valued at cost on the date of purchase and, thereafter, any premium or discount is amortized using the interest method.

The IPAIT Adviser values the Fund’s portfolio weekly at current fair value, based upon actual market quotations. The Fund’s current market valuation is compared to that Fund’s current amortized cost basis. IPAIT uses the Amortized Cost Method of Valuation along with IPAIT’s internal controls and procedures; any deviation in net asset value based upon available market quotations from the Fund’s \$1.00 amortized cost per unit is carefully monitored. Deviations may never exceed 0.5 percent. Illustrated above is the amortized cost versus fair value per unit comparison for the past three fiscal years.

IPAIT DIVERSIFIED PORTFOLIO VS. IOWA CHAPTER 74A (90-179 & 32-89 DAY) & MONEY MARKET BENCHMARK US GOVERNMENT & AGENCY JULY 2020 - JUNE 2021



The Fund's investment performance is regularly compared to three established benchmarks: the Money Market Benchmark average rate for money market funds investing in U.S. government securities; and the Iowa Code Chapter 74A rate for 32-89; and 90-179 day certificates of deposit issued by Iowa financial institutions for public funds in the state.

The Iowa Code Chapter 74A rates are distributed monthly by the state Treasurer's office for various investment periods and are intended to be the minimum rates at which Iowa financial institutions can accept public funds for timed deposits. While a public body must commit funds for minimum periods of time to access Chapter 74A rates, IPAIT may offer rates at or above the Chapter 74A benchmarks with complete daily liquidity.

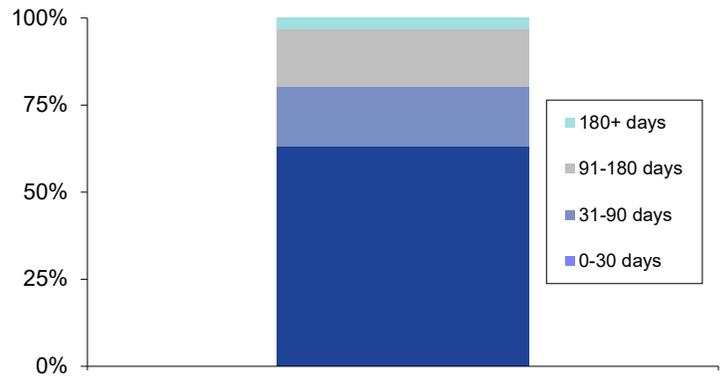
RISK PROFILE

The Fund is low in risk profile. Portfolio investments are limited to:

1. No single portfolio investment may exceed the 397 days to maturity as outlined in GASB Statement No. 79.
2. The weighted average maturity (WAM) of the portfolio may never exceed 60 days.

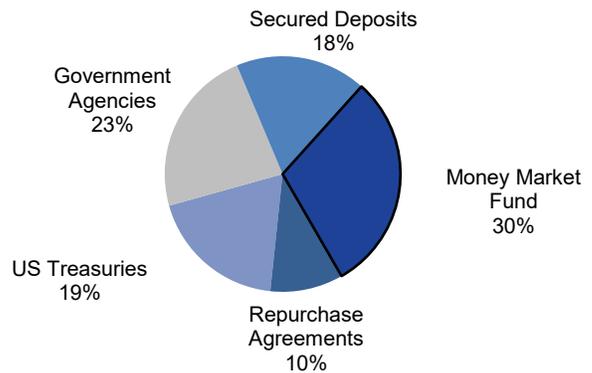
In addition to the above investment maturity restrictions, the Fund limits itself to U.S. government and federal agency securities, perfected repurchase agreements collateralized by U.S. government and federal agency securities, Iowa financial institution certificates of deposit and other evidences of deposit, and shares of an SEC-registered government money market fund. This combination of those average maturities and high-quality credit instruments provides eligible Iowa public fund investors with a safe, effective investment alternative.

MATURITY ANALYSIS AS OF JUNE 30, 2021
IPAIT DIVERSIFIED PORTFOLIO



As noted previously, the Fund carefully limits itself to high credit-quality securities. In addition, IPAIT monitors a broad array of economic indicators as well as activities of the Federal Open Market Committee to be able to position the Fund's WAM to take advantage of projected interest rate environments.

DISTRIBUTION BY SECURITY TYPE AS OF JUNE 30, 2021 (AMORTIZED COST AND FAIR VALUE)



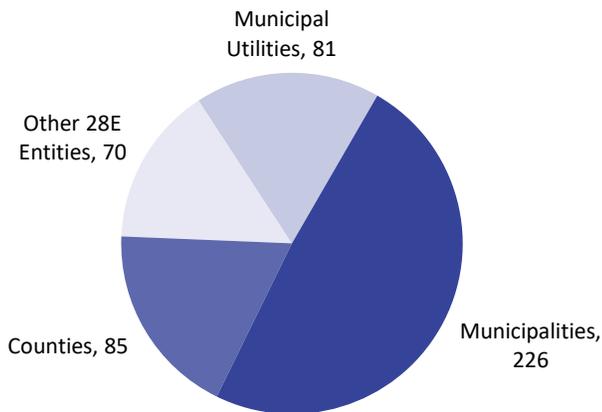
See the schedule of investments in the financial statements section of the report for a complete list of the portfolio holdings.

IPAIT DIVERSIFIED PORTFOLIO

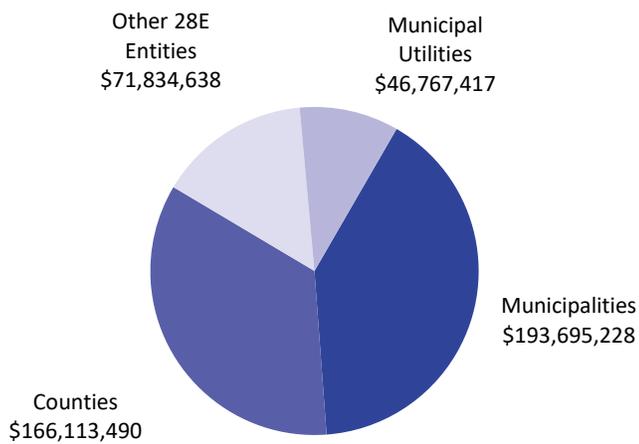
It is important to note that portfolio liquidity needs for IPAIT must control evaluation of alternative portfolio management opportunities at all times. For example, if historical cash flow analysis indicates that participants will need to withdraw funds, material extension of the Fund's portfolio is not a viable alternative.

Participation membership by affiliation concentration is illustrated in the following graph.

PARTICIPANT MEMBERSHIP AS OF JUNE 30, 2021
IPAIT DIVERSIFIED PORTFOLIO



OWNERSHIP ANALYSIS AS OF JUNE 30, 2021
IPAIT DIVERSIFIED PORTFOLIO

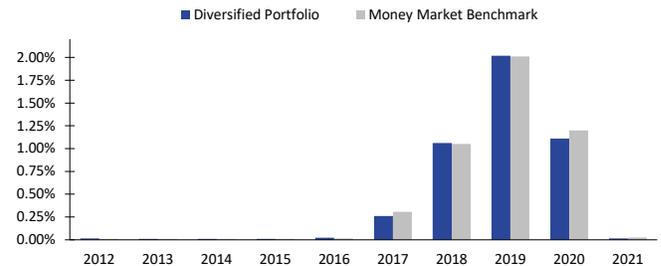


PERFORMANCE SUMMARY

For the one-year period ended June 30, 2021, the Fund reported a ratio of net investment income to average net assets of 0.02 percent, net of all operating expenses. These figures compare relative to the money market benchmark average, which returned 0.02 percent for the fiscal period.

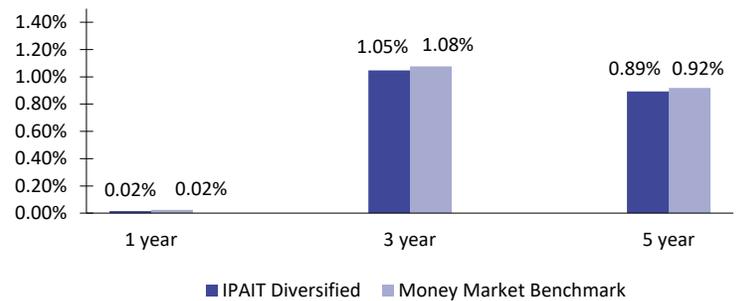
ANNUAL TOTAL RETURNS

IPAIT DIVERSIFIED PORTFOLIO VS. MONEY MARKET BENCHMARK
(time-weighted rate of return)



Also illustrated below are the historical returns for the Fund for the most recent one, three, and five year periods.

ANNUALIZED TOTAL RETURNS
IPAIT DIVERSIFIED PORTFOLIO VS. MONEY MARKET BENCHMARK



FUND EXPENSES

It is important for you to understand the impact of costs on your investment. All mutual funds have operating expenses. As a shareholder of the fund, you incur ongoing costs, including management fees, distribution and service fees, and other fund expenses. Expenses, which are deducted from a fund's investment income, directly reduce the investment return of the fund.

A fund's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your fund and compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period and held for the entire period from January 1, 2021 to June 30, 2021. The table illustrates your fund's costs in two ways:

1. BASED ON ACTUAL FUND RETURN.

This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the fund's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

2. BASED ON HYPOTHETICAL 5 PERCENT RETURN.

This section is intended to help you compare your fund's costs with those of other mutual funds. It assumes that the fund had a return of 5 percent before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is not the fund's actual return, the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5 percent return. You can assess your fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Your fund does not carry a "sales load" or transaction fee. The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and timing of any purchases or redemptions.

You can find more information about the fund's expenses, including annual expense ratios for the past five years, in the Financial Highlights section of this report. For additional information on operating expenses and other shareholder costs, please refer to the Information Statement.

Example	Beginning Account Value 1/01/2021	Ending Account Value 6/30/2021	Expenses Paid During Period 1/01/21 to 6/30/21	Annualized Expense Ratio
Based on Actual Fund Return				
IPAIT Diversified Portfolio	\$1,000.00	\$1,000.05	\$0.54	0.11%
Based on Hypothetical 5 Percent Return				
IPAIT Diversified Portfolio	\$1,000.00	\$1,024.26	\$0.54	0.11%

Expenses are equal to the fund's annualized expense ratio listed in the table above, multiplied by the average account value over the period, multiplied by 181, the number of days in the most recent fiscal half-year, divided by 365, to reflect the one-half year period.

FEES AND EXPENSES
as of June 30, 2021

All fees are calculated by basis points per net assets.

<u>Entity</u>	<u>Fee Type</u>	<u>Fee</u>	
PMA Asset Management, LLC	Adviser	0.090%	up to \$150MM;
		0.070%	on \$150 - \$250MM;
		0.055%	on assets exceeding \$250MM
PMA Financial Network, LLC	Administrator	0.100%	up to \$150MM;
		0.090%	on \$150 - \$250MM;
		0.075%	on assets exceeding \$250MM
PMA Securities, LLC	Marketer	0.060%	
Sponsoring Associations ¹	Sponsoring Associations	0.075%	
U.S. Bank	Custody	0.010%	estimate (includes fixed & variable fees)
Administration Fund	Other fees & expenses	0.028%	estimate (includes fixed & variable fees)

¹Includes Iowa League of Cities, Iowa State Association of Counties, Iowa Association of Municipal Utilities

This fiscal year's actual expense ratio net of waivers for the IPAIT Diversified Portfolio was 0.14 percent of average net assets based on a sliding fee scale.

ACTUAL:

For the fiscal year ended June 30, 2021, the following actual expenses were incurred by the Fund:

	<u>Diversified Portfolio</u>	
Adviser	\$	136,073
Administrator		169,272
Marketing		118,081
Sponsoring Associations		147,600
Custody		9,720
Other fees and expenses		83,220
Total	\$	<u>663,966</u>



STATEMENT OF ADDITIONAL INFORMATION (unaudited)

OTHER INFORMATION

Units of IPAIT's Diversified Portfolio are not insured by the FDIC or the U.S. Government. Investment products involve investment risk, including the possible loss of principal. Past performance is not predictive of future results, and the composition of the Fund's portfolio is subject to change.

PARTICIPANT MEETING RESULTS

No participant meetings were held during the fiscal year ended June 30, 2021, for proposals requiring participant approval.

The COVID-19 global pandemic created an economic and market shock unlike any other crisis and officially pushed the U.S. economy into a recession in February 2020 according to the National Bureau of Economic Research. While the U.S. economy officially emerged from the recession in April 2020, total U.S. economic output did not return to pre-pandemic levels until the second quarter of 2021. This long time to recovery highlights the depth of the economic downturn caused by the pandemic. The economy has recovered significantly during the reporting period, but not evenly across all sectors nor for all individuals.

The reporting period began with a tremendous economic rebound in the third calendar quarter of 2020, largely a reflection of the staggering downturn in the second quarter. Gross domestic product grew at 33.8% and 4.5% during the third and fourth quarters of 2020, respectively. Economic growth has remained strong in 2021 as GDP rose 6.3% and 6.5% during the first and second quarters. While the growth momentum has been positive in 2021, recovery in the labor market has slowed compared to rapid labor market gains in the second half of 2020. The unemployment rate fell from 6.7% in December 2020 to 5.9% in June 2021.

The consumer remains the primary driver of U.S. economic growth. Recognizing this, multiple stimulus packages including the American Rescue Plan Act of 2021, aided households through direct economic impact payments during the pandemic. Stimulus payments boosted income and savings nationally. A multitude of new government programs also aided Americans during the pandemic. Personal consumption growth of 11.8% led second quarter 2021 GDP growth despite a decline in direct stimulus payments to households for the quarter. Other programs including loans and grants to businesses increased in the second quarter. These other programs included assistance provided to local governments through the American Recovery Plan Act funds, which have already been distributed to many governments, bolstering economic growth.

Inflation continues to be a primary risk in the market today, as inflationary pressures continue to build within the economy. In March, headline and core consumer price indices (CPI) were just 2.6% and 1.6% year-over-year, respectively. In June, headline and core inflation surged to 5.4% and 4.5%, respectively. Consumers experienced price increases everywhere – from the gas pump to the grocery store and home prices. While the Fed continues to believe the current inflation pressures are transitory, near-term inflationary pressures could be more pervasive than consensus expectations. In our view, inflation surprises and anticipated changes to liquidity and Fed policy are potential catalysts for increased market volatility in the year ahead.

At their June 16th meeting, the Federal Open Market Committee (FOMC) kept the fed funds target rate unchanged at 0-0.25%. Their statement was revised to reflect recent high inflation data. FOMC officials are now expecting the core personal consumption expenditure (PCE) measure of inflation to be 3.4% by end of this year compared to a median forecast of only 1.8% in December. Inflation forecasts for 2022 and 2023 were revised up slightly to 2.0% and 2.1%, respectively, reinforcing the Fed's view that the surge in inflation will prove temporary.

As the economy gradually reopened in 2021, investors have continued to enjoy strong returns. Positive fundamental and technical factors have pushed valuations higher across most asset classes and certain sectors of the market are quite frothy. Equity returns have been particularly robust as corporate earnings rebounded to pre-pandemic levels faster than we expected. Earnings projections continue to increase with current S&P 500 expectations of 35% growth for the upcoming fiscal 12 months and 10% growth expectations for the subsequent two years. U.S. equity markets posted strong returns for the year ended June 30. The S&P 500 index, a proxy for the broad U.S. equity market returned 40.8% including dividends for the year ended June 30, while the U.S. bond market as measured by the Bloomberg Barclays U.S. Aggregate Bond Index, returned -0.33% over the same period. Rising market interest rates have placed downward pressure on bond prices. The 10-year U.S. Treasury yield rose 0.81% between June 30, 2020, and June 30, 2021, to close at 1.47%. The 2-year U.S. Treasury yield rose only 0.10% during the same period, closing at 0.25%. Treasury yields for securities maturing one year or less, which are heavily influenced by Federal Reserve policy, declined by 0.05% to 0.09% during the period. The 1-year U.S. Treasury yield was less than 0.07% at June 30, 2021.

PMA Financial Network, LLC

The views expressed herein are provided for informational purposes only and are believed to be correct, but accuracy and completeness cannot be guaranteed and should not be relied upon for legal or investment decision purposes. All expressions of opinion and predictions presented are subject to change without notice. Neither the information presented nor any opinion expressed constitutes a solicitation for the purchase or sale of any security. Past performance is not a guarantee of future results.

SECTION 1 - SCOPE OF INVESTMENT POLICY

The Investment Policy of the Iowa Public Agency Investment Trust (IPAIT) shall apply to all funds invested on behalf of participants accounted for in the IPAIT financial statements. Each investment made pursuant to this Investment Policy must be authorized by applicable law and this written Investment Policy.

This Investment Policy is intended to comply with Iowa Code chapters 28E, 12B, 12C and sections 331.555 and 384.21.

Upon passage and upon future amendment, if any, copies of this Investment Policy shall be delivered to all of the following:

1. The IPAIT Board of Trustees.
2. All IPAIT depository institutions or fiduciaries.
3. The auditor engaged to audit any fund of IPAIT.

SECTION 2 – FUNDAMENTAL INVESTMENT RESTRICTIONS

A. Unless otherwise specified below, none of the portfolios will:

1. Invest more than 5 percent of the value of their total assets in the securities of any one federally insured Iowa depository institution (other than securities of the U.S. government or its agencies or instrumentalities).
2. Invest 25 percent or more of the value of their total assets in the securities of issuers conducting their principal business activities in any one industry, including financial institutions. This restriction does not apply to securities of the U.S. government or its agencies and instrumentalities and repurchase agreements relating thereto.
3. Mortgage, pledge or hypothecate their assets.
4. Make short sales of securities or maintain a short position.
5. Purchase any securities on margin.
6. Write, purchase or sell puts, calls or combinations thereof.
7. Purchase or sell real estate or real estate mortgage loans.
8. Invest in restricted securities or invest more than 10 percent of the Portfolio's net assets in repurchase agreements with a maturity of more than seven days, and other liquid assets, such as securities with no readily available market quotation.
9. Underwrite the securities of other issuers.

B. Prohibited Investments

Assets of IPAIT shall not be invested in the following:

1. Reverse repurchase agreements.
2. Futures and options contracts.
3. Any security with a remaining maturity exceeding 397 days.

C. Prohibited Investment Practices

The following investment practices are prohibited:

1. Trading of securities for speculation or the realization of short-term trading gains.
2. Investing pursuant to a contract providing for the compensation of an agent or fiduciary based upon the performance of the invested assets.

3. If a fiduciary or other third party with custody of public investment transaction records of IPAIT fails to produce requested records when requested by IPAIT or its agents within a reasonable time, IPAIT shall make no new investment with or through the fiduciary or third party and shall not renew maturity investments with or through the fiduciary or third party.

D. Management Policies and Procedures

Following are the fundamental management policies and procedures for IPAIT. All investments shall be maintained in separate IPAIT custodial accounts, segregated by Portfolio on behalf of IPAIT Participants.

1. Each purchase or sale of a security must be handled on a delivery versus payment (DVP) basis. Funds for the purchase of an investment shall not be released to the seller until the security is delivered to the IPAIT Custodian. Conversely, a sold security shall not be released to the buyer until funds for the purchase price of the security have been received by the IPAIT Custodian.
2. "Free delivery" transactions are prohibited. The Custodian shall never release assets from the IPAIT custodial accounts until the funds for the investment are delivered.
3. Any material deviation (greater than 0.5 percent) from the amortized cost of investments shall be promptly reported by the Adviser to the Board of Trustees. If such deviation exceeds 0.5 percent, the Adviser will consider what action, if any, should be initiated to reasonably eliminate or reduce material dilution or other unfair results to Participants. Such action may include redemption of Trust Units in kind, selling portfolio securities prior to maturity, withholding distributions or utilizing a net asset value per Trust Unit based upon available market quotations.
4. The frequent trading of securities, including day trading for the purpose of realizing short-term gains, the purchase and sale of futures and options to buy or sell authorized investments, reverse repurchase agreements, and other similar speculative transactions are expressly prohibited.
5. IPAIT may not make any investment other than Permitted Investments authorized by the provisions of the law applicable to the investment of funds by the Participants, as such laws may be amended from time to time.
6. IPAIT may not purchase any Permitted Investment if the effect of such purchase by IPAIT would be to make the average dollar weighted maturity of a portfolio greater than sixty (60) days.
7. IPAIT may not borrow money or incur indebtedness whether or not the proceeds thereof are intended to be used to purchase Permitted Investments.
8. IPAIT may not make loans, provided that IPAIT may make Permitted Investments.

The restrictions set forth above are fundamental to the operation and activities of IPAIT and may not be changed without the affirmative approval, in writing, of a majority of the Participants entitled to vote, except that such restrictions may be changed by the Trustees so as to make them more restrictive when necessary to conform the investment program and activities of IPAIT to the laws of the State of Iowa and the United States of America as they may from time to time be amended.

The above investment restrictions shall not be changed without the vote of a majority of the Participants in a Portfolio. "Majority" means the lesser of (a) 67 percent of the Trust's or a Portfolio's outstanding Trust Units voting at a meeting of the Participants at which more than 50 percent of the outstanding Trust Units are represented in person or by proxy or (b) a majority of the Trust's or a Portfolio's outstanding Trust Units.

Provided, however, the Trust may invest Portfolio assets pursuant to the maximum extent possible by Iowa law governing investments by public agencies and any change in the restrictions of the Iowa law governing investments by public agencies shall be deemed to be adopted by the Trust, and such change shall not require the approval of the Participants.

Any investment restrictions or limitations referred to above which involves a maximum percentage of securities or assets shall not be considered to be violated unless an excess over the percentage occurs immediately after an acquisition of securities or utilization of assets and results therefrom.

SECTION 3 – DELEGATION OF AUTHORITY

The responsibility for conducting IPAIT investment transactions resides with the IPAIT Board of Trustees. Certain responsibilities have been delegated to the Administrator(s), the Adviser(s), and the Custodian (the “Service Providers”) pursuant to the Administrator Agreement(s), the Adviser Agreement(s), the Custodian Agreement, with amendments as may be adopted from time to time, and the current Information Statement (the “Documents”).

Each Service Provider shall individually notify the IPAIT Board of Trustees in writing within thirty days of receipt of all communications from the auditor of any Service Provider or any regulatory authority of the existence of a material weakness in internal control structure of the Service Provider or regulatory orders or sanctions regarding the type of services being provided to IPAIT by the Service Provider.

The records of investment transactions made by or on behalf of IPAIT are public records and are the property of IPAIT whether in the custody of IPAIT or in the custody of a fiduciary or other third party.

SECTION 4 – OBJECTIVES OF INVESTMENT POLICY

The primary objectives, in order of priority, of all investment activities involving the financial assets of IPAIT shall be the following:

1. Safety: Safety and preservation of principal in the overall portfolio is the foremost investment objective.
2. Liquidity: Maintaining the necessary liquidity to match expected liabilities is the second investment objective.
3. Return: Obtaining a reasonable return is the third investment objective.

SECTION 5 – PRUDENCE

The Board of Trustees, when providing for the investment of deposit of public funds in the IPAIT program, shall exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a person acting in a like capacity and familiar with such matters would use to attain the Section 4 investment objectives.

SECTION 6 – INSTRUMENTS ELIGIBLE FOR INVESTMENT

Assets of IPAIT may be invested in the following, all as more fully described in the IPAIT Information Statement:

- Obligations of the United States government, its agencies and instrumentalities.
- Certificates of deposit (“CDs”) and other evidences of deposit at federally insured Iowa depository institutions approved and secured pursuant to chapter 12C.
- Repurchase agreements, provided that the underlying collateral consists of obligations of the United States government, its agencies and instrumentalities and that the Custodian takes delivery of the collateral either directly or through a third party custodian.
- Insured deposits or certificates of deposit, invested pursuant to Iowa Code Section 12B10(7), in an amount above any insured portion of the public funds on deposit at a federally insured Iowa depository institution approved and secured pursuant to Iowa Code chapter 12C.
- Shares of a “government only” open-end management investment company registered with the federal Securities and Exchange Commission under the federal Investment Company Act of 1940, 15 U.S.C. §80a-1, and operating in accordance with 17 C.F.R. §270.2a-7.

All instruments eligible for investment are further qualified by all other provisions of this Investment Policy, including Section 7, Diversification and Investment Maturity Limitations.

SECTION 7 – DIVERSIFICATION AND INVESTMENT MATURITY LIMITATIONS

It is the policy of IPAIT to diversify portfolio investments in the Diversified Portfolio. As described in the Information Statement, portfolio investments in the Diversified Portfolio are limited to the following:

1. No individual investment with maturity in excess of 397 days.
2. The maximum average maturity of all portfolio investments may not exceed 60 days. Pursuant to IPAIT policies as disclosed in the Documents, Participants may also individually invest in Fixed Term Program investments.

SECTION 8 – SAFEKEEPING AND CUSTODY

All invested assets of Participants in the Portfolios or in the Fixed Term Program shall be held in accordance with the Custodian Agreement.

All invested assets eligible for physical delivery shall be secured by having them held at a third party custodian. All purchased investments shall be held pursuant to a written third party custodial agreement requiring delivery versus payment. No assets may be delivered out of the IPAIT account without full payment (no “free deliveries” shall be permitted).

SECTION 9 – REPORTING

The Service Providers shall submit all reports required in the Documents.

SECTION 10 – INVESTMENT POLICY REVIEW AND AMENDMENT

This Investment Policy shall be reviewed annually or more frequently as appropriate. Notice of amendments to the Investment Policy shall be promptly given to all parties noted in Section 1.

SECTION 11 – EFFECTIVE DATE

This Investment Policy shall be effective as of September 1, 2017.

Passed and approved this 30th day of August, 2017.

Amended effective November 1, 2003, August 26, 2009, August 25, 2010, August 28, 2013, and August 30, 2017.



INVESTING AND NON-INVESTING PARTICIPANTS DIVERSIFIED PORTFOLIO (unaudited)

\$0-\$50,000 Assets Invested

Adams County
Benton County Solid Waste Disposal Commission
Bremer County
Buena Vista County Solid Waste Commiss
Cascade Municipal Utilities
City of Afton
City of Ankeny
City of Badger
City of Bellevue
City of Breda
City of Cedar Rapids
City of Clarinda
City of Coralville
City of Earlville
City of Elk Horn
City of Fort Dodge
City of Grundy Center
City of Hiawatha
City of Logan
City of Lovilia
City of Malvern, Iowa
City of Manchester
City of Marengo
City of Martensdale
City of Melcher-Dallas
City of Monroe
City of New London
City of New Virginia
City of Panora
City of Polk City
City of Springbrook
City of Walnut
City of Wellman
City of Wesley
City of West Des Moines
City of West Liberty
City Utility of Eagle Grove
City Utility of Martensdale
City Utility of New Hampton
City Utility of Orient
City Utility of Pella
County of Des Moines
County of Dickinson
County of Fremont
County of Greene
County of Hardin
County of Howard
County of Monona
County of Polk
County of Scott
County of Union
County of Winneshiek
Dallas County Hospital
Durant Municipal Electric Plant
Fontanelle Municipal Utility
Gowrie Municipal Utilities
Lamoni Municipal Utilities
Maquoketa Municipal Electric Utility
North Central Iowa Regional SWA
Orange City Area Health System
Ottumwa Water Works
Palo Alto County Hospital
Second Judicial Dist Dept. of Correct
Spencer Municipal Utility
Stuart Municipal Utilities
Town of Graf
Webster County Telecommunications Board
West Des Moines Water Works
Winterset Municipal Utilities

\$50,000-\$250,000 Assets Invested

Central IA Reg Trans Planning Alliance
City of Auburn
City of Boone
City of Clinton
City of Dike
City of Fairbank
City of Grant
City of Grimes
City of Hospers

City of Indianola
City of Iowa City
City of Keokuk
City of Lewis
City of Mason City
City of Maynard
City of Morning Sun
City of Moulton
City of Nora Springs
City of Orange City
City of Parnell
City of Red Oak
City of Riverdale
City of Shelby
City of Shenandoah
City of Sioux Center
City Utility of Fredericksburg
City Utility of Melcher-Dallas
City Utility of Middletown
County of Audubon
County of Boone
County of Carroll
County of Franklin
County of Kossuth
County of Muscatine
County of Plymouth
County of Tama
County of Worth
Fifth Judicial District
Hiawatha Water Department
Iowa County Attorneys Case Management Project
Iowa Precinct Atlas Consortium
IPAIT Administration Fund
ISAC Group Unemployment Fund
La Porte City Utility
Lenox Municipal Utilities
Southeast Iowa Regional Planning Commiss
Urbandale Sanitary Sewer District
Villisca Municipal Power Plant
Warren County

\$250,000-\$500,000 Assets Invested

Algona Municipal Utilities
City of Algona
City of Corydon
City of Early
City of Montezuma
City of Pella
City of Readlyn
City of Ringsted
City Utility of Corydon
City Utility of Dike
City Utility of Traer
County of Butler
County of Ringgold
Grundy Center Municipal Utilities
Iowa Counties Technology Services
SIMECA
South Iowa Area Crime Commission
South Iowa Detention Service Agency

\$500,000-\$1,000,000 Assets Invested

City of Adel
City of Clive
City of Gilmore City
City of Griswold
City of Independence
City of Keokuk
City of Orleans
City of Prairie City
City of Traer
City of Washington
City Utility of Montezuma
City Utility of Readlyn
City Utility of Shelby
County of Cerro Gordo
County of Emmet
County of Page
County of Wright
Greenfield Municipal Utilities
Iowa Public Power Agency

Knoxville Utility
Lakewood Benefited Rec. Lake District
Montezuma Municipal Light and Power
Prairie Solid Waste Agency

\$1,000,000-\$5,000,000 Assets Invested

Broadlawns Medical Center
Buena Vista Regional Medical Center
Cedar Falls Utilities
City of Altoona
City of Bettendorf
City of Colfax
City of Denison
City of Eagle Grove
City of Ely
City of Knoxville
City of Mitchellville
City of Mount Pleasant
City of Slater
City of Urbandale
City of Waverly
City Utility of Urbandale
Corning Municipal Utilities
County of Adair
County of Calhoun
County of Cass
County of Cedar
County of Crawford
County of Louisa
County of Marshall
County of Osceola
County of Washington
County of Wayne
Denison Municipal Utilities
Des Moines Area MPO
Des Moines County Regional Solid Waste Commission
Ellsworth Municipal Hospital dba Hansen Family Hos
Greater Regional Medical Center
Hawarden Regional Healthcare
IAMU Insurance Trust
Iowa County Treasurer's E-Government Alliance
Mt. Pleasant Municipal Utilities
NIMECA
Northwest Iowa Area Solid Waste Agency
Resale Power Group of Iowa
Ringgold County Hospital
Shelby County Chris A. Myrtue Memorial Hospital
Southwest Iowa Planning Council
Sumner Municipal Light Plant
Waterloo Water Works
Xenia Rural Water District

Over \$5,000,000 Assets Invested

Adair County Memorial Hospital
City of Bondurant
City of Council Bluffs
City of Davenport
City of Jefferson
City of Johnston
City of Marion
City of Muscatine
City of Oskaloosa
City of Ottumwa
City of Sioux City
City of Storm Lake
City of Waterloo
City of Windsor Heights
County of Appanoose
County of Black Hawk
County of Buchanan
County of Hamilton
County of Henry
County of Jackson
County of Madison
County of O'Brien
County of Poweshiek
County of Sioux
County of Story
County of Wapello
IMWCA Group C



INVESTING AND NON-INVESTING PARTICIPANTS DIVERSIFIED PORTFOLIO (cont.) (unaudited)

Madison County Memorial Hospital
Muscatine Power and Water

Non-Investing Participants

Allamakee County
Alta Municipal Utilities
Anita Municipal Utilities
Audubon County Memorial Hospital
Brooklyn Municipal Utilities
Cass County Environment Control Agency
Cass County Memorial Hospital
Cedar Rapids/Linn County SWA
City of Ackley
City of Agency
City of Albert City
City of Alton
City of Ames
City of Anamosa
City of Atlantic
City of Audubon
City of Bedford
City of Bloomfield
City of Brandon
City of Burlington
City of Burt
City of Bussey
City of Callender
City of Camanche
City of Carlisle
City of Carson
City of Carter Lake
City of Cascade
City of Cedar Falls
City of Center Point
City of Centerville
City of Central City
City of Charles City
City of Cherokee
City of Clear Lake
City of Colo
City of Conrad
City of Corning
City of Correctionville
City of Cresco
City of Creston
City of Cumming
City of Dallas Center
City of Dayton
City of Denver
City of Des Moines
City of DeWitt
City of Dubuque
City of Dunkerton
City of Dyersville
City of Dysart
City of Earlham
City of Eldon
City of Eldridge
City of Elk Run Heights
City of Ellsworth
City of Epworth
City of Fairfield
City of Forest City
City of Fort Madison
City of Garner
City of Gilbertville
City of Grand Mound
City of Grand River
City of Greenfield
City of Grinnell
City of Guttenberg
City of Harlan
City of Hartley
City of Hawarden
City of Hazleton
City of Hudson
City of Humboldt
City of Inwood
City of La Porte City
City of Lake Mills
City of Lamont

City of Lehigh
City of Lenox
City of Leon
City of Letts
City of Lisbon
City of Livermore
City of Lohrville
City of Mallard
City of Manning
City of Maquoketa
City of Marble Rock
City of Marshalltown
City of Massena
City of McCausland
City of Missouri Valley
City of Montezuma Fire Department
City of Mount Ayr
City of Mount Vernon
City of Murray
City of Nevada
City of New Hampton
City of Newton
City of Osage
City of Osceola
City of Ossian
City of Parkersburg
City of Peosta
City of Pleasantville
City of Pocahontas
City of Prescott
City of Preston
City of Primghar
City of Riverside
City of Ruthven
City of Sac City
City of Sheldon
City of Shueyville
City of Spencer
City of Spirit Lake
City of St. Charles
City of State Center
City of Stratford
City of Sumner
City of Swisher
City of Tiffin
City of Tipton
City of Treynor
City of Underwood
City of Urbana
City of Van Meter
City of Villisca
City of Vinton
City of Webster City
City of West Branch
City of West Burlington
City of Westfield
City of Wilton
City of Woodbine
City Utility of Alton
City Utility of Anamosa
City Utility of Bloomfield
City Utility of Colfax
City Utility of Coon Rapids
City Utility of Creston
City Utility of Denver
City Utility of Harlan
City Utility of Hawarden
City Utility of Lake Mills
City Utility of Laurens
City Utility of LeClaire
City Utility of Lohrville
City Utility of Murray
City Utility of Prairie City
City Utility of Preston
City Utility of Sac City
City Utility of Sanborn
City Utility of Slater
City Utility of St. Charles
City Utility of Story City
City Utility of Wahpeton
Clay County

Clayton County
Clear Lake Sanitary District
Clinton County Area Solid Waste Agency
Council Bluffs Airport Authority
County of Buena Vista
County of Chickasaw
County of Clarke
County of Decatur
County of Dubuque
County of Floyd
County of Greene-Medical Center
County of Grundy
County of Hancock
County of Harrison
County of Iowa
County of Jasper
County of Linn
County of Lyon
County of Marion
County of Mills
County of Mitchell
County of Monroe
County of Pocahontas
County of Sac
County of Webster
County of Winnebago
Crawford County Memorial Hospital
Dallas County
Des Moines Utility
Eighth Judicial Dist. Dept. of Correct.
Evansdale Water Works
Geode Resource Conserv. & Develp., Inc.
Gilbertville Community Day, Inc.
Guthrie County
Hamilton County Public Hospital dba Van Diest Medi
Humboldt County
Iowa Agency For Municipal Wind
Iowa Cities E-payment Aggregation System
Iowa Lakes Regional Water
Iowa Northland Reg. Council of Gov.
Iowa Stored Energy Plant Agency
Jefferson County Hospital
Johnson Township Barnum Community Fire D
Lee County
Lucas County
Manilla Municipal Gas Dept.
Manning Municipal Gas Department
Manning Municipal Utilities
Mid Iowa Regional Housing Authority
Midas Council of Governments
Mid-Iowa Development Association COG
Mitchell County Regional Health Center
Monroe County Hospital
Montgomery County
Newton Waterworks
North Central Reg. Emerg. Resp. Com.
North Iowa Area Council of Govts.
Page County Landfill Association
Plymouth County Solid Waste Agency
Poweshiek Water Association
Seventh Judicial District
South Central Iowa Solid Waste Agency
Tama County Solid Waste Disposal Commission
Third Judicial District
Van Buren County Hospital
Washington County Hospital
Waverly Health Center
Waverly Light and Power
Webster County Solid Waste Commission
Wilton Municipal Light and Power



MAJOR PARTICIPANTS

	Top Ten Participants		Top Twenty Participants		Top Fifty Participants	
	Percent	Total Assets	Percent	Total Assets	Percent	Total Assets
2021	42%	\$ 201,594,021	62%	\$ 295,959,539	87%	\$ 417,686,406
2020	40%	182,900,116	57%	261,009,096	83%	385,256,254
2019	37%	161,605,066	54%	236,539,043	81%	352,331,979
2018	46%	168,416,226	65%	240,333,289	90%	329,536,816
2017	57%	215,009,724	76%	284,390,898	93%	349,860,884
2016	57%	145,931,857	74%	189,449,434	91%	232,777,667
2015	61%	180,639,805	75%	222,927,515	91%	269,435,729
2014	59%	186,561,809	75%	236,583,802	91%	286,164,072
2013	66%	299,996,375	78%	353,591,054	93%	421,950,854
2012	73%	393,342,100	82%	445,695,043	94%	509,409,879

INVESTMENT ADVISER

As of June 30, 2021, PMA had a total of \$20 billion in assets under management, representing a diverse group of institutional and individual clients.

CONSULTANTS

IPAIT does not employ the use of any professional consultants beyond those service providers detailed in the Notes to Financial Statement Section.

BROKERS

IPAIT does not employ the use of brokers in the operation of its various investment alternatives.

CHANGES IN PARTICIPANT NET ASSETS UNDER MANAGEMENT

	Diversified Portfolio		Annual Change		Diversified Portfolio		Annual Change
06/21	\$	478,406,813	3.67%	06/16	\$	255,479,618	-14.04%
03/21		583,811,252	-0.28%	03/16		364,963,704	10.20%
12/20		483,227,624	5.09%	12/15		326,977,936	1.05%
09/20		544,249,244	-4.29%	09/15		364,276,704	8.96%
06/20		461,480,700	6.18%	06/15		297,197,204	-5.82%
03/20		585,474,022	8.93%	03/15		331,184,599	-11.49%
12/19		459,834,664	18.64%	12/14		323,576,257	-29.38%
09/19		568,626,032	32.04%	09/14		334,312,995	-25.80%
06/19		434,627,457	18.08%	06/14		315,577,872	-30.75%
03/19		537,469,738	32.06%	03/14		374,179,071	-27.30%
12/18		387,587,755	4.45%	12/13		458,174,841	-7.39%
09/18		430,643,418	2.98%	09/13		450,571,900	-11.64%
06/18		368,070,326	-1.73%	06/13		455,697,315	-15.97%
03/18		406,990,284	-1.46%	03/13		514,663,471	-0.62%
12/17		371,057,747	22.84%	12/12		494,742,322	-6.04%
09/17		418,190,545	36.70%	09/12		509,924,527	-0.28%
06/17		374,566,738	46.61%	06/12		542,322,659	3.49%
03/17		413,014,790	13.17%	03/12		517,894,507	1.09%
12/16		302,073,072	-7.62%	12/11		526,528,050	17.33%
09/16		305,913,700	-16.02%	09/11		511,342,006	2.58%

MONTHLY AVERAGE YIELD COMPARISON

Date	Diversified Portfolio Net Rate	Money Market Benchmark	Chapter 74A 32-89 Day	Chapter 74A 90-179 Day
06/2021	0.01%	0.02%	0.05%	0.05%
05/2021	0.01%	0.02%	0.05%	0.05%
04/2021	0.01%	0.02%	0.05%	0.05%
03/2021	0.01%	0.02%	0.05%	0.05%
02/2021	0.01%	0.02%	0.05%	0.05%
01/2021	0.01%	0.02%	0.05%	0.05%
12/2020	0.02%	0.02%	0.05%	0.05%
11/2020	0.02%	0.02%	0.05%	0.05%
10/2020	0.02%	0.02%	0.05%	0.05%
09/2020	0.02%	0.02%	0.05%	0.05%
08/2020	0.02%	0.03%	0.05%	0.05%
07/2020	0.02%	0.07%	0.05%	0.05%

AVERAGE ANNUAL YIELD COMPARISON

	Diversified Portfolio Net Rate	Money Market Benchmark
2021	0.02%	0.02%
2020	1.11%	1.20%
2019	2.03%	2.01%
2018	1.05%	1.05%
2017	0.29%	0.31%
2016	0.02%	0.02%
2015	0.01%	0.01%
2014	0.01%	0.01%
2013	0.01%	0.01%
2012	0.02%	0.01%

TOTAL NET INVESTMENT INCOME FOR THE FISCAL YEARS
ENDED JUNE 30,

	Diversified Portfolio
2021	\$ 73,807
2020	5,175,288
2019	8,246,037
2018	3,974,423
2017	908,266
2016	69,219
2015	31,597
2014	39,545
2013	50,683
2012	81,377

FOR THE YEARS ENDED JUNE 30,
 (dollars in thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
DIVERSIFIED PORTFOLIO					
ADDITIONS					
From investment activities:					
Net investment income	\$ 74	\$ 5,175	\$ 8,246	\$ 3,974	\$ 908
From unit transactions:					
Units sold	1,217,933	1,402,445	1,295,266	921,202	826,913
Units issued in reinvestment of dividends from net investment income	81	5,918	7,974	3,667	731
Total additions	<u>1,218,088</u>	<u>1,413,538</u>	<u>1,311,486</u>	<u>928,843</u>	<u>828,552</u>
DEDUCTIONS					
Dividends to unitholders from:					
Net investment income	(74)	(5,175)	(8,246)	(3,974)	(908)
From unit transactions:					
Units redeemed	<u>(1,201,084)</u>	<u>(1,381,510)</u>	<u>(1,236,683)</u>	<u>(931,366)</u>	<u>(708,557)</u>
Total deductions	<u>(1,201,158)</u>	<u>(1,386,685)</u>	<u>(1,244,929)</u>	<u>(935,340)</u>	<u>(709,465)</u>
Changes in fiduciary net position	16,930	26,853	66,557	(6,497)	119,087
Net position at beginning of period	<u>461,480</u>	<u>434,627</u>	<u>368,070</u>	<u>374,567</u>	<u>255,480</u>
Net position at end of period	<u>\$ 478,410</u>	<u>\$ 461,480</u>	<u>\$ 434,627</u>	<u>\$ 368,070</u>	<u>\$ 374,567</u>
DIVERSIFIED PORTFOLIO					
ADDITIONS					
From investment activities:					
Net investment income	\$ 69	\$ 32	\$ 40	\$ 51	\$ 81
From unit transactions:					
Units sold	707,855	778,834	794,889	791,827	959,524
Units issued in reinvestment of dividends from net investment income	60	29	40	51	95
Total additions	<u>707,984</u>	<u>778,895</u>	<u>794,969</u>	<u>791,929</u>	<u>959,700</u>
DEDUCTIONS					
Dividends to unitholders from:					
Net investment income	(69)	(32)	(40)	(51)	(81)
From unit transactions:					
Units redeemed	<u>(749,632)</u>	<u>(797,244)</u>	<u>(935,048)</u>	<u>(878,504)</u>	<u>(941,313)</u>
Total deductions	<u>(749,701)</u>	<u>(797,276)</u>	<u>(935,088)</u>	<u>(878,555)</u>	<u>(941,394)</u>
Changes in fiduciary net position	(41,717)	(18,381)	(140,119)	(86,626)	18,306
Net position at beginning of period	<u>297,197</u>	<u>315,578</u>	<u>455,697</u>	<u>542,323</u>	<u>524,017</u>
Net position at end of period	<u>\$ 255,480</u>	<u>\$ 297,197</u>	<u>\$ 315,578</u>	<u>\$ 455,697</u>	<u>\$ 542,323</u>



GLOSSARY OF INVESTMENT TERMS

Accrued interest - interest accumulated on all securities in a portfolio since the most recent payment date for each security.

Administrator - entity that carries out IPAIT policies and provides participant recordkeeping services.

Amortized Cost - method of accounting that gradually reduces a security's discount or premium on a straight-line basis.

Assets - items in financial statement with current fair value owned by IPAIT.

Certificate of Deposit - debt instrument issued by a financial institution with an interest rate set by competitive forces in the marketplace.

Collateral - U.S. government or agency securities pledged to IPAIT until investment is repaid. For instance, the security for a collateralized certificate of deposit issued by an Iowa financial institution.

Compound Rate - interest calculation based upon investment of principal plus reinvestment of interest earned from previous period(s). IPAIT portfolio interest is compounded or reinvested monthly.

Custodian - bank that maintains custody of all IPAIT assets.

Discount - the dollar amount by which the par value of a bond exceeds its market price.

Diversified - spreading of risk by investing assets in several different categories of investment and assorted maturities within those categories.

Investment Adviser - Securities and Exchange Commission registered firm that provides investment advice to IPAIT.

Iowa Code Chapter 74A Rates - Minimum rates at which Iowa financial institutions may accept deposits of public funds for various periods.

Liabilities - claims on the assets of IPAIT.

Fair Value - the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Net Investment Income - income from IPAIT investments distributed to participants after payment of program operating expenses.

Nominal Rate - simple interest calculation based only upon the principal amount invested without reinvestment of earned interest.

Par Value - value of IPAIT investments at maturity.

Portfolio - all investments owned by IPAIT.

Premium - the dollar amount by which the market price of a bond exceeds its par value.

Redemptions - withdrawal of funds by participants from IPAIT.

Repurchase Agreement - agreement between IPAIT and a seller of U.S. government securities, whereby the seller agrees to repurchase the securities at an agreed upon price at a stated time. The transaction is collateralized by U.S. government or U.S. agency securities with a fair value of at least 102% of the value of the repurchase agreement.

Straight-Line - conservative accounting procedure to reduce a security's premium or discount in equal daily increments over its remaining period to maturity.

U.S. Government Agencies - securities issued by U.S. government sponsored corporations such as the Federal Home Loan Bank and Federal National Mortgage Association.

U.S. Government Securities - direct obligations of the U.S. government, such as Treasury bills, notes and bonds.

Yield Curve - graph plotting yields of securities of similar quality on vertical axis and maturities ranging from shortest to longest on horizontal axis.



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