

**ANNUAL INVESTMENT REPORT**  
**Big Spring Independent School District**  
**As of August 31, 2024**

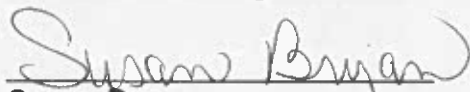
Attached is a spreadsheet detailing the investments for the 2023-24 fiscal year. The total interest received on all investments was \$2,178,746 as compared to last year of \$1,719,598 an increase of \$459,148 or 27%. The investment funds were held in one bank, PNC Bank and in one investment pool, Lone Star Investment Pool. PNC Bank agreed to apply an Earnings Credit percentage of .75% to help offset fees during the 2023-2024 school year. The Lone Star Investment Pool accounts had an annual average interest rate of 5.331%. The accounts, which are mostly held with Lone Star, netted slightly below the annual average interest rate on a 91-Day Treasury Bill, which was 5.396%. Historically, the Investment Pool adjusts its rate a little slower than the Treasury Bill. However, the Fed did not make any adjustments to the interest rate the entire school year resulting in almost the exact rates for both the Lone Star and Treasury Bill rates. However, in September 2024, the Fed lowered the rate by 50 basis points, which will bring down interest payments received in the 2024-2025 school year.


The primary investing strategies of the Big Spring ISD's investment policy are as follows, ranked in the order of priority:

1. Suitability of the investment,
2. Preservation and safety of the principal,
3. Liquidity,
4. Marketability of investment if need arises to liquidate the investment,
5. Diversification of investment portfolio, and
6. Yield.

Of the above strategies, the first three are the most important in selecting investments for the school district. Yield is one of the lowest ranking strategies when selecting an investment for the school district. Generally, for the safety of the principal and liquidity, the school district's depository offers a good place for the school district to invest the funds. The investment pool's Liquidity Plus account also assures safety of the principal and liquidity.

We, the Investment Officers of Big Spring ISD, feel that the above strategies offer the school district the best investment alternative with a conservative approach. Therefore, we are recommending no change in the investment policy (CDA Local) or in the investment strategies above.

  
Susan Bryan

  
Melissa Tarbet