

# Investment Portfolio



## Quarterly Report

For the Period June 1, 2025  
through August 31, 2025



District Business and  
Finance Website:

<https://www.nisd.net/district/finance.com>



**Northside**  
Independent School District

## **Investment Portfolio for the Quarter Ended**

**August 31, 2025**

### **Table of Contents**

<b>Table of Contents .....</b>	<b>1</b>
<b>Certification .....</b>	<b>2</b>
<b>Quarterly Compliance Review .....</b>	<b>3</b>
<b>Investment Portfolio by Fund.....</b>	<b>4</b>
<b>Year-to-Date Earnings and Returns.....</b>	<b>5</b>
<b>Investment Yields.....</b>	<b>6</b>
<b>Portfolio Composition and Maturity Aging.....</b>	<b>7</b>
<b>Portfolio Position.....</b>	<b>8</b>
<b>Notes to Investment Portfolio.....</b>	<b>9</b>
<b>Investment Portfolio Glossary of Terms.....</b>	<b>13</b>
<b>Security Descriptions.....</b>	<b>15</b>

**Northside Independent School District  
5900 Evers Road  
San Antonio, Texas 78238**

**October 28, 2025**

**Members of the Board:**

This report summarizes the portfolio position and activity of the Northside Independent School District for the period June 1, 2025 through August 31, 2025.

	<u>05/31/25</u>	<u>08/31/25</u>
Book Value	\$ 1,209,390,256	\$ 860,228,209
Market Value	1,209,387,031	860,228,209
Par Value	1,209,390,256	860,228,209
Weighted Average Maturity (Days)	3	1
Weighted Average Yield-to-Maturity of Portfolio	4.4388%	4.4036%
Yield-to-Maturity of 91 Day T-Bill	4.2300%	4.0100%

This quarterly report is presented in accordance with the Texas Government Code Section 2256.023 and NISD Board Policy. The investment officers hereby certify that, to the best of their knowledge on the date this report was created, Northside Independent School District is in compliance with the provisions of Government Code 2256 and with the stated policies and strategies of the District.

Respectfully submitted,

Megan Bradley  
Deputy Superintendent  
Business and Finance

Tiffany Contreras  
Assistant Superintendent  
Budget and Finance

Denise Knippa  
Director of Accounting and  
Accounts Payable

Tamara Payne  
Assistant Director Accounting  
Treasury Management

### Quarterly Portfolio Compliance Review for Northside Independent School District August 31, 2025

Category		Comments
All securities purchased were authorized by the Public Funds Investment Act as well as by the District's approved local and legal investment policy	Yes	
Commercial paper rated not less than A1-P1, or equivalent	N/A	No commercial paper purchased or outstanding as of 08/31/25
Maximum maturities in all funds within legal limits of investment policies	Yes	
Portfolio benchmarked to 91 day U.S. Treasury Bill	Yes	91 Day T-Bill 4.0100% vs. 4.4036% Total Portfolio 91 Day T-Bill 4.0100% vs. 4.4019% General Fund
Pledged securities monitored according to investment policy	Yes	
Prudent measures taken to liquidate a downgraded investment	Yes	No investments were downgraded
Market prices of investments monitored in accordance with local investment policy	Yes	
Investment strategies of various District funds followed in accordance with local investment policy	Yes	
Sufficient liquidity of portfolio to meet anticipated cash flow requirements	Yes	

## Investment Portfolio by Fund

08/31/25

	Days to Maturity	Current Yield	General Fund	Child Nutrition	Debt Service	Capital Projects	Internal Service	Trust & Agency	Total All Funds	% of Portfolio
<b>Investment Pools</b>										
L S Corporate Overnight Plus	4.43%		\$ 85,717,167	\$ 14,705,492	\$ 12,482,960	\$ 96,870,156	\$ -	\$ -	\$ 209,775,775	24.4%
L S Government Overnight	4.31%		8,805,571	-	3,248,061	-	-	-	12,053,632	1.4%
LOGIC	4.39%		74,390,907	-	5,441,768	101,236,631	11,209,734	-	192,279,040	22.4%
TexPool	4.31%		8,998,810	66,352	2,906,697	-	238,225	131,030	12,341,114	1.4%
TexPool Prime	4.42%		128,726,943	-	21,797,990	52,346,850	22,333,534	28,123,464	253,328,781	29.4%
TexSTAR	4.28%		7,516,774	-	3,212,438	-	-	-	10,729,212	1.2%
Texas CLASS	4.39%		67,690,079	-	5,105,428	96,925,148	-	-	169,720,655	19.7%
<b>Total Invested Cash</b>			381,846,251	14,771,844	54,195,342	347,378,785	33,781,493	28,254,494	860,228,209	100.0%
<b>Accrued Interest</b>			-	-	-	-	-	-	-	
<b>Total Portfolio</b>			\$ 381,846,251	\$ 14,771,844	\$ 54,195,342	\$ 347,378,785	\$ 33,781,493	\$ 28,254,494	\$ 860,228,209	
<b>Weighted Average Maturity (Days)</b>			1	1	1	1	1	1	1	

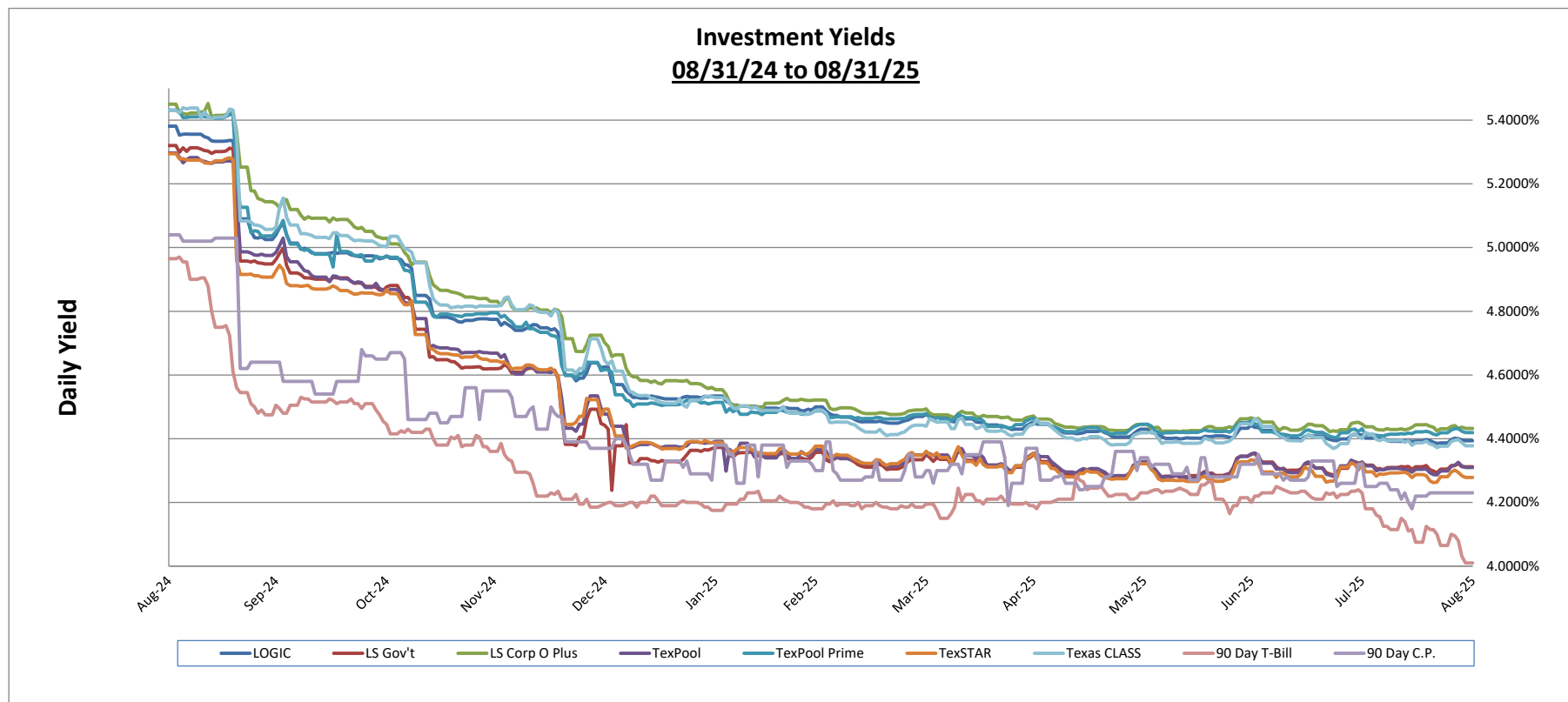
## Year-to-Date Earnings and Returns

09/01/24 - 08/31/25

Cumulative Earnings:	General Fund	Child Nutrition	Debt Service	Capital Projects	Internal Service	Trust & Agency	Total All Funds
L S Corporate Overnight Plus	\$ 4,942,025	\$ 765,340	\$ 1,853,427	\$ 3,408,512	\$ -	\$ -	\$ 10,969,304
L S Government Overnight	384,858	-	142,913	-	-	-	527,771
LOGIC	3,249,576	-	1,023,025	1,720,992	550,214	-	6,543,807
TexPool	354,095	2,915	127,006	-	11,871	5,756	501,643
TexPool Prime	8,536,168	-	3,970,638	2,787,376	1,023,852	1,035,209	17,353,243
TexSTAR	325,072	-	143,300	-	-	-	468,372
Texas CLASS	3,250,353	-	551,895	6,588,857	-	-	10,391,105
Agency Notes (accrued)	1,557,268	-	-	-	-	218,056	1,775,324
	\$ 22,599,415	\$ 768,255	\$ 7,812,204	\$ 14,505,737	\$ 1,585,937	\$ 1,259,021	\$ 48,530,569

### Annual Yields As of the Quarter Ended August 31, 2025

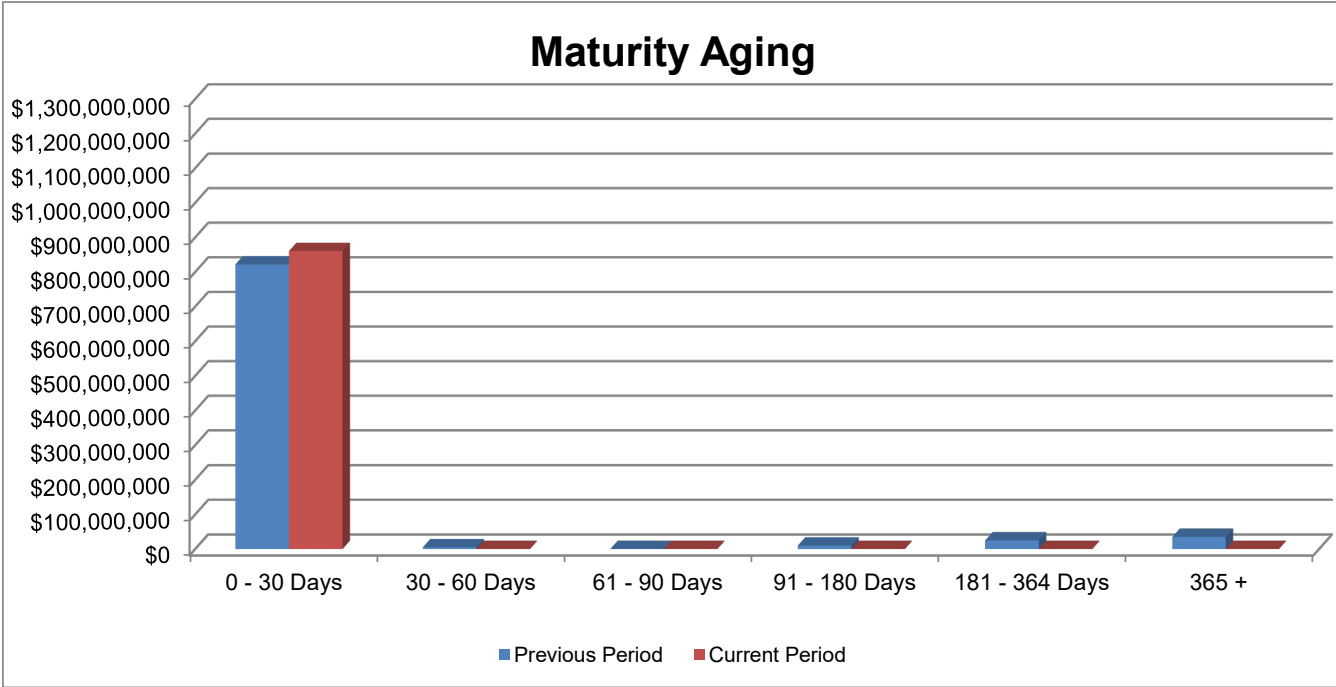
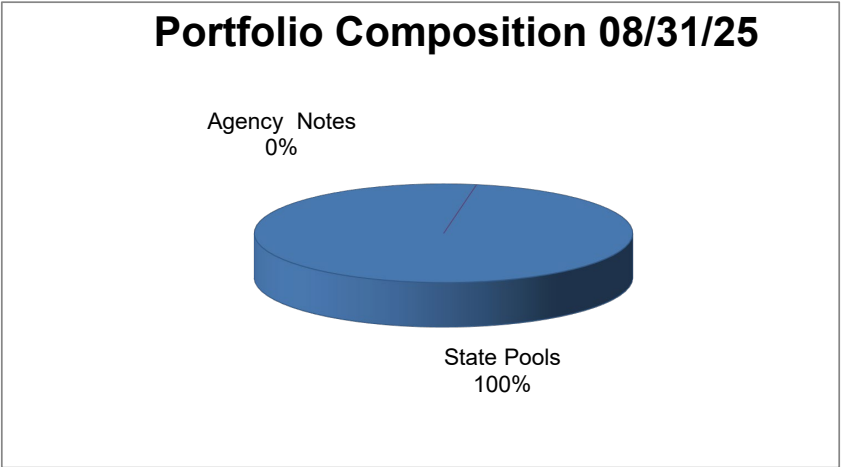
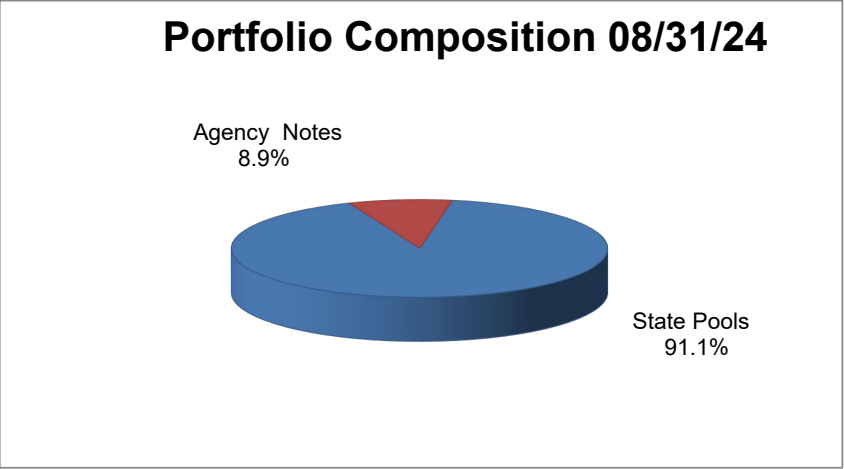
	Total All Funds			
	Cost	Market	Earnings	Annual Return
L S Corporate Overnight Plus	209,775,775	209,775,775	10,969,304	4.62%
L S Government Overnight	12,053,632	12,053,632	527,771	4.49%
LOGIC	192,279,040	192,279,040	6,543,807	4.58%
TexPool	12,341,114	12,341,114	501,643	4.49%
TexPool Prime	253,328,781	253,328,781	17,353,243	4.56%
TexSTAR	10,729,212	10,729,212	468,372	4.49%
Texas CLASS	169,720,655	169,720,655	10,391,105	4.64%
Agency Notes	-	-	1,775,324	4.91%
	\$ 860,228,209	\$ 860,228,209	\$ 48,530,569	4.60%



The Federal Reserve cut the federal funds rate on September 18, 2024 by 50 basis points (bps), on November 8, 2024 by 25 bps, and on December 18, 2024 by 25 bps to a range of 4.25% to 4.50%.

Portfolio Composition & Maturity Aging

08/31/24 vs. 08/31/25



**Portfolio Position**  
**06/01/25 - 08/31/25**

Security Description	Call Date	Maturity Date	Book Value 06/01/25	Market Value 06/01/25	Purchases At Cost	Sales Proceeds	Book Value 08/31/25	Market Value 08/31/25
<b>General Fund</b>								
FFCB	Open	07/15/25	5,000,000	5,003,050	-	5,000,000	-	-
FFCB	Open	08/27/25	5,000,000	4,998,985	-	5,000,000	-	-
FFCB	08/27/25	08/27/26	5,000,000	4,991,690	-	5,000,000	-	-
<b>Agency Notes Total</b>			<b>15,000,000</b>	<b>14,993,725</b>	<b>-</b>	<b>15,000,000</b>	<b>-</b>	<b>-</b>
TexPool			8,725,848	8,725,848	-	-	8,998,810	8,998,810
L S Corporate Overnight Plus			121,605,182	121,605,182	-	-	85,717,167	85,717,167
LOGIC			75,614,471	75,614,471	-	-	74,390,907	74,390,907
TexSTAR			7,323,476	7,323,476	-	-	7,516,774	7,516,774
TexPool Prime			138,085,656	138,085,656	-	-	128,726,943	128,726,943
L S Government Overnight			8,710,551	8,710,551	-	-	8,805,571	8,805,571
Texas CLASS			67,194,162	67,194,162	-	-	67,690,079	67,690,079
<b>100 - Total General Fund</b>			<b>442,259,346</b>	<b>442,253,071</b>	<b>-</b>	<b>15,000,000</b>	<b>381,846,251</b>	<b>381,846,251</b>
<b>Food Service Fund</b>								
TexPool			65,637	65,637	-	-	66,352	66,352
L S Corporate Overnight Plus			19,074,773	19,074,773	-	-	14,705,492	14,705,492
<b>240 - Food Service Fund Total</b>			<b>19,140,410</b>	<b>19,140,410</b>	<b>-</b>	<b>-</b>	<b>14,771,844</b>	<b>14,771,844</b>
<b>Debt Service Fund</b>								
TexPool			2,875,385	2,875,385	-	-	2,906,697	2,906,697
L S Corporate Overnight Plus			66,303,276	66,303,276	-	-	12,482,960	12,482,960
LOGIC			38,750,528	38,750,528	-	-	5,441,768	5,441,768
TexSTAR			3,245,903	3,245,903	-	-	3,212,438	3,212,438
TexPool Prime			130,832,226	130,832,226	-	-	21,797,990	21,797,990
L S Government Overnight			3,213,051	3,213,051	-	-	3,248,061	3,248,061
Texas CLASS			17,347,654	17,347,654	-	-	5,105,428	5,105,428
<b>500 - Debt Service Fund Total</b>			<b>262,568,023</b>	<b>262,568,023</b>	<b>-</b>	<b>-</b>	<b>54,195,342</b>	<b>54,195,342</b>
<b>Building Fund</b>								
L S Corporate Overnight Plus			128,202,239	128,202,239	-	-	96,870,156	96,870,156
LOGIC			100,120,918	100,120,918	-	-	101,236,631	101,236,631
TexPool Prime			55,404,025	55,404,025	-	-	52,346,850	52,346,850
Texas CLASS			136,556,258	136,556,258	-	-	96,925,148	96,925,148
<b>600 - Building Fund Total</b>			<b>420,283,440</b>	<b>420,283,440</b>	<b>-</b>	<b>-</b>	<b>347,378,785</b>	<b>347,378,785</b>
<b>Internal Service Fund</b>								
TexPool			267,530	267,530	-	-	238,225	238,225
LOGIC			12,192,066	12,192,066	-	-	11,209,734	11,209,734
TexPool Prime			25,415,046	25,415,046	-	-	22,333,534	22,333,534
<b>700 - Internal Service Fund Total</b>			<b>37,874,642</b>	<b>37,874,642</b>	<b>-</b>	<b>-</b>	<b>33,781,493</b>	<b>33,781,493</b>
<b>Trust and Agency Fund</b>								
FFCB	Open	07/15/25	5,000,000	5,003,050	-	5,000,000	-	-
<b>Agency Notes Total</b>			<b>5,000,000</b>	<b>5,003,050</b>	<b>-</b>	<b>5,000,000</b>	<b>-</b>	<b>-</b>
TexPool			129,618	129,618	-	-	131,030	131,030
TexPool Prime			22,134,777	22,134,777	-	-	28,123,464	28,123,464
<b>800 - Trust and Agency Fund Total</b>			<b>27,264,395</b>	<b>27,267,445</b>	<b>-</b>	<b>5,000,000</b>	<b>28,254,494</b>	<b>28,254,494</b>
<b>PORTFOLIO GRAND TOTAL</b>			<b>1,209,390,256</b>	<b>1,209,387,031</b>	<b>-</b>	<b>20,000,000</b>	<b>860,228,209</b>	<b>860,228,209</b>

## **Notes to Investment Portfolio Period Ended August 31, 2025**

### **1. SUMMARY OF INVESTMENT REQUIREMENTS AND RESPONSIBILITIES**

House Bill 2459 of the 74<sup>th</sup> Texas Legislature requires that all governmental units have investment policies, restrict investment portfolios to only those specifically authorized by law, and submit quarterly reports to the governing body disclosing book and market values, and activity of the portfolio.

In compliance with HB2459, this report is intended to fulfill the legal requirement of reporting. All investments have been made in accordance with those prescribed by law and District policy.

Management of day-to-day activity is the responsibility of the Director of Accounting. The Deputy Superintendent of Business and Finance, the Assistant Superintendent for Budget and Finance, the Director of Accounting, and the Assistant Director of Accounting-Treasury Management, have been designated by the Board of Trustees as the District's Investment Officers.

### **2. FUND ACCOUNTING**

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. Resources are allocated and are accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Accordingly, the District's investments are accounted for by fund. District requirements and legal compliance preclude the accounting of investments in a single fund. Excess cash from various funds can be pooled to purchase a single investment; however, each individual fund is credited with their share of the investment and the related earnings for the investment.

The District's investments are reported at fair value in accordance with Governmental Accounting Standards Board, Statement No. 72, Fair Value Measurement and Application.

### **3. TYPES OF INVESTMENTS**

From those investments authorized by law and described further in Board policy CDA (LEGAL), the Board has permitted investment of funds in only certain investments, consistent with strategies and maturities defined in its policy. The District

## **Notes to Investment Portfolio Period Ended August 31, 2025**

### **TYPES OF INVESTMENTS (continued)**

limits its investments to these categories: government investment pools, U.S. agency securities, municipal bonds, commercial paper, repurchase agreements, and money market mutual funds.

#### **a. GOVERNMENT INVESTMENT POOLS**

The pools were organized in conformity with the Interlocal Cooperation Act and the Public Funds Investment Act which allow certain local governments and agencies of the State of Texas to jointly invest their funds in permitted investments. The objective of the pools is to yield the highest possible rate of return, while providing necessary safekeeping and protection of principle.

#### **b. U. S. GOVERNMENT AGENCY NOTES**

The federal government has established various agencies to channel funds to particular sectors of our economy. The agencies primary source of funds is the sale of debt securities. They are in the market every day and issue notes with maturities of less than 360 days, which may be purchased at a discount. They also issue medium-term notes with maturities of more than one year. All securities are held by Wells Fargo Securities Safekeeping/Customer Clearings Department, which provides safekeeping and securities clearing services for the District's securities.

The most commonly purchased notes by the District for the year were issued by the following agencies:

- Federal Farm Credit Bank System (FFCB) provides credit and related services to agricultural related businesses and cooperatives, and rural utilities. System institutions are federally chartered and regulated by the Farm Credit Administration.
- Federal Home Loan Bank System (FHLB or FHLBDN) includes eleven Federal Home Loan Banks and their member institutions. The banks are instrumentalities of the United States and operate under the supervision of the Federal Housing Finance Agency. The FHLB System is a government sponsored enterprise to support mortgage lending and related community investment and are government chartered, member owned corporations.

## Notes to Investment Portfolio Period Ended August 31, 2025

### TYPES OF INVESTMENTS (continued)

#### c. **COMMERCIAL PAPER**

On February 10, 1999, the Board Finance Committee approved the discussion item on investing in commercial paper instruments. Commercial paper is primarily issued by corporations to finance receivables. It is a short-term promissory note ranging from three to 365 days in maturity. Commercial paper instruments are an approved investment consistent with the Northside ISD investment policy and objectives, and are permitted by Government Code 2256.013. No commercial paper was purchased or outstanding during 2024-25 fiscal year.

#### d. **Municipal Bonds**

Municipal bonds are debt securities issued by states, cities, countries, and other governmental entities to fund day-to-day obligations and to finance capital projects such as building schools, highways or sewer systems.

Investment balances as of the last five quarters were as follows:

	<u>08/31/24</u>	<u>11/30/24</u>	<u>02/28/25</u>	<u>05/31/25</u>	<u>08/31/25</u>
Government Investment Pools	\$ 816,731,820	\$ 842,976,103	\$ 1,171,988,596	\$ 1,189,390,256	\$ 860,228,209
U.S. Government Agency Notes (FFCB)	25,000,000	25,000,000	25,000,000	20,000,000	-
U.S. Government Agency Notes (FHLB)	35,000,000	15,000,000	10,000,000	-	-
U.S. Government Agency Notes (FHLMC)	10,000,000	-	-	-	-
U.S. Government Agency Notes (FNMA)	5,000,000	-	-	-	-
U.S. Government Agency Notes (FHLB Discount Note)	4,894,394	4,957,348	-	-	-
Accrued Interest	890,824	552,910	407,277	304,757	-
Total Portfolio	<u>\$ 897,517,038</u>	<u>\$ 888,486,361</u>	<u>\$ 1,207,395,873</u>	<u>\$ 1,209,695,013</u>	<u>\$ 860,228,209</u>

## Notes to Investment Portfolio

### Period Ended August 31, 2025

#### 4. **BROKER/ DEALERS**

Broker/Dealers currently registered with the District include:

Wells Fargo Brokerage Services, LLC  
Hilltop Securities  
FHN Financial  
Mischler Financial

#### 5. **INVESTMENT STRATEGIES**

##### a. **OPERATING FUNDS**

The strategy is to support the objectives of the investment policy. Investment strategies for operating funds (including any commingled pools containing operating funds) have as their primary objective safety, liquidity, and maturity sufficient to meet anticipated cash flow requirements. General funds and other operating funds are invested in investment pools as well as quality short-term instruments whose maturities do not exceed two years unless a temporary extension of maturities is reviewed by the Finance Committee of the Board of Trustees. The portfolio is diversified to protect against market risk and credit risk in any one sector.

##### b. **DEBT SERVICE FUNDS**

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

##### c. **CAPITAL PROJECTS FUNDS**

Investment strategies for capital projects funds have as their objective sufficient liquidity to timely meet capital project obligations. If the District has funds from bond proceeds, they are invested in accordance with provisions in the bond documents. Maturities longer than one year are authorized provided legal limits are not exceeded.

##### d. **INTERNAL SERVICE AND TRUST & AGENCY FUNDS**

Investment strategies for internal service and agency funds have as their primary investment objective safety, liquidity, and maturity sufficient to meet anticipated cash flow requirements.

## Investment Portfolio Glossary of Terms

**Book Value** - The original acquisition cost of an investment plus or minus the accrued amortization or accretion.

**Broker** - A broker brings buyers and sellers together for a commission.

**Call Date** - The date, prior to maturity, on which a called bond may be redeemed.

**Certificate of Deposit** - A low-risk, FDIC-insured or fully collateralized debt instrument offered by banks or savings and loans. It is a short or medium-term interest bearing instrument. It is also known as a "time deposit" because the account holder has agreed to keep the money in the account for a specified amount of time. Money removed before maturity is subject to a penalty.

**Commercial Paper** - A short-term investment instrument maturing between three and 365 days, which is primarily issued by corporations to finance receivables and inventory. A wide range of firms issue commercial paper, so credit ratings issued by Standard and Poor's Corporation and Moody's Investor's Service are closely watched. Public investors generally insist on short maturities, bank credit guarantees, and a rating of at least A1, P1.

**Cusip #** - A uniform security identification system established and administered by the Committee of Uniform Security Identification Procedures (CUSIP).

**Discount** - The difference between the cost price of a security and its maturity when quoted at lower than face value.

**Discount Agency Notes** - Securities whose principal and interest payments are guaranteed by government agencies, such as the Federal Home Loan Mortgage Corporation ("Freddie Mac") or the Federal National Mortgage Association ("Fannie Mae"). Discount notes are issued at a discount from the face (maturity) value. The investor's return, if held to maturity, is the difference between the purchase price and the face value.

**Diversification** - A risk management technique that involves dividing investment funds among a variety of securities offering independent returns.

**Federal Funds Rate** - The interest rate that banks with excess reserves at a Federal Reserve district bank charge other banks that need overnight loans. Changes in the Fed Funds rate, as it is called, often point to the direction of U.S. interest rate changes.

## Investment Portfolio Glossary of Terms (continued)

**Market Value** - The current/face/par value of an investment multiplied by the net selling price of the security as quoted by a recognized market pricing on the valuation date.

**Maturity Date** - The date upon which the principal or stated value of an investment becomes due and payable.

**Medium-Term Note** - A corporate debt instrument that is continuously offered to investors by an agent of the issuer. Investors can select from the following maturities: 9 months to 1 year, more than 1 year to 18 months, 18 months to 2 years, etc., up to 30 years.

**Money Market Mutual Fund** - A fund that invests in only short-term securities. The net asset value per share is maintained at \$1.00. Such funds are not federally insured, although the portfolio may consist of guaranteed securities and/or may have private insurance protection.

**Net Asset Value** - The value of a fund's investments. For a mutual fund, the net asset value per share represents the fund's market price.

**Portfolio** - A collection of securities held by an investor.

**Repurchase Agreement** - An agreement with a commitment by the seller to buy a security back from the purchaser at a designated future date. Also called a Repo, it represents a collateralized short-term loan, where the collateral may be a Treasury security, money market instrument, federal agency security, or mortgage-backed security.

**Weighted Average Maturity** - The average length of a portfolio weighted by the representative dollars invested at each maturity date.

**Yield** - The rate of annual income return on an investment expressed as a percentage.

## Security Descriptions

FFCB	Federal Farm Credit Bank System Bond
FHLB	Federal Home Loan Bank System Bond
FHLMC	Federal Home Loan Mortgage Corporation Medium-term Note
FNMA	Federal National Mortgage Association Note
FHLBDN	Federal Home Loan Bank System Discount Note