

# Agenda of Regular Meeting

## The Board of Trustees Little Elm ISD

---

A Regular Meeting of the Board of Trustees of Little Elm ISD will be held February 26, 2024, beginning at 6:00 PM in the Little Elm ISD Administration Building.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call to Order Open Session in the Board Room at Little Elm ISD Administration Building on 400 Lobo Lane, Little Elm, Texas 75068.
2. The Board will recess into Closed Meeting in the Board Support Conference Room as permitted by the Texas Open Meetings Act Code Subchapter 551.072 & 551.074. The Board and Superintendent will discuss:
  - A. Personnel
  - B. Land
  - C. Superintendent's Evaluation
  - D. Superintendent's Contract Extension and Compensation
3. Pledge of Allegiance
4. Invocation
5. Introduction and Roll Call
6. Superintendent Spotlight
  - A. LEaders of the Pack Staff Recognition  
Presenter: Asheley Brown
  - B. Students of the Month  
Presenter: Donnie Bartlett
  - C. Oak Point Elementary House Council  
Presenter Donnie Bartlett
  - D. County Spelling Bee  
Presenter: Donnie Bartlett
7. Reports of the Superintendent
8. Citizen Input  
Audience participation shall be permitted at regular Board meetings and shall be limited to the public comment portion designated for that purpose
9. Approval of Minutes
  - A. Consider Regular Board Meeting Minutes - January 22, 2024 4  
Presenter: Sonia S. Flores
10. Action Items
  - A. Consider approval of the Superintendent's Contract Extension and Compensation 8  
Presenter: Jason Olson

B. Consider approval of 2024-2025 Administrator Contracts	9
Presenter: Asheley Brown	
C. Consider approval of 2024-2025 FTE Request for District Needs	10
Presenter: Asheley Brown	
D. Consider approval of Lakewood Village Elementary Early Site Package	12
Presenter: Mickey James	
E. Consider approval of the Resolution of the Board to Contract with Investment Management Firm	16
Presenter: Shay Adams	
11. Consent Agenda	
A. Consider approval of Order of Cancellation for the May 4, 2024, Board of Trustees Elections	79
Presenter: Sonia S. Flores	
B. Consider approval of Certification of Unopposed Candidates for the May 4, 2024, Board of Trustees Elections	81
Presenter: Sonia S. Flores	
C. Consider approval of Off-Campus Physical Education Site	83
Presenter: Dr. Penny Tramel	
D. Consider approval of Financial Reports - December 2023	84
Presenter: Jesse Wyse	
E. Consider approval of Little Elm ISD Expenditures over \$100,000 Summary Report	103
Presenter: Shay Adams	
F. Consider approval of 2023-2024 Proposed Budget Amendment #2	105
Presenter: Shay Adams	
G. Consider approval of the Annual Investment Report and Policy	108
Presenter: Jesse Wyse	
12. Board President Comments	
Presenter: Jason Olson	
13. Board Comments	
14. Superintendent Comments	
A. Lakewood Village Elementary Principal Announcement	
15. Adjournment	

If, during the course of the meeting, the Board of Trustees should determine that a closed meeting should be conducted, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code Section 551.001 et seq. The meeting will be held by the School Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the School Board may conveniently meet in such closed or executive meeting or session concerning any and all purposes permitted by the Act, including, but not limited to the following sections and purposes:

Texas Government Code Section:

551.071	Private consultation with the Board's attorney.
551.072	Discussing purchase, exchange, lease, or value of real property.
551.073	Discussing negotiated contracts for prospective gifts or donations.
551.074	Discussing personnel or to hear complaints against personnel.
551.075	To confer with employees of the school district to

	receive information or to ask questions.
551.076	Considering the deployment, specific occasions, for or implementation of security personnel or devices.
551.082	Considering discipline of a public school child, or complaint or charge against personnel.
551.0821	Considering personally identifiable information about public school student.
551.083	Considering the standards, guidelines, terms, or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives of employees groups,
551.084	Excluding witnesses from a hearing.

Before any closed meeting is convened, the presiding officer will publicly identify the section or sections or the Act authorizing the closed meeting.

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed or executive session, then the final action, final decision, or final vote shall be either:

- (a) in the open meeting covered by the Notice upon the reconvening of the public meeting, or
- (b) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.

---

Superintendent

Original copy of this agenda was posted on the bulletin board at the Little Elm ISD Administration Building 72 hours prior to the scheduled meeting.

---

Sonia S. Flores

---

# Board Agenda Item

Little Elm Independent School District

300 Lobo Lane

Little Elm, Texas 75068

---

Board Mtg. Date <b>02-22-2024</b>	<b>Reports of the Superintendent</b> <input type="checkbox"/>	<b>Action Item</b> <input checked="" type="checkbox"/>	<b>Consent Agenda</b> <input type="checkbox"/>	<b>Reports, Routine Monthly</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/>
<b>Subject:</b>	<b>REGULAR BOARD MEETING MINUTES - 1/22/2024.</b>				
<b>Presenter or Contact Person:</b>	Sonia S. Flores				
<b>Policy/Code:</b>	N/A				
<b>Strategic Plan Goal:</b>	N/A				
<b>Summary:</b>	Board Meeting Minutes for January 22, 2024.				
<b>Financial Implications:</b>	There is no financial impact to the budget.				
<b>Attachments:</b>	Meeting Minutes				
<b>Recommendation:</b>	<b>The Administration recommends the approval of the Regular Board Meeting Minutes for January 22, 2024.</b>				
<b>Motion:</b>	<b>I move that the Board approve the attached Regular Board Meeting Minutes for January 22, 2024.</b>				

# Minutes of Regular Meeting

## The Board of Trustees Little Elm ISD

---

A Regular Meeting of the Board of Trustees of Little Elm ISD will be held January 22, 2024, beginning at 6:00 PM in the Little Elm ISD Administration Building.

PRESENT: Vice President Mary Watkins, Secretary DeLeon English, Trustee Ken Beber, Trustee David Montemayor, Trustee Jeff Burton, Trustee Alejandro Flores, and Superintendent Michael Lamb.

ABSENT: President Jason Olson.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call to Order Open Session in the Board Room at Little Elm ISD Administration Building on 400 Lobo Lane, Little Elm, Texas 75068. The meeting was called to order by Vice President Mary Watkins at 6:00 pm.
2. The Board recessed into Closed Meeting at 6:00 pm in the Board Support Conference Room as permitted by the Texas Open Meetings Act Code Subchapter 551.072 & 551.074. The Board and Superintendent discussed:
  - A. Personnel
  - B. LandThe Board reconvened at 7:03 pm.
3. Pledge of Allegiance  
The Board led those present to The Pledges of The United States Flag and The Texas Flag.
4. Invocation  
There was no invocation.
5. Introduction and Roll Call  
Ms. Sonia S. Flores took roll call.
6. Superintendent Spotlight
  - A. Board of Trustees Recognition  
Superintendent Michael Lamb thanked Board Members and recognized them for everything they do. Students from the Little Elm High School Orchestra played a couple of songs in appreciation.
  - B. LEaders of the Pack Staff Recognition  
Ms. Asheley Brown recognized the following staff members:  
Mr. John Pszyk – Theater Teacher at Jerry Walker Middle School  
Lashonda Stanberry – Cafeteria Manager at Hackberry Elementary School
  - C. Students of the Month  
Mr. Donnie Bartlett and campus principals recognized the students of the month.
7. Reports of the Superintendent

A. Proclamation 2024 Information

Dr. Penny Tramel briefed the Board about the following:

- Proclamations
- Proclamation 2024
- LEISD Timeline Science/CTE
- LEISD Timeline
- Questions/Comments

8. Citizen Input

Audience participation shall be permitted at regular Board meetings and shall be limited to the public comment portion designated for that purpose

Melinda Preston – Brave books being donated

Donna Smith – CCDF Donation of Brave Books

Heather Kremer – 2024-2025 School Calendar

9. Approval of Minutes

A. Consider Regular Board Meeting Minutes - December 18, 2023

Ms. Sonia S. Flores presented this item to the Board. Trustee Ken Beber made the first motion to approve the minutes as submitted. Secretary DeLeon English seconded the motion. The motion passed (6-0).

10. Action Items

A. Consider approval of Naming Elementary School #7

Superintendent Michael Lamb asked the Board to vote on naming Elementary School #7 as discussed in closed meeting. Trustee David Montemayor made the first motion to approve this item as discussed in closed meeting. Secretary DeLeon English seconded the motion. The motion passed (6-0). The name of Elementary School #7 is Lakewood Village Elementary.

B. Consider approval of Naming Elementary School #8

Superintendent Michael Lamb asked the Board to vote on naming Elementary School #7 as discussed in closed meeting. Secretary DeLeon English made the first motion to approve this item as discussed in closed meeting. Trustee David Montemayor seconded the motion. The motion passed (6-0). The name of Elementary School #8 is Dr. Ashley B. Glover Elementary.

Items 10A and 10B were moved to the beginning of Item 6.

C. Consider approval of Cabinet - Level Administrative Contracts and Agreements

Ms. Asheley Brown approached the Board about this item.

Trustee David Montemayor made the first motion to approve this item as discussed in closed meeting. Trustee Jeff Burton seconded the motion. The motion passed (6-0).

D. Consider approval of 2024-2025 Little Elm ISD Calendar

Presenter: Dr. Penny Tramel

KB DM (6-0)

E. Consider approval of 2024-2025 New Course

Dr. Penny Tramel briefed the Board about this item. The District completed the process for developing the academic calendar 2024-2025 school year. The District Education Improvement Council Committee, which serves as the LEISD Calendar Committee, voted to recommend the 2024-2025 calendar as presented to the Board of Trustees for approval. Secretary DeLeon English made the first motion to approve this item as presented. Trustee Jeff Burton seconded the motion. The motion passed (6-0).

11. Consent Agenda

A. Consider approval of Resolution Ordering Trustee Election - 5/04/2024

B. Consider approval of Financial Reports - November 2023

C. Consider approval of Revised Phase 1 Scope of Work for High School Additions & Renovations

This item was pulled from Consent Agenda. After further discussion, Secretary DeLeon English made the first motion to approve this item as submitted. Trustee David Montemayor seconded the motion. The motion passed (6-0).

D. Consider approval of Geotechnical Exploration for LEHS Addition Phase 1

Secretary DeLeon English made the first motion to approve the consent agenda as submitted with the exception of Item C. Trustee Alejandro Flores seconded the motion. The motion passed (6-0).

12. Board President Comments

Mr. Jason Olson was not present for this meeting.

13. Board Comments

Trustee Ken Beber thanked the campuses and departments for the appreciation gifts. Mr. Beber thanked the DEIC and Superintendent for putting together the calendar. He also felt proud for being part of the naming of the schools specially on the lifetime lobo Dr. Ashley B. Glover. He mentioned that it was an honor to have the fire department and Dr. Glover's family present.

Trustee David Montemayor thanked the campuses for the pretty cool manifestation of gratitude.

Secretary DeLeon English mentioned that the name of the campuses was awesome. Mr. English mentioned that he is grateful to serve and thanked the staff. Mr. English asked to have behavior and report cards for the next Workshop Meeting. He thanked students who played and thanked their parents.

Trustee Jeff Burton thanked the support from staff and community. Mr. Burton recognized the staff and volunteers out there in the freezing temperatures.

Trustee Alejandro Flores mentioned that he is always amazed by the gifts every year. Mr. Flores appreciates the detail and all the work put into it.

Vice President Mary Watkins mentioned that it is a joy and a privilege to serve and represent the community. Ms. Watkins thanked the DEIC for their hard work.

14. Superintendent Comments

Mr. Lambs comments were the following:

- Thank you Board
- Thanks Staff
- Great Day to be a Lobo

15. Adjournment

Trustee Ken Beber made the first motion to adjourn the meeting. Trustee Jeff Burton seconded the motion. The motion passed (6-0). The meeting adjourned at 8:49 pm.

---

# Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

---

Board Mtg. Date <b>02-26-2024</b>	<b>Reports of the Superintendent</b> <input type="checkbox"/>	<b>Action Item</b> <input checked="" type="checkbox"/>	<b>Consent Agenda</b> <input type="checkbox"/>	<b>Reports, Routine Monthly</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/>
<b>Subject:</b>	<b>SUPERINTENDENT'S CONTRACT EXTENSION AND COMPENSATION</b>				
<b>Presenter or Contact Person:</b>	Jason Olson, President Little Elm ISD Board of Trustees				
<b>Policy/Code:</b>	BJC (LEGAL)				
<b>Strategic Plan Goal:</b>					
<b>Summary:</b>	Superintendent's Contract Extension and Compensation				
<b>Financial Implications:</b>	N/A				
<b>Attachments:</b>	N/A				
<b>Recommendation:</b>	<b>The Board President recommends approval of the superintendent's contract extension and compensation as discussed in closed meeting.</b>				
<b>Motion:</b>	<b>"I move that the Board approve the superintendent's contract extension and compensation as discussed in closed meeting."</b>				



---

# Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

---

Board Mtg. Date <b>02-26-2024</b>	<b>Reports of the Superintendent</b> <input type="checkbox"/>	<b>Action Item</b> <input checked="" type="checkbox"/>	<b>Consent Agenda</b> <input type="checkbox"/>	<b>Reports, Routine Monthly</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/>
<b>Subject:</b>	<b>2024-2025 ADMINISTRATOR CONTRACTS</b>				
<b>Presenter or Contact Person:</b>	Asheley Brown, Executive Director for Human Resource Services				
<b>Policy/Code:</b>	DC (LEGAL), DC (LOCAL), DCE (LEGAL)				
<b>Strategic Plan Goal:</b>	We will recruit, recognize, and retain high quality and effective personnel to support student success at every level.				
<b>Summary:</b>	The superintendent annually makes contract recommendations for specific administrator positions to the Board of Trustees.				
<b>Financial Implications:</b>	Included in the annual budget				
<b>Attachments:</b>	Under separate cover				
<b>Recommendation:</b>	<b>The Administration recommends approval of 2024-2025 administrator contracts as submitted.</b>				
<b>Motion:</b>	<b>I move the Board approve 2024-2025 administrator contracts as submitted.</b>				

---

# Board Agenda Item

Little Elm Independent School District  
400 Lobo Lane  
Little Elm, Texas 75068

---

Board Mtg. Date <b>02-26-2024</b>	<b>Reports of the Superintendent</b> <input type="checkbox"/>	<b>Action Item</b> <input checked="" type="checkbox"/>	<b>Consent Agenda</b> <input type="checkbox"/>	<b>Reports, Routine Monthly</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/>
<b>Subject:</b>	<b>2024-2025 FTE REQUEST FOR DISTRICT NEEDS</b>				
<b>Presenter or Contact Person:</b>	Asheley Brown, Executive Director for Human Resource Services				
<b>Policy/Code:</b>	DCA, DCB, DC, and DCE as appropriate				
<b>Strategic Plan Goal:</b>	We will recruit, recognize, and retain high quality and effective personnel to support student success at every level.				
<b>Summary:</b>	<p>As the district continuously analyzes staffing needs of the district, additional FTE needs have been identified:</p> <ol style="list-style-type: none"><li>1) Diagnostician- Administrator/Professional Paygrade 2; 197 days. --The total number of special education students has increased by 20% since last year. This position will be funded utilizing moneys that are currently allocated for special education contracted services; so there will be no financial impact on the budget. This new FTE will put a Diagnostician at every campus.</li><li>2) Principal (Lakewood Village) - Administrator/Professional Paygrade 5; 217 days. --As the district prepares for the building and opening of Lakewood Village Elementary, a new FTE will be needed for the Principal of this new school.</li></ol>				
<b>Financial Implications:</b>	Approximately \$120,000				
<b>Attachments:</b>	N/A				

**Recommendation:** | The Administration recommends approval of district needs FTEs for the 2024-25 school year as presented.

**Motion:** | I move the Board approve district needs FTEs for the 2024-25 school year as presented.

---

# Board Agenda Item

Little Elm Independent School District  
400 Lobo Lane  
Little Elm, Texas 75068

---

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
2-26-2024	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Subject:</b>	<b>LAKEWOOD VILLAGE ELEMENTARY EARLY SITE PACKAGE</b>				
<b>Presenter or Contact Person:</b>	Mickey James, Executive Director for Construction				
<b>Policy/Code:</b>	CVD (LOCAL)				
<b>Strategic Plan Goal:</b>	To ensure fiscal health & sustainability.				
<b>Summary:</b>	Presenting the Early Site Package for Lakewood Village Elementary School.				
<b>Financial Implications:</b>	Early Site Package budget will be \$4,013,038, which will be included in the Master Budget to be presented later.				
<b>Attachments:</b>	Early Site Package Budget Jackson Construction GMP				
<b>Recommendation:</b>	<b>The Administration recommends the approval of the Early Site Package Budget and authorize the Superintendent or his designee to execute any required contract documents.</b>				
<b>Motion:</b>	<b>I move the Board approve the Early Site Package Budget and authorize the Superintendent or his designee to execute any required contract documents.</b>				



## BUDGET TRACKING

### Lakewood Village Elementary Early Site Package

	ACCOUNT CODES	DESCRIPTION	BUDGET
01		<b>CONSTRUCTION ACTIVITIES</b>	\$3,763,595.00
		Cost of Work	\$3,109,763.00
		General Conditions	\$447,568.00
		Contractors Contingency	\$71,147.00
		Insurance & Bonds	\$61,688.00
		CMAR Fee	\$63,429.00
		Pre-Construction Fee	\$10,000.00
02		<b>THIRD PARTY VENDORS</b>	\$35,650.00
		Construction Documentation Services	\$35,650.00
03		<b>THIRD PARTY CONSULTANTS</b>	\$213,793.00
		Materials Testing	\$213,793.00

**TOTAL BUDGET**

**\$4,013,038.00**

**NEW ES #7 (PACKAGE 1)**  
**LITTLE ELM ISD**  
**2/16/2024**



BUILDING AREA: 94,000

**PRELIMINARY GUARANTEED MAXIMUM PRICE - SUMMARY**

CSI	BID PACKAGE DESCRIPTION	TOTAL COST	COMMENTS
01	GENERAL REQUIREMENTS	\$73,458	
02	EXISTING CONDITIONS	\$52,000	
26	ELECTRICAL	\$280,500	
31	EARTHWORK	\$828,805	
32	SITE IMPROVEMENTS	\$683,000	
33	UTILITIES	\$1,002,000	
ALW	ALLOWANCES	\$190,000	
SUBTOTAL		\$3,109,763	
GENERAL CONDITIONS		\$447,568	
CONTRACTORS CONTINGENCY		\$71,147	
GENERAL LIABILITY		\$18,818	
BUILDER'S RISK INSURANCE		\$4,893	
PERFORMANCE BOND		\$37,977	
CONSTRUCTION MANAGER FEE		\$63,429	
PRECONSTRUCTION FEE		\$10,000	
GRAND TOTAL COST		\$3,763,595	
<b>ALTERNATES</b>			
		ACCEPTED	PENDING
ALTERNATE NO. 1 - DECREASE LEAD TIME ON MSB FROM 37 TO 20 WEEKS (EATON)		INCL.	
ALTERNATE NO. 2 - FLATWORK SUBGRADE PREP FOR PVM OF 2" ILO 1"		INCL.	
GRAND TOTAL COST (ALTERNATES)		\$3,763,595	

NEW ES #7 (PACKAGE 1)				
LITTLE ELM ISD				
February 16, 2024				
				AREA: 94,000
PRELIMINARY GMP - DETAILED BREAKOUT				
CODE	ITEM	COMMENTS	BASE PROPOSAL	\$/SqFt
01	GENERAL REQUIREMENTS			
01A	UTILITY LOCATES		10,000	0.11
01A	SURVEYING		63,458	0.68
02	EXISTING CONDITIONS			
02C	SWPPP & EROSION CONTROL		52,000	0.55
26	ELECTRICAL			
26A	MSB ONLY		195,500	2.08
26A	ALTERNATE NO. 1		85,000	0.90
31	EARTHWORK			
31A	EARTHWORK		706,000	7.51
31A	SUBGRADE PREP BENEATH FLATWORK	PVM 1"	315,000	3.35
31A	ALTERNATE NO. 2		(192,195)	(2.04)
31D	CHEMICAL INJECTION	NONE		
32	EXTERIOR IMPROVEMENTS			
32B	FENCING		145,000	1.54
32D	RETAINING WALLS	NONE		
32E	PLAYGROUND EQUIPMENT		538,000	5.72
33	UTILITIES			
33A	SITE UTILITIES		1,002,000	10.66
01	ALLOWANCES			
ALW	OWNERS CONTINGENCY		40,000	0.43
ALW	PERMIT & PLAN REVIEW		150,000	1.60
	FIRE WATER TANK	EXCLUDED		
	DESIGN FEES	BY OWNER		
	<b>COST OF WORK</b>		<b>3,109,763</b>	<b>33.08</b>
	GENERAL CONDITIONS		447,568	4.76
	CONTRACTORS CONTINGENCY		71,147	0.76
	GENERAL LIABILITY INSURANCE		18,818	0.20
	BUILDERS RISK		4,893	0.05
	PAYMENT & PERFORMANCE BOND		37,977	0.40
	CONSTRUCTION MANAGER FEE		63,429	0.67
	PRECONSTRUCTION FEE		10,000	0.11
	<b>TOTAL BASE BID</b>		<b>3,763,595</b>	<b>40.04</b>
		<b>PENDING</b>	<b>ACCEPTED</b>	
	ALTERNATE NO. 1 - DECREASE LEAD TIME ON MSB FROM 37 TO 20 WEEKS (EATON)		INCL.	
	ALTERNATE NO. 2 - FLATWORK SUBGRADE PREP FOR PVM OF 2" ILO 1"		INCL.	
	<b>TOTAL INCLUDING ALTERNATES</b>		<b>3,763,595</b>	

---

# Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

---

Board Mtg. Date <b>2/26/2024</b>	<b>Reports of the Superintendent</b> <input type="checkbox"/>	<b>Action Item</b> <input checked="" type="checkbox"/>	<b>Consent Agenda</b> <input type="checkbox"/>	<b>Reports, Routine Monthly</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/>
<b>Subject:</b>	<b>RESOLUTION OF THE BOARD TO CONTRACT WITH INVESTMENT MANAGEMENT FIRM</b>				
<b>Presenter or Contact Person:</b>	Shay Adams, Assistant Superintendent for Business and Finance				
<b>Policy/Code:</b>	CDA (LOCAL), Section 2256.003 of the Public Investment Act				
<b>Strategic Plan Goal:</b>	Ensuring Fiscal Health and Sustainability				
<b>Summary:</b>	The current interest rate environment allows Little Elm Independent School District the opportunity to invest bond proceeds in assets with longer durations than the investment pools. The goal of this investment would be the safety and preservation of principal along with seeking higher potential returns on the invested bond proceeds. Little Elm Independent School District would like to contract with Public Trust Advisors, LLC., an investment management firm, to assist with seeking these potentially increased returns.				
<b>Financial Implications:</b>	Potential increased interest earnings on bond funds.				
<b>Attachments:</b>	<ul style="list-style-type: none"><li>• Investment Advisory Agreement</li><li>• Public Trust ADV Part 2A 2B</li><li>• Public Trust Privacy Policy</li><li>• Resolution of the Board to Contract with Investment Management Firm</li><li>• UMB Contract</li></ul>				



<b>Recommendation:</b>	<b>The Administration recommends approval to contract with investment management firm Public Trust, LLC. as presented.</b>
<b>Motion:</b>	<b>The Administration motions to approve the contract with investment management firm, Public Trust, LLC. dated 2/26/2024 as presented.</b>

## **INVESTMENT ADVISORY AGREEMENT**

This Investment Advisory Agreement (this “**Agreement**”) is entered into as of the 26th day of February 2024 (the “**Effective Date**”), by and between Public Trust Advisors, LLC, a Colorado limited liability company (“**Public Trust**” or “**Investment Manager**”), and Little Elm Independent School District, Texas (“**Client**”). Investment Manager and Client are sometimes hereinafter referred to collectively as the “**Parties**,” or any one of them individually as a “**Party**.”

In consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, Investment Manager and Client hereby agree as follows:

### **1. Appointment as Investment Manager.**

Client hereby appoints and designates Investment Manager, and Investment Manager hereby accepts such appointment and designation, to act as Client’s exclusive investment adviser with respect to the securities, cash, and other property (collectively, the “**Assets**,” or any one of them individually as an “**Asset**”) deposited by Client in one or more accounts under Investment Manager’s supervision (collectively, the “**Account**”). The duration of such appointment and designation shall be for the Term of this Agreement (as defined in Section 7), subject to earlier termination as provided in this Agreement.

### **2. Investment Manager Services.**

(a) Subject to and in compliance with the Investment Policy Statement (as defined in Section 3), Investment Manager, commencing on the Effective Date, shall have full discretionary authority to invest, reinvest or otherwise manage the Assets in the Account, including, without limiting the generality of the foregoing, the authority to direct the Designated Custodian (as defined in Section 4(a)) to deliver Assets for the purpose of effecting purchases, sales, trades or other transactions in the Assets (“**Transactions**”). All of the services to be performed by Investment Manager described in the preceding sentence are hereinafter collectively referred to as the “**Services**.” Except as set forth in Section 2(b), Investment Manager shall not provide, or otherwise be responsible for, the maintenance of books and records, reporting, audit, tax, or other general administrative services with respect to the Account.

(b) Investment Manager shall provide Client with a written monthly and/or quarterly report identifying the inventory of the Assets in the Account and the Transactions in the Assets for the subject period. For purposes of this Section 2(b), Investment Manager will be deemed to have satisfied the requirement of providing a written report by giving Client secure online access to Client’s Account containing applicable Transactions, investments, and associated reporting for the subject period.

(c) Investment Manager shall have no responsibility for the accuracy or completeness of any information provided to Investment Manager by Client.

(d) Unless Investment Manager otherwise agrees with Client in writing, Investment Manager will not advise or take any action on behalf of Client in any legal proceedings, including bankruptcies or class actions, involving the Assets held in, or formerly held in, Client’s Account or the issuers of securities that are included among the Assets of the Account.

(e) To the extent that any securities in the Account have voting rights, Client shall have the option, in its sole discretion, to vote proxies with respect to such securities, and Investment Manager shall not vote any such proxies.

(f) Investment Manager may from time to time utilize the services of a third party in a sub-advisory capacity (a “**Sub-Advisor**”) to provide certain services to Client, including, but not limited to, arbitrage rebate compliance services. In any such case, Investment Manager will obtain prior written permission from Client regarding the appointment and use of any such Sub-Advisor, provided that Investment Manager will be responsible for the selection of any Sub-Advisor and will monitor the performance of services provided by any Sub-Advisor.

(g) Occasionally, upon Client's prior written request and as an accommodation to Client, Investment Manager may maintain Unmanaged Accounts or External Assets for Client in Investment Manager's portfolio accounting system solely for reporting purposes. As such terms are used in this Agreement, an **"Unmanaged Account"** or **"External Asset"** is an Account or Asset, as the case may be, where the investment direction remains the sole responsibility of Client rather than Investment Manager. Unmanaged Accounts or External Assets are not subject to, and will not receive, ongoing supervision and monitoring services of Investment Manager, and Investment Manager will not make any investment recommendations with respect to an Unmanaged Account or External Asset. The primary purpose for maintaining an Unmanaged Account or External Asset in Investment Manager's portfolio accounting system is to include Unmanaged Accounts or External Assets owned by Client in the performance reports provided by Investment Manager pursuant to Section 6. Investment Manager will not charge Client a fee for reporting on Unmanaged Accounts or External Assets. Investment Manager assumes no liability for the underlying performance of any Unmanaged Account or External Asset, and Client is solely responsible for the accuracy and completeness of reporting for such performance. Investment Manager and Client acknowledge and agree that any Unmanaged Account or External Asset may not be readily identifiable as such in Client's Account statement or report.

### 3. Investment Policy Statement.

Investment Manager agrees to use its best efforts to manage Client's Assets within the Account in accordance with Client's written investment guidelines and restrictions for the management of the Account (the **"Investment Policy Statement"**). Investment Manager shall make investment decisions in accordance with the Investment Policy Statement. Investments in the Assets may be in cash or securities. The Investment Policy Statement applies only to the Assets in the Account being managed by Investment Manager. To the extent that Investment Manager is managing a portion of Client's account strategy (i.e., a partial portfolio), Client shall provide Investment Manager with prompt written notice and identification of Assets that are not part of Client's portfolio and are not being managed by Investment Manager to allow for Investment Manager's initial and ongoing securities review for compliance with the Investment Policy Statement. Investment Manager will use its best efforts to obtain the "best execution" in connection with the purchase and sale of any legacy securities. Prior to the first trade of an Asset in the Account, Investment Manager, after due diligence review of any legacy securities, reserves the right to liquidate or decline to accept any legacy securities that are not consistent with the Investment Policy Statement or Investment Manager's review of "best execution" of trades in Assets of the Account. In the event the Client's Investment Policy Statement is updated, Client will promptly provide Investment Manager with the amended Investment Policy Statement, from time to time, and Investment Manager shall implement such amended Investment Policy Statement as soon as practicable after being provided with the amended Investment Policy Statement. Notwithstanding anything in this Section 3 to the contrary, in no event will Investment Manager follow any provision of the Investment Policy Statement or any provision of this Agreement that Investment Manager determines would contravene any applicable law, rule, or regulation of any governmental authority or securities exchange to which Investment Manager is subject, provided that Investment Manager shall give Client reasonable written notice of any such determination.

### 4. Custody of Assets.

(a) Investment Manager shall not have authority to take or hold custody or possession of any Assets of the Account or to cause a Designated Custodian (as defined in this Section 4(a)) below) to deliver Assets or pay cash to Investment Manager, other than with respect to Investment Manager directly billing the Account, and receiving from the Account, the Management Fee payable to Investment Manager under Section 5 this Agreement in accordance with the Investment Advisers Act of 1940, as amended (the **"Advisers Act"**) and Rule 206(4)-2 thereunder or other applicable law. Client shall, by written notice provided in accordance with this Agreement, designate one or more custodians that will be a "qualified custodian" under Rule 206(4)-2 of the Advisers Act (collectively, the **"Designated Custodian"**). The Parties agree that the Designated Custodian shall have the sole responsibility to consummate and settle all purchases, sales, deliveries, receipts, and other Transactions made with respect to the Account, the collection of all income of the Account (including, but not limited to, interest and dividends), and the acquisition and

safekeeping of the Assets comprising the Account. Investment Manager shall not have any rights or access to the Assets or the Account except as specifically set forth in this Agreement.

(b) Client agrees to promptly furnish, or to cause the Designated Custodian to promptly furnish, to Investment Manager, all data and information Investment Manager may reasonably request to establish the Account and render the Services. Client acknowledges that, in accordance with the Advisers Act, it receives custodial statements at least quarterly from the Designated Custodian. The Designated Custodian further acknowledges that such statements set forth the amount of funds and each Asset in the Account at the end of each reporting period (which is no less frequent than quarterly) and identify all Transactions in the Account during such period. Client acknowledges it has the responsibility to reconcile the report from Investment Manager with the statement from the Designated Custodian and to notify Investment Manager immediately if there are any discrepancies.

(c) Client shall instruct the Designated Custodian to (i) carry out all Transactions directed, in writing or electronically, by Investment Manager, (ii) confirm to Investment Manager in writing or electronically, all completed Transactions, and (iii) cooperate with Investment Manager in its performance of the Services under this Agreement.

(d) Investment Manager shall instruct all brokers and dealers executing orders on behalf of the Account (i) to forward to the Designated Custodian and Client copies of all confirmations promptly after execution of Transactions, and (ii) that the settlement process for all Transactions shall be delivery vs. payment (DVP).

(e) Client will provide Investment Manager with a certificate setting forth the names and specimen signatures of the individuals who are authorized to act on behalf of Client, and the Designated Custodian agrees to inform Investment Manager promptly in writing of any change of such authorized individuals. Investment Manager is entitled to rely, without independent investigation, upon any notice, instruction, direction, or communication that has been executed by an individual who is so identified in such certificate as authorized to act on behalf of Client or the Designated Custodian.

(f) Client will provide Investment Manager with prompt written notice in advance of engaging a new Designated Custodian or Sub-custodian in connection with the Account.

## **5. Management Fee [and Expenses].**

For Investment Manager's Services to Client under this Agreement, Client agrees to pay Investment Manager an annual fee, calculated in accordance with the schedule of fees below (the "**Management Fee**"), payable in monthly installments in arrears. The Management Fee is based on the average daily market value, plus accrued interest, of the Assets under management in the Account (including cash and cash-equivalents) and based on the number of days in the month and year for the specified billing cycle.

### **Fee Schedule**

09 basis points or 0.09%

Investment Manager will send Client a copy of its invoice for the Management Fee for each billing period, and Client shall remit payment in full for the full amount of such invoice within 30 days of the date of the invoice. In the event that the Designated Custodian so consents, Client authorizes Investment Manager to submit Client's Management Fee invoice to the Designated Custodian and hereby authorizes the Designated Custodian to pay the Management Fee directly from Client's Account (monthly in arrears).

For the avoidance of doubt, any funds that are invested in local government investment pools, including Texas CLASS will not be assessed any Management Fees as part of this Agreement. Public Trust is the Program Administrator for Texas CLASS and receives a fee for services rendered as part of the Trust Agreement. (<https://www.texasclass.com/document-center/>)

In addition, Public Trust agrees to pay the Custody fees at UMB Bank N.A. for services under this Agreement so long as Public Trust is the Clients' Investment Manager.

## **6. Performance Reports.**

Investment Manager shall have the right to acknowledge Client as its client and use the performance history and supporting documentation of (i) the Account from the Effective Date until the date of termination of this Agreement, and (ii) the Assets of the Account. During the Term of this Agreement and for such period thereafter that Investment Manager continues to use any such performance history, Client shall make available, and/or make reasonable efforts to cause the Designated Custodian to make available, to Investment Manager, at Investment Manager's sole expense, all information reasonably necessary to allow for the recalculation of portfolio and composite-level returns, for the purposes of establishing and maintaining an audited performance record of the Account conforming to the Global Investment Performance Standards (GIPS®), provided such information shall not be unreasonably burdensome to Client. Notwithstanding anything herein to the contrary, in no event will providing any such information be deemed unreasonably burdensome to Client if such information shall be provided pursuant to applicable law or regulation. Investment Manager shall indemnify and hold Client harmless from and against any loss, liability, claim or expense, including attorneys' fees and expenses, arising from Investment Manager's wrongful use of such information.

## **7. Term and Termination.**

The term of this Agreement shall commence on the Effective Date for an initial term of two (2) years (the "**Initial Term**") and shall thereafter renew automatically for additional terms of one year (each, an "**Additional Term**"; the Initial Term, together with any Additional Term, is hereinafter referred to as the "**Term**") unless terminated by either Party on 30 days' prior written notice prior to the final day of the Initial Term or any Additional Term. In addition, in the event of a material breach of this Agreement by either Party, the other Party may terminate this Agreement, if such material breach is not cured within 30 days after written notice of such breach is given by the non-breaching Party to the breaching Party. Notwithstanding anything to the contrary herein, Sections 5, 14, and 17 shall survive termination of this Agreement.

## **8. Asset Transfers.**

Client shall determine the Assets that will be transferred to or from the Account from time to time and shall promptly notify Investment Manager, in writing, of its determinations in this regard, no fewer than 7 days prior to effecting any such transfer.

## **9. Consent to Electronic Delivery of Documents.**

(a) Client consents to the delivery of documents related to the Services electronically, as described below ("**Consent to Electronic Delivery**").

(b) Client agrees and acknowledges that delivery of documents may be via electronic media, including, but not limited to, a PDF file to the email addresses provided to Investment Manager by Client, or via secure online access to such documents. Client acknowledges that it has access to this media and the ability to print and/or download the information provided thereby.

(c) Client will provide Investment Manager with appropriate email addresses for sending electronic information consistent with the Consent to Electronic Delivery by submitting a Client Information Profile in the form provided by Investment Manager. Client will notify Investment Manager in writing if delivery should be made to any additional email addresses or if delivery to any of the initially provided e-mail addresses should be discontinued. It is Client's responsibility to give notice to Investment Manager of any updates regarding changes to any authorized email addresses. The Consent to Electronic Delivery is valid until such consent is revoked by Client and provided, in writing, to Investment Manager. Occasional requests for paper documents will not constitute revocation of Consent to Electronic Delivery.

(d) Documents subject to this Consent to Electronic Delivery include Investment Manager's Form ADV, Part 1, Part 2A firm brochure and Part 2B brochure supplement, Account reports and reviews and other information regarding Account activity, invoices, tax information and any disclosure or notification that is required under this

Agreement, applicable regulations, other regulatory communications, and Investment Manager's Privacy Policy information.

**10. Brokerage and Aggregated Transactions.**

Client hereby agrees that Investment Manager shall have full authority and discretion to select brokers, dealers, or counterparties through whom any Transaction in respect of the Account shall be executed. In connection with the selection of such brokers, dealers and counterparties, and the placing of such orders, Investment Manager will seek the "best execution," as described more fully in its Form ADV Part 2A. In addition, Client acknowledges that Investment Manager may aggregate trades placed on behalf of Client with trades placed on behalf of Investment Manager's other clients, so long as such trades are placed for the benefit of Client, within Client's investment guidelines, and are in accordance with Investment Manager's policies described in its Form ADV Part 2A.

**11. Client's Representations, Warranties and Covenants.**

Client hereby represents and warrants to Investment Manager that:

(a) It is duly organized, validly existing, and in good standing under the laws of its jurisdiction of organization.

(b) Client's execution, delivery, and performance of this Agreement does not violate or conflict with any agreement or obligation to which Client is a party or by which Client or its property is bound, whether arising by contract, operation of law, or otherwise.

(c) This Agreement has been duly authorized by all required entity action of Client, and, when executed and delivered, will be a legal, valid, and binding agreement of Client, enforceable against Client in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium or other similar Laws affecting the enforcement of creditors' rights generally from time to time in effect and the availability of equitable remedies (regardless of whether enforceability is considered in a proceeding at law or in equity). Client will provide to Investment Manager such evidence of such authority as Investment Manager may reasonably require, whether by way of a certified resolution or otherwise.

(d) Client has received, prior to, or contemporaneously with, the Effective Date: (i) Investment Manager's current Form ADV Part 2A and Part 2B; and (ii) to the extent required by Regulation S-P (or similar federal or state law or regulations), a copy of Investment Manager's Privacy Policy (collectively, with the items listed in (i), the "**Disclosure Documents**"). Client further acknowledges that Client has, together with representatives of Investment Manager, carefully reviewed this Agreement and any applicable Disclosure Documents or other documents provided in connection herewith, has had the opportunity to discuss such materials with representatives of Investment Manager prior to execution of this Agreement, and understands the matters set forth in the Disclosure Documents. In the event of a material change to any Disclosure Documents, Investment Manager shall provide Client with revised Disclosure Documents no later than 60 days following the change.

(e) Client will provide Investment Manager with all information and documentation which Investment Manager requests as being reasonably necessary or appropriate to establish and maintain the Account.

(f) The foregoing representations and warranties shall be continuing during the Term, and if at any time during the Term any event occurs which would make any of the foregoing representations and warranties untrue or inaccurate in any material respect, Client promptly will notify Investment Manager of such event and of any resulting untruths or inaccuracies.

**12. Investment Manager's Representations, Warranties and Covenants.**

Investment Manager hereby represents and warrants to Client that:

(a) It is duly organized, validly existing, and in good standing under the laws of its jurisdiction of organization.

(b) Investment Manager's execution, delivery, and performance of this Agreement does not violate or conflict with any agreement or obligation to which Investment Manager is a party or by which Investment Manager or its property is bound, whether arising by contract, operation of law, or otherwise.

(c) This Agreement has been duly authorized by all appropriate action of Investment Manager, and, when executed and delivered, will be a legal, valid, and binding agreement of Investment Manager, enforceable against Investment Manager in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium or other similar Laws affecting the enforcement of creditors' rights generally from time to time in effect and the availability of equitable remedies (regardless of whether enforceability is considered in a proceeding at law or in equity). Investment Manager will provide to Client such evidence of such authority as Client may reasonably require, whether by way of a certified resolution or otherwise.

(d) As of the Effective Date, Investment Manager is a registered investment adviser under the Advisers Act, and, at all times during the Term, Investment Manager shall be either registered under the Advisers Act or exempt from such registration.

(e) Neither Investment Manager nor its Affiliates (as defined in Section 13(a)) are subject to any order, judgment or decree described in Section 203(e) or (f) of the Advisers Act or has received notice that it is currently under investigation by any regulatory body that would be reasonably expected to give rise to such an order, judgment, or decree.

(f) The foregoing representations and warranties shall be continuing during the Term, and if at any time during the Term any event occurs which would make any of the foregoing representations and warranties untrue or inaccurate in any material respect, Investment Manager promptly will notify Client of such event and of any resulting untruths or inaccuracies.

### **13. Other Investment Manager Clients.**

(a) Investment Manager and its Affiliates perform, among other things, investment advisory services for accounts other than the Account. Client recognizes that Investment Manager and its Affiliates may provide investment management services to other clients, regardless of whether the investment policies of such clients are similar to or differ from those that Investment Manager hereby undertakes to perform with respect to the Account. As used in this Agreement, the term "**Affiliate**" of a person means any other person who controls, is controlled by, or is under common control with, such person.

(b) Investment Manager and its Affiliates may give advice and act in the performance of their duties to other clients that may differ from advice given, or the timing and nature of action taken, with respect to the Account. Nothing in this Agreement shall be deemed to impose upon Investment Manager any obligation to purchase or sell or recommend for purchase or sale for the Account any security or other property that Investment Manager, or its members, officers or employees, may purchase or sell, or recommend for purchase or sale, for their own account or the account of any other client of Investment Manager, so long as it is Investment Manager's policy and practice, to the extent practicable, to allocate investment opportunities to the Account over a period of time on a fair and equitable basis relative to its other clients.

### **14. Standard of Care.**

It is agreed that the standard of care applicable to Investment Manager under this Agreement is that owed pursuant to applicable federal and state law, including the Advisers Act. At a minimum and not in lieu of greater standards of care in applicable state and federal law, Investment Manager will perform all duties and responsibilities in this Agreement with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent investment expert acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like objectives. Nothing in this Agreement shall in any way constitute a waiver or limitation of any right of Client or any person under federal and state securities laws. Client acknowledges that Investment Manager makes no representation or warranty, express or implied, that any level of performance or investment results will be achieved by the Account or that the Account will perform comparably with any standard

or index, including other clients of Investment Manager. Investment Manager shall have no responsibility or liability in the selection of investments other than investments for the Account, or otherwise regarding the investment policies or strategy, or diversification of investments of Assets of Client that are not part of the Account or subject to the Investment Policy Statement.

**15. Anti-Money Laundering; Office of Foreign Assets Control.**

(a) Client understands and agrees that Investment Manager prohibits the investment of funds by any persons or entities that are acting, directly or indirectly, (i) in contravention of any applicable laws and regulations, including anti-money laundering regulations or conventions, (ii) on behalf of terrorists or terrorist organizations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Treasury Department's Office of Foreign Assets Control (available at <http://www.treas.gov/ofac>, as such list may be amended from time to time), (iii) for a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure, unless Investment Manager, after being specifically notified by Client in writing that it is such a person, conducts further due diligence, and determines that such investment shall be permitted, or (iv) for a foreign shell bank (as defined in the USA PATRIOT Act). Any natural person or entity described in clauses (i) through (iv) of this Section 15(a) is hereinafter referred to as a "**Prohibited Person.**"

(b) Client represents and warrants that neither it nor any of its Affiliates is a Prohibited Person.

**16. Agency Transactions.**

Client acknowledges that it is aware and understands that Investment Manager or its Affiliates may effect agency Transactions between their respective advisory clients, which may include the Account, provided that, with respect to any such agency Transaction, neither Investment Manager nor any of its Affiliates acts as a broker within the meaning of Section 206(3) of the Advisers Act and further provided that Investment Manager provides advance written disclosure to Client of agency capacity in any such Transaction.

**17. Confidential Relationship**

The terms and conditions of this Agreement, and all information and advice furnished by either Party to the other pursuant to this Agreement shall be treated as strictly confidential and (i) shall not be used by either Party, except as necessary to perform the Services or otherwise satisfy the obligations of the Parties under this Agreement, and (ii) shall not be disclosed to third parties, except (A) as required by law, rule, or regulation, (B) as requested by a regulatory authority, (C) for disclosures by either Party of information that has become public by means other than wrongful conduct by such Party or its officers, employees, or other personnel, or (D) for disclosures by either Party to its legal counsel, accountants, or other professional advisers.

**18. General Provisions.**

(a) *Notice.* Unless otherwise specified herein, all notices, instructions, and any advice in connection with Transactions or other matters contemplated by this Agreement shall be deemed to be duly given (i) by personal delivery, on the date of delivery, or (ii) by email, on the date of confirmation of receipt, if confirmed by reply email or by telephone, to the following:

*If to Investment Manager:*

**Public Trust Advisors, LLC  
Attention: Steve Dixon  
717 17<sup>th</sup> St. Suite 1850  
Denver, CO 80202  
[steve.dixon@publictrustadvisors.com](mailto:steve.dixon@publictrustadvisors.com)**



If to Client:

**Little Elm Independent School District  
400 Lobo Lane  
Little Elm, TX 75068-0009**

Either Party may, from time to time by notice in writing given to the other Party as set forth above, designate a different mailing address or a different or additional person to whom all such notices or demands thereafter are to be addressed.

(b) *Governing Law; Jurisdiction.* This Agreement will be governed by and interpreted in accordance with the laws of the State of Colorado, without regard to the conflicts of laws principles thereof. Investment Manager and Client agree that any dispute, controversy, or action, whether equitable or legal, shall be brought in either a federal or state court located in Denver, Colorado, and the Parties unconditionally and irrevocably waive any and all jurisdictional venue and convenience objections and defenses that they may have in any such action in such jurisdiction. To the extent permitted by law, Investment Manager, Client, or any of their respective Affiliates (for itself and on behalf of the Account) hereby irrevocably waive any and all right to a trial by jury in any legal proceeding, action or counterclaim arising out of or related to this Agreement or the Transactions contemplated hereby.

(c) *Severability.* If one or more of the covenants, agreements, provisions, or terms of this Agreement are held invalid for any reason, those covenants, agreements, provisions, and terms will be treated as severable from the remaining covenants, agreements, provisions, and terms of this Agreement and will in no way affect the validity or enforceability of the remaining covenants, agreements, provisions, and terms of this Agreement. If the invalidity of any covenant, agreement, provision, of this Agreement deprives any Party of the economic benefit intended to be conferred by this Agreement, the Parties shall negotiate in good faith to develop and substitute a replacement covenant, agreement, provision, or term having an economic effect that is as near as possible to the economic effect of the invalid provision and this Agreement as a whole.

(d) *Entire Agreement.* This Agreement and all attached exhibits and documents which are incorporated herein embody the entire agreement of the Parties with respect to the subject matter hereof. All prior agreements, understandings, and negotiations (including, without limitation, any memoranda of understanding or letters of intent) are merged herein and superseded hereby. In the event of any conflict between the provisions of this Agreement and any such attached exhibit or document, the provisions of this Agreement shall control.

(e) *Amendment.* This Agreement, including any attached exhibits or documents which are incorporated herein, may not be amended, or modified unless such amendment or modification is in writing and signed by the Parties. No oral understanding or agreement not incorporated herein shall be binding on any of the Parties.

(f) *Force Majeure.* Notwithstanding anything in this Agreement to the contrary, neither Party shall be responsible or liable for its failure to perform under this Agreement or for any losses to the Account resulting from any event beyond the reasonable control of such Party or its agents, including, but not limited to, nationalization, expropriation, devaluation, seizure, or similar action by any governmental authority, *de facto* or *de jure*; or enactment, promulgation, imposition, or enforcement by any such governmental authority of currency restrictions, exchange controls, levies, or other charges materially impairing the Assets; or the breakdown, failure or malfunction of any utilities or telecommunications systems, or any order or regulation of any banking or securities industry, including changes in market rules and market conditions materially impairing the execution or settlement of Transactions; or acts of war, terrorism, insurrection, or revolution.

(g) *Waivers.* No delay on the part of any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any Party of any right, power, or privilege hereunder, nor any single or partial exercise of any right, power, or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power, or privilege hereunder.

(h) *Titles or Headings.* Titles or headings are not part of this Agreement, are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

(i) *Independent Contractor.* Investment Manager represents, warrants, and covenants that it is and shall be an independent contractor and shall, at its sole cost and expense, and without any additional compensation (except as provided herein), comply with all applicable laws, rules and regulations, including the payments of all income taxes, social security contributions and other applicable local, state and federal taxes and insurance for Investment Manager and all of its employees.

(j) *Insurance.* Investment Manager represents that there currently exists in full force and effect an insurance policy for errors and omissions, employee dishonesty, fiduciary liability insurance, or other fiduciary coverages appropriate for this Agreement. Investment Manager covenants that such insurance policy shall be maintained at all times while this Agreement is in effect. Investment Manager agrees that, upon Client's request, it shall (i) provide Client with a certificate of insurance evidencing the effectiveness of such insurance, and (ii) name Client as an additional insured with respect to any insurance identified in such certificate of insurance. Investment Manager shall also provide Client with written notice of any adverse change to, or termination of, any such insurance policy.

(k) *Counterparts.* This Agreement may be executed in counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one and the same instrument binding on all Parties, notwithstanding that all Parties shall not have signed the same counterpart. To facilitate execution of this Agreement, the Parties may execute and exchange the signature page by facsimile, PDF counterparts or electronically completed and executed by the Parties via the use of media or services such as DocuSign. Client represents, warrants, and agrees that any electronic signatures and information appearing herein were made and provided by Client and that such electronic signatures and information will have the same legal validity, enforceability, and admissibility as though they were manually made by Client.

(l) *Further Assurances and Documents.* Investment Manager and Client agree to execute such additional documents, and to perform such further acts, as may be necessary or advisable to carry out the provisions of this Agreement.

(m) *Cumulative Remedies.* The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies which any Party may otherwise have at law or in equity.

(n) *Assignment.* No assignment (as that term is defined in Section 80(b)-2 of the Advisers Act) of this Agreement may be made by either Party without consent of the non-assigning party, provided that Investment Manager may assign or delegate all or part of its duties or rights under this Agreement to any of its Affiliates. For purposes of determining Client consent in the event of an assignment, Investment Manager will give Client written notice of the assignment. If Client does not object in writing within 30 days of the date of such notice, Client will be deemed to have consented to the assignment. This Agreement and all subsequent amendments shall inure to the benefit of the successor and permitted assigns of the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the **Effective Date**.

**Public Trust Advisors, LLC, a Colorado limited liability company**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Little Elm Independent School District**

By: \_\_\_\_\_

Name: Jason Olson \_\_\_\_\_

Title: Board of Trustees President

Date: \_\_\_\_\_

# Public Trust Advisors, LLC

## Firm Brochure Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Public Trust Advisors, LLC (Public Trust). If you have any questions about the contents of this brochure, please contact us at (855) 395-3954 or by email at [jen.welsh@publictrustadvisors.com](mailto:jen.welsh@publictrustadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Public Trust is also available on the  
Investment Adviser Public Disclosure website  
at

[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The CRD number for Public Trust Advisors is 159189.

717 17th St. Suite 1850

Denver, CO 80202

(855) 395-3954

[www.publictrustadvisors.com](http://www.publictrustadvisors.com)

Registration with the SEC does not imply a certain level of skill or training.

Version Date:

March 31, 2023

## Item 2: Material Changes

This section describes the material changes to the Public Trust brochure since its amendment on February 6, 2023. This brochure contains the following updates:

- Item 4: Description of the Advisory Firm section has been updated to remove the office of Arizona.
- Item 4: Types of Advisory Services section has been updated to disclose that certain Separately Managed Accounts (SMA), Public Trust may provide certain accounting or other administrative services in addition to portfolio management.
- Item 4: Types of Advisory Services section has been updated to include the Local Government Investment Pool of Nebraska Cooperative Liquid Assets Securities System (Nebraska CLASS).
- Item 4: Types of Advisory Services section has been modified to remove broker-dealer selection as a consulting service.
- Item 5: Fees and Compensation section has been updated to more accurately reflect the fee structures and/or basis points charged associated with the products of Local Government Investment Pools and Separately Managed Accounts.
- Item 7: Types of Clients section has been updated to provide additional information regarding minimum account size.

## Item 3: Table of Contents

### Table of Contents

Public Trust Advisors, LLC .....	1
Item 2: Material Changes.....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation .....	7
Item 6: Performance-Based Fees and Side-by-Side Management .....	11
Item 7: Types of Clients .....	12
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss .....	12
Item 9: Disciplinary Information .....	16
Item 10: Other Financial Industry Activities and Affiliations .....	17
Item 11: Code of Ethics, Participation, or Interest in Client Transactions, and Personal Trading .....	17
Item 12: Brokerage Practices .....	18
Item 13: Reviews of Accounts .....	21
Item 14: Client Referrals and Other Compensation.....	22
Item 15: Custody.....	22
Item 16: Investment Discretion .....	23
Item 17: Voting Client Securities (Proxy Voting) .....	23
Item 18: Financial Information .....	23

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Public Trust Advisors, LLC (Public Trust) is a limited liability company organized in the state of Colorado.

This firm was founded on September 22, 2011, and currently has offices in seven states including California, Colorado, Florida, Georgia, New York, Ohio, and Texas. The principal owners are Thomas D. Jordan, Randy S. Palomba, Thomas N. Tight II, John F. Grady III, Christopher M. DeBow and Bear Creek Products 2019-2 (PTA-E), LLLP (Bear Creek).


Public Trust is in a partnership with Bear Creek to provide minority capital investments for succession planning, future potential acquisitions, and for other capital-intensive strategic initiatives. Bear Creek has a 42% ownership interest in the firm while the five Public Trust legacy owners possess the remaining 58%. The firm's operating agreement contains succession planning provisions designed to ensure that legacy owners maintain a controlling interest in the firm. However, if through the permanent disability or death of any legacy owner, Bear Creek's interest were to potentially exceed 49.99%, the remaining legacy owners would have the right of first refusal for share repurchase. In the future, should any remaining legacy partner be unable or unwilling to purchase the departing legacy owner's interests, then any additional shares acquired by Bear Creek from 49.99% to 59.99% would carry no additional voting rights.

### B. Types of Advisory Services

Public Trust offers the following services to its clients:

#### ***Investment Advisory Services***

Public Trust offers investment advisory services to state and local U.S. government entities, non-profit corporations, charitable organizations, and other institutional clients. Service product offerings include:

-  Separately Managed Accounts (SMA) - Separate account portfolio management services are provided on either a discretionary or non-discretionary basis depending upon each client's needs and requirements and are subject to the written investment guidelines provided by each client. The investment guideline information provided by each client, together with any other information relating to the client's overall investment requirements (investment policy statement), will be used by Public Trust to determine the appropriate investment strategy for each client portfolio. Portfolio managers typically manage multiple accounts consisting of the same or similar investment strategies. For certain SMAs, Public Trust may provide certain accounting or other administrative services in addition to portfolio management.

- Local Government Investment Pools (LGIP) – Local government investment pools are offered to state and local municipalities, counties, school districts, utility districts, and other local government units (Participants). LGIPs combine the cash of participating jurisdictions and invest in securities allowed under state law, subject to each LGIP’s written investment guidelines on a discretionary basis. These guidelines, together with any other information relating to the LGIPs overall investment requirements (investment policy statement), are used by Public Trust to determine the appropriate investment strategy. Public Trust serves as either the marketer, investment advisor, administrator, or a combination thereof, for the following LGIPs: California Cooperative Liquid Assets Securities System (California CLASS), Colorado Local Government Liquid Asset Trust (COLOTRUST), Michigan Cooperative Liquid Assets Securities System (Michigan CLASS), Nebraska Cooperative Liquid Assets Securities System (Nebraska CLASS), New York Cooperative Liquid Assets Securities System (NYCLASS), Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS), Florida Cooperative Liquid Assets Securities System (FLCLASS), Virginia Investment Pool (VIP), Wyoming Cooperative Liquid Assets Securities System (Wyoming CLASS), and TrustINDiana. Each LGIP is overseen by an authorized Governing Board or a State Treasurer. The Governing Board is typically comprised of public officials from Participants within each LGIP.

Public Trust invests client assets in fixed income securities and cash equivalents. Please refer to Item 8 for additional information about methods of analysis and investment strategies used by Public Trust and their associated risks.

### ***Administrative and Transfer Agency Services***

Public Trust offers administrative and transfer agency services to SMA and the LGIPs of California CLASS, COLOTRUST, Michigan CLASS, Nebraska CLASS, NYCLASS, Texas CLASS, TrustINDiana, Louisiana Asset Management Pool (LAMP), FLCLASS, Wyoming CLASS, and VIP. Services offered include but are not limited to the maintenance of Participant records, transactions and account balances, and money movements based on client requests.

Certain administrative and transfer agency services are outsourced to a third-party service provider, which is overseen by Public Trust.

### ***Fund Accounting Services***

Public Trust offers fund accounting services for California CLASS, COLOTRUST, Michigan CLASS, Nebraska CLASS, NYCLASS, Texas CLASS, TrustINDiana, LAMP, FLCLASS, Wyoming CLASS, and VIP. Services offered include the daily accounting of assets, income earned, and expenses incurred to derive a daily net asset value (NAV) and a daily or periodic dividend rate to be paid to Participants. Additional services provided are annual financials and Board reports.

Certain fund accounting services are outsourced to a third-party service provider, which is overseen by Public Trust.



***Consulting Services***

Public Trust provides certain investment-related consulting services to clients. Consulting services include but are not limited to the following:

- Request for proposals (RFP) creation and implementation for investment related services;
- Review of investment portfolio(s) and investment policies;
- Review of organization structure and functions regarding the investment activities;
- Review of investment compliance with applicable state and internally imposed requirements;
- Future investment planning strategies, implementation analysis, and recommendations;
- Banking institution selection assistance;
- Credit research evaluations;
- Market updates;
- Investment risk analysis.

***Non-Managed Account Services***

Some Public Trust clients request that we establish one or more non-managed account(s) for the purposes of client reporting. These accounts do not receive ongoing supervision and monitoring services like those provided to accounts through our investment advisory services described above. Public Trust does not make any investment recommendations and will not monitor specific securities or general portfolios for these accounts. The primary purpose for this service is to include non-managed accounts owned by the client in the performance reports provided by Public Trust. Public Trust does not currently charge a fee for this service. However, clients are typically required to enter into a written agreement with Public Trust, and they are provided a copy of this disclosure brochure prior to establishing a non-managed account.

**C. Client Tailored Services and Client Imposed Restrictions**

Public Trust offers the same suite of services to all its SMA clients. However, specific client services are dependent upon the client Investment Policy Statement that outlines each client's current investment objectives (income, cash flow considerations, tax levels, and risk tolerance levels) and is used to construct a client-specific plan to aid in the advice or selection of a portfolio that matches restrictions, needs, and targets.

At the beginning of the client relationship, Public Trust contacts the client to gather and discuss information regarding their overall investment objectives, risk tolerances, and guidelines. Where applicable, an Investment Policy Statement is requested from the client and utilized to tailor the investments and objectives of the portfolio. From there, Public Trust assists the client in determining the investment strategy or strategies that are best suited to meet the client's needs and objectives. Once a client has selected an investment strategy or strategies, Public Trust provides continuous supervision and management of the assets. Clients are responsible for informing Public Trust of any changes to their investment objectives and /or restrictions. Public Trust evaluates client's investment objectives and restrictions and will recommend as necessary any changes to restrictions or strategy(s).

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. Public Trust does not participate in any wrap fee programs.

## **E. Assets Under Management**

As of December 31, 2022, Public Trust had discretionary assets under management in the amount of \$60,565,751,084 and non-discretionary assets under management in the amount of \$4,372,591,235. In addition, Public Trust offers non-investment management services including fund accounting, administrative, and transfer agency services to one LGIP with respect to assets in the amount of \$3,694,870,435.

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Local Government Investment Pool (LGIP) fees***

LGIP account fees are calculated using one of the following methodologies as approved by the LGIP Boards or Treasurer of the State:

- Current day's shares outstanding: The current day's shares outstanding will be multiplied by the applicable fee rate(s) and divided by 365 days (366 days in the event of a leap year) to equal the daily fee accrual. For weekend days and holidays, the shares outstanding for the previous business day will be utilized for the calculation of the fees. Monthly invoice calculations will include holidays and weekends that fall within the month.
- Current day's settled shares outstanding: The applicable fee rate is calculated by taking the fee rate(s) divided by 365 days (366 days in the event of a leap year) and rounded to ten decimal places. The current day's settled shares outstanding will be multiplied by the applicable fee rate(s) to equal the daily fee accrual. For weekend days and holidays, the

settled shares outstanding for the previous business day will be utilized for the calculation of the fees. Monthly invoice calculations will include holidays and weekends that fall within the month.

- **Prior day's net assets:** The applicable fee rate is calculated by taking the fee rate(s) divided by 365 days (366 days in the event of a leap year) and rounded to ten decimal places. The prior day's net assets will be multiplied by the applicable fee rate(s) to equal the daily fee accrual. For weekend days and holidays, the net assets for the previous business day will be utilized for the calculation of the fees. (i.e., Saturday's and Sunday's accruals will utilize Thursday's Net Assets.) Monthly invoice calculations will include holidays and weekends that fall within the month.
- **Ending market value:** The ending market value of the daily holdings of the current business day will be multiplied by the applicable fee rate(s) and divided by 365 days (366 days in the event of a leap year) to equal the daily fee accrual. For weekend days and holidays, the market value for the previous business day will be utilized for the calculation of the fees. Monthly invoice calculations will include holidays and weekends that fall within the month.
- **Ending market value:** The ending market value of the daily holdings on the fifteenth and last calendar days will be multiplied by the applicable fee rate(s) and divided by 365 days (366 days in the event of a leap year) and multiplied by the number of days in the semi-monthly period to equal the monthly accrual. If the fifteenth or the last calendar day fall on a holiday or weekend, then the prior business day will be utilized as the basis for the fee calculation. If the first day of the month is a holiday or weekend day, the ending market value from the preceding business day will be utilized to calculate the daily accrual amount(s). Monthly invoice calculations will include holidays and weekends that fall within the month.

Fees paid to Public Trust for the LGIPs cover portfolio management, fund accounting, administrative and transfer agency services as well as certain auxiliary expenses including but not limited to legal, audit, custodian/treasury, and board expenditures (where applicable). All fees are payable monthly in arrears by the client to Public Trust, the administrator, or the lead participant. All invoices are approved by at least one Board Member or the administrator prior to payment being rendered. Certain agreements between Public Trust and an LGIP's Boards of Trustees can allow for fees to be waived. Fees can be voluntarily waived or abated at any time, or from time-to-time, at the discretion of Public Trust or the client. Periodic fee waivers may be required to adjust the fund's yield performance based on various market conditions. In some cases, waived fees may be recouped by written agreement between Public Trust and the Board of Trustees or the Administrator. Fees will be paid and initiated by Public Trust via Automated Clearing House (ACH), wire, or paid directly by the Board via check or wire.

Fees will be tiered or at a fixed rate depending on the agreement for the specific LGIP. Fees can be charged up to an annual rate of 30 basis points (0.30%). The fee rate may be substantially lower and is typically between 10 and 20 basis points and is based on a number of factors including product type, investment strategy, investment restrictions, and scope of services.

***Separately Managed Account (SMA) fees***

SMA account fees are typically calculated using one of the following methods as recommended by Public Trust:

- Average daily market value of the underlying assets under management (including or excluding certain cash and cash equivalents) and based on the number of days in the month and year for the specified billing cycle of monthly or quarterly;
- Average daily market value plus accrued interest of the assets under management in the account (including or excluding certain cash and cash equivalents) and based on the number of days in the month and year for the specified billing cycle of monthly or quarterly;

We have other fee arrangements in place which are following:

- Weighted average of the average monthly daily book values of the underlying net assets under management in the account (including certain cash and cash equivalents) and based on the number of days in the month, quarter, and year for the specified billing cycle of quarterly;
- Weighted average of the average monthly market values (including or excluding certain cash and cash equivalents) based on the number of days in the month, quarter, and year;
- Ending market value for the month or quarter;
- Ending market value as of the last business day of the month (excluding certain cash and cash equivalents);
- Ending market value plus accrued interest (including or excluding certain cash equivalents) for the month;
- Fixed monthly installments based on an annual fee.

Fees will be calculated based on the number of days in the preceding month or quarter of the billing period. Fees will be based on the number of the days in the year (leap year, 366 days) or at a fixed basis of 365 days. Fees can be calculated based on one twelfth of the annual fee rates. Fees can be prorated if the billing period is not a full monthly or quarterly period.

Fees can be charged up to an annual rate of 17.5 basis points (0.175%) for SMA product offerings. The fee rate may be substantially lower and is based on a number of factors including product type, underlying marketing conditions, account size, investment strategy, investment restrictions, and scope of services.

Public Trust retains the discretion to negotiate alternative fee arrangements on a case-by-case basis depending on the nature of services to be provided, the type of client, the complexity of the client's needs, the amount of assets to be managed, other assets the client may have invested with us, the anticipated future invested assets, and other relevant factors. Fees will be collected via check, ACH, bank wire, or directly from the client's custodian account(s).

Fees will be charged at a fixed-rate, tiered rate structure or a fixed dollar amount per billing period based on the terms of the Investment Advisory Agreement or other written communication by or with the client. Certain agreements cap fees at a maximum amount per quarter or year. Public Trust can also impose a minimum fee of up to \$1,000 per month in accordance with the Agreement or other written communication by or with the client. Certain related client accounts can be grouped together for the purposes of determining the annual fee. Certain agreements or written communication by or with the client allow for management fees to be waived if the average balance(s) in a LGIP managed by Public Trust is maintained for the specified billing period. Certain agreements stipulate that Public Trust pay auxiliary fees such as custody fees and arbitrage fees.

Certain states impose taxes for doing business in that state. These taxes, where agreed upon by the client, will be collected in addition to the fees associated with services provided by Public Trust.

Overall, fees are based upon the needs of the client and complexity of the situation, agreed to in writing with the client, and evidenced in the final fee schedule of the executed Agreement or other written communication by or with the client. Fees are invoiced to the client and are paid either monthly or quarterly in arrears. Clients have the option to terminate their Agreement per the terms of their Agreement with Public Trust. Since fees are charged in arrears, no refund policy is necessary. If the Agreement is terminated by either the client or Public Trust prior to the end of a billing period, fees shall be prorated to the effective date of termination.

All fees charged to clients are fully described in the Investment Advisory Agreement between the client and Public Trust or other written communication by or with the client. Public Trust directly invoices clients for investment advisory services. To the extent the designated custodian consents, some clients provide written authorization for Public Trust to submit their fee invoice to the designated custodian for payment of fees directly from client's account (monthly in arrears). In such instances, Public Trust provides the client with a copy of the fee invoice for the specified billing period. In the event the designated custodian does not consent,

Public Trust shall submit monthly invoices to the client who shall remit payment within 30 days. Public Trust recommends these clients carefully review their custodian statement on at least a quarterly basis and alert us of any discrepancy.

***Consulting Services Fees***

Payment received by Public Trust for providing consulting services to clients is based on the scope of services to be performed, the time frame, and the complexity of the work to be completed. Consulting services are currently disclosed under Types of Advisory Services. Clients are charged based on fixed monthly installments based on an annual fee or based on the average daily total net assets for the previous month on a tiered rate structure, in arrears. The fee is negotiable and depends on the extent of services required and is mutually agreed to in writing by the client and Public Trust.

**B. Other Fees and Expenses**

Depending on the types of investments made in a client's account, a client may also incur certain fees and charges that are imposed by third parties other than PTA. These fees and charges are separate and distinct from the PTA management fees and charges and may include but not be limited to transaction fees, custodial fees, and other associated fees charged by banks and/or broker-dealers. Please see Item 12 for further information on the brokerage practices of Public Trust.

These fees and expenses can be separate from and in addition to the fees charged by Public Trust. Accordingly, each client should review all applicable fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

**C. Prepayment of Fees**

Currently, PTA does not require or solicit prepayment of fees.

**D. Outside Compensation for the Sale of Securities to Clients**

Neither Public Trust nor its supervised persons accept any compensation for the sale of securities or other investment products including asset-based sales charges or services fees from the sale of mutual funds.

**Item 6: Performance-Based Fees and Side-by-Side Management**

Public Trust does not charge or accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

Public Trust offers investment advisory services to state and local U.S. government entities, non-profit corporations, and charitable organizations. Public Trust investment advisory clients include state and municipal governmental entities and non-profit corporations including hospitals, schools, colleges, and cultural institutions that have raised funds through the issuance of tax-exempt debt obligations.

### ***Minimum Account Size***

Currently, there is no minimum account requirement LGIP Participants. Public Trust does not have a stated policy regarding investment minimums for SMA clients. Public Trust takes into account several factors in determining whether to accept new SMA business including but not limited to account size.

## Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

The Public Trust methods of analysis include fundamental and technical analysis.

- Fundamental analysis - Involves the evaluation of a security by attempting to measure its intrinsic value by studying related economic, financial, and other qualitative and quantitative factors.
- Technical analysis - Involves the examination of past market data such as prices and the volume of trading that may provide an estimate of the future value of a security.

#### ***Investment Strategies***

Public Trust has five (5) investment strategies, each with different investment objectives as outlined below.

- Money Market: This strategy is offered only to LGIPs emphasizing convenient, short-term investment opportunities carefully chosen to optimize interest earnings while at the same time maximizing safety and liquidity. Short-term, high-quality fixed-income securities are utilized due to their minimal credit and volatility risk with the objective of maintaining a constant \$1.00 net asset value. Typically, this strategy can invest in U.S. Treasury and

agency securities, commercial paper, repurchase agreements, bank deposits, certificates of deposit, and corporate notes with a weighted average maturity (WAM) to reset of 60 days and WAM to final of 90-120 days.

- **Enhanced Cash:** The overall objective is to preserve capital while providing high current income with a high degree of liquidity and lower excess risk than short-term benchmarks. Short-term, high-quality fixed-income securities are utilized due to their minimal credit and volatility risk. Generally, the WAM of the investments in this strategy can range from six to eighteen months. Typically, this strategy invests in U.S. Treasury and agency securities, commercial paper, short-term corporate notes and bonds, and municipal bonds.
- **Core Assets:** The overall objective is to provide a steady stream of income with longer-term capital appreciation. High-quality, fixed-income investments are utilized to ensure minimal credit and volatility risk. This strategy involves active management of duration, sector, and security selection. Common benchmarks for this strategy are often the ICE BofAML 1-3 Year U.S. Treasury, the ICE BofAML 1-5 Year U.S. Treasury, the ICE BofAML 1-3 Year U.S. Treasury & Agency, and the ICE BofAML 1-5 Year U.S. Treasury & Agency indexes (or other benchmarks as specified in the client's investment policy). Typically, this strategy invests in U.S. Treasury and agency securities as well as medium-term corporate and municipal bonds.
- **Bond Proceeds:** For portfolios where there are liability-driven investment considerations such as clients whose portfolios are funded with bond proceeds that are utilized to make payments associated with certain projects, we recommend securities specifically matched to meet appropriate draw schedules. We modify the portfolio as the schedule changes or as investment opportunities present themselves.
- **Asset Backed Securities:** The overall objective is to provide a steady stream of income with longer term capital appreciation and a total net rate of return in excess of client defined benchmarks which may include the ICE BofAML AAA Asset Backed Securities Index or other indices as may be appropriate based upon client objectives and risk tolerances. This strategy is actively managed, invests in investment grade asset backed securities, and maintains an effective duration of less than 3 years. Asset backed securities are selected to maximize yield while mitigating risk by emphasizing credit quality and capital preservation.

## **B. Material Risks Involved**

Investing involves risks including the possible loss of principal that clients would have to bear. The investment decisions made by Public Trust for clients are subject to certain risks and such decisions may not always be profitable. Public Trust does not guarantee returns or performance against stated benchmarks. Past performance is not a guarantee of future results. Many factors affect performance including changes in market conditions and



interest rates and in response to other economic, political, or financial developments. The following is a summary of common risks associated with investing in fixed-income securities.

- **Interest Rate Risk:** A bond's price and yield share an inverse relationship. Interest rate risk involves a change in a bond's value due to a change in the absolute level in interest rates, the spread between two rates, or a shift in the yield curve. The actual degree of a bond's sensitivity to changes in interest rates depends on various characteristics of the investment such as coupon and maturity.
- **Credit Risk:** The risk that a bond issuer fails to make payments for which it is obligated. Public Trust focuses on an issuer's financial condition to gauge its ability to make payments of interest and principal in a timely manner. Credit risk is also gauged by quality ratings organizations such as Moody's and S&P Global Ratings.
- **Liquidity Risk:** The degree to which an investment can be sold at or near its fair value. The size of a bond's market, the frequency of trades, the ease of valuation, and/or issue size can possibly impact liquidity risk.
- **Market Risk:** The risk that the value of securities owned goes up or down, sometimes rapidly and/or unpredictably, due to factors affecting securities markets generally or within particular industries.
- **Migration Risk:** The risk that an underlying issuer's credit rating can change over time due to fundamental or idiosyncratic factors that impact the value of an investment.
- **Issuer Risk:** The risk that the value of a security declines for a reason directly related to the issuer such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- **Default Risk:** The risk that a bond issuer (or counterparty) will default by failing to repay principal and interest in a timely manner.

The market value of bonds will fluctuate with interest rates and other market conditions prior to maturity and will equal par value at maturity. Interest rates for bonds can be fixed at the time of issuance and payment of principal; interest can be guaranteed by the issuer and, in the case of U.S. Treasury obligations, backed by the full faith and credit of the U.S. Treasury. Since U.S. Treasury bonds have longer maturities, the market value of U.S. Treasury bonds will generally fluctuate more than U.S. Treasury bills.

Public Trust believes that the common risks associated with investing in fixed-income securities as outlined above can be mitigated by prudently diversifying a portfolio's

holdings. Public Trust also manages these portfolio holdings in concert with the client's individual investment policy and risk tolerances.

- **Natural Disasters, Epidemics, Pandemics and Terrorist Attacks:** Areas in which Adviser has an office or where it otherwise does business are susceptible to natural disasters (e.g., fire, flood, earthquake, storm, and hurricane) and epidemics or other outbreaks of serious contagious diseases. The occurrence of a natural disaster or epidemic could adversely affect and severely disrupt the business operations, economies, and financial markets of many countries (even beyond the site of the natural disaster or epidemic) and could adversely affect Adviser's investment program and its ability to do business. In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially, and adversely affect certain industries in which Adviser invests or could affect the areas in which Adviser has offices or where it otherwise does business. Other acts of war (e.g., invasion, other hostilities, and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which Adviser invests.
- **Cybersecurity Risk:** As the use of technology and the frequency of cyberattacks on financial services firms have become more prevalent, investment advisors have become more susceptible to operational risks through breaches in cybersecurity. A breach in cybersecurity refers to both intentional and unintentional events at a Firm or at one of its third-party service providers, that may result in a loss or corruption of data or the unauthorized release or other misuse of confidential information, or generally compromising the Firm's operational capacity. A cybersecurity breach may also result in a third-party obtaining unauthorized access to client information, including contact and account information. In turn, the occurrence of a cybersecurity breach could cause Public Trust and/or a client account to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. In addition, cybersecurity breaches of third-party service providers (e.g., a client's custodian) or issuers of securities in which an account invests can subject or account to many of the same risks associated with direct cybersecurity breaches. Public Trust has established business continuity plans and risk management processes designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including those certain risks may not have been identified, in part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because Public Trust does not directly control the systems, network, or security of third-party service providers. There is also a risk that cybersecurity breaches may not be detected.

## C. Risks of Specific Securities Utilized

### ■ Additional Risks Associated with Investing in Asset Backed Securities

- **Prepayment Risk:** Asset-backed securities may also be subject to prepayment risks, which occur primarily in declining interest rate environments when the borrowers of the underlying assets decide to pay off their loans early. It can result in a lower yield for holders of the security.
  - **Extension Risk:** When interest rates rise, certain obligations will be paid off by the obligor more slowly than anticipated, causing the value of these obligations to fall.
  - **Credit or Default Risk:** Upon the occurrence of certain triggering events or defaults, the investors in a security held by the fund may become the holders of underlying assets at a time when those assets may be difficult to sell or may be sold only at a loss. In the event of a default, the value of the underlying collateral may be insufficient to pay certain expenses, such as litigation and foreclosure expenses, and inadequate to pay any principal or unpaid interest.
  - **Private Securities Risk:** Privately issued asset-backed securities are not traded on an exchange and may have a limited market. Without an active trading market, these securities may be particularly difficult to value given the complexities in valuing the underlying collateral.
- **Treasury Notes and Bonds including Treasury Inflation Protected/Inflation Linked Bonds:** The risk of default on these bonds is dependent upon the U.S. Treasury defaulting; in addition, they carry a potential risk of losing share price value albeit rather minimal.
- **Fixed income** is an investment that guarantees fixed, periodic payments in the future that involve economic risks such as inflationary risk, interest rate risk, default risk, and repayment of principal risk, etc.
- **Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.
- **Short term trading** risks include liquidity, economic stability, and inflation.

## Item 9: Disciplinary Information

### A. Criminal or Civil Actions

Neither Public Trust nor any of its employees have been subject to regulatory disciplinary action.

### B. Administrative Proceedings

There are no administrative proceedings to report.

## **C. Self-Regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker-Dealer or Broker-Dealer Representative**

Neither Public Trust nor any of its representatives are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer. Public Trust does not recommend or select other investment advisors for clients in exchange for compensation from those advisors.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Public Trust nor its representatives are registered as or have pending applications to become a futures commission merchant, commodity pool operator, or commodity trading advisor.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither Public Trust nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

### **D. Selection of Other Advisors or Managers and How This Advisor is Compensated for Those Selections**

All client assets are managed solely by Public Trust. The firm does not select or utilize third party managers or other advisors.

## **Item 11: Code of Ethics, Participation, or Interest in Client Transactions, and Personal Trading**

### **A. Code of Ethics**

Public Trust holds its employees to a very high standard of integrity and business practices. All employees must conduct business in accordance with all applicable laws including federal and state securities laws and regulations and the Code of Ethics, and they shall do so in an ethical and business-like manner. Public Trust has adopted a written Code of Ethics

in accordance with Rule 204A-1 of the Advisers Act of 1940. The Code of Ethics covers the following areas: statement of general policy, access persons, chief compliance officer (CCO) designee, standards of business conduct, personal securities transactions, reporting procedures, personal securities trading limitations, gifts and entertainment, political contributions, outside business activities, protecting the confidentiality of client information, prohibition against insider trading, whistleblower policy, reporting of violations and sanctions, records, and acknowledgement, definitions. Upon request, our Code of Ethics is available to any current or prospective client.

## **B. Recommendations Involving Material Financial Interests**

On infrequent occasions, our employees may invest in securities that coincidentally we also recommend for purchase or sale in our client accounts. The securities we recommend for purchase and sale within our fixed income and multi-asset class portfolios are of the type which the Securities and Exchange Commission has expressly recognized as presenting little opportunity for the type of improper trading which compliance with the Code of Ethics reporting requirements is designed to uncover. Further, our employees are subject to our Code of Ethics, and because our personnel are acting in a fiduciary capacity, we require our employees to put the client's interests ahead of their individual interests or that of the firm with respect to the purchase and sale of securities.

## **C. Investing Personal Money in the Same Securities as Clients**

We have no obligation to buy, sell or recommend for purchase or sale any security that we or our employees may purchase or sell for themselves or for any of our clients. We have no obligation to seek to obtain any material nonpublic information about any issuer of securities, nor to effect transactions for our clients based on any material nonpublic information as may come into our possession.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

Infrequently, Public Trust representatives have the option to buy or sell a security for their own accounts that coincidentally is being purchased or sold for the accounts of its clients. The fixed-income securities that Public Trust recommends for purchase and sale are of the type that the Securities and Exchange Commission has expressly recognized as presenting little opportunity for the type of improper trading that compliance with the Code of Ethics reporting requirements is designed to uncover. Whenever Public Trust representatives act in a fiduciary capacity, they will always put the clients' interests ahead of their own.

## **Item 12: Brokerage Practices**

## A. Selection Criteria and Best Execution

As a fiduciary, Public Trust has an obligation to use its best efforts to seek to obtain the best available price and most favorable execution given the circumstances with respect to all portfolio transactions placed by Public Trust on behalf of our clients. This process is commonly referred to as "best execution." As part of our best execution process, Public Trust evaluates broker-dealers on a variety of criteria including but not limited to: (i) capital strength and stability, (ii) execution capabilities, (iii) trading expertise in fixed-income securities, (iv) inventory of fixed-income securities, (v) liquidity, (vi) any transaction costs, and (vii) reliable and accurate communications and settlement capabilities. From the evaluation, Public Trust selects and maintains a list of brokers (approved brokers) through which transactions will be affected for customer accounts. To help ensure the firm is meeting its best execution obligations Public Trust performs a periodic (no less than annually) review of its trading practices and executions.

## B. Order Aggregation and Allocation

From time-to-time, Public Trust will determine that the purchase or sale of a security is appropriate for multiple client accounts based on a variety of reasons. When this happens, Public Trust will determine whether it is appropriate, in the interest of efficient and effective execution, to attempt to execute the trade orders as one or more block trades (i.e., aggregate the securities to be traded for each such account into one or more trade orders). These circumstances can in turn give rise to actual or potential conflicts of interest among the accounts for whom the security purchase or sale is appropriate and among the subset of those accounts participating in a block trade, especially if the block trade order results in a partial fill. To address these conflicts, Public Trust has adopted policies and procedures regarding allocating investment opportunities and executing block trades to provide an objective and equitable method of allocation so that all clients are treated fairly. The basic objectives of these policies and procedures are as follows:

- Public Trust always allocates investment opportunities among clients' accounts in a fair and equitable manner based on each client's overall investment objectives and strategy and any restrictions placed on the management of the account;
- Public Trust only aggregates clients' trades when it believes that such aggregations are consistent with its duty to seek best execution for its clients;
- Public Trust strives to ensure that no single client participating in a block trade is favored over any other participating client;
- To avoid odd lots containing small allocations, certain adjustments will be made under certain circumstances;

- Non-discretionary accounts may or may not participate in block trades due to liquidity, availability, and cash flow needs.

### **C. Soft Dollar Considerations**

Public Trust prohibits the use of third-party, soft dollar arrangements and has never entered a soft dollar arrangement. Therefore, our customers are never charged for any soft dollar research. However, during doing business, we will receive research including unsolicited research from broker-dealers. This information is often the same material that is made available to all their clients and is publicly available through the Internet.

### **D. Directed Brokerage**

In certain circumstances, Public Trust can accept written direction from a client regarding the use of a specific broker-dealer to execute some or all transactions for that client. When this happens, the client has usually negotiated terms and arrangements for the account with the broker-dealer, and Public Trust will not seek better execution services or prices from other broker-dealers. Depending on the arrangement, Public Trust will not be able to aggregate a client's directed brokerage transaction with other Public Trust client transactions. Importantly, Public Trust will have limited ability to ensure any broker-dealer selected by the client will provide the best possible execution. Thus, the client can pay higher commissions, other transaction costs, greater spreads, or receive less favorable net prices on transactions for the account than would otherwise be the case. Subject to its duty of best execution Public Trust may decline a client's request to directed brokerage if, at the sole discretion of Public Trust, such directed brokerage arrangements would result in additional operational difficulties and/or would not be in the best interest of the requesting client.

### **E. Trade Errors**

Public Trust has internal controls for the prevention of trade errors. However, trade errors in client accounts cannot always be avoided. Public Trust strives to correct all trade errors prior to the settlement of any transaction. Public Trust maintains records of all errors that occur including the original trade ticket, trade date, broker, client affected, identification of the source of the error, the results of the error, and any correction including future preventative measures. Consistent with its fiduciary duty, it is the policy of Public Trust to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated because of the error correction. If the error was caused by Public Trust, the client will be notified, and the trade error will be reviewed and mitigated by Public Trust. If the error is the responsibility of Public Trust, any client transaction will be corrected, and Public Trust will be responsible for any client loss resulting

from an inaccurate or erroneous order. If an investment gain results from the correcting trade, the gain will remain in the client's account. Public Trust will also confer with the client to determine if the client should forego the gain (e.g., due to tax reasons).

Public Trust never retains any portion of any gains made resulting from trade error corrections or profits in any way from trade errors. If the gain does not remain in the account, Public Trust will donate the amount to charity. If related trade errors result in both gains and losses in an account, generally they will be netted.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

A member of portfolio management will review discretionary clients' accounts regarding duration, credit risk and overall portfolio performance on a quarterly basis.

### **B. Factors that will Trigger a Non-Periodic Review of Client Accounts**

Reviews can be triggered by material market, economic or political events, or by changes in the client's financial situation.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Monthly or quarterly reports and/or online access to client transaction activity is provided to all discretionary SMA clients. The report information discloses such items as portfolio returns/yields, holdings, transactions, and issuer concentrations. Custody statements detail the assets and values held in the clients' accounts. Clients are urged to carefully review all custodial statements and compare them to any account reports provided by Public Trust.

Monthly statements are made available to all LGIP Participants denoting their balances, transactions, and income earned for the period. In addition, Public Trust ensures that each LGIP Board, or a designated recipient for the LGIP, receives, at a minimum, quarterly statements from their qualified custodian.

Currently, one LGIP is provided a quarterly, unaudited financial statement that is delivered to the underlying Participants via the LGIP's website shortly after each quarter-end. All LGIPs have an annual financial audit performed by an independent auditing firm. The auditors are registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). Participants are notified via email within 120 days



of the LGIP's fiscal year-end that the annual audited financial statements are available on the LGIP websites. The LGIPs annual reporting dates are either March 31, June 30, September 30, or December 31. The quarterly unaudited and annually audited financial statements are prepared in accordance with accounting standards generally accepted in the United States of America. External audits may not catch all instances of accounting errors and do not provide an absolute guarantee of accuracy.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Public Trust does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to its clients.

### **B. Compensation to Non-Advisory Personnel for Client Referrals**

Public Trust has one or more solicitation arrangements with third-party firms in compliance with the requirements of Rule 206(4)-3 of the Advisers Act of 1940.

The terms and conditions for each solicitation arrangement vary. For the SMA products, if a client is introduced to Public Trust by a solicitor, Public Trust pays that solicitor a fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act of 1940 and any corresponding state securities law requirements. While the specific terms of each agreement can differ, the compensation generally will be based upon the engagement of new clients by Public Trust as well as the retention of those clients. Compensation is calculated using a varying percentage of the fees paid to Public Trust by such clients. Any such fee shall be paid solely from the Public Trust investment management fee and shall not result in any additional charge to the client.

Each prospective SMA client referred to Public Trust under such an arrangement receives a copy of the Public Trust firm brochure and a separate solicitation disclosure document disclosing the nature of the relationship between the third-party solicitor and Public Trust as well as an explanation of how any referral fee is to be determined and paid by Public Trust to the solicitor.

As a result of Public Trust paying all solicitor fees, clients bearing no additional expense. Public Trust believes that as a result all material conflicts of interest are mitigated.

## **Item 15: Custody**

We currently do not have custody of any SMA client assets. However, SMA clients should receive statements on at least a quarterly basis directly from the qualified custodian that holds and maintains their assets. Clients are urged to carefully review all custodial statements and compare them to any account reports provided by Public Trust. In certain cases, the reports from Public Trust can vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies and pricing sources utilized for certain securities.

As a matter of policy and practice, Public Trust is deemed to have custody of certain LGIPs advisory client accounts including funds, securities, or assets by having administrative custodian access. Investors in the LGIPs accounts receive, at a minimum, audited financial statements within 120 days of pooled accounts fiscal year end. Each LGIP Board, or a designated recipient for the LGIP, will receive, at a minimum, quarterly statements from their qualified custodian.

## **Item 16: Investment Discretion**

For accounts where Public Trust is granted discretionary authority in writing, Public Trust will normally determine (without first obtaining client's permission for each transaction) the type of securities to be bought and sold; the dollar amounts of the securities to be bought and sold; the broker-dealers through which transactions will be executed; whether a client's transaction should be combined with those of other clients and traded as a "block;" and the commission rates and/or transactions costs paid to effect the transactions.

For non-discretionary accounts, Public Trust provides suggestions for securities purchased and/or portfolio recommendations to the client and, if agreed upon for investment, implements the transactions.

## **Item 17: Voting Client Securities (Proxy Voting)**

Public Trust will not ask for nor accept voting authority for client securities. Further, the types of securities purchased for clients' accounts are non-equity securities that typically do not have voting rights.

## **Item 18: Financial Information**

### **A. Prepayment of Fees**

Public Trust does not solicit prepayment of more than \$1,200 in fees per client six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet.

**B. Bankruptcy Petitions in Previous Ten Years**

Public Trust has not been the subject of a bankruptcy petition in the last ten years.

# Public Trust Advisors, LLC

## CRD: 159189

### Brochure Supplement (Part 2B of Form ADV)

This brochure supplement provides information about:

- Othneil Stockwell Waud, II, CFA
- Randy Scott Palomba, CFA
- Cory Robert Gebel, CFA
- Sean Joseph Fitzgerald
- Mark John Creger
- Manuel N San Luis
- Dylana Lee Gross
- Robert Joseph Shull II
- Brett S Parsons
- Adam Casey Gunning

This information supplements the Public Trust Advisors, LLC brochure.

You should have received a copy of that brochure.

Please contact Jen Welsh at (303) 256-9666 or at [jen.welsh@publictrustadvisors.com](mailto:jen.welsh@publictrustadvisors.com) if you did not receive Public Trust Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about our investment adviser representatives is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Public Trust Advisors, LLC  
717 17<sup>th</sup> St - Suite 1850  
Denver, CO 80202  
(303) 295-0777

[www.publictrustadvisors.com](http://www.publictrustadvisors.com)

**Othneil (“Neil”) Stockwell Waud II, CFA®** Personal CRD Number: 2651342  
Managing Director, Chief Investment Officer Investment Adviser Representative  
Year of Birth: 1970

## **Item 2: Educational Background and Business Experience**

**Education:**

B.A. Economics, University of Colorado, Boulder - 1992

**Designations:**

CFA – Chartered Financial Analyst

**Business Background:**

12/2011 – Present

Managing Director, Chief Investment Officer  
Public Trust Advisors, LLC

1/1998 - 11/2011

Portfolio Manager  
MBIA/Colorado Investor Services Corp.

## **Item 3: Disciplinary Information**

Mr. Waud has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Waud is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Waud does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Othneil Stockwell Waud II is supervised by Randy Scott Palomba, the portfolio manager at Public Trust Advisors, LLC who supervises all duties and activities of the firm. Mr. Palomba may be reached at the contact information listed on the cover page of this disclosure document. Mr. Waud adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Randy Scott Palomba, CFA®**  
Managing Director, Portfolio Manager  
Year of Birth: 1957

Personal CRD Number: 703954  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

Education:

B.A. Accounting, Western Colorado University - 1979

Designations:

CFA – Chartered Financial Analyst

Business Background:

09/2011 – Present

Managing Director

Public Trust Advisors, LLC

1/1998 - 7/2011

Portfolio Manager

MBIA/Colorado Investor Services Corp.

## **Item 3: Disciplinary Information**

Mr. Palomba has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Palomba is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Palomba does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

As a co-owner and representative of Public Trust Advisors, LLC, Randy Scott Palomba supervises all duties and activities of the firm. Mr. Palomba may be reached at the contact information listed on the cover page of this disclosure document. Mr. Palomba adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Cory Robert Gebel, CFA®**  
Director, Portfolio Manager  
Year of Birth: 1977

Personal CRD Number: 3042866  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

Education:

B.A. Accounting, University of Northern Iowa - 1999

Designations:

CFA – Chartered Financial Analyst

Business Background:

03/2018 – Present	Director, Portfolio Manager Public Trust Advisors, LLC
-------------------	---

01/2012 – 03/2018	Portfolio Manager Bank of the West
-------------------	---------------------------------------

09/2008 – 01/2012	Portfolio Manager Trustpoint Inc.
-------------------	--------------------------------------

## **Item 3: Disciplinary Information**

Mr. Gebel has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Gebel is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Gebel does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Cory Robert Gebel is supervised by Othneil Stockwell Waud. Mr. Waud may be reached at the contact information listed on the cover page of this disclosure document. Mr. Waud adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Sean Joseph Fitzgerald**  
Portfolio Manager  
Year of Birth: 1993

Personal CRD Number: 7513982  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

**Education:**

B.S. Business Administration, University of North Carolina at Wilmington

**Designations:**

Registered Investment Adviser Representative, FINRA Series 65

**Business Background:**

10/2022 – Present	Portfolio Manager Public Trust Advisors, LLC
9/2016 – 10/2022	Senior Credit Analyst Public Trust Advisors, LLC
1/2016 – 6/2016	Server Johnny Lukes Kitchen Bar

## **Item 3: Disciplinary Information**

Mr. Fitzgerald has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Fitzgerald is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Fitzgerald does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Sean Joseph Fitzgerald is supervised by Othneil Stockwell Waud, Managing Director, Chief Investment Officer. Mr. Waud can be reached at the contact information listed on the cover page of this document. Mr. Fitzgerald adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.



**Mark John Creger**  
Director, Portfolio Manager  
Year of Birth: 1974

Personal CRD Number: 2835709  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

**Education:**

B.A. Business Administration, University of Michigan - 1997

**Designations:**

Registered Investment Adviser Representative, FINRA Series 66, FINRA Series 7, FINRA Series 24, FINRA Series 6, FINRA Series 63

**Business Background:**

4/2016 – Present

Director, Senior Portfolio Manager  
Public Trust Advisors, LLC

3/2006 – 3/2016

President of Fund Services Advisors Inc.  
An affiliated broker-dealer and FINRA member firm

12/2006 – 3/2016

CIO, Portfolio Manager  
BLX Group, LLC

8/2001 – 12/2006

Investment Officer/Portfolio Manager  
Bond Logistix, LLC

9/1998 – 8/2001

Associate Portfolio Manager  
Fund Services Advisors, Inc.

## **Item 3: Disciplinary Information**

Mr. Creger has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Creger also serves as a Registered Representative, Principal, and President and member of the board of directors of Fund Services Advisors, Inc. an affiliated broker-dealer and member FINRA firm.

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Creger does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Mark John Creger is supervised by Othneil Stockwell Waud. Mr. Waud may be reached at the contact information listed on the cover page of this disclosure document. Mr. Creger adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Manuel N San Luis**  
Vice President, Portfolio Manager  
Year of Birth: 1984

Personal CRD Number: 5290705  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

**Education:**

B.A. Economics / Public Policy, High Honors, University of California at Berkeley - 2006

**Designations:**

Registered Investment Adviser Representative, FINRA Series 66, FINRA Series 7

**Business Background:**

4/2016 – Present

Vice President, Portfolio Manager  
Public Trust Advisors, LLC

2/2007 – 3/2016

Registered Representative of Fund Services Advisors Inc.  
An affiliated broker-dealer and FINRA member firm

7/2010 – 3/2016

Senior Portfolio Analyst  
BLX Group, LLC

9/2006 – 7/2010

Portfolio Analyst  
Bond Logistix, LLC

## **Item 3: Disciplinary Information**

Mr. San Luis has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. San Luis is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. San Luis does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Manuel N San Luis is supervised by Mark John Creger, Director. Mr. Creger can be reached at the contact information listed on the cover page of this document. Mr. San Luis adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Dylana Lee Gross**  
Director, Investment Services  
Year of Birth: 1993

Personal CRD Number: 6673415  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

**Education:**

B.B.A. Business Administration, Colorado Mesa University - 2015

**Designations:**

Registered Investment Adviser Representative, FINRA Series 65

**Business Background:**

6/2019 – Present

Director of Investment Services  
Public Trust Advisors, LLC

6/2017 – 6/2019

Investment Operations & Fund Accounting Associate  
Public Trust Advisors, LLC

6/2016 – 5/2017

Brokerage Services Representative  
Charles Schwab & Co., Inc.

8/2015 – 5/2016

Executive Assistant  
Canyon View Wellness and Spa

## **Item 3: Disciplinary Information**

Ms. Gross has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Ms. Gross is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Ms. Gross does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Dylana Lee Gross is supervised by Christopher M. DeBow, Managing Director. Mr. DeBow can be reached at the contact information listed on the cover page of this document. Ms. Gross adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Robert Joseph Shull II**  
Director, Investment Services  
Year of Birth: 1962

Personal CRD Number: 1372075  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

**Education:**

B.S. Business Administration, Loyola Marymount University

**Designations:**

Registered Investment Adviser Representative, FINRA Series 7, Series 63, Series 66

**Business Background:**

6/2022 – Present	Director of Investment Services Public Trust Advisors, LLC
3/2022 – 6/2022	Director Emerge Capital Management
10/2016 – 11/2019	Sales PNC Capital Advisors, LLC
2/2013 – 9/2015	Sales Calvert Investment Distributors, Inc.

## **Item 3: Disciplinary Information**

Mr. Shull has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Shull is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Shull does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Robert Joseph Shull II is supervised by Peter Rizzo, Director. Mr. Rizzo can be reached at the contact information listed on the cover page of this document. Mr. Shull adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Brett S Parsons**  
Director, Investment Services  
Year of Birth: 1983

Personal CRD Number: 7701844  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

**Education:**

M.B.A. Business Administration, University of Texas at Tyler

**Designations:**

Registered Investment Adviser Representative, FINRA Series 65

**Business Background:**

01/2023 – Present	Director of Investment Services Public Trust Advisors, LLC
06/2022 – 01/2023	Director of Finance and Operations Weld County School District RE-1
04/2015 – 06/2022	Budget Director Poudre School District R-1

## **Item 3: Disciplinary Information**

Mr. Parsons has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Parsons is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Parsons does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Brett S Parsons is supervised by Peter Rizzo, Director. Mr. Rizzo can be reached at the contact information listed on the cover page of this document. Mr. Parsons adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

**Adam Casey Gunning**  
Senior Director, Investment Services  
Year of Birth: 1973

Personal CRD Number: 2876007  
Investment Adviser Representative

## **Item 2: Educational Background and Business Experience**

**Education:**

B.A. / B.S. Finance, Metropolitan State University of Denver

**Designations:**

Registered Investment Adviser Representative, FINRA Series 65

**Business Background:**

08/2022 – Present	Senior Director of Investment Services Public Trust Advisors, LLC
12/2010 – 07/2022	Senior Vice President UMB Bank
08/2001 – 12/2010	Vice President Zions Bank

## **Item 3: Disciplinary Information**

Mr. Gunning has never had any disciplinary disclosures to be reported.

## **Item 4: Other Business Activities**

Mr. Gunning is not engaged in any investment-related business or occupation (other than this advisory firm).

## **Item 5: Additional Compensation**

Other than salary, annual bonuses, or regular bonuses, Mr. Gunning does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Public Trust Advisors, LLC.

## **Item 6: Supervision**

Adam Casey Gunning is supervised by Peter Rizzo, Director. Mr. Rizzo can be reached at the contact information listed on the cover page of this document. Mr. Gunning adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm's policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

## Public Trust Advisors Privacy Policy

**Last Revised:** March 1, 2023

Public Trust Advisors, LLC (“Public Trust,” “we,” or “us”) respects your privacy. This Privacy Policy describes the types of information we may collect from you when you visit [www.publictrustadvisors.com](http://www.publictrustadvisors.com) or use our other products and services that include an authorized link to this Privacy Policy (collectively, the “Services”), how we use the information we collect, with whom we share it, how we protect it, and the choices we offer you regarding our collection and use of such information.

### 1. INFORMATION WE COLLECT

How We Collect Information. We may collect personal information about you, meaning information that can uniquely identify you, from various sources, such as:

- Directly from you when you use the Services, such as when you fill out a form or contact us via email;
- Social networks through which you may interact with us; and
- Our service providers, business partners and other third parties.

What Information We Collect. The personal information we collect about you may include, without limitation:

- Business contact information, such as name, email address, postal address and phone number.

Information We Collect Automatically. When you use the Services, we may also collect certain information by automated means, such as cookies. A “cookie” is a text file that websites send to a visitor’s computer or other Internet-connected device to uniquely identify the visitor’s browser or to store information or settings in the browser. We may also use third-party analytics tools (such as Google Analytics and Lucky Orange) that collect information about use of the Services and user traffic. The information we collect by automated means may include, without limitation:

- Information about the devices you use to access the Services (such as the IP address and the type of the device, operating system, and web browser);
- Dates, times, and duration of use of the Services; and
- Information on actions taken when using the Services (such as video views and website navigation patterns).

The information we collect automatically is statistical data and does not include personal information. It helps us to improve and personalize our Services, including by enabling us to identify and authenticate users.

### 2. HOW WE RESPOND TO DO NOT TRACK SIGNALS

Your web browser may let you choose your preference as to whether you want to allow the collection of information about your online activities over time and across different websites or online services. At this time, the Services do not respond to the preferences you may have set in your web browser regarding such collection of your information, and the Services may continue to collect information in the manner described in this Privacy Policy.

### 3. HOW WE USE THE INFORMATION WE COLLECT

We may use information we obtain about you to:

- Process orders you place and complete other transactions you have requested using the Services, and provide you with products and services you request;
- Send you information, reports or materials you request;
- Respond to your questions and comments and provide customer support;

- Communicate with you about our products, services, offers, and promotions;
- Operate, evaluate, and improve our business and the products and services we offer;
- Analyze trends and statistics regarding use of the Services and transactions conducted using the Services
- Protect against and prevent fraud, unauthorized transactions, claims, and other liabilities, and manage risk exposure, including by identifying potential hackers and other unauthorized users;
- Enforce our ([Terms and Conditions](#)) and other agreements;
- Comply with applicable legal requirements and industry standards.

We also may use the information we obtain about you in other ways for which we provide specific notice at the time of collection.

#### 4. DISCLOSURE OF INFORMATION

We may disclose aggregated information about our users, and information that does not identify any individual user, without restriction. We may disclose personal information about you:

- To service providers and other third parties we use to support our business;
- To comply with any court order, law, or legal process, including to respond to any government or regulatory request;
- To enforce or apply our ([Terms and Conditions](#)) and other agreements;
- If we believe disclosure is necessary or appropriate to protect the rights, property, or safety of Public Trust, users of the Services, or others; and
- With your consent.

We also reserve the right to transfer your personal information to a buyer or other transferee in the event of a merger, divestiture, restructuring, reorganization, dissolution, sale, or other transfer of some or all of our assets, equity or similar transaction. Should such a sale, merger, or transfer occur, we will use reasonable efforts to direct the transferee to use your personal information in a manner that is consistent with our Privacy Policy.

#### 5. DATA SECURITY

We have implemented measures, including adoption of policies based on the National Institute of Standards and Technology (NIST), intended to protect your personal information from accidental loss and from unauthorized access, use, alteration and disclosure. All information you provide to us is stored on secure servers behind firewalls. Access to your information is restricted to Public Trust employees, registered representatives, and designated software service providers used for legitimate business purposes. Any payment transactions will be encrypted using SSL technology. Please note that the electronic transmission of information is not completely secure. We cannot guarantee that the security measures we have in place to safeguard personal information will never be defeated or fail, or that such measures will always be sufficient or effective. Any transmission of personal information is at your own risk.

#### 6. YOUR CHOICES

We offer you the following choices about the information we collect from you and how we communicate with you:

##### **Cookies**

Most browsers will tell you how to stop accepting new cookies, how to be notified when you receive a new cookie, and how to disable existing cookies. Please note, however, that without cookies you may not be able to take full advantage of all of the features of the Services.

##### **Promotional Communications**

If you have received a promotional email from us, you can opt out of receiving future promotional emails from us by following the unsubscribe instructions contained in such email.



**Web Analytics**

You may opt out of the aggregation and analysis of data collected about you on our website at [Google Analytics](#) and may opt out of collection of data by visiting [Lucky Orange](#).

**Third-Party Tracking**

Although we do not control third parties' collection or use of your information to serve interest-based advertising or other targeted content, a number of these third parties may provide you with ways to choose not to have your information collected or used in this way. You can opt out of receiving targeted advertisements from members of the Network Advertising Initiative by visiting [Network Advertising](#).

**7. CHILDREN UNDER THE AGE OF 13**

The Services are not directed to, and Public Trust does not knowingly collect or solicit personal information from, children under the age of 13. If we learn we have collected or received personal information from a child under the age of 13, we will delete that information. If you believe we might have any information from or about a child under the age of 13, please contact us.

**8. CHANGES TO OUR PRIVACY POLICY**

Public Trust reserves the right to update or change this Privacy Policy at any time. If we make a material change to our Privacy Policy, we will provide notice to you (by email) that our privacy practices have changed and will provide a link to the new policy. In the event we make a material change to how we use your personal information, we will provide you with an opportunity to opt out of such new or different use. The date this Privacy Policy was last revised is at the top of this page. We encourage you to review this Privacy Policy periodically to check for any updates or changes.

**9. DATA TRANSFERS**

Public Trust is based in the United States. When we obtain information about you, we may transfer, process, and store such information outside of the country in which you reside, including in the United States. By using the Services, you consent to the transfer to and processing and storage of your information in countries outside of your country of residence, which may have different data protection laws than those in the country where you reside.

**10. OTHER CALIFORNIA PRIVACY RIGHTS**

California's "Shine the Light" law (Civil Code Section § 1798.83) and California Consumer Privacy Act of 2018 (CCPA) provides additional rights to users of the Services that are California residents. For additional information, please visit our [California Privacy Notice](#).

**11. CONTACT US**

If you have any questions about this Privacy Policy or our information practices, please call us at (303) 295-0777, [Click Here](#), or write to us at Public Trust Advisors, LLC Compliance Department 717 17th Street, Suite 1850 Denver, CO 80202.

Resolution of the Board to Contract with Investment Management Firm

February 26, 2023

In accordance with Section 2256.003 of the Public Funds Investment Act, the District desires to contract with Public Trust Advisors, LLC. "Public Trust". Public Trust is an S.E.C. Registered Investment Advisor. The initial term of the contract will be 2 years.

Adopted this 26th day of February 2024 by the Board of Trustees.

President's signature\_\_\_\_\_

Secretary's signature\_\_\_\_\_

## CUSTODY SERVICES AGREEMENT

**THIS CUSTODY SERVICE AGREEMENT**, (this “Agreement”), effective as of February 26th, 2024 (the “Effective Date”), is made by Little Elm Independent School District (“Client”), Public Trust Advisors (“Investment Advisor”), and UMB Bank, n.a., a national banking association with its principal place of business located in Kansas City, Missouri (the “Custodian” and, together with the Client and Investment Advisor, the “Parties”).

### WITNESSETH:

**WHEREAS**, the Parties desire to enter into an agreement to provide custodial services with respect to the Client’s Custodial Property (as defined below).

**WHEREAS**, each Party agrees that the Custodian will hold such monies and assets of Client under the terms and conditions of this Agreement unless and until instructed by the Client or by the Investment Advisor to use such monies and assets to earn interest, or to acquire, invest in, or otherwise obtain for the benefit of the Client such assets, instruments, or securities held by Custodian (collectively, and including the monies and assets initially deposited with Custodian, “Custodial Property”) as set forth in such Instructions (as defined in Section 9 below).

**WHEREAS**, the Client and Investment Advisor may direct Custodian to invest, trade, or otherwise dispose of the Custodial Property, as may from time to time be required or otherwise authorized pursuant to the terms of any documents governing the operation of Client (the “Operating Documents”) or applicable law.

**WHEREAS**, the Parties have agreed that Custodian will provide the services as set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. The above recitals are hereby incorporated into this Agreement and are made a part hereof, except to the extent modified by the terms and conditions set forth below.

2. Safekeeping of Custodial Property.

(a) The Custodian will provide safekeeping and transaction settlement services for Custodial Property as provided in this Agreement. Custodial Property may consist of assets, instruments, and securities, as permitted by any applicable operating documents of the Client and applicable law (hereinafter “Securities”), as authorized in the Operating Documents or applicable law; **provided, however, that** the Custodian shall have no responsibility for monitoring Client’s portfolio to ensure that it consists only of Securities it is authorized to invest in, it being understood that such responsibility lies with the Client and/or the Investment Advisor. The Custodian shall not be responsible for any property of the Client that is not delivered to the Custodian or for any pre-existing fault or defects in the assets that are delivered to the Custodian.

(b) Manner of Holding Securities.

(1) The Custodian shall at all times hold Securities (i) by physical possession of the share certificates or other instruments representing such Securities, in registered or bearer form, and in either the Custodian's vault, the vault of an agent of the Custodian, or in an account maintained by the Custodian or agent at a Securities System (as hereinafter defined); or (ii) in book-entry form by a Securities System.

The Custodian may hold registrable Securities which have been delivered to it in physical form, by registering the same in the name of the Client, or their nominee(s), or in the name of the Custodian or its nominee(s). All such Securities shall be held in an account of the Custodian containing only assets held by the Custodian for the benefit of the Client. The Custodian may also hold Securities unregistered or in so called street certificate form in order to effect delivery.

(2) The Custodian may deposit and/or maintain Securities, and the Client hereby approves the use of (a) the Depository Trust Company; (b) any other clearing agency registered with the Securities and Exchange Commission under section 17A of the Securities Exchange Act of 1934, which acts as a securities depository; (c) the Federal Reserve Bank or other entity authorized to operate the federal book-entry system described in the regulations of the Department of the Treasury or other book-entry system operated pursuant to comparable regulations of other federal agencies; and (d) any other clearing agency as instructed by the Client. Each of the foregoing shall be referred to in this Agreement as a "Securities System", and all such Securities Systems shall be listed on the attached Appendix B. Use of a Securities System shall be in accordance with applicable Federal Reserve Board and Securities and Exchange Commission (the "SEC") rules and regulations, if any, and with the rules and regulations of such Securities System.

(c) Purchases of Assets.

(1) Securities Purchases. In accordance with Instructions, the Custodian shall, with respect to a purchase of Securities, pay for such Securities out of monies held for the Client, but only insofar as monies are available therein for such purpose, and receive the Securities so purchased. Unless the Custodian has received Instructions to the contrary, such payment will be made only upon receipt of Securities by the Custodian, a clearing corporation of a national securities exchange of which the Custodian is a member, or a Securities System in accordance with the rules of such Securities System. Notwithstanding the foregoing, upon receipt of Instructions: (i) in connection with a repurchase agreement, the Custodian may release funds to a Securities System prior to the receipt of advice from the Securities System that the Securities underlying such repurchase agreement have been transferred by book-entry into the account maintained with such Securities System by the Custodian, **provided that** the Custodian's instructions to the Securities System require that the Securities System may make payment of such funds to the other party to the repurchase agreement only upon transfer by book-entry of the Securities underlying the repurchase agreement into such account; (ii) in the case of interest bearing deposits, currency deposits, and other deposits, the Custodian may make payment therefore before receipt of an advice of transaction; and (iii) in the case of Securities as to which payment for the Securities and receipt of the instrument evidencing the Securities are under generally accepted trade practice or the terms of the instrument representing the Securities expected to take place in different locations or through separate parties, the Custodian may make payment for such Securities prior to delivery thereof in accordance with Instructions, applicable laws, generally accepted trade practices, or the terms of the instrument representing such Security.

(2) Other Assets Purchased. Upon receipt of Instructions and except as otherwise provided herein, the Custodian shall pay for and receive other Custodial Property for the account of Client as provided in Instructions.

(d) Sales of Assets.

(1) Securities Sold. In accordance with Instructions, the Custodian will, with respect to a sale, deliver or cause to be delivered the Securities thus designated as sold to the broker or other person specified in the Instructions relating to such sale. Unless the Custodian has received Instructions to the contrary, such delivery shall be made only upon receipt of payment therefore in the form of: (a) cash, certified check, bank cashier's check, bank credit, or bank wire transfer; (b) credit to the account of the Custodian with a clearing corporation of a national securities exchange of which the Custodian is a member; or (c) credit to the account of the Custodian with a Securities System in accordance with the rules of such Securities System. Notwithstanding the foregoing, the Custodian may deliver Securities prior to receipt of payment for such Securities in accordance with Instructions, applicable laws, generally accepted trade practices, or the terms of the instrument representing such Security. In such cases, the Custodian shall not be responsible for the selection of or the failure or inability to perform of such broker or its clearing agent or for any related loss arising from delivery or custody of such Securities prior to receiving payment.

(2) Other Assets Sold. Upon receipt of Instructions and except as otherwise provided herein, the Custodian shall receive payment for and deliver other Custodial Property for the account of a Client as provided in Instructions.

(3) Unless otherwise directed pursuant to Instructions, the Custodian shall retain as Custodial Property the proceeds of Securities that are sold, have matured, or have been called for prepayment or redemption. Securities or other property received through exchange, contribution, purchase, or otherwise shall also be held as part of the Custodial Property.

(e) Exchange of Securities. Upon receipt of Instructions, the Custodian will exchange Securities for other Securities or cash paid in connection with any reorganization or similar event and will deposit any such Securities in accordance with the terms of any reorganization or protective plan. Unless otherwise directed in Instructions, the Custodian is authorized to (i) exchange Securities for transfer into a nominee name; (ii) sell any fractional shares; and (iii) surrender bonds or other Securities at maturity or call upon receiving payment therefore.

(f) Free Delivery of Assets. Notwithstanding any other provisions of this Agreement, the Custodian, upon receipt of Instructions, will (i) make free delivery of Custodial Property, **provided that** such Custodial Property is on hand and available and (ii) transfer such assets to such broker, dealer, bank, agent, Securities System, or otherwise as specified in such Instructions.

(g) Corporate Actions, Put Bonds, Called Bonds, Etc. When the Custodian learns that particular Securities have been called for prepayment or redemption or are subject to a tender offer, the Custodian will promptly notify the Client and/or Investment Advisor. However, if the notice of prepayment or redemption or tender offer of any such Securities is not published at least ten (10) days prior to the call date in a financial publication to which the Custodian subscribes,

the Custodian shall not be liable for any loss or damage caused by delay in the actual receipt of such notice. In addition, the Client agrees that if the Client or the Investment Advisor gives an Instruction for the performance of an act on the last permissible date for the performance of such act, the Client shall hold the Custodian harmless from any adverse consequences in connection with acting upon or failing to act upon such Instructions.

Unless directed to the contrary in Instructions, the Custodian shall comply with the terms of all mandatory or compulsory exchanges, calls, tenders, redemptions, or similar rights of security ownership of which the Custodian receives notice through publications to which it normally subscribes and shall notify the Client of such action.

(h) Routine Dealings. The Custodian will, in general, attend to all routine and mechanical matters in accordance with industry standards in connection with the sale, exchange, substitution, purchase, transfer, or other dealings with Securities or other Custodial Property except as may be otherwise provided in this Agreement or directed from time to time by Instructions. The Custodian may also make payments to itself or others from the Custodial Property for disbursements and out-of-pocket expenses incidental to handling Custodial Property or other similar matters relating to its duties under this Agreement, **provided that** all such payments shall be accounted for to the Client.

(i) Collections. The Custodian shall (a) collect amounts due and payable to the Client with respect to Custodial Property; (b) promptly credit to the account of the Client and treat as Custodial Property all income and other payments relating to Securities and other Custodial Property held by the Custodian hereunder upon Custodian's receipt of such income or payments, or as otherwise agreed in writing by the Custodian and the Client; (c) promptly endorse and deliver any instruments required to effect such collection; and (d) promptly execute ownership and other certificates and affidavits for all federal, state, local, and foreign tax purposes in connection with receipt of income or other payments with respect to Custodial Property, or in connection with the transfer of such Custodial Property; **provided, however, that** with respect to Securities registered in so-called street name or physical Securities with variable interest rates, the Custodian shall use reasonable efforts to collect amounts due and payable to the Client. The Custodian shall notify the Client in writing by facsimile transmission or in such other manner as the Client and Custodian may agree if any amount payable with respect to Securities or other Custodial Property is not received by the Custodian when due. The Custodian shall not be responsible for the collection of amounts due and payable with respect to Securities or other Custodial Property that are in default.

(j) Proxies and Notices; Compliance with the Shareholders Communication Act of 1985. The Custodian shall deliver or cause to be delivered to the Client all forms of proxies, all notices of meetings, and any other notices or announcements affecting or relating to Client's Securities that are received by the Custodian and, upon receipt of Instructions, the Custodian shall execute and deliver such proxies or other authorizations as may be required. Except as directed pursuant to Instructions, the Custodian shall not vote upon any such Securities, or execute any proxy to vote thereon, or give any consent or take any other action with respect thereto.

The Custodian will not release the identity of the Client to an issuer that requests such information pursuant to the Shareholder Communications Act of 1985 for the specific purpose of direct communications between such issuer and the Client, unless the Client directs the Custodian otherwise in writing.

3. Additions to the Custodial Property. The Client may deposit additional monies to the account(s) governed by this Agreement, which monies are to be added to and included within the existing Custodial Property. The Client may also transfer or deliver Securities or other assets to the Custodian; upon receipt by the Custodian, such Securities or other assets shall be considered Custodial Property.

4. Withdrawals from the Custodial Property. The Client reserves the right to withdraw any part of the Custodial Property after giving written Instructions to the Custodian, and the Custodian will deliver such Custodial Property within twenty-four hours of receiving such Instructions, assuming the Custodial Property is available for delivery.

5. Investment of Custodial Property.

(a) The Custodian's services specifically do not include investment advice, and the Custodian shall be under no duty to make any investment recommendations with regard to the Custodial Property. Investment transactions will be directed pursuant to Instructions. In addition, until such time that the Custodian is otherwise advised in writing, the Investment Advisor also is authorized to direct investment transactions for the account of Client pursuant to Instructions. Neither the Client nor the Investment Advisor will direct any purchases or sales of securities which are not eligible investments under applicable laws; **provided, however, that** the Custodian shall have no responsibility to review such laws or to monitor any investments or investment Instructions for compliance with such laws. Client also confirms that the Investment Advisor has been provided a copy of this Agreement. The Custodian shall be entitled to rely on, and be protected in acting on, Instructions, either written or oral, from the Client and/or the Investment Advisor. The Investment Advisor at no time shall be deemed to have possession of the Custodial Property. The Investment Advisor is allowed to affirm trades and must also provide written authorization of trades for documentation purposes.

(b) Initially, the Client directs the Custodian to invest available cash balances in such short-term money market investment vehicles as the Client designates pursuant to Instructions.

6. Custodial Reports. The Custodian will furnish the Client with monthly reports of all transactions in this account and a list of all Custodial Property. Such reports will include but not be limited to the following: Beginning Balances, Income Cash, Principal Cash, Receipts, Payments, Description of Investments, Changes in Invested Cash, Purchases of Assets, Proceeds of Sales, Total Activity, and Closing Balance. The Client agrees that these reports are sufficient notification of the activities in this account(s) and relieves the Custodian of any and all further requirements of any regulatory authorities. Such reports may be transmitted by the Custodian either in a written document or via a communication effected through the Internet or web-based functionality (including without limitation, emails, data files, and other communications).

7. Notices.

(a) Notices to the Client shall be delivered to:

Little Elm Independent School District  
Attn: [ Jesse Wyse/Jennifer Barrychuck ]  
400 Lobo Lane/Box 6000  
Little Elm, TX 75068

(b) Notices to the Investment Advisor shall be delivered to:

Public Trust Advisors  
717 17th St. Suite 1850  
Denver, CO 80202  
Attention: Steve Dixon

(c) Notices to the Custodian shall be delivered to:

UMB Bank, N.A.  
928 Grand Ave.  
Kansas City, MO 64106  
Attention: Amy Small

8. Standard of Care; Indemnification. The Custodian will not be liable to the Client for any losses or unfavorable results arising from its compliance with the Client's or Investment Advisor's Instructions, unless caused by the Custodian's gross negligence or willful misconduct.

In no event shall the Custodian incur liability hereunder if the Custodian or any Securities System, or any nominee of the Custodian is prevented, forbidden, or delayed from performing, or omits to perform, any act or thing which this Agreement provides shall be performed or omitted to be performed, by reason of: (a) any provision of any present or future law, regulation or governmental or court order; or (b) any event beyond the control of the Custodian or Securities System, such as armed conflict, riots, strikes, lockouts, labor disputes, equipment or transmission failures, natural disasters, or failure of the mails, transportation, communications, or power supply.

The Custodian shall be without liability for any actions taken or omitted in good faith pursuant to the advice of counsel.

The Custodian may rely upon the advice of the Client and upon statements of the Client's administrators, accountants, and other persons believed by it in good faith to be expert in matters upon which they are consulted, and the Custodian shall not be liable for any actions taken or omitted, in good faith, pursuant to such advice or statements.

The Custodian shall rely upon any resolutions of the governing body of the Client and shall have no liability for following any Instruction, advice, notice, request, consent, certificate, instrument, or paper appearing to it to be genuine and to have been properly executed by either the Client or the Investment Advisor. The Custodian shall, unless otherwise specifically provided herein, be entitled to receive as conclusive proof of any fact or matter required to be ascertained from the Client or the Investment Advisor a certificate signed by any officer of Client or Investment Advisor authorized to provide Instructions. The Custodian shall have no liability for any losses, damages, or expenses incurred by the Client arising from the use of a non-secure form of email or other non-secure electronic system or process by the Client or the Investment Advisor.

Without limiting the generality of any other provisions hereof, the Custodian shall be under no duty or obligation to inquire into, nor be liable for:



(a) the validity of the issue of any Securities purchased by the Client, the legality of the purchase thereof or evidence of ownership required to be received by the Client, or the propriety of the decision to purchase or amount paid therefore;

(b) the legality of the sale of any Securities by the Client or the propriety of the amount for which the same were sold; or

(c) any other expenditures, encumbrances of Securities, borrowings, or similar actions with respect to any Custodial Property;

and may, until notified to the contrary, presume that all Instructions received by it are not in conflict with or in any way contrary to any provisions of any Operating Documents or applicable law.

The Custodian shall not be liable to the Client for any loss, damage, or expense incurred by the Client resulting from or occasioned by the actions or omissions of a Securities System, the Investment Advisor, any issuer of Securities, or any broker or other third person with whom the Custodian may deal, in the absence of the Custodian's gross negligence or willful misconduct.

In no event shall the Custodian or Client be liable for attorneys' fees or for special, indirect, consequential, or punitive damages arising in connection with this Agreement.

To the maximum extent permitted by law, Client agrees to limit Custodian's liability for the Client's losses to an amount that shall not exceed the total compensation received by Custodian under this Agreement during the most recent rolling 12-month period or the actual time period this Agreement has been in effect if less than 12 months. This limitation shall apply regardless of the cause of action or legal theory asserted except in the case of gross negligence or willful misconduct or theft of Custodial Property by Custodian or its employees or agents.

9. Form of Instructions from Client or Investment Advisor. An "Instruction", as used herein, shall mean a request, direction, instruction, or certification initiated by the Client or the Investment Advisor and conforming to the terms of this section. An Instruction may be transmitted to the Custodian by any of the following means: (i) a writing manually signed on behalf of the Client or the Investment Advisor by an Authorized Person; (ii) a telephonic or other oral communication from a person the Custodian reasonably believes to be an Authorized Person; (iii) a facsimile transmission that the Custodian reasonably believes has been signed or otherwise originated by an Authorized Person; (iv) a communication effected through the Internet or web-based functionality (including, without limitation, emails, data files, and other communications) on behalf of the Client or Investment Advisor; or (v) other means reasonably acceptable to each Party.

Instructions in the form of oral communications shall be confirmed by the Client or Investment Advisor by either a writing (as set forth in (i) above) or by facsimile (as set forth in (iii) above) but the lack of such confirmation shall in no way affect any action taken by the Custodian in reliance upon such oral Instructions prior to the receipt of such confirmation. With respect to Instructions transmitted by facsimile, the Parties acknowledge and agree that the Custodian cannot verify that the signature of an Authorized Person has been properly affixed and, accordingly, the Custodian shall have no liability as a result of actions taken in reliance on an unauthorized facsimile instruction.

The Custodian shall create and maintain records of any Instructions or notices it receives from Client

or Investment Advisor. If such Instruction or notice was submitted to the Custodian in an electronic medium, the Custodian shall use best efforts to provide information sufficient to allow tracing to the electronic source providing such Instruction or notice.

10. Representations of Parties; Delivery of Resolutions. Each Party represents that (i) its execution hereof does not violate any of the provisions of any Operating Documents or applicable law and (ii) all required organizational action to authorize the execution and delivery of this Agreement has been taken.

The Client has delivered or will promptly deliver to the Custodian copies of the resolution(s) of its governing body and all amendments or supplements thereto, properly certified or authenticated, designating certain officers or employees of the Client, who will have continuing authority to certify to the Custodian the names, titles, signatures, and scope of authority of all officers or employees of the Client and all officers or employees of the Investment Advisor, who are authorized to give Instructions or any other notice, request, direction, instruction, certificate, or instrument on behalf of the Client (or the Investment Advisor, as the case may be). All such persons, whether associated with or employed by the Client or the Investment Advisor, are collectively referred to herein as “Authorized Persons”. Such resolutions and certificates may be accepted and relied upon by the Custodian as conclusive evidence of the facts set forth therein and shall be considered to be in full force and effect until delivery to the Custodian of a similar resolution or certificate to the contrary. Upon delivery of a certificate which deletes or does not include the name(s) of a person previously authorized to give Instructions, such person shall no longer be considered an Authorized Person authorized to give Instructions. Unless the certificate specifically requires that the approval of anyone else will first have been obtained, the Custodian will be under no obligation to inquire into the right of the person giving such Instructions to do so.

11. Advances. In the event that, at the close of the business day on the date of any payment or transfer, there are insufficient funds held by the Custodian to make such payment or transfer, the Custodian will be under no obligation to, and will not, provide an advance of monies to the Client.

12. Fees and Expenses. In consideration of the agreement of the Custodian to render the foregoing services, the Investment Advisor, on behalf of Client, agrees to pay the Custodian compensation in the amounts set forth in the attached Appendix A.

13. Confidentiality. The Parties agree that each shall treat confidentially all information provided by each Party to the other Parties regarding its business and operations. All confidential information provided by a Party shall be used by any other Party solely for the purpose of rendering or receiving services pursuant to this Agreement and, except as may be required in carrying out this Agreement, shall not be disclosed to any third party other than such Party’s affiliated entities. The foregoing shall not be applicable to any information (i) that is publicly available when provided or thereafter becomes publicly available, other than through a breach of this Agreement, (ii) that is independently derived by any Party without the use of any information provided by another Party in connection with this Agreement, or (iii) that is required in any legal or regulatory proceeding, investigation, audit, examination, subpoena, civil investigative demand or other similar process, or by operation of law or regulation, **provided that**, in connection with any disclosure pursuant to this clause (iii) by the Custodian, the Custodian shall notify the Client, if legally permitted to do so, as far in advance of such disclosure as practicable, and upon the Client’s written request and expense, take all reasonable actions the Client may wish to take to ensure that any information disclosed shall be accorded confidential treatment. Upon written request from the Client, the Custodian shall promptly return or destroy any non-public information relating to the Client, except<sup>74</sup> the Custodian may keep copies of the information

for the purpose of maintaining appropriate business records or as may be required by law or any regulatory authority.

14. Term.

(a) This Agreement shall continue in effect for a three-year period beginning on the Effective Date (the “Initial Term”). Thereafter, if not terminated as provided herein, the Agreement shall continue automatically in effect as to the Client for successive annual periods (each a “Renewal Term”).

(b) In the event this Agreement is terminated by the Client prior to the end of the Initial Term or any subsequent Renewal Term, Client shall be obligated to pay the Custodian the remaining balance of the fees payable to the Custodian under this Agreement through the end of the Initial Term or Renewal Term, as applicable. A Party may terminate this Agreement at the end of the Initial Term or at the end of any successive Renewal Term (the “Termination Date”) by giving the other Parties a written notice not less than ninety (90) days’ prior to the end of the respective term. Investment Advisor may terminate this Agreement by giving the other Parties a written notice not less than sixty (60) days’ if it no longer serves as investment advisor to Client.

(c) Upon the termination of this Agreement, Investment Advisor or Client shall pay to the Custodian such fees as may be due the Custodian hereunder, as well as its reimbursable disbursements, costs, and expenses paid or incurred. Upon termination of this Agreement, the Custodian shall deliver, at the terminating Party’s expense, all Securities held by it hereunder to a successor custodian designated by the Client, or, if a successor custodian is not designated, then to the Client or as otherwise designated by the Client pursuant to Instructions. Client’s obligations under this Agreement are subject to the annual appropriation of sufficient funds by Client’s governing body.

15. Other

(a) Taxes and Withholding. The Custodian shall not be responsible or liable for determination or payment of any taxes assessed against the Custodial Property or the income thereof nor for the preparation or filing of any tax returns, other than withholding required by statute or treaty. For such purposes, the status of the Client shall be described as follows (and the Client agrees to notify the Custodian immediately in writing of any change in such status):

The Client is a governmental entity, corporate and politic, duly established under the laws of the State of Texas.

(b) Applicable Law. Missouri law shall govern and construe the terms of this Agreement. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. In such case, the Parties shall in good faith modify or substitute such provision consistent with the original intent of the Parties.

(c) Entire Agreement. This Agreement, including the Appendices hereto, constitutes the entire agreement between the Parties. It may be amended by mutual consent in writing, but its

terms may not be changed or altered by verbal statements made prior or subsequent to the execution hereof.

(d) AML Compliance. The Client has established and maintains policies and procedures designed to meet any applicable requirements imposed by the USA PATRIOT Act, including policies and procedures designed to detect and prevent money laundering, including those required by the USA PATRIOT Act. The Client agrees to provide to the Custodian, from time to time upon the request of the Custodian, certifications regarding its compliance with the USA PATRIOT Act and other anti-money laundering laws (or the lack of applicability to the Program). The Client acknowledges that it or its administrator and distributor will assume responsibility for any applicable customer identification and verification and other CIP requirements.

(e) Counterparts. This Agreement may be executed in one or more Counterparts (including via facsimile or email or other means of electronic delivery), each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the Parties have caused this instrument to be executed.

**UMB Bank, n.a.**

**Little Elm Independent School District**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Amy Small  
Title: Executive Vice President

Name: Jason Olson  
Title: Board of Trustees President

Date:

Date:

**Public Trust Advisors**

By: \_\_\_\_\_

Name: Chris DeBow  
Title: Managing Director  
Date:

## **APPENDIX A TO CUSTODY SERVICE AGREEMENT FEES**

Fees charged pursuant to agreed upon fee schedule between Investment Advisor and Custodian.

### **Out-of-Pocket Expenses**

Out-of-pocket expenses include but are not limited to security transfer fees, certificate fees, shipping/courier fees or charges, bank DDA service charges, proxy fees/charges, legal review/processing of restricted and private placement securities, custom programming charges, and expenses, including but not limited to attorney's fees, incurred in connection with responding to and complying with SEC or other regulatory investigations, inquiries or subpoenas, excluding routine examinations of UMB in its capacity as a service provider.

Final negotiated fees will be fixed for an initial one-year term.

This fee schedule pertains to custody of U.S. domestic assets only. We will provide our fee schedule for Euroclear and global custody upon request.

These fees are preliminary. Final fees are subject to the completion of our due diligence process.

## APPENDIX B TO CUSTODY SERVICE AGREEMENT

The following Securities Systems are approved for use in connection with the Custody Service Agreement between \_\_\_\_\_, Public Trust Advisors, and UMB Bank, N.A.:

Depository Trust Company  
Federal Book Entry

### UMB Bank, n.a.

By: \_\_\_\_\_

Name: Amy Small  
Title: Executive Vice President  
Date:

### Little Elm Independent School District

By: \_\_\_\_\_

Name: Jason Olson  
Title: Board of Trustees President  
Date:

### Public Trust Advisors

By: \_\_\_\_\_

Name: Chris DeBow  
Title: Managing Director  
Date:

---

# Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

---

Board Mtg. Date <b>02-26-2024</b>	<b>Reports of the Superintendent</b> <input type="checkbox"/>	<b>Action Item</b> <input checked="" type="checkbox"/>	<b>Consent Agenda</b> <input type="checkbox"/>	<b>Reports, Routine Monthly</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/>
<b>Subject:</b>	<b>ORDER OF CANCELLATION - MAY 4, 2024 LEISD BOARD OF TRUSTEES ELECTION</b>				
<b>Presenter or Contact Person:</b>	Sonia S. Flores				
<b>Policy/Code:</b>	Elections				
<b>Strategic Plan Goal:</b>					
<b>Summary:</b>	Order of Cancellation				
<b>Financial Implications:</b>	N/A				
<b>Attachments:</b>	N/A				
<b>Recommendation:</b>	<b>The Administration recommends approval of the Order of Cancellation for the May 4, 2024 LEISD Board of Trustees Election.</b>				
<b>Motion:</b>	<b>"I move that the Board approve the Order of Cancellation for the May 4, 2024 LEISD Board of Trustees Election."</b>				

## **ORDER OF CANCELLATION**

### **ORDEN DE CANCELACIÓN**

The Little Elm Independent School District hereby cancels the election scheduled to be held on **May 4, 2024** in accordance with Section 2.053(a) of the Texas Election Code. The following candidates have been certified as unopposed and are hereby elected as follows:

*El Distrito Escolar Independiente de Little Elm por la presente cancela la elección que, de lo contrario, se hubiera celebrado el 4 de mayo de 2024 de conformidad, con la Sección 2.053(a) del Código de Elecciones de Texas. Los siguientes candidatos han sido certificados como candidatos únicos y por la presente quedan elegidos como se haya indicado a continuación:*

<b><u>Candidate (Candidato)</u></b>	<b><u>Office Sought (Cargo al que presenta candidatura)</u></b>
-------------------------------------	---

Jason Olson	Little Elm ISD School Board Trustee Full Three-Year Term
DeLeon English	Little Elm ISD School Board Trustee Full Three-Year Term

A copy of this order will be posted on Election Day at each polling place that would have been used in the election.

*El Día de las Elecciones se exhibirá una copia de esta orden en todas las mesas electorales que se hubieran utilizado en la elección.*

---

President (*Presidente*)

---

Secretary(*Secretario*)

(SEAL)(*sello*)

---

Date of adoption (*Fecha de adopción*)



---

# Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

---

Board Mtg. Date <b>02-26-2024</b>	<b>Reports of the Superintendent</b> <input type="checkbox"/>	<b>Action Item</b> <input checked="" type="checkbox"/>	<b>Consent Agenda</b> <input type="checkbox"/>	<b>Reports, Routine Monthly</b> <input type="checkbox"/>	<b>Other</b> <input type="checkbox"/>
<b>Subject:</b>	<b>CERTIFICATION OF UNOPPOSED CANDIDATES - MAY 4, 2024 LEISD BOARD OF TRUSTEES ELECTION</b>				
<b>Presenter or Contact Person:</b>	Sonia S. Flores				
<b>Policy/Code:</b>	Elections				
<b>Strategic Plan Goal:</b>					
<b>Summary:</b>	Certification of Unopposed Candidates				
<b>Financial Implications:</b>	N/A				
<b>Attachments:</b>	N/A				
<b>Recommendation:</b>	<b>The Administration recommends approval of the Certification of Unopposed Candidates for the May 4, 2024 LEISD Board of Trustees Election.</b>				
<b>Motion:</b>	<b>"I move that the Board approve the Certification of Unopposed Candidates for the May 4, 2024 LEISD Board of Trustees Election."</b>				

## **CERTIFICATION OF UNOPPOSED CANDIDATES**

To:     Presiding Officer of Governing Body  
Al:     *Presidente de la entidad gobernante*

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the election scheduled to be held on May 4, 2024.

*Como autoridad a cargo en la preparacion de la boleta de votacion oficial, por la presente certifico que los siguientes candidatos son candidatos unicos para un cargo en la eleccion que se llevara a cabo el 4 de mayo del 2024.*

### **Offices(s) Cargo(s)**

Little Elm ISD School Board Trustee - Full Three-Year Term  
Little Elm ISD School Board Trustee - Full Three-Year Term

### **Candidate(s) Candidato(s)**

Jason Olson  
DeLeon English

\_\_\_\_\_  
Signature (*Firma*)

**Sonia S. Flores**

\_\_\_\_\_  
Printed Name (*Nombre en letra de molde*)

### **Admin. Asst. to Supt. and Board/Elections Filing Clerk**

\_\_\_\_\_  
Title (*Puesto*)

**February 26, 2024**

\_\_\_\_\_  
Date of signing (*Fecha de firma*)

(SEAL) (*sello*)

---

# Board Agenda Item

Little Elm Independent School District  
400 Lobo Lane  
Little Elm, Texas 75068

---

Board Mtg. Date <b>02-26-24</b>	Reports of the Superintendent <input type="checkbox"/>	Action Item <input type="checkbox"/>	Consent Agenda <input checked="" type="checkbox"/>	Reports, Routine Monthly <input type="checkbox"/>	Other <input type="checkbox"/>
<b>Subject:</b>	<b>OFF-CAMPUS PHYSICAL EDUCATION SITE</b>				
<b>Presenter or Contact Person:</b>	Dr. Penny Tramel, Assistant Superintendent for Curriculum and Learning				
<b>Policy/Code:</b>	FEB (LEGAL)				
<b>Strategic Plan Goal:</b>	We will engage each student in learning experiences that increase student growth and achievement.				
<b>Summary:</b>	The Off-Campus PE Site, Caveirinha Ju-Jitsu Academy of Frisco (CJFF), is submitted for Board approval. This site has been approved by the Texas Education Agency.				
<b>Financial Implications:</b>	There is no financial impact to the budget.				
<b>Attachments:</b>	N/A				
<b>Recommendation:</b>	<b>The Administration recommends the Board approve the Off- Campus PE Site as submitted.</b>				
<b>Motion:</b>	<b>I move the Board approve the Off-Campus PE Site as submitted.</b>				

---

# Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

---

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
02-26-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Subject:</b>	FINANCIAL REPORTS - DECEMBER 2023				
<b>Presenter or Contact Person:</b>	Jesse Wyse, Executive Director of Budget and Finance				
<b>Policy/Code:</b>	Board Legal Status Powers and Duties – BAA (LOCAL) Annual Operating Budget – CE (LOCAL)				
<b>Strategic Plan Goal:</b>	Ensuring Fiscal Health & Sustainability				
<b>Summary:</b>	Monthly financial reports are prepared by the Business Services Department. <i>*Financial report format currently under construction for improved clarity for end users.</i>				
<b>Financial Implications:</b>	As this is a report only, there are no direct financial implications. Each month, financial reports are prepared detailing the status of the District's budget as of the most recent accounting period. The following reports are included to provide financial transparency.				
<b>Attachments:</b>	Financial Reports Expenditures by Major Object (for Board Adopted Funds 199, 240, 511) Budget to Actuals (for Board Adopted Funds 199, 240, 511) Cash Flow Statement Cash Position Quarterly Investment Reports Property Tax Collection Reports Capital Project Reports Quarterly Expenditures >\$50k and <\$100k Quarterly Donations Report				

<b>Recommendation:</b>	<b>The Administration recommends approval of the December 2023 Financial Reports as presented.</b>
<b>Motion:</b>	<b>I move that the Board approve the December 2023 Financial Reports as presented.</b>

# Financial Report

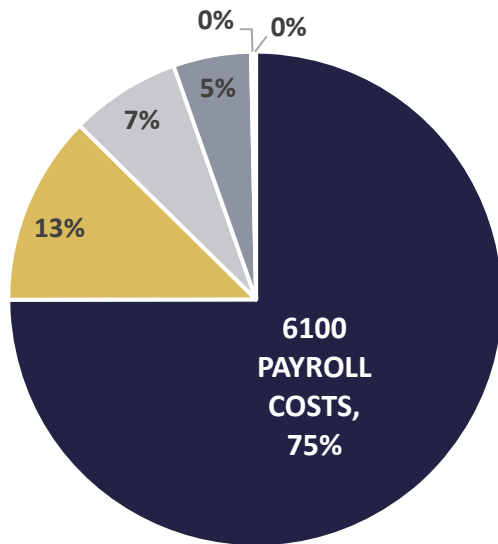
## December

- Budget to Actuals
- Expenditures by Major Object
- Cash Flow Statement
- Cash Position
- Quartly Investment Reports
- Property Tax Collection Report
- Capital Project Reports
- Quarterly Expenditures > \$50k and < \$100k
- Quarterly Donations

Revenue and Expenditures  
By Major Object Code  
Through Accounting Period: December 2023

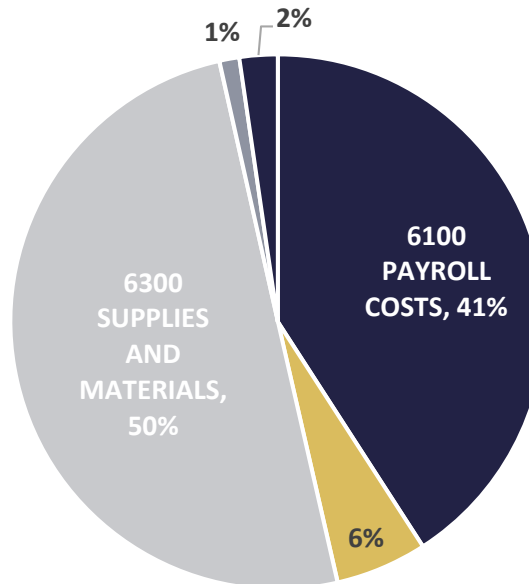


General Fund - 199



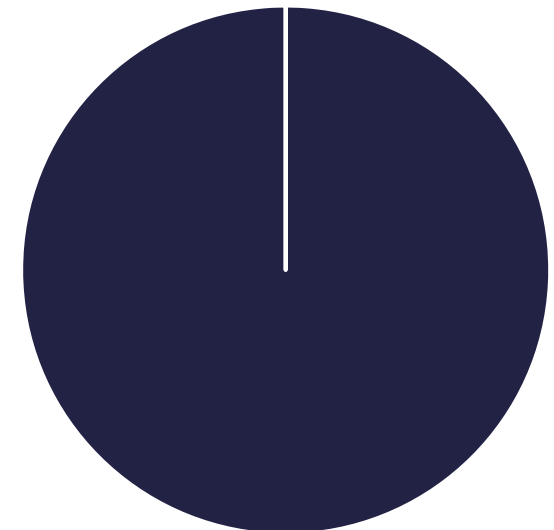
- 6100 PAYROLL COSTS
- 6200 PROFESSIONAL & CONTRACTED
- 6300 SUPPLIES AND MATERIALS
- 6400 OTHER OPERATING COSTS
- 6500 DEBT SERVICE
- 6600 CPTL OUTLY LAND BLDG & EQUIP

Child Nutrition - 240



- 6100 PAYROLL COSTS
- 6200 PROFESSIONAL & CONTRACTED
- 6300 SUPPLIES AND MATERIALS
- 6400 OTHER OPERATING COSTS
- 6600 CPTL OUTLY LAND BLDG & EQUIP

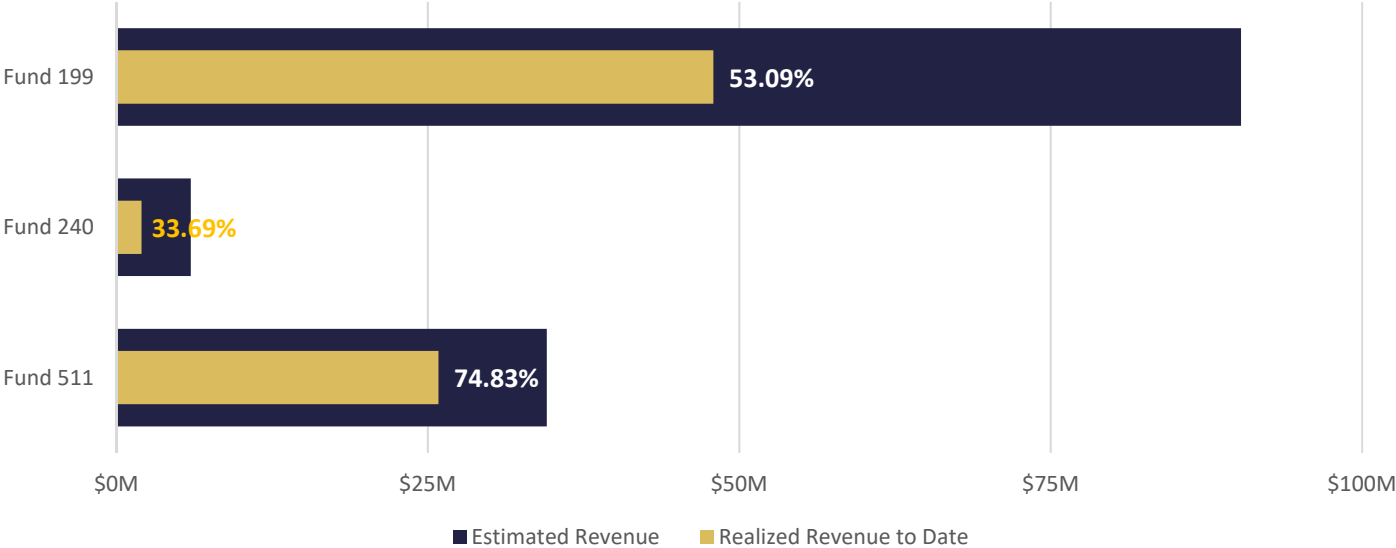
DEBT SERVICE - 511



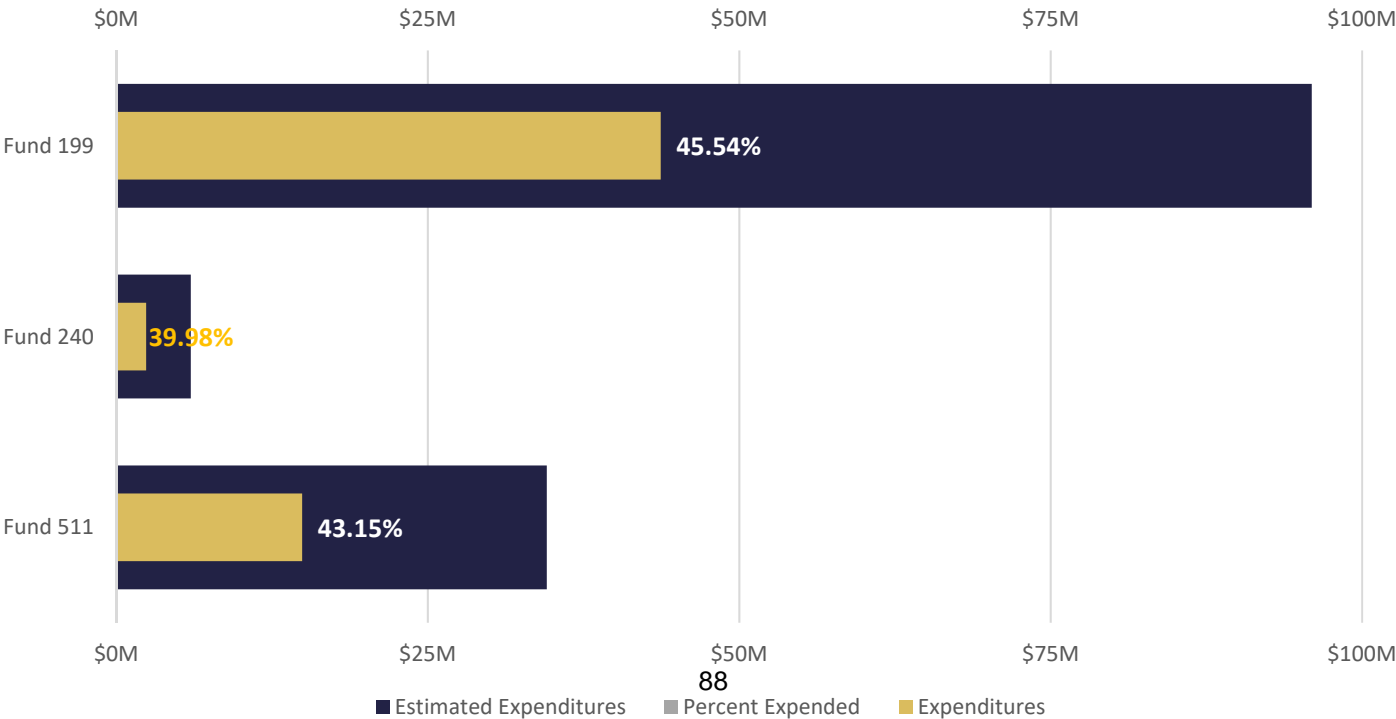
- 6500 DEBT SERVICE



Revenue: Estimated vs. Realized



Expenditures: Estimated vs. Expended





Revenues and Expenditures by Major Object Code  
 LITTLE ELM I.S.D  
 Accounting Periods: 07 through 12  
 ACTUALS THROUGH DECEMBER

Class/Major Object Code	Est Rev/Approp	Encumbrances	Real Rev/Exp	Balances
<b>Fund Code 199 / 4 - GENERAL FUND</b>				
6100 PAYROLL COSTS	-71,279,478.00	.00	32,891,637.28	-38,387,840.72
6200 PROFESSIONAL & CONTRACTED SVS	-15,101,651.53	4,460,032.07	5,864,449.15	-4,777,170.31
6300 SUPPLIES AND MATERIALS	-4,939,972.10	468,215.94	2,879,937.24	-1,591,818.92
6400 OTHER OPERATING COSTS	-3,442,929.00	254,349.92	1,917,648.83	-1,270,930.25
6500 DEBT SERVICE	-241,364.70	144,934.30	95,730.40	-700.00
6600 CPTL OUTLY LAND BLDG & EQUIP	-950,162.00	19,906.00	47,340.01	-882,915.99
<b>Subtotals for Fund 199 / 4</b>	<b>-95,955,557.33</b>	<b>5,347,438.23</b>	<b>43,696,742.91</b>	<b>-46,911,376.19</b>
<b>Fund Code 240 / 4 - NATL BREAKFAST/LUNCH PROGRAM</b>				
6100 PAYROLL COSTS	-2,520,508.00	.00	971,152.91	-1,549,355.09
6200 PROFESSIONAL & CONTRACTED SVS	-193,179.64	46,411.16	146,049.21	-719.27
6300 SUPPLIES AND MATERIALS	-3,124,012.00	835,078.10	1,202,385.76	-1,086,548.14
6400 OTHER OPERATING COSTS	-66,000.00	1,221.27	23,846.09	-40,932.64
6600 CPTL OUTLY LAND BLDG & EQUIP	-72,000.00	.00	45,407.57	-26,592.43
<b>Subtotals for Fund 240 / 4</b>	<b>-5,975,699.64</b>	<b>882,710.53</b>	<b>2,388,841.54</b>	<b>-2,704,147.57</b>
<b>Fund Code 511 / 4 - DEBT SERVICE FUND</b>				
6500 DEBT SERVICE	-34,547,751.00	7,700.00	14,908,493.73	-19,631,557.27
<b>Subtotals for Fund 511 / 4</b>	<b>-34,547,751.00</b>	<b>7,700.00</b>	<b>14,908,493.73</b>	<b>-19,631,557.27</b>
<b>Grand Totals</b>	<b>-136,479,007.97</b>	<b>6,237,848.76</b>	<b>60,994,078.18</b>	<b>-69,247,081.03</b>

End of Report

Revenues and Expenditures by Major Object Code  
LITTLE ELM I.S.D  
Accounting Periods: 07 through 12  
ACTUALS THROUGH DECEMBER

Class/Major Object Code	Est Rev/Approp	Encumbrances	Real Rev/Exp	Balances
<b>Fund Code 199 / 4 - GENERAL FUND</b>				
5700 REVENUE-LOCAL AND INTERMEDIATE	62,455,700.00	.00	-38,805,384.92	23,650,315.08
5800 STATE PROGRAM REVENUES	25,597,031.00	.00	-7,071,167.36	18,525,863.64
5900 FEDERAL PROGRAM REVENUES	2,224,637.00	.00	-2,049,573.45	175,063.55
<b>Subtotals for Fund 199 / 4</b>	<b>90,277,368.00</b>	<b>.00</b>	<b>-47,926,125.73</b>	<b>42,351,242.27</b>
<b>Fund Code 240 / 4 - NATL BREAKFAST/LUNCH PROGRAM</b>				
5700 REVENUE-LOCAL AND INTERMEDIATE	2,085,774.00	.00	-987,546.91	1,098,227.09
5800 STATE PROGRAM REVENUES	517,970.00	.00	.00	517,970.00
5900 FEDERAL PROGRAM REVENUES	3,371,956.00	.00	-1,024,766.69	2,347,189.31
<b>Subtotals for Fund 240 / 4</b>	<b>5,975,700.00</b>	<b>.00</b>	<b>-2,012,313.60</b>	<b>3,963,386.40</b>
<b>Fund Code 511 / 4 - DEBT SERVICE FUND</b>				
5700 REVENUE-LOCAL AND INTERMEDIATE	34,347,125.00	.00	-23,604,009.64	10,743,115.36
5800 STATE PROGRAM REVENUES	200,626.00	.00	-2,249,120.00	-2,048,494.00
<b>Subtotals for Fund 511 / 4</b>	<b>34,547,751.00</b>	<b>.00</b>	<b>-25,853,129.64</b>	<b>8,694,621.36</b>
<b>Grand Totals</b>	<b>130,800,819.00</b>	<b>.00</b>	<b>-75,791,568.97</b>	<b>55,009,250.03</b>

End of Report

**Little Elm Independent School District  
General Operating Cash Flow Statement  
FY 2023-2024**

	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	TOTAL
Beginning Cash Balance in Bank	30,370,136.36	34,347,645.76	36,348,406.52	37,557,556.15	32,590,011.84	26,285,412.26							30,370,136.36
RECEIPTS													
Tax Collections	-	-	-	-	-	0.00	-	-	-	-	-	-	-
Interest	48,922.77	53,296.60	56,683.91	50,250.98	40,850.31	42,519.89							292,524.46
Other Local Revenue	87,932.36	2,054,910.50	278,009.88	199,051.04	238,118.06	114,551.64							2,972,573.48
State Revenue - Available School	1,232.60	854.77	10,728.93	7,639.73	1,631.26	14,655.56							36,742.85
State Revenue - Foundation	357,459.00	961,447.00	2,479,832.00	192,637.00	416,211.00	195,754.00							4,603,340.00
State Revenue - Debt Service	-	-	64.00	1,726,388.00	-	0.00							1,726,452.00
State Revenue - Misc	-	-	-	-	-	2,249,120.00							2,249,120.00
SHARS Receipts	6,623.36	21,780.00	700.00	-	-	273,050.76							302,154.12
Federal Program Revenue	378,667.58	1,699,566.95	373,039.89	1,620,444.13	1,468,855.81	240,305.50							5,780,879.86
Federal Program Revenue 240	23,936.09	-	-	588,728.27	264,144.72	1,429.20							878,238.28
Lunch Revenue - local 240	2,232.83	203,488.33	218,231.91	194,684.45	194,053.20	169,972.81							982,663.53
Payroll Deposits	417.00	1,178.59	-	2,522.67	138.36	378.08							4,634.70
Transfers from Debt Service	-	-	-	-	-	0.00							-
Transfers from Investment Acct	12,000,000.00	7,000,000.00	7,000,000.00	1,516,787.34	1,000,000.00	7,148,363.55							35,665,150.89
Total Revenue	12,907,423.59	11,996,522.74	10,417,290.52	6,099,133.61	3,624,002.72	10,450,100.99	-	-	-	-	-	-	55,494,474.17
DISBURSEMENTS													
Payroll Checks	26,167.73	3,899,016.52	4,067,740.75	4,141,082.15	4,112,598.93	4,157,970.53							20,404,576.61
Accounts Payable Checks	3,724,299.53	4,532,064.52	3,569,792.03	5,264,556.09	2,688,992.22	3,464,731.33							23,244,435.72
TRS	4,647,642.74	1,105,793.87	1,091,652.02	1,175,063.18	1,176,370.05	1,159,872.45							10,356,394.31
IRS	531,804.19	458,887.07	478,956.09	485,976.50	482,809.15	496,579.99							2,935,012.99
Bank Charges/ NSF's/Bk Trans	-	-	-	-	-	-							-
Total Expenditures	8,929,914.19	9,995,761.98	9,208,140.89	11,066,677.92	8,460,770.35	9,279,154.30	-	-	-	-	-	-	56,940,419.63
Cash Transferred to Debt Service	-	-	-	-	-	-							-
Transfers to Investment Accounts	-	-	-	-	-	-							-
In Transit	-	-	-	-	1,467,831.95	(93,482.59)	-	-	-	-	-	-	91,374,349.36
Total Expenditures & Transfers	8,929,914.19	9,995,761.98	9,208,140.89	11,066,677.92	9,928,602.30	9,185,671.71	-	-	-	-	-	-	58,314,768.99
Net Change in Cash	3,977,509.40	2,000,760.76	1,209,149.63	(4,967,544.31)	(6,304,599.58)	1,264,429.28	-	-	-	-	-	-	(2,820,294.82)
Ending Cash Balance in bank	34,347,645.76	36,348,406.52	37,557,556.15	32,590,011.84	26,285,412.26	27,549,841.54	-	-	-	-	-	-	27,549,841.54
Beginning Cash Balance Lone Star	22,408,297.43	22,506,886.57	21,916,864.51	21,745,112.95	20,144,311.17	20,169,067.35							22,408,297.43
Beginning Cash Balance TexStar	1,518,974.29	1,525,571.02	1,532,434.82	1,539,123.54	1,546,080.90	1,552,854.83							1,518,974.29
Beginning Cash Balance Texas Class	215,745,425.17	205,022,103.97	199,154,690.26	193,119,728.24	194,182,239.05	195,201,794.62							215,745,425.17
Interest Earned Lone Star	98,589.14	101,016.61	96,217.40	98,700.97	89,992.42	92,334.77							576,851.31
Interest Earned TexStar	6,596.73	6,863.80	6,688.72	6,957.36	6,773.93	7,039.80							40,920.34
Interest Earned TexasClass	946,425.96	934,189.47	886,330.46	911,612.58	890,790.56	954,114.72							5,523,463.75
Transfers in	330,252.84	198,396.82	83,800.60	150,898.23	1,128,765.01	31,300,950.37							33,193,063.87
Transfers out	(12,000,000.00)	(7,691,038.67)	(7,273,062.04)	(1,699,502.75)	(1,065,236.24)	(7,130,806.55)							(36,859,646.25)
In Transit					671,998.68	4,387,616.31							
Ending Cash Balance Invested	229,054,561.56	222,603,989.59	216,403,964.73	215,872,631.12	217,595,715.48	246,534,966.22	-	-	-	-	-	-	242,147,349.91
TOTAL CASH AVAILABLE	263,402,207.32	258,952,396.11	253,961,520.88	248,462,642.96	243,881,127.74	274,084,807.76	-	-	-	-	-	-	269,697,191.45

**Little Elm Independent School District  
Debt Service Cash Flow Statement  
FY 2023-2024**

	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	TOTAL
<i>Beginning Cash Balance in Bank</i>	1,441,186.15	1,444,310.68	1,447,441.98	1,450,478.73	1,453,623.40	1,456,673.12							1,441,186.15
<b>RECEIPTS</b>													
Tax Collections	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	3,124.53	3,131.30	3,036.75	3,144.67	3,049.72	3,158.10							18,645.07
Bond Issuance	-	-	-	-	-	-							-
Transfer from General Operating	-	-	-	-	-	-							-
Transfers from Investment Acct	-	-	-	-	-	-							-
Total Revenue	3,124.53	3,131.30	3,036.75	3,144.67	3,049.72	3,158.10	-	-	-	-	-	-	18,645.07
<b>DISBURSEMENTS</b>													
Wire Bond Issuance Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Charges/ NSF's/Bk Trans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to Investment Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Operating	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures & Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Cash	3,124.53	3,131.30	3,036.75	3,144.67	3,049.72	3,158.10	-	-	-	-	-	-	18,645.07
<b>Ending Cash Balance in bank</b>	<b>1,444,310.68</b>	<b>1,447,441.98</b>	<b>1,450,478.73</b>	<b>1,453,623.40</b>	<b>1,456,673.12</b>	<b>1,459,831.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,459,831.22</b>
Beginning Cash Balance TexPool	23,031,523.81	23,289,114.43	8,540,400.87	8,616,489.90	8,732,513.33	9,466,360.53							23,031,523.81
Interest Earned TexPool	100,590.34	59,707.18	37,430.83	39,372.93	39,387.85	74,319.95							350,809.08
Transfers in	157,000.28	98,272.99	38,658.20	76,650.50	694,459.35	19,458,506.60							29,523,547.92
Transfers out	-	(14,906,693.73)											(14,906,693.73)
In Transit	-				436,379.03	2,718,415.75							3,154,794.78
<b>Ending Cash Balance Invested</b>	<b>23,289,114.43</b>	<b>8,540,400.87</b>	<b>8,616,489.90</b>	<b>8,732,513.33</b>	<b>9,902,739.56</b>	<b>31,717,602.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,153,981.86</b>
<b>TOTAL CASH AVAILABLE</b>	<b>24,733,425.11</b>	<b>9,987,842.85</b>	<b>10,066,968.63</b>	<b>10,186,136.73</b>	<b>11,359,412.68</b>	<b>33,177,434.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,613,813.08</b>

**0001 - GENERAL OPERATING**

Cash Ending Balance:	17,390,644.59
Add Investment:	
<b>Total:</b>	<b>17,390,644.59</b>

**0002 - PAYROLL CLEARING**

Cash Ending Balance:	9,860.63
Add Investment:	
<b>Total:</b>	<b>9,860.63</b>

**0003 - DEBT SERVICE**

Cash Ending Balance:	1,459,831.22
Add Investment:	
<b>Total:</b>	<b>1,459,831.22</b>

**0004 - CREDIT CARD**

Cash Ending Balance:	149,336.32
Add Investment:	
<b>Total:</b>	<b>149,336.32</b>

**0005 - ECR**

Cash Ending Balance:	10,000,000.00
Add Investment:	
<b>Total:</b>	<b>10,000,000.00</b>

**0006 - LONESTAR**

Cash Ending Balance:	19,928,150.74
Add Investment:	
<b>Total:</b>	<b>19,928,150.74</b>

**0007 - TEXSTAR**

Cash Ending Balance:	1,559,894.63
Add Investment:	
<b>Total:</b>	<b>1,559,894.63</b>

**0008 - TEXAS CLASS**

Cash Ending Balance:	225,046,920.85
Add Investment:	
<b>Total:</b>	<b>225,046,920.85</b>

**0009 - TEXPOOL**

Cash Ending Balance:	31,717,602.83
Add Investment:	
<b>Total:</b>	<b>31,717,602.83</b>

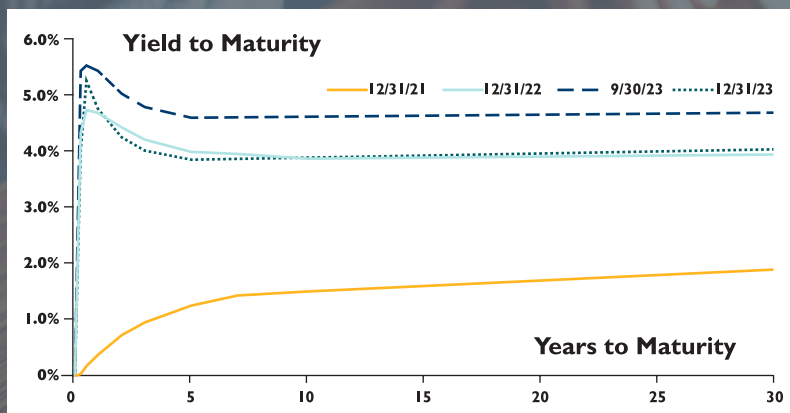
**TOTALS**

Cash Ending Balance	307,262,241.81
Add Investment Balance	.00
<b>Totals</b>	<b>307,262,241.81</b>

End of Report

# Quarterly Position Report

## December 31, 2023

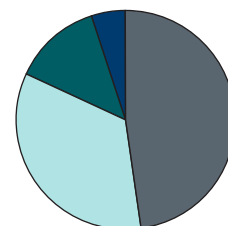


US Treasury yields fell sharply during the final quarter of 2023, with the two- to three-year area of the curve leading the way with a decline of 79 basis points each. The equity markets rallied on the idea of lower interest rates as the S&P 500 Index gained over 11%. For all of 2023, the S&P 500 rose by over 24%. The decline in US Treasury yields was primarily due to two dovish Federal Open Market Committee (FOMC) meetings. The Federal Reserve's (Fed) messaging at the November 1 meeting was perceived as dovish by the market. The Fed highlighted tightening financial conditions as higher bond yields have been doing work for the Fed. At the December 13 FOMC meeting, policymakers noted that growth of economic activity "had slowed from its strong pace in the third quarter," while inflation "had eased over the past year but remains elevated." These changes would not have been too dovish in isolation, but the dot plot also moved sharply lower. From September's Summary of Economic Projections, the median dot for the end of 2024 fell from 5.1% to 4.6%, indicating 75 basis points of cuts during the year. These changes caused an immediate downward move in yields across the curve. The market pricing is much more aggressive than the Fed dots indicated. At the end of December, the futures market was pricing in six rate cuts of 25 basis points each in 2024.

### Government Overnight Fund Duration 0.11405

	Participant Assets	Market Value
Beginning of Quarter Balance	5,501,612,590.64	5,501,985,676.29
Deposits	3,698,014,951.86	
Withdrawals	(2,874,828,483.66)	
End of Quarter Balance	6,324,799,058.84	6,325,468,400.45

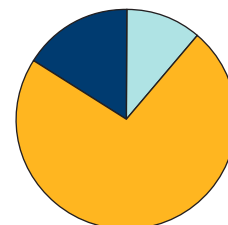
Agencies	48%
Cash/Repo	34%
Treasuries	13%
MM Funds	5%



### Corporate Overnight Fund Duration 0.22842

	Participant Assets	Market Value
Beginning of Quarter Balance	3,058,089,354.77	3,058,075,524.24
Deposits	1,729,888,902.95	
Withdrawals	(1,391,331,967.87)	
End of Quarter Balance	3,396,646,289.85	3,397,100,054.32

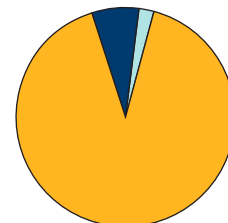
Commercial Paper	73%
MM Funds	16%
Cash/Repo	11%



### Corporate Overnight Plus Fund Duration 0.26255

	Participant Assets	Market Value
Beginning of Quarter Balance	9,911,931,094.96	9,911,424,017.28
Deposits	4,757,247,726.05	
Withdrawals	(4,497,072,221.15)	
End of Quarter Balance	10,172,106,599.86	10,173,460,553.93

Commercial Paper	91%
MM Funds	7%
Cash/Repo	2%



### Returns

	October		November		December	
	Average Rate	7-day SEC Yield	Average Rate	7-day SEC Yield	Average Rate	7-day SEC Yield
Govt Overnight Fund	5.32%	5.33%	5.35%	5.36%	5.35%	5.37%
Corp Overnight Fund	5.57%	5.59%	5.62%	5.63%	5.60%	5.59%
Corp Overnight Plus Fund	5.61%	5.63%	5.65%	5.66%	5.65%	5.65%

*William Mastrodicasa*  
William Mastrodicasa

Lone Star Investment Pool Investment Officers

*Tammy Davis*  
Tammy Davis

Distributed by First Public. The Lone Star Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, charges, and expenses associated with this or any security prior to investing. Investment in Lone Star Investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency, and although Lone Star seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in Lone Star. For further information or for an Information Statement, contact First Public at 800.558.8875.

**Account Statement Texas CLASS**

<b>Entity Name</b>	<b>Report Period</b>	<b>Start Date</b>	<b>End Date</b>	<b>Average Yield for the Period</b>
Little Elm ISD		10/1/2023	12/31/2023	5.5716%

<b>Account Name</b>	<b>Beginning Balance</b>	<b>Contributions</b>	<b>Withdrawals</b>	<b>Ending Balance</b>	<b>Income Earned for Period</b>
CONSTRUCTION 2016	0.00	0.00	0.00	0.00	0.00
Bond 2023	187,092,390.42	0.00	3,797,555.17	185,929,523.55	2,634,688.30
<b>Total</b>	187,092,390.42	0.00	3,797,555.17	185,929,523.55	2,634,688.30

**Account Statement Texas CLASS Government**

<b>Entity Name</b>	<b>Report Period</b>	<b>Start Date</b>	<b>End Date</b>	<b>Average Yield for the Period</b>
Little Elm ISD		10/1/2023	12/31/2023	5.2206%

<b>Account Name</b>	<b>Beginning Balance</b>	<b>Contributions</b>	<b>Withdrawals</b>	<b>Ending Balance</b>	<b>Income Earned for Period</b>
CONSTRUCTION BOND 2018	0.00	0.00	0.00	0.00	0.00
GENERAL FUND	797,030.37	32,580,613.61	4,000,000.00	29,430,206.74	52,562.76
Construction Bond 2020	0.00	0.00	0.00	0.00	0.00
CONSTRUCTION BOND 2022	5,230,307.45	0.00	0.00	5,299,574.25	69,266.80
<b>Total</b>	6,027,337.82	32,580,613.61	4,000,000.00	34,729,780.99	121,829.56

TexPool Participant Services  
1001 Texas Avenue, Suite 1150  
Houston, TX 77022



**TEXAS TRUST**  
TEXAS TREASURY SAFEKEEPING TRUST COMPANY  
COMPTROLLER GLENN HEGAR, CHAIRMAN

## Summary Statement

Statement Period 10/01/2023 - 12/31/2023

LITTLE ELM ISD  
PO BOX 6000  
LITTLE ELM TX 75068-9001

### INTEREST AND SINKING

#### 10/01/2023 - 10/31/2023

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance	Average Balance
TexPool	\$8,616,489.90	\$76,650.50	\$0.00	\$39,372.93	\$8,732,513.33	\$8,652,050.41
Total Dollar Value	\$8,616,489.90	\$76,650.50	\$0.00	\$39,372.93	\$8,732,513.33	

#### 11/01/2023 - 11/30/2023

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance	Average Balance
TexPool	\$8,732,513.33	\$694,459.35	\$0.00	\$39,387.85	\$9,466,360.53	\$8,921,069.51
Total Dollar Value	\$8,732,513.33	\$694,459.35	\$0.00	\$39,387.85	\$9,466,360.53	

#### 12/01/2023 - 12/31/2023

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance	Average Balance
TexPool	\$9,466,360.53	\$19,458,506.60	\$0.00	\$74,319.95	\$28,999,187.08	\$16,301,127.40
Total Dollar Value	\$9,466,360.53	\$19,458,506.60	\$0.00	\$74,319.95	\$28,999,187.08	

#### Account Totals

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance
TexPool	\$8,616,489.90	\$20,229,616.45	\$0.00	\$153,080.73	\$28,999,187.08
Total Dollar Value	\$8,616,489.90	\$20,229,616.45	\$0.00	\$153,080.73	\$28,999,187.08

#### GRAND TOTALS

Pool Name	Beginning Balance	Total Deposit	Total Withdrawal	Total Interest	Current Balance
TexPool	\$8,616,489.90	\$20,229,616.45	\$0.00	\$153,080.73	\$28,999,187.08
Total Dollar Value	\$8,616,489.90	\$20,229,616.45	\$0.00	\$153,080.73	\$28,999,187.08



Account History for Account: [REDACTED] / LITTLE ELM ISD GENERAL FUND

Settlement Date	Confirmation Number	Transaction Type	Amount:	Balance
12/29/2023	[REDACTED]	MONTHLY POSTING	7,039.80	1,559,894.63
11/30/2023	[REDACTED]	MONTHLY POSTING	6,773.93	1,552,854.83
10/31/2023	[REDACTED]	MONTHLY POSTING	6,957.36	1,546,080.90
<hr/>				
Summary				
Period Beginning Balance:			1,546,080.90	
Total Deposit:				
Total Withdrawals:				
Total Interest:			20,771.09	
Period Ending Balance:			1,559,894.63	

# Denton County Tax Office

Run Date: 1/2/2024 1:02:37PM

Distribution Summary 2 Report

Page 1 of 2

Deposit Date from 12/1/2023 to 12/31/2023 and Tax Units = 60

<b>S10- LITTLE ELM ISD</b>			
Cur. Levy M&O	35,051,421.79	Del. Levy M&O	(65,868.90)
Cur. Interest M&O	0.00	Del. Interest M&O	7,984.18
Cur. Penalty M&O	0.00	Del. Penalty M&O	4,865.93
Cur. Rendition Penalty M&O	1,326.74	Del. Rendition Penalty M&O	3.87
Cur. Other M&O	773.70	Del. Other M&O	41,040.69
<b>Total Current M&amp;O</b>	<b>35,053,522.23</b>	<b>Total Delinquent M&amp;O</b>	<b>(11,974.23)</b>
Cur. Levy I&S	21,748,073.39	Del. Levy I&S	(33,131.55)
Cur. Interest I&S	0.00	Del. Interest I&S	3,712.03
Cur. Penalty I&S	0.00	Del. Penalty I&S	2,341.26
Cur. Rendition Penalty I&S	0.00	Del. Rendition Penalty I&S	0.00
Cur. Other I&S	0.00	Del. Other I&S	19,548.19
<b>Total Current I&amp;S</b>	<b>21,748,073.39</b>	<b>Total Delinquent I&amp;S</b>	<b>(7,530.07)</b>
Cur. Levy S1	0.00	Del. Levy S1	0.00
Cur. Interest S1	0.00	Del. Interest S1	0.00
Cur. Penalty S1	0.00	Del. Penalty S1	0.00
Cur. Rendition Penalty S1	0.00	Del. Rendition Penalty S1	0.00
Cur. Other S1	0.00	Del. Other S1	0.00
<b>Total Current S1</b>	<b>0.00</b>	<b>Total Delinquent S1</b>	<b>0.00</b>
<hr/>			
Cur. Levy	56,799,495.18	Del. Levy	(99,000.45)
Cur. Interest	0.00	Del. Interest	11,696.21
Cur. Penalty	0.00	Del. Penalty	7,207.19
Cur. Rendition Penalty	1,326.74	Del. Rendition Penalty	3.87
Cur. Other	773.70	Del. Other	60,588.88
<b>Total Current</b>	<b>56,801,595.62</b>	<b>Total Delinquent</b>	<b>(19,504.30)</b>
<hr/>			
<b>Grand Total M&amp;O</b>	<b>35,041,548.00</b>	<b>School Fund Coding Totals (if applicable)</b>	
<b>Grand Total I&amp;S</b>	<b>21,740,543.32</b>	M&O Current Year	199-5711 35,051,421.79
<b>Grand Total S1</b>	<b>0.00</b>	M&O Prior Years	199-5712 (24,828.21)
<b>Total Due to Jurisdiction</b>	<b>56,782,091.32</b>	M&O Penalty & Interest	199-5719 14,954.42
<b>Total Due to Delq Tax Atty</b>	<b>15,337.64</b>	I&S Current Year	599-5711 21,748,073.39
		I&S Prior Year	599-5712 (13,583.36)
		I&S Penalty & Interest	599-5719 6,053.29

**Little Elm ISD**  
**Capital Projects @ 12-31-2023**

Bond Capital Projects	Project ID	Project Estimate	Cost to Date	Balance*
Strike Middle School	Fund 649-000	\$ 67,513,978.00	\$ 65,932,056.68	\$ 1,581,921.32
Land	Fund 65X-XXX	\$ 15,904,910.00	\$ 15,724,064.59	\$ 180,845.41
Chavez and Brent Security UPG 3rd Party	Fund 650-010	\$ 151,120.36	\$ 111,436.00	\$ 39,684.36
Emergency HVAC (unallocated)	Fund 650-011	\$ 19,382.00	\$ -	\$ 19,382.00
LEHS Security Fence	Fund 650-303	\$ 13,000.00	\$ 12,675.00	\$ 325.00
Security Upgrade (Chavez & Brent)	Fund 650-310	\$ 7,120.36	\$ -	\$ 7,120.36
Zellars HVAC replacement	Fund 650-320	\$ 129,975.00	\$ 186,675.00	\$ (56,700.00)
Roof Management Program	Fund 652-036	\$ 70,000.00	\$ 55,000.00	\$ 15,000.00
Strike Entry Drive	Fund 652-302	\$ 967,226.00	\$ 860,454.04	\$ 106,771.96
Indoor Multi-Use Facility	Fund 653-017	\$ 19,878,297.00	\$ 18,504,150.48	\$ 1,374,146.52
Lakeside Admin Conversion	Fund 653-018	\$ 16,346,721.46	\$ 15,825,490.44	\$ 521,231.02
Zellars Conversion	Fund 653-127	\$ 7,960,408.14	\$ 7,294,204.02	\$ 666,204.12
Camera for Buses	Fund 653-130	\$ 25,319.00	\$ 13,795.86	\$ 11,523.14
ESPC III Upgrades	Fund 654-141	\$ 2,831,132.00	\$ 2,759,906.00	\$ 71,226.00
LEHS CTE Renovations/Additions	Fund 654-202	\$ 609,922.00	\$ 502,928.78	\$ 106,993.22
LEHS CTE Welding Lab	Fund 654-304	\$ 412,200.00	\$ 327,063.50	\$ 85,136.50
Buses	Fund 655-305	\$ 850,908.00	\$ 849,058.00	\$ 1,850.00
LEHS Locker Room	Fund 655-308	\$ 2,764,655.00	\$ 1,846,953.79	\$ 917,701.21
LEHS FOOD TRAILER CONCRETE	Fund 655-402	\$ 24,130.00	\$ 24,130.00	\$ -
Tech Upgrades	Fund 656-309	\$ 409,611.00	\$ 50,769.11	\$ 358,841.89
Security Film	Fund 656-312	\$ 715,000.00	\$ 711,800.03	\$ 3,199.97
Weapons Detection Construction	Fund 656-313	\$ 760,000.00	\$ 751,463.00	\$ 8,537.00
Hackberry Light Pole Construction	Fund 656-314	\$ 59,812.00	\$ 47,713.00	\$ 12,099.00
Elementary 7	Fund 656-315	\$ 2,033,988.00	\$ 538,843.19	\$ 1,495,144.81
Playgrounds	Fund 656-316	\$ 1,500,000.00	\$ 778,363.00	\$ 721,637.00
Strike Orchestra	Fund 656-317	\$ 115,000.00	\$ 79,308.42	\$ 35,691.58
Walker Orchestra	Fund 656-318	\$ 115,000.00	\$ 79,308.42	\$ 35,691.58
LEHS Classrooms	Fund 656-319	\$ 5,645,000.00	\$ 1,411,121.00	\$ 4,233,879.00
LEHS Bistro Upgrades	Fund 656-401	\$ 186,500.00	\$ -	\$ 186,500.00
Construction Software	Fund 656-755	\$ 26,600.00	\$ 26,600.00	\$ -
District Wide Monument Sign	Fund 656-921	\$ 149,795.00	\$ 149,794.40	\$ 0.60
		<b>\$ 148,196,710.32</b>	<b>\$ 135,455,125.75</b>	<b>\$ 12,741,584.57</b>

\*pending reconciliation

**Little Elm ISD**  
**Capital Projects @ 12-31-2023**

<b>Non-Bond Capital Projects (Fund 696)</b>	<b>Project Estimate</b>	<b>Cost to Date</b>	<b>Balance</b>
AC REPAIR/REPLACEMENT	\$ 500,000.00	\$ -	\$ 500,000.00
CAFETERIA TABLES CHAVEZ	\$ 27,500.00	\$ -	\$ 27,500.00
CONCRETE REPAIR - DISTRICT	\$ 40,742.00	\$ 32,000.00	\$ 8,742.00
DOOR ANNUNCIATION	\$ 58,550.00	\$ -	\$ 58,550.00
DR. GLOVER WALL	\$ 2,200.00	\$ -	\$ 2,200.00
INTERIOR PAINTING SUMMER 2023	\$ 114,000.00	\$ 113,262.50	\$ 737.50
LEHS ELEVATOR	\$ 15,642.00	\$ 14,852.00	\$ 790.00
LEHS ROOF REPAIR	\$ 225,000.00	\$ 204,062.00	\$ 20,938.00
RESTRIPED PARKING LOTS	\$ 72,000.00	\$ 71,430.00	\$ 570.00
TECH SWITCHES ACCESS PTS	\$ 1,810,000.00	\$ 1,778,399.03	\$ 31,600.97
TECHNOLOGY IPADS/COMPUTERS	\$ 557,480.00	\$ 554,280.00	\$ 3,200.00
TRANSP FAC ESC TESTING	\$ 13,470.00	\$ 11,000.00	\$ 2,470.00
WINDOW TREATMENT	\$ 3,100.00	\$ 2,955.00	\$ 145.00
ZELLARS FIBER	\$ 23,350.00	\$ -	\$ 23,350.00
	<b>\$ 2,935,534.00</b>	<b>\$ 2,782,240.53</b>	<b>\$ 153,293.47</b>

### Expenditures Between \$50K-\$100K

Vendor Name	Department	SUMMARY OF PURCHASE/ PURPOSE	Price	Purchasing Method	Notes
ODP Business Solutions	Child Nutrition	Chavez Cafeteria Tables	\$68,770.70	OMNIA PARTNERS - Region 4 ESC - TX Contract Number: Contract Number: R191812 May 1, 2020 through April 30, 2023 Option to renew for two (2) additional one-year periods through April 30, 2025	

**LITTLE ELM INDEPENDENT SCHOOL DISTRICT  
DONATIONS  
October 2023 - December 2023**

Campus/Dept	Fund	Donation From	Description	Date	Monetary	Non-Monetary	Total
Athletics	461	Little Elm Soccer Booster Club	High School Girls Soccer Uniforms	10.2.2023	3,498.00		3,498.00
District Honor Choir	865	SDM Adventure Kids LLC	District Choir Fee Scholarships	10.18.2023	50.00		50.00
District Honor Choir	865	Joe's Pizza	District Choir Fee Scholarships	10.18.2023	100.00		100.00
District Honor Choir	865	Cottonwood Marina	District Choir Fee Scholarships	10.18.2023	200.00		200.00
Zellars Early Childhood	461	Keeland & Company Painting LLC	Zellars Misc School Purchases	10.4.2023	250.00		250.00
Little Elm High School	865	C. Harpold Jr	FCA Club	10.18.2023	300.00		300.00
Athletics	461	Parent Donations	High School Softball Sponsorship	10.24.2023	220.00		220.00
Little Elm High School	865	Auto Club Enterprises	Drill Team	11.6.2023	500.00		500.00
District Honor Choir	865	Hula Hut	District Choir Fee Scholarships	11.8.2023	100.00		100.00
Little Elm High School	865	K Ravenstijn	FCA Club	11.13.2023	100.00		100.00
Athletics	461	Kroger	High School Football	11.7.2023	1,000.00		1,000.00
Athletics	865	Kroger	High School Cheer	11.7.2023	1,000.00		1,000.00
Athletics	499	Kroger	Special Olympics	11.7.2023	500.00		500.00
Lakeview Elementary	461	Applebee's	Lakeview Misc School Purchases	11.8.2023	310.29		310.29
Hackberry Elementary	240	D. Lacy	Cafeteria Delinquent Accounts	11.17.2023	300.00		300.00
Little Elm High School	865	Unknown	TAFE Haunted Halls Event	11.20.2023	23.00		23.00
Athletics	199	Lobo Track / XC Booster Club	Laser Equipment	12.8.2023	1,520.00		1,520.00
Little Elm High School		Cabos WW	High School Dry Erase Markers	Nov 2023		5,000.00	5,000.00
Little Elm High School		S. Harvey	Yarn for the yarn club	Nov 2023		100.00	100.00
					9,971.29	5,100.00	15,071.29

---

# Board Agenda Item

Little Elm Independent School District  
400 Lobo Lane  
Little Elm, Texas 75068

---

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
02-26-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Subject:</b>	<b>LITTLE ELM ISD EXPENDITURES OVER \$100,000 SUMMARY REPORT</b>				
<b>Presenter or Contact Person:</b>	Shay Adams, Assistant Superintendent for Business & Finance				
<b>Policy/Code:</b>	CH (LOCAL) Purchasing and Acquisition				
<b>Strategic Plan Goal:</b>	Ensuring Fiscal Health and Sustainability				
<b>Summary:</b>	Allows LEISD to purchase products or services valued over \$100,000 (listed on attachment) which have been properly purchased through statutorily authorized methods.				
<b>Financial Implications:</b>	See attached spreadsheet of expenditures and summary of services.				
<b>Attachments:</b>	Little Elm ISD Expenditures Over \$100,000 Summary Report for Approval				
<b>Recommendation:</b>	<b>The Administration recommends approval of the Little Elm ISD Expenditures Over \$100,000 Summary Report as submitted.</b>				
<b>Motion:</b>	<b>I move that the Board approve the Little Elm ISD Expenditures Over \$100,000 Summary Report dated February 26, 2024 as submitted.</b>				

Little Elm ISD Expenditures Over \$100,000 Summary Report for Approval

Board Meeting Date: February 26, 2024

Ref #	Vendor Name	Department	Status (New, Renewal, Vendor Change)	Prior Year Contract Amount	Change/Renewal Amount	Change/Purchase Amount	Effective Date	Expiration Date	Description	Administrator
1	Rush Truck Center dba Rush Bus Centers	Operations	New	N/A	N/A	\$1,511,085	2/27/2024	N/A	Purchase of 10 Blue Bird Buses for Little Elm ISD.	Alfred Gaches



---

# Board Agenda Item

Little Elm Independent School District  
400 Lobo Lane  
Little Elm, Texas 75068

---

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
02-26-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Subject:</b>	<b>2023-2024 PROPOSED BUDGET AMENDMENT #2</b>				
<b>Presenter or Contact Person:</b>	Shay Adams, Assistant Superintendent for Business & Finance				
<b>Policy/Code:</b>	CE (LOCAL)				
<b>Strategic Plan Goal:</b>	Ensuring Fiscal Health and Sustainability				
<b>Summary:</b>	<p>Each June, the Board of Trustees adopts a general operating, student nutrition, and debt service fund budget based on the district's calculation of estimated revenue and expenditures. The expenditure is adopted at the "functional" level, meaning that each major category defined by the Texas Education Code is identified and funds are allocated between each function. Once adopted, the administration operates within that budget, although it is a working document. The administration has the authority to move funds from account to account, as long as no overall function is exceeded. When it becomes necessary to increase or decrease a function, it requires Board approval.</p> <p>We are requesting the second budget amendment for 2023-2024. As discussed with the board on multiple occasions, we anticipate a decrease in final realized revenue related to the demographic student projections last summer (8,587) versus actual enrollment of about 8,228. In addition, we have received revised state funding formulas as recently as last week. Our actual expenditures will also fall below the originally budgeted expenditures, and we continually monitor both. This budget amendment does not reduce the originally projected revenue totals, but does adjust functional expenditure levels with increases and decreases to each function netting a zero change to the total budget.</p>				

	Amendment #2 realizes Supply Chain Assistance grant funds received by Child Nutrition. Child Nutrition revenue would be increased by approximately \$145,000 with a corresponding increase in Child Nutrition expenditure accounts. The amendment also accounts for a mandatory fund balance reduction for Child Nutrition as required by The Department of Agriculture. Per the TDA approved plan, Child Nutrition will reduce its fund balance by approximately \$1,300,000. The reduction will be predominantly used to fund equipment and repairs.
<b>Financial Implications:</b>	The fiscal implications of this action fulfill legal requirements and allow the administration to operate within the confines of the functional expenditures approved by the Board.
<b>Attachments:</b>	2023-2024 Budget Amendment #2
<b>Recommendation:</b>	<b>The Administration recommends approval of the 2023-2024 Budget Amendment as submitted.</b>
<b>Motion:</b>	<b>The move the Board approve the 2023-2024 Budget Amendment as submitted and discussed.</b>



# Little Elm ISD

## 2023-2024 Proposed Budget Amendment #2

### Combined Funds

	General Fund	Student Nutrition Fund	Debt Service Fund	Combined Total
Estimated Revenue				
Total Revenue All Sources	\$90,277,368	\$6,434,305	\$34,547,751	\$131,259,424
Appropriations				
11 - Instruction	\$51,844,537			\$51,844,537
12 - Instructional Resources	\$1,090,978			\$1,090,978
13 - Instructional Staff Development	\$3,013,870			\$3,013,870
21 - Instructional Leadership	\$1,457,729			\$1,457,729
23 - School Administration	\$5,305,063			\$5,305,063
31 - Guidance & Counseling	\$3,039,643			\$3,039,643
32 - Social Work Services	\$9,049			\$9,049
33 - Health Services	\$881,941			\$881,941
34 - Student Transportation	\$3,772,300			\$3,772,300
35 - Food Services	\$223,105	\$7,738,555		\$7,961,660
36 - Extra Curricular Activities	\$2,945,552			\$2,945,552
41 - General Administration	\$4,388,834			\$4,388,834
51 - Plant Maintenance & Operations	\$11,637,562			\$11,637,562
52 - Security	\$1,453,777			\$1,453,777
53 - Data Processing Services	\$2,334,652			\$2,334,652
61 - Community Services	\$54,362			\$54,362
71 - Debt Service	\$241,365		\$34,547,751	\$34,789,116
81 - Facilities & Construction	\$18,659			\$18,659
91 - Recapture Payments	\$1,586,078			\$1,586,078
95 - JJAEP	\$50,000			\$50,000
99 - Other Intergovernmental Charges	\$606,500			\$606,500
Total Appropriations	\$95,955,557	\$7,738,555	\$34,547,751	\$138,241,863
Other Sources - Per GASB 87	\$868,913			\$868,913
Net Surplus/(Deficit)	(\$4,809,276)	(\$1,304,250)	\$0	(\$6,113,526)
Transfer In from Transition Fund Balance	\$4,809,276	\$1,304,250		\$6,113,526
Adjusted net Surplus/(Deficit)	\$0	\$0	\$0	\$0

This proposed budget amendment for the 2023-2024 school year was adopted at a meeting of the School Board of Trustees on February 26, 2024 as evidenced in the Official School Board Minutes. I certify that budget preparation & adoption is in accordance with Chapter 44 of the Texas Education Code.

Board President

Date

Board Secretary

Date

---

# Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

---

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date <b>02-26-2024</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Subject:</b>	<b>ANNUAL INVESTMENT REPORT AND POLICY</b>				
<b>Presenter or Contact Person:</b>	Jesse Wyse, Director of Budget and Finance				
<b>Policy/Code:</b>	CDA Legal and CDA Local Board Policies				
<b>Strategic Plan Goal:</b>	To Ensure Fiscal Health and Responsibility				
<b>Summary:</b>	The Board shall review its investment policy and investment strategies not less than annually. The Board shall adopt a written instrument stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.				
<b>Financial Implications:</b>	N/A				
<b>Attachments:</b>	Under Separate Cover				
<b>Recommendation:</b>	<b>The Administration recommends approval of the Investment Policies.</b>				
<b>Motion:</b>	<b>I move that we adopt Investment Policy CDA (Legal) dated 11/7/2019 and CDA (Local) dated 11/7/2019 with no changes.</b>				

## **INVESTMENT ADVISORY AGREEMENT**

This Investment Advisory Agreement (this “**Agreement**”) is entered into as of the 26th day of February 2024 (the “**Effective Date**”), by and between Public Trust Advisors, LLC, a Colorado limited liability company (“**Public Trust**” or “**Investment Manager**”), and Little Elm Independent School District, Texas (“**Client**”). Investment Manager and Client are sometimes hereinafter referred to collectively as the “**Parties**,” or any one of them individually as a “**Party**.”

In consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, Investment Manager and Client hereby agree as follows:

### **1. Appointment as Investment Manager.**

Client hereby appoints and designates Investment Manager, and Investment Manager hereby accepts such appointment and designation, to act as Client’s exclusive investment adviser with respect to the securities, cash, and other property (collectively, the “**Assets**,” or any one of them individually as an “**Asset**”) deposited by Client in one or more accounts under Investment Manager’s supervision (collectively, the “**Account**”). The duration of such appointment and designation shall be for the Term of this Agreement (as defined in Section 7), subject to earlier termination as provided in this Agreement.

### **2. Investment Manager Services.**

(a) Subject to and in compliance with the Investment Policy Statement (as defined in Section 3), Investment Manager, commencing on the Effective Date, shall have full discretionary authority to invest, reinvest or otherwise manage the Assets in the Account, including, without limiting the generality of the foregoing, the authority to direct the Designated Custodian (as defined in Section 4(a)) to deliver Assets for the purpose of effecting purchases, sales, trades or other transactions in the Assets (“**Transactions**”). All of the services to be performed by Investment Manager described in the preceding sentence are hereinafter collectively referred to as the “**Services**.” Except as set forth in Section 2(b), Investment Manager shall not provide, or otherwise be responsible for, the maintenance of books and records, reporting, audit, tax, or other general administrative services with respect to the Account.

(b) Investment Manager shall provide Client with a written monthly and/or quarterly report identifying the inventory of the Assets in the Account and the Transactions in the Assets for the subject period. For purposes of this Section 2(b), Investment Manager will be deemed to have satisfied the requirement of providing a written report by giving Client secure online access to Client’s Account containing applicable Transactions, investments, and associated reporting for the subject period.

(c) Investment Manager shall have no responsibility for the accuracy or completeness of any information provided to Investment Manager by Client.

(d) Unless Investment Manager otherwise agrees with Client in writing, Investment Manager will not advise or take any action on behalf of Client in any legal proceedings, including bankruptcies or class actions, involving the Assets held in, or formerly held in, Client’s Account or the issuers of securities that are included among the Assets of the Account.

(e) To the extent that any securities in the Account have voting rights, Client shall have the option, in its sole discretion, to vote proxies with respect to such securities, and Investment Manager shall not vote any such proxies.

(f) Investment Manager may from time to time utilize the services of a third party in a sub-advisory capacity (a “**Sub-Advisor**”) to provide certain services to Client, including, but not limited to, arbitrage rebate compliance services. In any such case, Investment Manager will obtain prior written permission from Client regarding the appointment and use of any such Sub-Advisor, provided that Investment Manager will be responsible for the selection of any Sub-Advisor and will monitor the performance of services provided by any Sub-Advisor.

(g) Occasionally, upon Client's prior written request and as an accommodation to Client, Investment Manager may maintain Unmanaged Accounts or External Assets for Client in Investment Manager's portfolio accounting system solely for reporting purposes. As such terms are used in this Agreement, an **"Unmanaged Account"** or **"External Asset"** is an Account or Asset, as the case may be, where the investment direction remains the sole responsibility of Client rather than Investment Manager. Unmanaged Accounts or External Assets are not subject to, and will not receive, ongoing supervision and monitoring services of Investment Manager, and Investment Manager will not make any investment recommendations with respect to an Unmanaged Account or External Asset. The primary purpose for maintaining an Unmanaged Account or External Asset in Investment Manager's portfolio accounting system is to include Unmanaged Accounts or External Assets owned by Client in the performance reports provided by Investment Manager pursuant to Section 6. Investment Manager will not charge Client a fee for reporting on Unmanaged Accounts or External Assets. Investment Manager assumes no liability for the underlying performance of any Unmanaged Account or External Asset, and Client is solely responsible for the accuracy and completeness of reporting for such performance. Investment Manager and Client acknowledge and agree that any Unmanaged Account or External Asset may not be readily identifiable as such in Client's Account statement or report.

### 3. Investment Policy Statement.

Investment Manager agrees to use its best efforts to manage Client's Assets within the Account in accordance with Client's written investment guidelines and restrictions for the management of the Account (the **"Investment Policy Statement"**). Investment Manager shall make investment decisions in accordance with the Investment Policy Statement. Investments in the Assets may be in cash or securities. The Investment Policy Statement applies only to the Assets in the Account being managed by Investment Manager. To the extent that Investment Manager is managing a portion of Client's account strategy (i.e., a partial portfolio), Client shall provide Investment Manager with prompt written notice and identification of Assets that are not part of Client's portfolio and are not being managed by Investment Manager to allow for Investment Manager's initial and ongoing securities review for compliance with the Investment Policy Statement. Investment Manager will use its best efforts to obtain the "best execution" in connection with the purchase and sale of any legacy securities. Prior to the first trade of an Asset in the Account, Investment Manager, after due diligence review of any legacy securities, reserves the right to liquidate or decline to accept any legacy securities that are not consistent with the Investment Policy Statement or Investment Manager's review of "best execution" of trades in Assets of the Account. In the event the Client's Investment Policy Statement is updated, Client will promptly provide Investment Manager with the amended Investment Policy Statement, from time to time, and Investment Manager shall implement such amended Investment Policy Statement as soon as practicable after being provided with the amended Investment Policy Statement. Notwithstanding anything in this Section 3 to the contrary, in no event will Investment Manager follow any provision of the Investment Policy Statement or any provision of this Agreement that Investment Manager determines would contravene any applicable law, rule, or regulation of any governmental authority or securities exchange to which Investment Manager is subject, provided that Investment Manager shall give Client reasonable written notice of any such determination.

### 4. Custody of Assets.

(a) Investment Manager shall not have authority to take or hold custody or possession of any Assets of the Account or to cause a Designated Custodian (as defined in this Section 4(a)) below) to deliver Assets or pay cash to Investment Manager, other than with respect to Investment Manager directly billing the Account, and receiving from the Account, the Management Fee payable to Investment Manager under Section 5 this Agreement in accordance with the Investment Advisers Act of 1940, as amended (the **"Advisers Act"**) and Rule 206(4)-2 thereunder or other applicable law. Client shall, by written notice provided in accordance with this Agreement, designate one or more custodians that will be a "qualified custodian" under Rule 206(4)-2 of the Advisers Act (collectively, the **"Designated Custodian"**). The Parties agree that the Designated Custodian shall have the sole responsibility to consummate and settle all purchases, sales, deliveries, receipts, and other Transactions made with respect to the Account, the collection of all income of the Account (including, but not limited to, interest and dividends), and the acquisition and

safekeeping of the Assets comprising the Account. Investment Manager shall not have any rights or access to the Assets or the Account except as specifically set forth in this Agreement.

(b) Client agrees to promptly furnish, or to cause the Designated Custodian to promptly furnish, to Investment Manager, all data and information Investment Manager may reasonably request to establish the Account and render the Services. Client acknowledges that, in accordance with the Advisers Act, it receives custodial statements at least quarterly from the Designated Custodian. The Designated Custodian further acknowledges that such statements set forth the amount of funds and each Asset in the Account at the end of each reporting period (which is no less frequent than quarterly) and identify all Transactions in the Account during such period. Client acknowledges it has the responsibility to reconcile the report from Investment Manager with the statement from the Designated Custodian and to notify Investment Manager immediately if there are any discrepancies.

(c) Client shall instruct the Designated Custodian to (i) carry out all Transactions directed, in writing or electronically, by Investment Manager, (ii) confirm to Investment Manager in writing or electronically, all completed Transactions, and (iii) cooperate with Investment Manager in its performance of the Services under this Agreement.

(d) Investment Manager shall instruct all brokers and dealers executing orders on behalf of the Account (i) to forward to the Designated Custodian and Client copies of all confirmations promptly after execution of Transactions, and (ii) that the settlement process for all Transactions shall be delivery vs. payment (DVP).

(e) Client will provide Investment Manager with a certificate setting forth the names and specimen signatures of the individuals who are authorized to act on behalf of Client, and the Designated Custodian agrees to inform Investment Manager promptly in writing of any change of such authorized individuals. Investment Manager is entitled to rely, without independent investigation, upon any notice, instruction, direction, or communication that has been executed by an individual who is so identified in such certificate as authorized to act on behalf of Client or the Designated Custodian.

(f) Client will provide Investment Manager with prompt written notice in advance of engaging a new Designated Custodian or Sub-custodian in connection with the Account.

## **5. Management Fee [and Expenses].**

For Investment Manager's Services to Client under this Agreement, Client agrees to pay Investment Manager an annual fee, calculated in accordance with the schedule of fees below (the "**Management Fee**"), payable in monthly installments in arrears. The Management Fee is based on the average daily market value, plus accrued interest, of the Assets under management in the Account (including cash and cash-equivalents) and based on the number of days in the month and year for the specified billing cycle.

### **Fee Schedule**

09 basis points or 0.09%

Investment Manager will send Client a copy of its invoice for the Management Fee for each billing period, and Client shall remit payment in full for the full amount of such invoice within 30 days of the date of the invoice. In the event that the Designated Custodian so consents, Client authorizes Investment Manager to submit Client's Management Fee invoice to the Designated Custodian and hereby authorizes the Designated Custodian to pay the Management Fee directly from Client's Account (monthly in arrears).

For the avoidance of doubt, any funds that are invested in local government investment pools, including Texas CLASS will not be assessed any Management Fees as part of this Agreement. Public Trust is the Program Administrator for Texas CLASS and receives a fee for services rendered as part of the Trust Agreement. (<https://www.texasclass.com/document-center/>)

In addition, Public Trust agrees to pay the Custody fees at UMB Bank N.A. for services under this Agreement so long as Public Trust is the Clients' Investment Manager.

## **6. Performance Reports.**

Investment Manager shall have the right to acknowledge Client as its client and use the performance history and supporting documentation of (i) the Account from the Effective Date until the date of termination of this Agreement, and (ii) the Assets of the Account. During the Term of this Agreement and for such period thereafter that Investment Manager continues to use any such performance history, Client shall make available, and/or make reasonable efforts to cause the Designated Custodian to make available, to Investment Manager, at Investment Manager's sole expense, all information reasonably necessary to allow for the recalculation of portfolio and composite-level returns, for the purposes of establishing and maintaining an audited performance record of the Account conforming to the Global Investment Performance Standards (GIPS®), provided such information shall not be unreasonably burdensome to Client. Notwithstanding anything herein to the contrary, in no event will providing any such information be deemed unreasonably burdensome to Client if such information shall be provided pursuant to applicable law or regulation. Investment Manager shall indemnify and hold Client harmless from and against any loss, liability, claim or expense, including attorneys' fees and expenses, arising from Investment Manager's wrongful use of such information.

## **7. Term and Termination.**

The term of this Agreement shall commence on the Effective Date for an initial term of two (2) years (the "**Initial Term**") and shall thereafter renew automatically for additional terms of one year (each, an "**Additional Term**"; the Initial Term, together with any Additional Term, is hereinafter referred to as the "**Term**") unless terminated by either Party on 30 days' prior written notice prior to the final day of the Initial Term or any Additional Term. In addition, in the event of a material breach of this Agreement by either Party, the other Party may terminate this Agreement, if such material breach is not cured within 30 days after written notice of such breach is given by the non-breaching Party to the breaching Party. Notwithstanding anything to the contrary herein, Sections 5, 14, and 17 shall survive termination of this Agreement.

## **8. Asset Transfers.**

Client shall determine the Assets that will be transferred to or from the Account from time to time and shall promptly notify Investment Manager, in writing, of its determinations in this regard, no fewer than 7 days prior to effecting any such transfer.

## **9. Consent to Electronic Delivery of Documents.**

(a) Client consents to the delivery of documents related to the Services electronically, as described below ("**Consent to Electronic Delivery**").

(b) Client agrees and acknowledges that delivery of documents may be via electronic media, including, but not limited to, a PDF file to the email addresses provided to Investment Manager by Client, or via secure online access to such documents. Client acknowledges that it has access to this media and the ability to print and/or download the information provided thereby.

(c) Client will provide Investment Manager with appropriate email addresses for sending electronic information consistent with the Consent to Electronic Delivery by submitting a Client Information Profile in the form provided by Investment Manager. Client will notify Investment Manager in writing if delivery should be made to any additional email addresses or if delivery to any of the initially provided e-mail addresses should be discontinued. It is Client's responsibility to give notice to Investment Manager of any updates regarding changes to any authorized email addresses. The Consent to Electronic Delivery is valid until such consent is revoked by Client and provided, in writing, to Investment Manager. Occasional requests for paper documents will not constitute revocation of Consent to Electronic Delivery.

(d) Documents subject to this Consent to Electronic Delivery include Investment Manager's Form ADV, Part 1, Part 2A firm brochure and Part 2B brochure supplement, Account reports and reviews and other information regarding Account activity, invoices, tax information and any disclosure or notification that is required under this



Agreement, applicable regulations, other regulatory communications, and Investment Manager's Privacy Policy information.

**10. Brokerage and Aggregated Transactions.**

Client hereby agrees that Investment Manager shall have full authority and discretion to select brokers, dealers, or counterparties through whom any Transaction in respect of the Account shall be executed. In connection with the selection of such brokers, dealers and counterparties, and the placing of such orders, Investment Manager will seek the "best execution," as described more fully in its Form ADV Part 2A. In addition, Client acknowledges that Investment Manager may aggregate trades placed on behalf of Client with trades placed on behalf of Investment Manager's other clients, so long as such trades are placed for the benefit of Client, within Client's investment guidelines, and are in accordance with Investment Manager's policies described in its Form ADV Part 2A.

**11. Client's Representations, Warranties and Covenants.**

Client hereby represents and warrants to Investment Manager that:

(a) It is duly organized, validly existing, and in good standing under the laws of its jurisdiction of organization.

(b) Client's execution, delivery, and performance of this Agreement does not violate or conflict with any agreement or obligation to which Client is a party or by which Client or its property is bound, whether arising by contract, operation of law, or otherwise.

(c) This Agreement has been duly authorized by all required entity action of Client, and, when executed and delivered, will be a legal, valid, and binding agreement of Client, enforceable against Client in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium or other similar Laws affecting the enforcement of creditors' rights generally from time to time in effect and the availability of equitable remedies (regardless of whether enforceability is considered in a proceeding at law or in equity). Client will provide to Investment Manager such evidence of such authority as Investment Manager may reasonably require, whether by way of a certified resolution or otherwise.

(d) Client has received, prior to, or contemporaneously with, the Effective Date: (i) Investment Manager's current Form ADV Part 2A and Part 2B; and (ii) to the extent required by Regulation S-P (or similar federal or state law or regulations), a copy of Investment Manager's Privacy Policy (collectively, with the items listed in (i), the "Disclosure Documents"). Client further acknowledges that Client has, together with representatives of Investment Manager, carefully reviewed this Agreement and any applicable Disclosure Documents or other documents provided in connection herewith, has had the opportunity to discuss such materials with representatives of Investment Manager prior to execution of this Agreement, and understands the matters set forth in the Disclosure Documents. In the event of a material change to any Disclosure Documents, Investment Manager shall provide Client with revised Disclosure Documents no later than 60 days following the change.

(e) Client will provide Investment Manager with all information and documentation which Investment Manager requests as being reasonably necessary or appropriate to establish and maintain the Account.

(f) The foregoing representations and warranties shall be continuing during the Term, and if at any time during the Term any event occurs which would make any of the foregoing representations and warranties untrue or inaccurate in any material respect, Client promptly will notify Investment Manager of such event and of any resulting untruths or inaccuracies.

**12. Investment Manager's Representations, Warranties and Covenants.**

Investment Manager hereby represents and warrants to Client that:

(a) It is duly organized, validly existing, and in good standing under the laws of its jurisdiction of organization.

(b) Investment Manager's execution, delivery, and performance of this Agreement does not violate or conflict with any agreement or obligation to which Investment Manager is a party or by which Investment Manager or its property is bound, whether arising by contract, operation of law, or otherwise.

(c) This Agreement has been duly authorized by all appropriate action of Investment Manager, and, when executed and delivered, will be a legal, valid, and binding agreement of Investment Manager, enforceable against Investment Manager in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium or other similar Laws affecting the enforcement of creditors' rights generally from time to time in effect and the availability of equitable remedies (regardless of whether enforceability is considered in a proceeding at law or in equity). Investment Manager will provide to Client such evidence of such authority as Client may reasonably require, whether by way of a certified resolution or otherwise.

(d) As of the Effective Date, Investment Manager is a registered investment adviser under the Advisers Act, and, at all times during the Term, Investment Manager shall be either registered under the Advisers Act or exempt from such registration.

(e) Neither Investment Manager nor its Affiliates (as defined in Section 13(a)) are subject to any order, judgment or decree described in Section 203(e) or (f) of the Advisers Act or has received notice that it is currently under investigation by any regulatory body that would be reasonably expected to give rise to such an order, judgment, or decree.

(f) The foregoing representations and warranties shall be continuing during the Term, and if at any time during the Term any event occurs which would make any of the foregoing representations and warranties untrue or inaccurate in any material respect, Investment Manager promptly will notify Client of such event and of any resulting untruths or inaccuracies.

### **13. Other Investment Manager Clients.**

(a) Investment Manager and its Affiliates perform, among other things, investment advisory services for accounts other than the Account. Client recognizes that Investment Manager and its Affiliates may provide investment management services to other clients, regardless of whether the investment policies of such clients are similar to or differ from those that Investment Manager hereby undertakes to perform with respect to the Account. As used in this Agreement, the term "**Affiliate**" of a person means any other person who controls, is controlled by, or is under common control with, such person.

(b) Investment Manager and its Affiliates may give advice and act in the performance of their duties to other clients that may differ from advice given, or the timing and nature of action taken, with respect to the Account. Nothing in this Agreement shall be deemed to impose upon Investment Manager any obligation to purchase or sell or recommend for purchase or sale for the Account any security or other property that Investment Manager, or its members, officers or employees, may purchase or sell, or recommend for purchase or sale, for their own account or the account of any other client of Investment Manager, so long as it is Investment Manager's policy and practice, to the extent practicable, to allocate investment opportunities to the Account over a period of time on a fair and equitable basis relative to its other clients.

### **14. Standard of Care.**

It is agreed that the standard of care applicable to Investment Manager under this Agreement is that owed pursuant to applicable federal and state law, including the Advisers Act. At a minimum and not in lieu of greater standards of care in applicable state and federal law, Investment Manager will perform all duties and responsibilities in this Agreement with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent investment expert acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like objectives. Nothing in this Agreement shall in any way constitute a waiver or limitation of any right of Client or any person under federal and state securities laws. Client acknowledges that Investment Manager makes no representation or warranty, express or implied, that any level of performance or investment results will be achieved by the Account or that the Account will perform comparably with any standard

or index, including other clients of Investment Manager. Investment Manager shall have no responsibility or liability in the selection of investments other than investments for the Account, or otherwise regarding the investment policies or strategy, or diversification of investments of Assets of Client that are not part of the Account or subject to the Investment Policy Statement.

**15. Anti-Money Laundering; Office of Foreign Assets Control.**

(a) Client understands and agrees that Investment Manager prohibits the investment of funds by any persons or entities that are acting, directly or indirectly, (i) in contravention of any applicable laws and regulations, including anti-money laundering regulations or conventions, (ii) on behalf of terrorists or terrorist organizations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Treasury Department's Office of Foreign Assets Control (available at <http://www.treas.gov/ofac>, as such list may be amended from time to time), (iii) for a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure, unless Investment Manager, after being specifically notified by Client in writing that it is such a person, conducts further due diligence, and determines that such investment shall be permitted, or (iv) for a foreign shell bank (as defined in the USA PATRIOT Act). Any natural person or entity described in clauses (i) through (iv) of this Section 15(a) is hereinafter referred to as a "**Prohibited Person.**"

(b) Client represents and warrants that neither it nor any of its Affiliates is a Prohibited Person.

**16. Agency Transactions.**

Client acknowledges that it is aware and understands that Investment Manager or its Affiliates may effect agency Transactions between their respective advisory clients, which may include the Account, provided that, with respect to any such agency Transaction, neither Investment Manager nor any of its Affiliates acts as a broker within the meaning of Section 206(3) of the Advisers Act and further provided that Investment Manager provides advance written disclosure to Client of agency capacity in any such Transaction.

**17. Confidential Relationship**

The terms and conditions of this Agreement, and all information and advice furnished by either Party to the other pursuant to this Agreement shall be treated as strictly confidential and (i) shall not be used by either Party, except as necessary to perform the Services or otherwise satisfy the obligations of the Parties under this Agreement, and (ii) shall not be disclosed to third parties, except (A) as required by law, rule, or regulation, (B) as requested by a regulatory authority, (C) for disclosures by either Party of information that has become public by means other than wrongful conduct by such Party or its officers, employees, or other personnel, or (D) for disclosures by either Party to its legal counsel, accountants, or other professional advisers.

**18. General Provisions.**

(a) *Notice.* Unless otherwise specified herein, all notices, instructions, and any advice in connection with Transactions or other matters contemplated by this Agreement shall be deemed to be duly given (i) by personal delivery, on the date of delivery, or (ii) by email, on the date of confirmation of receipt, if confirmed by reply email or by telephone, to the following:

*If to Investment Manager:*

**Public Trust Advisors, LLC  
Attention: Steve Dixon  
717 17<sup>th</sup> St. Suite 1850  
Denver, CO 80202  
[steve.dixon@publictrustadvisors.com](mailto:steve.dixon@publictrustadvisors.com)**

If to Client:

**Little Elm Independent School District  
400 Lobo Lane  
Little Elm, TX 75068-0009**

Either Party may, from time to time by notice in writing given to the other Party as set forth above, designate a different mailing address or a different or additional person to whom all such notices or demands thereafter are to be addressed.

(b) *Governing Law; Jurisdiction.* This Agreement will be governed by and interpreted in accordance with the laws of the State of Colorado, without regard to the conflicts of laws principles thereof. Investment Manager and Client agree that any dispute, controversy, or action, whether equitable or legal, shall be brought in either a federal or state court located in Denver, Colorado, and the Parties unconditionally and irrevocably waive any and all jurisdictional venue and convenience objections and defenses that they may have in any such action in such jurisdiction. To the extent permitted by law, Investment Manager, Client, or any of their respective Affiliates (for itself and on behalf of the Account) hereby irrevocably waive any and all right to a trial by jury in any legal proceeding, action or counterclaim arising out of or related to this Agreement or the Transactions contemplated hereby.

(c) *Severability.* If one or more of the covenants, agreements, provisions, or terms of this Agreement are held invalid for any reason, those covenants, agreements, provisions, and terms will be treated as severable from the remaining covenants, agreements, provisions, and terms of this Agreement and will in no way affect the validity or enforceability of the remaining covenants, agreements, provisions, and terms of this Agreement. If the invalidity of any covenant, agreement, provision, of this Agreement deprives any Party of the economic benefit intended to be conferred by this Agreement, the Parties shall negotiate in good faith to develop and substitute a replacement covenant, agreement, provision, or term having an economic effect that is as near as possible to the economic effect of the invalid provision and this Agreement as a whole.

(d) *Entire Agreement.* This Agreement and all attached exhibits and documents which are incorporated herein embody the entire agreement of the Parties with respect to the subject matter hereof. All prior agreements, understandings, and negotiations (including, without limitation, any memoranda of understanding or letters of intent) are merged herein and superseded hereby. In the event of any conflict between the provisions of this Agreement and any such attached exhibit or document, the provisions of this Agreement shall control.

(e) *Amendment.* This Agreement, including any attached exhibits or documents which are incorporated herein, may not be amended, or modified unless such amendment or modification is in writing and signed by the Parties. No oral understanding or agreement not incorporated herein shall be binding on any of the Parties.

(f) *Force Majeure.* Notwithstanding anything in this Agreement to the contrary, neither Party shall be responsible or liable for its failure to perform under this Agreement or for any losses to the Account resulting from any event beyond the reasonable control of such Party or its agents, including, but not limited to, nationalization, expropriation, devaluation, seizure, or similar action by any governmental authority, *de facto* or *de jure*; or enactment, promulgation, imposition, or enforcement by any such governmental authority of currency restrictions, exchange controls, levies, or other charges materially impairing the Assets; or the breakdown, failure or malfunction of any utilities or telecommunications systems, or any order or regulation of any banking or securities industry, including changes in market rules and market conditions materially impairing the execution or settlement of Transactions; or acts of war, terrorism, insurrection, or revolution.

(g) *Waivers.* No delay on the part of any Party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any Party of any right, power, or privilege hereunder, nor any single or partial exercise of any right, power, or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power, or privilege hereunder.

(h) *Titles or Headings.* Titles or headings are not part of this Agreement, are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

(i) *Independent Contractor.* Investment Manager represents, warrants, and covenants that it is and shall be an independent contractor and shall, at its sole cost and expense, and without any additional compensation (except as provided herein), comply with all applicable laws, rules and regulations, including the payments of all income taxes, social security contributions and other applicable local, state and federal taxes and insurance for Investment Manager and all of its employees.

(j) *Insurance.* Investment Manager represents that there currently exists in full force and effect an insurance policy for errors and omissions, employee dishonesty, fiduciary liability insurance, or other fiduciary coverages appropriate for this Agreement. Investment Manager covenants that such insurance policy shall be maintained at all times while this Agreement is in effect. Investment Manager agrees that, upon Client's request, it shall (i) provide Client with a certificate of insurance evidencing the effectiveness of such insurance, and (ii) name Client as an additional insured with respect to any insurance identified in such certificate of insurance. Investment Manager shall also provide Client with written notice of any adverse change to, or termination of, any such insurance policy.

(k) *Counterparts.* This Agreement may be executed in counterparts, each of which shall be deemed to be an original copy, and all of which together shall constitute one and the same instrument binding on all Parties, notwithstanding that all Parties shall not have signed the same counterpart. To facilitate execution of this Agreement, the Parties may execute and exchange the signature page by facsimile, PDF counterparts or electronically completed and executed by the Parties via the use of media or services such as DocuSign. Client represents, warrants, and agrees that any electronic signatures and information appearing herein were made and provided by Client and that such electronic signatures and information will have the same legal validity, enforceability, and admissibility as though they were manually made by Client.

(l) *Further Assurances and Documents.* Investment Manager and Client agree to execute such additional documents, and to perform such further acts, as may be necessary or advisable to carry out the provisions of this Agreement.

(m) *Cumulative Remedies.* The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies which any Party may otherwise have at law or in equity.

(n) *Assignment.* No assignment (as that term is defined in Section 80(b)-2 of the Advisers Act) of this Agreement may be made by either Party without consent of the non-assigning party, provided that Investment Manager may assign or delegate all or part of its duties or rights under this Agreement to any of its Affiliates. For purposes of determining Client consent in the event of an assignment, Investment Manager will give Client written notice of the assignment. If Client does not object in writing within 30 days of the date of such notice, Client will be deemed to have consented to the assignment. This Agreement and all subsequent amendments shall inure to the benefit of the successor and permitted assigns of the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the **Effective Date**.

**Public Trust Advisors, LLC, a Colorado limited liability company**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Little Elm Independent School District**

By: \_\_\_\_\_

Name: Jason Olson\_\_\_\_\_

Title: Board of Trustees President

Date: \_\_\_\_\_