



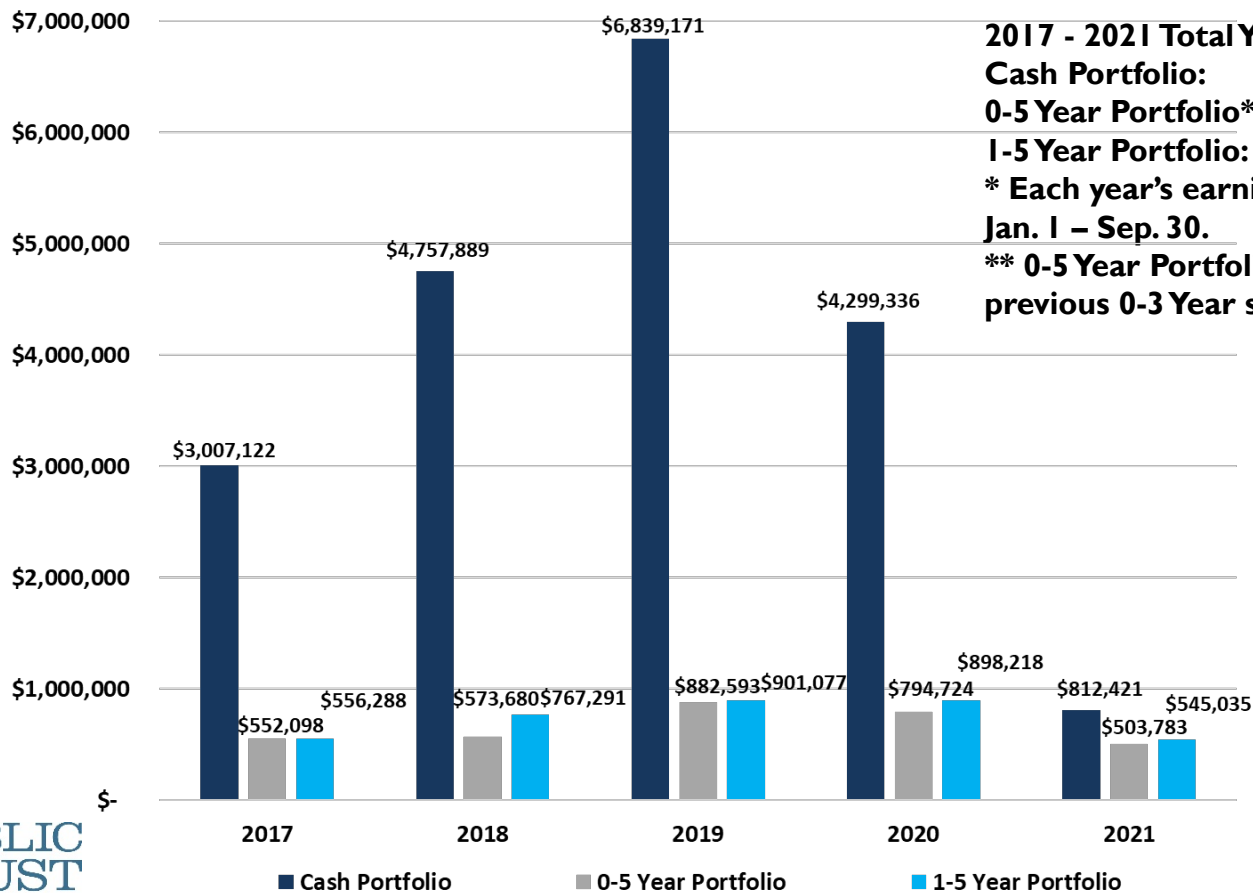
THE SCHOOL DISTRICT OF LEE COUNTY

Quarterly Investment Report September 30, 2021



THE SCHOOL DISTRICT OF LEE COUNTY

YTD Interest Earnings (as of 9/30/21)



2017 - 2021 Total YTD Earnings*: \$ 26,690,726

Cash Portfolio: \$ 19,715,940

0-5 Year Portfolio: \$ 3,306,878**

1-5 Year Portfolio: \$ 3,667,908

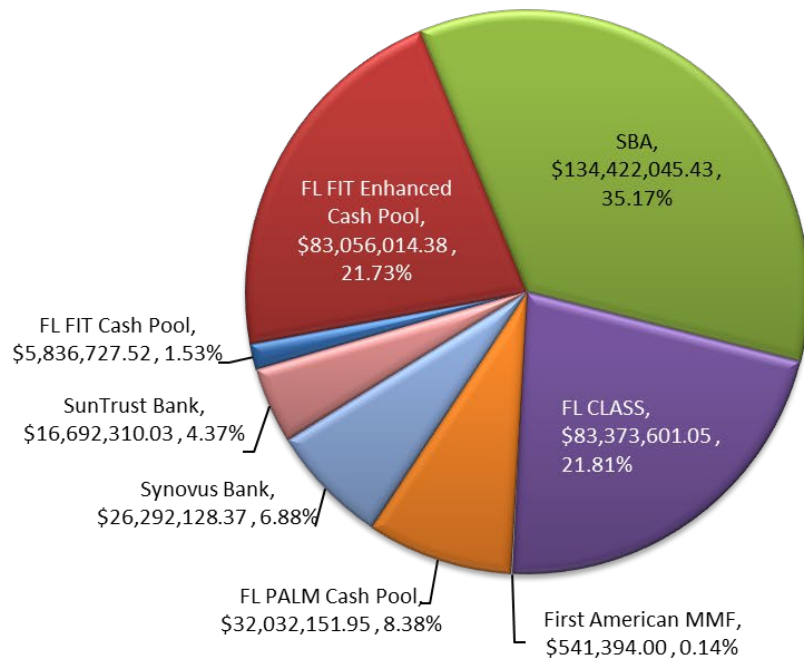
*** Each year's earnings are the totals from Jan. 1 – Sep. 30.**

**** 0-5 Year Portfolio was changed from the previous 0-3 Year strategy during Q2 2021.**



THE SCHOOL DISTRICT OF LEE COUNTY

Cash Portfolio Sector Allocation (as of 9/30/21)



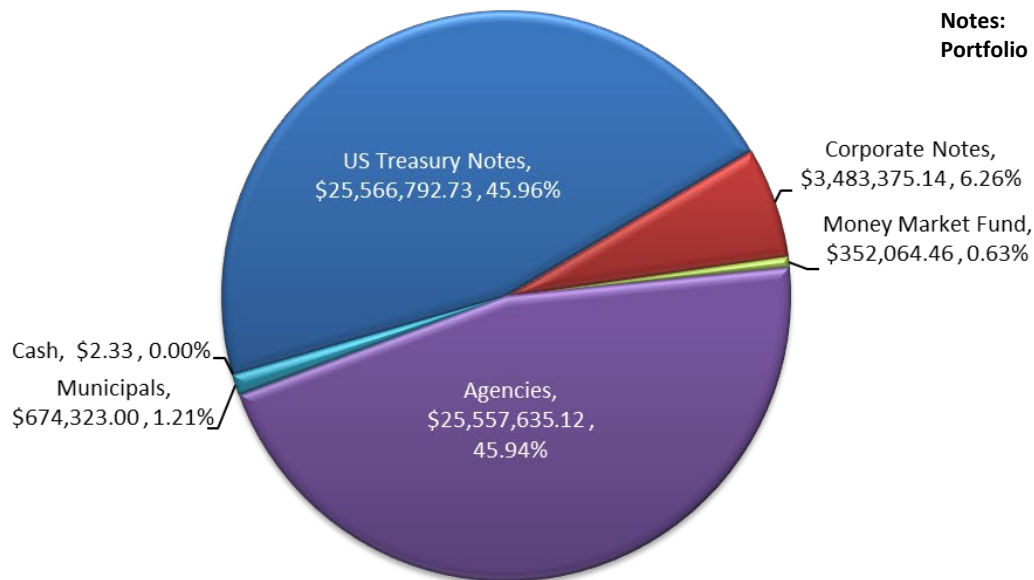
Current Month Earnings	\$ 48,435.42
July 1 - September 30, 2021 Earnings	\$ 190,504.73
Calendar Earnings Year to Date (January 1, 2021 - September 30, 2021)	\$ 812,421.39
Fiscal Earnings Year to Date (July 1, 2021 - September 30, 2021)	\$ 190,504.73
Trailing Twelve Months Earnings (October 1, 2020 - September 30, 2021)	\$ 1,093,653.52
July 1, 2014 - September 30, 2021 Earnings	\$ 26,913,806.11
Book Value Quarterly Yield, as of September 30, 2021	0.19%
<i>(weighted average yield for all cash)</i>	
Benchmark: S & P AAA & AA GIP Govt (30 Day) (LGIP30D)	0.03%
SunTrust Bank Balance	\$ 16,692,310.03
Cash Investment Portfolio	\$ 365,554,062.70
Total Cash Portfolio	\$ 382,246,372.73

Data is provided by the District.



THE SCHOOL DISTRICT OF LEE COUNTY

0-5 Year Portfolio Allocation (as of 9/30/21)



Current Month Earnings	\$ 41,992.60
July 1 - September 30, 2021 Earnings	\$ 136,407.07
Calendar Earnings Year to Date (January 1, 2021 - September 30, 2021)	\$ 503,783.26
Fiscal Earnings Year to Date (July 1, 2021 - September 30, 2021)	\$ 136,407.07
Trailing Twelve Months Earnings (October 1, 2020 - September 30, 2021)	\$ 709,370.34
Book Value Quarterly Yield, as of September 30, 2021	0.85%
Portfolio Total Return, July 1, 2021 - September 30, 2021	N/A
Benchmark ML 1-3 Yr Treasury (qtr)	N/A
<i>(Returns are nominal gross of fees)</i>	
Total Portfolio	\$ 55,634,192.78

Data is provided by Public Trust Advisors.

Notes:

Portfolio split into two strategies (1-3 Yr & 1-5 Yr) on 1/1/17



THE SCHOOL DISTRICT OF LEE COUNTY

0-5 Year Portfolio Strategy

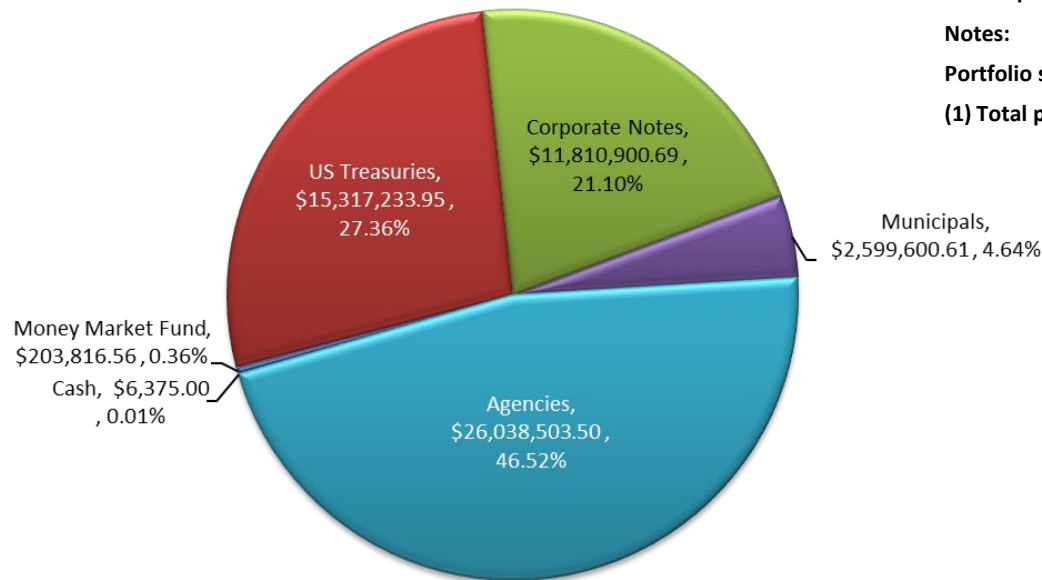
(as of 9/30/21)

- The District implemented a multiple duration investment strategy in December 2016.
- This includes a liquidity portfolio, a 0-5 year duration portfolio and a 1-5 year duration portfolio.
- In the 0-5 year strategy, we maintained a neutral duration position during the quarter as the yield curve moved higher on inflation reports. The Federal Reserve has begun tapering its asset purchase program to likely raise rates in the middle of 2022 to address the inflationary pressure.
- Credit exposure has declined as opportunities have subsided and the portfolio has focused on risk management throughout the year.
- The District's 0-5 year portfolio has earned \$4,334,145 since December 2016.
- The overall portfolio strategy is designed to protect against declining interest rates while limiting interest rate (volatility) risk and credit risk.



THE SCHOOL DISTRICT OF LEE COUNTY

I-5 Year Portfolio Allocation (as of 9/30/21)



Current Month Earnings	\$ 22,555.43
July 1 - September 30, 2021 Earnings	\$ 67,827.46
Calendar Earnings Year to Date (January 1, 2021 - September 30, 2021)	\$ 545,034.74
Fiscal Earnings Year to Date (July 1, 2021 - September 30, 2021)	\$ 67,827.46
Trailing Twelve Months Earnings (October 1, 2020 - September 30, 2021)	\$ 763,279.91
Book Value Quarterly Yield, as of September 30, 2021	0.54%
Portfolio Total Return, July 1, 2021 - September 30, 2021	0.08%
Benchmark ML 1-5 Yr Treasury (qtr)	0.00%
<i>(Returns are nominal gross of fees)</i>	
Total Portfolio (1)	\$ 55,976,430.31

Data is provided by Water Walker Investments.

Notes:

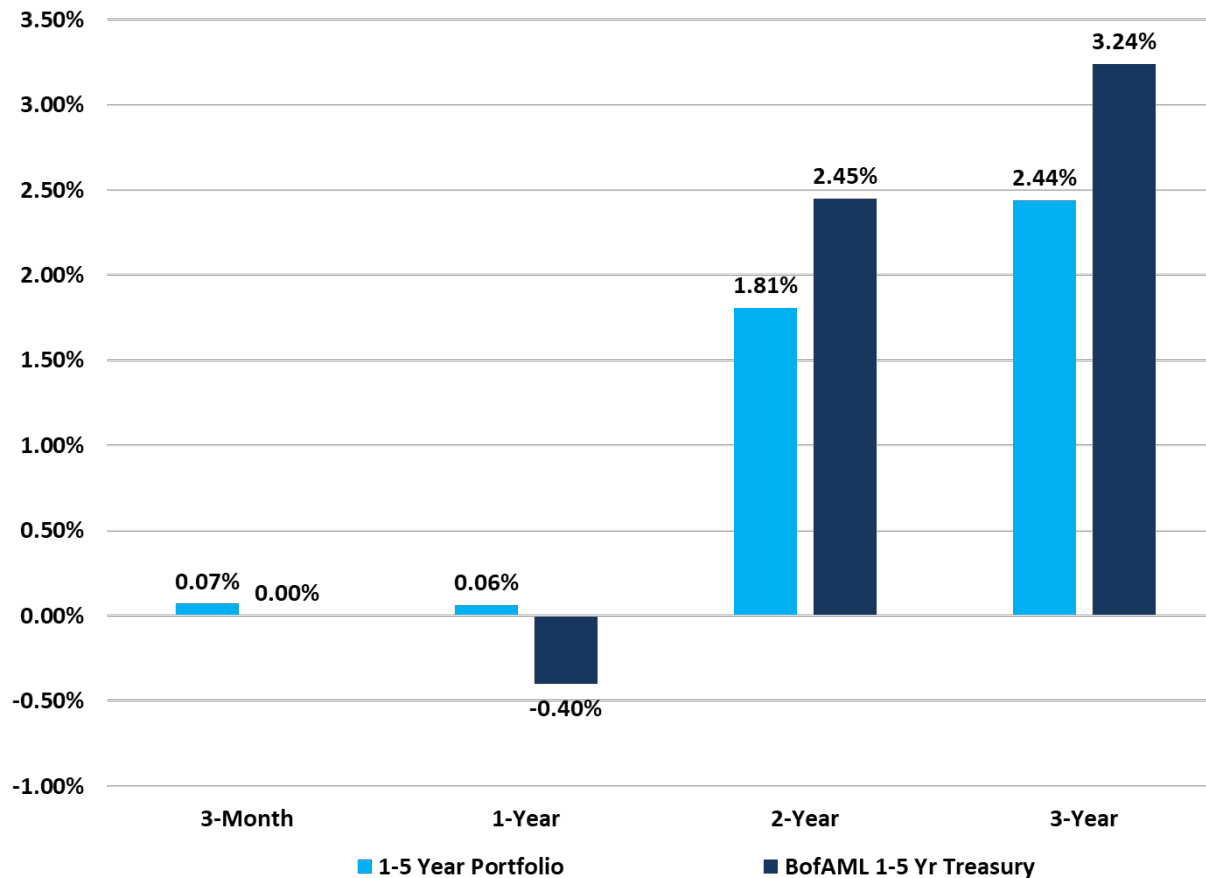
Portfolio split into two strategies (0-3 Yr & 1-5 Yr) on 1/1/17

(1) Total portfolio value includes accrued interest.



THE SCHOOL DISTRICT OF LEE COUNTY

Total Returns: 1-5 Year Portfolio versus benchmark as of 9/30/21





THE SCHOOL DISTRICT OF LEE COUNTY

I-5 Year Portfolio Strategy

(as of 9/30/21)

- The Federal Reserve has indicated that current inflation is no longer transitory which could accelerate the pace of tapering. Markets are pricing in two interest rate hikes by the end of 2022 thereby increasing potential volatility in fixed income.
- Portfolio cash flows will continue to be reinvested in U.S. Treasuries to further build the current treasury ladder for predictable cash flows enabling the portfolio to benefit in a rising interest rate environment.
- The portfolio's duration will be kept slightly below the benchmark duration of 2.7 years while benefiting from a higher yield due to the corporate and municipal exposure.
- The strategy will target 20-30% between corporates and municipals with the remaining 70-80% of funds invested in US treasuries and agencies.