

**CLERK OF COURTS
HIGHLANDS COUNTY, FLORIDA
Quarterly Investment Report for FY 20-21
December 31, 2020**

INTRODUCTION

The formal written investment policy sets forth the investment objectives and parameters for investment decisions made by the Highlands County Clerk of Courts (Clerk). The investment policy applies to all cash and investments, under the direct control of the Highlands County Clerk of Courts, in excess of those required to meet current expenses. This policy does not apply to any funds held on behalf of any of the other Constitutional Officers.

In accordance with the investment policy, this investment report is being submitted to the Clerk of Courts.

SIGNIFICANT CHANGES TO CLERK'S PORTFOLIO

On October 7, 2020, the Clerk's office received final confirmation from TD Bank that the Clerk's Clearing account had been closed.

PORTFOLIO SUMMARY

The primary objectives of the Clerk's investment activities are Safety, Liquidity, and Yield. The following is a summary of the Clerk's portfolio as of December 31, 2020. A comprehensive table of the Clerk's investment portfolio can be found in the appendix.

Safety

Safety of principal is the foremost objective of the Clerk's investment policy. The Clerk's investment policy sets diversification limits to minimize the risk of loss resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer or bank. To quickly evaluate portfolio percentage limitations, please see Tables 1 and 2 below. These tables show the actual percentages invested, compared to the maximum allowed percentages as indicated in the policy.

Table 1: Portfolio Institution Limitations

Institution	Investment Actual	Policy Limitation
SunTrust Bank	77.59%	80.00%
FL PRIME	22.41%	30.00%

Table 2: Portfolio Instrument Type Limitations

Instrument Type	Investment Actual	Policy Limitation
Public Funds Depository Accounts	77.59%	80.00%
Certificates of Deposit	0.00%	50.00%
Local Government Investment Pools	22.41%	75.00%

As shown in Table 1, the Clerk’s portfolio is compliant with its institution diversification policy limitations as of December 31, 2020. As shown in Table 2, as of December 31st, all instrument type limitations were also met.

State Statutes require that public funds only be deposited in financial institutions that are certified as a qualified public depository (QPD) by the State of Florida. The QPD program is a voluntary, statewide collateralization program that provides protection of public funds, similar to FDIC insurance. All funds deposited with SunTrust Bank, TD Bank, and CenterState Bank are fully collateralized under the QPD program.

Liquidity

The Clerk’s Investment Portfolio consists largely of investments with active secondary or resale markets to allow for dynamic liquidity to ensure all cash demands are met. As of December 31, 2020, the weighted average maturity (WAM) of the portfolio is 0 days.

Yield

The Investment Portfolio is limited to relatively low risk investments in anticipation of earning a fair return relative to the risk assumed. As of December 31, 2020, the portfolio’s 30-day weighted average yield is 0.142% which is 0.137% higher than our benchmark (S&P Rated Government Investment Pool Index) of 0.005%. The portfolio’s 12-month weighted average yield is 1.708% which is 1.648% higher than our 12-month yield benchmark of 0.060%.

TRANSACTIONS

Table 3 provides a summary of the transactions that occurred during the quarter ending December 31, 2020.

Table 3: Summary of Investment Transactions

Date	Amount	Transferred From	Transferred To
10/1/2020	\$59,399.20	TD Bank Clearing	SunTrust Clearing

**HIGHLANDS COUNTY CLERK OF COURTS
 QUARTER 1 INVESTMENT REPORT
 DECEMBER 31, 2020
 Appendix: Investment Portfolio**

Investment Name	Book Value (General Ledger Balance)	Market Value (Statement Balance)	30 Day Rate of Return	12 Month Rate of Return	Quarterly Investment Earnings	YTD Investment Earnings	Quarterly Fees	Credit Rating	Purchase Date	Maturity Date	Average Maturity (In Days)
SunTrust Bank - Clearing	\$ 2,948,339.59	\$ 3,069,019.44	0.179%	2.150%	\$ 13,452.92	\$ 13,452.92	\$ -	(a) 5 stars	N/A	N/A	0
SunTrust Bank - Support	\$ 17,147.17	\$ 17,149.81	0.179%	2.150%	\$ 82.10	\$ 82.10	\$ -	(a) 5 stars	N/A	N/A	0
FL PRIME	\$ 891,435.97	\$ 891,435.97	0.015%	0.180%	\$ 520.98	\$ 520.98	(c)	(b) AAAM	N/A	N/A	1
Grand Total	\$ 3,856,922.73	\$ 3,977,605.22	0.142%	1.708%	\$ 14,056.00	\$ 14,056.00	N/A	N/A	N/A	N/A	0

(a) At Bauer Financial, banks are rated by stars. As of 9/30/2020, SunTrust Bank was rated 5 stars. The rating system is: 5 star is Superior; 4 star is Excellent; 3 1/2 star is Good; 3 star is Adequate; 2 star is Problematic; 1 star is Troubled.

(b) The Standard & Poor's rating scale is as follows, from excellent to poor: AAA, AA+, AA, AA-, A+, A, A-, BBB+, BBB, BBB-, BB+, BB, BB-, B+, B, B-, CCC+, CCC, CCC-, CC, C, D. Any rating lower than a BBB- is considered a speculative or junk bond.

(c) All rates of return are reported net of fees.