

Agenda

Florida SouthWestern State College Financing Corporation (the "Corporation")
Thomas Edison (Lee) Campus – Community Room I-223
August 16, 2022
4:00 p.m.

I. Public Comment

II. Vote to Take Action On

1. (a) Approval of the minutes from the March 8, 2022 meeting. (b) Approval of special meeting minutes from the May 17, 2022, Special Meeting. Presenter: Dr. Parrish
2. Election of Chair and Vice Chair. Presenter Dr. Parrish
3. Financials for the Fiscal Year Ending on March 31, 2022, and audit review checklist (Agenda Item 1). Presenter: Mr. Kessler with CliftonLarsonAllen, LLP
4. Investment discussion and approval of revised investment policy (Agenda Item 2). Presenter: Dr. Doeble

III. Information Only

1. 1st Quarter Financial Statements. (Agenda Item 3). Presenter: Kathleen Porter
2. Update from Student Affairs and Residence Life Staff of Lighthouse Commons. Presenter: Dr. Yovanovich and Mr. Long

Board Members' Comments

President's Comments

Adjournment

Minutes

Florida SouthWestern State College Financing Corporation
Thomas Edison (Lee) Campus – President's Community Room I-223
March 8, 2022
4:00 PM

The Florida SouthWestern State College Financing Corporation met in Lee County, Florida, on October 19, 2021, Dr. Parrish, Chair, called the meeting to order at 4:00 p.m.

Members Present: Dr. Randall Parrish, Jr, Chair
Dr. Jeffery Allbritten, Corporation President
Joe Coleman, Secretary
Dr. Gina Doeble, Treasurer
John Noland
William "Dennie" Hamilton, Vice-Chair
Mary Lee Mann

Absent: Eddie Webb, III
Tristan "Tris" Chapman

Others Present: Kathleen Porter
Justin Long
Ana Cardona Gonzalez
Linda Saunders (Recorder)

Public Comment: None

Vote to Take Action On:

Approval of the minutes for the October 19, 2021 meeting

MOTION by Mr. Hamilton to approve the minutes of the October 19, 2021 meeting, seconded by Mr. Noland. Approved unanimously.

Election of Chair and Vice Chair

The last election of Chair and Vice Chair took place in August 2021; Joe Coleman suggested that the Chair and Vice Chair serve for an additional year. MOTION by President Allbritten to approve the Chair and Vice Chair continue their role, seconded by Mr. Noland. Approved unanimously.

Approval of proposed meeting times for Fiscal Year 2022-2023

MOTION by Mrs. Mann to approve meeting times for Fiscal Year 2022-2023, seconded by Mr. Noland. Approved unanimously.

Agenda Item #1 - Approval of Financing Corp 2022-2023 Budget

1. Discussed construction of baseball field:

- Dr. Allbritten briefly discussed the October 19 Financing Corp meeting item, approved property sale, and acceptance of the project; Trustees approved the planning for the ultimate construction of the baseball field two weeks earlier.
- It was discovered that there is an overlap with the Finance Corp's property. Dr. Doeble discussed a solution to incorporate the entire project onto the Finance Corp's land with no cost increase; the college will continue to cover the liability and cost of maintenance for the facility. Will need to complete a Property Lease Addendum.
- Mrs. Mann added this would make a clear separation. There should be no question in anybody's mind that educational funds are not going towards the ballfield.
- Dr. Parrish entertained a motion for the Finance Corp giving their support to this concept of having the entire proceeds assigned to the Financing Corporation and take on the additional land with no increased expenses to the corporation.
 - The request will go before the April 6 Board of Trustees meeting for a vote to move the ballfield construction over to Finance Corp. Financing Corp will then provide the final vote.

MOTION by Mr. Noland to support this concept of having the entire proceeds assigned to this corporation for the land, seconded by Mrs. Mann. Approved unanimously.

2. Dr. Doeble provided 2022-2023 budget updates and fee increases on FSW housing rent.

- Housing fee increase. MOTION by Mrs. Mann to accept the fee increases on housing, seconded by Mr. Hamilton. Approved unanimously.
- Financing Corp 2022-2023 Budget. MOTION by Mr. Noland to accept the Financing Corp 2022-2023 Budget, second by Mrs. Mann. Approved unanimously.

Agenda Item #2 - Personal Services Agreement for Financial, Accounting & Legal Services and

Agenda Item #3 - Personal Services Agreement for Resident Assistants, Housing Director, and IT Support Services (Discussed together). Mr. Coleman provided an overview of the two Personal Services Agreements 2022-2023 renewals. MOTION by Mr. Hamilton to accept the renewal of the two Personal Services Agreements, second by Mr. Noland. Approved unanimously.

Agenda Item #4 - Approval of Lease Back Agreements for FSW Collegiate High Schools

Mr. Coleman provided overview of the renewal of the Lease Back Agreements for FSW Collegiate High Schools. MOTION by Mrs. Mann to accept the renewal of the Lease Back Agreements, second by Mr. Noland. Approved unanimously.

Agenda Item #5 - Year-end housing write-offs of accounts deemed uncollectable

Dr. Doeble provided the overview of the annual write-offs. MOTION by Mrs. Mann to approve the year-end write-offs, seconded by Mr. Hamilton. Approved unanimously.

Information Only:

Agenda Item #6 – 3rd Quarter Financial Statements

Ms. Porter provided the overview of the 3rd Quarter Financial Statements.

Updates – Lighthouse Commons

- Mr. Long introduced April Palmer, AVP, Student Success.
- Currently, housing has 381 residents assigned out of 392 beds (Continue to hold two suites for Covid) for the spring semester; 63 ahead compared to last year.
- Each year Housing application has a priority period (January 24 – February 4, we had 113 residents apply and pay the application fee, 26 residents ahead of last year.
- Shared the programs offered to students in Lighthouse Commons during the semester
- Plan to hold an event to close out the spring semester
- Mrs. Mann mentioned the Rush tickets at Barbara B. Mann; Justin will reach out to Scott

Board Comments:

- None

President Comments:

- In December, the Trustees approved an expenditure of \$700,000 for a 2-year marketing campaign, Lee Tran buses with purple wrap (FSW), coinciding with our Founder's Day (60th year anniversary) in late January; Mrs. Mann attended. You may also receive push messages on cellular devices from FSW near the following locations: Publix stores, churches, or business buildings around town. Advertising during the month of February on the NBC2, Fox and ABC7; we advertised on TV every day of the winter Olympics and the last spot before opening of Super Bowl. We are backing off of TV and increasing the advertising on buses, raising the image of the institute
- Building K is getting a major facelift, \$6.7 million to turn 1980s technology building into a 21st Century building
- Wednesday & Thursday night basketball, men won 1st and lost the 2nd game, ladies lost 1st game
- Wednesday night Bucketts had a Watch Party and donating 15% of the sales that evening to the athletic department
- FSW softball team is #1 in the nation; baseball team is above 15 in their league
- Working with faculty and staff bring them out to the games
- If interested in FSW games or shows at BB Mann reach out to our office

Adjournment – The meeting adjourned at 5:20PM

Dr. Jeffery S. Allbritten
Corporate President
Board of Directors

Joe Coleman, Secretary
Board of Directors

Date

Special Meeting Minutes

Florida SouthWestern State College Financing Corporation
Thomas Edison (Lee) Campus – President's Community Room I-223
May 17, 2022
10:00 a.m.

The Florida SouthWestern State College Financing Corporation met in Lee County, Florida, on May 17, 2022, Dr. Parrish, Chair, called the meeting to order at 10:06 a.m.

Members Present: Dr. Randall Parrish, Jr, Chair
Dr. Jeffery Allbritten, Corporation President
Joe Coleman, Secretary
Dr. Gina Doeble, Treasurer
John Noland
William "Dennie" Hamilton, Vice-Chair
Mary Lee Mann (Zoom)
Eddie Webb, III

Absent: Tristan "Tris" Chapman

Others Present: Linda Saunders (Recorder)
Mat Mason, Director, Facilities Management & Construction

Public Comment: None

Vote to Take Action On:

(A) Resolution to approve Amendment of Assignment Agreements

Mr. Coleman shared that the FSW Board of Trustees' agreed to the Resolution to approve Amendment of Assignment Agreements. MOTION by Mrs. Mann; seconded by Mr. Noland. Approved unanimously.

(B) Supplemental Lease Agreement

Mr. Coleman shared that the FSW Board of Trustees' agreed to the Supplemental Lease Agreement. MOTION by Mr. Noland; seconded by Mrs. Mann. Approved unanimously.

Lee Campus Baseball/Softball Fields Construction Contract

Dr. Doeble and Mat Mason shared the construction contract information. Dr. Parrish added the following statement for motion. The administration is recommending that the FSW Financing Corporation approve the baseball/softball fields Guaranteed Maximum Price (GMP) with Skanska as follows: Phase I(a) \$792,437, Phase I(b) \$2,982,537. Phase 1(b) is contingent on the successful closing of the Broadband sale to take place June 1, 2022. In addition, this authorizes the President to execute all contracts and documents up to the approved amount of \$3.9 million. MOTION by Mrs. Mann; seconded by Mr. Noland. Approved unanimously.

Board Comments:

- None

President Comments:

- Winkler Property. We received an offer of 1.5 million (letter of Intent) closing to take place in the next couple of months.

Adjournment – The meeting adjourned at 10:45 a.m.

Dr. Jeffery S. Allbritten
Corporate President
Board of Directors

Joe Coleman, Secretary
Board of Directors

Date

**Florida SouthWestern State College Financing Corporation
Agenda Item Summary**

Meeting Date: 8/16/2022

1. **Title:** Florida SouthWestern State College Financing Corporation Audited Financial Statements for Fiscal Year Ended March 31, 2022
2. **Action Requested/Purpose:** Approval to accept the Florida SouthWestern State College Financing Corporation's audited financial report for fiscal year ended March 31, 2022.
3. **Fiscal Impact:** Yes No N/A
4. **Funding Source:** Amount: \$
5. **Administration Recommendation:** The Administration recommends Board of Directors approval of the Florida SouthWestern State College Financing Corporation audited financial report for the fiscal year ended March 31, 2022.

6. **Agenda Item Type:**
- Action Item
 - Consent Agenda
 - Information Only
 - Board Requested Information/Report

7. **Requirement/Purpose (Include Citation)**
- Statute
 - Administrative Code 6Hx6:1.05
 - Other

8. **Background Information:** The audited financial report represents the activities and financial results of the Financing Corporation's operations for the fiscal year ended March 31, 2022. The Financing Corporation's financial report was prepared by the College's Office of Financial Services in accordance with the Generally Accepted Account Principles and audited by Clifton Larson Allen, LLP, Certified Public Accountants. As of March 31, 2022, the net position of the Financing Corporation totaled \$7,785,051.

It is recommended that the Board of Directors accept the audited financial report as presented

Requested by:

Kathleen Porter
Kathleen Porter (Aug 8, 2022 11:05 EDT)

Kathleen Porter, Director Finance and Accounting

Funding Verified by:

Gina Dooble
Gina Dooble (Aug 8, 2022 11:14 EDT)

Vice President of Operations/CFO

Approved for Agenda by:

Scott [Signature]

President



Board of Directors
Florida SouthWestern State College Financing Corporation
Fort Myers, Florida

We have audited the financial statements of Florida SouthWestern State College Financing Corporation as of and for the year ended March 31, 2022, and have issued our report thereon dated July 20, 2022. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement letter dated March 29, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Florida SouthWestern State College Financing Corporation are described in Note 1 to the financial statements.

The Florida SouthWestern State College Financing Corporation changed accounting policies related to leases by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, *Leases*, in 2022. There were no changes to the amounts reported in the financial statements.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

The Florida SouthWestern State College Financing Corporation received \$961,282 from Florida SouthWestern State College for lost housing revenue due to the COVID-19 pandemic.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated July 20, 2022.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Supplementary information in relation to the financial statements as a whole

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during

the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

This communication is intended solely for the information and use of the board of directors and management of Florida SouthWestern State College Financing Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
July 20, 2022

**AUDIT REPORT SUBMITTAL CHECKLIST
PURSUANT TO CHAPTER 10.700, RULES OF THE AUDITOR GENERAL**

Entity Name: Florida SouthWestern State College Financing Corporation

Entity Address: 8099 College Parkway Fort Myers Florida 33919

Entity Contact Person:

Name: Gina Doeble

Title: Treasurer

Phone Number: 239-489-9029

E-mail Address: gina.dowble@fsw.edu

CPA Firm Contact Person:

Name: Chris Kessler, CPA

Title: Principal

Phone Number: 239-226-9903

E-mail Address: Chris.Kessler@CLAconnect.com

Fiscal Year Audited: March 31, 2022

Date the auditor delivered the audit report to the entity: August 5, 2022

Does the audit report include the following items required by Section 10.730(4), Rules of the Auditor General:

Yes The financial statements reported on, together with related notes to the financial statements and required supplementary information, required by generally accepted accounting principles (see Section 10.730(4)(d), Rules of the Auditor General)?

Yes The auditor's report on the financial statements (see Section 10.730(4)(b), Rules of the Auditor General)?

Yes The auditor's report on internal control and compliance based on an audit of the financial statements (see Section 10.730(4)(b), Rules of the Auditor General)?

N/A If applicable, management's response to audit findings (see Sections 10.730(4)(e) and 10.740(2), Rules of the Auditor General)?

N/A If applicable, any other auditor's reports, related financial information, and auditee-prepared documents required pursuant to Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); the Florida Single Audit Act; Chapter 10.650, Rules of the Auditor General; or other applicable Federal and State law (see Section 10.730(4)(c), Rules of the Auditor General)?

In addition to the above, have the following requirements been complied with:

Yes Are all of the above elements of the audit report included in a **single document** as required by Section 10.730(4), Rules of the Auditor General)?

Yes Are **one** paper copy and **one** electronic copy of the audit report being submitted as required by Section 10.740(2), Rules of the Auditor General?

Yes Is the audit report being submitted within the following time periods prescribed by Section 10.740(1), Rules of the Auditor General? **NOTE:** There is no provision in law authorizing an extension for filing the audit report.

- For direct-support and citizen-support organizations, no later than 9 months after the end of the fiscal year.
- For scholarship funding-organizations, no later than 180 days after completion of the fiscal year of the auditee.
- For Enterprise Florida, Inc., within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee.
- For Florida Is For Veterans, Inc., within 45 days of delivery of the audit report to the auditee, but no later than December 1 after the end of the fiscal year of the auditee.
- For Scripps Florida Funding Corporation, within 45 days of delivery of the audit report to the auditee, but no later than December 1 after the end of the fiscal year of the auditee.
- For nonprofit entities operating schools of hope, within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee.
- For eligible charitable organizations, within 45 days of delivery of the audit report to the auditee, but no later than 9 months after the end of the fiscal year of the auditee. Audit reports must also be provided to the Department of Children and Families within 180 days after completion of the fiscal year of the auditee.

Yes Is the electronic copy named using all lower-case letters as follows? [fiscal year] [name of entity].pdf. For example, the converted document for the 2020-21 fiscal year for "Example Nonprofit" entity should be named 2021 example nonprofit.pdf.

This checklist should accompany the audit report. It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact us if assistance or clarification is needed regarding reporting requirements. Our contact information is as follows:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

Telephone: (850) 412-2881

E-mail Address: flaudgen_localgovt@aud.state.fl.us

Web site Address: FLAuditor.gov

**FLORIDA SOUTHWESTERN STATE COLLEGE
FINANCING CORPORATION**

BASIC FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcconnect.com

**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
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YEAR ENDED MARCH 31, 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Florida SouthWestern State College Financing Corporation
Fort Myers, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Florida SouthWestern State College Financing Corporation, a component unit of Florida SouthWestern State College, as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise Florida SouthWestern State College Financing Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida SouthWestern State College Financing Corporation as of March 31, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Florida SouthWestern State College Financing Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Florida SouthWestern State College Financing Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Florida SouthWestern State College Financing Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Florida SouthWestern State College Financing Corporation's ability to continue as a going concern for a reasonable period of time.

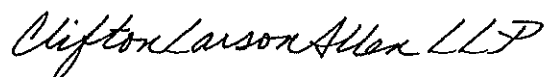
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2022, on our consideration of the Florida SouthWestern State College Financing Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Florida SouthWestern State College Financing Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Florida SouthWestern State College Financing Corporation's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Fort Myers, Florida
July 20, 2022

**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED MARCH 31, 2022**

Overview of the Financial Statements and Financial Analysis

This section of the Florida SouthWestern State College Financing Corporation (the Financing Corporation) annual financial report presents a discussion and analysis of the financial performance of the Financing Corporation for the year ended March 31, 2022. The emphasis of discussions about these statements will be on current year activities, resulting change, and current known facts. The discussion should be read in conjunction with the basic financial statements and related notes. Responsibility for the completeness and fairness of this information rests with the Financing Corporation's management.

The annual report consists of a series of financial statements, prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, as amended. The Financing Corporation is considered a Business-Type Activity under the provisions and reporting model of GASB Statement No. 34.

Financial Highlights

On December 21, 2017, the Financing Corporation issued the Series 2017A, Series 2017B, and Series 2017C Refunding Bank Loans in the par amounts of \$10,000,000, \$10,000,000, and \$2,879,067, respectively. The notes were issued for the purpose of currently refunding the outstanding Series 2010 Industrial Development Revenue Bond. The final maturity of the refunding notes is October 1, 2040, with interest rates of 3%, 2.96%, and 3%, respectively.

On April 3, 2008, the Florida SouthWestern State College's (the College) District Board of Trustees approved Policy 6Hx6:1.07 which allows the transfer of "legally available auxiliary enterprise funds" to the Financing Corporation in order to operate or administer contracts for the College's auxiliary enterprises on behalf of the College. Legally available funds is defined as all funds that are not: a) derived from tuition revenues; b) appropriated for designated purposes; c) pledged to secure obligations of the College, or if pledged, are in excess of amounts necessary to pay such obligations in the current fiscal year; or d) otherwise legally or contractually restricted as to use.

On November 16, 2007, the College entered into an agreement with Clearwire, Inc. to lease the College's excess capacity on its license to operate an Education Broadband Service (EBS). The College holds a license issued by the Federal Communications Commission to operate Educational Broadband Service Stations in areas surrounding its campuses.

Clearwire, Inc. is in the business of operating, aggregating, and/or managing broadband services and hence has agreed to pay royalties to the College for its excess capacity. A total of \$358,656 was received from Clearwire, Inc. for the years ended March 31, 2022 and 2021. All revenue earned by the College from this agreement has been contributed to the Financing Corporation, as approved by the College's District Board of Trustees.

The Financing Corporation maintains an agreement with the College to collect lease revenues from the Florida SouthWestern Collegiate High Schools (the Charter Schools) located on the Lee and Charlotte campuses of the College. The Charter Schools are a component unit of the College. The Financing Corporation records the revenue from this lease agreement as nonoperating revenues from auxiliary operations of the College. A total of \$295,000 and \$272,500 was recognized as nonoperating revenues from the Charter Schools for the years ended March 31, 2022 and 2021, respectively. See Note 6 for additional information.

**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED MARCH 31, 2022**

Statement of Net Position

The statement of net position reflects the assets and liabilities of the Financing Corporation using the accrual basis of accounting and presents the financial position of the Financing Corporation at a specified time. Net position, the difference between total assets, plus deferred outflows of resources, and total liabilities, is one indicator of the Financing Corporation's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the Financing Corporation's financial condition.

The following table presents a condensed summary of the Financing Corporation's net position as of March 31.

SUMMARY OF NET POSITION

	<u>2022</u>	<u>2021</u>
Assets:		
Current and Other Assets	\$ 11,068,498	\$ 10,763,064
Capital Assets	<u>16,814,600</u>	<u>17,440,305</u>
Total Assets	<u>27,883,098</u>	<u>28,203,369</u>
Liabilities:		
Current Liabilities	1,470,845	1,304,022
Noncurrent Liabilities	<u>18,627,202</u>	<u>19,432,461</u>
Total Liabilities	<u>20,098,047</u>	<u>20,736,483</u>
Net Position:		
Net Investment in Capital Assets	446,117	413,368
Unrestricted	<u>7,338,934</u>	<u>7,053,518</u>
Total Net Position	<u>\$ 7,785,051</u>	<u>\$ 7,466,886</u>

At March 31, 2022, the assets of the Financing Corporation totaled \$27,883,098, as compared to a total of \$28,203,369 at March 31, 2021, or a decrease of approximately 1.1%. Total assets consist primarily of a 405-bed student residence hall constructed in 2013. The balance in net position for the Financing Corporation is determined by subtracting total liabilities from total assets. At March 31, 2022, the liabilities of the Financing Corporation totaled \$20,098,047, as compared to a total of \$20,736,483 at March 31, 2021, or a decrease of approximately 3.1%. Total liabilities are primarily comprised of amounts due to the Series 2017 bonds issued for the refinancing of the Series 2010 bonds. Net position totaled \$7,785,051 and consisted primarily of unrestricted net position of \$7,338,934 as of March 31, 2022, for an increase of approximately 4.3% from the prior year.

**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED MARCH 31, 2022**

Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the Financing Corporation's revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

Changes in total net position as presented on the statement of net position are based on the activity presented in the statement of revenues, expenses, and changes in net position. The purpose of the statement is to show the operating and nonoperating revenues received by the Financing Corporation, the operating and nonoperating expenses paid by the Financing Corporation, and any other revenues, expenses, gains, and losses received or spent by the Financing Corporation.

Revenues and expenses of the Financing Corporation for the years ended March 31 are shown in the table below.

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2022	2021
Total Operating Revenues	\$ 2,578,613	\$ 1,820,585
Total Nonoperating Revenues, Net	1,543,274	718,651
Total Revenues	4,121,887	2,539,236
Total Operating Expenses	2,006,067	2,018,323
Total Nonoperating Expenses	1,797,655	622,769
Total Expenses	3,803,722	2,641,092
Change In Net Position	318,165	(101,856)
Net Position - Beginning of Year	7,466,886	7,568,742
Net Position - End of Year	\$ 7,785,051	\$ 7,466,886

Operating revenues totaled \$2,578,613 at March 31, 2022, and reflect an increase of \$758,028, approximately 41.6%, from 2021 primarily due to an increase in housing occupancy which reflects a return to pre-COVID-19 occupancy numbers. Operating expenses decreased by \$12,256, approximately 0.6%, in 2022 as compared to 2021. Nonoperating expenses are comprised of interest expense related to the housing bonds and a \$1,200,000 payment to the College for a baseball and softball field construction project.

**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED MARCH 31, 2022**

Capital Assets

The following schedule provides a comparative summary of net capital assets by category. Additional information on the Financing Corporation's capital assets can be found in Note 4 on page 20 of this report.

	<u>2022</u>	<u>2021</u>
Buildings	\$ 16,423,403	\$ 16,964,833
Other Structures	391,197	475,472
Total Capital Assets, Net	<u>\$ 16,814,600</u>	<u>\$ 17,440,305</u>

Depreciation expense for the years ended March 31, 2022 and 2021 totaled \$625,705.

Debt Administration

The following schedule details the Financing Corporation's long-term debt as of March 31. Additional information about the Financing Corporation's long-term debt can be found in Note 5 on pages 20 and 21 of this report.

	<u>2022</u>	<u>2021</u>
Bonds Payable	<u>\$ 19,432,461</u>	<u>\$ 20,214,168</u>

Request for Information

This financial report is designed to provide the reader an overview of the Financing Corporation. Questions regarding any information provided in this report should be directed to:

Dr. Gina Doeble, CPA
Vice President of Administrative Services
Florida SouthWestern State College
8099 College Parkway
Fort Myers, Florida 33919

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
STATEMENT OF NET POSITION
MARCH 31, 2022

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 4,276,801
Accounts Receivable	569
Due from College	59,103
Prepaid Expenses	116,470
Total Current Assets	4,452,943

Noncurrent Assets:

Investments	4,825,008
Restricted Cash and Cash Equivalents	1,790,547
Capital Assets, Net	16,814,600
Total Noncurrent Assets	23,430,155
Total Assets	27,883,098

LIABILITIES

Current Liabilities:

Accounts Payable	209,218
Rent Received in Advance	263,176
Interest Payable	193,192
Bonds Payable - Current	805,259
Total Current Liabilities	1,470,845

Noncurrent Liabilities:

Bonds Payable - Noncurrent	18,627,202
Total Noncurrent Liabilities	18,627,202
Total Liabilities	20,098,047

NET POSITION

Net Investment in Capital Assets	446,117
Unrestricted	7,338,934
Total Net Position	\$ 7,785,051

See accompanying Notes to Basic Financial Statements.

**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED MARCH 31, 2022**

OPERATING REVENUES	
Student Rent and Fees	\$ 2,578,613
OPERATING EXPENSES	
General and Administrative	<u>2,006,067</u>
OPERATING INCOME	572,546
NONOPERATING REVENUES (EXPENSES)	
Florida SouthWestern State College - EBS Royalties	358,656
Florida SouthWestern State College - Charter School Leases	295,000
Florida SouthWestern State College - Other Nonoperating Revenue	961,282
Interest Income	90,874
Contribution to Florida SouthWestern State College	(1,200,000)
Net Increase (Decrease) in Fair Value of Investments	(162,538)
Interest Expense	<u>(597,655)</u>
Net Nonoperating Expenses	<u>(254,381)</u>
CHANGE IN NET POSITION	318,165
Net Position - Beginning of Year	<u>7,466,886</u>
NET POSITION - END OF YEAR	<u><u>\$ 7,785,051</u></u>

See accompanying Notes to Basic Financial Statements.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Cash Received from Students for Housing	\$ 2,638,716
Cash Paid to Suppliers for Goods/Services/Utilities	<u>(1,275,094)</u>
Net Cash Provided by Operating Activities	1,363,622

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Receipts from Florida SouthWestern State College - EBS Royalties	358,656
Receipts from Florida SouthWestern State College - Charter School Leases	294,431
Receipts from Florida SouthWestern State College - Other Nonoperating Revenue	961,282
Payments for Noncapital Activities	<u>(1,200,000)</u>
Net Cash Provided by Noncapital Financing Activities	414,369

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Principal Paid on Bonds	(781,708)
Interest Paid on Bonds	<u>(605,427)</u>
Net Cash Used by Capital and Related Financing Activities	(1,387,135)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on Investments	99,472
Purchases of Securities for Long-Term Investments	(1,500,744)
Proceeds from Sales and Maturities of Investments	<u>1,438,122</u>
Net Cash Provided by Investing Activities	<u>36,850</u>

INCREASE IN CASH AND CASH EQUIVALENTS

427,706

Cash and Cash Equivalents - Beginning of Year

5,639,642

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 6,067,348

SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION

Current Cash and Cash Equivalents	\$ 4,276,801
Current Cash and Cash Equivalents - Restricted	<u>1,790,547</u>

Cash and Cash Equivalents - March 31, 2022

\$ 6,067,348

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

Change in Fair Value of Investments	<u><u>\$ (152,072)</u></u>
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See accompanying Notes to Basic Financial Statements.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED MARCH 31, 2022

**RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES**

Operating Income	\$ 572,546
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	625,705
Decrease in Due from College	20,856
Increase in Prepaid Expenses	(6,529)
Increase in Accounts Payable	111,797
Increase in Rent Received in Advance	39,247
Net Change	<u>791,076</u>
Net Cash Provided by Operating Activities	<u>\$ 1,363,622</u>

See accompanying Notes to Basic Financial Statements.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization and Activities

On November 27, 2007, the Edison College District Board of Trustees approved the creation of the Edison College Financing Corporation (the Financing Corporation). The Financing Corporation was incorporated as a nonprofit organization under the laws of the state of Florida on November 28, 2007. On March 31, 2010, the Financing Corporation changed its corporate name to Edison State College Financing Corporation, consistent with the name change of Edison State College. On July 1, 2014, the Financing Corporation changed its corporate name to Florida SouthWestern State College Financing Corporation, consistent with the name change of Florida SouthWestern State College (the College).

The Financing Corporation is a direct support organization and a component unit of the College, as defined by State of Florida Auditor General Rule 10.700 and Florida Statute 1004.70. It is governed by its own independent board of directors and is organized to: a) provide housing opportunities for the students of the College; b) finance capital projects to meet current and future needs of the College, such as student housing, parking facilities, and/or other improvements; c) manage and invest funds held by it; and d) any other proper activity of the College. The Financing Corporation has no component units. Therefore, no component units are reported as part of the Financing Corporation.

The governing body of the Financing Corporation is its board of directors (the Board). The Board is comprised of at least five (5) but not more than seven (7) directors. The Financing Corporation is managed, supervised, and controlled by its Board subject to applicable law and the powers and duties reserved to the District Board of Trustees and the President of the College.

The Financing Corporation's District offices are located on the Lee County campus of the College in Fort Myers, Florida.

Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies used in the preparation of these basic financial statements.

Basis of Accounting

Basis of accounting refers to when the effect of transactions or events should be recognized for financial reporting purposes. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The financial statements of the Financing Corporation have been prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Accounting (Continued)

The statement of net position is presented in a classified format to distinguish between current and long-term assets and liabilities. The statement of revenues, expenses, and changes in net position is presented by major sources. The statement of cash flows is presented using the direct method and is in compliance with Governmental Accounting Standards Board (GASB) Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

Financial Statement Presentation

The Financing Corporation follows GASB Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, as amended, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, as amended.

GASB Statement No. 34, as amended, established standards for external financial reporting which includes a statement of net position, a statement of revenues, expenses, and changes in net position, a statement of cash flows, and notes to the financial statements. GASB Statement No. 34 also includes a requirement that management provide a discussion and analysis of the basic financial statements and it requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are further defined as follows:

Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt that are attributable to those assets.

Restricted – consists of assets that have constraints placed upon their use through external sources imposed either by creditors (such as through debt covenants) or through laws, regulations or constraints imposed by law through constitutional provisions or enabling legislation, reduced by liabilities to be paid from these assets.

Unrestricted – consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available, it is the Financing Corporation's policy to first apply restricted resources followed by the use of unrestricted resources.

The Financing Corporation also adheres to the recommendations of the National Association of College and University Business Officers (NACUBO). NACUBO's recommendations are consistent with generally accepted accounting principles promulgated by the GASB.

Since the Financing Corporation is not required to adopt a legal budget, a budget-versus-actual statement is not presented as part of these financial statements.

**FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Cash and Cash Equivalents

The Financing Corporation considers highly liquid, short-term investments purchased with an original maturity of three months or less to be cash equivalents.

Receivables

Receivables consist of amounts due from the College for lease revenues from students residing in LightHouse Commons. The amount of \$59,103 is reported net of an allowance for uncollectible accounts of \$46,077 at March 31, 2022.

Investments

On December 5, 2014, the Financing Corporation's board of directors approved an updated investment policy which defines the fiduciary responsibility of the Financing Corporation's investment advisor and establishes asset uses and the acceptable level of risk on investments. The adopted policy permits investments in low to low-moderate risk investment vehicles. Investments are reported at fair value. Realized and unrealized gains and losses are reflected in the statement of revenue, expenses, and changes in net position.

Capital Assets

The Financing Corporation's capital assets are capitalized and recorded at cost at the date of acquisition or at estimated acquisition value at the date received in the case of gifts and purchases of state surplus property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The Financing Corporation has a capitalization threshold of \$5,000 for tangible personal property and \$25,000 for buildings and other structures and improvements. Depreciation is computed on the straight-line basis over the following estimated useful lives:

Building	40 Years
Other Structures	10 Years
Furniture, Machinery, and Equipment:	
Computer Equipment	3 Years
Office Equipment	5 Years
Furniture	7 Years

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Financing Corporation. These revenues are charges for student rent and fees related to housing. Operating expenses are necessary costs incurred to provide the goods and services that are for housing as well as for support of the College. Items that do not directly relate to the principal and usual activity of the Financing Corporation are recorded as nonoperating revenues and expenses.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Income Taxes

No provision for income tax expense has been made in the accompanying financial statements since the Financing Corporation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Financing Corporation is organized exclusively for educational purposes and although it has not been classified as an organization that is a private foundation under Section 509(a)(2), it has been classified as a corporation under section 509(a)(3).

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 CASH AND CASH EQUIVALENTS

The Financing Corporation's policy allows deposits to be held in demand deposit and money market accounts as well as other low to low-moderate risk investment vehicles. Cash and cash equivalents (deposits) consist of the following at March 31, 2022:

Classification	Carrying Amount
Unrestricted:	
Public Funds Bank Account	\$ 4,233,825
U.S. Government Money Market Mutual Fund	42,976
Restricted for Capital Outlay:	
Public Funds Bank Account	372,334
Restricted for Debt Service:	
Public Funds Bank Account	1,418,213
Total	\$ 6,067,348

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, deposits will be forfeited. The Financing Corporation does not have a deposit policy for custodial credit risk. The Financing Corporation has experienced no custodial credit risk losses.

The Financing Corporation's accounts are categorized as follows:

	<u>Bank Balance</u>
Unrestricted:	
Amount Covered by Federal Depository Insurance or Collateralized Pursuant to Florida Statute 280	\$ 4,279,085
Total Unrestricted	4,279,085
Restricted for Capital Outlay:	
Amount Covered by Federal Depository Insurance or Collateralized Pursuant to Florida Statute 280	372,334
Restricted for Debt Service:	
Amount Covered by Federal Depository Insurance or Collateralized Pursuant to Florida Statute 280	1,418,213
Total Restricted	1,790,547
Total	\$ 6,069,632

Custodial Credit Risk

The Financing Corporation maintains its Public Funds Bank Accounts in Qualified Public Depositories as required by Section 280.17, Florida Statutes. These assets are fully insured through a combination of up to \$250,000 per financial institution through Federal Deposit Insurance Corporation (FDIC) or collateral pursuant to Chapter 280, Florida Statutes, Security for Public Deposits. Florida Statute 280.17 requires that public funds be fully collateralized.

Credit Risk

The Financing Corporation's policy requires limiting investments to the safest types of securities and diversifying the investment portfolio so that potential losses on individual securities will be minimized. The Financing Corporation's investment in the Money Market Mutual Fund is rated AAA at March 31, 2022.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 3 INVESTMENTS

The Financing Corporation's policy objectives suggest an investment strategy of an intermediate taxable fixed income portfolio. The intermediate taxable fixed income portfolio will have a duration range of 1.5 to 3 years determined first by the liquidity requirements of the Financing Corporation and then by yields available in the market. A maximum, final maturity for any single issue will be 3.5 years, with the exception of agency mortgage-backed securities, which may have longer final maturities, but must have average lives of less than 3.5 years at purchase.

Investment will be limited to U.S. treasuries, government agency debt (including agency mortgage-backed securities), taxable municipal bonds, and corporate bonds with the following portfolio limitation: maximum allocation to taxable municipal bonds is 25%; maximum allocation to corporate bonds is 25%; and minimum allocation to government agency and agency mortgage-backed securities will be 50%, with the additional provision that the maximum allocation to agency mortgage-backed securities is 20%.

The strategy states that all corporate bond investments will be A rated or better, with a provision that no purchases will be made if a bond is rated below A by any of the three ratings agencies. All taxable municipal bond investments will be AA rated or better, with a provision that no purchases will be made if a bond is rated below AA by any of the three ratings agencies.

All assets will be invested in liquid securities, defined as securities that can be sold quickly and efficiently for cash, and will settle within three business days.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Financing Corporation will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

The Financing Corporation utilizes the services of an investment manager, FineMark National Bank and Trust, for its investments. The investments held by the investment manager are uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Financing Corporation's name.

The Money Market Mutual Fund account, in the amount of \$42,976, is not insured through either the FDIC or Chapter 280. Investments in these money market mutual funds are not categorized as to custodial credit risk as they are not evidenced by securities that exist in physical or book entry form.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 3 INVESTMENTS (CONTINUED)

Interest Rate Risk

As a means of managing its exposure to fair-value losses arising from increasing interest rates, the Financing Corporation has established a target for the duration of its fixed income portfolio to be between 1.5 and 3 years.

As of March 31, 2022, the fair value of the Financing Corporation's investment portfolio was \$4,867,984. The portion attributed to fixed income investments totaled \$4,825,008 and was available by percentage of its portfolio as follows:

<u>Investment Maturities</u>	<u>Percentage of Portfolio</u>
Less than 1 Year	41.0%
1 to 3 Years	59.0%

All funds classified as investments are recorded at fair value, as listed on March 31, 2022. As of March 31, 2022, the maturities of investments by type were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>	
		<u>Less than 1 Year</u>	<u>1 to 3 Years</u>
Federal Agencies	\$ 2,424,501	\$ 837,867	\$ 1,586,634
State and Municipal Bonds	1,206,821	621,278	585,543
Corporate Bonds	1,193,686	518,932	674,754
Totals	<u>\$ 4,825,008</u>	<u>\$ 1,978,077</u>	<u>\$ 2,846,931</u>

Credit Risk

It is the Financing Corporation's policy that the fixed income portfolio must be rated at A or higher for corporate bond investments and AA or higher for all other investments by any of the three rating services. At March 31, 2022, the Financing Corporation's fixed income investments were rated as follows:

<u>Ratings</u>	<u>Percentage of Portfolio</u>
AAA	47.4%
AA	42.1%
A	10.5%
	<u>100.0%</u>

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 3 INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The Financing Corporation's policy limits investments to U.S. treasuries, government agencies, taxable municipal bonds, and corporate bonds. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations. The following represents investments with issuers that exceed 5% of the Financing Corporation's total investments:

<u>Issuer</u>	<u>Issuers' Total Fair Value</u>	<u>Percentage of Total Investments</u>
FANNIE MAE (FNMA)	\$ 1,240,996	25.7%
FEDERAL HOME LOAN BANK (FHLB)	673,525	14.0%
MICROSOFT CORP	443,716	9.2%
FREDDIE MAC (FHLMC)	422,721	8.8%

Management of the Financing Corporation believes the concentration of credit risk with respect to its investments is mitigated by investing through the use of a national investment manager in U.S. treasuries, government agencies, highly rated corporate bonds, municipal bonds, and widely traded mutual funds.

Fair Value Measurements

The Financing Corporation categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Financing Corporation has the following recurring fair value measurements as of March 31, 2022:

- Federal agencies of \$2,424,501 and state and municipal bonds of \$1,206,821 are valued using pricing models maximizing the use of observable inputs for similar securities (Level 2 inputs).
- Corporate bonds of \$1,193,686 is valued using a matrix pricing model (Level 2 inputs).

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 4 CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended March 31, 2022:

	Balance - Beginning of Year	Increases	Decreases	Balance - End of Year
Depreciable Capital Assets:				
Building	\$ 21,657,234	\$ -	\$ -	\$ 21,657,234
Other Structures	842,750	-	-	842,750
Computer Equipment	21,997	-	-	21,997
Office Equipment	15,897	-	-	15,897
Furniture	90,744	-	-	90,744
Total Depreciable Capital Assets	22,628,622	-	-	22,628,622
Total Capital Assets	22,628,622	-	-	22,628,622
Less Accumulated Depreciation for:				
Building	(4,692,401)	(541,430)	-	(5,233,831)
Other Structures	(367,278)	(84,275)	-	(451,553)
Computer Equipment	(21,997)	-	-	(21,997)
Office Equipment	(15,897)	-	-	(15,897)
Furniture	(90,744)	-	-	(90,744)
Total Accumulated Depreciation	(5,188,317)	(625,705)	-	(5,814,022)
Total Capital Assets, Net	\$ 17,440,305	\$ (625,705)	\$ -	\$ 16,814,600

NOTE 5 BONDS PAYABLE

The following is a summary of the bonds payable activity for the period ended March 31, 2022:

	Balance - Beginning of Year	Increases	Decreases	Balance - End of Year	Amounts Due within One Year
Direct Placements:					
Series 2017A	\$ 8,835,225	\$ -	\$ (341,669)	\$ 8,493,556	\$ 351,963
Series 2017B	8,835,225	-	(341,669)	8,493,556	351,963
Series 2017C	2,543,718	-	(98,370)	2,445,349	101,333
Total	\$ 20,214,168	\$ -	\$ (781,708)	\$ 19,432,461	\$ 805,259

On December 21, 2017, the Financing Corporation issued the Series 2017A, Series 2017B, and Series 2017C Refunding Bank Loans in the par amounts of \$10,000,000, \$10,000,000, and \$2,879,067, respectively, which represent direct placements. The final maturity of notes is October 1, 2040, with interest rates of 3%, 2.96%, and 3%, respectively.

The notes are subject to mandatory redemption at the option of the holder on or after December 21, 2027, upon written notice provided during the period commencing 90 days prior to the call date and ending 90 days following the call date. The notes are subject to mandatory redemption 180 days from the receipt of the notice from the holder.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 5 BONDS PAYABLE (CONTINUED)

The Financing Corporation's outstanding bonds from direct placements contain a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due. The Financing Corporation's outstanding bond from direct placements also contain a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines that a material adverse change occurs.

The following is a schedule of future debt service requirements:

<u>Year Ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 805,259	\$ 573,661	\$ 1,378,920
2024	829,504	549,466	1,378,970
2025	854,495	524,543	1,379,038
2026	880,253	498,868	1,379,121
2027	906,772	472,419	1,379,191
2028 to 2032	4,960,370	1,936,631	6,897,001
2033 to 2037	5,753,805	1,145,157	6,898,962
2038 to 2041	4,442,003	271,862	4,713,865
Total	<u>\$ 19,432,461</u>	<u>\$ 5,972,607</u>	<u>\$ 25,405,068</u>

Tenant revenues collected are pledged first to be used for debt service. The total amount of rental revenues recorded during 2022 was \$2,578,613.

Under the terms of the refunding notes, the Financing Corporation was required to fund the "debt service reserve fund." This was funded from the existing debt service reserve that had been established for the refunded bonds and \$1,418,213 is reported in restricted cash and cash equivalents.

NOTE 6 LEASE AGREEMENT

On August 1, 2010, the Financing Corporation entered into a Master Lease Agreement with the College for the properties occupied by the Charter Schools in both the Charlotte and Lee Campuses. The College leases the respective properties on its campuses to the Financing Corporation for a rental fee of \$1.00 per annum. The property covered by the Master Lease Agreement thereon is leased back to the College to manage and operate. The Financing Corporation records the revenue from this lease agreement as nonoperating revenues from auxiliary operations of the College.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 7 RELATED PARTY TRANSACTIONS

Nonoperating revenues totaling \$653,656 were received from the College during the year ended March 31, 2022, and consisted of funds assigned to the Financing Corporation from College auxiliary operations, from two contracts for Educational Broadband Services (EBS) excess capacity use and royalties and from two charter school building leases. The assigned funds totaled \$358,656 from EBS royalties and \$295,000 from the charter school leases. The Financing Corporation received \$961,282 from the College in other nonoperating revenue from the College during the year ended March 31, 2022.

Financing Corporation personnel are employed by the College. The Financing Corporation paid the College \$106,000 to reimburse the College for the estimated salaries and related payroll taxes and benefits of its staff assigned to the Financing Corporation. Additionally, the Financing Corporation paid the College \$278,000 to reimburse the College for contract and personnel services related to the operation of LightHouse Commons.

The Financing Corporation paid the College \$28,484 to reimburse the College for other expenses related to the operation of LightHouse Commons.

The Financing Corporation paid the College \$1,200,000 to begin construction of baseball and softball fields.

NOTE 8 ECONOMIC DEPENDENCE

The Financing Corporation is dependent upon the College to contribute resources until the occupancy rate in LightHouse Commons reaches a level that allows the Financing Corporation to cover its operating expenses, as well as its debt service payment. Loss of these funds and/or large decreases in these types of funding would have a material effect on the Financing Corporation and a negative impact on overall operations.

NOTE 9 RISK MANAGEMENT

The Financing Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims have not exceeded commercial insurance coverage in any of the last three years.

FLORIDA SOUTHWESTERN STATE COLLEGE FINANCING CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2022

NOTE 10 SUBSEQUENT EVENTS

Subsequent to year-end, the College entered into an asset purchase agreement to transfer its EBS license to a third party who had been making royalty payments for the use of the excess capacity associated with the license. The revenue generated from these royalty payments that was assigned to the Financing Corporation by the College will cease as of the date of the sale. However, the College assigned the proceeds from this sale to the Financing Corporation.

Subsequent to year-end, the Financing Corporation and the College entered into a Supplemental Lease Agreement to add property to the Master Lease Agreement of December 1, 2010 for capital projects.

Subsequent to year-end, the Financing Corporation entered into a guaranteed maximum price contract for the construction of baseball and softball fields for the College in the amount of \$3,774,974.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Florida SouthWestern State College Financing Corporation
Fort Myers, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Florida SouthWestern State College Financing Corporation as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise Florida SouthWestern State College Financing Corporation's basic financial statements, and have issued our report thereon dated July 20, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Florida SouthWestern State College Financing Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida SouthWestern State College Financing Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Florida SouthWestern State College Financing Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Board of Directors
Florida SouthWestern State College Financing Corporation

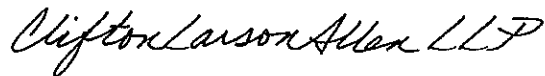
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Florida SouthWestern State College Financing Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Fort Myers, Florida
July 20, 2022



Florida South Western State College Financing Corporation, Inc.

Audit results for the year ended March 31, 2022

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We'll get you there.

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Reports Delivered

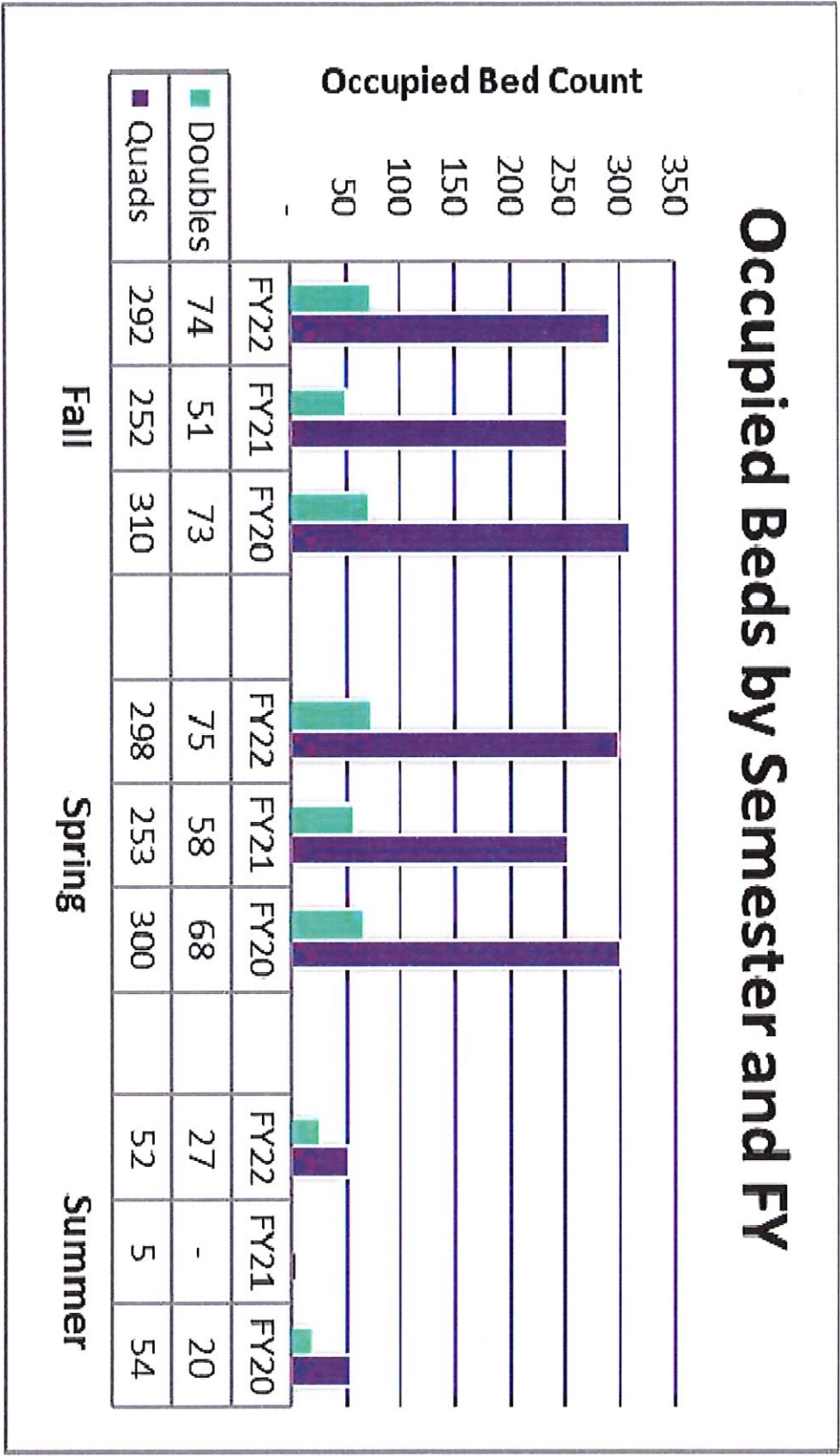
Independent Auditors'
Report

Report on Internal
Control over Financial
Reporting and
Compliance and Other
Matters

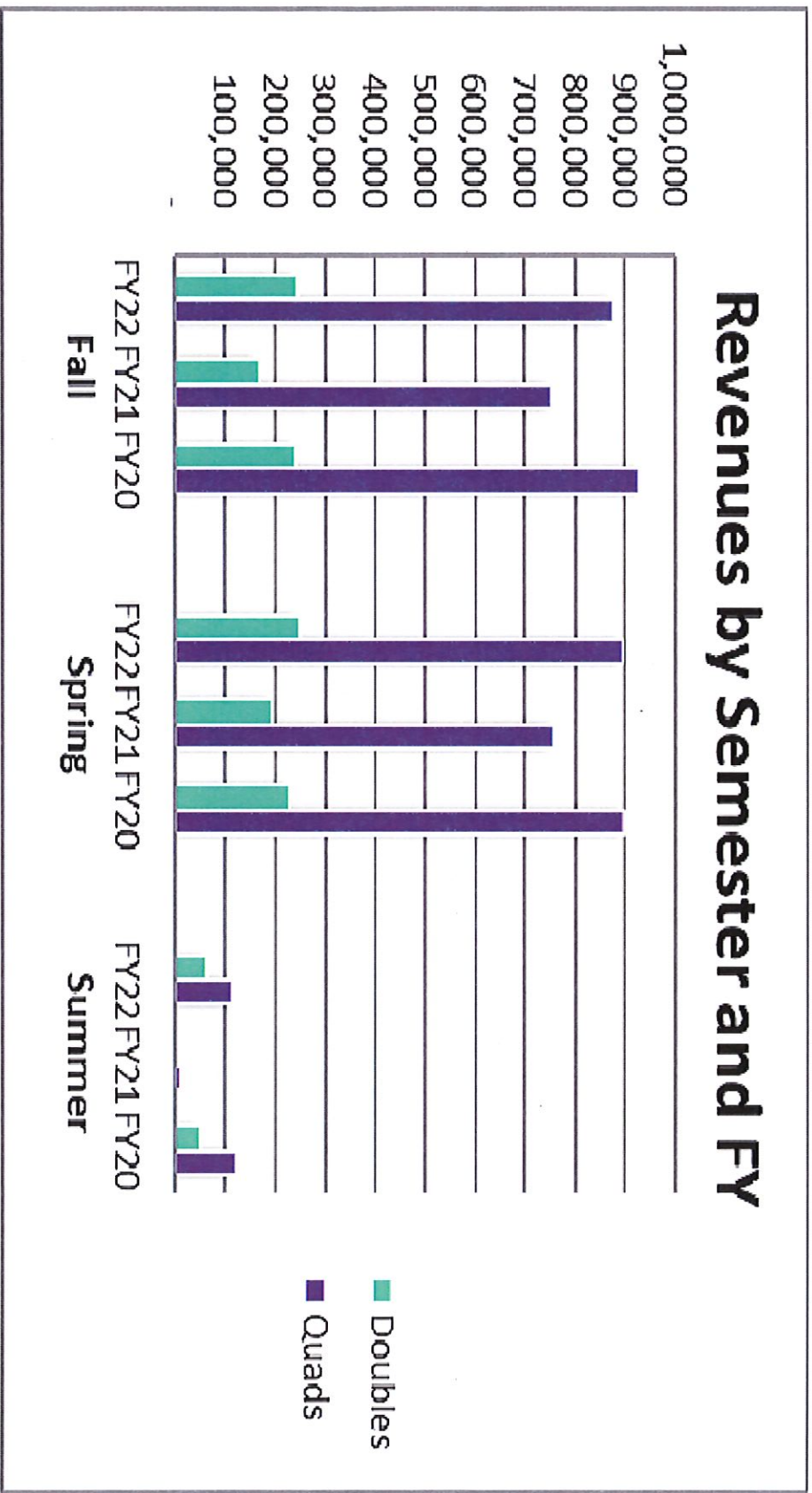
Governance
Communication Letter



Occupied Beds by Semester and FY



Revenues by Semester and FY



Summarized Statements of Net Position

	2022	2021	2020	2019	2018
Current and Other Assets	\$ 11,068,498	\$ 10,763,064	\$ 10,701,367	\$ 10,339,721	\$ 9,937,653
Capital Assets	16,814,600	17,440,305	18,166,951	18,769,037	19,393,363
Total Assets	27,883,098	28,203,369	28,868,318	29,108,758	29,331,016
Deferred Outflows of Resources	-	-	-	-	-
Current Liabilities	1,470,845	1,304,022	1,085,407	1,265,495	1,673,935
Non-Current Liabilities	18,627,202	19,432,461	20,214,169	20,972,998	21,709,633
Total Liabilities	20,098,047	20,736,483	21,299,576	22,238,493	23,383,568
Net Position					
Net Investment in Capital Assets	446,117	413,368	399,892	405,111	58,749
Restricted for Debt Service	-	-	-	-	-
Unrestricted	7,338,934	7,053,518	7,168,850	6,465,154	5,888,699
Total Net Position	\$ 7,785,051	\$ 7,466,886	\$ 7,568,742	\$ 6,870,265	\$ 5,947,448

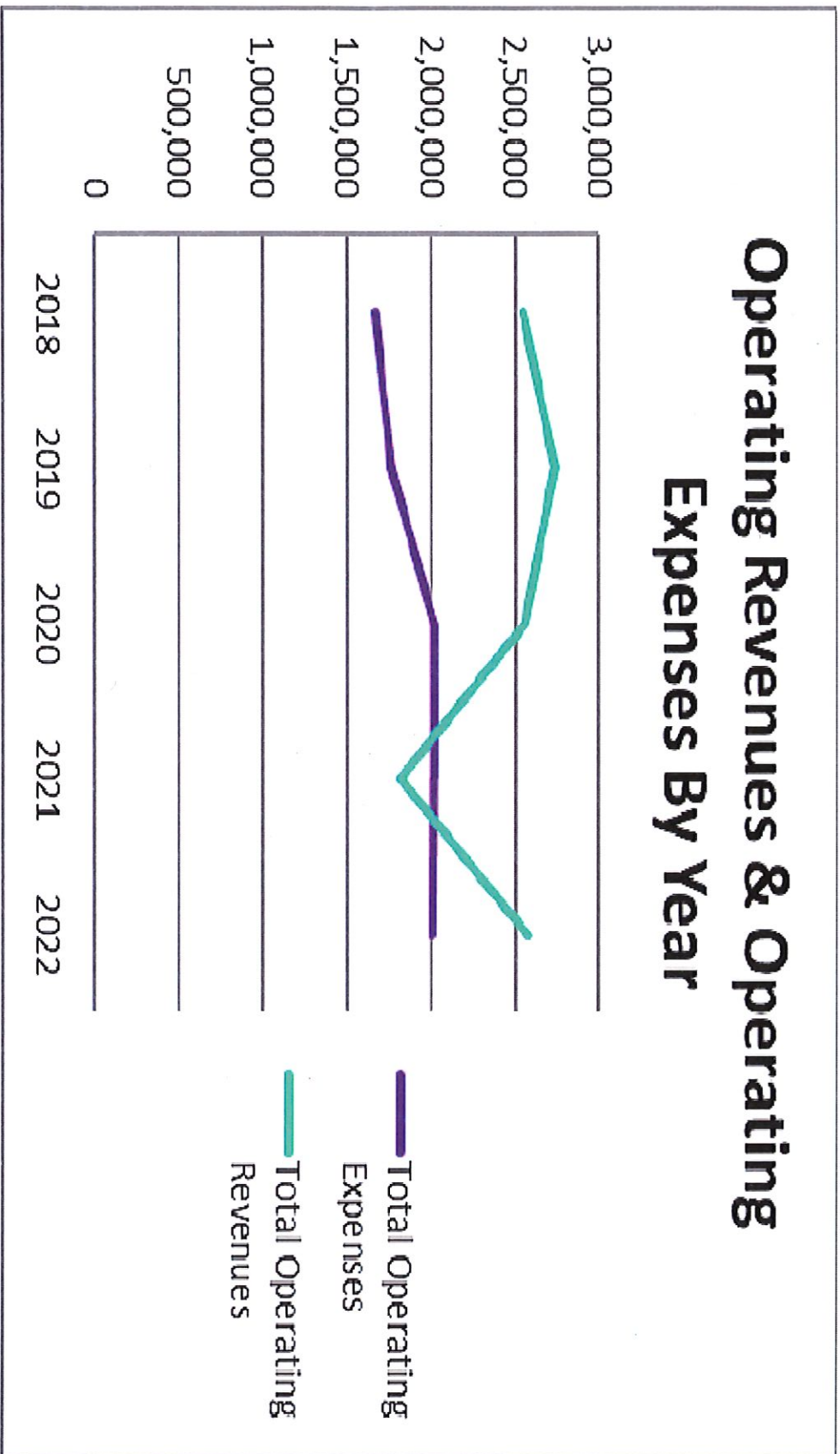


Summarized Statements of Revenues, Expenses, and Changes in Net Position

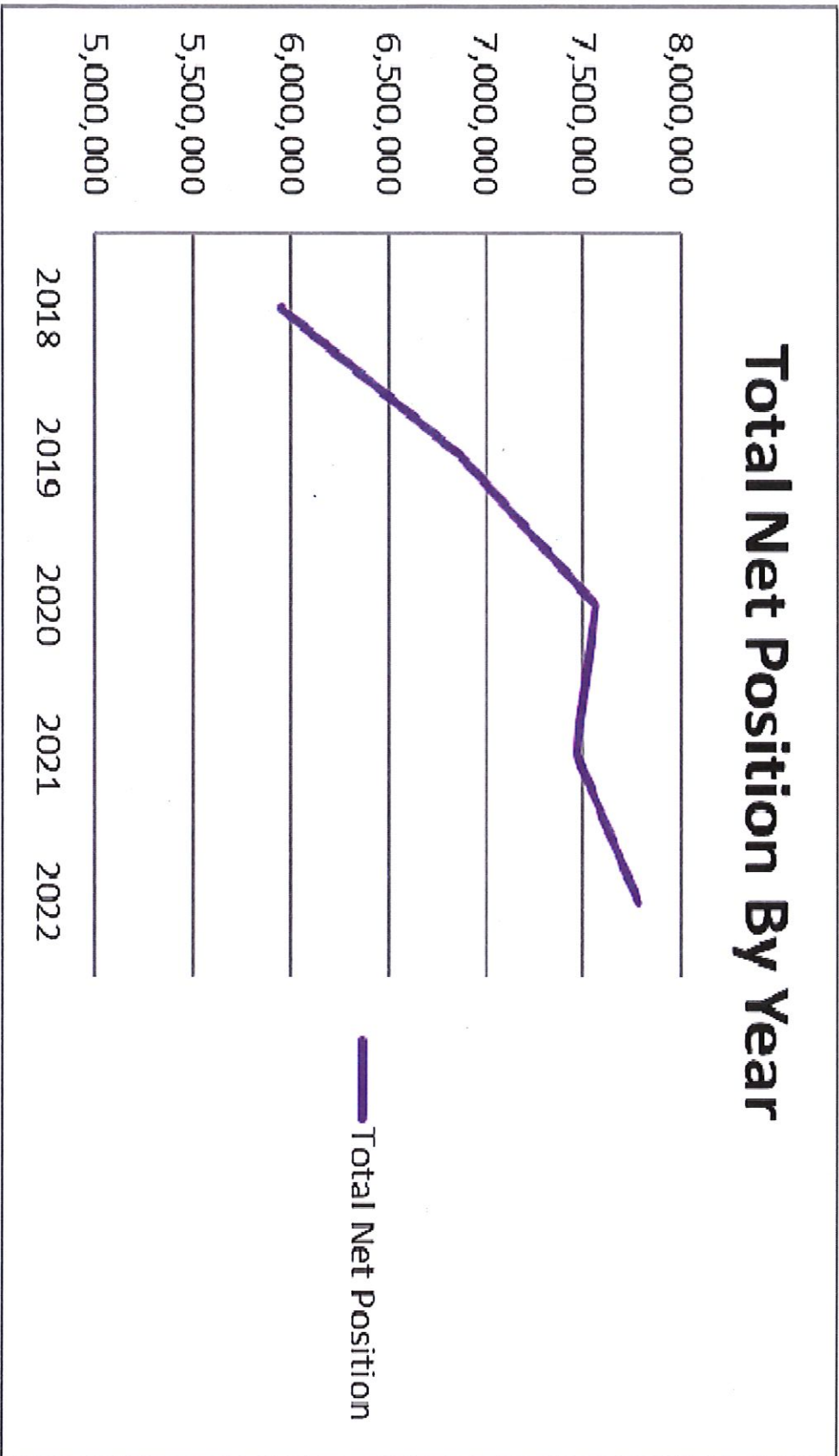
	2022	2021	2020	2019	2018
<i>Total Operating Revenue</i>	\$ 2,578,613	\$ 1,820,585	\$ 2,555,298	\$ 2,736,955	\$ 2,551,546
<i>Total Non-Operating Revenue</i>	1,705,812	731,015	727,958	686,573	657,842
<i>Total Revenue</i>	4,284,425	2,551,600	3,283,256	3,423,528	3,209,388
<i>Total Operating Expenses</i>	2,006,067	2,018,323	2,015,931	1,765,060	1,663,192
<i>Total Non-Operating Expenses</i>	1,960,193	635,133	568,848	735,651	1,988,534
<i>Total Expenses</i>	3,966,260	2,653,456	2,584,779	2,500,711	3,651,726
<i>Change in Net Position</i>	\$ 318,165	\$ (101,856)	\$ 698,477	\$ 922,817	\$ (442,338)



Operating Revenues & Operating Expenses By Year



Total Net Position By Year



We appreciate everyone's cooperation
and assistance throughout the audit!

Christopher Kessler, CPA
Principal

Chris.Kessler@CLAconnect.com



[CLAconnect.com](https://www.claconnect.com)



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**Florida SouthWestern State College Financing Corporation
Agenda Item Summary**

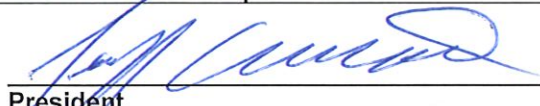
Meeting Date: 8/16/2022

1. **Title:** Florida SouthWestern State College Financing Corporation Investment Strategy Statement
2. **Action Requested/Purpose:** Approval to accept the revised Florida SouthWestern State College Financing Corporation's Investment Strategy Statement.
3. **Fiscal Impact:** Yes No N/A
4. **Funding Source:** Amount: \$
5. **Administration Recommendation:** The Administration recommends Board of Directors approval of the Florida SouthWestern State College Financing Corporation revised Investment Strategy Statement.

- | | |
|--|---|
| <p>6. Agenda Item Type:</p> <p><input checked="" type="checkbox"/> Action Item
 <input type="checkbox"/> Consent Agenda
 <input type="checkbox"/> Information Only
 <input type="checkbox"/> Board Requested Information/Report</p> | <p>7. Requirement/Purpose (Include Citation)</p> <p><input type="checkbox"/> Statute
 <input type="checkbox"/> Administrative Code
 <input type="checkbox"/> Other</p> |
|--|---|

8. **Background Information:** The investment objective for the management of FSWFC funds is preservation of capital, liquidity and income. The funds are to be used to support the objectives of the FSWFC and to achieve growth of principal through income over time, while mitigating risks. Administration has worked with investment advisors to revise the Investment Strategy Statement dated December 15, 2014 in order to best meet the goals and objectives of FSWFC.

It is recommended that the Board of Directors accept the revised Investment Strategy Statement.

Requested by:	<p><u><i>Kathleen Porter</i></u> <small>Kathleen Porter (Aug 8, 2022 11:53 EDT)</small></p> <hr/> <p>Kathleen Porter, Director Finance and Accounting</p>
Funding Verified by:	<p><u><i>Gina Doeble</i></u> <small>Gina Doeble (Aug 8, 2022 11:55 EDT)</small></p> <hr/> <p>Vice President of Operations/CFO</p>
Approved for Agenda by:	<p> <hr/> <p>President</p> </p>

Investment Strategy Statement
For
Florida SouthWestern State College Financing Corp

December 15, 2014

Introduction/Investment Objective:

The Florida SouthWestern State College Financing Corp. (FSWFC) is a direct support organization designed for the advancement of Florida SouthWestern State College (FSW). The investment objective for the management of the FSWFC funds is preservation of capital, liquidity and income in that order of priority. The funds are to be used to support the objectives of the FSWFC and to achieve growth of principal through income over time, while mitigating risks.

Duties and Responsibilities:

The FSWFC is responsible for managing the investment process in a prudent manner while preserving principal and providing reasonable returns. The FSWFC has retained FineMark National Bank & Trust (FineMark) as an investment advisor and allows for the provision of a sub-advisor to be selected by FineMark to assist in managing the Fund. The investment advisor's role is to provide guidance to the FSWFC on matters pertaining to the Fund, including changes to the investment objective, investment selection, monitoring the Fund's performance and assuring compliance with the approved investment objective. The investment advisor, in carrying out the investment objective, holds the responsibility for and authority to select appropriate investments as stipulated by the FSWFC.

Investment Strategy (see attached presentation):

- i. FSWFC objectives suggest an investment strategy of an intermediate taxable fixed income portfolio. The intermediate taxable fixed income portfolio will maintain have an average duration of 1.5 to 3 of 5 years. A maximum, final maturity for any single issue will not exceed be 3.5 10 years. ~~(with the exception of agency mortgage-backed securities, which may have longer final maturities, but must have average lives of less than 3.5 years at purchase).~~

- ii. Sector Allocation:

Investments will be limited to U.S. Treasuries, Government agency debt (including Agency mortgage-backed securities), taxable municipal bonds, and corporate bonds with the following portfolio limitations:

~~-Maximum~~minimum allocation of portfolio to Wasmer's short and intermediate duration bond ~~taxable municipal bonds~~ shall be ~~25~~75%.

~~-Maximum~~ allocation of portfolio to Wasmer's Intermediate IG Credit strategy ~~corporate bonds~~ shall be 25% with BBB exposure limited to 20%.

~~-The minimum allocation to Government agency and agency mortgage-backed securities shall be 50%, with the additional provision that the Maximum allocation to agency mortgage-backed securities shall be 20%.~~

m. Credit Quality:

All ~~corporate bond~~ investments will be investment grade defined as BBB or higher at time of purchase.~~A rated or better with the further provision that no purchases will be made if a bond is rated below A by any of the three rating agencies. All taxable municipal bond investments will be AA rated or better~~ with the further provision that no purchases will be made if a bond is rated below AA investment grade by any of the three ratings agencies. If a bond shall fall below A investment grade, in the case of corporate bonds, or AA in the case of taxable municipal bonds, by any of the three ratings services after purchase, FineMark and its sub-advisors must present a recommendation to the Treasurer of FSWFC to either hold or sell this security based upon their independent research while maintaining an overall average credit quality for the portfolio of AA or better. As it relates to the above statement, it is understood that all three major ratings agencies may not rate a particular issuer.

iv. Liquidity:

FSWFC requires that all assets be invested in liquid securities, defined as securities that can be sold quickly and efficiently for cash, and will settle within three business days.

Reporting/Meetings:

Custodial reports are produced monthly (by FineMark) which will show all investments within the portfolio. A comprehensive portfolio report will be sent following each quarter-end by the sub-advisor (Wasmer, Schroeder & Company). FineMark recommends a minimum of a quarterly meeting to review the overall strategy with FSWFC.

Approved:

Florida Southwestern State College Financing Corp.

By: _____ Date: _____

Fixed Income Strategy Comparison

Investing Broadband Proceeds

Portfolio Size \$7,300,000

Wasmer data as of 6/30/22

Option	Description	Effective Duration	Avg Mat	Average Credit Quality	Current Yield to Maturity
1	Most conservative , low duration style focused on current income and capital preservation	1.79	2.19	AA-	3.18% \$232,140
2	Take on a little more risk , Intermediate duration style focused on yield spreads and sector management	3.75	4.5	AA-	3.56% \$259,880
3	Take on more risk , Intermediate duration style focused on yield spreads and sector management, BBB exposure limited to 20%	3.9	4.51	A	3.89% \$283,970

Wasmer's "Short Duration Bond" strategy. Utilizes investment grade corp bonds, taxable muni bonds and government agency debt. 1-5 year maturities

Wasmer's "Intermediate Bond" strategy. Utilizes investment grade corp bonds, taxable muni bonds and government agency debt. 1-10 year maturities

Wasmer's "Intermediate IG Credit" strategy. Utilizes investment grade corp bonds and taxable muni bonds. 1-10 year maturities

*All data presented here is for informational purposes only and not meant to convey any projections or return expectations

*Yield to maturity figures include amortization of premiums paid for bonds, actual cash flow will be higher



Wasmer Schroeder Strategies at a
Glance
Taxable Strategies

WASMER
SCHROEDER
STRATEGIES



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Doing Fixed Income Together.

More than 30 years ago, the Wasmer Schroeder philosophy was founded on the principles of an unwavering commitment to service and a dedication to managing fixed income. From its beginning, management of the Wasmer Schroeder™ Strategies has held steadfast in its spirit of collaboration—doing what's right for the advisors, investors, and institutions for whom we manage money. We do right by doing right by them—knowing their businesses, understanding their goals, and consistently finding strategies to help meet their needs.

Originally founded by Martin Wasmer and Michael Schroeder and currently managed by Schwab Asset Management™, the Strategies have grown significantly. We remain dedicated to uncovering opportunities and delivering results for our clients—working together every step of the way. The Strategies leverage an experienced and well-resourced team of portfolio managers and credit analysts who are supported by industry-leading technology. As an active fixed income manager of tax exempt and taxable strategies, we are dependable, collaborative, and insightful in our approach.



Taxable Strategies Overview

MATURITY

STTX

Broadly diversified, low duration strategy focused on capital preservation and low volatility

ITTX

High quality strategy with limited duration, focused on spread products based on our proprietary analysis

PIBX

Limited duration, distinct approach to identifying credits that exhibit a positive impact on society and the environment in a high quality bond portfolio

CTX

Moderate duration, well diversified investment grade approach with a focus on sectors and spread products based on our proprietary analysis

CREDIT QUALITY

HIGH QUALITY

INVESTMENT GRADE

MULTI-SECTOR

ITTX+

Diversified, limited duration strategy with a focus on higher yielding sectors and securities

CTX+

Moderate duration, well diversified investment grade strategy that focuses on higher yielding sectors and securities

MITX

High income focused, research driven strategy spanning investment and non-investment grade corporate and taxable municipal bonds, common and preferred stock

SHORT

INTERMEDIATE

LONG



Taxable Strategies

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Composite Summary

As of 07/29/2022

	Short Duration Bond Composite	Intermediate Bond Composite	Intermediate IG Credit Composite	Positive Impact Bond Composite	Core Bond Composite	Core IG Credit Composite	Multi-Sector Income Composite
	SSTX	ITTX	ITTX+	PIBX	CTX	CTX+	MITX
Yield to Worst	3.29%	3.50%	3.81%	3.60%	3.85%	3.98%	4.97% ¹
Yield to Maturity	3.30%	3.51%	3.81%	3.61%	3.85%	3.99%	5.00% ¹
Effective Duration Range	<3	3-5	3-5	3-5	>5	>5	2-10 ¹
Effective Duration	1.82	3.83	3.88	3.70	6.23	5.88	6.24 ¹
Average Credit Quality	AA-	AA-	A	AA-	AA-	A	BBB-1
Current Yield	2.18%	2.84%	3.16%	2.24%	3.39%	3.47%	4.83% ¹
Average Maturity (Years)	2.26	4.61	4.48	4.37	10.98	7.82	9.51 ¹

Yield to Worst reflects the attainable yield of the portfolio while accounting for the amortization (premium) and the accretion (discount) of the portfolio. Yield to Worst utilizes the lowest yield, which is yield to call on a premium issue and yield to maturity on a discount issue.

Yield to Maturity is the rate of return anticipated if held until the maturity date.

Effective Duration is the duration for a bond that contains embedded options. The calculations take into account the shifting of cash flows as interest rates change.

Average Credit Quality for each security is calculated by taking the middle rating of the three (S&P, Moody's, Fitch) credit ratings (ranked lowest to highest) or the lower rating if only two ratings are available. The average portfolio credit quality is the market weighted average of the portfolio.

Current Yield is the cash flow generated from the market value invested. The yield calculation does not take into account the amortization or the accretion within the portfolio. Thus, in a portfolio with a premium market value an investor who withdraws the entire amount of income would result in a reduction in the portfolio's principal.

Average Maturity is the market weighted average of the maturities within the portfolio.

Past performance is no guarantee of future results.

A composite is an aggregation of one or more portfolios that are managed according to similar investment mandate, objective, or strategy. Composite statistics are as of the date referenced above and are subject to change. Statistics represented are based on the composite members as of the previous month end, with the exception of accounts that have either changed their investment mandate or closed intra-month. The actual portfolio holdings and investment rates will differ from what is represented in this proposal and are subject to prevailing supply, availability, and other market conditions. All of the samples shown on the following pages represent a national focus. Additional information on the composites for the strategies represented, including performance data, is available upon request.

Please note the characteristics shown above exclude cash.

¹ Represents bond component only.



Short Duration Bond - STTX

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Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
TEXAS ST-C-REF-TXBL (TXS)	MUNI	GO	2.31	10/1/2022	99.97	4.19	0.18	AAA
GTR CHICAGO MET WTR-F (GCHWTR)	MUNI	DOUB BARL	0.57	12/1/2022	99.23	1.03	0.34	AA
BANK OF AMER CRP (bac)	CORP	FIN	3.30	1/11/2023	100.20	3.13	0.45	A
AMERICAN EXPRESS CO (AXP)	CORP	FIN	3.40	2/27/2023	100.20	3.17	0.52	A
APPLE INC (AAPL)	CORP	IND	0.75	5/11/2023	98.36	3.08	0.77	AA
LOS ANGELES-A-REF-TXB (LOS)	MUNI	GO	2.64	9/1/2023	99.53	3.14	1.06	AA
FANNIE MAE (FNMA)	GOVT	AGY	2.88	9/12/2023	99.89	1.05	1.09	AA
MARYLAND ST HLTH & HGR (MDSMED)	MUNI	REV	2.39	10/1/2023	98.69	3.11	1.14	A
FREDDIE MAC (FHLMC)	GOVT	AGY	0.13	10/16/2023	96.81	1.51	1.20	AA
FREDDIE MAC (FHLMC)	GOVT	AGY	0.25	11/6/2023	96.75	4.53	1.26	AA
MORGAN STANLEY (MS)	CORP	FIN	0.56	11/10/2023	99.10	2.58	0.25	A
FN 995253 (FN)	MTGE	MTGE	5.50	12/1/2023	100.14	0.01	0.26	AAA
KENTON ARPT BRD-TXBL (KENAPT)	MUNI	REV	3.23	1/1/2024	99.58	4.16	1.38	A
WELLS FARGO & COMPANY (WFC)	CORP	FIN	3.75	1/24/2024	100.66	3.15	1.39	A
FANNIE MAE (FNMA)	GOVT	AGY	2.50	2/5/2024	99.44	4.19	1.47	AA
FG G13468 (FG)	MTGE	MTGE	4.50	3/1/2024	102.84	0.31	0.52	AAA
JPMORGAN CHASE & CO (JPM)	CORP	FIN	3.63	5/13/2024	101.09	3.18	1.71	A
GREAT LAKES MI WTR AU (GRTWTR)	MUNI	REV	1.98	7/1/2024	97.65	3.05	1.87	A
HONOLULU-B-TXBL (HONUUL)	MUNI	REV	2.23	7/1/2024	97.96	3.58	1.86	AA
FANNIE MAE (FNMA)	GOVT	AGY	1.75	7/2/2024	98.03	1.02	1.88	AA
FN AD0244 (FN)	MTGE	MTGE	4.50	10/1/2024	102.76	1.25	0.88	AAA
FG G14776 (FG)	MTGE	MTGE	5.50	12/1/2024	100.21	0.16	0.40	AAA
FG G15911 (FG)	MTGE	MTGE	5.50	12/1/2024	100.13	0.07	0.23	AAA
FN AL0278 (FN)	MTGE	MTGE	5.50	1/1/2025	100.63	0.20	0.53	AAA
BIRMINGHAM -TXBL-REF (BIR)	MUNI	GO	2.00	3/1/2025	96.97	2.04	2.48	AA
FG G13769 (FG)	MTGE	MTGE	4.50	3/1/2025	102.84	1.21	0.94	AAA
UNIV OF N TEXAS TX (UNNHGR)	MUNI	REV	1.13	4/15/2025	94.52	2.96	2.63	AA
N BRANCH AREA SCHS-RE (NBRSCD)	MUNI	GO	1.01	5/1/2025	93.88	2.94	2.67	AA
FG G13833 (FG)	MTGE	MTGE	4.50	5/1/2025	102.84	0.76	1.02	AAA

The holdings presented may be held in Wasmer Schroeder Strategies and reflect data as of the date presented above. This information is provided for discussion purposes only. The sample holdings do not correspond to the Composite Summary in this presentation. Actual portfolio holdings and investment rates will differ from what is represented in this proposal and are subject to prevailing supply, availability, and other market conditions.

WASMER
SCHROEDER
STRATEGIES



WASMER SCHROEDER STRATEGIES AT A GLANCE / 5

Short Duration Bond - STTX (continued)

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
ABBVIE INC (ABBV)	CORP	IND	3.60	5/14/2025	100.06	2.62	2.49	BBB
GOLDMAN SACHS GROUP INC (GS)	CORP	FIN	3.75	5/22/2025	100.08	3.15	2.51	A
PENNSYLVANIA ST ECON (PASDEV)	MUNI	REV	1.16	6/15/2025	93.36	1.95	2.79	AA
UNITEDHEALTH GROUP INC (UNH)	CORP	FIN	3.75	7/15/2025	101.90	3.19	2.79	A
CVS HEALTH CORP (CVS)	CORP	IND	3.88	7/20/2025	101.11	2.63	2.66	BBB
FN AL0299 (FN)	MTGE	MTGE	5.00	9/1/2025	102.98	0.64	0.50	AAA
FREDDIE MAC (FHLMC)	GOVT	AGY	0.38	9/23/2025	92.58	5.79	3.09	AA
COMCAST CORP (CMCSA)	CORP	IND	3.15	3/1/2026	99.52	3.15	3.21	A
CORONA -REV-TXBL (COOGEN)	MUNI	REV	1.36	5/1/2026	92.29	2.89	3.59	AA
FN AJ1443 (FN)	MTGE	MTGE	4.00	9/1/2026	101.66	1.04	1.51	AAA
BP CAP MARKETS AMERICA (BPLN)	CORP	IND	3.02	1/16/2027	98.14	3.07	4.04	A
GN AB2764 (GN)	MTGE	MTGE	2.50	8/15/2027	98.67	1.04	1.86	AAA
FN AL4692 (FN)	MTGE	MTGE	4.00	1/1/2029	102.04	0.48	2.10	AAA
FN MA0776 (FN)	MTGE	MTGE	4.50	6/1/2031	102.80	0.97	2.89	AAA

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Intermediate Bond - ITTX

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Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
LAKELAND-REF-C-TXBL (LKLGEN)	MUNI	REV	0.45	10/1/2022	99.67	4.29	0.18	AA
AMERICAN EXPRESS CO (AXP)	CORP	FIN	3.40	2/27/2023	100.20	2.18	0.52	A
OR ADMIN SVCS-C-REF (ORSGEN)	MUNI	REV	2.60	4/1/2023	99.52	4.31	0.66	AA
APPLE INC (AAPL)	CORP	IND	2.40	5/3/2023	99.61	2.87	0.75	AA
FREDDIE MAC (FHLMC)	GOVT	AGY	0.25	11/6/2023	96.75	4.16	1.26	AA
WELLS FARGO & COMPANY (WFC)	CORP	FIN	3.75	1/24/2024	100.66	3.60	1.39	A
MORGAN STANLEY (MS)	CORP	FIN	3.88	4/29/2024	100.90	2.92	1.67	A
MARSHALL UNIV-B (MARHGR)	MUNI	REV	2.62	5/1/2024	98.95	4.28	1.69	AA
FREDDIE MAC (FHLMC)	GOVT	AGY	1.50	2/12/2025	96.85	0.70	2.45	AA
FEDERAL FARM CREDIT BANK (FFCB)	GOVT	AGY	1.75	2/14/2025	97.20	2.80	2.45	AA
WILL CO SD #122-REF (WILSCD)	MUNI	GO	3.54	10/1/2025	100.61	4.37	2.95	AA
MICROSOFT CORP (MSFT)	CORP	IND	3.13	11/3/2025	100.72	2.90	2.93	AAA
WYCKOFF TWP BOE -REF (WYCSCD)	MUNI	GO	1.03	4/1/2026	92.39	3.98	3.54	AA
FG G14695 (FG)	MTGE	MTGE	4.50	6/1/2026	102.39	1.19	1.01	AAA
FN AL0849 (FN)	MTGE	MTGE	4.50	7/1/2026	102.47	1.41	1.16	AAA
FG G14365 (FG)	MTGE	MTGE	4.50	9/1/2026	102.84	1.72	1.16	AAA
FANNIE MAE (FNMA)	GOVT	AGY	1.88	9/24/2026	96.80	5.58	3.93	AA
CITIGROUP INC (C)	CORP	FIN	3.20	10/21/2026	96.45	2.79	3.78	A
GOLDMAN SACHS GROUP INC (GS)	CORP	FIN	3.50	11/16/2026	98.09	4.24	3.51	A
WHEELING-B-REF-TXBL (WHEUTL)	MUNI	REV	1.46	6/1/2027	91.36	4.59	4.59	AA
CVS HEALTH CORP (CVS)	CORP	IND	4.30	3/25/2028	101.63	2.95	4.81	BBB
UNIV NC CHARLOTTE-B (UNCHGR)	MUNI	REV	1.89	4/1/2028	90.21	1.30	5.25	AA
MAINE ST HSG AUTH #2 (MESHSG)	MUNI	REV	1.60	6/15/2028	89.71	1.93	5.51	A
VERIZON COMMUNICATIONS (VZ)	CORP	IND	4.33	9/21/2028	102.59	2.98	5.29	BBB
BP CAP MARKETS AMERICA (BPLN)	CORP	IND	4.23	11/6/2028	102.54	2.96	5.32	A
FANNIE MAE (FNMA)	GOVT	AGY	6.25	5/15/2029	121.02	4.38	5.62	AA
OSWEGO VLG -TXBL-REF (OSW)	MUNI	GO	1.80	12/15/2029	88.74	3.82	6.77	AA
QUALCOMM INC (QCOM)	CORP	IND	2.15	5/20/2030	91.69	2.64	6.98	A
SANGER UN SD-REF-TXBL (SGRSCD)	MUNI	GO	1.87	8/1/2030	84.82	3.68	7.19	AA

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WASMER SCHROEDER STRATEGIES AT A GLANCE / 7



Intermediate Bond - ITTX (continued)

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
JPMORGAN CHASE & CO (JPM)	CORP	FIN	2.52	4/22/2031	87.59	2.53	6.79	A
ANCHORAGE MUNI-D-TXBL (ANC)	MUNI	GO	2.17	9/1/2031	87.05	3.78	7.98	AA
AMAZON.COM INC (AMZN)	CORP	IND	3.60	4/13/2032	101.22	2.20	7.98	AA

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WASMER SCHROEDER STRATEGIES AT A GLANCE / 8



Intermediate IG Credit - ITX+

For Institutional Use Only - Not For Further Distribution

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
GTR CHICAGO MET WTR-F (GCHWTR)	MUNI	DOUB BARL	0.57	12/1/2022	99.23	3.44	0.34	AA
JPMORGAN CHASE & CO (JPM)	CORP	FIN	3.20	1/25/2023	100.08	4.33	0.49	A
UNIV OF CA-AS-TXBL (UNVHGR)	MUNI	REV	2.15	5/15/2023	99.24	4.31	0.78	AA
NJ HSG & MTGE FIN AGY (NJSHSG)	MUNI	REV	1.11	10/1/2023	97.08	4.22	1.15	AA
WELLS FARGO & COMPANY (WFC)	CORP	FIN	3.75	1/24/2024	100.66	4.36	1.39	A
MORGAN STANLEY (MS)	CORP	FIN	3.88	4/29/2024	100.90	4.41	1.67	A
LINCOLN ARPT AUTH-B (LINAPT)	MUNI	DOUB BARL	3.17	7/1/2024	99.62	4.32	1.85	AA
VERIZON COMMUNICATIONS (VZ)	CORP	IND	3.50	11/1/2024	100.60	4.39	2.02	BBB
MANSFIELD PARK FACS (MNFFAC)	MUNI	REV	3.36	8/1/2025	100.07	4.40	2.79	AA
HONOLULU CITY & CO (HONUJL)	MUNI	REV	3.20	7/1/2026	99.76	0.87	3.65	AA
NY ST DORM AUTH REV-B (NYSHGR)	MUNI	REV	2.41	7/1/2026	96.02	0.83	3.69	A
UNIV PITTSBURGH-B-REF (PITHGR)	MUNI	REV	3.30	9/15/2026	99.77	3.50	3.79	AA
GOLDMAN SACHS GROUP INC (GS)	CORP	FIN	3.50	11/16/2026	98.09	4.28	3.51	A
COMCAST CORP (CMCSA)	CORP	IND	3.30	2/1/2027	99.59	2.63	3.98	A
TULARE CO PENSN-TXBL (TULGEN)	MUNI	REV	3.96	6/1/2027	100.02	4.36	4.35	A
FLORIDA ST BRD OF ADM (FLSGEN)	MUNI	REV	1.71	7/1/2027	91.78	0.80	4.65	AA
BANK OF AMERICA CORP (BAC)	CORP	FIN	3.25	10/21/2027	96.81	4.23	4.34	A
ORACLE CORP (ORCL)	CORP	IND	3.25	11/15/2027	95.49	2.50	4.69	BBB
ANHEUSER-BUSCH INBEV WOR (ABIBB)	CORP	IND	4.00	4/13/2028	102.16	2.68	4.90	BBB
DESERT SANDS USD TXBL (DTSSCD)	MUNI	GO	2.20	8/1/2028	94.29	4.13	5.49	AA
ABBVIE INC (ABBV)	CORP	IND	4.25	11/14/2028	102.06	2.67	5.34	BBB
NJ ECON-SER A (NJSDEV)	MUNI	REV	7.43	2/15/2029	113.80	4.06	3.96	BBB
BOEING CO (BA)	CORP	IND	3.20	3/1/2029	90.88	2.39	5.68	BBB
WALT DISNEY COMPANY/THE (DIS)	CORP	IND	2.00	9/1/2029	88.94	3.11	6.39	A
AT&T INC (T)	CORP	IND	4.30	2/15/2030	100.11	2.65	6.18	BBB
BP CAP MARKETS AMERICA (BPLN)	CORP	IND	3.63	4/6/2030	98.73	4.32	6.49	A

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WASMER SCHROEDER STRATEGIES AT A GLANCE / 9



Intermediate IG Credit - ITX+ (continued)

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
BERKELEY-O (BER)	MUNI	GO	3.50	9/1/2030	99.42	4.36	6.55	AA
CVS HEALTH CORP (CVS)	CORP	IND	1.88	2/28/2031	83.83	3.66	7.62	BBB
ANCHORAGE MUNI-D-TXBL (ANC)	MUNI	GO	2.17	9/1/2031	87.05	3.81	7.98	AA

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Positive Impact Bond - PIBX

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Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
BANK OF NOVA SCOTIA (BNS)	CORP	FIN	2.38	1/18/2023	99.54	3.93	0.47	A
RHODE ISLAND HSG & MT (RISHSG)	MUNI	REV	1.06	10/1/2023	97.57	4.98	1.15	AA
GRAND RAPIDS CMNTY (GRAHGR)	MUNI	GO	0.61	5/1/2024	95.47	4.85	1.72	AA
CITIGROUP INC (C)	CORP	FIN	1.68	5/15/2024	98.47	4.46	0.78	A
EUROPEAN INVESTMENT BANK (EIB)	GOVT	AGY	0.38	7/24/2024	95.19	4.29	1.95	AAA
JPMORGAN CHASE & CO (JPM)	CORP	FIN	0.65	9/16/2024	96.32	3.27	1.10	A
GN 737348 (GN)	MTGE	MTGE	4.00	3/15/2025	102.11	2.39	0.99	AAA
GN 736674 (GN)	MTGE	MTGE	4.00	4/15/2025	102.12	2.52	1.08	AAA
MATTAWAN CONL SD-TXBL (MATSCD)	MUNI	GO	0.88	5/1/2025	93.97	4.78	2.68	AA
GN 783944 (GN)	MTGE	MTGE	4.50	9/15/2025	102.81	2.42	0.98	AAA
MORGAN STANLEY (MS)	CORP	FIN	0.86	10/21/2025	93.10	0.53	2.16	A
BANK OF AMERICA CORP (BAC)	CORP	FIN	2.46	10/22/2025	95.97	3.81	2.15	A
GN 738380 (GN)	MTGE	MTGE	3.50	6/15/2026	100.50	1.60	1.41	AAA
NYC HSG DEV CORP-D (NYCHSG)	MUNI	REV	1.60	8/1/2026	92.75	4.75	3.79	AA
KFW (KFW)	GOVT	AGY	1.00	10/1/2026	92.91	4.21	4.02	AAA
MIDAMERICAN ENERGY CO (BRKHEC)	CORP	UTIL	3.10	5/1/2027	98.57	3.92	4.25	A
APPLE INC (AAPL)	CORP	IND	3.00	6/20/2027	100.41	3.98	4.39	AA
S SAN FRANCISCO UNIF (SSFSCD)	MUNI	GO	1.85	9/1/2027	93.11	4.76	4.75	AA
LAKE CO SD #73-A-REF (LAKSCD)	MUNI	GO	3.53	1/1/2028	100.92	4.57	4.89	AA
EQUINIX INC (EQIX)	CORP	IND	1.55	3/15/2028	86.95	2.47	5.22	BBB
NEXTERA ENERGY CAPITAL (NEE)	CORP	UTIL	1.90	6/15/2028	89.84	3.05	5.41	BBB
INTL BK RECON & DEVELOP (IBRD)	GOVT	LOCL	1.13	9/13/2028	90.75	3.60	5.81	AAA
VERIZON COMMUNICATIONS (VZ)	CORP	IND	3.88	2/8/2029	99.68	2.86	5.52	BBB
MA ST CLG BLDG AUTH-C (MASHGR)	MUNI	REV	2.50	5/1/2029	93.18	4.23	6.08	AA
PFIZER INC (PFE)	CORP	IND	2.63	4/1/2030	95.02	3.24	6.73	A
CMWLTH FING-C-REF (CMNGEN)	MUNI	REV	2.76	6/1/2030	91.74	4.16	6.90	A
ALPHABET INC (GOOGL)	CORP	IND	1.10	8/15/2030	85.62	2.91	7.48	AA
CO HSG & FIN AUTH -G- (COSHSG)	MUNI	REV	4.50	11/1/2032	102.53	3.47	7.91	AAA

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WASMER SCHROEDER STRATEGIES AT A GLANCE / 11



Core Bond - CTX

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
CINCINNATI SD-REF (CINSCD)	MUNI	GO	3.09	6/1/2023	99.82	3.33	0.82	AA
MORGAN STANLEY (MS)	CORP	FIN	3.88	4/29/2024	100.90	2.89	1.67	A
NJ EDU FACS -C-TXBL (NJSEDU)	MUNI	REV	3.12	9/1/2024	98.84	3.79	1.98	A
NY TRAN AUTH-A2-TXBL (NYCGEN)	MUNI	REV	2.15	5/1/2025	96.58	3.68	2.63	AAA
GOLDMAN SACHS GROUP INC (GS)	CORP	FIN	3.75	2/25/2026	100.01	2.89	3.15	A
FANNIE MAE (FNMA)	GOVT	AGY	2.13	4/24/2026	97.47	4.18	3.54	AA
BP CAP MARKETS AMERICA (BPLN)	CORP	IND	3.12	5/4/2026	98.87	2.83	3.38	A
HAWAIIAN GARDNS REDEV (HWGDEV)	MUNI	REV	3.05	12/1/2026	98.27	3.27	4.01	AA
SANTA CLARA VLY-B (SCVWTR)	MUNI	REV	2.99	6/1/2027	98.93	3.30	4.45	AA
BANK OF AMERICA CORP (BAC)	CORP	FIN	3.25	10/21/2027	96.81	2.78	4.34	A
NEW YORK NY (NYC)	MUNI	GO	2.95	10/1/2028	95.49	3.20	5.17	AA
WELLS FARGO & COMPANY (WFC)	CORP	FIN	4.15	1/24/2029	99.68	2.83	5.54	A
NJ ECON-SER A (NJSDEV)	MUNI	REV	7.43	2/15/2029	113.80	2.77	3.96	BBB
FN BM1028 (FN)	MTGE	MTGE	2.50	12/1/2029	96.79	1.99	2.45	AAA
FG V60840 (FG)	MTGE	MTGE	3.00	6/1/2030	100.07	1.05	2.66	AAA
FEDERAL HOME LOAN BANK (FHFB)	GOVT	AGY	3.50	6/18/2030	103.04	3.43	6.84	AA
CLEVELAND-A1-TXBL-REV (CLEGEN)	MUNI	REV	2.46	10/1/2030	91.88	3.51	6.98	A
FN AB3400 (FN)	MTGE	MTGE	4.00	8/1/2031	103.25	5.97	3.05	AAA
SAN JOSE CA FING AUTH (SUSGEN)	MUNI	REV	4.36	5/1/2033	100.15	1.92	8.16	AA
LOUISIANA ST -REF-C-1 (LAS)	MUNI	GO	1.92	6/1/2033	83.79	1.59	9.49	AA
OK CAPITOL IMPT AUTH (OKSGEN)	MUNI	REV	4.49	7/1/2033	103.97	1.48	8.29	AA
MARYLAND STADIUM AUTH (MDSFAC)	MUNI	REV	3.48	3/1/2034	94.42	2.27	9.23	AA
DASNY -TXBL-C (NYSHGR)	MUNI	REV	2.20	3/15/2034	84.12	2.82	9.49	AA
FN AL5396 (FN)	MTGE	MTGE	4.50	5/1/2034	104.73	0.28	3.51	AAA
FR SB8073 (FR)	MTGE	MTGE	1.50	11/1/2035	92.79	3.46	4.59	AAA
ANHEUSER-BUSCH INBEV FIN (ABIBB)	CORP	IND	4.70	2/1/2036	102.16	3.46	9.49	BBB
AT&T INC (T)	CORP	IND	5.25	3/1/2037	105.55	3.06	9.89	BBB
FG G08477 (FG)	MTGE	MTGE	3.50	2/1/2042	100.76	0.64	4.97	AAA
FN AK9393 (FN)	MTGE	MTGE	3.50	4/1/2042	100.44	0.89	5.40	AAA

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WASMER SCHROEDER STRATEGIES AT A GLANCE / 12



Core Bond - CTX (continued)

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
JPMORGAN CHASE & CO (JPM)	CORP	FIN	3.16	4/22/2042	81.01	2.33	13.10	A
FG C09004 (FG)	MTGE	MTGE	3.50	7/1/2042	100.76	1.06	5.08	AAA
LOUISIANA ST -B-1 (LASGEN)	MUNI	REV	2.83	5/1/2043	75.22	1.08	14.18	AA
FN AT2720 (FN)	MTGE	MTGE	3.00	5/1/2043	98.14	1.38	5.76	AAA
FG C09044 (FG)	MTGE	MTGE	3.50	7/1/2043	100.76	1.61	5.21	AAA
KANSAS ST DEV FIN AUT (KSSDEV)	MUNI	REV	4.93	4/15/2045	99.32	1.91	13.52	A
FG G08694 (FG)	MTGE	MTGE	4.00	2/1/2046	102.38	0.50	5.14	AAA
FN MA2806 (FN)	MTGE	MTGE	3.00	11/1/2046	97.49	0.72	6.33	AAA
FN MA4208 (FN)	MTGE	MTGE	2.00	11/1/2050	90.01	2.78	7.44	AAA
FN MA4600 (FN)	MTGE	MTGE	3.50	5/1/2052	98.68	3.23	7.19	AAA
APPLE INC (AAPL)	CORP	IND	2.55	8/20/2060	72.85	3.85	21.48	AA

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WASMER SCHROEDER STRATEGIES AT A GLANCE / 13



Core IG Credit - CTX+

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Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
AMERICAN EXPRESS CO (AXP)	CORP	FIN	3.40	2/27/2023	100.20	2.79	0.52	A
HUDSON CO IMPT AUTH (HUDGEN)	MUNI	REV	0.74	11/15/2023	96.96	4.00	1.27	AA
MORGAN STANLEY (MS)	CORP	FIN	3.88	4/29/2024	100.90	4.19	1.67	A
DEXTER CMNTY SCHS (DEXSCD)	MUNI	GO	0.38	5/1/2024	95.17	3.92	1.73	AA
WELLS FARGO & COMPANY (WFC)	CORP	FIN	3.30	9/9/2024	99.93	2.78	2.00	A
CVS HEALTH CORP (CVS)	CORP	IND	4.10	3/25/2025	101.66	4.24	2.37	BBB
LIVINGSTON PSH SCH-B (LIVEDU)	MUNI	REV	2.00	5/1/2025	96.45	3.99	2.64	AA
BP CAP MARKETS AMERICA (BPLN)	CORP	IND	3.12	5/4/2026	98.87	2.73	3.38	A
JPMORGAN CHASE & CO (JPM)	CORP	FIN	2.95	10/1/2026	97.43	2.70	3.75	A
NYC HSG DEV CORP -B (NYCMFH)	MUNI	REV	1.12	11/1/2026	90.51	3.74	4.08	AA
JEFFERSON TWP BOE-REF (JEFSCD)	MUNI	GO	1.58	9/15/2027	91.40	3.79	4.82	AA
BANK OF AMERICA CORP (BAC)	CORP	FIN	3.25	10/21/2027	96.81	4.02	4.34	A
RANDOLPH SCH DT-REF (RDLSCD)	MUNI	GO	1.82	8/1/2028	91.36	3.80	5.55	AA
COMCAST CORP (CMCSA)	CORP	IND	4.15	10/15/2028	102.57	4.27	5.28	A
GMWLTH FING-C-REF (CMNGEN)	MUNI	REV	2.66	6/1/2029	92.40	1.27	6.13	A
KENTUCKY ST PROPERTY (KYSFAC)	MUNI	REV	2.62	11/1/2029	91.43	3.79	6.44	A
HUNTSVILLE PUB-TXBL (HUNFAC)	MUNI	REV	1.97	2/1/2030	89.61	3.73	6.78	AA
BOEING CO (BA)	CORP	IND	5.15	5/1/2030	100.93	1.40	6.18	BBB
QUALCOMM INC (QCOM)	CORP	IND	2.15	5/20/2030	91.69	2.53	6.98	A
SIMON PROPERTY GROUP LP (SPG)	CORP	FIN	2.65	7/15/2030	87.38	3.60	6.96	A
UNIV OF NORTH CAROLIN (UNCHGR)	MUNI	REV	2.24	4/1/2031	86.06	3.57	7.62	A
UNIV OF CALIFORNIA-BI (UNVHGR)	MUNI	REV	2.05	5/15/2032	84.83	3.51	8.47	AA
BROADCOM INC (AVGO)	CORP	IND	4.30	11/15/2032	95.30	2.64	8.03	BBB
ANHEUSER-BUSCH INBEV FIN (ABIBB)	CORP	IND	4.70	2/1/2036	102.16	2.87	9.49	BBB
ABBVIE INC (ABBV)	CORP	IND	4.05	11/21/2039	93.77	2.59	11.90	BBB
AT&T INC (T)	CORP	IND	3.10	2/1/2043	77.50	2.17	13.72	BBB
GOLDMAN SACHS GROUP INC (GS)	CORP	FIN	4.80	7/8/2044	98.26	2.70	13.13	A
TUCSON AZ-A-TXBL-COPS (TUCCTF)	MUNI	REV	2.86	7/1/2047	78.47	4.32	16.37	A
ORACLE CORP (ORCL)	CORP	IND	4.00	11/15/2047	77.45	2.15	13.93	BBB

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Core IG Credit - CTX+ (continued)

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Sector 2	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
APPLE INC (AAPL)	CORP	IND	2.40	8/20/2050	74.42	2.07	18.32	AA

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Multi-Sector Income - MITX

For Institutional Use Only—Not For Further Distribution

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
INDIANA ST FIN AUTH-B (INSGEN)	MUNI	2.68	9/15/2023	98.64	1.63	1.09	BBB
CA CMTY DEV AUTH-B (CASGEN)	MUNI	6.00	12/1/2024	105.50	2.62	2.17	BB
EQT CORP (EQT)	CORP	6.63	2/1/2025	104.10	1.76	2.18	BBB
MIAMI-DADE CNTY-TXBL (MIATRNI)	MUNI	2.70	10/1/2026	96.06	2.38	3.87	A
FORD MOTOR COMPANY (F)	CORP	4.35	12/8/2026	98.71	3.26	3.80	BB
BOEING CO (BA)	CORP	5.04	5/1/2027	102.16	3.39	4.07	BBB
DELTA AIR LINES INC (DAL)	CORP	4.38	4/19/2028	92.60	3.08	4.84	BB
OKLAHOMA ST DEV FIN A (OKSMED)	MUNI	5.45	8/15/2028	91.29	5.38	4.76	BB
NJ ECON-SER A (NJSDEV)	MUNI	7.43	2/15/2029	113.80	3.84	3.96	BBB
KY COMMONWEALTH #123 (KYSFAC)	MUNI	3.02	11/1/2029	93.93	1.55	6.36	A
BALL CORP (BLL)	CORP	2.88	8/15/2030	85.65	2.85	6.85	BB
UNITED RENTALS NORTH AM (URI)	CORP	3.88	2/15/2031	90.60	3.78	5.85	BB
T-MOBILE USA INC (TMUS)	CORP	3.50	4/15/2031	92.14	2.29	6.15	BB
OCCIDENTAL PETROLEUM COR (OXY)	CORP	7.50	5/1/2031	114.50	2.86	6.46	BB
KINDER MORGAN INC/DELAWA (KMI)	CORP	7.80	8/1/2031	119.97	2.03	6.47	BBB
BROADCOM INC (AVGO)	CORP	4.30	11/15/2032	95.30	2.36	8.03	BBB
IL ST TXB-PENSION (ILS)	MUNI	5.10	6/1/2033	101.58	5.04	5.77	BBB
MASSACHUSETTS ST DEV (MASDEV)	MUNI	4.50	7/1/2033	100.39	2.48	6.40	BBB
CA TXB-VAR PURP (CAS)	MUNI	7.50	4/1/2034	131.55	2.20	8.15	AA
DC-TXB-B-HOWARD UNIV (DISREV)	MUNI	7.63	10/1/2035	119.13	3.99	7.94	BB
JEFFERIES GROUP (JEF)	CORP	6.25	1/15/2036	102.93	1.69	9.00	BBB
SALES TAX-B-REF-TXBL (STSGEN)	MUNI	3.24	1/1/2042	84.84	3.49	11.99	AA
ORACLE CORP (ORCL)	CORP	4.00	11/15/2047	77.45	1.92	13.93	BBB
CITIGROUP INC (C)	--	3.88	7/26/2072	92.37	2.27	2.68	BB
TRUIST FINANCIAL CORP (TFC)	--	5.10	7/26/2072	97.30	1.59	6.27	BBB
WELLS FARGO & COMPANY (WFC)	--	3.90	7/28/2072	92.70	2.28	3.27	BBB
BROADCOM INC (AVGO)	--	--	--	533.61	0.79	--	Not Appl
CHEYRON CORP (CVX)	--	--	--	150.39	1.40	--	Not Appl
CISCO SYS INC COM	--	--	--	45.62	1.88	--	Not Appl

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Multi-Sector Income - MITX (continued)

Sample Holdings (as of 07/31/2022)

Issuer	Sector 1	Cpn (%)	Maturity	Price (\$)	Wt. (%)	Eff Dur	Comp Qual
CITIZENS FINANCIAL GROUP (CFG)	--	--	--	37.35	0.85	--	Not Appl
COCA COLA CO COM	--	--	--	64.06	1.26	--	Not Appl
COMCAST CORP-CLASS A (CMCSA)	--	--	--	39.41	0.89	--	Not Appl
CVS CORP (CVS)	--	--	--	95.53	1.25	--	Not Appl
DUKE ENERGY CORP (DUK)	--	--	--	108.95	0.95	--	Not Appl
GENUINE PARTS CO COM	--	--	--	149.61	0.98	--	Not Appl
HOME DEPOT INC COM	--	--	--	299.63	1.52	--	Not Appl
JPMORGAN CHASE & CO (JPM)	--	--	--	114.81	1.09	--	Not Appl
LOCKHEED MARTIN CORP (LMT)	--	--	--	406.08	0.80	--	Not Appl
MEDTRONIC PLC (MDT)	--	--	--	93.47	0.66	--	Not Appl
MICROSOFT CORP (MSFT)	--	--	--	276.41	1.72	--	Not Appl
NIKE INC - CL B	--	--	--	112.23	0.85	--	Not Appl
OMNICOM GROUP	--	--	--	69.65	0.95	--	Not Appl
ORACLE CORP COM	--	--	--	77.04	1.84	--	Not Appl
PFIZER INC (PFE)	--	--	--	50.72	0.65	--	Not Appl
PHILIP MORRIS INTERNATIONAL	--	--	--	97.17	1.15	--	Not Appl
PROCTER & GAMBLE CO/THE (PG)	--	--	--	148.06	1.50	--	Not Appl
UNITED PARCEL SERVICE-CL B	--	--	--	188.24	2.04	--	Not Appl
VERIZON COMMUNICATIONS INC COM	--	--	--	45.55	0.87	--	Not Appl
WATSCO INC (WSO)	--	--	--	263.70	0.95	--	Not Appl
NOVARTIS AG-ADR	--	--	--	87.26	1.16	--	Not Appl

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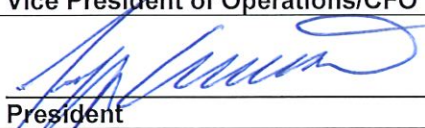
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Florida SouthWestern State College Financing Corporation Agenda Item Summary	
Meeting Date: 8/16/2022	
<p>1. Title: Florida SouthWestern State College Financing Corp 1st Qrt. Financial Statements and Investment Summary</p> <p>2. Action Requested/Purpose: Information Only</p> <p>3. Fiscal Impact: <input type="checkbox"/> Yes <input type="checkbox"/> No X N/A</p> <p>4. Funding Source: Amount: \$</p> <p>5. Administration Recommendation:</p>	
<p>6. Agenda Item Type:</p> <p><input type="checkbox"/> Action Item</p> <p><input type="checkbox"/> Consent Agenda</p> <p>X Information Only</p> <p><input type="checkbox"/> Board Requested Information/Report</p>	<p>7. Requirement/Purpose (Include Citation)</p> <p><input type="checkbox"/> Statute</p> <p><input type="checkbox"/> Administrative Code</p> <p><input type="checkbox"/> Other</p>
<p>8. Background Information:</p> <p>Table 1 – The Statement of Net Position reflects the assets and liabilities of the Financing Corporation using the accrual basis of accounting and presents the financial position at a specified time.</p> <p>Table 2 - The Statement of Revenues, Expenses and Changes in Net Position is used to evaluate the financial position of the Financing Corporation and is provided to show the reader how the net assets are increasing or decreasing throughout the year.</p> <p>Table 3 - Compares the actual sources and uses of operating and housing funds to the budgeted sources and uses of funds for the current fiscal period. It is provided to give the reader an indication of how the Financing Corporation is performing in relation to its current budget.</p>	
Requested by:	<p><u><i>Kathleen Porter</i></u> <small>Kathleen Porter (Aug 8, 2022 11:05 EDT)</small></p> <hr/> <p>Kathleen Porter, Director Finance and Accounting</p>
Funding Verified by:	<p><u><i>Gina Doeble</i></u> <small>Gina Doeble (Aug 8, 2022 11:14 EDT)</small></p> <hr/> <p>Vice President of Operations/CFO</p>
Approved for Agenda by:	<p></p> <hr/> <p>President</p>



FINANCING CORPORATION

TABLE 1
STATEMENT OF NET POSITION
FOR FIRST QUARTER ENDED JUNE 30, 2022

	General Operating	Housing	Unexpended Plant Fund	Debt Service	Investment in Plant	6/30/22 Actual (YTD)	6/30/21 Actual (YTD)	% Change from Prior Year
CURRENT ASSETS								
Cash & Cash Equivalents	\$ 7,005,145	\$ 2,224,000	\$ 626,598	\$ -	\$ -	\$ 9,855,743	\$ 3,342,833	194.8%
Accounts Receivable	944,367	81,013	-	-	-	1,025,380	47,325	2066.7%
Prepaid Expense	682	3,271	6,048	-	-	10,001	6,441	55.3%
NONCURRENT ASSETS								
Investments	4,827,562	-	-	-	-	4,827,562	4,894,924	-1.4%
Restricted Cash & Cash Equivalents	-	-	434,217	1,419,047	-	1,853,264	1,695,075	9.3%
Reserve for Uncollectible Accts	-	(46,077)	-	-	-	(46,077)	(38,901)	18.4%
Capital Assets, Net	-	-	-	-	16,658,173	16,658,173	17,283,879	-3.6%
TOTAL ASSETS	\$ 12,777,757	\$ 2,262,207	\$ 1,066,863	\$ 1,419,047	\$ 16,658,173	\$ 34,184,046	\$ 27,231,577	25.53%
CURRENT LIABILITIES								
Accounts Payable	\$ 32,500	\$ 71,694	\$ -	\$ -	\$ -	\$ 104,194	\$ 15,259	582.9%
Bonds Payable - Current	-	-	-	-	408,605	408,605	396,655	3.0%
NONCURRENT LIABILITIES								
Bonds Payable - Non-Current	-	-	-	-	18,627,202	18,627,202	19,432,461	-4.1%
TOTAL LIABILITIES	\$ 32,500	\$ 71,694	\$ -	\$ -	\$ 19,035,807	\$ 19,140,001	\$ 19,844,374	-3.5%
NET POSITION	12,745,257	2,190,513	1,066,863	1,419,047	(2,377,634)	15,044,046	7,387,203	103.7%
TOTAL LIABILITIES & NET POSITION	\$ 12,777,757	\$ 2,262,207	\$ 1,066,863	\$ 1,419,047	\$ 16,658,173	\$ 34,184,046	\$ 27,231,577	25.53%

*Note: \$ 645,907.17 - Corp Acct
6,359,238.30 - Invest Acct

FINANCING CORPORATION

TABLE 2
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
FOR FIRST QUARTER ENDED JUNE 30, 2022

	General Operating	Housing	Unexpended Plant	Debt Service	Investment in Plant	6/30/22 Total (YTD)	6/30/21 Total (YTD)	% Change from Prior Year
REVENUE								
FSW/Broadband Lease	\$ 29,888	\$ -	\$ -	\$ -	\$ -	\$ 29,888	\$ 89,664	-66.7%
FSW/Broadband Lease Sale	6,333,000	-	-	-	-	6,333,000	-	100.0%
Collegiate High Schools	75,000	-	-	-	-	75,000	70,000	7.1%
Rent Revenue	-	504,756	-	-	-	504,756	369,312	36.7%
Resident Activity Fee	-	4,680	-	-	-	4,680	3,200	46.3%
Canc.Fees/Forfeit Dep/Fines	-	6,065	-	-	-	6,065	16,277	-62.7%
Application Fees	-	15,750	-	-	-	15,750	11,600	35.8%
Cleaning Fees	-	5,850	-	-	-	5,850	4,000	46.3%
Interest	39,532	749	-	647	-	40,928	34,115	20.0%
Gain/Loss on Investments	(50,145)	-	-	-	-	(50,145)	(30,417)	-64.9%
Transfer from College/Softball field	869,367	-	-	-	-	869,367	-	100.0%
Subtotal Before Transfers:	7,296,642	537,850	-	647	-	7,835,139	567,751	
Transfer	-	-	200,000	293,008	396,654	889,662	889,848	0.0%
Total Revenue	\$ 7,296,642	\$ 537,850	\$ 200,000	\$ 293,655	\$ 396,654	\$ 8,724,801	\$ 1,457,600	498.57%
EXPENSES								
General Expense								
Operating Expenses	\$ 3,632	\$ -	\$ -	\$ -	\$ -	\$ 3,632	\$ 4,042	-10.1%
Travel	-	1,894	-	-	-	1,894	-	100.0%
Data & Other Communications Services	-	6,000	-	-	-	6,000	6,000	0.0%
Technology Equipment & Supplies	-	300	-	-	-	300	28,886	-99.0%
Utilities	-	39,684	-	-	-	39,684	45,358	-12.5%
Resident Activities	-	5,754	-	-	-	5,754	4,526	27.1%
Bad Debt Expense	-	500	-	-	-	500	3,103	-83.9%
Insurance	106,469	-	-	-	-	106,469	100,840	5.6%
Repairs & Maintenance	-	45,235	4,670	-	-	49,905	93,833	-46.8%
Contract Services	32,500	69,500	-	-	-	102,000	98,418	3.6%
Other Expense	2,393	1,373	-	-	-	3,765	2,172	73.3%
Interest Expense	-	-	-	99,816	-	99,816	103,831	-3.9%
Depreciation Expense	-	-	-	-	156,426	156,426	156,426	0.0%
Subtotal Before Transfers:	144,993	170,239	4,670	99,816	156,426	576,145	647,434	
Transfer	-	889,662	-	-	-	889,662	889,848	0.0%
Total Expenses	\$ 144,993	\$ 1,059,902	\$ 4,670	\$ 99,816	\$ 156,426	\$ 1,465,807	\$ 1,537,282	-4.65%
Change in Net Position	7,151,648	(522,051)	195,330	193,839	240,228	7,258,994	(79,682)	
Beginning Net Position	5,593,608	2,712,564	871,533	1,225,208	(2,617,862)	7,785,052	7,466,886	
Ending Net Position	\$ 12,745,257	\$ 2,190,513	\$ 1,066,863	\$ 1,419,047	\$ (2,377,634)	\$ 15,044,046	\$ 7,387,204	103.65%

Notes:

Repairs & Maintenance:

- Lock Maintenance / Key replacements
- Air Conditioning Maintenance
- Pest Control
- Carpet Replacement
- Fire Protection Maintenance
- Appliance Repairs
- Moving of furniture

Contracted Services:

- Administrative Services
- Personnel Serv. (Public Safety, Maintenance, Student Life)
- Custodial and Grounds Service



FINANCING CORPORATION

TABLE 3
COMPARISON OF CURRENT YEAR ACTUAL TO CURRENT YEAR BUDGET
for Fiscal Year Ending March 31, 2023

General Operating Budget				
	Original Budget	Revised Budget	Actual at 06/30/22	% of Revised Budget
SOURCES OF FUNDS				
Bandwidth Lease Revenue	\$59,776	\$29,888	\$29,888	100.0%
Transfer in - Broadband Sale	4,200,000	6,333,000	6,333,000	100.0%
High School Lease Revenue	375,000	375,000	75,000	20.0%
Investment Income	105,060	105,060	-10,614	-10.1%
Transfer in - Baseball Softball Field	0	869,367	869,367	100%
Total Funds Available	\$4,739,836	\$7,712,315	\$7,296,642	94.61%
USES OF FUNDS				
Operating Expenses	\$39,525	\$39,525	\$3,632	9.2%
Insurance	161,620	161,620	106,469	65.9%
Contract/Other Services	130,000	130,000	34,893	26.8%
Baseball/Softball Field	0	3,900,000	0	0.0%
Contingency	100,000	100,000	0	0.0%
Total Expenses	\$431,145	\$4,331,145	\$144,993	3.35%
Housing Budget				
	Original Budget	Revised Budget	Actual at 06/30/22	% of Revised Budget
SOURCES OF FUNDS				
Rent Revenue	\$2,415,000	\$2,576,210	\$504,756	19.6%
Resident Activity Fee	31,000	31,000	4,680	15.1%
Can.Fees/Forfeited Dep./Fines	48,000	48,000	6,065	12.6%
Application Fees	41,000	41,000	15,750	38.4%
Interest	0	0	749	0.0%
Cleaning Fee	39,000	39,000	5,850	15.0%
Fund Balance - Activity Fees	26,000	26,000	0	0.0%
Fund Balance - Housing	13,640	0	0	0.0%
Total Funds Available	\$2,613,640	\$2,761,210	\$537,850	19.48%
USES OF FUNDS				
General Expense				
Travel	\$4,000	\$4,000	\$1,894	47.3%
Data & Other Communication Serv.	24,000	24,000	6,000	25.0%
Rentals / Other Expense	2,760	2,760	1,373	49.7%
Professional Development	5,800	5,800	0	0.0%
Utilities	246,720	246,720	39,684	16.1%
Resident Activities	33,000	33,000	5,754	17.4%
Repairs and Maintenance	333,500	333,500	45,534	13.7%
Contract Services	301,860	301,860	69,500	23.0%
Bad Debt Expense	20,000	20,000	500	2.5%
Uses Before Contingency & Reserve	\$971,640	\$971,640	\$170,239	17.5%
Contingency	50,000	197,570	0	0.0%
Capital Reserve	200,000	200,000	0	0.0%
Debt Service Payments:				
Principal Payments	812,000	812,000	396,654	48.8%
Interest Expense on Debt	580,000	580,000	99,816	17.2%
Total Expenses	\$2,613,640	\$2,761,210	\$666,709	24.15%
Capital Reserve Budget - Unexpended Plant				
	Original Budget	Revised Budget	Actual at 06/30/22	% of Revised Budget
SOURCES OF FUNDS				
Transfer - Housing	\$200,000	\$200,000	\$200,000	100.0%
Fund Balance	498,000	498,000	4,670	0.9%
Total Funds Available	\$698,000	\$698,000	\$204,670	29.32%
USES OF FUNDS				
Furniture / Equipment Turnover	\$68,525	\$79,354	\$0	0.0%
Flooring Replacement	125,000	108,500	0	0.0%
Landscaping Project	498,000	565,000	4,670	0.8%
Total Expenses	\$691,525	\$752,854	\$4,670	0.62%

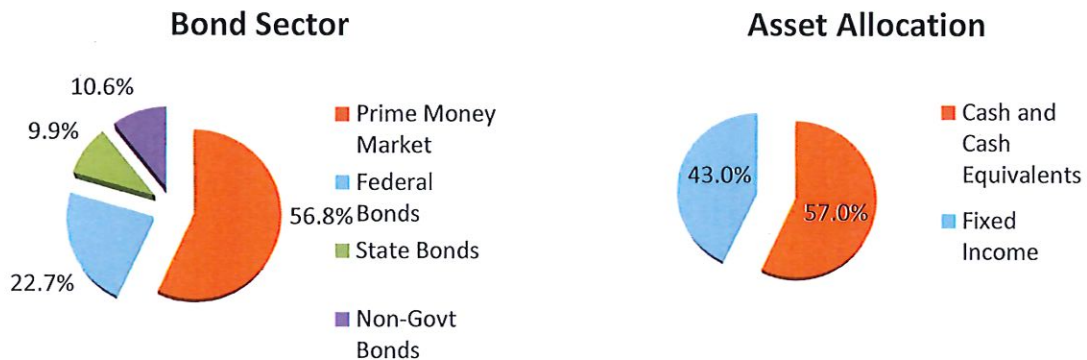
Florida SouthWestern State College Financing Corporation
Executive Investment Summary
First Quarter Ending 6-30-2022

Investment Strategy

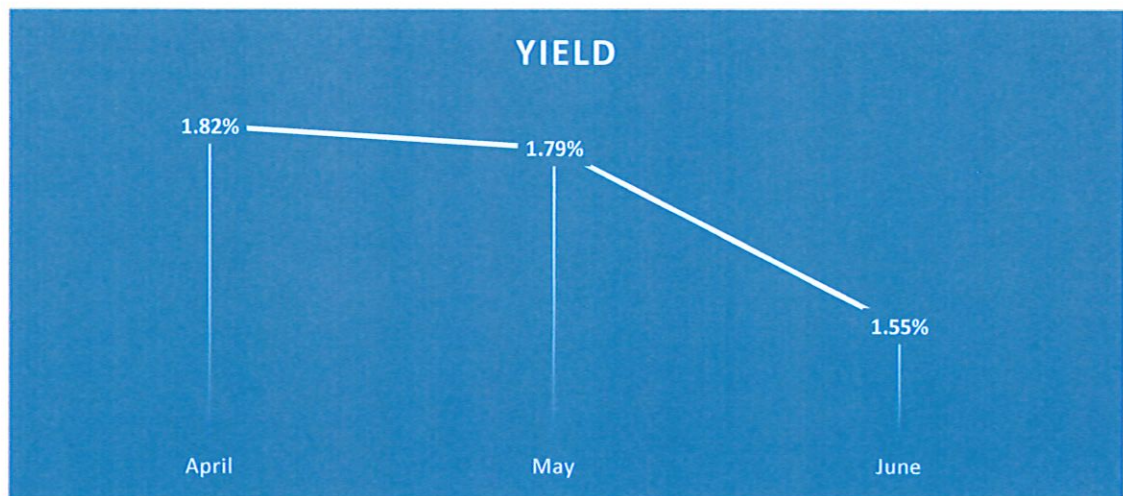
Investments will be limited to U.S. Treasuries, Government agency debt (including Agency mortgage-backed securities), taxable municipal bonds, and corporate bonds with the following portfolio limitations:

- Maximum allocation to taxable municipal bonds shall be 25%.
- Maximum allocation to corporate bonds shall be 25%.
- The minimum allocation to Government agency and agency mortgage-backed securities shall be 50%, with the additional provision that the maximum allocation to agency mortgage-backed securities shall be 20%. The Financing Corporation's policy limits investments to U.S. Treasuries, U.S. Government Agency Bonds, and Corporate Bonds. All investments must be rated AA or better by any of the three rating agencies. The policy prescribes a final maturity of 3.5 years for any single issue.

Investment Allocation



Investment Earnings



As of June 30, 2022, the Financing Corporation Portfolio had a market value of \$11,186,800. Through the period ended June 30, 2022 the Financing Corporation had recorded investment income of (\$19,088.30) net of fees.