



# City of Ft. Lauderdale OPEB Trust and OPEB Post Retirement Pay Steps Plan

## Investment Performance Review For the Quarter Ended June 30, 2023

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# Executive Summary

The City of Fort Lauderdale (the "City") OPEB Trust returned 3.52% (net of mutual fund fees) in the 2<sup>nd</sup> quarter of 2023, in line with its policy benchmark return of 3.49%. In the trailing 12 months, the portfolio returned 9.32%, also in line with its 9.34% benchmark return. In dollar terms, the portfolio gained \$1,385,297 in return on investment over the quarter and gained \$3,501,424 in the trailing 12 months.

The City's OPEB Post Retirement Pay Steps Plan returned 3.59% (net of mutual fund fees) in the 2<sup>nd</sup> quarter of 2023, outperforming its policy benchmark return of 3.49% by 0.10%. In the trailing 12 months, the portfolio returned 9.21%, underperforming its 9.34% benchmark return by 0.13%. In dollar terms, the portfolio gained \$210,073 in return on investment over the quarter and gained \$510,395 in the trailing 12 months.

Domestic equity as measured by the Russell 3000 Index posted a positive return of 8.39% for the quarter. International equity as measured by the MSCI ACWI ex-U.S. Index significantly underperformed their U.S. counterparts, returning 2.44% for the quarter. While the U.S. bond market, represented by the Bloomberg U.S. Aggregate Index, lost -0.84% as interest rates continued rising.

Inflation continued to cool in the 2<sup>nd</sup> quarter with headline U.S. Consumer Price Inflation falling to its lowest rate in more than two years at 3% year-over-year (YoY) in June. Core price inflation (excluding volatile food and energy prices) moderated from 5.6% to 4.8% (YoY) during the quarter. Sticky shelter costs continued to lead prices higher, while falling gasoline and energy services were deflationary in the quarter. The U.S. labor market appears as strong as ever, and sentiment around economic growth remains optimistic due to resilient consumer spending.

As we expect uncertainty to persist into the upcoming quarters with the full impact of tighter liquidity to potentially hit the economy, diversification is as important as ever for long term investors who should remain focused on their strategic goals, objectives and liquidity needs. Given that the City's OPEB has a long-term time horizon, the portfolio allocation continues to be appropriate and in line with its investment policy guidelines.

# Multi-Asset Class Management Allocation

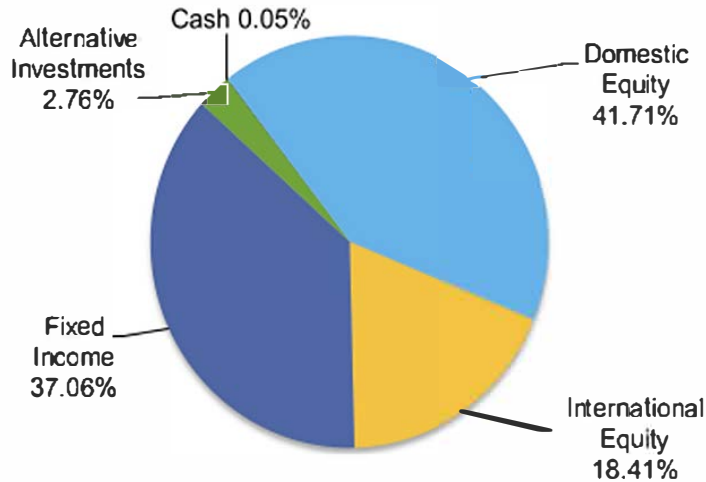
**Current Asset Allocation**

Asset Class	Market Value	Pct (%)
Cash	\$24,598	0.05%
Domestic Equity	19,379,852	41.71%
International Equity	8,553,975	18.41%
Fixed Income	17,219,521	37.06%
Alternative Investments	1,284,448	2.76%
<b>Total</b>	<b>\$46,462,392</b>	<b>100.0%</b>

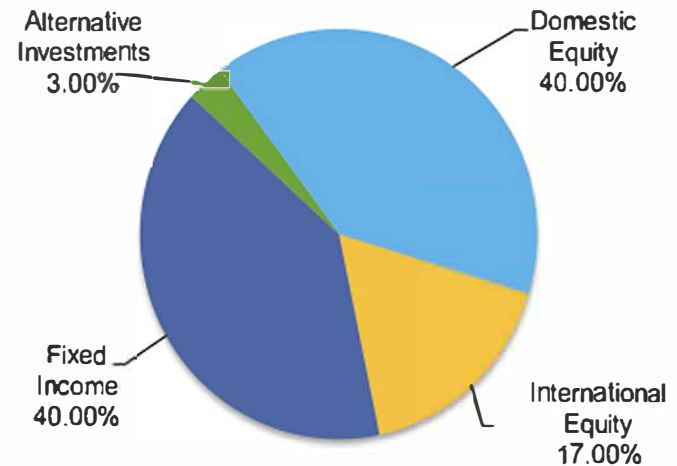
**Target Asset Allocation\***

Asset Class	Market Value	Pct (%)
Cash	-	0.00%
Domestic Equity	18,584,957	40.00%
International Equity	7,898,607	17.00%
Fixed Income	18,584,957	40.00%
Alternative Investments	1,393,872	3.00%
<b>Total</b>	<b>46,462,392</b>	<b>100%</b>

**Current Asset Allocation**



**Target Asset Allocation**



Data as of June 30, 2023.

\*Based on guidelines set by the City of Fort Lauderdale's OPEB Investment Policy.

# Markets & Economy

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
<b>DOMESTIC EQUITY</b>							
S&P 500	8.74%	16.88%	19.56%	14.58%	12.28%	13.36%	12.84%
Russell 3000 Index	8.39%	16.16%	18.93%	13.87%	11.37%	12.84%	12.32%
Russell 1000 Value Index	4.07%	5.10%	11.50%	14.27%	8.08%	8.92%	9.20%
Russell 1000 Growth Index	12.81%	29.01%	27.10%	13.73%	15.13%	16.90%	15.73%
Russell Midcap Index	4.76%	9.01%	14.92%	12.50%	8.45%	10.12%	10.32%
Russell 2500 Index	5.22%	8.78%	13.55%	12.26%	6.52%	9.68%	9.35%
Russell 2000 Value Index	5.19%	8.06%	12.27%	10.79%	4.17%	8.73%	8.23%
Russell 2000 Index	3.16%	2.46%	5.96%	15.38%	3.50%	7.67%	7.27%
Russell 2000 Growth Index	7.05%	13.55%	18.49%	6.07%	4.19%	9.27%	8.81%
<b>INTERNATIONAL EQUITY</b>							
MSCI EAFE (Net)	2.95%	11.67%	18.77%	8.93%	4.39%	6.88%	5.41%
MSCI AC World Index (Net)	6.18%	13.93%	16.53%	10.99%	8.10%	9.94%	8.75%
MSCI AC World ex USA (Net)	2.44%	9.47%	12.72%	7.22%	3.52%	6.32%	4.75%
MSCI AC World ex USA Small Cap (Net)	2.05%	6.84%	10.93%	8.15%	2.62%	6.10%	5.75%
MSCI EM (Net)	0.90%	4.89%	1.75%	2.32%	0.93%	4.95%	2.95%
<b>ALTERNATIVES</b>							
FTSE NAREIT Equity REIT Index	2.62%	5.37%	-0.13%	8.91%	4.55%	3.49%	6.42%
FTSE EPRA/NAREIT Developed Index	0.54%	1.58%	-3.59%	4.30%	0.83%	1.69%	3.82%
Bloomberg Commodity Index Total Return	-2.56%	-7.79%	-9.61%	17.82%	4.73%	3.41%	-0.99%
<b>FIXED INCOME</b>							
Blmbg. U.S. Aggregate	-0.84%	2.09%	-0.94%	-3.97%	0.77%	0.44%	1.52%
Blmbg. U.S. Government/Credit	-0.93%	2.21%	-0.70%	-4.11%	1.03%	0.59%	1.66%
Blmbg. Intermed. U.S. Government/Credit	-0.81%	1.50%	-0.10%	-2.46%	1.23%	0.76%	1.41%
Blmbg. U.S. Treasury: 1-3 Year	-0.60%	0.98%	0.15%	-1.12%	0.93%	0.65%	0.75%
Blmbg. U.S. Corp: High Yield	1.75%	5.38%	9.06%	3.13%	3.36%	4.53%	4.43%
Credit Suisse Leveraged Loan index	3.12%	6.33%	10.10%	6.16%	4.02%	4.60%	4.13%
ICE BofAML Global High Yield Constrained (USD)	1.64%	5.29%	9.69%	1.44%	2.20%	3.58%	3.62%
Blmbg. Global Aggregate Ex USD	-2.16%	0.83%	-1.83%	-5.87%	-2.65%	-2.06%	-0.90%
JPM EMBI Global Diversified	2.19%	4.09%	7.39%	-3.10%	0.55%	4.91%	5.66%
<b>CASH EQUIVALENT</b>							
90 Day U.S. Treasury Bill	1.17%	2.25%	3.59%	1.27%	1.55%	1.36%	0.97%

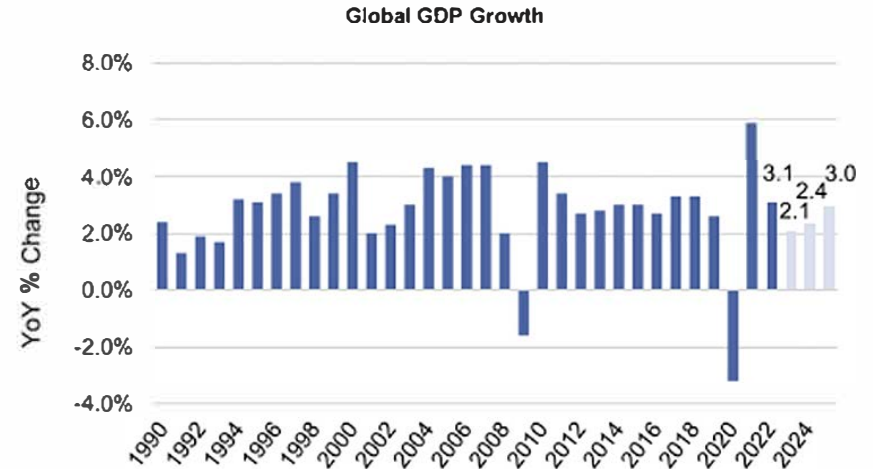
Source: Investment Metrics Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

**THE ECONOMY**

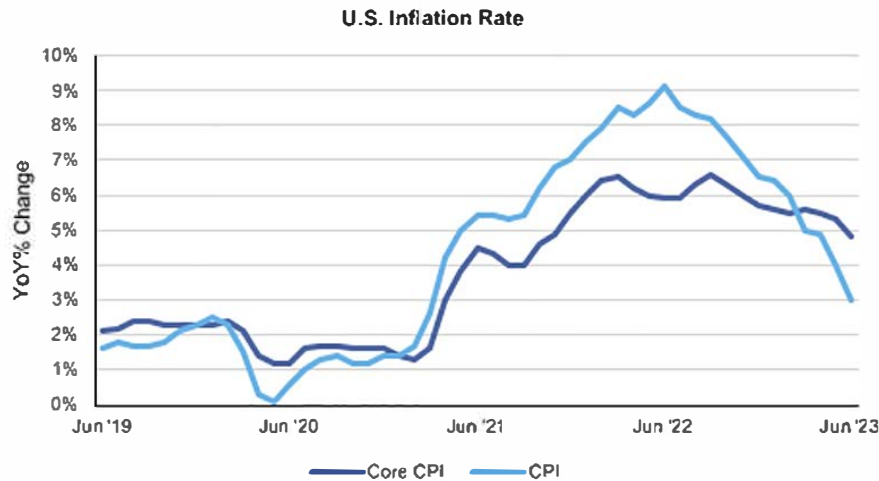
▶ In the first quarter, U.S. gross domestic product (GDP) grew at an annualized rate of 2%. This marked a slowdown from the 3.2% and 2.9% growth in the third and fourth quarters of 2022, but a sharp revision upwards from the previous estimate and market expectation or 1.3%. Globally, the World Bank's June forecast for global growth in 2023 was revised up to 2.1% from a 1.7% forecast issued in January, but well below the 2022 growth rate of 3.1%.

▶ The labor market has cooled slightly during the quarter but remains resilient overall. Unemployment ticked up slightly over the quarter ending at 3.6%, up from 3.5% at the end of the first quarter, but still at historical lows. Total non-farm employment increased by 732,000 in the second quarter, down from last quarter's 1.03 million.

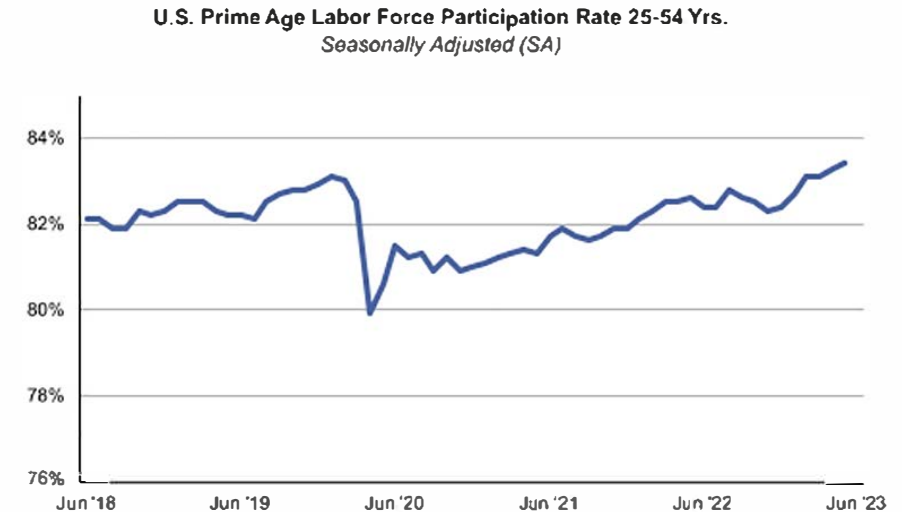
▶ Inflation has continued to cool in the second quarter with headline U.S. Consumer Price Inflation falling to its lowest rate in more than two years at 3% year-over-year (YoY) in June. Core price inflation (excluding volatile food and energy prices), rose 4.8%, moderating from the 5.6% pace at the end of the first quarter. Sticky shelter costs continue to lead prices higher, while falling gasoline and energy services have been deflationary.



Source: World Bank. Dark blue bars indicate actual numbers; light blue bars indicate forecasted estimates.



Source: Bureau of Labor Statistics.

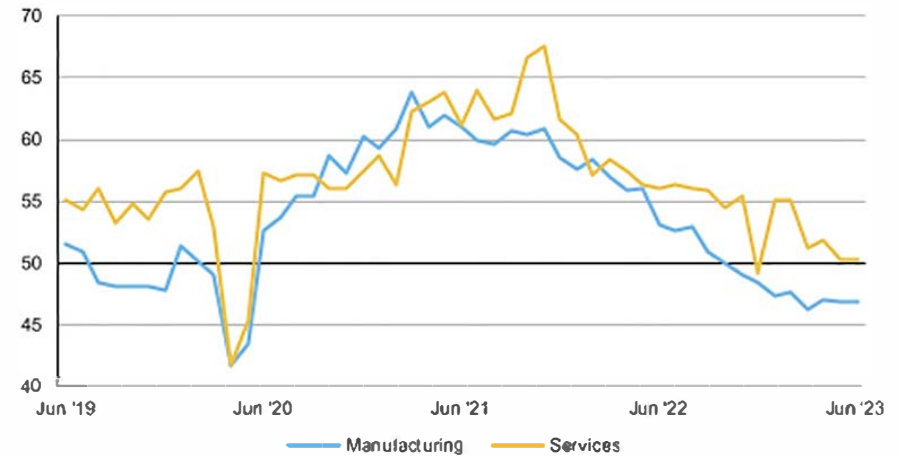


Source: Bureau of Labor Statistics.

**WHAT WE'RE WATCHING**

- ▶ The second quarter saw rate hikes domestically and abroad, with the Federal Reserve (Fed) raising rates 25 basis points (bps) in May and the European Central Bank (ECB) raising rates by 25 bps both in May and June. The Fed's latest projections suggest two additional rate hikes with the median expectation for the target rate to peak at 5.6% this year, significantly higher than the March projection of 5.1%. In Europe, more hikes are also expected with ECB president Lagarde stating that the ECB has more ground to cover and will likely continue raising rates in July.
- ▶ The U.S. economy continued to expand in June, though unequally with strength in services offsetting manufacturing contraction. While the S&P Global US Composite PMI remained expansionary at 53.0 the Manufacturing PMI index fell to a six-month low of 46.3 while services rose to 54.1. Consumer demand remains key for a continued expansion and we are closely monitoring personal balance sheets.
- ▶ Globally, purchasing manager surveys show slowing activity in the major economies during the second quarter. The HCOB Eurozone Composite PMI saw a contractionary reading of 49.9 in June while the au Jibun Bank Japan Composite PMI fell to 52.1 and the Caixin China General Manufacturing PMI fell to 52.5. Manufacturing output continues to lead the slowdown across markets, with services businesses still modestly expanding.

**U.S. ISM Manufacturing & Services PMI**



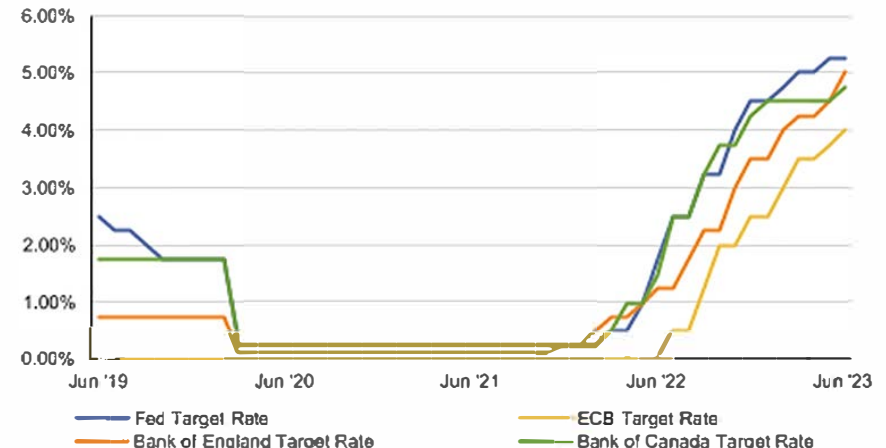
Source: Bloomberg.

**U.S. Consumer Confidence**



Source: Bloomberg.

**Global Central Bank Rates**



Source: Bloomberg.

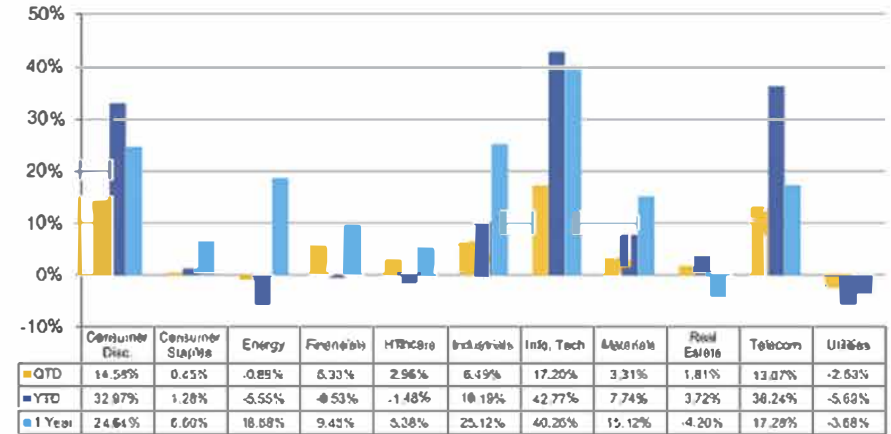


**DOMESTIC EQUITY**

- ▶ The S&P 500 Index (S&P) posted a positive return of 8.74% for the second quarter of 2023. As of June 30, 2023, the trailing 1-year return for the index is 19.56%.
- ▶ Over the quarter, markets saw a continued rally in Mega-Cap stocks since the first quarter, where index returns were driven by a handful of stocks. At the end of the quarter, that narrow leadership started to broaden out, as small- and mid-cap stocks as represented by the S&P 600 (8.23%) and S&P 400 (9.16%) indices, outperformed large-cap stocks, represented by the S&P 500 Index (6.61%) for the month of June.
- ▶ Within S&P 500, two of the 11 GICS sectors ended with negative quarterly returns. Utilities (-2.53%), Energy (-0.89%) and Consumer Staples (0.45%) were the worst performers. While the best performing sectors were: Information Technology (17.20%), Consumer Discretionary (14.58%) and Communication Services (13.07%).
- ▶ Small-caps, as represented by the Russell 2000 Index, returned 3.16% during the quarter, lagged mid- and large-caps. The Russell Midcap and Russell 1000 indices returned 4.76% and 8.58%, respectively.
- ▶ According to FactSet Earnings Insight (as of June 30, 2023), the expected earnings growth rate for S&P 500 for the quarter is -6.8%. If this is the actual decline for the quarter, it will be the largest earnings decline in a quarter since the second quarter of 2020 (-31.6%).
- ▶ As of the end of the quarter, the S&P 500 P/E ratio was 21.82, slightly above its 5-year average of 21.59. By comparison, the S&P 600, which represents small-cap stocks, had a P/E ratio of 15.26, which is below its 5-year average of 17.42.

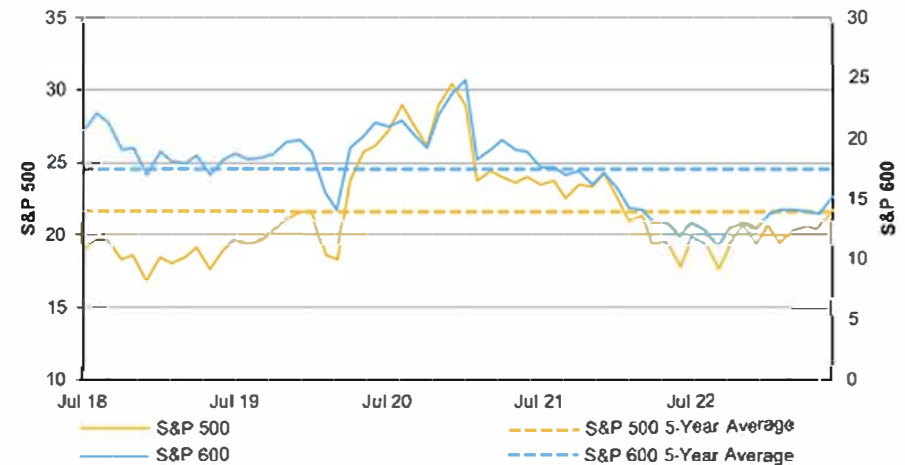
**S&P 500 Index Performance by Sector**

Periods Ended June 30, 2023



Source: Bloomberg.

**P/E Ratios of Major Stock Indices\***



Source: Bloomberg.

\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**NON-U.S. EQUITY**

▶ Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, significantly underperformed their U.S. counterparts, returning 2.44% for the quarter.

▶ Seven of the 11 sectors posted strong positive returns for the quarter with Information Technology (6.13%), Industrials (5.44%) and Financials (4.85%) being the best performing sectors. The worst performing sectors were: Communication Services (-4.57%), Materials (-2.73%) and Real Estate (-2.50%).

▶ Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning 0.90% versus 2.95% for the quarter.

▶ MSCI Japan (6.42%) outperformed the MSCI EAFE Index aided by positive investor sentiment around the country's growth and shift in corporate culture. Of the five major countries within the index, the United Kingdom (2.19%) was the worst performer due to stubbornly high inflation.

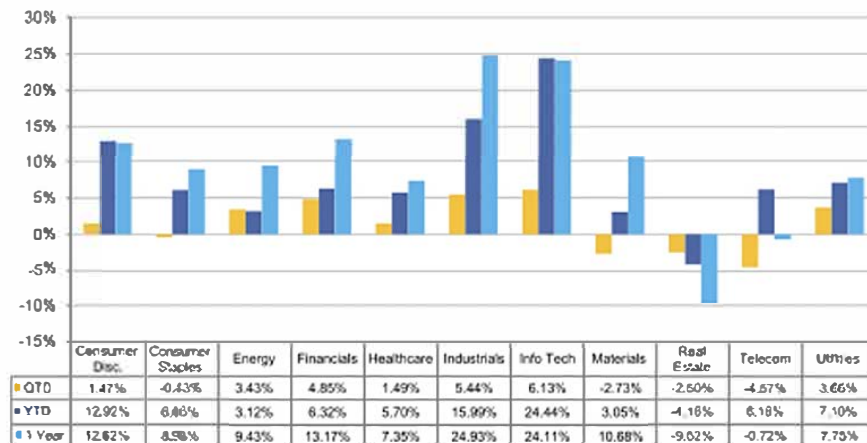
▶ Within EM, MSCI China (-9.71%) was the largest headwind as the highly anticipated economic recovery remains underwhelming. EM Latin America (14.04%) on the other hand was the top performing region during the quarter, benefitting from Brazil's receding inflation which raises the prospect of rate cuts in the second half of the year.

▶ Value stocks outperformed growth stocks across the International Equity Markets. MSCI AC World ex-USA Value returned 2.95% while MSCI AC World ex-USA Growth returned 1.94% for the quarter.

▶ Small caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, slightly underperformed within the international equity markets, returning 2.05% for the quarter.

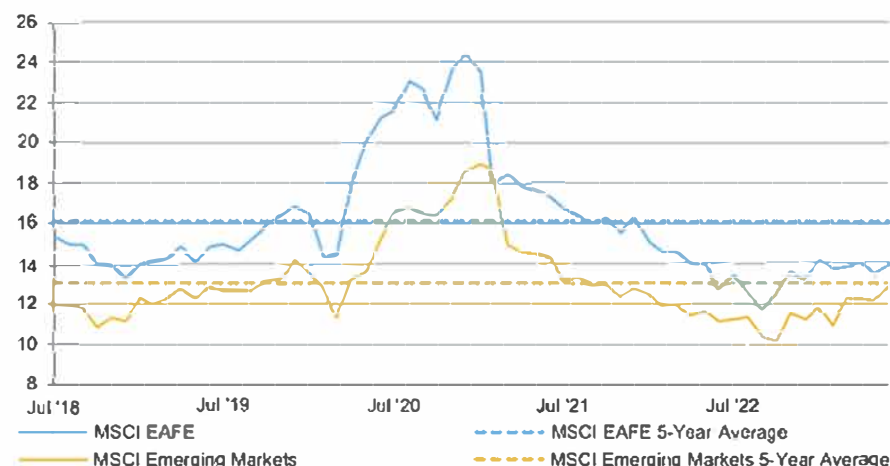
▶ Non-U.S. equities remain undervalued relative to their long-term average across international equity markets. As of June 30, 2023, MSCI EM's P/E stood at 12.80 versus a 5-year average of 13.05. Similarly, MSCI EAFE ended the quarter with a P/E ratio of 13.91 much lower than its 5-year average of 16.03.

**MSCI ACWI ex-U.S. Sectors**  
Periods Ended June 30, 2023



Source: Bloomberg.

**P/E Ratios of MSCI Equity Indices\***



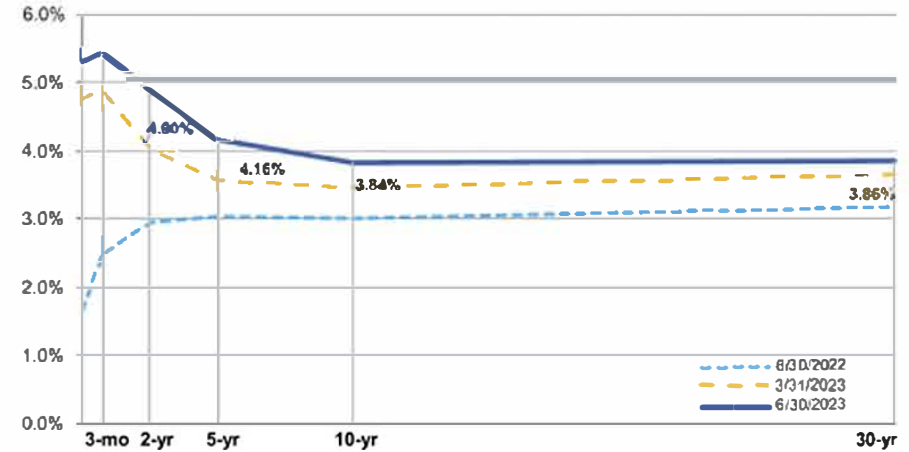
Source: Bloomberg.

\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**FIXED INCOME**

- ▶ The U.S. bond market represented by the Bloomberg U.S. Aggregate (Aggregate) Index sold off during the quarter, -0.84%, as rates continued rising. The trailing one-year period has a loss of -0.94%.
- ▶ The Bloomberg U.S. Treasury Index closed the quarter with a loss of -1.38%. During the period, the Federal Open Market Committee (FOMC) raised interest rates by a quarter point but paused at the June meeting. Despite the pause, hawkish rhetoric of more tightening to come kept interest rates across the curve rising off the low experienced after the banking issues of March. Across the curve rates rose with the 3-month bill reaching 5.30% while the 10-year treasury ended the quarter at 3.84%, continuing a deeper inversion.
- ▶ Corporate credit had better relative performance in comparison to treasuries. The investment grade Bloomberg U.S. Corporate (IG Corp) Index returned -0.29% while high yield bonds, represented by the Bloomberg U.S. Corporate High Yield Index, posted a solid gain of 1.75%. High Yield was again led by lowest quality Caa/CCC-rated as spreads tightened.
- ▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, lost -0.64%. On the commercial side the Bloomberg U.S. Agency CMBS Index lost -0.72%.
- ▶ Emerging market USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified Index, gained 2.19% in the quarter. By region, the Africa sub-index led returns with a 4.3% return while the Middle East group lagged at 0.5%.

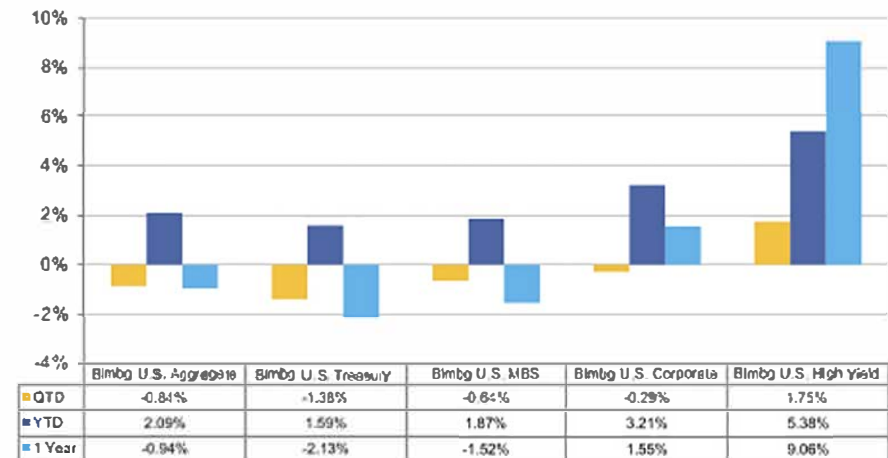
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended June 30, 2023



Source: Bloomberg.

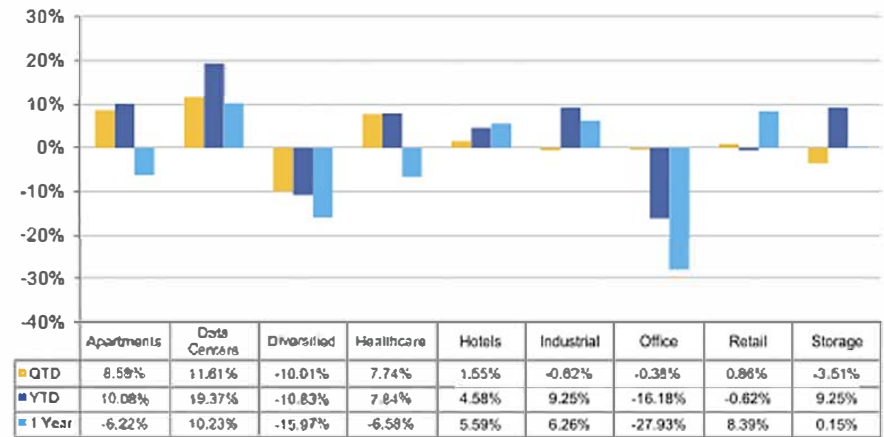
**ALTERNATIVES**

▶ REITs, as measured by the FTSE NAREIT Equity REITs Index, gained 2.62% in the second quarter of 2023, compared to a 2.68% increase in the prior quarter. Sector performance was mixed during the second quarter. The best performers were the Data Centers and Apartments sectors, which posted returns of 11.61% and 8.59%, respectively. The worst performers during the quarter were the Diversified and Self-Storage sectors, which posted returns of -10.01% and -3.51%, respectively. The Office sector, which has been plagued by concerns surrounding the future of in-person work, fell only 0.38% during quarter; however, the sector has returned -27.93% over the twelve-month period ending June 2023.

▶ Commodity futures, represented by the Bloomberg Commodity Total Return Index, fell 2.56% in the second quarter of 2023. The U.S. Dollar Index (DXY) gained 0.40% during the same period. The price of gold fell 2.54% in Q2, following strong gains in the two previous quarters. The precious metal finished the quarter at \$1,919.35 per ounce, down from \$1,969.28 at the end of the previous quarter. The West Texas Intermediate (WTI) Crude Oil spot price fell 6.65% from \$75.67 to \$70.64 per barrel as macroeconomic headwinds outweighed tailwinds from potential supply shortages.

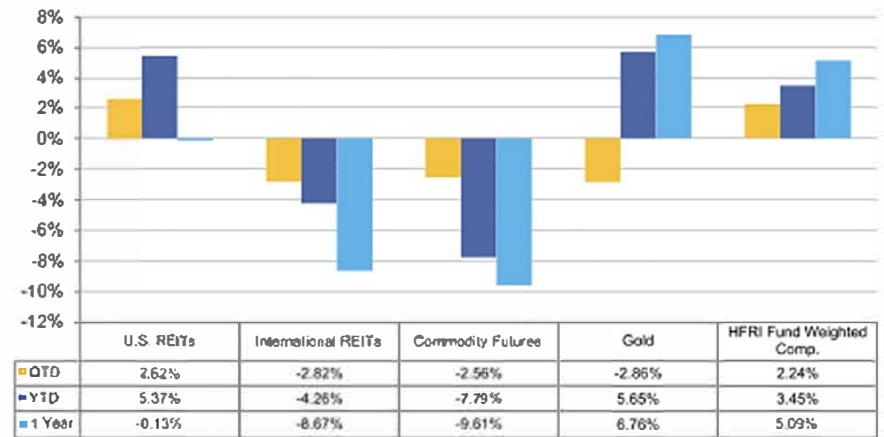
▶ Private real estate, as measured by the NCREIF Property Index, fell -1.81% in the first quarter of 2023, resulting in a -1.60% return over the twelve-month period ended March 2023. This was the second consecutive quarter of negative returns for the index. Hotel properties were again the top performers, with a total return of 2.30% in the first quarter, comprised of 0.82% in income return and 1.47% in appreciation return. Office properties were again the worst performers with total return of -4.06%, comprised of 1.14% in income return and -5.20% in appreciation return.

**FTSE NAREIT Sectors**  
Periods Ended June 30, 2023



Source: Bloomberg.

**Returns for Liquid and Semi-Liquid Alternative Assets**  
Periods Ended June 30, 2023



Sources: Bloomberg and Hedge Fund Research, Inc.

**ALTERNATIVES (continued)**

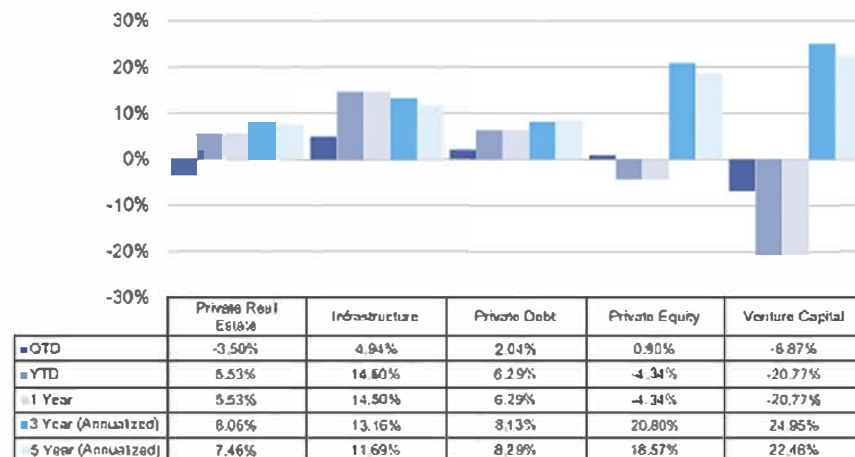
▶ In the first quarter of 2023, infrastructure funds raised \$2.04 billion, which is a significant drop from the prior quarter (\$12.15 Billion). Most of the capital raised went to core infrastructure funds as opposed to those pursuing opportunistic strategies. Infrastructure dry powder has also fallen from previous years and stands at \$330.03 billion as of Q3 2022. Despite macroeconomic headwinds, the asset class continues to remain attractive due to its ability to provide moderate but consistent returns during periods of volatility, inflation, and recession. According to PitchBook, infrastructure funds posted a return of 4.94% in Q4 2022. The asset class has generated a return of 11.69% for the 5 years ending Q4 2022.

▶ In the first quarter of 2023, private debt fundraising amounted to \$42.50 billion, down from the previous quarter's raise of \$65.53 Billion. Private debt dry powder has fallen to \$395.16 billion, the lowest level in the past four years. According to Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, posted a return of 2.69% in Q1 2023. The asset class has also generated a return of 8.40% for the five years ended Q1 2023. Private debt has performed well relative to public fixed income and continues to remain attractive despite the uncertain macroeconomic environment.

▶ In the first quarter of 2023, private capital fundraising was led by private equity funds, which closed on \$97.09 billion. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.25 trillion as of December 2022. Recent private equity performance has weakened as a result of a slowing economy and rising interest rates; however, longer term performance relative to public equities remains strong. According to Cambridge Associates, U.S. private equity posted a return of 0.90% in Q4 2022. The asset class has generated an annualized return of 18.57% for the five years ended Q4 2022.

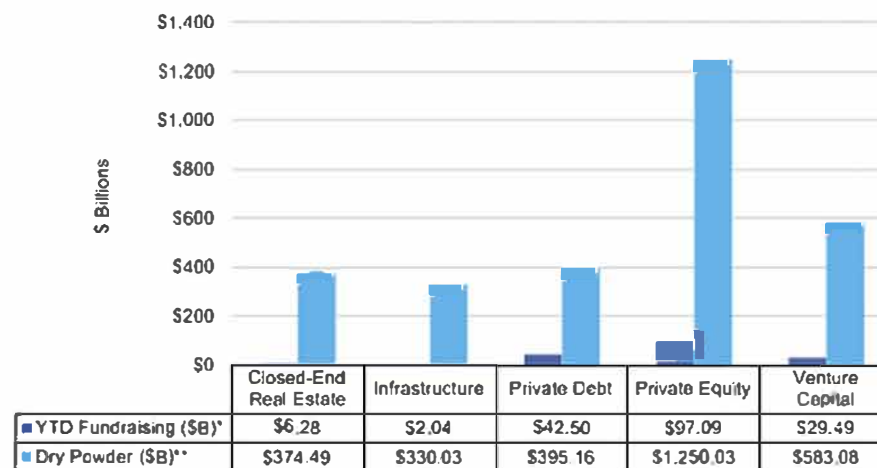
▶ Hedge fund returns were positive in the second quarter with the HFRI Fund Weighted Composite Index returning 2.24%. During the same period, the HFRI Macro (Total) Index returned 2.03%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned 2.97% and 1.52%, respectively.

**Returns for Private Capital Assets**



Source: NCREIF, PitchBook, Cliffwater, Cambridge Associates, manual inputs. As of Q4 2022, unless otherwise noted.

**Private Capital Fundraising & Dry Powder**



Sources: Pitchbook.

\* Total capital raised in 2023 as of March 31, 2023 - most recent period for which ALL fundraising data is available.

\*\* Cumulative dry powder as of most recent - December 31, 2022 for all except for Infrastructure. Infrastructure dry powder as of September 30, 2022.

\*\*\*Cumulative dry powder as of September 30, 2022 - most recent period for which ALL dry powder data is available.

**Total Fund - OPEB Trust**

Asset Allocation & Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	Current Quarter	Year To Date	Trailing 12-months	Fiscal Year To Date	3 Years	5 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>40,423,078</b>	<b>100.00</b>	<b>3.52</b>	<b>8.95</b>	<b>9.32</b>	<b>15.57</b>	<b>5.50</b>	<b>5.34</b>	<b>5.55</b>	<b>10/01/2017</b>
<b>Blended Benchmark</b>			<b>3.49</b>	<b>8.99</b>	<b>9.34</b>	<b>15.84</b>	<b>5.49</b>	<b>6.17</b>	<b>6.20</b>	<b>10/01/2017</b>
<b>Domestic Equity</b>	<b>16,818,899</b>	<b>41.61</b>	<b>8.41</b>	<b>16.04</b>	<b>18.71</b>	<b>24.33</b>	<b>13.69</b>	<b>11.31</b>	<b>11.11</b>	<b>06/01/2018</b>
Vanguard Total Stock Mkt Index Fund	16,818,899	41.61	8.41	16.17	18.92	24.47	13.76	N/A	12.40	10/01/2019
Russell 3000 Index			8.39	16.17	18.95	24.51	13.89	11.39	12.50	10/01/2019
<b>International Equity</b>	<b>7,455,831</b>	<b>18.44</b>	<b>2.61</b>	<b>9.44</b>	<b>12.42</b>	<b>25.50</b>	<b>7.55</b>	<b>3.07</b>	<b>3.01</b>	<b>06/01/2018</b>
Vanguard Total Intl Stock Index Fund	7,455,831	18.44	2.61	9.44	12.31	25.50	7.51	N/A	5.24	10/01/2019
MSCI AC World ex USA (Net)			2.44	9.47	12.72	25.11	7.22	3.52	4.86	10/01/2019
<b>Real Estate</b>	<b>1,119,608</b>	<b>2.77</b>	<b>1.64</b>	<b>3.47</b>	<b>-3.94</b>	<b>7.94</b>	<b>5.92</b>	<b>4.41</b>	<b>4.34</b>	<b>06/01/2018</b>
Vanguard Real Estate Index Fund	1,119,608	2.77	1.64	3.47	-3.94	7.94	5.88	4.39	4.32	06/01/2018
FTSE NAREIT Equity REIT Index			2.62	5.37	-0.13	10.89	8.91	4.55	5.36	06/01/2018
<b>Fixed Income</b>	<b>15,009,473</b>	<b>37.13</b>	<b>-0.90</b>	<b>2.23</b>	<b>-0.90</b>	<b>3.93</b>	<b>-4.02</b>	<b>0.41</b>	<b>0.47</b>	<b>06/01/2018</b>
Vanguard Total Bond Mkt Index Fund	15,009,473	37.13	-0.90	2.23	-0.90	3.93	-4.02	N/A	-1.62	10/01/2019
Bimbg. U.S. Aggregate			-0.84	2.09	-0.94	4.00	-3.97	0.77	-1.59	10/01/2019
<b>Cash Equivalent</b>	<b>19,267</b>	<b>0.05</b>	<b>1.15</b>	<b>2.16</b>	<b>3.61</b>	<b>2.99</b>	<b>1.23</b>	<b>1.42</b>	<b>1.41</b>	<b>06/01/2018</b>
Allspring 100% Treasury Money Market	19,267	0.05	1.15	2.16	3.61	2.99	1.23	N/A	1.37	09/01/2018

Returns are net of fees and are expressed as percentages.  
 Segment data excludes cash position(s) and is net of fees.  
 Asset class level returns may vary from individual underlying manager returns due to cash flows.

Financial Reconciliation

Current Quarter				
	Market Value As of 04/01/2023	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	39,629,779	(591,998)	1,385,297	40,423,078

YTD				
	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	38,041,275	(1,000,152)	3,381,955	40,423,078

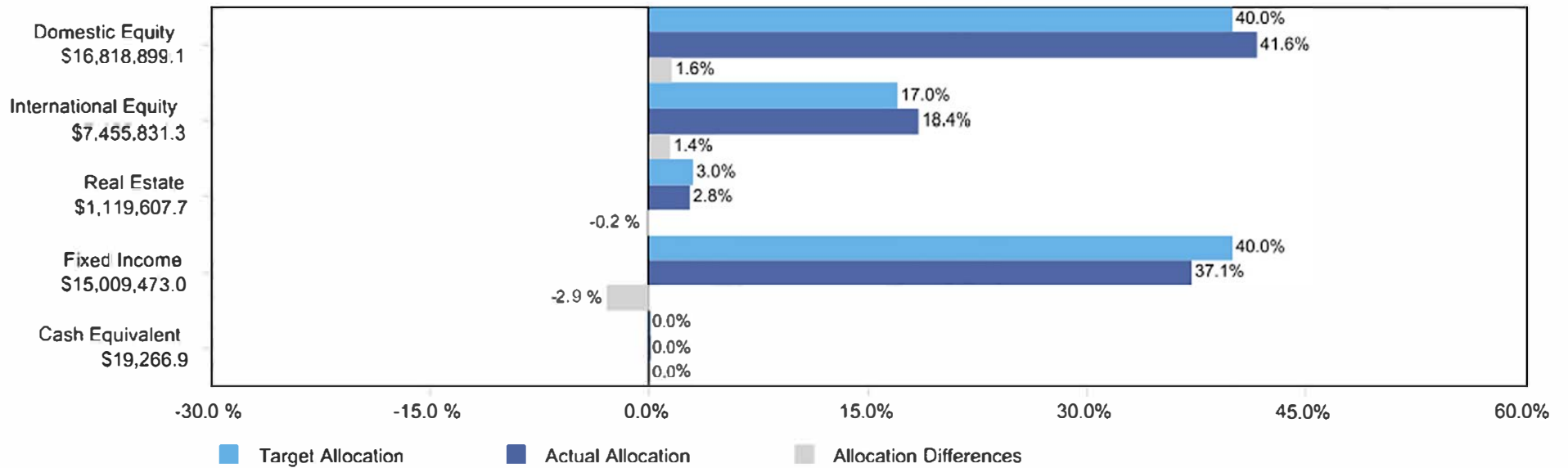
Fiscal Year To Date				
	Market Value As of 10/01/2022	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	35,480,439	(603,123)	5,545,762	40,423,078

1 Year				
	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	36,974,211	(52,558)	3,501,424	40,423,078



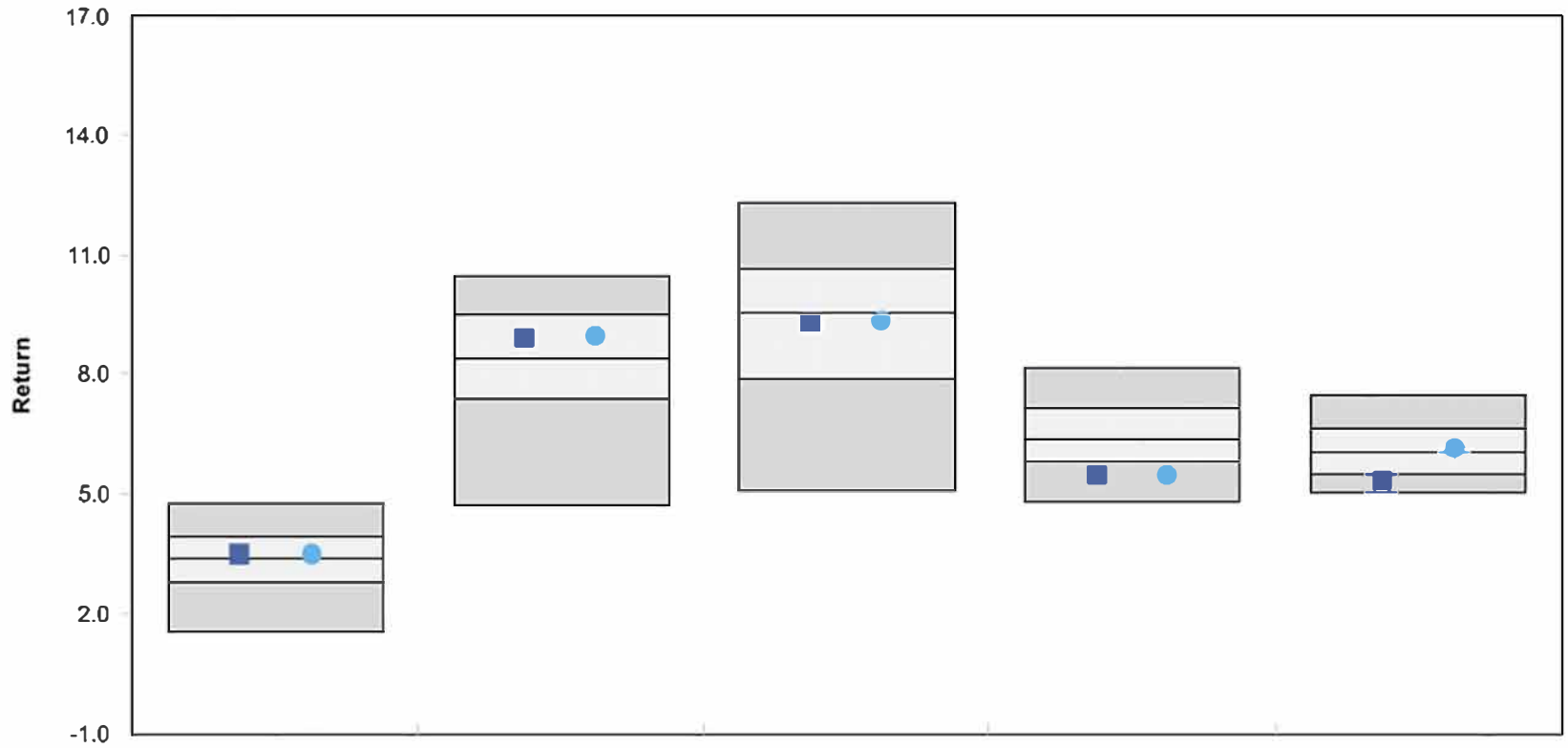
Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Domestic Equity	41.6	40.0	1.6
International Equity	18.4	17.0	1.4
Real Estate	2.8	3.0	-0.2
Fixed Income	37.1	40.0	-2.9
Cash Equivalent	0.0	0.0	0.0



Plan Sponsor Peer Group Analysis

All Public Plans - 30% - 50% Fixed Income



	1 Quarter	Year To Date	1 Year	3 Years	5 Years
■ Total Fund	3.52 (41)	8.95 (39)	9.32 (57)	5.50 (84)	5.34 (84)
● Blended Benchmark	3.49 (44)	8.99 (38)	9.34 (56)	5.49 (84)	6.17 (46)
5th Percentile	4.74	10.48	12.35	8.16	7.50
1st Quartile	3.93	9.50	10.67	7.14	6.64
Median	3.44	8.39	9.55	6.40	6.08
3rd Quartile	2.85	7.38	7.88	5.83	5.49
95th Percentile	1.60	4.70	5.09	4.82	5.04
Population	120	116	113	110	103

Parentheses contain percentile rankings.  
 Calculation based on monthly periodicity.  
 Returns are net of fees and are expressed as percentages.

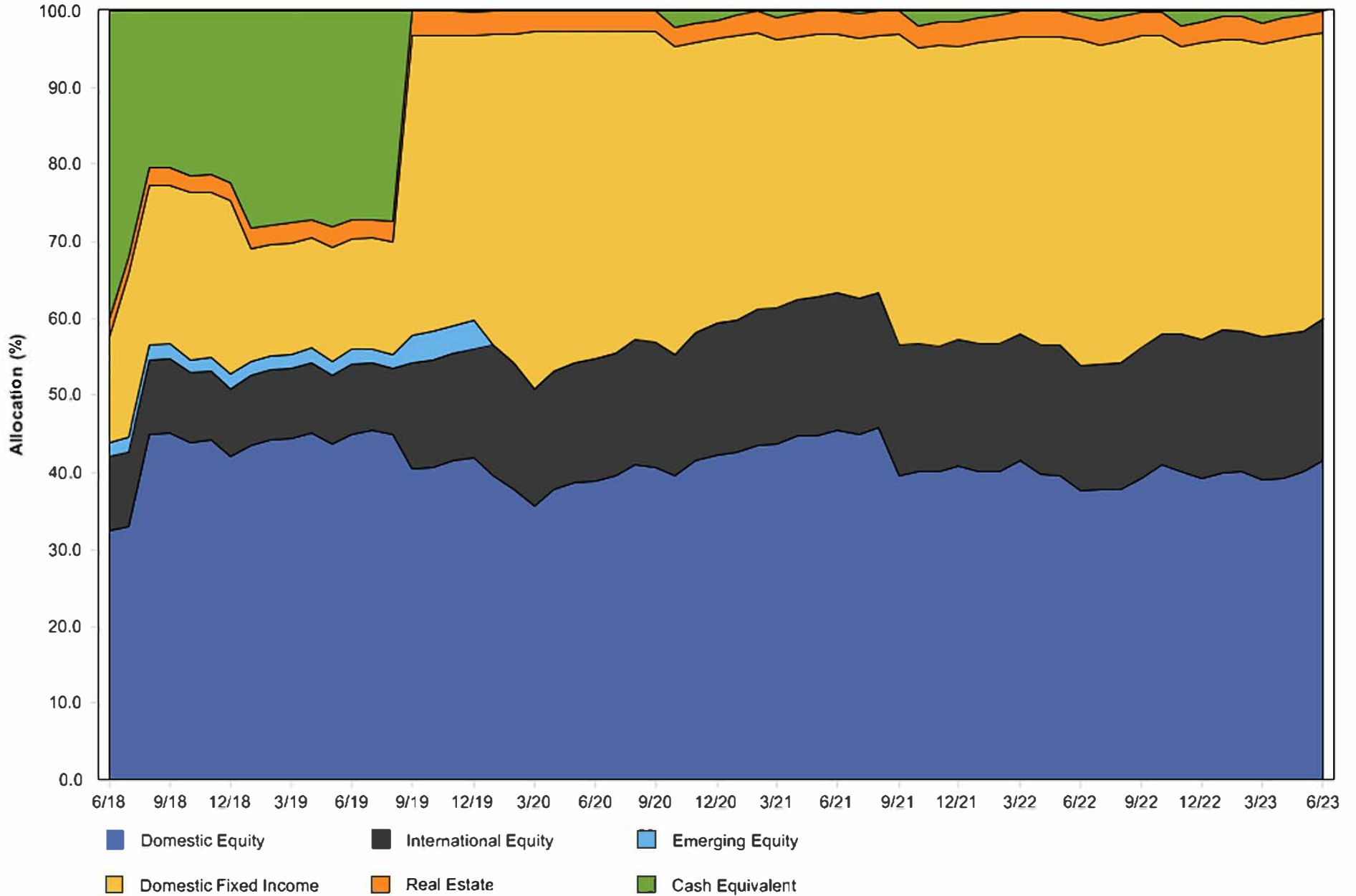
Historical Hybrid Composition

Benchmark Allocation	Weight (%)
<b>Oct-2017</b>	
Russell 3000 Index	55.0
Blmbg. U.S. Aggregate	45.0
<b>Jul-2019</b>	
Russell 3000 Index	40.0
MSCI AC World ex USA (Net)	17.0
FTSE NAREIT Equity REIT Index	3.0
Blmbg. U.S. Aggregate	40.0

Investment Management Fee Review

	Fee Schedule	Market Value As of 06/30/2023 (\$)	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Vanguard Total Stock Mkt Index Fund	0.04 % of Assets	16,818,899	41.61	6,728	0.04
Vanguard Total Intl Stock Index Fund	0.11 % of Assets	7,455,831	18.44	8,201	0.11
Vanguard Real Estate Index Fund	0.12 % of Assets	1,119,608	2.77	1,344	0.12
Vanguard Total Bond Mkt Index Fund	0.05 % of Assets	15,009,473	37.13	7,505	0.05
Allspring 100% Treasury Money Market	0.20 % of Assets	19,267	0.05	39	0.20
<b>Total Fund</b>		<b>40,423,078</b>	<b>100.00</b>	<b>23,816</b>	<b>0.06</b>

Historical Asset Allocation by Segment



Historical Statistics

1 Year										
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture	Maximum Drawdown
Total Fund	9.32	14.16	0.45	0.02	0.99	0.63	-0.06	100.13	100.42	-10.25
Blended Benchmark	9.34	14.23	0.45	0.00	1.00	0.00	N/A	100.00	100.00	-10.60

3 Years										
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture	Maximum Drawdown
Total Fund	5.50	12.03	0.40	0.05	0.99	0.53	0.00	100.33	100.45	-21.01
Blended Benchmark	5.49	12.11	0.40	0.00	1.00	0.00	N/A	100.00	100.00	-21.02

5 Years										
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture	Maximum Drawdown
Total Fund	5.34	11.82	0.37	-0.69	0.98	0.83	-0.96	96.88	101.24	-21.01
Blended Benchmark	6.17	11.99	0.43	0.00	1.00	0.00	N/A	100.00	100.00	-21.02

Since Inception											
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture	Maximum Drawdown	Inception Date
Total Fund	5.55	11.23	0.40	-0.54	0.99	1.02	-0.61	97.72	101.55	-21.01	10/01/2017
Blended Benchmark	6.20	11.32	0.45	0.00	1.00	0.00	N/A	100.00	100.00	-21.02	10/01/2017

# **Total Fund - OPEB Post Retirement Pay Steps Plan**

Asset Allocation & Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	Current Quarter	Year To Date	Trailing 12-months	Fiscal Year To Date	3 Years	5 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>6,039,314</b>	<b>100.00</b>	<b>3.59</b>	<b>9.13</b>	<b>9.21</b>	<b>15.75</b>	<b>4.75</b>	<b>N/A</b>	<b>4.86</b>	<b>10/01/2019</b>
<b>Blended Benchmark</b>			<b>3.49</b>	<b>8.99</b>	<b>9.34</b>	<b>15.84</b>	<b>5.49</b>	<b>N/A</b>	<b>5.48</b>	<b>10/01/2019</b>
<b>Domestic Equity</b>	<b>2,560,953</b>	<b>42.40</b>	<b>8.41</b>	<b>16.17</b>	<b>18.92</b>	<b>24.47</b>	<b>14.12</b>	<b>N/A</b>	<b>12.68</b>	<b>10/01/2019</b>
Vanguard Total Stock Market Index	2,560,953	42.40	8.41	16.17	18.92	24.47	13.76	N/A	12.40	10/01/2019
Russell 3000 Index			8.39	16.17	18.95	24.51	13.89	11.39	12.50	10/01/2019
<b>International Equity</b>	<b>1,098,144</b>	<b>18.18</b>	<b>2.61</b>	<b>9.44</b>	<b>12.41</b>	<b>25.50</b>	<b>7.68</b>	<b>N/A</b>	<b>5.37</b>	<b>10/01/2019</b>
Vanguard Total International Stock Index Fund	1,098,144	18.18	2.61	9.44	12.31	25.50	7.53	N/A	5.25	10/01/2019
MSCI AC World ex USA (Net)			2.44	9.47	12.72	25.11	7.22	3.52	4.86	10/01/2019
<b>Real Estate</b>	<b>164,840</b>	<b>2.73</b>	<b>1.64</b>	<b>3.47</b>	<b>-3.93</b>	<b>7.94</b>	<b>6.05</b>	<b>N/A</b>	<b>0.88</b>	<b>10/01/2019</b>
Vanguard Real Estate Index Fund	164,840	2.73	1.64	3.47	-3.93	7.94	5.88	N/A	0.75	10/01/2019
FTSE NAREIT Equity REIT Index			2.62	5.37	-0.13	10.89	8.91	4.55	1.11	10/01/2019
<b>Fixed Income</b>	<b>2,210,048</b>	<b>36.59</b>	<b>-0.90</b>	<b>2.23</b>	<b>-0.95</b>	<b>3.90</b>	<b>-4.03</b>	<b>N/A</b>	<b>-1.63</b>	<b>10/01/2019</b>
Vanguard Total Bond Market Index	2,210,048	36.59	-0.90	2.23	-0.90	3.93	-4.02	N/A	-1.62	10/01/2019
Blmbg. U.S. Aggregate			-0.84	2.09	-0.94	4.00	-3.97	0.77	-1.59	10/01/2019
<b>Cash Equivalent</b>	<b>5,331</b>	<b>0.09</b>	<b>1.18</b>	<b>2.24</b>	<b>3.53</b>	<b>3.07</b>	<b>1.22</b>	<b>N/A</b>	<b>1.15</b>	<b>10/01/2019</b>
Allspring 100% Treasury Money Market	5,331	0.09	1.18	2.24	3.53	3.07	1.22	N/A	1.15	10/01/2019
ICE BofA 3 Month U.S. T-Bill			1.17	2.25	3.59	3.12	1.27	1.55	1.30	10/01/2019

Returns are net of fees and are expressed as percentages.  
 Segment data excludes cash position(s) and is net of fees.  
 Asset class level returns may vary from individual underlying manager returns due to cash flows.



Financial Reconciliation

Current Quarter				
	Market Value As of 04/01/2023	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	5,830,102	(862)	210,073	6,039,314

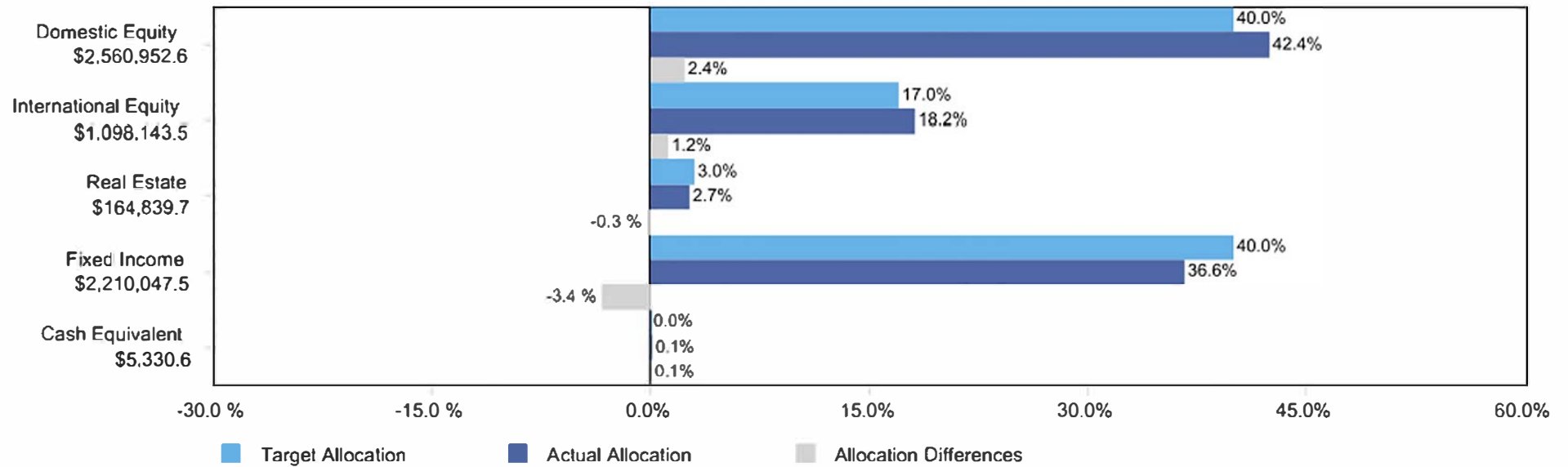
YTD				
	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	5,534,179	(1,704)	506,839	6,039,314

Fiscal Year To Date				
	Market Value As of 10/01/2022	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	5,216,771	(2,499)	825,042	6,039,314

1 Year				
	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 06/30/2023
Total Fund	5,592,723	(63,804)	510,395	6,039,314

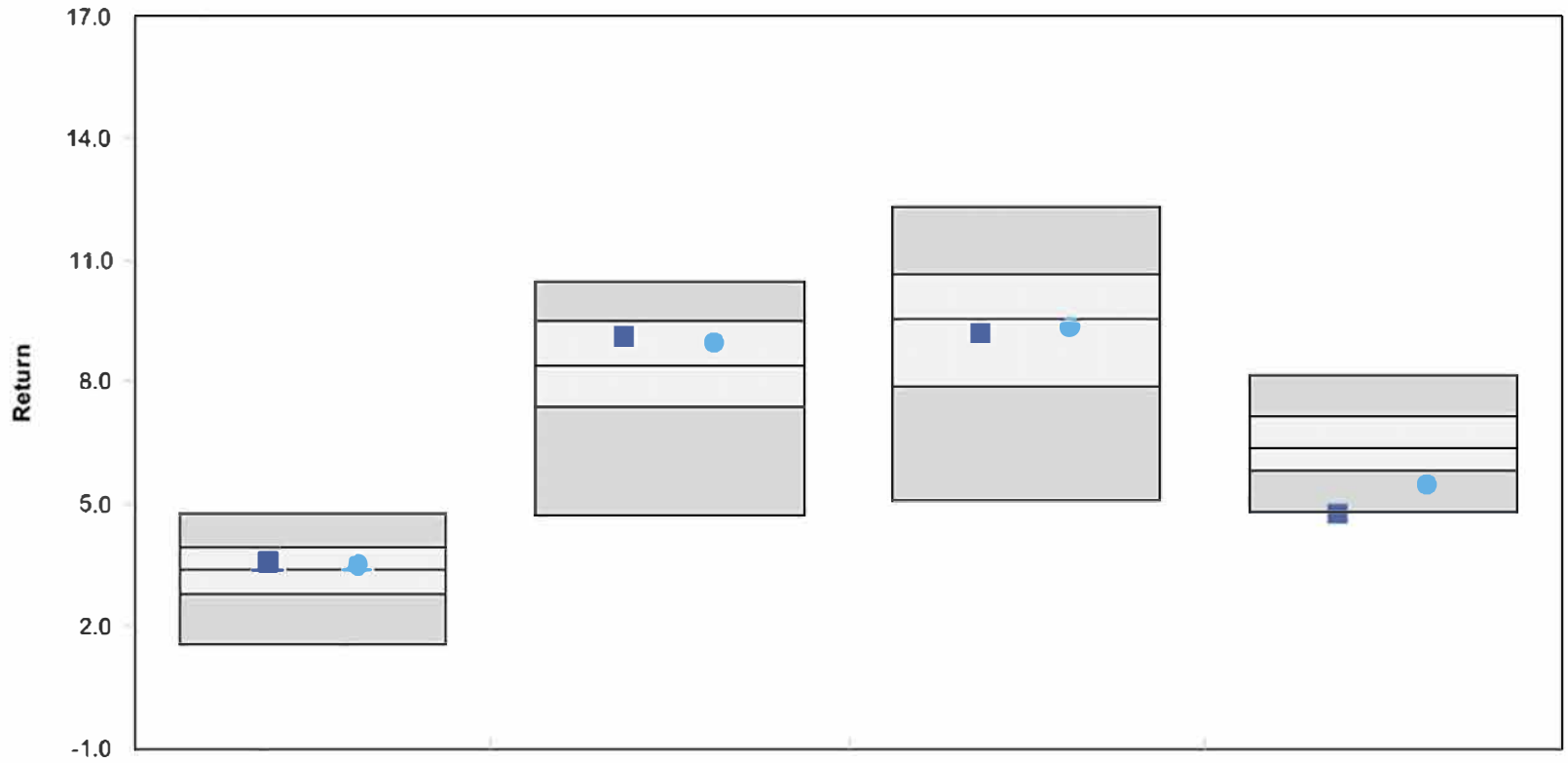
Asset Allocation Compliance - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>Total Fund</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Domestic Equity	42.4	40.0	2.4
International Equity	18.2	17.0	1.2
Real Estate	2.7	3.0	-0.3
Fixed Income	36.6	40.0	-3.4
Cash Equivalent	0.1	0.0	0.1



Plan Sponsor Peer Group Analysis

All Public Plans - 30% - 50% Fixed Income



	1 Quarter	Year To Date	1 Year	3 Years
■ Total Fund	3.59 (40)	9.13 (35)	9.21 (59)	4.75 (96)
● Blended Benchmark	3.49 (44)	8.99 (38)	9.34 (56)	5.49 (84)
5th Percentile	4.74	10.48	12.35	8.16
1st Quartile	3.93	9.50	10.67	7.14
Median	3.44	8.39	9.55	6.40
3rd Quartile	2.85	7.38	7.88	5.83
95th Percentile	1.60	4.70	5.09	4.82
Population	120	116	113	110

Parentheses contain percentile rankings.  
 Calculation based on monthly periodicity.  
 Returns are net of fees and are expressed as percentages.

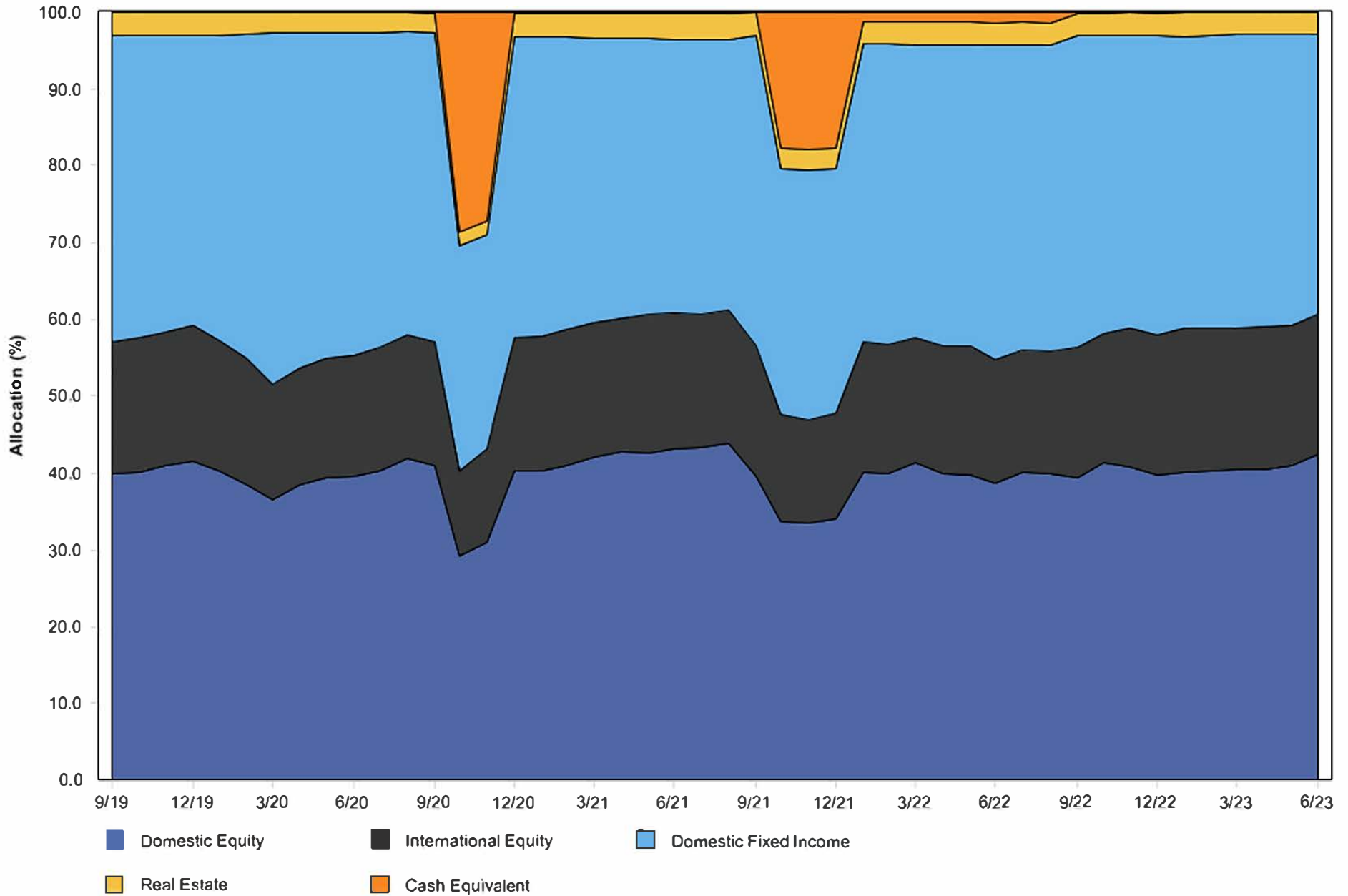
Historical Hybrid Composition

Benchmark Allocation	Weight (%)
<b>Oct-2019</b>	
Russell 3000 Index	40.0
MSCI AC World ex USA (Net)	17.0
FTSE NAREIT Equity REIT Index	3.0
Blmbg. U.S. Aggregate	40.0

Investment Management Fee Review

	Fee Schedule	Market Value As of 06/30/2023 (\$)	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Vanguard Total Stock Market Index	0.04 % of Assets	2,560,953	42.40	1,024	0.04
Vanguard Total International Stock Index Fund	0.11 % of Assets	1,098,144	18.18	1,208	0.11
Vanguard Real Estate Index Fund	0.12 % of Assets	164,840	2.73	198	0.12
Vanguard Total Bond Market Index	0.05 % of Assets	2,210,048	36.59	1,105	0.05
Allspring 100% Treasury Money Market	0.20 % of Assets	5,331	0.09	11	0.20
<b>Total Fund</b>		<b>6,039,314</b>	<b>100.00</b>	<b>3,546</b>	<b>0.06</b>

Historical Asset Allocation by Segment



Historical Statistics

1 Year										
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture	Maximum Drawdown
Total Fund	9.21	14.41	0.44	-0.22	1.01	0.59	-0.18	101.20	102.49	-10.51
Blended Benchmark	9.34	14.23	0.45	0.00	1.00	0.00	N/A	100.00	100.00	-10.60

3 Years										
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture	Maximum Drawdown
Total Fund	4.75	11.58	0.35	-0.45	0.95	1.57	-0.49	95.27	98.58	-20.36
Blended Benchmark	5.49	12.11	0.40	0.00	1.00	0.00	N/A	100.00	100.00	-21.02

Since Inception											
	Return	Standard Deviation	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Up Market Capture	Down Market Capture	Maximum Drawdown	Inception Date
Total Fund	4.86	12.26	0.34	-0.37	0.95	1.44	-0.45	95.77	98.37	-20.36	10/01/2019
Blended Benchmark	5.48	12.77	0.38	0.00	1.00	0.00	N/A	100.00	100.00	-21.02	10/01/2019

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