



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CONFERENCE MEETING

#15-1501

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: December 1, 2015

TITLE: Quarterly Investment Report for the Period Ending September 30, 2015

The City of Fort Lauderdale's Investment Policy, effective October 1, 2013, states that the Investment Advisor shall provide the City with quarterly investment reports. This report shall include all cash and investments of the City's operating, capital, and bond reserve funds.

The objectives of the City's Investment Policy are the safety of principal, the maintenance of liquidity and the return on investment. The portfolios are managed to meet anticipated cash flow requirements and specific benchmarks on returns. The attached investment report compares each portfolio's rate of return for the quarter to the corresponding benchmark. In accordance with the City's Investment Policy, the Lipper Money Market Fund Index is used as the benchmark for short-term investments. The Total Florida Municipal Investment Trust Policy is used as the benchmark for Florida Municipal Investments. Lastly, the Bank of America Merrill Lynch 1-3 year Government/Corporate A Rated and Above Index and the Treasury Index are the benchmarks for longer term investments.

Below are the investment portfolio summaries including:

- Combined City Funds (operating, capital and bond reserve funds);
- OPEB Trust Fund;
- Cemetery Trust Fund*;
- General Employees Retirement System (GERS)*; and
- Police and Fire Retirement System (PFRS)*.

The projected rate of return (last column) for Combined City Funds is estimated based on a blended rate of the total portfolio using historical data. Past financial performance is not a guarantee of future results. The projected rate of return for GERS and PFRS are based on the assumed actuarial rate of return.

<u>Investment Performance Review</u>	<u>Market Value</u>	7/1/15 - 9/30/15	7/1/15 - 9/30/15	10/1/14 - 9/30/15	10/1/14 - 9/30/15	10/1/14 - 9/30/15
		<u>Rate of Return</u>	<u>Benchmark</u>	<u>Rate of Return</u>	<u>Benchmark</u>	<u>Projected Rate of Return</u>
Combined City Funds	\$ 493,457,152.00	0.32%	0.32%	0.99%	1.17%	0.45%
OPEB Trust Fund	\$ 11,805,650.00	0.01%	0.00%	0.04%	0.01%	N/A
Cemetery Trust Fund	\$ 24,908,977.12	-2.46%	-2.62%	0.71%	1.32%	5.00%
GERS Pension Trust Fund	\$ 543,096,188.00	-9.20%	-7.60%	-4.80%	-2.90%	7.55%
PFRS Pension Trust Fund	\$ 774,987,847.77	-3.90%	-4.30%	0.74%	0.92%	7.50%

*The detailed investment activities related to the Cemetery Trust Fund, GERS, and PFRS are not included in the attached report as those portfolios are the responsibility of their respective boards.

N/A - the OPEB Trust Fund does not have a full year of data to report.

Resource Impact

There is no fiscal impact to the City.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management

This item advances the *Fast Forward Fort Lauderdale Vision Plan 2035: We are United*.

Attachment

Exhibit 1 – Operating Funds Investment Performance Review

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