



## Fort Lauderdale, Florida



### Investment Performance Review For the Quarter Ended December 31, 2020

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## Markets Weigh Massive Policy Support Against Economic Challenges

### ◆ Coronavirus

- **Resurgence** in Q4 due to colder weather
- Initial distribution of **vaccines**

### ◆ Economy

- **Recovery** continues
- **Big business** built liquidity cushion
- **Consumers** generally in good shape to drive future spending
- **Impact of pandemic** not felt evenly

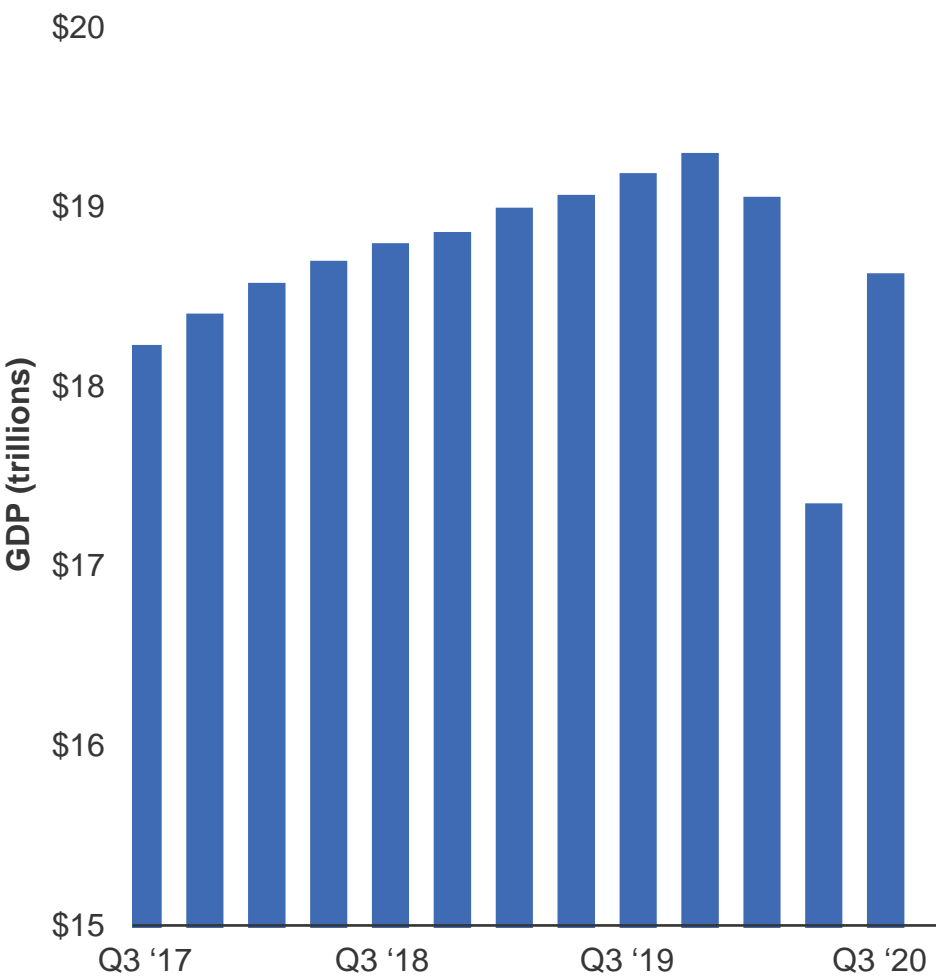
### ◆ Markets

- Markets rally after **presidential election**
- **Fed** committed to strong accommodation
- Additional **fiscal stimulus** on the way

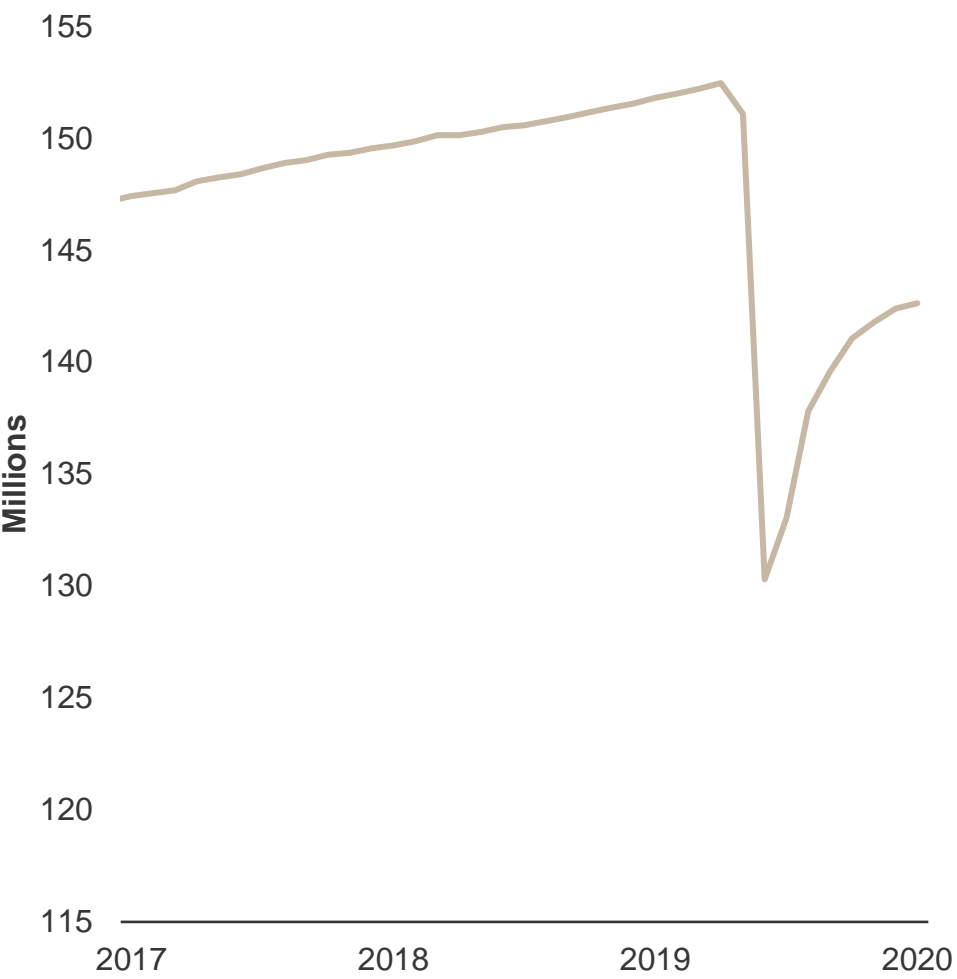


Economy Still Has a Long Road Ahead to Full Recovery

U.S. Real GDP



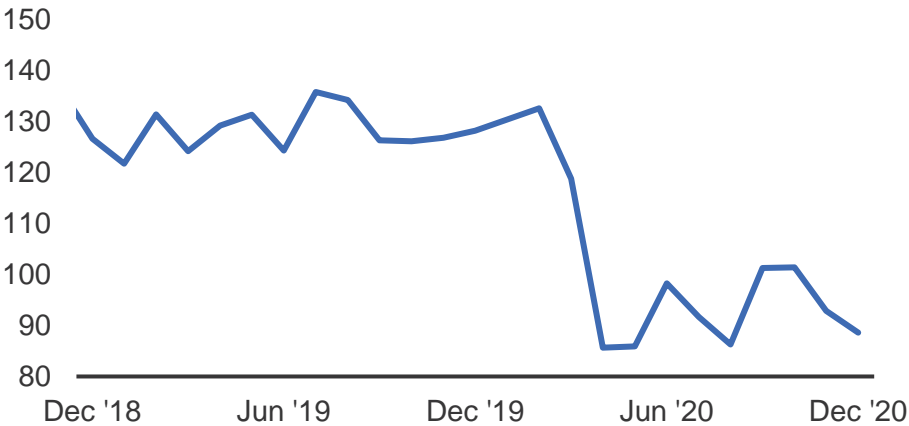
Total U.S. Employment



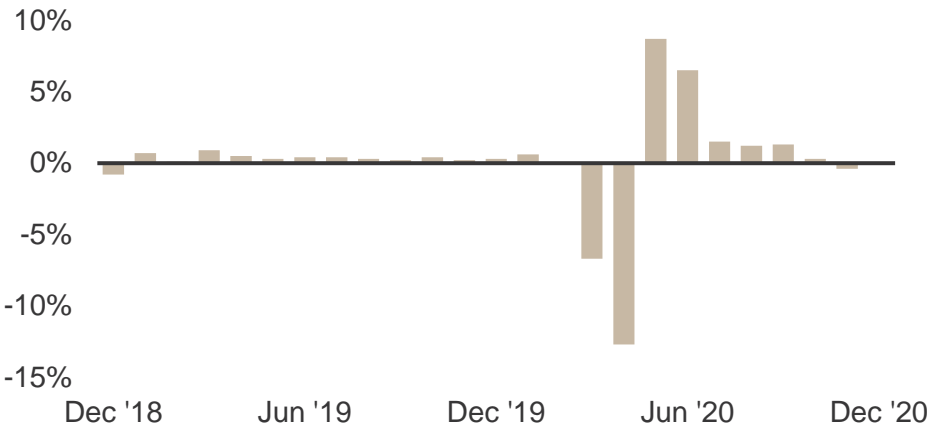
Source: Bloomberg, latest available data as of 12/30/2020. Total U.S. Employment is total non-farm payrolls.

Uptick in COVID-19 Cases Slows Economic Recovery

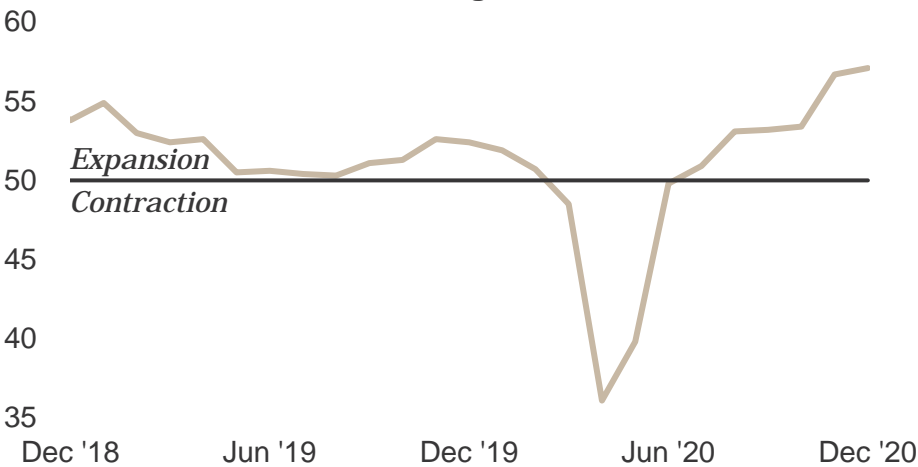
Conference Board Consumer Confidence



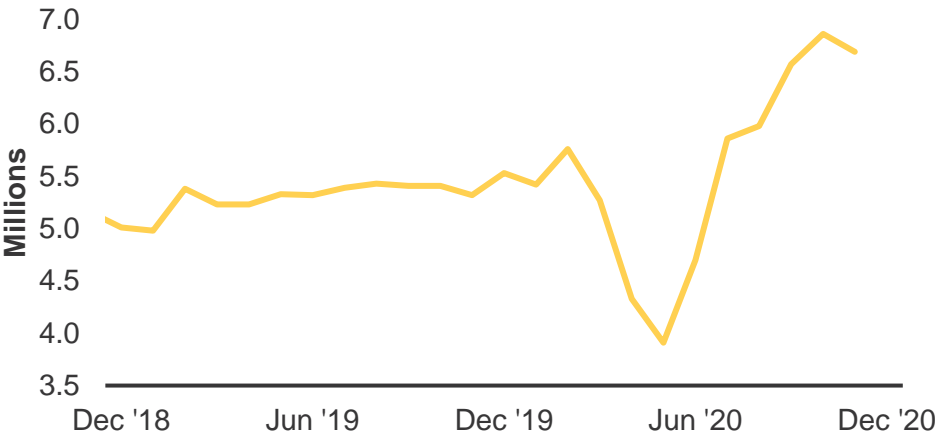
Personal Spending (MoM%)



Manufacturing Markit PMI



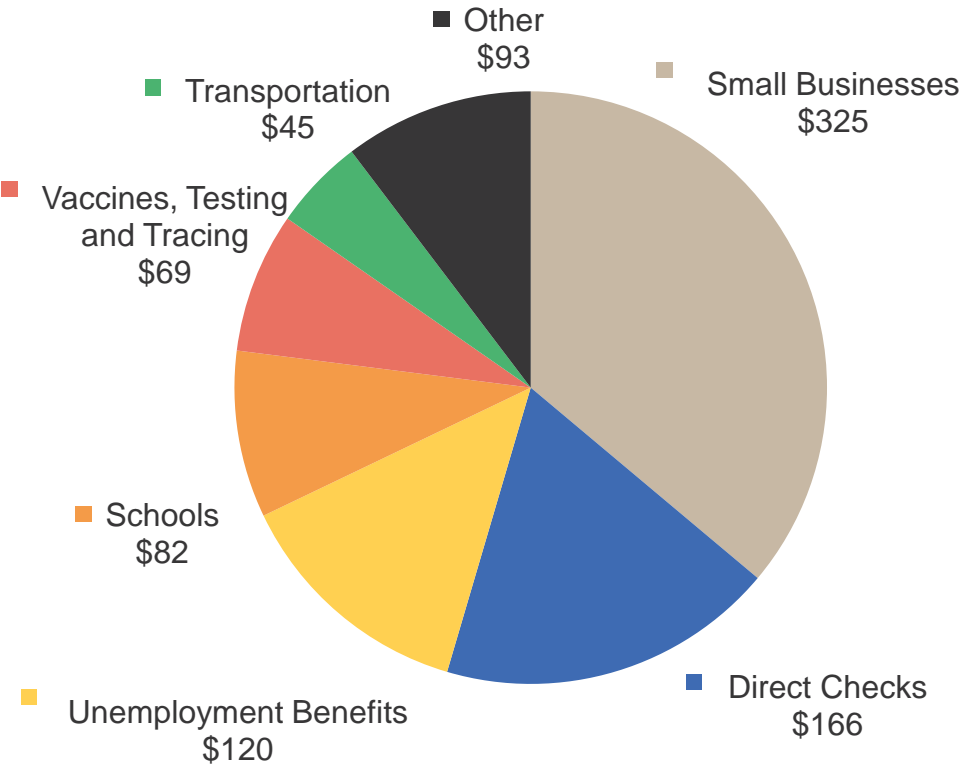
Existing Home Sales (SAAR)



Source: Bloomberg and FRED, latest available data as of 12/31/2020. SAAR is Seasonally Adjusted Annual Rate.

Congress Passes a New \$900 Billion Pandemic Relief Package

New Emergency Relief Package, in billions

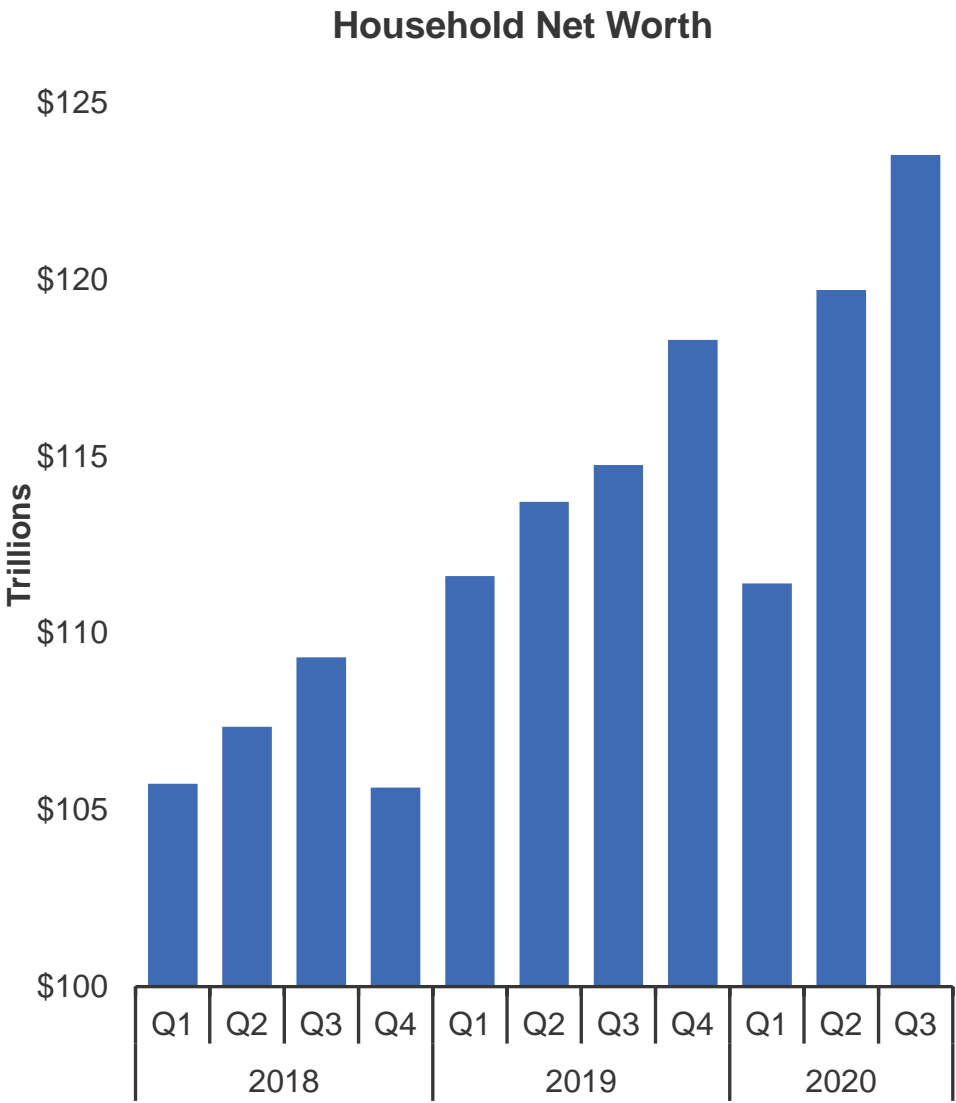
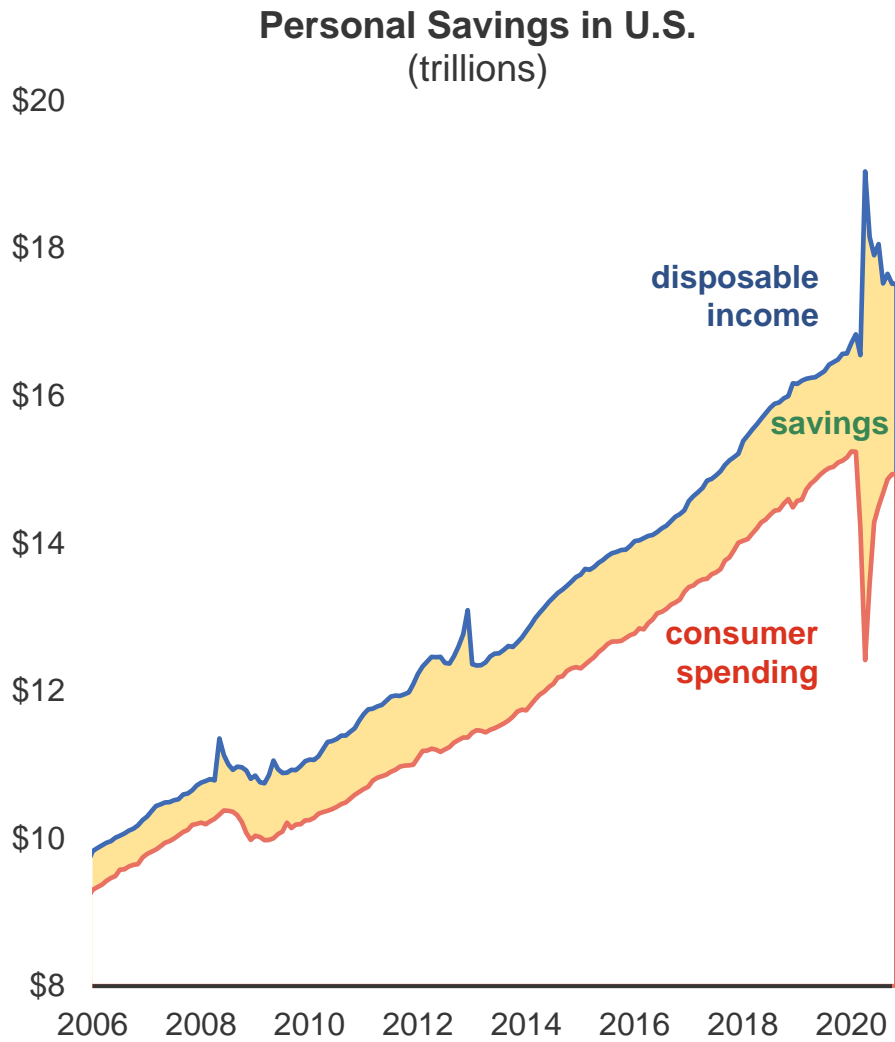


Other Ongoing Economic Support Measures

- Federal Reserve’s near-zero interest rate target
- Federal Reserve’s asset purchase programs and backstop of multiple asset classes
- CARES Act and Pandemic Unemployment Assistance programs
- Reduced bank reserve requirements, allowing looser financial conditions

Source: WSJ and Congressional aides, most recent data as of 12/31/2020. “Other” includes support for small banks that serve low-income and minority communities, childcare and broadband services, among other categories.

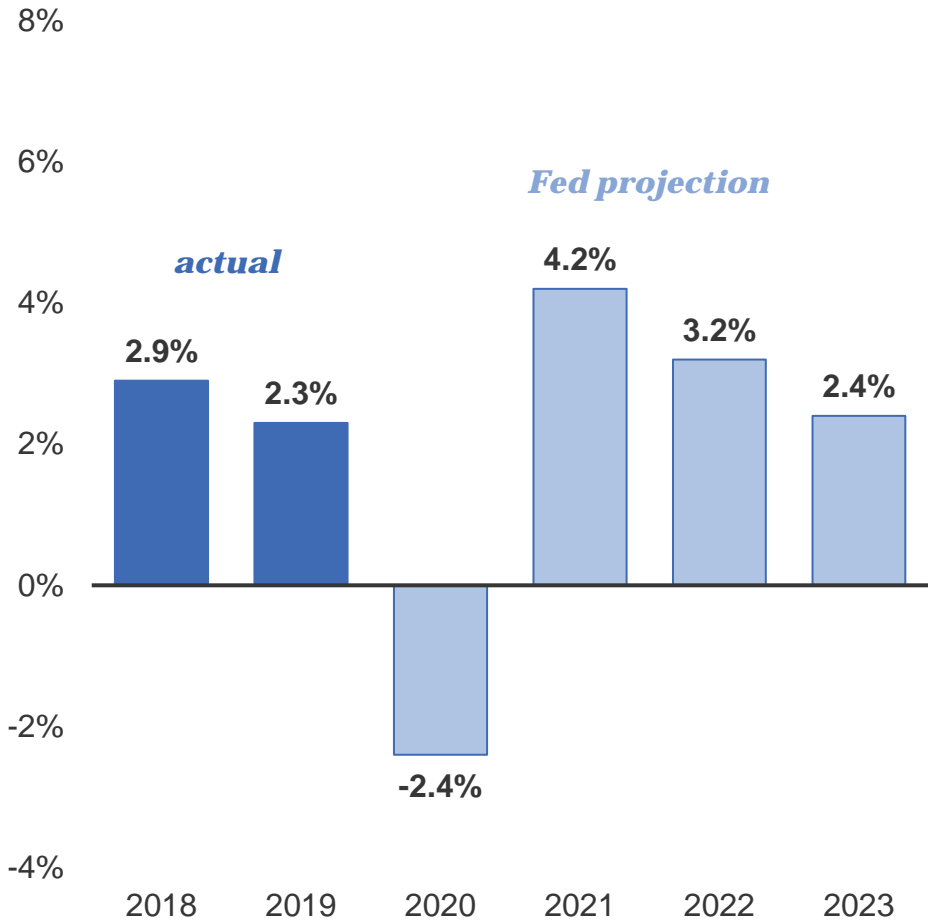
Accumulated Savings and Wealth Are Likely to Fuel Consumer Spending



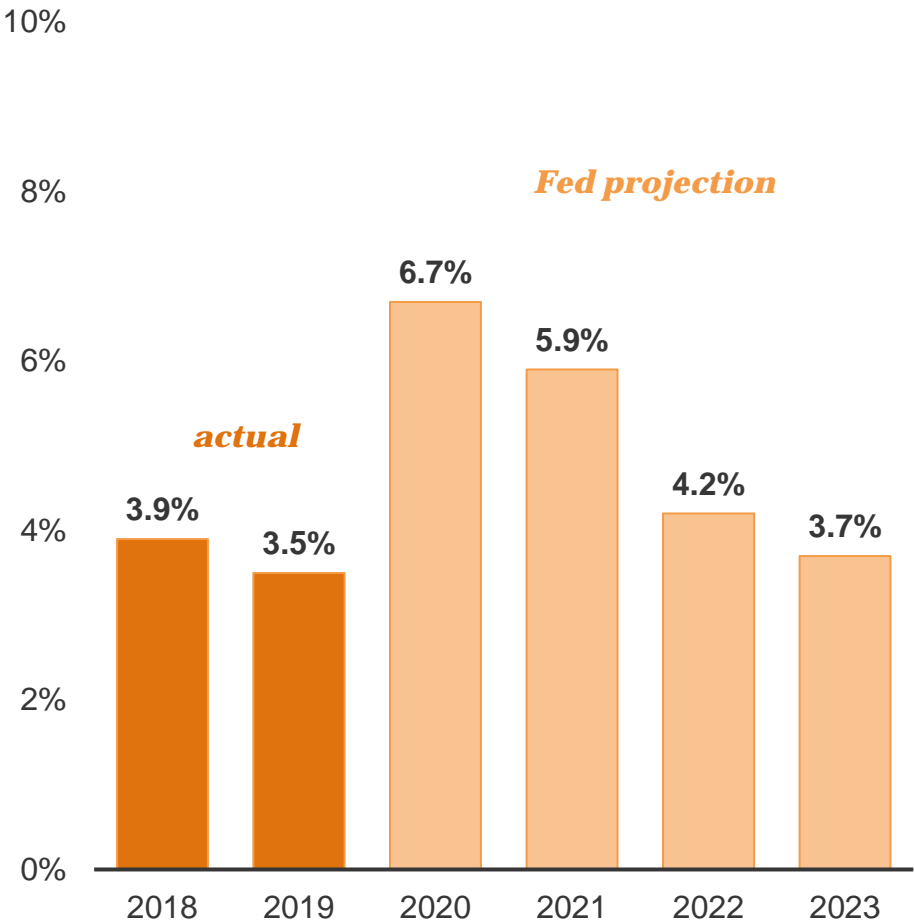
Source (left): Federal Reserve, as of December 2020. Sources (right): U.S. Bureau of Economic Analysis and FRED.

Fed Expects Economy to Recover Further in 2021

Change in Real GDP



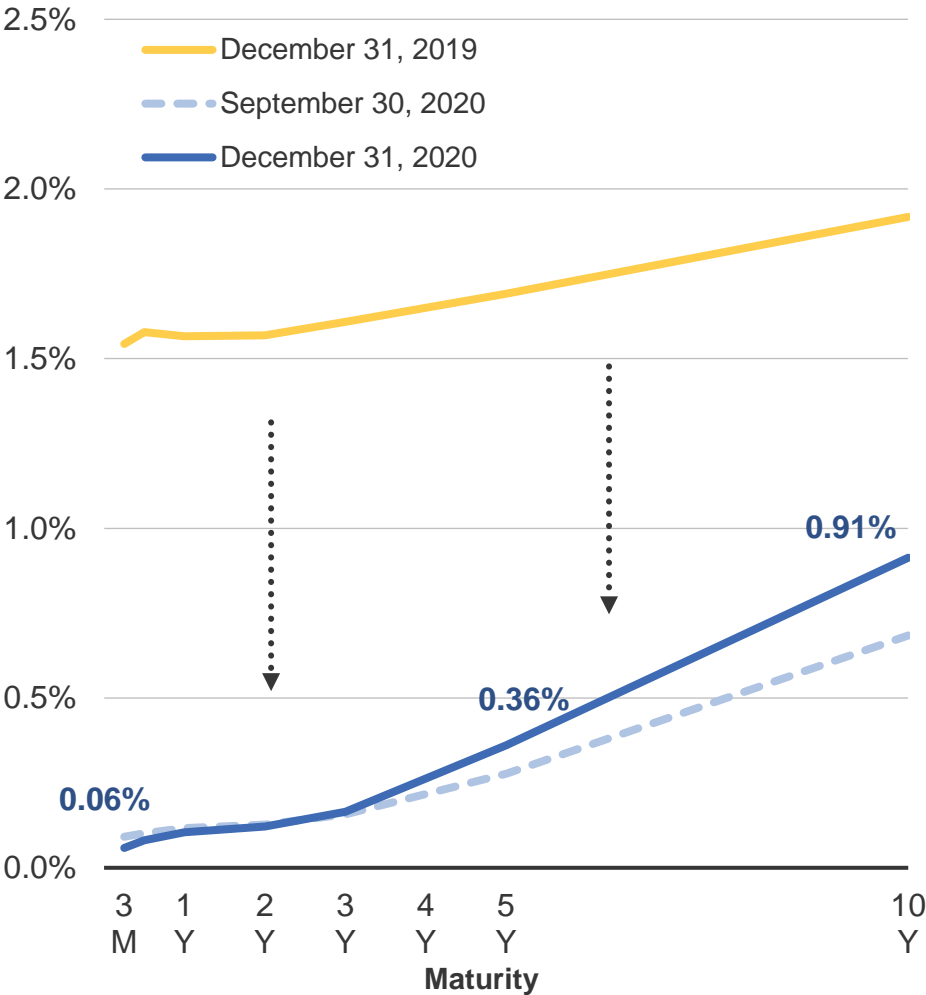
Unemployment Rate



Source: Federal Reserve, economic projections as of December 2020.

Short Rates Were Steady, But the Yield Curve Steepened in Q4

U.S. Treasury Yield Curve



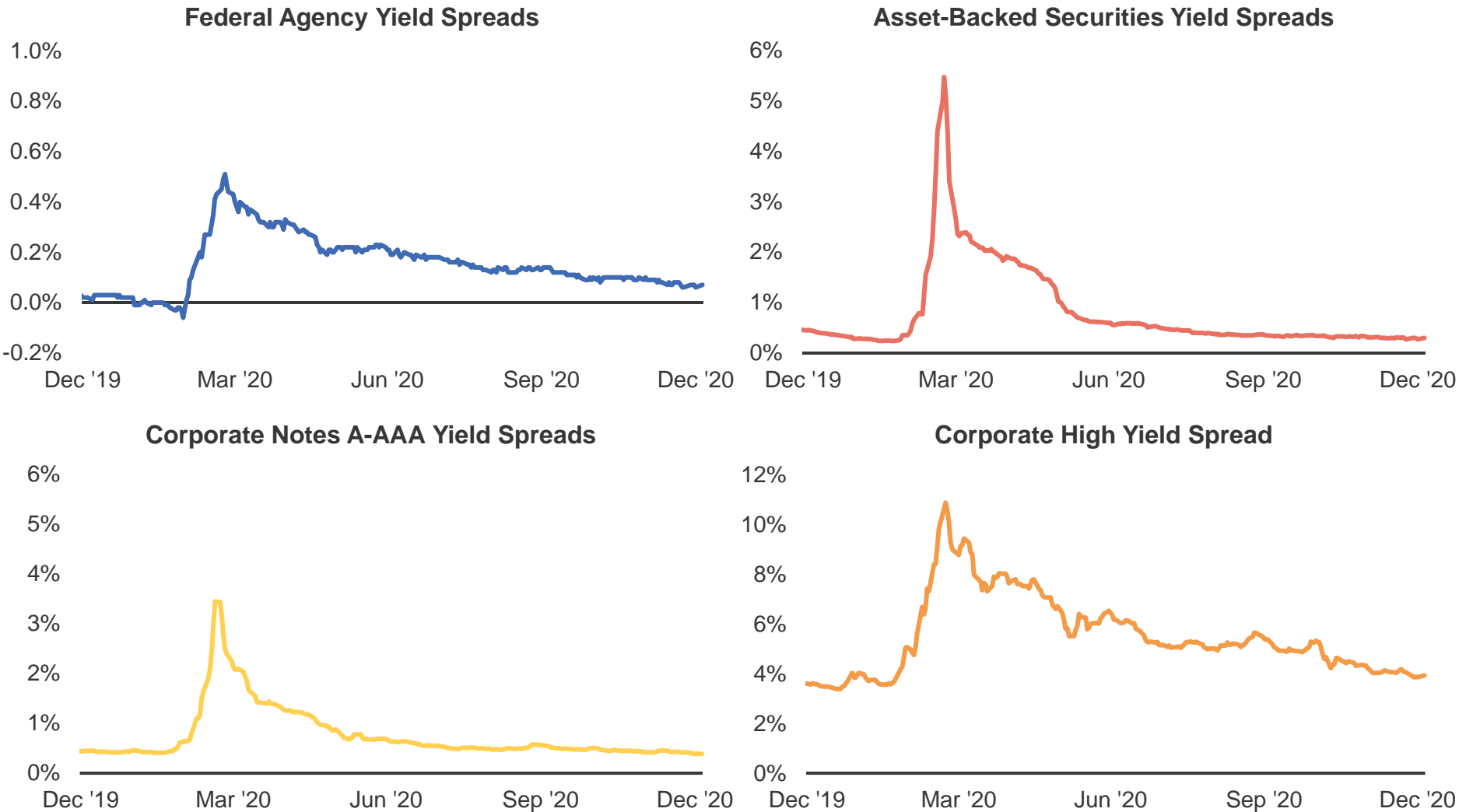
3-Year Treasury Yield



Source: Bloomberg as of 12/31/2020.



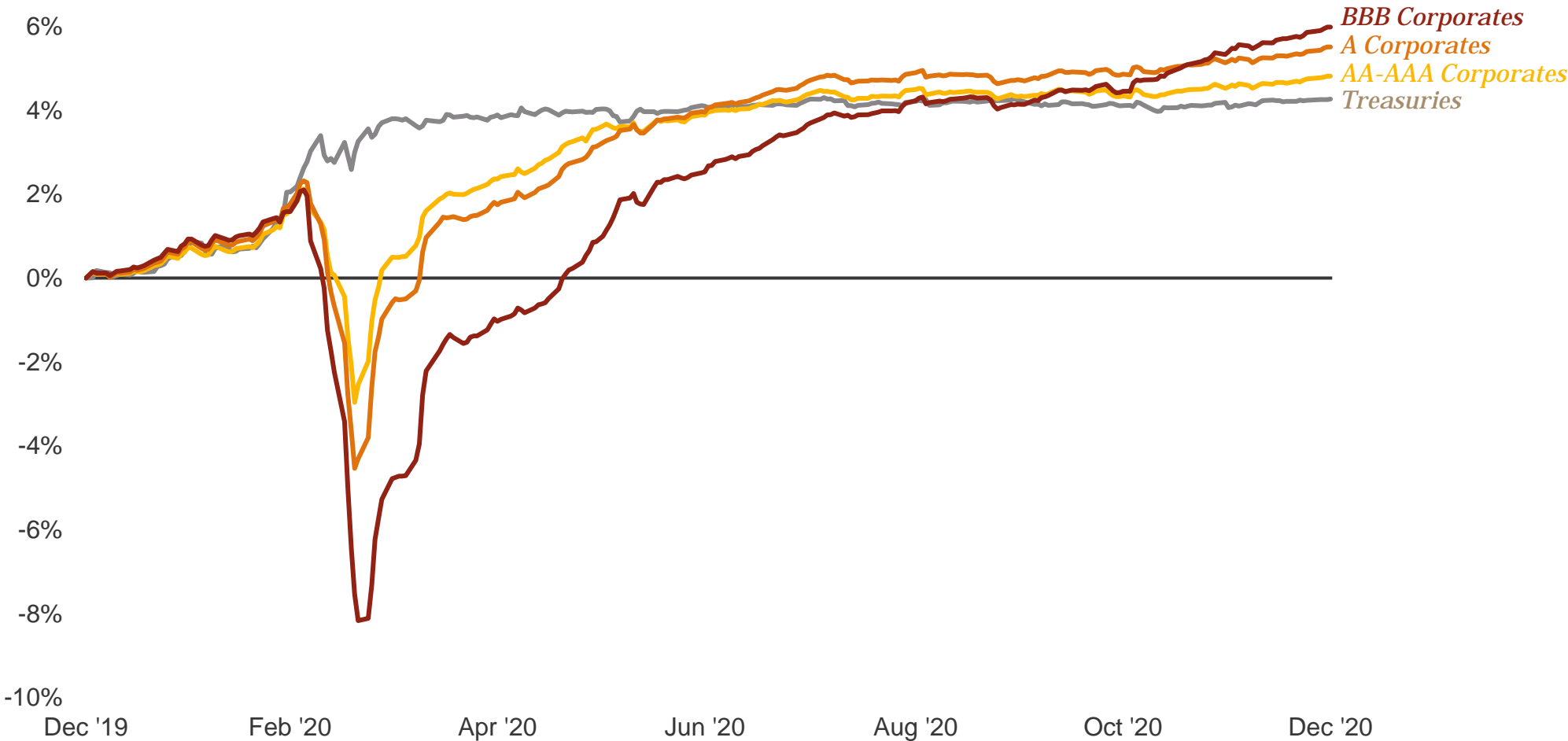
Yield Spread Narrowing Continued During Q4



Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess and PFM as of 12/31/2020. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities.

After Big Decline in Q1, Corporates Ultimately Lead Performance for 2020

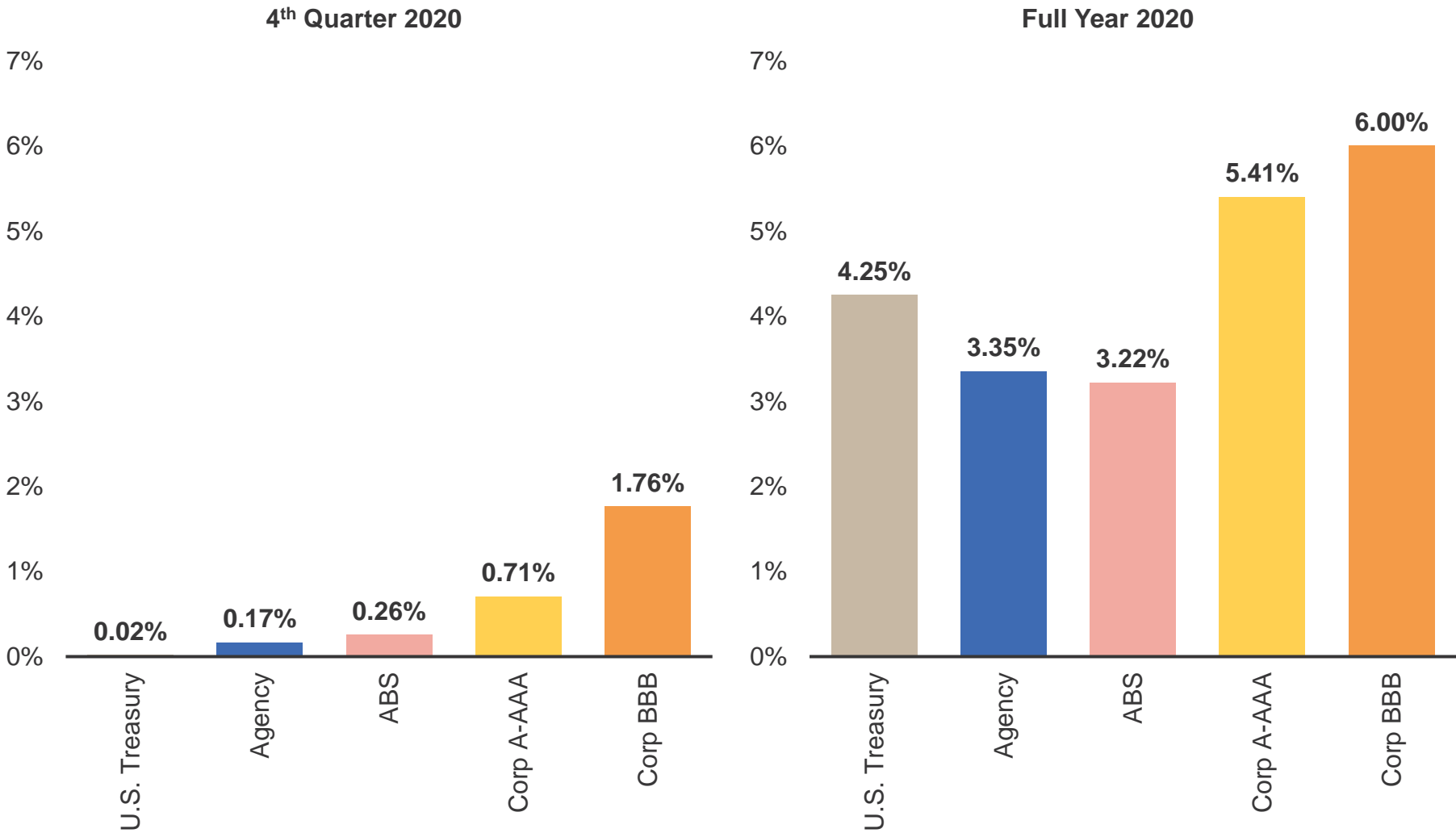
2020 Year-to-Date Return  
on 1-5 Year Indices



Source: ICE BofAML 1-5 Year Indices, as of 12/31/2020.

Credit Sector Continues Strong Outperformance in the Fourth Quarter

1-5 Year Indices



Source: ICE BofAML Indices. ABS indices are 0-5 year, based on weighted average life. As of 12/30/2020.

Equities Rise to Record High on Vaccine News and Passing of New Stimulus

S&P 500 Price Chart



Source: Bloomberg, as of 12/31/2020.

## Fixed-Income Sector Outlook – January 2021

Sector	Our Investment Preferences	Comments
<b>COMMERCIAL PAPER / CD</b>		<ul style="list-style-type: none"> <li>Credit spreads have tightened 5-10 basis points across the curve as year-end volatility has subsided. Select issuers may offer fixed paper at about 15 basis points to comparable-maturity Treasuries in 6- to 12-month maturities.</li> </ul>
<b>TREASURIES</b>		
<b>T-Bill</b>		<ul style="list-style-type: none"> <li>The T-Bill curve is very flat; however, the sector remains attractive relative to agency discount notes. Bill supply is expected to decline in 2021, but additional fiscal stimulus may offset the reduction.</li> </ul>
<b>T-Note</b>		<ul style="list-style-type: none"> <li>Yields have repriced higher, more notably in longer tenors, with the outcome of Georgia Senate Election and additional fiscal stimulus. Market-based measures of inflation expectations climbed above 2.0% for the first time since 2018.</li> </ul>
<b>FEDERAL AGENCIES</b>		
<b>Bullets</b>		<ul style="list-style-type: none"> <li>Federal agency bullet spreads continue to tighten, erasing most of the relative value in the sector. Potentially higher rates and lighter supply will likely pressure spreads. There may be opportunities to reduce allocations of bonds trading at or through comparable maturity Treasuries. Attractive new issues will continue to be evaluated.</li> </ul>
<b>Callables</b>		<ul style="list-style-type: none"> <li>New issue callable levels are low, leaving spreads near historic tight. There may be value in longer-maturity, longer lock-out structures for some accounts.</li> </ul>
<b>SUPRANATIONALS</b>		<ul style="list-style-type: none"> <li>Supranational spreads started the year unchanged, but the new issue pipeline has opened across the curve. Given the expected increased supply, there will likely be attractive new issue opportunities.</li> </ul>
<b>CORPORATES</b>		
<b>Financials</b>		<ul style="list-style-type: none"> <li>Spreads on high-quality corporate bonds have reached new tight as investors looked forward to further economic recovery in 2021. The expiration of the Fed's corporate facilities may leave credit markets exposed to higher volatility than during the second half of 2020, although lax monetary policy will remain supportive of the sector.</li> </ul>
<b>Industrials</b>		<ul style="list-style-type: none"> <li>Companies that borrowed heavily during 2020 warrant closer scrutiny to ensure that management prioritizes balance sheet repair over M&amp;A or share buybacks. Overall, we remain cautious on the sector and are well-positioned to take advantage of opportunities should spreads widen.</li> </ul>
<b>SECURITIZED</b>		
<b>Asset-Backed</b>		<ul style="list-style-type: none"> <li>ABS spreads are tighter month-over-month and are approaching the record lows of early 2020 on the back of strong collateral performance and better-than-expected macro economic data. Further spread compression from current levels is likely limited. We expect a healthy level of new issuance in January.</li> </ul>
<b>Agency Mortgage-Backed</b>		<ul style="list-style-type: none"> <li>The Fed continues "to support the smooth functioning" of the MBS market through its ongoing purchase program. Spreads are narrow, especially in the lower coupons. Expectations are that prepayments will slow modestly in the coming months but remain elevated relative to historic standards.</li> </ul>
<b>Agency CMBS</b>		<ul style="list-style-type: none"> <li>Strong demand has led to CMBS outperformance as spreads tightened, leaving valuations stretched. Multifamily fundamentals remain challenged in certain markets.</li> </ul>
<b>MUNICIPALS</b>		<ul style="list-style-type: none"> <li>Taxable supply will begin to ramp up at the start of the new year, but investor demand will keep spreads contained. Issuers' fiscal positions need to continue to be monitored.</li> </ul>

● Current outlook

○ Outlook one quarter ago

Negative

Slightly Negative

Neutral

Slightly Positive

Positive

- The Investment Portfolio is of high credit quality and invested in U.S. Treasury, federal agency/GSE, federal agency/CMO, mortgage-backed, municipal, supranational, and corporate notes securities.
- The Investment Portfolio's quarterly total return performance of 0.27% outperformed the benchmark performance of 0.02% by 0.25%. In the last 12 months, the portfolio returned 4.67%, outperforming the benchmark's performance of 4.25% by 0.42%.
- Economic conditions during the fourth quarter were characterized by:
  - a **resurgence of coronavirus** cases and the initial **vaccine rollout**;
  - a presidential election with **Joe Biden** set to take office in January;
  - additional **fiscal stimulus** designed to offset the lingering economic impact of the pandemic;
  - Federal Reserve commitment to **near-zero rates** and accommodative monetary policy;
  - continued, but decelerating, **economic recovery** in the U.S. and globally; and
  - **surging equity markets** with major U.S. stock indexes reaching new all-time highs.
- The U.S. Treasury yield curve steepened during the quarter. Short-term rates (on maturities less than five years) were essentially unchanged, anchored by the Fed's zero interest rate policy, while yields on maturities beyond five years increased by 10 to 25 basis points (0.10% to 0.25%). The spread between the yield on 2-year and 10-year Treasuries reached a three-year high of 79 basis points (0.79%).
- Diversification away from U.S. Treasuries was again additive to performance in the fourth quarter. Following two consecutive quarters of significant spread retracement in the second and third quarters, most sectors continued to inch tighter as investors sought all outlets for additional yield. As a result, most investment-grade fixed income sectors generated positive excess returns relative to similar duration Treasuries.
- Approaches carried forward from the third quarter included maintaining core allocations in most sectors, matching benchmark durations, and carefully managing risk considering various headwinds caused by the uneven and decelerating recovery.
- As 2020 ends, the uncertainties of 2021 now come into focus. Significant central bank intervention is expected to continue. The speed of vaccine rollouts will ultimately drive the pace of the anticipated "return to normalcy."
- Our view is that interest rates will remain low, rates will trade within a reasonably narrow range, and yield spreads will remain well contained. Given the market's starting point, return expectations for 2021 are necessarily tempered relative to the exceptional returns of 2020.

<u>Portfolios</u>	<u>Market Value</u>	<u>Current Quarter</u>	<u>Fiscal Year To Date</u>	<u>Trailing 12 Months</u>	<u>Assumed Rate of Return</u>
<b>City Operating Funds - Self-Directed<sup>1</sup></b>	<b>\$ 312,198,578</b>	<b>0.11%</b>	<b>0.11%</b>	<b>0.99%</b>	
<i>S&amp;P GIP All Gross Yield Index</i>		<i>0.05%</i>	<i>0.05%</i>	<i>0.73%</i>	
<b>CRA Funds</b>	<b>\$ 70,183,517</b>	<b>0.04%</b>	<b>0.04%</b>	<b>1.75%</b>	
<i>S&amp;P GIP All Gross Yield Index</i>		<i>0.05%</i>	<i>0.05%</i>	<i>0.73%</i>	
<b>Fixed Income Investment Portfolio - PFM</b>	<b>\$ 315,820,246</b>	<b>0.27%</b>	<b>0.27%</b>	<b>4.67%</b>	
<i>ICE BofAML 1-5 Year U.S. Treasury Index</i>		<i>0.02%</i>	<i>0.02%</i>	<i>4.25%</i>	
<b>Total City of Fort Lauderdale Funds<sup>2</sup></b>	<b>\$ 698,202,341</b>	<b>0.17%</b>	<b>0.17%</b>	<b>2.73%</b>	
<i>City of Fort Lauderdale Blended Benchmark</i>		<i>0.04%</i>	<i>0.04%</i>	<i>2.32%</i>	
<b>Bond Proceeds<sup>3</sup></b>	<b>\$ 277,476,914</b>	<b>0.09%</b>	<b>0.09%</b>	<b>0.73%</b>	
<b>OPEB Trust Funds</b>	<b>\$ 46,140,376</b>	<b>8.77%</b>	<b>8.77%</b>	<b>12.66%</b>	<b>7.00%</b>
<i>Benchmark</i>		<i>9.32%</i>	<i>9.32%</i>	<i>13.64%</i>	
<b>Cemetery Trust Fund<sup>4</sup></b>	<b>\$ 32,070,008</b>	<b>8.09%</b>	<b>8.09%</b>	<b>8.40%</b>	<b>5.00%</b>
<i>Benchmark</i>		<i>6.40%</i>	<i>6.40%</i>	<i>13.66%</i>	
<b>General Employees Retirement System<sup>4</sup></b>	<b>\$ 754,019,454</b>	<b>11.90%</b>	<b>11.90%</b>	<b>13.40%</b>	<b>7.10%</b>
<i>Benchmark</i>		<i>11.40%</i>	<i>11.40%</i>	<i>13.10%</i>	
<b>Police &amp; Fire Retirement System<sup>4</sup></b>	<b>\$ 1,097,638,198</b>	<b>9.71%</b>	<b>9.71%</b>	<b>10.41%</b>	<b>7.30%</b>
<i>Benchmark</i>		<i>10.11%</i>	<i>10.11%</i>	<i>13.83%</i>	

## Notes:

1. City Operating Funds – Self-Directed performance is calculated based on the weighted average yield of the City Self – Directed Account portfolio and all of the self-directed bank accounts, as well as the Florida CLASS and FL PALM Holdings.
2. Total City of Fort Lauderdale Funds calculated as the weighted average return of City Operating Funds - Self Directed, CRA Funds, and Fixed Income Investment Portfolio - PFM
3. Bond Proceeds balance includes all bond proceeds portfolios. Current quarter yields estimated based on all bond proceeds holdings. Fiscal Year to Date and Trailing 12 Month yields are estimated based on current quarter yields and 2018 Water & Sewer bond yield data.
4. Performance and Market Values from Fixed Income Investment Portfolio – PFM, OPEB Trust Funds, Cemetery Trust Funds, General Employees Retirement System ("GERS"), and Police & Fire Retirement System ("P&F") are derived from their manager reports as of December 31, 2020.

	<u>Market Value as of December 31, 2020</u>	<u>Percent of Portfolio</u>	<u>Market Value as of September 30, 2020</u>	<u>Percent of Portfolio</u>
<b><u>Funds Held for Liquidity</u></b>				
CitiBank - Health Ins	1,329,665	0.14%	530,416	0.06%
Wells Fargo - Wks Comp	304,608	0.03%	390,870	0.04%
Wells Fargo Govt Ckg - BMPO	1,017,251	0.10%	1,017,251	0.11%
Wells Fargo Master Account	36,692,556	3.76%	31,242,720	3.46%
Wells Fargo Utility Account	8,083,783	0.83%	8,054,444	0.89%
Wells Fargo CRA	22,483,012	2.30%	9,658,869	1.07%
Wells Fargo Police Evidence	822,747	0.08%	822,587	0.09%
<b>Total Funds for Liquidity</b>	<b>\$ 70,733,622</b>	<b>7.25%</b>	<b>\$ 51,717,157</b>	<b>5.73%</b>
<b><u>Funds Held for Investment</u></b>				
PFM Investment Portfolio	315,820,246	32.37%	\$ 314,972,500	34.93%
CRA City Self - Directed Account	21,291,383	2.18%	21,290,661	2.36%
CRA Central Beach	26,409,122	2.71%	29,354,044	3.26%
City Self - Directed Account	12,369,956	1.27%	18,417,966	2.04%
FMIT Subsidiary Accounts	133,898	0.01%	133,765	0.01%
FL CLASS	125,731,914	12.89%	77,691,764	8.62%
FL PALM	70,712,199	7.25%	77,688,850	8.61%
FL PALM TERM	55,000,000	5.64%		
<b>Total Funds for Investment</b>	<b>\$ 627,468,718</b>	<b>64.31%</b>	<b>\$ 539,549,549</b>	<b>59.83%</b>
<b><u>Bond Proceeds</u></b>				
Water & Sewer Bond 2018	109,152,868	11.19%	\$ 125,509,500	13.92%
Parks 2020-A	61,544,577	6.31%	78,260,217	8.68%
Public Safety 2020-B	100,953,521	10.35%	100,880,655	11.19%
FMIT G.O. Series 2011-A	5,825,948	0.60%	5,872,627	0.65%
<b>Total Bond Proceeds</b>	<b>\$ 277,476,914</b>	<b>28.44%</b>	<b>\$ 310,523,000</b>	<b>34.43%</b>
<b>Grand Total</b>	<b>\$ 975,679,254</b>	<b>100.00%</b>	<b>\$ 901,789,706</b>	<b>100.00%</b>

## Notes:

Market Values plus accrued interest as of December 31, 2020 and September 30, 2020 are derived from their respective statements from Wells Fargo, PFM, City National, or FMIT. Bond Proceeds balances for Parks 2020-A and Public Safety 2020-B include cash balances, FL PALM balances, and FL PALM Term balances.

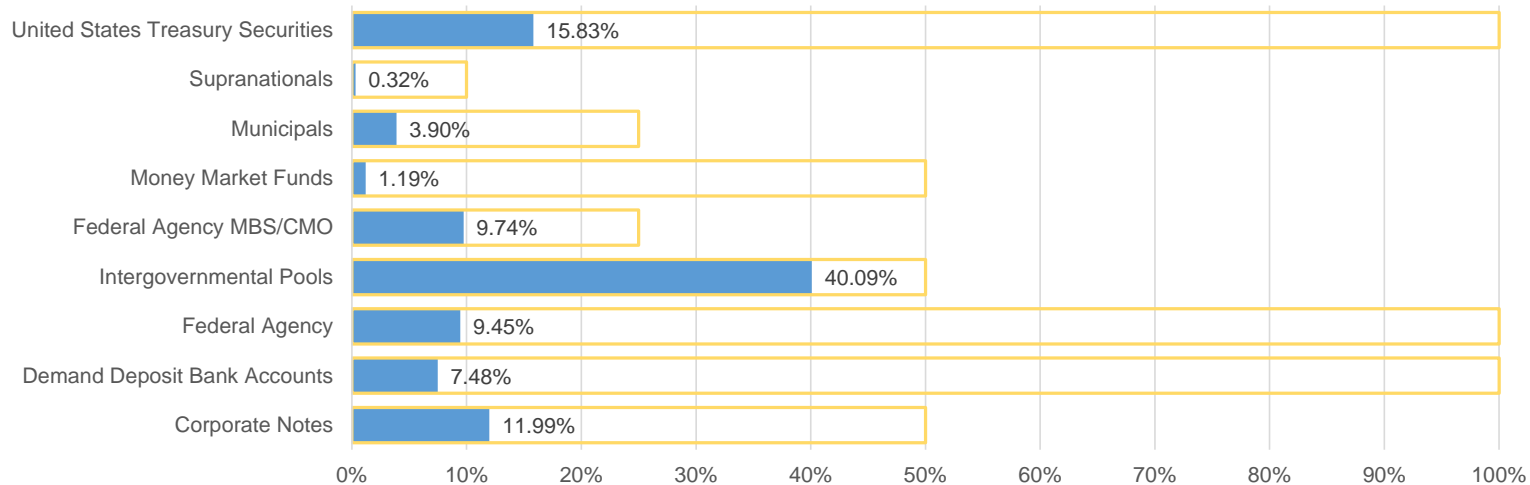


<u>Account Names</u>	<u>Yield to Market as of December 31, 2020</u>	<u>Percent of Portfolio December 31, 2020</u>	<u>Yield to Market as of September 30, 2020</u>	<u>Percent of Portfolio September 30, 2020</u>
<b><u>Funds Held for Liquidity</u></b>				
CitiBank - Health Ins	0.00%	0.14%	0.00%	0.06%
Wells Fargo - Wks Comp	0.06%	0.03%	0.06%	0.04%
Wells Fargo Govt Ckg - BMPO	0.06%	0.10%	0.06%	0.11%
Wells Fargo Master Account	0.06%	3.76%	0.06%	3.46%
Wells Fargo Utility Account	0.00%	0.83%	0.00%	0.89%
Wells Fargo CRA	0.06%	2.30%	0.06%	1.07%
Wells Fargo Police Evidence	0.00%	0.08%	0.00%	0.09%
<b>Total Funds for Liquidity</b>	<b>0.05%</b>	<b>7.25%</b>	<b>0.05%</b>	<b>5.73%</b>
<b><u>Funds Held for Investment</u></b>				
PFM Investment Portfolio	0.74%	32.37%	0.83%	34.93%
CRA City Self - Directed Account	0.04%	2.18%	0.08%	2.36%
CRA Central Beach	0.01%	2.71%	0.01%	3.26%
City Self - Directed Account	0.05%	1.27%	0.39%	2.04%
FMIT Subsidiary Accounts	0.31%	0.01%	0.38%	0.01%
FL CLASS	0.19%	12.89%	0.26%	8.62%
FL PALM	0.10%	7.25%	0.29%	8.61%
FL PALM TERM	0.15%	5.64%		
<b>Total Funds for Investment</b>	<b>0.44%</b>	<b>64.31%</b>	<b>0.58%</b>	<b>59.83%</b>
<b><u>Bond Proceeds</u></b>				
Water & Sewer Bond 2018	0.01%	11.19%	0.01%	13.92%
Parks 2020-A	0.14%	6.31%	0.25%	8.68%
Public Safety 2020-B	0.14%	10.35%	0.21%	11.19%
FMIT G.O. Series 2011-A	0.23%	0.60%	0.37%	0.65%
<b>Total Bond Proceeds</b>	<b>0.09%</b>	<b>28.44%</b>	<b>0.14%</b>	<b>34.43%</b>
<b>Total Average Yield</b>	<b>0.31%</b>	<b>100.00%</b>	<b>0.40%</b>	<b>100.00%</b>

<u>Benchmarks</u>	<u>December 31, 2020</u>	<u>September 30, 2020</u>
S&P GIP All 30 Day Gross Yield Index	0.18%	0.26%
BofA Merrill Lynch 1-3 Year Treasury Index	0.13%	0.13%
BofA Merrill Lynch 1-5 Year Treasury Index	0.18%	0.16%

## Notes:

Market Values plus accrued interest as of December 31, 2020 and September 30, 2020 are derived from their respective statements from Wells Fargo, PFM, City National, or FMIT. Bond Proceeds balances for Parks 2020-A and Public Safety 2020-B include cash balances, FL PALM balances, and FL PALM Term balances.



Security Type	Market Value (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
Bankers' Acceptances	-	-	10%	Yes
Certificates of Deposit and Savings Accounts	-	-	50%	Yes
Commercial Paper	-	-	35%	Yes
Corporate Notes	75,228,962.84	11.99%	50%	Yes
Demand Deposit Bank Accounts	46,948,552.78	7.48%	100%	Yes
Federal Agency	59,292,734.94	9.45%	100%	Yes
Florida Prime (SBA)	-	-	25%	Yes
Intergovernmental Pools	251,578,010.67	40.09%	50%	Yes
Federal Agency MBS/CMO	61,142,787.70	9.74%	25%	Yes
Money Market Funds	7,484,534.19	1.19%	50%	Yes
Municipals	24,454,597.89	3.90%	25%	Yes
Repurchase Agreements	-	-	20%	Yes
Supranationals	2,020,328.78	0.32%	10%	Yes
United States Treasury Securities	99,318,751.21	15.83%	100%	
<b>Total</b>	<b>627,469,261.00</b>	<b>100.00%</b>		

End of month trade-date market value of portfolio holdings, including accrued interest. This also includes CRA Self, Central Beach, Self-Directed, FL CLASS, FL PALM, and FMIT Subsidiary Account holdings.

Sector	Individual Issuer Breakdown	Market Value (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
CORPORATE NOTE	AMERICAN EXPRESS CREDIT	2,857,887.49	0.46%	5%	Yes
CORPORATE NOTE	AMERICAN HONDA FINANCE	2,797,298.58	0.45%	5%	Yes
CORPORATE NOTE	APPLE INC	3,221,853.04	0.51%	5%	Yes
CORPORATE NOTE	BRANCH BANKING & TRUST	2,125,930.11	0.34%	5%	Yes
CORPORATE NOTE	CHEVRON CORP	2,003,192.31	0.32%	5%	Yes
CORPORATE NOTE	CITIGROUP INC	2,204,116.91	0.35%	5%	Yes
CORPORATE NOTE	GOLDMAN SACHS GROUP INC	2,224,372.22	0.35%	5%	Yes
CORPORATE NOTE	MORGAN STANLEY	2,982,717.24	0.48%	5%	Yes
CORPORATE NOTE	TOYOTA MOTOR CREDIT CORP	6,060,278.62	0.97%	5%	Yes
CORPORATE NOTE	WELLS FARGO BANK NA	2,573,176.61	0.41%	5%	Yes
CORPORATE NOTE	COSTCO WHOLESALE CORP	771,774.92	0.12%	5%	Yes
CORPORATE NOTE	JOHN DEERE CAPITAL CORP	1,417,976.64	0.23%	5%	Yes
CORPORATE NOTE	EMERSON ELECTRIC COMPANY	919,502.55	0.15%	5%	Yes
CORPORATE NOTE	FIFTH THIRD BANK	352,822.23	0.06%	5%	Yes
CORPORATE NOTE	INTEL CORP	833,482.62	0.13%	5%	Yes
CORPORATE NOTE	JPMORGAN CHASE & CO	4,153,719.79	0.66%	5%	Yes
CORPORATE NOTE	KEY BANK NA	1,085,194.00	0.17%	5%	Yes
CORPORATE NOTE	PNC BANK NA	2,127,273.33	0.34%	5%	Yes
CORPORATE NOTE	CHARLES SCHWAB CORP	1,365,946.60	0.22%	5%	Yes
CORPORATE NOTE	US BANK NA CINCINNATI	6,083,459.55	0.97%	5%	Yes
CORPORATE NOTE	BANK OF AMERICA CORP	3,444,556.44	0.55%	5%	Yes
CORPORATE NOTE	UNILEVER CAPITAL CORP	1,547,335.85	0.25%	5%	Yes
CORPORATE NOTE	BLACKROCK INC	2,022,939.30	0.32%	5%	Yes
CORPORATE NOTE	HOME DEPOT INC	1,463,202.07	0.23%	5%	Yes
CORPORATE NOTE	WALT DISNEY COMPANY/THE	2,342,952.75	0.37%	5%	Yes
CORPORATE NOTE	PACCAR FINANCIAL CORP	1,091,406.75	0.17%	5%	Yes
CORPORATE NOTE	CATERPILLAR FINANCIAL SERVICES CORP	2,588,684.45	0.41%	5%	Yes
CORPORATE NOTE	AMAZON.COM INC	2,803,721.25	0.45%	5%	Yes
CORPORATE NOTE	WAL-MART STORES INC	966,981.80	0.15%	5%	Yes
CORPORATE NOTE	UNITED PARCEL SERVICE	801,434.50	0.13%	5%	Yes
CORPORATE NOTE	HONEYWELL INTERNATIONAL	2,762,813.06	0.44%	5%	Yes
CORPORATE NOTE	PEPSICO INC	658,945.30	0.11%	5%	Yes
CORPORATE NOTE	BANK OF NY MELLON CORP	1,148,549.71	0.18%	5%	Yes
CORPORATE NOTE	UNITEDHEALTH GROUP INC	1,596,981.42	0.25%	5%	Yes
CORPORATE NOTE	EXXON MOBIL CORPORATION	894,880.13	0.14%	5%	Yes
CORPORATE NOTE	ADOBE INC	310,678.90	0.05%	5%	Yes
CORPORATE NOTE	ALPHABET INC	620,923.80	0.10%	5%	Yes
MBS / CMO	FANNIE MAE	33,585,784.84	5.35%	40%	Yes
MBS / CMO	FHLMC MULTIFAMILY STRUCTURED P	15,142,466.01	2.41%	40%	Yes
MBS / CMO	FREDDIE MAC	10,246,880.15	1.63%	40%	Yes
MBS / CMO	GOVERNMENT NATIONAL MORTGAGE ASSOC	2,167,656.70	0.35%	40%	Yes

Sector	Individual Issuer Breakdown	Market Value (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
US TSY BOND/NOTE	UNITED STATES TREASURY	99,318,751.21	15.83%	100%	Yes
SUPRANATL	ASIAN DEVELOPMENT BANK	2,020,328.78	0.32%	5%	Yes
MUNI BOND/NOTE	NEW YORK ST DORM AUTH ST PERSO	2,755,130.81	0.44%	5%	Yes
MUNI BOND/NOTE	MISSISSIPPI ST	382,778.43	0.06%	5%	Yes
MUNI BOND/NOTE	SAN RAMON VALLEY USD	717,652.25	0.11%	5%	Yes
MUNI BOND/NOTE	LOS ANGELES CCD	1,318,453.61	0.21%	5%	Yes
MUNI BOND/NOTE	NEW YORK NY	5,555,582.08	0.89%	5%	Yes
MUNI BOND/NOTE	SAN DIEGO COUNTY	820,038.45	0.13%	5%	Yes
MUNI BOND/NOTE	AZ TRAN BOARD TXBL REV BONDS	3,479,340.60	0.55%	5%	Yes
MUNI BOND/NOTE	FLORIDA ST BRD OF ADMIN FIN CO	2,037,322.96	0.32%	5%	Yes
MUNI BOND/NOTE	MINNESOTA ST	645,718.40	0.10%	5%	Yes
MUNI BOND/NOTE	NEW YORK ST URBAN DEV CORP REV	3,133,169.68	0.50%	5%	Yes
MUNI BOND/NOTE	PORT AUTH OF NY/NJ TXBL REV BONDS	764,976.63	0.12%	5%	Yes
MUNI BOND/NOTE	TAMPA WTR & WSTWTR SYS, FL TXBL REV BNDS	806,287.01	0.13%	5%	Yes
MUNI BOND/NOTE	WI DEPT OF TRANS TXBL REV BONDS	2,038,146.98	0.32%	5%	Yes
FED AGY BOND/NOTE	FANNIE MAE	24,675,674.24	3.93%	40%	Yes
FED AGY BOND/NOTE	FEDERAL HOME LOAN BANKS	7,467,420.27	1.19%	40%	Yes
FED AGY BOND/NOTE	FREDDIE MAC	26,409,244.99	4.21%	40%	Yes
FED AGY BOND/NOTE	TENN VALLEY AUTHORITY	740,395.44	0.12%	40%	Yes
INTERGOVERNMENTAL POOLS	FL CLASS	125,731,913.82	20.04%	25%	Yes
INTERGOVERNMENTAL POOLS	FMIT SUBSIDIARY ACCOUNTS	133,897.88	0.02%	25%	Yes
MNY MKT/MUTUAL FND	MONEY MARKET FUNDS	5,877,882.95	0.94%	25%	Yes
DEMAND DEPOSIT BANK ACCOUNT	BANK DEPOSITS	46,948,552.78	7.48%	100%	Yes
MNY MKT/MUTUAL FND	CASH BALANCE	1,606,651.24	0.26%	25%	Yes
INTERGOVERNMENTAL POOLS	FL PALM	125,712,198.97	20.03%	25%	Yes
Total		627,469,261.00	100.00%		

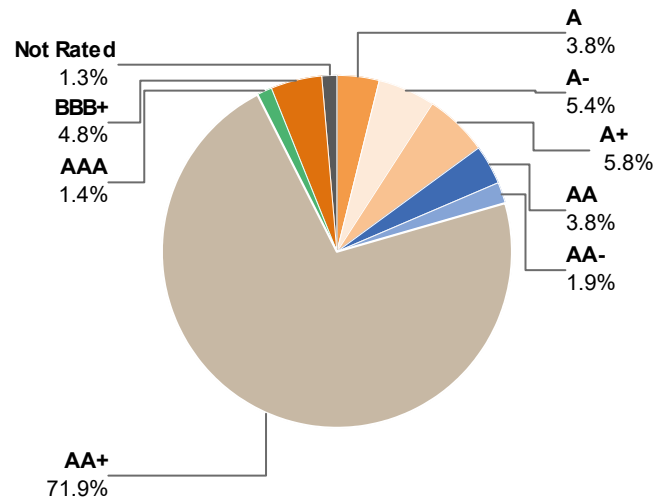
End of month trade-date market value of portfolio holdings, including accrued interest. This also includes CRA Self, Central Beach, Self-Directed, FL CLASS, FL PALM, and FMIT Subsidiary Account holdings.

## Portfolio Statistics

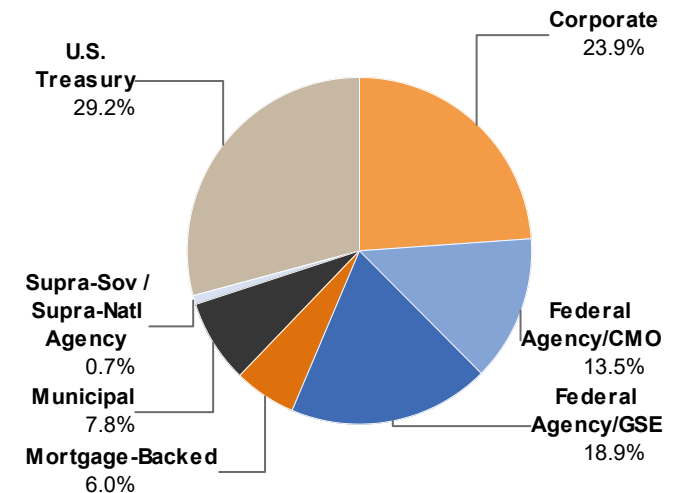
As of December 31, 2020

Par Value:	\$300,448,788
Total Market Value:	\$315,820,246
Security Market Value:	\$312,831,412
Accrued Interest:	\$1,382,183
Cash:	\$1,606,651
Amortized Cost:	\$303,493,834
Yield at Market:	0.74%
Yield at Cost:	1.92%
Effective Duration:	2.60 Years
Average Maturity:	4.65 Years
Average Credit: *	AA

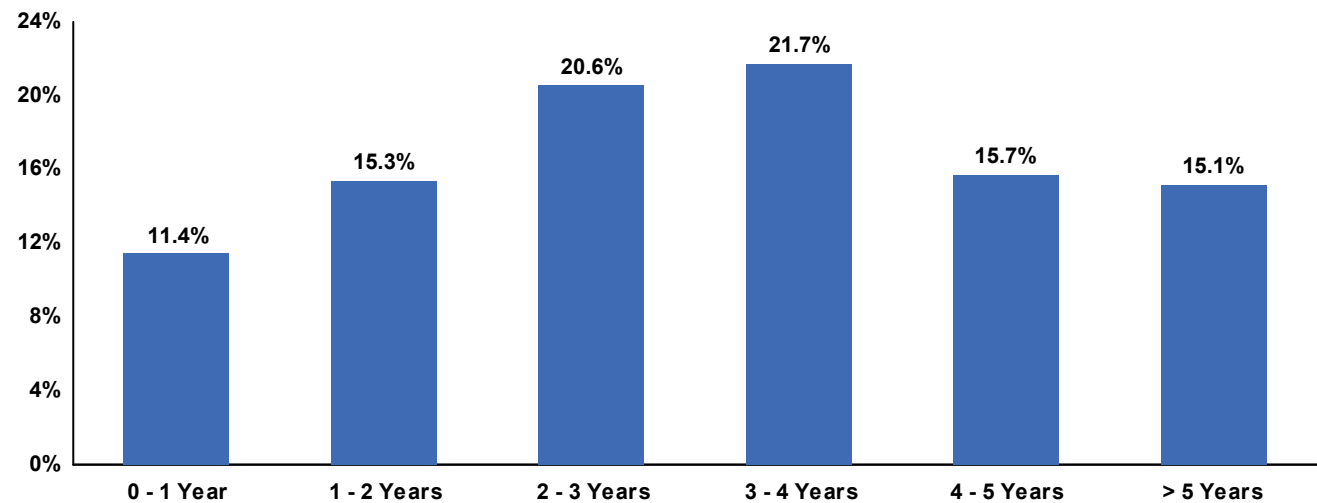
## Credit Quality (S&amp;P Ratings)



## Sector Allocation



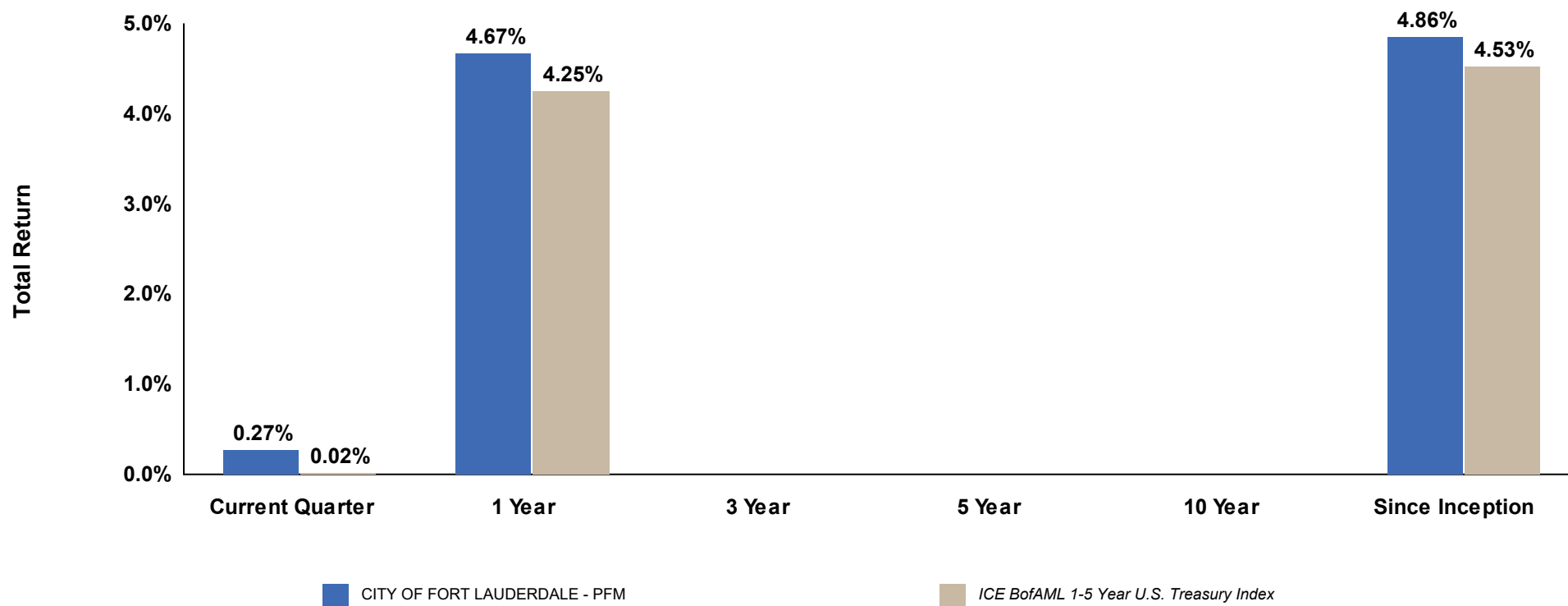
## Maturity Distribution



\* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Portfolio Performance (Total Return)

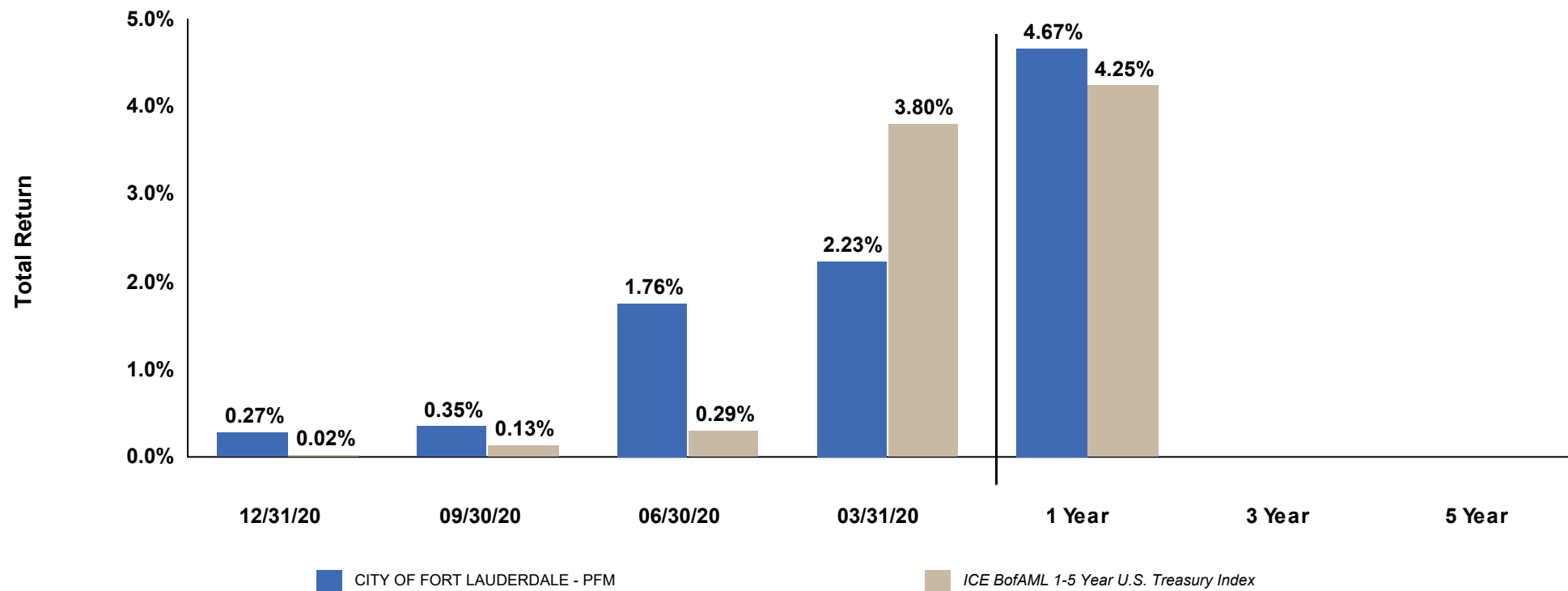
Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			
				3 Year	5 Year	10 Year	Since Inception (09/30/18) **
CITY OF FORT LAUDERDALE - PFM	2.60	0.27%	4.67%	-	-	-	4.86%
ICE BofAML 1-5 Year U.S. Treasury Index	2.59	0.02%	4.25%	-	-	-	4.53%
Difference		0.25%	0.42%	-	-	-	0.33%



Portfolio performance is gross of fees unless otherwise indicated. \*\*Since Inception performance is not shown for periods less than one year.

## Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		12/31/20	09/30/20	06/30/20	03/31/20		3 Year	5 Year
CITY OF FORT LAUDERDALE - PFM	2.60	0.27%	0.35%	1.76%	2.23%	4.67%	-	-
ICE BofAML 1-5 Year U.S. Treasury Index	2.59	0.02%	0.13%	0.29%	3.80%	4.25%	-	-
Difference		0.25%	0.22%	1.47%	-1.57%	0.42%	-	-



Portfolio performance is gross of fees unless otherwise indicated.

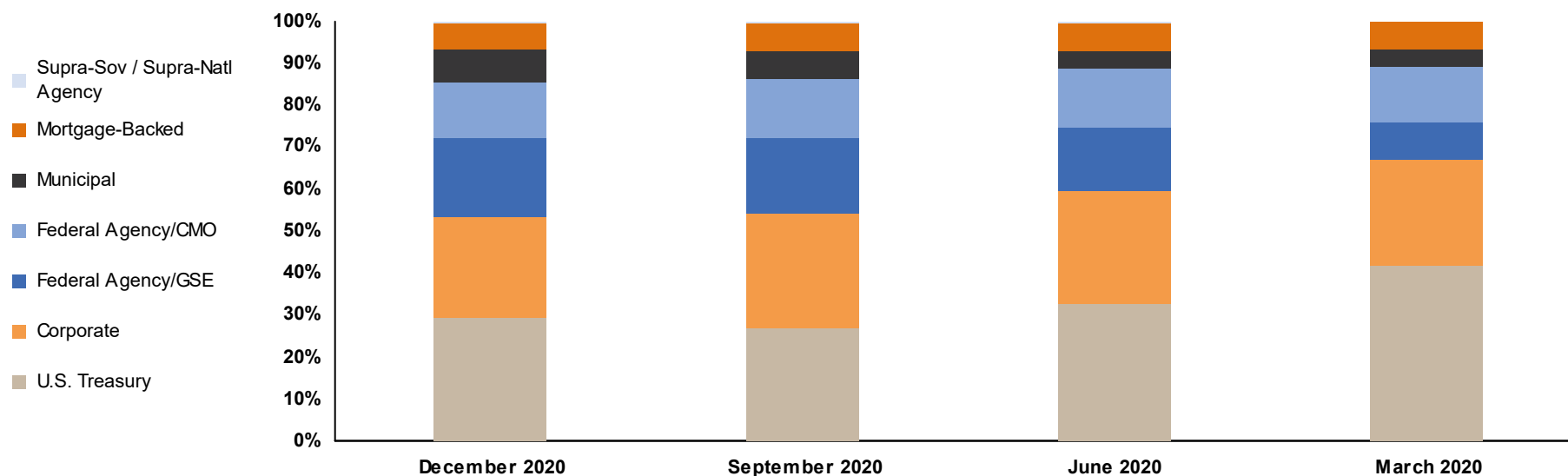
**Portfolio Earnings****Quarter-Ended December 31, 2020**

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (09/30/2020)</b>	\$313,336,642.61	\$302,753,196.99
<b>Net Purchases/Sales</b>	\$294,380.35	\$294,380.35
<b>Change in Value</b>	(\$799,611.27)	\$446,256.25
<b>Ending Value (12/31/2020)</b>	\$312,831,411.69	\$303,493,833.59
<b>Interest Earned</b>	\$1,647,357.73	\$1,647,357.73
<b>Portfolio Earnings</b>	\$847,746.46	\$2,093,613.98



## Sector Allocation

Sector	December 31, 2020		September 30, 2020		June 30, 2020		March 31, 2020	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	91.7	29.2%	84.6	27.0%	101.8	32.6%	127.7	41.5%
Corporate	74.7	23.9%	84.3	26.9%	84.0	26.9%	78.1	25.4%
Federal Agency/GSE	59.1	18.9%	56.9	18.2%	47.3	15.2%	27.5	9.0%
Federal Agency/CMO	42.1	13.5%	44.4	14.2%	43.1	13.8%	40.4	13.2%
Municipal	24.3	7.8%	20.5	6.6%	13.9	4.5%	12.2	4.0%
Mortgage-Backed	18.9	6.0%	20.5	6.5%	19.8	6.3%	21.2	6.9%
Supra-Sov / Supra-Natl Agency	2.0	0.7%	2.0	0.6%	2.0	0.7%	0.0	0.0%
<b>Total</b>	<b>\$312.8</b>	<b>100.0%</b>	<b>\$313.3</b>	<b>100.0%</b>	<b>\$311.9</b>	<b>100.0%</b>	<b>\$307.0</b>	<b>100.0%</b>



Detail may not add to total due to rounding.

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**IMPORTANT DISCLOSURES**

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

## GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.
- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

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## GLOSSARY

- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.