



# City of Fort Lauderdale



## Investment Performance Review For the Quarter Ended March 31, 2021

### Investment Advisors

Steven Alexander, CTP, CGFO, CPPT, Managing Director  
Khalid Yasin, CIMA®, CHP, Director  
Richard Pengelly, CFA, CTP, Director  
Sean Gannon, CTP, Senior Managing Consultant

### PFM Asset Management LLC

|                           |                         |
|---------------------------|-------------------------|
| 213 Market Street         | 300 South Orange Avenue |
| Harrisburg, PA 17101-2141 | Suite 1170              |
| 717.232.2723              | Orlando, FL 32801       |
| 717.233.6073 fax          | 407.648.2208            |
|                           | 407.648.1323 fax        |

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# Executive Summary

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The City of Fort Lauderdale (the “City”) OPEB Trust returned 2.29% (net of mutual fund fees) in the 1<sup>st</sup> quarter of 2021, outperforming its policy benchmark return of 1.99% by 0.30%. In the trailing 12 months, the portfolio returned 31.49%, underperforming its 32.25% benchmark return by 0.76%. In dollar terms, the portfolio gained \$942,484 in return on investment over the quarter and gained \$10,015,140 in the trailing 12 months.

The City’s OPEB Post Retirement Pay Steps Plan returned 2.11% (net of mutual fund fees) in the 1<sup>st</sup> quarter of 2021, outperforming its policy benchmark return of 1.99% by 0.12%. In the trailing 12 months, the portfolio returned 28.42%, underperforming its 32.25% benchmark return by 3.83%. In dollar terms, the portfolio gained \$103,816 in return on investment over the quarter and gained \$928,494 in the trailing 12 months.

The S&P posted a return of 6.17% for the quarter, benefiting from COVID-19 vaccination rollout, strong consumer spending, additional fiscal stimulus and announcement of proposed future infrastructure spending.

Markets outside of the United States, as measured by the MSCI ACWI ex- U.S. Index, underperformed their domestic equity counterparts, returning 3.5% for the quarter, driven by rising uncertainty due to resurgence in COVID-19 cases and ensuing lockdowns. Additionally, the strengthening of the U.S. dollar during the quarter negatively impacted returns. All 11 sectors posted positive returns for the quarter. Energy was the best-performing sector returning 30.8%, while Consumer Staples was the worst performing sector returning 1.1%.

The U.S. bond market represented by the Bloomberg Barclays U.S. Aggregate (Aggregate) Index fell 3.38%, its worst quarterly performance since 1981.

REITs, as measured by the FTSE NAREIT Equity REITs Index, returned 8.87% in the first quarter of 2021, compared to an 11.6% return in the prior quarter. Ten out of 11 major sectors posted gains over the quarter as the economy continued its recovery from the pandemic. The gains were again led by the Retail and Lodging/Resorts sectors, which posted returns of 18.1% and 18.0%, respectively. The Data Center sector fell 2.3% and was again the worst performing sector during the first quarter.

Currently, the portfolios are overweight domestic equities and international equities relative to policy targets and underweight fixed income and alternative investments relative to policy targets; positive developments with ongoing vaccine distribution suggest some sort of return to normalcy later this year. Given the City’s goals and objectives are long-term in nature, the portfolio continues to be appropriately diversified and in compliance with its investment policy guidelines.



# OPEB Executive Summary

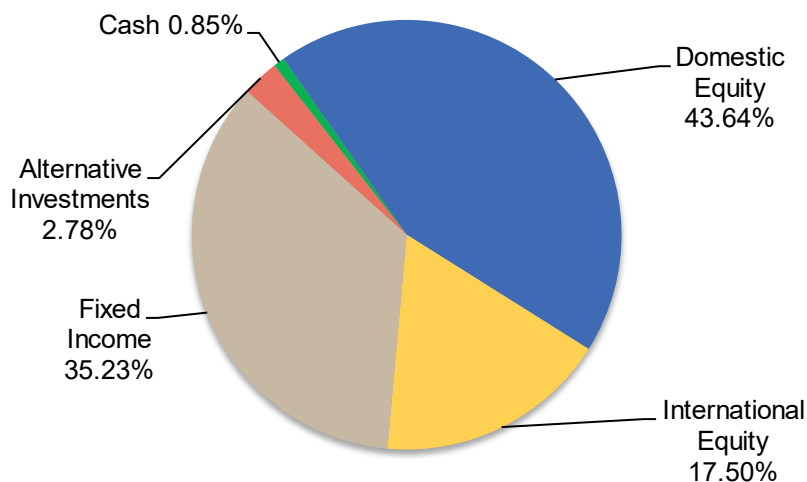
## Current Asset Allocation

| Asset Class             | Market Value        | Pct (%)       |
|-------------------------|---------------------|---------------|
| Cash                    | \$397,631           | 0.85%         |
| Domestic Equity         | 20,506,995          | 43.64%        |
| International Equity    | 8,226,233           | 17.50%        |
| Fixed Income            | 16,557,206          | 35.23%        |
| Alternative Investments | 1,306,328           | 2.78%         |
| <b>Total</b>            | <b>\$46,994,393</b> | <b>100.0%</b> |

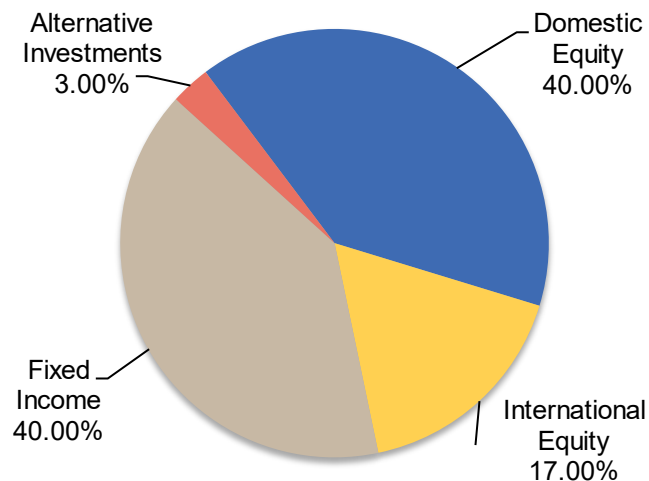
## Target Asset Allocation\*

| Asset Class             | Market Value        | Pct (%)     |
|-------------------------|---------------------|-------------|
| Cash                    | -                   | 0.00%       |
| Domestic Equity         | 18,797,757          | 40.00%      |
| International Equity    | 7,989,047           | 17.00%      |
| Fixed Income            | 18,797,757          | 40.00%      |
| Alternative Investments | 1,409,832           | 3.00%       |
| <b>Total</b>            | <b>\$46,994,393</b> | <b>100%</b> |

## Current Asset Allocation



## Target Asset Allocation



## Markets & Economy



## QUARTERLY MARKET SUMMARY

### Market Index Performance

As of March 31, 2021

|  | QTD    | YTD    | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years |
|--|--------|--------|--------|---------|---------|---------|----------|
| <b>DOMESTIC EQUITY</b>                         |        |        |        |         |         |         |          |
| S&P 500  | 6.17%  | 6.17%  | 56.35% | 16.78%  | 16.29%  | 13.59%  | 13.91%   |
| Russell 3000 Index                             | 6.35%  | 6.35%  | 62.53% | 17.12%  | 16.64%  | 13.44%  | 13.79%   |
| Russell 1000 Value Index                       | 11.26% | 11.26% | 56.09% | 10.96%  | 11.74%  | 9.40%   | 10.99%   |
| Russell 1000 Growth Index                      | 0.94%  | 0.94%  | 62.74% | 22.80%  | 21.05%  | 17.50%  | 16.63%   |
| Russell Midcap Index                           | 8.14%  | 8.14%  | 73.64% | 14.73%  | 14.67%  | 11.65%  | 12.47%   |
| Russell 2500 Index                             | 10.93% | 10.93% | 89.40% | 15.34%  | 15.93%  | 11.46%  | 12.20%   |
| Russell 2000 Value Index                       | 21.17% | 21.17% | 97.05% | 11.57%  | 13.56%  | 8.93%   | 10.06%   |
| Russell 2000 Index                             | 12.70% | 12.70% | 94.85% | 14.76%  | 16.35%  | 11.05%  | 11.68%   |
| Russell 2000 Growth Index                      | 4.88%  | 4.88%  | 90.20% | 17.16%  | 18.61%  | 12.77%  | 13.02%   |
| <b>INTERNATIONAL EQUITY</b>                    |        |        |        |         |         |         |          |
| MSCI EAFE (Net)                                | 3.48%  | 3.48%  | 44.57% | 6.02%   | 8.85%   | 4.80%   | 5.52%    |
| MSCI AC World Index (Net)                      | 4.57%  | 4.57%  | 54.60% | 12.07%  | 13.21%  | 9.40%   | 9.14%    |
| MSCI AC World ex-USA (Net)                     | 3.49%  | 3.49%  | 49.41% | 6.51%   | 9.76%   | 5.26%   | 4.93%    |
| MSCI AC World ex-USA Small Cap (Net)           | 5.53%  | 5.53%  | 69.82% | 6.61%   | 10.40%  | 6.67%   | 6.32%    |
| MSCI EM (Net)                                  | 2.29%  | 2.29%  | 58.39% | 6.48%   | 12.07%  | 6.58%   | 3.65%    |
| <b>ALTERNATIVES</b>                            |        |        |        |         |         |         |          |
| FTSE NAREIT Equity REIT Index                  | 8.87%  | 8.87%  | 37.78% | 9.45%   | 5.33%   | 7.68%   | 8.56%    |
| FTSE EPRA/NAREIT Developed Index               | 6.11%  | 6.11%  | 35.95% | 6.07%   | 4.85%   | 5.86%   | 6.64%    |
| Bloomberg Commodity Index Total Return         | 6.92%  | 6.92%  | 35.04% | -0.20%  | 2.31%   | -5.81%  | -6.28%   |
| <b>FIXED INCOME</b>                            |        |        |        |         |         |         |          |
| Blmbg. Barc. U.S. Aggregate                    | -3.38% | -3.38% | 0.71%  | 4.65%   | 3.10%   | 3.31%   | 3.44%    |
| Blmbg. Barc. U.S. Government/Credit            | -4.28% | -4.28% | 0.86%  | 4.99%   | 3.36%   | 3.48%   | 3.70%    |
| Blmbg. Barc. Intermed. U.S. Government/Credit  | -1.86% | -1.86% | 2.01%  | 4.36%   | 2.75%   | 2.77%   | 2.88%    |
| Blmbg. Barc. U.S. Treasury: 1-3 Year           | -0.05% | -0.05% | 0.34%  | 2.80%   | 1.72%   | 1.51%   | 1.30%    |
| Blmbg. Barc. U.S. Corp: High Yield             | 0.85%  | 0.85%  | 23.72% | 6.84%   | 8.06%   | 5.42%   | 6.48%    |
| Credit Suisse Leveraged Loan index             | 2.01%  | 2.01%  | 20.77% | 4.13%   | 5.33%   | 4.03%   | 4.41%    |
| ICE BofAML Global High Yield Constrained (USD) | -0.06% | -0.06% | 25.54% | 5.91%   | 7.60%   | 4.87%   | 6.10%    |
| Blmbg. Barc. Global Aggregate Ex-USD           | -5.30% | -5.30% | 7.15%  | 1.15%   | 2.13%   | 0.91%   | 1.26%    |
| JPM EMBI Global Diversified                    | -4.54% | -4.54% | 16.00% | 4.04%   | 5.05%   | 5.01%   | 5.63%    |
| <b>CASH EQUIVALENT</b>                         |        |        |        |         |         |         |          |
| 90 Day U.S. Treasury Bill                      | 0.02%  | 0.02%  | 0.12%  | 1.49%   | 1.18%   | 0.86%   | 0.62%    |

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

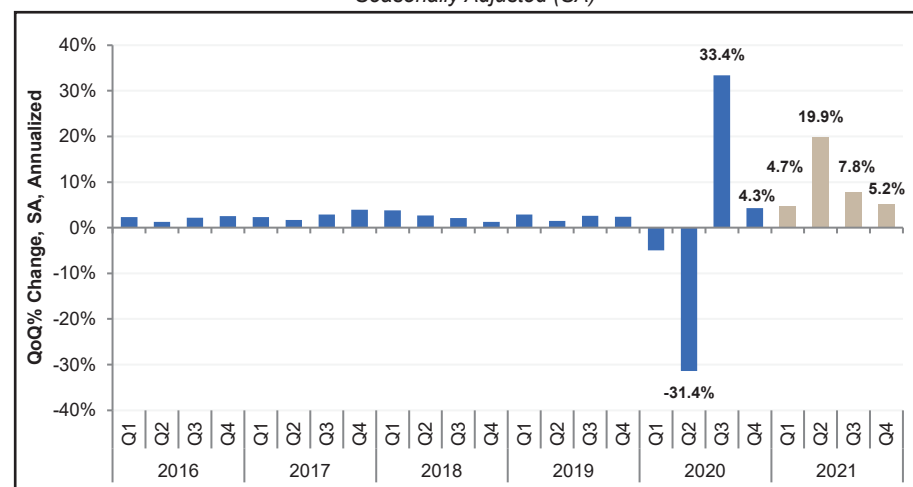


## QUARTERLY MARKET SUMMARY

### THE ECONOMY

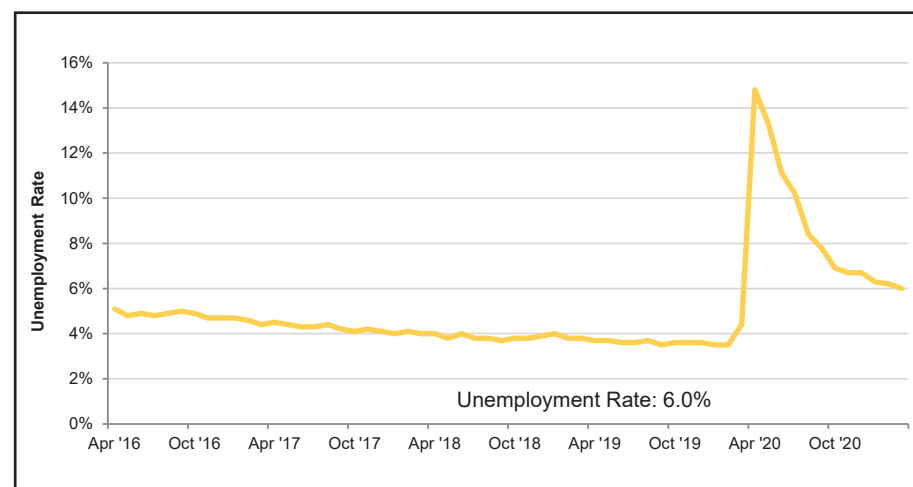
- The markets had another relatively strong month in March. They have now surpassed a year since the severe market correction due to initial COVID-19 shutdowns, and the one-year return data is beginning to reflect the significant comeback we have witnessed in the stock market. The S&P 500 (S&P) and Dow Jones indices are both up over 50% since last March.
- The U.S. federal budget deficit widened 454% in March from a year earlier, as the government issued a third round of stimulus checks to help Americans ride out the economic fallout from the pandemic. The budget gap rose to \$660 billion in March, from \$119 billion in the same month last year. The government's spending surge has provided some cushion to the economy from the pandemic's impact, but it has also sent deficits as a proportion of GDP to levels not seen since the end of World War II. Weaker tax revenue has contributed to the shortfall.
- Job growth accelerated in March, increasing at the fastest pace since last August. The jobs recovery has gained momentum as more people are vaccinated and economic activity rebounds. The first quarter saw over 1.6 million jobs added to payrolls, with 916,000 in March alone. Hard hit areas such as those in the service, leisure, and hospitality industries where employment remains well below peak levels in early 2020, have brought some welcome news as the leisure and hospitality industry added 280,000 new jobs in March.
- Global growth contracted by -3.5% in 2020, 0.9% better than projected in the previous International Monetary Fund forecasts, reflecting stronger-than-expected momentum in the second half of 2020. Although vaccine approvals have raised hopes of a turnaround in 2021, renewed waves and new variants of the virus pose potential concerns for the outlook. Despite a high degree of uncertainty, the global economy is expected to grow 5.5% in 2021 and 4.2% in 2022. The strength of the recovery is projected to vary significantly across countries, depending on access to medical care, the effectiveness of fiscal and monetary policy support, and economic strength entering the COVID-19 pandemic.
- Consumer prices shot higher in March, given a boost by a strong economic recovery and year-over-year comparisons to a time when the COVID-19 pandemic was about to throttle the U.S. economy. The consumer price index rose 0.6% from the previous month but 2.6% from the same period a year ago. The year-over-year gain is the highest since August 2018 and was well above the 1.7% recorded in February. Gasoline prices were the biggest contributor to the monthly gain, surging 9.1% in March and responsible for about half the overall CPI increase. Gasoline is up 22.5% from a year ago, part of a 13.2% increase in energy prices.

U.S. Real GDP Growth  
Seasonally Adjusted (SA)



Source: Bloomberg. Blue bars indicate actual numbers; taupe bars indicate forecasted estimates.

Monthly Unemployment Rate



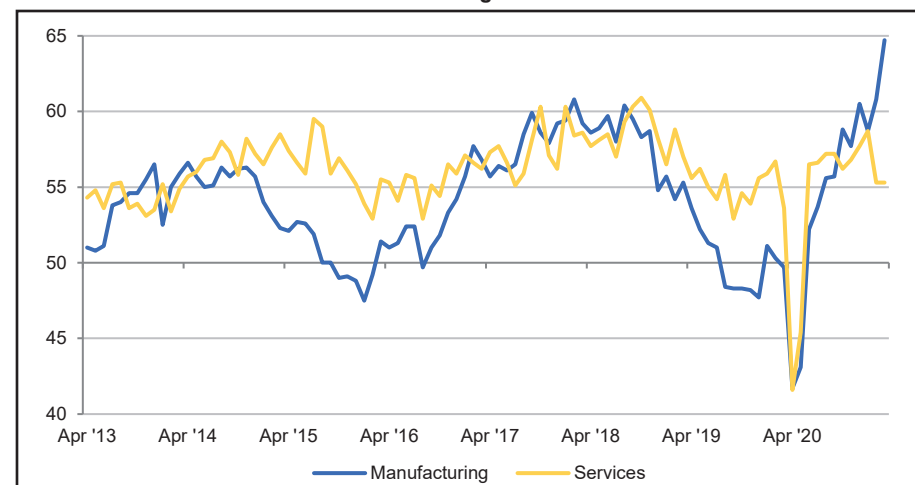
Source: Bloomberg.



## WHAT WE'RE WATCHING

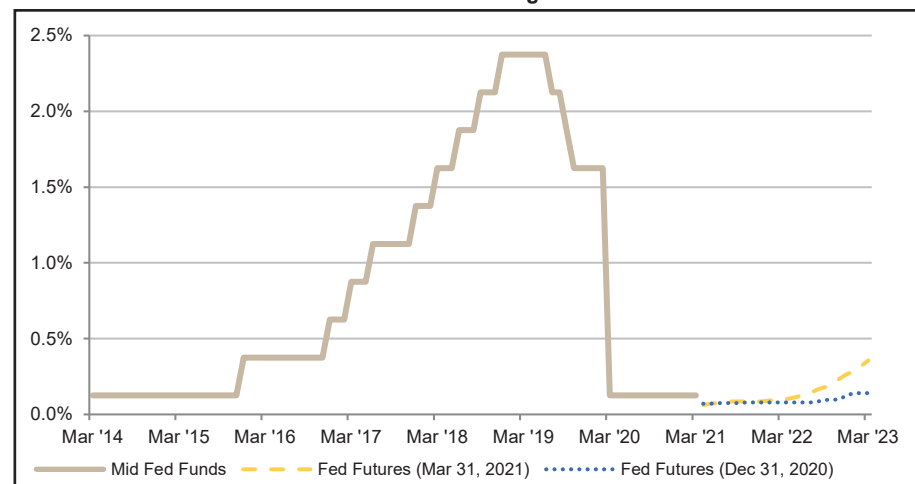
- The U.S. has made substantial progress on vaccination distribution, greatly exceeding Biden's initial goal of 100 million doses distributed in the first 100 days of his administration, while Europe has lagged and is currently facing a third wave. While the U.S. remains on track to have a more normalized summer with average vaccination rates north of three million per day, much of the world is lagging, potentially delaying a global recovery. Rising global COVID-19 cases accompanied by vaccine distribution and supply challenges outside of the U.S. have major implications for global economic growth and potentially even the reflation trade within the U.S. market. Domestically, the variants are perhaps the most significant risk to the restart, yet clinical data has shown current vaccines demonstrate sufficient efficacy against the known mutations.
- The auto industry has been brought to a slow crawl because of the global chip shortage. When auto manufacturers cut orders early in the pandemic, they found themselves in the back of the demand queue. For now, the bottlenecks remain temporary. A couple of months ago, carmakers hoped they would make up lost production in the second half of the year, which may now be optimistic. Should the bottlenecks see some relief in the near-term, manufacturers should be able to regain most of the lost profits — and certainly their profit-generating potential — within 12 or 18 months.
- Encouraged by government efforts to pump money into the economy and signs that Americans are spending more, the largest financial institutions expect a meaningful increase in profits. For the first quarter, analysts expect earnings to rise in nine of the 11 sectors in the S&P. The strongest growth is projected among the consumer discretionary, financial and materials sectors, all of which tend to be sensitive to the strength of the economy.
- Following the March Federal Open Market Committee (FOMC) meeting, Federal Reserve (Fed) Chairman Powell indicated that the Fed expects the U.S. economy to recover more quickly than previously projected. The Fed anticipates that the COVID-19 vaccination campaign and trillions of dollars of fiscal stimulus will propel the U.S. economy to its fastest expansion in more than 30 years. Despite the rebound and yet anticipated upward pressure on prices, the Fed remains focused on restoring the economy to full employment. As such, they will continue to utilize the full range of tools to support the U.S. economy. The FOMC decided to keep the target range for the federal funds rate at 0 to 0.25%, likely until late in 2023. Notably, the Fed materially upgraded its real GDP projection from 4.2% to 6.5% for 2021.

ISM Manufacturing & Services PMI



Source: Bloomberg.

Federal Funds Target Rate



Source: Bloomberg.

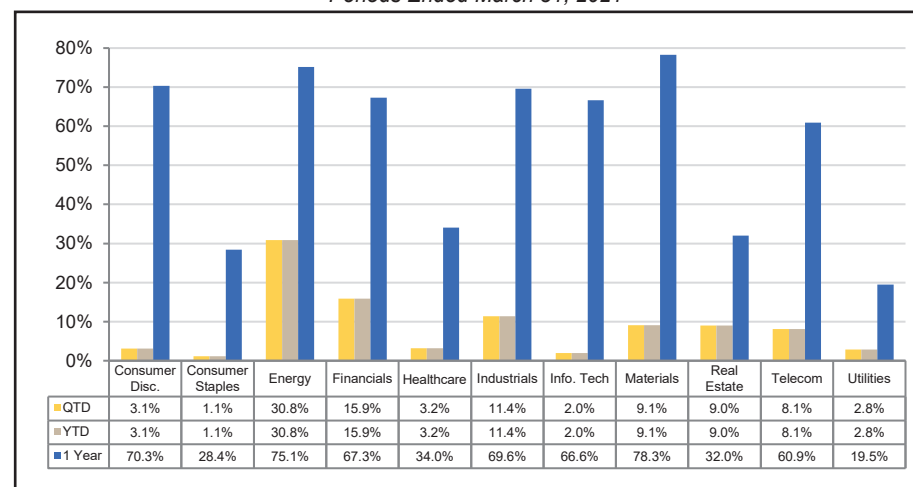




## DOMESTIC EQUITY

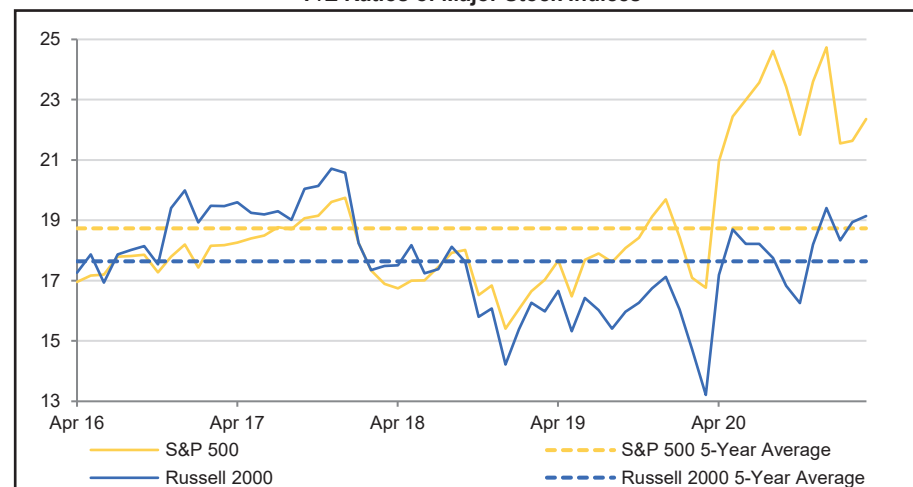
- The S&P posted a return of 6.17% for the quarter, benefiting from COVID-19 vaccination rollout, strong consumer spending, additional fiscal stimulus and announcement of proposed future infrastructure spending.
- Within the S&P, all 11 sectors produced positive returns, with Energy (+30.85%) and Financials (+15.99%) leading the way. Consumer Staples (+1.15%) and Information Technology (+1.97%) were the worst-performing sectors during the quarter.
- Value stocks, as represented by the Russell 1000 Value Index, returned 11.26% and outperformed growth stocks, as represented by the Russell 1000 Growth Index, which returned 0.94%. Value continued its comeback as investors continued to focus on economic recovery. Small-cap value, represented by the Russell 2000 Value, was the strongest performer returning 21.17% for the quarter.
- Small-caps, as represented by the Russell 2000 Index, returned 12.70% during the quarter, outperforming mid- and large-caps. The Russell Midcap and Russell 1000 indices returned 8.14% and 5.91%, respectively.

**S&P 500 Index Performance by Sector**  
Periods Ended March 31, 2021



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.



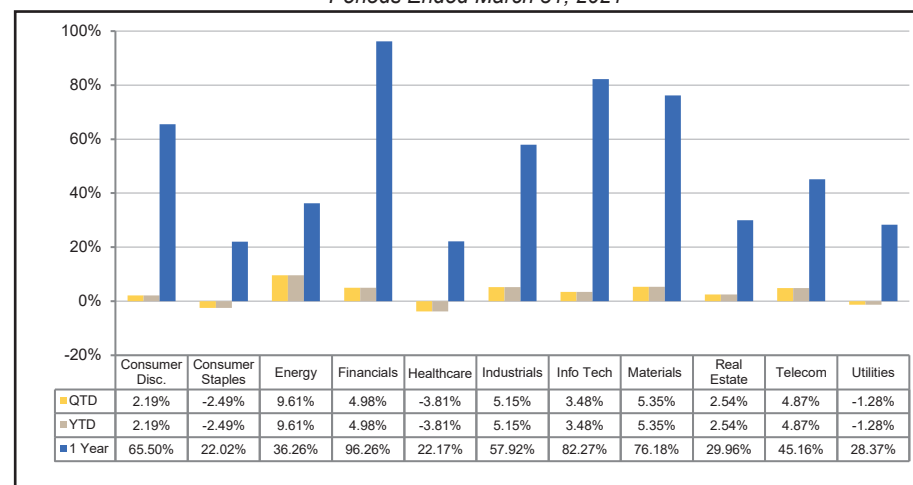
## QUARTERLY MARKET SUMMARY

### NON-U.S. EQUITY

- Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, underperformed their domestic equity counterparts, returning 3.48% for the quarter, driven by rising uncertainty due to resurgence in COVID-19 cases and ensuing lockdowns. Additionally, the strengthening of the U.S. dollar during the quarter negatively impacted returns. Eight of the 11 sectors posted positive returns for the quarter. Energy was the best-performing sector returning 9.61%, while Healthcare was the worst-performing sector returning -3.81%.
- Emerging Markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning 2.29% versus 3.48% for the quarter. MSCI China (USD) was a detractor returning -0.43% for the quarter.
- Value outperformed growth for the quarter across the International Markets (MSCI AC World ex-USA Growth -0.1% versus MSCI AC World ex-USA Value 7.2%). A rally in lower-valued and cyclical stocks took hold globally as economic activity recovers from 2020 lows.
- Small-caps outperformed within the international equity markets, returning 5.53% for the quarter, as represented by MSCI ACWI ex-U.S. Small Cap Index.

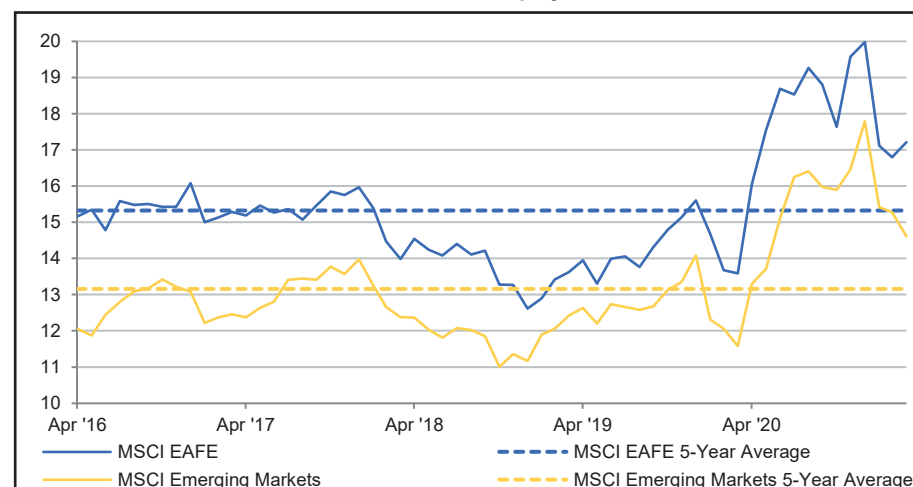
#### MSCI ACWI ex-U.S. Sectors

Periods Ended March 31, 2021



Source: Bloomberg.

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



Source: Bloomberg.

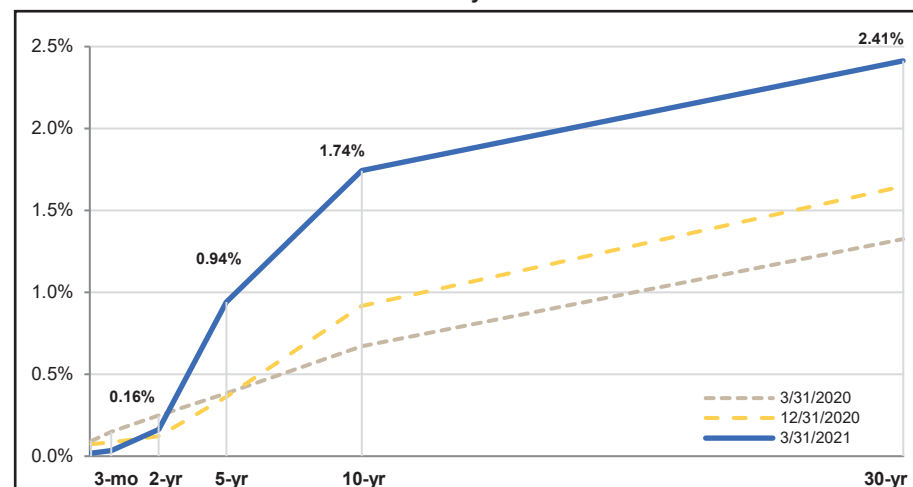
\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.



## FIXED INCOME

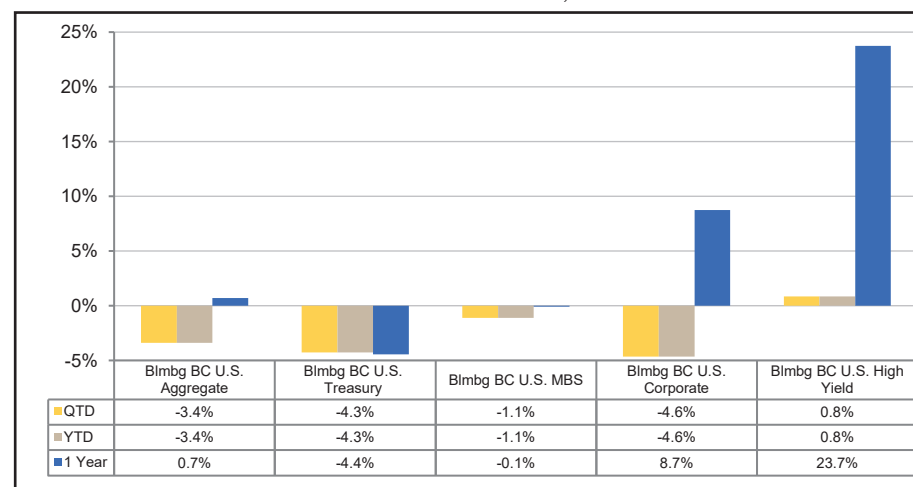
- The U.S. bond market represented by the Bloomberg Barclays U.S. Aggregate (Aggregate) Index fell 3.38%, its worst quarterly performance since 1981.
- Long-term rates rose sharply on optimism of strong economic growth given the start of COVID-19 vaccine distribution. The 5-year treasury rose by 58 basis points (bps) while the 10- and 30-year rates increased by 83 and 77 bps, respectively. Although spreads slightly tightened, much of the Aggregate return came from price loss in high-duration sectors.
- Corporate credit had mixed results in the rising rate environment. The Bloomberg Barclays U.S. Corporate Index lost 4.65% during the quarter due to the high duration of investment-grade (IG) debt. High yield bonds, as represented by the Bloomberg Barclays U.S. Corporate High Yield (HY) Index, managed a positive return of 0.85%. HY was able to absorb the rate increases due to yield available, especially in the CCC-rated area, which continued to rally partially on the rising energy prices.
- The fixed-rate mortgage market, as measured by the Bloomberg Barclays U.S. Mortgage-Backed Securities (MBS) Index, sold off 1.10%. Meanwhile, the Bloomberg Barclays U.S. Agency CMBS Index (measuring commercial MBS) lost 3.0%.
- EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified Index, lost 4.54% as U.S. rates rose. By region, Asia outperformed other markets.

U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments  
Periods Ended March 31, 2021



Source: Bloomberg. "Blmbg BC" is Bloomberg Barclays.

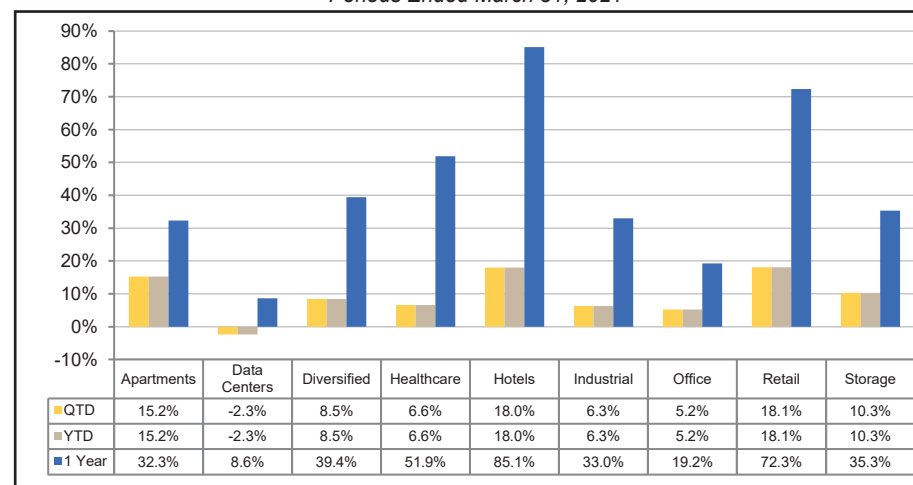


## ALTERNATIVES

- REITs, as measured by the FTSE NAREIT Equity REITs Index, returned 8.87% in the first quarter of 2021, compared to an 11.6% return in the prior quarter. Ten out of 11 major sectors posted gains over the quarter as the economy continued its recovery from the pandemic. The gains were again led by the Retail and Lodging/Resorts sectors, which posted returns of 18.1% and 18.0%, respectively. The Data Center sector fell 2.3% and was again the worst-performing sector during the first quarter.
- Private real estate, as measured by the NCREIF Property Index, gained 1.2% in the fourth quarter of 2020, resulting in a 1.6% return over the last 12-month period. Industrial properties continued to be the top-performing sector, with a total return of 4.7% in the fourth quarter, comprised of 1.1% in income return and 3.6% in appreciation return. Hotel properties were again the worst-performing sector in the fourth quarter with a total return of -3.3%, comprised of -0.9% in income return and -2.4% in appreciation return.
- Hedge funds generated positive returns in the first quarter of 2021, with the HFRI Fund Weighted Composite Index returning 6.1%. During the same period, the HFRI Macro (Total) Index returned 3.8%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned 7.4% and 2.5%, respectively.
- In the first quarter of 2021, private capital fundraising was led by private equity funds, which closed on \$228 billion, followed by \$29 billion raised by private debt funds, \$27 billion raised by private real estate funds, and \$26 billion raised by infrastructure funds. Private equity dry powder, which accounts for the bulk of private capital dry powder, reached \$1.45 trillion as of June 2020. According to Cambridge Associates, U.S. private equity generated a return of 12.9% for the five years ended Q3 2020. According to Cliffwater Direct Lending Index, U.S. middle-market loans, a proxy for private debt, generated a return of 8.5% for the five years ended Q4 2020.
- Commodity futures, represented by the Bloomberg Commodity Total Return Index, returned 6.92% in the first quarter of 2021. The U.S. Dollar Index (DXY) increased 3.7% over the same period. Gold spot price finished the quarter at \$1,707.71 per ounce, a 10.0% decline over the period. The West Texas Intermediate (WTI) Crude Oil spot price increased 21.9% from \$48.52 to \$59.16 per barrel during the first quarter of 2021.

### FTSE NAREIT Sectors

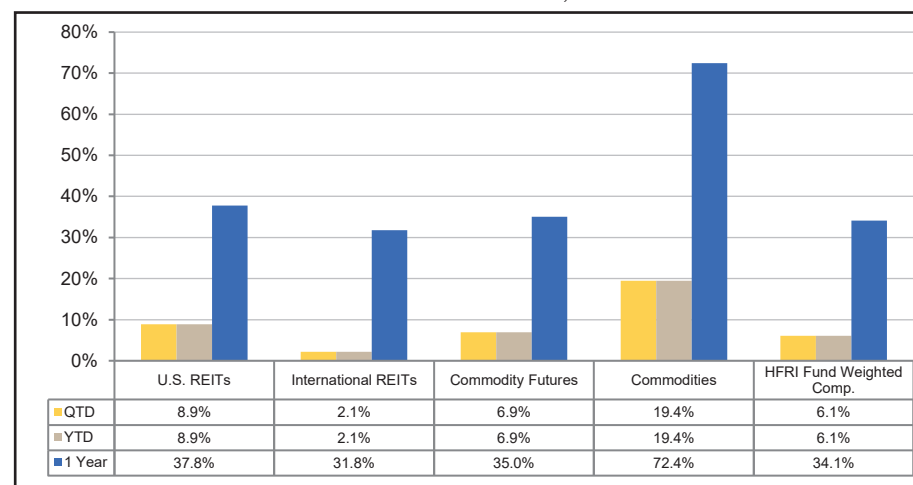
Periods Ended March 31, 2021



Source: Bloomberg.

### Returns for Alternative Assets

Periods Ended March 31, 2021



Sources: Bloomberg and Hedge Fund Research, Inc.



## **Total Fund - OPEB Trust**



## Asset Allocation &amp; Performance

|  | Allocation        |               | Performance(%)  |              |                    |                     |
|--|-------------------|---------------|-----------------|--------------|--------------------|---------------------|
|  | Market Value (\$) | %             | Current Quarter | Year To Date | Trailing 12-months | Fiscal Year To Date |
| <b>Total Fund</b>                      | <b>42,001,629</b> | <b>100.00</b> | <b>2.29</b>     | <b>2.29</b>  | <b>31.49</b>       | <b>11.53</b>        |
| <b>Blended Benchmark</b>               |                   |               | <b>1.99</b>     | <b>1.99</b>  | <b>32.25</b>       | <b>11.50</b>        |
| <b>Domestic Equity</b>                 | <b>18,407,837</b> | <b>43.83</b>  | <b>6.43</b>     | <b>6.43</b>  | <b>62.82</b>       | <b>22.06</b>        |
| Vanguard Total Stock Mkt Index Fund    | 18,407,837        | 43.83         | 6.43            | 6.43         | 62.74              | 22.06               |
| <i>Russell 3000 Index</i>              |                   |               | 6.35            | 6.35         | 62.53              | 21.96               |
| <b>International Equity</b>            | <b>7,352,050</b>  | <b>17.50</b>  | <b>3.94</b>     | <b>3.94</b>  | <b>52.83</b>       | <b>21.51</b>        |
| Vanguard Total Intl Stock Index Fund   | 7,352,050         | 17.50         | 3.94            | 3.94         | 52.80              | 21.51               |
| <i>MSCI AC World ex USA (Net)</i>      |                   |               | 3.49            | 3.49         | 49.41              | 21.10               |
| <b>Real Estate</b>                     | <b>1,148,207</b>  | <b>2.73</b>   | <b>8.70</b>     | <b>8.70</b>  | <b>36.70</b>       | <b>18.76</b>        |
| Vanguard Real Estate Index Fund        | 1,148,207         | 2.73          | 8.70            | 8.70         | 36.54              | 18.76               |
| <i>FTSE NAREIT Equity REIT Index</i>   |                   |               | 8.87            | 8.87         | 37.78              | 21.47               |
| <b>Fixed Income</b>                    | <b>14,701,909</b> | <b>35.00</b>  | <b>-3.61</b>    | <b>-3.61</b> | <b>0.53</b>        | <b>-2.97</b>        |
| Vanguard Total Bond Mkt Index Fund     | 14,701,909        | 35.00         | -3.61           | -3.61        | 0.53               | -2.97               |
| <i>Blmbg. Barc. U.S. Aggregate</i>     |                   |               | -3.38           | -3.38        | 0.71               | -2.73               |
| <b>Cash Equivalent</b>                 | <b>391,626</b>    | <b>0.93</b>   | <b>0.00</b>     | <b>0.00</b>  | <b>0.05</b>        | <b>0.01</b>         |
| Wells Fargo 100% Treasury Money Market | 391,626           | 0.93          | 0.00            | 0.00         | 0.05               | 0.01                |

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<br>As of<br>01/01/2021 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|-----------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund      | 41,250,710                          | (191,564) | 942,484                 | 42,001,629                          |

| YTD        | Market Value<br>As of<br>01/01/2021 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund | 41,250,710                          | (191,564) | 942,484                 | 42,001,629                          |

| Fiscal Year To Date | Market Value<br>As of<br>10/01/2020 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|---------------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund          | 37,387,757                          | 217,167   | 4,396,705               | 42,001,629                          |

| 1 Year     | Market Value<br>As of<br>04/01/2020 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund | 31,372,308                          | 614,181   | 10,015,140              | 42,001,629                          |



## Historical Hybrid Composition

| Benchmark Allocation          | Weight (%) |
|-------------------------------|------------|
| <b>Oct-2017</b>               |            |
| Russell 3000 Index            | 55.0       |
| Blmbg. Barc. 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. Barc. U.S. Aggregate   | 40.0       |





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



## Asset Allocation &amp; Performance

|   | Allocation        |               | Performance(%)  |              |                    |                     |
|---|-------------------|---------------|-----------------|--------------|--------------------|---------------------|
|   | Market Value (\$) | %             | Current Quarter | Year To Date | Trailing 12-months | Fiscal Year To Date |
| <b>Total Fund</b>                             | <b>4,992,765</b>  | <b>100.00</b> | <b>2.11</b>     | <b>2.11</b>  | <b>28.42</b>       | <b>8.78</b>         |
| Blended Benchmark                             |                   |               | 1.99            | 1.99         | 32.25              | 11.50               |
| <b>Domestic Equity</b>                        | <b>2,099,158</b>  | <b>42.04</b>  | <b>6.43</b>     | <b>6.43</b>  | <b>62.73</b>       | <b>22.06</b>        |
| Vanguard Total Stock Market Index             | 2,099,158         | 42.04         | 6.43            | 6.43         | 62.73              | 22.06               |
| <i>Russell 3000 Index</i>                     |                   |               | 6.35            | 6.35         | 62.53              | 21.96               |
| <b>International Equity</b>                   | <b>874,183</b>    | <b>17.51</b>  | <b>3.94</b>     | <b>3.94</b>  | <b>52.82</b>       | <b>21.51</b>        |
| Vanguard Total International Stock Index Fund | 874,183           | 17.51         | 3.94            | 3.94         | 52.82              | 21.51               |
| <i>MSCI AC World ex USA (Net)</i>             |                   |               | 3.49            | 3.49         | 49.41              | 21.10               |
| <b>Real Estate</b>                            | <b>158,121</b>    | <b>3.17</b>   | <b>8.70</b>     | <b>8.70</b>  | <b>36.54</b>       | <b>18.76</b>        |
| Vanguard Real Estate Index Fund               | 158,121           | 3.17          | 8.70            | 8.70         | 36.54              | 18.76               |
| <i>FTSE NAREIT Equity REIT Index</i>          |                   |               | 8.87            | 8.87         | 37.78              | 21.47               |
| <b>Fixed Income</b>                           | <b>1,855,297</b>  | <b>37.16</b>  | <b>-3.61</b>    | <b>-3.61</b> | <b>0.52</b>        | <b>-2.98</b>        |
| Vanguard Total Bond Market Index              | 1,855,297         | 37.16         | -3.61           | -3.61        | 0.52               | -2.98               |
| <i>Blmbg. Barc. U.S. Aggregate</i>            |                   |               | -3.38           | -3.38        | 0.71               | -2.73               |
| <b>Cash Equivalent</b>                        | <b>6,005</b>      | <b>0.12</b>   | <b>0.00</b>     | <b>0.00</b>  | <b>0.07</b>        | <b>0.04</b>         |
| Wells Fargo 100% Treasury Money Market        | 6,005             | 0.12          | 0.00            | 0.00         | 0.07               | 0.04                |
| <i>ICE BofAML 3 Month U.S. T-Bill</i>         |                   |               | 0.02            | 0.02         | 0.12               | 0.05                |

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<br>As of<br>01/01/2021 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|-----------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund      | 4,889,666                           | (717)     | 103,816                 | 4,992,765                           |

| YTD        | Market Value<br>As of<br>01/01/2021 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund | 4,889,666                           | (717)     | 103,816                 | 4,992,765                           |

| Fiscal Year To Date | Market Value<br>As of<br>10/01/2020 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|---------------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund          | 3,278,150                           | 1,289,487 | 425,129                 | 4,992,765                           |

| 1 Year     | Market Value<br>As of<br>04/01/2020 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>03/31/2021 |
|------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| Total Fund | 2,783,081                           | 1,281,190 | 928,494                 | 4,992,765                           |



**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. Barc. U.S. Aggregate   | 40.0       |



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