



## Fort Lauderdale, Florida



## Investment Performance Review For the Quarter Ended June 30, 2021

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Sean Gannon, CTP, Senior Managing Consultant

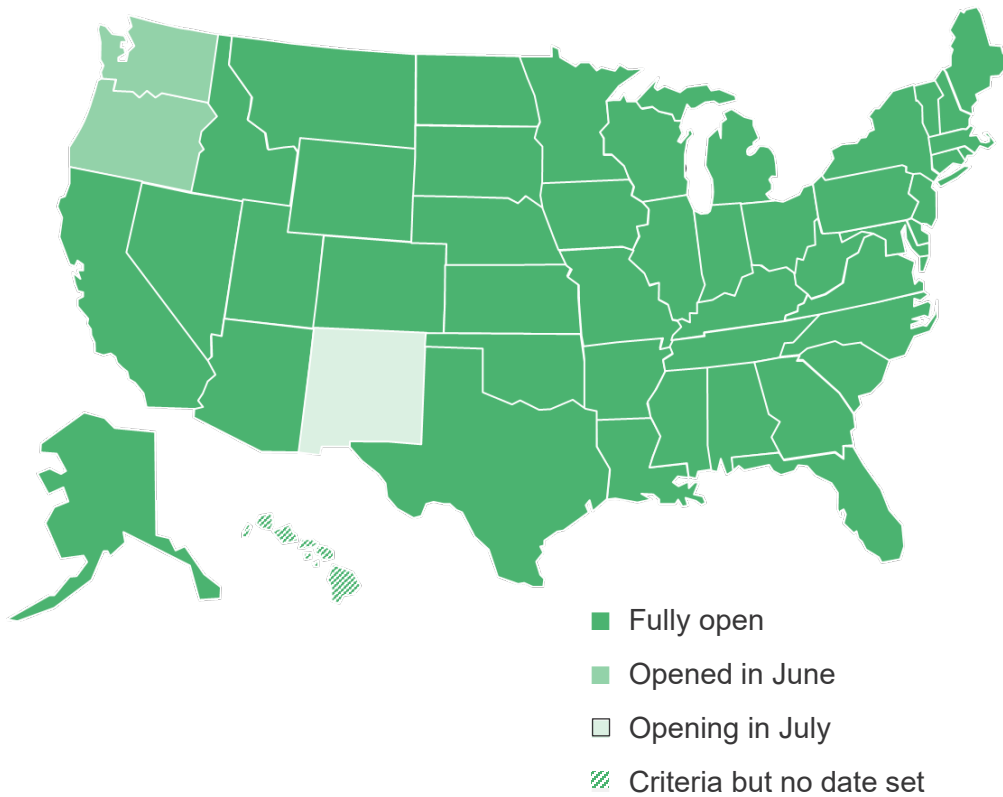
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### Reopening Economy Drives GDP Growth

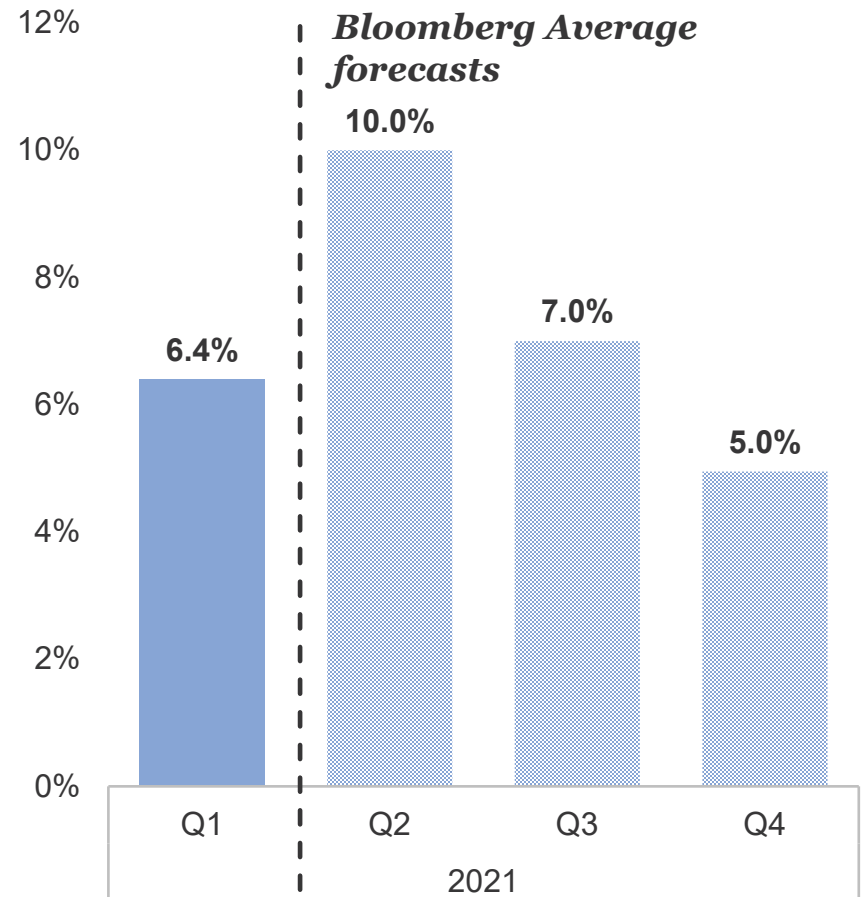
#### Reopening Status of U.S. States



#### U.S. GDP Forecasts

Annualized Rate

*Bloomberg Average forecasts*



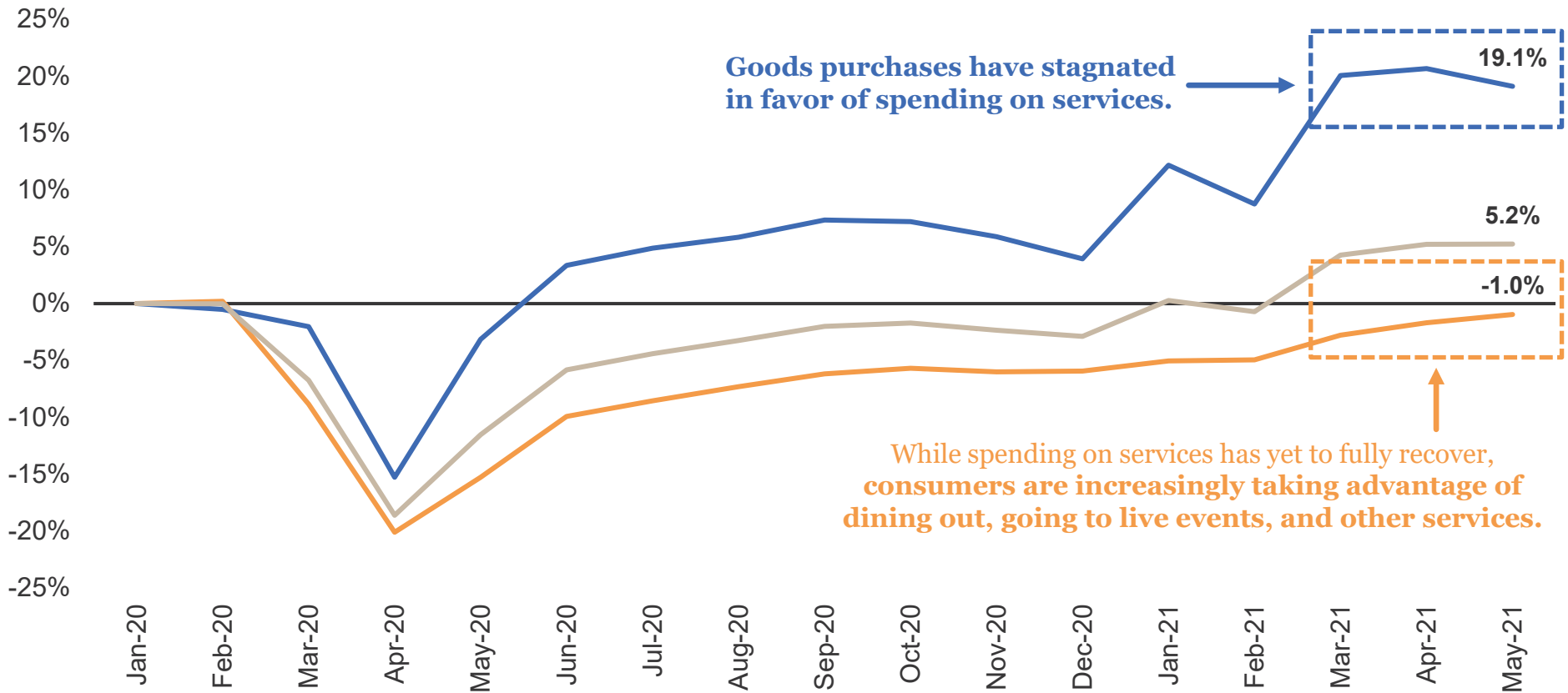
Sources: New York Times (left) and Bloomberg (right), Bureau of Economic Analysis, as of June 30, 2021.

## Consumer Spending Experiencing a Shift to Services

### Personal Consumption Expenditures (MoM)

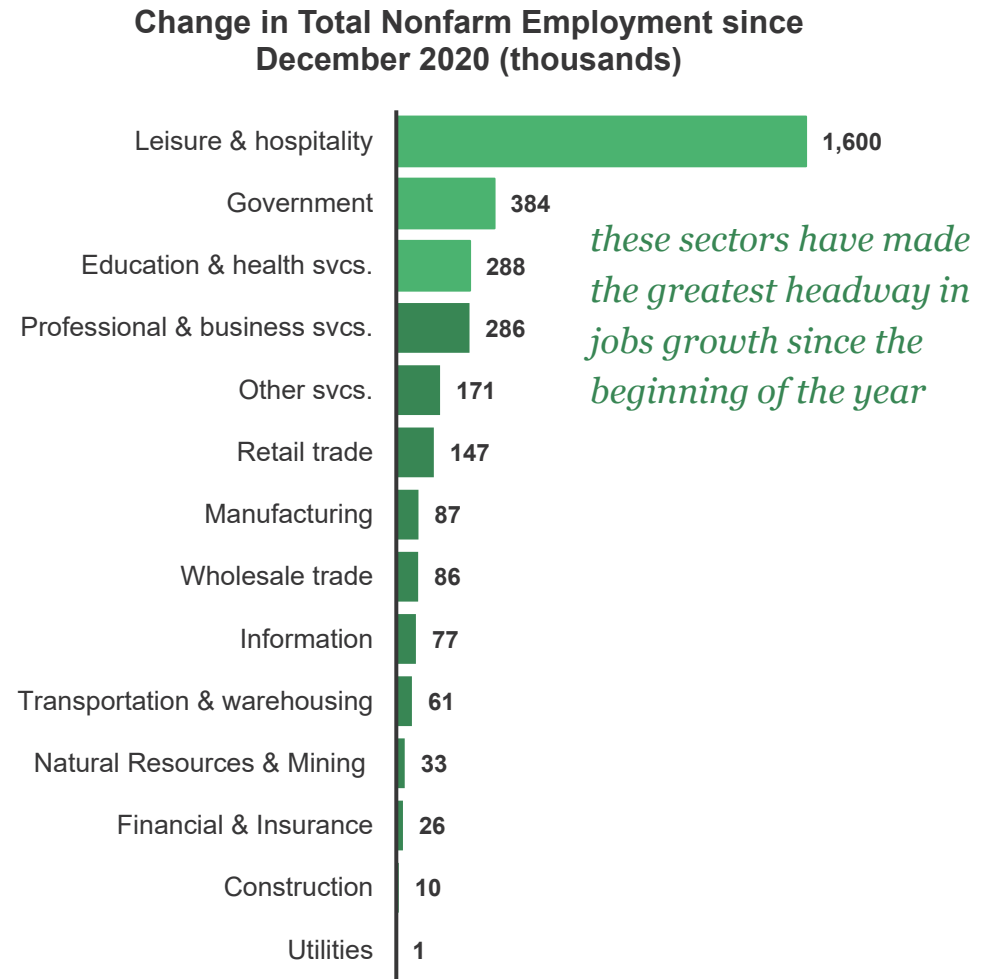
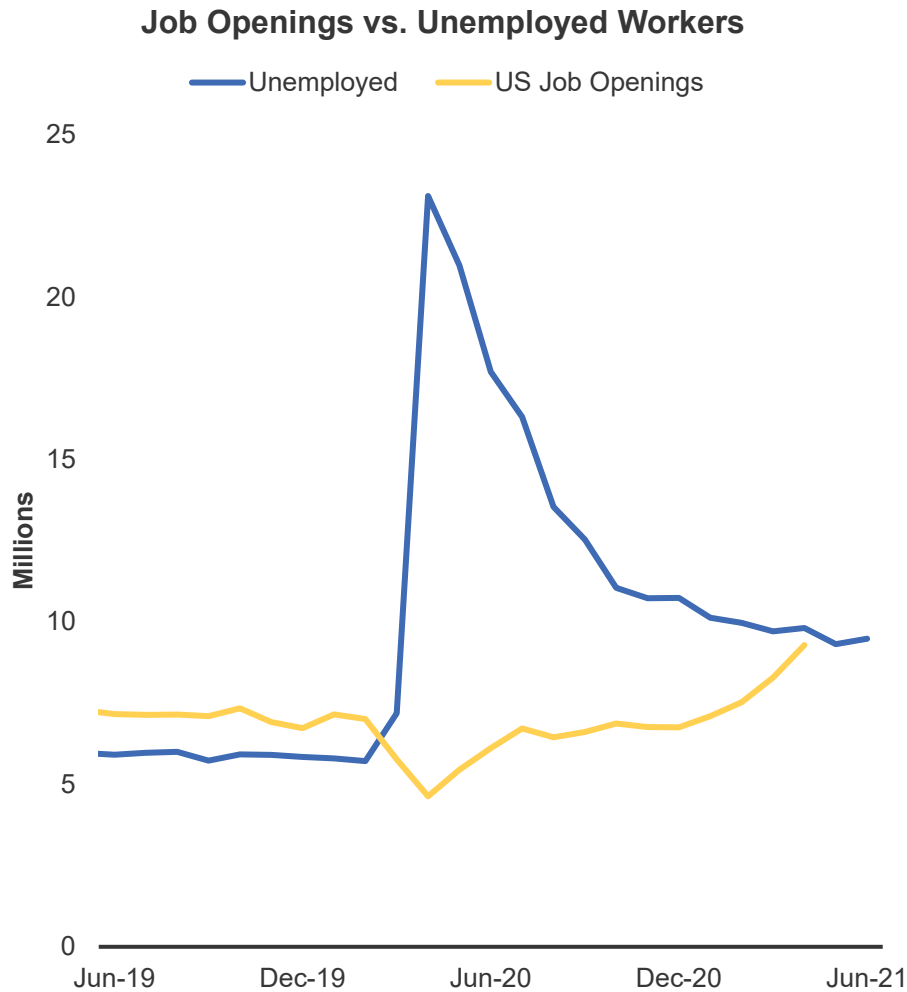
Normalized as of January 31, 2020

— Goods — Services — Total



Source: Bloomberg, Bureau of Economic Analysis, as of June 30, 2021.

## Job Openings Hit Record High; Service Sector Leads Jobs Recovery



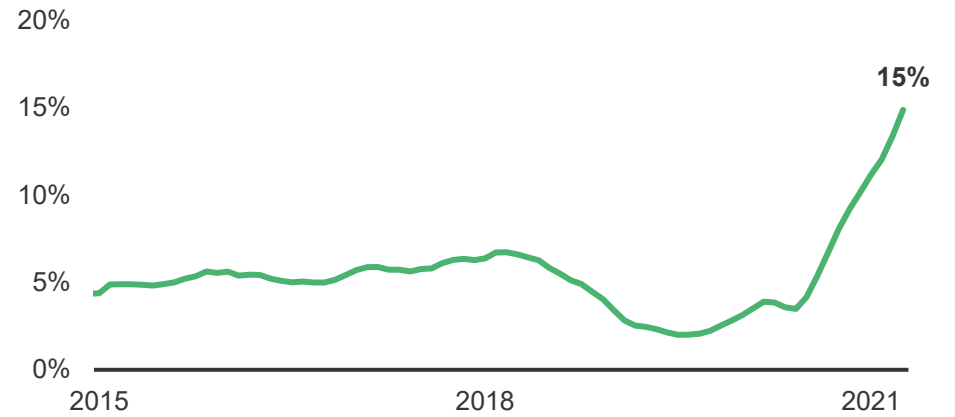
Source: Bloomberg, Bureau of Labor Statistics, as of June 30, 2021.

## Low Mortgage Rates Support Home Price Surge

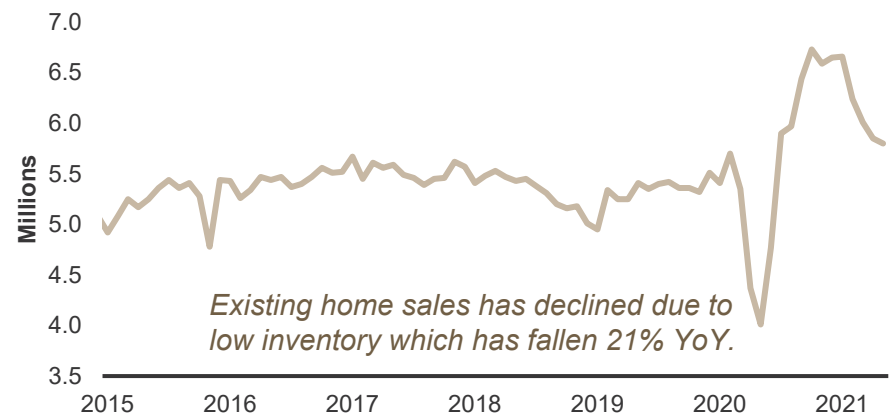
### Freddie Mac US Mortgage 30-Year Commitment Rates



### Change in National Home Price Index (YoY)



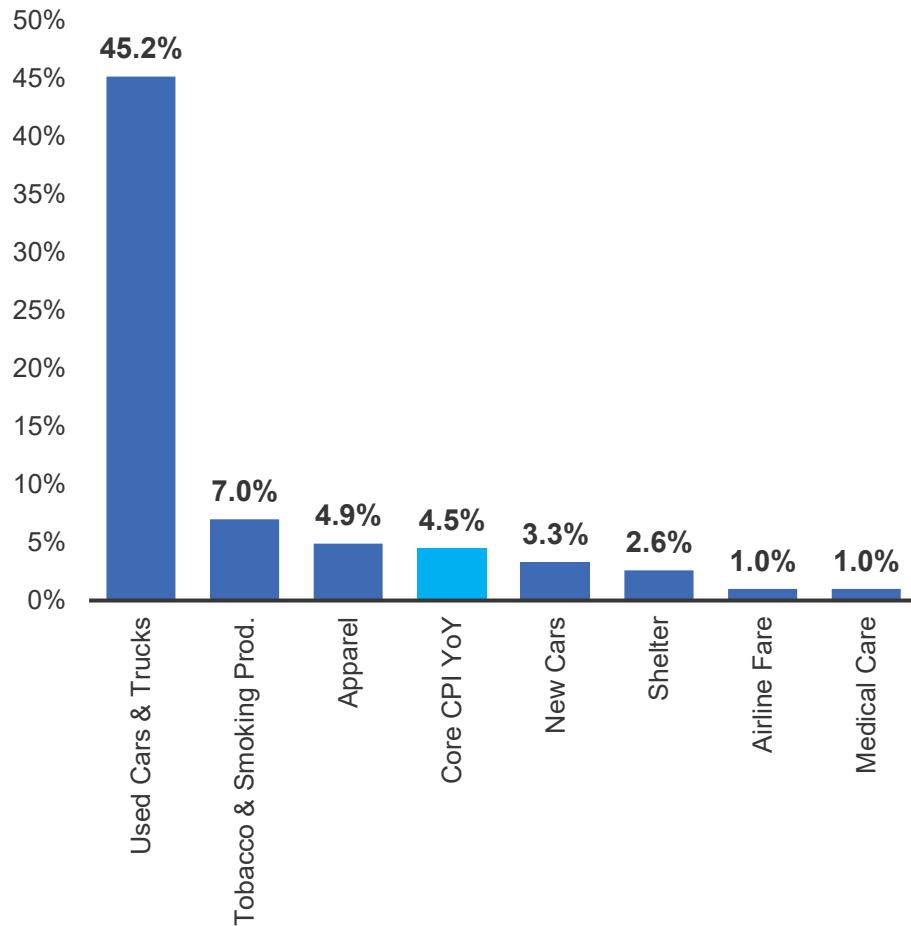
### Existing Home Sales (SAAR)



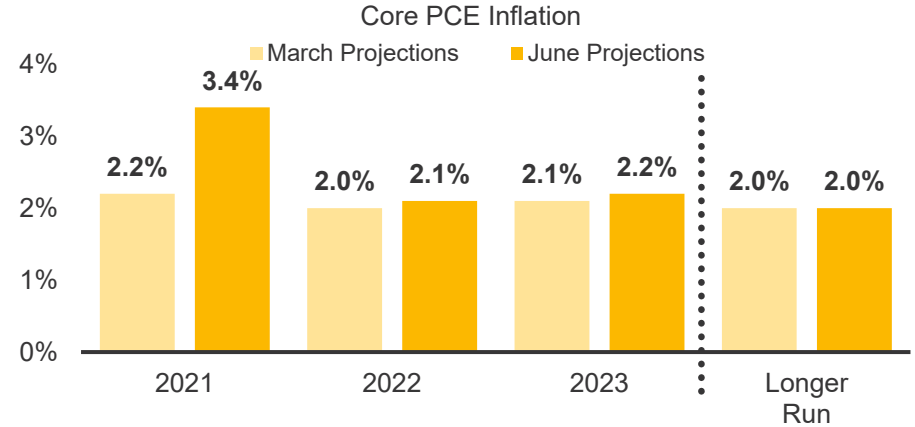
Source: Freddie Mac Commitment Rates (left), S&P/Case-Shiller (top right), National Association of REALTORS (bottom right). Bloomberg, most recent data as of June 30, 2021.

## Inflation Strengthens, But Driven by a Few Key Sectors

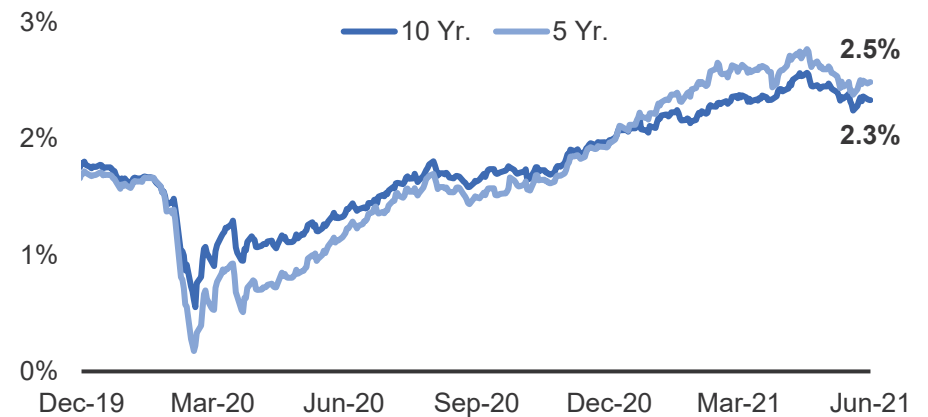
**YOY Price Change in Key Consumer Price Index Components (June 2021)**



**Federal Reserve Projections**



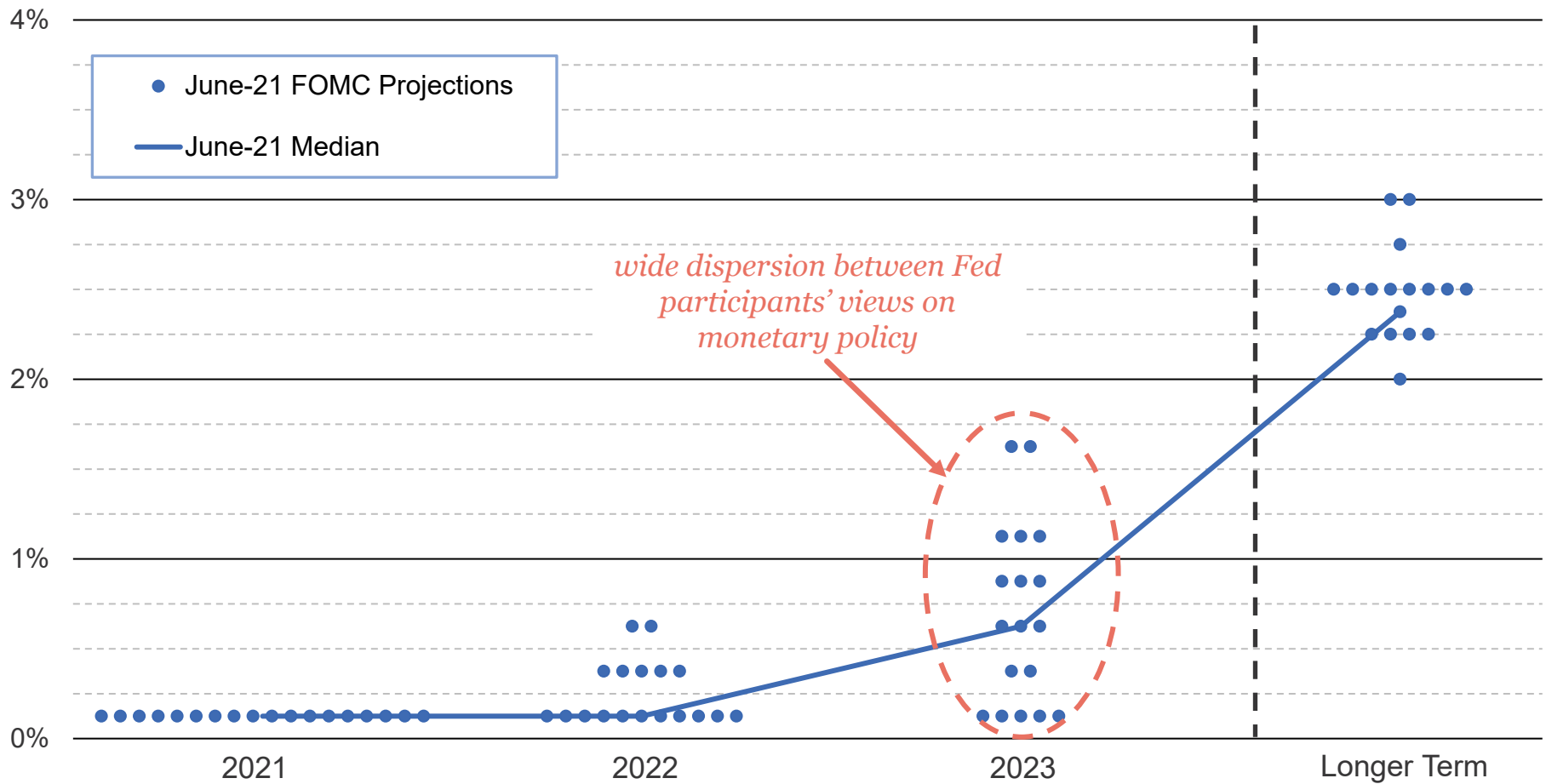
**Breakeven Inflation Rates**



Source: Bloomberg, as of June 30, 2021.

### Fed's "Dot Plot" Reflects Evolving Monetary Policy Views

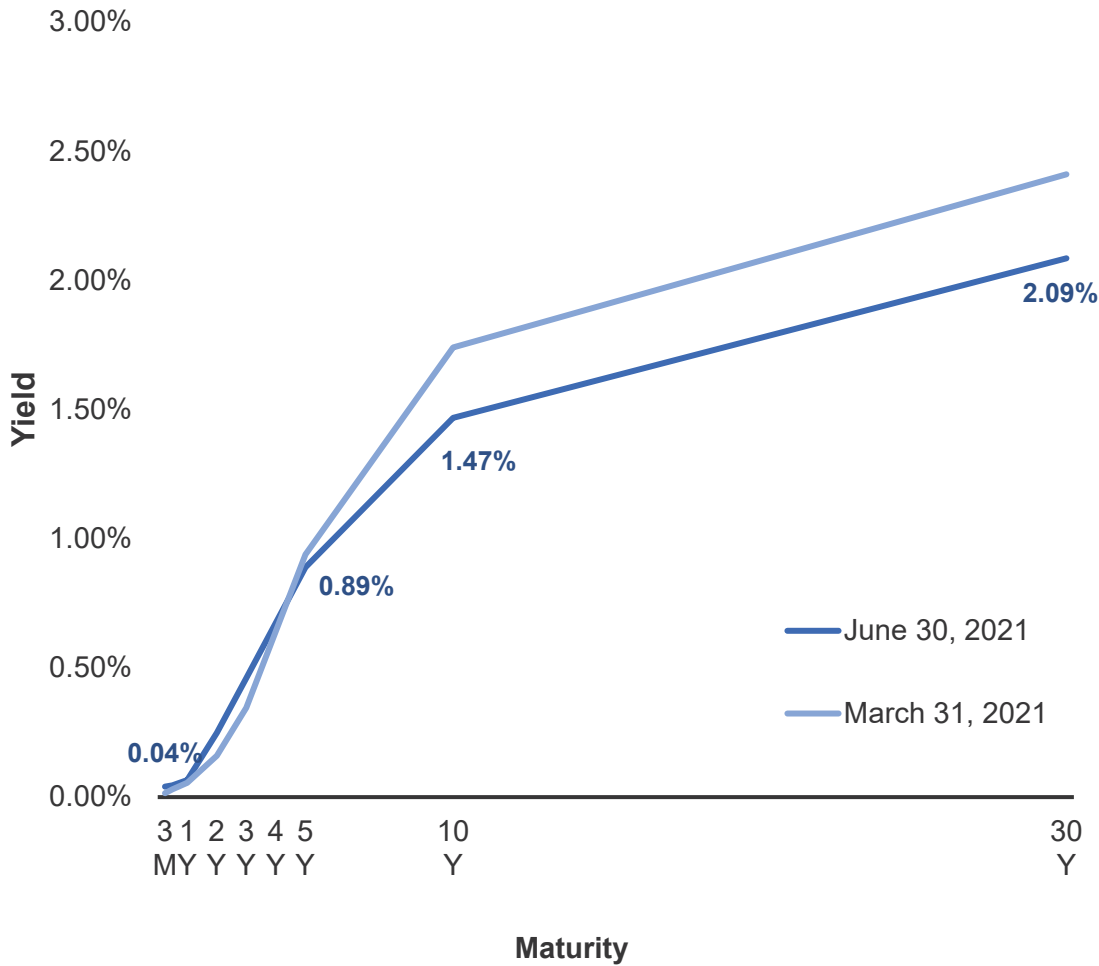
#### Fed Participants' Assessments of 'Appropriate' Monetary Policy



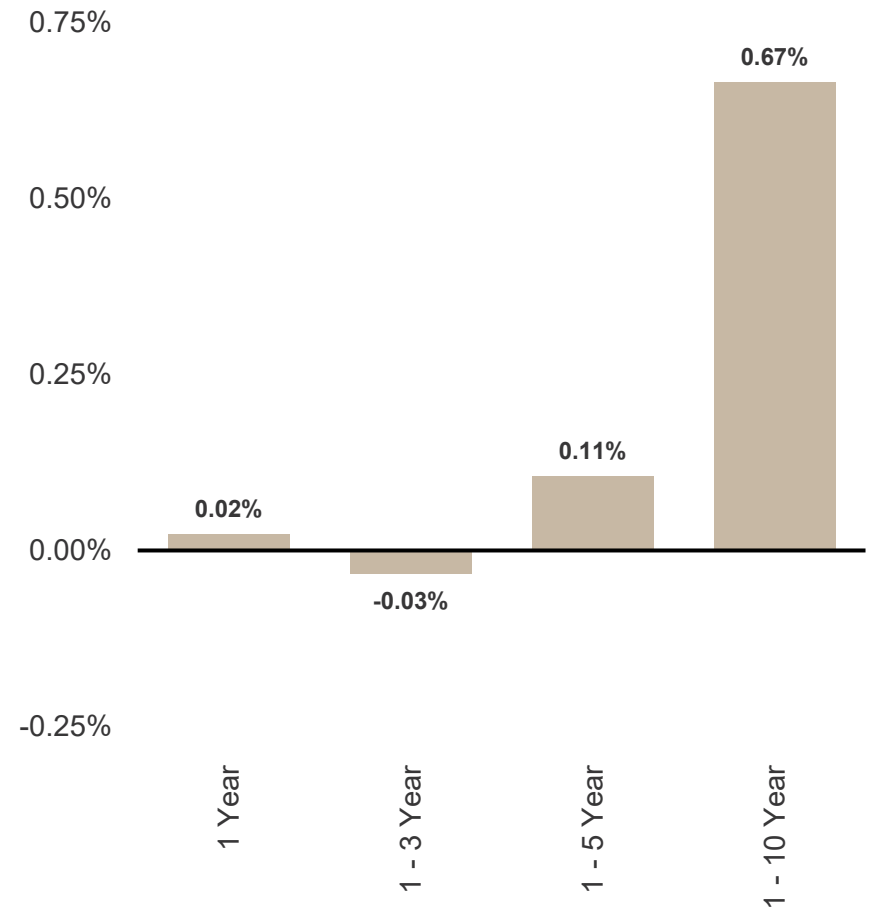
Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end.

### Yield Curve Moves Have Differing Impacts on Performance

#### U.S. Treasury Yield Curve



#### 2021 U.S. Treasury Returns (2Q 2021)

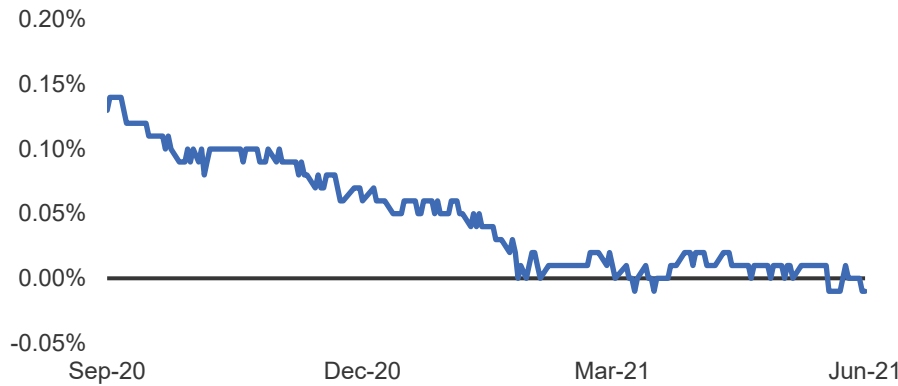


Source: Bloomberg, as of June 30, 2021.

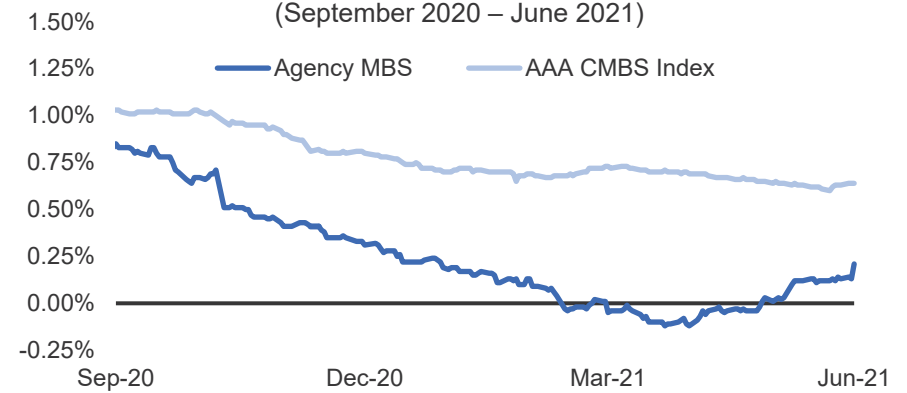


## Spread Sectors Remain Near Record Tight Levels (1-5 Year)

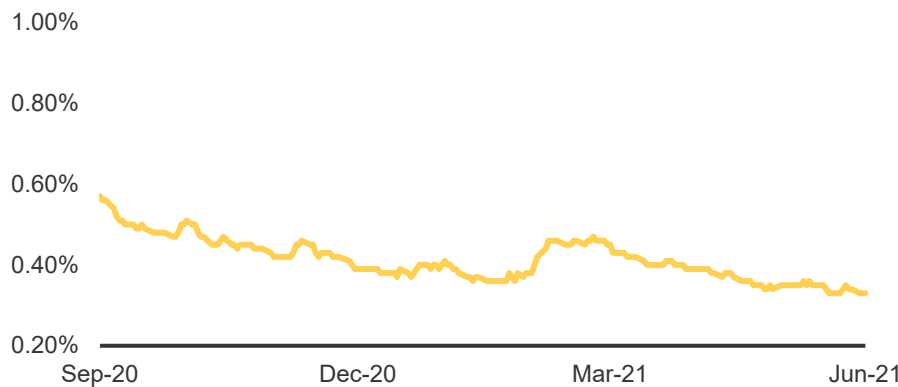
**Federal Agency Yield Spreads**  
(September 2020 – June 2021)



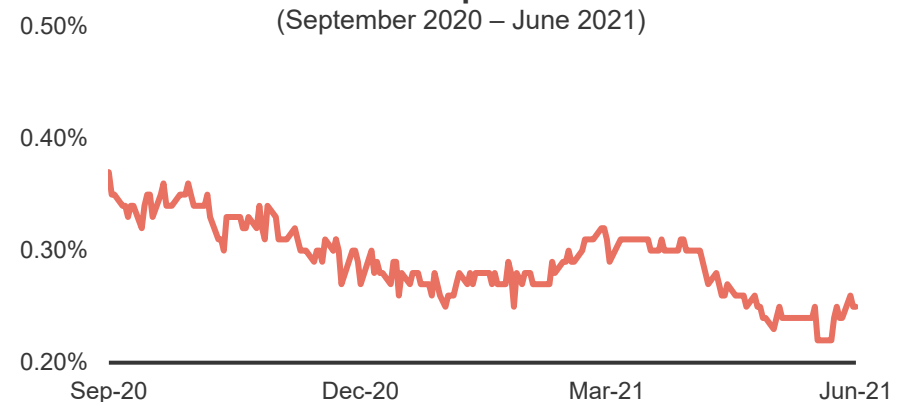
**Mortgage-Backed Securities (MBS) Yield Spreads**  
(September 2020 – June 2021)



**Corporate Notes A-AAA Yield Spreads**  
(September 2020 – June 2021)



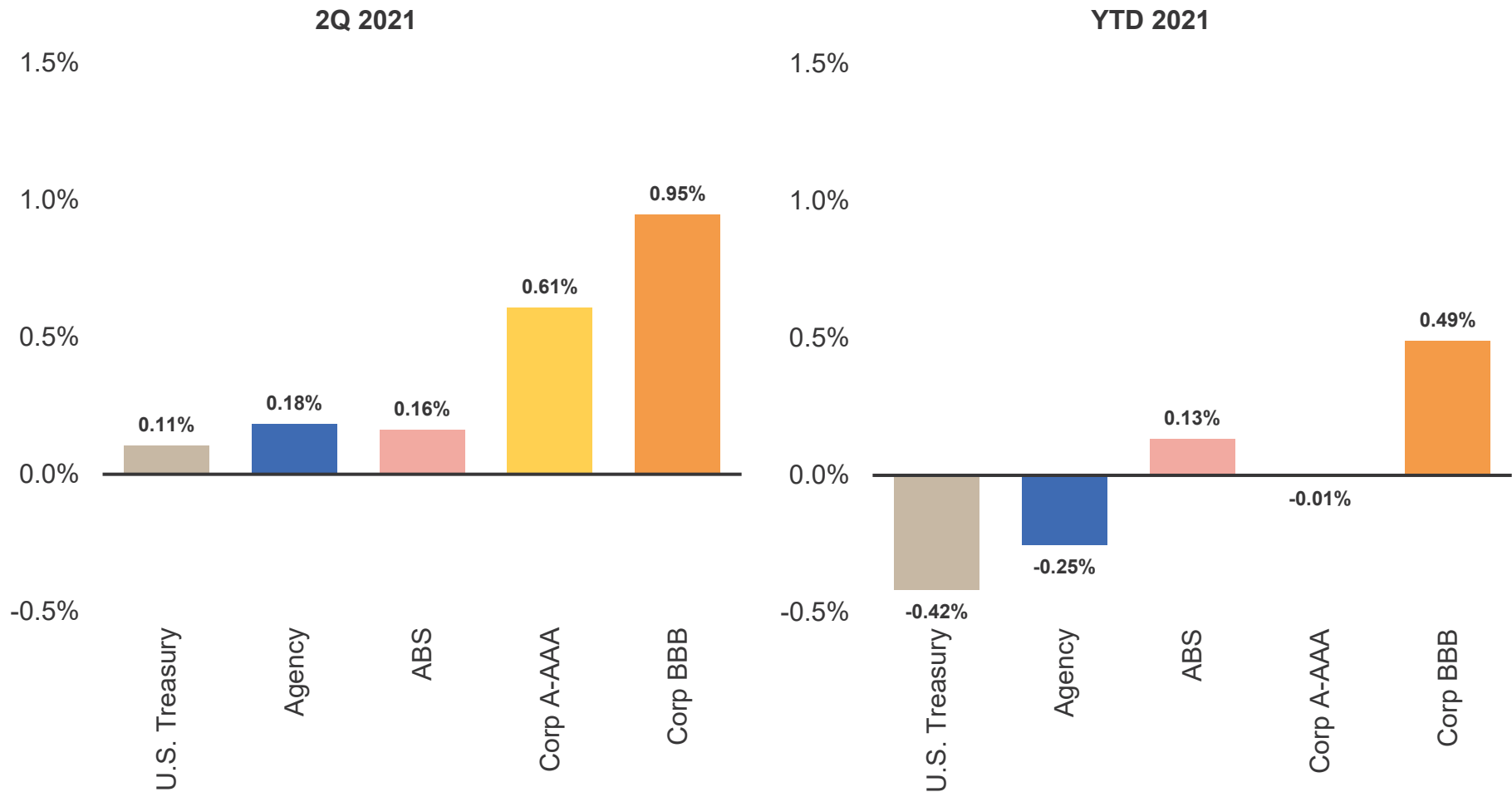
**Asset-Backed Securities (ABS) Yield Spreads**  
(September 2020 – June 2021)



Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess and PFM as of June 30, 2021. 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.

## Strong Second Quarter Returns; Mixed Performance Year-to-Date

### 1-5 Year Indices



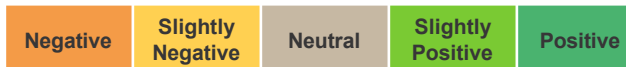
Source: ICE BofAML Indices. ABS indices are 0-5 year, based on weighted average life. As of June 30, 2021.

### Fixed Income Sector Outlook – July 2021

Sector	Our Investment Preferences	Comments
<b>COMMERCIAL PAPER / CD</b>		<ul style="list-style-type: none"> <li>Commercial paper and CD rates began to rise off historical lows after the Fed increased the IOER and RRP rates. However, issuance remained light around the end of Q2. Pockets of opportunity may present themselves over the next several months.</li> </ul>
<b>TREASURIES</b>		
<b>T-Bill</b>		<ul style="list-style-type: none"> <li>T-Bill yields saw some upward pressure towards the end of June, as the Federal Reserve increased two key ultra short-term rates; it is expected that these levels will maintain into the third quarter.</li> </ul>
<b>T-Note</b>		<ul style="list-style-type: none"> <li>While the Treasury yield curve continued to flatten during June – particularly between the 2-year and 10-year – it is possible the move was overdone and will at least partially unwind moving into the 3<sup>rd</sup> quarter. The market expects both yields to rise and the yield curve to steepen throughout the rest of 2021.</li> </ul>
<b>FEDERAL AGENCIES</b>		
<b>Bullets</b>		<ul style="list-style-type: none"> <li>Agency bullet spreads tightened slightly as Treasury yields rose in the 1-5 year area of the curve in June. With agencies trading in line with, or even through, Treasury yields and supply expected to remain subdued, the sector is unlikely to provide material added value over the coming months.</li> </ul>
<b>Callables</b>		
<b>SUPRANATIONALS</b>		<ul style="list-style-type: none"> <li>Supra spreads narrowed by the end of Q2. The seasonal slowdown in issuance this summer will limit opportunities in the sector over the near-term, as the new issue market has been the best entry point into the sector over the last several months. As a result, spreads will likely remain tight until issuance picks back up.</li> </ul>
<b>CORPORATES</b>		
<b>Financials</b>		<ul style="list-style-type: none"> <li>Corporate spreads remain at record tight, despite a more hawkish tone from the June Fed meeting. Demand for credit is likely to remain strong, though valuations are rich. Accommodative monetary policy, along with a positive turn in rating trends, should continue to ensure favorable financing conditions. New issues are expected to provide the bulk of any opportunities, as valuations across the secondary market remain rich.</li> </ul>
<b>Industrials</b>		
<b>SECURITIZED</b>		
<b>Asset-Backed</b>		<ul style="list-style-type: none"> <li>ABS spreads tightened in June, reaching record tight for both autos and credit cards issues. Issuance in June was the heaviest month so far in 2021. Delinquency rates and net losses remain below expectations. Fiscal stimulus and improving employment figures may push back any increases to later in 2021 or beyond.</li> </ul>
<b>Agency Mortgage-Backed</b>		<ul style="list-style-type: none"> <li>MBS spreads are tight, but recently found some reprieve. While prepayments are elevated, they are on a considerable slowing path and this trend is expected to continue. Lower coupon passthroughs, most susceptible to duration extension, are likely to trail Treasuries as rates moves higher. With valuations slightly more reasonable, the sector may present better opportunities than in recent quarters.</li> </ul>
<b>Agency CMBS</b>		<ul style="list-style-type: none"> <li>CMBS returns have held up well throughout the quarter. As spreads have tightened, the relative value proposition has waned, suggesting a gradual reduction in exposure.</li> </ul>
<b>MUNICIPALS</b>		<ul style="list-style-type: none"> <li>While the pace of taxable issuances has slowed, overall supply remains robust, but valuations are expensive for both new issuances and secondary markets. Both selective additions and opportunistic selling may be warranted.</li> </ul>

● Current outlook

○ Outlook one month ago



- 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 0.14% outperformed the benchmark performance of 0.11% by 0.03%. In the last 12 months, the portfolio returned 0.36%, outperforming the benchmark's performance of -0.27% by 0.63%.
- Economic conditions during Q2 were characterized by the following:
  - Dramatically lower COVID-19 caseload as **vaccine inoculations ramped up**, balanced with waning vaccine demand and the emergence of more infectious variants,
  - Strong consumer-oriented economic data supported by **ongoing fiscal stimulus measures**,
  - **Elevated inflation figures** fueled by surging economic activity amid labor and supply chain shortages,
  - A late-quarter **hawkish pivot** from the Federal Reserve, as anticipation of bond purchase tapering gained traction and the timeline for expected rate hikes was pulled forward, and
  - The largest increase in bottom-up corporate earnings estimates in nearly 20 years which propelled major **U.S. stock indexes to new all-time highs**.
- The U.S. Treasury yield curve flattened modestly over the quarter as longer-term yields retraced some of their significant moves higher in Q1. Shorter-term maturities inched higher off rock-bottom lows. Nevertheless, short-term rates (maturities less than two years) remain near historically low levels. Despite the decline in yields on longer-term maturities (greater than seven years) of 10 to 20 basis points (0.10% to 0.20%) over the quarter, the curve remains relatively steep.
  - As a result, short-term U.S. Treasury index returns were flat to slightly negative for the quarter, while longer-duration indices posted strong, positive returns on the flatter yield curve.
- The strong U.S. economic expansion is expected to persist, aided by vaccine-driven reopening, pent-up consumer demand, and continued fiscal and monetary support. 2021 GDP expectations have been revised upward, with current forecasts pointing to an annualized 6% growth this year. Despite these projections, growing inflationary pressures may force the Federal Reserve's hand when considering tapering its bond purchases and, ultimately, future rate increases. Given balanced risks, we plan to maintain portfolio durations in-line with respective benchmarks as we continue to monitor the economic recovery.
- Diversification across permitted investments will remain a key element of our strategy, with a continued focus on income as a key driver of return.

<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>\$ 277,252,803</b>	<b>0.11%</b>	<b>0.29%</b>	<b>0.51%</b>	
<i>S&amp;P GIP All Gross Yield Index</i>		<i>0.03%</i>	<i>0.12%</i>	<i>0.20%</i>	
<b>CRA Funds</b>	<b>\$ 55,726,037</b>	<b>0.03%</b>	<b>0.10%</b>	<b>0.38%</b>	
<i>S&amp;P GIP All Gross Yield Index</i>		<i>0.03%</i>	<i>0.12%</i>	<i>0.20%</i>	
<b>Fixed Income Investment Portfolio - PFM</b>	<b>\$ 315,010,933</b>	<b>0.14%</b>	<b>0.01%</b>	<b>0.36%</b>	
<i>ICE BofAML 1-5 Year U.S. Treasury Index</i>		<i>0.11%</i>	<i>-0.40%</i>	<i>-0.27%</i>	
<b>Total City of Fort Lauderdale Funds<sup>2</sup></b>	<b>\$ 647,989,774</b>	<b>0.12%</b>	<b>0.14%</b>	<b>0.42%</b>	
<i>City of Fort Lauderdale Blended Benchmark</i>		<i>0.07%</i>	<i>-0.13%</i>	<i>-0.03%</i>	
<b>Bond Proceeds<sup>3</sup></b>	<b>\$ 257,201,602</b>	<b>0.06%</b>	<b>0.22%</b>	<b>0.36%</b>	
<b>OPEB Trust Funds</b>	<b>\$ 49,040,130</b>	<b>5.62%</b>	<b>17.49%</b>	<b>23.29%</b>	<b>7.00%</b>
<i>Benchmark</i>		<i>5.31%</i>	<i>17.42%</i>	<i>23.36%</i>	
<b>Cemetery Trust Fund<sup>4</sup></b>	<b>\$ 33,725,065</b>	<b>4.85%</b>	<b>16.08%</b>	<b>20.81%</b>	<b>5.00%</b>
<i>Benchmark</i>		<i>5.19%</i>	<i>13.43%</i>	<i>20.23%</i>	
<b>General Employees Retirement System<sup>4</sup></b>	<b>\$ 814,030,590</b>	<b>4.80%</b>	<b>23.80%</b>	<b>30.30%</b>	<b>7.00%</b>
<i>Benchmark</i>		<i>5.10%</i>	<i>22.10%</i>	<i>29.00%</i>	
<b>Police &amp; Fire Retirement System<sup>4</sup></b>	<b>\$ 1,157,538,549</b>	<b>3.93%</b>	<b>17.85%</b>	<b>22.44%</b>	<b>7.30%</b>
<i>Benchmark</i>		<i>5.10%</i>	<i>19.34%</i>	<i>24.82%</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 June 30, 2021.

	<b>Market Value as of June 30, 2021</b>	<b>Percent of Portfolio</b>	<b>Market Value as of March 31, 2021</b>	<b>Percent of Portfolio</b>
<b><i>Funds Held for Liquidity</i></b>				
CitiBank - Health Ins	682,528	0.08%	659,702	0.07%
Wells Fargo - Wks Comp	220,477	0.02%	220,488	0.02%
Wells Fargo Govt Ckg - BMPO	1,017,251	0.11%	1,017,251	0.11%
Wells Fargo Master Account	22,461,154	2.48%	26,315,976	2.85%
Wells Fargo Utility Account	8,109,816	0.90%	8,041,612	0.87%
Wells Fargo CRA	19,050,103	2.10%	20,884,979	2.26%
Wells Fargo Police Evidence	838,584	0.09%	833,497	0.09%
<b>Total Funds for Liquidity</b>	<b>\$ 52,379,913</b>	<b>5.79%</b>	<b>\$ 57,973,505</b>	<b>6.28%</b>
<b><i>Funds Held for Investment</i></b>				
PFM Investment Portfolio	315,010,933	34.80%	314,576,848	34.09%
CRA City Self - Directed Account	21,294,434	2.35%	21,293,239	2.31%
CRA Central Beach	15,381,500	1.70%	20,422,435	2.21%
City Self - Directed Account	7,254,652	0.80%	7,254,187	0.79%
FMIT Subsidiary Accounts	133,870	0.01%	133,765	0.01%
FL CLASS	118,295,605	13.07%	118,268,406	12.81%
FL PALM	63,238,866	6.99%	63,228,809	6.85%
FL PALM TERM	55,000,000	6.08%	55,000,000	5.96%
<b>Total Funds for Investment</b>	<b>\$ 595,609,861</b>	<b>65.80%</b>	<b>\$ 600,177,689</b>	<b>65.03%</b>
<b><i>Bond Proceeds</i></b>				
Water & Sewer Bond 2018	92,960,532	10.27%	\$ 98,222,801	10.64%
Parks 2020-A	59,367,301	6.56%	61,106,953	6.62%
Public Safety 2020-B	99,452,916	10.99%	99,915,029	10.83%
FMIT G.O. Series 2011-A	5,420,853	0.60%	5,514,684	0.60%
<b>Total Bond Proceeds</b>	<b>\$ 257,201,602</b>	<b>28.41%</b>	<b>\$ 264,759,467</b>	<b>28.69%</b>
<b>Grand Total</b>	<b>\$ 905,191,376</b>	<b>100.00%</b>	<b>\$ 922,910,661</b>	<b>100.00%</b>

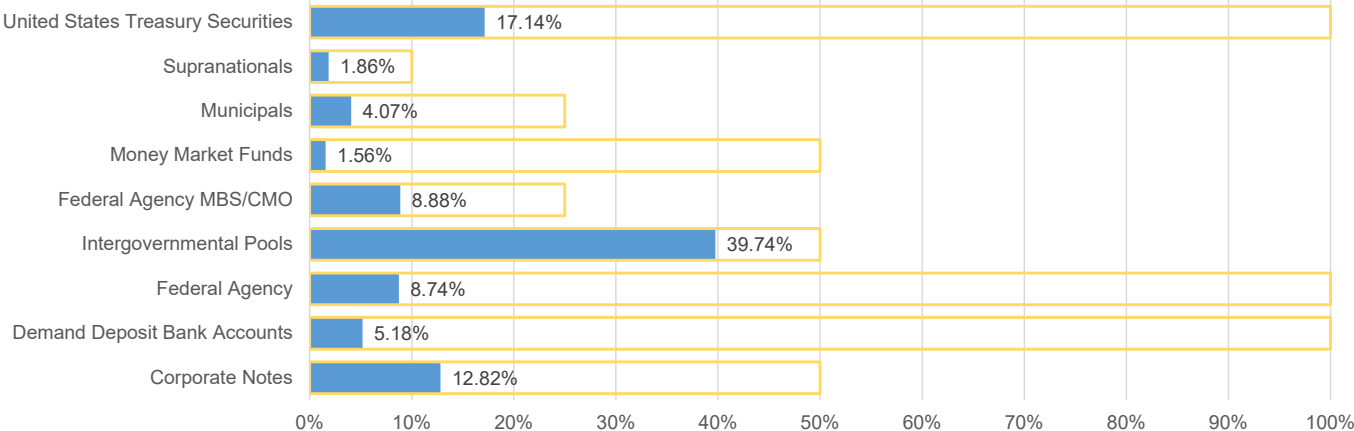
## Notes:

1. Market Values plus accrued interest as of June 30, 2021 and March 31, 2021 are derived from their respective statements from Wells Fargo, PFM, City National, or FMIT.
2. 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 June 30, 2021</u>	<u>Percent of Portfolio June 30, 2021</u>	<u>Yield to Market as of March 31, 2021</u>	<u>Percent of Portfolio March 31, 2021</u>
<b><u>Funds Held for Liquidity</u></b>				
CitiBank - Health Ins	0.00%	0.08%	0.00%	0.07%
Wells Fargo - Wks Comp	0.06%	0.02%	0.06%	0.02%
Wells Fargo Govt Ckg - BMPO	0.06%	0.11%	0.06%	0.11%
Wells Fargo Master Account	0.06%	2.48%	0.06%	2.85%
Wells Fargo Utility Account	0.00%	0.90%	0.00%	0.87%
Wells Fargo CRA	0.06%	2.10%	0.06%	2.26%
Wells Fargo Police Evidence	0.00%	0.09%	0.00%	0.09%
<b>Total Funds for Liquidity</b>	<b>0.05%</b>	<b>5.79%</b>	<b>0.05%</b>	<b>6.28%</b>
<b><u>Funds Held for Investment</u></b>				
PFM Investment Portfolio	0.84%	34.80%	0.84%	34.09%
CRA City Self - Directed Account	0.02%	2.35%	0.03%	2.31%
CRA Central Beach	0.01%	1.70%	0.01%	2.21%
City Self - Directed Account	1.96%	0.80%	0.05%	0.79%
FMIT Subsidiary Accounts	0.40%	0.01%	0.40%	0.01%
FL CLASS	0.11%	13.07%	0.11%	12.81%
FL PALM	0.05%	6.99%	0.08%	6.85%
FL PALM TERM	0.15%	6.08%	0.15%	5.96%
<b>Total Funds for Investment</b>	<b>0.51%</b>	<b>65.80%</b>	<b>0.49%</b>	<b>65.03%</b>
<b><u>Bond Proceeds</u></b>				
Water & Sewer Bond 2018	0.01%	10.27%	0.01%	10.64%
Parks 2020-A	0.08%	6.56%	0.10%	6.62%
Public Safety 2020-B	0.08%	10.99%	0.09%	10.83%
FMIT G.O. Series 2011-A	0.40%	0.60%	0.30%	0.60%
<b>Total Bond Proceeds</b>	<b>0.06%</b>	<b>28.41%</b>	<b>0.07%</b>	<b>28.69%</b>
<b>Total Average Yield</b>	<b>0.36%</b>	<b>100.00%</b>	<b>0.34%</b>	<b>100.00%</b>
<b><u>Benchmarks</u></b>				
	<b><u>June 30, 2021</u></b>		<b><u>March 31, 2021</u></b>	
S&P GIP All 30 Day Gross Yield Index	0.10%		0.14%	
BofA Merrill Lynch 1-3 Year Treasury Index	0.25%		0.19%	
BofA Merrill Lynch 1-5 Year Treasury Index	0.41%		0.37%	

## Notes:

- Market Values plus accrued interest as of June 30, 2021 and March 31, 2021 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	76,342,880.43	12.82%	50%	Yes
Demand Deposit Bank Accounts	30,871,676.64	5.18%	100%	Yes
Federal Agency	52,083,622.48	8.74%	100%	Yes
Florida Prime (SBA)	-	-	25%	Yes
Intergovernmental Pools	236,668,341.65	39.74%	50%	Yes
Federal Agency MBS/CMO	52,893,303.80	8.88%	25%	Yes
Money Market Funds	9,304,616.10	1.56%	50%	Yes
Municipals	24,265,921.30	4.07%	25%	Yes
Repurchase Agreements	-	-	20%	Yes
Supranationals	11,088,037.59	1.86%	10%	Yes
United States Treasury Securities	102,091,460.85	17.14%	100%	Yes
<b>Total</b>	<b>595,609,860.84</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	2,814,992.05	0.47%	5%	Yes
CORPORATE NOTE	AMERICAN HONDA FINANCE	2,760,987.65	0.46%	5%	Yes
CORPORATE NOTE	APPLE INC	2,477,680.97	0.42%	5%	Yes
CORPORATE NOTE	BRANCH BANKING & TRUST	2,105,006.59	0.35%	5%	Yes
CORPORATE NOTE	CHEVRON CORP	1,983,860.19	0.33%	5%	Yes
CORPORATE NOTE	CITIGROUP INC	2,182,514.23	0.37%	5%	Yes
CORPORATE NOTE	GOLDMAN SACHS GROUP INC	2,198,476.22	0.37%	5%	Yes
CORPORATE NOTE	MORGAN STANLEY	2,388,558.14	0.40%	5%	Yes
CORPORATE NOTE	TOYOTA MOTOR CREDIT CORP	5,975,703.87	1.00%	5%	Yes
CORPORATE NOTE	WELLS FARGO BANK NA	932,759.24	0.16%	5%	Yes
CORPORATE NOTE	WALT DISNEY COMPANY/THE	2,316,049.50	0.39%	5%	Yes
CORPORATE NOTE	JOHN DEERE CAPITAL CORP	2,205,256.46	0.37%	5%	Yes
CORPORATE NOTE	INTEL CORP	826,333.56	0.14%	5%	Yes
CORPORATE NOTE	CATERPILLAR FINANCIAL SERVICES CORP	2,558,533.79	0.43%	5%	Yes
CORPORATE NOTE	PACCAR FINANCIAL CORP	2,456,626.03	0.41%	5%	Yes
CORPORATE NOTE	PEPSICO INC	655,889.00	0.11%	5%	Yes
CORPORATE NOTE	UNILEVER CAPITAL CORP	1,527,906.11	0.26%	5%	Yes
CORPORATE NOTE	UNITED PARCEL SERVICE	790,895.50	0.13%	5%	Yes
CORPORATE NOTE	BANK OF AMERICA CORP	3,412,994.84	0.57%	5%	Yes
CORPORATE NOTE	HOME DEPOT INC	1,444,016.47	0.24%	5%	Yes
CORPORATE NOTE	WAL-MART STORES INC	953,246.00	0.16%	5%	Yes
CORPORATE NOTE	CHARLES SCHWAB CORP	2,336,072.60	0.39%	5%	Yes
CORPORATE NOTE	JPMORGAN CHASE & CO	4,636,670.91	0.78%	5%	Yes
CORPORATE NOTE	BLACKROCK INC	1,990,364.88	0.33%	5%	Yes
CORPORATE NOTE	US BANK NA CINCINNATI	6,009,659.14	1.01%	5%	Yes
CORPORATE NOTE	HONEYWELL INTERNATIONAL	2,721,180.51	0.46%	5%	Yes
CORPORATE NOTE	BANK OF NY MELLON CORP	1,625,181.29	0.27%	5%	Yes
CORPORATE NOTE	AMAZON.COM INC	4,441,639.39	0.75%	5%	Yes
CORPORATE NOTE	PNC BANK NA	2,096,803.33	0.35%	5%	Yes
CORPORATE NOTE	COSTCO WHOLESALE CORP	764,610.17	0.13%	5%	Yes
CORPORATE NOTE	EMERSON ELECTRIC COMPANY	908,915.85	0.15%	5%	Yes
CORPORATE NOTE	KEY BANK NA	1,071,193.38	0.18%	5%	Yes
CORPORATE NOTE	EXXON MOBIL CORPORATION	887,376.25	0.15%	5%	Yes
CORPORATE NOTE	UNITEDHEALTH GROUP INC	1,576,267.92	0.26%	5%	Yes
CORPORATE NOTE	ADOBE INC	308,658.40	0.05%	5%	Yes
MBS / CMO	FANNIE MAE	28,149,735.87	4.73%	40%	Yes
MBS / CMO	FHLMC MULTIFAMILY STRUCTURED P	14,305,574.20	2.40%	40%	Yes
MBS / CMO	FREDDIE MAC	8,568,983.23	1.44%	40%	Yes
MBS / CMO	GOVERNMENT NATIONAL MORTGAGE ASSOC	1,869,010.50	0.31%	40%	Yes

Sector	Individual Issuer Breakdown	Market Value (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
US TSY BOND/NOTE	UNITED STATES TREASURY	102,091,460.85	17.14%	100%	Yes
SUPRANATL	ASIAN DEVELOPMENT BANK	5,009,509.49	0.84%	5%	Yes
SUPRANATL	INTER-AMERICAN DEVELOPMENT BANK	6,078,528.10	1.02%	5%	Yes
FED AGY BOND/NOTE	FANNIE MAE	23,466,353.24	3.94%	40%	Yes
FED AGY BOND/NOTE	FEDERAL HOME LOAN BANKS	7,374,989.41	1.24%	40%	Yes
FED AGY BOND/NOTE	FREDDIE MAC	20,509,290.24	3.44%	40%	Yes
FED AGY BOND/NOTE	TENN VALLEY AUTHORITY	732,989.59	0.12%	40%	Yes
MUNI BOND/NOTE	NEW YORK ST DORM AUTH ST PERSO	2,728,583.81	0.46%	5%	Yes
MUNI BOND/NOTE	NEW YORK NY	5,505,140.78	0.92%	5%	Yes
MUNI BOND/NOTE	SAN DIEGO COUNTY	811,437.55	0.14%	5%	Yes
MUNI BOND/NOTE	AZ TRAN BOARD TXBL REV BONDS	3,453,257.70	0.58%	5%	Yes
MUNI BOND/NOTE	MISSISSIPPI ST	378,298.23	0.06%	5%	Yes
MUNI BOND/NOTE	NEW YORK ST URBAN DEV CORP REV	3,129,717.03	0.53%	5%	Yes
MUNI BOND/NOTE	PORT AUTH OF NY/NJ TXBL REV BONDS	767,714.13	0.13%	5%	Yes
MUNI BOND/NOTE	FLORIDA ST BRD OF ADMIN FIN CO	2,017,276.10	0.34%	5%	Yes
MUNI BOND/NOTE	TAMPA WTR & WSTWTR SYS, FL TXBL REV BNDS	797,907.71	0.13%	5%	Yes
MUNI BOND/NOTE	MINNESOTA ST	639,190.40	0.11%	5%	Yes
MUNI BOND/NOTE	WI DEPT OF TRANS TXBL REV BONDS	2,022,777.90	0.34%	5%	Yes
MUNI BOND/NOTE	LOS ANGELES, CA	1,304,551.08	0.22%	5%	Yes
MUNI BOND/NOTE	SAN RAMON VALLEY, CA	710,068.88	0.12%	5%	Yes
INTERGOVERNMENTAL POOLS	FL CLASS	118,295,605.39	19.86%	25%	Yes
INTERGOVERNMENTAL POOLS	FMIT SUBSIDIARY ACCOUNTS	133,870.21	0.02%	25%	Yes
MNY MKT/MUTUAL FND	MONEY MARKET FUNDS	5,879,626.88	0.99%	25%	Yes
DEMAND DEPOSIT BANK ACCOUNT	BANK DEPOSITS	30,871,676.64	5.18%	100%	Yes
MNY MKT/MUTUAL FND	CASH BALANCE	3,424,989.22	0.58%	25%	Yes
INTERGOVERNMENTAL POOLS	FL PALM	118,238,866.05	19.85%	25%	Yes
<b>Total</b>		<b>595,609,860.84</b>	<b>100.00%</b>		

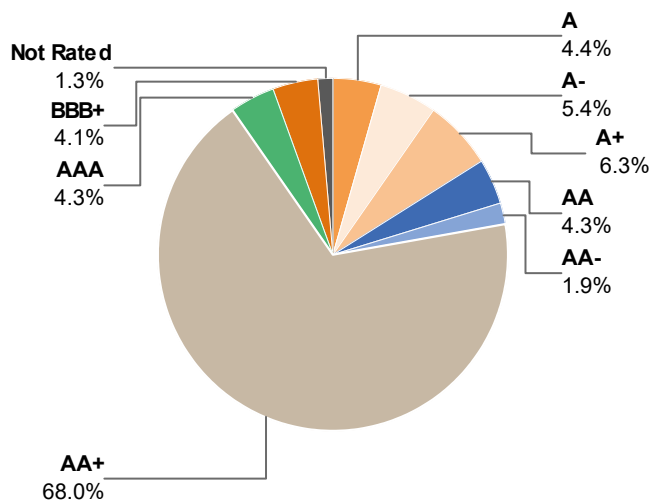
End of month trade-date market value of portfolio holdings, including accrued interest. This also includes CRA Self, Central Beach, Self-Directed, FL CLASS, FL PALM, and FMIT Subsidiary Account holdings.

**Portfolio Statistics**

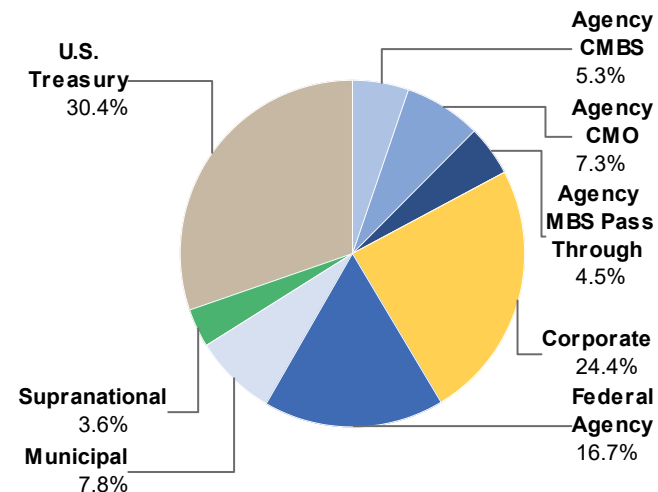
As of June 30, 2021

<b>Par Value:</b>	\$301,862,901
<b>Total Market Value:</b>	\$315,010,933
<b>Security Market Value:</b>	\$310,427,796
<b>Accrued Interest:</b>	\$1,158,148
<b>Cash:</b>	\$3,424,989
<b>Amortized Cost:</b>	\$305,160,208
<b>Yield at Market:</b>	0.81%
<b>Yield at Cost:</b>	1.62%
<b>Effective Duration:</b>	2.66 Years
<b>Average Maturity:</b>	4.35 Years
<b>Average Credit: *</b>	AA

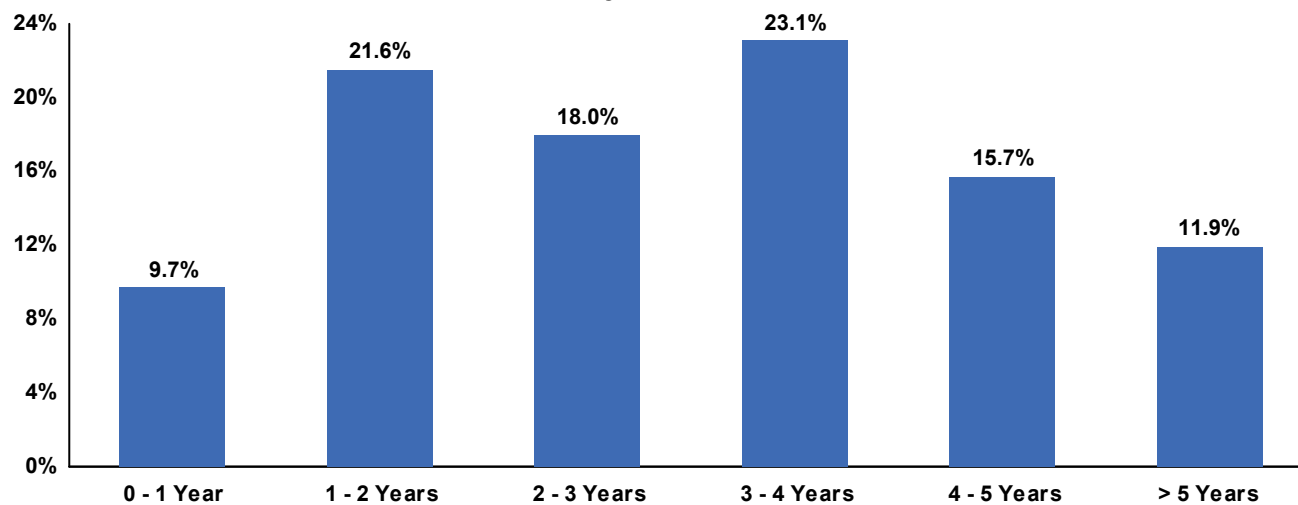
**Credit Quality (S&P Ratings)**



**Sector Allocation**



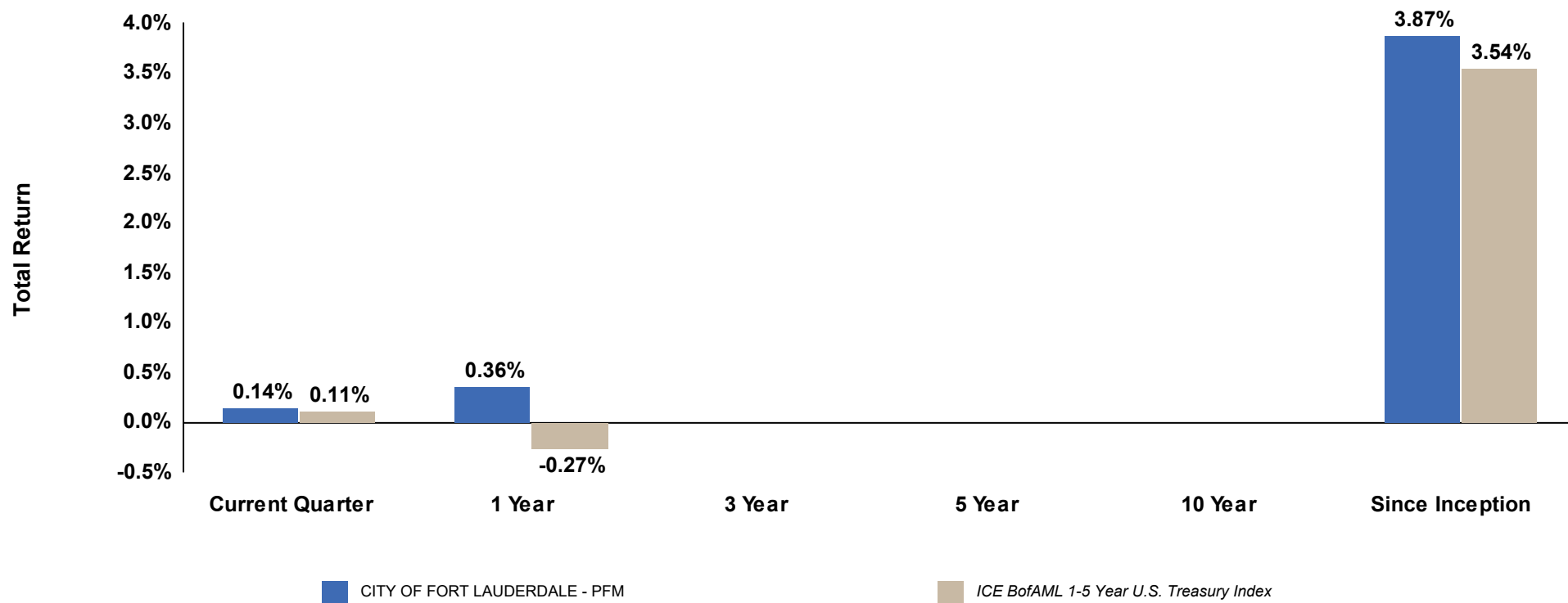
**Maturity Distribution**



\* 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)**

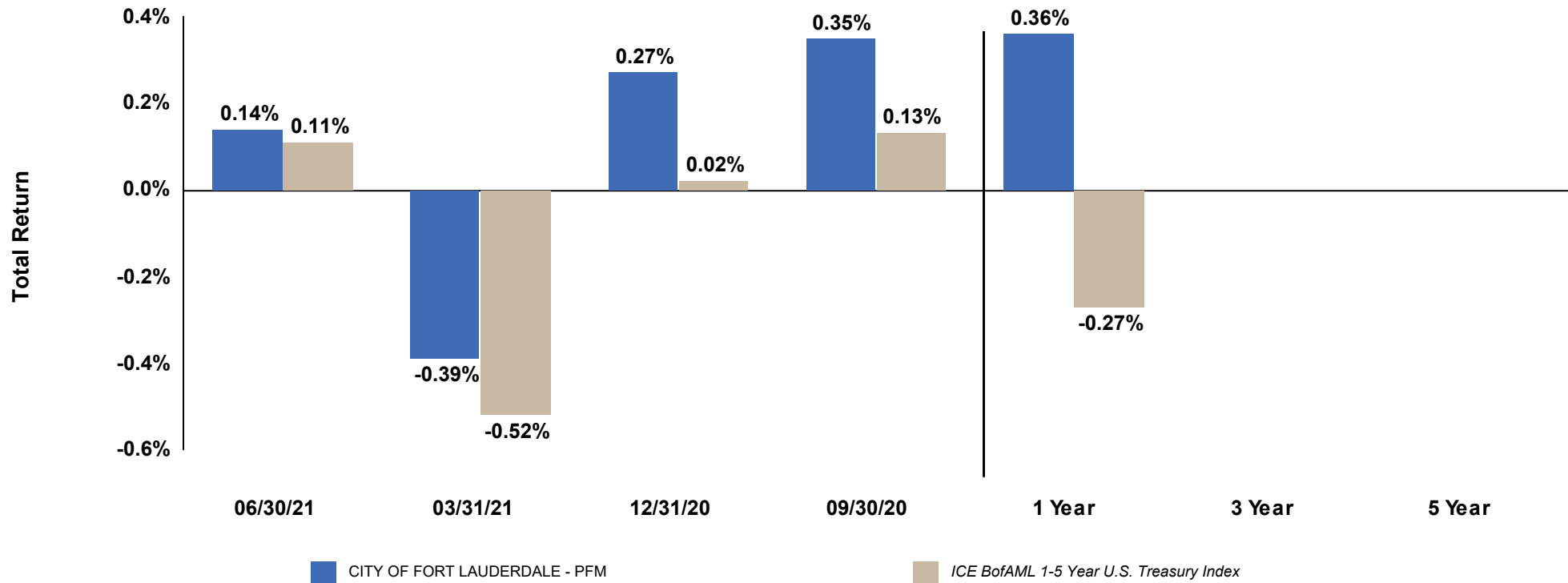
Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				Since Inception (09/30/18) **
			1 Year	3 Year	5 Year	10 Year	
CITY OF FORT LAUDERDALE - PFM	2.66	0.14%	0.36%	-	-	-	3.87%
ICE BofAML 1-5 Year U.S. Treasury Index	2.60	0.11%	-0.27%	-	-	-	3.54%
Difference		0.03%	0.63%	-	-	-	0.33%



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	
		06/30/21	03/31/21	12/31/20	09/30/20		3 Year	5 Year
CITY OF FORT LAUDERDALE - PFM	2.66	0.14%	-0.39%	0.27%	0.35%	0.36%	-	-
ICE BofAML 1-5 Year U.S. Treasury Index	2.60	0.11%	-0.52%	0.02%	0.13%	-0.27%	-	-
Difference		0.03%	0.13%	0.25%	0.22%	0.63%	-	-



Portfolio performance is gross of fees unless otherwise indicated.

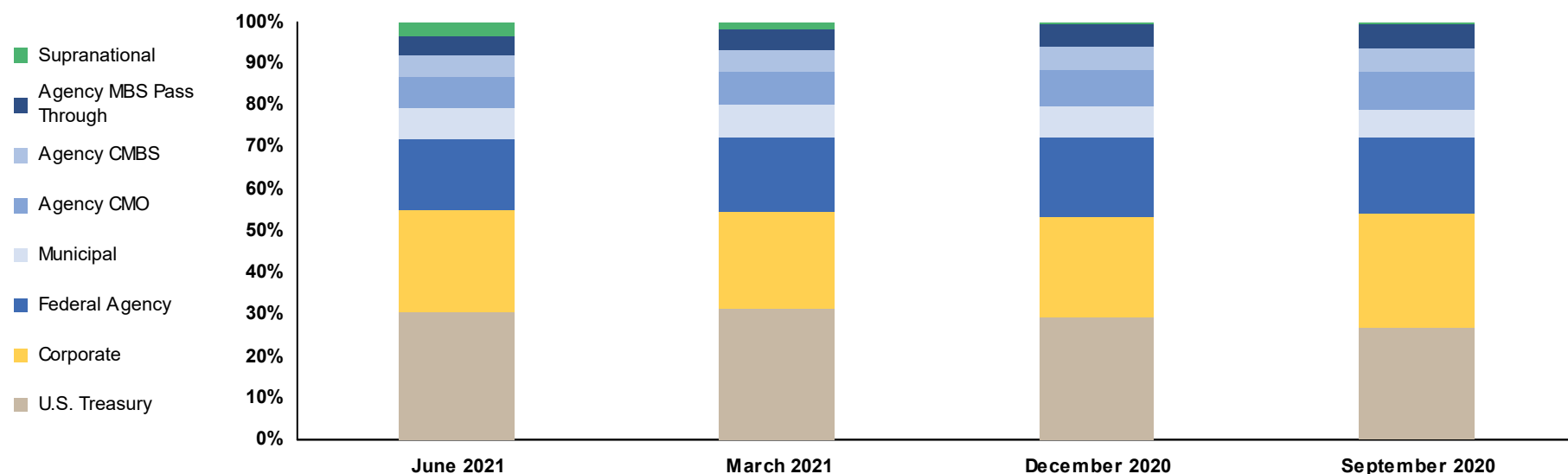
**Portfolio Earnings**

*Quarter-Ended June 30, 2021*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/31/2021)</b>	\$311,753,350.85	\$305,223,563.23
<b>Net Purchases/Sales</b>	(\$286,550.85)	(\$286,550.85)
<b>Change in Value</b>	(\$1,039,004.12)	\$223,195.31
<b>Ending Value (06/30/2021)</b>	\$310,427,795.88	\$305,160,207.69
<b>Interest Earned</b>	\$1,473,089.29	\$1,473,089.29
<b>Portfolio Earnings</b>	\$434,085.17	\$1,696,284.60

### Sector Allocation

Sector	June 30, 2021		March 31, 2021		December 31, 2020		September 30, 2020	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	94.7	30.4%	97.3	31.3%	91.7	29.2%	84.6	27.0%
Corporate	75.9	24.4%	72.1	23.1%	74.7	23.9%	84.3	26.9%
Federal Agency	51.9	16.7%	56.3	18.1%	59.1	18.9%	56.9	18.2%
Municipal	24.1	7.8%	24.1	7.7%	24.3	7.8%	20.5	6.6%
Agency CMO	22.5	7.3%	24.6	7.9%	26.7	8.5%	28.6	9.1%
Agency CMBS	16.3	5.3%	16.9	5.4%	17.6	5.6%	18.2	5.8%
Agency MBS Pass Through	14.0	4.5%	15.4	4.9%	16.7	5.4%	18.2	5.8%
Supranational	11.1	3.6%	5.1	1.6%	2.0	0.7%	2.0	0.6%
<b>Total</b>	<b>\$310.4</b>	<b>100.0%</b>	<b>\$311.8</b>	<b>100.0%</b>	<b>\$312.8</b>	<b>100.0%</b>	<b>\$313.3</b>	<b>100.0%</b>



Detail may not add to total due to rounding.

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**IMPORTANT DISCLOSURES**

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- 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.

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