

**Board Members:** John P. "Jack" Seiler  
Bruce G. Roberts  
Dean J. Trantalis  
Robert L. McKinzie  
Romney Rogers

**City Manager:** Lee R. Feldman

**Trust Administrator:** Kirk W. Buffington

Prepared by: Ash Benzo, Finance



## Quarterly Investment Report

City of Fort Lauderdale  
OPEB Trust  
September 2017



Sector	Current Market Value	Prior Qtr Market Value	Period Change
Large Cap - Equity	\$5,775,513	\$5,528,110	\$247,403
Mid Cap - Equity	1,262,240	1,220,237	42,003
Small Cap - Equity	630,872	603,281	27,591
International - Equity	2,478,918	2,331,239	147,679
REIT - Equity	609,339	603,957	5,382
Emerging - Equity	505,718	468,862	36,856
Gov't Securities -Fixed Income	1,801,908	0	1,801,908
Corporate - Fixed Income	1,737,195	0	1,737,195
Cash*	1,026,878	4,557,245	-3,530,367
<b>Total</b>	<b>\$15,828,581</b>	<b>\$15,312,932</b>	<b>\$515,649</b>

\* Includes pending trades and accrued income

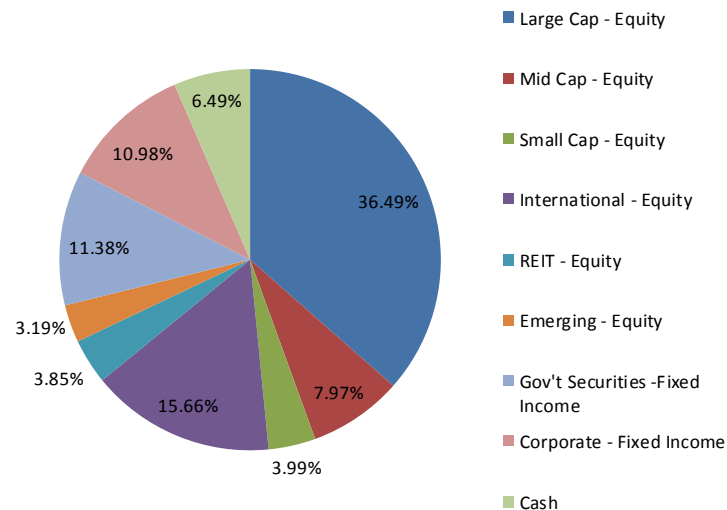
FYTD Portfolio Apprec./Deprec.

End Mkt Value 9/30/17	\$15,828,581
Beg. Mkt Value 10/01/16	15,062,090
<b>Apprec./Deprec.</b>	<b>\$766,491</b>

<b>OPEB Qtr Return</b>	<b>3.37%</b>
<b>Benchmark Qtr Return</b>	<b>2.89%</b>
<b>OPEB FYTD</b>	<b>5.09%</b>
<b>Benchmark FYTD*</b>	<b>3.20%</b>

\*Blended - 9mths Lipper Money Market & 3mths 55/45 Russell 3000/Barclays Agg

Total Asset Allocation

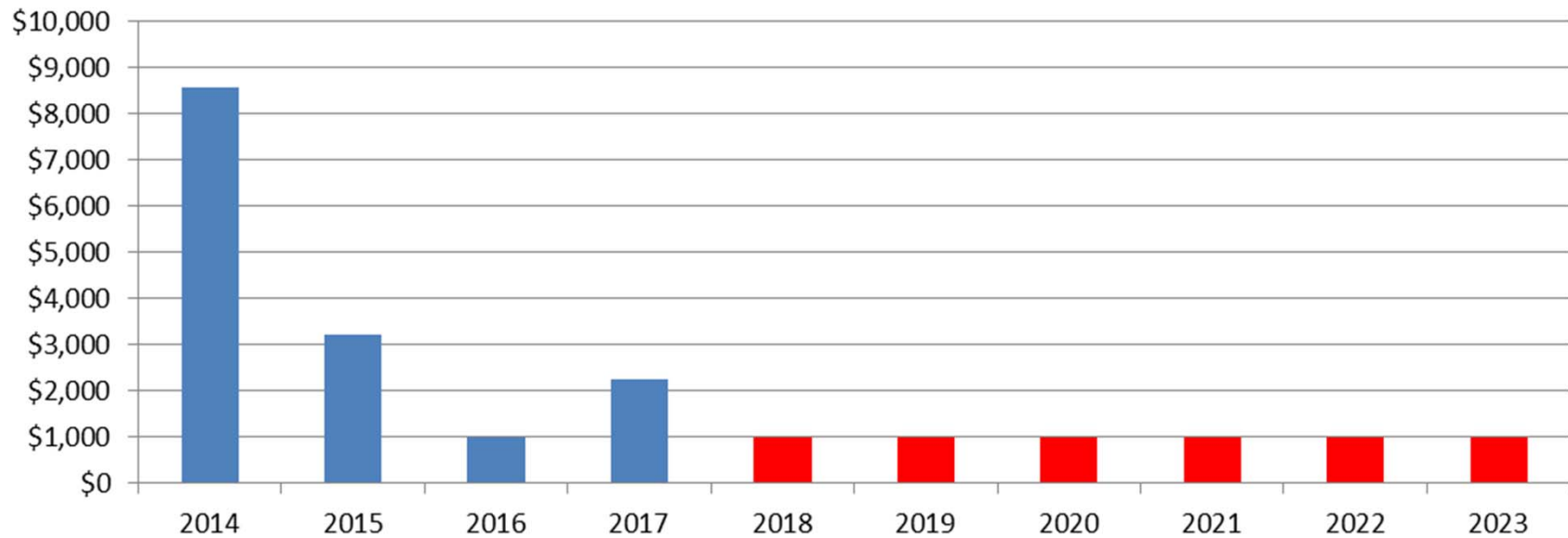




**Fiscal Year Contribution to OPEB in Thousands**

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
\$8,578	\$3,222	\$1,000	\$2,255	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$21,056

**Fiscal Year Contribution to OPEB in Thousands**



2018-2023 are projected \$1M contributions by the City.



Russell 3000

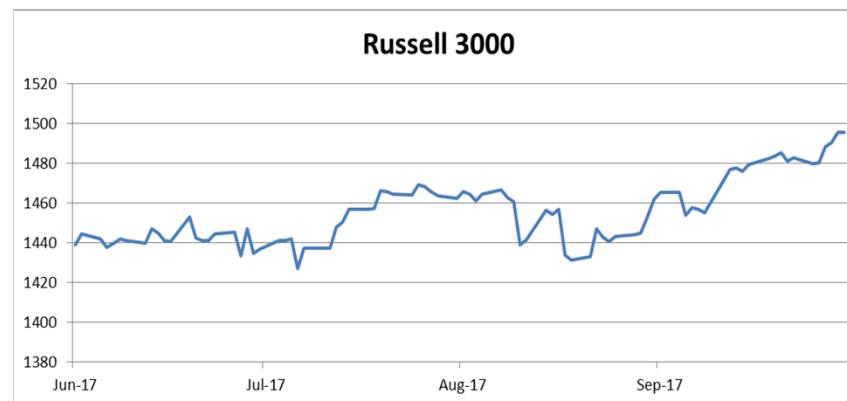
Quarterly Return: 4.57%

Key Points:

Jul - Growth stocks outperformed value stocks while large caps outperformed small caps, and the Russell 3000 returned 1.89%.

Aug – Stocks suffered a mini-pullback in early August, but rebounded with a return of 0.19% for the Russell 3000 for the month led by large caps and growth stocks.

Sept – Returned 2.44% as leadership shifted to small caps, which were seen as greater beneficiaries of proposed tax cuts, and value stocks outperformed growth stocks.



Bloomberg Barclays Aggregate

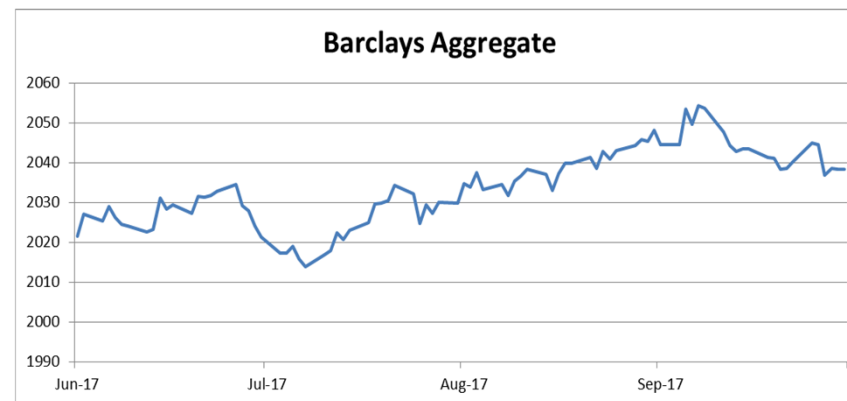
Quarterly Return: 0.85%

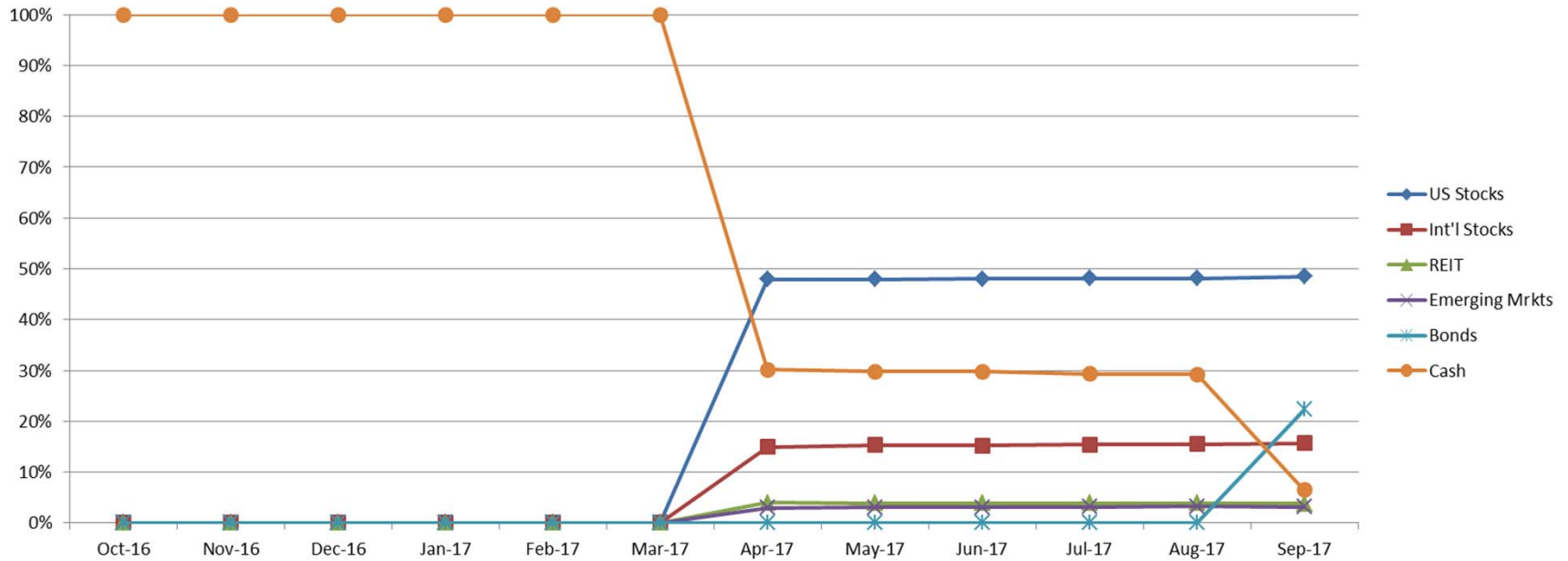
Key Points:

Jul - Interest rates rose marginally, the yield curve steepened, and all four spread sectors tightened leading to a gain of 0.43% for the Aggregate Index

Aug – Interest rates fell, the yield curve flattened, and spreads were mixed as the bond market experienced a positive return with a gain of 0.90% for the Aggregate Index.

Sept – Interest rates rose, the yield curve flattened marginally, and three of the four spread sectors tightened as the bond market experienced a negative return of -0.48%.

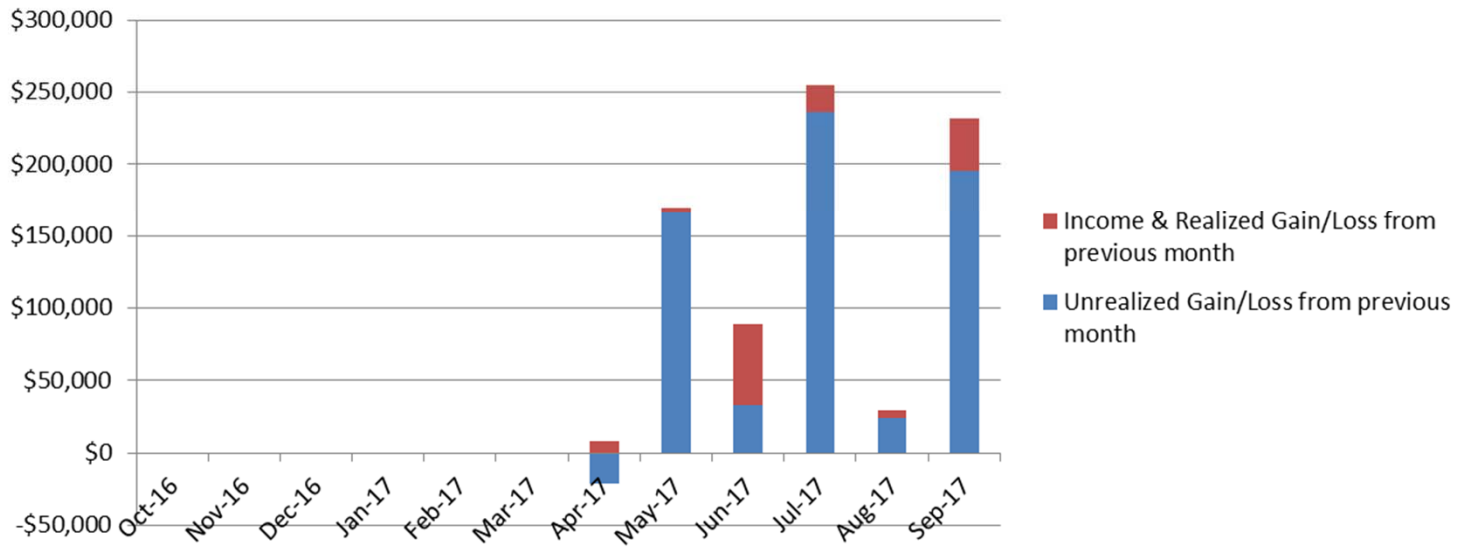
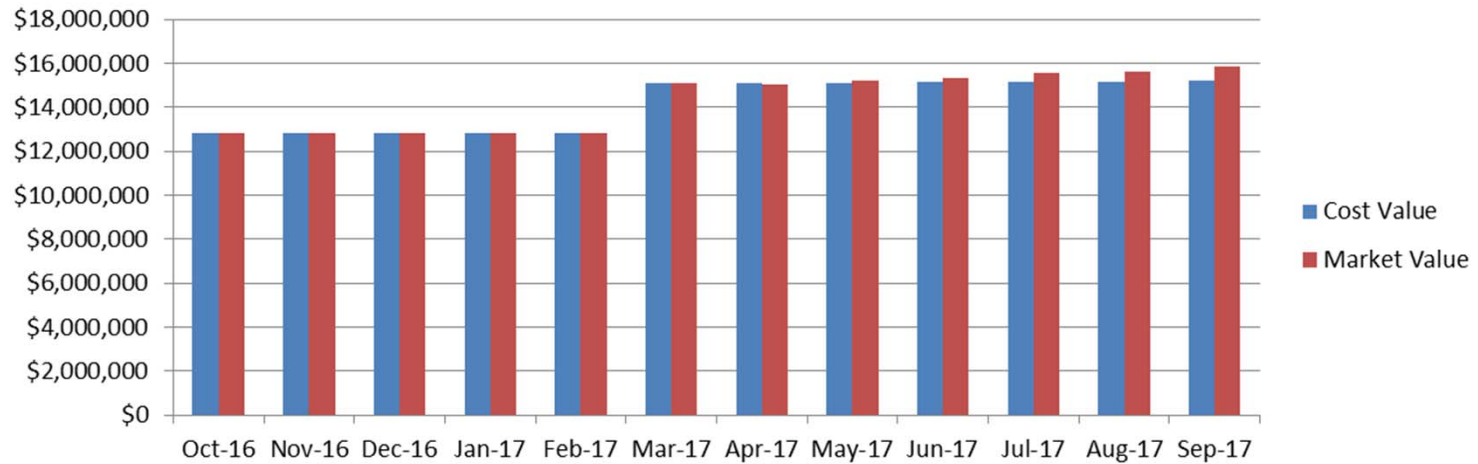




Sector	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Permitted Range
US Stocks	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	47.93%	47.93%	48.01%	48.13%	48.07%	48.45%	0-75%
Int'l Stocks	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	15.00%	15.33%	15.22%	15.45%	15.48%	15.66%	0-30%
REIT	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.95%	3.88%	3.94%	3.93%	3.91%	3.85%	0-15%
Emerging Mrkts	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.00%	3.05%	3.06%	3.19%	3.26%	3.19%	0-15%
Bonds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	22.36%	0-100%
Cash	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	30.13%	29.81%	29.76%	29.30%	29.28%	6.49%	0-100%
<b>Total</b>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	

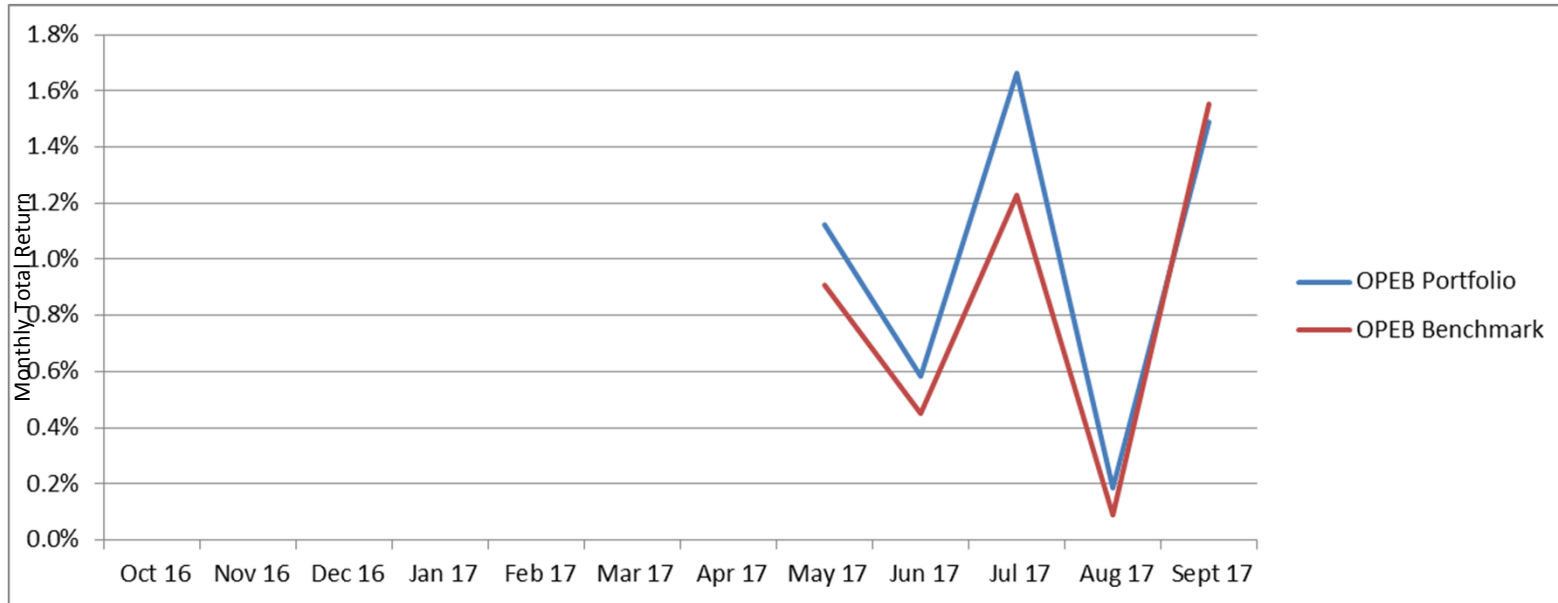


### Cost vs Market Value





### Monthly and FYTD Total Rate of Return Variance to Benchmark



	Oct 16	Nov 16	Dec 16	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sept 17
OPEB Portfolio								1.125%	0.584%	1.662%	0.187%	1.488%
OPEB Benchmark								0.909%	0.451%	1.231%	0.090%	1.556%
Monthly Variance								0.216%	0.133%	0.431%	0.097%	-0.068%
FYTD Variance								0.216%	0.349%	0.780%	0.877%	0.809%

OPEB Benchmark: 55% Russell 3000, 45% Barclays Aggregate Bond



**Report Source Data:**

Benchmark Data: PFM Asset Management, LLC , AndCo Consulting,  
Sterling Capital Management, LLC , Garcia Hamilton & Associates  
OPEB Data: City of Fort Lauderdale

**OPEB Information:**

OPEB Investments are overseen by City of Fort Lauderdale  
personnel under the direction of the Finance Director.  
Investment objective is to generate a 7.0% return.  
Asset classes will be rebalanced according to range triggers shown  
on page 5.

**Glossary:**

**Russell 3000:** The Russell 3000 is a stock index, representing approximately 3000 stocks, that measures performance of the largest US companies.  
**Barclays Aggregate Bond:** Barclays index which tracks an index of U.S. investment-grade government (including mortgage-backed) and corporate bonds.

Although this information has been obtained from sources which we believe to be reliable, we do not guarantee its accuracy, and it may be incomplete or condensed. This is for informational purposes only and is not intended as an offer or solicitation with respect to any particular security, investment strategy, or investment product. All herein listed securities are subject to availability and change in price. Past performance is not indicative of future results. Ratings on all securities are subject to change.

