



## Fort Lauderdale, Florida



### **Investment Performance Review For the Quarter Ended June 30, 2019**

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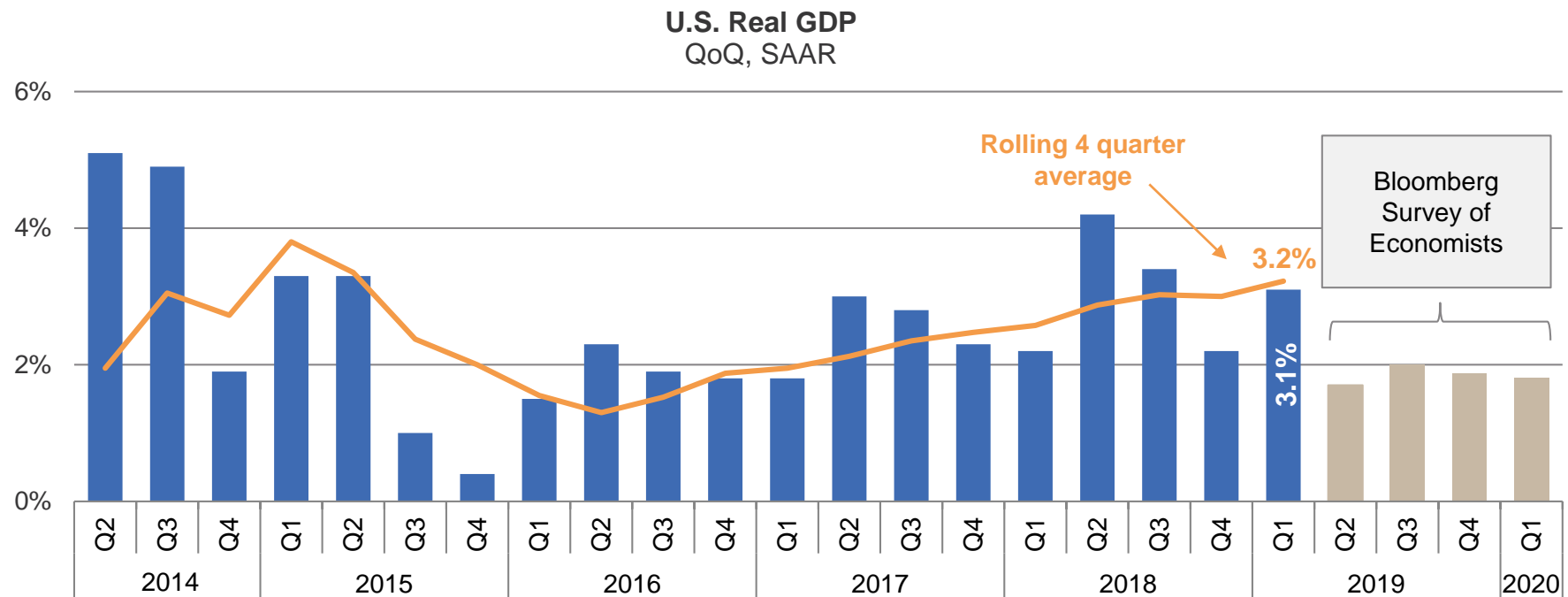
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## Economic Growth Bounces Back in the First Quarter

- U.S. economic activity experienced considerable growth during the first quarter of 2019.
  - The third estimate of U.S. GDP growth remained at 3.1%, which marks a significant bounce-back from the 4th quarter's revised growth of 2.2%.
- Growth is projected to decline in the remaining quarters of 2019 and into 2020.
  - The main causes for this expected decrease in future growth include overall slower global growth and increasing trade tensions between the U.S. and other nations, primarily China.

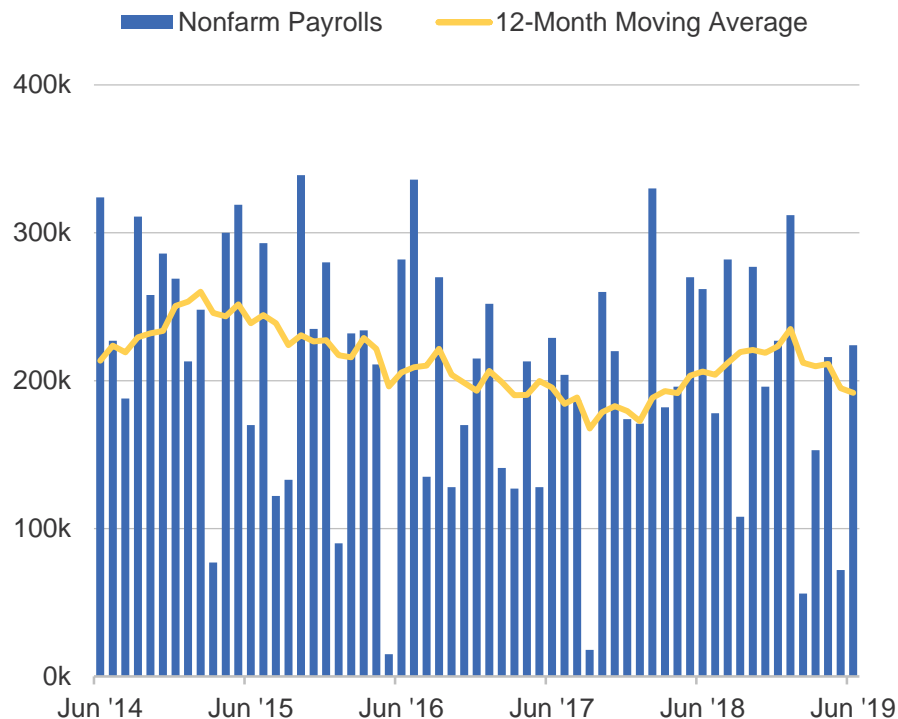


Source: Bloomberg, as of second quarter 2019. SAAR is seasonally adjusted annualized rate. Orange denotes rolling four-quarter averages.

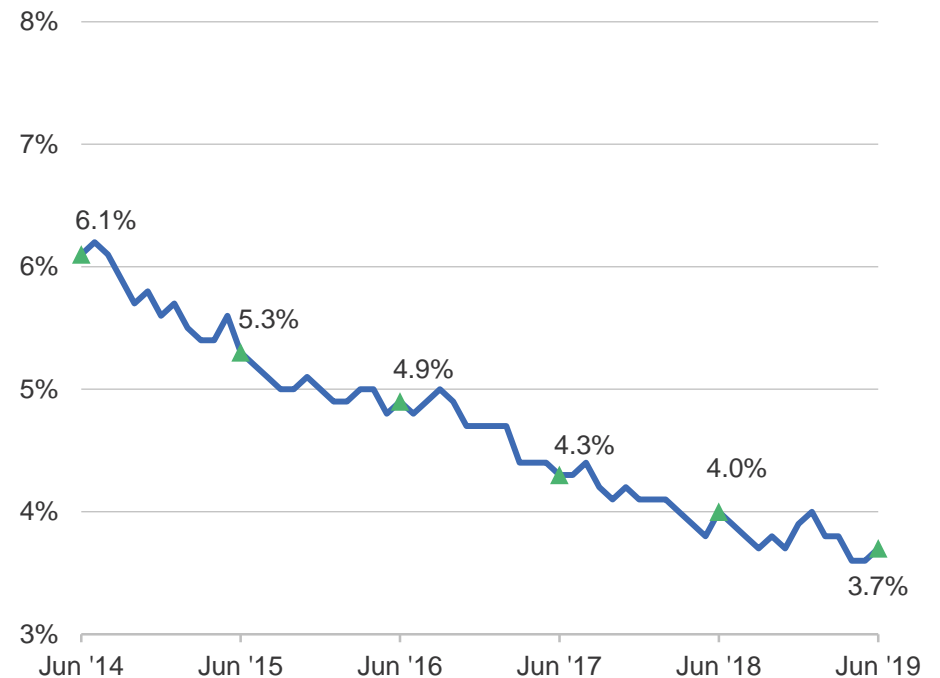
## U.S. Job Growth Remains Strong

- The U.S. economy added 224,000 jobs in June, a strong comeback after a disappointing May.
  - Average hourly earnings YoY remained at 3.1% in June for a second straight month.
- For the year, the economy added an average of 172,000 jobs, underscoring a still healthy labor market.
- Following the theme of an overall strong labor market, the unemployment rate remained near its 50-year low at 3.7%.

Monthly Change in Nonfarm Payrolls



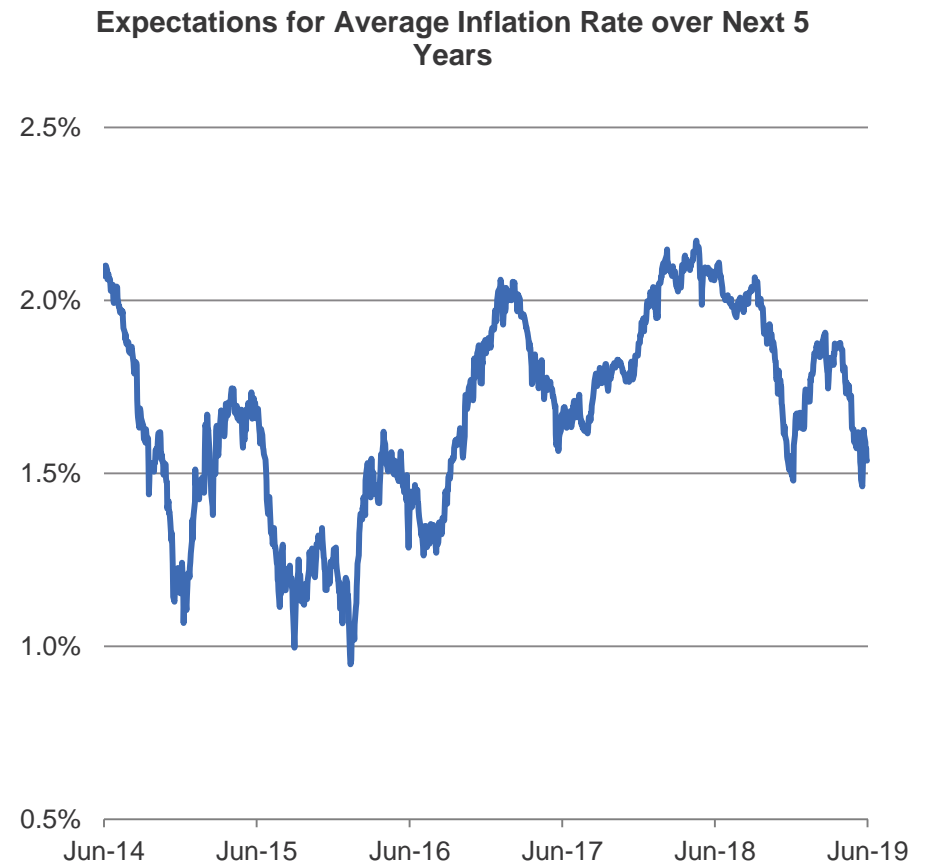
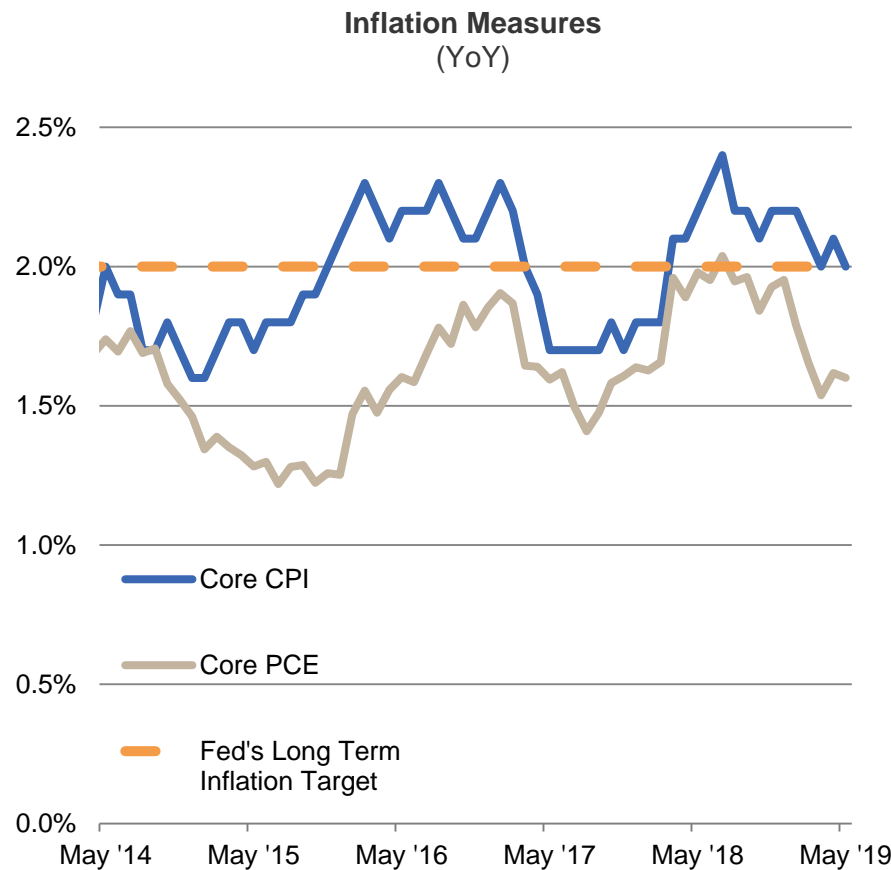
Unemployment Rate



Source: Bloomberg, as of June 2019.

## Core Inflation Continues to Undershoot the Fed's 2% Target

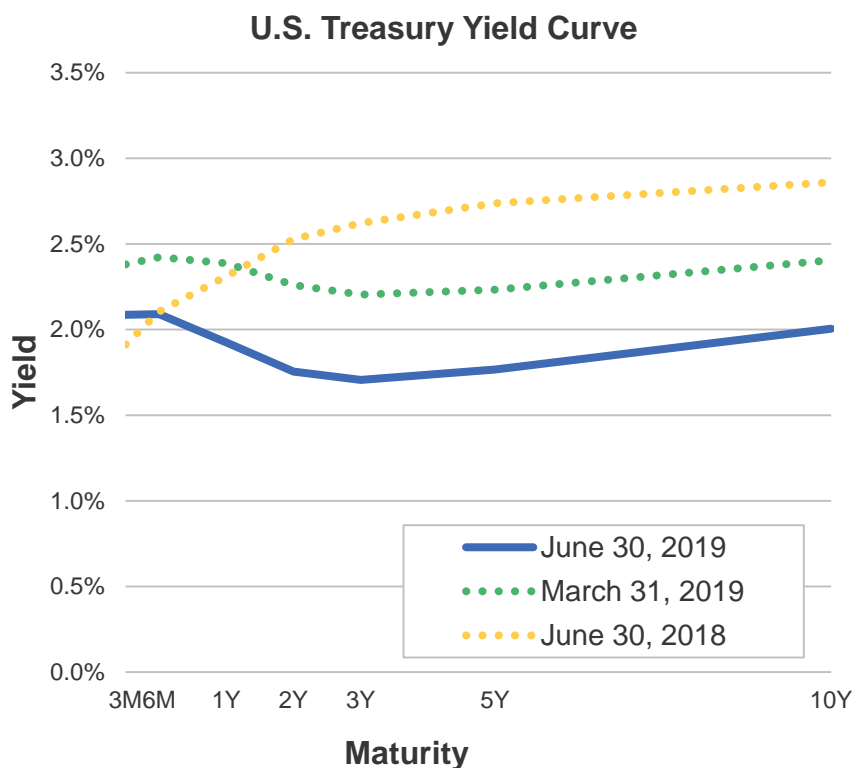
- The core personal consumption expenditures (PCE) price index, the Fed's preferred measure of inflation, decelerated to 1.6% in May, notably below the Fed's 2% target.



Source: Bloomberg, latest data available as of June 30, 2019. Inflation expectations based on yield difference between 5-year Treasury note and 5-year Treasury Inflation Protected Securities (TIPS).

## U.S. Yield Curve Inversion Becomes More Pronounced

- The yield curve inversion continued to remain between the 3-month Treasury bill and the 10-year Treasury note that yielded 2.09% and 2.01%, respectively, as of June 30, 2019.
- The yield on the 10-year Treasury note has fallen by more than a full percentage point in the past three quarters, which has been the biggest decline over such a period since 2011.



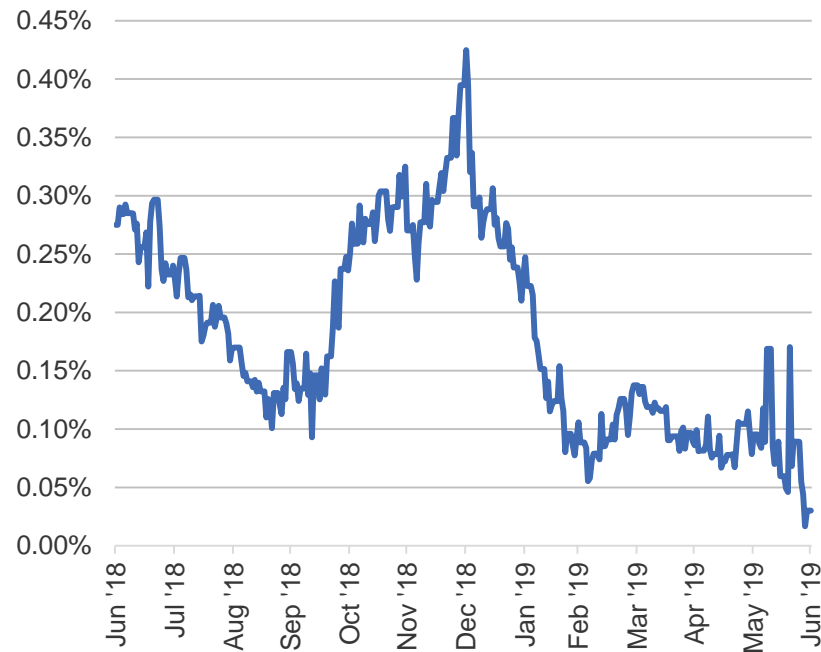
Maturity	6/30/2019	3/31/2019	6/30/2018
3-Mo.	2.09%	2.38%	1.91%
6-Mo.	2.09%	2.42%	2.11%
1-Yr.	1.93%	2.39%	2.31%
2-Yr.	1.75%	2.26%	2.53%
3-Yr.	1.71%	2.20%	2.62%
5-Yr.	1.77%	2.23%	2.74%
7-Yr.	1.89%	2.32%	2.82%
10-Yr.	2.01%	2.41%	2.86%

Source: Bloomberg, as of June 30, 2019.

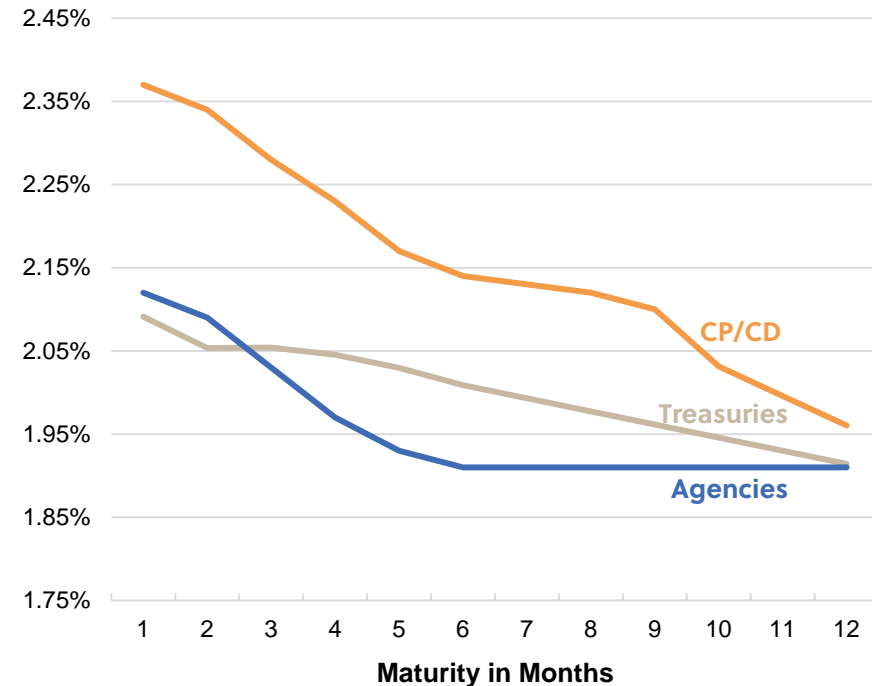
## Longer Maturity Spreads Tighten

- Shorter-term commercial paper and bank certificate of deposit (CP/CD) yield spreads widened slightly during June, while longer-maturities experienced significant tightening. Yields across all maturity ranges continue to fall with the market's anticipation a rate cut.
- Treasuries continue to be relatively attractive versus agency discount notes, especially in the 3- to 11-month maturity range.

### Yield Spread on 6-month Commercial Paper over T-Bill



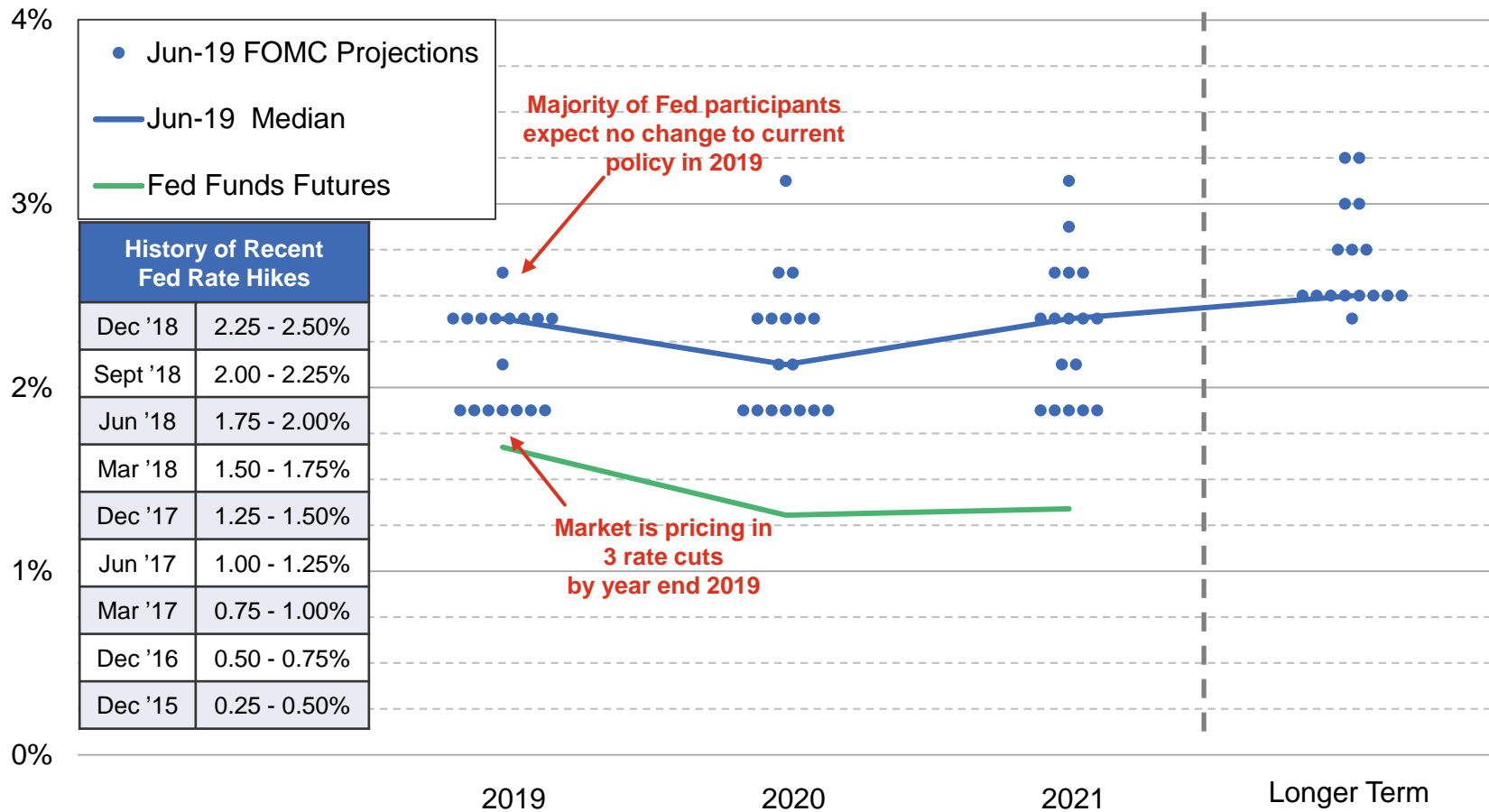
### Money Market Yield Curves



Source: Bloomberg, as of June 30, 2019. 6-mo CP yield spread based on A1/P1 rated CP index. Some yields are not available at certain maturities and are extrapolated based on linear growth. Not a specific recommendation.

## Market Projects Three Rate Cuts by Year End

### 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. Fed funds futures as of June 19, 2019.

## Fixed-Income Index Returns

June 30, 2019	Effective Duration	Yield	YTD	1 Month	3 Month	1 Year	3 Years	5 Years
<b>1-3 Year Indices</b>								
<b>U.S. Treasury</b>	1.82	1.81%	2.44%	0.52%	1.44%	3.96%	1.29%	1.21%
<b>Agency</b>	1.46	1.82%	2.28%	0.42%	1.30%	3.88%	1.46%	1.33%
<b>Corp A-AAA</b>	1.82	2.30%	3.21%	0.68%	1.54%	4.84%	2.13%	1.93%
<b>MBS (0 to 3 Years)</b>	3.55	2.62%	3.82%	0.59%	1.59%	5.69%	2.10%	1.88%
<b>ABS (0 to 3 Years)</b>	1.11	2.28%	2.31%	0.36%	1.20%	3.78%	1.91%	1.61%
<b>1-5 Year Indices</b>								
<b>U.S. Treasury</b>	2.56	1.78%	3.06%	0.65%	1.82%	4.89%	1.31%	1.54%
<b>Agency</b>	1.75	1.79%	2.56%	0.47%	1.44%	4.30%	1.46%	1.53%
<b>Corp A-AAA</b>	2.58	2.36%	4.32%	0.96%	2.01%	6.06%	2.34%	2.36%
<b>MBS (0 to 5 Years)</b>	3.17	2.57%	3.85%	0.82%	1.86%	5.56%	1.71%	2.01%
<b>ABS (0 to 5 Years)</b>	1.36	2.29%	2.54%	0.40%	1.35%	4.10%	1.94%	1.73%
<b>Master Indices (Maturities 1 Year and Greater)</b>								
<b>U.S. Treasury</b>	6.56	1.94%	5.30%	0.93%	3.06%	7.33%	1.34%	2.64%
<b>Agency</b>	3.97	1.97%	4.19%	0.71%	2.32%	6.20%	1.89%	2.34%
<b>Corp A-AAA</b>	7.36	2.86%	8.66%	2.08%	4.04%	10.11%	3.32%	3.90%
<b>MBS (0 to 30 Years)</b>	3.80	2.73%	4.32%	0.84%	2.01%	6.32%	2.10%	2.56%
<b>Municipals</b>	6.75	2.13%	5.35%	0.43%	2.33%	6.73%	2.58%	3.75%

Source: ICE BofAML Indices. Returns greater than one year are annualized.



- The Investment Portfolio is of high credit quality and invested in U.S. Treasury, federal agency/GSE, mortgage-backed, municipal, and corporate notes securities.
- The Investment Portfolio's quarterly total return performance of 1.87% outperformed the benchmark performance of 1.82% by 0.05%.
- Interest rates plummeted in the second quarter, with yields on intermediate-term maturity (2-5 year) Treasuries falling by about 50 basis points (0.50%) to the lowest levels since late 2017. Rates fell in response to slowing global growth expectations, weakness in manufacturing triggered by renewed trade disputes, muted inflation and expectations for multiple Federal Reserve (Fed) rate cuts in the second half of the year. Much of the yield curve remains inverted, with longer-term yields lower than short-term yields.
- Somewhat counterintuitively, credit-sensitive assets performed strongly during the quarter as yield spreads on corporate bonds narrowed and U.S. equity markets reached new all-time highs.
- We maintained portfolio durations in line with benchmarks, as we have since early in the year, given the backdrop of falling yields, likely Fed rate cuts and continuing uncertainty with regard to the sustainability of the now record-long economic expansion. Despite the inverted yield curve, maintaining durations in-line with their respective benchmarks was vitally important in the second quarter as the sharp drop in yields drove strong market value returns across most fixed-income sectors. As a result, longer duration strategies outperformed shorter ones by a wide margin.

<b>Portfolios</b>	<b>Market Value</b>	<b>Current Quarter</b>	<b>Fiscal Year To Date</b>	<b>Trailing 12 Months</b>	<b>Fiscal Year Projected Rate of Return</b>
<b>City Operating Funds - Self-Directed</b>	\$ 236,415,519	1.39%	3.46%	4.04%	
<b>Bond Proceeds</b>	\$ 187,793,788	1.58%	3.73%	4.21%	
<b>CRA Funds</b>	\$ 73,235,116	1.32%	3.38%	3.85%	
<b>Fixed Income Investment Portfolio - PFM</b>	\$ 295,560,337	1.87%	4.90%	N/A	
<i>BofA Merrill Lynch 1-5 Year Treasury Index</i>		1.82%	4.84%	N/A	
<b>Total City of Fort Lauderdale Funds</b>	\$ 793,004,761	1.61%	4.05%	2.56%	1.56%
<b>OPEB Trust Fund</b>	\$ 27,342,180	2.67%	2.47%	5.39%	7.00%
<i>Russell 3000 55% / Barclays Agg Bond Index 45%<sup>1</sup></i>		3.79%	4.91%	9.00%	
<b>Cemetery Trust Funds</b>	\$ 30,881,064	3.00%	3.76%	6.29%	5.00%
<i>Benchmark</i>		3.84%	5.60%	9.63%	
<b>General Employees Retirement System</b>	\$ 678,654,046	2.80%	2.20%	5.40%	7.30%
<i>Benchmark</i>		2.90%	2.20%	5.70%	
<b>Police &amp; Fire Retirement System</b>	\$ 961,654,504	2.89%	2.95%	5.97%	7.35%
<i>Benchmark</i>		3.34%	3.43%	6.98%	

Notes:

1. The Russell 3000 55%, Barclays Agg Bond Index 45% is the City's benchmark by Policy.

Performance and market value for the Cemetery Trust Funds, General Employee Retirement System and Police & Fire Retirement System portfolios are derived from their manager reports. PFM calculated the performance for the OPEB Trust Fund from the data provided on the custody statements. The performance for the CRA Funds and City Self-Directed are calculated from the custody statements. The Bond Proceeds returns are calculated as a weighted average of the return from the FMIT portfolios. The performance of the CRA fund is a weighted average of the Cental Beach, Self-Directed, and CRA cash held at Wells Fargo.

<u>Account Names</u>	<u>Yield to Market as of June 30, 2019</u>	<u>Percent of Portfolio June 30, 2019</u>	<u>Yield to Market as of March 31, 2019</u>	<u>Percent of Portfolio March 31, 2019</u>
<b><u>Funds Held for Liquidity</u></b>				
City National Bank	2.48%	1.39%	2.48%	1.36%
CitiBank - Health Ins	0.00%	0.07%	0.00%	0.14%
Wells Fargo - Wks Comp	2.31%	0.04%	2.31%	0.04%
Wells Fargo Govt Ckg - BMPO	2.31%	0.13%	2.31%	0.13%
Wells Fargo Master Account	2.31%	2.61%	2.31%	0.75%
Wells Fargo Utility Account	0.00%	1.00%	0.00%	0.96%
Wells Fargo CRA	2.31%	0.31%	2.31%	2.24%
Wells Fargo Wave Account	2.31%	0.78%	0.00%	0.00%
Wells Fargo Midgard	0.00%	0.00%	0.00%	0.00%
Wells Fargo Police Evidence	0.00%	0.09%	0.00%	0.08%
<b>Total Funds for Liquidity</b>	<b>1.93%</b>	<b>6.42%</b>	<b>1.87%</b>	<b>5.70%</b>
<b><u>Funds Held for Investment</u></b>				
PFM Investment Portfolio	2.05%	37.27%	2.48%	36.00%
CRA City Self - Directed Account	2.68%	2.81%	2.90%	2.75%
CRA Central Beach	2.50%	6.12%	2.59%	5.97%
City National CD	N/A	0.00%	N/A	0.00%
City Self - Directed Account	2.11%	23.65%	2.49%	25.57%
FMIT Subsidiary Accounts	2.29%	0.06%	2.53%	0.06%
<b>Total Funds for Investment</b>	<b>2.14%</b>	<b>69.90%</b>	<b>2.51%</b>	<b>70.35%</b>
<b><u>Bond Proceeds</u></b>				
Water & Sewer Bond 2018	2.11%	22.49%	2.52%	22.75%
FMIT Spl Ob Loans 2011A	N/A	0.00%	N/A	0.00%
FMIT G.O. Series 2011-A	2.29%	1.19%	2.57%	1.19%
<b>Total Bond Proceeds</b>	<b>2.12%</b>	<b>23.68%</b>	<b>2.52%</b>	<b>23.95%</b>
<b>Total Average Yield</b>	<b>2.12%</b>	<b>100.00%</b>	<b>2.48%</b>	<b>100.00%</b>

<u>Benchmarks</u>	<u>June 30, 2019</u>	<u>March 31, 2019</u>
BofA Merrill Lynch 3 Month Treasury Bill Index	2.09%	2.35%
BofA Merrill Lynch 1-3 Year Treasury Index	1.80%	2.32%
BofA Merrill Lynch 1-5 Year Treasury Index	1.78%	2.29%

## Notes:

Yields as of June 30, 2019 and March 31, 2019 are derived from their respective statements from Wells Fargo, PFM, Ciy National, or FMIT.

	Market Value as of <u>June 30, 2019</u>	Percent of <u>Portfolio</u>	Market Value as of <u>March 31, 2019</u>	Percent of <u>Portfolio</u>
<b><u>Funds Held for Liquidity</u></b>				
City National Bank	\$ 11,004,678	1.39%	\$ 10,937,732	1.36%
CitiBank - Health Ins	590,559	0.07%	1,113,642	0.14%
Wells Fargo - Wks Comp	355,373	0.04%	326,655	0.04%
Wells Fargo Govt Ckg - BMPO	1,017,251	0.13%	1,017,251	0.13%
Wells Fargo Master Account	20,692,626	2.61%	6,039,489	0.75%
Wells Fargo Utility Account	7,910,380	1.00%	7,774,223	0.96%
Wells Fargo CRA	2,491,845	0.31%	18,063,523	2.24%
Wells Fargo Wave Account	6,146,053	0.78%	-	0.00%
Wells Fargo Midgard	-	0.00%	-	0.00%
Wells Fargo Police Evidence	680,254	0.09%	655,170	0.08%
<b>Total Funds for Liquidity</b>	<b>\$ 50,889,020</b>	<b>6.42%</b>	<b>\$ 45,927,686</b>	<b>5.70%</b>
<b><u>Funds Held for Investment</u></b>				
PFM Investment Portfolio	\$ 295,560,337	37.27%	\$ 290,214,103	36.00%
CRA City Self - Directed Account	22,250,906	2.81%	22,209,773	2.75%
CRA Central Beach	48,492,365	6.12%	48,160,205	5.97%
City National CD	-	0.00%	-	0.00%
City Self - Directed Account	187,513,256	23.65%	206,156,530	25.57%
FMIT Subsidiary Accounts	505,088	0.06%	498,511	0.06%
<b>Total Funds for Investment</b>	<b>\$ 554,321,953</b>	<b>69.90%</b>	<b>\$ 567,239,122</b>	<b>70.35%</b>
<b><u>Bond Proceeds</u></b>				
Water & Sewer Bond 2018	\$ 178,366,957	22.49%	\$ 183,457,778	22.75%
FMIT Spl Ob Loans 2011A	-	0.00%	-	0.00%
FMIT G.O. Series 2011-A	9,426,831	1.19%	9,630,378	1.19%
<b>Total Bond Proceeds</b>	<b>\$ 187,793,788</b>	<b>23.68%</b>	<b>\$ 193,088,156</b>	<b>23.95%</b>
<b>Grand Total</b>	<b>\$ 793,004,761</b>	<b>100.00%</b>	<b>\$ 806,254,964</b>	<b>100.00%</b>

## Notes:

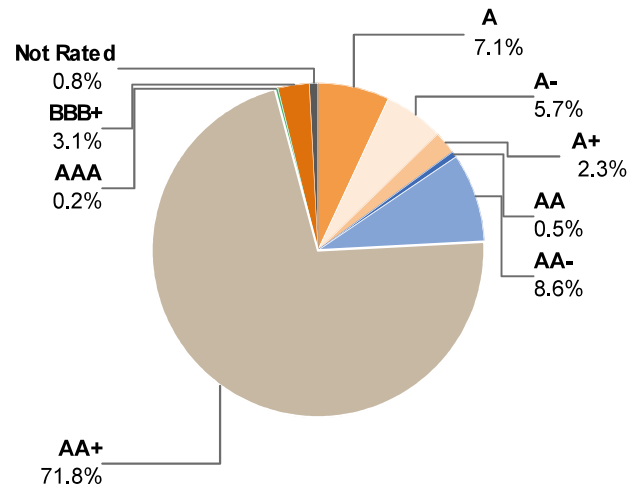
Market values as of June 30 and March 31 are derived from their respective statements from Wells Fargo, PFM, City National, or FMIT.

**Portfolio Statistics**

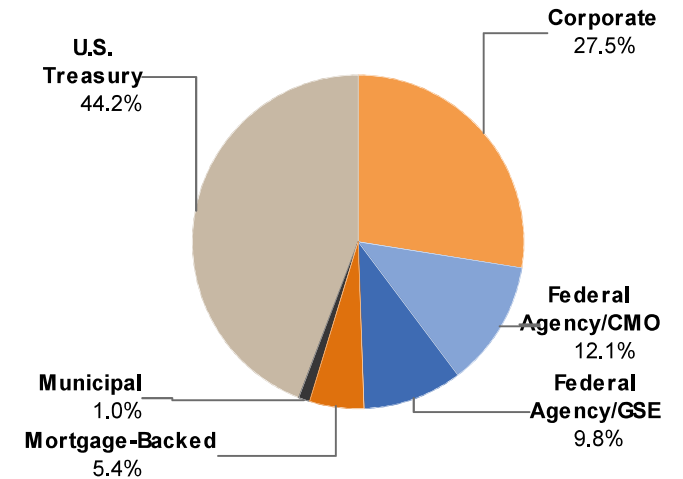
As of June 30, 2019

<b>Par Value:</b>	\$290,707,214
<b>Total Market Value:</b>	\$297,644,467
<b>Security Market Value:</b>	\$295,560,337
<b>Accrued Interest:</b>	\$1,583,847
<b>Cash:</b>	\$500,283
<b>Amortized Cost:</b>	\$290,570,676
<b>Yield at Market:</b>	2.05%
<b>Yield at Cost:</b>	2.64%
<b>Effective Duration:</b>	2.57 Years
<b>Duration to Worst:</b>	2.72 Years
<b>Average Maturity:</b>	4.60 Years
<b>Average Credit: *</b>	AA

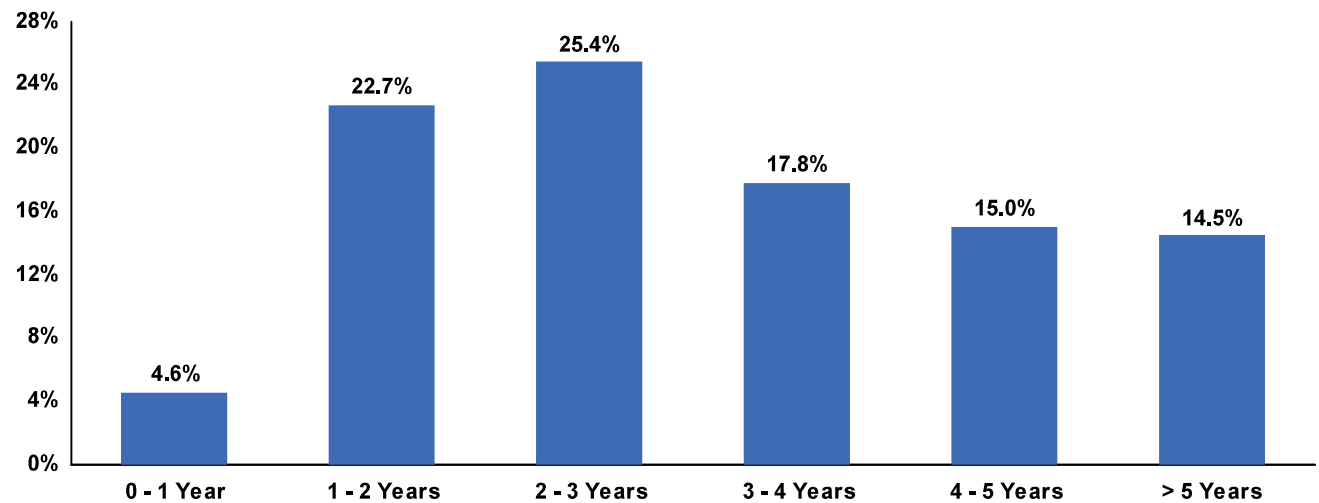
**Credit Quality (S&P Ratings)**



**Sector Allocation**



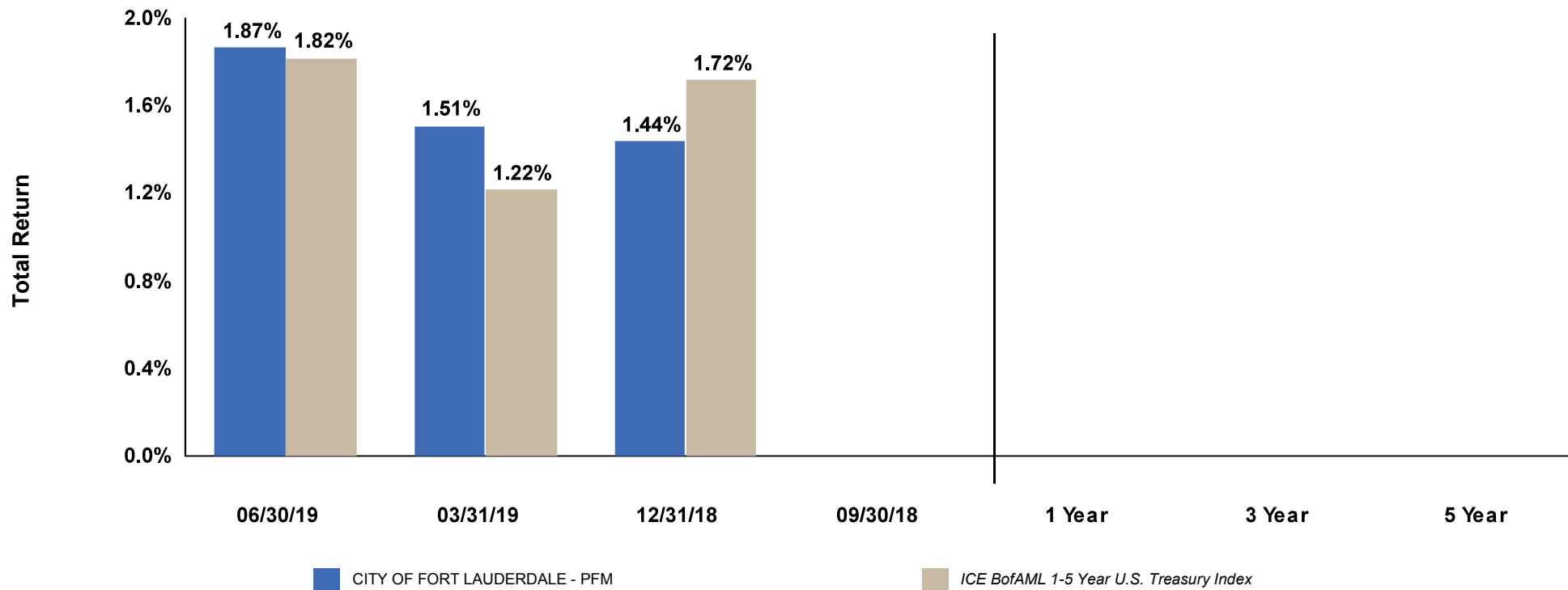
**Maturity Distribution**



\* 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	Quarter Ended				1 Year	Annualized Return	
		06/30/19	03/31/19	12/31/18	09/30/18		3 Year	5 Year
CITY OF FORT LAUDERDALE - PFM	2.57	1.87%	1.51%	1.44%	-	-	-	-
ICE BofAML 1-5 Year U.S. Treasury Index	2.56	1.82%	1.22%	1.72%	-	-	-	-
Difference		0.05%	0.29%	-0.28%	-	-	-	-



Portfolio performance is gross of fees unless otherwise indicated.

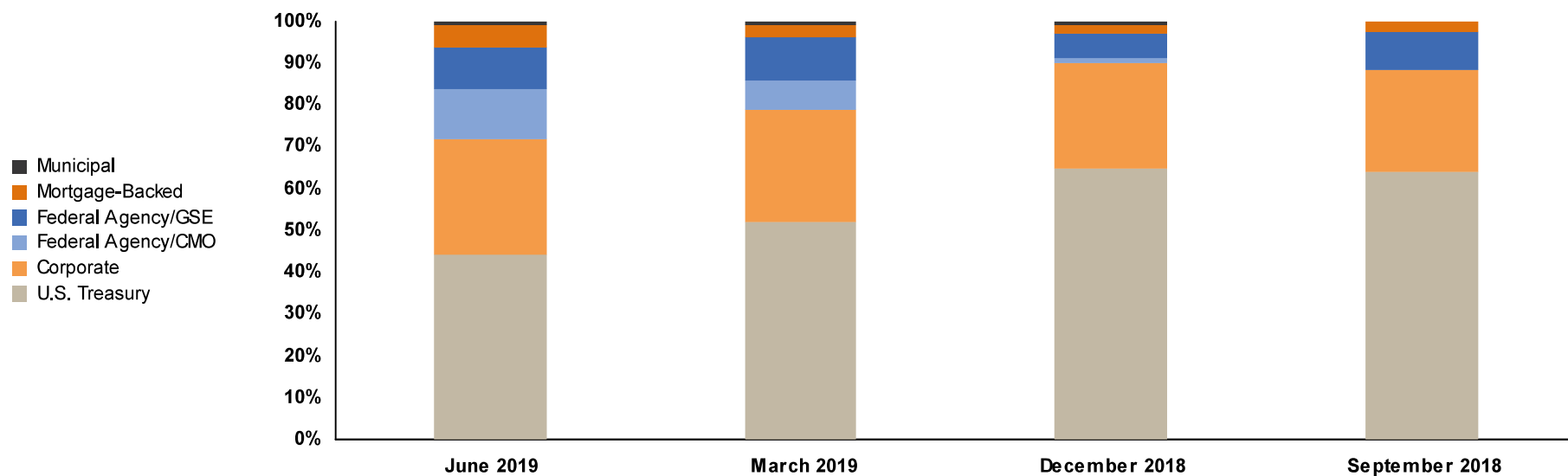
**Portfolio Earnings**

*Quarter-Ended June 30, 2019*

	<b>Market Value Basis</b>	<b>Accrual (Amortized Cost) Basis</b>
<b>Beginning Value (03/31/2019)</b>	\$290,214,102.55	\$288,468,465.34
<b>Net Purchases/Sales</b>	\$1,680,260.83	\$1,680,260.83
<b>Change in Value</b>	\$3,665,974.11	\$421,950.28
<b>Ending Value (06/30/2019)</b>	\$295,560,337.49	\$290,570,676.45
<b>Interest Earned</b>	\$1,797,972.98	\$1,797,972.98
<b>Portfolio Earnings</b>	\$5,463,947.09	\$2,219,923.26

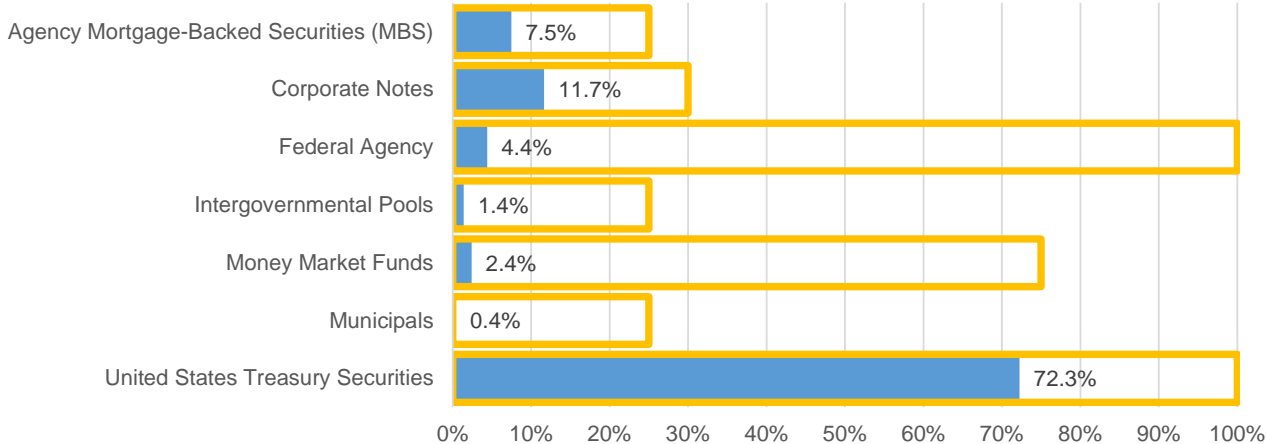
### Sector Allocation

Sector	June 30, 2019		March 31, 2019		December 31, 2018		September 30, 2018	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	130.7	44.2%	150.7	51.8%	185.6	64.8%	180.3	63.9%
Corporate	81.1	27.5%	78.6	27.1%	71.9	25.2%	68.4	24.2%
Federal Agency/CMO	35.8	12.1%	20.3	7.0%	3.0	1.1%	0.0	0.0%
Federal Agency/GSE	28.9	9.8%	29.5	10.2%	16.8	5.9%	26.4	9.4%
Mortgage-Backed	16.1	5.4%	8.3	2.9%	5.7	2.0%	6.2	2.2%
Municipal	2.9	1.0%	2.8	1.0%	2.8	1.0%	0.9	0.3%
<b>Total</b>	<b>\$295.6</b>	<b>100.0%</b>	<b>\$290.2</b>	<b>100.0%</b>	<b>\$285.9</b>	<b>100.0%</b>	<b>\$282.1</b>	<b>100.0%</b>



Detail may not add to total due to rounding.





Security Type	Amortized Cost (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
Florida Prime (SBA)	-	0.00%	25%	YES
United States Treasury Securities	510,714,908.86	72.26%	100%	YES
Federal Agency	31,040,119.85	4.39%	100%	YES
Corporate Notes	82,348,306.19	11.65%	30%	YES
Municipals	2,828,176.55	0.40%	25%	YES
Agency Mortgage-Backed Securities (MBS)	52,909,171.66	7.49%	25%	YES
Certificates of Deposit and Savings Accounts	-	0.00%	10%	YES
Commercial Paper	-	0.00%	25%	YES
Bankers' Acceptances	-	0.00%	10%	YES
Repurchase Agreements	-	0.00%	20%	YES
Money Market Funds	17,013,902.73	2.41%	75%	YES
Intergovernmental Pools	9,931,919.02	1.41%	25%	YES

End of month trade-date amortized cost of portfolio holdings, including accrued interest. This analysis includes the City's Fixed Income Investment Portfolio, the FMIT Subsidiary Accounts and Series 2011-A G.O. Bonds, the Central Beach CRA, the CRA Self-Directed and the City Self-Directed Accounts.

Sector	Individual Issuer Breakdown	Amortized Cost (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
Mbs / Cmo	FANNIE MAE	24,898,147.37	3.52%	15%	YES
Mbs / Cmo	FREDDIE MAC	12,730,109.77	1.80%	15%	YES
Mbs / Cmo	FHLMC MULTIFAMILY STRUCTURED P	12,434,411.43	1.76%	15%	YES
Mbs / Cmo	GOVERNMENT NATIONAL MORTGAGE ASSOC	2,846,503.09	0.40%	15%	YES
Muni Bond/Note	NASSAU CNTY NY	506,640.88	0.07%	10%	YES
Muni Bond/Note	NEW YORK ST DORM AUTH ST PERSO	2,321,535.67	0.33%	10%	YES
Corporate Note	BRANCH BANKING & TRUST	2,649,650.28	0.37%	5%	YES
Corporate Note	MELLON BANK	2,534,977.67	0.36%	5%	YES
Corporate Note	MANUF & TRADERS TRUST CO	1,713,138.11	0.24%	5%	YES
Corporate Note	ORACLE CORP	642,966.32	0.09%	5%	YES
Corporate Note	CHEVRON CORP	653,691.16	0.09%	5%	YES
Corporate Note	CITIGROUP INC	1,114,480.31	0.16%	5%	YES
Corporate Note	GENERAL ELEC CAP CORP	773,272.77	0.11%	5%	YES
Corporate Note	JPMORGAN CHASE & CO	4,818,902.32	0.68%	5%	YES
Corporate Note	PNC BANK NA	604,596.50	0.09%	5%	YES
Corporate Note	STATE STREET BANK & TR	552,517.07	0.08%	5%	YES
Corporate Note	VISA INC	1,533,046.18	0.22%	5%	YES
Corporate Note	WELLS FARGO & COMPANY	951,957.50	0.13%	5%	YES
Corporate Note	AMERICAN HONDA FINANCE	2,675,311.17	0.38%	5%	YES
Corporate Note	CATERPILLAR FINANCIAL SERVICES CORP	2,449,902.12	0.35%	5%	YES
Corporate Note	GOOGLE INC	803,594.25	0.11%	5%	YES
Corporate Note	AMAZON.COM INC	2,661,435.94	0.38%	5%	YES
Corporate Note	AMERICAN EXPRESS CREDIT	2,928,260.85	0.41%	5%	YES
Corporate Note	BLACKROCK INC	4,683,879.53	0.66%	5%	YES
Corporate Note	CISCO SYSTEMS	4,476,965.59	0.63%	5%	YES
Corporate Note	COSTCO WHOLESALE CORP	752,110.98	0.11%	5%	YES
Corporate Note	JOHN DEERE CAPITAL CORP	2,696,239.22	0.38%	5%	YES
Corporate Note	WALT DISNEY COMPANY/THE	2,204,532.28	0.31%	5%	YES
Corporate Note	EMERSON ELECTRIC COMPANY	901,756.47	0.13%	5%	YES
Corporate Note	FIFTH THIRD BANK	350,265.84	0.05%	5%	YES
Corporate Note	GOLDMAN SACHS GROUP INC	2,841,683.96	0.40%	5%	YES
Corporate Note	HOME DEPOT INC	1,411,938.51	0.20%	5%	YES
Corporate Note	INTEL CORP	1,821,245.35	0.26%	5%	YES
Corporate Note	IBM CORP	864,207.48	0.12%	5%	YES
Corporate Note	MORGAN STANLEY	2,781,426.41	0.39%	5%	YES
Corporate Note	PACCAR FINANCIAL CORP	1,059,150.04	0.15%	5%	YES
Corporate Note	PROCTER & GAMBLE CO/THE	762,833.86	0.11%	5%	YES
Corporate Note	CHARLES SCHWAB CORP	1,303,334.17	0.18%	5%	YES
Corporate Note	STATE STREET CORPORATION	245,507.94	0.03%	5%	YES
Corporate Note	3M COMPANY	1,128,281.16	0.16%	5%	YES
Corporate Note	TOYOTA MOTOR CREDIT CORP	5,626,470.75	0.80%	5%	YES

<b>Sector</b>	<b>Individual Issuer Breakdown</b>	<b>Amortized Cost (Includes Interest)</b>	<b>Allocation Percentage</b>	<b>Permitted by Policy</b>	<b>In Compliance</b>
Corporate Note	US BANK NA CINCINNATI	4,225,718.53	0.60%	5%	YES
Corporate Note	UNILEVER CAPITAL CORP	1,493,529.39	0.21%	5%	YES
Corporate Note	WELLS FARGO BANK NA	4,164,679.25	0.59%	5%	YES
Corporate Note	BANK OF AMERICA CORP	3,219,249.08	0.46%	5%	YES
Corporate Note	KEY BANK NA	1,020,657.58	0.14%	5%	YES
Corporate Note	MICROSOFT CORP	704,161.05	0.10%	5%	YES
Corporate Note	SOUTHERN CAL EDISON	645,970.00	0.09%	5%	YES
Corporate Note	WAL-MART STORES INC	900,811.25	0.13%	5%	YES
Fed Agy Bond/Note	FANNIE MAE	14,224,662.38	2.01%	25%	YES
Fed Agy Bond/Note	FREDDIE MAC	3,223,765.08	0.46%	25%	YES
Fed Agy Bond/Note	FEDERAL HOME LOAN BANKS	13,591,692.39	1.92%	25%	YES
Us Tsy Bond/Note	UNITED STATES TREASURY	510,714,908.86	72.26%	100%	YES
Mny Mkt/Mutual Fnd	Money Market Funds	17,013,902.73	2.41%	25%	YES
Intergovernmental Pools	FMIT G.O. SERIES 2011-A	9,931,919.02	1.41%	25%	YES

End of month trade-date amortized cost of portfolio holdings, including accrued interest. This analysis includes the City's Fixed Income Investment Portfolio, the FMIT Subsidiary Accounts and Series 2011-A G.O. Bonds, the Central Beach CRA, the CRA Self-Directed and the City Self-Directed Accounts.

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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 Interactive Data, 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.