



# City of Ft. Lauderdale OPEB Trust and OPEB Post Retirement Pay Steps Plan

## Investment Performance Review For the Quarter Ended September 30, 2022

Client Management Team

PFM Asset Management LLC

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# Executive Summary

The City of Fort Lauderdale (the “City”) OPEB Trust returned -5.41% (net of mutual fund fees) in the 3<sup>rd</sup> quarter of 2022, outperforming its policy benchmark return of -5.61% by 0.20%. In the trailing 12 months, the portfolio returned -17.56%, underperforming its -17.47% benchmark return by 0.09%. In dollar terms, the portfolio lost \$2,044,337 in return on investment over the quarter and lost \$7,523,078 in the trailing 12 months.

The City’s OPEB Post Retirement Pay Steps Plan returned -5.65% (net of mutual fund fees) in the 3<sup>rd</sup> quarter of 2022, underperforming its policy benchmark return of -5.61% by 0.4%. In the trailing 12 months, the portfolio returned -17.31%, outperforming its -17.47% benchmark return by 0.16%. In dollar terms, the portfolio lost \$314,647 in return on investment over the quarter and lost \$1,114,792 in the trailing 12 months.

The S&P 500 Index (S&P) posted a negative return of -4.88% for the quarter as markets continued to digest hawkish sentiment from the Fed and their commitment to raise rates and bring inflation down. International markets, as measured by the MSCI ACWI ex-U.S. Index, underperformed their U.S. counterparts, returning -9.91% for the quarter. The U.S. bond market, represented by the Bloomberg U.S. Aggregate (Aggregate) Index, continued its sharply negative streak in the third quarter, this time with a 4.75% loss. YTD the Aggregate has lost 14.61% through September.

In Q3, U.S. economic conditions were characterized by persistently high inflation despite recent energy price declines, aggressive interest rate hikes by the Fed, further weakening of credit and equity market, and increasing recession probability. Over the third quarter, annual inflation slowed to 8.2% in September, after hitting a high of 9.1% in June. While the overall level of inflation has come down, the core inflation rate, which excludes more volatile food and energy, advanced to a 40-year high in September, underscoring persistent, elevated inflation that’s squeezing households. Currently, the portfolio is well-diversified and in line with the Foundation’s long-term goals and objectives.

As a result, portfolio allocations are nearly consistent with policy targets. Given that the City’s goals and objectives are long-term in nature, the portfolio continues to be in line with its investment policy guidelines.

# Multi-Asset Class Management Allocation

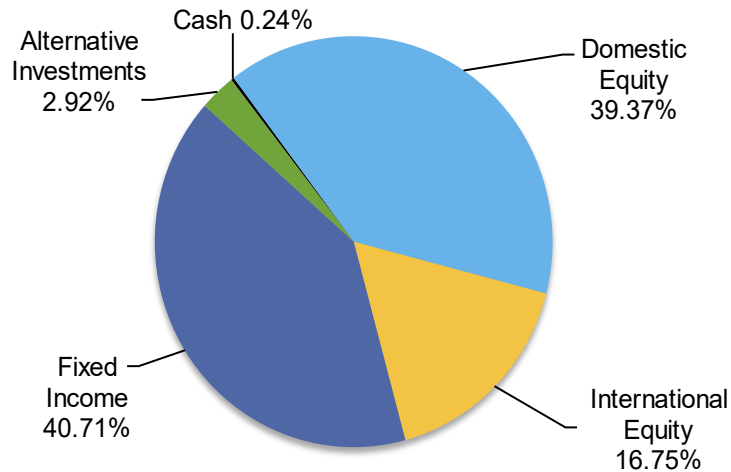
## Current Asset Allocation

Asset Class	Market Value	Pct (%)
Cash	\$99,692	0.24%
Domestic Equity	16,023,788	39.37%
International Equity	6,815,857	16.75%
Fixed Income	16,567,855	40.71%
Alternative Investments	1,190,019	2.92%
<b>Total</b>	<b>\$40,697,211</b>	<b>100.0%</b>

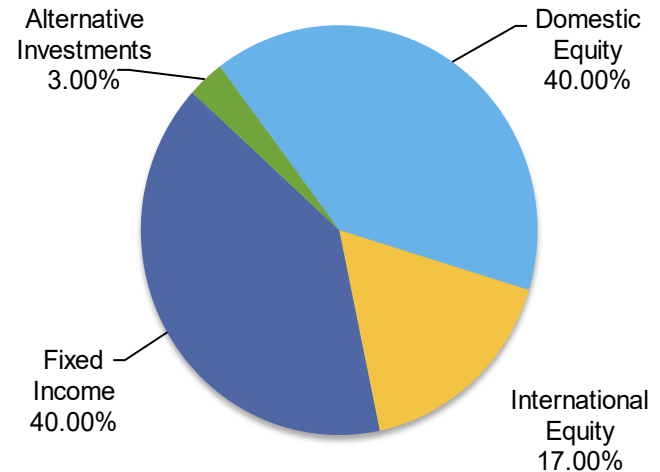
## Target Asset Allocation\*

Asset Class	Market Value	Pct (%)
Cash	-	0.00%
Domestic Equity	16,278,884	40.00%
International Equity	6,918,526	17.00%
Fixed Income	16,278,884	40.00%
Alternative Investments	1,220,916	3.00%
<b>Total</b>	<b>\$40,697,211</b>	<b>100%</b>

## Current Asset Allocation



## Target Asset Allocation



Data as of September 30, 2022.

\*Based on guidelines set by the City of Fort Lauderdale's OPEB Investment Policy.

# **Markets & Economy**

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
<b>DOMESTIC EQUITY</b>							
S&P 500	-4.88%	-23.87%	-15.47%	8.16%	9.24%	11.40%	11.70%
Russell 3000 Index	-4.46%	-24.62%	-17.63%	7.70%	8.62%	10.90%	11.39%
Russell 1000 Value Index	-5.62%	-17.75%	-11.36%	4.36%	5.29%	8.15%	9.17%
Russell 1000 Growth Index	-3.60%	-30.66%	-22.59%	10.67%	12.16%	13.74%	13.70%
Russell Midcap Index	-3.44%	-24.27%	-19.39%	5.19%	6.48%	8.79%	10.30%
Russell 2500 Index	-2.82%	-24.01%	-21.11%	5.36%	5.45%	8.39%	9.58%
Russell 2000 Value Index	-4.61%	-21.12%	-17.69%	4.72%	2.87%	7.42%	7.94%
Russell 2000 Index	-2.19%	-25.10%	-23.50%	4.29%	3.55%	7.51%	8.55%
Russell 2000 Growth Index	0.24%	-29.28%	-29.27%	2.94%	3.60%	7.12%	8.81%
<b>INTERNATIONAL EQUITY</b>							
MSCI EAFE (Net)	-9.36%	-27.09%	-25.13%	-1.83%	-0.84%	2.84%	3.67%
MSCI AC World Index (Net)	-6.82%	-25.63%	-20.66%	3.75%	4.44%	7.42%	7.28%
MSCI AC World ex USA (Net)	-9.91%	-26.50%	-25.17%	-1.52%	-0.81%	3.29%	3.01%
MSCI AC World ex USA Small Cap (Net)	-8.37%	-29.37%	-28.93%	0.38%	-0.56%	3.98%	4.44%
MSCI EM (Net)	-11.57%	-27.16%	-28.11%	-2.07%	-1.81%	3.88%	1.05%
<b>ALTERNATIVES</b>							
FTSE NAREIT Equity REIT Index	-9.94%	-28.13%	-16.41%	-2.05%	2.93%	4.86%	6.26%
FTSE EPRA/NAREIT Developed Index	-11.39%	-29.41%	-22.09%	-5.62%	0.07%	2.40%	3.77%
Bloomberg Commodity Index Total Return	-4.11%	13.57%	11.80%	13.45%	6.96%	4.49%	-2.14%
<b>FIXED INCOME</b>							
Blmbg. U.S. Aggregate	-4.75%	-14.61%	-14.60%	-3.26%	-0.27%	0.54%	0.89%
Blmbg. U.S. Government/Credit	-4.56%	-15.10%	-14.95%	-3.15%	-0.05%	0.78%	1.02%
Blmbg. Intermed. U.S. Government/Credit	-3.06%	-9.63%	-10.14%	-1.64%	0.38%	0.80%	1.00%
Blmbg. U.S. Treasury: 1-3 Year	-1.55%	-4.52%	-5.07%	-0.54%	0.54%	0.55%	0.59%
Blmbg. U.S. Corp: High Yield	-0.65%	-14.74%	-14.14%	-0.45%	1.57%	4.13%	3.94%
Credit Suisse Leveraged Loan index	1.19%	-3.31%	-2.62%	2.12%	3.00%	3.67%	3.70%
ICE BofAML Global High Yield Constrained (USD)	-2.62%	-18.90%	-19.52%	-2.84%	-0.35%	2.85%	2.91%
Blmbg. Global Aggregate Ex USD	-8.85%	-23.88%	-24.77%	-7.78%	-4.03%	-1.69%	-2.39%
JPM EMBI Global Diversified	-4.57%	-23.95%	-24.28%	-7.15%	-2.62%	0.90%	1.08%
<b>CASH EQUIVALENT</b>							
90 Day U.S. Treasury Bill	0.46%	0.61%	0.62%	0.59%	1.15%	0.94%	0.67%

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

**THE ECONOMY**

▶ Over the third quarter, annual inflation slowed to 8.2% in September, after hitting a high of 9.1% in June. While the overall level of inflation has come down, the core inflation rate, which excludes more volatile food and energy, advanced to a 40-year high in September, underscoring persistent, elevated inflation that’s squeezing households. The core consumer price index was up 6.6% from a year ago, the highest level since 1982. Europe also saw its struggle with record-breaking inflation continue through the quarter, ending with a 10% preliminary annual inflation rate as energy prices rose 40.8% year-over-year.

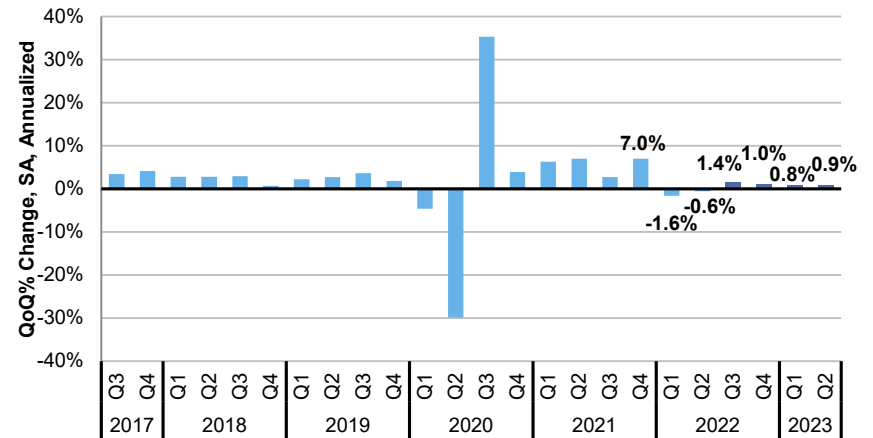
▶ The Federal Reserve (Fed) raised rates a total of 1.5% during the quarter, with expectations for further increases in the coming quarter. The Fed has buckled down on doing what it takes to combat inflation, painting a bleak picture for the path forward of interest rates. While market expectations for the Fed funds rate have risen to an increased likelihood of a 75 basis point (bps) rate hike at the November Federal Open Market Committee (FOMC) meeting and a 75 bps rate hike at the December meeting. The European Central Bank, the Bank of England and various other central banks also continued to raise rates during the quarter as they worked to control inflation in their domestic markets.

▶ U.S. labor markets remained strong during the quarter, ending with an unemployment rate of 3.5% in September after edging up slightly in August. Over the quarter, the U.S. economy added 1,115,000 jobs to non-farm payrolls, 86,000 more than the previous quarter, as employment remains approximately 500,000 higher than its pre-pandemic level. This, along with a low labor-force participation rate and aging demographic trends, continues to keep upward pressure on wages, contributing to the heightened inflation the U.S. faces.

▶ Due to the monetary tightening by the Fed, mortgage rates saw a dramatic rise during the quarter, cooling the hot housing market. U.S. mortgage rates advanced to a fresh 16-year high of 6.81%, extending a rapid ascent in borrowing costs that are seen as dealing a bigger blow to the housing market. As rates rose, sales declined, with August marking the seventh straight month of declines in home sales. At 4.8 million, it is the lowest reading since May 2020.

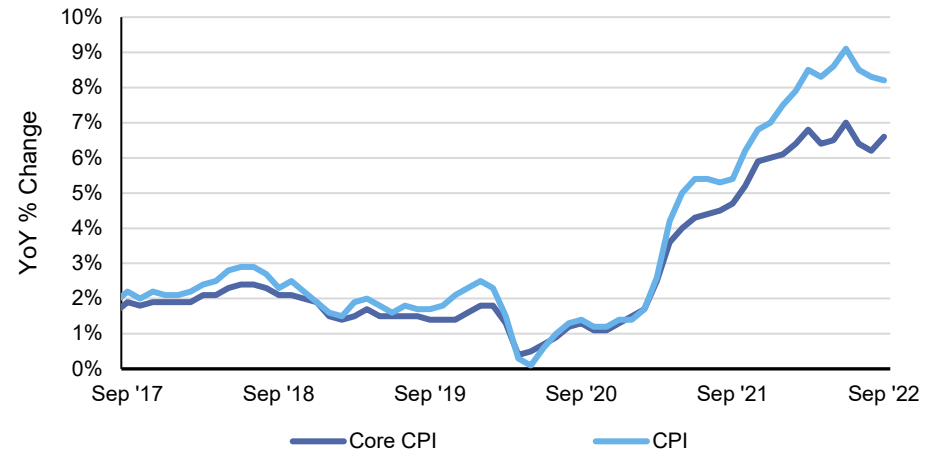
**U.S. Real GDP Growth**

Seasonally Adjusted (SA)



Source: Bloomberg. Light blue bars indicate actual numbers; dark blue bars indicate forecasted estimates.

**U.S. Inflation Rate**



Source: Bureau of Labor Statistics.

**WHAT WE'RE WATCHING**

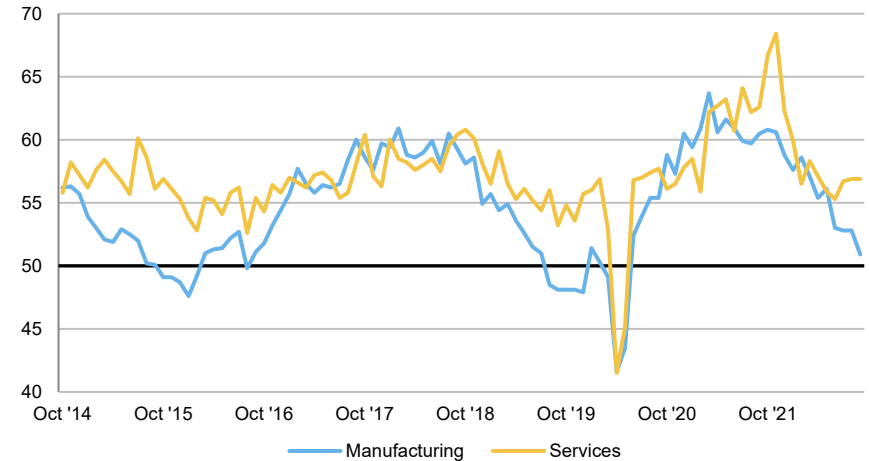
▶ While the U.S. and other major economies continue to raise rates to control inflation while balancing the risk of recession domestically, concerns grow about the possibility of a recession globally. The UN Conference on Trade and Development is calling for a reverse course on raising rates, stating that it is leading the world into a global recession and prolonged stagnation. Fed Chair Jerome Powell stated, "We are very aware of what's going on in other economies around the world, and what that means for us, and vice versa," but did not indicate any plans to reverse the policy.

▶ The IMF downwardly revised their outlook for 2023 global economic growth, predicting a greater slowdown than previously expected. The IMF revised the world GDP growth down 20 bps from its July estimate to 2.7%. The report found that more than a third of the global economy will see two consecutive quarters of negative growth. Major roadblocks to growth like the Russian invasion of Ukraine, China's economic slowdown, and the cost-of-living crisis in many countries, are not expected to resolve soon.

▶ As the Fed works to control inflation, the consumer sentiment index increased to a five-month high, rising to 58.6 and showing improvement from June's 50 reading, but still significantly below last September's 72.8. The low consumer sentiment across the income distribution has been consistent for the past six months, underscoring the shared concerns about inflation pressures. Retail sales figures also suggest there may be more gloomy outlooks despite sentiment readings, as September's consumer spending was flat as prices moved sharply higher.

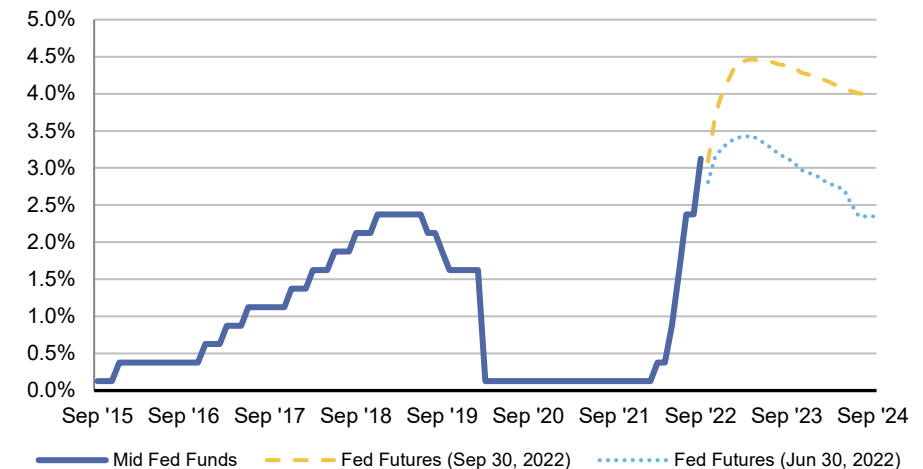
▶ The continued energy disruptions and high prices that have added fuel to the fire of inflation show no signs of slowing. The relief some consumers feel after gas fell from a record \$5.02 per gallon may be short-lived. Prices are expected to rise as the OPEC and its allies agreed to slash output by two million barrels a day, a move likely to push up already-high global energy prices and help oil-exporting Russia pay for its war in Ukraine. The U.S. Energy Information Administration also projected U.S. consumers would be paying up to 28% more to heat their homes this winter, on top of even higher increases last year where consumers felt a bigger pinch with fuels such as heating oil jumping more than 50%.

**ISM Manufacturing & Services PMI**



Source: Bloomberg.

**Federal Funds Target Rate**



Source: Bloomberg.



**DOMESTIC EQUITY**

- ▶ The S&P 500 Index (S&P) posted a negative return of -4.88% for the quarter as markets continued to digest hawkish sentiment from the Fed and their commitment to raise rates and bring inflation down.
- ▶ During a quarter where consumers saw the price of oil decrease and Congress passed the Inflation Reduction Act, the U.S. Consumer Confidence Index saw increases for two consecutive months in August and September, after being at its lowest level in over a year in July.
- ▶ Within S&P, nine of 11 sectors ended with negative returns for the quarter. Communication Services (-12.71%), Real Estate (-11.03%) and Materials (-7.13%) were the worst-performing sectors. The two sectors that ended positively for the quarter were Consumer Discretionary (4.36%) and Energy (2.16%). Year-to-date (YTD), Energy (34.49%) is the only positive performing sector, with Communication Services (-39.04%), Information Technology (-31.44%) and Consumer Discretionary (-29.89%) being the largest detractors.

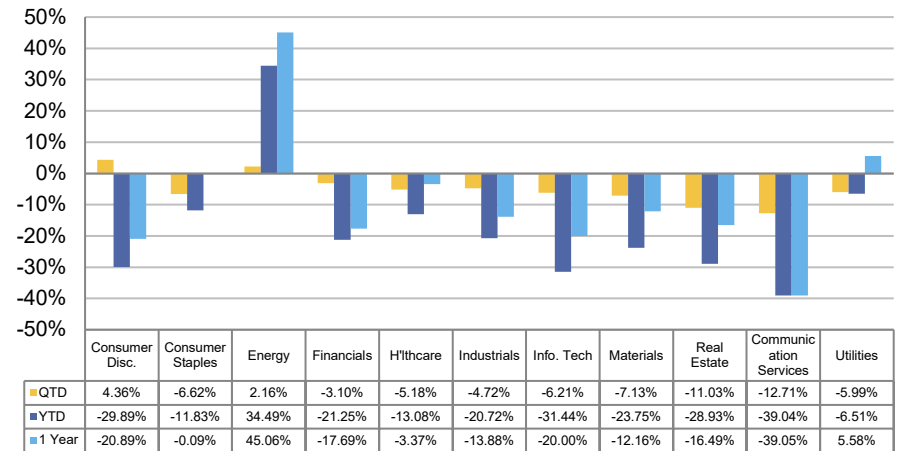
▶ Value stocks, as represented by the Russell 1000 Value Index, returned -5.62%, underperforming growth stocks, as represented by the Russell 1000 Growth Index, which returned -3.60%. Over the trailing 12 months, the value index has outperformed the growth index by 1123 bps (-11.36% vs. -22.59%).

▶ Small-caps, as represented by the S&P 600 Index, returned -5.21% during the quarter, underperforming mid- and large-caps while the Russell 2000, returned -2.19% during the quarter, outperforming mid- and large-caps. The Russell Midcap and Russell 1000 indices returned -3.44% and -4.61%, respectively.

▶ According to FactSet Earnings Insight, the expected earnings growth rate for the S&P for the quarter is 2.9%. If 2.9% is the actual growth rate for the quarter, it will mark the lowest earnings growth rate reported by the index since the third quarter of 2020 (-5.7%). Additionally, according to FactSet Earnings Insight, the Energy sector is expected to be the largest contributor to earnings growth for the S&P for the third quarter. If this sector were excluded, the index would be expected to report a decline in earnings of 3.4% rather than a growth in earnings of 2.9%.

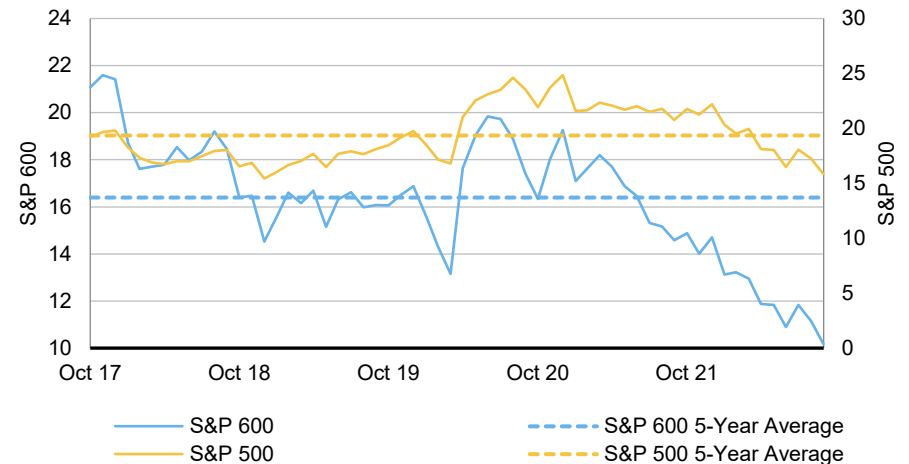
**S&P 500 Index Performance by Sector**

Periods Ended September 30, 2022



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.

**NON-U.S. EQUITY**

► Equity markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, underperformed their U.S. counterparts, returning -9.91% for the quarter. All 11 sectors posted negative returns for the quarter. Energy was the best-performing sector returning -6.31%, followed by Consumer Staples (-6.40%) and Materials (-7.86%), while Communication Services was the worst-performing sector returning -16.47%. The strong dollar remains a headwind to international equity returns this quarter due to the negative impact of currency translation. Rising inflation and slowing growth weighed heavily on the market returns.

► Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning -11.57% versus -9.36% for the quarter.

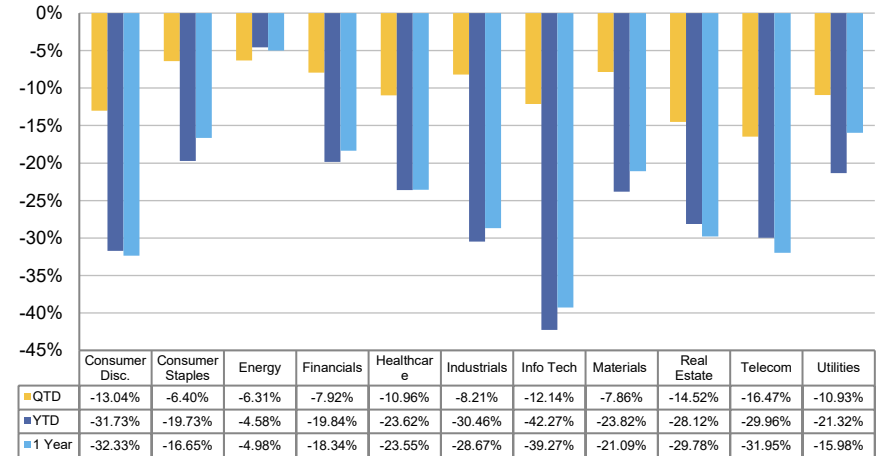
► MSCI Europe (-10.11%) underperformed the MSCI EAFE Index, as the Russian gas supply disruption exacerbated price pressures and hindered the European Central Bank’s efforts to combat inflation. MSCI Japan, on the other hand, fared better than the MSCI EAFE Index, returning -7.52%. Within EM, EM Latin America (+3.72%) was the top-performing region, benefitting from Brazil’s strong return of +8.68% as the country nears the end of its tightening cycle and demand for commodities stays elevated. EM Asia and EM Europe dragged the index down with quarterly returns of -13.87% and -12.09%, respectively.

► Value stocks underperformed growth stocks for the quarter, as represented by the broad benchmark, a reversal of the trend observed during the first half of the year. MSCI AC World ex-USA Value returned -10.44%, while MSCI AC World ex-USA Growth returned -9.37%. Within EM, value continued to outperform growth returning -10.77% versus -12.09%.

► Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, outperformed within the international equity markets, returning -8.37%.

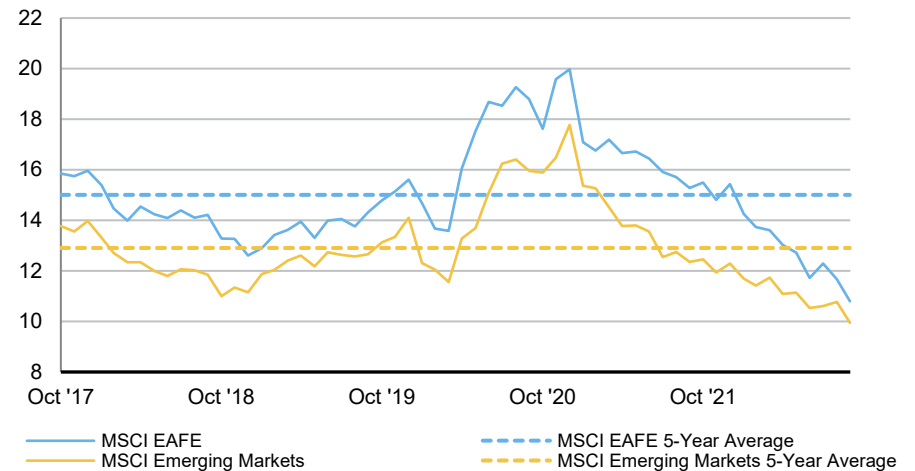
**MSCI ACWI ex-U.S. Sectors**

Periods Ended September 30, 2022



Source: Bloomberg.

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



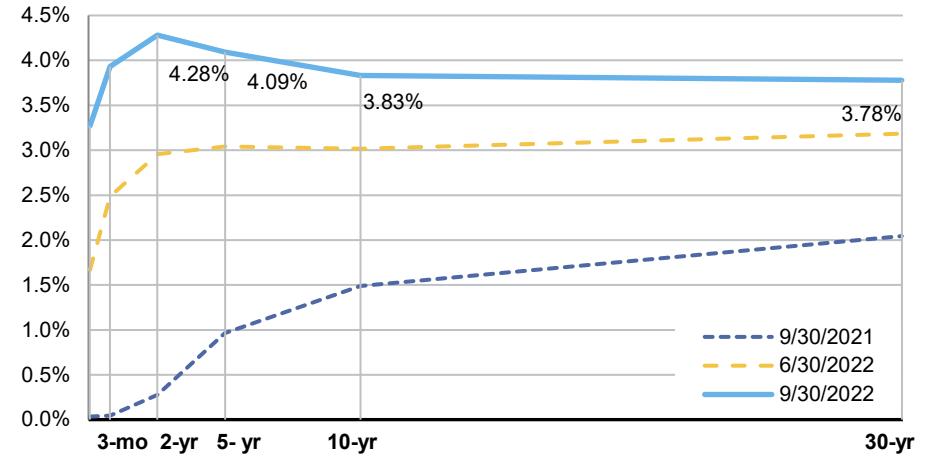
Source: Bloomberg.

\*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 U.S. Aggregate (Aggregate) Index, continued its sharply negative streak in the third quarter, this time with a 4.75% loss. YTD the Aggregate has lost 14.61% through September.
- ▶ The treasury market sold off again as the Fed took another hawkish tone at the Jackson Hole summit. The front end of the curve continued to rise on Fed hikes. The back end also rose, especially in late September. Yields on the 2- and 5-year treasuries rose over 100 bps each. Further out the curve, the 10-year briefly touched a 4.00% mark before falling back to 3.83%. Meanwhile, the 30-year increased, settling with a 3.79% yield, with an inverted slope versus the 2- and 10-year tenors. The Bloomberg U.S. Treasury Index lost 4.35% in total return for the quarter.
- ▶ Corporate credit was mixed as the investment-grade (IG) Bloomberg U.S. Corporate Index lost 5.06%, while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, had a much more mild loss at just -0.65% as credit spreads tightened in the BB and B-rated quality. Floating rate leverage loans gained 1.19% as measured by the Credit Suisse Leveraged Loan Index.
- ▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, had another weak quarter, down 5.35%. On the commercial side, the Bloomberg U.S. Agency CMBS Index fell 4.64%.
- ▶ EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified Index, lost 4.57% as inflation and COVID-19 continue to disturb markets. During the quarter, Asian markets sold off the most, down 5.98%, while Africa and Middle East sub-indices performed best.

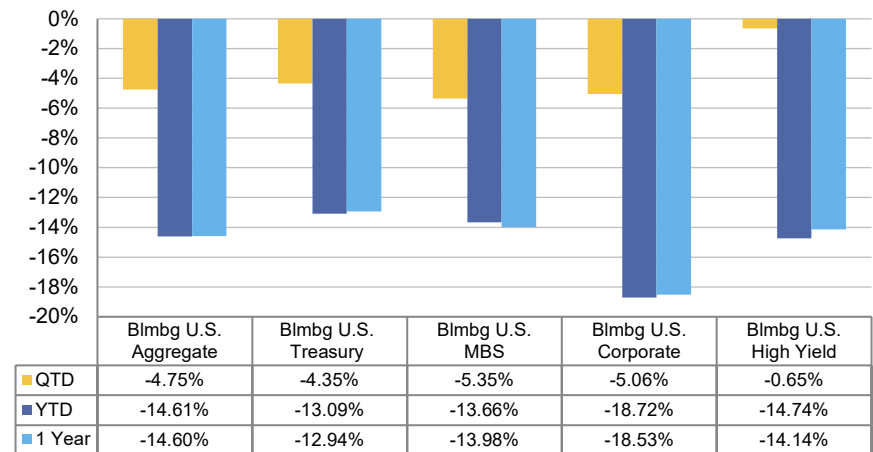
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended September 30, 2022



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

**ALTERNATIVES**

▶ REITs, as measured by the FTSE NAREIT Equity REITs Index, returned -9.94% in the third quarter of 2022, compared to -17.00% in the prior quarter. All major sectors posted negative returns during the third quarter. The poor returns resulted from increasing odds of recession and rapidly rising interest rates. The best performers were the Self-Storage and Lodging/Resorts sectors, which posted returns of -1.71% and -4.09%, respectively. The Data Centers sector returned -16.77% and was the worst performer during the quarter.

▶ Private real estate, as measured by the NCREIF Property Index, gained 3.23% in the second quarter of 2022, resulting in a 21.50% return over the twelve-month period ended June 2022. Industrial properties continued to be the top-performing sector, with a total return of 5.86% in the second quarter, comprised of 0.78% in income return and 5.08% in appreciation return. Office properties were the worst performers, although the sector still posted a positive total return of 0.58%, comprised of 1.08% in income return and -0.50% in appreciation return.

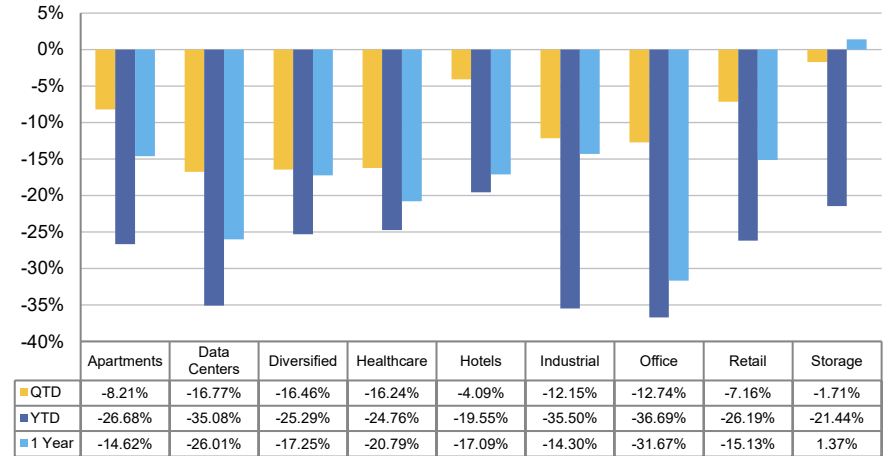
▶ Hedge fund returns were mixed in the third quarter of 2022, with the HFRI Fund Weighted Composite Index returning -0.58%. During the same period, the HFRI Macro (Total) Index, which benefited from recent market volatility, gained 2.21%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned -2.34% and 0.73%, respectively.

▶ In the second quarter of 2022, private capital fundraising was led by private equity funds, which closed on \$137.25 billion, followed by \$54.62 billion raised by private debt funds, \$47.96 billion raised by real assets funds, and \$29.35 billion raised by private real estate funds. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.24 trillion as of June 2022. According to Cambridge Associates, U.S. private equity generated a return of 22.65% for the 5 years ended Q1 2022. According to Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, generated a return of 8.32% for the 5 years ended Q2 2022.

▶ Commodity futures, represented by the Bloomberg Commodity Total Return Index, fell 4.11% in the third quarter of 2022. The U.S. Dollar Index (DXY) gained 7.10% over the same period and reached multi-year highs. Gold spot price finished the quarter at \$1,660.61 per ounce, an 8.12% decline over that period. The West Texas Intermediate (WTI) Crude Oil spot price fell 24.84% from \$105.76 to \$79.49 per barrel during the third quarter as fears of a global economic downturn outweighed supply concerns.

**FTSE NAREIT Sectors**

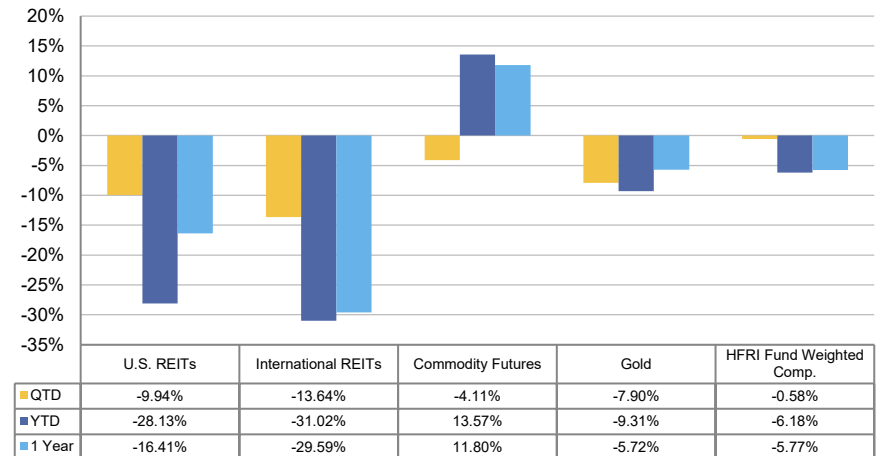
Periods Ended September 30, 2022



Source: Bloomberg.

**Returns for Alternative Assets**

Periods Ended September 30, 2022



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	3 Years	5 Years	Since Inception	Inception Date
Total Fund	35,480,439	100.00	-5.41	-21.01	-17.56	-17.56	1.85	3.37	3.37	10/01/2017
<b>Blended Benchmark</b>			<b>-5.61</b>	<b>-21.02</b>	<b>-17.47</b>	<b>-17.47</b>	<b>1.78</b>	<b>4.06</b>	<b>4.06</b>	<b>10/01/2017</b>
Domestic Equity	13,966,327	39.36	-4.52	-24.99	-18.12	-18.12	7.44	N/A	7.61	06/01/2018
Vanguard Total Stock Mkt Index Fund	13,966,327	39.36	-4.46	-24.89	-18.01	-18.01	7.59	N/A	7.59	10/01/2019
<i>Russell 3000 Index</i>			-4.46	-24.62	-17.63	-17.63	7.70	8.62	7.70	10/01/2019
International Equity	5,940,850	16.74	-10.42	-26.69	-25.14	-25.14	-0.92	N/A	-1.74	06/01/2018
Vanguard Total Intl Stock Index Fund	5,940,850	16.74	-10.51	-26.76	-25.21	-25.21	-1.18	N/A	-1.18	10/01/2019
<i>MSCI AC World ex USA (Net)</i>			-9.91	-26.50	-25.17	-25.17	-1.52	-0.81	-1.52	10/01/2019
Real Estate	1,037,298	2.92	-11.00	-29.25	-18.71	-18.71	-1.55	N/A	3.28	06/01/2018
Vanguard Real Estate Index Fund	1,037,298	2.92	-11.00	-29.25	-18.71	-18.71	-1.59	N/A	3.25	06/01/2018
<i>FTSE NAREIT Equity REIT Index</i>			-9.94	-28.13	-16.41	-16.41	-2.05	2.93	3.81	06/01/2018
Fixed Income	14,441,445	40.70	-4.65	-14.58	-14.66	-14.66	-3.29	N/A	-0.34	06/01/2018
Vanguard Total Bond Mkt Index Fund	14,441,445	40.70	-4.65	-14.59	-14.66	-14.66	-3.27	N/A	-3.27	10/01/2019
<i>Blmbg. U.S. Aggregate</i>			-4.75	-14.61	-14.60	-14.60	-3.26	-0.27	-3.26	10/01/2019
Cash Equivalent	94,520	0.27	0.60	0.72	0.72	0.72	0.48	N/A	0.96	06/01/2018
Wells Fargo 100% Treasury Money Market	94,520	0.27	0.60	0.72	0.72	0.72	0.48	N/A	0.89	09/01/2018

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 As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	36,974,211	550,565	(2,044,337)	35,480,439

YTD				
	Market Value As of 01/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	45,550,271	(650,793)	(9,419,040)	35,480,439

Fiscal Year To Date				
	Market Value As of 10/01/2021	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	43,048,933	(45,415)	(7,523,078)	35,480,439

1 Year				
	Market Value As of 10/01/2021	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	43,048,933	(45,415)	(7,523,078)	35,480,439

## Historical Hybrid Composition

Benchmark Allocation	Weight (%)
Oct-2017	
Russell 3000 Index	55.0
Blmbg. U.S. Aggregate	45.0
Jul-2019	
Russell 3000 Index	40.0
MSCI AC World ex USA (Net)	17.0
FTSE NAREIT Equity REIT Index	3.0
Blmbg. 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	3 Years	5 Years	Since Inception	Inception Date
Total Fund	5,216,771	100.00	-5.65	-20.36	-17.31	-17.31	1.06	N/A	1.06	10/01/2019
Blended Benchmark			-5.61	-21.02	-17.47	-17.47	1.78	N/A	1.78	10/01/2019
Domestic Equity	2,057,461	39.44	-4.46	-24.17	-17.23	-17.23	7.93	N/A	7.93	10/01/2019
Vanguard Total Stock Market Index	2,057,461	39.44	-4.46	-24.89	-18.01	-18.01	7.59	N/A	7.59	10/01/2019
Russell 3000 Index			-4.46	-24.62	-17.63	-17.63	7.70	8.62	7.70	10/01/2019
International Equity	875,007	16.77	-10.43	-26.45	-24.90	-24.90	-1.02	N/A	-1.02	10/01/2019
Vanguard Total International Stock Index Fund	875,007	16.77	-10.51	-26.76	-25.21	-25.21	-1.16	N/A	-1.16	10/01/2019
MSCI AC World ex USA (Net)			-9.91	-26.50	-25.17	-25.17	-1.52	-0.81	-1.52	10/01/2019
Real Estate	152,721	2.93	-11.00	-28.91	-18.32	-18.32	-1.44	N/A	-1.44	10/01/2019
Vanguard Real Estate Index Fund	152,721	2.93	-11.00	-29.25	-18.71	-18.71	-1.59	N/A	-1.59	10/01/2019
FTSE NAREIT Equity REIT Index			-9.94	-28.13	-16.41	-16.41	-2.05	2.93	-2.05	10/01/2019
Fixed Income	2,126,410	40.76	-4.67	-14.57	-14.65	-14.65	-3.27	N/A	-3.27	10/01/2019
Vanguard Total Bond Market Index	2,126,410	40.76	-4.65	-14.58	-14.65	-14.65	-3.27	N/A	-3.27	10/01/2019
Blmbg. U.S. Aggregate			-4.75	-14.61	-14.60	-14.60	-3.26	-0.27	-3.26	10/01/2019
Cash Equivalent	5,172	0.10	0.44	0.57	0.58	0.58	0.42	N/A	0.42	10/01/2019
Wells Fargo 100% Treasury Money Market	5,172	0.10	0.44	0.57	0.58	0.58	0.42	N/A	0.42	10/01/2019
ICE BofAML 3 Month U.S. T-Bill			0.46	0.61	0.62	0.62	0.59	1.15	0.59	10/01/2019

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 As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	5,592,723	(61,305)	(314,647)	5,216,771

YTD				
	Market Value As of 01/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	6,625,682	(63,296)	(1,345,615)	5,216,771

Fiscal Year To Date				
	Market Value As of 10/01/2021	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	5,231,191	1,100,371	(1,114,792)	5,216,771

1 Year				
	Market Value As of 10/01/2021	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund	5,231,191	1,100,371	(1,114,792)	5,216,771

Historical Hybrid Composition

Benchmark Allocation	Weight (%)
Oct-2019	
Russell 3000 Index	40.0
MSCI AC World ex USA (Net)	17.0
FTSE NAREIT Equity REIT Index	3.0
Blmbg. U.S. Aggregate	40.0

## IMPORTANT DISCLOSURES

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