



# BREVARD COUNTY

## Annual Report For the Fiscal Year Ended September 30, 2023

### Client Management Team

Scott Sweeten, BCM, CFS, Sr. Managing Consultant  
Richard Pengelly, CFA, CIMA, CTP, Managing Director  
Sean Gannon, Senior Managing Consultant

### PFM Asset Management LLC

225 E. Robinson Street  
Orlando, FL 32801  
407-406-5754

213 Market Street  
Harrisburg, PA 17101-2141  
717-232-2723

**NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE**

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## Tab I

- Annual Review

## Tab II

- Executive Summary
- Asset Allocation Chart

## Tab III

- Short Term and Bond Portfolio

## Tab IV

- Long Term Portfolio
- Multi-Asset Class Management Portfolio

## Tab V

- Disclosures

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# Tab I

**Total Portfolio Balances and Interest Earnings**

<b>Balances Fund Name</b>	<b>Book Value as of September 30, 2023</b>	<b>Book Value as of September 30, 2022</b>	<b>Percent Change From FY 2023 - 2022</b>
General Fund	\$108,275,655	\$91,310,296	18.58%
Special Revenue	671,659,870	615,598,124	9.11%
Debt Service	13,184,624	16,393,295	-19.57%
Capital Projects	24,120,213	20,569,063	17.26%
Enterprise	185,537,225	148,017,985	25.35%
Internal Service	33,350,026	39,752,023	-16.10%
<b>Total</b>	<b>\$1,036,127,614</b>	<b>\$931,640,787</b>	<b>11.22%</b>

<b>Interest Earnings Fund Name</b>	<b>Interest Earned Fiscal Year 2023</b>	<b>Interest Earned Fiscal Year 2022</b>	<b>Percent Change From FY 2023 - 2022</b>
General Fund	\$8,087,884	\$1,683,826	380.33%
Special Revenue	17,889,715	4,744,062	277.10%
Debt Service	537,093	177,983	201.77%
Capital Projects	580,394	166,069	249.49%
Enterprise	4,947,174	1,473,480	235.75%
Internal Service	1,111,470	375,658	195.87%
<b>Total</b>	<b>\$33,153,730</b>	<b>\$8,621,078</b>	<b>284.57%</b>

<b>County Total Portfolio</b>	<b>Book Value as of September 30, 2023</b>	<b>Market Value as of September 30, 2023</b>
Short Term and Bond Portfolio	\$444,249,366	\$444,249,366
Long Term Portfolio	473,844,706	462,321,151
<b>Total</b>	<b>\$918,094,072</b>	<b>\$906,570,517</b>

## Short Term and Long Term Portfolios Annual Review Fact Sheet

### Ending Balance as of September 30, 2023

Short Term Portfolio Market Value <sup>1</sup>	\$444,249,366
Long Term Portfolio Market Value	462,321,151
Total All Assets	<u>\$906,570,517</u>

### Short Term Portfolio Performance

#### Yield at Cost

	Last 12 Months
Short Term Portfolio	5.19%
S&P Rated GIP Index Government 30 Day Gross Yield	5.52%
Performance under the Benchmark	<u>-0.33%</u>

### Interest Earnings

	Last 12 Months
Total Portfolio Interest Earnings for Fiscal Year 2023	\$8,621,078

### Weighted Average Maturity

	As of September 30, 2023
Short Term Portfolio	3 Days
S&P Rated GIP Index Government	30 Days

### Additional Annual Returns in Dollars<sup>2</sup>

	Last 12 Months
<b>Total Return</b>	
Long Term Portfolio	\$14,748,045
Merrill Lynch 1-3 Year U.S. Treasury Index	11,419,332
Additional Returns over Benchmark	<u>\$3,328,712</u>

### Long Term Portfolio Performance

#### Total Return

	Last 12 Months
Long Term Portfolio	3.19%
Merrill Lynch 1-3 Year U.S. Treasury Index	2.47%
Performance over the Benchmark	<u>0.72%</u>

### Effective Duration

	Fiscal Year End
Long Term Portfolio	1.71 Years
Merrill Lynch 1-3 Year U.S. Treasury Index	1.75 Years

### Notes:

1. The Short Term Portfolio is managed by the County.
2. Based on the fiscal year end balance.

## Multi-Asset Class Management Portfolio Annual Review Fact Sheet

### Ending Balance as of September 30, 2023

Multi-Asset Class Management Portfolio Market Value \$50,825,147

### Interest Earnings

Total Portfolio Interest Earnings Year-to-Date Fiscal Year-to-Date  
\$4,743,781

### Multi-Asset Class Management Portfolio Performance Fiscal Year-to-Date

#### Total Return

Multi-Asset Class Management Portfolio 11.58%

Multi-Asset Class Management Portfolio Benchmark 13.41%

Performance under the Benchmark -1.83%

### Sector Allocation Breakout

	Sector Allocation (\$)	Sector Allocation (%)	Benchmark Target (%)	Overweight/ Underweight	Sector Performance Fiscal Year-to-Date	Benchmark Performance Fiscal YTD
Domestic Equity	\$22,140,023	43.6%	42.0%	1.6%	17.50%	20.46%
International Equity	11,312,756	22.3%	23.0%	-0.7%	18.19%	20.39%
Fixed Income	17,371,948	34.2%	35.0%	-0.8%	1.71%	0.64%
Cash Equivalent	420	0.0%	0.0%	0.0%	4.47%	4.47%
Total	\$50,825,147	100.0%	100.0%	0.00%	11.58%	13.41%

### Notes:

1. Based on the fiscal year end balance.
2. N/A is listed for sectors that do not have a full fiscal year of performance.

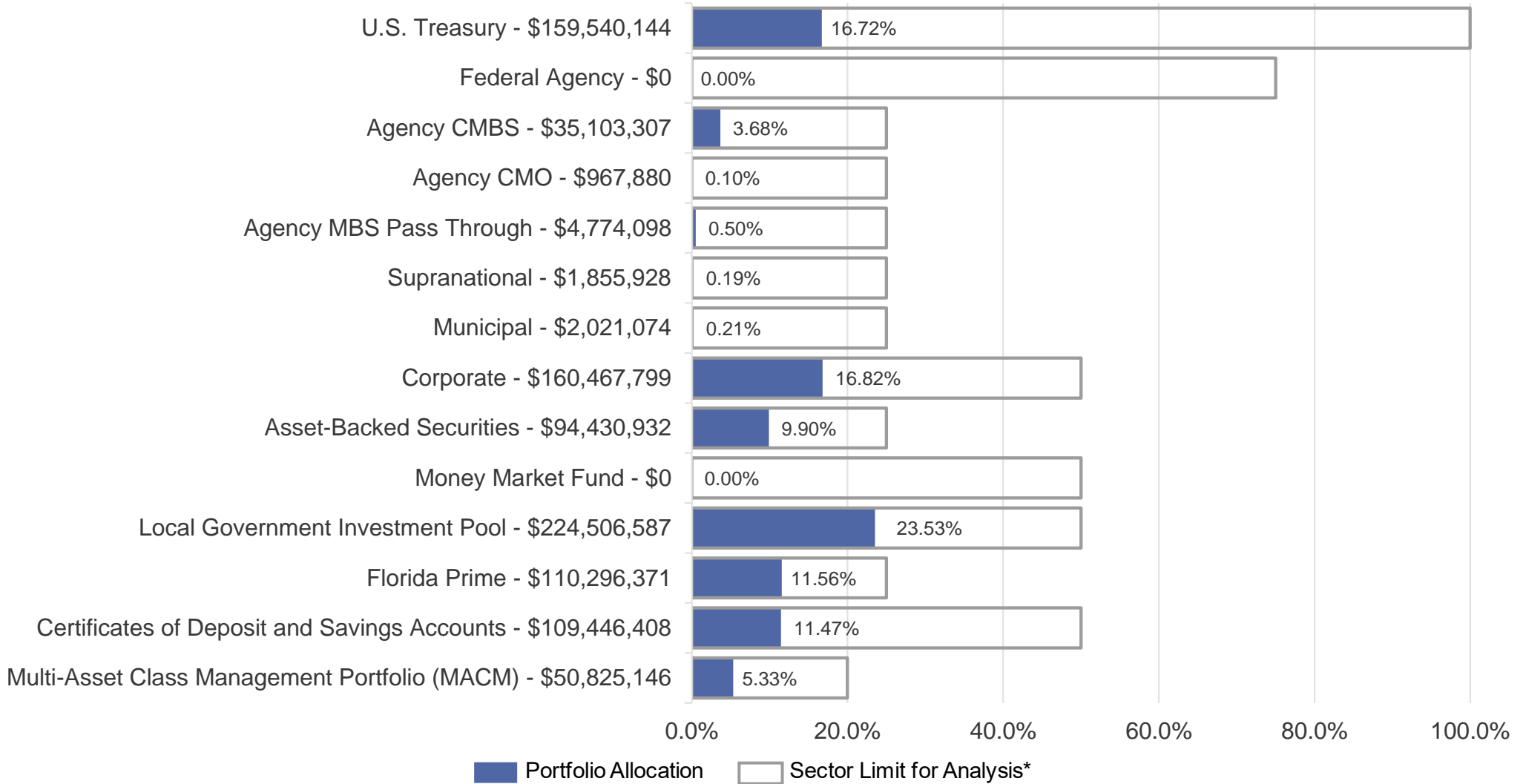
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# Tab II

- The Short Term and Bond Portfolio is of high credit quality and invested in certificates of deposit, Florida Prime (SBA), FL PALM, Florida Fit, and bank accounts.
- The Short Term and Bond Portfolio ended the fiscal year with a yield to maturity at cost of 5.19%, 33 basis points (-0.33%) lower than the benchmark yield of 5.52%.
- The Long Term Fund Portfolio is of high credit quality and invested in U.S. Treasury, corporate, asset-backed, supranational, municipal, agency MBS passthrough, agency CMBS, and agency CMO securities
- The Long Term Fund Portfolio's annual total return performance of 3.19% outperformed the benchmark performance of 2.47% by 0.72%.
- The Multi-Asset Class Management Portfolio was created during the 4th Quarter of 2018. Fiscal year-to-date performance of the portfolio is 11.58%, underperforming the benchmark's performance of 13.41%.
- After a pause in June, the third quarter brought one more rate hike as the resiliency of economic activity in the U.S. prompted the Fed to raise the target for the federal funds rate by 25 basis points (bps). Looking forward, the median dot for 2024 and 2025 were raised to 5.125% and 3.875%, with increased expectations of a 'higher-for-longer' policy. The European Central Bank (ECB) diverged from Fed policy slightly with two hikes during the quarter, marking a full year of consecutive rate hikes, as they continue to rein in inflation.
- Given the positive economic outlook, robust labor market, and steadfast consumer, our general view on risk appetite remained constructive. As a result, our strategic sector allocations were relatively unchanged throughout the quarter as we maintained allocations to spread products near multi-year highs, including corporates, asset-backed securities (ABS), and federal agency mortgage-backed securities (MBS). Interest rates continued to climb as "higher-for-longer" transformed into "higher for much longer." Federal Reserve (Fed) expectations for calendar year-end 2024 and 2025 policy rate targets were adjusted upwards by 50 basis points following the September FOMC meeting.



### Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.

\*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.

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# Tab III

### Short Term and Bond Portfolio Yields

<b>Yields<sup>1,2</sup></b> <b><u>Security Type</u></b>	<b>Yield at Cost as of September 30, 2023</b>	<b>Percent of Portfolio September 30, 2023</b>	<b>Yield at Cost as of September 30, 2022</b>	<b>Percent of Portfolio <u>September 30, 2022</u></b>
Florida PRIME (SBA)	5.59%	24.83%	2.61%	27.96%
SunTrust Bank Account	3.30%	12.11%	0.35%	3.67%
Bank United Money Market	5.10%	10.19%	2.05%	10.64%
Florida FIT	5.46%	25.59%	3.04%	27.60%
PFMAM FL PALM	5.53%	24.95%	2.65%	25.19%
PFMAM FL PALM - TERM	0.00%	0.00%	0.37%	2.47%
Bank United CD	4.39%	2.33%	2.27%	2.47%
<b>Total Average Yield<sup>2</sup></b>	<b>5.19%</b>	<b>100.00%</b>	<b>2.53%</b>	<b>100.00%</b>

<b><u>Benchmarks</u></b>	<b>September 30, 2023</b>	<b>September 30, 2022</b>
S&P Rated GIP Index Government 30 Day Yield <sup>3</sup>	5.52%	2.39%

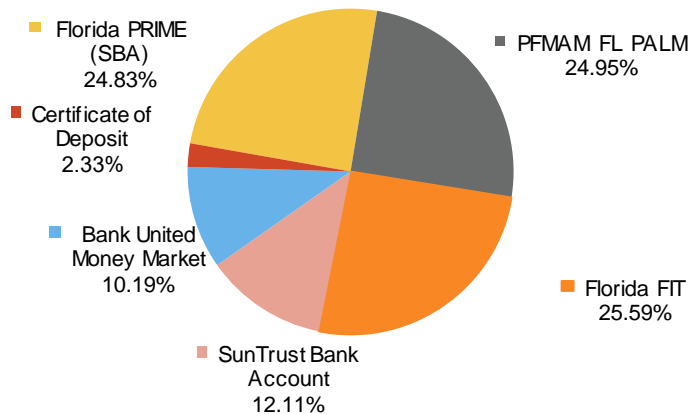
Notes:

1. Yields are presented as "Yield on Cost" pursuant to the County's Investment Policy Performance Section for short-term securities and compared to the benchmark which is the Standard & Poor's GIP 30 Day Index.
2. Yield on Cost is a dollar-weighted yield.
3. Monthly yield, gross of fees. Source Standard & Poor's Financial Institutions Ratings.
4. Bank Deposits in excess of \$250,000 are collateralized under Florida State Statute 280 with U.S. Government and U.S. Government Agency securities, including Mortgage-Backed Securities.

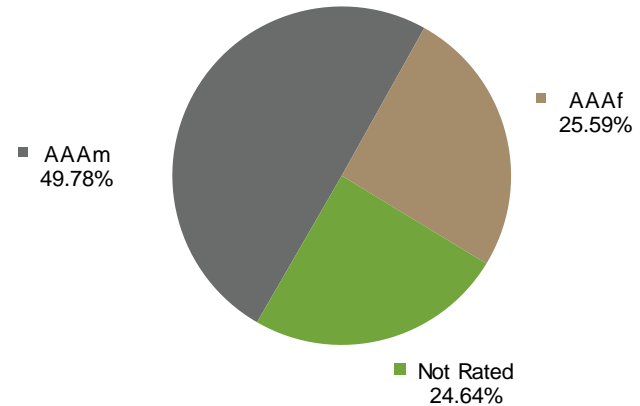
Short Term and Bond Portfolio Composition (Market Value)

<u>Security Type<sup>1</sup></u>	<u>Balance as of September 30, 2023</u>	<u>Percent of Portfolio</u>	<u>Balance as of September 30, 2022</u>	<u>Percent of Portfolio</u>
Florida PRIME (SBA)	\$110,296,371	24.83%	\$113,747,992	27.96%
PFMAM FL PALM	110,843,580	24.95%	102,461,634	25.19%
Florida FIT	113,663,008	25.59%	112,274,976	27.60%
SunTrust Bank Account	53,813,903	12.11%	14,940,287	3.67%
Bank United Money Market	45,272,933	10.19%	43,304,112	10.64%
PFMAM FL PALM - Term	0	0.00%	10,030,310	2.47%
Certificate of Deposit	10,359,572	2.33%	10,058,134	2.47%
<b>Totals</b>	<b>\$444,249,366</b>	<b>100.00%</b>	<b>\$406,817,443</b>	<b>100.00%</b>

Portfolio Composition as of September 30, 2023<sup>1</sup>



Credit Quality Distribution as of September 30, 2023<sup>2</sup>



Notes:

- Investment balances are market values as of September 30, 2023.
- Credit rating of securities held in portfolio. Standard & Poor's is the source of the credit ratings. The SBA Fund B and Bank Deposits are not rated.
- Bank Deposits in excess of \$250,000 are collateralized under Florida State Statute 280 with U.S. Government and U.S. Government Agency securities, including Mortgage-Backed Securities.
- Market Values listed exclude Multi-Asset Class Assets. Market Values exclude accrued interest or estimated income from FL PALM TERM securities.

Short Term and Bond Portfolio Holdings and Yields<sup>1</sup> as of September 30, 2023

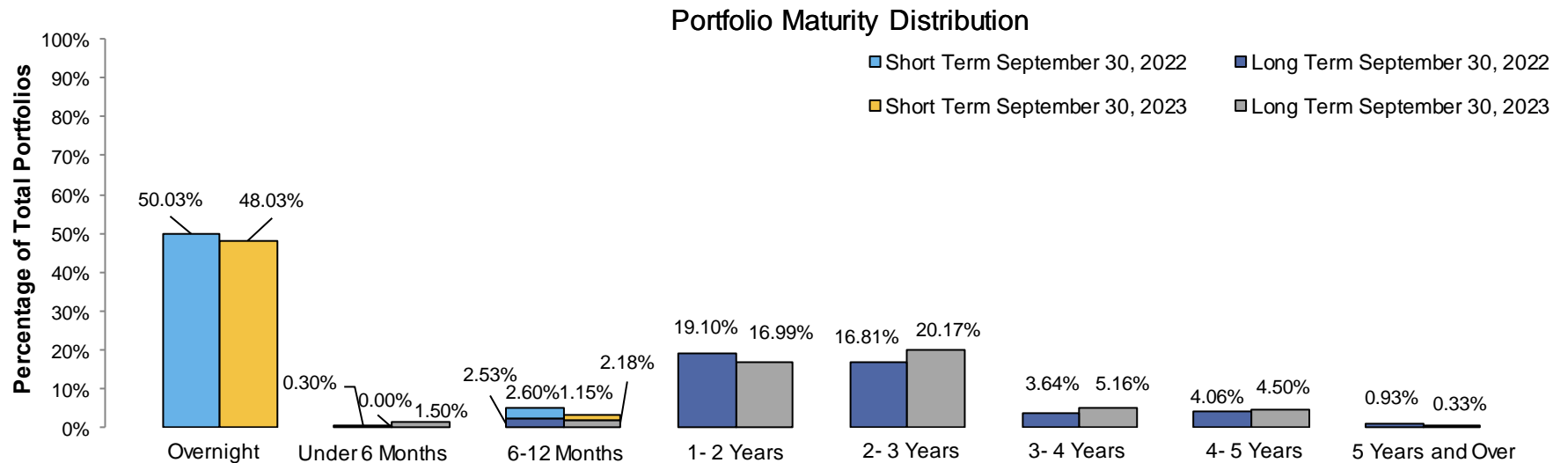
Security Description	CUSIP	Purchase Date	Maturity Date	Par Value	Book Amount	Market Value	Yield on Cost <sup>2</sup>
Florida Prime (SBA)				\$ 110,296,371	\$ 110,296,371	\$ 110,296,371	5.59%
PFMAM FL PALM				\$ 110,843,580	\$ 110,843,580	\$ 110,843,580	5.53%
PFMAM FL PALM - TERM							
Florida FIT				\$113,663,008	\$113,663,008	\$113,663,008	5.46%
SunTrust Bank Account				53,813,903	53,813,903	53,813,903	3.30%
Bank United CD	1815043014	12/29/2022	12/29/2023	10,359,572	10,359,572	10,359,572	4.39%
Bank United Money Market				45,272,933	45,272,933	45,272,933	5.10%
<b>Grand Total</b>				<b>\$ 444,249,366</b>	<b>\$444,249,366</b>	<b>\$ 444,249,366</b>	<b>5.19%</b>

## Notes:

1. Yields are presented as "Yield on Cost" pursuant to the County's Investment Policy Performance Section for short-term securities and compared to the benchmark which is the Standard & Poor's GIP 30 Day Index.
2. Yield on Cost is a dollar-weighted yield.
3. Bank Deposits in excess of \$250,000 are collateralized under Florida State Statute 280 with U.S. Government and U.S. Government Agency securities, including Mortgage-Backed Securities.

### Long Term and Short Term Fund Portfolios Maturity Distribution

<u>Maturity Distribution<sup>1</sup></u>	<u>September 30, 2023</u>	<u>September 30, 2022</u>
Overnight (Money Market Fund)	\$433,889,794	\$386,729,000
Under 6 Months	13,594,848	2,293,046
6 - 12 Months	30,018,679	39,662,116
1 - 2 Years	153,531,656	147,652,993
2 - 3 Years	182,232,938	129,944,485
3 - 4 Years	46,575,829	28,120,626
4 - 5 Years	40,612,258	31,406,449
5 Years and Over	2,954,527	7,224,007
<b>Totals</b>	<b>\$903,410,529</b>	<b>\$773,032,721</b>



Notes:

1. Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.
2. Market Values listed exclude Multi-Asset Class Assets. Market Values exclude accrued interest or estimated income from FL PALM TERM securities.

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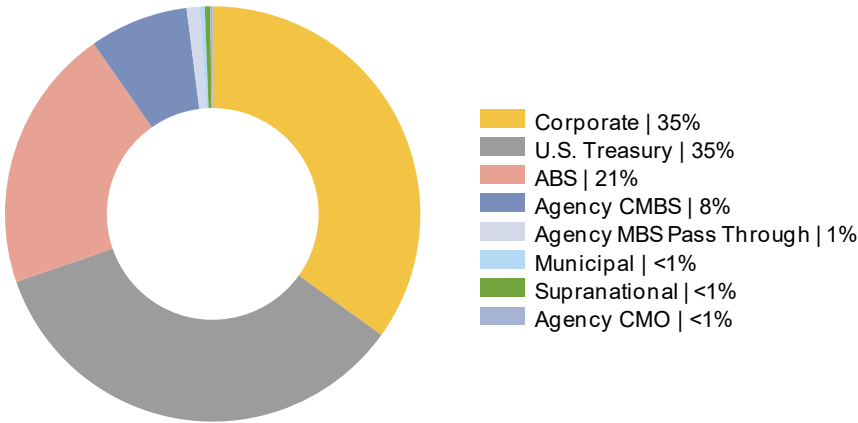
# Tab IV

## Portfolio Snapshot - BREVARD COUNTY LONG TERM<sup>1</sup>

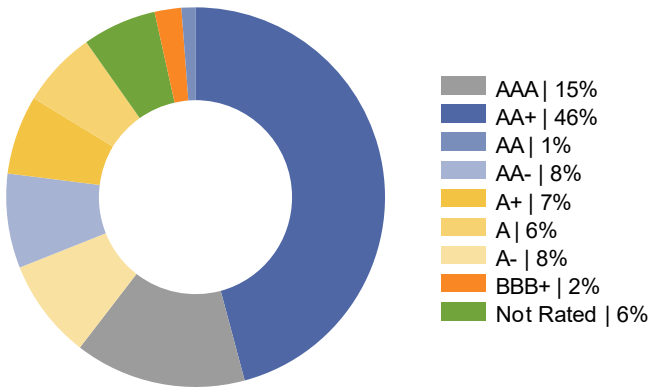
### Portfolio Statistics

<b>Total Market Value</b>	\$462,321,151.44
<i>Securities Sub-Total</i>	\$459,161,162.94
<i>Accrued Interest</i>	\$3,159,988.50
<i>Cash</i>	\$0.00
<b>Portfolio Effective Duration</b>	1.71 years
<b>Benchmark Effective Duration</b>	1.75 years
<b>Yield At Cost</b>	3.57%
<b>Yield At Market</b>	5.12%
<b>Portfolio Credit Quality</b>	AA

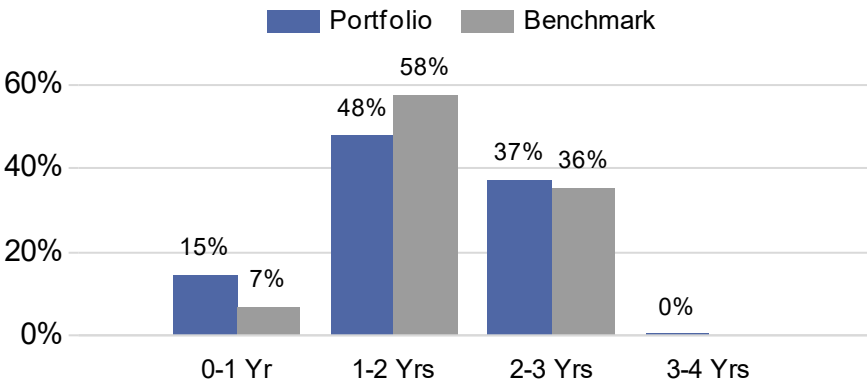
### Sector Allocation



### Credit Quality - S&P



### Duration Distribution

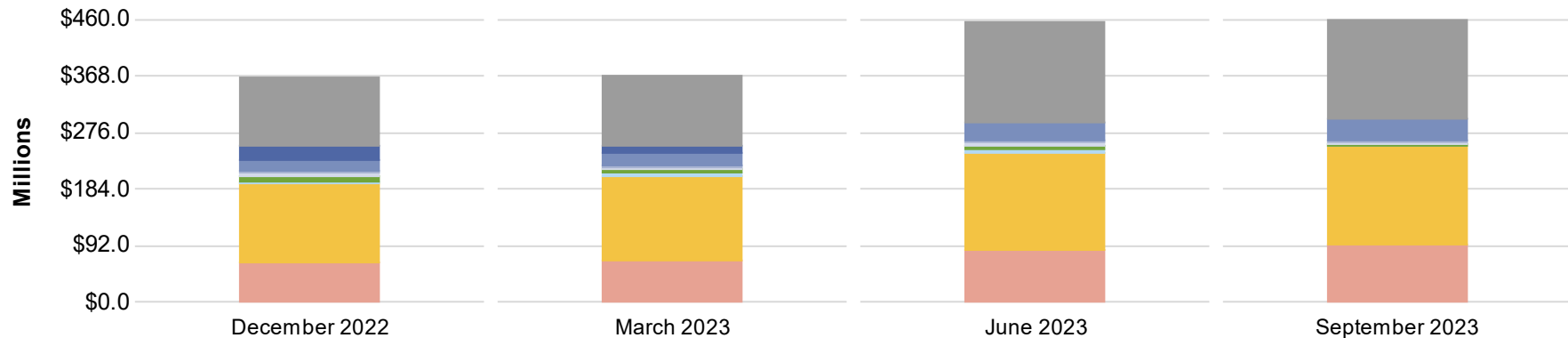
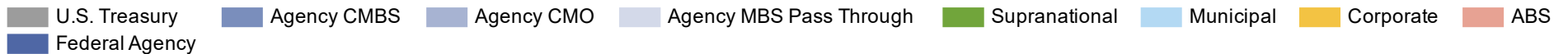


<sup>1</sup> Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.



### Sector Allocation Review - BREVARD COUNTY LONG TERM

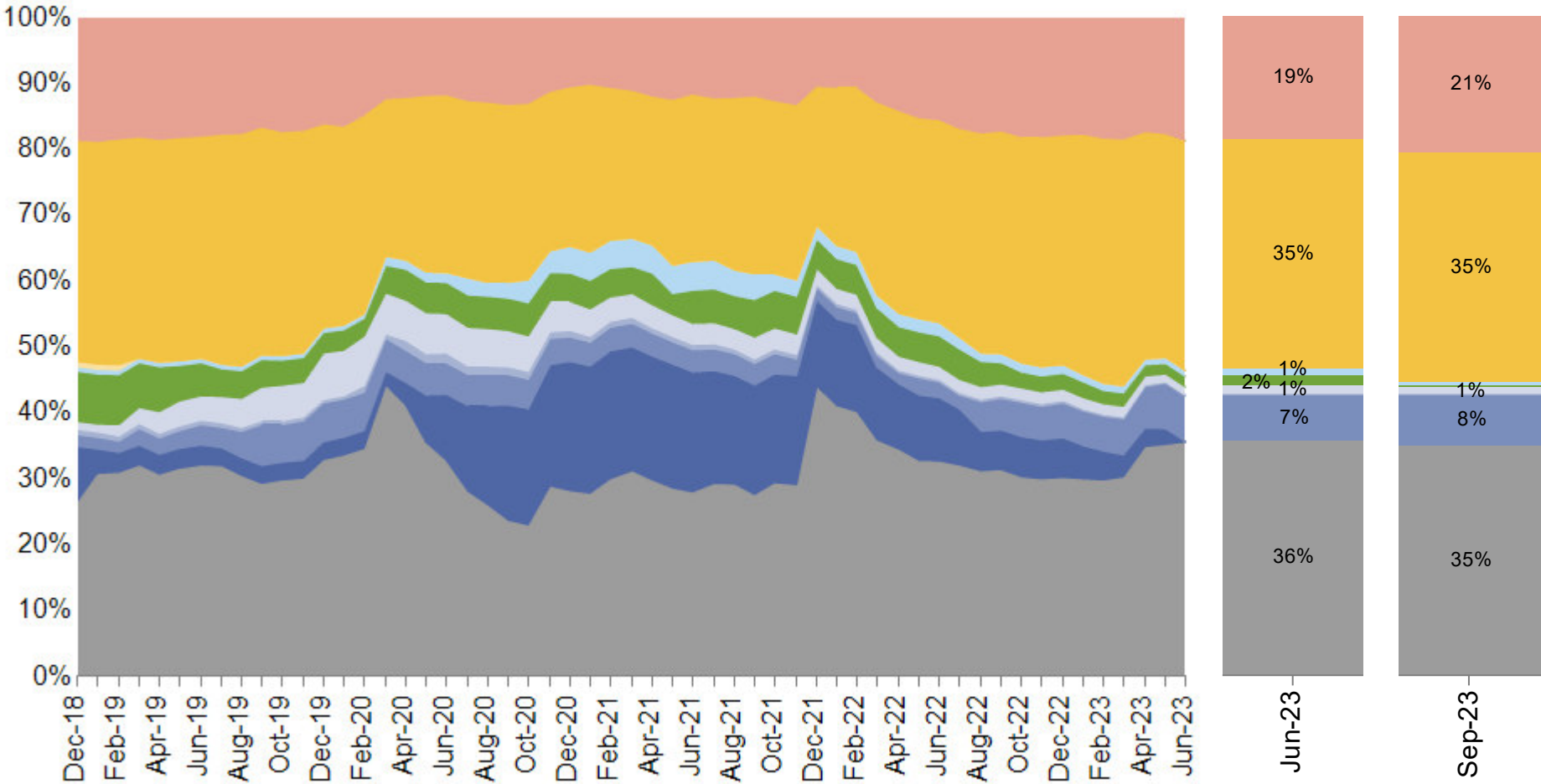
Security Type	Dec-22	% of Total	Mar-23	% of Total	Jun-23	% of Total	Sep-23	% of Total
U.S. Treasury	\$110.5	30.3%	\$111.9	30.4%	\$163.5	35.7%	\$159.5	34.8%
Federal Agency	\$21.7	6.0%	\$12.2	3.3%	\$0.0	0.0%	\$0.0	0.0%
Agency CMBS	\$19.3	5.3%	\$20.2	5.5%	\$31.5	6.9%	\$35.1	7.7%
Agency CMO	\$1.3	0.4%	\$1.2	0.3%	\$1.1	0.2%	\$1.0	0.2%
Agency MBS Pass Through	\$6.2	1.7%	\$5.8	1.6%	\$5.2	1.2%	\$4.8	1.0%
Supranational	\$8.8	2.4%	\$7.2	2.0%	\$7.2	1.6%	\$1.9	0.4%
Municipal	\$4.6	1.3%	\$4.0	1.1%	\$4.1	0.9%	\$2.0	0.4%
Corporate	\$127.7	34.9%	\$138.5	37.5%	\$159.5	34.9%	\$160.5	34.9%
ABS	\$64.7	17.7%	\$67.3	18.3%	\$85.2	18.6%	\$94.4	20.6%
<b>Total</b>	<b>\$364.8</b>	<b>100.0%</b>	<b>\$368.3</b>	<b>100.0%</b>	<b>\$457.3</b>	<b>100.0%</b>	<b>\$459.2</b>	<b>100.0%</b>



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

### Historical Sector Allocation - BREVARD COUNTY LONG TERM

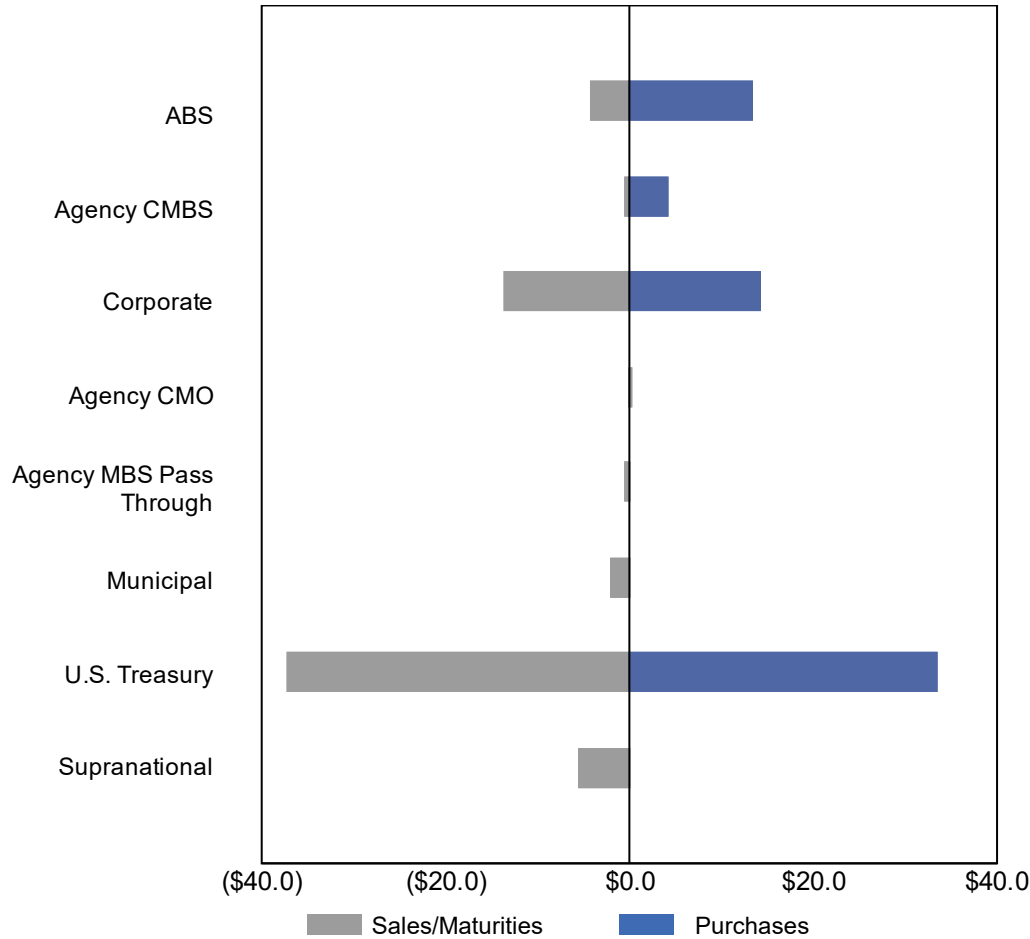
- U.S. Treasury
- Agency CMBS
- Agency MBS Pass Through
- Municipal
- Commercial Paper
- Corporate
- ABS
- Federal Agency
- Agency CMO
- Supranational



Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM.

## Portfolio Activity - BREVARD COUNTY LONG TERM

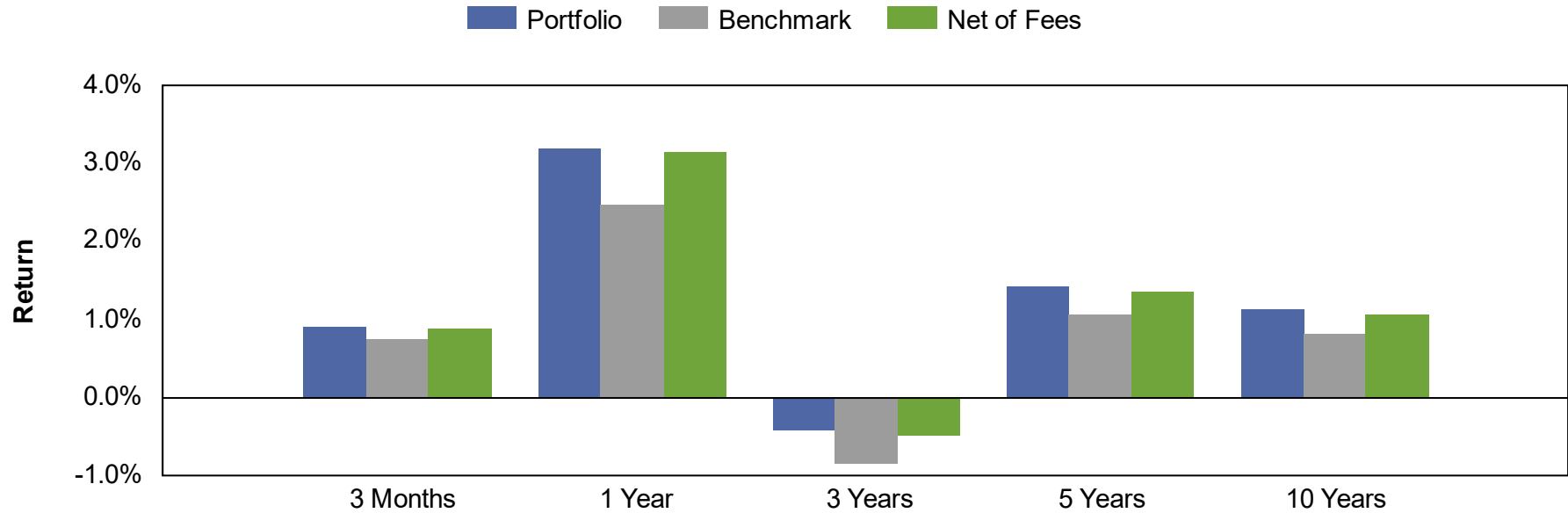
**Net Activity by Sector**  
(\$ millions)



Sector	Net Activity
ABS	\$9,205,238
Agency CMBS	\$3,689,619
Corporate	\$528,999
Agency CMO	(\$102,960)
Agency MBS Pass Through	(\$438,556)
Municipal	(\$2,078,486)
U.S. Treasury	(\$3,900,741)
Supranational	(\$5,434,430)
<b>Total Net Activity</b>	<b>\$1,468,682</b>

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

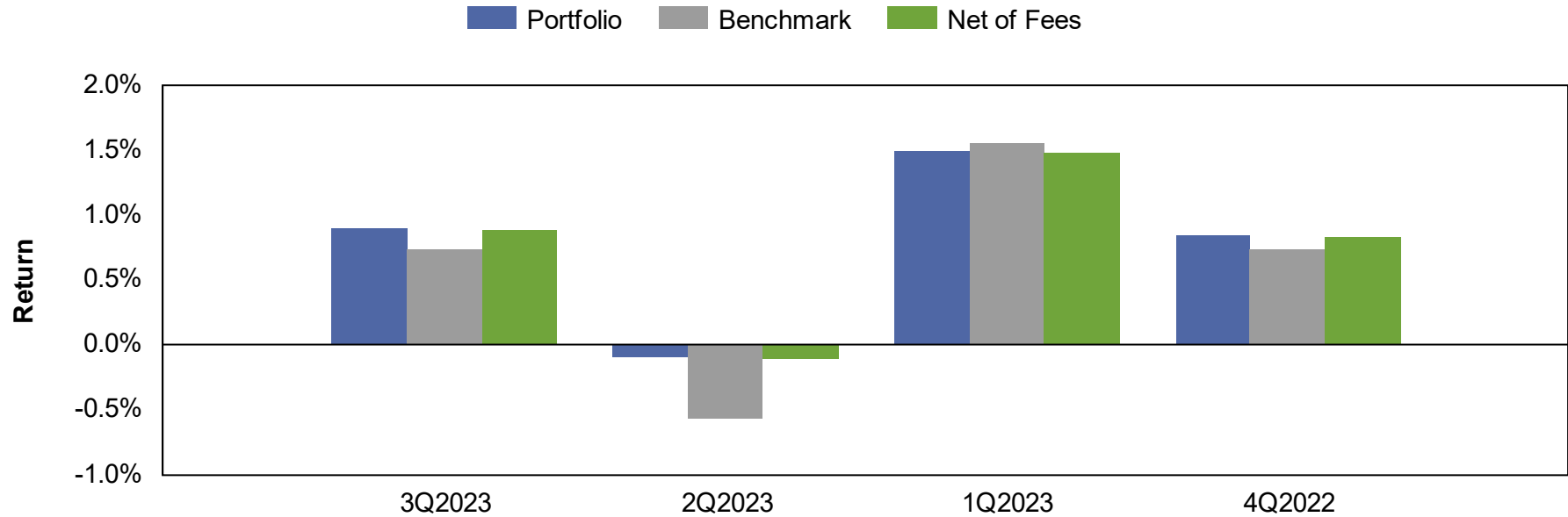
### Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	10 Years
Interest Earned <sup>2</sup>	\$3,738,140	\$10,145,712	\$17,236,412	\$27,426,668	\$39,531,065
Change in Market Value	\$377,087	\$1,944,657	(\$21,856,582)	(\$13,343,168)	(\$17,507,420)
<b>Total Dollar Return</b>	<b>\$4,115,227</b>	<b>\$12,090,369</b>	<b>(\$4,620,170)</b>	<b>\$14,083,500</b>	<b>\$22,023,645</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	0.90%	3.19%	-0.42%	1.41%	1.12%
Benchmark <sup>4</sup>	0.74%	2.47%	-0.84%	1.06%	0.81%
<b>Basis Point Fee</b>	<b>0.01%</b>	<b>0.06%</b>	<b>0.06%</b>	<b>0.06%</b>	<b>0.06%</b>
<b>Net of Fee Return</b>	<b>0.88%</b>	<b>3.14%</b>	<b>-0.48%</b>	<b>1.35%</b>	<b>1.06%</b>

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2002.  
 2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.  
 3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.  
 4. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg.

### Portfolio Performance



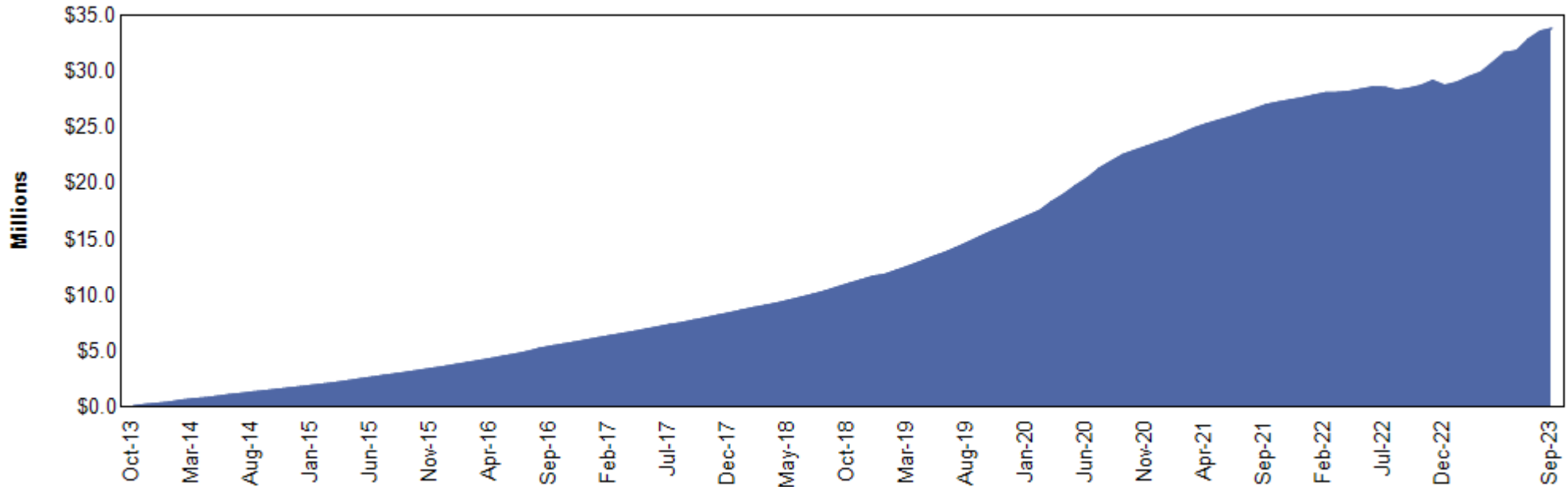
Market Value Basis Earnings	3Q2023	2Q2023	1Q2023	4Q2022
Interest Earned <sup>1</sup>	\$3,738,140	\$2,912,069	\$1,965,337	\$1,530,165
Change in Market Value	\$377,087	(\$3,492,285)	\$3,491,397	\$1,568,458
<b>Total Dollar Return</b>	<b>\$4,115,227</b>	<b>(\$580,216)</b>	<b>\$5,456,734</b>	<b>\$3,098,623</b>
<b>Total Return<sup>2</sup></b>				
Portfolio	0.90%	-0.09%	1.50%	0.85%
Benchmark <sup>3</sup>	0.74%	-0.57%	1.55%	0.74%
<b>Basis Point Fee</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>
<b>Net of Fee Return</b>	<b>0.88%</b>	<b>-0.10%</b>	<b>1.48%</b>	<b>0.84%</b>

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Returns are presented on a periodic basis.

3. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg.

### Accrual Basis Earnings - BREVARD COUNTY LONG TERM



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	10 Year <sup>1</sup>
Interest Earned <sup>2</sup>	\$3,738,140	\$10,145,712	\$17,236,412	\$27,426,668	\$39,531,065
Realized Gains / (Losses) <sup>3</sup>	(\$1,870,873)	(\$5,078,906)	(\$5,647,084)	(\$3,866,956)	(\$3,576,404)
Change in Amortized Cost	\$133,631	\$275,134	(\$332,955)	(\$450,483)	(\$2,114,854)
<b>Total Earnings</b>	<b>\$2,000,899</b>	<b>\$5,341,940</b>	<b>\$11,256,374</b>	<b>\$23,109,229</b>	<b>\$33,839,807</b>

1. The lesser of 10 years or since inception is shown. Performance inception date is March 31, 2002.  
 2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.  
 3. Realized gains / (losses) are shown on an amortized cost basis.



# Brevard County Board of Commissioners Multi-Asset Class Portfolio

## Investment Performance Review For the Quarter Ended September 30, 2023

Client Management Team

Khalid Yasin, CIMA, CHP, Director

PFM Asset Management LLC

225 E. Robinson St.  
Suite 250  
Orlando, FL 32801  
407-406-5766

1735 Market Street  
43rd Floor  
Philadelphia, PA 19103

# **Financial Markets & Investment Strategy Review**



	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
<b>DOMESTIC EQUITY</b>							
S&P 500	-3.27%	13.07%	21.62%	10.15%	9.92%	12.24%	11.91%
Russell 3000 Index	-3.25%	12.39%	20.46%	9.38%	9.14%	11.64%	11.28%
Russell 1000 Value Index	-3.16%	1.79%	14.44%	11.05%	6.23%	7.92%	8.45%
Russell 1000 Growth Index	-3.13%	24.98%	27.72%	7.97%	12.42%	15.64%	14.48%
Russell Midcap Index	-4.68%	3.91%	13.45%	8.09%	6.38%	8.68%	8.98%
Russell 2500 Index	-4.78%	3.59%	11.28%	8.39%	4.55%	7.96%	7.90%
Russell 2000 Index	-5.13%	2.54%	8.93%	7.16%	2.40%	6.62%	6.65%
Russell 2000 Value Index	-2.96%	-0.53%	7.84%	13.32%	2.59%	5.94%	6.19%
Russell 2000 Growth Index	-7.32%	5.24%	9.59%	1.09%	1.55%	6.77%	6.72%
<b>INTERNATIONAL EQUITY</b>							
MSCI EAFE (Net)	-4.11%	7.08%	25.65%	5.75%	3.24%	5.29%	3.82%
MSCI AC World Index (Net)	-3.40%	10.06%	20.80%	6.89%	6.46%	8.60%	7.56%
MSCI AC World ex USA (Net)	-3.77%	5.34%	20.39%	3.74%	2.58%	4.73%	3.35%
MSCI AC World ex USA Small Cap (Net)	-1.70%	5.03%	19.01%	4.01%	2.58%	4.70%	4.35%
MSCI EM (Net)	-2.93%	1.82%	11.70%	-1.73%	0.55%	3.22%	2.07%
<b>ALTERNATIVES</b>							
FTSE NAREIT Equity REIT Index	-7.13%	-2.14%	2.99%	5.76%	2.77%	2.61%	5.96%
FTSE EPRA/NAREIT Developed Index	-5.59%	-4.10%	2.72%	1.54%	-0.29%	0.65%	2.97%
Bloomberg Commodity Index Total Return	4.71%	-3.44%	-1.30%	16.23%	6.13%	4.68%	-0.75%
<b>FIXED INCOME</b>							
Blmbg. U.S. Aggregate	-3.23%	-1.21%	0.64%	-5.21%	0.10%	-0.09%	1.13%
Blmbg. U.S. Government/Credit	-3.00%	-0.86%	0.93%	-5.32%	0.41%	0.09%	1.31%
Blmbg. Intermed. U.S. Government/Credit	-0.83%	0.65%	2.20%	-2.93%	1.02%	0.62%	1.27%
Blmbg. U.S. Treasury: 1-3 Year	0.71%	1.69%	2.44%	-0.92%	1.03%	0.77%	0.79%
Blmbg. U.S. Corp: High Yield	0.46%	5.86%	10.28%	1.76%	2.96%	3.80%	4.24%
Credit Suisse Leveraged Loan index	3.37%	9.91%	12.47%	5.91%	4.31%	4.64%	4.33%
ICE BofAML Global High Yield Constrained (USD)	0.08%	5.37%	12.71%	-0.14%	1.81%	2.84%	3.29%
Blmbg. Global Aggregate Ex USD	-4.00%	-3.20%	3.39%	-8.39%	-3.10%	-2.77%	-1.73%
JPM EMBI Global Diversified	-2.23%	1.76%	10.01%	-4.56%	-0.35%	0.11%	2.47%
<b>CASH EQUIVALENT</b>							
90 Day U.S. Treasury Bill	1.31%	3.60%	4.47%	1.70%	1.72%	1.54%	1.10%

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**

▶ In the second quarter, gross domestic product (GDP) grew at an annualized rate of 2.1%, in line with 2023 growth estimates by the Federal Reserve (Fed) despite persistent inflation and continued rate hikes. This GDP growth rate is below global growth estimates of 3.0%, which have been buoyed by emerging markets (EM) and developing economies.

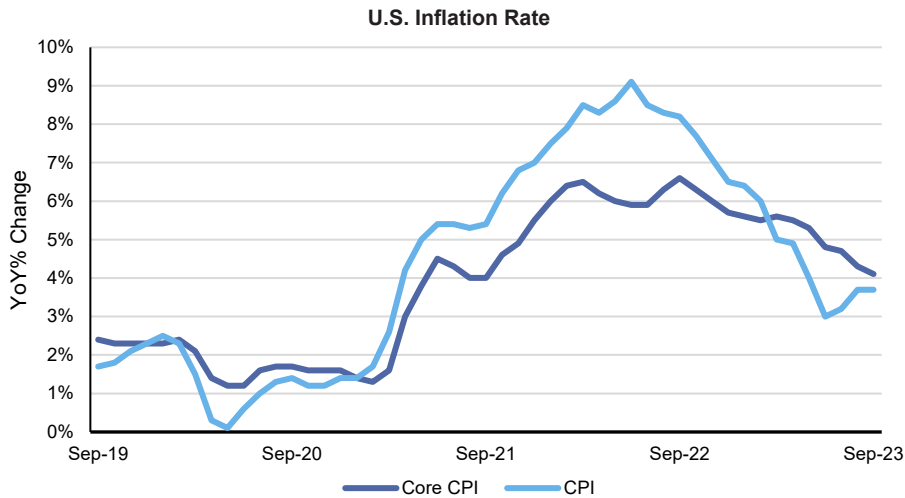
▶ The U.S. labor market continues to cool as the unemployment rate has risen to 3.8% in September. The number of job openings to unemployed ratio fell to 1.51, down from its high of 2.0 in 2022 but not yet closing in on the goal of 1.00.

▶ Inflation pressures remained visible in the third quarter, with headline inflation (CPI) increasing 3.7% year-over-year (YoY) in September, up from 3.0% at the end of the second quarter. However, the less volatile core reading (which excludes food and energy) shows continued cooling at 4.1% YoY in September, its slowest pace since 2021.

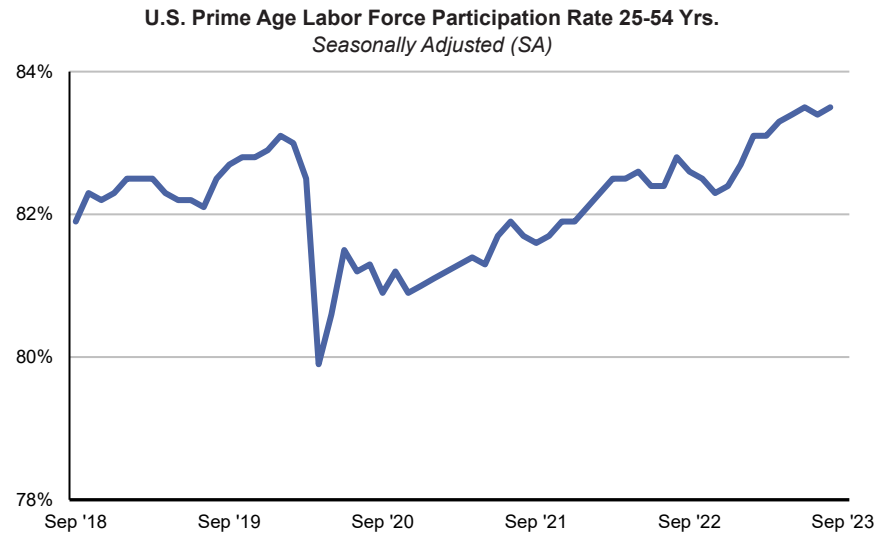
▶ Through the strong labor market and continued growth, consumer confidence saw relative improvement. The Michigan Consumer Sentiment survey ended the quarter at 68.1, up 8.4 year-to-date, though below the long-term average of 85. Consumers savings and incomes remain strong, but debt levels and defaults are increasing.



Source: IMF. Dark blue bars indicate actual numbers; light blue bars indicate forecasted estimates.



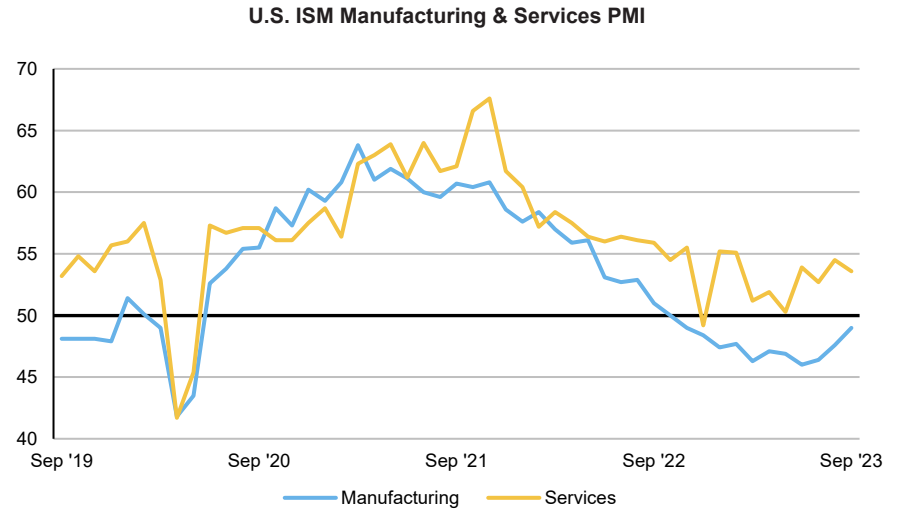
Source: Bureau of Labor Statistics.



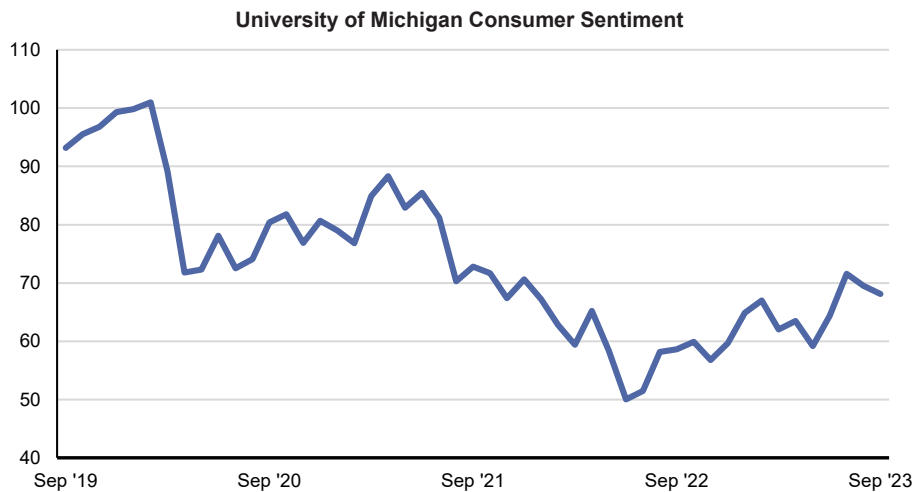
Source: Bureau of Labor Statistics.

**WHAT WE'RE WATCHING**

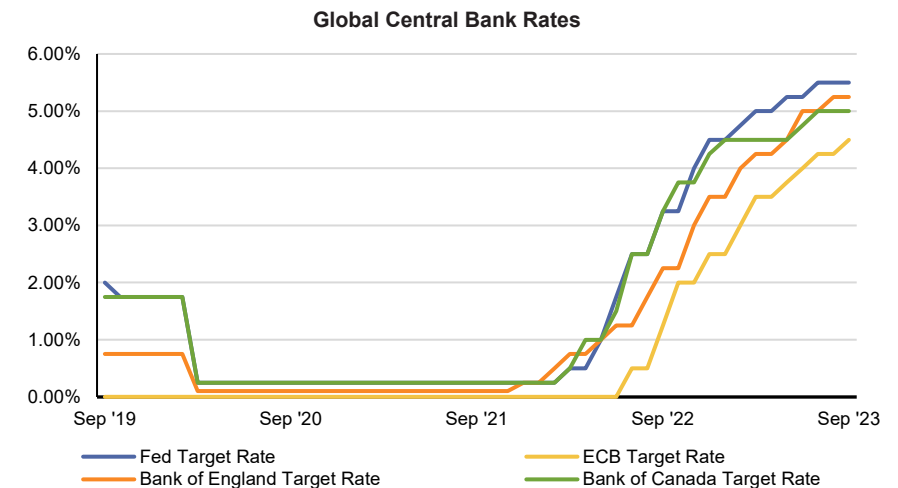
- ▶ After a pause in June, the third quarter brought one more rate hike as the resiliency of economic activity in the U.S. prompted the Fed to raise the target for the federal funds rate by 25 basis points (bps). Looking forward, the median dot for 2024 and 2025 were raised to 5.125% and 3.875%, with increased expectations of a 'higher-for-longer' policy. The European Central Bank (ECB) diverged from Fed policy slightly with two hikes during the quarter, marking a full year of consecutive rate hikes, as they continue to rein in inflation.
- ▶ The U.S. saw some recovery in manufacturing during the quarter as S&P Global U.S. Manufacturing rose to 49.8, just fractionally contractionary, as supply conditions improved and employment rose. Services weakened over the quarter, but remain expansionary at 50.1. The HCOB Eurozone manufacturing PMI, by comparison, ended the quarter in sharply contractionary territory for the fifteenth consecutive month, at 43.4. The services PMI also turned contractionary ending at 48.7.
- ▶ China's manufacturing and services sectors saw continued growth but with slowing momentum through the quarter as the S&P Global China Manufacturing and Services readings dipped to 50.9 and 50.2, respectively. Looking forward, the expected increased domestic tourism for "golden week" may provide a short-term boost to demand, though whether that can be sustained remains to be seen.



Source: Bloomberg.



Source: Bloomberg.



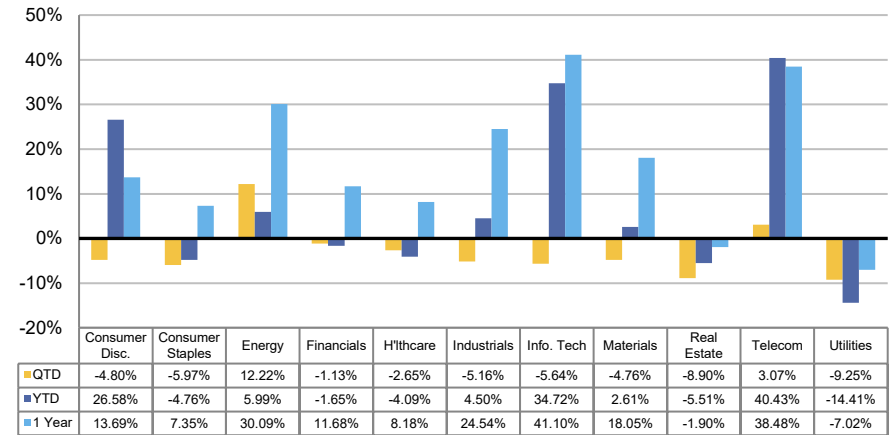
Source: Bloomberg.

**DOMESTIC EQUITY**

- ▶ The S&P 500 Index (S&P) posted a return of -3.27% for the third quarter of 2023. As of September 30, 2023, the trailing 1-year return for the index was 21.59%.
- ▶ Over the quarter, extreme market concentration continued to play a factor for large-cap stocks, as evidenced by the underperformance of the S&P 500 Equal Weight Index versus the S&P 500 Market Cap-Weighted Index.
- ▶ Within the S&P, only two of the 11 Global Industry Classification Standard (GICS) sectors posted positive gains for the quarter: Energy (12.22%) and Communication Services (3.07%). The worst-performing sectors over the quarter were Utilities (-9.25%), Real Estate (-8.90%), and Consumer Staples (-5.97%).
- ▶ Small-caps, as represented by the Russell 2000 Index, returned -5.13% during the quarter, lagging mid- and large-caps. The Russell Mid Cap Index returned -4.68% for the quarter, while the Russell 1000 Index returned -3.16%.
- ▶ According to FactSet Earnings Insight (as of September 29, 2023), the expected YoY earnings growth rate for the S&P for the third quarter is -0.1%. If expectations become a reality, it will be the fourth consecutive quarterly decline for the index.
- ▶ As of the end of the quarter, the S&P 500 P/E ratio was 20.96, below its 5-year average of 21.74. By comparison, the S&P 600, which represents small-cap stocks, had a P/E ratio of 14.52, well below its 5-year average of 17.22.

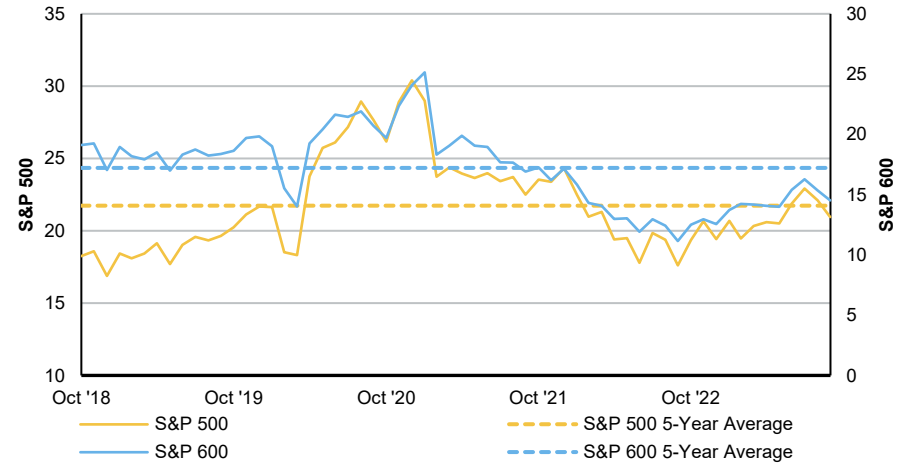
**S&P 500 Index Performance by Sector**

Periods Ended September 30, 2023



Source: Bloomberg.

**P/E Ratios of Major Stock Indices\***



Source: Bloomberg.

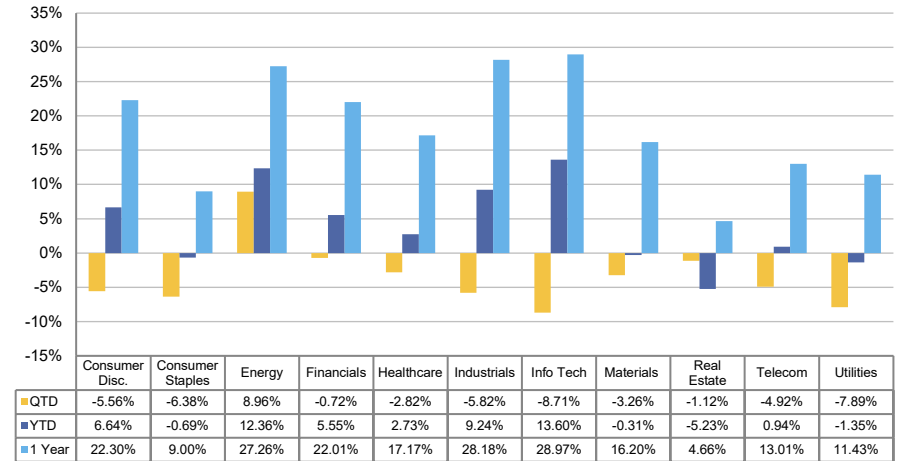
\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

**NON-U.S. EQUITY**

- ▶ Markets outside of the U.S., as measured by the MSCI ACWI ex-U.S. Index, slightly underperformed their U.S. counterparts, returning -3.77% for the quarter.
- ▶ There were 10 out of the 11 sectors that posted negative returns for the quarter, with Information Technology (-8.71%), Utilities (-7.89%), and Consumer Staples (-6.38%) being the worst-performing sectors. Energy (+8.96%) was the best and only sector with a positive return for the quarter. The sector benefited from oil prices soaring on tighter supplies.
- ▶ Emerging markets (EM), as represented by MSCI Emerging Market Index, outperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning -2.93% versus -4.11% for the quarter.
- ▶ MSCI Japan (-1.55%) outperformed the MSCI EAFE Index. Japanese equities continue to benefit from positive investor sentiment as better corporate governance practices and attractive valuation brighten earnings outlook. Of the five largest-weighted countries in the index, Germany (-7.62%) was the worst performer due to gloomy economic data and unfavorable demographics.
- ▶ Within EM, MSCI India (1.84%) was a strong performer. The country's economic growth remains strong despite higher rates. MSCI China (-2.41%) outperformed the index as the government reaffirmed stimulative policies, which fueled a sharp rebound in Chinese equities during the month of July.
- ▶ Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, outperformed within the international equity markets, returning -1.70% for the quarter.
- ▶ Non-U.S. equities remain undervalued relative to their long-term average across international equity markets. As of September 30, 2023, MSCI EAFE ended the quarter with a P/E ratio of 13.39, much lower than its 5-year average of 15.98. Similarly, MSCI EM's P/E stood at 12.99 versus a 5-year average of 13.12.

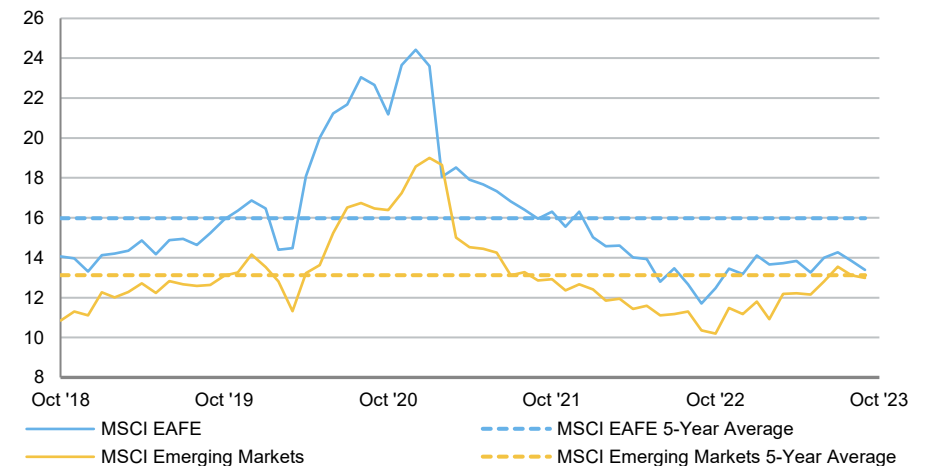
**MSCI ACWI ex-U.S. Sectors**

Periods Ended September 30, 2023



Source: Bloomberg.

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



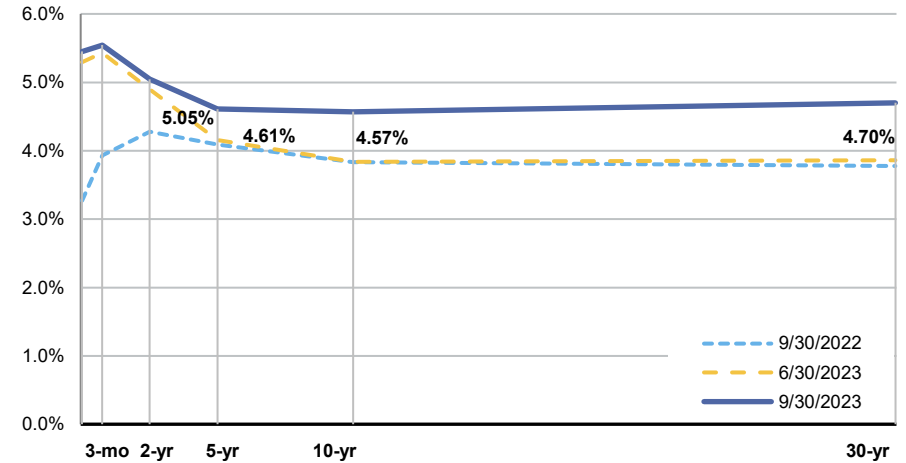
Source: Bloomberg.

\*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 fell sharply during the third quarter to -3.23% as rates continued rising. The trailing 1-year period return is 0.64%.
- ▶ The Bloomberg U.S. Treasury Index closed the quarter with a loss of -3.06%. During the period, the Federal Open Market Committee (FOMC) raised interest rates by a quarter point in July, but paused at the September meeting. Long rates rose on several factors, including higher overall treasury issuance, less foreign demand, stickier energy-related inflation, and Federal debt and deficit size. The latter led to Fitch downgrading the U.S. Government rating. The curve remains inverted as the fed funds rate is now targeted at 5.5%. The 10-year climbed 78 bps in the quarter, ending at 4.59%.
- ▶ Corporate credit had mixed results for the quarter. The investment-grade Bloomberg U.S. Corporate (IG Corp) Index declined 3.09%, while high-yield bonds, as represented by the Bloomberg U.S. Corporate High-Yield (HY) Index, posted a gain of 0.46%. Although spreads didn't widen, IG Corp sold off from duration. HY saw very mild spread widening but was again led by the lowest quality Caa/CCC-rated cushioned by double-digit yields.
- ▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, lost 4.05%, hurt by continued duration extension on higher rates. On the commercial side, the Bloomberg U.S. Agency CMBS Index declined by 1.91%.
- ▶ EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified Index, lost 2.23%.

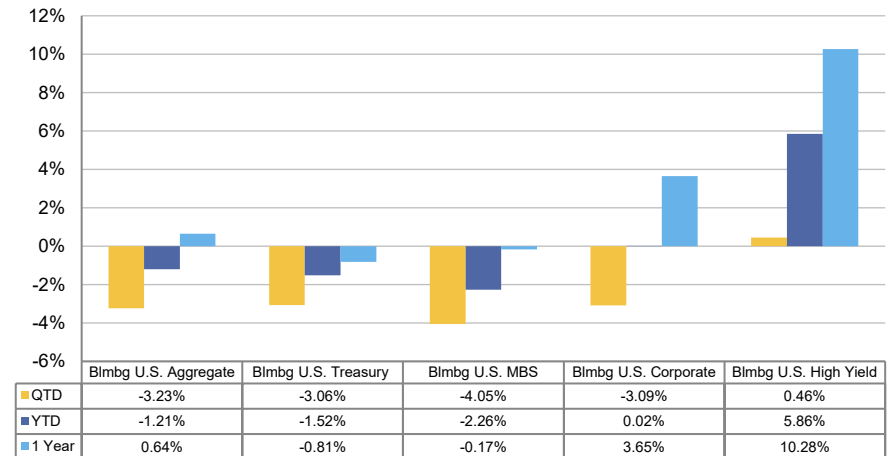
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended September 30, 2023



Source: Bloomberg.

**ALTERNATIVES**

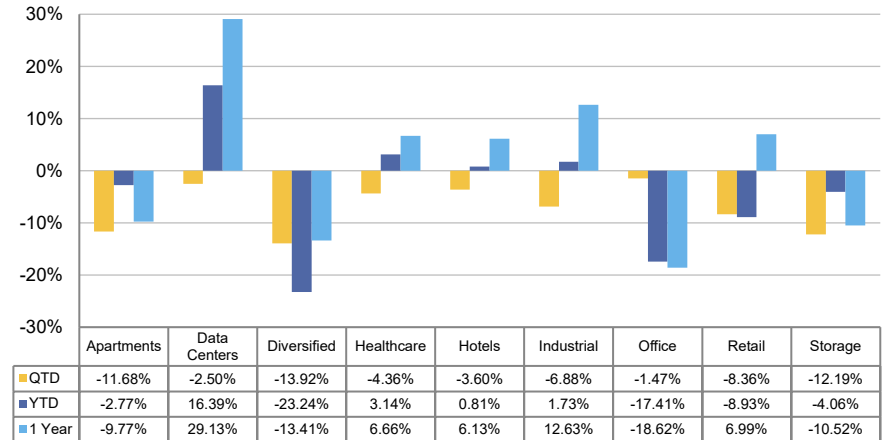
▶ REITs, as measured by the FTSE NAREIT Equity REITs Index, fell 7.13% in the third quarter of 2023, compared to a 2.62% increase in the prior quarter. All major sectors posted losses during the quarter as higher interest rates and broader economic concerns have spooked investors. The best performers were the Office and Data Center sectors, which posted returns of -1.47% and -2.50%, respectively. The worst performers during the quarter were the Diversified and Self-Storage sectors, which posted returns of -13.92% and -12.19%, respectively.

▶ Commodity futures, represented by the Bloomberg Commodity Total Return Index, gained 4.71% in the third quarter of 2023, compared to a 2.56% decline in the prior quarter. The U.S. Dollar Index (DXY) gained 3.17% during the same period. The price of gold fell 3.69% in Q3, marking the second consecutive quarter of declines for the precious metal. Gold finished the quarter at \$1,848.63 per ounce, down from \$1,919.35 at the end of the previous quarter. The West Texas Intermediate (WTI) Crude Oil spot price gained 28.53% from \$70.64 to \$90.79 per barrel as news of OPEC cuts and tighter supplies outweighed headwinds posed by a strengthening U.S. dollar and softening economic data.

▶ Private real estate, as measured by the NCREIF Property Index, fell -1.98% in the second quarter of 2023, resulting in a -6.60% return over the twelve-month period ended June 2023. This was the third consecutive quarter of negative returns for the index, underscoring the weakness in private property values. Hotel properties were again the top performers, with a total return of 4.00% in the second quarter, comprised of 1.94% in income return and 2.06% in appreciation return. Office properties were again the worst performers with a total return of -5.79%, comprised of 1.21% in income return and -7.00% in appreciation return.

**FTSE NAREIT Sectors**

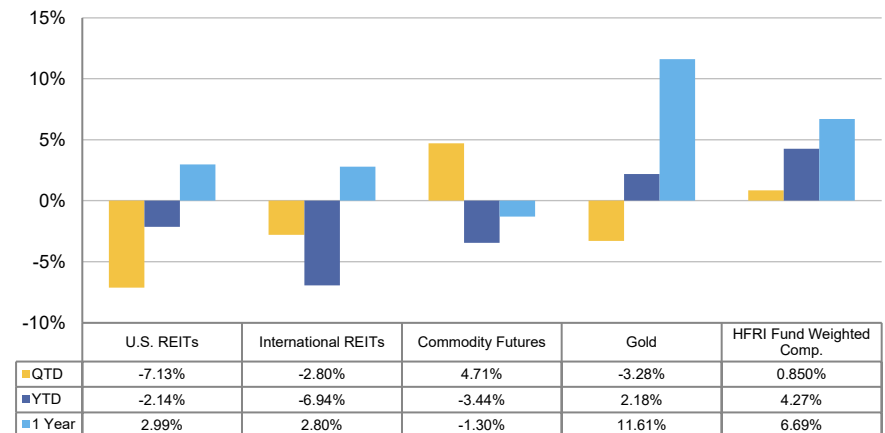
Periods Ended September 30, 2023



Source: Bloomberg.

**Returns for Liquid and Semi-Liquid Alternative Assets**

Periods Ended September 30, 2023



Sources: Bloomberg and Hedge Fund Research, Inc.

**ALTERNATIVES (continued)**

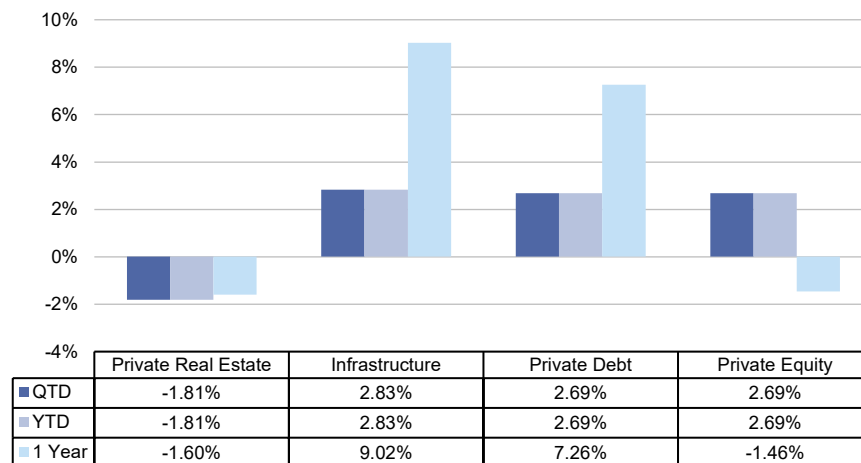
► In the second quarter of 2023, infrastructure funds raised only \$3.72 billion, although this is higher than the amount raised during the prior quarter. Almost all of this capital was raised by opportunistic infrastructure funds. Real assets dry powder has also fallen from previous years and stands at \$254.85 billion as of Q4 2022. Despite macroeconomic headwinds, the asset class continues to remain attractive due to its ability to provide moderate but consistent returns during periods of volatility, inflation and recession. According to PitchBook, infrastructure funds posted a return of 2.83% in Q1 2023. The asset class has generated an annualized return of 10.49% for the five years ended Q1 2023.

► In the second quarter of 2023, private debt fundraising amounted to \$56.38 billion, up from the prior quarter. Private debt dry powder has fallen to \$434.39 billion, although it remains above the long-term average. The asset class has performed well relative to public fixed income and may see more opportunities emerge in the near term as tightening lending standards push banks out of the private lending space. According to the Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, posted a return of 2.81% in Q2 2023. The asset class has also generated an annualized return of 8.47% for the five years ended Q2 2023.

► In the second quarter of 2023, private capital fundraising was led by private equity funds, which closed on \$114.01 billion. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.32 trillion as of December 2022. Recent private equity performance has weakened as a result of high interest rates and a slowing economy; however, longer-term performance relative to public equities remains strong. According to Cambridge Associates, U.S. private equity posted a return of 2.69% in Q1 2023. The asset class has generated an annualized return of 18.47% for the five years ended Q1 2023.

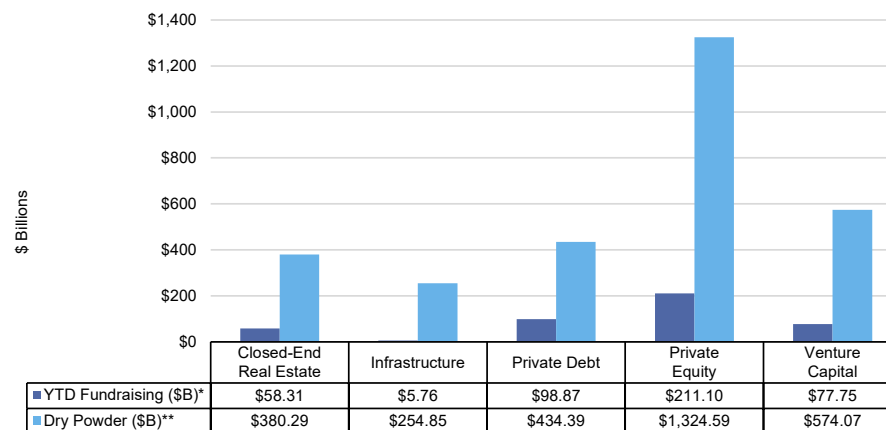
► Hedge fund returns were positive quarter-to-date through August 2023, with the HFRI Fund Weighted Composite Index returning 1.05%. During the same period, the HFRI Macro (Total) Index returned 0.11%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned 0.85% and 0.95%, respectively.

**Returns for Private Capital Assets**



Source: NCREIF, PitchBook, Cliffwater, Cambridge Associates, manual inputs.  
As of March 31, 2023 - most recent period for which all performance data is available.

**Private Capital Fundraising & Dry Powder**



Sources: Pitchbook.

\* Total capital raised in 2023 as of June 30, 2023 - most recent period for which ALL fundraising data is available.

\*\* Cumulative dry powder as of most recent - December 31, 2022.



**Investment Strategy Overview**










Asset Class	Our Q4 2023 Investment Outlook	Comments
<b>U.S. Equities</b>		<ul style="list-style-type: none"> <li>Continuing hawkish Fed stance gave rise to higher for longer rate narrative which led to a rapid increase in 10-year yields and a sell-off across equities. Moderating inflation and improving earnings growth expectations are positives but offset by higher rates.</li> <li>Mid cap and small cap valuations are attractive, but outperformance is unlikely until monetary policy becomes less hawkish and investor sentiment/earnings growth improves.</li> </ul>
Large-Caps		
Mid-Caps		
Small-Caps		
<b>Non-U.S. Equities</b>		<ul style="list-style-type: none"> <li>International equities continue to trade at a discount to U.S. equities, but sustained tightening in global financial conditions is a headwind. A strong US dollar and slowing growth in China are also headwinds to international equity returns.</li> <li>EM equities trade at attractive valuations despite the fact that relative economic growth outside of China is expected to improve. Chinese equities are expected to be negatively impacted by investor sentiment. Currently, we remain equal weight to EM due to near-term risk factors and continue to monitor for attractive points to add to the position.</li> <li>International small caps provide exposure to local revenue streams and are trading at attractive valuations.</li> </ul>
Developed Markets		
Emerging Markets		
International Small-Caps		
<b>Fixed Income</b>		<ul style="list-style-type: none"> <li>The Fed's recent guidance points towards soft landing scenario with another hike possible before the year-end. Yields at short end of the curve look attractive while rising long-term yields have weighed on recent returns. We expect the yields to come down from the recent highs as inflation continues to moderate.</li> <li>Credit markets remain attractive due to strong corporate fundamentals. We continue to seek diversified credit exposure and are closely watching signs for any distress in the corporate credit space.</li> </ul>
Long-Duration, Interest Rate-Sensitive Sectors		
Credit-Sensitive Sectors		
<b>Alternatives</b>		<ul style="list-style-type: none"> <li>Higher interest rates and rising foreclosure for office buildings are headwinds for real estate returns. We remain cautious in the near term</li> <li>Private equity is facing headwinds from higher leverage costs and falling valuations. Debt strategies may benefit from banks' tighter lending standards, but risk is elevated as the economy continues to slow, which will likely lead to higher default rates.</li> <li>Commodities are being impacted by supply shocks in the near-term. Over the next year, we expect slowing global demand to offset price increases from supply shocks.</li> </ul>
Real Estate		
Private Equity		
Private Debt		
Commodities		

● Current outlook    ○ Outlook one quarter ago



The view expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (9/30/2023) and are subject to change.

**Factors to Consider Over the Next 6-12 Months**

<p><b>Monetary Policy:</b></p>  <ul style="list-style-type: none"> <li>• The Fed's recent guidance points towards soft landing scenario with another hike possible before the year-end. Markets have adjusted to higher rates for longer; restrictive monetary policy for longer could hamper economic growth.</li> <li>• Globally, most major central banks have maintained hawkish stance leading to growth concerns.</li> </ul>	<p><b>Economic Growth:</b></p>  <ul style="list-style-type: none"> <li>• U.S. economy is expected to avoid recession near-term amidst continued strength within services activity, consumer spending, corporate balance sheets and labor markets.</li> <li>• Eurozone economic growth is slowly.</li> </ul>	<p><b>Inflation:</b></p>  <ul style="list-style-type: none"> <li>• Inflation is moderating and we expect inflation to continue to slow.</li> <li>• Upside surprise driven by services inflation or due to rising crude oil prices on goods inflation will be negative and could lead to renewed aggressive monetary policy.</li> </ul>
<p><b>Financial Conditions:</b></p>  <ul style="list-style-type: none"> <li>• Hawkish monetary policy and higher rates for longer can lead to pockets of stress within financial markets.</li> <li>• Banks' lending standards remain a concern for continuing economic growth.</li> </ul>	<p><b>Consumer Spending (U.S.):</b></p>  <ul style="list-style-type: none"> <li>• With inflation moderating, consumer confidence has been steadily recovering from recent lows.</li> <li>• Moderating inflation, low unemployment rate and rising real personal income may keep consumer spending while student loan repayments is a headwind.</li> </ul>	<p><b>Labor Markets:</b></p>  <ul style="list-style-type: none"> <li>• Labor markets remain relatively strong but showing signs of softening as economy continues to slow.</li> <li>• Improving labor force participation bodes well for lower wage growth and inflation.</li> </ul>
<p><b>Corporate Fundamentals:</b></p>  <ul style="list-style-type: none"> <li>• Earnings growth expectations are improving, especially when energy companies are excluded.</li> <li>• Profit margins have declined and are stabilizing at pre-pandemic levels. The impact of rising US dollar, rising borrowing costs, slowing Eurozone growth, lackluster recovery in China and rising commodity prices need to be monitored.</li> </ul>	<p><b>Valuations:</b></p>  <ul style="list-style-type: none"> <li>• International equities look attractive relative to historical valuations but continued economic uncertainty is leading to increased volatility.</li> <li>• Credit markets look attractive on the back of strong corporate fundamentals, but pockets of vulnerabilities will appear as financial conditions tighten further.</li> </ul>	<p><b>Political Risks:</b></p>  <ul style="list-style-type: none"> <li>• Geopolitical risks continue to remain elevated. US/China tensions, Russia/Ukraine war, China's moves in South China Sea and Taiwan Strait further add to risks.</li> </ul>



Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (09/30/2023) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness, or suitability.

## Plan Performance Review

## Asset Allocation &amp; Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	Inception Date
<b>Total Fund</b>	50,825,146	100.00	-3.74	4.71	11.58	3.05	N/A	5.74	11/01/2018
<i>Blended Benchmark</i>			-3.33	5.96	13.41	3.07	N/A	6.03	11/01/2018
<b>Domestic Equity</b>	22,140,023	43.56	-4.00	9.17	17.50	8.29	N/A	10.47	11/01/2018
PFM Multi-Manager Domestic Equity Fund	22,140,023	43.56	-4.00	8.99	17.30	8.59	8.45	10.31	11/01/2018
<i>Russell 3000 Index</i>			-3.25	12.39	20.46	9.38	9.14	11.02	11/01/2018
Vanguard Total Stock Market ETF - 75.0%			-3.29	12.36	20.40	9.25	9.06	9.10	02/01/2020
<i>Russell 3000 Index</i>			-3.25	12.39	20.46	9.38	9.14	9.20	02/01/2020
Vaughan Nelson Select - 10.9% (^)			-4.94	10.62	18.05	13.71	11.54	14.14	11/01/2018
<i>Russell 3000 Index</i>			-3.25	12.39	20.46	9.38	9.14	11.02	11/01/2018
Aristotle Atlantic Core Equity - 7.5% (^)			-4.72	9.38	17.22	N/A	N/A	-6.15	11/01/2021
<i>Russell 3000 Index</i>			-3.25	12.39	20.46	9.38	9.14	-3.75	11/01/2021
Champlain Mid Cap Core - 1.0% (^)			-6.14	3.80	11.51	4.78	7.55	9.26	11/01/2018
<i>S&amp;P MidCap 400</i>			-4.20	4.27	15.51	12.05	6.06	8.35	11/01/2018
Jacobs Levy Small Cap - 5.1% (^)			-5.58	0.91	12.08	17.29	N/A	9.05	05/01/2019
<i>S&amp;P SmallCap 600</i>			-4.93	0.81	10.08	12.10	3.21	5.45	05/01/2019
<b>International Equity</b>	11,312,756	22.26	-5.13	3.66	18.19	1.12	N/A	3.66	11/01/2018
PFM Multi-Manager International Equity Fund	11,312,756	22.26	-5.13	3.62	18.09	1.73	1.66	3.44	11/01/2018
<i>MSCI AC World ex USA (Net)</i>			-3.77	5.34	20.39	3.74	2.58	4.41	11/01/2018
iShares Core MSCI Total Int'l Stock ETF - 39.7%			-4.13	5.08	20.75	3.79	2.63	2.39	02/01/2020
<i>MSCI AC World ex USA (Net)</i>			-3.77	5.34	20.39	3.74	2.58	2.25	02/01/2020
WCM Focused Growth International - 10.0% (^)			-8.47	5.44	18.01	1.83	N/A	5.85	12/01/2019
<i>MSCI AC World ex USA (Net)</i>			-3.77	5.34	20.39	3.74	2.58	2.55	12/01/2019
Ninety One Int'l Dynamic Equity - 16.0% (^)			-4.81	3.33	17.42	N/A	N/A	-7.80	12/01/2021
<i>MSCI AC World ex USA (Net)</i>			-3.77	5.34	20.39	3.74	2.58	-4.37	12/01/2021
Acadian Non-U.S. Equity - 6.6% (^)			-2.24	3.11	18.95	5.78	N/A	3.74	01/01/2020
<i>MSCI EAFE (net)</i>			-4.11	7.08	25.65	5.75	3.24	2.55	01/01/2020
Aristotle International Equity - 12.4% (^)			-4.57	7.40	22.36	6.17	3.43	5.51	11/01/2018
<i>MSCI EAFE (net)</i>			-4.11	7.08	25.65	5.75	3.24	5.05	11/01/2018

Returns are net of mutual fund fees and are expressed as percentages.

Blended Benchmark: See historical hybrid composition page for details. Asset class level returns may vary from individual underlying manager returns due to cash flows.

(\*) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

## Asset Allocation &amp; Performance

	Allocation		Performance(%)						Inception Date
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	Since Inception	
Kayne Anderson International Small Cap - 4.9% (^)			-3.92	10.90	29.53	N/A	N/A	-9.44	05/01/2021
<i>MSCI AC World ex USA Small Cap (Net)</i>			-1.70	5.03	19.01	4.01	2.58	-6.05	05/01/2021
Schroders Global Emerging Markets - 5.2% (^)			-5.39	0.45	12.39	-1.80	N/A	-0.69	01/01/2020
<i>MSCI EM (net)</i>			-2.93	1.82	11.70	-1.73	0.55	-1.69	01/01/2020
iShares MSCI Emerging Markets ex China ETF - 4.9%			-3.92	5.67	14.56	5.12	2.60	-2.54	09/01/2023
<i>MSCI EM (net)</i>			-2.93	1.82	11.70	-1.73	0.55	-2.62	09/01/2023
<b>Fixed Income</b>	<b>17,371,948</b>	<b>34.18</b>	<b>-2.48</b>	<b>0.11</b>	<b>1.71</b>	<b>-4.16</b>	<b>N/A</b>	<b>0.57</b>	<b>11/01/2018</b>
PFM Multi-Manager Fixed Income Fund	17,371,948	34.18	-2.48	0.13	1.71	-4.17	0.40	0.61	11/01/2018
<i>Blmbg. U.S. Aggregate</i>			-3.23	-1.21	0.64	-5.21	0.10	0.27	11/01/2018
PGIM Core Fixed - 32.5% (^)			-2.98	-0.53	1.53	-4.83	0.57	0.75	11/01/2018
TIAA Core Fixed - 32.7% (^)			-2.97	-0.44	0.56	-4.81	0.68	0.82	11/01/2018
<i>Blmbg. U.S. Aggregate</i>			-3.23	-1.21	0.64	-5.21	0.10	0.27	11/01/2018
iShares Core U.S. Aggregate Bond ETF - 12.9%			-3.22	-1.03	0.64	-5.21	0.08	-5.65	05/01/2021
<i>Blmbg. U.S. Aggregate</i>			-3.23	-1.21	0.64	-5.21	0.10	-5.65	05/01/2021
PineBridge IG Credit - 5.4% (^)			-2.75	-0.15	3.20	-4.45	2.08	2.43	11/01/2018
<i>Blmbg. U.S. Credit Index</i>			-3.01	0.03	3.47	-4.83	0.86	1.16	11/01/2018
Brown Bros. Harriman Structured - 8.6% (^)			1.50	4.41	5.14	1.61	2.64	2.66	11/01/2018
<i>ICE BofAML Asset-Bckd Fxd &amp; Flting Rate AA-BBB</i>			1.21	4.66	5.23	0.49	1.84	1.84	11/01/2018
Brandywine Global High Yield - 3.9%			1.52	7.62	12.07	3.13	5.73	3.13	10/01/2020
<i>Blmbg. Ba to B U.S. High Yield</i>			0.16	5.00	9.79	1.30	3.30	1.30	10/01/2020
MainStay MacKay High Yield Corp Bond Fund - 3.9%			0.52	5.81	9.99	2.57	3.37	-0.02	06/01/2021
<i>ICE BofA High Yield Master II</i>			0.53	5.97	10.20	1.82	2.80	-1.34	06/01/2021
<b>Cash Equivalent</b>	<b>420</b>	<b>0.00</b>	<b>1.29</b>	<b>3.57</b>	<b>4.47</b>	<b>1.69</b>	<b>N/A</b>	<b>1.53</b>	<b>06/01/2020</b>
Federated Government Obligation	420		1.29	3.61	4.51	1.71	1.62	1.54	06/01/2020

Returns are net of mutual fund fees and are expressed as percentages.

Blended Benchmark: See historical hybrid composition page for details. Asset class level returns may vary from individual underlying manager returns due to cash flows.

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## Comparative Performance

	2022	2021	2020	2019	2018
<b>Total Fund</b>	<b>-17.42</b>	<b>14.22</b>	<b>15.54</b>	<b>20.81</b>	<b>N/A</b>
Blended Benchmark	-16.02	11.59	14.56	20.95	N/A
<b>Domestic Equity</b>					
PFM Multi-Manager Domestic Equity Fund	-18.97	26.28	20.05	29.70	N/A
Russell 3000 Index	-19.21	25.66	20.89	31.02	-5.24
Vanguard Total Stock Market ETF - 75.0%	-19.50	25.72	20.95	30.80	-5.13
Russell 3000 Index	-19.21	25.66	20.89	31.02	-5.24
Vaughan Nelson Select - 10.9% (^)	-15.79	41.05	20.01	29.17	N/A
Aristotle Atlantic Core Equity - 7.5% (^)	-21.43	N/A	N/A	N/A	N/A
Russell 3000 Index	-19.21	25.66	20.89	31.02	-5.24
Champlain Mid Cap Core - 1.0% (^)	-25.67	25.95	30.51	27.82	N/A
S&P MidCap 400	-13.06	24.76	13.66	26.20	-11.08
Jacobs Levy Small Cap - 5.1% (^)	-15.58	39.61	18.81	N/A	N/A
S&P SmallCap 600	-16.10	26.82	11.29	22.78	-8.48
<b>International Equity</b>					
PFM Multi-Manager International Equity Fund	-20.79	9.38	13.74	21.23	N/A
MSCI AC World ex USA (Net)	-16.00	7.82	10.65	21.51	-14.20
iShares Core MSCI Total Int'l Stock ETF - 39.7%	-16.35	8.52	11.14	21.85	-14.55
MSCI AC World ex USA (Net)	-16.00	7.82	10.65	21.51	-14.20
WCM Focused Growth International - 10.0% (^)	-28.14	18.78	32.21	N/A	N/A
Ninety One Int'l Dynamic Equity - 16.0% (^)	-19.77	N/A	N/A	N/A	N/A
MSCI AC World ex USA (Net)	-16.00	7.82	10.65	21.51	-14.20
Acadian Non-U.S. Equity - 6.6% (^)	-12.37	14.31	11.10	N/A	N/A
Aristotle International Equity - 12.4% (^)	-20.52	17.21	10.14	25.45	N/A
MSCI EAFE (net)	-14.45	11.26	7.82	22.01	-13.79
Kayne Anderson International Small Cap - 4.9% (^)	-31.47	N/A	N/A	N/A	N/A
MSCI AC World ex USA Small Cap (Net)	-19.97	12.93	14.24	22.42	-18.20
Schroders Global Emerging Markets - 5.2% (^)	-21.11	-3.38	27.26	N/A	N/A
iShares MSCI Emerging Markets ex China ETF - 4.9%	-19.32	8.67	12.81	15.65	-12.73
MSCI EM (net)	-20.09	-2.54	18.31	18.42	-14.57

Returns are net of mutual fund fees and are expressed as percentages.

Blended Benchmark: See historical hybrid composition page for details.

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## Comparative Performance

	2022	2021	2020	2019	2018
<b>Fixed Income</b>					
PFM Multi-Manager Fixed Income Fund	-13.06	-0.85	7.86	9.56	N/A
Blmbg. U.S. Aggregate	-13.01	-1.55	7.51	8.72	0.01
PGIM Core Fixed - 32.5% (^)	-13.76	-0.98	9.01	9.65	N/A
TIAA Core Fixed - 32.7% (^)	-14.23	-0.64	9.76	9.59	N/A
iShares Core U.S. Aggregate Bond ETF - 12.9%	-13.06	-1.67	7.42	8.68	-0.05
Blmbg. U.S. Aggregate	-13.01	-1.55	7.51	8.72	0.01
PineBridge IG Credit - 5.4% (^)	-15.83	0.02	14.54	15.48	N/A
Blmbg. U.S. Credit Index	-15.26	-1.08	9.35	13.80	-2.11
Brown Bros. Harriman Structured - 8.6% (^)	-3.87	3.01	3.42	5.07	N/A
ICE BofAML Asset-Bckd Fxd & Flting Rate AA-BBB	-6.33	1.77	3.94	4.31	3.16
Brandywine Global High Yield - 3.9%	-9.38	5.52	13.92	15.56	1.27
Blmbg. Ba to B U.S. High Yield	-10.59	4.71	7.78	15.18	-1.86
MainStay MacKay High Yield Corp Bond Fund - 3.9%	-7.81	5.35	5.28	13.03	-1.34
ICE BofA High Yield Master II	-11.22	5.36	6.17	14.41	-2.27
<b>Cash Equivalent</b>					
Federated Government Obligation	1.52	0.02	0.36	2.07	1.70

Returns are net of mutual fund fees and are expressed as percentages.

Blended Benchmark: See historical hybrid composition page for details.

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Account Reconciliation

QTR

	Market Value As of 07/01/2023	Net Flows	Return On Investment	Market Value As of 09/30/2023
Total Fund	52,801,627	-	(1,976,481)	50,825,146

YTD

	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 09/30/2023
Total Fund	43,898,829	4,888,322	2,037,995	50,825,146

1 Year

	Market Value As of 10/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2023
Total Fund	41,193,042	4,888,322	4,743,781	50,825,146

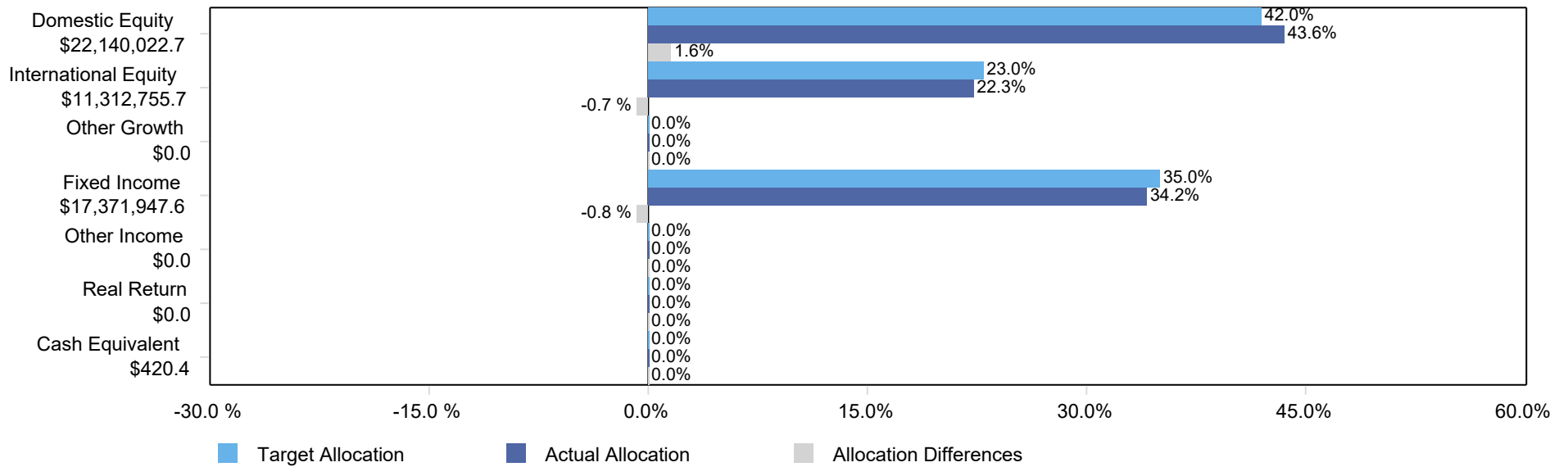
Since Inception

	Market Value As of 11/01/2018	Net Flows	Return On Investment	Market Value As of 09/30/2023
Total Fund	-	45,720,220	5,104,927	50,825,146



Asset Allocation Summary

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
Total Fund	100.0	100.0	N/A	N/A	0.0
Domestic Equity	43.6	42.0	22.0	62.0	1.6
International Equity	22.3	23.0	3.0	43.0	-0.7
Other Growth	0.0	0.0	0.0	20.0	0.0
Fixed Income	34.2	35.0	15.0	55.0	-0.8
Other Income	0.0	0.0	0.0	20.0	0.0
Real Return	0.0	0.0	0.0	20.0	0.0
Cash Equivalent	0.0	0.0	0.0	20.0	0.0



## Historical Hybrid Composition - Blended Benchmark

Allocation Mandate	Weight (%)
Nov-2018	
Russell 3000 Index	42.0
MSCI AC World ex USA (Net)	23.0
Blmbg. U.S. Aggregate	35.0

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# Tab V

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## Disclosures

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- 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.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill or 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 Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **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.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **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.