

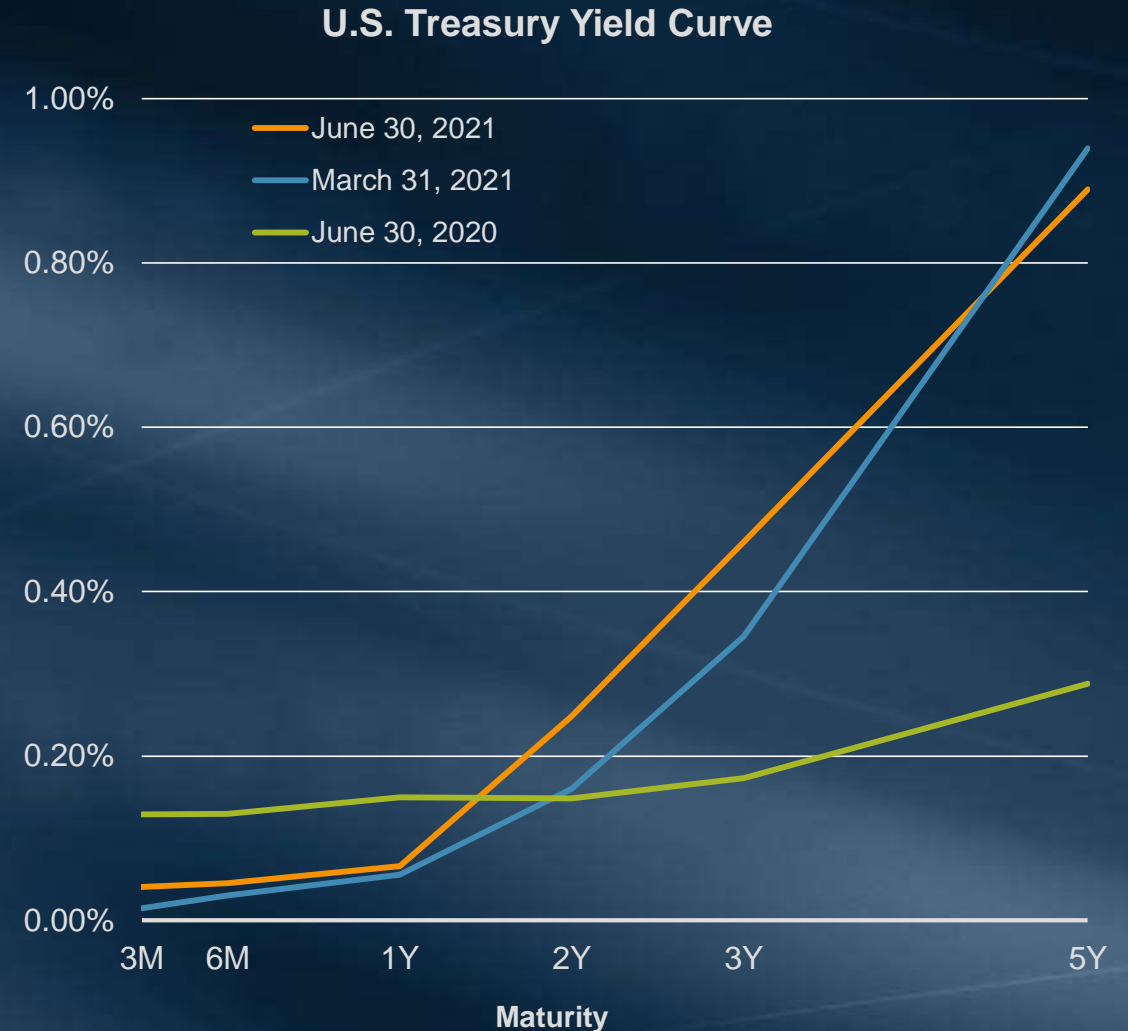


Quarterly Investment Activities Report

Presented By:
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PFM Asset Management LLC
Item 7b
August 16, 2021

Market Environment

- Economic activity has **surpassed** pre-pandemic levels—future growth expectations threatened by concern over the COVID-19 **Delta variant**
- **Elevated inflation** fueled by surging economic activity with labor and supply chain shortage
- Labor market continues to **improve** led by a recovery in service sector jobs
- Expectations for the Federal Reserve have become **hawkish** with expectations for rate hikes pulled forward
- Market reaction has created a **steeper yield curve**
 - Short-term yields remain anchored by current Fed policy
 - Longer-term yields have risen reflecting economic growth and Fed expectations



Portfolio Overview as of June 30, 2021

Liquidity Portfolio Statistics^{1,2}

Market Value	\$1,275,171,360
Duration	0.47 Years
Average Yield at Cost	0.32%
Average Yield at Market	0.22%

Core Portfolio Statistics^{3,4}

Market Value	\$190,088,290
Duration	2.55 Years
Average Yield at Cost	1.18%
Average Yield at Market	0.81%

Excludes accrued interest

1. Includes CAMP, LAIF, and Dreyfus money market fund balances (Overnight Funds).

2. Yields are a weighted average of the CAMP 7-day yield, LAIF quarterly apportionment rate, and MWDSC's Liquidity portfolio yield for June 2021.

3. Includes Core Portfolio - Segregated Portfolio and Money Market Funds.

4. Yields are a weighted average of Core Portfolio - Segregated and MWDSC's Core portfolio yield for June 2021.

Liquidity Sector Allocation¹

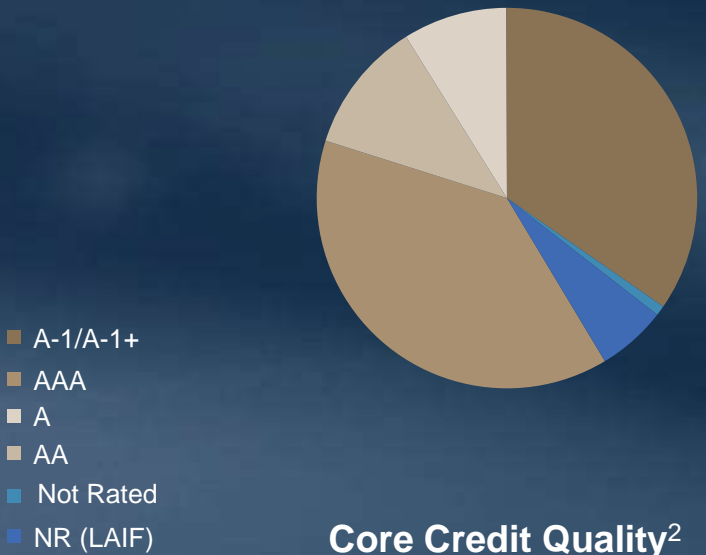


Core Sector Allocation²

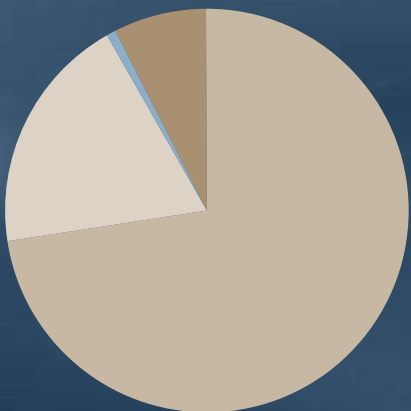


Portfolios Overview as of June 30, 2021 (cont.)

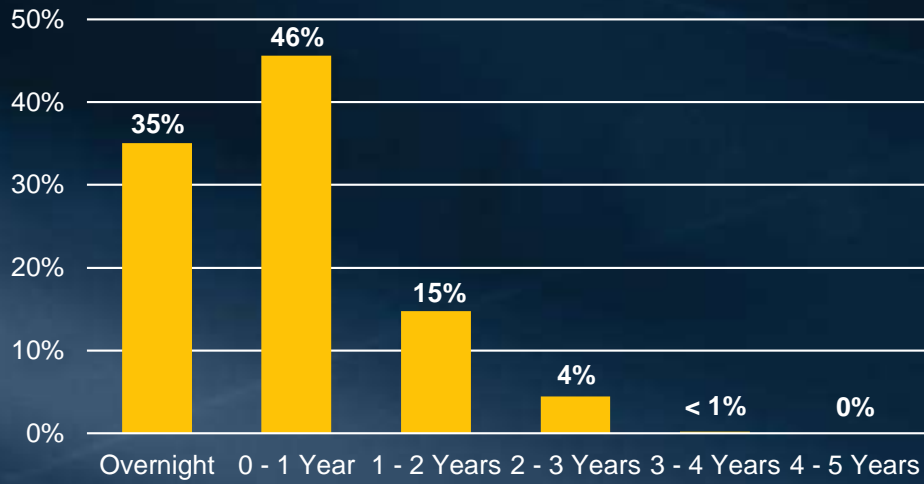
Liquidity Credit Quality¹



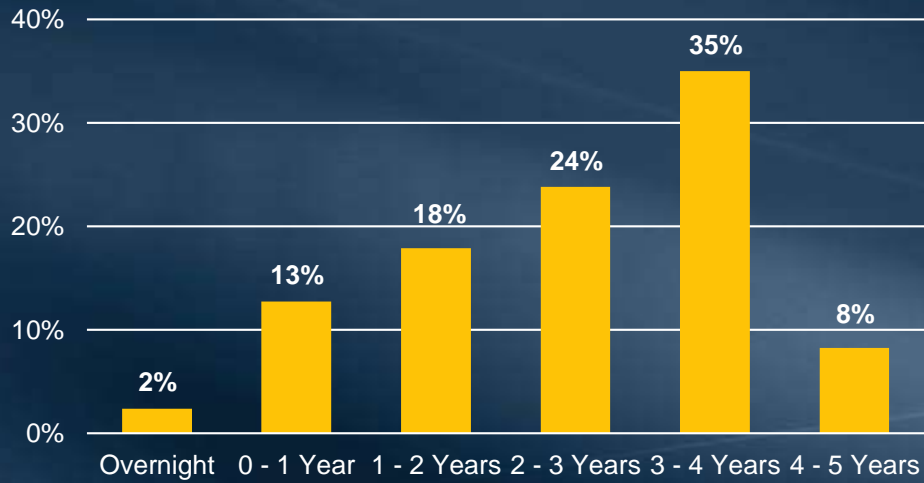
Core Credit Quality²



Liquidity Maturity Distribution¹



Core Maturity Distribution²

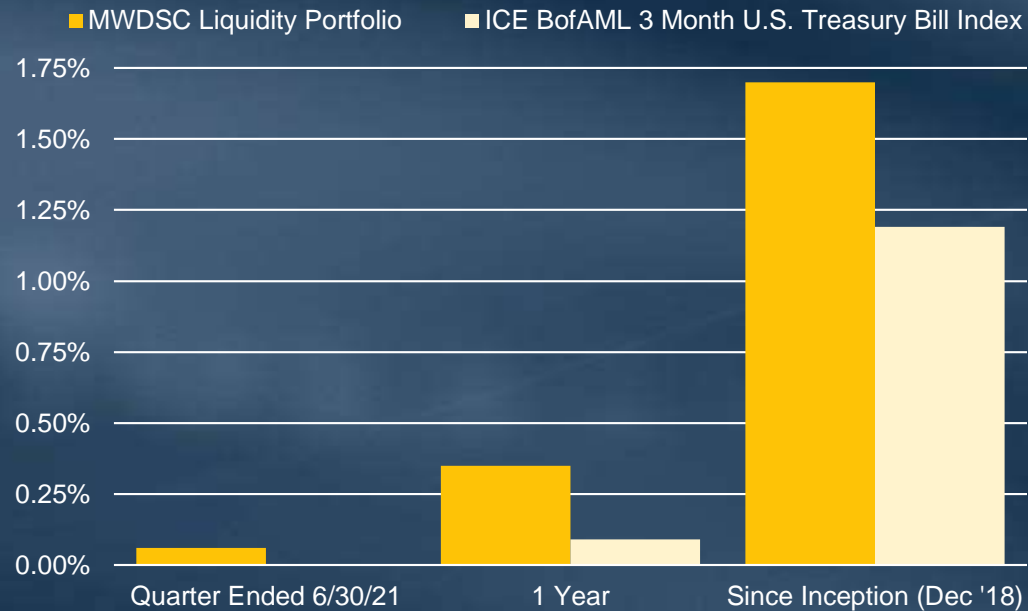


Credit Ratings are Standard and Poor's.
1. Includes CAMP, LAIF, and Dreyfus money market fund balances (Overnight Funds).
2. Includes Core Portfolio - Segregated Portfolio and Money Market Funds.

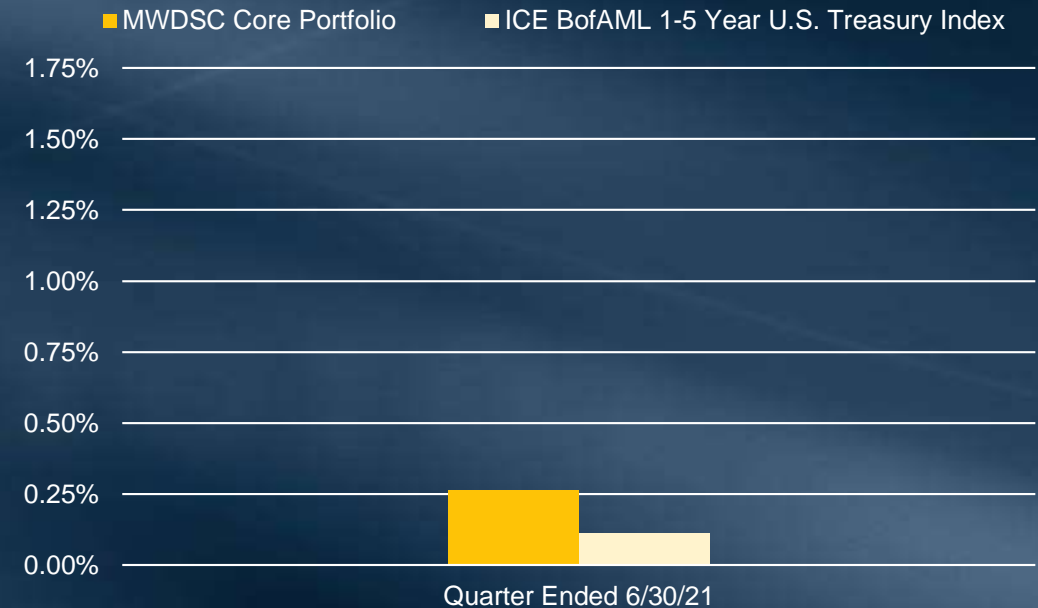
Investment Strategy and Returns

- Maintain ample liquidity through continued communication with the District
- Manage duration relative to each portfolio's benchmark duration
- Diversify broadly to safely generate incremental earnings
- Seek opportunities to prudently enhance earnings while maintaining safety and liquidity

Liquidity Portfolio Total Return¹



Core Portfolio Total Return²



Total returns are gross of investment advisor fee.

1. Returns represent only the PFM-managed Liquidity Portfolio.

2. Returns represent only the PFM-managed Core Portfolio, excluding Core – Segregated Portfolio.

Disclosures

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