

Callan



May 20, 2021

City of Fort Pierce

First Quarter Performance Review

Weston Lewis, CFA, CAIA
Atlanta Fund Sponsor Consulting

Cody Chapman, CFA, CAIA
Atlanta Fund Sponsor Consulting

Continued Surge in Global Equity Markets in 1Q21

Small cap leads in both U.S. and global ex-U.S. markets

Global equity continued to surge in Q1 21

- Year-over-year returns from the bottom of the pandemic market crash are eye-popping:
 - S&P 500: +56%
 - MSCI World ex-USA: +46%
 - Emerging Markets: +58%
 - U.S. Small Cap: +95%
- The initial recovery was concentrated in a few stocks (FAANG) and U.S. mega cap
- Market rotation to small cap and value with the flip from a “COVID trade” to a “GDP growth trade” in November, with the announcement of vaccines
- As COVID-19 infections surged in the new year, re-openings were reversed in many states and localities, but only temporarily
- Economic recovery now looking very strong in 2021, into 2022. Fed projects GDP growth of 6.5% in 2021
- Distribution challenges have kept widespread inoculation from being achieved until mid-year in the U.S.; it could be much later in countries around the globe

Returns for Periods ended 3/31/21

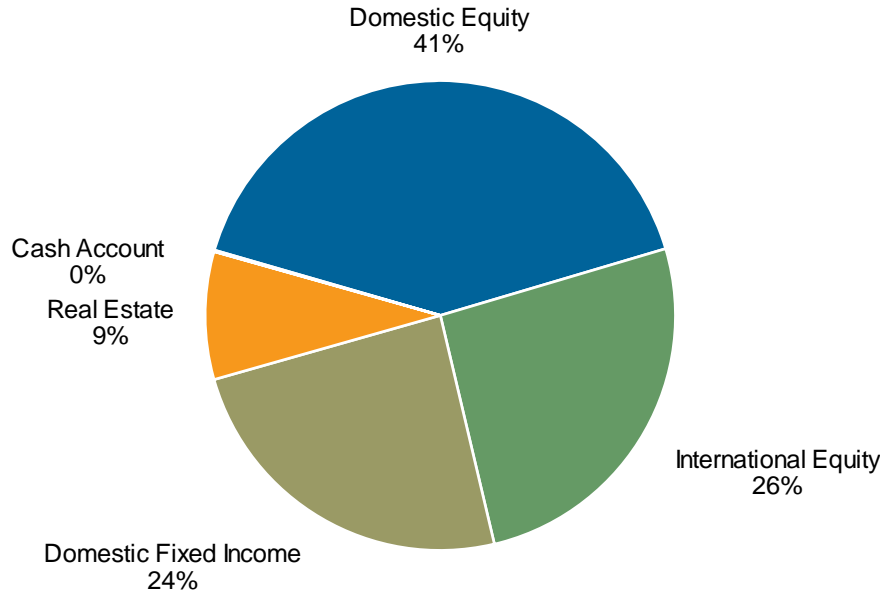
	1 Quarter	1 Year	5 Years	10 Years	25 Years
U.S. Equity					
Russell 3000	6.35	62.53	16.64	13.79	9.71
S&P 500	6.17	56.35	16.29	13.91	9.59
Russell 2000	12.70	94.85	16.35	11.68	9.36
Global ex-U.S. Equity					
MSCI World ex USA	4.04	45.86	8.92	5.21	5.21
MSCI Emerging Markets	2.29	58.39	12.07	3.65	--
MSCI ACWI ex USA Small Cap	5.53	69.82	10.40	6.32	6.51
Fixed Income					
Bloomberg Barclays Aggregate	-3.37	0.71	3.10	3.44	5.09
90-day T-Bill	0.03	0.12	1.19	0.63	2.22
Bloomberg Barclays Long Gov/Credit	-10.41	-2.05	5.47	6.98	7.22
Bloomberg Barclays Global Agg ex-US	-5.29	7.15	2.13	1.26	3.80
Real Estate					
NCREIF Property	1.15	2.04	5.69	8.76	9.04
FTSE Nareit Equity	8.87	37.78	5.33	8.56	9.92
Alternatives					
CS Hedge Fund	2.85	20.19	5.12	3.88	7.20
Cambridge Private Equity*	10.38	17.87	13.87	13.82	15.05
Bloomberg Commodity	6.92	35.04	2.31	-6.28	0.97
Gold Spot Price	-9.47	7.45	6.78	1.77	6.01
Inflation - CPI-U	1.69	2.62	2.15	1.71	2.15

*Cambridge PE data through 09/30/20

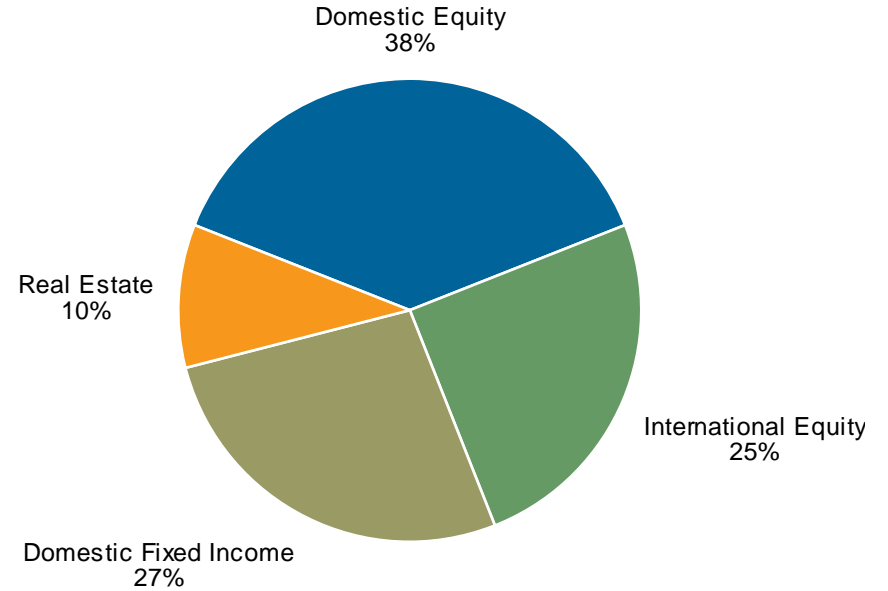
Sources: Bloomberg, Bloomberg Barclays, Callan, Cambridge, Credit Suisse, FTSE Russell, MSCI, NCREIF, S&P Dow Jones Indices

Asset Allocation

Actual Asset Allocation



Target Asset Allocation



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equity	97,149	40.9%	38.0%	2.9%	6,888
International Equity	61,579	25.9%	25.0%	0.9%	2,196
Domestic Fixed Income	57,787	24.3%	27.0%	(2.7%)	(6,346)
Real Estate	20,853	8.8%	10.0%	(1.2%)	(2,900)
Cash Account	162	0.1%	0.0%	0.1%	162
Total	237,529	100.0%	100.0%		

Asset Distribution Across Investment Managers

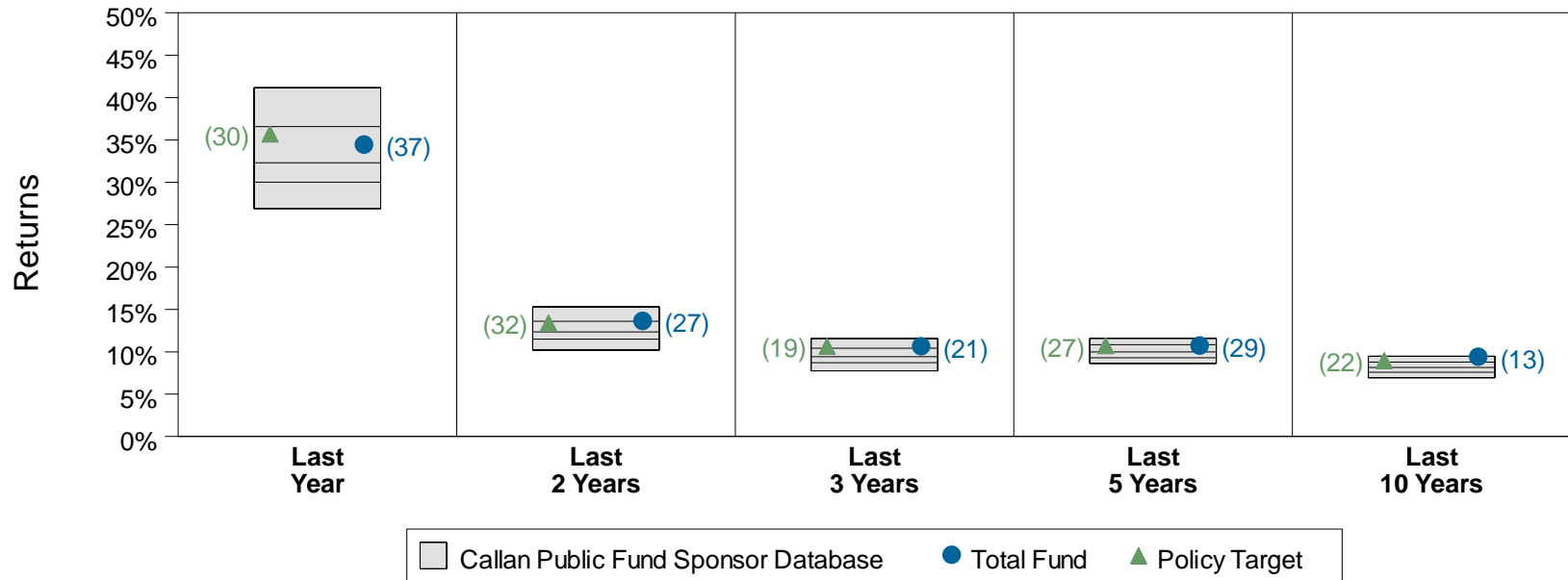
	March 31, 2021			December 31, 2020				
	Market Value	Weight	Target	Net New Inv.	Inv. Return	Market Value	Weight	Target
Domestic Equity	\$97,149,271	40.90%	38.00%	\$(40,715)	\$6,789,265	\$90,400,720	38.94%	38.00%
Emerald Advisers, Inc.	8,713,684	3.67%	3.00%	(17,239)	203,653	8,527,269	3.67%	3.00%
Ceredex Value Advisors	7,091,464	2.99%	3.00%	(13,993)	885,479	6,219,979	2.68%	3.00%
SSgA S&P 500 Index	65,431,353	27.55%	26.00%	(6,983)	3,811,679	61,626,657	26.55%	26.00%
SSgA S&P 400 Index	15,912,770	6.70%	6.00%	(2,500)	1,888,455	14,026,815	6.04%	6.00%
International Equity	\$61,578,732	25.92%	25.00%	\$(42,806)	\$181,529	\$61,440,009	26.47%	25.00%
Morgan Stanley Int'l Equity	23,409,529	9.86%	10.00%	(42,806)	243,493	23,208,842	10.00%	10.00%
Causeway Emerging Markets	6,615,660	2.79%	2.50%	0	314,233	6,301,426	2.71%	2.50%
William Blair & Company	31,553,544	13.28%	12.50%	0	(376,197)	31,929,741	13.75%	12.50%
Domestic Fixed Income	\$57,786,677	24.33%	27.00%	\$0	\$(1,999,087)	\$59,785,764	25.75%	27.00%
Richmond Capital Management	57,786,677	24.33%	27.00%	0	(1,999,087)	59,785,764	25.75%	27.00%
Real Estate	\$20,852,548	8.78%	10.00%	\$(53,523)	\$546,260	\$20,359,811	8.77%	10.00%
Heitman	20,852,548	8.78%	10.00%	(53,523)	546,260	20,359,811	8.77%	10.00%
Cash Account	\$162,149	0.07%	0.00%	\$0	\$4	\$162,145	0.07%	0.00%
Total Fund	\$237,529,378	100.0%	100.0%	\$(137,044)	\$5,517,971	\$232,148,450	100.0%	100.0%

Investment returns were positive for the quarter at \$5.5 million

The total portfolio overseen by Callan is approximately \$237 million as of March 31, 2021

City of Fort Pierce Total Fund

Callan Public Fund Sponsor Database



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Total Fund	2.38%	34.37%	10.55%	10.63%	8.80%
Total Fund Benchmark(1)	3.36%	35.70%	10.63%	10.71%	8.76%
CPI + 5%	3.07%	8.01%	7.08%	7.20%	6.55%
Callan Public Fund Spr DB	3.21%	32.29%	9.42%	9.99%	7.88%
	83	37	21	29	19
	42	30	19	27	20
	57	99	95	96	91

The Total Fund underperformed by 0.98% for the quarter and trailed the target by 1.33% for the year

Total Fund performance relative to the benchmark and peers has remained strong over time

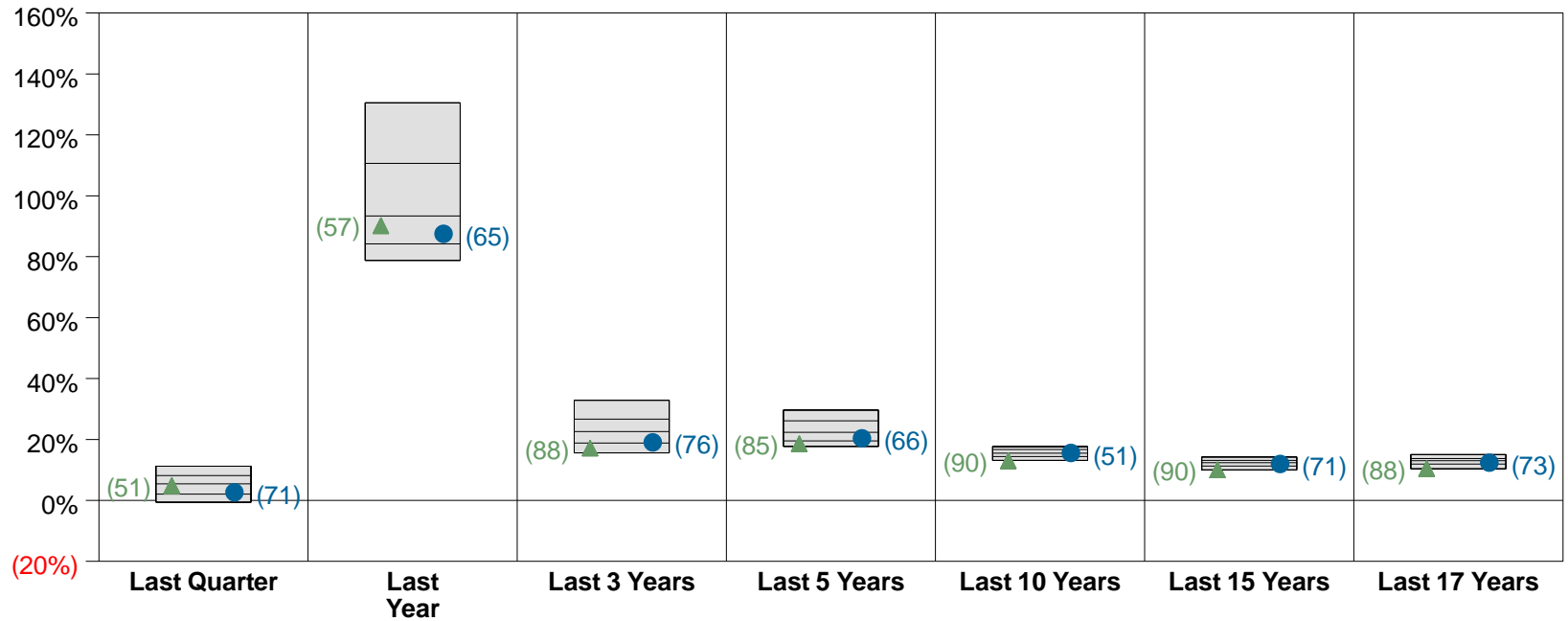
(1) The Total Fund Benchmark consists of 26% S&P500 Index, 27% Blmbg Aggregate Index, 25% MSCI ACWI ex US (Net), 10% NFI-ODCE Equal Weight Net, 6% S&P MidCap 400, 3% Russell 2000 Growth and 3% Russell 2000 Value.

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Domestic Equity Performance

Emerald Advisors Small Cap Growth

Performance vs Callan Small Cap Growth (Gross)



10th Percentile	11.23	130.49	32.85	29.67	17.67	14.21	15.08
25th Percentile	8.16	110.60	26.66	26.12	16.70	13.12	13.75
Median	5.44	93.37	22.58	22.36	15.50	12.38	13.01
75th Percentile	2.10	84.24	18.84	19.49	14.40	11.27	11.95
90th Percentile	(0.65)	78.78	15.57	17.69	13.15	10.02	10.38

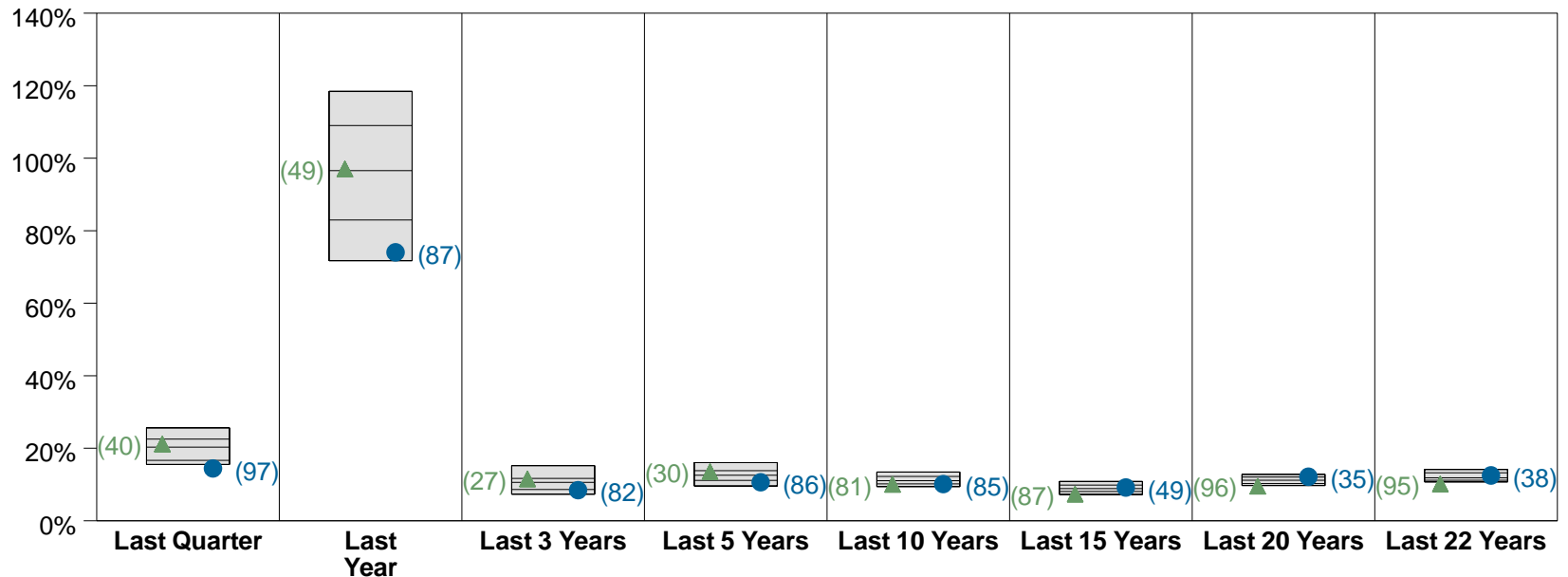
Emerald Advisors, Inc.	●	2.39	87.27	18.78	20.11	15.33	11.72	12.14
Russell 2000 Growth Index	▲	4.88	90.20	17.16	18.61	13.02	10.05	10.46

Emerald underperformed the benchmark by 2.49% during the quarter and underperformed by 2.94% over the last year. Relative underperformance for the quarter was attributed to stock selection in the Healthcare, Technology, Energy and Industrial sectors

Long-term results remain well ahead of the benchmark

Ceredex Value Advisors Small Cap Value

Performance vs Callan Small Cap Value (Gross)



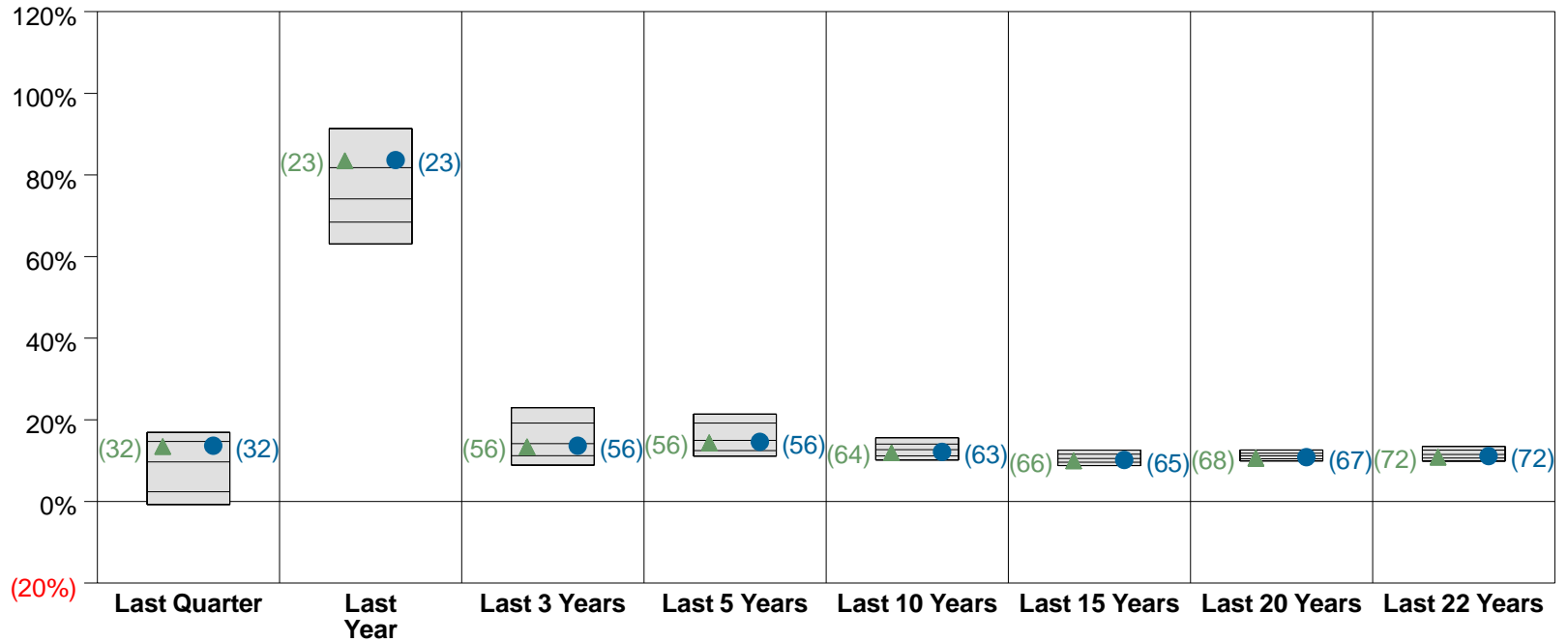
10th Percentile	25.67	118.44	15.22	16.03	13.45	10.86	12.80	14.20
25th Percentile	22.52	109.02	11.72	13.80	12.28	9.86	12.05	13.26
Median	20.31	96.57	10.61	12.59	11.07	8.88	11.21	11.86
75th Percentile	16.70	82.97	8.63	11.16	10.18	8.06	10.28	11.23
90th Percentile	15.55	71.73	7.34	9.58	9.46	7.28	9.76	10.73

Ceredex Value Advisors	●	14.25	73.82	8.22	10.39	9.92	8.97	11.93	12.33
Russell 2000 Value Index	▲	21.17	97.05	11.57	13.56	10.06	7.38	9.53	10.13

Ceredex underperformed the benchmark by 6.92% for the quarter and underperformed by 23.34% over the last year. Stock selection in the Real Estate and Materials, and an underweight in Consumer Discretionary weighed the most on performance.

SSgA S&P Mid Cap 400 Index

Performance vs Callan Mid Capitalization (Gross)



10th Percentile	16.95	91.39	22.95	21.40	15.58	12.56	12.64	13.49
25th Percentile	14.70	81.81	19.22	19.20	14.06	11.60	11.81	12.58
Median	9.71	74.12	14.16	15.00	12.72	10.52	11.19	11.51
75th Percentile	2.39	68.44	11.23	12.47	11.20	9.65	10.47	10.67
90th Percentile	(0.78)	63.10	8.93	11.09	10.15	8.78	9.96	9.91

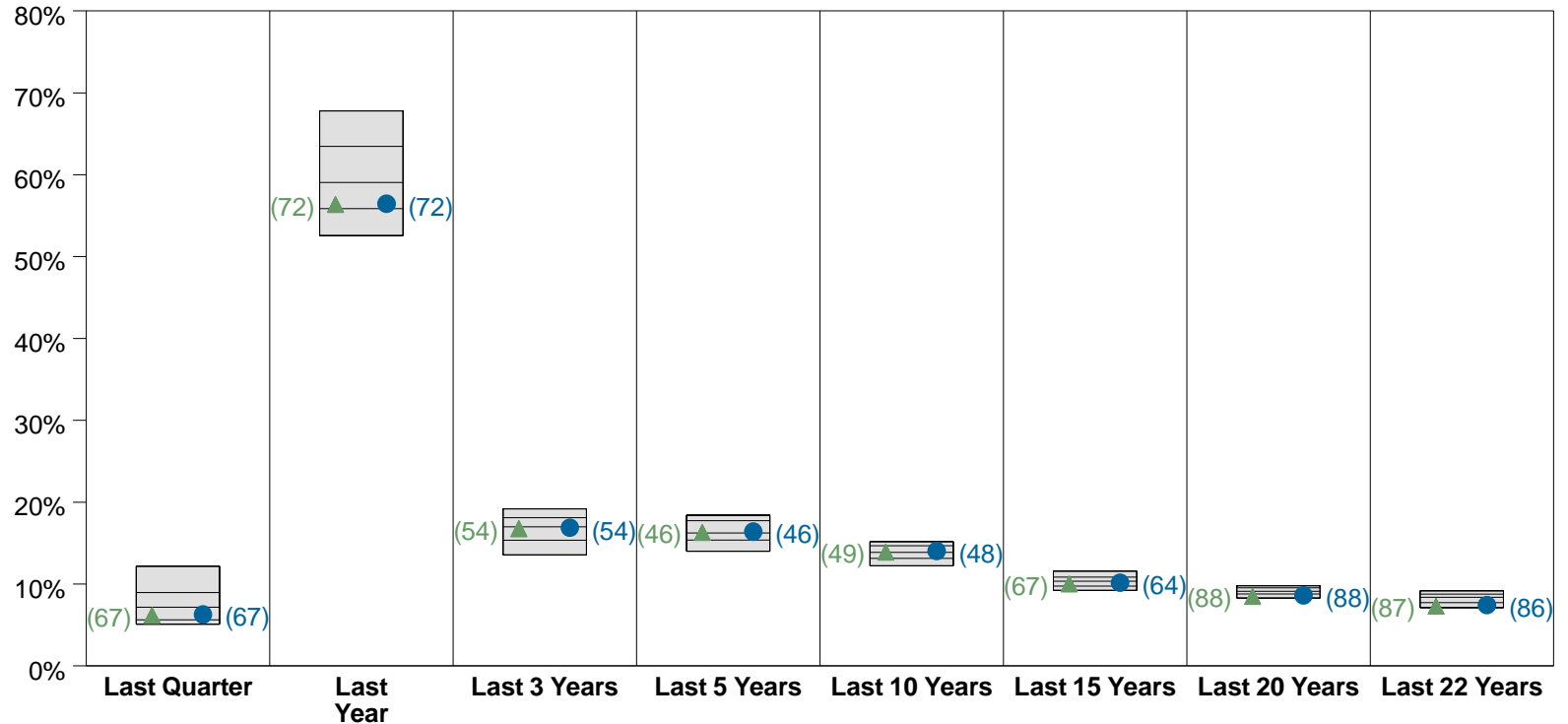
SSgA S&P 400 Index ● 13.46 83.44 13.45 14.40 11.96 9.97 10.67 10.93

S&P Mid Cap 400 Index ▲ 13.47 83.46 13.40 14.37 11.92 9.94 10.63 10.88

The fund continues to track the index closely at a very low fee

SSgA S&P 500 Index

Performance vs Callan Large Cap Core (Gross)



10th Percentile	12.17	67.79	19.18	18.42	15.17	11.58	9.79	9.18
25th Percentile	8.98	63.46	18.11	17.76	14.67	10.84	9.54	8.76
Median	7.18	59.07	16.98	16.25	13.87	10.36	9.13	8.38
75th Percentile	5.63	55.87	15.36	15.38	13.14	9.75	8.78	7.74
90th Percentile	5.09	52.55	13.56	14.01	12.24	9.24	8.30	7.11

SSgA S&P 500 Index ●	6.19	56.35	16.78	16.31	13.95	10.07	8.52	7.33
S&P 500 Index ▲	6.17	56.35	16.78	16.29	13.91	10.02	8.47	7.29

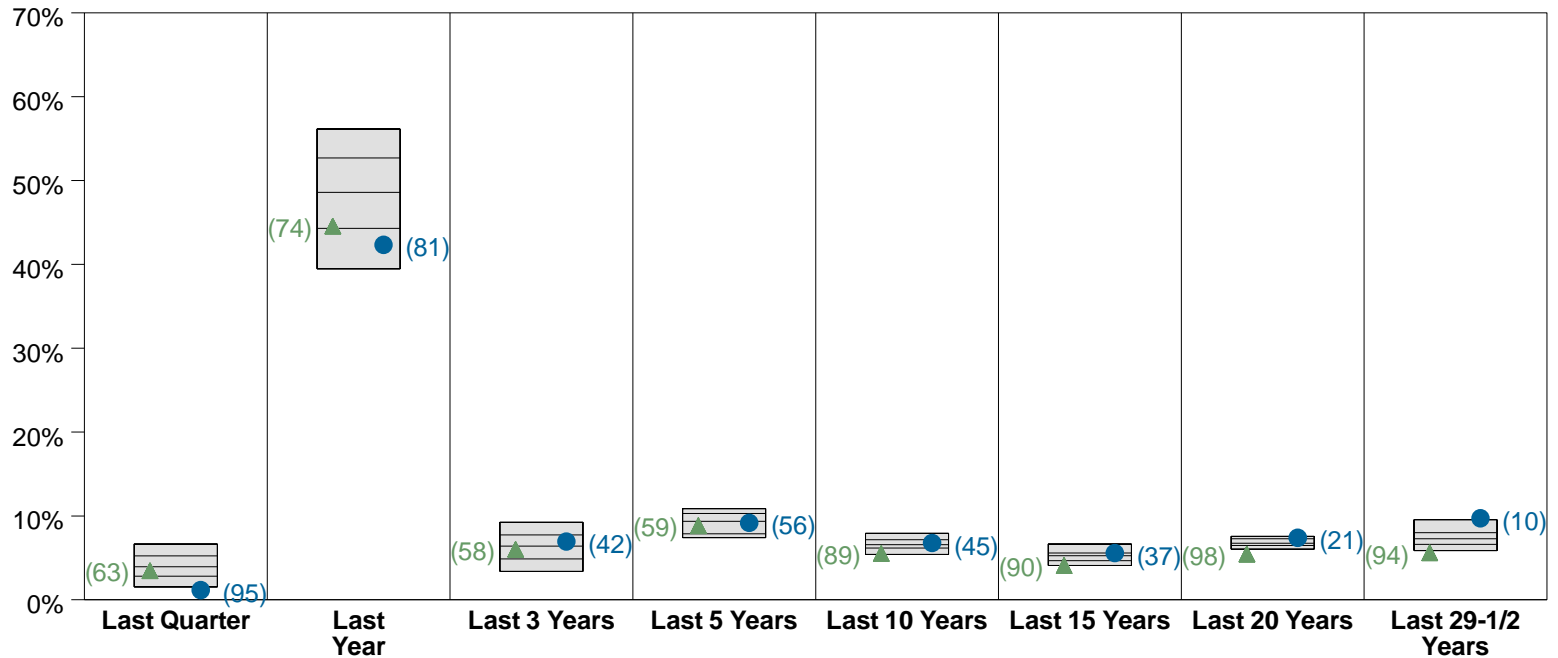
The fund continues to track the index closely at a very low fee

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International Equity Performance

Morgan Stanley Developed International Equity

Performance vs Callan Non-US Developed Core Equity (Gross)



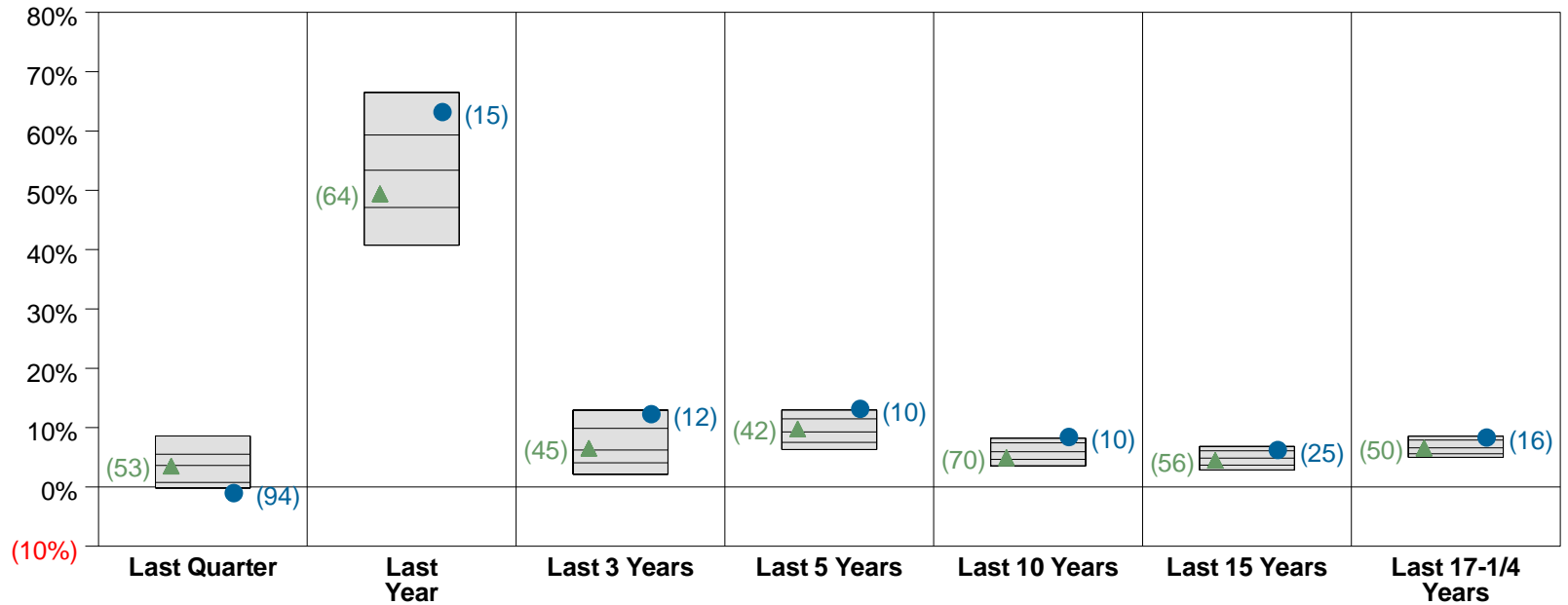
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years	Last 20 Years	Last 29-1/2 Years
10th Percentile	6.66	56.15	9.24	10.86	7.92	6.65	7.56	9.56
25th Percentile	5.24	52.69	7.74	10.29	7.15	5.60	7.29	8.01
Median	3.92	48.60	6.40	9.36	6.57	5.26	6.74	7.28
75th Percentile	2.83	44.30	4.88	7.88	6.19	4.67	6.48	6.62
90th Percentile	1.54	39.46	3.40	7.42	5.41	4.09	6.04	5.87
Morgan Stanley Int'l Equity	● 1.05	42.23	6.86	9.07	6.67	5.47	7.31	9.62
MSCIEAFE	▲ 3.48	44.57	6.02	8.85	5.52	4.10	5.45	5.61

The fund underperformed by 2.43% for the quarter and underperformed for the year by 2.34%

The strategy's more defensive approach was out of favor in the first quarter but has performed well relative to the benchmark and peers over time

William Blair International Growth Equity

Performance vs Callan Non US Equity Mutual Funds (Institutional Net)



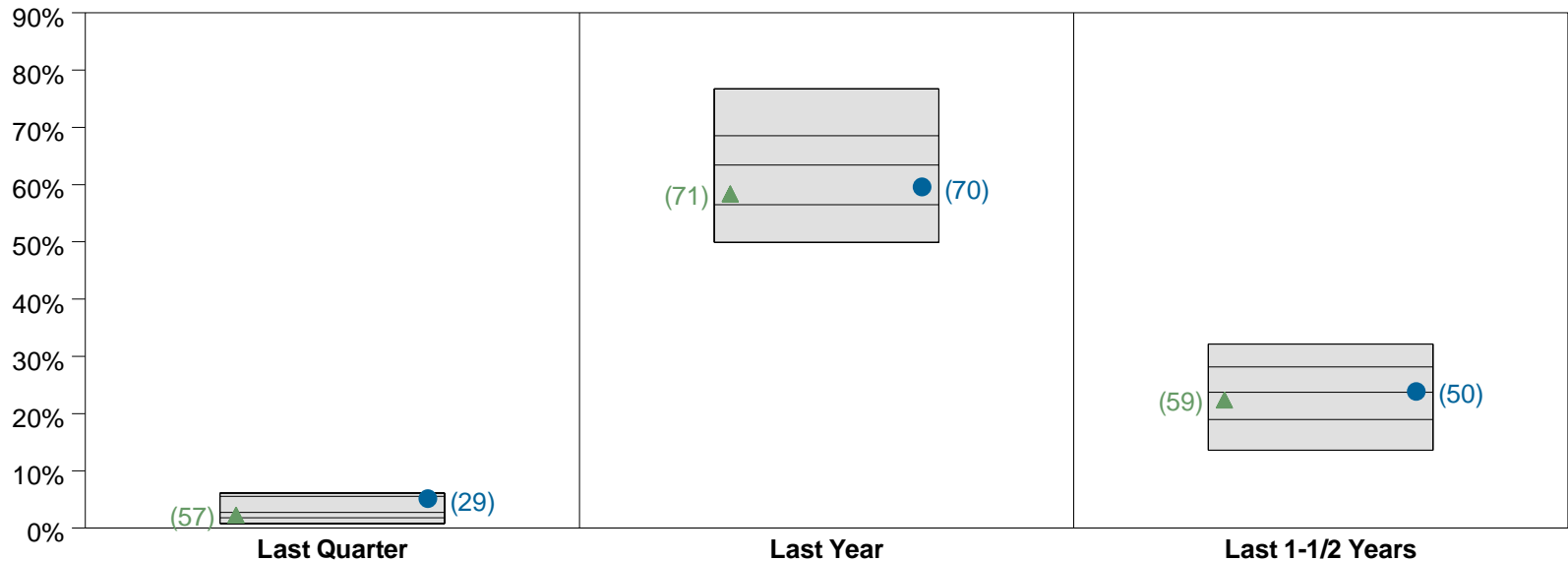
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years	Last 17-1/4 Years
10th Percentile	8.59	66.50	12.95	12.97	8.20	6.83	8.53
25th Percentile	5.50	59.32	9.88	11.47	7.43	6.07	7.89
Median	3.62	53.39	6.22	9.24	5.94	4.86	6.57
75th Percentile	0.76	47.08	4.04	7.51	4.64	3.67	5.60
90th Percentile	(0.21)	40.74	2.10	6.29	3.54	2.85	4.96
William Blair & Company	● (1.18)	63.05	12.11	13.00	8.28	6.09	8.16
MSCI ACWI ex US	▲ 3.49	49.41	6.51	9.76	4.93	4.48	6.54

The fund underperformed by 4.67% for the quarter and outperformed by 13.64% over the last year

Underperformance was primarily driven by negative stock selection across most sectors. Financials, Information Technology and Consumer Discretionary sectors had the largest impact on relative results

Causeway Emerging Markets

Performance vs Callan Emerging Markets Equity Mut Funds (Institutional Net)



10th Percentile	6.12	76.72	32.13
25th Percentile	5.55	68.53	28.17
Median	2.74	63.43	23.71
75th Percentile	1.81	56.49	18.95
90th Percentile	0.79	49.92	13.60

Causeway Emerging Markets ●	4.99	59.45	23.73
MSCI EM ▲	2.29	58.39	22.35

Causeway outperformed by 2.70% for the quarter and outperformed the MSCI EM Index for the year by 1.07%. This was the sixth full quarter of performance for Causeway

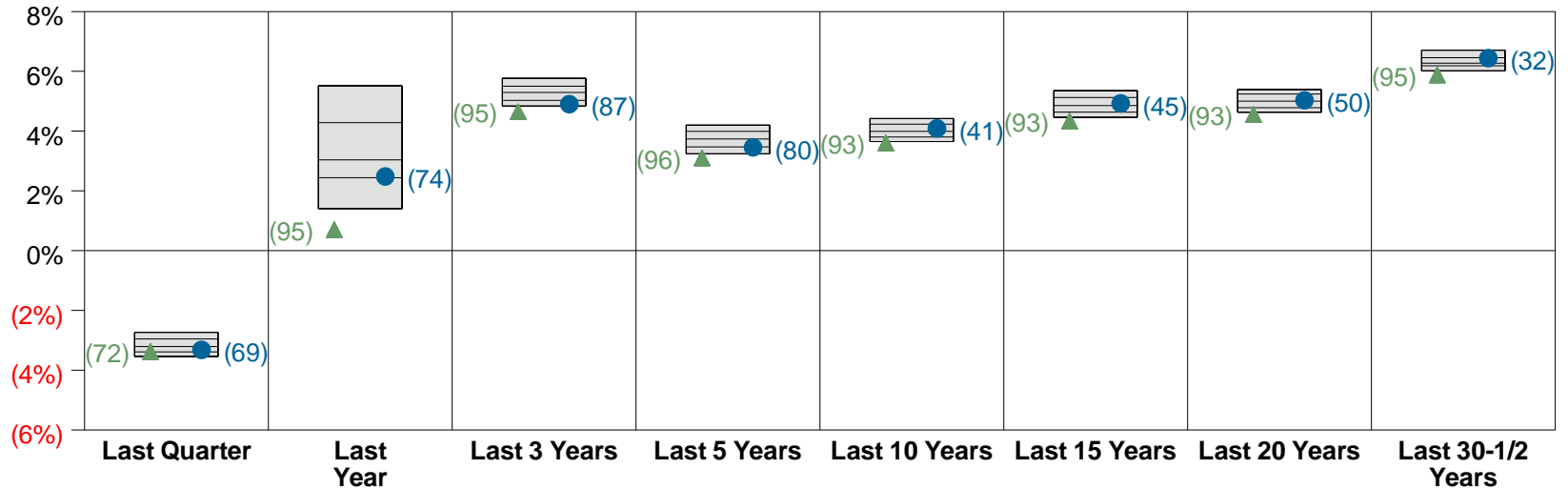
Outperformance was due to positive stock selection in Emerging Asia, particularly Information Technology companies. From a sector perspective, Information Technology, Materials, and Consumer Staples were the largest contributors to relative performance

Callan

Fixed Income

Richmond Capital Core Fixed Income

Performance vs Callan Core Bond Fixed Income (Gross)



	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years	Last 20 Years	Last 30-1/2 Years
10th Percentile	(2.73)	5.52	5.77	4.21	4.42	5.36	5.39	6.71
25th Percentile	(2.95)	4.29	5.50	4.00	4.23	5.13	5.25	6.46
Median	(3.20)	3.04	5.29	3.74	4.00	4.85	5.00	6.27
75th Percentile	(3.38)	2.44	5.03	3.47	3.81	4.63	4.78	6.19
90th Percentile	(3.54)	1.40	4.84	3.24	3.65	4.46	4.63	6.02

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years	Last 20 Years	Last 30-1/2 Years
Richmond Capital Management ●	(3.34)	2.45	4.88	3.43	4.07	4.90	5.00	6.41
Blended Benchmark* ▲	(3.37)	0.71	4.65	3.10	3.60	4.34	4.56	5.88

Richmond outperformed for the quarter by 0.03% and outperformed over the year by 1.74%.

Richmond Capital recently announced that Bill Schultz has indicated his plan to retire from Richmond and asset management, effective March 31, 2022. The strategy leverages a multiple PM approach, which should provide continuity in portfolio management

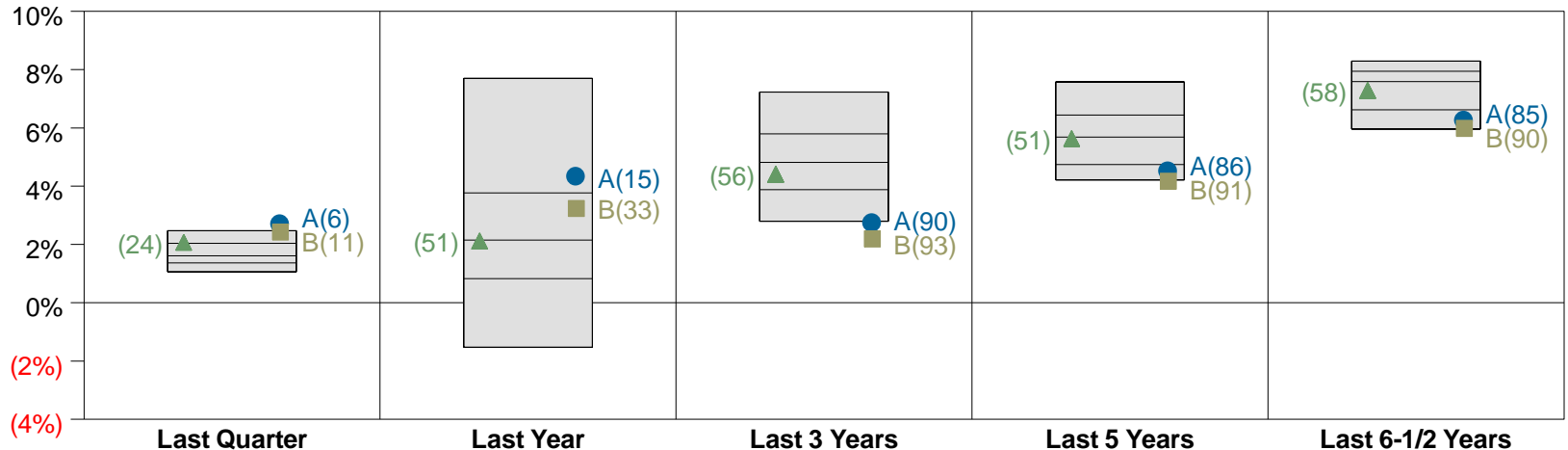
Bill will work until March 31, 2022 and serve as a consultant until March 31, 2023

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Real Estate

Heitman America Real Estate Trust

Performance vs Callan Open End Core Cmmingled Real Est (Net)



10th Percentile	2.47	7.70	7.23	7.58	8.29	
25th Percentile	2.04	3.77	5.80	6.44	7.94	
Median	1.61	2.15	4.82	5.69	7.59	
75th Percentile	1.37	0.82	3.88	4.74	6.62	
90th Percentile	1.06	(1.53)	2.79	4.21	5.96	
Heitman	● A	2.68	4.31	2.72	4.50	6.24
Heitman - net	■ B	2.42	3.23	2.19	4.17	5.98
NCREIF NFI-ODCE						
Eq Wt Net	▲	2.07	2.12	4.41	5.64	7.29

Heitman outperformed the index by 0.61% for the quarter and outperformed by 2.19% over the last year

The overall valuation for the Fund's assets increased for Q1 2021. The most significant increases were in the Industrial, Apartments, and Self-storage sectors, which were marginally offset by decreases in the Retail and Office sectors.

Investment Manager Objectives

Manager	Objective	Comments
Total Fund	CPI + 5% over long term.	Met.
Richmond	Outperform BC Aggregate over rolling 3-year periods by 0.50%.	Not Met.
	Outperform the median fixed income manager over rolling 3-year periods.	Not Met.
Morgan Stanley Developed	Outperform the MSCI EAFE over rolling 3-year periods by 0.50%.	Met.
	Outperform the median international equity manager over rolling 3-year periods.	Met.
Causeway Emerging	Outperform the MSCI Emerging Markets Index over rolling 3-year periods by 1.00%.	N/A
	Outperform the median emerging markets equity manager over rolling 3-year periods.	N/A
William Blair	Outperform the MSCI ACWI ex-US Index over rolling 3-year periods.	Met.
	Outperform the median international equity manager over rolling 3-year periods.	Met.
Ceredex	Outperform the Russell 2000 Value Index over time.	Met.
Emerald	Outperform the Russell 2000 Growth Index over time.	Met.
SSgA S&P MidCap 400 Index	Replicate the return of the S&P MidCap 400 Index.	Met.
SSgA S&P 500 Index	Replicate the return of the S&P 500 Index.	Met.
Heitman (HART)	Outperform the NFI-ODCE Index over rolling 5-year periods.	Not Met.