



Annual Portfolio Review

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September 28th, 2021



Presentation Overview

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Arizona State Statute

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Portfolio Review



Investment Policy

Investment of Public Monies is set by Arizona Revised Statute 35-323

- Sets a maximum maturity of 5 years
- Defines Eligible Investments*:

US Treasury Obligations

Federal Agency & Instrumentality
Securities

Corporate Bonds

Prime Commercial Paper

Interest Bearing Savings Accounts

(*Other eligible include Repurchase Agreements, Pooled Investment Funds, Time Certificates of Deposit, Arizona Securities, Variable Rate Obligations, and Callable Securities)



Investment Policy

City's investment objectives per investment policy,
presented in order of priority

- Safety
- Liquidity
- Diversification
- Yield



Investment Strategy

– Liquidity Portfolio

- Focused on short term (allows for liquidity)
- Managed to meet cash flow needs

– Core Portfolio

- Focused on longer term (allows for diversity in investments)
- Managed by Public Trust Advisors to a benchmark following the city investment policy and with quarterly strategy updates

Who We Are

AUM

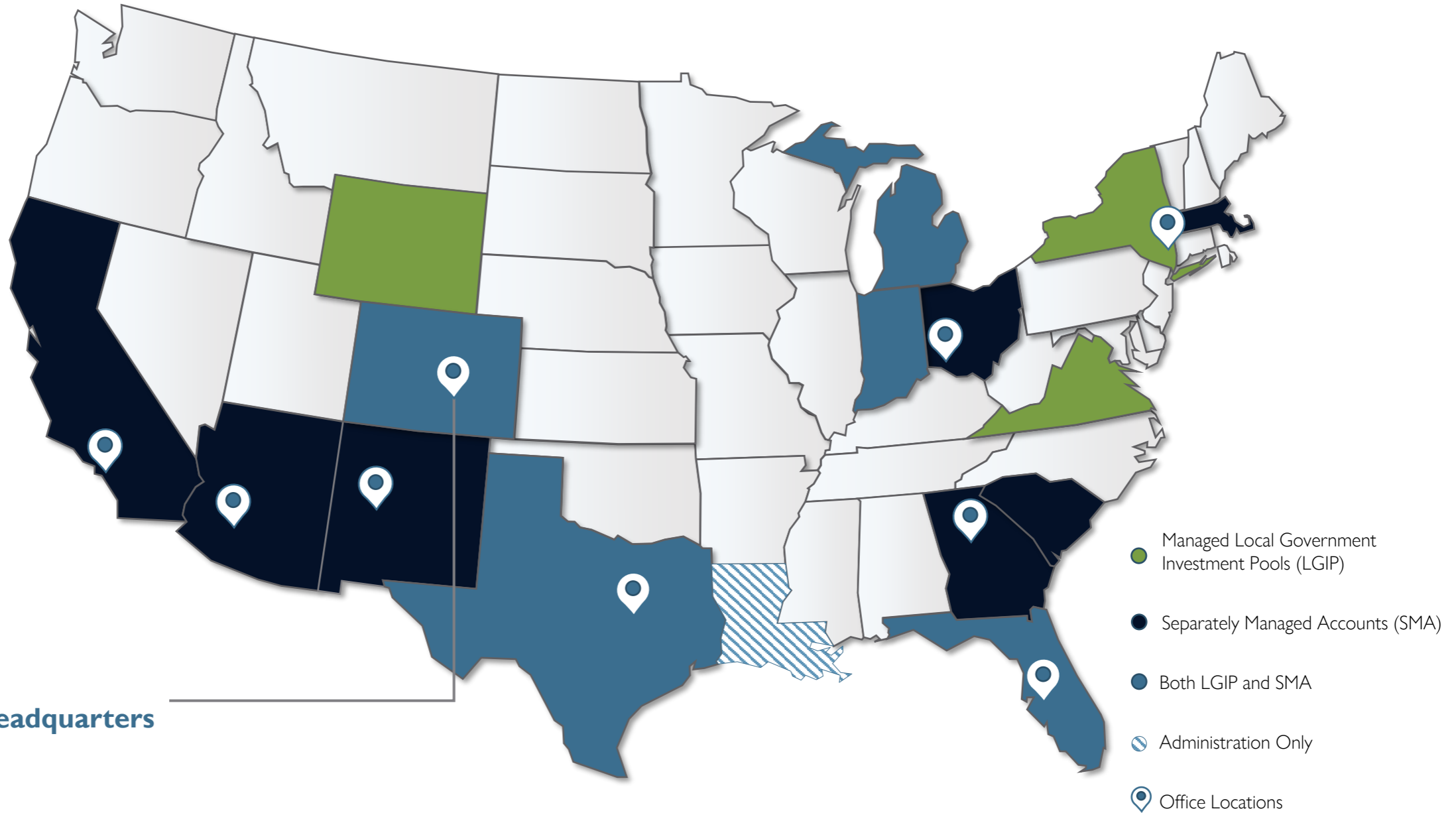
49B

As of 12/31/20

70+

Clients

Colorado
Corporate Headquarters



*Please reference disclosure page at the end of this presentation. Source: Public Trust Advisors.

Glendale Partnering with Public Trust



Partnering with the City

Working on policy and strategy together since 2015



Expand Your Investment Team

We have served as an extension of your finance team, collaborating with staff



Build Your Portfolio Professionally

We worked with staff to create a Liquidity and Core strategy to better suit your needs



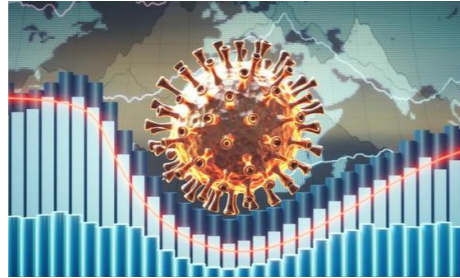
Gain Peace of Mind

We will continue to serve as a fiduciary and partner in prudently managing your funds



Market Update





The Rapid Spread of the Delta Variant

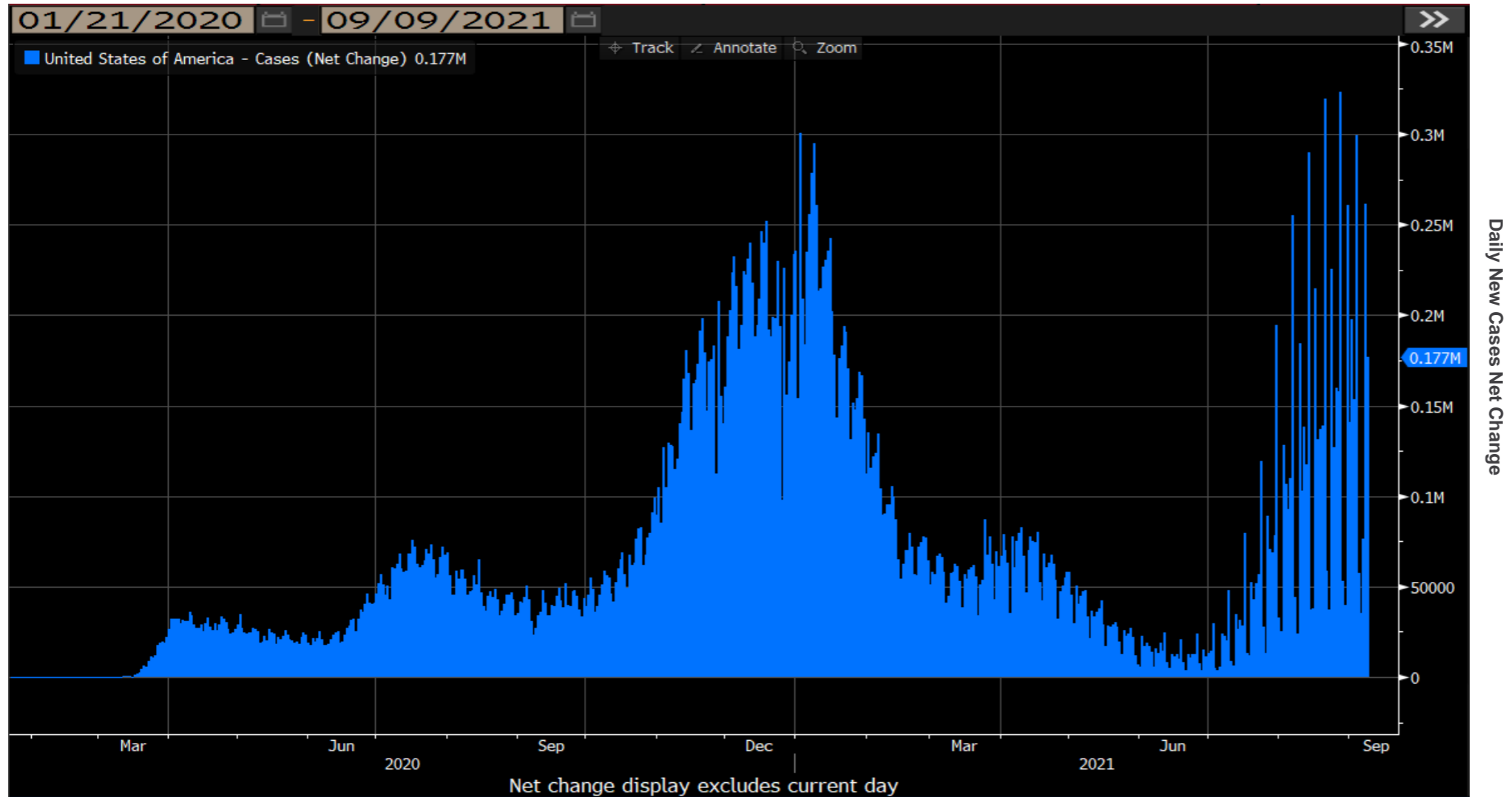


Temporary Inflation?

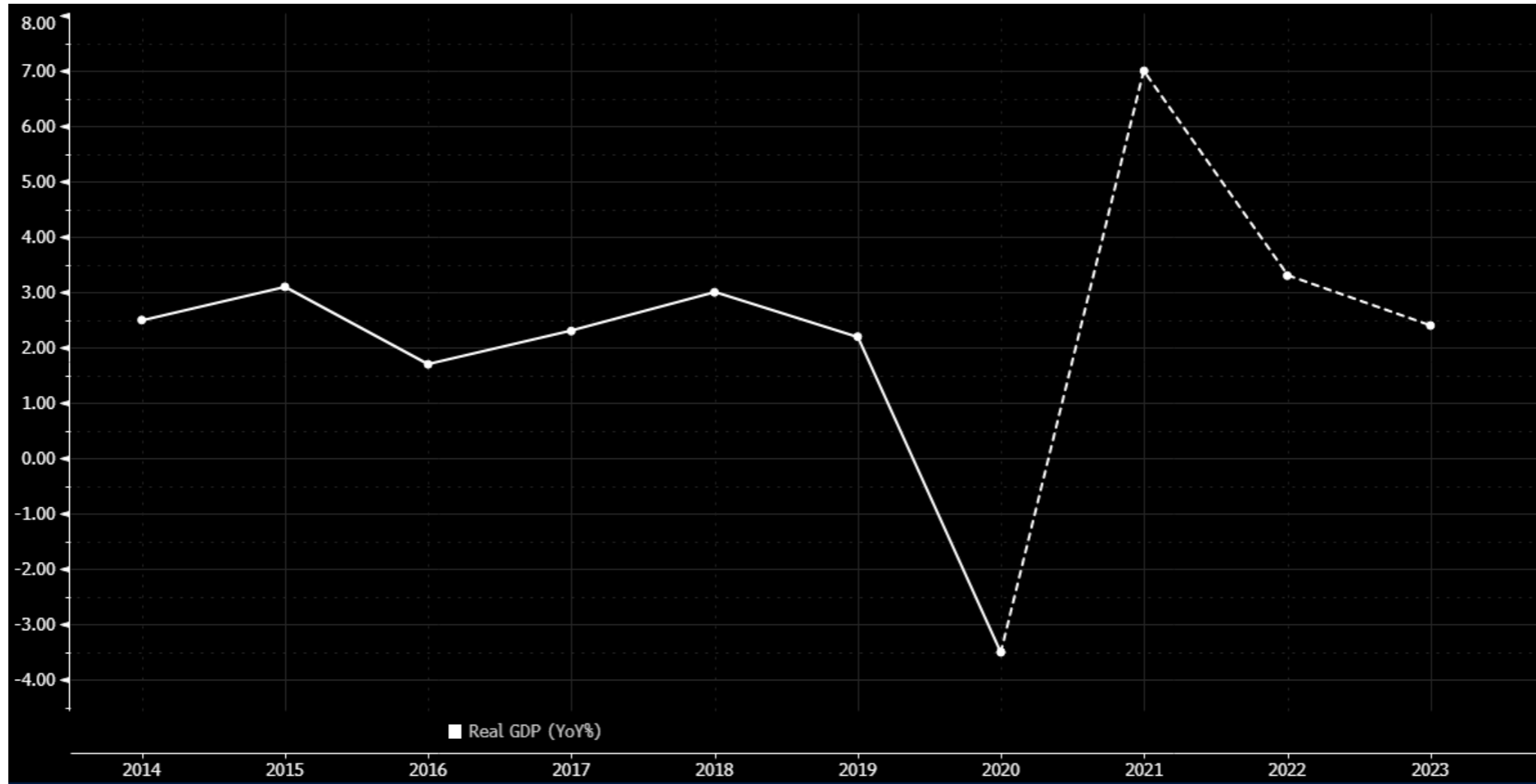


Federal Reserve Taper Talk

COVID-19 US Daily New Cases Net Change



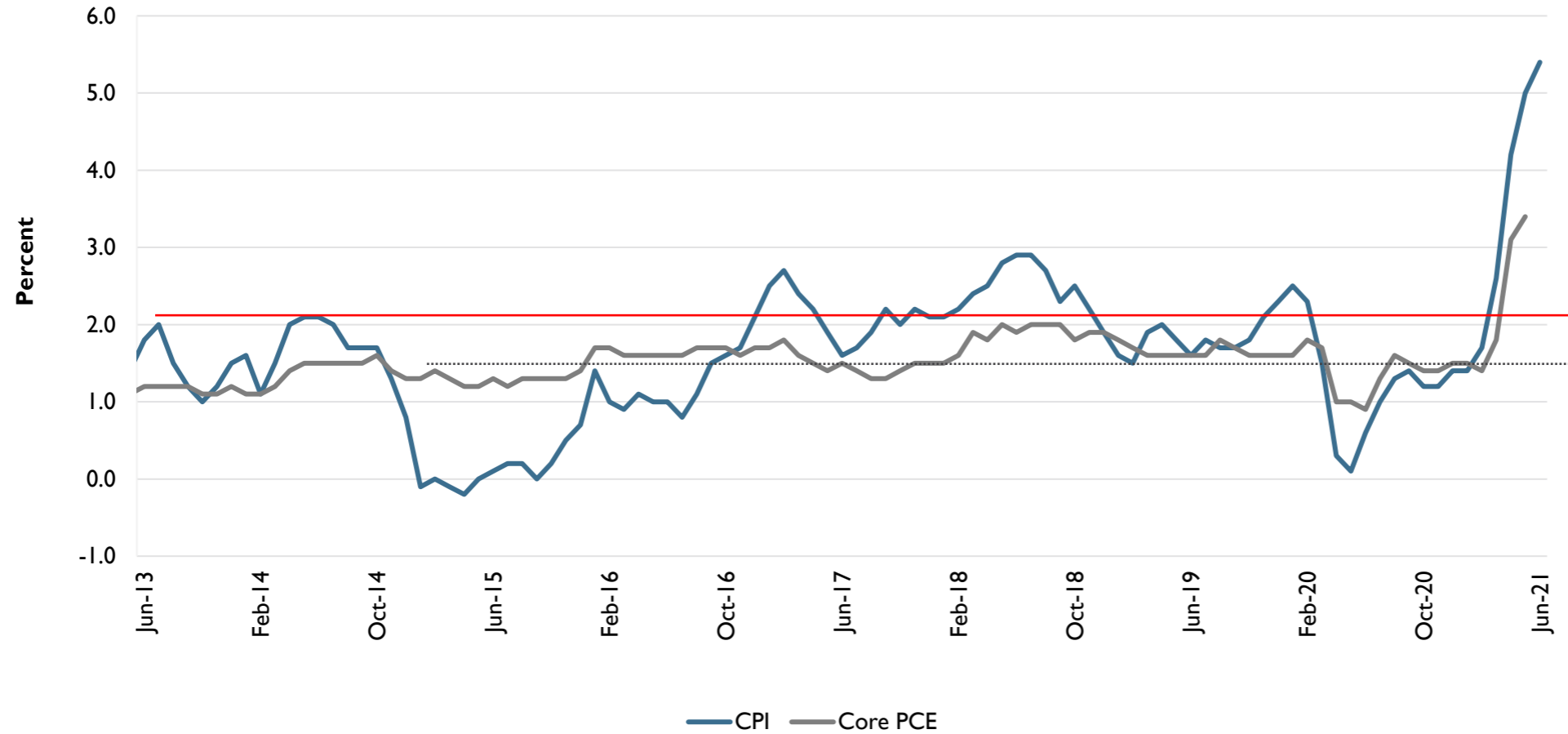
U.S. Real Gross Domestic Product (Annual)



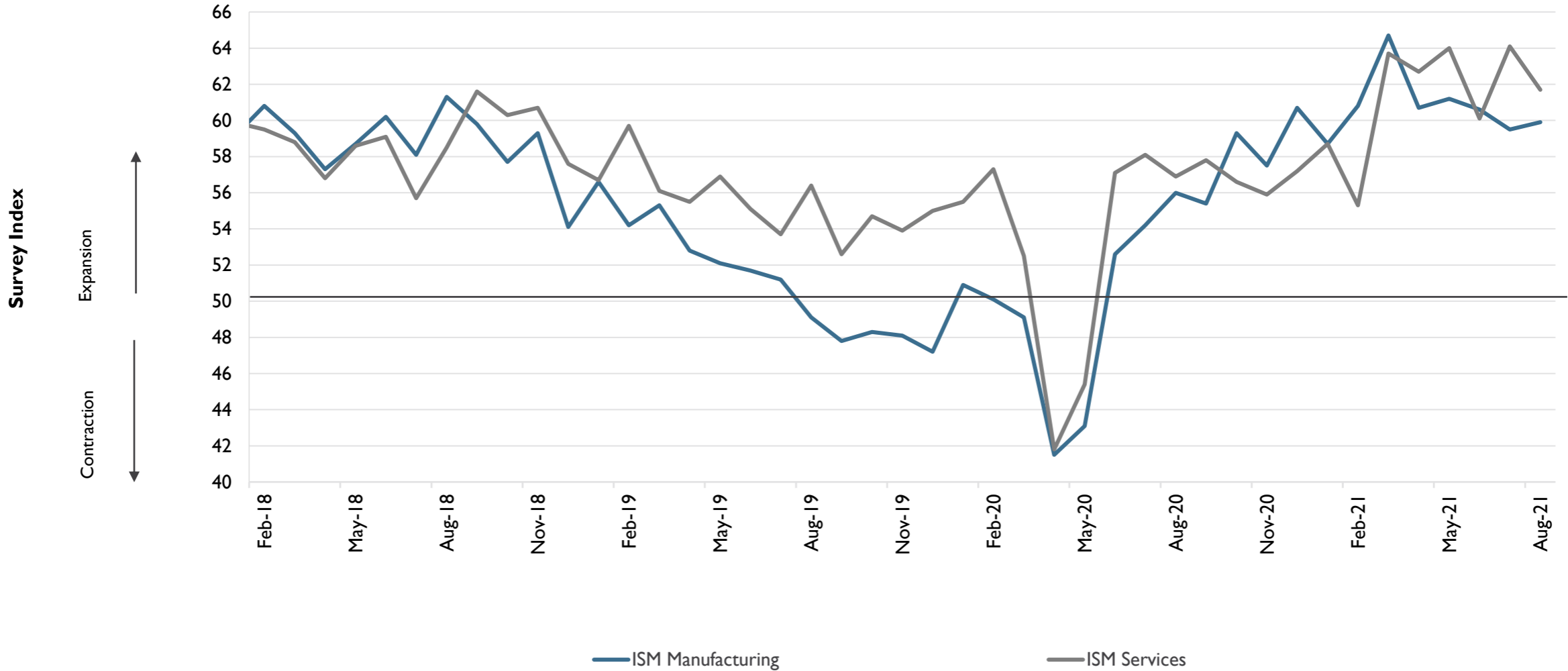
Atlanta Fed GDP Now Forecast



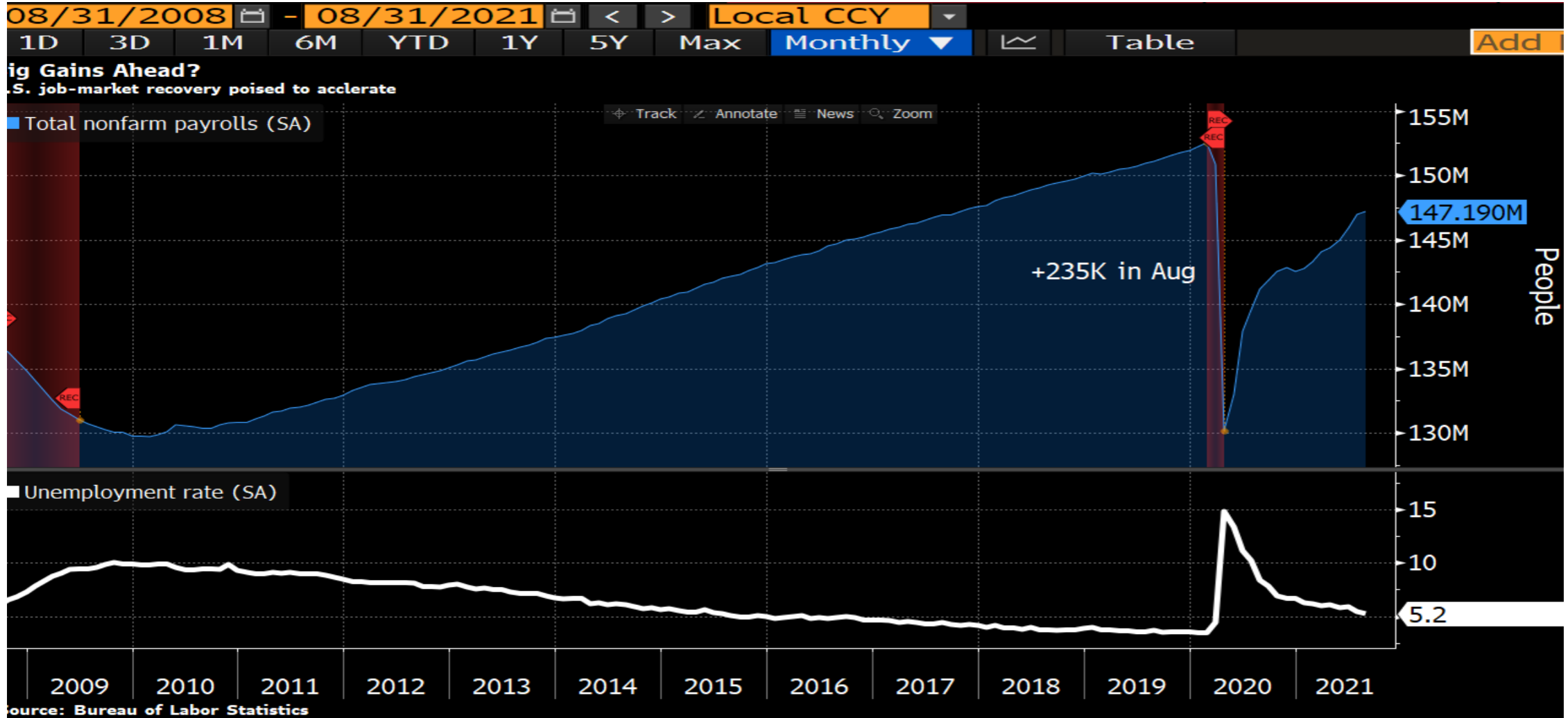
Inflation



Institute for Supply Management



Labor Market



Investments





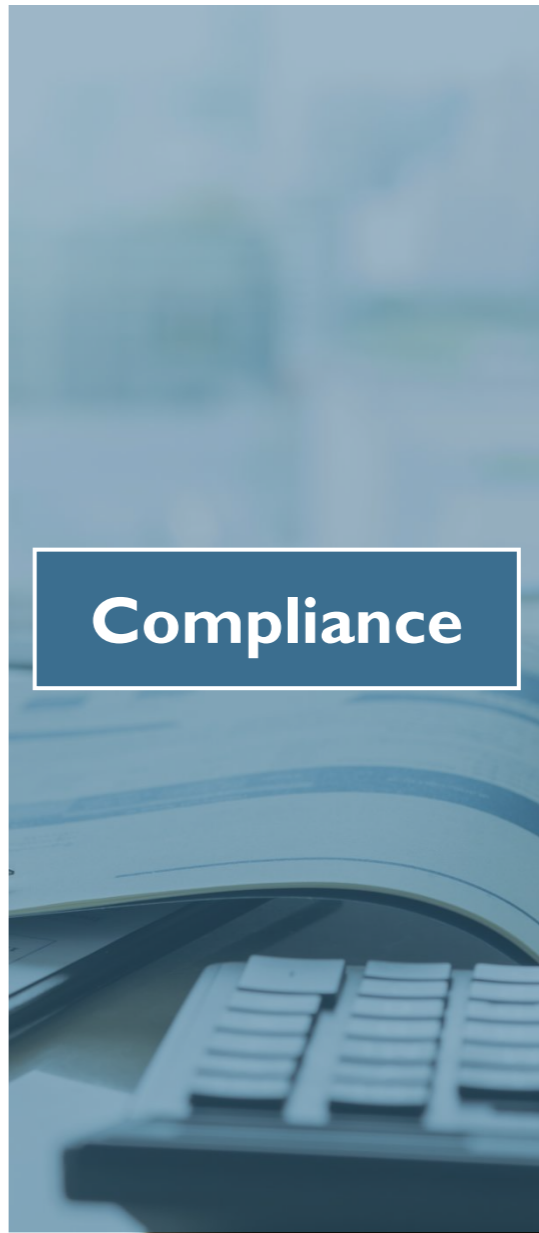
Safety



Liquidity



Yield



Compliance

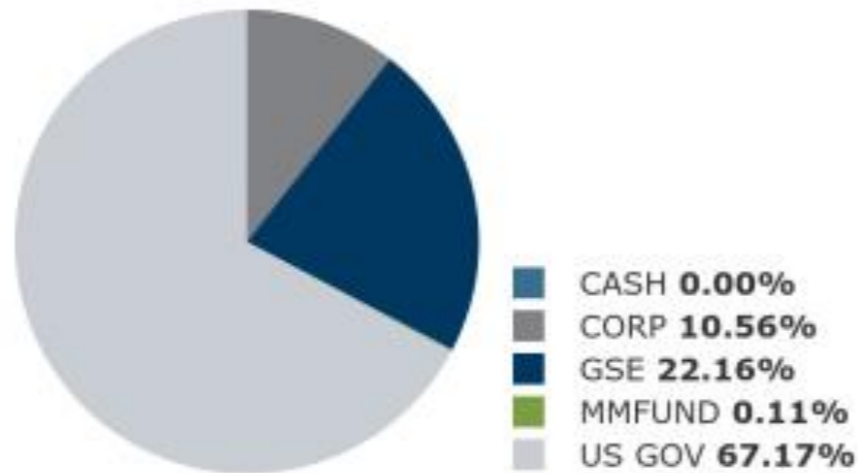


Transparency

Aggregate Assets Under Management (Funds)

June 30, 2021

Asset Allocation



Portfolio Summary

Summary	06/30/20	06/30/21
Historical Cost	\$189,718,084.57	\$192,279,568.17
Book Value	189,567,034.57	191,617,067.34
Accrued Interest	609,318.13	553,999.11
Net Pending Transactions	27,655.71	124.46
Book Value Plus Accrued	\$190,204,008.41	\$192,171,190.91
Net Unrealized Gain/Loss	2,666,758.71	767,737.33
Market Value Plus Accrued	\$192,870,767.12	\$192,938,928.25

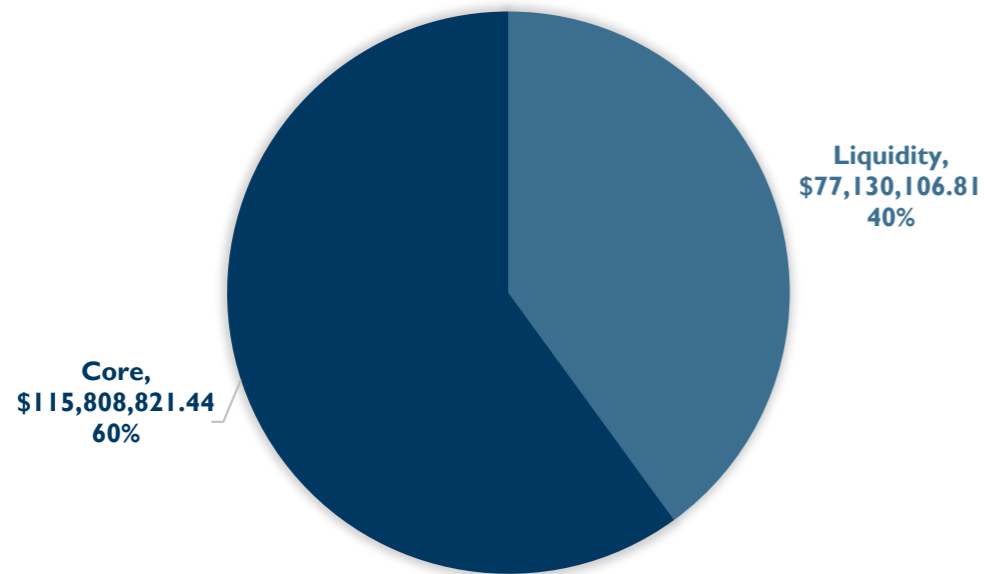
Income Summary

Period Income	Income
Interest Income	\$2,029,479.28
Net Amortization/Accretion Income	(687,179.10)
Net Realized Gain/Loss	624,882.33
Net Income	\$1,967,182.51

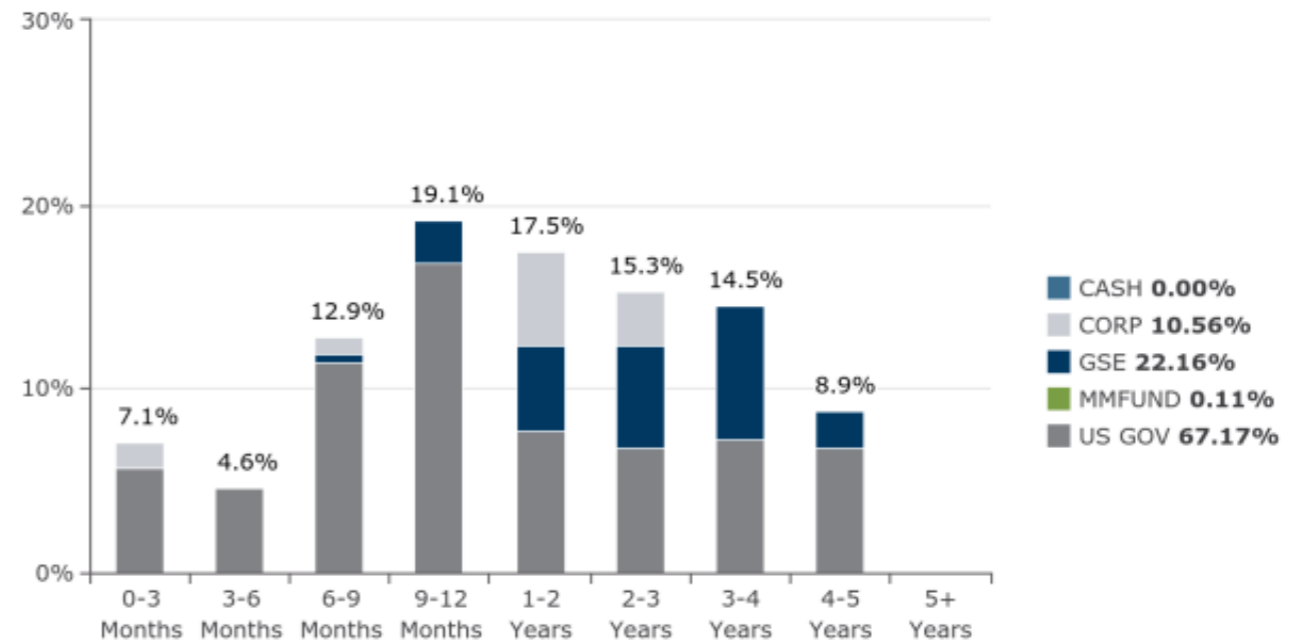
Aggregate Funds by Portfolio and Maturity

June 30, 2021

AGGREGATE ASSETS UNDER MANAGEMENT
MARKET VALUE + ACCRUED
JUNE 30TH, 2021



Maturity Distribution by Type

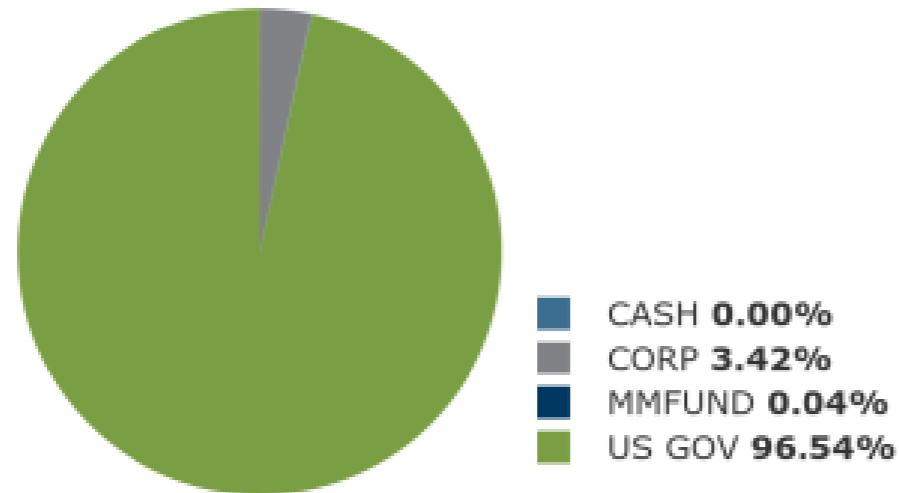


Market Value + Accrued Total: \$192,938,928

Portfolio Summary

Summary	06/30/20	06/30/21
Historical Cost	\$76,773,199.81	\$77,116,403.53
Book Value	76,733,036.74	76,958,811.59
Accrued Interest	179,798.63	179,809.02
Net Pending Transactions	13,913.78	123.28
Book Value Plus Accrued	\$76,926,749.14	\$77,138,743.90
Net Unrealized Gain/Loss	136,529.95	(8,637.09)
Market Value Plus Accrued	\$77,063,279.09	\$77,130,106.81

Asset Allocation



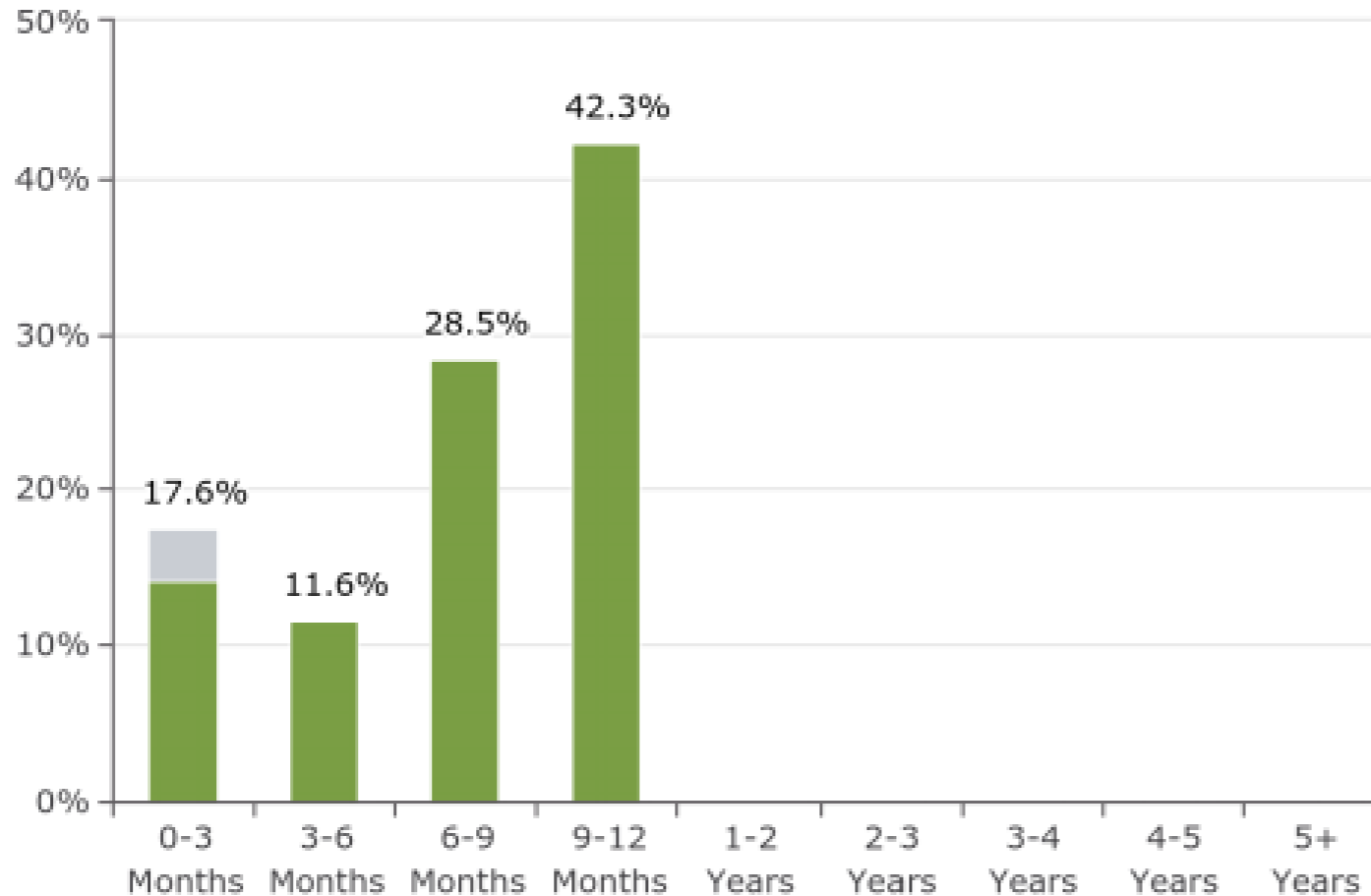
Income Summary

Period Income	Income
Interest Income	\$438,882.24
Net Amortization/Accretion Income	(226,887.48)
Other Income/Expenses	(0.01)
Net Income	\$211,994.75

Liquidity Portfolio by Maturity

June 30, 2021

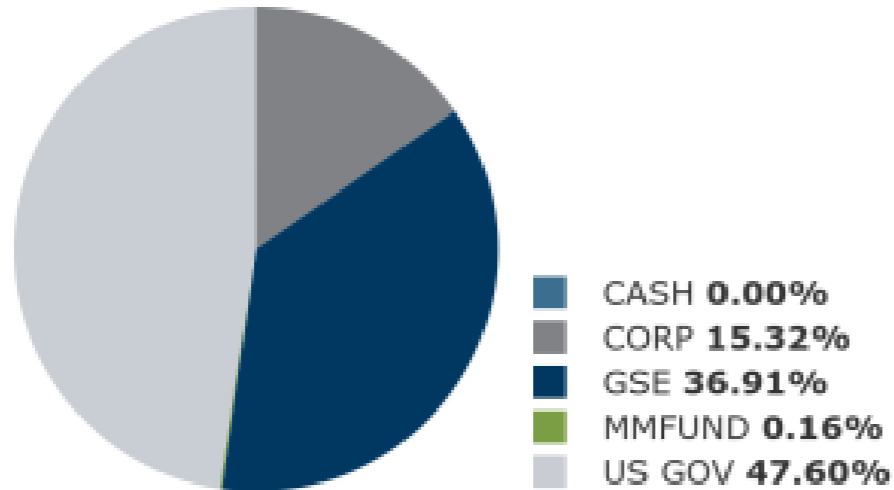
Maturity Distribution by Type



- CASH 0.00%
- CORP 3.42%
- MMFUND 0.04%
- US GOV 96.54%

Liquidity
Total Market
Value + Accrued
\$77,130,106

Asset Allocation



Portfolio Summary

Summary	06/30/20	06/30/21
Historical Cost	\$112,944,884.76	\$115,163,164.64
Book Value	112,833,997.83	114,658,255.75
Accrued Interest	429,519.50	374,190.09
Net Pending Transactions	13,741.93	1.18
Book Value Plus Accrued	\$113,277,259.26	\$115,032,447.02
Net Unrealized Gain/Loss	2,530,228.76	776,374.42
Market Value Plus Accrued	\$115,807,488.03	\$115,808,821.44

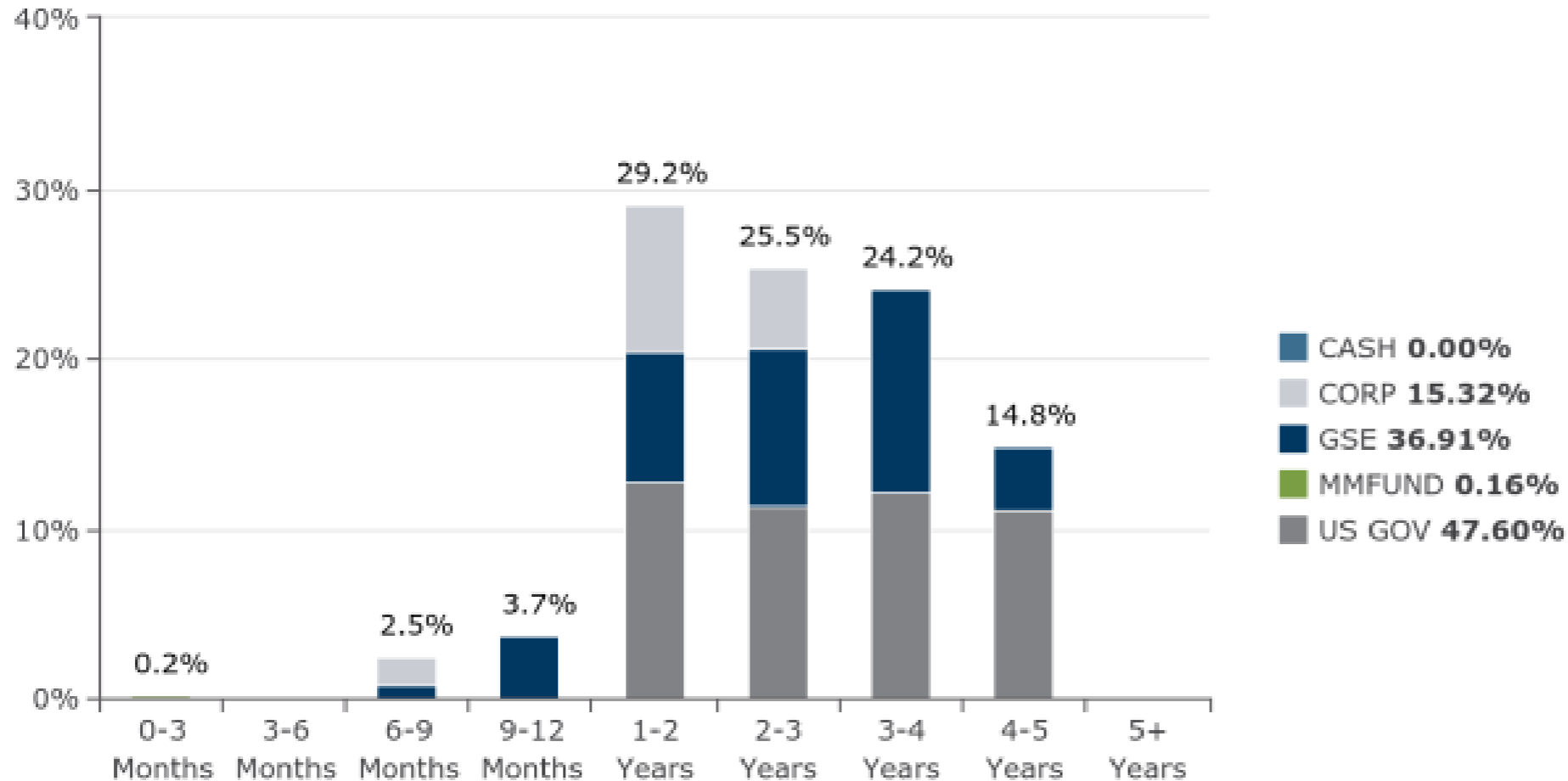
Income Summary

Period Income	Income
Interest Income	\$1,590,597.04
Net Amortization/ Accretion Income	(460,291.62)
Net Realized Gain/Loss	624,882.33
Net Income	\$1,755,187.75

Core Portfolio by Maturity

June 30, 2021

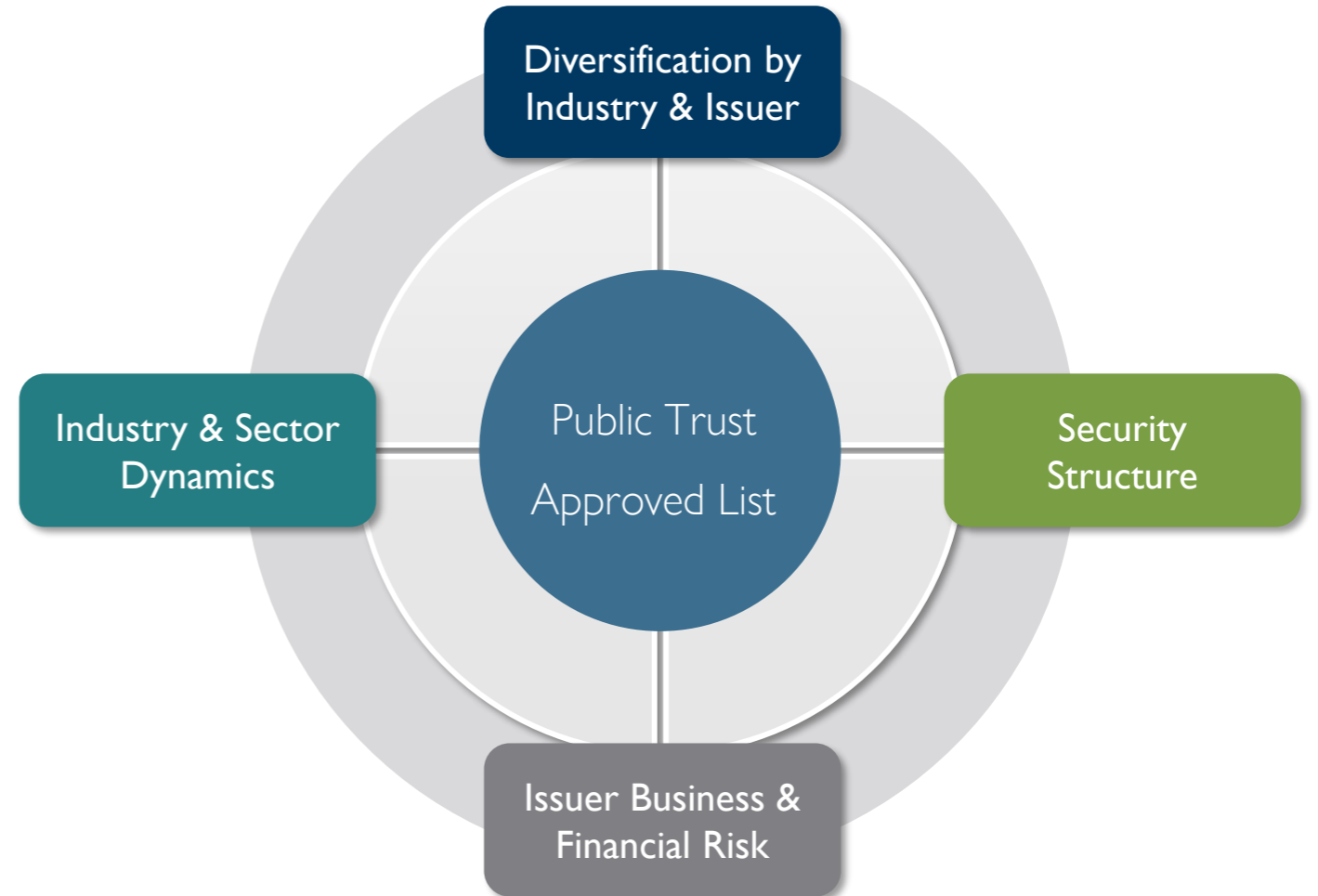
Maturity Distribution by Type



Core
Total Market
Value + Accrued
\$115,808,821

Credit Research Process

- ✓ Rigorous & Dynamic
- ✓ Forward-Looking
- ✓ Systematic
- ✓ Proactive



Strategy Looking Forward

Continue to coordinate with staff to:

- Provide regular updates regarding outlook for economy
- Review benchmark-based strategy for Core portfolio
 - Current benchmark: ICE BofA 1-5 year AAA-AA Govt/Credit Index
- Continue to manage liquidity portfolio to City's cash needs
- Review portfolio balances every six months (May and December)

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