



**DENVER**  
THE MILE HIGH CITY

# City and County of Denver

## Investment Portfolio Performance Report

Quarter Ended

09/30/2021

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Report Content:

Discussion of Investment Performance 1

Consolidated Portfolio 2

Airport Reserve Portfolio 6

Worker's Comp Portfolio 8

Special Purpose Investments 9

Escrows 9

### I. Economic Commentary

Capital markets ended the third quarter with higher volatility. The S&P 500 and Dow Industrial Average dropped 5% and 4% respectively at the end of the quarter as inflation concerns rattled investors. Yields along the mid-range of the treasury curve increased towards the end of September. The 5-year treasury increased 7 basis points and the 7-year treasury increased 6 basis points. The mid-range of the curve saw the most volatility while the short end and long end of the curve were flat or had modest declines.

The Federal Open Market Committee (FOMC) held short term rates near zero, remaining in the range of 0.00% to 0.25%. At its September meeting, the Federal Reserve (the Fed) signaled that it will begin its gradual tapering of its purchases of treasuries, mortgage back securities, and agency bonds. The Fed expects to begin this process in mid-November. The Fed's monetary policy remains accommodative and announced it will keep rates near zero for some time. The Federal Reserve continues to hold the view that inflation is transitory and once supply chain disruptions and other pandemic related factors are resolved, inflation will normalize.

The Consumer Price Index (CPI) was up 5.3% year-over-year in August, down slightly from 5.4% in July. Core CPI (CPI less food and energy) was up 4.0% year-over-year in August, but less than 4.3% in July, suggesting pricing pressures may be more persistent. Core PCE, the Federal

Reserve's preferred measure of inflation, was up 3.6% year-over-year in August, unchanged from July.

Payrolls increased 194,000 in June, weaker than expected but progress over the past year is significant. The monthly unemployment rate ticked down to 4.8% in September down from 5.2 in August. U-6, a broader measure of unemployment remained high but eased slightly to 8.5% in September down from 8.8% in August.

Manufacturing data ticked up with the ISM Index increasing to a value of 61.1 by quarter end, up from 60.6 last quarter. The index remaining above 50 suggests the manufacturing sector continues to expand albeit at a slower pace. The housing sector saw home prices increase 20.0% year over year in July. Total housing starts rose 3.9% in August driven by multi-family starts which rose 20.6% year over year. Single-family starts declined 2.8% for the same period. Low inventory and strong demand continue to be a tailwind for home prices.

Exposure to credit securities in the portfolios increased in the second quarter. Credit spreads tightened due to high demand and low inventories. Treasury yields remained at low levels during the quarter. Portfolio performance improved for the period. The City's investment portfolio outperformed the stated benchmark indices by 0.03% for the quarter on a total return basis.

Portfolios	Market Value
Managed Portfolios	\$4,998,711,423
Special Purpose Portfolios	\$3,964,465
Denver CARES Escrow Account	\$84,421,628
<b>Finance Administrated</b>	<b>\$5,087,097,516</b>



**DENVER**  
THE MILE HIGH CITY

# City and County of Denver

## Investment Portfolio Performance Report

Quarter Ended

09/30/2021

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Report Content:

Discussion of Investment Performance	1
Consolidated Portfolio	2
Airport Reserve Portfolio	6
Worker's Comp Portfolio	8
Special Purpose Investments	9
Escrows	9

## II. Consolidated Portfolio

**\$4,529,367,072**

Total Return			
	1-Month	3-Month	YTD
Total Return	-0.30%	-0.03%	-0.39%
Blended Benchmark (TR)	-0.29%	0.00%	-0.42%
<b>Excess Return</b>	<b>-0.01%</b>	<b>-0.03%</b>	<b>0.03%</b>

Current Return			
	1-Month	3-Month	YTD
Current Return	1.84%	1.82%	1.96%
Blended Benchmark (CR)	0.49%	0.48%	0.45%
<b>Excess Return</b>	<b>1.35%</b>	<b>1.34%</b>	<b>1.51%</b>

Year-to-Date earnings on a current return basis for the Consolidated Portfolio were \$61,966,019.

The 1-5 Year Strategy Blended Benchmark consists of 67.50% Intercontinental Exchange (ICE) BofAML 1-5 Year US Treasury & Agency Index, 17.50% ICE BofAML 1-5 Year AAA-A US Corporate Index, 7.50% ICE BofAML AAA US Asset Backed Securities, 5.00% ICE BofAML 0-3 Year US Agency CMOs and 2.50% ICE BofAML 3-5 Year US Mortgage Backed Securities Index. Prior to 1/1/2016 the benchmark was the BofA Merrill Lynch 1-5 Year US Treasury & Agency Index.

The 1-10 Year Strategy Blended Benchmark consists of 65.00% ICE BofAML 1-10 Year US Treasury & Agency Index, 15.00% ICE BofAML 1-5 Year AAA-A US Corporate Index, 5.00% ICE BofAML AAA US Asset Backed Securities, 7.50% ICE BofAML 0-10 Year US Agency CMOs and 7.50% ICE BofAML 0-10 Year US Mortgage Backed Securities Index. Prior to 1/1/2016 the benchmark was the BofA Merrill Lynch 1-10 Year US Treasury & Agency Index.

### Factors Affecting Performance & Management Strategies

- Chandler's proprietary Horizon Model that the City uses with the intent to meet or outperform the benchmarks over time (the Intercontinental Exchange (ICE) BofAML Treasury/Agency 1-5 year index and the ICE BofAML Treasury/Agency 1-10 year index) are revised on a regular basis, reflecting the volatility of both bond market interest rates and interest rate curve movements. The City evaluates the portfolios each time a new Horizon Model is received. The key variables subject to potential revision as a result of Horizon Model changes include duration, composition and structure.
- The portfolios were modestly short benchmark duration in both the 1-5 year strategy and the 1-10 year strategy. We expect duration to move closer to the benchmark as additional allocation of longer duration securities are added to the portfolio. Safety of principal is paramount in investing the City's funds.
- Corporate Bonds, Collateralized Mortgage Obligations, Mortgage-Backed Securities, and Asset-Backed Securities are asset classes approved by voters for implementation in 2014 by an amendment to the City Charter. Purchases of the new asset classes increased as a percentage of total composition due asset purchases outpaced maturities. Purchases in the voter approved asset classes increased during the quarter due to increased issuance by approved credit issuers.
- The Consolidated Portfolio benchmarking indices are comprised of five ICE BofAML indices, creating a static weighted blended benchmark. A total of two blended benchmarks are used for the 1-5 year and 1-10 year strategies to closely reflect the portfolio duration and asset allocation constraints.



**DENVER**  
THE MILE HIGH CITY

# City and County of Denver

## Investment Portfolio Performance Report

Quarter Ended

09/30/2021

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

### Report Content:

Discussion of Investment Performance	1
Consolidated Portfolio	2
Airport Reserve Portfolio	6
Worker's Comp Portfolio	8
Special Purpose Investments	9
Escrows	9

### Consolidated Portfolio Composition

Characteristics		Credit Quality (S&P)
Average Duration	2.43	
Average Coupon	1.83	
Average Yield to Maturity	0.53%	
Average Rating (S&P)	AA+	
Average Life	2.52yrs	

Asset Allocation	Maturity Distribution

- The Consolidated Portfolio's net assets decreased by approximately \$125 million during the third quarter of 2021. On September 30th, 2021, net assets were \$4.52 billion, compared to \$4.65 billion on June 30th, 2021, as outflows exceeded inflows. The decrease in net assets was primarily due to cyclical expenditures consistent with historical third quarter activity. A large portion of expenditures for the City occur during the second half of the year.
- The weighted average maturity (WAM), an aggregate portfolio measure of total years remaining until the maturity of all underlying holdings, ended higher the second quarter. The WAM increased due to increased exposure to long term assets. While modestly short to benchmark duration, rebalancing and securities purchase activity in the intermediate strategies extended duration more closely with the model and benchmark. The model continues to remain modestly short of benchmark duration.



**DENVER**  
THE MILE HIGH CITY

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

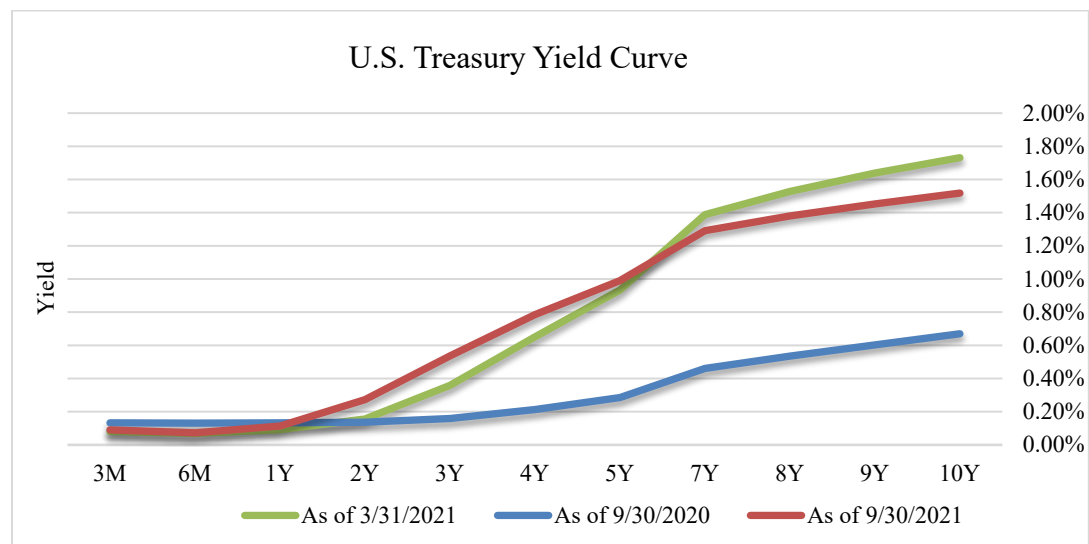
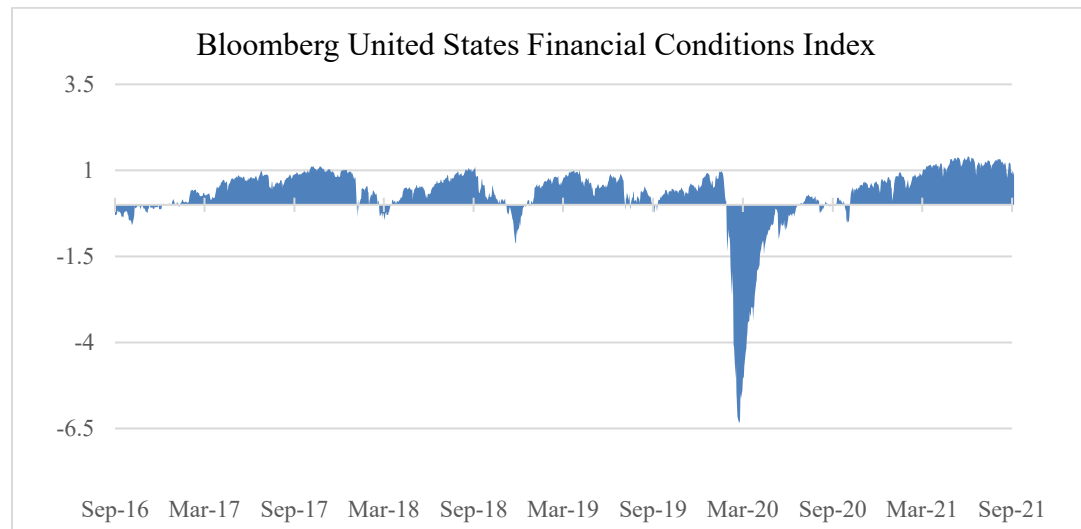
Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

### Report Content:

Discussion of Investment Performance	1
Consolidated Portfolio	2
Airport Reserve Portfolio	6
Worker's Comp Portfolio	8
Special Purpose Investments	9
Escrows	9

### Portfolio Management Environment



- The Federal Reserve maintained the Fed funds rate to a range of 0.00%-0.25% during the third quarter of 2021. The Fed signaled rates will stay near zero for the foreseeable future.
- The one-month LIBOR rate was 0.08% as of September 30th, 2021; a decrease of two basis points from June 30th, 2021.
- As of September 30th, 2021, the yield of the two-year Treasury index was 0.27%, and the five-year Treasury index was yielding 0.96%. A year earlier, as of September 30th, 2020, the yield of the two-year Treasury index was 0.13%, and the five-year Treasury index was yielding 0.28%.
- The median of economists' forecast is for a 1.67 % ten-year Treasury yield at the end of the year 2021.
- Volatility in rates of the yield curve increased on long-term yields while short term yields declined modestly in the third quarter. At the end of the third quarter, the two-year, five-year, and ten-year were at 0.27%, 0.96%, and 1.47%, respectively.

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Report Content:

Discussion of Investment Performance 1

Consolidated Portfolio 2

Airport Reserve Portfolio 6

Worker's Comp Portfolio 8

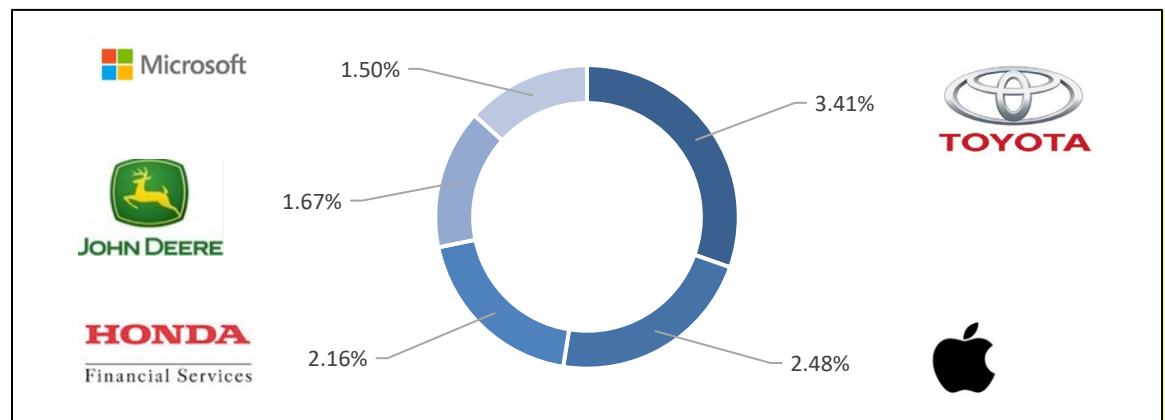
Special Purpose Investments 9

Escrows 9

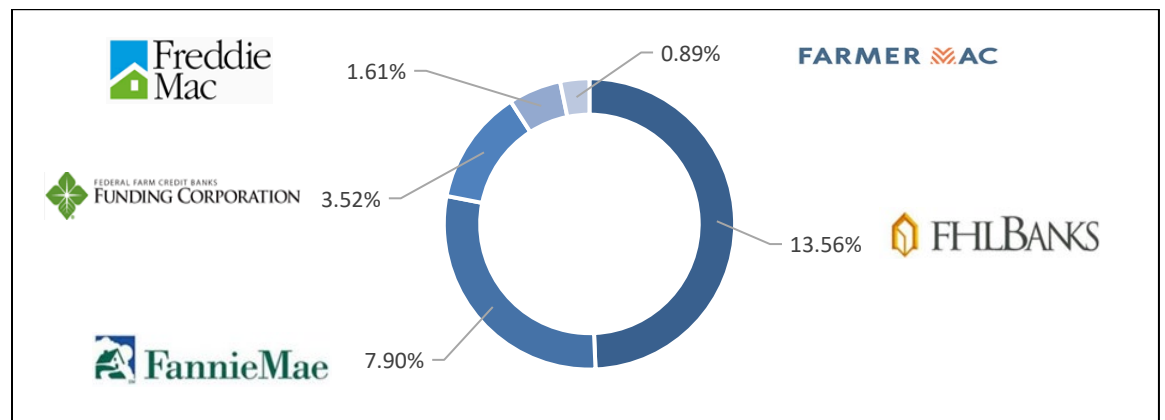
### Consolidated Top Holdings

Top 5 Credit Holdings			
Issuer	Market Value	% of Portfolio	Industry
Toyota Motor Credit Corp	153,989,743	3.41%	Automobiles
Apple, Inc.	112,046,740	2.48%	Technology
American Honda Finance	97,666,068	2.16%	Automobiles
Deere & Co.	75,485,399	1.67%	Industrial
Microsoft Corp	67,467,540	1.50%	Technology
<b>Total</b>	<b>\$506,655,490</b>	<b>11.22%</b>	

\*Credit holdings include commercial paper, asset-backed securities, and corporate bonds.



Top 5 Agency Holdings		
Issuer	Market Value	% of Portfolio
FHLB	611,738,968	13.56%
FNMA	356,425,636	7.90%
FFCB	158,990,413	3.52%
FHLMC	72,669,276	1.61%
FAMCA	40,168,605	0.89%
<b>Total</b>	<b>\$1,239,992,898</b>	<b>27.48%</b>





**DENVER**  
THE MILE HIGH CITY

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Report Content:

Discussion of Investment Performance	1
Consolidated Portfolio	2
Airport Reserve Portfolio	6
Worker's Comp Portfolio	8
Special Purpose Investments	9
Escrows	9

### III. Airport Reserve Portfolio

**\$429,206,418**

Total Return			
	1-Month	3-Month	YTD
Total Return	-0.52%	-0.05%	-0.75%
Blended Benchmark (TR)	-0.53%	-0.04%	-0.81%
<b>Excess Return</b>	<b>0.01%</b>	<b>-0.01%</b>	<b>0.06%</b>

Current Return			
	1-Month	3-Month	YTD
Current Return	2.06%	2.21%	2.30%
Blended Benchmark (CR)	0.72%	0.73%	0.68%
<b>Excess Return</b>	<b>1.34%</b>	<b>1.48%</b>	<b>1.62%</b>

Year-to-Date earnings on a current return basis for the Reserve Portfolio were \$7,899,544.

The 1-5 Year Strategy Blended Benchmark consists of 67.50% ICE BofAML 1-5 Year US Treasury & Agency Index, 17.50 % ICE BofAML 1-5 Year AAA-A US Corporate Index, 7.50% ICE BofAML AAA US Asset Backed Securities, 5.00% ICE BofAML 0-3 Year US Agency CMOs and 2.50% ICE BofAML 3-5 Year US Mortgage Backed Securities Index. Prior to 1/1/2016 the benchmark was the BofA Merrill Lynch 1-5 Year US Treasury & Agency Index.

The 1-10 Year Strategy Blended Benchmark consists of 65.00% ICE BofAML 1-10 Year US Treasury & Agency Index, 15.00 % ICE BofAML 1-5 Year AAA-A US Corporate Index, 5.00% ICE BofAML AAA US Asset Backed Securities, 7.50% ICE BofAML 0-10 Year US Agency CMOs and 7.50% ICE BofAML 0-10 Year US Mortgage Backed Securities Index. Prior to 1/1/2016 the benchmark was the BofA Merrill Lynch 1-10 Year US Treasury & Agency Index.

- The Airport Bond Reserve portfolio has a maximum maturity constraint of 10 years. On an ongoing basis, liquidity is generated from income received from the portfolio holdings, as well as from periodic bond calls of Agency securities. All income received during the year is transferred out of this portfolio into the Airport Operating funds contained in the Consolidated Portfolio (subject to ongoing adjustments to the required portfolio balance stated in the bond indenture).
- The Airport Reserve Portfolio benchmarking indices are comprised of five ICE BofAML indices, creating a static weighted blended benchmark. A total of one blended benchmark is utilized for the 1-10 year strategy to closely reflect the portfolio duration and asset allocation constraints.





**DENVER**  
THE MILE HIGH CITY

# City and County of Denver

## Investment Portfolio Performance Report

Quarter Ended

09/30/2021

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[CashandInvestmentAdministration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

### Report Content:

Discussion of Investment Performance	1
Consolidated Portfolio	2
Airport Reserve Portfolio	6
Worker's Comp Portfolio	8
Special Purpose Investments	9
Escrows	9

### Airport Reserve Portfolio Composition

Characteristics		Credit Quality (S&P)
Average Duration	3.53	
Average Coupon	2.04%	
Average Yield to Maturity	0.75%	
Average Rating (S&P)	AA+	
Average Life	3.73yrs	

Asset Allocation	Maturity Distribution



**DENVER**  
THE MILE HIGH CITY

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[Cashand.InvestmentAdministration@denvergov.org](mailto:Cashand.InvestmentAdministration@denvergov.org)

Report Content:

Discussion of Investment Performance	1
Consolidated Portfolio	2
Airport Reserve Portfolio	6
Worker's Comp Portfolio	8
Special Purpose Investments	9
Escrows	9

### IV. Workers Compensation Portfolio Composition

**\$40,137,933**

Characteristics		Credit Quality (S&P)
Average Duration	3.47	
Average Coupon	2.74%	
Average Yield to Maturity	1.24%	
Average Rating (S&P)	AA+	
Average Life	4.60 yrs	

Asset Allocation	Maturity Distribution

- WC liabilities have a much longer term expected average duration than most other funds managed by the City. For this reason, management has determined that it is prudent to extend the duration of the invested assets associated with these obligations.
- A combination of cash and securities were transferred from the Consolidated Portfolio to the newly established WC portfolio in August 2009. An allocation to cash equivalents appropriate to fund the liquidity needs of the unit was set aside (and is monitored and adjusted monthly), and the balance of the funds were invested in treasury, corporate, agency, municipal, and structured fixed income securities. The annualized current return for the third quarter of 2021 was 2.66%.
- Year-to-Date earnings on a current return basis for the Worker's Compensation were \$749,488.





**DENVER**  
THE MILE HIGH CITY

Prepared By:

Cash & Capital  
Funding Division

Director of Cash &  
Investments:  
Caroline Hendrickson  
1.720.913.9335  
[CashandInvestmentAdmi  
nistration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Portfolio  
Administrator:  
Gregory T. King  
1.720.913.9348  
[CashandInvestmentAdmi  
nistration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Sr. Portfolio  
Analyst:  
Mario Dominguez  
1.720.913.3091  
[CashandInvestmentAdmi  
nistration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Assoc. Portfolio  
Analyst:  
Siye Desta  
1.720.913.9510  
[CashandInvestmentAdmi  
nistration@denvergov.org](mailto:CashandInvestmentAdministration@denvergov.org)

Report Content:

Discussion of Investment Performance	1
Consolidated Portfolio	2
Airport Reserve Portfolio	6
Worker's Comp Portfolio	8
Special Purpose Investments	9
Escrows	9

### V. Special Purpose Portfolios

**\$3,964,465**

In addition to the actively managed investments, the Cash & Capital Funding Division manages two additional portfolios. The FAA (Federal Aviation Administration) Escrow Defeasance portfolio was established to economically defease outstanding airport bonds. The Denver Cableland Trust portfolio was established to fund the annual maintenance expenses for Cableland, a facility donated to the City. These portfolios are authorized by the Investment Policy to contain longer term securities and higher per issuer constraints within the Consolidated and Reserve portfolios. Most of the investments in these portfolios were purchased in market environments that featured much higher interest rates than those currently available. The investment income and principal of the two portfolios are pledged for specific purposes.

The FAA Escrow Defeasance portfolio was liquidated during the third quarter and is no longer an actively managed portfolio.

	Market Value	2021 YTD Current Return	2021 YTD Earnings
FAA Escrow Account	\$0.00	31.47%	\$792,846
Denver Cableland Trust	\$3,964,465	3.45%	\$97,242

### Escrows

Cash & Capital Funding Division also manages certain investments held in escrow accounts at external financial institutions on behalf of Denver International Airport. As of September 30<sup>th</sup>, 2021, there was an outstanding balance of \$84,421,628.

### Investment Policy

The City operates under a written Investment Policy, a copy of which can be obtained on the City's website ([www.denvergov.org](http://www.denvergov.org)) or by contacting the Cash & Capital Funding Division at 720-913-3091.

Caroline Hendrickson  
Director of Cash & Investments

Gregory T. King  
Portfolio Administrator

## STATEMENT OF REVIEW OF PORTFOLIO PERFORMANCE

Chandler Asset Management, a Registered Investment Advisor with the Securities and Exchange Commission and noticed filed in the State of Colorado, as Independent Consultant to the City and County of Denver, periodically reviews the City's Investment portfolio and represents the following:

1. The investments, as of September 30, 2021, are authorized by the Denver City Charter and are in compliance with the City's Investment Policy;
2. Upon review of the City's Investment Portfolio Performance Report, and relying on the independent market pricing provided by Interactive Data Corporation, the City's securities appear to be priced accurately. Chandler Asset Management has performed no independent verification of the securities pricing provided herein; and
3. Investment performance as reported in the City's attached Investment Portfolio Performance Report, for the period ending September 30, 2021, appears to be accurately reflected.

Signed this 7<sup>th</sup> day of October 2021



Joseph Kolinsky  
Chief Compliance Officer