



INCOME RESEARCH + MANAGEMENT

# MANAGED MONEY SHORT STRATEGY

## 4<sup>th</sup> QUARTER 2023

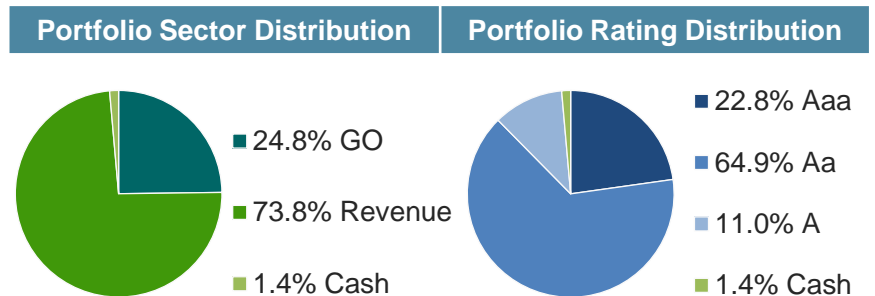
### KEY FACTS

Inception Date: 3/31/2012  
 Assets: \$396.0 million  
 Benchmark: Bloomberg Municipal Managed Money Short Term Index  
 Available Vehicles: Separately Managed Account

Characteristics	IR+M Managed Money Short Portfolio	Bloomberg Municipal Managed Money Short Term Index
Yield (%)	2.95	2.50
Effective Duration (yrs)	2.79	2.75
Convexity	0.12	0.10
Average Maturity (yrs)	3.11	3.04
Average Quality (M/S&P)	Aa2/AA	Aa1/AA+
Callable (%)	15.75	3.70

### STRATEGY HIGHLIGHTS

- Bottom-up, highly selective, and actively managed
- Emphasis on tax efficiency
- Understandable and transparent
- Duration neutral to Bloomberg Municipal Managed Money Short Term Index
- Sector diversification based on relative value



### COMPOSITE PERFORMANCE

Investment Results (%)	1 Year	3 Year	5 Year	7 Year	10 Year	Since Inception*
IR+M Managed Money Short Composite (Gross of Fees)	3.80	0.12	1.55	1.67	1.52	1.48
IR+M Managed Money Short Composite (Net of Fees)	3.54	(0.13)	1.29	1.42	1.26	1.23
<i>Bloomberg Municipal Managed Money Short Term Index</i>	<i>3.41</i>	<i>(0.10)</i>	<i>1.27</i>	<i>1.36</i>	<i>1.18</i>	<i>1.17</i>

### FIRM FACTS

- 37 years since firm's inception
- \$97 billion in assets under management
- Exclusively US dollar-denominated fixed income
- Consistent, team-oriented, bottom-up investment approach
  - 14-year average portfolio manager tenure
- Privately owned with 73 employee shareholders

<b>INVESTED</b> in delivering results for our clients, providing growth opportunities for our colleagues, and supporting our community	<b>RESPECTFUL</b> of each other's work, beliefs, and differences
<b>POSITIVE</b> in our conviction that we are better and stronger together	<b>MOTIVATED</b> to advocate for change, to grow, to evolve – and to enjoy the journey

Sources: Bloomberg, IR+M Analytics as of 12/31/23 unless otherwise stated. Firm inception and Average portfolio manager tenure as of 1/2/24. Employee shareholders as of 2/19/24. Some statistics require assumptions for calculations which can be disclosed upon request. A similar analysis can be provided for any portfolio we manage. Yields are represented as of the above date and are subject to change. Quality and quality distributions are calculated using a split to high methodology. Quality is shown in Moody's with the S&P equivalent. Totals may not sum to 100 due to rounding. Portfolio Rating Distribution shown in Moody's.  
 \*The performance period shown is from 6/1/12 – 12/31/23 and is annualized. Composite Inception 3/31/12. There was a composite break from May 1, 2012 to May 31, 2012. Net-of-fee performance returns are calculated using the highest fee of the two scenarios: 1) fee charged to a current portfolio within the composite or 2) the standard fee schedule. We use whichever fee is highest for a given year. Periods over one year are annualized. Past performance is not indicative of future results. A similar analysis can be provided for any time period since inception. Please refer to the GIPS® composite disclosures at the end of this presentation.

## Managed Money Short Composite

April 1, 2012 through December 31, 2022

Year	Returns (%)			3-Yr St Dev (%)		Number of Portfolios	Dispersion (%)	Y/E Assets (USD, mm)	
	Gross	Net	Benchmark	Composite	Benchmark		Composite	Composite	Firm
4/1/2012 - 4/30/2012	0.53	0.51	0.37	N/A <sup>2</sup>	N/A	≤5	N/A	N/A	35,466
6/1/2012-12/31/2012 <sup>1</sup>	0.85	0.70	0.51	N/A <sup>2</sup>	N/A	≤5	N/A	56	35,466
2013	1.13	0.88	1.17	N/A <sup>2</sup>	N/A	≤5	N/A	185	37,224
2014	1.82	1.56	1.12	N/A <sup>2</sup>	N/A	≤5	N/A	207	48,414
2015	1.45	1.20	1.37	1.12	1.17	≤5	N/A	706	54,887
2016	0.19	(0.06)	(0.20)	1.45	1.50	≤5	N/A	638	61,589
2017	2.16	1.90	1.57	1.64	1.73	≤5	N/A	597	69,256
2018	1.81	1.56	1.64	1.67	1.76	≤5	N/A	592	71,882
2019	4.10	3.84	3.68	1.37	1.45	≤5	N/A	564	75,105
2020	3.35	3.09	3.05	1.86	1.80	≤5	N/A	497	88,335
2021	0.24	(0.02)	0.03	1.85	1.76	≤5	N/A	475	95,995
2022	(3.53)	(3.78)	(3.62)	3.13	3.13	≤5	N/A	437	88,998

<sup>1</sup>This composite had a performance break during the interrupted period. Statistics are not shown for partial year periods.

<sup>2</sup>The composite does not have 36 months of returns available to calculate 3 Year annualized gross Ex Post Standard Deviation figures. The three-year annualized gross ex-post standard deviation of the composite and benchmark is as of year-end.

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Valuations are computed, performance is reported, and fees are based on U.S. dollars. Gross-of-fee performance returns are presented before management and custodial fees but after all trading expenses. Net-of-fee performance returns are calculated using the highest fee of the two scenarios: 1) fee charged to a current portfolio within the composite or 2) the standard fee schedule. Therefore, we use whichever fee is highest for a given year. The fees are deducted quarterly, using one-fourth of the annual fee rate. Fees disclosed are the standard management fee for that strategy. Actual management fees may be different than those illustrated in this disclosure. Additional information regarding valuing investments, calculating performance and preparing GIPS reports are available upon request.

Dispersion is calculated using the equal-weighted standard deviation of all portfolios gross returns that were included in the composite for the entire year. Dispersion is not calculated for years with five or fewer portfolios in the composite for the entire year.

This composite utilizes a Significant Cash Flow Policy, which is described as follows. Prior to 1/1/10, if cash flows exceeded 5%, IR+M removed the portfolio from the composite, effective as of the last full month of management prior to the cash flow, if the impact to the performance of the composite was greater than the absolute value of 0.02%. For periods beginning 1/1/10 or later, IR+M will remove a portfolio from a composite if an external contribution or withdrawal (flow) is significant. The portfolio will be removed as of the last full month of management prior to the flow. IR+M defines a flow (either cash or securities) as significant by mandate according to the following criteria: Government mandates: No level – all portfolios left in regardless of size of flow; Corporate/Broad market/TIPS: 25% of beginning portfolio value; Convertibles/Municipals: 10% of beginning portfolio value. Portfolios will re-enter the composite according to the Entering Composites criteria detailed in the IR+M GIPS Policy Manual. Additional information regarding the treatment of significant cash flows is available on request.

The Managed Money Short Composite includes mostly separately managed private client portfolios which invest mainly in investment grade tax-exempt or taxable municipals and US Government obligations. The objective of the mandate is to preserve principal and maximize after-tax total return while keeping portfolio characteristics similar to the benchmarks. The securities' typical maturity range is between 1-5 years, and the overall quality of the portfolios is generally between Aa3/AA- to Aa1/AA+. The quality of the Managed Money composites tends to be slightly higher than our comparable Municipal composites, reflecting the slightly higher ratings of the benchmarks versus the Bloomberg Municipal indexes. The benchmark is the Bloomberg Managed Money Short Index. Benchmark returns are not covered by the report of independent verifiers. Past performance is not a guarantee of future results. Current and future portfolio holdings are subject to risk. The standard management fee schedule is 0.25% on the initial \$25mm, 0.20% on the next \$75mm, and 0.15% on amounts over \$100mm. The composite was created on 3/31/2012.

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Please see additional disclosures for important composite performance information such as inception date and historical index changes.

Please refer to your investment management agreement (“IMA”) for additional information including, but not limited to, investment advisory fee information.

## **Characteristics:**

Unless otherwise noted, characteristics and holdings are from the representative portfolio of the applicable composite or specific to the client account included in this presentation. The representative portfolio information is supplemental to the IR+M Composite Disclosures. Some statistics require assumptions for calculations which can be disclosed upon request. Yields are represented as of the aforementioned dates and are subject to change. A similar analysis can be provided for any portfolio we manage. Totals may not sum due to rounding.

## **Sample Portfolios:**

All sample portfolios are represented as of the aforementioned dates. There are limitations in sample results, including the fact that such results neither represent trading nor reflect the impact that economic market factors might have had on the management of the account if the adviser had been managing an actual clients money. Actual results may differ. A similar analysis can be provided of any portfolio we manage.

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