FIFTEEN ROPE FERRY ROAD
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WATERFORD RETIREMENT COMMISSION
SPECIAL MEETING AGENDA
WEDNESDAY, DECEMBER 15, 2021 5:30 P.M.

ZOOM REMOTE ACCESS ONLY

Meeting ID 841 1304 9098 Passcode 492428

One-tap mobile: +13126266799,,3171180827# (Chicago) +16465588656,,3171180827# (New York)

Dial by your location: +1 312 626 6799 (Chicago) +1 646 558 8656 (New York)

1. Establishment of quorum; call to Order by outgoing Chair; introduction of new members.
2. Election of Chair for Dec 2021-Nov 2022 term.
3. Public Comment.
4. Approval of minutes for July 21, 2021 meeting.
5. Discussion of 3Q21 Quarterly Investment Review submitted by Devon Francis of Fiducient Advisors.
6. Consideration and action on proposed Retirement Commission FY23 budget prepared by Finance DIrector (and RC Clerk/Treasurer) Kim Allen
7. New Business.
8. Adjournment.

Encl: RC July 21, 2021, meeting minutes
3Q21 QIR by Fiducient Advisors
Draft RC FY23 budget
FY20-21 RC Annual Report

Retirement Commission
Meeting Minutes
Zoom Meeting

Wednesday, July 21, 2021
5:00pm

Present: Chair Susan Driscoll, Mark Gelinas, Marcia Benvenuti, Richard Muckle, Robert Brule, First Selectman

Absent: Kevin Petchark

Staff: Kimberly Allen, Director of Finance, Abbas Danesh, Treasurer and Maryellen McConnell, Secretary

1. Establishment of a quorum and call to order:

   A quorum was established and a call to order was established at 5:00 pm, July 21, 2021.

2. Approval of minutes from the meetings of January 21, 2021, and the June 23, 2021 meeting

   Amend motion on the January 21, 2021, meeting as they were not posted to the Town of Waterford website.

   Motion by Richard Muckle and **seconded** by Marcia Benvenuti to approve the January 21, 2021 minutes.

   Vote: 4-0-1 **Abstain: 1 (Mark Gelinas)** **Motion: Passed**

   Motion by Marcia Benvenuti and **seconded** by Mark Gelinas to approve the minutes of June 23, 2021.

   Vote: 5-0-0 **Motion: Passed**

3. Discussion of Waterford Pension and OPEB Plans performance submitted by Devon Francis with Fiducient Advisors, formerly FIA/Di Meo Schneider: Discussion ensued with Devon Francis on the quarterly investment review for the second quarter of 2021.

   Motion by Marcia Benvenuti and **seconded** by Richard Muckle to approve the adjustments to the pension portfolio allocations as presented by Devon Francis.

   Vote: 5-0-0 **Motion: Passed**

4. OPEB Valuation: Discussion ensued with Stephen Chykirda, Actuary with Hooker & Holcombe regarding the Actuarial Valuation.

5. New Business: The next meeting of the Retirement Commission will be held in person at the Waterford Town Hall at 5:30pm on November 17, 2021.

6. Adjournment:

   Motion by Richard Muckle and **seconded** by Marcia Benvenuti to adjourn the Meeting of the Retirement Commission at 6:00 p.m.

   Vote: 5-0-0 **Motion: Passed**

Respectfully submitted,

Maryellen McConnell

Maryellen McConnell, Secretary

FIDUCIENT Advisors

Helping Clients Prosper

Waterford, CT

Quarterly Investment Review - Third Quarter 2021

Disclosure

This report is intended for the exclusive use of clients or prospective clients of Fiducient Advisors. The information contained herein is intended for the recipient, is confidential and may not be disseminated or distributed to any other person without the prior approval of Fiducient Advisors. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecasts represent future expectations and actual returns; volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Fiducient Advisors Update

Retirement Plans

Featured Insights

- Webcast: DOL Cybersecurity Guidance for ERISA Plans
- Plan Sponsor Newsletter – September

Coming Soon

- The Public Fiduciary Newsletter – October
- Cybersecurity Webcast Series: Recordkeeper Updates

Endowments & Foundations

Featured Insights

- Nonprofit Investment Stewards Podcast – bimonthly episodes

Coming Soon

- The Steward Newsletter – November
- ESG Annual Update

The Wealth Office®

Featured Insights

- Seeking Clarity on Tax Reform – The Wait Continues…
- The Advisor Newsletter - August

Coming Soon

- The Advisor Newsletter – October

Recent Speaking Engagements

- ALTSCHI Virtual Conference 2021
- ASAE Annual Meeting
- CAIA Info Series
- CUPA-HR NYC Meeting
- Markets Group 7th Annual Midwest Institutional Forum
- P&I Conferences: DC Investment Lineup Virtual Series
- P&I Conferences: ESG Investing Virtual Series
- PLANSPONSOR 2021 Virtual HSA Conference

Fiducient Advisors Update

Research Insights

- Monthly market recaps
- Monthly market updates
  - Summer Rain Feeds the Equity Market – August
  - Normalcy Moves Markets Higher, but Concerns Rise – July
- 2021 Third Quarter Considerations
- In Focus: China's Regulatory Shifts Impacting Emerging Markets
- The Next Chapter in the Active versus Passive Debate
- Private Markets Updates: Growth and New Highs
- Webcast: Who Said U.S. Stocks are Boring? U.S. Macro Update

2021 New Associates – Welcome!

- Miguele Atkins, Performance Analyst
- John Bayer, Performance Analyst
- Stephen Bergman, Consultant
- Maggie Bujdasz, Middle Office Operations Analyst
- Linda Byrnes, Senior RFP Specialist
- Josh Daniel, Consulting Analyst
- Meredith Doyle, Director of Human Resources
- Andrew Dufur, Performance Analyst
- Kerry Elsass, Senior Consultant
- Michelle Goedken, Client Service Associate, TWO®
- Michael Hargrove, Human Resources Coordinator
- Duncan Harris, Middle Office Associate
- Emilee Lalchandani, Client Service Associate
- Timothy Ng, Senior Consultant
- Cheryl Rabin, Client Service Associate
- Alex Wikstrom, Consulting Analyst

Table of Contents

Fiduciary Governance Calendar

Fiduciary Governance Calendar

Q1 – Fee Focus
- **Investment Review**
- **Custody Fee Review**
- **Portfolio Expense Analysis**

Q2 – Practice and Policy
- **Investment Review**
- **Investment Policy Review**
- **Fiduciary Training**

Q3 – Municipal Landscape
- **Investment Review**
- **Municipal Landscape Update**
- **Annual Actuarial Review***

Q4 – Asset/Liability Focus
- **Investment Review**
- **Asset Allocation Review**
- **Asset/Liability Modeling**

Fiduciary Trail® Fiduciary Lockbox®

*Timing of actuarial review is dependent on client's individual plan and/or fiscal year and actuarial input.

Actuarial Review

Town of Waterford Retirement Plan		
	7/1/2019	7/1/2017
Actuarial Value of Assets	$553,774	$580,474
Total Accrued Liability	$1,019,984	$1,126,342
Funded Ratio	54.3%	51.5%
Actuarial Return Assumption	6.25%	6.25%

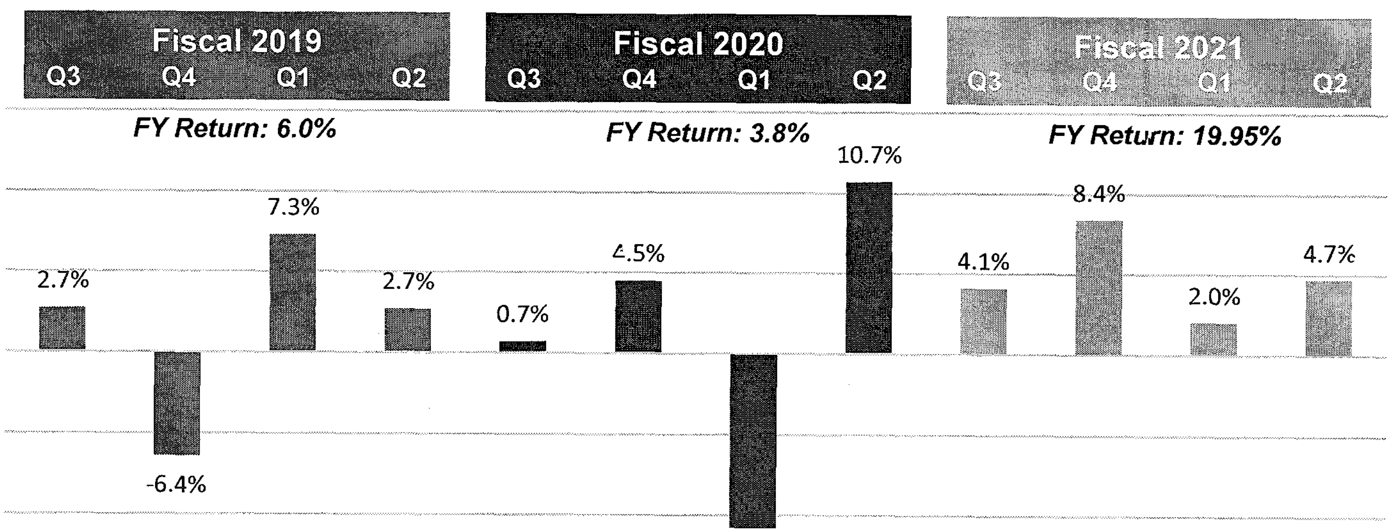
Town of Waterford OPEB		
	7/1/2020	7/1/2018
Actuarial Value of Assets	$6,109,331	$3,636,422
Total Accrued Liability	$25,386,650	$23,232,946
Funded Ratio	24.1%	15.7%
Actuarial Return Assumption	6.50%	6.75%

Source: Source: Hooker & Holcombe, Town of Waterford Retirement Plan 2019 Valuation Report & Waterford OPEB 2020 Valuation Report

Trends in Public Pension Asset Returns

- According to Milliman's Public Pension Index, the average return for the 12-month period ending 6/30/2021 for the 100 largest U.S. public pension plans was 19.95%, well exceeding their expected long-term earnings assumptions.[1]
- The strong investment returns may provide municipalities with an opportunity to revisit the actuarial assumptions used to value plan liabilities and address any inconsistencies.

Investment Returns for the 100 Largest U.S. Public Pension Plans[1]



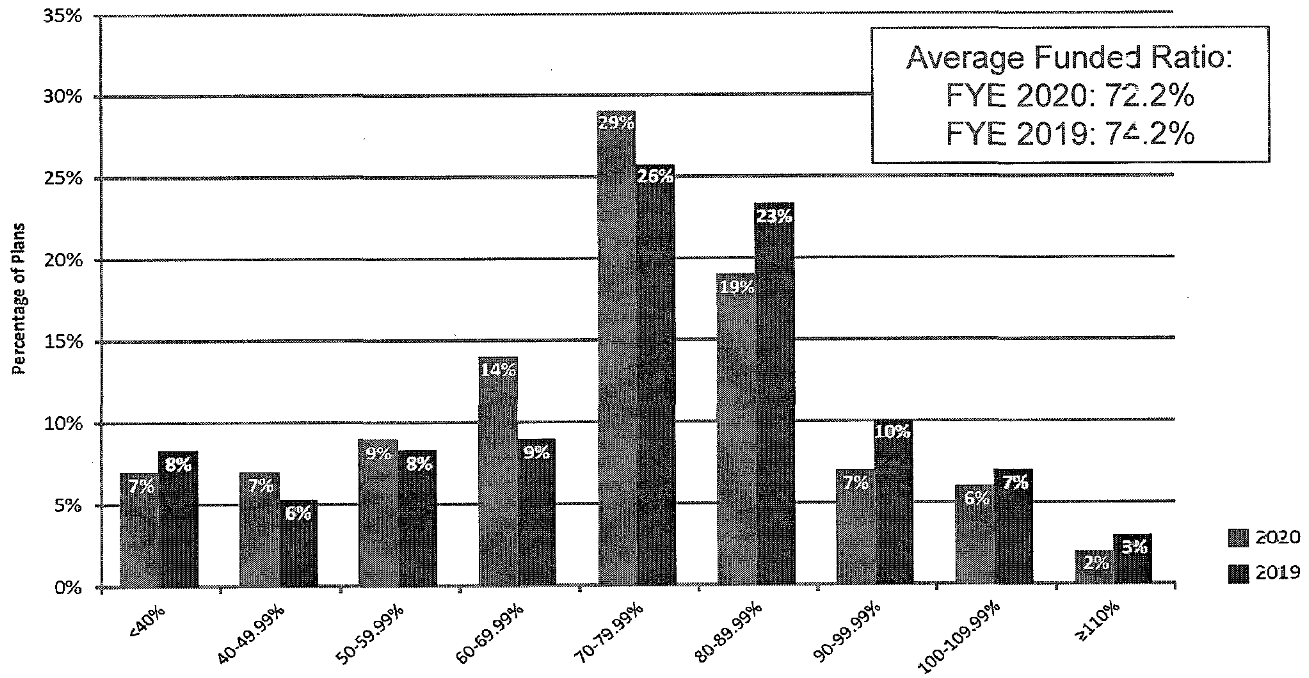
Source: Milliman Public Pension Funding Index, 2019 - 2021

[1]Milliman Public Pension Funding Index Q2 2021

Trends in Funded Ratios

- Milliman estimates average funded ratio of the 100 largest U.S. public pension plans during the past year improved by more than 10-percentage points, driven primarily part by the strong investment results in FYE 6/30/2021.[1]
- We would expect many local municipal pension plans will also see significant improvement in their funded positions as of 6/30/2021 compared to last year, a welcome change to the historical trajectory of the funded ratios of municipal pension plans in Connecticut, as reported by actuarial firm Hooker & Holcombe.[2]

Distribution of Funded Ratios for Municipal Pension Plans in Connecticut[2]

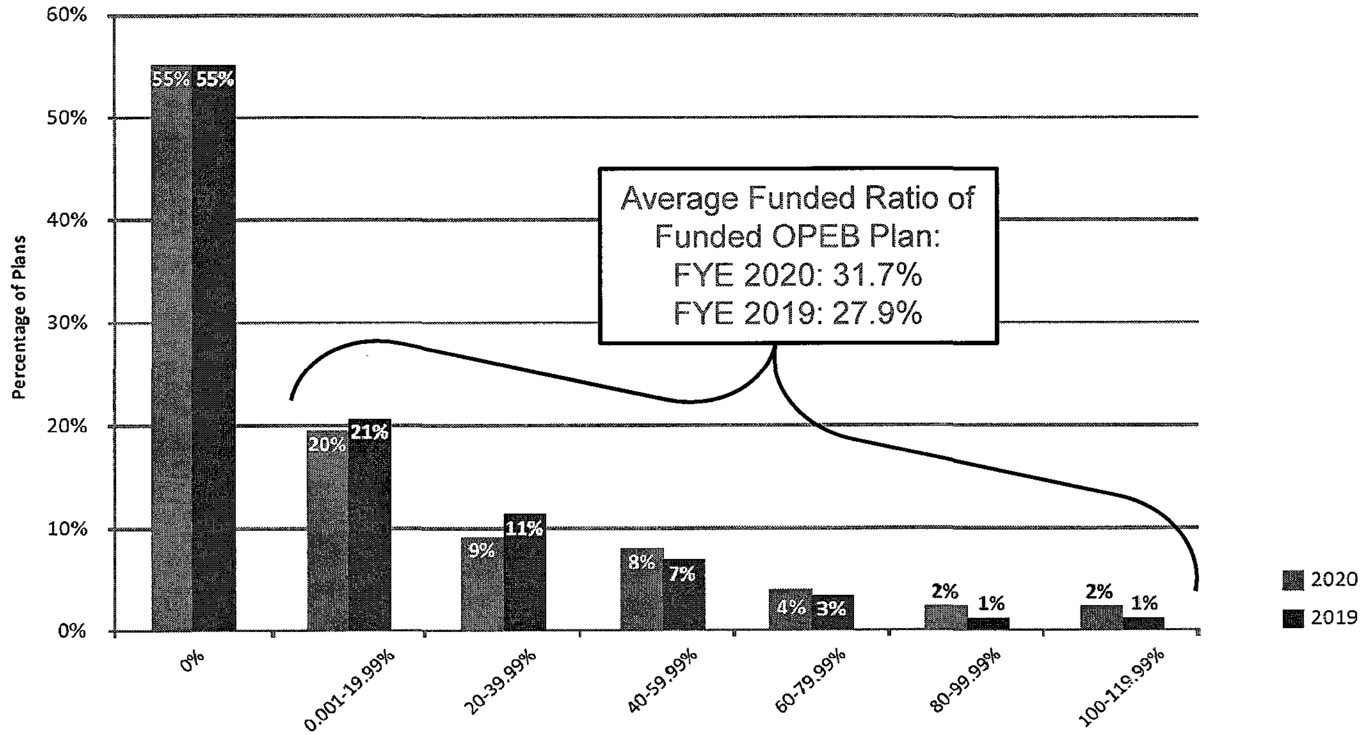


[1]Milliman Public Pension Funding Index Q2 2021
[2]Hooker & Holcombe Municipal Pension & OPEB Report 2021

Trends in Funded Ratios

- Milliman estimates average funded ratio of the 100 largest U.S. public pension plans during the past year improved by more than 10-percentage points, driven primarily part by the strong investment results in FYE 6/30/2021.[1]
- We would expect many funded OPEB plans will also see significant improvement in their funded positions as of 6/30/2021 compared to last year, a welcome change to the historical trajectory of the funded ratios of OPEB plans in Connecticut, as reported by actuarial firm Hooker & Holcombe.[2]

Distribution of Funded Ratios for Municipal OPEB Plans in Connecticut[2]



[1]Milliman Public Pension Funding Index Q2 2021
[2]Hooker & Holcombe Municipal Pension & OPEB Report 2021

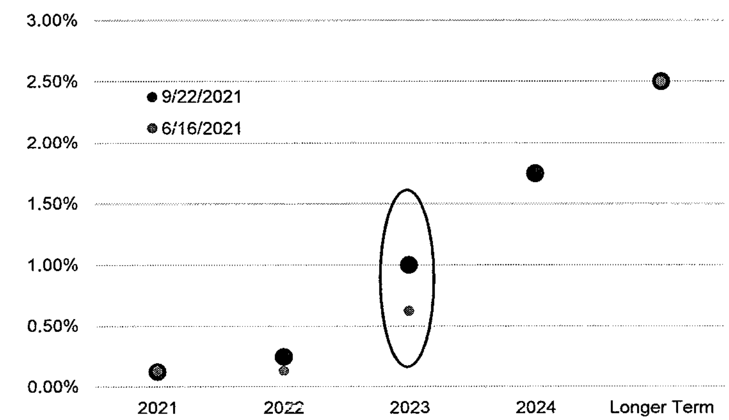
Capital Markets Overview

Market Themes

1. Markets have encountered a somewhat more challenging landscape recently, evidenced by an evolving Fed message, policy gridlock in Washington, and the lingering challenges presented by the Delta variant.
2. The financial health of consumers remains strong, which may serve to sustain economic momentum moving forward.
3. Investment returns this quarter returned to a profile reminiscent of the first wave of market stability that occurred in the spring of 2020, with U.S. large cap and growth equity names outpacing their small cap and value counterparts.

Median FOMC Committee Federal Funds Rate Forecast

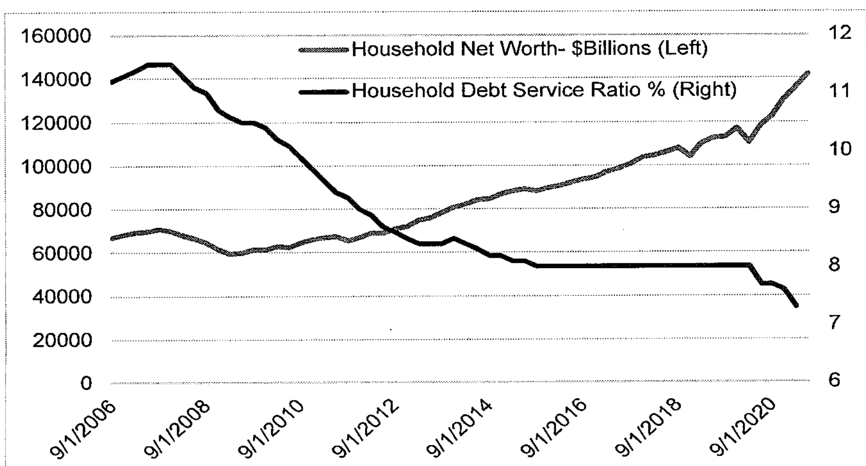
While there were no changes in the FOMC Committee's ultimate forecast for the Fed Funds Rate, the projected timeline for getting there has been accelerated, as noted by the higher expected rates for 2022 and 2023 when comparing the June and September forecasts.



Source: Federal Reserve

Strength of the Consumer

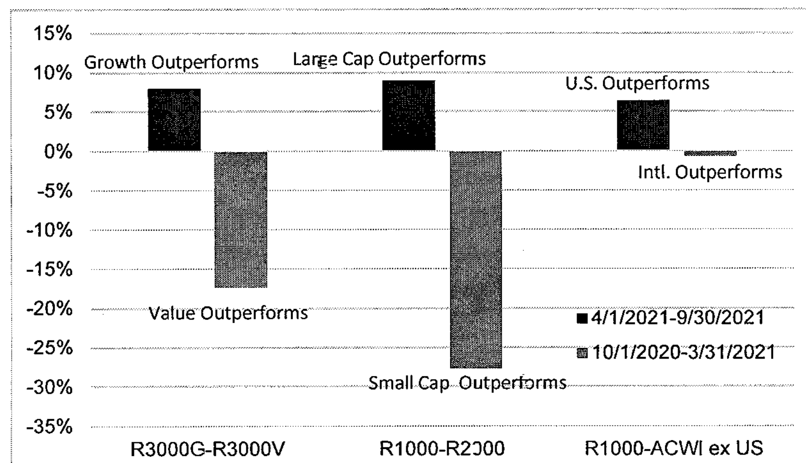
The financial health of the consumer (whose spending comprises approximately 70% of GDP) remains robust, evidenced by record high household net worth and very low indebtedness.



Source: FactSet

A Reversal in Market Leadership

Value, small cap, and international equity market outperformance for the six-month period ending 3/31/21 has now completely reversed with growth, large cap, and domestic markets leading the way more recently.



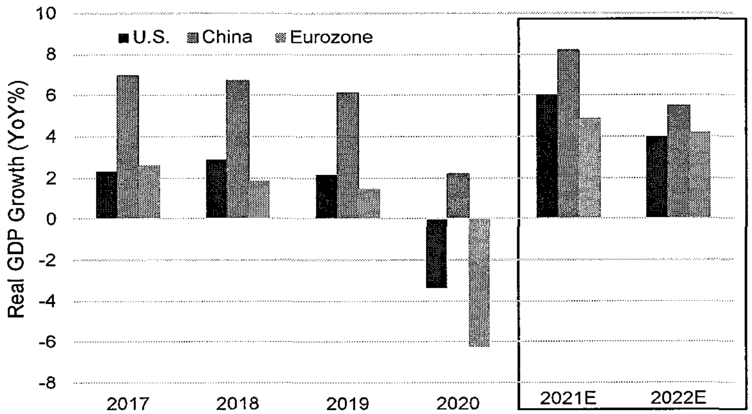
Source: FactSet

See disclosures for list of indices representing each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

Economic Review

Real GDP (YoY)

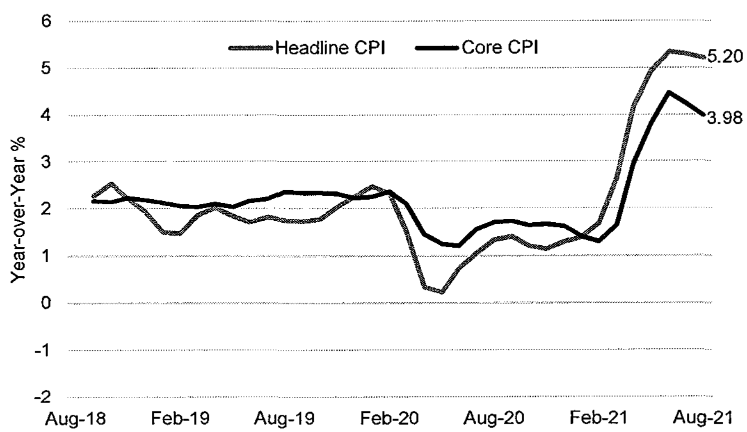
Estimates for 2021 GDP remain robust, reflecting pent up consumer demand and robust household savings rates, although persisting challenges brought about by Covid could pose a risk to this outlook.



Source: FactSet

U.S. Inflation

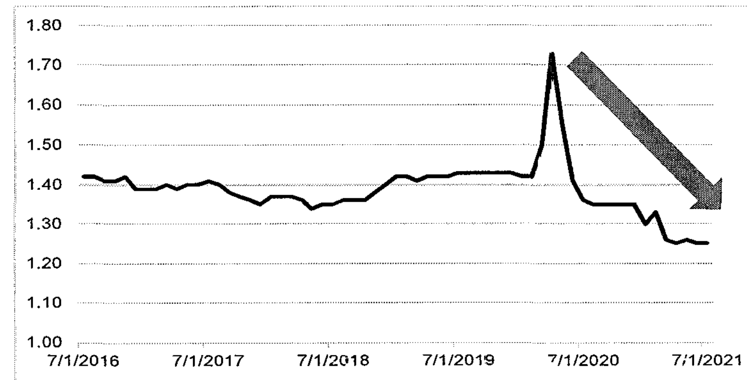
Inflation has moved noticeably higher this year. Supply chain disruptions, rising energy prices, and a lower 2020 base have all contributed to this condition.



Source: FactSet

Total Business: Inventories to Sales Ratio

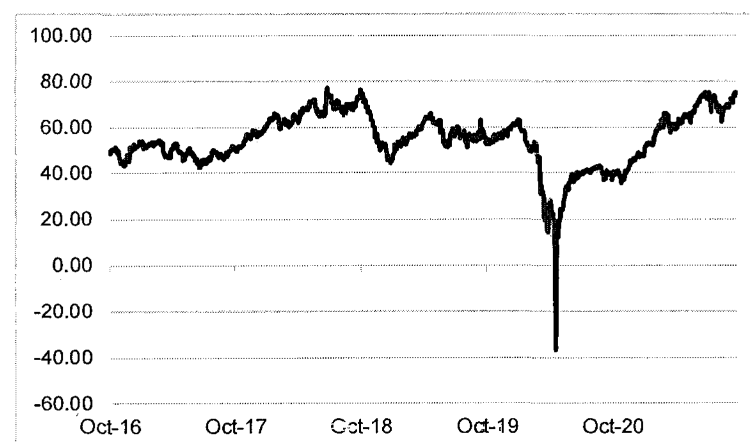
Supply chain disruptions have presented challenges to many businesses. The graph below highlights the supply shocks faced by many companies through declining inventories as a percentage of sales.



Source: Federal Reserve Bank of St. Louis

WTI Crude Oil Prices ($/bbl)

Oil prices have touched 5-year highs at nearly $80 per barrel. Supply has been slow to come back online coming out of the pandemic.



Source: FactSet

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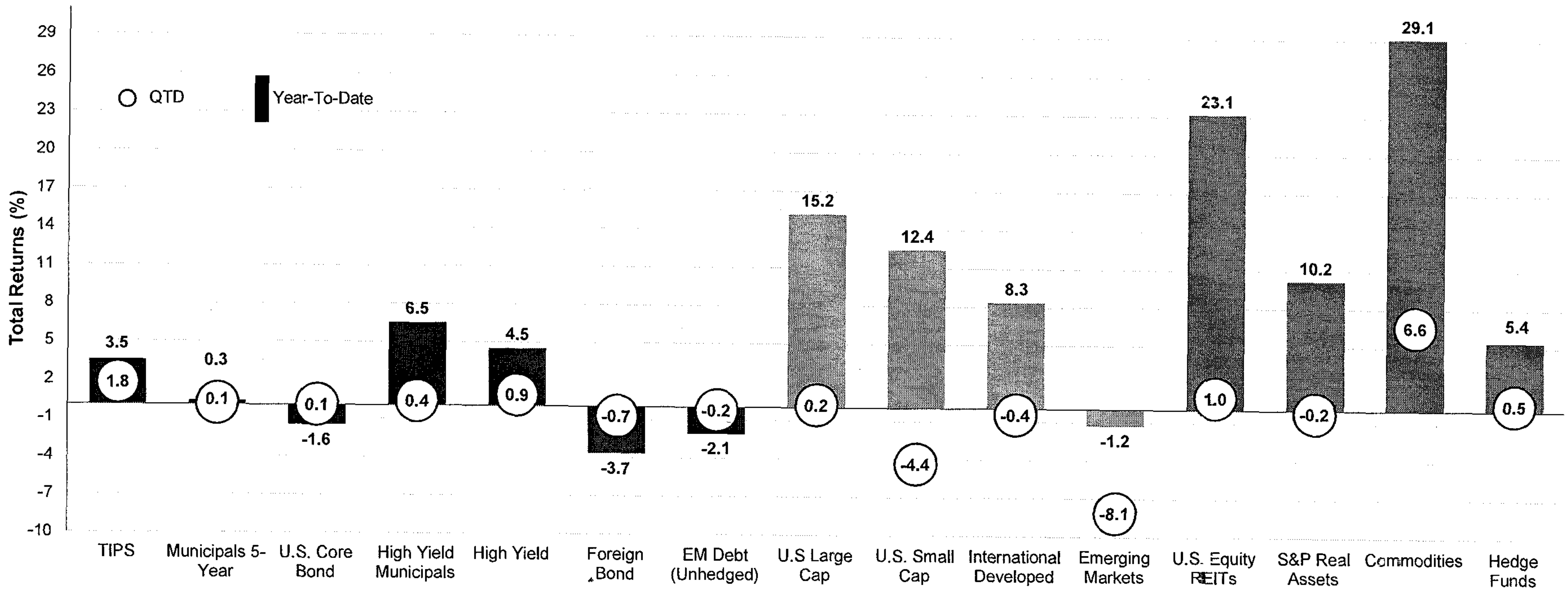
Asset Class Returns



*Hedge fund returns are lagged 1 month. Sources: FactSet, J.P. Morgan, Russell, MSCI, FTSE Russell, Alerian.

Fixed Income (3Q)

- Interest rates moved higher across the curve as investors continue to grapple with potential impacts from future Federal Reserve policy.

- Investment grade and high yield spreads widened during the quarter.

Equity (3Q)

- Sentiment shifted during the 3rd quarter with investors selling out of the perceived riskier asset classes, namely small caps and emerging markets.

- Emerging markets struggled, driven by poor performance from the larger country constituents, namely China and Korea.

Real Asset / Alternatives (3Q)

+ REITs continued to benefit from increasing demand and low interest rates.

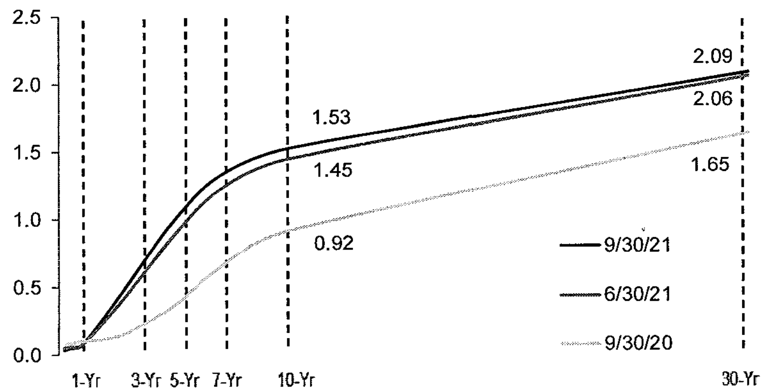
+ Commodities drew considerable strength from higher energy prices (particularly advances in oil), although strong performance was broad based across sectors.

See disclosures for list of indices representing each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

Fixed Income Market Update

U.S. Treasury Yield Curve

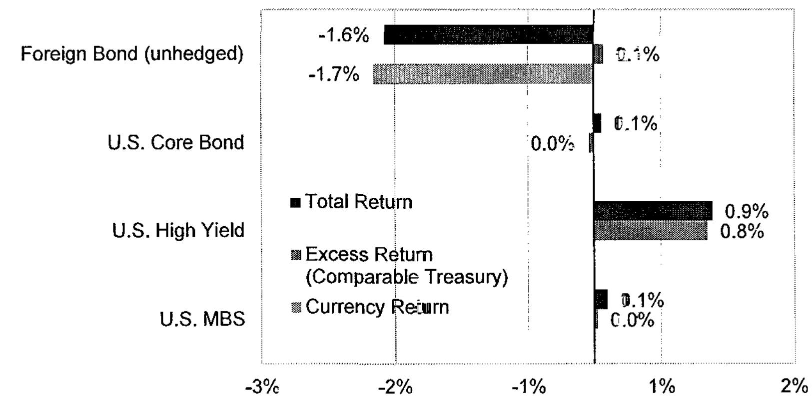
U.S. Treasuries moved slightly higher in the quarter with the 10-year and 30-year rates increasing 8bps and 3bps, respectively.



Source: FactSet

Index Performance Attribution (3Q 2021)

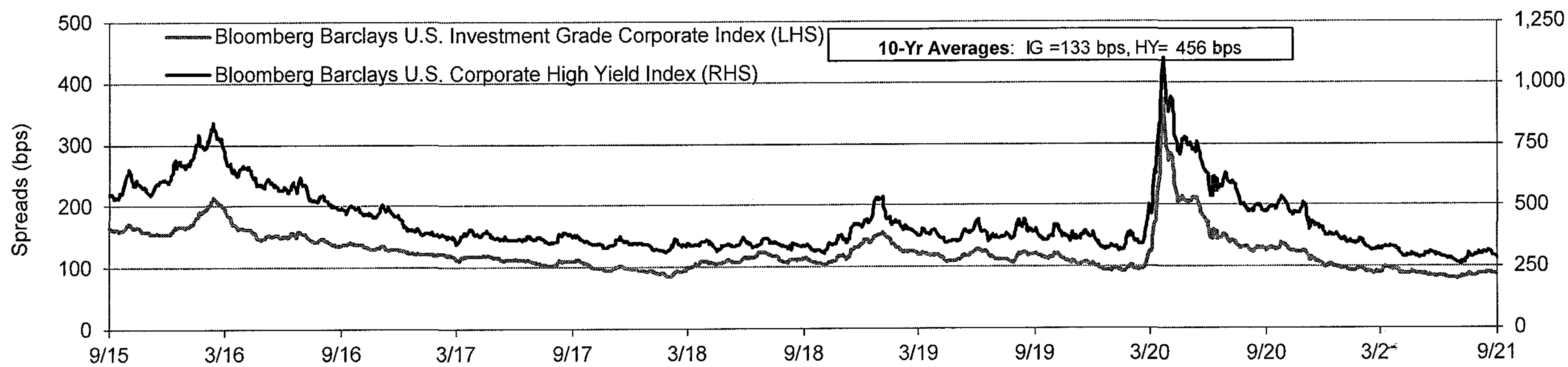
Despite headwinds from rising rates and wider spreads, U.S. fixed income markets were marginally positive driven by coupon payments. Dollar strength, particularly in September, weighed on foreign bonds.



Source: FactSet

Credit Market Spreads – Trailing 5 Years

Credit spreads widened during the quarter with investment grade and high yield spreads increasing 4bps and 21bps, respectively.



Source: FactSet

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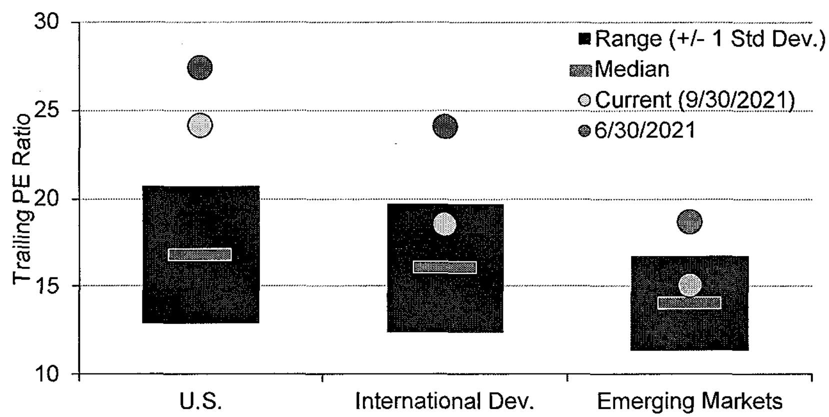
Equity Market Update

Equity Valuations (Trailing 15 Years)

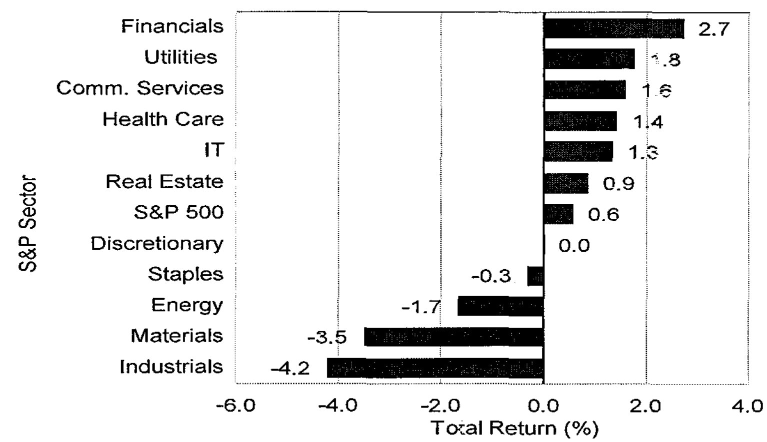
While valuations remain somewhat elevated relative to historical norms, underlying company earnings have proven resilient, which has helped investors rationalize current price levels.



Source: FactSet

U.S. Equities – Return by Sector (3Q 2021)

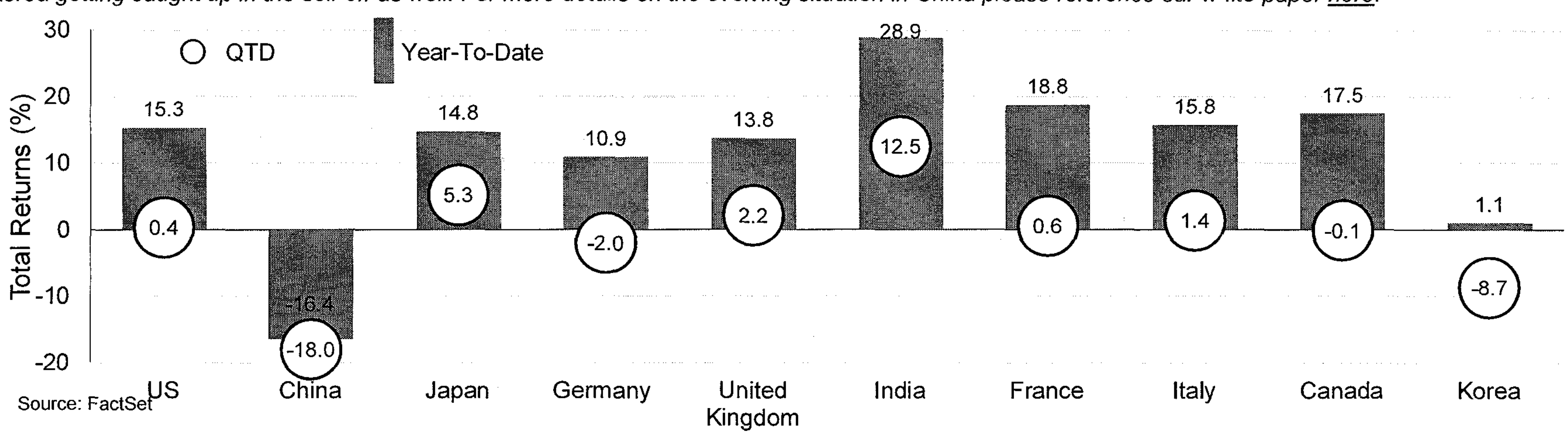
U.S. equity performance was mixed across sectors. Financials and utilities led for the quarter while materials and industrials were laggards.



Source: FactSet.

Country Total Returns (%) – Top 10 Largest Economies

While there were pockets of opportunity across countries, China was at the center of headlines during the quarter. Regulatory restrictions caused major sell-offs across the market with the education and technology sectors getting hit the hardest. Contagion effects were felt across emerging markets with Korea getting caught up in the sell-off as well. For more details on the evolving situation in China please reference our white paper here.



Source: FactSet

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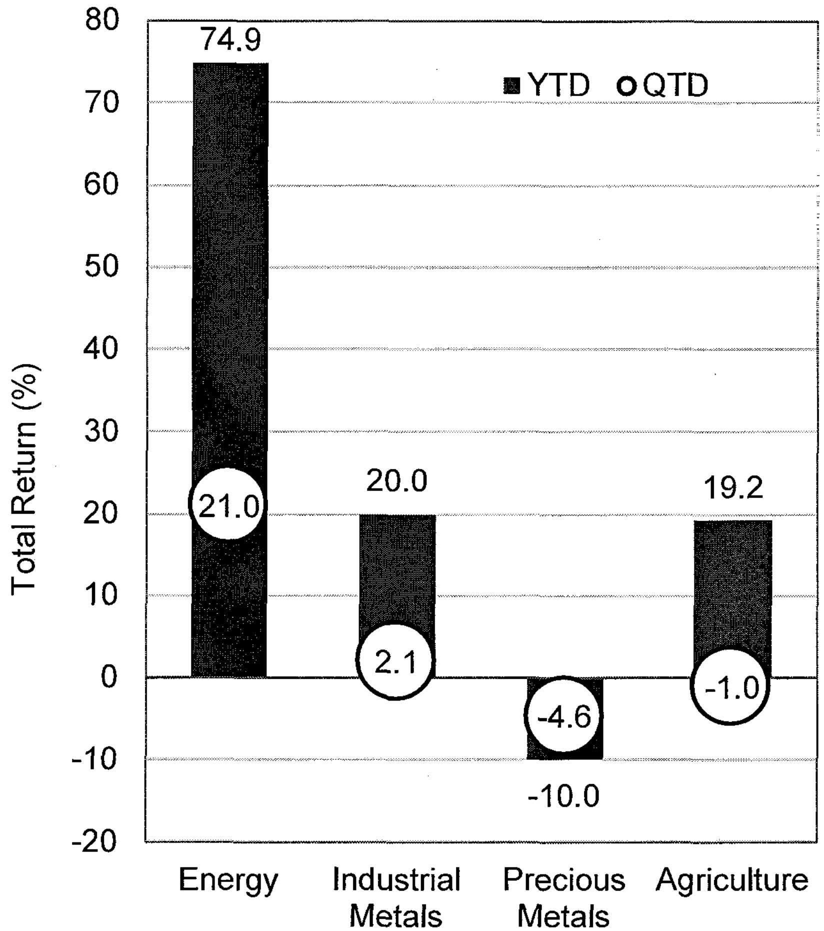
Real Assets Market Update

Real Assets Performance

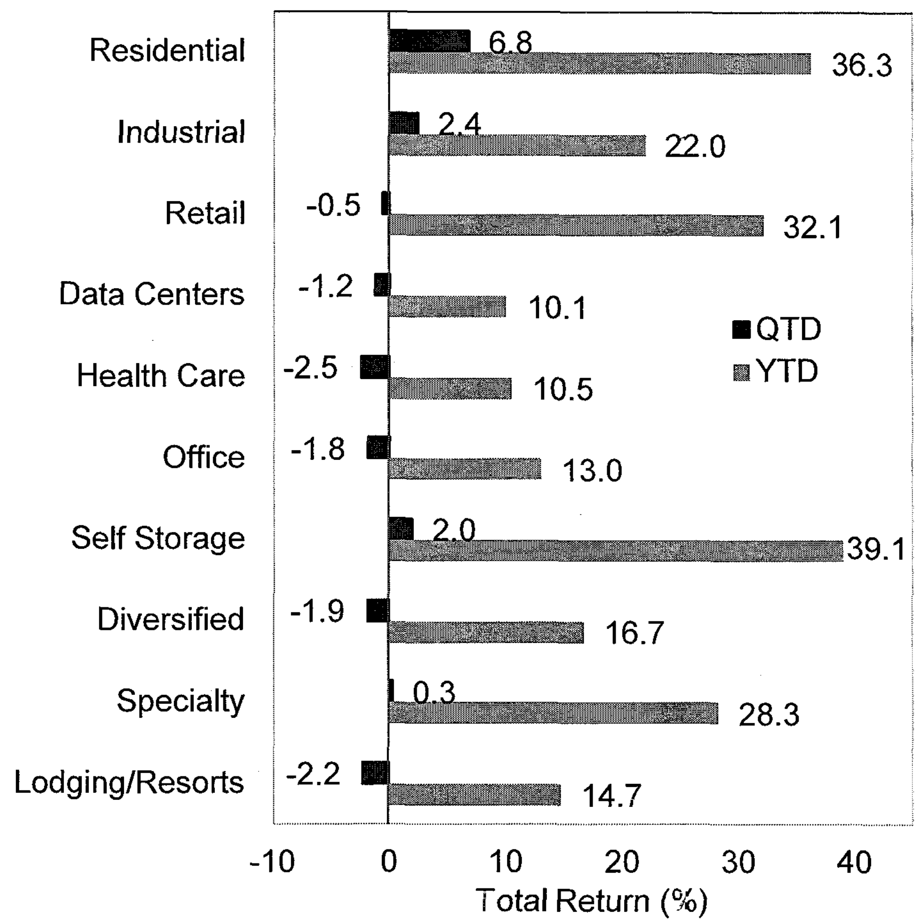
Energy was the primary contributor to the performance within real assets. Supply disruptions have impacted output and have significantly driven up the prices of natural gas and crude oil.



Source: FactSet

REIT Sector Performance

The residential, industrial and self storage sectors continued to perform well, benefitting from the suburbanization trend. Health care and lodging & resorts were laggards for the period.



Source: FactSet

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The Case For Diversification

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	10Yr (Ann)
TIPS 13.6	Emerging Markets 18.2	U.S. Small Cap 38.8	U.S. Equity REITs 30.1	U.S. Equity REITs 3.2	U.S. Small Cap 21.3	Emerging Markets 37.3	High Yield Munis 4.8	U.S. Large Cap 31.5	U.S. Small Cap 20.0	Commodities 29.1	U.S. Large Cap 16.6
High Yield Munis 9.3	High Yield Munis 18.1	U.S. Large Cap 32.4	High Yield Munis 13.8	Municipals 5-Year 2.4	High Yield 17.1	International Dev. 25.0	Municipals 5-Year 1.7	U.S. Equity REITs 26.0	U.S. Large Cap 18.4	U.S. Equity REITs 23.1	U.S. Small Cap 14.6
U.S. Equity REITs 8.3	U.S. Equity REITs 18.1	International Dev. 22.8	U.S. Large Cap 13.7	High Yield Munis 1.8	U.S. Large Cap 12.0	U.S. Large Cap 21.8	Foreign Bond 0.5	U.S. Small Cap 25.5	Emerging Markets 18.3	U.S. Large Cap 15.9	U.S. Equity REITs 11.3
Core Bond 7.8	International Dev. 17.3	Balanced 12.2	Core Bond 6.0	U.S. Large Cap 1.4	Commodities 11.7	EM Debt (unhedged) 15.2	Core Bond 0.0	International Dev. 22.5	TIPS 11.0	U.S.Small Cap 12.4	International Dev. 8.1
Municipals 5-Year 6.9	EM Debt (unhedged) 16.9	Hedge Funds 9.0	Balanced 5.1	Core Bond 0.6	Emerging Markets 11.2	U.S. Small Cap 14.6	TIPS -1.3	Emerging Markets 18.4	Balanced 8.8	International Dev. 8.3	Balanced 7.7
High Yield 5.0	U.S. Small Cap 16.3	High Yield 7.4	U.S. Small Cap 4.9	Hedge Funds -0.3	EM Debt (unhedged) 9.9	Balanced 13.6	High Yield -2.1	Balanced 17.5	International Dev. 7.8	Balanced 6.6	High Yield 7.4
Foreign Bond 4.2	U.S. Large Cap 16.0	U.S. Equity REITs 2.5	TIPS 3.6	International Dev. -0.8	U.S. Equity REITs 8.5	High Yield Munis 9.7	Hedge Funds -4.0	High Yield 14.3	Core Bond 7.5	High Yield Munis 6.5	High Yield Munis 6.7
U.S. Large Cap 2.1	High Yield 15.8	Municipals 5-Year 0.8	Hedge Funds 3.4	TIPS -1.4	Balanced 7.6	Hedge Funds 7.8	U.S. Large Cap -4.4	EM Debt (unhedged) 13.5	Hedge Funds 7.1	Municipals 5-Year 6.5	EM Debt (unhedged) 6.6
Balanced 0.9	Balanced 11.5	Foreign Bond -1.0	Municipals 5-Year 3.2	Foreign Bond -2.3	TIPS 4.7	High Yield 7.5	U.S. Equity REITs -4.6	High Yield Munis 10.7	High Yield 7.1	Hedge Funds 5.4	Emerging Markets 6.1
EM Debt (unhedged) -1.8	TIPS 7.0	Core Bond -2.0	Foreign Bond 2.9	Balanced -3.3	Foreign Bond 3.2	Foreign Bond 6.5	Balanced -5.8	Core Bond 8.7	Foreign Bond 7.0	High Yield 4.5	Hedge Funds 4.1
U.S. Small Cap -4.2	Foreign Bond 5.3	Emerging Markets -2.6	High Yield 2.5	U.S. Small Cap -4.4	High Yield Munis 3.0	U.S. Equity REITs 5.2	EM Debt (unhedged) -6.2	TIPS 8.4	High Yield Munis 4.9	TIPS 3.5	Foreign Bond 3.9
Hedge Funds -5.7	Hedge Funds 4.8	High Yield Munis -5.5	Emerging Markets -2.2	High Yield -4.5	Core Bond 2.6	Core Bond 3.5	U.S. Small Cap -11.0	Hedge Funds 7.8	Municipals 5-Year 4.3	Emerging Markets -1.2	TIPS 3.1
Commodities -13.3	Core Bond 4.2	TIPS -8.6	International Dev. -4.9	Emerging Markets -14.9	International Dev. 1.0	Municipals 5-Year 3.1	Commodities -11.2	Commodities 7.7	EM Debt (unhedged) 2.7	Foreign Bond -1.4	Core Bond 3.0
International Dev. -12.1	Municipals 5-Year 3.0	EM Debt (unhedged) -9.0	EM Debt (unhedged) -5.7	EM Debt (unhedged) -14.9	Hedge Funds 0.5	TIPS 3.0	International Dev. -13.8	Foreign Bond 6.3	Commodities -3.1	Core Bond -1.6	Municipals 5-Year 2.5
Emerging Markets -18.4	Commodities -1.1	Commodities -9.5	Commodities -17.0	Commodities -24.7	Municipals 5-Year -0.4	Commodities 1.7	Emerging Markets -14.6	Municipals 5-Year 5.4	U.S. Equity REITs -8.0	EM Debt (unhedge) -1.9	Commodities -2.7

See disclosures for list of indices representing each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

Financial Markets Performance

Total return as of September 30, 2021

Periods greater than one year are annualized
All returns are in U.S. dollar terms

Global Fixed Income Markets	QTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg Barclays 1-3-Month T-Bill	0.0%	0.0%	0.1%	1.1%	1.1%	0.8%	0.6%	0.9%
Bloomberg Barclays U.S. TIPS	1.8%	3.5%	5.2%	7.4%	4.3%	3.9%	3.1%	4.4%
Bloomberg Barclays Municipal Bond (5 Year)	0.1%	0.3%	1.1%	3.9%	2.4%	2.4%	2.5%	3.5%
Bloomberg Barclays High Yield Municipal Bond	0.4%	6.5%	11.3%	7.4%	6.0%	6.0%	6.7%	5.3%
Bloomberg Barclays U.S. Aggregate	0.1%	-1.6%	-0.9%	5.4%	2.9%	3.3%	3.0%	4.2%
Bloomberg Barclays U.S. Corporate High Yield	0.9%	4.5%	11.3%	6.9%	6.5%	5.9%	7.4%	7.3%
Bloomberg Barclays Global Aggregate ex-U.S. Hedged	-1.6%	-1.4%	-0.5%	3.9%	2.7%	3.5%	3.9%	4.0%
Bloomberg Barclays Global Aggregate ex-U.S. Unhedged	-1.6%	-5.9%	-1.1%	3.2%	1.1%	1.2%	0.9%	2.9%
Bloomberg Barclays U.S. Long Gov / Credit	0.1%	-4.6%	-3.0%	10.1%	5.2%	6.2%	5.8%	7.0%
JPMorgan GBI-EM Global Diversified	-0.2%	-2.1%	0.6%	7.1%	5.7%	6.4%	6.6%	7.7%
Global Equity Markets	**QTD**	**YTD**	**1YR**	**3YR**	**5YR**	**7YR**	**10YR**	**15YR**
S&P 500	0.6%	15.9%	30.0%	16.0%	16.9%	14.0%	16.6%	10.4%
Dow Jones Industrial Average	-1.5%	12.1%	24.2%	11.0%	15.7%	12.9%	14.7%	10.1%
NASDAQ Composite	-0.2%	12.7%	30.3%	22.7%	23.4%	19.4%	20.9%	14.3%
Russell 3000	-0.1%	15.0%	31.9%	16.0%	16.9%	13.9%	16.6%	10.4%
Russell 1000	0.2%	15.2%	31.0%	16.4%	17.1%	14.1%	16.8%	10.5%
Russell 1000 Growth	1.2%	14.3%	27.3%	22.0%	22.8%	18.5%	19.7%	13.3%
Russell 1000 Value	-0.8%	16.1%	35.0%	10.1%	10.9%	9.3%	13.5%	7.5%
Russell Mid Cap	-0.9%	15.2%	38.1%	14.2%	14.4%	12.2%	15.5%	10.3%
Russell Mid Cap Growth	-0.8%	9.6%	30.5%	19.1%	19.3%	15.4%	17.5%	12.0%
Russell Mid Cap Value	-1.0%	18.2%	42.4%	10.3%	10.6%	9.6%	13.9%	8.8%
Russell 2000	-4.4%	12.4%	47.7%	10.5%	13.5%	11.9%	14.6%	9.2%
Russell 2000 Growth	-5.7%	2.8%	33.3%	11.7%	15.3%	13.2%	15.7%	10.6%
Russell 2000 Value	-3.0%	22.9%	63.9%	8.6%	11.0%	10.2%	13.2%	7.5%
MSCI ACWI	-1.1%	11.1%	27.4%	12.6%	13.2%	9.9%	11.9%	7.2%
MSCI ACWI ex. U.S.	-3.0%	5.9%	23.9%	8.0%	8.9%	5.7%	7.5%	4.4%
MSCI EAFE	-0.4%	8.3%	25.7%	7.6%	8.8%	5.8%	8.1%	4.1%
MSCI EAFE Growth	0.1%	6.9%	20.9%	11.9%	11.4%	8.7%	10.1%	5.8%
MSCI EAFE Value	-1.0%	9.6%	30.7%	3.0%	6.0%	2.7%	6.0%	2.2%
MSCI EAFE Small Cap	0.9%	10.0%	29.0%	9.0%	10.4%	9.2%	10.7%	6.4%
MSCI Emerging Markets	-8.1%	-1.2%	18.2%	8.6%	9.2%	5.6%	6.1%	5.7%
Alternatives	**QTD**	**YTD**	**1YR**	**3YR**	**5YR**	**7YR**	**10YR**	**15YR**
Consumer Price Index*	0.7%	4.4%	5.2%	2.7%	2.6%	2.0%	1.9%	2.0%
FTSE NAREIT Equity REITs	1.0%	23.1%	37.4%	10.0%	6.8%	9.0%	11.3%	6.5%
S&P Real Assets	-0.2%	10.2%	21.4%	7.3%	6.0%	4.5%	6.0%	5.6%
FTSE EPRA NAREIT Developed	1.6%	21.7%	32.4%	7.3%	4.9%	8.9%	10.9%	5.2%
FTSE EPRA NAREIT Developed ex U.S.	-2.6%	6.6%	21.5%	4.9%	5.0%	4.8%	7.7%	3.4%
Bloomberg Commodity Total Return	6.6%	29.1%	42.3%	6.9%	4.5%	-1.5%	-2.7%	-2.1%
HFRI Fund of Funds Composite*	0.5%	5.4%	13.8%	6.3%	5.8%	4.1%	4.1%	3.1%
HFRI Fund Weighted Composite*	-0.2%	10.0%	20.8%	8.4%	7.4%	5.5%	5.4%	5.0%
Alerian MLP	-5.7%	39.4%	84.6%	-4.3%	-2.4%	-6.3%	1.2%	5.1%

*One month lag.
Source: FactSet & Morningstar as of 9/30/21. Periods greater than 1 year are annualized. All returns are in U.S. dollar terms.

Pension Portfolio Review

Summary of Recent Activity - Waterford Pension

July 2021

- The decision was made to reposition the portfolio to increase the probability of meeting a return target of 6.25%.
  - Allocation changes
    - Reduced fixed income target allocation by 15%
      - Trimmed target to Baird Aggregate Bond and Metropolitan West each by 4.5%, BlackRock Strategic Opportunity by 5%, and PGIM Global Total Return by 1%.
    - Increased equity target allocation by 15% (domestic equity +8.25%, international equity +6.75%)
      - Added 8.25% to Fidelity Total Market Index Fund and 6.75% to American Funds Euro Pacific Growth.
- Received employer contribution of $83,000 bringing the total amount of cash to $133,000.
  - Given the substantial size of the contribution relative to the portfolio size, the decision was made to dollar cost average into the market over the next four months:
    - Invested $25,000 in August, September, and October
    - Used the remaining cash to cover upcoming benefit payments and expenses in November.

Asset Allocation

Waterford Pension

As of September 30, 2021

	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Pension Plan	**695,980**	**100.0**	**100.0**	**0.0**
Wells Fargo Government Money Market Fund	69,725	10.0	0.0	10.0
Fixed Income	**224,512**	**32.3**	**35.0**	**-2.7**
Baird Aggregate Bond Fund Class Institutional	66,665	9.6	10.5	-0.9
Metropolitan West Total Return Bond Pl	67,374	9.7	10.5	-0.8
BlackRock Strategic Income Opportunities Fund K	74,680	10.7	11.5	-0.8
PGIM Global Total Return R6	15,793	2.3	2.5	-0.2
Domestic Equity	**221,119**	**31.8**	**35.8**	**-4.0**
Fidelity® Total Market Index Fund	221,119	31.8	35.8	-4.0
International Equity	**180,624**	**26.0**	**29.3**	**-3.3**
American Funds EuroPacific Growth R6	180,624	26.0	29.3	-3.3

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance.
Asset Allocation weightings may not add up to 100% due to rounding.

Total Plan Performance Summary

Waterford Pension

As of September 30, 2021

Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
Pension Plan				**11/01/2016**
Beginning Market Value	640,451	653,954	564,680	
Net Contributions	61,786	19,077	-101,952	
Total Gain/Loss	-6,256	22,949	233,252	
Ending Market Value	695,980	695,980	695,980	

Pension Blended Benchmark Composition

Allocation Mandate	Weight (%)
Sep-2021	
90 Day U.S. Treasury Bill	14.00
Pension Fixed Income Benchmark	29.75
Dow Jones U.S. Total Stock Market Index	31.00
MSCI AC World ex USA (Net)	25.25

Trailing Performance Summary

	QTR	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Pension Plan	**-0.9**	**3.8**	**13.1**	**9.3**	**N/A**	**N/A**	**N/A**	**8.5**	**11/01/2016**
Pension Blended Benchmark	*-0.8*	*4.4*	*12.9*	*9.3*	*N/A*	*N/A*	*N/A*	*8.7*	
Difference	-0.1	-0.6	0.2	0.0	N/A	N/A	N/A	-0.2	

Calendar Year Performance Summary

	2020	2019	2018	2017	2016	2015	2014	2013
Pension Plan	**14.8**	**16.8**	**-5.3**	**13.0**	**N/A**	**N/A**	**N/A**	**N/A**
Pension Blended Benchmark	*12.7*	*17.7*	*-4.7*	*13.5*	*N/A*	*N/A*	*N/A*	*N/A*
Difference	2.1	-0.9	-0.6	-0.5	N/A	N/A	N/A	N/A

Manager Gain/Loss Summary

Waterford Pension

Quarter Ending September 30, 2021

	Market Value As of 07/01/2021	Net Flows	Return On Investment	Market Value As of 09/30/2021
<u>*Short Term Liquidity*</u>				
Wells Fargo Government Money Market Fund	28,321	42,286	-881	69,725
Total Short Term Liquidity	**28,321**	**42,286**	**-881**	**69,725**
<u>Fixed Income</u>				
Baird Aggregate Bond Fund Class Institutional	89,331	-23,000	334	66,665
Metropolitan West Total Return Bond Pl	91,033	-24,000	341	67,374
BlackRock Strategic Income Opportunities Fund K	97,729	-23,000	-48	74,680
PGIM Global Total Return R6	20,402	-4,500	-108	15,793
Total Fixed Income	**298,494**	**-74,500**	**518**	**224,512**
<u>Domestic Equity</u>				
Fidelity® Total Market Index Fund	174,473	48,000	-1,354	221,119
Total Domestic Equity	**174,473**	**48,000**	**-1,354**	**221,119**
<u>International Equity</u>				
American Funds EuroPacific Growth R6	139,163	46,000	-4,538	180,624
Total International Equity	**139,163**	**46,000**	**-4,538**	**180,624**
Pension Plan	**640,451**	**61,786**	**-5,256**	**695,980**

Cash activity may include management fees.

Market Value and Flow Summary

Waterford Pension

Since Inception Ending September 30, 2021

Periods Ending	Beginning Market Value ($)	Net Cash Flow ($)	Gain/Loss ($)	Ending Market Value ($)	% Return
Dec-2016	-	-	-	565,216	N/A
Mar-2017	565,216	-26,682	22,328	560,862	4.0
Jun-2017	560,862	-6,231	17,150	571,781	3.1
Sep-2017	571,781	-34,606	16,088	553,262	2.9
Dec-2017	553,262	45,097	14,361	612,720	2.5
Mar-2018	612,720	-31,098	-2,914	578,708	-0.5
Jun-2018	578,708	-31,250	-200	547,258	0.0
Sep-2018	547,258	-34,289	8,213	521,182	1.5
Dec-2018	521,182	9,968	-32,750	498,401	-6.2
Mar-2019	498,401	12,944	36,392	547,737	7.2
Jun-2019	547,737	-28,002	17,275	537,010	3.3
Sep-2019	537,010	16,821	3,816	557,647	0.7
Dec-2019	557,647	16,269	26,981	600,897	4.8
Mar-2020	600,897	-28,585	-65,083	507,230	-11.1
Jun-2020	507,230	-28,599	63,259	541,890	12.6
Sep-2020	541,890	54,474	29,915	626,279	5.3
Dec-2020	626,279	-27,259	54,934	653,954	9.0
Mar-2021	653,954	-22,170	2,637	634,422	0.4
Jun-2021	634,422	-20,539	26,568	640,451	4.2
Sep-2021	640,451	61,786	-6,256	695,980	-0.9

Estimated Fee Analysis

As of September 30, 2021

Manager	Current Target %	Fee Schedule
Baird Aggregate Bond Fund Class Institutional	10.5%	0.30%
Metropolitan West Total Return Bond Pl	10.5%	0.38%
BlackRock Strategic Income Opportunities Fund K	11.5%	0.67%
PGIM Global Total Return R6	2.5%	0.55%
Fidelity® Total Market Index Fund	35.8%	0.02%
American Funds EuroPacific Growth R6	29.3%	0.46%
Weighted Average Investment Management Fee	0.30%	

DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable, including Morningstar. Fiducient Advisors has not independently verified this information.

OPEB Portfolio Review

Summary of Recent Activity – Waterford OPEB

July 2021

- The decision was made to reposition the portfolio to increase the probability of meeting a return target of 6.5%.
  - Allocation changes
    - Reduced fixed income target allocation by 2.5%
      - Trimmed targets to Baird Aggregate Bond, Metropolitan West and BlackRock Strategic Opportunity each by .75%, and PGIM Global Total Return by .25%.
    - Increased equity target allocation by 2.5% (domestic equity +1%, international equity +1.5%)
      - Added .75% to Fidelity S&P 500 Index and .25% to Fidelity Mid Cap Index
      - Added .5% each to Dodge & Cox International Stock, American Funds Euro Pacific Growth and Baron Emerging Markets Institutional Fund.
- Received employer contribution of $750,000.
  - Given the substantial size of the contribution relative to the portfolio size, the decision was made to dollar cost average into the market over the next four months:
    - Invested $185,000 in August, September, and October
    - Invested $156,000 in November and used the remaining balance to cover upcoming fees and expenses.

Asset Allocation

Waterford OPEB

As of September 30, 2021

	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
OPEB Plan	**9,743,913**	**100.0**	**100.0**	**0.0**
Wells Fargo Government Money Market Fund	386,847	4.0	0.0	4.0
Fixed Income	**2,870,483**	**29.5**	**30.0**	**-0.5**
Baird Aggregate Bond Fund Class Institutional	860,093	8.8	9.0	-0.2
Metropolitan West Total Return Bond Pl	860,944	8.8	9.0	-0.2
BlackRock Strategic Income Opportunities Fund K	961,494	9.9	10.0	-0.1
PGIM Global Total Return R6	187,952	1.9	2.0	-0.1
Domestic Equity	**3,302,558**	**33.9**	**35.8**	**-1.9**
Fidelity 500 Index Fund	2,299,628	23.6	25.0	-1.4
Fidelity Mid Cap Index	622,948	6.4	6.8	-0.4
Hotchkis & Wiley Small Cap Diversified Value I	190,796	2.0	2.0	0.0
Conestoga Small Cap Instl	189,187	1.9	2.0	-0.1
International Equity	**2,705,110**	**27.8**	**29.3**	**-1.5**
Dodge & Cox International Stock Fund	1,211,225	12.4	13.0	-0.6
American Funds EuroPacific Growth R6	1,191,494	12.2	13.0	-0.8
Baron Emerging Markets Fund Instl	302,390	3.1	3.3	-0.1
Alternatives	**478,915**	**4.9**	**5.0**	**-0.1**
Principal Diversified Real Asset R6	478,915	4.9	5.0	-0.1

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance.
Asset Allocation weightings may not add up to 100% due to rounding.

Total Plan Performance Summary

Waterford OPEB

As of September 30, 2021

Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
OPEB Plan				**03/01/2017**
Beginning Market Value	9,076,512	8,517,353	1,164,759	
Net Contributions	748,018	744,153	6,048,953	
Total Gain/Loss	-80,617	482,408	2,530,201	
Ending Market Value	9,743,913	9,743,913	9,743,913	

OPEB Blended Benchmark Composition

Allocation Mandate	Weight (%)
Aug-2021	
90 Day U.S. Treasury Bill	7.75
Blmbg. U.S. Aggregate Index	26.00
Bloomberg Global Aggregate	2.00
Dow Jones U.S. Total Stock Market Index	33.00
MSCI AC World ex USA (Net)	26.50
Diversified Real Asset Blended Index	4.75

Trailing Performance Summary

	QTR	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
OPEB Plan	**-0.8**	**5.8**	**18.2**	**11.0**	**N/A**	**N/A**	**N/A**	**9.5**	**03/01/2017**
OPEB Blended Benchmark	*-0.7*	*6.9*	*18.2*	*10.7*	*N/A*	*N/A*	*N/A*	*9.5*	
Difference	-0.1	-1.1	0.0	0.3	N/A	N/A	N/A	0.0	

Calendar Year Performance Summary

	2020	2019	2018	2017	2016	2015	2014	2013
OPEB Plan	**17.8**	**19.8**	**-7.2**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
OPEB Blended Benchmark	*13.9*	*20.1*	*-5.8*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Difference	3.9	-0.3	-1.4	N/A	N/A	N/A	N/A	N/A

Manager Gain/Loss Summary

Waterford OPEB

Quarter Ending September 30, 2021

	Market Value As of 07/01/2021	Net Flows	Return On Investment	Market Value As of 09/30/2021
Short Term Liquidity				
Wells Fargo Government Money Market Fund	4,634	394,718	-12,504	386,847
Total Short Term Liquidity	**4,634**	**394,718**	**-12,504**	**386,847**
Fixed Income				
Baird Aggregate Bond Fund Class Institutional	876,181	-17,000	912	860,093
Metropolitan West Total Return Bond Pl	861,887	-2,000	1,058	860,944
BlackRock Strategic Income Opportunities Fund K	937,078	25,000	-584	961,494
PGIM Global Total Return R6	197,929	-8,000	-1,976	187,952
Total Fixed Income	**2,873,074**	**-2,000**	**-591**	**2,870,483**
Domestic Equity				
Fidelity 500 Index Fund	2,286,882	-	12,746	2,299,628
Fidelity Mid Cap Index	600,209	29,000	-6,262	622,948
Hotchkis & Wiley Small Cap Diversified Value I	177,585	15,300	-2,089	190,796
Conestoga Small Cap Instl	176,011	6,000	7,175	189,187
Total Domestic Equity	**3,240,687**	**50,300**	**11,571**	**3,302,558**
International Equity				
Dodge & Cox International Stock Fund	1,107,507	143,000	-39,282	1,211,225
American Funds EuroPacific Growth R6	1,144,151	76,000	-28,657	1,191,494
Baron Emerging Markets Fund Instl	244,201	76,000	-17,811	302,390
Total International Equity	**2,495,859**	**295,000**	**-85,749**	**2,705,110**
Alternatives				
Principal Diversified Real Asset R6	462,259	10,000	6,657	478,915
Total Alternatives	**462,259**	**10,000**	**6,657**	**478,915**
OPEB Plan	**9,076,512**	**748,018**	**-80,617**	**9,743,913**

Cash activity may include management fees.

Market Value & Flow Summary

Waterford OPEB

Since Inception Ending September 30, 2021

Periods Ending	Beginning Market Value ($)	Net Cash Flow ($)	Gain/Loss ($)	Ending Market Value ($)	% Return
Jan-2017	-	-	-	1,426,010	N/A
Mar-2017	1,426,010	-266,000	9,218	1,169,228	0.0
Jun-2017	1,169,228	1,156,969	36,935	2,363,131	3.1
Sep-2017	2,363,131	-3,565	67,011	2,426,577	2.8
Dec-2017	2,426,577	1,154,297	89,896	3,670,771	3.0
Mar-2018	3,670,771	-1,476	-25,714	3,643,581	-0.7
Jun-2018	3,643,581	-1,647	2,893	3,644,827	0.1
Sep-2018	3,644,827	-1,570	72,009	3,715,266	2.0
Dec-2018	3,715,266	598,471	-337,180	3,976,557	-8.5
Mar-2019	3,976,557	557,409	368,703	4,902,669	8.9
Jun-2019	4,902,669	-1,738	167,323	5,068,254	3.4
Sep-2019	5,068,254	348,222	22,901	5,439,376	0.4
Dec-2019	5,439,376	406,873	326,567	6,172,816	5.9
Mar-2020	6,172,816	-1,839	-883,198	5,287,778	-14.3
Jun-2020	5,287,778	-1,825	833,865	6,119,819	15.8
Sep-2020	6,119,819	1,098,162	406,309	7,624,290	6.3
Dec-2020	7,624,290	-1,943	895,006	8,517,353	11.7
Mar-2021	8,517,353	-1,934	130,686	8,646,104	1.5
Jun-2021	8,646,104	-1,931	432,339	9,076,512	5.0
Sep-2021	9,076,512	748,018	-80,617	9,743,913	-0.8

Estimated Fee Analysis

As of September 30, 2021

Manager	Current Target %	Fee Schedule
Baird Aggregate Bond Fund Class Institutional	9.0%	0.30%
Metropolitan West Total Return Bond Pl	9.0%	0.38%
BlackRock Strategic Income Opportunities Fund K	10.0%	0.67%
PGIM Global Total Return R6	2.0%	0.55%
Fidelity 500 Index Fund	25.0%	0.02%
Fidelity Mid Cap Index	6.8%	0.03%
Hotchkis & Wiley Small Cap Diversified Value I	2.0%	0.80%
Conestoga Small Cap Instl	2.0%	0.90%
Dodge & Cox International Stock Fund	13.0%	0.63%
American Funds EuroPacific Growth R6	13.0%	0.46%
Baron Emerging Markets Fund Instl	3.3%	1.09%
Principal Diversified Real Asset R6	5.0%	0.79%
Weighted Average Investment Management Fee	0.40%	

DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable, including Morningstar. Fiducient Advisors has not independently verified this information.

Manager Review

Manager Performance Overview

As of September 30, 2021

	QTR	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Wells Fargo Government Money Market Fund	**0.0**	**0.0**	**0.0**	**1.0**	**N/A**	**1.0**	**11/01/2016**
90 Day U.S. Treasury Bill	*0.0*	*0.0*	*0.1*	*1.2*	*N/A*	*1.2*	
Fixed Income	0.0	-0.4	1.7	5.8	N/A	3.6	11/01/2016
Blmbg. U.S. Aggregate Index	*0.1*	*-1.6*	*-0.9*	*5.4*	*N/A*	*3.2*	
Baird Aggregate Bond Fund Class Institutional	**0.1 (36)**	**N/A**	**N/A**	**N/A**	**N/A**	**2.1 (41)**	**04/01/2021**
Blmbg. U.S. Aggregate Index	*0.1*	*N/A*	*N/A*	*N/A*	*N/A*	*1.9*	
IM U.S. Broad Market Core Fixed Income (MF) Median	0.0	N/A	N/A	N/A	N/A	2.0	
Metropolitan West Total Return Bond Pl	**0.1 (44)**	**-1.0 (63)**	**0.3 (77)**	**6.2 (35)**	**N/A**	**3.8 (51)**	**11/01/2016**
Blmbg. U.S. Aggregate Index	*0.1*	*-1.6*	*-0.9*	*5.4*	*N/A*	*3.2*	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	0.1	-0.7	1.2	5.9	N/A	3.8	
BlackRock Strategic Income Opportunities Fund K	**-0.1 (68)**	**1.2 (59)**	**5.4 (53)**	**5.2 (22)**	**N/A**	**4.8 (24)**	**06/01/2018**
Blmbg. U.S. Aggregate Index	*0.1*	*-1.6*	*-0.9*	*5.4*	*N/A*	*4.8*	
IM Alternative Credit Focus (MF) Median	0.2	1.7	5.5	4.2	N/A	3.7	
PGIM Global Total Return R6	**-1.1 (82)**	**N/A**	**N/A**	**N/A**	**N/A**	**2.0 (9)**	**04/01/2021**
Bloomberg Global Aggregate	*-0.9*	*N/A*	*N/A*	*N/A*	*N/A*	*0.4*	
IM Global Fixed Income (MF) Median	-0.4	N/A	N/A	N/A	N/A	0.9	
Domestic Equity	-0.1	15.1	32.1	16.0	N/A	17.7	11/01/2016
Domestic Equity Benchmark	*-0.1*	*15.1*	*32.1*	*16.0*	*N/A*	*17.7*	
Fidelity® Total Market Index Fund	**-0.1 (46)**	**15.1 (47)**	**32.1 (34)**	**N/A**	**N/A**	**20.6 (24)**	**04/01/2019**
Dow Jones U.S. Total Stock Market Index	*-0.1*	*15.1*	*32.1*	*N/A*	*N/A*	*20.6*	
IM U.S. Multi-Cap Core Equity (MF) Median	-0.2	15.0	30.3	N/A	N/A	18.2	
Fidelity 500 Index Fund	**0.6 (30)**	**N/A**	**N/A**	**N/A**	**N/A**	**9.2 (28)**	**04/01/2021**
S&P 500 Index	*0.6*	*N/A*	*N/A*	*N/A*	*N/A*	*9.2*	
IM U.S. Large Cap Core Equity (MF) Median	0.2	N/A	N/A	N/A	N/A	8.5	
Fidelity Mid Cap Index	**-0.9 (55)**	**N/A**	**N/A**	**N/A**	**N/A**	**6.5 (14)**	**04/01/2021**
Russell Midcap Index	*-0.9*	*N/A*	*N/A*	*N/A*	*N/A*	*6.5*	
IM U.S. Mid Cap Core Equity (MF) Median	-0.8	N/A	N/A	N/A	N/A	4.3	

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Manager Performance Overview

As of September 30, 2021

	QTR	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Hotchkis & Wiley Small Cap Diversified Value I	**-1.3 (28)**	**N/A**	**N/A**	**N/A**	**N/A**	**2.5 (39)**	**04/01/2021**
Russell 2000 Value Index	*-3.0*	*N/A*	*N/A*	*N/A*	*N/A*	*1.4*	
IM U.S. Small Cap Value Equity (MF) Median	-2.0	N/A	N/A	N/A	N/A	2.1	
Conestoga Small Cap Instl	**4.0 (2)**	**N/A**	**N/A**	**N/A**	**N/A**	**7.6 (10)**	**04/01/2021**
Russell 2000 Growth Index	*-5.7*	*N/A*	*N/A*	*N/A*	*N/A*	*-2.0*	
IM U.S. Small Cap Growth Equity (MF) Median	-2.0	N/A	N/A	N/A	N/A	2.3	
International Equity	**-2.3**	**4.0**	**24.8**	**13.2**	**N/A**	**12.9**	**11/01/2016**
MSCI AC World ex USA (Net)	*-3.0*	*5.9*	*23.9*	*8.0*	*N/A*	*9.4*	
Dodge & Cox International Stock Fund	**-3.3 (93)**	**N/A**	**N/A**	**N/A**	**N/A**	**1.2 (67)**	**04/01/2021**
MSCI AC World ex USA Value (net)	*-2.3*	*N/A*	*N/A*	*N/A*	*N/A*	*1.9*	
IM International Large Cap Value Equity (MF) Median	-1.1	N/A	N/A	N/A	N/A	1.9	
American Funds EuroPacific Growth R6	**-2.3 (60)**	**4.0 (83)**	**24.8 (59)**	**13.2 (1)**	**N/A**	**12.9 (1)**	**11/01/2016**
MSCI AC World ex USA (Net)	*-3.0*	*5.9*	*23.9*	*8.0*	*N/A*	*9.4*	
IM International Large Cap Core Equity (MF) Median	-2.1	7.9	26.3	7.1	N/A	8.8	
Baron Emerging Markets Fund Instl	**-6.5 (36)**	**N/A**	**N/A**	**N/A**	**N/A**	**-1.9 (39)**	**04/01/2021**
MSCI Emerging Markets (Net) Index	*-8.1*	*N/A*	*N/A*	*N/A*	*N/A*	*-3.5*	
IM Emerging Markets Equity (MF) Median	-7.6	N/A	N/A	N/A	N/A	-2.9	
Alternatives	**1.5**	**12.2**	**24.3**	**N/A**	**N/A**	**10.4**	**10/01/2019**
Diversified Real Asset Blended Index	*1.2*	*11.4*	*23.4*	*N/A*	*N/A*	*8.7*	
Principal Diversified Real Asset R6	**1.5**	**12.2**	**24.3**	**N/A**	**N/A**	**10.4**	**10/01/2019**
Diversified Real Asset Blended Index	*1.2*	*11.4*	*23.4*	*N/A*	*N/A*	*8.7*	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies. Composite performance includes all funds held in the composite since inception.

Returns are net of fees unless otherwise stated. Mutual fund performance stated above may differ slightly from the current share class' historical performance due to share class exchanges.

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Definition of Fund/Manager Ratings

MAINTAIN

The fund continues to meet Fiducient Advisors' established quantitative and qualitative performance standards and therefore continues to be recommended as a portfolio holding or menu option.

DISCUSS

The fund exhibits certain characteristics which Fiducient Advisors deem material and therefore worthy of discussion but are less likely to negatively impact our long-term outlook for the investment.

WATCH

The fund exhibits certain characteristics which have caused concern regarding intermediate and/or long-term outcomes. Over an appropriate timeframe, Fiducient Advisors will make a final determination for further action.

TERMINATE

The fund no longer meets Fiducient Advisors' established standards for recommendation as a portfolio holding or menu option.

NO STATUS

The investment is either in process of formal vetting through Fiducient Advisors' established quantitative and qualitative performance standards or Fiducient Advisors is unable to establishing a status on the investment.

Manager Commentary

As of September 30, 2021

Manager	Manager Status	Comments
Fixed Income		
Baird Aggregate Bond Fund Class Institutional (BAGIX)	Maintain	3Q 2021 – The Baird strategy produced a positive return during the third quarter and performed essentially in line with the Bloomberg U.S. Aggregate Bond Index. The Federal Reserve hinted toward tapering its bond buying program later in the year and interest rates moved higher in September as a result. (+) Adding to performance for the quarter was the strategy's underweight to agency MBS. (+) Investments within the corporate space, including an overweight to BBB issues, added to results. (-) An overweight to the belly of the U.S. yield curve, 5-7 years, detracted from relative performance.
Metropolitan West Total Return Bond Pl (MWTSX)	Discuss 3Q 2021	3Q 2021 – The MetWest Total Return strategy produced a positive return during the third quarter and modestly outpaced the Bloomberg U.S. Aggregate Bond Index. Fixed income markets were essentially flat on the quarter as interest rates rose in September and offset the benefit of coupon payments. The team at MetWest continues to believe the corporate market is overvalued and as such remains underweight corporate credit and has generally increase the quality profile of the portfolio, while maintaining liquidity in positions such as agency mortgages. (+) A modestly shorter than benchmark duration posture was beneficial in the rising interest rate environment. (+) An underweight to investment grade corporates contributed as the sector underperformed similar duration Treasuries. (+) Issues selection was favorable within the corporate space, as was the strategy's investments in the non-agency mortgage space. The strategy was placed on Discuss following the announcement of Tad Rivelle's, CIO and Generalist Portfolio Manager, upcoming retirement at the end of the year. The rest of the Generalist team remains intact, and Bryan Whalen and Stephen Kane will take over as co-CIOs.
BlackRock Strategic Income Opportunities Fund K (BSIKX)	Maintain	3Q 2021 - The strategy generated a negative return for the quarter, underperforming broader fixed income benchmarks. Investment grade fixed income markets were slightly positive during the quarter despite headwinds from rising rates and wider spreads. (+) Allocations to high yield corporate credit and non-agency MBS added to returns during the quarter. (-) Exposure to credit issues in Asia served as a headwind on relative returns. (-) Emerging markets bonds weighed on results.

Manager Commentary

As of September 30, 2021

Manager	Manager Status	Comments
PGIM Global Total Return R6 (PGTQX)	Discuss 3Q 2021	3Q 2021 - The strategy lagged its benchmark during the quarter while generating a negative absolute return. Investment grade fixed income markets were slightly positive during the quarter despite headwinds from rising rates and wider spreads. (-) The primary contributor to negative relative performance was the portfolio's long duration bias and yield curve positioning. (+) Security selection was positive across emerging markets sovereign credits. (+) Exposure to developed markets high yield issuers added to relative returns during the quarter. Senior Portfolio Manager Michael Collins is being replaced on the Global Broad Market team by Portfolio Manager Brett Bailey. Brett Bailey joined PGIM in 2007 as a member of the Portfolio Analysis Group. In his prior role Mr. Bailey provided analytical support to the Multi-Sector Team as it relates to country and sector allocation, preparing him to move into the portfolio management position.
Domestic Equity		
Fidelity® Total Market Index Fund (FSKAX)	Maintain	In accordance with its objective, the Fidelity Total Market Index Fund sufficiently tracked its index during the quarter.
Fidelity 500 Index Fund (FXAIX)	Maintain	In accordance with its objective, the Fidelity 500 Index Fund sufficiently tracked its index during the quarter.
Fidelity Mid Cap Index (FSMDX)	Maintain	In accordance with its objective, the Fidelity Mid Cap Index Fund sufficiently tracked its index during the quarter.
Hotchkis & Wiley Small Cap Diversified Value I (HWVIX)	Maintain	3Q 2021 - The Portfolio declined during the quarter and outperformed the Russell 2000 Value Index. U.S. equities were relatively flat during the period, despite besting those of foreign developed and emerging market equities. Growth-oriented segments of the market outperformed value and large cap stocks outperformed small caps. Within the index, financials and energy led while the consumer discretionary and communication services sectors lagged during the period. (+) *Stock selection in financials (+0.5%) and an underweight in communication services (+0.5%)* were the two most significant contributors to performance during the third quarter. (+) Stock selection in consumer discretionary added value (+0.5%) during the quarterly period as well. (-) Ineffective stock selection in energy had the most significant negative impact (-0.3%) within the third quarter. (+) Year-to-date, stock selection in financials (+4%) and sector selection in energy (+2.1%) had the two largest positive impacts on performance. (-) Over the last 3 years, sector selection in energy was the biggest encumbrance to performance (-3.2%). As of 8/31/2021, the largest sector overweights (versus the Russell 2000 Value Index) were in financials (+7%), consumer discretionary (+5%), and industrials (+4.5%). The principal underweights were in health care (-10%), Real Estate (-9%), and communication services (-3%). The position in cash was 3.6%.

Manager Commentary

As of September 30, 2021

Manager	Manager Status	Comments
Conestoga Small Cap Instl (CCALX)	Maintain	3Q 2021 - The Portfolio gained during the quarter and outperformed the Russell 2000 Growth Index. U.S. equities were relatively flat during the period, despite besting those of foreign developed and emerging market equities. Growth-oriented segments of the market outperformed value and large cap stocks outperformed small caps. Within the index, utilities and industrials led while the communication services and health care sectors lagged during the period. (+) Strong stock selection in health care (+3.3%) and in information technology (+3.1%) were the two principal performance contributors for the third quarter. (+) An overweight in industrials boosted performance (+1.1%) for the quarterly period as well. (+) Stock selection in industrials also had a beneficial quarterly impact (+1%). (+) Year-to-date to September 30, stock selection in health care (+6%) and sector selection in health care (+1.8%) were the two biggest positive factors for performance. (+) During the 3-year period, beneficial stock selection in health care was the greatest performance contributor (+3.6%). As of 8/31/2021, the main sector overweights (versus the Russell 2000 Growth Index) were in industrials (+20%), information technology (+7%), and Real Estate (+0.3%). The largest underweights were in consumer discretionary (-9%), health care (-8%), and financials (-5%). The cash weight was 3.5%.
International Equity		
Dodge & Cox International Stock Fund (DODFX)	Maintain	3Q 2021 - The Portfolio declined during the quarter and underperformed the MSCI ACWI Ex USA Value Index. Both developed foreign and emerging market stocks posted negative returns during the quarter. Within developed markets small caps beat large caps and growth outpaced value. Style trends differed within emerging markets with value and small cap stocks fairing best. Regionally, India and Russia were among the strongest performers while China and Brazil were laggards within the index. (-) Unfavorable stock selection in China (-0.6%) and in communication services (-0.5%) were the two biggest drags on performance during the third quarter. (-) Stock selection in South Africa had an undesirable impact (-0.5%) during the quarter as well. (+) An underweight in China was the chief contributor to performance (+0.8%) for the third quarter. (-) Between January 1 and September 30, poor stock selection in consumer discretionary hampered performance the most (-1.3%). (+) For the past 3 years, strong stock selection in health care was the largest contributor to performance (+2.9%). (+) Over 5 years, beneficial stock selection in health care was the chief performance contributor (+4.6%).

Manager Commentary

As of September 30, 2021

Manager	Manager Status	Comments
American Funds EuroPacific Growth R6 (RERGX)	Maintain	3Q 2021 - The Fund declined during the quarter but outperformed the MSCI ACWI Ex USA Index. Both developed foreign and emerging market stocks posted negative returns during the quarter. Within developed markets small caps beat large caps and growth outpaced value. Style trends differed within emerging markets with value and small cap stocks faring best. Regionally, India and Russia were among the strongest performers while China and Brazil were laggards within the index. (+) Stock selection in consumer discretionary (+0.7%) and an overweight in India (+0.6%) were the two most significant contributors to performance during the third quarter. (+) Stock selection in information technology added value (+0.5%) during the quarterly period as well. (-) An overweight in Brazil had the most significant negative impact (-0.8%) within the third quarter. (-) Year-to-date, unfavorable stock selection in Japan (-1.6%) and in financials (-0.9%) were the biggest performance obstacles. (+) Over the last 3 years, strong stock selection in consumer discretionary (+5.1%) and in communication services (+3.6%) were the biggest boosts for performance. (+) For 5 years, beneficial stock selection in consumer discretionary was the largest contributor to performance (+8.2%).
Baron Emerging Markets Fund Instl (BEXIX)	Maintain	3Q 2021 - The Fund declined during the quarter but outperformed the MSCI EM Index. Both developed foreign and emerging market stocks posted negative returns during the quarter. Within developed markets small caps beat large caps and growth outpaced value. Style trends differed within emerging markets with value and small cap stocks fairing best. Regionally, India and Russia were among the strongest performers while Brazil and China were laggards within the index. (+) An overweight in India (+2.3%) and in Russia (+0.7%), the top two performing countries in the quarter, were the two most significant contributors to performance. (+) Stock selection in consumer discretionary added value (+0.6%) during the quarterly period as well. (-) In contrast, poor stock selection in information technology had the most significant negative impact (-1.4%) within the third quarter. (-) Year-to-date, ineffective stock selection in information technology had the biggest drag on performance (-3.4%). (+) Over the last 3 years, strong stock selection in China gave the biggest boost to performance (+4.2%). (+) For 5 years, favorable stock selection in consumer discretionary was the largest contributor to performance (+8%). As of 9/30/2021 , the principal sector or country overweights (versus the MSCI EM Index) were in India (+13%), industrials (+5%), and health care (+3.7%). The chief underweights were in Taiwan (-10%), South Korea (-8%), and China (-6%).

Manager Commentary

As of September 30, 2021

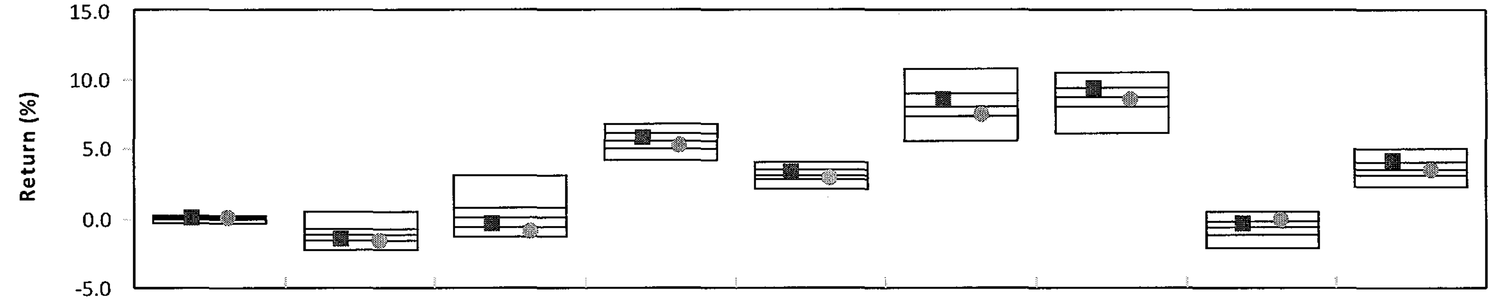
Manager	Manager Status	Comments
Alternatives		
Principal Diversified Real Asset R6 (PDARX)	Maintain	3Q 2021 – The Fund advanced during the period and outperformed its index. Higher inflation persisted during the third quarter, with September year over year headline CPI growth exceeding consensus expectations at 5.4%, while core inflation growth hovered around 4%. Despite the high readings, real asset returns showed mixed results, as investors weighed the Covid Delta variant's potential impact on future economic growth. Commodities moved higher, although their corresponding resource equities were negative this period. Notably, natural gas prices surged on extremely tight inventories globally. Demand for energy shifted to petroleum-based sources, lifting oil prices as well. Meanwhile, gold and other precious metals fell this period, hindered by a rising dollar and a move higher in interest rates. (+) Results within infrastructure benefited relative returns, due in large part to an overweight to transportation names. (+) An overweight to commodities added value, as this was among the best performing real asset categories in the quarter. (-) An overweight to natural resource equities was a hindrance.

Manager Evaluation

Baird Aggregate Bond Fund Class Institutional

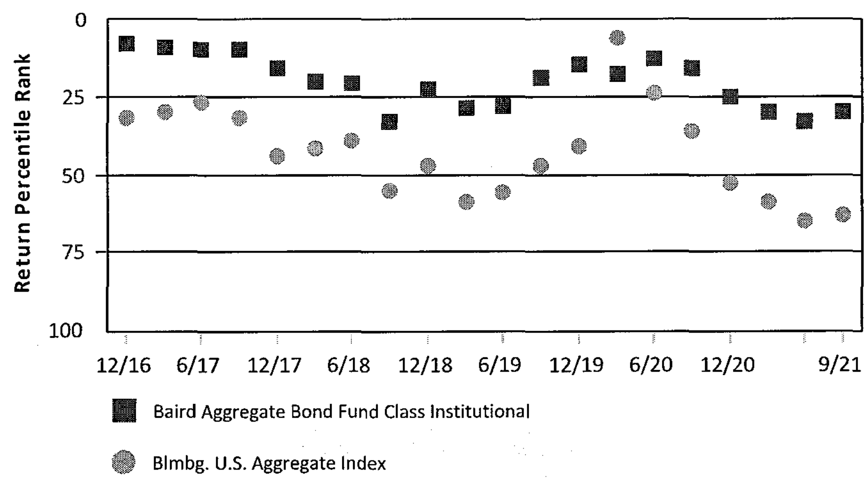
As of September 30, 2021

Peer Group Analysis vs. IM U.S. Broad Market Core Fixed Income (MF)

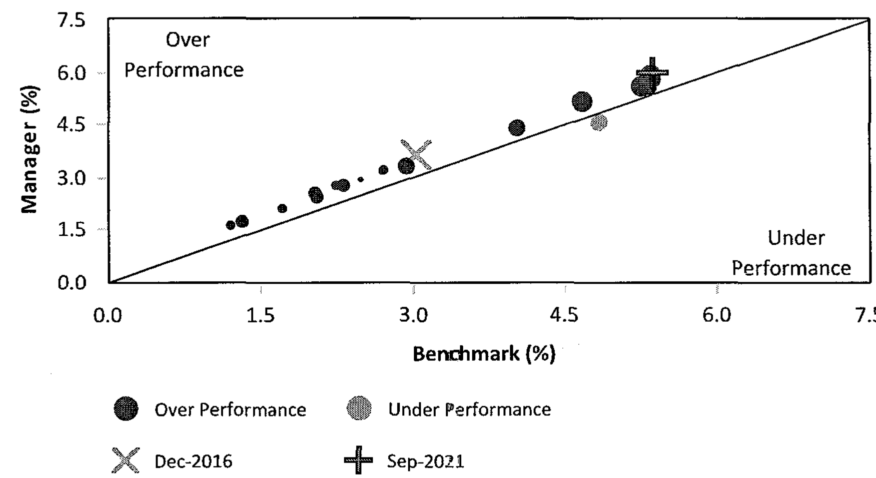


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Baird Aggregate Bond Fund Class Institutional	0.1 (30)	-1.4 (62)	-0.3 (65)	6.0 (30)	3.5 (29)	8.6 (36)	9.5 (28)	-0.3 (32)	4.2 (22)
● Blmbg. U.S. Aggregate Index	0.1 (45)	-1.6 (71)	-0.9 (83)	5.4 (63)	2.9 (66)	7.5 (73)	8.7 (54)	0.0 (17)	3.5 (54)
5th Percentile	0.3	0.5	3.2	6.9	4.1	10.9	10.6	0.5	5.1
1st Quartile	0.1	-0.8	0.9	6.1	3.5	9.1	9.5	-0.2	4.1
Median	0.0	-1.2	0.2	5.6	3.2	8.1	8.8	-0.6	3.6
3rd Quartile	-0.1	-1.6	-0.6	5.1	2.8	7.5	8.1	-1.1	3.1
95th Percentile	-0.3	-2.2	-1.3	4.3	2.2	5.7	6.2	-2.1	2.3

3 Year Rolling Percentile Ranking vs. IM U.S. Broad Market Core Fixed Income (MF)



3 Year Rolling Under/Over Performance vs. Blmbg. U.S. Aggregate Index



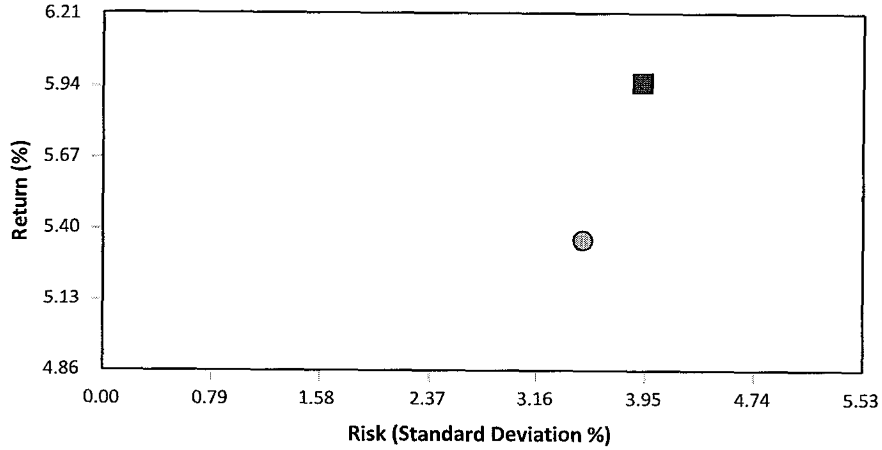
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Baird Aggregate Bond Fund Class Institutional

As of September 30, 2021

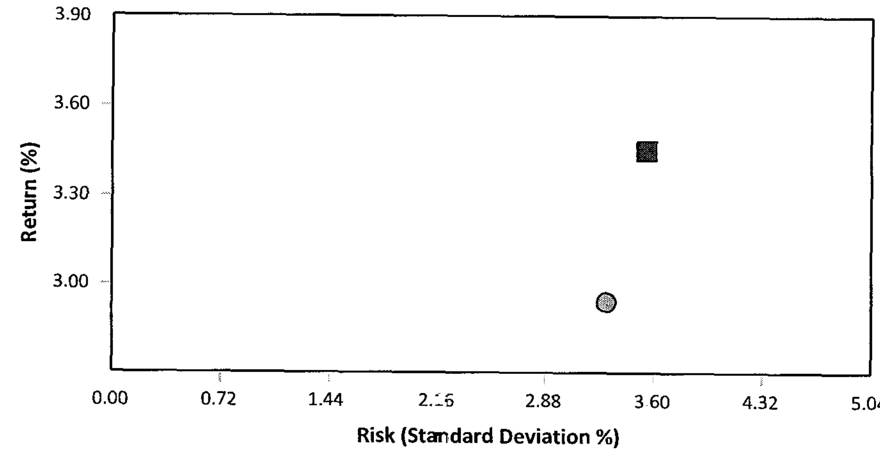
3 Year Risk and Return



Baird Aggregate Bond Fund Class Institutional

Blmbg. U.S. Aggregate Index

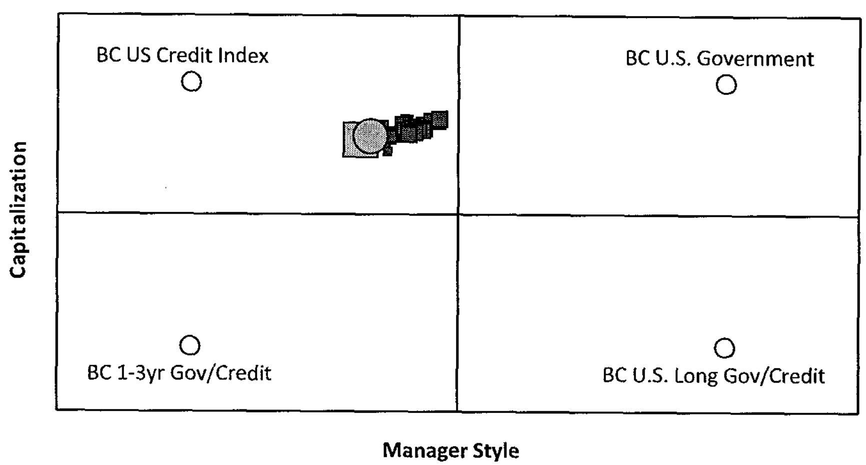
5 Year Risk and Return



Baird Aggregate Bond Fund Class Institutional

Blmbg. U.S. Aggregate Index

Style Map - 3 Years



Style History
Sep-2021
Average Style Exposure

MPT Statistics vs. Blmbg. U.S. Aggregate Index

	3 Years	5 Years
Return	6.0	3.5
Standard Deviation	3.9	3.6
vs. Blmbg. U.S. Aggregate Index		
Alpha	0.2	0.4
Beta	1.1	1.0
R-Squared	0.9	0.9
Consistency	63.9	70.0
Up Market Capture	111.2	110.3
Down Market Capture	111.5	103.9
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.2	0.7

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Baird Aggregate Bond Fund Class Institutional

Report Date September 30, 2021

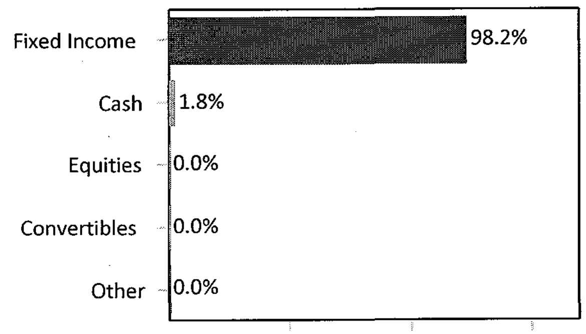
Mutual Fund Information

Fund Name :	Baird Funds, Inc: Baird Aggregate Bond Fund; Institutional Class Shares	Portfolio Assets :	$39,576 Million
Fund Family :	Baird	Fund Assets :	$38,659 Million
Ticker :	BAGIX	Portfolio Manager :	Team Managed
Inception Date :	09/29/2000	PM Tenure :	
Portfolio Turnover :	35%		

Fund Investment Policy

The Fund seeks an annual rate of total return, before fund expenses, greater than the annual rate of total return of the Index. The Fund invests at least 80% of its net assets in the following types of U.S. dollar denominated debt obligations. The Fund may invest in debt obligations of all maturities.

Asset Allocation as of 06/30/21



Top 10 Securities as of 06/30/21

Corporate Notes/Bonds	40.6 %
Treasury Notes/Bonds	28.2 %
GNMA and Other Mtg Backed	27.0 %
Asset Backed Securities	1.2 %
Government Agency Securities	1.2 %

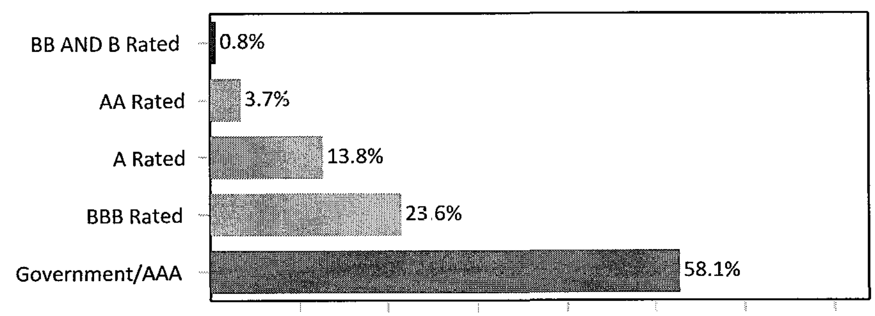
Fixed Income Characteristics as of 06/30/21

Avg. Coupon	N/A
Nominal Maturity	N/A
Effective Maturity	8.29 Years
Duration	6.58 Years
SEC 30 Day Yield	3.9
Avg. Credit Quality	AA

Maturity Distribution as of 09/30/21

Not Enough Data.

Quality Allocation as of 06/30/21



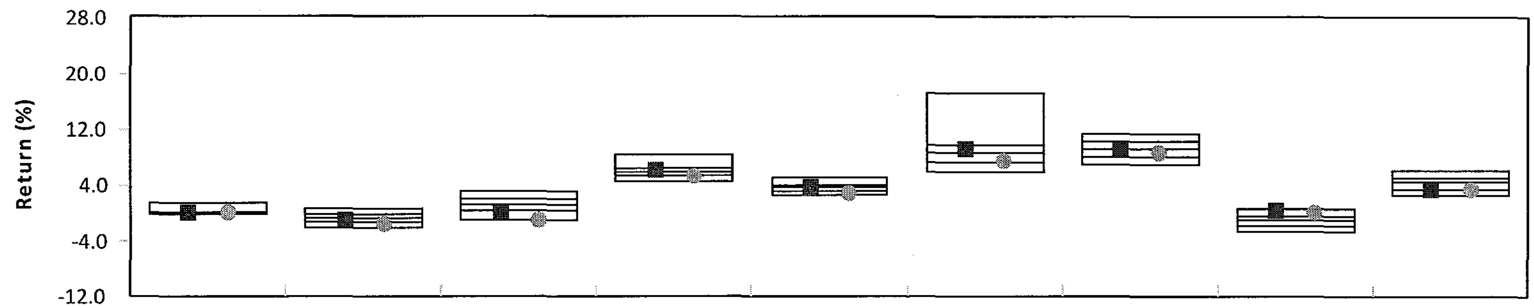
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Metropolitan West Total Return Bond PI

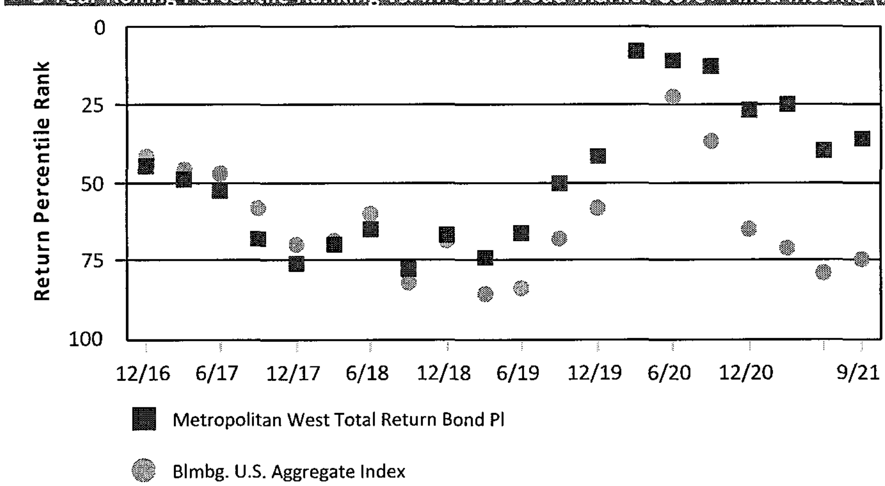
As of September 30, 2021

Peer Group Analysis vs. IM U.S. Broad Market Core+ Fixed Income (MF)

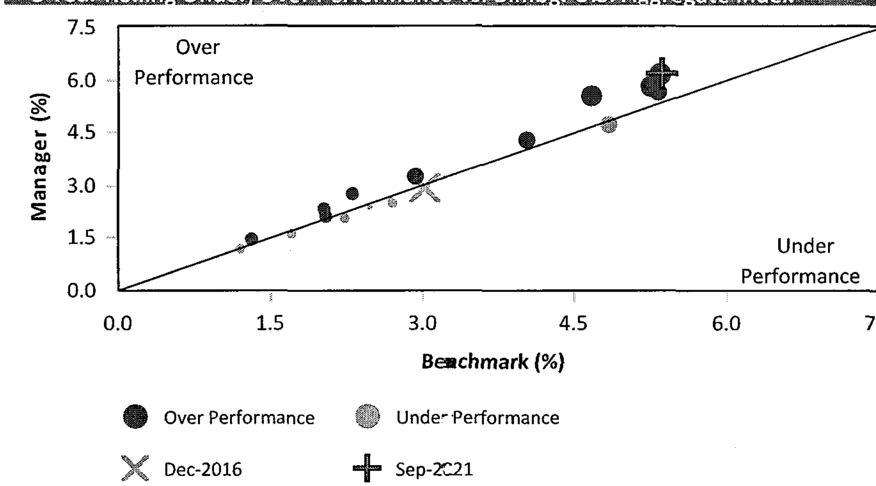


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Metropolitan West Total Return Bond PI	0.1 (44)	-1.0 (64)	0.3 (77)	6.2 (36)	3.6 (53)	9.2 (36)	9.2 (54)	0.3 (10)	3.5 (79)
● Blmbg. U.S. Aggregate Index	0.1 (62)	-1.6 (84)	-0.9 (95)	5.4 (75)	2.9 (86)	7.5 (73)	8.7 (65)	0.0 (17)	3.5 (77)
5th Percentile	1.7	0.8	3.3	8.4	5.0	17.2	11.6	0.7	6.3
1st Quartile	0.2	-0.2	2.1	6.5	4.0	9.8	10.4	-0.4	5.1
Median	0.1	-0.7	1.2	5.9	3.6	8.6	9.3	-1.0	4.5
3rd Quartile	0.0	-1.3	0.3	5.3	3.2	7.4	8.3	-1.7	3.6
95th Percentile	-0.3	-2.2	-1.0	4.4	2.5	5.9	7.1	-2.7	2.7

3 Year Rolling Percentile Ranking vs. IM U.S. Broad Market Core+ Fixed Income (MF)



3 Year Rolling Under/Over Performance vs. Blmbg. U.S. Aggregate Index



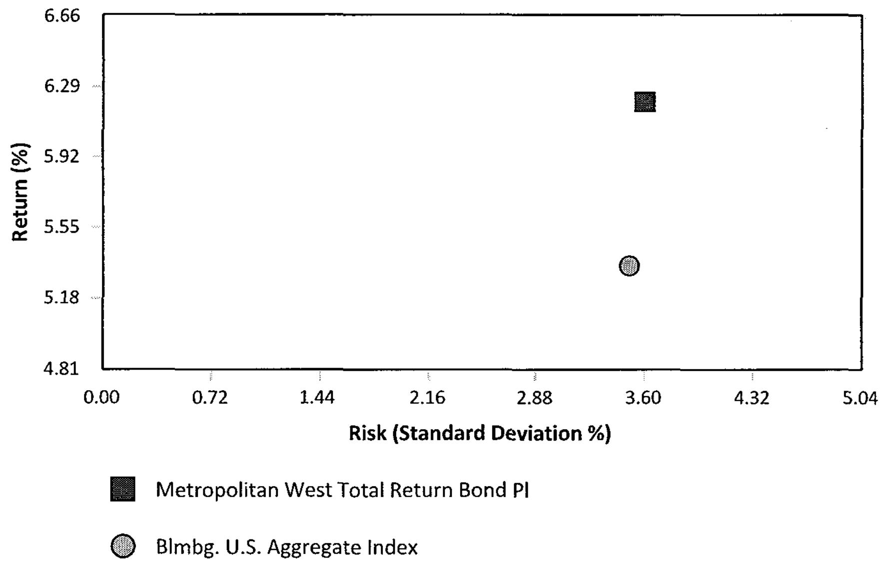
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

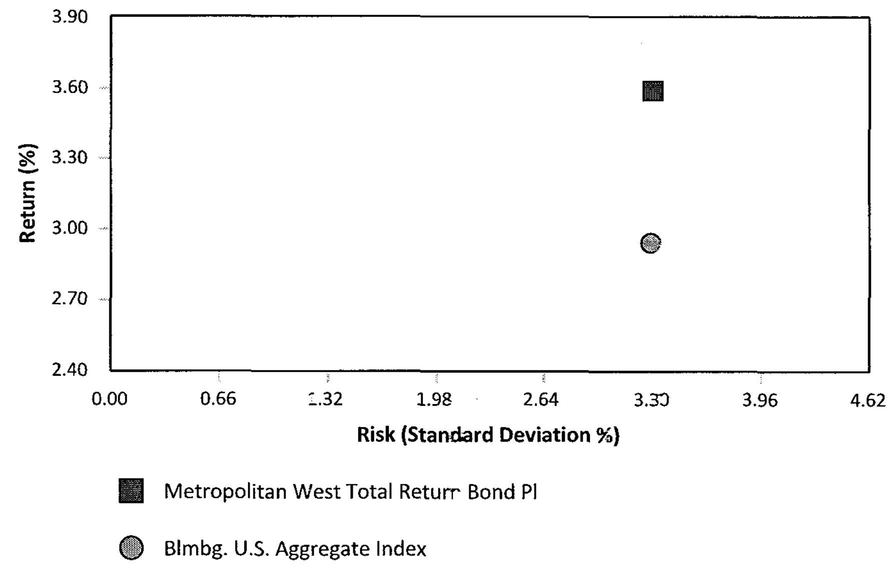
Metropolitan West Total Return Bond Pl

As of September 30, 2021

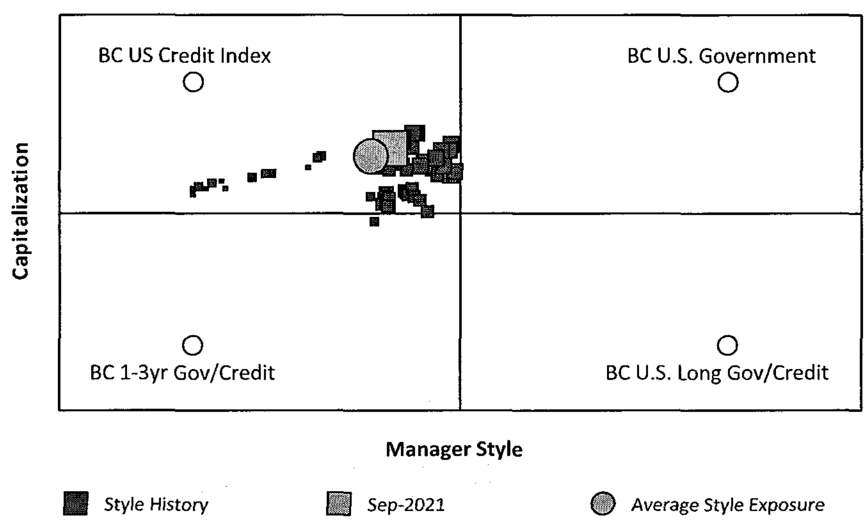
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. Blmbg. U.S. Aggregate Index

	3 Years	5 Years
Return	6.2	3.6
Standard Deviation	3.6	3.3
vs. Blmbg. U.S. Aggregate Index		
Alpha	0.8	0.7
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	63.9	61.7
Up Market Capture	107.9	105.0
Down Market Capture	92.8	89.3
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	1.4	0.7

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Metropolitan West Total Return Bond Pl

Report Date September 30, 2021

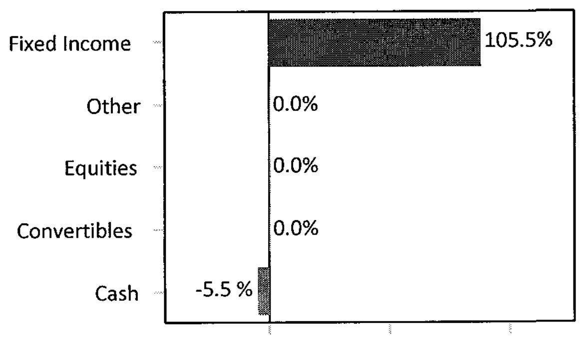
Mutual Fund Information

Fund Name :	Metropolitan West Funds: MetWest Total Return Bond Fund; Plan Class Shares	Portfolio Assets :	$86,440 Million
Fund Family :	Metropolitan West Asset Management	Fund Assets :	$24,169 Million
Ticker :	MWTSX	Portfolio Manager :	Team Managed
Inception Date :	07/29/2011	PM Tenure :	
Portfolio Turnover :	470%		

Fund Investment Policy

The Fund seeks to maximize long-term total return. The Fund invests at least 80% of its net assets in investment grade fixed income securities or unrated securities that are determined by the Adviser to be of similar quality. Up to 20% of the Funds net assets may be invested in securities rated below investment grade.

Asset Allocation as of 06/30/21



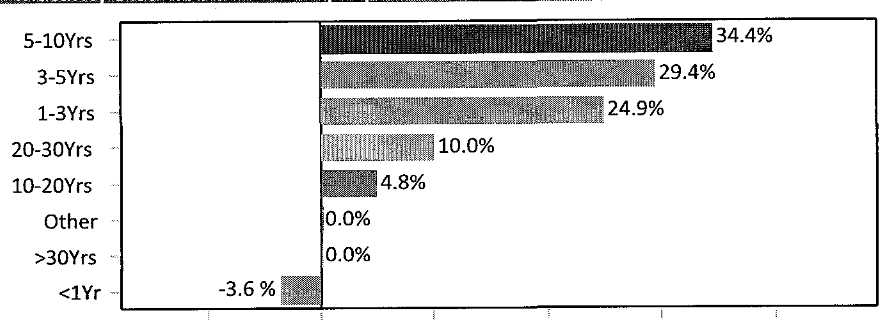
Top 10 Securities as of 06/30/21

GNMA and Other Mtg Backed	40.0 %
Government Agency Securities	37.0 %
Corporate Notes/Bonds	24.8 %
Asset Backed Securities	3.7 %

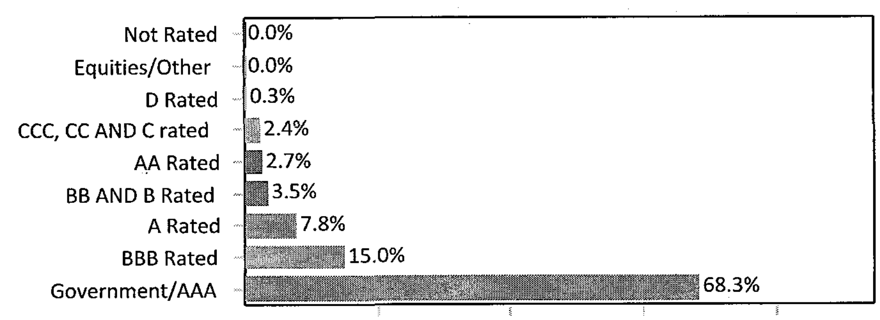
Fixed Income Characteristics as of 06/30/21

Avg. Coupon	2.23 %
Nominal Maturity	8.11 Years
Effective Maturity	N/A
Duration	6.04 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	AA

Maturity Distribution as of 06/30/21



Quality Allocation as of 06/30/21



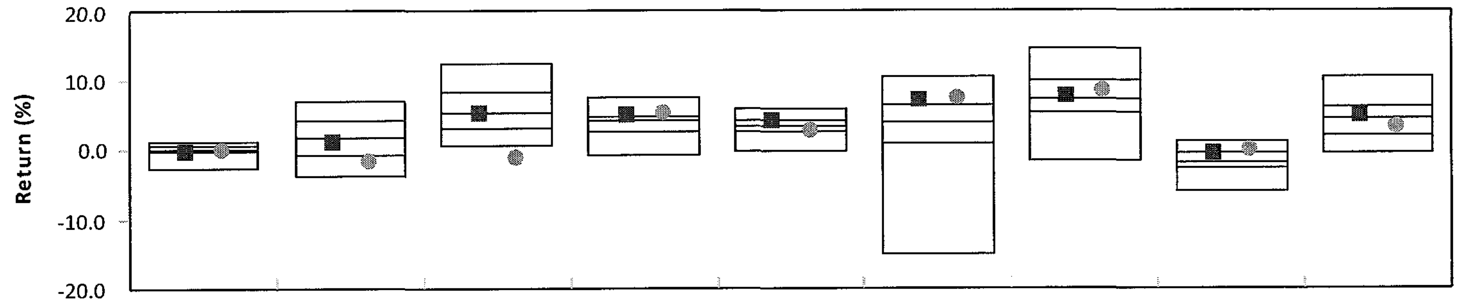
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

BlackRock Strategic Income Opportunities Fund K

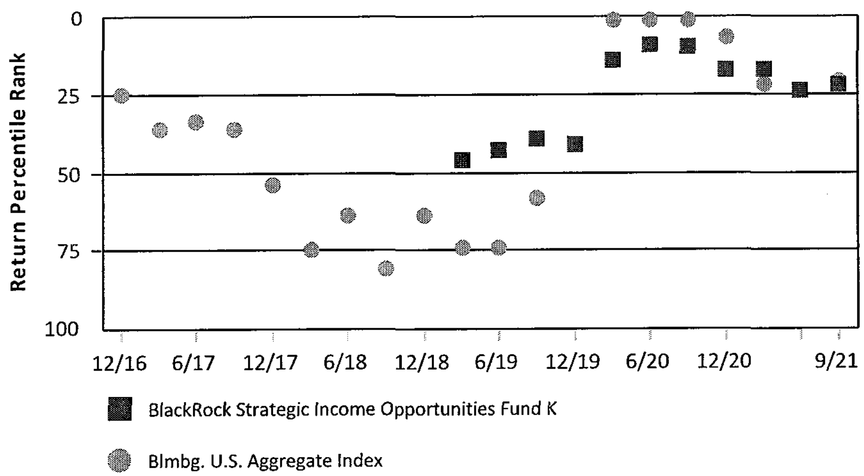
As of September 30, 2021

Peer Group Analysis vs. IM Alternative Credit Focus (MF)

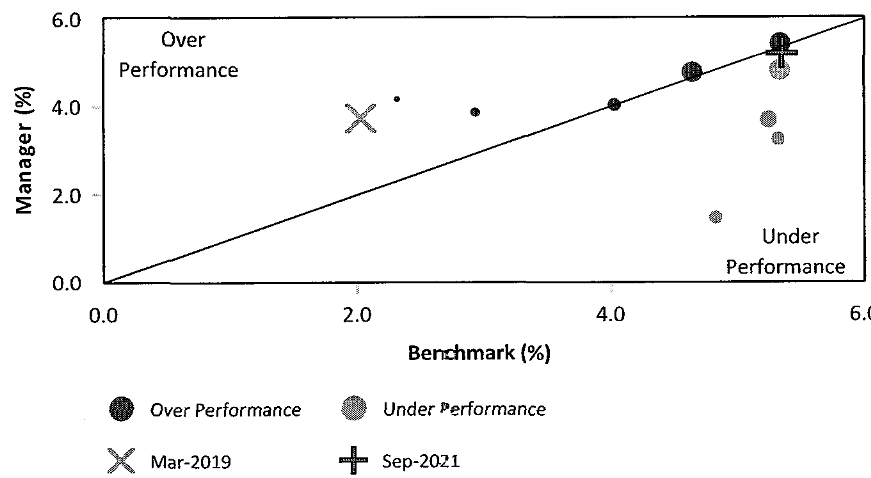


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ BlackRock Strategic Income Opportunities Fund K	-0.1 (68)	1.3 (58)	5.4 (52)	5.2 (22)	4.4 (28)	7.3 (17)	7.8 (43)	-0.5 (29)	5.0 (43)
● Blmbg. U.S. Aggregate Index	0.1 (60)	-1.6 (87)	-0.9 (99)	5.4 (21)	2.9 (68)	7.5 (16)	8.7 (34)	0.0 (18)	3.5 (63)
5th Percentile	1.2	7.1	12.5	7.7	6.1	10.6	14.9	1.2	10.5
1st Quartile	0.6	4.3	8.3	4.9	4.4	6.5	10.0	-0.3	6.2
Median	0.2	1.7	5.5	4.2	3.5	3.9	7.3	-1.9	4.5
3rd Quartile	-0.1	-0.8	3.2	2.6	2.5	0.9	5.4	-2.7	2.1
95th Percentile	-2.7	-3.7	0.8	-0.7	-0.2	-14.9	-1.5	-5.8	-0.5

3 Year Rolling Percentile Ranking vs. IM Alternative Credit Focus (MF)



3 Year Rolling Under/Over Performance vs. Blmbg. U.S. Aggregate Index



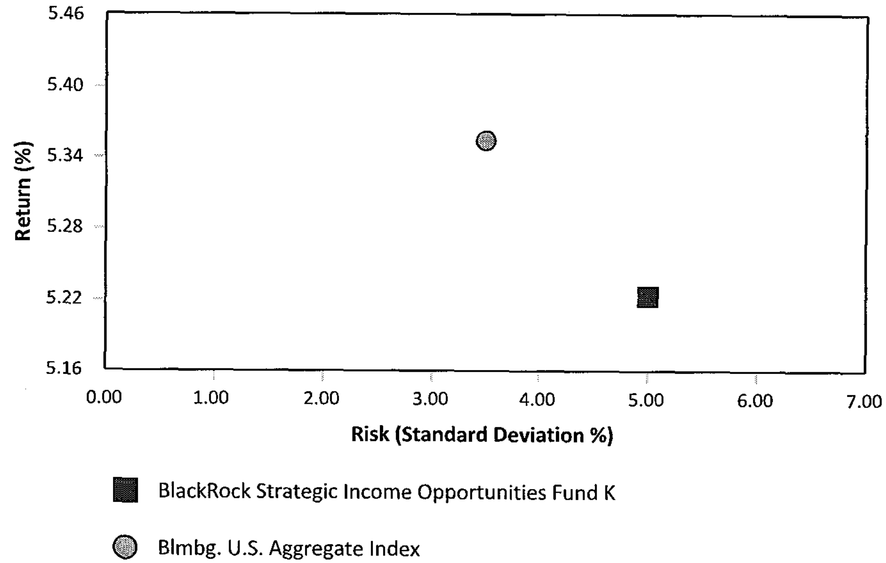
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

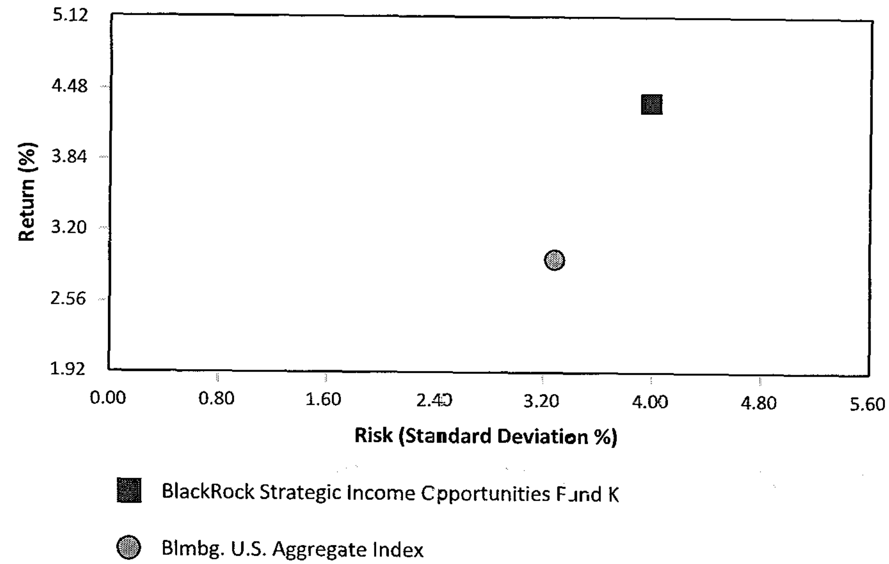
BlackRock Strategic Income Opportunities Fund K

As of September 30, 2021

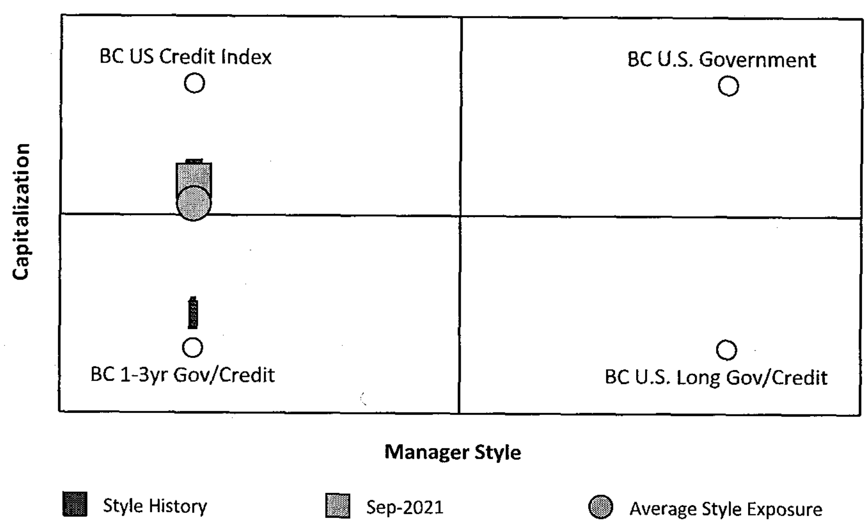
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. Blmbg. U.S. Aggregate Index

	3 Years	5 Years
Return	5.2	4.4
Standard Deviation	5.0	4.0
vs. Blmbg. U.S. Aggregate Index		
Alpha	2.7	3.3
Beta	0.5	0.4
R-Squared	0.1	0.1
Consistency	69.4	70.0
Up Market Capture	84.5	81.5
Down Market Capture	55.6	18.3
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.8	0.8

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

BlackRock Strategic Income Opportunities Fund K

Report Date September 30, 2021

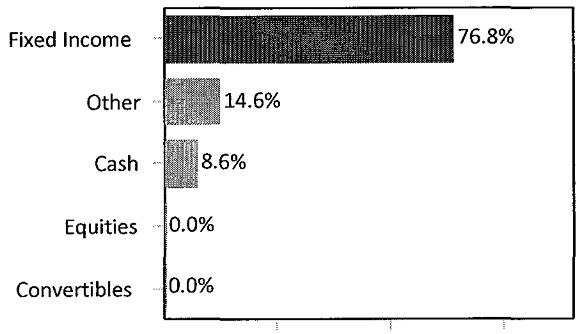
Mutual Fund Information

Fund Name :	BlackRock Funds V: BlackRock Strategic Income Opportunities Portfolio; Class K Shares	Portfolio Assets :	$44,299 Million
Fund Family :	BlackRock	Fund Assets :	$9,915 Million
Ticker :	BSIKX	Portfolio Manager :	Rieder/Miller/Rogal
Inception Date :	03/28/2016	PM Tenure :	2016--2016--2017
Portfolio Turnover :	1,515%		

Fund Investment Policy

The Fund seeks total return as is consistent with the preservation of capital. The Fund will invest opportunistically across the spectrum of fixed income sectors and securities. Allocations to all sectors are unconstrained and the fund may invest in non-investment-grade, non-dollar-denominated and emerging markets.

Asset Allocation as of 06/30/21



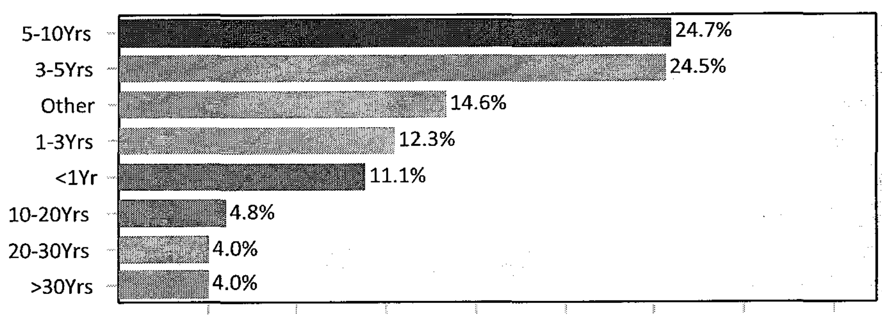
Top 10 Securities as of 06/30/21

Fgn. Currency Denominated Bonds	25.0 %
GNMA and Other Mtg Backed	15.7 %
Corporate Notes/Bonds	13.8 %
Treasury Notes/Bonds	12.2 %
Asset Backed Securities	10.0 %

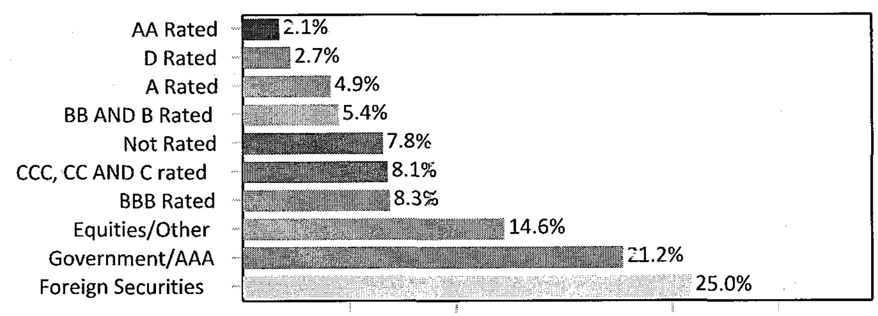
Fixed Income Characteristics as of 06/30/21

Avg. Coupon	3.24 %
Nominal Maturity	N/A
Effective Maturity	7.62 Years
Duration	1.28 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	BBB

Maturity Distribution as of 06/30/21



Quality Allocation as of 06/30/21



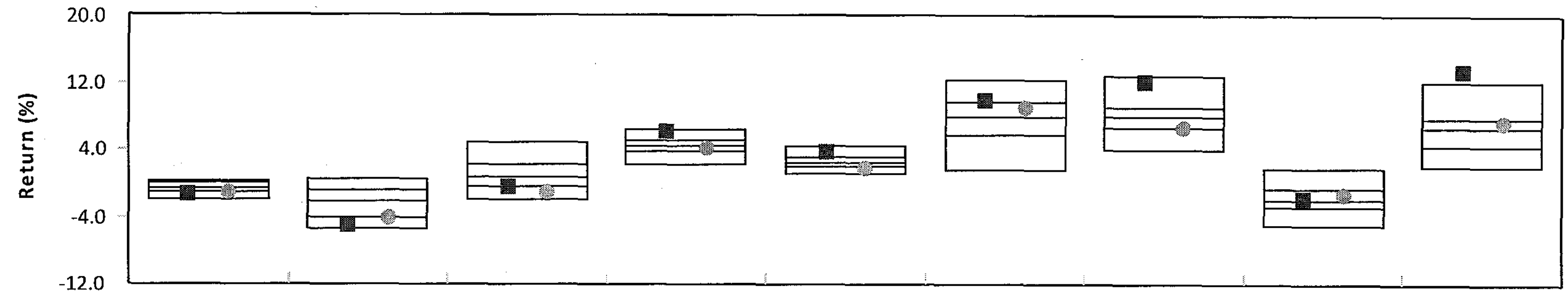
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

PGIM Global Total Return R6

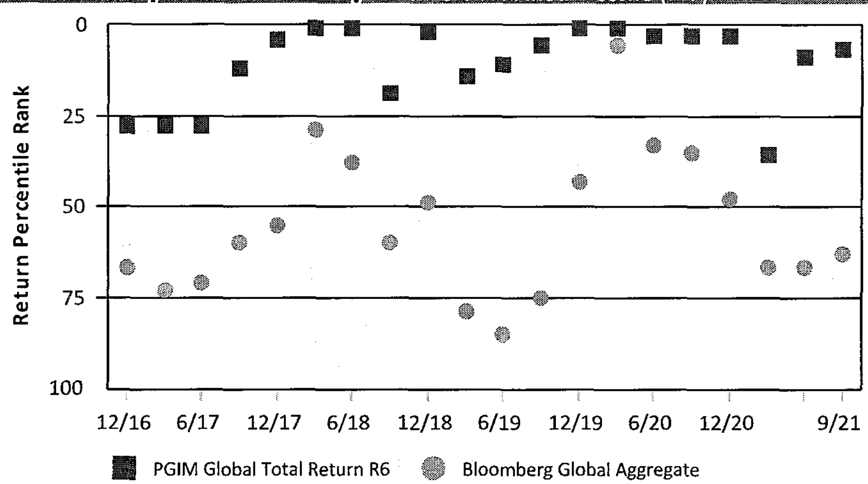
As of September 30, 2021

Peer Group Analysis vs. IM Global Fixed Income (MF)

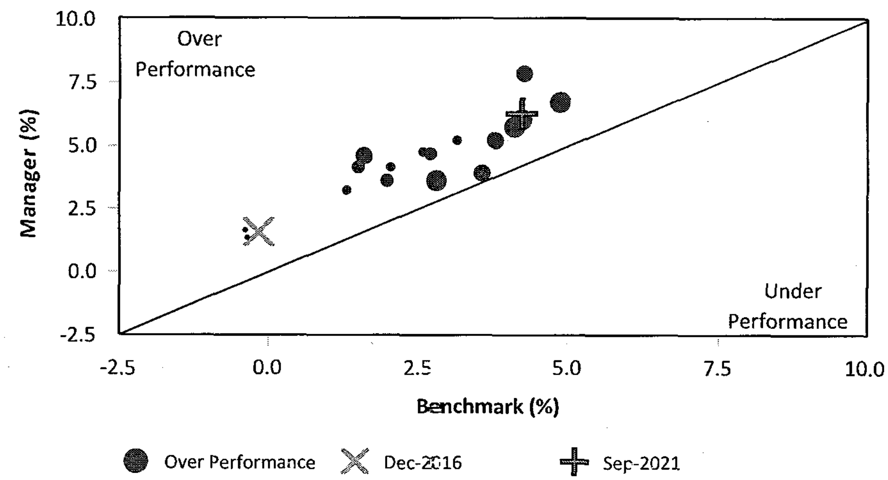


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ PGIM Global Total Return R6	-1.1 (81)	-5.0 (92)	-0.2 (75)	6.3 (7)	3.9 (13)	10.1 (22)	12.3 (6)	-1.6 (45)	13.6 (1)
● Bloomberg Global Aggregate	-0.9 (70)	-4.1 (75)	-0.9 (89)	4.2 (63)	2.0 (79)	9.2 (36)	6.8 (77)	-1.2 (40)	7.4 (39)
5th Percentile	0.3	0.5	4.9	6.6	4.4	12.4	12.9	1.8	12.3
1st Quartile	0.0	-0.7	2.4	5.3	3.2	9.8	9.2	-0.5	7.9
Median	-0.4	-2.2	0.8	4.5	2.6	8.2	8.1	-1.8	6.8
3rd Quartile	-1.0	-4.1	-0.2	3.9	2.1	5.9	6.9	-2.8	4.6
95th Percentile	-1.8	-5.4	-1.7	2.3	1.1	1.7	4.0	-5.0	2.2

3 Year Rolling Percentile Ranking vs. IM Global Fixed Income (MF)



3 Year Rolling Under/Over Performance vs. Bloomberg Global Aggregate



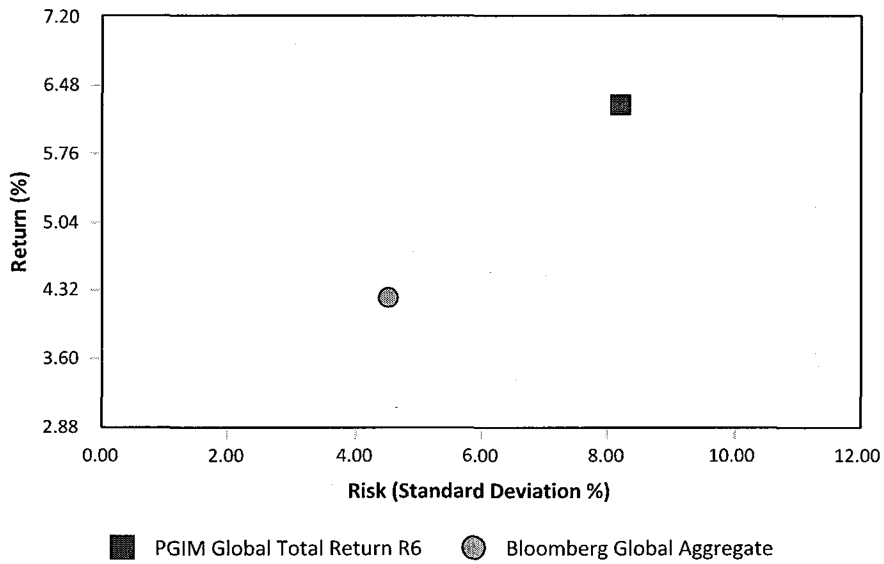
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

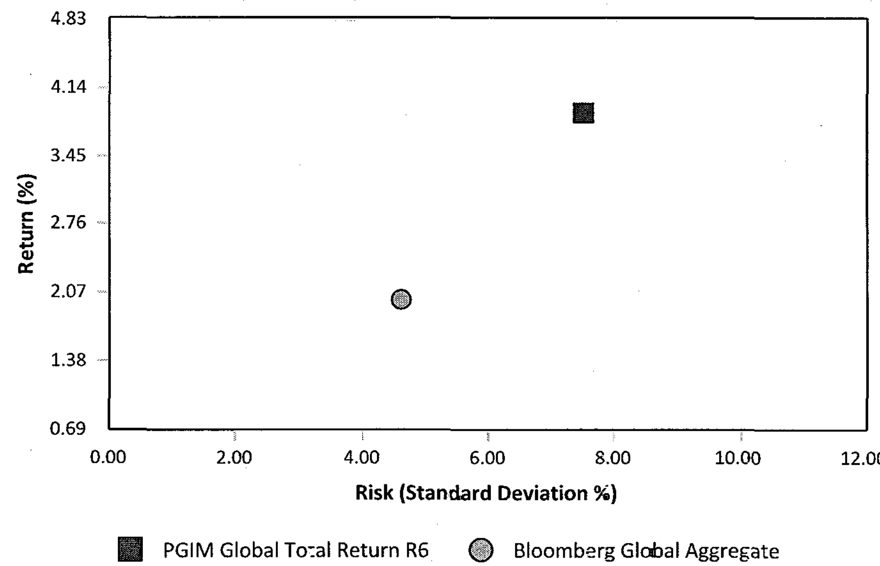
PGIM Global Total Return R6

As of September 30, 2021

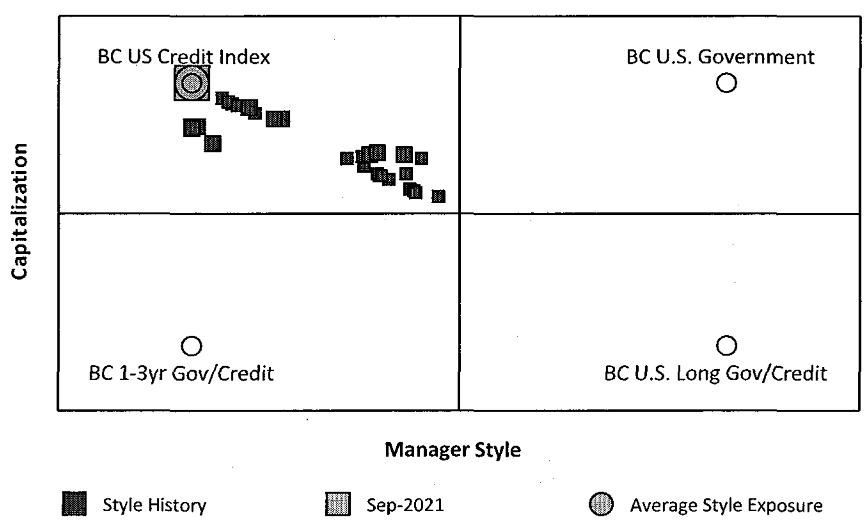
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. Bloomberg Global Aggregate

	3 Years	5 Years
Return	6.3	3.9
Standard Deviation	8.2	7.5
vs. Bloomberg Global Aggregate		
Alpha	-0.3	1.1
Beta	1.6	1.4
R-Squared	0.8	0.8
Consistency	77.8	78.3
Up Market Capture	148.0	146.6
Down Market Capture	145.3	127.6
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.6	0.4

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

PGIM Global Total Return R6

Report Date September 30, 2021

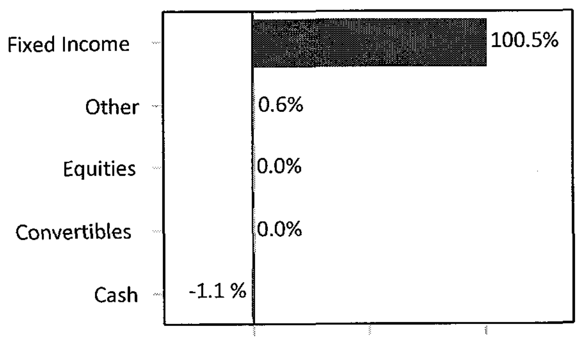
Mutual Fund Information

Fund Name :	PGIM Global Total Return Fund; Class R6 Shares	Portfolio Assets :	$6,069 Million
Fund Family :	PGIM Investments	Fund Assets :	$2,759 Million
Ticker :	PGTQX	Portfolio Manager :	Tipp/Angelucci/Bailey
Inception Date :	02/03/2012	PM Tenure :	2012--2018--2021
Portfolio Turnover :	20%		

Fund Investment Policy

The Fund seeks total return-the components of which are current income and capital appreciation. The Fund invests primarily in debt securities issued or guaranteed by governments, semi-government entities, government agencies, supranational entities and other governmental entities in the US and other countries.

Asset Allocation as of 06/30/21



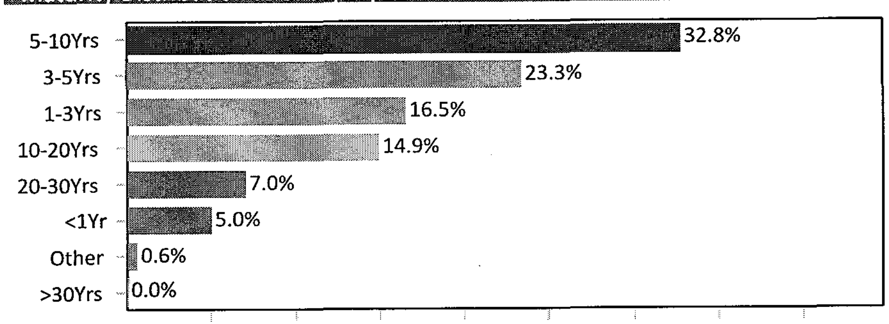
Top 10 Securities as of 06/30/21

Corporate Notes/Bonds	32.1 %
Fgn. Currency Denominated Bonds	23.1 %
US$ Denominated Fgn. Gvt.	18.4 %
Asset Backed Securities	18.3 %
GNMA and Other Mtg Backed	5.9 %
Government Agency Securities	2.2 %
Treasury Notes/Bonds	0.4 %

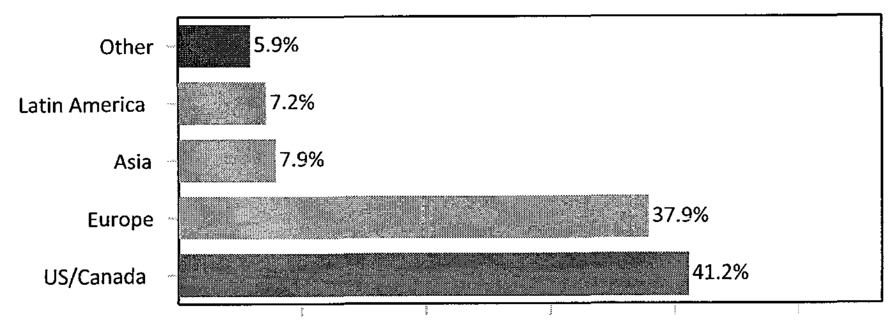
Fixed Income Characteristics as of 06/30/21

Avg. Coupon	N/A
Nominal Maturity	7.70 Years
Effective Maturity	N/A
Duration	9.76 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	N/A

Maturity Distribution as of 06/30/21



Quality Allocation as of 06/30/21



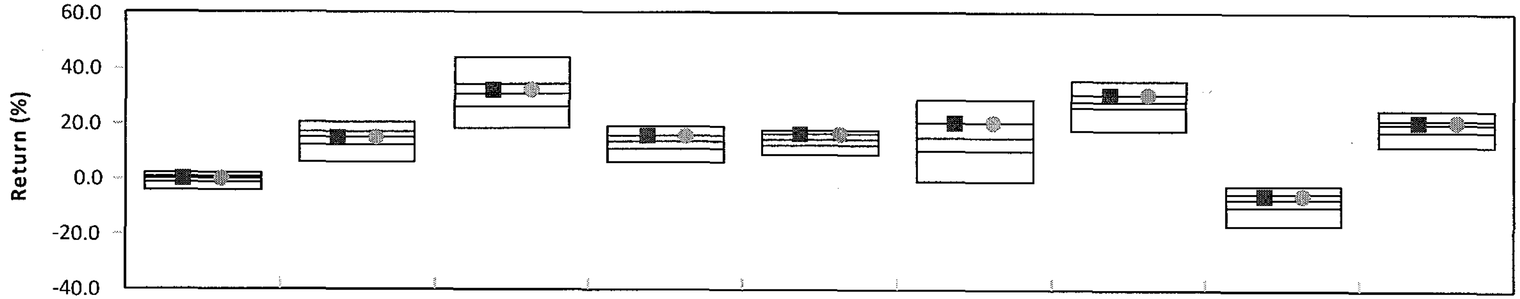
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity Total Market Index Fund

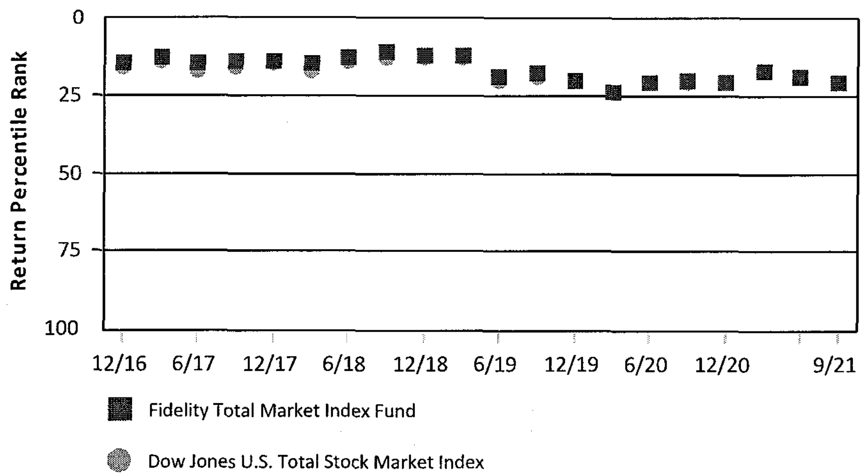
As of September 30, 2021

Peer Group Analysis vs. IM U.S. Multi-Cap Core Equity (MF)

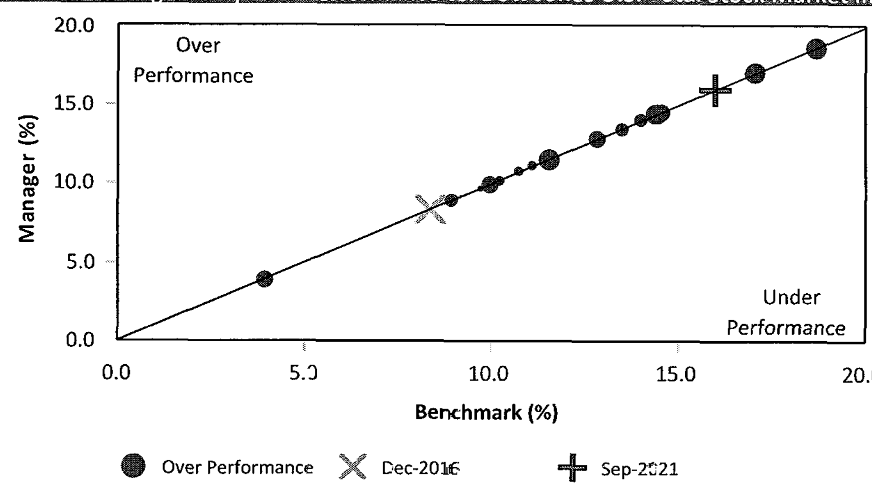


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Fidelity Total Market Index Fund	-0.1 (46)	15.1 (47)	32.1 (39)	16.0 (21)	16.8 (18)	20.8 (25)	30.9 (25)	-5.3 (28)	21.2 (39)
● Dow Jones U.S. Total Stock Market Index	-0.1 (46)	15.1 (47)	32.1 (38)	16.0 (21)	16.8 (18)	20.8 (25)	30.9 (25)	-5.3 (28)	21.2 (40)
5th Percentile	2.1	20.6	44.2	19.0	18.2	29.2	35.6	-2.0	25.7
1st Quartile	0.5	16.9	34.3	15.6	16.5	20.8	30.9	-5.1	22.4
Median	-0.2	15.0	30.9	13.4	14.7	15.4	28.2	-7.2	20.6
3rd Quartile	-1.1	12.4	26.4	11.2	12.7	10.6	25.9	-9.7	17.7
95th Percentile	-3.8	6.0	18.6	6.4	8.6	-0.8	18.1	-16.3	12.2

3 Year Rolling Percentile Ranking vs. IM U.S. Multi-Cap Core Equity (MF)



3 Year Rolling Under/Over Performance vs. Dow Jones U.S. Total Stock Market Index



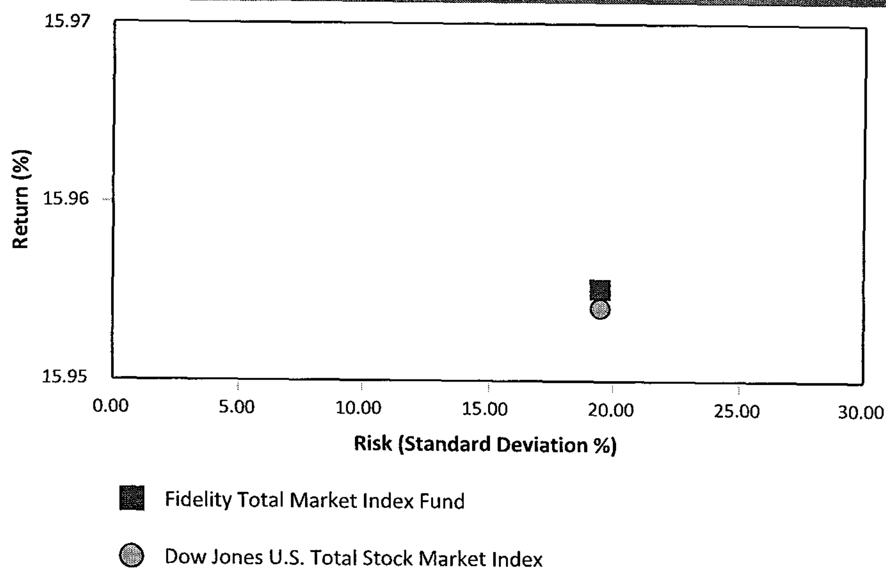
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

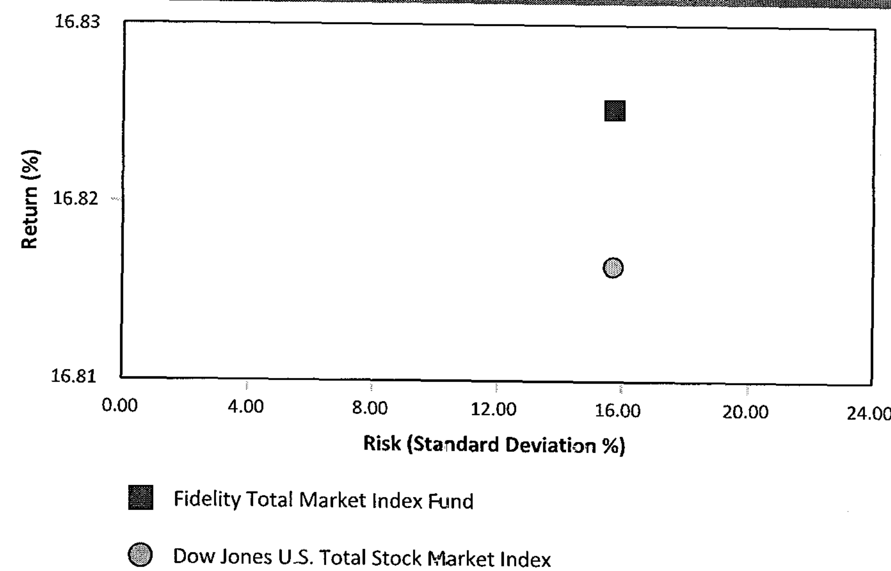
Fidelity Total Market Index Fund

As of September 30, 2021

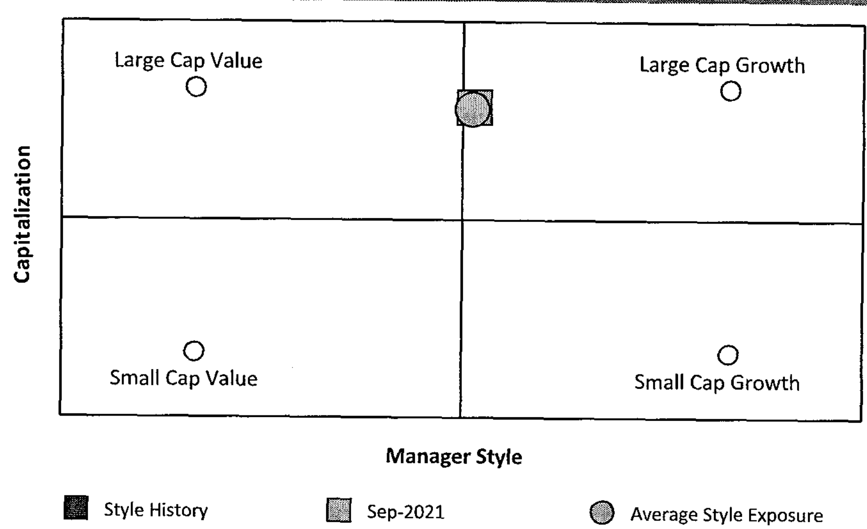
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. Dow Jones U.S. Total Stock Market Index

	3 Years	5 Years
Return	16.0	16.8
Standard Deviation	19.4	15.7
vs. Dow Jones U.S. Total Stock Market Index		
Alpha	0.0	0.0
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	38.9	46.7
Up Market Capture	100.0	100.0
Down Market Capture	100.0	100.0
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.8	1.0

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity Total Market Index Fund

Report Date September 30, 2021

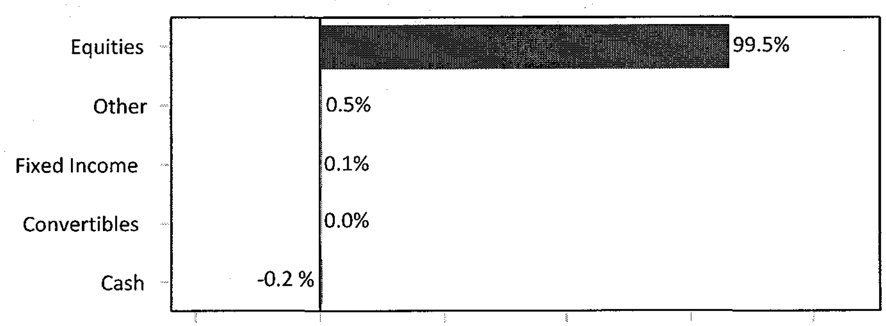
Mutual Fund Information

Fund Name :	Fidelity Concord Street Trust: Fidelity Total Market Index Fund	Portfolio Assets :	$114,808 Million
Fund Family :	Fidelity Management & Research Company	Fund Assets :	$67,519 Million
Ticker :	FSKAX	Portfolio Manager :	Team Managed
Inception Date :	09/08/2011	PM Tenure :	
Portfolio Turnover :	6%		

Fund Investment Policy

The Fund seeks to provide investment results corresponding to the total return of a broad range of United States stocks. The Fund invests at least 80% of its assets in common stocks included in the Dow Jones US Total Stock Market Index, which represents the performance of a broad range of U.S. stocks.

Asset Allocation as of 04/30/21



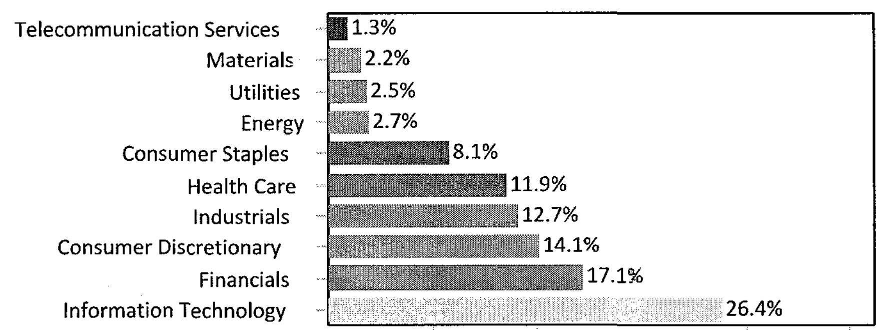
Top 10 Securities as of 04/30/21

Apple Inc ORD	4.8 %
Microsoft Corp ORD	4.4 %
Amazon.com Inc ORD	3.4 %
Facebook Inc ORD	1.8 %
Alphabet Inc ORD 1	1.6 %
Alphabet Inc ORD 2	1.6 %
Tesla Inc ORD	1.3 %
Berkshire Hathaway Inc ORD	1.2 %
JPMorgan Chase & Co ORD	1.1 %
Johnson & Johnson ORD	1.0 %

Equity Characteristics as of 04/30/21

Total Securities	3,673
Avg. Market Cap	$408,511 Million
P/E	35.6
P/B	10.0
Div. Yield	1.8%
Annual EPS	7.5
5Yr EPS	16.2
3Yr EPS Growth	15.2

Sector Allocation as of 04/30/21



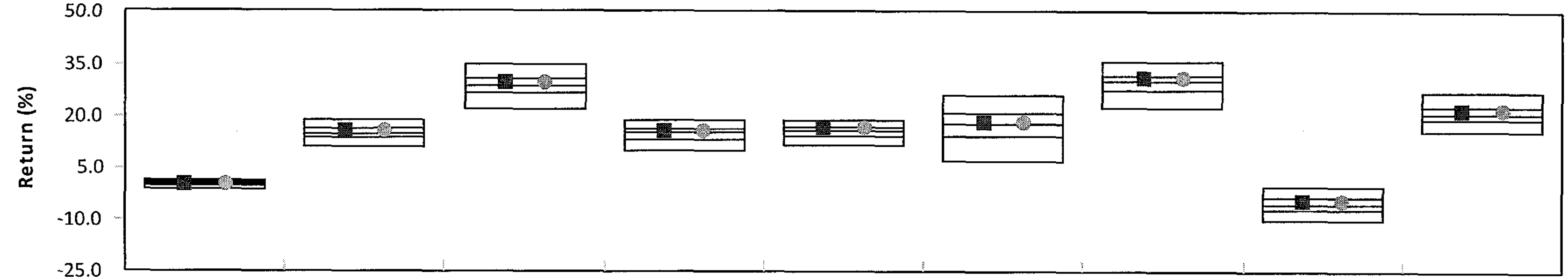
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity 500 Index Fund

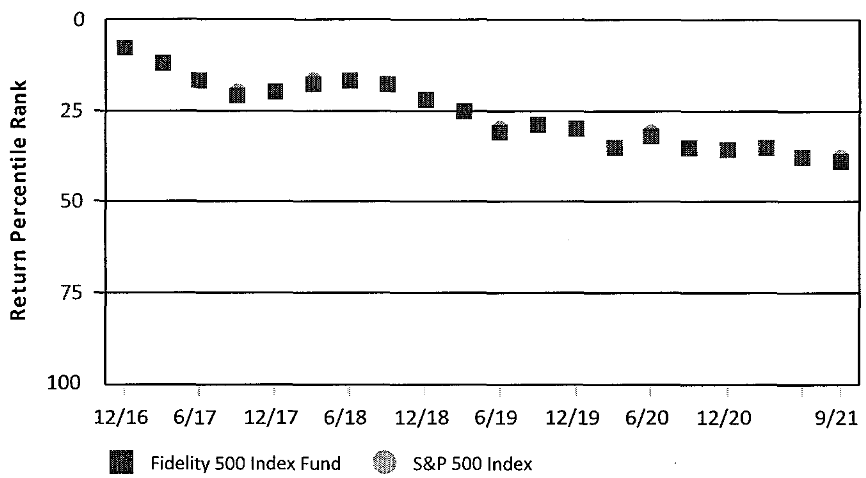
As of September 30, 2021

Peer Group Analysis vs. IM U.S. Large Cap Core Equity (MF)

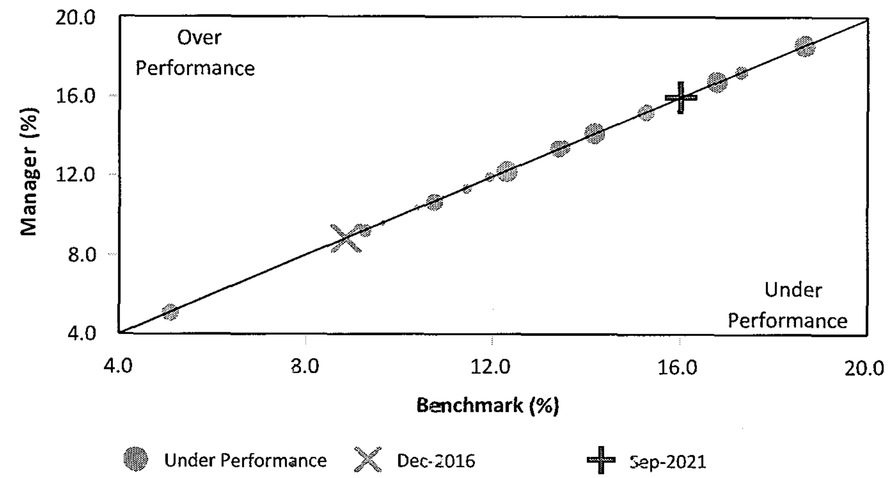


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Fidelity 500 Index Fund	0.6 (30)	15.9 (32)	30.0 (35)	16.0 (39)	16.9 (32)	18.4 (46)	31.5 (34)	-4.4 (55)	21.8 (42)
● S&P 500 Index	0.6 (30)	15.9 (31)	30.0 (35)	16.0 (38)	16.9 (32)	18.4 (46)	31.5 (33)	-4.4 (55)	21.8 (42)
5th Percentile	1.6	18.7	35.2	18.8	18.9	26.1	35.9	-0.2	27.1
1st Quartile	0.7	16.2	30.6	16.6	17.1	21.0	32.1	-3.2	23.3
Median	0.2	15.0	28.7	15.2	16.0	17.7	30.2	-5.3	21.2
3rd Quartile	-0.3	13.6	26.9	13.3	14.4	14.1	27.5	-6.8	19.3
95th Percentile	-1.4	11.0	22.1	10.1	11.7	6.9	22.8	-9.9	15.8

3 Year Rolling Percentile Ranking vs. IM U.S. Large Cap Core Equity (MF)



3 Year Rolling Under/Over Performance vs. S&P 500 Index



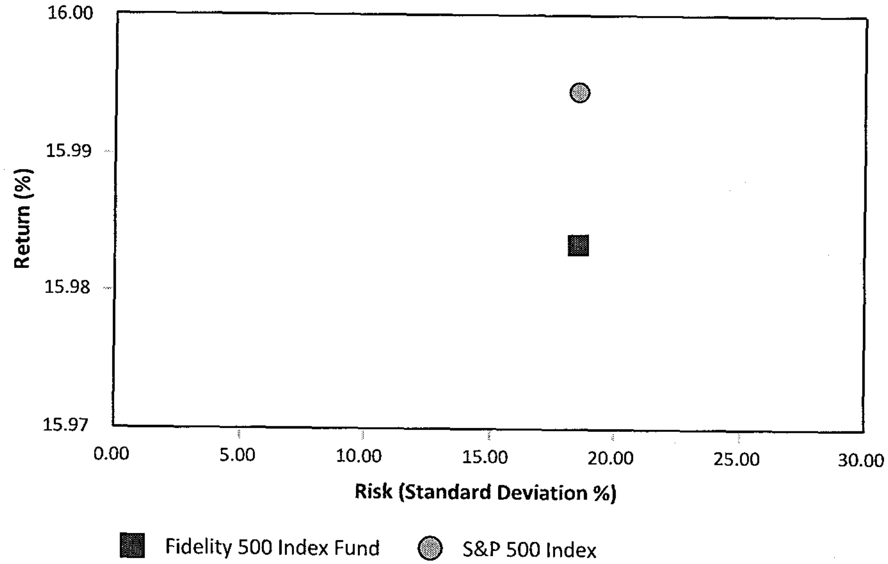
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

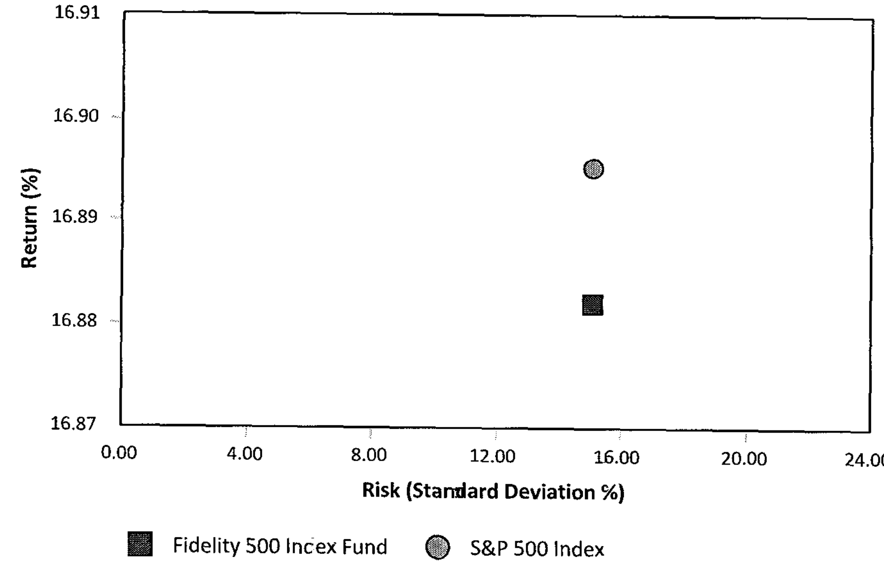
Fidelity 500 Index Fund

As of September 30, 2021

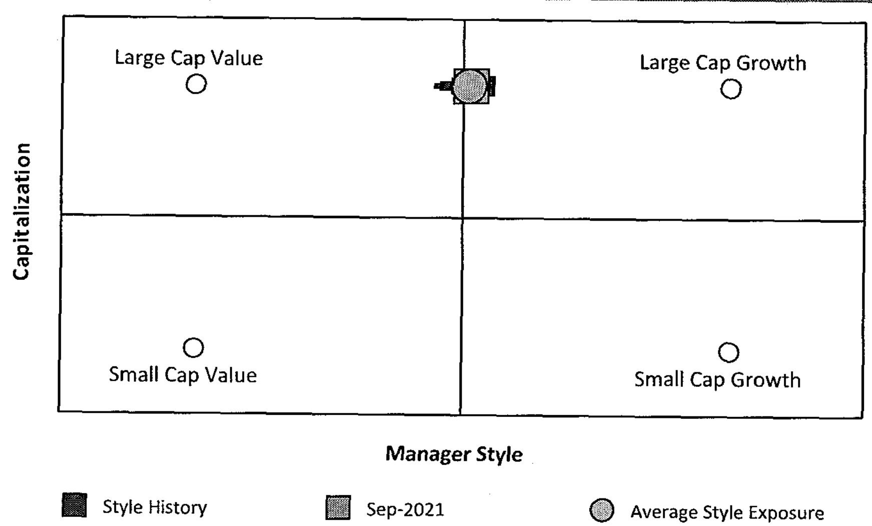
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. S&P 500 Index

	3 Years	5 Years
Return	16.0	16.9
Standard Deviation	18.5	15.1
vs. S&P 500 Index		
Alpha	0.0	0.0
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	41.7	45.0
Up Market Capture	100.0	100.0
Down Market Capture	100.0	100.0
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.8	1.0

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity 500 Index Fund

Report Date September 30, 2021

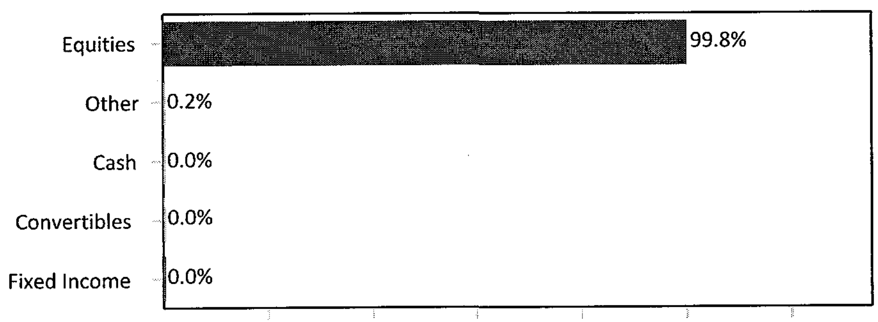
Mutual Fund Information

Fund Name :	Fidelity Concord Street Trust: Fidelity 500 Index Fund	Portfolio Assets :	$500,472 Million
Fund Family :	Fidelity Investments	Fund Assets :	$379,809 Million
Ticker :	FXAIX	Portfolio Manager :	Team Managed
Inception Date :	05/04/2011	PM Tenure :	
Portfolio Turnover :	7%		

Fund Investment Policy

The Fund seeks a total return which corresponds to that of the S&P 500 Index. The Fund invests at least 80% of its assets in common stocks included in the Index. The Fund may lend securities to earn income and uses statistical sampling techniques in stock selection.

Asset Allocation as of 08/31/21



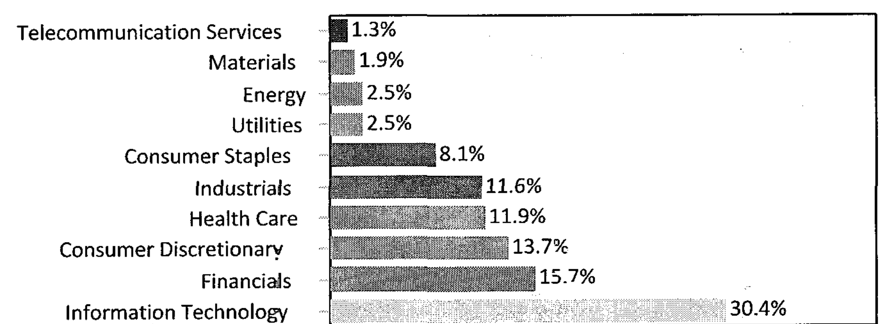
Top 10 Securities as of 08/31/21

Apple Inc ORD	6.2 %
Microsoft Corp ORD	5.9 %
Amazon.com Inc ORD	3.9 %
Facebook Inc ORD	2.4 %
Alphabet Inc Class A ORD	2.3 %
Alphabet Inc Class C ORD	2.2 %
Tesla Inc ORD	1.5 %
NVIDIA Corp ORD	1.5 %
Berkshire Hathaway Inc ORD	1.4 %
JPMorgan Chase & Co ORD	1.3 %

Equity Characteristics as of 08/31/21

Total Securities	508
Avg. Market Cap	$578,616 Million
P/E	35.2
P/B	11.0
Div. Yield	1.7%
Annual EPS	12.3
5Yr EPS	17.1
3Yr EPS Growth	16.7

Sector Allocation as of 08/31/21



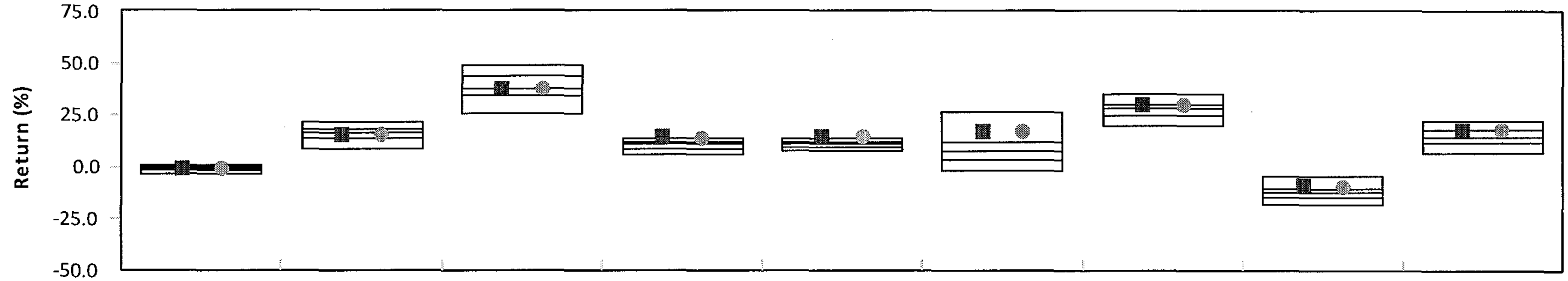
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity Mid Cap Index

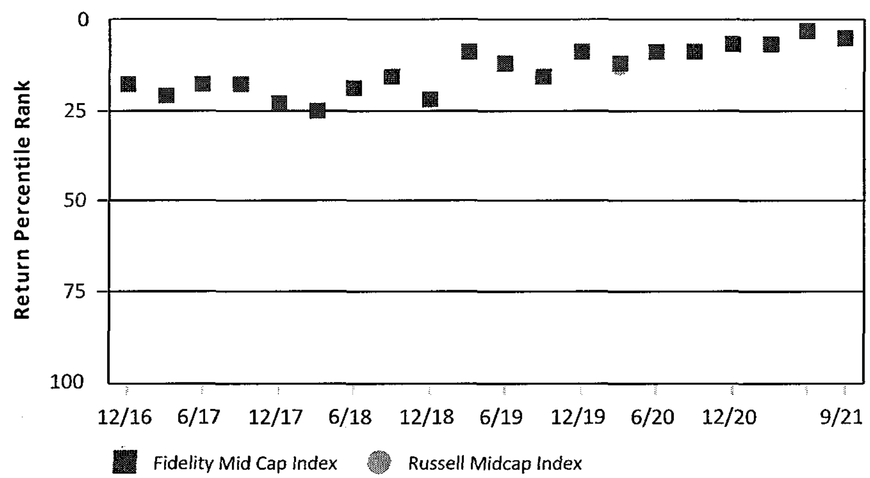
As of September 30, 2021

Peer Group Analysis vs. IM U.S. Mid Cap Core Equity (MF)

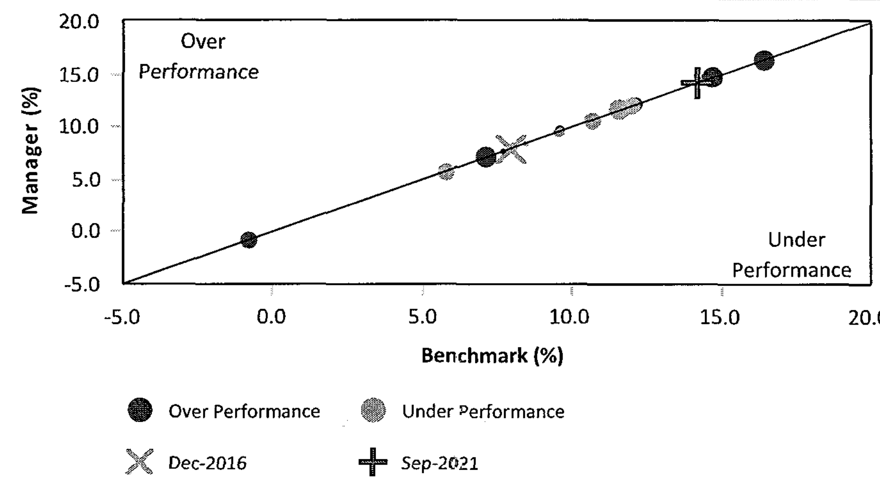


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
Fidelity Mid Cap Index	-0.9 (55)	15.2 (63)	38.1 (53)	14.2 (5)	14.4 (3)	17.1 (14)	30.5 (26)	-9.0 (17)	18.5 (21)
Russell Midcap Index	-0.9 (55)	15.2 (62)	38.1 (51)	14.2 (5)	14.4 (3)	17.1 (14)	30.5 (25)	-9.1 (17)	18.5 (20)
5th Percentile	1.1	21.6	49.3	14.2	14.2	26.6	35.1	-4.2	22.7
1st Quartile	-0.2	18.4	43.8	12.2	12.4	12.4	30.5	-10.2	17.9
Median	-0.8	16.1	38.1	10.8	11.3	8.2	28.1	-11.6	14.6
3rd Quartile	-1.7	13.5	34.3	8.8	9.8	3.1	24.9	-14.6	12.0
95th Percentile	-3.5	9.0	25.8	6.5	7.7	-1.7	20.2	-18.2	7.0

3 Year Rolling Percentile Ranking vs. IM U.S. Mid Cap Core Equity (MF)



3 Year Rolling Under/Over Performance vs. Russell Midcap Index



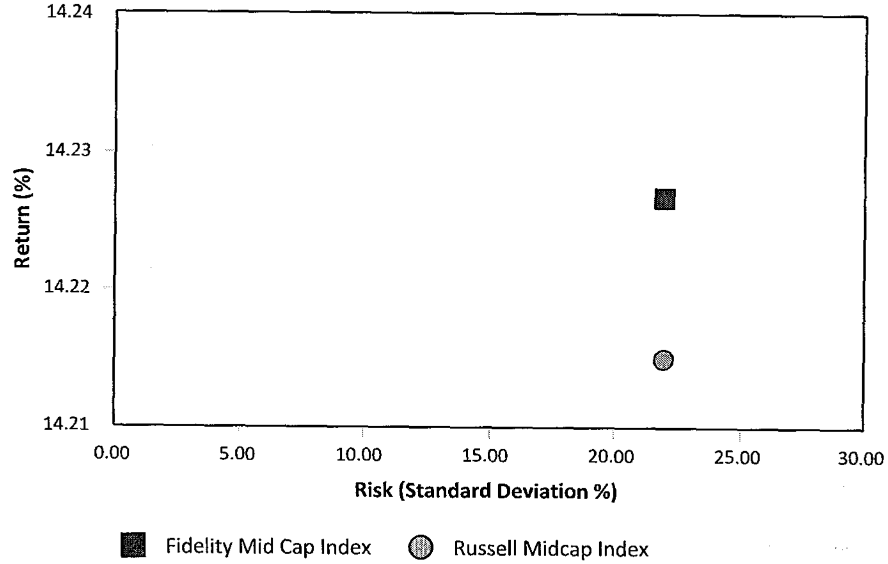
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

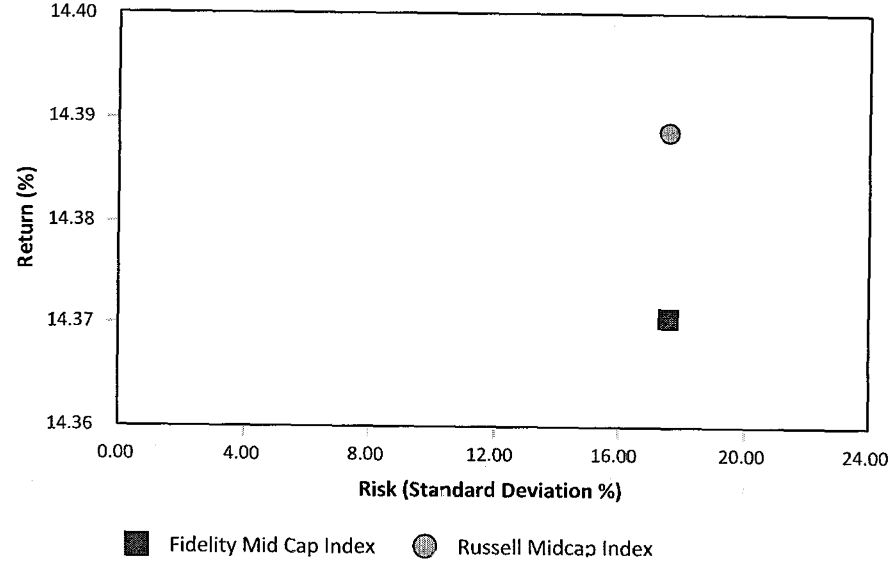
Fidelity Mid Cap Index

As of September 30, 2021

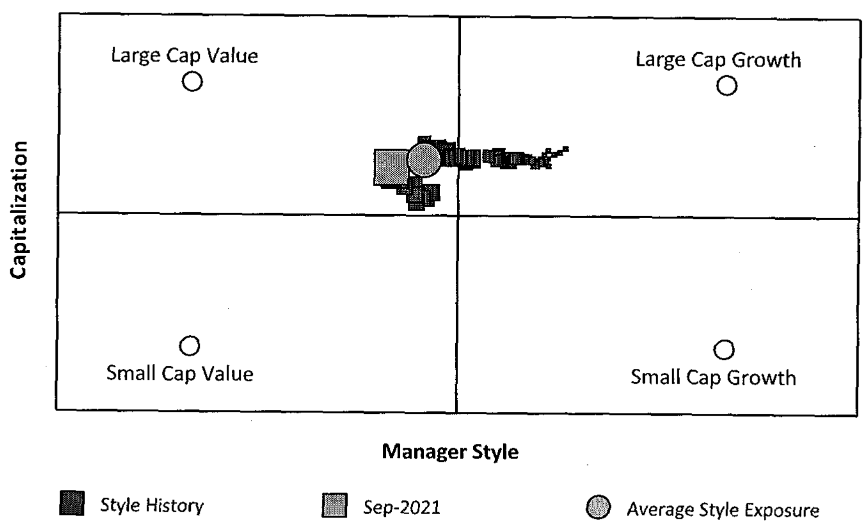
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. Russell Midcap Index

	3 Years	5 Years
Return	14.2	14.4
Standard Deviation	22.0	17.6
vs. Russell Midcap Index		
Alpha	0.0	0.0
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	55.6	50.0
Up Market Capture	99.9	99.9
Down Market Capture	99.8	99.9
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.7	0.8

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity Mid Cap Index

Report Date September 30, 2021

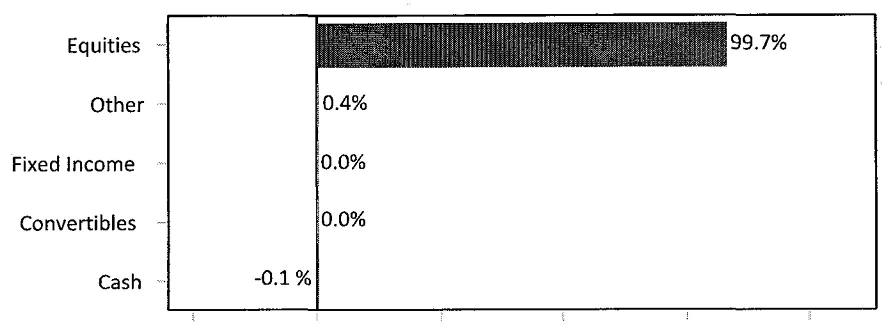
Mutual Fund Information

Fund Name :	Fidelity Salem Street Trust: Fidelity Mid Cap Index Fund	Portfolio Assets :	$31,091 Million
Fund Family :	Fidelity Investments	Fund Assets :	$24,938 Million
Ticker :	FSMDX	Portfolio Manager :	Team Managed
Inception Date :	09/08/2011	PM Tenure :	
Portfolio Turnover :	14%		

Fund Investment Policy

The Fund seeks to provide investment results that correspond to the total return of stocks of mid-capitalization United States companies. The Fund normally investing at least 80% of assets in securities included in the Russell Midcap Index and lending securities to earn income.

Asset Allocation as of 08/31/21



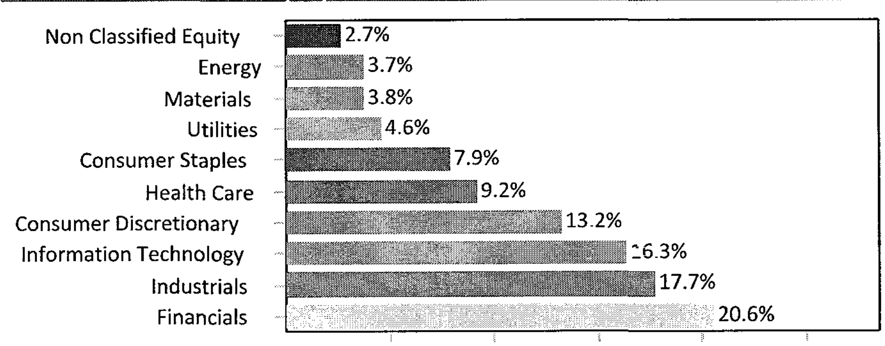
Top 10 Securities as of 08/31/21

IDEXX Laboratories Inc ORD	0.5 %
DocuSign Inc ORD	0.5 %
Chipotle Mexican Grill Inc ORD	0.5 %
Agilent Technologies Inc ORD	0.5 %
Dexcom Inc ORD	0.4 %
MSCI Inc ORD	0.4 %
T Rowe Price Group Inc ORD	0.4 %
Synopsys Inc ORD	0.4 %
Twitter Inc ORD	0.4 %
Carrier Global Corp ORD	0.4 %

Equity Characteristics as of 08/31/21

Total Securities	829
Avg. Market Cap	$24,487 Million
P/E	33.6
P/B	8.2
Div. Yield	1.8%
Annual EPS	1.3
5Yr EPS	12.4
3Yr EPS Growth	12.4

Sector Allocation as of 08/31/21



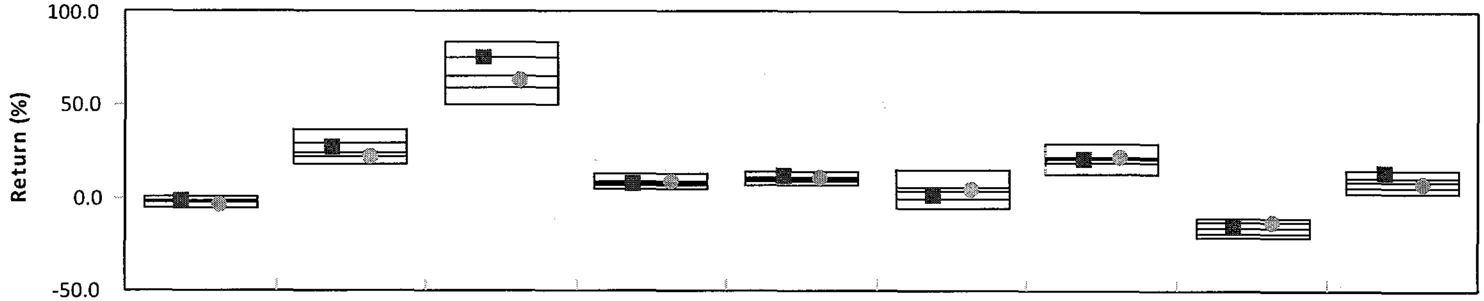
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Hotchkis & Wiley Small Cap Diversified Value I

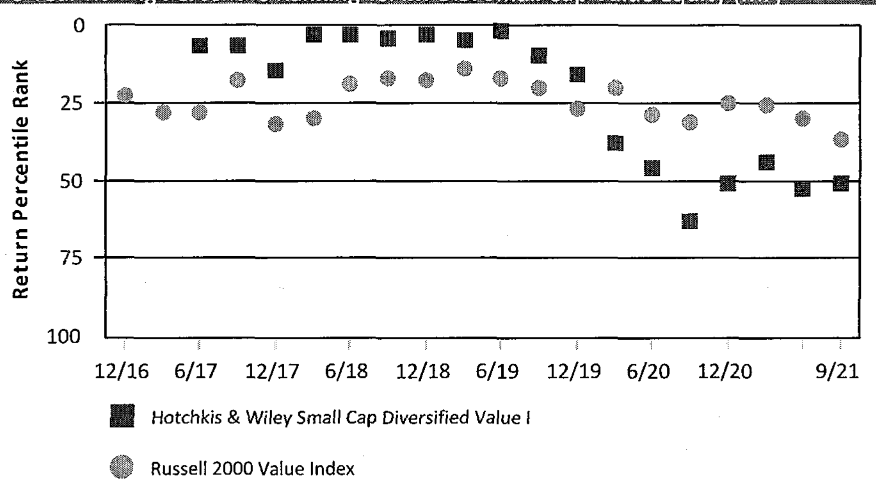
As of September 30, 2021

Peer Group Analysis vs. IM U.S. Small Cap Value Equity (MF)

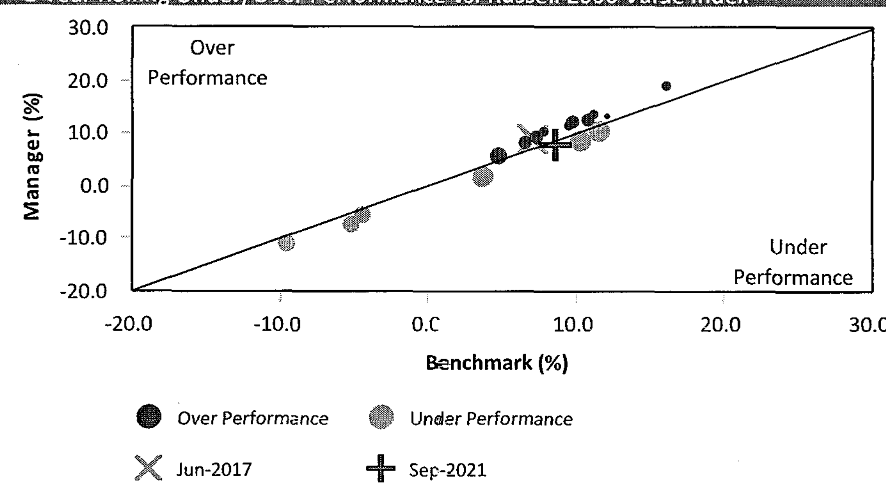


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Hotchkis & Wiley Small Cap Diversified Value I	-1.3 (28)	27.9 (28)	75.8 (27)	8.0 (51)	12.2 (14)	1.3 (67)	21.7 (41)	-14.3 (36)	13.8 (11)
● Russell 2000 Value Index	-3.0 (81)	22.9 (68)	63.9 (59)	8.6 (37)	11.0 (34)	4.6 (35)	22.4 (31)	-12.9 (22)	7.8 (60)
5th Percentile	0.4	37.1	84.0	12.9	14.0	15.1	30.0	-10.2	14.7
1st Quartile	-1.2	29.4	76.7	9.3	11.4	5.9	22.8	-13.3	11.5
Median	-2.0	24.7	66.3	8.0	10.2	3.5	21.2	-16.0	8.5
3rd Quartile	-2.6	22.4	60.0	6.8	8.9	-0.2	19.0	-18.7	6.1
95th Percentile	-5.1	18.0	50.3	4.4	7.1	-5.8	12.6	-21.3	2.4

3 Year Rolling Percentile Ranking vs. IM U.S. Small Cap Value Equity (MF)



3 Year Rolling Under/Over Performance vs. Russell 2000 Value Index



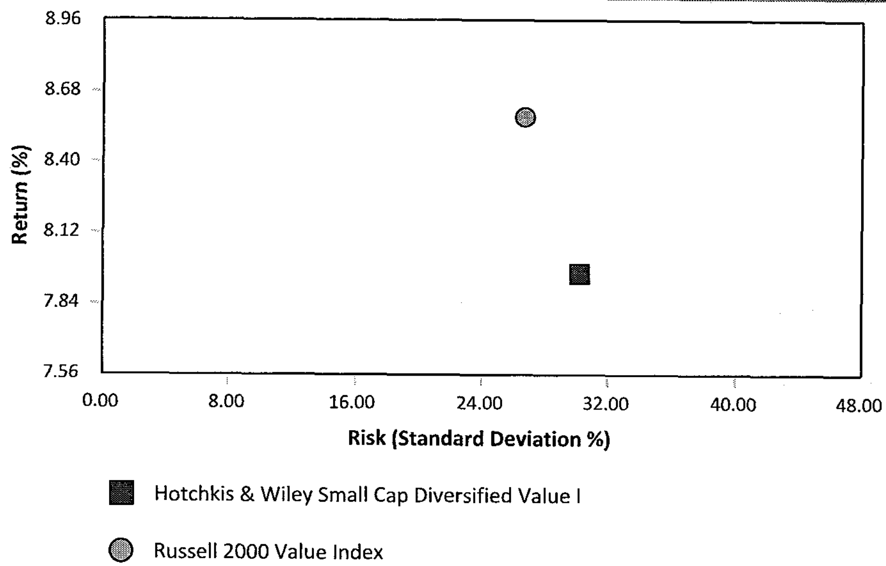
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

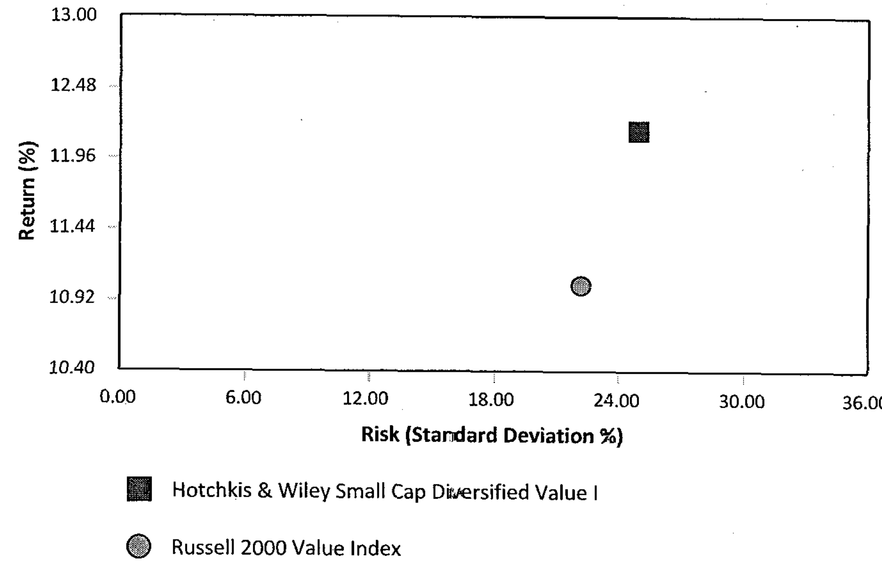
Hotchkis & Wiley Small Cap Diversified Value I

As of September 30, 2021

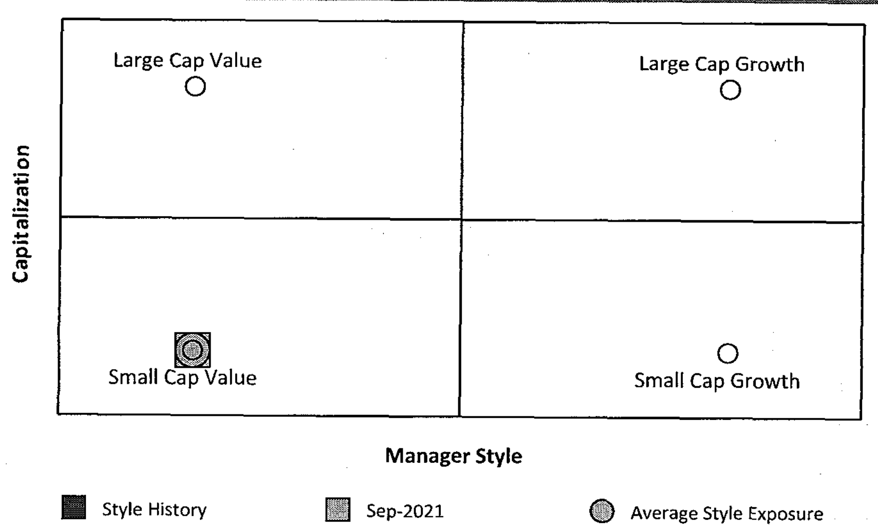
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. Russell 2000 Value Index

	3 Years	5 Years
Return	8.0	12.2
Standard Deviation	30.2	24.9
vs. Russell 2000 Value Index		
Alpha	-0.9	0.3
Beta	1.1	1.1
R-Squared	1.0	1.0
Consistency	52.8	58.3
Up Market Capture	111.7	111.6
Down Market Capture	114.7	110.6
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.4	0.5

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Hotchkis & Wiley Small Cap Diversified Value I

Report Date September 30, 2021

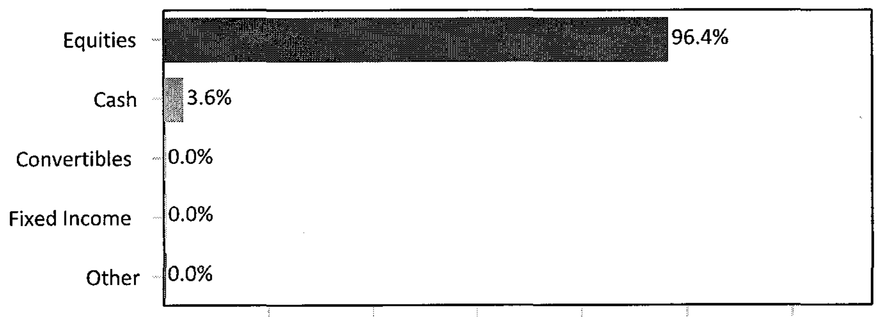
Mutual Fund Information

Fund Name :	Hotchkis & Wiley Funds: Hotchkis & Wiley Small Cap Diversified Value Fund; Class I Shares	Portfolio Assets :	$487 Million
Fund Family :	Hotchkis & Wiley	Fund Assets :	$479 Million
Ticker :	HWVIX	Portfolio Manager :	Peters/Thomes
Inception Date :	06/30/2014	PM Tenure :	2014--2014
Portfolio Turnover :	42%		

Fund Investment Policy

The Fund seeks capital appreciation. The Fund normally invests at least 80% of its net assets plus borrowings for investment purposes in equity securities of small capitalization companies. The small cap companies to be those with market capitalizations like those found in the Russell 2000 Index.

Asset Allocation as of 08/31/21



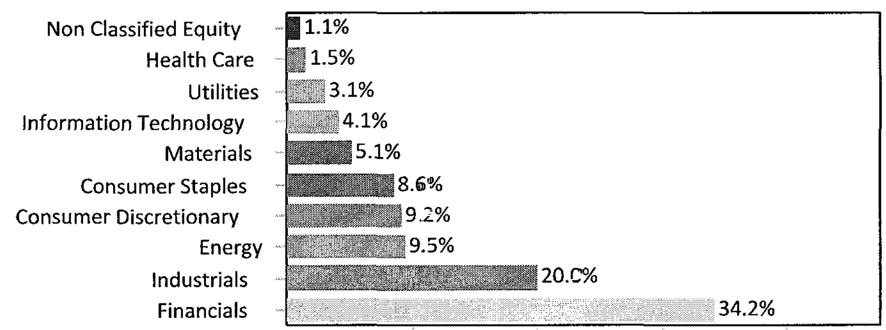
Top 10 Securities as of 08/31/21

Ranger Oil Corp ORD	0.5 %
Scansource Inc ORD	0.5 %
Genesco Inc ORD	0.5 %
California Resources Corp ORD	0.5 %
Belden Inc ORD	0.5 %
RMR Group Inc ORD	0.5 %
Photronics Inc ORD	0.4 %
Whiting Petroleum Corp ORD	0.4 %
CIT Group Inc ORD	0.4 %
Otter Tail Corp ORD	0.4 %

Equity Characteristics as of 08/31/21

Total Securities	370
Avg. Market Cap	$2,140 Million
P/E	17.7
P/B	2.0
Div. Yield	2.3%
Annual EPS	-0.9
5Yr EPS	7.1
3Yr EPS Growth	8.7

Sector Allocation as of 08/31/21



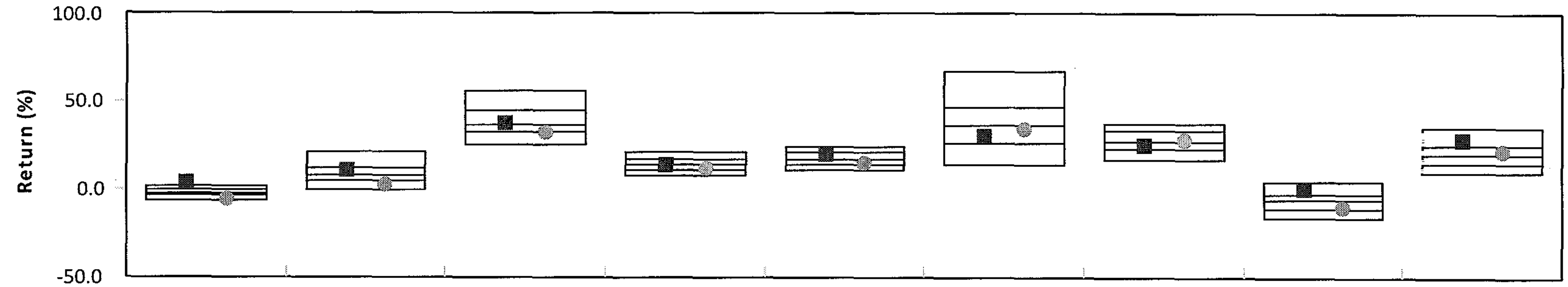
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Conestoga Small Cap Instl

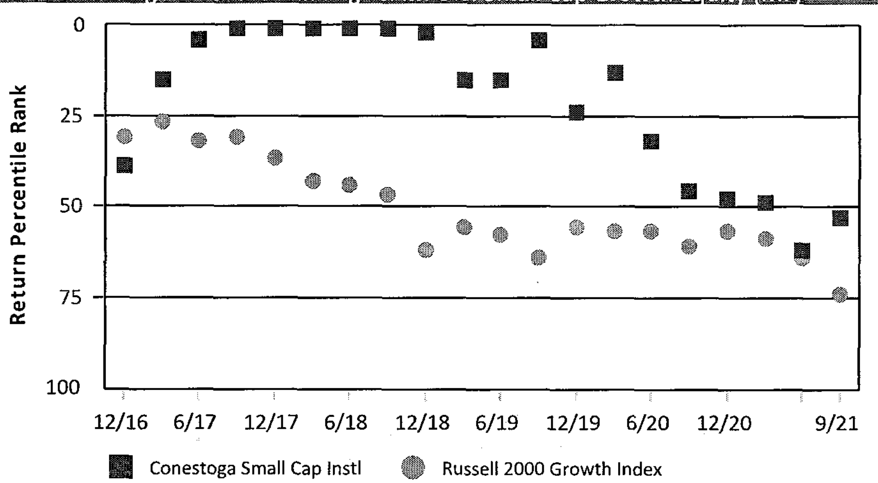
As of September 30, 2021

Peer Group Analysis vs. IM U.S. Small Cap Growth Equity (MF)

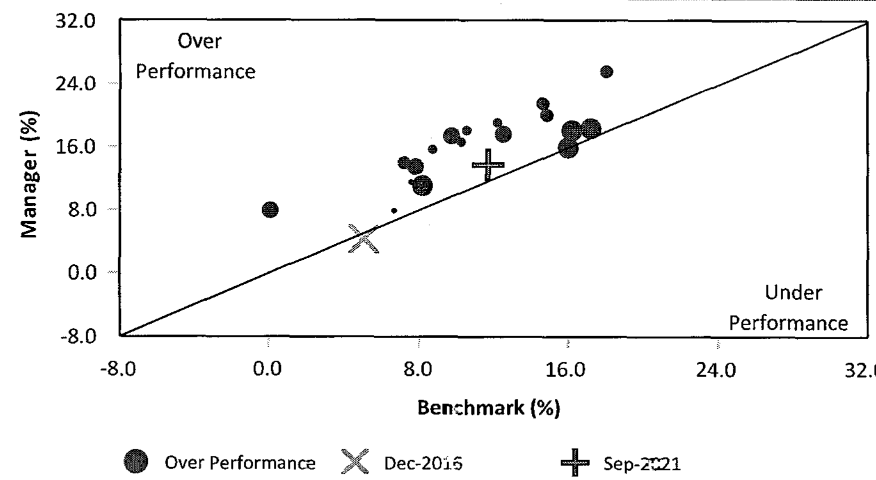


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Conestoga Small Cap Instl	4.0 (2)	10.8 (35)	38.0 (46)	13.8 (53)	19.9 (33)	30.6 (64)	25.4 (61)	0.8 (12)	28.7 (13)
● Russell 2000 Growth Index	-5.7 (91)	2.8 (83)	33.3 (72)	11.7 (74)	15.3 (67)	34.6 (56)	28.5 (45)	-9.3 (71)	22.2 (42)
5th Percentile	2.1	21.4	56.2	21.7	24.9	68.1	38.3	4.5	35.7
1st Quartile	-0.7	12.6	44.7	17.8	20.9	47.7	33.9	-2.6	25.2
Median	-2.0	8.4	37.3	14.4	17.4	36.4	27.2	-5.8	20.7
3rd Quartile	-3.6	4.6	32.5	11.5	14.4	27.0	23.7	-10.4	15.6
95th Percentile	-6.4	-0.6	25.2	7.5	10.7	14.6	16.8	-16.1	9.7

3 Year Rolling Percentile Ranking vs. IM U.S. Small Cap Growth Equity (MF)



3 Year Rolling Under/Over Performance vs. Russell 2000 Growth Index



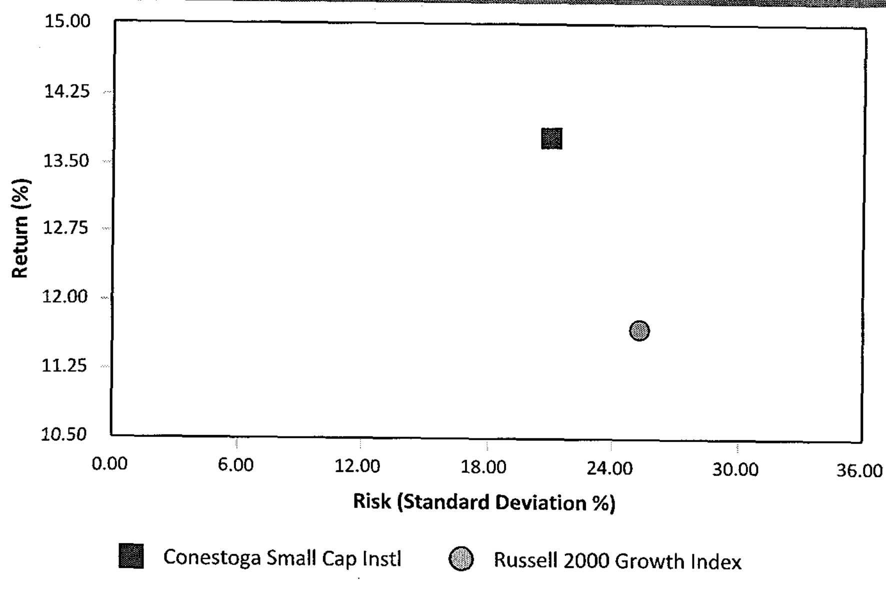
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

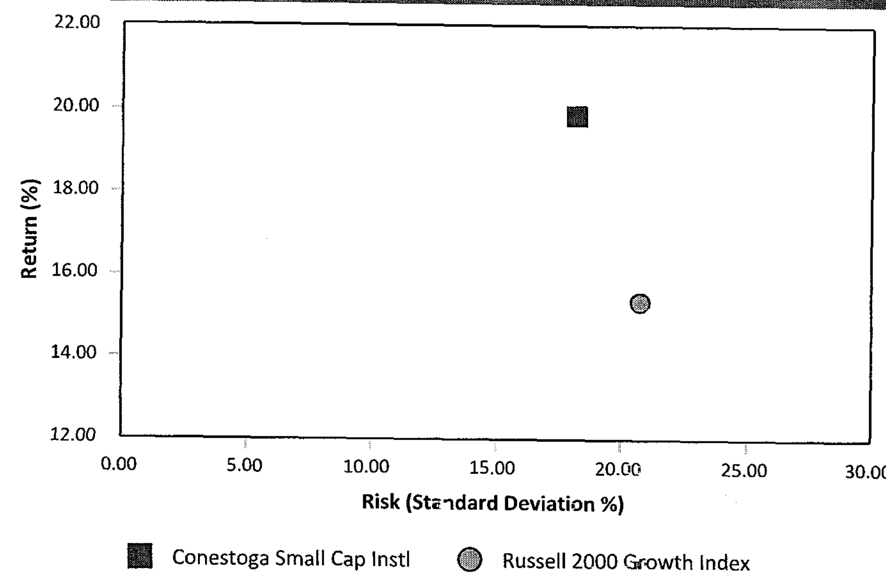
Conestoga Small Cap Instl

As of September 30, 2021

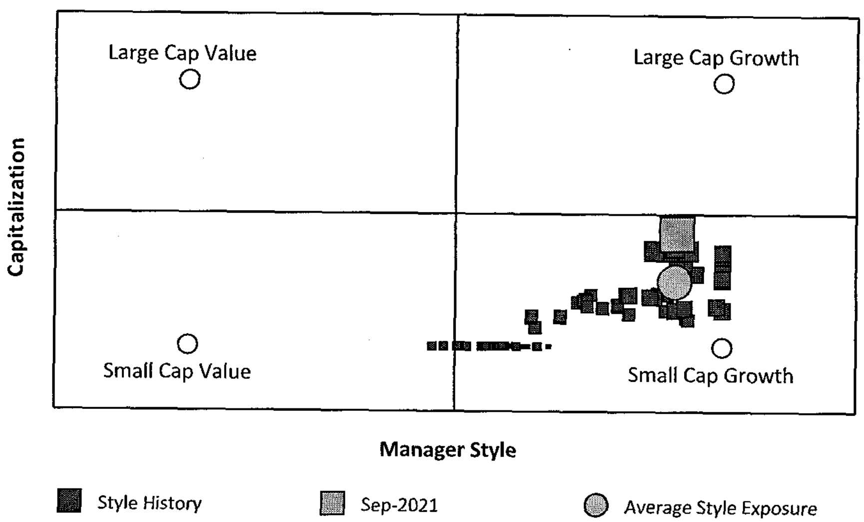
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. Russell 2000 Growth Index

	3 Years	5 Years
Return	13.8	19.9
Standard Deviation	21.0	18.1
vs. Russell 2000 Growth Index		
Alpha	4.0	6.6
Beta	0.8	0.8
R-Squared	0.9	0.9
Consistency	55.6	58.3
Up Market Capture	85.7	94.6
Down Market Capture	74.9	71.9
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.7	1.0

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Conestoga Small Cap Instl

Report Date September 30, 2021

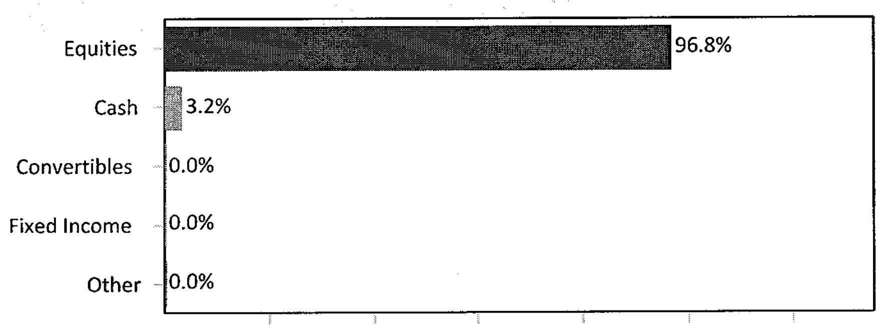
Mutual Fund Information

Fund Name :	Conestoga Funds: Conestoga Small Cap Fund; Institutional Class Shares	Portfolio Assets :	$4,023 Million
Fund Family :	Conestoga Capital Advisors LLC	Fund Assets :	$3,083 Million
Ticker :	CCALX	Portfolio Manager :	Mitchell/Monahan
Inception Date :	08/14/2014	PM Tenure :	2014--2014
Portfolio Turnover :	22%		

Fund Investment Policy

The Fund seeks long-term growth of capital by investing primarily in the equity securities of small capitalization companies, defined as companies with market capitalizations of up to $2.5 billion at the time of purchase.

Asset Allocation as of 04/30/21



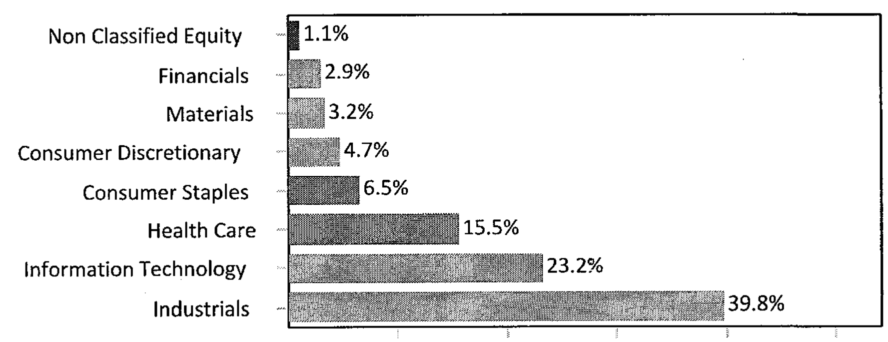
Top 10 Securities as of 04/30/21

Fox Factory Holding Corp ORD	3.8 %
Casella Waste Systems Inc ORD	3.3 %
SiteOne Landscape Supply Inc ORD	3.2 %
Repligen Corp ORD	3.2 %
Trex Company Inc ORD	3.0 %
Omnicell Inc ORD	3.0 %
FirstService Corp ORD	2.9 %
Descartes Systems Group Inc ORD	2.8 %
Exponent Inc ORD	2.8 %
SPS Commerce Inc ORD	2.8 %

Equity Characteristics as of 04/30/21

Total Securities	49
Avg. Market Cap	$4,950 Million
P/E	53.0
P/B	9.2
Div. Yield	0.7%
Annual EPS	8.0
5Yr EPS	13.3
3Yr EPS Growth	17.2

Sector Allocation as of 04/30/21



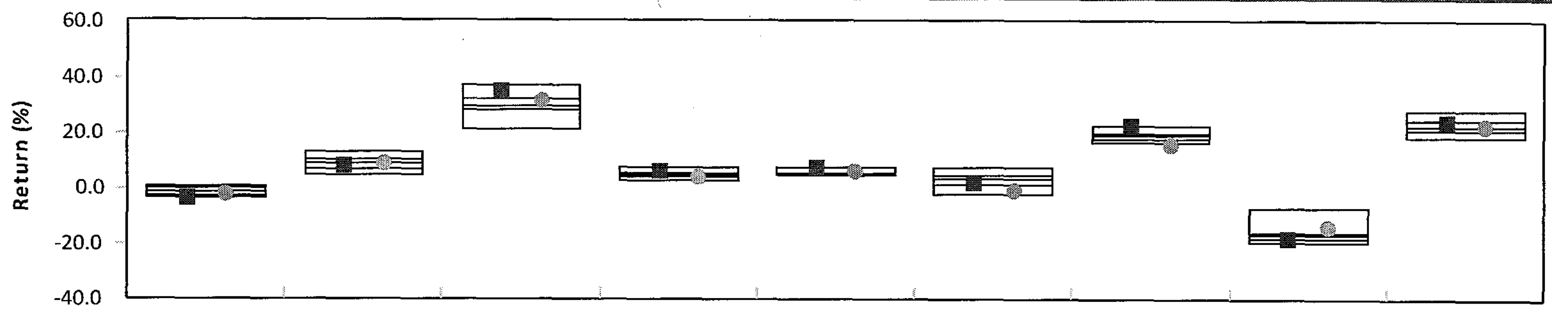
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Dodge & Cox International Stock Fund

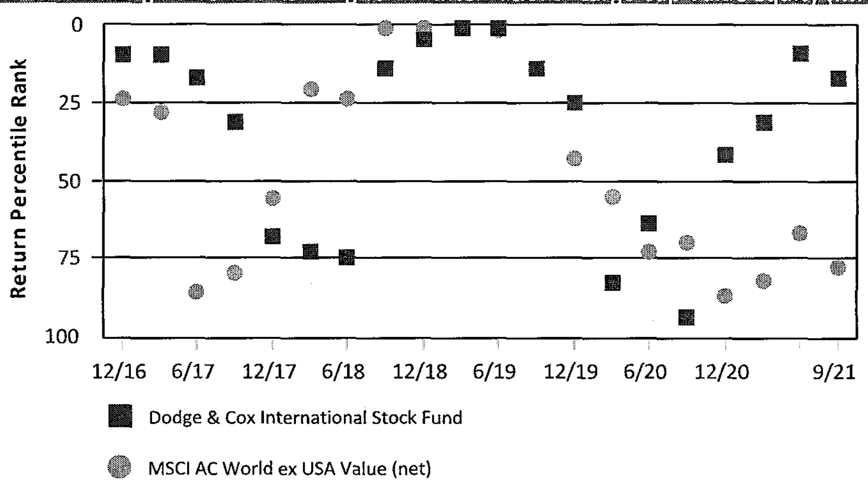
As of September 30, 2021

Peer Group Analysis vs. IM International Large Cap Value Equity (MF)

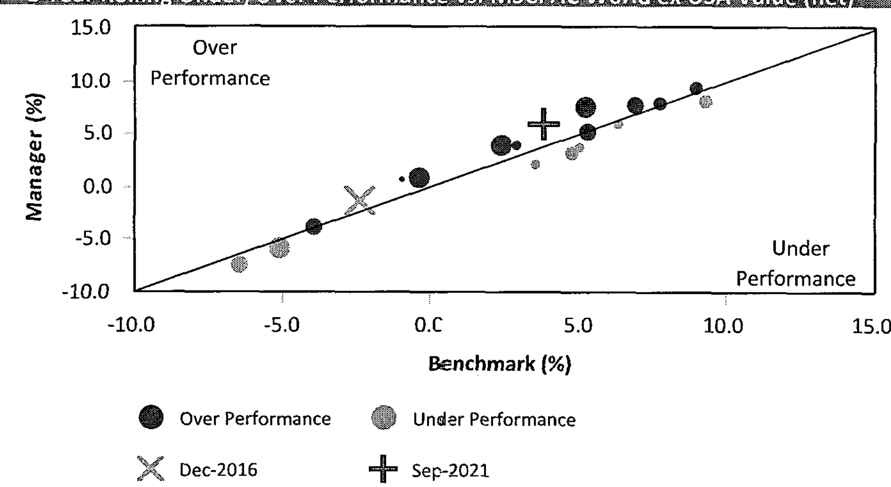


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Dodge & Cox International Stock Fund	-3.3 (93)	8.4 (54)	35.2 (13)	6.0 (17)	7.4 (25)	2.1 (69)	22.8 (1)	-18.0 (76)	23.9 (37)
● MSCI AC World ex USA Value (net)	-2.3 (67)	9.1 (44)	31.4 (32)	3.8 (78)	6.4 (42)	-0.8 (93)	15.7 (97)	-14.0 (12)	22.7 (52)
5th Percentile	0.6	13.0	37.2	7.9	7.7	7.3	22.5	-7.2	28.4
1st Quartile	0.0	10.2	32.3	5.9	7.4	4.7	20.1	-15.8	24.5
Median	-1.1	8.7	29.6	5.0	5.9	3.4	19.1	-16.7	22.8
3rd Quartile	-2.7	7.0	28.0	3.9	5.5	1.1	17.9	-18.0	21.1
95th Percentile	-3.8	5.1	21.2	2.6	4.8	-2.2	16.3	-19.1	18.6

3 Year Rolling Percentile Ranking vs. IM International Large Cap Value Equity (MF)



3 Year Rolling Under/Over Performance vs. MSCI AC World ex USA Value (net)



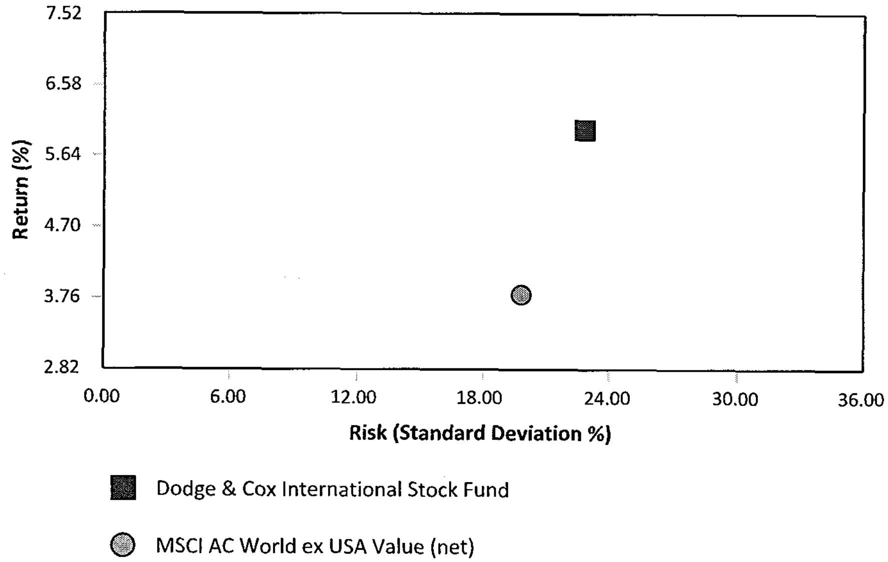
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

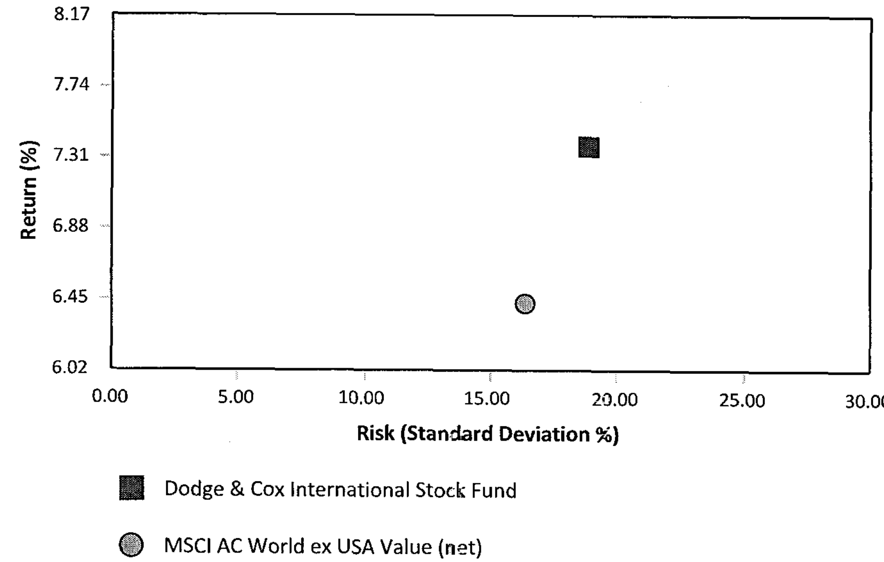
Dodge & Cox International Stock Fund

As of September 30, 2021

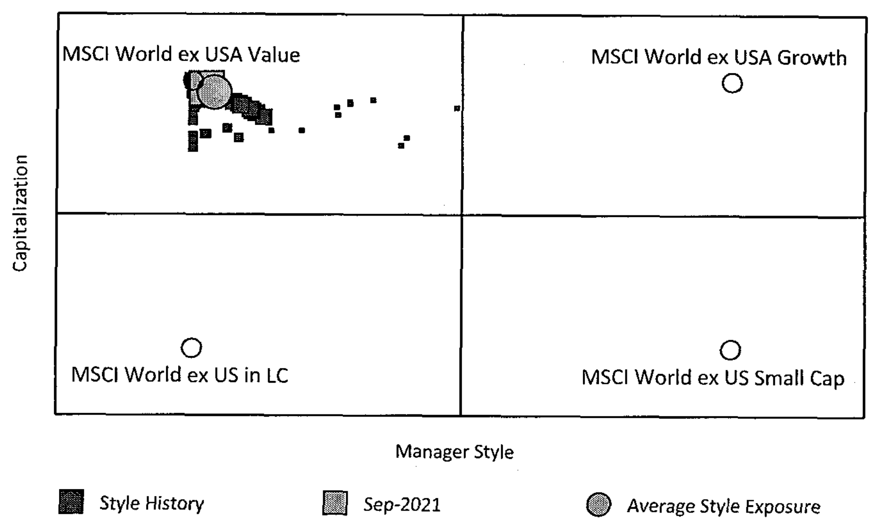
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. MSCI AC World ex USA Value (net)

	3 Years	5 Years
Return	6.0	7.4
Standard Deviation	22.8	18.8
vs. MSCI AC World ex USA Value (net)		
Alpha	1.9	0.3
Beta	1.1	1.1
R-Squared	1.0	1.0
Consistency	58.3	55.0
Up Market Capture	118.7	113.5
Down Market Capture	111.4	111.7
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.3	0.4

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Dodge & Cox International Stock Fund

Report Date September 30, 2021

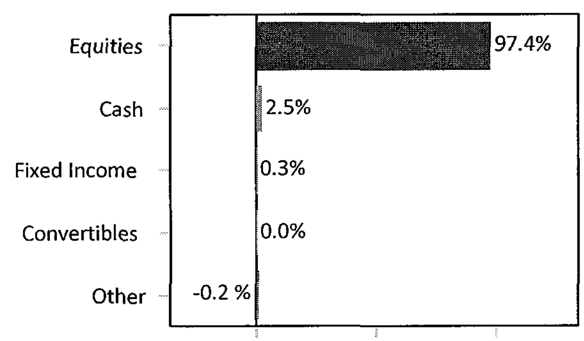
Mutual Fund Information

Fund Name :	Dodge & Cox Funds: Dodge & Cox International Stock Fund	Portfolio Assets :	$43,651 Million
Fund Family :	Dodge & Cox Funds	Fund Assets :	$43,651 Million
Ticker :	DODFX	Portfolio Manager :	Team Managed
Inception Date :	05/01/2001	PM Tenure :	
Portfolio Turnover :	20%		

Fund Investment Policy

The Fund seeks long-term growth of principal and income by investing primarily in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different foreign countries, including emerging markets.

Asset Allocation as of 09/30/21



Top 10 Securities as of 09/30/21

GlaxoSmithKline PLC ORD	3.7 %
Sanofi SA ORD	3.7 %
ICICI Bank Ltd ORD	3.3 %
Roche Holding AG	3.1 %
UBS Group AG ORD	3.1 %
BNP Paribas SA ORD	3.0 %
Novartis AG ORD	3.0 %
Samsung Electronics Co Ltd	2.9 %
Banco Santander SA ORD	2.8 %
Honda Motor Co Ltd ORD	2.5 %

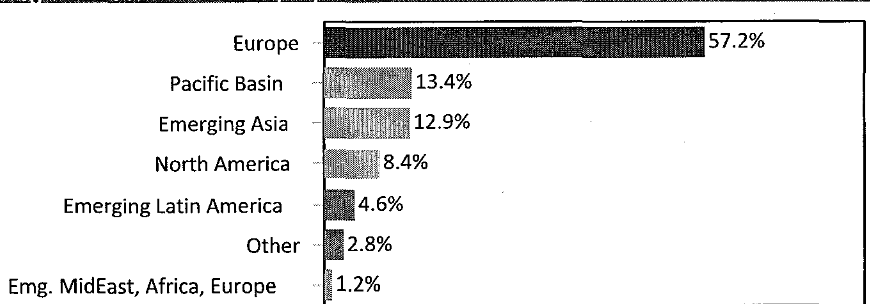
Top 5 Countries as of 09/30/21

United Kingdom	16.4 %
Switzerland	16.3 %
Japan	12.1 %
France	10.4 %
Canada	5.5 %

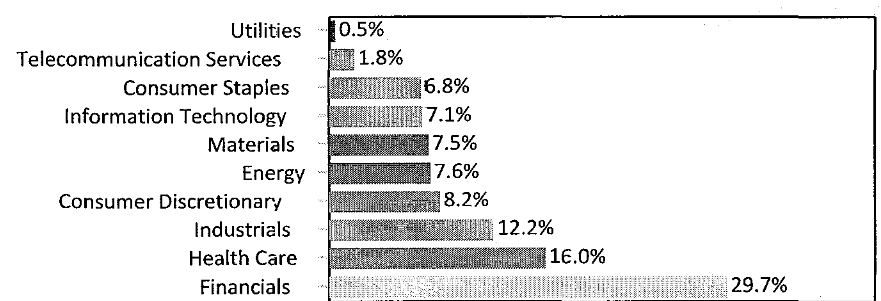
Equity Characteristics as of 09/30/21

Total Securities	80
Avg. Market Cap	$77,142 Million
P/E	21.2
P/B	2.4
Div. Yield	2.9%
Annual EPS	4.3

Region Allocation as of 09/30/21



Sector Allocation as of 09/30/21



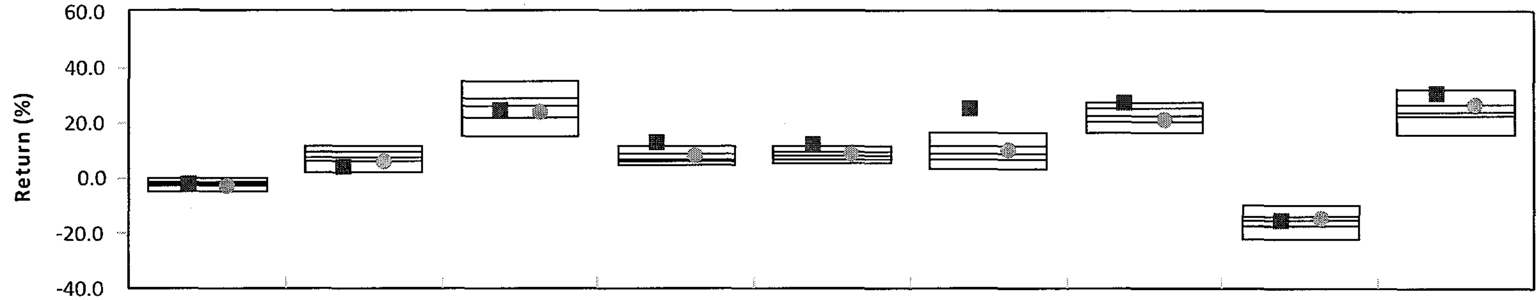
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

American Funds EuroPacific Growth R6

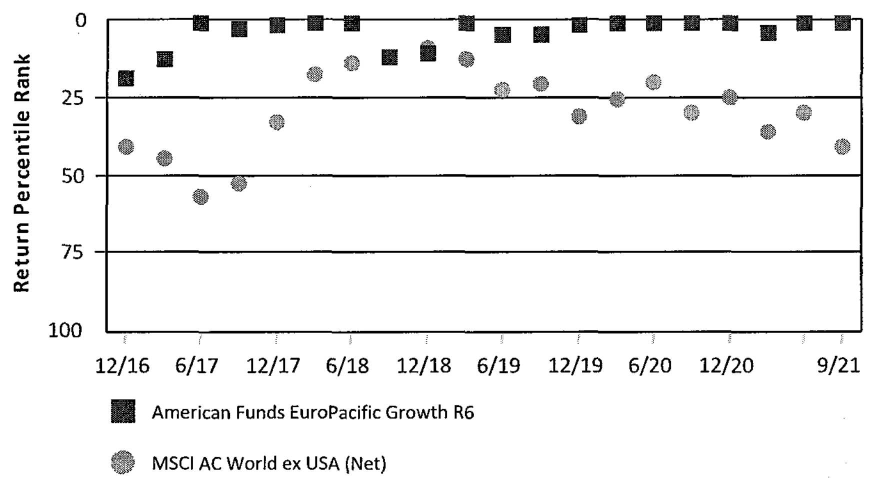
As of September 30, 2021

Peer Group Analysis vs. IM International Large Cap Core Equity (MF)

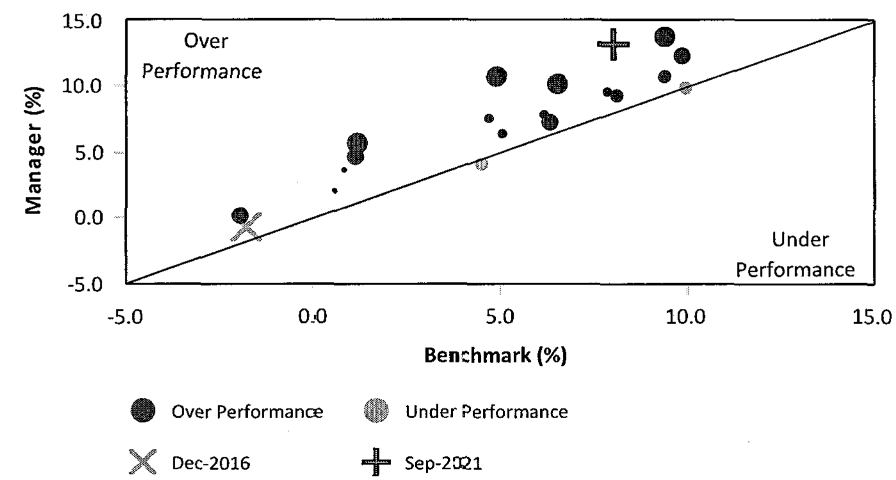


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ American Funds EuroPacific Growth R6	-2.3 (60)	4.0 (83)	24.8 (59)	13.2 (1)	12.2 (1)	25.3 (1)	27.4 (5)	-14.9 (40)	31.2 (10)
● MSCI AC World ex USA (Net)	-3.0 (81)	5.9 (76)	23.9 (63)	8.0 (41)	8.9 (35)	10.7 (29)	21.5 (64)	-14.2 (30)	27.2 (22)
5th Percentile	0.1	11.9	35.4	11.8	11.6	16.3	27.4	-9.7	32.6
1st Quartile	-1.1	9.6	29.2	8.8	9.3	11.8	25.5	-14.0	27.0
Median	-2.1	7.9	26.3	7.1	8.2	8.7	22.7	-15.5	24.0
3rd Quartile	-2.7	5.9	22.0	6.3	7.1	7.1	20.7	-17.2	22.7
95th Percentile	-5.0	2.3	15.5	4.7	5.5	3.6	16.8	-22.4	16.2

3 Year Rolling Percentile Ranking vs. IM International Large Cap Core Equity (MF)



3 Year Rolling Under/Over Performance vs. MSCI AC World ex USA (Net)



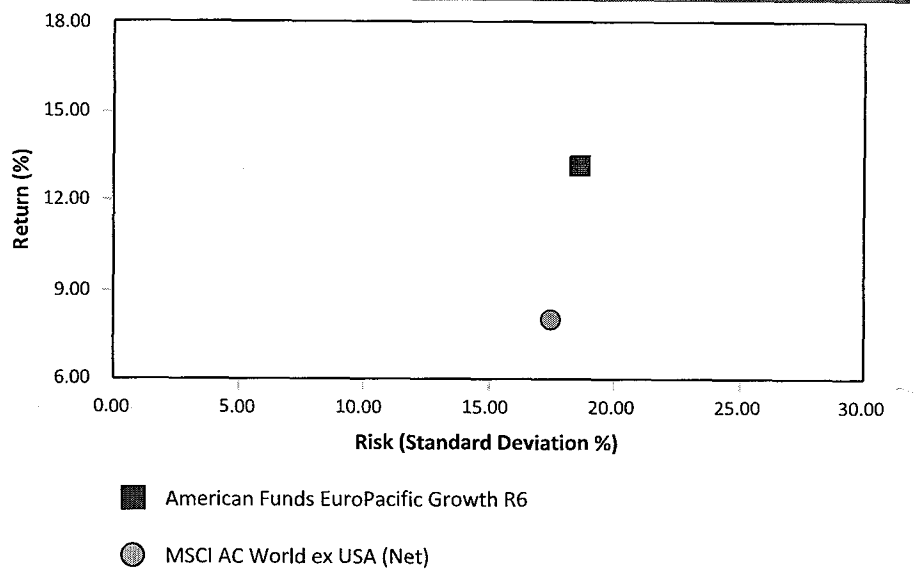
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

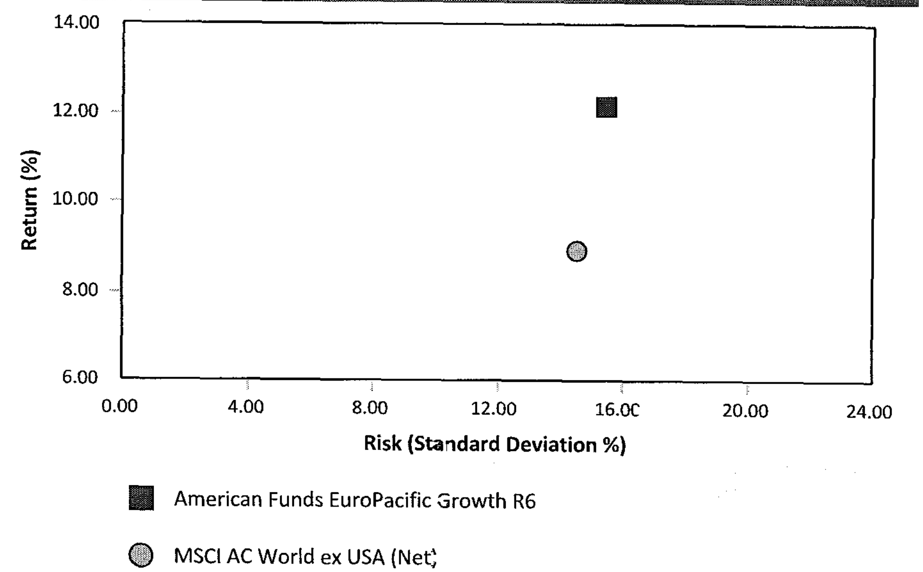
American Funds EuroPacific Growth R6

As of September 30, 2021

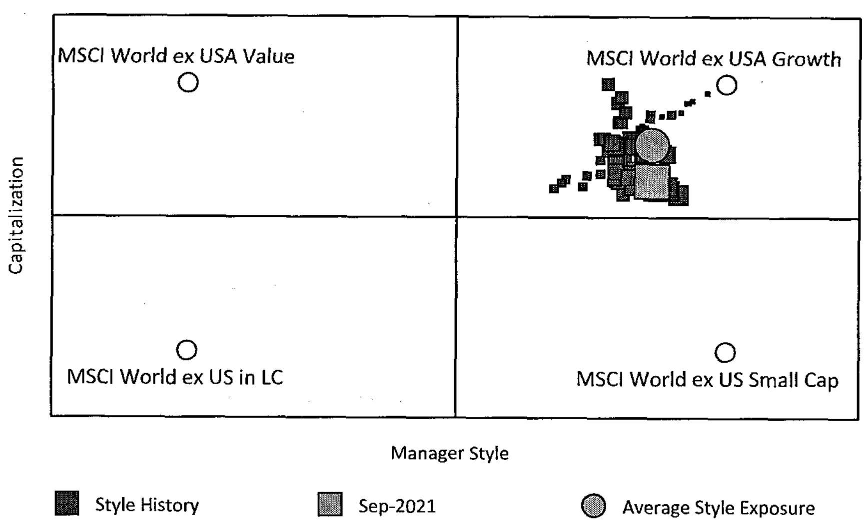
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. MSCI AC World ex USA (Net)

	3 Years	5 Years
Return	13.2	12.2
Standard Deviation	18.6	15.5
vs. MSCI AC World ex USA (Net)		
Alpha	4.6	2.7
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	63.9	58.3
Up Market Capture	114.4	109.3
Down Market Capture	95.7	94.6
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.7	0.7

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

American Funds EuroPacific Growth R6

Report Date September 30, 2021

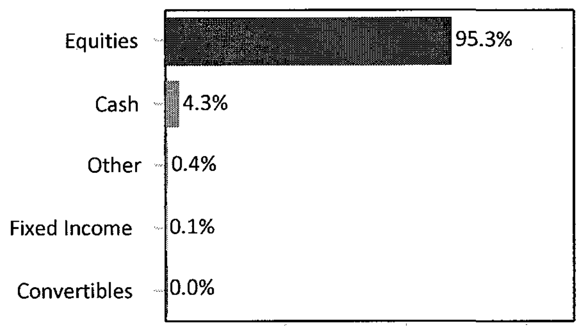
Mutual Fund Information

Fund Name :	EuroPacific Growth Fund; Class R6 Shares	Portfolio Assets :	$192,971 Million
Fund Family :	Capital Group/American Funds	Fund Assets :	$91,005 Million
Ticker :	RERGX	Portfolio Manager :	Team Managed
Inception Date :	05/01/2009	PM Tenure :	
Portfolio Turnover :	32%		

Fund Investment Policy

The Fund seeks to provide long-term growth of capital by investing in companies based outside the United States. The Fund Invests in companies based chiefly in Europe and the Pacific Basin, ranging from small firms to large corporations.

Asset Allocation as of 09/30/21



Top 10 Securities as of 09/30/21

Capital Group Central Cash Fund;	4.3 %
ASML Holding NV ORD	3.7 %
Reliance Industries Ltd ORD	2.7 %
Sea Ltd DR	2.5 %
Mercadolibre Inc ORD	2.3 %
Taiwan Semiconductor Manufacturing	2.3 %
AIA Group Ltd ORD	2.0 %
LVMH Moet Hennessy Louis Vuitton	1.9 %
Airbus SE ORD	1.8 %
WuXi Biologics (Cayman) Inc ORD	1.5 %

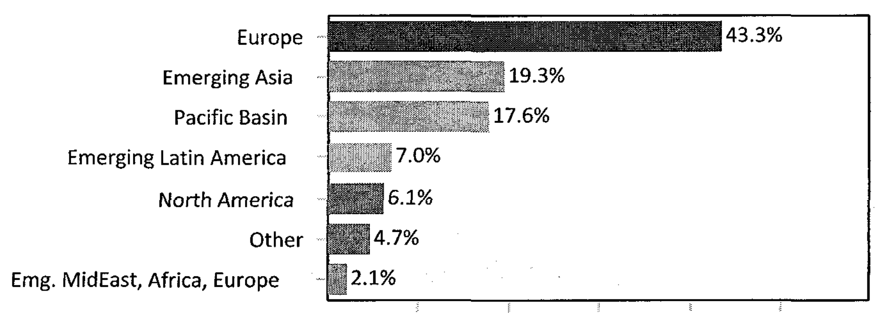
Top 5 Countries as of 09/30/21

Japan	10.3 %
Netherlands	9.4 %
China	7.8 %
India	7.7 %
France	7.4 %

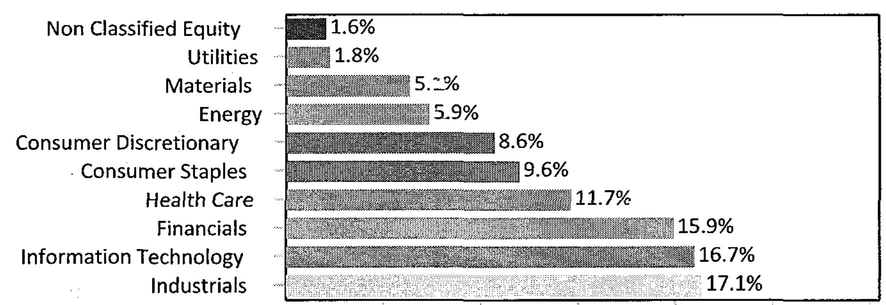
Equity Characteristics as of 09/30/21

Total Securities	387
Avg. Market Cap	$110,262 Million
P/E	36.4
P/B	8.2
Div. Yield	1.7%
Annual EPS	14.1

Region Allocation as of 09/30/21



Sector Allocation as of 09/30/21



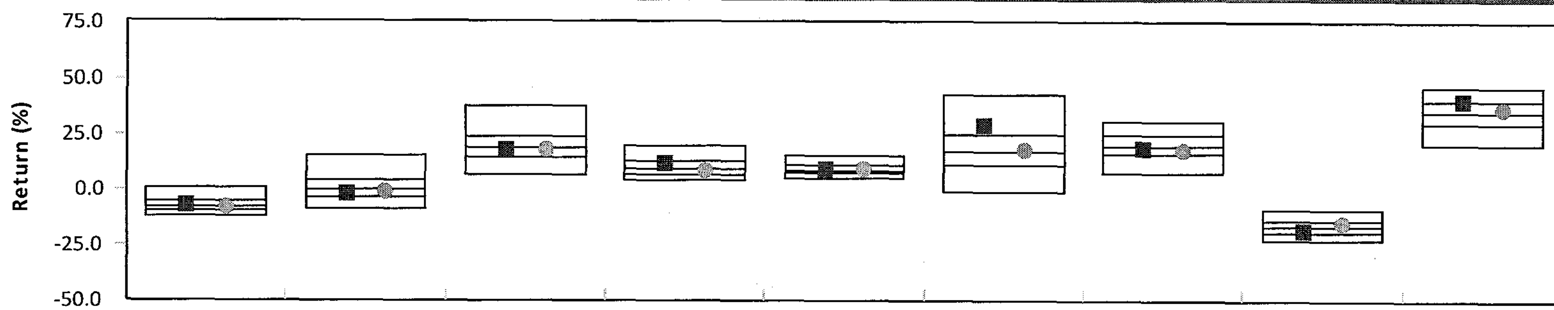
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Baron Emerging Markets Fund Instl

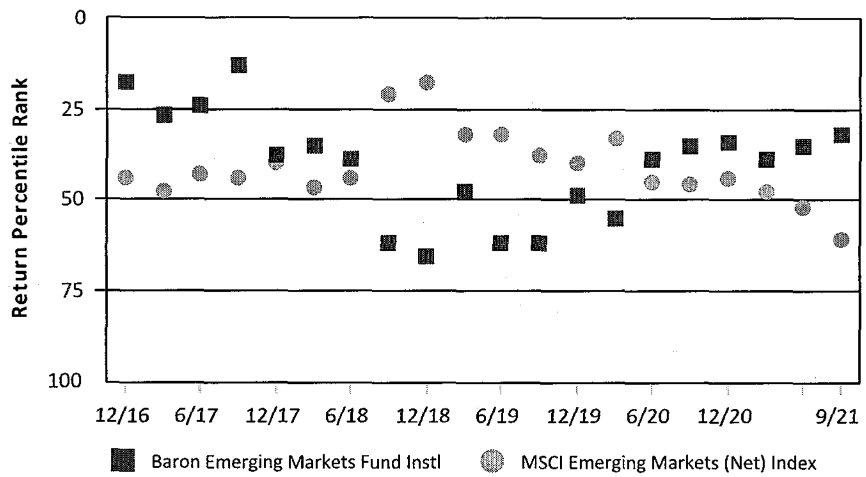
As of September 30, 2021

Peer Group Analysis vs. IM Emerging Markets Equity (MF)

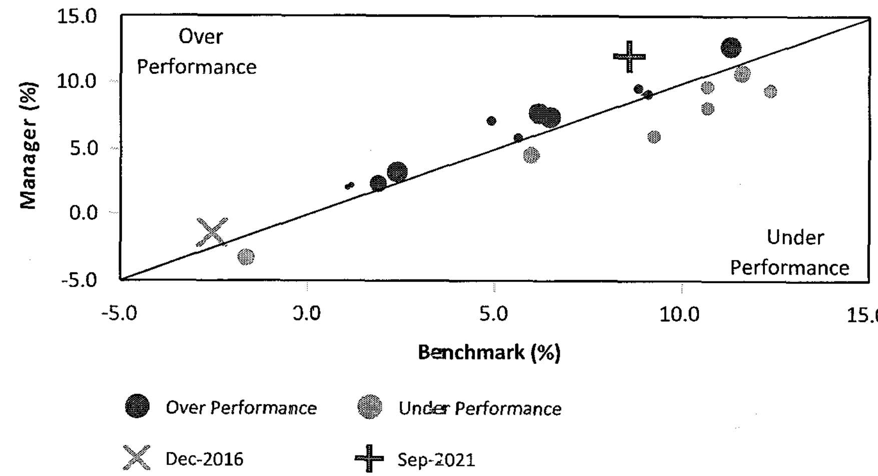


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Baron Emerging Markets Fund Instl	-6.5 (36)	-2.1 (65)	18.0 (61)	12.2 (32)	9.6 (39)	29.2 (19)	18.9 (59)	-18.5 (70)	40.6 (24)
● MSCI Emerging Markets (Net) Index	-8.1 (56)	-1.2 (57)	18.2 (58)	8.6 (61)	9.2 (44)	18.3 (47)	18.4 (62)	-14.6 (30)	37.3 (43)
5th Percentile	0.6	15.2	38.2	19.8	15.3	42.9	30.8	-9.0	46.8
1st Quartile	-4.9	4.0	24.4	13.2	11.2	25.2	24.6	-14.0	40.5
Median	-7.6	-0.3	19.2	9.6	8.8	17.7	20.1	-16.5	35.7
3rd Quartile	-9.1	-3.5	15.0	7.3	7.6	11.2	16.4	-19.1	30.2
95th Percentile	-12.3	-8.2	6.8	3.9	5.3	-1.2	8.1	-22.6	20.9

3 Year Rolling Percentile Ranking vs. IM Emerging Markets Equity (MF)



3 Year Rolling Under/Over Performance vs. MSCI Emerging Markets (Net) Index



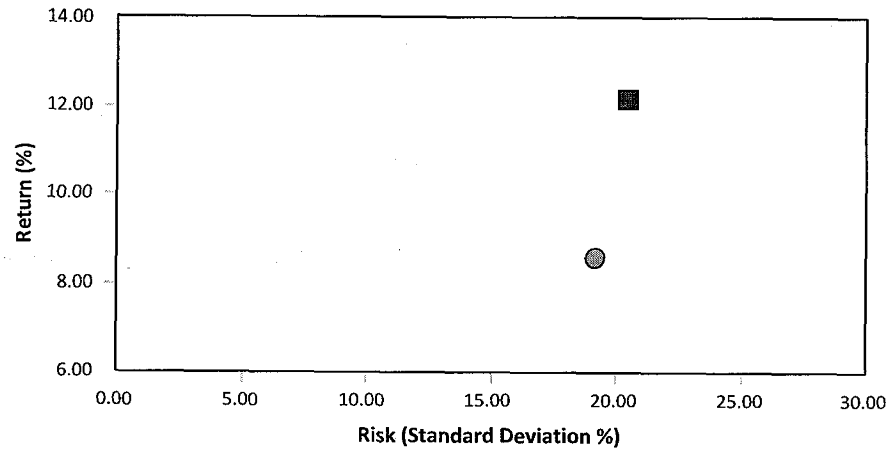
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

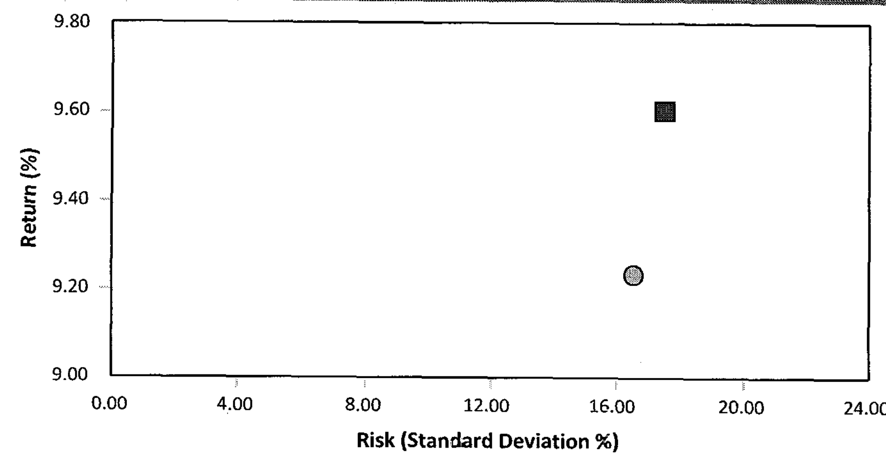
Baron Emerging Markets Fund Instl

As of September 30, 2021

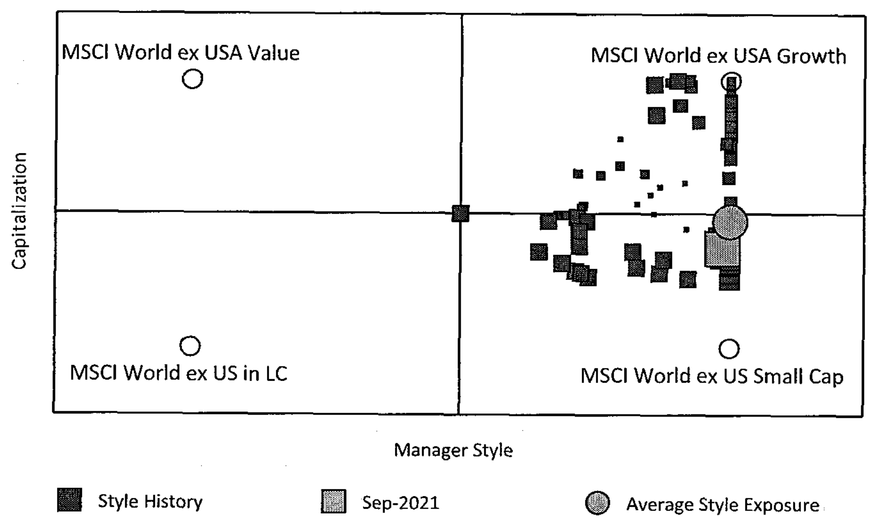
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



MPT Statistics vs. MSCI Emerging Markets Index

	3 Years	5 Years
Return	12.2	9.6
Standard Deviation	20.4	17.5
vs. MSCI Emerging Markets Index		
Alpha	2.9	0.0
Beta	1.0	1.0
R-Squared	0.9	0.9
Consistency	58.3	51.7
Up Market Capture	105.5	98.2
Down Market Capture	93.0	96.0
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.6	0.5

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Baron Emerging Markets Fund Instl

Report Date September 30, 2021

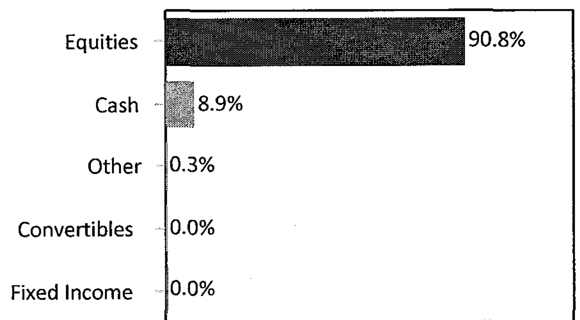
Mutual Fund Information

Fund Name :	Baron Select Funds: Baron Emerging Markets Fund; Institutional Class Shares	Portfolio Assets :	$9,538 Million
Fund Family :	Baron Funds	Fund Assets :	$9,052 Million
Ticker :	BEXIX	Portfolio Manager :	Michael Kass
Inception Date :	12/31/2010	PM Tenure :	2010
Portfolio Turnover :	56%		

Fund Investment Policy

The Fund seeks capital appreciation. The Fund is a diversified fund that, under normal circumstances, invests 80% of its net assets in equity securities in the form of common stock of growth companies domiciled, headquartered or whose primary business activities or principal trading markets are in developing countries.

Asset Allocation as of 09/30/21



Top 10 Securities as of 06/30/21

Tencent Holdings Ltd ORD	4.2 %
Taiwan Semiconductor Manufacturing	3.5 %
Alibaba Group Holding Ltd DR	3.4 %
Samsung Electronics Co Ltd ORD	3.2 %
Bajaj Finance Ltd ORD	2.3 %
Zai Lab Ltd DR	2.2 %
Korea Shipbuilding & Offshore Engineerin	2.1 %
Reliance Industries Ltd ORD	2.0 %
Novatek PAO DR	1.9 %
Sberbank Rossii PAO DR	1.8 %

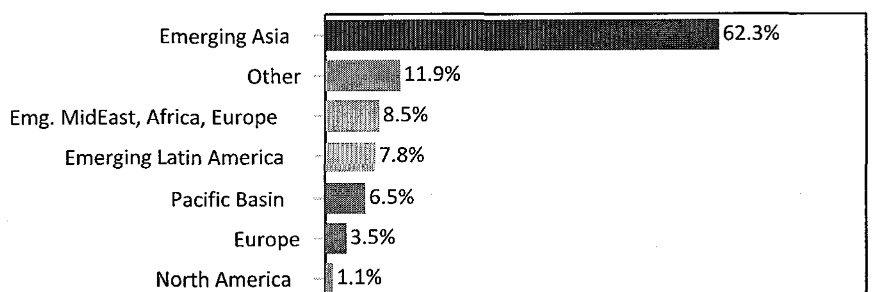
Top 5 Countries as of 09/30/21

China	25.7 %
India	25.6 %
Unidentified	11.4 %
Brazil	5.4 %
Hong Kong	5.4 %

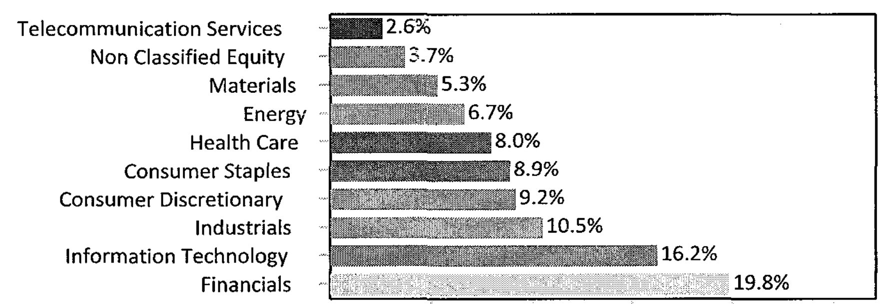
Equity Characteristics as of 09/30/21

Total Securities	118
Avg. Market Cap	$97,678 Million
P/E	36.7
P/B	7.1
Div. Yield	1.1%
Annual EPS	14.5

Region Allocation as of 09/30/21



Sector Allocation as of 09/30/21



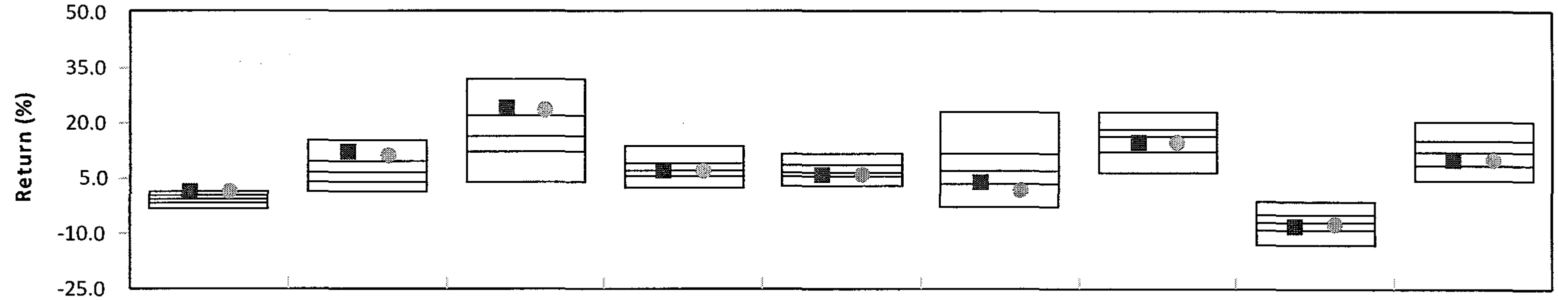
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Principal Diversified Real Asset R6

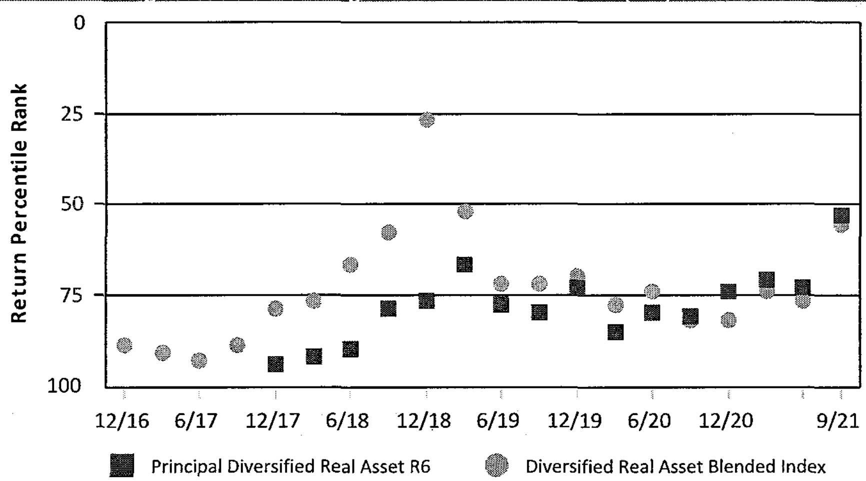
As of September 30, 2021

Peer Group Analysis vs. IM Flexible Portfolio (MF)

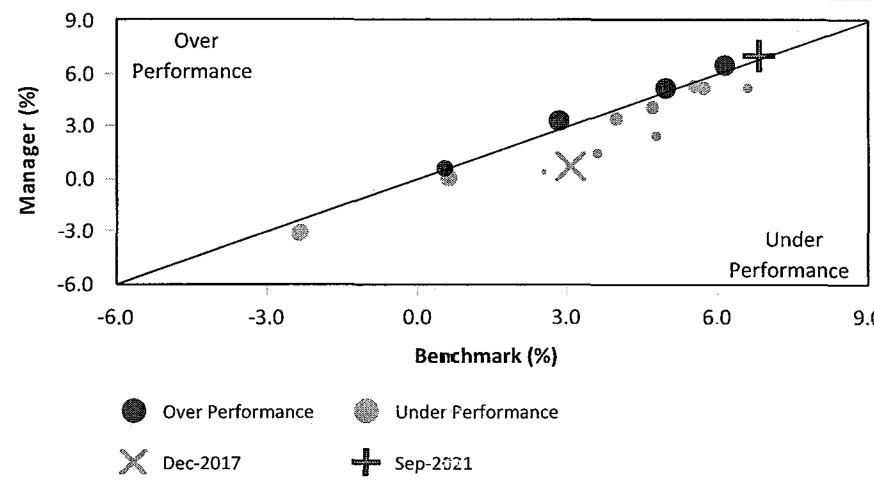


	QTR	YTD	1 Year	3 Years	5 Years	2020	2019	2018	2017
■ Principal Diversified Real Asset R6	1.5 (5)	12.2 (13)	24.3 (17)	7.1 (53)	6.2 (59)	3.9 (72)	15.1 (62)	-7.8 (62)	10.2 (66)
● Diversified Real Asset Blended Index	1.2 (7)	11.4 (17)	23.4 (21)	6.8 (56)	5.9 (65)	2.1 (83)	14.9 (64)	-7.3 (55)	10.4 (65)
5th Percentile	1.4	15.3	32.1	14.0	12.0	23.2	23.3	-1.2	20.3
1st Quartile	0.2	9.6	21.9	9.0	8.8	12.0	18.7	-4.7	15.1
Median	-0.6	6.5	16.3	7.2	6.6	6.9	16.3	-7.0	12.0
3rd Quartile	-1.5	4.2	12.2	5.3	5.4	3.4	12.4	-8.8	8.9
95th Percentile	-3.5	1.1	4.2	2.5	2.9	-2.9	6.5	-12.9	4.6

3 Year Rolling Percentile Ranking vs. IM Flexible Portfolio (MF)



3 Year Rolling Under/Over Performance vs. Diversified Real Asset Blended Index



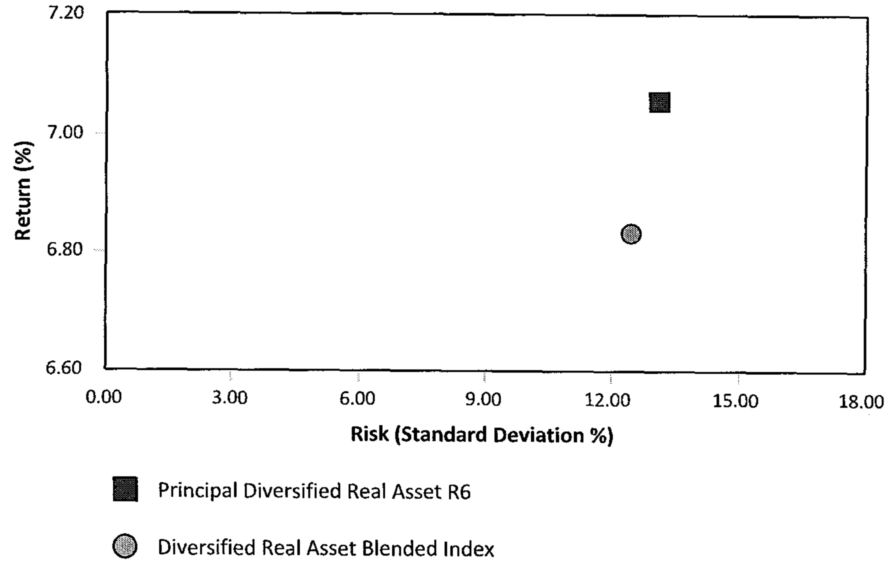
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

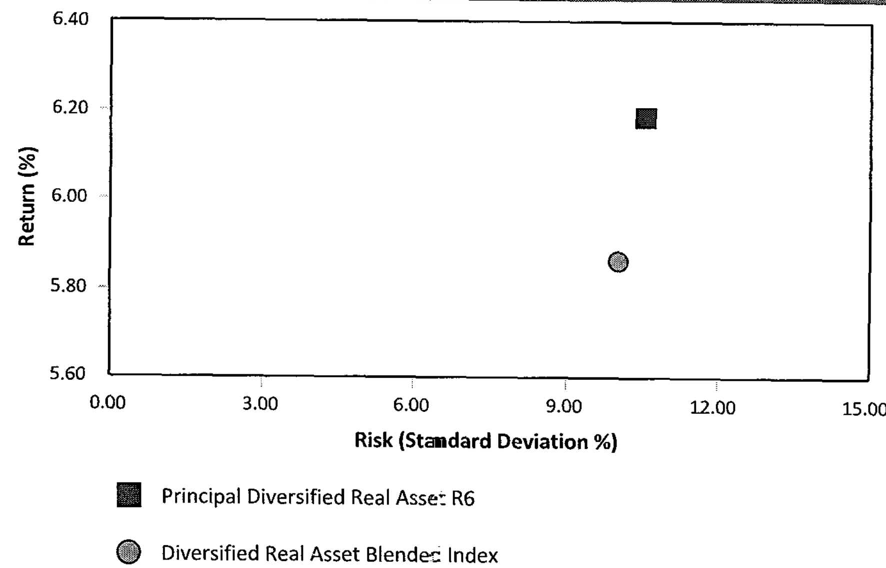
Principal Diversified Real Asset R6

As of September 30, 2021

3 Year Risk and Return



5 Year Risk and Return



MPT Statistics vs. Diversified Real Asset Blended Index

	3 Years	5 Years
Return	7.1	6.2
Standard Deviation	13.1	10.6
vs. Diversified Real Asset Blended Index		
Alpha	0.0	0.1
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	58.3	55.0
Up Market Capture	104.1	103.8
Down Market Capture	104.1	102.2
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.5	0.5

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Principal Diversified Real Asset R6

Report Date September 30, 2021

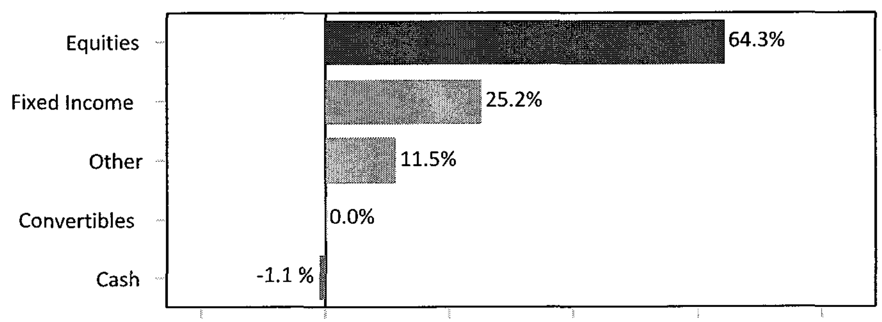
Mutual Fund Information

Fund Name :	Principal Funds, Inc: Diversified Real Asset Fund; Class R-6 Shares	Portfolio Assets :	$4,397 Million
Fund Family :	Principal Global Investors LLC	Fund Assets :	$2,131 Million
Ticker :	PDARX	Portfolio Manager :	Team Managed
Inception Date :	12/31/2014	PM Tenure :	
Portfolio Turnover :	85%		

Fund Investment Policy

The Fund seeks a long-term total return in excess of inflation. The Fund allocates its assets under the following investment categories: inflation-indexed bonds, real estate investment trusts, commodity index-linked notes, fixed-income securities, securities of natural resource companies and master limited partnerships.

Asset Allocation as of 03/31/21



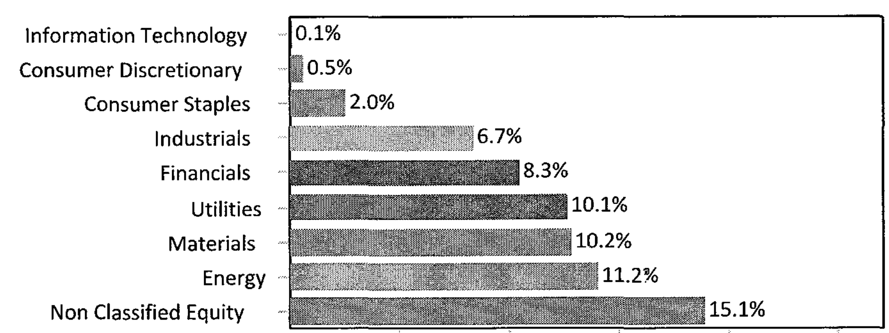
Top 10 Securities as of 03/31/21

Principal Government Money Market	3.8 %
TC Energy Corp ORD	0.8 %
Enbridge Inc ORD	0.8 %
Sempra Energy ORD	0.7 %
National Grid PLC ORD	0.7 %
ConocoPhillips ORD	0.6 %
SSE PLC ORD	0.6 %
Vinci SA ORD	0.6 %
Pioneer Natural Resources Co ORD	0.6 %
Aena SME SA ORD	0.5 %

Equity Characteristics as of 03/31/21

Total Securities	752
Avg. Market Cap	$26,306 Million
P/E	29.7
P/B	2.9
Div. Yield	3.2%
Annual EPS	-4.0
5Yr EPS	7.2
3Yr EPS Growth	7.1

Sector Allocation as of 03/31/21



Mutual fund data sourced from Lipper Analytical Services.

Benchmark Composition

Pension Blended Benchmark

As of September 30, 2021

Allocation Mandate	Weight (%)	Allocation Mandate	Weight (%)
Sep-2021		Nov-2016	
90 Day U.S. Treasury Bill	14.0	90 Day U.S. Treasury Bill	0.0
Pension Fixed Income Benchmark	29.8	Blmbg. U.S. Aggregate Index	50.0
Dow Jones U.S. Total Stock Market Index	31.0	CRSP U.S. Total Market TR Index	25.0
MSCI AC World ex USA (Net)	25.3	MSCI AC World ex USA (Net)	25.0
Aug-2021			
90 Day U.S. Treasury Bill	18.5		
Pension Fixed Income Benchmark	35.0		
Dow Jones U.S. Total Stock Market Index	26.0		
MSCI AC World ex USA (Net)	20.5		
Apr-2021			
90 Day U.S. Treasury Bill	0.0		
Pension Fixed Income Benchmark	50.0		
Dow Jones U.S. Total Stock Market Index	27.5		
MSCI AC World ex USA (Net)	22.5		
Apr-2019			
90 Day U.S. Treasury Bill	0.0		
Blmbg. U.S. Aggregate Index	50.0		
Dow Jones U.S. Total Stock Market Index	27.5		
MSCI AC World ex USA (Net)	22.5		
Jan-2019			
90 Day U.S. Treasury Bill	0.0		
Blmbg. U.S. Aggregate Index	50.0		
CRSP U.S. Total Market TR Index	27.5		
MSCI AC World ex USA (Net)	22.5		

Benchmark Composition

OPEB Blended Benchmark

As of September 30, 2021

Allocation Mandate	Weight (%)
Aug-2021	
90 Day U.S. Treasury Bill	7.8
Blmbg. U.S. Aggregate Index	26.0
Bloomberg Global Aggregate	2.0
Dow Jones U.S. Total Stock Market Index	33.0
MSCI AC World ex USA (Net)	26.5
Diversified Real Asset Blended Index	4.8
Apr-2021	
90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate Index	30.3
Bloomberg Global Aggregate	2.3
Dow Jones U.S. Total Stock Market Index	34.8
MSCI AC World ex USA (Net)	27.8
Diversified Real Asset Blended Index	5.0
May-2020	
90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate Index	32.5
Dow Jones U.S. Total Stock Market Index	34.8
MSCI AC World ex USA (Net)	27.8
Diversified Real Asset Blended Index	5.0
Oct-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate Index	35.0
Dow Jones U.S. Total Stock Market Index	33.3
MSCI AC World ex USA (Net)	26.8
Diversified Real Asset Blended Index	5.0

Allocation Mandate	Weight (%)
Apr-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate Index	35.0
Dow Jones U.S. Total Stock Market Index	35.8
MSCI AC World ex USA (Net)	29.3
Jan-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	35.8
MSCI AC World ex USA (Net)	29.3
Dec-2018	
90 Day U.S. Treasury Bill	8.0
Blmbg. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	28.5
MSCI AC World ex USA (Net)	28.5
Feb-2018	
90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	32.5
MSCI AC World ex USA (Net)	32.5
Jan-2018	
90 Day U.S. Treasury Bill	7.5
Blmbg. U.S. Aggregate Index	31.5
CRSP U.S. Total Market TR Index	30.5
MSCI AC World ex USA (Net)	30.5

Benchmark Composition

OPEB Blended Benchmark

As of September 30, 2021

Allocation Mandate	Weight (%)	Allocation Mandate	Weight (%)
Dec-2017		Jul-2017	
90 Day U.S. Treasury Bill	16.0	90 Day U.S. Treasury Bill	37.0
Blmbg. U.S. Aggregate Index	29.5	Blmbg. U.S. Aggregate Index	22.0
CRSP U.S. Total Market TR Index	27.3	CRSP U.S. Total Market TR Index	20.5
MSCI AC World ex USA (Net)	27.3	MSCI AC World ex USA (Net)	20.5
Nov-2017		May-2017	
90 Day U.S. Treasury Bill	25.0	90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate Index	25.0	Blmbg. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	25.0	CRSP U.S. Total Market TR Index	32.5
MSCI AC World ex USA (Net)	25.0	MSCI AC World ex USA (Net)	32.5
Oct-2017		Apr-2017	
90 Day U.S. Treasury Bill	0.0	90 Day U.S. Treasury Bill	25.0
Blmbg. U.S. Aggregate Index	35.0	Blmbg. U.S. Aggregate Index	25.0
CRSP U.S. Total Market TR Index	32.5	CRSP U.S. Total Market TR Index	25.0
MSCI AC World ex USA (Net)	32.5	MSCI AC World ex USA (Net)	25.0
Sep-2017		Mar-2017	
90 Day U.S. Treasury Bill	12.5	90 Day U.S. Treasury Bill	55.0
Blmbg. U.S. Aggregate Index	30.5	Blmbg. U.S. Aggregate Index	15.0
CRSP U.S. Total Market TR Index	28.5	CRSP U.S. Total Market TR Index	15.0
MSCI AC World ex USA (Net)	28.5	MSCI AC World ex USA (Net)	15.0
Aug-2017		Feb-2017	
90 Day U.S. Treasury Bill	25.0	90 Day U.S. Treasury Bill	77.0
Blmbg. U.S. Aggregate Index	26.0	Blmbg. U.S. Aggregate Index	8.0
CRSP U.S. Total Market TR Index	24.5	CRSP U.S. Total Market TR Index	7.5
MSCI AC World ex USA (Net)	24.5	MSCI AC World ex USA (Net)	7.5

Benchmark Composition

Pension Fixed Income Benchmark

As of September 30, 2021

Allocation Mandate	Weight (%)
Sep-2021	
Blmbg. U.S. Aggregate Index	93.3
Bloomberg Global Aggregate	6.7
Aug-2021	
Blmbg. U.S. Aggregate Index	94.3
Bloomberg Global Aggregate	5.7
Apr-2021	
Blmbg. U.S. Aggregate Index	93.5
Bloomberg Global Aggregate	6.5
Jan-1976	
Blmbg. U.S. Aggregate Index	100.0

Benchmark Composition

Domestic Equity Benchmark
As of September 30, 2021

Allocation Mandate	Weight (%)
Apr-2019	
Dow Jones U.S. Total Stock Market Index	100.0
Nov-2016	
CRSP U.S. Total Market TR Index	100.0

Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

REGULATORY DISCLOSURES

Offer of ADV Part 2A: Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to compliance@fiducient.com.

ASSET CLASS REPRESENTATIONS

All material and information is intended for Fiducient Advisors L.L.C. business only. Any use or public dissemination outside firm business is prohibited. Information is obtained from a variety of sources which are believed though not guaranteed to be accurate. Any forecast represents future expectations and actual returns, volatilities and correlations will differ from forecasts. Past performance does not indicate future performance. This presentation does not represent a specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice.

When referencing asset class returns or statistics, the following indices are used to represent those asset classes, unless otherwise notes. Each index is unmanaged and investors can not actually invest directly into an index:

TIPS: Bloomberg Barclays Global Inflation-Linked: U.S. TIPS Total Return Index Unhedged
Municipals 5-Year: Bloomberg Barclays Municipal Bond 5 Year (4-6) Total Return Index Unhedged USD
Core Bond: Bloomberg Barclays US Agg Total Return Value Unhedged USD
High Yield Municipals: Bloomberg Barclays Muni High Yield Total Return Index Value Unhedged USD
High Yield: Bloomberg Barclays US Corporate High Yield Total Return Index Value Unhedged USD
Foreign Bond: Bloomberg Barclays Global Aggregate ex-USD Total Return Index Value USD (50/50 blend of hedged and unhedged)
EM Debt (unhedged): J.P. Morgan GBI-EM Global Diversified Composite Unhedged USD
U.S. Large Cap: S&P 500 Total Return Index
U.S. Small Cap: Russell 2000 Total Return Index
International Developed: MSCI EAFE Net Total Return USD Index
Emerging Markets: MSCI Emerging Markets Net Total Return USD Index
World: MSCI ACWI Net Total Return USD Index
U.S. Equity REITs: FTSE Nareit Equity REITs Total Return Index USD
S&P Real Assets: S&P Real Assets Total Return Index
Commodities: Bloomberg Commodity Total Return Index
Hedge Funds: Hedge Fund Research HFRI Fund of Funds Composite Index
Balanced: 3% TIPS, 33% Core Bond, 4% High Yield , 2% Foreign Bond. 2% EM Debt (unhedged), 18% U.S. Large Cap, 6% U.S. Small Cap, 16% International, 8% Emerging Markets, 5% U.S. Equity REITS, 3% Commodities
U.S.: MSCI USA Net Total Return USD Index
China: MSCI CHINA Net Total Return USD Index
Japan: MSCI Japan Net Total Return USD Index
Germany: MSCI Germany Net Total Return USD Index
India: MSCI India Net Total Return USD Index
United Kingdom: MSCI UK Net Total Return USD Index
France: MSCI France Net Total Return USD Index
Italy: MSCI Italy Net Total Return USD Index
Brazil: MSCI Brazil Net Total Return USD Index
Canada: MSCI Canada Net Total Return USD Index

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of $1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Barclays Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Barclays Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Barclays Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Barclays Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Barclays Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity and quality requirements.

- **Bloomberg Barclays U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Barclays Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg Barclays U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float- adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
  - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index,15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: Barclays U.S. Treasury Inflation Notes Total Return Index
  - **PIMCO Inflation Response Multi Asset Fund:** 45% Barclays U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select RET, 10% Bloomberg Gold Subindex Total Return
  - **Principal Diversified Real Assets:** 35% BBgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
  - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Barclays US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of $50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.

- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg Barclays US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US Agg Flt Adj Index:** Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US Long Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg Barclays U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Blomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg Barclays 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.
- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

__Additional:__

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); *Russell uses its own sector and industry classifications.*
- MSCI country returns are calculated by MSCI and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with $100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded- funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.

- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. *Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta.* Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse that the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the <u>manager</u> performed if the market's return was zero. A <u>positive</u> alpha implies the manager added value to the return of the portfolio over that of the market. A <u>negative</u> alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The <u>higher</u> the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.
- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing it by the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment:** Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization, or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- ***Leveraged Buy-Out (LBO):*** *The acquisition of a company using debt and equity finance.*
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

VALUATION POLICY

Fiducient Advisors does not engage an independent third-party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where Fiducient Advisors overrides a custodial price, prices are taken from Bloomberg.

REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of Fiducient Advisors' fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice.

Custodian reports are the reports that govern the account. There will be different account values between Fiducient Advisors' reports and the custodian reports based on whether the report utilizes trade date or settlement date to calculate value. Additionally, difference between values contained on reports may be caused by different accrued income values. Any forecasts represent future expectations and actual returns, volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) $1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be $5,228 in the first year, and cumulative effects of $30,342 over five years and $73,826 over ten years. Additional information on advisory fees charged by Fiducient Advisors are described in Part 2 of the Form ADV.

OTHER

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

CUSTODIAN STATEMENTS

Please remember to review the periodic statements you receive from you custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact Fiducient Advisors or your custodian immediately.

TOWN OF WATERFORD
GENERAL FUND
2022-2023 PROPOSED BUDGET

DEPT/AGENCY: **10116** **RETIREMENT COMMISSION**

LINE ITEM	DESCRIPTION	2020/2021 ACTUAL EXPENDED	2021/2022 RTM APPROP.	2021/2022 ADDITIONAL/ TRANSFERS	ACTUAL EXPEND & ENCUMB AS OF 11/19/21	2022/2023 DEPT/ AGENCY REQUEST	2022/2023 APPROVED BD/COMM.	Department Request $ Increase	Department Request % Increaxe
PERSONNEL COSTS									
51930	HYPERTENSION/ HEART DISEASE	173,096	181,448		69,390	173,820		724	-4.20%
51940	PENSION CONTRIBUTIONS	4,207,520	4,348,776		1,638,214	4,727,807		520,287	8.72%
51945	RETIREE HEALTH BENEFITS	387,045	402,682		135,154	434,598		47,553	7.93%
51949	OPEB TRUST FUND CONTRIBUTION	1,101,967	750,000		757,100	1,143,311		41,344	52.44%
	SUBTOTAL	**5,869,628**	**5,682,906**	**0**	**2,599,858**	**6,479,536**	**0**	**609,908**	**14.02%**
DEPARTMENT TOTAL		**5,869,628**	**5,682,906**	**0**	**2,599,858**	**6,479,536**	**0**	**609,908**	**14.02%**

Note:

The OPEB Trust contribution is based on the FY20 OPEB valuation (next one due is 7/1/2022). The valuation report provides an ADEC (Actuarially Determined Employer Contribution) figure of $2,231,121. The town budgets on a "pay as you go" basis and funds the ADEC in various budgets as follows:

Trust Contribution (10116-51949)	1,143,311
Retiree Health Benefits (10116-51945)	434,598
Over 65 - fully insured (10112-52251)	653,212
	2,231,121

BUDGET FUNCTION

The Retirement Commission is charged with the management of the retirement program for the Town. This budget represents the Commission's estimate of the employer cost required to fund our retirement plans on an actuarially sound basis.

The Retirement Commission voted to appoint an Investment Manager in April 2016 for both the pension trust and the OPEB trust fund.The trust was set up and funded in February 2017.

BUDGET SUMMARY

The proposed FY23 budget of $6,535,256 is 15.00% higher than FY22. The increased Pension Contributions and the OPEB Contribution are the main driver for the Budget decrease in Fiscal Year 2023.

51930 HEART/HPYERTENSION BENEFITS

The Town is currently paying benefits to two individuals one widow of a former police officer, one widow of a former firefighter in accordance with judgments of the worker's compensation commission based upon Connecticut State Statute. In addition, the Town pays for treatment medications for several active police officers. A cost of living adjustment (COLA) is provided annually in October based on information provided by our H & H administrator. There is no COLA adjustment for FY23. The decrease is for an expected reduction in the treatment medication expenditures.

51940 PENSION CONTRIBUTIONS

Overall Budget down 0.64%. All general employees, police, and firefighters are covered by MERF B, a State administered plan. Employees who retired prior to the Town joining the MERF system are covered by the Town administered plan under which there are twelve retirees presently receiving benefits and one terminated vested employee.

The employer contribution rates for MERF B for fiscal year 2023 have not been released to date. Rates used are based on expected rates for FY23 received from the State of Connecticut Retirement Division. Payroll has been estimated based on 2020-2021 projected payroll using staffing levels as of November 2021. The employee contribution rate for fiscal year 2021-2022 is 2.25% of payroll and is provided for informational purposes only.

Past service accrued liability exists for all groups except fire and is being amortized over 30 years. The total liability is $427,796.76. The Police department's portion is $417,247.68.

The proposed budget includes an administrative assessment fees for all active and retired employees of $130.00 per member. The 2021-2022 administrative fee of $81,380 is based on 342 active participants and 284 retirees.

BUDGET SUMMARY (continued)

The Public Employees Retirement System Fund (PERS) currently has 7 active participants. Effective fiscal year 2004, the RTM approved a change in benefit allowing for a minimum pension of $6,000 annually and offered a one- time $5,000 bonus. An annual increase linked to the CPI-U was approved with a cap of five (5%) percent per year. The June 30, 2021 Actuarial Valuation Report performed by Hooker & Holcombe, Inc. indicated that based upon the current population and the approved changes to the plan, the fund will carry an unfunded liability of $198,424 and required an annual municipal contribution in the amount of $27,280.

51945 RETIREE HEALTH BENEFITS

Overall Budget is up 7.93%. The main driver is an increase in actual monthly cost to the Town. The Town currently has eighteen (18) retirees who receive post-retirement healthcare benefits. In addition, there are another 32 employees in the Over 65 classification that receive post-employment healthcare benefits. The current GGA contract allows for a buy-out of accrued sick time hours in excess of 1,400 per year for deposit into a Health Retirement Account to be used by the employee for medical costs incurred following retirement.

The cost of the third party administration of the HRA has been included in the line item. The annual cost of this excess, sick time accrual is included in the respective employee's department budget.

OTHER POST EMPLOYMENT BENEFITS (OPEB)

On December 1, 2014, the RTM approved the establishment of a trust fund to account for the OPEB contributions. The Retirement Commission is responsible for the oversight and recommended funding of the OPEB Trust. The Retirement Commission voted to appoint an Investment Manager in April 2016 for both the pension trust and the OPEB trust fund.The trust was set up and funded in February 2017.

BUDGET SUMMARY (continued)

The Governmental Accounting Standards Board (GASB) issued a Statement 45 requiring the cost of Other Post-Employment Benefits (OPEB) to be recognized in the year earned (when the employee is working) rather than when paid (when the employee retires). In addition, the Statement also requires the recording of a liability (implicit rate subsidy) for those retirees that remain on the Town's plan at their own cost. Since the cost of similar benefits for these employees would be greater if the retiree was not part of the group, the statement requires the recording of the liability for the difference. The effective date of Statement 45 was July 1, 2006.

Proposed Budget for Fiscal Year 2023 contains an increase of 14.02%.

As of the July 1, 2020 actuarial OPEB valuation, the Town's Unfunded Actuarial Accrued Liability is $17,291,575. The annual required contribution (ARC) for FY2023 is $2,1231,121. This contribution is funded in several account lines in the annual budget (10116-51949, 10116-51945, and 10112-52251).

TOWN OF WATERFORD
RETIREE HEALTH BENEFITS -SUMMARY SHEET
2022-2023 PROPOSED BUDGET

10116-51945 - RETIREE HEALTH BENEFITS

	MONTHLY COST	NO. OF MONTHS	ANNUAL COST
RETIREES - OVER 65	$7,783.87	12	$93,406.44 [1]
RETIREES - UNDER 65	$22,346.07	12	$268,152.84 [2]
NON BCBS SUPPLEMENT	$4,008.96	12	$48,107.52 [3]
PROSPECTIVE RETIREES	$1,977.60	12	$23,731.20 [4]
ADMINISTRATIVE COST - HRA	$100.00	12	$1,200.00 [5]
TOTAL	**$36,216.50**		**$434,598.00**
AMOUNT TO BUDGET			**434,598**
2021-2022 ADOPTED BUDGET			402,682
PERCENT DECREASE OVER P/Y			7.93%

[1] Budget calculation based on October 2021 monthly cost to Town.

[2] Budget calculation based on October 2021 rates.

[3] In 2020-21, 16 retirees were reimbursed for Non-BCBS supplement. The total reimbursement was $45,243.65. The retiree must submit copies of paid invoices to receive the reimbursement.

[4] There is currently 1 employee that is eligible to retire under the plan, budget is created using the 2-person rate.

[5] Third party fee for the administration of the HRA accounts allowed for in the current GGA contract. Third party vendor is Flores & Associates.

TOWN OF WATERFORD
HEART/HYPERTENSION 2022-2023 FISCAL YEAR PROPOSED BUDGET

HEART/HYPERTENSION	2018-2019 ACTUAL	2019-2020 ACTUAL	2020-2021 ACTUAL	2021-2022 ACTUAL @ as of Nov 13	2021-2022 BUDGETED	2022-2023 PROPOSED BUDGET
WAGES [1]	203,002.00	163,225.33	167,099.92	64,269.20	171,448	167,820
TREATMENT MEDICATION [2]	14,185.89	4,066.39	5,996.45	1,907.30	10,000	6,000
TOTALS	**217,187.89**	**167,291.72**	**173,096.37**	**66,176.50**	**181,448.00**	**173,820.00**

NOTES:
[1] COLA rates used as of October 1, 2021 Note. That the COLA decreased this year but weekly rates were not decreased.
[2] Treatment medication is based on prior year actual.

TOWN OF WATERFORD
PENSION CONTRIBUTIONS
2022-2023 FISCAL YEAR PROPOSED BUDGET

PENSION CONTRIBUTIONS	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2020 ACTUAL	2020-2021 ACTUAL	2021-2022 BUDGETED	2022-2023 PROPOSED	INCREASE/ (DECREASE) OVER P/Y	% INCREASE/ (DECREASE) OVER P/Y
TOWN OF WATERFORD PLAN								
EMPLOYER CONTRIBUTIONS	81,493.00	81,131.00	82,000.00	82,000.00	83,000.00	27,280.00	(55,720.00)	-67.13%
ACTUARIAL FEE	4,500.00	5,395.01	7,953.00	7,100.00	5,957.91	7,100.00	1,142.09	19.17%
	85,993.00	86,526.01	89,953.00	89,100.00	88,957.91	34,380.00	(54,577.91)	-61.35%
MERS								
EMPLOYER CONTRIBUTIONS	2,645,182.00	2,735,169.99	3,797,638.44	3,704,876.06	3,839,599.51	4,184,250.09	344,650.58	8.98%
AMORTIZATION/ADMIN COST	507,956.00	497,704.00	497,704.00	502,644.00	420,218.58	509,176.76	88,958.18	21.17%
	3,153,138.00	3,232,873.99	4,295,342.44	4,207,520.06	4,259,818.09	4,693,426.85	433,608.76	10.18%
TOTALS	**3,239,131.00**	**3,319,400.00**	**4,385,295.44**	**4,296,620.06**	**4,348,776.00**	**4,727,806.85**	**379,030.85**	**8.72%**

TOWN OF WATERFORD
PROJECTED MERF CONTRIBUTION - ACTUAL 2020-2021 WAGES
2022-2023 FISCAL YEAR

	PROJECTED 2021-2022 WAGES					ACTUAL 2020-2021 WAGES			
MONTH	TOWN SALARIES	POLICE/FIRE SALARIES	BOE NON-CERT SALARIES	TOTAL		TOWN SALARIES	POLICE/FIRE SALARIES	BOE NON-CERT SALARIES	TOTAL
JULY 2021 ACTUAL	$855,142.86	$587,518.54	609,023.33	2,051,684.73	JULY 2020	$848,745.29	$553,766.19	671,730.20	2,074,241.68
AUGUST 2021 ACTUAL	$668,105.19	$503,204.03	417,580.77	1,588,889.99	AUGUST 2020	$655,420.80	$478,663.66	415,330.79	1,549,415.25
SEPTEMBER 2020 ACTUAL	$689,266.21	$520,505.04	554,161.35	1,763,932.60	SEPTEMBER 2020	$648,801.81	$460,186.56	584,078.89	1,693,067.26
OCTOBER 2021 ACTUAL	$848,706.21	$614,964.76	545,622.63	2,009,293.60	OCTOBER 2020	$821,449.06	$579,040.77	582,569.78	1,983,059.61
NOVEMBER 2021 PROJECTED	$685,788.24	$500,977.44	541,322.63	1,728,088.31	NOVEMBER 2020	$666,342.13	$466,201.18	572,350.23	1,704,893.54
DECEMBER 2021 PROJECTED	$939,957.25	$789,233.20	811,983.95	2,541,174.40	DECEMBER 2020	$913,303.96	$734,447.14	830,031.59	2,477,782.69
JANUARY 2022 PROJECTED	$678,892.06	$455,064.08	541,322.63	1,675,278.77	JANUARY 2021	$659,641.50	$423,474.98	529,360.84	1,612,477.32
FEBRUARY 2022 PROJECTED	$741,929.88	$479,309.32	541,322.63	1,762,561.83	FEBRUARY 2021	$720,891.83	$446,037.19	567,101.62	1,734,030.64
MARCH 2022 PROJECTED	$693,278.58	$476,832.37	541,322.63	1,711,433.58	MARCH 2021	$673,620.08	$443,732.18	584,837.23	1,702,189.49
APRIL 2022 PROJECTED	$883,938.20	$592,187.65	541,322.63	2,017,448.48	APRIL 2021	$858,873.38	$551,079.87	528,036.66	1,937,989.91
MAY 2022 PROJECTED	$740,954.24	$557,960.17	541,322.63	1,840,237.04	MAY 2021	$719,943.85	$519,228.35	587,350.72	1,826,522.92
JUNE 2022 PROJECTED	$704,080.39	$525,677.69	541,322.63	1,771,080.71	JUNE 2021	$684,115.59	$489,186.82	582,001.60	1,755,304.01
TOTALS:	9,130,039.31	6,603,434.29	6,727,630.44	22,461,104.04		8,871,149.28	6,145,044.89	7,034,780.15	22,050,974.32

Est wage increase FY23	2.25%	2.25%	2.50%			2.25%	2.25%	2.50%	
Projected MERF salaries 2022-23	9,335,465.19	6,752,011.56	6,895,821.20	**22,983,297.95**		9,070,750.14	6,283,308.40	7,210,649.65	**22,564,708.19**
2022-2023 Contribution Rate [1]	**16.44%**	**22.45%**	**16.44%**			**15.24%**	**20.95%**	**15.24%**	
Est. Employer Contribution 2020-2021	**$1,534,750.48**	**$1,515,826.60**	**$1,133,673.01**	**$4,184,250.09**		**$1,382,382.32**	**$1,316,353.11**	**$1,098,903.01**	**$3,797,638.44**
Amortization	0.00	427,247.68	549.08	427,796.76		0.00	416,827.00	537.00	417,364.00
Administrative Fee	31,980.00	12,870.00	36,530.00	81,380.00		31,200.00	12,740.00	36,400.00	80,340.00
CONTRIBUTION	**$1,566,730.48**	**$1,955,944.28**	**$1,170,752.09**	**$4,693,426.85**		**$1,413,582.32**	**$1,745,920.11**	**$1,135,840.01**	**$4,295,342.44**

CONTRIBUTION RATE

1. The contribution rate is based on the MERF Projection for FY 2022 from the State of CT. FY 2023 rates have not been received as of November 13, 2021.

STATE of CONNECTICUT

RETIREMENT SERVICES DIVISION

RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2021

Ms. Joyce Sauchuk
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Town 152-W

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2021. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2021 to June 30, 2022 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	7.05%
Unfunded Accrued Liability	9.39%
Total	16.44%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 18.02% for fiscal year ending June 30, 2024. The estimated schedule of future employer contribution rates is provided in the June 30, 2020 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2021, the employee contribution rates for members covered by Social Security will increase from 3.25% to 3.75%.

- There is no annual amortization payment for prior service.

- The CMERS administrative charge is $8,710. This charge is based on $130 per active and retired member. Our most recent files show 33 active members and 34 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 16.44% at its January 21, 2021 meeting. A copy of the June 30, 2020 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE *of* CONNECTICUT

RETIREMENT SERVICES DIVISION

RETIREMENT SERVICES DIVISION
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2021

Ms. Joyce Sauchuk
Director of HR
Waterford Fire Department
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Fire 152-F

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2021. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2021 to June 30, 2022 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	11.14%
Unfunded Accrued Liability	11.31%
Total	22.45%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 24.48% for fiscal year ending June 30, 2024. The estimated schedule of future employer contribution rates is provided in the June 30, 2020 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2021, the employee contribution rates for members covered by Social Security will increase from 3.25% to 3.75%.

- There is no annual amortization payment for prior service.

- The CMERS administrative charge is $2,080. This charge is based on $130 per active and retired member. Our most recent files show 9 active members and 7 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 22.45% at its January 21, 2021 meeting. A copy of the June 30, 2020 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE *of*
CONNECTICUT

RETIREMENT SERVICES
DIVISION

RETIREMENT SERVICES DIVISION
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2021

Ms. Joyce Sauchuk
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Police 152-P

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2021. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2021 to June 30, 2022 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	11.14%
Unfunded Accrued Liability	11.31%
Total	22.45%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 24.48% for fiscal year ending June 30, 2024. The estimated schedule of future employer contribution rates is provided in the June 30, 2020 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2021, the employee contribution rates for members covered by Social Security will increase from 3.25% to 3.75%.

- There is no annual amortization payment for prior service.

- The CMERS administrative charge is $12,090. This charge is based on $130 per active and retired member. Our most recent files show 47 active members and 46 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 22.45% at its January 21, 2021 meeting. A copy of the June 30, 2020 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE *of*
CONNECTICUT

RETIREMENT SERVICES
DIVISION

RETIREMENT SERVICES DIVISION
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

March 4, 2021

Ms. Joyce Sauchuk
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
jsauchuk@waterfordct.org

RE: Waterford Paraprofessionals 152-N

Dear Ms. Sauchuk:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2021. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2021 to June 30, 2022 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	7.05%
Unfunded Accrued Liability	9.39%
Total	16.44%

  We project the contribution payment, as a percentage of payroll, will increase in future annual valuations to an estimated rate of 18.02% for fiscal year ending June 30, 2024. The estimated schedule of future employer contribution rates is provided in the June 30, 2020 valuation.

- As stated in the Retirement Services Division letter dated June 25, 2019, Public Act No. 19-124 includes an increase in employee contributions to MERS in each of the six subsequent fiscal years. Therefore, effective July 1, 2021, the employee contribution rates for members covered by Social Security will increase from 3.25% to 3.75%.

- The last annual amortization payment of $ 76 for prior service is due July 1, 2021.

- The CMERS administrative charge is $15,080. This charge is based on $130 per active and retired member. Our most recent files show 82 active members and 34 retired members.

The State Employees Retirement Commission approved the above total contribution rate of 16.44% at its January 21, 2021 meeting. A copy of the June 30, 2020 actuarial valuation report can be found on the Office of the State Comptroller's website at https://www.osc.ct.gov/rbsd/reports/index.html.

If you have any questions regarding the information provided in this letter, please contact Rudolph Nelson, a CMERS staff member, at (860)702-3502.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

PERS

Executive Summary

	July 1, 2021	July 1, 2019
Number of members		
Active employees	0	0
Terminated vested members	0	0
Retired, disabled and beneficiaries	7	10
Total	7	10
Covered employee payroll	N/A	N/A
Average plan salary	N/A	N/A
Actuarial present value of future benefits	786,000	1,019,984
Actuarial accrued liability	786,000	1,019,984
Plan assets		
Market value of assets	639,050	535,281
Actuarial value of assets	587,576	553,774
Unfunded accrued liability	198,424	466,210
Funded ratio	74.8%	54.3%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2023	2021
ADEC	27,280	59,870
Fiscal year ending	2024	2022
ADEC	27,280	59,870

OPEB

Executive Summary

	July 1, 2020	July 1, 2018
Number of members		
Active members	404	406
Retired members and dependents	119	147
Total	523	553
Covered employee payroll	31,115,420	29,522,454
Average plan salary	77,018	72,715
Actuarial present value of future benefits	27,947,165	25,535,348
Actuarial accrued liability	25,386,650	23,232,946
Plan assets		
Market value of assets	6,109,331	3,636,422
Actuarial value of assets	6,109,331	3,636,422
Unfunded accrued liability	19,277,319	19,596,524
Funded ratio	24.1%	15.7%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2022	2020
ADEC	2,217,688	2,127,089
Fiscal year ending	2023	2021
ADEC	2,231,121	2,139,712

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ANNUAL REPORT OF THE WATERFORD RETIREMENT COMMISSION
FISCAL YEAR 2020-2021

Pursuant to Connecticut General Statutes and Waterford Code of Ordinances, the Waterford Retirement Commission oversees the Municipal Employees Retirement System (MERS) a cost-sharing, multiple-employer, public employee retirement system—as well as the Public Employees Retirement System (PERS), which is a defined benefit plan.

MERS

MERS is considered to be a part of the State of Connecticut's financial reporting entity and is included in the State's financial report that may be obtained by contacting the Retirement Services Division of the Office of the State Comptroller by mail at 165 Capitol Ave., Hartford, CT 06106; by email to osc.rsd@ct.gov; or by phone at 860-702-3480.

Under MERS, any local government authority in the State of Connecticut (e.g., towns, cities, boroughs, regional school districts, housing authorities, or other special districts) may elect to have one or more of its departments, including elective officers, participate in the state-administered system. All eligible full-time employees of the Town and the Board of Education must enroll in the MERS plan. Teachers covered under the Connecticut State Teachers Retirement System are not eligible for the MERS.

MERS provides for retirement benefits, as well as death and disability benefits. Plan provisions are set by Connecticut General Statutes. MERS membership is mandatory for all regular full-time employees of participating departments, except for Police and Fire hired after age 60. A member is vested after 5 years of continuous active service during which the member is actively working and contributing to the MERS. Any employee who terminated prior to Oct. 1, 2001, must have 10 continuous years of service or 15 years total years of active service to be vested in the MERS.

Members are entitled to an annual retirement benefit, payable monthly for life, when they reach normal retirement age (age 55 with 5 years of service or 15 years of non-continuous active service) OR at any age if they have a minimum of 25 years of total service. For members age 62 and covered by Social Security—or, if earlier, in receipt of an SSDA—the annual MERS retirement benefit is equal to 1.5% of their average final compensation not in excess of the year's breakpoint, plus 2% of their average final compensation in excess of the year's breakpoint, times their years of service.

MERS retirees are eligible for annual cost-of-living adjustments payable on each July 1 following their retirement date. The adjustment is 60% of the annual increase in CPI-W up to 6%, plus 75% of the annual increase in CPI-W above 6%. The minimum annual COLA is 2.5% and the maximum is 6%. Disability retirement benefits are adjusted each July 1 based upon the performance of the fund's asset, with a minimum COLA of 3% and a maximum of 5%.

Retirement trust funds can be invested in various investment pools maintained by the State of Connecticut. Investments in the pooled funds are valued at cost. No investments in any organization represent 5% or more of net assets available for benefits.

PERS

The Public Employees Retirement System (PERS) is a single-employer defined benefit pension plan (The Plan). The PERS was established and is administered by the Town and The Plan covers employees who retired or terminated in a vested status prior to their department's participation in the MERS. No contributions are required from PERS members; the Town is required to contribute the amounts necessary to finance the benefits for the participants in the PERS plan. The PERS is considered to be part of the Town of Waterford's financial reporting entity and is included in the Town's financial reports as the Pension Trust Fund.

The PERS plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The PERS plan was closed to new members at various times over the years and there are no longer any current employees in that plan On June 30, 2021, PERS plan membership consisted of 7 retirees, disabled, and beneficiaries receiving benefits.

Under PERS, members who retired at their normal retirement date (age 62 with 15 years of service) receive benefits equal to 1.5% of their final average earnings (i.e., the average of the highest 5 years of earnings within their last 10 years) per year of service, limited to 30 years of service. Members who retired at their service retirement date (age 50 with 25 years of service) receive benefits equal to 2% of their final average earnings per year, limited to 30 years of service, until age 62. Members who retired at their early retirement date (age 57 with 15 years of service) could elect either to receive benefits accrued to that date, reduced by 0.4167% for each month prior to their normal retirement date, or to defer benefits until their normal retirement date with no reduction. PERS benefit provisions are established, and can be amended, by the RTM.

The PERS plan has a net unfunded pension liability of $198,424 as of June 30, 2021, to be amortized over an 11-year period. Employer contributions of $82,000 were made for the fiscal year ended June 30, 2021, as required by the actuarial analysis. If it is determined that there are any excess assets in the PERS plan, they may be used to fund past service costs for employees who transferred to the MERS pension plan.

The Town of Waterford financial statements for PERS are prepared using the accrual basis of accounting. Employer contributions are recognized as revenues in the period the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

OPEB

In addition to retirement, death, and disability benefits, the Town is required to fund other post-employment benefits (OPEB) for eligible retirees. The Town recognizes the cost of post-employment healthcare in the year the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing demands on the Town's future cash flow. Recognition of the liability accumulated from prior years, commencing with the 2006 liability, is being phased in over 30 years.

The July 1, 2016, Actuarial Valuation prepared in compliance with Governmental Accounting Standards Board (GASB) Statement 45 requirements disclosed the net cost (unfunded accrued liability) of OPEB healthcare as $22,530,000. As of June 30, 2020 (the most recent biennial valuation), the net cost of OPEB healthcare was $19,277,319.

Although the Town funds its OPEB costs annually on a pay-as-you-go basis, GASB Statement 45 now requires that municipalities recognize it as an actuarial accrued liability inclusive of implicit rate subsidies. The GASB does not require that the Town fund the liability, only that it disclose the liability on the Town's financial statements. However, beginning with fiscal year 2016, GASB Statements 74 and 75 require that the Town report the OPEB liability on the face of its financial statements rather than in a note to the financial statements. If the Town did not fund the liability then each year the liability would increase and possibly have an adverse effect in areas such as the Town's bond rating.

On December 1, 2014, the RTM approved the establishment and funding of a trust for the purpose of reducing the Town's unfunded liability. The trust was established of Feb. 1, 2017; the Retirement Commission appointed FIA (which, following a merger, became Fiducient Advisors in 2021) as the trust's investment advisors and Wells Fargo as the trustee/custodian of the funds. Contributions of $1,160,000 were made in FY18 and again in FY19. The Retirement Commission requested $2,058,613 for OPEB trust fund contributions for FY20, as recommended by plan advisors due to actual and anticipated cost increases; the amount was reduced to $758,613 during the budget hearing process. The Commission's FY21 request of $1,400,000 for OPEB trust fund contributions was reduced by $300,000 during a round of Covid-19 pandemic-related cuts during the budget process. For FY22, based on the Finance Director's discovery of duplicated reporting, the Commission's proposed (and ultimately approved) OPEB trust fund budget request was $750,000. Data from plan advisors needed to establish the Commission's proposed FY23 budget for OPEB trust fund contributions to cover current-year outlays and reduce the unfunded liability were unavailable at the time of this report.

RECENT LEGISLATION

Public Act 19-124, which was effective July 1, 2019, increased employee contributions to the MERS plan during FY20 and in each of the five subsequent fiscal years. Related reductions in the employer contribution rates were offset by the OSC's Retirement Services Division's decision to reduce the assumed investment rate of return from 8% to 7% and resulted in increased employer contribution rate projections for FY20 through FY25.

Respectfully submitted,

Susan Driscoll

Susan Driscoll, Chair
Waterford Retirement Commission

November 2021