FIDUCIENT Advisors

Helping Clients Prosper

Town of Waterford

Quarterly Investment Review - Second Quarter 2022

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

- Plan Sponsor Newsletter
- The Public Fiduciary Newsletter
- Webcast: Why Fiduciary Liability Insurance is Needed More Than Ever
- Webcast: Designing and Maximizing a Cash Balance Plan

Endowments & Foundations

Featured Insights

- Guide to Mission-Aligned Investing
- Nonprofit Investment Stewards Podcast
- Blog: An Overview of OCIO Services for Nonprofit and Tax-Exempt Clients

Coming Soon

- Steward Newsletter

The Wealth Office®

Featured Insights

- Webcast: NextGen Success – Planning Today for a Better Tomorrow
- Blog: It's Time for an Annual Wellness Check-up… of Your Finances

Coming Soon

- Advisor Newsletter

Chicago Investor Conference
Save the Date: October 13, 2022

Conference details and registration coming this summer!

Fiducient Advisors Update

Research Insights

- Monthly Market Recaps
- Monthly Market Updates
    - *Mayday?* – May
    - *When Hawks Cry* – April
- Webcast: Mid-Year Capital Markets and Economic Update
- Mid-Year Capital Markets Update
- Webcast: Market Volatility & Outlook
- Changing Dynamics in the Secondaries Market
- 2022 First Quarter Considerations

Recent Speaking Engagements

- P&I ESG Investing Conference
- Portfolio Summits ESG East Summit
- CT Public Pension Forum
- Markets Group 8th Annual Midwest Institutional Forum
- eVestment Institutional Trends Quarterly Webcast
- 2022 ACI Spring Professional Development Conference

2022 New Associates – Welcome!

- Zachary Adkins, Operations Support Specialist
- Andrews Beniana, Senior Accountant
- Miranda Brozik, Consulting Analyst, Financial Institutions
- Richard Cenar, Client Service Associate
- Andrew Doten, Consultant, The Wealth Office®
- Alyssa Holly, Consulting Analyst
- Malak Issa, Compliance Officer
- Antonia Kitchen, Talent Acquisition Specialist
- Robert Klinke, Consulting Analyst
- Samantha Mann, Consulting Analyst
- Matthew Myers, Client Service Associate
- Kevin O'Connell, Senior Consultant
- Marilyn Rowland, Senior Research Analyst
- Evan Walsh, Consulting Analyst

As of May 31, 2022

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Section 3	Pension Portfolio Review
Section 4	OPEB Portfolio Review

Fiduciary Governance Calendar

Fiduciary Governance Calendar

Q1
Fee Focus

- **Investment 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		
	7/1/2021	**7/1/2019**
Actuarial Value of Assets	$587,576	$553,774
Total Accrued Liability	$786,000	$1,019,984
Funded Ratio	74.8%	54.3%
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: Hooker & Holcombe, Town of Waterford Retirement Plan 2021 Valuation Report & Waterford OPEB 2020 Valuation Report

Investment Policy Statement

A well-written Investment Policy Statement serves as the blueprint for the management of the investment program. As such, there are certain criteria that are required in an IPS, and other criteria that may or may not be included based on the organization's circumstances:

Important elements of an IPS to consider:	
Investment objective(s)	✓
Assignment of responsibilities	✓
Asset allocation framework	✓
Rebalancing guidelines	✓
Selection and monitoring criteria for investment strategies	✓
Termination guidelines for investment strategies	✓
Liquidity guidelines	N/A
Proxy voting	✓

In the following pages, you will find the most recent IPS on file for the Waterford Pension.

- The body of the IPS is as of August 2016, and the asset allocation table in Appendix A is as of July 2021.
- The IPS was most recently reviewed/approved by the Retirement Commission in July 2021.
- There are no recommendations for change at this point in time.

Town of Waterford Pension Plan

FIDUCIARY INVESTMENT ADVISORS

DISCRETIONARY INVESTMENT PORTFOLIO

INVESTMENT POLICY STATEMENT

August 2016

Introduction & Purpose

This investment policy statement (the "Policy") outlines the goals and investment objectives for the discretionary investment portfolio (the "Portfolio") overseen by Fiduciary Investment Advisors (the "Investment Advisor") on behalf of the Town of Waterford Pension Plan (the "Client"). The Client acknowledges that by executing this statement it hereby cedes responsibility for the investment of its designated assets to the Investment Advisor.

This document is intended to provide an overview of the general guidelines in place for managing the Portfolio. This statement:

- Describes the investment objectives of the Portfolio;
- Defines the responsibilities of, and summarizes the investment management services provided by, the Investment Advisor and other parties;
- Outlines the process for evaluating the performance of the investment managers being used in the construction of the Portfolio and for the Portfolio as a whole.

Investment Objective

The Portfolio shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. Consistent with this approach, the Investment Advisor has determined that the investment of the Portfolio's assets shall be guided by the following underlying goals:

- To diversify the Portfolio in order to reduce risk;
- To achieve investment results over the long-term that compare favorably with those of other professionally managed portfolios and appropriate market indexes;
- To maintain sufficient liquidity to meet the obligations of the Client.

Assignment of Responsibilities

Investment Advisor – The Investment Advisor is charged with the day-to-day responsibility of overseeing the Portfolio and may discharge some of its responsibilities to authorized individuals within its employment. To that end, the Investment Advisor's responsibilities include: establishing and maintaining the Portfolio's investment policy, its objectives and its return evaluation framework. The Investment Advisor (or the individuals it so authorizes) will meet periodically to discharge its responsibilities. The Investment Advisor shall undertake its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Investment Advisor recognizes (and the Client acknowledges) that some risk must be assumed to achieve the Portfolio's long-term investment objectives. The Investment Advisor will direct, in its sole discretion and without first consulting the Client, the investment and reinvestment of the assets in the Client's account (the "Account") in securities, mutual funds, independent investment managers and/or programs, and cash or cash equivalents.

Custodian – The Custodian is responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by your Account, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of your Account.

Asset Allocation

The asset allocation target ranges set forth in Appendix A represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range.

Investment Monitoring and Reporting

The Investment Advisor will periodically review performance of the individual investment mandates being used in the Portfolio and the Portfolio as a whole. Performance monitoring is the mechanism for revisiting the investment selection process and confirming that the criteria originally satisfied remain intact and that an investment continues to be appropriate for the Portfolio. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going one.

The monitoring process will generally utilize the same criteria that formed the basis of the investment selection decision. In addition, a set of "watch list criteria" may be employed to track important quantitative and qualitative elements, assist in the evaluation process, and focus the Investment Advisor on potential areas of concern.

Watch list criteria may include the following:

- Performance relative to benchmark performance over various time frames;
- Deterioration of risk-adjusted performance;
- Notable style drift / change in investment objective;
- High manager fees relative to peers;
- Significant organizational or manager change.

Proxy Voting

Each investment manager utilized by the Investment Advisor is responsible for and empowered to exercise all rights, including voting rights, as are acquired through the purchase of securities, where practical.

Approval

It is understood that this Policy is to be reviewed periodically by the Client to determine if any revisions are warranted by changing circumstances including, but not limited to, changes in financial status, risk tolerance, or changes involving the engagement of the Investment Advisor. The Client's execution of this document further serves as an acknowledgement of, and agreement with, the asset allocation framework depicted in the attached appendix. Please remember to contact Fiduciary Investment Advisors, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

As Approved by Retirement Commission on August 17, 2016

Appendix A

As of July 2021

Target Asset Allocation Table

Asset Class	Min Weight	Max Weight	Benchmark Index
Domestic Equities	20.00%	50.00%	Russell 3000 Index
International Equities	15.00%	45.00%	MSCI ACWI ex U.S. (Net) Index
Fixed Income	20.00%	50.00%	Barclays Aggregate Index

The Investment Advisor generally intends to deploy a broad array of investment strategies and managers to execute the investment strategy for the Portfolio. Investment across the capital market opportunity set should be anticipated, an approach which may entail allocations to: equities across the capitalization, style, and country spectrums; fixed income across the duration, quality, and country spectrums (including tax-exempt securities where appropriate); other strategies including, but not necessarily limited to, real estate, commodities, inflation-protection mandates, hedge funds, market neutral, and other alternative strategies; and cash and/or cash equivalents.

CLIENT:

Name: Kimberly Allen

Signature: Kimberly Allen

Title: Director of Finance

Date: 7/23/21

Investment Policy Statement

A well-written Investment Policy Statement serves as the blueprint for the management of the investment program. As such, there are certain criteria that are required in an IPS, and other criteria that may or may not be included based on the organization's circumstances:

Important elements of an IPS to consider:	
Investment objective(s)	✓
Assignment of responsibilities	✓
Asset allocation framework	✓
Rebalancing guidelines	✓
Selection and monitoring criteria for investment strategies	✓
Termination guidelines for investment strategies	✓
Liquidity guidelines	N/A
Proxy voting	✓

In the following pages, you will find the most recent IPS on file for the Waterford OPEB.

- The body of the IPS is as of August 2016, and the asset allocation table in Appendix A is as of July 2021.
- The IPS was most recently reviewed/approved by the Retirement Commission in July 2021.
- There are no recommendations for change at this point in time.

Town of Waterford, CT

OPEB PLAN

INVESTMENT POLICY STATEMENT

August 2016

Introduction & Purpose

The Town of Waterford OPEB Plan (the "Plan") has been established to provide post employment retirement benefits to those individuals eligible to receive them. This policy statement outlines the goals and investment objectives for the Plan. This document is also intended to provide guidelines for managing the Plan, and to outline specific investment policies that will govern how those goals are to be achieved. This statement:

- Describes the investment objectives of the Plan;
- Describes an appropriate risk posture for the investment of the Plan's assets;
- Defines the responsibilities of, and summarizes the investment management services provided by, the Investment Advisor and other parties;
- Outlines the process for evaluating the performance of the investment managers being used in the construction of the Portfolio and for the Portfolio as a whole.

Investment Objectives

The Plan's assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plan, the Advisor has taken into account the financial needs and circumstances of the Plan, the time horizon available for investment, the nature of the Plan's cash flows and liabilities, and other factors that affect their risk tolerance. Consistent with these attributes, the Investment Advisor has determined that the investment of the Plan's assets shall be guided by the following underlying goals:

- To diversify the Plan in order to reduce risk;
- To achieve investment results over the long-term that compare favorably with those of other professionally managed portfolios and appropriate market indexes;
- To maintain sufficient liquidity to meet the obligations of the Plan.

Assignment of Responsibilities

Investment Advisor – The Investment Advisor is charged with the day-to-day responsibility of overseeing the Plan and may discharge some of its responsibilities to authorized individuals within its employment. To that end, the Investment Advisor's responsibilities include: establishing and maintaining the Plan's investment policy, its objectives and its return evaluation framework. The Investment Advisor (or the individuals it so authorizes) will meet periodically to discharge its responsibilities. The Investment Advisor shall undertake its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Investment Advisor recognizes (and the Town of Waterford acknowledges) that some risk must be assumed to achieve the Plan's long-term investment objectives. The Investment Advisor will direct, in its sole discretion and without first consulting Waterford, the investment and reinvestment of the assets in the Waterford OPEB Plan in securities, mutual funds, independent investment managers and/or programs, and cash or cash equivalents.

Custodian – The Custodian is responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plan, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plan (for example, to accommodate payments to eligible Plan participants).

Asset Allocation

The asset allocation target ranges set forth in Appendix A represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range.

Investment Monitoring and Reporting

The Investment Advisor will periodically review performance of the individual investment mandates being used in the Plan and the Plan as a whole. Performance monitoring is the mechanism for revisiting the investment selection process and confirming that the criteria originally satisfied remain intact and that an investment continues to be appropriate for the Plan. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going one.

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Watch list criteria may include the following:

- Performance relative to benchmark performance over various time frames;
- Deterioration of risk-adjusted performance;
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Proxy Voting

Each investment manager utilized by the Investment Advisor is responsible for and empowered to exercise all rights, including voting rights, as are acquired through the purchase of securities, where practical.

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It is understood that this Policy is to be reviewed periodically by the Town of Waterford to determine if any revisions are warranted by changing circumstances including, but not limited to, changes in financial status, risk tolerance, or changes involving the engagement of the Investment Advisor. The Town of Waterford's execution of this document further serves as an acknowledgement of, and agreement with, the asset allocation framework depicted in the attached appendix. Please remember to contact Fiduciary Investment Advisors, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

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International Equities	15.00%	45.00%	MSCI ACWI ex. USA Index
Fixed Income	15.00%	45.00%	Barclays Aggregate Index
Real Assets	0.00%	10.00%	Diversified Real Asset Strategic Index

The Investment Advisor generally intends to deploy a broad array of investment strategies and managers to execute the investment strategy for the Portfolio. Investment across the capital market opportunity set should be anticipated, an approach which may entail allocations to: equities across the capitalization, style, and country spectrums; fixed income across the duration, quality, and country spectrums (including tax-exempt securities where appropriate); other strategies including, but not necessarily limited to, real estate, commodities, inflation-protection mandates, hedge funds, market neutral, and other alternative strategies; and cash and/or cash equivalents.

CLIENT:

Name: Kimberly Allen

Signature: Kimberly Allen

Title: Director of Finance

Date: 7/23/21

Governance & Oversight

- While governmental plans are not subject to Title I of ERISA, which deals with fiduciary duties, they are subject to applicable provisions in the Internal Revenue Code (“Code”) and state laws.
- Legislative history suggests that the satisfaction of ERISA rules would be sufficient to satisfy the Code requirements.
- The “exclusive benefit rule” under IRC Section 401(a)(2) has been interpreted to mean exercise of prudence in the investment of plan assets is a requirement.
- Many states have adopted “prudent investor” language, which includes many of the basic ERISA fiduciary principles (including duty of loyalty, duty of prudence, duty to diversify).

“Five Key Duties”

Duty of Loyalty:
Act exclusively in the interest of plan participants and beneficiaries

Duty of Prudence:
Act in accordance with the “prudent expert rule”

Duty to Diversify Investments:
Diversify the portfolio options to balance risk

Duty to Follow Plan Documents:
Follow the plan provisions and policies governing the plan

Duty to Avoid Prohibited Transactions:
Ensure legal and appropriate transactions and be free from conflict

Committee/Board Best Practices

Structure/Makeup

- **Leadership**
  - ✓ Effective leader with the ability to see the big picture and set the direction to achieve the Plan's objectives
  - ✓ Keeps meetings running smoothly and efficiently, guides discussion, encourages participation
- **Committee/Board Makeup**
  - ✓ Controlled turnover leads to well-informed Committee/Board members with institutional memory
  - ✓ Diversity (of age, gender, economic background, profession, etc.) fosters lively discussion and varied points of view
  - ✓ Large enough to promote meaningful discussion/debate, but small enough to reach consensus
  - ✓ Seek ongoing Committee/Board education to enable members to make informed decisions.

Governance

- **Meeting Frequency/Attendance**
  - ✓ Meetings must be frequent enough for the Committee/Board to fulfill its duties, not so frequent as to discourage attendance
  - ✓ Meeting attendance is expected, member participation should be encouraged
- **Meeting Preparation**
  - ✓ Use of a formal agenda leads to a structured, efficient meeting
  - ✓ Materials should be sent in advance and reviewed by all members prior to the meeting
- **Governance Calendar**
  - ✓ Ensures that significant fiduciary responsibilities/obligations are reviewed on a regular basis, including fees
  - ✓ Allows for a structured long-term approach in the face of potential short-term "fire drills"

Documentation

- **Investment Policy Statement**
  - ✓ Serves as the Committee's/Board's blueprint
  - ✓ Outlines roles and responsibilities of the Committee/Board members and other parties
  - ✓ Establishes formal procedures for hiring/terminating managers, evaluating performance, etc.
- **Meeting minutes**
  - ✓ Should be reviewed and approved by all Committee/Board members on a timely basis
  - ✓ Provide historical context for why/how decisions were made and educate newer members on past decisions
- **Clearly outlined goals and objectives**
  - ✓ Require well-defined methods for evaluation

Note: This is not meant to be a complete list of all fiduciary duties and responsibilities. Please consult your legal advisor for advice about your specific situation.

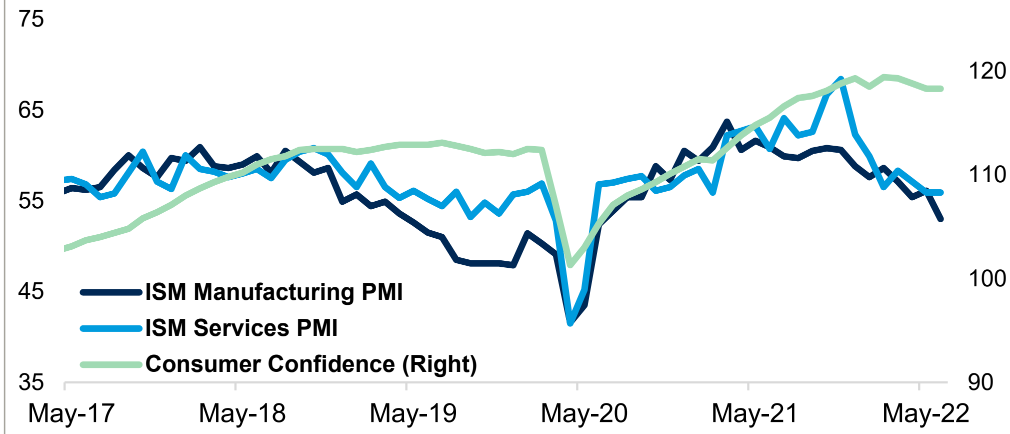
Capital Markets Overview

Market Themes

1. Capital markets continued to exhibit high volatility as investors contend with the rising odds of a recession. Returns across asset classes were broadly negative for the quarter.
2. The Fed's more hawkish stance and intensified commitment to combat high inflation comes at the risk of accelerating the onset of an economic slowdown.
3. Recessions and the volatility that typically accompanies them often sets the stage for better forward-looking opportunities in the market with lower entry prices.

Higher Recession Risk

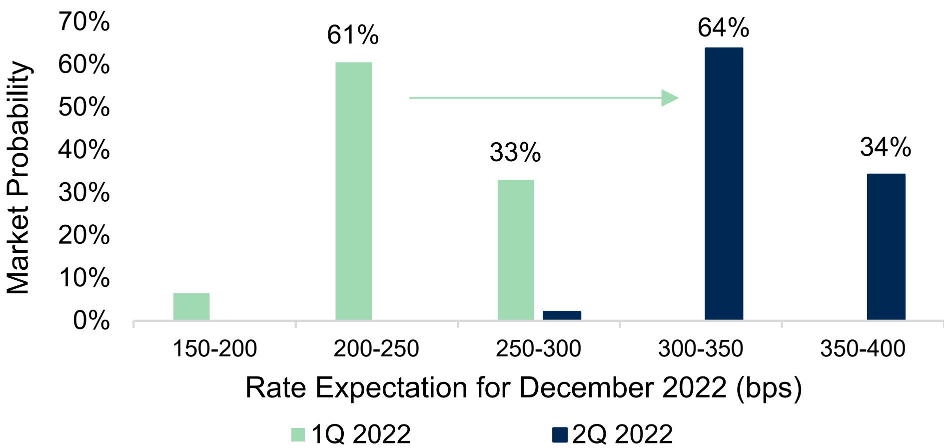
Softening economic data, including data from both producers and consumers, reveals the rising probability of an economic slowdown with the three-pronged challenge of high inflation, supply chain issues and an aggressive Fed.



Source: FactSet, ISM, Conference Board. As of June 30, 2022.

Markets Moving Ahead of the Fed

Markets have moved quickly, reacting to the Fed's increasingly hawkish posture by adjusting their rate expectations for the Fed's final meeting of the year in December 2022. Markets have priced in significantly higher terminal rates for this year than the current level of 1.50 – 1.75%.



Source: CME FedWatch Tool, Fiducient Advisors. As of June 30, 2022.

Staying Invested is Key

Although the probability of a recession may be rising, trying to predict its start date may prove to be a fool's errand. Equity markets see the most volatility before and during a recession; yet returns following the onset of a recession are typically strong given the forward-looking nature of markets.

S&P 500 Returns around a Recession				
Year	6 months before - - Onset	Onset - End	Onset + 3yr	Onset + 5yr
1973	-1.2%	-33.1%	5.5%	33.1%
1980	7.7%	8.8%	87.0%	117.4%
1981	-1.0%	-1.3%	70.6%	221.9%
1990	3.1%	6.1%	49.6%	110.2%
2001	-17.7%	-11.8%	-3.3%	18.5%
2007	-2.3%	-33.9%	4.6%	46.4%
2020	9.3%	-23.1%	N/A	N/A
Average	***-0.3%***	***-12.6%***	***35.7%***	***91.3%***

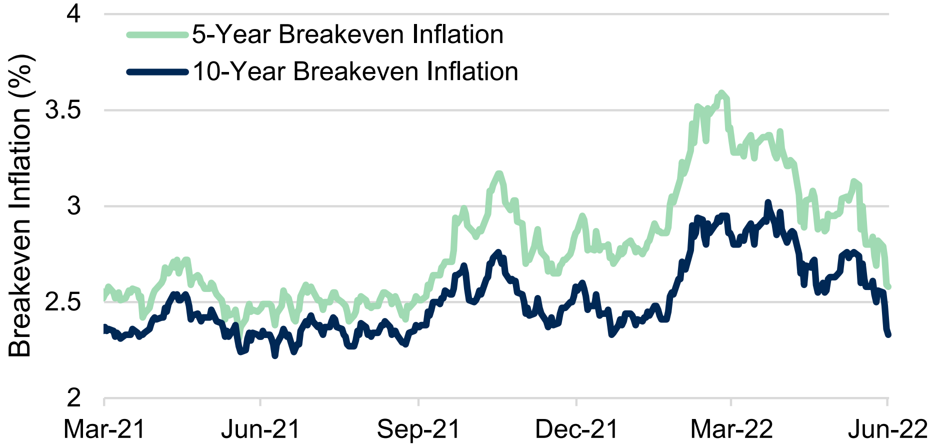
Source: Morningstar Direct, NBER, Fiducient Advisors. Returns shown are cumulative.

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

U.S. Breakeven Inflation Levels

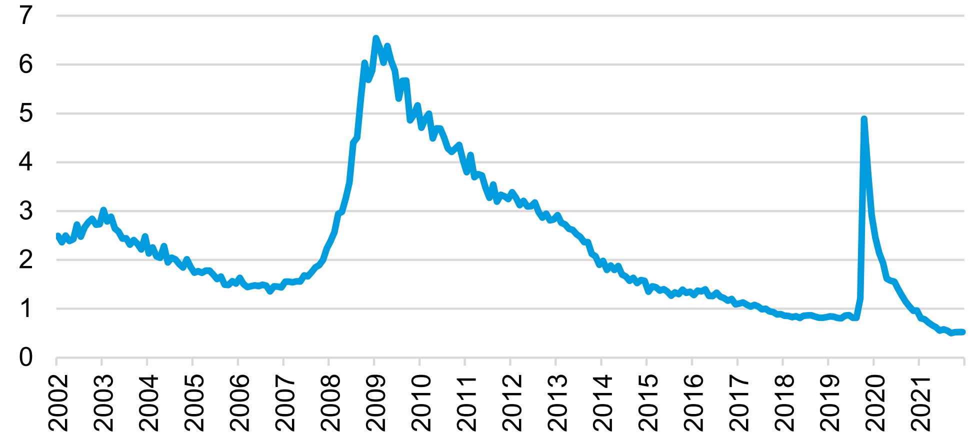
While current inflation levels remain elevated relative to history, expectations for inflation over the medium- and longer-term have come down significantly in recent months.



Source: FactSet. As of June 30, 2022.

U.S. Labor Market – Number of Unemployed per Job Opening

The U.S. labor market remains tight, with less than 1 job seeker for each job opening. This historic tightness in the job market may support wage growth.



Source: FactSet, DOL, BLS. As of June 30, 2022.

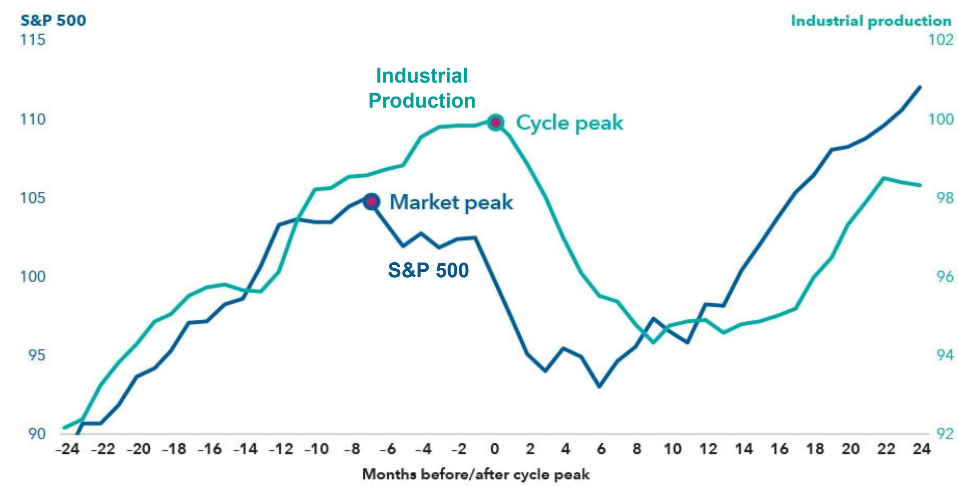
Leading Economic Indicators

Leading economic indicators have fallen from peak levels but remain in positive territory supporting a positive outlook for economic growth in the near-term.

Source: FactSet, Conference Board. As of May 31, 2022.

Markets and Cycles

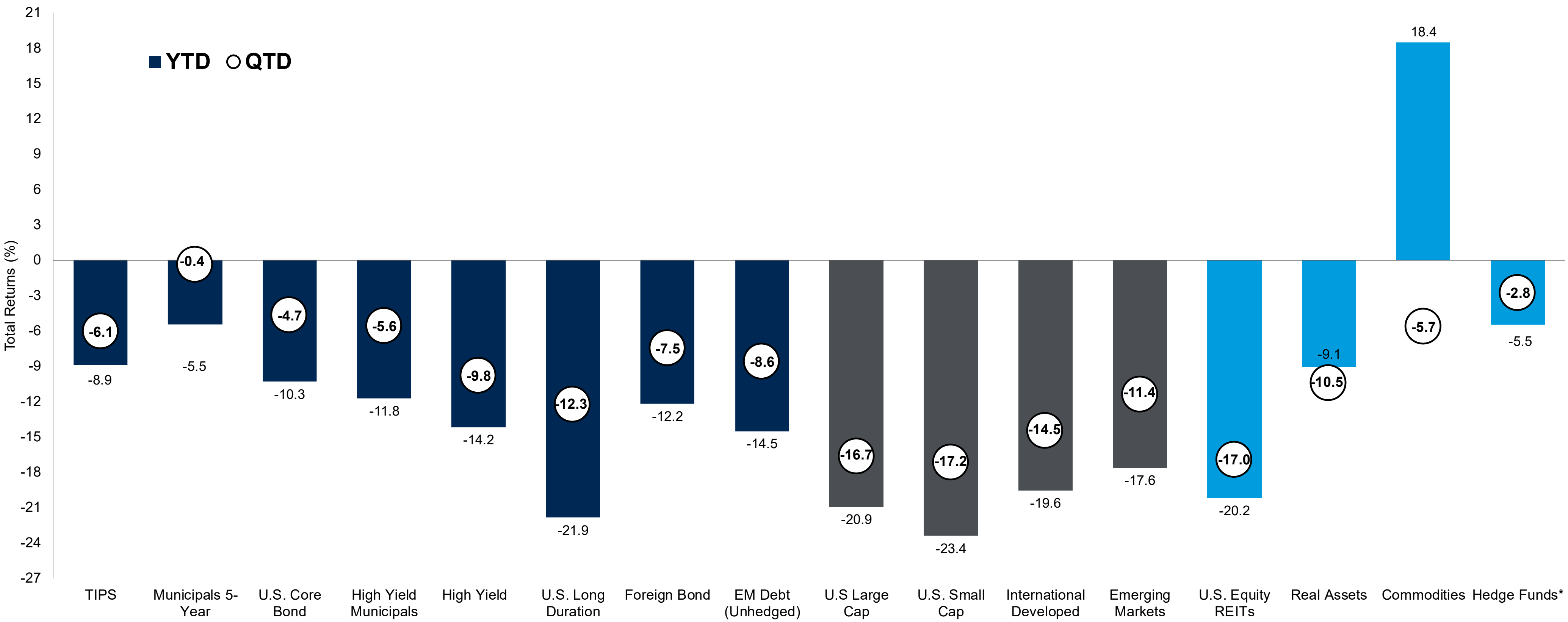
Historically, markets have led the economy as indicated by industrial production, lending credence to their forward-looking nature.



Source: Capital Group. Data from 1950 – 2019.

 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.

Asset Class Returns



Source: Morningstar Direct. As of June 30, 2022. *Hedge fund returns as of May 31, 2022.

Fixed Income (2Q)

- The Federal Reserve raised its target rate by 75 basis points in June. Interest rates moved broadly higher in advance of the announcement and pushed bond returns negative.

- Spread sectors generally underperformed for the quarter, with notable weakness in the U.S. high yield market.

- In addition to suffering from a longer duration profile in the face of rising interest rates, a strengthening U.S. dollar was a drag on non-U.S. fixed income returns.

Equity (2Q)

- Equity markets added to their first quarter losses as focus shifted to record-high inflation, the Fed's commitment to fighting it and evidence of a slowing global economy, in addition to the conflict in Ukraine.

- Although the rout was broad-based, discrepancies persisted with growth names losing to value names and major differences between sectors.

- Emerging markets and international developed names beat domestic ones, though were still lower. The former were buoyed by a late-quarter reopening in China.

Real Asset / Alternatives (2Q)

+ Energy markets continued to exhibit strength, though a late quarter June selloff reflects broader concerns of a slowing economy.

- Other commodities, including both industrial and precious metals, as well as REITs, were led lower over slowing growth concerns, political grandstanding and the potential investors are taking profits given 2022 returns.

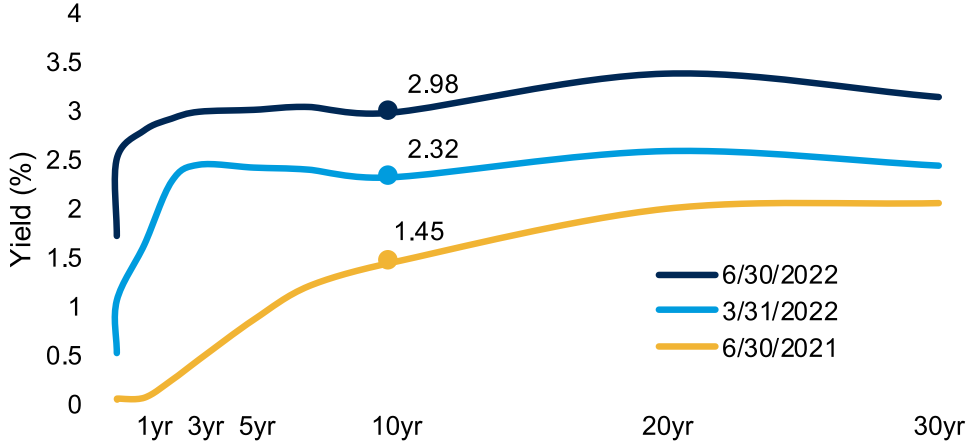
+ Hedge funds continued to exhibit lower volatility than the market, albeit with some negative returns.

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 Yields Curve

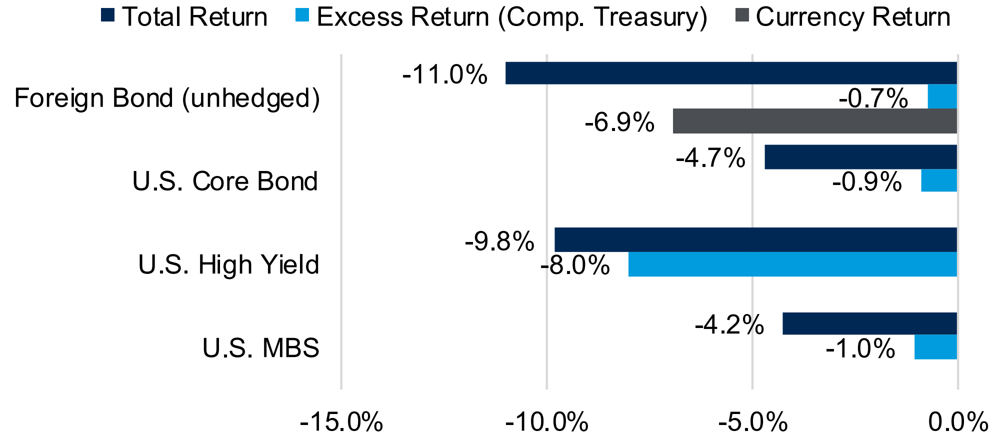
Interest rates jumped in anticipation of the Fed's decision to raise the Fed Funds rate by 75 basis points in June but retreated late in the quarter on increasing concerns of an economic slowdown. The 1-year yield spiked from 1.1% to 2.5%, while the 10-year ended 66 basis points higher.



Source: FactSet. As of June 30, 2022.

Index Performance Attribution (2Q 2022)

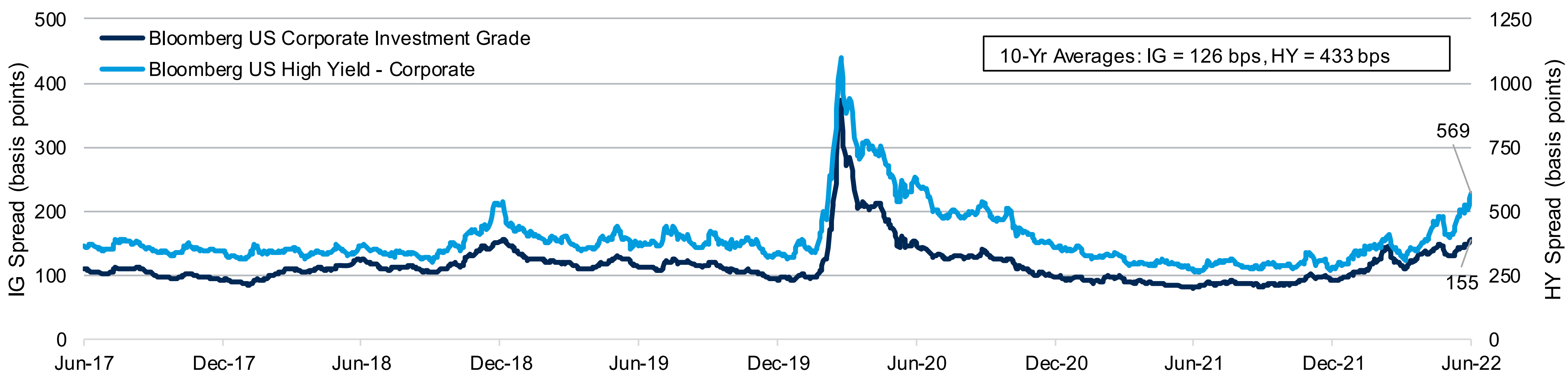
Spread sectors generally lagged Treasuries during the second quarter. Foreign bonds were more susceptible to higher interest rates and a strengthening U.S. dollar, while high yield came under pressure over growing fears of recession.



Source: FactSet. As of June 30, 2022.

Corporate Market Spreads – Trailing 5 Years

Despite a relatively favorable earnings season, growing fears of an economic slowdown have investors shunning riskier areas of the fixed income market. As a result, both investment grade and high yield corporate bond spreads widened and moved back above their respective 10-year averages to levels last seen in summer 2020.



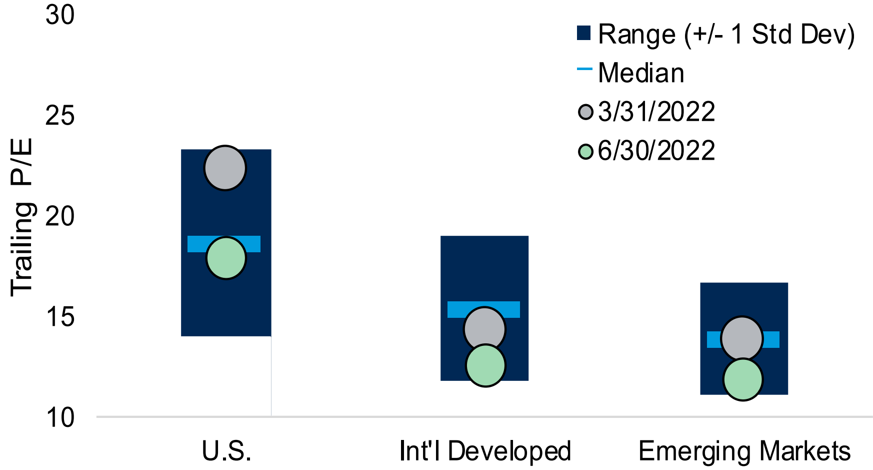
Source: FactSet. As of June 30, 2022.

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.

Equity Market Update

Equity Valuations (Trailing PE – Last 15 Years)

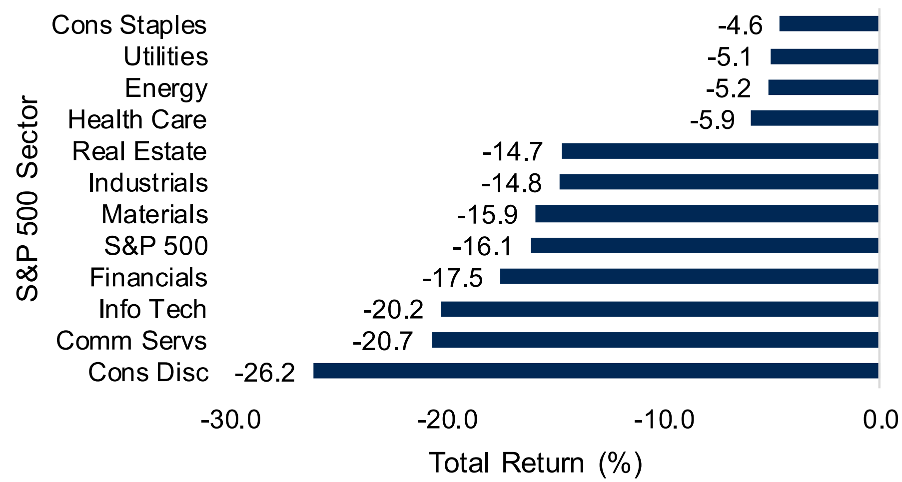
During the quarter, prices fell significantly and pushed multiples below historic averages. Despite growth concerns, analysts' second-half 2022 EPS estimates remained steady.



Source: FactSet. As of June 30, 2022.

U.S. Equities – Return by Sector (2Q 2022)

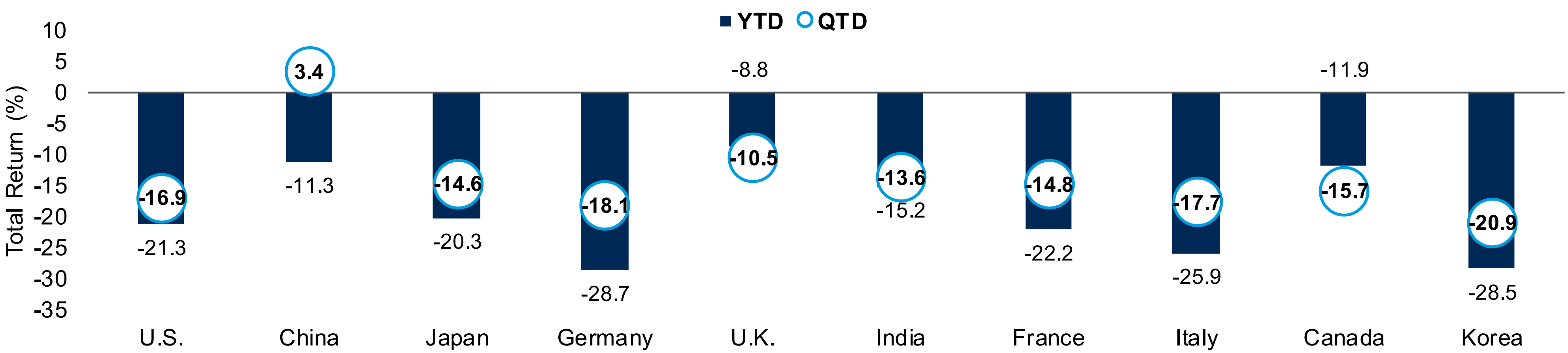
While all sectors were negative for the quarter, defensive names fared better than their cyclical and highly-valued peers as investors adopted a risk-off stance.



Source: Morningstar Direct. As of June 30, 2022.

Country Total Returns (%) – Top 10 Largest Economies

Concerns over slowing growth, high inflation, and aggressive central banks were common themes globally. Equity markets, both developed and emerging, were lower. Germany remains under pressure given its reliance on Russian natural gas and recent measures such as a shift back to coal-based power plants to address concerns. China was a positive outlier: investors had been concerned about the economic impact of severe COVID restrictions; the lifting of restriction was viewed in positive light.

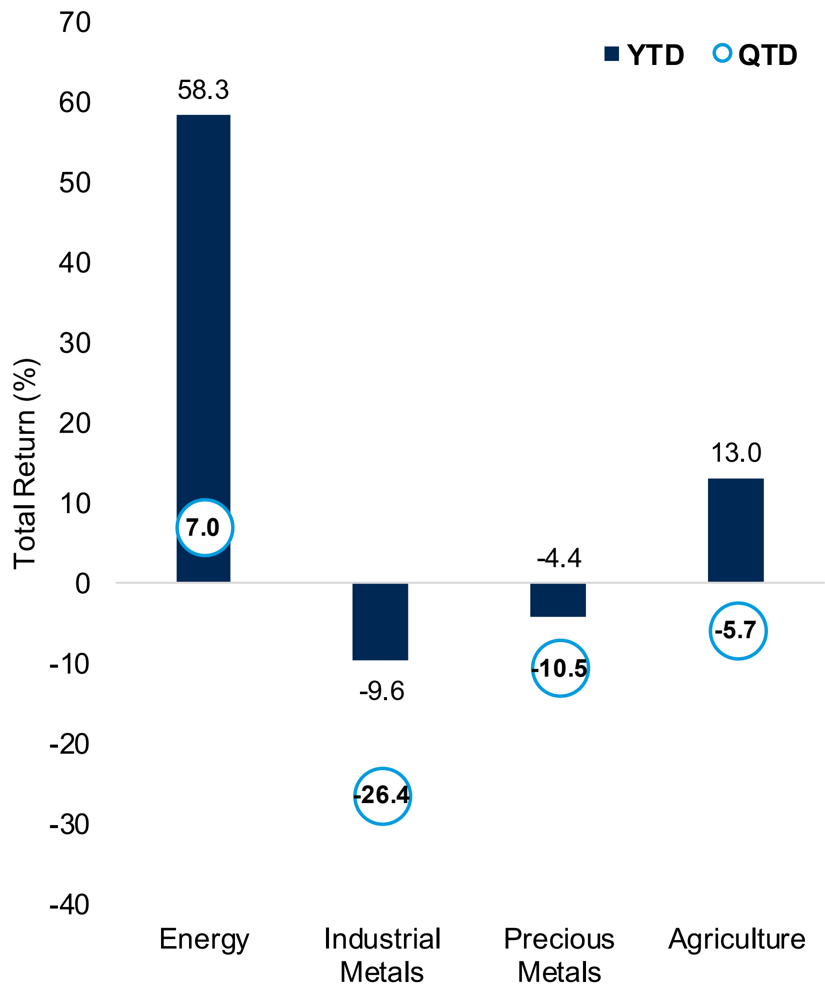


Source: Morningstar Direct. As of June 30, 2022.

Real Assets Market Update

Commodity Performance

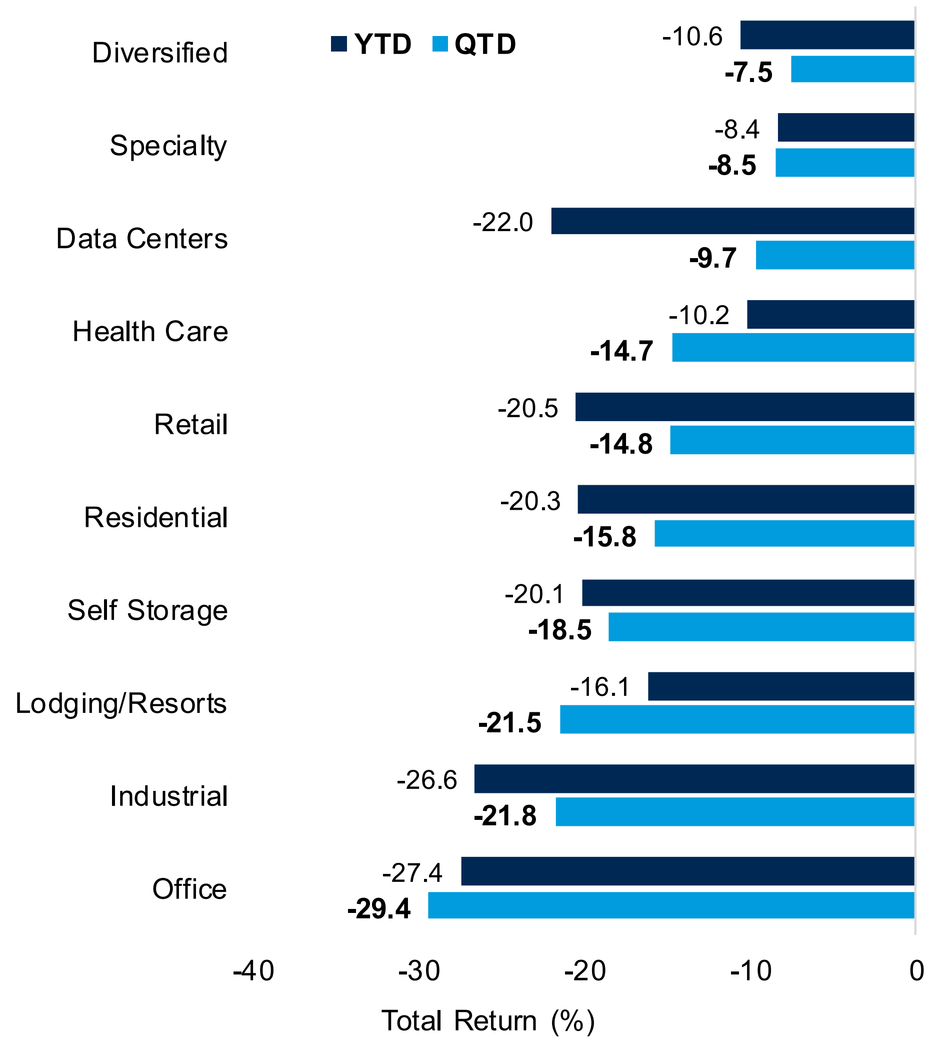
Energy commodities soared early in the quarter with strong demand and further sanctions on Russia; however, prices retreated in the second half of the quarter as recession concerns impacted demand and markets priced in potential export bans and taxes on excess profits. Metals and agricultural commodities similarly saw prices fall as countries sought to find suppliers besides Russia and Ukraine.



Source: Morningstar Direct. As of June 30, 2022.

REIT Sector Performance

Long-duration assets in the industrial and office sectors were hit hard by higher interest rates, while highly-priced sectors such as data centers and specialty segments saw prices come down amid a market-wide repricing.



Source: Morningstar Direct. As of June 30, 2022.

The Case for Diversification

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD	10 Years (Ann)
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	U.S. Equity REITs 43.2	Commodities 18.4	U.S. Large Cap 12.8
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	Commodities 27.1	Hedge Funds -5.5	U.S. Small Cap 9.4
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	US Large Cap 26.5	Municipals 5-Year -5.5	U.S. Equity REITs 7.4
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	US Small Cap 14.8	TIPS -8.9	International Developed 5.4
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. 11.3	U.S. Core Bond -10.3	Balanced 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 9.8	High Yield Municipals -11.8	High Yield 4.5
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 7.8	Foreign Bond -12.2	High Yield Municipals 4.4
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	TIPS 6.0	High Yield -14.2	Hedge Funds 3.8
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 5.7	EM Debt (unhedged) -14.5	Emerging Markets 3.1
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 5.3	Balanced -14.9	TIPS 1.7
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	Municipals 5-Year 0.3	Emerging Markets -17.6	Municipals 5-Year 1.6
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	Core Bond -1.5	International Developed -19.6	U.S. Core Bond 1.5
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	Emerging Markets -2.5	U.S. Equity REITs -20.2	Foreign Bond 0.8
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	Foreign Bond -4.2	U.S. Large Cap -20.9	Commodities -0.8
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 (unhedged) -8.7	U.S. Small Cap -23.4	EM Debt (unhedged) -1.5

Source: FactSet, Morningstar Direct, as of June 30, 2022. Periods greater than one year are annualized. All returns are in U.S. dollar terms. One month lag for Hedge Funds.

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 June 30, 2022

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 1-3-Month T-Bill	0.1%	0.2%	0.2%	0.6%	1.1%	0.8%	0.6%	0.7%
Bloomberg U.S. TIPS	-6.1%	-8.9%	-5.1%	3.0%	3.2%	2.8%	1.7%	3.9%
Bloomberg Municipal Bond (5 Year)	-0.4%	-5.5%	-5.3%	0.2%	1.2%	1.5%	1.6%	3.0%
Bloomberg High Yield Municipal Bond	-5.6%	-11.8%	-10.4%	1.1%	3.6%	4.4%	4.4%	4.2%
Bloomberg U.S. Aggregate	-4.7%	-10.3%	-10.3%	-0.9%	0.9%	1.4%	1.5%	3.3%
Bloomberg U.S. Corporate High Yield	-9.8%	-14.2%	-12.8%	0.2%	2.1%	3.5%	4.5%	5.8%
Bloomberg Global Aggregate ex-U.S. Hedged	-4.0%	-7.9%	-7.7%	-1.4%	1.3%	2.0%	2.7%	3.4%
Bloomberg Global Aggregate ex-U.S. Unhedged	-11.0%	-16.5%	-18.8%	-5.1%	-1.8%	-0.3%	-1.1%	1.4%
Bloomberg U.S. Long Gov / Credit	-12.3%	-21.9%	-20.1%	-2.3%	1.0%	2.7%	2.6%	5.3%
JPMorgan GBI-EM Global Diversified	-8.6%	-14.5%	-19.3%	-5.8%	-2.3%	-0.5%	-1.5%	1.8%

Global Equity Markets	**QTD**	**YTD**	**1YR**	**3YR**	**5YR**	**7YR**	**10YR**	**15YR**
S&P 500	-16.1%	-20.0%	-10.6%	10.6%	11.3%	11.1%	13.0%	8.5%
Dow Jones Industrial Average	-10.8%	-14.4%	-9.1%	7.2%	10.0%	10.8%	11.7%	8.4%
NASDAQ Composite	-22.3%	-29.2%	-23.4%	12.2%	13.5%	13.1%	15.4%	11.2%
Russell 3000	-16.7%	-21.1%	-13.9%	9.8%	10.6%	10.4%	12.6%	8.4%
Russell 1000	-16.7%	-20.9%	-13.0%	10.2%	11.0%	10.8%	12.8%	8.5%
Russell 1000 Growth	-20.9%	-28.1%	-18.8%	12.6%	14.3%	13.5%	14.8%	10.7%
Russell 1000 Value	-12.2%	-12.9%	-6.8%	6.9%	7.2%	7.7%	10.5%	6.1%
Russell Mid Cap	-16.8%	-21.6%	-17.3%	6.6%	8.0%	8.0%	11.3%	7.8%
Russell Mid Cap Growth	-21.1%	-31.0%	-29.6%	4.3%	8.9%	8.3%	11.5%	8.2%
Russell Mid Cap Value	-14.7%	-16.2%	-10.0%	6.7%	6.3%	7.2%	10.6%	6.9%
Russell 2000	-17.2%	-23.4%	-25.2%	4.2%	5.2%	5.9%	9.4%	6.3%
Russell 2000 Growth	-19.3%	-29.5%	-33.4%	1.4%	4.8%	5.0%	9.3%	6.8%
Russell 2000 Value	-15.3%	-17.3%	-16.3%	6.2%	4.9%	6.4%	9.1%	5.6%
MSCI ACWI	-15.7%	-20.2%	-15.8%	6.2%	7.0%	7.0%	8.8%	4.8%
MSCI ACWI ex. U.S.	-13.7%	-18.4%	-19.4%	1.4%	2.5%	2.9%	4.8%	1.6%
MSCI EAFE	-14.5%	-19.6%	-17.8%	1.1%	2.2%	2.7%	5.4%	1.4%
MSCI EAFE Growth	-16.9%	-26.8%	-23.8%	1.3%	3.5%	3.9%	6.3%	2.5%
MSCI EAFE Value	-12.4%	-12.1%	-11.9%	0.2%	0.5%	1.2%	4.2%	0.1%
MSCI EAFE Small Cap	-17.7%	-24.7%	-24.0%	1.1%	1.7%	3.7%	7.2%	2.8%
MSCI Emerging Markets	-11.4%	-17.6%	-25.3%	0.6%	2.2%	2.8%	3.1%	2.0%

Alternatives	**QTD**	**YTD**	**1YR**	**3YR**	**5YR**	**7YR**	**10YR**	**15YR**
Consumer Price Index*	1.3%	4.6%	8.5%	4.5%	3.6%	3.0%	2.5%	2.3%
FTSE NAREIT Equity REITs	-17.0%	-20.2%	-6.3%	4.0%	5.3%	6.7%	7.4%	5.8%
S&P Real Assets	-10.5%	-9.1%	-4.9%	3.5%	4.5%	4.2%	4.4%	4.4%
FTSE EPRA NAREIT Developed	-17.2%	-20.4%	-12.7%	-0.2%	2.9%	4.0%	5.6%	2.8%
FTSE EPRA NAREIT Developed ex U.S.	-17.5%	-20.1%	-20.6%	-4.4%	0.4%	1.4%	3.9%	0.6%
Bloomberg Commodity Total Return	-5.7%	18.4%	24.3%	14.3%	8.4%	2.8%	-0.8%	-1.8%
HFRI Fund of Funds Composite*	-2.8%	-5.5%	-3.8%	4.9%	3.9%	2.7%	3.8%	1.9%
HFRI Fund Weighted Composite*	-1.9%	-2.9%	-2.3%	8.0%	5.8%	4.6%	5.3%	3.9%
Alerian MLP	-7.4%	10.0%	4.3%	0.1%	-0.3%	-2.1%	0.7%	3.7%

*Source: Morningstar, FactSet. As of June 30, 2022. *Consumer Price Index and HFRI indexes as of May 31, 2022.*

Pension Portfolio Review

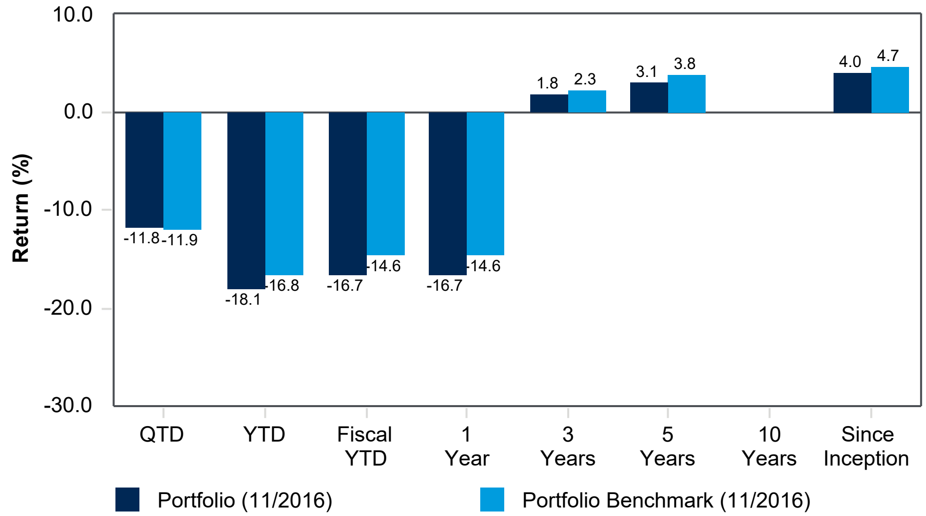
Summary of Portfolio Activity

- Q2 2022
  - No notable portfolio activity.
- Q1 2022:
  - Reallocated the OPEB portfolio to align with Fiducient Advisor’s best practices in order to adapt to current market conditions.
- Q4 2021:
  - Finished investing cash in the Pension & OPEB plans according to standing target allocation as part of the DCA.
- 3Q 2021:
  - Completed multistep rebalancing in the Pension & OPEB to bring the allocations back in line with established targets.
  - Began a Dollar Cost Average program to invest incoming cash and contributions.

Portfolio Dashboard

Waterford Pension | **As of June 30, 2022**

Historical Performance



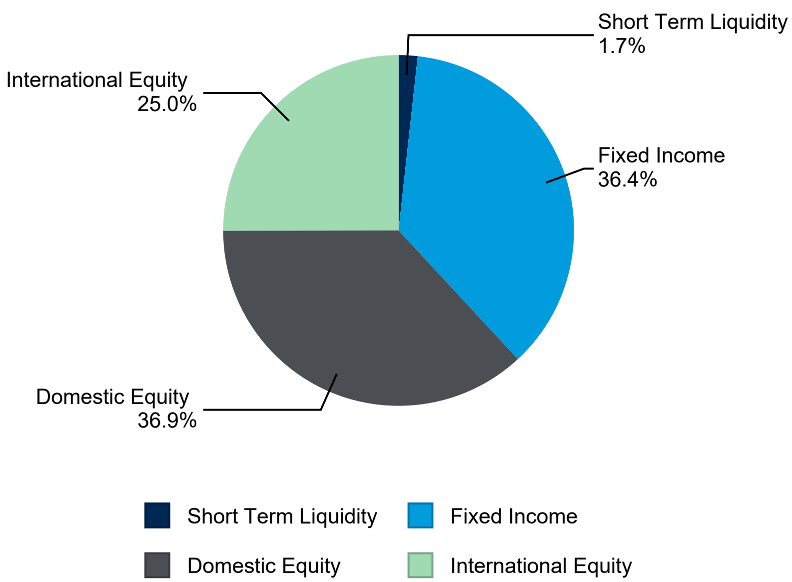
Summary of Cash Flows

	QTD	YTD	Fiscal YTD	1 Year	Since Inception
Beginning Market Value	626,760	698,649	640,451	640,451	564,680
Net Contributions	-22,313	-44,604	2,054	2,054	-161,684
Gain/Loss	-73,085	-122,683	-111,143	-111,143	128,365
Ending Market Value	531,361	531,361	531,361	531,361	531,361

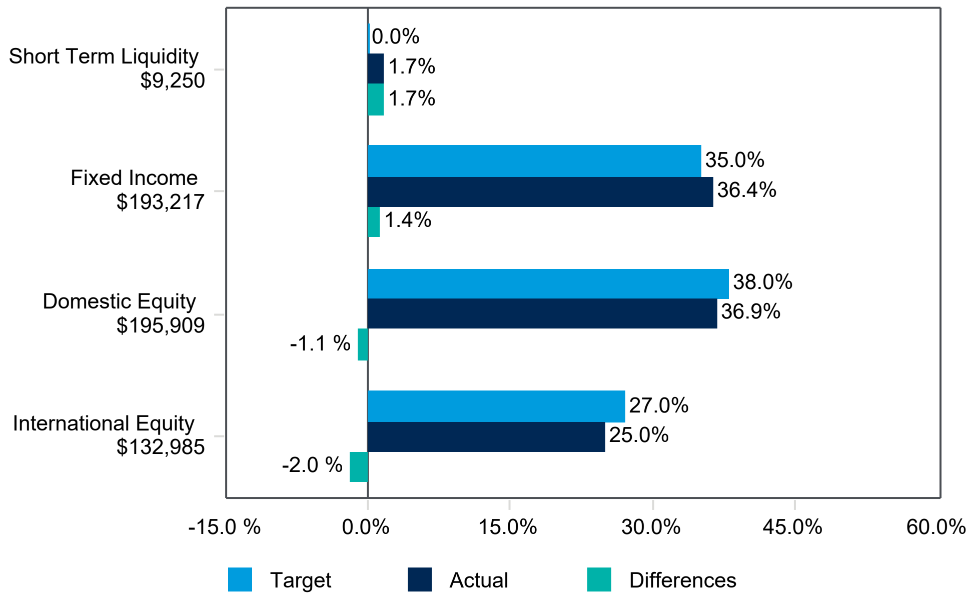
Current Benchmark Composition

From Date	To Date	
03/2022	Present	35.00% Pension Fixed Income Benchmark, 38.00% Dow Jones U.S. Total Stock Market Index , 27.00% MSCI AC World ex USA (Net)

Portfolio Allocation



Actual vs. Target Allocations

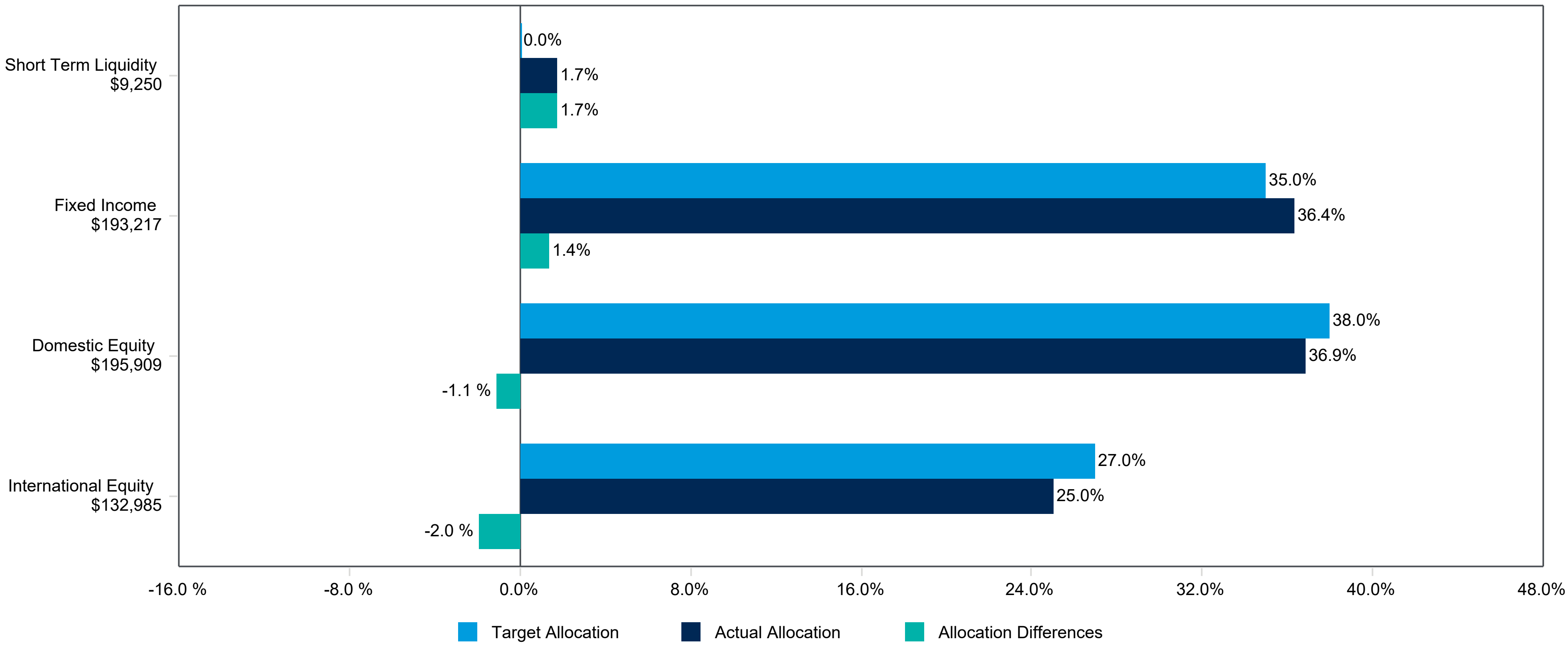


Inception Date: 11/2016

Asset Allocation

Waterford Pension | As of June 30, 2022

Actual vs. Target



	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Short Term Liquidity	9,250	1.7	0.0	1.7	0.0	10.0
Fixed Income	193,217	36.4	35.0	1.4	20.0	50.0
Domestic Equity	195,909	36.9	38.0	-1.1	20.0	50.0
International Equity	132,985	25.0	27.0	-2.0	15.0	45.0
Waterford Pension	**531,361**	**100.0**	**100.0**	**0.0**	**-**	**-**

Asset Allocation

Waterford Pension | As of June 30, 2022

	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Waterford Pension	**531,361**	**100.0**	**100.0**	**0.0**
Short Term Liquidity	**9,250**	**1.7**	**0.0**	**1.7**
Allspring Government Money Market Fund Instl	9,250	1.7	0.0	1.7
Fixed Income	**193,217**	**36.4**	**35.0**	**1.4**
Baird Aggregate Bond Fund Class Institutional	53,595	10.1	9.5	0.6
Metropolitan West Total Return Bond Pl	53,011	10.0	9.5	0.5
BlackRock Strategic Income Opportunities Fund K	74,171	14.0	13.5	0.5
PGIM Global Total Return R6	12,441	2.3	2.5	-0.2
Domestic Equity	**195,909**	**36.9**	**38.0**	**-1.1**
Fidelity Total Market Index Fund	195,909	36.9	38.0	-1.1
International Equity	**132,985**	**25.0**	**27.0**	**-2.0**
American Funds EuroPacific Growth R6	132,985	25.0	27.0	-2.0

Performance Overview

Waterford Pension | **As of June 30, 2022**

Trailing Performance Summary

	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Waterford Pension	**-11.8**	**-18.1**	**-16.7**	**-16.7**	**1.8**	**3.1**	**-**	**-**	**4.0**	**11/2016**
Pension Blended Benchmark	*-11.9*	*-16.8*	*-14.6*	*-14.6*	*2.3*	*3.8*	*-*	*-*	*4.7*	*11/2016*

Calendar Year Performance Summary

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Waterford Pension	**6.4**	**14.8**	**16.8**	**-5.3**	**13.0**	**-**	**-**	**-**	**-**	**-**
Pension Blended Benchmark	*8.0*	*12.7*	*17.7*	*-4.7*	*13.5*	*-*	*-*	*-*	*-*	*-*

Plan Reconciliation

	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Waterford Pension									**11/2016**
Beginning Market Value	626,760	698,649	640,451	640,451	537,010	571,781	-	564,680	
Net Contributions	-22,313	-44,604	2,054	2,054	-37,533	-128,770	-	-161,684	
Gain/Loss	-73,085	-122,683	-111,143	-111,143	31,885	88,351	-	128,365	
Ending Market Value	531,361	531,361	531,361	531,361	531,361	531,361	-	531,361	

Benchmark Composition

	Weight (%)
Mar-2022	
90 Day U.S. Treasury Bill	0.0
Pension Fixed Income Benchmark	35.0
Dow Jones U.S. Total Stock Market Index	38.0
MSCI AC World ex USA (Net)	27.0

Manager Performance

Waterford Pension | As of June 30, 2022

	Allocation		Performance(%)									
	Market Value ($)	%	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	Manager Status
Waterford Pension	**531,361**	**100.0**	**-11.8**	**-18.1**	**-16.7**	**-16.7**	**1.8**	**3.1**	**-**	**4.0**	**11/2016**	
Pension Blended Benchmark			*-11.9*	*-16.8*	*-14.6*	*-14.6*	*2.3*	*3.8*	*-*	*4.7*		
Short Term Liquidity	**9,250**	**1.7**	**0.1**	**0.1**	**0.1**	**0.1**	**0.4**	**0.9**	**-**	**0.9**	**11/2016**	
90 Day U.S. Treasury Bill			*0.1*	*0.1*	*0.2*	*0.2*	*0.6*	*1.1*	*0.6*	*1.0*		
Allspring Government Money Market Fund Instl	**9,250**	**1.7**	**0.1**	**0.1**	**0.1**	**0.1**	**0.4**	**0.9**	**-**	**0.9**	**11/2016**	
90 Day U.S. Treasury Bill			*0.1*	*0.1*	*0.2*	*0.2*	*0.6*	*1.1*	*0.6*	*1.0*		
Fixed Income	**193,217**	**36.4**	**-4.7**	**-9.8**	**-10.0**	**-10.0**	**0.0**	**1.3**	**-**	**1.2**	**11/2016**	
Fixed Income Benchmark			*-5.0*	*-10.6*	*-10.6*	*-10.6*	*-1.1*	*0.8*	*-*	*0.7*		
Baird Aggregate Bond Fund Class Institutional	**53,595**	**10.1**	**-5.0**	**-11.0**	**-11.0**	**-11.0**	**-0.7**	**1.1**	**2.1**	**-7.5**	**04/2021**	**Maintain**
Blmbg. U.S. Aggregate Index			*-4.7*	*-10.3*	*-10.3*	*-10.3*	*-0.9*	*0.9*	*1.5*	*-7.0*		
IM U.S. Broad Market Core Fixed Income (MF) Median			-5.4	-11.0	-11.2	-11.2	-0.9	0.8	1.6	-7.6		
Baird Aggregate Bond Fund Class Institutional Rank			30	51	45	45	36	26	10	44		
Metropolitan West Total Return Bond Pl	**53,011**	**10.0**	**-5.7**	**-11.6**	**-11.6**	**-11.6**	**-0.7**	**1.1**	**2.3**	**1.0**	**11/2016**	**Maintain**
Blmbg. U.S. Aggregate Index			*-4.7*	*-10.3*	*-10.3*	*-10.3*	*-0.9*	*0.9*	*1.5*	*0.8*		
IM U.S. Broad Market Core+ Fixed Income (MF) Median			-5.9	-11.5	-11.3	-11.3	-0.7	0.9	1.8	1.0		
Metropolitan West Total Return Bond Pl Rank			38	56	58	58	48	35	23	48		
BlackRock Strategic Income Opportunities Fund K	**74,171**	**14.0**	**-2.6**	**-5.4**	**-5.6**	**-5.6**	**1.7**	**2.4**	**2.9**	**2.4**	**06/2018**	**Maintain**
Blmbg. U.S. Aggregate Index			*-4.7*	*-10.3*	*-10.3*	*-10.3*	*-0.9*	*0.9*	*1.5*	*1.1*		
IM Alternative Credit Focus (MF) Median			-4.4	-7.2	-7.8	-7.8	0.4	0.8	1.7	1.0		
BlackRock Strategic Income Opportunities Fund K Rank			19	31	25	25	21	21	12	15		
PGIM Global Total Return R6	**12,441**	**2.3**	**-11.4**	**-20.7**	**-22.1**	**-22.1**	**-5.3**	**-0.9**	**1.4**	**-16.0**	**04/2021**	**Maintain**
Blmbg. Global Aggregate			*-8.3*	*-13.9*	*-15.2*	*-15.2*	*-3.2*	*-0.6*	*0.1*	*-11.5*		
IM Global Fixed Income (MF) Median			-7.0	-12.6	-14.4	-14.4	-2.3	-0.2	0.6	-10.1		
PGIM Global Total Return R6 Rank			96	98	98	98	96	77	28	98		

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. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. 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.

Manager Performance

Waterford Pension | As of June 30, 2022

	Allocation		Performance(%)									Manager Status
	Market Value ($)	%	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	
Domestic Equity	**195,909**	**36.9**	**-16.8**	**-21.3**	**-14.2**	**-14.2**	**9.6**	**10.5**	**-**	**12.1**	**11/2016**	
Domestic Equity Benchmark			*-16.8*	*-21.3*	*-14.2*	*-14.2*	*9.6*	*10.5*	*-*	*12.1*		
Fidelity Total Market Index Fund	**195,909**	**36.9**	**-16.8**	**-21.3**	**-14.2**	**-14.2**	**9.6**	**10.5**	**12.5**	**10.2**	**04/2019**	**Maintain**
Dow Jones U.S. Total Stock Market Index			*-16.8*	*-21.3*	*-14.2*	*-14.2*	*9.6*	*10.5*	*12.5*	*10.2*		
IM U.S. Multi-Cap Core Equity (MF) Median			-15.8	-20.7	-13.7	-13.7	8.7	9.2	11.3	9.2		
Fidelity Total Market Index Fund Rank			77	60	58	58	33	22	19	33		
International Equity	**132,985**	**25.0**	**-14.7**	**-25.1**	**-27.7**	**-27.7**	**1.5**	**3.1**	**-**	**5.3**	**11/2016**	
MSCI AC World ex USA (Net)			*-13.7*	*-18.4*	*-19.4*	*-19.4*	*1.4*	*2.5*	*4.8*	*4.6*		
American Funds EuroPacific Growth R6	**132,985**	**25.0**	**-14.7**	**-25.1**	**-27.7**	**-27.7**	**1.5**	**3.1**	**6.3**	**5.3**	**11/2016**	**Maintain**
MSCI AC World ex USA (Net)			*-13.7*	*-18.4*	*-19.4*	*-19.4*	*1.4*	*2.5*	*4.8*	*4.6*		
IM International Large Cap Core Equity (MF) Median			-13.3	-19.3	-17.8	-17.8	1.6	1.9	4.9	4.2		
American Funds EuroPacific Growth R6 Rank			83	98	100	100	53	15	1	16		

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. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. 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.

Calendar Year Performance

Waterford Pension — As of June 30, 2022

	Performance(%)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Waterford Pension	**6.4**	**14.8**	**16.8**	**-5.3**	**13.0**	**-**	**-**	**-**	**-**	**-**
Pension Blended Benchmark	*8.0*	*12.7*	*17.7*	*-4.7*	*13.5*	*-*	*-*	*-*	*-*	*-*
Short Term Liquidity	**0.0**	**0.3**	**2.0**	**1.7**	**0.7**	**-**	**-**	**-**	**-**	**-**
90 Day U.S. Treasury Bill	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*	*0.0*	*0.0*	*0.0*	*0.1*
Allspring Government Money Market Fund Instl	**0.0**	**0.3**	**2.0**	**1.7**	**0.7**	**-**	**-**	**-**	**-**	**-**
90 Day U.S. Treasury Bill	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*	*0.0*	*0.0*	*0.0*	*0.1*
Fixed Income	**-0.6**	**8.7**	**8.8**	**-0.5**	**3.5**	**-**	**-**	**-**	**-**	**-**
Fixed Income Benchmark	*-1.7*	*7.5*	*8.7*	*0.0*	*3.5*	*-*	*-*	*-*	*-*	*-*
Baird Aggregate Bond Fund Class Institutional	**-1.5**	**8.6**	**9.5**	**-0.3**	**4.2**	**3.5**	**0.6**	**6.9**	**-1.3**	**7.9**
Blmbg. U.S. Aggregate Index	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
IM U.S. Broad Market Core Fixed Income (MF) Median	-1.3	8.2	8.8	-0.6	3.6	2.9	0.0	5.5	-2.0	6.0
Baird Aggregate Bond Fund Class Institutional Rank	58	37	27	32	22	33	19	8	24	17
Metropolitan West Total Return Bond Pl	**-1.1**	**9.2**	**9.2**	**0.3**	**3.5**	**2.6**	**0.2**	**6.2**	**0.4**	**11.6**
Blmbg. U.S. Aggregate Index	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
IM U.S. Broad Market Core+ Fixed Income (MF) Median	-0.9	8.6	9.3	-1.0	4.5	4.1	-0.3	5.1	-1.1	8.2
Metropolitan West Total Return Bond Pl Rank	58	36	55	11	79	86	26	25	16	7
BlackRock Strategic Income Opportunities Fund K	**1.0**	**7.3**	**7.8**	**-0.5**	**5.0**	**3.6**	**-0.6**	**3.6**	**3.0**	**9.6**
Blmbg. U.S. Aggregate Index	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
IM Alternative Credit Focus (MF) Median	1.9	3.9	7.3	-1.9	4.5	4.9	-1.6	1.0	-0.1	9.2
BlackRock Strategic Income Opportunities Fund K Rank	58	17	43	29	43	64	25	21	31	44
PGIM Global Total Return R6	**-5.7**	**10.1**	**12.3**	**-1.6**	**13.6**	**2.7**	**-3.2**	**5.5**	**-1.9**	**13.2**
Blmbg. Global Aggregate	*-4.7*	*9.2*	*6.8*	*-1.2*	*7.4*	*2.1*	*-3.2*	*0.6*	*-2.6*	*4.3*
IM Global Fixed Income (MF) Median	-2.7	8.2	8.1	-1.8	6.8	2.9	-3.8	1.9	-2.5	7.3
PGIM Global Total Return R6 Rank	88	22	6	45	1	52	41	21	42	7
Domestic Equity	**25.6**	**20.8**	**30.9**	**-5.1**	**21.2**	**-**	**-**	**-**	**-**	**-**
Domestic Equity Benchmark	*25.7*	*20.8*	*30.9*	*-5.2*	*21.2*	*-*	*-*	*-*	*-*	*-*
Fidelity Total Market Index Fund	**25.6**	**20.8**	**30.9**	**-5.3**	**21.2**	**12.7**	**0.5**	**12.5**	**33.4**	**16.4**
Dow Jones U.S. Total Stock Market Index	*25.7*	*20.8*	*30.9*	*-5.3*	*21.2*	*12.6*	*0.4*	*12.5*	*33.5*	*16.4*
IM U.S. Multi-Cap Core Equity (MF) Median	25.4	16.9	28.8	-6.8	21.0	9.4	-0.5	10.8	33.5	15.7
Fidelity Total Market Index Fund Rank	45	27	29	29	45	21	35	31	51	37

Calendar Year Performance

Waterford Pension

As of June 30, 2022

	Performance(%)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
International Equity	**2.8**	**25.3**	**27.4**	**-14.9**	**31.2**	**-**	**-**	**-**	**-**	**-**
MSCI AC World ex USA (Net)	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.7*	*-3.9*	*15.3*	*16.8*
American Funds EuroPacific Growth R6	**2.8**	**25.3**	**27.4**	**-14.9**	**31.2**	**1.0**	**-0.5**	**-2.3**	**20.6**	**19.6**
MSCI AC World ex USA (Net)	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.7*	*-3.9*	*15.3*	*16.8*
IM International Large Cap Core Equity (MF) Median	10.7	9.1	22.1	-15.0	25.0	0.0	-1.9	-6.0	20.4	18.0
American Funds EuroPacific Growth R6 Rank	96	1	4	49	10	37	22	11	46	34

Investment Gain/Loss Summary

Waterford Pension | 1 Quarter Ending June 30, 2022

	Market Value as of 04/01/2022	Net Contributions	Gain/Loss	Market Value As of 06/30/2022
Waterford Pension	**626,760**	**-22,313**	**-73,085**	**531,361**
Short Term Liquidity	**27,402**	**-17,313**	**-838**	**9,250**
Allspring Government Money Market Fund Instl	27,402	-17,313	-838	9,250
Fixed Income	**207,987**	**-5,000**	**-9,770**	**193,217**
Baird Aggregate Bond Fund Class Institutional	56,423	-	-2,829	53,595
Metropolitan West Total Return Bond Pl	56,218	-	-3,208	53,011
BlackRock Strategic Income Opportunities Fund K	81,306	-5,000	-2,135	74,171
PGIM Global Total Return R6	14,040	-	-1,599	12,441
Domestic Equity	**235,552**	**-**	**-39,643**	**195,909**
Fidelity Total Market Index Fund	235,552	-	-39,643	195,909
International Equity	**155,818**	**-**	**-22,833**	**132,985**
American Funds EuroPacific Growth R6	155,818	-	-22,833	132,985

Cash activity may include management fees.

Estimated Fee Analysis

Waterford Pension | As of June 30, 2022

	Market Value ($)	Estimated Annual Fee ($)	Estimated Annual Fee (%)
Waterford Pension	**531,361**	**1,500**	**0.28**
Short Term Liquidity	**9,250**	**-**	**-**
Allspring Government Money Market Fund Instl	9,250	-	-
Fixed Income	**193,217**	**859**	**0.44**
Baird Aggregate Bond Fund Class Institutional	53,595	161	0.30
Metropolitan West Total Return Bond Pl	53,011	196	0.37
BlackRock Strategic Income Opportunities Fund K	74,171	438	0.59
PGIM Global Total Return R6	12,441	65	0.52
Domestic Equity	**195,909**	**29**	**0.02**
Fidelity Total Market Index Fund	195,909	29	0.02
International Equity	**132,985**	**612**	**0.46**
American Funds EuroPacific Growth R6	132,985	612	0.46

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

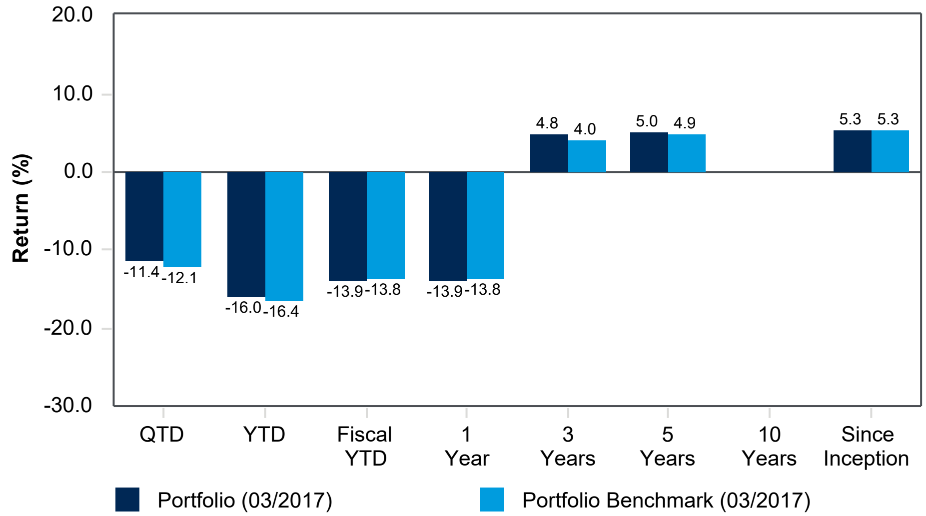
Fee calculations for mutual funds represent fees at the net expense level. Fee calculations for commingled funds and/or alternative investments reflect base management fees and exclude underlying fund expenses captured at the NAV level, any applicable performance-based fees, or incentive fees. Fees for fund of funds are shown at the fund of fund level and do not include fees charged by underlying investment managers/funds.

OPEB Portfolio Review

Portfolio Dashboard

Waterford OPEB — **As of June 30, 2022**

Historical Performance



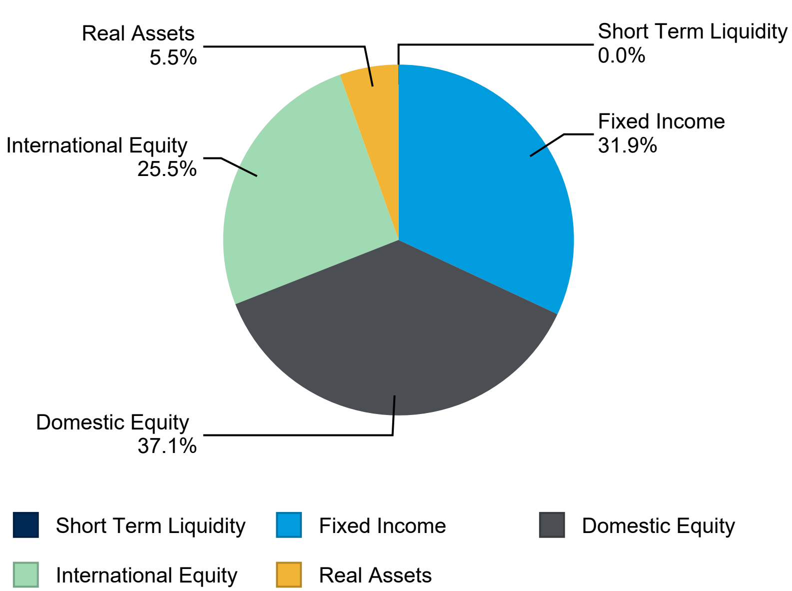
Summary of Cash Flows

	QTD	YTD	Fiscal YTD	1 Year	Since Inception
Beginning Market Value	9,544,580	10,071,789	9,076,512	9,076,512	1,164,759
Net Contributions	-2,001	-4,025	742,077	742,077	6,043,013
Gain/Loss	-1,086,452	-1,611,638	-1,362,463	-1,362,463	1,248,355
Ending Market Value	8,456,127	8,456,127	8,456,127	8,456,127	8,456,127

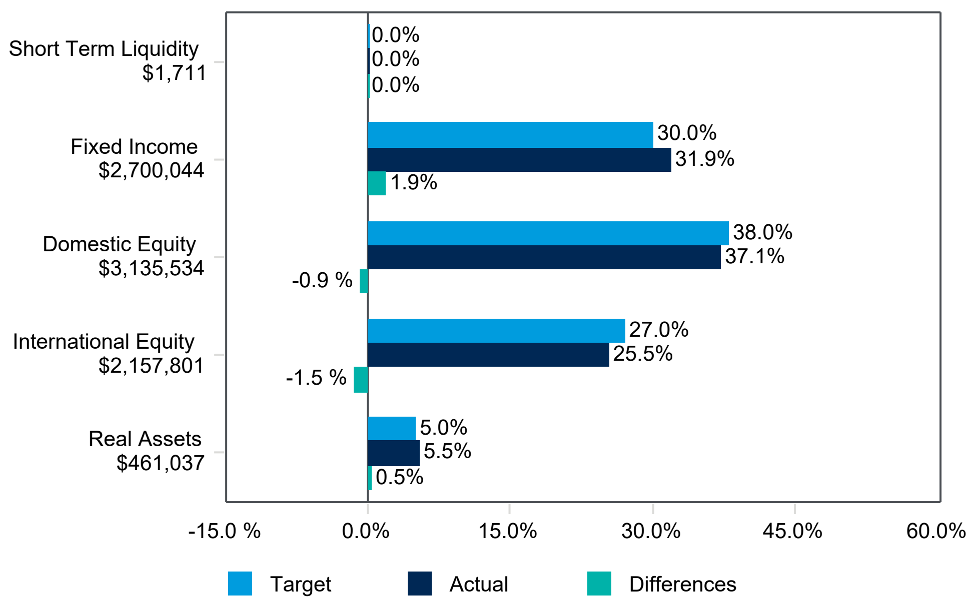
Current Benchmark Composition

From Date	To Date	
03/2022	Present	28.00% Blmbg. U.S. Aggregate, 2.00% Blmbg. Global Aggregate, 38.00% Dow Jones U.S. Total Stock Market Index , 27.00% MSCI AC World ex USA (Net), 5.00% Diversified Real Asset Blended Index

Portfolio Allocation



Actual vs. Target Allocations



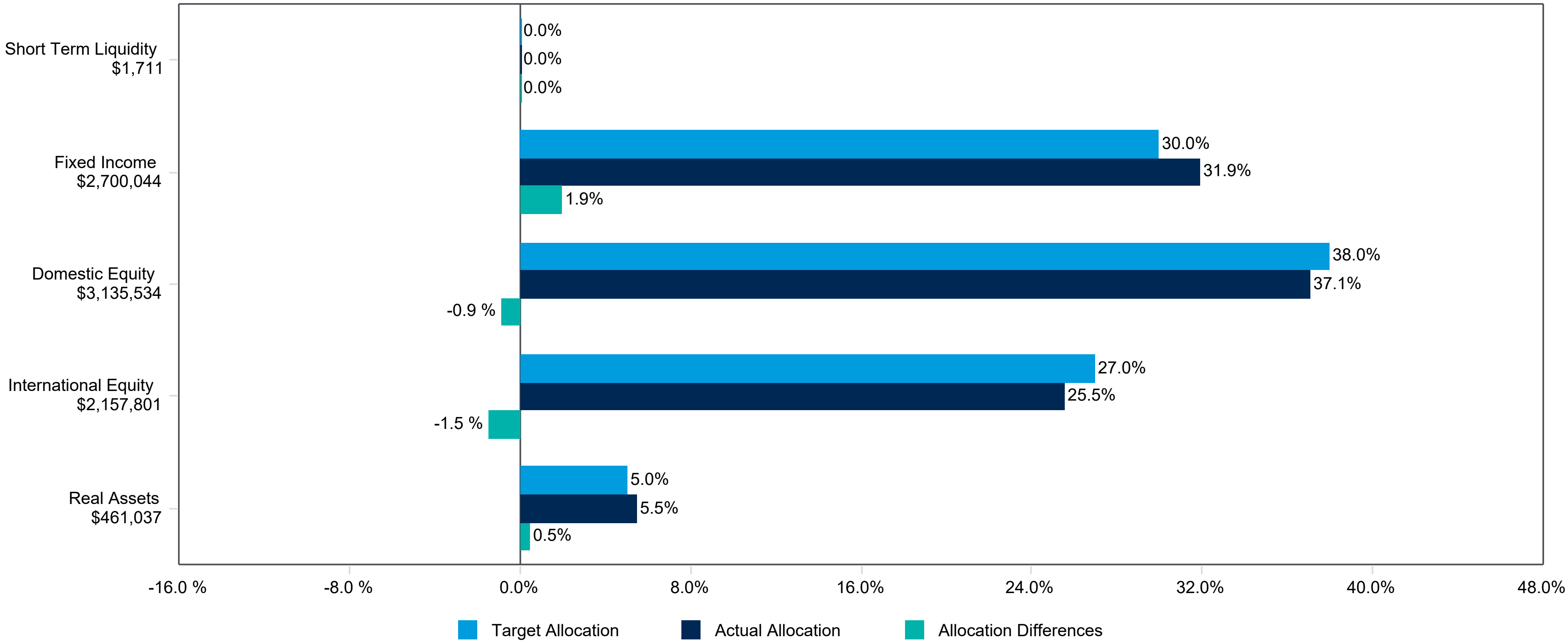
Inception Date: 03/2017

Asset Allocation

Waterford OPEB

As of June 30, 2022

Actual vs. Target



	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Short Term Liquidity	1,711	0.0	0.0	0.0	0.0	10.0
Fixed Income	2,700,044	31.9	30.0	1.9	15.0	45.0
Domestic Equity	3,135,534	37.1	38.0	-0.9	20.0	50.0
International Equity	2,157,801	25.5	27.0	-1.5	15.0	45.0
Real Assets	461,037	5.5	5.0	0.5	0.0	10.0
Waterford OPEB	**8,456,127**	**100.0**	**100.0**	**0.0**	**-**	**-**

Asset Allocation

Waterford OPEB | As of June 30, 2022

	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Waterford OPEB	**8,456,127**	**100.0**	**100.0**	**0.0**
Short Term Liquidity	**1,711**	**0.0**	**0.0**	**0.0**
Allspring Government Money Market Fund Instl	1,711	0.0	0.0	0.0
Fixed Income	**2,700,044**	**31.9**	**30.0**	**1.9**
Baird Aggregate Bond Fund Class Institutional	713,736	8.4	8.0	0.4
Metropolitan West Total Return Bond Pl	709,310	8.4	8.0	0.4
BlackRock Strategic Income Opportunities Fund K	1,119,431	13.2	12.0	1.2
PGIM Global Total Return R6	157,567	1.9	2.0	-0.1
Domestic Equity	**3,135,534**	**37.1**	**38.0**	**-0.9**
Fidelity 500 Index Fund	2,236,037	26.4	27.0	-0.6
Fidelity Mid Cap Index	570,349	6.7	7.0	-0.3
Hotchkis & Wiley Small Cap Diversified Value I	166,487	2.0	2.0	0.0
Conestoga Small Cap Instl	162,660	1.9	2.0	-0.1
International Equity	**2,157,801**	**25.5**	**27.0**	**-1.5**
Dodge & Cox International Stock Fund	995,996	11.8	12.0	-0.2
American Funds EuroPacific Growth R6	931,580	11.0	12.0	-1.0
Baron Emerging Markets Fund Instl	230,225	2.7	3.0	-0.3
Real Assets	**461,037**	**5.5**	**5.0**	**0.5**
Principal Diversified Real Asset R6	461,037	5.5	5.0	0.5

Performance Overview

Waterford OPEB As of June 30, 2022

Trailing Performance Summary

	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Waterford OPEB	**-11.4**	**-16.0**	**-13.9**	**-13.9**	**4.8**	**5.0**	**-**	**-**	**5.3**	**03/2017**
OPEB Blended Benchmark	*-12.1*	*-16.4*	*-13.8*	*-13.8*	*4.0*	*4.9*	*-*	*-*	*5.3*	*03/2017*

Calendar Year Performance Summary

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Waterford OPEB	**9.3**	**17.8**	**19.8**	**-7.2**	**-**	**-**	**-**	**-**	**-**	**-**
OPEB Blended Benchmark	*11.0*	*13.9*	*20.1*	*-5.8*	*-*	*-*	*-*	*-*	*-*	*-*

Plan Reconciliation

	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Waterford OPEB									**03/2017**
Beginning Market Value	9,544,580	10,071,789	9,076,512	9,076,512	5,068,254	2,363,131	-	1,164,759	
Net Contributions	-2,001	-4,025	742,077	742,077	2,585,862	4,886,044	-	6,043,013	
Gain/Loss	-1,086,452	-1,611,638	-1,362,463	-1,362,463	802,011	1,206,952	-	1,248,355	
Ending Market Value	8,456,127	8,456,127	8,456,127	8,456,127	8,456,127	8,456,127	-	8,456,127	

Benchmark Composition

	Weight (%)
Mar-2022	
90 Day U.S. Treasury Bill	0.0
Blmbg. U.S. Aggregate	28.0
Blmbg. Global Aggregate	2.0
Dow Jones U.S. Total Stock Market Index	38.0
MSCI AC World ex USA (Net)	27.0
Diversified Real Asset Blended Index	5.0

Manager Status Commentary

Waterford - Combined

As of June 30, 2022

Manager	Recommendation	Comments
Baird Aggregate Bond Fund Class Institutional	Maintain	
Metropolitan West Total Return Bond Pl	Maintain	
BlackRock Strategic Income Opportunities Fund K	Maintain	
PGIM Global Total Return R6	Maintain	
Fidelity Total Market Index Fund	Maintain	
Fidelity 500 Index Fund	Maintain	
Fidelity Mid Cap Index	Maintain	
Hotchkis & Wiley Small Cap Diversified Value I	Maintain	
Conestoga Small Cap Instl	Maintain	
Dodge & Cox International Stock Fund	Maintain	
American Funds EuroPacific Growth R6	Maintain	
Baron Emerging Markets Fund Instl	Maintain	
Principal Diversified Real Asset R6	Maintain	

Commentary produced upon change of status.

Manager Performance

Waterford OPEB | As of June 30, 2022

	Allocation		Performance(%)									
	Market Value ($)	%	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	Manager Status
Waterford OPEB	**8,456,127**	**100.0**	**-11.4**	**-16.0**	**-13.9**	**-13.9**	**4.8**	**5.0**	**-**	**5.3**	**03/2017**	
OPEB Blended Benchmark			*-12.1*	*-16.4*	*-13.8*	*-13.8*	*4.0*	*4.9*	*-*	*5.3*		
Short Term Liquidity	**1,711**	**0.0**	**0.1**	**0.1**	**0.2**	**0.2**	**0.5**	**1.0**	**-**	**1.0**	**03/2017**	
90 Day U.S. Treasury Bill			*0.1*	*0.1*	*0.2*	*0.2*	*0.6*	*1.1*	*0.6*	*1.1*		
Allspring Government Money Market Fund Instl	**1,711**	**0.0**	**0.1**	**0.1**	**0.2**	**0.2**	**0.5**	**1.0**	**-**	**1.0**	**03/2017**	
90 Day U.S. Treasury Bill			*0.1*	*0.1*	*0.2*	*0.2*	*0.6*	*1.1*	*0.6*	*1.1*		
Fixed Income	**2,700,044**	**31.9**	**-4.6**	**-9.7**	**-9.9**	**-9.9**	**0.1**	**1.4**	**-**	**1.5**	**03/2017**	
Fixed Income Benchmark			*-4.9*	*-10.6*	*-10.6*	*-10.6*	*-1.1*	*0.8*	*-*	*1.0*		
Baird Aggregate Bond Fund Class Institutional	**713,736**	**8.4**	**-5.0**	**-11.0**	**-11.0**	**-11.0**	**-0.7**	**1.1**	**2.1**	**-7.5**	**04/2021**	**Maintain**
Blmbg. U.S. Aggregate Index			*-4.7*	*-10.3*	*-10.3*	*-10.3*	*-0.9*	*0.9*	*1.5*	*-7.0*		
IM U.S. Broad Market Core Fixed Income (MF) Median			-5.4	-11.0	-11.2	-11.2	-0.9	0.8	1.6	-7.6		
Baird Aggregate Bond Fund Class Institutional Rank			30	51	45	45	36	26	10	44		
Metropolitan West Total Return Bond Pl	**709,310**	**8.4**	**-5.7**	**-11.6**	**-11.6**	**-11.6**	**-0.7**	**1.1**	**2.3**	**1.3**	**03/2017**	**Maintain**
Blmbg. U.S. Aggregate Index			*-4.7*	*-10.3*	*-10.3*	*-10.3*	*-0.9*	*0.9*	*1.5*	*1.1*		
IM U.S. Broad Market Core+ Fixed Income (MF) Median			-5.9	-11.5	-11.3	-11.3	-0.7	0.9	1.8	1.2		
Metropolitan West Total Return Bond Pl Rank			38	56	58	58	48	35	23	41		
BlackRock Strategic Income Opportunities Fund K	**1,119,431**	**13.2**	**-2.6**	**-5.4**	**-5.6**	**-5.6**	**1.7**	**2.4**	**2.9**	**2.4**	**06/2018**	**Maintain**
Blmbg. U.S. Aggregate Index			*-4.7*	*-10.3*	*-10.3*	*-10.3*	*-0.9*	*0.9*	*1.5*	*1.1*		
IM Alternative Credit Focus (MF) Median			-4.4	-7.2	-7.8	-7.8	0.4	0.8	1.7	1.0		
BlackRock Strategic Income Opportunities Fund K Rank			19	31	25	25	21	21	12	15		
PGIM Global Total Return R6	**157,567**	**1.9**	**-11.4**	**-20.7**	**-22.1**	**-22.1**	**-5.3**	**-0.9**	**1.4**	**-16.0**	**04/2021**	**Maintain**
Blmbg. Global Aggregate			*-8.3*	*-13.9*	*-15.2*	*-15.2*	*-3.2*	*-0.6*	*0.1*	*-11.5*		
IM Global Fixed Income (MF) Median			-7.0	-12.6	-14.4	-14.4	-2.3	-0.2	0.6	-10.1		
PGIM Global Total Return R6 Rank			96	98	98	98	96	77	28	98		

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. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. 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.

Manager Performance

Waterford OPEB — As of June 30, 2022

	Allocation		Performance(%)									Manager Status
	Market Value ($)	%	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	
Domestic Equity	**3,135,534**	**37.1**	**-16.1**	**-20.3**	**-12.3**	**-12.3**	**10.3**	**10.9**	**-**	**10.8**	**03/2017**	
Dow Jones U.S. Total Stock Market Index			*-16.8*	*-21.3*	*-14.2*	*-14.2*	*9.6*	*10.5*	*12.5*	*10.4*		
Fidelity 500 Index Fund	**2,236,037**	**26.4**	**-16.1**	**-20.0**	**-10.6**	**-10.6**	**10.6**	**11.3**	**12.9**	**-2.4**	**04/2021**	**Maintain**
S&P 500 Index			*-16.1*	*-20.0*	*-10.6*	*-10.6*	*10.6*	*11.3*	*13.0*	*-2.4*		
IM U.S. Large Cap Core Equity (MF) Median			-15.8	-20.4	-12.5	-12.5	9.6	10.5	12.1	-4.0		
Fidelity 500 Index Fund Rank			58	43	33	33	26	25	18	31		
Fidelity Mid Cap Index	**570,349**	**6.7**	**-16.9**	**-21.6**	**-17.3**	**-17.3**	**6.6**	**8.0**	**11.3**	**-9.0**	**04/2021**	**Maintain**
Russell Midcap Index			*-16.8*	*-21.6*	*-17.3*	*-17.3*	*6.6*	*8.0*	*11.3*	*-9.0*		
IM U.S. Mid Cap Core Equity (MF) Median			-13.6	-17.3	-10.8	-10.8	6.6	6.7	9.9	-5.1		
Fidelity Mid Cap Index Rank			91	92	94	94	54	24	16	87		
Hotchkis & Wiley Small Cap Diversified Value I	**166,487**	**2.0**	**-12.5**	**-13.2**	**-9.3**	**-9.3**	**8.6**	**6.4**	**-**	**-4.7**	**04/2021**	**Maintain**
Russell 2000 Value Index			*-15.3*	*-17.3*	*-16.3*	*-16.3*	*6.2*	*4.9*	*9.1*	*-10.1*		
IM U.S. Small Cap Value Equity (MF) Median			-13.9	-15.3	-11.8	-11.8	7.6	5.0	9.0	-6.3		
Hotchkis & Wiley Small Cap Diversified Value I Rank			19	20	28	28	34	23	-	35		
Conestoga Small Cap Instl	**162,660**	**1.9**	**-16.2**	**-29.0**	**-22.5**	**-22.5**	**3.1**	**9.2**	**11.7**	**-16.2**	**04/2021**	**Maintain**
Russell 2000 Growth Index			*-19.3*	*-29.5*	*-33.4*	*-33.4*	*1.4*	*4.8*	*9.3*	*-25.5*		
IM U.S. Small Cap Growth Equity (MF) Median			-19.1	-29.5	-29.3	-29.3	3.7	7.5	10.0	-21.2		
Conestoga Small Cap Instl Rank			20	45	20	20	61	29	15	23		
International Equity	**2,157,801**	**25.5**	**-11.9**	**-18.1**	**-20.7**	**-20.7**	**4.1**	**4.7**	**-**	**6.5**	**03/2017**	
MSCI AC World ex USA (Net)			*-13.7*	*-18.4*	*-19.4*	*-19.4*	*1.4*	*2.5*	*4.8*	*3.9*		
Dodge & Cox International Stock Fund	**995,996**	**11.8**	**-9.5**	**-10.0**	**-10.9**	**-10.9**	**3.5**	**2.1**	**6.1**	**-5.5**	**04/2021**	**Maintain**
MSCI AC World ex USA Value (Net)			*-11.9*	*-11.8*	*-12.8*	*-12.8*	*0.6*	*1.2*	*3.8*	*-7.3*		
IM International Large Cap Value Equity (MF) Median			-11.4	-14.9	-13.1	-13.1	2.0	1.3	4.4	-8.6		
Dodge & Cox International Stock Fund Rank			17	5	12	12	9	15	5	10		

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Manager Performance

Waterford OPEB | As of June 30, 2022

	Allocation		Performance(%)									Manager Status
	Market Value ($)	%	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	
American Funds EuroPacific Growth R6	**931,580**	**11.0**	**-14.7**	**-25.1**	**-27.7**	**-27.7**	**1.5**	**3.1**	**6.3**	**5.0**	**03/2017**	**Maintain**
MSCI AC World ex USA (Net)			*-13.7*	*-18.4*	*-19.4*	*-19.4*	*1.4*	*2.5*	*4.8*	*3.9*		
IM International Large Cap Core Equity (MF) Median			-13.3	-19.3	-17.8	-17.8	1.6	1.9	4.9	3.6		
American Funds EuroPacific Growth R6 Rank			83	98	100	100	53	15	1	9		
Baron Emerging Markets Fund Instl	**230,225**	**2.7**	**-10.3**	**-23.0**	**-30.9**	**-30.9**	**-0.3**	**1.1**	**5.0**	**-22.7**	**04/2021**	**Maintain**
MSCI Emerging Markets Growth (Net)			*-12.0*	*-21.1*	*-31.2*	*-31.2*	*1.9*	*2.9*	*4.5*	*-23.2*		
IM Emerging Markets Equity (MF) Median			-11.9	-20.5	-28.0	-28.0	0.1	1.6	2.7	-20.5		
Baron Emerging Markets Fund Instl Rank			22	64	68	68	58	60	12	67		
Real Assets	**461,037**	**5.5**	**-10.0**	**-4.8**	**1.1**	**1.1**	**-**	**-**	**-**	**7.3**	**10/2019**	
Diversified Real Asset Blended Index			*-9.3*	*-3.1*	*1.9*	*1.9*	*5.8*	*5.5*	*3.4*	*6.6*		
Principal Diversified Real Asset R6	**461,037**	**5.5**	**-10.0**	**-4.8**	**1.1**	**1.1**	**6.6**	**5.4**	**-**	**7.3**	**10/2019**	**Maintain**
Diversified Real Asset Blended Index			*-9.3*	*-3.1*	*1.9*	*1.9*	*5.8*	*5.5*	*3.4*	*6.6*		

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. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. 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.

Calendar Year Performance

Waterford OPEB | As of June 30, 2022

	Performance(%)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Waterford OPEB	**9.3**	**17.8**	**19.8**	**-7.2**	**-**	**-**	**-**	**-**	**-**	**-**
OPEB Blended Benchmark	*11.0*	*13.9*	*20.1*	*-5.8*	*-*	*-*	*-*	*-*	*-*	*-*
Short Term Liquidity	**0.0**	**0.4**	**2.2**	**1.7**	**-**	**-**	**-**	**-**	**-**	**-**
90 Day U.S. Treasury Bill	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*	*0.0*	*0.0*	*0.0*	*0.1*
Allspring Government Money Market Fund Instl	**0.0**	**0.4**	**2.2**	**1.7**	**-**	**-**	**-**	**-**	**-**	**-**
90 Day U.S. Treasury Bill	*0.0*	*0.7*	*2.3*	*1.9*	*0.9*	*0.3*	*0.0*	*0.0*	*0.0*	*0.1*
Fixed Income	**-0.6**	**8.9**	**8.9**	**-0.5**	**-**	**-**	**-**	**-**	**-**	**-**
Fixed Income Benchmark	*-1.7*	*7.5*	*8.7*	*0.0*	*-*	*-*	*-*	*-*	*-*	*-*
Baird Aggregate Bond Fund Class Institutional	**-1.5**	**8.6**	**9.5**	**-0.3**	**4.2**	**3.5**	**0.6**	**6.9**	**-1.3**	**7.9**
Blmbg. U.S. Aggregate Index	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
IM U.S. Broad Market Core Fixed Income (MF) Median	-1.3	8.2	8.8	-0.6	3.6	2.9	0.0	5.5	-2.0	6.0
Baird Aggregate Bond Fund Class Institutional Rank	58	37	27	32	22	33	19	8	24	17
Metropolitan West Total Return Bond Pl	**-1.1**	**9.2**	**9.2**	**0.3**	**3.5**	**2.6**	**0.2**	**6.2**	**0.4**	**11.6**
Blmbg. U.S. Aggregate Index	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
IM U.S. Broad Market Core+ Fixed Income (MF) Median	-0.9	8.6	9.3	-1.0	4.5	4.1	-0.3	5.1	-1.1	8.2
Metropolitan West Total Return Bond Pl Rank	58	36	55	11	79	86	26	25	16	7
BlackRock Strategic Income Opportunities Fund K	**1.0**	**7.3**	**7.8**	**-0.5**	**5.0**	**3.6**	**-0.6**	**3.6**	**3.0**	**9.6**
Blmbg. U.S. Aggregate Index	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
IM Alternative Credit Focus (MF) Median	1.9	3.9	7.3	-1.9	4.5	4.9	-1.6	1.0	-0.1	9.2
BlackRock Strategic Income Opportunities Fund K Rank	58	17	43	29	43	64	25	21	31	44
PGIM Global Total Return R6	**-5.7**	**10.1**	**12.3**	**-1.6**	**13.6**	**2.7**	**-3.2**	**5.5**	**-1.9**	**13.2**
Blmbg. Global Aggregate	*-4.7*	*9.2*	*6.8*	*-1.2*	*7.4*	*2.1*	*-3.2*	*0.6*	*-2.6*	*4.3*
IM Global Fixed Income (MF) Median	-2.7	8.2	8.1	-1.8	6.8	2.9	-3.8	1.9	-2.5	7.3
PGIM Global Total Return R6 Rank	88	22	6	45	1	52	41	21	42	7
Domestic Equity	**26.4**	**20.8**	**30.9**	**-5.2**	**-**	**-**	**-**	**-**	**-**	**-**
Dow Jones U.S. Total Stock Market Index	*25.7*	*20.8*	*30.9*	*-5.3*	*21.2*	*12.6*	*0.4*	*12.5*	*33.5*	*16.4*
Fidelity 500 Index Fund	**28.7**	**18.4**	**31.5**	**-4.4**	**21.8**	**12.0**	**1.4**	**13.7**	**32.4**	**16.0**
S&P 500 Index	*28.7*	*18.4*	*31.5*	*-4.4*	*21.8*	*12.0*	*1.4*	*13.7*	*32.4*	*16.0*
IM U.S. Large Cap Core Equity (MF) Median	26.9	18.4	30.6	-5.4	21.4	9.7	0.5	11.5	31.8	15.4
Fidelity 500 Index Fund Rank	26	50	37	32	45	20	35	18	38	41

Calendar Year Performance

Waterford OPEB | As of June 30, 2022

	Performance(%)									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fidelity Mid Cap Index	**22.6**	**17.1**	**30.5**	**-9.0**	**18.5**	**13.9**	**-2.4**	**13.1**	**34.8**	**17.2**
Russell Midcap Index	*22.6*	*17.1*	*30.5*	*-9.1*	*18.5*	*13.8*	*-2.4*	*13.2*	*34.8*	*17.3*
IM U.S. Mid Cap Core Equity (MF) Median	25.7	8.4	28.6	-11.6	14.9	14.5	-3.7	8.9	34.5	15.9
Fidelity Mid Cap Index Rank	69	17	32	20	26	55	31	10	49	34
Hotchkis & Wiley Small Cap Diversified Value I	**35.3**	**1.3**	**21.7**	**-14.3**	**13.8**	**34.0**	**-9.0**	**-**	**-**	**-**
Russell 2000 Value Index	*28.3*	*4.6*	*22.4*	*-12.9*	*7.8*	*31.7*	*-7.5*	*4.2*	*34.5*	*18.1*
IM U.S. Small Cap Value Equity (MF) Median	32.0	3.6	21.1	-16.1	8.5	26.7	-7.0	3.4	36.5	16.2
Hotchkis & Wiley Small Cap Diversified Value I Rank	34	66	37	38	12	7	71	-	-	-
Conestoga Small Cap Instl	**16.4**	**30.6**	**25.4**	**0.8**	**28.7**	**14.3**	**8.3**	**-8.0**	**49.3**	**11.0**
Russell 2000 Growth Index	*2.8*	*34.6*	*28.5*	*-9.3*	*22.2*	*11.3*	*-1.4*	*5.6*	*43.3*	*14.6*
IM U.S. Small Cap Growth Equity (MF) Median	10.5	36.5	27.7	-5.6	20.7	10.1	-2.4	2.8	42.5	13.6
Conestoga Small Cap Instl Rank	27	64	63	12	14	24	2	98	11	74
International Equity	**1.6**	**25.3**	**27.4**	**-14.9**	**-**	**-**	**-**	**-**	**-**	**-**
MSCI AC World ex USA (Net)	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.7*	*-3.9*	*15.3*	*16.8*
Dodge & Cox International Stock Fund	**11.0**	**2.1**	**22.8**	**-18.0**	**23.9**	**8.3**	**-11.4**	**0.1**	**26.3**	**21.0**
MSCI AC World ex USA Value (Net)	*10.5*	*-0.8*	*15.7*	*-14.0*	*22.7*	*8.9*	*-10.1*	*-5.1*	*15.0*	*17.0*
IM International Large Cap Value Equity (MF) Median	13.2	4.1	19.0	-16.7	22.9	1.3	-1.8	-7.0	21.8	18.5
Dodge & Cox International Stock Fund Rank	59	75	6	80	34	1	89	9	7	21
American Funds EuroPacific Growth R6	**2.8**	**25.3**	**27.4**	**-14.9**	**31.2**	**1.0**	**-0.5**	**-2.3**	**20.6**	**19.6**
MSCI AC World ex USA (Net)	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*	*-5.7*	*-3.9*	*15.3*	*16.8*
IM International Large Cap Core Equity (MF) Median	10.7	9.1	22.1	-15.0	25.0	0.0	-1.9	-6.0	20.4	18.0
American Funds EuroPacific Growth R6 Rank	96	1	4	49	10	37	22	11	46	34
Baron Emerging Markets Fund Instl	**-6.1**	**29.2**	**18.9**	**-18.5**	**40.6**	**4.1**	**-11.0**	**3.7**	**15.0**	**23.2**
MSCI Emerging Markets Growth (Net)	*-8.4*	*31.3*	*25.1*	*-18.3*	*46.8*	*7.6*	*-11.3*	*-0.3*	*-0.2*	*20.6*
IM Emerging Markets Equity (MF) Median	-1.6	17.7	20.1	-16.5	35.7	8.3	-13.7	-3.0	-1.5	18.8
Baron Emerging Markets Fund Instl Rank	77	19	60	70	24	75	32	7	5	15
Real Assets	**17.4**	**3.9**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Diversified Real Asset Blended Index	*15.9*	*2.1*	*14.9*	*-7.3*	*10.4*	*12.4*	*-11.7*	*0.2*	*-1.2*	*8.7*
Principal Diversified Real Asset R6	**17.4**	**3.9**	**15.1**	**-7.8**	**10.2**	**5.9**	**-12.4**	**-**	**-**	**-**
Diversified Real Asset Blended Index	*15.9*	*2.1*	*14.9*	*-7.3*	*10.4*	*12.4*	*-11.7*	*0.2*	*-1.2*	*8.7*

Investment Gain/Loss Summary

Waterford OPEB **1 Quarter Ending June 30, 2022**

	Market Value as of 04/01/2022	Net Contributions	Gain/Loss	Market Value As of 06/30/2022
Waterford OPEB	**9,544,580**	**-2,001**	**-1,086,452**	**8,456,127**
Short Term Liquidity	**16,806**	**-2,001**	**-13,094**	**1,711**
Allspring Government Money Market Fund Instl	16,806	-2,001	-13,094	1,711
Fixed Income	**2,831,353**	**-**	**-131,309**	**2,700,044**
Baird Aggregate Bond Fund Class Institutional	751,406	-	-37,670	713,736
Metropolitan West Total Return Bond Pl	752,230	-	-42,920	709,310
BlackRock Strategic Income Opportunities Fund K	1,149,898	-	-30,467	1,119,431
PGIM Global Total Return R6	177,818	-	-20,251	157,567
Domestic Equity	**3,735,639**	**-**	**-600,105**	**3,135,534**
Fidelity 500 Index Fund	2,665,275	-	-429,237	2,236,037
Fidelity Mid Cap Index	685,934	-	-115,585	570,349
Hotchkis & Wiley Small Cap Diversified Value I	190,251	-	-23,764	166,487
Conestoga Small Cap Instl	194,179	-	-31,519	162,660
International Equity	**2,448,674**	**-**	**-290,873**	**2,157,801**
Dodge & Cox International Stock Fund	1,100,394	-	-104,398	995,996
American Funds EuroPacific Growth R6	1,091,530	-	-159,950	931,580
Baron Emerging Markets Fund Instl	256,750	-	-26,525	230,225
Real Assets	**512,108**	**-**	**-51,071**	**461,037**
Principal Diversified Real Asset R6	512,108	-	-51,071	461,037

Cash activity may include management fees.

Estimated Fee Analysis

Waterford OPEB | As of June 30, 2022

	Market Value ($)	Estimated Annual Fee ($)	Estimated Annual Fee (%)
Waterford OPEB	**8,456,127**	**32,129**	**0.38**
Short Term Liquidity	**1,711**	**-**	**-**
Allspring Government Money Market Fund Instl	1,711	-	-
Fixed Income	**2,700,044**	**12,190**	**0.45**
Baird Aggregate Bond Fund Class Institutional	713,736	2,141	0.30
Metropolitan West Total Return Bond Pl	709,310	2,624	0.37
BlackRock Strategic Income Opportunities Fund K	1,119,431	6,605	0.59
PGIM Global Total Return R6	157,567	819	0.52
Domestic Equity	**3,135,534**	**3,274**	**0.10**
Fidelity 500 Index Fund	2,236,037	335	0.02
Fidelity Mid Cap Index	570,349	143	0.03
Hotchkis & Wiley Small Cap Diversified Value I	166,487	1,332	0.80
Conestoga Small Cap Instl	162,660	1,464	0.90
International Equity	**2,157,801**	**13,069**	**0.61**
Dodge & Cox International Stock Fund	995,996	6,275	0.63
American Funds EuroPacific Growth R6	931,580	4,285	0.46
Baron Emerging Markets Fund Instl	230,225	2,509	1.09
Real Assets	**461,037**	**3,596**	**0.78**
Principal Diversified Real Asset R6	461,037	3,596	0.78

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

Fee calculations for mutual funds represent fees at the net expense level. Fee calculations for commingled funds and/or alternative investments reflect base management fees and exclude underlying fund expenses captured at the NAV level, any applicable performance-based fees, or incentive fees. Fees for fund of funds are shown at the fund of fund level and do not include fees charged by underlying investment managers/funds.

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.

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 REIT, 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 manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative 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 higher 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 FA 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 FA or your custodian immediately.