Waterford Retirement Commission
Meeting Minutes – Remote Access
Wednesday, May 27, 2020, 5:00pm

Members Present: Susan Driscoll, Richard Muckle, Bruce Miller

Members Absent: First Selectman Robert Brule, William Auwood, Kevin Petchark and Marcia Benvenuti

Staff Present: Kim Allen, Finance Director, Maryellen McConnell, Secretary

Others: Devon Frances of Fiduciary Investment Advisors, LLC; John Sheehan

1. **Call to Order.**
   An establishment of a quorum and call to order was at 7:06 p.m.

2. Quarterly update presentation by Devon Frances of Fiduciary Investment Advisors, LLC

   Please see attached First Quarter Report from FIA, LLC.

3. Approval of meeting minutes from January 8, 2020 meeting and February 11, 2020, Special Meeting minutes.

   Motion by Richard Muckle, seconded by Bruce Miller, to approve the minutes from January 8, 2020.

   VOTE: Unanimous **Motion: Passed**

   Motion by Richard Muckle, seconded by Bruce Miller, to approve the minutes from February 11, 2020.

   VOTE: Unanimous **Motion: Passed**

4. New Business.

   Brief discussion on scheduling future meeting dates and description of Commission's Annual Report for FY 18-19 delivered to Board of Finance in February

5. **Adjournment**
   There being no further business to come before this Commission, **motion** made by Richard Muckle, **seconded** by Bruce Miller to adjourn at 6:07 pm.

VOTE: Unanimous **Motion: Passed**

Respectfully submitted,

Susan Driscoll MFM
Susan Driscoll
Chair

Maryellen McConnell
Maryellen McConnell
Recording Secretary

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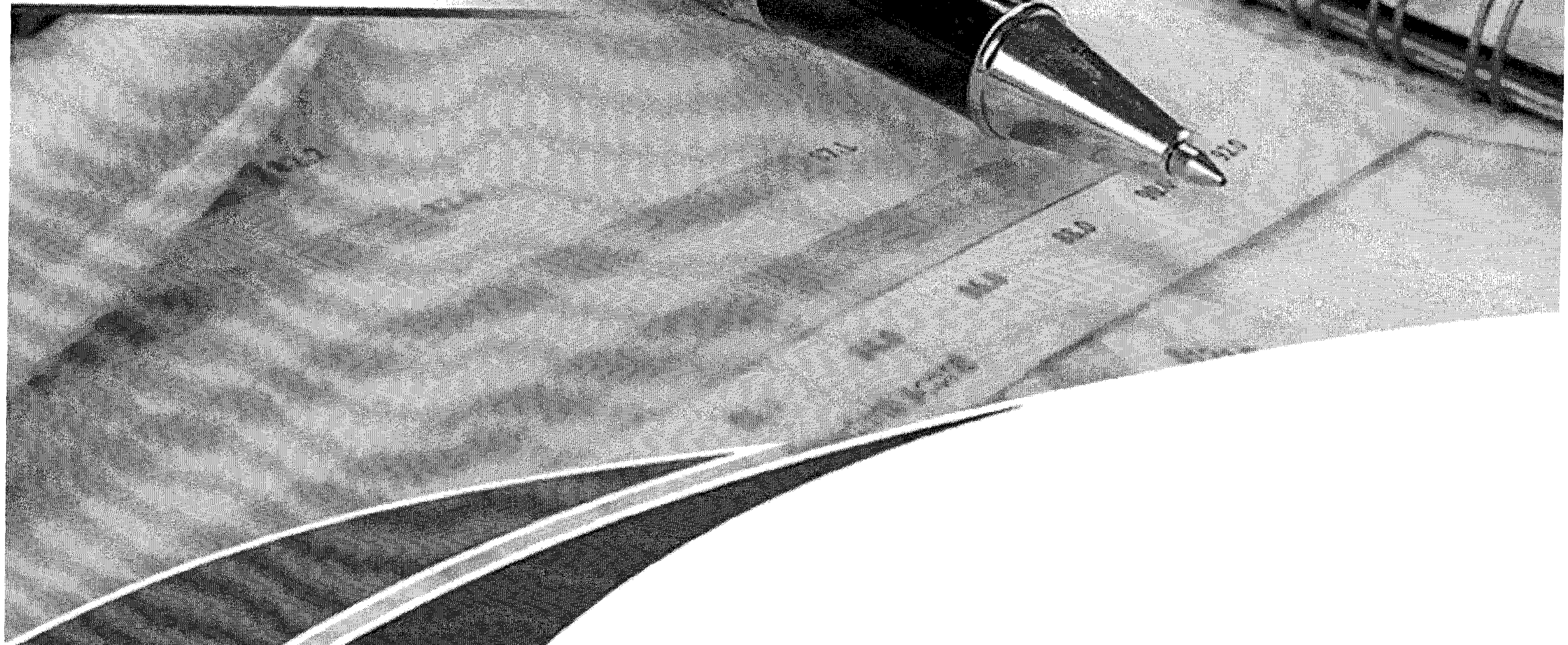

Town of Waterford Pension and OPEB Plans

Quarterly Investment Review - First Quarter 2020

One Hundred Northfield Drive, Windsor, CT 06095 Toll Free:866.466.9412 www.fiallc.com

Important Disclosure Information: Past performance may not be indicative of future results. Account information has been compiled solely by Fiduciary Investment Advisors, LLC, has not been independently verified, and does not reflect the impact of taxes on non-qualified accounts. In preparing this report, Fiduciary Investment Advisors, LLC has relied upon information provided by third party sources. A copy of our current written disclosure statement discussing our advisory services and fees continues to remain available for your review upon request. Historical performance results for investment indices and/or categories have been provided for general comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your account holdings correspond directly to any comparative indices.

Firm Update

DIMEO SCHNEIDER
& ASSOCIATES, L.L.C.
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On April 1, 2020, Fiduciary Investment Advisors, LLC ("FIA") joined forces with peer firm DiMeo Schneider & Associates, L.L.C., as planned.

- This combination will positively impact our clients and associates in many ways:
  - ✓ Our **manager research team** has grown from nine individuals to 21.
  - ✓ Our **operational and technological infrastructure** will be expanded with this combination.
  - ✓ Our **firm presence** expands to seven offices nationwide, with clients in 47 states. This offers not only potentially improved access for our clients, but increased opportunities for our associates.
  - ✓ Our **size and scale** in negotiations on behalf of clients will be increased, with approximately $200B* in assets under advisement across the two firms.
- The newly combined firm will be **co-led by Mark Wetzel, President, and Bob DiMeo, CEO**. The firm will be managed by an **Executive Committee**, comprised of representatives from both FIA and DiMeo Schneider.
- In the near term, **our clients will experience few changes**.
- **Over the course of the next 12-18 months,** we will work to re-brand the firm (*our new name will be DiMeo Schneider & Associates*) and **will integrate the two firms thoughtfully and methodically, incorporating the collective best practices of both firms**.

**As of 12/31/19*

Table of Contents

FIDUCIARY INVESTMENT ADVISORS
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Section 1
Fiduciary Governance Calendar

Defined Benefit
Fiduciary Governance Calendar

1st Quarter: Fee Focus
- ❑ Investment review
- ❑ Administrative fee review
- ❑ Portfolio expense analysis

2nd Quarter: Practice & Policy Focus
- ❑ Investment review
- ❑ Investment policy statement review
- ❑ Legislative update

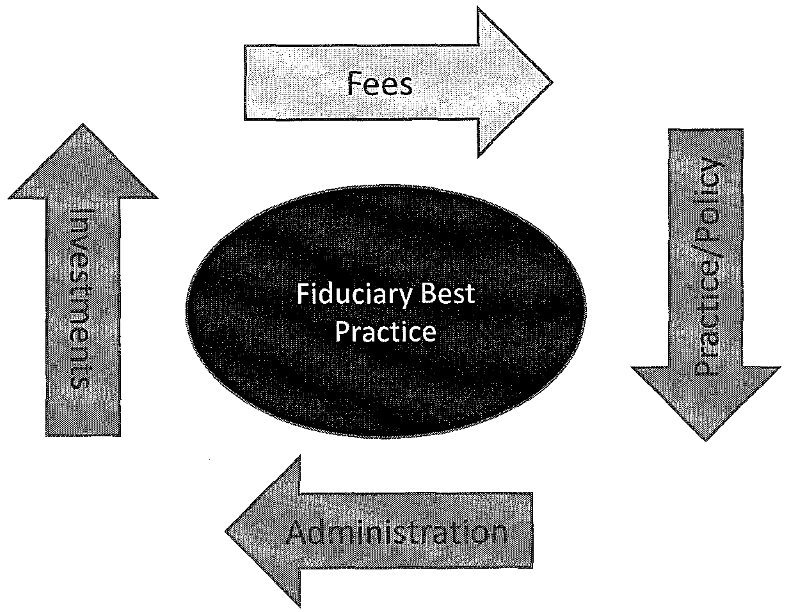
3rd Quarter: Asset/Liability Focus
- ❑ Investment review
- ❑ Annual actuarial review*
- ❑ Asset Allocation review

4th Quarter: Pension Landscape
- ❑ Investment review
- ❑ Pension landscape update
- ❑ Market environment overview

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

Procedural Prudence – Fee Focus

Prudence focuses on the **process**, not results, surrounding fiduciary decision-making.



- Plan fiduciaries have a responsibility to understand fees and services associated with managing the plan, and to ensure that they are reasonable
- Documenting the process is considered a best practice for fiduciaries
- Even if not subject to ERISA, voluntarily following "ERISA-like" practices is considered prudent

Detailed Fee Review

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MANAGER	Expense Ratio	TARGET ALLOCATION (PENSION)	TARGET ALLOCATION (OPEB)
Metropolitan West Total Return Fund Plan	0.37%	35.0%	25.0%
BlackRock Strategic Income Opportunities Fund K	0.74%	15.0%	10.0%
Fidelity Total Market Index Fund	0.015%	27.5%	33.3%
American Funds EuroPacific Growth R6	0.49%	22.5%	26.8%
Principal Diversified Real Asset R6	0.80%	N/A	5.0%
Weighted Average Investment Management Fee		0.35%	0.34%
Wells Fargo Custody Fee		0.05% on all invested assets Per account fee of $750, $10,000 annual minimum	
FIA Consulting Fee		0.75% on first $2mm; 0.50% thereafter	

The estimated annual custody fee represents the base fee and includes asset based, account based and line-item fees, where applicable. The estimate does not include applicable fees for transactions, trade settlement and/or wire transfers. Please refer to your custody agreement for a complete description of applicable fees and expenses.

Fees for fund of funds are shown at the fund of fund level and do not include fees charged by underlying investment managers/funds.

DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable, including Morningstar. FIA has not independently verified this information. Custody and consulting fees are as of 12/31/19.

Actual Review
Town of Waterford - Pension Plan

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Hooker & Holcombe Actuarial Valuation Report July 1, 2019		
	As of 7/1/2019	As of 7/1/2017
Actuarial Value of Assets	$553,774	$580,474
Total Accrued Liability	$1,019,984	$1,126,342
Funded Ratio	54.3%	51.5%
Actuarial Return Assumption	6.25%	6.25%

Source: Hooker & Holcombe, 2019 Valuation Report

Wells Fargo & Principal Custody Transition Update

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Timeline:

- *December 2019 – January 2020*: Service continuity *packets* and consent letters will be sent to clients
  - Clients have 6 months to complete and return documentation.
- *May 2021*: System integration expected to be complete
- *Late 2021*: Migration of client assets
  - Asset migration will occur on a bank holiday weekend in order to minimize disruption.

Contracts:

- Principal Financial will accept all existing contracts in place with Wells Fargo Institutional Retirement Trust clients.
  - Importantly, this will include **continuation of all current fee schedules**.
  - The only change in the documentation will be the legal entity of the contract issuer (from Wells Fargo to Principal).

Benefit Payments:

- For clients who use Wells Fargo Institutional Retirement Trust to issue benefit payments, an Institutional Retirement Trust representative will proactively reach out to provide guidance and assistance with regard to the change in payment services.
  - Wells Fargo/Principal is **willing and able to prepare all beneficiary communications** to inform beneficiaries of the change.
  - Clients who wish to maintain control over beneficiary communications rather than having Wells Fargo/Principal handle communications may do so. Wells Fargo/Principal will be as involved (or uninvolved) in the communication efforts as each client desires.

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Section 2
Capital Markets Overview

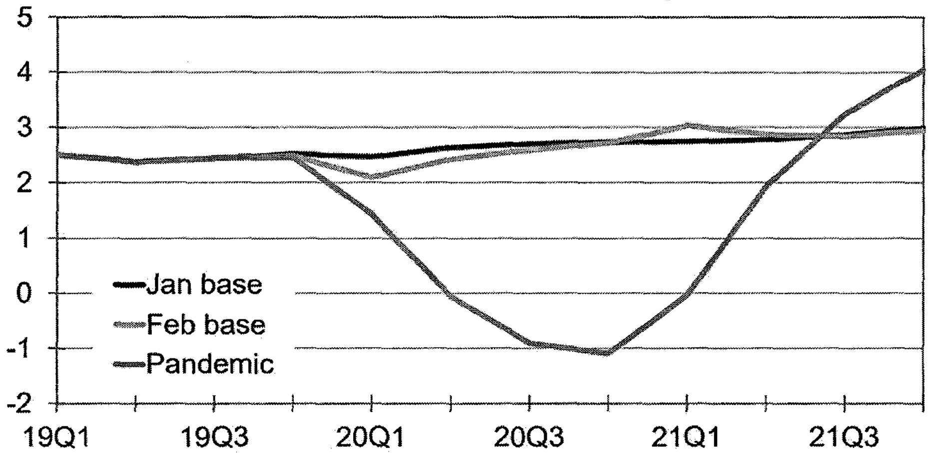
Economic & Market Conditions

The COVID-19 health crisis has completely altered the dialogue surrounding the global economy, and a recession now looms.

An extensive and, at times, indiscriminate re-rating of the capital markets transpired in the quarter, given fully doused investor risk appetite.

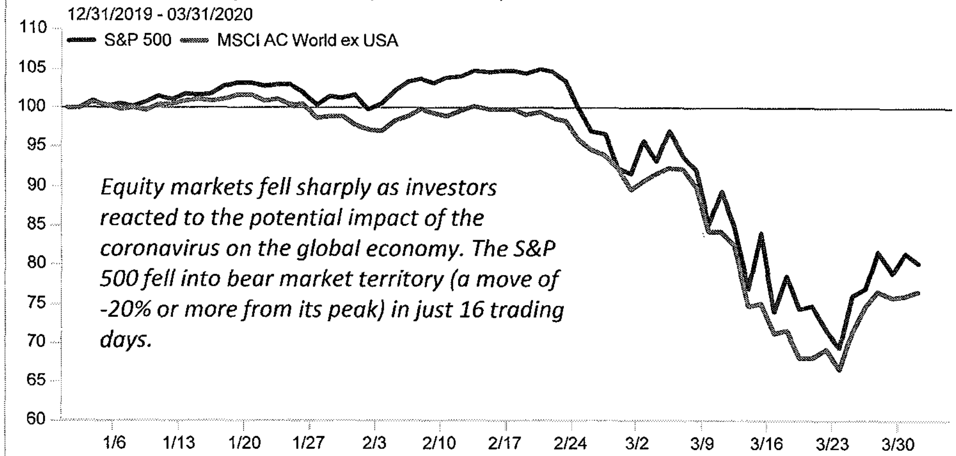
Authorities swiftly responded with unprecedented amounts of fiscal and monetary stimulus in an effort to quell the economic impact of the virus.

Global Real GDP Growth and Estimates, % Change Year Ago



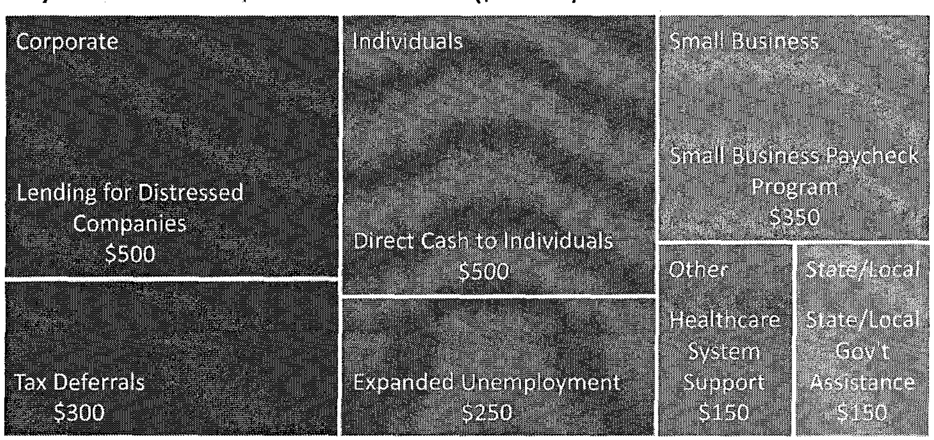
Moody's Analytics

Year-To-Date Equity Performance (12/31/19 = 100)



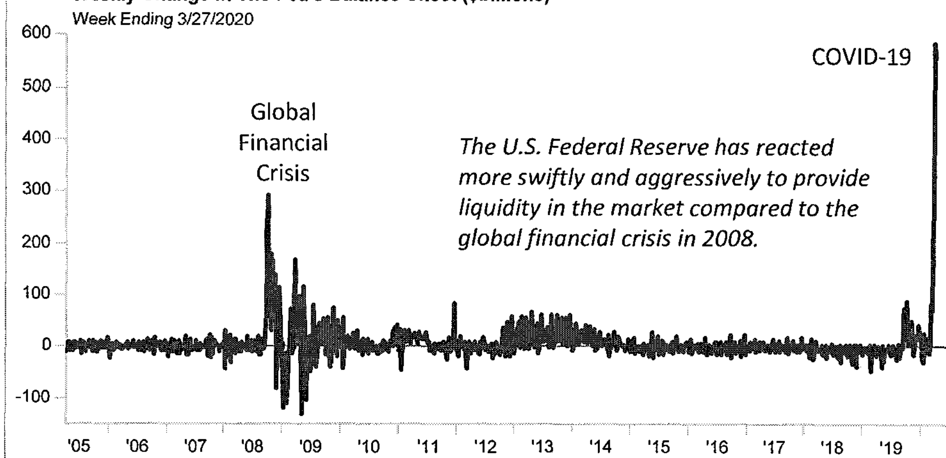
FactSet, S&P, MSCI

Key Provisions of the $2+ trillion CARES Act ($billions)



Payden & Rygel, PIMCO

Weekly Change In The Fed's Balance Sheet ($billions)



FactSet, U.S. Federal Reserve

Index Results

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U.S. EQUITY	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
S&P 500	(19.6)	(19.6)	(7.0)	5.1	6.7	10.5
Russell 1000	(20.2)	(20.2)	(8.0)	4.6	6.2	10.4
Russell 1000 Value	(26.7)	(26.7)	(17.2)	(2.2)	1.9	7.7
Russell 1000 Growth	(14.1)	(14.1)	0.9	11.3	10.4	13.0
Russell Mid Cap	(27.1)	(27.1)	(18.3)	(0.8)	1.8	8.8
Russell Mid Cap Value	(31.7)	(31.7)	(24.1)	(6.0)	(0.8)	7.2
Russell Mid Cap Growth	(20.0)	(20.0)	(9.4)	6.5	5.6	10.9
Russell 2000	(30.6)	(30.6)	(24.0)	(4.6)	(0.2)	6.9
Russell 2000 Value	(35.7)	(35.7)	(29.6)	(9.5)	(2.4)	4.8
Russell 2000 Growth	(25.8)	(25.8)	(18.6)	0.1	1.7	8.9
Russell 3000	(20.9)	(20.9)	(9.1)	4.0	5.8	10.1
FTSE NAREIT Equity REITs Index	(27.3)	(27.3)	(21.3)	(3.1)	(0.3)	7.4

INTERNATIONAL EQUITY	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
MSCI ACWI ex-US	(23.4)	(23.4)	(15.6)	(2.0)	(0.6)	2.1
MSCI EAFE	(22.8)	(22.8)	(14.4)	(1.8)	(0.6)	2.7
MSCI EAFE Value	(28.2)	(28.2)	(22.8)	(6.6)	(3.8)	0.6
MSCI EAFE Growth	(17.5)	(17.5)	(5.8)	3.0	2.5	4.7
MSCI EAFE Small Cap	(27.5)	(27.5)	(18.1)	(2.9)	1.0	4.8
MSCI EM (Emerging Markets)	(23.6)	(23.6)	(17.7)	(1.6)	(0.4)	0.7

FIXED INCOME	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Barclays U.S. Aggregate Bond	3.1	3.1	8.9	4.8	3.4	3.9
Barclays U.S. Gov/Credit Bond	3.4	3.4	9.8	5.2	3.5	4.1
Barclays Gov/Credit Long Bond	6.2	6.2	19.3	9.7	6.0	8.1
Barclays U.S. Corp High Yield	(12.7)	(12.7)	(6.9)	0.8	2.8	5.6
Barclays Municipal Bond	(0.6)	(0.6)	3.8	4.0	3.2	4.1
Barclays U.S. TIPS	1.7	1.7	6.8	3.5	2.7	3.5
BofA Merrill 3-Month T-Bill	0.6	0.6	2.3	1.8	1.2	0.6

NON-TRADITIONAL	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Bloomberg Commodity Index	(23.3)	(23.3)	(22.3)	(8.6)	(7.8)	(6.7)
HFRI Fund of Funds Index	(6.0)	(6.0)	(2.6)	1.0	0.6	2.1
NCREIF Property Index *(12/31/2019)*	1.6	6.4	6.4	6.7	8.3	10.2
CPI *(12/31/2019)*	0.7	2.3	2.3	2.1	1.8	1.8

Sources: Morningstar Direct, Standard & Poor's, Russell, FTSE, MSCI, Barclays Capital, BofA Merrill Lynch, Bloomberg, HFRI, NCREIF. Data as of 03/31/2020 unless otherwise noted.

Equity & Fixed Income Review

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U.S. Equity Size and Style Returns

QTR				1-Year		
Value	Blend	Growth		Value	Blend	Growth
-26.7	-20.2	-14.1	Large	-17.2	-8.0	0.9
-31.7	-27.1	-20.0	Mid	-24.1	-18.3	-9.4
-35.7	-30.6	-25.8	Small	-29.6	-24.0	-18.6

In the wake of the coronavirus pandemic, U.S. equity markets fell sharply and moved into bear market territory for the first time since the global financial crisis. Concern over the impact of shutting down non-essential parts of the economy was the driving force. Large-cap companies outpaced their small-cap counterparts. Growth stocks fared better than value stocks, as energy and financials were among the worst performing sectors.

International Equity Size and Region Returns (USD)

QTR				1-Year		
Small	Mid	Large		Small	Mid	Large
-27.5	-25.5	-22.1	Dev	-18.1	-16.3	-13.9
-31.4	-31.0	-22.4	EM	-29.0	-27.1	-16.1

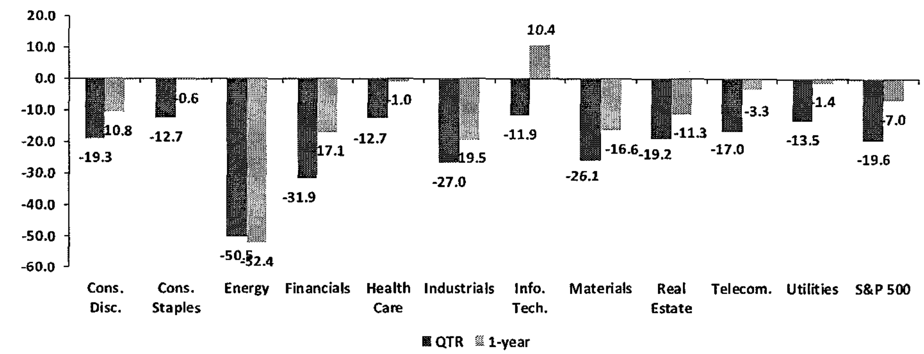
International markets were not immune to the coronavirus impact as both developed and emerging markets saw sharp declines, with developed regions holding up better than emerging markets. A strengthening U.S. dollar was also a headwind for the U.S. dollar-based investor, rising against most major currencies except for the Japanese yen, as investors favored this "safe haven" currency.

Fixed Income Term and Quality Returns (USD)

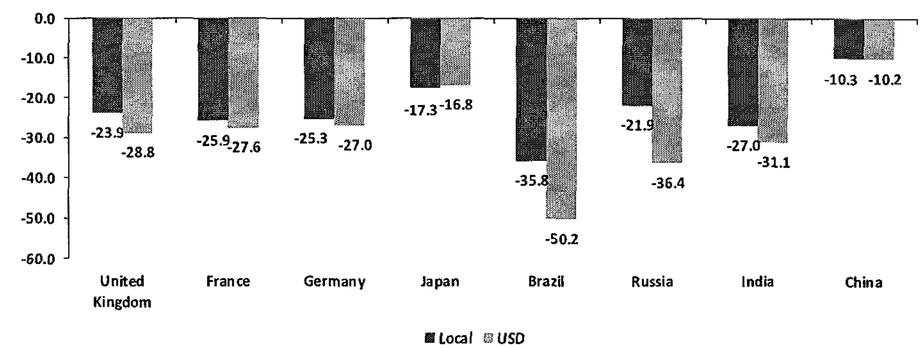
QTR				1-Year		
Short	Interm	Long		Short	Interm	Long
2.7	5.2	20.6	Gov't	5.4	8.9	32.3
-1.5	-3.2	-4.5	Corp	1.8	2.7	9.6

No asset class avoided the market volatility, as interest rates and corporate credit spreads both saw large movements during the period. Government bonds produced positive returns, while spread sectors, such as corporate bonds, were generally negative. Both investment grade and high yield corporate spreads touched levels not seen since the global financial crisis in 2008-2009, driven in large part by the uncertainty surrounding the potential impact of the coronavirus on company earnings.

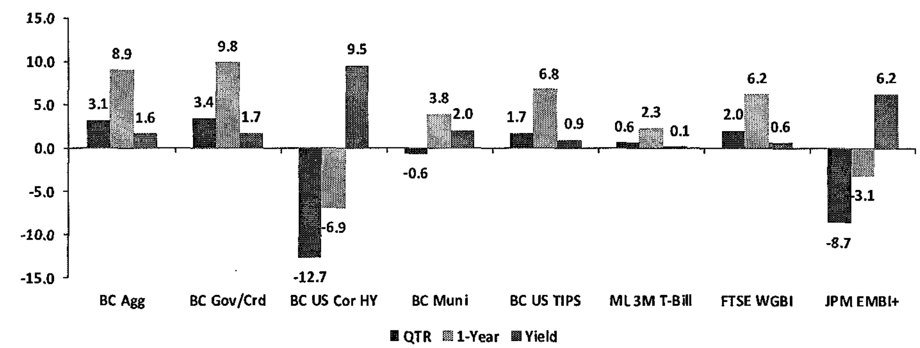
S&P 500 Sector Returns



MSCI Country Results 1Q 2020



Fixed Income Returns and Yields (%)



Sources: Morningstar Direct, FactSet, Standard & Poor's, Russell, MSCI, Barclays Capital, Citigroup, BofA Merrill Lynch, Credit Suisse, JPMorgan. Data as of March 31, 2020 unless otherwise noted. The performance grids above are based on select Russell, MSCI and Barclays Capital indexes.

Equity Market Perspectives

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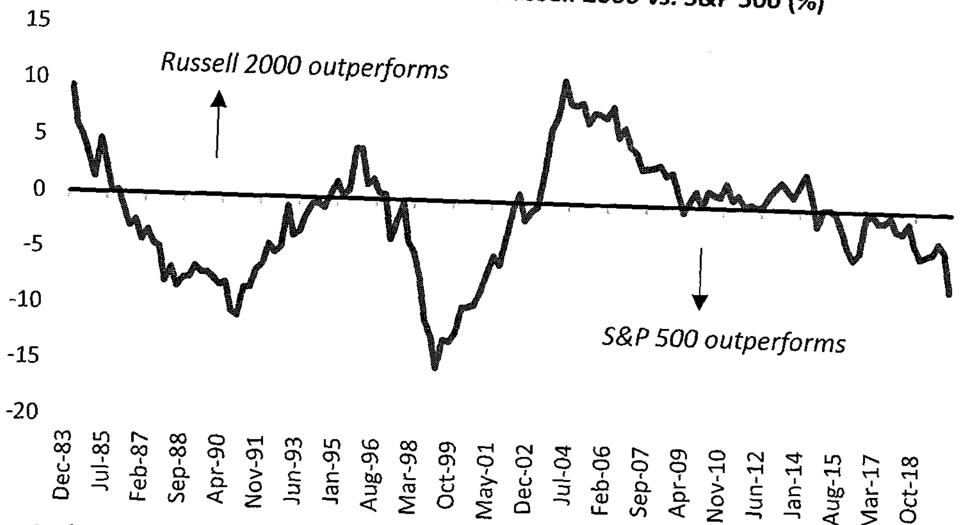
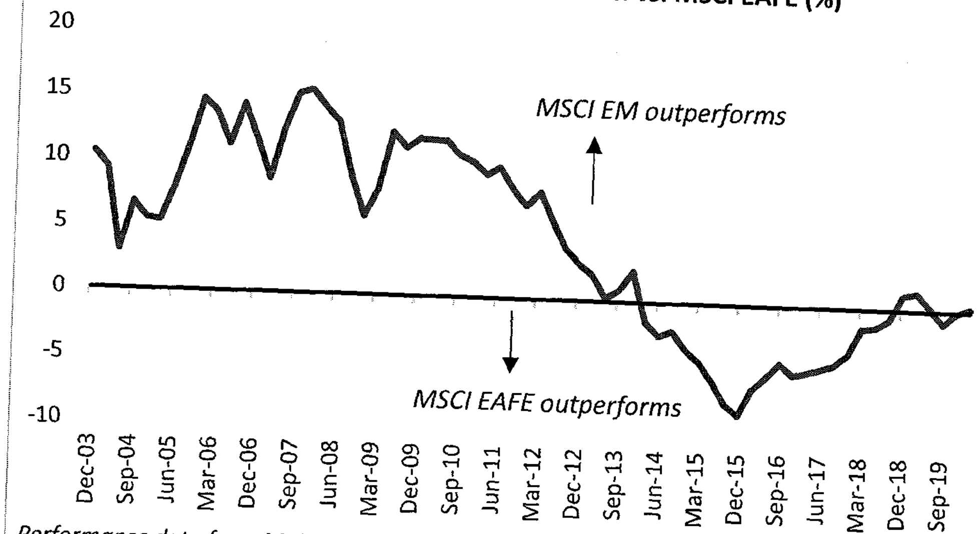
Rolling 5-Year Relative Performance - Russell 2000 vs. S&P 500 (%)



Performance data from MPI Stylus. Data from 1/1/1979-3/31/2020.

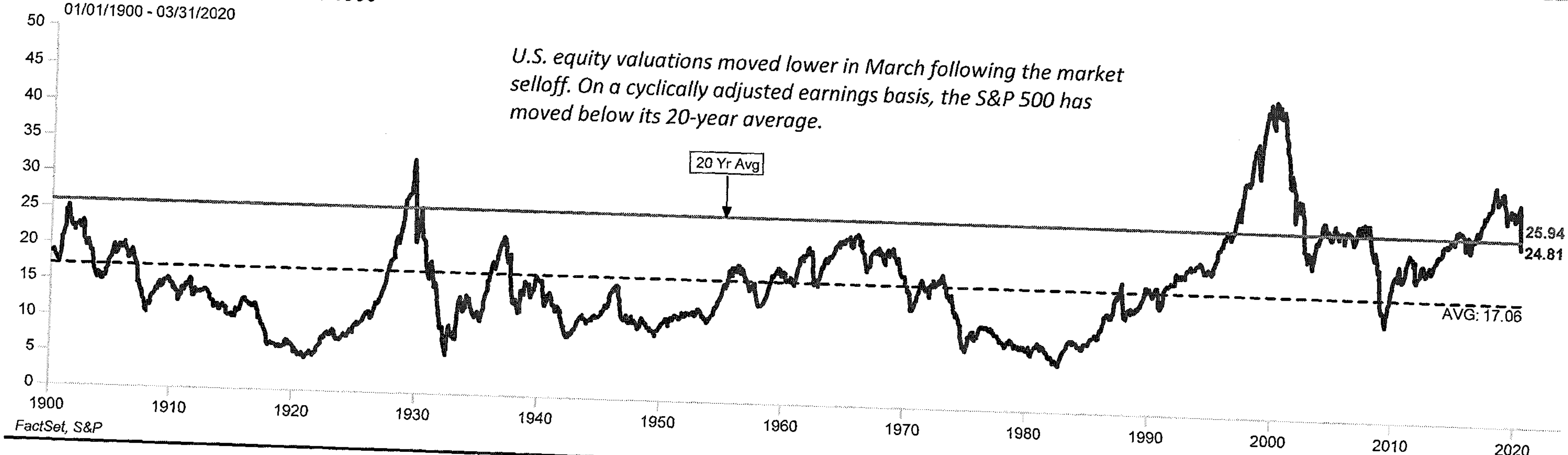
Rolling 5-Year Relative Performance - MSCI EM vs. MSCI EAFE (%)



Performance data from MPI Stylus. Data from 1/1/1999-3/31/2020.

S&P Shiller PE Ratio - Since 1900

01/01/1900 - 03/31/2020



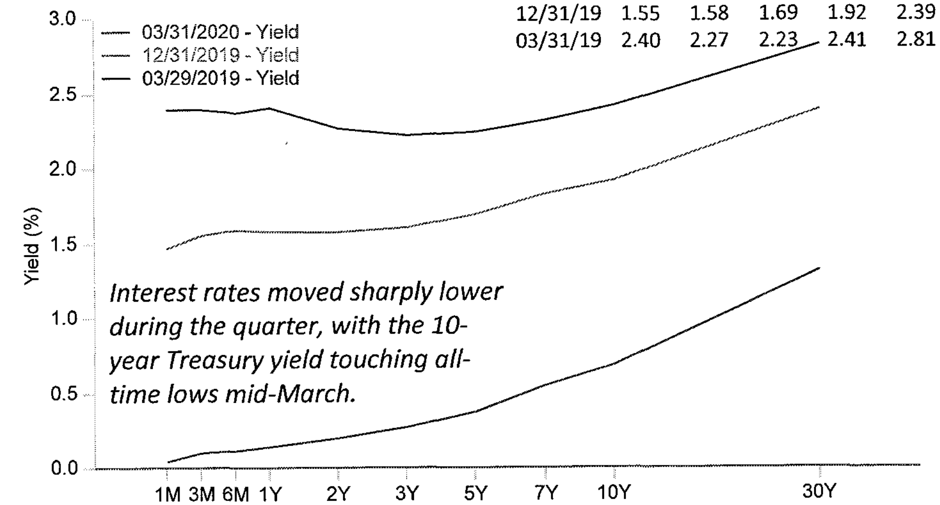
U.S. equity valuations moved lower in March following the market selloff. On a cyclically adjusted earnings basis, the S&P 500 has moved below its 20-year average.

FactSet, S&P

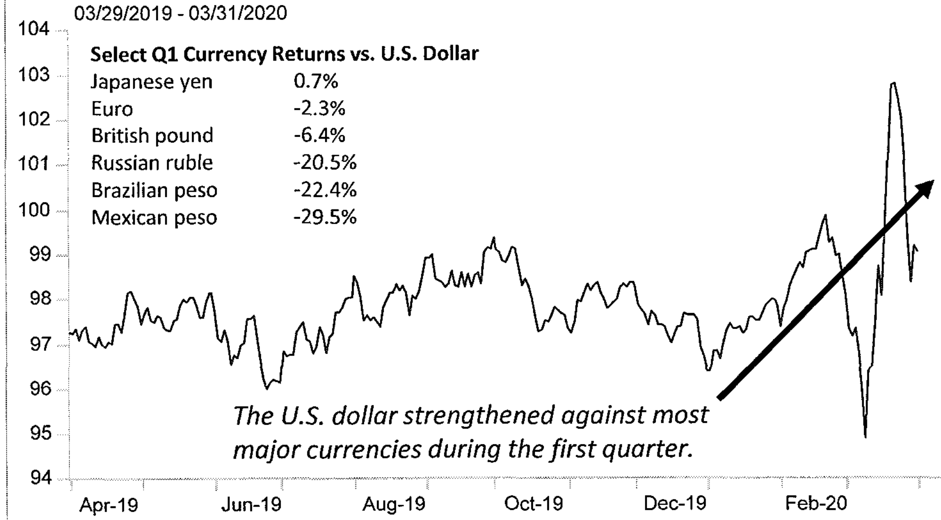
Fixed Income Market Perspectives

U.S. Treasury Curve

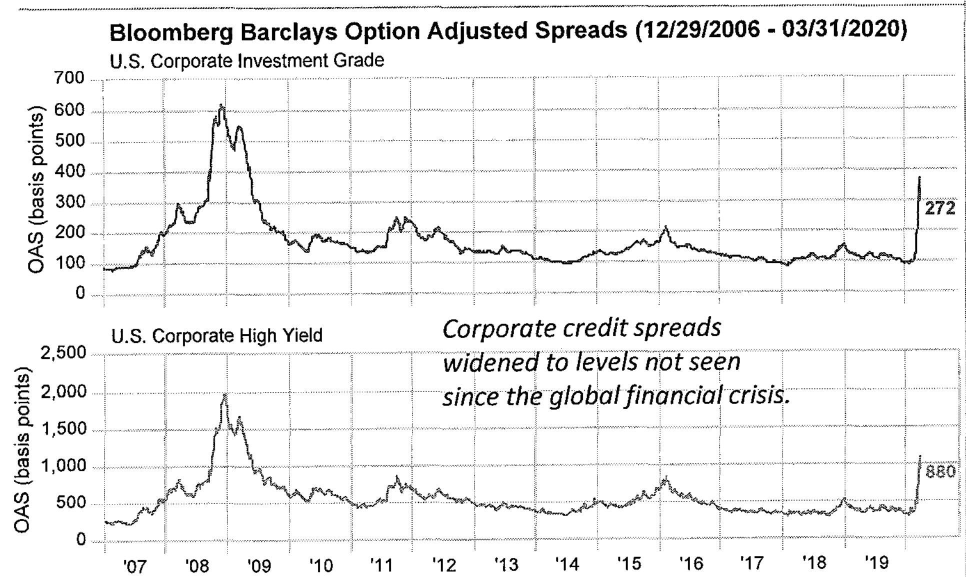
	3m	2yr	5yr	10yr	30yr
03/31/20	0.11	0.23	0.37	0.70	1.35
12/31/19	1.55	1.58	1.69	1.92	2.39
03/31/19	2.40	2.27	2.23	2.41	2.81



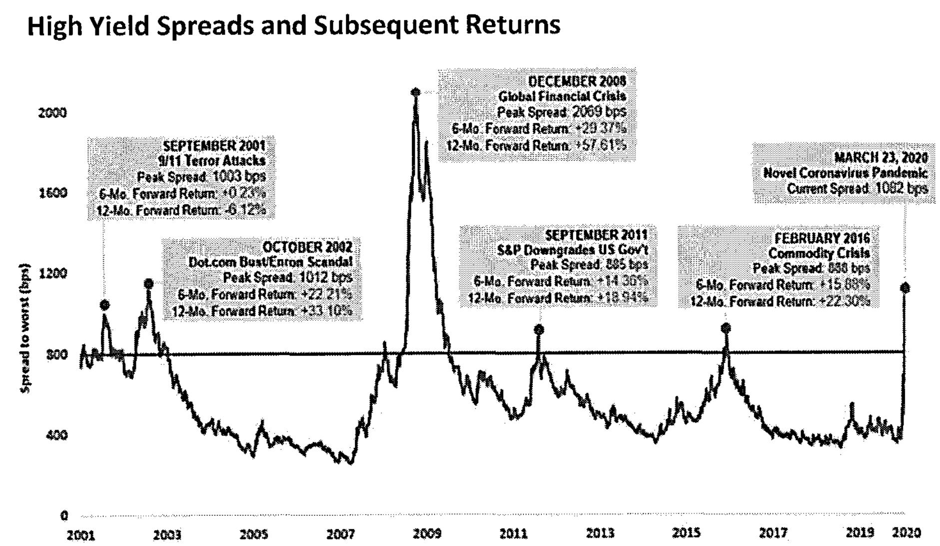
FactSet, U.S. Treasury



FactSet

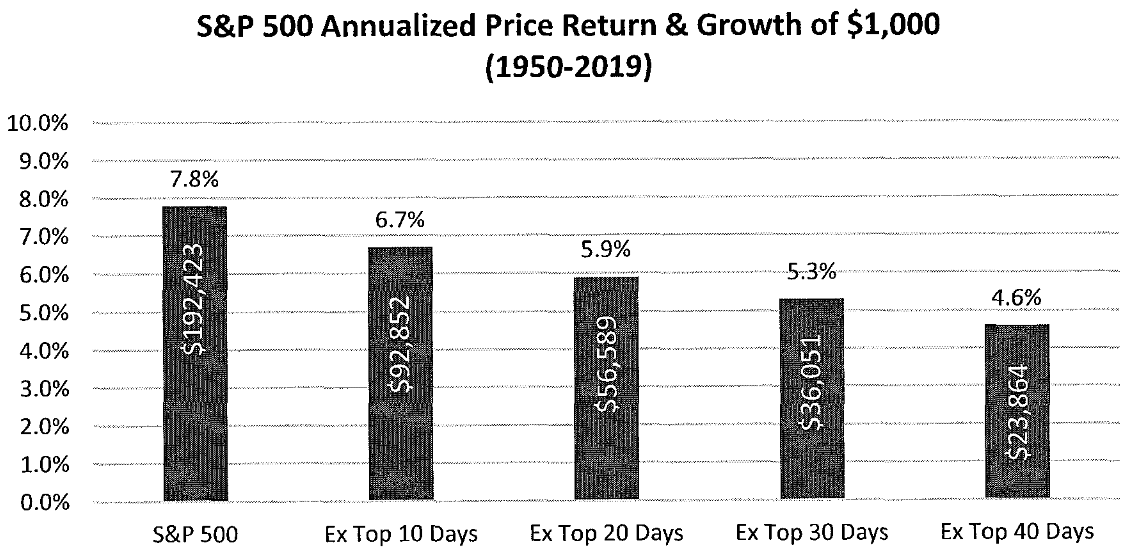


FactSet, Bloomberg Barclays



Eaton Vance, ICE BofA US High Yield Index as of March 24, 2020.

Staying the Course



Charles Schwab

- Timing the market is difficult and often detrimental to long-term performance; missing just the top 10 days reduces annualized returns by over 1%, or 2x less in dollars.

- Strong equity performance has regularly been achieved during bear markets.

- In March, the S&P 500 experienced four new top 20 days, all after its peak on February 19th.

Date	Daily Price Return
3/24/2020	9.38%
3/13/2020	9.29%
3/26/2020	6.24%
3/17/2020	6.00%

FactSet, S&P

Top 20 S&P 500 PR Days (1950-2019)		
Date	**Daily Price Return**	**Market**
10/13/2008	11.58%	Bear
10/28/2008	10.79%	Bear
10/21/1987	9.10%	Bear
3/23/2009	7.08%	Bull
11/13/2008	6.92%	Bear
11/24/2008	6.47%	Bear
3/10/2009	6.37%	Bull
11/21/2008	6.32%	Bear
7/24/2002	5.73%	Bear
9/30/2008	5.42%	Bear
7/29/2002	5.41%	Bear
10/20/1987	5.33%	Bear
12/16/2008	5.14%	Bear
10/28/1997	5.12%	Bull
9/8/1998	5.09%	Bull
5/27/1970	5.02%	Bull
1/3/2001	5.01%	Bear
12/26/2018	4.96%	Bear
10/29/1987	4.93%	Bear
10/20/2008	4.77%	Bear

Charles Schwab, Bloomberg. Bull and bear markets classified using rounded +/-20% changes in S&P 500. Note: March 2000-October 2002 and October 2007-March 2009 are considered bear markets. Past performance is no indication of future results.

Staying the Course (con.)

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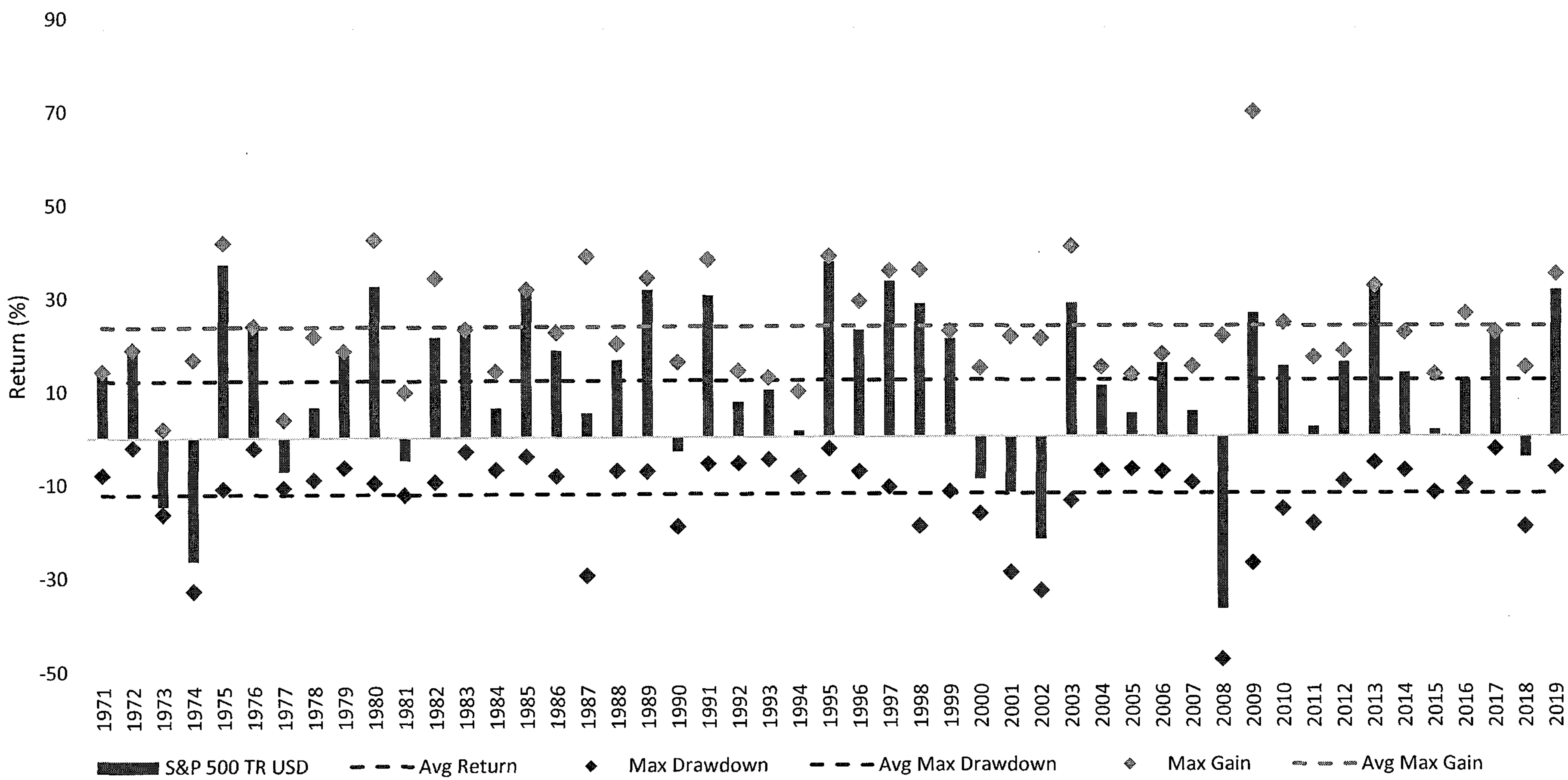
Annual Return and Max Drawdown/Gain of the S&P 500 Total Return Index (1971-2019)



- The S&P 500 has had an average calendar year return of 12.2% and a median calendar year return of 15.1%
- The average max drawdown in a given calendar year was -12.2%, the average max gain was 23.8%
- The S&P 500 had a positive return in 80% of the calendar years (39 of 49)

Source: Morningstar, FactSet. Data is from 1/1/1971 to 12/31/2019.

Bear Markets & The Virtue of Patience

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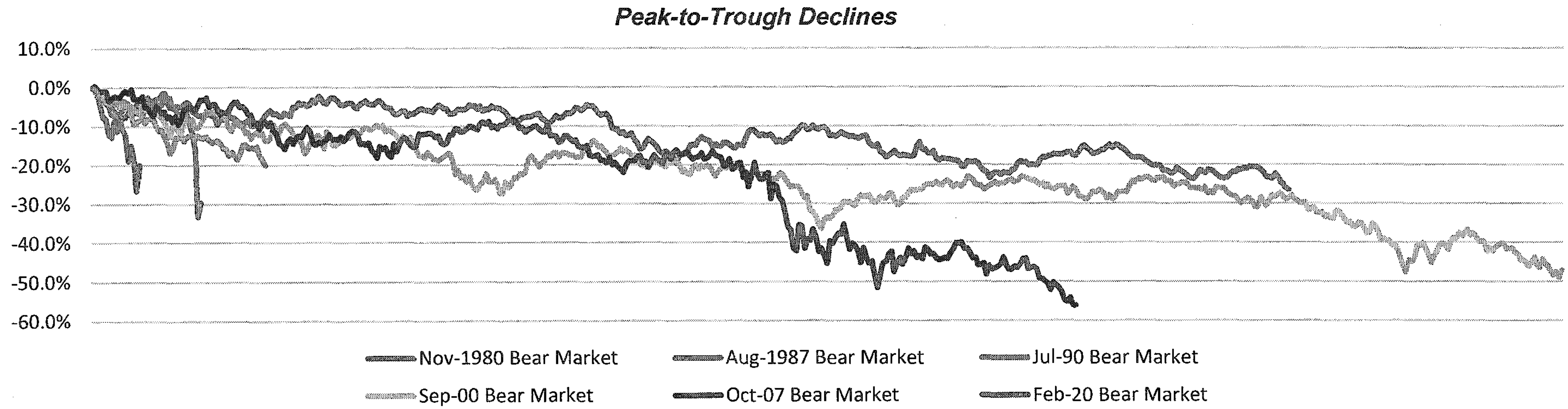


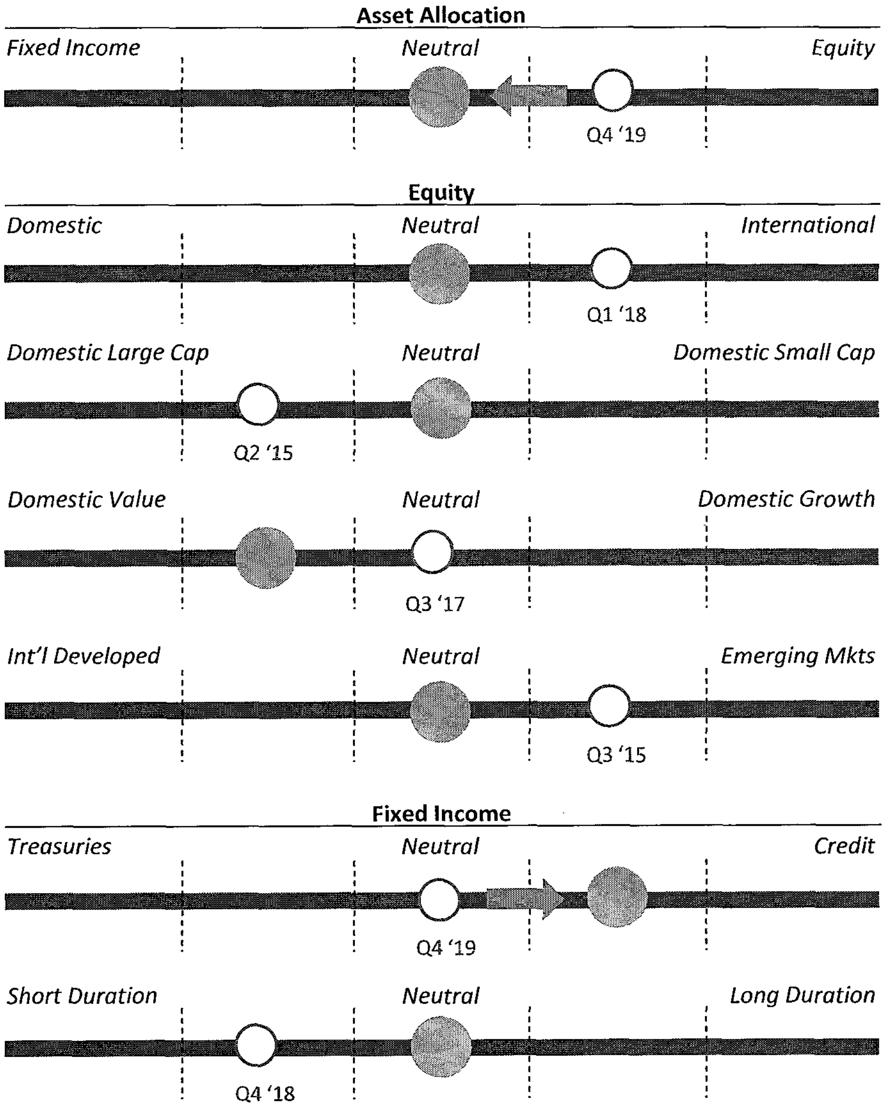
Starting Market Peak	# Months to Reach Bear Market	Start of Bear Market	# Months from Peak to Bear Market Low	Bear Market Low	Peak-to-Trough Decline	# Months From Bear Market Low to Regain Prior High	First Close Above Prior High	6 Months After Bear Market Low	12 Months After Bear Market Low
Nov-80	10.0	Sep-81	20.4	Aug-82	**-28%**	2.8	Nov-82	44%	57%
Aug-87	1.8	Oct-87	1.8	Oct-87	**-36%**	21.2	Jul-89	19%	28%
Jul-90	2.9	Oct-90	2.9	Oct-90	**-20%**	4.6	Mar-91	28%	30%
Sep-00	5.7	Feb-01	25.3	Oct-02	**-50%**	55.6	May-07	13%	35%
Oct-07	5.2	Mar-08	16.8	Mar-09	**-58%**	49.1	Apr-13	52%	71%
Feb-20	0.7	Mar-20	*0.7*	*???*	***-27%***	*???*	*???*	*???*	*???*

The twelve-month period following a bear market has historically exhibited strong equity performance.

Source: DiMeo Schneider & Associates, Yahoo Finance

Investing Viewpoints

● Current Stance
○ Previous Stance (date indicates when we last changed our stance)



Rationale

Despite the sharp re-rating of equities, rising economic uncertainty and the expectation for persistent levels of elevated market volatility, with an acknowledgment of the volatility-dampening profile of fixed income, informs our neutral stance between equity and fixed income.

The valuation advantage of non-U.S. stocks is tempered by the disparity of regional economic data and the perceived ability for certain countries to more effectively counter the effects of the pandemic. Ambiguity reigns as to what region(s) will best recover from the economic downturn.

Small cap equities hold a modest valuation advantage compared to their larger cap peers, and the pronounced recent underperformance versus large cap stocks provides a potential opportunity for mean reversion. However, the toolbox for larger companies to weather an economic slowdown compared to smaller companies is more ample. As such, we remain neutral on the capitalization front.

Value stocks continue to look more attractive than growth stocks across multiple valuation metrics. Combined with a wide performance gap between the two asset classes over recent years, the potential for a reversion to the mean remains elevated. Of note, value outpaced growth in the twelve months following the market lows in both 2002 and 2009.

The economic impact from the coronavirus varies by region. While data from China is showing some indication of turning for the better, other areas of emerging markets remain in an unsettled state, as does much of the developed world. With no discernible valuation advantages between the two, we maintain a neutral view.

Corporate credit spreads have widened to levels not seen since the global financial crisis in 2008-2009. A modest tilt into credit seems appropriate, given the attractive valuation levels, and affords the opportunity to potentially capture a favorable return profile as the situation stabilizes and the economy begins to recover.

Interest rates continue to hover at low levels around the world as central bank activity, the deteriorating global economic backdrop, and a reduced near-term outlook for inflation have driven rates down. Despite low base rates, we acknowledge that duration can serve as an effective hedge alongside "risk" postures.

These viewpoints represent FIA's general assessment of the highlighted capital markets comparisons over the next 18 months. These opinions are subject to modification as conditions in the markets or forecasting periods change. Clients should utilize these rankings in conjunction with other considerations that may be relevant to their particular circumstances.

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Section 3
Pension Portfolio Review

Asset Allocation

Waterford Pension

As of March 31, 2020

	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Pension Plan	**507,230**	**100.0**	**100.0**	**0.0**
Wells Fargo Government Money Market Fund	6,382	1.3	0.0	1.3
Fixed Income Composite	**269,736**	**53.2**	**50.0**	**3.2**
Metropolitan West Total Return Bond Pl	192,724	38.0	35.0	3.0
BlackRock Strategic Income Opportunities Fund K	77,012	15.2	15.0	0.2
Domestic Equity Composite	**127,848**	**25.2**	**27.5**	**-2.3**
Fidelity® Total Market Index Fund	127,848	25.2	27.5	-2.3
International Equity Composite	**103,264**	**20.4**	**22.5**	**-2.1**
American Funds EuroPacific Growth R6	103,264	20.4	22.5	-2.1

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

Total Plan Performance Summary

Waterford Pension

As of March 31, 2020

Account Reconciliation

	QTR	Since Inception	Inception Date
Pension Plan			**11/01/2016**
Beginning Market Value	600,897	564,680	
Net Contributions	-28,585	-119,644	
Total Gain/Loss	-65,083	62,194	
Ending Market Value	507,230	507,230	

Pension Blended Benchmark Composition

Allocation Mandate	Weight (%)
90 Day U.S. Treasury Bill	0.00
Blmbg. Barc. U.S. Aggregate Index	50.00
Dow Jones U.S. Total Stock Market Index	27.50
MSCI AC World ex USA (Net)	22.50

Trailing Performance Summary

	QTR	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Pension Plan	**-11.1**	**-3.2**	**2.2**	**N/A**	**N/A**	**N/A**	**3.1**	**11/01/2016**
Pension Blended Benchmark	*-10.0*	*-1.6*	*3.3*	*N/A*	*N/A*	*N/A*	*4.2*	
Difference	-1.1	-1.6	-1.1	N/A	N/A	N/A	-1.1	

Calendar Year Performance Summary

	2019	2018	2017	2016	2015	2014	2013	2012
Pension Plan	**16.8**	**-5.3**	**13.0**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Pension Blended Benchmark	*17.7*	*-4.7*	*13.5*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Difference	-0.9	-0.6	-0.5	N/A	N/A	N/A	N/A	N/A

Manager Gain/Loss Summary

Waterford Pension

Quarter Ending March 31, 2020

	Market Value As of 01/01/2020	Net Flows	Return On Investment	Market Value As of 03/31/2020
<u>Short Term Liquidity</u>				
Wells Fargo Government Money Market Fund	35,747	-28,585	-780	6,382
Total Short Term Liquidity	**35,747**	**-28,585**	**-780**	**6,382**
<u>Fixed Income</u>				
Metropolitan West Total Return Bond Pl	188,471	-	4,253	192,724
BlackRock Strategic Income Opportunities Fund K	81,777	-	-4,765	77,012
Total Fixed Income	**270,248**	**-**	**-512**	**269,736**
<u>Domestic Equity</u>				
Fidelity® Total Market Index Fund	161,779	-	-33,931	127,848
Total Domestic Equity	**161,779**	**-**	**-33,931**	**127,848**
<u>International Equity</u>				
American Funds EuroPacific Growth R6	133,124	-	-29,860	103,264
Total International Equity	**133,124**	**-**	**-29,860**	**103,264**
Pension Plan	**600,897**	**-28,585**	**-65,083**	**507,230**

Cash activity includes management fees paid externally.

Market Value and Flow Summary

Waterford Pension

Since Inception Ending March 31, 2020

Periods Ending	Beginning Market Value ($)	Net Cash Flow ($)	Gain/Loss ($)	Ending Market Value ($)	% Return
Dec-2016	-	-	-	565,216	N/A
Mar-2017	565,216	-26,682	22,328	560,862	4.0
Jun-2017	560,862	-6,231	17,150	571,781	3.1
Sep-2017	571,781	-34,606	16,088	553,262	2.9
Dec-2017	553,262	45,097	14,361	612,720	2.5
Mar-2018	612,720	-31,098	-2,914	578,708	-0.5
Jun-2018	578,708	-31,250	-200	547,258	0.0
Sep-2018	547,258	-34,289	8,213	521,182	1.5
Dec-2018	521,182	9,968	-32,750	498,401	-6.2
Mar-2019	498,401	12,944	36,392	547,737	7.2
Jun-2019	547,737	-28,002	17,275	537,010	3.3
Sep-2019	537,010	16,821	3,816	557,647	0.7
Dec-2019	557,647	16,269	26,981	600,897	4.8
Mar-2020	600,897	-28,585	-65,083	507,230	-11.1

Estimated Fee Analysis

As of March 31, 2020

Manager	Current Target %	Fee Schedule
Metropolitan West Total Return Bond Pl	35.0%	0.37%
BlackRock Strategic Income Opportunities Fund K	15.0%	0.74%
Fidelity® Total Market Index Fund	27.5%	0.02%
American Funds EuroPacific Growth R6	22.5%	0.49%
Weighted Average Investment Management Fee	0.35%	

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

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Section 4
OPEB Portfolio Review

Waterford OPEB Portfolio Update

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- 12/12/19: Received employer contribution of $208,613
  - ➢ Given the substantial contribution that had been invested earlier in December 2019, the decision was made to hold off on investing the contribution until mid-February to avoid concentrated market risk
    - 2/14/20: Invested $199,000
    - Remaining $9,613 allocated to cash equivalents, in order to provide sufficient liquidity to cover fees and expenses.
- 3/12/20: Rebalanced portfolio
  - ➢ Given the pronounced dislocation in the equity markets, the portfolio was rebalanced to trim back the overweight in fixed income
- 5/8/20: Initial purchase of PIMCO High Yield Fund
  - ➢ The discretionary committee elected to initiate a 2% tactical position in PIMCO High Yield Fund sourcing 1% from Metropolitan West Total Return Bond and 1% from Blackrock Strategic Income Opportunities fund

Asset Allocation

Waterford OPEB

As of March 31, 2020

	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
OPEB Plan	**5,287,778**	**100.0**	**100.0**	**0.0**
Wells Fargo Government Money Market Fund	13,605	0.3	0.0	0.3
Fixed Income Composite	**1,752,650**	**33.1**	**35.0**	**-1.9**
Metropolitan West Total Return Bond Pl	1,283,688	24.3	25.0	-0.7
BlackRock Strategic Income Opportunities Fund K	468,963	8.9	10.0	-1.1
Domestic Equity Composite	**1,821,426**	**34.4**	**33.3**	**1.2**
Fidelity® Total Market Index Fund	1,821,426	34.4	33.3	1.2
International Equity Composite	**1,444,215**	**27.3**	**26.8**	**0.6**
American Funds EuroPacific Growth R6	1,444,215	27.3	26.8	0.6
Alternatives Composite	**255,882**	**4.8**	**5.0**	**-0.2**
Principal Diversified Real Asset R6	255,882	4.8	5.0	-0.2

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

Total Plan Performance Summary

Waterford OPEB

As of March 31, 2020

Account Reconciliation

	QTR	Since Inception	Inception Date
OPEB Plan			**03/01/2017**
Beginning Market Value	6,172,816	1,164,759	
Net Contributions	-1,839	4,210,406	
Total Gain/Loss	-883,198	-87,387	
Ending Market Value	5,287,778	5,287,778	

OPEB Blended Benchmark Composition

Allocation Mandate	Weight (%)
90 Day U.S. Treasury Bill	0.00
Blmbg. Barc. U.S. Aggregate Index	35.00
Dow Jones U.S. Total Stock Market Index	33.25
MSCI AC World ex USA (Net)	26.75
Diversified Real Asset Blended Index	5.00

Trailing Performance Summary

	QTR	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
OPEB Plan	**-14.3**	**-5.8**	**1.3**	**N/A**	**N/A**	**N/A**	**1.4**	**03/01/2017**
OPEB Blended Benchmark	*-13.5*	*-4.8*	*2.3*	*N/A*	*N/A*	*N/A*	*2.4*	
Difference	-0.8	-1.0	-1.0	N/A	N/A	N/A	-1.0	

Calendar Year Performance Summary

	2019	2018	2017	2016	2015	2014	2013	2012
OPEB Plan	**19.8**	**-7.2**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
OPEB Blended Benchmark	*20.1*	*-5.8*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Difference	-0.3	-1.4	N/A	N/A	N/A	N/A	N/A	N/A

Manager Gain/Loss Summary

Waterford OPEB

Quarter Ending March 31, 2020

	Market Value As of 01/01/2020	Net Flows	Return On Investment	Market Value As of 03/31/2020
Short Term Liquidity				
Wells Fargo Government Money Market Fund	222,866	-200,839	-8,422	13,605
Total Short Term Liquidity	**222,866**	**-200,839**	**-8,422**	**13,605**
Fixed Income				
Metropolitan West Total Return Bond Pl	1,450,988	-200,000	32,699	1,283,688
BlackRock Strategic Income Opportunities Fund K	584,735	-85,000	-30,773	468,963
Total Fixed Income	**2,035,724**	**-285,000**	**1,927**	**1,752,650**
Domestic Equity				
Fidelity® Total Market Index Fund	1,995,495	260,000	-434,070	1,821,426
Total Domestic Equity	**1,995,495**	**260,000**	**-434,070**	**1,821,426**
International Equity				
American Funds EuroPacific Growth R6	1,619,492	209,000	-384,277	1,444,215
Total International Equity	**1,619,492**	**209,000**	**-384,277**	**1,444,215**
Alternatives				
Principal Diversified Real Asset R6	299,238	15,000	-58,357	255,882
Total Alternatives	**299,238**	**15,000**	**-58,357**	**255,882**
OPEB Plan	**6,172,816**	**-1,839**	**-883,198**	**5,287,778**

Cash activity includes management fees paid externally.

Market Value & Flow Summary

Waterford OPEB
Since Inception Ending March 31, 2020

Periods Ending	Beginning Market Value ($)	Net Cash Flow ($)	Gain/Loss ($)	Ending Market Value ($)	% Return
Jan-2017	-	-	-	1,426,010	N/A
Mar-2017	1,426,010	-266,000	9,218	1,169,228	0.0
Jun-2017	1,169,228	1,156,969	36,935	2,363,131	3.1
Sep-2017	2,363,131	-3,565	67,011	2,426,577	2.8
Dec-2017	2,426,577	1,154,297	89,896	3,670,771	3.0
Mar-2018	3,670,771	-1,476	-25,714	3,643,581	-0.7
Jun-2018	3,643,581	-1,647	2,893	3,644,827	0.1
Sep-2018	3,644,827	-1,570	72,009	3,715,266	2.0
Dec-2018	3,715,266	598,471	-337,180	3,976,557	-8.5
Mar-2019	3,976,557	557,409	368,703	4,902,669	8.9
Jun-2019	4,902,669	-1,738	167,323	5,068,254	3.4
Sep-2019	5,068,254	348,222	22,901	5,439,376	0.4
Dec-2019	5,439,376	406,873	326,567	6,172,816	5.9
Mar-2020	6,172,816	-1,839	-883,198	5,287,778	-14.3

Estimated Fee Analysis

As of March 31, 2020

Manager	Current Target %	Fee Schedule
Metropolitan West Total Return Bond Pl	25.0%	0.37%
BlackRock Strategic Income Opportunities Fund K	10.0%	0.74%
Fidelity® Total Market Index Fund	33.3%	0.02%
American Funds EuroPacific Growth R6	26.8%	0.49%
Principal Diversified Real Asset R6	5.0%	0.80%
Weighted Average Investment Management Fee	0.34%	

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

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Section 5
Manager Review

Manager Performance Overview

As of March 31, 2020

	QTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Wells Fargo Government Money Market Fund	**0.3**	**1.8**	**1.6**	**N/A**	**1.4**	**11/01/2016**
90 Day U.S. Treasury Bill	*0.6*	*2.3*	*1.8*	*N/A*	*1.6*	
Fixed Income Composite	**-0.2**	**5.5**	**3.5**	**N/A**	**2.7**	**11/01/2016**
Blmbg. Barc. U.S. Aggregate Index	*3.1*	*8.9*	*4.8*	*N/A*	*3.8*	
Metropolitan West Total Return Bond Pl	**2.3 (16)**	**8.3 (9)**	**4.7 (9)**	**N/A**	**3.8 (12)**	**11/01/2016**
Blmbg. Barc. U.S. Aggregate Index	*3.1*	*8.9*	*4.8*	*N/A*	*3.8*	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	-0.9	4.7	3.4	N/A	2.8	
BlackRock Strategic Income Opportunities Fund K	**-5.8 (32)**	**-0.9 (22)**	**N/A**	**N/A**	**0.7 (24)**	**06/01/2018**
Blmbg. Barc. U.S. Aggregate Index	*3.1*	*8.9*	*N/A*	*N/A*	*7.3*	
Libor (3 month)	*0.5*	*2.4*	*N/A*	*N/A*	*2.4*	
IM Alternative Credit Focus (MF) Median	-9.0	-5.1	N/A	N/A	-1.9	
Domestic Equity Composite	**-21.0**	**-9.3**	**4.0**	**N/A**	**7.2**	**11/01/2016**
Domestic Equity Benchmark	*-21.0*	*-9.3*	*4.0*	*N/A*	*7.2*	
Fidelity® Total Market Index Fund	**-21.0 (42)**	**-9.3 (33)**	**N/A**	**N/A**	**-9.3 (33)**	**04/01/2019**
Dow Jones U.S. Total Stock Market Index	*-21.0*	*-9.3*	*N/A*	*N/A*	*-9.3*	
IM U.S. Multi-Cap Core Equity (MF) Median	-21.7	-11.7	N/A	N/A	-11.7	
International Equity Composite	**-22.4**	**-12.7**	**0.3**	**N/A**	**2.3**	**11/01/2016**
MSCI AC World ex USA (Net)	*-23.4*	*-15.6*	*-2.0*	*N/A*	*0.5*	
American Funds EuroPacific Growth R6	**-22.4 (30)**	**-12.7 (24)**	**0.3 (8)**	**N/A**	**2.3 (9)**	**11/01/2016**
MSCI AC World ex USA (Net)	*-23.4*	*-15.6*	*-2.0*	*N/A*	*0.5*	
IM International Large Cap Core Equity (MF) Median	-24.5	-17.2	-3.6	N/A	-1.0	

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

Manager Performance Overview

As of March 31, 2020

	QTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Alternatives	**-19.5**	**N/A**	**N/A**	**N/A**	**-15.8**	**10/01/2019**
Diversified Real Asset Blended Index	*-18.9*	*N/A*	*N/A*	*N/A*	*-15.7*	
Principal Diversified Real Asset R6	**-19.5 (77)**	**N/A**	**N/A**	**N/A**	**-15.8 (78)**	**10/01/2019**
Diversified Real Asset Blended Index	*-18.9*	*N/A*	*N/A*	*N/A*	*-15.7*	
IM Flexible Portfolio (MF) Median	-15.3	N/A	N/A	N/A	-11.4	

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

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

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

Manager Commentary

As of March 31, 2020

Manager	Manager Status	Comments
Fixed Income		
Metropolitan West Total Return Bond Pl (MWTSX)	Maintain	1Q 2020 – The MetWest Total Return Bond Fund produced a positive return during the first quarter but trailed the Bloomberg Barclays U.S. Aggregate Bond Index. Despite trailing the index, the strategy landed in the top half of its peer group. Fixed income markets experienced significant market volatility in the wake of the coronavirus pandemic. Treasuries were one of the top performing areas of the market while riskier segments, such as corporate bonds and securitized assets, underperformed. The Federal Reserve cut its target rate to 0-0.25%, sending interest rates lower for the period. The portfolio's more conservative posture, which had been a headwind relative to peers over recent years, proved to be beneficial during the market selloff. From an issue standpoint, the strategy's non-agency MBS positions came under pressure as did some of the corporate issues. Emerging markets was also an area of weakness. The team was active throughout the quarter both from a sector allocation and duration standpoint. The strategy was underweight corporate spread duration heading into the crisis, but as spreads widened the team added to the corporate exposure and ended the quarter overweight. The team also added a small high yield exposure as valuations became more attractive. Duration began the quarter neutral to the benchmark, but ultimately ended the quarter roughly 0.5 years shorter than the index.
BlackRock Strategic Income Opportunities Fund K (BSIKX)	Maintain	1Q 2020 – The BlackRock Strategic Income Opportunities strategy produced a negative absolute return during the first quarter, underperforming the broader fixed income market. It has been a period of heightened volatility in the wake of the coronavirus pandemic as investors grapple with the impact the economic shutdown will have on company financials. As a result, spread sectors generally sold off and underperformed U.S. Treasuries, the traditional "safe-haven" asset. Interest rates also moved lower on the back of the Fed's decision to cut its target rate to 0-0.25% and expectations for subdued inflation. The team at BlackRock had been reducing risk in the portfolio early in the year, but a lingering preference for spread sectors over Treasuries proved to be a headwind. Notable detractors included exposures to structured products, European and Asian credit, and emerging markets. The team has begun to take advantage of recent dislocations in the market, adding to areas such as investment grade credit, high quality securitized, and U.S. TIPS, while reducing exposure to select areas of emerging markets and high yield. The movements have been beneficial thus far as the portfolio has outpaced the broader fixed income in the late March market rebound. Duration in the portfolio is just under three years as of the quarter end.
Domestic Equity		
Fidelity® Total Market Index Fund (FSKAX)	Maintain	In accordance with its objective, the Fidelity Total Market Index Fund sufficiently tracked its index during the quarter.

Manager Commentary

As of March 31, 2020

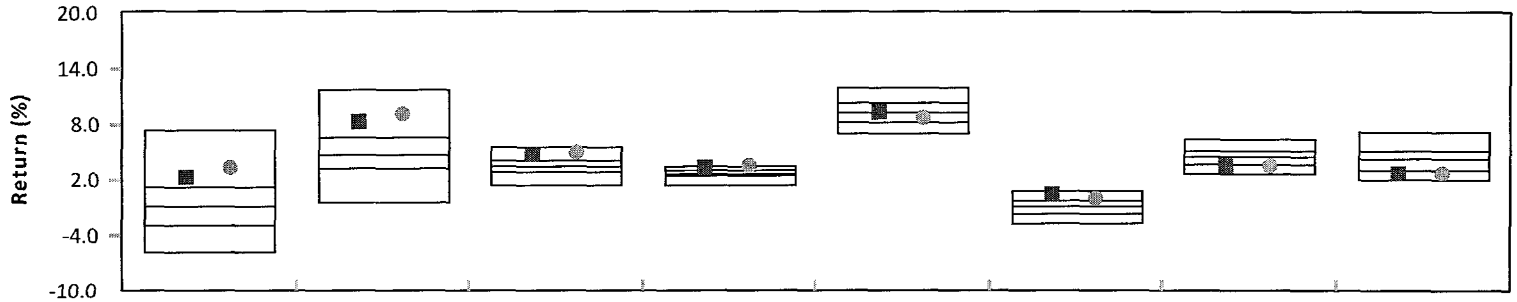
Manager	Manager Status	Comments
International Equity		
American Funds EuroPacific Growth R6 (RERGX)	Maintain	1Q 2020 – The American Funds EuroPacific Growth Fund fell during the first quarter but outperformed its benchmark, the MSCI ACWI ex-US. Global stocks endured a historic selloff in the period as the global economy was brought a virtual standstill by the escalating COVID-19 pandemic. The fund's bias towards growth stocks in recent years continued to aid relative performance as quality growth stocks performed best in the current market environment. Specifically, the fund's favorable sector positioning added value from overweight allocations to healthcare and information technology stocks as well as an underweight exposure to the economically sensitive financials sector. In addition, stock selection in the consumer discretionary and utilities sectors contributed to returns, and the fund's sizeable cash position (8%) was a significant contributor to relative performance amid the market's plunge. Conversely, stock selection in the industrials sector, most notably the fund's exposure to the aerospace industry, was the largest detractor as manufacturers, suppliers, and airlines were crippled by the near halt in global travel. An underweight exposure to the defensive consumer staples sector and an underweight to mining companies were other notable detractors.
Alternatives		
Principal Diversified Real Asset R6 (PDARX)	Maintain	1Q 2020 – The Principal Diversified Real Assets Fund declined during the first quarter and underperformed its blended index. Weakness in real assets reflected the dual impact of the headwinds brought on from COVID-19, as well as turmoil in the oil markets. Oil fell dramatically, as both demand and supply shocks sent prices to their lowest levels since 2002. While resource equities and commodities were sharply lower in the period, U.S. TIPS were able to generate a modest gain as lower inflation expectations were counteracted by a drop in nominal yields. The most notable detractor in the period was the portfolio's allocation to floating rate securities, which meaningfully underperformed the broader real return component of the portfolio. The natural resources sleeve also hampered relative performance, albeit to a much lesser extent than floating rate. Other areas of the portfolio positively contributed, with particularly strong results among underlying infrastructure managers. The portfolio came into the year with a defensive stance and remains overweight to infrastructure and real return, underweight to resource equities and commodities, and close to a neutral weight relative to the index in real estate.

Manager Evaluation

Metropolitan West Total Return Bond Pl

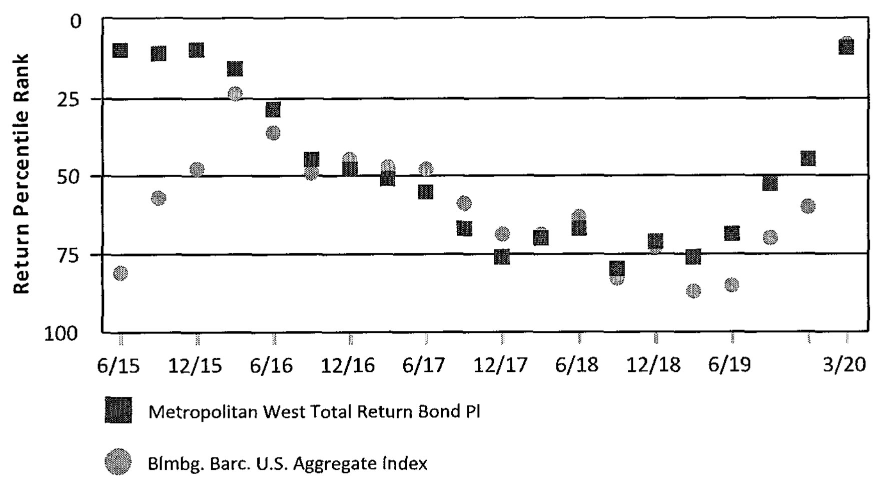
As of March 31, 2020

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

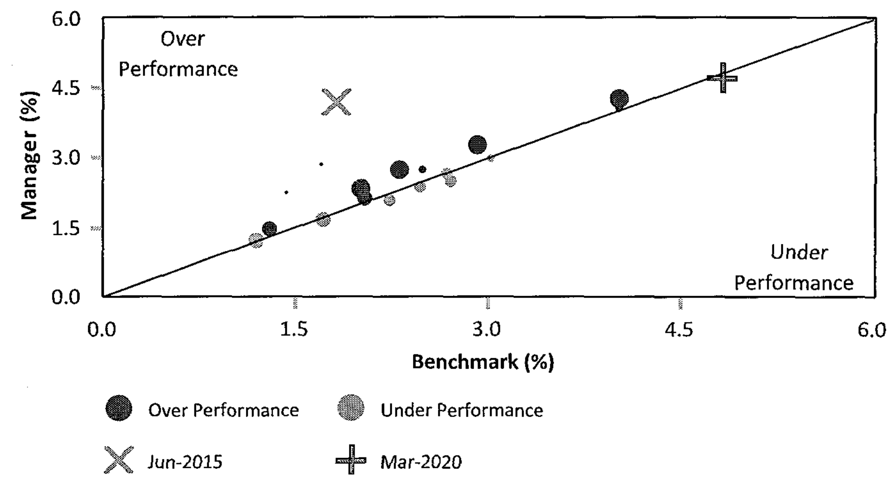


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Metropolitan West Total Return Bond Pl	2.3 (16)	8.3 (9)	4.7 (9)	3.3 (12)	9.2 (54)	0.3 (12)	3.5 (78)	2.6 (86)
● *Blmbg. Barc. U.S. Aggregate Index*	3.1 (9)	8.9 (6)	4.8 (8)	3.4 (10)	8.7 (65)	0.0 (20)	3.5 (77)	2.6 (83)
5th Percentile	7.5	11.7	5.4	3.5	12.0	0.8	6.3	7.2
1st Quartile	1.2	6.5	4.0	3.1	10.4	-0.3	5.2	5.1
Median	-0.9	4.7	3.4	2.7	9.3	-0.9	4.5	4.2
3rd Quartile	-2.9	3.2	2.8	2.3	8.3	-1.7	3.6	3.0
95th Percentile	-5.8	-0.4	1.4	1.5	7.0	-2.8	2.7	1.9

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



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



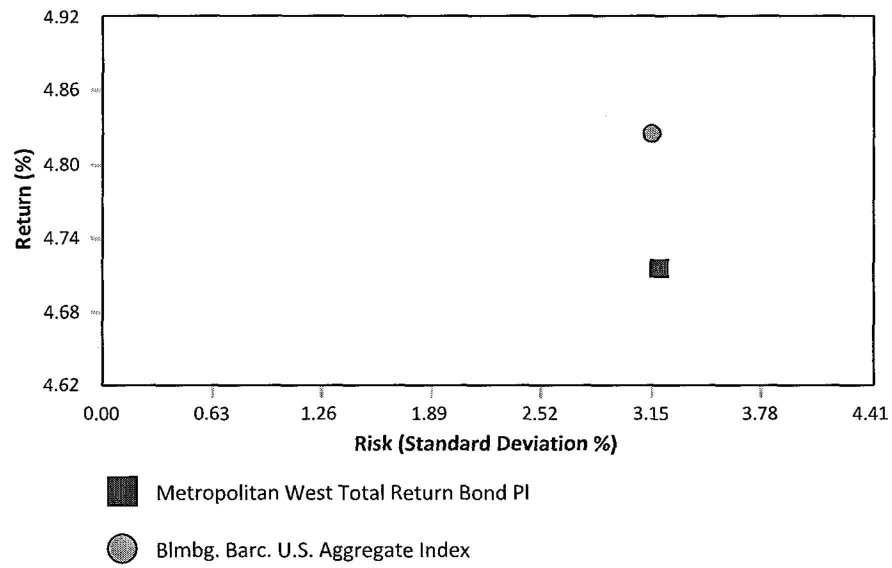
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

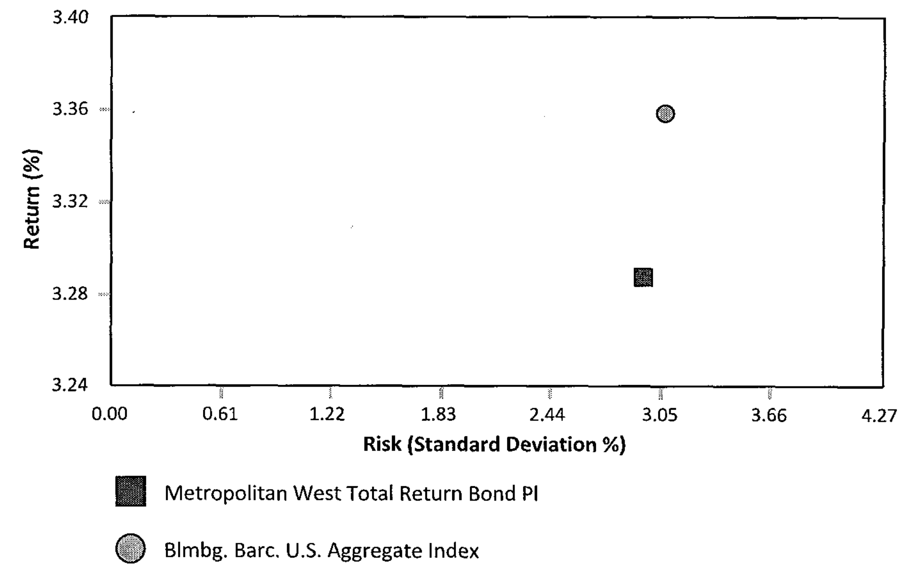
Metropolitan West Total Return Bond Pl

As of March 31, 2020

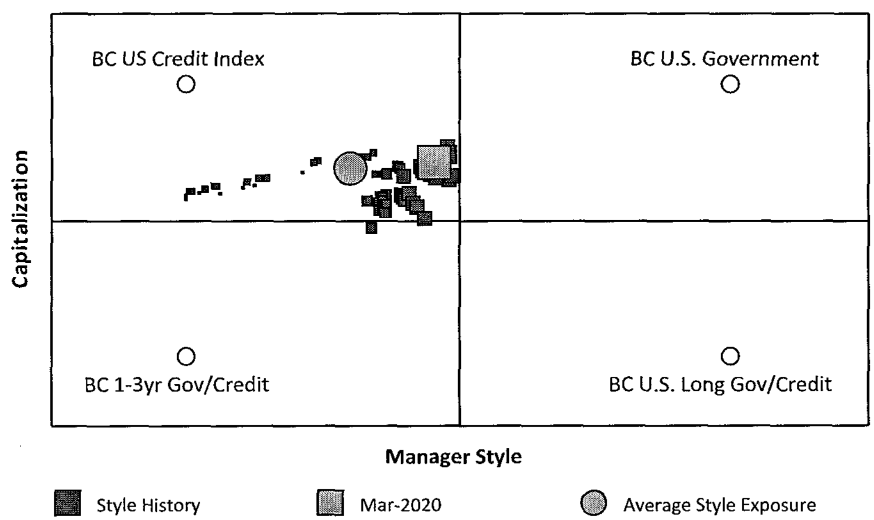
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



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

	3 Years	5 Years
Return	4.7	3.3
Standard Deviation	3.2	3.0
vs. Blmbg. Barc. U.S. Aggregate Index		
Alpha	-0.1	0.1
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	50.0	51.7
Up Market Capture	98.2	95.1
Down Market Capture	99.1	91.2
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.9	0.7

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Metropolitan West Total Return Bond Pl

Report Date March 31, 2020

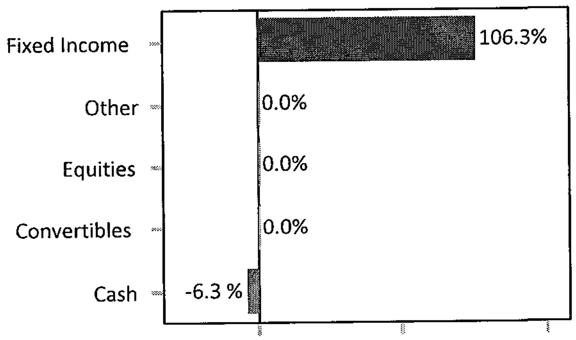
Mutual Fund Information

Fund Name :	Metropolitan West Funds: Total Return Bond Fund; Plan Class Shares	Portfolio Assets :	$80,539 Million
Fund Family :	Metropolitan West Asset Management LLC	Fund Assets :	$23,878 Million
Ticker :	MWTSX	Portfolio Manager :	Team Managed
Inception Date :	07/29/2011	PM Tenure :	
Portfolio Turnover :	255%		

Fund Investment Policy

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

Asset Allocation as of 09/30/19



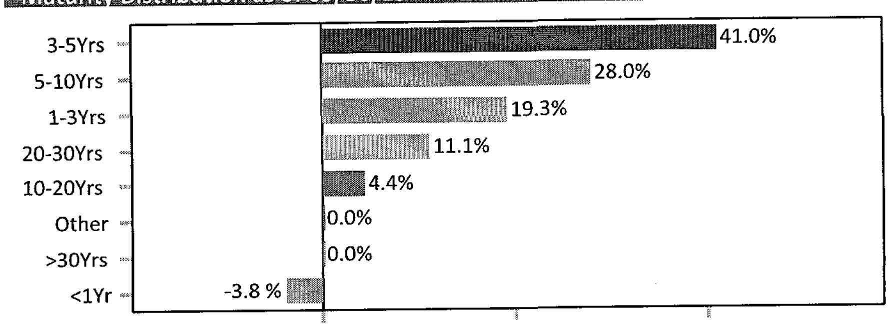
Top 10 Securities as of 09/30/19

GNMA and Other Mtg Backed	43.6 %
Government Agency Securities	31.0 %
Corporate Notes/Bonds	26.9 %
Asset Backed Securities	4.8 %

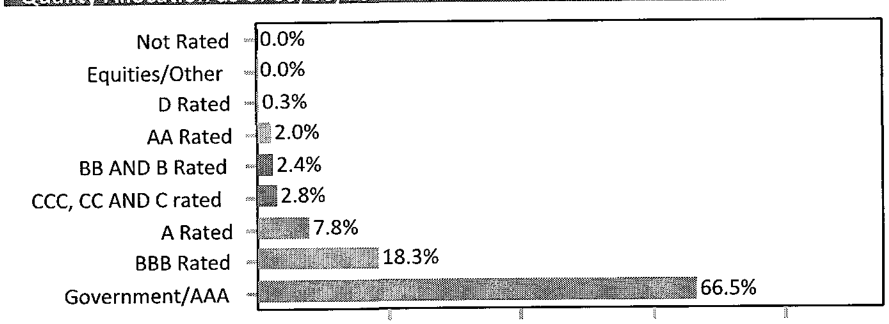
Fixed Income Characteristics as of 09/30/19

Avg. Coupon	3.00 %
Nominal Maturity	7.69 Years
Effective Maturity	N/A
Duration	5.75 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	AA

Maturity Distribution as of 09/30/19



Quality Allocation as of 09/30/19



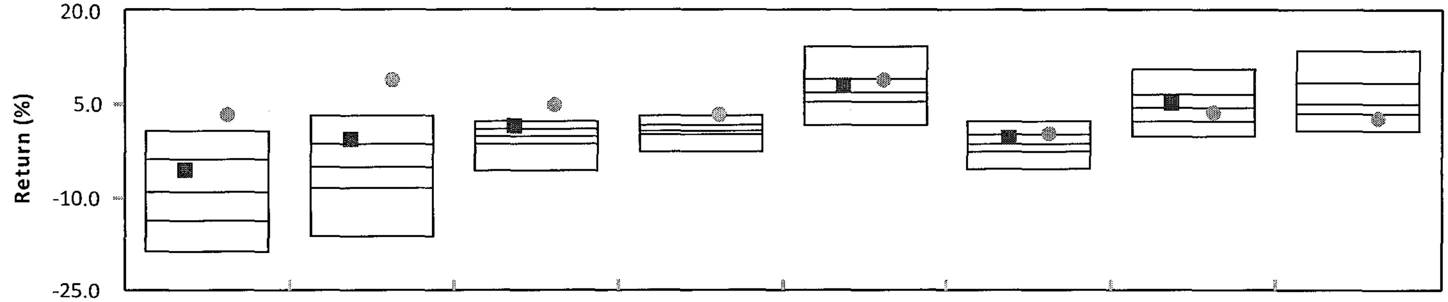
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

BlackRock Strategic Income Opportunities Fund K

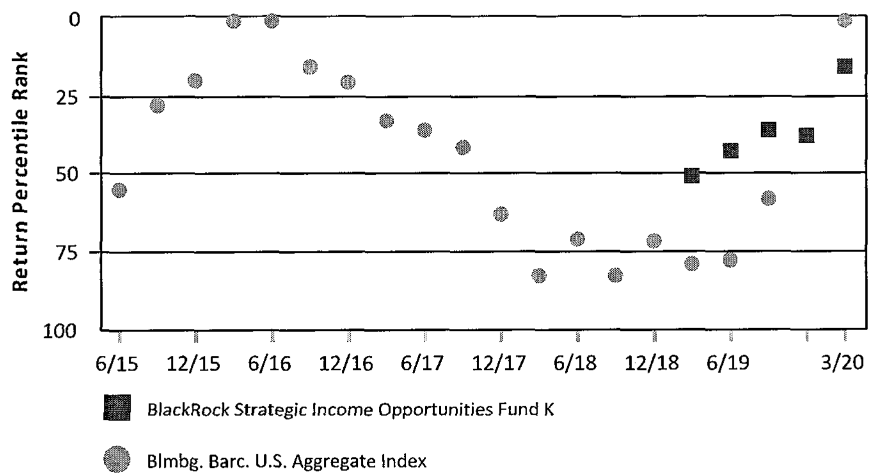
As of March 31, 2020

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

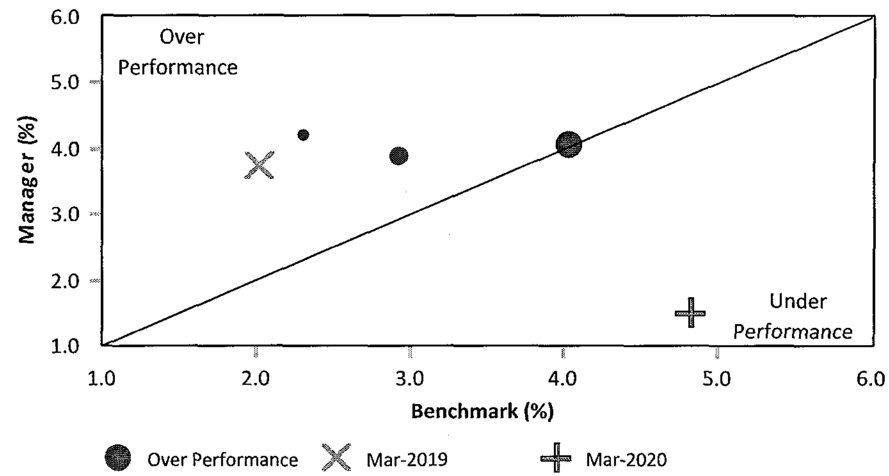


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ BlackRock Strategic Income Opportunities Fund K	-5.8 (32)	-0.9 (23)	1.5 (16)	N/A	7.8 (37)	-0.5 (36)	5.0 (43)	N/A
● Blmbg. Barc. U.S. Aggregate Index	3.1 (1)	8.9 (1)	4.8 (1)	3.4 (3)	8.7 (27)	0.0 (27)	3.5 (64)	2.6 (83)
5th Percentile	0.7	3.2	2.3	3.1	14.5	2.2	10.7	13.8
1st Quartile	-4.0	-1.4	1.0	1.7	9.2	0.1	6.5	8.4
Median	-9.0	-5.1	-0.2	0.8	6.9	-1.6	4.6	5.2
3rd Quartile	-13.9	-8.5	-1.3	0.0	5.4	-2.6	2.3	3.5
95th Percentile	-18.8	-16.4	-5.7	-2.8	1.7	-5.5	-0.3	0.7

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



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



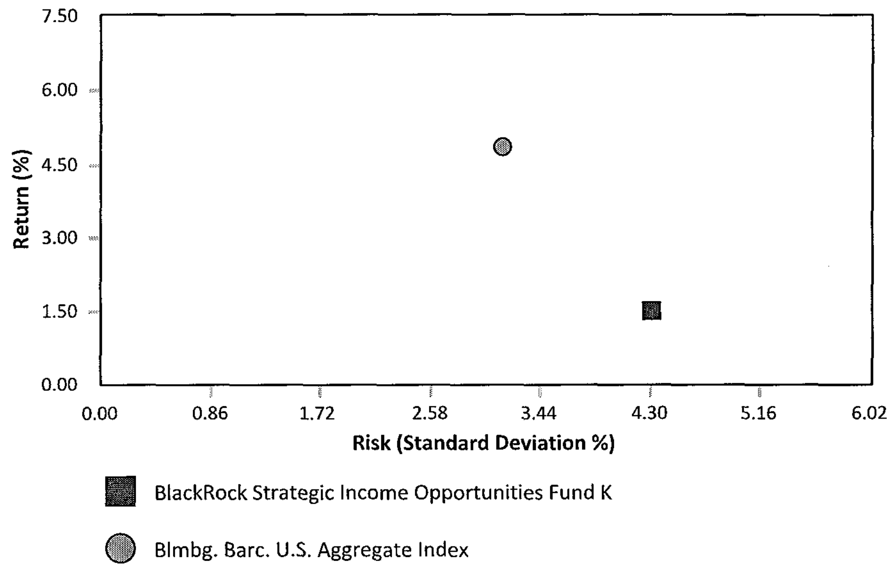
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

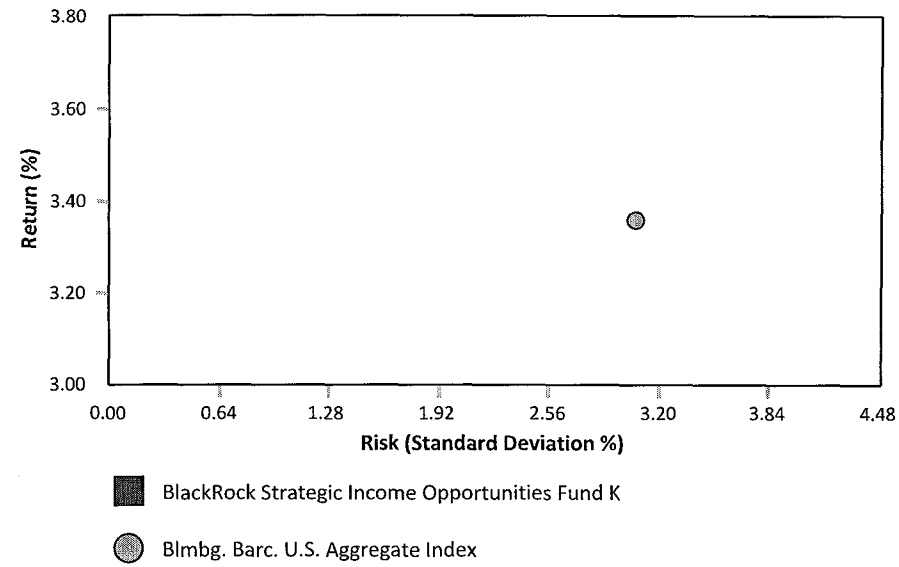
BlackRock Strategic Income Opportunities Fund K

As of March 31, 2020

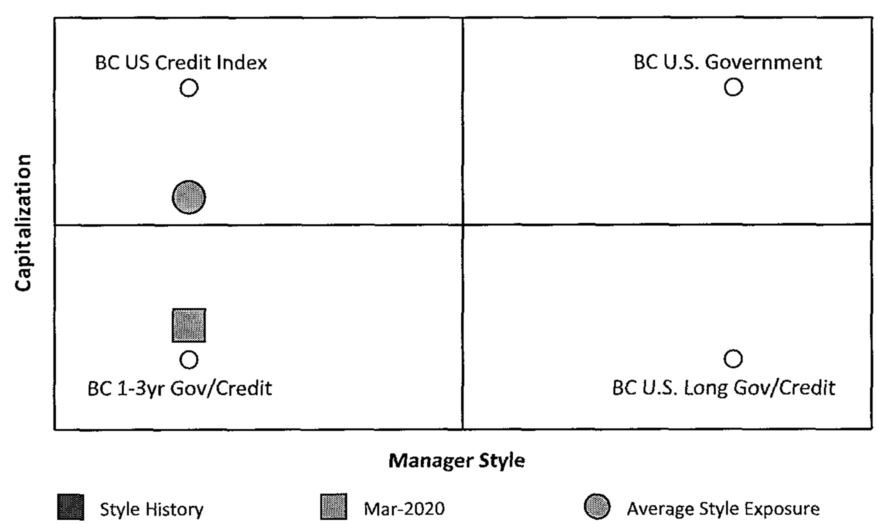
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



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

	3 Years	5 Years
Return	1.5	N/A
Standard Deviation	4.3	N/A
vs. Blmbg. Barc. U.S. Aggregate Index		
Alpha	-0.1	N/A
Beta	0.4	N/A
R-Squared	0.1	N/A
Consistency	58.3	N/A
Up Market Capture	43.7	N/A
Down Market Capture	67.5	N/A
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	-0.1	N/A

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

BlackRock Strategic Income Opportunities Fund K

Report Date March 31, 2020

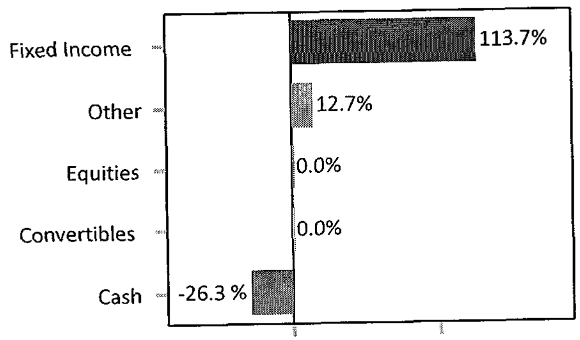
Mutual Fund Information

Fund Name :	BlackRock Funds V: BlackRock Strategic Income Opportunities Portfolio; Class K Shares	Portfolio Assets :	$33,938 Million
Fund Family :	BlackRock Inc	Fund Assets :	$8,834 Million
Ticker :	BSIKX	Portfolio Manager :	Rieder/Miller/Rogal
Inception Date :	03/28/2016	PM Tenure :	2016--2016--2017
Portfolio Turnover :	2,337%		

Fund Investment Policy

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

Asset Allocation as of 09/30/19



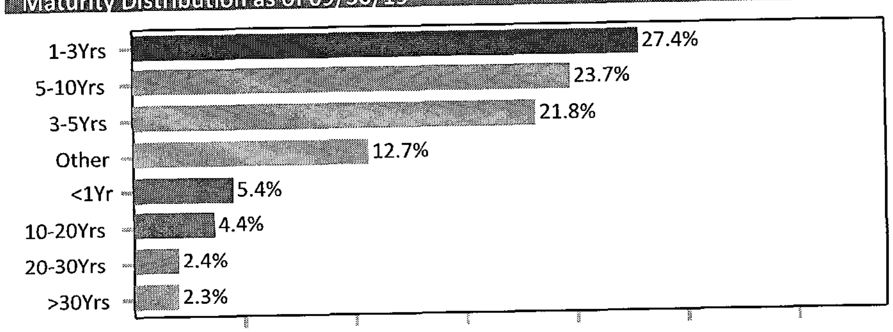
Top 10 Securities as of 09/30/19

GNMA and Other Mtg Backed	48.0 %
Fgn. Currency Denominated Bonds	30.3 %
Corporate Notes/Bonds	25.3 %
Treasury Notes/Bonds	6.0 %
Asset Backed Securities	4.1 %

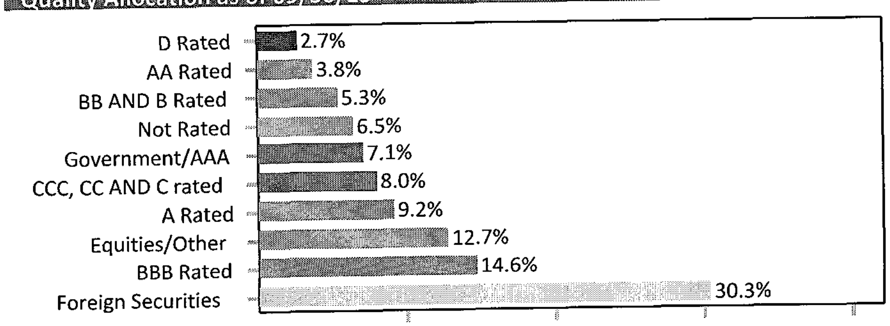
Fixed Income Characteristics as of 09/30/19

Avg. Coupon	5.03 %
Nominal Maturity	N/A
Effective Maturity	9.20 Years
Duration	3.78 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	BBB

Maturity Distribution as of 09/30/19



Quality Allocation as of 09/30/19



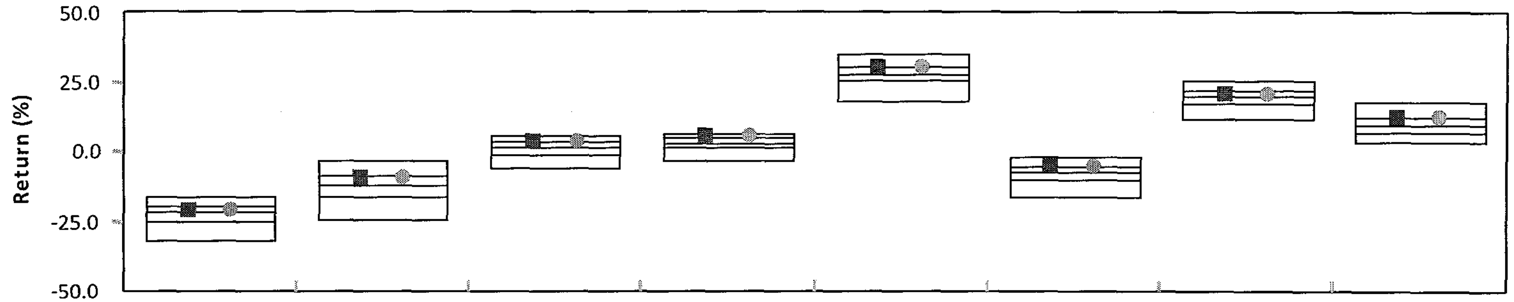
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity Total Market Index Fund

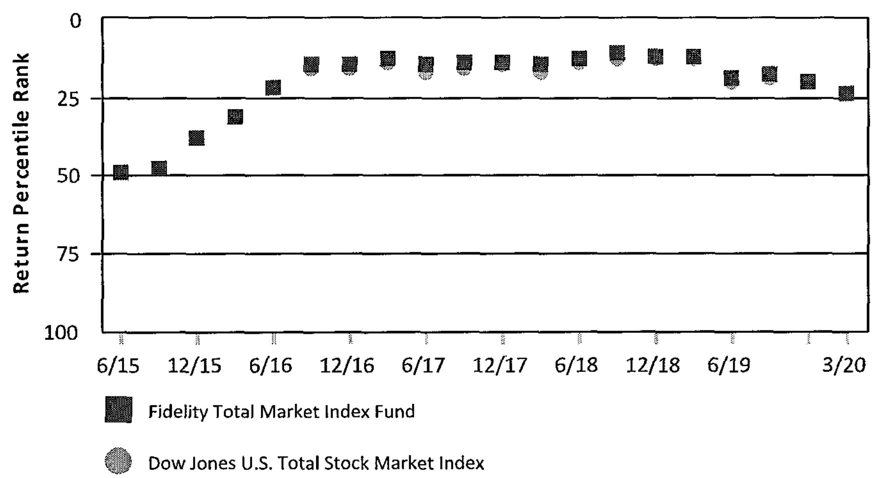
As of March 31, 2020

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

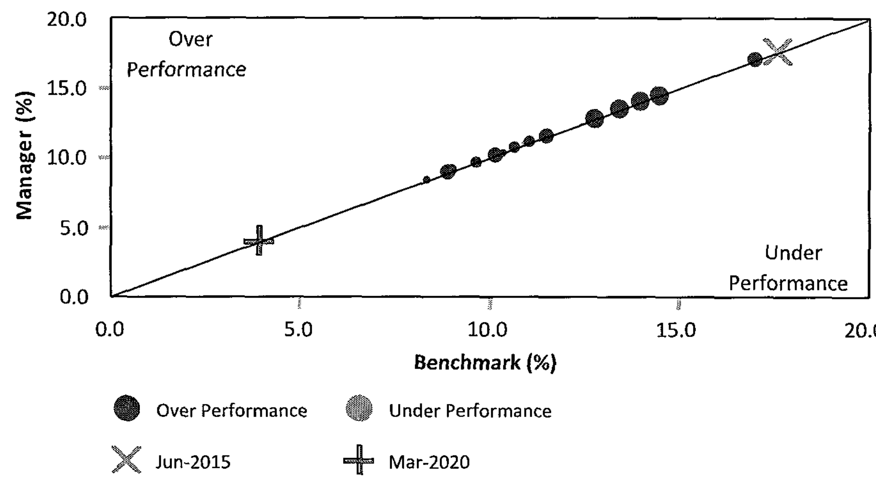


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Fidelity Total Market Index Fund	-21.0 (42)	-9.3 (33)	3.9 (24)	5.7 (15)	30.9 (25)	-5.3 (28)	21.2 (39)	12.7 (26)
● Dow Jones U.S. Total Stock Market Index	-21.0 (42)	-9.3 (33)	3.9 (24)	5.7 (16)	30.9 (25)	-5.3 (28)	21.2 (40)	12.6 (28)
5th Percentile	-15.9	-2.8	5.9	6.4	35.6	-2.0	25.7	18.1
1st Quartile	-19.8	-8.7	3.8	5.0	30.9	-5.1	22.4	12.7
Median	-21.7	-11.7	1.8	3.3	28.2	-7.2	20.6	9.9
3rd Quartile	-25.0	-16.5	-0.8	1.4	25.9	-9.7	17.7	7.5
95th Percentile	-32.0	-24.4	-5.9	-2.9	18.1	-16.3	12.2	3.5

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



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



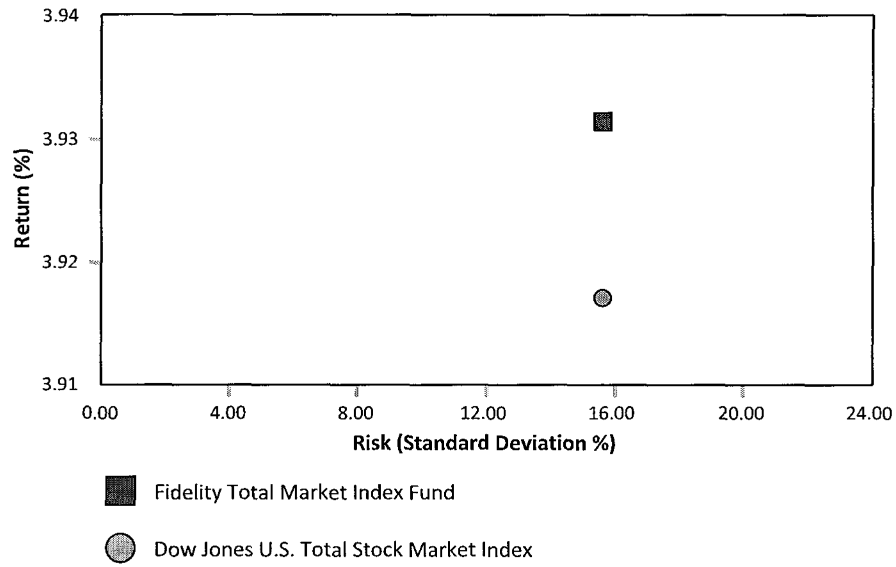
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

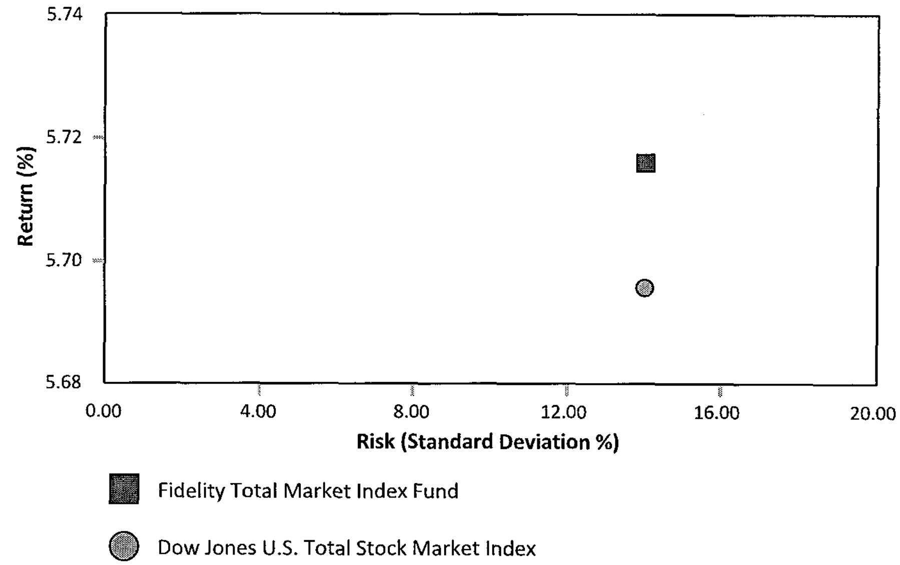
Fidelity Total Market Index Fund

As of March 31, 2020

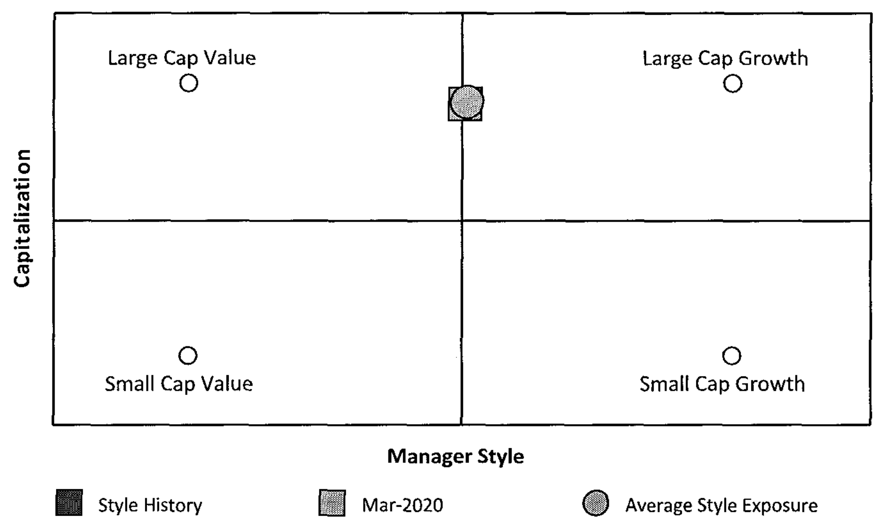
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



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

	3 Years	5 Years
Return	3.9	5.7
Standard Deviation	15.6	14.1
vs. Dow Jones U.S. Total Stock Market Index		
Alpha	0.0	0.0
Beta	1.0	1.0
R-Squared	1.0	1.0
Consistency	50.0	50.0
Up Market Capture	100.0	100.1
Down Market Capture	100.0	100.0
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.2	0.4

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Fidelity Total Market Index Fund

Report Date March 31, 2020

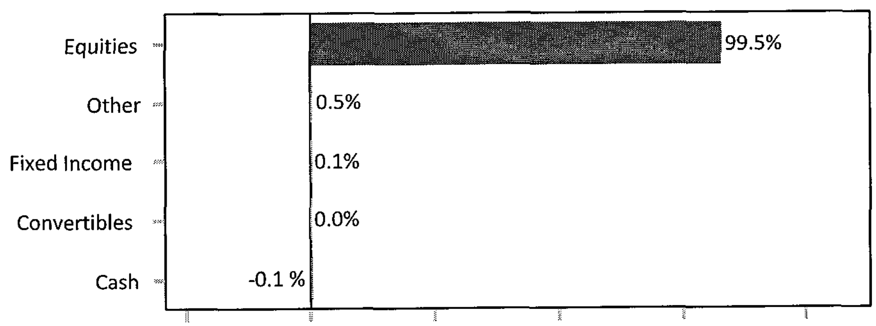
Mutual Fund Information

Fund Name :	Fidelity Concord Street Trust: Fidelity Total Market Index Fund	Portfolio Assets :	$97,893 Million
Fund Family :	Fidelity Management & Research Company	Fund Assets :	$50,604 Million
Ticker :	FSKAX	Portfolio Manager :	Team Managed
Inception Date :	09/08/2011	PM Tenure :	
Portfolio Turnover :	8%		

Fund Investment Policy

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

Asset Allocation as of 11/30/19



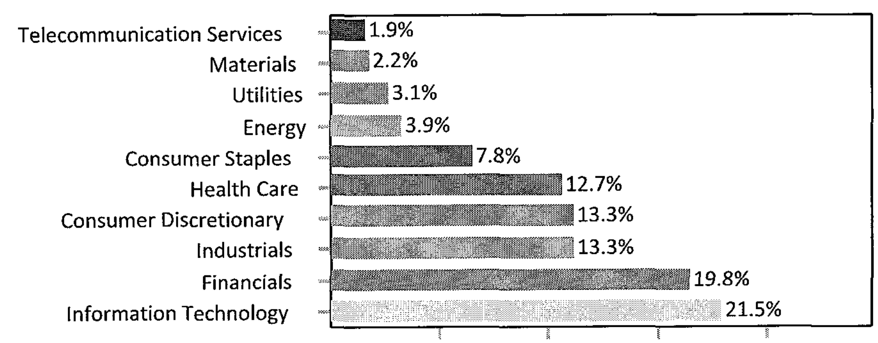
Top 10 Securities as of 11/30/19

Microsoft Corp ORD	3.7 %
Apple Inc ORD	3.6 %
Amazon.com Inc ORD	2.4 %
Facebook Inc ORD	1.6 %
Berkshire Hathaway Inc ORD	1.4 %
JPMorgan Chase & Co ORD	1.3 %
Alphabet Inc ORD 1	1.3 %
Alphabet Inc ORD 2	1.3 %
Johnson & Johnson ORD	1.2 %
Visa Inc ORD	1.0 %

Equity Characteristics as of 11/30/19

Total Securities	3,448
Avg. Market Cap	$220,251 Million
P/E	29.0
P/B	7.1
Div. Yield	2.3%
Annual EPS	25.6
5Yr EPS	15.5
3Yr EPS Growth	18.9

Sector Allocation as of 11/30/19



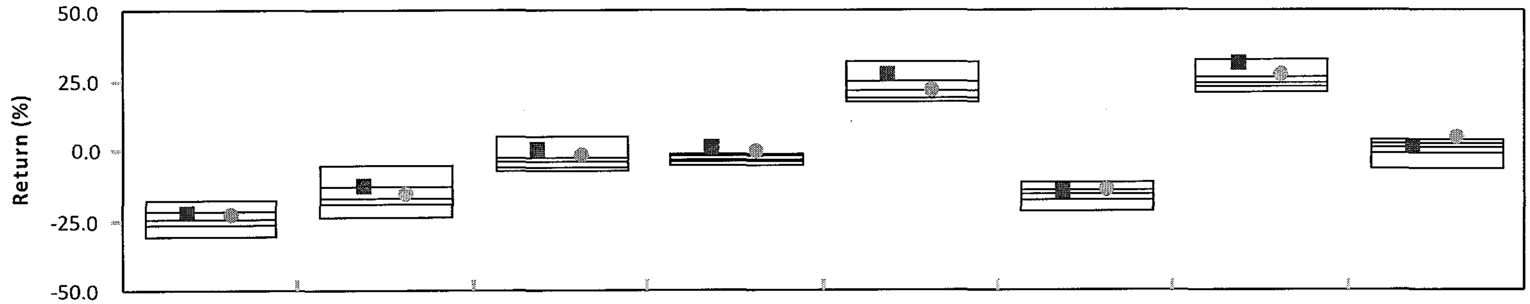
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

American Funds EuroPacific Growth R6

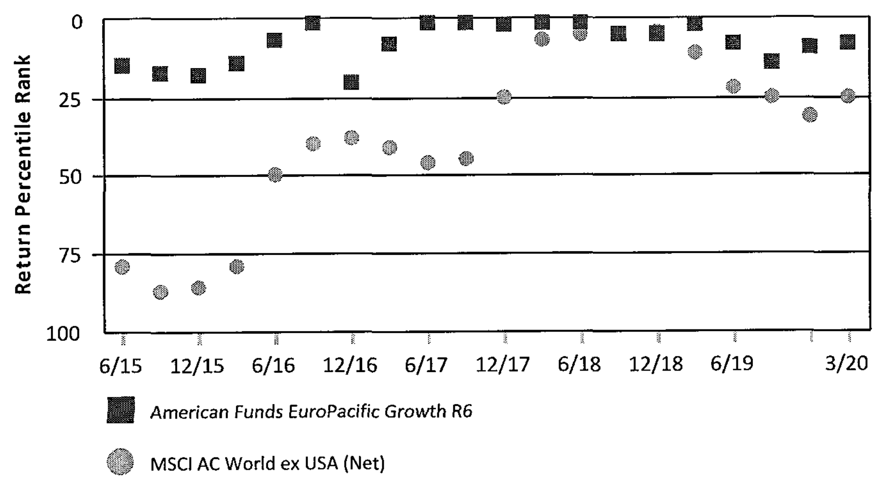
As of March 31, 2020

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

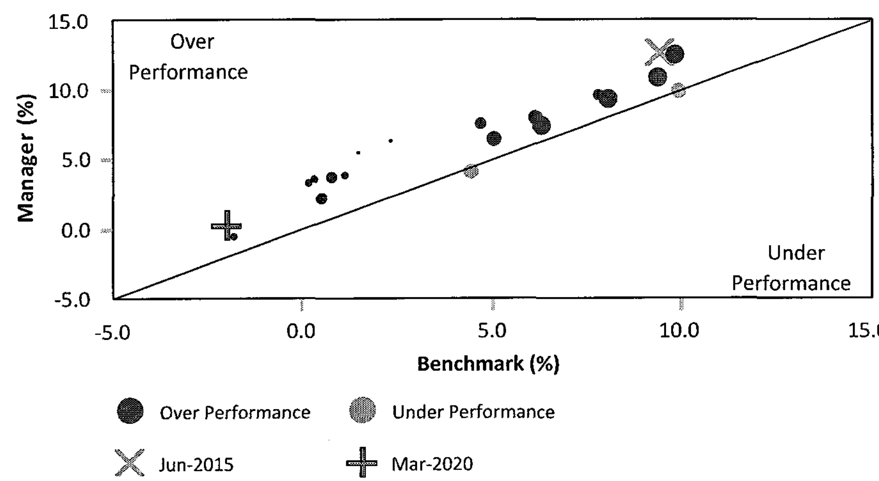


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ American Funds EuroPacific Growth R6	-22.4 (30)	-12.7 (24)	0.3 (8)	0.9 (1)	27.4 (11)	-14.9 (44)	31.2 (9)	1.0 (52)
● MSCI AC World ex USA (Net)	-23.4 (34)	-15.6 (37)	-2.0 (25)	-0.6 (2)	21.5 (59)	-14.2 (33)	27.2 (17)	4.5 (5)
5th Percentile	-17.7	-5.1	5.2	-0.9	31.9	-11.1	32.9	4.0
1st Quartile	-22.0	-13.0	-2.1	-1.7	25.0	-13.9	26.7	2.5
Median	-24.5	-17.2	-3.6	-2.8	22.1	-15.7	24.4	1.3
3rd Quartile	-26.3	-18.9	-5.8	-4.1	19.0	-17.8	23.0	-0.9
95th Percentile	-30.6	-24.0	-7.5	-5.2	17.5	-21.7	21.4	-6.5

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



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



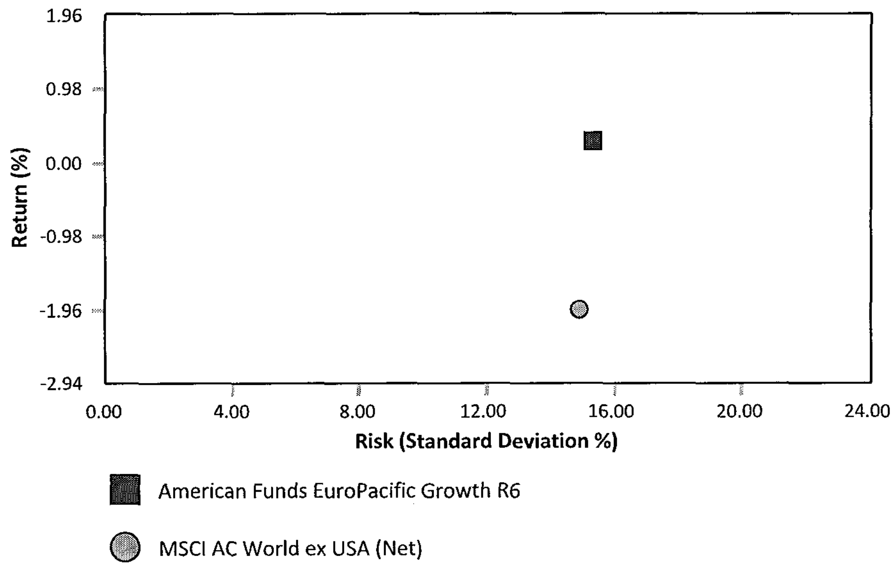
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

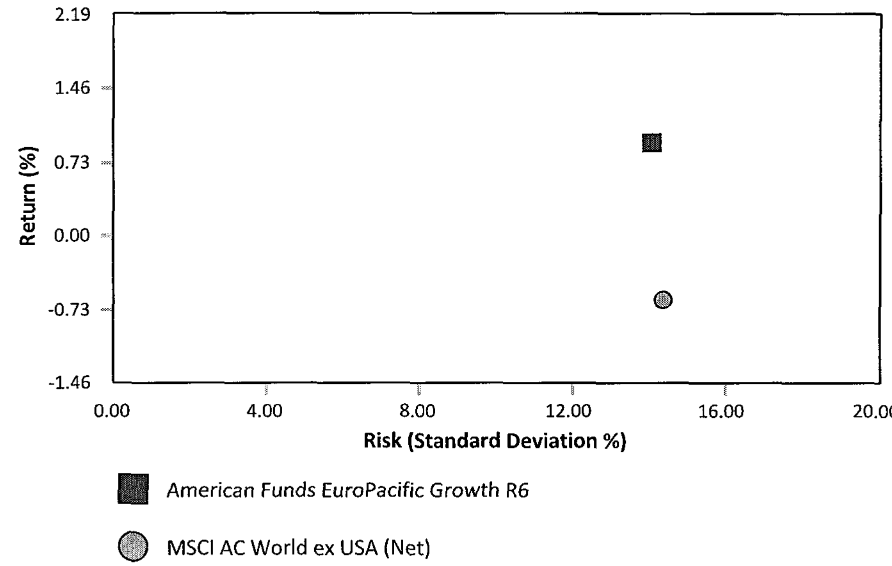
American Funds EuroPacific Growth R6

As of March 31, 2020

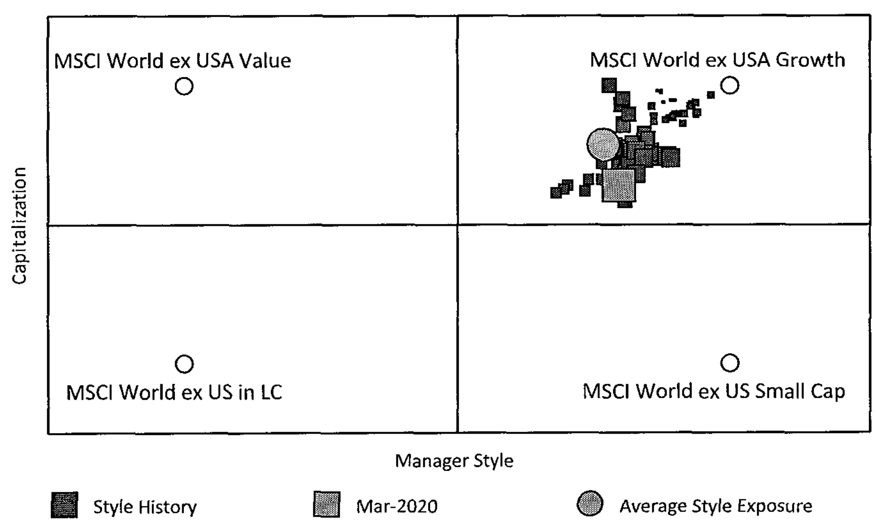
3 Year Risk and Return



5 Year Risk and Return



Style Map - 3 Years



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

	3 Years	5 Years
Return	0.3	0.9
Standard Deviation	15.4	14.1
vs. MSCI AC World ex USA (Net)		
Alpha	2.4	1.5
Beta	1.0	1.0
R-Squared	1.0	0.9
Consistency	55.6	53.3
Up Market Capture	107.2	98.5
Down Market Capture	95.3	90.6
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	0.0	0.1

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

American Funds EuroPacific Growth R6

Report Date March 31, 2020

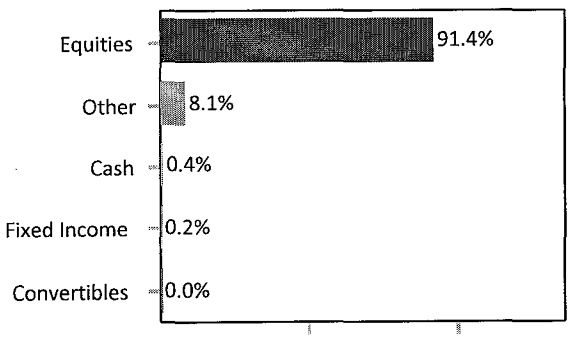
Mutual Fund Information

Fund Name :	EuroPacific Growth Fund; Class R6 Shares	Portfolio Assets :	$171,883 Million
Fund Family :	American Funds	Fund Assets :	$77,770 Million
Ticker :	RERGX	Portfolio Manager :	Team Managed
Inception Date :	05/01/2009	PM Tenure :	
Portfolio Turnover :	35%		

Fund Investment Policy

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

Asset Allocation as of 09/30/19



Top 10 Securities as of 09/30/19

Capital Group Central Cash Fund;	8.1 %
Airbus SE ORD	2.6 %
AIA Group Ltd ORD	2.6 %
Nintendo Co Ltd ORD	2.4 %
Reliance Industries Ltd ORD	2.4 %
HDFC Bank Ltd ORD	2.3 %
Alibaba Group Holding Ltd DR	2.1 %
ASML Holding NV ORD	2.0 %
Samsung Electronics Co Ltd ORD	1.6 %
Daiichi Sankyo Co Ltd ORD	1.6 %

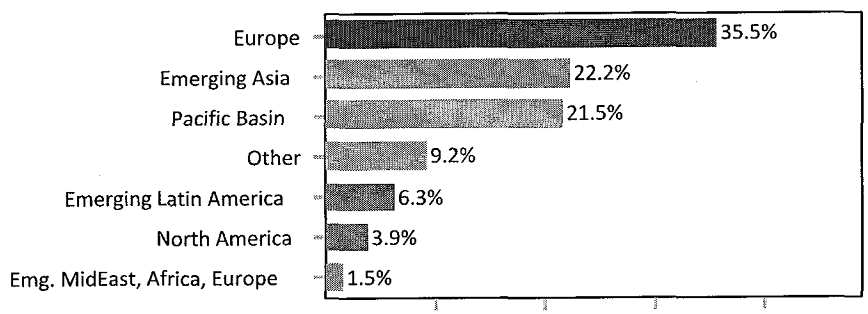
Top 5 Countries as of 09/30/19

Japan	14.0 %
India	8.5 %
Unidentified	8.1 %
United Kingdom	7.4 %
Netherlands	7.2 %

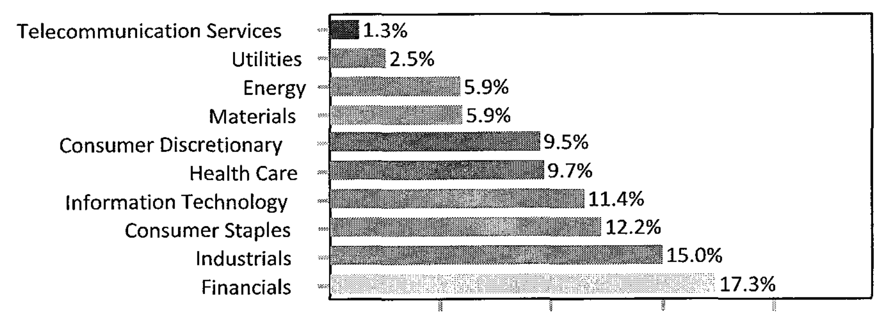
Equity Characteristics as of 09/30/19

Total Securities	321
Avg. Market Cap	$79,007 Million
P/E	26.9
P/B	4.5
Div. Yield	1.8%
Annual EPS	14.6

Region Allocation as of 09/30/19



Sector Allocation as of 09/30/19



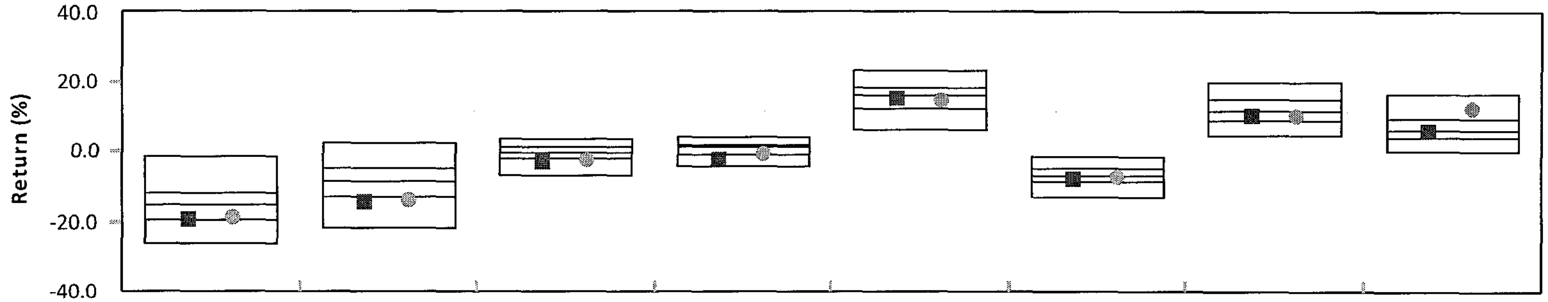
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Principal Diversified Real Asset R6

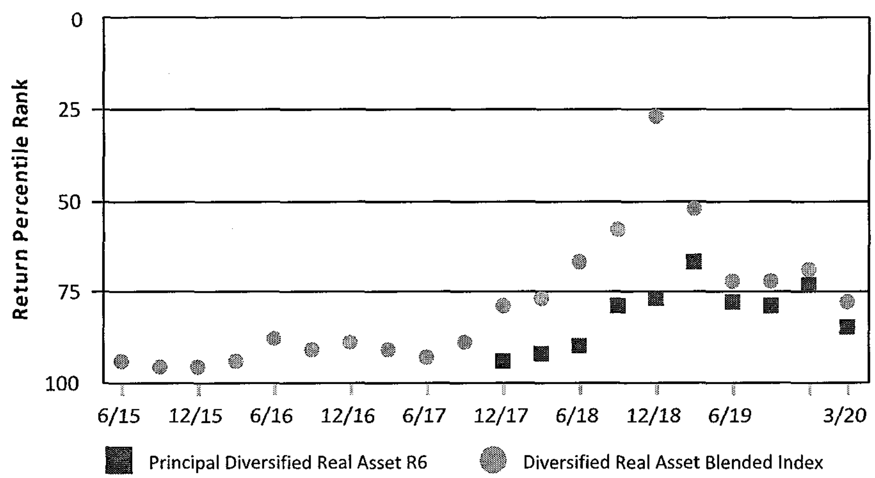
As of March 31, 2020

Peer Group Analysis vs. IM Flexible Portfolio (MF)

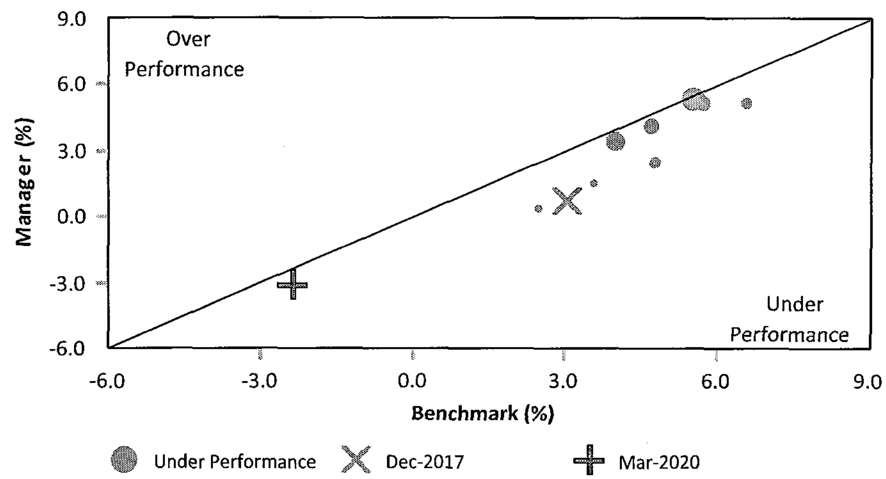


	QTR	1 Year	3 Years	5 Years	2019	2018	2017	2016
■ Principal Diversified Real Asset R6	-19.5 (77)	-14.8 (84)	-3.1 (85)	-2.6 (91)	15.1 (62)	-7.8 (63)	10.2 (66)	5.9 (57)
● Diversified Real Asset Blended Index	-18.9 (72)	-14.3 (82)	-2.3 (78)	-1.0 (80)	14.9 (64)	-7.3 (55)	10.4 (65)	12.4 (11)
5th Percentile	-1.6	2.6	3.7	4.1	23.3	-1.2	20.3	16.7
1st Quartile	-12.1	-4.7	1.3	2.1	18.7	-4.7	15.1	9.4
Median	-15.3	-8.4	-0.1	1.1	16.3	-6.9	12.0	6.4
3rd Quartile	-19.4	-12.8	-2.1	-0.6	12.4	-8.8	8.9	4.0
95th Percentile	-26.2	-21.6	-6.8	-4.2	6.5	-12.9	4.6	0.5

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



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



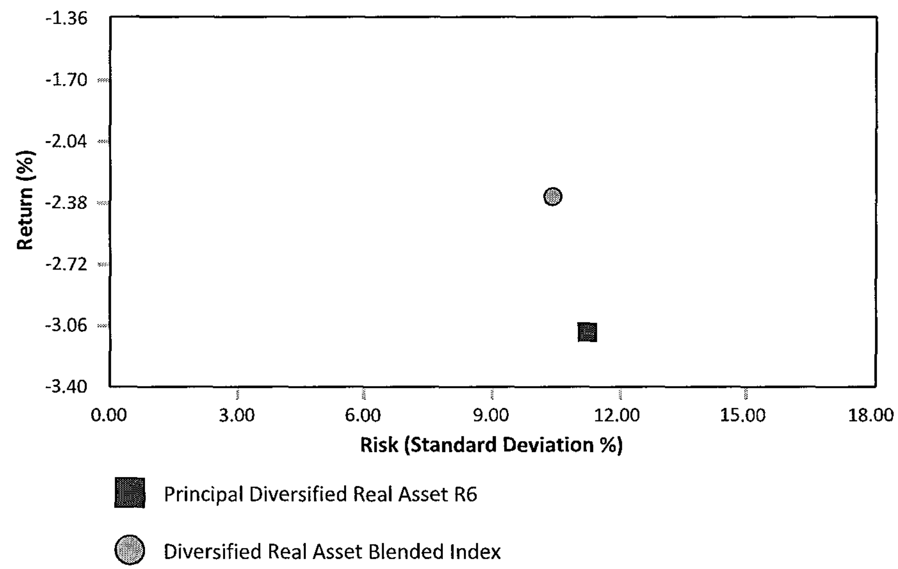
Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

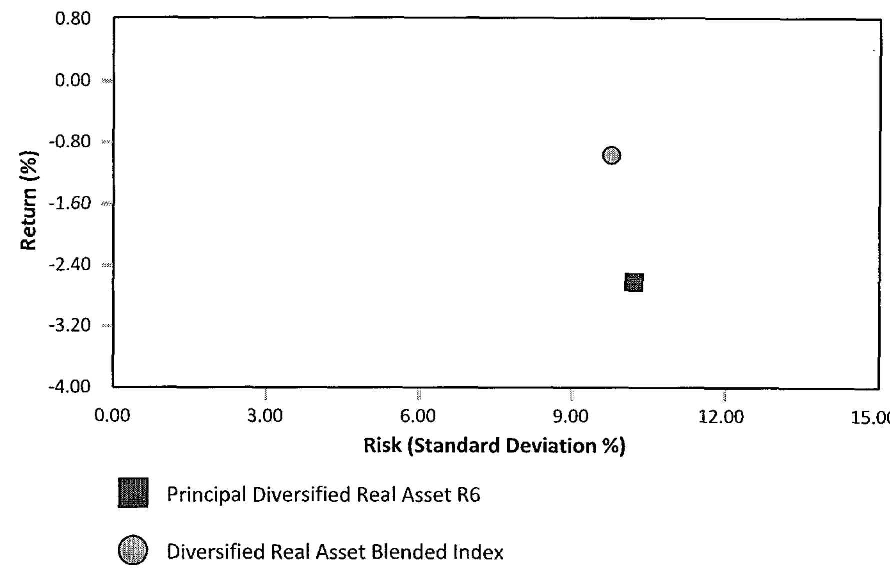
Principal Diversified Real Asset R6

As of March 31, 2020

3 Year Risk and Return



5 Year Risk and Return



MPT Statistics vs. Diversified Real Asset Blended Index

	3 Years	5 Years
Return	-3.1	-2.6
Standard Deviation	11.3	10.2
vs. Diversified Real Asset Blended Index		
Alpha	-0.6	-1.6
Beta	1.1	1.0
R-Squared	1.0	0.9
Consistency	47.2	46.7
Up Market Capture	100.7	91.2
Down Market Capture	106.3	105.0
vs. 90 Day U.S. Treasury Bill		
Sharpe Ratio	-0.4	-0.3

Mutual fund data sourced from Lipper Analytical Services.

Manager Evaluation

Principal Diversified Real Asset R6

Report Date March 31, 2020

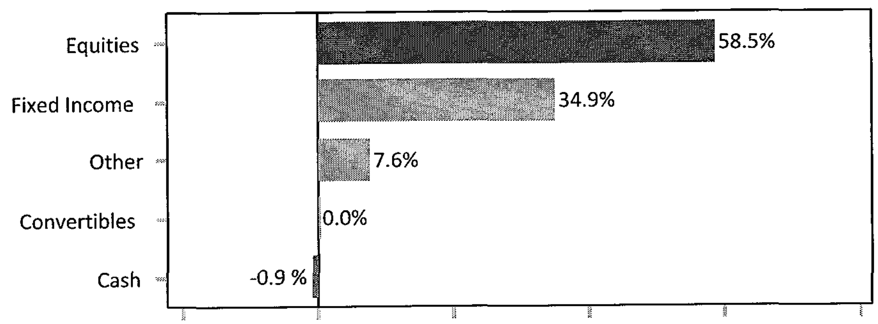
Mutual Fund Information

Fund Name :	Principal Funds, Inc: Diversified Real Asset Fund; Class R-6 Shares	Portfolio Assets :	$4,361 Million
Fund Family :	Principal Global Investors LLC	Fund Assets :	$1,482 Million
Ticker :	PDARX	Portfolio Manager :	Team Managed
Inception Date :	12/31/2014	PM Tenure :	
Portfolio Turnover :	72%		

Fund Investment Policy

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

Asset Allocation as of 11/30/19



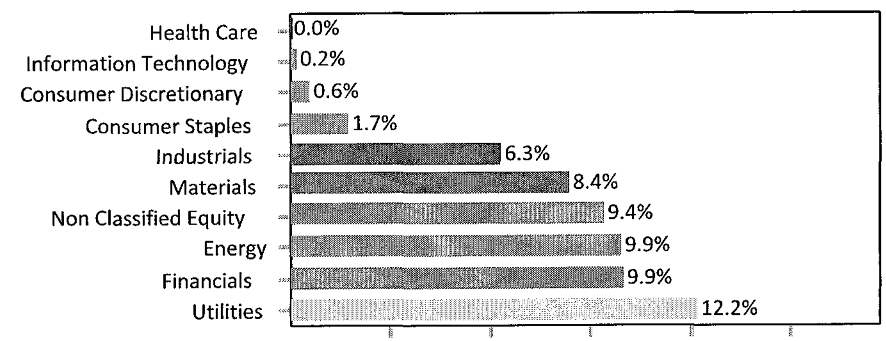
Top 10 Securities as of 11/30/19

Principal Government Money Market	3.1 %
Transurban Group	0.9 %
Enbridge Inc ORD	0.9 %
National Grid PLC ORD	0.8 %
Williams Companies Inc ORD	0.7 %
United Utilities Group PLC ORD	0.7 %
Dominion Energy Inc ORD	0.7 %
Hydro One Ltd ORD	0.6 %
Nextera Energy Inc ORD	0.6 %
Red Electrica Corporacion SA ORD	0.6 %

Equity Characteristics as of 11/30/19

Total Securities	713
Avg. Market Cap	$24,083 Million
P/E	26.6
P/B	2.8
Div. Yield	3.7%
Annual EPS	23.8
5Yr EPS	10.6
3Yr EPS Growth	13.7

Sector Allocation as of 11/30/19



Mutual fund data sourced from Lipper Analytical Services.

Benchmark Composition

Pension Blended Benchmark
As of March 31, 2020

Allocation Mandate	Weight (%)
Apr-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	50.0
Dow Jones U.S. Total Stock Market Index	27.5
MSCI AC World ex USA (Net)	22.5
Jan-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	50.0
CRSP U.S. Total Market TR Index	27.5
MSCI AC World ex USA (Net)	22.5
Nov-2016	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	50.0
CRSP U.S. Total Market TR Index	25.0
MSCI AC World ex USA (Net)	25.0

Benchmark Composition

OPEB Blended Benchmark

As of March 31, 2020

Allocation Mandate	Weight (%)
Oct-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	35.0
Dow Jones U.S. Total Stock Market Index	33.3
MSCI AC World ex USA (Net)	26.8
Diversified Real Asset Blended Index	5.0
Apr-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	35.0
Dow Jones U.S. Total Stock Market Index	35.8
MSCI AC World ex USA (Net)	29.3
Jan-2019	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	35.8
MSCI AC World ex USA (Net)	29.3
Dec-2018	
90 Day U.S. Treasury Bill	8.0
Blmbg. Barc. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	28.5
MSCI AC World ex USA (Net)	28.5
Feb-2018	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	32.5
MSCI AC World ex USA (Net)	32.5

Allocation Mandate	Weight (%)
Jan-2018	
90 Day U.S. Treasury Bill	7.5
Blmbg. Barc. U.S. Aggregate Index	31.5
CRSP U.S. Total Market TR Index	30.5
MSCI AC World ex USA (Net)	30.5
Dec-2017	
90 Day U.S. Treasury Bill	16.0
Blmbg. Barc. U.S. Aggregate Index	29.5
CRSP U.S. Total Market TR Index	27.3
MSCI AC World ex USA (Net)	27.3
Nov-2017	
90 Day U.S. Treasury Bill	25.0
Blmbg. Barc. U.S. Aggregate Index	25.0
CRSP U.S. Total Market TR Index	25.0
MSCI AC World ex USA (Net)	25.0
Oct-2017	
90 Day U.S. Treasury Bill	0.0
Blmbg. Barc. U.S. Aggregate Index	35.0
CRSP U.S. Total Market TR Index	32.5
MSCI AC World ex USA (Net)	32.5
Sep-2017	
90 Day U.S. Treasury Bill	12.5
Blmbg. Barc. U.S. Aggregate Index	30.5
CRSP U.S. Total Market TR Index	28.5
MSCI AC World ex USA (Net)	28.5

Benchmark Composition

OPEB Blended Benchmark

As of March 31, 2020

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

Prospectus Links

As of March 31, 2020

FUND FAMILY	WEBSITE
American Funds	www.capitalgroup.com
BlackRock	www.blackrock.com
Fidelity	www.fidelity.com
MetWest	www.tcw.com
Principal	www.principalfunds.com

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Section 6
Recent Portfolio Changes

Recent Portfolio Changes - OPEB

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Asset Class	Manager/Strategy	Prior Target Allocation	Current Target Allocation
Cash/Short Term Liquidity			
	Wells Fargo Government Money Market Fund	0.0%	0.0%
		0.0%	**0.0%**
Fixed Income-Domestic			
	Metropolitan West Total Return Bond Pl	23.5%	22.5%
	BlackRock Strategic Income Opportunities K	9.0%	8.0%
	Pimco High Yield Fd		2.0%
		32.5%	**32.5%**
Domestic Equity			
	Fidelity Total Market Index Fund Institutional	34.8%	34.8%
		34.8%	**34.8%**
International Equity			
	American Europacific Growth R6	27.8%	27.8%
		27.8%	**27.8%**
Asset Alocator			
	Principal Diversified Real Asset I	5.0%	5.0%
		5.0%	**5.0%**
Total		**100.0%**	**100.0%**

High Yield Spreads

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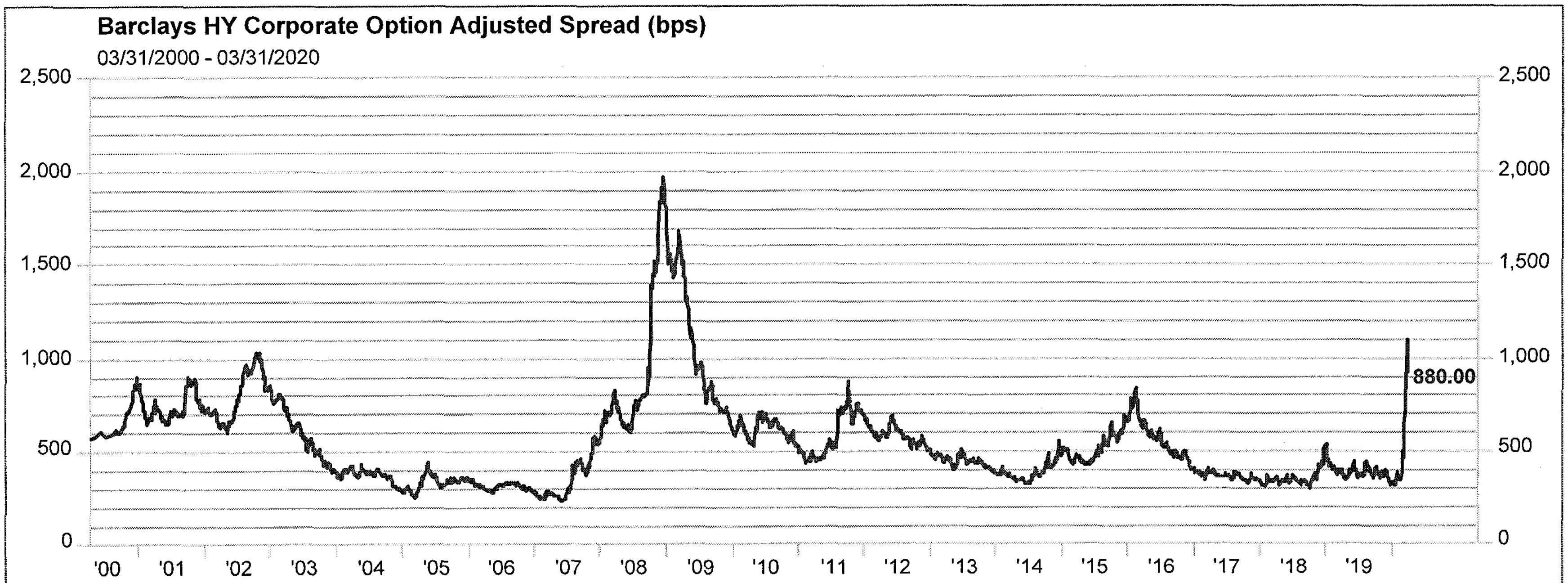

FactSet, Bloomberg Barclays

- High yield bonds spreads have widened sharply in recent weeks with spreads reaching levels not seen since the credit crisis.
- The pace of widening was historic as investors sought to reduce risk amid the uncertainty presented by the COVID-19 pandemic.

An Attractive Entry Point

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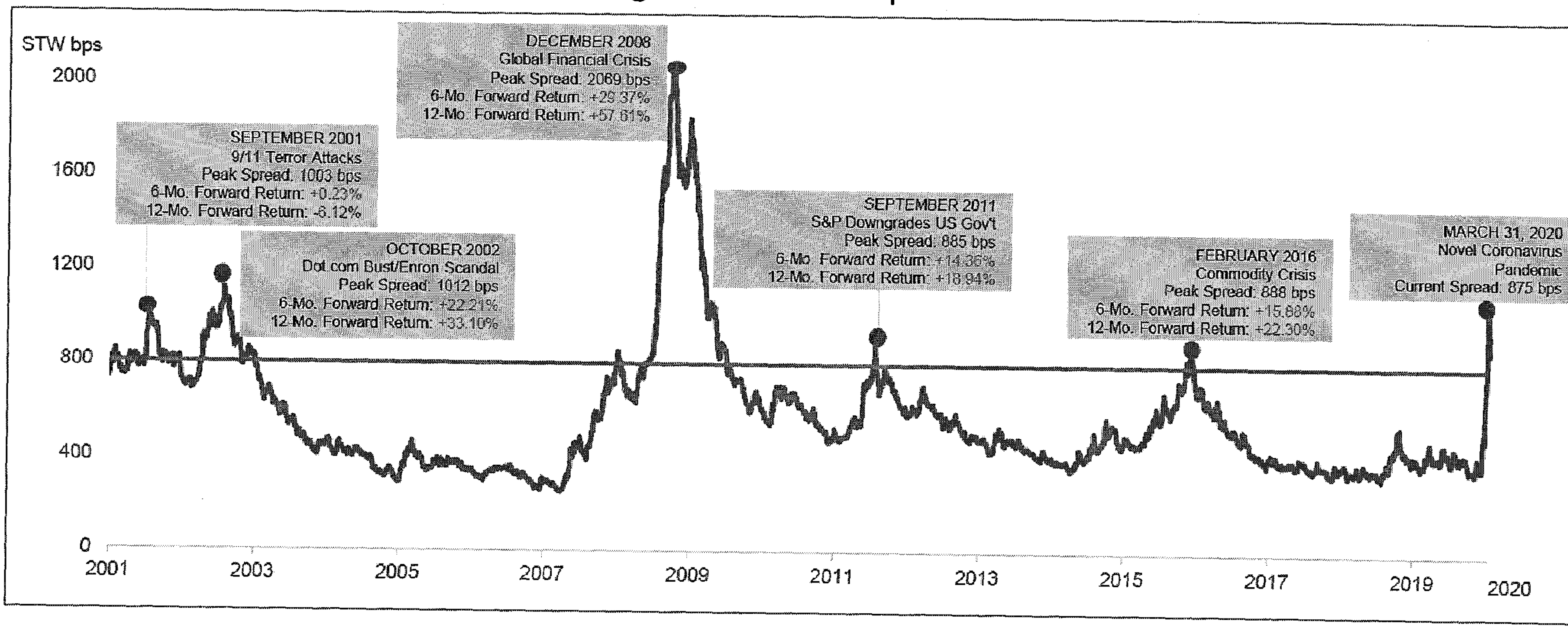
High Yield Bond Spreads



- The recent environment represents the third largest drawdown for the Bloomberg Barclays US Corporate High Yield Index
- Investing in the high yield market when spreads are wider than 800 basis points has historically been an attractive entry point for long term investors.

Source: Eaton Vance, ICE BofAML

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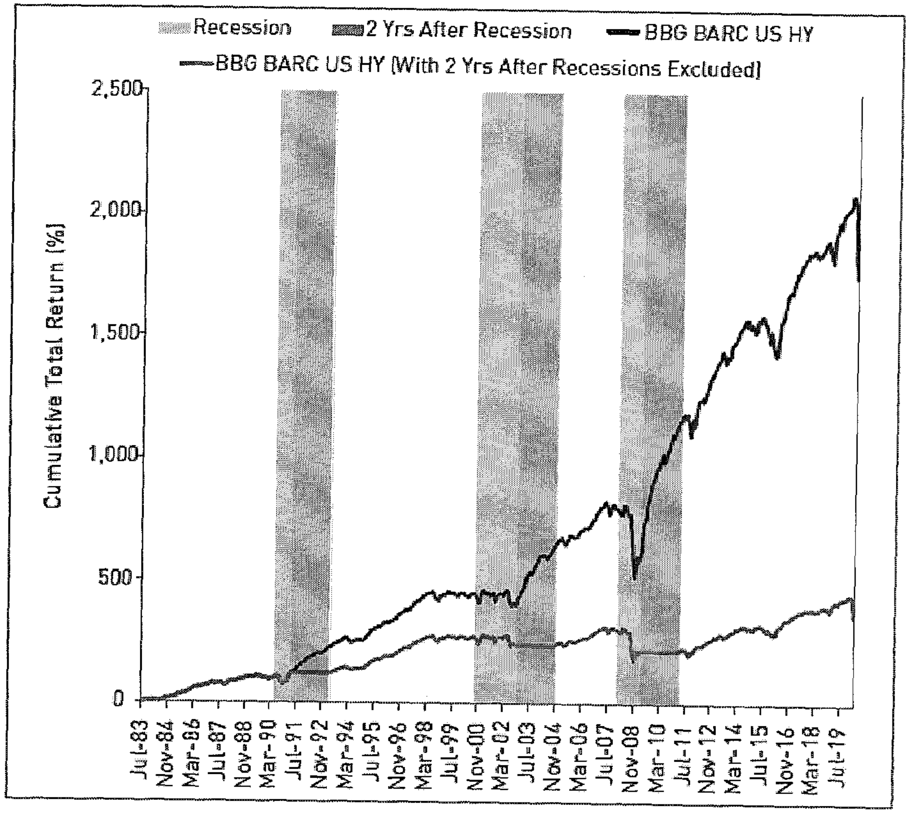
	CONTINUOUS INVESTING[5] 7/1/83-12/31/19		EXCLUDING 2 YEARS AFTER RECESSIONS 7/1/83-12/31/19	
	CUMULATIVE RETURN	ANNUALIZED RETURN	CUMULATIVE RETURN	ANNUALIZED RETURN
BBG BARC US HY	2,083%	8.8%	447%	5.7%

- While it may be difficult to time the ultimate bottom in bond prices, recoveries in the high yield market have often been sharp.
- Participation in those environments has been a key driver of long term returns in the space.



Source: Loomis Sayles

An Attractive Entry Point

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Implied default rates by different spread level and recovery rate assumptions

RECOVERY-RATE ASSUMPTIONS			CREDIT SPREADS (bps) 500	600	700	800	900	1,000	1,250	1,500	2,000
	40%	ANNUAL DEFAULT RATES	8.3%	10.0%	11.7%	13.3%	15.0%	16.7%	20.8%	25.0%	33.3%
	20%		6.3%	7.5%	8.8%	10.0%	11.3%	12.5%	15.6%	18.8%	25.0%
	0%		5.0%	6.0%	7.0%	8.0%	9.0%	10.0%	12.5%	15.0%	20.0%
	40%	5YR CUMULATIVE DEFAULT RATES	41.7%	50.0%	58.3%	66.7%	75.0%	83.3%	104.2%	125.0%	166.7%
	20%		31.3%	37.5%	43.8%	50.0%	56.3%	62.5%	78.1%	93.8%	125.0%
	0%		25.0%	30.0%	35.0%	40.0%	45.0%	50.0%	62.5%	75.0%	100.0%

Source: Eaton Vance, as of 20 March 2020.

Historical Annual Default Rates – U.S. High Yield

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
11.2%	2.5%	2.8%	2.8%	2.4%	1.8%	4.3%	5.0%	2.2%	2.2%	2.0%

- Current valuations (spreads) imply potential default rates well above what we have experienced in recent years and above what occurred during the financial crisis in 2008-2009, making for a potentially attractive entry point into the asset class.

Source: Eaton Vance, Western Asset

Investment Manager Review

High Yield Bond

Period Ending March 31, 2020

Strategies Included:

PIMCO:High Yield;Inst

The share classes and expense ratios shown on the Firm & Strategy pages in this report reflect the lowest expense share class of the fund. The actual share classes suitable and available for your plan may vary. Alternative share classes may be shown in the performance and statistics pages to provide the longest available track record.

Data as of March 31, 2020 unless otherwise noted.

FIRM & STRATEGY SUMMARY

FIRM INFORMATION

Firm Name: PIMCO
Location: Newport Beach, CA

Ownership: Subsidiary of Allianz
Firm Assets: $1.9 trillion (12/31/2019)

STRATEGY & VEHICLE INFORMATION

Strategy Name: PIMCO High Yield
Strategy Inception: 1992
Strategy Assets: $40.2 billion (12/31/2019)

Proposed Vehicle: Mutual Fund
Vehicle Name: PIMCO High Yield Fund
Vehicle Assets: $12.4 billion (12/31/2019)
Vehicle Inception: *1992*
Vehicle Fees: 0.55% (PHIYX - Instl.)

Investment Team:

The portfolio is managed using a team process that is led by Andrew Jessop, the lead portfolio manager since 2010. Sonali Pier was added as a named co-portfolio manager in 2019. As with all portfolio's at PIMCO, the firm's investment committee and CIO's also contribute to the investment process and portfolio construction. The firm employs over 60 credit analysts around the world.

Investment Philosophy:

PIMCO uses a risk focused approach to below investment grade credit markets. The firm believes that by focusing on higher credit quality bonds in the high yield space, the portfolio will produced better risk adjusted exposure to the asset class. The Fund seeks to generate total returns rather than solely focusing on yield.

Process:

The investment process is based off of fundamental, bottom-up research. The portfolio managers leverage the firms large and experienced analyst team for idea generation and credit analysis. Analysts focus on a company's business model, financial condition, capital structure, and relative value. Each analysis is unique and seeks to identify and prioritize the drivers of a company's financial positions. The strategy is designed in a way that security selection will drive the majority of outperformance and no single theme or position will have an outsized impact at any given time. The portfolio managers then focus on the highest quality tiers of the market with close attention paid to liquidity.

Portfolio Construction:

Due to the portfolio's high quality focus, the strategy is typically focused on BB and B rated issues. The Fund will hold CCC-rated issues but is typically underweight relative to both peers and broad high yield benchmarks. 65%-80% of assets are typically allocated to core holdings with limited default risk, 15%-25% is invested in more tactical trades that reflect analyst best ideas, and finally 5%-15% is allocated to trading opportunities that seek to take advantage of price movements in the market. Cash is used in the portfolio when market opportunities are limited.

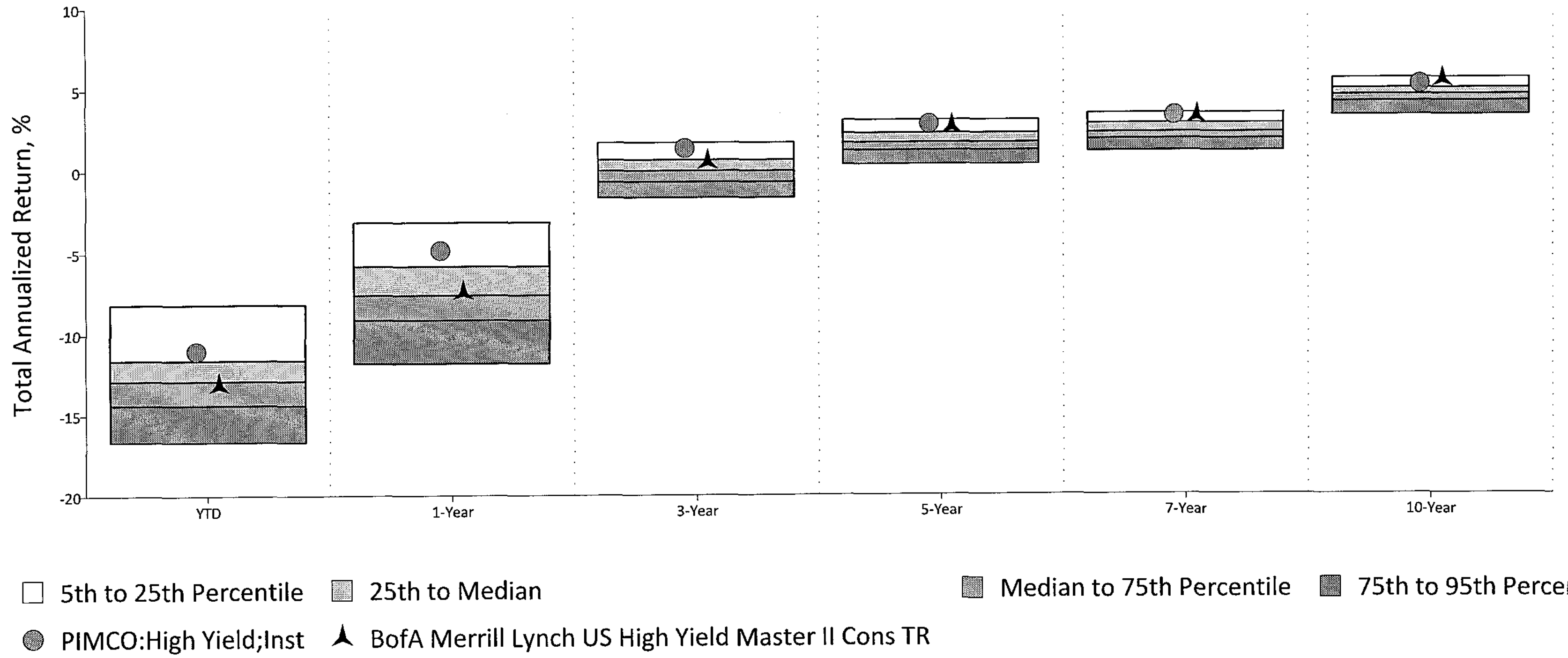
Risk Controls:

Risk management is present throughout the investment process from the credit analysis conducted at the security level to the diversified approach at the portfolio level. The strategy's focus on the higher quality tiers of the market and focus on "core" holdings also serves to limit risk. In addition to the portfolio management team, portfolio's are overseen by PIMCO's centralized risk management group.

For the prospectus please go to www.pimco.com

Data as of March 31, 2020 unless otherwise noted.

ANNUALIZED PERFORMANCE & PEER COMPARISON



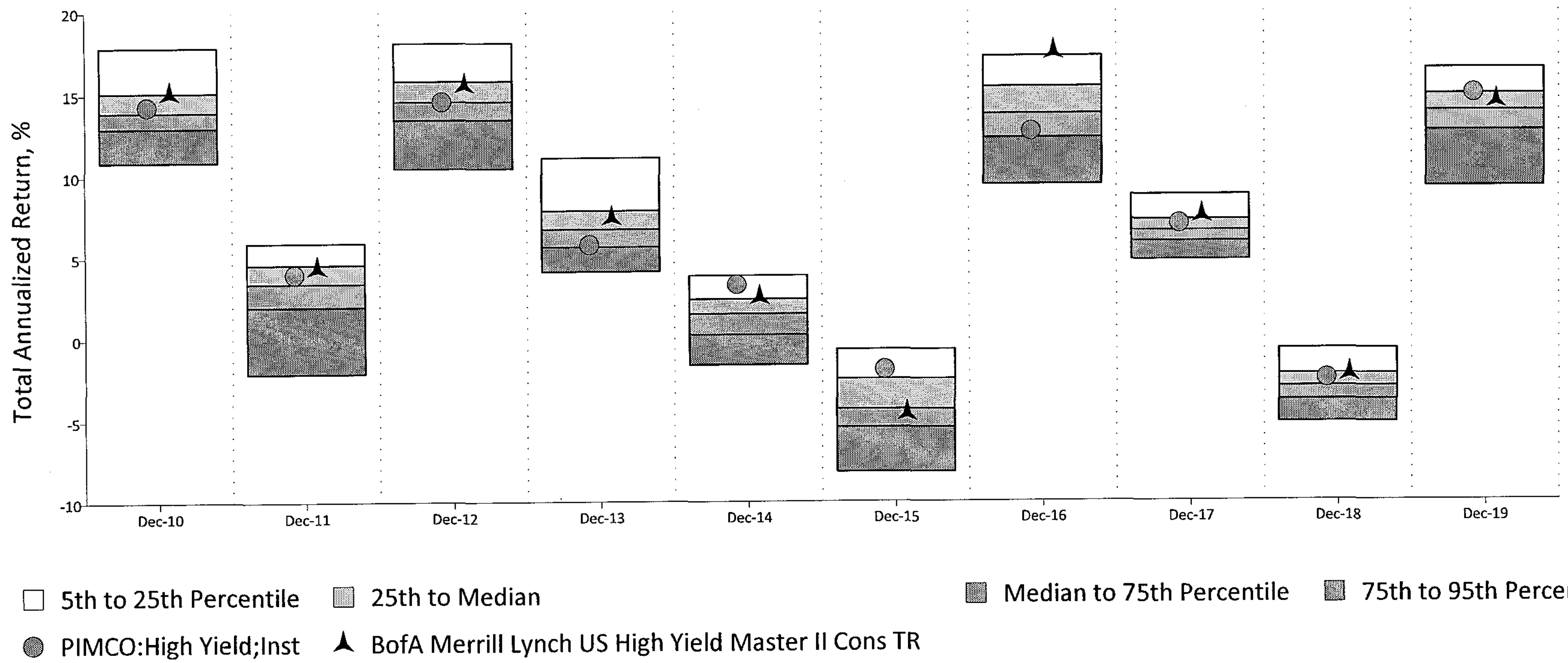
	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
PIMCO:High Yield;Inst	-11.03	-4.84	1.40	2.86	3.37	5.26
Universe Ranking %	17	13	8	9	8	16
BofA Merrill Lynch US High Yield Master II Cons TR	-13.13	-7.46	0.55	2.67	3.27	5.49
Universe Ranking %	53	46	29	13	9	7

Note: Alternative share classes may be shown to provide the longest track record. Please refer to the manager pages for share class information.

Universe ranking is based on the **Lipper High Yield Bond Universe**. Returns greater than one year are annualized.

Data as of March 31, 2020 unless otherwise noted.

CALENDAR YEAR PERFORMANCE

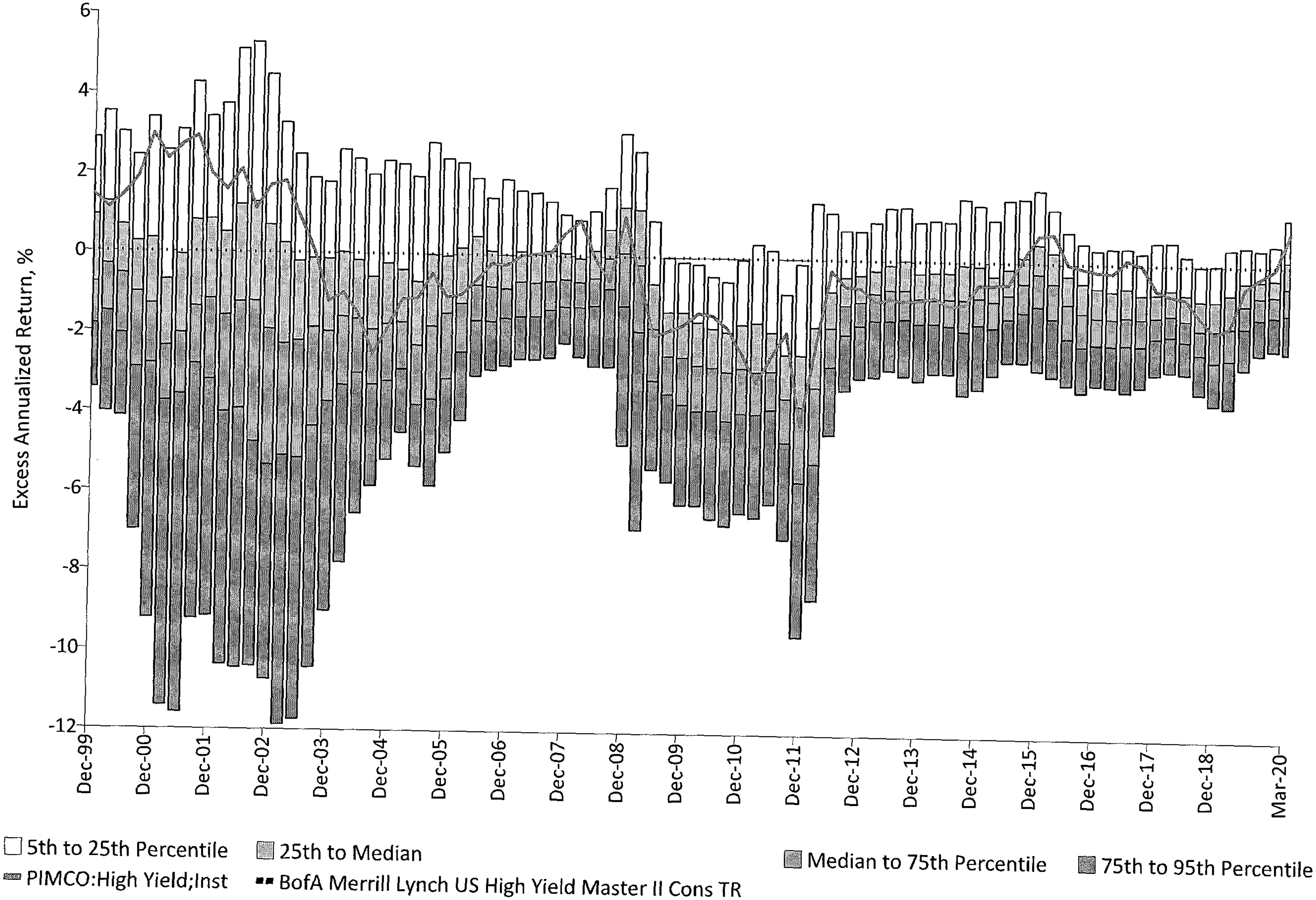


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
PIMCO:High Yield;Inst	14.28	4.00	14.57	5.77	3.31	-1.88	12.68	7.02	-2.49	14.94
Universe Ranking %	41	40	49	74	13	18	69	34	30	24
BofA Merrill Lynch US High Yield Master II Cons TR	15.07	4.37	15.55	7.41	2.51	-4.61	17.49	7.48	-2.27	14.41
Universe Ranking %	26	30	29	32	23	56	4	20	26	37

Universe ranking is based on the **Lipper High Yield Bond Universe**.

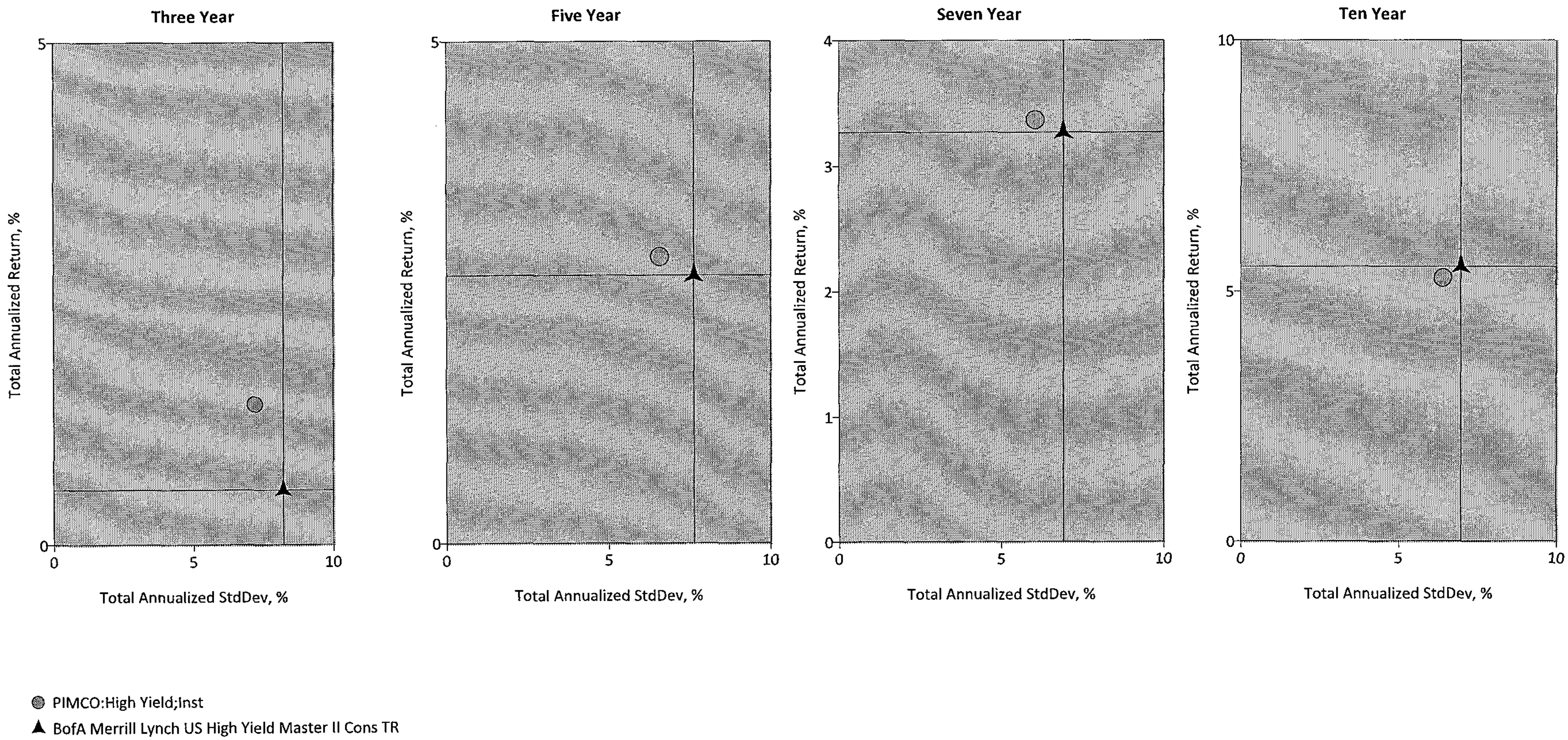
Data as of March 31, 2020 unless otherwise noted.

THREE-YEAR ROLLING EXCESS RETURNS



Data as of March 31, 2020 unless otherwise noted.

RETURN VS. RISK

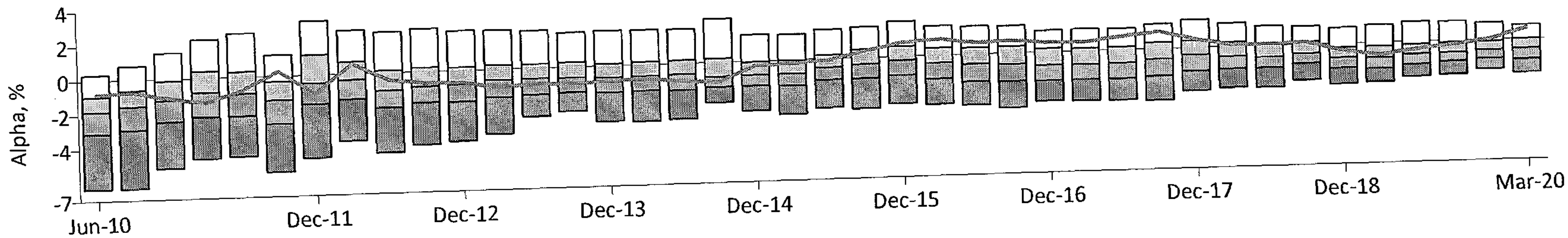


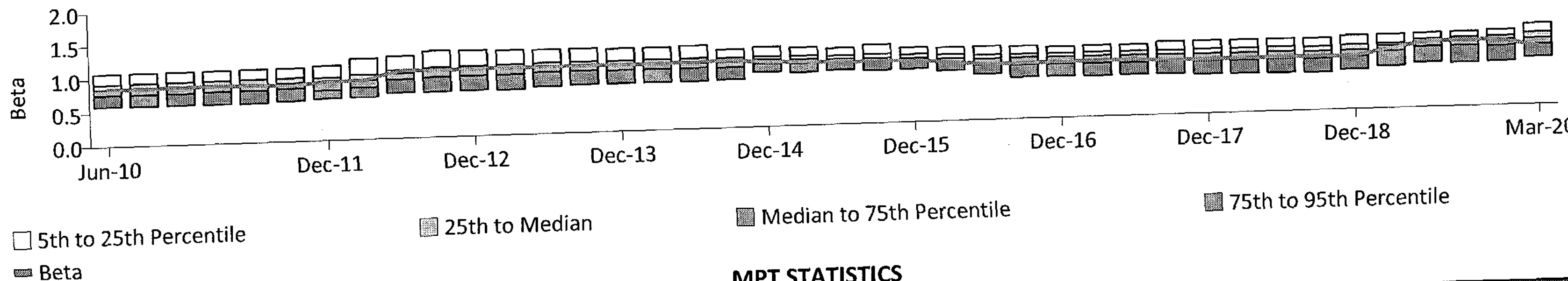
	3 Years		5 Years		7 Years		10 Years	
	Return	Std Dev	Return	Std Dev	Return	Std Dev	Return	Std Dev
PIMCO:High Yield;Inst	1.40	7.20	2.86	6.57	3.37	6.06	5.26	6.41
BofA Merrill Lynch US High Yield Master II Cons TR	0.55	8.21	2.67	7.63	3.27	6.92	5.49	6.98
Lipper High Yield Bond Universe Median	0.02	8.17	1.73	7.40	2.35	6.76	4.61	6.94

Data greater than one year is annualized.

Data as of March 31, 2020 unless otherwise noted.

PERFORMANCE STATISTICS





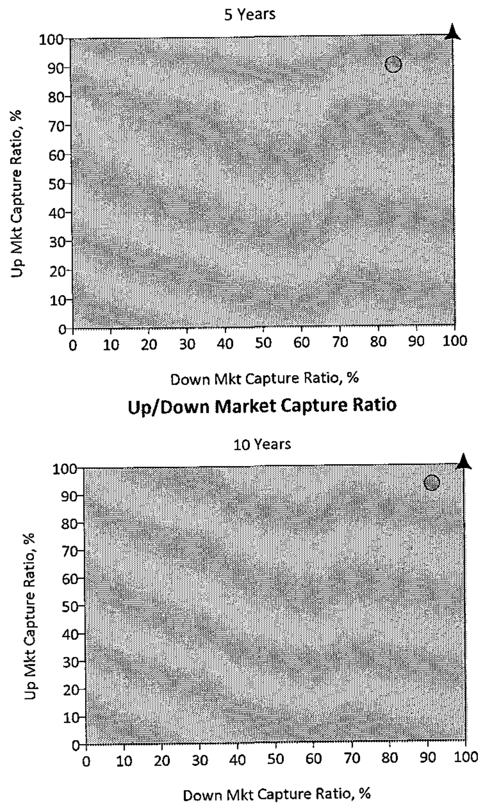
MPT STATISTICS

	5 Year					
	Alpha, %	Beta	R-Squared, %	Sharpe Ratio	Tracking Error, %	Batting Average
PIMCO:High Yield;Inst	0.37	0.85	96.89	0.28	1.65	0.48
BofA Merrill Lynch US High Yield Master II Cons TR	0.00	1.00	100.00	0.23	0.00	0.00
Lipper High Yield Bond Universe Median	-0.88	0.95	96.89	0.11	1.59	0.40

	10 Year					
	Alpha, %	Beta	R-Squared, %	Sharpe Ratio	Tracking Error, %	Batting Average
PIMCO:High Yield;Inst	0.22	0.90	97.01	0.73	1.30	0.40
BofA Merrill Lynch US High Yield Master II Cons TR	0.00	1.00	100.00	0.71	0.00	0.00
Lipper High Yield Bond Universe Median	-0.66	0.98	96.76	0.59	1.39	0.40

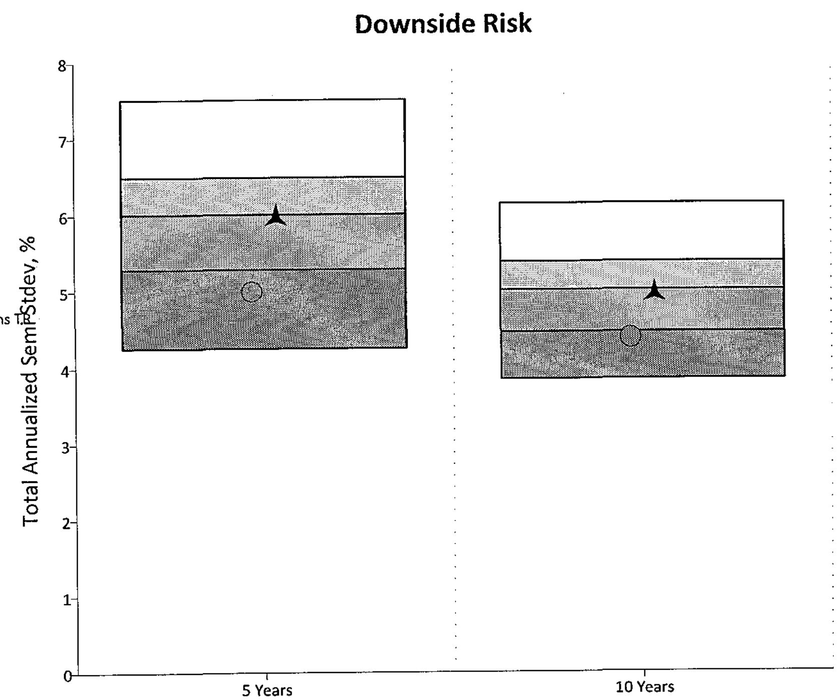
Data as of March 31, 2020 unless otherwise noted.

MARKET CAPTURE STATISTICS



PIMCO:High Yield;Inst

BofA Merrill Lynch US High Yield Master II Cons TR



	5 Years			10 Years		
	Up Mkt Capture Ratio, %	Down Mkt Capture Ratio, %	Annualized Semi Stdev to date,%	Up Mkt Capture Ratio, %	Down Mkt Capture Ratio, %	Annualized Semi Stdev to date,%
PIMCO:High Yield;Inst	89.75	84.49	5.00	93.13	91.63	4.39

Investment Statistics – Descriptions

Statistic	Description
Active Return	Arithmetic difference between the manager's return and the benchmark return over a specified period.
Excess Return	Arithmetic difference between the manager's return and the risk-free return over a specified period.
Standard Deviation	Represents the degree of variation, or dispersion, of a portfolio's return in relation to its mean return. It is a measure of volatility or investment risk.
Downside Risk	A measure of the standard deviation, or volatility, of a portfolio's negative returns in relation to the mean of the negative returns over a specified period. The higher the figure, the riskier the portfolio in negative performance environments.
Sharpe Ratio	Represents the excess return over the risk-free return divided by the standard deviation of the portfolio's return. The ratio shows how well a portfolio performs versus a risk-free investment. The higher the value, the better the portfolio's historical risk-adjusted performance.
Tracking Error	A measure of the standard deviation of a portfolio's excess return over the return of appropriate market benchmark. Tracking error measures how closely a portfolio follows or tracks the index to which it is benchmarked.
Information Ratio	A measure of a portfolio's active return over its benchmark divided by the tracking error. A higher ratio indicates a manager's ability to consistently add active return relative to a benchmark.
Beta	A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk. A beta of 1.0 implies a portfolio is perfectly correlated to the market.
Alpha	A measure of the portfolio's value added relative to a benchmark, given its level of systematic risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Consistency	Also known as batting average, the percentage of quarters that a portfolio achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the portfolio's active performance.
R-Squared	Also known as the coefficient of determination, R-Squared (R^2) represents the percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. A high R^2 means a higher correlation of the portfolio's performance to that of the appropriate benchmark.
Up Market Capture	The ratio of a portfolio's average return over the benchmark during periods of positive benchmark return. Higher values indicate better performance in positive markets compared to the benchmark.
Down Market Capture	The ratio of a portfolio's average return over the benchmark during periods of negative benchmark return. Lower values indicate better performance (and better protection of capital) in down markets compared to the benchmark.
Style Map	Using returns-based style analysis, the style map gauges the adherence of a portfolio to its style mandate. The trend of the style plots identifies style drift, or lack thereof.
Private Equity Investments	
Internal Rate of Return (IRR)	An annualized money weighted return used primarily to measure performance of private equity investments. It represents the discount rate that makes the present value of the since inception paid-in capital and distributions associated with an investment equal to zero.
Investment Multiple (TVPI)	Also known as the total value paid-in capital. Multiple is calculated by dividing the fund's cumulative distributions and net asset value by the paid-in capital. The TVPI shows an investor the fund's total value as a multiple of its cost basis since inception.
Realization Multiple (DPI)	Also known as the distributions to paid-in capital (DPI) multiple. This is calculated by dividing the cumulative distributions by paid-in capital. It represents how much of an investor's invested capital has been returned to investors. A fund has broken even when multiple is greater than 1.0.
RVPI Multiple (RVPI)	Calculated by dividing residual value, or net asset value, by paid-in capital including fees paid and other expenses incurred. It measures how much of the fund's return is unrealized and dependent on the market value of its investments.
PIC Multiple (PIC)	Calculated by dividing paid-in capital by committed capital. This ratio allows a potential investor to see the percentage of a fund's committed capital that has been drawn down to date.

Data Source Acknowledgements, Links and Disclaimers

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