



Town of Leesburg OPEB Trust

Investment Performance Review For the Quarter Ended September 30, 2022

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Financial Markets & Investment Strategy Review

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
DOMESTIC EQUITY							
S&P 500	-4.88%	-23.87%	-15.47%	8.16%	9.24%	11.40%	11.70%
Russell 3000 Index	-4.46%	-24.62%	-17.63%	7.70%	8.62%	10.90%	11.39%
Russell 1000 Value Index	-5.62%	-17.75%	-11.36%	4.36%	5.29%	8.15%	9.17%
Russell 1000 Growth Index	-3.60%	-30.66%	-22.59%	10.67%	12.16%	13.74%	13.70%
Russell Midcap Index	-3.44%	-24.27%	-19.39%	5.19%	6.48%	8.79%	10.30%
Russell 2500 Index	-2.82%	-24.01%	-21.11%	5.36%	5.45%	8.39%	9.58%
Russell 2000 Value Index	-4.61%	-21.12%	-17.69%	4.72%	2.87%	7.42%	7.94%
Russell 2000 Index	-2.19%	-25.10%	-23.50%	4.29%	3.55%	7.51%	8.55%
Russell 2000 Growth Index	0.24%	-29.28%	-29.27%	2.94%	3.60%	7.12%	8.81%
INTERNATIONAL EQUITY							
MSCI EAFE (Net)	-9.36%	-27.09%	-25.13%	-1.83%	-0.84%	2.84%	3.67%
MSCI AC World Index (Net)	-6.82%	-25.63%	-20.66%	3.75%	4.44%	7.42%	7.28%
MSCI AC World ex USA (Net)	-9.91%	-26.50%	-25.17%	-1.52%	-0.81%	3.29%	3.01%
MSCI AC World ex USA Small Cap (Net)	-8.37%	-29.37%	-28.93%	0.38%	-0.56%	3.98%	4.44%
MSCI EM (Net)	-11.57%	-27.16%	-28.11%	-2.07%	-1.81%	3.88%	1.05%
ALTERNATIVES							
FTSE NAREIT Equity REIT Index	-9.94%	-28.13%	-16.41%	-2.05%	2.93%	4.86%	6.26%
FTSE EPRA/NAREIT Developed Index	-11.39%	-29.41%	-22.09%	-5.62%	0.07%	2.40%	3.77%
Bloomberg Commodity Index Total Return	-4.11%	13.57%	11.80%	13.45%	6.96%	4.49%	-2.14%
FIXED INCOME							
Blmbg. U.S. Aggregate	-4.75%	-14.61%	-14.60%	-3.26%	-0.27%	0.54%	0.89%
Blmbg. U.S. Government/Credit	-4.56%	-15.10%	-14.95%	-3.15%	-0.05%	0.78%	1.02%
Blmbg. Intermed. U.S. Government/Credit	-3.06%	-9.63%	-10.14%	-1.64%	0.38%	0.80%	1.00%
Blmbg. U.S. Treasury: 1-3 Year	-1.55%	-4.52%	-5.07%	-0.54%	0.54%	0.55%	0.59%
Blmbg. U.S. Corp: High Yield	-0.65%	-14.74%	-14.14%	-0.45%	1.57%	4.13%	3.94%
Credit Suisse Leveraged Loan index	1.19%	-3.31%	-2.62%	2.12%	3.00%	3.67%	3.70%
ICE BofAML Global High Yield Constrained (USD)	-2.62%	-18.90%	-19.52%	-2.84%	-0.35%	2.85%	2.91%
Blmbg. Global Aggregate Ex USD	-8.85%	-23.88%	-24.77%	-7.78%	-4.03%	-1.69%	-2.39%
JPM EMBI Global Diversified	-4.57%	-23.95%	-24.28%	-7.15%	-2.62%	0.90%	1.08%
CASH EQUIVALENT							
90 Day U.S. Treasury Bill	0.46%	0.61%	0.62%	0.59%	1.15%	0.94%	0.67%

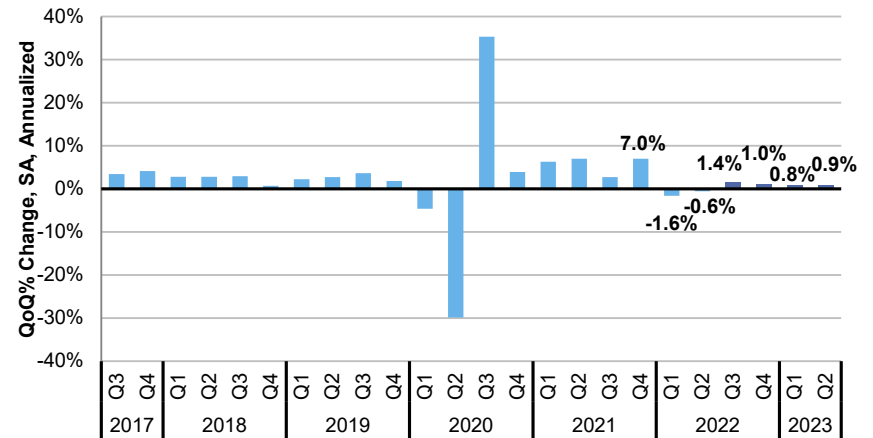
Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

THE ECONOMY

- ▶ Over the third quarter, annual inflation slowed to 8.2% in September, after hitting a high of 9.1% in June. While the overall level of inflation has come down, the core inflation rate, which excludes more volatile food and energy, advanced to a 40-year high in September, underscoring persistent, elevated inflation that’s squeezing households. The core consumer price index was up 6.6% from a year ago, the highest level since 1982. Europe also saw its struggle with record-breaking inflation continue through the quarter, ending with a 10% preliminary annual inflation rate as energy prices rose 40.8% year-over-year.
- ▶ The Federal Reserve (Fed) raised rates a total of 1.5% during the quarter, with expectations for further increases in the coming quarter. The Fed has buckled down on doing what it takes to combat inflation, painting a bleak picture for the path forward of interest rates. While market expectations for the Fed funds rate have risen to an increased likelihood of a 75 basis point (bps) rate hike at the November Federal Open Market Committee (FOMC) meeting and a 75 bps rate hike at the December meeting. The European Central Bank, the Bank of England and various other central banks also continued to raise rates during the quarter as they worked to control inflation in their domestic markets.
- ▶ U.S. labor markets remained strong during the quarter, ending with an unemployment rate of 3.5% in September after edging up slightly in August. Over the quarter, the U.S. economy added 1,115,000 jobs to non-farm payrolls, 86,000 more than the previous quarter, as employment remains approximately 500,000 higher than its pre-pandemic level. This, along with a low labor-force participation rate and aging demographic trends, continues to keep upward pressure on wages, contributing to the heightened inflation the U.S. faces.
- ▶ Due to the monetary tightening by the Fed, mortgage rates saw a dramatic rise during the quarter, cooling the hot housing market. U.S. mortgage rates advanced to a fresh 16-year high of 6.81%, extending a rapid ascent in borrowing costs that are seen as dealing a bigger blow to the housing market. As rates rose, sales declined, with August marking the seventh straight month of declines in home sales. At 4.8 million, it is the lowest reading since May 2020.

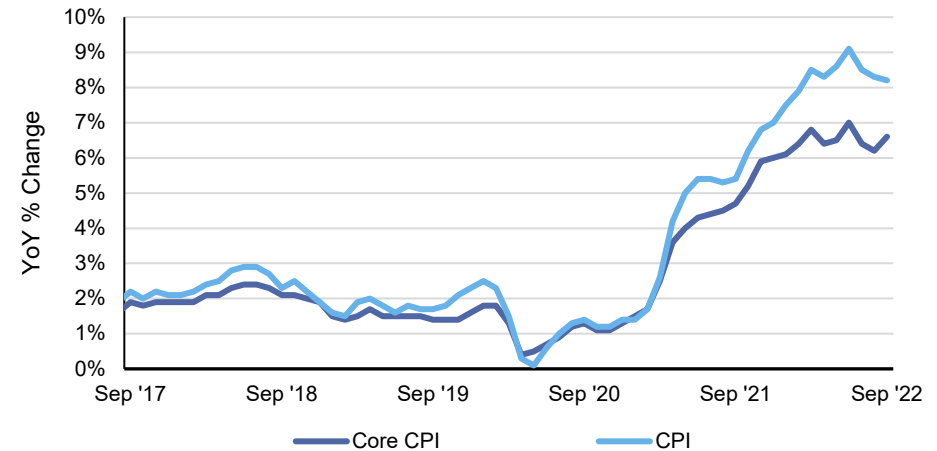
U.S. Real GDP Growth

Seasonally Adjusted (SA)



Source: Bloomberg. Light blue bars indicate actual numbers; dark blue bars indicate forecasted estimates.

U.S. Inflation Rate



Source: Bureau of Labor Statistics.

WHAT WE'RE WATCHING

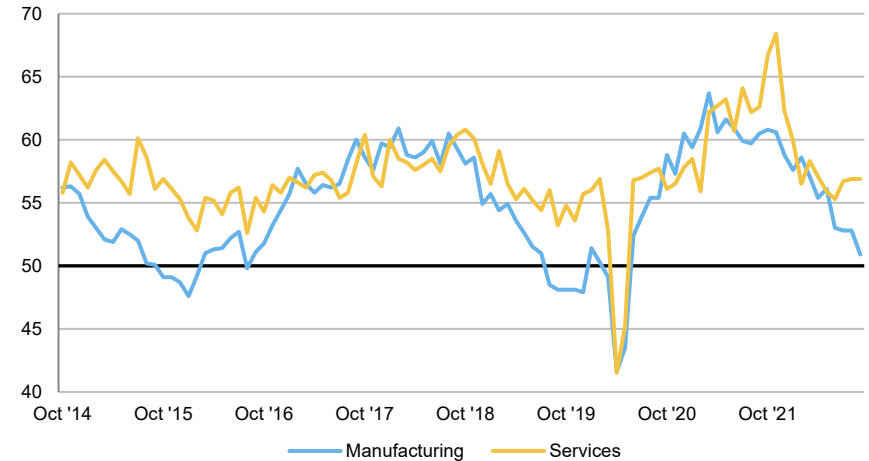
▶ While the U.S. and other major economies continue to raise rates to control inflation while balancing the risk of recession domestically, concerns grow about the possibility of a recession globally. The UN Conference on Trade and Development is calling for a reverse course on raising rates, stating that it is leading the world into a global recession and prolonged stagnation. Fed Chair Jerome Powell stated, "We are very aware of what's going on in other economies around the world, and what that means for us, and vice versa," but did not indicate any plans to reverse the policy.

▶ The IMF downwardly revised their outlook for 2023 global economic growth, predicting a greater slowdown than previously expected. The IMF revised the world GDP growth down 20 bps from its July estimate to 2.7%. The report found that more than a third of the global economy will see two consecutive quarters of negative growth. Major roadblocks to growth like the Russian invasion of Ukraine, China's economic slowdown, and the cost-of-living crisis in many countries, are not expected to resolve soon.

▶ As the Fed works to control inflation, the consumer sentiment index increased to a five-month high, rising to 58.6 and showing improvement from June's 50 reading, but still significantly below last September's 72.8. The low consumer sentiment across the income distribution has been consistent for the past six months, underscoring the shared concerns about inflation pressures. Retail sales figures also suggest there may be more gloomy outlooks despite sentiment readings, as September's consumer spending was flat as prices moved sharply higher.

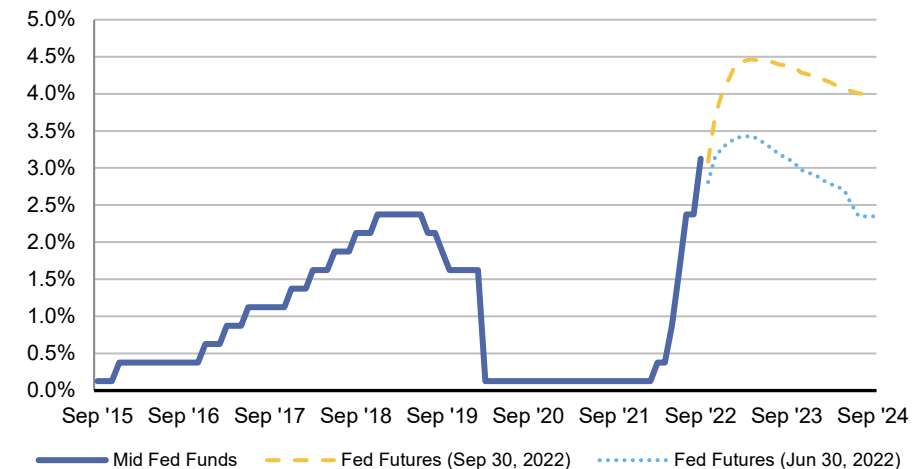
▶ The continued energy disruptions and high prices that have added fuel to the fire of inflation show no signs of slowing. The relief some consumers feel after gas fell from a record \$5.02 per gallon may be short-lived. Prices are expected to rise as the OPEC and its allies agreed to slash output by two million barrels a day, a move likely to push up already-high global energy prices and help oil-exporting Russia pay for its war in Ukraine. The U.S. Energy Information Administration also projected U.S. consumers would be paying up to 28% more to heat their homes this winter, on top of even higher increases last year where consumers felt a bigger pinch with fuels such as heating oil jumping more than 50%.

ISM Manufacturing & Services PMI



Source: Bloomberg.

Federal Funds Target Rate



Source: Bloomberg.

DOMESTIC EQUITY

- ▶ The S&P 500 Index (S&P) posted a negative return of -4.88% for the quarter as markets continued to digest hawkish sentiment from the Fed and their commitment to raise rates and bring inflation down.
- ▶ During a quarter where consumers saw the price of oil decrease and Congress passed the Inflation Reduction Act, the U.S. Consumer Confidence Index saw increases for two consecutive months in August and September, after being at its lowest level in over a year in July.
- ▶ Within S&P, nine of 11 sectors ended with negative returns for the quarter. Communication Services (-12.71%), Real Estate (-11.03%) and Materials (-7.13%) were the worst-performing sectors. The two sectors that ended positively for the quarter were Consumer Discretionary (4.36%) and Energy (2.16%). Year-to-date (YTD), Energy (34.49%) is the only positive performing sector, with Communication Services (-39.04%), Information Technology (-31.44%) and Consumer Discretionary (-29.89%) being the largest detractors.

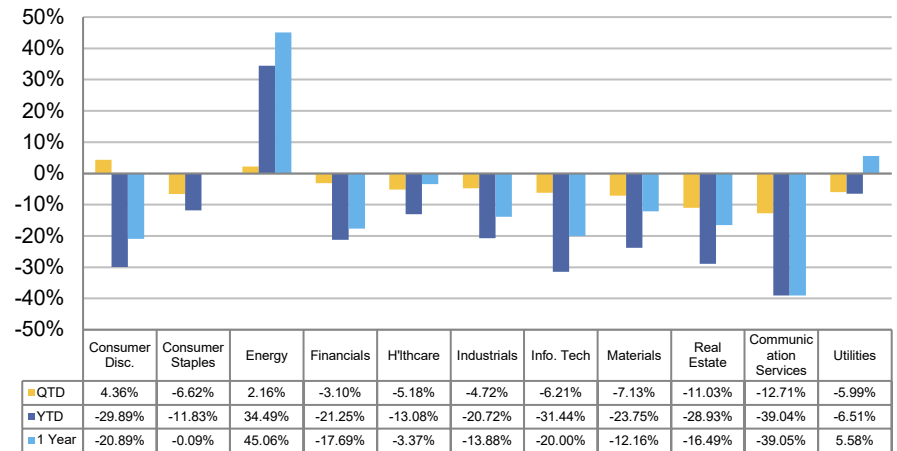
▶ Value stocks, as represented by the Russell 1000 Value Index, returned -5.62%, underperforming growth stocks, as represented by the Russell 1000 Growth Index, which returned -3.60%. Over the trailing 12 months, the value index has outperformed the growth index by 1123 bps (-11.36% vs. -22.59%).

▶ Small-caps, as represented by the S&P 600 Index, returned -5.21% during the quarter, underperforming mid- and large-caps while the Russell 2000, returned -2.19% during the quarter, outperforming mid- and large-caps. The Russell Midcap and Russell 1000 indices returned -3.44% and -4.61%, respectively.

▶ According to FactSet Earnings Insight, the expected earnings growth rate for the S&P for the quarter is 2.9%. If 2.9% is the actual growth rate for the quarter, it will mark the lowest earnings growth rate reported by the index since the third quarter of 2020 (-5.7%). Additionally, according to FactSet Earnings Insight, the Energy sector is expected to be the largest contributor to earnings growth for the S&P for the third quarter. If this sector were excluded, the index would be expected to report a decline in earnings of 3.4% rather than a growth in earnings of 2.9%.

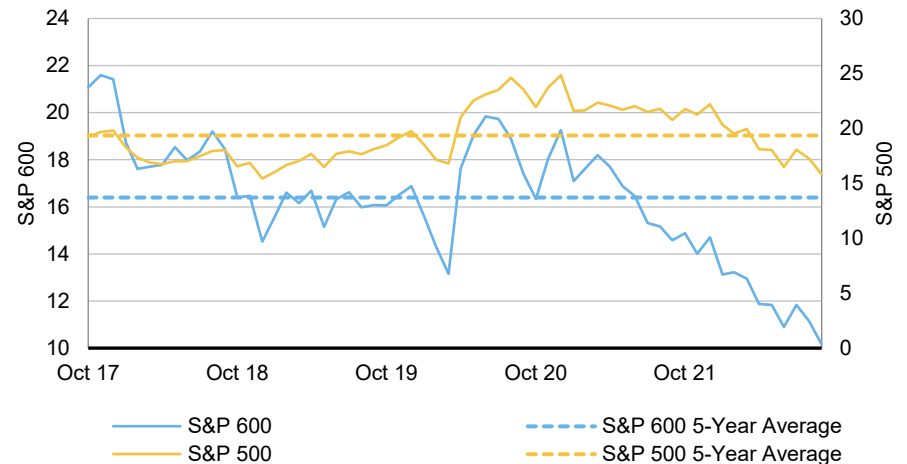
S&P 500 Index Performance by Sector

Periods Ended September 30, 2022



Source: Bloomberg.

P/E Ratios of Major Stock Indices*



Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

NON-U.S. EQUITY

► Equity markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, underperformed their U.S. counterparts, returning -9.91% for the quarter. All 11 sectors posted negative returns for the quarter. Energy was the best-performing sector returning -6.31%, followed by Consumer Staples (-6.40%) and Materials (-7.86%), while Communication Services was the worst-performing sector returning -16.47%. The strong dollar remains a headwind to international equity returns this quarter due to the negative impact of currency translation. Rising inflation and slowing growth weighed heavily on the market returns.

► Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning -11.57% versus -9.36% for the quarter.

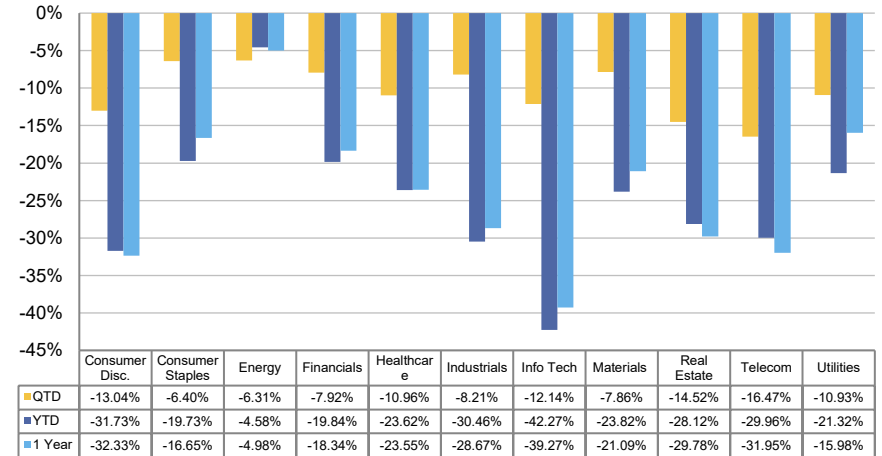
► MSCI Europe (-10.11%) underperformed the MSCI EAFE Index, as the Russian gas supply disruption exacerbated price pressures and hindered the European Central Bank’s efforts to combat inflation. MSCI Japan, on the other hand, fared better than the MSCI EAFE Index, returning -7.52%. Within EM, EM Latin America (+3.72%) was the top-performing region, benefitting from Brazil’s strong return of +8.68% as the country nears the end of its tightening cycle and demand for commodities stays elevated. EM Asia and EM Europe dragged the index down with quarterly returns of -13.87% and -12.09%, respectively.

► Value stocks underperformed growth stocks for the quarter, as represented by the broad benchmark, a reversal of the trend observed during the first half of the year. MSCI AC World ex-USA Value returned -10.44%, while MSCI AC World ex-USA Growth returned -9.37%. Within EM, value continued to outperform growth returning -10.77% versus -12.09%.

► Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, outperformed within the international equity markets, returning -8.37%.

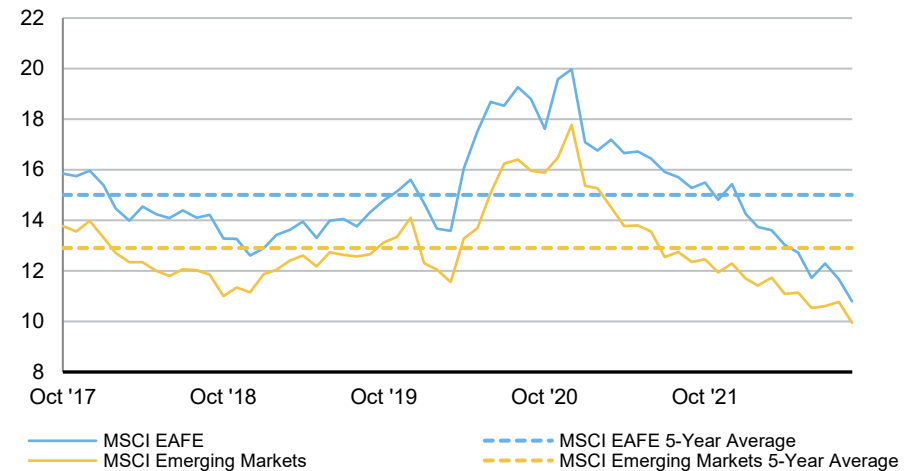
MSCI ACWI ex-U.S. Sectors

Periods Ended September 30, 2022



Source: Bloomberg.

P/E Ratios of MSCI Equity Indices*



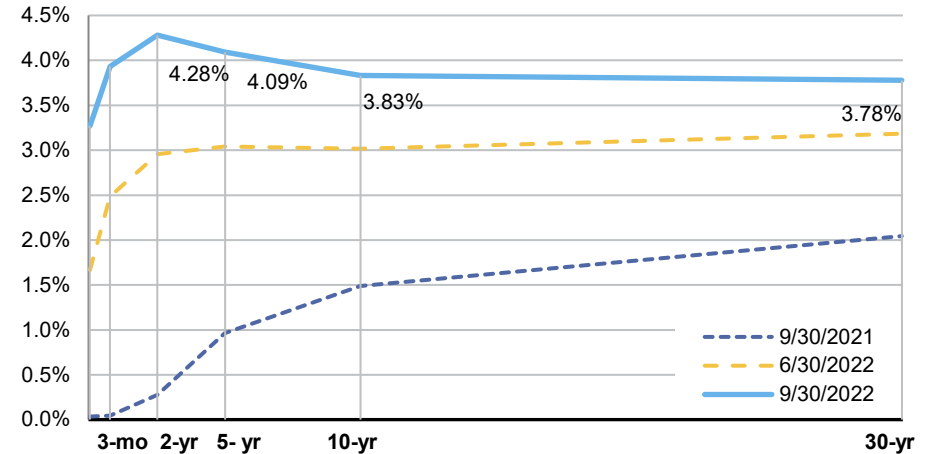
Source: Bloomberg.

*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.

FIXED INCOME

- ▶ The U.S. bond market, represented by the Bloomberg U.S. Aggregate (Aggregate) Index, continued its sharply negative streak in the third quarter, this time with a 4.75% loss. YTD the Aggregate has lost 14.61% through September.
- ▶ The treasury market sold off again as the Fed took another hawkish tone at the Jackson Hole summit. The front end of the curve continued to rise on Fed hikes. The back end also rose, especially in late September. Yields on the 2- and 5-year treasuries rose over 100 bps each. Further out the curve, the 10-year briefly touched a 4.00% mark before falling back to 3.83%. Meanwhile, the 30-year increased, settling with a 3.79% yield, with an inverted slope versus the 2- and 10-year tenors. The Bloomberg U.S. Treasury Index lost 4.35% in total return for the quarter.
- ▶ Corporate credit was mixed as the investment-grade (IG) Bloomberg U.S. Corporate Index lost 5.06%, while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, had a much more mild loss at just -0.65% as credit spreads tightened in the BB and B-rated quality. Floating rate leverage loans gained 1.19% as measured by the Credit Suisse Leveraged Loan Index.
- ▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, had another weak quarter, down 5.35%. On the commercial side, the Bloomberg U.S. Agency CMBS Index fell 4.64%.
- ▶ EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified Index, lost 4.57% as inflation and COVID-19 continue to disturb markets. During the quarter, Asian markets sold off the most, down 5.98%, while Africa and Middle East sub-indices performed best.

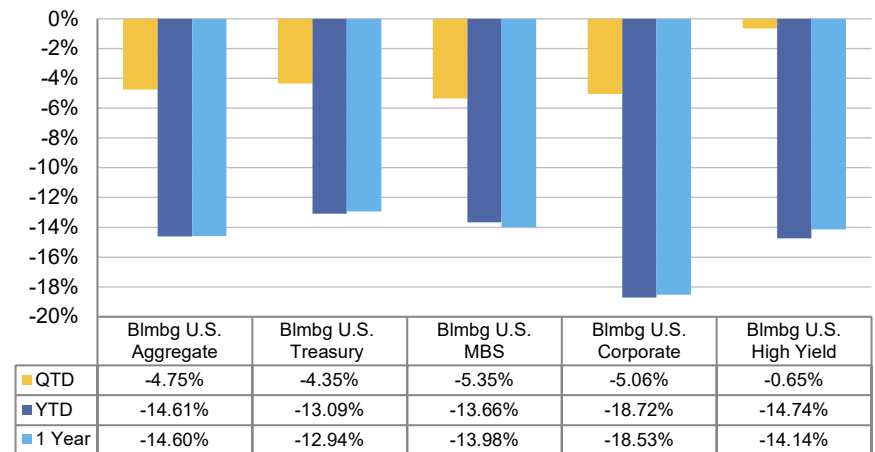
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended September 30, 2022



Source: Bloomberg. "Blmbg BC" is Bloomberg Barclays.

ALTERNATIVES

▶ REITs, as measured by the FTSE NAREIT Equity REITs Index, returned -9.94% in the third quarter of 2022, compared to -17.00% in the prior quarter. All major sectors posted negative returns during the third quarter. The poor returns resulted from increasing odds of recession and rapidly rising interest rates. The best performers were the Self-Storage and Lodging/Resorts sectors, which posted returns of -1.71% and -4.09%, respectively. The Data Centers sector returned -16.77% and was the worst performer during the quarter.

▶ Private real estate, as measured by the NCREIF Property Index, gained 3.23% in the second quarter of 2022, resulting in a 21.50% return over the twelve-month period ended June 2022. Industrial properties continued to be the top-performing sector, with a total return of 5.86% in the second quarter, comprised of 0.78% in income return and 5.08% in appreciation return. Office properties were the worst performers, although the sector still posted a positive total return of 0.58%, comprised of 1.08% in income return and -0.50% in appreciation return.

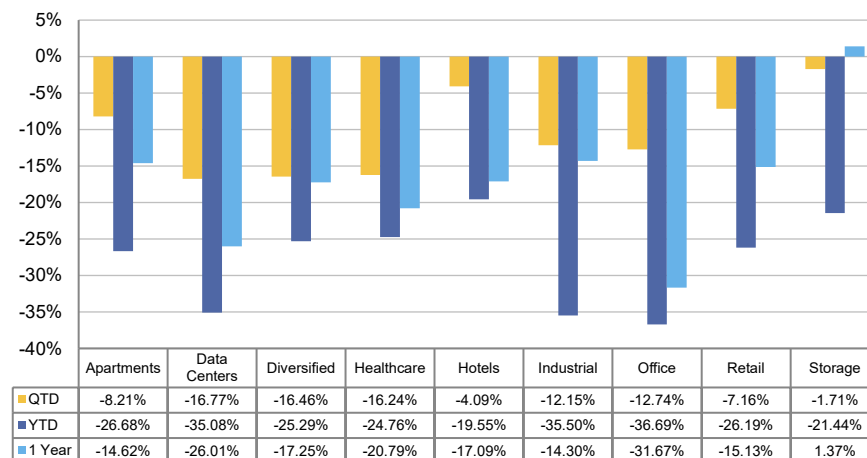
▶ Hedge fund returns were mixed in the third quarter of 2022, with the HFRI Fund Weighted Composite Index returning -0.58%. During the same period, the HFRI Macro (Total) Index, which benefited from recent market volatility, gained 2.21%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned -2.34% and 0.73%, respectively.

▶ In the second quarter of 2022, private capital fundraising was led by private equity funds, which closed on \$137.25 billion, followed by \$54.62 billion raised by private debt funds, \$47.96 billion raised by real assets funds, and \$29.35 billion raised by private real estate funds. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.24 trillion as of June 2022. According to Cambridge Associates, U.S. private equity generated a return of 22.65% for the 5 years ended Q1 2022. According to Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, generated a return of 8.32% for the 5 years ended Q2 2022.

▶ Commodity futures, represented by the Bloomberg Commodity Total Return Index, fell 4.11% in the third quarter of 2022. The U.S. Dollar Index (DXY) gained 7.10% over the same period and reached multi-year highs. Gold spot price finished the quarter at \$1,660.61 per ounce, an 8.12% decline over that period. The West Texas Intermediate (WTI) Crude Oil spot price fell 24.84% from \$105.76 to \$79.49 per barrel during the third quarter as fears of a global economic downturn outweighed supply concerns.

FTSE NAREIT Sectors

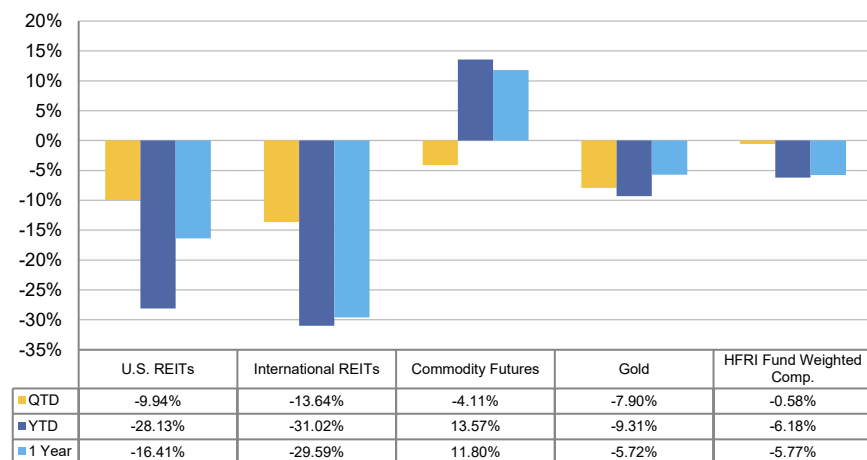
Periods Ended September 30, 2022



Source: Bloomberg.

Returns for Alternative Assets

Periods Ended September 30, 2022



Sources: Bloomberg and Hedge Fund Research, Inc.










Investment Strategy Overview

Asset Class	Our Q4 2022 Investment Outlook	Comments
U.S. Equities		<ul style="list-style-type: none"> • Uncertainty around Fed’s rate hike cycle has led to higher uncertainty in the equity markets. Given the recent sell-off, domestic equities could be closer to the bottom of this cycle. • Slowing economic growth and tightening financial conditions is impacting earnings growth expectations. We are closely watching earnings expectations for sustained deterioration. • Valuations for small- and mid-caps look relatively attractive supported by earnings growth and domestically oriented revenue exposure.
Large-Caps		
Mid-Caps		
Small-Caps		
Non-U.S. Equities		<ul style="list-style-type: none"> • International equities continue to trade at a discount to U.S. equities, but concerns over the outlook for European economies amidst higher inflation and energy disruption points to a possible recession in the region. • China’s focus on zero COVID policy at a time of slowing growth continues to weigh on the equity market returns. Other EM economies are being negatively impacted by a stronger dollar and/or higher food/energy inflation. • International small caps provide exposure to local revenue streams and have been shown to add alpha over core benchmark over long-term. In the near-term, higher exposure to negative earnings is a headwind.
Developed Markets		
Emerging Markets		
International Small-Caps		
Fixed Income		<ul style="list-style-type: none"> • High inflation and slowing economic growth weigh on the Fed rate hike path, leading to higher uncertainty for interest rates in the U.S. • Corporate spreads have widened over the course of this year, but credit markets remain attractive relative to interest rate sensitive fixed income due to strong corporate fundamentals. • We continue to seek diversified credit exposure and are closely watching signs for any distress in the corporate credit space.
Long-Duration, Interest Rate-Sensitive Sectors		
Credit-Sensitive Sectors		
Alternatives		<ul style="list-style-type: none"> • Reasonable valuations and income potential that acts as inflation-hedge are positives for real estate but economic slowdown is a negative. • Private equity and debt strategies can complement multi-asset class portfolios by providing access to attractive opportunities during periods of disruption but will be impacted by rising rates and any distress in credit markets. • While prices have recently pulled back in reaction to slowing demand, some commodity exposure helps to hedge unexpected inflation
Real Estate		
Private Equity		
Private Debt		
Commodities		

● Current outlook ○ Outlook one quarter ago



Factors to Consider Over the Next 6-12 Months

<p>Monetary Policy:</p>  <ul style="list-style-type: none"> • The Fed has stated its intention to focus on bringing down inflation at the cost of economic growth. • Uncertainty around the rate hike path is weighing on risk assets. • Globally, inflation continues to drive most central banks towards hiking rates. 	<p>Economic Growth:</p>  <ul style="list-style-type: none"> • Risk of recession in the next 12-18 months is rising as hawkish monetary policy impacts economic activity. • Relative stable consumer and strong corporate balance sheets along with tight labor markets could lead to a shallow recession. 	<p>Inflation:</p>  <ul style="list-style-type: none"> • Recent inflation figures surprised to the upside while underlying components have shown easing, leading us to believe that inflation will moderate over the next few months. • Overly aggressive monetary policy is driven by inflation remains a risk to the economy and asset prices.
<p>COVID-19 Containment:</p>  <ul style="list-style-type: none"> • Pockets of vulnerability remain as new strains spread but we believe we are transitioning from pandemic to endemic. • China's COVID zero policy has been a drag on already slowing Chinese economy. 	<p>Consumer Spending (U.S.):</p>  <ul style="list-style-type: none"> • Consumer sentiment recently recovered from an all-time low. • Consumer balance sheets are deteriorating with falling saving rates leading to a greater impact on spending if high inflation were to sustain. 	<p>Labor Markets:</p>  <ul style="list-style-type: none"> • Labor markets remain relatively strong but softening as evidenced by slower wage growth. • Labor force participation rate is expected to go up as higher inflation weighs on consumers' real disposable income.
<p>Corporate Fundamentals:</p>  <ul style="list-style-type: none"> • Earnings growth expectations have slowed. Impact of rising input costs, stronger dollar and higher inflation has led to slightly lower profit margins but overall profit margin levels are still high. 	<p>Valuations:</p>  <ul style="list-style-type: none"> • Equities look attractive across the board after the recent sell-off, but elevated downside risks lead to a cautious approach. • Credit markets look attractive after recent spread widening, but pockets of vulnerabilities will appear as financial conditions tighten. 	<p>Political Risks:</p>  <ul style="list-style-type: none"> • Political risks remain elevated with the ongoing war in Ukraine. In the near-term, the threat of continued war with some spillover effects is negative to risk assets. • Tensions between the U.S. and China are rising again.



Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (9/30/2022) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness, or suitability.

Plan Performance Summary

Asset Allocation & Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Total Fund - OPEB Trust	14,255,724	100.00	-5.28	-22.28	-18.79	-2.39	2.33	3.73	4.83	08/01/2016
<i>Blended Benchmark</i>			-5.67	-21.00	-17.84	-2.19	1.68	3.37	4.58	08/01/2016
Domestic Equity	5,383,859	37.77	-4.49	-24.73	-17.43	4.20	8.53	8.93	10.20	09/01/2016
<i>Russell 3000 Index</i>			-4.46	-24.62	-17.63	4.23	7.70	8.62	10.12	09/01/2016
Vanguard Total Stock Market ETF	3,682,724	25.83	-4.44	-24.87	-18.00	4.07	7.58	8.55	15.83	04/01/2020
<i>Russell 3000 Index</i>			-4.46	-24.62	-17.63	4.23	7.70	8.62	15.95	04/01/2020
Invesco S&P 500 Equal Weight ETF	498,556	3.50	-4.83	-20.78	-13.69	10.14	7.51	7.84	-16.44	03/01/2022
<i>S&P 500 Equal Weighted</i>			-4.79	-20.68	-13.53	10.36	7.68	8.02	-16.36	03/01/2022
Jensen Quality Growth Fund	495,755	3.48	-5.28	-23.33	-11.79	5.53	8.67	11.10	8.71	04/01/2019
<i>S&P 500</i>			-4.88	-23.87	-15.47	4.83	8.16	9.24	8.77	04/01/2019
iShares Core S&P Mid-Cap ETF	352,570	2.47	-2.46	-21.53	-15.27	10.30	5.96	5.76	-15.27	10/01/2021
<i>S&P MidCap 400</i>			-2.46	-21.52	-15.25	10.35	6.01	5.82	-15.25	10/01/2021
iShares Core S&P Small-Cap ETF	354,253	2.48	-5.24	-23.22	-18.93	13.00	5.40	4.80	-17.20	02/01/2022
<i>S&P SmallCap 600</i>			-5.20	-23.16	-18.83	13.12	5.48	4.84	-17.14	02/01/2022
International Equity	2,729,976	19.15	-11.14	-33.46	-31.47	-8.83	-1.76	-0.66	2.45	09/01/2016
<i>MSCI AC World ex USA (Net)</i>			-9.91	-26.50	-25.17	-3.70	-1.52	-0.81	2.51	09/01/2016
Vanguard Total International Stock ETF	1,091,203	7.65	-10.51	-26.76	-25.20	-3.52	-1.13	-0.67	6.50	04/01/2020
<i>MSCI AC World ex USA (Net)</i>			-9.91	-26.50	-25.17	-3.70	-1.52	-0.81	5.53	04/01/2020
J. O. Hambro International Select	425,028	2.98	-13.38	-41.00	-37.27	-14.61	-3.49	-1.03	1.30	08/01/2016
<i>MSCI AC World ex USA (Net)</i>			-9.91	-26.50	-25.17	-3.70	-1.52	-0.81	2.58	08/01/2016
Harding Loevner International Equity	426,686	2.99	-8.29	-30.46	-27.28	-6.39	-0.02	0.45	-2.16	07/01/2020
<i>MSCI AC World ex USA (Net)</i>			-9.91	-26.50	-25.17	-3.70	-1.52	-0.81	-0.66	07/01/2020
Vanguard FTSE Developed Markets ETF	545,000	3.82	-10.47	-27.72	-25.55	-2.92	-1.25	-0.62	-22.81	03/01/2022
<i>MSCI EAFE (net)</i>			-9.36	-27.09	-25.13	-2.98	-1.83	-0.84	-22.01	03/01/2022
Hartford Schroders Emerging Markets Equity	242,059	1.70	-12.17	-29.63	-31.71	-9.97	-2.82	-1.87	-4.08	03/01/2018
<i>MSCI EM (net)</i>			-11.57	-27.16	-28.11	-7.82	-2.07	-1.81	-4.18	03/01/2018

Returns are net of mutual fund fees. Returns are expressed as percentages.

Asset class level returns may vary from individual underlying manager returns due to cash flows.

Asset Allocation & Performance

	Allocation		Performance(%)							
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Fixed Income	5,218,860	36.61	-4.61	-15.27	-15.33	-7.90	-3.38	-0.29	-0.05	09/01/2016
<i>Blmbg. U.S. Aggregate</i>			-4.75	-14.61	-14.60	-8.00	-3.26	-0.27	-0.22	09/01/2016
Baird Core Plus	1,204,149	8.45	-4.45	-15.00	-15.11	-7.62	-2.73	0.17	0.41	08/01/2016
<i>Blmbg. U.S. Aggregate</i>			-4.75	-14.61	-14.60	-8.00	-3.26	-0.27	-0.24	08/01/2016
PGIM Total Return Bond	731,540	5.13	-4.59	-16.78	-16.53	-8.23	-3.72	-0.14	-0.21	09/01/2017
<i>Blmbg. U.S. Aggregate</i>			-4.75	-14.61	-14.60	-8.00	-3.26	-0.27	-0.36	09/01/2017
Voya Intermediate Bond	1,153,204	8.09	-4.47	-15.56	-15.63	-7.73	-3.20	-0.03	-3.57	01/01/2020
<i>Blmbg. U.S. Aggregate</i>			-4.75	-14.61	-14.60	-8.00	-3.26	-0.27	-3.61	01/01/2020
iShares Core US Aggregate Bond ETF	1,924,295	13.50	-4.73	-14.50	-14.58	-8.01	-3.29	-0.31	-5.14	04/01/2020
<i>Blmbg. U.S. Aggregate</i>			-4.75	-14.61	-14.60	-8.00	-3.26	-0.27	-5.15	04/01/2020
iShares Intermediate-Term Corporate Bond ETF	205,673	1.44	-4.76	-17.01	-17.50	-8.57	-3.23	0.37	-3.23	10/01/2019
<i>ICE BofAML U.S. Corporate 5-10 Year Index</i>			-4.98	-17.28	-17.63	-8.56	-3.16	0.26	-3.16	10/01/2019
Other Income	289,210	2.03	-2.41	-17.15	-14.54	N/A	N/A	N/A	-14.54	10/01/2021
iShares Preferred and Income Securities ETF	289,210	2.03	-1.96	-16.75	-14.55	-2.09	-0.64	1.15	-14.55	10/01/2021
<i>ICE Exchange-Listed Preferred & Hybrid Securities</i>			-1.95	-16.55	-14.27	-1.70	-0.15	N/A	-14.27	10/01/2021
Cash Equivalent	633,819	4.45	0.47	0.62	0.63	0.33	0.48	1.01	0.93	09/01/2016
First American Gov't Obligation - Z	633,819	4.45	0.47	0.62	0.62	0.32	0.47	1.00	0.91	08/01/2016

Returns are net of mutual fund fees. Returns are expressed as percentages.
Asset class level returns may vary from individual underlying manager returns due to cash flows.

Comparative Performance

	2021	2020	2019	2018	2017
Total Fund - OPEB Trust	11.49	16.94	20.40	-5.22	15.64
<i>Blended Benchmark</i>	10.58	14.14	20.02	-4.86	15.01
Domestic Equity	25.73	24.25	29.78	-5.48	20.69
<i>Russell 3000 Index</i>	25.66	20.89	31.02	-5.24	21.13
Vanguard Total Stock Market ETF	25.72	20.95	30.80	-5.13	21.16
<i>Russell 3000 Index</i>	25.66	20.89	31.02	-5.24	21.13
Invesco S&P 500 Equal Weight ETF	29.35	12.74	28.94	-7.77	18.53
<i>S&P 500 Equal Weighted</i>	29.63	12.83	29.24	-7.64	18.90
Jensen Quality Growth Fund	30.33	18.62	29.34	2.44	23.56
<i>S&P 500</i>	28.71	18.40	31.49	-4.38	21.83
iShares Core S&P Mid-Cap ETF	24.68	13.61	26.14	-11.14	16.19
<i>S&P MidCap 400</i>	24.76	13.66	26.20	-11.08	16.24
iShares Core S&P Small-Cap ETF	26.69	11.24	22.79	-8.43	13.20
<i>S&P SmallCap 600</i>	26.82	11.29	22.78	-8.48	13.23
International Equity	7.23	22.21	21.25	-12.73	27.52
<i>MSCI AC World ex USA (Net)</i>	7.82	10.65	21.51	-14.20	27.19
Vanguard Total International Stock ETF	8.69	11.32	21.58	-14.42	27.52
J. O. Hambro International Select	9.21	29.71	19.04	-8.27	22.89
Harding Loevner International Equity	8.51	20.33	25.23	-13.96	29.90
<i>MSCI AC World ex USA (Net)</i>	7.82	10.65	21.51	-14.20	27.19
Vanguard FTSE Developed Markets ETF	11.49	10.29	22.08	-14.47	26.44
<i>MSCI EAFE (net)</i>	11.26	7.82	22.01	-13.79	25.03
Hartford Schroders Emerging Markets Equity	-5.10	23.57	22.11	-15.56	40.87
<i>MSCI EM (net)</i>	-2.54	18.31	18.42	-14.57	37.28
Fixed Income	-1.32	7.33	9.84	-0.47	4.33
<i>Blmbg. U.S. Aggregate</i>	-1.55	7.51	8.72	0.01	3.54
Baird Core Plus	-1.02	8.80	10.11	-0.51	4.65
PGIM Total Return Bond	-1.15	8.10	11.14	-0.63	6.71
Voya Intermediate Bond	-0.99	8.22	10.06	-0.25	4.84
iShares Core US Aggregate Bond ETF	-1.67	7.42	8.68	-0.05	3.53
<i>Blmbg. U.S. Aggregate</i>	-1.55	7.51	8.72	0.01	3.54
iShares Intermediate-Term Corporate Bond ETF	-1.65	9.62	14.37	-0.52	3.50
<i>ICE BofAML U.S. Corporate 5-10 Year Index</i>	-1.41	9.95	14.31	-1.67	5.90

Returns are net of mutual fund fees. Returns are expressed as percentages.
Asset class level returns may vary from individual underlying manager returns due to cash flows.

Comparative Performance

	2021	2020	2019	2018	2017
Other Income	N/A	N/A	N/A	N/A	N/A
iShares Preferred and Income Securities ETF	7.09	7.94	15.62	-4.77	8.33
<i>ICE Exchange-Listed Preferred & Hybrid Securities</i>	<i>7.75</i>	<i>8.58</i>	<i>18.45</i>	<i>N/A</i>	<i>N/A</i>
Cash Equivalent	0.02	0.39	2.07	1.70	0.76
First American Gov't Obligation - Z	0.02	0.37	2.08	1.70	0.75

Returns are net of mutual fund fees. Returns are expressed as percentages.
 Asset class level returns may vary from individual underlying manager returns due to cash flows.

Account Reconciliation

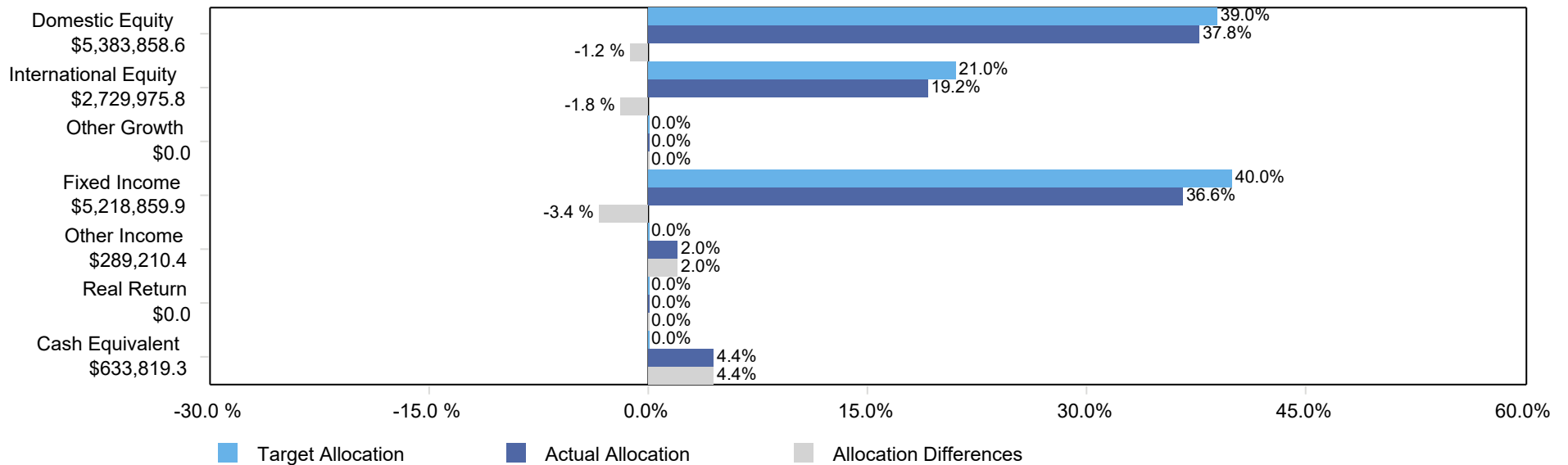
QTR				
	Market Value As of 07/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund - OPEB Trust	15,064,069	(13,274)	(795,071)	14,255,724

YTD				
	Market Value As of 01/01/2022	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund - OPEB Trust	18,133,633	173,739	(4,051,648)	14,255,724

1 Year				
	Market Value As of 10/01/2021	Net Flows	Return On Investment	Market Value As of 09/30/2022
Total Fund - OPEB Trust	17,374,643	154,216	(3,273,135)	14,255,724

Asset Allocation Compliance - Total Fund - OPEB Trust

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
Total Fund - OPEB Trust	100.0	100.0	N/A	N/A	0.0
Domestic Equity	37.8	39.0	19.0	59.0	-1.2
International Equity	19.2	21.0	1.0	41.0	-1.8
Other Growth	0.0	0.0	0.0	20.0	0.0
Fixed Income	36.6	40.0	20.0	60.0	-3.4
Other Income	2.0	0.0	0.0	20.0	2.0
Real Return	0.0	0.0	0.0	20.0	0.0
Cash Equivalent	4.4	0.0	0.0	20.0	4.4



Historical Hybrid Composition - Blended Benchmark

Allocation Mandate	Weight (%)
Aug-2016	
Russell 3000 Index	39.0
MSCI AC World ex USA (Net)	21.0
Blmbg. U.S. Aggregate	40.0

Investment Manager Review

● Vanguard Total Stock Market Index

- **Management:** Gerard C. O'Reilly has managed the Fund since its inception in 1994. Walter Nejman has been co-portfolio manager for the fund since 2016. They have been in the investment management industry since 1992 and 2008, respectively.
- **Objective:** The Fund seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.
- **Strategy:** The Fund employs a “passive management” – or indexing – investment approach designed to track the performance and characteristics of the CRSP US Total Market Index. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

● Invesco S&P 500 Equal Weight ETF (RSP)

- **Management:** Peter Hubbard (since 2018), Michael Jeanette (since 2018), Pratik Doshi (since 2020), and Tony Seisser (since 2018) are jointly and primarily responsible for the day-to-day management of the fund.
- **Objective:** The Fund seeks to replicate the performance of the S&P 500 Equal Weight Index.
- **Strategy:** The Fund uses an “indexing” investment approach designed to track the investment results of the S&P 500 Equal Weight Index. The Adviser seeks correlation over time of 0.95 or better between the fund's performance and the index performance. The fund employs a full replication methodology by investing at least 90% of its total assets in securities that comprise the S&P 500 Equal Weight Index.

● Jensen Quality Growth Fund

- **Management:** The fund is managed by an investment committee comprised of Eric Shoenstein, Rob McIver, Allen Bond, Kurt Havnaer, Kevin Walkush, and Adam Calamar. All members of the investment committee have been working together for over 10 years.
- **Objective:** The Fund seeks outperformance relative to the S&P 500 through a concentrated, fundamental, bottom-up portfolio.
- **Strategy:** The team invests in companies that have strong competitive advantages, high quality balance sheets, and are trading at a discount to the team's assessment of fair value. The key characteristic within the strategy is the initial screen. The team screens for companies that are able to generate ROE of greater than 15% for each of the last 10 years.

● iShares Core S&P Mid Cap ETF (IJH)

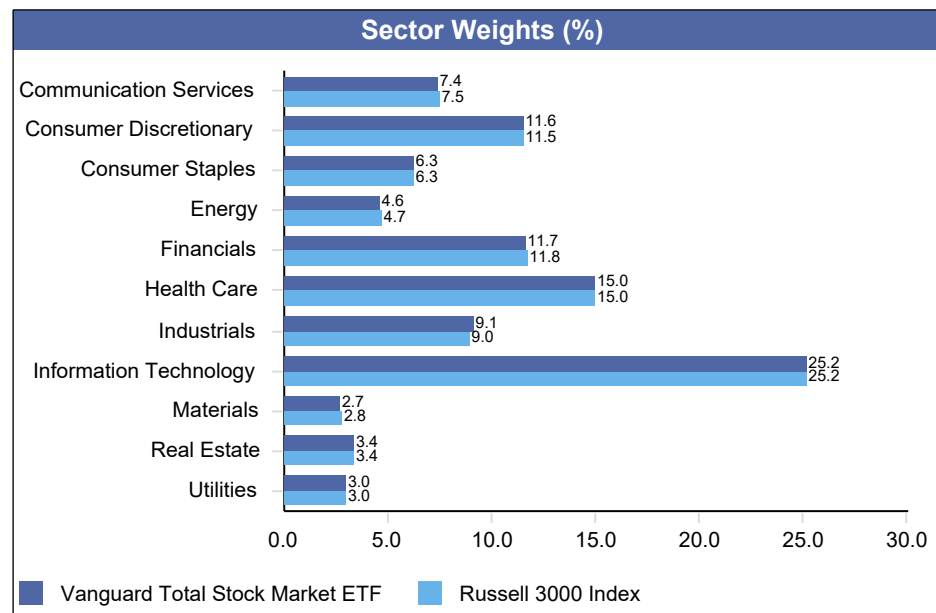
- **Management:** BlackRock Fund Advisors: Amy Whitelaw (since 2018), Jennifer Hsui (since 2012), Paul Whitehead (since 2022) and Greg Savage (since 2008).
- **Objective:** The Fund seeks to replicate the performance of S&P MidCap 400 Index.
- **Strategy:** The Fund employs a “passive management” – or indexing – investment approach designed to track the performance and characteristics of the S&P MidCap 400 Index. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield.

● iShares Core Small Cap ETF (IJR)

- **Management:** BlackRock Fund Advisors: Amy Whitelaw (since 2018), Jennifer Hsui (since 2012), Paul Whitehead (since 2022) and Greg Savage (since 2008).
- **Objective:** The Fund seeks to replicate the performance of S&P SmallCap 600 Index.
- **Strategy:** The Fund employs a “passive management” – or indexing – investment approach designed to track the performance and characteristics of the S&P SmallCap 600 Index. These key characteristics include industry weightings and market capitalization, as well as certain financial measures, such as price/earnings ratio and dividend yield. S&P SmallCap 600 Index is a float adjusted market cap weighted index consisting of US smaller capitalization companies.

Vanguard Total Stock Market ETF vs. Russell 3000 Index

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	395,273	395,275
Median Mkt. Cap (\$M)	843	1,825
Price/Earnings ratio	17.26	17.19
Price/Book ratio	3.55	3.54
5 Yr. EPS Growth Rate (%)	18.19	18.27
Current Yield (%)	1.78	1.79
Number of Stocks	4,033	2,986

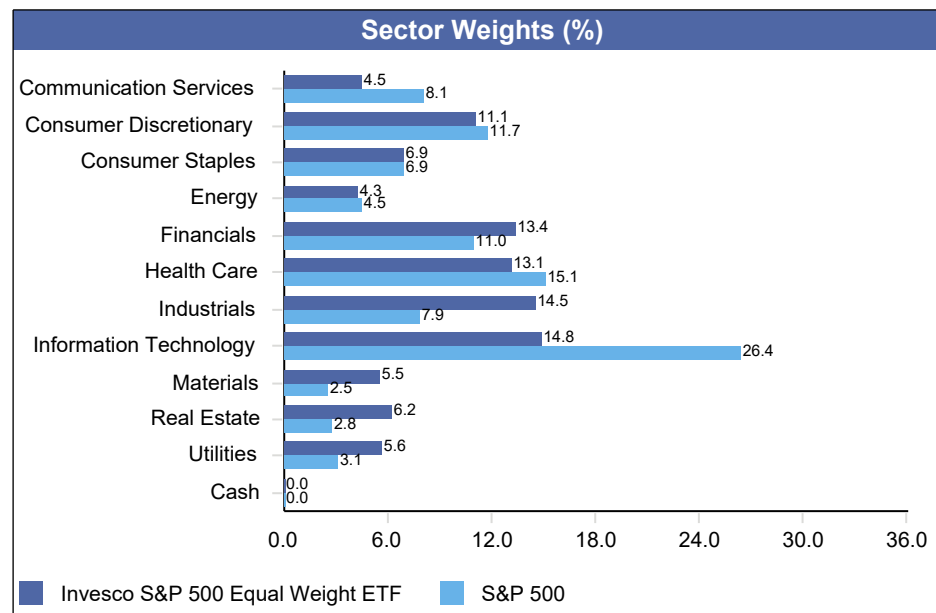


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	5.95	5.93	0.02	1.22
Microsoft Corp	4.90	4.89	0.01	-9.12
Amazon.com Inc	2.76	2.82	-0.06	6.39
Tesla Inc	1.99	1.89	0.10	18.17
Alphabet Inc	1.62	1.61	0.01	-12.22
Alphabet Inc	1.42	1.46	-0.04	-12.09
Unitedhealth Group Inc	1.33	1.33	0.00	-1.36
Berkshire Hathaway Inc	1.27	1.35	-0.08	-2.20
Johnson & Johnson	1.21	1.21	0.00	-7.35
Exxon Mobil Corp	1.03	1.02	0.01	2.91
% of Portfolio	23.48	23.51	-0.03	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Rhythm Pharmaceuticals Inc	0.00	0.00	0.00	490.36
Akero Therapeutics Inc	0.00	0.00	0.00	260.32
Vigil Neuroscience Inc	0.00	0.00	0.00	252.71
Astria Therapeutics Inc	0.00	0.00	0.00	201.33
Forma Therapeutics Holdings Inc	0.00	0.00	0.00	189.55
Velo3D Inc	0.00	0.00	0.00	185.51
Ventyx Biosciences Inc	0.00	0.00	0.00	185.45
Minerva Neurosciences Inc	0.00	0.00	0.00	178.85
Bioatla Inc	0.00	0.00	0.00	170.17
SPERO THERAPEUTICS INC	0.00	0.00	0.00	169.90
% of Portfolio	0.00	0.00	0.00	

Invesco S&P 500 Equal Weight ETF vs. S&P 500

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	64,629	463,992
Median Mkt. Cap (\$M)	27,066	27,066
Price/Earnings ratio	14.99	18.15
Price/Book ratio	2.84	3.76
5 Yr. EPS Growth Rate (%)	15.06	18.17
Current Yield (%)	2.15	1.85
Number of Stocks	504	503

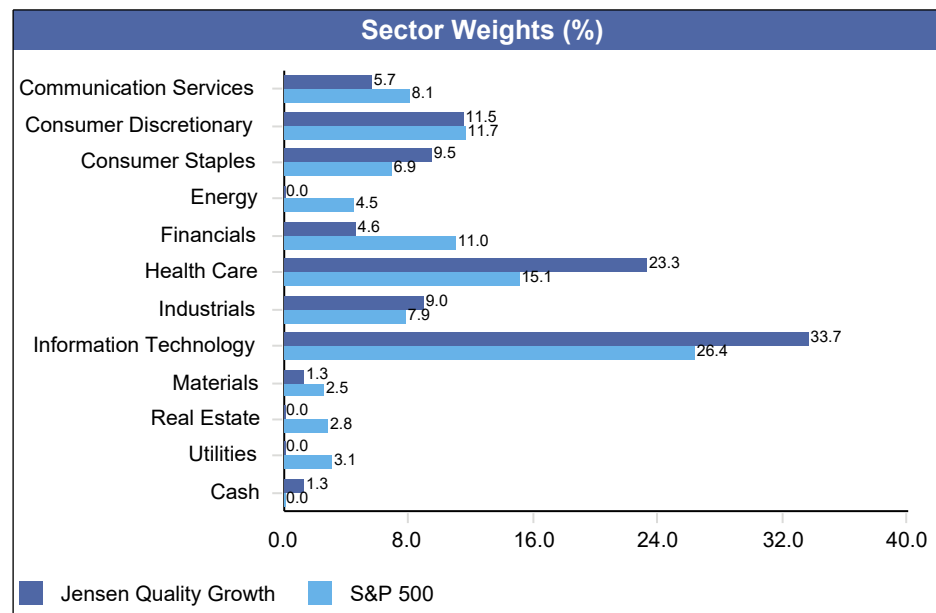


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Biogen Inc	0.29	0.13	0.16	30.92
Twitter Inc	0.24	0.10	0.14	17.25
Eli Lilly and Co	0.23	0.85	-0.62	0.05
Humana Inc.	0.23	0.20	0.03	3.82
Bristol-Myers Squibb Co	0.23	0.50	-0.27	-7.68
General Mills Inc.	0.23	0.15	0.08	2.26
Netflix Inc	0.23	0.35	-0.12	34.64
Wynn Resorts Ltd	0.23	0.02	0.21	10.62
Nielsen Holdings plc	0.23	0.03	0.20	19.64
Marathon Petroleum Corp	0.23	0.16	0.07	21.55
% of Portfolio	2.37	2.49	-0.12	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Constellation Energy Corp	0.22	0.09	0.13	45.54
Enphase Energy Inc	0.21	0.12	0.09	42.12
Etsy Inc	0.21	0.04	0.17	36.77
Netflix Inc	0.23	0.35	-0.12	34.64
Biogen Inc	0.29	0.13	0.16	30.92
Cardinal Health Inc	0.22	0.06	0.16	28.52
Albemarle Corp	0.20	0.10	0.10	26.71
ON Semiconductor Corp	0.20	0.09	0.11	23.89
PayPal Holdings Inc	0.21	0.33	-0.12	23.24
EPAM Systems Inc	0.19	0.07	0.12	22.87
% of Portfolio	2.18	1.38	0.80	

Jensen Quality Growth vs. S&P 500

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	422,084	463,992
Median Mkt. Cap (\$M)	100,857	27,066
Price/Earnings ratio	22.65	18.15
Price/Book ratio	6.91	3.76
5 Yr. EPS Growth Rate (%)	15.06	18.17
Current Yield (%)	1.80	1.85
Number of Stocks	31	503

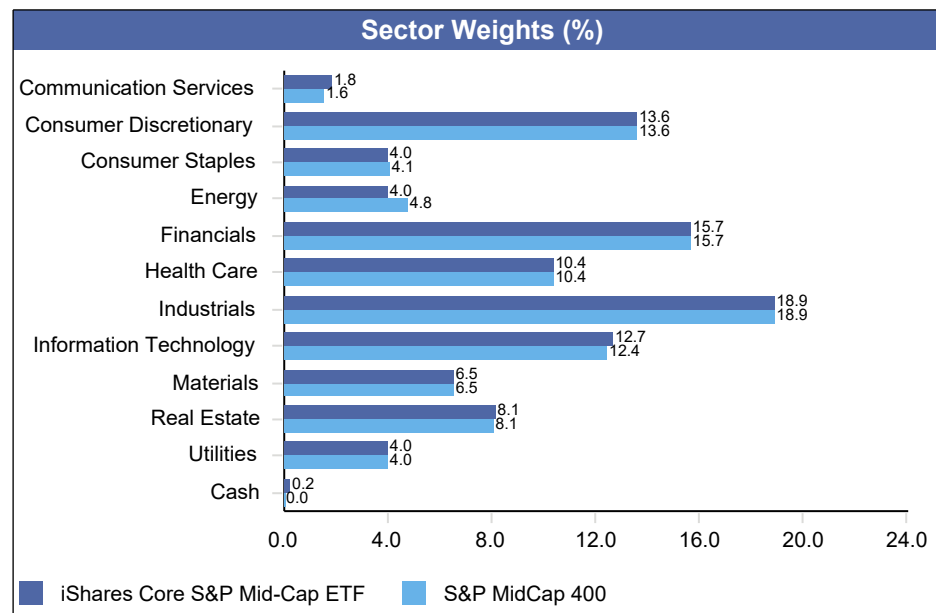


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
PepsiCo Inc	6.86	0.75	6.11	-1.39
Microsoft Corp	6.00	5.77	0.23	-9.12
Alphabet Inc	5.70	1.90	3.80	-12.22
Unitedhealth Group Inc	5.47	1.57	3.90	-1.36
Johnson & Johnson	5.31	1.43	3.88	-7.35
Apple Inc	5.07	6.93	-1.86	1.22
Accenture PLC	4.50	0.54	3.96	-7.00
Stryker Corp	4.43	0.23	4.20	2.16
Automatic Data Processing Inc	4.39	0.31	4.08	8.15
Becton Dickinson and Co	4.17	0.21	3.96	-9.31
% of Portfolio	51.90	19.64	32.26	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
TJX Companies Inc (The)	2.37	0.24	2.13	11.75
Starbucks Corp	3.27	0.32	2.95	10.92
Automatic Data Processing Inc	4.39	0.31	4.08	8.15
Waste Management Inc.	2.39	0.20	2.19	5.12
Amphenol Corp	1.64	0.13	1.51	4.29
Stryker Corp	4.43	0.23	4.20	2.16
Broadridge Financial Solutions Inc	2.19	0.06	2.13	1.68
Texas Instruments Inc	2.49	0.47	2.02	1.40
Home Depot Inc. (The)	2.49	0.94	1.55	1.26
Apple Inc	5.07	6.93	-1.86	1.22
% of Portfolio	30.73	9.83	20.90	

iShares Core S&P Mid-Cap ETF vs. S&P MidCap 400

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	6,221	6,308
Median Mkt. Cap (\$M)	4,624	4,616
Price/Earnings ratio	11.71	11.69
Price/Book ratio	2.39	2.38
5 Yr. EPS Growth Rate (%)	20.40	20.40
Current Yield (%)	1.89	1.90
Number of Stocks	402	401

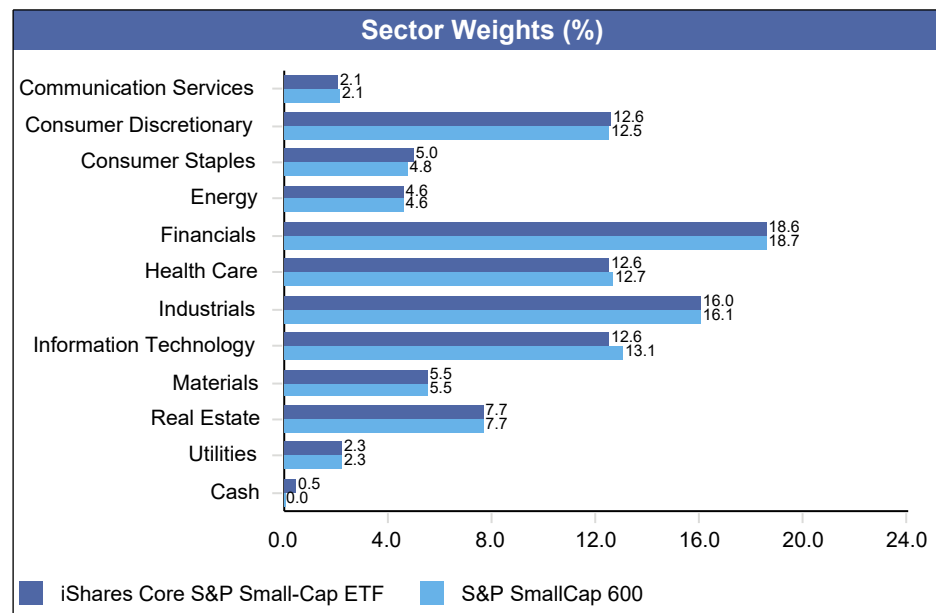


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Carlisle Cos Inc	0.77	0.77	0.00	17.80
Targa Resources Corp	0.72	0.72	0.00	1.65
First Solar Inc	0.69	0.69	0.00	94.15
Wolfspeed Inc	0.68	0.68	0.00	62.90
Steel Dynamics Inc	0.65	0.65	0.00	7.77
First Horizon Corp	0.65	0.65	0.00	5.43
Hubbell Inc	0.63	0.63	0.00	25.51
Alleghany Corp	0.60	0.60	0.00	0.75
RPM International Inc	0.57	0.57	0.00	6.35
Darling Ingredients Inc	0.56	0.56	0.00	10.62
% of Portfolio	6.52	6.52	0.00	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
First Solar Inc	0.69	0.69	0.00	94.15
Calix Inc	0.18	0.18	0.00	79.09
Wingstop Inc	0.20	0.20	0.00	67.98
Wolfspeed Inc	0.68	0.68	0.00	62.90
Penumbra Inc	0.38	0.38	0.00	52.26
SunPower Corp	0.10	0.10	0.00	45.73
ShockWave Medical Inc	0.53	0.53	0.00	45.46
Crocs Inc	0.22	0.22	0.00	41.07
Dick's Sporting Goods Inc.	0.31	0.31	0.00	39.43
Celsius Holdings Inc	0.19	0.19	0.00	38.95
% of Portfolio	3.48	3.48	0.00	

iShares Core S&P Small-Cap ETF vs. S&P SmallCap 600

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	2,099	2,130
Median Mkt. Cap (\$M)	1,219	1,212
Price/Earnings ratio	10.71	10.74
Price/Book ratio	1.95	1.96
5 Yr. EPS Growth Rate (%)	16.59	16.62
Current Yield (%)	1.84	1.83
Number of Stocks	603	601



Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Livent Corp	0.68	0.68	0.00	35.08
Agree Realty Corp	0.67	0.67	0.00	-5.41
Lantheus Holdings Inc	0.60	0.60	0.00	6.51
SM Energy Co	0.57	0.57	0.00	10.00
AMN Healthcare Services Inc.	0.57	0.57	0.00	-3.42
Cytokinetics Inc	0.57	0.57	0.00	23.31
Rogers Corp.	0.56	0.56	0.00	-7.71
Exponent Inc	0.56	0.56	0.00	-3.91
SPS Commerce Inc	0.55	0.56	-0.01	9.89
UFP Industries Inc	0.55	0.55	0.00	6.23
% of Portfolio	5.88	5.89	-0.01	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Catalyst Pharmaceutical Inc	0.15	0.15	0.00	83.02
Clearfield Inc	0.15	0.15	0.00	68.91
Biolife Solutions Inc	0.10	0.10	0.00	64.74
Atlas Air Worldwide Holdings Inc.	0.31	0.31	0.00	54.87
iRobot Corp	0.19	0.19	0.00	53.28
Harmonic Inc	0.17	0.17	0.00	50.75
Extreme Networks Inc	0.21	0.21	0.00	46.53
Digi International Inc	0.15	0.15	0.00	42.73
XPEL Inc	0.16	0.16	0.00	40.30
OraSure Technologies Inc	0.03	0.03	0.00	39.85
% of Portfolio	1.62	1.62	0.00	

◆ Vanguard Total International Stock Index

- **Management:** The Fund is co-managed by Michael Perre and Christine Franquin. Mr. Perre has advised the Fund since 2008 and Ms. Franquin has advised the fund since 2017. They have been in the investment industry since 1990 and 2000, respectively.
- **Objective:** The Fund seeks to track the performance of a benchmark index that measures the investment return of stocks across all market capitalizations issued by companies domiciled in both emerging markets and developed markets outside the United States.
- **Strategy:** The Fund employs a “passive management” – or indexing – investment approach that seeks to track the investment performance of the FTSE Global All Cap ex U.S. Index, an unmanaged benchmark representing stocks from global developed and emerging markets, excluding the United States, across the market capitalization spectrum.

◆ J O Hambro International Select

- **Management:** The fund is co-managed by Christopher Lees and Nudgem Richyal. Both the senior fund managers joined the firm in 2008, having previously worked together at Baring Asset Management.
- **Objective:** The fund managers aim to exploit market anomalies via an investment process that combines both top-down and bottom-up research.
- **Strategy:** The fund managers target multiple sources of performance, looking for stocks, sectors, and countries with rising earnings estimates, rising or high and sustainable return on equity, appropriate valuation, and attractive mean reversion and momentum characteristics. They evaluate the correlation between each stock and its sector or country in order to avoid buying “good stocks in bad neighborhoods”. A ruthless sell discipline is employed, whereby a stock is immediately sold to zero weight when its fundamentals or technicals deteriorate, or when there is contagion from deteriorating fundamentals or technicals in a stock’s sector or country.

◆ Harding Loevner International Equity

- **Management:** The fund is co-managed by Ferrill Roll and Andrew West, each managing 50% of the portfolio. The two have been with Harding Loevner since 1996 and 2006, respectively. The portfolio managers are supported by a group of 29 global sector and region analysts.
- **Objective:** The fund managers seek outperformance relative to MSCI ACWI ex US by investing in high quality growing businesses that are trading at reasonable valuations.
- **Strategy:** The investment team pairs quantitative and qualitative analysis to create a portfolio comprised of four parts: competitive advantage, quality management, financial strength, and sustainable growth. The two portfolio managers rely heavily on the global analysts’ buy/hold/sell recommendation that is determined through deep fundamental analysis on companies.

◆ Vanguard FTSE Developed Markets ETF

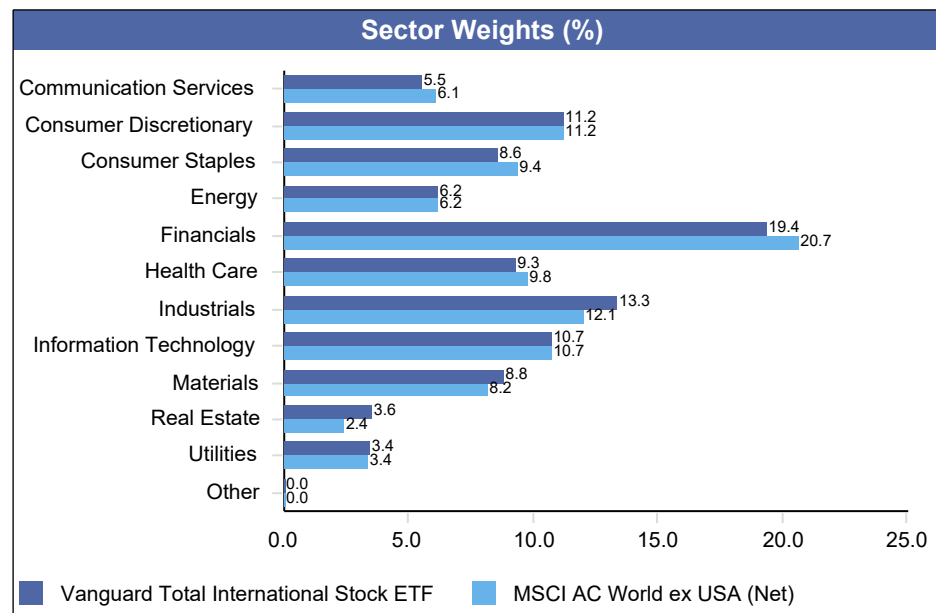
- **Management:** The Fund is co-managed by Michael Perre and Christine Franquin. Ms. Franquin has advised the Fund since 2013 and Mr. Perre has advised the fund since 2017. They have been in the investment industry since 2000 and 1990, respectively.
- **Objective:** The Fund seeks to track the performance of a benchmark index that measures the investment return of stocks issued by companies located in Canada and the major markets of Europe and the Pacific region.
- **Strategy:** The Fund employs a “passive management” – or indexing – investment approach that seeks to track the investment performance of the FTSE Developed All Cap ex US Index, a market-capitalization-weighted index made up of stocks of large-, mid-, and small-cap companies located in Canada and the major markets of Europe and the Pacific region.

◆ Schroders Emerging Markets Equity

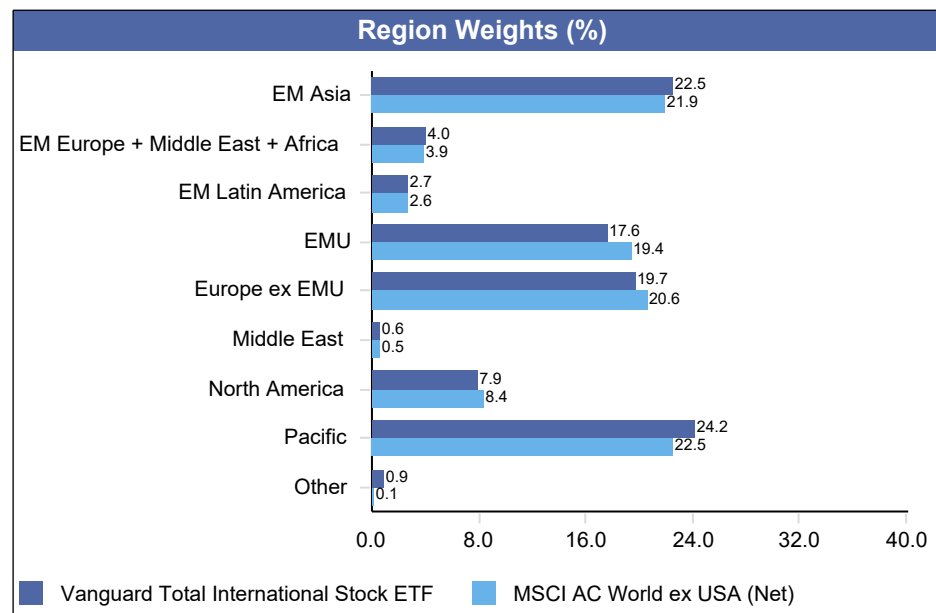
- **Management:** The fund is managed by a team of five portfolio managers led by Tom Wilson, Schroders’ Head of Emerging Markets Equity. He has worked at Schroders since 2001 and has been involved with emerging markets equities at Schroders since 2004.
- **Objective:** The Fund seeks capital appreciation.
- **Strategy:** The Fund employs an actively managed approach that combines fundamental, bottom-up stock research with a quantitative country allocation process. Country rankings are prepared through evaluation of valuation, growth, currency, momentum, and interest rates. Stock level research targets a core universe of the most liquid stocks in the emerging markets universe, utilizing a relative value approach for stocks across the growth/value spectrum without any systematic style bias. Comprehensive risk controls are employed to keep factor exposures in check and constrain strategy-level tracking error to moderate levels.

Vanguard Total International Stock ETF vs. MSCI AC World ex USA (Net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	55,804	66,812
Median Mkt. Cap (\$M)	1,355	7,549
Price/Earnings ratio	10.67	10.91
Price/Book ratio	2.31	2.35
5 Yr. EPS Growth Rate (%)	13.31	13.39
Current Yield (%)	3.68	3.65
Number of Stocks	7,972	2,274

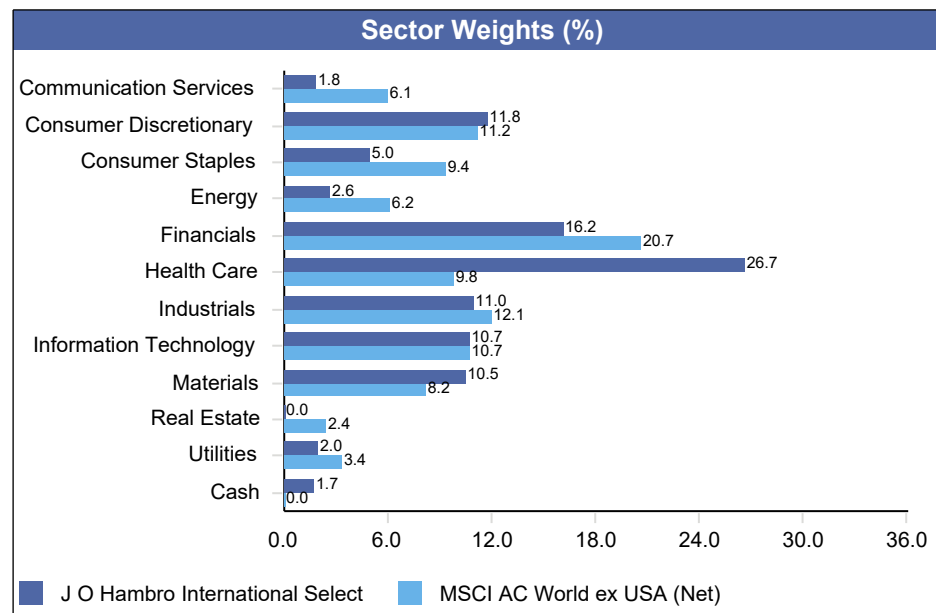


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Taiwan Semicon Manu Co	1.39	1.67	-0.28	-16.53
Nestle SA, Cham Und Vevey	1.29	1.57	-0.28	-6.51
Roche Holding AG	1.00	1.18	-0.18	-1.21
Tencent Holdings LTD	0.89	1.08	-0.19	-24.85
Shell Plc	0.80	0.95	-0.15	-2.54
Samsung Electronics Co Ltd	0.76	0.90	-0.14	-15.95
ASML Holding NV	0.75	0.88	-0.13	-10.56
Astrazeneca PLC	0.72	0.88	-0.16	-14.95
Novartis AG	0.69	0.85	-0.16	-9.10
Toyota Motor Corp	0.69	0.70	-0.01	-16.09
% of Portfolio	8.98	10.66	-1.68	

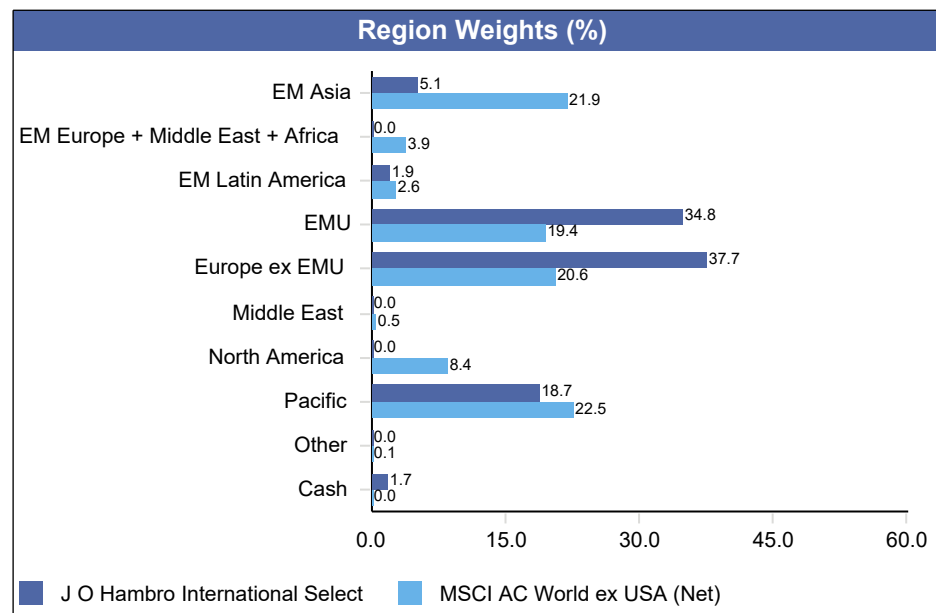


J O Hambro International Select vs. MSCI AC World ex USA (Net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	63,165	66,812
Median Mkt. Cap (\$M)	33,494	7,549
Price/Earnings ratio	14.95	10.91
Price/Book ratio	2.48	2.35
5 Yr. EPS Growth Rate (%)	16.01	13.39
Current Yield (%)	2.56	3.65
Number of Stocks	48	2,274

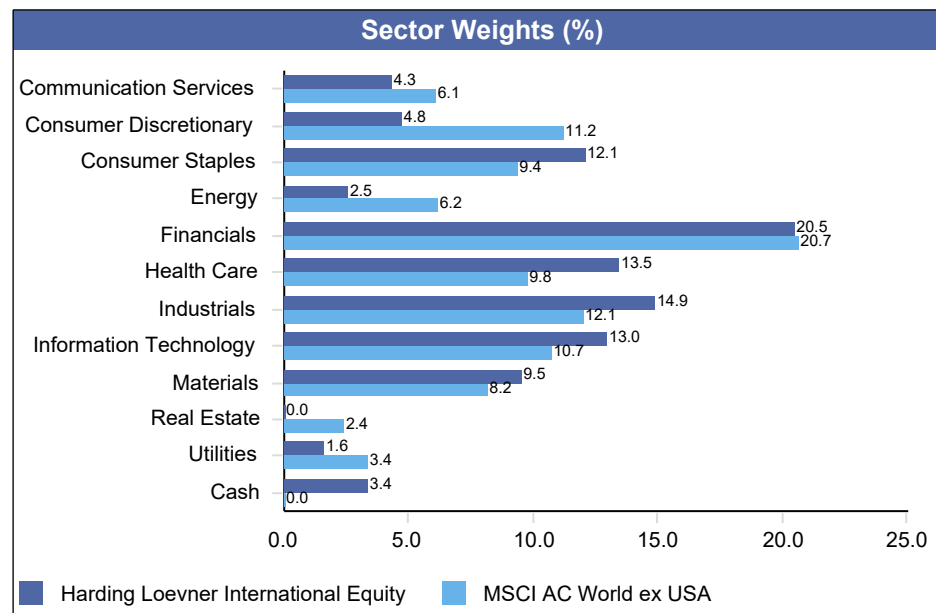


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Tenaris SA, Luxembourg	2.61	0.03	2.58	1.41
Novo Nordisk A/S	2.55	0.85	1.70	-8.90
MERCK Kommanditgesellschaft	2.53	0.11	2.42	-2.82
Astrazeneca PLC	2.45	0.88	1.57	-14.95
LONZA GROUP AG	2.44	0.19	2.25	-7.04
LOreal SA	2.42	0.40	2.02	-5.93
Alcon Inc	2.40	0.15	2.25	-15.16
London Stock Exchange Group PLC	2.37	0.14	2.23	-8.00
Compass Group PLC	2.36	0.18	2.18	-1.47
Schneider Electric SA	2.35	0.32	2.03	-2.84
% of Portfolio	24.48	3.25	21.23	

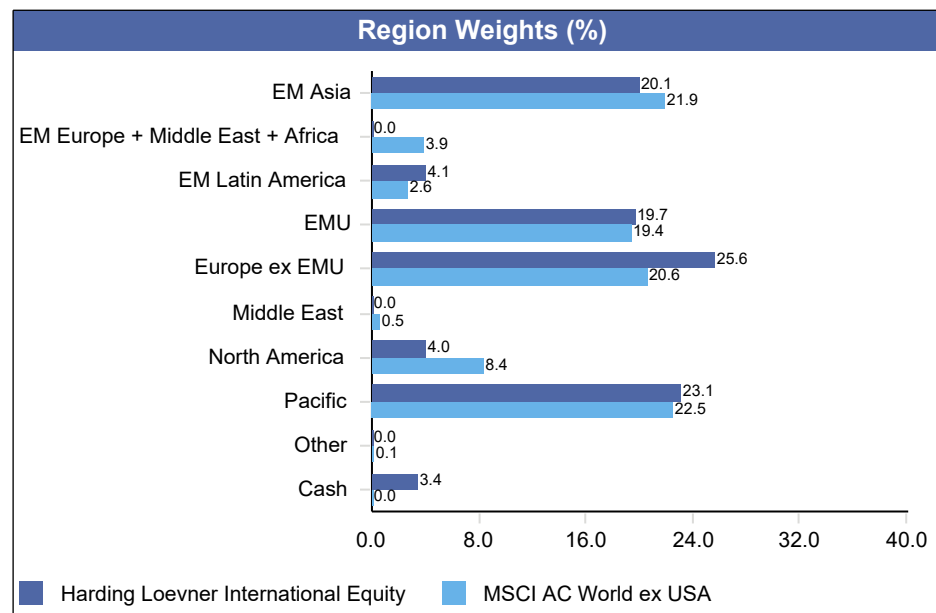


Harding Loevner International Equity vs. MSCI AC World ex USA

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	77,730	66,812
Median Mkt. Cap (\$M)	34,184	7,549
Price/Earnings ratio	15.39	10.91
Price/Book ratio	2.76	2.35
5 Yr. EPS Growth Rate (%)	14.90	13.39
Current Yield (%)	2.89	3.65
Number of Stocks	61	2,274

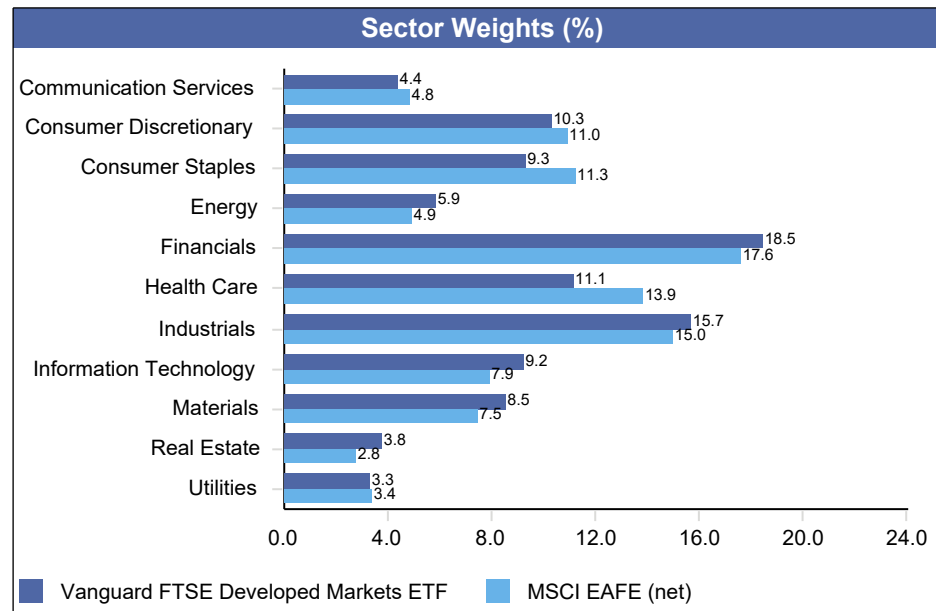


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
LOreal SA	3.48	0.40	3.08	-5.93
Roche Holding AG	3.42	1.18	2.24	-1.21
DBS Group Holdings Ltd	3.38	0.22	3.16	10.28
CASH	3.37	0.00	3.37	N/A
Samsung Electronics Co Ltd	3.12	0.14	2.98	-15.49
Atlas Copco AB	3.00	0.13	2.87	1.19
AIA Group Ltd	2.84	0.51	2.33	-22.65
BHP Group Ltd	2.76	0.64	2.12	-4.68
Icici Bank Ltd	2.53	0.28	2.25	18.91
Schneider Electric SA	2.53	0.32	2.21	-2.84
% of Portfolio	30.43	3.82	26.61	

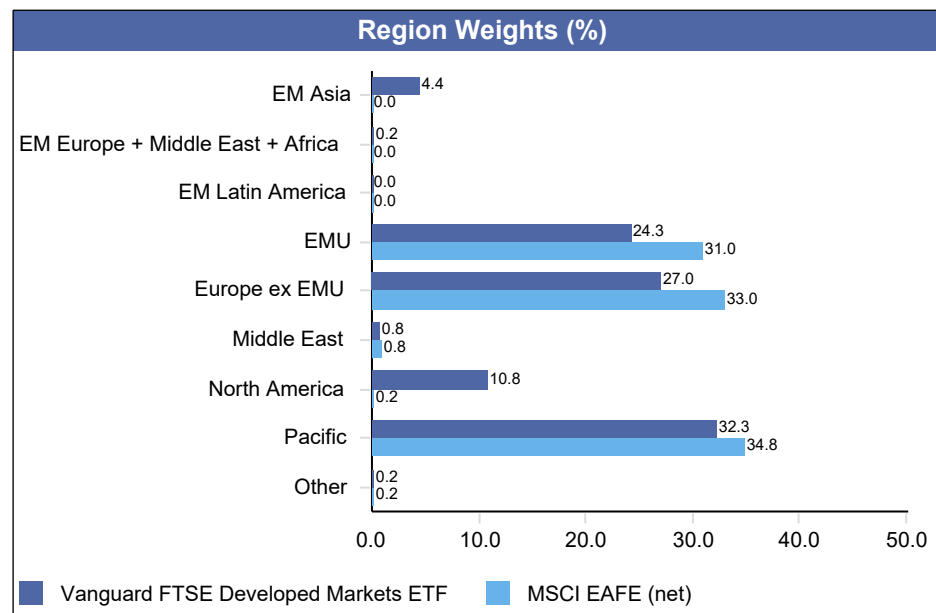


Vanguard FTSE Developed Markets ETF vs. MSCI EAFE (net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	53,225	63,615
Median Mkt. Cap (\$M)	1,324	10,385
Price/Earnings ratio	10.84	11.34
Price/Book ratio	2.25	2.40
5 Yr. EPS Growth Rate (%)	12.44	12.18
Current Yield (%)	3.62	3.72
Beta (5 Years, Monthly)	1.03	1.00
Number of Stocks	4,100	799

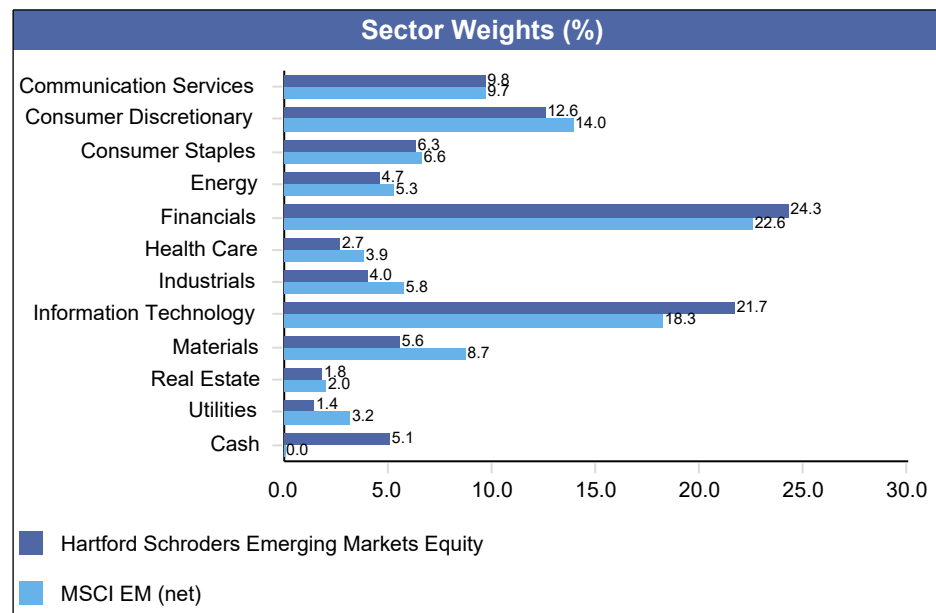


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Nestle SA, Cham Und Vevey	1.77	2.51	-0.74	-6.51
Roche Holding AG	1.37	1.89	-0.52	-1.21
Shell Plc	1.10	1.52	-0.42	-2.54
Samsung Electronics Co Ltd	1.06	0.00	1.06	-15.95
ASML Holding NV	1.03	1.41	-0.38	-10.56
Astrazeneca PLC	0.98	1.40	-0.42	-14.95
Novartis AG	0.95	1.36	-0.41	-9.10
Toyota Motor Corp	0.94	1.12	-0.18	-16.09
Novo Nordisk A/S	0.94	1.36	-0.42	-8.90
LVMH Moet Hennessy Louis Vui	0.89	1.36	-0.47	-1.57
% of Portfolio	11.03	13.93	-2.90	

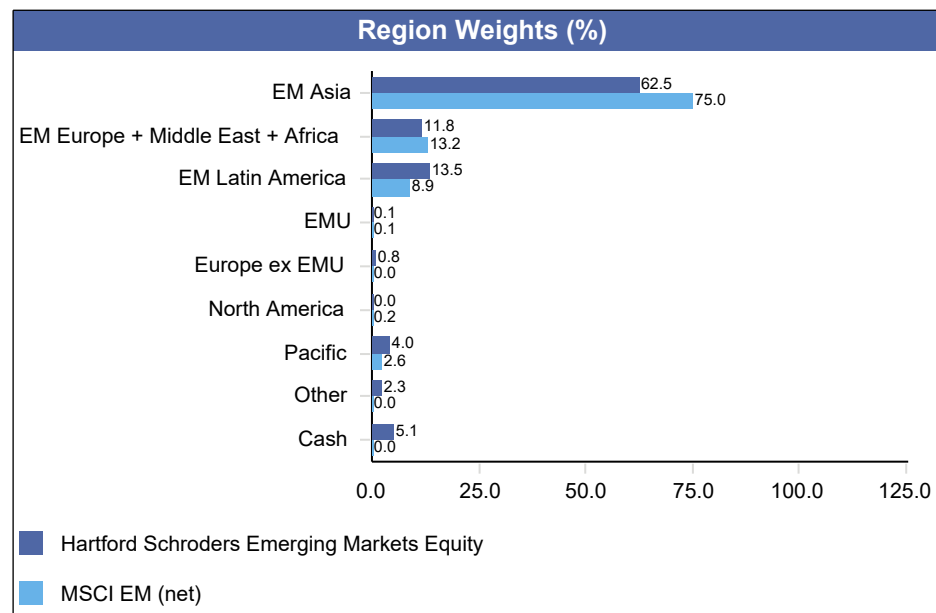


Hartford Schrodgers Emerging Markets Equity vs. MSCI EM (net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	84,704	78,560
Median Mkt. Cap (\$M)	12,287	5,335
Price/Earnings ratio	10.65	9.84
Price/Book ratio	2.37	2.49
5 Yr. EPS Growth Rate (%)	14.43	15.86
Current Yield (%)	3.64	3.60
Number of Stocks	117	1,387



Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Taiwan Semicon Manu Co	7.83	5.71	2.12	-16.53
CASH	5.07	0.00	5.07	N/A
Samsung Electronics Co Ltd	4.76	3.08	1.68	-15.95
Tencent Holdings LTD	4.47	3.70	0.77	-24.85
Icici Bank Ltd	2.99	0.95	2.04	19.07
JD.com Inc	2.43	0.95	1.48	-21.46
Alibaba Group Holding Ltd	2.40	2.63	-0.23	-30.36
H D F C Bank Ltd	2.30	0.00	2.30	2.39
Itau Unibanco Holding SA	2.21	0.44	1.77	22.50
AIA Group Ltd	2.04	0.00	2.04	-22.65
% of Portfolio	36.50	17.46	19.04	



◆ Baird Core Plus

- **Management:** The Fund has been managed by a team of generalist portfolio managers including 4 since its inception in 2000. The most senior trio of the management team has been working together for over 30 years.
- **Objective:** The Fund seeks to maximize long-term total return and achieve an annual return that exceeds its benchmark.
- **Strategy:** The Fund normally invests at least 80% of assets in the following types of U.S. dollar-denominated debt securities: U.S. government, U.S. government agencies, asset-backed and mortgage-backed obligations of U.S. issuers and corporate debt of U.S. and foreign issuers. It invests primarily in investment-grade debt securities, but can invest up to 20% of net assets in non-investment grade securities.

◆ PGIM Total Return

- **Management:** Senior portfolio managers Michael Collins (since 2009), Rich Piccirillo (2012) and co-CIO Greg Peters (2014) lead the management of the Fund joined by Chief Investment Strategist Robert Tipp (2002) and Lindsay Rosner (2021). PGIM Fixed Income is the primary public fixed-income asset management unit of PGIM, a wholly-owned subsidiary of Prudential Financial, Inc.
- **Objective:** The Fund seeks total return by investing in a diversified portfolio of bonds from multiple fixed income sectors.
- **Strategy:** The Fund allocates assets among different debt securities, including (but not limited to) US Government securities, mortgage-related and asset-backed securities, corporate debt securities and foreign securities. The Fund may invest up to 30% of its investable assets in high risk, below investment-grade securities having a rating of not lower than CCC. The Fund may invest up to 30% of its investable assets in foreign debt securities. The Fund has the flexibility to allocate its investments across different sectors of the fixed-income securities markets at varying duration. Up to 25% may be expressed through various derivative strategies.

◆ Voya Investment Management Co. LLC - Core Plus

- **Management:** Matt Toms, CFA is the Global Chief Investment Officer at Voya. Others involved in management of this portfolio include Sean Banai, CFA (Head of Portfolio Management), Bob Kase, CFA (Senior Portfolio Manager), Dave Goodson (Head of Securitized Fixed Income), and Randy Parrish, CFA (Head of Public Credit).
- **Objective:** The strategy seeks to maximize total return through income and capital appreciation
- **Strategy:** The strategy may invest in fixed income securities of any credit quality including up to 20% of its net assets in junk bonds and assignments rated below investment grade or unrated but determined by the manager to be of comparable quality. Duration is managed within plus or minus 1.0 years to the Bloomberg U.S. Aggregate Index. Interest rate derivatives may be used for hedging purposes.

● iShares Core U.S Aggregate Bond ETF

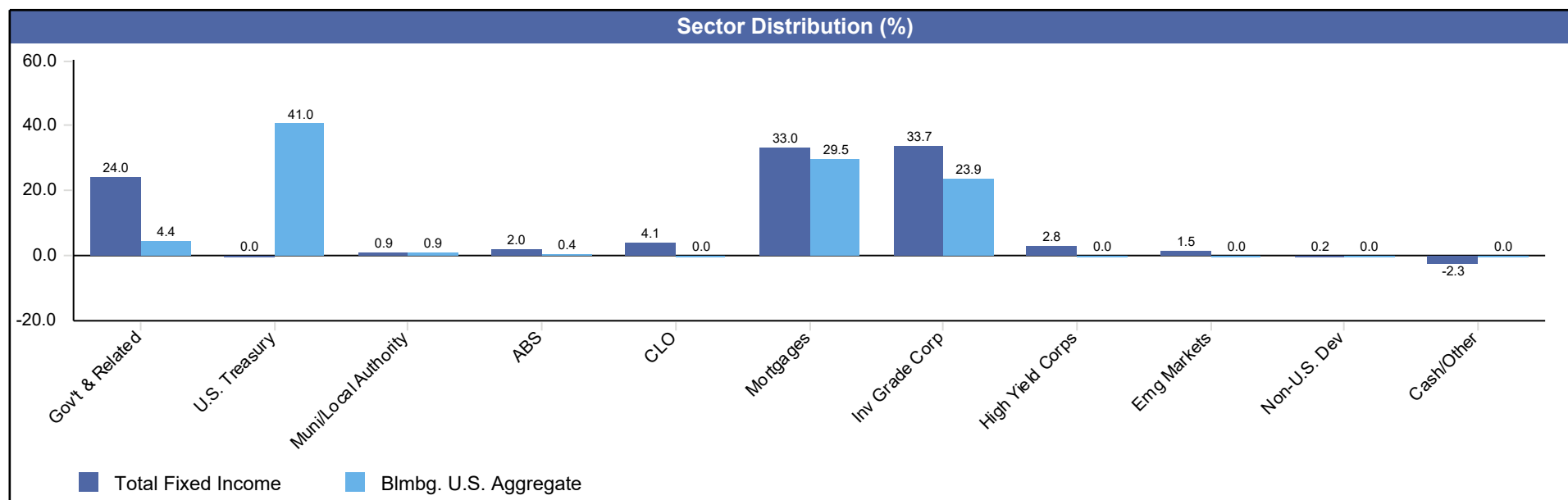
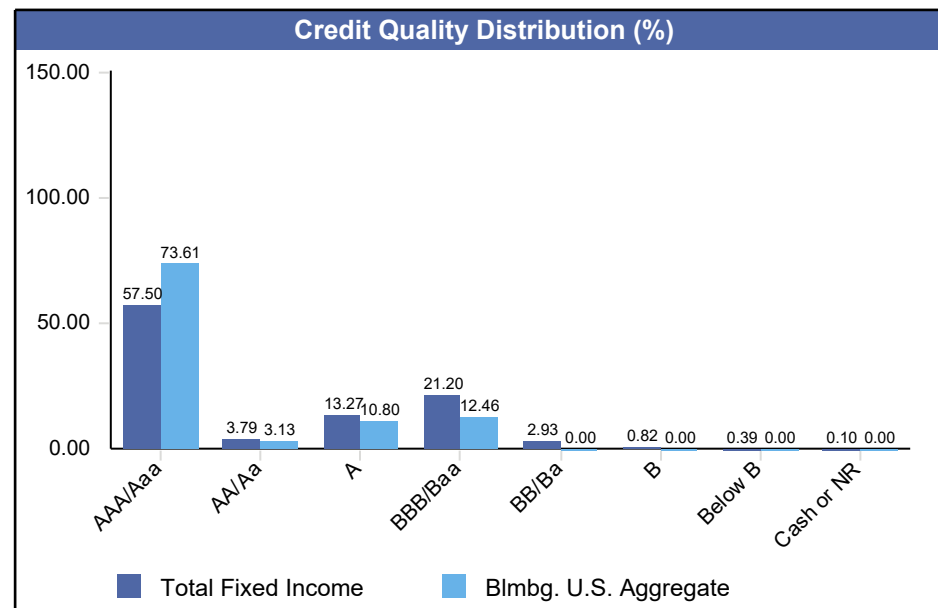
- **Management:** James Mauro and Karen Uyehara (the “Portfolio Managers”) are primarily responsible for the day-to-day management of the Fund. Mr. Mauro and Ms. Uyehara have been co-managing the Fund since 2011 and 2021, respectively.
- **Objective:** The Fund seeks to track the investment results of the Bloomberg U.S. Aggregate Bond Index.
- **Strategy:** BlackRock Fund Advisors (“BFA”) uses a “passive” or indexing approach to try to achieve the Fund’s investment objective. Unlike many investment companies, the Fund does not try to “beat” the index it tracks and does not seek temporary defensive positions when markets decline or appear overvalued.

● iShares Intermediate Corporate Bond ETF

- **Management:** James Mauro and Karen Uyehara (the “Portfolio Managers”) are primarily responsible for the day-to-day management of the Fund. Mr. Mauro and Ms. Uyehara have been co-managing the Fund since 2011 and 2021, respectively.
- **Objective:** The Fund seeks to replicate performance and characteristics of ICE BofAML 5-10 Yr Corporate Index
- **Strategy:** The Fund seeks to track the investment results of the ICE BofAML 5-10 Year US Corporate Index which measures the performance of investment-grade corporate bonds of both U.S. and non-U.S. issuers that are U.S. dollar denominated and publicly issued in the U.S. domestic market and have a remaining maturity of greater than or equal to five years and less than ten years

Total Fixed Income vs. Blmbg. U.S. Aggregate

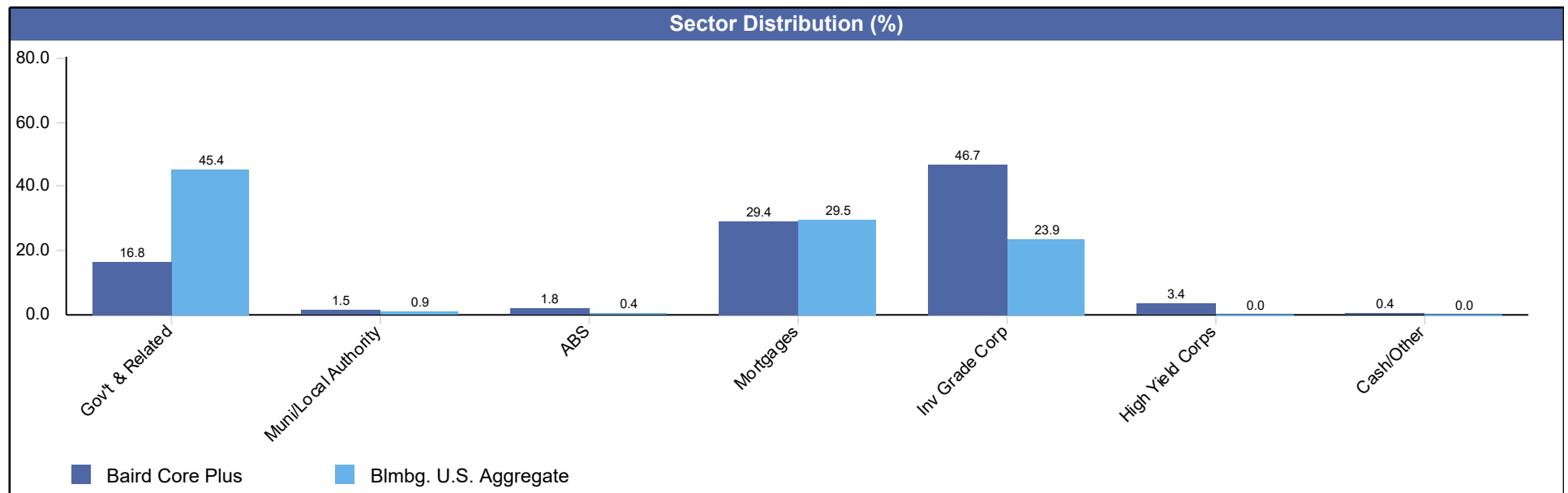
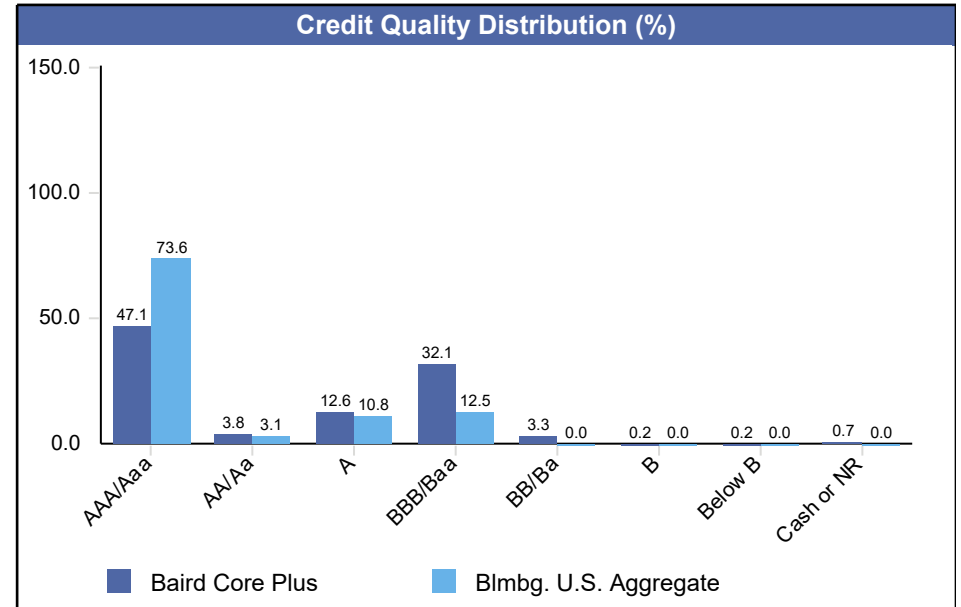
Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.24	6.20
Yield To Maturity (%)	5.58	4.73
Avg. Maturity	8.80	8.52
Avg. Quality	AA	AA
Coupon Rate (%)	3.17	2.58



Portfolio characteristics are based on a weighted average of the underlying fixed income manager line-up based on their target allocations (23% Baird Core Plus, 14% PGIM Total Return, 22% Voya Intermediate Bond, 37% iShares Core US Agg ETF, 4% iShares Intermediate- Term Corp and 5% iShares MBS ETF). Individual manager characteristics were provided by each manager and aggregated by PFMAM to arrive at a combined set of characteristics. Average credit quality is calculated by PFMAM using market weights of the rated portion of underlying manager portfolios. Distribution or SEC yield may be substituted for yield to maturity where applicable. High Yield Corp allocation is inclusive of bank loans.

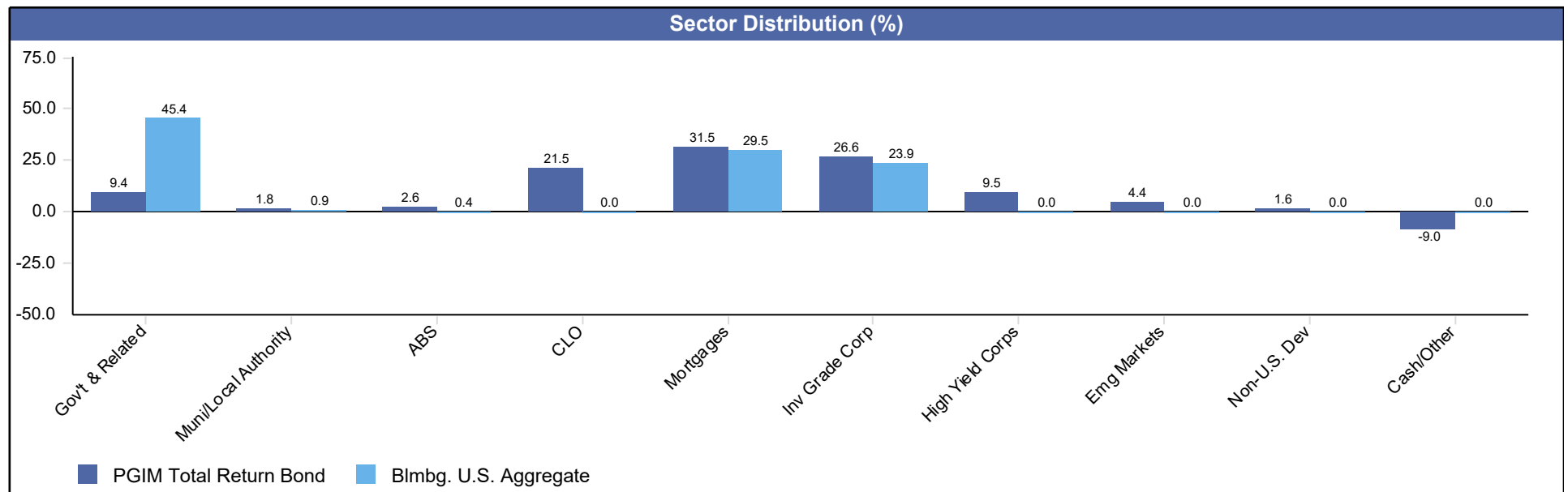
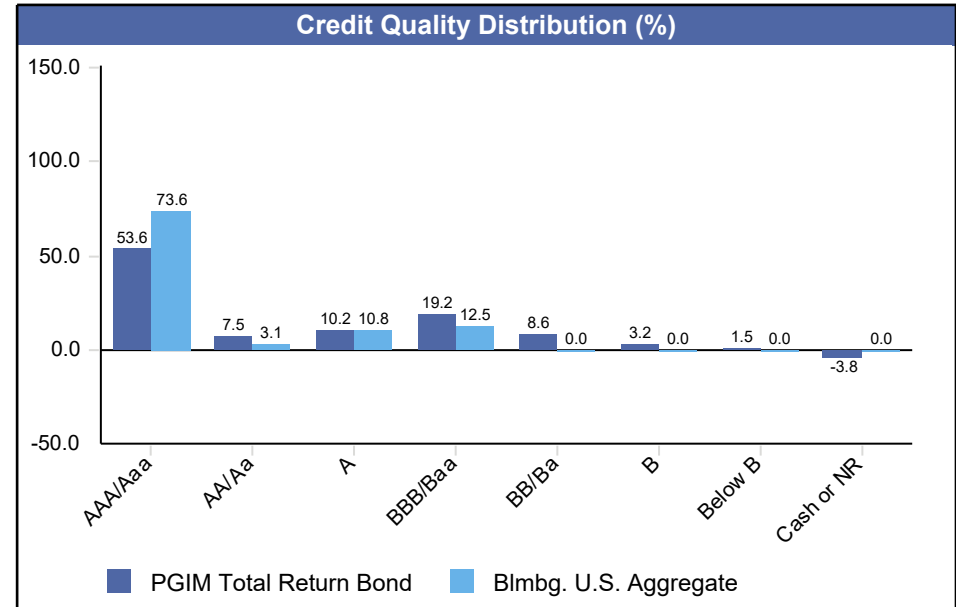
Baird Core Plus vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	5.99	6.20
Yield To Maturity (%)	5.51	4.73
Avg. Maturity	8.13	8.52
Avg. Quality	A	AA
Coupon Rate (%)	3.33	2.58



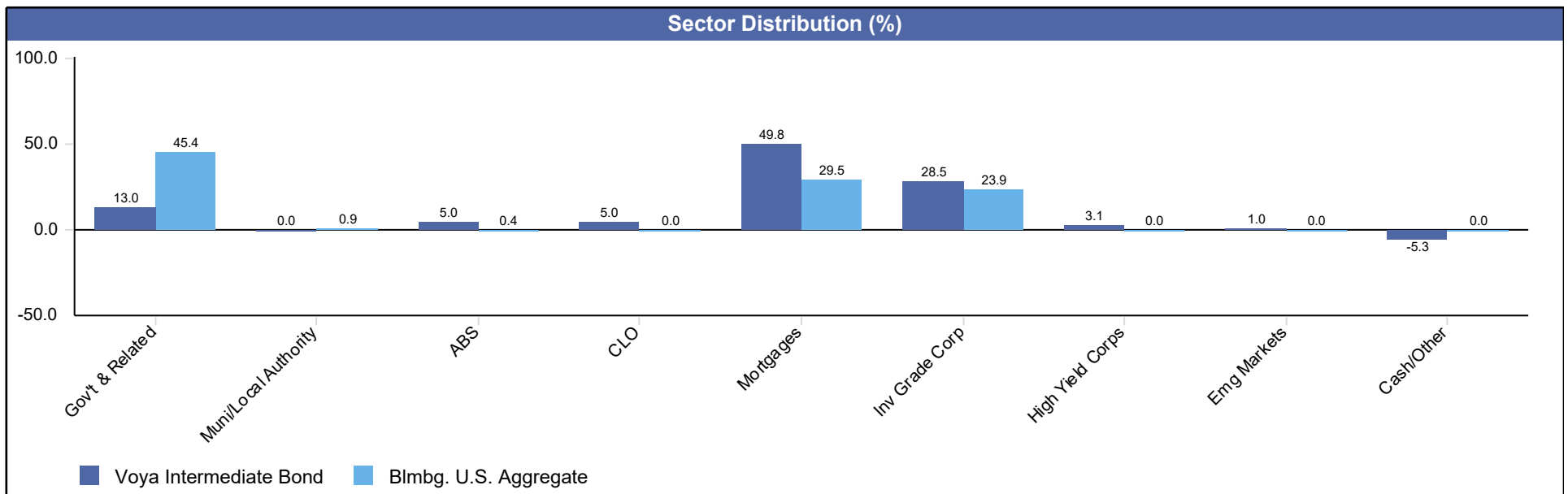
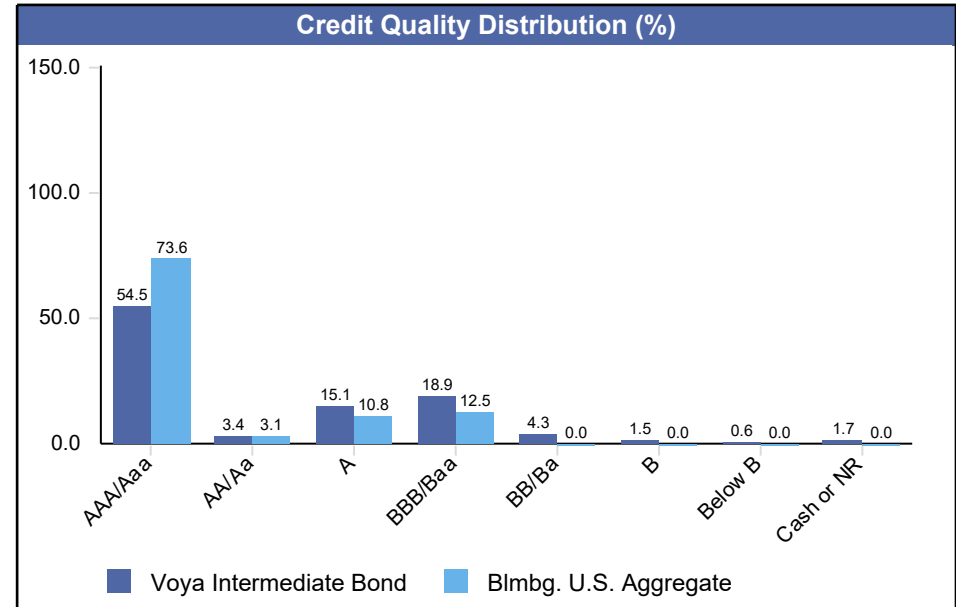
PGIM Total Return Bond vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.18	6.20
Yield To Maturity (%)	7.05	4.73
Avg. Maturity	9.21	8.52
Avg. Quality	AA	AA
Coupon Rate (%)	3.66	2.58



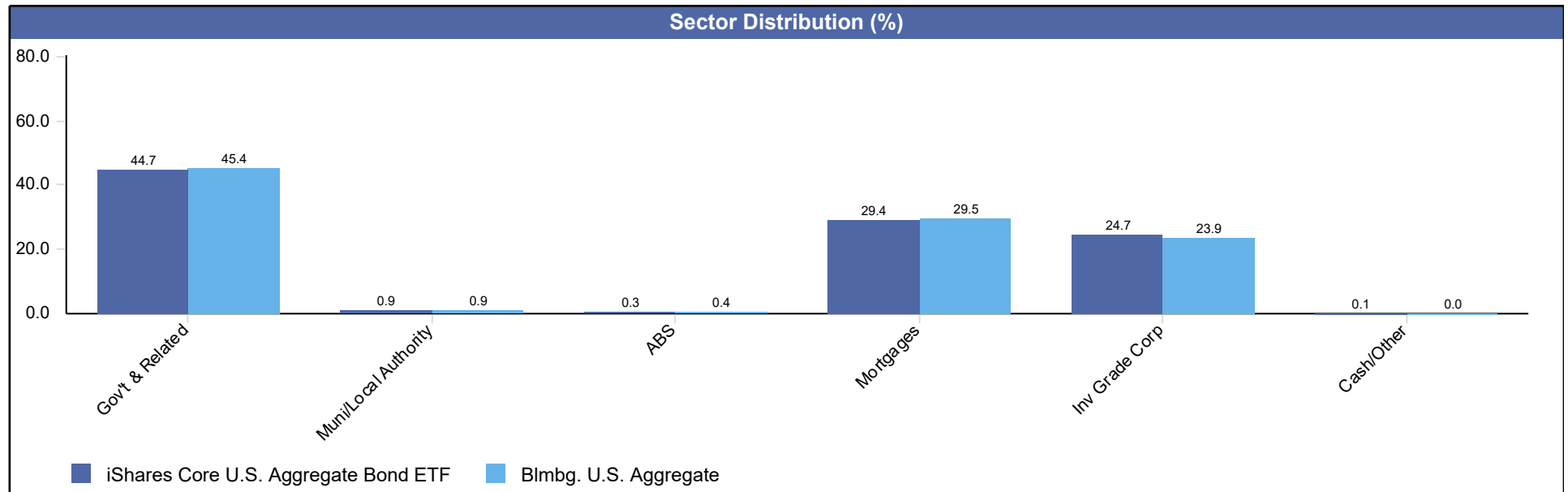
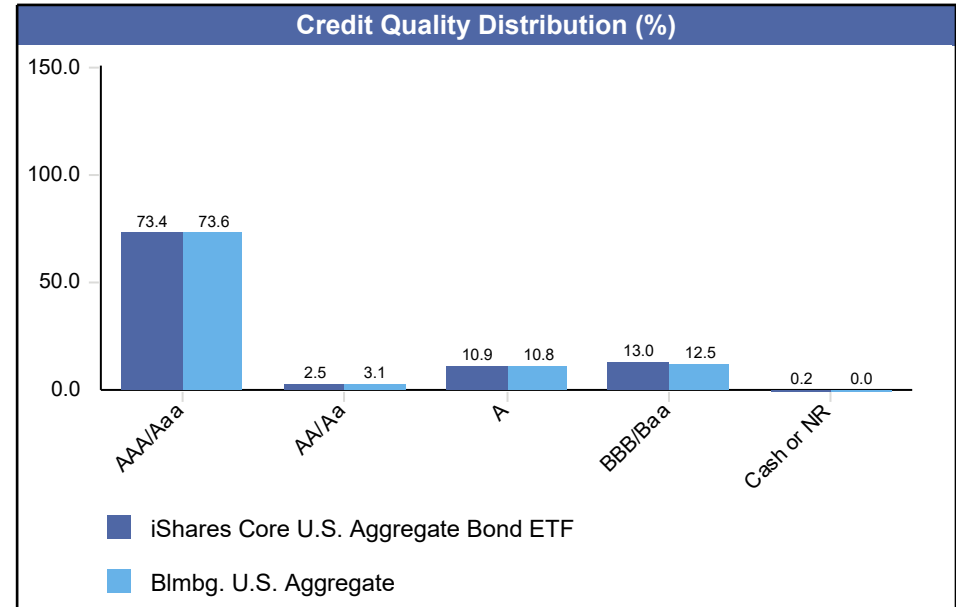
Voya Intermediate Bond vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.26	6.20
Yield To Maturity (%)	6.13	4.73
Avg. Maturity	9.58	8.52
Avg. Quality	A	AA
Coupon Rate (%)	3.61	2.58



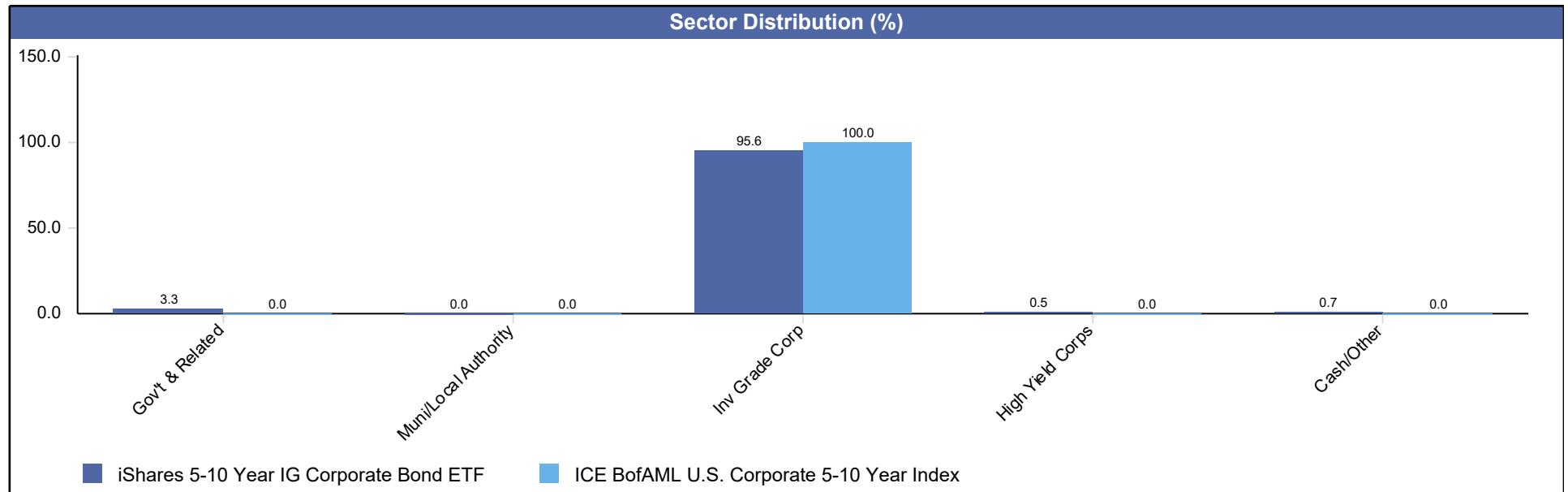
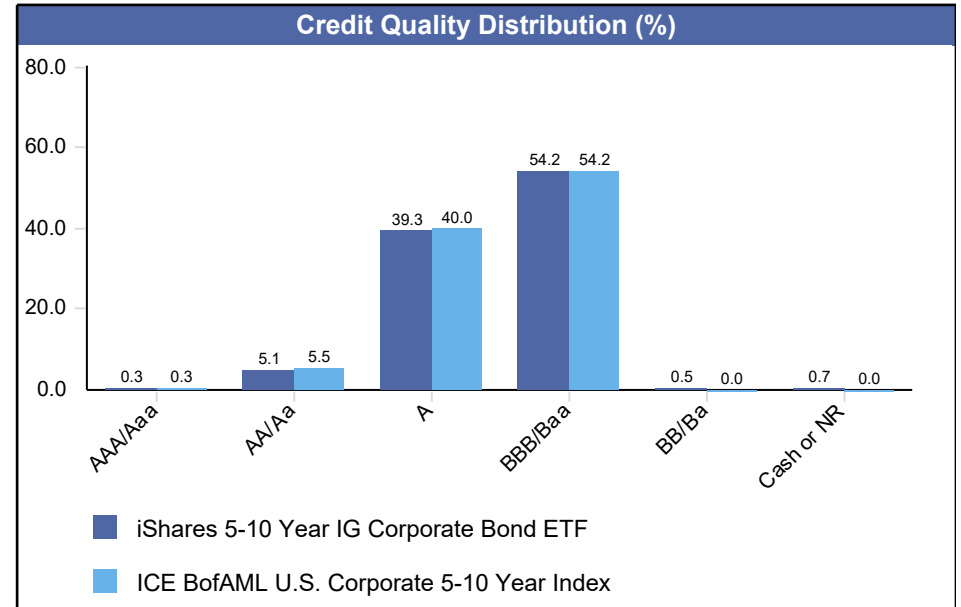
iShares Core U.S. Aggregate Bond ETF vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.42	6.20
Yield To Maturity (%)	4.68	4.73
Avg. Maturity	8.71	8.52
Avg. Quality	AA	AA
Coupon Rate (%)	2.61	2.58



iShares 5-10 Year IG Corporate Bond ETF vs. ICE BofAML U.S. Corporate 5-10 Year Index

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.13	6.09
Yield To Maturity (%)	6.12	5.87
Avg. Maturity	7.87	7.31
Avg. Quality	BBB	A
Coupon Rate (%)	3.43	3.53



● iShares Preferred and Income Securities ETF

- **Management:** BlackRock Fund Advisors: Amy Whitelaw (since 2018), Jennifer Hsui (since 2012), Paul Whitehead (since 2022) and Greg Savage (since 2008).
- **Objective:** The Fund seeks to track the performance of an index composed of U.S. dollar-denominated preferred and hybrid securities.
- **Strategy:** The Fund employs a “passive management” – or indexing – investment approach that seeks to track the investment performance of the ICE Exchange-Listed Preferred & Hybrid Securities Index. By investing in securities that have both stocks and bonds like features, the Fund seeks to offer income while keeping its risk and return characteristics in-line with the Index.

Portfolio Characteristics

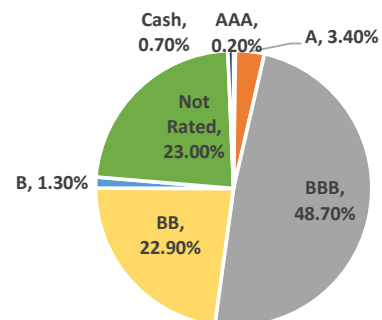
As of June 30, 2022

iShares Preferred and Income Securities ETF (PFF)

Portfolio Characteristics

Net Assets (\$ millions)	15,169
Gross Expense Ratio	0.46%
Net Expense Ratio	0.46%
30-Day SEC Yield	5.61%
Number of Holdings	496
Top Sector	Banking
Weight of Top 10 Holdings	16.82%
P/E Ratio	8.55
P/B Ratio	1.13

Credit Quality

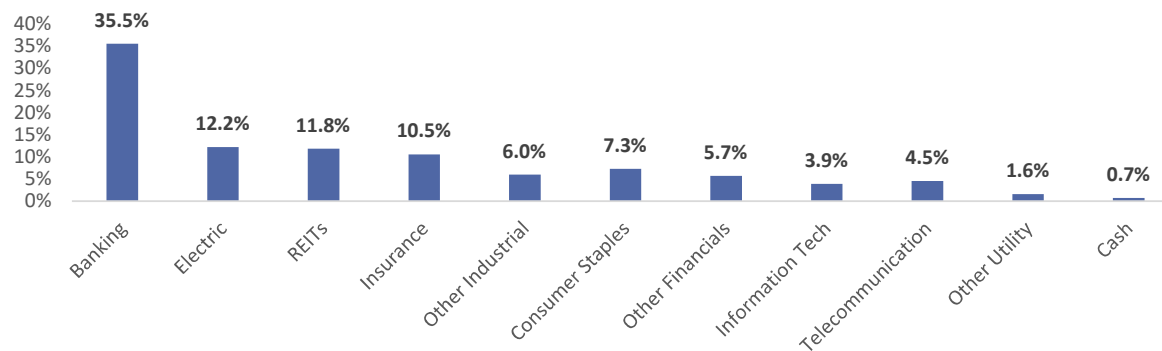


■ AAA ■ A ■ BBB ■ BB ■ B ■ Not Rated ■ Cash

Top 10 Holdings

Name	Sector	Portfolio (%)
Nextera Energy Inc	Utility	3.44%
Broadcom Inc	Industrial	3.31%
Wells Fargo & Company Series L	Financial Institutions	1.91%
JP Morgan Chase & Co	Financial Institutions	1.83%
Bank of America Corp	Financial Institutions	1.28%
Danaher Corporation	Industrial	1.27%
Citigroup Capital XIII	Financial Institutions	1.26%
PG&E Corporation	Utility	0.95%
Citigroup Depository Inc	Financial Institutions	0.78%
Becton Dickinson and Company	Industrial	0.78%

Diversification by Sector



■ iShares Preferred and Income Securities ETF

IMPORTANT DISCLOSURES

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