



BURLINGTON RETIREMENT SYSTEM

City of Burlington _____

City Hall, Room 20, 149 Church Street, Burlington, VT 05401

Robert Hooper, Chairman of the Board

Munir Kasti, Vice-Chairman

Meeting – TUESDAY June 21, 2022

Start Time – 9:00 AM – 11:00 AM

Location – Burlington City Hall, 1st Floor, Councilor Bushor Conference Room

Join Zoom Meeting:

<https://us02web.zoom.us/j/85261644826?pwd=SmI1amsvSkRmNzFSU29sV2VOMXhNUT09>

Meeting ID: 852- 6164- 4826

Passcode: 834923, and you may join by phone, dial +1 929 205 6099, and meeting # 852-6164-4826

1. Agenda
2. Public Forum
3. Approve Minutes
 - May 16, 2022
4. Approve Return of Contributions

	Effective Date of Benefit
• Karl J. Tremblay, Class B \$5,596.91	06/01/2022
• Tyeastia Green, Class B \$11,531.28	06/01/2022
5. Administrative Updates
 - Letter of Resignation – Daniel Gilligan 07/01/2022
 - Retirement Administrator – Job Interviews
6. Fiducient
 - Monthly Investment Update – May 2022
 - Committee Education: Environmental Considerations in Real Asset Investing
7. Adjourn

**BURLINGTON RETIREMENT BOARD
CITY HALL, 1ST FLOOR BUSHOR CONF ROOM
OR
REMOTE MEETING WITH CALL-IN
BURLINGTON, VERMONT
MINUTES OF MEETING
DRAFT
May 16, 2022**

MEMBERS PRESENT:

Robert Hooper (Chair)
Munir Kasti (Vice Chair)
Patrick Robins
David Mount
Ben O'Brien
Dan Gilligan
Katherine Schad
Matthew Dow

OTHERS PRESENT:

Rich Goodwin
Chris Rowlin
Kate Pizzi
Hayley McClenahan
Joe Ebisa
Tom Chenette
Matt Smith
Jim Strouse
Sarah Hinman
John Kevin

1.0 CALL TO ORDER

Robert Hooper called the Retirement Board meeting to order at 9:05 AM.

MOTION by Munir Kasti, SECOND by Dan Gilligan, to adopt the agenda.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments

Jim Strouse said that Bob Alberry was a longtime member of the BERS Board as well as the Chair of the Public Works Commission, and noted that he and his wife died tragically on the same day in January. He noted that there will be a memorial service this Saturday at 10:00 in Burlington.

3.0. APPROVE MINUTES

3.01 Minutes of April 18 & April 28, 2022

MOTION by Munir Kasti, SECOND by Dan Gilligan, to approve the minutes of April 18 and April 28, 2022 as presented.

VOTING: unanimous; motion carries.

4.0 APPROVE RETURN OF CONTRIBUTIONS

4.01 Approve Return of Contributions

Approve Return of Contributions	Amount	Effective Date of Benefit
Rose Circelli, Class B	\$236.95	06/01/2022
Amy Paradis, Class B	\$2,432.10	05/01/2022
Lucy Gluck, Class B	\$3,348.77	06/01/2022
Shawn Laplant, Class B	\$1,281.57	06/01/2022

MOTION by Munir Kasti, SECOND by Ben O’Brien, to approve the return of contributions applications as presented.

VOTING: unanimous; motion carries.

5.0 APPROVE RETIREMENT APPLICATIONS

5.01 Approve Retirement Applications

Approve Retirement Applications	Amount	Effective Date of Benefit	Actual First Payment Date
John A. Apopleton, Class B	\$2,592.67	04/15/2022	05/15/2022
Matthew O. Sullivan, Class A	\$6,375.87	05/15/2022	05/15/2022

MOTION by Munir Kasti, SECOND by Ben O’Brien, to approve the retirement applications as presented.

VOTING: unanimous; motion carries.

6.0 ADMINISTRATIVE UPDATES

6.01 Elections – Matt Dow – Class B, Benjamin O’Brien, Class A – both terms expire June 30, 2022

6.02 Appointment – Chairman of the Board, Robert Hooper – term expires June 30, 2022

6.03 Announcement – Daniel Gilligan, retires in summer, 20 years’ service July 15, 2022

Finance Director Goodwin noted that these terms are expiring and that there will be a communication for nominees and an actual election date, which should take place in the last week of June. He also noted that Dan Gilligan will retire in the summer and asked the Board if this position should be posted to be filled. Mr. Gilligan noted that he has a likely nominee—Tom Chenette—as of July 1. Mr. Hooper requested that Mr. Gilligan submit a letter of resignation. Mr. O’Brien also noted that he will be retiring within the next year and has also selected a likely nominee.

Mr. Hooper asked whether the Board should consider using alternate Board members to ensure smoother transitions when members retire. Assistant Attorney McClenahan noted that having a prospective new member attend on an informal basis is fine, but she is not sure that there is legal support for designating alternates.

7.0 PROPOSED MEETING DATES

7.01 Proposed Meeting Dates The 3rd Monday each month, June 20, July 18, August 15, September 19, October 17, November 21, December 19.

The BERS Board discussed meeting at the proposed meeting times above. There were no objections to the proposed times and they were adopted.

8.0 FIDUCIENT

8.01 Monthly Investment Update – April 2022

Mr. Rowlins said that this discussion will include the Fiduciary Governance Calendar, a capital markets overview, and a summary of the portfolio and manager review. He began with a review of the Fiduciary Governance Calendar, which includes activities to be conducted in each of the four quarters of the year. He reported that this quarter’s topic focused on the portfolio’s expenses and noted that the portfolio’s estimated annual cost is 0.14%; annual custody fee with U.S. Bank at 0.0125% on assets as well as an \$720 annual fee per each private fund; and Fiducient’s annual fee of \$65,000 subject to an annual escalator.. Mr. Robins asked about the variation in fees between different funds. Mr. Rowlins reported that the fund’s equity strategies are passively managed with ranging from 1 basis point to 5 basis points while the actively managed fixed income managers range from 25 basis points to 67 basis points. Ms. Pizzi noted that the Johnson fixed income fund expenses are 25 basis points, BlackRock Strategic Income Opportunities funds expenses are approximately 70 basis points, and that the portfolio’s private investments are more expensive. She noted that the rest of the investments have low-cost, passive fee structures. Mr. Rowlins then outlined the portfolio’s funded status, as reported by the plan’s actuary, for the fiscal years ending 2020 and 2021.

Mr. Rowlins provided an overview of asset class performance for the month of April and year-to-date. He said that high inflation and anticipation of continued Federal Reserve rate hikes pushed interest rates higher in April putting negative pressure on bond prices across sectors. He noted that global equities were also lower in April, which reversed March’s gains but commodities continued to rally given supply and demand imbalances. Ms. Pizzi noted that it has been an incredibly difficult year, especially for core bonds with benchmark like duration, which is why Fiducient recommended adding a flexible bond manager earlier in the year with the ability to manage fixed income untethered to a market benchmark.

Ms. Pizzi then discussed the portfolio’s asset allocation, as the layout in Fiducient’s report has changed. She said that they had previously classified prepaid pension benefits as “pooled cash”. She said that this represents the amount of the benefit payments that the City is paying on behalf of BERS throughout the fiscal year, which BERS then repays the City at the end of the fiscal year. She said that even though this money is not coming out of the investment portfolio, it is a reminder of what needs to be paid back to the City at the end of the year. She

noted that with those funds included in the total plan assets, the BERS board's invested assets stands at approximately \$228 million. Mr. Mount asked what the mechanics are to repay the City the prepaid pension benefits at the end of the fiscal year. Ms. Pizzi replied that the contributions will be received and net out the payment that is owed back to the City. Finance Director Goodwin confirmed Pizzi's comments and added that the prepaid estimate will be calculated in early June in order to ensure that it is paid to the City by June 30th. Ms. Pizzi then called attention to the approximately \$1 million in cash assets, which will either be reinvested strategically or left as cash to contribute to the repayment to the City at the end of the fiscal year.

Ms. Pizzi then walked through the portfolio dashboard. She noted that capital markets sold off sharply in April, pointing out that one-month performance showed a decrease of 6.5%, and YTD had decreased by 10.9%. She reported that the plan's fiscal YTD was down approximately 7.4%. She noted that the portfolio's asset allocation was in line with the targets.

Ms. Pizzi then provided an overview of manager performance, specifically pointing out BlackRock's performance for the month, as they are a newer asset manager. She noted that there was growth in real assets for the month (+6.4%) and fiscal YTD (+18.9%). Mr. Hooper asked how Fiducient is thinking about drought, famine, and war in terms of strategies around commodities. Ms. Pizzi replied that current events represent a way of investing responsibly in commodities. Mr. Smith from Fiducient Advisors added that commodities have performed strongly YTD as a result of supply chain issues and the conflict between Russia and the Ukraine which has exacerbated supply/demand imbalances.

8.02 Committee Education: Environmental Considerations in Real Asset Investing

Ms. Hinman from Fiducient Advisors, began by providing an overview of Fiducient's tiered approach for mission-aligned investing for clients. She said that the first-tier approach to incorporate environmental, social, and governance (ESG) into their portfolio is the notion of integration: incorporating ESG factors into the investment management process to enhance the investment process. She said that the second tier is to apply either positive or negative screening or thematic investing to align the portfolio to the investor's mission/values. She said that the third tier is impacting investing and/or the incorporation of proxy voting and shareholder engagement in alignment with investors' mission and stated values. Mr. Robins asked what the BERS Board or the City's stated mission is and whether it should have one. Ms. Hinman said that Fiducient works with municipalities to help develop/hone their mission or values and ensure alignment with their portfolio. Ms. Pizzi added that the divestment activities that occurred last year came from a City Council resolution, but that there is no directives that states that BERS will divest from fossil-fuels or have an environmentally positioned portfolio.

Ms. Hinman went into more detail about the integration approach. She said that looking at risks and factors such as drought or wildfire are taken into consideration when adopting an ESG integration approach. She noted that in a 2021 Fiducient survey, 86% of respondents said they used an ESG analysis as a component of their investment process. However, when Fiducient further analyzed the market strategies by determining whether the integration practices were observable, material, and additive to the investment process, they determined that only 35% of public market strategies meaningfully integrated ESG into their processes.

Ms. Hinman then went into more detail about the values-based approach. She said that this includes negative screening (screening out companies or industries that don't align with an investor's values), positive screening (shifting an investor's portfolio to the best-in-class companies as defined by the investor's values), and thematic investing (a top-down investment approach that incorporates broad themes in conjunction with a values-based focus in selecting a portfolio of companies—for example, using themes such as sustainability and clean energy).

Ms. Hinman then noted that investors and clients are interested in being thoughtful around ESG in real assets. She said that one third of the real asset index comprises commodities and natural resources (such as fossil fuel). She said that there has been a significant increase in concern among public plans around climate change and carbon emissions.

Ms. Hinman then outlined Fiducient's manager research process around due diligence related to ESG strategies. She said that if a strategy related to ESG is under consideration manager research applies quantitative and qualitative due diligence as part of the review process. She said that they focus particularly around the ESG integration process to ensure that greenwashing is not occurring.

Mr. Smith, who leads Fiducient's research efforts around real assets, then walked the Committee through an example of a real asset strategy that incorporates ESG into its processes. He said that when they select commodities to invest in, they will evaluate, for example, pollution risks associated with that commodity. Mr. Robins asked if this is an appropriate area to concentrate energy over the next several months to develop a BERS mission statement/policy. Mr. Hooper said that he would like to explore being more precise in terms of investing or divesting—for example, not investing in fossil fuels but potentially still investing in associated energy companies that might also be investing in clean energy. The BERS Board agreed to think more about this and be prepared to discuss it at their next meeting.

9.0 ADJOURN

9.01 Motion to Adjourn

MOTION by Robert Hooper to adjourn. VOTING: unanimous; motion carries.

The meeting adjourned without objection at 10:40 AM.

RScty: AACoonrad

Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

Karl J. Tremblay

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Pension Benefit and Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected. As a Plan participant, you may have made post-tax contributions to the Plan. As a result, a portion of your benefit may be non-taxable. **Consult with your tax advisor if you have any questions.**

Information Used in Determination

Participant Name:	Karl J. Tremblay	Class:	B
Date of Birth:		Department:	School
Date of Hire:	12/18/2017	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	09/27/2019	Normal Retirement Date (NRD):	10/12/2051
Beneficiary Date of Birth:		Payment Start Date:	06/01/2022
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
12/31/2017	Interest at 5.5%	\$0.00	\$0.00
06/30/2018	Contributions	\$2,226.36	\$2,226.36
06/30/2018	Interest at 2%	\$0.00	\$2,226.36
06/30/2019	Contributions	\$2,478.91	\$4,705.27
06/30/2019	Interest at 2%	\$44.53	\$4,749.80
09/27/2019	Contributions	\$543.66	\$5,293.46
06/30/2020	Interest at 2%	\$95.00	\$5,388.46
06/30/2021	Interest at 2%	\$107.77	\$5,496.23
05/31/2022	Interest at 2%	\$100.68	\$5,596.91

(1) Pre-Tax Employee Contributions (Taxable):	\$5,248.93
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$347.98
(3) Total Return of Employee Contributions with Interest:	\$5,596.91

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$5,596.91	\$5,596.91	0.00

Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

Tyeastia Green

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Pension Benefit and Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected. As a Plan participant, you may have made post-tax contributions to the Plan. As a result, a portion of your benefit may be non-taxable. **Consult with your tax advisor if you have any questions.**

Information Used in Determination

Participant Name:	Tyeastia Green	Class:	B
Date of Birth:		Department:	Non-Union
Date of Hire:	04/06/2020	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	03/11/2022	Normal Retirement Date (NRD):	11/02/2041
Beneficiary Date of Birth:		Payment Start Date:	06/01/2022
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2020	Contributions	\$779.90	\$779.90
06/30/2020	Interest at 2%	\$0.00	\$779.90
06/30/2021	Contributions	\$4,375.93	\$5,155.83
06/30/2021	Interest at 2%	\$15.60	\$5,171.43
03/11/2022	Contributions	\$6,265.12	\$11,436.55
05/31/2022	Interest at 2%	\$94.73	\$11,531.28
(1)	Pre-Tax Employee Contributions (Taxable):		\$11,420.95
(2)	Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):		\$110.33
(3)	Total Return of Employee Contributions with Interest:		\$11,531.28

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$11,531.28	\$11,531.28	0.00



POLICE DEPARTMENT
CITY OF BURLINGTON

Robert Hooper
Chairperson
Burlington Employees' Retirement System Board

Dear Chairperson Hooper:

In anticipation of my upcoming retirement, please accept this letter as formal notice of my resignation from the BERS board, effective July 1, 2022. I have greatly enjoyed these last eight years serving on this board and I will miss working with you and the other board members.

As I mentioned at our last meeting, Tom Chenette, has volunteered to succeed me and I have every confidence that he will serve the board well. I will continue to make myself available to assist Tom as necessary.

I wish the board the best for the future and am thankful for their service to the retirement system and its beneficiary's.

Very truly yours,

Daniel Gilligan



City of Burlington Employees Retirement System

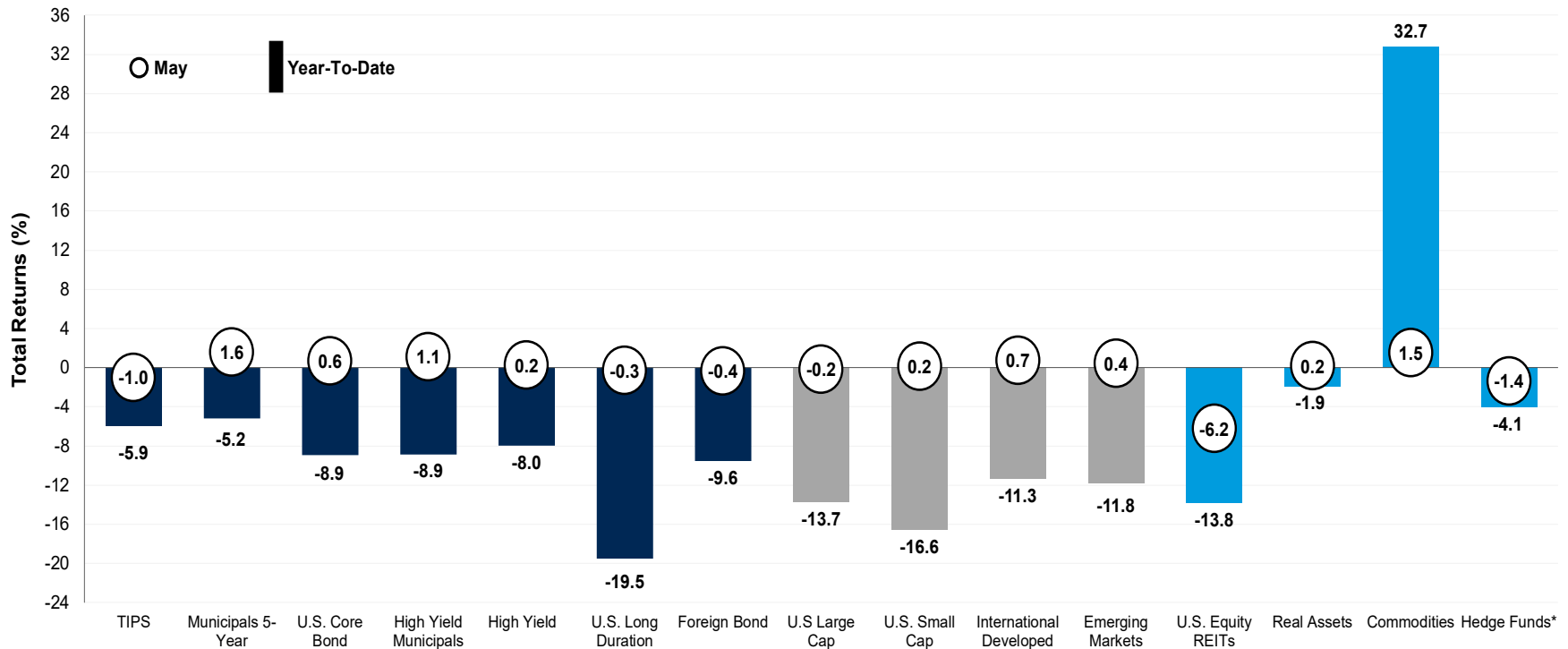
Monthly Performance Update - May 2022

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

Past performance does not indicate future performance and there is possibility of a loss.



Asset Class Performance



*Hedge fund returns are lagged 1 month. Sources: FactSet, Morningstar. As of May 31, 2022.

Fixed Income (May)

+ Fixed income securities gained in May as rates trended lower as markets priced in somewhat higher chances of a recession with weaker economic data than earlier in the year.

- As the Fed takes an increasingly hawkish stance to mitigate the harmful effects of inflation, short-term rates have moved up faster than longer-term rates.
- Foreign fixed income was modestly negative as a hedged U.S. dollar was a headwind in May.

Equity (May)

- Despite closing largely flat, equities were volatile in May and making recent lows since early 2020. Investors contended with higher rates, inflation costs, slowing consumer demand and the prospect of a recession following mixed economic data.

- Investors continue to navigate uncertainty internationally, with conflict in Europe and severe lockdowns in China leading to downward revisions of growth estimates for the year.

Real Asset / Alternatives (May)

+ Resurging travel demand and embargoes on Russian oil continued to push energy prices higher.

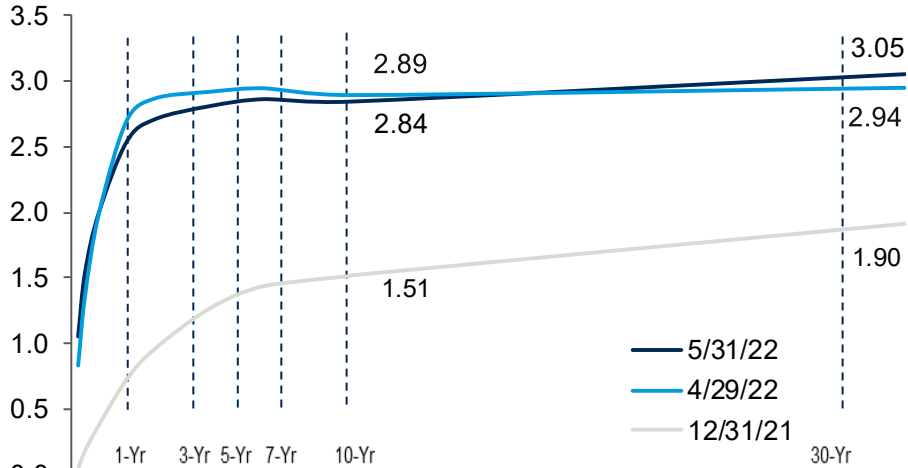
- Increasing rates and weaker sentiment among consumers weighed on real estate markets, leading to some cooling after hitting multi-decade highs in certain segments.



Fixed Income Market Update

U.S. Treasury Yield Curve

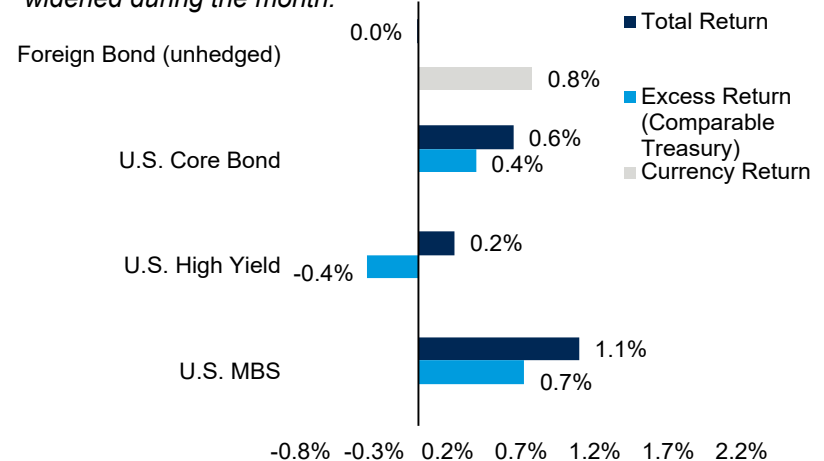
The U.S. yield curve flattened in May as increasing chances of the Fed front-loading rate hikes this year pushed yields on the front end up, while growing concerns of an economic slowdown dragged longer rates lower.



Source: FactSet. As of May 31, 2022.

Index Performance Attribution (May 2022)

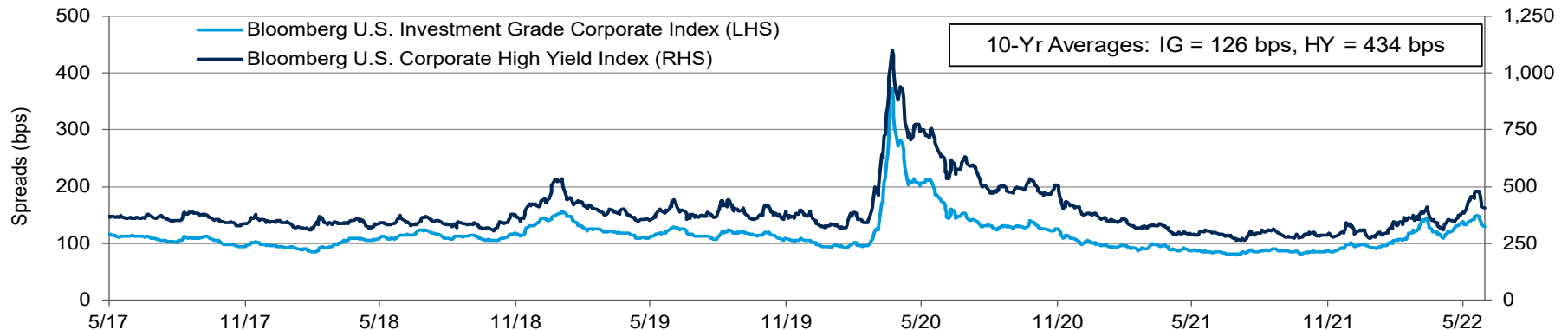
Fixed income rebounded in May as investment grade yields decreased. A weaker dollar benefited foreign securities and non-investment grade underperformed higher quality bonds as spreads widened during the month.



Source: FactSet. As of May 31, 2022.

Credit Market Spreads – Trailing 5 Years

High yield bond spreads widened during May as a weaker economic outlook outweighed strong corporate fundamentals. While IG spreads now sit above their 10-year average, HY spreads remain below their 10-year average despite the widening during the month.



Source: FactSet. As of May 31, 2022.



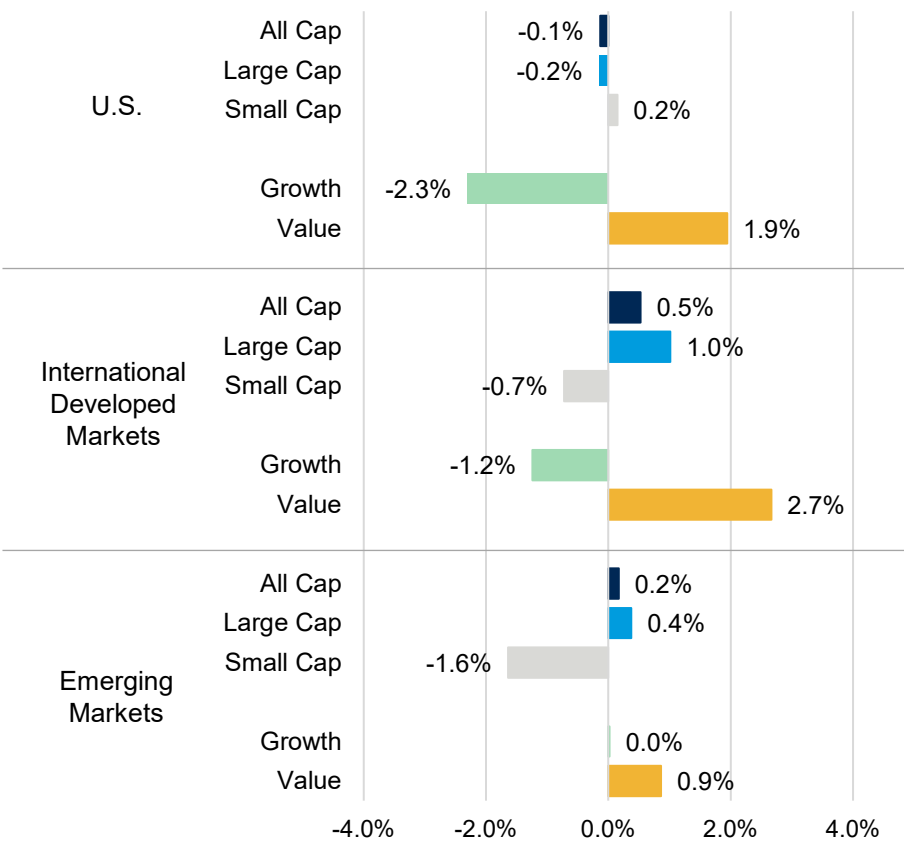
Equity Market Update

Market Capitalization & Style Performance (May 2022)

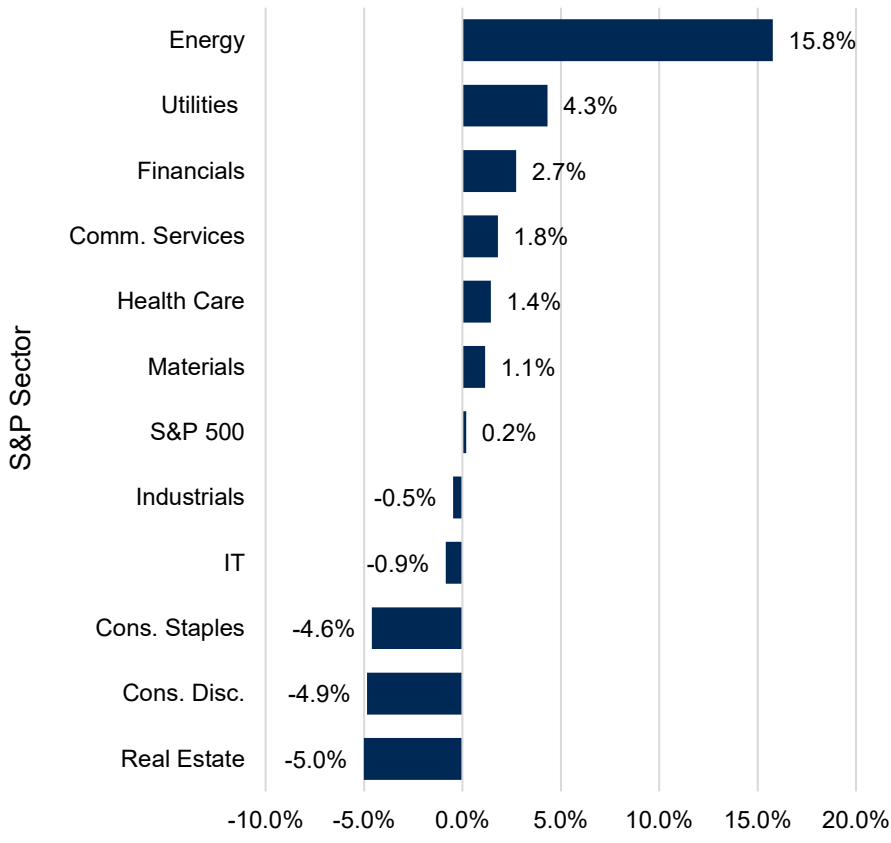
Although equity markets closed May broadly unchanged, investors dealt with significant volatility within the month. Non-US markets outperformed domestic markets while Value continued to beat Growth in the month.

U.S. Equities – Returns by Sector (May 2022)

Sector performance in May was a tale of two halves. While energy and utilities were buoyed by strong demand, consumer names dropped on missed earnings due to concerns on margins due to higher costs.



Source: FactSet. As of May 31, 2022.



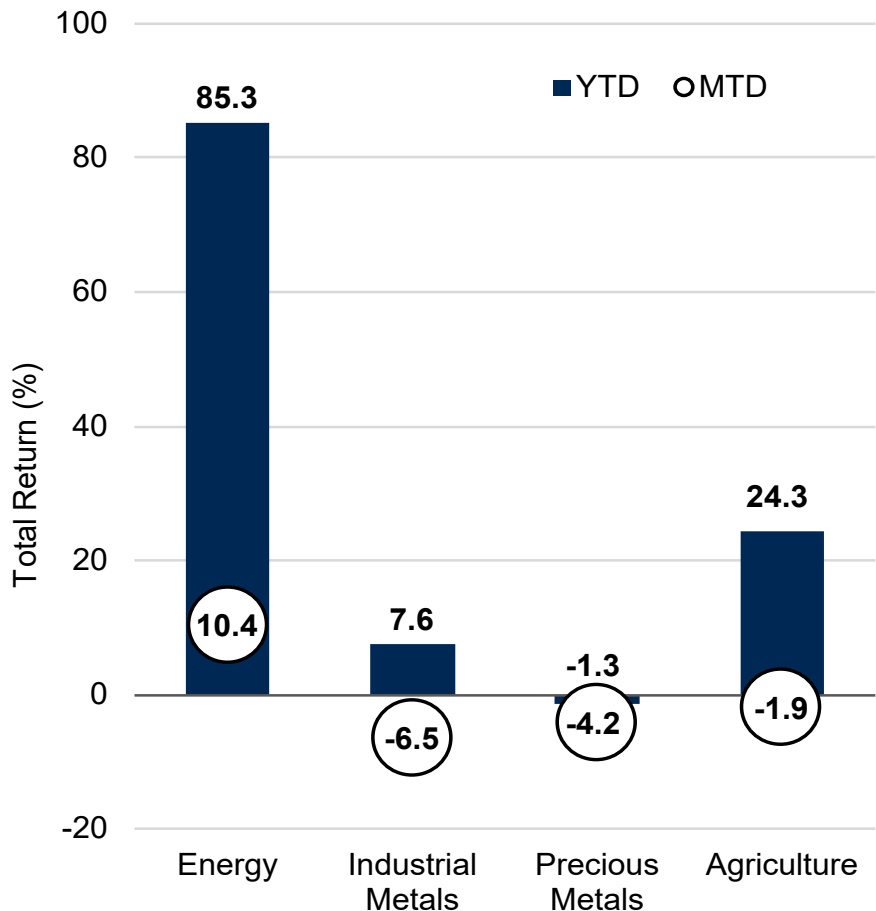
Source: FactSet. As of May 31, 2022.



Real Asset Market Update

Real Assets Performance

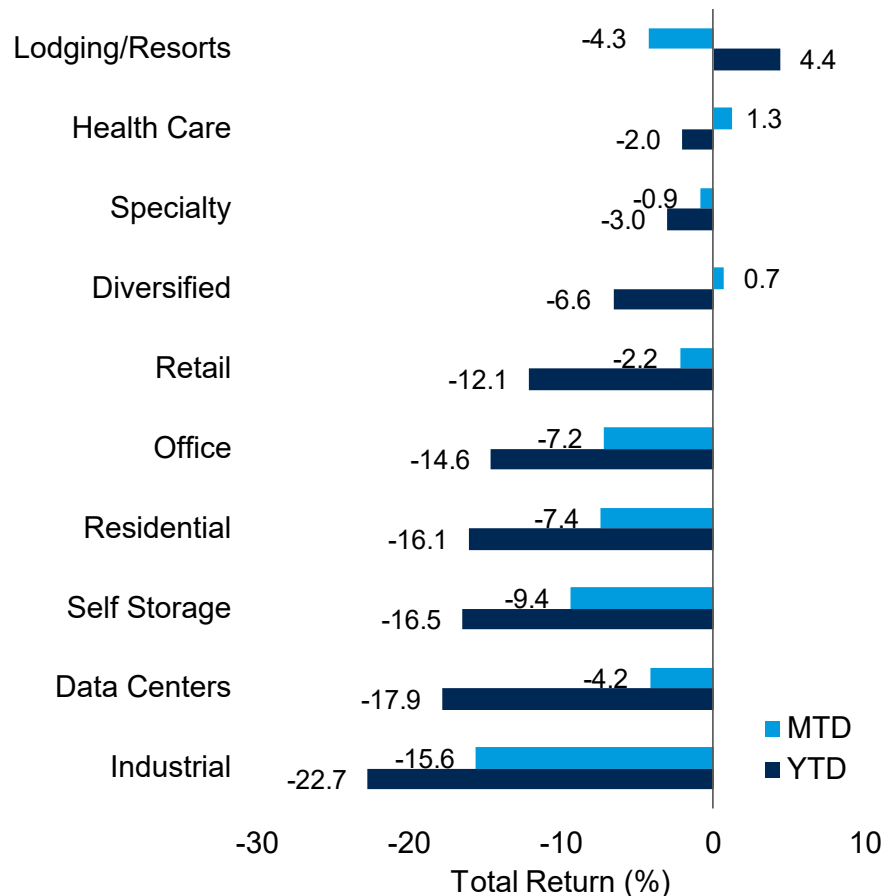
Commodities continued trending upward in May as inflation levels remain elevated, despite a modest deceleration from April. Industrial metals retraced their sharp gains earlier in the year, while oil and natural gas led energy's surge higher.



Source: FactSet. As of May 31, 2022.

REIT Sector Performance

Higher rates and weaker sentiment continued to hamper real estate. Industrials lagged as Amazon, the top warehouse tenant in the U.S., plans to sublease excess capacity as e-commerce slows.



Source: FactSet. As of May 31, 2022.



Financial Markets Performance

Total Return as of May 31, 2022

Periods greater than one year are annualized

All returns are in U.S. dollar terms

Global Fixed Income Markets	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg 1-3-Month T-Bill	0.0%	0.1%	0.1%	0.6%	1.1%	0.8%	0.6%	0.7%
Bloomberg U.S. TIPS	-1.0%	-5.9%	-1.4%	4.4%	3.7%	3.1%	2.0%	4.1%
Bloomberg Municipal Bond (5 Year)	1.6%	-5.2%	-5.0%	0.4%	1.1%	1.6%	1.6%	3.1%
Bloomberg High Yield Municipal Bond	1.1%	-8.9%	-6.3%	2.4%	4.3%	4.4%	4.8%	4.4%
Bloomberg U.S. Aggregate	0.6%	-8.9%	-8.2%	0.0%	1.2%	1.5%	1.7%	3.4%
Bloomberg U.S. Corporate High Yield	0.2%	-8.0%	-5.3%	3.3%	3.6%	4.3%	5.4%	6.1%
Bloomberg Global Aggregate ex-U.S. Hedged	-0.7%	-6.5%	-6.1%	-0.4%	1.5%	2.0%	2.8%	3.5%
Bloomberg Global Aggregate ex-U.S. Unhedged	0.0%	-12.6%	-16.7%	-2.7%	-0.9%	0.4%	-0.5%	1.7%
Bloomberg U.S. Long Gov / Credit	-0.3%	-19.5%	-14.8%	-0.4%	1.8%	2.6%	2.9%	5.5%
JPMorgan GBI-EM Global Diversified	1.8%	-10.5%	-16.5%	-2.6%	-1.3%	0.0%	-0.5%	2.1%
Global Equity Markets	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	0.2%	-12.8%	-0.3%	16.4%	13.4%	12.2%	14.4%	9.0%
Dow Jones Industrial Average	0.3%	-8.4%	-2.6%	12.3%	11.9%	11.6%	12.9%	8.8%
NASDAQ Composite	-1.9%	-22.5%	-11.5%	18.4%	15.3%	14.3%	16.9%	11.9%
Russell 3000	-0.1%	-13.9%	-3.7%	15.6%	12.7%	11.5%	14.0%	8.9%
Russell 1000	-0.2%	-13.7%	-2.7%	16.0%	13.1%	11.9%	14.2%	9.0%
Russell 1000 Growth	-2.3%	-21.9%	-6.3%	18.3%	16.1%	14.5%	16.1%	11.2%
Russell 1000 Value	1.9%	-4.5%	0.9%	12.8%	9.5%	8.8%	12.1%	6.6%
Russell Mid Cap	0.1%	-12.9%	-6.8%	12.9%	10.5%	9.3%	12.8%	8.4%
Russell Mid Cap Growth	-3.9%	-25.4%	-18.7%	9.4%	10.7%	9.3%	12.6%	8.6%
Russell Mid Cap Value	1.9%	-5.9%	-0.1%	13.4%	9.1%	8.5%	12.3%	7.5%
Russell 2000	0.2%	-16.6%	-16.9%	9.7%	7.7%	7.3%	10.8%	6.8%
Russell 2000 Growth	-1.9%	-24.8%	-25.7%	6.2%	6.9%	6.1%	10.6%	7.2%
Russell 2000 Value	1.9%	-8.2%	-7.7%	12.2%	7.8%	8.0%	10.7%	6.1%
MSCI ACWI	0.1%	-12.8%	-6.8%	11.7%	9.0%	8.0%	10.3%	5.4%
MSCI ACWI ex. U.S.	0.7%	-10.7%	-12.4%	6.5%	4.4%	3.8%	6.4%	2.2%
MSCI EAFE	0.7%	-11.3%	-10.4%	6.4%	4.2%	3.7%	7.2%	2.1%
MSCI EAFE Growth	-1.2%	-19.9%	-16.6%	6.6%	5.2%	4.8%	7.8%	3.2%
MSCI EAFE Value	2.5%	-2.4%	-4.5%	5.6%	2.7%	2.2%	6.2%	0.8%
MSCI EAFE Small Cap	-0.7%	-15.4%	-16.0%	6.6%	4.1%	5.3%	8.9%	3.6%
MSCI Emerging Markets	0.4%	-11.8%	-19.8%	5.0%	3.8%	3.4%	4.2%	2.8%
Alternatives	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Consumer Price Index*	0.3%	3.0%	8.2%	4.2%	3.4%	2.9%	2.3%	2.3%
FTSE NAREIT Equity REITs	-6.2%	-13.8%	3.9%	7.2%	7.4%	7.2%	8.8%	5.6%
S&P Real Assets	0.2%	-1.9%	2.9%	7.3%	6.1%	4.9%	5.5%	4.8%
FTSE EPRA NAREIT Developed	-5.7%	-7.5%	9.9%	4.8%	6.0%	5.1%	8.8%	4.5%
FTSE EPRA NAREIT Developed ex U.S.	-1.1%	-10.9%	-11.9%	-0.1%	2.5%	2.5%	5.7%	0.9%
Bloomberg Commodity Total Return	1.5%	32.7%	41.9%	19.8%	10.9%	4.7%	0.9%	-1.1%
HFRI Fund of Funds Composite*	-1.4%	-4.1%	-2.2%	5.1%	4.2%	3.1%	3.8%	2.2%
HFRI Fund Weighted Composite*	-1.4%	-2.3%	-0.5%	7.5%	5.9%	4.8%	5.1%	4.1%
Alerian MLP	7.7%	27.9%	27.5%	6.1%	2.6%	-1.2%	2.6%	4.8%

*One month lag.

Source: FactSet, Morningstar. As of May 31, 2022. Periods greater than 1 year are annualized. All returns are in U.S. dollar terms.



Asset Allocation

Total Plan

As of May 31, 2022

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Plan	225,125,502	100.0	100.0	0.0
Prepaid Pension Benefits	-4,118,608	-1.8	0.0	-1.8
Total Invested Assets	229,244,110	101.8	100.0	1.8
Short Term Liquidity	1,037,639	0.5	0.0	0.5
Key Bank Cash Portfolio	998,976	0.4	0.0	0.4
First American Govt Oblig Fund Z	38,663	0.0	0.0	0.0
Fixed Income	40,361,776	17.9	18.0	-0.1
JIC Core Bond Fund I	33,128,208	14.7	15.0	-0.3
BlackRock Strategic Income Opportunities K	7,233,567	3.2	3.0	0.2
Equity	173,235,784	77.0	75.0	2.0
Domestic Equity	99,326,478	44.1	41.5	2.6
Mellon Large Cap Core	75,514,593	33.5	31.0	2.5
Mellon Smid Cap Core	23,811,885	10.6	10.5	0.1
International Equity	72,888,053	32.4	33.0	-0.6
Mellon EAFE Fund	51,980,235	23.1	23.0	0.1
Mellon Emerging Markets	20,907,818	9.3	10.0	-0.7
Private Equity	1,021,254	0.5	0.5	0.0
Hamilton Lane II	56,030	0.0	-	-
Hamilton Lane VII A	674,592	0.3	-	-
Hamilton Lane VII B	290,632	0.1	-	-
Real Assets	14,608,911	6.5	7.0	-0.5
UBS Trumbull Property Fund	12,309,657	5.5	6.0	-0.5
Molpus SWF II	2,299,254	1.0	1.0	0.0

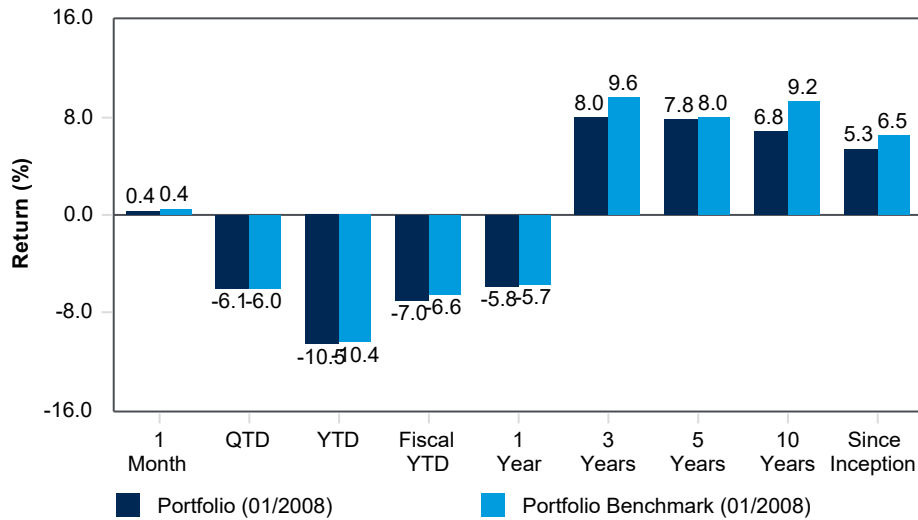


Portfolio Dashboard

Total Invested Assets

As of May 31, 2022

Historical Performance



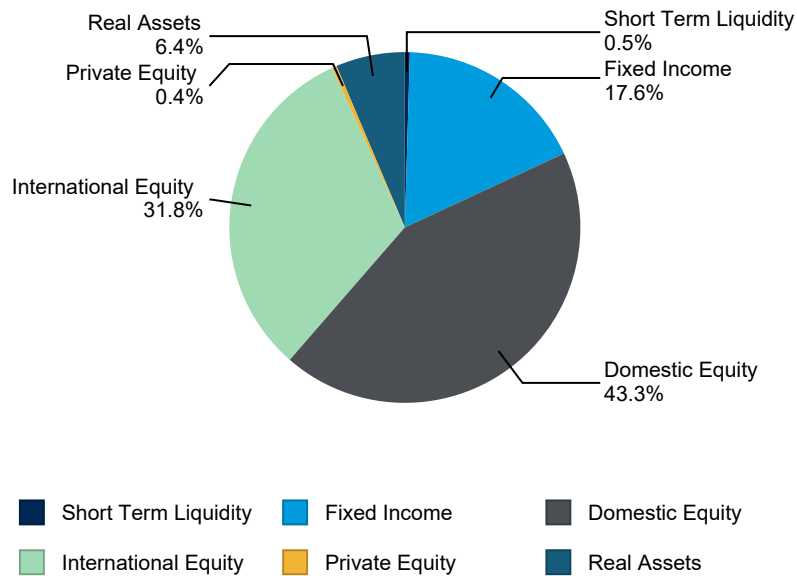
Summary of Cash Flows

	1 Month	QTD	YTD	Fiscal YTD	1 Year
Total Invested Assets					
Beginning Market Value	228,319,399	244,074,821	256,254,686	246,549,763	250,409,564
Net Contributions	-	-	-1	-31,018	-7,031,018
Gain/Loss	924,711	-14,830,711	-27,010,574	-17,274,635	-14,134,435
Ending Market Value	229,244,110	229,244,110	229,244,110	229,244,110	229,244,110

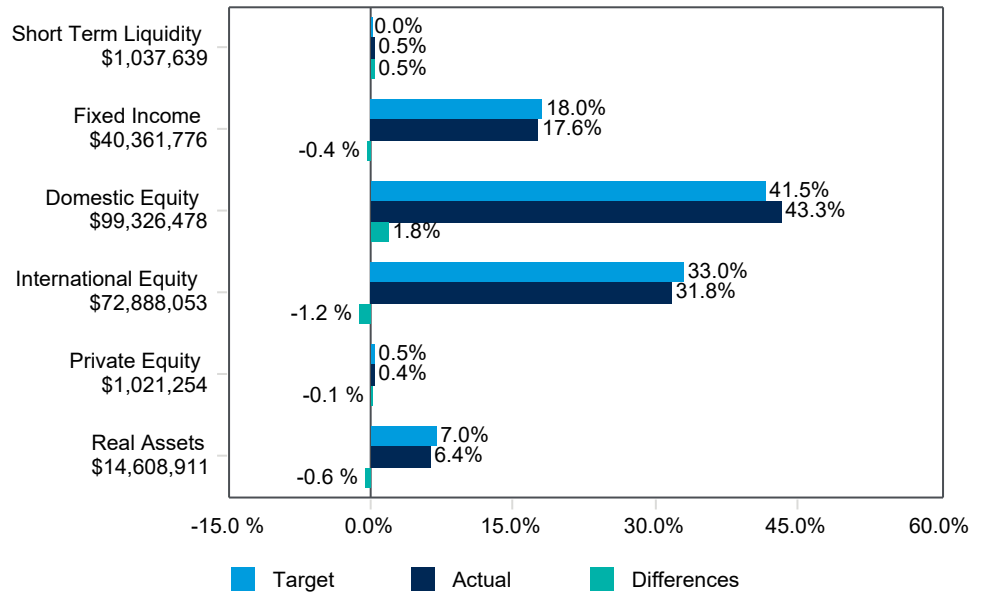
Current Benchmark Composition

From Date	To Date	Composition
05/2021	Present	18% Blmbg. U.S. Aggregate, 31.5% S&P 500, 10.5% Russell 2500 Index, 23% MSCI EAFE (Net), 10% MSCI Emerging Markets (Net), 6% NCREIF Fund Index - ODCE (net), 1% NCREIF Timberland Index

Portfolio Allocation



Actual vs. Target Allocations





Asset Allocation

Total Invested Assets

As of May 31, 2022

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Invested Assets	229,244,110	100.0	100.0	0.0
Short Term Liquidity	1,037,639	0.5	0.0	0.5
Key Bank Cash Portfolio	998,976	0.4	0.0	0.4
First American Govt Oblig Fund Z	38,663	0.0	0.0	0.0
Fixed Income	40,361,776	17.6	18.0	-0.4
JIC Core Bond Fund I	33,128,208	14.5	15.0	-0.5
BlackRock Strategic Income Opportunities K	7,233,567	3.2	3.0	0.2
Equity	173,235,784	75.6	75.0	0.6
Domestic Equity	99,326,478	43.3	41.5	1.8
Mellon Large Cap Core	75,514,593	32.9	31.0	1.9
Mellon Smid Cap Core	23,811,885	10.4	10.5	-0.1
International Equity	72,888,053	31.8	33.0	-1.2
Mellon EAFE Fund	51,980,235	22.7	23.0	-0.3
Mellon Emerging Markets	20,907,818	9.1	10.0	-0.9
Private Equity	1,021,254	0.4	0.5	-0.1
Hamilton Lane II	56,030	0.0	-	-
Hamilton Lane VII A	674,592	0.3	-	-
Hamilton Lane VII B	290,632	0.1	-	-
Real Assets	14,608,911	6.4	7.0	-0.6
UBS Trumbull Property Fund	12,309,657	5.4	6.0	-0.6
Molpus SWF II	2,299,254	1.0	1.0	0.0



Manager Performance

Total Invested Assets (excluding Prepaid)

As of May 31, 2022

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Total Invested Assets (excluding Prepaid)	229,244,110	100.0	0.4	-6.1	-10.5	-7.0	-5.8	8.0	7.8	6.8	5.3	01/2008
<i>Policy Benchmark</i>			<i>0.4</i>	<i>-6.0</i>	<i>-10.4</i>	<i>-6.6</i>	<i>-5.7</i>	<i>9.6</i>	<i>8.0</i>	<i>9.2</i>	<i>6.5</i>	
Short Term Liquidity	1,037,639	0.5	0.0	0.0	0.0	0.0	0.0	-	-	-	0.0	01/2021
<i>90 Day U.S. Treasury Bill</i>			<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.7</i>	<i>1.1</i>	<i>0.6</i>	<i>0.1</i>	
Key Bank Cash Portfolio	998,976	0.4	0.0	0.0	0.0	0.0	0.0	-	-	-	0.0	01/2021
<i>90 Day U.S. Treasury Bill</i>			<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.7</i>	<i>1.1</i>	<i>0.6</i>	<i>0.1</i>	
First American Govt Oblig Fund Z	38,663	0.0	0.0	0.1	-	-	-	-	-	-	-	02/2022
<i>90 Day U.S. Treasury Bill</i>			<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>	<i>0.7</i>	<i>1.1</i>	<i>0.6</i>	<i>0.1</i>	
Fixed Income	40,361,776	17.6	0.4	-3.2	-8.8	-9.0	-8.2	-	-	-	-7.6	01/2021
<i>Blmbg. U.S. Aggregate</i>			<i>0.6</i>	<i>-3.2</i>	<i>-8.9</i>	<i>-8.9</i>	<i>-8.2</i>	<i>0.0</i>	<i>1.2</i>	<i>1.7</i>	<i>-7.4</i>	
JIC Core Bond Fund I	33,128,208	14.5	0.5	-3.7	-9.5	-9.8	-8.9	0.1	1.4	2.1	-3.2	03/2020
<i>Blmbg. U.S. Aggregate</i>			<i>0.6</i>	<i>-3.2</i>	<i>-8.9</i>	<i>-8.9</i>	<i>-8.2</i>	<i>0.0</i>	<i>1.2</i>	<i>1.7</i>	<i>-3.2</i>	
IM U.S. Broad Market Core Fixed Income (MF) Median			0.3	-3.5	-9.3	-9.5	-8.7	0.2	1.2	1.8	-2.9	
JIC Core Bond Fund I Rank			27	64	63	67	64	52	27	25	62	
BlackRock Strategic Income Opportunities K	7,233,567	3.2	-0.2	-0.7	-3.6	-3.8	-3.6	2.9	2.9	3.2	-2.6	02/2022
<i>Blmbg. U.S. Aggregate</i>			<i>0.6</i>	<i>-3.2</i>	<i>-8.9</i>	<i>-8.9</i>	<i>-8.2</i>	<i>0.0</i>	<i>1.2</i>	<i>1.7</i>	<i>-6.9</i>	
IM Alternative Credit Focus (MF) Median			-0.5	-1.8	-4.8	-5.3	-5.0	1.1	1.5	2.2	-3.8	
BlackRock Strategic Income Opportunities K Rank			37	13	29	29	28	10	13	7	27	

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



Manager Performance

Total Invested Assets (excluding Prepaid)

As of May 31, 2022

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Equity	173,235,784	75.6	0.4	-7.2	-12.2	-8.5	-7.4	-	-	-	2.9	01/2021
<i>MSCI AC World Index (Net)</i>			<i>0.1</i>	<i>-7.9</i>	<i>-12.8</i>	<i>-8.0</i>	<i>-6.8</i>	<i>11.7</i>	<i>9.0</i>	<i>10.3</i>	<i>2.3</i>	
Domestic Equity	99,326,478	43.3	0.2	-8.5	-12.9	-5.4	-3.6	-	-	-	6.8	01/2021
<i>Domestic Equity Benchmark</i>			<i>0.2</i>	<i>-8.5</i>	<i>-12.9</i>	<i>-5.1</i>	<i>-3.2</i>	<i>15.5</i>	<i>12.4</i>	<i>13.7</i>	<i>7.1</i>	
Mellon Large Cap Core	75,514,593	32.9	0.2	-8.6	-12.8	-2.6	-0.3	16.4	13.4	-	14.0	04/2016
<i>S&P 500</i>			<i>0.2</i>	<i>-8.6</i>	<i>-12.8</i>	<i>-2.6</i>	<i>-0.3</i>	<i>16.4</i>	<i>13.4</i>	<i>14.4</i>	<i>14.1</i>	
IM U.S. Large Cap Core Equity (MF) Median			0.3	-7.7	-12.7	-4.2	-2.4	14.9	12.2	13.3	12.9	
Mellon Large Cap Core Rank			56	60	52	39	32	22	19	-	17	
Mellon Smid Cap Core	23,811,885	10.4	0.3	-8.2	-13.5	-12.5	-11.4	12.2	9.9	-	11.4	04/2016
<i>Russell 2500 Index</i>			<i>0.3</i>	<i>-8.2</i>	<i>-13.6</i>	<i>-12.7</i>	<i>-11.6</i>	<i>12.0</i>	<i>9.8</i>	<i>12.0</i>	<i>11.2</i>	
IM U.S. SMID Cap Equity (MF) Median			-0.4	-8.3	-15.1	-11.8	-11.5	11.2	9.3	11.5	10.8	
Mellon Smid Cap Core Rank			41	48	41	52	50	37	36	-	36	
International Equity	72,888,053	31.8	0.8	-5.6	-11.4	-13.4	-13.6	-	-	-	-4.6	01/2021
<i>International Equity Benchmark</i>			<i>0.7</i>	<i>-5.6</i>	<i>-11.5</i>	<i>-12.6</i>	<i>-13.3</i>	<i>6.7</i>	<i>4.6</i>	<i>6.0</i>	<i>-3.9</i>	
Mellon EAFE Fund	51,980,235	22.7	0.8	-5.6	-11.1	-9.1	-10.3	6.9	4.7	-	6.8	04/2016
<i>MSCI EAFE (Net)</i>			<i>0.7</i>	<i>-5.8</i>	<i>-11.3</i>	<i>-9.4</i>	<i>-10.4</i>	<i>6.4</i>	<i>4.2</i>	<i>7.2</i>	<i>6.3</i>	
IM International Large Cap Core Equity (MF) Median			2.4	-4.5	-11.4	-10.4	-11.5	6.8	3.9	6.2	5.7	
Mellon EAFE Fund Rank			77	70	43	34	31	49	17	-	25	
Mellon Emerging Markets	20,907,818	9.1	0.6	-5.6	-12.2	-20.3	-19.3	4.8	3.7	-	6.5	04/2016
<i>MSCI Emerging Markets (Net)</i>			<i>0.4</i>	<i>-5.1</i>	<i>-11.8</i>	<i>-20.0</i>	<i>-19.8</i>	<i>5.0</i>	<i>3.8</i>	<i>4.2</i>	<i>6.6</i>	
IM Emerging Markets Equity (MF) Median			0.9	-5.6	-15.3	-23.1	-22.4	4.7	3.3	3.8	6.0	
Mellon Emerging Markets Rank			65	49	34	37	35	49	41	-	39	
Private Equity	1,021,254	0.4	0.0	0.0	0.0	0.7	6.4	-	-	-	12.1	01/2021
Hamilton Lane II	56,030	0.0	0.0	0.0	0.0	0.0	0.0	15.8	16.3	14.6	17.3	03/2009
Hamilton Lane VII A	674,592	0.3	0.0	0.0	0.0	4.0	10.6	17.2	16.0	14.2	13.5	07/2011
Hamilton Lane VII B	290,632	0.1	0.0	0.0	0.0	-6.3	-1.5	7.4	8.1	9.7	9.9	07/2011

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



Manager Performance

Total Invested Assets (excluding Prepaid)

As of May 31, 2022

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	QTD	YTD	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Real Assets	14,608,911	6.4	0.0	0.0	5.9	18.9	21.8	-	-	-	15.5	01/2021
UBS Trumbull Property Fund	12,309,657	5.4	0.0	0.0	7.1	19.0	22.4	4.2	4.7	-	4.7	07/2016
<i>NCREIF Fund Index - ODCE (net)</i>			<i>0.0</i>	<i>0.0</i>	<i>7.1</i>	<i>22.7</i>	<i>27.3</i>	<i>10.3</i>	<i>8.9</i>	<i>9.9</i>	<i>8.4</i>	
Molpus SWF II	2,299,254	1.0	0.0	0.0	-0.4	18.8	18.5	4.8	2.5	3.7	3.0	03/2009
<i>NCREIF Timberland Index</i>			<i>0.0</i>	<i>0.0</i>	<i>3.2</i>	<i>10.0</i>	<i>11.8</i>	<i>4.7</i>	<i>4.1</i>	<i>5.4</i>	<i>3.8</i>	

Valuations data as of:

Hamilton Lane - 9/30/2021

UBS Trumbull Property Fund and Molpus SWF II - 3/31/2022

All private equity and real estate assets are adjusted for any capital activity.

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



Benchmark History

Policy Benchmark

As of May 31, 2022

Members	Weight (%)
May-2021	
Blmbg. U.S. Aggregate	18.00
S&P 500	31.50
Russell 2500 Index	10.50
MSCI EAFE (Net)	23.00
MSCI Emerging Markets (Net)	10.00
NCREIF Fund Index - ODCE (net)	6.00
NCREIF Timberland Index	1.00
Dec-2019	
Blmbg. U.S. Aggregate	20.00
S&P 500	32.00
Russell 2500 Index	18.00
MSCI EAFE (Net)	10.00
MSCI Emerging Markets (Net)	10.00
NCREIF Fund Index - ODCE (net)	8.00
NCREIF Timberland Index	2.00
Jun-2017	
Blmbg. Intermed. U.S. Government/Credit	20.00
S&P 500	30.00
Russell 2500 Index	18.00
S&P Completion Index	2.00
MSCI EAFE (Net)	10.00
MSCI Emerging Markets (Net)	10.00
NCREIF Fund Index - ODCE (net)	8.00
NCREIF Timberland Index	2.00

Members	Weight (%)
Jan-2016	
Blmbg. Intermed. U.S. Government/Credit	28.00
S&P 500	30.00
Russell 2500 Index	18.00
S&P Completion Index	2.00
MSCI EAFE (Net)	10.00
MSCI Emerging Markets (Net)	10.00
NCREIF Timberland Index	2.00
Jan-2008	
Blmbg. U.S. Aggregate	20.00
S&P 500	32.00
Russell 2500 Index	18.00
MSCI EAFE (Net)	10.00
MSCI Emerging Markets (Net)	10.00
NCREIF Fund Index - ODCE (net)	8.00
NCREIF Timberland Index	2.00



Definitions & Disclosures

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

REGULATORY DISCLOSURES

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

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of \$1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Barclays Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Barclays Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Barclays Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Barclays Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Barclays Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Barclays Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg Barclays U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Barclays Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg Barclays U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.



- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
 - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index, 15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: Barclays U.S. Treasury Inflation Notes Total Return Index
 - **PIMCO Inflation Response Multi Asset Fund:** 45% Barclays U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
 - **Principal Diversified Real Assets:** 35% BbgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
 - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Barclays US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg Barclays US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US Agg Flt Adj Index:** Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg Barclays US Long Gov/Cr Flt Adj Index:** Bloomberg Barclays U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg Barclays U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg Barclays U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg Barclays 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.



- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI AC USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Additional:

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

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.



- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

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

VALUATION POLICY

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

REPORTING POLICY

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



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

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

OTHER

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

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

CUSTODIAN STATEMENTS

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

GENERAL DISCLOSURES

Barron's Institutional Consulting Teams ranking is based on quantitative and qualitative factors including team's assets, revenue, size and character of the team itself. Barron's invites firms that, in their opinion, are competitive given size and sophistication. There is no fee associated with participating in the ranking. Fiduciant Advisors' ranking took into consideration the combined capabilities of the firm and its subsidiary, Fiduciary Investment Advisors, LLC.

P&I's 2020 Best Places to Work in Money Management ranking is a proprietary survey produced by Pension & Investment in partnership with Best Companies Group. 94 companies were recognized in 2020 and results are based on evaluating each nominated company's workplace policies, practices, philosophy, systems, and demographics, as well as an employee survey to measure employee experience. Fiduciant Advisors' rankings are representative of the firm and its subsidiary, Fiduciary Investment Advisors, LLC. There is no fee associated with participating in the ranking.

P&I's Consultant Ranking is a proprietary survey produced by Pension & Investment. Results are based on 80 questionnaire responses sent to 213 consultants determined by P&I that self-reported institutional assets under advisement as of June 30, 2020. Consultants with multiple subsidiaries are asked to provide information on a consolidated basis. There is no fee associated with participating in the ranking. The ranking is not indicative of Fiduciant Advisors' future performance.