

SAN JOAQUIN REGIONAL TRANSIT DISTRICT  
SPECIAL RETIREMENT BOARD MEETING – NOTICE AND AGENDA  
2:00 P.M. ON TUESDAY, JUNE 6, 2023

The Retirement Board of the San Joaquin Regional Transit District (RTD) will hold a special meeting at 2:00 P.M. on Tuesday, June 6, 2023, in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California. Please visit <https://sanjoaquinrtd.com/retirement-board/> for an electronic copy of this document.

ACCESSIBLE PUBLIC MEETINGS: RTD is committed to ensuring that all meetings are accessible regardless of an individual's ability or access method. RTD will make all reasonable accommodations for persons with disabilities to participate in this meeting. Upon request to the Chief Executive Office, RTD will provide agenda materials in appropriate alternative formats or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number, and a brief description of the requested materials, preferred alternative format, auxiliary aid, or service, at least three workdays before the meeting. Requests should be sent to RTD by mail at 421 East Weber Avenue, Stockton, CA 95202, by phone at (209) 467-6613, by fax at (209) 948-8516, or by email to [BoardSupport@sjRTD.com](mailto:BoardSupport@sjRTD.com).

The RTD Retirement Board may take action on each item on the agenda. The action may consist of the recommended action, a related action, or no action. Staff recommendations are subject to action and/or change by the Retirement Board.

*For language assistance, interpreter services, please contact (209) 943-1111. Para información en Español, por favor llame al (209) 943-1111.*

1. CALL MEETING TO ORDER
2. MOMENT OF SILENCE/REFLECTION
3. SAFETY ANNOUNCEMENT
4. PLEDGE OF ALLEGIANCE TO THE FLAG
5. ROLL CALL

6. PUBLIC COMMENT  
All public comments shall be limited to no more than THREE MINUTES. In addition, applause, loud noises, or any other outbursts or disruptions from the audience are not allowed during or after public comment. Those who violate this protocol may be removed from the meeting at the presiding officer's discretion.
7. CONSENT CALENDAR
  - A. RESOLUTION: APPROVING THE MINUTES OF THE FEBRUARY 23, 2023, QUARTERLY RETIREMENT BOARD MEETING  
Board approval of minutes.
  - B. RESOLUTION: APPROVING THE MINUTES OF THE APRIL 5, 2023, SPECIAL RETIREMENT BOARD MEETING  
Board approval of minutes.
8. INFORMATION ITEM  
Reports are provided for information only. Staff will be available to answer any questions.
  - A. UPDATE ON RETIREMENTS  
Report on retirements since September 15, 2022.
9. UNFINISHED BUSINESS  
Reports are provided for information only. Team Hewins, LLC staff will be available to answer any questions.
  - A. QUARTERLY INVESTMENT PERFORMANCE OF MARCH 31, 2023  
The 2023 first-quarter performance analysis and year-to-date comparisons for the Retirement and Health Plans have been provided by Team Hewins, LLC staff.
10. DISCUSSION ITEMS
  - A. PRIVATE EQUITY AND ASSET ALLOCATION EDUCATION  
Team Hewins, LLC staff will lead a discussion about investing in private equity and asset allocation.
  - B. DISCUSS ICE MILLER PLAN DOCUMENT AND FEDERAL LAW COMPLIANCE REPORTS  
2023 Comply Now Plan Document and 2023 Comply Now Federal Law Compliance Reports for the Retirement Plan will be discussed.
11. QUESTIONS AND COMMENTS FROM THE RETIREMENT BOARD AND/OR STAFF

12. ADJOURNMENT

**NOTE: THE NEXT QUARTERLY SCHEDULED RETIREMENT BOARD MEETING WILL BE HELD ON THURSDAY, AUGUST 24, 2023, AT 10:00 A.M.**

DATE POSTED: JUNE 2, 2023



**LEAD STAFF: ALEX CLIFFORD, CEO**

**I. RECOMMENDED ACTION:**

Approve the minutes of the February 23, 2023, Quarterly Retirement Board meeting and the April 5, 2023, Special Retirement Board meeting.

**II. SUMMARY**

- Staff is providing the meeting minutes of the February 23, 2023, Quarterly Retirement Board meeting and the April 5, 2023, Special Retirement Board meeting.
- Meeting minutes are recorded after each meeting and will be provided for approval at future scheduled meetings.

**III. DISCUSSION/BACKGROUND**

Meeting minutes are prepared by staff and serve as an official public record of actions taken by the Retirement Board. Once approved, minutes are filed and will remain in RTD's archives to document the Board's adherence to RTD's Rules of Procedure. Minutes will be made available to any member of the public upon request.

**IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This recommendation aligns with the Board's Strategic Priority 4. Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

**V. FINANCIAL CONSIDERATIONS/IMPACT**

None.

**VI. CHANGES FROM COMMITTEE**

N/A

**VII. ALTERNATIVES CONSIDERED**

None.

**VIII. ATTACHMENTS**

- Attachment A:** Draft minutes of the RTD Retirement Board Meeting of February 23, 2023  
**Attachment B:** Resolution  
**Attachment C:** Draft minutes of the RTD Retirement Board Meeting of April 5, 2023  
**Attachment D:** Resolution

Prepared by: Erica Smith, Executive and Board Support Specialist

**IX. APPROVALS**

Alex Clifford, CEO





Attachment A  
Cover Page

MINUTES OF THE QUARTERLY MEETING OF THE RETIREMENT BOARD  
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT  
THURSDAY, FEBRUARY 23, 2023

The San Joaquin Regional Transit District Retirement Board held a Quarterly Meeting on Thursday, February 23, 2023, at 10:00 a.m. in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California. Chair Michael Restuccia attended the meeting via videoconference at 259 N. Wilma Avenue, Ripon, CA 95366.

- |    |                                  |  |
|----|----------------------------------|--|
| 1. | CALL MEETING TO ORDER            | Chair Michael Restuccia called the meeting to order at 10:01 a.m.  |
| 2. | MOMENT OF SILENCE/REFLECTION     | Chair Restuccia called for a moment of silence and reflection.   |
| 3. | SAFETY ANNOUNCEMENT              | Project Controls Manager Merab Talamantes made a Safety Announcement.  |
| 4. | PLEDGE OF ALLEGIANCE TO THE FLAG | Chair Restuccia led the pledge.  |
| 5. | INTRODUCTION OF NEW BOARD MEMBER | ATU President Lee Scott is the newest Retirement Board member.   |
| 6. | ROLL CALL                        | Present: Michael Restuccia, Chair<br>Crystal McGee-Lee, Vice Chair<br>Johanna Shick, Director<br>Lee Scott, Director |

RTD Staff Present

Alex Clifford, CEO

Christopher Waddell, Retirement Board Legal Counsel

Nicole Witt, RTD Legal Counsel

- |    |  |                               |
|----|--|-------------------------------|
| 7. | PUBLIC COMMENTS  | No public comments were made. |
| 8. | CONSENT ITEMS  |                               |
| A. | RESOLUTION NO. <u>453</u> : APPROVING THE MINUTES OF THE DECEMBER 15, 2022, RETIREMENT BOARD MEETING |                               |

ACTION: MOTION: Johanna Shick SECOND: Crystal McGee-Lee  
Roll Call:  
AYES: Restuccia, McGee-Lee, Shick, Scott  
NAYES: ABSTAIN: ABSENT:

9. UNFINISHED BUSINESS

No action was required as the following items were provided for information only.

A. UPDATE ON MARKET PERFORMANCE

Christopher Anderson of Team Hewins, LLC presented current market performance regarding investment conditions.

B. QUARTERLY INVESTMENT PERFORMANCE OF DECEMBER 31, 2022

Thuong Thien of Team Hewins, LLC presented the 2022 fourth-quarter performance analysis and year-to-date comparisons for the Retirement and Health Plans.

10. DISCUSSION ITEMS

A. ELECTION OF OFFICERS

Chair Michael Restuccia motioned to nominate Vice Chair Crystal McGee-Lee as Chair of the Retirement Board. Director Lee Scott seconded the motion.

ACTION: MOTION: Michael Restuccia SECOND: Lee Scott  
Roll Call:  
AYES: Restuccia, McGee-Lee, Shick, Scott  
NAYES: ABSTAIN: ABSENT:

Director Johanna Shick made a motion nominating Chair Michael Restuccia as Vice Chair of the Retirement Board. Vice Chair Crystal McGee-Lee seconded the motion.

ACTION: MOTION: Johanna Shick SECOND: Crystal McGee-Lee  
Roll Call:  
AYES: Restuccia, McGee-Lee, Shick, Scott  
NAYES: ABSTAIN: ABSENT:

B. APPROVING THE RETIREMENT PLAN BYLAWS

Board approval of provisions for alternate Retirement Board members. Retirement Board Legal Counsel Christopher Waddell led a discussion about including provisions for alternate Retirement Board members.

ACTION: MOTION: Johanna Shick SECOND: Crystal McGee-Lee  
Roll Call:  
AYES: Restuccia, McGee-Lee, Shick  
NAYES: ABSENT: ABSTAIN: Scott

11. NEW BUSINESS

- A. RESOLUTION NO. 454: APPROVING THE FY 2022 ACTUARIAL VALUATION  
AND FY 2024 CONTRIBUTION RATES  
Foster & Foster staff presented the actuarial valuation and contribution  
rates for board approval.

ACTION: MOTION: Johanna Shick SECOND: Crystal McGee-Lee  
Roll Call:  
AYES: Restuccia, McGee-Lee, Shick  
NAYES: ABSENT: ABSTAIN: Scott

12. QUESTIONS AND COMMENTS FROM THE RETIREMENT BOARD AND/OR STAFF

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:08 p.m.



Attachment B  
Cover Page

RESOLUTION NO. \_\_\_\_\_  
DATED JUNE 6, 2023

RESOLUTION APPROVING THE MINUTES OF THE  
QUARTERLY RETIREMENT BOARD MEETING OF FEBRUARY 23, 2023

RESOLVED AND ORDERED by the Retirement Board of the San Joaquin Regional Transit District that the minutes of the Quarterly Meeting held on February 23, 2023, be approved.



Attachment C  
Cover Page

MINUTES OF THE QUARTERLY MEETING OF THE RETIREMENT BOARD  
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT  
WEDNESDAY, APRIL 5, 2023

The San Joaquin Regional Transit District Retirement Board held a Special Meeting on Wednesday, April 5, 2023, at 11:30 a.m. in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California.

- |    |                                  |   |
|----|----------------------------------|---|
| 1. | CALL MEETING TO ORDER            | Chair Crystal McGee-Lee called the meeting to order at 11:30 a.m.   |
| 2. | MOMENT OF SILENCE/REFLECTION     | Chair McGee-Lee called for a moment of silence and reflection.  |
| 3. | SAFETY ANNOUNCEMENT              | Project Controls Manager Merab Talamantes made a Safety Announcement.                                       |
| 4. | PLEDGE OF ALLEGIANCE TO THE FLAG | Chair McGee-Lee led the pledge.   |
| 5. | ROLL CALL                        | Present:  |
|    |                                  | Crystal McGee-Lee, Chair<br>Michael Restuccia, Vice Chair<br>Johanna Shick, Director<br>Lee Scott, Director |

RTD Staff Present

Alex Clifford, CEO

Christopher Waddell, Retirement Board Legal Counsel

Julie Sherman, RTD Legal Counsel

Retirement Board member alternates were introduced. Gary Giovanetti is the alternate representative of RTD. Kathy Herman is the alternate representative of the non-represented employees.

6. PUBLIC COMMENTS  
No public comments were made.
7. DISCUSSION ITEMS
  - A. FIDUCIARY TRAINING  
Retirement Board Legal Counsel Christopher Waddell provided training regarding the fiduciary duties of the Retirement Board members.

B. PRIVATE EQUITY EDUCATION

Team Hewins, LLC Chief Investment Officer John Bussel lead a discussion about investing in private equity.

8. QUESTIONS AND COMMENTS FROM THE RETIREMENT BOARD AND/OR STAFF

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 1:09 p.m.



Attachment D  
Cover Page

RESOLUTION NO. \_\_\_\_\_  
DATED JUNE 6, 2023

RESOLUTION APPROVING THE MINUTES OF THE  
SPECIAL RETIREMENT BOARD MEETING OF APRIL 5, 2023

RESOLVED AND ORDERED by the Retirement Board of the San Joaquin Regional Transit District that the minutes of the Special Meeting held on April 5, 2023, be approved.



**LEAD STAFF:**        **ERICKA FRANCO, HUMAN RESOURCES ADMINISTRATOR**

**REPORT:**            **UPDATE ON RETIREMENTS**

**I.        SUMMARY**

- This report provides the Board of Directors with a list of recent retirees since September 15, 2022.

**II.       DISCUSSION/BACKGROUND**

The purpose of this report is to provide the Board with a summary of persons that have retired since the last update to the Retirement Board, as listed in Attachment A.

**III.      STRATEGIC PLAN PRIORITIES ALIGNMENT**

This recommendation aligns with the Board's Strategic Priorities 1 and 3.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

**IV.      FINANCIAL CONSIDERATIONS/IMPACT**

None.

**V.       CHANGES FROM COMMITTEE**

N/A

**VI.      ALTERNATIVES CONSIDERED**

None.

**VII.     ATTACHMENTS**

**Attachment A:**     Update on Retirements

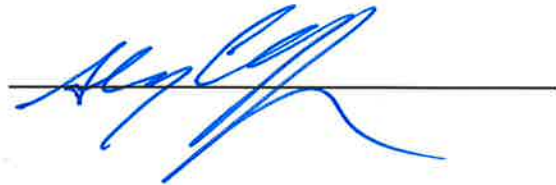
Prepared by:        Ericka Franco, Human Resources Administrator

**VIII. APPROVALS**

Malika McGee,  
Human Resources Director



Alex Clifford, CEO





Attachment A  
Cover Page

### UPDATE ON RETIREMENTS

The following persons have retired since the last update to the Retirement Board:

<b>Name</b>	<b>Position</b>	<b>Years of Service</b>	<b>Retirement Date</b>	<b>Type of Retirement</b>
Amar Singh	Bus Operator	18	02/11/2023	<b>Regular Retirement</b>
Michael Thompson	Chief Administration and Innovation Officer	12	03/07/2023	<b>Regular Retirement</b>



**LEAD STAFF:** TEAM HEWINS, LLC

**REPORT:** QUARTERLY INVESTMENT PERFORMANCE OF MARCH 31, 2023

**I. SUMMARY**

- An analysis of RTD's Retirement and Health Plan Investment Performance is prepared quarterly and presented to the Retirement Board at the scheduled meetings.
- Team Hewins has prepared the attached analysis for review before the special meeting.

**I. DISCUSSION/BACKGROUND**

Team Hewins, LLC staff has provided a report for the Board regarding the 2023 first-quarter performance analysis and year-to-date comparison for the Retirement and Health Plans.

**II. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This recommendation aligns with the Board's Strategic Priorities 1, 3, and 4.  
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

**III. FINANCIAL CONSIDERATIONS/IMPACT**

None.

**IV. CHANGES FROM COMMITTEE**

N/A

**V. ALTERNATIVES CONSIDERED**

None.

**VI. ATTACHMENTS**

**Attachment A:** First Quarter Performance Analysis

Prepared by: Team Hewins, LLC



Attachment A  
Cover Page

May 17, 2023

The Board of Directors  
San Joaquin Regional Transit District  
P.O. Box 201010  
Stockton, CA 95201

Dear Members of the Board:

Enclosed please find the First Quarter 2023 Performance Analysis for the Retirement Plan and Health Plan.

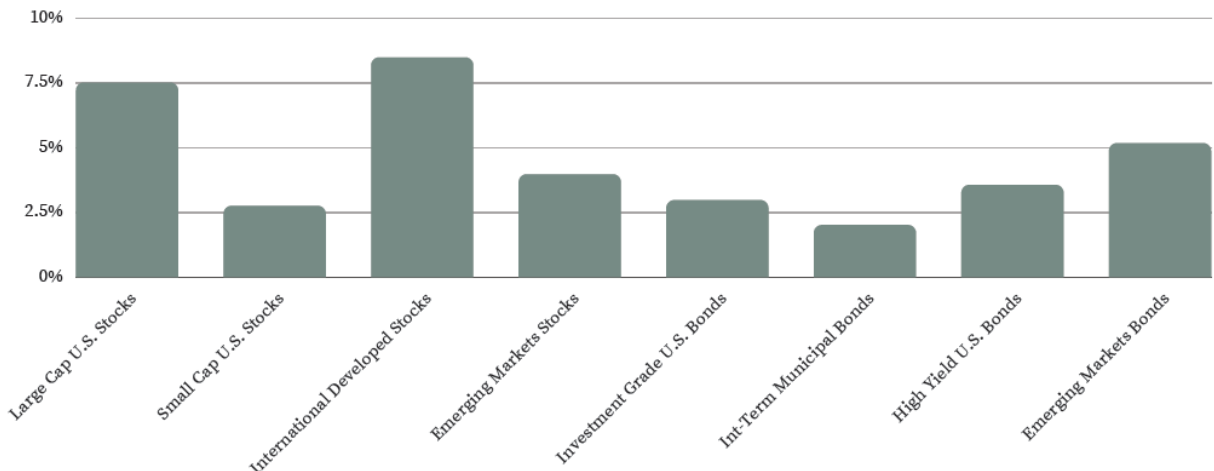
### ***Market Review***

Despite market volatility in February and much of March, all major indices were positive in the first quarter, continuing the rally that began in the fourth quarter of last year.

The concerns of 2022 are still present but seem to be trending in the right direction for the most part. Inflation continues to fall, with consumer prices rising 6.0% year-over-year in February, well ahead of the Fed's target but below the peak seen in the summer of last year. The yield on the 10-year Treasury had its biggest annual increase on record last year, which hurt bond returns in 2022 but paved the way for better future returns in 2023. Unemployment remains near historic lows at 3.6%.<sup>i</sup> Even the bank failures, with Silicon Valley Bank being the second-largest bank to fail in US history, ultimately did not derail markets, although they added their fair share of volatility.<sup>ii</sup> Work to tame inflation across the globe remains, and the ultimate impact of central bank actions to combat it is still unknown. However, markets seem to be looking past that for the time being, and both stocks and bonds enjoyed strong returns in the first quarter.

### **world asset classes**

#### **RETURNS FOR THE FIRST QUARTER OF 2023**



Source: Morningstar Direct, as of 3/31/23. See disclosure page for more information.

Not all trends have continued from the previous year – after value stocks dominated in 2022, growth stocks, namely the big tech stocks, led in the first quarter, helped by falling bond yields and expectations that the Fed might need to pause their rate hikes. In fact, during the banking-related market volatility, Microsoft and Apple alone in the S&P 500 outweighed the losses in the financial sector.<sup>iii</sup> As a reminder, bank stocks tend to fall in the “value” bucket while tech stocks tend to fall under “growth.” While growth stocks also outperformed overseas, the difference was more pronounced in the US.<sup>iv</sup>

Developed international markets outperformed US stocks for the second quarter in a row after US stocks dominated for quite some time. The outperformance has been so pronounced that developed international stocks are down only 1.4% while US stocks are down 8.6% over the past 12 months,<sup>v</sup> despite a strengthening dollar being a headwind for US investors in international markets. These trends move in cycles, and so we continue to stay exposed to it all, both US and international, as well as growth and value, so that we do not miss out when a new trend presents itself.

Bonds also did well in the first quarter, with emerging market bonds leading the way. Recent volatility in stock markets has contributed to falling yields as some investors flock to the safety of Treasuries. Yields are still higher than we’ve seen for quite some time, but they have come down from the highs of 2022, helping bond returns. With yields elevated but not expected to rise substantially more, bondholders have more reasons for optimism than they have had for quite some time.

Markets are grappling with several uncertainties, but, with the exception of the recent bank crisis, these uncertainties are not new. While things could change quickly, markets seem to be looking past these uncertainties and seeing some light at the end of the tunnel. We have continued to see volatility in April and May, and there is still work to be done for markets to reach their highs of early 2022, but investors who stayed the course participated in the recent rally and benefited from their discipline.

### ***Plan Performance (Pension Portfolio)***

The Pension Plan returned 4.64% in the fourth quarter, lagging the target (+4.95%) while mirroring the median return of its peers. For the fiscal year to date, the Plan ranks within the top 34% of peers. Plan assets were approximately \$49 million at quarter end. Since inception, the Plan has achieved an annualized return of 8.91%, leading its benchmark and the median return of its peers.

Markets continued their rally into the first quarter, however, the growth stocks that had struggled for much of the previous year rebounded, while value stocks particularly in the US were relatively flat. Markets tend to move in cycles, which is why we position the portfolio to have diversified exposure to the global market, so that the portfolio participates in whichever style comes into favor.

Vanguard International Growth (+12.50%) was the only portfolio fund to post double digit returns in the first quarter. The fund underperformed its peers when growth stocks were out of favor but ranked within the top 14% of peers in the first quarter when growth rebounded. The fund ranks within the top

15% of peers for every period shown except for the last year. DFA Emerging Markets Core (+5.59%) also did well on a relative basis, outperforming its benchmark by roughly 1.5% and ranking within the top 27% of peers in the quarter. DFA's approach to emerging market investing, emphasizing diversification amongst countries and underweighting the expensive Chinese growth stocks, has helped relative returns, with the fund ranking in the top 20% over the last 3, 5, 10-year and since inception periods.

2022 was a challenging year for bonds behind a historically fast and sharp increase in yields. Since the third quarter of last year, bonds have begun to rally, which has continued into the first quarter with each bond fund in the portfolio up between 3 and 4% over the last 3 months. Agincourt, which managed the investment grade portion of the Plan's bond portfolio returned 3.25%, outpacing its benchmark by roughly 30 bps and edging out the median return of its peers. PIMCO Emerging Markets Full Spectrum Bond Fund (+3.61%) mirrored the return of its benchmark but outpaced all but 11% of its peers in the first quarter.

### ***Plan Performance (Health Portfolio)***

The Health Plan grew 4.87% for the quarter, outpacing the Pension Plan because of its higher equity allocation. The higher equity allocation also helped returns relative to peers, with the Plan ranking in the top 39% in the first quarter and the top 15% for the fiscal year to date. Plan assets were approximately \$9.9 million at the end of the quarter. Since inception, the Plan has returned 6.09%, ahead of its benchmark and in line with the median return of its peers.

In core fixed income, Dodge & Cox Income (+3.13%) outpaced its benchmark (2.96%) while lagging the median return of its peers. On a relative basis, the Fund has standout performance, ranking within the top 7% of peers for every period shown besides the first quarter and since inception.

We will more thoroughly review market conditions and Plan performance at our upcoming meeting.

Sincerely,



Thuong Thien, CFP®

Principal, Senior Financial Advisor

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<sup>i</sup> Matt Grossman, "Bond Market Rally at Risk As Bank Stress Diminishes", Wall Street Journal print edition on 4/1/2023, page B11.

<sup>ii</sup> Flitter, Emily. "Silicon Valley Bank Fails After Run on Deposits." The New York Times, 14 Mar. 2023, [www.nytimes.com/2023/03/10/business/silicon-valley-bank-stock.html](https://www.nytimes.com/2023/03/10/business/silicon-valley-bank-stock.html). Accessed 7 Apr. 2023.

<sup>iii</sup> Singh, Hardika. "S&P 500's Resilience in the Banking Crisis Is Largely Thanks to Tech." WSJ, 3 Apr. 2023, [www.wsj.com/articles/s-p-500s-resilience-in-the-banking-crisis-is-largely-thanks-to-tech-654cc621](https://www.wsj.com/articles/s-p-500s-resilience-in-the-banking-crisis-is-largely-thanks-to-tech-654cc621). Accessed 7 Apr. 2023.

<sup>iv</sup> Source: Morningstar Direct. As of 3/31/23.

<sup>v</sup> Source: Morningstar Direct. As of 3/31/23.



San Joaquin Regional Transit District  
Pension Portfolio  
Quarterly Investment Report  
March 31, 2023

## Market Overview

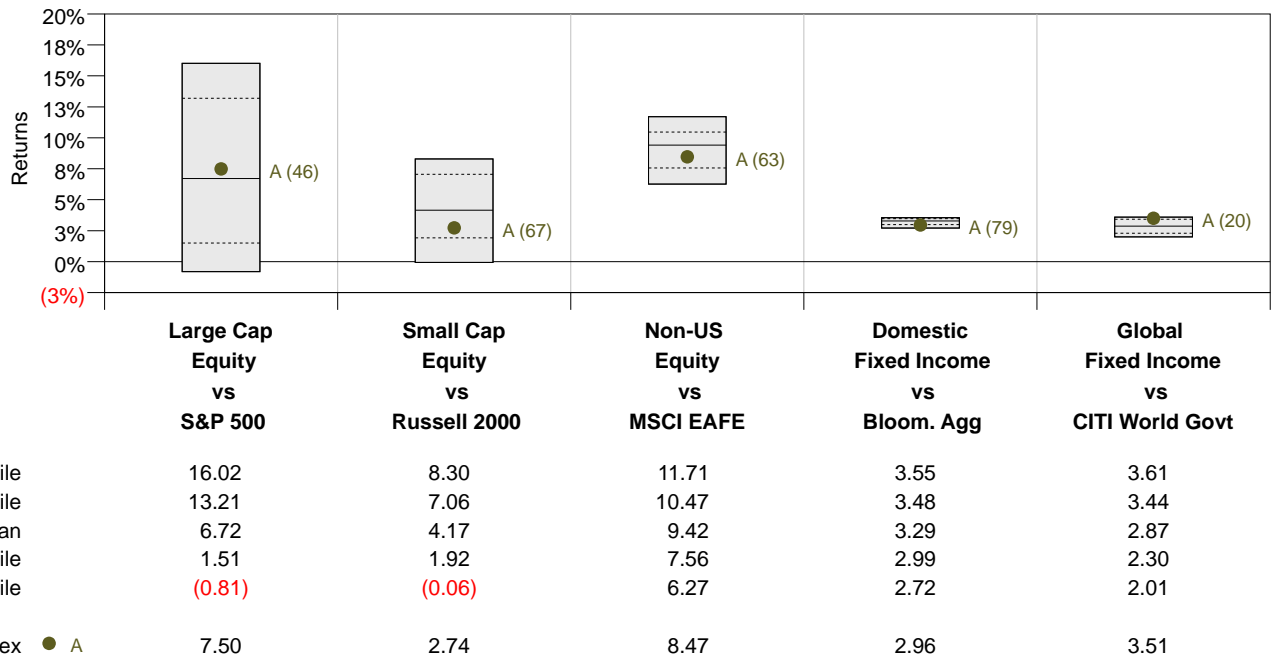
### Active Management vs Index Returns

#### Market Overview

The charts below illustrate the range of returns across managers in Callan's Mutual Fund database over the most recent one quarter and one year time periods. The database is broken down by asset class to illustrate the difference in returns across those asset classes. An appropriate index is also shown for each asset class for comparison purposes. As an example, the first bar in the upper chart illustrates the range of returns for domestic equity mutual funds over the last quarter. The symbol represents the S&P 500 return. The number next to the symbol represents the ranking of the S&P 500 in the domestic equity mutual fund database.

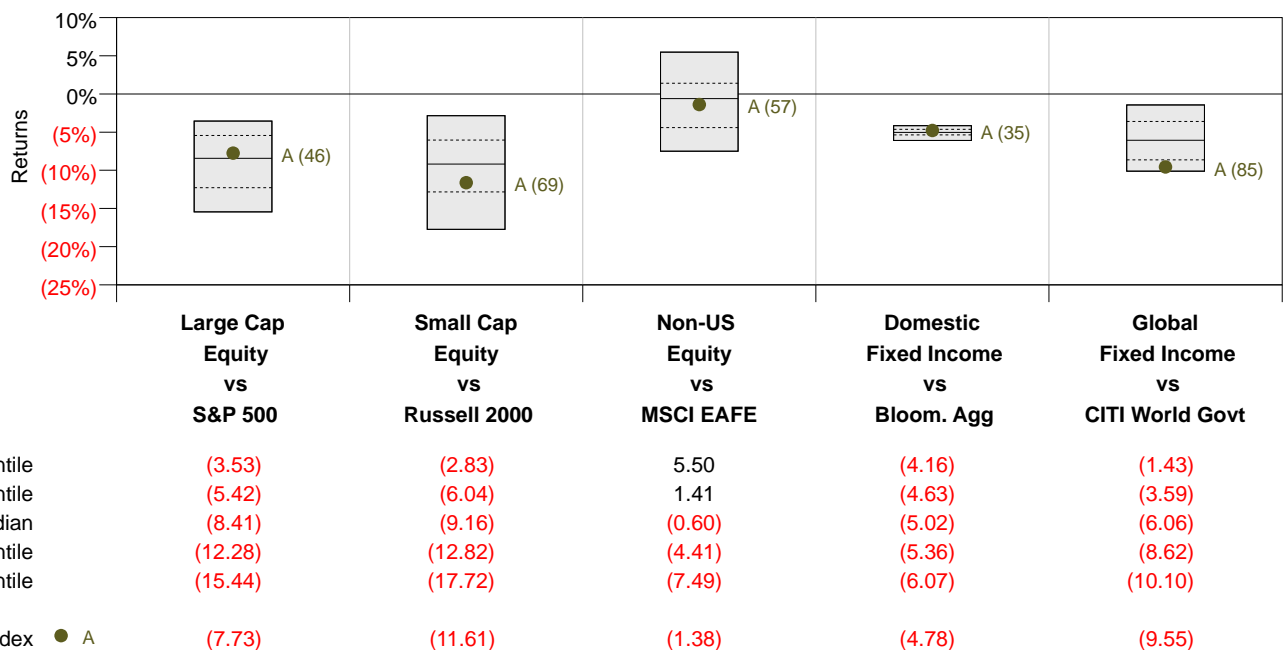
#### Range of Mutual Fund Returns by Asset Class

One Quarter ended March 31, 2023



#### Range of Mutual Fund Returns by Asset Class

One Year ended March 31, 2023



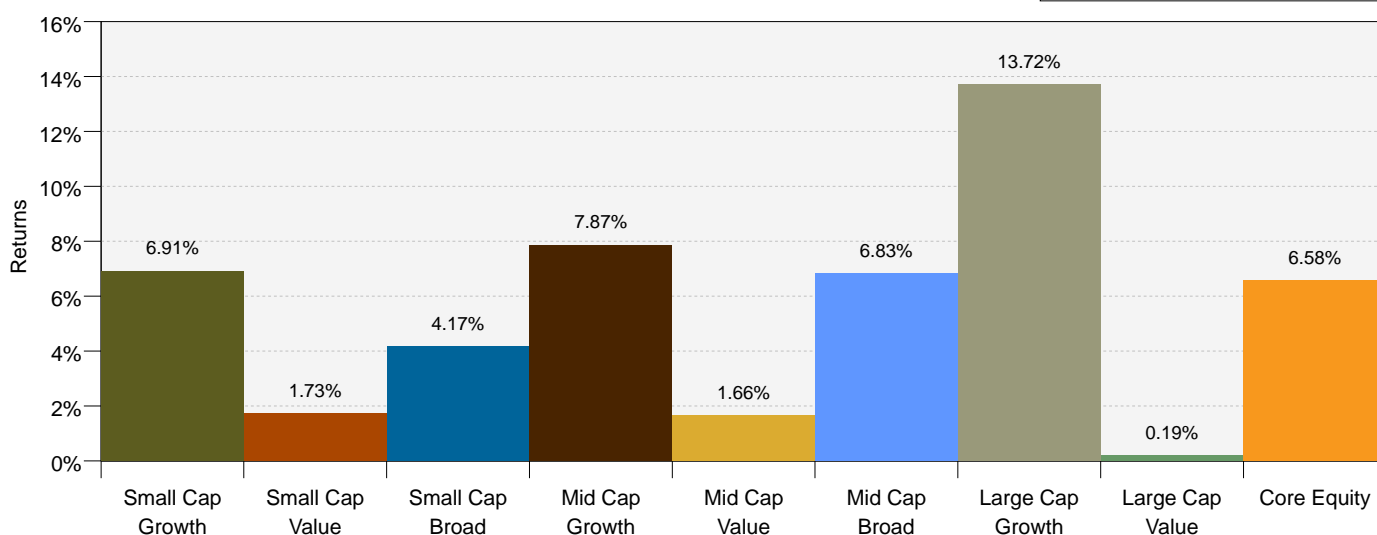
## Domestic Equity

### Active Management Overview

U.S. stock indices posted positive returns in 1Q but it was not smooth sailing; strong returns in January were followed by negative results in February and mixed performance across sectors and styles in March. The S&P 500 Index rose 7.5% for the quarter and the tech-heavy Nasdaq 100 soared 20.8%. Within the S&P 500, Technology (+22%), Communication Services (+21%), and Consumer Discretionary (+16%) rose sharply while Financials (-6%), Energy (-5%), Health Care (-4%), and Utilities (-3%) fell. Growth stocks trounced value for the quarter (Russell 1000 Growth: +14.4%; Russell 1000 Value: +1.0%) due largely to the sharp outperformance of Technology relative to Financials. Small value (Russell 2000 Value: -0.7%) was the one sector to post negative returns, hurt by its exposure to smaller banks. Small cap stocks underperformed mid and large (Russell 2000: +2.7%; Russell MidCap: +4.1%; Russell 1000: +7.5%) across the style spectrum.

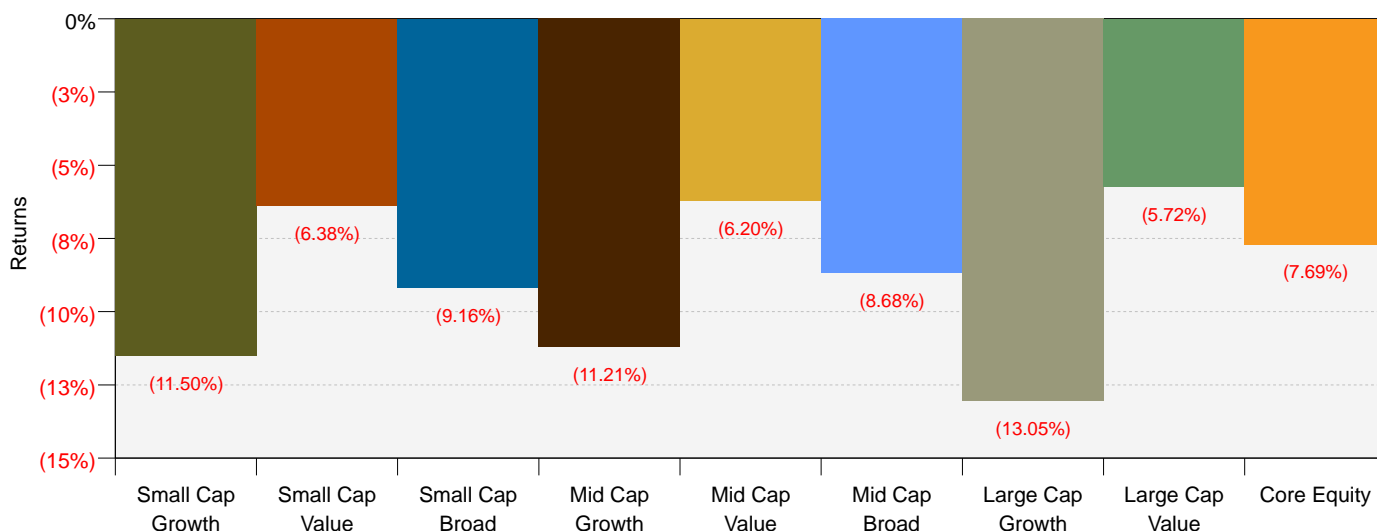
#### Mutual Fund Style Group Median Returns for Quarter ended March 31, 2023

S&P 500 Index	7.50%
S&P 500 Growth	9.63%
S&P 500 Value	5.17%
S&P 400 Mid Cap	3.81%
S&P 600 Small Cap	2.57%
S&P 600 Small Cap Growth Index	2.14%
S&P 600 Small Cap Value Index	3.05%



#### Mutual Fund Style Group Median Returns for One Year ended March 31, 2023

S&P 500 Index	(7.73%)
S&P 500 Growth	(15.33%)
S&P 500 Value	(0.16%)
S&P 400 Mid Cap	(5.12%)
S&P 600 Small Cap	(8.82%)
S&P 600 Small Cap Growth Index	(10.91%)
S&P 600 Small Cap Value Index	(6.81%)



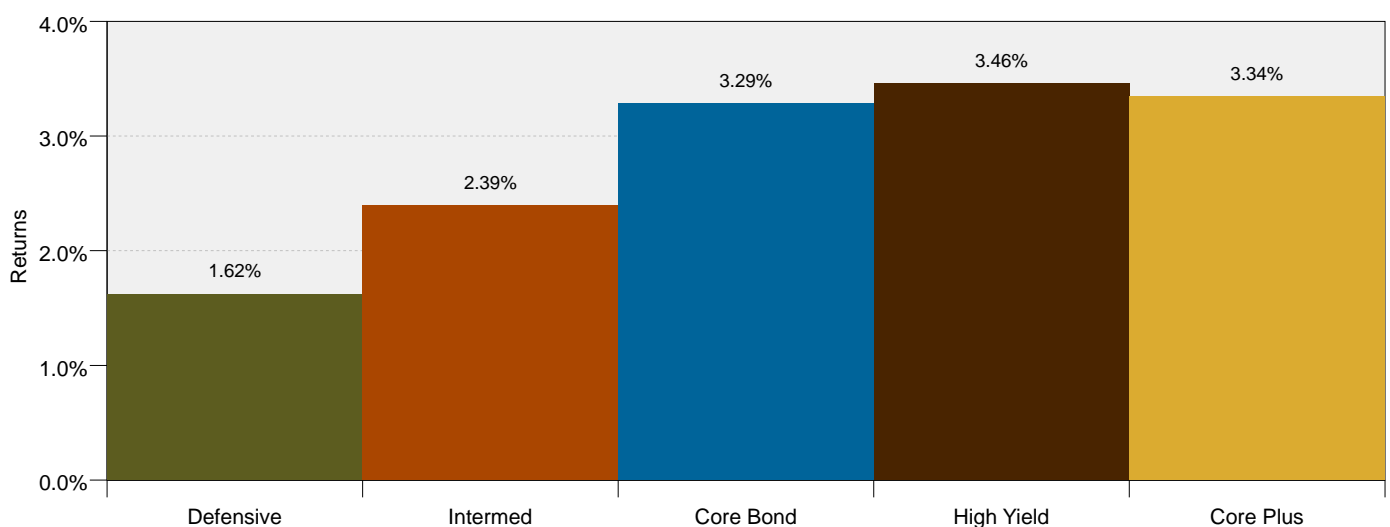
## Domestic Fixed Income

### Active Management Overview

The Bloomberg US Aggregate Bond Index rose 3.0% in 1Q. It was a bumpy ride with solid returns in January and March sandwiching a negative February. The yield curve remained inverted as of quarter-end by 58 bps for the 2-year/10-year and 116 bps for the 1-year/10-year. Sector performance was mixed over the quarter with residential and commercial mortgages underperforming U.S Treasuries and corporates outperforming (except Financials). TIPS (Bloomberg TIPS: +3.3%) also did well; 10-year breakeven spreads were 2.3% as of quarter-end. High yield (Bloomberg High Yield Index: +3.6%) outperformed but dispersion within the Index is meaningfully higher than it was two years ago.

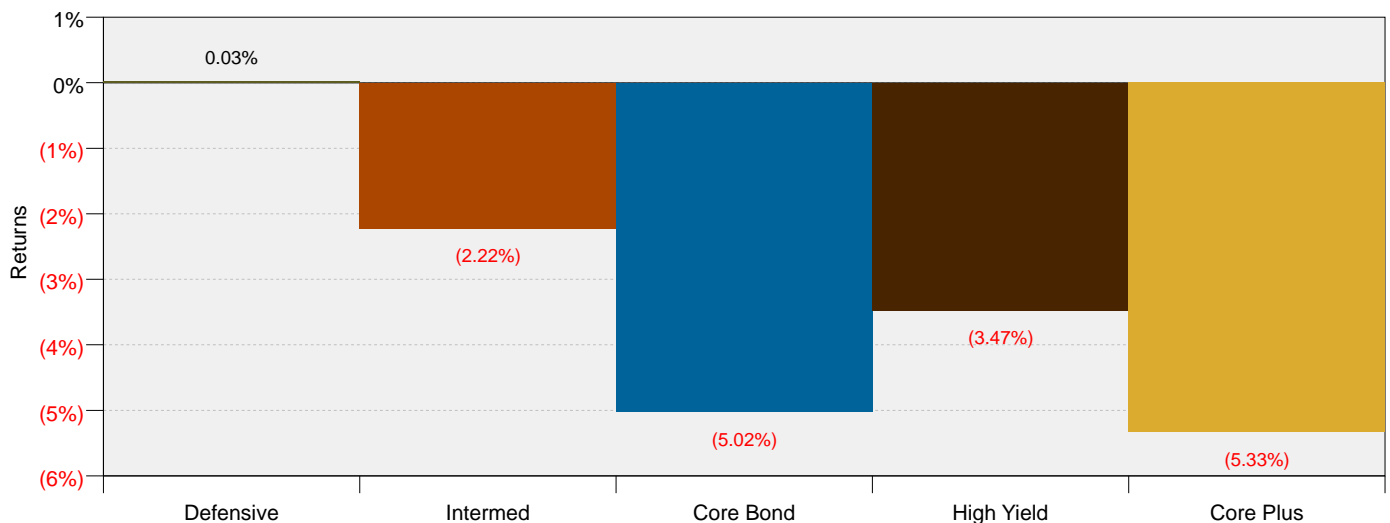
**Mutual Fund Style Group Median Returns  
for Quarter ended March 31, 2023**

Bloomberg:US Universal	2.93%
Bloomberg:Aggregate	2.96%
Bloomberg:High Yield	3.57%



**Mutual Fund Style Group Median Returns  
for One Year ended March 31, 2023**

Bloomberg:US Universal	(4.61%)
Bloomberg:Aggregate	(4.78%)
Bloomberg:High Yield	(3.34%)



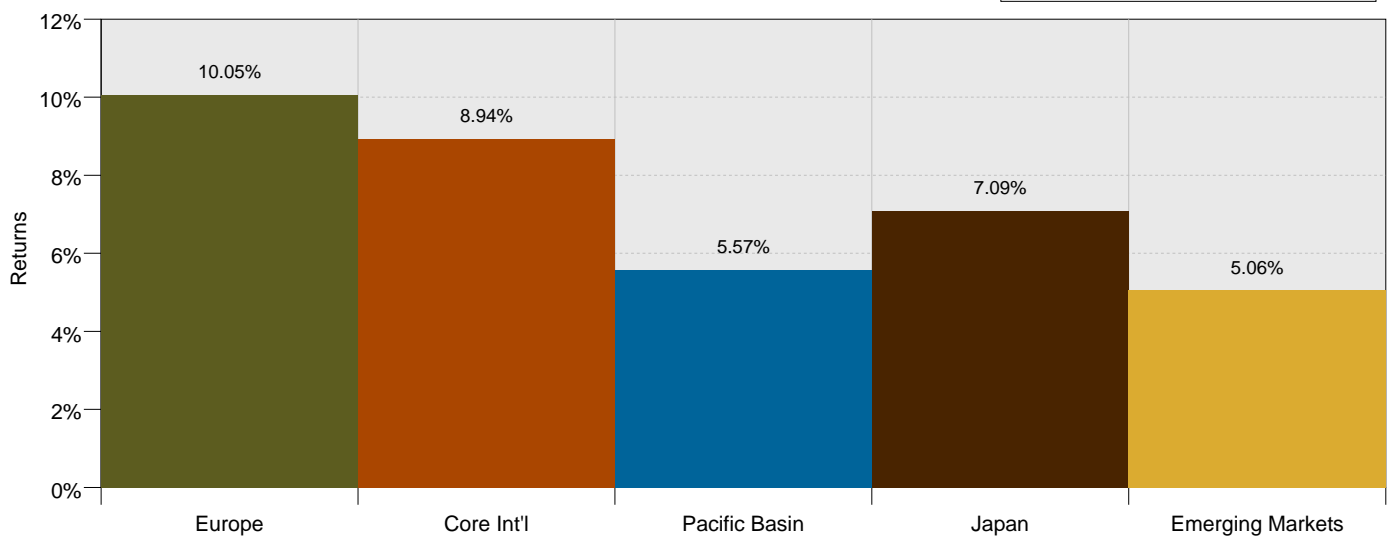
## International Equity

### Active Management Overview

Global ex-U.S. markets posted solid results for the quarter. The MSCI ACWI ex USA Index gained 6.9% (Local: +6.2%). Performance varied across developed market countries but most delivered positive returns. Europe ex-U.K. (+12%) outperformed Japan (+6%), the U.K. (+6%), and Canada (+4%). As in the U.S., growth outperformed value but by smaller margin (MSCI ACWI ex USA Value: +5.2%: MSCI ACWI ex USA Growth: +8.6%). Technology (+17%) was the best performing sector while Energy (-0.3%) was the only sector to post a negative return. Financials (+1%) also lagged. Emerging markets returns (MSCI Emerging Markets: +4.0) were mixed across countries. India (-6%) and Brazil (-3%) weighed on broad market returns while China (+5%) and Korea (+10%) outperformed. Quarterly returns were positive across regions: Latin America (+3.9%), Emerging Europe (+1.5%), and Emerging Asia (+4.8%).

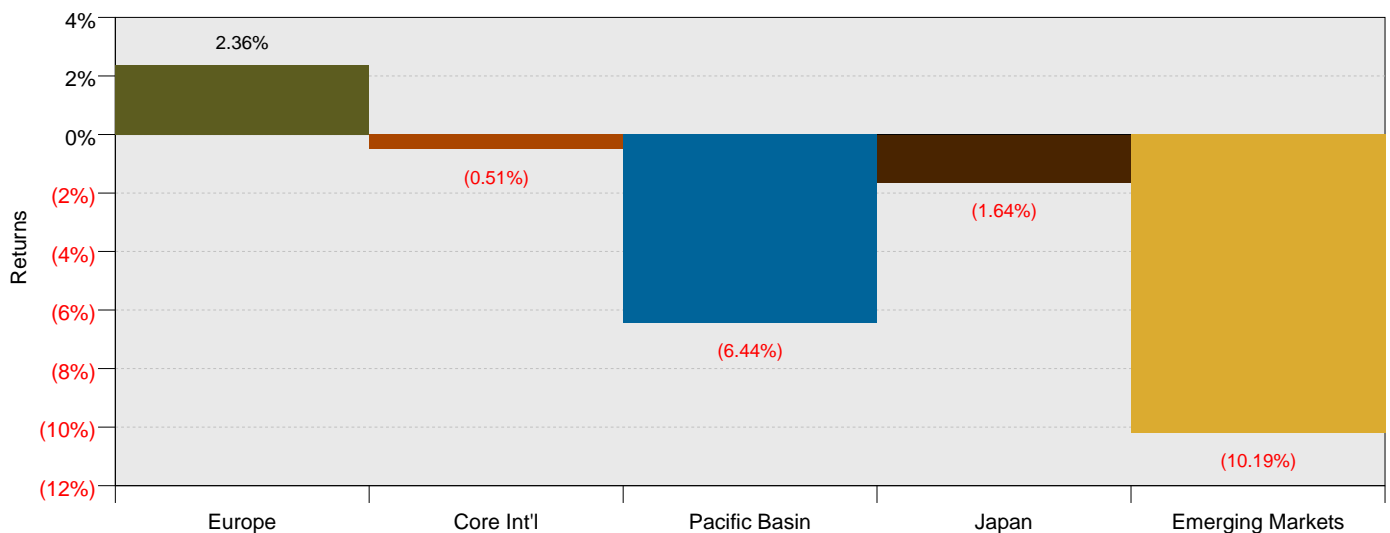
#### Mutual Fund Style Group Median Returns for Quarter Ended March 31, 2023

MSCI ACWI - Gross	7.44%
MSCI All Cntry World ExUS	7.00%
MSCI EAFE Index	8.47%
MSCI Europe	10.56%
MSCI Pacific	4.71%
MSCI Emerging Markets	4.02%



#### Mutual Fund Style Group Median Returns for Year Ended March 31, 2023

MSCI ACWI - Gross	(6.96%)
MSCI All Cntry World ExUS	(4.57%)
MSCI EAFE Index	(1.38%)
MSCI Europe	1.38%
MSCI Pacific	(6.01%)
MSCI Emerging Markets	(10.30%)



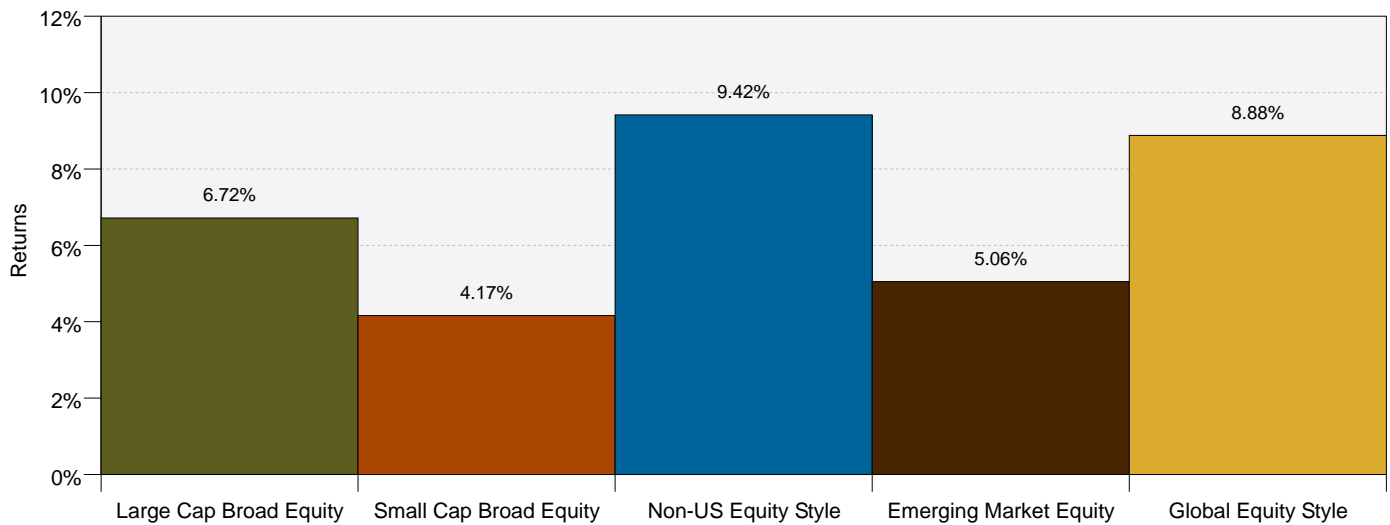
## Capital Growth

### Active Management Overview

Global developed equity markets posted strong returns. The MSCI ACWI Index gained 7.3%. Gains were broad-based and growth generally outperformed value. Financials (-0.5%) and Energy (ACWI Energy: -2.9%) underperformed while Technology (+22.3%) was a top performing sector. Emerging markets returns (MSCI Emerging Markets: +4.0%) were mixed across countries. India (-6%) and Brazil (-3%) weighed on broad market returns while China (+5%) and Korea (+10%) outperformed. Quarterly returns were positive across regions: Latin America (+3.9%), Emerging Europe (+1.5%), and Emerging Asia (+4.8%).

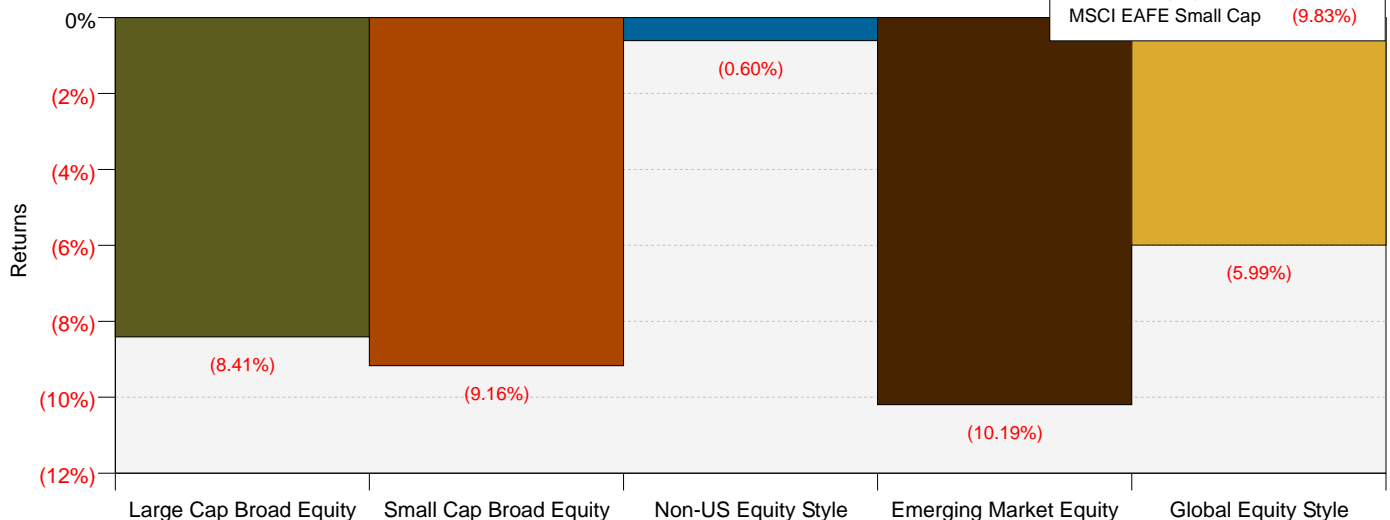
#### Mutual Fund Style Group Median Returns for Quarter ended March 31, 2023

S&P 500 Index	7.50%
Russell 3000 Index	7.18%
Russell 2000 Index	2.74%
MSCI ACWI	7.31%
MSCI EAFE Index	8.47%
MSCI Emerging Markets	3.96%
MSCI EAFE Small Cap	4.92%



#### Mutual Fund Style Group Median Returns for One Year ended March 31, 2023

S&P 500 Index	(7.73%)
Russell 3000 Index	(8.58%)
Russell 2000 Index	(11.61%)
MSCI ACWI	(7.44%)
MSCI EAFE Index	(1.38%)
MSCI Emerging Markets	(10.70%)
MSCI EAFE Small Cap	(9.83%)



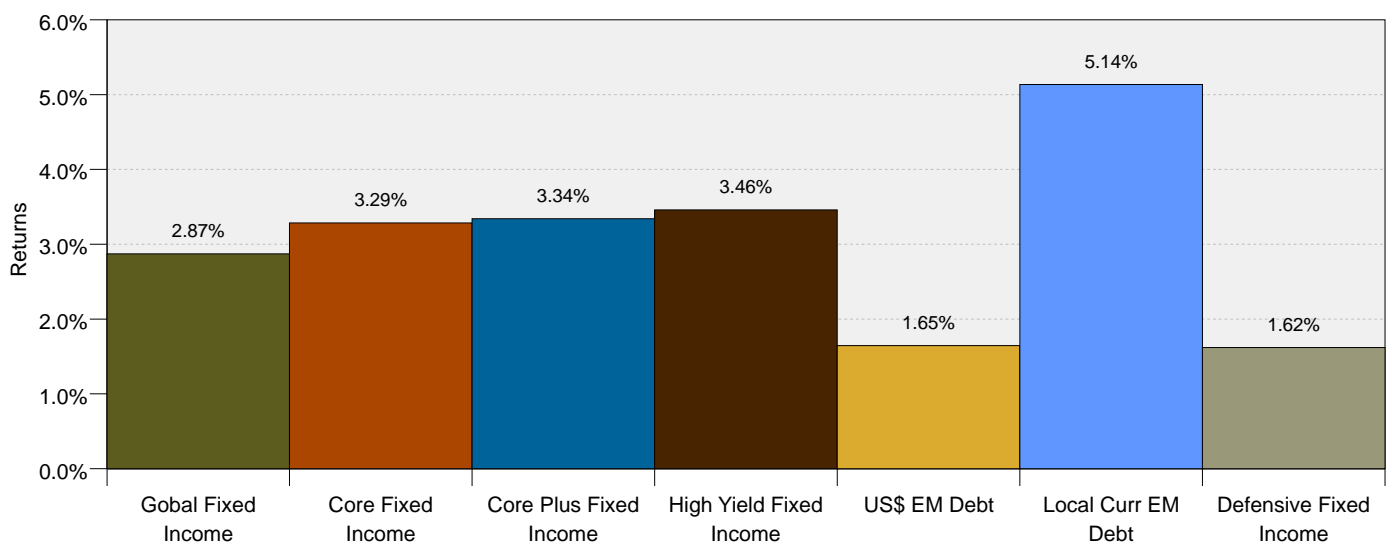
## Income

### Active Management Overview

The Bloomberg Global Aggregate Index gained 3.0% in the first quarter but see-sawed over the course of the quarter (January: +3.3%; February: -3.3%; March: +3.2%). The U.S. dollar was mixed versus developed market currencies but overall had little effect on performance (Bloomberg Global Aggregate Hedged: +2.9%). Emerging markets debt indices were also up (JPM EMBI Global Diversified: +1.9% and the local currency JPM GBI-EM Global Diversified: + 5.2%). Emerging market currencies, broadly, did well vs. the U.S. dollar during the quarter with the Mexican peso (+8%) being a star performer.

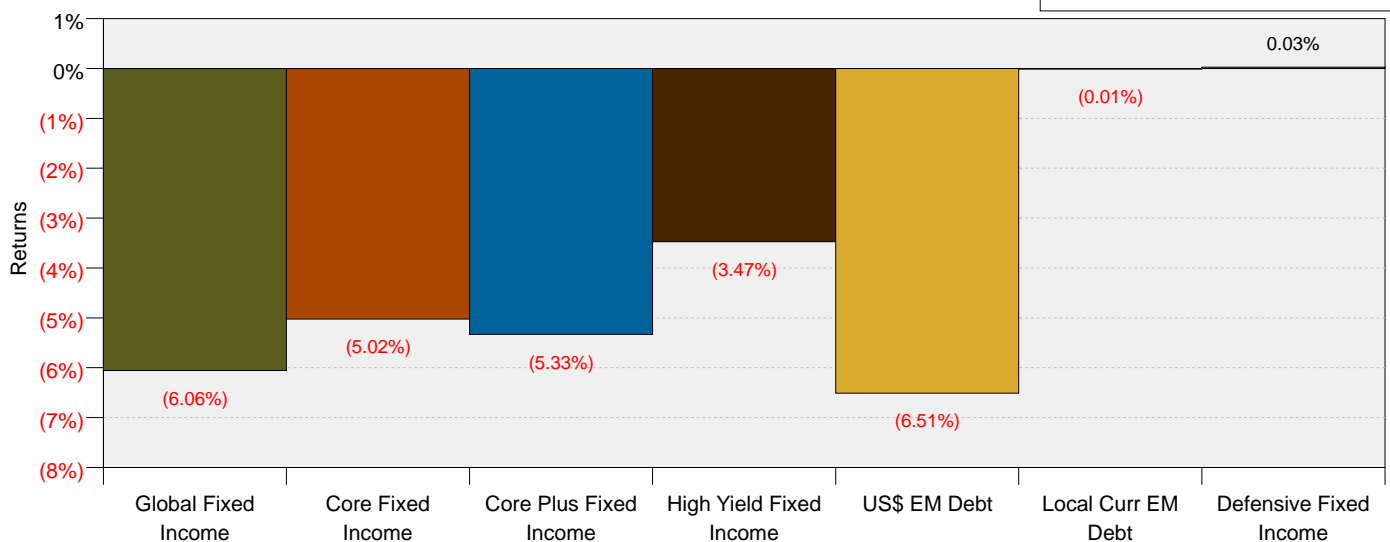
#### Mutual Fund Style Group Median Returns for Quarter ended March 31, 2023

Blmbg Barc Agg Index	2.96%
Blmbg Barc High Yield Corp	3.57%
Blmbg Barc Global Agg Hedged	2.90%
JPM EMBI Global Dvsfd	1.86%
JPM GBI GI Divers USD Unh	5.16%
Blmbg Barc Global Aggregate Index	3.01%



#### Mutual Fund Style Group Median Returns for One Year ended March 31, 2023

Blmbg Barc Agg Index	(4.78%)
Blmbg Barc High Yield Corp	(3.34%)
Blmbg Barc Global Agg Hedged	(3.86%)
JPM EMBI Global Dvsfd	(6.92%)
JPM GBI GI Divers USD Unh	(0.72%)
Blmbg Barc Global Aggregate Index	(8.07%)



## Portfolio Holdings

Description	Symbol	Value	Weight
<b>EQUITY</b>			
Large Cap U.S. Equity			
DFA US Large Cap Value I	DFLVX	\$2,297,309	4.7%
Accrued Income		\$12,698	
Vanguard Institutional Index I	VINIX	\$9,929,925	20.3%
<b>Large Cap U.S. Equity Total</b>		<b>\$12,239,931</b>	<b>25.0%</b>
Small Cap U.S. Equity			
Avantis US Small Cap Value Fund I	AVUVX	\$2,711,912	5.5%
Vanguard Small Cap Growth Index Admiral	VSGAX	\$1,314,251	2.7%
<b>Small Cap U.S. Equity Total</b>		<b>\$4,026,164</b>	<b>8.2%</b>
International Equity			
DFA International Small Company I	DFISX	\$1,960,116	4.0%
Accrued Income		\$2,194	
DFA International Value I	DFIVX	\$4,162,488	8.5%
Accrued Income		\$8,776	
Vanguard International Growth Adm	VWILX	\$1,974,276	4.0%
<b>International Equity Total</b>		<b>\$8,107,851</b>	<b>16.5%</b>
Emerging Markets Equity			
DFA Emerging Markets Core Equity I	DFCEX	\$2,497,613	5.1%
Accrued Income		\$3,088	
<b>Emerging Markets Equity Total</b>		<b>\$2,500,701</b>	<b>5.1%</b>
Real Estate			
DFA Global Real Estate Securities Port	DFGEX	\$2,723,642	5.6%
<b>Real Estate Total</b>		<b>\$2,723,642</b>	<b>5.6%</b>
<b>EQUITY Total</b>		<b>\$29,598,289</b>	<b>60.4%</b>
<b>FIXED INCOME</b>			
Core Fixed Income			
Agincourt Core Fixed Income	xxxxxx8807	\$12,939,963	26.6%
Accrued Income		\$78,420	
<b>Core Fixed Income Total</b>		<b>\$13,018,383</b>	<b>26.6%</b>
<b>FIXED INCOME Total</b>		<b>\$13,018,383</b>	<b>26.6%</b>
<b>DIVERSIFIED FIXED INCOME</b>			
High Yield Fixed Income			
Vanguard High-Yield Corporate Adm	VWEAX	\$3,560,528	7.3%
Accrued Income		\$16,992	
<b>High Yield Fixed Income Total</b>		<b>\$3,577,519</b>	<b>7.3%</b>

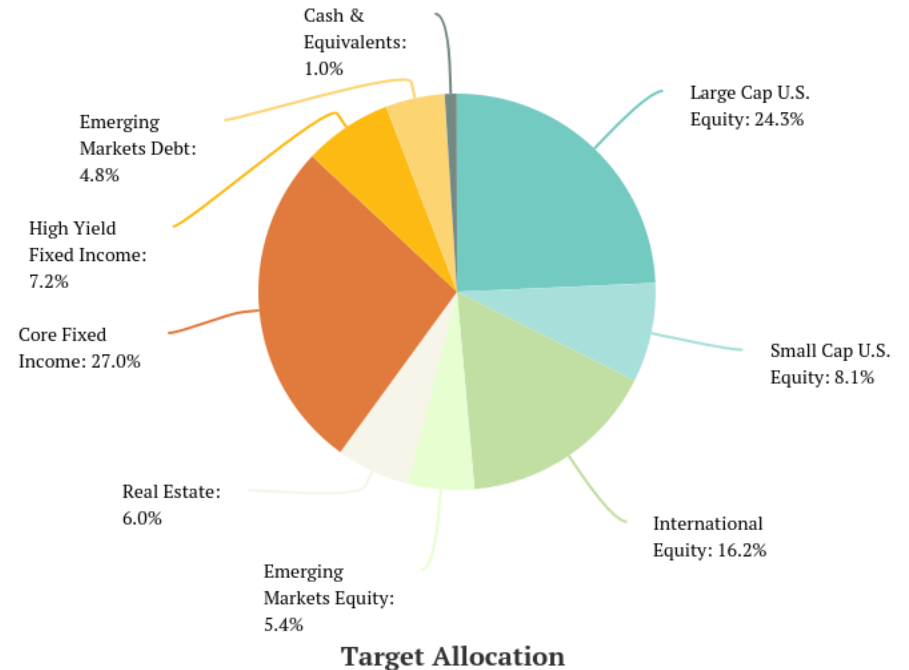
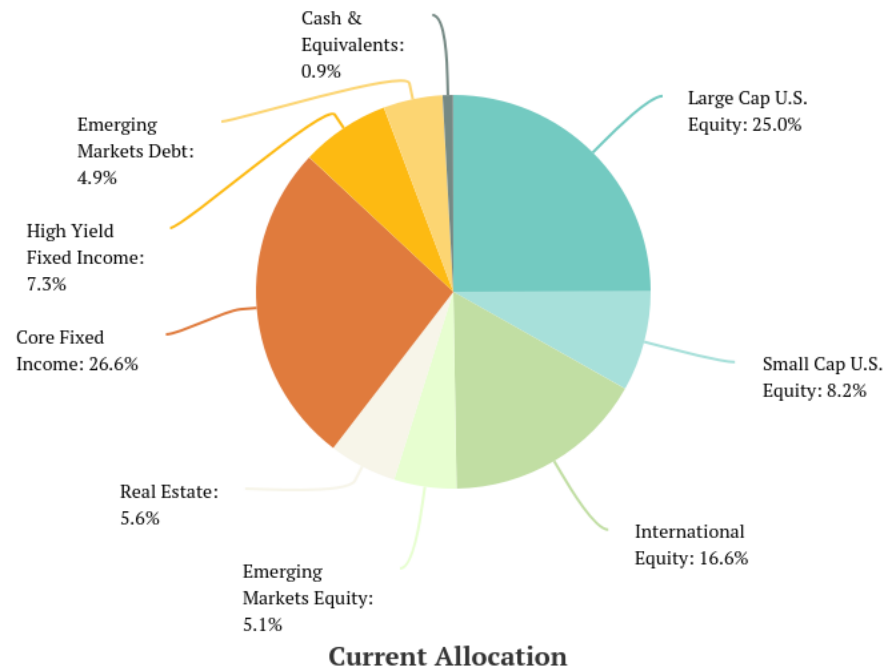
## Portfolio Holdings

Description	Symbol	Value	Weight
DIVERSIFIED FIXED INCOME			
Emerging Markets Debt			
PIMCO Emerg Mkts Full Spectrum Bd Instl	PFSIX	\$2,362,270	4.8%
Accrued Income		\$13,579	
<b>Emerging Markets Debt Total</b>		<b>\$2,375,849</b>	<b>4.8%</b>
<b>DIVERSIFIED FIXED INCOME Total</b>		<b>\$5,953,369</b>	<b>12.2%</b>
CASH AND EQUIVALENTS			
Cash & Equivalents			
Cash Portfolio (US Bank)	xxxxxxx8800	\$426,537	0.9%
<b>Cash &amp; Equivalents Total</b>		<b>\$426,537</b>	<b>0.9%</b>
<b>CASH AND EQUIVALENTS Total</b>		<b>\$426,537</b>	<b>0.9%</b>
<b>Total</b>		<b>\$48,996,577</b>	<b>100.0%</b>

## Portfolio Activity Summary

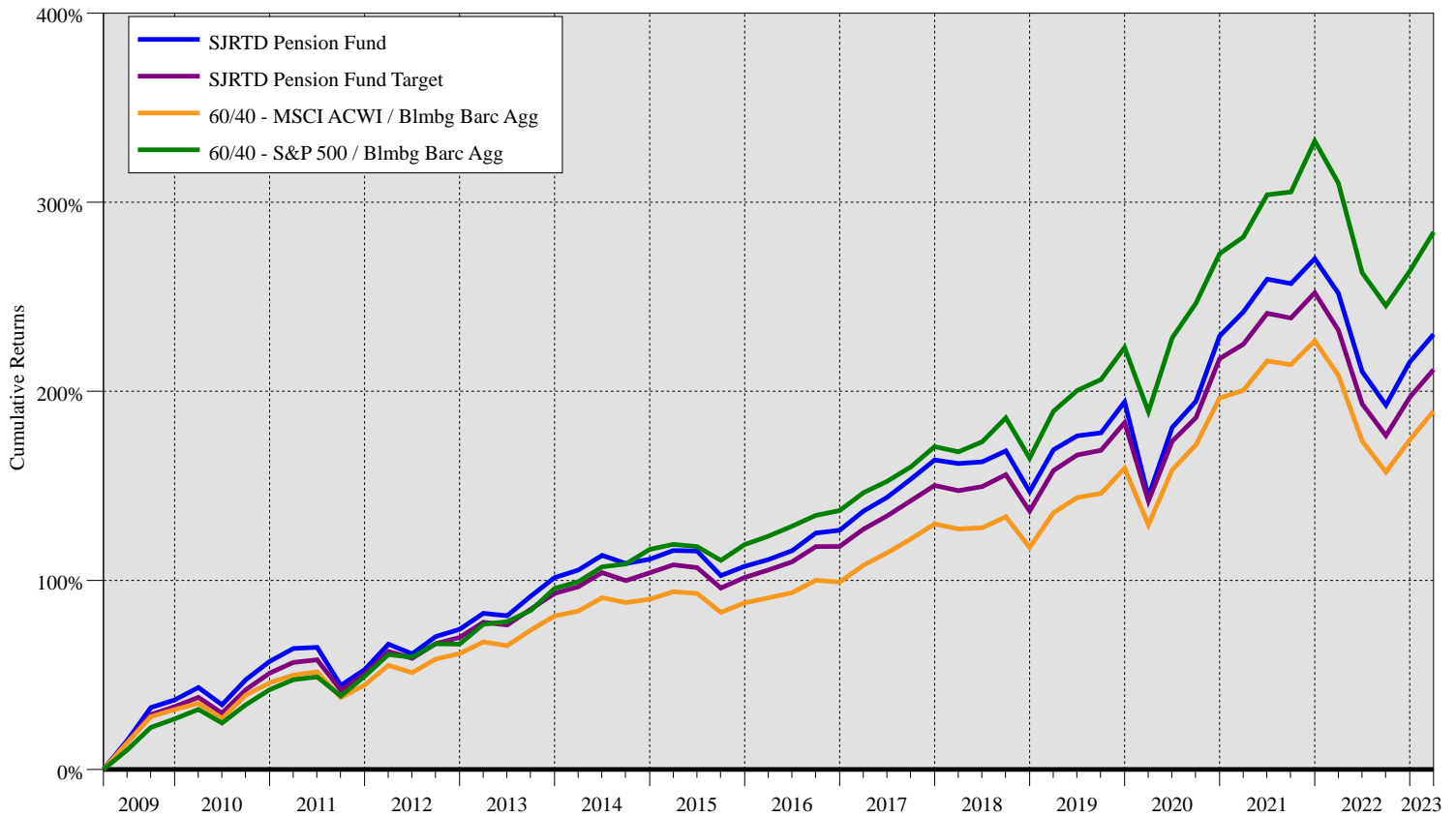
	Quarter to Date	Year to Date	Inception to Date (2/10/2009)
Beginning Value	\$47,095,171	\$47,095,171	\$0
Net Contribution	(\$239,483)	(\$239,483)	\$12,329,898
Transfers	\$0	\$0	\$423
Capital Appreciation	\$1,852,031	\$1,852,031	\$20,081,258
Dividend Income	\$167,563	\$167,563	\$12,075,114
Interest Income	\$117,159	\$117,159	\$6,339,364
Management Fees	(\$25,902)	(\$25,902)	(\$1,074,618)
Other Expenses	(\$7,886)	(\$7,886)	(\$447,996)
Change in Accrued	\$37,924	\$37,924	(\$306,444)
Ending Value	\$48,996,577	\$48,996,577	\$48,996,577
Investment Gain	\$2,140,890	\$2,140,890	\$36,666,679

## Actual vs. Target Asset Allocation

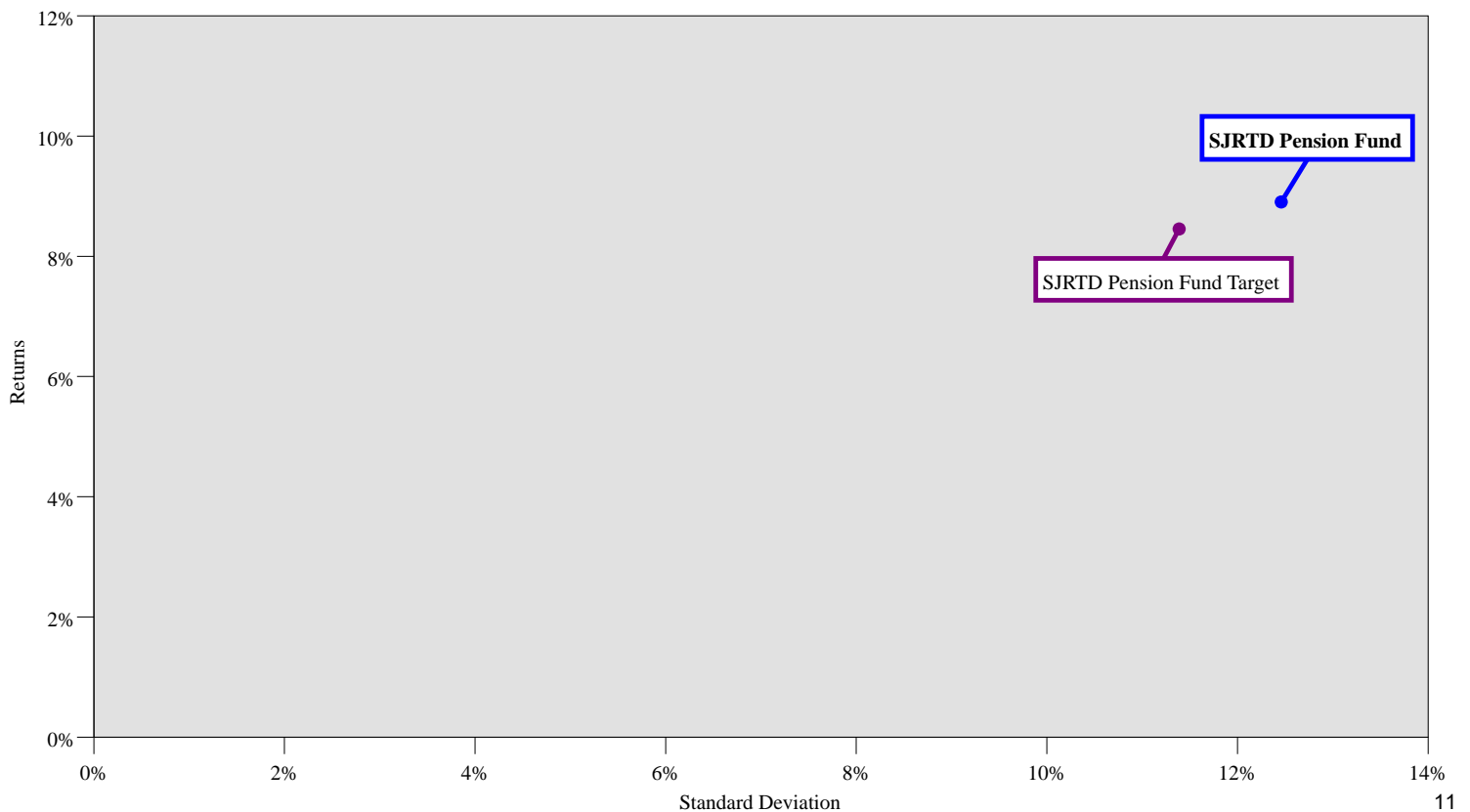


Sector	Current Value	Current Percent	Target Allocation Value	Target Allocation Percent	Dollar Variance	Percent Variance
Large Cap U.S. Equity	\$12,239,931	25.0%	\$11,906,168	24.3%	\$333,763	0.7%
Small Cap U.S. Equity	\$4,026,164	8.2%	\$3,968,723	8.1%	\$57,441	0.1%
International Equity	\$8,107,851	16.5%	\$7,937,445	16.2%	\$170,405	0.3%
Emerging Markets Equity	\$2,500,701	5.1%	\$2,645,815	5.4%	(\$145,114)	(0.3%)
Real Estate	\$2,723,642	5.6%	\$2,939,795	6.0%	(\$216,152)	(0.4%)
Core Fixed Income	\$13,018,383	26.6%	\$13,229,076	27.0%	(\$210,693)	(0.4%)
High Yield Fixed Income	\$3,577,519	7.3%	\$3,527,754	7.2%	\$49,766	0.1%
Emerging Markets Debt	\$2,375,849	4.8%	\$2,351,836	4.8%	\$24,014	0.0%
Cash & Equivalents	\$426,537	0.9%	\$489,966	1.0%	(\$63,429)	(0.1%)
<b>Total</b>	<b>\$48,996,577</b>	<b>100.0%</b>	<b>\$48,996,577</b>	<b>100.0%</b>		

Cumulative Returns | SJRTD Pension Fund vs. Targets  
Beginning April 1, 2009 | Ending March 31, 2023

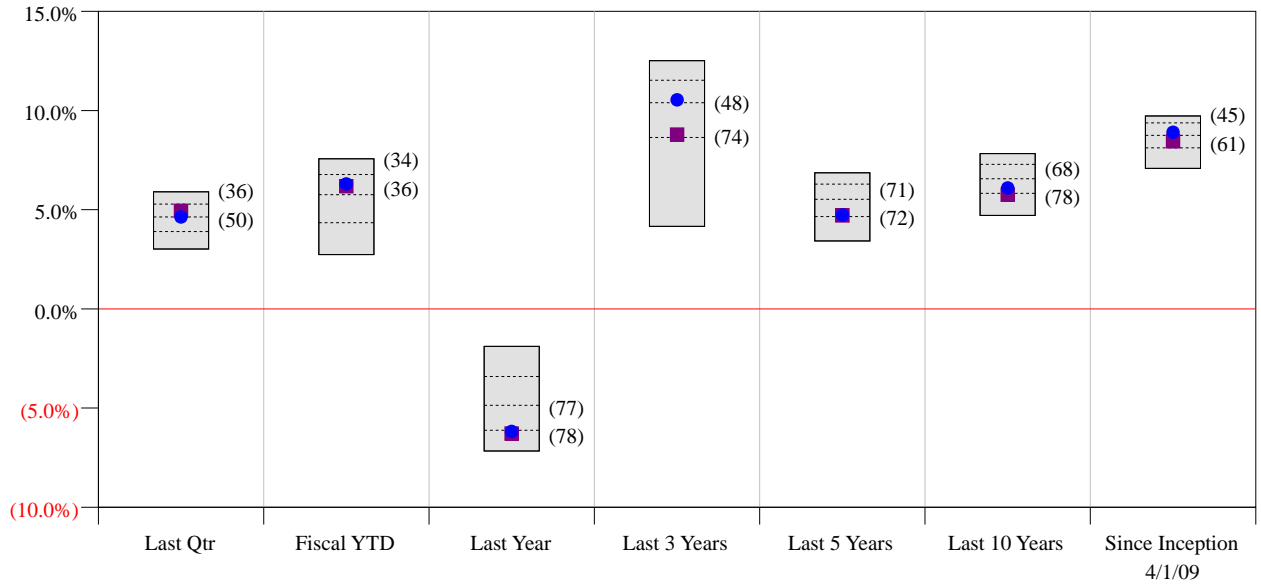


Risk vs Return | SJRTD Pension Fund Target vs. Targets  
Beginning April 1, 2009 | Ending March 31, 2023



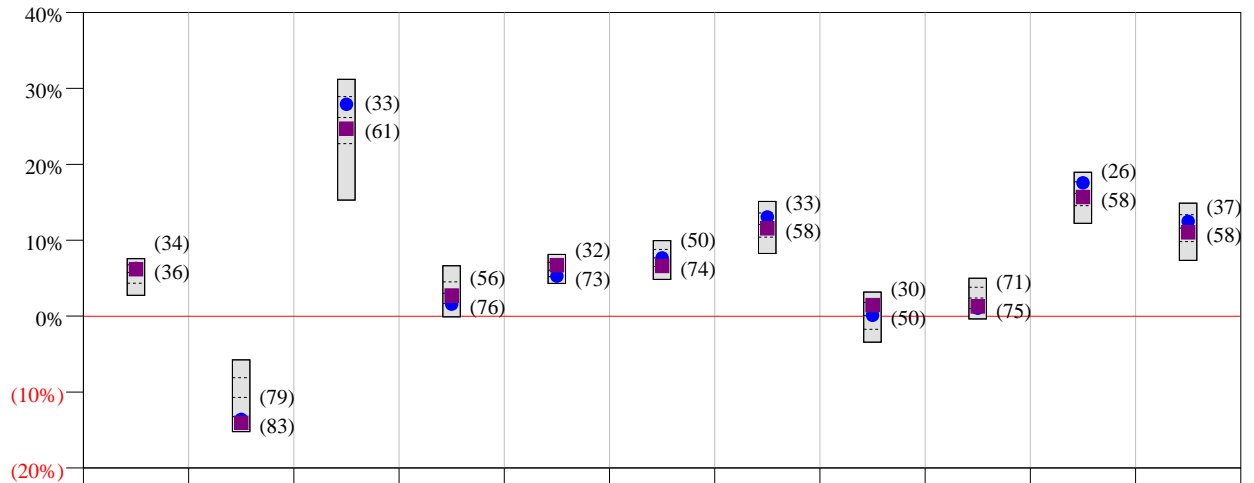
# Performance vs. Callan Fund Sponsors - Small DB (<100M)

Periods Ended March 31, 2023



		Last Qtr	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Since Inception 4/1/09
10th Percentile		5.91	7.57	(1.89)	12.52	6.87	7.83	9.73
25th Percentile		5.28	6.78	(3.40)	11.53	6.30	7.29	9.38
<b>Median</b>		<b>4.64</b>	<b>5.76</b>	<b>(4.86)</b>	<b>10.40</b>	<b>5.53</b>	<b>6.57</b>	<b>8.75</b>
75th Percentile		3.90	4.35	(6.11)	8.65	4.66	5.83	8.12
90th Percentile		3.02	2.75	(7.16)	4.16	3.43	4.72	7.08
<b>SJRTD Pension Fund</b>	●	<b>4.64</b>	<b>6.31</b>	<b>(6.17)</b>	<b>10.54</b>	<b>4.74</b>	<b>6.10</b>	<b>8.91</b>
<b>SJRTD Pension Fund Target</b>	■	4.95	6.18	(6.27)	8.79	4.71	5.76	8.46

## Fiscal Year Performance vs. Callan Fund Sponsors - Small DB (<100M)



		Fiscal YTD	Year Ending June 30, 2022	Year Ending June 30, 2021	Year Ending June 30, 2020	Year Ending June 30, 2019	Year Ending June 30, 2018	Year Ending June 30, 2017	Year Ending June 30, 2016	Year Ending June 30, 2015	Year Ending June 30, 2014	Year Ending June 30, 2013
10th Percentile		7.57	(5.76)	31.22	6.65	8.13	9.97	15.13	3.19	5.00	18.97	14.90
25th Percentile		6.78	(8.10)	28.94	4.53	7.10	8.79	13.60	1.81	3.81	17.70	13.38
<b>Median</b>		<b>5.76</b>	<b>(10.72)</b>	<b>26.17</b>	<b>3.02</b>	<b>6.08</b>	<b>7.69</b>	<b>12.08</b>	<b>0.07</b>	<b>2.39</b>	<b>16.18</b>	<b>11.60</b>
75th Percentile		4.35	(13.24)	22.73	1.69	5.20	6.54	10.41	(1.72)	1.00	14.55	9.84
90th Percentile		2.75	(15.22)	15.29	(0.09)	4.31	4.86	8.26	(3.43)	(0.35)	12.25	7.35
<b>SJRTD Pension Fund</b>	●	<b>6.31</b>	<b>(13.59)</b>	<b>27.92</b>	<b>1.59</b>	<b>5.27</b>	<b>7.67</b>	<b>13.07</b>	<b>0.11</b>	<b>1.06</b>	<b>17.58</b>	<b>12.50</b>
<b>SJRTD Pension Fund Target</b>	■	6.18	(14.03)	24.70	2.73	6.73	6.63	11.57	1.47	1.30	15.71	11.05

Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Returns for Periods Ended March 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 14 Years
<b>Large Cap Equity</b>							
Vanguard Inst'l Index I	7.49	9.95	(7.76)	18.57	11.16	12.21	14.65
DFA US Large Cap Value	0.46	8.11	(5.00)	20.73	6.46	9.51	14.00
<i>S&amp;P 500 Index</i>	<i>7.50</i>	<i>9.98</i>	<i>(7.73)</i>	<i>18.60</i>	<i>11.19</i>	<i>12.24</i>	<i>14.67</i>
<i>Russell 1000 Value</i>	<i>1.01</i>	<i>7.17</i>	<i>(5.91)</i>	<i>17.93</i>	<i>7.50</i>	<i>9.13</i>	<i>12.61</i>
<i>Russell 1000 Growth</i>	<i>14.37</i>	<i>12.67</i>	<i>(10.90)</i>	<i>18.58</i>	<i>13.66</i>	<i>14.59</i>	<i>16.47</i>
<b>Small Cap Equity</b>							
Avantis US Small Cap Value	0.30	10.60	(5.54)	36.41	--	--	--
Vanguard Small Cap Gr Idx Adm*	8.18	10.58	(12.03)	13.49	6.32	8.85	13.93
<i>Russell 2000 Index</i>	<i>2.74</i>	<i>6.75</i>	<i>(11.61)</i>	<i>17.51</i>	<i>4.71</i>	<i>8.04</i>	<i>12.42</i>
<i>Russell 2000 Value</i>	<i>(0.66)</i>	<i>2.74</i>	<i>(12.96)</i>	<i>21.01</i>	<i>4.55</i>	<i>7.22</i>	<i>11.64</i>
<i>Russell 2000 Growth</i>	<i>6.07</i>	<i>10.72</i>	<i>(10.60)</i>	<i>13.36</i>	<i>4.26</i>	<i>8.49</i>	<i>12.91</i>
<i>CRSP US Sm Cap Growth</i>	<i>8.14</i>	<i>10.47</i>	<i>(12.11)</i>	<i>13.46</i>	<i>6.31</i>	<i>8.90</i>	<i>13.38</i>
<b>International Equity</b>							
DFA International Value	6.13	13.56	0.40	20.49	2.85	5.04	8.08
Vanguard Int'l Growth Adm	12.50	13.83	(6.81)	13.48	6.54	8.79	11.43
DFA Intl Small Company	6.38	12.03	(4.79)	16.40	2.03	6.10	10.02
<i>MSCI EAFE Index</i>	<i>8.47</i>	<i>15.36</i>	<i>(1.38)</i>	<i>12.99</i>	<i>3.52</i>	<i>5.00</i>	<i>7.93</i>
<i>MSCI World ex US Value</i>	<i>5.63</i>	<i>12.00</i>	<i>(1.85)</i>	<i>15.32</i>	<i>2.18</i>	<i>3.80</i>	<i>7.08</i>
<i>MSCI ACWI ex US Growth</i>	<i>8.59</i>	<i>11.10</i>	<i>(6.35)</i>	<i>9.49</i>	<i>3.36</i>	<i>5.08</i>	<i>8.18</i>
<i>MSCI World Sm Cap ex US</i>	<i>4.99</i>	<i>9.52</i>	<i>(10.13)</i>	<i>13.43</i>	<i>1.54</i>	<i>5.54</i>	<i>9.90</i>
<b>Emerging Markets Equity</b>							
DFA Emerging Markets Core	5.59	4.01	(8.26)	14.06	0.57	2.89	7.92
<i>MSCI Emerging Markets</i>	<i>3.96</i>	<i>0.84</i>	<i>(10.70)</i>	<i>7.83</i>	<i>(0.91)</i>	<i>2.00</i>	<i>6.55</i>
<b>REITs</b>							
DFA Global Real Estate Securities	0.93	(4.62)	(19.48)	8.58	3.60	4.51	11.54
<i>S&amp;P Global REIT Index</i>	<i>1.37</i>	<i>(3.71)</i>	<i>(20.29)</i>	<i>8.87</i>	<i>2.40</i>	<i>3.26</i>	<i>10.30</i>
<b>Core Fixed Income</b>							
Agincourt Core Fixed Income	3.25	0.45	(4.55)	(2.07)	1.38	1.85	3.52
<i>Blmbg Barc Agg Index</i>	<i>2.96</i>	<i>(0.09)</i>	<i>(4.78)</i>	<i>(2.77)</i>	<i>0.91</i>	<i>1.36</i>	<i>2.68</i>
<i>Blmbg Barc Gov/Credit Bond Idx</i>	<i>3.17</i>	<i>0.23</i>	<i>(4.81)</i>	<i>(2.63)</i>	<i>1.16</i>	<i>1.50</i>	<i>2.89</i>

\*Investor shares used as a proxy prior to 10/2011. Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Returns for Periods Ended March 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 14 Years
<b>High Yield Fixed Income</b>							
Vanguard High Yield Corp Adm	3.19	7.30	(1.95)	4.74	3.25	3.89	7.47
<i>ICE BofA High Yield CP BB-B Cons</i>	<i>3.55</i>	<i>7.20</i>	<i>(2.98)</i>	<i>5.31</i>	<i>3.25</i>	<i>4.05</i>	<i>7.85</i>
<b>Emerging Markets Debt</b>							
PIMCO EM Full Spectrum Bd I	3.61	9.02	(0.36)	2.56	(0.60)	(0.08)	--
<i>50/25/25 EM Debt Index**</i>	<i>3.63</i>	<i>6.67</i>	<i>(2.35)</i>	<i>1.08</i>	<i>(0.79)</i>	<i>0.46</i>	<i>4.44</i>
<i>50/50 EM Debt Index***</i>	<i>3.51</i>	<i>6.87</i>	<i>(3.85)</i>	<i>0.46</i>	<i>(1.44)</i>	<i>0.29</i>	<i>4.19</i>
<b>Total Fund</b>							
SJRTD Pension Fund	4.64	6.31	(6.17)	10.54	4.74	6.10	8.91
<i>SJRTD Pension Fund Target</i>	<i>4.95</i>	<i>6.18</i>	<i>(6.27)</i>	<i>8.79</i>	<i>4.71</i>	<i>5.76</i>	<i>8.46</i>

\*\*50/25/25 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), 25% JPM EMBI Global Index (external sovereigns), and 25% JPM CEMBI Diversified Index (corporate bonds).

\*\*\* 50/50 EM Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), and 50% JPM EMBI Global Diversified Index (external bonds).

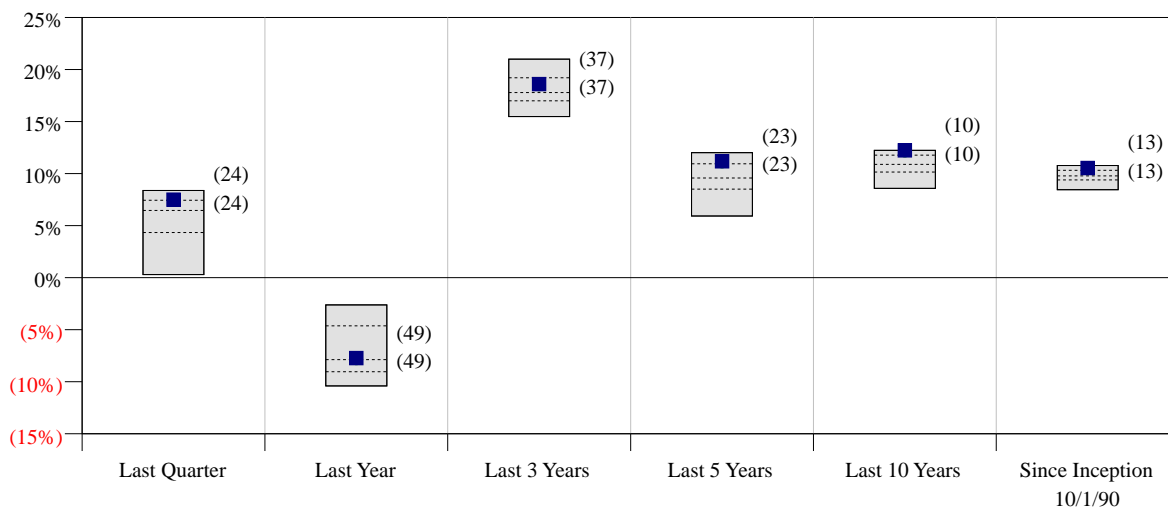
Current Quarter Target = 1.0% 3-Month Treasury Bill, 27.0% Bloomberg Barclays Aggregate Index, 6.0% S&P Global REIT Index, 2.4% JPM GBI EM GI Divers USD Unh, 2.4% JPM EMBI Global Diversified, 7.2% ICE BofAML High Yield CP BB-B Cons, 16.2% MSCI EAFE Index, 5.4% MSCI Emerging Markets, 8.1% Russell 2000 Index, 24.3% S&P 500 Index.

Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Core Equity Style mutual funds have characteristics similar to those of the broader market as represented by the Standard & Poor's Index. Their objective is to add value over and above the index, typically from sector or issue selection.

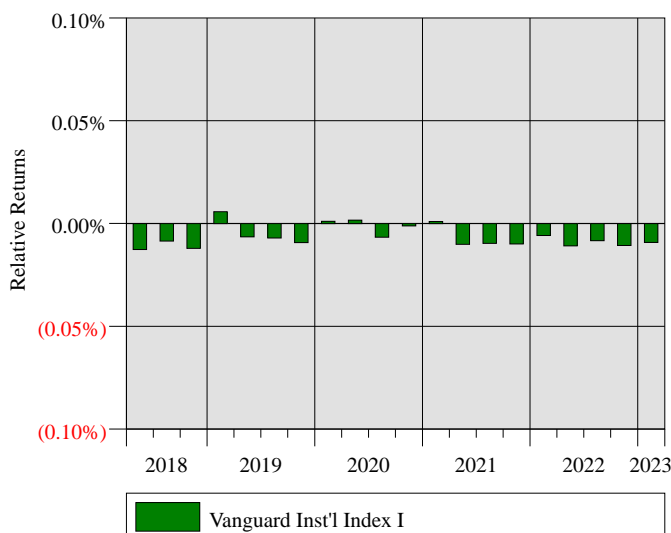
### Vanguard Inst'l Index I (VINIX) Performance vs. Callan Large Cap Core Mutual Funds Periods ending: March 31, 2023



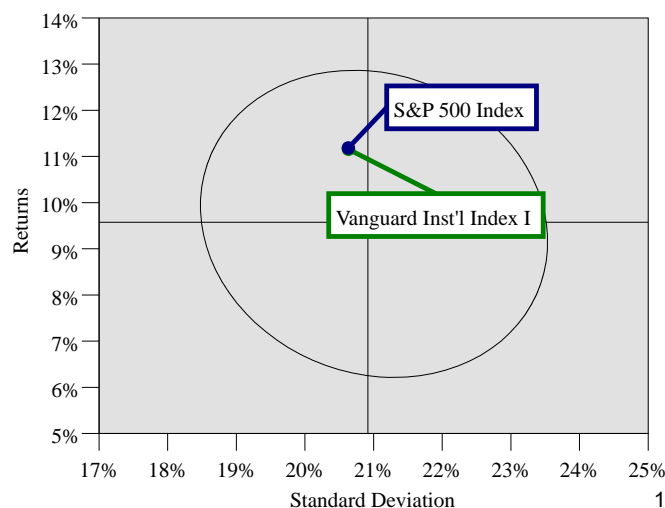
10th Percentile	8.38	(2.61)	21.01	12.03	12.24	10.79
25th Percentile	7.45	(4.63)	19.21	10.95	11.78	10.33
<b>Median</b>	<b>6.47</b>	<b>(7.86)</b>	<b>17.79</b>	<b>9.58</b>	<b>10.89</b>	<b>9.78</b>
75th Percentile	4.34	(9.03)	17.01	8.52	10.17	9.39
90th Percentile	0.31	(10.40)	15.50	5.93	8.59	8.46
<b>Vanguard Inst'l Index I</b>	<b>7.49</b>	<b>(7.76)</b>	<b>18.57</b>	<b>11.16</b>	<b>12.21</b>	<b>10.55</b>
S&P 500 Index	7.50	(7.73)	18.60	11.19	12.24	10.55

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard Inst'l Index I</b>	<b>7.49</b>	<b>(18.14)</b>	<b>28.67</b>	<b>18.39</b>	<b>31.46</b>	<b>(4.42)</b>	<b>21.79</b>	<b>11.93</b>	<b>1.37</b>	<b>13.65</b>	<b>32.35</b>
S&P 500 Index	7.50	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69	32.39

#### Relative Returns vs. S&P 500 Index



#### Callan Large Cap Core Mutual Funds | 5 Years Ended 3/31/23

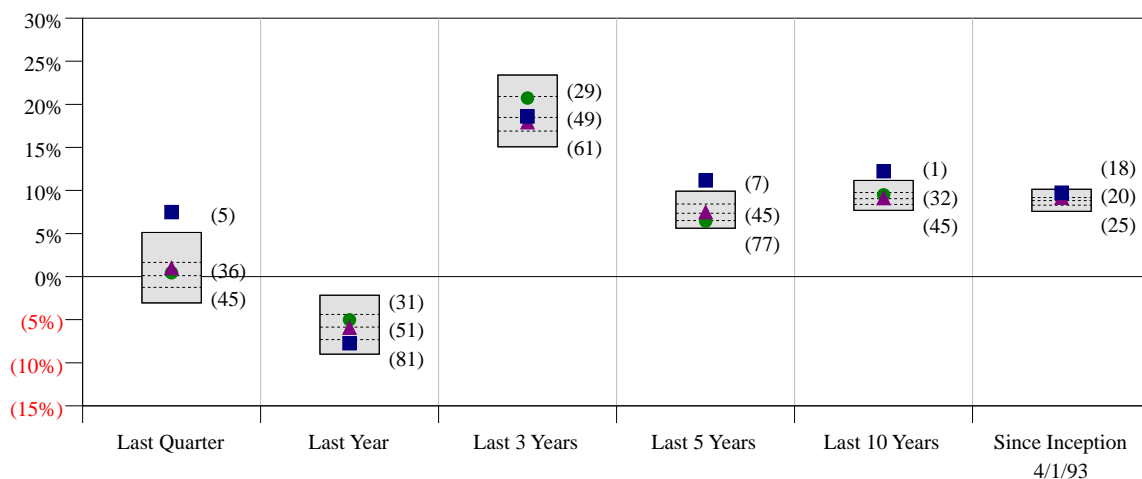


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Large Cap Value Equity Style mutual funds invest in predominantly large cap companies believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value.

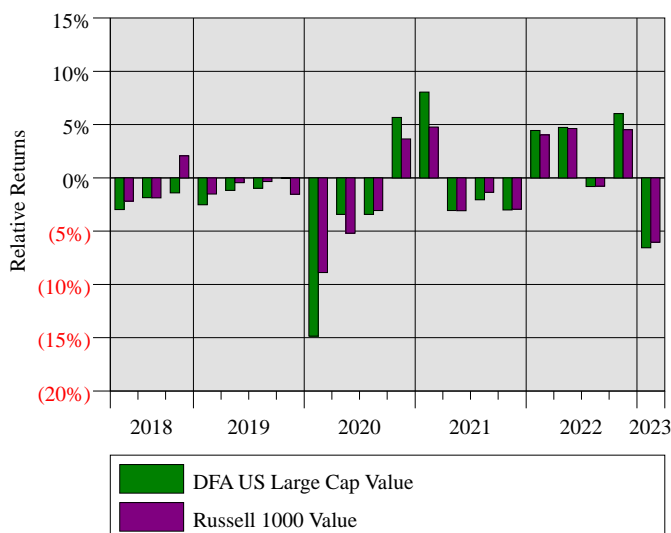
### DFA US Large Cap Value (DFLVX) Performance vs. Callan Large Cap Value Mutual Funds Periods ending: March 31, 2023



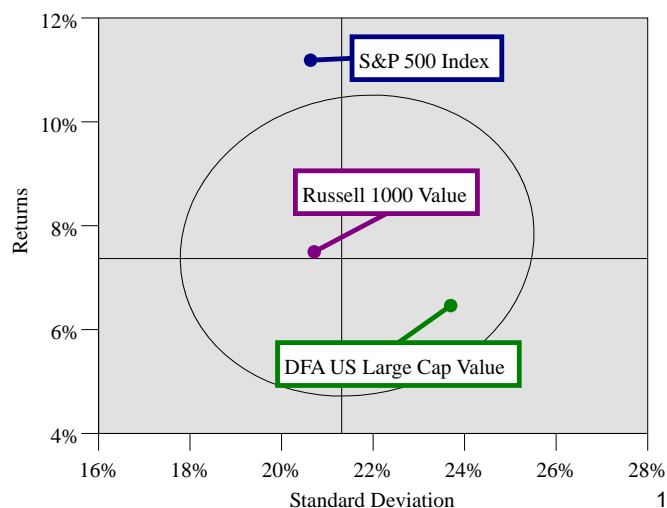
10th Percentile	5.13	(2.14)	23.42	9.93	11.18	10.15
25th Percentile	1.65	(4.37)	20.93	8.43	9.77	9.20
<b>Median</b>	<b>0.13</b>	<b>(5.85)</b>	<b>18.49</b>	<b>7.37</b>	<b>9.06</b>	<b>8.84</b>
75th Percentile	(1.24)	(7.30)	16.91	6.52	8.40	8.31
90th Percentile	(3.05)	(9.00)	15.08	5.63	7.71	7.59
<b>DFA US Large Cap Value</b>	<b>0.46</b>	<b>(5.00)</b>	<b>20.73</b>	<b>6.46</b>	<b>9.51</b>	<b>9.64</b>
S&P 500 Index	7.50	(7.73)	18.60	11.19	12.24	9.75
Russell 1000 Value	1.01	(5.91)	17.93	7.50	9.13	9.18

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA US Large Cap Value</b>	<b>0.46</b>	<b>(5.78)</b>	<b>28.07</b>	<b>(0.61)</b>	<b>25.45</b>	<b>(11.65)</b>	<b>18.97</b>	<b>18.89</b>	<b>(3.49)</b>	<b>10.07</b>	<b>40.32</b>
S&P 500 Index	7.50	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69	32.39
Russell 1000 Value	1.01	(7.54)	25.16	2.80	26.54	(8.27)	13.66	17.34	(3.83)	13.45	32.53

#### Relative Returns vs. S&P 500 Index



#### Callan Large Cap Value Mutual Funds | 5 Years Ended 3/31/23

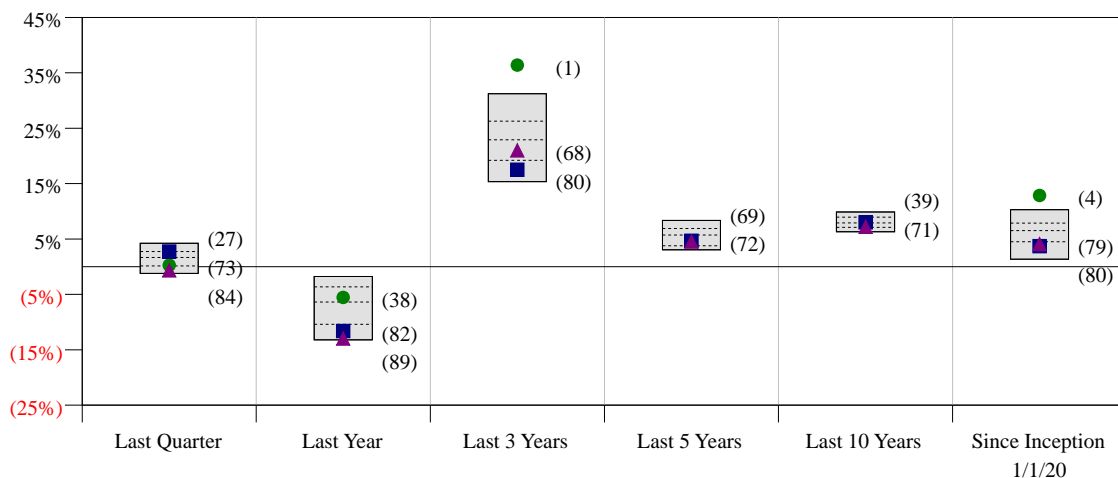


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Small Cap Value Equity Style mutual funds invest in small cap companies that are believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value.

### Avantis US Small Cap Value (AVUVX) Performance vs. Callan Small Cap Value Mutual Funds Periods ending: March 31, 2023

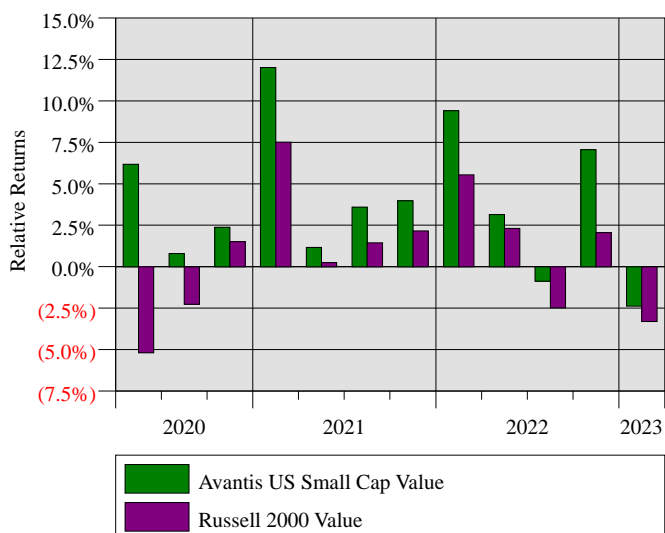


	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Avantis US Small Cap Value	Russell 2000 Index	Russell 2000 Value
Last Quarter	4.24	2.76	1.69	0.16	(1.20)	0.30	2.74	(0.66)
Last Year	(1.75)	(3.62)	(6.38)	(10.40)	(13.19)	(5.54)	(11.61)	(12.96)
Last 3 Years	31.25	26.30	22.92	19.23	15.37	36.41	17.51	21.01
Last 5 Years	8.37	6.92	5.72	3.81	3.06	--	4.71	4.55
Last 10 Years	9.88	8.95	7.92	7.11	6.31	--	8.04	7.22
Since Inception 1/1/20	10.31	7.89	6.53	4.52	1.36	12.87	3.72	4.12

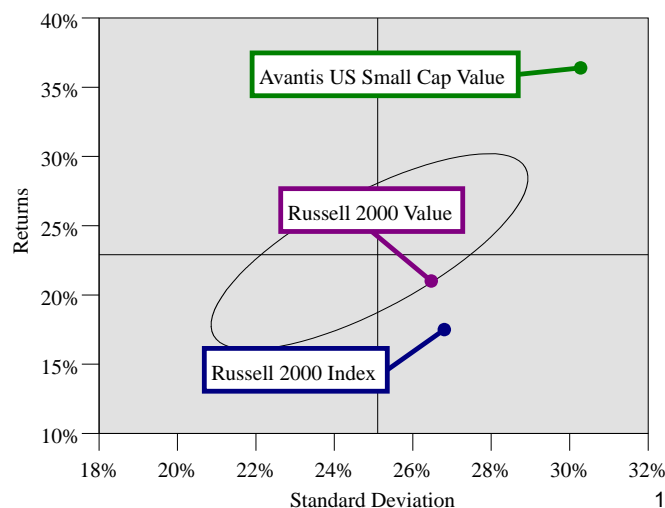
  

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Avantis US Small Cap Value	0.30	(4.70)	40.17	10.64	--	--	--	--	--	--	--
Russell 2000 Index	2.74	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Value	(0.66)	(14.48)	28.27	4.63	22.39	(12.86)	7.84	31.74	(7.47)	4.22	34.52

#### Relative Returns vs. Russell 2000 Index



#### Callan Small Cap Value Mutual Funds | 3 Years Ended 3/31/23

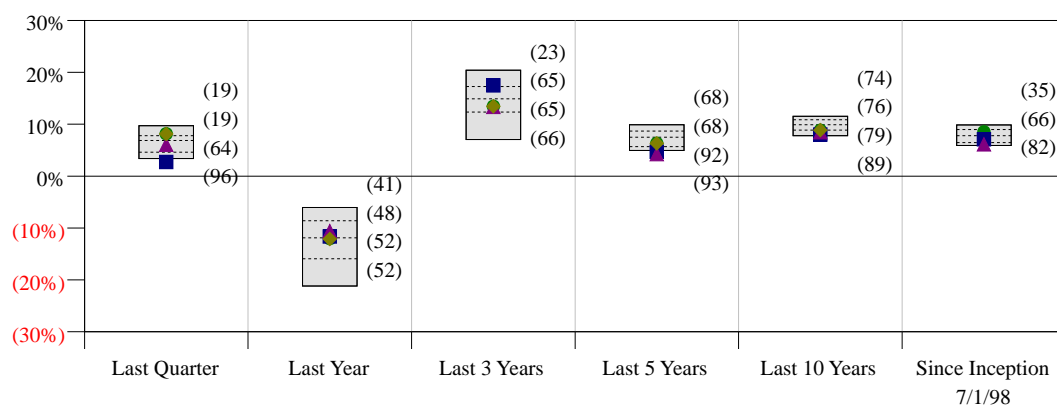


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Small Cap Growth Equity Style mutual funds invest in small cap companies that are expected to have above average prospects for long-term growth in earnings and profitability.

### Vanguard Small Cap Gr Idx Adm\* (VSGAX) Performance vs. Callan Small Cap Growth Mutual Funds Periods ending: March 31, 2023

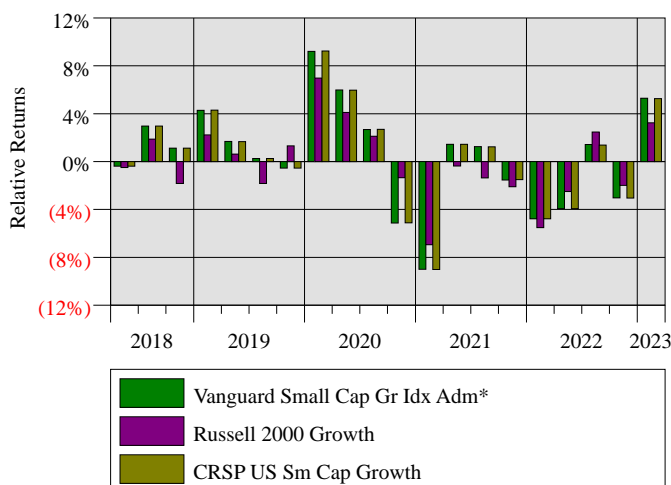


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Since Inception 7/1/98
10th Percentile	9.74	(6.02)	20.45	9.91	11.54	9.86
25th Percentile	7.79	(8.57)	17.28	8.71	10.88	8.99
<b>Median</b>	<b>6.87</b>	<b>(11.86)</b>	<b>14.93</b>	<b>7.53</b>	<b>9.93</b>	<b>7.80</b>
75th Percentile	4.62	(15.91)	12.35	5.71	8.87	6.49
90th Percentile	3.39	(21.17)	7.06	4.96	7.82	5.91
<b>Vanguard Small Cap Gr Idx Adm*</b>	<b>8.18</b>	<b>(12.03)</b>	<b>13.49</b>	<b>6.32</b>	<b>8.85</b>	<b>8.55</b>
Russell 2000 Index	2.74	(11.61)	17.51	4.71	8.04	7.11
Russell 2000 Growth	6.07	(10.60)	13.36	4.26	8.49	6.16
CRSP US Sm Cap Growth	8.14	(12.11)	13.46	6.31	8.90	--

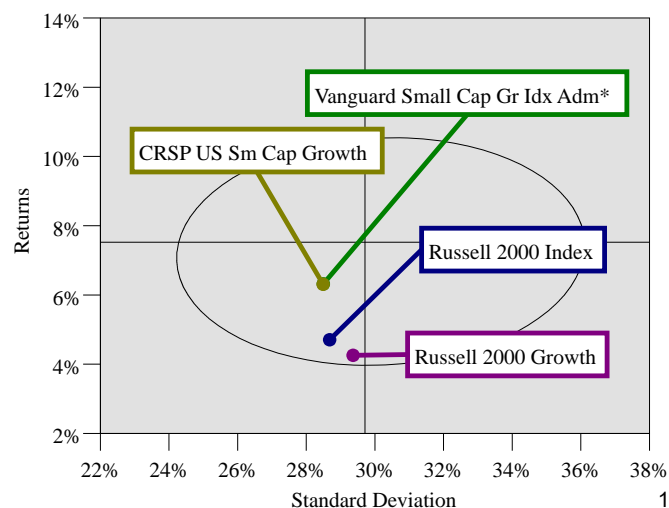
Vanguard switched to CRSP US Sm Cap Growth Index on April 17, 2013.

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard Small Cap Gr Idx Adm*</b>	<b>8.18</b>	<b>(28.39)</b>	<b>5.70</b>	<b>35.28</b>	<b>32.76</b>	<b>(5.68)</b>	<b>21.92</b>	<b>10.73</b>	<b>(2.52)</b>	<b>4.02</b>	<b>38.22</b>
Russell 2000 Index	2.74	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Growth	6.07	(26.36)	2.83	34.63	28.48	(9.31)	22.17	11.32	(1.38)	5.60	43.30
CRSP US Sm Cap Growth	8.14	(28.44)	5.71	35.35	32.75	(5.68)	21.90	10.62	(2.60)	3.98	38.44

#### Relative Returns vs. Russell 2000 Index



#### Callan Small Cap Growth Mutual Funds | 5 Years Ended 3/31/23



\*Investor shares used as a proxy prior to 10/2011.

Source: Callan. Past performance is not indicative of future results. See important disclosures.  
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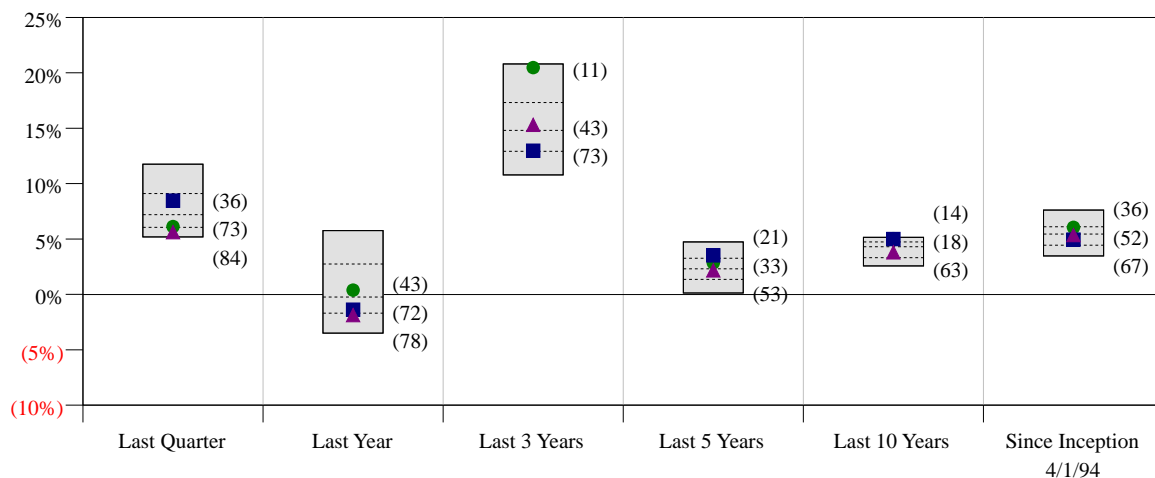
## Investment Philosophy:

International Value Equity mutual funds invest predominantly in Non-U.S. companies believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value.

### DFA International Value (DFIVX)

#### Performance vs. Callan International Large Cap Value MFs

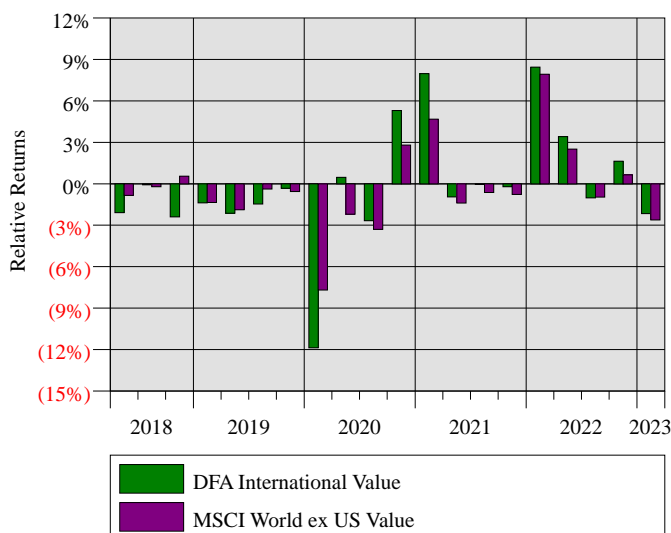
Periods ending: March 31, 2023



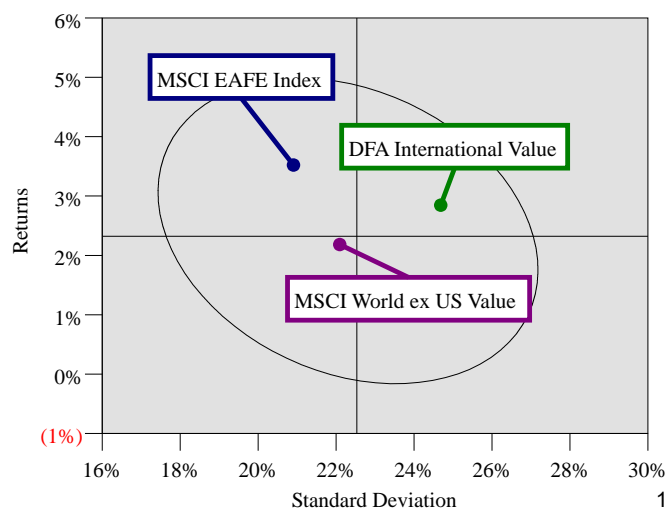
10th Percentile	11.77	5.76	20.82	4.74	5.16	7.62
25th Percentile	9.11	2.75	17.32	3.27	4.74	6.11
<b>Median</b>	<b>7.21</b>	<b>(0.23)</b>	<b>14.81</b>	<b>2.32</b>	<b>4.31</b>	<b>5.46</b>
75th Percentile	6.06	(1.69)	12.93	1.36	3.32	4.46
90th Percentile	5.19	(3.50)	10.80	0.14	2.58	3.48
<b>DFA International Value</b>	<b>6.13</b>	<b>0.40</b>	<b>20.49</b>	<b>2.85</b>	<b>5.04</b>	<b>6.07</b>
MSCI EAFE Index	8.47	(1.38)	12.99	3.52	5.00	4.96
MSCI World ex US Value	5.63	(1.85)	15.32	2.18	3.80	5.36

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA International Value</b>	<b>6.13</b>	<b>(3.48)</b>	<b>18.69</b>	<b>(2.14)</b>	<b>15.67</b>	<b>(17.49)</b>	<b>26.09</b>	<b>8.41</b>	<b>(6.31)</b>	<b>(6.99)</b>	<b>23.12</b>
MSCI EAFE Index	8.47	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)	22.78
MSCI World ex US Value	5.63	(5.64)	13.26	(3.22)	17.02	(15.06)	21.04	7.39	(7.68)	(5.41)	21.47

#### Relative Returns vs. MSCI EAFE Index



#### Callan International Large Cap Value MFs | 5 Years Ended 3/31/23

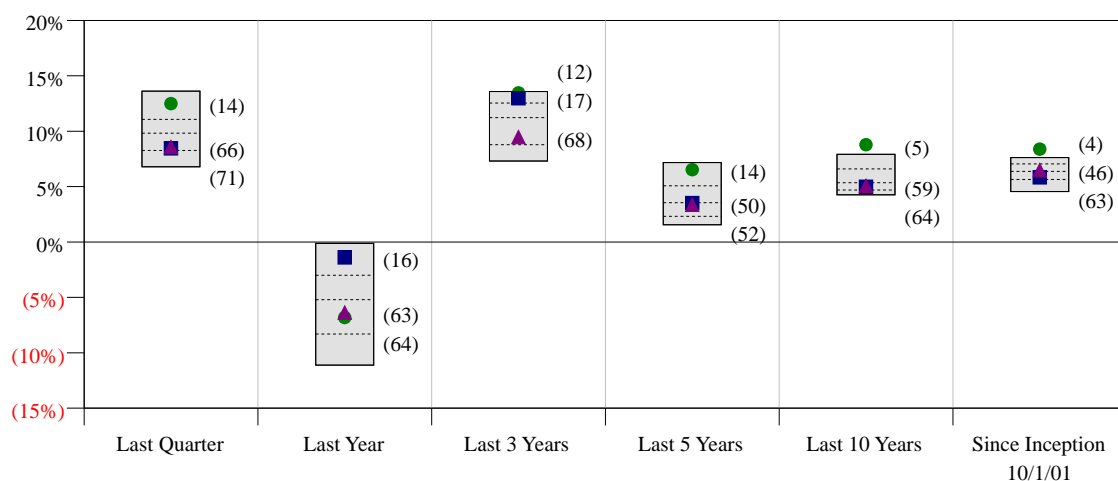


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

International Growth Equity Style mutual funds invest predominantly in companies that are expected to have above average prospects for long-term growth in earnings and profitability. Future growth prospects take precedence over valuation levels in stock selection.

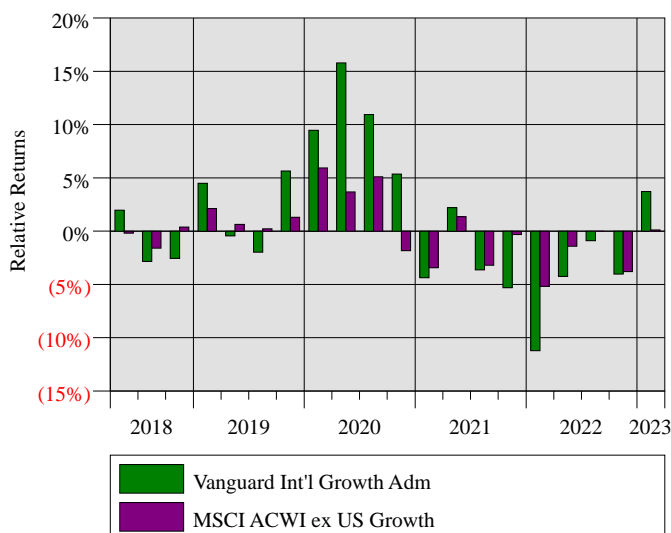
### Vanguard Int'l Growth Adm (VWILX) Performance vs. Callan Intl Large Cap Growth MFs Periods ending: March 31, 2023



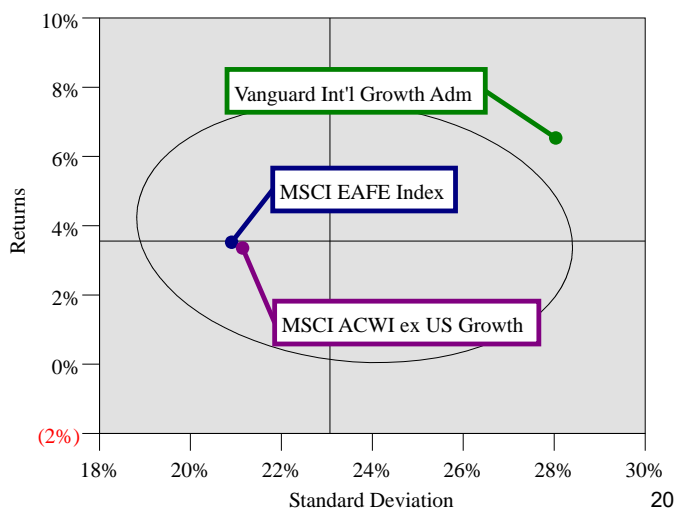
10th Percentile	13.63	(0.12)	13.60	7.18	7.92	7.64
25th Percentile	11.07	(3.00)	12.55	5.08	6.61	7.06
<b>Median</b>	<b>9.84</b>	<b>(5.21)</b>	<b>11.24</b>	<b>3.56</b>	<b>5.37</b>	<b>6.38</b>
75th Percentile	8.28	(8.31)	8.80	2.33	4.71	5.66
90th Percentile	6.79	(11.11)	7.32	1.56	4.27	4.56
<b>Vanguard Int'l Growth Adm</b>	<b>12.50</b>	<b>(6.81)</b>	<b>13.48</b>	<b>6.54</b>	<b>8.79</b>	<b>8.40</b>
MSCI EAFE Index	8.47	(1.38)	12.99	3.52	5.00	5.84
MSCI ACWI ex US Growth	8.59	(6.35)	9.49	3.36	5.08	6.50

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard Int'l Growth Adm</b>	<b>12.50</b>	<b>(30.79)</b>	<b>(0.74)</b>	<b>59.74</b>	<b>31.48</b>	<b>(12.58)</b>	<b>43.16</b>	<b>1.84</b>	<b>(0.54)</b>	<b>(5.51)</b>	<b>23.12</b>
MSCI EAFE Index	8.47	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)	22.78
MSCI ACWI ex US Growth	8.59	(23.05)	5.09	22.20	27.34	(14.43)	32.01	0.12	(1.25)	(2.65)	15.49

#### Relative Returns vs. MSCI EAFE Index



#### Callan Intl Large Cap Growth MFs | 5 Years Ended 3/31/23

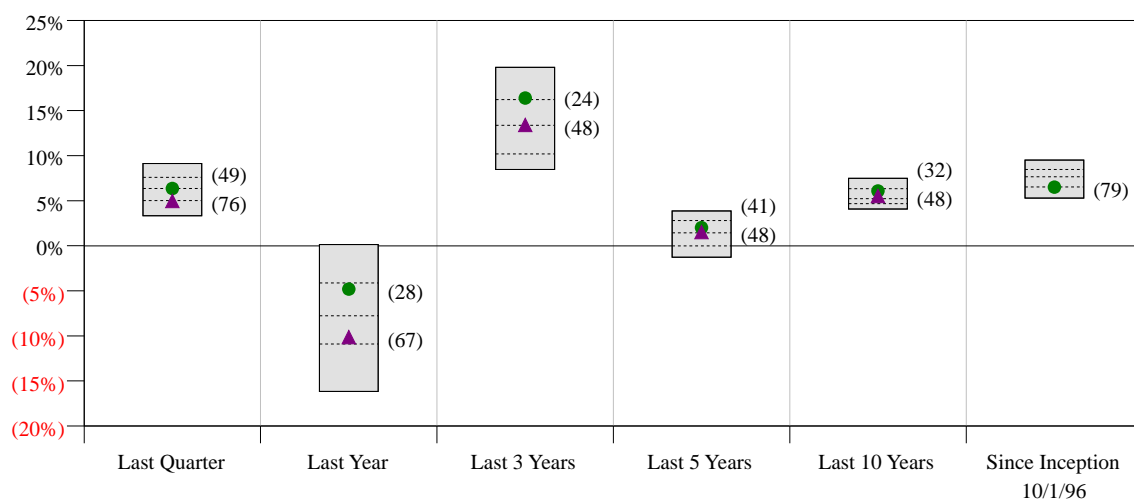


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

International Small Cap funds invest at least 65% of their assets in equity securities of non-United States companies with a market capitalization of less than US \$1 billion at the time of purchase.

### DFA Intl Small Company (DFISX) Performance vs. Callan International Small Cap Mut Funds Periods ending: March 31, 2023

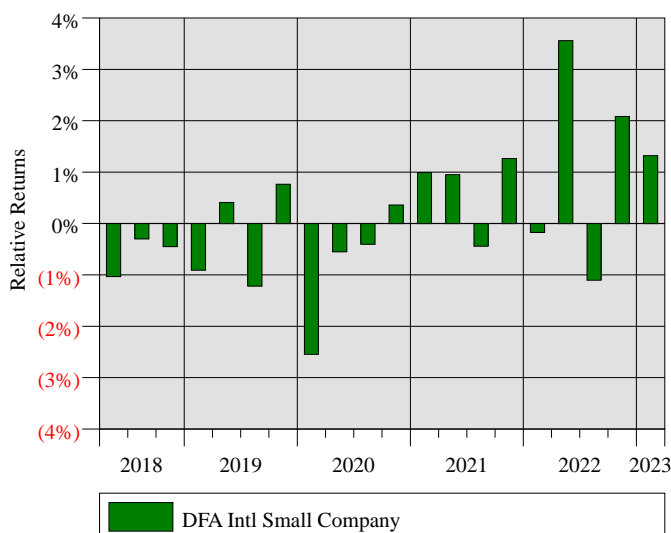


10th Percentile	9.13	0.15	19.81	3.88	7.50	9.53
25th Percentile	7.60	(4.11)	16.24	2.80	6.35	8.49
<b>Median</b>	<b>6.37</b>	<b>(7.76)</b>	<b>13.37</b>	<b>1.44</b>	<b>5.24</b>	<b>7.67</b>
75th Percentile	5.03	(10.90)	10.19	0.00	4.68	6.55
90th Percentile	3.35	(16.15)	8.48	(1.26)	4.10	5.31
<b>DFA Intl Small Company</b>	<b>6.38</b>	<b>(4.79)</b>	<b>16.40</b>	<b>2.03</b>	<b>6.10</b>	<b>6.52</b>
MSCI World Sm Cap ex US	4.99	(10.13)	13.43	1.54	5.54	--

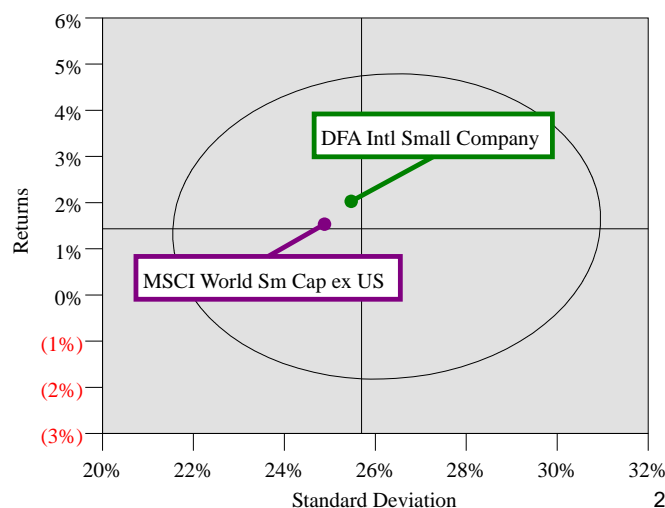
  

1 Qtr.	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA Intl Small Company</b>	<b>6.38</b>	<b>(17.12)</b>	<b>14.24</b>	<b>9.26</b>	<b>24.20</b>	<b>(19.42)</b>	<b>30.24</b>	<b>5.80</b>	<b>5.91</b>	<b>(6.30)</b>	<b>27.44</b>
MSCI World Sm Cap ex US	4.99	(20.59)	11.14	12.78	25.41	(18.07)	31.04	4.32	5.46	(5.35)	25.55

#### Relative Returns vs. MSCI World Sm Cap ex US



#### Callan International Small Cap Mut Funds | 5 Years Ended 3/31/23



Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

The International Emerging Markets Equity Database consists of all mutual fund international equity products that concentrate on newly emerging second and third world countries in the regions of the Far East, Africa, Europe, and South America.

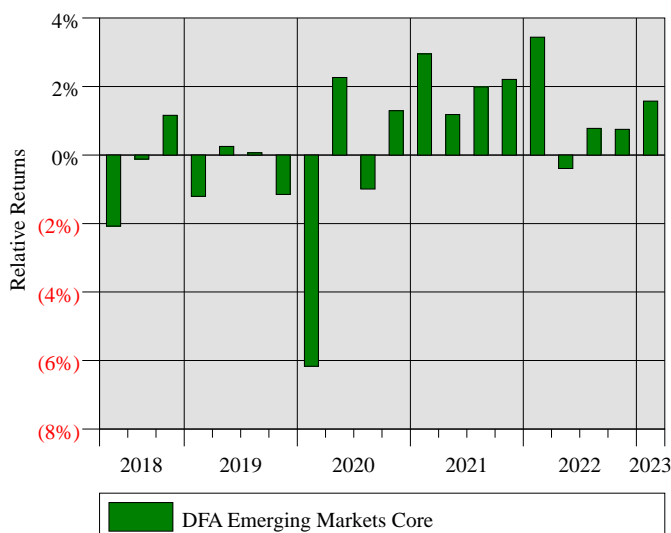
### DFA Emerging Markets Core (DFCEX) Performance vs. Callan Emerging Markets Equity Mut Funds Periods ending: March 31, 2023



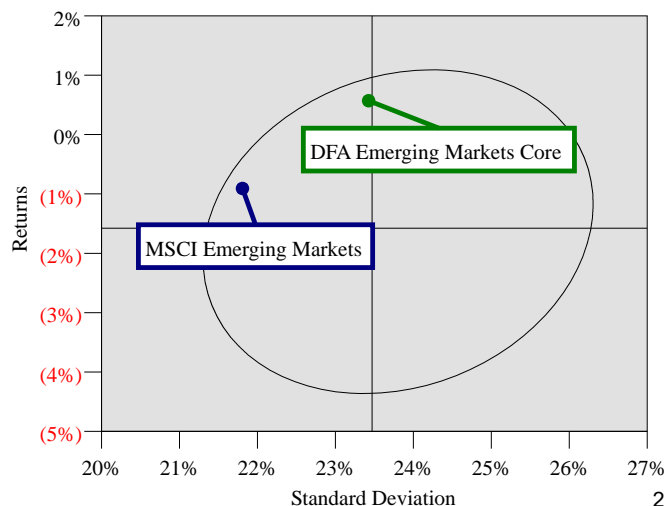
10th Percentile	7.43	(5.85)	10.88	0.81	3.78	6.32
25th Percentile	6.07	(8.32)	9.15	(0.91)	2.50	5.90
<b>Median</b>	<b>5.03</b>	<b>(10.55)</b>	<b>7.94</b>	<b>(1.58)</b>	<b>1.81</b>	<b>5.32</b>
75th Percentile	3.27	(12.52)	4.89	(2.77)	0.72	4.68
90th Percentile	2.58	(14.64)	3.42	(3.86)	0.23	3.89
<b>DFA Emerging Markets Core</b>	<b>5.59</b>	<b>(8.26)</b>	<b>14.06</b>	<b>0.57</b>	<b>2.89</b>	<b>6.64</b>
MSCI Emerging Markets	3.96	(10.70)	7.83	(0.91)	2.00	5.68

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA Emerging Markets Core</b>	<b>5.59</b>	<b>(16.40)</b>	<b>5.83</b>	<b>13.86</b>	<b>16.04</b>	<b>(15.25)</b>	<b>36.55</b>	<b>12.35</b>	<b>(14.86)</b>	<b>(0.91)</b>	<b>(2.64)</b>
MSCI Emerging Markets	3.96	(20.09)	(2.54)	18.31	18.44	(14.57)	37.28	11.19	(14.92)	(2.19)	(2.60)

#### Relative Returns vs. MSCI Emerging Markets



#### Callan Emerging Markets Equity Mut Funds | 5 Years Ended 3/31/23

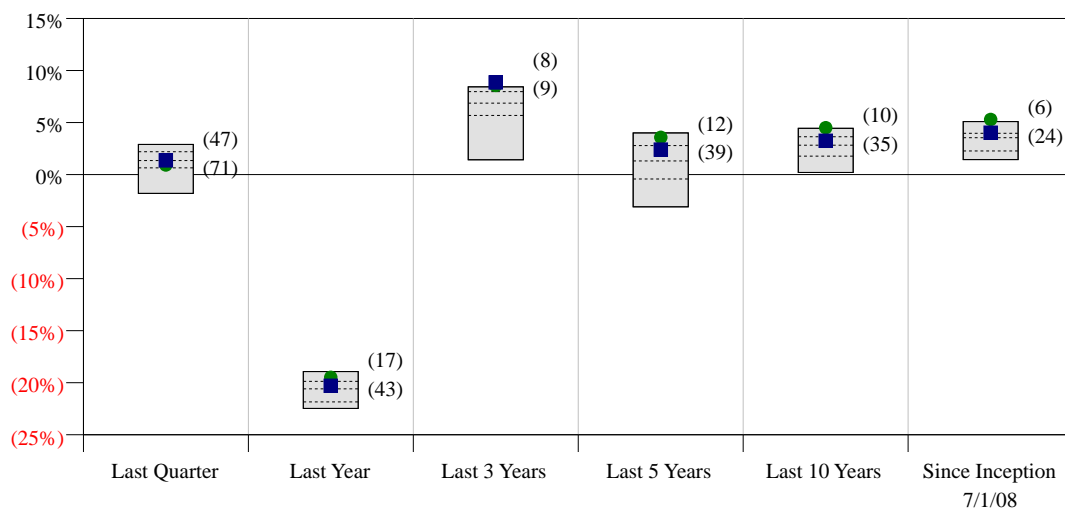


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Global real estate portfolios invest primarily in non-U.S. real estate securities but may also invest in U.S. real estate securities. Securities that these portfolios purchase include: debt securities, equity securities, convertible securities, and securities issued by real estate investment trusts and REIT-like entities. Portfolios in this category also invest in real estate operating companies.

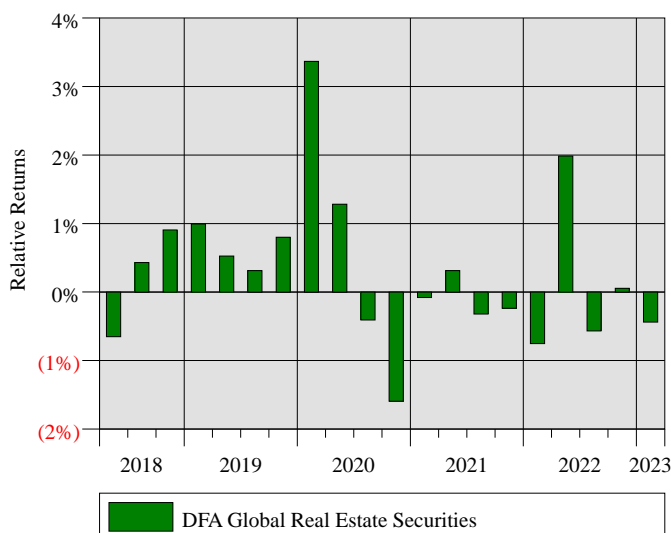
### DFA Global Real Estate Securities (DFGEX) Performance vs. Morningstar Global Real Estate Funds Periods ending: March 31, 2023



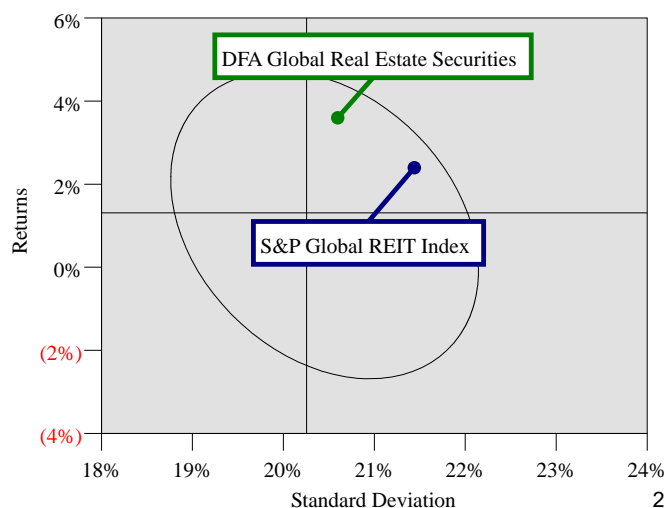
10th Percentile	2.90	(18.93)	8.44	4.01	4.46	5.11
25th Percentile	2.21	(19.86)	7.97	2.79	3.64	3.98
<b>Median</b>	<b>1.35</b>	<b>(20.58)</b>	<b>6.88</b>	<b>1.31</b>	<b>2.83</b>	<b>3.55</b>
75th Percentile	0.66	(21.83)	5.69	(0.41)	1.77	2.27
90th Percentile	(1.80)	(22.46)	1.43	(3.09)	0.22	1.45
<b>DFA Global Real Estate Securities</b>	<b>0.93</b>	<b>(19.48)</b>	<b>8.58</b>	<b>3.60</b>	<b>4.51</b>	<b>5.31</b>
S&P Global REIT Index	1.37	(20.29)	8.87	2.40	3.26	4.03

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA Global Real Estate Securities</b>	<b>0.93</b>	<b>(23.83)</b>	<b>30.96</b>	<b>(6.72)</b>	<b>26.40</b>	<b>(4.15)</b>	<b>9.20</b>	<b>6.56</b>	<b>0.69</b>	<b>22.74</b>	<b>1.77</b>
S&P Global REIT Index	1.37	(24.36)	31.38	(9.09)	23.12	(5.93)	7.41	5.77	(0.44)	21.54	1.73

#### Relative Returns vs. S&P Global REIT Index



#### Morningstar Global Real Estate Funds | 5 Years Ended 3/31/23

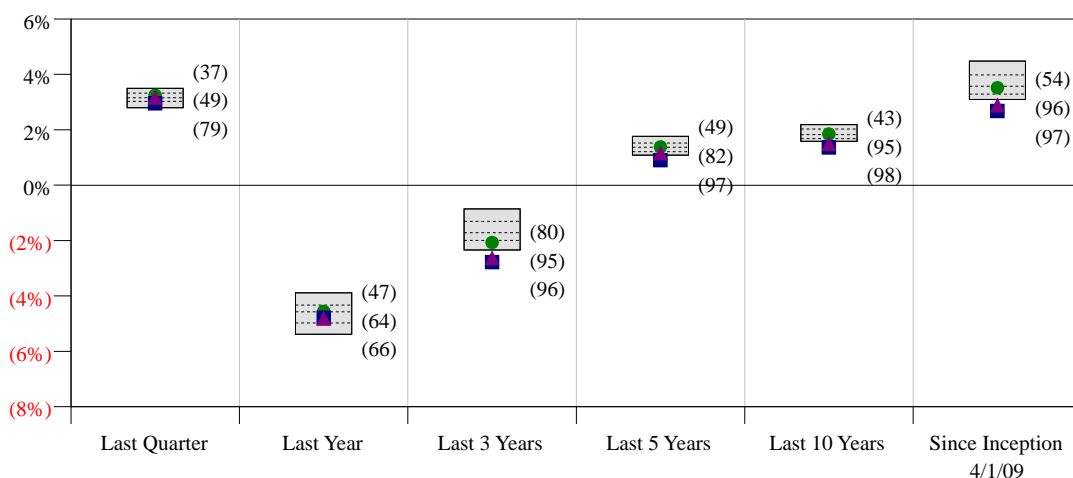


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Core Bond peer group includes managers that are typically benchmarked versus a domestic, investment grade fixed income index and generally will not make meaningful investments in securities outside of the benchmark.

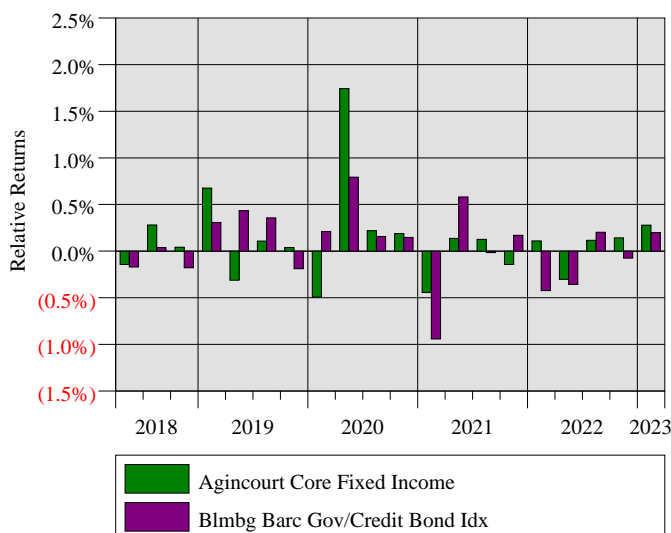
### Agincourt Core Fixed Income Performance vs. Callan Core Bond Fixed Income Periods ending: March 31, 2023



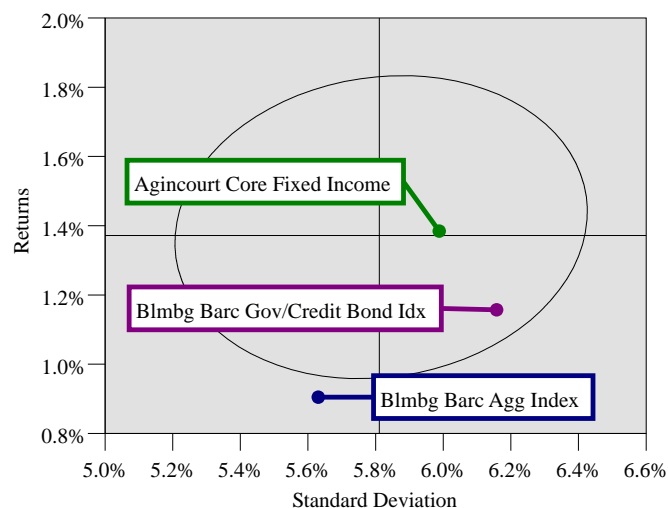
10th Percentile	3.50	(3.88)	(0.86)	1.77	2.19	4.49
25th Percentile	3.33	(4.33)	(1.31)	1.53	2.03	3.98
<b>Median</b>	<b>3.16</b>	<b>(4.57)</b>	<b>(1.72)</b>	<b>1.37</b>	<b>1.83</b>	<b>3.57</b>
75th Percentile	3.03	(4.97)	(1.99)	1.21	1.68	3.29
90th Percentile	2.80	(5.38)	(2.34)	1.08	1.59	3.10
<b>Agincourt Core Fixed Income</b>	<b>3.25</b>	<b>(4.55)</b>	<b>(2.07)</b>	<b>1.38</b>	<b>1.85</b>	<b>3.52</b>
Blmbg Barc Agg Index	2.96	(4.78)	(2.77)	0.91	1.36	2.68
Blmbg Barc Gov/Credit Bond Idx	3.17	(4.81)	(2.63)	1.16	1.50	2.89

	1 Qtr.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Agincourt Core Fixed Income</b>	<b>3.25</b>	<b>(12.95)</b>	<b>(1.86)</b>	<b>9.29</b>	<b>9.28</b>	<b>0.29</b>	<b>4.17</b>	<b>3.73</b>	<b>0.64</b>	<b>6.07</b>	<b>(1.45)</b>
Blmbg Barc Agg Index	2.96	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97	(2.02)
Blmbg Barc Gov/Credit Bond Idx	3.17	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01	(2.35)

#### Relative Returns vs. Blmbg Barc Agg Index



#### Callan Core Bond Fixed Income | 5 Years Ended 3/31/23

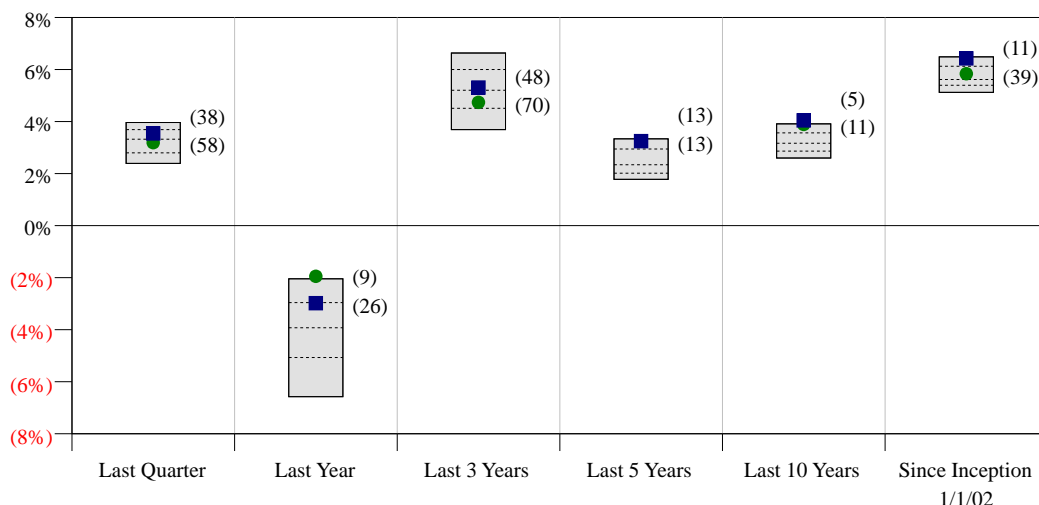


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

High Yield Style mutual funds invest primarily in non-investment grade fixed-income securities with the objective of obtaining high current income. Due to increased level of default risk, security selection focuses on credit-risk analysis.

### Vanguard High Yield Corp Adm (VWEAX) Performance vs. Callan High Yield Mutual Funds Periods ending: March 31, 2023



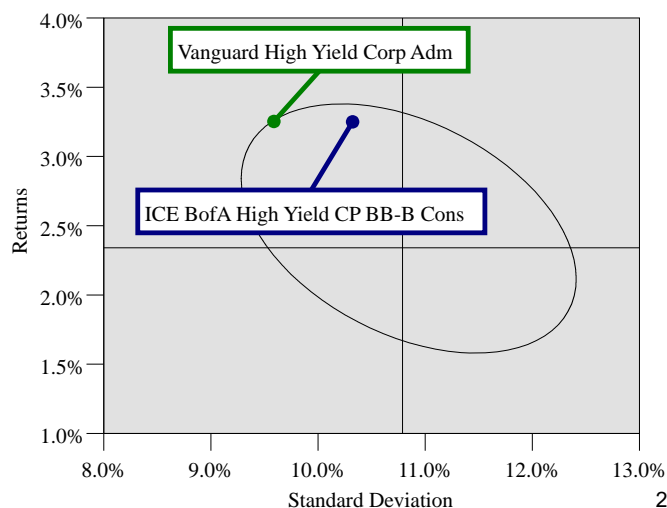
10th Percentile	3.97	(2.04)	6.64	3.34	3.92	6.49
25th Percentile	3.70	(2.96)	6.00	2.95	3.57	6.13
<b>Median</b>	<b>3.32</b>	<b>(3.92)</b>	<b>5.21</b>	<b>2.34</b>	<b>3.17</b>	<b>5.62</b>
75th Percentile	2.80	(5.07)	4.51	2.02	2.87	5.40
90th Percentile	2.40	(6.57)	3.69	1.78	2.60	5.12
<b>Vanguard High Yield Corp Adm</b>	<b>3.19</b>	<b>(1.95)</b>	<b>4.74</b>	<b>3.25</b>	<b>3.89</b>	<b>5.84</b>
<b>ICE BofA High Yield CP BB-B Cons</b>	<b>3.55</b>	<b>(2.98)</b>	<b>5.31</b>	<b>3.25</b>	<b>4.05</b>	<b>6.43</b>

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard High Yield Corp Adm</b>	<b>3.19</b>	<b>(8.97)</b>	<b>3.78</b>	<b>5.39</b>	<b>15.91</b>	<b>(2.87)</b>	<b>7.13</b>	<b>11.30</b>	<b>(1.30)</b>	<b>4.69</b>	<b>4.64</b>
<b>ICE BofA High Yield CP BB-B Cons</b>	<b>3.55</b>	<b>(10.59)</b>	<b>4.58</b>	<b>6.32</b>	<b>15.09</b>	<b>(2.04)</b>	<b>6.98</b>	<b>14.76</b>	<b>(2.82)</b>	<b>3.48</b>	<b>6.29</b>

#### Relative Returns vs. ICE BofA High Yield CP BB-B Cons



#### Callan High Yield Mutual Funds | 5 Years Ended 3/31/23

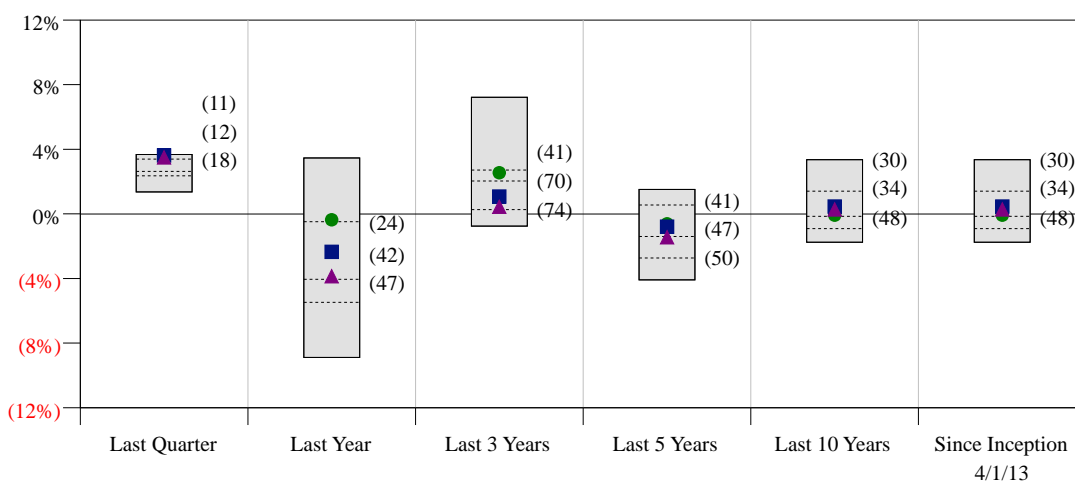


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Emerging Markets Debt mutual funds that are benchmarked versus a blend of US\$ denominated and local currency indices.

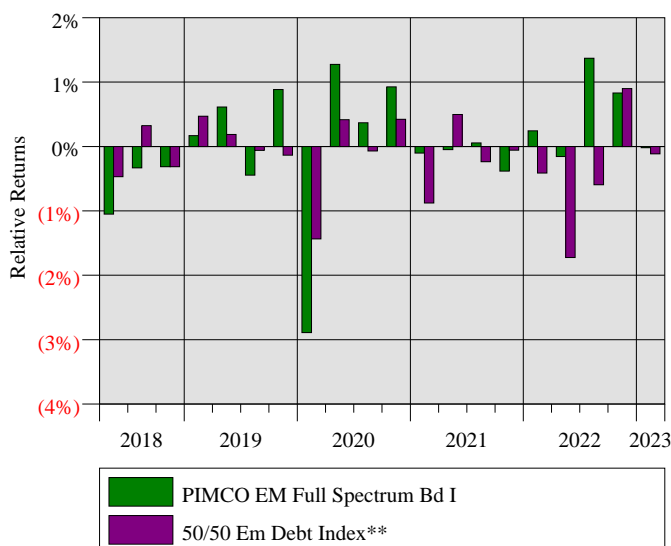
### PIMCO EM Full Spectrum Bd I (PFSIX) Performance vs. Callan Emerging Mkts Debt Blend MFs Periods ending: March 31, 2023



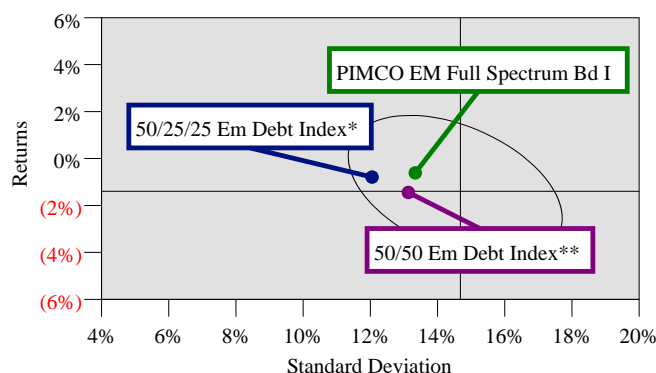
10th Percentile	3.68	3.47	7.22	1.52	3.37	3.37
25th Percentile	3.40	(0.47)	2.72	0.56	1.41	1.41
<b>Median</b>	<b>2.64</b>	<b>(4.04)</b>	<b>2.05</b>	<b>(1.39)</b>	<b>(0.15)</b>	<b>(0.15)</b>
75th Percentile	2.37	(5.47)	0.27	(2.73)	(0.90)	(0.90)
90th Percentile	1.36	(8.88)	(0.74)	(4.08)	(1.75)	(1.75)
<b>PIMCO EM Full Spectrum Bd I</b>	<b>3.61</b>	<b>(0.36)</b>	<b>2.56</b>	<b>(0.60)</b>	<b>(0.08)</b>	<b>(0.08)</b>
50/25/25 Em Debt Index*	3.63	(2.35)	1.08	(0.79)	0.46	0.46
50/50 Em Debt Index**	3.51	(3.85)	0.46	(1.44)	0.29	0.29

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>PIMCO EM Full Spectrum Bd I</b>	<b>3.61</b>	<b>(11.17)</b>	<b>(5.13)</b>	<b>4.31</b>	<b>15.16</b>	<b>(5.28)</b>	<b>12.30</b>	<b>12.01</b>	<b>(11.09)</b>	<b>(3.82)</b>	<b>--</b>
50/25/25 Em Debt Index*	3.63	(13.17)	(4.67)	4.70	13.77	(4.56)	11.88	10.20	(7.07)	(0.15)	(6.59)
50/50 Em Debt Index**	3.51	(14.76)	(5.32)	4.00	14.30	(5.10)	12.72	10.10	(7.07)	0.72	(7.10)

#### Relative Returns vs. 50/25/25 Em Debt Index\*



#### Callan Emerging Mkts Debt Blend MFs | 5 Years Ended 3/31/23



\* 50/25/25 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), 25% JPM EMBI Global Index (external sovereigns), and 25% JPM CEMBI Diversified Index (corporate bonds).

\*\* 50/50 EM Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), and 50% JPM EMBI Global Diversified Index (external bonds).

Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Important Disclosure Information

Team Hewins, LLC ("Team Hewins") is an SEC registered investment adviser; however, such registration does not imply a certain level of skill or training, and no inference to the contrary should be made. We provide this information with the understanding that we are not engaged in rendering legal, accounting, or tax services. We recommend that all investors seek out the services of competent professionals in any of the aforementioned areas.

Certain performance results included in this presentation are hypothetical returns which have been compiled by Team Hewins. The performance results are based upon a hypothetical model. Hypothetical performance results may have inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve profits or losses similar to those provided. There are numerous other factors related to the markets in general or to the implementation of any specific trading strategy which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results. These returns should not be considered as indicative of the skills of the investment adviser.

Index and fund information has been compiled solely by Team Hewins from sources deemed reliable, and has not been independently verified. Index and fund performance information reflects the reinvestment of dividends. Fund returns presented are net of mutual fund management, administration and other costs taken out of fund assets but do not reflect the deduction of account-level transaction or investment advisory fees, the incurrence of which would have the effect of decreasing the historical performance results. Team Hewins maintains all information supporting the performance results in accordance with regulatory requirements.

The account performance shown prior to June 1, 2018, reflects the results when the account was managed by Hewins Financial Advisors, LLC, now known as Wipfli Financial Advisors, LLC. In May 2018, certain principals, including Roger Hewins and other personnel amicably left Hewins Financial Advisors, LLC and formed Team Hewins. There has been no material change in investment personnel managing your account or the investment decision making process.

Target returns represent weighted averages of index returns that Team Hewins considers appropriate to represent the strategic asset allocation as stated in the client's Investment Policy Statement ("IPS"). The Current Quarter Target is comprised of indexes as follows: 1.0% 3-Month Treasury Bill, 27.0% Bloomberg Barclays Aggregate Index, 6.0% S&P Global REIT Index, 2.4% JPM GBI EM GI Divers USD Unh, 2.4% JPM EMBI Global Diversified, 7.2% ICE BofAML High Yield CP BB-B Cons, 16.2% MSCI EAFE Index, 5.4% MSCI Emerging Markets, 8.1% Russell 2000 Index, 24.3% S&P 500 Index. The underlying composition of the benchmark has changed over time; nonetheless, performance information for the Target Benchmark reflects the annualized returns of the benchmark given its applicable underlying indices for the corresponding time period.

The volatilities of any comparative indices included in this presentation may be materially different from the individual performance attained by a specific client in a Team Hewins strategy. In addition, client holdings may differ significantly from the securities that comprise the indices. The indices have not been selected to represent an appropriate benchmark to compare an investor's performance, but rather are disclosed to allow for comparison to the performances of certain well-known and widely recognized indices. The indices are unmanaged, include reinvestment of dividends, capital gain distributions or other earnings and do not reflect any fees or expenses. Indices cannot be invested in directly. Set forth below are descriptions of the indices included in the presentation.

## Index Definitions:

**S&P 500 (Large Cap Equity):** The Standard & Poor's 500 Stock Index (S&P 500) is an unmanaged index of 500 stocks that is generally representative of the performance of larger companies in the U.S. The index includes the stocks of 500 leading U.S. publicly traded companies from a broad range of industries.

**Dow Jones Industrial Average:** The Dow Jones Industrial Average, Dow Jones, or simply the Dow, is a stock market index of 30 prominent companies listed on stock exchanges in the United States.

**Russell 2000 (Small Cap Equity):** The Russell 2000 Index is an unmanaged index that measures the performance of the small-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index, representing approximately 10% of the total market capitalization of that index and includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. Russell Investment Group owns the Russell Index data, including all applicable trademarks and copyrights.

**MSCI EAFE (International Equity, Developed):** The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada. The MSCI EAFE Index consists of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

**MSCI Emerging Markets (International Equity, Emerging):** The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

**S&P Global REIT Index: (International, Real Estate Investment Trusts):** The S&P Global REIT serves as a comprehensive benchmark of publicly traded equity real estate investment trusts (REITs) listed in both developed and emerging markets.

**Bloomberg Barclays Aggregate (Core Fixed Income):** The Barclays Capital U.S. Aggregate Index provides a broad-based measure of the domestic investment-grade fixed income market. It is an unmanaged index of taxable, investment-grade, U.S. dollar-denominated fixed-income securities of domestic issuers having a maturity greater than one year.

**ICE BofA Merrill Lynch U.S. High Yield, BB-B Rated, Constrained (High Yield Fixed Income):** BofA Merrill Lynch U.S. High Yield, BB-B Rated, Constrained Index tracks the performance of US dollar-denominated below-investment-grade (BBB rated) corporate debt publicly issued in the US domestic market. Qualifying bonds are capitalization-weighted provided the total allocation to an individual issuer does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis.

**Bloomberg Barclays Gov/Credit Bond (US Fixed Income):** The Barclays Capital U.S. Government/Credit Bond Index measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year.

**JPM EMBI Global Diversified (Emerging Markets Fixed Income):** The JP Morgan EMBI Global Diversified is a uniquely weighted index that tracks total returns for U.S. dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities. The index limits the weights of countries with larger debt stocks by only including a specified portion of these countries' eligible current face amounts of debt outstanding.

**JPM GBI EM Global Diversified USD Unh (Emerging Markets Fixed Income):** A comprehensive global local emerging markets index that consists of regularly traded, liquid fixed-rate domestic currency government bonds.

**3 Month T-Bill:** 3 Month Treasury Bill is a short-term debt obligation backed by the U.S. government with a maturity of 90 days.



San Joaquin Regional Transit District  
Health Portfolio  
Quarterly Investment Report  
March 31, 2023

## Market Overview

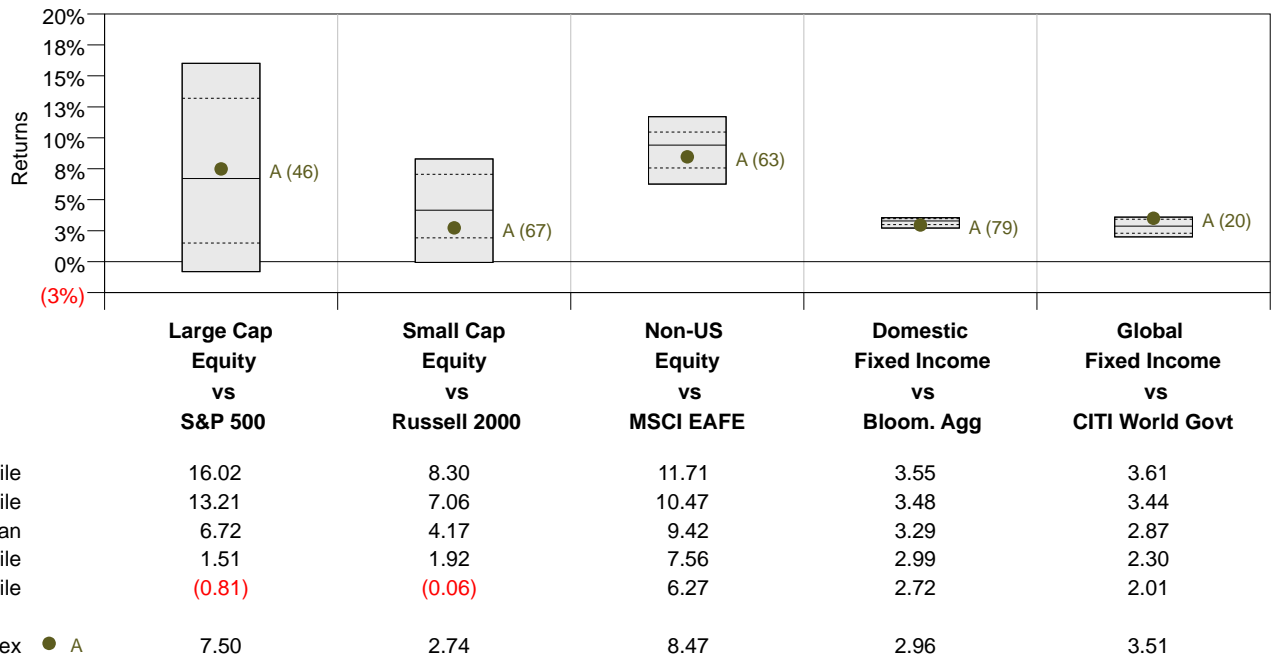
### Active Management vs Index Returns

#### Market Overview

The charts below illustrate the range of returns across managers in Callan's Mutual Fund database over the most recent one quarter and one year time periods. The database is broken down by asset class to illustrate the difference in returns across those asset classes. An appropriate index is also shown for each asset class for comparison purposes. As an example, the first bar in the upper chart illustrates the range of returns for domestic equity mutual funds over the last quarter. The symbol represents the S&P 500 return. The number next to the symbol represents the ranking of the S&P 500 in the domestic equity mutual fund database.

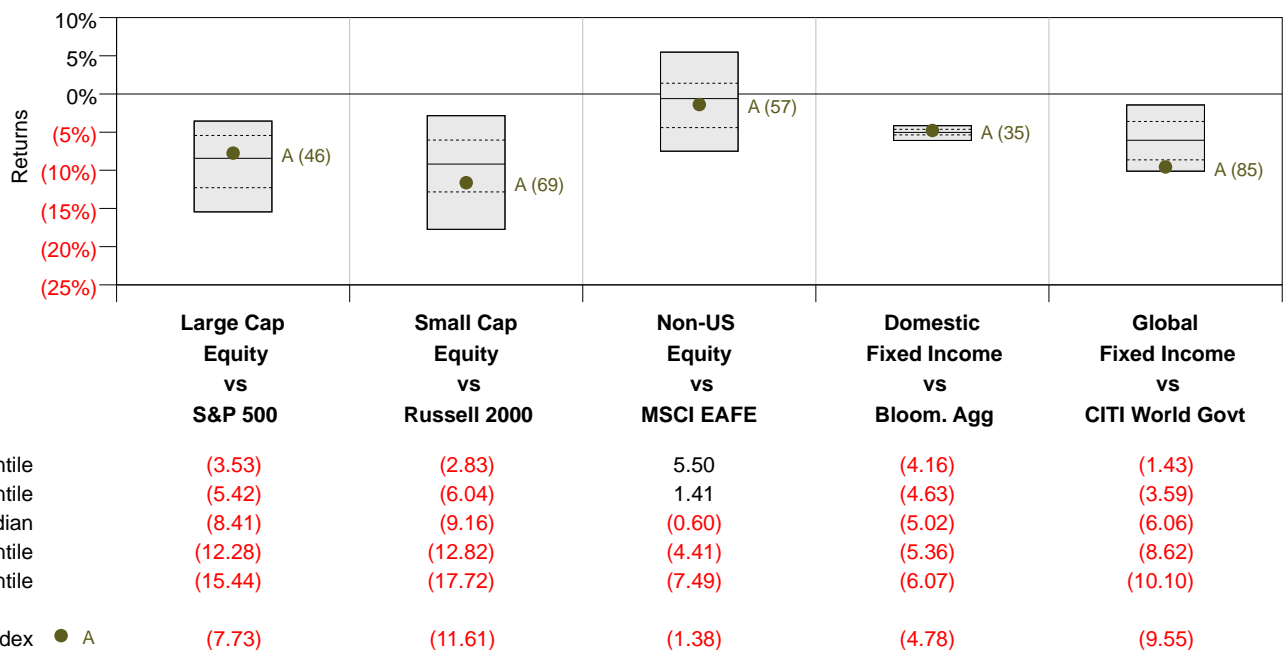
#### Range of Mutual Fund Returns by Asset Class

##### One Quarter ended March 31, 2023



#### Range of Mutual Fund Returns by Asset Class

##### One Year ended March 31, 2023



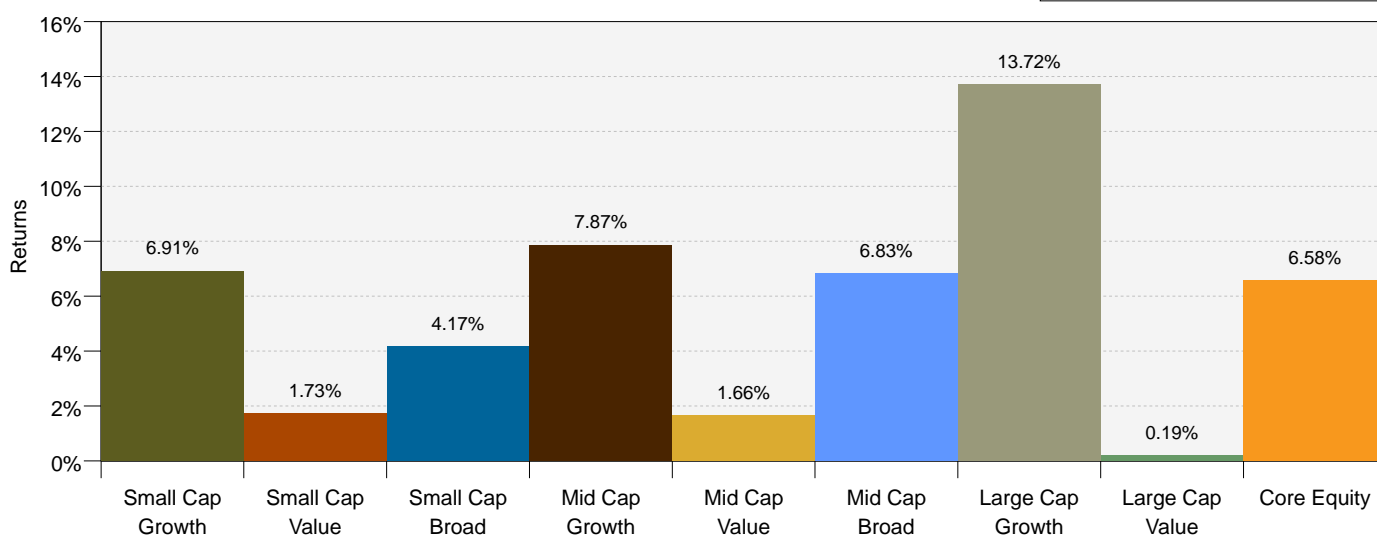
## Domestic Equity

### Active Management Overview

U.S. stock indices posted positive returns in 1Q but it was not smooth sailing; strong returns in January were followed by negative results in February and mixed performance across sectors and styles in March. The S&P 500 Index rose 7.5% for the quarter and the tech-heavy Nasdaq 100 soared 20.8%. Within the S&P 500, Technology (+22%), Communication Services (+21%), and Consumer Discretionary (+16%) rose sharply while Financials (-6%), Energy (-5%), Health Care (-4%), and Utilities (-3%) fell. Growth stocks trounced value for the quarter (Russell 1000 Growth: +14.4%; Russell 1000 Value: +1.0%) due largely to the sharp outperformance of Technology relative to Financials. Small value (Russell 2000 Value: -0.7%) was the one sector to post negative returns, hurt by its exposure to smaller banks. Small cap stocks underperformed mid and large (Russell 2000: +2.7%; Russell MidCap: +4.1%; Russell 1000: +7.5%) across the style spectrum.

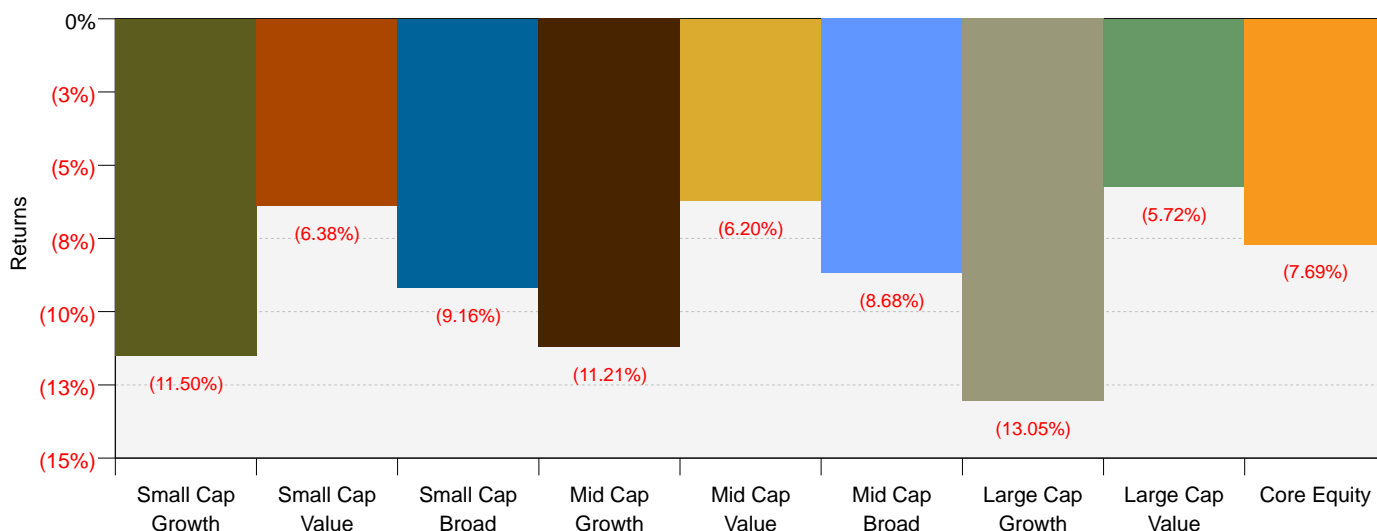
#### Mutual Fund Style Group Median Returns for Quarter ended March 31, 2023

S&P 500 Index	7.50%
S&P 500 Growth	9.63%
S&P 500 Value	5.17%
S&P 400 Mid Cap	3.81%
S&P 600 Small Cap	2.57%
S&P 600 Small Cap Growth Index	2.14%
S&P 600 Small Cap Value Index	3.05%



#### Mutual Fund Style Group Median Returns for One Year ended March 31, 2023

S&P 500 Index	(7.73%)
S&P 500 Growth	(15.33%)
S&P 500 Value	(0.16%)
S&P 400 Mid Cap	(5.12%)
S&P 600 Small Cap	(8.82%)
S&P 600 Small Cap Growth Index	(10.91%)
S&P 600 Small Cap Value Index	(6.81%)



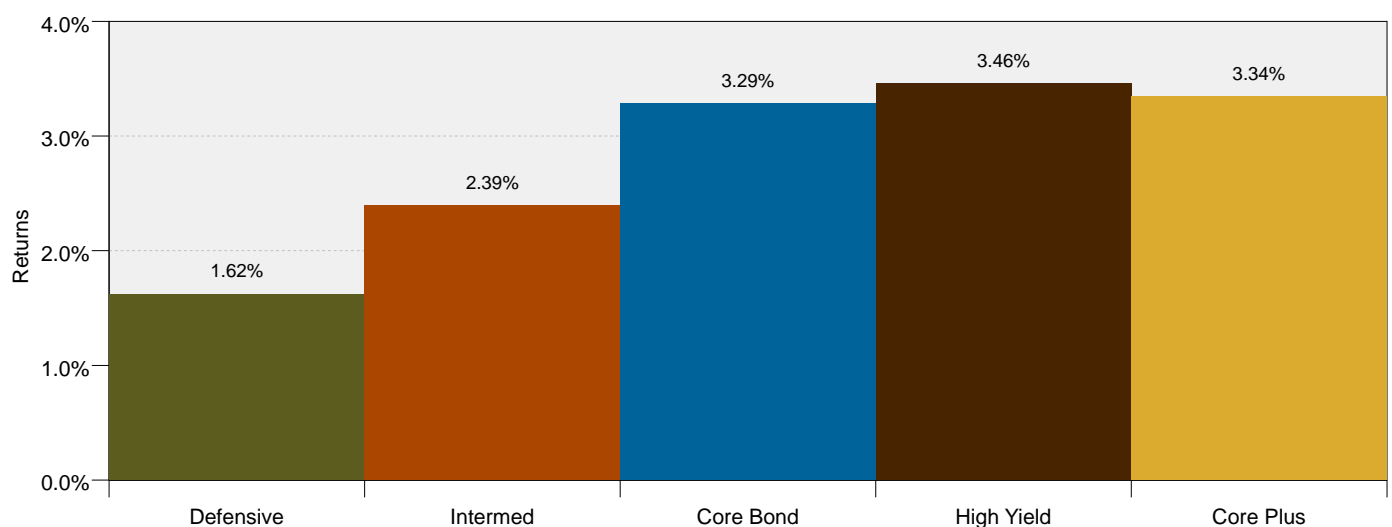
## Domestic Fixed Income

### Active Management Overview

The Bloomberg US Aggregate Bond Index rose 3.0% in 1Q. It was a bumpy ride with solid returns in January and March sandwiching a negative February. The yield curve remained inverted as of quarter-end by 58 bps for the 2-year/10-year and 116 bps for the 1-year/10-year. Sector performance was mixed over the quarter with residential and commercial mortgages underperforming U.S Treasuries and corporates outperforming (except Financials). TIPS (Bloomberg TIPS: +3.3%) also did well; 10-year breakeven spreads were 2.3% as of quarter-end. High yield (Bloomberg High Yield Index: +3.6%) outperformed but dispersion within the Index is meaningfully higher than it was two years ago.

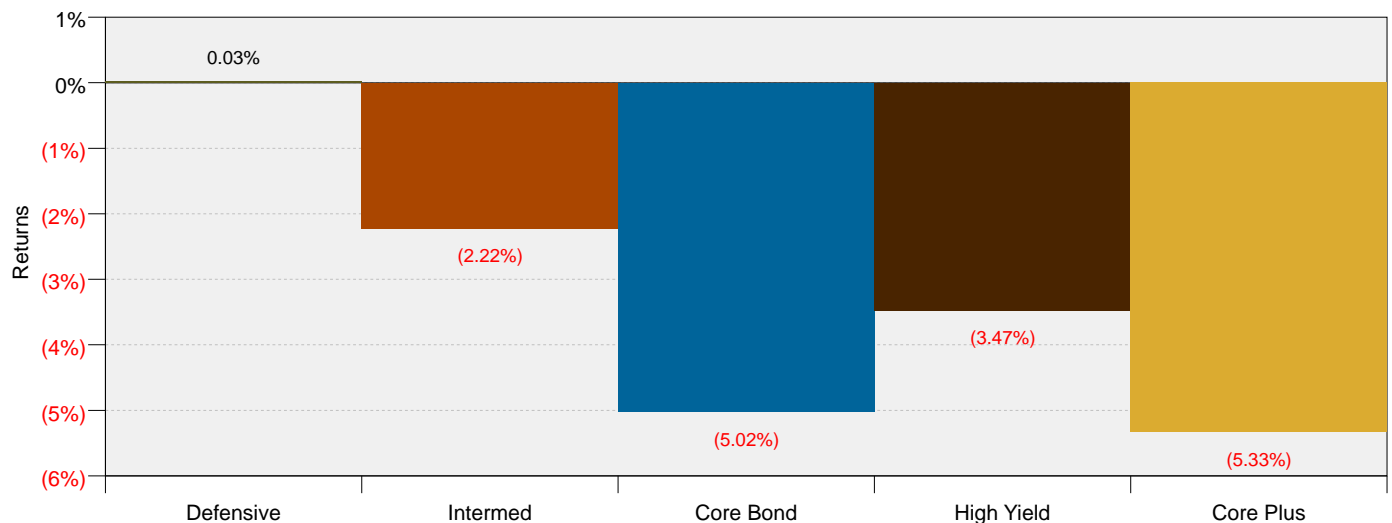
#### Mutual Fund Style Group Median Returns for Quarter ended March 31, 2023

Bloomberg:US Universal	2.93%
Bloomberg:Aggregate	2.96%
Bloomberg:High Yield	3.57%



#### Mutual Fund Style Group Median Returns for One Year ended March 31, 2023

Bloomberg:US Universal	(4.61%)
Bloomberg:Aggregate	(4.78%)
Bloomberg:High Yield	(3.34%)



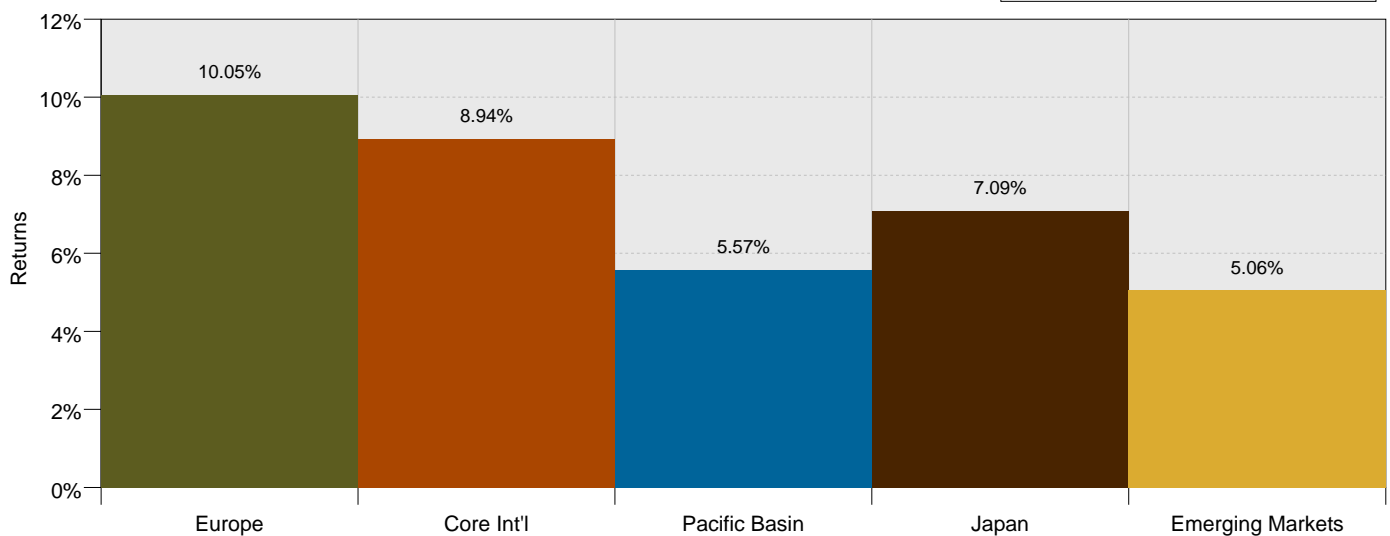
## International Equity

### Active Management Overview

Global ex-U.S. markets posted solid results for the quarter. The MSCI ACWI ex USA Index gained 6.9% (Local: +6.2%). Performance varied across developed market countries but most delivered positive returns. Europe ex-U.K. (+12%) outperformed Japan (+6%), the U.K. (+6%), and Canada (+4%). As in the U.S., growth outperformed value but by smaller margin (MSCI ACWI ex USA Value: +5.2%: MSCI ACWI ex USA Growth: +8.6%). Technology (+17%) was the best performing sector while Energy (-0.3%) was the only sector to post a negative return. Financials (+1%) also lagged. Emerging markets returns (MSCI Emerging Markets: +4.0) were mixed across countries. India (-6%) and Brazil (-3%) weighed on broad market returns while China (+5%) and Korea (+10%) outperformed. Quarterly returns were positive across regions: Latin America (+3.9%), Emerging Europe (+1.5%), and Emerging Asia (+4.8%).

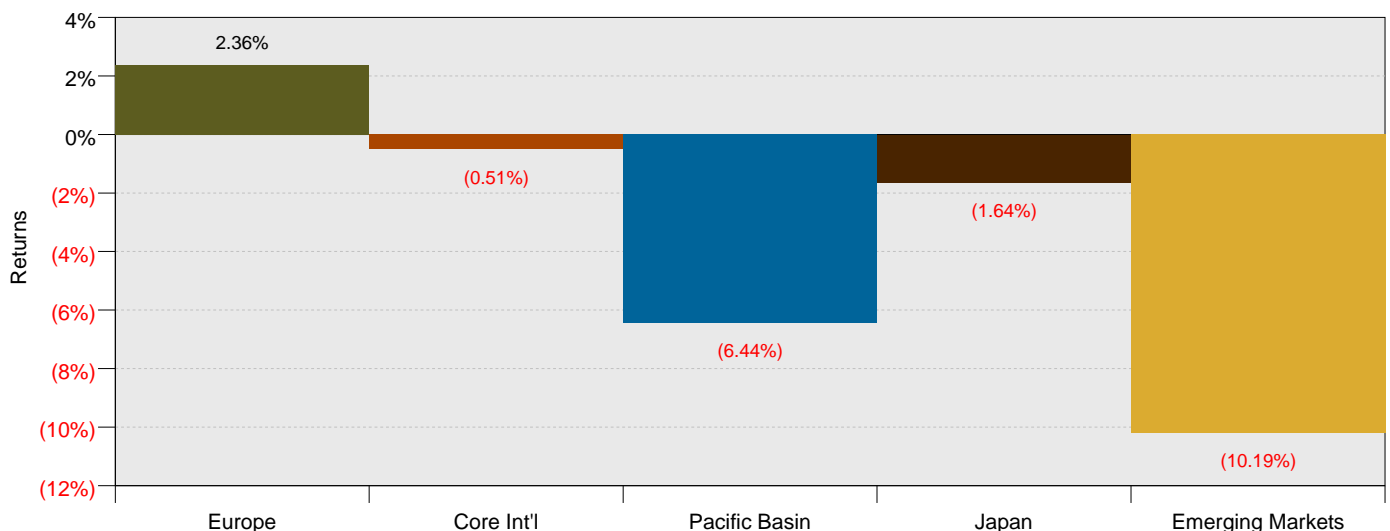
#### Mutual Fund Style Group Median Returns for Quarter Ended March 31, 2023

MSCI ACWI - Gross	7.44%
MSCI All Cntry World ExUS	7.00%
MSCI EAFE Index	8.47%
MSCI Europe	10.56%
MSCI Pacific	4.71%
MSCI Emerging Markets	4.02%



#### Mutual Fund Style Group Median Returns for Year Ended March 31, 2023

MSCI ACWI - Gross	(6.96%)
MSCI All Cntry World ExUS	(4.57%)
MSCI EAFE Index	(1.38%)
MSCI Europe	1.38%
MSCI Pacific	(6.01%)
MSCI Emerging Markets	(10.30%)



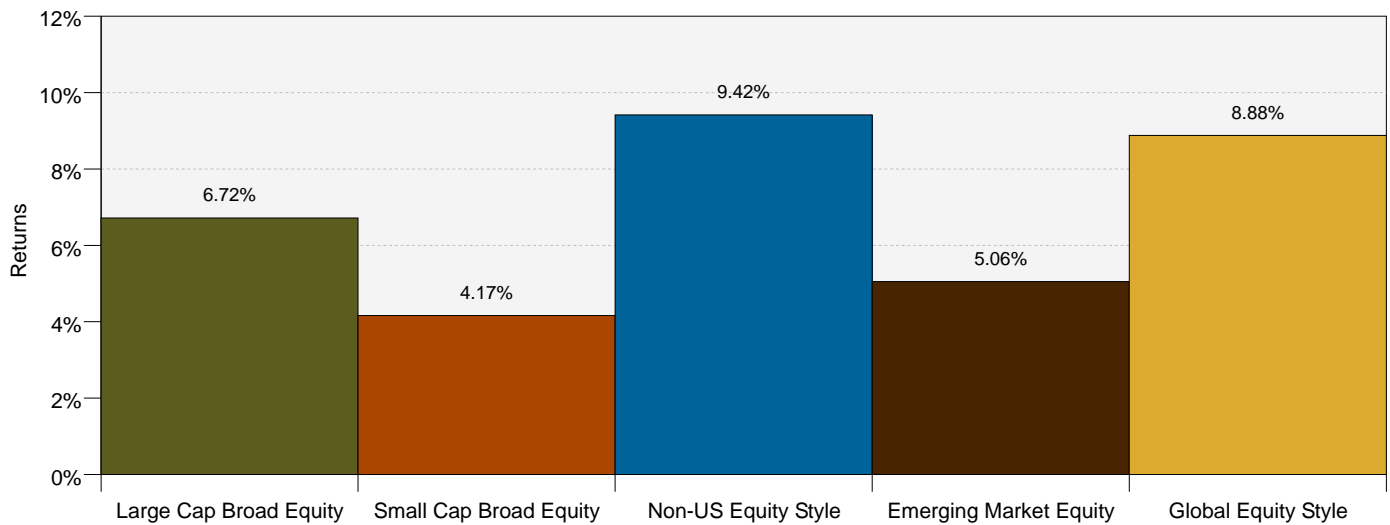
## Capital Growth

### Active Management Overview

Global developed equity markets posted strong returns. The MSCI ACWI Index gained 7.3%. Gains were broad-based and growth generally outperformed value. Financials (-0.5%) and Energy (ACWI Energy: -2.9%) underperformed while Technology (+22.3%) was a top performing sector. Emerging markets returns (MSCI Emerging Markets: +4.0%) were mixed across countries. India (-6%) and Brazil (-3%) weighed on broad market returns while China (+5%) and Korea (+10%) outperformed. Quarterly returns were positive across regions: Latin America (+3.9%), Emerging Europe (+1.5%), and Emerging Asia (+4.8%).

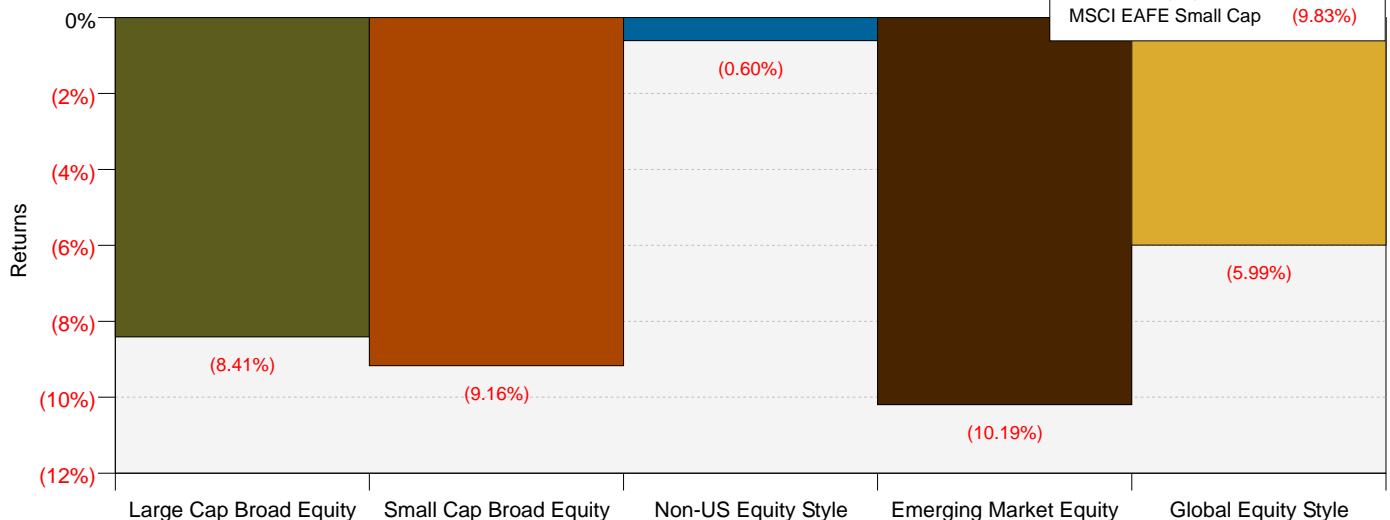
#### Mutual Fund Style Group Median Returns for Quarter ended March 31, 2023

S&P 500 Index	7.50%
Russell 3000 Index	7.18%
Russell 2000 Index	2.74%
MSCI ACWI	7.31%
MSCI EAFE Index	8.47%
MSCI Emerging Markets	3.96%
MSCI EAFE Small Cap	4.92%



#### Mutual Fund Style Group Median Returns for One Year ended March 31, 2023

S&P 500 Index	(7.73%)
Russell 3000 Index	(8.58%)
Russell 2000 Index	(11.61%)
MSCI ACWI	(7.44%)
MSCI EAFE Index	(1.38%)
MSCI Emerging Markets	(10.70%)
MSCI EAFE Small Cap	(9.83%)



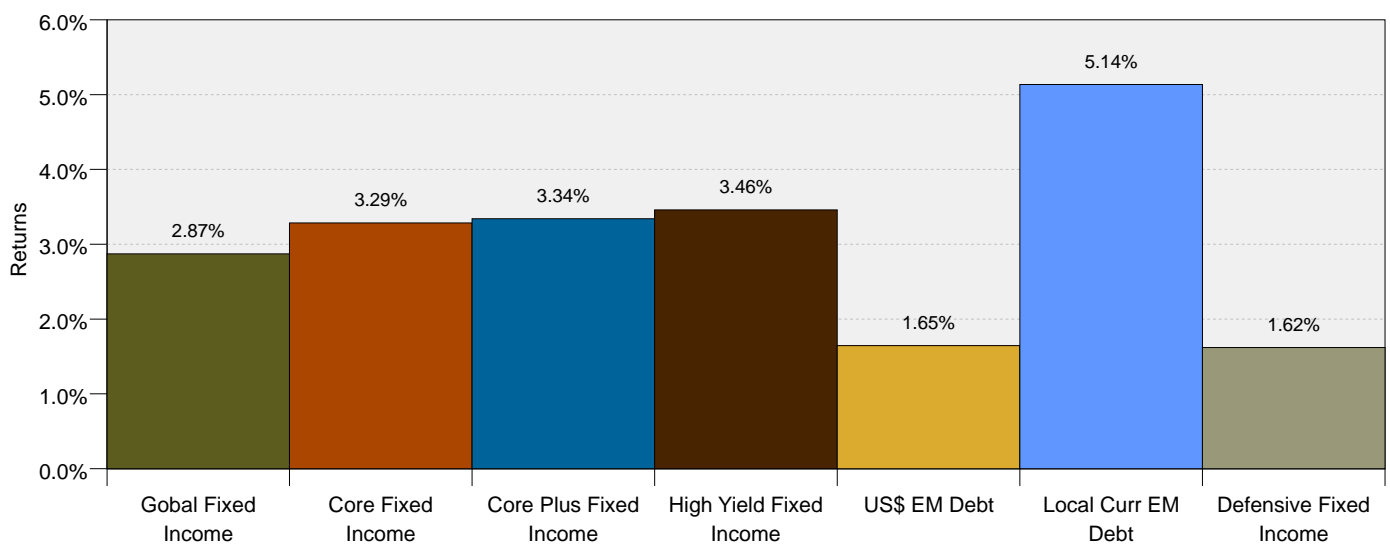
## Income

### Active Management Overview

The Bloomberg Global Aggregate Index gained 3.0% in the first quarter but see-sawed over the course of the quarter (January: +3.3%; February: -3.3%; March: +3.2%). The U.S. dollar was mixed versus developed market currencies but overall had little effect on performance (Bloomberg Global Aggregate Hedged: +2.9%). Emerging markets debt indices were also up (JPM EMBI Global Diversified: +1.9% and the local currency JPM GBI-EM Global Diversified: + 5.2%). Emerging market currencies, broadly, did well vs. the U.S. dollar during the quarter with the Mexican peso (+8%) being a star performer.

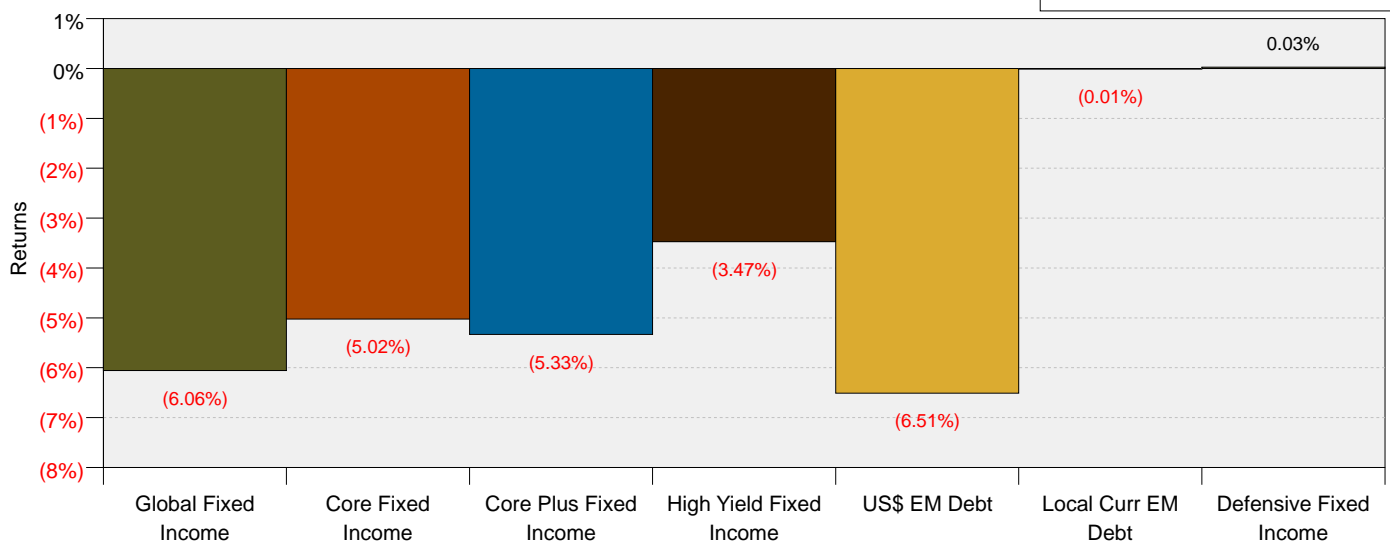
#### Mutual Fund Style Group Median Returns for Quarter ended March 31, 2023

Blmbg Barc Agg Index	2.96%
Blmbg Barc High Yield Corp	3.57%
Blmbg Barc Global Agg Hedged	2.90%
JPM EMBI Global Dvsfd	1.86%
JPM GBI GI Divers USD Unh	5.16%
Blmbg Barc Global Aggregate Index	3.01%



#### Mutual Fund Style Group Median Returns for One Year ended March 31, 2023

Blmbg Barc Agg Index	(4.78%)
Blmbg Barc High Yield Corp	(3.34%)
Blmbg Barc Global Agg Hedged	(3.86%)
JPM EMBI Global Dvsfd	(6.92%)
JPM GBI GI Divers USD Unh	(0.72%)
Blmbg Barc Global Aggregate Index	(8.07%)



## Portfolio Holdings

Description	Symbol	Value	Weight
<b>EQUITY</b>			
Large Cap U.S. Equity			
DFA US Large Cap Value I	DFLVX	\$536,487	5.5%
Accrued Income		\$2,965	
Vanguard 500 Index Admiral	VFIAX	\$2,283,919	23.2%
<b>Large Cap U.S. Equity Total</b>		<b>\$2,823,371</b>	<b>28.7%</b>
Small Cap U.S. Equity			
Avantis US Small Cap Value Fund I	AVUVX	\$559,645	5.7%
Vanguard Small Cap Growth Index Admiral	VSGAX	\$336,695	3.4%
<b>Small Cap U.S. Equity Total</b>		<b>\$896,340</b>	<b>9.1%</b>
International Equity			
DFA International Small Company I	DFISX	\$495,018	5.0%
Accrued Income		\$554	
DFA International Value I	DFIVX	\$912,321	9.3%
Accrued Income		\$1,923	
Vanguard International Growth Adm	VWILX	\$485,628	4.9%
<b>International Equity Total</b>		<b>\$1,895,444</b>	<b>19.3%</b>
Emerging Markets Equity			
DFA Emerging Markets Core Equity I	DFCEX	\$618,116	6.3%
Accrued Income		\$764	
<b>Emerging Markets Equity Total</b>		<b>\$618,880</b>	<b>6.3%</b>
Real Estate			
DFA Global Real Estate Securities Port	DFGEX	\$626,438	6.4%
<b>Real Estate Total</b>		<b>\$626,438</b>	<b>6.4%</b>
<b>EQUITY Total</b>		<b>\$6,860,473</b>	<b>69.8%</b>
<b>FIXED INCOME</b>			
Core Fixed Income			
Dodge & Cox Income	DODIX	\$964,261	9.8%
PIMCO Total Return Instl	PTTRX	\$949,099	9.7%
<b>Core Fixed Income Total</b>		<b>\$1,913,360</b>	<b>19.5%</b>
<b>FIXED INCOME Total</b>		<b>\$1,913,360</b>	<b>19.5%</b>
<b>DIVERSIFIED FIXED INCOME</b>			
High Yield Fixed Income			
Vanguard High-Yield Corporate Adm	VWEAX	\$561,108	5.7%
Accrued Income		\$2,678	
<b>High Yield Fixed Income Total</b>		<b>\$563,786</b>	<b>5.7%</b>

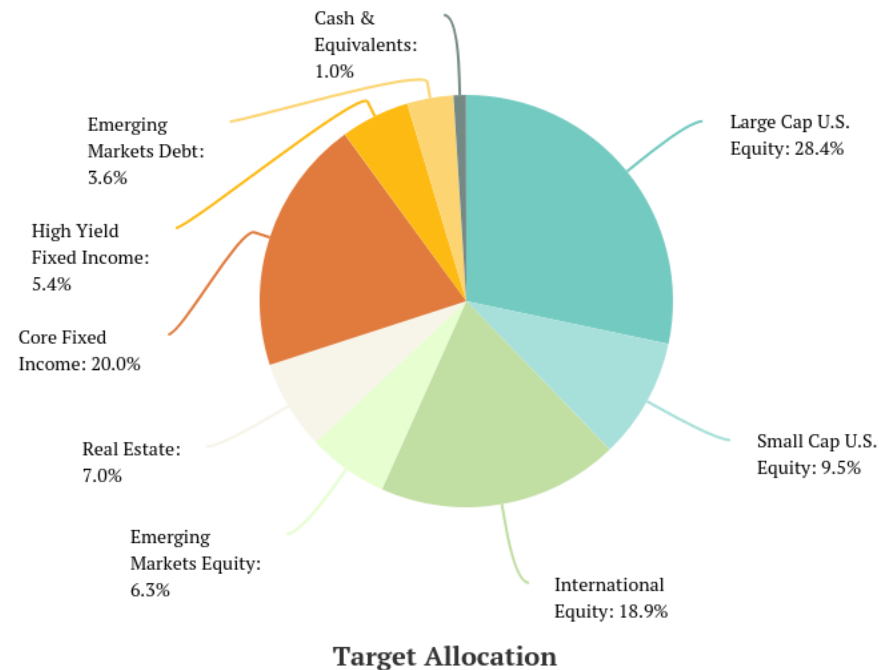
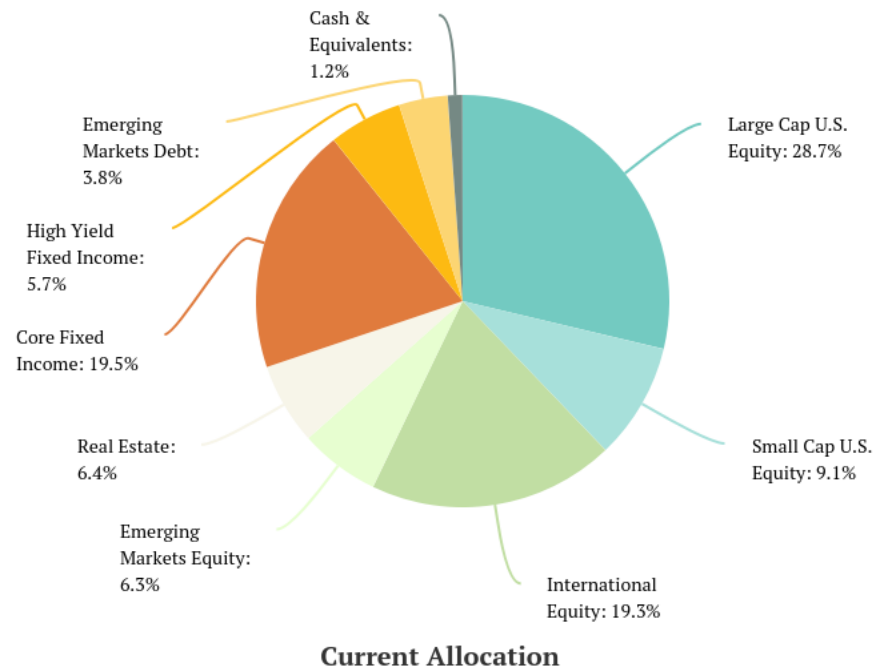
## Portfolio Holdings

Description	Symbol	Value	Weight
DIVERSIFIED FIXED INCOME			
Emerging Markets Debt			
PIMCO Emerg Mkts Full Spectrum Bd Instl	PFSIX	\$373,365	3.8%
Accrued Income		\$2,146	
<b>Emerging Markets Debt Total</b>		<b>\$375,511</b>	<b>3.8%</b>
<b>DIVERSIFIED FIXED INCOME Total</b>		<b>\$939,297</b>	<b>9.6%</b>
CASH AND EQUIVALENTS			
Cash & Equivalents			
Cash	CASH	\$113,165	1.2%
<b>Cash &amp; Equivalents Total</b>		<b>\$113,165</b>	<b>1.2%</b>
<b>CASH AND EQUIVALENTS Total</b>		<b>\$113,165</b>	<b>1.2%</b>
<b>Total</b>		<b>\$9,826,295</b>	<b>100.0%</b>

## Portfolio Activity Summary

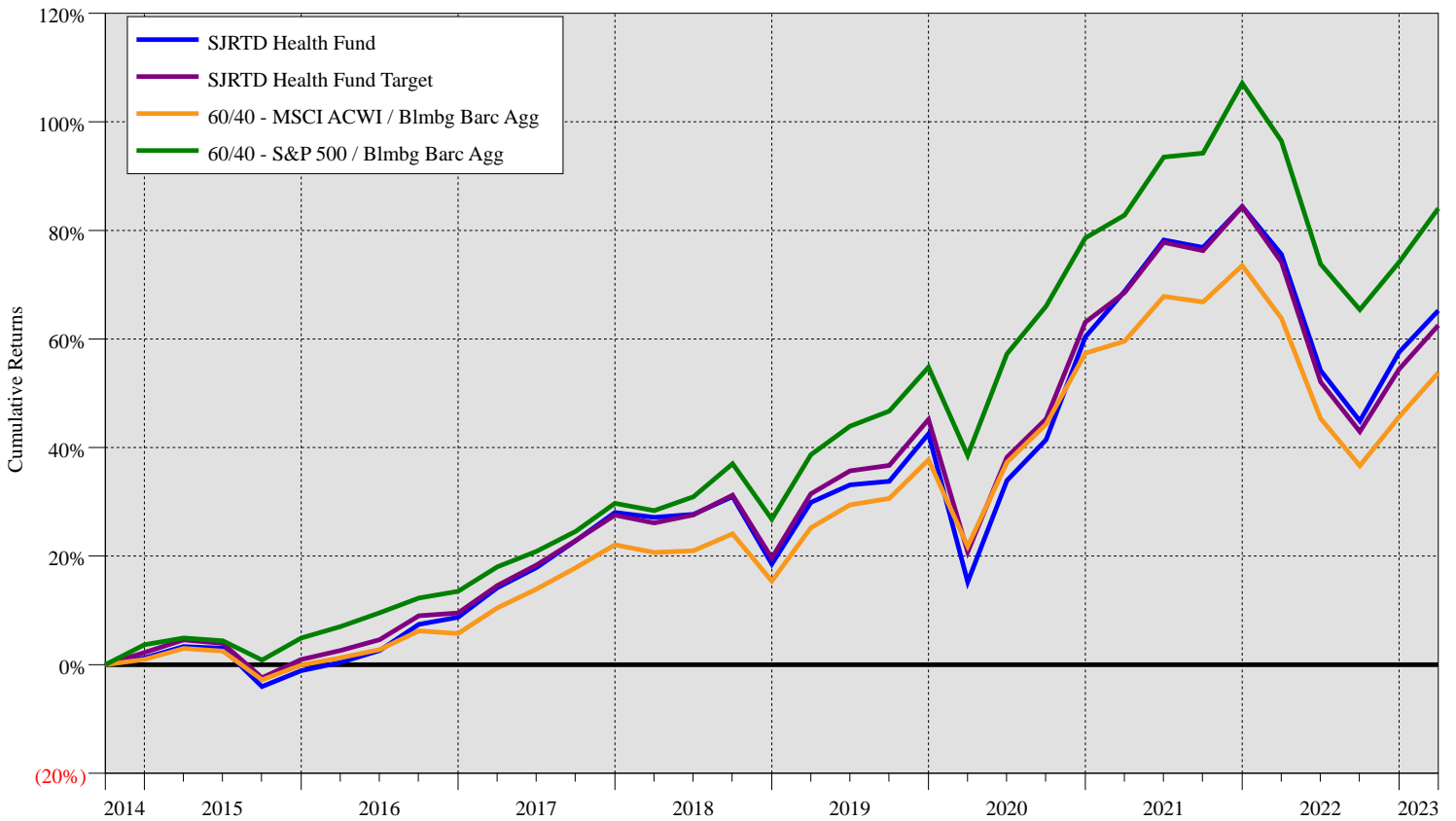
	Quarter to Date	Year to Date	Inception to Date (7/13/2014)
Beginning Value	\$9,493,744	\$9,493,744	\$1,172
Net Contribution	(\$122,849)	(\$122,849)	\$7,272,067
Capital Appreciation	\$414,700	\$414,700	\$804,567
Dividend Income	\$40,982	\$40,982	\$1,850,293
Interest Income	\$1,090	\$1,090	\$9,873
Management Fees	(\$5,222)	(\$5,222)	(\$121,536)
Other Expenses	\$0	\$0	\$0
Change in Accrued	\$3,850	\$3,850	\$9,859
Ending Value	\$9,826,295	\$9,826,295	\$9,826,295
Investment Gain	\$455,400	\$455,400	\$2,553,056

## Actual vs. Target Asset Allocation

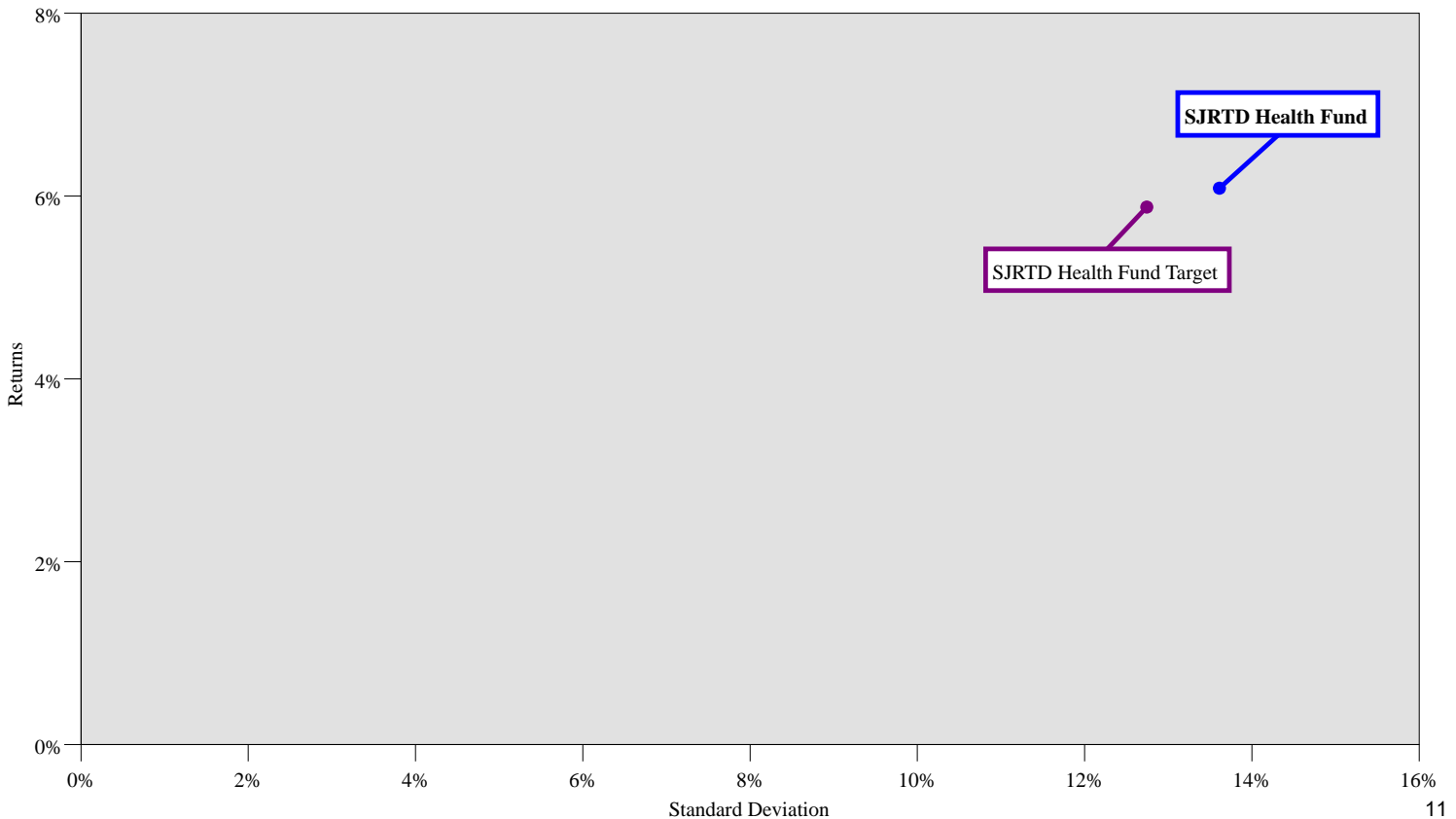


Sector	Current Value	Current Percent	Target Allocation Value	Target Allocation Percent	Dollar Variance	Percent Variance
Large Cap U.S. Equity	\$2,823,371	28.7%	\$2,785,755	28.4%	\$37,616	0.4%
Small Cap U.S. Equity	\$896,340	9.1%	\$928,585	9.5%	(\$32,245)	(0.3%)
International Equity	\$1,895,444	19.3%	\$1,857,170	18.9%	\$38,274	0.4%
Emerging Markets Equity	\$618,880	6.3%	\$619,057	6.3%	(\$176)	0.0%
Real Estate	\$626,438	6.4%	\$687,841	7.0%	(\$61,403)	(0.6%)
Core Fixed Income	\$1,913,360	19.5%	\$1,965,259	20.0%	(\$51,898)	(0.5%)
High Yield Fixed Income	\$563,786	5.7%	\$530,620	5.4%	\$33,166	0.3%
Emerging Markets Debt	\$375,511	3.8%	\$353,747	3.6%	\$21,764	0.2%
Cash & Equivalents	\$113,165	1.2%	\$98,263	1.0%	\$14,902	0.2%
<b>Total</b>	<b>\$9,826,295</b>	<b>100.0%</b>	<b>\$9,826,295</b>	<b>100.0%</b>		

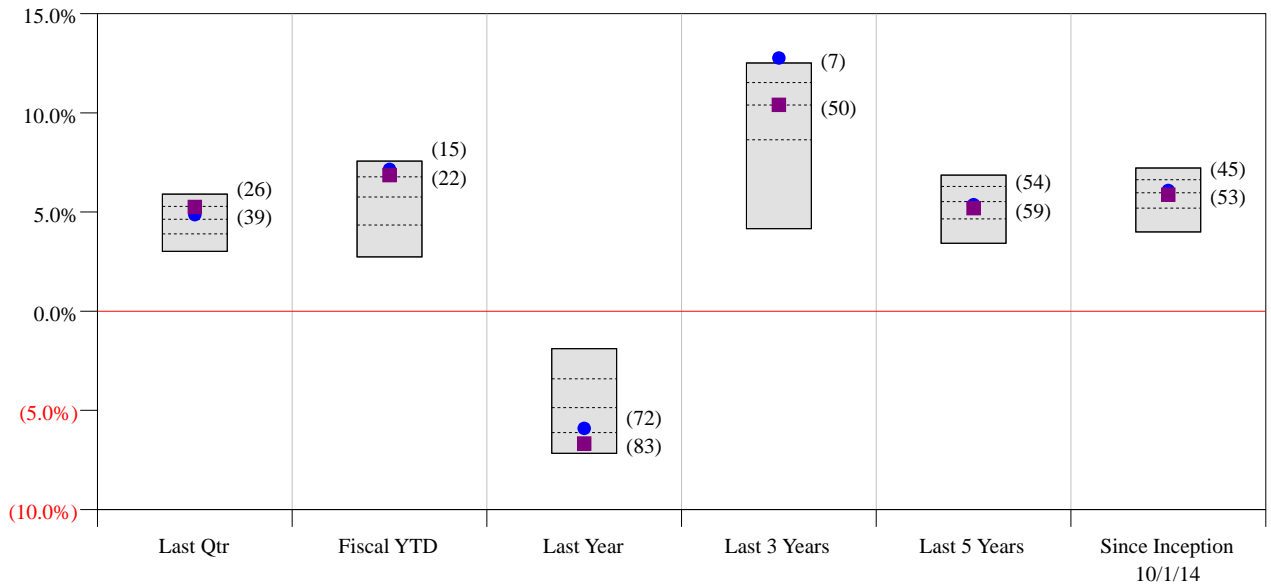
Cumulative Returns | SJRTD Health Fund vs. Targets  
Beginning October 1, 2014 | Ending March 31, 2023



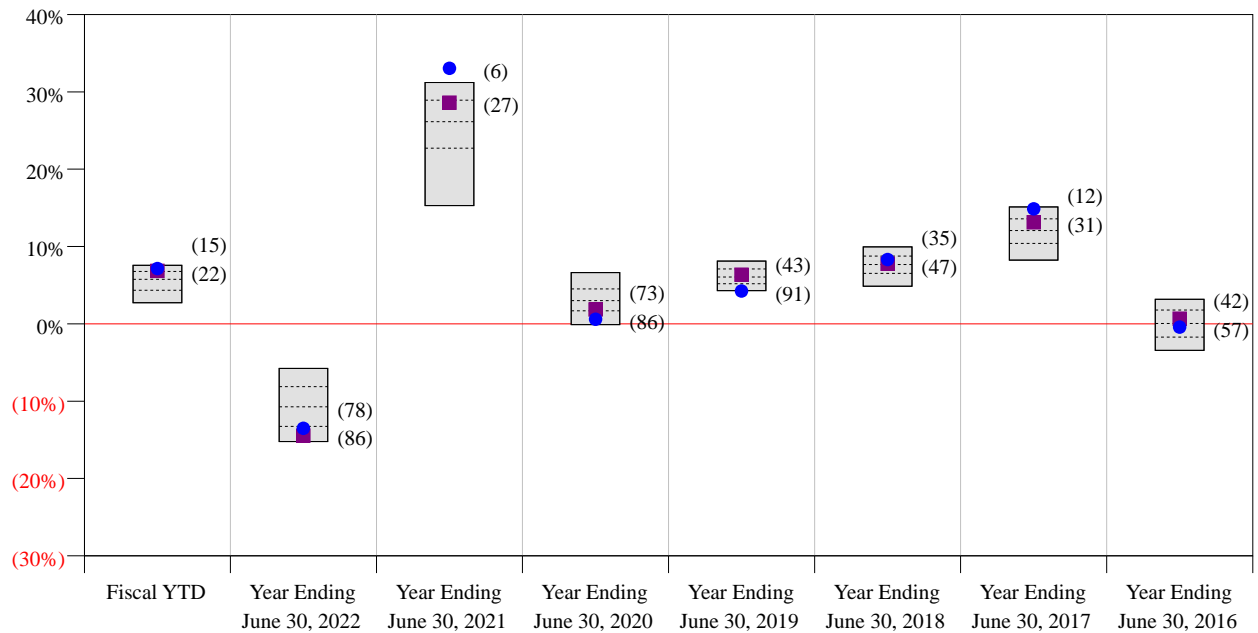
Risk vs Return | SJRTD Health Fund vs. Targets  
Beginning October 1, 2014 | Ending March 31, 2023



Performance vs. Callan Fund Sponsors - Small DB (<100M)  
Periods Ended March 31, 2023



Fiscal Year Performance vs. Callan Fund Sponsors - Small DB (<100M)



Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Returns for Periods Ended March 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 8 1/2 Years
<b>Large Cap Equity</b>						
Vanguard 500 Index Adm	7.49	9.94	(7.77)	18.56	11.15	11.07
DFA US Large Cap Value	0.46	8.11	(5.00)	20.73	6.46	7.66
<i>S&amp;P 500 Index</i>	<i>7.50</i>	<i>9.98</i>	<i>(7.73)</i>	<i>18.60</i>	<i>11.19</i>	<i>11.10</i>
<i>Russell 1000 Value</i>	<i>1.01</i>	<i>7.17</i>	<i>(5.91)</i>	<i>17.93</i>	<i>7.50</i>	<i>7.70</i>
<i>Russell 1000 Growth</i>	<i>14.37</i>	<i>12.67</i>	<i>(10.90)</i>	<i>18.58</i>	<i>13.66</i>	<i>13.66</i>
<b>Small Cap Equity</b>						
Avantis US Small Cap Value	0.30	10.60	(5.54)	36.41	--	--
Vanguard Small Cap Gr Idx Adm*	8.18	10.58	(12.03)	13.49	6.32	8.04
<i>Russell 2000 Index</i>	<i>2.74</i>	<i>6.75</i>	<i>(11.61)</i>	<i>17.51</i>	<i>4.71</i>	<i>7.40</i>
<i>Russell 2000 Value</i>	<i>(0.66)</i>	<i>2.74</i>	<i>(12.96)</i>	<i>21.01</i>	<i>4.55</i>	<i>6.80</i>
<i>Russell 2000 Growth</i>	<i>6.07</i>	<i>10.72</i>	<i>(10.60)</i>	<i>13.36</i>	<i>4.26</i>	<i>7.57</i>
<i>CRSP US Sm Cap Growth</i>	<i>8.14</i>	<i>10.47</i>	<i>(12.11)</i>	<i>13.46</i>	<i>6.31</i>	<i>8.00</i>
<b>International Equity</b>						
DFA International Value	6.13	13.56	0.40	20.49	2.85	3.83
Vanguard Int'l Growth Adm	12.50	13.83	(6.81)	13.48	6.54	8.48
DFA Intl Small Company	6.38	12.03	(4.79)	16.40	2.03	5.21
<i>MSCI EAFE Index</i>	<i>8.47</i>	<i>15.36</i>	<i>(1.38)</i>	<i>12.99</i>	<i>3.52</i>	<i>4.16</i>
<i>MSCI World ex US Value</i>	<i>5.63</i>	<i>12.00</i>	<i>(1.85)</i>	<i>15.32</i>	<i>2.18</i>	<i>2.52</i>
<i>MSCI ACWI ex US Growth</i>	<i>8.59</i>	<i>11.10</i>	<i>(6.35)</i>	<i>9.49</i>	<i>3.36</i>	<i>4.81</i>
<i>MSCI World Sm Cap ex US</i>	<i>4.99</i>	<i>9.52</i>	<i>(10.13)</i>	<i>13.43</i>	<i>1.54</i>	<i>4.85</i>
<b>Emerging Markets Equity</b>						
DFA Emerging Markets Core	5.59	4.01	(8.26)	14.06	0.57	3.16
<i>MSCI Emerging Markets</i>	<i>3.96</i>	<i>0.84</i>	<i>(10.70)</i>	<i>7.83</i>	<i>(0.91)</i>	<i>2.19</i>
<b>REITs</b>						
DFA Global Real Estate Securities	0.93	(4.62)	(19.48)	8.58	3.60	4.61
<i>S&amp;P Global REIT Index</i>	<i>1.37</i>	<i>(3.71)</i>	<i>(20.29)</i>	<i>8.87</i>	<i>2.40</i>	<i>3.28</i>
<b>Core Fixed Income</b>						
Dodge & Cox Income	3.13	1.75	(3.03)	0.13	1.93	2.22
PIMCO Total Return Inst	2.92	(0.31)	(5.75)	(2.25)	0.86	1.49
<i>Blmbg Barc Agg Index</i>	<i>2.96</i>	<i>(0.09)</i>	<i>(4.78)</i>	<i>(2.77)</i>	<i>0.91</i>	<i>1.36</i>
<i>Blmbg Barc Gov/Credit Bond Idx</i>	<i>3.17</i>	<i>0.23</i>	<i>(4.81)</i>	<i>(2.63)</i>	<i>1.16</i>	<i>1.54</i>
<b>High Yield Fixed Income</b>						
Vanguard High Yield Corp Adm	3.19	7.30	(1.95)	4.74	3.25	3.83
<i>ICE BofA High Yield CP BB-B Cons</i>	<i>3.55</i>	<i>7.20</i>	<i>(2.98)</i>	<i>5.31</i>	<i>3.25</i>	<i>3.86</i>

\* Investor shares used as a proxy prior to 10/2011.

Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Returns for Periods Ended March 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 8 1/2 Years
<b>Emerging Markets Debt</b>						
PIMCO EM Full Spectrum Bd I	3.61	9.02	(0.36)	2.56	(0.60)	0.47
<i>50/25/25 Em Debt Index*</i>	<i>3.63</i>	<i>6.67</i>	<i>(2.35)</i>	<i>1.08</i>	<i>(0.79)</i>	<i>0.88</i>
<i>50/50 Em Debt Index**</i>	<i>3.51</i>	<i>6.87</i>	<i>(3.85)</i>	<i>0.46</i>	<i>(1.44)</i>	<i>0.61</i>
<b>Total Fund</b>						
SJRTD Health Fund	4.87	7.16	(5.90)	12.77	5.38	6.09
<i>SJRTD Health Fund Target</i>	<i>5.25</i>	<i>6.86</i>	<i>(6.67)</i>	<i>10.40</i>	<i>5.20</i>	<i>5.88</i>

\* 50/25/25 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), 25% JPM EMBI Global Index (external sovereigns), and 25% JPM CEMBI Diversified Index (corporate bonds).

\*\* 50/50 EM Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), and 50% JPM EMBI Global Diversified Index (external bonds).

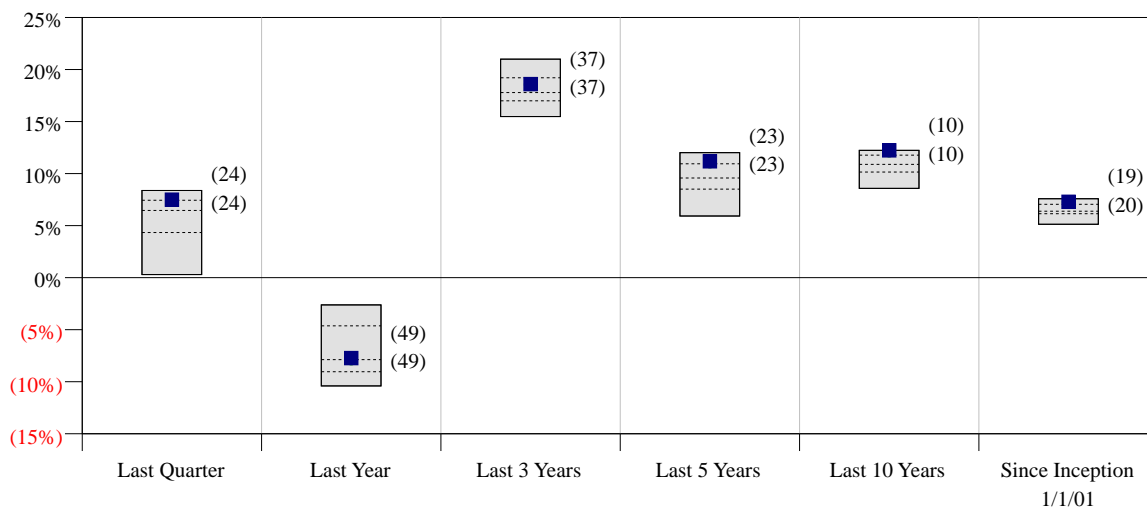
Current Quarter Target = 1.0% 3-Month Treasury Bill, 20.0% Bloomberg Barclays Aggregate Index, 7.0% S&P Global REIT Index, 1.80% JPM GBI EM Global Divers USD (UH), 1.80% JPM EMBI Global Diversified, 5.4% ICE BofAML High Yield CP BB-B Cons, 18.9% MSCI EAFE Index, 6.30% MSCI Emerging Markets, 9.45% Russell 2000 Index, 28.35% S&P 500 Index.

Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Core Equity Style mutual funds have characteristics similar to those of the broader market as represented by the Standard & Poor's Index. Their objective is to add value over and above the index, typically from sector or issue selection.

### Vanguard 500 Index Adm (VFIAX) Performance vs. Callan Large Cap Core Mutual Funds Periods ending: March 31, 2023



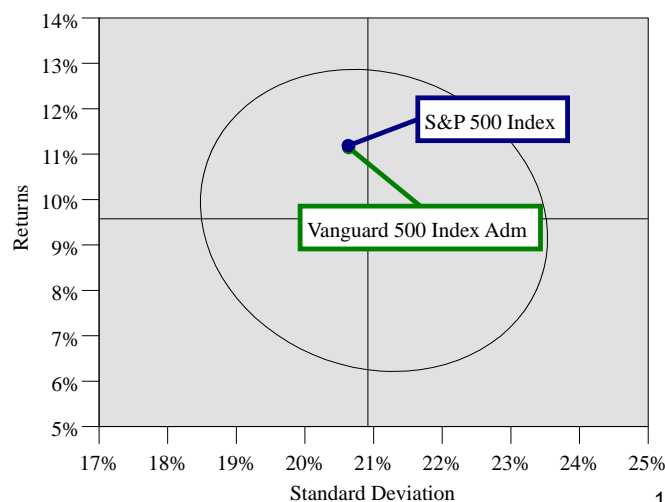
10th Percentile	8.38	(2.61)	21.01	12.03	12.24	7.60
25th Percentile	7.45	(4.63)	19.21	10.95	11.78	7.06
<b>Median</b>	<b>6.47</b>	<b>(7.86)</b>	<b>17.79</b>	<b>9.58</b>	<b>10.89</b>	<b>6.40</b>
75th Percentile	4.34	(9.03)	17.01	8.52	10.17	6.15
90th Percentile	0.31	(10.40)	15.50	5.93	8.59	5.13
<b>Vanguard 500 Index Adm</b>	<b>7.49</b>	<b>(7.77)</b>	<b>18.56</b>	<b>11.15</b>	<b>12.20</b>	<b>7.26</b>
<b>S&amp;P 500 Index</b>	<b>7.50</b>	<b>(7.73)</b>	<b>18.60</b>	<b>11.19</b>	<b>12.24</b>	<b>7.29</b>

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard 500 Index Adm</b>	<b>7.49</b>	<b>(18.15)</b>	<b>28.66</b>	<b>18.37</b>	<b>31.46</b>	<b>(4.43)</b>	<b>21.79</b>	<b>11.93</b>	<b>1.36</b>	<b>13.64</b>	<b>32.33</b>
<b>S&amp;P 500 Index</b>	<b>7.50</b>	<b>(18.11)</b>	<b>28.71</b>	<b>18.40</b>	<b>31.49</b>	<b>(4.38)</b>	<b>21.83</b>	<b>11.96</b>	<b>1.38</b>	<b>13.69</b>	<b>32.39</b>

#### Relative Returns vs. S&P 500 Index



#### Callan Large Cap Core Mutual Funds | 5 Years Ended 3/31/23

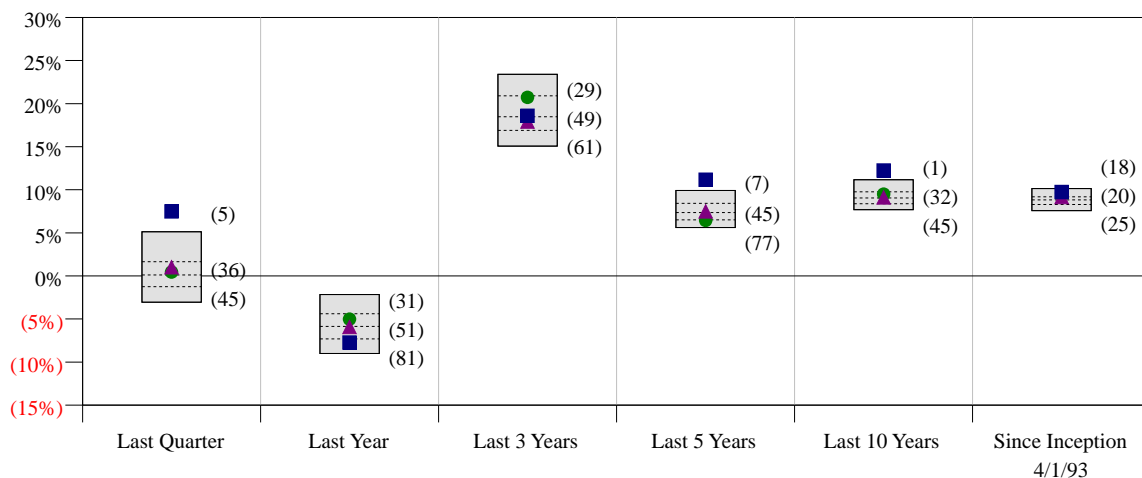


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Large Cap Value Equity Style mutual funds invest in predominantly large cap companies believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value.

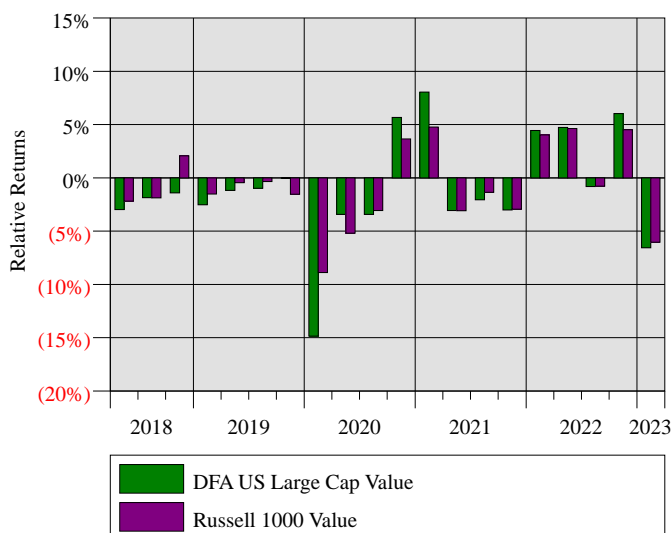
### DFA US Large Cap Value (DFLVX) Performance vs. Callan Large Cap Value Mutual Funds Periods ending: March 31, 2023



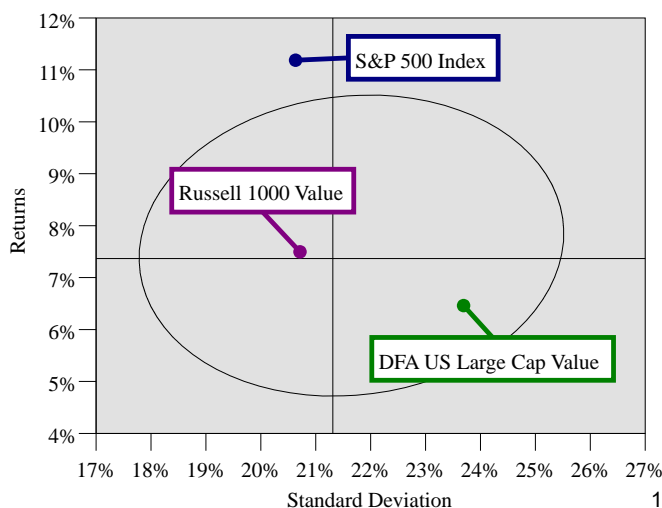
10th Percentile	5.13	(2.14)	23.42	9.93	11.18	10.15
25th Percentile	1.65	(4.37)	20.93	8.43	9.77	9.20
<b>Median</b>	<b>0.13</b>	<b>(5.85)</b>	<b>18.49</b>	<b>7.37</b>	<b>9.06</b>	<b>8.84</b>
75th Percentile	(1.24)	(7.30)	16.91	6.52	8.40	8.31
90th Percentile	(3.05)	(9.00)	15.08	5.63	7.71	7.59
<b>DFA US Large Cap Value</b>	<b>0.46</b>	<b>(5.00)</b>	<b>20.73</b>	<b>6.46</b>	<b>9.51</b>	<b>9.64</b>
S&P 500 Index	7.50	(7.73)	18.60	11.19	12.24	9.75
Russell 1000 Value	1.01	(5.91)	17.93	7.50	9.13	9.18

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA US Large Cap Value</b>	<b>0.46</b>	<b>(5.78)</b>	<b>28.07</b>	<b>(0.61)</b>	<b>25.45</b>	<b>(11.65)</b>	<b>18.97</b>	<b>18.89</b>	<b>(3.49)</b>	<b>10.07</b>	<b>40.32</b>
S&P 500 Index	7.50	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69	32.39
Russell 1000 Value	1.01	(7.54)	25.16	2.80	26.54	(8.27)	13.66	17.34	(3.83)	13.45	32.53

#### Relative Returns vs. S&P 500 Index



#### Callan Large Cap Value Mutual Funds | 5 Years Ended 3/31/23

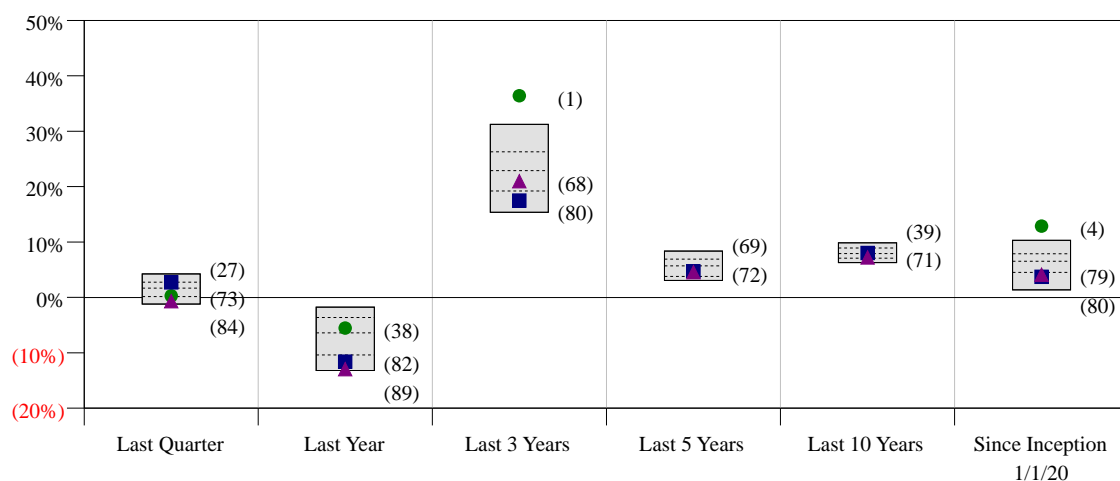


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Small Cap Value Equity Style mutual funds invest in small cap companies that are believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value.

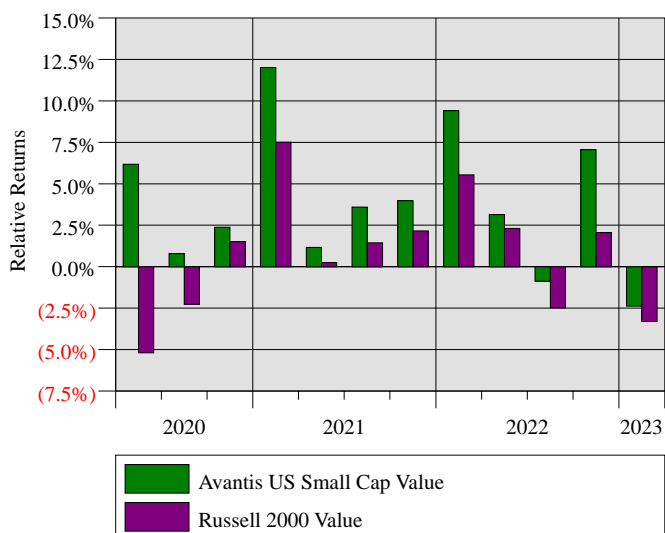
### Avantis US Small Cap Value (AVUVX) Performance vs. Callan Small Cap Value Mutual Funds Periods ending: March 31, 2023



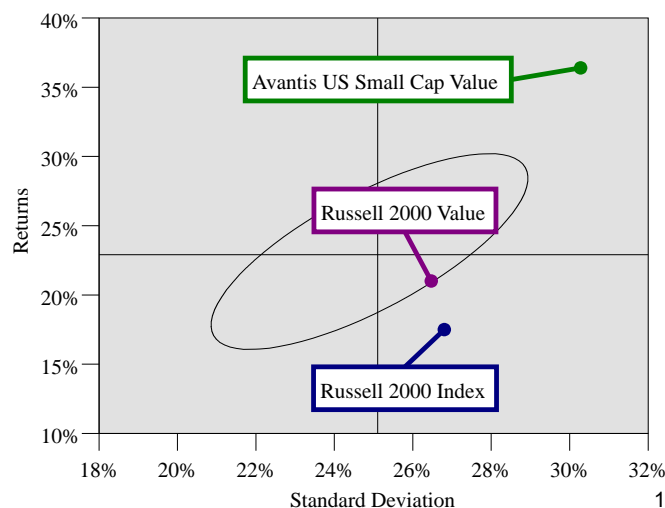
10th Percentile	4.24	(1.75)	31.25	8.37	9.88	10.31
25th Percentile	2.76	(3.62)	26.30	6.92	8.95	7.89
<b>Median</b>	<b>1.69</b>	<b>(6.38)</b>	<b>22.92</b>	<b>5.72</b>	<b>7.92</b>	<b>6.53</b>
75th Percentile	0.16	(10.40)	19.23	3.81	7.11	4.52
90th Percentile	(1.20)	(13.19)	15.37	3.06	6.31	1.36
<b>Avantis US Small Cap Value</b>	<b>0.30</b>	<b>(5.54)</b>	<b>36.41</b>	<b>--</b>	<b>--</b>	<b>12.87</b>
Russell 2000 Index	2.74	(11.61)	17.51	4.71	8.04	3.72
Russell 2000 Value	(0.66)	(12.96)	21.01	4.55	7.22	4.12

	1 Qtr.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Avantis US Small Cap Value</b>	<b>0.30</b>	<b>(4.70)</b>	<b>40.17</b>	<b>10.64</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Russell 2000 Index	2.74	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Value	(0.66)	(14.48)	28.27	4.63	22.39	(12.86)	7.84	31.74	(7.47)	4.22	34.52

#### Relative Returns vs. Russell 2000 Index



#### Callan Small Cap Value Mutual Funds | 3 Years Ended 3/31/23

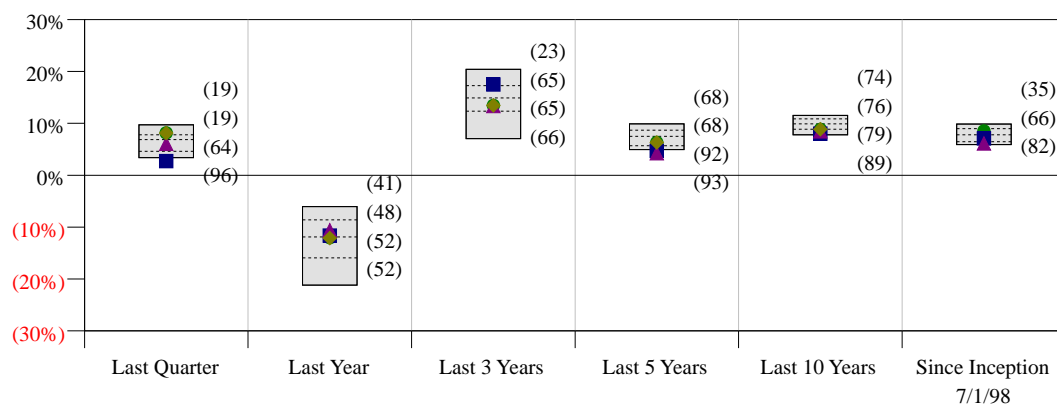


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Small Cap Growth Equity Style mutual funds invest in small cap companies that are expected to have above average prospects for long-term growth in earnings and profitability.

### Vanguard Small Cap Gr Idx Adm\* (VSGAX) Performance vs. Callan Small Cap Growth Mutual Funds Periods ending: March 31, 2023

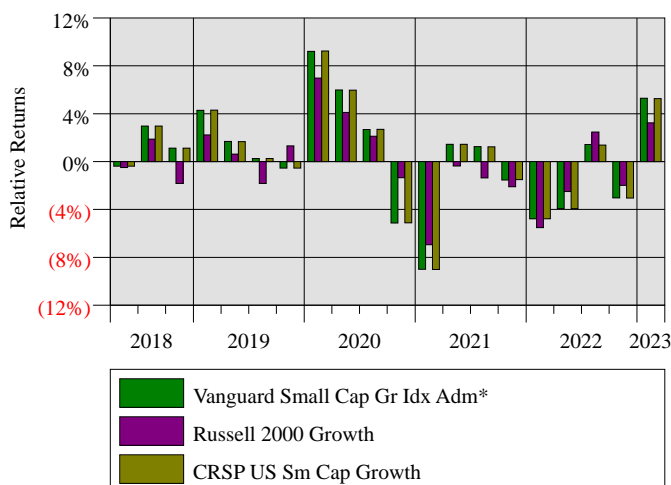


10th Percentile	9.74	(6.02)	20.45	9.91	11.54	9.86
25th Percentile	7.79	(8.57)	17.28	8.71	10.88	8.99
<b>Median</b>	<b>6.87</b>	<b>(11.86)</b>	<b>14.93</b>	<b>7.53</b>	<b>9.93</b>	<b>7.80</b>
75th Percentile	4.62	(15.91)	12.35	5.71	8.87	6.49
90th Percentile	3.39	(21.17)	7.06	4.96	7.82	5.91
<b>Vanguard Small Cap Gr Idx Adm*</b>	<b>8.18</b>	<b>(12.03)</b>	<b>13.49</b>	<b>6.32</b>	<b>8.85</b>	<b>8.55</b>
Russell 2000 Index	2.74	(11.61)	17.51	4.71	8.04	7.11
Russell 2000 Growth	6.07	(10.60)	13.36	4.26	8.49	6.16
CRSP US Sm Cap Growth	8.14	(12.11)	13.46	6.31	8.90	--

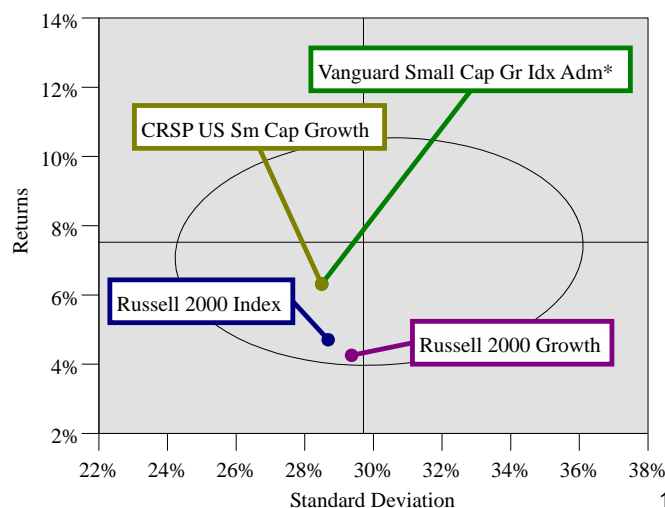
Vanguard switched to CRSP US Sm Cap Growth Index on April 17, 2013.

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard Small Cap Gr Idx Adm*</b>	<b>8.18</b>	<b>(28.39)</b>	<b>5.70</b>	<b>35.28</b>	<b>32.76</b>	<b>(5.68)</b>	<b>21.92</b>	<b>10.73</b>	<b>(2.52)</b>	<b>4.02</b>	<b>38.22</b>
Russell 2000 Index	2.74	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Growth	6.07	(26.36)	2.83	34.63	28.48	(9.31)	22.17	11.32	(1.38)	5.60	43.30
CRSP US Sm Cap Growth	8.14	(28.44)	5.71	35.35	32.75	(5.68)	21.90	10.62	(2.60)	3.98	38.44

#### Relative Returns vs. Russell 2000 Index



#### Callan Small Cap Growth Mutual Funds | 5 Years Ended 3/31/23



\*Investor shares used as a proxy prior to 10/2011.

Source: Callan. Past performance is not indicative of future results. See important disclosures.  
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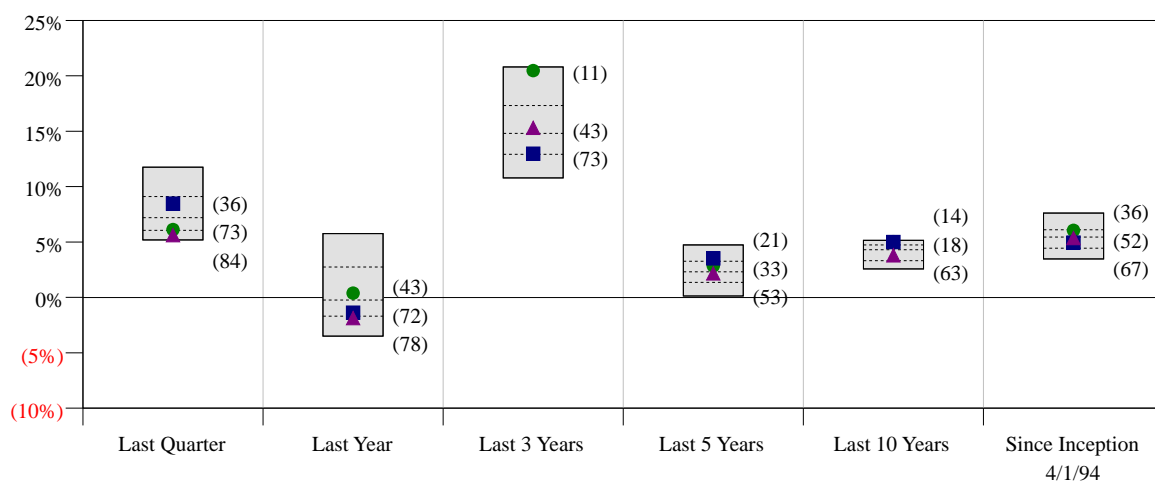
## Investment Philosophy:

International Value Equity mutual funds invest predominantly in Non-U.S. companies believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value.

### DFA International Value (DFIVX)

#### Performance vs. Callan International Large Cap Value MFs

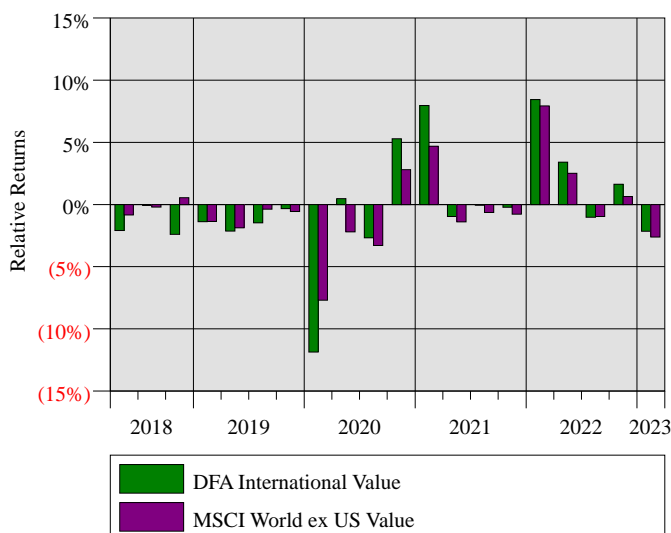
Periods ending: March 31, 2023



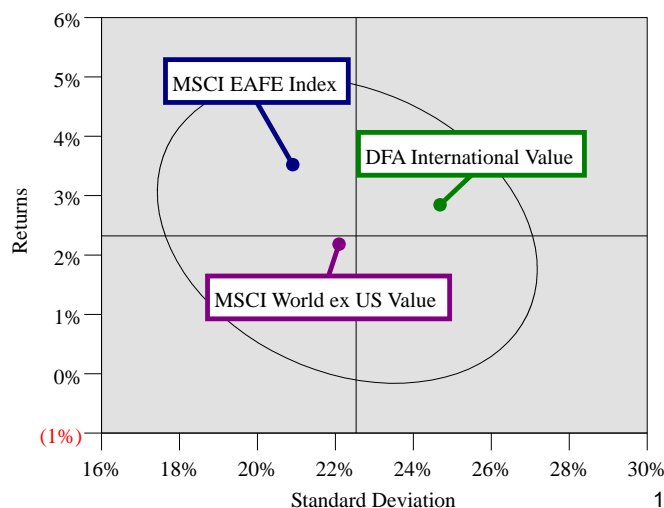
10th Percentile	11.77	5.76	20.82	4.74	5.16	7.62
25th Percentile	9.11	2.75	17.32	3.27	4.74	6.11
<b>Median</b>	<b>7.21</b>	<b>(0.23)</b>	<b>14.81</b>	<b>2.32</b>	<b>4.31</b>	<b>5.46</b>
75th Percentile	6.06	(1.69)	12.93	1.36	3.32	4.46
90th Percentile	5.19	(3.50)	10.80	0.14	2.58	3.48
<b>DFA International Value</b>	<b>6.13</b>	<b>0.40</b>	<b>20.49</b>	<b>2.85</b>	<b>5.04</b>	<b>6.07</b>
MSCI EAFE Index	8.47	(1.38)	12.99	3.52	5.00	4.96
MSCI World ex US Value	5.63	(1.85)	15.32	2.18	3.80	5.36

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA International Value</b>	<b>6.13</b>	<b>(3.48)</b>	<b>18.69</b>	<b>(2.14)</b>	<b>15.67</b>	<b>(17.49)</b>	<b>26.09</b>	<b>8.41</b>	<b>(6.31)</b>	<b>(6.99)</b>	<b>23.12</b>
MSCI EAFE Index	8.47	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)	22.78
MSCI World ex US Value	5.63	(5.64)	13.26	(3.22)	17.02	(15.06)	21.04	7.39	(7.68)	(5.41)	21.47

#### Relative Returns vs. MSCI EAFE Index



#### Callan International Large Cap Value MFs | 5 Years Ended 3/31/23

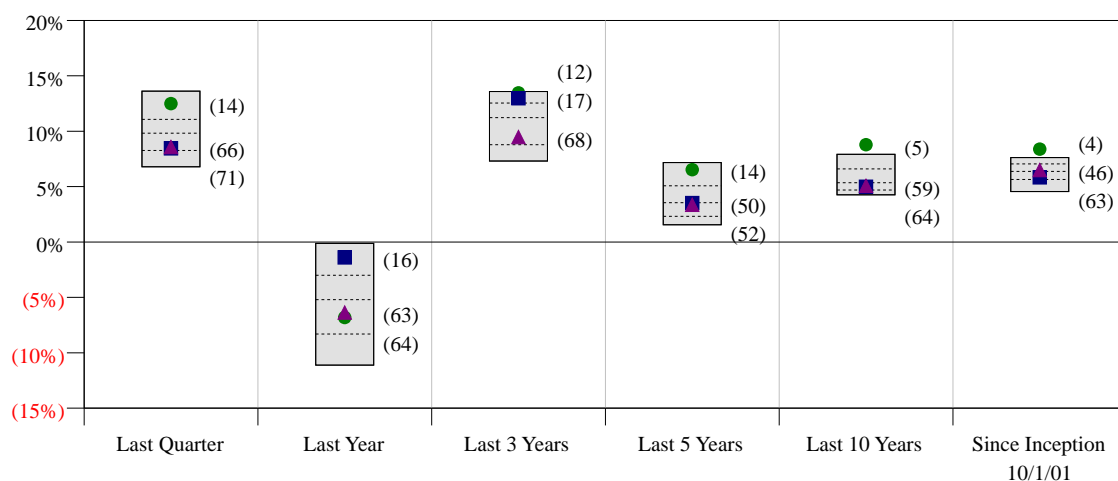


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

International Growth Equity Style mutual funds invest predominantly in companies that are expected to have above average prospects for long-term growth in earnings and profitability. Future growth prospects take precedence over valuation levels in stock selection.

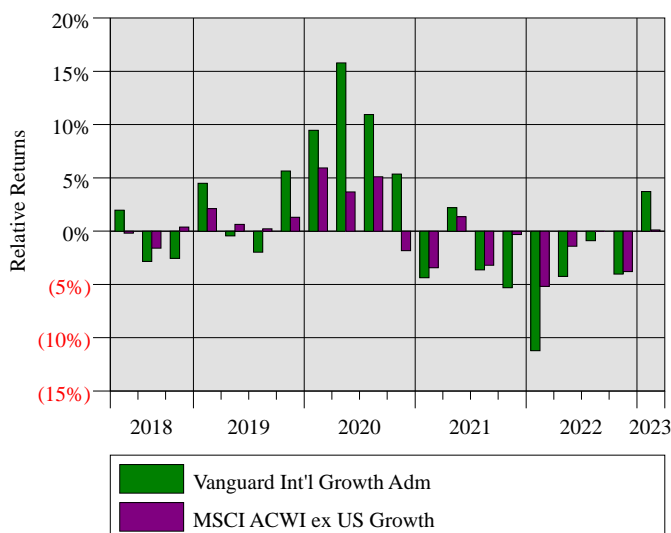
### Vanguard Int'l Growth Adm (VWILX) Performance vs. Callan Intl Large Cap Growth MFs Periods ending: March 31, 2023



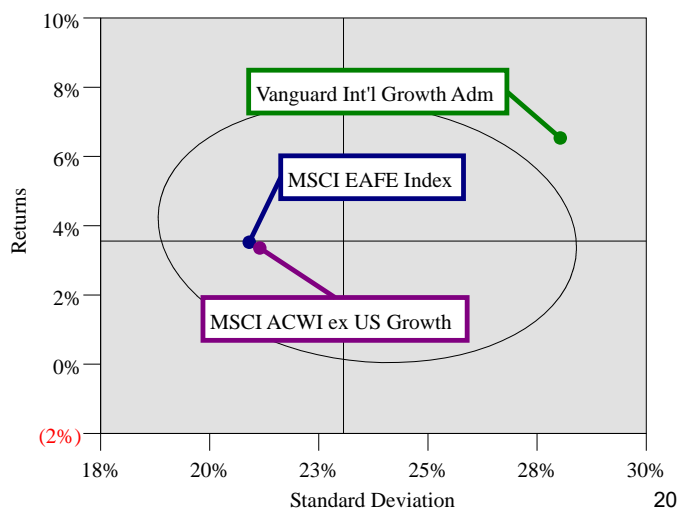
10th Percentile	13.63	(0.12)	13.60	7.18	7.92	7.64
25th Percentile	11.07	(3.00)	12.55	5.08	6.61	7.06
<b>Median</b>	<b>9.84</b>	<b>(5.21)</b>	<b>11.24</b>	<b>3.56</b>	<b>5.37</b>	<b>6.38</b>
75th Percentile	8.28	(8.31)	8.80	2.33	4.71	5.66
90th Percentile	6.79	(11.11)	7.32	1.56	4.27	4.56
<b>Vanguard Int'l Growth Adm</b>	<b>12.50</b>	<b>(6.81)</b>	<b>13.48</b>	<b>6.54</b>	<b>8.79</b>	<b>8.40</b>
MSCI EAFE Index	8.47	(1.38)	12.99	3.52	5.00	5.84
MSCI ACWI ex US Growth	8.59	(6.35)	9.49	3.36	5.08	6.50

	1 Qtr.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard Int'l Growth Adm</b>	<b>12.50</b>	<b>(30.79)</b>	<b>(0.74)</b>	<b>59.74</b>	<b>31.48</b>	<b>(12.58)</b>	<b>43.16</b>	<b>1.84</b>	<b>(0.54)</b>	<b>(5.51)</b>	<b>23.12</b>
MSCI EAFE Index	8.47	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)	22.78
MSCI ACWI ex US Growth	8.59	(23.05)	5.09	22.20	27.34	(14.43)	32.01	0.12	(1.25)	(2.65)	15.49

#### Relative Returns vs. MSCI EAFE Index



#### Callan Intl Large Cap Growth MFs | 5 Years Ended 3/31/23

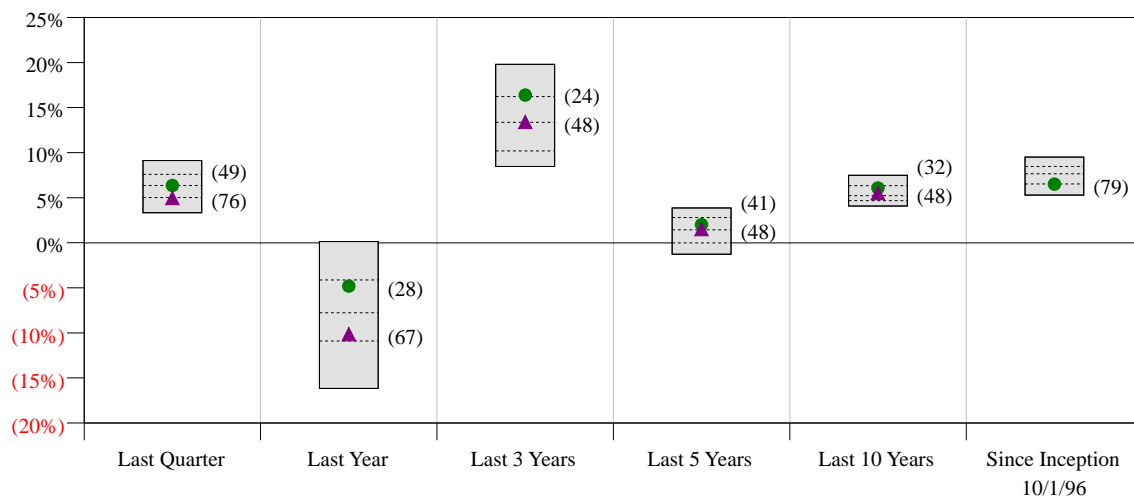


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

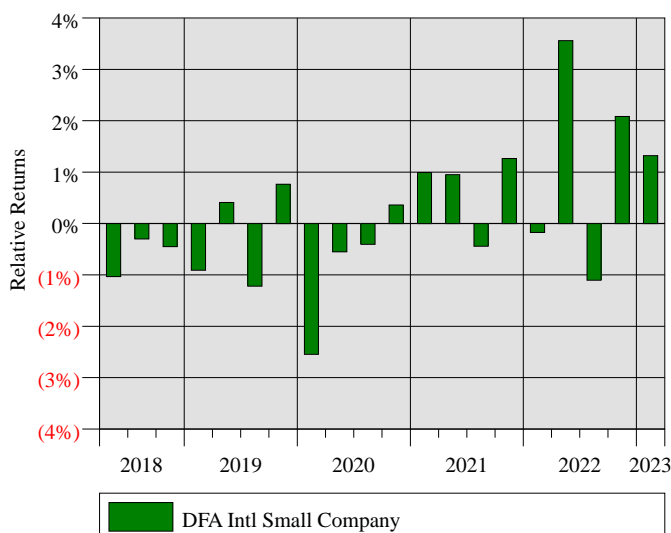
International Small Cap funds invest at least 65% of their assets in equity securities of non-United States companies with a market capitalization of less than US \$1 billion at the time of purchase.

### DFA Intl Small Company (DFISX) Performance vs. Callan International Small Cap Mut Funds Periods ending: March 31, 2023

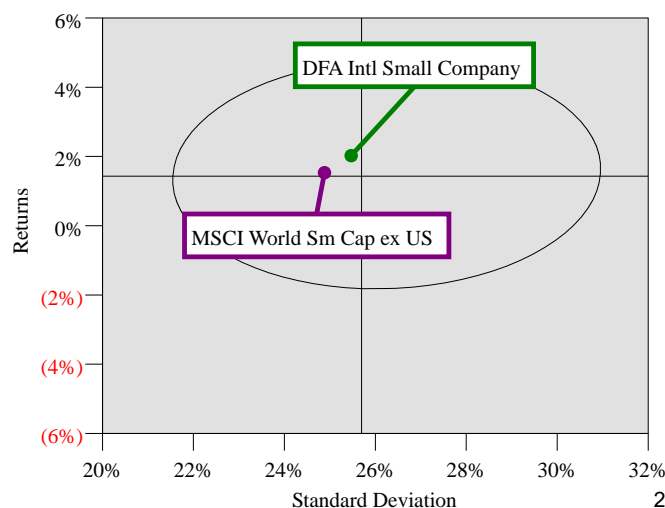


	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA Intl Small Company	6.38	(17.12)	14.24	9.26	24.20	(19.42)	30.24	5.80	5.91	(6.30)	27.44
MSCI World Sm Cap ex US	4.99	(20.59)	11.14	12.78	25.41	(18.07)	31.04	4.32	5.46	(5.35)	25.55

#### Relative Returns vs. MSCI World Sm Cap ex US



#### Callan International Small Cap Mut Funds | 5 Years Ended 3/31/23

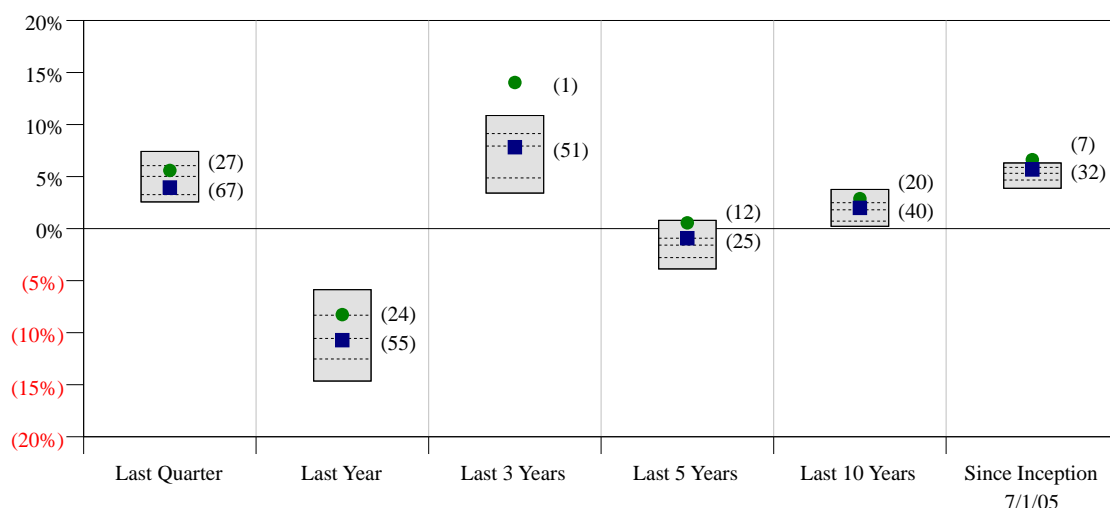


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

The International Emerging Markets Equity Database consists of all mutual fund international equity products that concentrate on newly emerging second and third world countries in the regions of the Far East, Africa, Europe, and South America.

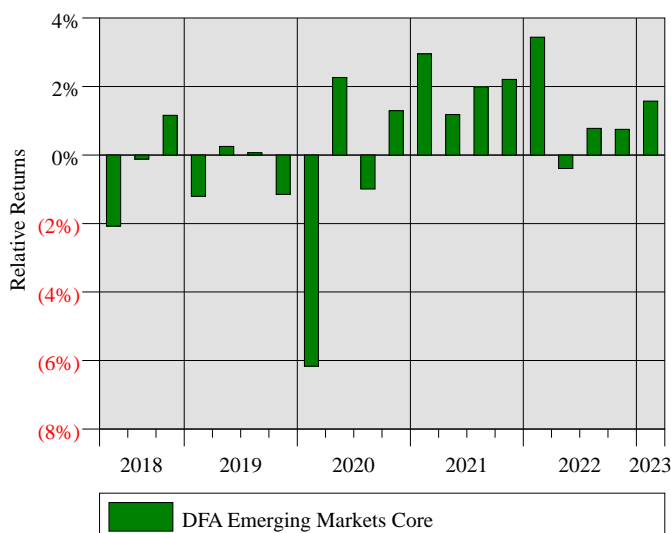
### DFA Emerging Markets Core (DFCEX) Performance vs. Callan Emerging Markets Equity Mut Funds Periods ending: March 31, 2023



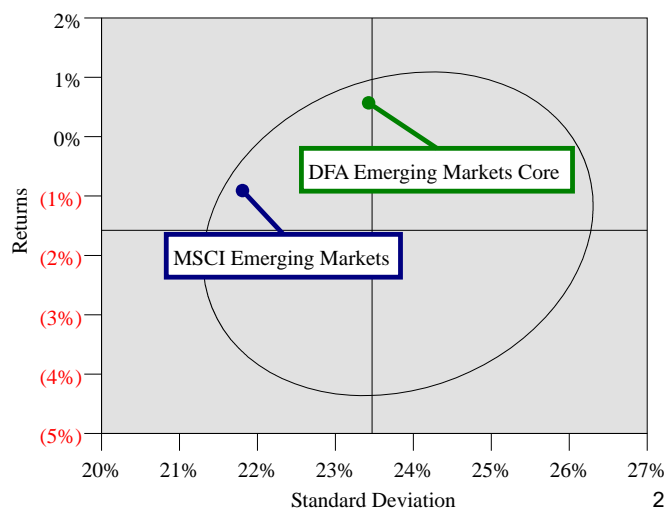
10th Percentile	7.43	(5.85)	10.88	0.81	3.78	6.32
25th Percentile	6.07	(8.32)	9.15	(0.91)	2.50	5.90
<b>Median</b>	<b>5.03</b>	<b>(10.55)</b>	<b>7.94</b>	<b>(1.58)</b>	<b>1.81</b>	<b>5.32</b>
75th Percentile	3.27	(12.52)	4.89	(2.77)	0.72	4.68
90th Percentile	2.58	(14.64)	3.42	(3.86)	0.23	3.89
<b>DFA Emerging Markets Core</b>	<b>5.59</b>	<b>(8.26)</b>	<b>14.06</b>	<b>0.57</b>	<b>2.89</b>	<b>6.64</b>
MSCI Emerging Markets	3.96	(10.70)	7.83	(0.91)	2.00	5.68

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA Emerging Markets Core</b>	<b>5.59</b>	<b>(16.40)</b>	<b>5.83</b>	<b>13.86</b>	<b>16.04</b>	<b>(15.25)</b>	<b>36.55</b>	<b>12.35</b>	<b>(14.86)</b>	<b>(0.91)</b>	<b>(2.64)</b>
MSCI Emerging Markets	3.96	(20.09)	(2.54)	18.31	18.44	(14.57)	37.28	11.19	(14.92)	(2.19)	(2.60)

#### Relative Returns vs. MSCI Emerging Markets



#### Callan Emerging Markets Equity Mut Funds | 5 Years Ended 3/31/23



Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Global real estate portfolios invest primarily in non-U.S. real estate securities but may also invest in U.S. real estate securities. Securities that these portfolios purchase include: debt securities, equity securities, convertible securities, and securities issued by real estate investment trusts and REIT-like entities. Portfolios in this category also invest in real estate operating companies.

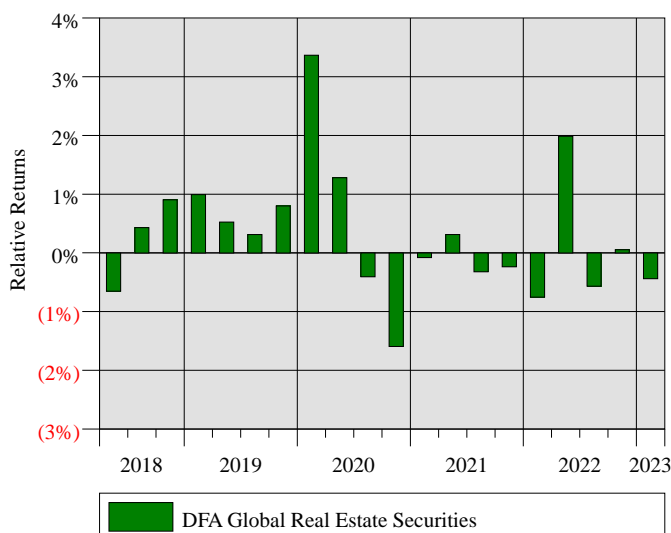
### DFA Global Real Estate Securities (DFGEX) Performance vs. Morningstar Global Real Estate Funds Periods ending: March 31, 2023



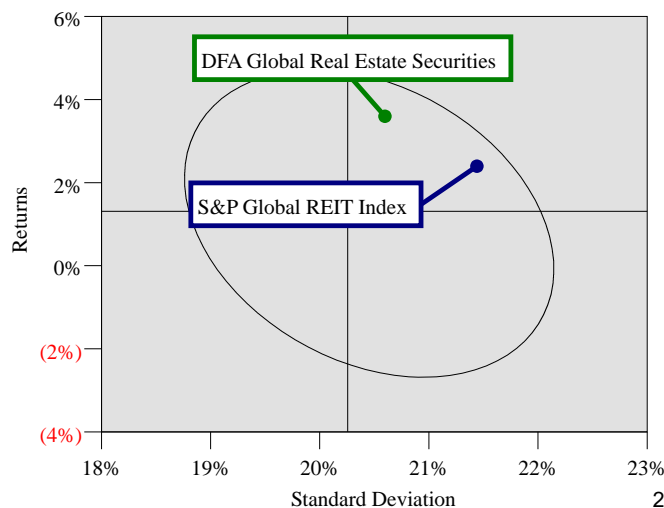
10th Percentile	2.90	(18.93)	8.44	4.01	4.46	5.11
25th Percentile	2.21	(19.86)	7.97	2.79	3.64	3.98
<b>Median</b>	<b>1.35</b>	<b>(20.58)</b>	<b>6.88</b>	<b>1.31</b>	<b>2.83</b>	<b>3.55</b>
75th Percentile	0.66	(21.83)	5.69	(0.41)	1.77	2.27
90th Percentile	(1.80)	(22.46)	1.43	(3.09)	0.22	1.45
<b>DFA Global Real Estate Securities</b>	<b>0.93</b>	<b>(19.48)</b>	<b>8.58</b>	<b>3.60</b>	<b>4.51</b>	<b>5.31</b>
S&P Global REIT Index	1.37	(20.29)	8.87	2.40	3.26	4.03

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>DFA Global Real Estate Securities</b>	<b>0.93</b>	<b>(23.83)</b>	<b>30.96</b>	<b>(6.72)</b>	<b>26.40</b>	<b>(4.15)</b>	<b>9.20</b>	<b>6.56</b>	<b>0.69</b>	<b>22.74</b>	<b>1.77</b>
S&P Global REIT Index	1.37	(24.36)	31.38	(9.09)	23.12	(5.93)	7.41	5.77	(0.44)	21.54	1.73

#### Relative Returns vs. S&P Global REIT Index



#### Morningstar Global Real Estate Funds | 5 Years Ended 3/31/23

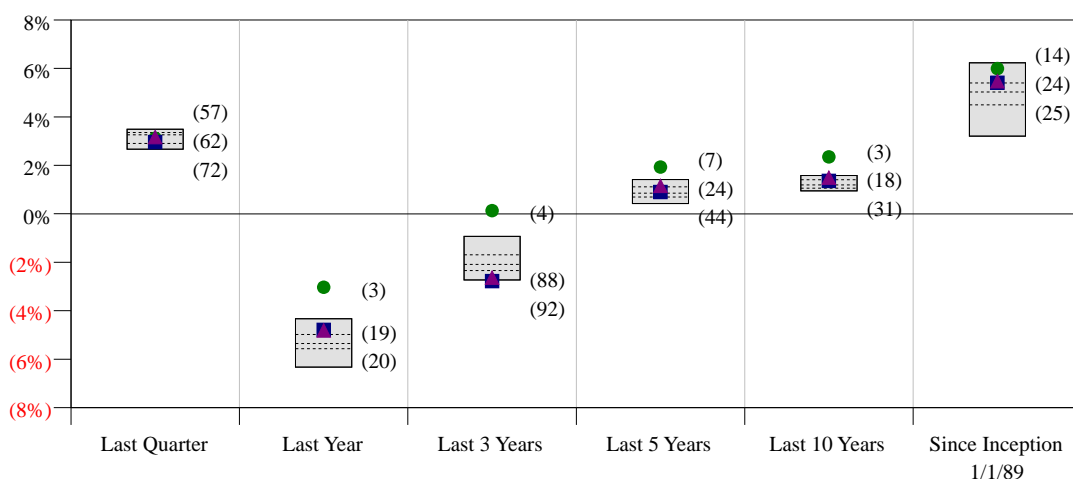


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Core Bond Style mutual funds aim to achieve value added from sector and/or issue selection. Funds are constructed to approximate the investment results of the Barclays Gov/Corp Index or the Barclays Aggregate Index with little duration variability around the index.

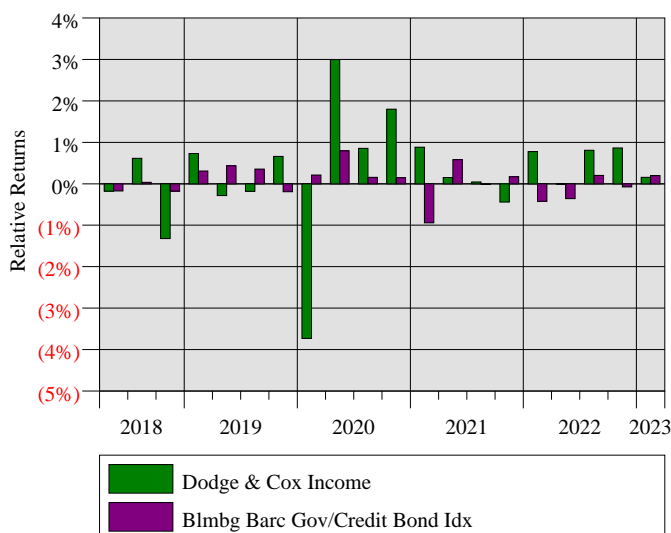
### Dodge & Cox Income (DODIX) Performance vs. Callan Core Bond Mutual Funds Periods ending: March 31, 2023



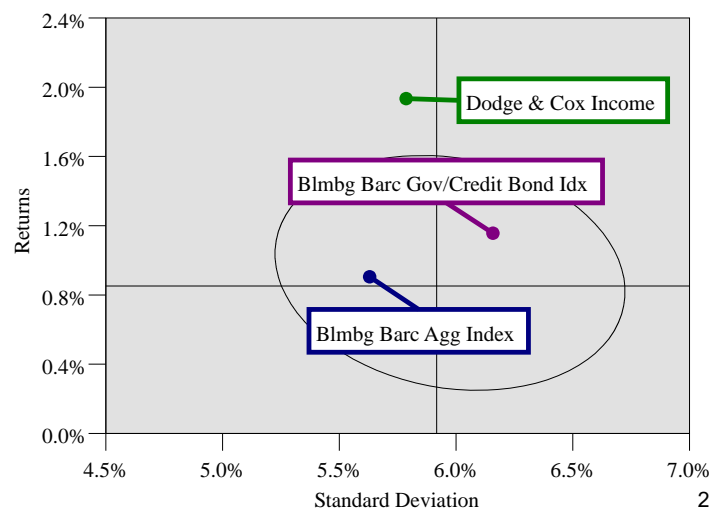
10th Percentile	3.50	(4.32)	(0.92)	1.42	1.58	6.24
25th Percentile	3.36	(4.98)	(1.69)	1.11	1.41	5.40
<b>Median</b>	<b>3.27</b>	<b>(5.35)</b>	<b>(2.08)</b>	<b>0.85</b>	<b>1.20</b>	<b>5.03</b>
75th Percentile	2.91	(5.56)	(2.34)	0.70	1.06	4.50
90th Percentile	2.67	(6.33)	(2.73)	0.43	0.95	3.21
<b>Dodge &amp; Cox Income</b>	<b>3.13</b>	<b>(3.03)</b>	<b>0.13</b>	<b>1.93</b>	<b>2.35</b>	<b>6.00</b>
Blmbg Barc Agg Index	2.96	(4.78)	(2.77)	0.91	1.36	5.41
Blmbg Barc Gov/Credit Bond Idx	3.17	(4.81)	(2.63)	1.16	1.50	5.48

	1 Qtr.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Dodge &amp; Cox Income</b>	<b>3.13</b>	<b>(10.86)</b>	<b>(0.91)</b>	<b>9.45</b>	<b>9.73</b>	<b>(0.31)</b>	<b>4.36</b>	<b>5.61</b>	<b>(0.59)</b>	<b>5.48</b>	<b>0.64</b>
Blmbg Barc Agg Index	2.96	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97	(2.02)
Blmbg Barc Gov/Credit Bond Idx	3.17	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01	(2.35)

#### Relative Returns vs. Blmbg Barc Agg Index



#### Callan Core Bond Mutual Funds | 5 Years Ended 3/31/23

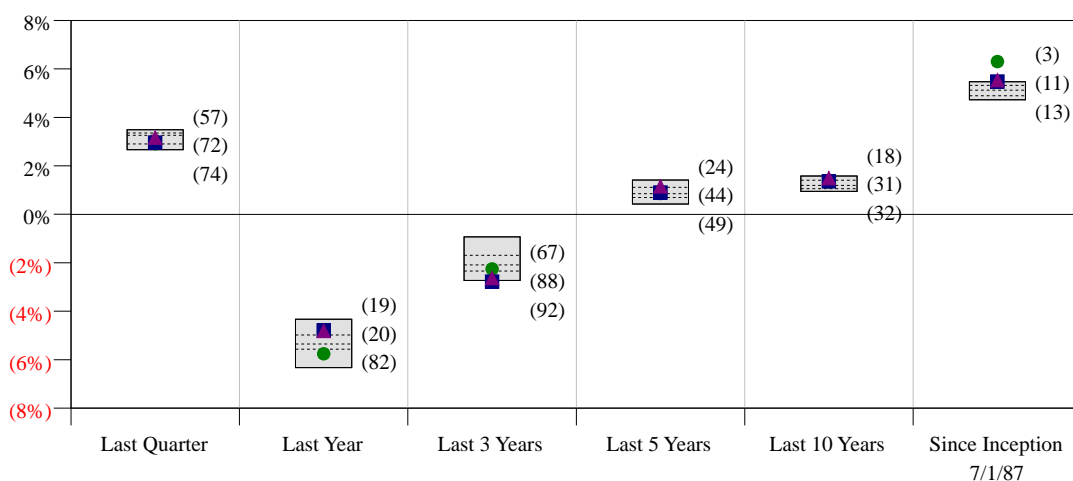


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Core Bond Style mutual funds aim to achieve value added from sector and/or issue selection. Funds are constructed to approximate the investment results of the Barclays Gov/Corp Index or the Barclays Aggregate Index with little duration variability around the index.

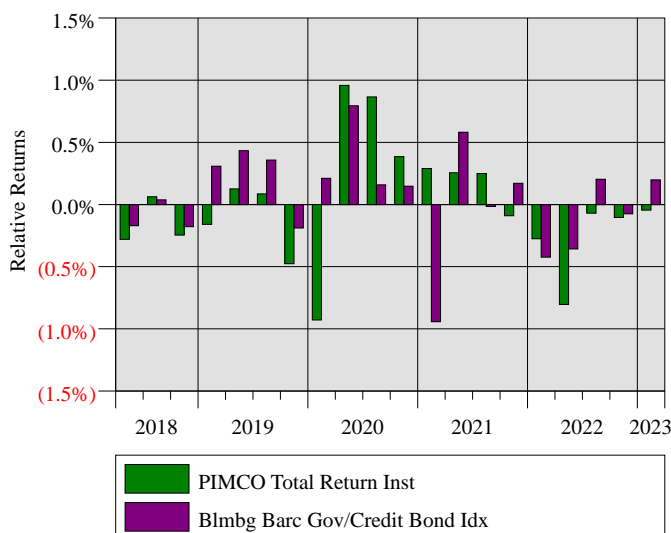
### PIMCO Total Return Inst (PTTRX) Performance vs. Callan Core Bond Mutual Funds Periods ending: March 31, 2023



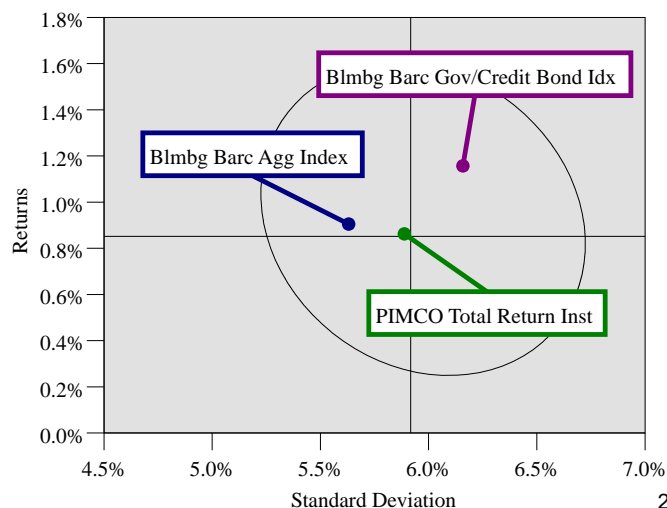
10th Percentile	3.50	(4.32)	(0.92)	1.42	1.58	5.47
25th Percentile	3.36	(4.98)	(1.69)	1.11	1.41	5.33
<b>Median</b>	<b>3.27</b>	<b>(5.35)</b>	<b>(2.08)</b>	<b>0.85</b>	<b>1.20</b>	<b>5.12</b>
75th Percentile	2.91	(5.56)	(2.34)	0.70	1.06	4.90
90th Percentile	2.67	(6.33)	(2.73)	0.43	0.95	4.73
<b>PIMCO Total Return Inst</b>	<b>2.92</b>	<b>(5.75)</b>	<b>(2.25)</b>	<b>0.86</b>	<b>1.34</b>	<b>6.30</b>
Blmbg Barc Agg Index	2.96	(4.78)	(2.77)	0.91	1.36	5.49
Blmbg Barc Gov/Credit Bond Idx	3.17	(4.81)	(2.63)	1.16	1.50	5.54

	1 Qtr.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>PIMCO Total Return Inst</b>	<b>2.92</b>	<b>(14.09)</b>	<b>(0.84)</b>	<b>8.88</b>	<b>8.26</b>	<b>(0.26)</b>	<b>5.13</b>	<b>2.60</b>	<b>0.72</b>	<b>4.69</b>	<b>(1.92)</b>
Blmbg Barc Agg Index	2.96	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97	(2.02)
Blmbg Barc Gov/Credit Bond Idx	3.17	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01	(2.35)

#### Relative Returns vs. Blmbg Barc Agg Index



#### Callan Core Bond Mutual Funds | 5 Years Ended 3/31/23

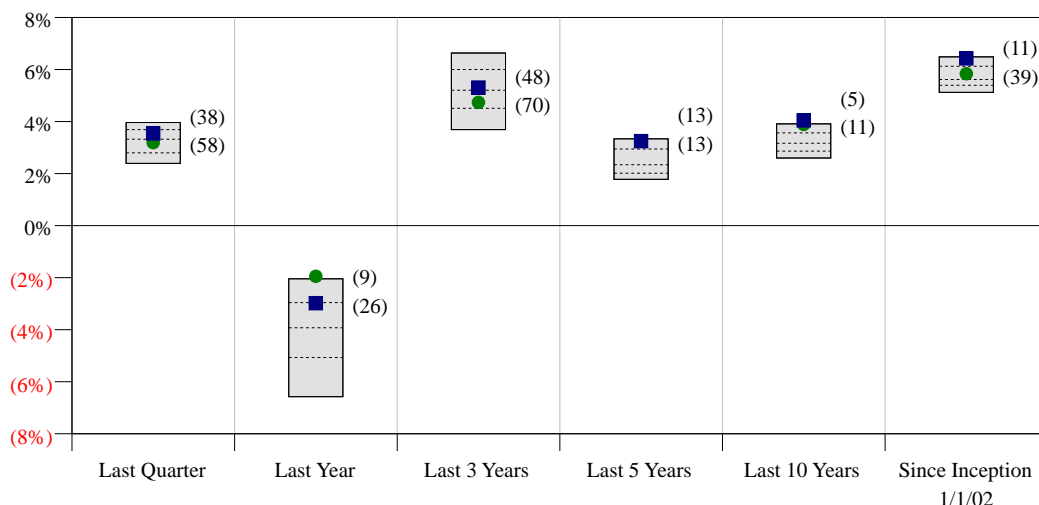


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

High Yield Style mutual funds invest primarily in non-investment grade fixed-income securities with the objective of obtaining high current income. Due to increased level of default risk, security selection focuses on credit-risk analysis.

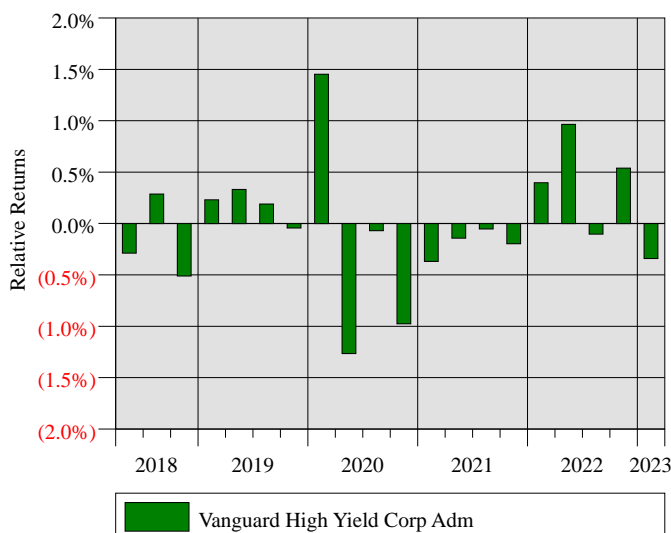
### Vanguard High Yield Corp Adm (VWEAX) Performance vs. Callan High Yield Mutual Funds Periods ending: March 31, 2023



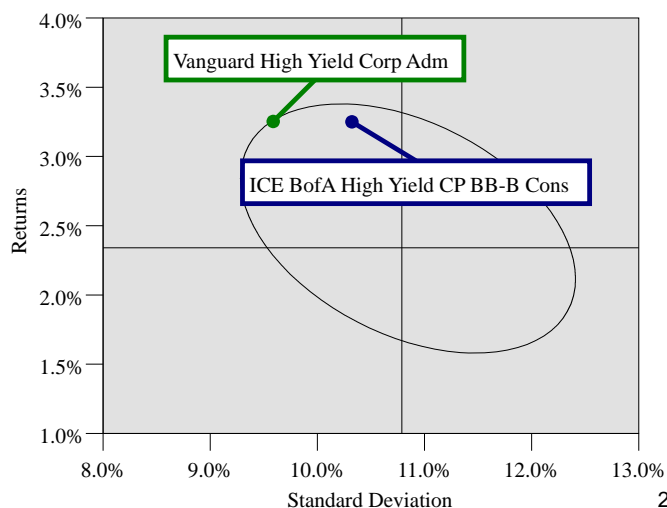
10th Percentile	3.97	(2.04)	6.64	3.34	3.92	6.49
25th Percentile	3.70	(2.96)	6.00	2.95	3.57	6.13
<b>Median</b>	<b>3.32</b>	<b>(3.92)</b>	<b>5.21</b>	<b>2.34</b>	<b>3.17</b>	<b>5.62</b>
75th Percentile	2.80	(5.07)	4.51	2.02	2.87	5.40
90th Percentile	2.40	(6.57)	3.69	1.78	2.60	5.12
<b>Vanguard High Yield Corp Adm</b>	<b>3.19</b>	<b>(1.95)</b>	<b>4.74</b>	<b>3.25</b>	<b>3.89</b>	<b>5.84</b>
<b>ICE BofA High Yield CP BB-B Cons</b>	<b>3.55</b>	<b>(2.98)</b>	<b>5.31</b>	<b>3.25</b>	<b>4.05</b>	<b>6.43</b>

	1 Qtr.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Vanguard High Yield Corp Adm</b>	<b>3.19</b>	<b>(8.97)</b>	<b>3.78</b>	<b>5.39</b>	<b>15.91</b>	<b>(2.87)</b>	<b>7.13</b>	<b>11.30</b>	<b>(1.30)</b>	<b>4.69</b>	<b>4.64</b>
<b>ICE BofA High Yield CP BB-B Cons</b>	<b>3.55</b>	<b>(10.59)</b>	<b>4.58</b>	<b>6.32</b>	<b>15.09</b>	<b>(2.04)</b>	<b>6.98</b>	<b>14.76</b>	<b>(2.82)</b>	<b>3.48</b>	<b>6.29</b>

#### Relative Returns vs. ICE BofA High Yield CP BB-B Cons



#### Callan High Yield Mutual Funds | 5 Years Ended 3/31/23

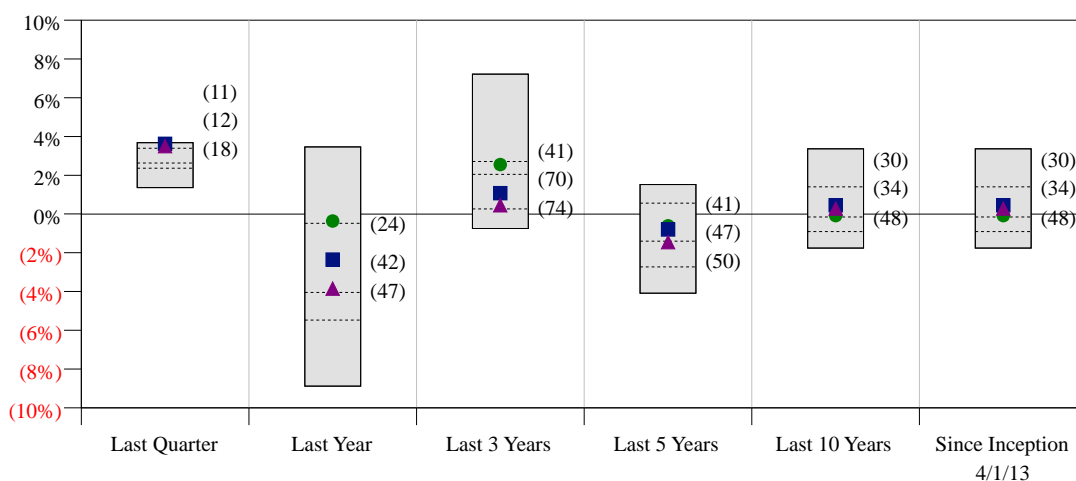


Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Investment Philosophy:

Emerging Markets Debt mutual funds that are benchmarked versus a blend of US\$ denominated and local currency indices.

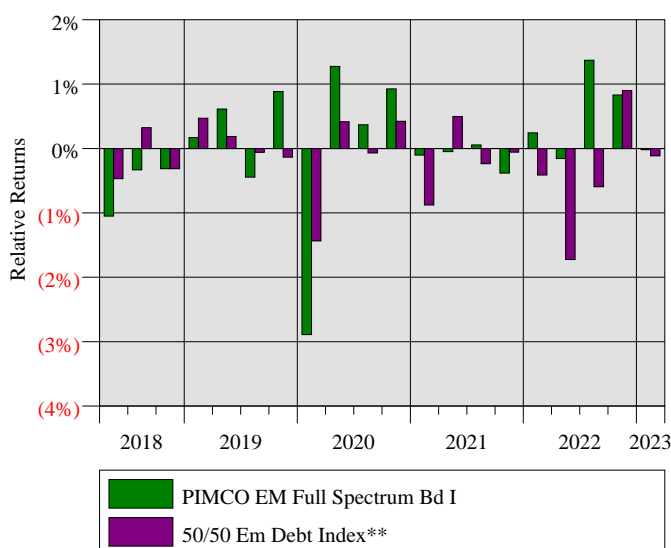
### PIMCO EM Full Spectrum Bd I (PFSIX) Performance vs. Callan Emerging Mkts Debt Blend MFs Periods ending: March 31, 2023



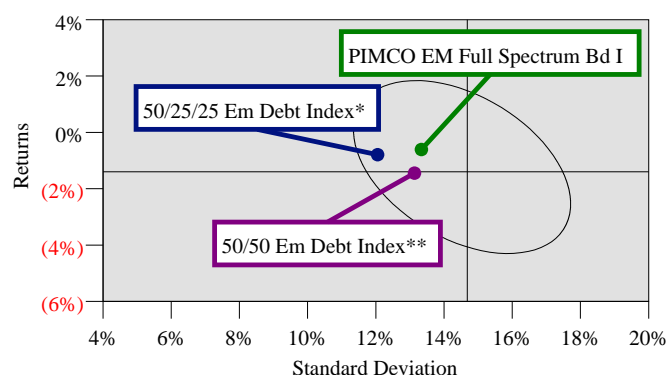
10th Percentile	3.68	3.47	7.22	1.52	3.37	3.37
25th Percentile	3.40	(0.47)	2.72	0.56	1.41	1.41
<b>Median</b>	<b>2.64</b>	<b>(4.04)</b>	<b>2.05</b>	<b>(1.39)</b>	<b>(0.15)</b>	<b>(0.15)</b>
75th Percentile	2.37	(5.47)	0.27	(2.73)	(0.90)	(0.90)
90th Percentile	1.36	(8.88)	(0.74)	(4.08)	(1.75)	(1.75)
<b>PIMCO EM Full Spectrum Bd I</b>	<b>3.61</b>	<b>(0.36)</b>	<b>2.56</b>	<b>(0.60)</b>	<b>(0.08)</b>	<b>(0.08)</b>
50/25/25 Em Debt Index*	3.63	(2.35)	1.08	(0.79)	0.46	0.46
50/50 Em Debt Index**	3.51	(3.85)	0.46	(1.44)	0.29	0.29

	1 Qtr. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
PIMCO EM Full Spectrum Bd I	3.61	(11.17)	(5.13)	4.31	15.16	(5.28)	12.30	12.01	(11.09)	(3.82)	--
50/25/25 Em Debt Index*	3.63	(13.17)	(4.67)	4.70	13.77	(4.56)	11.88	10.20	(7.07)	(0.15)	(6.59)
50/50 Em Debt Index**	3.51	(14.76)	(5.32)	4.00	14.30	(5.10)	12.72	10.10	(7.07)	0.72	(7.10)

#### Relative Returns vs. 50/25/25 Em Debt Index\*



#### Callan Emerging Mkts Debt Blend MFs | 5 Years Ended 3/31/23



\* 50/25/25 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), 25% JPM EMBI Global Index (external sovereigns), and 25% JPM CEMBI Diversified Index (corporate bonds).

\*\* 50/50 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), and 50% JPM EMBI Global Diversified Index (external bonds).

Source: Callan. Past performance is not indicative of future results. See important disclosures.

## Important Disclosure Information

Team Hewins, LLC ("Team Hewins") is an SEC registered investment adviser; however, such registration does not imply a certain level of skill or training, and no inference to the contrary should be made. We provide this information with the understanding that we are not engaged in rendering legal, accounting, or tax services. We recommend that all investors seek out the services of competent professionals in any of the aforementioned areas.

Certain performance results included in this presentation are hypothetical returns which have been compiled by Team Hewins. The performance results are based upon a hypothetical model. Hypothetical performance results may have inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve profits or losses similar to those provided. There are numerous other factors related to the markets in general or to the implementation of any specific trading strategy which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results. These returns should not be considered as indicative of the skills of the investment adviser.

Index and fund information has been compiled solely by Team Hewins from sources deemed reliable, and has not been independently verified. Index and fund performance information reflects the reinvestment of dividends. Fund returns presented are net of mutual fund management, administration and other costs taken out of fund assets but do not reflect the deduction of account-level transaction or investment advisory fees, the incurrence of which would have the effect of decreasing the historical performance results. Team Hewins maintains all information supporting the performance results in accordance with regulatory requirements.

The account performance shown prior to June 1, 2018, reflects the results when the account was managed by Hewins Financial Advisors, LLC, now known as Wipfli Financial Advisors, LLC. In May 2018, certain principals, including Roger Hewins and other personnel amicably left Hewins Financial Advisors, LLC and formed Team Hewins. There has been no material change in investment personnel managing your account or the investment decision making process.

Target returns represent weighted averages of index returns that Team Hewins considers appropriate to represent the strategic asset allocation as stated in the client's Investment Policy Statement ("IPS"). The Current Quarter Target is comprised of indexes as follows: 1.0% 3-Month Treasury Bill, 20.0% Bloomberg Barclays Aggregate Index, 7.0% S&P Global REIT Index, 1.80% JPM GBI EM Global Divers USD (UH), 1.80% JPM EMBI Global Diversified, 5.4% ICE BofAML High Yield CP BB-B Cons, 18.9% MSCI EAFE Index, 6.30% MSCI Emerging Markets, 9.45% Russell 2000 Index, 28.35% S&P 500 Index. The underlying composition of the benchmark has changed over time; nonetheless, performance information for the Target Benchmark reflects the annualized returns of the benchmark given its applicable underlying indices for the corresponding time period.

The volatilities of any comparative indices included in this presentation may be materially different from the individual performance attained by a specific client in a Team Hewins strategy. In addition, client holdings may differ significantly from the securities that comprise the indices. The indices have not been selected to represent an appropriate benchmark to compare an investor's performance, but rather are disclosed to allow for comparison to the performances of certain well-known and widely recognized indices. The indices are unmanaged, include reinvestment of dividends, capital gain distributions or other earnings and do not reflect any fees or expenses. Indices cannot be invested in directly. Set forth below are descriptions of the indices included in the presentation.

## Index Definitions:

**S&P 500 (Large Cap Equity):** The Standard & Poor's 500 Stock Index (S&P 500) is an unmanaged index of 500 stocks that is generally representative of the performance of larger companies in the U.S. The index includes the stocks of 500 leading U.S. publicly traded companies from a broad range of industries.

**Dow Jones Industrial Average:** The Dow Jones Industrial Average, Dow Jones, or simply the Dow, is a stock market index of 30 prominent companies listed on stock exchanges in the United States.

**Russell 2000 (Small Cap Equity):** The Russell 2000 Index is an unmanaged index that measures the performance of the small-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index, representing approximately 10% of the total market capitalization of that index and includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. Russell Investment Group owns the Russell Index data, including all applicable trademarks and copyrights.

**MSCI EAFE (International Equity, Developed):** The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada. The MSCI EAFE Index consists of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

**MSCI Emerging Markets (International Equity, Emerging):** The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The MSCI Emerging Markets Index consists of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

**S&P Global REIT Index: (International, Real Estate Investment Trusts):** The S&P Global REIT serves as a comprehensive benchmark of publicly traded equity real estate investment trusts (REITs) listed in both developed and emerging markets.

**Bloomberg Barclays Aggregate (Core Fixed Income):** The Barclays Capital U.S. Aggregate Index provides a broad-based measure of the domestic investment-grade fixed income market. It is an unmanaged index of taxable, investment-grade, U.S. dollar-denominated fixed-income securities of domestic issuers having a maturity greater than one year.

**ICE BofA Merrill Lynch U.S. High Yield, BB-B Rated, Constrained (High Yield Fixed Income):** ICE BofA Merrill Lynch U.S. High Yield, BB-B Rated, Constrained Index tracks the performance of US dollar-denominated below-investment-grade (BBB rated) corporate debt publicly issued in the US domestic market. Qualifying bonds are capitalization-weighted provided the total allocation to an individual issuer does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis.

**Bloomberg Barclays Gov/Credit Bond (US Fixed Income):** The Barclays Capital U.S. Government/Credit Bond Index measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year.

**JPM EMBI Global Diversified (Emerging Markets Fixed Income):** The JP Morgan EMBI Global Diversified is a uniquely weighted index that tracks total returns for U.S. dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities. The index limits the weights of countries with larger debt stocks by only including a specified portion of these countries' eligible current face amounts of debt outstanding.

**JPM GBI EM Global Diversified USD Unh (Emerging Markets Fixed Income):** A comprehensive global local emerging markets index that consists of regularly traded, liquid fixed-rate domestic currency government bonds.

**3 Month T-Bill:** 3 Month Treasury Bill is a short-term debt obligation backed by the U.S. government with a maturity of 90 days.



## INVESTING IN PRIVATE EQUITY

# Investing in Private Equity

# What is Private Equity?

Investing in companies that are not publicly traded, employing cash and borrowed funds

These are private deals done by highly skilled managers seeking high returns on investment; therefore, fees are high

Private equity funds typically have a ten-year life and are not liquid

Private equity is subject to a number of risks

# Who Should Invest in Private Equity?

Typically, only open to Qualified Purchasers

- defined by the SEC as having at least \$5 million in liquid assets
- or institutional investors such as pension plans and endowments/foundations

Investors seeking higher net returns and diversification away from public markets

Investors who are able to accept the risks and illiquidity

# Why Invest in Private Equity?

Higher expected returns

Attractive prices

- Negotiated transactions
- market inefficiencies
- excellent access to information

Attractive tax treatment generally for long-term capital gains

Significant strategic & operating control

# Considerations When Investing in Private Equity

Private Equity investments have a long investing cycle

They tend to have low liquidity

Tax Reporting is delayed compared to traditional investments and investors need to extend their tax returns every year

Management fees are high compared to traditional investments

Investing in private companies may come with higher risk

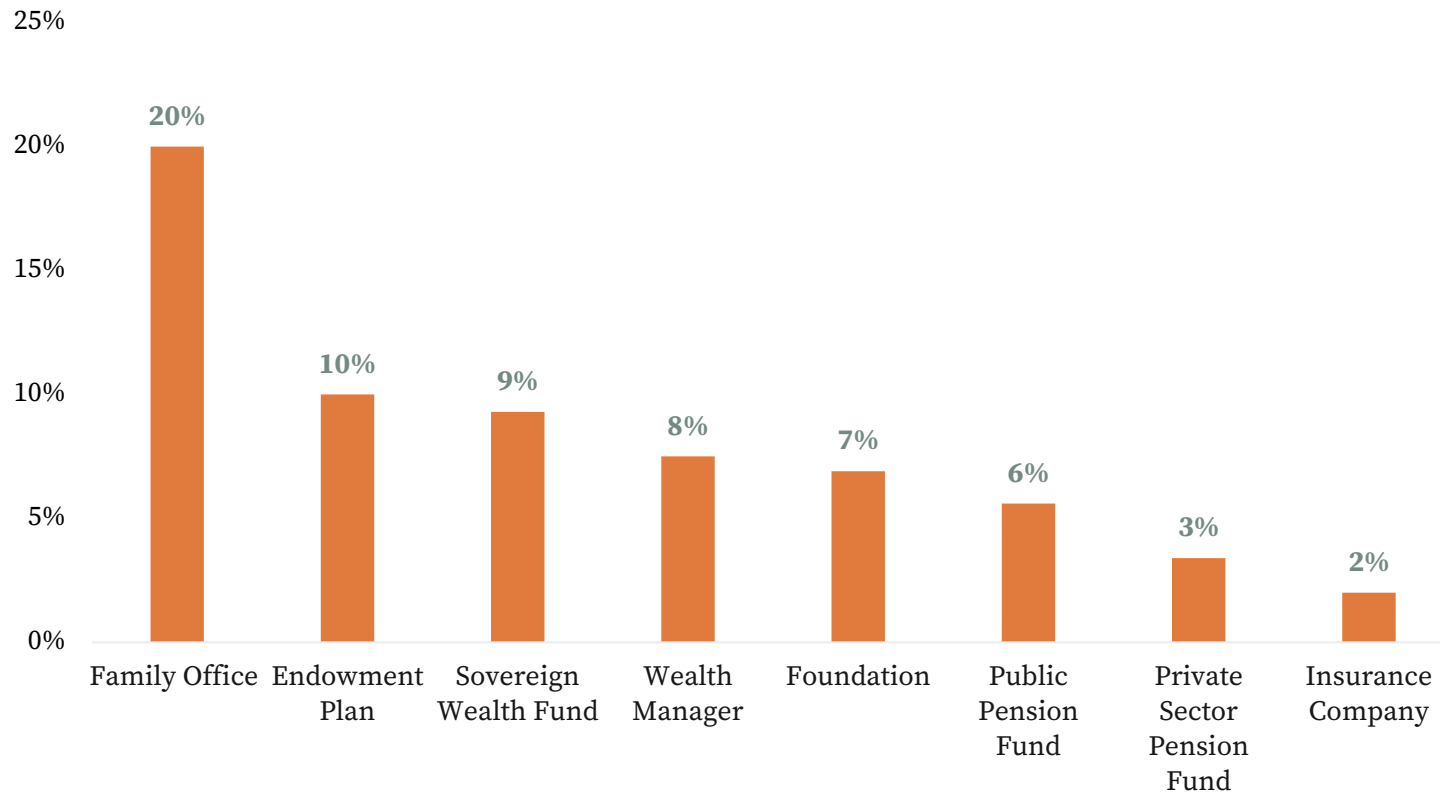
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# Why Private Equity?

# Private Equity

## Who's Investing and Why?

**Current Median Private Equity Allocation by Investor Type**



As illustrated in the chart, a broad range of institutions, including family offices, endowments, foundations, pension plans, and other investors invest in private equity

# Private Equity is Growing

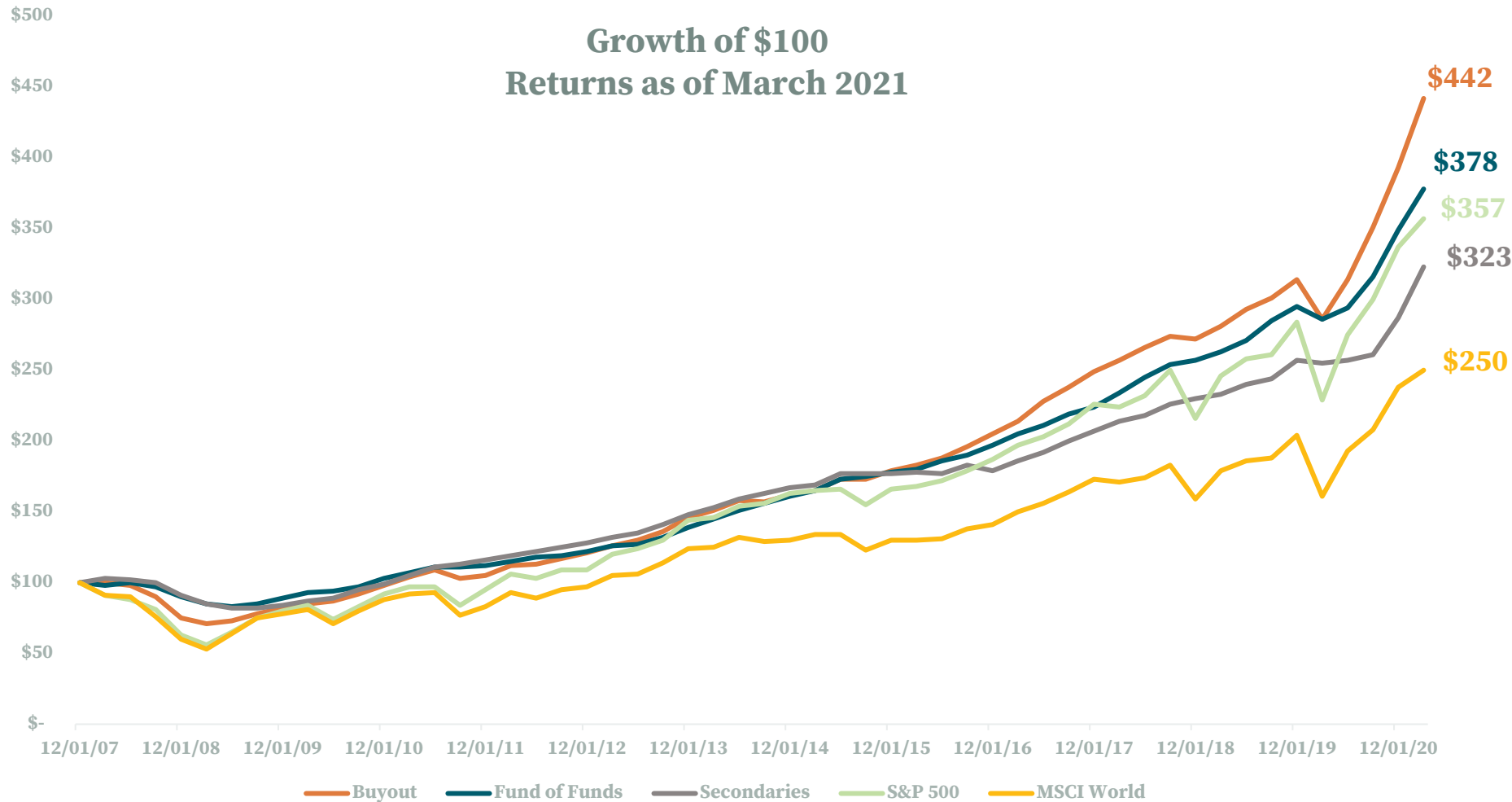
Private Equity is becoming an increasingly large part of the overall economy

Global private equity and venture capital AUM has reached \$4.7 trillion as of June 2020

Compared to **\$576 billion** in 2000

# Private Equity

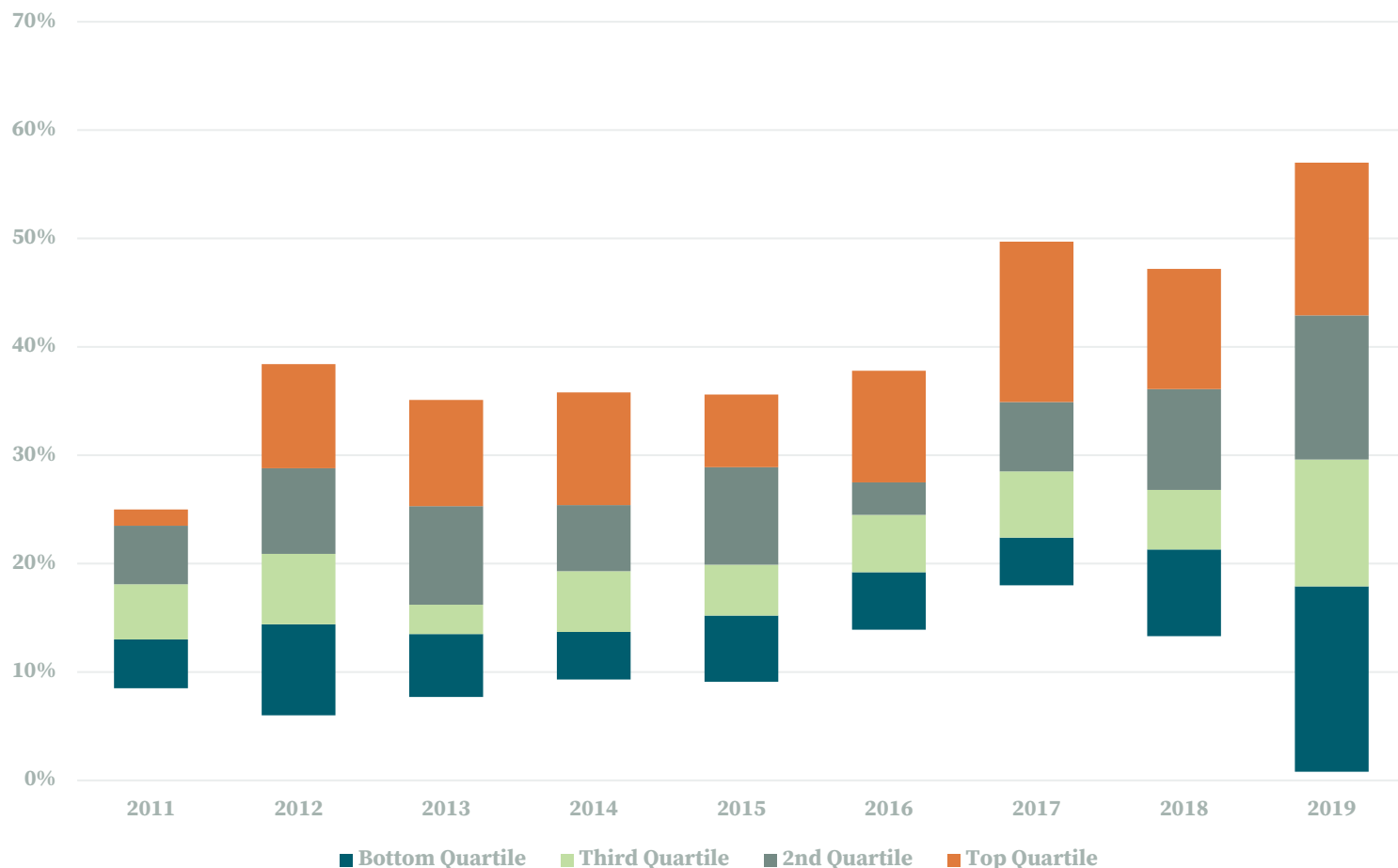
## A potential return enhancer for diversified portfolios



Private equity returns have generally been better than the returns on public equities, driving increased demand and interest among more investors

# The Best Private Equity Managers Tend to Have Excellent Performance Versus Their Peers

## Net IRR by Vintage Year, buyout strategies



Manager selection is **critical**

Top-tier managers have historically **outperformed** their peer groups

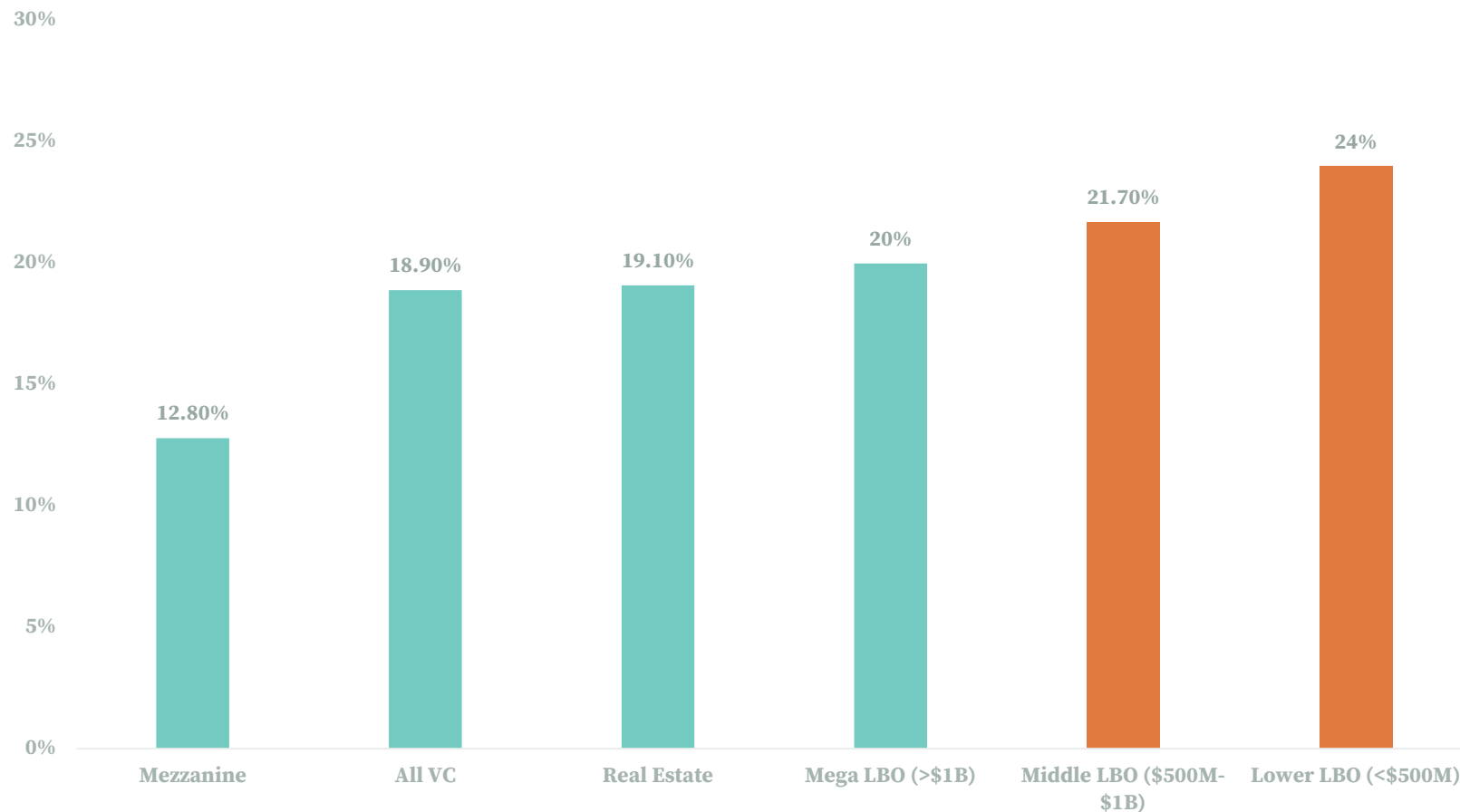
**Goal** is to invest with top-quartile managers

In public equities managers seldom produce consistent long-term outperformance, but in private equity the best managers seem to have **sustainable advantages**

# Lower-middle market buyouts

## Historical outperformance

**Top Quartile North American Returns**  
**Funds Raised 1995-2015**  
**Net IRR as of December 31, 2019**



Source: Preqin Ltd.

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Four large, overlapping geometric shapes in shades of green, yellow, teal, and orange are positioned on the left side of the slide.

# Private Equity Strategies

# Major Private Equity Strategies

Acquire controlling positions in mature businesses that typically have established markets, products and offerings

Leveraged Buyout

Acquire minority interests in startup businesses or ideas with growth potential, typically in the technology, consumer or healthcare sectors

Venture Capital

Acquire interests in growing or mature energy-related businesses, typically oil & gas companies

Private Energy

# Leveraged Buyouts (LBOs)

The leveraged buyout strategy makes up the largest part of the private equity universe

Fund managers take control of established companies utilizing equity and debt

Smaller investors may have better access to the more attractive parts of the leveraged buyout market

# More on Leveraged Buyouts

Leveraged buyouts generally focus on companies that are established but can be improved in some way

Improvements can take many forms – such as transformational change or going public

This can occur across many industry sectors – allowing for diversification

**LBOs can be further defined by fund size and the size of companies they target**

Sub-Sector	Definition
<b>Small Market Buyout</b>	<b>\$0 to \$250 million</b>
<b>Middle Market Buyout</b>	<b>\$250 million to \$1 billion</b>
Large Market Buyout	\$1 billion to \$2 billion
Mega Market Buyout	North of \$2 billion



Our Focus

# Venture Capital

Venture capital funds are typically involved in the early stages of funding for startup companies

They are generally considered riskier than leveraged buyouts and often have a longer investment cycle

We generally do not allocate much to venture capital funds.

# More on Venture Capital

Venture capital is more focused on funding ideas and concepts, compared to leveraged buyouts

Is generally dominated by technology segment of the market

Long time horizon before realization; typically 5-12 years

## Venture Capital Investing can be defined further by company stage

**Seed Stage** – Companies which have not yet fully established commercial operation

**Early Stage** – Companies in product development stage and initial marketing, manufacturing and sales activities

**Later Stage** – Companies in need of additional financing for the expansion of its producing, shipping and sales volume

**Balanced** – Investing across a variety of stages of development

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# Private Equity Structures

# Private Equity Fund Structures

Investing in private equity funds that are making new investments

Primary Fund of Funds

Investing in a private equity funds that acquire interests in existing PE funds in the secondary market

Secondary Fund of Funds

Investing directly in companies, generally alongside one of the private equity funds in a primary fund of fund commitment.

Co-Investments

# Fund of Funds Solutions

FoFs affords access, professional due diligence and management in one fund with lower minimum investments

Funds of funds enable an investor to start with as little as \$250,000 and achieve significant diversification

# Benefits of Funds of Funds

## Turnkey investment solution providing

- **Broad access** to the PE asset class in one vehicle
- **Specialized** research and selection skills/processes
- Better **diversification** through one investment
- **Administrative Efficiency** of portfolio management, reporting, and back office functions over the life of the investment
- **Scale** – Reduces minimum requirements
- Underlying General Partner **preferences/benefits**

# Advantages of a Secondary Fund

Mitigates blind pool risk

Typically, faster  
investment and  
generation of returns

Generally, more  
immediate exposure to  
private equity

Diversification

Four large, overlapping geometric shapes in shades of green, yellow, teal, and orange are positioned on the left side of the slide.

# Private Equity Considerations

# Logistical Considerations

Typically, 3-5 years  
before commitment is  
fully called

Capital calls

Fund valuation growth  
takes time, often  
declines in NAV seen  
in first couple years,  
usually turn positive by  
years 3-5.

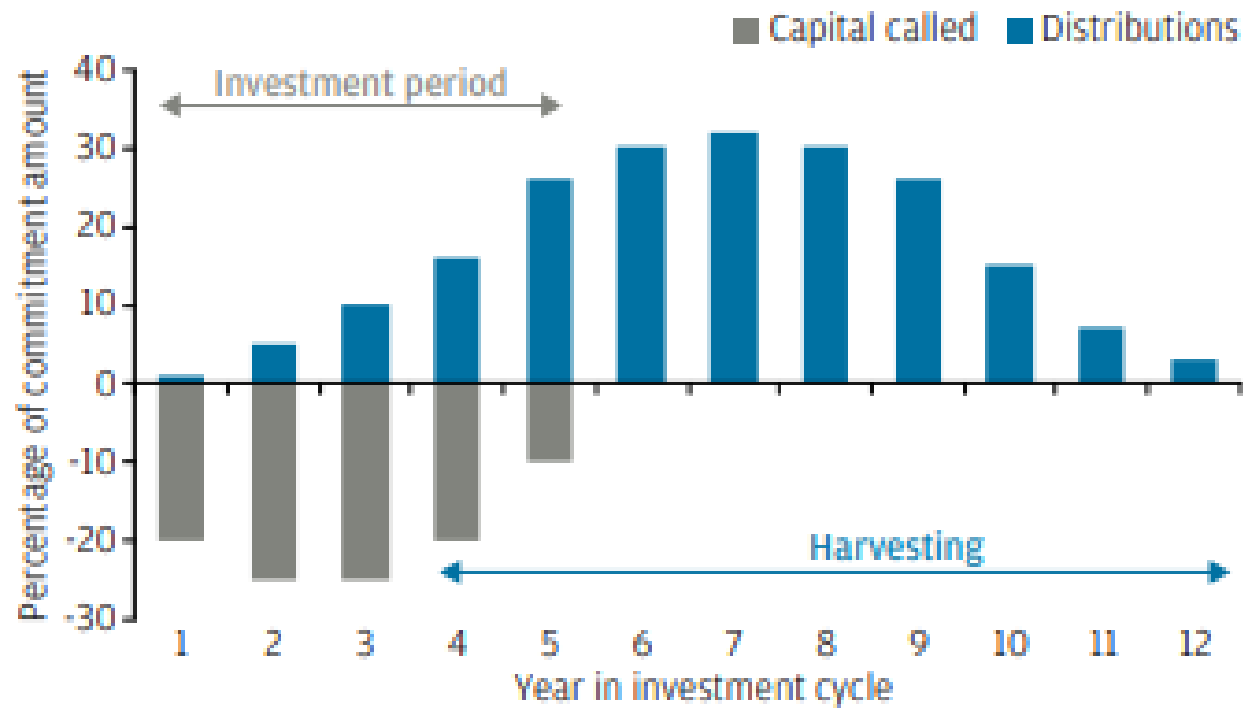
J-Curve

Typical fund will invest  
in various underlying  
companies over a 3-  
year time frame

Vintage year diversification

# Private Equity Program Should Be Implemented Over Time

## Typical Annual Cash Flows of a Single Private Equity Fund



Investment programs are generally built over a 5-7 year period

Performance measurements are generally not meaningful until later in the partnership term

Investments are not liquid. Allocation levels are best managed through the commitment process

New Commitments are necessary to maintain a target allocation of net invested assets

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# Questions?

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This document does not constitute an offering of any fund which can only be made to qualified purchasers. Anyone considering an investment in one of the funds, as listed in this document, will be provided with an offering memorandum, limited partnership agreement, and subscription agreement (the "Fund Documents") by the appropriate fund adviser. Investors should review the Fund Documents, which contain a complete description of the investment program and its risks, in their entirety before investing.

An investment in a private fund is speculative and involves a high degree of risk. A fund is not intended to be a complete investment program. A fund's performance may be volatile and there is no assurance that any fund will achieve its investment objectives. The fees and expenses charged in connection with an investment in the Fund may be higher than those charged in connection with other investments, and in some market conditions, may offset their trading profits. All fund investments involve risk including the loss of principal.

An investment in a fund is suitable only for certain sophisticated investors who have no need for immediate liquidity in their investment. Such an investment provides limited liquidity because interests in a fund are not freely transferable and may be withdrawn only under the limited circumstances set forth in the Fund Documents. Investors in private equity funds will generally need to make contributions over three to five years to satisfy the terms of the agreement.

Investors must be considered "Qualified Purchasers" to be considered for investing in Private Equity. A Qualified Purchaser is one with more than \$5 million in investable assets. There are different Private Equity structures to consider when investing. Each structure has advantages and disadvantages to weigh. Primary and secondary funds of funds typically form the building blocks of a client's private equity program.

Advisors should work with clients to determine the appropriate amount to allocate and commit to private equity. Factors to consider include: the elevated risk and characteristics of the asset class, portfolio size and fund minimums as a percentage of total portfolio value (many funds have \$250,000 minimums, which would set a floor on the allocation resulting in larger accounts possibly being able to have a larger and more diversified allocation), testing proposed allocations to determine impact of adding private equity on expected return and risk of a portfolio.

Except where expressly noted otherwise, the information contained in this presentation has been compiled by Team Hewins utilizing data and information provided by sources that Team Hewins deems reliable. The information has not been audited or independently verified. The standard information contained herein is for general educational purposes only and should not be construed as, or as a substitute for, investment, financial or other professional advice. To the extent you have any questions regarding the applicability of any specific issue discussed in the presentation, you are encouraged to professionally engage Team Hewins' advisors.

## Index Definitions:

**MSCI World:** The MSCI World Index is a broad global equity index that represents large and mid-cap equity performance across all 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country.

**S&P 500:** The S&P 500 measures the performance of large capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks. The weightings make each company's influence on the Index performance directly proportional to that company's market value.



## ASSET ALLOCATION EDUCATION

# San Joaquin Regional Transit District

June 6, 2023



# GOAL

Review and determine the asset allocation of the Pension Plan and the Health (OPEB) Plan

Four factors:

1. Plan's objectives
2. Time horizon
3. Available money to Invest
4. Risk tolerance

# Four Central Duties of Fiduciaries

## Duty of Loyalty

Fiduciaries are to act solely in the interest of plan participants and beneficiaries (both current and future) for the exclusive purpose of:

- Providing benefits for participants and their beneficiaries.
- Defraying reasonable expenses of administering the plan.

## Duty to Diversify

The fiduciary duty “to diversify” means to

*“...diversify the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly not prudent to do so.”*

Source: ERISA Section 404(a)(1)(A)

## Duty of Care

Fiduciaries must act with *“the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of a like enterprise with like aims.”*

(1) Give “appropriate consideration” to facts and circumstances known at that time, including the role of the investment in the total portfolio, and (2) act accordingly.

Prudence requires that a process is followed and documented.

## Duty to Follow Plan Documents

The fiduciary must discharge her/his duties

*“in accordance with the documents and instruments governing the plan insofar as such documents and instruments are consistent with the [other provisions of ERISA].”*

Definition of documents and instruments governing the plan can be quite broad and include investment policies and guidelines, plan documents, committee charters, etc.

# Objectives of the Plan

1. Maintaining the purchasing power of the Plan assets and all future contributions by targeting a rate of return greater than the rate of inflation.
2. To maintain a fully funded status with regard to the Accumulated Benefit Obligation and 90% of the Projected Benefit Obligation.
3. To have the ability to pay all benefit and expense obligations when due.
4. To maintain a “funding cushion” for unexpected developments and for possible future increases in benefit structure and expense levels.
5. To maintain flexibility in determining the future level of contributions.
6. To maximize return within reasonable and prudent levels of risk in order to minimize contributions.
7. To control costs of administering the plan and managing investments.

# Time Horizon & Money to Invest

## Time Horizon

- Is there an end date or does the plan exist in perpetuity?

## Available Money to Invest

- ~\$58.5M (Pension & OPEB)

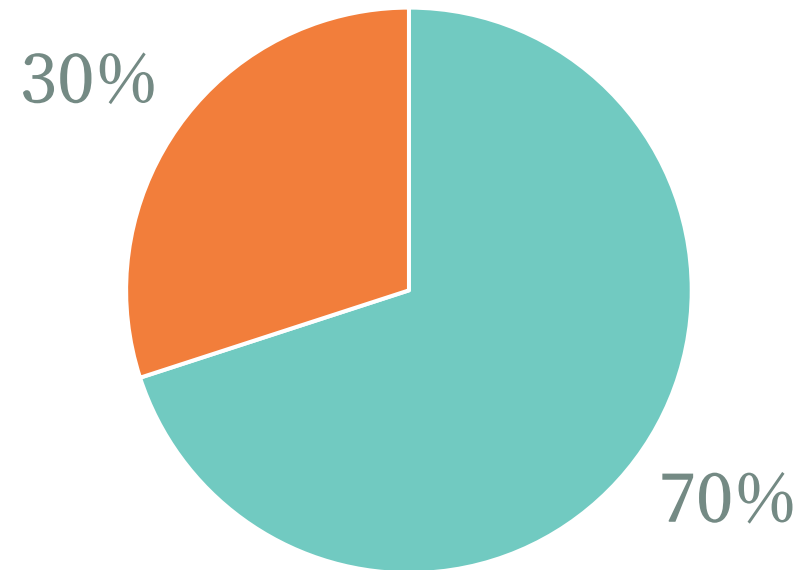
# SJRTD's Current Asset Allocations

Pension Plan



■ Stocks ■ Bonds

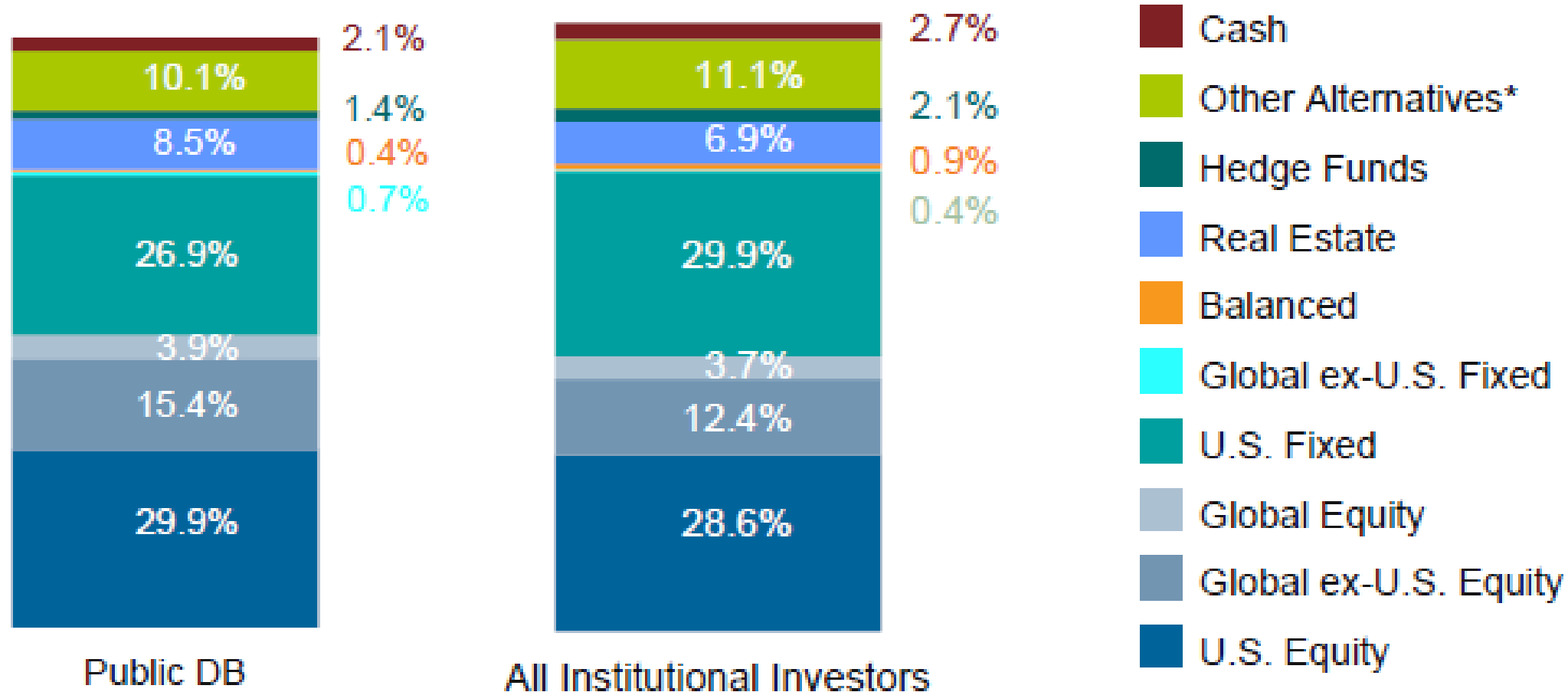
Health (OPEB) Plan



■ Stocks ■ Bonds

# Average Asset Allocation of Other Plans

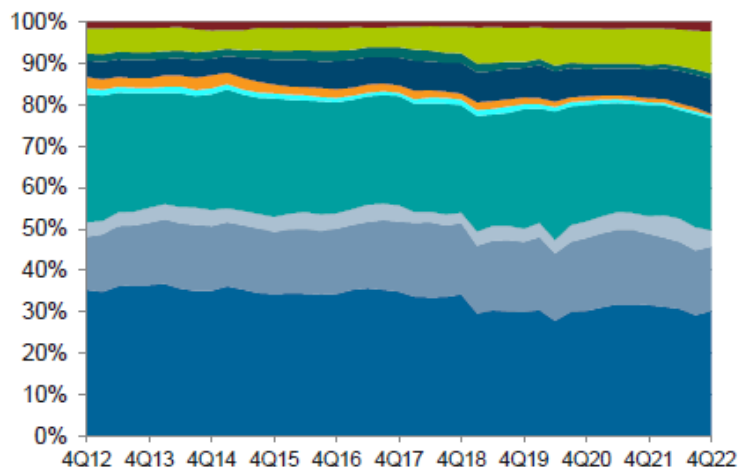
Callan Database Groups, As of 12/31/22



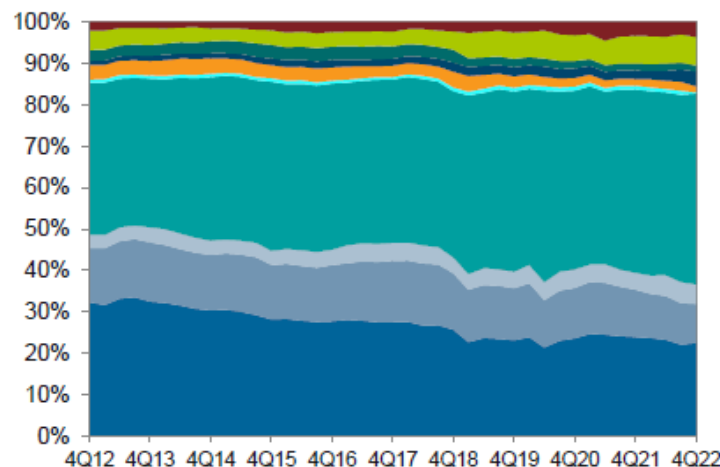
# Does Asset Allocation Change Often?

Callan Database Groups, Trends Over Last 10 Years

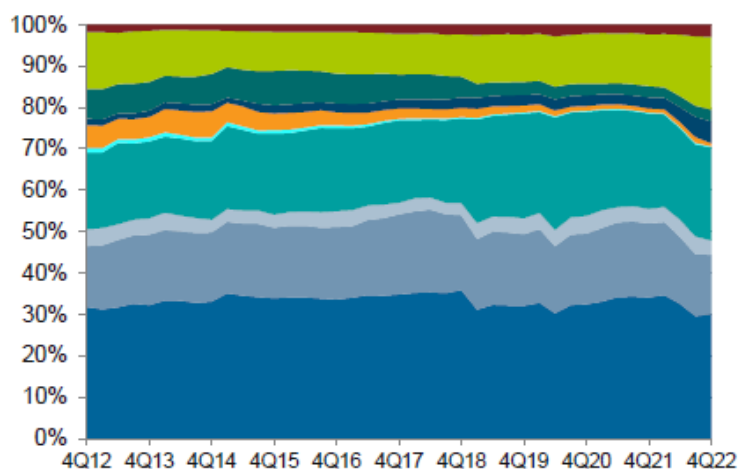
Public DB



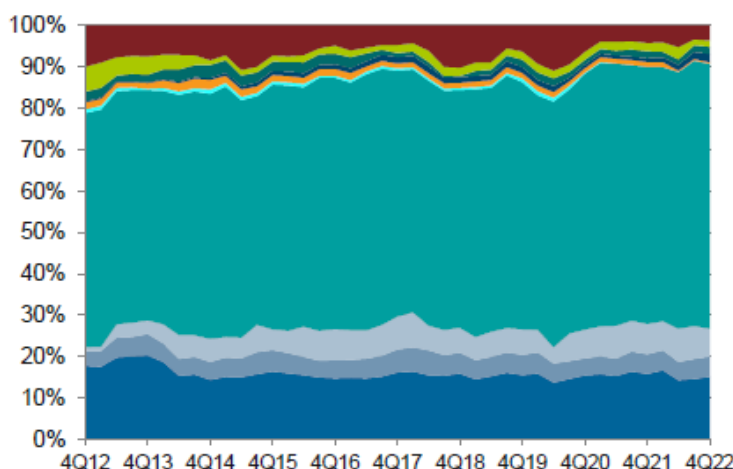
Corporate DB



Nonprofits



Insurance Assets



# Forward Looking Returns & Historical Returns

	50/50	60/40	70/30	80/20
2022 Capital Mkt Expectations	5.0%	5.4%	5.8%	6.2%
2023 Capital Mkt Expectations	6.6%	6.9%	7.1%	7.3%
Low Case Return (2% chance)	-14.3%	-16.8%	-19.5%	-22.2%
Year 2008 (Target Return)	-22.85%	-24.71%	-29.39%	-33.77%
5-year (01/01/2018 - 12/31/2022)	3.02%	3.47%	3.89%	4.28%
10-year (01/01/2013 - 12/31/2022)	5.10%	5.74%	6.48%	7.05%
15-year (01/01/2008 - 12/31/2022)	4.87%	5.01%	5.20%	5.41%
20-year (01/01/2003 - 12/31/2022)	6.70%	6.93%	7.49%	7.98%

Four large, overlapping geometric shapes in shades of green, yellow, teal, and orange are positioned on the left side of the slide.

# Determine Asset Allocation



**LEAD STAFF: CHRISTOPHER WADDELL  
RTD RETIREMENT BOARD LEGAL COUNSEL**

**REPORTS: ICE MILLER PLAN DOCUMENT AND FEDERAL LAW  
COMPLIANCE REPORTS**

**I. SUMMARY**

- The Ice Miller law firm reviewed the Retirement Plan to ensure the Plan continues to be compliant with the Internal Revenue Code.
- On March 29, 2023, Ice Miller provided RTD with two reports, one of which is attached.
- Ice Miller concluded that the Retirement Plan complies with the Internal Revenue Code requirements.

**II. DISCUSSION/BACKGROUND**

At the Retirement Board's direction, the Ice Miller law firm was engaged in February of this year to review the Retirement Plan, as amended after the favorable "Tax Determination Letter" received from the Internal Revenue Service on November 15, 2012, which had previously confirmed the Plan's tax-exempt status. The purpose of the review was to ensure that with the subsequent amendments and changes in federal tax law, the Plan continues to be compliant with the Internal Revenue Code.

On March 29, 2023, Ice Miller provided SJRTD with two reports. The first, entitled "2023 Comply Now Plan Document Compliance Report for the San Joaquin Regional Transit District Retirement Plan," is attached. The second, entitled "2023 Comply Now Federal Law Compliance Report for the San Joaquin Regional Transit District Retirement Plan," covers the same ground as the first report and is not attached, although a copy can be provided to any Retirement Board member upon their request.

Ice Millers' conclusion is that, as subsequently amended, the Retirement Plan currently remains in compliance with the requirements of the Internal Revenue Code. Ice Miller did note that a plan amendment would be required to be made no later than June 30, 2028, to reflect increases in the required minimum distribution age from 70 ½ to 73 (for individuals who attain age 72 after 2022) and 75 (for individuals who attain age 74 after 2032). In addition, Ice Miller recommends that through either a Plan amendment or policy/procedure, a

statement is provided concerning whether the Plan accepts rollover contributions for any purpose. Although Ice Miller notes that this is not a Plan document qualification requirement, given that the Retirement Plan has not in the past accepted rollover contributions, it would be relatively simple to add a statement that rollover contributions are not accepted to the Plan Bylaws.

We look forward to discussing Ice Miller's report and any questions from Retirement Board members.

### **III. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This recommendation aligns with the Board's Strategic Priority 4.  
Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

### **IV. FINANCIAL CONSIDERATIONS/IMPACT**

TBD

### **V. CHANGES FROM COMMITTEE**

N/A

### **VI. ALTERNATIVES CONSIDERED**

None.

### **VII. ATTACHMENTS**

**Attachment A:** 2023 Comply Now Plan Document Compliance Report

Prepared by: Christopher Waddell, RTD Retirement Board Legal Counsel



Attachment A  
Cover Page

March 29, 2023

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**Via Electronic Mail**

San Joaquin Regional Transit District  
c/o Alex Clifford  
Chief Executive Officer  
421 East Weber Ave., 2<sup>nd</sup> Floor  
Stockton, CA 95201

***RE: 2023 Comply Now Plan Document Compliance Report for the San Joaquin  
Regional Transit District Retirement Plan***

Dear Alex,

This 2023 Comply Now Plan Document Report ("Report") reviews the San Joaquin Regional Transit District ("SJRTD") Retirement Plan ("Plan") to determine whether the Plan has been timely amended for all relevant changes required by the Internal Revenue Code ("Code") since the date of the Plan's last Internal Revenue Service ("IRS") favorable determination letter and to provide a written report to the Retirement Board ("Board") regarding the plan document's compliance. The IRS issued a favorable determination letter regarding the Plan's status as a qualified plan under Code § 401(a) on November 15, 2012.

As we have updated, effective January 1, 2017, the IRS eliminated the staggered five-year remedial amendment cycle system for individually designed qualified retirement plans. *See Rev. Proc. 2016-37.* As of that date, the IRS no longer accepts applications for determination letters based on the five-year remedial amendment cycle system. In general, the IRS' current determination letter program provides that a plan sponsor which maintains a qualified plan which has been issued a favorable determination letter may continue to rely on the determination letter with respect to any plan provision, until such time that the plan provision is subsequently amended or affected by a change in law.

As a part of this Report, we disclose that we have served as employee benefits counsel for the Plan since 2010 and during that period, have drafted or advised in the drafting of certain Plan documents and/or amendments. (We would note, however, that we are not directly involved with the drafting of SJRTD state and local law provisions and have not been involved in the drafting or

adoption of any plan amendments since the issuance of the Plan's November 15, 2012 determination letter.)

The review contained in this Report is a document review. We were not asked to, and did not, perform any review of how the Plan complies in operation with the requirements for a qualified retirement plan, including how the Plan administers its terms. As we know you are aware, failure to follow IRS requirements and/or the terms of the Plan in operation could adversely impact the qualified status of the Plan.

## **I. DOCUMENTS REVIEWED**

We reviewed the following documents in preparing this Report:

1. November 15, 2012 IRS Determination Letter for the Plan	Considered the plan documents and the applicable statutes in effect through the restatement of the Plan effective June 13, 2013, which was required as a condition of the Determination Letter
2. San Joaquin Regional Transit District Retirement Plan, restated effective January 1, 2017.	Amendments regarding eligibility, contribution, benefit, and retiree health benefit provisions; Retirement Board duty; miscellaneous Plan provisions
3. First Amendment to the SJRTD Retirement Plan, executed February 9, 2021	Amendments regarding compensation, retirement age, and retirement payment options
4. Second Amendment to the SJRTD Retirement Plan, dated on or around January 20, 2023	Amendment regarding alternate Board members

## **II. IRS GUIDANCE CONSIDERED**

This Report reviews the documents outlined in Section I, taking into account the following IRS guidance:

- IRS Notice 2022-62, 2022 Required Amendments List;
- IRS Notices 2022-45 and 2022-33, Notices Regarding Federal Legislation;
- IRS Notice 2021-64, 2021 Required Amendments List;
- IRS Notice 2020-83, 2020 Required Amendments List;
- IRS Notice 2019-64, 2019 Required Amendments List;
- IRS Notice 2018-91, 2018 Required Amendments List;
- IRS Notice 2017-72, 2017 Required Amendments List;
- IRS Notice 2016-80, 2016 Required Amendments List;

- IRS Notice 2015-84; 2015 Required Amendments List; and
- Operational Compliance Lists for 2016-2022, last updated by the IRS in February 2023.

We also have considered major federal legislation passed since 2013 that includes provisions affecting defined benefit governmental retirement plans:

- the Protecting Americans from Tax Hikes Act (“PATH Act”), enacted on December 18, 2015;
- the Setting Every Community Up for Retirement Enhancement (“SECURE”) Act, part of the Further Consolidated Appropriations Act, 2020 (“Appropriations Act”);
- the Bipartisan American Miner’s Act of 2019 (“Miner’s Act”), also enacted under the Appropriations Act;
- the Coronavirus Aid, Relief and Economic Security Act of 2020 (“CARES Act”); and
- the “SECURE 2.0 Act of 2022,” part of the Consolidated Appropriations Act, 2023.

Conclusions are shown in **bold red** throughout this Report.

### **III. REQUIRED AMENDMENTS LISTS**

#### **A. Background**

In compliance with the IRS’s intention to annually publish a “required amendments list” that generally applies to changes in qualification requirements, as provided in Rev. Proc. 2016-37, the IRS has published Required Amendments Lists (“RA List”) for changes in qualification requirements that first became effective during the 2016-2022 calendar years. The RA List is an annual list of statutory and administrative changes in retirement plan qualification requirements. A change generally will not be included on the RA List until guidance with respect to that change has been provided in regulations or other IRS guidance. However, a change in qualification may be included on the RA List if the Treasury Department or IRS does not anticipate that any guidance will be issued with respect to that change.

The RA List also establishes an amendment deadline for individually designed plans:

2016	Notice 2016-80	December 31, 2018
2017	Notice 2017-72	December 31, 2019
2018	Notice 2018-91	December 31, 2020
2019	Notice 2019-64	December 31, 2021
2020	Notice 2020-83	December 31, 2022
2021	Notice 2021-64	December 31, 2023
2022	Notice 2022-62	December 31, 2024

However, the amendment deadline for governmental plans is extended to the later of: (i) the last day of the second calendar year that begins after the issuance of the RA List or (ii) 90 days

after the close of the third regular legislative session of the legislative body with authority to amend the plan that begins on or after the date of issuance of the RA List. Rev. Proc. 2022-40 § 5.03(2)(c).

## **B. Review and Conclusions**

RA Lists are divided into Parts A and B. Part A covers the qualification requirement changes generally requiring an amendment to most plans or to most plans of the type affected by the change. Part B covers other qualification requirement changes for which an amendment may be required.

Importantly, the RA List does not include:

- Guidance issued or legislation enacted after the list has been prepared;
- Statutory changes in requirements for which the Treasury Department and the IRS expect to issue guidance that would be included on an RA List issued in a future year;<sup>1</sup>
- Changes in requirements that permit (but do not require) optional plan provisions, in contrast to changes in requirements that cause existing plan provisions (which may include optional plan provisions previously adopted) to become disqualifying provisions;<sup>2</sup> or
- Changes in the tax laws affecting qualified individually designed plans that do not change the requirements (*e.g.*, such as changes to the tax treatment of plan distributions).

*See* Notice 2022-62, Part III.

**The table below indicates whether there are any items on the RA Lists applicable to governmental, collectively bargained, qualified defined benefit retirement plans:**

<b>RA List</b>	<b>Part A Items Applicable to Governmental Plans</b>	<b>Part B Items Applicable to Governmental Plans</b>	<b>Ice Miller Conclusion</b>
<b>2016</b>	n/a	n/a	<b>No Plan amendments are required under the 2016 RA List</b>

<sup>1</sup> For example, certain provisions of the SECURE Act are already effective, but have not been included on an RA List. The IRS anticipates guidance will be issued and such guidance will appear on a future RA List. *See* Notices 2022-33 and 2022-62.

<sup>2</sup> The remedial amendment period and plan amendment deadline for discretionary changes to the terms of an individually designed qualified plan are governed by sections 5.03(1)(b), 5.03(2)(b), and 6.02 of Rev. Proc. 2022-40. These deadlines for discretionary changes are not affected by the inclusion of a change in requirements on an RA List.

<b>2017</b>	n/a	n/a	<b>No Plan amendments are required under the 2017 RA List</b>
<b>2018</b>	n/a	n/a	<b>No Plan amendments are required under the 2018 RA List</b>
<b>2019</b>	n/a	n/a	<b>No Plan amendments are required under the 2019 RA List</b>
<b>2020</b>	n/a	n/a	<b>No Plan amendments are required under the 2020 RA List</b>
<b>2021</b>	n/a	n/a	<b>No Plan amendments are required under the 2021 RA List</b>
<b>2022</b>	n/a	n/a	<b>No Plan amendments are required under the 2022 RA List</b>

The RA Lists state that the annual, monthly, or other periodic changes listed below, even though not directly referenced on the RA List, are incorporated under the RA List for the year that such change is effective. Accordingly, we reviewed the applicable provisions of the Plan to confirm that the Plan's terms do not need to be amended to reflect these additional changes.

1. Dollar limits adjusted for cost-of-living increases provided under Code § 415(d) - The Plan document provides that the Code § 415 dollar limit for compensation is adjusted for cost of living increases in accordance with Code § 415(d). Plan § 23(C) and (F)
2. Spot segment rates used in determining the applicable interest rate under Code § 417(e) - The language in the Plan document provides that the Plan will use the applicable interest rate under Code § 417(e)(3). Plan § 23(F)(5)
3. Applicable mortality tables under Code § 417(e) - The language in the Plan document provides that the Plan will use the applicable interest rate under Code § 417(e). Plan § 23(D), (F)(5), and (F)(6)

**CONCLUSION: Based on the items in the 2016-2022 RA Lists, there have been no changes to the qualification requirements that require an amendment to the Plan.**

#### **IV. IRS CUMULATIVE LIST OF CHANGES**

##### **A. Background**

The annual Cumulative List of Changes in Retirement Plan Qualification Requirements (“Cumulative List”) was intended to identify all changes in qualification requirements due to changes in statutes, regulations, or other IRS guidance that are required to be considered in the written plan document. Rev. Proc. 2007-44. Due to the elimination of the remedial amendment cycle for individually-designed plans, the IRS will no longer publish the Cumulative Lists for individually-designed plans. Importantly, IRS review of determination letter requests for individually designed plans will be based on the Cumulative Lists issued prior to 2016.

The 2015 Cumulative List contains the plan qualification requirements from the 2011, 2012, 2013 and 2014 Cumulative Lists, as well as new requirements issued or enacted on or before October 1, 2015. As noted above, the Plans’ determination letter considered the Plan as restated in 2013. Accordingly, this Report reviews whether the Plan is in document compliance with the relevant provisions in the 2015 Cumulative List applicable to defined benefit governmental plans. The Plan’s remedial amendment period for any disqualifying provisions set forth in the Cumulative Lists was December 31, 2017 and is now expired.<sup>3</sup>

##### **B. Review and Conclusions**

We have noted under each item below the first time that the provision was included in the Cumulative Lists (“CL”) and if the Plan document complies with each provision.

1. *United States v. Windsor*; Rev. Rul. 2013-17; Notice 2014-19: The term “spouse” includes a spouse in a same-sex marriage validly entered into in an authorizing state. (2013 and 2014 CL).

**CONCLUSION: The Plan’s definition of “spouse” is not inconsistent with this qualification requirement and, therefore, no amendment is needed. Under the terms of the Plan, where “spouse” is used, it also means a “qualified domestic partner,” which is the legally registered domestic partner of the member. Plan § 1(M).**

**Generally, the Plan should be aware that domestic partners are not spouses for purposes of Federal law and, therefore, are not entitled to the same Federal law protections/benefits and tax treatment. Importantly, nonspouse beneficiaries, including registered domestic partners, are only able to do a direct rollover to an inherited IRA while spousal beneficiaries have all the same rollover rights and options as a member. The current version of the IRS’ rollover chart is attached as Appendix A. (Federal Law Compliance Grid #27)**

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<sup>3</sup> A “disqualifying provision” includes a provision of a new plan, the absence of a provision from a new plan, or an amendment to an existing plan that causes the plan to fail to satisfy the requirements of the Code applicable to the qualification of the plan as of the date the plan or amendment is first made effective.

2. 401(a) – Valid Rollover Contribution: Rev. Rul. 2014-9 provides procedures a plan administrator may use in order to reasonably conclude that an amount is a valid rollover contribution. (2014 CL). The IRS provided illustrations of when a receiving plan’s administrator can “reasonably conclude” a rollover contribution is valid, rather than providing fixed requirements for all contexts. The administrator of a plan that receives a rollover contribution must have some basis for “reasonably concluding” that the rollover contribution is valid, but the administrator need not have proof that the rollover contribution is valid.

**CONCLUSION: The Plan does not specifically address accepting rollover contributions. For governmental defined benefit plans, rollover contributions are often involved in the purchase of service credit or repayment of contributions. Although it is not a plan document qualification requirement, we recommend that either the Plan document or a Plan policy/procedure state whether the Plan accepts rollover contributions for any purposes and, if so, set forth the Plan’s process for reasonably concluding that the rollover contribution is valid. (Federal Law Compliance Grid #9)**

3. 402(a) – Medical, Accident Benefits Paid from a Qualified Plan: Final regulations clarifying the rules regarding the tax treatment of payments by qualified retirement plans for accident or health insurance were published on May 12, 2014 (79 Fed. Reg. 26838). (2014 CL).

**CONCLUSION: The final regulations clarified that payments from a qualified plan for health, accident, or long-term care insurance premiums are taxable income in the year of payment. Exclusions apply for (A) medical benefits for retired employees provided through a 401(h) account and (B) distributions to “eligible retired public safety officers.” See Treas. Reg. § 1.402(a)-1(e)(2); Code § 402(l)(4)(C); Notice 2007-7. Payments for accident or health benefits or coverage from the Plan’s 401(h) account are not included in the retiree’s gross income and do not need to be reported on Form 1099-R. No amendment to the Plan is required to comply with this qualification requirement. (Federal Law Compliance Grid #12)**

4. 402(c)(2) – Allocating Pre-Tax and After-Tax Amounts Among Disbursements that are Made to Multiple Destinations: Notice 2014-54 provides rules for allocating pre-tax and after-tax amounts among disbursements that are made to multiple destinations from a qualified plan described in Code § 401(a). (2014 CL).

**CONCLUSION: Plan provisions do not typically address these rules and, therefore, no amendment is needed for this item. IRS Notice 2020-62 modified Notice 2014-54 and provides the most recent model language for the 402(f) special tax notice. (Federal Law Compliance Grid #14)**

**CONCLUSION: The Plan terms do not conflict with any of the items from the 2015 Cumulative List.**

## **V. IRS OPERATIONAL COMPLIANCE LIST**

### **A. Background**

The IRS Operational Compliance List (“OC List”) is provided under Rev. Proc. 2022-40, § 8, to help plan sponsors achieve operational compliance. The OC List identifies matters that may involve plan amendments or guidance that affects daily plan operations. The IRS updates the OC List periodically, and in 2020, began indicating the month that new items were added. Also, in 2020, the IRS stopped updating listings for prior years except to the extent new legislation or IRS guidance is retroactively effective. The OC List is not intended to be an exhaustive list of all IRS legislation or guidance issued for a year and items will typically appear after they have become effective. To be qualified, however, a plan must comply operationally with each relevant qualification requirement from the effective date of the change, even if the most recently issued OC List does not include the requirement.

The OC List is available online only and includes items first effective in 2016 through the IRS’s last update in February 2023. See [www.irs.gov/retirement-plans/operational-compliance-list](https://www.irs.gov/retirement-plans/operational-compliance-list) (last visited March 10, 2023). This Report reviews whether the Plan document complies with the items on the OC Lists that are relevant to governmental defined benefit plans.

### **B. Review and Conclusions**

#### ***Effective in 2016***

1. Proposed regulations regarding normal retirement age for governmental pension plans (REG-147310-12). The proposed regulations provide safe harbors and other rules regarding normal retirement age for governmental plans.<sup>4</sup>

**CONCLUSION: The Plan’s normal retirement age is 62. Plan § 7(A). The proposed regulations for governmental plans have not been finalized. As a governmental plan that does not provide for in-service distributions, the Plan is not required to comply with the proposed rules, including the normal retirement age safe harbors. However, a governmental plan satisfies this safe harbor if the normal retirement age under the plan is age 62. (Federal Law Compliance Grid #3, #10)**

#### ***Effective in 2017***

2. Relief for 2016 Disaster Areas (Tax Cuts and Jobs Act of 2017 § 11028). Plans may offer participants affected by 2016 disasters “qualified 2016 disaster distributions,” subject to special tax treatment and recontribution options. Any qualified 2016 disaster distributions under this legislation must have been made on or after January 1, 2016, and

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<sup>4</sup> Prop Reg § 1.401(a)-1(b)(2)(v). The proposed regulations for governmental plans are effective for employees hired during plan years beginning on or after the later of: January 1, 2017; or the close of the first regular legislative session of the legislative body with the authority to amend the plan that begins on or after the date that is 3 months after the final regulations are published in the Federal Register. However, a governmental plan sponsor may elect to apply the rules to earlier periods.

before January 1, 2018. If the plan made such distributions, any necessary retroactive amendments must be adopted on or before the last day of the first plan year beginning on or after January 1, 2020.

3. Relief for plans that make loans and hardship distributions to victims of Hurricanes Harvey, Irma, and Maria and of the California wildfires (Announcement 2017-11, Announcement 2017-13, Announcement 2017-15). These announcements provide relief from certain requirements for loans and hardship distributions to victims of Hurricanes Harvey, Irma, and Maria, and to victims of the California wildfires, if certain conditions are met. To make a loan or hardship distribution pursuant to the relief provided in these announcements, a plan that does not provide for them must be amended to provide for loans or hardship distributions no later than the end of the first plan year beginning after December 31, 2017, and other conditions must be met.

**CONCLUSION: Based on the items in the 2017 Operational List, and assuming the Plan did not make any distributions related to disaster relief, there are no changes to the qualification requirements that require an amendment to the Plan. (Federal Law Compliance Grid #10)**

*Effective in 2018*

4. Relief for California Wildfires (Bipartisan Budget Act of 2018 § 20102). A plan may offer participants affected by the California wildfires (a) new distribution options for “qualified wildfire distributions,” which are provided special tax treatment and recontribution options, and (b) plan loans of up to \$100,000, subject to special repayment rules. To take advantage of the options provided under this legislation, the loans or distributions must be made within a specified time frame ending December 31, 2018. If the plan makes such loans or distributions, any necessary retroactive amendments must be adopted on or before the last day of the first plan year beginning on or after January 1, 2021.

**CONCLUSION: Based on the items in the 2018 Operational List, and assuming the Plan did not make any distributions related to disaster relief, there are no changes to the qualification requirements that require an amendment to the Plan. (Federal Law Compliance Grid #10)**

*Effective in 2019*

**CONCLUSION: Based on the items in the 2019 Operational List, there are no changes to the qualification requirements that require an amendment to the Plan.**

*Effective in 2020*

5. Penalty-free withdrawals from retirement plans for individuals in case of birth or adoption (SECURE Act § 113 and Notice 2020-68). This section of the SECURE Act provides that the 10% additional tax on early distributions from certain retirement plans

does not apply to qualified birth or adoption distributions. Such funds may be recontributed to an eligible retirement plan.<sup>5</sup>

**CONCLUSION: This item generally is not applicable to the Plan because, as a defined benefit plan, the Plan does not permit in-service withdrawals. However, a member who is otherwise entitled to a distribution from the Plan may be able to claim the exemption from the 10% early distribution penalty if they meet the applicable requirements under Code § 72(t). (Federal Law Compliance Grid #10)**

6. Increase in age for required beginning date for mandatory distributions (SECURE Act § 114). This section of the SECURE Act modifies Code § 401(a)(9) to increase the age on which the determination of required minimum distributions is based from age 70½ to age 72. The change applies to distributions required to be made after December 31, 2019, with respect to individuals who attain age 70½ after that date.

**CONCLUSION: This item applies to the Plan. See SECURE Act discussion, below, for further detail. (Federal Law Compliance Grid #4)**

7. Reduction to minimum age for allowable in-service distributions (Miner's Act § 104 and Notice 2020-68). The minimum age for allowable in-service distributions under Code § 401(a)(36) is lowered from 62 to 59½. The amendments made by this provision apply to plan years beginning after December 31, 2019.

**CONCLUSION: This item is an optional provision. The Plan does not provide for in-service distributions. The Plan's normal retirement age is age 62. Plan § 7(A). See discussion of Miner's Act, below, for further detail. (Federal Law Compliance Grid #10)**

8. Relief for certain major disasters (Taxpayer Certainty and Disaster Tax Relief Act of 2019 § 202). This provision provides that a plan may offer participants affected by major disasters declared during the period beginning on January 1, 2018, and ending February 18, 2020, (a) new distribution options for "qualified disaster distributions," which are provided special tax treatment and recontribution options, and (b) plan loans of up to \$100,000, subject to special repayment rules. To take advantage of the options provided under this legislation, the distributions must be made within the period beginning on the first day of an incident period for a qualified disaster and ending June 16, 2020, and the loans must be made within the period beginning December 20, 2019, and ending June 16, 2020. If the plan makes such distributions or loans, any necessary retroactive amendments implementing the special rules must be adopted on or before the last day of the first plan year beginning on or after January 1, 2022, and, for an amendment with a retroactive effective date, the plan must be operated as if the amendment were in effect.

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<sup>5</sup> SECURE 2.0 limits the repayment period to three years from the date the distribution is received.

**CONCLUSION: Assuming the Plan did not make any distributions related to disaster relief, this change to the qualification requirements does not require an amendment to the Plan. (Federal Law Compliance Grid #10)**

9. Special rules for coronavirus related distributions (CARES Act § 2202 and COVID-related Tax Relief Act of 2020 § 280 and Notice 2020-50). This section provides that, for certain individuals affected by the coronavirus, a plan may provide for: (a) “coronavirus-related distributions” during the period beginning January 1, 2020, and ending December 30, 2020, which are provided favorable tax treatment and recontribution options; (b) plan loans of up to \$100,000, for loans made during the period beginning March 27, 2020, and ending September 22, 2020; and (c) a suspension of repayments on existing plan loans due during the period beginning March 27, 2020, and ending December 31, 2020. If a plan implements these special rules, any necessary retroactive amendments must be adopted on or before the last day of the first plan year beginning on or after January 1, 2024, and, for an amendment with a retroactive effective date, the plan must be operated as if the amendment were in effect.

**CONCLUSION: These items generally do not apply to defined benefit plans. See discussion of CARES Act, below, for further detail. (Federal Law Compliance Grid #10)**

10. Special disaster-related rules for use of retirement funds (Taxpayer Certainty and Disaster Tax Relief Act of 2020 § 302). This section provides that a plan may offer participants affected by major disasters declared during the period beginning January 1, 2020, and ending February 25, 2021, (a) new distribution options for “qualified disaster distributions,” which are provided special tax treatment and recontribution options; (b) suspensions of plan loan repayments; and (c) new loans with higher maximum dollar limits. To take advantage of the options provided under this legislation, the distributions must be made within the period beginning the first day of an incident period for a qualified disaster and ending June 24, 2021, and the new loans must be made within the period beginning December 27, 2020, and ending June 24, 2021. Plans may also allow repayment of withdrawals made for the purchase or construction of a principal home that was not purchased or constructed because of a disaster. These options do not apply to disasters declared only by reason of COVID-19. If the plan makes such distributions or loans, any necessary retroactive amendments implementing the special rules must be adopted on or before the last day of the first plan year beginning on or after January 1, 2024, and, for an amendment with a retroactive effective date, the plan must be operated as if the amendment were in effect.

**CONCLUSION: Assuming the Plan did not make any distributions related to disaster relief, this change to the qualification requirements does not require an amendment to the Plan. (Federal Law Compliance Grid #10)**

*Effective in 2021*

**CONCLUSION: Based on the items in the 2021 Operational List, there are no changes to the qualification requirements that require an amendment to the Plan.**

*Effective in 2022*

11. Final Regulations Relating to Updated Life Expectancy and Distribution Period Tables Used for Purposes of Determining RMDs (85 Fed. Reg. 72472). These regulations provide guidance relating to the life expectancy and distribution period tables that are used to calculate required minimum distributions from qualified retirement plans. The final regulations apply to distribution calendar years (as defined in Treas. Reg. § 1.401(a)(9)-5, Q&A-1(b)), beginning on or after January 1, 2022.

**CONCLUSION: No amendment to the Plan is required but the Plan should ensure it using the correct tables.**

12. Proposed Regulations Relating to RMDs (87 Fed. Reg. 15907). The proposed regulations under Code § 401(a)(9) provide guidance related to the increased RMD age and the ability of designated beneficiaries to take distributions over their life expectancies. In addition, the proposed regulations seek to clarify certain issues related to trusts named as beneficiaries and determining when a beneficiary is identifiable for purposes of Code § 401(a)(9).

13. Guidance Relating to Certain Required Minimum Distributions (“RMD”) for 2021 and 2022 (Notice 2022-53). This notice announces that final regulations relating to RMDs will not apply earlier than January 1, 2023. In addition, the notice provides guidance relating to certain specified RMDs that would have been due in 2021 and 2022 under the interpretation in proposed regulations. Specifically, the notice provides that (a) a plan will not fail to be qualified for failing to make a specified RMD in 2021 or 2022, and (b) a taxpayer will not be assessed an excise tax for failing to take the RMD.

**CONCLUSION: We expect the Proposed Regulations will be further delayed and revised to reflect SECURE 2.0.**

**CONCLUSION: Based on the items in the 2016-2022 Operational Lists, no Plan amendments are required to maintain the Plan’s qualified status. An amendment to Plan § 22 will be required to comply with the increased RMD age under the SECURE Act. See SECURE Act and SECURE 2.0 discussion below.**

## **VI. Recent Federal Legislation**

### **A. PATH Act**

Prior to the Protecting Americans from Tax Hikes Act (“PATH Act”), enacted on December 18, 2015, a SIMPLE IRA was not eligible to receive rollover contributions. The PATH Act allows the owner of a SIMPLE IRA to roll over eligible retirement funds from other types of retirement plans, including 401(a) governmental plans into the SIMPLE IRA, after a two-year

waiting period is over. The IRS has not issued any guidance on this issue and it has not appeared in the Required Amendments Lists.

**CONCLUSION: A plan amendment is not required but the Board could consider amending the definition of “eligible retirement plan” in Plan § 24(C) to include SIMPLE IRAs. The Plan’s rollover forms also may need to be revised. (Federal Law Compliance Grid #9)**

## **B. SECURE Act**

On December 20, 2019, the Setting Every Community Up for Retirement Enhancement (“SECURE”) Act became law as part of the Further Consolidated Appropriations Act, 2020 (“Appropriations Act”). The SECURE Act included a provision regarding the timing of plan amendments (and the IRS indicated the deadline for the Miner’s Act would be the same). Many plans would have needed amendment as early as the end of 2022. IRS Notice 2022-33 and Notice 2022-45 extended the amendment deadline for governmental plans to 90 days after the close of the third regular legislative session of the legislative body with the authority to amend the plan that begins after December 31, 2023.

SECURE 2.0 § 501 further delays the deadlines to adopt amendments reflecting changes made as a result of the SECURE Act, CARES Act, and the Disaster Tax Relief Act of 2020 (non-COVID 2020 retirement-related disaster relief). The deadline for these changes is coordinated with the general SECURE 2.0 amendment deadline – *i.e.*, **the last day of the first plan year that begins on or after January 1, 2027** (or such later date as the Treasury may prescribe).

**Required Beginning Date.** Until recently, under Code § 401(a)(9), the required beginning date (“RBD”) for commencing required minimum distributions (“RMDs”) was April 1 of the calendar year following the calendar year in which the individual attains age 70½ (or, if later, retired). The SECURE Act increases an individual’s RBD age from age 70½ to age 72. As a result, for distributions required to be made after December 31, 2019 with respect to individuals who attain age 70½ after such date, the RBD age for mandatory distributions is increased to age 72. This provision does not change the RBD or RMDs for individuals who attain age 70½ before January 1, 2020. (Thus, age 70½ applies if the member was born before July 1, 1949; if the member was born on or after July 1, 1949, age 72 applies.) This change also applies when determining the date that a surviving spouse must commence benefits.<sup>6</sup>

**CONCLUSION: This change is mandatory and will require an amendment to Plan § 22, as well as revisions to applicable summaries and participant communications related to the RMD rules. The deadline for this amendment is the last day of the first plan year that begin on or after January 1, 2027. (Federal Law Compliance Grid #4)**

## **C. Miner’s Act**

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<sup>6</sup> The SECURE Act also made changes to the required period for designated beneficiaries to take RMDs, but those changes only apply to defined contribution plans.

Under the Bipartisan American Miner's Act of 2019 ("Miner's Act"), also enacted under the Appropriations Act, the age under Code § 401(a)(36) for in-service distributions was lowered from 62 to 59½ for qualified 401(a) plans. This change is optional, and it is applicable to plan years beginning after December 31, 2019.

**CONCLUSION: The Plan does not permit in-service distributions and no amendment is required for this change. (Federal Law Compliance Grid #10)**

**D. CARES Act**

The Coronavirus Aid, Relief and Economic Security Act of 2020 ("CARES Act") was enacted on March 27, 2020. For retirement plans, the CARES Act included the following provisions:

- **Coronavirus-related distributions ("CRDs")**. A new category of distribution is created for an amount (up to \$100,000) distributed between January 1, 2020 - December 30, 2020 to a "qualified individual" from an "eligible retirement plan." The CARES Act includes specific definitions for these terms. CARES Act § 2202. This provision does not create a new in-service distribution right for defined benefit plans and money purchase pension plans that are otherwise prohibited from making in-service distributions to members before age 59½. However, regardless of whether a plan offers CRDs as a separate distribution provision, distributions that are otherwise permitted from the plan that meet the criteria of a CRD will receive the favorable tax treatment. In addition to being exempt from the 10% early distribution penalty, an individual receiving a CRD may spread the taxation of the distribution over three years.
- **Loan Relief**. The CARES Act permits plans that offer loans to have increased loan limits and to delay repayments of plan loans for "qualified individuals." CARES Act § 2202.
- **Suspension of RMDs paid in 2020**. The CARES Act provides a waiver for RMDs for calendar year 2020 for defined contribution plans and IRAs. The 2020 RMD waiver does not apply to a 401(a) defined benefit plan, even if the defined benefit plan is using the defined contribution plan rules to determine the portion of a single sum distribution that would constitute an RMD.

**CONCLUSION:**

- **CRDs: The CARES Act did not change any existing limits on when plan distributions are allowed. Specifically, pension plans were not permitted to make a distribution merely because the distribution would qualify as a CRD. Pension plans may only make distributions upon a distributable event. However, a member who otherwise was entitled to a distribution from the Plan that met the requirements for a CRD still would have been able to claim the favorable tax treatment for CRDs described above on their individual federal tax return.**

- Loans: The CARES Act did not require plans to permit loans. A plan that did not already offer loans needed to be amended to permit them if it wanted to take advantage of these increased loan limits. For plans that needed to add loans generally (rather than just an increased limit), the amendment was required to be adopted by the end of the plan year in which loans are first permitted.
- RMDs paid in 2020: The 2020 RMD waiver does not apply to a 401(a) defined benefit plan, even if the Plan is using the defined contribution plan rules to determine the portion of a single sum distribution that would constitute an RMD.

**No Plan amendment is required because none of the provisions were directly applicable to qualified defined benefit pension plans, such as the SJRTD Retirement Plan.**

#### **E. SECURE 2.0**

The “SECURE 2.0 Act of 2022” was signed into law on December 29, 2022, as part of the Consolidated Appropriations Act, 2023. For governmental plan, the amendment deadline with respect to any amendment that is made to a plan pursuant to any changes made by SECURE 2.0 is the last day of the first plan year that begins on or after January 1, 2027. Relevant to governmental defined benefit plans, SECURE 2.0 included the following provisions:

1. **Increased Age for RBD (§107).** Congress further increased the age that triggers RMDs from age 72 to age 75 over two phases:

- a. Age 73 – for individuals who attain age 72 after 2022, and age 73 before 2033
- b. Age 75 – for individuals who attain age 74 after 2032<sup>7</sup>

The age increase is effective for distributions required to be made after December 31, 2022, with respect to individuals who attain age 72 after such date.

**CONCLUSION:** **This change is mandatory and will require an amendment to Plan § 22, as well as revisions to applicable summaries and participant communications related to the RMD rules. While the deadline for this amendment is not required until June 30, 2028 for SJRTD (a fiscal year plan), administrative changes are necessary to ensure compliance with the 2023 change that increases the required beginning date to age 73. (Federal Law Compliance Grid #4)**

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<sup>7</sup> There is a technical problem in the drafting of SECURE 2.0 that appears to give individuals born in 1959 an RMD age of both 73 and 75. In other words, the provision is not clear on whether the age 75 RBD applies to individuals who turn 74 after 2032 or after 2033. We expect that we will receive additional guidance or a technical correction on this issue.

**2. Spousal beneficiaries can use the Uniform Lifetime Table for RMDs (§327).**

A surviving spouse who is the sole beneficiary of a deceased participant may now elect to be treated as the participant for many purposes under the RMD rules. Specifically, a surviving spouse who makes this election may delay RMDs until the year the spouse reaches the applicable age and the distribution period for the RMDs will be determined using the Uniform Lifetime Table rather than the Single Life Table (which will provide for a longer distribution period).

**CONCLUSION: This ability for an eligible surviving spouse to make such election is a *mandatory* change and will require Plan amendments and revisions to applicable summaries and participant communications related to RMD rules. This change will benefit a surviving spouse who is younger than the participant when the participant dies before RMDs begin, since the spouse can delay RMDs until the spouse reaches their required beginning date and the spouse can use the uniform table to recalculate the RMDs over a longer life expectancy.**

**3. Qualified federal disaster recovery (§331).** Congress has provided automatic favorable tax treatment to distributions and loans from retirement plans related to qualified federally declared disasters, effective for disasters occurring on or after January 26, 2021.

**CONCLUSION: This change is *optional* and would require a Plan amendment to allow an in-service distribution right for qualified federally declared disaster distributions. These distributions would have to be monitored to ensure that they comply with applicable restrictions.**

**Even if the Plan is not amended to create a new distribution right, a member who is otherwise eligible to take a distribution based on an independent distributable event is not subject to the 10% early distribution penalty tax on such distribution to the extent that it qualifies as a qualified federally declared disaster distribution.**

**4. Terminal illness distribution (§326).** A terminal illness distribution is a distribution to a terminally ill individual, defined as an individual who has been certified by a physician as having an illness or physical condition which can reasonably be expected to result in death in 84 months or less after the date of the certification. The distribution is not subject to the 10% early withdrawal penalty tax and can be repaid within three years. The individual must furnish sufficient proof to the plan administrator that the individual qualifies under this standard.

**CONCLUSION: This section does not create a new distribution right, so participants must otherwise be eligible for a distribution to receive the tax benefits of this provision. A participant who is otherwise eligible for a distribution is not subject to the 10% early distribution tax on such distribution to the extent that it qualifies as a terminal illness distribution. A terminal illness distribution may involve administrative changes with regard to Form 1099-R coding.**

**5. Expansion of QDRO rules to tribal domestic relations orders (§339).** A domestic relations order must meet certain requirements to be considered a qualified domestic relations order (“QDRO”) under federal law. Prior to SECURE 2.0, one of the requirements was that the order must be made pursuant to a “state domestic relations law.” SECURE 2.0 allows orders to be QDROs if they are issued by or under the laws of a tribal government (or a subdivision, agency, or instrumentality of a tribal government).

**CONCLUSION: This change is optional and would require an amendment to Plan § 13(C).**

**6. Overpayments (§301).** For a governmental, defined benefit plan, Section 301 provides that failure to recover or correct an inadvertent benefit overpayment will not result in a plan qualification failure, although a fiduciary remains responsible for any overpayment that resulted from a breach of fiduciary duty. If an inadvertent overpayment is paid to another eligible retirement plan, the portion of such overpayment for which the plan does not seek recoupment will be treated as having been paid in an eligible rollover distribution if the payment would have been an eligible rollover distribution but for being an overpayment.

**CONCLUSION: This item does not involve a change to the plan document qualification requirements. The Plan may want to review its administrative procedures related to the recovery of overpayments to determine if any changes are necessary. This is a welcome change in that it allows more flexibility in correcting overpayments, particularly when recouping the overpayment from the participant will cause significant hardship or the administrative burden of collection outweighs the overpayment amount. It also preserves tax-free rollovers of overpayments. The Plan still must consider state law and fiduciary requirements with regard to overpayments. In this regard, the Plan will want to monitor guidance from the IRS on updates to EPCRS/implementation of this provision to better understand the extent of allowable flexibility to governmental plans.**

**7. Expansion of EPCRS (§305).** The Employee Plans Compliance Resolution System (“EPCRS”) is expanded to provide plans with additional flexibility to self-correct retirement plan errors. Generally, any inadvertent failure by a plan to comply with the applicable rules under Code § 401(a) may be self-corrected under EPCRS without a submission to the IRS. The IRS is directed to update EPCRS within two years.

**CONCLUSION: This item does not involve a change to the plan document qualification requirements. This change will make correcting plan failures less burdensome and expensive. We expect the IRS will provide additional safe harbor methods of correction under an updated EPCRS in order to give plan administrators more guidance on self-correcting plan failures.**

**8. Reduction in excise tax on late RMDs (§302).** Congress has reduced the excise tax for failure to take RMDs from 50% to 25% and if the RMD failure is corrected in a “timely manner,” the excise tax is reduced to 10%.

**CONCLUSION:** This item does not involve a change to the qualification requirements. The reporting and payment of the excise tax is solely the responsibility of the participant.

**9. Exception to 10% Early Distribution Penalty Tax for Public Safety Officers (§§308, 329, 330).** SECURE 2.0 extends the exclusion from the 10% early distribution tax currently available to qualified public safety employees to employees who provide firefighting services (even if not employed in the public sector) after the employee separates from service after attaining age 50. This exception is now also available to all qualified public safety employees after 25 years of service under the plan, even if the employee has not reached age 50. Finally, the exception is also extended to apply to any employee of a state or political subdivision who provides services as a corrections officer or as a forensic security employee providing for the care, custody, and control of forensic patients.

**CONCLUSION:** This item does not involve a change to the qualification requirements. A participant who is otherwise eligible for a distribution is not subject to the 10% early distribution penalty tax on such distribution to the extent that it qualifies as a distribution to a qualified public safety officer.

**10. Increase in Cash-Out Limit (§304).** Plans may generally force a distribution to a participant who terminates employment if the value of the participant's benefit does not exceed \$5,000. If the amount exceeds \$1,000, and if the participant does not elect otherwise, the forced distribution must be rolled over to an IRA established in the participant's name ("automatic IRA rollover"). SECURE 2.0 increases the limit to \$7,000 from \$5,000. The \$1,000 limit remains the same.

**CONCLUSION:** This change is optional and would require an amendment to the Plan.

**11. Public Safety Officer Health Premiums (§328).** An "eligible retired public safety officer" may exclude from income a taxable plan distribution to pay for qualified health insurance premiums (*i.e.*, premiums for an accident or health plan and qualified long-term care insurance). Prior to SECURE 2.0, the premium was required to be paid from the retirement plan directly to the insurer. SECURE 2.0 removes the direct payment requirement.

**CONCLUSION:** This item does not involve a change to the qualification requirements and no Plan amendment is required. However, the Plan will want to consider implementation of this provision to the extent it administers the direct payment of qualified health insurance premiums for eligible retired public safety officers.

## **VII. Post-Determination Letter Amendments**

As listed in Section I, the Plan's determination letter covers the Plan document through its restatement in 2013. This Comply Now Report considers the following amendments to the Plan following the 2013 restatement:

### **A. Plan Section 18(H) – medical, dental and vision insurance benefits are intended to comply with Code § 401(h)**

**CONCLUSION: The use of pension plan assets to pay medical insurance benefits is permitted only through compliance with Code § 401(h). The requirements of Code § 401(h) must be met in both form and operation in order for the payments to be excluded from the gross income of the participant. The Plan's 2012 IRS determination letter did "not express an opinion as to whether Medical, Dental and Vision Insurance provisions of the plan document satisfy the requirements of Section 401(h) of the Internal Revenue Code." Therefore, there has been no determination by the IRS as to the 401(h) question.<sup>8</sup>**

**The Plan document complies with the requirements of Code § 401(h). (Federal Law Compliance Grid #12)**

### **B. First Amendment to the SJRTD Retirement Plan – amendments regarding:**

1. Compensation – effective for compensation earned on or after July 1, 2022, compensation does not include:

- a. compensation that the Board determines to have been paid to enhance a member's retirement benefit, such as:
  - i. compensation previously provided in-kind which was converted to a cash payment in the period used to calculate final compensation;
  - ii. any ad hoc payment made to a member but not to all similarly situated members; or
  - iii. payments made solely due to the termination of the member's employment except those payments that do not exceed what is earned and payable
- b. unused vacation, leave, or compensatory time
- c. payments for additional services rendered outside normal working hours (e.g., payments for unscheduled overtime)

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<sup>8</sup> See Ice Miller's Memorandum to Gloria Salazar and Al Warren Hoslett, Esq., Re: 401(h) Study, dated August 26, 2013

2. Early retirement – the Board may approve early retirement benefits to members with 10 years of service after the member has reached age 55 but may not approve such retirements unless the funded ratio of the Plan is equal to or greater than 77%

3. Options available upon retirement – Under the 10-year certain and life option, if the member dies before 120 payments, and the named beneficiary does not survive the member, the payments will be made to the member's estate. If the beneficiary begins receiving payments and dies before all payments due are made, the remaining payments will be paid the beneficiary's estate.

4. Persons already retired – the benefits provided under Plan § 17 are suspended for benefits accrued or paid on or after July 1, 2022 if the Plan's funded ratio is below 77%.

**C. Second Amendment to the SJRTD Retirement Plan, dated on or around January 20, 2023 – amendment concerning the designation of alternates by Board members**

**CONCLUSION: There are no federal law compliance concerns related to the above Plan Amendments.**

**VIII. Summary**

Based on our review as set forth in this Report, since the date of the Plan's favorable determination letter, the Plan has been timely amended to comply with the qualification requirements of Code § 401(a). **We have identified Plan provisions that will need to be amended in order to timely comply with future amendment deadlines (such deadline being June 30, 2028).** We also encourage the Plan to monitor developments from the IRS as it issues guidance regarding SECURE 2.0. Accordingly, we believe that the form of the Plan complies with the qualification requirements of the Code, both as to the Plan's terms and the Code requirements which are in effect as of the date of this letter, provided that future compliance will be contingent on the timely adoption of future required amendments.

No opinions should be implied beyond those expressly stated in this letter. This letter is not intended to, nor does it, confer any rights to any third party, including any third-party beneficiary rights to any person or entity. Further, we do not represent that this Report is, or would be, binding on the IRS, the Department of Labor, or any other third party with authority over the Plan.

Of course, if you have any questions or comments regarding this Report, or if we can be of assistance to you on any other compliance considerations for the Plan, please do not hesitate to contact us.

Very truly yours,

ICE MILLER LLP



Audra Ferguson



Robert Gauss




Lindsay Knowles

cc: Christopher W. Waddell, Senior Counsel

## APPENDIX A

### IRS ROLLOVER CHART

		Roll To							
		Roth IRA	Traditional IRA	SIMPLE IRA	SEP-IRA	Governmental 457(b)	Qualified Plan <sup>1</sup> (pre-tax)	403(b) (pre-tax)	Designated Roth Account (401(k), 403(b) or 457(b))
Roll From	<a href="#">Roth IRA</a>	Yes <sup>2</sup>	No	No	No	No	No	No	No
	<a href="#">Traditional IRA</a>	Yes <sup>3</sup>	Yes <sup>2</sup>	Yes <sup>2</sup> , <sup>7</sup> , after two years	Yes <sup>2</sup>	Yes <sup>4</sup>	Yes	Yes	No
	<a href="#">SIMPLE IRA</a>	Yes <sup>3</sup> , after two years	Yes <sup>2</sup> , after two years	Yes <sup>2</sup>	Yes <sup>2</sup> , after two years	Yes <sup>4</sup> , after two years	Yes, after two years	Yes, after two years	No
	<a href="#">SEP-IRA</a>	Yes <sup>3</sup>	Yes <sup>2</sup>	Yes <sup>2</sup> , <sup>7</sup> , after two years	Yes <sup>2</sup>	Yes <sup>4</sup>	Yes	Yes	No
	<a href="#">Governmental 457(b)</a>	Yes <sup>3</sup>	Yes	Yes <sup>7</sup> , after two years	Yes	Yes	Yes	Yes	Yes <sup>3,5</sup>
	<a href="#">Qualified Plan<sup>1</sup></a>	Yes <sup>3</sup>	Yes	Yes <sup>7</sup> , after two years	Yes	Yes <sup>4</sup>	Yes	Yes	Yes <sup>3,5</sup>
	(pre-tax)								
	<a href="#">403(b)</a> (pre-tax)	Yes <sup>3</sup>	Yes	Yes <sup>7</sup> , after two years	Yes	Yes <sup>4</sup>	Yes	Yes	Yes <sup>3,5</sup>
	<a href="#">Designated Roth Account</a> (401(k), 403(b) or 457(b))	Yes	No	No	No	No	No	No	Yes <sup>6</sup>

<sup>1</sup>Qualified plans include, for example, profit-sharing, 401(k), money purchase, and defined benefit plans.

<sup>2</sup>Only one rollover in any 12-month period.

<sup>3</sup>Must include in income.

<sup>4</sup>Must have separate accounts.

<sup>5</sup>Must be an in-plan rollover.

<sup>6</sup>Any nontaxable amounts distributed must be rolled over by direct trustee-to-trustee transfer.

<sup>7</sup>Applies to rollover contributions after December 18, 2015. For more information regarding retirement plans and rollovers, visit [Tax Information for Retirement Plans](#).