

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
QUARTERLY RETIREMENT BOARD MEETING – NOTICE AND AGENDA
10:00 A.M. ON THURSDAY, AUGUST 24, 2023

The Retirement Board of the San Joaquin Regional Transit District (RTD) will hold a quarterly meeting at 10:00 a.m. on Thursday, August 24, 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. Materials related to an item on this agenda packet are available for public inspection at the above address.

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.

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 JUNE 6, 2023, SPECIAL RETIREMENT BOARD MEETING
Board approval of minutes.
- B. RESOLUTION: AUTHORIZING THE CEO TO EXECUTE A CONTRACT WITH FOSTER & FOSTER CONSULTING ACTUARIES, INC. FOR ACTUARIAL VALUATION SERVICES, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$310,000.00 FOR A THREE-YEAR BASE TERM AND TWO ONE-YEAR OPTIONS, EXCLUSIVE OF SPECIAL SERVICE PROJECTS
Board authorization of a contract with Foster & Foster Consulting Actuaries, Inc.

8. UNFINISHED BUSINESS

No action is required as the following items are provided for information only.

- A. QUARTERLY INVESTMENT PERFORMANCE OF JUNE 30, 2023
Team Hewins, LLC staff will present the 2023 second quarter performance analysis, year-to-date comparisons for the Retirement and Health Plans, and current market performance regarding investment conditions.

9. NEW BUSINESS

- A. RESOLUTION: APPROVING THE CHANGE IN ASSET ALLOCATION MIX IN THE DEFINED BENEFIT PENSION RETIREMENT PLAN AND REVISIONS TO THE INVESTMENT POLICY STATEMENT
Board approval of changing the Defined Benefits asset allocation ratio and revisions to the Investment Policy Statement.
- B. RESOLUTION: HIRING AN INVESTMENT CONSULTANT TO REVIEW THE PERFORMANCE OF BOTH THE DEFINED BENEFIT AND OTHER POST-EMPLOYMENT BENEFITS (OPEB) PENSION FUNDS
Consultant will review Pension and OPEB investment performance and fees compared to similar plans.
- C. RESOLUTION: APPROVING THE PERFORMANCE OF AN ASSET & LIABILITY STUDY FOR PENSION AND OPEB FUNDS
An asset-liability study will be performed for the Pension and OPEB funds.

10. QUESTIONS AND COMMENTS FROM THE RETIREMENT BOARD AND STAFF
11. ADJOURNMENT

NOTE: THE NEXT QUARTERLY SCHEDULED RETIREMENT BOARD MEETING WILL BE HELD ON THURSDAY, NOVEMBER 30, 2023, AT 10:00 A.M.

DATE POSTED: AUGUST 18, 2023



LEAD STAFF: ALEX CLIFFORD, CEO

I. RECOMMENDED ACTION:

Approve the minutes of the June 6, 2023, Special Retirement Board meeting.

II. SUMMARY

- Staff is providing the June 6, 2023, Special Retirement Board meeting minutes.
- Meeting minutes are recorded after each meeting and will be provided for approval at the following regularly scheduled meeting.

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 June 6, 2023

Attachment B: Resolution

Prepared by: Erica Smith, Executive and Board Support Specialist

IX. APPROVALS

Alex Clifford, CEO





Attachment A
Cover Page

MINUTES OF THE SPECIAL MEETING OF THE RETIREMENT BOARD
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
TUESDAY, JUNE 6, 2023

The San Joaquin Regional Transit District Retirement Board held a Special Meeting on Tuesday, June 6, 2023, at 2:00 p.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 2:00 p.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
Michael Restuccia, Vice Chair
Johanna Shick, Director
Lee Scott, Director |

RTD Staff Present

Alex Clifford, CEO

Christopher Waddell, Retirement Board Legal Counsel

Nicole Witt, RTD Legal Counsel

6. PUBLIC COMMENTS
No public comments were made.

7. CONSENT ITEMS

- A. RESOLUTION NO. 455: APPROVING THE MINUTES OF THE FEBRUARY 23, 2023, QUARTERLY RETIREMENT BOARD MEETING

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

- B. RESOLUTION NO. 456: APPROVING THE MINUTES OF THE APRIL 5, 2023, SPECIAL RETIREMENT BOARD MEETING

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

8. INFORMATION ITEM

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

A. UPDATE ON RETIREMENTS

9. UNFINISHED BUSINESS

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

- A. QUARTERLY INVESTMENT PERFORMANCE OF MARCH 31, 2023
Thuong Thien of Team Hewins, LLC presented the 2023 first-quarter performance analysis and year-to-date comparisons for the Retirement and Health Plans.

10. DISCUSSION ITEMS

- A. PRIVATE EQUITY AND ASSET ALLOCATION EDUCATION
John Bussel and Chris Anderson of Team Hewins, LLC lead discussions about investing in private equity and asset allocation.
- B. DISCUSS ICE MILLER PLAN DOCUMENT AND FEDERAL LAW COMPLIANCE REPORTS
Christopher Waddell, Retirement Board Legal Counsel, summarized the Retirement Plan Document and Federal Law Compliance Reports received from Ice Miller.

11. QUESTIONS AND COMMENTS FROM THE RETIREMENT BOARD AND STAFF

12. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:57 p.m.



Attachment B
Cover Page

RESOLUTION NO. ____
DATED AUGUST 24, 2023

RESOLUTION APPROVING THE MINUTES OF THE
SPECIAL RETIREMENT BOARD MEETING OF JUNE 6, 2023

RESOLVED AND ORDERED by the Retirement Board of the San Joaquin Regional Transit District that the minutes of the Special Meeting held on June 6, 2023, be approved.



LEAD STAFF: RAVI SHARMA, FINANCE MANAGER

I. RECOMMENDED ACTION:

Approve a contract with Foster & Foster Consulting Actuaries, Inc., to provide actuarial valuation services to RTD's defined benefit plan for a total contract amount not to exceed \$310,000.00 for a three-year base term and two one-year options, exclusive of special service projects.

II. SUMMARY

- RTD's defined benefit plan provides pension and retiree medical benefits to its participants.
- The retirement plan is open to all full-time represented employees of the district and includes a group of non-represented employees vested as of January 1, 2017.
- The purpose of the actuarial valuation is to calculate the actuarially determined District and Member contribution rates annually and provide useful information to the district about the plan's financial management.
- Foster & Foster will provide actuarial valuation services inclusive of contributions rates and Government Accounting Standard Board (GASB) 67, 68, 74, and 75 reports annually.
- RTD conducted a competitive procurement to solicit proposals from qualified firms. Two firms submitted bids for RTD's review.

III. DISCUSSION/BACKGROUND

The actuarial valuation presents the actual costs of a defined benefit plan as determined by the amount of the benefit promise, the actual salaries and service of the plan participants, and how long they and their beneficiaries live to receive payment. An actuarial valuation is a mathematical model which attempts to quantify this cost by setting assumptions that, it is hoped, duplicate reality as closely as possible. The actuarial methodology provides a reasonable plan for funding the expected plan costs and how much contributions will be required from the employer and members to pay the plan's costs fully.

On June 16, 2023, RTD issued the Request for Proposal (RFP) for Retirement Plan Actuarial Consulting Services. The RFP was posted on RTD's OPENGOV procurement portal.

RTD received proposals from the following two firms:

- Foster & Foster Consulting Actuaries, Inc
- Lauterbach & Amen, LLP

After reviewing the proposals, the staff has determined that Foster & Foster is the highest-ranked proposer to all the requirements of the RFP.

Staff recommends that the Retirement Board authorizes the CEO to execute a contract with Foster & Foster Consulting Actuaries, Inc., to provide actuarial valuation services to RTD's defined benefit plan for a total contract amount not to exceed \$310,000.00 for a three-year base term and two one-year options, exclusive of special service projects.

IV. 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

V. FINANCIAL CONSIDERATIONS/IMPACT

There is no impact on RTD's operating budget because RTD's Retirement Plan will pay this expense. The actuarial valuation will determine the district's and member's contribution rates annually and provide useful information to RTD about the plan's financial management.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

There are no alternatives; the actuarial valuation is needed to determine the district's and member's contribution rates annually.

VIII. ATTACHMENTS

Attachment A: Resolution

Prepared by: Ravi Sharma, Finance Manager

IX. APPROVALS

Sylvester Donelson, Jr.
Director of Procurement



A handwritten signature in black ink, appearing to read "S. Donelson", is written over a horizontal line.

Financial Impact Approved:
Robert Kyle, CFO



A handwritten signature in black ink, appearing to read "R. Kyle", is written over a horizontal line.

Alex Clifford, CEO



A handwritten signature in blue ink, appearing to read "Alex Clifford", is written over a horizontal line.



Attachment A
Cover Page

RESOLUTION NO.____
DATED AUGUST 24, 2023

RESOLUTION AUTHORIZING THE CEO TO EXECUTE A CONTRACT WITH FOSTER & FOSTER CONSULTING ACTUARIES, INC FOR ACTUARIAL VALUATION SERVICES, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$310,000.00 FOR A THREE-YEAR BASE TERM AND TWO ONE-YEAR OPTIONS, EXCLUSIVE OF SPECIAL SERVICE PROJECTS

WHEREAS, RTD is seeking firms to provide actuarial valuation services to calculate the actuarially determined District and Member contribution rates annually and provide useful information to the district about the Plan's financial management.

WHEREAS, staff has reviewed the proposals and determined that Foster & Foster is the highest-ranked proposer and is responsive to all the Request for Proposal (RFP) requirements.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Retirement Board of Directors of the San Joaquin RTD that the CEO be, and hereby is, authorized to finalize and execute the contract with Foster & Foster Consulting Actuaries, Inc., for actuarial services for a total contract amount not to exceed \$310,000.00 for a three-year base term and two one-year options, exclusive of special service projects.



LEAD STAFF: TEAM HEWINS, LLC

REPORT: QUARTERLY INVESTMENT PERFORMANCE OF JUNE 30, 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 regularly scheduled quarterly meetings.
- Team Hewins has prepared the attached analysis for review before the meeting.
- An abbreviated presentation summarizing the entire report will be given to the Board by Team Hewins at the meeting.
- Information about current market performance regarding investment conditions will also be presented.

II. DISCUSSION/BACKGROUND

Team Hewins, LLC staff has provided a report for the Board regarding the 2023 second-quarter performance analysis and year-to-date comparison for the Retirement and Health Plans. Current market performance regarding investment conditions will be presented.

III. 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

IV. FINANCIAL CONSIDERATIONS/IMPACT

To be discussed.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

None.

VII. ATTACHMENTS

- Attachment A:** Agenda
Attachment B: Second-Quarter Performance Analysis
Attachment C: Market Performance Update

Prepared by: Team Hewins, LLC



Attachment A
Cover Page

San Joaquin RTD Retirement Board Meeting

Meeting Date: August 24, 2023

- | | |
|--------------------------|------------|
| • Recap of prior meeting | 10 minutes |
| • 2Q 2023 Performance | 20 minutes |
| ○ Plan's performance | |
| ○ Market overview | |



Attachment B
Cover Page

August 10, 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 Second Quarter 2023 Performance Analysis for the Retirement Plan and Health Plan.

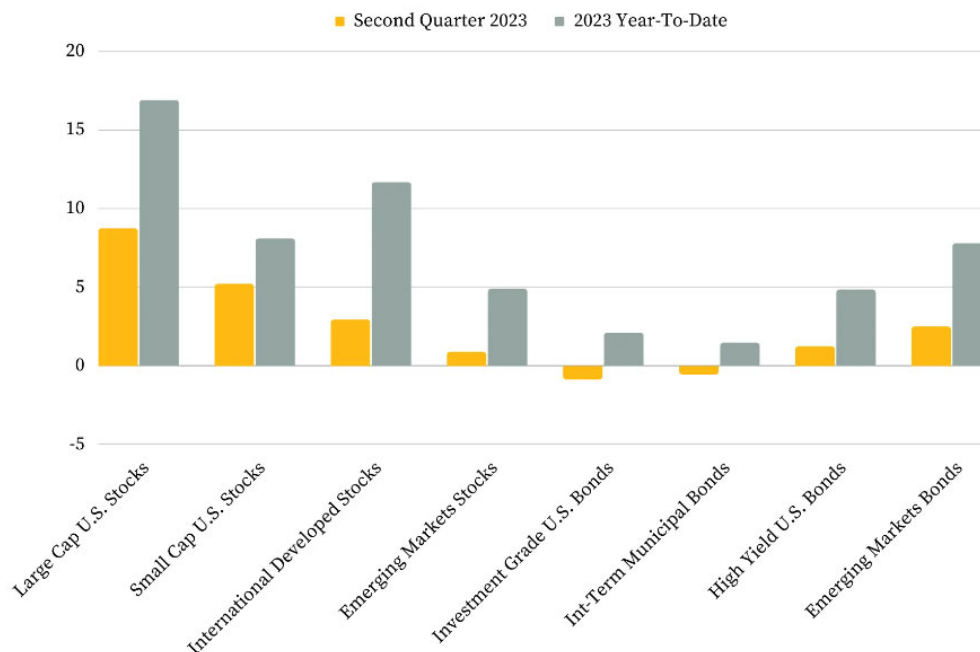
Market Review

Despite lingering concerns around stubbornly high inflation, slowing global growth, and regional bank failures, equity markets continued their rally into the second quarter of the year. However, bond yields rose again after falling in the first quarter and are again near multi-decade highs.

Headline inflation is still high at 4.1% year-over-year as of the May reading, above the Fed's target, but well below the high of 8.9% seen last year.ⁱ Oil, which rose as high as \$123.70 a barrel in 2022, is now down to under \$72.ⁱⁱ US GDP posted two negative quarters in a row (often accepted as the definition of a recession) but the first quarter reading was revised upwards to a robust 2% annualized, and expectations for Q2 are similar.ⁱⁱⁱ These issues are not resolved yet. Fed policy impacts the economy with a lag, and the Fed plans to continue raising rates. The battle against inflation continues.

world asset classes

RETURNS FOR THE SECOND QUARTER OF 2023 AND YEAR-TO-DATE



Big tech stocks in the US continued their outperformance amid optimism for an AI revolution. In fact, up until recently the returns of seven big tech companies made up 88% of the S&P 500's gains for the year.^{iv} At the end of the quarter the 10 largest stocks represented almost 32% of the total value of the S&P 500, the highest level in decades, and growth stocks appear very expensive relative to value stocks.^v The outsized gains of the "big tech" stocks in the S&P 500 and their high valuations relative to the rest of the equity market present a potential risk to investors who are not well-diversified, as we have seen these kinds of trends reverse quickly and sharply (as recently as last year).

Small cap and international stocks produced more modest returns in the second quarter. Investment grade bonds were down slightly in the second quarter as yields rose, but they are still positive for the year. That is very different from the harsh impact of sharply rising rates that we saw in 2022. Bonds have recovered to a degree since then, but the real benefits will be seen over time, as higher interest payments to bondholders in aggregate outweigh the losses seen in the previous year. High yield and emerging markets bonds, which tend to be less sensitive to interest rate changes, had positive results.

While markets are reacting positively to the trend of inflation and growth in the US and abroad, they may continue to be volatile as we see how world economies react to central bank tightening in the face of continuing inflation. A well-diversified portfolio can help smooth the ride through uncertain economic times.

Plan Performance (Pension Portfolio)

The Pension Plan returned 2.80% in the second quarter, lagging the target (+3.11%) and the median return of its peers. The plan trailed the target slightly in the last Fiscal Year, while mirroring the median return of its peers. Plan assets were approximately \$50 million at quarter end. Since inception, the Plan has achieved an annualized return of roughly 9%, leading its benchmark and 56% of its peers.

The relative outperformance of a few large growth stocks (see our paragraph above about the AI revolution) hurt the relative returns of the portfolio, which favors diversification and exposure to areas of the market that lagged this quarter (value stocks, smaller stocks). Since the end of the second quarter, the market rally has broadened out and the Plan has benefitted from that.

U.S. returns outpaced overseas performance in the second quarter, and Avantis U.S. Small Cap Value stood out for its relative outperformance, surpassing its value-oriented benchmark by over 2%. The fund ranks in the top quintile of its peers in the second quarter and the last year. For the last 3 years it ranks in the top 4% of its peers. As a reminder, this fund was purchased in May of 2022 after the Investment Committee decided to replace the previous small cap value fund.

Overseas equities did lag the U.S. but had positive returns for the quarter. DFA International Value had strong relative performance, rising 3.99% and ranking in the top 20% of international value funds. Over the last three years, the fund is in the top 3% with a return of 16.37%. DFA Emerging Markets Core

(+2.93%) outperformed its benchmark by roughly 2% and ranked within the top 19% of peers in the quarter. DFA's approach to emerging market investing has been a positive relative contribution to the portfolio through its emphasis on smaller emerging markets country stocks and underweighting the expensive growth names that often come from China.

Investment grade bonds fell slightly in the second quarter; however, this was nothing like the significant negative returns seen in 2022. Agincourt fell roughly 0.50%, outperforming the broad index and ranking in the top 17% of core bond managers. The allocation to High Yield and Emerging Market Bonds was also additive, as those sectors of the bond market had positive returns in the second quarter and posted strong returns for the Fiscal Year. While a little riskier from a credit quality perspective, their higher yields insulated the Plan's bond returns, which were largely affected by the rising rate environment.

Plan Performance (Health Portfolio)

The Health Plan grew 3.26%, slightly trailing the median return of its peers. The higher equity allocation generally helps returns relative to the overall Small DB Plan peer group with the Plan ranking in the top 28% of plans over the Fiscal Year and the top 23% of plans over the last three years. Plan assets were approximately \$10 million at the end of the quarter. Since inception, the Plan has returned 6.30%, above its benchmark and the median return of its peers.

In Core Fixed Income (investment grade bonds), Dodge & Cox Income (+0.08%) outpaced its benchmark (-0.84%) and the median return of its peers by a wide margin. The fund navigated the challenging credit cycle in 2022 masterfully, ranking in the top 3% of its peers over all periods shown except for since the inception of the fund, where it ranks in the top 14% of peers.

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

Sincerely,



Thuong Thien, CFP®

Principal, Senior Financial Advisor

ⁱ JPM Guide to the Markets, Inflation Heat Map, slide 32. Accessed 7/6/2023.

ⁱⁱ JPM Guide to the Markets, Oil Markets, slide 35. Accessed 7/6/2023.

ⁱⁱⁱ Jeff Cox, "First-quarter economic growth was actually 2%, up from 1.3% first reported in major GDP revision", CNBC.

^{iv} Lucy Harley-McKeown, "Tech stock stars of 2023: Companies powering S&P 500 rally", Yahoo.

^v JPM Guide to the Markets, Value vs. Growth (slide 10) and S&P 500 Index concentration, valuations and earnings (slide 11). Accessed 7/7/2023.



San Joaquin Regional Transit District
Pension Portfolio
Quarterly Investment Report
June 30, 2023

Market Overview

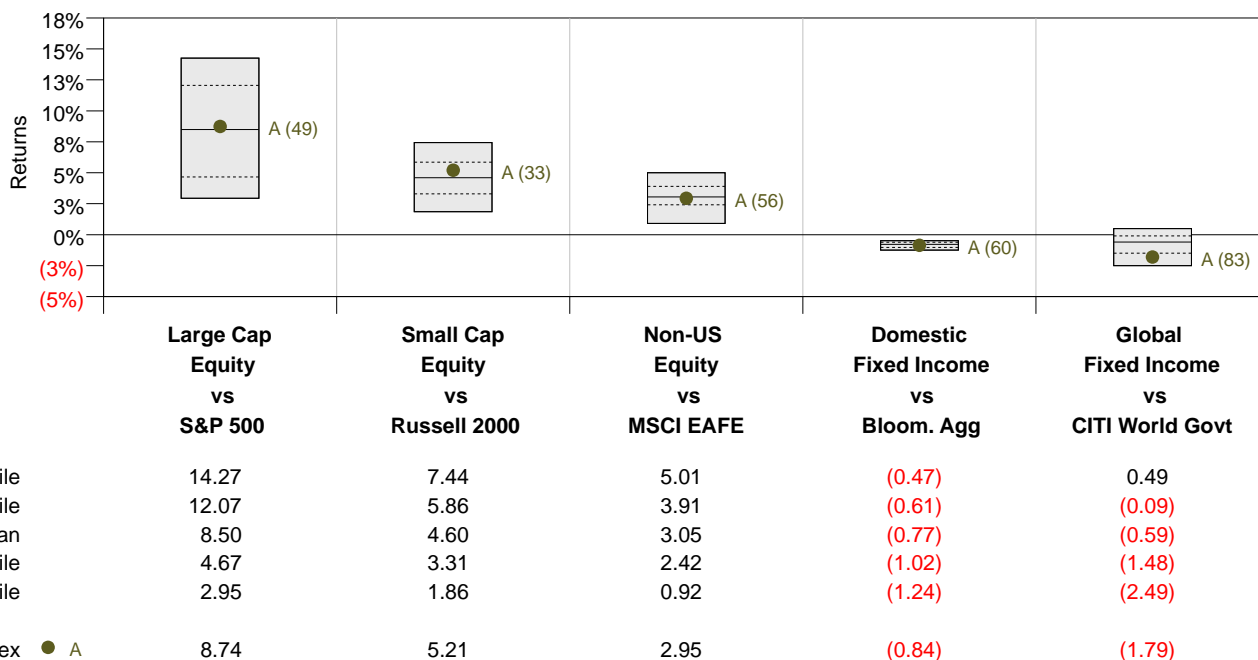
Active Management vs Index Returns

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.

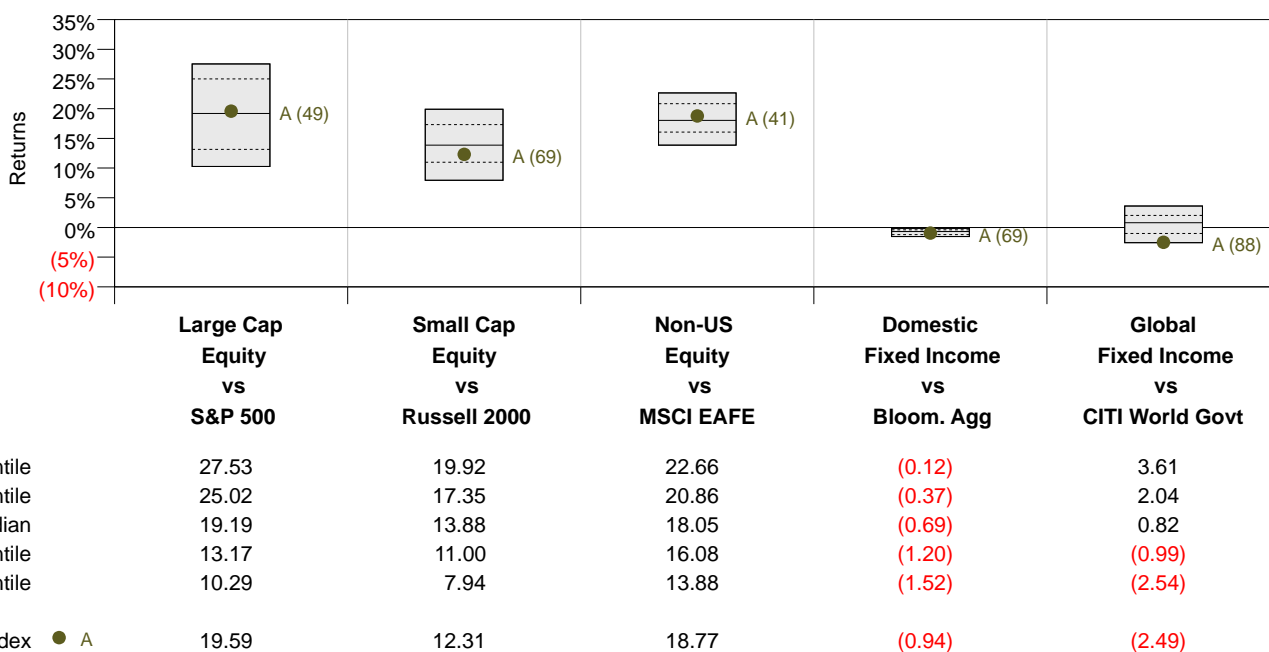
Range of Mutual Fund Returns by Asset Class

One Quarter ended June 30, 2023



Range of Mutual Fund Returns by Asset Class

One Year ended June 30, 2023



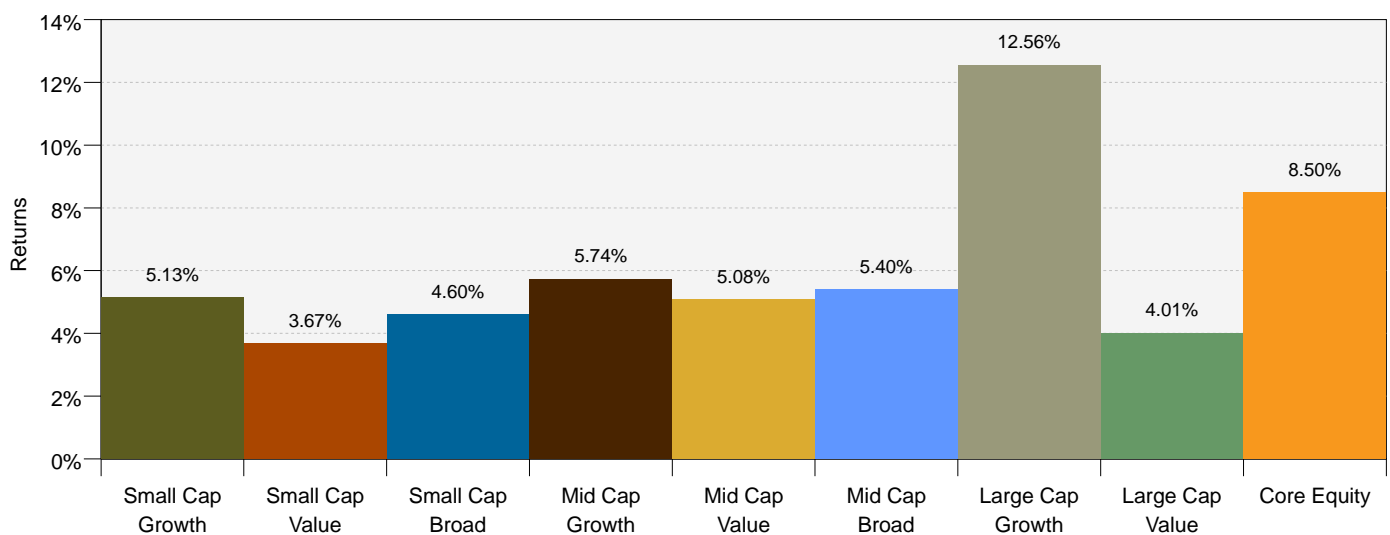
Domestic Equity

Active Management Overview

U.S. stock indices posted positive returns in 2Q with performance dominated by large cap technology stocks. The S&P 500 Index rose 8.7% while the tech-heavy Nasdaq Composite returned +13.1%. Within the S&P 500, Technology (+17.2%), Communication Services (+13.1%), and Consumer Discretionary (+14.6%) rose sharply while Energy (-0.9%) and Utilities (-2.5%) fell. Growth stocks trounced value for the quarter (Russell 1000 Growth: +12.8%; Russell 1000 Value: +4.1%) due largely to the sharp outperformance of Technology relative to Health Care, Energy, and Financials. Small cap stocks underperformed large (Russell 2000: +5.2%; Russell 1000: +8.6%) across the style spectrum. Index concentration continued to have a significant impact on returns in 2Q. The aptly named "Magnificent Seven" (Nvidia, Meta Platforms, Amazon, Tesla, Apple, Microsoft, Alphabet) comprise roughly 25% of the S&P 500 and have accounted for the vast majority of S&P 500 gains in 2023 (Mag 7 up 64% versus 3% for the rest of the Index).

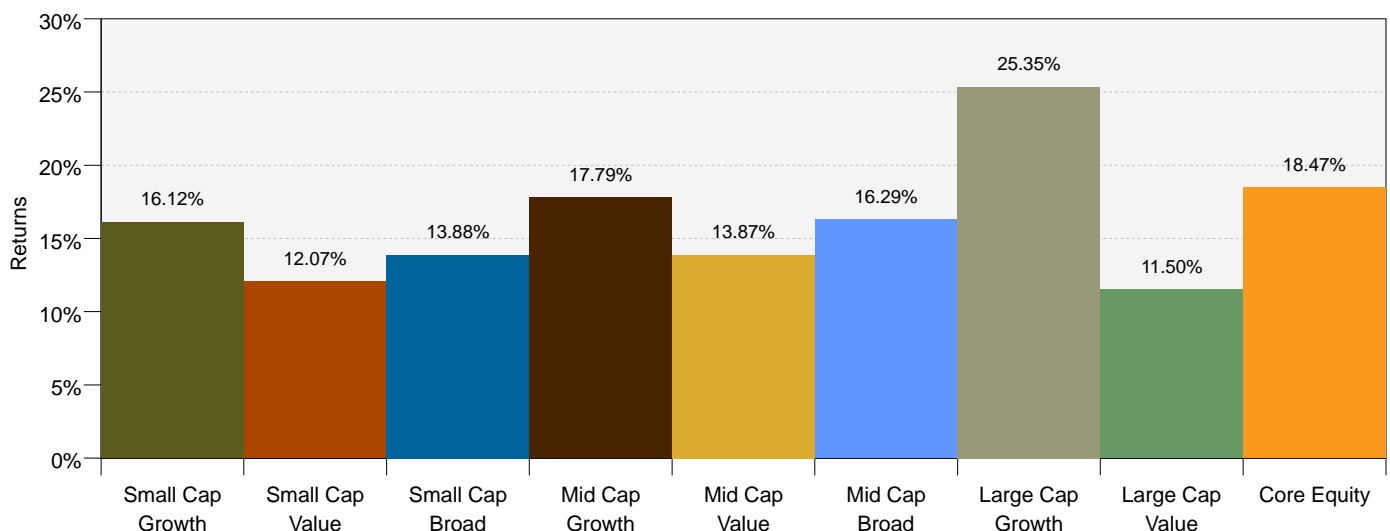
Mutual Fund Style Group Median Returns for Quarter ended June 30, 2023

S&P 500 Index	8.74%
S&P 500 Growth	10.59%
S&P 500 Value	6.64%
S&P 400 Mid Cap	4.85%
S&P 600 Small Cap	3.38%
S&P 600 Small Cap Growth Index	4.78%
S&P 600 Small Cap Value Index	1.95%



Mutual Fund Style Group Median Returns for One Year ended June 30, 2023

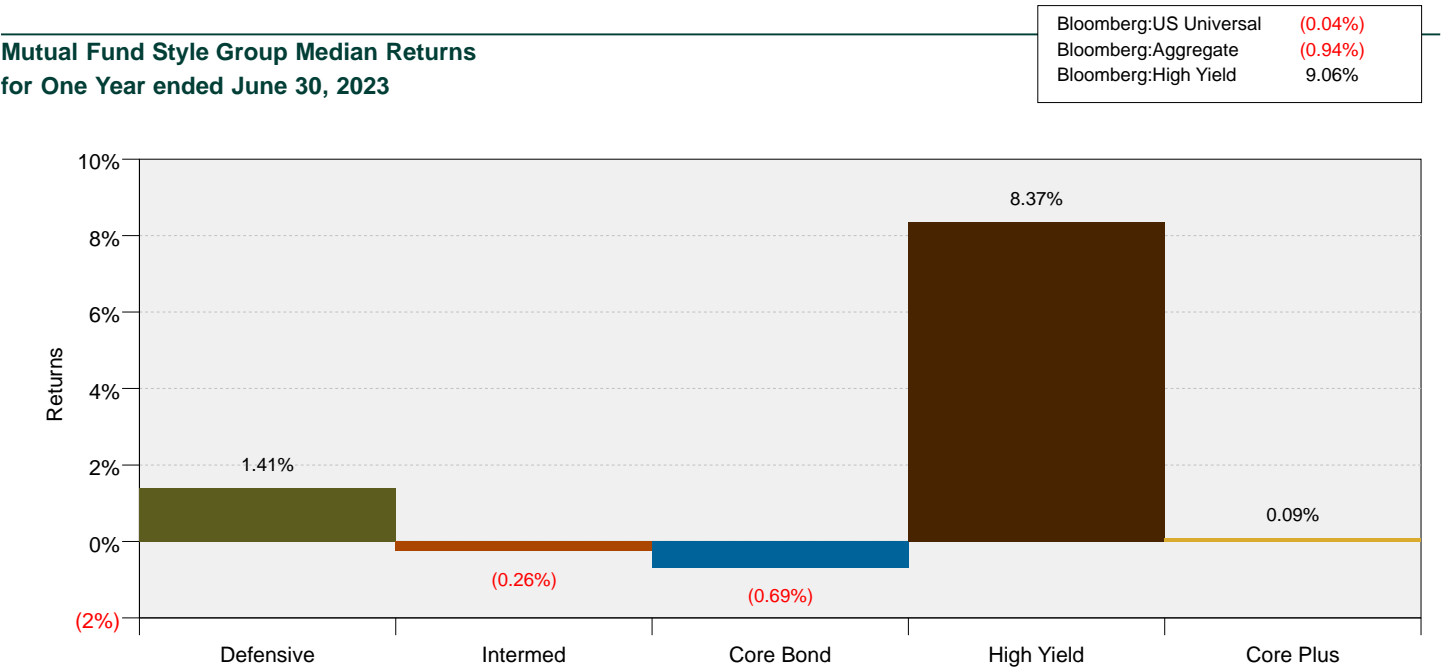
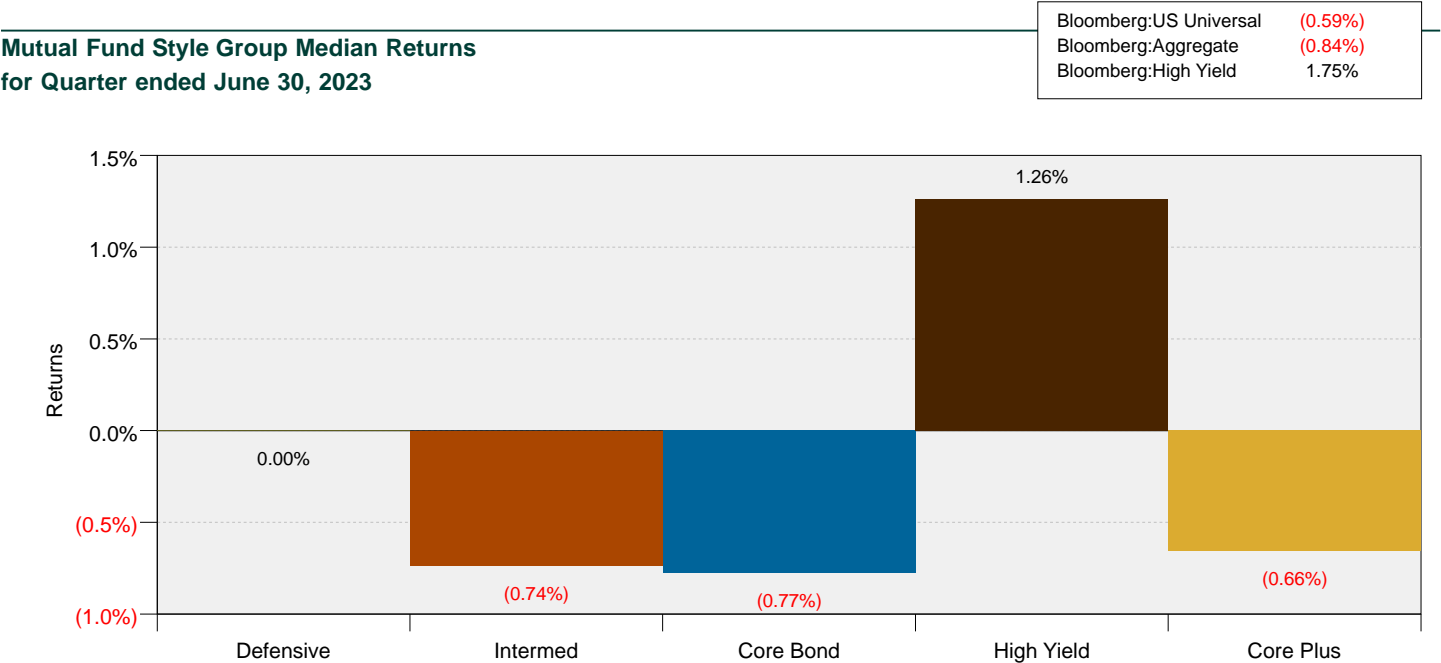
S&P 500 Index	19.59%
S&P 500 Growth	18.25%
S&P 500 Value	19.99%
S&P 400 Mid Cap	17.61%
S&P 600 Small Cap	9.75%
S&P 600 Small Cap Growth Index	10.62%
S&P 600 Small Cap Value Index	8.88%



Domestic Fixed Income

Active Management Overview

The Bloomberg US Aggregate Bond Index fell 0.8% in 2Q as interest rates rose. A "risk-on" environment bolstered returns for credit and securitized sectors, both of which outperformed U.S. Treasuries on a duration-adjusted basis. The 10-year U.S. Treasury yield was 3.81% as of quarter-end, up from 3.48% as of 3/31. The yield curve was sharply inverted at quarter-end with the 2-year U.S. Treasury yielding 4.87%. High yield (Bloomberg High Yield Index: +1.8%) performed well amid robust risk appetite, muted issuance, and promising economic news.



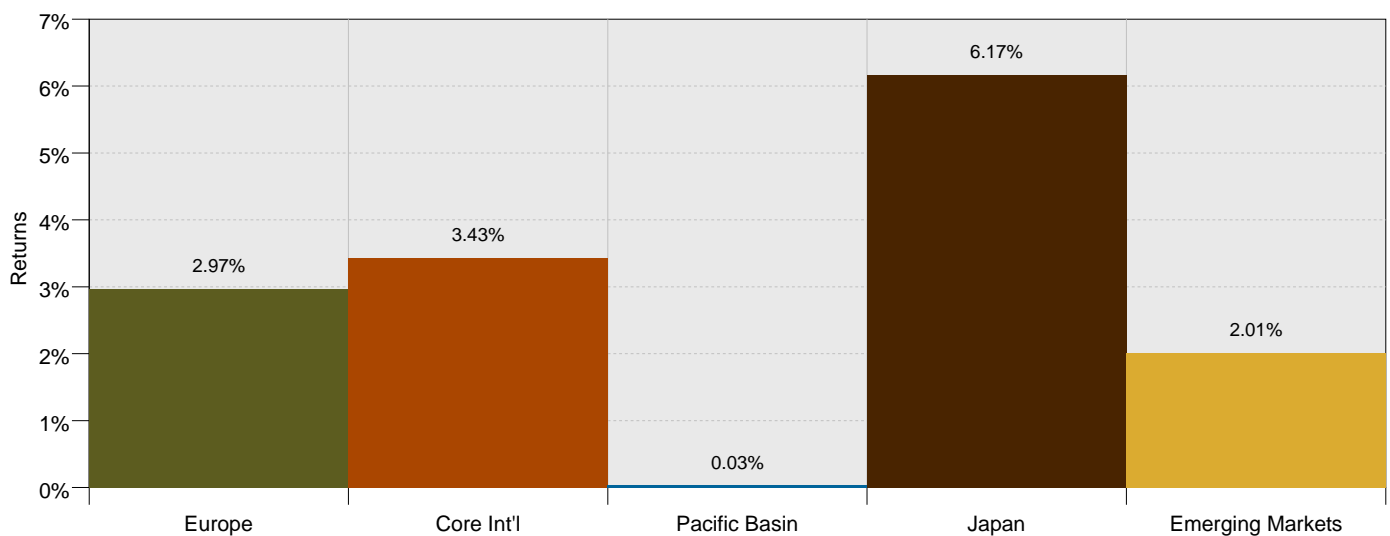
International Equity

Active Management Overview

Global ex-U.S. equity markets trailed U.S. equity markets given lower technology exposure. Lacking the U.S. market's exuberance for any company associated with Artificial Intelligence, style impacts in developed ex-U.S. equity were more muted with value (MSCI World ex USA Value: +3.1%) in line with growth (MSCI World ex USA Growth: +3.0%). Illustratively, Industrials (EAFE Industrials: +6.4%) outperformed Technology (EAFE Technology: +5.9%). Japan (+6.4%) was a top performer and the Nikkei 225 Index hit its highest level since 1990. Japan benefited from strong inflows from foreign investors, expectations for corporate governance reform and an improved outlook for the Japanese economy. The yen sank 8% versus the U.S. dollar as monetary policy was kept ultra-loose, but the dollar fell versus the British pound (+2.8%) and the euro (+0.4%). Emerging market equity underperformed developed market equity, but results varied widely. Emerging Europe (+11.2%) and Latin America (+14.0%) posted double-digit results while Emerging Asia (-0.8%) was hurt by poor performance from China (-9.7%) offsetting results from India (+12.2%). Poland (+24.5%) boosted the performance of Emerging Europe while Turkey (-10.7%) weighed on the region's results. In Latin America, Brazil (+20.7%) and Colombia (+11.7%) were top performers.

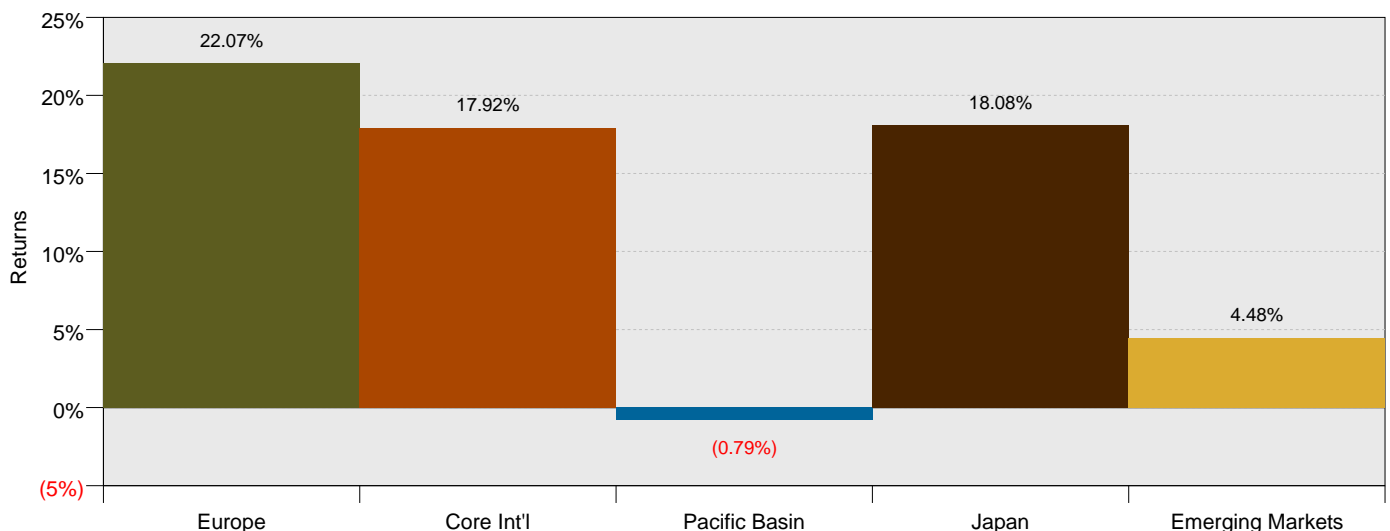
Mutual Fund Style Group Median Returns for Quarter Ended June 30, 2023

MSCI ACWI - Gross	6.35%
MSCI All Cntry World ExUS	2.67%
MSCI EAFE Index	2.95%
MSCI Europe	2.74%
MSCI Pacific	3.50%
MSCI Emerging Markets	1.04%



Mutual Fund Style Group Median Returns for Year Ended June 30, 2023

MSCI ACWI - Gross	17.13%
MSCI All Cntry World ExUS	13.33%
MSCI EAFE Index	18.77%
MSCI Europe	21.81%
MSCI Pacific	13.69%
MSCI Emerging Markets	2.22%



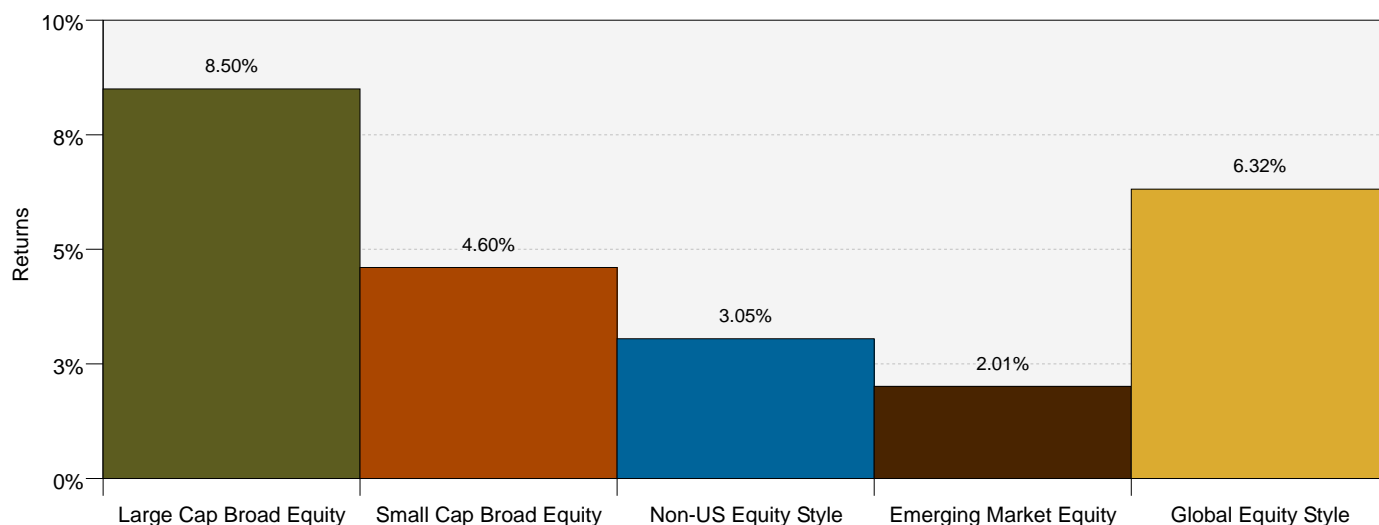
Capital Growth

Active Management Overview

Global ex-U.S. equity markets trailed U.S. equity markets given lower technology exposure. Lacking the U.S. market's exuberance for any company associated with Artificial Intelligence, style impacts in developed ex-U.S. equity were more muted with value (MSCI World ex USA Value: +3.1%) in line with growth (MSCI World ex USA Growth: +3.0%). Illustratively, Industrials (EAFE Industrials: +6.4%) outperformed Technology (EAFE Technology: +5.9%). Japan (+6.4%) was a top performer and the Nikkei 225 Index hit its highest level since 1990. Japan benefited from strong inflows from foreign investors, expectations for corporate governance reform and an improved outlook for the Japanese economy. The yen sank 8% versus the U.S. dollar as monetary policy was kept ultra-loose, but the dollar fell versus the British pound (+2.8%) and the euro (+0.4%). Emerging market equity underperformed developed market equity but results varied widely. Emerging Europe (+11.2%) and Latin America (+14.0%) posted double-digit results while Emerging Asia (-0.8%) was hurt by poor performance from China (-9.7%) offsetting results from India (+12.2%). The recovery in China appears to be sputtering and economic news has been disappointing and remains uncertain. Poland (+24.5%) boosted the performance of Emerging Europe while Turkey (-10.7%) weighed on the region's results. In Latin America, Brazil (+20.7%) and Columbia (+11.7%) were top performers.

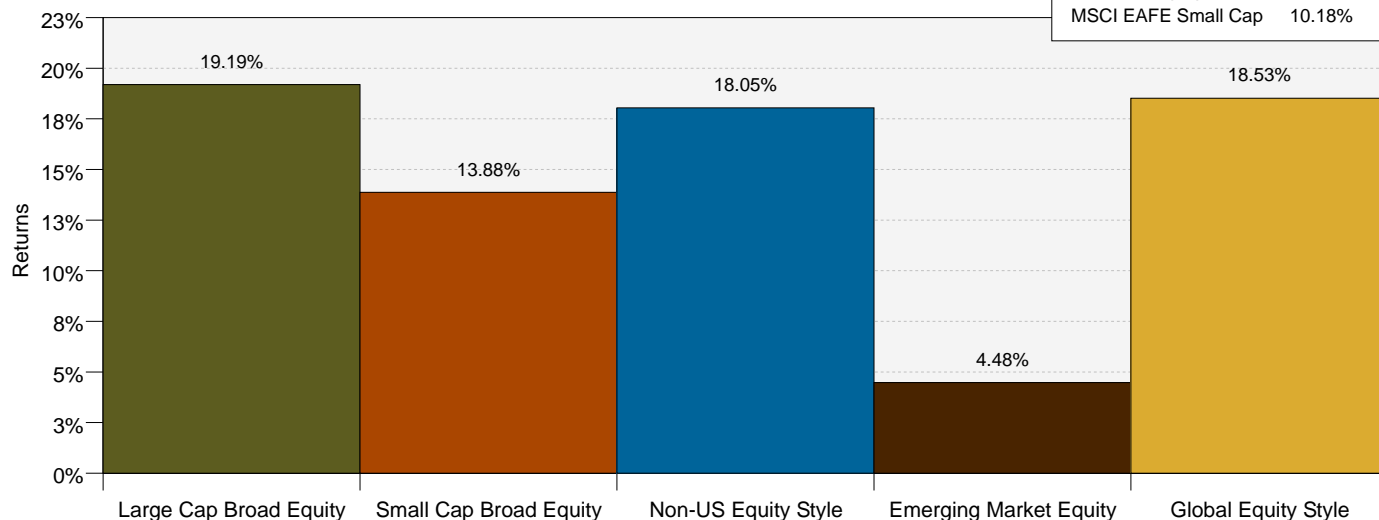
Mutual Fund Style Group Median Returns for Quarter ended June 30, 2023

S&P 500 Index	8.74%
Russell 3000 Index	8.39%
Russell 2000 Index	5.21%
MSCI ACWI	6.18%
MSCI EAFE Index	2.95%
MSCI Emerging Markets	0.90%
MSCI EAFE Small Cap	0.58%



Mutual Fund Style Group Median Returns for One Year ended June 30, 2023

S&P 500 Index	19.59%
Russell 3000 Index	18.95%
Russell 2000 Index	12.31%
MSCI ACWI	16.53%
MSCI EAFE Index	18.77%
MSCI Emerging Markets	1.75%
MSCI EAFE Small Cap	10.18%



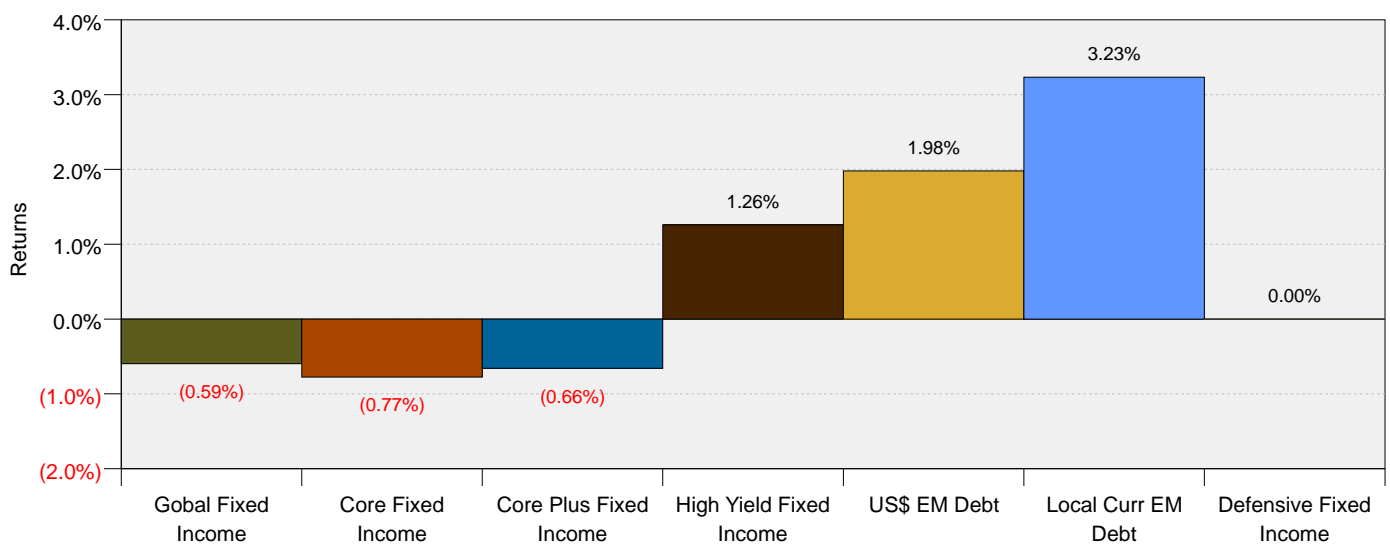
Income

Active Management Overview

The Bloomberg Global Aggregate Index fell 1.5% (hedged: +0.1%). Japan (-8.0%) was the worst-performing constituent, due largely to yen depreciation. Rates were mixed, rising in the United States, United Kingdom, and Australia but flat to slightly lower across other developed markets. Currency shifts impacted returns across countries with mixed performance from the U.S. dollar. The greenback gained 8% versus the Japanese yen but was down about 3% versus the British pound and 0.4% versus the euro.

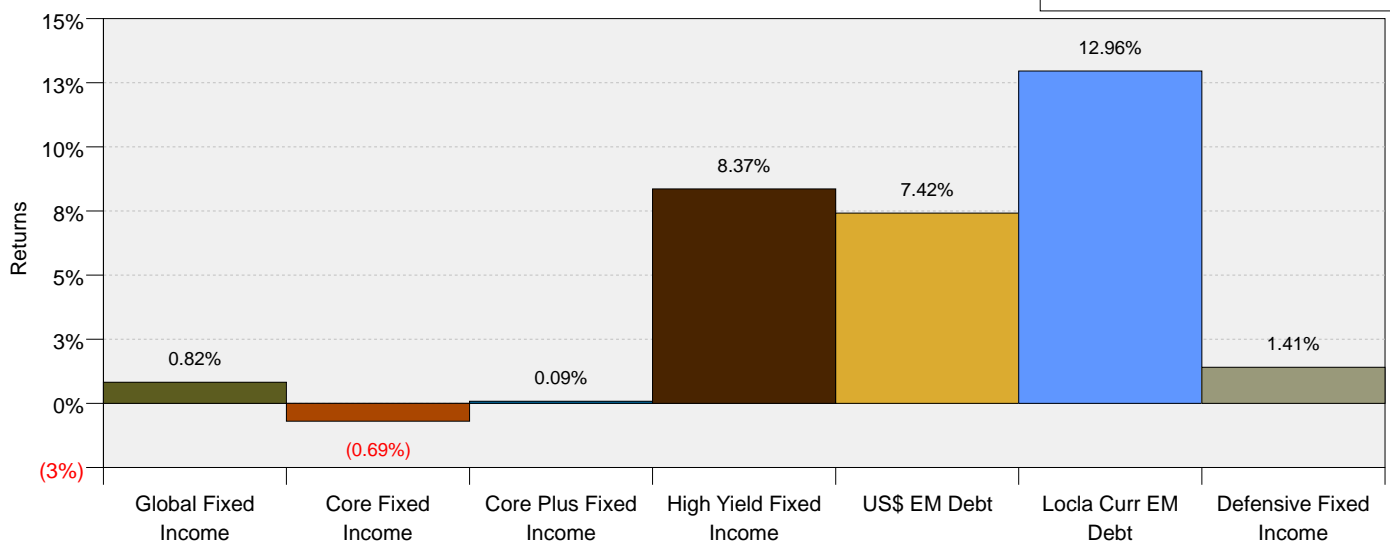
Mutual Fund Style Group Median Returns for Quarter ended June 30, 2023

Blmbg Barc Agg Index	(0.84%)
Blmbg Barc High Yield Corp	1.75%
Blmbg Barc Global Agg Hedged	0.06%
JPM EMBI Global Dvsfd	2.19%
JPM GBI GI Divers USD Unh	2.51%
Blmbg Barc Global Aggregate Index	(1.53%)



Mutual Fund Style Group Median Returns for One Year ended June 30, 2023

Blmbg Barc Agg Index	(0.94%)
Blmbg Barc High Yield Corp	9.06%
Blmbg Barc Global Agg Hedged	0.52%
JPM EMBI Global Dvsfd	7.39%
JPM GBI GI Divers USD Unh	11.38%
Blmbg Barc Global Aggregate Index	(1.32%)



Portfolio Holdings

Description	Symbol	Value	Weight
EQUITY			
Large Cap U.S. Equity			
DFA US Large Cap Value I	DFLVX	\$2,370,330	4.7%
Vanguard Institutional Index I	VINIX	\$10,581,006	21.2%
Large Cap U.S. Equity Total		\$12,951,336	25.9%
Small Cap U.S. Equity			
Avantis US Small Cap Value Fund I	AVUVX	\$2,858,557	5.7%
Vanguard Small Cap Growth Index Admiral	VSGAX	\$1,395,806	2.8%
Small Cap U.S. Equity Total		\$4,254,363	8.5%
International Equity			
DFA International Small Company I	DFISX	\$1,948,536	3.9%
DFA International Value I	DFIVX	\$4,122,647	8.4%
Accrued Income		\$83,276	
Vanguard International Growth Adm	VWILX	\$1,991,748	4.0%
International Equity Total		\$8,146,206	16.3%
Emerging Markets Equity			
DFA Emerging Markets Core Equity I	DFCEX	\$2,547,801	5.1%
Emerging Markets Equity Total		\$2,547,801	5.1%
Real Estate			
DFA Global Real Estate Securities Port	DFGEX	\$2,718,084	5.4%
Real Estate Total		\$2,718,084	5.4%
EQUITY Total		\$30,617,789	61.2%
FIXED INCOME			
Core Fixed Income			
Agincourt Core Fixed Income	xxxxxx8807	\$12,875,852	25.9%
Accrued Income		\$75,608	
Core Fixed Income Total		\$12,951,460	25.9%
FIXED INCOME Total		\$12,951,460	25.9%
DIVERSIFIED FIXED INCOME			
High Yield Fixed Income			
Vanguard High-Yield Corporate Adm	VWEAX	\$3,599,350	7.2%
Accrued Income		\$18,211	
High Yield Fixed Income Total		\$3,617,561	7.2%

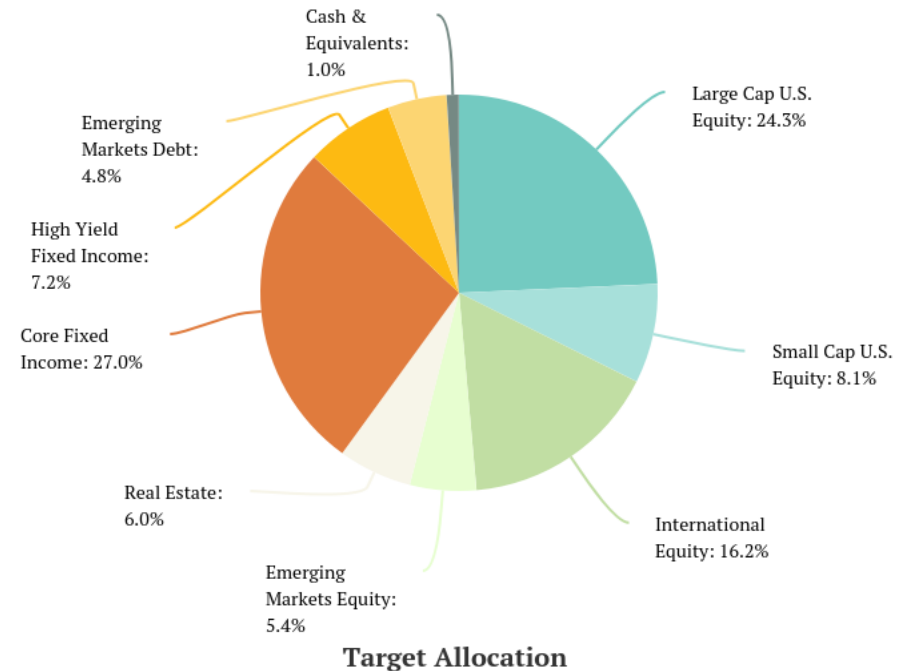
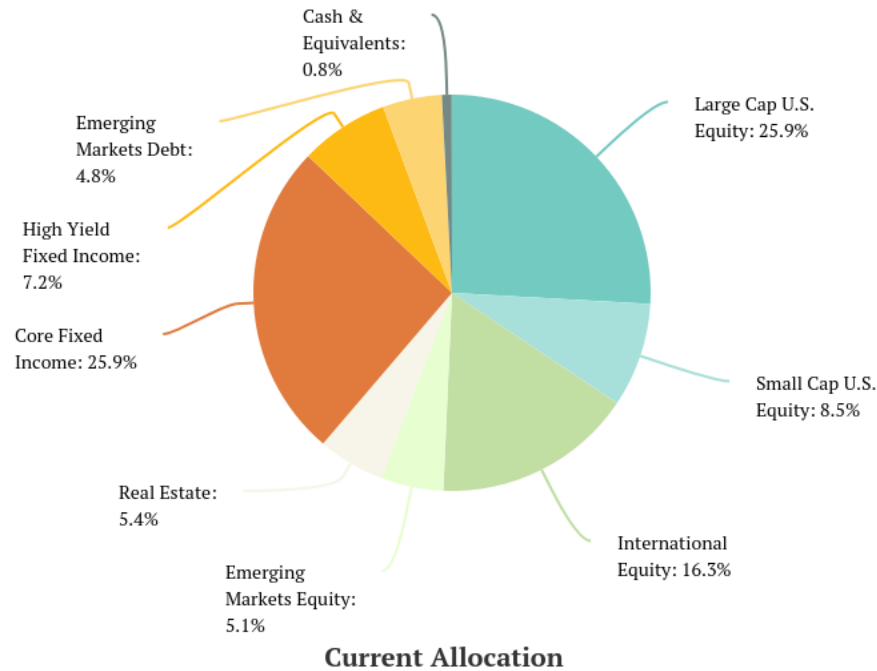
Portfolio Holdings

Description	Symbol	Value	Weight
DIVERSIFIED FIXED INCOME			
Emerging Markets Debt			
PIMCO Emerg Mkts Full Spectrum Bd Instl	PFSIX	\$2,405,540	4.8%
Emerging Markets Debt Total		\$2,405,540	4.8%
DIVERSIFIED FIXED INCOME Total		\$6,023,101	12.0%
CASH AND EQUIVALENTS			
Cash & Equivalents			
Cash	CASH	\$43	0.0%
Cash Portfolio (US Bank)	xxxxxx8800	\$405,598	0.8%
Cash & Equivalents Total		\$405,641	0.8%
CASH AND EQUIVALENTS Total		\$405,641	0.8%
Total		\$49,997,990	100.0%

Portfolio Activity Summary

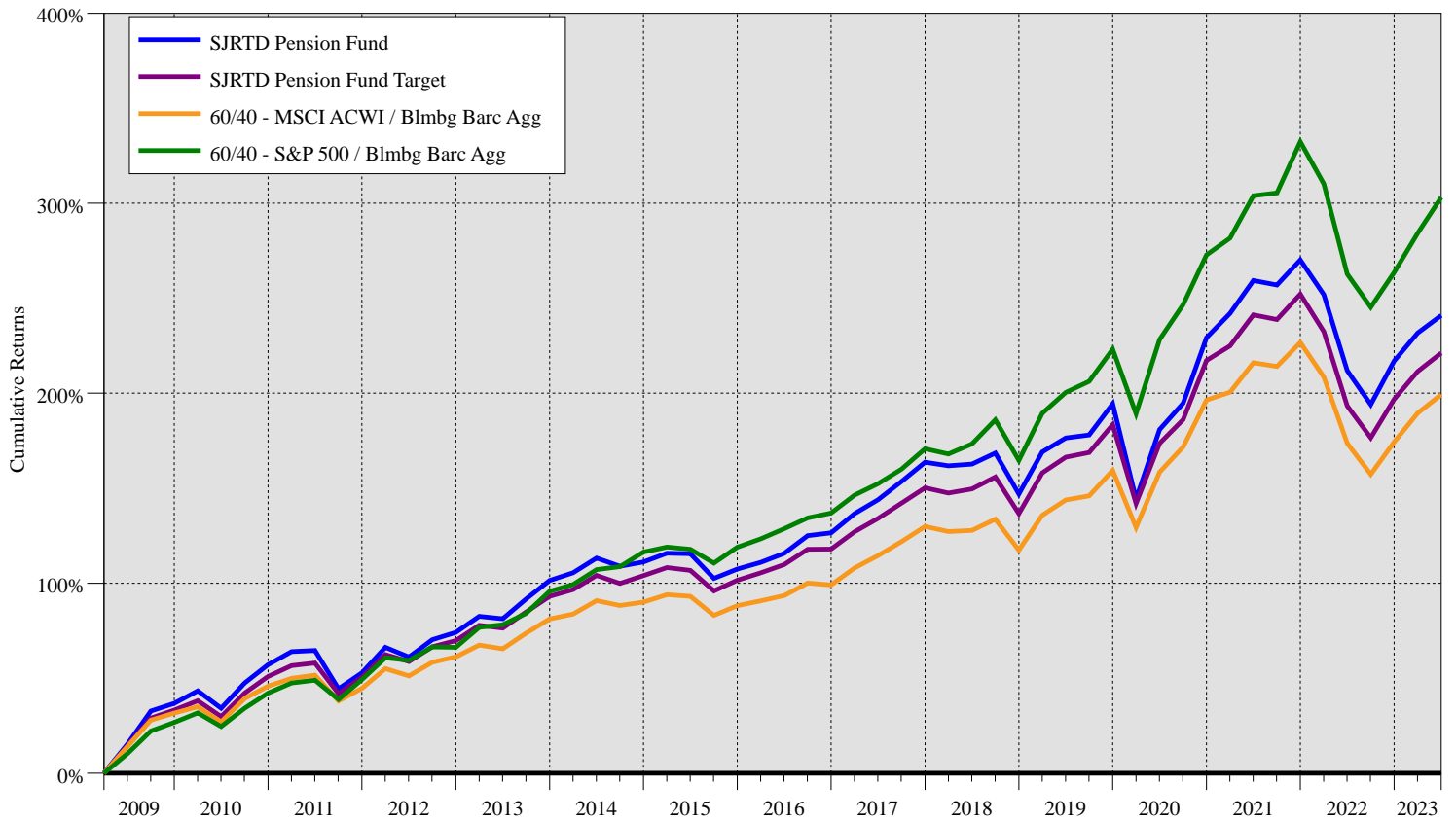
	Quarter to Date	Year to Date	Inception to Date (2/10/2009)
Beginning Value	\$48,996,350	\$47,095,168	\$0
Net Contribution	(\$319,274)	(\$558,758)	\$12,010,767
Transfers	\$0	\$0	\$423
Capital Appreciation	\$1,032,699	\$2,884,730	\$21,113,956
Dividend Income	\$157,540	\$325,104	\$12,232,654
Interest Income	\$129,917	\$247,076	\$6,469,281
Management Fees	(\$26,948)	(\$52,850)	(\$1,101,566)
Other Expenses	(\$8,141)	(\$16,027)	(\$456,137)
Change in Accrued	\$35,849	\$73,548	(\$270,965)
Ending Value	\$49,997,990	\$49,997,990	\$49,997,990
Investment Gain	\$1,320,915	\$3,461,580	\$37,987,223

Actual vs. Target Asset Allocation

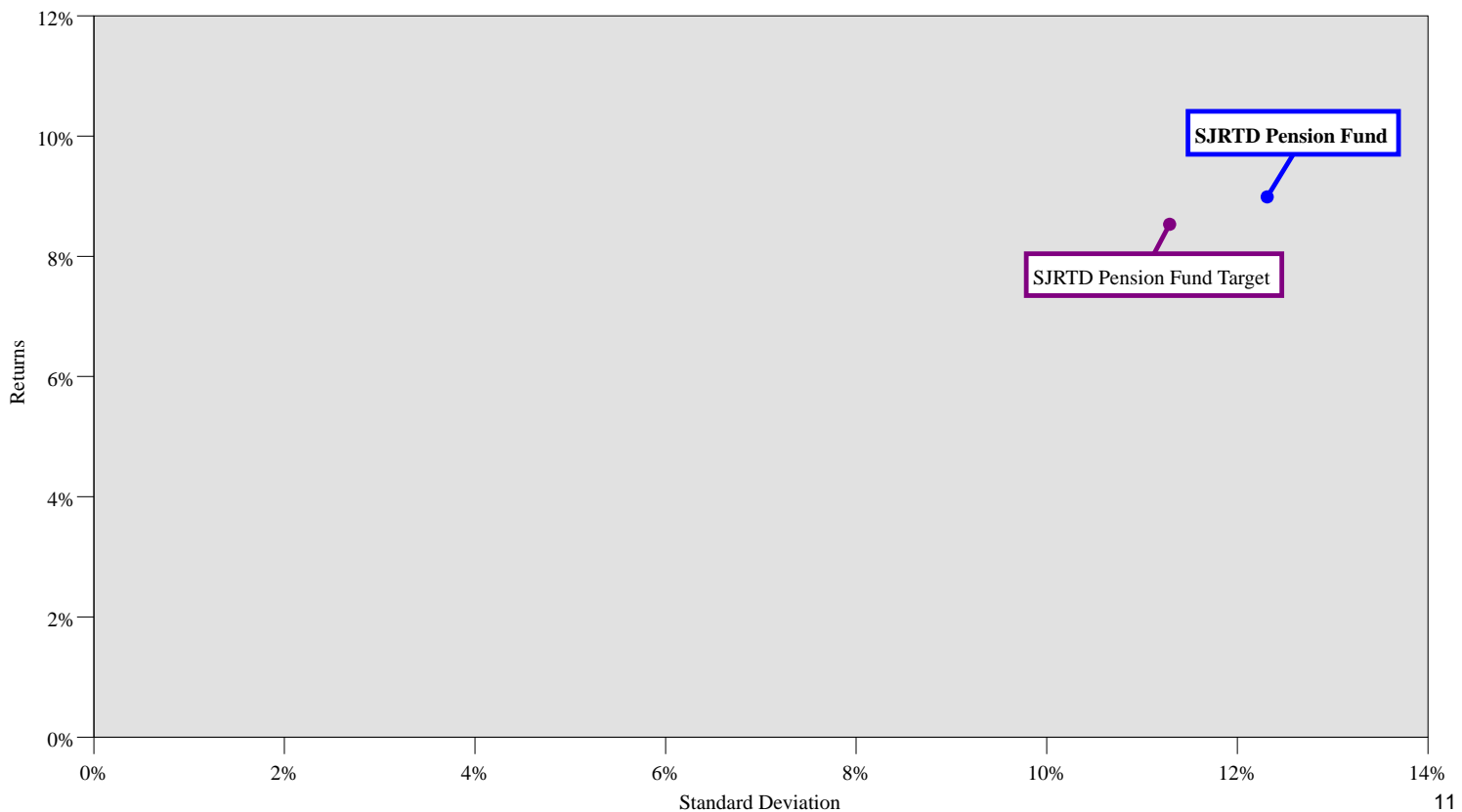


Sector	Current Value	Current Percent	Target Allocation Value	Target Allocation Percent	Dollar Variance	Percent Variance
Large Cap U.S. Equity	\$12,951,336	25.9%	\$12,149,512	24.3%	\$801,824	1.6%
Small Cap U.S. Equity	\$4,254,363	8.5%	\$4,049,837	8.1%	\$204,526	0.4%
International Equity	\$8,146,206	16.3%	\$8,099,674	16.2%	\$46,531	0.1%
Emerging Markets Equity	\$2,547,801	5.1%	\$2,699,891	5.4%	(\$152,091)	(0.3%)
Real Estate	\$2,718,084	5.4%	\$2,999,879	6.0%	(\$281,796)	(0.6%)
Core Fixed Income	\$12,951,460	25.9%	\$13,499,457	27.0%	(\$547,997)	(1.1%)
High Yield Fixed Income	\$3,617,561	7.2%	\$3,599,855	7.2%	\$17,706	0.0%
Emerging Markets Debt	\$2,405,540	4.8%	\$2,399,904	4.8%	\$5,636	0.0%
Cash & Equivalents	\$405,641	0.8%	\$499,980	1.0%	(\$94,339)	(0.2%)
Total	\$49,997,990	100.0%	\$49,997,990	100.0%		

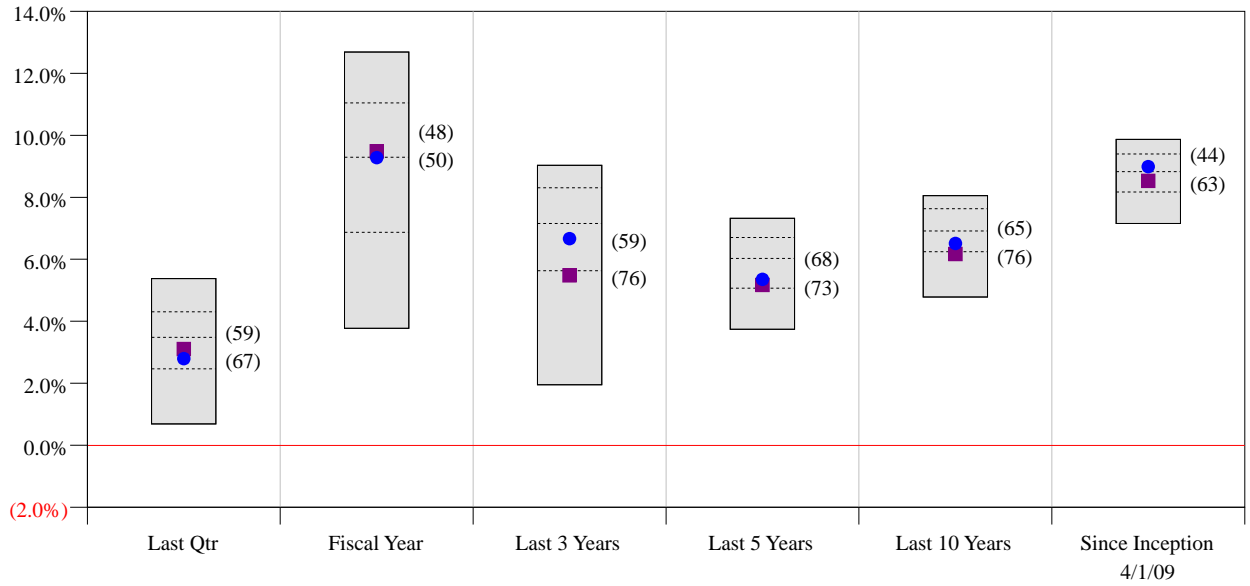
Cumulative Returns | SJRTD Pension Fund vs. Targets
Beginning April 1, 2009 | Ending June 30, 2023



Risk vs Return | SJRTD Pension Fund Target vs. Targets
Beginning April 1, 2009 | Ending June 30, 2023

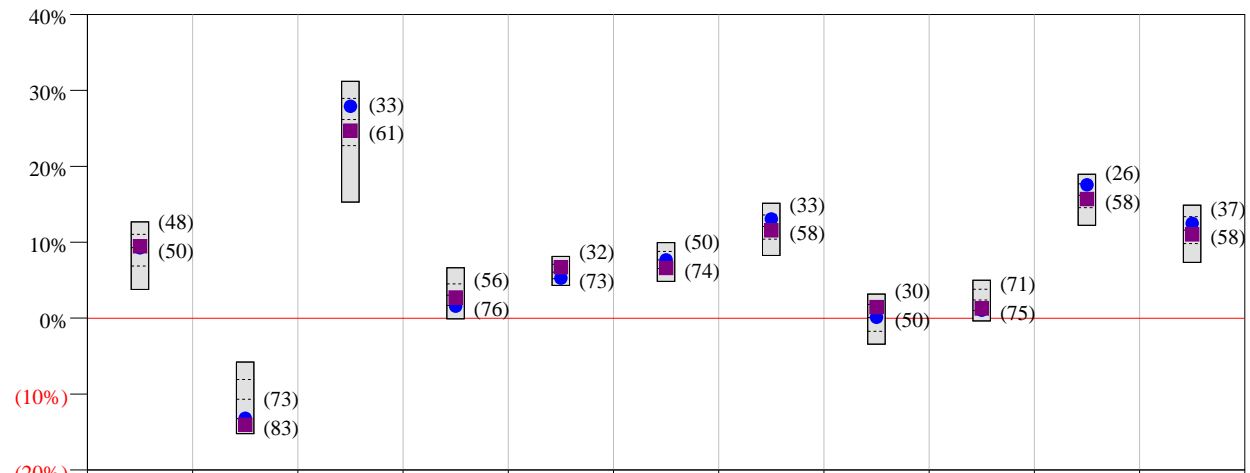


Performance vs. Callan Fund Sponsors - Small DB (<100M)
Periods Ended June 30, 2023



10th Percentile	5.38	12.69	9.03	7.33	8.05	9.87
25th Percentile	4.31	11.05	8.31	6.71	7.64	9.40
Median	3.49	9.29	7.16	6.03	6.91	8.83
75th Percentile	2.47	6.88	5.64	5.07	6.25	8.17
90th Percentile	0.69	3.78	1.96	3.75	4.79	7.16
SJRTD Pension Fund	2.80	9.28	6.67	5.36	6.52	8.99
SJRTD Pension Fund Target	3.11	9.49	5.48	5.17	6.18	8.53

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



10th Percentile	12.69	(5.77)	31.22	6.65	8.13	9.97	15.16	3.19	5.00	18.97	14.90
25th Percentile	11.05	(8.07)	28.96	4.53	7.10	8.79	13.60	1.81	3.81	17.70	13.38
Median	9.29	(10.69)	26.17	3.02	6.08	7.69	12.08	0.07	2.39	16.18	11.60
75th Percentile	6.88	(13.24)	22.73	1.69	5.20	6.54	10.41	(1.72)	1.00	14.55	9.84
90th Percentile	3.78	(15.21)	15.29	(0.09)	4.31	4.86	8.26	(3.43)	(0.35)	12.25	7.35
SJRTD Pension Fund	9.28	(13.18)	27.92	1.59	5.27	7.67	13.07	0.11	1.06	17.58	12.50
SJRTD Pension Fund Target	9.49	(14.03)	24.70	2.73	6.73	6.63	11.57	1.47	1.30	15.71	11.05

Returns for Periods Ended June 30, 2023

	Last Qtr	Fiscal Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 14 1/4 Years
Large Cap Equity						
Vanguard Inst'l Index I	8.73	19.55	14.57	12.28	12.83	15.05
DFA US Large Cap Value	3.18	11.54	15.97	7.05	9.43	13.98
<i>S&P 500 Index</i>	<i>8.74</i>	<i>19.59</i>	<i>14.60</i>	<i>12.31</i>	<i>12.86</i>	<i>15.07</i>
<i>Russell 1000 Value</i>	<i>4.07</i>	<i>11.54</i>	<i>14.30</i>	<i>8.11</i>	<i>9.22</i>	<i>12.69</i>
<i>Russell 1000 Growth</i>	<i>12.81</i>	<i>27.11</i>	<i>13.73</i>	<i>15.14</i>	<i>15.74</i>	<i>17.14</i>
Small Cap Equity						
Avantis US Small Cap Value	5.41	16.58	26.18	--	--	--
Vanguard Small Cap Gr Idx Adm*	6.21	17.44	5.31	6.10	9.19	14.15
<i>Russell 2000 Index</i>	<i>5.21</i>	<i>12.31</i>	<i>10.82</i>	<i>4.21</i>	<i>8.26</i>	<i>12.59</i>
<i>Russell 2000 Value</i>	<i>3.18</i>	<i>6.01</i>	<i>15.43</i>	<i>3.54</i>	<i>7.29</i>	<i>11.67</i>
<i>Russell 2000 Growth</i>	<i>7.05</i>	<i>18.53</i>	<i>6.10</i>	<i>4.22</i>	<i>8.83</i>	<i>13.21</i>
<i>CRSP US Sm Cap Growth</i>	<i>6.18</i>	<i>17.29</i>	<i>5.28</i>	<i>6.08</i>	<i>9.15</i>	<i>13.61</i>
International Equity						
DFA International Value	3.99	18.10	16.37	4.35	5.46	8.23
Vanguard Int'l Growth Adm	0.88	14.83	3.49	6.57	9.12	11.29
DFA Intl Small Company	0.48	12.56	9.41	2.53	6.39	9.87
<i>MSCI EAFE Index</i>	<i>2.95</i>	<i>18.77</i>	<i>8.93</i>	<i>4.39</i>	<i>5.41</i>	<i>8.01</i>
<i>MSCI World ex US Value</i>	<i>3.12</i>	<i>15.49</i>	<i>12.07</i>	<i>3.24</i>	<i>4.25</i>	<i>7.18</i>
<i>MSCI ACWI ex US Growth</i>	<i>1.94</i>	<i>13.26</i>	<i>3.96</i>	<i>4.06</i>	<i>5.61</i>	<i>8.18</i>
<i>MSCI World Sm Cap ex US</i>	<i>0.49</i>	<i>10.05</i>	<i>6.42</i>	<i>1.83</i>	<i>5.97</i>	<i>9.76</i>
Emerging Markets Equity						
DFA Emerging Markets Core	2.93	7.05	8.14	3.28	4.13	8.00
<i>MSCI Emerging Markets</i>	<i>0.90</i>	<i>1.75</i>	<i>2.32</i>	<i>0.93</i>	<i>2.95</i>	<i>6.50</i>
REITs						
DFA Global Real Estate Securities	(0.20)	(4.81)	4.29	2.48	4.92	11.31
<i>S&P Global REIT Index</i>	<i>0.71</i>	<i>(3.02)</i>	<i>5.34</i>	<i>1.35</i>	<i>3.80</i>	<i>10.16</i>
Core Fixed Income						
Agincourt Core Fixed Income	(0.51)	(0.06)	(3.72)	1.34	2.04	3.42
<i>Blmbg Barc Agg Index</i>	<i>(0.84)</i>	<i>(0.94)</i>	<i>(3.96)</i>	<i>0.77</i>	<i>1.52</i>	<i>2.58</i>
<i>Blmbg Barc Gov/Credit Bond Idx</i>	<i>(0.93)</i>	<i>(0.70)</i>	<i>(4.11)</i>	<i>1.03</i>	<i>1.66</i>	<i>2.77</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 June 30, 2023

	Last Qtr	Fiscal Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 14 1/4 Years
High Yield Fixed Income						
Vanguard High Yield Corp Adm	1.12	8.50	2.46	3.41	4.23	7.41
<i>ICE BofA High Yield CP BB-B Cons</i>	<i>1.25</i>	<i>8.54</i>	<i>2.62</i>	<i>3.37</i>	<i>4.34</i>	<i>7.80</i>
Emerging Markets Debt						
PIMCO EM Full Spectrum Bd I	1.82	11.00	(0.64)	1.33	0.81	--
<i>50/25/25 EM Debt Index**</i>	<i>1.96</i>	<i>8.76</i>	<i>(1.61)</i>	<i>0.95</i>	<i>1.32</i>	<i>4.50</i>
<i>50/50 EM Debt Index***</i>	<i>2.35</i>	<i>9.38</i>	<i>(2.24)</i>	<i>0.46</i>	<i>1.18</i>	<i>4.29</i>
Total Fund						
SJRTD Pension Fund	2.80	9.28	6.67	5.36	6.52	8.99
<i>SJRTD Pension Fund Target</i>	<i>3.11</i>	<i>9.49</i>	<i>5.48</i>	<i>5.17</i>	<i>6.18</i>	<i>8.53</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).

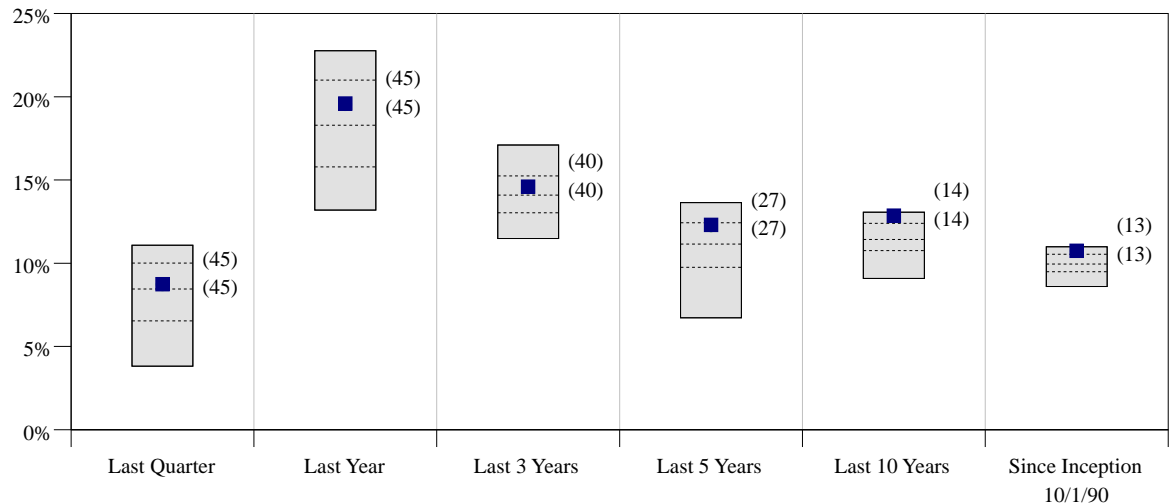
Current Quarter Target = 1.0% 3-Month Treasury Bill, 27.0% Bloomberg Barclays Aggregate Index, 6.0% S&P Global REIT Index, 2.4% JPM GBI EM GI Divers USD Unh, 2.4% JPM EMBI Global Diversified, 7.2% ICE BofAML High Yield CP BB-B Cons, 16.2% MSCI EAFE Index, 5.4% MSCI Emerging Markets, 8.1% Russell 2000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

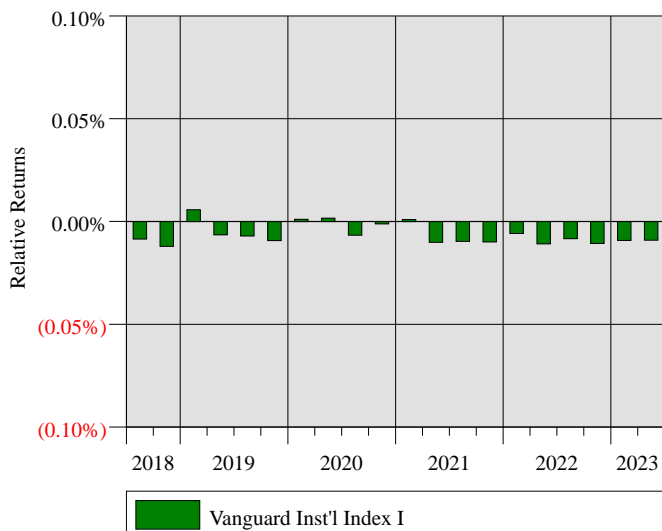
Vanguard Inst'l Index I (VINIX) Performance vs. Callan Large Cap Core Mutual Funds Periods ending: June 30, 2023



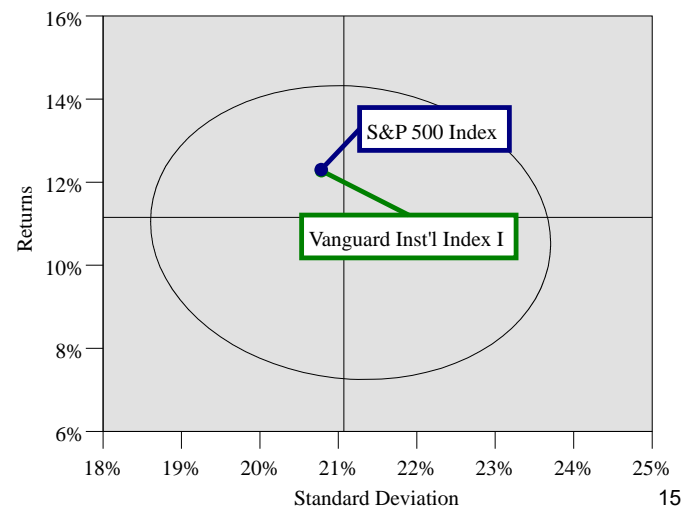
10th Percentile	11.09	22.77	17.11	13.65	13.07	11.00
25th Percentile	10.02	21.01	15.24	12.44	12.40	10.54
Median	8.46	18.29	14.09	11.15	11.43	9.96
75th Percentile	6.54	15.79	13.04	9.76	10.76	9.49
90th Percentile	3.82	13.20	11.49	6.73	9.10	8.61
Vanguard Inst'l Index I	8.73	19.55	14.57	12.28	12.83	10.75
S&P 500 Index	8.74	19.59	14.60	12.31	12.86	10.75

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vanguard Inst'l Index I	16.87	(18.14)	28.67	18.39	31.46	(4.42)	21.79	11.93	1.37	13.65	32.35
S&P 500 Index	16.89	(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 6/30/23

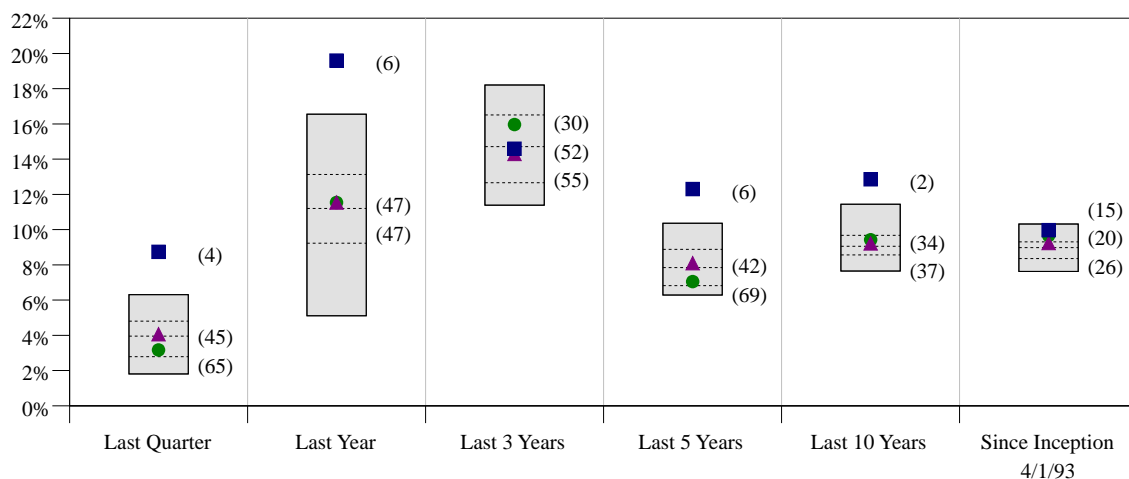


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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.

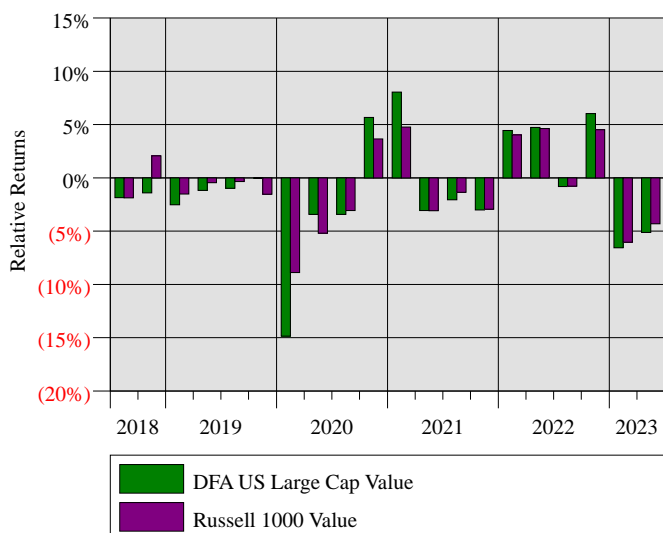
DFA US Large Cap Value (DFLVX) Performance vs. Callan Large Cap Value Mutual Funds Periods ending: June 30, 2023



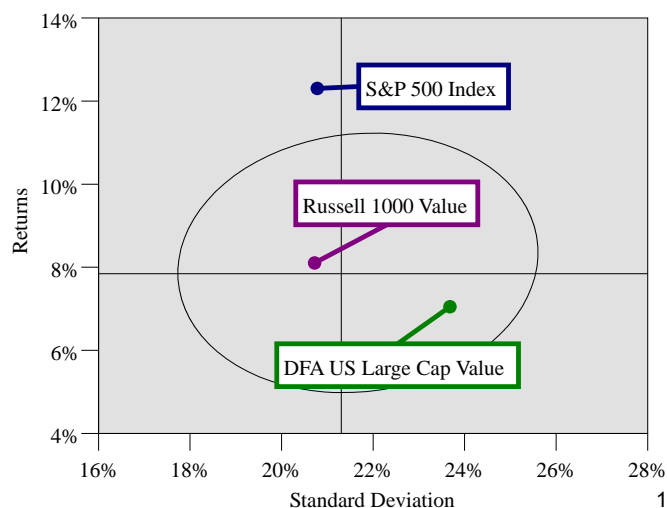
10th Percentile	6.32	16.56	18.21	10.36	11.45	10.32
25th Percentile	4.81	13.14	16.51	8.89	9.68	9.31
Median	3.96	11.21	14.72	7.85	9.06	8.98
75th Percentile	2.79	9.23	12.66	6.83	8.57	8.37
90th Percentile	1.82	5.12	11.39	6.30	7.65	7.63
DFA US Large Cap Value	3.18	11.54	15.97	7.05	9.43	9.67
S&P 500 Index	8.74	19.59	14.60	12.31	12.86	9.97
Russell 1000 Value	4.07	11.54	14.30	8.11	9.22	9.25

	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA US Large Cap Value	3.65	(5.78)	28.07	(0.61)	25.45	(11.65)	18.97	18.89	(3.49)	10.07	40.32
S&P 500 Index	16.89	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69	32.39
Russell 1000 Value	5.12	(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 6/30/23

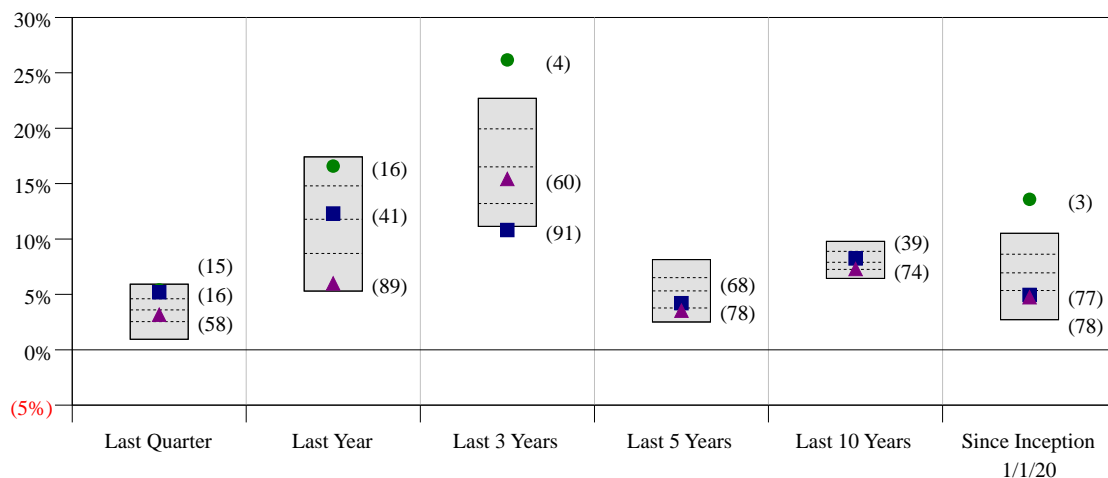


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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.

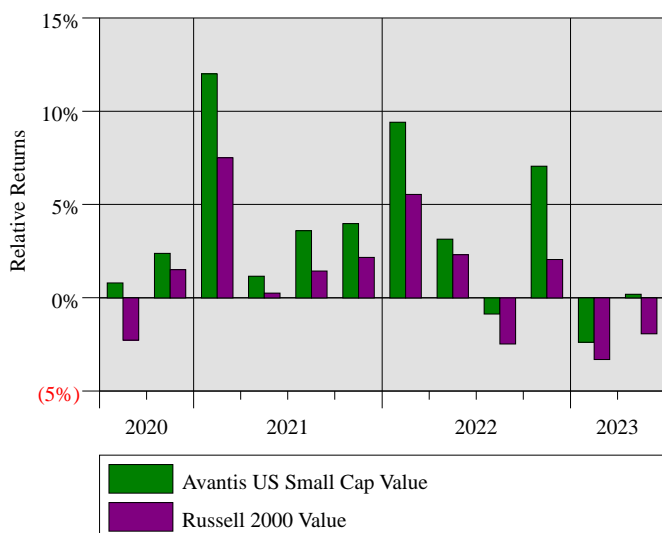
Avantis US Small Cap Value (AVUVX) Performance vs. Callan Small Cap Value Mutual Funds Periods ending: June 30, 2023



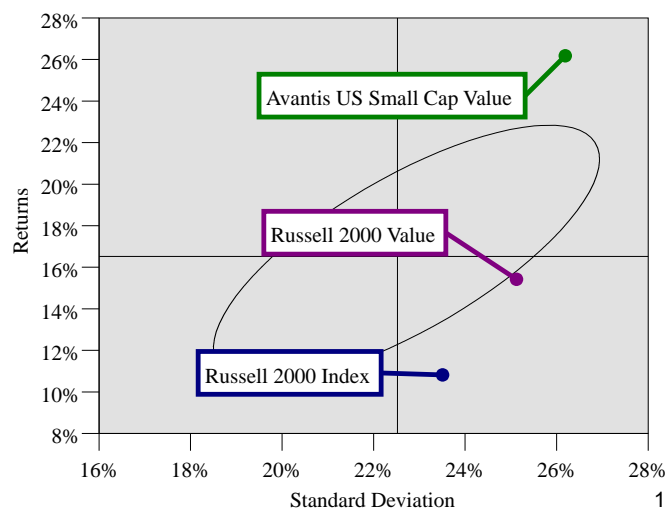
10th Percentile	5.93	17.42	22.71	8.14	9.79	10.52
25th Percentile	4.61	14.81	19.96	6.53	8.90	8.63
Median	3.60	11.79	16.53	5.32	7.90	6.95
75th Percentile	2.55	8.70	13.22	3.78	7.26	5.35
90th Percentile	0.95	5.31	11.14	2.51	6.46	2.73
Avantis US Small Cap Value	5.41	16.58	26.18	--	--	13.60
Russell 2000 Index	5.21	12.31	10.82	4.21	8.26	4.96
Russell 2000 Value	3.18	6.01	15.43	3.54	7.29	4.75

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Avantis US Small Cap Value	5.72	(4.70)	40.17	10.64	--	--	--	--	--	--	--
Russell 2000 Index	8.09	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Value	2.50	(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 6/30/23

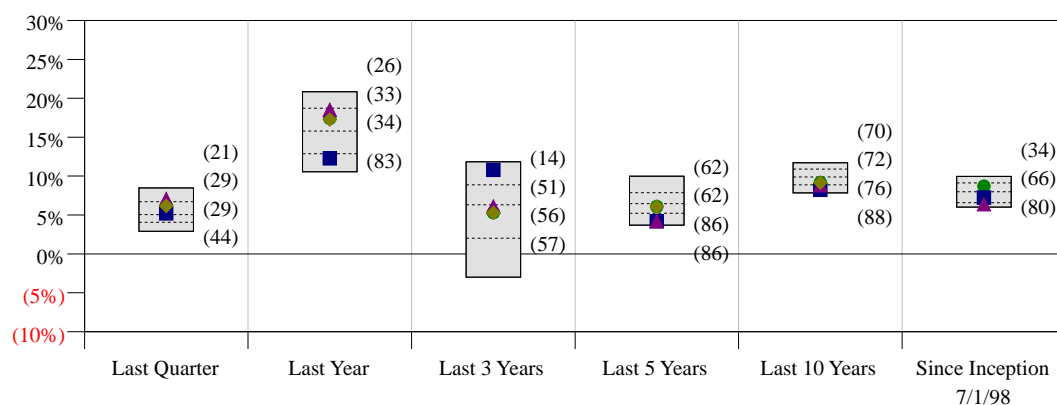


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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: June 30, 2023

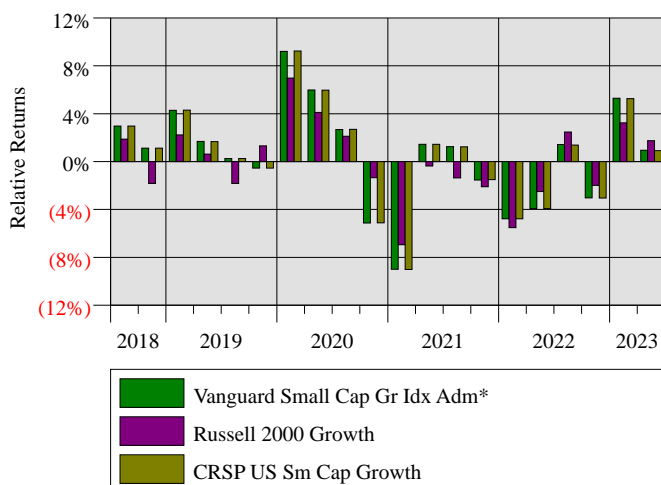


10th Percentile		8.49	20.86	11.85	10.01	11.72	9.96
25th Percentile		6.71	18.73	8.89	7.87	10.92	9.15
Median		5.07	15.81	6.31	6.48	9.91	8.01
75th Percentile		4.09	12.88	2.03	5.23	8.89	6.60
90th Percentile		2.91	10.57	(2.97)	3.72	7.85	6.01
Vanguard Small Cap Gr Idx Adm*	●	6.21	17.44	5.31	6.10	9.19	8.72
Russell 2000 Index	■	5.21	12.31	10.82	4.21	8.26	7.26
Russell 2000 Growth	▲	7.05	18.53	6.10	4.22	8.83	6.39
CRSP US Sm Cap Growth	◆	6.18	17.29	5.28	6.08	9.15	--

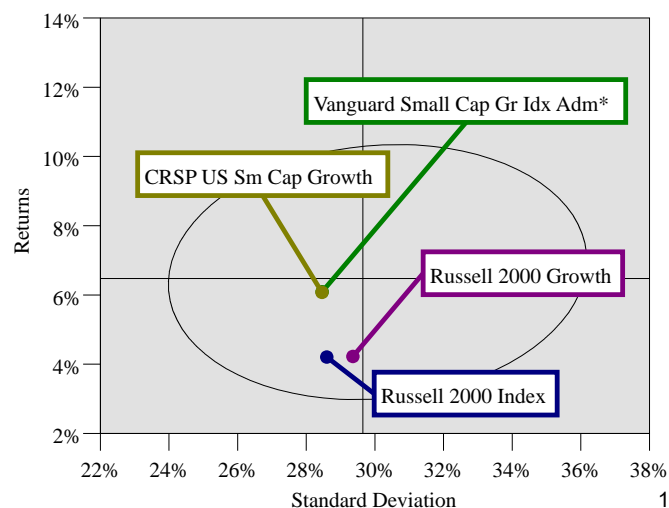
Vanguard switched to CRSP US Sm Cap Growth Index on April 17, 2013.

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vanguard Small Cap Gr Idx Adm*	14.90	(28.39)	5.70	35.28	32.76	(5.68)	21.92	10.73	(2.52)	4.02	38.22
Russell 2000 Index	8.09	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Growth	13.55	(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	14.82	(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 6/30/23



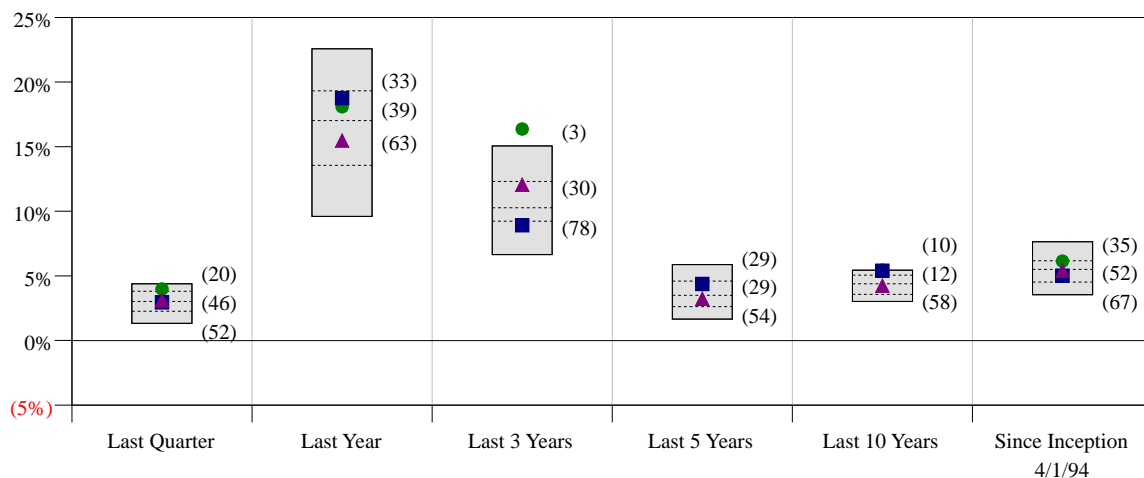
*Investor shares used as a proxy prior to 10/2011.

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.

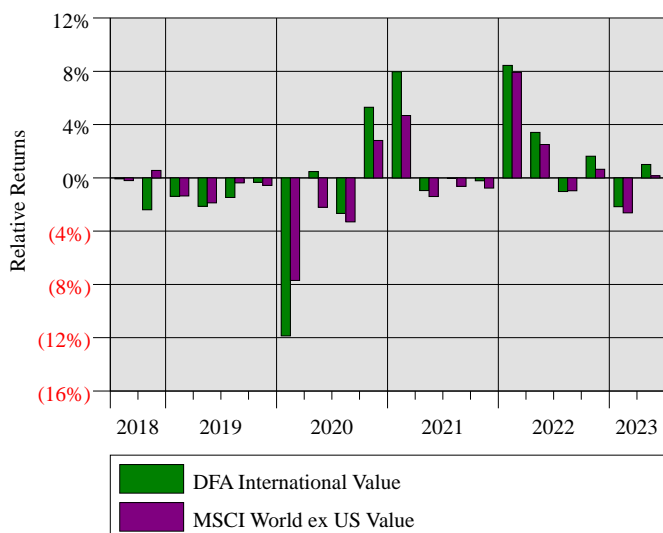
DFA International Value (DFIVX) Performance vs. Callan International Large Cap Value MFs Periods ending: June 30, 2023



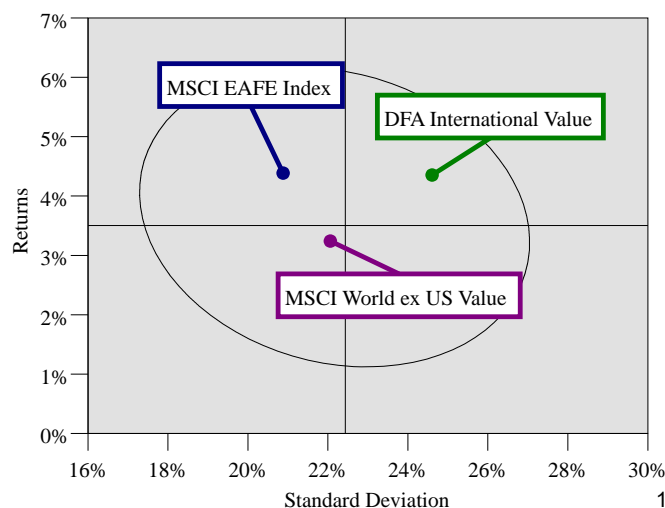
10th Percentile	4.40	22.58	15.07	5.88	5.45	7.65
25th Percentile	3.82	19.32	12.32	4.61	5.06	6.18
Median	3.04	17.03	10.28	3.50	4.40	5.52
75th Percentile	2.27	13.56	9.24	2.64	3.59	4.53
90th Percentile	1.34	9.62	6.66	1.66	3.04	3.55
DFA International Value	3.99	18.10	16.37	4.35	5.46	6.16
MSCI EAFE Index	2.95	18.77	8.93	4.39	5.41	5.02
MSCI World ex US Value	3.12	15.49	12.07	3.24	4.25	5.43

	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA International Value	10.37	(3.48)	18.69	(2.14)	15.67	(17.49)	26.09	8.41	(6.31)	(6.99)	23.12
MSCI EAFE Index	11.67	(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	8.92	(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 6/30/23

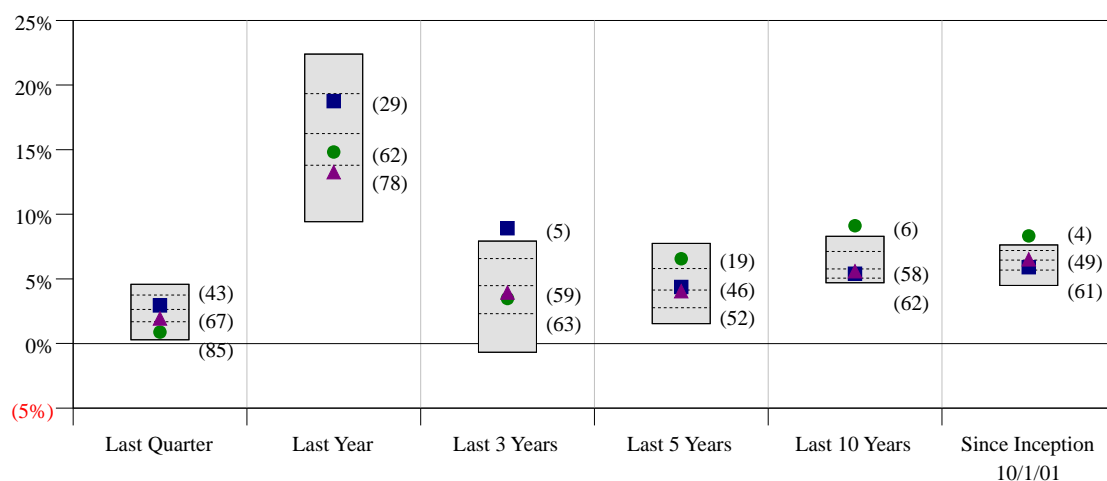


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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.

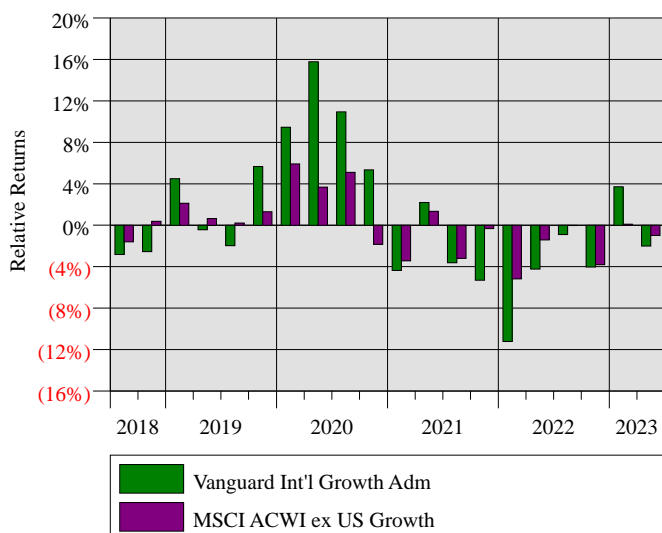
Vanguard Int'l Growth Adm (VWILX) Performance vs. Callan Intl Large Cap Growth MFs Periods ending: June 30, 2023



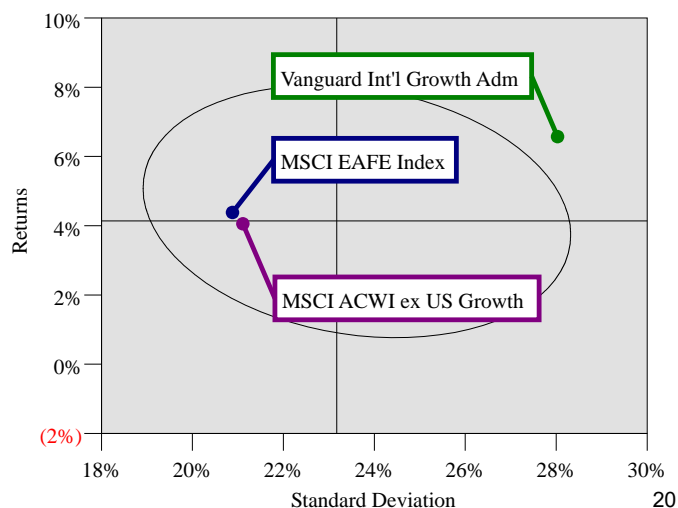
10th Percentile	4.58	22.40	7.94	7.75	8.31	7.63
25th Percentile	3.76	19.35	6.58	5.81	7.13	7.21
Median	2.65	16.26	4.49	4.14	5.78	6.46
75th Percentile	1.70	13.80	2.31	2.78	5.06	5.68
90th Percentile	0.30	9.44	(0.67)	1.54	4.70	4.50
Vanguard Int'l Growth Adm	0.88	14.83	3.49	6.57	9.12	8.34
MSCI EAFE Index	2.95	18.77	8.93	4.39	5.41	5.92
MSCI ACWI ex US Growth	1.94	13.26	3.96	4.06	5.61	6.52

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vanguard Int'l Growth Adm	13.50	(30.79)	(0.74)	59.74	31.48	(12.58)	43.16	1.84	(0.54)	(5.51)	23.12
MSCI EAFE Index	11.67	(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	10.70	(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 6/30/23

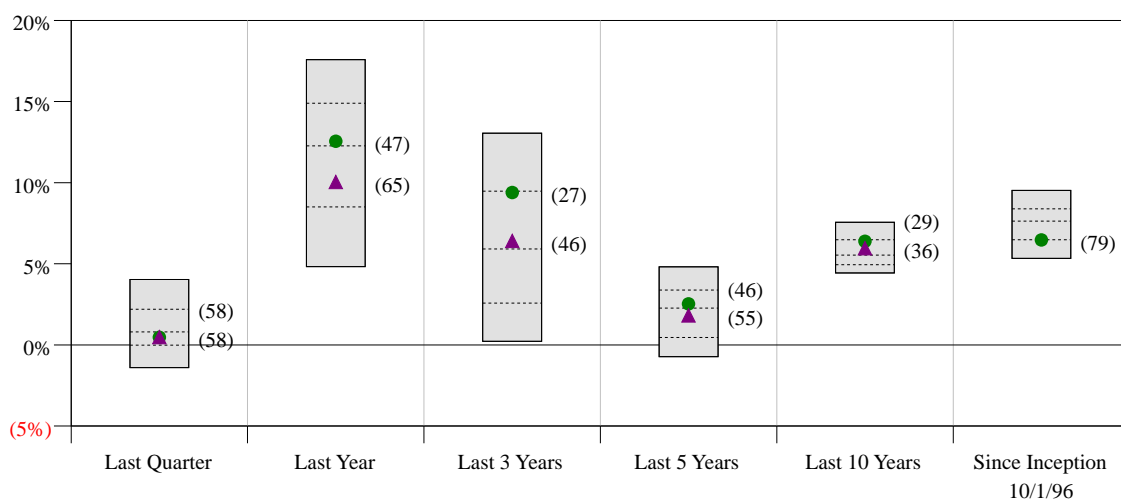


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

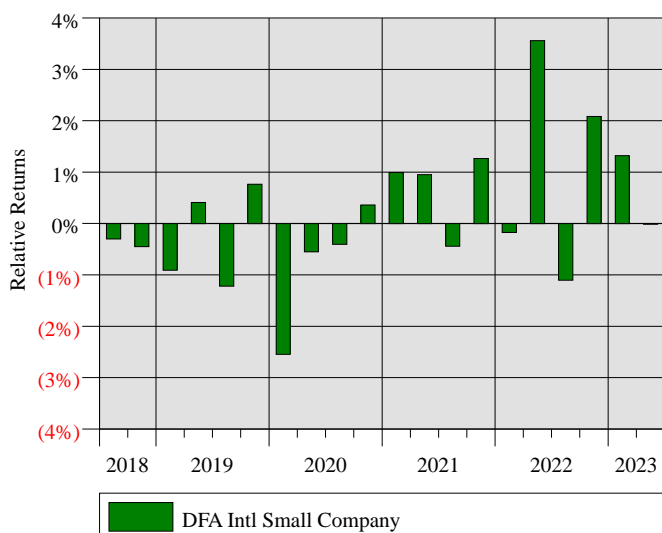
International Small Cap funds invest at least 65% of their assets in equity securities of non-United States companies with a market capitalization of less than US \$1 billion at the time of purchase.

DFA Intl Small Company (DFISX) Performance vs. Callan International Small Cap Mut Funds Periods ending: June 30, 2023

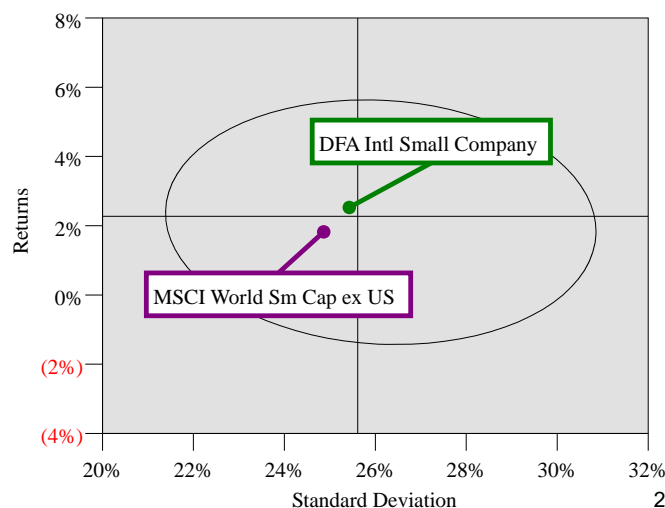


	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA Intl Small Company	6.88	(17.12)	14.24	9.26	24.20	(19.42)	30.24	5.80	5.91	(6.30)	27.44
MSCI World Sm Cap ex US	5.50	(20.59)	11.14	12.78	25.41	(18.07)	31.04	4.32	5.46	(5.35)	25.55

Relative Returns vs. MSCI World Sm Cap ex US



Callan International Small Cap Mut Funds | 5 Years Ended 6/30/23

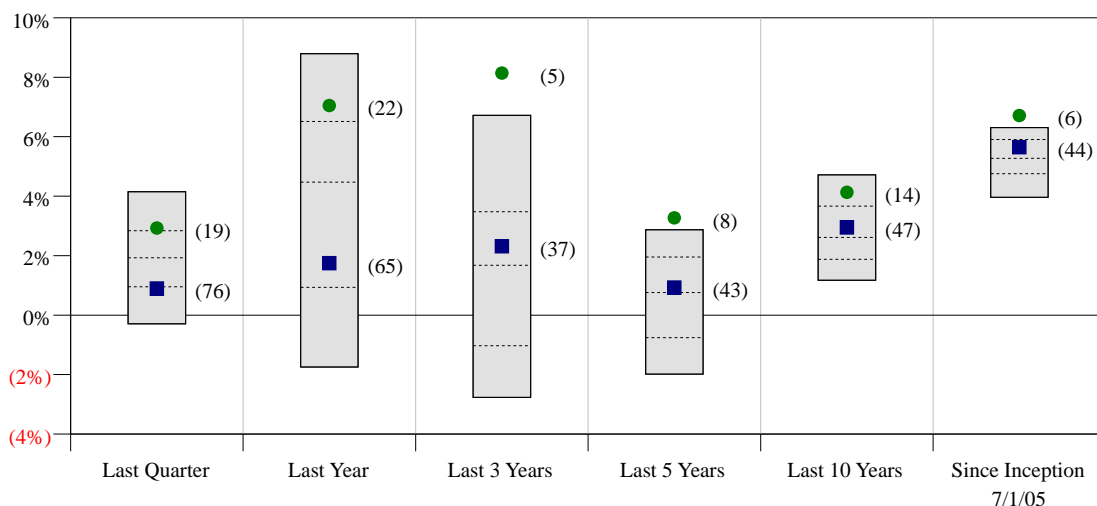


Source: Callan. Past performance is not indicative of future results. See important disclosures.
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Investment Philosophy:

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.

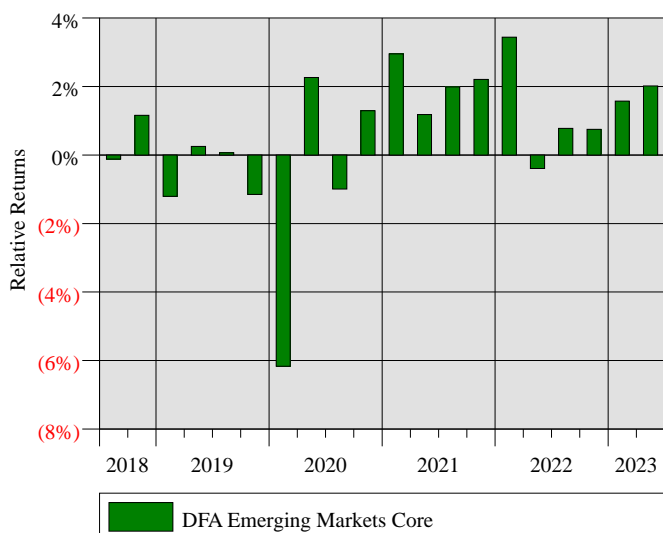
DFA Emerging Markets Core (DFCEX) Performance vs. Callan Emerging Markets Equity Mut Funds Periods ending: June 30, 2023



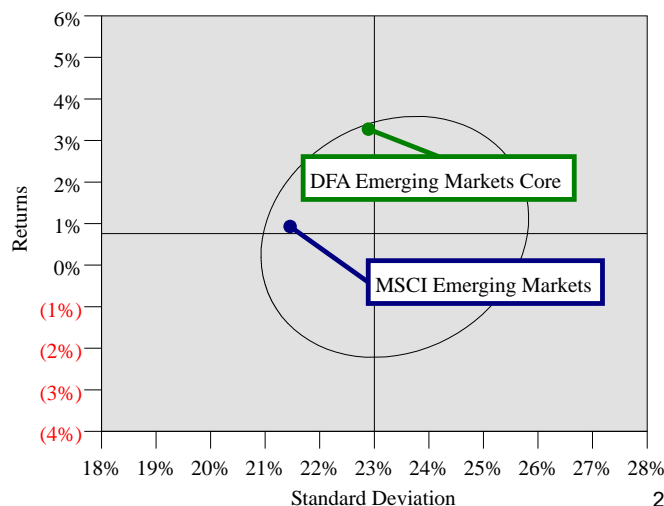
10th Percentile	4.15	8.79	6.73	2.87	4.72	6.31
25th Percentile	2.84	6.51	3.48	1.96	3.67	5.91
Median	1.93	4.48	1.68	0.76	2.62	5.27
75th Percentile	0.95	0.94	(1.03)	(0.76)	1.88	4.76
90th Percentile	(0.29)	(1.74)	(2.76)	(1.98)	1.17	3.96
DFA Emerging Markets Core ●	2.93	7.05	8.14	3.28	4.13	6.72
MSCI Emerging Markets ■	0.90	1.75	2.32	0.93	2.95	5.65

	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA Emerging Markets Core	8.69	(16.40)	5.83	13.86	16.04	(15.25)	36.55	12.35	(14.86)	(0.91)	(2.64)
MSCI Emerging Markets	4.89	(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



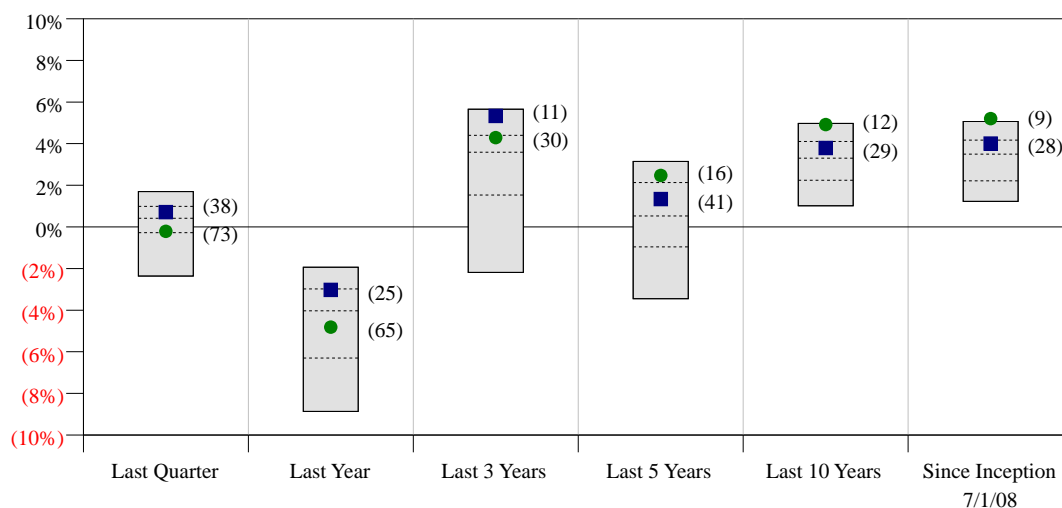
Callan Emerging Markets Equity Mut Funds | 5 Years Ended 6/30/23



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.

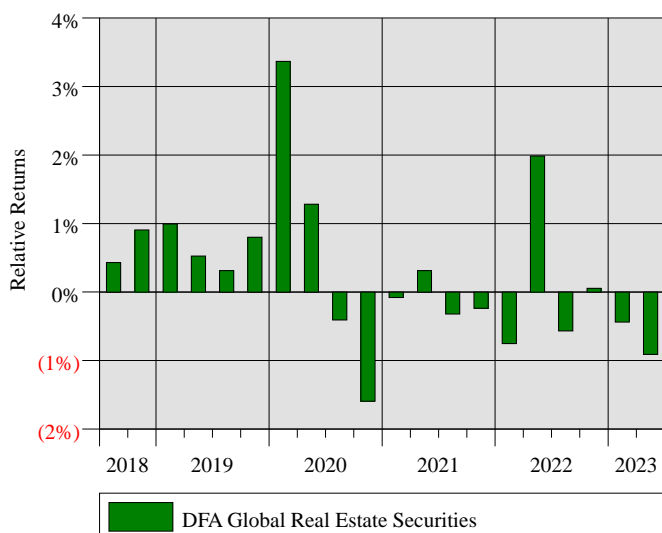
DFA Global Real Estate Securities (DFGEX) Performance vs. Morningstar Global Real Estate Funds Periods ending: June 30, 2023



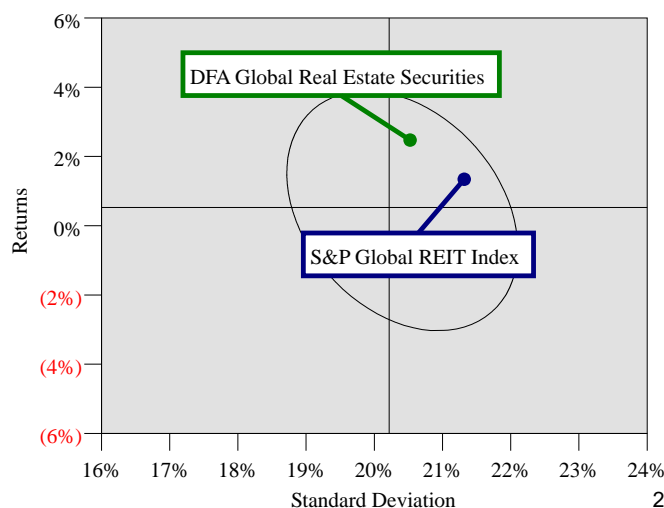
10th Percentile	1.70	(1.94)	5.66	3.15	4.97	5.07
25th Percentile	0.99	(2.97)	4.41	2.13	4.11	4.18
Median	0.42	(4.03)	3.60	0.53	3.31	3.50
75th Percentile	(0.28)	(6.29)	1.53	(0.95)	2.25	2.22
90th Percentile	(2.36)	(8.86)	(2.18)	(3.45)	1.02	1.23
DFA Global Real Estate Securities	0.20	(4.81)	4.29	2.48	4.92	5.21
S&P Global REIT Index	0.71	(3.02)	5.34	1.35	3.80	4.01

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA Global Real Estate Securities	0.72	(23.83)	30.96	(6.72)	26.40	(4.15)	9.20	6.56	0.69	22.74	1.77
S&P Global REIT Index	2.09	(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 6/30/23

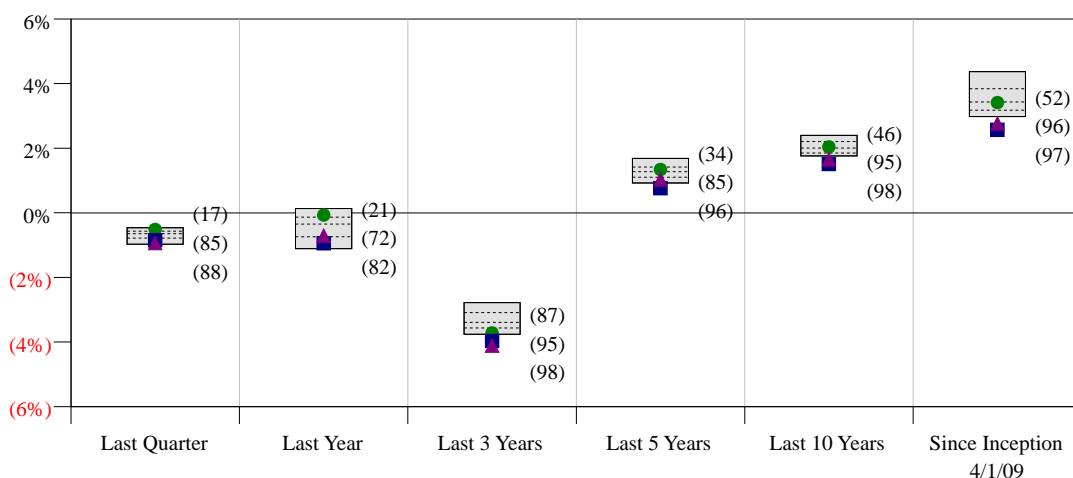


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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.

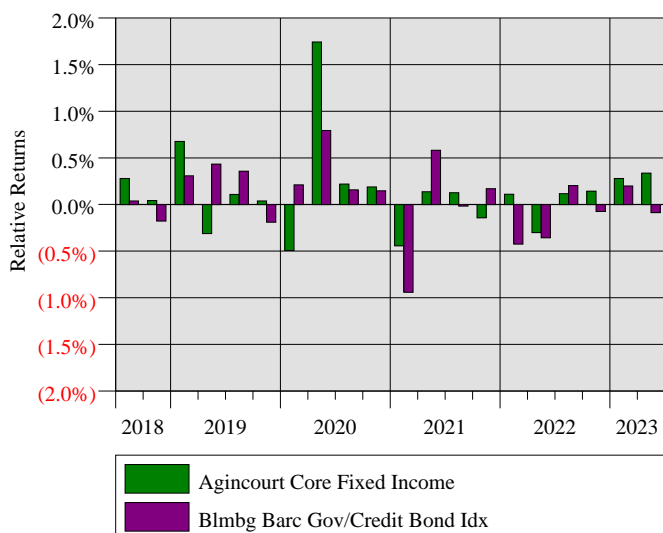
Agincourt Core Fixed Income Performance vs. Callan Core Bond Fixed Income Periods ending: June 30, 2023



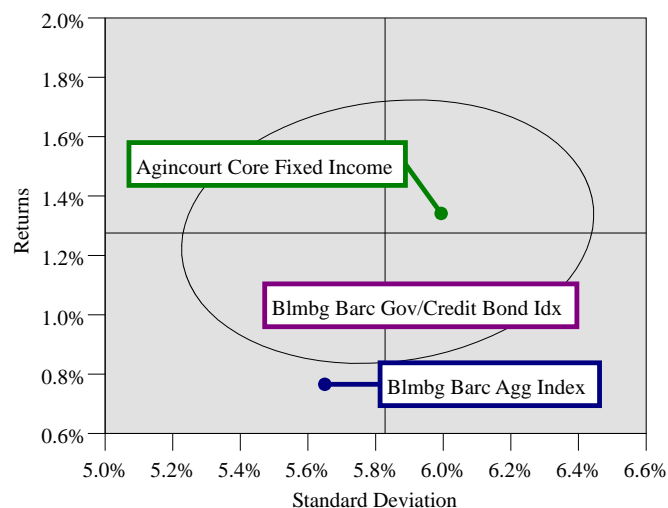
10th Percentile	(0.46)	0.13	(2.78)	1.69	2.40	4.38
25th Percentile	(0.56)	(0.13)	(3.09)	1.42	2.21	3.84
Median	(0.64)	(0.34)	(3.39)	1.28	2.01	3.43
75th Percentile	(0.78)	(0.74)	(3.56)	1.11	1.85	3.18
90th Percentile	(0.97)	(1.11)	(3.76)	0.93	1.77	2.99
Agincourt Core Fixed Income	(0.51)	(0.06)	(3.72)	1.34	2.04	3.42
Blmbg Barc Agg Index	(0.84)	(0.94)	(3.96)	0.77	1.52	2.58
Blmbg Barc Gov/Credit Bond Idx	(0.93)	(0.70)	(4.11)	1.03	1.66	2.77

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Agincourt Core Fixed Income	2.72	(12.95)	(1.86)	9.29	9.28	0.29	4.17	3.73	0.64	6.07	(1.45)
Blmbg Barc Agg Index	2.09	(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	2.21	(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 6/30/23

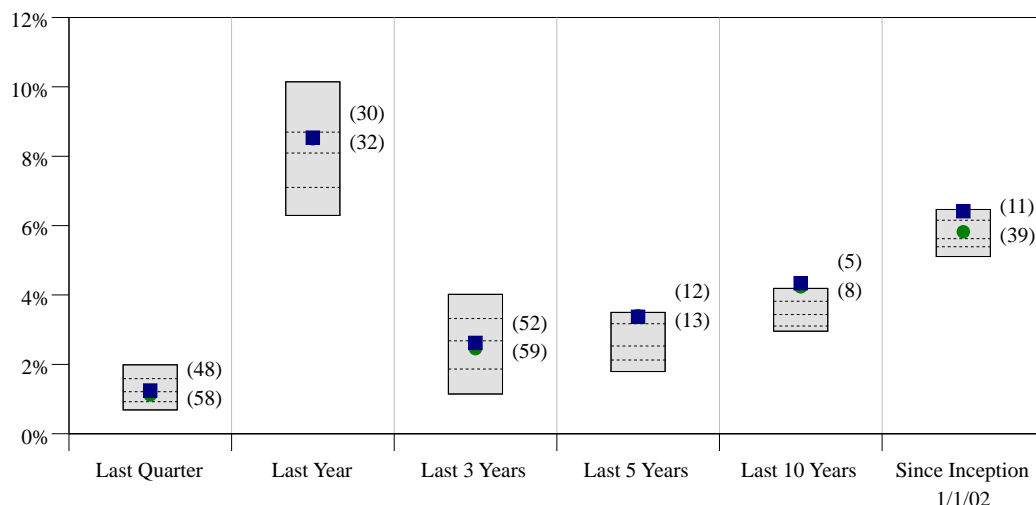


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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: June 30, 2023



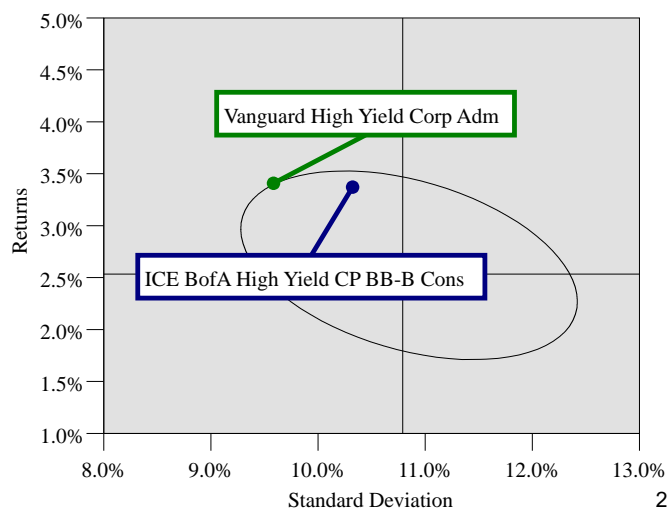
10th Percentile	1.99	10.15	4.02	3.50	4.19	6.47
25th Percentile	1.59	8.70	3.32	3.17	3.82	6.16
Median	1.21	8.10	2.68	2.53	3.44	5.63
75th Percentile	0.93	7.10	1.87	2.13	3.11	5.39
90th Percentile	0.69	6.30	1.15	1.80	2.96	5.11
Vanguard High Yield Corp Adm	1.12	8.50	2.46	3.41	4.23	5.82
ICE BofA High Yield CP BB-B Cons	1.25	8.54	2.62	3.37	4.34	6.42

	2 Qtrs.	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	2023										
Vanguard High Yield Corp Adm	4.35	(8.97)	3.78	5.39	15.91	(2.87)	7.13	11.30	(1.30)	4.69	4.64
ICE BofA High Yield CP BB-B Cons	4.84	(10.59)	4.58	6.32	15.09	(2.04)	6.98	14.76	(2.82)	3.48	6.29

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



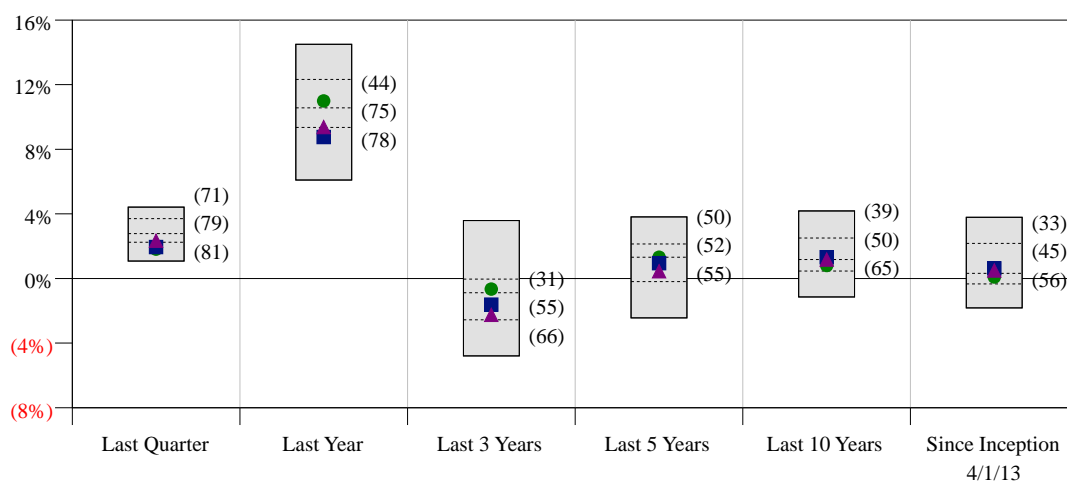
Callan High Yield Mutual Funds | 5 Years Ended 6/30/23



Investment Philosophy:

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

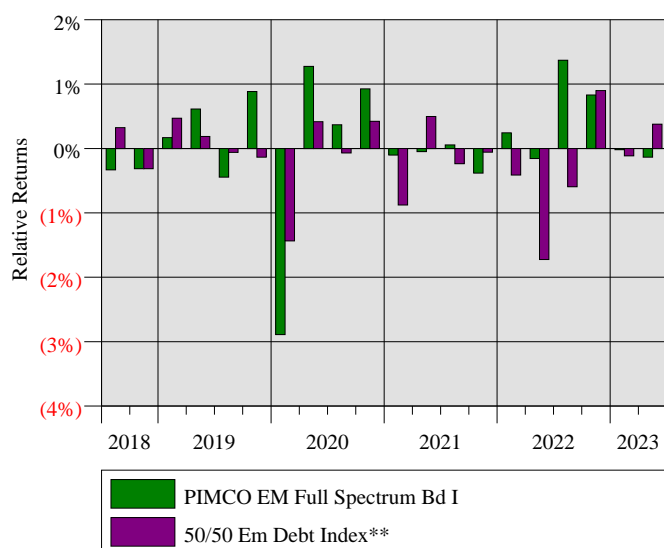
PIMCO EM Full Spectrum Bd I (PFSIX) Performance vs. Callan Emerging Mkts Debt Blend MFs Periods ending: June 30, 2023



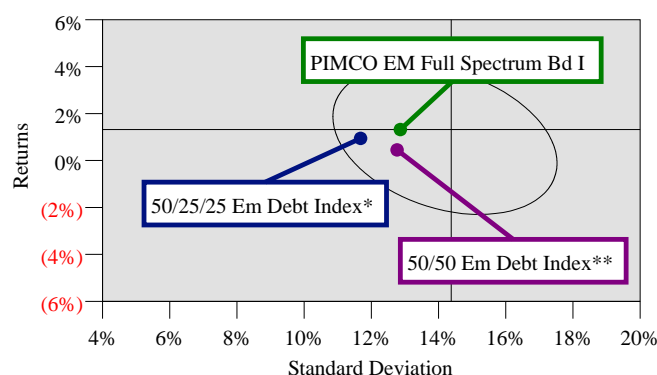
10th Percentile		4.43	14.51	3.60	3.82	4.19	3.79
25th Percentile		3.71	12.33	(0.02)	2.15	2.52	2.18
Median		2.79	10.57	(0.87)	1.33	1.19	0.33
75th Percentile		2.26	9.36	(2.54)	(0.19)	0.47	(0.33)
90th Percentile		1.08	6.10	(4.79)	(2.44)	(1.14)	(1.81)
PIMCO EM Full Spectrum Bd I	●	1.82	11.00	(0.64)	1.33	0.81	0.10
50/25/25 Em Debt Index*	■	1.96	8.76	(1.61)	0.95	1.32	0.64
50/50 Em Debt Index**	▲	2.35	9.38	(2.24)	0.46	1.18	0.51

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
PIMCO EM Full Spectrum Bd I	5.50	(11.17)	(5.13)	4.31	15.16	(5.28)	12.30	12.01	(11.09)	(3.82)	--
50/25/25 Em Debt Index*	5.66	(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**	5.94	(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 6/30/23



* 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 Gl 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
June 30, 2023

Market Overview

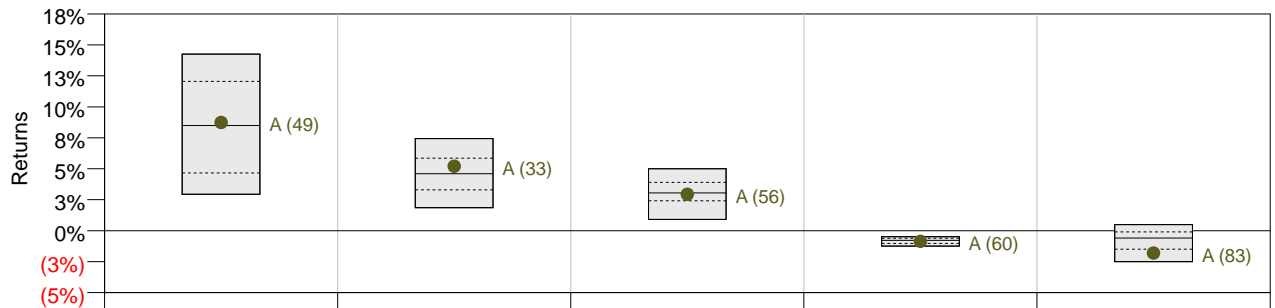
Active Management vs Index Returns

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

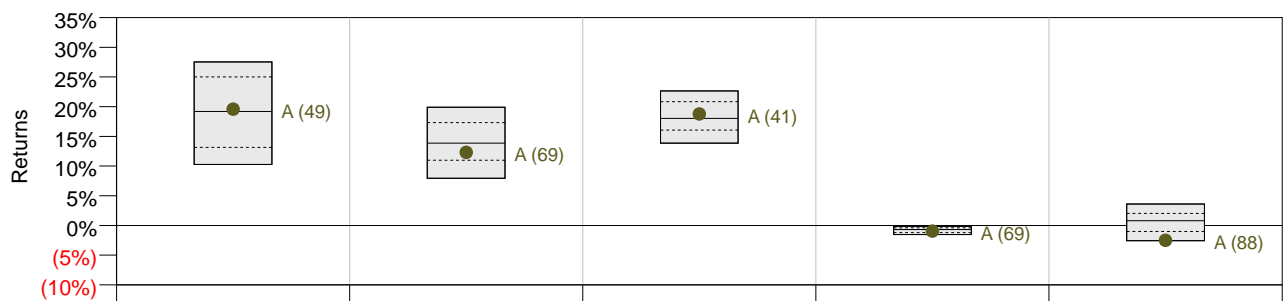
One Quarter ended June 30, 2023



	Large Cap Equity vs S&P 500	Small Cap Equity vs Russell 2000	Non-US Equity vs MSCI EAFE	Domestic Fixed Income vs Bloom. Agg	Global Fixed Income vs CITI World Govt
10th Percentile	14.27	7.44	5.01	(0.47)	0.49
25th Percentile	12.07	5.86	3.91	(0.61)	(0.09)
Median	8.50	4.60	3.05	(0.77)	(0.59)
75th Percentile	4.67	3.31	2.42	(1.02)	(1.48)
90th Percentile	2.95	1.86	0.92	(1.24)	(2.49)
Index	8.74	5.21	2.95	(0.84)	(1.79)

Range of Mutual Fund Returns by Asset Class

One Year ended June 30, 2023



	Large Cap Equity vs S&P 500	Small Cap Equity vs Russell 2000	Non-US Equity vs MSCI EAFE	Domestic Fixed Income vs Bloom. Agg	Global Fixed Income vs CITI World Govt
10th Percentile	27.53	19.92	22.66	(0.12)	3.61
25th Percentile	25.02	17.35	20.86	(0.37)	2.04
Median	19.19	13.88	18.05	(0.69)	0.82
75th Percentile	13.17	11.00	16.08	(1.20)	(0.99)
90th Percentile	10.29	7.94	13.88	(1.52)	(2.54)
Index	19.59	12.31	18.77	(0.94)	(2.49)

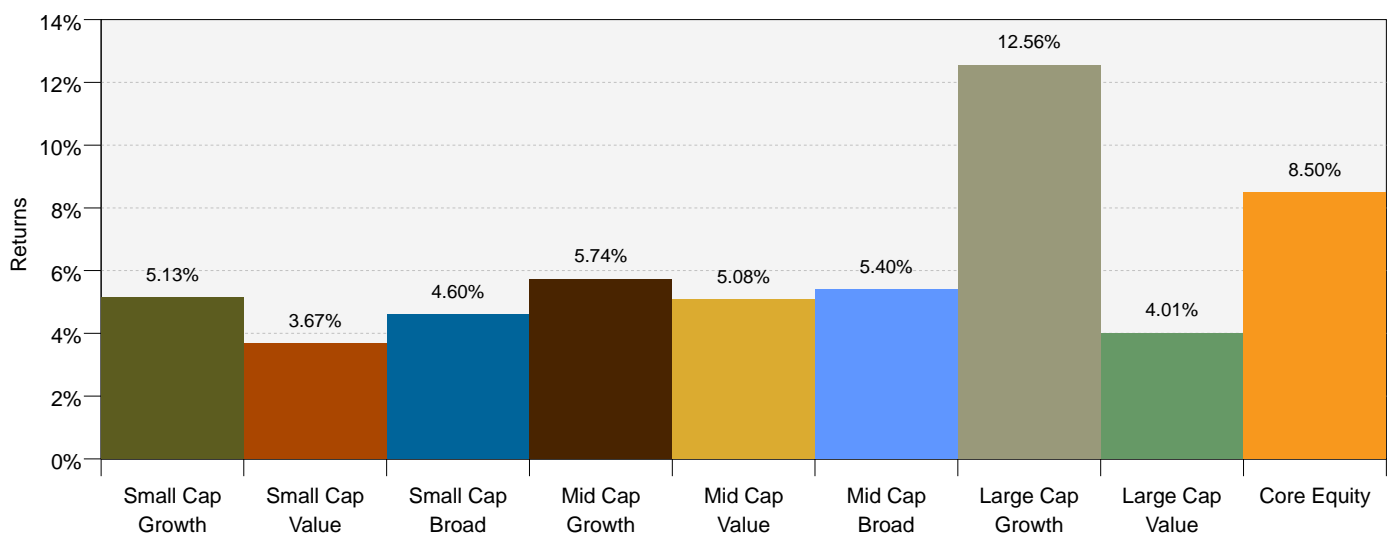
Domestic Equity

Active Management Overview

U.S. stock indices posted positive returns in 2Q with performance dominated by large cap technology stocks. The S&P 500 Index rose 8.7% while the tech-heavy Nasdaq Composite returned +13.1%. Within the S&P 500, Technology (+17.2%), Communication Services (+13.1%), and Consumer Discretionary (+14.6%) rose sharply while Energy (-0.9%) and Utilities (-2.5%) fell. Growth stocks trounced value for the quarter (Russell 1000 Growth: +12.8%; Russell 1000 Value: +4.1%) due largely to the sharp outperformance of Technology relative to Health Care, Energy, and Financials. Small cap stocks underperformed large (Russell 2000: +5.2%; Russell 1000: +8.6%) across the style spectrum. Index concentration continued to have a significant impact on returns in 2Q. The aptly named "Magnificent Seven" (Nvidia, Meta Platforms, Amazon, Tesla, Apple, Microsoft, Alphabet) comprise roughly 25% of the S&P 500 and have accounted for the vast majority of S&P 500 gains in 2023 (Mag 7 up 64% versus 3% for the rest of the Index).

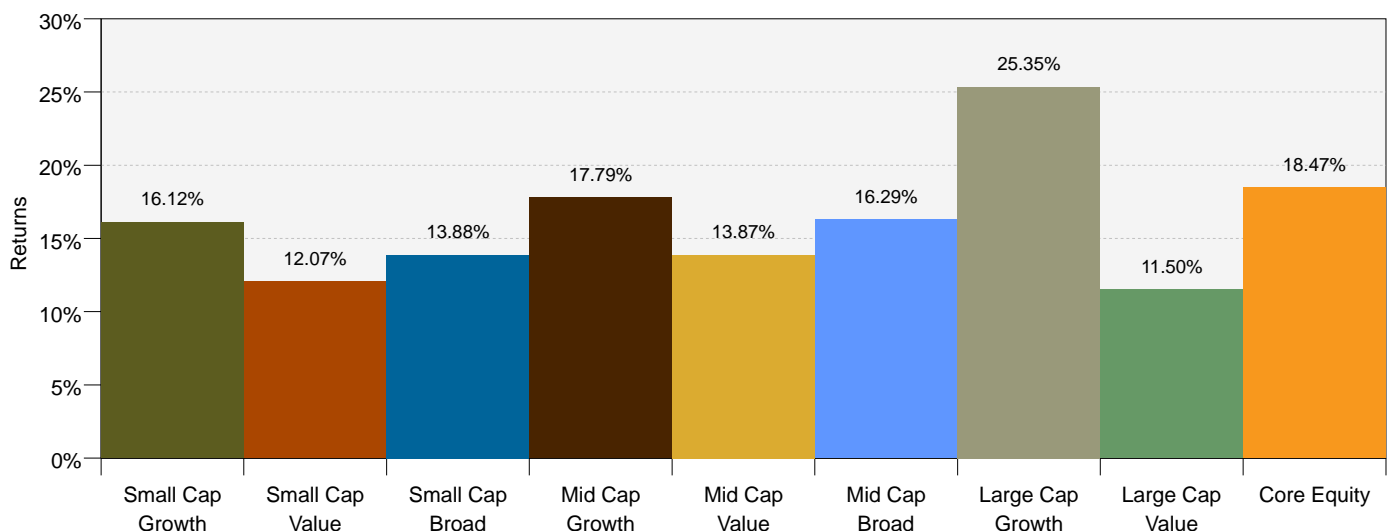
Mutual Fund Style Group Median Returns for Quarter ended June 30, 2023

S&P 500 Index	8.74%
S&P 500 Growth	10.59%
S&P 500 Value	6.64%
S&P 400 Mid Cap	4.85%
S&P 600 Small Cap	3.38%
S&P 600 Small Cap Growth Index	4.78%
S&P 600 Small Cap Value Index	1.95%



Mutual Fund Style Group Median Returns for One Year ended June 30, 2023

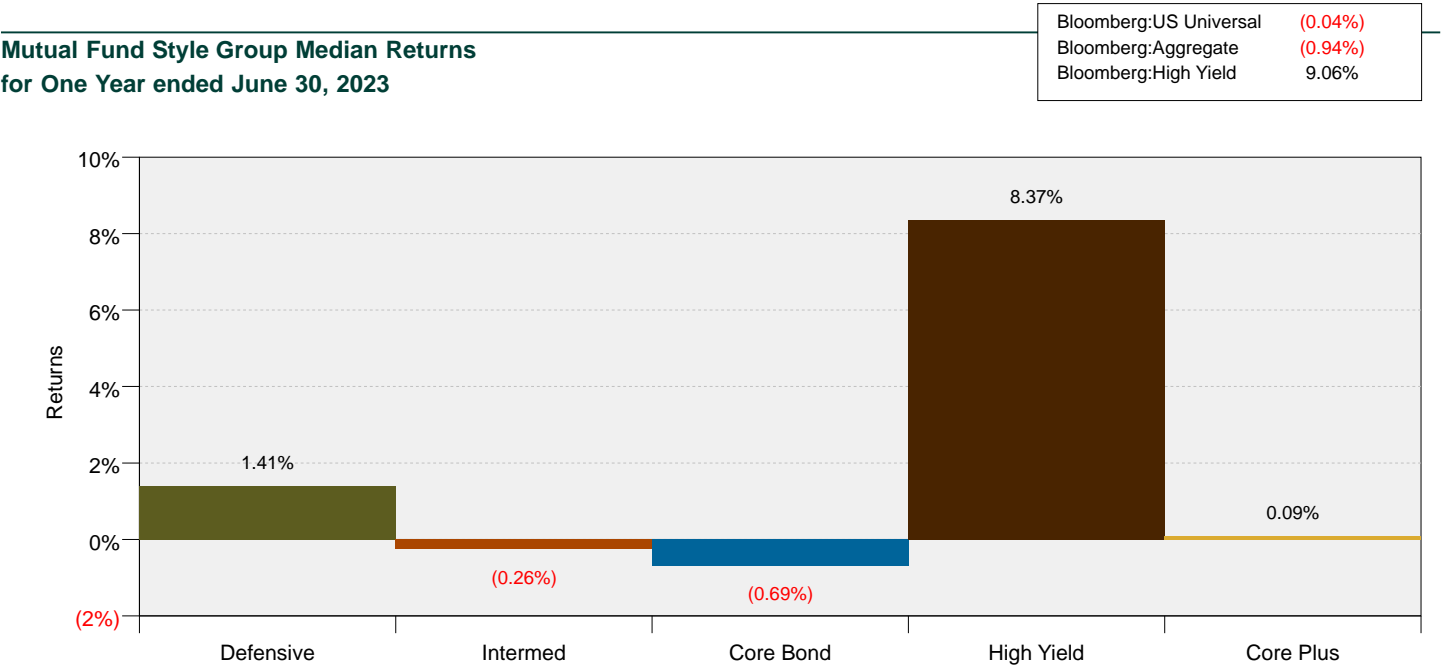
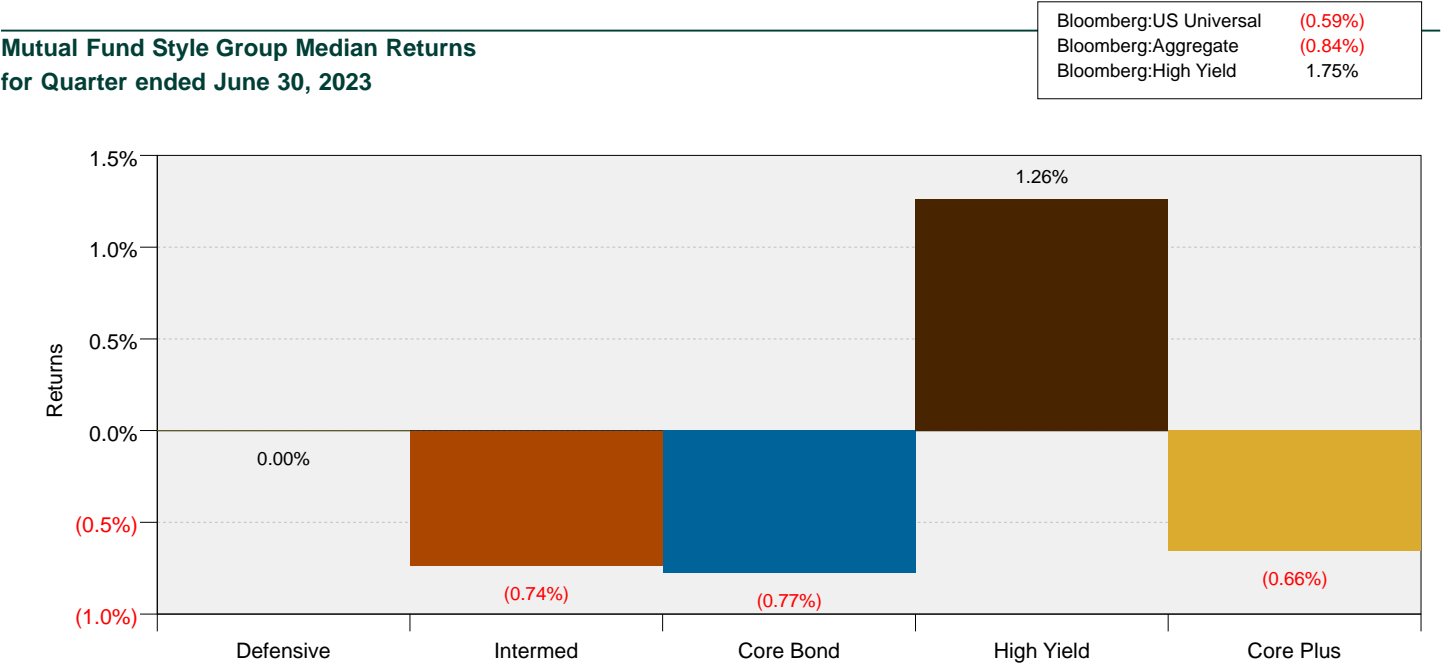
S&P 500 Index	19.59%
S&P 500 Growth	18.25%
S&P 500 Value	19.99%
S&P 400 Mid Cap	17.61%
S&P 600 Small Cap	9.75%
S&P 600 Small Cap Growth Index	10.62%
S&P 600 Small Cap Value Index	8.88%



Domestic Fixed Income

Active Management Overview

The Bloomberg US Aggregate Bond Index fell 0.8% in 2Q as interest rates rose. A "risk-on" environment bolstered returns for credit and securitized sectors, both of which outperformed U.S. Treasuries on a duration-adjusted basis. The 10-year U.S. Treasury yield was 3.81% as of quarter-end, up from 3.48% as of 3/31. The yield curve was sharply inverted at quarter-end with the 2-year U.S. Treasury yielding 4.87%. High yield (Bloomberg High Yield Index: +1.8%) performed well amid robust risk appetite, muted issuance, and promising economic news.



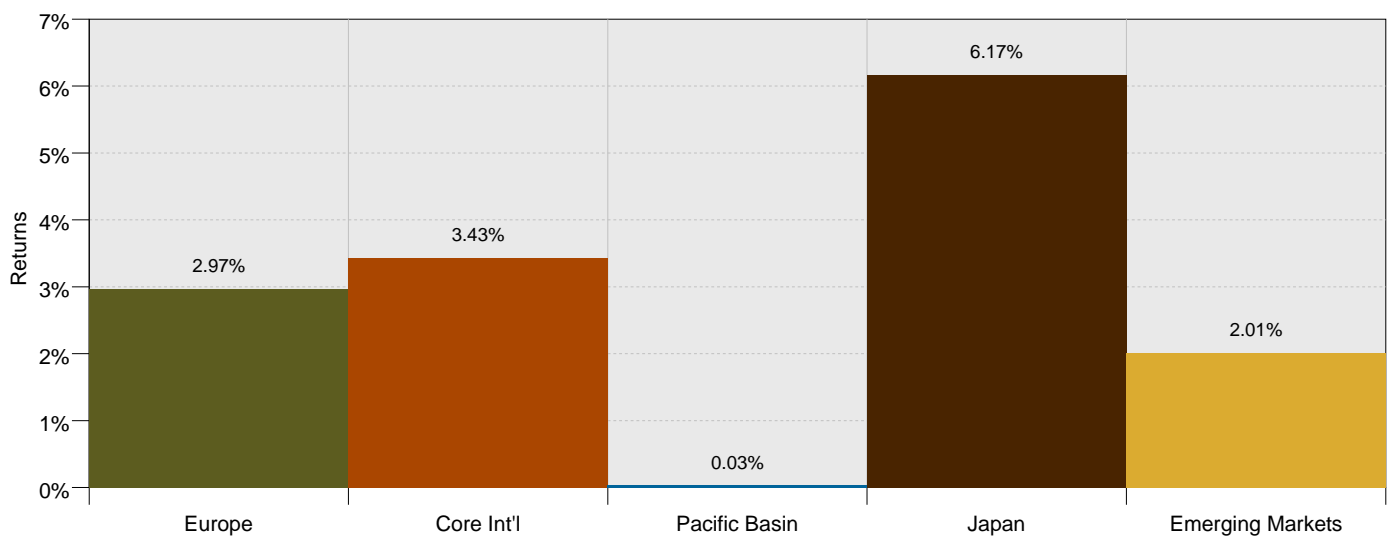
International Equity

Active Management Overview

Global ex-U.S. equity markets trailed U.S. equity markets given lower technology exposure. Lacking the U.S. market's exuberance for any company associated with Artificial Intelligence, style impacts in developed ex-U.S. equity were more muted with value (MSCI World ex USA Value: +3.1%) in line with growth (MSCI World ex USA Growth: +3.0%). Illustratively, Industrials (EAFE Industrials: +6.4%) outperformed Technology (EAFE Technology: +5.9%). Japan (+6.4%) was a top performer and the Nikkei 225 Index hit its highest level since 1990. Japan benefited from strong inflows from foreign investors, expectations for corporate governance reform and an improved outlook for the Japanese economy. The yen sank 8% versus the U.S. dollar as monetary policy was kept ultra-loose, but the dollar fell versus the British pound (+2.8%) and the euro (+0.4%). Emerging market equity underperformed developed market equity, but results varied widely. Emerging Europe (+11.2%) and Latin America (+14.0%) posted double-digit results while Emerging Asia (-0.8%) was hurt by poor performance from China (-9.7%) offsetting results from India (+12.2%). Poland (+24.5%) boosted the performance of Emerging Europe while Turkey (-10.7%) weighed on the region's results. In Latin America, Brazil (+20.7%) and Colombia (+11.7%) were top performers.

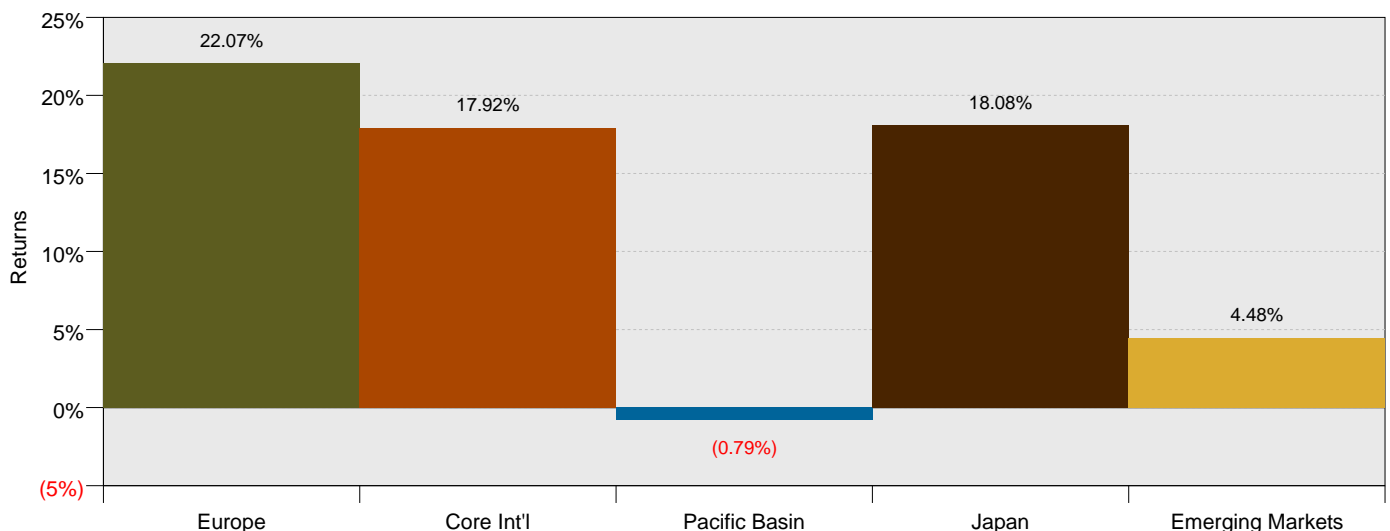
Mutual Fund Style Group Median Returns for Quarter Ended June 30, 2023

MSCI ACWI - Gross	6.35%
MSCI All Cntry World ExUS	2.67%
MSCI EAFE Index	2.95%
MSCI Europe	2.74%
MSCI Pacific	3.50%
MSCI Emerging Markets	1.04%



Mutual Fund Style Group Median Returns for Year Ended June 30, 2023

MSCI ACWI - Gross	17.13%
MSCI All Cntry World ExUS	13.33%
MSCI EAFE Index	18.77%
MSCI Europe	21.81%
MSCI Pacific	13.69%
MSCI Emerging Markets	2.22%



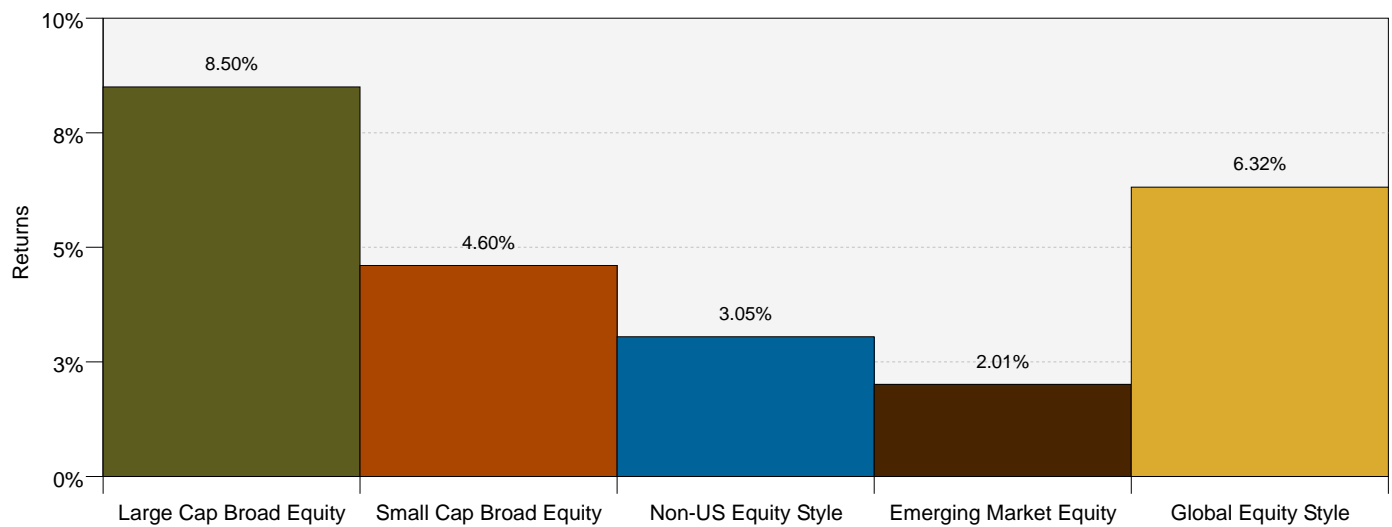
Capital Growth

Active Management Overview

Global ex-U.S. equity markets trailed U.S. equity markets given lower technology exposure. Lacking the U.S. market's exuberance for any company associated with Artificial Intelligence, style impacts in developed ex-U.S. equity were more muted with value (MSCI World ex USA Value: +3.1%) in line with growth (MSCI World ex USA Growth: +3.0%). Illustratively, Industrials (EAFE Industrials: +6.4%) outperformed Technology (EAFE Technology: +5.9%). Japan (+6.4%) was a top performer and the Nikkei 225 Index hit its highest level since 1990. Japan benefited from strong inflows from foreign investors, expectations for corporate governance reform and an improved outlook for the Japanese economy. The yen sank 8% versus the U.S. dollar as monetary policy was kept ultra-loose, but the dollar fell versus the British pound (+2.8%) and the euro (+0.4%). Emerging market equity underperformed developed market equity but results varied widely. Emerging Europe (+11.2%) and Latin America (+14.0%) posted double-digit results while Emerging Asia (-0.8%) was hurt by poor performance from China (-9.7%) offsetting results from India (+12.2%). The recovery in China appears to be sputtering and economic news has been disappointing and remains uncertain. Poland (+24.5%) boosted the performance of Emerging Europe while Turkey (-10.7%) weighed on the region's results. In Latin America, Brazil (+20.7%) and Columbia (+11.7%) were top performers.

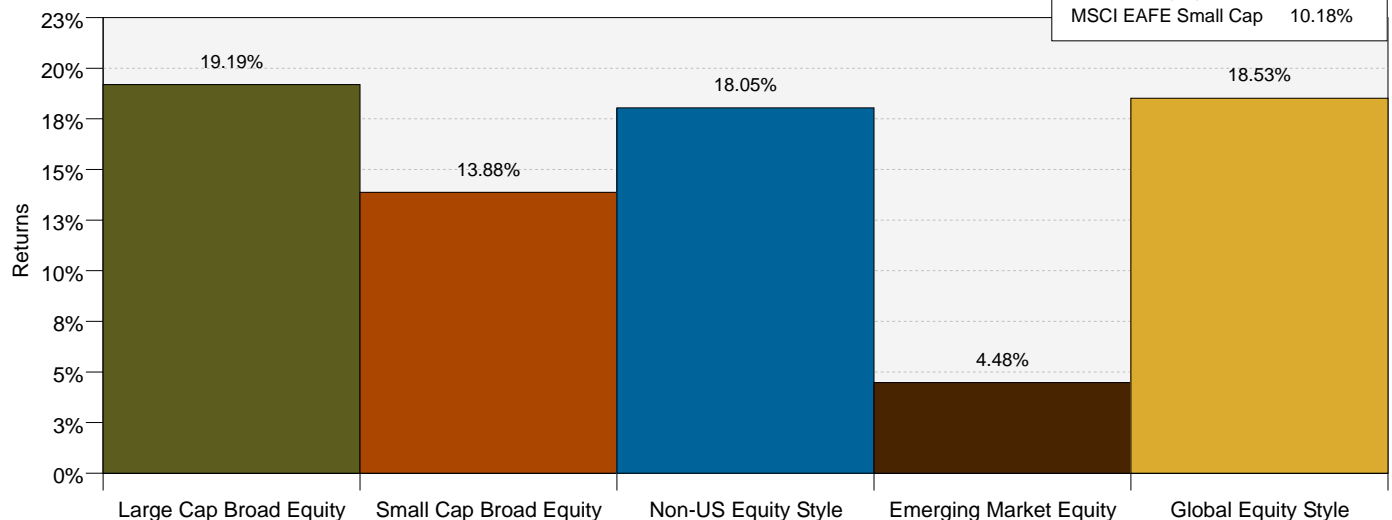
Mutual Fund Style Group Median Returns for Quarter ended June 30, 2023

S&P 500 Index	8.74%
Russell 3000 Index	8.39%
Russell 2000 Index	5.21%
MSCI ACWI	6.18%
MSCI EAFE Index	2.95%
MSCI Emerging Markets	0.90%
MSCI EAFE Small Cap	0.58%



Mutual Fund Style Group Median Returns for One Year ended June 30, 2023

S&P 500 Index	19.59%
Russell 3000 Index	18.95%
Russell 2000 Index	12.31%
MSCI ACWI	16.53%
MSCI EAFE Index	18.77%
MSCI Emerging Markets	1.75%
MSCI EAFE Small Cap	10.18%



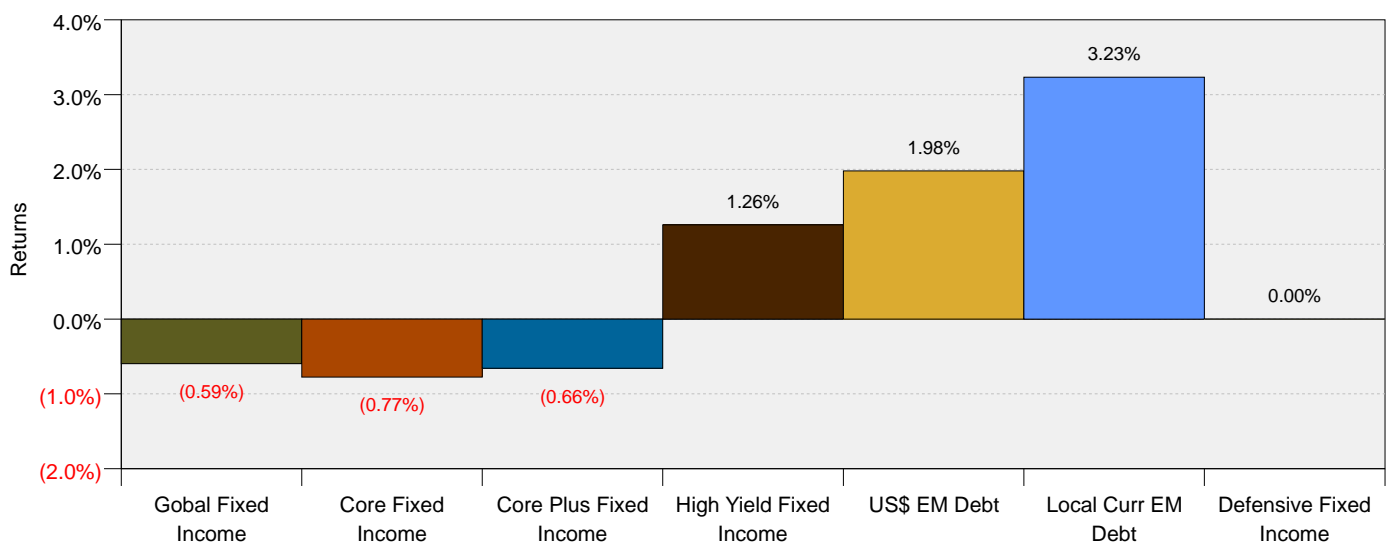
Income

Active Management Overview

The Bloomberg Global Aggregate Index fell 1.5% (hedged: +0.1%). Japan (-8.0%) was the worst-performing constituent, due largely to yen depreciation. Rates were mixed, rising in the United States, United Kingdom, and Australia but flat to slightly lower across other developed markets. Currency shifts impacted returns across countries with mixed performance from the U.S. dollar. The greenback gained 8% versus the Japanese yen but was down about 3% versus the British pound and 0.4% versus the euro.

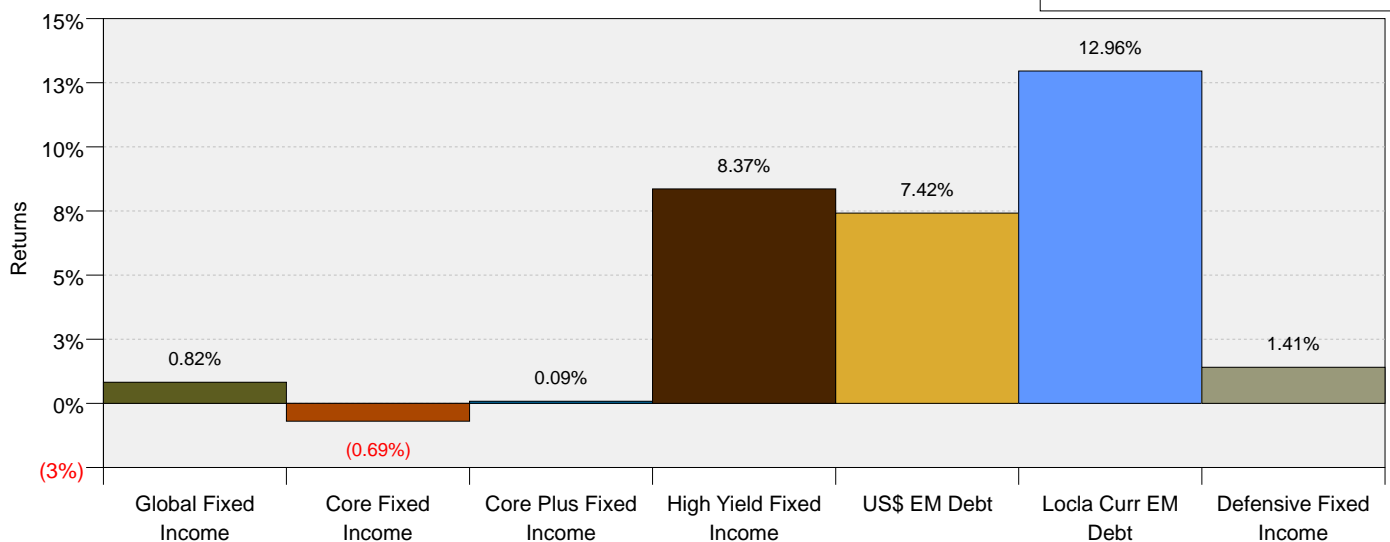
Mutual Fund Style Group Median Returns for Quarter ended June 30, 2023

Blmbg Barc Agg Index	(0.84%)
Blmbg Barc High Yield Corp	1.75%
Blmbg Barc Global Agg Hedged	0.06%
JPM EMBI Global Dvsfd	2.19%
JPM GBI GI Divers USD Unh	2.51%
Blmbg Barc Global Aggregate Index	(1.53%)



Mutual Fund Style Group Median Returns for One Year ended June 30, 2023

Blmbg Barc Agg Index	(0.94%)
Blmbg Barc High Yield Corp	9.06%
Blmbg Barc Global Agg Hedged	0.52%
JPM EMBI Global Dvsfd	7.39%
JPM GBI GI Divers USD Unh	11.38%
Blmbg Barc Global Aggregate Index	(1.32%)



Portfolio Holdings

Description	Symbol	Value	Weight
EQUITY			
Large Cap U.S. Equity			
DFA US Large Cap Value I	DFLVX	\$553,539	5.5%
Vanguard 500 Index Admiral	VFIAX	\$2,450,913	24.5%
Large Cap U.S. Equity Total		\$3,004,453	30.0%
Small Cap U.S. Equity			
Avantis US Small Cap Value Fund I	AVUVX	\$589,907	5.9%
Vanguard Small Cap Growth Index Admiral	VSGAX	\$357,589	3.6%
Small Cap U.S. Equity Total		\$947,496	9.5%
International Equity			
DFA International Small Company I	DFISX	\$492,093	4.9%
DFA International Value I	DFIVX	\$892,224	9.1%
Accrued Income		\$18,023	
Vanguard International Growth Adm	VWILX	\$489,925	4.9%
International Equity Total		\$1,892,265	18.9%
Emerging Markets Equity			
DFA Emerging Markets Core Equity I	DFCEX	\$630,537	6.3%
Emerging Markets Equity Total		\$630,537	6.3%
Real Estate			
DFA Global Real Estate Securities Port	DFGEX	\$625,159	6.2%
Real Estate Total		\$625,159	6.2%
EQUITY Total		\$7,099,909	70.9%
FIXED INCOME			
Core Fixed Income			
Dodge & Cox Income	DODIX	\$965,028	9.6%
PIMCO Total Return Instl	PTTRX	\$942,963	9.4%
Core Fixed Income Total		\$1,907,991	19.0%
FIXED INCOME Total		\$1,907,991	19.0%
DIVERSIFIED FIXED INCOME			
High Yield Fixed Income			
Vanguard High-Yield Corporate Adm	VWEAX	\$567,226	5.7%
Accrued Income		\$2,870	
High Yield Fixed Income Total		\$570,096	5.7%

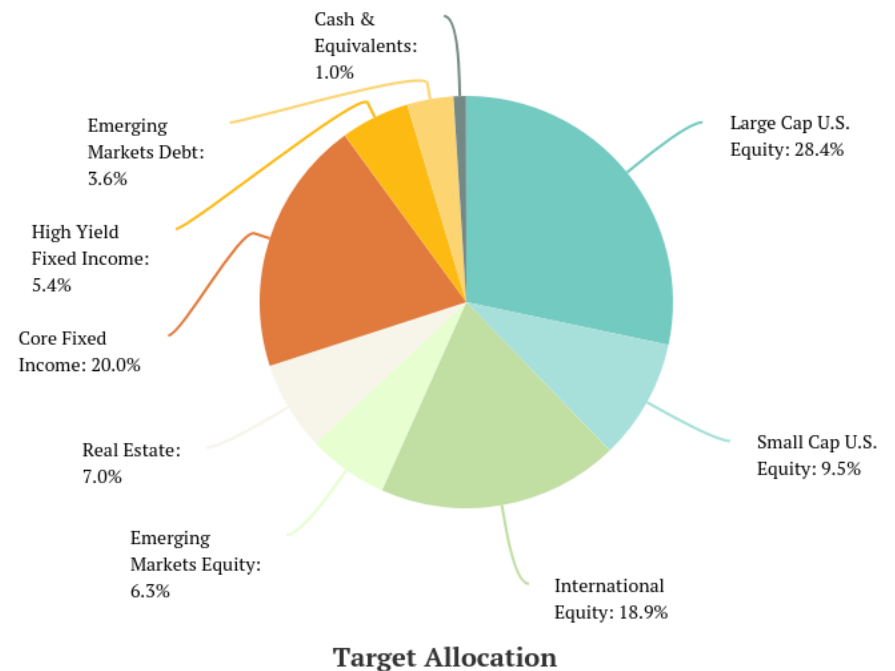
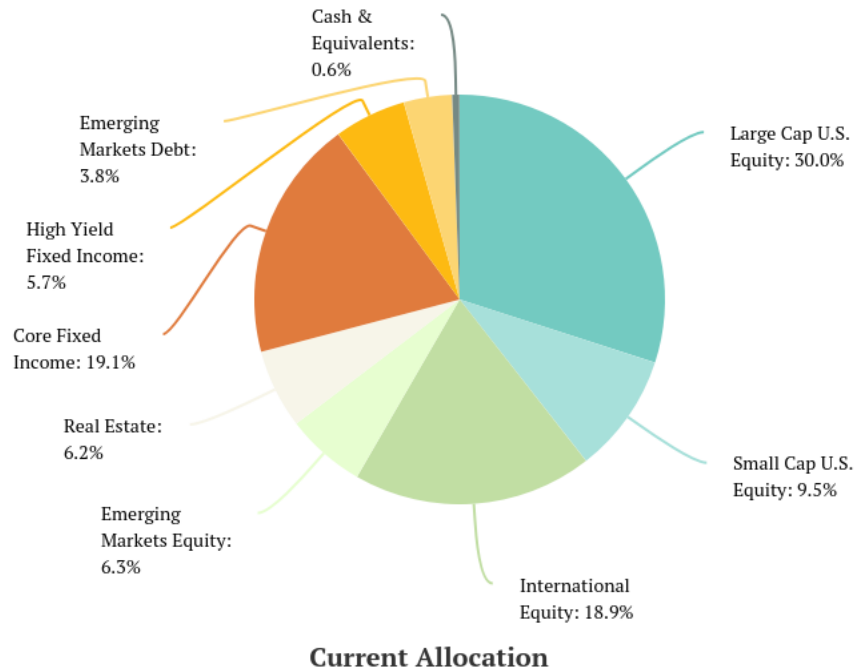
Portfolio Holdings

Description	Symbol	Value	Weight
DIVERSIFIED FIXED INCOME			
Emerging Markets Debt			
PIMCO Emerg Mkts Full Spectrum Bd Instl	PFSIX	\$380,204	3.8%
Emerging Markets Debt Total		\$380,204	3.8%
DIVERSIFIED FIXED INCOME Total		\$950,300	9.5%
CASH AND EQUIVALENTS			
Cash & Equivalents			
Cash	CASH	\$58,015	0.6%
Cash & Equivalents Total		\$58,015	0.6%
CASH AND EQUIVALENTS Total		\$58,015	0.6%
Total		\$10,016,214	100.0%

Portfolio Activity Summary

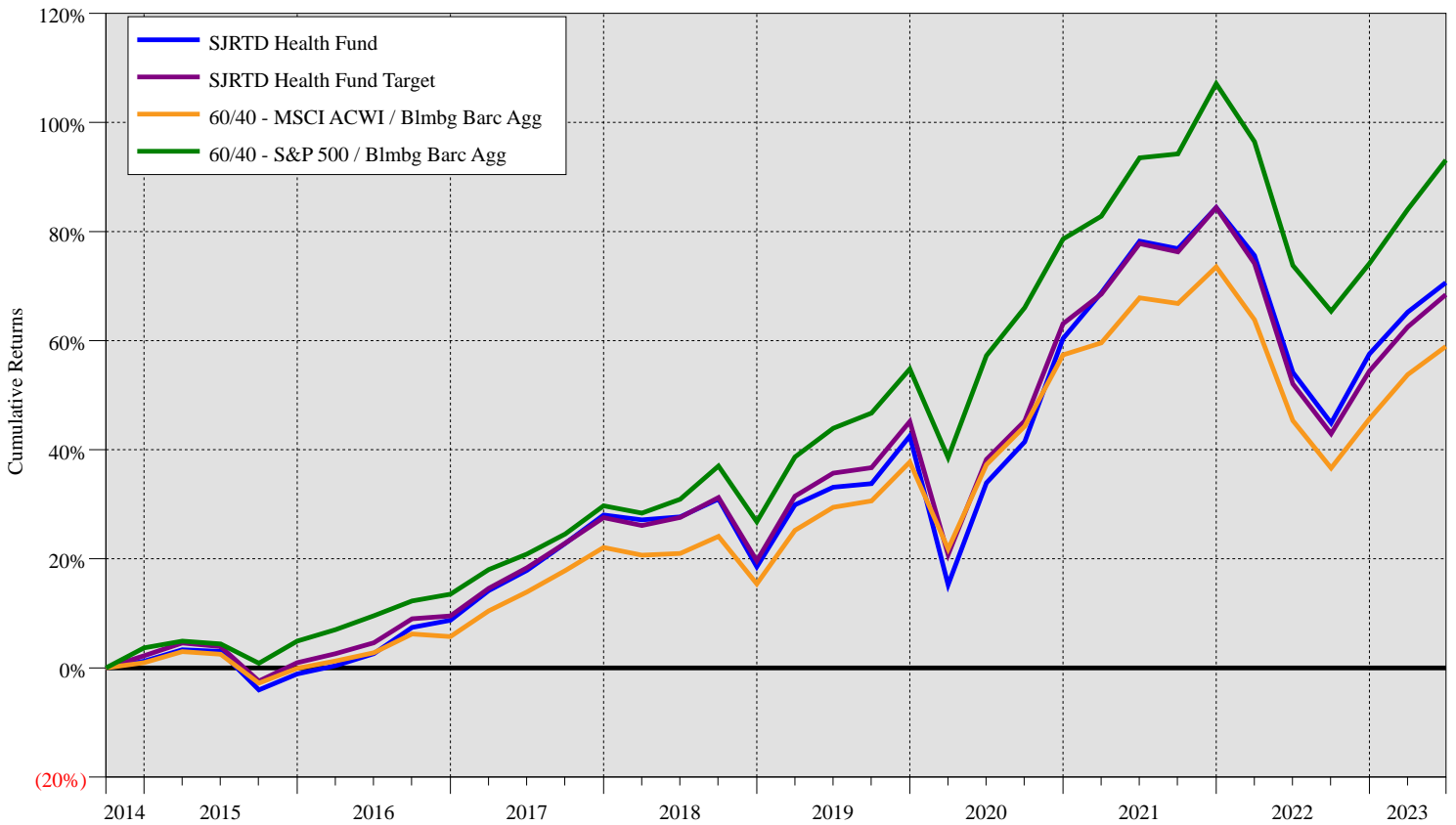
	Quarter to Date	Year to Date	Inception to Date (7/13/2014)
Beginning Value	\$9,826,295	\$9,493,744	\$1,172
Net Contribution	(\$120,946)	(\$243,795)	\$7,151,121
Capital Appreciation	\$256,537	\$671,238	\$1,061,104
Dividend Income	\$48,670	\$89,652	\$1,898,964
Interest Income	\$1,201	\$2,290	\$11,073
Management Fees	(\$5,404)	(\$10,626)	(\$126,941)
Other Expenses	\$0	\$0	\$0
Change in Accrued	\$9,861	\$13,711	\$19,721
Ending Value	\$10,016,214	\$10,016,214	\$10,016,214
Investment Gain	\$310,866	\$766,265	\$2,863,921

Actual vs. Target Asset Allocation

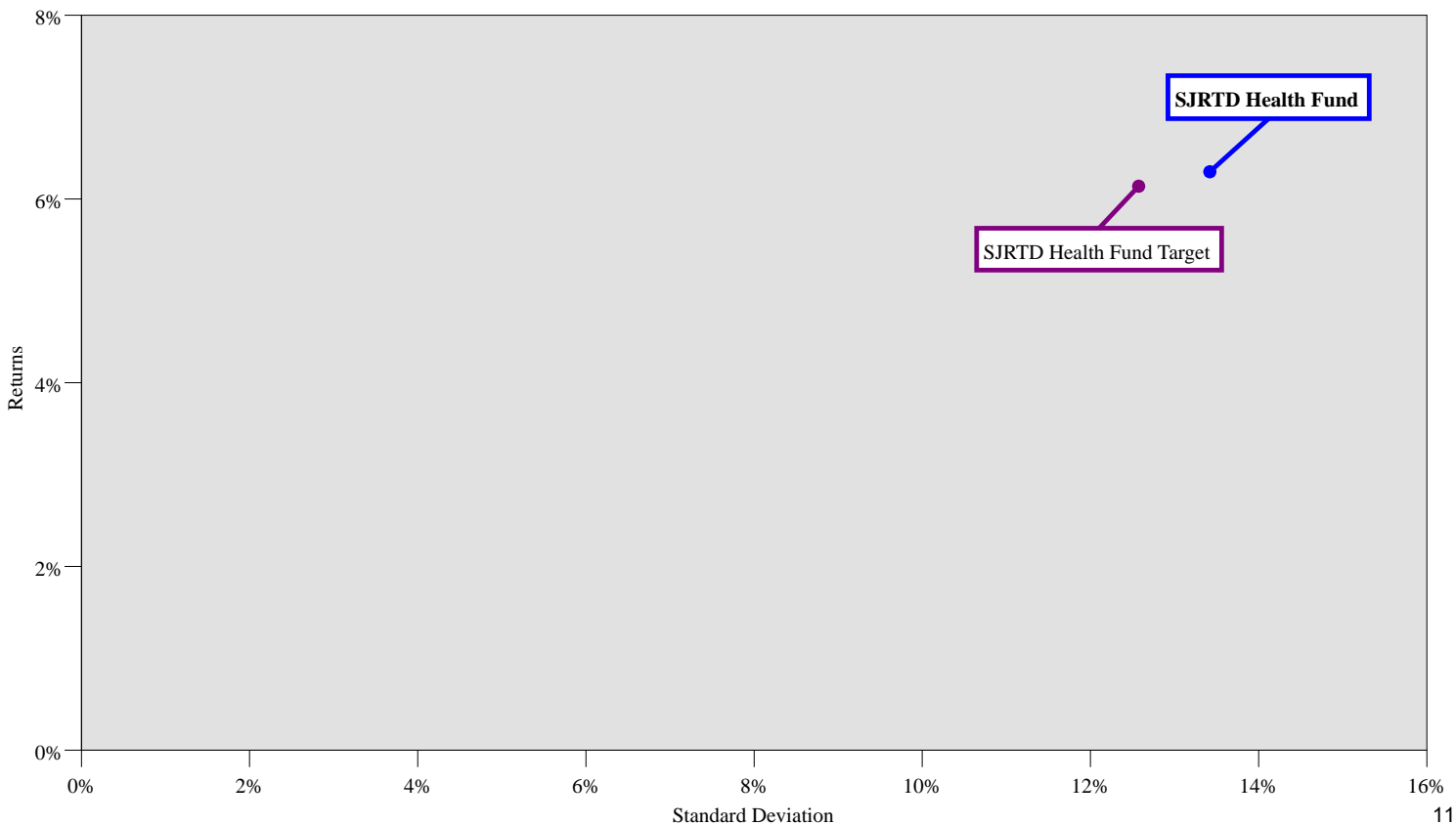


Sector	Current Value	Current Percent	Target Allocation Value	Target Allocation Percent	Dollar Variance	Percent Variance
Large Cap U.S. Equity	\$3,004,453	30.0%	\$2,839,597	28.4%	\$164,856	1.6%
Small Cap U.S. Equity	\$947,496	9.5%	\$946,532	9.5%	\$963	0.0%
International Equity	\$1,892,265	18.9%	\$1,893,064	18.9%	(\$800)	0.0%
Emerging Markets Equity	\$630,537	6.3%	\$631,021	6.3%	(\$485)	0.0%
Real Estate	\$625,159	6.2%	\$701,135	7.0%	(\$75,976)	(0.8%)
Core Fixed Income	\$1,907,991	19.0%	\$2,003,243	20.0%	(\$95,252)	(1.0%)
High Yield Fixed Income	\$570,096	5.7%	\$540,876	5.4%	\$29,221	0.3%
Emerging Markets Debt	\$380,204	3.8%	\$360,584	3.6%	\$19,620	0.2%
Cash & Equivalents	\$58,015	0.6%	\$100,162	1.0%	(\$42,147)	(0.4%)
Total	\$10,016,214	100.0%	\$10,016,214	100.0%		

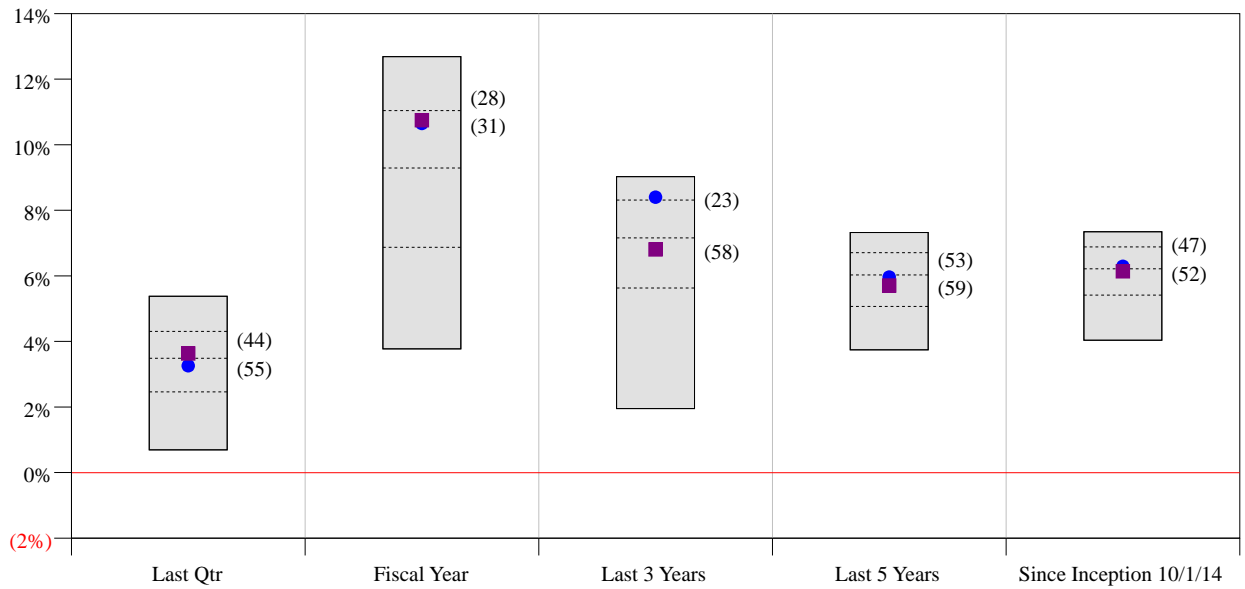
Cumulative Returns | SJRTD Health Fund vs. Targets
Beginning October 1, 2014 | Ending June 30, 2023



Risk vs Return | SJRTD Health Fund vs. Targets
Beginning October 1, 2014 | Ending June 30, 2023

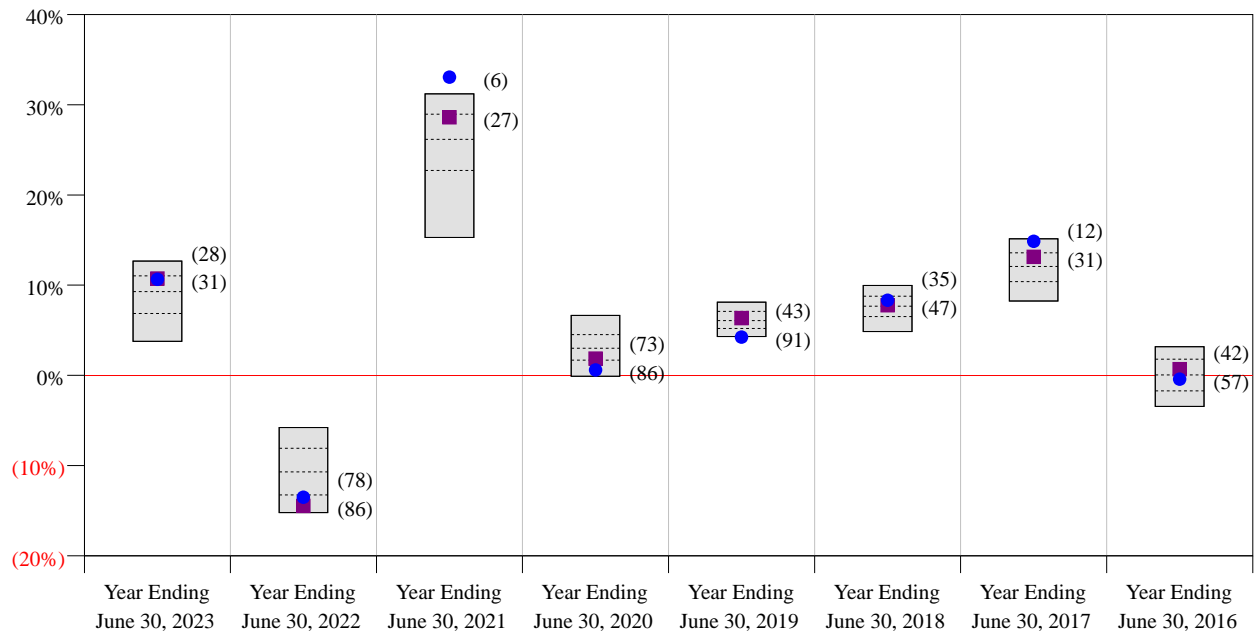


Performance vs. Callan Fund Sponsors - Small DB (<100M)
Periods Ended June 30, 2023



	Last Qtr	Fiscal Year	Last 3 Years	Last 5 Years	Since Inception 10/1/14
10th Percentile	5.38	12.69	9.03	7.33	7.35
25th Percentile	4.31	11.05	8.31	6.71	6.89
Median	3.49	9.29	7.16	6.03	6.22
75th Percentile	2.47	6.88	5.64	5.07	5.42
90th Percentile	0.69	3.78	1.96	3.75	4.04
SJRTD Health Fund	3.26	10.65	8.40	5.97	6.30
SJRTD Health Fund Target	3.64	10.75	6.81	5.71	6.14

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



	Year Ending June 30, 2023	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
10th Percentile	12.69	(5.77)	31.22	6.65	8.13	9.97	15.16	3.19
25th Percentile	11.05	(8.07)	28.96	4.53	7.10	8.79	13.60	1.81
Median	9.29	(10.69)	26.17	3.02	6.08	7.69	12.08	0.07
75th Percentile	6.88	(13.24)	22.73	1.69	5.20	6.54	10.41	(1.72)
90th Percentile	3.78	(15.21)	15.29	(0.09)	4.31	4.86	8.26	(3.43)
SJRTD Health Fund	10.65	(13.49)	33.07	0.60	4.25	8.33	14.87	(0.41)
SJRTD Health Fund Target	10.75	(14.45)	28.62	1.86	6.36	7.78	13.14	0.69

Returns for Periods Ended June 30, 2023

	Last Qtr	Fiscal Year	Last 3 Years	Last 5 Years	Last 8 3/4 Years
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Large Cap Equity

Vanguard 500 Index Adm	8.73	19.54	14.56	12.27	11.80
DFA US Large Cap Value	3.18	11.54	15.97	7.05	7.81
<i>S&P 500 Index</i>	<i>8.74</i>	<i>19.59</i>	<i>14.60</i>	<i>12.31</i>	<i>11.84</i>
<i>Russell 1000 Value</i>	<i>4.07</i>	<i>11.54</i>	<i>14.30</i>	<i>8.11</i>	<i>7.96</i>
<i>Russell 1000 Growth</i>	<i>12.81</i>	<i>27.11</i>	<i>13.73</i>	<i>15.14</i>	<i>14.82</i>

Small Cap Equity

Avantis US Small Cap Value	5.41	16.58	26.18	--	--
Vanguard Small Cap Gr Idx Adm*	6.21	17.44	5.31	6.10	8.54
<i>Russell 2000 Index</i>	<i>5.21</i>	<i>12.31</i>	<i>10.82</i>	<i>4.21</i>	<i>7.80</i>
<i>Russell 2000 Value</i>	<i>3.18</i>	<i>6.01</i>	<i>15.43</i>	<i>3.54</i>	<i>6.98</i>
<i>Russell 2000 Growth</i>	<i>7.05</i>	<i>18.53</i>	<i>6.10</i>	<i>4.22</i>	<i>8.19</i>
<i>CRSP US Sm Cap Growth</i>	<i>6.18</i>	<i>17.29</i>	<i>5.28</i>	<i>6.08</i>	<i>8.51</i>

International Equity

DFA International Value	3.99	18.10	16.37	4.35	4.18
Vanguard Int'l Growth Adm	0.88	14.83	3.49	6.57	8.34
DFA Intl Small Company	0.48	12.56	9.41	2.53	5.11
<i>MSCI EAFE Index</i>	<i>2.95</i>	<i>18.77</i>	<i>8.93</i>	<i>4.39</i>	<i>4.39</i>
<i>MSCI World ex US Value</i>	<i>3.12</i>	<i>15.49</i>	<i>12.07</i>	<i>3.24</i>	<i>2.81</i>
<i>MSCI ACWI ex US Growth</i>	<i>1.94</i>	<i>13.26</i>	<i>3.96</i>	<i>4.06</i>	<i>4.90</i>
<i>MSCI World Sm Cap ex US</i>	<i>0.49</i>	<i>10.05</i>	<i>6.42</i>	<i>1.83</i>	<i>4.77</i>

Emerging Markets Equity

DFA Emerging Markets Core	2.93	7.05	8.14	3.28	3.41
<i>MSCI Emerging Markets</i>	<i>0.90</i>	<i>1.75</i>	<i>2.32</i>	<i>0.93</i>	<i>2.23</i>

REITs

DFA Global Real Estate Securities	(0.20)	(4.81)	4.29	2.48	4.45
<i>S&P Global REIT Index</i>	<i>0.71</i>	<i>(3.02)</i>	<i>5.34</i>	<i>1.35</i>	<i>3.27</i>

Core Fixed Income

Dodge & Cox Income	0.08	1.83	(1.76)	2.02	2.17
PIMCO Total Return Inst	(0.64)	(0.94)	(3.69)	0.82	1.38
<i>Blmbg Barc Agg Index</i>	<i>(0.84)</i>	<i>(0.94)</i>	<i>(3.96)</i>	<i>0.77</i>	<i>1.22</i>
<i>Blmbg Barc Gov/Credit Bond Idx</i>	<i>(0.93)</i>	<i>(0.70)</i>	<i>(4.11)</i>	<i>1.03</i>	<i>1.39</i>

High Yield Fixed Income

Vanguard High Yield Corp Adm	1.12	8.50	2.46	3.41	3.85
<i>ICE BofA High Yield CP BB-B Cons</i>	<i>1.25</i>	<i>8.54</i>	<i>2.62</i>	<i>3.37</i>	<i>3.89</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 June 30, 2023

	Last Qtr	Fiscal Year	Last 3 Years	Last 5 Years	Last 8 3/4 Years
Emerging Markets Debt					
PIMCO EM Full Spectrum Bd I	1.82	11.00	(0.64)	1.33	0.66
<i>50/25/25 Em Debt Index*</i>	<i>1.96</i>	<i>8.76</i>	<i>(1.61)</i>	<i>0.95</i>	<i>1.08</i>
<i>50/50 Em Debt Index**</i>	<i>2.35</i>	<i>9.38</i>	<i>(2.24)</i>	<i>0.46</i>	<i>0.86</i>
Total Fund					
SJRTD Health Fund	3.26	10.65	8.40	5.97	6.30
<i>SJRTD Health Fund Target</i>	<i>3.64</i>	<i>10.75</i>	<i>6.81</i>	<i>5.71</i>	<i>6.14</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).

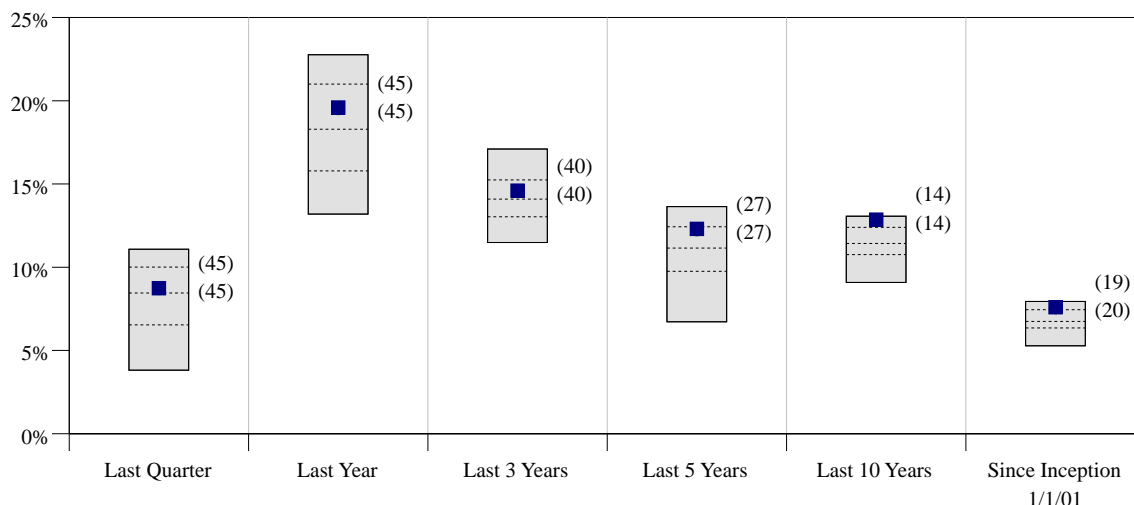
Current Quarter Target = 1.0% 3-Month Treasury Bill, 20.0% Bloomberg Barclays Aggregate Index, 7.0% S&P Global REIT Index, 1.80% JPM GBI EM Global Divers USD (UH), 1.80% JPM EMBI Global Diversified, 5.4% ICE BofAML High Yield CP BB-B Cons, 18.9% MSCI EAFE Index, 6.30% MSCI Emerging Markets, 9.45% Russell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

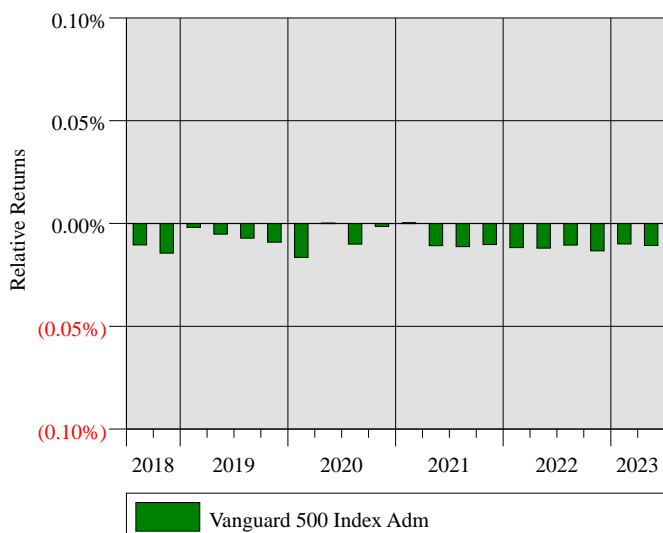
Vanguard 500 Index Adm (VFIAX) Performance vs. Callan Large Cap Core Mutual Funds Periods ending: June 30, 2023



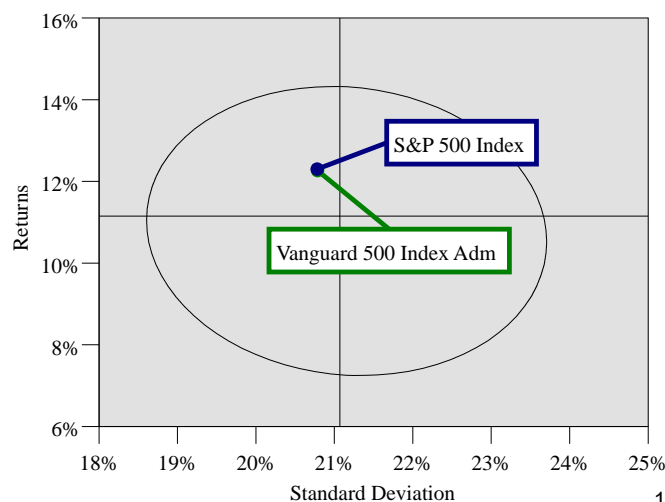
10th Percentile	11.09	22.77	17.11	13.65	13.07	7.95
25th Percentile	10.02	21.01	15.24	12.44	12.40	7.45
Median	8.46	18.29	14.09	11.15	11.43	6.75
75th Percentile	6.54	15.79	13.04	9.76	10.76	6.36
90th Percentile	3.82	13.20	11.49	6.73	9.10	5.28
Vanguard 500 Index Adm	8.73	19.54	14.56	12.27	12.82	7.58
S&P 500 Index	8.74	19.59	14.60	12.31	12.86	7.61

	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vanguard 500 Index Adm	16.87	(18.15)	28.66	18.37	31.46	(4.43)	21.79	11.93	1.36	13.64	32.33
S&P 500 Index	16.89	(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



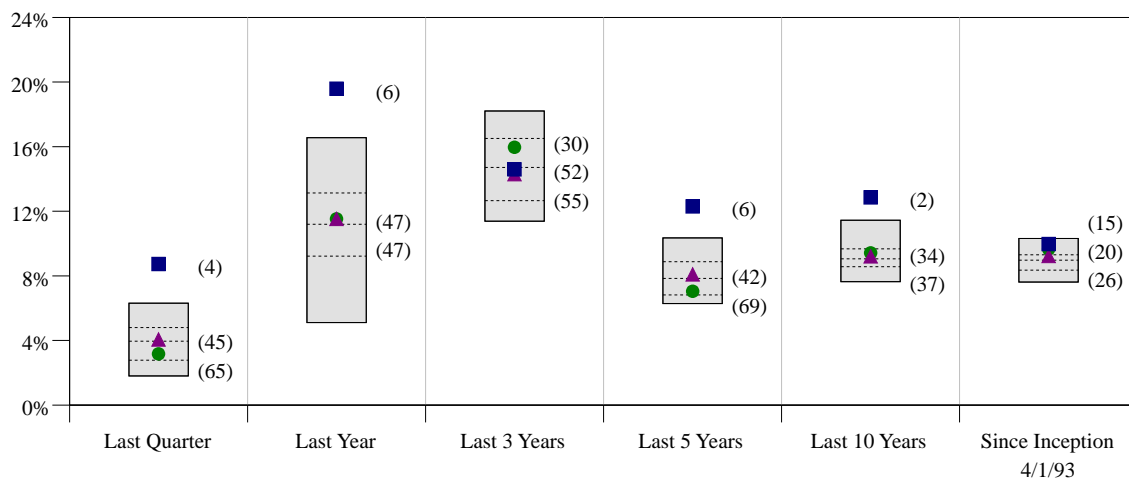
Callan Large Cap Core Mutual Funds | 5 Years Ended 6/30/23



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.

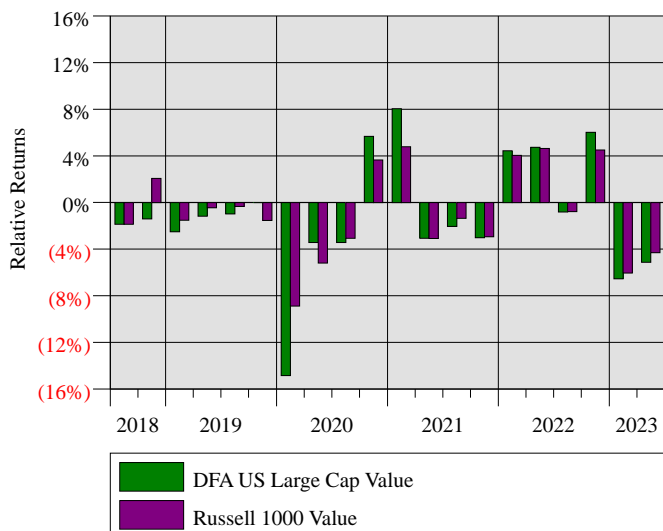
DFA US Large Cap Value (DFLVX) Performance vs. Callan Large Cap Value Mutual Funds Periods ending: June 30, 2023



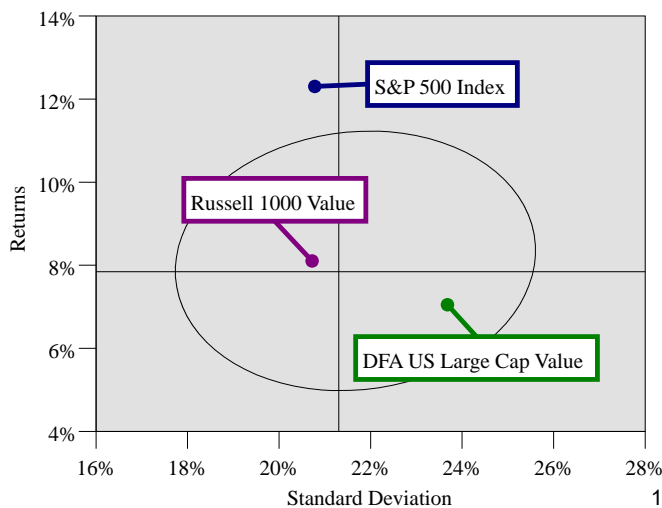
10th Percentile	6.32	16.56	18.21	10.36	11.45	10.32
25th Percentile	4.81	13.14	16.51	8.89	9.68	9.31
Median	3.96	11.21	14.72	7.85	9.06	8.98
75th Percentile	2.79	9.23	12.66	6.83	8.57	8.37
90th Percentile	1.82	5.12	11.39	6.30	7.65	7.63
DFA US Large Cap Value	3.18	11.54	15.97	7.05	9.43	9.67
S&P 500 Index	8.74	19.59	14.60	12.31	12.86	9.97
Russell 1000 Value	4.07	11.54	14.30	8.11	9.22	9.25

	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA US Large Cap Value	3.65	(5.78)	28.07	(0.61)	25.45	(11.65)	18.97	18.89	(3.49)	10.07	40.32
S&P 500 Index	16.89	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69	32.39
Russell 1000 Value	5.12	(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 6/30/23

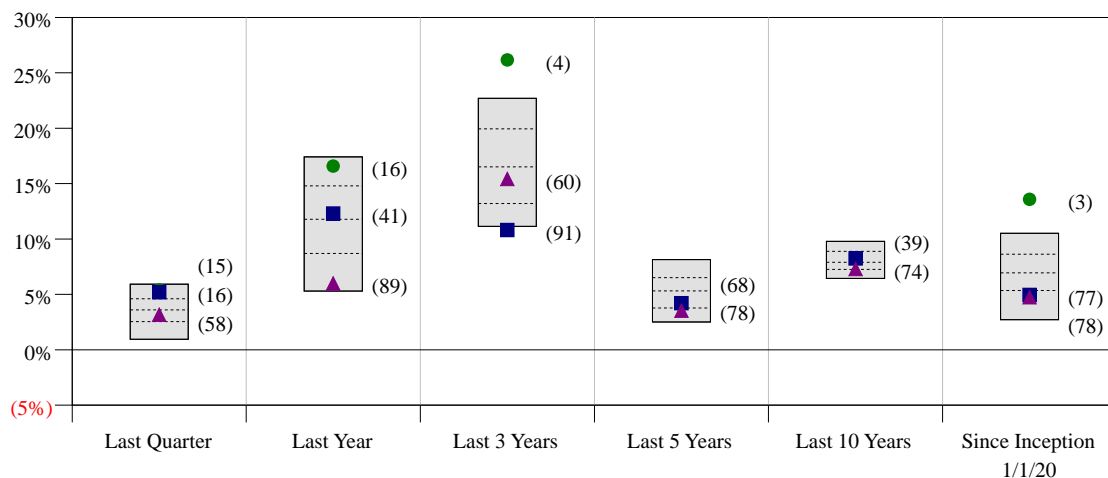


Source: Callan. Past performance is not indicative of future results. See important disclosures.
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Investment Philosophy:

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.

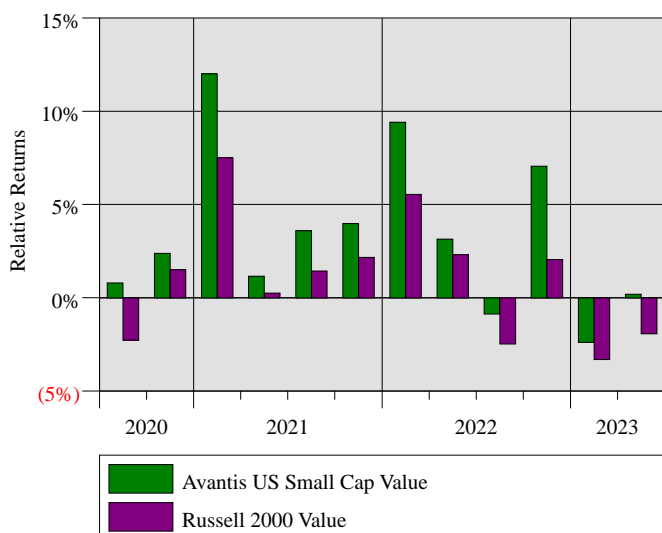
Avantis US Small Cap Value (AVUVX) Performance vs. Callan Small Cap Value Mutual Funds Periods ending: June 30, 2023



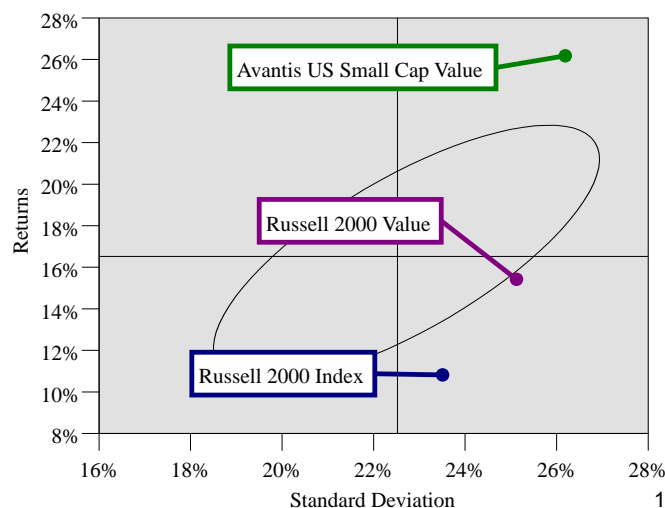
10th Percentile	5.93	17.42	22.71	8.14	9.79	10.52
25th Percentile	4.61	14.81	19.96	6.53	8.90	8.63
Median	3.60	11.79	16.53	5.32	7.90	6.95
75th Percentile	2.55	8.70	13.22	3.78	7.26	5.35
90th Percentile	0.95	5.31	11.14	2.51	6.46	2.73
Avantis US Small Cap Value	5.41	16.58	26.18	--	--	13.60
Russell 2000 Index	5.21	12.31	10.82	4.21	8.26	4.96
Russell 2000 Value	3.18	6.01	15.43	3.54	7.29	4.75

	2 Qtrs.	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	2023										
Avantis US Small Cap Value	5.72	(4.70)	40.17	10.64	--	--	--	--	--	--	--
Russell 2000 Index	8.09	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Value	2.50	(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



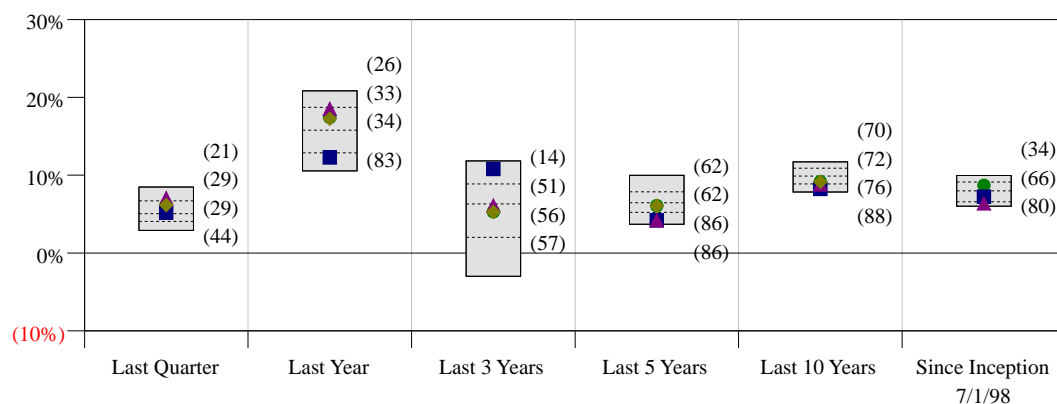
Callan Small Cap Value Mutual Funds | 3 Years Ended 6/30/23



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: June 30, 2023

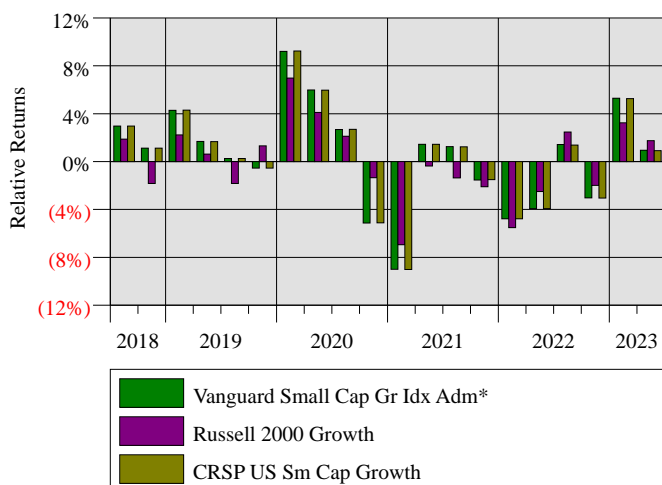


10th Percentile	8.49	20.86	11.85	10.01	11.72	9.96
25th Percentile	6.71	18.73	8.89	7.87	10.92	9.15
Median	5.07	15.81	6.31	6.48	9.91	8.01
75th Percentile	4.09	12.88	2.03	5.23	8.89	6.60
90th Percentile	2.91	10.57	(2.97)	3.72	7.85	6.01
Vanguard Small Cap Gr Idx Adm*	6.21	17.44	5.31	6.10	9.19	8.72
Russell 2000 Index	5.21	12.31	10.82	4.21	8.26	7.26
Russell 2000 Growth	7.05	18.53	6.10	4.22	8.83	6.39
CRSP US Sm Cap Growth	6.18	17.29	5.28	6.08	9.15	--

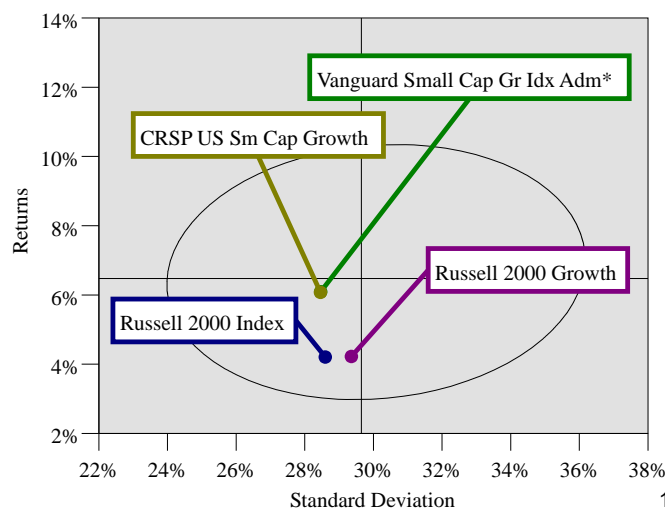
Vanguard switched to CRSP US Sm Cap Growth Index on April 17, 2013.

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vanguard Small Cap Gr Idx Adm*	14.90	(28.39)	5.70	35.28	32.76	(5.68)	21.92	10.73	(2.52)	4.02	38.22
Russell 2000 Index	8.09	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89	38.82
Russell 2000 Growth	13.55	(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	14.82	(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 6/30/23



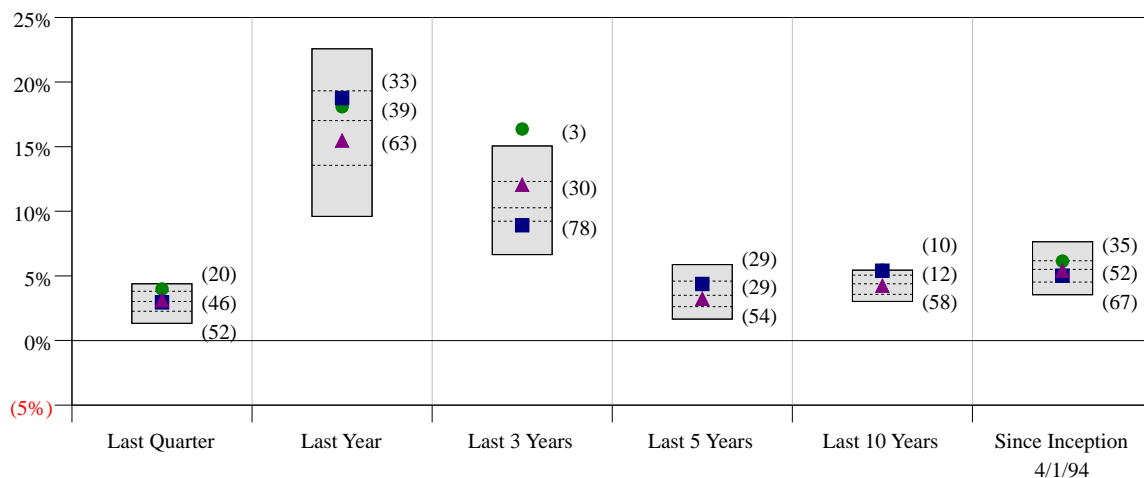
*Investor shares used as a proxy prior to 10/2011.

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

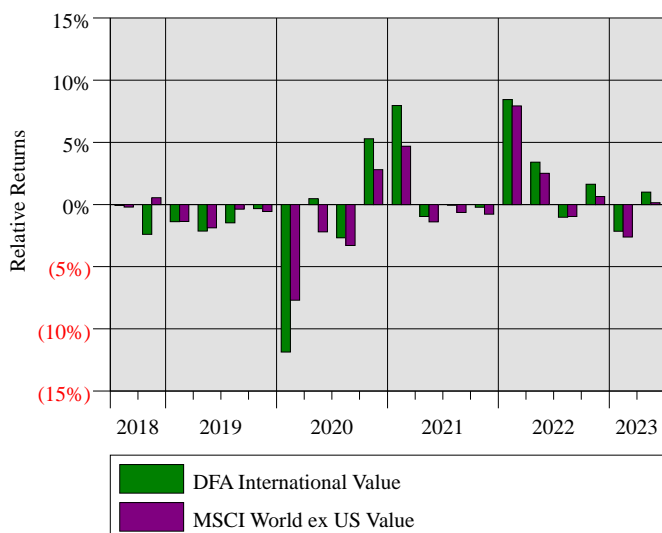
International Value Equity mutual funds invest predominantly in Non-U.S. companies believed to be currently undervalued in the general market. The companies are expected to have a near-term earnings rebound and eventual realization of expected value.

DFA International Value (DFIVX) Performance vs. Callan International Large Cap Value MFs Periods ending: June 30, 2023

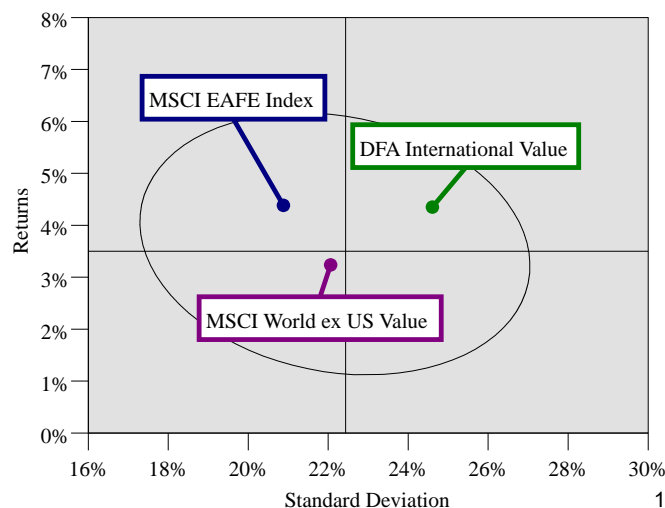


	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA International Value	10.37	(3.48)	18.69	(2.14)	15.67	(17.49)	26.09	8.41	(6.31)	(6.99)	23.12
MSCI EAFE Index	11.67	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)	22.78
MSCI World ex US Value	8.92	(5.64)	13.26	(3.22)	17.02	(15.06)	21.04	7.39	(7.68)	(5.41)	21.47

Relative Returns vs. MSCI EAFE Index



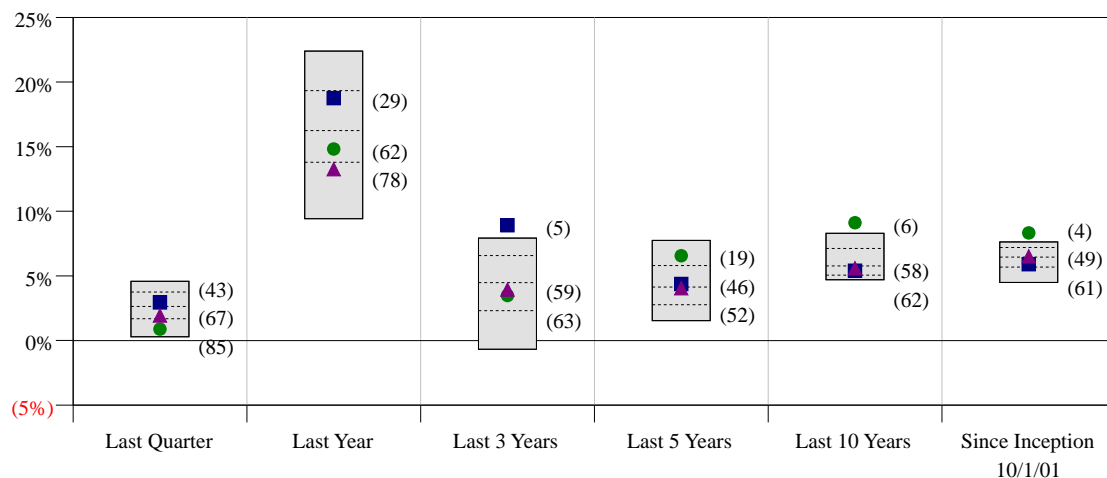
Callan International Large Cap Value MFs | 5 Years Ended 6/30/23



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.

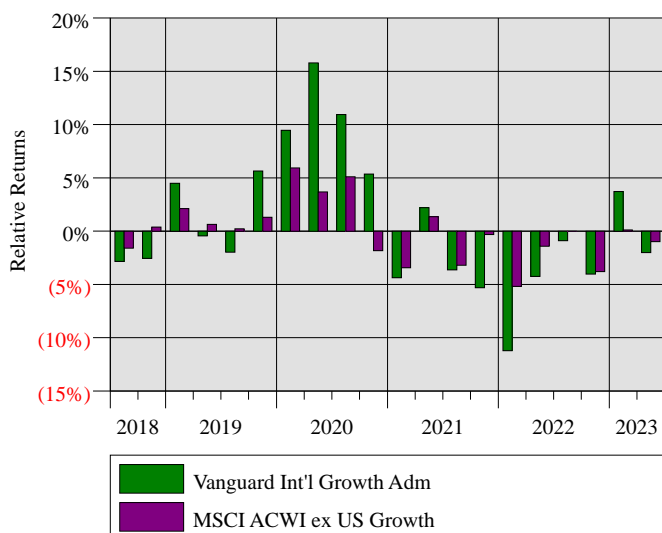
Vanguard Int'l Growth Adm (VWILX) Performance vs. Callan Intl Large Cap Growth MFs Periods ending: June 30, 2023



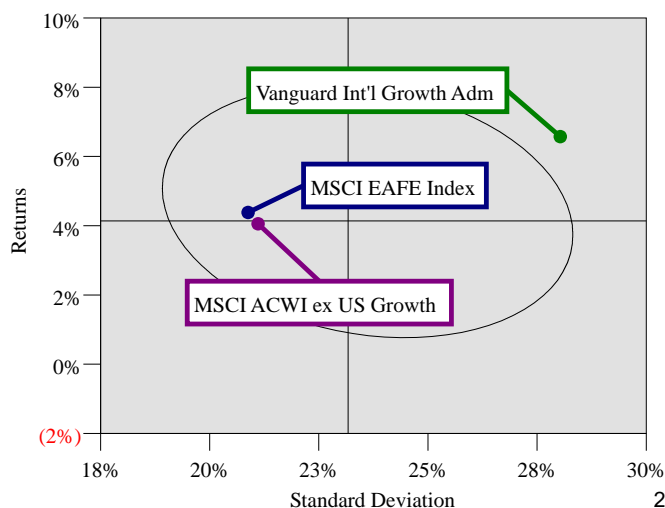
10th Percentile	4.58	22.40	7.94	7.75	8.31	7.63
25th Percentile	3.76	19.35	6.58	5.81	7.13	7.21
Median	2.65	16.26	4.49	4.14	5.78	6.46
75th Percentile	1.70	13.80	2.31	2.78	5.06	5.68
90th Percentile	0.30	9.44	(0.67)	1.54	4.70	4.50
Vanguard Int'l Growth Adm	0.88	14.83	3.49	6.57	9.12	8.34
MSCI EAFE Index	2.95	18.77	8.93	4.39	5.41	5.92
MSCI ACWI ex US Growth	1.94	13.26	3.96	4.06	5.61	6.52

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vanguard Int'l Growth Adm	13.50	(30.79)	(0.74)	59.74	31.48	(12.58)	43.16	1.84	(0.54)	(5.51)	23.12
MSCI EAFE Index	11.67	(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	10.70	(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 6/30/23

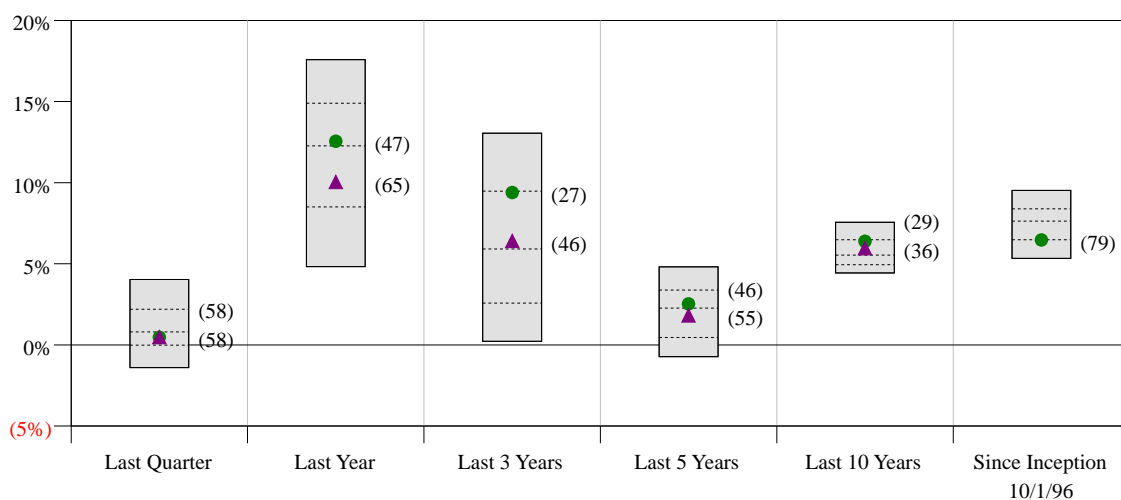


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

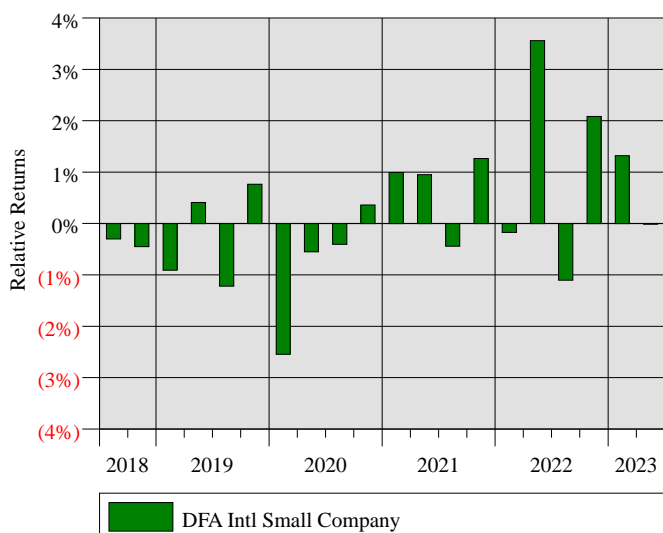
International Small Cap funds invest at least 65% of their assets in equity securities of non-United States companies with a market capitalization of less than US \$1 billion at the time of purchase.

DFA Intl Small Company (DFISX) Performance vs. Callan International Small Cap Mut Funds Periods ending: June 30, 2023

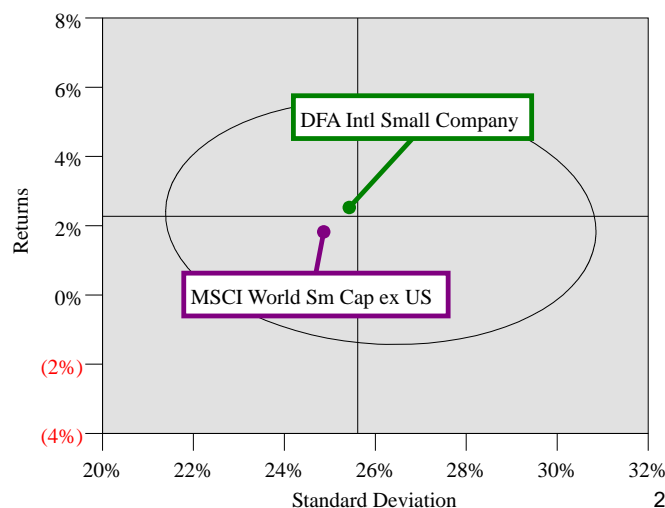


	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA Intl Small Company	6.88	(17.12)	14.24	9.26	24.20	(19.42)	30.24	5.80	5.91	(6.30)	27.44
MSCI World Sm Cap ex US	5.50	(20.59)	11.14	12.78	25.41	(18.07)	31.04	4.32	5.46	(5.35)	25.55

Relative Returns vs. MSCI World Sm Cap ex US



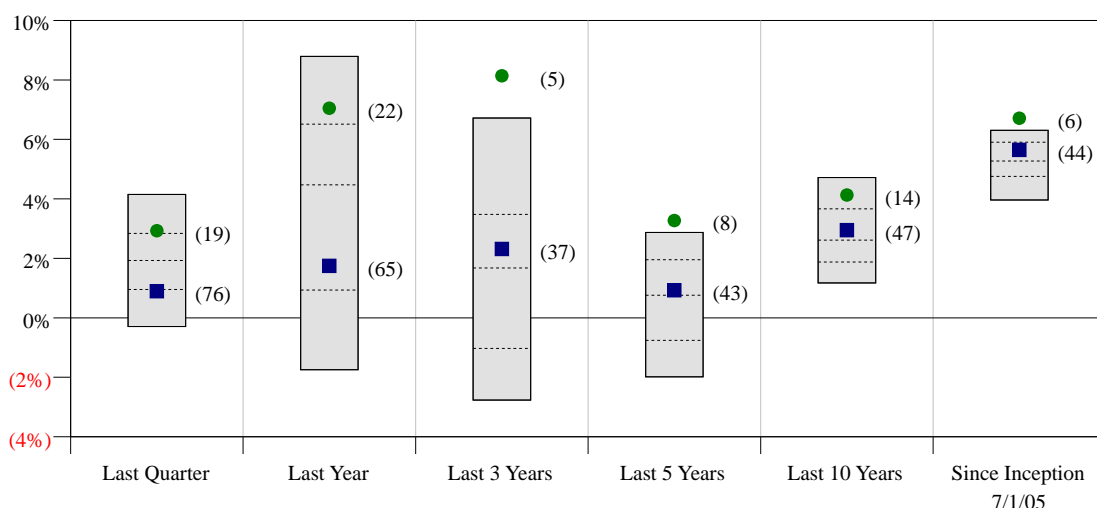
Callan International Small Cap Mut Funds | 5 Years Ended 6/30/23



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.

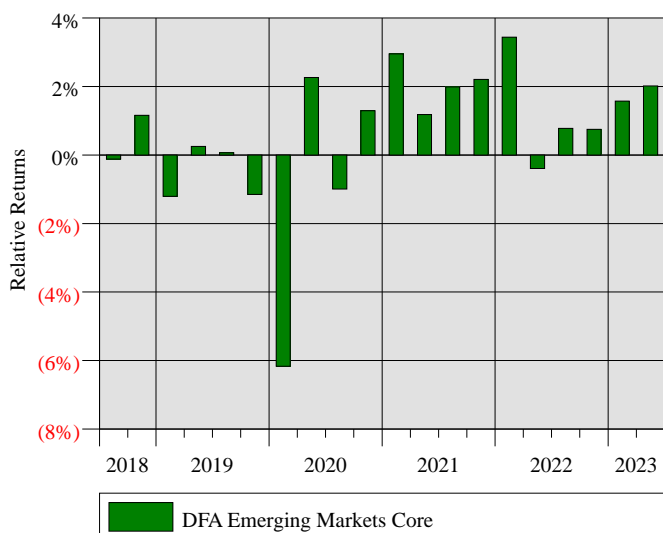
DFA Emerging Markets Core (DFCEX) Performance vs. Callan Emerging Markets Equity Mut Funds Periods ending: June 30, 2023



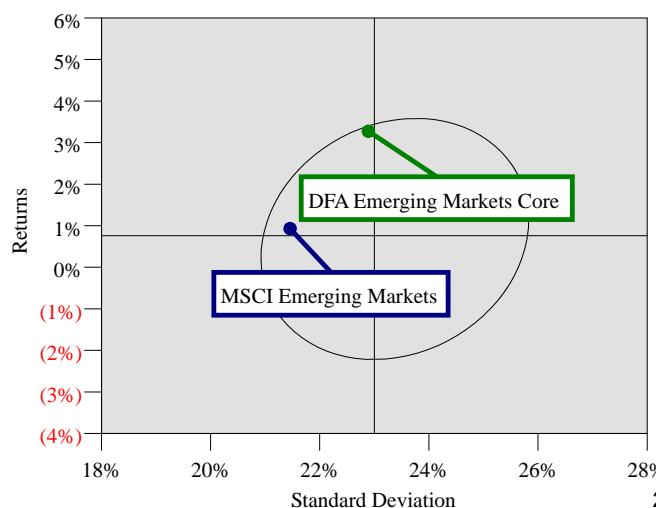
10th Percentile	4.15	8.79	6.73	2.87	4.72	6.31
25th Percentile	2.84	6.51	3.48	1.96	3.67	5.91
Median	1.93	4.48	1.68	0.76	2.62	5.27
75th Percentile	0.95	0.94	(1.03)	(0.76)	1.88	4.76
90th Percentile	(0.29)	(1.74)	(2.76)	(1.98)	1.17	3.96
DFA Emerging Markets Core ●	2.93	7.05	8.14	3.28	4.13	6.72
MSCI Emerging Markets ■	0.90	1.75	2.32	0.93	2.95	5.65

	2 Qtrs. 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA Emerging Markets Core	8.69	(16.40)	5.83	13.86	16.04	(15.25)	36.55	12.35	(14.86)	(0.91)	(2.64)
MSCI Emerging Markets	4.89	(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 6/30/23

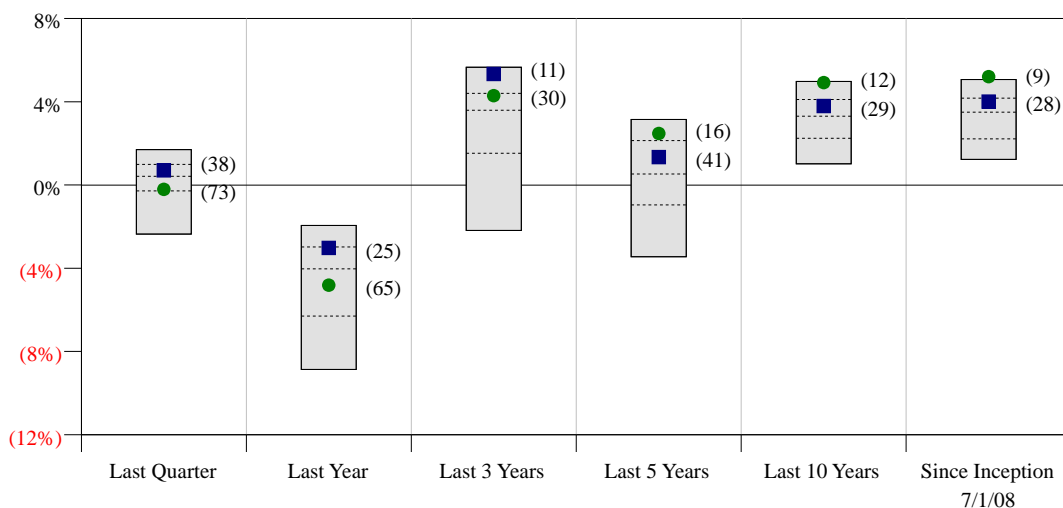


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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: June 30, 2023



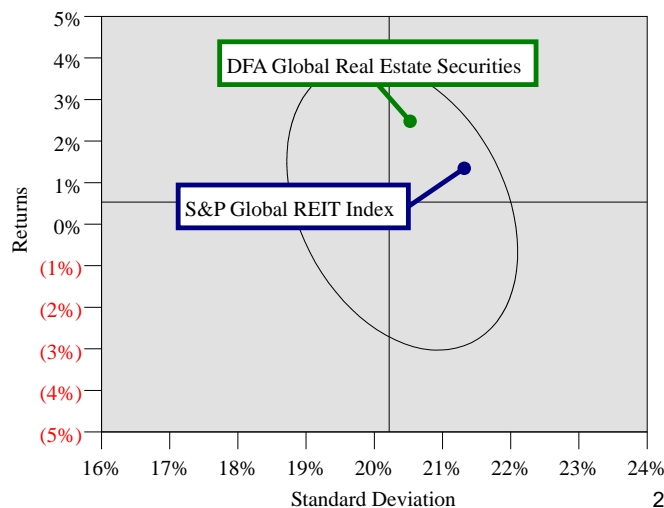
	10th Percentile	1.70	(1.94)	5.66	3.15	4.97	5.07
	25th Percentile	0.99	(2.97)	4.41	2.13	4.11	4.18
	Median	0.42	(4.03)	3.60	0.53	3.31	3.50
	75th Percentile	(0.28)	(6.29)	1.53	(0.95)	2.25	2.22
	90th Percentile	(2.36)	(8.86)	(2.18)	(3.45)	1.02	1.23
DFA Global Real Estate Securities	●	(0.20)	(4.81)	4.29	2.48	4.92	5.21
S&P Global REIT Index	■	0.71	(3.02)	5.34	1.35	3.80	4.01

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
DFA Global Real Estate Securities	0.72	(23.83)	30.96	(6.72)	26.40	(4.15)	9.20	6.56	0.69	22.74	1.77
S&P Global REIT Index	2.09	(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



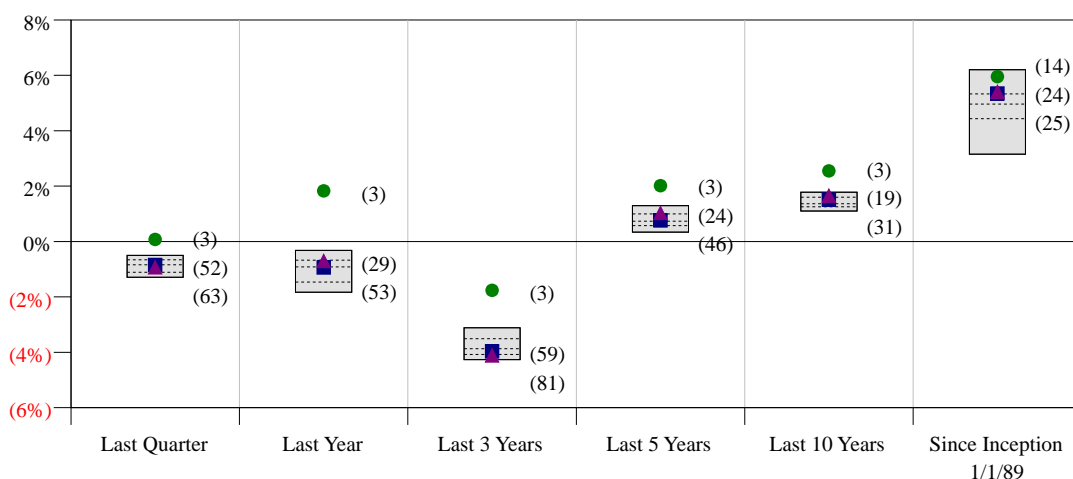
Morningstar Global Real Estate Funds | 5 Years Ended 6/30/23



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.

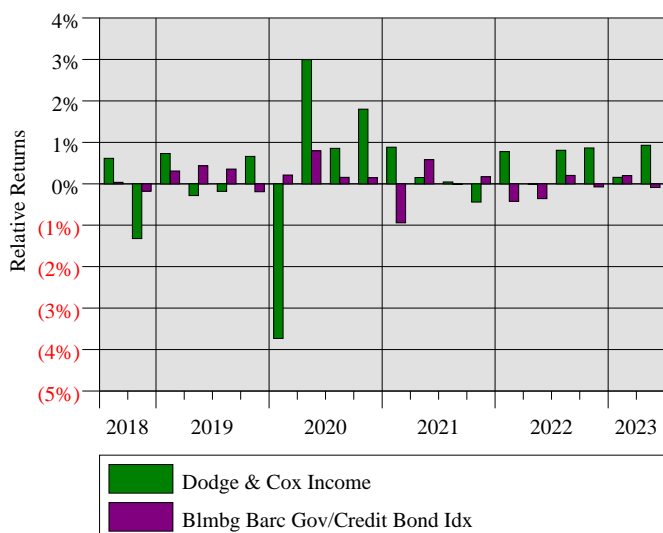
Dodge & Cox Income (DODIX) Performance vs. Callan Core Bond Mutual Funds Periods ending: June 30, 2023



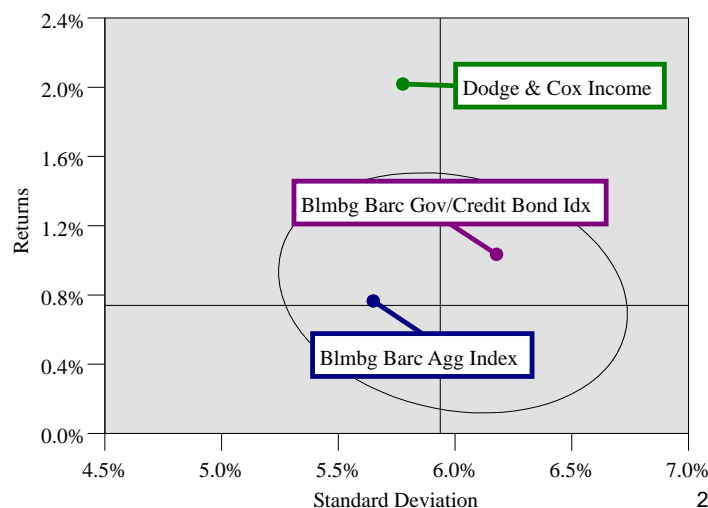
10th Percentile	(0.50)	(0.31)	(3.12)	1.30	1.78	6.20
25th Percentile	(0.66)	(0.67)	(3.51)	1.00	1.60	5.33
Median	(0.83)	(0.91)	(3.87)	0.74	1.37	4.96
75th Percentile	(1.11)	(1.46)	(4.08)	0.58	1.26	4.44
90th Percentile	(1.29)	(1.83)	(4.26)	0.34	1.10	3.15
Dodge & Cox Income	0.08	1.83	(1.76)	2.02	2.55	5.96
Blmbg Barc Agg Index	(0.84)	(0.94)	(3.96)	0.77	1.52	5.35
Blmbg Barc Gov/Credit Bond Idx	(0.93)	(0.70)	(4.11)	1.03	1.66	5.41

	2 Qtrs.	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	2023										
Dodge & Cox Income	3.21	(10.86)	(0.91)	9.45	9.73	(0.31)	4.36	5.61	(0.59)	5.48	0.64
Blmbg Barc Agg Index	2.09	(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	2.21	(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 6/30/23

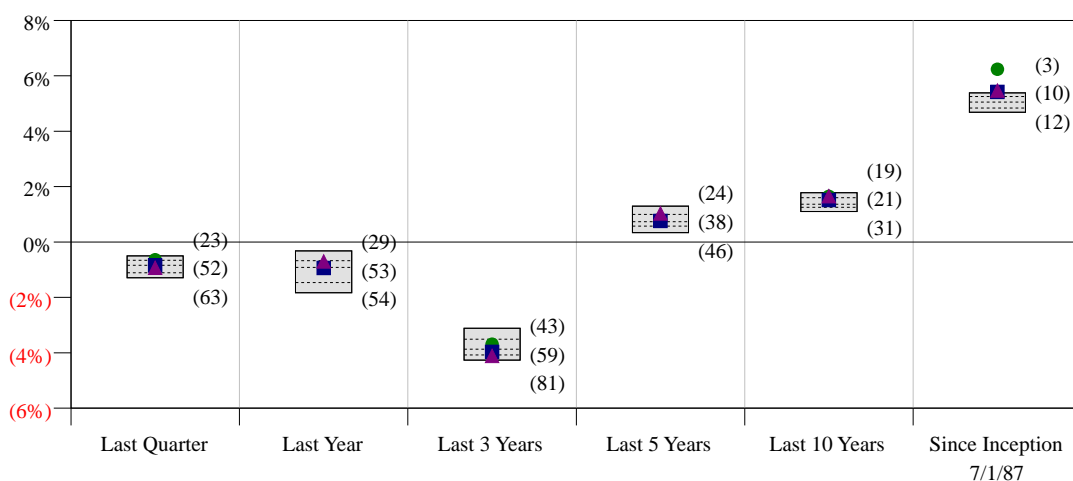


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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.

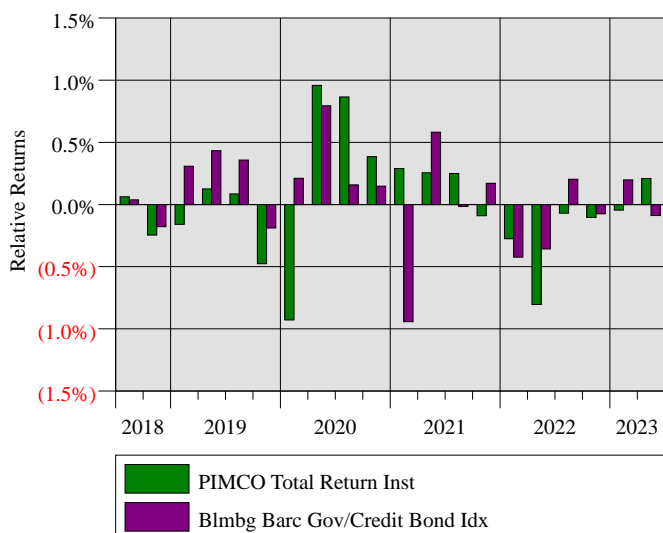
PIMCO Total Return Inst (PTTRX) Performance vs. Callan Core Bond Mutual Funds Periods ending: June 30, 2023



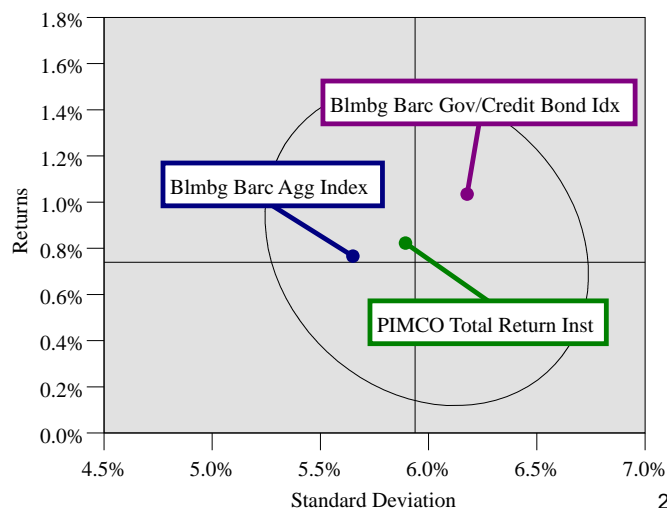
10th Percentile	(0.50)	(0.31)	(3.12)	1.30	1.78	5.39
25th Percentile	(0.66)	(0.67)	(3.51)	1.00	1.60	5.26
Median	(0.83)	(0.91)	(3.87)	0.74	1.37	5.06
75th Percentile	(1.11)	(1.46)	(4.08)	0.58	1.26	4.84
90th Percentile	(1.29)	(1.83)	(4.26)	0.34	1.10	4.69
PIMCO Total Return Inst	(0.64)	(0.94)	(3.69)	0.82	1.65	6.24
Blmbg Barc Agg Index	(0.84)	(0.94)	(3.96)	0.77	1.52	5.42
Blmbg Barc Gov/Credit Bond Idx	(0.93)	(0.70)	(4.11)	1.03	1.66	5.47

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
PIMCO Total Return Inst	2.26	(14.09)	(0.84)	8.88	8.26	(0.26)	5.13	2.60	0.72	4.69	(1.92)
Blmbg Barc Agg Index	2.09	(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	2.21	(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 6/30/23

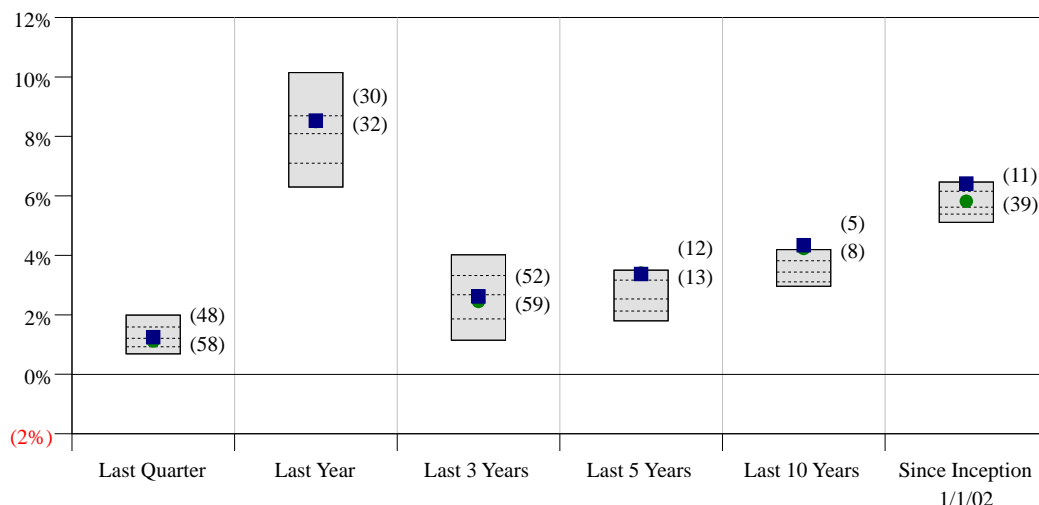


Source: Callan. Past performance is not indicative of future results. See important disclosures.

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: June 30, 2023



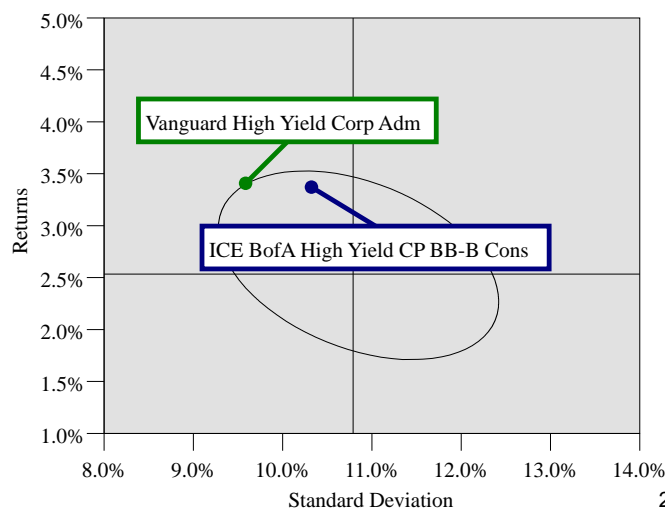
10th Percentile	1.99	10.15	4.02	3.50	4.19	6.47
25th Percentile	1.59	8.70	3.32	3.17	3.82	6.16
Median	1.21	8.10	2.68	2.53	3.44	5.63
75th Percentile	0.93	7.10	1.87	2.13	3.11	5.39
90th Percentile	0.69	6.30	1.15	1.80	2.96	5.11
Vanguard High Yield Corp Adm	1.12	8.50	2.46	3.41	4.23	5.82
ICE BofA High Yield CP BB-B Cons	1.25	8.54	2.62	3.37	4.34	6.42

	2 Qtrs.										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Vanguard High Yield Corp Adm	4.35	(8.97)	3.78	5.39	15.91	(2.87)	7.13	11.30	(1.30)	4.69	4.64
ICE BofA High Yield CP BB-B Cons	4.84	(10.59)	4.58	6.32	15.09	(2.04)	6.98	14.76	(2.82)	3.48	6.29

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



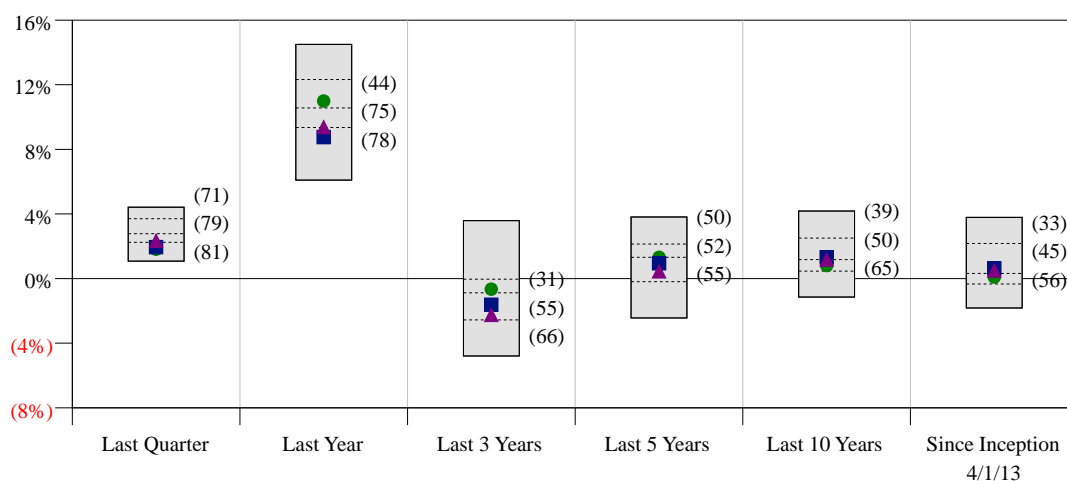
Callan High Yield Mutual Funds | 5 Years Ended 6/30/23



Investment Philosophy:

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

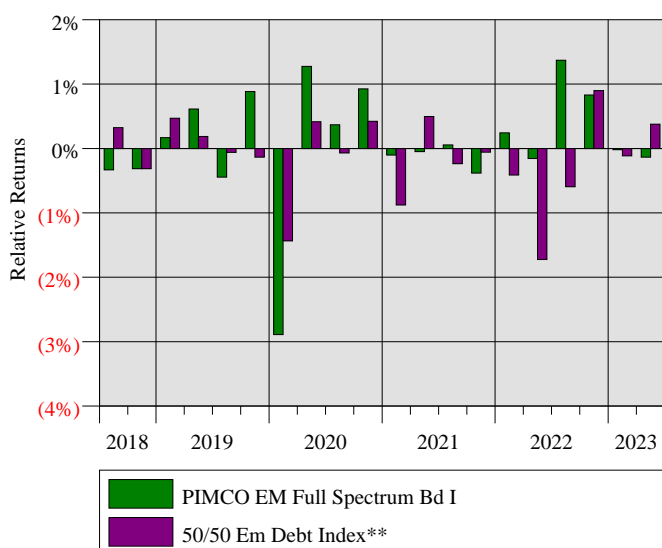
PIMCO EM Full Spectrum Bd I (PFSIX) Performance vs. Callan Emerging Mkts Debt Blend MFs Periods ending: June 30, 2023



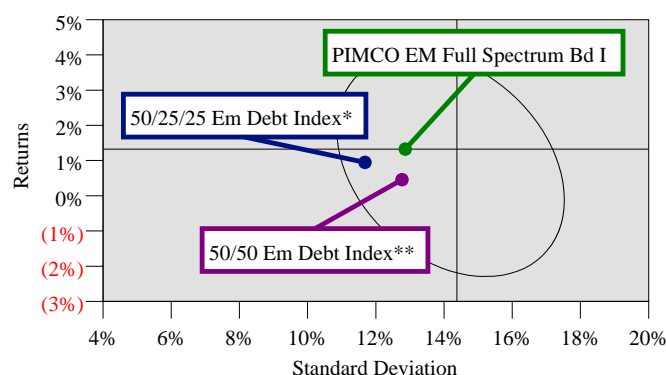
10th Percentile	4.43	14.51	3.60	3.82	4.19	3.79
25th Percentile	3.71	12.33	(0.02)	2.15	2.52	2.18
Median	2.79	10.57	(0.87)	1.33	1.19	0.33
75th Percentile	2.26	9.36	(2.54)	(0.19)	0.47	(0.33)
90th Percentile	1.08	6.10	(4.79)	(2.44)	(1.14)	(1.81)
PIMCO EM Full Spectrum Bd I	1.82	11.00	(0.64)	1.33	0.81	0.10
50/25/25 Em Debt Index*	1.96	8.76	(1.61)	0.95	1.32	0.64
50/50 Em Debt Index**	2.35	9.38	(2.24)	0.46	1.18	0.51

2 Qtrs.		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
PIMCO EM Full Spectrum Bd I	5.50	(11.17)	(5.13)	4.31	15.16	(5.28)	12.30	12.01	(11.09)	(3.82)	--	
50/25/25 Em Debt Index*	5.66	(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**	5.94	(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 6/30/23



* 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 29 days.



Attachment C
Cover Page

Reminder: Primary Differences between Peers and Plan

Risk/Growth Asset Allocation

- Peer group is based on plan size, not asset allocation
- Peer group is on average 67% risk/growth assets
- Pension Plan is 60% risk/growth assets, Health Plan is 70%

Alternative Asset Allocation

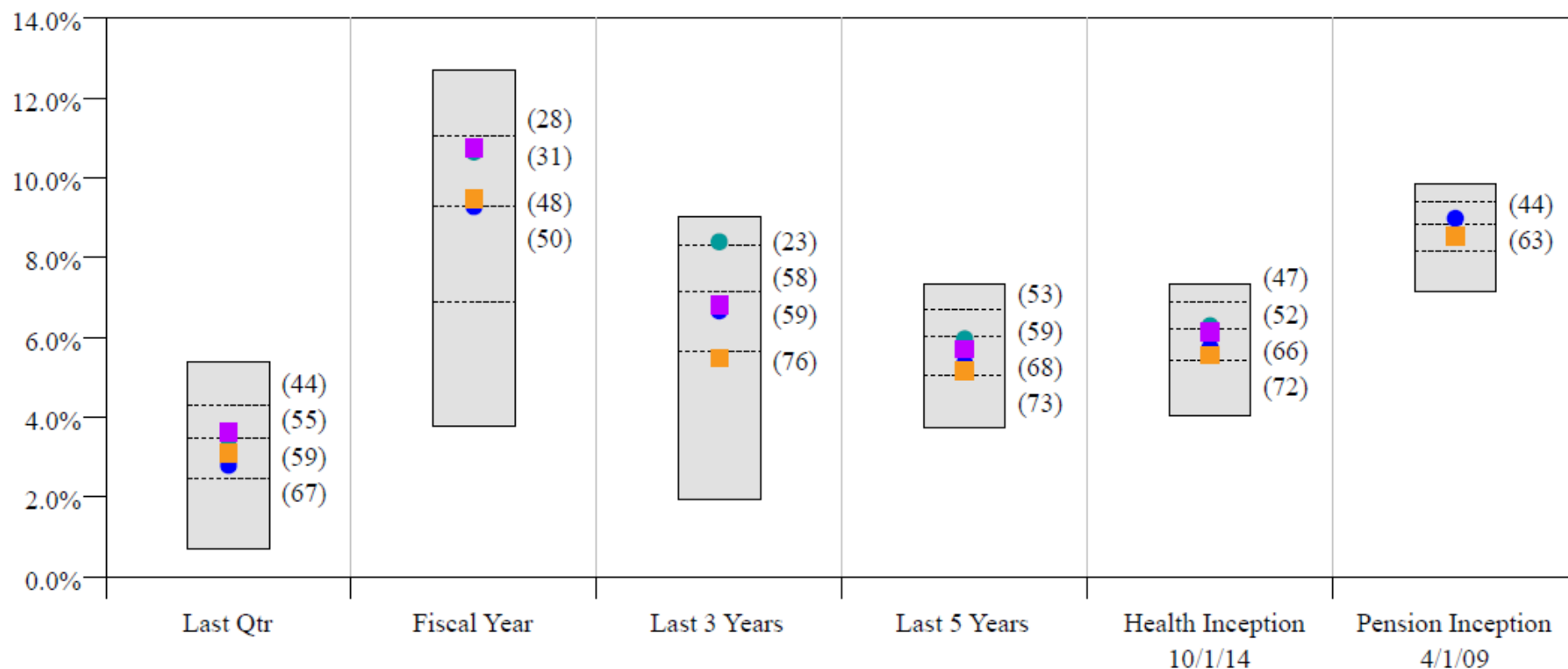
- Peer group on average has ~4% allocation to alternative assets
- Plan has no allocation to alternative assets

International Equity Allocation

- Peer group on average has ~30% allocation to International stocks
- Plan has 40% allocation to international stocks – closer to the global stock market

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

Periods Ended June 30, 2023



SJRTD Pension Fund
SJRTD Pension Fund Target

SJRTD Health Fund
SJRTD Health Fund Target

●
■

●
■

5.38
4.31
3.49
2.47
0.69

2.80
3.11

3.26
3.64

12.69
11.05
9.29
6.88
3.78

9.28
9.49

10.65
10.75

085 of 135

9.03
8.31
7.16
5.64
1.96

6.67
5.48

8.40
6.81

7.33
6.71
6.03
5.07
3.75

5.36
5.17

5.97
5.71

7.35
6.89
6.22
5.42
4.04

5.76
5.57

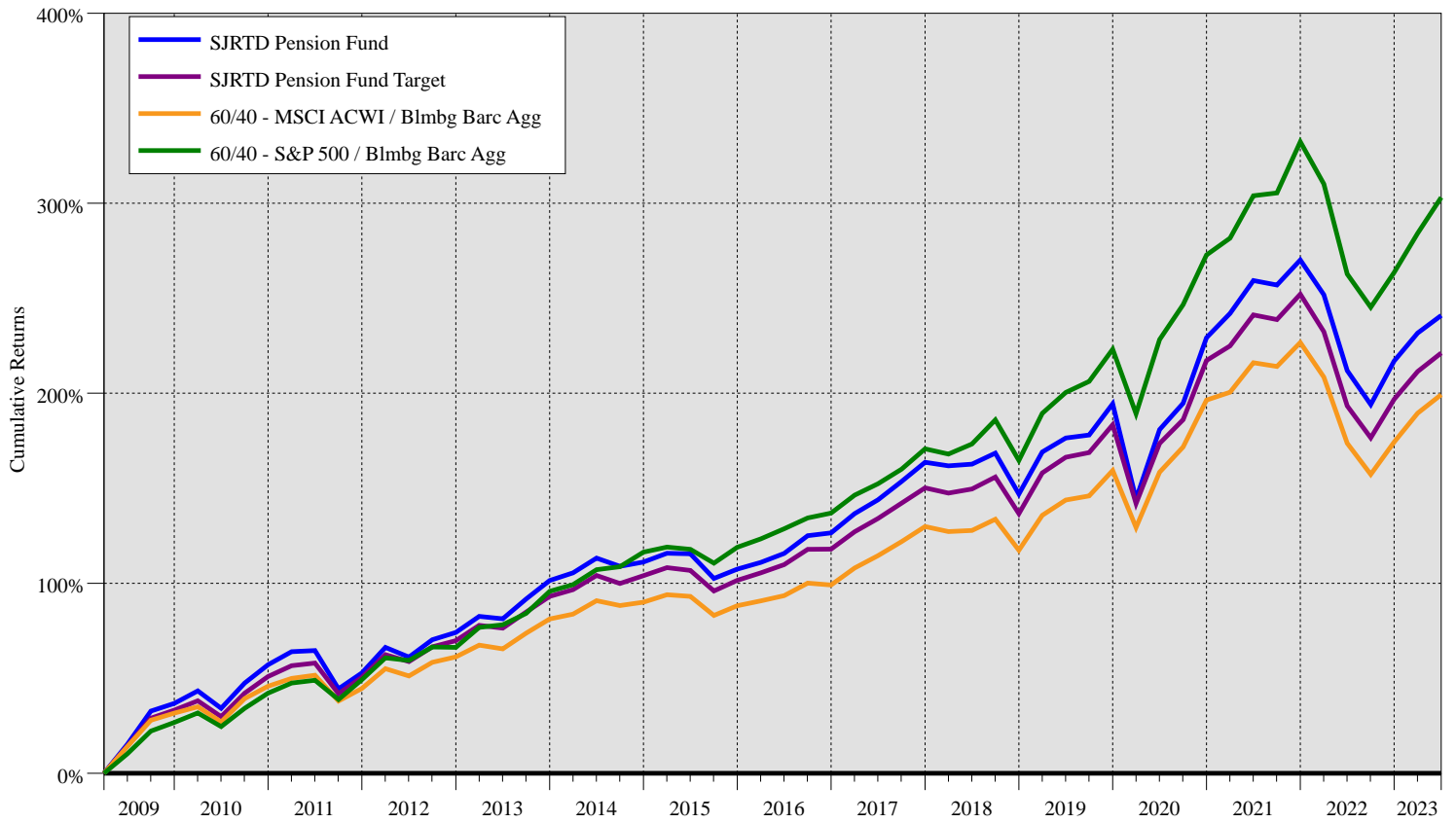
6.30
6.14

9.87
9.40
8.83
8.17
7.16

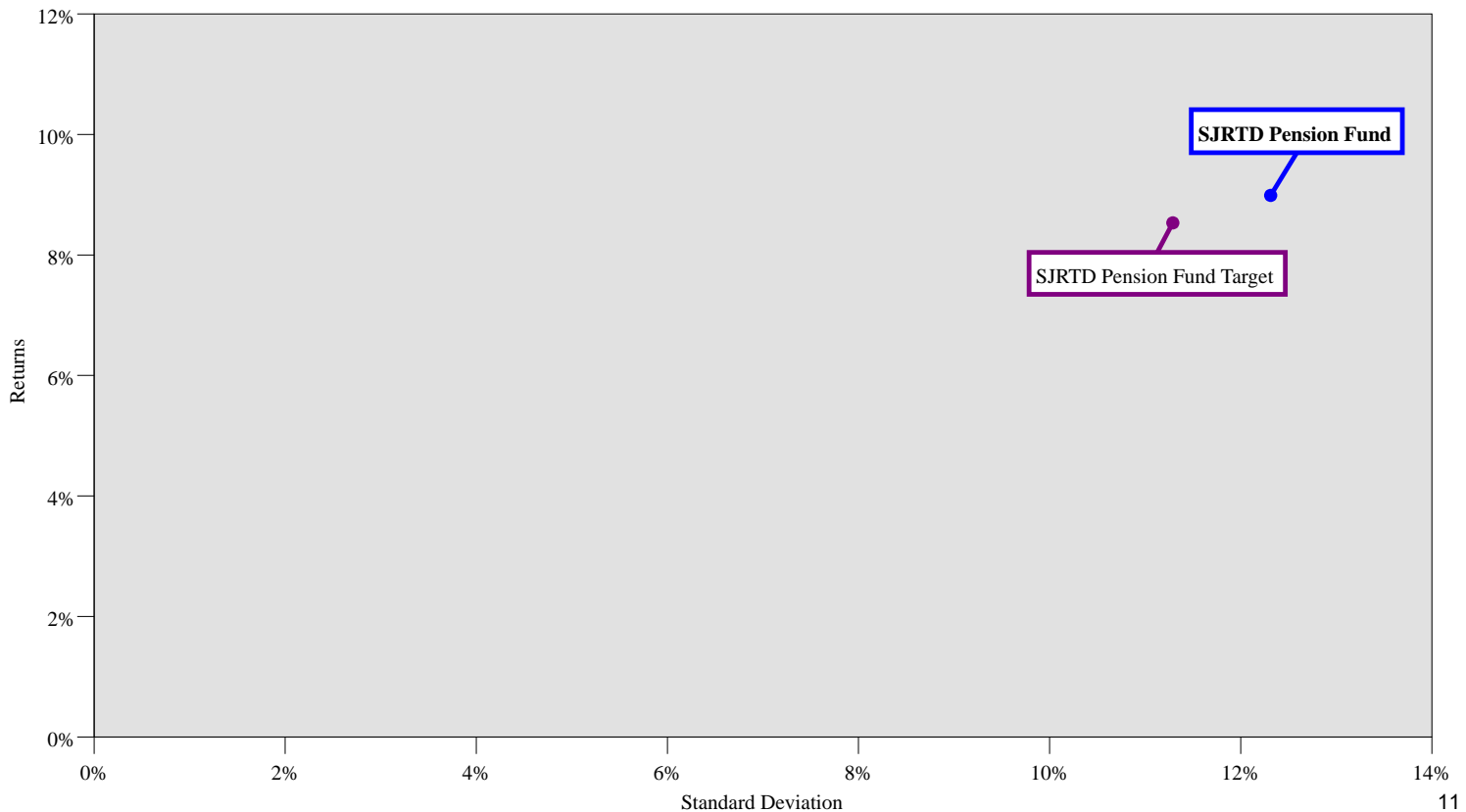
8.99
8.53

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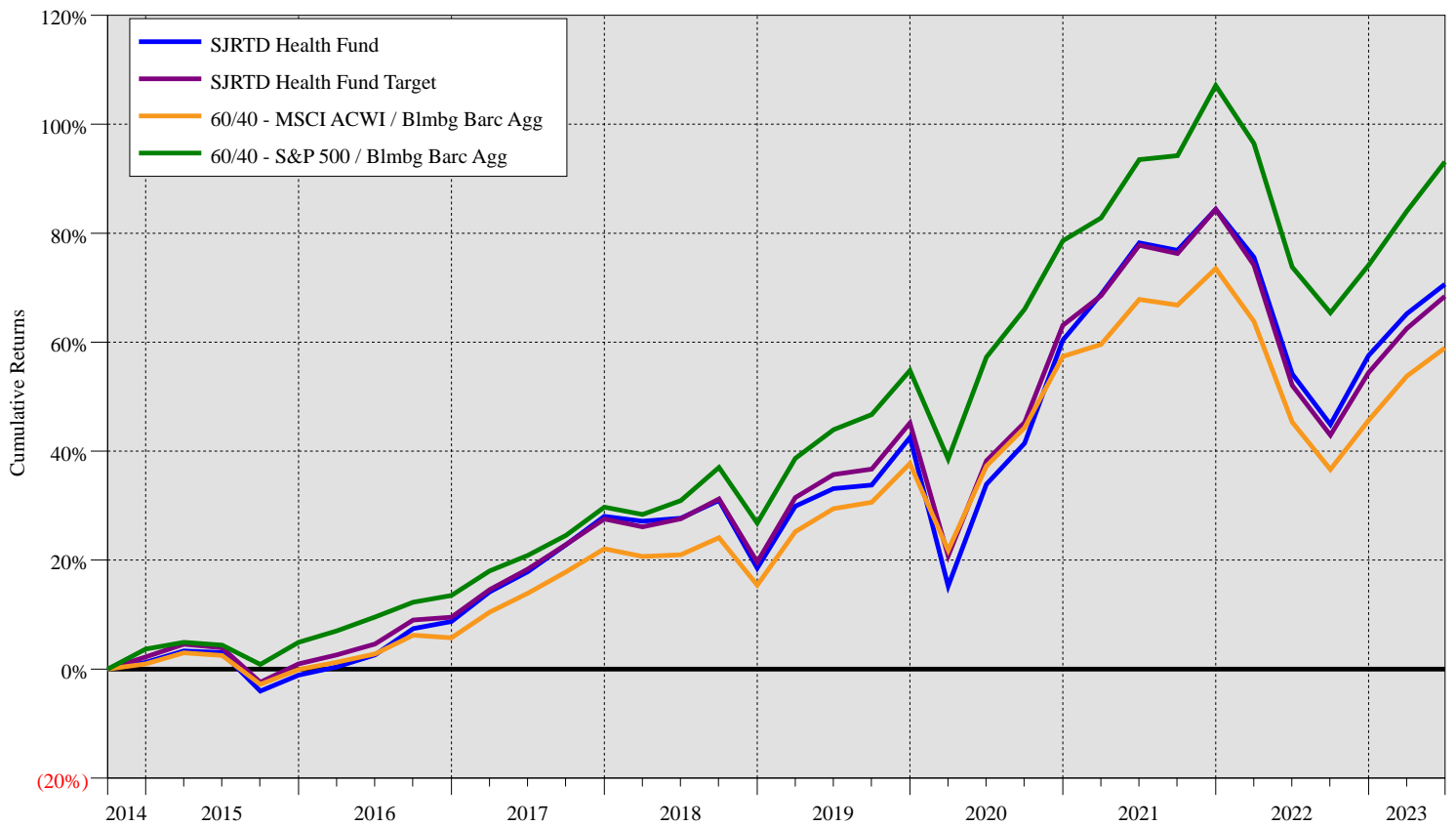
Cumulative Returns | SJRTD Pension Fund vs. Targets Beginning April 1, 2009 | Ending June 30, 2023



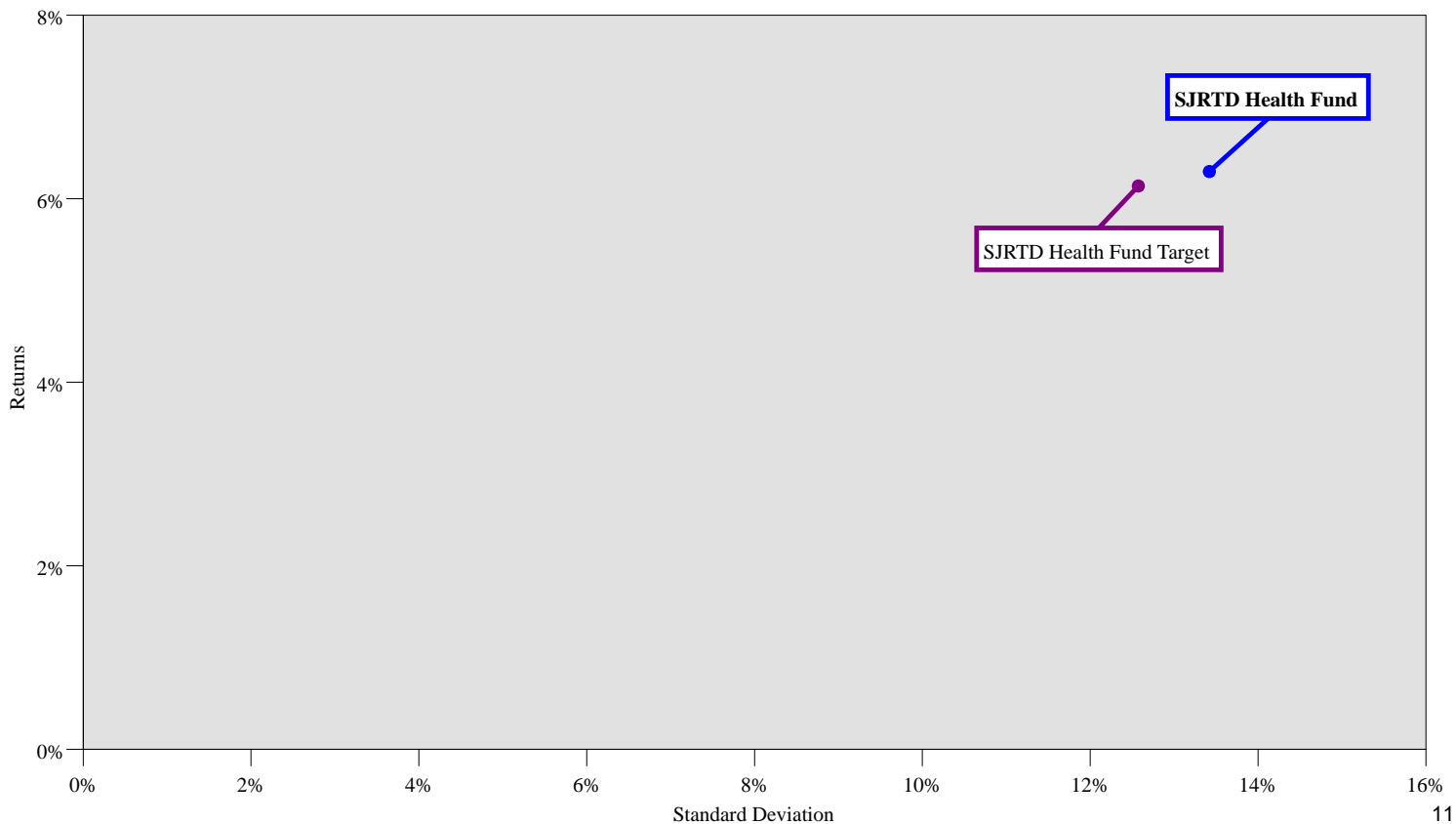
Risk vs Return | SJRTD Pension Fund Target vs. Targets Beginning April 1, 2009 | Ending June 30, 2023



Cumulative Returns | SJRTD Health Fund vs. Targets Beginning October 1, 2014 | Ending June 30, 2023



Risk vs Return | SJRTD Health Fund vs. Targets Beginning October 1, 2014 | Ending June 30, 2023





S&P 500: Index concentration, valuations and earnings

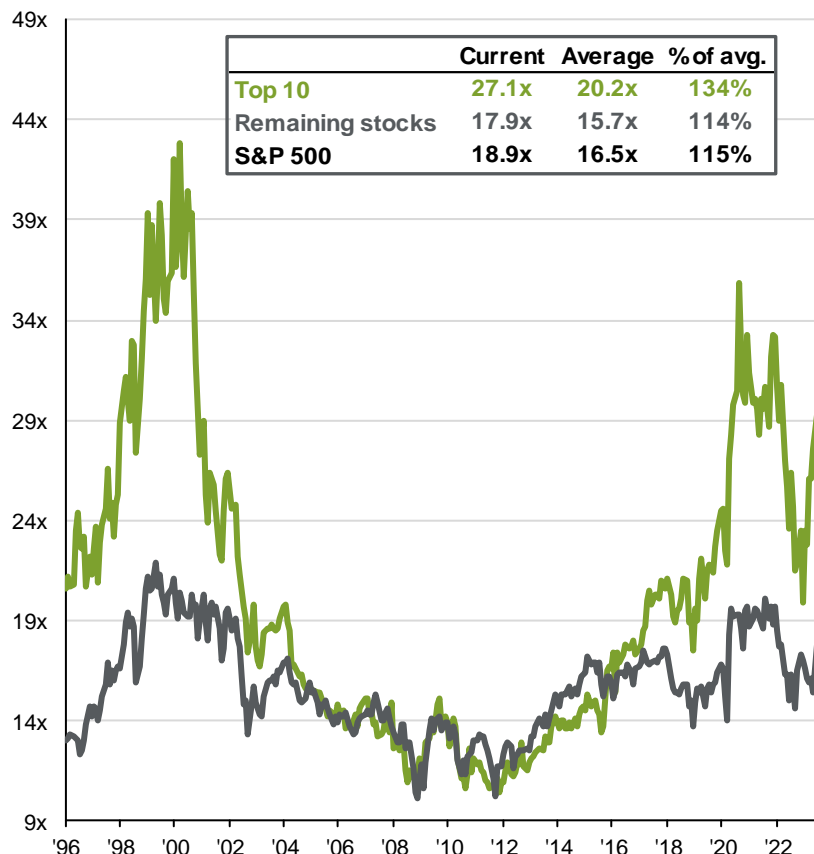
GTM

U.S.

11

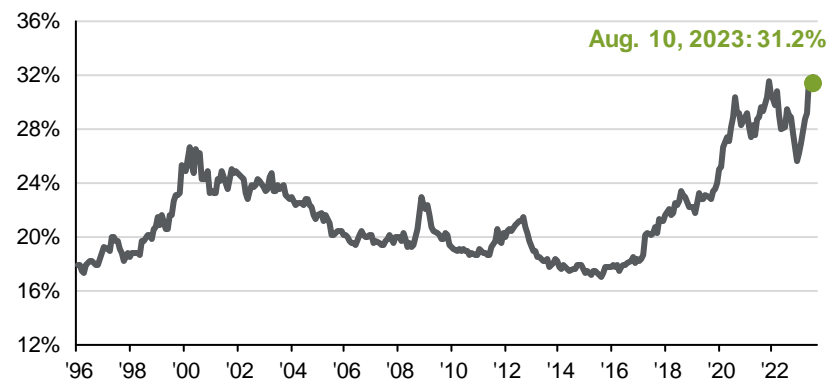
P/E ratio of the top 10 and remaining stocks in the S&P 500

Next 12 months, 1996 - present



Weight of the top 10 stocks in the S&P 500

% of market capitalization of the S&P 500



Earnings contribution of the top 10 in the S&P 500

Based on last 12 months' earnings



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

The top 10 S&P 500 companies are based on the 10 largest index constituents at the beginning of each month. As of 6/30/2023, the top 10 companies in the index were AAPL (7.7%), MSFT (6.8%), AMZN (3.1%), NVDA (2.8%), GOOGL (1.9%), TSLA (1.9%), Meta (1.7%), GOOG (1.7%), BRK.B (1.6%), UNH (1.2%) and XOM (1.2%). The remaining stocks represent the rest of the 494 companies in the S&P 500.

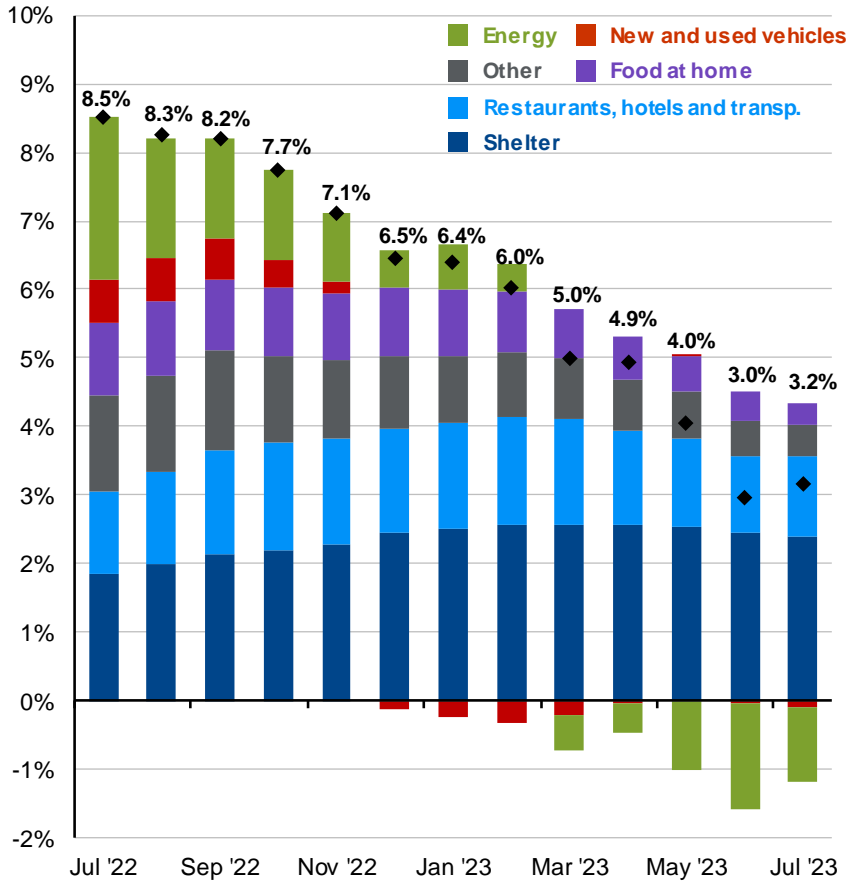
Guide to the Markets – U.S. Data are as of August 10, 2023.



Inflation components

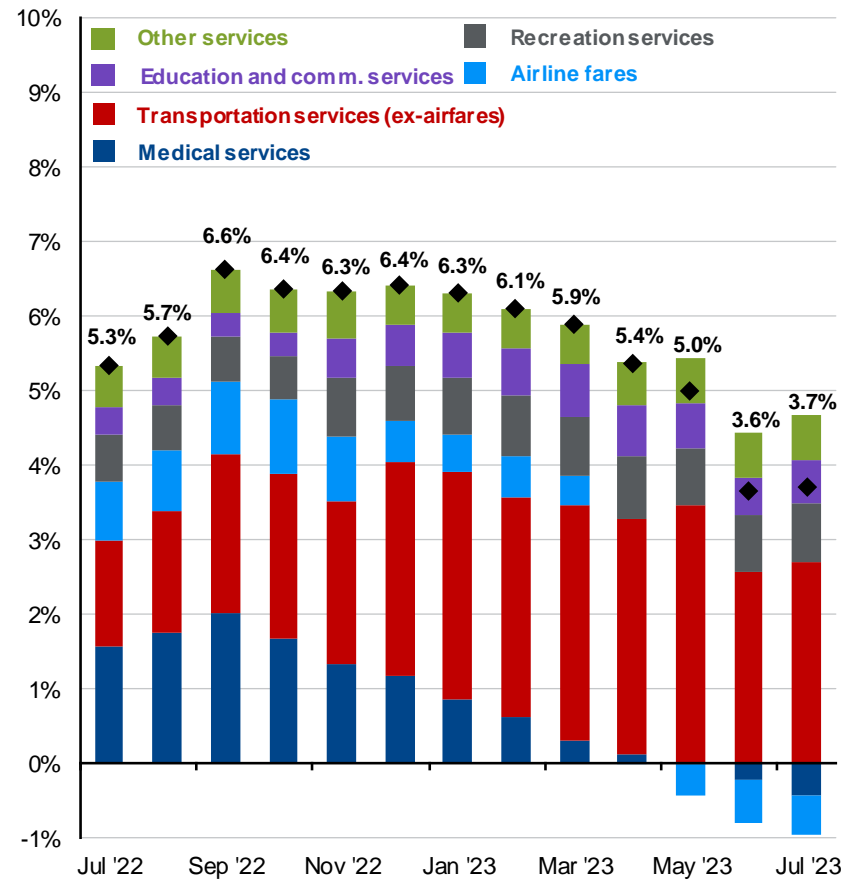
Contributors to headline CPI inflation

Contribution to y/y % change in CPI, non-seasonally adjusted



Contributors to core services ex-shelter CPI inflation*

Contribution to y/y % change in custom CPI index, non-seasonally adj.



Source: Bureau of Labor Statistics, FactSet, J.P. Morgan Asset Management. Contributions mirror the BLS methodology on Table 7 of the CPI report. Values may not sum to headline CPI figures due to rounding and underlying calculations. *Core services ex-shelter CPI is a custom index using CPI components created by J.P. Morgan Asset Management. Left: "Shelter" includes owners' equivalent rent and rent of primary residence; "Other" primarily reflects household furnishings, apparel, education and communication services, medical care services and other personal services. Right: "Transportation services" primarily includes leased cars and trucks, motor vehicle insurance and motor vehicle maintenance and repair. Airline fares are broken out from transportation services. Guide to the Markets – U.S. Data are as of August 10, 2023.



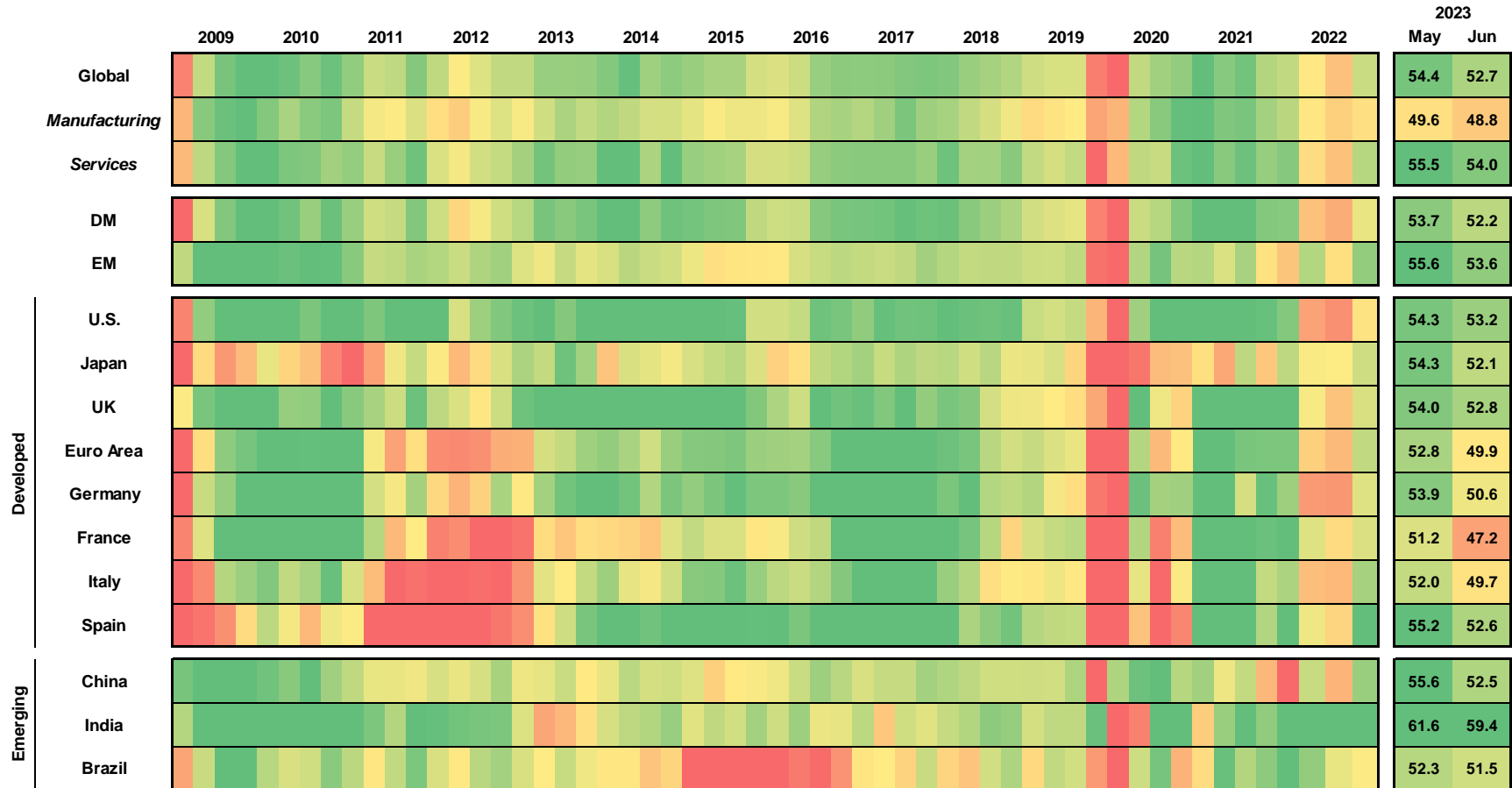
Global economic activity momentum

GTM

U.S.

52

Global Composite (manufacturing & services combined) Purchasing Managers' Index, quarterly



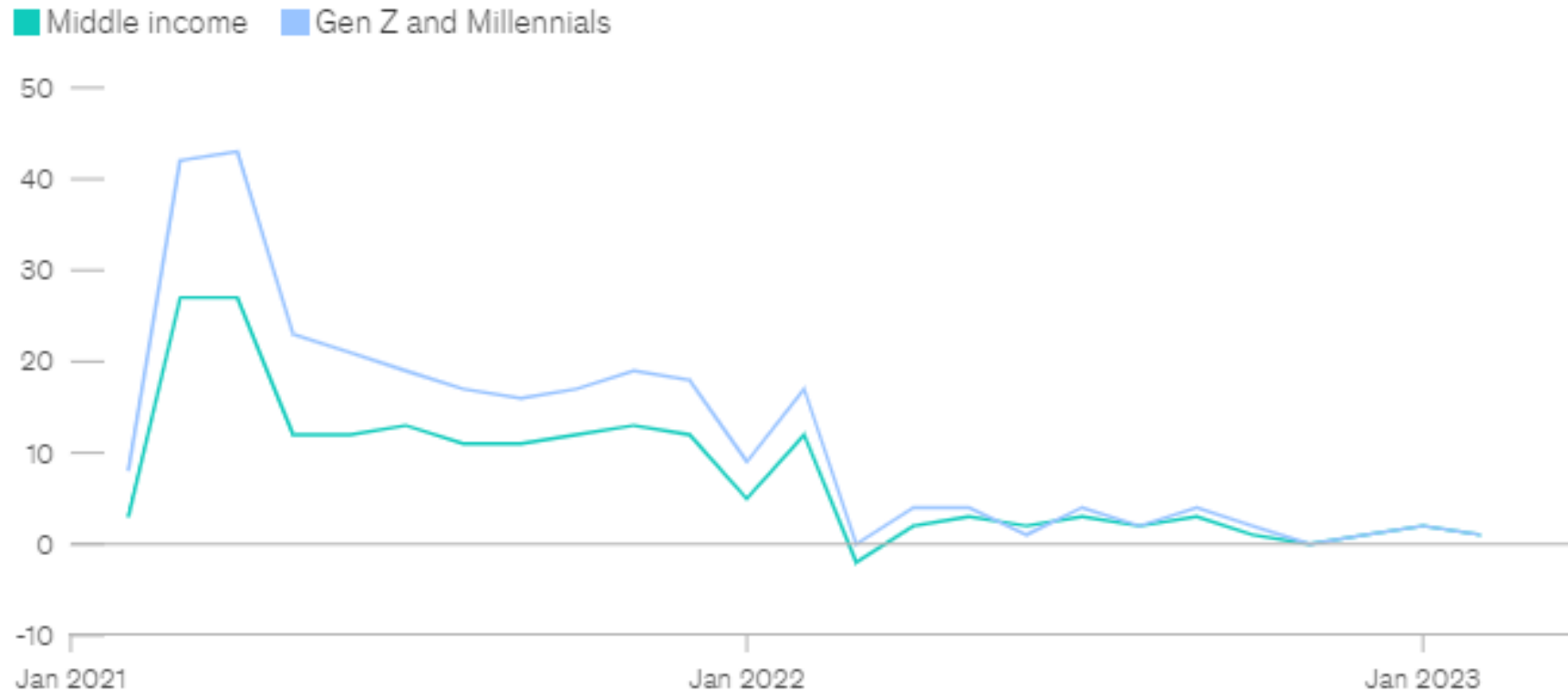
Source: Standard & Poor's, J.P. Morgan Asset Management.

The Composite PMI includes both manufacturing and services sub-indices. Heatmap colors are based on PMI relative to the 50 level, which indicates acceleration or deceleration of the sector, for the time period shown. Heatmap is based on quarterly averages, except for the two most recent figures, which are single month readings. Data for the U.S. are back-tested and filled in for 2009. DM and EM represent developed markets and emerging markets, respectively.

Guide to the Markets – U.S. Data are as of August 10, 2023.

Why Millennials Could Spend Us Into a Soft Landing

Real Spending By Demographic As of January 2023



Note: Includes credit card and some debit card spending among banked consumers at larger retail outlets; excludes cash or government-related (eg, EBT) spending and/or for channels where non-credit card forms of payment (cash, check, bank transfers, etc) are common (healthcare, insurance, utilities, housing, car/truck purchase, etc). Real spending is estimated by subtracting the YoY inflation for each given category from the nominal YoY spending and aggregating all categories for each month based on the share of spending in that month. Low income = <\$50,000; middle income = \$50,000 to \$100,000; high income = >\$100,000; Gen Z = age 18 to 25; millennials = 26 to 41; Gen X = 42 to 57; baby boomers = 58 to 74.

Source: Affinity Solutions credit card and debit card spend data; Stackline Amazon spend data; McKinsey analysis

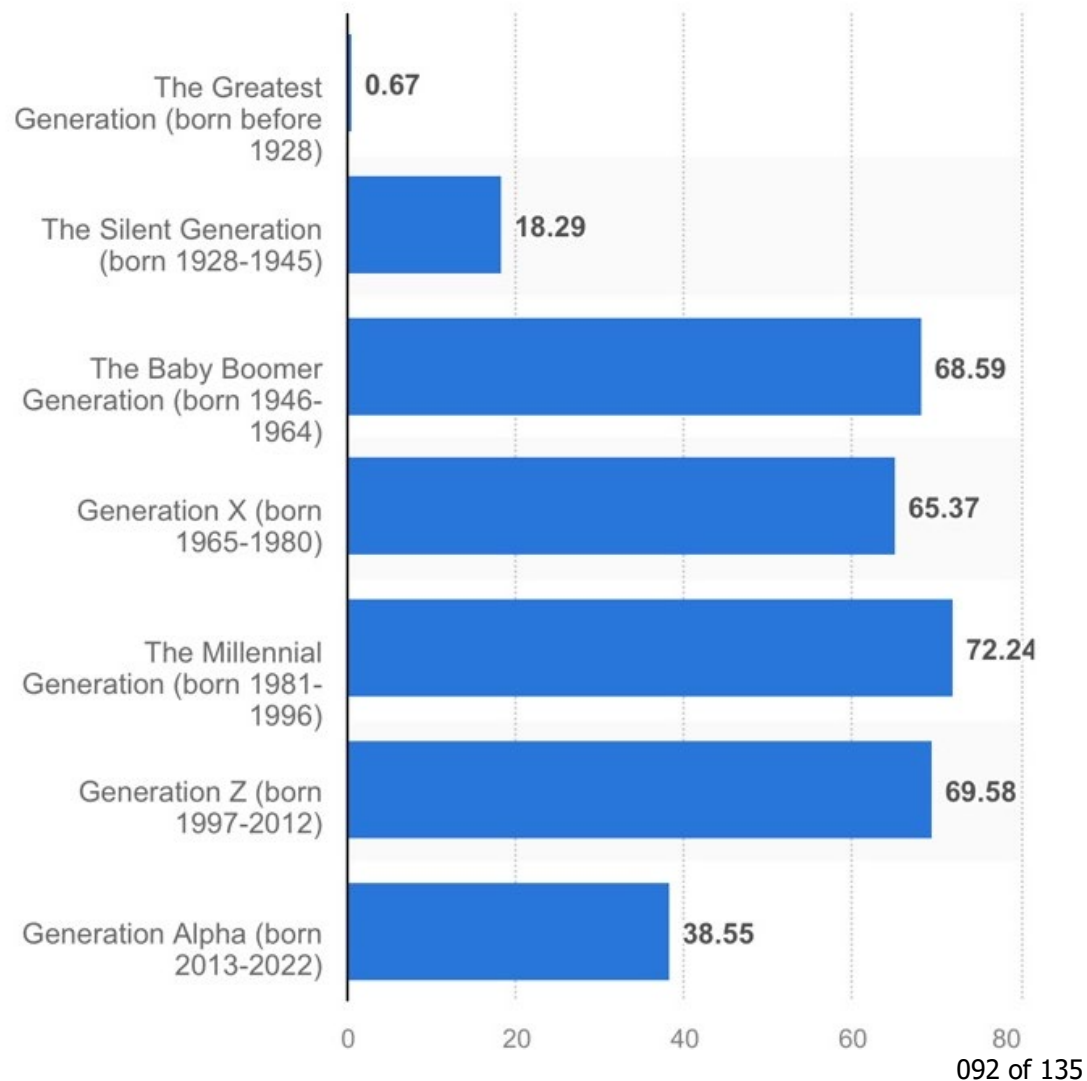
Real spending for Gen Z and Millennials has gone down after shooting up in 2021, but it is still above 2020 levels.

This is different than in 2008/09 when consumption dropped off a cliff.

Continued spending may prolong inflation, but it may also prevent a **hard landing**.

Resident Population (US) in 2022, By Generation

In millions



This chart shows that Millennials are the biggest portion of the overall US population as of 2022.

Millennials are hitting their stride, ranging between ages 27 and 42, prime spending years, and they are big enough to matter.

This sets the US up for a good demographic story going forward.



LEAD STAFF: ROBERT KYLE, CFO

I. RECOMMENDED ACTION:

- Approve a Change in Asset Allocation in the Defined Benefit (DB) Pension Fund to be aligned with the same Asset Allocation in the Health Portfolio ((Post Employment Benefit (OPEB) Plan)).
- Approve the revised Investment Policy Statement that reflects a change in Equity/Bond Allocations from 60%/40% to 70%/30% in the DB, respectively.

II. SUMMARY

- Current Asset Allocation in the DB is 60% Equity & 40% Bonds.
- Current Asset Allocation in the Health Portfolio is 70% Equity & 30% Bonds.
- Accept staff recommendation to change the Asset Allocation in the DB from 60%/40% to 70%/30%.

III. DISCUSSION/BACKGROUND

The DB Asset Allocation has remained unchanged since 2009, when the “Great Recession” negatively impacted the Nation’s economy and the stock market. At that time, a conservative 60% Equity/40% Bonds Asset Allocation was appropriate.

RTD Staff has observed that the data for the last 14 years reflects that the Equity Markets have recovered well, producing better yields over this period than the Bond Market. Staff is keying in on this data to find a way to reduce the DB unfunded liability, which as of 1 July 2022 was approximately 35.5%, and to reduce contribution rates which continue to increase every year and are currently at Agency/Employee contribution rates of 36.88%/22.01% respectively.

On February 23, 2023, April 5, 2023, and June 6, 2023, the Pension Board received comprehensive overviews of the Equity and Bond markets and their options for not only Asset Allocation but also a complete overview from Team Hewins’ investment Asset Classes; management styles; rebalancing; historical yields and market performance; and risk and liquidity. Also, on April 5, 2023, Pension Board Counsel provided Fiduciary Training to the Retirement Board members. Finally, Team Hewins also presented the Retirement Board with an overview of three Private Equity options in case they wish to consider adding Private Equity to the portfolio.

The intent of the recommended change in the Asset Allocation is to achieve marginally higher yields over time, similar to the Health Plan, and thereby

improve the funded ratio of the DB. The contribution rates should eventually decrease as the funded ratio improves over time.

IV. 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

V. FINANCIAL CONSIDERATIONS/IMPACT

No immediate financial impacts in the short term. Potential opportunity for favorable improvements to the performance of the DB portfolio that may result in possible reductions in the contribution rates for both RTD and employees in the DB Plan.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

The alternatives available are:

- Do nothing; keep at a 60%/40% mix.
- Change to a more aggressive 80%/20% mix.


VIII. ATTACHMENTS

Attachment A: Investment Policy Statement (revised)
Attachment B: Resolution

Prepared by: Robert Kyle, CFO

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page



team hewins

Investment Policy Statement

~~July 29, 2020~~ August 2nd, 2023

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PURPOSE

The purpose of this Investment Policy Statement (IPS) is to assist the Investment Consultant and San Joaquin Regional Transit District (the “District” or the “Client”) in effectively supervising, monitoring and evaluating the investment of the San Joaquin Regional Transit District Retirement Plan (the “Plan”) assets. The IPS accomplishes the following objectives related to the Plan’s investment program:

- States in a written document the Client’s attitudes, expectations, objectives and constraints in the investment of the Plan’s assets.
- Sets forth an investment structure for managing the Plan’s assets. This structure includes various asset classes, investment management styles, asset allocation and acceptable ranges that, in total, are expected to produce a sufficient level of overall diversification and total investment return over the long term.
- Provides guidelines for each investment portfolio that controls the level of overall risk and liquidity assumed in that portfolio so that the Plan’s assets are managed in accordance with the stated objectives.
- Encourages effective communication between the Client and the Investment Consultant (Consultant) and the money managers.
- Establishes formalized criteria to monitor, evaluate and compare on a regular basis the performance results achieved by the Plan’s money managers.
- Complies with all applicable fiduciary, prudence, diversification, and due diligence requirements that experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, federal and international political entities that may impact Plan assets.

This IPS has been developed upon consideration by the Client of the financial implications of a wide range of policies, and describes the prudent investment process that the and Investment Consultant deem appropriate.

EXECUTIVE SUMMARY

Plan Name/Name of Trust/Entity:

San Joaquin Regional Transit District Retirement Plan (~~Pension Plan~~)

Trustee(s)/Officer(s) and Title:

~~Alex Clifford, CEO~~

Board of Directors

~~Crystal Lee-McGee, Chair~~ Director

Michael Restuccia, ~~Vice~~-Chair

~~Ralph Niz~~ Johanna Shick, ~~Vice-Chair~~ Director

Annette H. St. Urbain ~~Lee Scott~~, Director

~~Crystal Lee-McGee, Director~~

Custodian:

US Bank

Type/ Assets:

Retirement Benefits Plan (Pension) / Approximate Assets: ~~\$50,710,000~~ ~~2,690~~ \$44,130,000

~~Retirement Benefits Plan (Health) / Approximate Assets: \$10,220,000~~

Liquidity Needs:

Short-term liquidity requirements are anticipated and will be handled from contributions and/or the amount allocated to cash. San Joaquin Regional Transit District will notify Team Hewins when raising cash is necessary.

Portfolio Selection:

~~76~~0% Equity ~~34~~0% Fixed Income

Portfolio Modeled Return¹:

~~7.07%~~ ~~6.13%~~ (4.57% ~~3.88%~~ over expected CPI of ~~2.50%~~ ~~2.25%~~)

Risk Tolerance:

Moderate; One-Year Portfolio Loss has a 2% chance of exceeding ~~19.49%~~ ~~16.56%~~ per year

Time Horizon:

Greater than 5 years

Legal/Regulatory Status:

Subject to PUC Sections 50131-35; ~~99159~~

Marginal Tax Bracket:

Tax Exempt

Unique Circumstances or Important Considerations:

The Plan utilizes the separate account manager Agincourt (Core Fixed Income).

¹ The Modeled Return does not reflect the deduction of any commissions, investment management, investment advisory, or transaction fees that may be applicable to individual accounts, the deduction of which would have the effect of decreasing indicated Modeled Returns. These Modeled Returns have been compiled exclusively by Team Hewins, LLC based upon Callan's long-term Capital Market Expectations. Please see important disclosures at the end of this document.

Risk Tolerance Definition:

The Plan's "Risk Tolerance" is generally representative of the Plan's ability and temperament to withstand short-term and intermediate-term variability in investment values. The Plan's liquidity needs, financial condition and other factors collectively suggest the level of interim fluctuations in market value and rates of return that the Plan may tolerate in order to achieve longer-term objectives.

Account Objectives:

Account objectives include providing exposure to a wide range of investment opportunities in various markets while limiting risk exposure through prudent diversification; controlling the costs of administering and managing the Assets; and maximizing returns within reasonable and prudent levels of risk.

Expected Return and Loss:

The one-year portfolio modeled return and loss represent points within a potential range of returns based on forward-looking capital markets expectations for different asset classes. These expectations are by nature imprecise; it is not possible to predict future performance. The potential range of returns is generated by simulation and is most useful for understanding the trade-off between investment risk and return when comparing various asset mixes, not as a prediction of future results.

ACCOUNT: ASSET ALLOCATION

Asset Class	Strategic Allocation ²
Domestic Large Cap Equity	28.35 24.30%
Domestic Small Cap Equity	9.45 8.10%
Total Domestic Equity	37.80 32.40%
International Developed Equity	18.90 16.20%
International Emerging Equity	6.30 5.40%
Total International Equity	25.20 21.60%
Global Real Estate	7.00 6.00%
Total Equity	70.00 60.00%
Core Fixed Income	20.00 27.00%
High Yield Fixed Income	5.40 7.20%
Emerging Fixed Income	3.60 4.80%
Total Diversified Fixed Income	9.00 12.00%
Total Fixed Income	29.00 39.00%
Cash and Equivalents	1.00%
Total Portfolio	100.00%

Asset Allocation:

This recommended allocation is based on the Plan's investment time horizon, liquidity needs, risk tolerance and other factors regarding the Plan's financial condition, preferences and objectives that the Plan has made known to the Consultant.

Rebalancing of Strategic Allocation:

The percentage allocation to each asset class or overall Equity/Fixed Income balance may vary depending upon market conditions. When necessary, available or prudent, cash inflows/outflows will be deployed in a manner consistent with the strategic asset allocation of the Plan. The Plan's asset allocation will be reviewed quarterly, and transactions may be effected by Advisor to bring the allocation within 5% of the total equity and fixed income allocation.

² Each year the asset allocation is subject to revision due to changes in capital markets expectations or Plan circumstances.

EXECUTIVE SUMMARY

Plan Name/Name of Trust/Entity:

San Joaquin Regional Transit District Retirement Plan (Health Plan)

Trustee(s)/Officer(s) and Title:

Board of Directors

Michael Restuccia, Chair

Ralph Niz, Vice Chair

Annette H. St. Urbain, Director

Crystal Lee McGee, Director

Custodian: _____

US Bank

Type/ Assets: _____

Retirement Benefits Plan (Health) / Approximate Assets: ~~\$10,218,672~~\$26,650,000

Liquidity Needs: -

Short-term liquidity requirements are anticipated and will be handled from contributions and/or the amount allocated to cash.

Portfolio Selection:

70% Equity 30% Fixed Income

Portfolio Modeled Return³:

~~7.07%~~6.48% (~~4.57%~~4.23% over expected CPI of ~~2.50%~~2.25%)

Risk Tolerance: _____

Moderate; One-Year Portfolio Loss has a 2% chance of exceeding ~~19.49%~~19.28% per year

Time Horizon: _____

Greater than 5 years

Legal/Regulatory Status:

Subject to PUC Sections 50131-35

Marginal Tax Bracket: _____

Tax Exempt

Unique Circumstances or Important Considerations: _____

None

³The Modeled Return does not reflect the deduction of any commissions, investment management, investment advisory, or transaction fees that may be applicable to individual accounts, the deduction of which would have the effect of decreasing indicated Modeled Returns. These Modeled Returns have been compiled exclusively by Team Hewins, LLC based upon Callan's long-term Capital Market Expectations. Please see important disclosures at the end of this document.

Risk-Tolerance Definition:

The Plan's "Risk Tolerance" is generally representative of the Plan's ability and temperament to withstand short-term and intermediate-term variability in investment values. The Plan's liquidity needs, financial condition and other factors collectively suggest the level of interim fluctuations in market value and rates of return that the Plan may tolerate in order to achieve longer-term objectives.

Account Objectives:

Account objectives include providing exposure to a wide range of investment opportunities in various markets while limiting risk exposure through prudent diversification; controlling the costs of administering and managing the Assets; and maximizing returns within reasonable and prudent levels of risk. —

Expected Return and Loss:

The one-year portfolio modeled return and loss represent points within a potential range of returns based on forward-looking capital markets expectations for different asset classes. These expectations are by nature imprecise; it is not possible to predict future performance. The potential range of returns is generated by simulation and is most useful for understanding the trade-off between investment risk and return when comparing various asset mixes, not as a prediction of future results.

ACCOUNT ASSET ALLOCATION

Asset Class	Strategic Allocation ⁴
Domestic Large Cap Equity	28.35%
Domestic Small Cap Equity	9.45%
Total Domestic Equity	37.80%
International Developed Equity	18.90%
International Emerging Equity	6.30%
Total International Equity	25.20%
Global Real Estate	7.00%
Total Equity	70.00%
Core Fixed Income	20.00%
High Yield Fixed Income	5.40%
Emerging Fixed Income	3.60%
Total Diversified Fixed Income	9.00%
Total Fixed Income	29.00%
Cash and Equivalents	1.00%
Total Portfolio	100.00%

Asset Allocation:

This recommended allocation is based on the Plan's investment time horizon, liquidity needs, risk tolerance and other factors regarding the Plan's financial condition, preferences and objectives that the Plan has made known to the Consultant.

Rebalancing of Strategic Allocation:

The percentage allocation to each asset class or overall Equity/Fixed Income balance may vary depending upon market conditions. When necessary, available or prudent, cash inflows/outflows will be deployed in a manner consistent with the strategic asset allocation of the Plan. The Plan's asset allocation will be reviewed quarterly, and transactions may be effected by Advisor to bring the allocation within 5% of the total equity and fixed income allocation.

⁴Each year the asset allocation is subject to revision due to changes in capital markets expectations or Plan circumstances.

BACKGROUND

The San Joaquin Regional Transit District Retirement Plan ("Plan") is a retirement benefit pension plan established in 1974. The Plan is sponsored by San Joaquin Regional Transit District (the "District" or the "Client") and covers the employees of the District. The District will discharge its responsibilities under the plan solely in the long-term interests of the Plan participants and their beneficiaries. The Plan size is approximately ~~\$60.2~~~~\$59.5~~ million and annual contributions are approximately \$4.2 million, while annual distributions are approximately \$5.5 million.

Key Information:

Name of Plan:	San Joaquin Regional Transit District Retirement Plan
Plan Sponsor:	San Joaquin Regional Transit District
IRS Tax Identification Number:	94-1563999
Fiscal Year End:	June 30
Primary Contact:	Gloria Salazar <u>Alex Clifford</u> CEO 209.948.5566 x691
Retirement Board Members:	Michael Restuccia <u>Crystal Lee-McGee</u> , Chair Michael Restuccia <u>Ralph Niz</u> , Vice-Chair Johanna Shick <u>Annette H. St. Urbain</u> , Director Lee Scott <u>Crystal Lee-McGee</u> , Director
Custodian/Trustee:	Armando Diaz <u>Gloria Puntudit</u> U.S. Bank 633 W. 5 th Street, 24 th Floor Los Angeles, CA 90071 213.615.6828 <u>213.615.6827</u>
Investment Management Consultant:	Thuong Thien, CFP® Team Hewins, LLC 203 Redwood Shores Pkwy, Suite 550 Redwood City, CA 94065 650.620.3040

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Actuary:

~~Mary Beth Redding~~
~~Deanna Van Valer~~
~~Bartel Associates, LLC~~
~~Foster & Foster~~
411 Borel Avenue, Ste 620
San Mateo, CA 94402
650.377.1612

Accountant:

Ashley L. Casey, CPA
Brown Armstrong Accountancy Corp.
1919 Grand Canal Boulevard, Ste C6
Stockton, CA 95207
209.888.4751

OBJECTIVES AND CONSTRAINTS

Objectives

The Plan's objectives have been established in conjunction with a comprehensive review of the Plan's goals, expectations, risk tolerances, current and projected financial requirements, unique circumstances, and present investment allocation.

The objectives are:

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.

Investment results are the critical element in achieving the investment objectives, while reliance on contributions is a secondary element.

Performance Expectations

The desired investment objective is a long-term rate of return on assets that seeks at least the modeled return stated in the Executive Summary. This rate of return has been based upon the assumption that future real returns will approximate the long-term rates of return expected for each asset class in the IPS, but there is no assurance that this will be the case or that the modeled return will be achieved. The targeted rate of return will be subject to re-evaluation periodically to ensure that it is consistent with current capital markets expectations and the Portfolio's risk tolerance.

The Client realizes that market performance varies and the modeled rate of return may not be meaningful during some periods. Accordingly, relative performance benchmarks for the managers are set forth in the "Control Procedures" section. Over a complete market cycle, the Plan's overall annualized total return should seek to perform above the median of Callan's Small Plan Sponsor universe and above a customized index comprised of market indices weighted by the strategic asset allocation of the Plan.

Risk Tolerances

The Client recognizes the challenges of achieving the Plan's investment objectives in light of the uncertainties and complexities of investment markets. The Client also recognizes that some risk must be assumed in order to achieve the Plan's long-term investment objectives. There is a less than 2% statistical probability that the actual rate of return could be lower than the one-year modeled loss as noted in the Executive Summary in any one year. This is only an estimate, a statistical projection, and the portfolio may well experience losses larger than the modeled loss.

In establishing the risk tolerances of the IPS, the ability to withstand short-term and intermediate-term variability was considered. The Plan's prospects for the future, current financial condition, and several other factors suggest collectively that some interim fluctuations in market value and rates of return may need to be tolerated in order to achieve the longer-term objectives.

Time Horizon

The investment guidelines are based upon an investment horizon as noted in the Executive Summary, so interim fluctuations should be viewed with appropriate perspective. Similarly, the Plan's strategic asset allocation is based on this investment time horizon.

Liquidity Needs

Short-term liquidity requirements are anticipated and will be handled from contributions and/or the amount allocated to cash. ~~San Joaquin Regional Transit District will notify Team Hewins when raising cash is necessary.~~

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Legal/Regulatory Requirements

Designed to comply with the Trustee's fiduciary duty to safeguard and protect the solvency of the Plan; to provide the Plan with the benefit from periodic and independent analysis of the financial condition of the Plan; to enable the Trustees to compare and evaluate the Plans financial condition; to assure the ability of the Plan to promptly deliver its benefits to participants and their beneficiaries; to help the Trustees comply with the care, skill, prudence and diligence required of them; to assist the Trustees in monitoring costs and expenses of the Plan; to allow the Trustees to diversify the investments of the Plan so as to minimize the risk of loss and to maximize the rate of return; and to help the Trustees comply with applicable laws, rules, and regulations that may impact the Plan assets.

Taxes

The Plan is exempt from income tax.

Unique Circumstances

~~In July 2014, the Board determined that the Plan assets should split into two portfolios to better account for the costs associated with retiree benefits and health benefits. The Board chose an asset allocation of 60% equity and 40% fixed income for the retiree benefits, "Pension Plan," and an asset allocation of 70% equity and 30% fixed income for the health benefits, "Health Plan." The Health Plan has a higher exposure to equity because the Actuarial Report assumes that the cost of health care will significantly increase in the future.~~

Portfolio Rebalancing

The portfolio's asset allocation shall be reviewed each quarter. If the allocation to any asset class or sub-class exceeds the limits defined in the IPS, the portfolio may be rebalanced such that the allocation to each asset class and sub-class is within the specified range. When necessary and/or available, cash inflows/outflows will be deployed in a manner consistent with the strategic asset allocation of the Plan. This rebalancing rule may be temporarily waived by the Client if there are contributions or withdrawals in the foreseeable future which can be used to affect a rebalancing.

ASSET ALLOCATION GUIDELINES

Determination of Strategic Asset Allocation

The Client believes that the Plan's risk and liquidity postures are, in large part, a function of asset class mix. The Client has reviewed the long-term performance characteristics of various asset classes, focusing on balancing the risks and rewards of market behavior. The following asset classes were selected:

- Domestic Large Cap Equity
- Domestic Small Cap Equity
- International Developed Equity
- International Emerging Equity
- Global Real Estate
- Domestic Fixed Income
- High Yield Fixed Income
- Emerging Markets Fixed Income
- Cash & Equivalents

Based on the Plan's performance expectations, risk tolerances, time horizon, and asset class preferences, the Client believes an efficient or optimal portfolio was identified. The strategic asset allocation of the Plan is shown in the separate Asset Allocation section.

SECURITIES GUIDELINES

Mutual Funds

Each mutual fund selected to manage Plan assets should adhere to the terms and conditions set forth in its prospectus. Each commingled fund should adhere to its guidelines.

Separate Account Managers

Every separate account manager selected to manage Plan assets should adhere to the following guidelines:

Domestic Fixed Income:

- There is no limitation on managers' allocations to the securities of the U.S. government or agencies.
- All fixed-income securities held in the portfolio, other than securities of the U.S. government or agencies, shall have a Moody's credit quality rating of no less than "Baa" and/or the equivalent Standard & Poor's or Fitch's credit quality rating at time of purchase. U.S. Treasury and U.S. government agencies, which are unrated securities, are qualified for inclusion in the portfolio. No more than 20% of the market value of the manager's allocation of Plan assets shall be rated less than single "A" quality, unless the manager has specific written authorization.
- Within each manager's allocation of Plan assets, the exposure of the portfolio to any one company, other than securities of the U.S. government or agencies, shall not exceed 10% of the market value of the manager's allocation.
- The manager shall have the discretion to invest a portion of the assets in cash reserves when they deem appropriate. However, the manager will be evaluated against their peers on the performance of the total funds under their direct management.
- Holdings of individual securities shall be large enough for easy liquidation.
- The manager may contract to purchase securities for a fixed price at a future date beyond customary settlement provided that cash or cash equivalents are maintained sufficient to make payment in full.

Cash & Equivalents

Cash equivalent reserves shall consist of cash instruments having a quality rating of A-1, P-1 or higher. Acceptable investment vehicles shall include, but not be limited to, commercial paper, Eurodollar Certificates of Deposits, time deposits and repurchase agreements.

Any idle cash not invested by the investment managers shall be invested daily through an automatic sweep managed by the custodian.

SELECTION OF MONEY MANAGERS

The Client, with the assistance of the Consultant, will select appropriate money managers, mutual funds and commingled trust funds to manage Plan assets.

Mutual Funds

Mutual funds should normally meet the following minimum criteria, although exceptions may be made at the Client's discretion:

1. Funds should correspond to the asset classes outlined in the IPS.
2. The fund's manager should have been managing the fund and following the same investment strategy for at least three years, or managing separate accounts in the same style if the fund has a track record of less than three years.
3. The fund should not have a front-end, back-end or contingent sales load.
4. The fund should have at least \$50 million under management.
5. The fund's historical performance⁵ (nominal and risk-adjusted) should pass certain screens relative to the performance of its benchmark and style peer group over annual, cumulative and rolling periods.

Index funds and funds that employ multiple active managers to deliver asset class returns are not necessarily subject to these criteria.

Separate Account Managers

Separate account managers selected to manage all or a portion of the Plan's assets should meet the following minimum criteria:

1. Be a bank, insurance company, investment management company or investment adviser as defined by the Investment Advisers Act of 1940.
2. Provide historical quarterly performance numbers calculated on a time-weighted basis, based on a composite of all fully discretionary accounts of similar investment style, and reported net and gross of fees.
3. Provide detailed information on the history of the firm, key personnel, key clients, fee schedule, and support personnel. This information can be a copy of a recent Request For Proposal (RFP) completed by the manager.
4. Clearly articulate the investment strategy to be followed.
5. Have no outstanding legal judgments or past judgments, which may reflect negatively upon the firm.

⁵ Or the performance of this fund manager achieved with separate accounts at the same firm, if the style is judged to be sufficiently similar to the mutual fund.

CONTROL PROCEDURES

Duties and Responsibilities of Money Managers

Mutual funds selected by the Client must adhere to the terms and conditions set forth in each fund's prospectus.

The duties and responsibilities of each separate account manager retained by the Client include the following:

1. Managing the Plan's assets under its care, custody and/or control in accordance with the IPS objectives and guidelines set forth herein, and also expressed in separate written agreements when deviation is deemed prudent and desirable by the Client.
2. Exercising investment discretion, including holding cash equivalents as an alternative, within the IPS objectives and guidelines set forth herein.
3. Promptly informing the Client in writing regarding all significant and/or material matters and changes pertaining to the investment of Plan assets, including, but not limited to:
 - a. Investment strategy
 - b. Portfolio structure
 - c. Tactical approaches
 - d. Ownership
 - e. Organizational structure
 - f. Financial condition
 - g. Professional staff
 - h. Recommendations for guideline changes
 - i. All material legal, SEC and other regulatory agency proceedings affecting the manager
4. Promptly voting all proxies and related actions in a manner consistent with the long-term interests and objectives of the Plan set forth herein. Each manager shall keep detailed records of said voting of proxies and related actions and will comply with all regulatory obligations related thereto.
5. Utilizing the same care, skill, prudence and diligence under the circumstances then prevailing that experienced investment professionals acting in a like capacity and familiar with such matters would use in like activities for like funds with like aims in accordance and compliance with applicable laws, rules and regulations from local, state and federal entities as it pertains to fiduciary duties and responsibilities.
6. Acknowledging and agreeing in writing to their fiduciary responsibility to fully comply with the entire IPS set forth herein, and as modified in the future.

Duties and Responsibilities of the Investment Management Consultant

The Plan's Investment Management Consultant shall assist the Client in the following areas:

1. Development and maintenance of a written investment policy statement;
2. Portfolio design;
3. Selection of professional money managers;
4. Coordination of trustee, custodian and record keeping services;
5. Ongoing performance monitoring of money managers.

Brokerage Policy

All transactions effected for the Plan will be subject to "best execution." If a manager utilizes brokerage from the Plan assets to effect "soft dollar" transactions, detailed records will be kept and communicated to the Client.

Performance Objectives

Investment performance will be reviewed at least annually to determine the continued feasibility of achieving the investment objectives and the appropriateness of the IPS.

It is not expected that the IPS will change frequently. In particular, short-term changes in the financial markets should not require adjustments to the IPS.

Monitoring of Money Managers

Quarterly performance will be evaluated to test progress toward the attainment of longer-term targets. It is understood that there are likely to be short-term periods during which performance deviates from market indices. During such times, greater emphasis shall be placed on peer performance comparisons with managers employing similar styles.

The Client and Consultant will meet periodically to focus on:

- The mutual fund's/manager's adherence to the IPS guidelines;
- Material changes in the mutual fund's/manager's organization, investment philosophy and/or personnel; and,
- Comparisons of the mutual fund's/manager's results to appropriate indices and peer groups, which may include:

INVESTMENT STYLES AND BENCHMARKS⁶

<i>Asset Class</i>	<i>Primary Index</i>	<i>Secondary Index</i>	<i>Callan/Morningstar Peer Group Universe</i>
Large Cap Equity			
Core	S&P 500		Large Cap Core Equity
Value	S&P 500	Russell 1000 Value	Large Cap Value Equity
Growth	S&P 500	Russell 1000 Growth	Large Cap Growth Equity
Small Cap Equity			
Broad	Russell 2000		Small Cap Core Equity
Value	Russell 2000	Russell 2000 Value	Small Cap Value Equity
Growth	Russell 2000	Russell 2000 Growth	Small Cap Growth Equity
International Developed Equity			
Broad	MSCI EAFE	MSCI World ex US	Non-US Broad Core Equity
Value	MSCI EAFE	MSCI ACWI ex US Value	Non-US Broad Value Equity
Growth	MSCI EAFE	MSCI ACWI ex US Growth	Non-US Broad Growth Equity
International Emerging Equity	MSCI Emerging Markets		Emerging Markets Equity
Global Real Estate	S&P Global REIT		Global Real Estate Funds
Domestic Fixed Income			
Core	Bloomberg Barclays US Aggregate	Bloomberg Barclays US Government / Credit Bond Index	Core Bond Fixed Income
Defensive	Bloomberg Barclays US Government / Credit 1 - 3Y		Defensive Fixed Income
High Yield Fixed Income	ICE BofA BB-B US Cash Pay High Yield Constrained		High Yield Fixed Income
Emerging Markets Fixed Income	50% JP Morgan GBI EM Global Diversified Unhedged / 50% JP Morgan EMBI Global Diversified		Emerging Mkts Debt Blend MFs
Cash & Equivalents	90-Day T-Bills		

⁶ Please see important disclosures and definitions at the end of this document

The risk associated with each mutual fund's/money manager's portfolio, as measured by the variability of quarterly returns (standard deviation), should not exceed that of the benchmark index and the peer group without a corresponding increase in performance above the benchmark and peer group.

In addition, the Client and Consultant will focus on:

- The mutual fund's/manager's performance relative to mutual funds/managers of like investment style or strategy. Each mutual fund/manager is expected to perform in the upper half of the mutual fund's/manager's respective style universe in the long term.
- The Plan's investment performance results compared to the manager's overall composite performance figures to evaluate dispersion between the manager's reported composite results and the Fund's actual results.

Passive Manager Review Standards

Mutual funds and money managers who are hired to provide passive investments in designated asset classes and/or indices call for an evaluation approach that is different than that used for active funds/managers. The objective of hiring these funds/managers is to achieve, at low cost, the return of a benchmark, capture the returns of a market segment, or provide an after-tax return superior to that of a benchmark. As such, they are not subject to the same peer group comparisons as active funds/managers, which are expected to outperform peers.

For passive managers, the appropriate comparisons are to benchmarks, not peer groups. In the case of domestic Dimensional Fund Advisors (DFA) funds, these are different from the market indices that are typically used. DFA uses the Center for Research in Security Prices (CRSP) databases, which cover the full spectrum of stocks traded in the U.S., a broader swath than measured by indices typically used. While comparisons to standard market indices will be shown for DFA funds, their goal is to achieve a desired exposure to specific segments of the broadly-defined market, not to beat those benchmarks.

The standard for passive funds and managers will focus on the organizational issues outlined in the IPS that contribute to the probability of the manager/fund continuing to provide the desired passive exposure.

Money Manager Review Standards

The Client is aware that the ongoing review and analysis of mutual funds/money managers is just as important as the due diligence implemented during the selection process. A mutual fund/money manager should be reviewed when any of the following occur:

- Performance that places the mutual fund/money manager in the bottom quartile (75th percentile) of their peer group over a quarter or year.
- Performance that places the mutual fund/money manager in the southeast quadrant (more risk, less return) of the risk/return scatterplot for 3- or 5-year time periods.
- 5-year risk adjusted return below that of the median fund/manager within the appropriate peer group.

Furthermore, a mutual fund/money manager may require replacement should any of the following occur:

- Consistent performance below the median (50th percentile) of their peer group over rolling 3-year periods.

- Performance below the median (50th percentile) of their peer group over a 5-year period.
- Negative alphas for 3- or 5-year time periods.

Major organizational changes also warrant immediate review of the mutual fund/money manager, including:

- Change in professionals
- Significant account losses
- Significant growth of new business
- Change in ownership

Ongoing Communication

It is an ongoing process to supervise, monitor and evaluate the investment of Plan assets. If there are any changes in the Plan's financial situation or investment objectives or if the Plan wishes to modify this investment policy, the Client should notify the Consultant. The Consultant's current disclosure statement as set forth in ADV Brochure Part 2A is available upon request.

San Joaquin Regional Transit District Retirement Plan

Date _____

Team Hewins, LLC

Date⁷

Principal, Senior Financial Advisor

1

APPENDIX I – MONEY MANAGERS

MONEY MANAGERS

As of ~~July 29, 2020~~ August 2, 2023

Domestic Large Cap Equity:

- Dimensional Fund Advisors US Large Cap Value
- Vanguard Institutional Index

Domestic Small Cap Equity:

- ~~Dimensional Fund Advisors US Small Cap Value~~ Avantis US Small Cap Value
- Vanguard Small Cap Growth Index

International Developed Equity:

- Vanguard International Growth
- Dimensional Fund Advisors International Value
- Dimensional Fund Advisors International Small Company

International Emerging Equity:

- Dimensional Fund Advisors Emerging Markets Core Equity

Global Real Estate:

- Dimensional Fund Advisors Global Real Estate

Domestic Fixed Income:

- Agincourt Core Fixed Income (Pension Plan)
- Dodge and Cox Income (Health Plan)
- PIMCO Total Return (Health Plan)

High Yield Fixed Income

- Vanguard High Yield Corporate

Emerging Markets Fixed Income

- PIMCO Emerging Markets Full Spectrum

IMPORTANT DISCLOSURES

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.

Performance results will vary based upon the period measured, and past performance is not indicative of future results.

INVESTMENT STYLES AND BENCHMARKS DEFINITIONS

Index Definitions:

Bloomberg Barclays Aggregate: 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.

Bloomberg BC 1-3 Year Govt/Credit: is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years.

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.

JP Morgan EMBI Global Diversified Index: 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 Index: is a comprehensive global local emerging markets index that consists of regularly traded, liquid fixed-rate domestic currency government bonds.

MSCI ACWI ex USA Index: captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the US) and 24 Emerging Markets countries. With 1,862 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

MSCI EAFE Index: is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of 22 developed markets, excluding the U.S. & Canada.

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.

MSCI World Index: is a free float-adjusted market-capitalization-weighted index that is designed to measure the equity market performance of 23 developed market country indices.

Russell 2000 Index: Measures the performance of small capitalization U.S. stocks. The Russell 2000 is a market-value-weighted index of the 2,000 smallest stocks (#1,001–3,000) in the broad-market Russell 3000 Index.

S&P 500 Index: Measures the performance of large capitalization U.S. stocks. It is a market-value-weighted index of 500 stocks that are traded on the NYSE, NYSE MKT, and Nasdaq.

Callan Peer Group Universe Definitions:

Core Bond Fixed Income: 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.

Defensive Fixed Income: Defensive Fixed Income peer group includes managers that aim to minimize interest rate risk by maintaining a relatively low duration, generally between 1 and 3 years.

Emerging Core Equity: Emerging Markets Core Equity Style managers hold portfolios with characteristics similar to that of the broader market as represented by the MSCI Emerging Markets Index. Their objective is to add value over and above the index through a combination of country, sector or issue selection without exhibiting extreme biases.

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

High Yield Fixed Income: High Yield peer group includes managers that invest primarily in corporate debt with below investment grade ratings.

Global Real Estate: 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.

Large Cap Core Equity: Core Equity peer group reflects managers that invest in the common stock of US-based companies. Portfolio characteristics tend to be similar to those of the broader market as represented by the Standard & Poor's 500 Index. The manager objective is to add value over and above the index, typically from sector or issue selection.

Large Cap Growth Equity: Large Cap Growth peer group reflects managers that invest the common stock of large US-based 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.

Large Cap Value Equity: Large Cap Value peer group reflects managers that invest in the common stock of large US-based companies that are believed to be currently undervalued relative to the broad equity market. The companies are expected to have an earnings rebound and eventual realization of expected value.

Non-US Broad Core Equity: The Non-US Broad Core Equity group incorporates both the Non-US Developed Core and Non-US All Country Core peer groups as well as core-oriented strategies which do not fall neatly into the Developed or All Country Core groups (EM exposure can lie between Developed and All Country levels). They aim to add value over and above the index through stock selection and/or changes in the weighting of individual countries and/or sectors versus the index without significant style exposure. Strategies can range from large cap to all-cap. It is the broadest peer group for style-neutral strategies regardless of EM exposure.

Non-US Broad Growth Equity: The Non-US Broad Growth Equity group incorporates both the Non-US Developed Growth and Non-US All Country Growth peer groups as well as growth-oriented strategies which do not fall neatly into the Developed or All Country Growth groups (EM exposure can lie between Developed and All Country levels). It incorporates growth-oriented managers with all levels of EM exposure. Portfolios have high growth z-score and low value z-score and can range from large cap focused to all-cap. It is the broadest peer group for growth-oriented strategies regardless of EM exposure.

Non-US Broad Value Equity: The Non-US Broad Value Equity group incorporates both the Non-US Developed Value and Non-US All Country Value peer groups as well as value-oriented strategies which do not fall neatly into the Developed or All Country Value groups (EM exposure can lie between Developed and All Country levels). It incorporates value-oriented managers with all levels of EM exposure. Portfolios have low growth z-score and high

value z-score and can range from large cap focused to all-cap. It is the broadest peer group for all value-oriented strategies regardless of EM exposure.

Small Cap Core Equity: Small Cap Core Equity Style managers hold portfolios with characteristics similar to that of the broader market as represented by the Standard & Poor's 600 or the Russell 2000 indices. Their objective is to add value over and above the index, typically from sector or issue selection.

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

Small Cap Value Equity: Small Cap Value Equity Style managers 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.

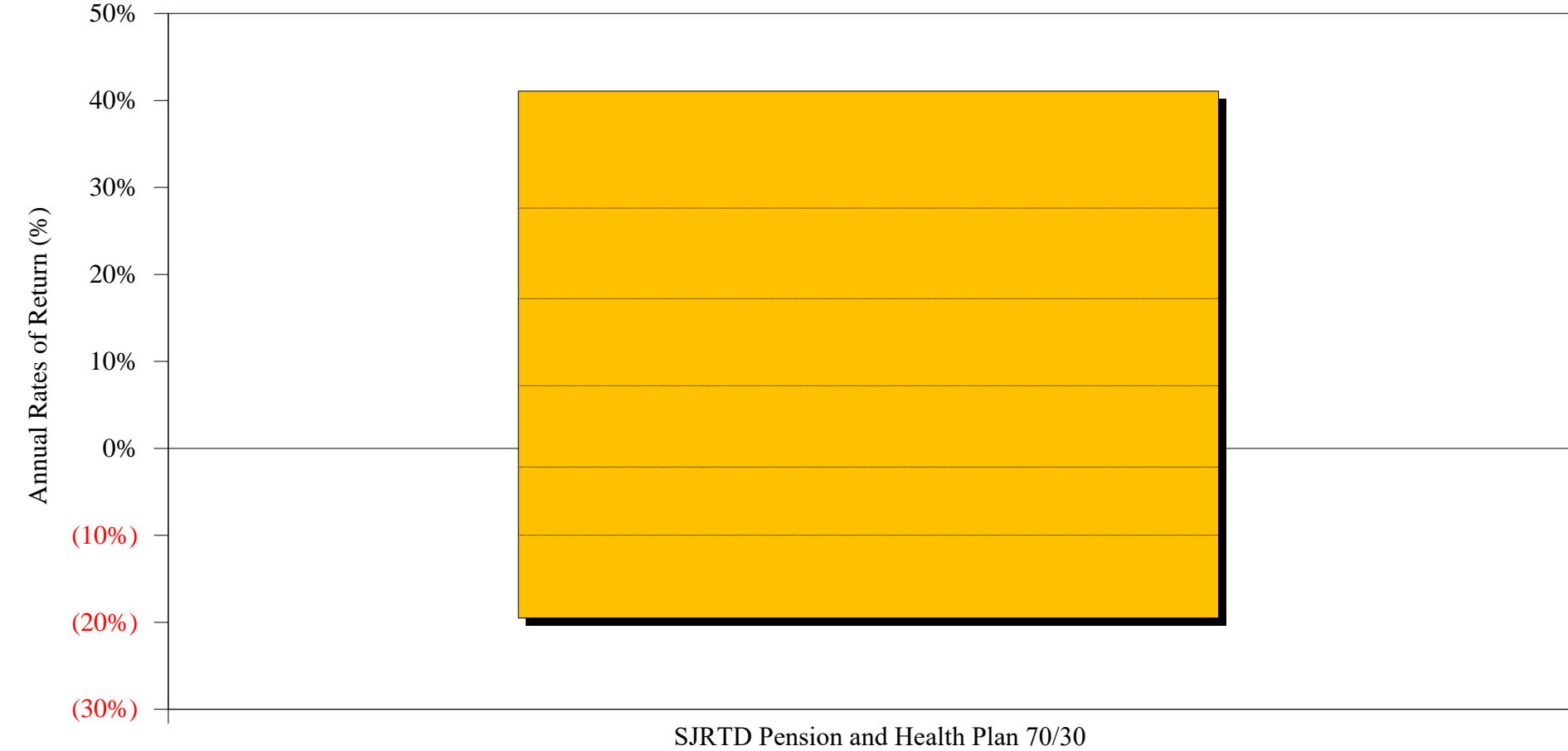
Asset Mix Alternatives
Optimization Set: Hewins 2023



Portfolio Component	SJRTD Pension and Health Plan 70/30
Large Cap US Equity	28.35
Small/Mid Cap US Equity	9.45
International Equity	18.90
Emerging Market Equity	6.30
Core Fixed Income	20.00
High Yield	5.40
Emerging Markets Debt	3.60
US REITs	7.00
Cash Equivalents	1.00
Totals	100.00
10 Yr. Geometric Mean Return	7.07%
Projected Yield	3.58%
Projected Standard Deviation	13.68%



Range of Projected Rates of Return
Projection Period: 1 Year
Optimization Set: Hewins 2023



2nd Percentile	41.08%
10th Percentile	27.63%
25th Percentile	17.21%
Median	7.22%
75th Percentile	(2.13%)
90th Percentile	(9.97%)
98th Percentile	(19.49%)



Attachment B
Cover Page

RESOLUTION NO.____
DATED AUGUST 24, 2023

RESOLUTION APPROVING THE CHANGE IN ASSET ALLOCATION MIX IN THE DEFINED
BENEFIT PENSION RETIREMENT PLAN AND REVISIONS TO THE INVESTMENT POLICY
STATEMENT

WHEREAS, due to a desire to improve the Defined Benefit (DB) Pension Plans performance; and

WHEREAS, due to the desire to align the DB's asset allocation ratio to the Other Post Employment Benefit (OPEB) fund at a 70%/30% mix equity/bonds respectively; and

WHEREAS, the current DB asset allocation mix of 60%/40% is deemed underperforming, given past results.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the San Joaquin RTD that the DB Asset allocation ratio of 70%/30% is hereby approved along with the revisions to the Investment Policy Statement.



LEAD STAFF: ROBERT KYLE, CFO

I. RECOMMENDED ACTION:

Approve hiring an investment consultant to perform an independent performance review for both the Defined Benefit (DB) and Other Post-Employment Benefits (OPEB) Funds.

II. SUMMARY

- An independent fund performance review has not been conducted since inception.
- Staff feels it appropriate, after 15 years, for such a study to be conducted.

III. DISCUSSION/BACKGROUND

The purpose of the review is to consider the funds' performance and investment fees paid by the DB and OPEB funds relative to other funds of a similar size in our peer group. Significant concerns relate to the Pension's unfunded liability and the high Pension Contribution rates experienced by both our employees and RTD. RTD would like to find out if others in our peer group are experiencing similar issues or if something unique (and correctible) to our DB and OPEB funds is causing this issue.

Staff believes that the Retirement Board's risk tolerance assessment should be conducted as a part of this performance review.

Through a contact of our General Counsel, we have received the names of six consultants that may be able to provide this review, and staff plans to initiate a contact/vetting process if the Retirement Board authorizes this to move forward.

IV. 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

V. FINANCIAL CONSIDERATIONS/IMPACT

There is no financial impact other than cost, which is estimated not to exceed \$35,000.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

The alternative available is to do nothing. This is not recommended because of the concerns expressed above, and such a review has not been done in at least 15 years.

VIII. ATTACHMENTS

Attachment A: Resolution

Prepared by: Robert Kyle, CFO

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

RESOLUTION NO. _____
DATED AUGUST 24, 2023

RESOLUTION HIRING AN INVESTMENT CONSULTANT TO REVIEW THE PERFORMANCE
OF BOTH THE DEFINED BENEFIT AND OTHER POST-EMPLOYMENT BENEFITS (OPEB)
PENSION FUNDS

WHEREAS, due to a desire to assess the Funds' Performance; and

WHEREAS, a performance review has not been conducted since the inception of
the Pension Fund 15 years ago, and

WHEREAS, the desire to compare RTD's Pension and OPEB funds' investment
performance and fees to others in our peer group; and

WHEREAS, staff plans to initiate a contact/vetting process with consultants that
may be able to provide this review.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Retirement Board of
Directors of the San Joaquin RTD that the hiring of an investment consultant is hereby
approved to conduct a Performance Review of RTD's Pension/OPEB funds.



LEAD STAFF: ROBERT KYLE, CFO

I. RECOMMENDED ACTION:

Approve the performance of an Asset & Liability Study for both the Retirement & Health Funds combined.

II. SUMMARY

An asset-liability study would provide the Retirement Board with the requisite information to make prudent decisions with respect to its asset allocation and investment risk that enables alignment with the RTD's Retirement and Other Post-Employment Benefits (OPEB) liabilities that are supported by the Retirement and OPEB funds under the Retirement Board's management.

III. DISCUSSION/BACKGROUND

Public retirement systems often perform these studies every three to five years.

RTD Staff is not aware this study has ever been performed.

Asset & Liability Studies are typically conducted by a combination of the plan actuary and the investment consultant, with one or the other in a lead position. Staff's initial view is that the Plans' actuary, Foster & Foster, should lead the study if they can do so at a reasonable cost. Under this approach, Team Hewins would provide the necessary current and historical investment data to support the study.

Staff believes that the outcome of this study may assist both the Retirement Board and RTD staff to better understand issues such as the current financial health of the Funds, the "why" behind the current high employer and employee contribution rates, and what future required contributions and funding levels may be depending upon a range of potential future investment performance outcomes.

In addition, RTD would request that peer group comparisons are included, if available.

IV. 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

V. FINANCIAL CONSIDERATIONS/IMPACT

There is no immediate Financial Impact in the short term other than the cost. It is difficult to estimate the cost at this point, but it could range anywhere from \$30,000 to \$50,000. Potential opportunity for a positive impact in the long term if the study finds opportunities for improvement in the pension fund.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

The alternative available is to do nothing. This is not recommended as Staff believes conducting the study with the long-term goal of improving the Pension's Performance is prudent.

VIII. ATTACHMENTS

Attachment A: Resolution

Prepared by: Robert Kyle, CFO

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



A handwritten signature in black ink, appearing to read "R. Kyle", written over a horizontal line.

Alex Clifford, CEO



A handwritten signature in blue ink, appearing to read "Alex Clifford", written over a horizontal line.



Attachment A
Cover Page

RESOLUTION NO. _____
DATED AUGUST 24, 2023

RESOLUTION APPROVING THE PERFORMANCE OF AN ASSET & LIABILITY STUDY FOR
THE PENSION AND OPEB FUNDS

WHEREAS, due to a desire to improve the Retirement & Health Pension Plans performance; and

WHEREAS, due to the need to better understand the current health of the Plans; and

WHEREAS, the desire to better understand the “why” behind the current high employer and employee contribution rates; and

WHEREAS, other public retirement systems often perform these studies every three to five years, and RTD has not conducted a study previously.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Retirement Board of Directors of the San Joaquin RTD that an Asset & Liability Study for RTD’s Retirement & Health Plans be conducted.