

SAN JOAQUIN REGIONAL TRANSIT DISTRICT
QUARTERLY RETIREMENT BOARD MEETING – NOTICE AND AGENDA
10:00 A.M. ON THURSDAY, FEBRUARY 29, 2024

The Retirement Board of the San Joaquin Regional Transit District (RTD) will hold a quarterly meeting at 10:00 a.m. on Thursday, February 29, 2024, 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 NOVEMBER 30, 2023, REGULAR RETIREMENT BOARD MEETING
Board approval of minutes.

8. INFORMATION ITEM

Reports are provided for information only. Staff will be available to answer any questions.

- A. UPDATE ON RETIREMENTS
Report on retirements since June 6, 2023.

9. UNFINISHED BUSINESS

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

- A. QUARTERLY INVESTMENT PERFORMANCE OF DECEMBER 31, 2023
Team Hewins, LLC staff will present the 2023 fourth-quarter performance analysis, year-to-date comparisons for the Retirement and Health Plans, and current market performance regarding investment conditions.
- B. FISCAL YEAR 2023 RESULTS OF THE RETIREMENT PLAN FINANCIAL STATEMENT AUDIT
Brown Armstrong staff will present the FY2023 results of the retirement plan financial statement audit.

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, MAY 23, 2024, AT 10:00 A.M.

DATE POSTED: FEBRUARY 23, 2024



LEAD STAFF: ALEX CLIFFORD, CEO

I. RECOMMENDED ACTION:

Approve the minutes of the November 30, 2023, Regular Retirement Board meeting.

II. SUMMARY

- Staff is providing the November 30, 2023, Regular 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 November 30, 2023

Attachment B: Resolution

Prepared by: Erica Aguiniga, Executive and Board Support Specialist II

IX. APPROVALS

Alex Clifford, CEO





Attachment A
Cover Page

MINUTES OF THE REGULAR MEETING OF THE RETIREMENT BOARD
OF THE SAN JOAQUIN REGIONAL TRANSIT DISTRICT
THURSDAY, NOVEMBER 30, 2023

The San Joaquin Regional Transit District Retirement Board held a Regular Meeting on Thursday, November 30, 2023, at 10:00 a.m. in the Boardroom of RTD's Downtown Transit Center, 421 East Weber Avenue, Stockton, California.

- | | | |
|----|----------------------------------|--|
| 1. | CALL MEETING TO ORDER | Chair Crystal McGee-Lee called the meeting to order at 10:01 a.m. |
| 2. | MOMENT OF SILENCE/REFLECTION | Chair McGee-Lee called for a moment of silence and reflection. |
| 3. | SAFETY ANNOUNCEMENT | Project Controls Manager Merab Talamantes made a Safety Announcement. |
| 4. | PLEDGE OF ALLEGIANCE TO THE FLAG | Chair McGee-Lee led the pledge. |
| 5. | ROLL CALL | Present: Crystal McGee-Lee, Chair
Michael Restuccia, Vice Chair
Johanna Shick, Director
Lee Scott, Director |
| | | Alternates: Gary Giovanetti, as of 10:12 am
Kathy Herman
Anthony Smith |

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. 461: APPROVING THE MINUTES OF THE AUGUST 24, 2023, QUARTERLY RETIREMENT BOARD MEETING

ACTION:
Roll Call:

MOTION: Michael Restuccia

SECOND: Johanna Shick

AYES: McGee-Lee, Restuccia, Shick, Scott
NAYES: ABSTAIN: ABSENT:

B. RESOLUTION NO. 462: APPROVING THE 2024 QUARTERLY RETIREMENT BOARD MEETING SCHEDULE

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

8. UNFINISHED BUSINESS

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

- A. QUARTERLY INVESTMENT PERFORMANCE OF SEPTEMBER 30, 2023
Team Hewins, LLC staff provided the 2023 third-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 NO. 463: APPROVING RTD STAFF TO PROCEED WITH THE SOLICITATION AND ENGAGEMENT OF A CONSULTANT TO PERFORM AN ACTUARIAL AUDIT

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

10. DISCUSSION ITEMS

- A. CHANGE OF ACTUARIAL COST METHOD HISTORY FOR RTD RETIREMENT PLAN
Drew Ballard of Foster & Foster led a discussion about the history of the actuarial cost methods used for actuarial valuation purposes, including calculation of the funded ratio and contribution rates.
- B. ELECTION OF OFFICERS
Director Johanna Shick motioned to nominate Vice Chair Michael Restuccia as Chair of the Retirement Board. Chair Crystal McGee-Lee seconded the motion.

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

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

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

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

There being no further business, the meeting was adjourned at 11:11 a.m.



Attachment B
Cover Page

RESOLUTION NO.____
DATED FEBRUARY 29, 2024

RESOLUTION APPROVING THE MINUTES OF THE
REGULAR RETIREMENT BOARD MEETING OF NOVEMBER 30, 2023

RESOLVED AND ORDERED by the Retirement Board of the San Joaquin Regional Transit District that the minutes of the Regular Meeting held on November 30, 2023, be approved.



LEAD STAFF: ERICKA FRANCO, HUMAN RESOURCES ADMINISTRATOR

REPORT: UPDATE ON RETIREMENTS

I. SUMMARY

- This report provides the Board of Directors with a list of recent retirees since June 6, 2023.

II. DISCUSSION/BACKGROUND

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

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

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

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

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

V. CHANGES FROM COMMITTEE

N/A

VI. ALTERNATIVES CONSIDERED

None.

VII. ATTACHMENTS

Attachment A: Update on Retirements

Prepared by: Ericka Franco, Human Resources Administrator

VIII. APPROVALS

Malika McGee,
Human Resources Director



Alex Clifford, CEO





Attachment A
Cover Page

UPDATE ON RETIREMENTS

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

Name	Position	Years of Service	Retirement Date	Type of Retirement
Kathleen Trigg	Bus Operator	19	02/23/2023	Regular Retirement
Jean Foletta-Morales	Mobility and Customer Engagement Manager	11	11/17/2023	Regular Retirement
Ting Yee	Bus Operator	20	12/12/2023	Regular Retirement
Ronald Vliet	Facilities Technician C	17	12/20/2023	Regular Retirement
Brad Menil	Maintenance Superintendent	30	1/12/2024	Regular Retirement
Denise Bretz	Customer Information Representative	14	2/1/2024	Regular Retirement



LEAD STAFF: TEAM HEWINS, LLC

REPORT: QUARTERLY INVESTMENT PERFORMANCE OF DECEMBER
31, 2023

I. SUMMARY

- An analysis of RTD's Retirement and Health Plan Investment Performance is prepared quarterly and presented to the Retirement Board at the 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 fourth-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: Fourth-Quarter Performance Analysis

Attachment B: Market Performance Update

Prepared by: Team Hewins, LLC



Attachment A
Cover Page

February 20, 2024

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 Fourth Quarter 2023 Performance Analysis for the Retirement Plan and Health Plan.

Market Review

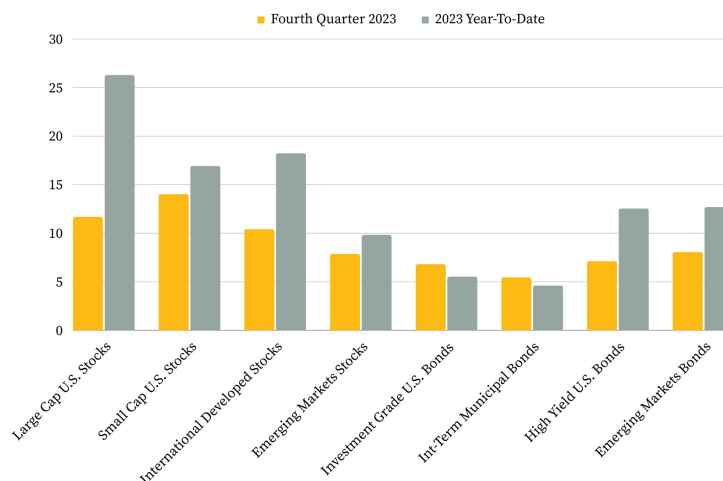
2023 was a year that defied expectations. With inflation roaring and the Fed enacting the fastest rate hike cycle in 40 years, the general consensus was fairly dire. In fact, in late 2022, the predictions were nearly unanimous that a recession was coming, but in 2023, the recession never came. A recession in 2024 is still possible, but a survey from the National Association for Business Economics shows most economists believe the odds are less than 50%, a markedly lower chance than was predicted for 2023.ⁱ

What happened? How were markets able to look past the myriad of uncertainties that manifested - a bank crisis, lingering inflation as well as a new war - to name a few? Simply put, it is looking somewhat more likely that the Fed will be able to navigate a “soft landing” - where they cool the economy just enough to bring down inflation without doing lasting economic damage.

Inflation has fallen from its highs but remains above target. The Consumer Price Index (CPI) reading in November came in at 3.1% year-over-year, down from the high of 9.1% in mid-2022.ⁱⁱ U.S. employers added 199,000 jobs in November, a healthy number that reflects a cooling economy but not one falling off a cliff. Unemployment fell to 3.7%.ⁱⁱⁱ With an improving outlook came a more dovish Fed, and expectations for rate cuts in 2024 renewed. All of this contributed to a strong market rally that saw not only U.S. large cap stocks, but all major indices shown below, achieving robust returns for the year.

world asset classes

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



Source: Tamarac Reporting, Morningstar Direct and JP Morgan, as of 12/31/2023. See disclosure page for more information.

Small cap stocks rose the most out of all indices shown in the fourth quarter, while ultimately trailing large cap stocks for the year. Large cap stocks were up almost 27%, led by “The Magnificent 7”,^{iv} mega cap growth/tech stocks that traded higher in part because of renewed enthusiasm for AI innovation and companies that may benefit from it. Valuations for growth stocks in the US still seem relatively high by historic measures like P/E ratios, but value stocks appear fairly priced.^v

Stocks posted strong returns across the pond as well. Inflation is coming down globally, and the European Central Bank (ECB) and others are holding rates steady. Unlike the way it worked in the US, value stocks outperformed for the year in both developed and emerging markets. There were no “Magnificent 7” companies offshore.

Bond markets also saw strong returns for the year behind a furious rally in the fourth quarter. Just three months prior, bonds looked on track to have a third consecutive year of negative returns. But as we often see, markets can turn around quickly. On December 13th, the 10-year Treasury yield traded below 4% for the first time in four months, after climbing to nearly 5% in October.^{vi} It ended the year at 3.87%. As a reminder, bond prices rise when yields fall and vice versa.

After a year of worries, markets were able to defy expectations and reward investors who practiced discipline. However, it is worth noting that there are still challenges at home and abroad, and with renewed optimism comes the potential for disappointment. Investors are now pricing in several Fed rate cuts in 2024; if that does not materialize, we could see market volatility. An upcoming election also brings its own uncertainties. However, if 2023 taught us anything, it is that 80% of success is simply showing up.^{vii}

Plan Performance (Pension Portfolio)

The Pension Plan rose 10.12% in the fourth quarter, in line with the target (+10.26%) while leading all but the top 12% of its peers. For the 2024 fiscal year to date (Q3 and Q4 2023), the plan ranks in the top 4% of peers while modestly leading the benchmark. Plan assets were approximately \$53.2 million at quarter end. Since inception, the Plan has achieved an annualized return of roughly 9.16%, ahead of its benchmark and 62% of its peers.

In equities, after US large cap stocks led for much of the year, US small cap stocks rallied the most in the fourth quarter, with Avantis US Small Cap Value (+15.18%) and Vanguard Small Cap Growth (+13.12%) outperforming the US Large Cap segment of the portfolio. The Avantis US Small Cap Value fund ranks in the top 13% of peers for the quarter and the top 10% for all other periods shown. It is not uncommon for small cap stocks to rebound more strongly than their larger counterparts when markets turn from pessimism to optimism.

DFA Global Real Estate Securities had the highest absolute return at 17.14%, beating its benchmark by almost 2% and ranking in the top 7% of its peers. While the fund fell below the median for the year, it ranks in the top quartile for all other periods shown, sometimes well above.

Investment grade bonds had a challenging start to the year, as rising yields led to negative returns through the first three quarters. However, yields dropped in the fourth quarter leading to a strong rally, with the Agincourt-managed account rising 7.00% for the quarter, bringing the full-year return to 6.29%. The High Yield and the Emerging Market Debt funds saw 11%+ returns for the year, with the Vanguard High Yield Corporate Bond fund ranking in the top 7% of peers in the fourth quarter and right around the median return of its peers for the year.

Plan Performance (Health Portfolio)

In line with the Pension Plan, the Health Plan grew 10.10% over the quarter, ranking in the top 12% of its peers while just behind its target (+10.26%). For the 2024 fiscal year to date (Q3 and Q4 2023), the Plan ranked in the top 2% of the database with a 7.23% return, well ahead of the target return. Since inception, the Plan has returned 6.75%, beating its benchmark and ranking in the top 33% of its peers. Plan assets were approximately \$10.4 million at the end of the quarter.

The Core Fixed Income managers in the Health Plan had similar returns to the Agincourt-managed account in the Pension Plan, with Dodge & Cox Income fund (+7.32%) leading the way. The fund has had strong relative performance for all periods, ranking in the top 3% of peers for the past one-, three-, five- and 10-year periods.

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

Sincerely,



Thuong Thien, CFP®

Principal, Senior Financial Advisor

ⁱ Konish, Lorie. "The U.S. Avoided a Recession in 2023. What's the Outlook for 2024? Here's What Experts Are Predicting." CNBC, 27 Dec. 2023, www.cnbc.com/2023/12/26/the-us-avoided-a-recession-in-2023-whats-the-outlook-for-2024.html.

ⁱⁱ Cox, Jeff. "Inflation Slowed to a 3.1% Annual Rate in November." CNBC, 12 Dec. 2023, www.cnbc.com/2023/12/12/cpi-inflation-report-november-2023.html.

ⁱⁱⁱ Rugaber, Christopher. "US Jobs Report: Employers Add 199K Jobs, Unemployment Falls | AP News." AP News, 8 Dec. 2023, www.apnews.com/article/jobs-economy-inflation-rates-hiring-federal-reserve-953387b195e6c58703b33ef94dad11b4.

^{iv} Hewins, Roger. "2023 Q2 Quarter-End Market Update: The Magnificent Seven." Team Hewins, 13 Dec. 2023, teamhewins.com/2023-q2-quarter-end-market-update-the-magnificent-seven.

^v "Returns and valuation by style" JPMorgan Guide to the Markets, slide 12. As of 01/04/24.

^{vi} Johnson, Carter. "Treasury Yields Fall as Federal Reserve Greenlights Interest-Rate Cuts." Bloomberg.com, 14 Dec. 2023, www.bloomberg.com/news/articles/2023-12-13/traders-add-to-bet-on-interest-rate-cuts-in-2024-on-fed-forecast.

^{vii} Allen, Woody. "Quote 80% of success is simply showing up." BrainyQuote,
https://www.brainyquote.com/quotes/woody_allen_145883.



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

Market Overview

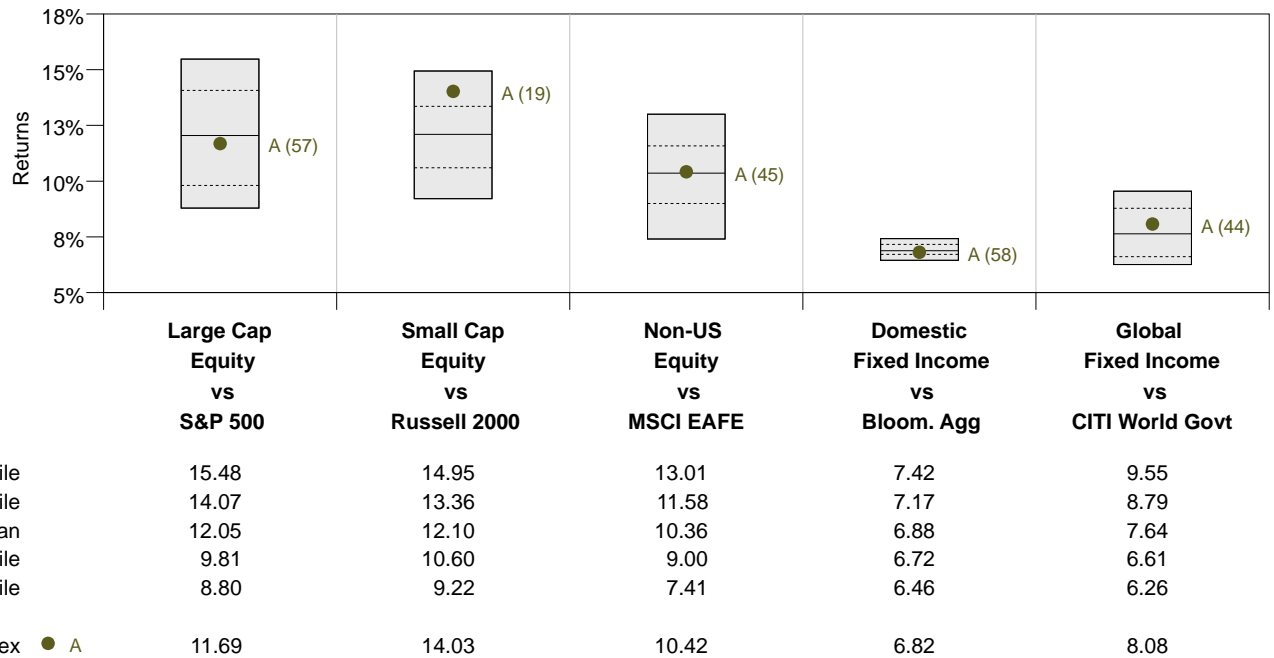
Active Management vs Index Returns

Market Overview

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

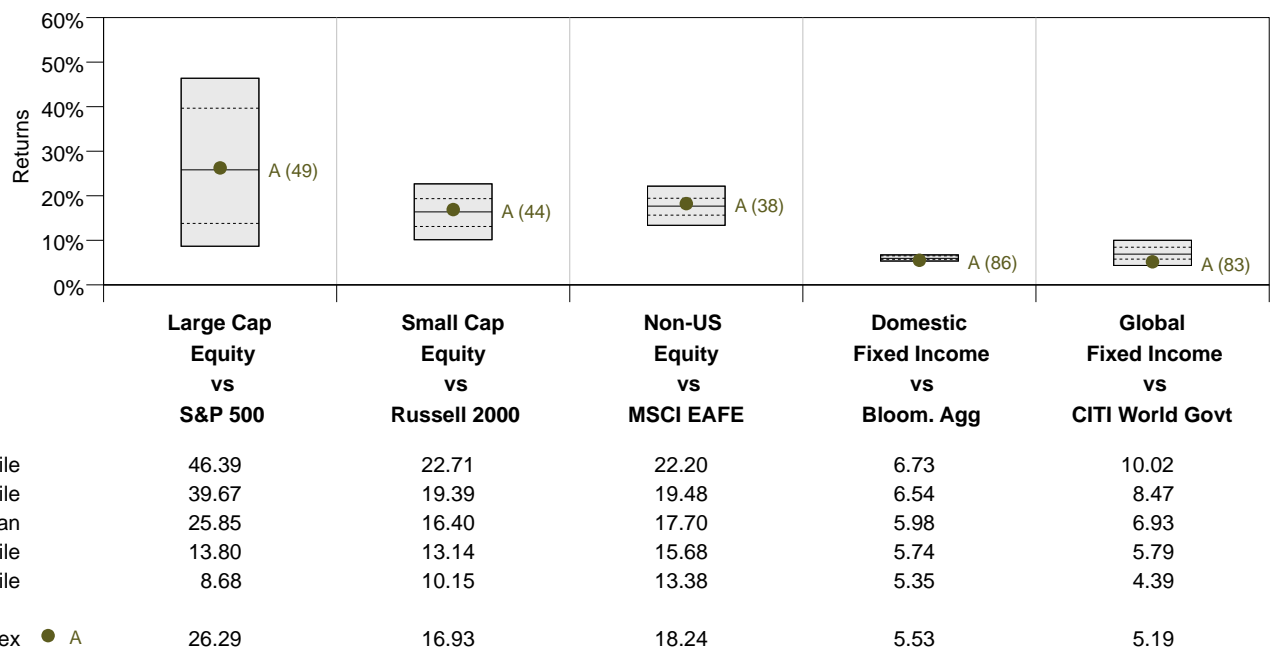
Range of Mutual Fund Returns by Asset Class

One Quarter ended December 31, 2023



Range of Mutual Fund Returns by Asset Class

One Year ended December 31, 2023



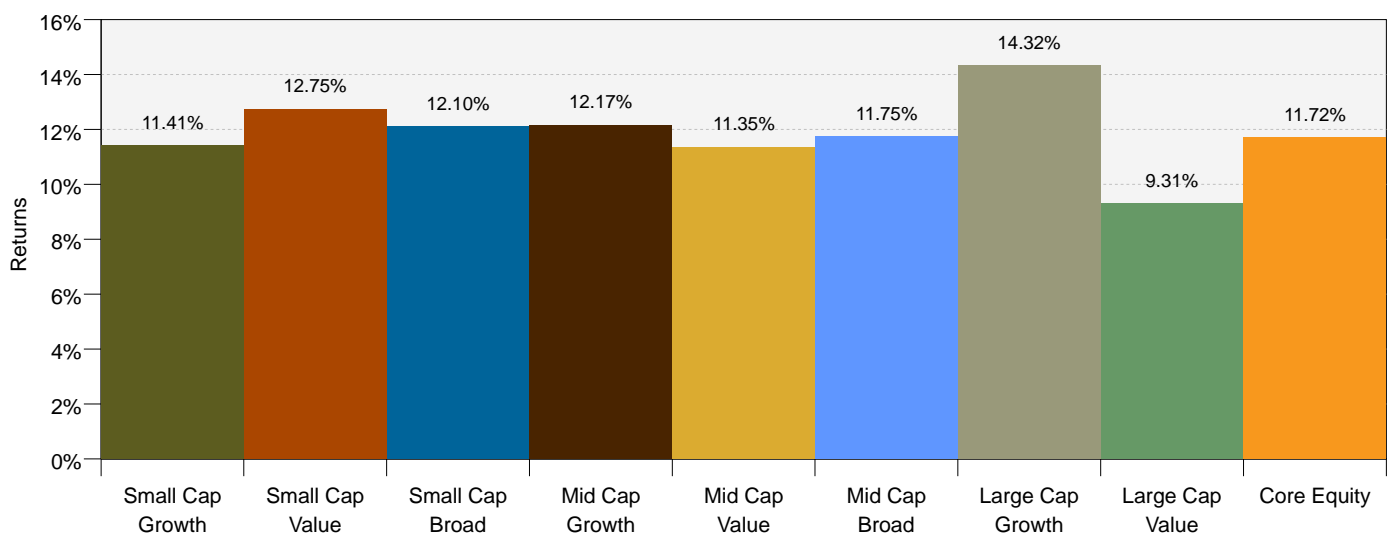
Domestic Equity

Active Management Overview

The S&P 500 Index approached a record high as the year closed. Of note, 2023 was the first year since 2012 that the S&P failed to reach a high-water mark. That said, the index was up an impressive 11.7% in 4Q and 26.3% for the year. The tech sector was the clear winner for the quarter and the year (+17.2%; +57.8%) while Energy (-6.9%; -1.3%) was the only sector to register both a 4Q and 2023 decline. Small caps (R2000: +14.0%; R1000: +12.0%) outperformed large caps for the quarter but lagged for the year (R2000: +16.9%; R1000: +26.5%). Growth outperformed value in 4Q (R1000 Growth: +14.2%; R1000 Value: +9.5%) and even more substantially for the year (R1000 Growth: +42.7%; R1000 Value: +11.5%). Index concentration continued to have a notable impact on returns in 4Q. The "Magnificent Seven," which comprise over 25% of the S&P 500, accounted for 76% of the 2023 return for the index. The index would have been up only about 10% for the year without these stocks, and the equal-weighted S&P 500 returned 11.9% in 4Q and 13.9% in 2023.

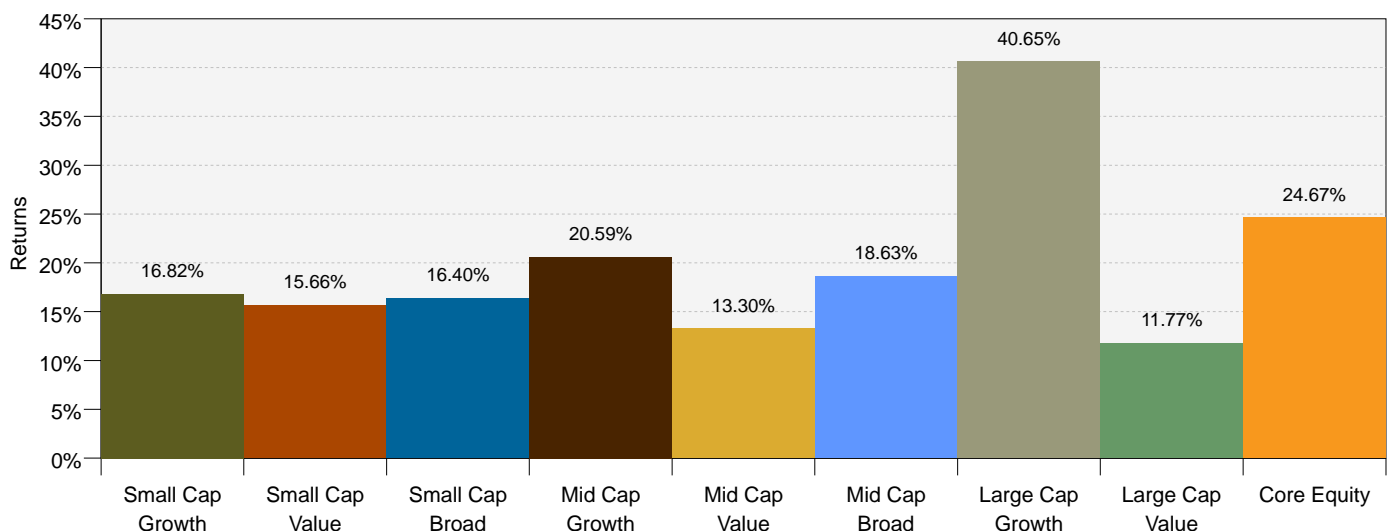
Mutual Fund Style Group Median Returns for Quarter ended December 31, 2023

S&P 500 Index	11.69%
S&P 500 Growth	10.09%
S&P 500 Value	13.63%
S&P 400 Mid Cap	11.67%
S&P 600 Small Cap	15.12%
S&P 600 Small Cap Growth Index	14.28%
S&P 600 Small Cap Value Index	15.84%



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

S&P 500 Index	26.29%
S&P 500 Growth	30.03%
S&P 500 Value	22.23%
S&P 400 Mid Cap	16.44%
S&P 600 Small Cap	16.05%
S&P 600 Small Cap Growth Index	17.10%
S&P 600 Small Cap Value Index	14.89%



Domestic Fixed Income

Active Management Overview

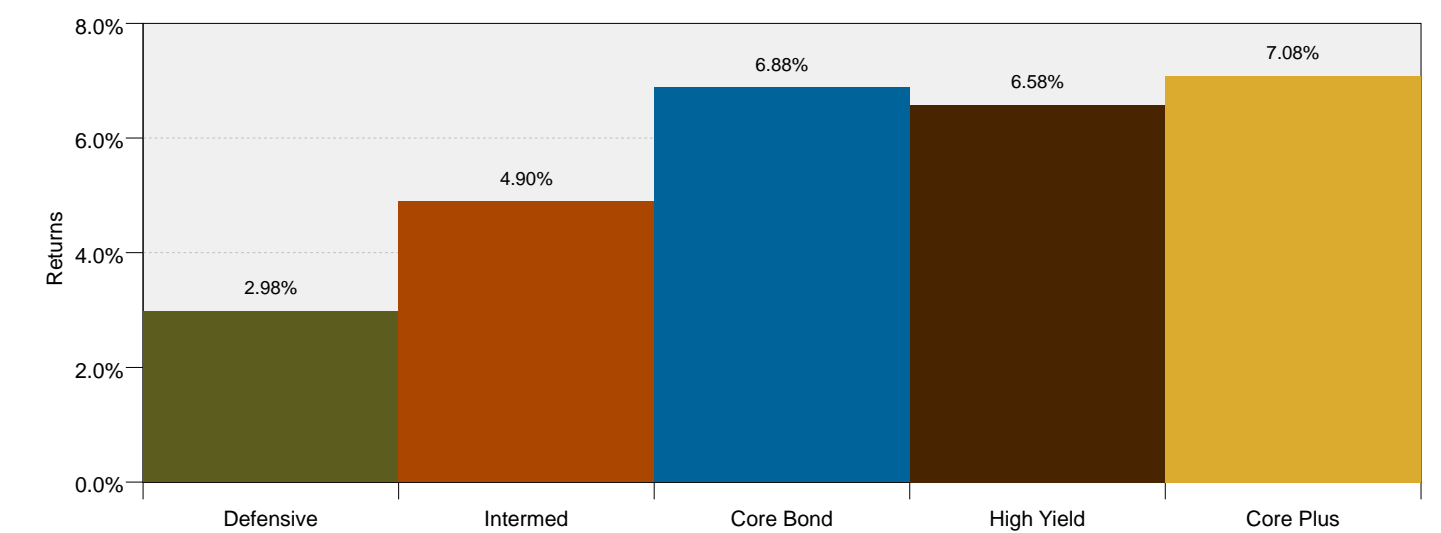
The 10-year U.S. Treasury yield was volatile in 2023. It began the year at 3.88%; the same place it closed at the end of 2022. During 2023, it hit an April low of 3.31% post the regional banking "crisis" and a high in October of 4.99%. Falling rates in November and December drove returns for the Bloomberg US Aggregate to a lofty +6.8% in 4Q and a solid +5.5% for the year. Corporate credit strongly outperformed U.S. Treasuries in 4Q (excess returns of 203 bps) and for the year (455 bps). High yield (Bloomberg US High Yield Corporate Index) climbed 7.2% for the quarter and was up an equity-like 13.4% for the year. Credit spreads for investment grade and high yield corporates ended the year below 10-year averages.

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

Bloomberg:US Universal6.83%

Bloomberg:Aggregate6.82%

Bloomberg:High Yield7.16%

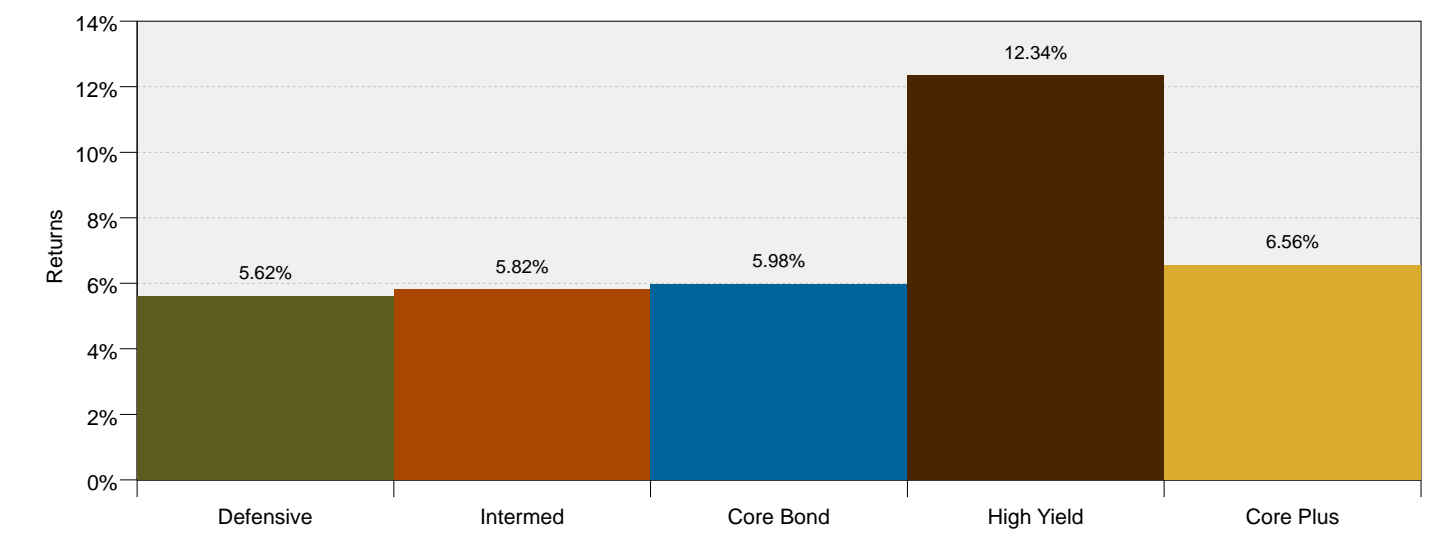


Mutual Fund Style Group Median Returns
for One Year ended December 31, 2023

Bloomberg:US Universal6.17%

Bloomberg:Aggregate5.53%

Bloomberg:High Yield13.44%



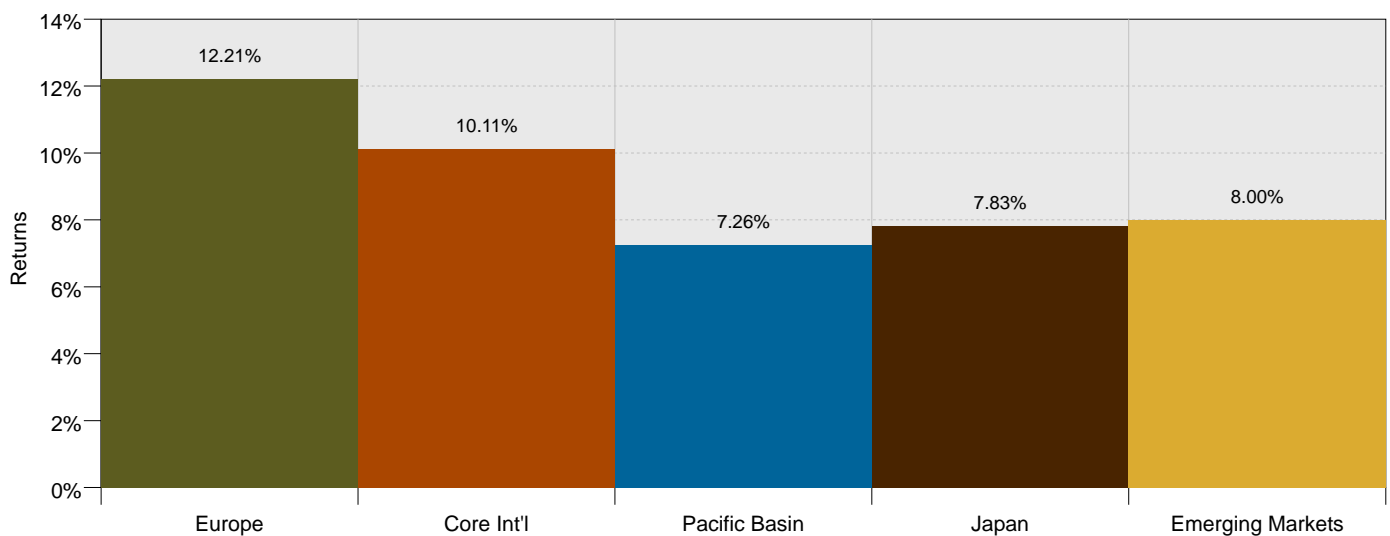
International Equity

Active Management Overview

Global ex-U.S. equities (MSCI ACWI ex USA: +9.8%) performed well in 4Q and for the year (+15.6%) but lagged the U.S. Weakness in the U.S. dollar helped 4Q returns across developed markets (MSCI EAFE: +10.4%; MSCI EAFE Local: +5.0%). As in the U.S., growth outperformed value in the quarter (MSCI ACWI ex USA Growth: +11.1%; MSCI ACWI ex USA Value: +8.4%). However, value outperformed growth for the full year (MSCI ACWI ex USA Growth: +14.0%; MSCI ACWI ex USA Value: +17.3%). Mirroring the U.S., Technology was the strongest sector for both the quarter and the year (MSCI ACWI ex USA Information Technology: +20.0%; +36.3%).

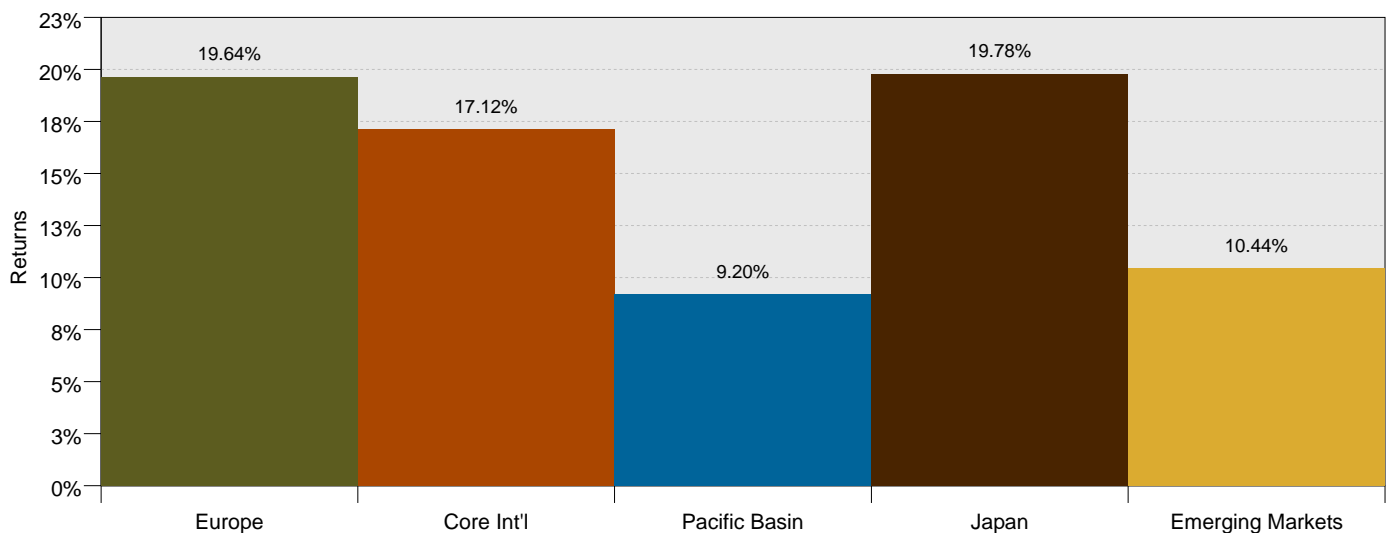
Mutual Fund Style Group Median Returns for Quarter Ended December 31, 2023

MSCI ACWI - Gross	11.15%
MSCI All Cntry World ExUS	9.82%
MSCI EAFE Index	10.42%
MSCI Europe	11.05%
MSCI Pacific	9.25%
MSCI Emerging Markets	7.93%



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

MSCI ACWI - Gross	22.81%
MSCI All Cntry World ExUS	16.21%
MSCI EAFE Index	18.24%
MSCI Europe	19.89%
MSCI Pacific	15.27%
MSCI Emerging Markets	10.27%



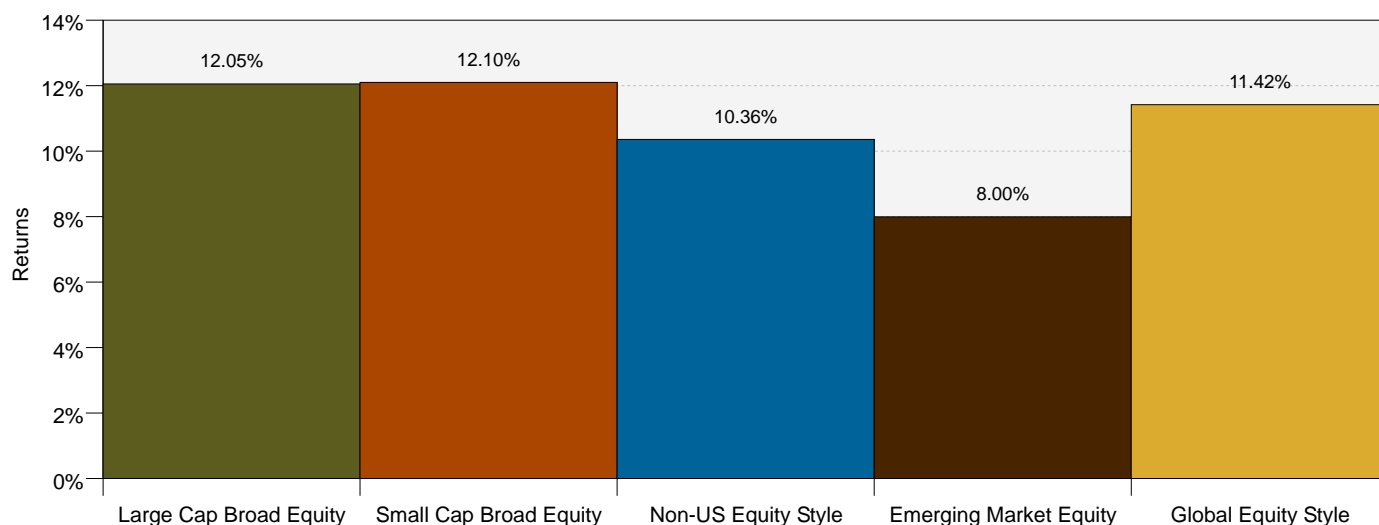
Capital Growth

Active Management Overview

U.S. stocks (S&P 500 Index) approached a record high as the year closed. Of note, 2023 was the first year since 2012 that the S&P failed to reach a high-water mark. That said, the index was up an impressive 11.7% in 4Q and 26.3% for the year. The tech sector was the clear winner for the quarter and the year (+17.2%; +57.8%) while Energy (-6.9%; -1.3%) was the only sector to register both a 4Q and 2023 decline. Small caps (R2000: +14.0%; R1000: +12.0%) outperformed large caps for the quarter but lagged for the year (R2000: +16.9%; R1000: +26.5%). Growth outperformed value in 4Q (R1000 Growth: +14.2%; R1000 Value: +9.5%) and even more substantially for the year (R1000 Growth: +42.7%; R1000 Value: +11.5%). Global ex-U.S. equities (MSCI ACWI ex USA: +9.8%) performed well in 4Q and for the year (+15.6%) but lagged the U.S. Weakness in the U.S. dollar helped 4Q returns across developed markets (MSCI EAFE: +10.4%; MSCI EAFE Local: +5.0%). As in the U.S., growth outperformed value in the quarter (MSCI ACWI ex USA Growth: +11.1%; MSCI ACWI ex USA Value: +8.4%). However, value outperformed growth for the full year (MSCI ACWI ex USA Growth: +14.0%; MSCI ACWI ex USA Value: +17.3%). Mirroring the U.S., Technology was the strongest sector for both the quarter and the year (MSCI ACWI ex USA Information Technology: +20.0%; +36.3%).

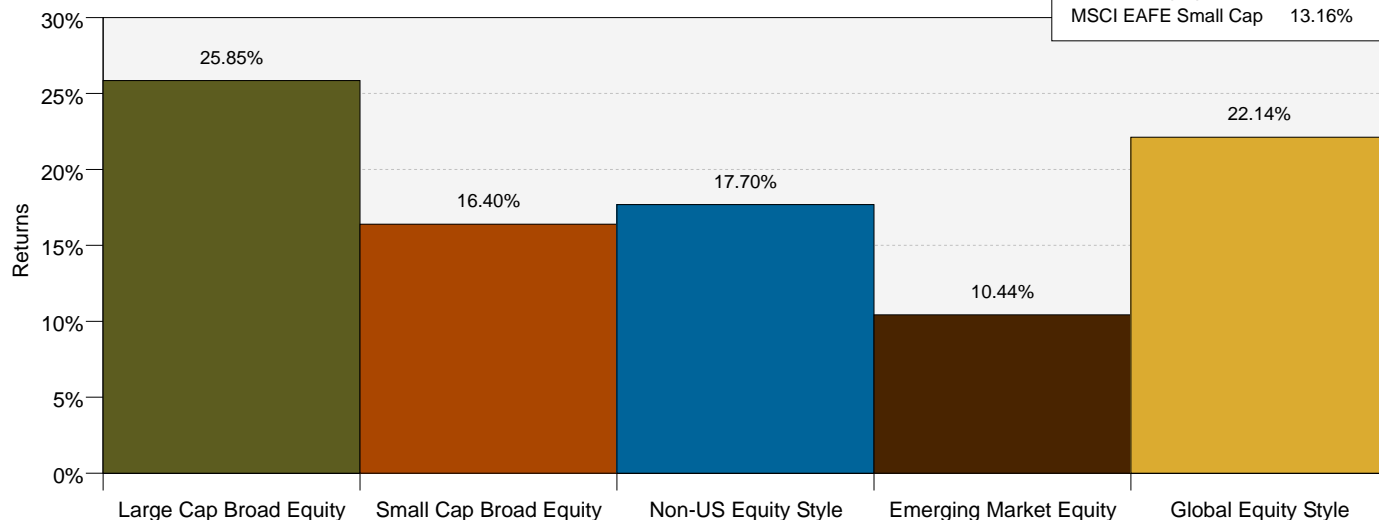
Mutual Fund Style Group Median Returns for Quarter ended December 31, 2023

S&P 500 Index	11.69%
Russell 3000 Index	12.07%
Russell 2000 Index	14.03%
MSCI ACWI	11.03%
MSCI EAFE Index	10.42%
MSCI Emerging Markets	7.86%
MSCI EAFE Small Cap	11.14%



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

S&P 500 Index	26.29%
Russell 3000 Index	25.96%
Russell 2000 Index	16.93%
MSCI ACWI	22.20%
MSCI EAFE Index	18.24%
MSCI Emerging Markets	9.83%
MSCI EAFE Small Cap	13.16%



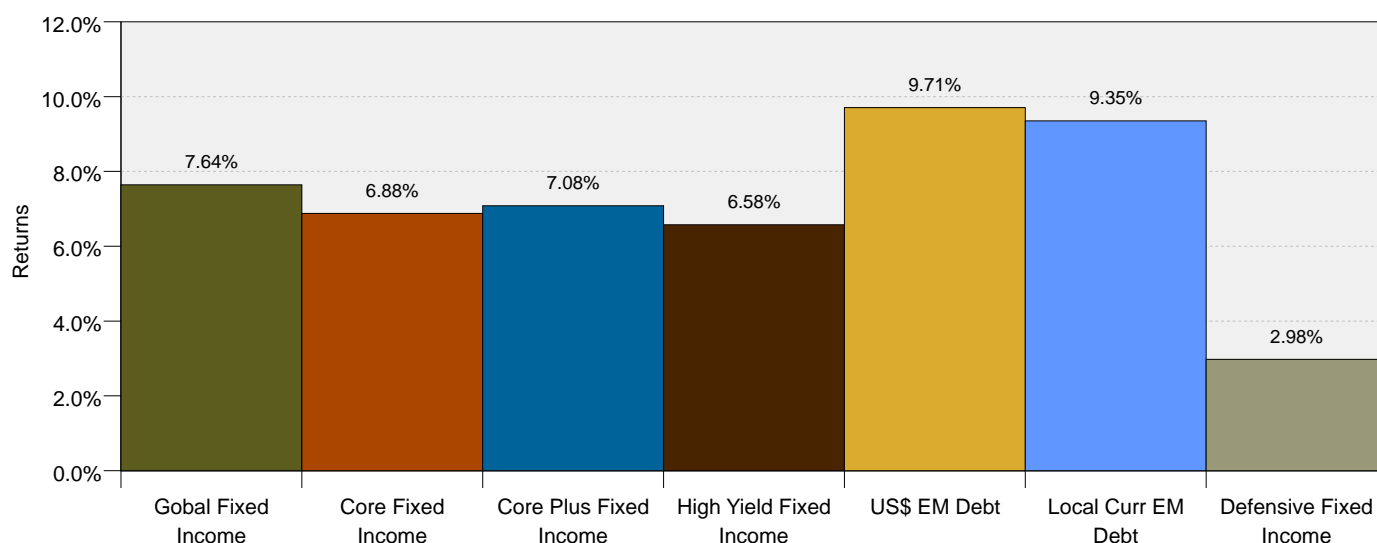
Income

Active Management Overview

Rates fell in the final quarter of the year and the Bloomberg Global Aggregate posted its best results in more than two decades as central banks shifted away from rate hikes and inflation moderated. The index was up 8.1% (6.0% hedged) for the quarter and 5.7% (7.1% hedged) for the year. The US dollar weakened versus most currencies during the quarter but results were mixed for the year. Gains (hedged and unhedged) for the quarter and the year were broad-based across developed markets with no country posting a negative return. Emerging market debt indices posted solid returns in 4Q. The hard currency JPM EMBI Global Diversified gained 9.2% and the local currency-denominated JPM GBI-EM Global Diversified returned 8.1%.

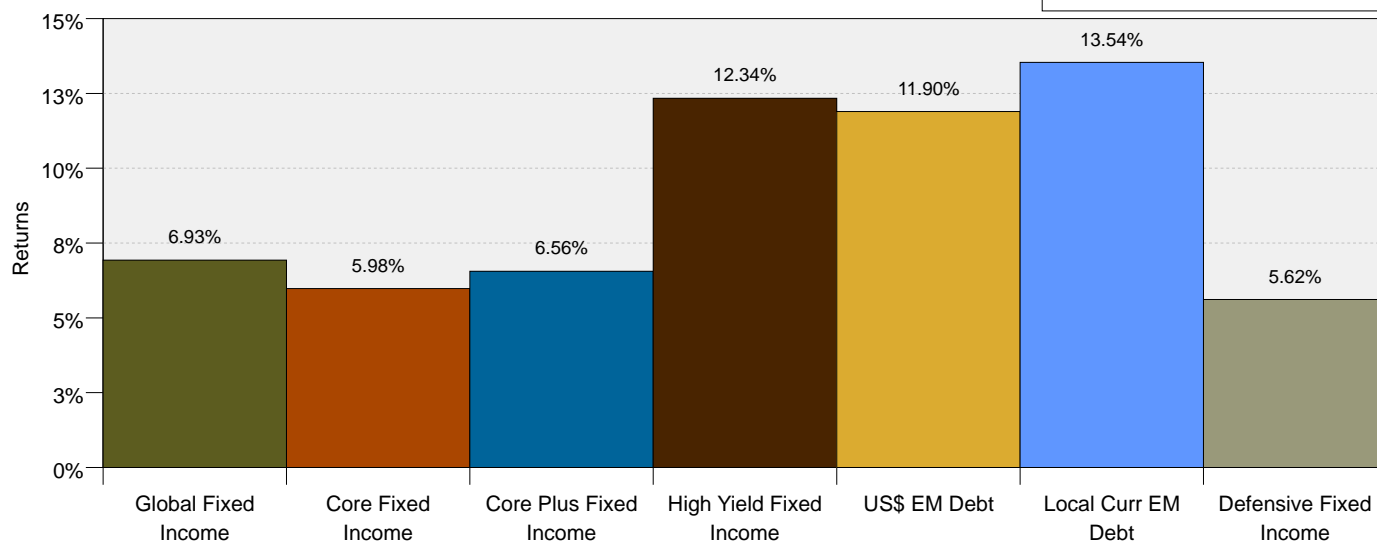
Mutual Fund Style Group Median Returns for Quarter ended December 31, 2023

Blmbg Barc Agg Index	6.82%
Blmbg Barc High Yield Corp	7.16%
Blmbg Barc Global Agg Hedged	5.99%
JPM EMBI Global Dvsfd	9.16%
JPM GBI GI Divers USD Unh	8.07%
Blmbg Barc Global Aggregate Index	8.10%



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

Blmbg Barc Agg Index	5.53%
Blmbg Barc High Yield Corp	13.44%
Blmbg Barc Global Agg Hedged	7.15%
JPM EMBI Global Dvsfd	11.09%
JPM GBI GI Divers USD Unh	12.70%
Blmbg Barc Global Aggregate Index	5.72%



Portfolio Holdings

Description	Symbol	Value	Weight
EQUITY			
Large Cap U.S. Equity			
DFA US Large Cap Value I	DFLVX	\$3,008,422	5.7%
Vanguard Institutional Index I	VINIX	\$12,159,441	22.8%
Large Cap U.S. Equity Total		\$15,167,863	28.5%
Small Cap U.S. Equity			
Avantis US Small Cap Value Fund I	AVUVX	\$3,324,824	6.2%
Vanguard Small Cap Growth Index Admiral	VSGAX	\$1,928,690	3.6%
Small Cap U.S. Equity Total		\$5,253,514	9.9%
International Equity			
DFA International Small Company I	DFISX	\$2,545,662	4.8%
DFA International Value I	DFIVX	\$4,489,945	8.4%
Vanguard International Growth Adm	VWILX	\$2,986,564	5.6%
International Equity Total		\$10,022,171	18.8%
Emerging Markets Equity			
DFA Emerging Markets Core Equity I	DFCEX	\$3,311,745	6.2%
Emerging Markets Equity Total		\$3,311,745	6.2%
Real Estate			
DFA Global Real Estate Securities Port	DFGEX	\$3,826,387	7.2%
Real Estate Total		\$3,826,387	7.2%
EQUITY Total		\$37,581,680	70.6%
FIXED INCOME			
Core Fixed Income			
Agincourt Core Fixed Income	xxxxxx8807	\$10,390,290	19.6%
Accrued Income		\$63,770	
Core Fixed Income Total		\$10,454,060	19.6%
FIXED INCOME Total		\$10,454,060	19.6%
DIVERSIFIED FIXED INCOME			
High Yield Fixed Income			
Vanguard High-Yield Corporate Adm	VWEAX	\$2,852,004	5.4%
Accrued Income		\$14,336	
High Yield Fixed Income Total		\$2,866,339	5.4%

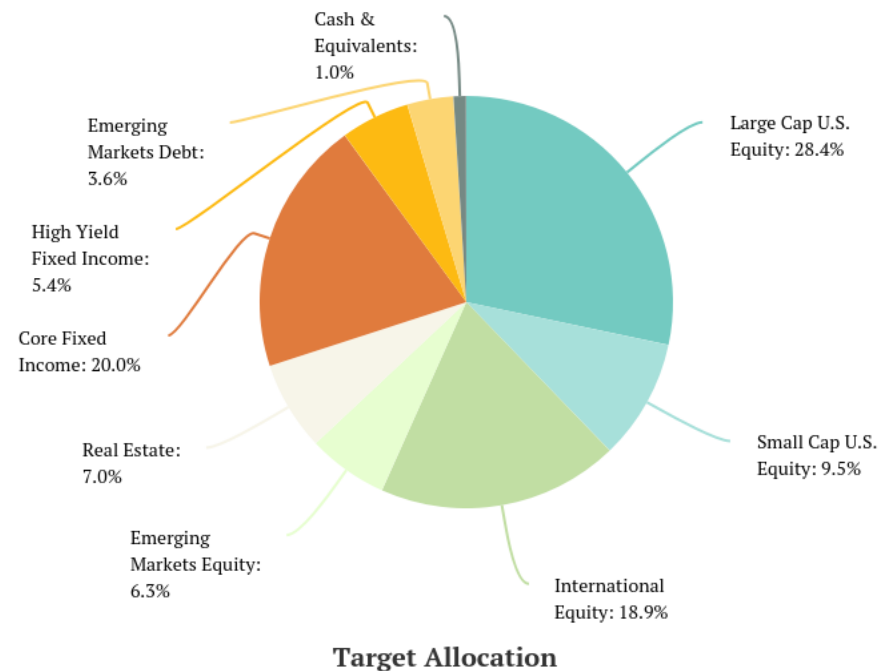
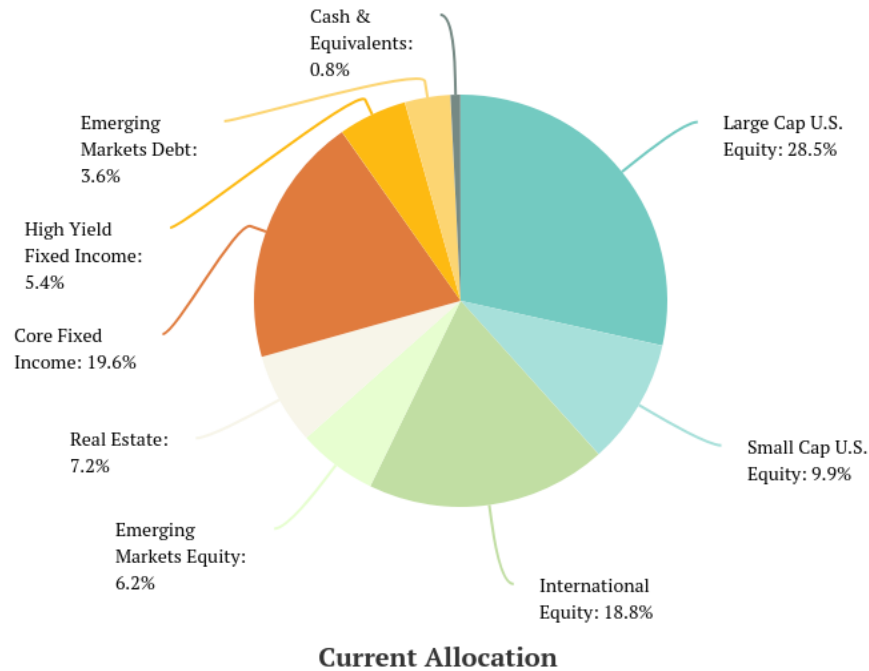
Portfolio Holdings

Description	Symbol	Value	Weight
DIVERSIFIED FIXED INCOME			
Emerging Markets Debt			
PIMCO Emerg Mkts Full Spectrum Bd Instl	PFSIX	\$1,890,473	3.6%
Accrued Income		\$8,828	
Emerging Markets Debt Total		\$1,899,301	3.6%
DIVERSIFIED FIXED INCOME Total		\$4,765,640	9.0%
CASH AND EQUIVALENTS			
Cash & Equivalents			
Cash	CASH	\$24	0.0%
Cash Portfolio (US Bank)	xxxxxx8800	\$414,745	0.8%
Cash & Equivalents Total		\$414,769	0.8%
CASH AND EQUIVALENTS Total		\$414,769	0.8%
Total		\$53,216,149	100.0%

Portfolio Activity Summary

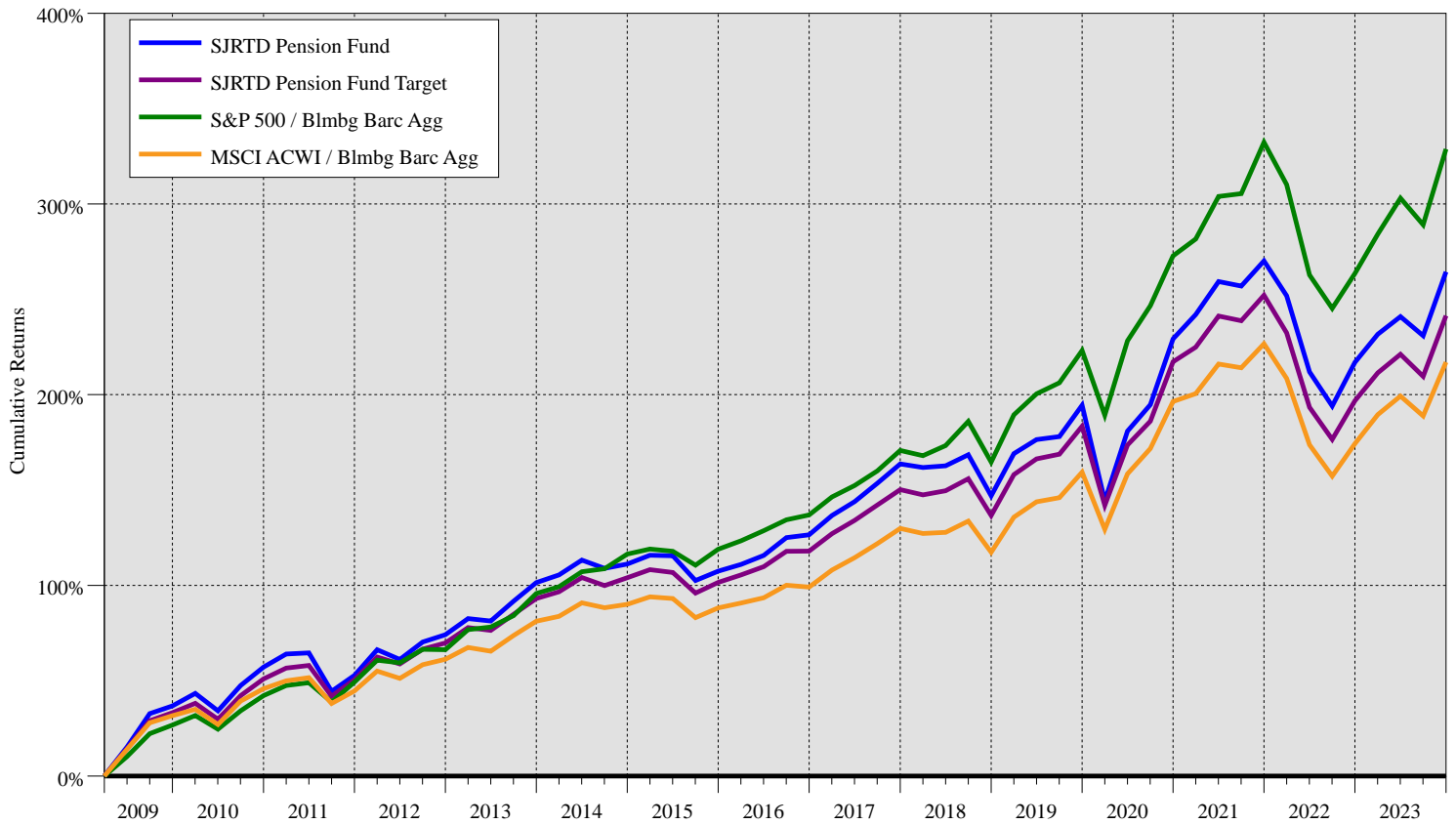
	Quarter to Date	Year to Date	Inception to Date (2/10/2009)
Beginning Value	\$48,466,611	\$47,095,173	\$0
Net Contribution	(\$85,012)	(\$680,237)	\$11,889,377
Transfers	\$0	\$0	\$423
Capital Appreciation	\$4,065,294	\$5,072,806	\$23,302,032
Dividend Income	\$796,866	\$1,400,271	\$13,307,822
Interest Income	\$110,978	\$489,857	\$6,712,061
Management Fees	(\$26,644)	(\$106,993)	(\$1,155,709)
Other Expenses	(\$6,112)	(\$30,241)	(\$470,351)
Change in Accrued	(\$105,832)	(\$24,486)	(\$369,084)
Ending Value	\$53,216,149	\$53,216,149	\$53,216,149
Investment Gain	\$4,834,551	\$6,801,213	\$41,326,771

Actual vs. Target Asset Allocation

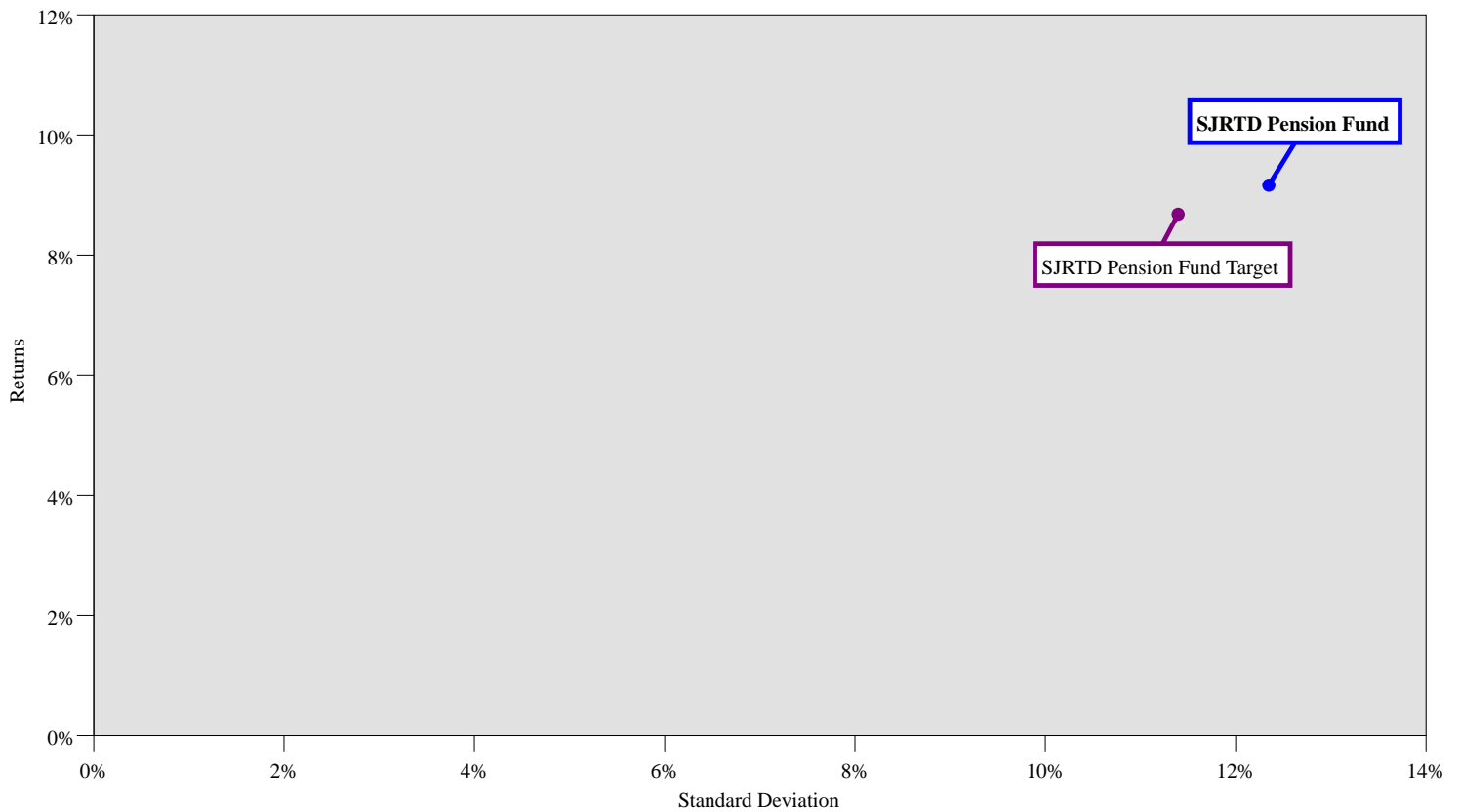


Sector	Current Value	Current Percent	Target Allocation Value	Target Allocation Percent	Dollar Variance	Percent Variance
Large Cap U.S. Equity	\$15,167,863	28.5%	\$15,086,778	28.4%	\$81,085	0.2%
Small Cap U.S. Equity	\$5,253,514	9.9%	\$5,028,926	9.5%	\$224,588	0.4%
International Equity	\$10,022,171	18.8%	\$10,057,852	18.9%	(\$35,681)	(0.1%)
Emerging Markets Equity	\$3,311,745	6.2%	\$3,352,617	6.3%	(\$40,873)	(0.1%)
Real Estate	\$3,826,387	7.2%	\$3,725,130	7.0%	\$101,257	0.2%
Core Fixed Income	\$10,454,060	19.6%	\$10,643,230	20.0%	(\$189,170)	(0.4%)
High Yield Fixed Income	\$2,866,339	5.4%	\$2,873,672	5.4%	(\$7,333)	0.0%
Emerging Markets Debt	\$1,899,301	3.6%	\$1,915,781	3.6%	(\$16,481)	0.0%
Cash & Equivalents	\$414,769	0.8%	\$532,161	1.0%	(\$117,393)	(0.2%)
Total	\$53,216,149	100.0%	\$53,216,149	100.0%		

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



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

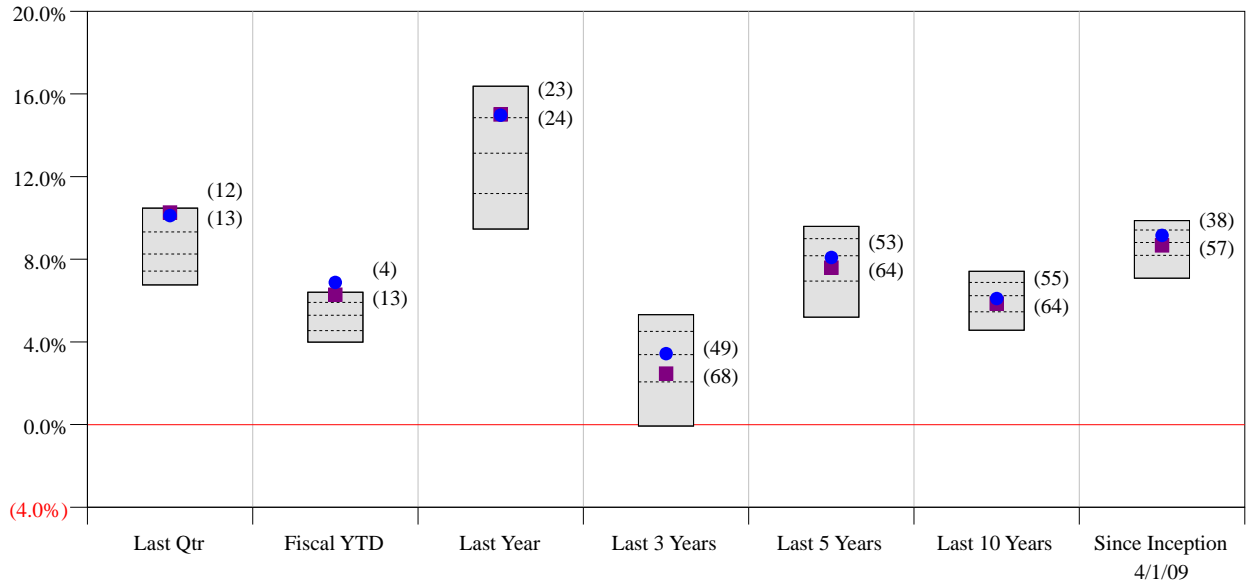


Source: Callan. Past performance is not indicative of future results. See important disclosures.

*Broad US Target consisted of 60% S&P 500 and 40% Bloomberg Barclays Agg until September 2023 when it was updated to 70% S&P 500 and 30% Bloomberg Barclays Agg.

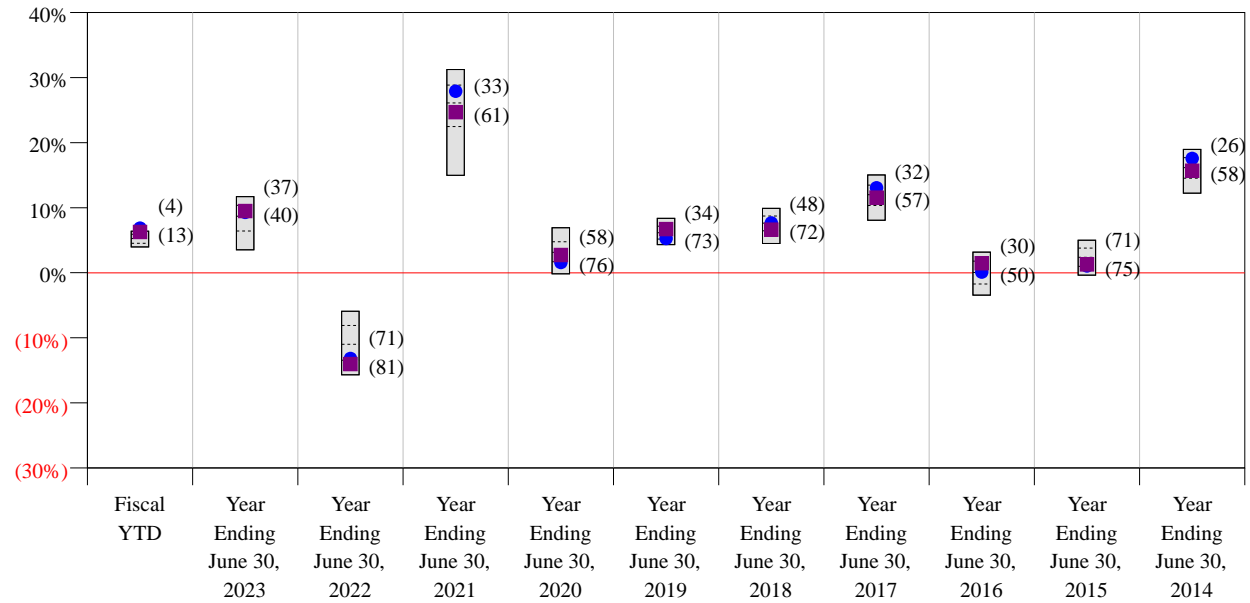
**Broad Global Target consisted of 60% MSCI ACWI and 40% Bloomberg Barclays Agg until September 2023 when it was updated to 70% MSCI ACWI and 30% Bloomberg Barclays Agg.

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



10th Percentile	10.48	6.41	16.38	5.33	9.60	7.42	9.88
25th Percentile	9.33	5.92	14.86	4.52	9.00	6.89	9.42
Median	8.26	5.29	13.14	3.40	8.17	6.24	8.82
75th Percentile	7.43	4.55	11.19	2.07	6.95	5.46	8.19
90th Percentile	6.77	3.99	9.46	(0.06)	5.20	4.57	7.09
SJRTD Pension Fund	10.12	6.88	14.97	3.44	8.09	6.10	9.16
SJRTD Pension Fund Target	10.26	6.29	15.02	2.48	7.60	5.86	8.68

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



10th Percentile	6.41	11.70	(5.90)	31.25	6.92	8.39	9.90	15.04	3.19	5.00	18.97
25th Percentile	5.92	10.40	(8.09)	28.85	4.78	7.16	8.74	13.50	1.81	3.81	17.70
Median	5.29	8.71	(10.97)	26.12	3.15	6.15	7.63	12.02	0.07	2.39	16.18
75th Percentile	4.55	6.42	(13.43)	22.48	1.70	5.21	6.45	10.37	(1.72)	1.00	14.55
90th Percentile	3.99	3.55	(15.68)	14.98	(0.14)	4.32	4.51	8.09	(3.43)	(0.35)	12.25
SJRTD Pension Fund	6.88	9.28	(13.18)	27.92	1.59	5.27	7.67	13.07	0.11	1.06	17.58
SJRTD Pension Fund Target	6.29	9.49	(14.03)	24.70	2.73	6.73	6.63	11.57	1.47	1.30	15.71

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

Returns for Periods Ended December 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 14 3/4 Years
Large Cap Equity							
Vanguard Inst'l Index I	11.68	8.02	26.24	9.96	15.66	12.00	15.11
DFA US Large Cap Value	9.07	7.54	11.47	10.39	10.90	8.33	14.04
<i>S&P 500 Index</i>	<i>11.69</i>	<i>8.04</i>	<i>26.29</i>	<i>10.00</i>	<i>15.69</i>	<i>12.03</i>	<i>15.13</i>
<i>Russell 1000 Value</i>	<i>9.50</i>	<i>6.03</i>	<i>11.46</i>	<i>8.86</i>	<i>10.91</i>	<i>8.40</i>	<i>12.68</i>
<i>Russell 1000 Growth</i>	<i>14.16</i>	<i>10.59</i>	<i>42.68</i>	<i>8.86</i>	<i>19.50</i>	<i>14.86</i>	<i>17.31</i>
Small Cap Equity							
Avantis US Small Cap Value	15.18	16.31	22.97	17.99	--	--	--
Vanguard Small Cap Gr Idx Adm*	13.12	5.67	21.41	(2.78)	10.54	7.86	14.07
<i>Russell 2000 Index</i>	<i>14.03</i>	<i>8.18</i>	<i>16.93</i>	<i>2.22</i>	<i>9.97</i>	<i>7.16</i>	<i>12.74</i>
<i>Russell 2000 Value</i>	<i>15.26</i>	<i>11.85</i>	<i>14.65</i>	<i>7.94</i>	<i>10.00</i>	<i>6.76</i>	<i>12.10</i>
<i>Russell 2000 Growth</i>	<i>12.75</i>	<i>4.50</i>	<i>18.66</i>	<i>(3.50)</i>	<i>9.22</i>	<i>7.16</i>	<i>13.07</i>
<i>CRSP US Sm Cap Growth</i>	<i>13.12</i>	<i>5.62</i>	<i>21.28</i>	<i>(2.83)</i>	<i>10.51</i>	<i>7.82</i>	<i>13.54</i>
International Equity							
DFA International Value	6.49	6.73	17.79	10.51	8.84	4.15	8.42
Vanguard Int'l Growth Adm	11.37	1.16	14.81	(7.61)	10.62	7.09	10.97
DFA Intl Small Company	10.75	7.07	14.43	2.71	8.02	4.94	10.03
<i>MSCI EAFE Index</i>	<i>10.42</i>	<i>5.88</i>	<i>18.24</i>	<i>4.02</i>	<i>8.16</i>	<i>4.28</i>	<i>8.15</i>
<i>MSCI World ex US Value</i>	<i>8.57</i>	<i>8.78</i>	<i>18.48</i>	<i>8.19</i>	<i>7.48</i>	<i>3.29</i>	<i>7.54</i>
<i>MSCI ACWI ex US Growth</i>	<i>11.12</i>	<i>3.01</i>	<i>14.03</i>	<i>(2.67)</i>	<i>7.49</i>	<i>4.55</i>	<i>8.11</i>
<i>MSCI World Sm Cap ex US</i>	<i>10.60</i>	<i>6.76</i>	<i>12.62</i>	<i>(0.20)</i>	<i>7.05</i>	<i>4.63</i>	<i>9.90</i>
Emerging Markets Equity							
DFA Emerging Markets Core	7.86	6.22	15.45	0.71	6.18	4.00	8.16
<i>MSCI Emerging Markets</i>	<i>7.86</i>	<i>4.71</i>	<i>9.83</i>	<i>(5.08)</i>	<i>3.69</i>	<i>2.66</i>	<i>6.60</i>
REITs							
DFA Global Real Estate Securities	17.14	8.64	9.42	2.96	5.17	5.90	11.53
<i>S&P Global REIT Index</i>	<i>15.47</i>	<i>7.97</i>	<i>10.23</i>	<i>3.08</i>	<i>4.16</i>	<i>4.72</i>	<i>10.37</i>
Core Fixed Income							
Agincourt Core Fixed Income	7.00	3.47	6.29	(3.16)	1.64	2.29	3.54
<i>Blmbg Barc Agg Index</i>	<i>6.82</i>	<i>3.37</i>	<i>5.53</i>	<i>(3.31)</i>	<i>1.10</i>	<i>1.81</i>	<i>2.72</i>
<i>Blmbg Barc Gov/Credit Bond Idx</i>	<i>6.63</i>	<i>3.44</i>	<i>5.72</i>	<i>(3.53)</i>	<i>1.41</i>	<i>1.97</i>	<i>2.91</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 December 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 14 3/4 Years
High Yield Fixed Income							
Vanguard High Yield Corp Adm	7.30	7.08	11.74	1.82	5.21	4.43	7.65
<i>ICE BofA High Yield CP BB-B Cons</i>	<i>7.12</i>	<i>7.36</i>	<i>12.55</i>	<i>1.72</i>	<i>5.19</i>	<i>4.53</i>	<i>8.05</i>
Emerging Markets Debt							
PIMCO EM Full Spectrum Bd I	8.65	5.85	11.67	(2.00)	2.49	1.43	--
<i>50/25/25 EM Debt Index**</i>	<i>7.74</i>	<i>5.16</i>	<i>11.11</i>	<i>(2.75)</i>	<i>1.84</i>	<i>1.81</i>	<i>4.70</i>
<i>50/50 EM Debt Index***</i>	<i>8.62</i>	<i>5.64</i>	<i>11.91</i>	<i>(3.34)</i>	<i>1.43</i>	<i>1.70</i>	<i>4.53</i>
Total Fund							
SJRTD Pension Fund	10.12	6.88	14.97	3.44	8.09	6.10	9.16
<i>SJRTD Pension Fund Target</i>	<i>10.26</i>	<i>6.29</i>	<i>15.02</i>	<i>2.48</i>	<i>7.60</i>	<i>5.86</i>	<i>8.68</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).

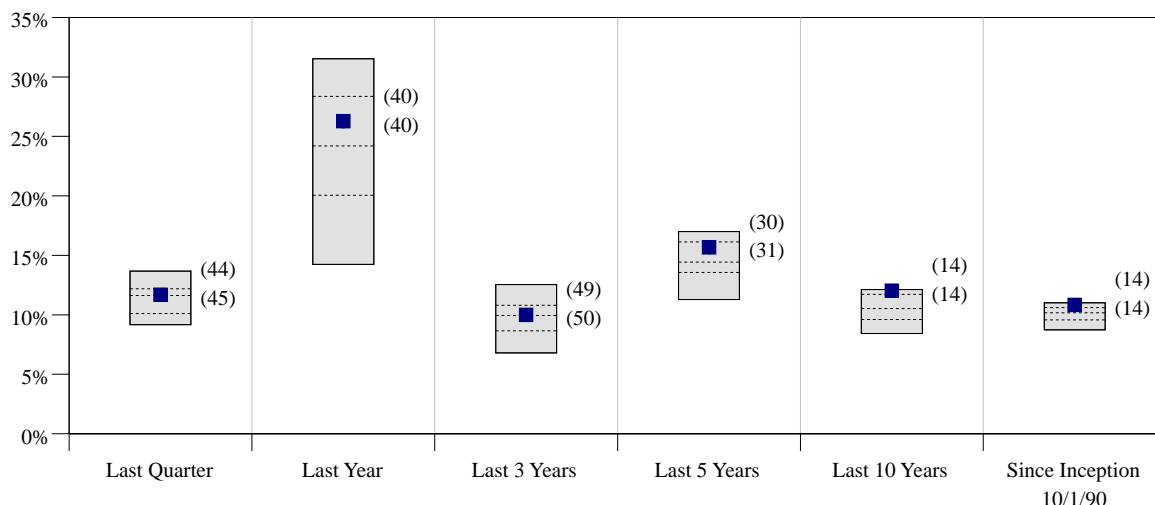
Current Quarter Target = 1.0% 3-Month Treasury Bill, 20.0% Bloomberg Barclays Aggregate Index, 7.0% S&P Global REIT Index, 1.80% JPM GBI EM Global Divers USD (UH), 1.80% JPM EMBI Global Diversified, 5.4% ICE BofAML High Yield CP BB-B Cons, 18.9% MSCI EAFE Index, 6.30% MSCI Emerging Markets, 9.45% Russell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

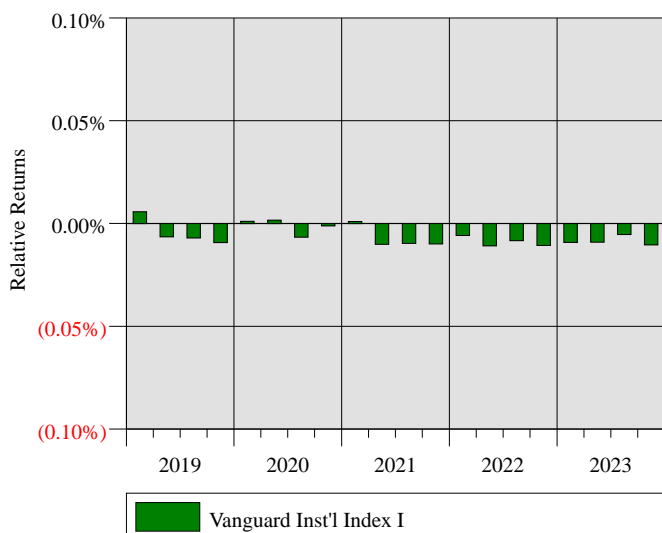
Vanguard Inst'l Index I (VINIX) Performance vs. Callan Large Cap Core Mutual Funds Periods ending: December 31, 2023



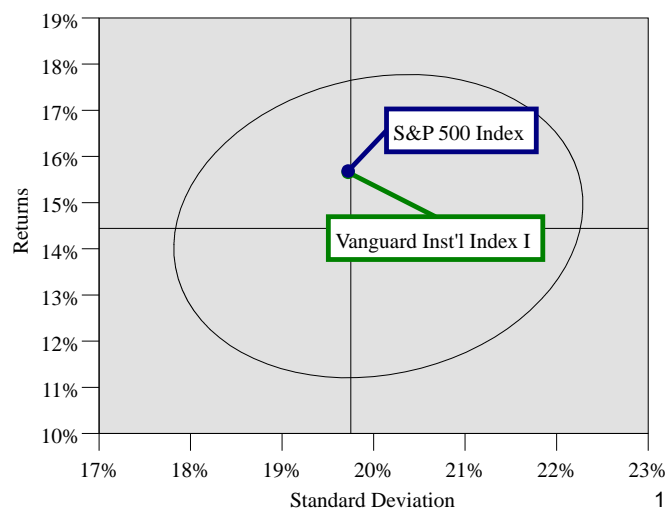
10th Percentile	13.68	31.54	12.56	17.01	12.13	11.02
25th Percentile	12.19	28.38	10.82	16.13	11.73	10.62
Median	11.64	24.20	9.95	14.44	10.53	10.17
75th Percentile	10.12	20.07	8.65	13.57	9.62	9.57
90th Percentile	9.18	14.24	6.81	11.30	8.43	8.75
Vanguard Inst'l Index I	11.68	26.24	9.96	15.66	12.00	10.84
S&P 500 Index	11.69	26.29	10.00	15.69	12.03	10.84

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard Inst'l Index I	26.24	(18.14)	28.67	18.39	31.46	(4.42)	21.79	11.93	1.37	13.65
S&P 500 Index	26.29	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69

Relative Returns vs. S&P 500 Index



Callan Large Cap Core Mutual Funds | 5 Years Ended 12/31/23



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

Investment Philosophy:

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

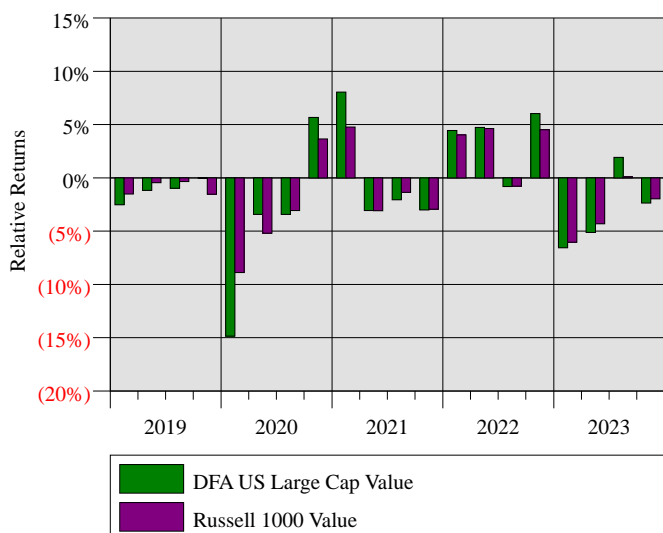
DFA US Large Cap Value (DFLVX) Performance vs. Callan Large Cap Value Mutual Funds Periods ending: December 31, 2023



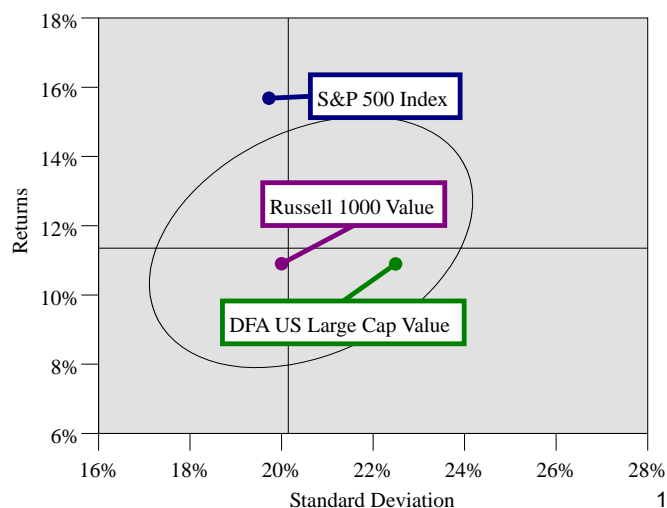
10th Percentile	13.06	20.15	12.28	13.98	10.55	10.49
25th Percentile	10.37	14.60	11.19	12.47	8.96	9.55
Median	9.25	11.61	9.68	11.36	8.32	9.11
75th Percentile	8.75	7.86	8.33	9.97	7.69	8.48
90th Percentile	7.71	5.26	7.16	9.22	7.10	7.69
DFA US Large Cap Value	9.07	11.47	10.39	10.90	8.33	9.77
S&P 500 Index	11.69	26.29	10.00	15.69	12.03	10.08
Russell 1000 Value	9.50	11.46	8.86	10.91	8.40	9.30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA US Large Cap Value	11.47	(5.78)	28.07	(0.61)	25.45	(11.65)	18.97	18.89	(3.49)	10.07
S&P 500 Index	26.29	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69
Russell 1000 Value	11.46	(7.54)	25.16	2.80	26.54	(8.27)	13.66	17.34	(3.83)	13.45

Relative Returns vs. S&P 500 Index



Callan Large Cap Value Mutual Funds | 5 Years Ended 12/31/23

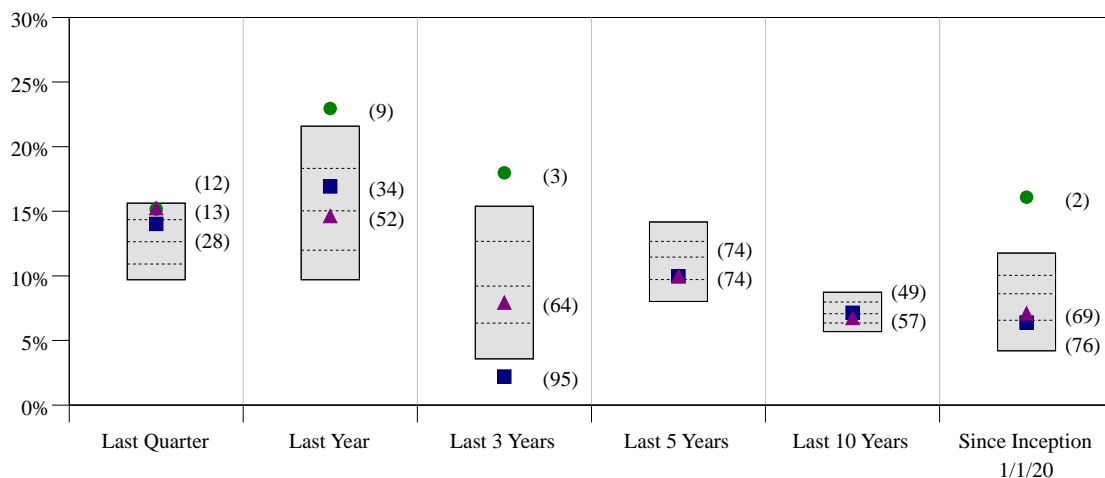


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

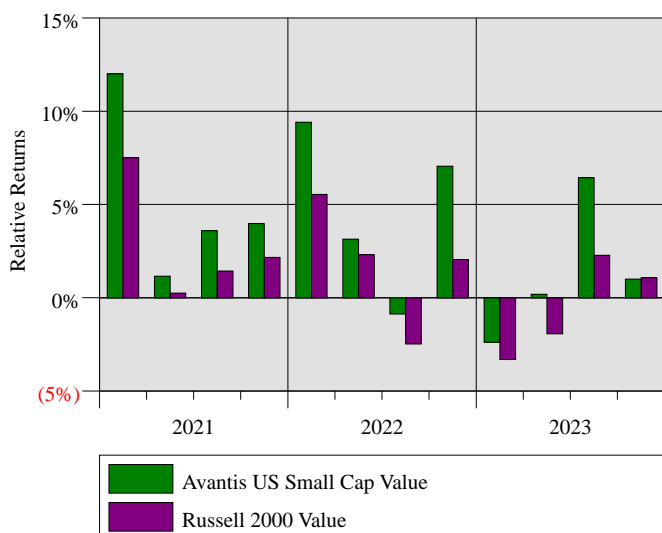
Avantis US Small Cap Value (AVUVX) Performance vs. Callan Small Cap Value Mutual Funds Periods ending: December 31, 2023



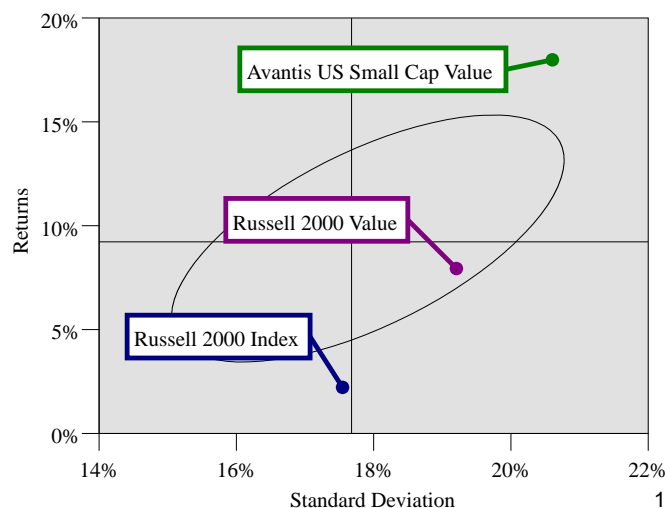
10th Percentile	15.63	21.59	15.40	14.18	8.75	11.78
25th Percentile	14.36	18.33	12.68	12.68	7.98	10.05
Median	12.66	15.04	9.23	11.46	7.07	8.62
75th Percentile	10.93	12.00	6.36	9.72	6.37	6.58
90th Percentile	9.71	9.71	3.59	8.03	5.70	4.21
Avantis US Small Cap Value	15.18	22.97	17.99	--	--	16.11
Russell 2000 Index	14.03	16.93	2.22	9.97	7.16	6.40
Russell 2000 Value	15.26	14.65	7.94	10.00	6.76	7.10

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Avantis US Small Cap Value	22.97	(4.70)	40.17	10.64	--	--	--	--	--	--
Russell 2000 Index	16.93	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89
Russell 2000 Value	14.65	(14.48)	28.27	4.63	22.39	(12.86)	7.84	31.74	(7.47)	4.22

Relative Returns vs. Russell 2000 Index



Callan Small Cap Value Mutual Funds | 3 Years Ended 12/31/23

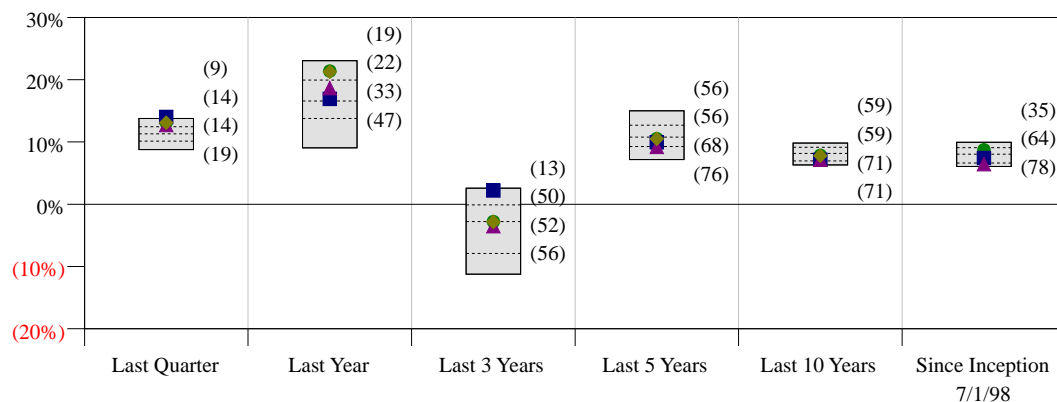


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

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

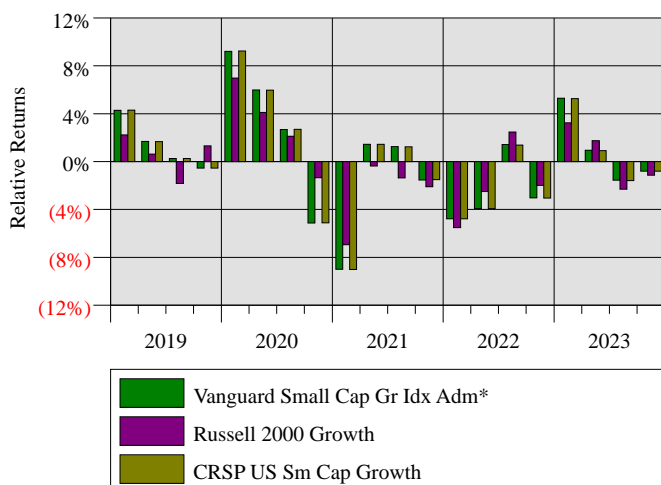


10th Percentile	13.78	23.09	2.61	15.02	9.83	9.98
25th Percentile	12.48	19.96	(0.09)	12.70	9.16	9.10
Median	11.33	16.59	(2.78)	10.79	8.18	8.07
75th Percentile	10.16	13.79	(7.89)	9.28	6.98	6.64
90th Percentile	8.79	9.07	(11.22)	7.18	6.34	6.09
Vanguard Small Cap Gr Idx Adm*	13.12	21.41	(2.78)	10.54	7.86	8.78
Russell 2000 Index	14.03	16.93	2.22	9.97	7.16	7.44
Russell 2000 Growth	12.75	18.66	(3.50)	9.22	7.16	6.44
CRSP US Sm Cap Growth	13.12	21.28	(2.83)	10.51	7.82	--

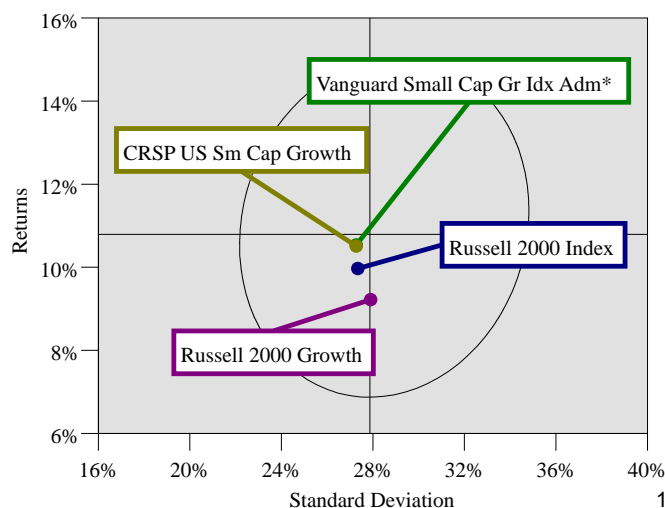
Vanguard switched to CRSP US Sm Cap Growth Index on April 17, 2013.

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard Small Cap Gr Idx Adm*	21.41	(28.39)	5.70	35.28	32.76	(5.68)	21.92	10.73	(2.52)	4.02
Russell 2000 Index	16.93	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89
Russell 2000 Growth	18.66	(26.36)	2.83	34.63	28.48	(9.31)	22.17	11.32	(1.38)	5.60
CRSP US Sm Cap Growth	21.28	(28.44)	5.71	35.35	32.75	(5.68)	21.90	10.62	(2.60)	3.98

Relative Returns vs. Russell 2000 Index



Callan Small Cap Growth Mutual Funds | 5 Years Ended 12/31/23



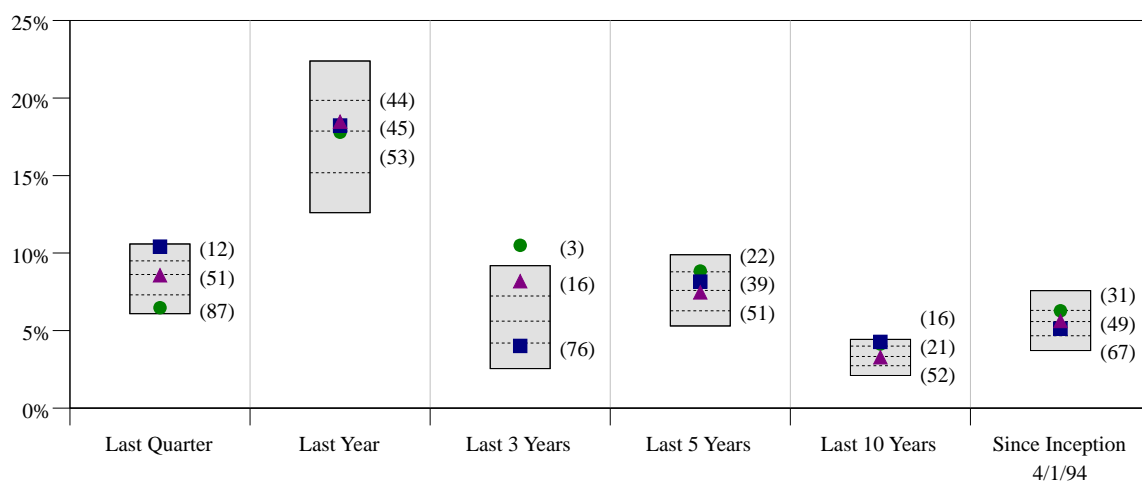
*Investor shares used as a proxy prior to 10/2011.

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

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.

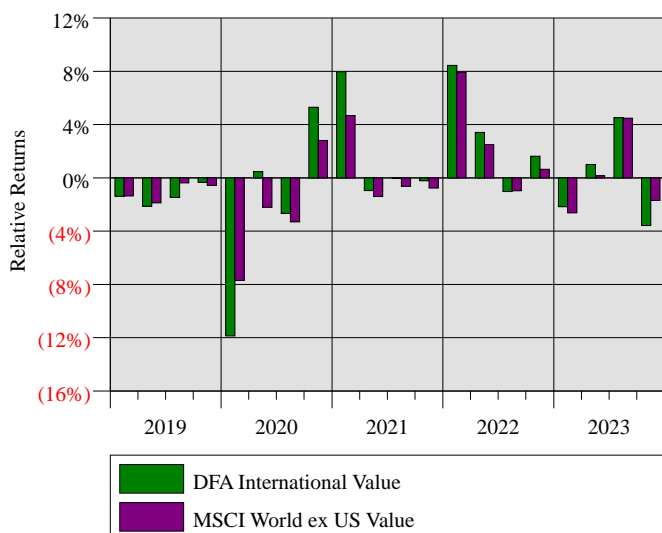
DFA International Value (DFIVX) Performance vs. Callan International Large Cap Value MFs Periods ending: December 31, 2023



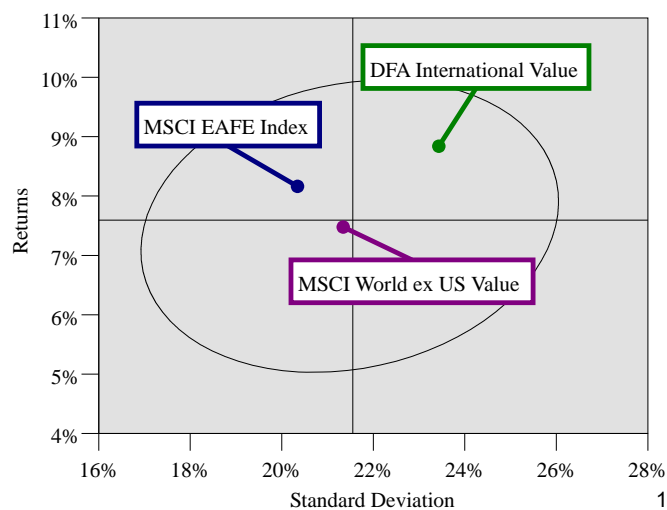
10th Percentile	10.59	22.39	9.20	9.90	4.44	7.59
25th Percentile	9.50	19.86	7.24	8.80	4.01	6.31
Median	8.63	17.87	5.62	7.59	3.34	5.59
75th Percentile	7.32	15.19	4.20	6.28	2.75	4.67
90th Percentile	6.09	12.61	2.56	5.31	2.11	3.72
DFA International Value	6.49	17.79	10.51	8.84	4.15	6.28
MSCI EAFE Index	10.42	18.24	4.02	8.16	4.28	5.14
MSCI World ex US Value	8.57	18.48	8.19	7.48	3.29	5.63

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA International Value	17.79	(3.48)	18.69	(2.14)	15.67	(17.49)	26.09	8.41	(6.31)	(6.99)
MSCI EAFE Index	18.24	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)
MSCI World ex US Value	18.48	(5.64)	13.26	(3.22)	17.02	(15.06)	21.04	7.39	(7.68)	(5.41)

Relative Returns vs. MSCI EAFE Index



Callan International Large Cap Value MFs | 5 Years Ended 12/31/23

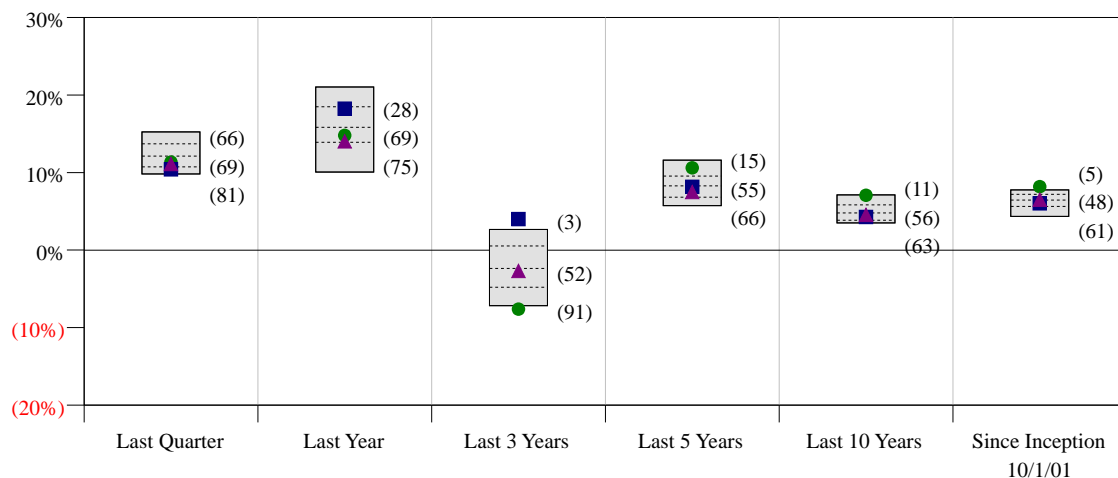


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

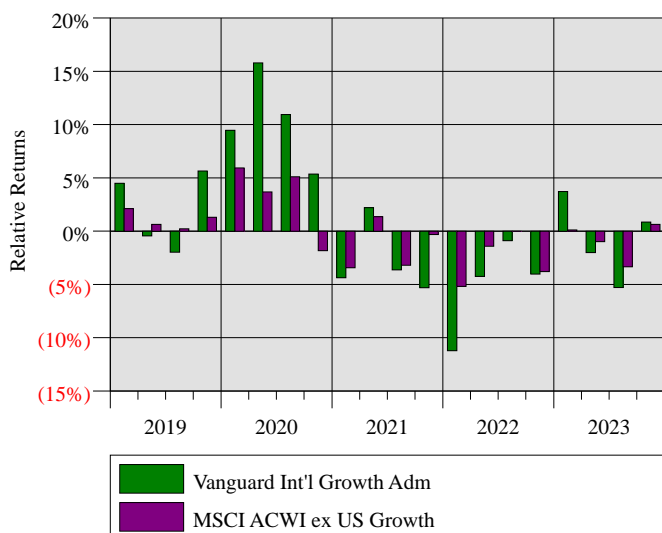
Vanguard Int'l Growth Adm (VWILX) Performance vs. Callan Intl Large Cap Growth MFs Periods ending: December 31, 2023



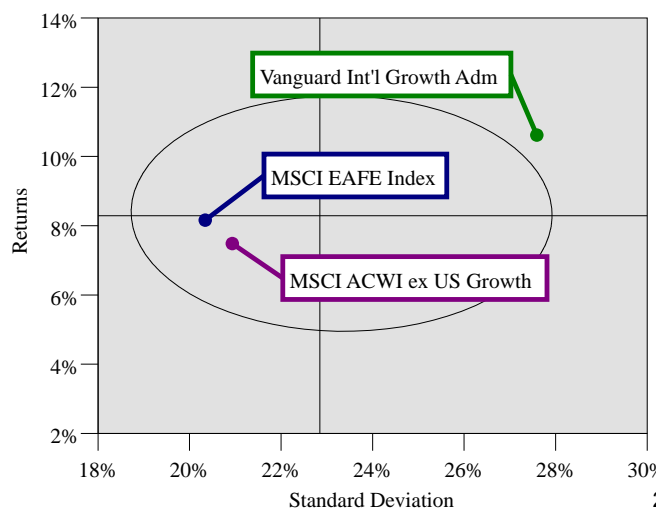
10th Percentile	15.25	21.04	2.66	11.60	7.13	7.77
25th Percentile	13.71	18.50	0.53	9.55	5.85	7.20
Median	12.12	15.85	(2.34)	8.29	4.79	6.47
75th Percentile	10.75	13.92	(4.78)	6.83	3.87	5.64
90th Percentile	9.83	10.09	(7.16)	5.75	3.51	4.36
Vanguard Int'l Growth Adm	11.37	14.81	(7.61)	10.62	7.09	8.20
MSCI EAFE Index	10.42	18.24	4.02	8.16	4.28	6.05
MSCI ACWI ex US Growth	11.12	14.03	(2.67)	7.49	4.55	6.51

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard Int'l Growth Adm	14.81	(30.79)	(0.74)	59.74	31.48	(12.58)	43.16	1.84	(0.54)	(5.51)
MSCI EAFE Index	18.24	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)
MSCI ACWI ex US Growth	14.03	(23.05)	5.09	22.20	27.34	(14.43)	32.01	0.12	(1.25)	(2.65)

Relative Returns vs. MSCI EAFE Index



Callan Intl Large Cap Growth MFs | 5 Years Ended 12/31/23

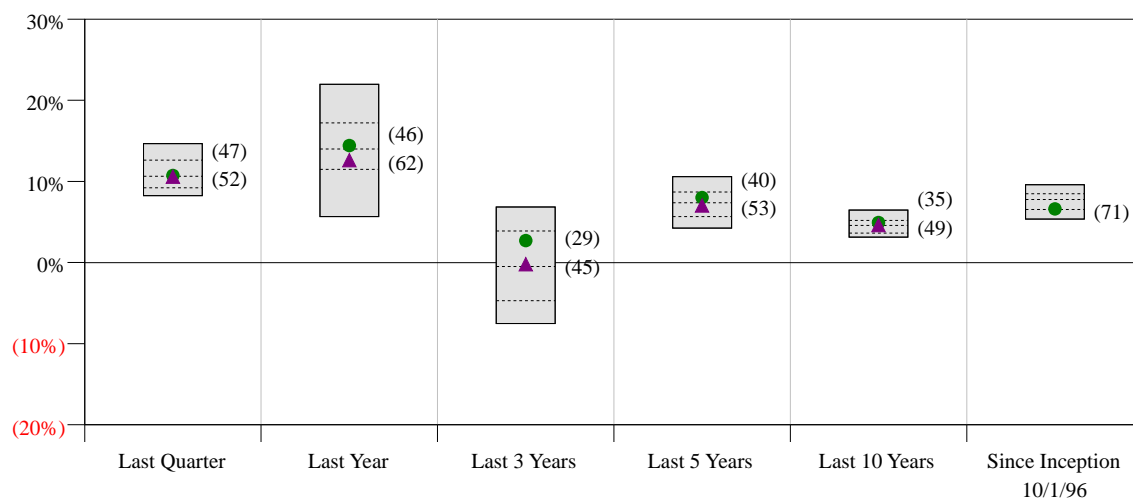


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

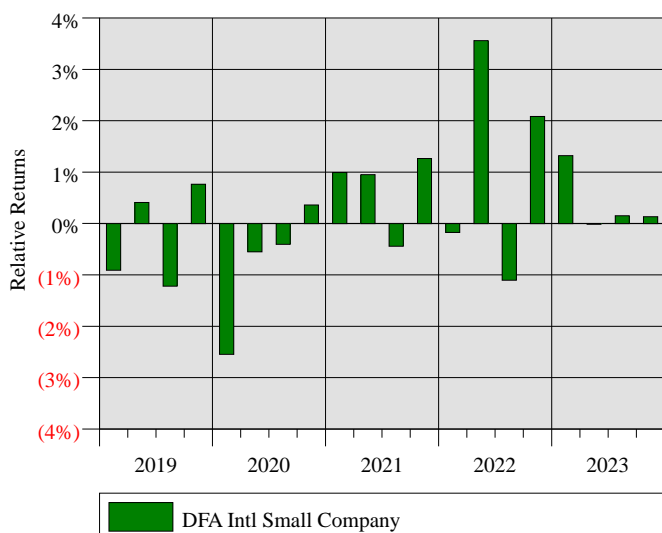
DFA Intl Small Company (DFISX) Performance vs. Callan International Small Cap Mut Funds Periods ending: December 31, 2023



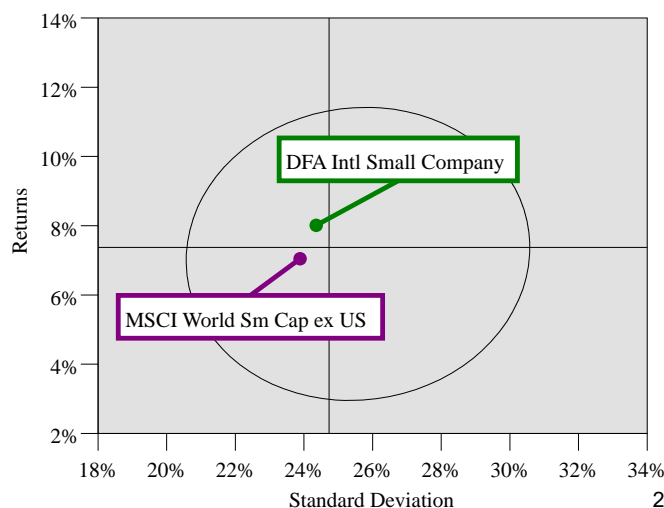
10th Percentile	14.68	21.99	6.86	10.61	6.49	9.60
25th Percentile	12.63	17.22	3.90	8.71	5.21	8.48
Median	10.66	14.02	(0.48)	7.38	4.57	7.79
75th Percentile	9.22	11.51	(4.68)	5.68	3.63	6.55
90th Percentile	8.27	5.67	(7.52)	4.25	3.15	5.37
DFA Intl Small Company	10.75	14.43	2.71	8.02	4.94	6.62
MSCI World Sm Cap ex US	10.60	12.62	(0.20)	7.05	4.63	--

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Intl Small Company	14.43	(17.12)	14.24	9.26	24.20	(19.42)	30.24	5.80	5.91	(6.30)
MSCI World Sm Cap ex US	12.62	(20.59)	11.14	12.78	25.41	(18.07)	31.04	4.32	5.46	(5.35)

Relative Returns vs. MSCI World Sm Cap ex US



Callan International Small Cap Mut Funds | 5 Years Ended 12/31/23

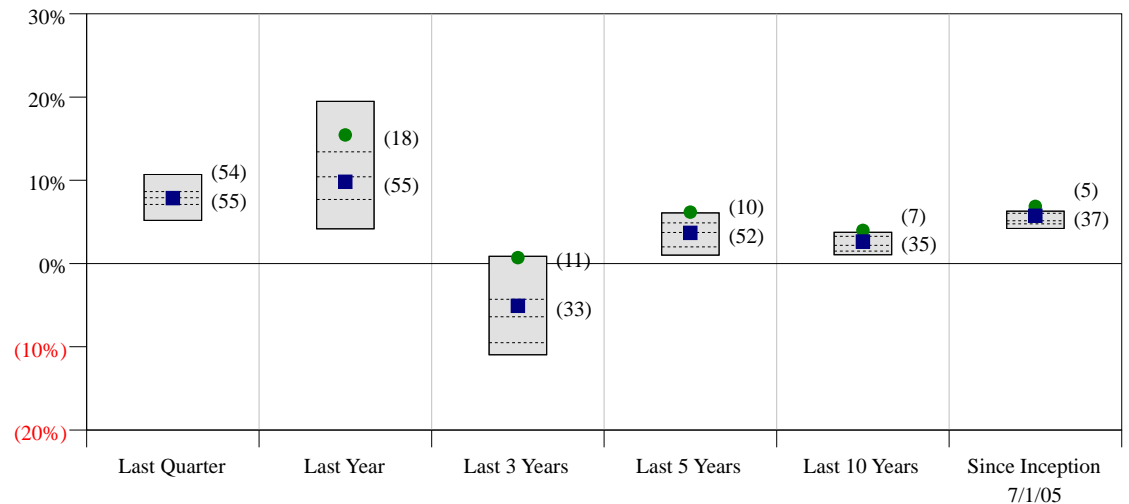


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

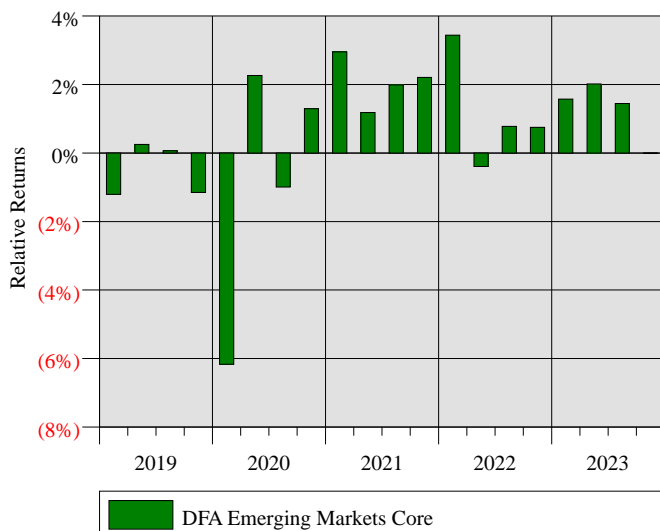
DFA Emerging Markets Core (DFCEX) Performance vs. Callan Emerging Markets Equity Mut Funds Periods ending: December 31, 2023



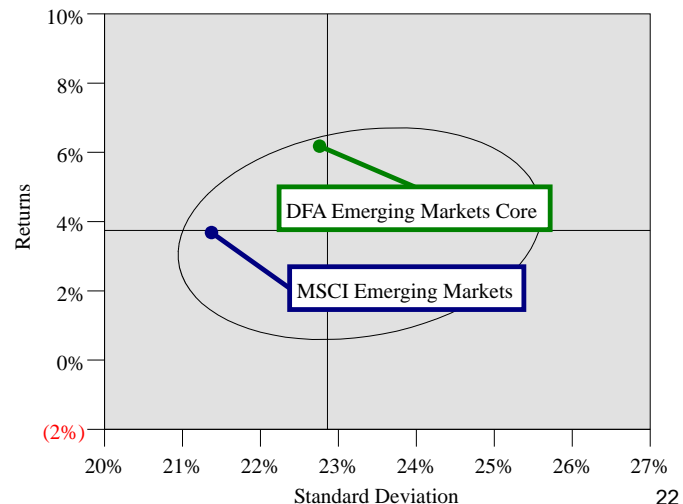
10th Percentile	10.70	19.51	0.89	6.08	3.77	6.29
25th Percentile	8.66	13.42	(4.28)	4.89	3.28	6.06
Median	7.92	10.44	(6.38)	3.75	2.21	5.16
75th Percentile	7.10	7.72	(9.49)	2.00	1.51	4.78
90th Percentile	5.20	4.17	(10.94)	1.02	1.07	4.23
DFA Emerging Markets Core	7.86	15.45	0.71	6.18	4.00	6.88
MSCI Emerging Markets	7.86	9.83	(5.08)	3.69	2.66	5.76

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Emerging Markets Core	15.45	(16.40)	5.83	13.86	16.04	(15.25)	36.55	12.35	(14.86)	(0.91)
MSCI Emerging Markets	9.83	(20.09)	(2.54)	18.31	18.44	(14.57)	37.28	11.19	(14.92)	(2.19)

Relative Returns vs. MSCI Emerging Markets



Callan Emerging Markets Equity Mut Funds | 5 Years Ended 12/31/23

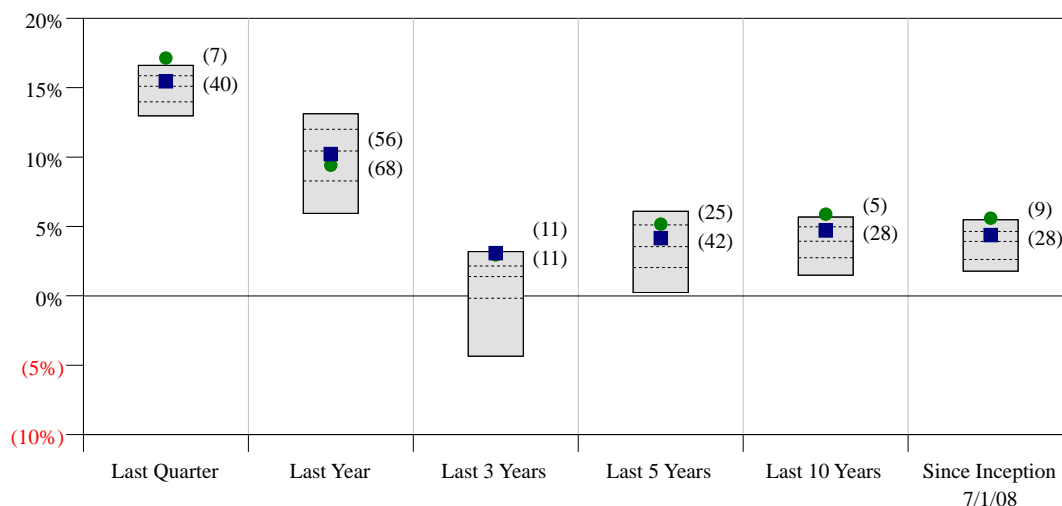


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

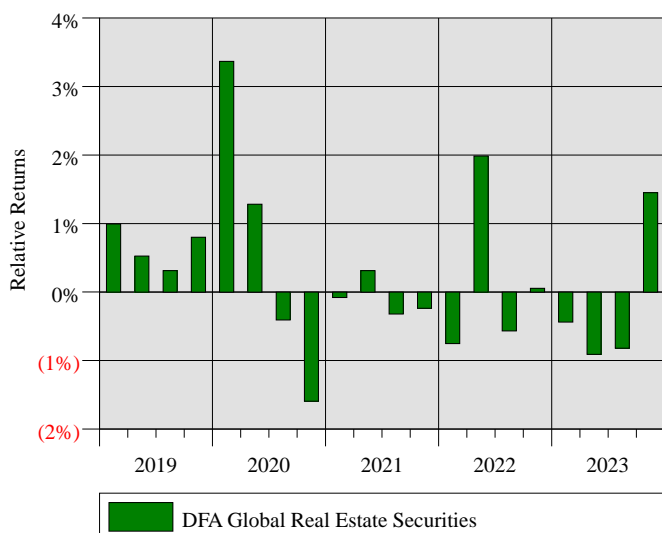
DFA Global Real Estate Securities (DFGEX) Performance vs. Morningstar Global Real Estate Funds Periods ending: December 31, 2023



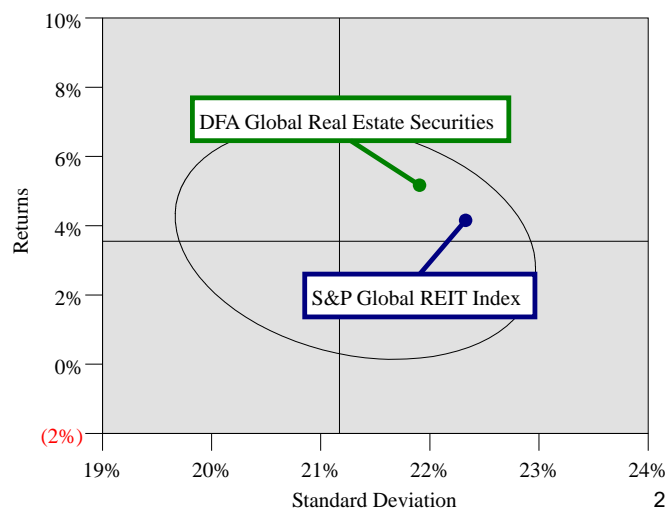
10th Percentile	16.61	13.13	3.20	6.09	5.69	5.49
25th Percentile	15.87	12.01	2.16	5.12	4.97	4.65
Median	15.11	10.45	1.39	3.55	3.94	3.93
75th Percentile	13.99	8.28	(0.17)	2.05	2.76	2.63
90th Percentile	12.98	5.95	(4.35)	0.24	1.49	1.79
DFA Global Real Estate Securities	17.14	9.42	2.96	5.17	5.90	5.60
S&P Global REIT Index	15.47	10.23	3.08	4.16	4.72	4.39

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Global Real Estate Securities	9.42	(23.83)	30.96	(6.72)	26.40	(4.15)	9.20	6.56	0.69	22.74
S&P Global REIT Index	10.23	(24.36)	31.38	(9.09)	23.12	(5.93)	7.41	5.77	(0.44)	21.54

Relative Returns vs. S&P Global REIT Index



Morningstar Global Real Estate Funds | 5 Years Ended 12/31/23

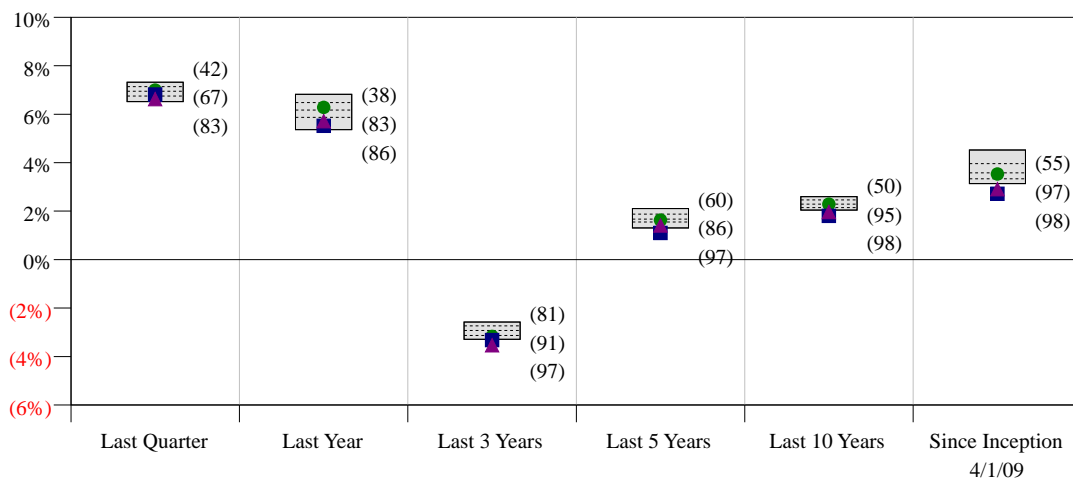


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

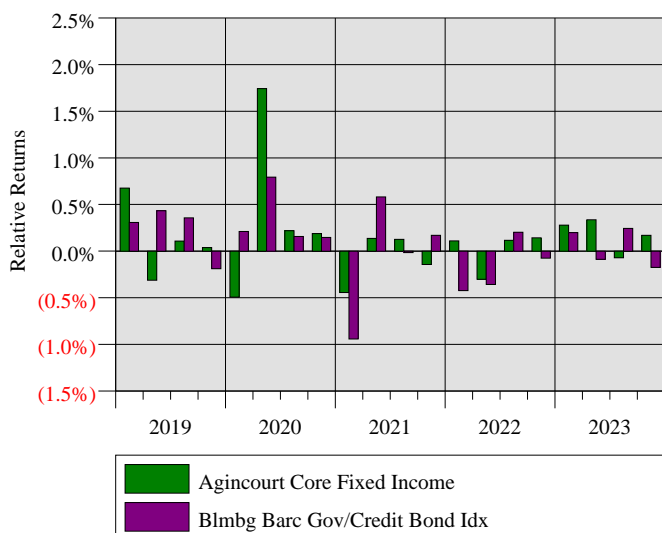
Agincourt Core Fixed Income Performance vs. Callan Core Bond Fixed Income Periods ending: December 31, 2023



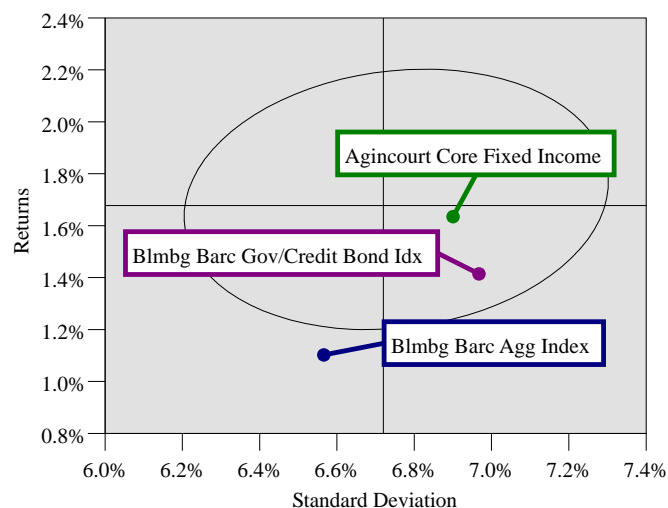
10th Percentile	7.32	6.83	(2.57)	2.11	2.61	4.53
25th Percentile	7.14	6.49	(2.73)	1.88	2.47	3.97
Median	6.95	6.17	(2.92)	1.68	2.30	3.59
75th Percentile	6.75	5.88	(3.12)	1.55	2.15	3.34
90th Percentile	6.52	5.36	(3.28)	1.31	2.05	3.14
Agincourt Core Fixed Income	7.00	6.29	(3.16)	1.64	2.29	3.54
Blmbg Barc Agg Index	6.82	5.53	(3.31)	1.10	1.81	2.72
Blmbg Barc Gov/Credit Bond Idx	6.63	5.72	(3.53)	1.41	1.97	2.91

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Agincourt Core Fixed Income	6.29	(12.95)	(1.86)	9.29	9.28	0.29	4.17	3.73	0.64	6.07
Blmbg Barc Agg Index	5.53	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97
Blmbg Barc Gov/Credit Bond Idx	5.72	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01

Relative Returns vs. Blmbg Barc Agg Index



Callan Core Bond Fixed Income | 5 Years Ended 12/31/23

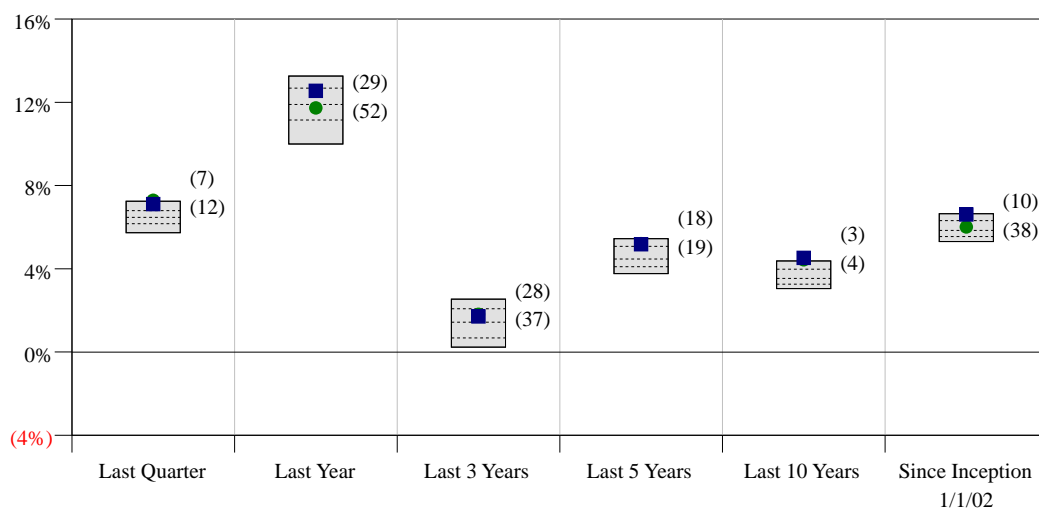


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

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



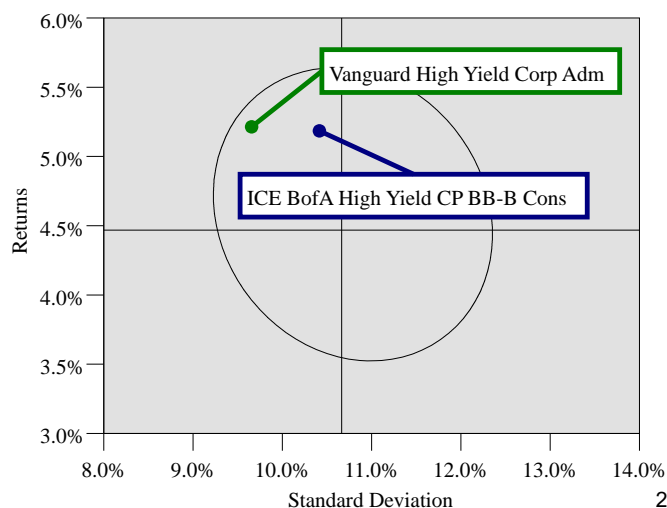
10th Percentile	7.25	13.27	2.55	5.45	4.38	6.65
25th Percentile	6.80	12.68	2.08	5.08	3.98	6.31
Median	6.47	11.90	1.44	4.47	3.54	5.84
75th Percentile	6.17	11.15	0.68	4.10	3.26	5.55
90th Percentile	5.73	10.00	0.24	3.77	3.06	5.31
Vanguard High Yield Corp Adm	7.30	11.74	1.82	5.21	4.43	6.02
ICE BofA High Yield CP BB-B Cons	7.12	12.55	1.72	5.19	4.53	6.61

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard High Yield Corp Adm	11.74	(8.97)	3.78	5.39	15.91	(2.87)	7.13	11.30	(1.30)	4.69
ICE BofA High Yield CP BB-B Cons	12.55	(10.59)	4.58	6.32	15.09	(2.04)	6.98	14.76	(2.82)	3.48

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



Callan High Yield Mutual Funds | 5 Years Ended 12/31/23

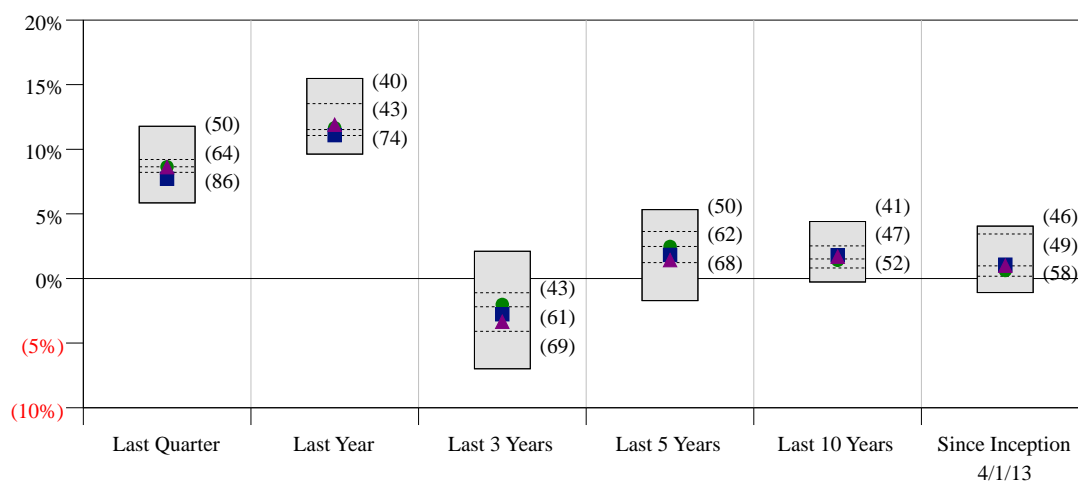


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

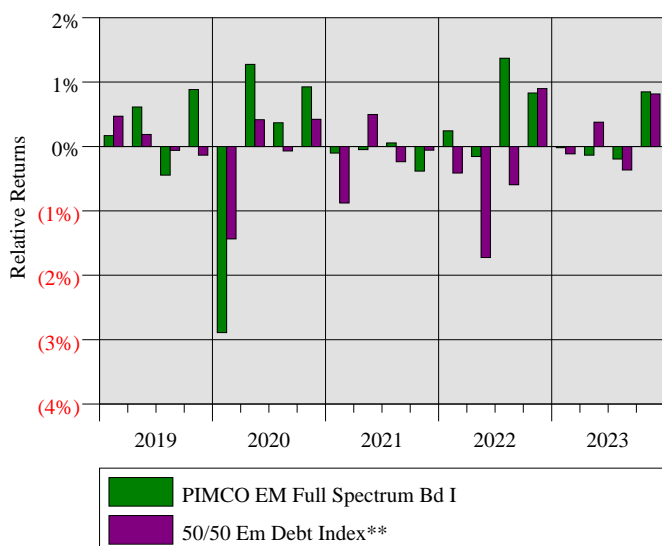
PIMCO EM Full Spectrum Bd I (PFSIX) Performance vs. Callan Emerging Mkts Debt Blend MFs Periods ending: December 31, 2023



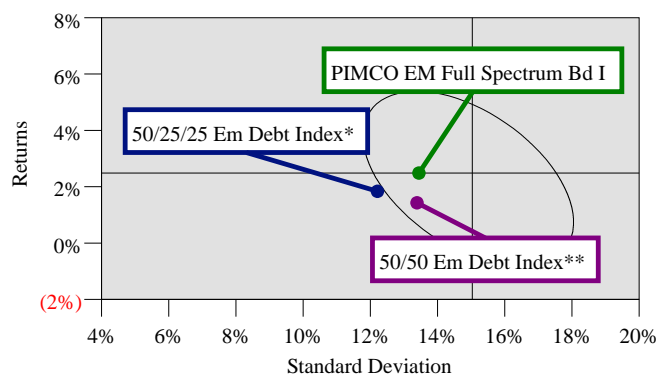
10th Percentile	11.79	15.49	2.11	5.35	4.42	4.06
25th Percentile	9.21	13.54	(1.09)	3.65	2.53	3.45
Median	8.65	11.54	(2.17)	2.49	1.53	0.98
75th Percentile	8.22	11.08	(4.08)	1.24	0.82	0.18
90th Percentile	5.85	9.63	(6.98)	(1.70)	(0.27)	(1.08)
PIMCO EM Full Spectrum Bd I	8.65	11.67	(2.00)	2.49	1.43	0.63
50/25/25 Em Debt Index*	7.74	11.11	(2.75)	1.84	1.81	1.08
50/50 Em Debt Index**	8.62	11.91	(3.34)	1.43	1.70	1.00

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
PIMCO EM Full Spectrum Bd I	11.67	(11.17)	(5.13)	4.31	15.16	(5.28)	12.30	12.01	(11.09)	(3.82)
50/25/25 Em Debt Index*	11.11	(13.17)	(4.67)	4.70	13.77	(4.56)	11.88	10.20	(7.07)	(0.15)
50/50 Em Debt Index**	11.91	(14.76)	(5.32)	4.00	14.30	(5.10)	12.72	10.10	(7.07)	0.72

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



Callan Emerging Mkts Debt Blend MFs | 5 Years Ended 12/31/23



* 50/25/25 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), 25% JPM EMBI Global Index (external sovereigns), and 25% JPM CEMBI Diversified Index (corporate bonds).
 ** 50/50 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), and 50% JPM EMBI Global Diversified Index (external bonds).
 Source: Callan. Past performance is not indicative of future results. See important disclosures.

Important Disclosure Information

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

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

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

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

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

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

Index Definitions:

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

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

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

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

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

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

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

ICE BofA Merrill Lynch U.S. High Yield, BB-B Rated, Constrained (High Yield Fixed Income): 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. 28



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

Market Overview

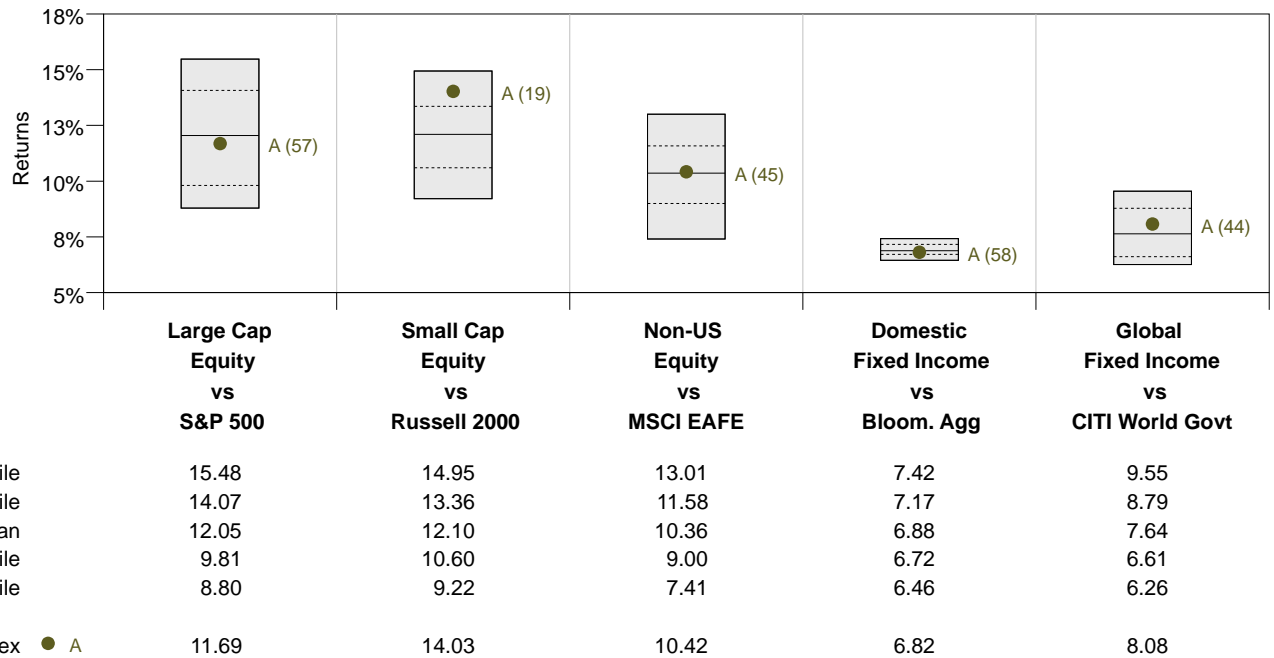
Active Management vs Index Returns

Market Overview

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

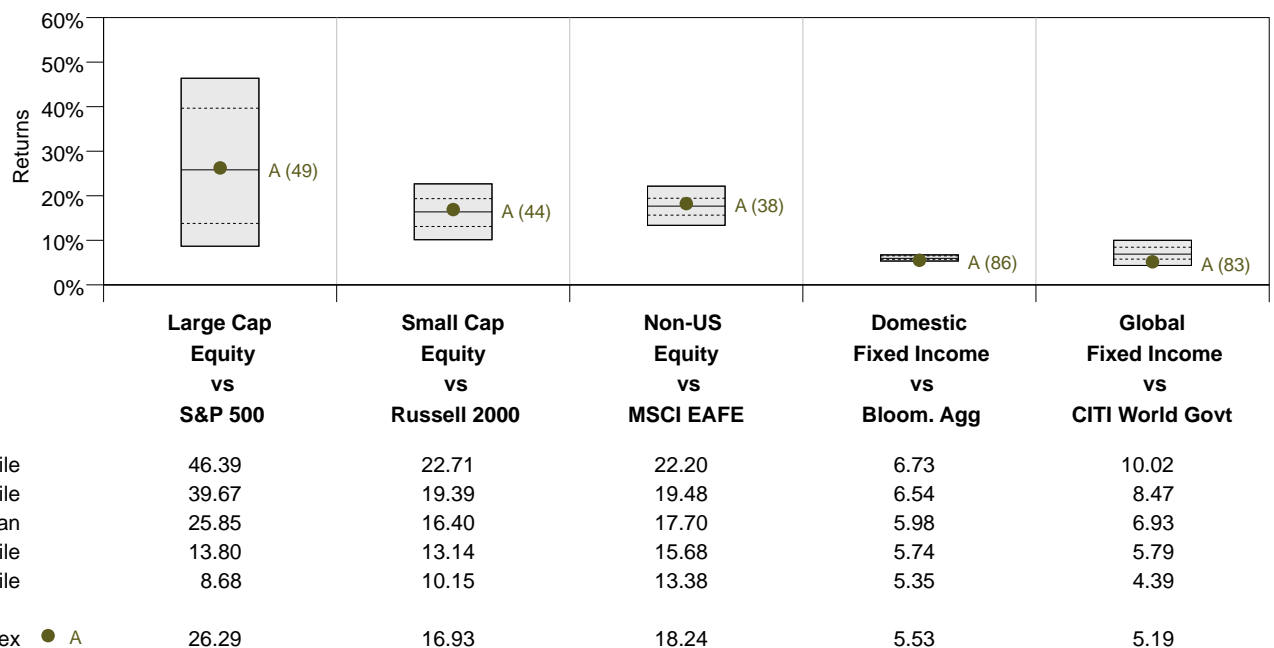
Range of Mutual Fund Returns by Asset Class

One Quarter ended December 31, 2023



Range of Mutual Fund Returns by Asset Class

One Year ended December 31, 2023



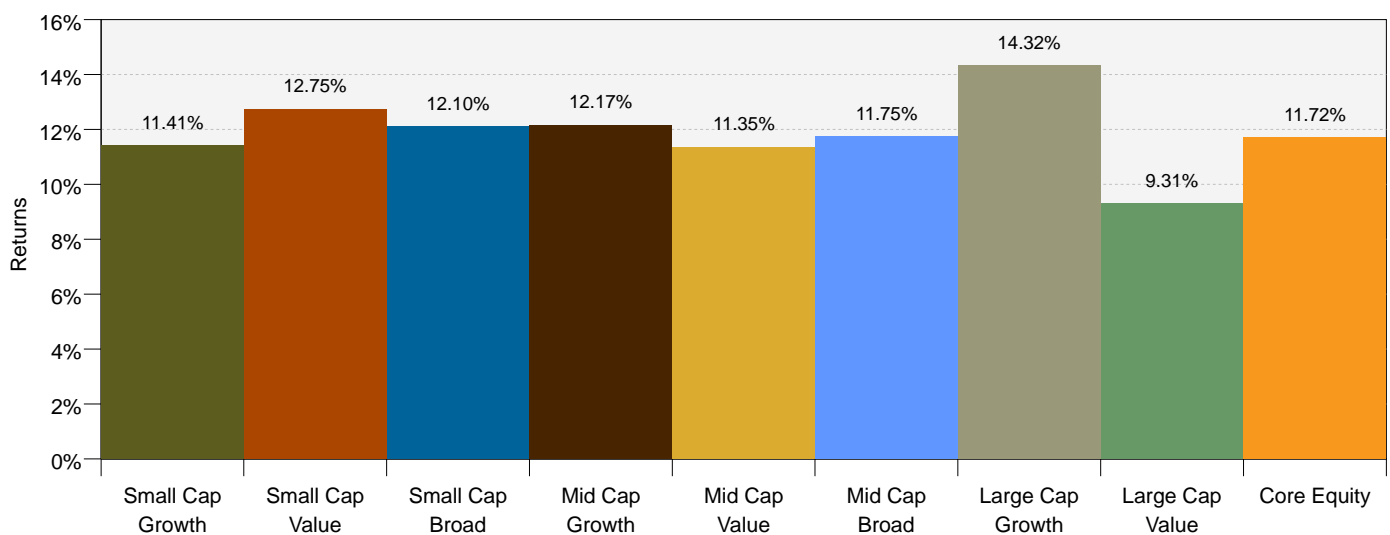
Domestic Equity

Active Management Overview

The S&P 500 Index approached a record high as the year closed. Of note, 2023 was the first year since 2012 that the S&P failed to reach a high-water mark. That said, the index was up an impressive 11.7% in 4Q and 26.3% for the year. The tech sector was the clear winner for the quarter and the year (+17.2%; +57.8%) while Energy (-6.9%; -1.3%) was the only sector to register both a 4Q and 2023 decline. Small caps (R2000: +14.0%; R1000: +12.0%) outperformed large caps for the quarter but lagged for the year (R2000: +16.9%; R1000: +26.5%). Growth outperformed value in 4Q (R1000 Growth: +14.2%; R1000 Value: +9.5%) and even more substantially for the year (R1000 Growth: +42.7%; R1000 Value: +11.5%). Index concentration continued to have a notable impact on returns in 4Q. The "Magnificent Seven," which comprise over 25% of the S&P 500, accounted for 76% of the 2023 return for the index. The index would have been up only about 10% for the year without these stocks, and the equal-weighted S&P 500 returned 11.9% in 4Q and 13.9% in 2023.

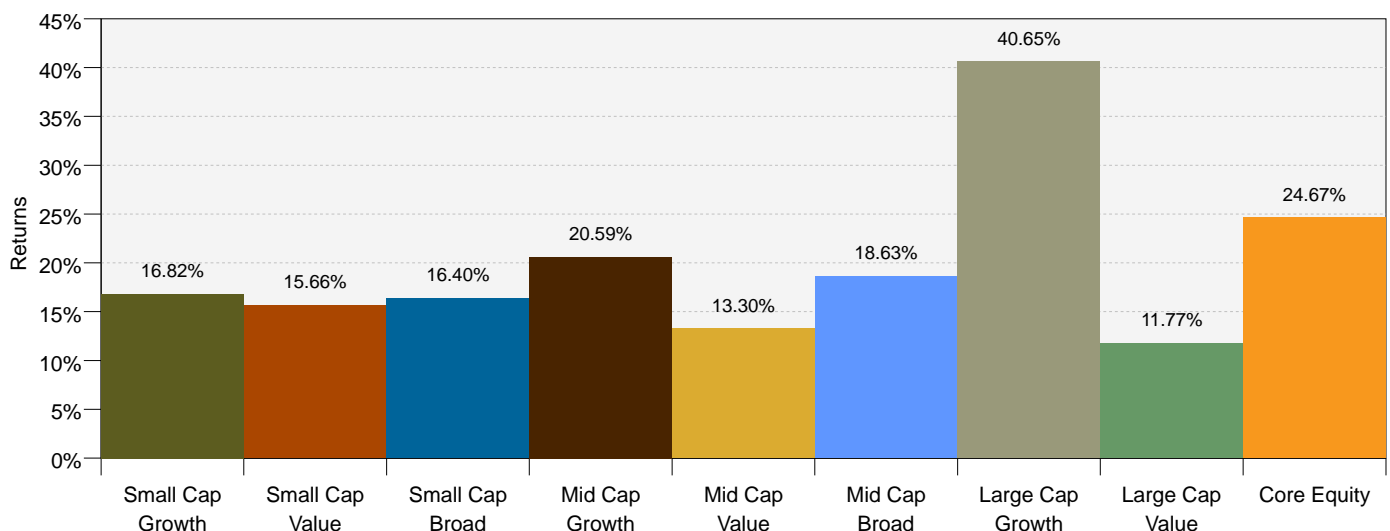
Mutual Fund Style Group Median Returns for Quarter ended December 31, 2023

S&P 500 Index	11.69%
S&P 500 Growth	10.09%
S&P 500 Value	13.63%
S&P 400 Mid Cap	11.67%
S&P 600 Small Cap	15.12%
S&P 600 Small Cap Growth Index	14.28%
S&P 600 Small Cap Value Index	15.84%



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

S&P 500 Index	26.29%
S&P 500 Growth	30.03%
S&P 500 Value	22.23%
S&P 400 Mid Cap	16.44%
S&P 600 Small Cap	16.05%
S&P 600 Small Cap Growth Index	17.10%
S&P 600 Small Cap Value Index	14.89%



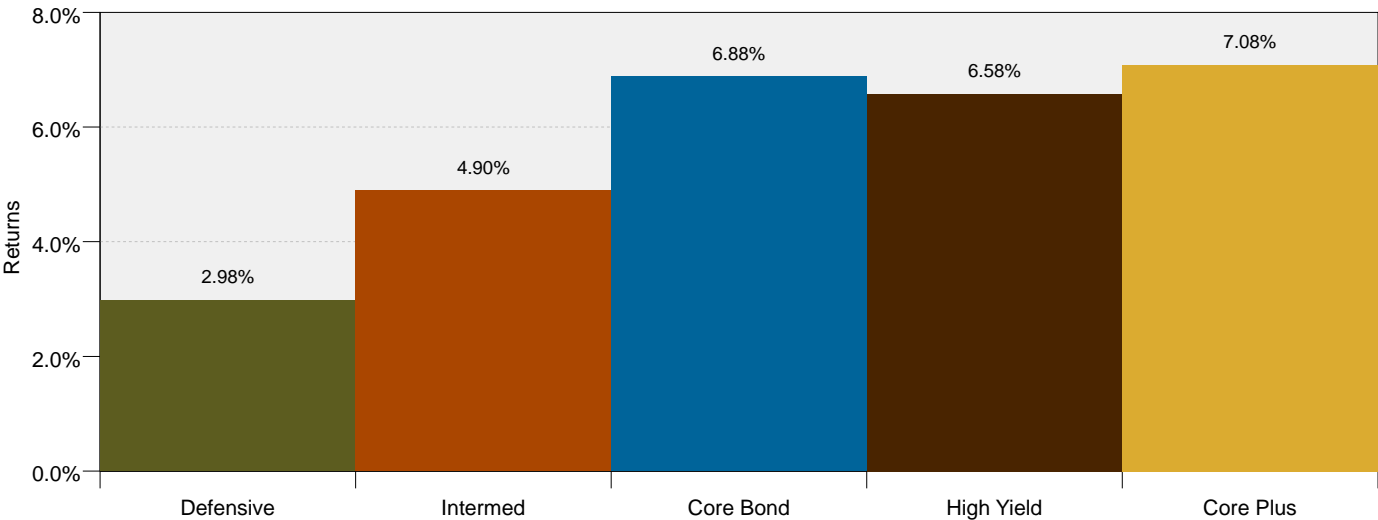
Domestic Fixed Income

Active Management Overview

The 10-year U.S. Treasury yield was volatile in 2023. It began the year at 3.88%; the same place it closed at the end of 2022. During 2023, it hit an April low of 3.31% post the regional banking "crisis" and a high in October of 4.99%. Falling rates in November and December drove returns for the Bloomberg US Aggregate to a lofty +6.8% in 4Q and a solid +5.5% for the year. Corporate credit strongly outperformed U.S. Treasuries in 4Q (excess returns of 203 bps) and for the year (455 bps). High yield (Bloomberg US High Yield Corporate Index) climbed 7.2% for the quarter and was up an equity-like 13.4% for the year. Credit spreads for investment grade and high yield corporates ended the year below 10-year averages.

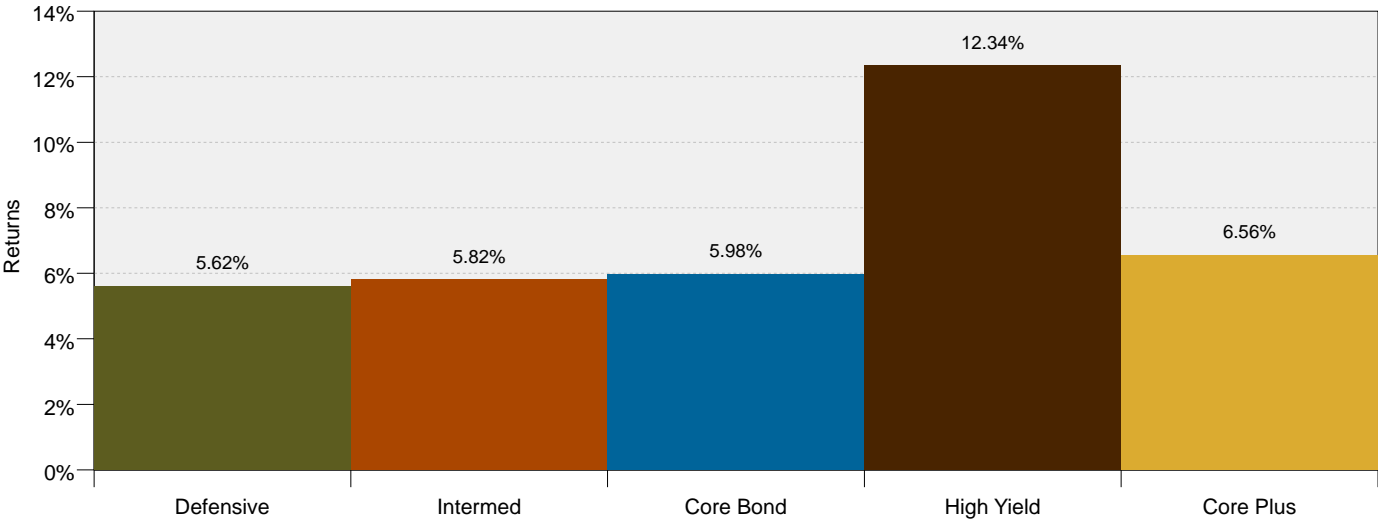
Mutual Fund Style Group Median Returns
for Quarter ended December 31, 2023

Bloomberg:US Universal	6.83%
Bloomberg:Aggregate	6.82%
Bloomberg:High Yield	7.16%



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

Bloomberg:US Universal	6.17%
Bloomberg:Aggregate	5.53%
Bloomberg:High Yield	13.44%



International Equity

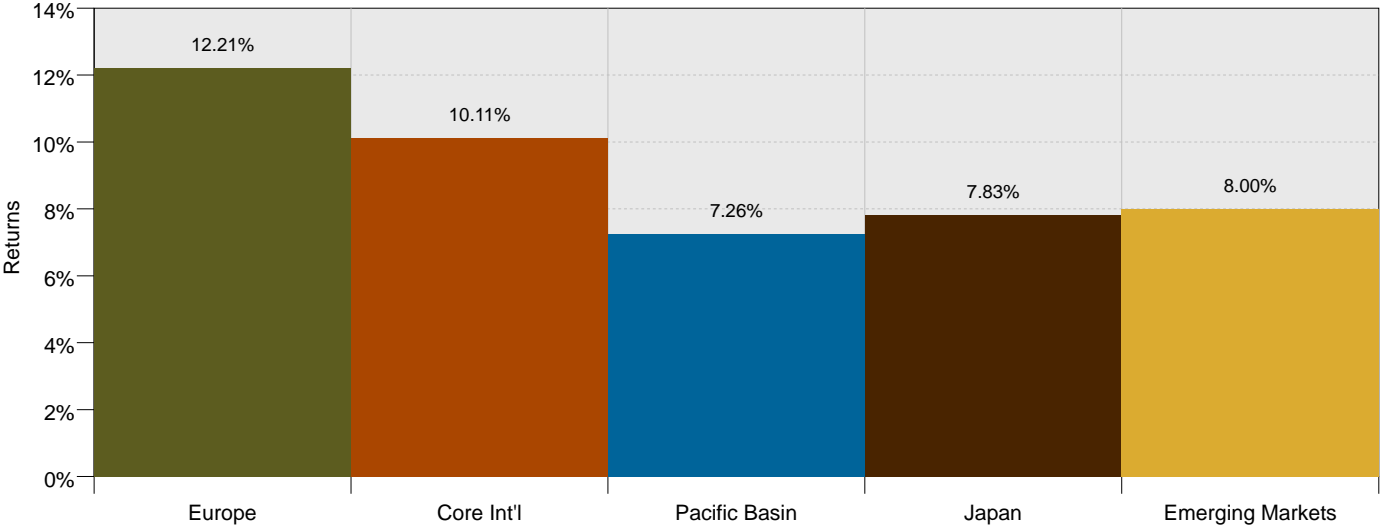
Active Management Overview

Global ex-U.S. equities (MSCI ACWI ex USA: +9.8%) performed well in 4Q and for the year (+15.6%) but lagged the U.S. Weakness in the U.S. dollar helped 4Q returns across developed markets (MSCI EAFE: +10.4%; MSCI EAFE Local: +5.0%). As in the U.S., growth outperformed value in the quarter (MSCI ACWI ex USA Growth: +11.1%; MSCI ACWI ex USA Value: +8.4%). However, value outperformed growth for the full year (MSCI ACWI ex USA Growth: +14.0%; MSCI ACWI ex USA Value: +17.3%). Mirroring the U.S., Technology was the strongest sector for both the quarter and the year (MSCI ACWI ex USA Information Technology: +20.0%; +36.3%).

Mutual Fund Style Group Median Returns

for Quarter Ended December 31, 2023

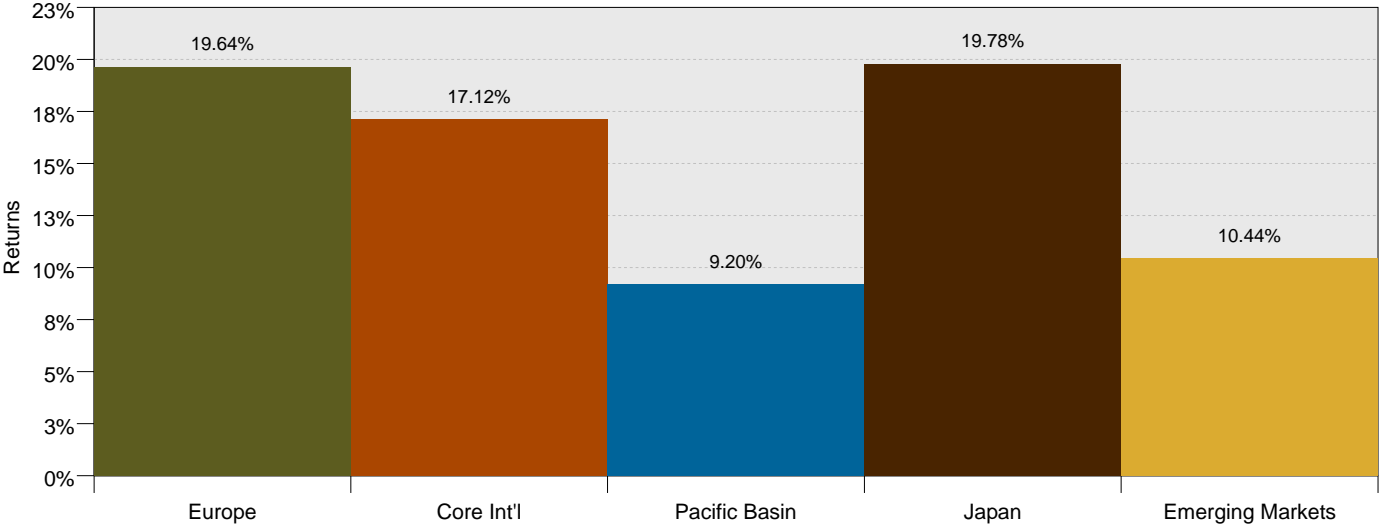
MSCI ACWI - Gross	11.15%
MSCI All Cntry World ExUS	9.82%
MSCI EAFE Index	10.42%
MSCI Europe	11.05%
MSCI Pacific	9.25%
MSCI Emerging Markets	7.93%



Mutual Fund Style Group Median Returns

for Year Ended December 31, 2023

MSCI ACWI - Gross	22.81%
MSCI All Cntry World ExUS	16.21%
MSCI EAFE Index	18.24%
MSCI Europe	19.89%
MSCI Pacific	15.27%
MSCI Emerging Markets	10.27%



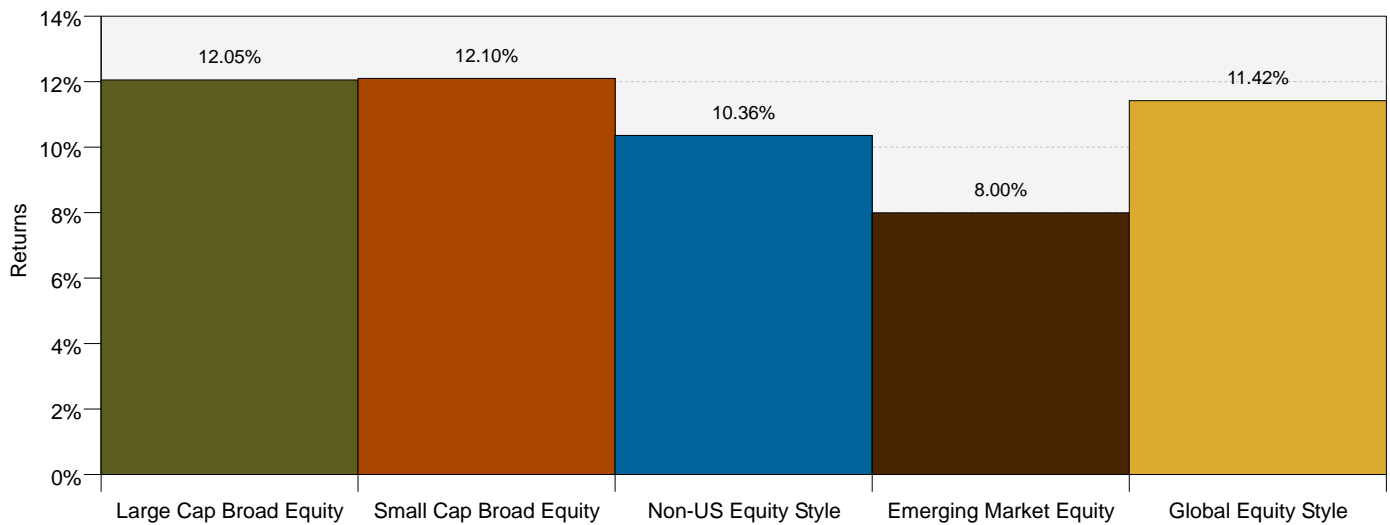
Capital Growth

Active Management Overview

U.S. stocks (S&P 500 Index) approached a record high as the year closed. Of note, 2023 was the first year since 2012 that the S&P failed to reach a high-water mark. That said, the index was up an impressive 11.7% in 4Q and 26.3% for the year. The tech sector was the clear winner for the quarter and the year (+17.2%; +57.8%) while Energy (-6.9%; -1.3%) was the only sector to register both a 4Q and 2023 decline. Small caps (R2000: +14.0%; R1000: +12.0%) outperformed large caps for the quarter but lagged for the year (R2000: +16.9%; R1000: +26.5%). Growth outperformed value in 4Q (R1000 Growth: +14.2%; R1000 Value: +9.5%) and even more substantially for the year (R1000 Growth: +42.7%; R1000 Value: +11.5%). Global ex-U.S. equities (MSCI ACWI ex USA: +9.8%) performed well in 4Q and for the year (+15.6%) but lagged the U.S. Weakness in the U.S. dollar helped 4Q returns across developed markets (MSCI EAFE: +10.4%; MSCI EAFE Local: +5.0%). As in the U.S., growth outperformed value in the quarter (MSCI ACWI ex USA Growth: +11.1%; MSCI ACWI ex USA Value: +8.4%). However, value outperformed growth for the full year (MSCI ACWI ex USA Growth: +14.0%; MSCI ACWI ex USA Value: +17.3%). Mirroring the U.S., Technology was the strongest sector for both the quarter and the year (MSCI ACWI ex USA Information Technology: +20.0%; +36.3%).

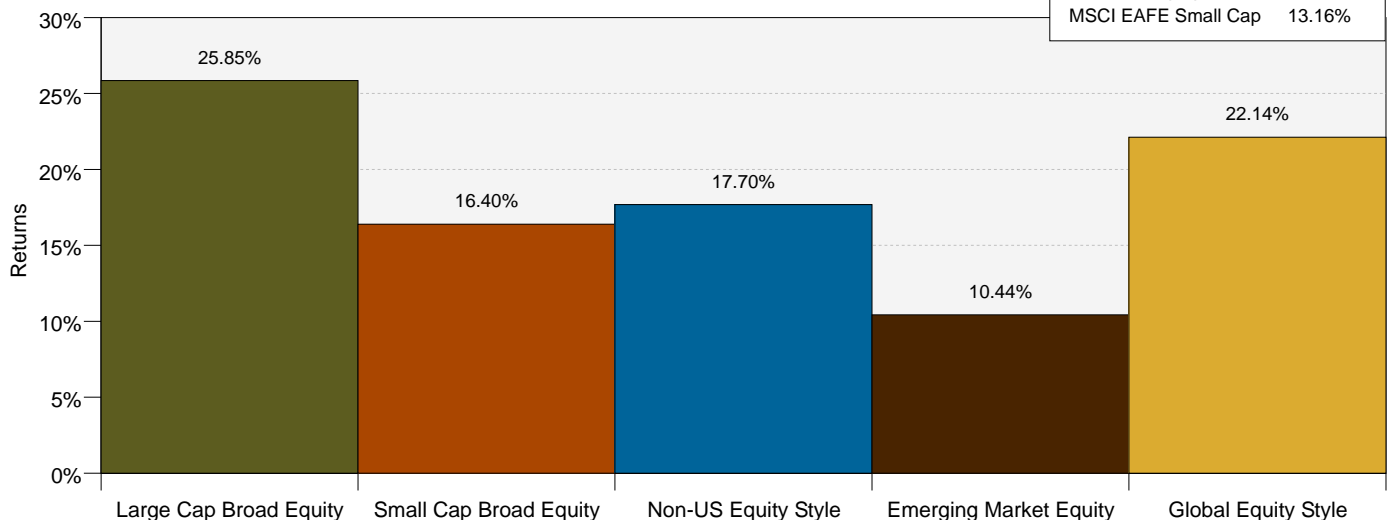
Mutual Fund Style Group Median Returns for Quarter ended December 31, 2023

S&P 500 Index	11.69%
Russell 3000 Index	12.07%
Russell 2000 Index	14.03%
MSCI ACWI	11.03%
MSCI EAFE Index	10.42%
MSCI Emerging Markets	7.86%
MSCI EAFE Small Cap	11.14%



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

S&P 500 Index	26.29%
Russell 3000 Index	25.96%
Russell 2000 Index	16.93%
MSCI ACWI	22.20%
MSCI EAFE Index	18.24%
MSCI Emerging Markets	9.83%
MSCI EAFE Small Cap	13.16%



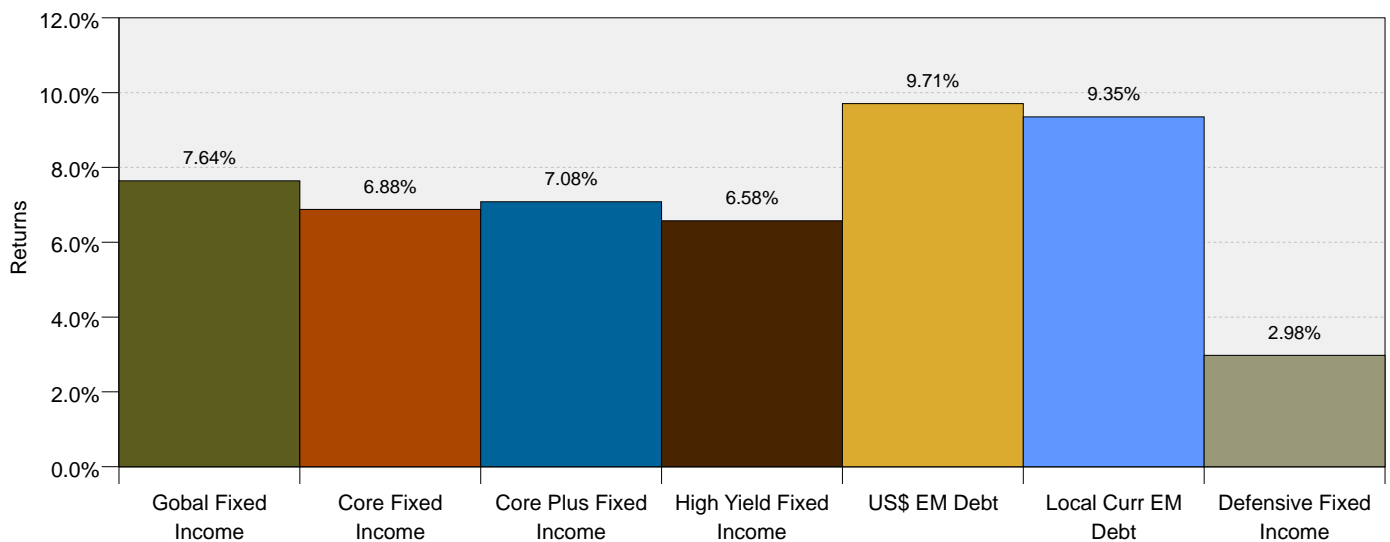
Income

Active Management Overview

Rates fell in the final quarter of the year and the Bloomberg Global Aggregate posted its best results in more than two decades as central banks shifted away from rate hikes and inflation moderated. The index was up 8.1% (6.0% hedged) for the quarter and 5.7% (7.1% hedged) for the year. The US dollar weakened versus most currencies during the quarter but results were mixed for the year. Gains (hedged and unhedged) for the quarter and the year were broad-based across developed markets with no country posting a negative return. Emerging market debt indices posted solid returns in 4Q. The hard currency JPM EMBI Global Diversified gained 9.2% and the local currency-denominated JPM GBI-EM Global Diversified returned 8.1%.

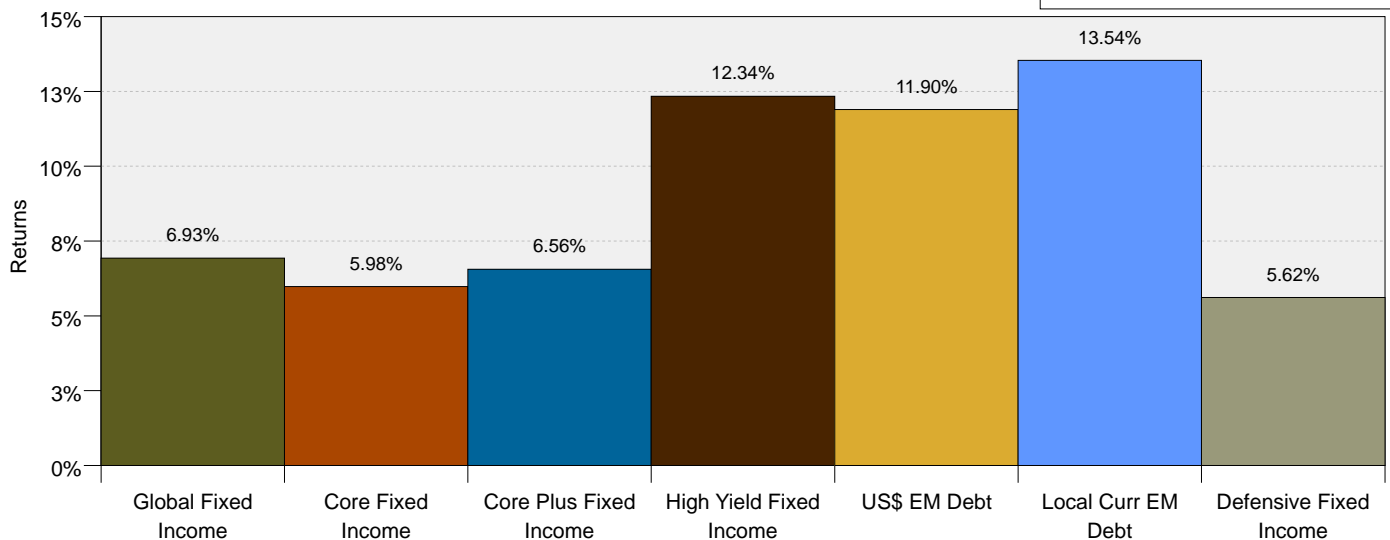
Mutual Fund Style Group Median Returns for Quarter ended December 31, 2023

Blmbg Barc Agg Index	6.82%
Blmbg Barc High Yield Corp	7.16%
Blmbg Barc Global Agg Hedged	5.99%
JPM EMBI Global Dvsfd	9.16%
JPM GBI GI Divers USD Unh	8.07%
Blmbg Barc Global Aggregate Index	8.10%



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

Blmbg Barc Agg Index	5.53%
Blmbg Barc High Yield Corp	13.44%
Blmbg Barc Global Agg Hedged	7.15%
JPM EMBI Global Dvsfd	11.09%
JPM GBI GI Divers USD Unh	12.70%
Blmbg Barc Global Aggregate Index	5.72%



Portfolio Holdings

Description	Symbol	Value	Weight
EQUITY			
Large Cap U.S. Equity			
DFA US Large Cap Value I	DFLVX	\$598,591	5.7%
Vanguard 500 Index Admiral	VFIAX	\$2,403,008	23.0%
Large Cap U.S. Equity Total		\$3,001,600	28.7%
Small Cap U.S. Equity			
Avantis US Small Cap Value Fund I	AVUVX	\$636,128	6.1%
Vanguard Small Cap Growth Index Admiral	VSGAX	\$382,962	3.7%
Small Cap U.S. Equity Total		\$1,019,090	9.8%
International Equity			
DFA International Small Company I	DFISX	\$533,111	5.1%
DFA International Value I	DFIVX	\$971,714	9.3%
Vanguard International Growth Adm	VWILX	\$495,600	4.7%
International Equity Total		\$2,000,425	19.1%
Emerging Markets Equity			
DFA Emerging Markets Core Equity I	DFCEX	\$676,660	6.5%
Emerging Markets Equity Total		\$676,660	6.5%
Real Estate			
DFA Global Real Estate Securities Port	DFGEX	\$679,151	6.5%
Real Estate Total		\$679,151	6.5%
EQUITY Total		\$7,376,925	70.6%
FIXED INCOME			
Core Fixed Income			
Dodge & Cox Income	DODIX	\$1,006,993	9.6%
PIMCO Total Return Instl	PTTRX	\$980,490	9.4%
Accrued Income		\$3,093	
Core Fixed Income Total		\$1,990,577	19.1%
FIXED INCOME Total		\$1,990,577	19.1%
DIVERSIFIED FIXED INCOME			
High Yield Fixed Income			
Vanguard High-Yield Corporate Adm	VWEAX	\$543,615	5.2%
Accrued Income		\$2,733	
High Yield Fixed Income Total		\$546,348	5.2%

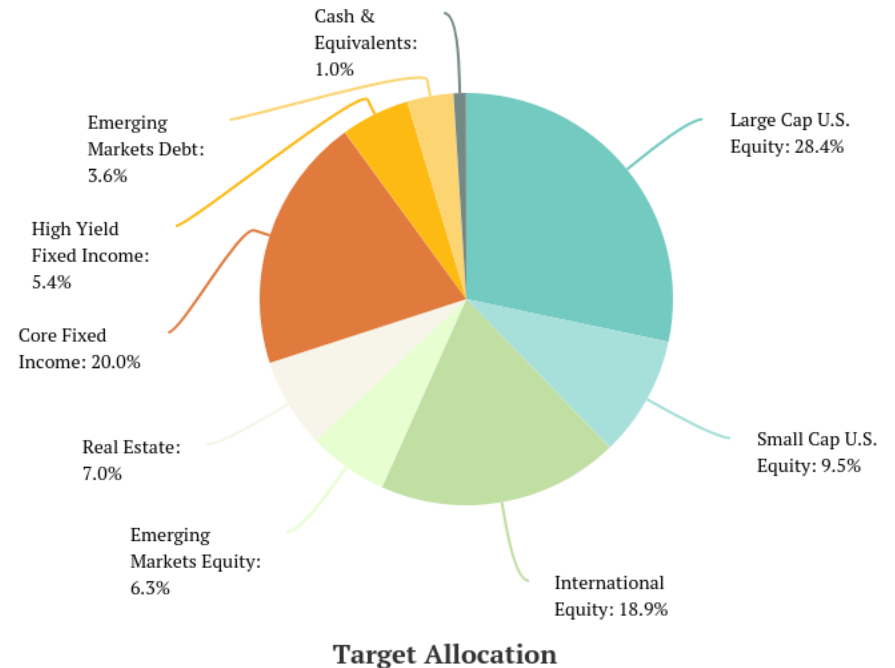
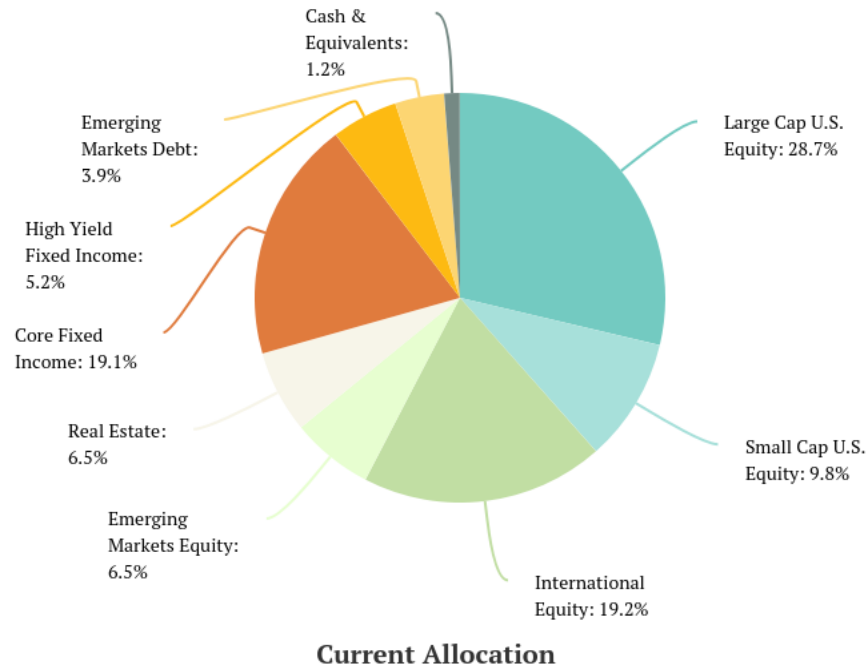
Portfolio Holdings

Description	Symbol	Value	Weight
DIVERSIFIED FIXED INCOME			
Emerging Markets Debt			
PIMCO Emerg Mkts Full Spectrum Bd Instl	PFSIX	\$402,859	3.9%
Accrued Income		\$1,881	
Emerging Markets Debt Total		\$404,740	3.9%
DIVERSIFIED FIXED INCOME Total		\$951,088	9.1%
CASH AND EQUIVALENTS			
Cash & Equivalents			
Cash	CASH	\$128,469	1.2%
Cash & Equivalents Total		\$128,469	1.2%
CASH AND EQUIVALENTS Total		\$128,469	1.2%
Total		\$10,447,060	100.0%

Portfolio Activity Summary

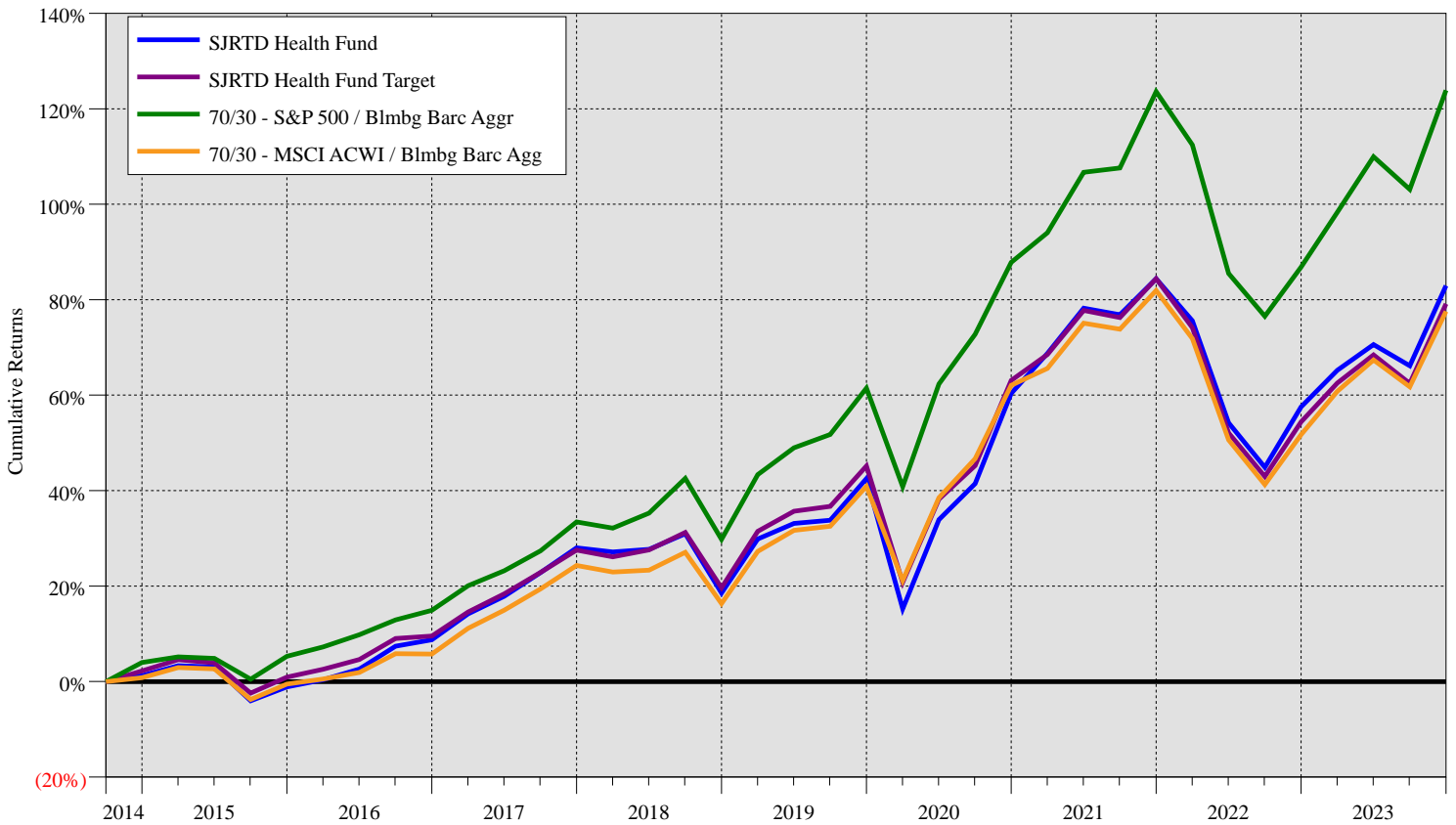
	Quarter to Date	Year to Date	Inception to Date (7/13/2014)
Beginning Value	\$9,611,370	\$9,493,744	\$1,172
Net Contribution	(\$117,891)	(\$504,759)	\$6,890,156
Capital Appreciation	\$829,793	\$1,159,863	\$1,549,730
Dividend Income	\$149,261	\$314,603	\$2,123,914
Interest Income	\$1,193	\$4,500	\$13,283
Management Fees	(\$5,282)	(\$21,417)	(\$137,731)
Other Expenses	\$0	\$0	\$0
Change in Accrued	(\$21,385)	\$526	\$6,535
Ending Value	\$10,447,060	\$10,447,060	\$10,447,060
Investment Gain	\$953,581	\$1,458,075	\$3,555,731

Actual vs. Target Asset Allocation

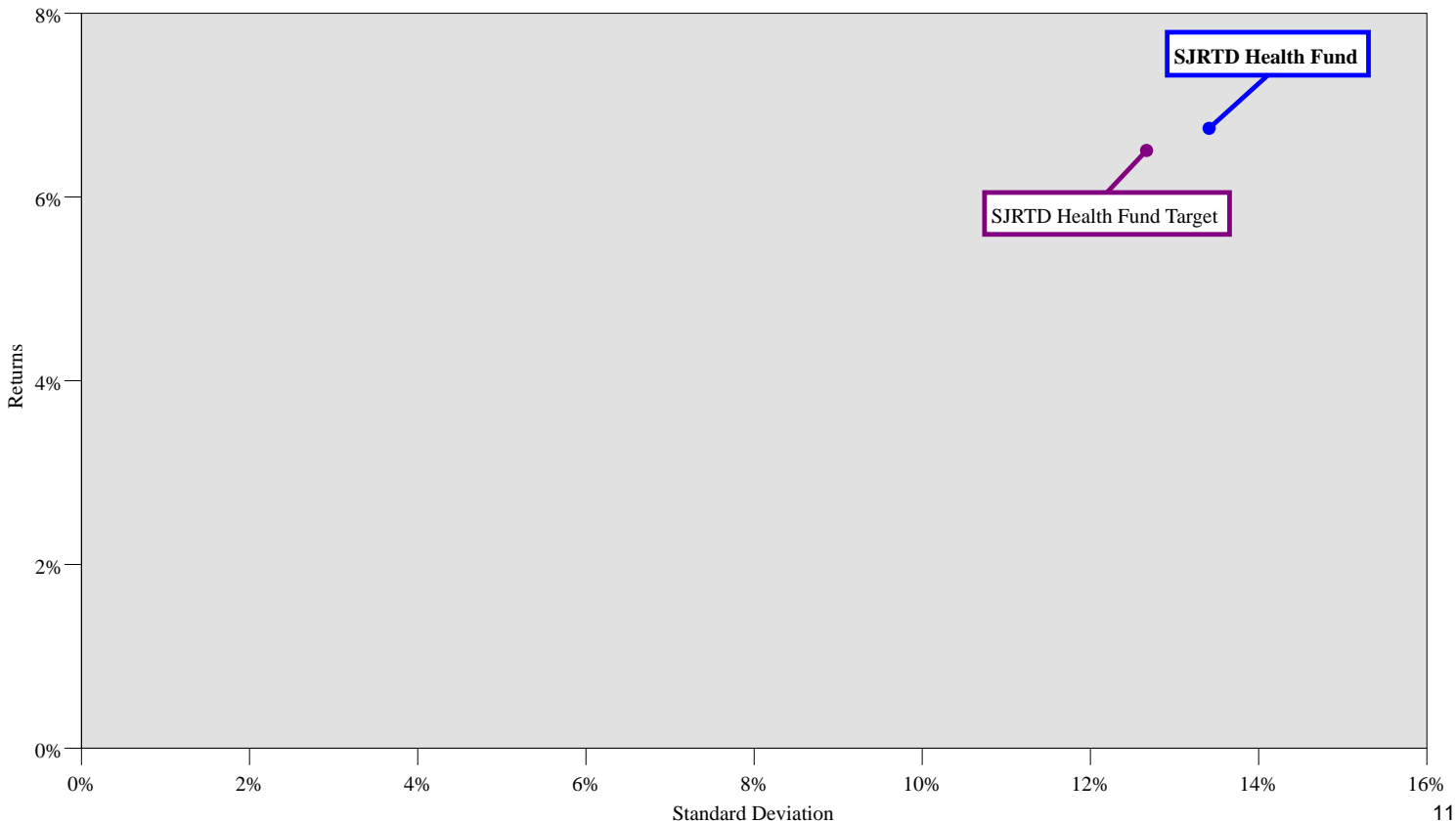


Sector	Current Value	Current Percent	Target Allocation Value	Target Allocation Percent	Dollar Variance	Percent Variance
Large Cap U.S. Equity	\$3,001,600	28.7%	\$2,961,741	28.4%	\$39,858	0.4%
Small Cap U.S. Equity	\$1,019,090	9.8%	\$987,247	9.5%	\$31,843	0.3%
International Equity	\$2,000,425	19.1%	\$1,974,494	18.9%	\$25,930	0.2%
Emerging Markets Equity	\$676,660	6.5%	\$658,165	6.3%	\$18,495	0.2%
Real Estate	\$679,151	6.5%	\$731,294	7.0%	(\$52,143)	(0.5%)
Core Fixed Income	\$1,990,577	19.1%	\$2,089,412	20.0%	(\$98,835)	(0.9%)
High Yield Fixed Income	\$546,348	5.2%	\$564,141	5.4%	(\$17,793)	(0.2%)
Emerging Markets Debt	\$404,740	3.9%	\$376,094	3.6%	\$28,646	0.3%
Cash & Equivalents	\$128,469	1.2%	\$104,471	1.0%	\$23,999	0.2%
Total	\$10,447,060	100.0%	\$10,447,060	100.0%		

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



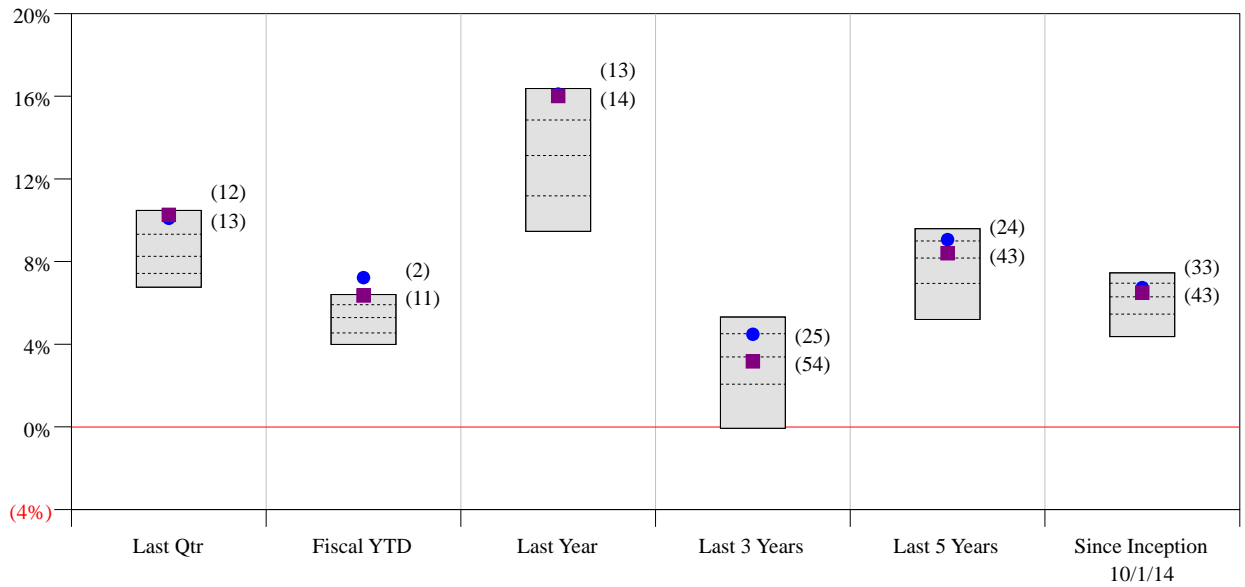
Risk vs Return | SJRTD Health Fund vs. Targets
Beginning October 1, 2014 | Ending December 31, 2023



Standard Deviation

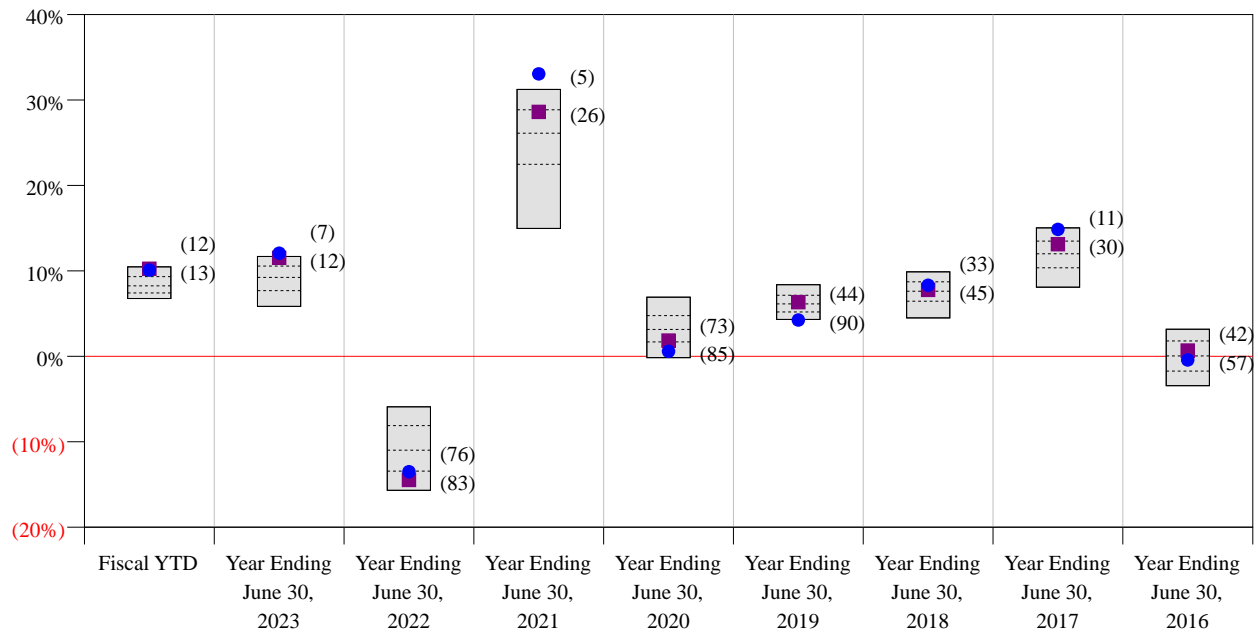
Source: Callan. Past performance is not indicative of future results. See important disclosures.

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



		Last Qtr	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Since Inception 10/1/14
10th Percentile		10.48	6.41	16.38	5.33	9.60	7.46
25th Percentile		9.33	5.92	14.86	4.52	9.00	6.96
Median		8.26	5.29	13.14	3.40	8.17	6.30
75th Percentile		7.43	4.55	11.19	2.07	6.95	5.46
90th Percentile		6.77	3.99	9.46	(0.06)	5.20	4.37
SJRTD Health Fund	●	10.10	7.23	16.11	4.49	9.07	6.75
SJRTD Health Fund Target	■	10.26	6.36	16.02	3.18	8.41	6.51

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



		Fiscal YTD	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		10.48	11.70	(5.90)	31.25	6.92	8.39	9.90	15.04	3.19
25th Percentile		9.33	10.56	(8.09)	28.85	4.78	7.16	8.74	13.50	1.81
Median		8.26	9.26	(10.97)	26.12	3.15	6.15	7.63	12.02	0.07
75th Percentile		7.43	7.69	(13.43)	22.48	1.70	5.21	6.45	10.37	(1.72)
90th Percentile		6.77	5.85	(15.68)	14.98	(0.14)	4.32	4.51	8.09	(3.43)
SJRTD Health Fund	●	10.10	12.08	(13.49)	33.07	0.60	4.25	8.33	14.87	(0.41)
SJRTD Health Fund Target	■	10.26	11.54	(14.45)	28.62	1.86	6.36	7.78	13.14	0.69

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

Returns for Periods Ended December 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 9 1/4 Years
Large Cap Equity						
Vanguard 500 Index Adm	11.68	8.02	26.24	9.96	15.65	12.06
DFA US Large Cap Value	9.07	7.54	11.47	10.39	10.90	8.22
<i>S&P 500 Index</i>	<i>11.69</i>	<i>8.04</i>	<i>26.29</i>	<i>10.00</i>	<i>15.69</i>	<i>12.09</i>
<i>Russell 1000 Value</i>	<i>9.50</i>	<i>6.03</i>	<i>11.46</i>	<i>8.86</i>	<i>10.91</i>	<i>8.20</i>
<i>Russell 1000 Growth</i>	<i>14.16</i>	<i>10.59</i>	<i>42.68</i>	<i>8.86</i>	<i>19.50</i>	<i>15.21</i>
Small Cap Equity						
Avantis US Small Cap Value	15.18	16.31	22.97	17.99	--	--
Vanguard Small Cap Gr Idx Adm*	13.12	5.67	21.41	(2.78)	10.54	8.71
<i>Russell 2000 Index</i>	<i>14.03</i>	<i>8.18</i>	<i>16.93</i>	<i>2.22</i>	<i>9.97</i>	<i>8.28</i>
<i>Russell 2000 Value</i>	<i>15.26</i>	<i>11.85</i>	<i>14.65</i>	<i>7.94</i>	<i>10.00</i>	<i>7.89</i>
<i>Russell 2000 Growth</i>	<i>12.75</i>	<i>4.50</i>	<i>18.66</i>	<i>(3.50)</i>	<i>9.22</i>	<i>8.24</i>
<i>CRSP US Sm Cap Growth</i>	<i>13.12</i>	<i>5.62</i>	<i>21.28</i>	<i>(2.83)</i>	<i>10.51</i>	<i>8.67</i>
International Equity						
DFA International Value	6.49	6.73	17.79	10.51	8.84	4.68
Vanguard Int'l Growth Adm	11.37	1.16	14.81	(7.61)	10.62	8.00
DFA Intl Small Company	10.75	7.07	14.43	2.71	8.02	5.61
<i>MSCI EAFE Index</i>	<i>10.42</i>	<i>5.88</i>	<i>18.24</i>	<i>4.02</i>	<i>8.16</i>	<i>4.79</i>
<i>MSCI World ex US Value</i>	<i>8.57</i>	<i>8.78</i>	<i>18.48</i>	<i>8.19</i>	<i>7.48</i>	<i>3.59</i>
<i>MSCI ACWI ex US Growth</i>	<i>11.12</i>	<i>3.01</i>	<i>14.03</i>	<i>(2.67)</i>	<i>7.49</i>	<i>4.97</i>
<i>MSCI World Sm Cap ex US</i>	<i>10.60</i>	<i>6.76</i>	<i>12.62</i>	<i>(0.20)</i>	<i>7.05</i>	<i>5.24</i>
Emerging Markets Equity						
DFA Emerging Markets Core	7.86	6.22	15.45	0.71	6.18	3.90
<i>MSCI Emerging Markets</i>	<i>7.86</i>	<i>4.71</i>	<i>9.83</i>	<i>(5.08)</i>	<i>3.69</i>	<i>2.62</i>
REITs						
DFA Global Real Estate Securities	17.14	8.64	9.42	2.96	5.17	5.14
<i>S&P Global REIT Index</i>	<i>15.47</i>	<i>7.97</i>	<i>10.23</i>	<i>3.08</i>	<i>4.16</i>	<i>3.95</i>
Core Fixed Income						
Dodge & Cox Income	7.32	4.35	7.70	(1.65)	2.70	2.52
PIMCO Total Return Inst	6.93	3.95	6.30	(3.25)	1.31	1.73
<i>Blmbg Barc Agg Index</i>	<i>6.82</i>	<i>3.37</i>	<i>5.53</i>	<i>(3.31)</i>	<i>1.10</i>	<i>1.52</i>
<i>Blmbg Barc Gov/Credit Bond Idx</i>	<i>6.63</i>	<i>3.44</i>	<i>5.72</i>	<i>(3.53)</i>	<i>1.41</i>	<i>1.69</i>
High Yield Fixed Income						
Vanguard High Yield Corp Adm	7.30	7.08	11.74	1.82	5.21	4.40
<i>ICE BofA High Yield CP BB-B Cons</i>	<i>7.12</i>	<i>7.36</i>	<i>12.55</i>	<i>1.72</i>	<i>5.19</i>	<i>4.48</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 December 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 9 1/4 Years
Emerging Markets Debt						
PIMCO EM Full Spectrum Bd I	8.65	5.85	11.67	(2.00)	2.49	1.25
<i>50/25/25 Em Debt Index*</i>	<i>7.74</i>	<i>5.16</i>	<i>11.11</i>	<i>(2.75)</i>	<i>1.84</i>	<i>1.57</i>
<i>50/50 Em Debt Index**</i>	<i>8.62</i>	<i>5.64</i>	<i>11.91</i>	<i>(3.34)</i>	<i>1.43</i>	<i>1.41</i>
Total Fund						
SJRTD Health Fund	10.10	7.23	16.11	4.49	9.07	6.75
<i>SJRTD Health Fund Target</i>	<i>10.26</i>	<i>6.36</i>	<i>16.02</i>	<i>3.18</i>	<i>8.41</i>	<i>6.51</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).

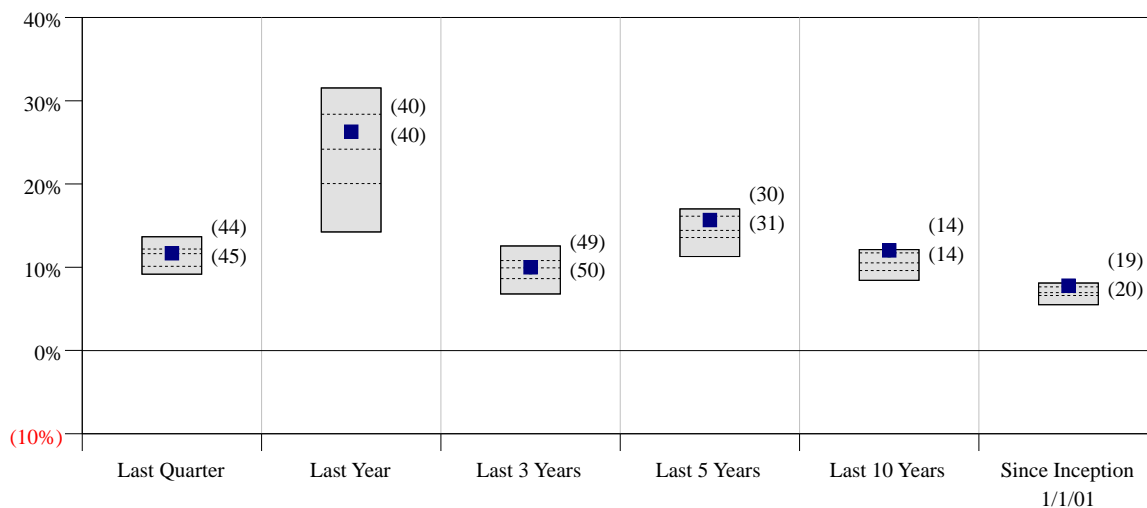
Current Quarter Target = 1.0% 3-Month Treasury Bill, 20.0% Bloomberg Barclays Aggregate Index, 7.0% S&P Global REIT Index, 1.80% JPM GBI EM Global Divers USD (UH), 1.80% JPM EMBI Global Diversified, 5.4% ICE BofAML High Yield CP BB-B Cons, 18.9% MSCI EAFE Index, 6.30% MSCI Emerging Markets, 9.45% Russell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

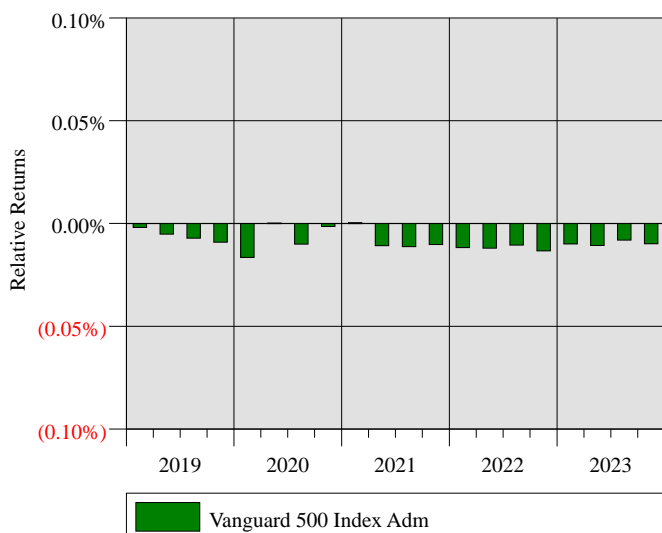
Vanguard 500 Index Adm (VFIAX) Performance vs. Callan Large Cap Core Mutual Funds Periods ending: December 31, 2023



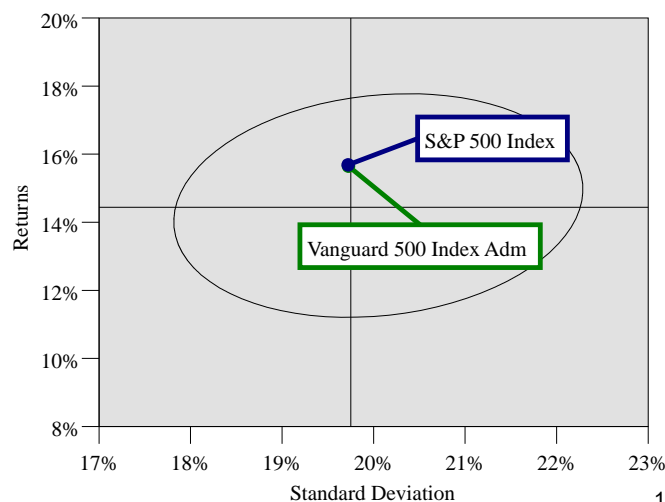
10th Percentile	13.68	31.54	12.56	17.01	12.13	8.13
25th Percentile	12.19	28.38	10.82	16.13	11.73	7.66
Median	11.64	24.20	9.95	14.44	10.53	6.96
75th Percentile	10.12	20.07	8.65	13.57	9.62	6.62
90th Percentile	9.18	14.24	6.81	11.30	8.43	5.50
Vanguard 500 Index Adm ●	11.68	26.24	9.96	15.65	11.99	7.77
S&P 500 Index ■	11.69	26.29	10.00	15.69	12.03	7.80

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard 500 Index Adm	26.24	(18.15)	28.66	18.37	31.46	(4.43)	21.79	11.93	1.36	13.64
S&P 500 Index	26.29	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69

Relative Returns vs. S&P 500 Index



Callan Large Cap Core Mutual Funds | 5 Years Ended 12/31/23

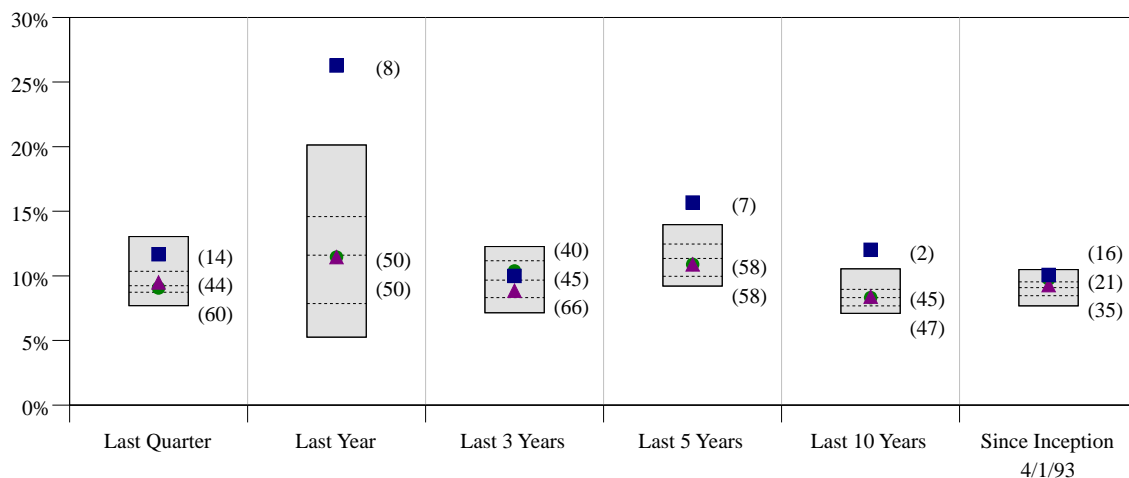


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

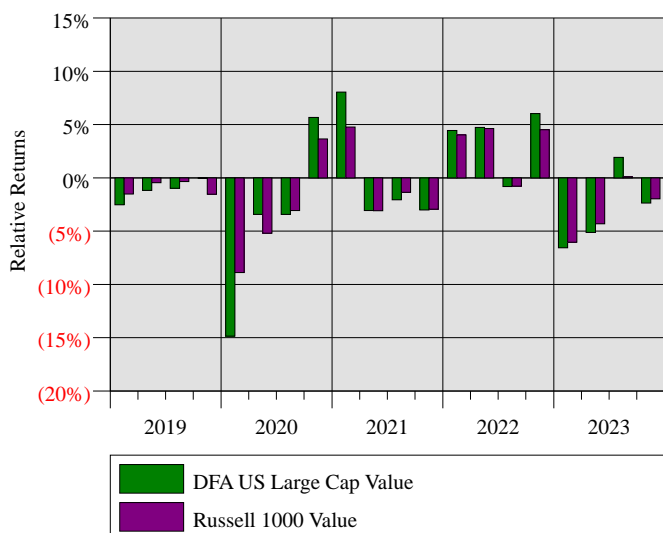
DFA US Large Cap Value (DFLVX) Performance vs. Callan Large Cap Value Mutual Funds Periods ending: December 31, 2023



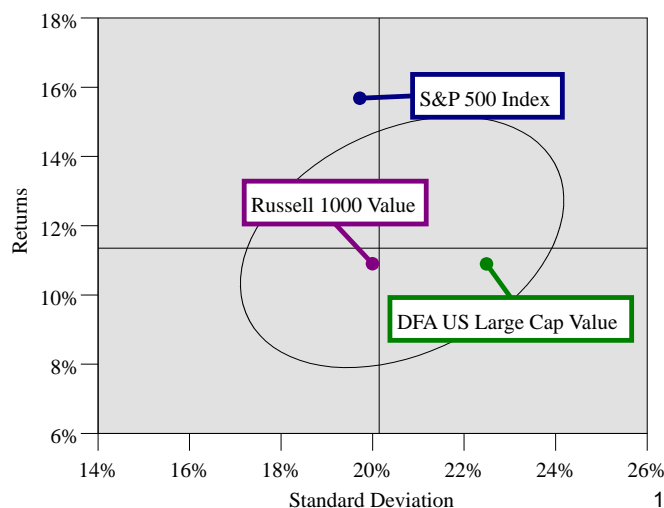
10th Percentile	13.06	20.15	12.28	13.98	10.55	10.49
25th Percentile	10.37	14.60	11.19	12.47	8.96	9.55
Median	9.25	11.61	9.68	11.36	8.32	9.11
75th Percentile	8.75	7.86	8.33	9.97	7.69	8.48
90th Percentile	7.71	5.26	7.16	9.22	7.10	7.69
DFA US Large Cap Value	9.07	11.47	10.39	10.90	8.33	9.77
S&P 500 Index	11.69	26.29	10.00	15.69	12.03	10.08
Russell 1000 Value	9.50	11.46	8.86	10.91	8.40	9.30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA US Large Cap Value	11.47	(5.78)	28.07	(0.61)	25.45	(11.65)	18.97	18.89	(3.49)	10.07
S&P 500 Index	26.29	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69
Russell 1000 Value	11.46	(7.54)	25.16	2.80	26.54	(8.27)	13.66	17.34	(3.83)	13.45

Relative Returns vs. S&P 500 Index



Callan Large Cap Value Mutual Funds | 5 Years Ended 12/31/23

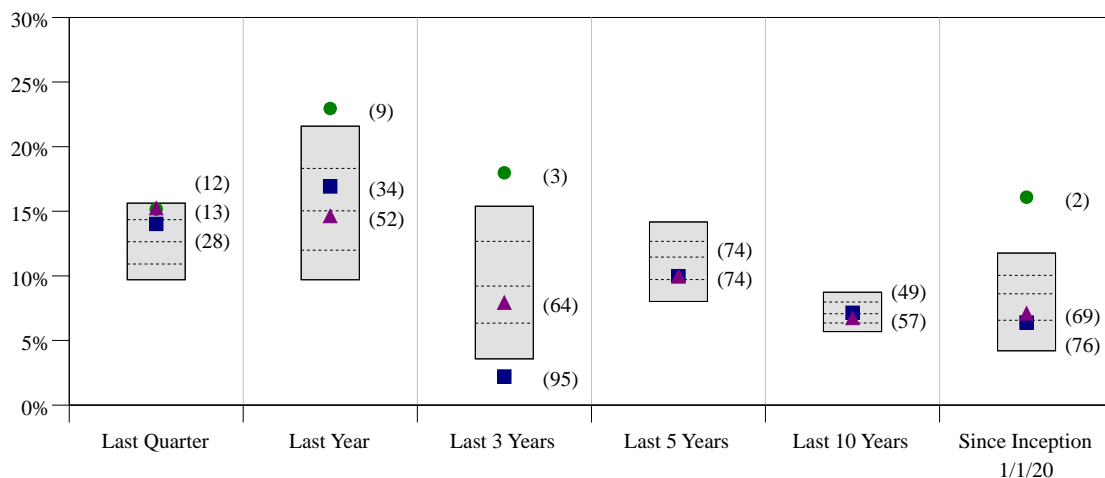


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

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



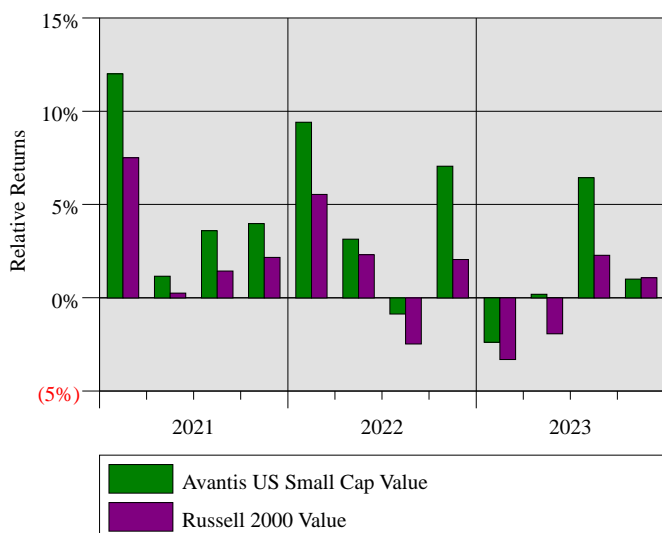
10th Percentile
25th Percentile
Median
75th Percentile
90th Percentile

10th Percentile	15.63	21.59	15.40	14.18	8.75	11.78
25th Percentile	14.36	18.33	12.68	12.68	7.98	10.05
Median	12.66	15.04	9.23	11.46	7.07	8.62
75th Percentile	10.93	12.00	6.36	9.72	6.37	6.58
90th Percentile	9.71	9.71	3.59	8.03	5.70	4.21

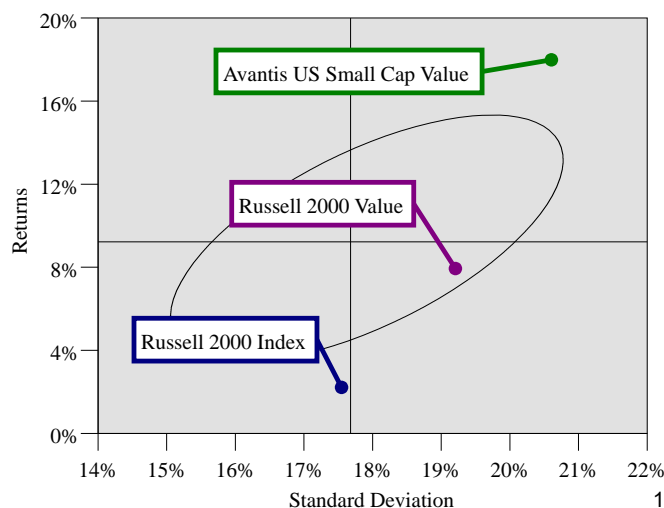
Avantis US Small Cap Value ●
Russell 2000 Index ■
Russell 2000 Value ▲

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Avantis US Small Cap Value	22.97	(4.70)	40.17	10.64	--	--	--	--	--	--
Russell 2000 Index	16.93	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89
Russell 2000 Value	14.65	(14.48)	28.27	4.63	22.39	(12.86)	7.84	31.74	(7.47)	4.22

Relative Returns vs. Russell 2000 Index



Callan Small Cap Value Mutual Funds | 3 Years Ended 12/31/23

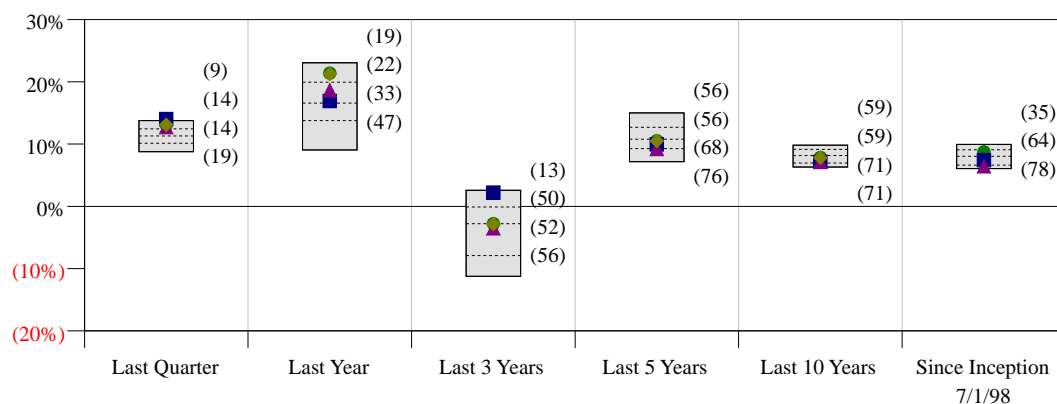


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

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

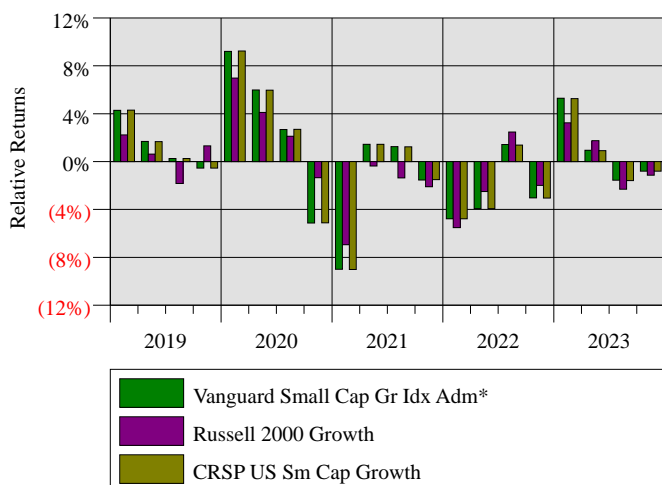


10th Percentile	13.78	23.09	2.61	15.02	9.83	9.98
25th Percentile	12.48	19.96	(0.09)	12.70	9.16	9.10
Median	11.33	16.59	(2.78)	10.79	8.18	8.07
75th Percentile	10.16	13.79	(7.89)	9.28	6.98	6.64
90th Percentile	8.79	9.07	(11.22)	7.18	6.34	6.09
Vanguard Small Cap Gr Idx Adm*	13.12	21.41	(2.78)	10.54	7.86	8.78
Russell 2000 Index	14.03	16.93	2.22	9.97	7.16	7.44
Russell 2000 Growth	12.75	18.66	(3.50)	9.22	7.16	6.44
CRSP US Sm Cap Growth	13.12	21.28	(2.83)	10.51	7.82	--

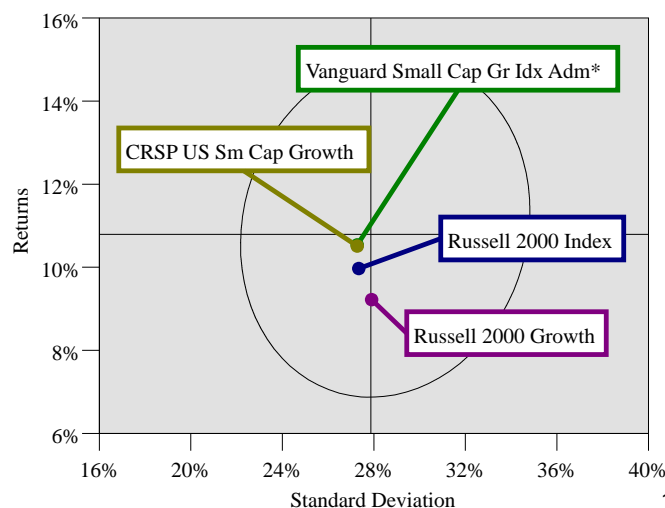
Vanguard switched to CRSP US Sm Cap Growth Index on April 17, 2013.

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard Small Cap Gr Idx Adm*	21.41	(28.39)	5.70	35.28	32.76	(5.68)	21.92	10.73	(2.52)	4.02
Russell 2000 Index	16.93	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89
Russell 2000 Growth	18.66	(26.36)	2.83	34.63	28.48	(9.31)	22.17	11.32	(1.38)	5.60
CRSP US Sm Cap Growth	21.28	(28.44)	5.71	35.35	32.75	(5.68)	21.90	10.62	(2.60)	3.98

Relative Returns vs. Russell 2000 Index



Callan Small Cap Growth Mutual Funds | 5 Years Ended 12/31/23



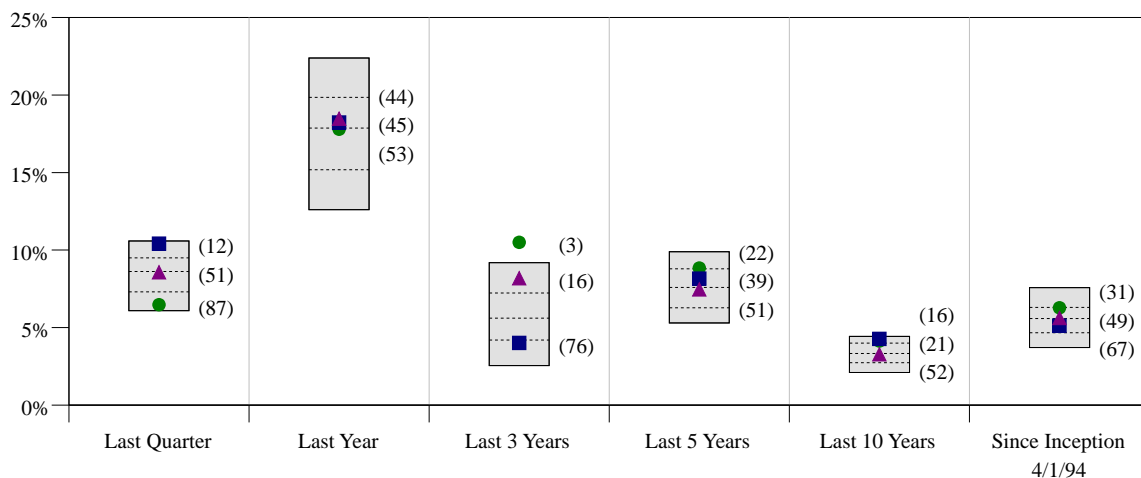
*Investor shares used as a proxy prior to 10/2011.

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

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.

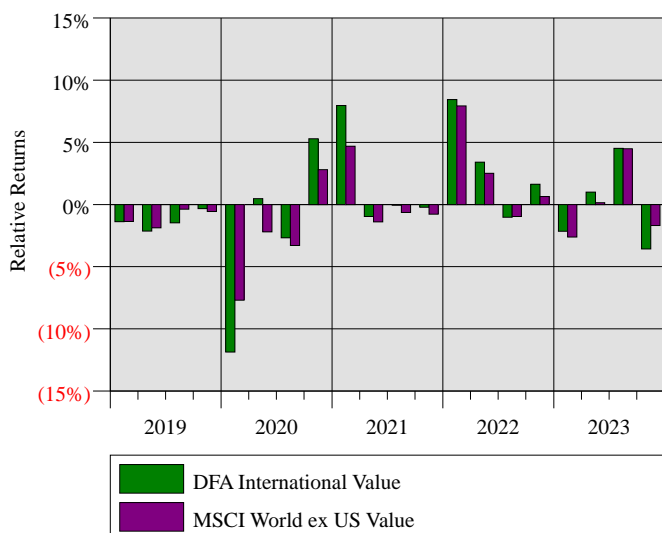
DFA International Value (DFIVX) Performance vs. Callan International Large Cap Value MFs Periods ending: December 31, 2023



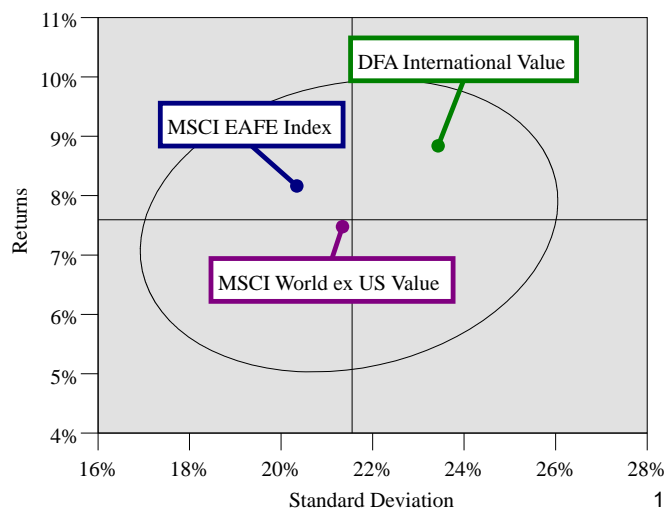
10th Percentile	10.59	22.39	9.20	9.90	4.44	7.59
25th Percentile	9.50	19.86	7.24	8.80	4.01	6.31
Median	8.63	17.87	5.62	7.59	3.34	5.59
75th Percentile	7.32	15.19	4.20	6.28	2.75	4.67
90th Percentile	6.09	12.61	2.56	5.31	2.11	3.72
DFA International Value	6.49	17.79	10.51	8.84	4.15	6.28
MSCI EAFE Index	10.42	18.24	4.02	8.16	4.28	5.14
MSCI World ex US Value	8.57	18.48	8.19	7.48	3.29	5.63

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA International Value	17.79	(3.48)	18.69	(2.14)	15.67	(17.49)	26.09	8.41	(6.31)	(6.99)
MSCI EAFE Index	18.24	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)
MSCI World ex US Value	18.48	(5.64)	13.26	(3.22)	17.02	(15.06)	21.04	7.39	(7.68)	(5.41)

Relative Returns vs. MSCI EAFE Index



Callan International Large Cap Value MFs | 5 Years Ended 12/31/23

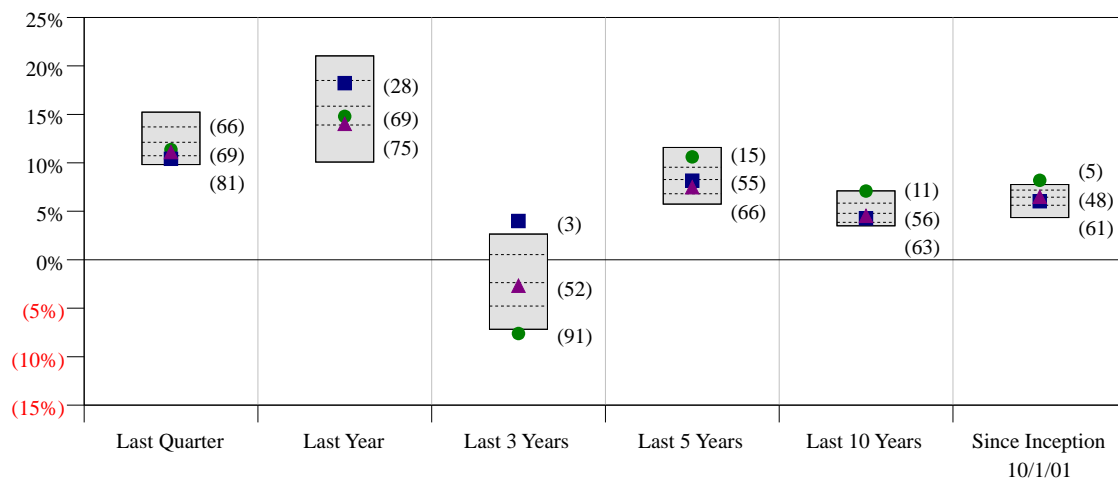


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

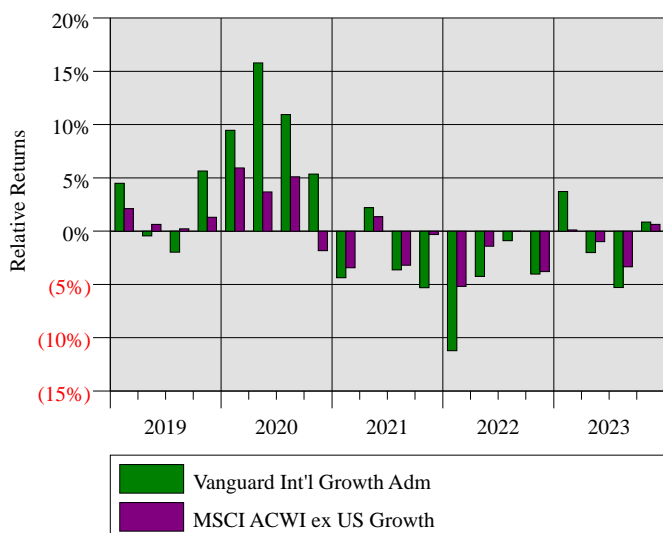
Vanguard Int'l Growth Adm (VWILX) Performance vs. Callan Intl Large Cap Growth MFs Periods ending: December 31, 2023



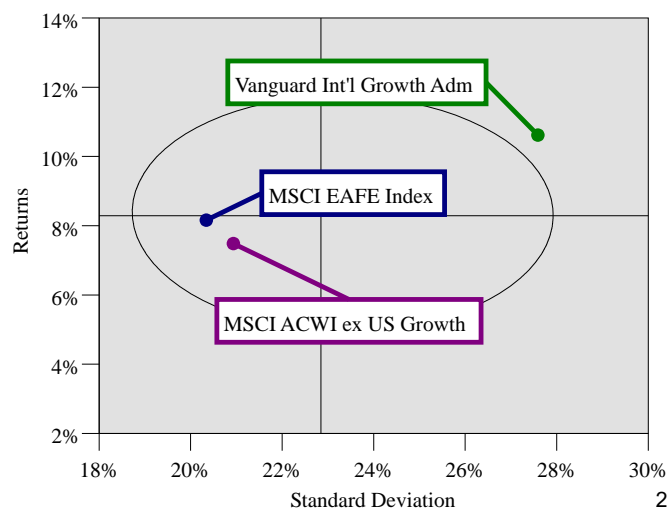
10th Percentile	15.25	21.04	2.66	11.60	7.13	7.77
25th Percentile	13.71	18.50	0.53	9.55	5.85	7.20
Median	12.12	15.85	(2.34)	8.29	4.79	6.47
75th Percentile	10.75	13.92	(4.78)	6.83	3.87	5.64
90th Percentile	9.83	10.09	(7.16)	5.75	3.51	4.36
Vanguard Int'l Growth Adm	11.37	14.81	(7.61)	10.62	7.09	8.20
MSCI EAFE Index	10.42	18.24	4.02	8.16	4.28	6.05
MSCI ACWI ex US Growth	11.12	14.03	(2.67)	7.49	4.55	6.51

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard Int'l Growth Adm	14.81	(30.79)	(0.74)	59.74	31.48	(12.58)	43.16	1.84	(0.54)	(5.51)
MSCI EAFE Index	18.24	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)
MSCI ACWI ex US Growth	14.03	(23.05)	5.09	22.20	27.34	(14.43)	32.01	0.12	(1.25)	(2.65)

Relative Returns vs. MSCI EAFE Index



Callan Intl Large Cap Growth MFs | 5 Years Ended 12/31/23

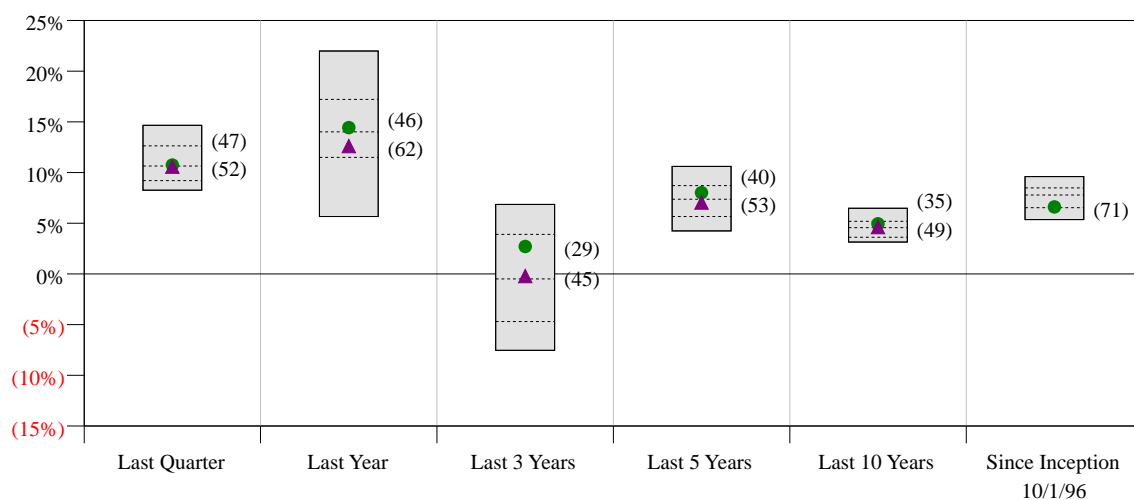


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

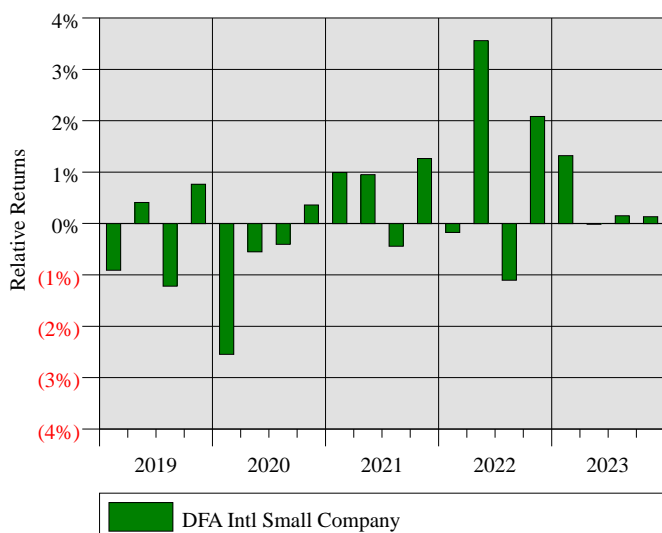
DFA Intl Small Company (DFISX) Performance vs. Callan International Small Cap Mut Funds Periods ending: December 31, 2023



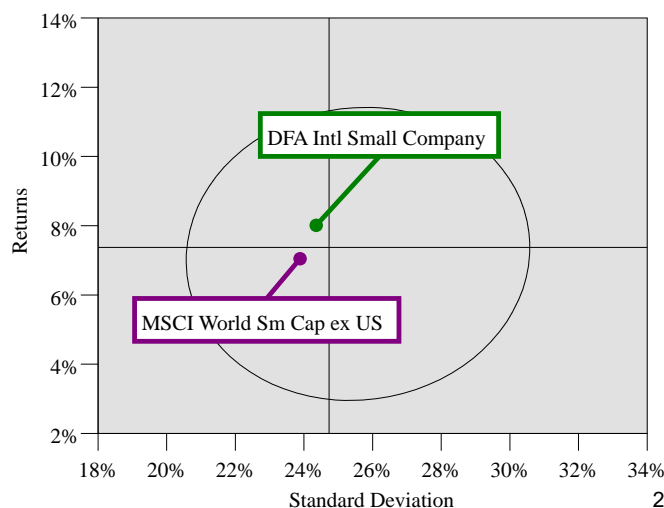
10th Percentile	14.68	21.99	6.86	10.61	6.49	9.60
25th Percentile	12.63	17.22	3.90	8.71	5.21	8.48
Median	10.66	14.02	(0.48)	7.38	4.57	7.79
75th Percentile	9.22	11.51	(4.68)	5.68	3.63	6.55
90th Percentile	8.27	5.67	(7.52)	4.25	3.15	5.37
DFA Intl Small Company	10.75	14.43	2.71	8.02	4.94	6.62
MSCI World Sm Cap ex US	10.60	12.62	(0.20)	7.05	4.63	--

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Intl Small Company	14.43	(17.12)	14.24	9.26	24.20	(19.42)	30.24	5.80	5.91	(6.30)
MSCI World Sm Cap ex US	12.62	(20.59)	11.14	12.78	25.41	(18.07)	31.04	4.32	5.46	(5.35)

Relative Returns vs. MSCI World Sm Cap ex US



Callan International Small Cap Mut Funds | 5 Years Ended 12/31/23

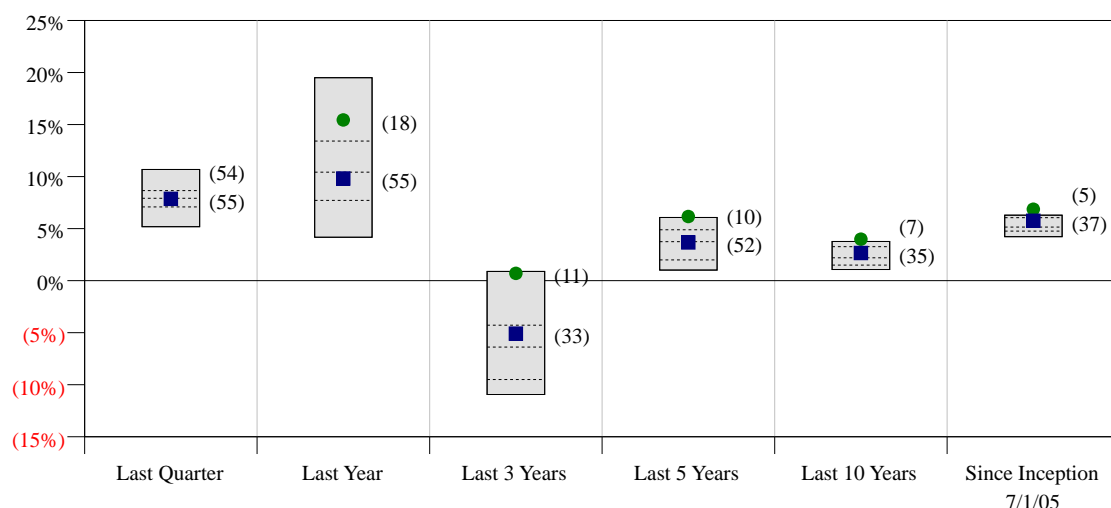


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

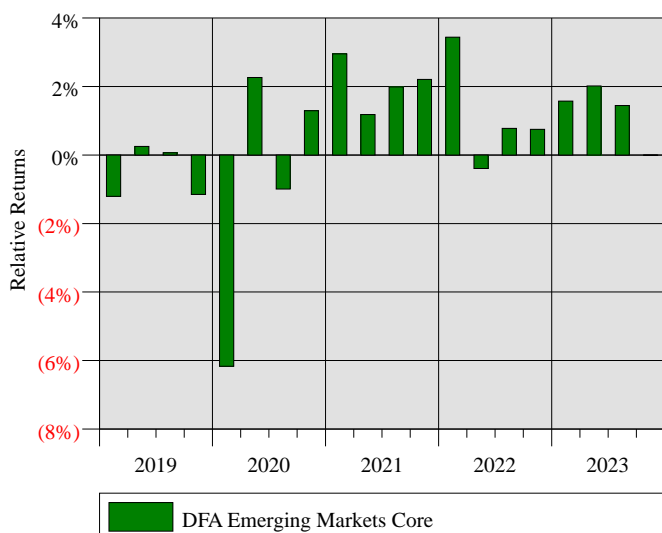
DFA Emerging Markets Core (DFCEX) Performance vs. Callan Emerging Markets Equity Mut Funds Periods ending: December 31, 2023



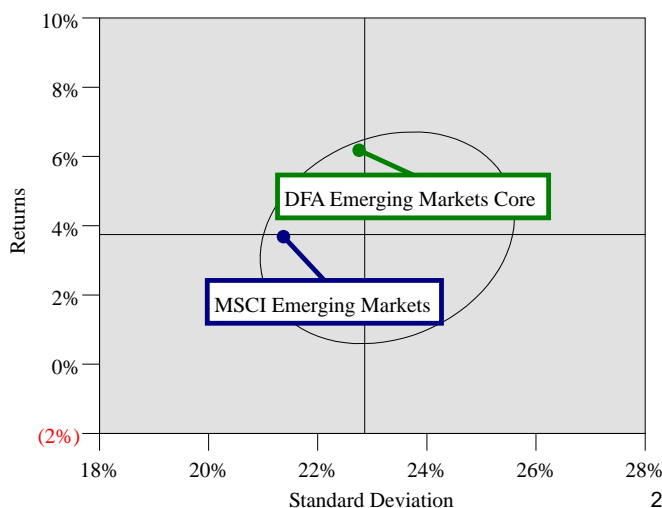
10th Percentile	10.70	19.51	0.89	6.08	3.77	6.29
25th Percentile	8.66	13.42	(4.28)	4.89	3.28	6.06
Median	7.92	10.44	(6.38)	3.75	2.21	5.16
75th Percentile	7.10	7.72	(9.49)	2.00	1.51	4.78
90th Percentile	5.20	4.17	(10.94)	1.02	1.07	4.23
DFA Emerging Markets Core	7.86	15.45	0.71	6.18	4.00	6.88
MSCI Emerging Markets	7.86	9.83	(5.08)	3.69	2.66	5.76

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Emerging Markets Core	15.45	(16.40)	5.83	13.86	16.04	(15.25)	36.55	12.35	(14.86)	(0.91)
MSCI Emerging Markets	9.83	(20.09)	(2.54)	18.31	18.44	(14.57)	37.28	11.19	(14.92)	(2.19)

Relative Returns vs. MSCI Emerging Markets



Callan Emerging Markets Equity Mut Funds | 5 Years Ended 12/31/23

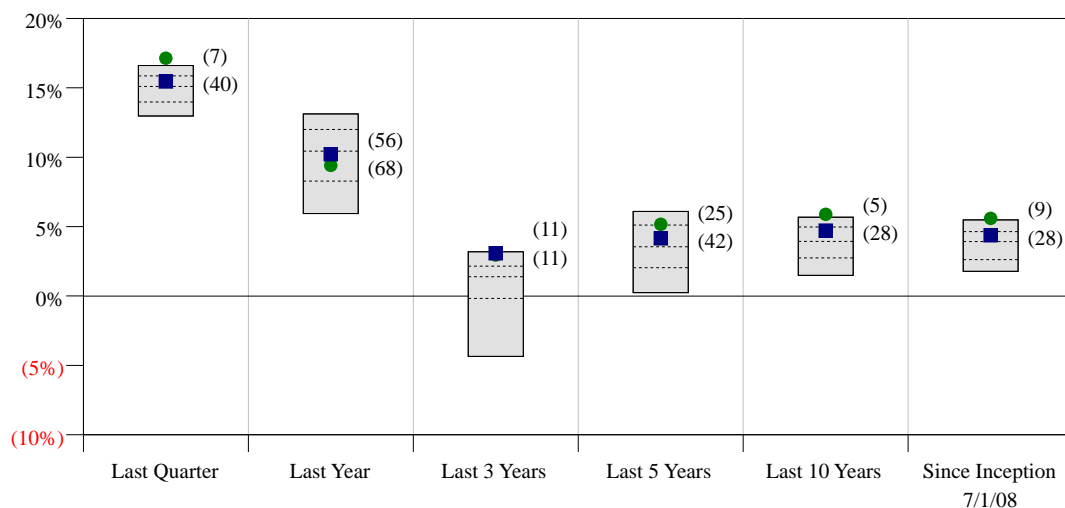


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

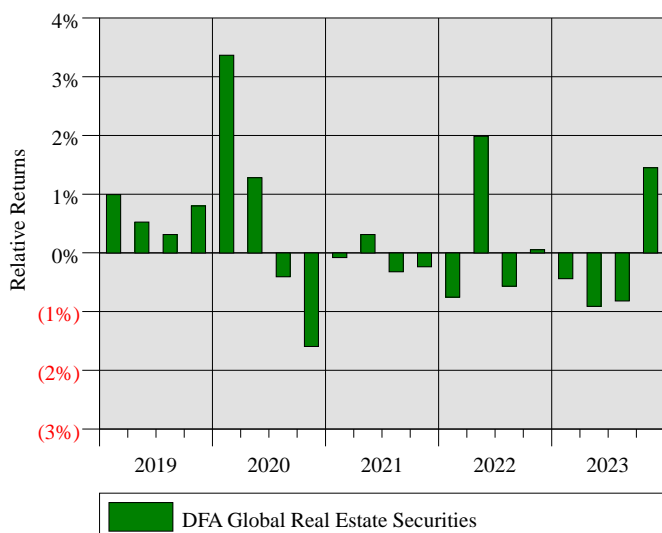
DFA Global Real Estate Securities (DFGEX) Performance vs. Morningstar Global Real Estate Funds Periods ending: December 31, 2023



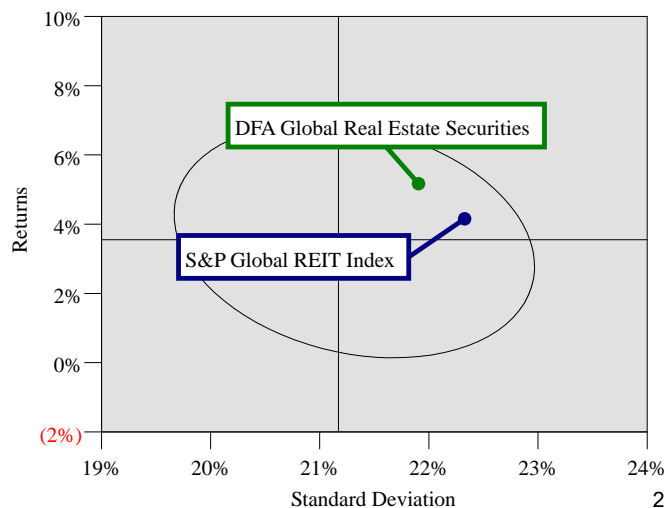
10th Percentile	16.61	13.13	3.20	6.09	5.69	5.49
25th Percentile	15.87	12.01	2.16	5.12	4.97	4.65
Median	15.11	10.45	1.39	3.55	3.94	3.93
75th Percentile	13.99	8.28	(0.17)	2.05	2.76	2.63
90th Percentile	12.98	5.95	(4.35)	0.24	1.49	1.79
DFA Global Real Estate Securities	17.14	9.42	2.96	5.17	5.90	5.60
S&P Global REIT Index	15.47	10.23	3.08	4.16	4.72	4.39

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Global Real Estate Securities	9.42	(23.83)	30.96	(6.72)	26.40	(4.15)	9.20	6.56	0.69	22.74
S&P Global REIT Index	10.23	(24.36)	31.38	(9.09)	23.12	(5.93)	7.41	5.77	(0.44)	21.54

Relative Returns vs. S&P Global REIT Index



Morningstar Global Real Estate Funds | 5 Years Ended 12/31/23



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

Investment Philosophy:

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

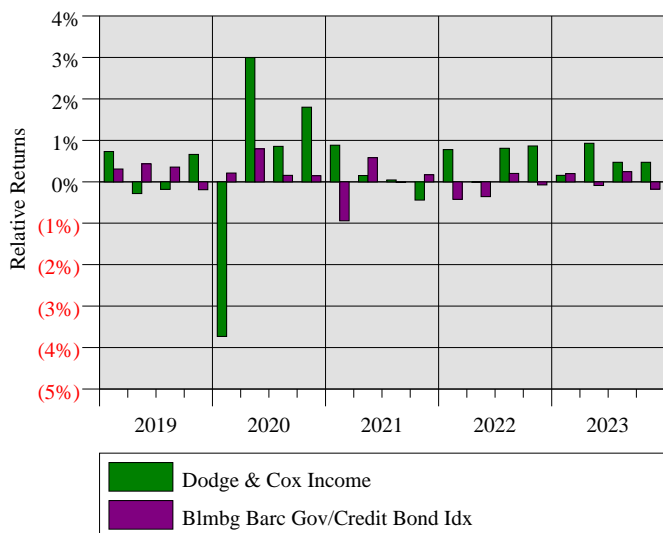
Dodge & Cox Income (DODIX) Performance vs. Callan Core Bond Mutual Funds Periods ending: December 31, 2023



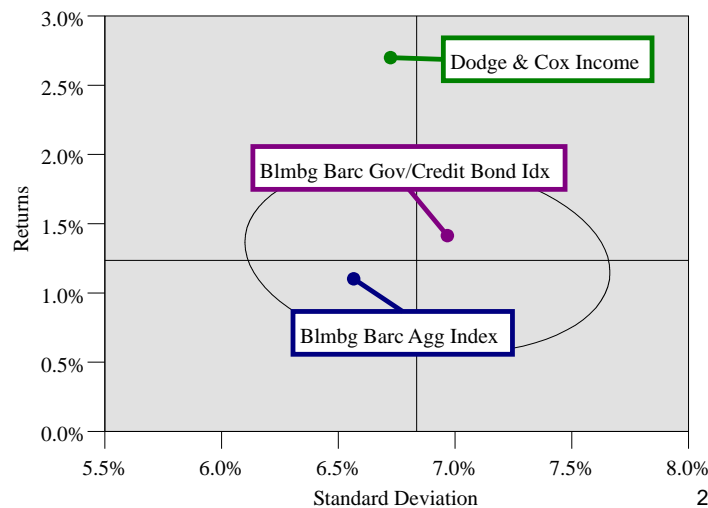
10th Percentile	7.35	6.58	(2.62)	1.73	2.12	6.25
25th Percentile	7.10	6.30	(3.20)	1.45	1.82	5.38
Median	6.84	5.70	(3.46)	1.24	1.68	4.99
75th Percentile	6.64	5.42	(3.74)	0.99	1.55	4.48
90th Percentile	6.39	5.09	(3.85)	0.86	1.45	3.21
Dodge & Cox Income	7.32	7.70	(1.65)	2.70	2.79	6.00
Blmbg Barc Agg Index	6.82	5.53	(3.31)	1.10	1.81	5.37
Blmbg Barc Gov/Credit Bond Idx	6.63	5.72	(3.53)	1.41	1.97	5.43

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Dodge & Cox Income	7.70	(10.86)	(0.91)	9.45	9.73	(0.31)	4.36	5.61	(0.59)	5.48
Blmbg Barc Agg Index	5.53	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97
Blmbg Barc Gov/Credit Bond Idx	5.72	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01

Relative Returns vs. Blmbg Barc Agg Index



Callan Core Bond Mutual Funds | 5 Years Ended 12/31/23

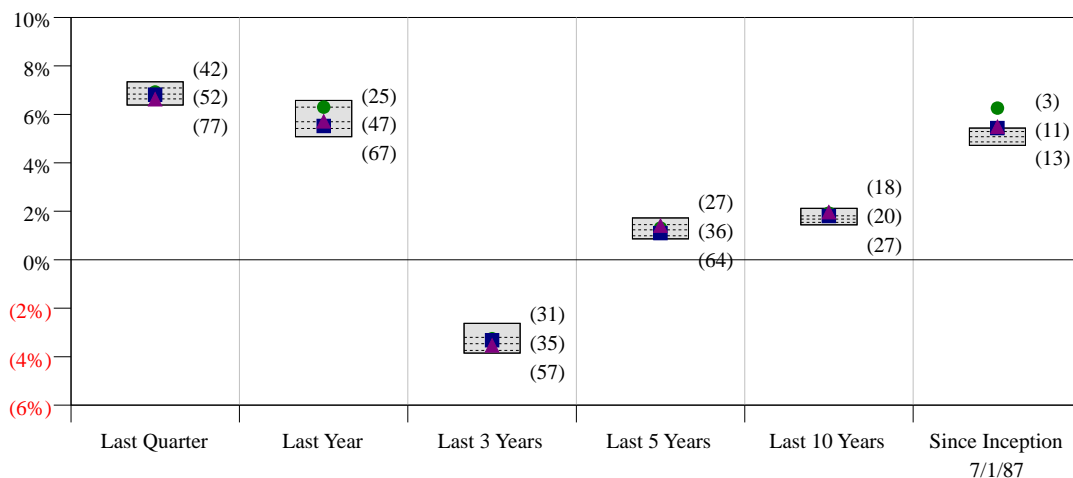


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

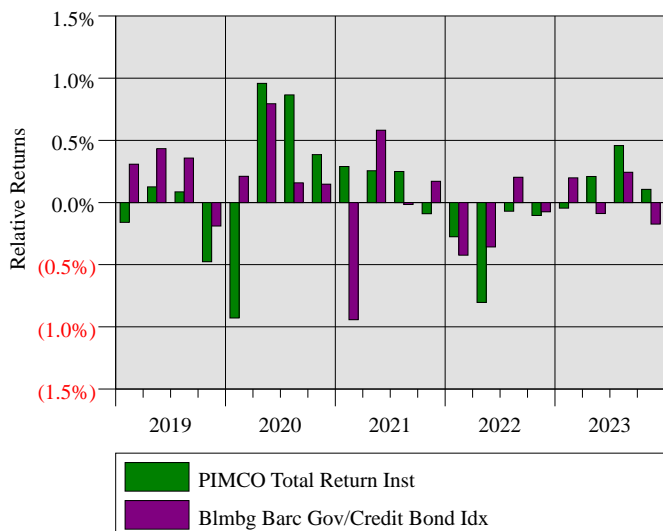
PIMCO Total Return Inst (PTTRX) Performance vs. Callan Core Bond Mutual Funds Periods ending: December 31, 2023



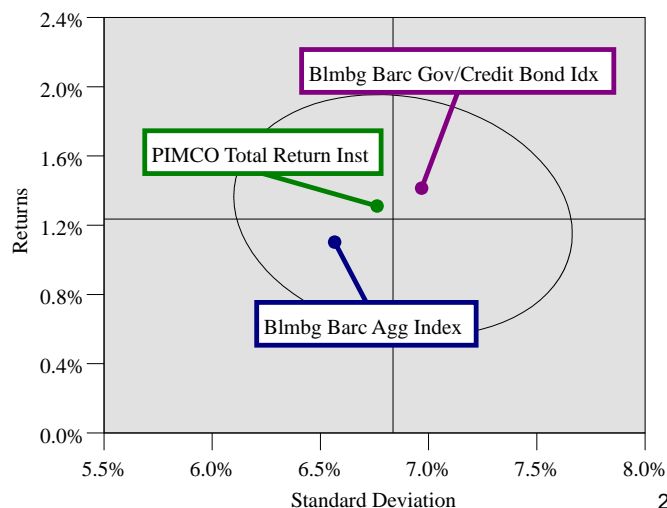
10th Percentile	7.35	6.58	(2.62)	1.73	2.12	5.44
25th Percentile	7.10	6.30	(3.20)	1.45	1.82	5.30
Median	6.84	5.70	(3.46)	1.24	1.68	5.08
75th Percentile	6.64	5.42	(3.74)	0.99	1.55	4.87
90th Percentile	6.39	5.09	(3.85)	0.86	1.45	4.73
PIMCO Total Return Inst	6.93	6.30	(3.25)	1.31	1.93	6.27
Blmbg Barc Agg Index	6.82	5.53	(3.31)	1.10	1.81	5.44
Blmbg Barc Gov/Credit Bond Idx	6.63	5.72	(3.53)	1.41	1.97	5.49

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
PIMCO Total Return Inst	6.30	(14.09)	(0.84)	8.88	8.26	(0.26)	5.13	2.60	0.72	4.69
Blmbg Barc Agg Index	5.53	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97
Blmbg Barc Gov/Credit Bond Idx	5.72	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01

Relative Returns vs. Blmbg Barc Agg Index



Callan Core Bond Mutual Funds | 5 Years Ended 12/31/23

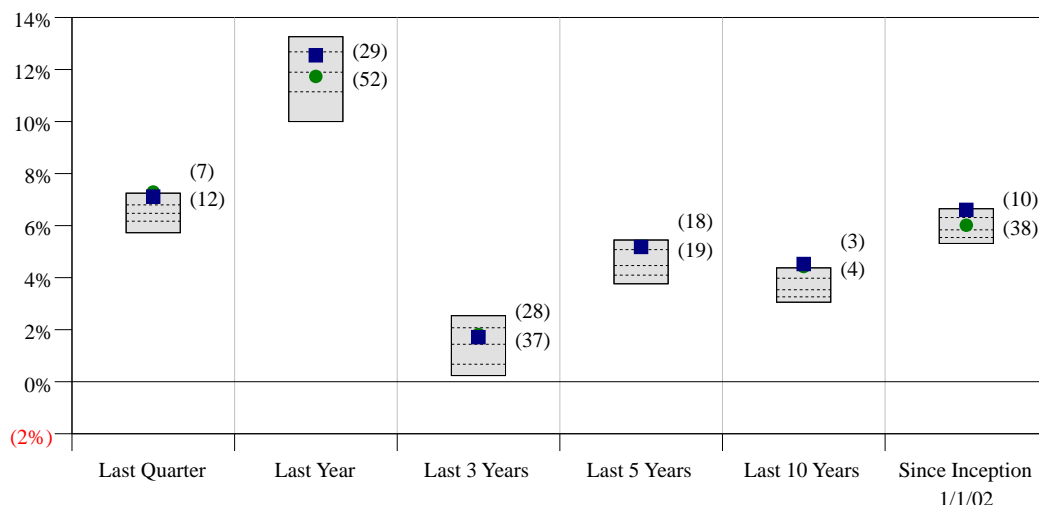


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

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



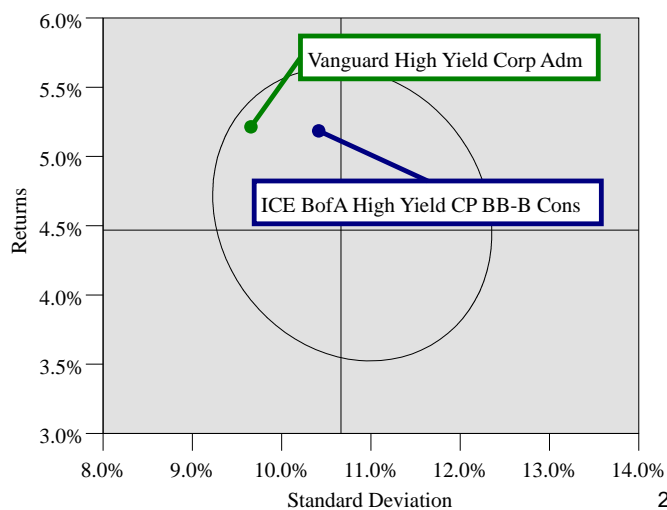
10th Percentile	7.25	13.27	2.55	5.45	4.38	6.65
25th Percentile	6.80	12.68	2.08	5.08	3.98	6.31
Median	6.47	11.90	1.44	4.47	3.54	5.84
75th Percentile	6.17	11.15	0.68	4.10	3.26	5.55
90th Percentile	5.73	10.00	0.24	3.77	3.06	5.31
Vanguard High Yield Corp Adm	7.30	11.74	1.82	5.21	4.43	6.02
ICE BofA High Yield CP BB-B Cons	7.12	12.55	1.72	5.19	4.53	6.61

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard High Yield Corp Adm	11.74	(8.97)	3.78	5.39	15.91	(2.87)	7.13	11.30	(1.30)	4.69
ICE BofA High Yield CP BB-B Cons	12.55	(10.59)	4.58	6.32	15.09	(2.04)	6.98	14.76	(2.82)	3.48

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



Callan High Yield Mutual Funds | 5 Years Ended 12/31/23

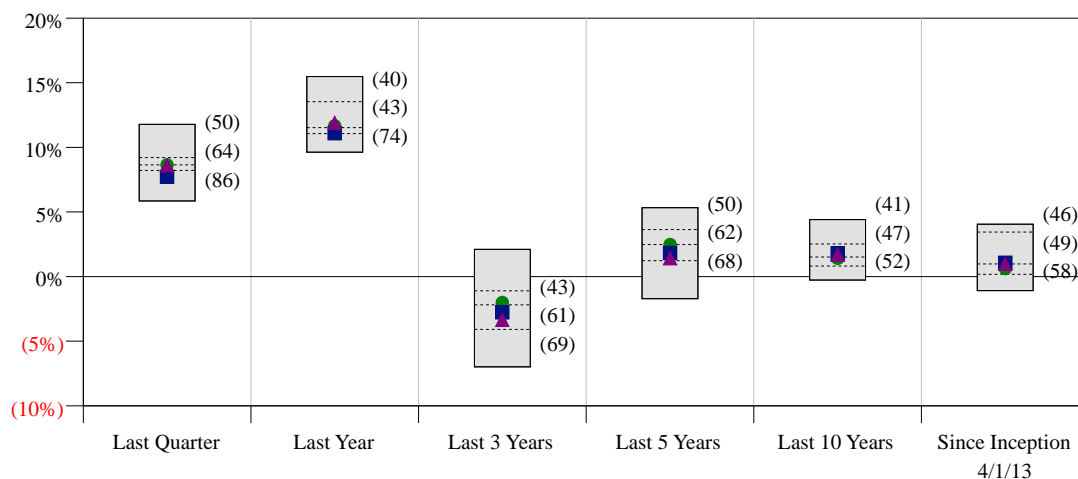


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

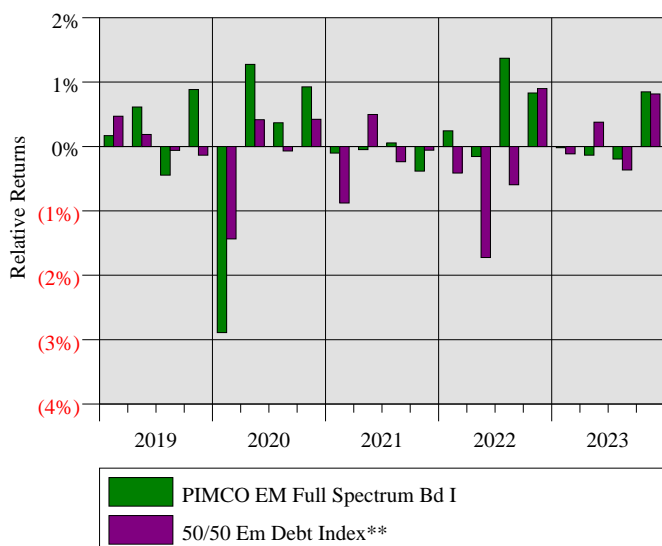
PIMCO EM Full Spectrum Bd I (PFSIX) Performance vs. Callan Emerging Mkts Debt Blend MFs Periods ending: December 31, 2023



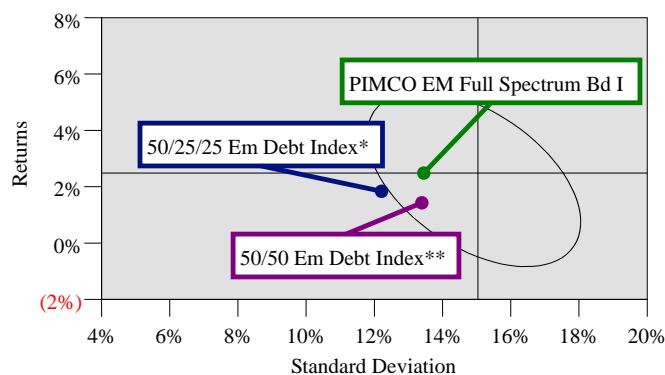
	10th Percentile	11.79	15.49	2.11	5.35	4.42	4.06
	25th Percentile	9.21	13.54	(1.09)	3.65	2.53	3.45
	Median	8.65	11.54	(2.17)	2.49	1.53	0.98
	75th Percentile	8.22	11.08	(4.08)	1.24	0.82	0.18
	90th Percentile	5.85	9.63	(6.98)	(1.70)	(0.27)	(1.08)
PIMCO EM Full Spectrum Bd I	●	8.65	11.67	(2.00)	2.49	1.43	0.63
50/25/25 Em Debt Index*	■	7.74	11.11	(2.75)	1.84	1.81	1.08
50/50 Em Debt Index**	▲	8.62	11.91	(3.34)	1.43	1.70	1.00

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
PIMCO EM Full Spectrum Bd I	11.67	(11.17)	(5.13)	4.31	15.16	(5.28)	12.30	12.01	(11.09)	(3.82)
50/25/25 Em Debt Index*	11.11	(13.17)	(4.67)	4.70	13.77	(4.56)	11.88	10.20	(7.07)	(0.15)
50/50 Em Debt Index**	11.91	(14.76)	(5.32)	4.00	14.30	(5.10)	12.72	10.10	(7.07)	0.72

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



Callan Emerging Mkts Debt Blend MFs | 5 Years Ended 12/31/23



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

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

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

Important Disclosure Information

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

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

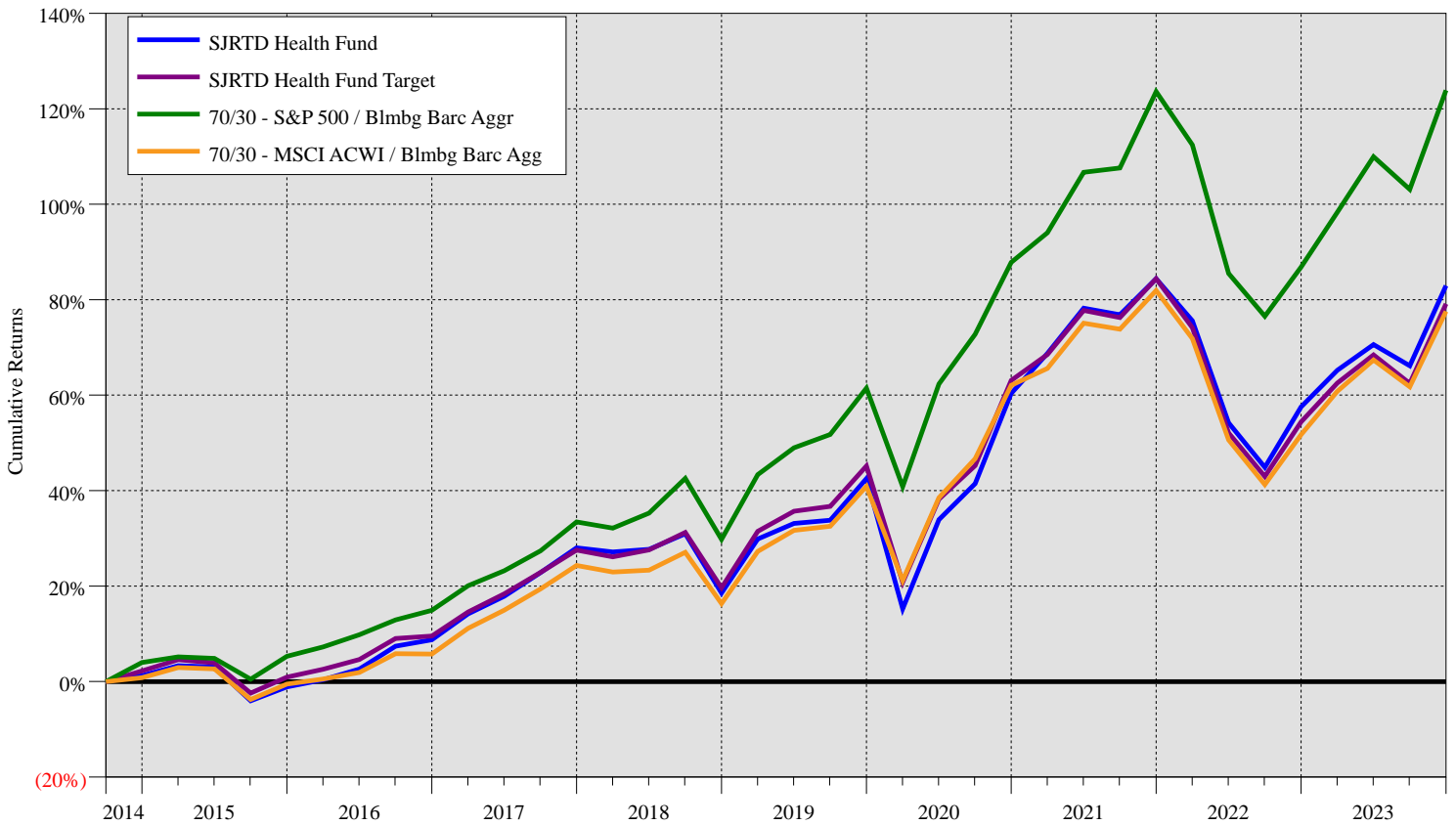
Index and fund information has been compiled solely by Team Hewins from sources deemed reliable, and has not been independently verified. Index and fund performance information reflects the reinvestment of dividends. Fund returns presented are net of mutual fund management, administration and other costs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

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

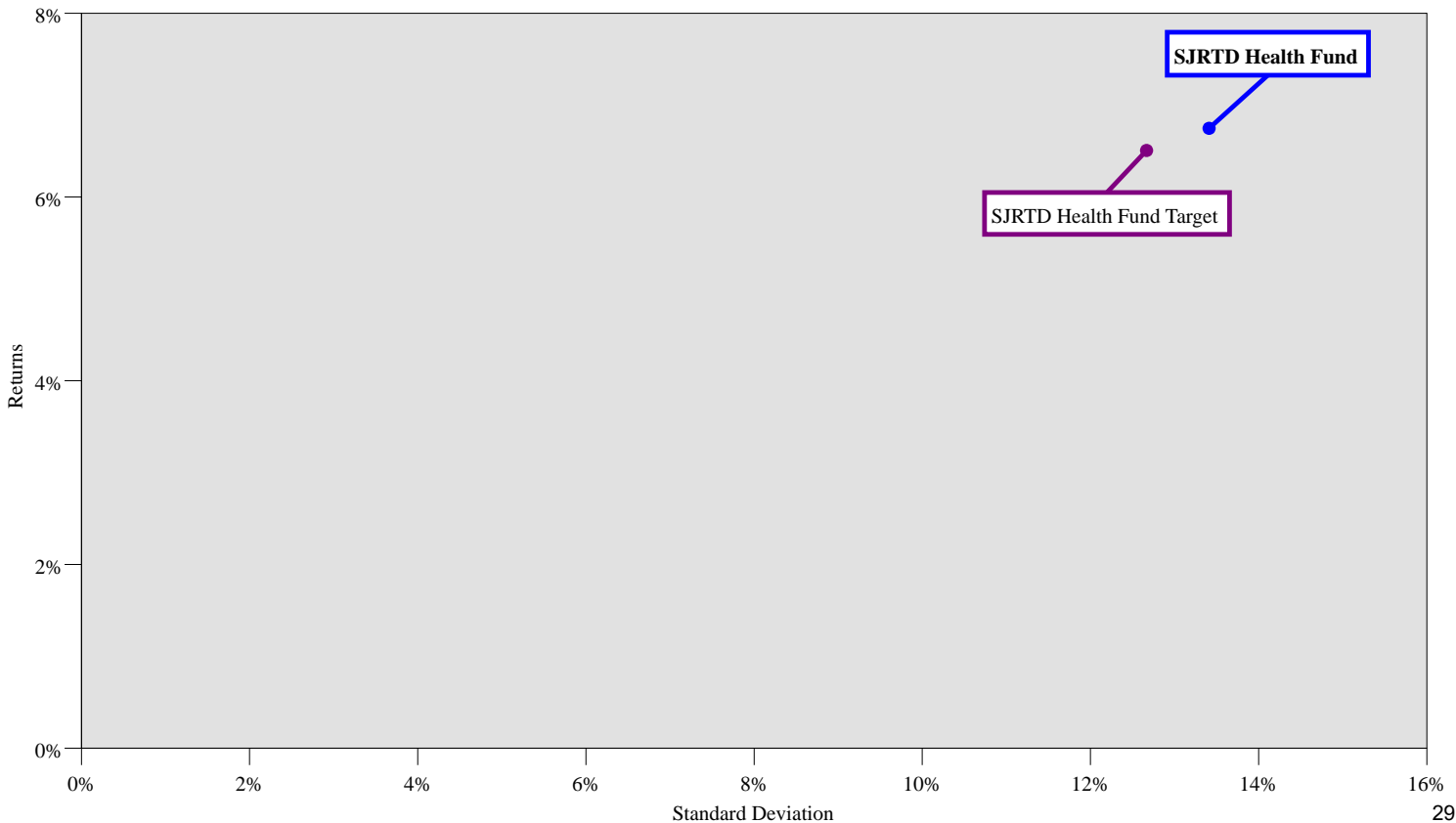
Target returns represent weighted averages of index returns that Team Hewins considers appropriate to represent the strategic asset allocation as stated in the client's Investment Policy Statement ("IPS"). The Current Quarter Target is comprised of indexes as follows: 1.0% 3-Month Treasury Bill, 20.0%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

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

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



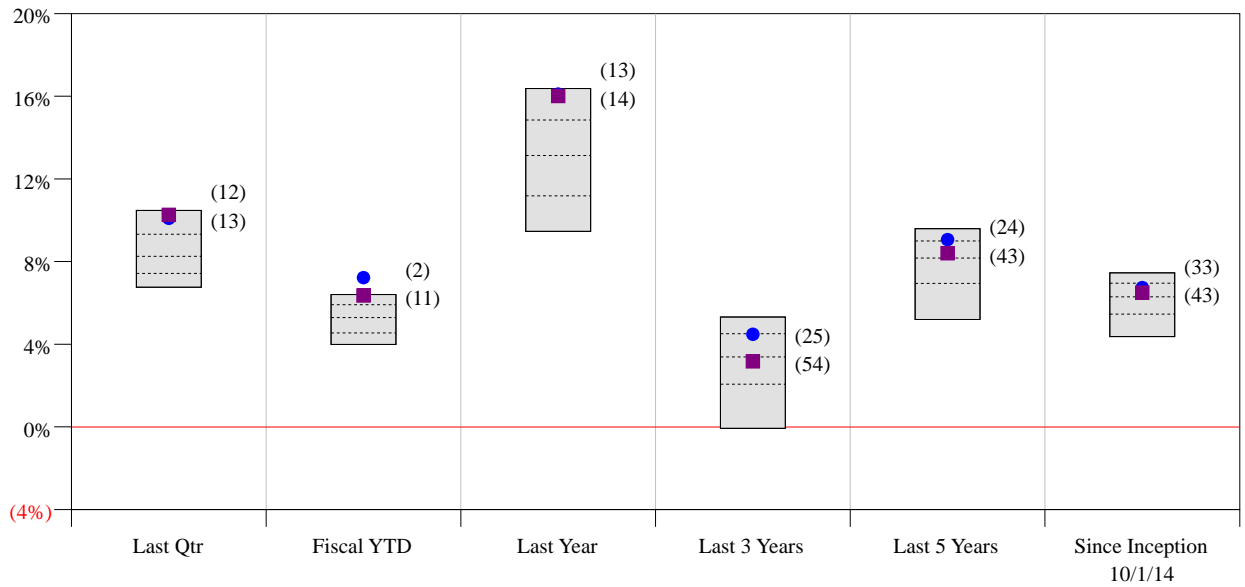
Risk vs Return | SJRTD Health Fund vs. Targets
Beginning October 1, 2014 | Ending December 31, 2023



Standard Deviation

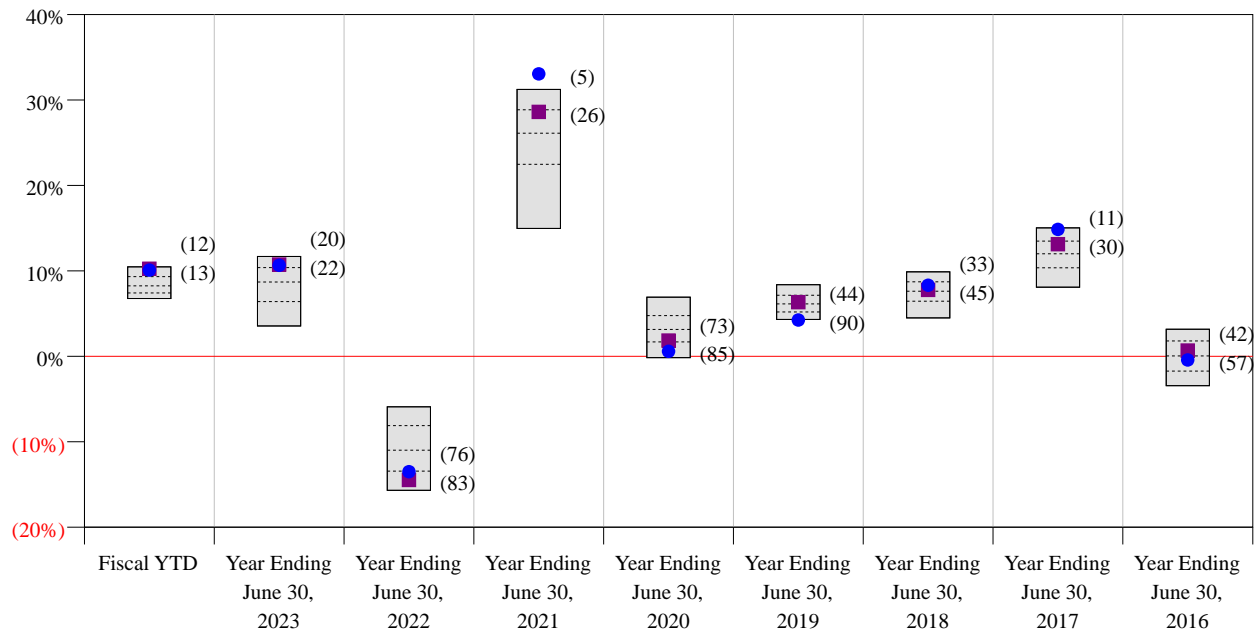
Source: Callan. Past performance is not indicative of future results. See important disclosures.

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



		Last Qtr	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Since Inception 10/1/14
10th Percentile		10.48	6.41	16.38	5.33	9.60	7.46
25th Percentile		9.33	5.92	14.86	4.52	9.00	6.96
Median		8.26	5.29	13.14	3.40	8.17	6.30
75th Percentile		7.43	4.55	11.19	2.07	6.95	5.46
90th Percentile		6.77	3.99	9.46	(0.06)	5.20	4.37
SJRTD Health Fund	●	10.10	7.23	16.11	4.49	9.07	6.75
SJRTD Health Fund Target	■	10.26	6.36	16.02	3.18	8.41	6.51

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



		Fiscal YTD	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		10.48	11.70	(5.90)	31.25	6.92	8.39	9.90	15.04	3.19
25th Percentile		9.33	10.40	(8.09)	28.85	4.78	7.16	8.74	13.50	1.81
Median		8.26	8.71	(10.97)	26.12	3.15	6.15	7.63	12.02	0.07
75th Percentile		7.43	6.42	(13.43)	22.48	1.70	5.21	6.45	10.37	(1.72)
90th Percentile		6.77	3.55	(15.68)	14.98	(0.14)	4.32	4.51	8.09	(3.43)
SJRTD Health Fund	●	10.10	10.65	(13.49)	33.07	0.60	4.25	8.33	14.87	(0.41)
SJRTD Health Fund Target	■	10.26	10.75	(14.45)	28.62	1.86	6.36	7.78	13.14	0.69

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

Returns for Periods Ended December 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 9 1/4 Years
Large Cap Equity						
Vanguard 500 Index Adm	11.68	8.02	26.24	9.96	15.65	12.06
DFA US Large Cap Value	9.07	7.54	11.47	10.39	10.90	8.22
<i>S&P 500 Index</i>	<i>11.69</i>	<i>8.04</i>	<i>26.29</i>	<i>10.00</i>	<i>15.69</i>	<i>12.09</i>
<i>Russell 1000 Value</i>	<i>9.50</i>	<i>6.03</i>	<i>11.46</i>	<i>8.86</i>	<i>10.91</i>	<i>8.20</i>
<i>Russell 1000 Growth</i>	<i>14.16</i>	<i>10.59</i>	<i>42.68</i>	<i>8.86</i>	<i>19.50</i>	<i>15.21</i>
Small Cap Equity						
Avantis US Small Cap Value	15.18	16.31	22.97	17.99	--	--
Vanguard Small Cap Gr Idx Adm*	13.12	5.67	21.41	(2.78)	10.54	8.71
<i>Russell 2000 Index</i>	<i>14.03</i>	<i>8.18</i>	<i>16.93</i>	<i>2.22</i>	<i>9.97</i>	<i>8.28</i>
<i>Russell 2000 Value</i>	<i>15.26</i>	<i>11.85</i>	<i>14.65</i>	<i>7.94</i>	<i>10.00</i>	<i>7.89</i>
<i>Russell 2000 Growth</i>	<i>12.75</i>	<i>4.50</i>	<i>18.66</i>	<i>(3.50)</i>	<i>9.22</i>	<i>8.24</i>
<i>CRSP US Sm Cap Growth</i>	<i>13.12</i>	<i>5.62</i>	<i>21.28</i>	<i>(2.83)</i>	<i>10.51</i>	<i>8.67</i>
International Equity						
DFA International Value	6.49	6.73	17.79	10.51	8.84	4.68
Vanguard Int'l Growth Adm	11.37	1.16	14.81	(7.61)	10.62	8.00
DFA Intl Small Company	10.75	7.07	14.43	2.71	8.02	5.61
<i>MSCI EAFE Index</i>	<i>10.42</i>	<i>5.88</i>	<i>18.24</i>	<i>4.02</i>	<i>8.16</i>	<i>4.79</i>
<i>MSCI World ex US Value</i>	<i>8.57</i>	<i>8.78</i>	<i>18.48</i>	<i>8.19</i>	<i>7.48</i>	<i>3.59</i>
<i>MSCI ACWI ex US Growth</i>	<i>11.12</i>	<i>3.01</i>	<i>14.03</i>	<i>(2.67)</i>	<i>7.49</i>	<i>4.97</i>
<i>MSCI World Sm Cap ex US</i>	<i>10.60</i>	<i>6.76</i>	<i>12.62</i>	<i>(0.20)</i>	<i>7.05</i>	<i>5.24</i>
Emerging Markets Equity						
DFA Emerging Markets Core	7.86	6.22	15.45	0.71	6.18	3.90
<i>MSCI Emerging Markets</i>	<i>7.86</i>	<i>4.71</i>	<i>9.83</i>	<i>(5.08)</i>	<i>3.69</i>	<i>2.62</i>
REITs						
DFA Global Real Estate Securities	17.14	8.64	9.42	2.96	5.17	5.14
<i>S&P Global REIT Index</i>	<i>15.47</i>	<i>7.97</i>	<i>10.23</i>	<i>3.08</i>	<i>4.16</i>	<i>3.95</i>
Core Fixed Income						
Dodge & Cox Income	7.32	4.35	7.70	(1.65)	2.70	2.52
PIMCO Total Return Inst	6.93	3.95	6.30	(3.25)	1.31	1.73
<i>Blmbg Barc Agg Index</i>	<i>6.82</i>	<i>3.37</i>	<i>5.53</i>	<i>(3.31)</i>	<i>1.10</i>	<i>1.52</i>
<i>Blmbg Barc Gov/Credit Bond Idx</i>	<i>6.63</i>	<i>3.44</i>	<i>5.72</i>	<i>(3.53)</i>	<i>1.41</i>	<i>1.69</i>
High Yield Fixed Income						
Vanguard High Yield Corp Adm	7.30	7.08	11.74	1.82	5.21	4.40
<i>ICE BofA High Yield CP BB-B Cons</i>	<i>7.12</i>	<i>7.36</i>	<i>12.55</i>	<i>1.72</i>	<i>5.19</i>	<i>4.48</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 December 31, 2023

	Last Qtr	Fiscal Year to Date	Last Year	Last 3 Years	Last 5 Years	Last 9 1/4 Years
Emerging Markets Debt						
PIMCO EM Full Spectrum Bd I	8.65	5.85	11.67	(2.00)	2.49	1.25
<i>50/25/25 Em Debt Index*</i>	<i>7.74</i>	<i>5.16</i>	<i>11.11</i>	<i>(2.75)</i>	<i>1.84</i>	<i>1.57</i>
<i>50/50 Em Debt Index**</i>	<i>8.62</i>	<i>5.64</i>	<i>11.91</i>	<i>(3.34)</i>	<i>1.43</i>	<i>1.41</i>
Total Fund						
SJRTD Health Fund	10.10	7.23	16.11	4.49	9.07	6.75
<i>SJRTD Health Fund Target</i>	<i>10.26</i>	<i>6.36</i>	<i>16.02</i>	<i>3.18</i>	<i>8.41</i>	<i>6.51</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).

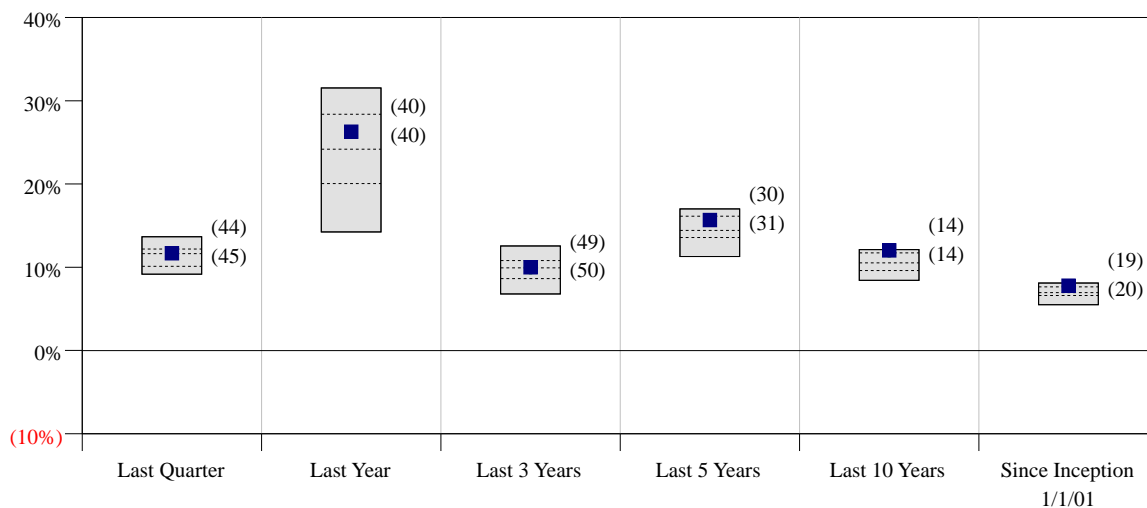
Current Quarter Target = 1.0% 3-Month Treasury Bill, 20.0% Bloomberg Barclays Aggregate Index, 7.0% S&P Global REIT Index, 1.80% JPM GBI EM Global Divers USD (UH), 1.80% JPM EMBI Global Diversified, 5.4% ICE BofAML High Yield CP BB-B Cons, 18.9% MSCI EAFE Index, 6.30% MSCI Emerging Markets, 9.45% Russell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

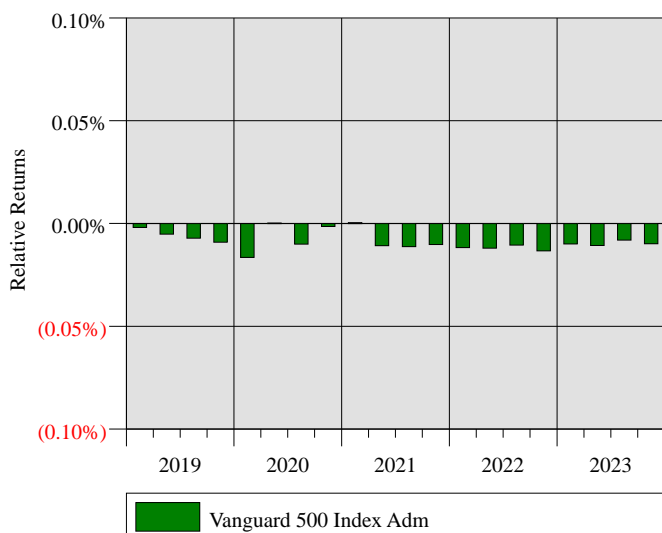
Vanguard 500 Index Adm (VFIAX) Performance vs. Callan Large Cap Core Mutual Funds Periods ending: December 31, 2023



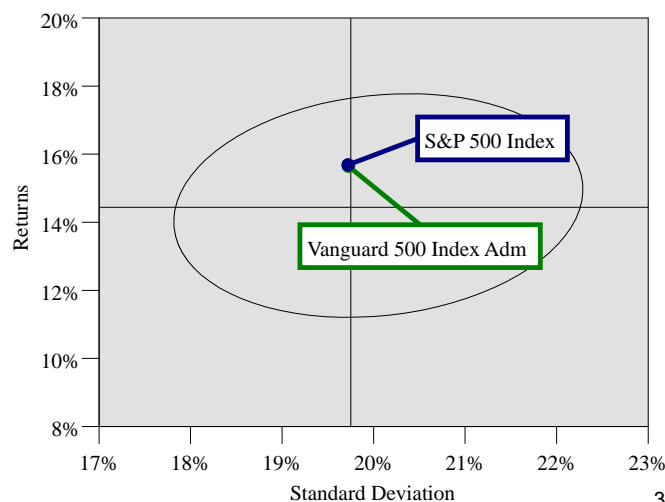
10th Percentile	13.68	31.54	12.56	17.01	12.13	8.13
25th Percentile	12.19	28.38	10.82	16.13	11.73	7.66
Median	11.64	24.20	9.95	14.44	10.53	6.96
75th Percentile	10.12	20.07	8.65	13.57	9.62	6.62
90th Percentile	9.18	14.24	6.81	11.30	8.43	5.50
Vanguard 500 Index Adm ●	11.68	26.24	9.96	15.65	11.99	7.77
S&P 500 Index ■	11.69	26.29	10.00	15.69	12.03	7.80

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard 500 Index Adm	26.24	(18.15)	28.66	18.37	31.46	(4.43)	21.79	11.93	1.36	13.64
S&P 500 Index	26.29	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69

Relative Returns vs. S&P 500 Index



Callan Large Cap Core Mutual Funds | 5 Years Ended 12/31/23

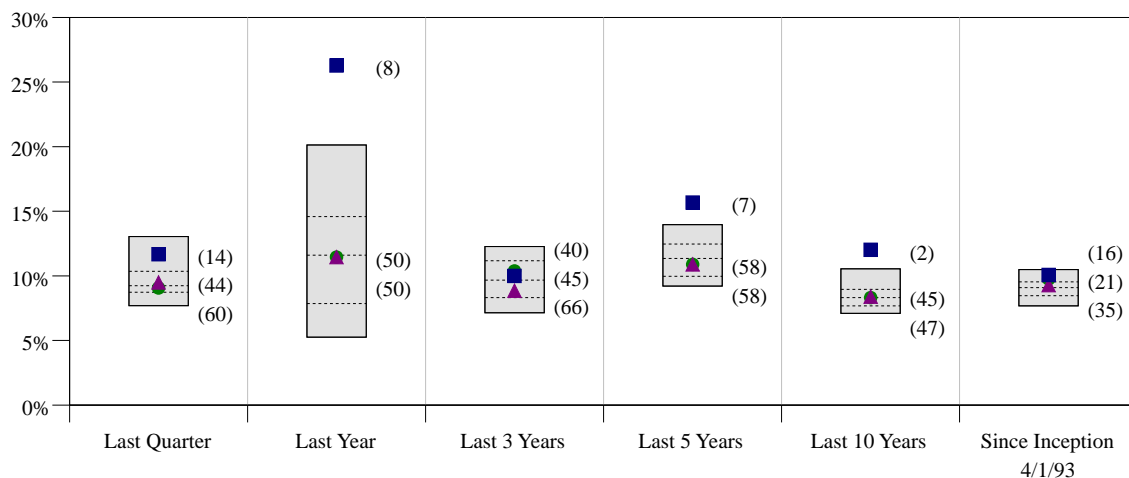


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

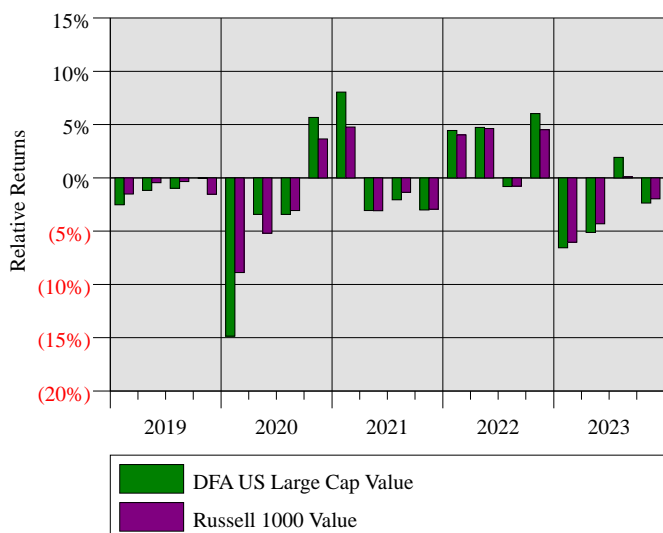
DFA US Large Cap Value (DFLVX) Performance vs. Callan Large Cap Value Mutual Funds Periods ending: December 31, 2023



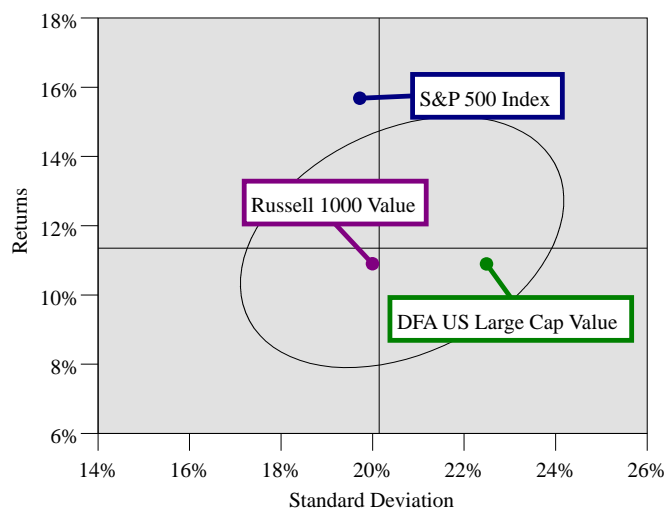
10th Percentile	13.06	20.15	12.28	13.98	10.55	10.49
25th Percentile	10.37	14.60	11.19	12.47	8.96	9.55
Median	9.25	11.61	9.68	11.36	8.32	9.11
75th Percentile	8.75	7.86	8.33	9.97	7.69	8.48
90th Percentile	7.71	5.26	7.16	9.22	7.10	7.69
DFA US Large Cap Value	9.07	11.47	10.39	10.90	8.33	9.77
S&P 500 Index	11.69	26.29	10.00	15.69	12.03	10.08
Russell 1000 Value	9.50	11.46	8.86	10.91	8.40	9.30

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA US Large Cap Value	11.47	(5.78)	28.07	(0.61)	25.45	(11.65)	18.97	18.89	(3.49)	10.07
S&P 500 Index	26.29	(18.11)	28.71	18.40	31.49	(4.38)	21.83	11.96	1.38	13.69
Russell 1000 Value	11.46	(7.54)	25.16	2.80	26.54	(8.27)	13.66	17.34	(3.83)	13.45

Relative Returns vs. S&P 500 Index



Callan Large Cap Value Mutual Funds | 5 Years Ended 12/31/23

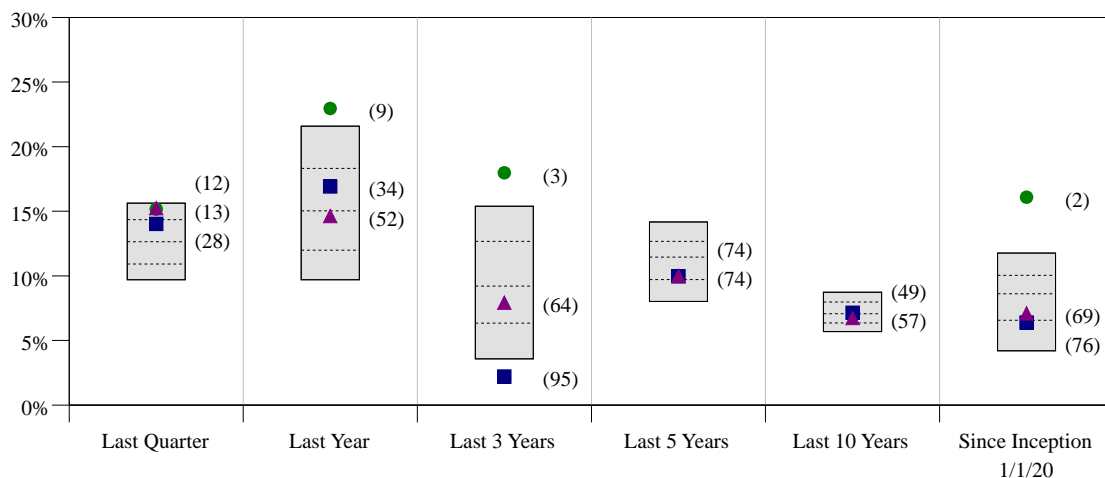


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

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



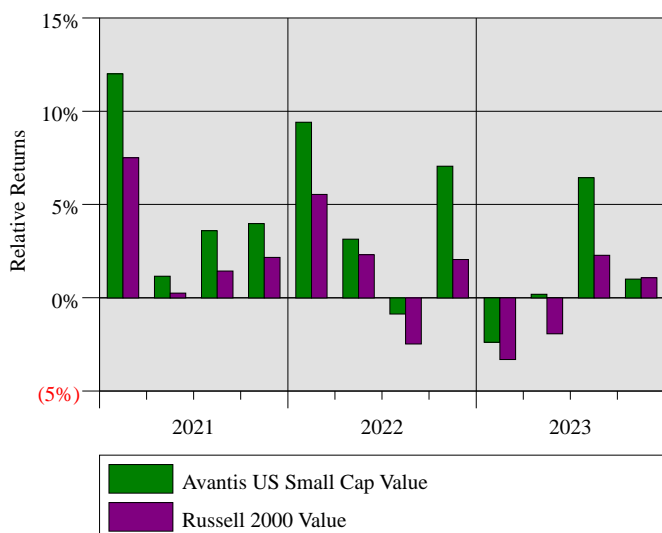
10th Percentile
25th Percentile
Median
75th Percentile
90th Percentile

10th Percentile	15.63	21.59	15.40	14.18	8.75	11.78
25th Percentile	14.36	18.33	12.68	12.68	7.98	10.05
Median	12.66	15.04	9.23	11.46	7.07	8.62
75th Percentile	10.93	12.00	6.36	9.72	6.37	6.58
90th Percentile	9.71	9.71	3.59	8.03	5.70	4.21

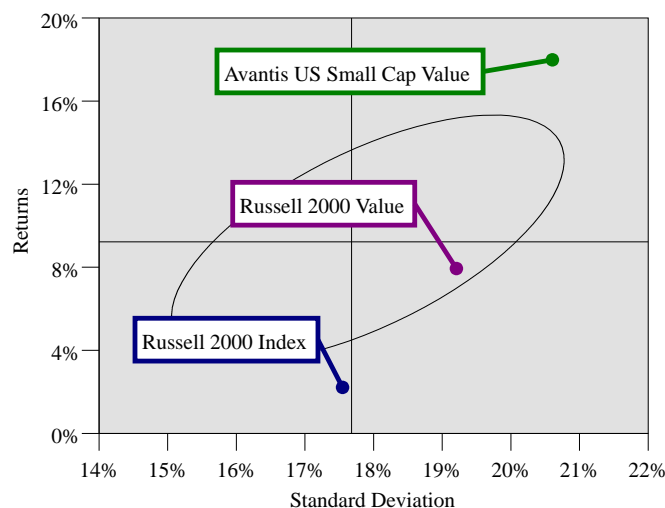
Avantis US Small Cap Value ●
Russell 2000 Index ■
Russell 2000 Value ▲

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Avantis US Small Cap Value	22.97	(4.70)	40.17	10.64	--	--	--	--	--	--
Russell 2000 Index	16.93	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89
Russell 2000 Value	14.65	(14.48)	28.27	4.63	22.39	(12.86)	7.84	31.74	(7.47)	4.22

Relative Returns vs. Russell 2000 Index



Callan Small Cap Value Mutual Funds | 3 Years Ended 12/31/23

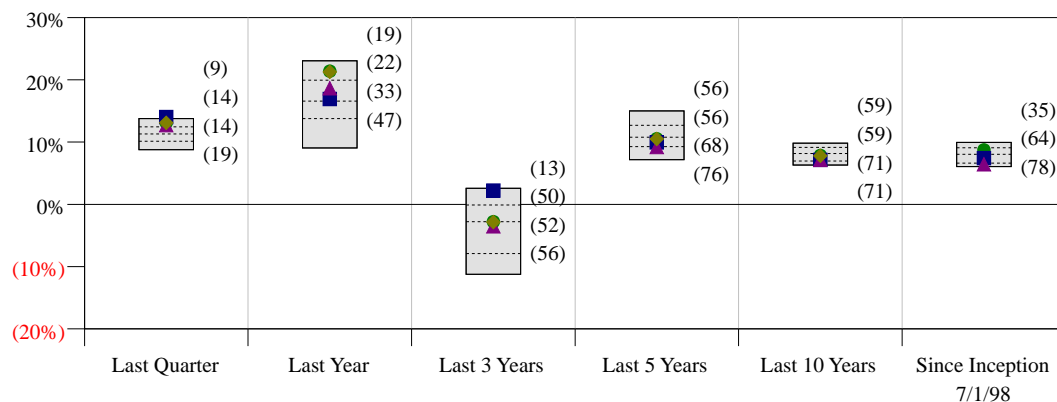


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

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

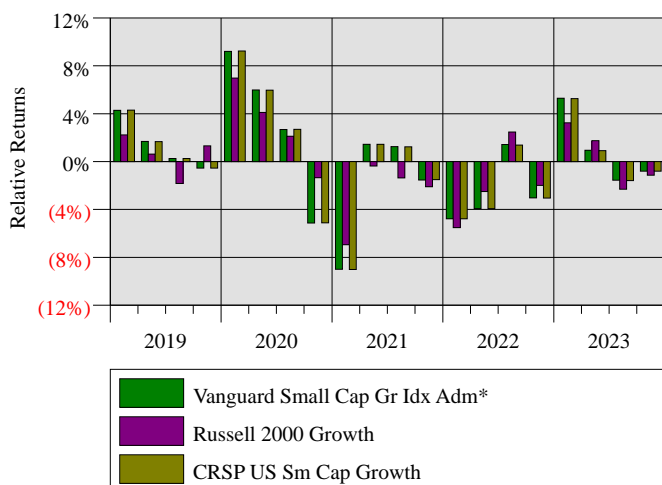


10th Percentile	13.78	23.09	2.61	15.02	9.83	9.98
25th Percentile	12.48	19.96	(0.09)	12.70	9.16	9.10
Median	11.33	16.59	(2.78)	10.79	8.18	8.07
75th Percentile	10.16	13.79	(7.89)	9.28	6.98	6.64
90th Percentile	8.79	9.07	(11.22)	7.18	6.34	6.09
Vanguard Small Cap Gr Idx Adm*	13.12	21.41	(2.78)	10.54	7.86	8.78
Russell 2000 Index	14.03	16.93	2.22	9.97	7.16	7.44
Russell 2000 Growth	12.75	18.66	(3.50)	9.22	7.16	6.44
CRSP US Sm Cap Growth	13.12	21.28	(2.83)	10.51	7.82	--

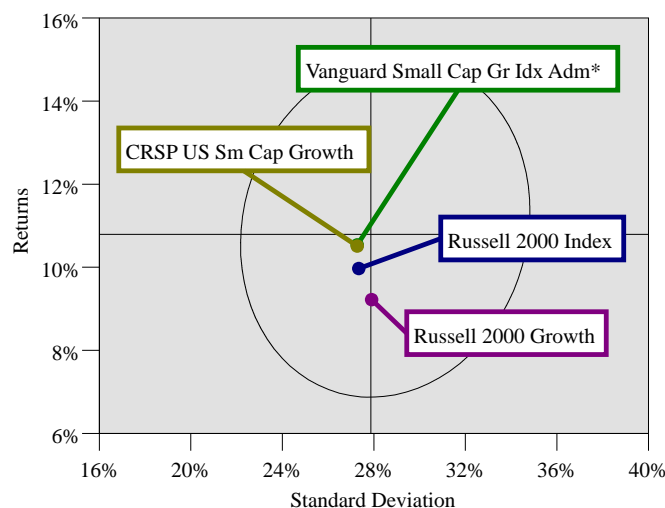
Vanguard switched to CRSP US Sm Cap Growth Index on April 17, 2013.

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard Small Cap Gr Idx Adm*	21.41	(28.39)	5.70	35.28	32.76	(5.68)	21.92	10.73	(2.52)	4.02
Russell 2000 Index	16.93	(20.44)	14.82	19.96	25.52	(11.01)	14.65	21.31	(4.41)	4.89
Russell 2000 Growth	18.66	(26.36)	2.83	34.63	28.48	(9.31)	22.17	11.32	(1.38)	5.60
CRSP US Sm Cap Growth	21.28	(28.44)	5.71	35.35	32.75	(5.68)	21.90	10.62	(2.60)	3.98

Relative Returns vs. Russell 2000 Index



Callan Small Cap Growth Mutual Funds | 5 Years Ended 12/31/23



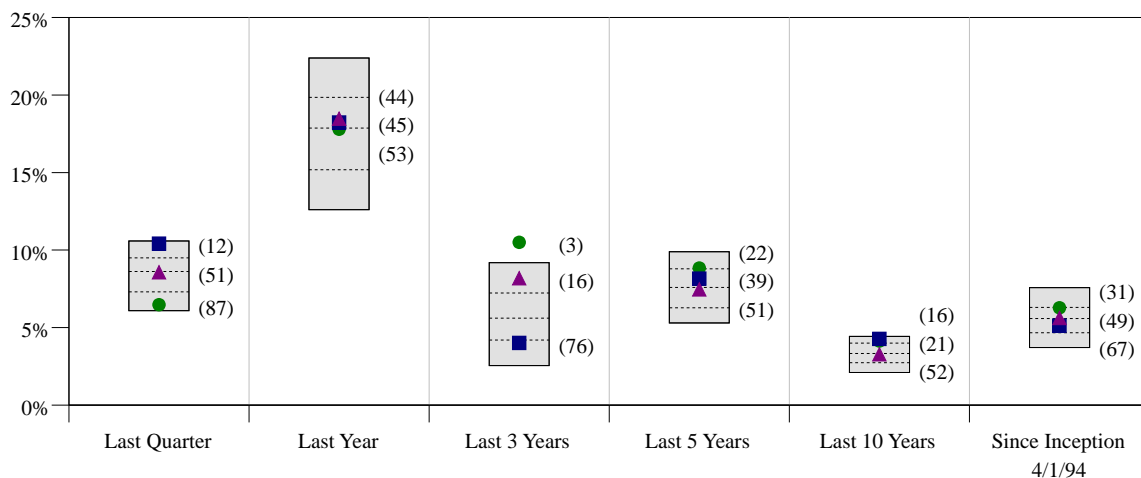
*Investor shares used as a proxy prior to 10/2011.

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

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.

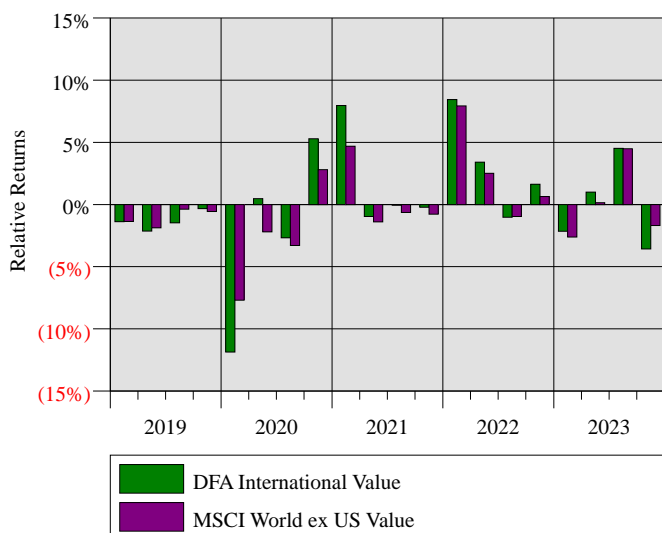
DFA International Value (DFIVX) Performance vs. Callan International Large Cap Value MFs Periods ending: December 31, 2023



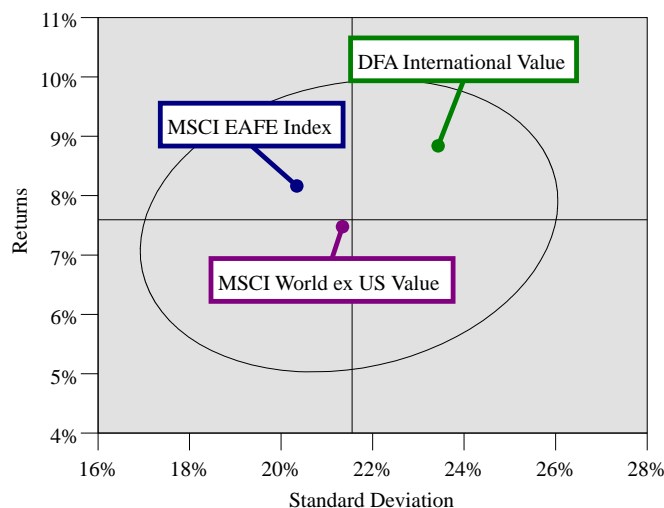
10th Percentile	10.59	22.39	9.20	9.90	4.44	7.59
25th Percentile	9.50	19.86	7.24	8.80	4.01	6.31
Median	8.63	17.87	5.62	7.59	3.34	5.59
75th Percentile	7.32	15.19	4.20	6.28	2.75	4.67
90th Percentile	6.09	12.61	2.56	5.31	2.11	3.72
DFA International Value	6.49	17.79	10.51	8.84	4.15	6.28
MSCI EAFE Index	10.42	18.24	4.02	8.16	4.28	5.14
MSCI World ex US Value	8.57	18.48	8.19	7.48	3.29	5.63

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA International Value	17.79	(3.48)	18.69	(2.14)	15.67	(17.49)	26.09	8.41	(6.31)	(6.99)
MSCI EAFE Index	18.24	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)
MSCI World ex US Value	18.48	(5.64)	13.26	(3.22)	17.02	(15.06)	21.04	7.39	(7.68)	(5.41)

Relative Returns vs. MSCI EAFE Index



Callan International Large Cap Value MFs | 5 Years Ended 12/31/23

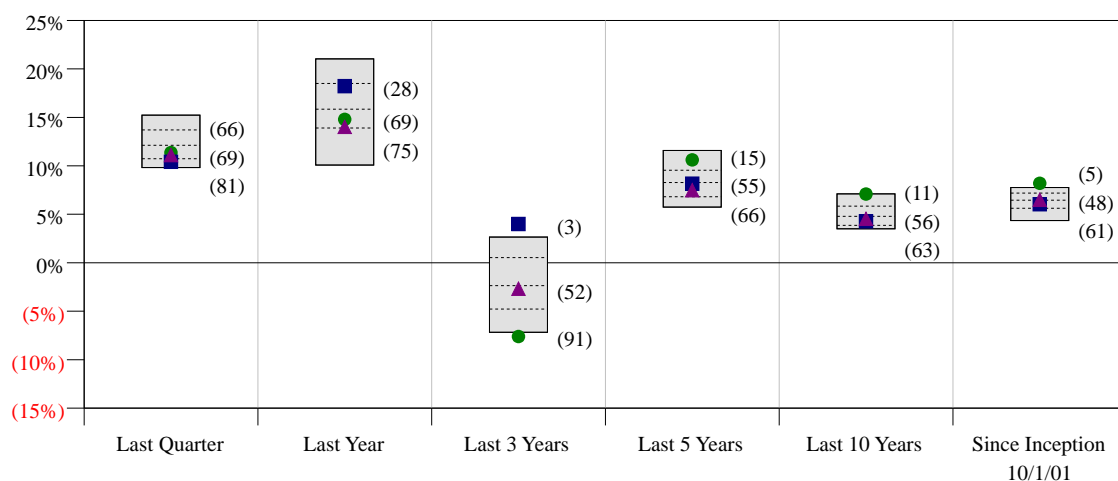


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

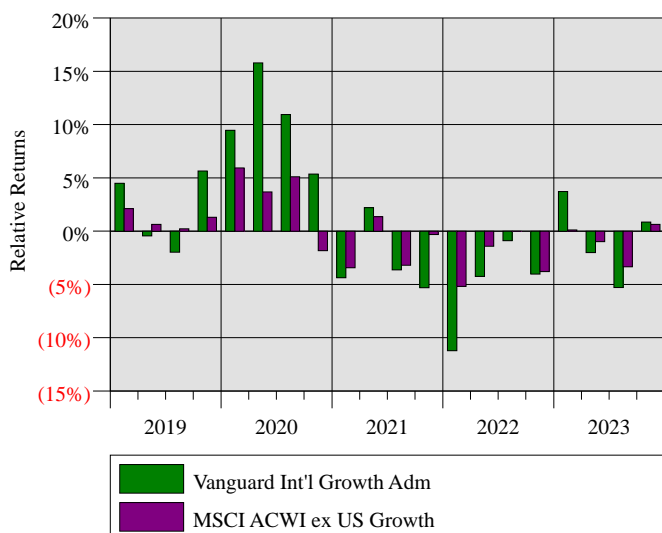
Vanguard Int'l Growth Adm (VWILX) Performance vs. Callan Intl Large Cap Growth MFs Periods ending: December 31, 2023



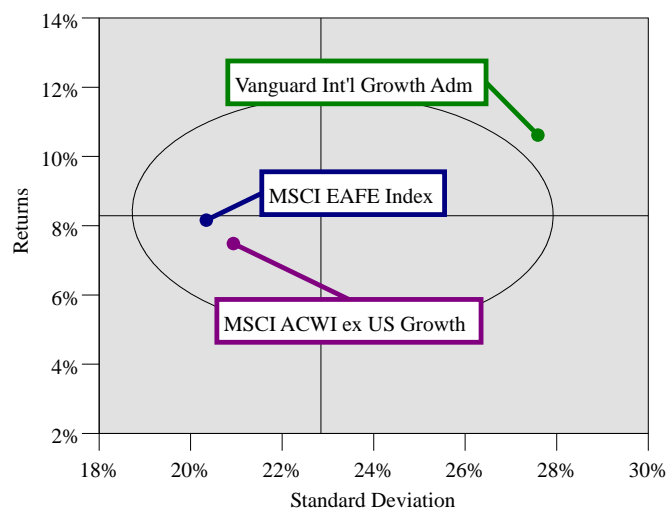
10th Percentile	15.25	21.04	2.66	11.60	7.13	7.77
25th Percentile	13.71	18.50	0.53	9.55	5.85	7.20
Median	12.12	15.85	(2.34)	8.29	4.79	6.47
75th Percentile	10.75	13.92	(4.78)	6.83	3.87	5.64
90th Percentile	9.83	10.09	(7.16)	5.75	3.51	4.36
Vanguard Int'l Growth Adm	11.37	14.81	(7.61)	10.62	7.09	8.20
MSCI EAFE Index	10.42	18.24	4.02	8.16	4.28	6.05
MSCI ACWI ex US Growth	11.12	14.03	(2.67)	7.49	4.55	6.51

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard Int'l Growth Adm	14.81	(30.79)	(0.74)	59.74	31.48	(12.58)	43.16	1.84	(0.54)	(5.51)
MSCI EAFE Index	18.24	(14.45)	11.26	7.82	22.01	(13.79)	25.03	1.00	(0.81)	(4.90)
MSCI ACWI ex US Growth	14.03	(23.05)	5.09	22.20	27.34	(14.43)	32.01	0.12	(1.25)	(2.65)

Relative Returns vs. MSCI EAFE Index



Callan Intl Large Cap Growth MFs | 5 Years Ended 12/31/23

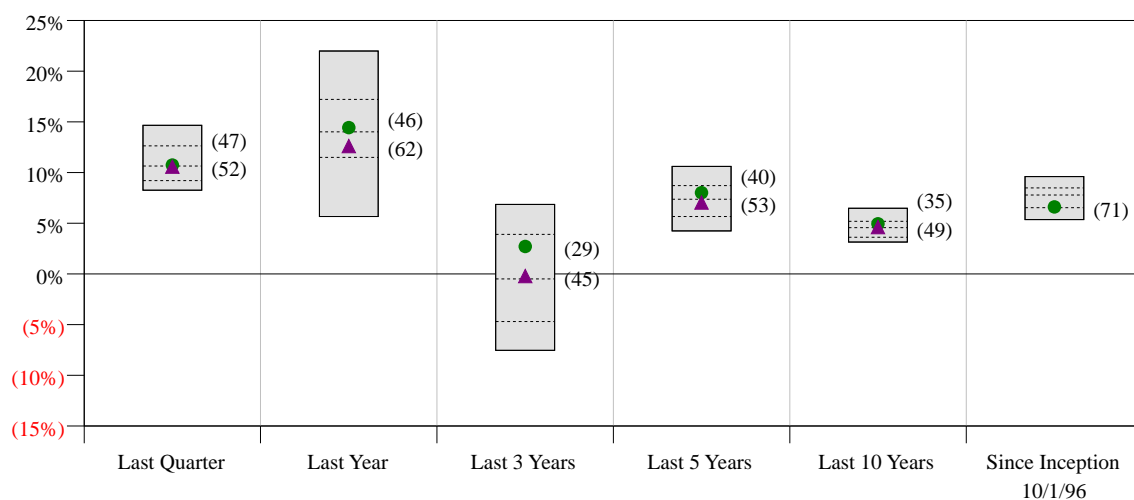


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

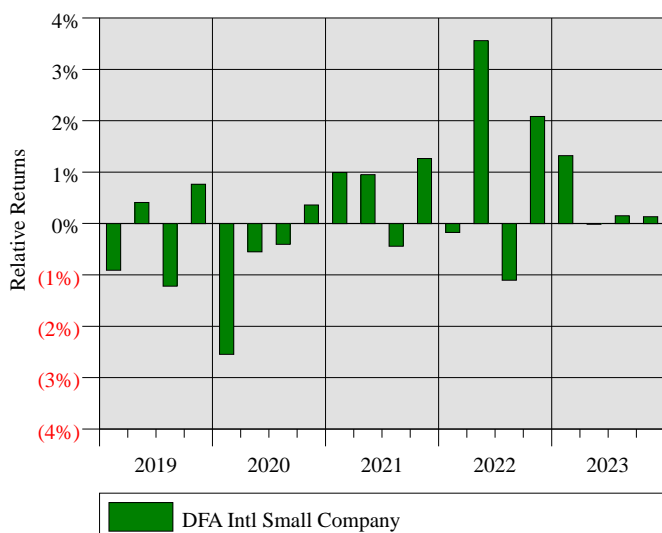
DFA Intl Small Company (DFISX) Performance vs. Callan International Small Cap Mut Funds Periods ending: December 31, 2023



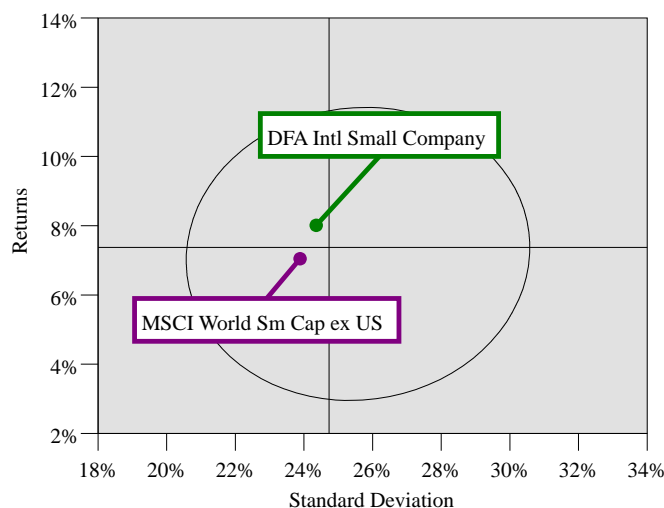
10th Percentile	14.68	21.99	6.86	10.61	6.49	9.60
25th Percentile	12.63	17.22	3.90	8.71	5.21	8.48
Median	10.66	14.02	(0.48)	7.38	4.57	7.79
75th Percentile	9.22	11.51	(4.68)	5.68	3.63	6.55
90th Percentile	8.27	5.67	(7.52)	4.25	3.15	5.37
DFA Intl Small Company	10.75	14.43	2.71	8.02	4.94	6.62
MSCI World Sm Cap ex US	10.60	12.62	(0.20)	7.05	4.63	--

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Intl Small Company	14.43	(17.12)	14.24	9.26	24.20	(19.42)	30.24	5.80	5.91	(6.30)
MSCI World Sm Cap ex US	12.62	(20.59)	11.14	12.78	25.41	(18.07)	31.04	4.32	5.46	(5.35)

Relative Returns vs. MSCI World Sm Cap ex US



Callan International Small Cap Mut Funds | 5 Years Ended 12/31/23

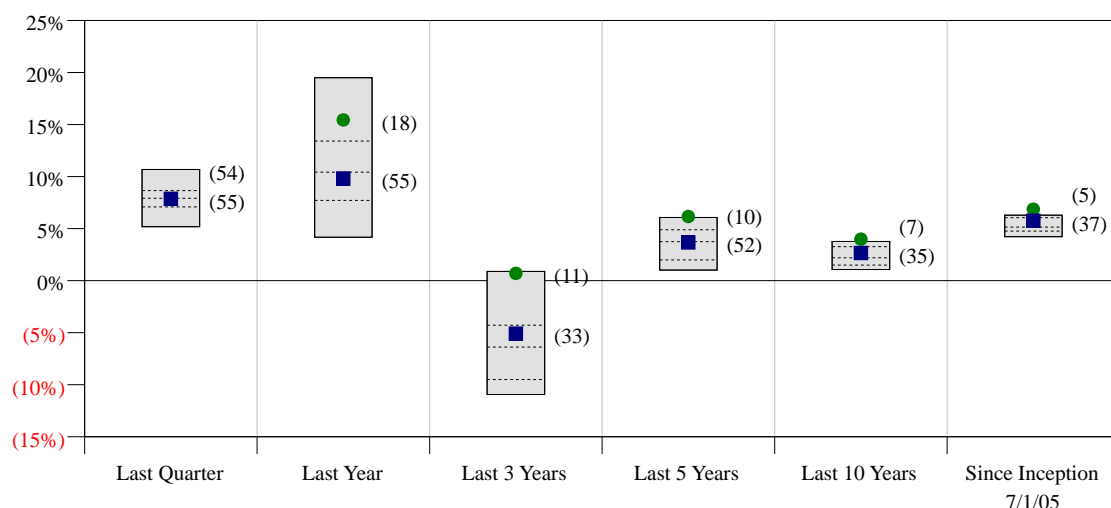


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

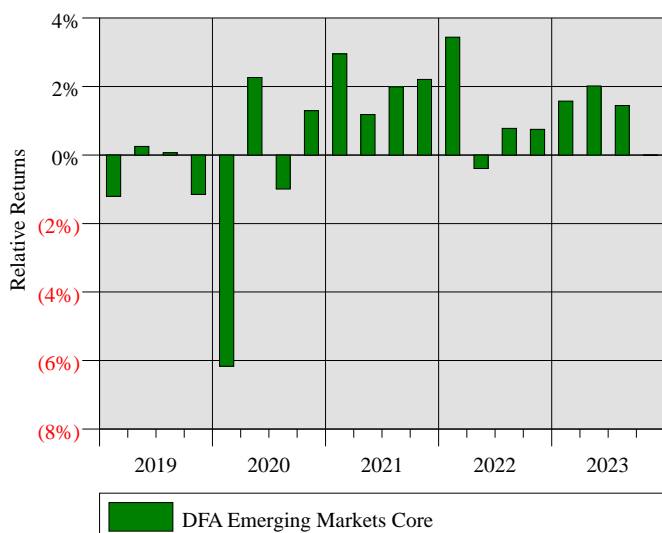
DFA Emerging Markets Core (DFCEX) Performance vs. Callan Emerging Markets Equity Mut Funds Periods ending: December 31, 2023



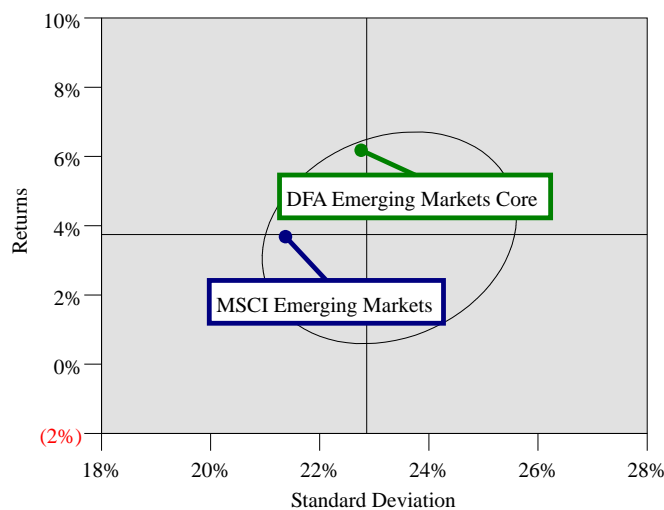
10th Percentile	10.70	19.51	0.89	6.08	3.77	6.29
25th Percentile	8.66	13.42	(4.28)	4.89	3.28	6.06
Median	7.92	10.44	(6.38)	3.75	2.21	5.16
75th Percentile	7.10	7.72	(9.49)	2.00	1.51	4.78
90th Percentile	5.20	4.17	(10.94)	1.02	1.07	4.23
DFA Emerging Markets Core	7.86	15.45	0.71	6.18	4.00	6.88
MSCI Emerging Markets	7.86	9.83	(5.08)	3.69	2.66	5.76

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Emerging Markets Core	15.45	(16.40)	5.83	13.86	16.04	(15.25)	36.55	12.35	(14.86)	(0.91)
MSCI Emerging Markets	9.83	(20.09)	(2.54)	18.31	18.44	(14.57)	37.28	11.19	(14.92)	(2.19)

Relative Returns vs. MSCI Emerging Markets



Callan Emerging Markets Equity Mut Funds | 5 Years Ended 12/31/23

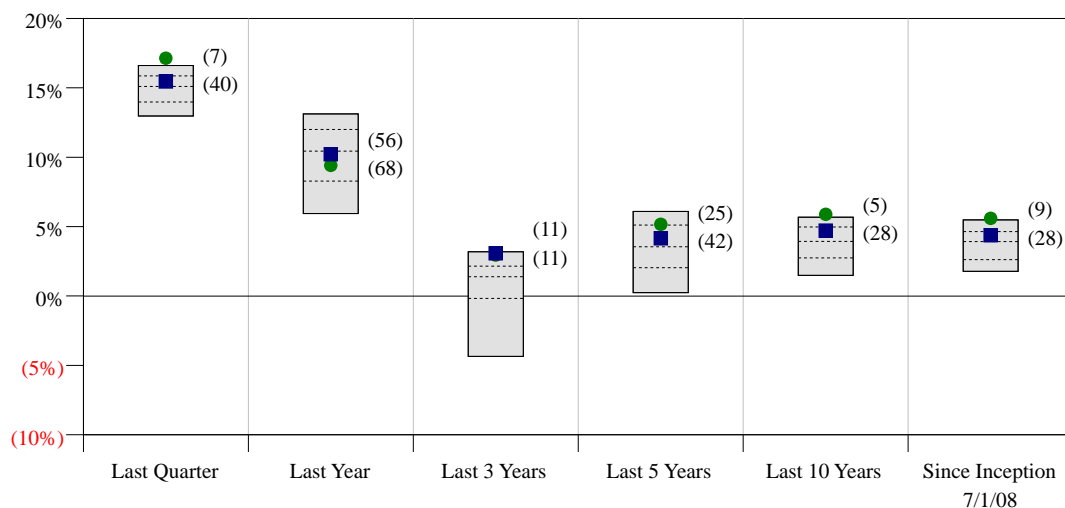


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

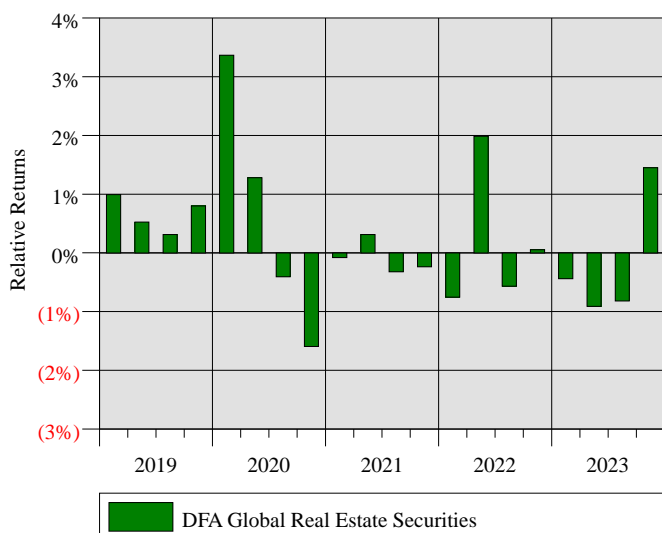
DFA Global Real Estate Securities (DFGEX) Performance vs. Morningstar Global Real Estate Funds Periods ending: December 31, 2023



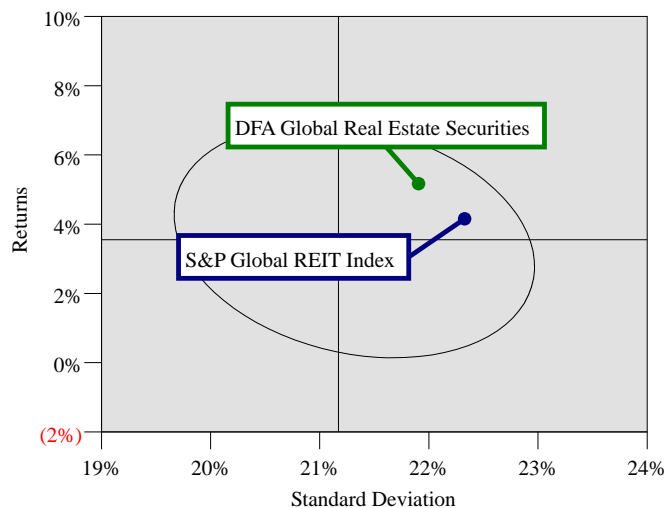
10th Percentile	16.61	13.13	3.20	6.09	5.69	5.49
25th Percentile	15.87	12.01	2.16	5.12	4.97	4.65
Median	15.11	10.45	1.39	3.55	3.94	3.93
75th Percentile	13.99	8.28	(0.17)	2.05	2.76	2.63
90th Percentile	12.98	5.95	(4.35)	0.24	1.49	1.79
DFA Global Real Estate Securities	17.14	9.42	2.96	5.17	5.90	5.60
S&P Global REIT Index	15.47	10.23	3.08	4.16	4.72	4.39

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
DFA Global Real Estate Securities	9.42	(23.83)	30.96	(6.72)	26.40	(4.15)	9.20	6.56	0.69	22.74
S&P Global REIT Index	10.23	(24.36)	31.38	(9.09)	23.12	(5.93)	7.41	5.77	(0.44)	21.54

Relative Returns vs. S&P Global REIT Index



Morningstar Global Real Estate Funds | 5 Years Ended 12/31/23

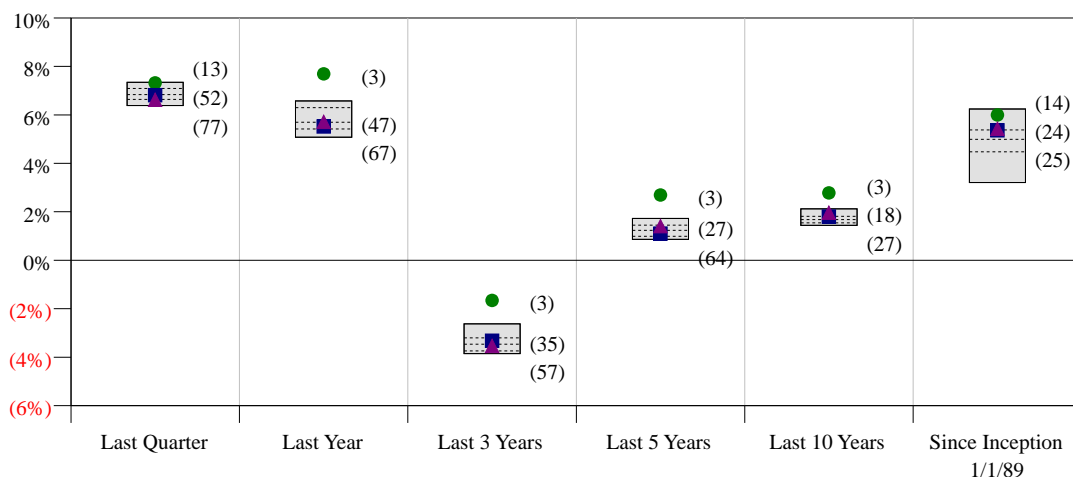


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

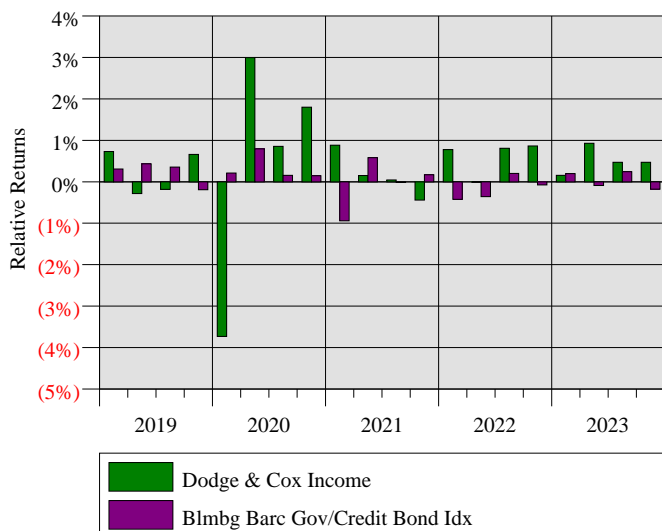
Dodge & Cox Income (DODIX) Performance vs. Callan Core Bond Mutual Funds Periods ending: December 31, 2023



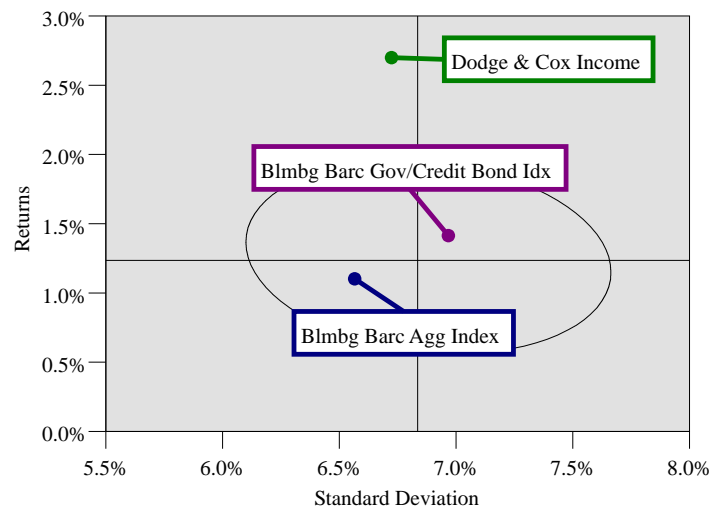
10th Percentile	7.35	6.58	(2.62)	1.73	2.12	6.25
25th Percentile	7.10	6.30	(3.20)	1.45	1.82	5.38
Median	6.84	5.70	(3.46)	1.24	1.68	4.99
75th Percentile	6.64	5.42	(3.74)	0.99	1.55	4.48
90th Percentile	6.39	5.09	(3.85)	0.86	1.45	3.21
Dodge & Cox Income	7.32	7.70	(1.65)	2.70	2.79	6.00
Blmbg Barc Agg Index	6.82	5.53	(3.31)	1.10	1.81	5.37
Blmbg Barc Gov/Credit Bond Idx	6.63	5.72	(3.53)	1.41	1.97	5.43

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Dodge & Cox Income	7.70	(10.86)	(0.91)	9.45	9.73	(0.31)	4.36	5.61	(0.59)	5.48
Blmbg Barc Agg Index	5.53	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97
Blmbg Barc Gov/Credit Bond Idx	5.72	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01

Relative Returns vs. Blmbg Barc Agg Index



Callan Core Bond Mutual Funds | 5 Years Ended 12/31/23

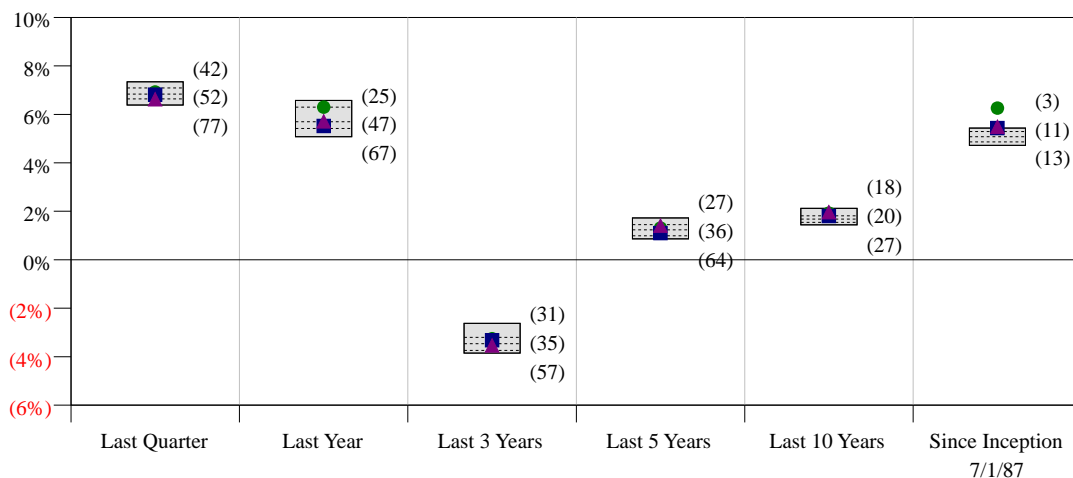


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

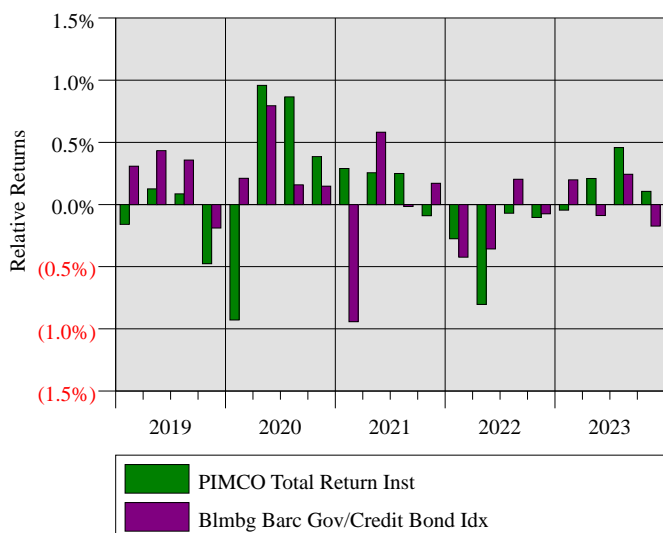
PIMCO Total Return Inst (PTTRX) Performance vs. Callan Core Bond Mutual Funds Periods ending: December 31, 2023



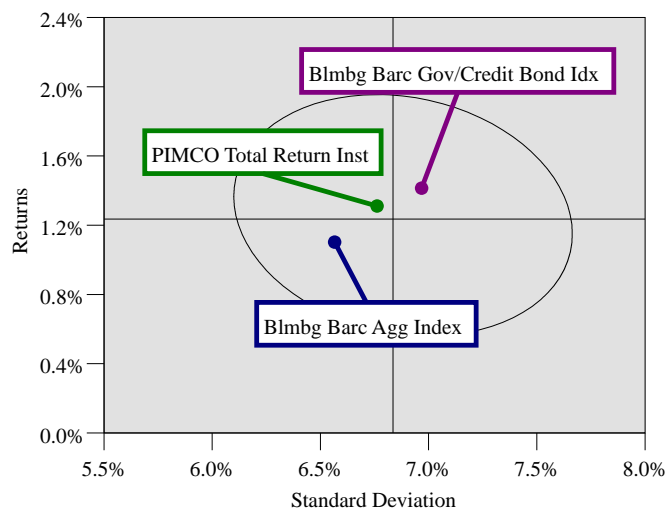
10th Percentile	7.35	6.58	(2.62)	1.73	2.12	5.44
25th Percentile	7.10	6.30	(3.20)	1.45	1.82	5.30
Median	6.84	5.70	(3.46)	1.24	1.68	5.08
75th Percentile	6.64	5.42	(3.74)	0.99	1.55	4.87
90th Percentile	6.39	5.09	(3.85)	0.86	1.45	4.73
PIMCO Total Return Inst	6.93	6.30	(3.25)	1.31	1.93	6.27
Blmbg Barc Agg Index	6.82	5.53	(3.31)	1.10	1.81	5.44
Blmbg Barc Gov/Credit Bond Idx	6.63	5.72	(3.53)	1.41	1.97	5.49

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
PIMCO Total Return Inst	6.30	(14.09)	(0.84)	8.88	8.26	(0.26)	5.13	2.60	0.72	4.69
Blmbg Barc Agg Index	5.53	(13.01)	(1.54)	7.51	8.72	0.01	3.54	2.65	0.55	5.97
Blmbg Barc Gov/Credit Bond Idx	5.72	(13.58)	(1.75)	8.93	9.71	(0.42)	4.00	3.05	0.15	6.01

Relative Returns vs. Blmbg Barc Agg Index



Callan Core Bond Mutual Funds | 5 Years Ended 12/31/23

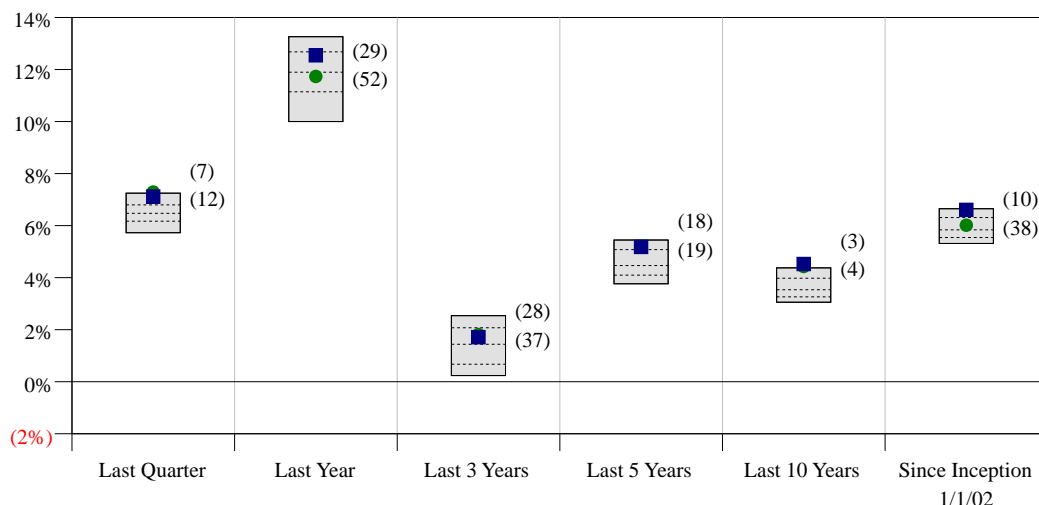


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

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

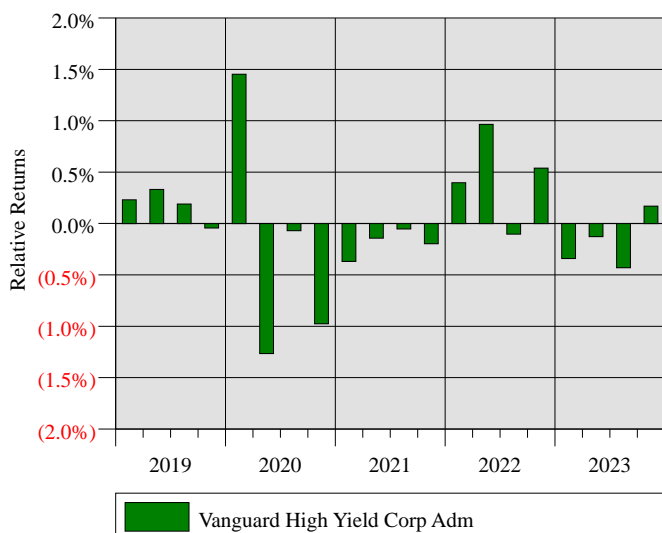
Vanguard High Yield Corp Adm (VWEAX) Performance vs. Callan High Yield Mutual Funds Periods ending: December 31, 2023



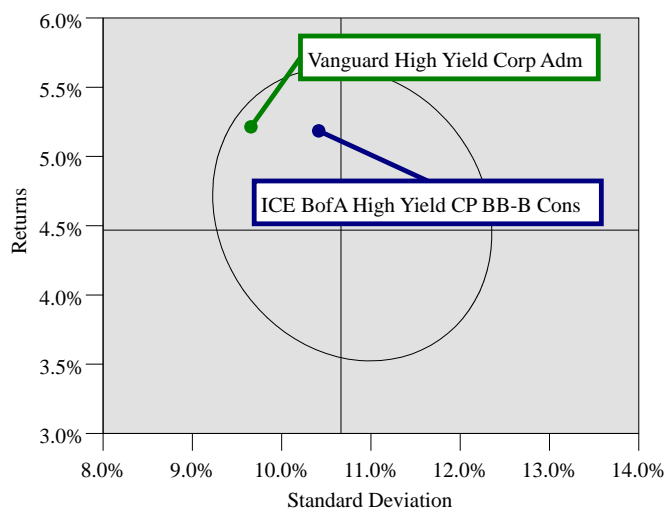
10th Percentile	7.25	13.27	2.55	5.45	4.38	6.65
25th Percentile	6.80	12.68	2.08	5.08	3.98	6.31
Median	6.47	11.90	1.44	4.47	3.54	5.84
75th Percentile	6.17	11.15	0.68	4.10	3.26	5.55
90th Percentile	5.73	10.00	0.24	3.77	3.06	5.31
Vanguard High Yield Corp Adm	7.30	11.74	1.82	5.21	4.43	6.02
ICE BofA High Yield CP BB-B Cons	7.12	12.55	1.72	5.19	4.53	6.61

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Vanguard High Yield Corp Adm	11.74	(8.97)	3.78	5.39	15.91	(2.87)	7.13	11.30	(1.30)	4.69
ICE BofA High Yield CP BB-B Cons	12.55	(10.59)	4.58	6.32	15.09	(2.04)	6.98	14.76	(2.82)	3.48

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



Callan High Yield Mutual Funds | 5 Years Ended 12/31/23

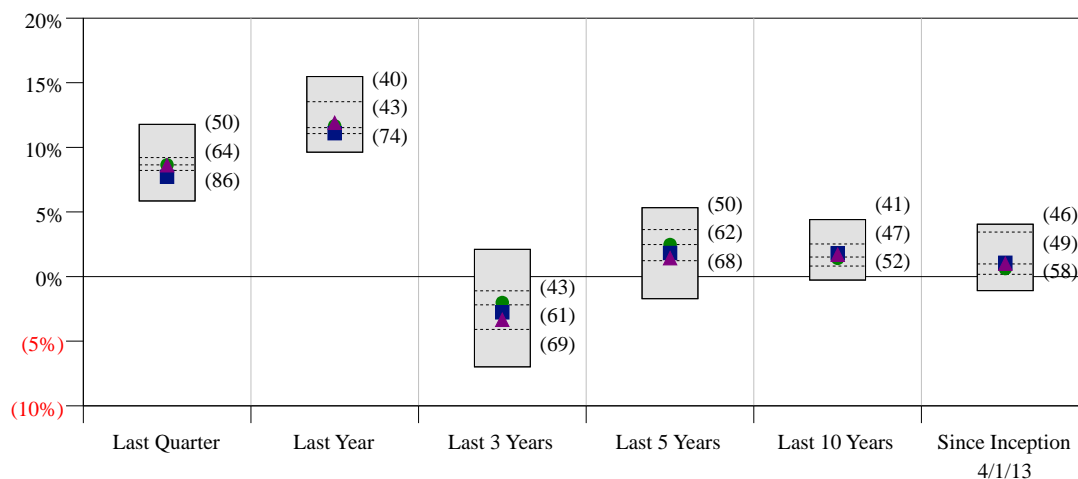


Source: Callan. Past performance is not indicative of future results. See important disclosures.

Investment Philosophy:

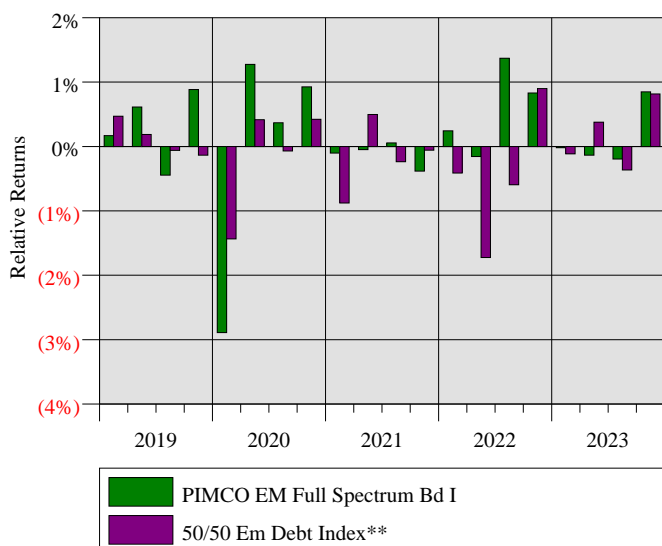
Emerging Markets Debt mutual funds that are benchmarked versus a blend of US\$ denominated and local currency indices.

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

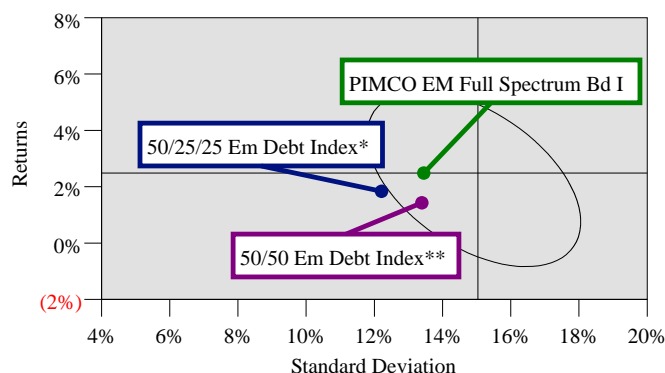


	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
PIMCO EM Full Spectrum Bd I	11.67	(11.17)	(5.13)	4.31	15.16	(5.28)	12.30	12.01	(11.09)	(3.82)
50/25/25 Em Debt Index*	11.11	(13.17)	(4.67)	4.70	13.77	(4.56)	11.88	10.20	(7.07)	(0.15)
50/50 Em Debt Index**	11.91	(14.76)	(5.32)	4.00	14.30	(5.10)	12.72	10.10	(7.07)	0.72

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



Callan Emerging Mkts Debt Blend MFs | 5 Years Ended 12/31/23



* 50/25/25 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), 25% JPM EMBI Global Index (external sovereigns), and 25% JPM CEMBI Diversified Index (corporate bonds).
 ** 50/50 Em Debt Index is a blended benchmark comprised of 50% JPM GBI-EM Global Diversified Index (local bonds), and 50% JPM EMBI Global Diversified Index (external bonds).
 Source: Callan. Past performance is not indicative of future results. See important disclosures.

Important Disclosure Information

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

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

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

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

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

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

Index Definitions:

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

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

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

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

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

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

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

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

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

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

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

3 Month T-Bill: 3 Month Treasury Bill is a short-term debt obligation backed by the U.S. government with a maturity of 90 days. 47



Attachment B
Cover Page

The Stories of 2023

To offer a sense of just how impressive the market return was in 2023, if you compare it against the average of all calendar year returns since the S&P 500 was inception in 1957, it's more than double (26.3% vs. 12.1%) as shown in the **left panel of Figure 2**.

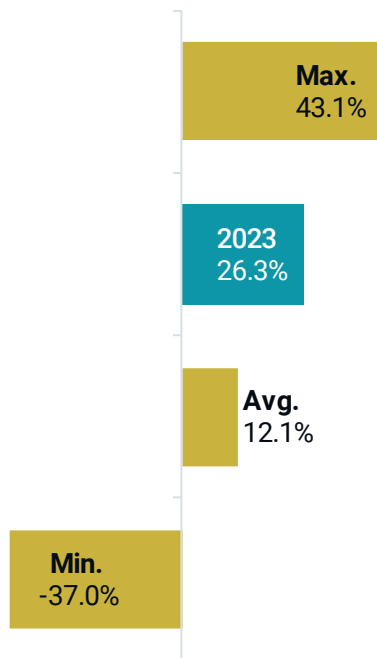
What we can't see in the 2023 total return figure is that the day-to-day experience for investors was more complex.

The **right panel of Figure 2** shows a few more statistics for the S&P 500 in 2023. Even in a big up year, there were plenty of ups and downs.

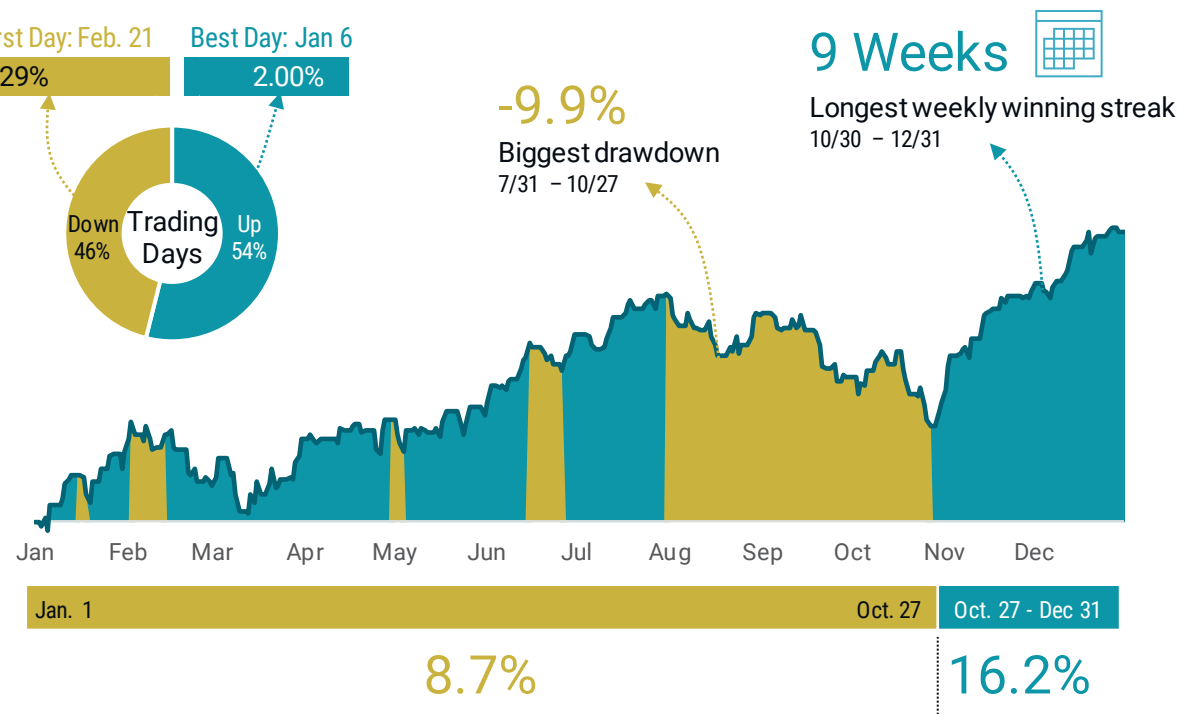
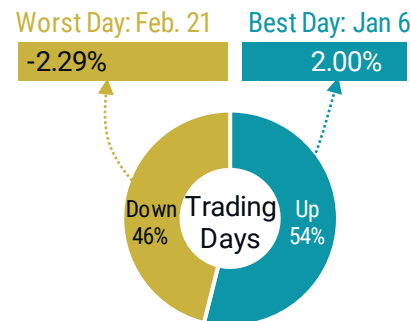
Missing out on short periods in the market, like the last nine weeks when stocks rose 16%, could have led to much lower returns (8.7% YTD as of Oct. 27 vs. 26.3% by year end) – another reminder of how trying to time the market is unlikely to leave us better off than just staying the course.

Figure 2 | S&P 500 Index by the Numbers

Historical Calendar Year Returns 1958 - 2023



2023 Returns



Calendar year return data from 1/1/1958-12/31/2023. The S&P 500® Index inception in March 1957. Remaining data from 1/1/2023 - 12/31/2023. Source: Bloomberg and Avantis Investors. Past performance is no guarantee of future results.

Avantis Investors®
By American Century Investments®



Inflation

GTM

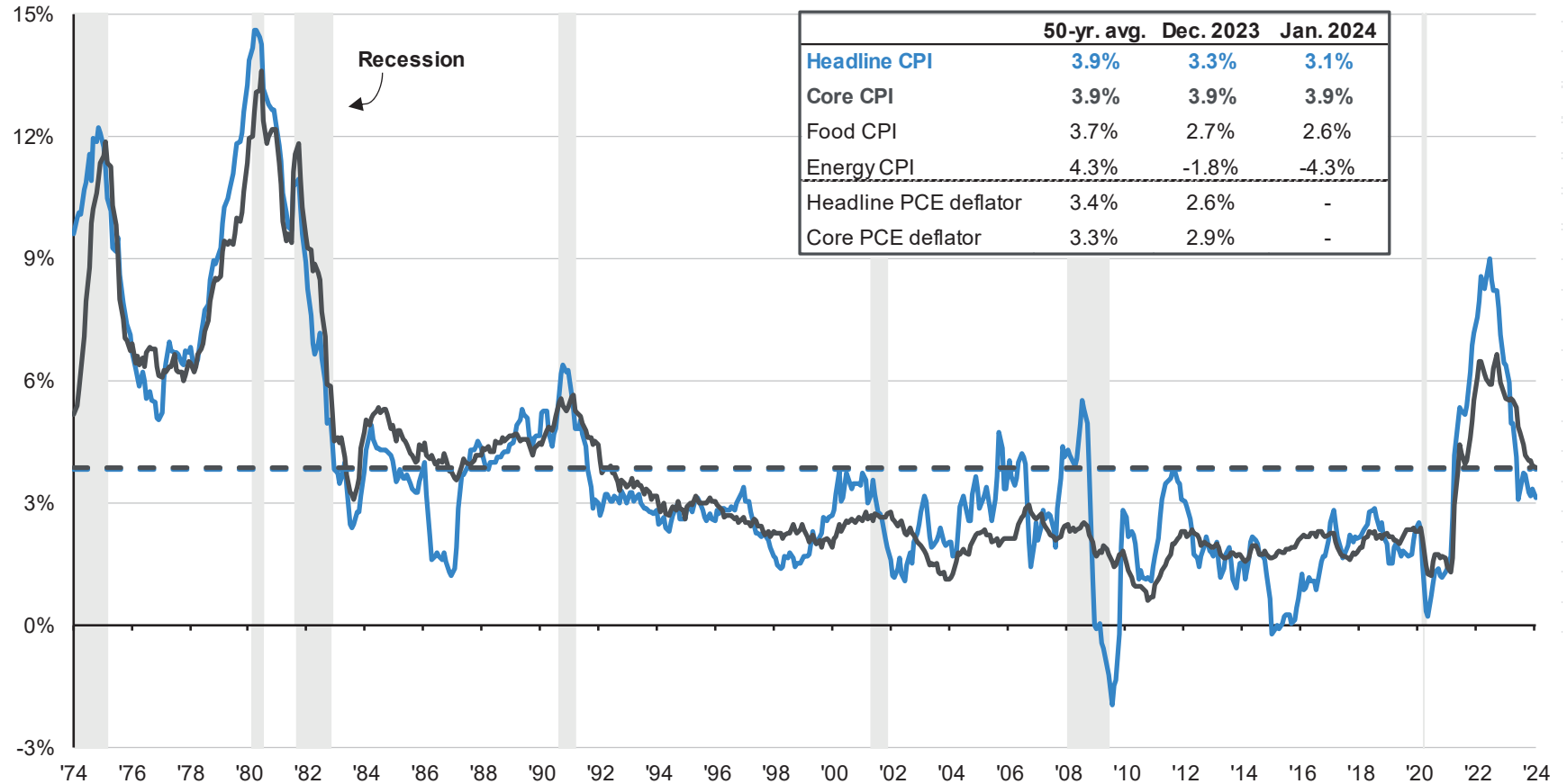
U.S.

27

Economy

CPI and core CPI

% change vs. prior year, seasonally adjusted



Source: BLS, FactSet, J.P. Morgan Asset Management.

CPI used is CPI-U and values shown are % change vs. one year ago. Core CPI is defined as CPI excluding food and energy prices. The Personal Consumption Expenditure (PCE) deflator employs an evolving chain-weighted basket of consumer expenditures instead of the fixed-weight basket used in CPI calculations.

Guide to the Markets – U.S. Data are as of February 14, 2024.

J.P.Morgan
ASSET MANAGEMENT



Global supply chains and inflation

GTM

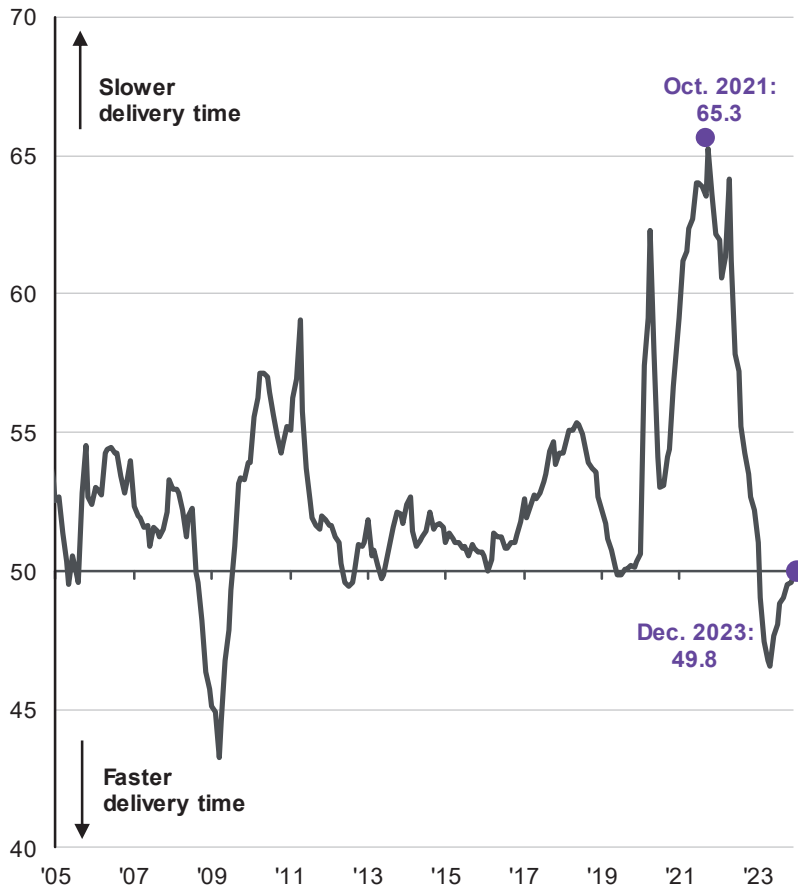
U.S.

OTB

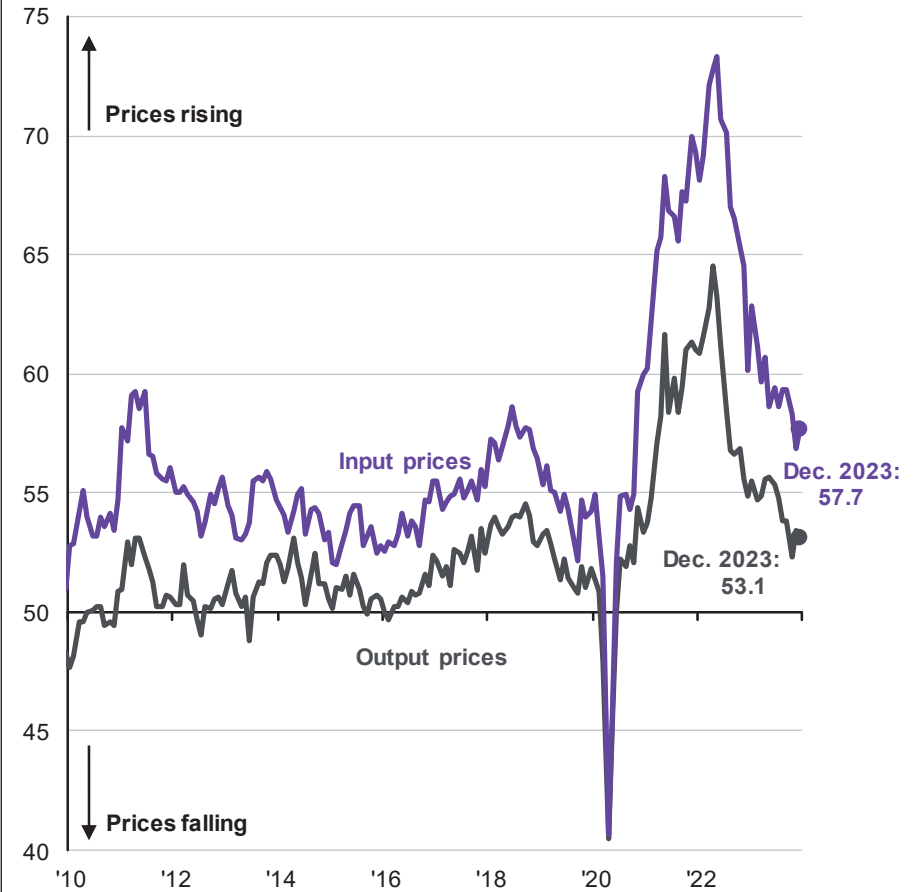
International

Global PMI suppliers' delivery times index*

Figure shown is 100 - Global PMI suppliers' delivery times index



Global PMI input and output prices**



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

*Participants in Standard & Poor's PMI business surveys, conducted in 44 countries, are asked: "Are your suppliers' delivery times slower, faster or unchanged on average than one month ago?". Index includes the manufacturing and construction sectors. PMI score reflected above is 100 - PMI report by Standard & Poor's. A reading of 50 = no change, <50 = faster delivery time, >50 = slower delivery time.**Participants are asked: "Are input/output prices the same, higher or lower?". Values shown reflect the composite index, which includes both manufacturing and services. A reading of 50 = no change, >50 = price increase, <50 = price decrease.

Guide to the Markets - U.S. Data are as of December 31, 2023.

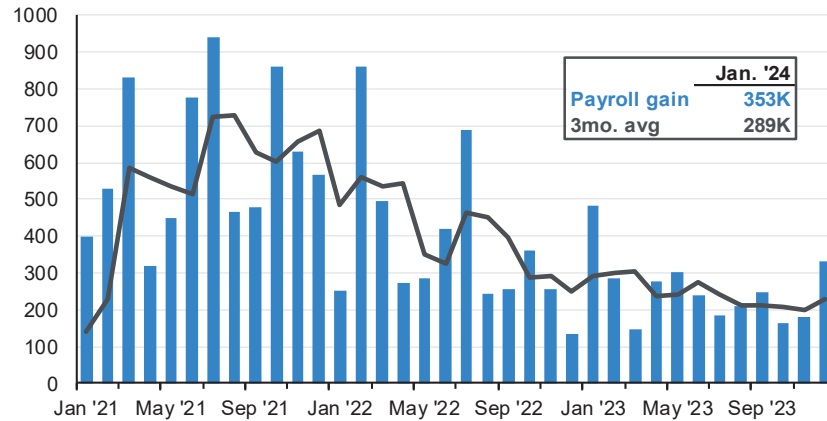
J.P.Morgan
ASSET MANAGEMENT



Labor market dashboard

Nonfarm payroll gains

Month-over-month change and 3mo. moving average, SA

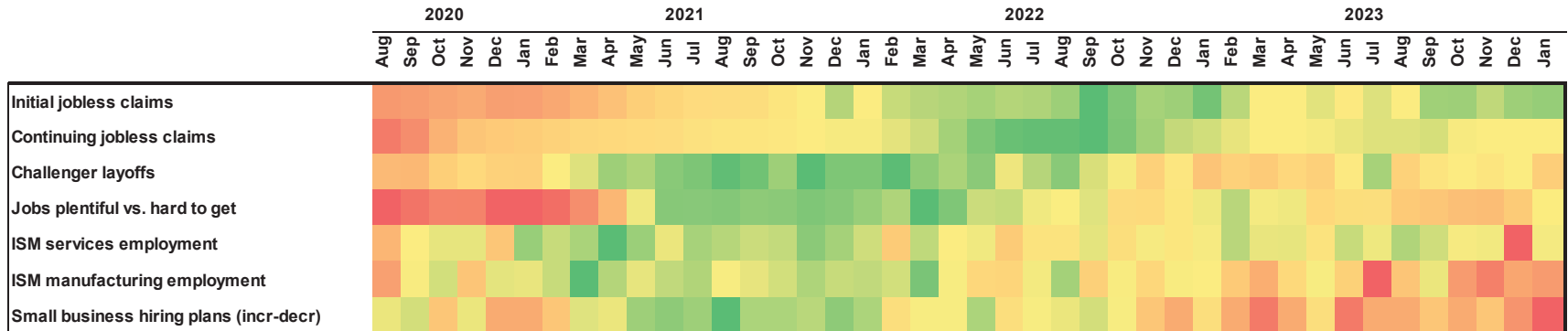


Labor force participation

% of civilian noninstitutional population, SA



Key labor market indicators



Source: BLS, Conference Board, FactSet, ISM, NFIB, J.P. Morgan Asset Management. Heatmap shading is relative to the time period shown. For jobless claims and layoffs, red reflects higher values and green reflects lower values. For ISM employment PMIs, shading is centered at a 50 level, with values above 50 indicating acceleration (shaded green) and below 50 indicating deceleration (shaded red) of employment. For jobs plentiful vs. hard to get and small business hiring plans, red reflects low survey values and green reflects high values.
Guide to the Markets – U.S. Data are as of February 14, 2024.



Economic growth and the composition of GDP

GTM

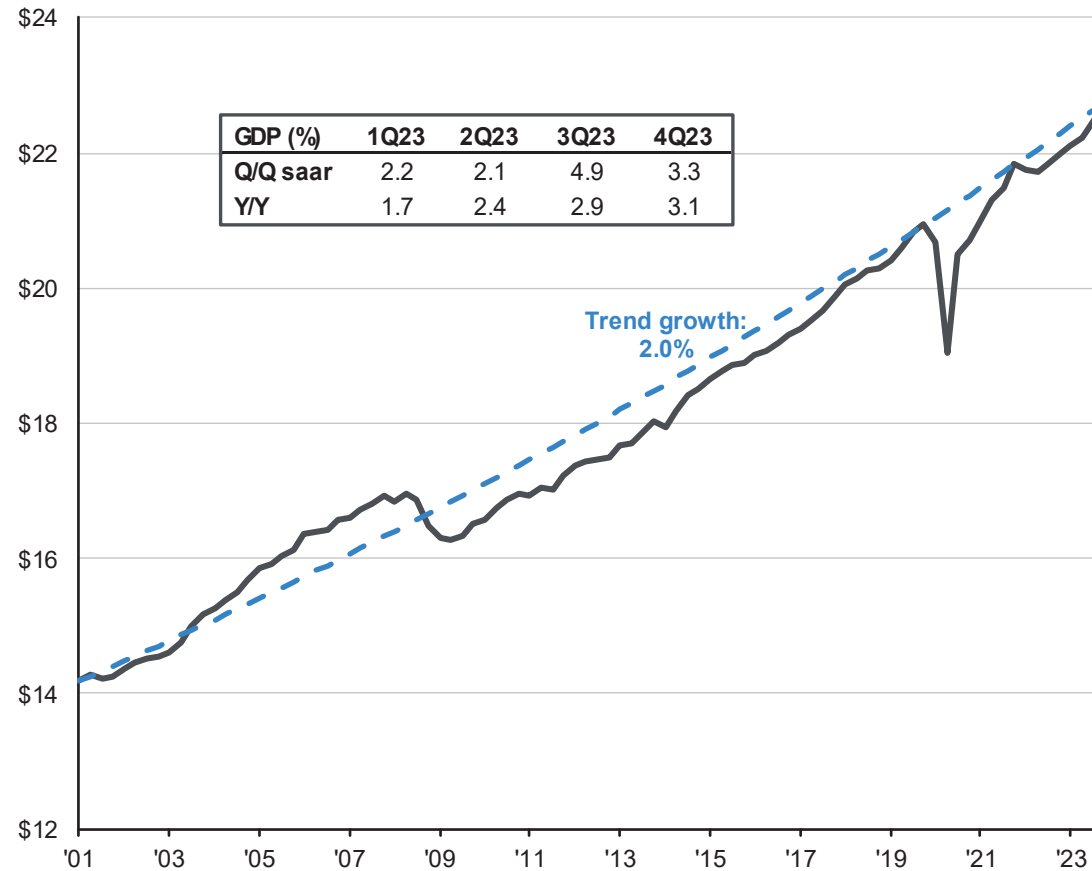
U.S.

15

Economy

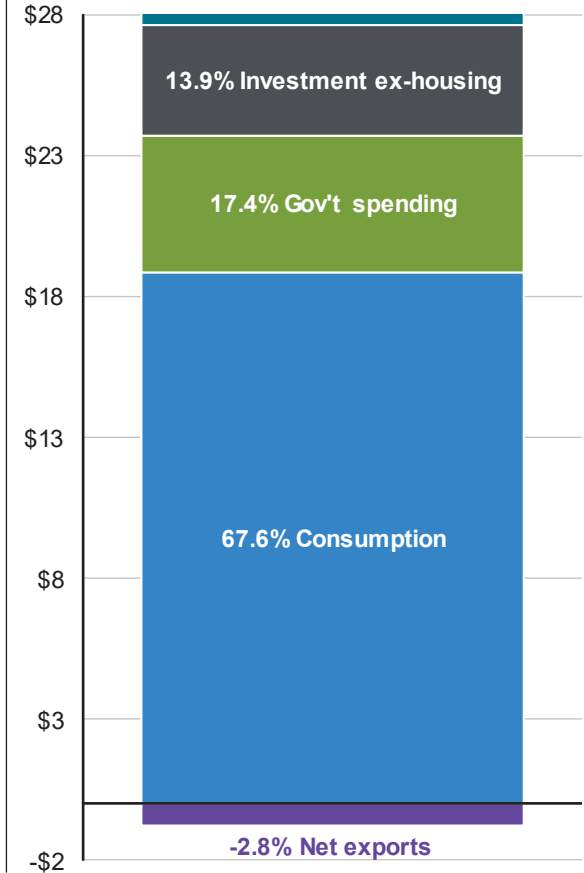
Real GDP

Trillions of chained (2017) dollars, seasonally adjusted at annual rates



Components of GDP

4Q23 nominal GDP, USD trillions



Source: BEA, FactSet, J.P. Morgan Asset Management. Values may not sum to 100% due to rounding. Trend growth is measured as the average annual growth rate from business cycle peak 1Q01 to business cycle peak 4Q19.
Guide to the Markets – U.S. Data are as of January 31, 2024.

J.P.Morgan
ASSET MANAGEMENT



Consumer saving and borrowing

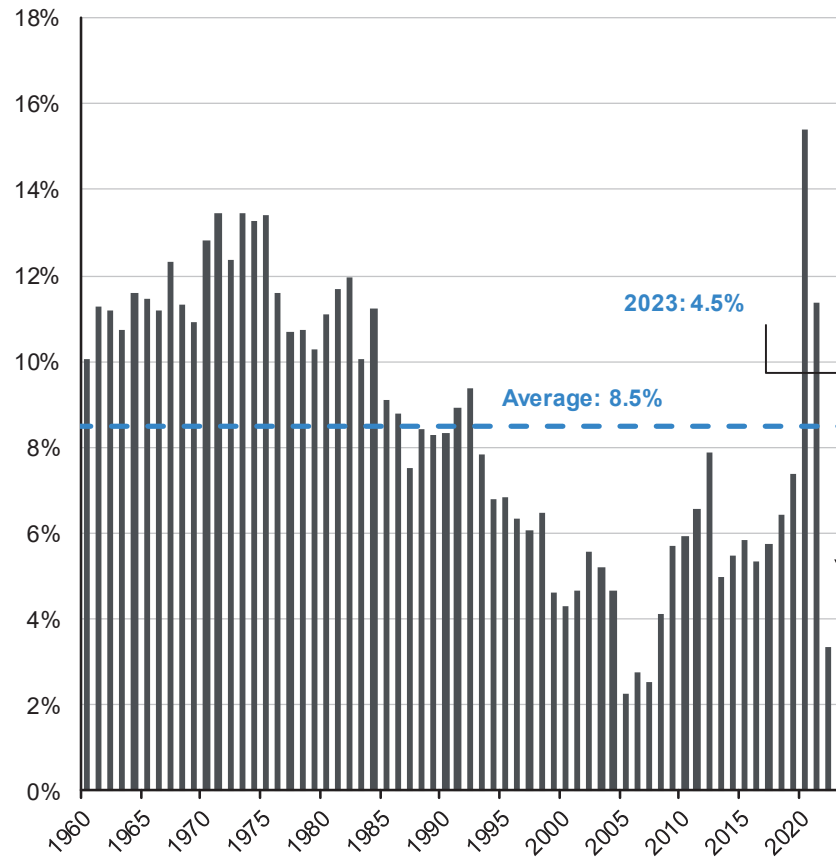
GTM

U.S.

22

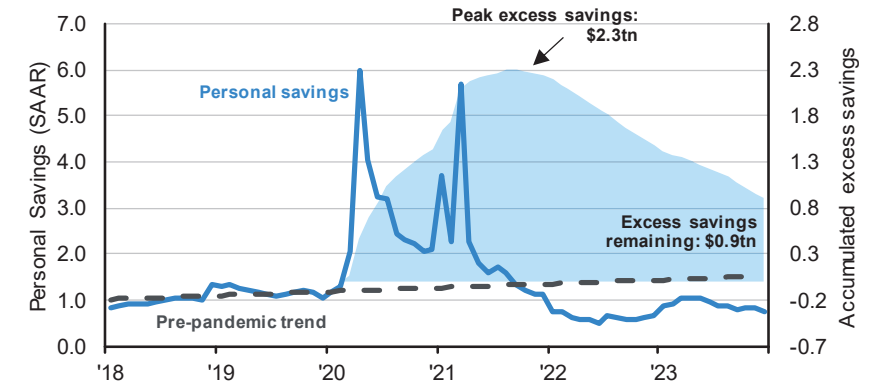
Personal saving rate

Personal savings as a % of disposable personal income, annual



Household excess savings

Trillions of USD



Revolving consumer credit outstanding

% of disposable income, SAAR



Source: BEA, Federal Reserve, J.P. Morgan Asset Management. From March 2020 to August 2021, consumers amassed a peak \$2.3 trillion in excess savings relative to the pre-pandemic trend. Since August 2021, consumers have drawn down on those excess savings, with the remaining reflected in the chart annotation.

Guide to the Markets – U.S. Data are as of January 31, 2024.

J.P.Morgan
ASSET MANAGEMENT



The Fed and interest rates

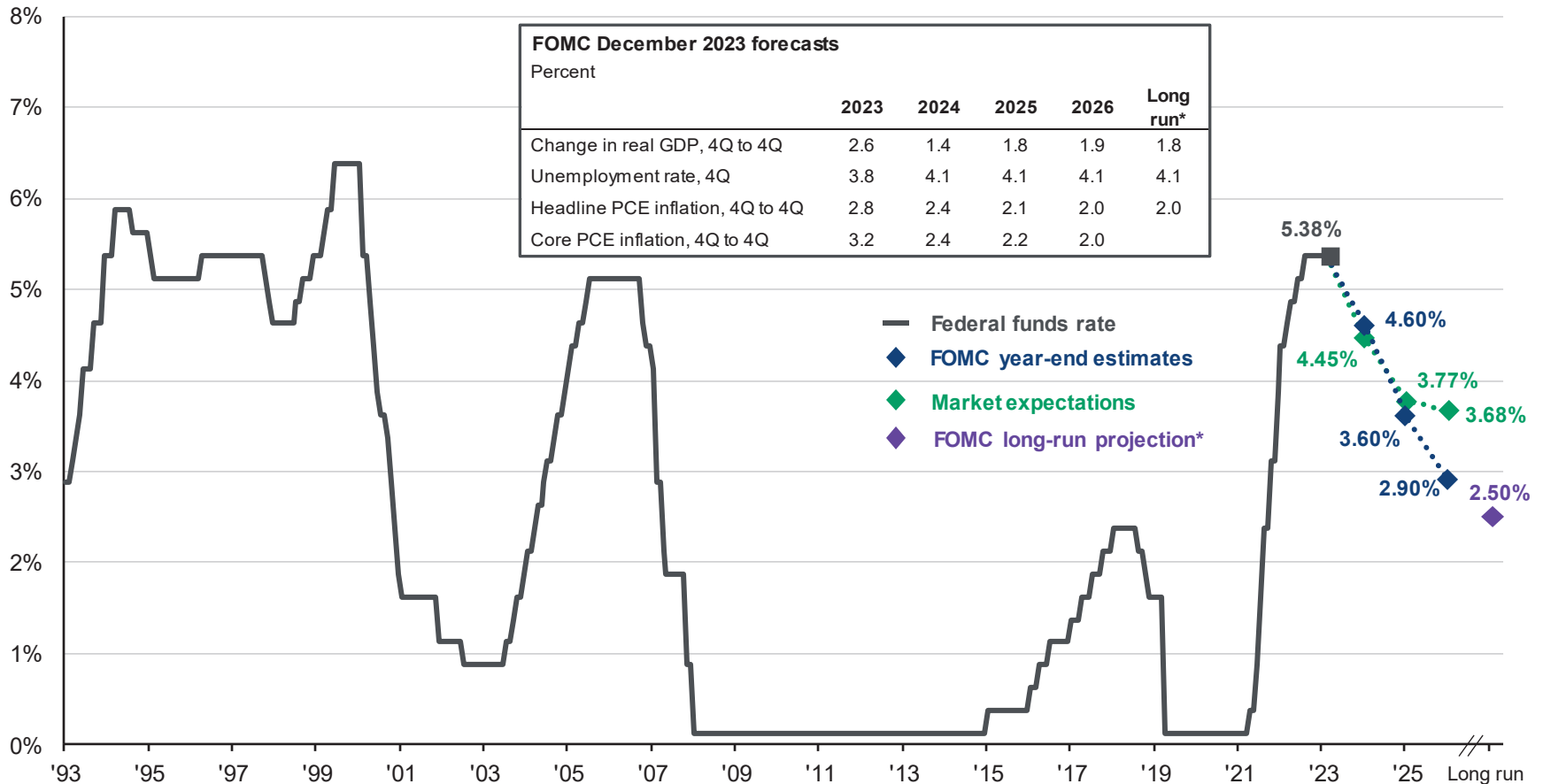
GTM

U.S.

31

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management.

Market expectations are based off of USD Overnight Index Swaps. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated. *Guide to the Markets* – U.S. Data are as of February 14, 2024.

J.P.Morgan
ASSET MANAGEMENT



S&P 500: Index concentration

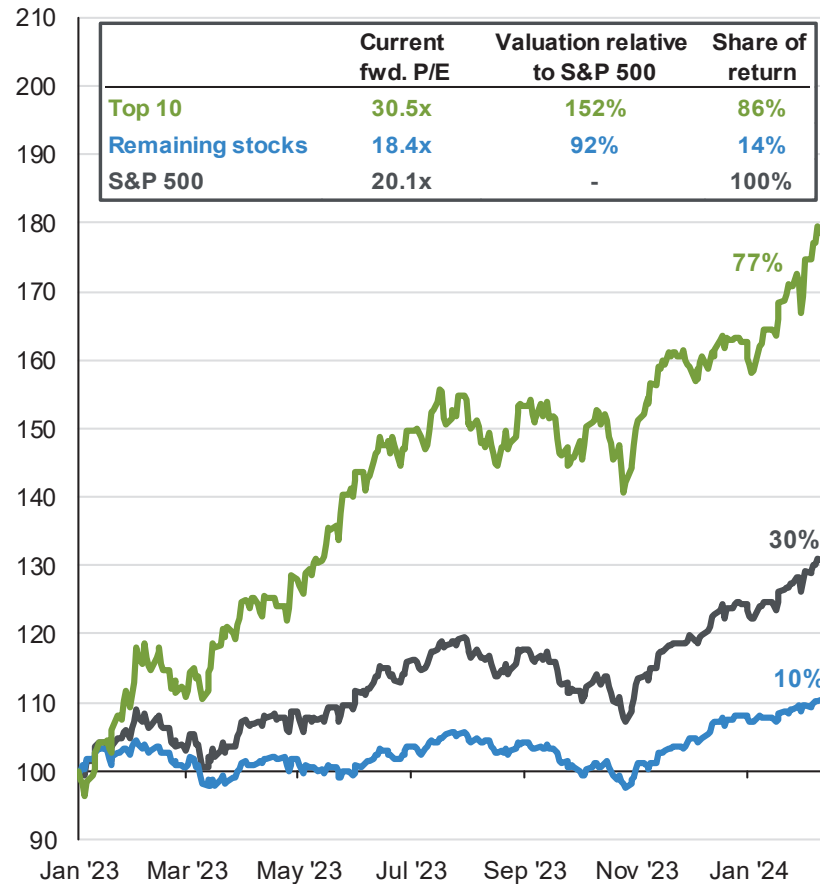
GTM

U.S.

10

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

Indexed to 100 on 1/1/2023, price return, top 10 held constant



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.

(Left) The top 10 companies used for this analysis are held constant and represent the S&P 500's 10 largest index constituents at the start of 2023. The top 10 stocks are: AAPL, MSFT, AMZN, NVDA, GOOGL, BRK.B, GOOG, META, XOM, UNH, and TSLA. The remaining stocks represent the rest of the 494 companies in the S&P 500. (Right) The top 10 companies used for these two analyses are updated monthly and are based on the 10 largest index constituents at the beginning of each month. As of 1/31/2024, the top 10 companies in the index were MSFT (7.3%), AAPL (6.6%), NVDA (3.7%), AMZN (3.5%), META (2.1%), GOOGL (2.0%), GOOG (1.7%), BRK.B (1.7%), TSLA (1.3%), AVGO (1.3%) and LLY (1.3%).

Guide to the Markets – U.S. Data are as of February 14, 2024.

J.P.Morgan
ASSET MANAGEMENT



U.S. and international equities at inflection points

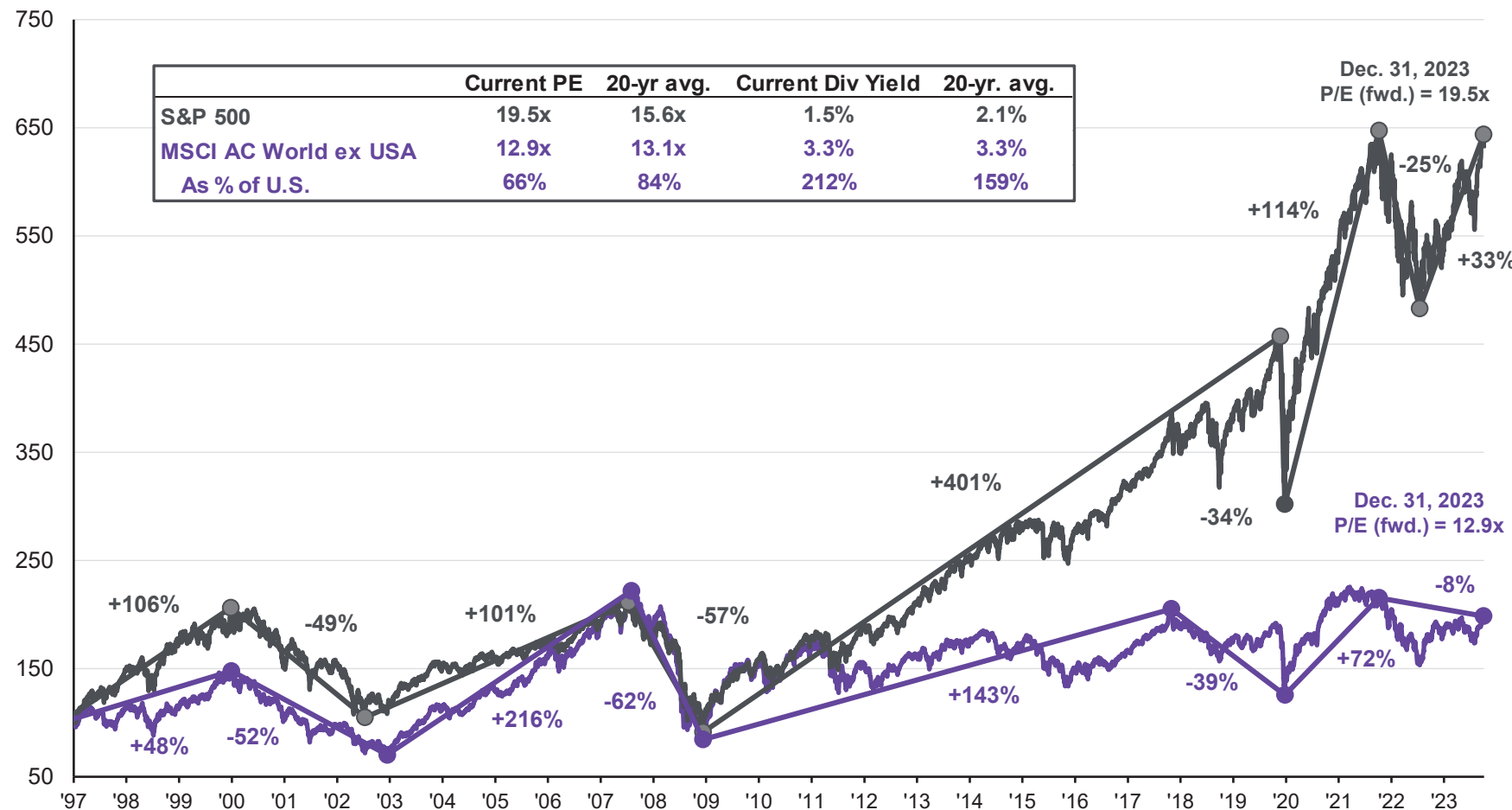
GTM

U.S.

OTB

MSCI All Country World ex-U.S. and S&P 500 Indices

Dec. 1996 = 100, U.S. dollar, price return



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

Forward price-to-earnings ratio is a bottom-up calculation based on the most recent index price, divided by consensus estimates for earnings in the next 12 months (NTM), and is provided by FactSet Market Aggregates. Returns are cumulative and based on price movement only, and do not include the reinvestment of dividends. Dividend yield is calculated as consensus estimates of dividends for the next 12 months, divided by most recent price, as provided by FactSet Market Aggregates. Past performance is not a reliable indicator of current and future results.

Guide to the Markets – U.S. Data are as of December 31, 2023.

J.P.Morgan
ASSET MANAGEMENT



LEAD STAFF: RAVI SHARMA, FINANCE MANAGER

**REPORT: FY2023 RESULTS OF THE RETIREMENT PLAN FINANCIAL
STATEMENT AUDIT**

I. SUMMARY

- Presentation of FY2023 results of the retirement plan financial statement audit.
- Brown Armstrong has prepared the attached presentation.

II. DISCUSSION/BACKGROUND

Brown Armstrong Accountancy Corporation Partner Ashley Green will provide a presentation to the board regarding the FY2023 results of the retirement plan financial statement audit. No noncompliance, material weaknesses, significant deficiencies, or control deficiencies were identified. There were no findings or recommendations. RTD received an unmodified (clean) audit report.

III. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report 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. CUSTOMER IMPACT

N/A

V. FINANCIAL CONSIDERATIONS/IMPACT

None.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

None.

VIII. ATTACHMENTS

Attachment A: Audited Financial Statements
Attachment B: Report to the Retirement Board
Attachment C: Brown Armstrong Presentation

Prepared by: Ravi Sharma, Finance Manager

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A
Cover Page

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN**

**FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis.....	4
Basic Financial Statements:	
Statement of Fiduciary Net Position	11
Statement of Changes in Fiduciary Net Position	12
Notes to the Basic Financial Statements	13
Required Supplementary Information – Pension:	
Schedule of Changes in the District's Net Pension Liability and Related Ratios	28
Schedule of Investment Returns – Pension	29
Schedule of District Pension Contributions	29
Notes to Required Supplementary Information – Pension	30
Required Supplementary Information – OPEB:	
Schedule of Changes in the District's Net OPEB Liability and Related Ratios	33
Schedule of Investment Returns – OPEB.....	34
Schedule of District OPEB Contributions.....	34
Notes to Required Supplementary Information – OPEB	35

INDEPENDENT AUDITOR'S REPORT

To the Retirement Board of the
San Joaquin Regional Transit District Retirement Plan
Stockton, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the single-employer defined benefit pension plan (Pension Trust) and the defined benefit postemployment healthcare plan (OPEB Trust) of the San Joaquin Regional Transit District Retirement Plan (the Plan) as of and for the fiscal year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Pension Trust and OPEB Trust of the Plan as of June 30, 2023, and the changes in fiduciary net position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Management is also responsible for maintaining a current plan instrument, including all the Plan's plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's plan provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2023, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract, and agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
November 27, 2023

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

The following discussion and analysis of the financial performance and activity of the San Joaquin Regional Transit District (the District) Retirement Plan (the Plan) provides an introduction and understanding of the basic financial statements of the Plan for the fiscal years ended June 30, 2023 and 2022. We encourage readers to take into account the information presented here in conjunction with additional information we have furnished in the financial statements.

The Plan covers the single-employer defined benefit pension plan (Pension Trust) and the defined benefit postemployment healthcare plan (OPEB Trust); both plans are fiduciary funds defined as pension and other employee benefit trust funds, respectively, and are accounted for separately.

The Retirement Board is responsible for the general administration and management of the Plan. This Plan shall be administered by the Retirement Board, which shall be composed of five (5) members, two (2) members as representatives of the District (one being a member of the District Board of Directors and one Non-Represented Employee representative) and two (2) representatives of the Amalgamated Transit Union, Local 256 (Union), and one Umpire Member (who shall only participate as a member of the Retirement Board when there is a deadlock vote of the other four members). Each Retirement Board Member is appointed to a four-year term of office. Members' terms of office are to be staggered, so that the term of one member appointed by the District Board of Directors and the term of one member elected by the employees expire at the end of every other calendar year. Members of the Retirement Board may be reappointed or reelected.

The Plan is a single-employer contributory defined benefit pension plan covering substantially all full-time employees of the District. All full-time non-represented employees vested as of December 31, 2016, and represented employees of the District who are employed full-time will be members of this Plan and hereafter each person entering the employment of the District as a represented employee will become a member on the first day of full-time employment.

FINANCIAL HIGHLIGHTS

Pension Trust

Statements of Fiduciary Net Position

	2023	2022	Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Cash and short-term investments	\$ 697,954	\$ 607,731	\$ 90,223	14.8%
Investments at fair value	49,300,899	46,166,868	3,134,031	6.8%
Receivables	241,074	202,326	38,748	19.2%
Total Assets	50,239,927	46,976,925	3,263,002	6.9%
Accrued plan expenses and interfund transfers payable	31,079	36,300	(5,221)	-14.4%
Total Liabilities	31,079	36,300	(5,221)	-14.4%
NET POSITION - RESTRICTED FOR PENSION BENEFITS	\$ 50,208,848	\$ 46,940,625	\$ 3,268,223	7.0%

Statements of Changes in Fiduciary Net Position

Net Position Restricted for Pension Benefits, as reported in the Statement of Fiduciary Net Position, totaled \$50,208,848, an increase of \$3,268,223 or 7.0% from the prior year of \$46,940,625. This is mostly due to an increase in net investment income.

Net pension investment income increased by \$11,477,892 from negative \$7,281,101 in the fiscal year ended June 30, 2022, to a positive \$4,196,791 in the fiscal year ended June 30, 2023. The increase is related to overall inclining market conditions.

Pension employer contributions increased by \$202,649 from the fiscal year ended June 30, 2022, to \$2,553,507 in the fiscal year ended June 30, 2023. The increase is due to an increase in employer contribution rates. Member contributions increased by \$86,126 from the fiscal year ended June 30, 2022, to \$1,603,048 in the fiscal year ended June 30, 2023. The increase is due to an increase in member contribution rates.

Pension benefit payments increased by \$152,004 or 3.5% from the fiscal year ended June 30, 2022, to \$4,537,494 in the fiscal year ended June 30, 2023. The increase is related to an increase of retirees and beneficiaries receiving payments.

	2023	2022	Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Additions				
Employer contributions	\$ 2,553,507	\$ 2,350,858	\$ 202,649	8.6%
Member contributions	1,603,048	1,516,922	86,126	5.7%
Net investment income	4,196,791	(7,281,101)	11,477,892	157.6%
Total Additions	8,353,346	(3,413,321)	11,766,667	344.7%
Deductions				
Benefits paid to members	4,537,494	4,385,490	152,004	3.5%
Member withdrawals from Plan	376,293	733,387	(357,094)	-48.7%
Administrative expenses	171,336	129,732	41,604	32.1%
Total Deductions	5,085,123	5,248,609	(163,486)	-3.1%
Net Increase (Decrease) in Net Position	3,268,223	(8,661,930)	11,930,153	-137.7%
NET POSITION - RESTRICTED FOR PENSION BENEFITS BEGINNING OF YEAR	46,940,625	55,602,555	(8,661,930)	-15.6%
NET POSITION - RESTRICTED FOR PENSION BENEFITS END OF YEAR	<u>\$ 50,208,848</u>	<u>\$ 46,940,625</u>	<u>\$ 3,268,223</u>	<u>7.0%</u>

OPEB Trust**Statements of Fiduciary Net Position**

	2023	2022	Change Increase/ (Decrease)	%Change Increase/ (Decrease)
Cash and short-term investments	\$ 58,015	\$ 150,458	\$ (92,443)	-61.4%
Investments at fair value	9,979,209	9,429,891	549,318	5.8%
Total Assets	10,037,224	9,580,349	456,875	4.8%
Accrued plan expenses	2,237	2,228	9	0.4%
Total Liabilities	2,237	2,228	9	0.4%
NET POSITION - RESTRICTED FOR OPEB BENEFITS	\$ 10,034,987	\$ 9,578,121	\$ 456,866	4.8%

Statements of Changes in Fiduciary Net Position

	2023	2022	Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Additions				
Employer contributions	\$ -	\$ -	\$ -	0.0%
Member contributions	-	-	-	0.0%
Net investment income	981,981	(1,529,173)	2,511,154	164.2%
Total Additions	981,981	(1,529,173)	2,511,154	164.2%
Deductions				
Benefits paid to members	464,544	499,351	(34,807)	-7.0%
Member withdrawals from Plan	51,966	136,437	(84,471)	-61.9%
Administrative expenses	8,605	9,851	(1,246)	-12.6%
Total Deductions	525,115	645,639	(120,524)	-18.7%
Net Increase in Net Position	456,866	(2,174,812)	2,631,678	-121.0%
NET POSITION - RESTRICTED FOR OPEB BENEFITS BEGINNING OF YEAR	9,578,121	11,752,933	(2,174,812)	-18.5%
NET POSITION - RESTRICTED FOR OPEB BENEFITS END OF YEAR	\$ 10,034,987	\$ 9,578,121	\$ 456,866	4.8%

Net Position Restricted for OPEB Benefits, as reported in the Statement of Fiduciary Net Position, totaled \$10,034,987, an increase of \$456,866 or 4.8% from the prior year of \$9,578,121. The increase is due to an increase in net investment income.

Net OPEB investment income increased by \$2,511,154 from \$(1,529,173) in the fiscal year ended June 30, 2022, to \$981,981 in the fiscal year ended June 30, 2023. The increase is related to overall inclining market conditions.

OPEB employer contribution did not change from the fiscal year ended June 30, 2022, due to employer contributions not being required for the OPEB plan. Member contributions also did not change from the fiscal year ended June 30, 2022, due to members contributions not being required for the OPEB plan.

OPEB benefit payments decreased by \$34,807 or -7.0% from the fiscal year ended June 30, 2022, to \$464,544 in the fiscal year ended June 30, 2023. The primary reason for this change was a total decrease in health benefits paid to retirees.

Overview of the Financial Statements

The Basic Financial Statements and required disclosures are prepared in accordance with accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board (GASB). The Plan's Basic Financial Statements are comprised of the following:

Statement of Fiduciary Net Position

The Statement of Fiduciary Net Position is a snapshot of account balances at fiscal year-end. It presents major categories of assets and liabilities at fiscal year-end. The difference between assets and liabilities, "Fiduciary Net Position," represents funds available to pay benefits. Increases and decreases in "Fiduciary Net Position," when analyzed over time, may serve as an indicator of whether the Plan's financial position is improving or deteriorating.

Statement of Changes in Fiduciary Net Position

The Statement of Changes in Fiduciary Net Position provides information on the financial activities that increased and decreased Fiduciary Net Position. This statement covers the activity over a one-year period of time.

Notes to the Basic Financial Statements

The Notes to the Basic Financial Statements are an integral part of the basic financial statements and provide background and detailed information regarding the Plan's policies, programs, and activities.

Required Supplementary Information

The Required Supplementary Information consists of the Management's Discussion and Analysis (MD&A) and supporting schedules which GASB requires to accompany the basic financial statements. These schedules provide a broad range of financial information, including a Pension and OPEB liability measurement and changes to the liabilities, contributions, and money-weighted investment return.

Financial Analysis

Table #1 below and Table #2 below compare and summarize the Plan's financial activity as a whole for the current and prior fiscal year.

**Table #1: Combined Statement of Fiduciary Net Position
June 30, 2023 and 2022**

	2023	2022	Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Cash and short-term investments	\$ 755,969	\$ 758,189	\$ (2,220)	-0.3%
Investments at fair value	59,280,108	55,596,759	3,683,349	6.6%
Receivables	241,074	202,326	38,748	19.2%
Total Assets	60,277,151	56,557,274	3,719,877	6.6%
Accrued plan expenses and interfund transfers payable	33,316	38,528	(5,212)	-13.5%
Total Liabilities	33,316	38,528	(5,212)	-13.5%
NET POSITION - RESTRICTED FOR PENSION AND OPEB BENEFITS	\$ 60,243,835	\$ 56,518,746	\$ 3,725,089	6.6%

**Table #2: Combined Statement of Changes in Fiduciary Net Position
For the Fiscal Years Ended June 30, 2023 and 2022**

	2023	2022	Change Increase/ (Decrease)	% Change Increase/ (Decrease)
Additions				
Employer contributions	\$ 2,553,507	\$ 2,350,858	\$ 202,649	8.6%
Member contributions	1,603,048	1,516,922	86,126	5.7%
Net investment income	5,178,772	(8,810,274)	13,989,046	158.8%
Total Additions	9,335,327	(4,942,494)	14,277,821	288.9%
Deductions				
Benefits paid to members	5,002,038	4,884,841	117,197	2.4%
Member withdrawals from Plan	428,259	869,824	(441,565)	-50.8%
Administrative expenses	179,941	139,583	40,358	28.9%
Total Deductions	5,610,238	5,894,248	(284,010)	-4.8%
Net Increase (Decrease) in Net Position	3,725,089	(10,836,742)	14,561,831	134.4%
NET POSITION - RESTRICTED FOR PENSION AND OPEB BENEFITS BEGINNING OF YEAR	56,518,746	67,355,488	(10,836,742)	-16.1%
NET POSITION - RESTRICTED FOR PENSION AND OPEB BENEFITS END OF YEAR	\$ 60,243,835	\$ 56,518,746	\$ 3,725,089	6.6%

Additions to Fiduciary Net Position

The primary sources to finance the benefits the Plan provides to its members are accumulated through income on investments and through the collection of member and employer contributions. These income sources for the fiscal years ended June 30, 2023 and 2022, totaled \$9,335,327 and \$(4,942,494), respectively. The increase in additions from 2022 to 2023 can be attributed primarily to an increase in net investment income. Employer and member contributions increased, resulting in a net increase in total contributions. Total net position increased from \$56,518,746 in fiscal year 2022 to \$60,243,836 in fiscal year 2023.

Deductions from Fiduciary Net Position

The primary uses of the Plan assets are the payment of benefits to retirees and their beneficiaries, refunds of contributions to terminated members, and the cost of administering the Plan. These deductions for the fiscal years ended June 30, 2023 and 2022, were \$5,610,238 and \$5,894,248, respectively. The primary reason for this change was an increase in benefits paid to retirees and administrative expenses offset by a decrease in member withdrawals from the Plan.

Schedule of Net Pension and OPEB Liabilities

	Pension Trust		OPEB Trust	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Total Pension or OPEB Liability (TPL or TOL)	\$ 80,738,000	\$ 79,761,000	\$ 11,111,000	\$ 10,804,000
Less Fiduciary Net Position (FNP)	50,209,000	46,941,000	10,035,000	9,578,000
Net Pension or OPEB Liability (NPL or NOL)	<u>\$ 30,529,000</u>	<u>\$ 32,820,000</u>	<u>\$ 1,076,000</u>	<u>\$ 1,226,000</u>
FNP as a Percentage of TPL or TOL	62.2%	58.9%	90.3%	88.7%

GASB Statements No. 67 and No. 74 require that the Plan report the TPL or TOL and the NPL or NOL as calculated by the Plan's actuary. These liabilities are solely calculated for financial reporting purposes and are not intended to provide information about the funding of the Plan's benefits.

The TPL as of June 30, 2023, was \$80,738,000. The TPL increased 1.2% from \$79,761,000 as of June 30, 2022. The Plan's NPL as of June 30, 2023, was \$30,529,000, representing a decrease of 7.0% from \$32,820,000 as of June 30, 2022. The \$2,291,000 decrease in the NPL is primarily due to higher investment returns generating a higher FNP.

For the fiscal years ended June 30, 2023, and June 30, 2022, the FNP as a percentage of the TPL is reported as 62.2% and 58.9%, respectively. The change is a 3.3% increase which is due to the investment asset returns.

The TOL as of June 30, 2023, was \$11,111,000. The TOL increased 2.8% from \$10,804,000 as of June 30, 2022. The Plan's NOL as of June 30, 2023, was \$1,076,000, representing an decrease of 12.2% from \$1,226,000 as of June 30, 2022. The \$150,000 decrease in the NOL is primarily due to higher investment returns generating higher FNP.

For the fiscal years ended June 30, 2023, and June 30, 2022, the FNP as a percentage of the TOL was reported as 90.3% and 88.7%, respectively. The change in FNP is a 1.6% increase and is due to the investment asset returns.

Investment Analysis

The Plan's investment performance is a function of the underlying financial markets for the period measured, asset allocation, and individual investment manager performance. The Plan follows a Retirement Board adopted investment policy that provides structure and guidance for the management of the investment portfolio. All of the Plan's assets are externally managed. The Plan's total Pension and OPEB portfolio gained 8.9% and 10.3% (net of fees) over the twelve month period ended June 30, 2023, respectively. The overall net investment gain was \$5,178,772 (net of fees) and fair value of investments increased by \$3,683,349 from June 30, 2022.

Pension Rates of Return

<u>Fiscal Year Ending</u>	<u>Total Pension Investment Portfolio Fair Value</u>	<u>Total Fund Money- Weighted Return</u>
June 30, 2023	\$ 49,300,899	8.9%
June 30, 2022	\$ 46,166,868	-13.3%

The table above provides a two-year history of the pension total investment fair value and actual returns. The money-weighted rate of return is presented as an expression of investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the fiscal year ended June 30, 2023, the annual money-weighted rate of return on plan investments was 8.9%.

OPEB Rates of Return

<u>Fiscal Year Ending</u>	<u>Total OPEB Investment Portfolio Fair Value</u>	<u>Total Fund Money- Weighted Return</u>
June 30, 2023	\$ 9,979,209	10.3%
June 30, 2022	\$ 9,429,891	-13.4%

The table above displays the OPEB total investment at fair value and actual returns. The money-weighted rate of return is presented as an expression of investment performance, adjusted for the changing amounts actually invested. For the fiscal year ended June 30, 2023, the annual money-weighted rate of return on OPEB plan investments was 10.3%. The Plan collects premiums from members and pays the insurance vendors and the employer funds the OPEB Plan to pay the benefits.

BASIC FINANCIAL STATEMENTS

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2023**

	Pension Trust	OPEB Trust	June 30, 2023 Total
ASSETS			
Cash and short-term investments	\$ 697,954	\$ 58,015	\$ 755,969
Investments at fair value:			
U.S. government and agency obligations	6,299,044	-	6,299,044
International fixed income	766,134	-	766,134
Domestic corporate bonds	5,517,701	-	5,517,701
Mutual funds	36,718,020	9,979,209	46,697,229
Total investments at fair value	49,300,899	9,979,209	59,280,108
Total cash and investments	49,998,853	10,037,224	60,036,077
Receivables:			
Employer contributions	148,068	-	148,068
Member contributions	93,006	-	93,006
Total receivables	241,074	-	241,074
Total assets	50,239,927	10,037,224	60,277,151
LIABILITIES			
Accrued plan expenses	31,079	2,237	33,316
Total liabilities	31,079	2,237	33,316
NET POSITION - RESTRICTED FOR PENSION AND OPEB BENEFITS	\$ 50,208,848	\$ 10,034,987	\$ 60,243,835

The accompanying notes are an integral part of these financial statements.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Pension Trust	OPEB Trust	June 30, 2023 Total
ADDITIONS			
Additions to net position attributed to:			
Investment income:			
Interest and dividends	\$ 1,452,875	\$ 283,225	\$ 1,736,100
Net decrease in fair value of investments	2,878,648	719,516	3,598,164
Other income	33	-	33
Less investment expense	(134,765)	(20,760)	(155,525)
Net investment income	4,196,791	981,981	5,178,772
Contributions:			
Employer contributions	2,553,507	-	2,553,507
Member contributions	1,603,048	-	1,603,048
Total contributions	4,156,555	-	4,156,555
Total additions	8,353,346	981,981	9,335,327
DEDUCTIONS			
Deductions from net position attributed to:			
Benefits paid to members	4,537,494	464,544	5,002,038
Member withdrawals from Plan	376,293	51,966	428,259
Administrative expenses	171,336	8,605	179,941
Total deductions	5,085,123	525,115	5,610,238
Net increase in net position	3,268,223	456,866	3,725,089
NET POSITION - RESTRICTED FOR PENSION AND OPEB BENEFITS BEGINNING OF YEAR	46,940,625	9,578,121	56,518,746
NET POSITION - RESTRICTED FOR PENSION AND OPEB BENEFITS END OF YEAR	<u>\$ 50,208,848</u>	<u>\$ 10,034,987</u>	<u>\$ 60,243,835</u>

The accompanying notes are an integral part of these financial statements.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – DESCRIPTION OF PLAN

Reporting Entity

The San Joaquin Regional Transit District Retirement Plan (hereafter referred to as “the Plan”), with its own governing board of directors, the Retirement Board, is an independent governmental entity separate and distinct from the San Joaquin Regional Transit District (the District). These financial statements cover the single-employer defined benefit pension (Pension) plan and the defined benefit postemployment healthcare (OPEB) plan; both plans are fiduciary funds defined as pension and other employee benefit trust funds, respectively, and are accounted for separately. The financial statements for the Plan are included in the District’s Annual Comprehensive Financial Report in the “Notes to Financial Statements” section. The following brief description of the Plan for employees of the District is provided for general information purposes only. Members should refer to the Plan documents for more complete information.

Administration

The Retirement Board is responsible for the general administration and management of the Plan. This Plan shall be administered by the Retirement Board, which shall be composed of five (5) members, two (2) members as representatives of the District (one being a member of the District Board of Directors and one Non-Represented Employee representative) and two (2) representatives of the Amalgamated Transit Union, Local 276 (Union), and one Umpire Member (who shall only participate as a member of the Retirement Board when there is a deadlock vote of the other four members). Each Retirement Board Member is appointed to a four-year term of office. Members’ terms of office are to be staggered so that the term of one member appointed by the District Board of Directors and the term of one member elected by the employees expire at the end of every other calendar year. Members of the Retirement Board may be reappointed or reelected.

Membership

The Plan is a single-employer contributory defined benefit pension plan covering substantially all full-time employees of the District. All full-time non-represented employees vested as of December 31, 2016, and represented employees of the District who are employed full-time will be members of this Plan and hereafter each person entering the employ of the District as a represented employee will become a Member on the first day of full-time employment.

On October 21, 2016, the Board of Directors for the District approved to transition all active retirement members who are non-represented and not vested in the current plan as of December 31, 2016, to a 401(a) Retirement Savings Plan effective January 1, 2017. All non-represented future hires will be under the 401(a) Retirement Savings Plan. All represented and vested non-represented members will remain in the current defined benefit pension plan. The current plan will still be open for represented new hires.

The District provides benefits for both Pension and OPEB. At June 30, 2023, the Pension benefit portion of the Plan for District membership consisted of:

Retirees or beneficiaries currently receiving benefit payments	155
Inactives vested, but not receiving benefits payments	12
Inactives non-vested	17
Active members	<u>120</u>
Total	<u><u>304</u></u>

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – DESCRIPTION OF PLAN (Continued)

Membership (Continued)

At June 30, 2023, the OPEB portion of the Plan for District membership consisted of:

Retirees or beneficiaries currently receiving benefit payments	64
Inactives entitled to but not receiving benefits payments	-
Active members	<u>120</u>
Total	<u><u>184</u></u>

Pension Benefits

Members with five or more years of service are entitled to monthly Pension benefits beginning at normal retirement age (62) equal to 2% of the monthly final compensation multiplied by years of credited service. (Members may be entitled to Pension benefits at 55 if they have at least 10 years of credited service.) Retirements at other ages are in accordance with a table included in the Plan document. Final compensation is the average of the 36 consecutive months with the highest earnings. In lieu of the retirement allowance, a member may elect to receive a cash refund of all contributions plus interest.

In addition to the above, all Pension and disability benefits for those members who retire at any age are increased by \$40 per month.

Retirees are entitled to annual cost of living adjustments, based on the change in the Consumer Price Index (CPI) (Pacific Cities and U.S. City Average, All Item Indexes, All Urban Consumers, West B/C) during the calendar year preceding each determination date. The increase in benefits will be subject to limits based on the market value rate of return as shown in the most recent actuarial valuation report.

If members are terminated before completing five years of service, they forfeit the right to receive the portion of their accumulated Plan benefits attributable to the District's contribution, but receive a cash refund of all of their contributions plus interest.

Disability Benefits

Active members who become totally disabled receive monthly disability benefits equal to 2% of final compensation multiplied by years of service. The maximum disability benefit is the normal retirement benefit based on final monthly compensation at the date of disability.

OPEB Healthcare Plan

The Plan also administers a defined benefit healthcare postemployment plan, the terms of which are included in the Plan documents. Each plan's assets may be used only for the payment of benefits to members of each plan in accordance with the terms of each plan. Because both plans originate from the same agreement, the preceding information about the Plan applies equally to the Pension plan and the OPEB plan, as described above. Information related to the Pension plan and the OPEB plan is presented in the financial statements in the column headings "Pension" and "OPEB," respectively.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – DESCRIPTION OF PLAN (Continued)

Plan Termination

It is the intention of the District to continue the Plan indefinitely. However, should the Plan terminate at some future time, its net position shall be used first to provide for the retirement benefits payable to retired members. Any remaining assets will then be allocated to active members on the basis of the actuarial reserves for their retirement benefits, oldest first.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Plan follows the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board (GASB).

The financial statements are prepared on an accrual basis of accounting which recognizes income when earned and expenses when the obligation is incurred. Plan member contributions are recognized in the period in which the contributions are withheld from the related payroll. Employer contributions are recognized when due, pursuant to formal commitments as well as statutory or contractual requirements. Investment income is recognized as revenue when earned. Retirement benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Other expenses are recognized when the corresponding liabilities are incurred. The net appreciation (depreciation) in fair value of investments consists of realized and unrealized gains and losses on those investments. The following are the significant accounting policies applied by the Plan in preparation of the accompanying financial statements.

The Pension and OPEB Statements of Fiduciary Net Position and Changes in Fiduciary Net Position were split between Pension and OPEB for financial statement presentation purposes in accordance with GASB Standards. The split was calculated beginning with the addition of the OPEB plan on July 1, 2000, using contribution rates from the Plan's actuarial studies in each respective year. This method of calculation is in accordance with accounting principles generally accepted in the United States of America. On July 1, 2014, the investments were physically segregated.

Cash and Short-Term Investments

Cash equivalents include deposits in the Plan's custodian bank. Short-term investments with the custodian bank include foreign currencies, cash held in short-term investment funds, and other short-term, highly liquid investments. Short-term investments considered cash equivalents are recorded at cost, which approximates fair value.

Receivables

Receivables consist primarily of interest, dividends, investments in transition (i.e., traded but not yet settled), and contributions owed by the District as of June 30, 2023.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Investments

Plan investments are presented at fair value, except for short-term investments. Short-term investments are carried at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate bonds not traded on a national or international exchange are based on equivalent values of comparable securities with similar yield and risk. Fair value is determined by the Plan's management based on information provided by the investment managers and the custodian bank.

Investment Income

Dividend income is recognized based on the ex-dividend date and interest income is recognized on the accrual basis as earned. Fair value changes are recorded as investment income or loss. Purchases and sales of investments are recorded as of the trade date (the date upon which the transaction is initiated).

Use of Estimates

The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Income Taxes

The Plan qualifies as an exempt plan under Section 401(a) of the Internal Revenue Code (IRC). Accordingly, no provision for income taxes has been made in the accompanying financial statements, as the Plan is exempt from federal and state income taxes under the provisions of the IRC Section 501 and California Revenue and Taxation Code Section 23701, respectively.

Administrative Costs

Administrative costs of the Plan are financed through investment earnings and by the District.

NOTE 3 – CONTRIBUTIONS

The contributions required of members of the Plan are established and amended by the Retirement Board who administers the Plan. The employer contributions are made at a level which, together with contributions from members of the Plan, are adequate to finance the benefits provided by the Plan on a sound actuarial basis.

Funding Policy

The Plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal with frozen initial liability actuarial funding method. The contribution rate in each fiscal year is based on the actuarial valuation performed the previous July 1.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 – CONTRIBUTIONS (Continued)

Funding Policy (Continued)

The actuarially determined contribution rates as a percentage of covered payroll which were used to determine the contributions reported in the Statement of Changes in Fiduciary Net Position held in trust for benefits are as follows:

As of July 1, 2021 (Effective for 2022/23 fiscal year) for Pre-California Public Employees' Pension Reform Act (PEPRA) Members

	<u>Classic Member</u>	<u>Employer</u>	<u>Total</u>
Pension Plan	19.69%	32.42%	52.11%
OPEB Plan	0.00%	0.00%	0.00%
Total	<u>19.69%</u>	<u>32.42%</u>	<u>52.11%</u>

As of July 1, 2021 (Effective for 2022/23 fiscal year) for PEPRA Members

	<u>PEPRA Member</u>	<u>Employer</u>	<u>Total</u>
Pension Plan	21.06%	32.42%	53.48%
OPEB Plan	0.00%	0.00%	0.00%
Total	<u>21.06%</u>	<u>32.42%</u>	<u>53.48%</u>

NOTE 4 – CASH AND INVESTMENTS

Asset Allocation Policy and Expected Long-Term Rate of Return by Asset Class

The Retirement Board has adopted an Investment Policy Statement (IPS), which provides the framework for the management of the Plan's investments. The IPS establishes the Plan's investment objectives and defines the principal duties of the Retirement Board, the custodian bank, and the investment managers. The asset allocation plan is an integral part of the IPS and is designed to provide an optimum and diversified mix of asset classes with return expectations to satisfy expected liabilities while minimizing risk exposure. The Plan currently employs external investment managers to manage its assets subject to the provisions of the policy. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 – CASH AND INVESTMENTS (Continued)

Investment Policy

It is the policy of the Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Retirement Board has the following target allocation by asset class as shown below:

<u>Asset Class - Pension:</u>	<u>Target Allocation</u>	<u>Expected Long- Term Real Rate of Return*</u>
Large Cap U.S. Equity	24.30%	
Small Cap U.S. Equity	8.10%	
International U.S. Equity	16.20%	
Emerging Markets U.S. Equity	5.40%	
Total Equities	54.00%	4.56%
Real Estate Investment Trusts (REITs)	6.00%	4.06%
Core Fixed Income	27.00%	
High Yield Fixed Income	7.20%	
Emerging Markets Fixed Income	4.80%	
Total Fixed Income	39.00%	0.78%
Cash	1.00%	-0.50%
Total Equities, Fixed Income, and Cash	100.00%	
<u>Asset Class - OPEB:</u>	<u>Target Allocation</u>	<u>Expected Long- Term Real Rate of Return*</u>
Large Cap U.S. Equity	28.35%	
Small Cap U.S. Equity	9.45%	
International U.S. Equity	18.90%	
Emerging Markets U.S. Equity	6.30%	
Total Equities	63.00%	4.56%
REITs	7.00%	4.06%
Core Fixed Income	20.00%	
High Yield Fixed Income	5.40%	
Emerging Markets Fixed Income	3.60%	
Total Fixed Income	29.00%	0.78%
Cash	1.00%	-0.50%
Total Equities, Fixed Income, and Cash	100.00%	

* Presented as geometric means.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 – CASH AND INVESTMENTS (Continued)

Money-Weighted Rate of Return

For the fiscal year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment management expense, for the Pension Plan was 8.9% and the OPEB Plan was 10.3%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Derivatives

The Plan's IPS permits the use of derivative instruments to minimize the exposure of certain investments to adverse fluctuations in financial and currency markets and enhance yields. The Plan does not use derivatives for speculative use or to create leverage.

During the fiscal year ended June 30, 2023, the Plan owned no derivatives directly in its portfolio.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Plan would not be able to recover the value of the investment or collateral securities that are in possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the Plan's name, and held by the counterparty. The Plan's investment securities are not exposed to custodial credit risk because all securities are either held by the Plan's custodial bank in the Plan's account or held directly with investment companies in the Plan's name.

The Plan's custodial bank maintains insurance to help protect against losses due to negligence, theft, and other related events.

Except for a statement that duties of the Retirement Board, the Plan officers, and employees shall be discharged with care, skill, prudence, and diligence, the Plan has no formal policy for managing custodial credit risk.

Foreign Currency Risk

Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair value of an investment or deposit. International portfolio managers are permitted to use defensive currency hedging to mitigate foreign currency risk through the use of forward currency contracts and currency futures as long as they are implemented in a timely and cost-effective manner. The Plan's international portfolio managers are allowed to invest in authorized countries. The Plan owns commingled investment vehicles and does not have direct exposure to foreign currency risk. Although the Plan does not have a specific policy regarding foreign currency risk, the Plan seeks to mitigate this risk through its IPS constraints.

Investment Concentrations

Concentration of credit risk is the risk of loss due to a large concentration of investments in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are exempt from the disclosure requirements. As of June 30, 2023, for separately managed investment accounts, the Plan did not have investments in any one issuer representing 5% or more of the total portfolio.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 – CASH AND INVESTMENTS (Continued)

Market and Credit Risk

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. In cases where credit ratings differ among rating agencies, the manager shall use the lowest of the ratings provided. The Plan's investment manager provided ratings by Moody's Investors Service (Moody's) and Standard & Poor's (S&P). 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 S&P's or Fitch Ratings' (Fitch) 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 from the Retirement Board.

The following table shows the quality of the Plan's Pension investments in fixed income (U.S. government and agency obligations, international fixed income, and domestic corporate bonds) securities:

Moody's/S&P Credit Rating Category	Fair Value
Aaa / AAA	\$ 625,751
Aaa / AA+	6,338,505
Aa3 / AA-	263,887
A2 / A+	193,713
A2 / A	239,613
A3 / A-	1,169,473
A3 / BBB+	609,573
Baa1 / BBB+	961,310
Baa2 / BBB+	1,568,267
Baa3 / BBB-	397,516
Ba1 / BBB-	157,496
Ca / NR	57,775
N/A	-
Total	\$ 12,582,879

N/A represents securities that are not rated.

NR represents securities that are not rated.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 – CASH AND INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of the price sensitivity of a fixed income portfolio to changes in interest rates. It is calculated as the weighted average time to receive a bond's coupon and principal payments. The longer the duration of a portfolio, the greater its price sensitivity to changes in interest rates.

The following table for the Plan's Pension investments presents the weighted average duration of fixed income securities by investment category as of June 30, 2023:

<u>Investment Category</u>	<u>Fair Value</u>	<u>Weighted Average Duration (in Years)</u>
U.S. government and agency obligations	\$ 6,299,044	9.85
International fixed income	766,134	8.31
Domestic corporate bonds	5,517,701	6.56
Total	\$ 12,582,879	

Fair Value Measurement of Investments

Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. GASB Statement No. 72, *Fair Value Measurement and Application*, was adopted by the Plan and was issued to address accounting and financial reporting issues related to fair value measurement. The Plan classifies the fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The fair value measurements are classified according to the following hierarchy:

Level 1:

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2:

Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3:

Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs into the determination of fair value are based upon the best information in the circumstances and may require management's judgment or estimation.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement of Investments (Continued)

The following is a description of the valuation methodologies used for investments measured at fair value:

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using the following approaches:

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Corporate and Municipal Bonds: quoted prices for similar securities in active markets;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Bond and Equity Mutual Funds: published fair value per share (unit) for each fund; and
- Commingled and High-Yield Equity Investments: valued using matrix pricing techniques or quoted prices for similar securities in active markets.

Commingled mutual funds are valued using the net asset value (NAV) which is the fair value of all securities owned by the fund, minus its total liabilities, divided by the number of shares issued. Funds that are valued using the NAV are usually not reported within the fair value hierarchy. However, the Plan's commingled funds are supported by audited financial statements which provide observable market data. Commingled funds are legally or contractually required to redeem at the NAV and therefore are classified as Level 2.

Investments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Plan's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. There were no investments to be reported at NAV as of June 30, 2023.

The following table set forth by level, within the fair value hierarchy, the Plan's Pension investments at fair value as of June 30, 2023:

	Investments at Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
Domestic corporate bonds	\$ -	\$ 5,517,701	\$ -	\$ 5,517,701
International fixed income	-	766,134	-	766,134
Mutual funds	-	36,718,020	-	36,718,020
U.S. Government and agency obligations	1,766,796	4,532,247	-	6,299,044
Total investments by fair value level	<u>\$ 1,766,796</u>	<u>\$ 47,534,102</u>	<u>\$ -</u>	<u>49,300,899</u>
Investments measured at the NAV:				-
Total investments measured at fair value level and NAV				<u><u>\$ 49,300,899</u></u>

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement of Investments (Continued)

The following table set forth by level, within the fair value hierarchy, the Plan's OPEB investments at fair value as of June 30, 2023:

	Investments at Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
Mutual funds	\$ -	\$ 9,979,209	\$ -	\$ 9,979,209
Total investments by fair value level	\$ -	\$ 9,979,209	\$ -	9,979,209
Investments measured at the NAV:				-
Total investments measured at fair value level and NAV				<u>\$ 9,979,209</u>

NOTE 5 – NET PENSION LIABILITY (NPL)

GASB Statement No. 67 requires public pension plans to measure and report an NPL. The NPL is measured as the total pension liability (TPL) less the amount of the Plan's fiduciary net position (FNP). The NPL is an accounting measurement for financial statement reporting purposes. The components of the NPL as of the most recent actuarial valuation dates are as follows:

<u>Net Pension Liability</u>	<u>June 30, 2023</u>
Discount Rate	5.95%
TPL	\$ 80,738,000
Less: FNP	<u>50,209,000</u>
NPL	<u>\$ 30,529,000</u>
FNP as a percentage of TPL (FNP/TPL)	62.2%

Discount Rate

The discount rate used to measure the TPL was 5.95%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's FNP was projected to be available to make all projected future benefit payments of current Plan members. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 – NET PENSION LIABILITY (NPL) (Continued)

Discount Rate (Continued)

The 5.95% long-term expected rate of return was derived based on the inflation assumption of 2.50%, a long-term asset allocation of 54% equities, 6% REITs, 39% fixed income, and 1% cash and geometric real rate of return assumptions for equities, REITs, fixed income, and cash of 4.56%, 4.06%, 0.78%, and - 0.50%, respectively.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the sensitivity of the NPL, calculated using the discount rate of 5.95%, as well as what the NPL would be if it were calculated using a discount rate that is one percentage point lower (4.95%) or one percentage point higher (6.95%) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	4.95%	\$ 40,444,000
Current discount rate	5.95%	\$ 30,529,000
1% increase	6.95%	\$ 22,225,000

Additional Information as of the Latest Actuarial Valuation

Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal Method
Amortization Method	Level percentage of payroll
Remaining Amortization Period	17 years
Asset Valuation Method	Five year smoothed market
Actuarial Assumptions: Discount Rate	5.95%, net of investment expenses. Equals long-term expected rate of return on Plan investments.
Projected Salary Increase (includes inflation at 2.75%)	2.75% plus merit/longevity increases based on entry age and service (California Public Employees Retirement System (CalPERS) 1997-2011 Experience Study for Miscellaneous public agency employees)
Cost of Living Increases	0.88% per year
Interest on Member Contributions	2.50%
Termination	Rates vary by service and hire age. Based on CalPERS 1997-2011 Experience Study for Miscellaneous public agencies table.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 – NET PENSION LIABILITY (NPL) (Continued)

Additional Information as of the Latest Actuarial Valuation (Continued)

Retirement	Rates vary based on retirement age and service. Examination of Plan experience was conducted in 2014. Due to suspension of early retirements after 7/1/2022, no retirements assumed until age 62 or the plan is 77% funded. In the year early retirement is first allowed, more than typical retirements are assumed.
Mortality	Based on The Society of Actuaries RP-2014 Table with Blue and White Collar adjustment for Represented and non-Represented employees, respectively, projected for future mortality improvement using Society of Actuaries mortality improvement scale MP-2020.
Discount Rate Derivation Assumptions	Employer and members will continue to contribute actuarially determined contribution rates. No "crossover" occurs. Discount rate is set equal to expected long-term rate of return on Plan assets.

NOTE 6 – NET OPEB LIABILITY (NOL)

GASB Statement No. 74 requires public pension plans to measure and report an NOL. The NOL is measured as the total OPEB liability (TOL) less the amount of the Plan's FNP. The NOL is an accounting measurement for financial statement reporting purposes. The components of the NOL as of the most recent actuarial valuation dates are as follows:

<u>Net OPEB Liability:</u>	<u>June 30, 2023</u>
Discount Rate	6.20%
TOL	\$ 11,111,000
Less: FNP	<u>10,035,000</u>
NOL	<u>\$ 1,076,000</u>
FNP as a percentage of TOL (FNP/TOL)	90.3%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of changes in the District's NOL and related ratios, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of Plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – NET OPEB LIABILITY (NOL) (Continued)

Discount Rate

The discount rate used to measure the TOL was 6.20%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan's FNP was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the TOL.

The 6.20% long-term expected rate of return was derived based on the inflation assumption of 2.50%, a long-term asset allocation of 63% equities, 7% REITs, 29% fixed income, and 1% cash and geometric real rate of return assumptions for equities, REITs, fixed income, and cash of 4.54%, 4.06%, 0.78%, and -0.50%, respectively.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the sensitivity of the NOL, calculated using the current discount rate of 6.20%, as well as what the NOL would be if it were calculated using a discount rate that is one percentage point lower (5.20%) or one percentage point higher (7.20%) than the current rate:

	<u>Discount Rate</u>	<u>Net OPEB Liability</u>
1% decrease	5.20%	\$ 2,586,000
Current discount rate	6.20%	\$ 1,076,000
1% increase	7.20%	\$ (177,000)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the sensitivity of the NOL to changes in the healthcare cost trend rates, calculated using the current healthcare cost trend rates, as well as what the NOL would be if it were calculated using the healthcare cost trend rates that is one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	<u>Net OPEB Liability</u>
1% decrease*	\$ (340,000)
Current trend rates*	\$ 1,076,000
1% increase*	\$ 2,808,000

*Current trend rates: Non-Medicare 8.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years; Medicare (Kaiser) 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years; Medicare (Non-Kaiser) 7.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years and 3.50% for Dental and Vision cost.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – NET OPEB LIABILITY (NOL) (Continued)

Actuarial Assumptions

The TOL was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2022
Discount Rate	6.20%, net of investment expenses. Equals long-term expected rate of return on plan investments
Inflation Rate	2.50%
Salary Increase	2.75% merit/longevity increases based on entry age and service (CalPERS 1997 - 2011 Experience Study for Miscellaneous public agency employees).
Medical Trend	Future increases begin in 2023 at 6.5% for Non-Medicare, 4.6% for Medicare (Kaiser), and 5.65% for Medicare (Non-Kaiser), all decreasing over the next 54 years to an ultimate rate of 3.75% in 2076.
Public Employees' Medical and Hospital Act (PEMHCA) Minimum Increase	4.00%
Dental and Vision Trend	3.50%
Participation at Retirement	100% in medical, dental, and vision for actives retiring with 25 years of service. 10% in medical grading up to 50% over 20 years, if enrolled in medical plan while active and retiring while eligible only for the PEMHCA minimum benefit. 5% in medical, if waived medical plan while active and retiring while eligible only for the PEMHCA minimum benefit.
Retirement	Rates vary by age and service. Examination of Plan experience was conducted in 2014. Due to suspension of early retirements after 7/1/2022, no retirements assumed until age 62 or the plan is 77% funded. In the year early retirement is first allowed, more than typical retirements are assumed.
Termination	Rates vary by service and hire age. CalPERS 1997 - 2011 Experience Study for Miscellaneous public agencies.
Mortality Rate Table	Based on The Society of Actuaries RP-2014 Table with Blue and White Collar adjustment for Represented and non-Represented employees, respectively, projected for future mortality improvement utilizing Society of Actuaries Scale mortality improvement scale MP-2020.
Discount Rate Derivation Assumptions	Employer and members will continue to contribute actuarially determined contribution rates. No "crossover" occurs. Discount rate is set equal to expected long-term rate of return on Plan assets

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events were evaluated through November 27, 2023, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION – PENSION

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S
NET PENSION LIABILITY AND RELATED RATIOS***

Fiscal Year	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Total Pension Liability:					
Service cost	\$ 1,473,000	\$ 1,544,000	\$ 1,691,000	\$ 1,582,000	\$ 1,536,000
Interest	4,688,000	4,917,000	4,996,000	4,868,000	4,675,000
Changes of benefit terms (removal of 401(a) plan members)	-	-	(2,484,000)	-	-
Differences between expected and actual experience	(424,000)	(1,938,000)	(826,000)	145,000	787,000
Changes of assumptions	154,000	3,692,000	534,000	(205,000)	-
Benefit payments, including refunds of member contributions	<u>(4,914,000)</u>	<u>(5,119,000)</u>	<u>(4,812,000)</u>	<u>(4,273,000)</u>	<u>(3,879,000)</u>
Net Change in Total Pension Liability	977,000	3,096,000	(901,000)	2,117,000	3,119,000
Total Pension Liability at Beginning of Year	<u>79,761,000</u>	<u>76,665,000</u>	<u>77,566,000</u>	<u>75,449,000</u>	<u>72,330,000</u>
Total Pension Liability at End of Year	<u>\$ 80,738,000</u>	<u>\$ 79,761,000</u>	<u>\$ 76,665,000</u>	<u>\$ 77,566,000</u>	<u>\$ 75,449,000</u>
Fiduciary Net Position:					
Contributions - employer	\$ 2,554,000	\$ 2,351,000	\$ 4,745,000	\$ 2,488,000	\$ 2,367,000
Contributions - member	1,603,000	1,517,000	1,412,000	1,683,000	1,556,000
Net investment income (loss)	4,196,000	(7,281,000)	11,580,000	492,000	1,954,000
Benefit payments, including refunds of member contributions	(4,914,000)	(5,119,000)	(4,812,000)	(4,273,000)	(3,879,000)
Administrative expenses	(171,000)	(130,000)	(136,000)	(104,000)	(103,000)
Other changes - net transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fiduciary Net Position	3,268,000	(8,662,000)	12,789,000	286,000	1,895,000
Fiduciary Net Position at Beginning of Year	<u>46,941,000</u>	<u>55,603,000</u>	<u>42,814,000</u>	<u>42,528,000</u>	<u>40,633,000</u>
Fiduciary Net Position at End of Year	<u>\$ 50,209,000</u>	<u>\$ 46,941,000</u>	<u>\$ 55,603,000</u>	<u>\$ 42,814,000</u>	<u>\$ 42,528,000</u>
Net Pension Liability at End of Year	\$ 30,529,000	\$ 32,820,000	\$ 21,062,000	\$ 34,752,000	\$ 32,921,000
Fiduciary Net Position as Percentage of Total Pension Liability	62.2%	58.9%	72.5%	55.2%	56.4%
Covered Payroll	\$ 8,202,000	\$ 8,327,000	\$ 8,170,000	\$ 9,157,000	\$ 9,539,000
Net Pension Liability as Percentage of Covered Payroll	372.2%	394.1%	257.8%	379.5%	345.1%

See accompanying notes to required supplementary information.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S
NET PENSION LIABILITY AND RELATED RATIOS* (Continued)**

Fiscal Year	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Total Pension Liability:					
Service cost	\$ 1,524,000	\$ 1,856,000	\$ 1,912,000	\$ 1,702,000	\$ 1,397,000
Interest	4,698,000	4,534,000	4,610,000	4,033,000	3,837,000
Changes of benefit terms (removal of 401(a) plan members)	-	(757,000)	-	-	-
Differences between expected and actual experience	82,000	(3,150,000)	2,111,000	-	414,000
Changes of assumptions	2,255,000	-	3,461,000	-	1,718,000
Benefit payments, including refunds of member contributions	<u>(3,623,000)</u>	<u>(3,832,000)</u>	<u>(3,457,000)</u>	<u>(3,045,000)</u>	<u>(2,905,000)</u>
Net Change in Total Pension Liability	4,936,000	(1,349,000)	8,637,000	2,690,000	4,461,000
Total Pension Liability at Beginning of Year	<u>67,394,000</u>	<u>68,743,000</u>	<u>60,106,000</u>	<u>57,416,000</u>	<u>52,955,000</u>
Total Pension Liability at End of Year	<u>\$ 72,330,000</u>	<u>\$ 67,394,000</u>	<u>\$ 68,743,000</u>	<u>\$ 60,106,000</u>	<u>\$ 57,416,000</u>
Fiduciary Net Position:					
Contributions - employer	\$ 1,934,000	\$ 1,952,000	\$ 1,970,000	\$ 1,703,000	\$ 1,576,000
Contributions - member	1,402,000	1,594,000	1,662,000	1,383,000	1,269,000
Net investment income (loss)	2,880,000	4,308,000	(86,000)	272,000	4,989,000
Benefit payments, including refunds of member contributions	(3,623,000)	(3,832,000)	(3,457,000)	(3,045,000)	(2,905,000)
Administrative expenses	(104,000)	(79,000)	(199,000)	(112,000)	(122,000)
Other changes - net transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>(21,000)</u>	<u>-</u>
Net Change in Fiduciary Net Position	2,489,000	3,943,000	(110,000)	180,000	4,807,000
Fiduciary Net Position at Beginning of Year	<u>38,144,000</u>	<u>34,201,000</u>	<u>34,311,000</u>	<u>34,131,000</u>	<u>29,324,000</u>
Fiduciary Net Position at End of Year	<u>\$ 40,633,000</u>	<u>\$ 38,144,000</u>	<u>\$ 34,201,000</u>	<u>\$ 34,311,000</u>	<u>\$ 34,131,000</u>
Net Pension Liability at End of Year	\$ 31,697,000	\$ 29,250,000	\$ 34,542,000	\$ 25,795,000	\$ 23,285,000
Fiduciary Net Position as Percentage of Total Pension Liability	56.2%	56.6%	49.8%	57.1%	59.4%
Covered Payroll	\$ 8,122,000	\$ 8,672,000	\$ 11,389,000	\$ 10,355,000	\$ 9,960,000
Net Pension Liability as Percentage of Covered Payroll	390.3%	337.3%	303.3%	249.1%	233.8%

See accompanying notes to required supplementary information.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN**

SCHEDULE OF INVESTMENT RETURNS – PENSION

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.91%	-13.28%	27.52%	1.21%	4.76%
	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	7.40%	12.74%	-0.16%	0.81%	17.23%

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Actuarially determined contributions	\$ 2,554,000	\$ 2,351,000	\$ 2,012,000	\$ 2,488,000	\$ 2,367,000
Contributions in relation to the actuarially determined contributions	<u>2,554,000</u>	<u>2,351,000</u>	<u>4,745,000</u>	<u>2,488,000</u>	<u>2,367,000</u>
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,733,000)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 8,202,000	\$ 8,327,000	\$ 8,170,000	\$ 9,157,000	\$ 9,539,000
Contributions as a percentage of covered payroll	31.1%	28.2%	58.1%	27.2%	24.8%
	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Actuarially determined contributions	\$ 1,934,000	\$ 1,952,000	\$ 2,028,000	\$ 1,703,000	\$ 1,576,000
Contributions in relation to the actuarially determined contributions	<u>1,934,000</u>	<u>1,952,000</u>	<u>2,028,000</u>	<u>1,703,000</u>	<u>1,576,000</u>
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 8,122,000	\$ 8,672,000	\$ 11,389,000	\$ 10,355,000	\$ 9,960,000
Contributions as a percentage of covered payroll	23.8%	22.5%	17.8%	16.4%	15.8%

See accompanying notes to required supplementary information.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
JUNE 30, 2023**

NOTE 1 – SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

The total pension liability contained in this schedule was obtained from the San Joaquin Regional Transit District Retirement Plan's (the Plan) actuary, Foster & Foster, Inc.

The service cost is based on the previous year's valuation, meaning the June 30, 2023 values are based on the valuation as of July 1, 2022.

Covered payroll shown represents Compensation Earnable and Pensionable Compensation. Only Compensation Earnable and Pensionable Compensation that would go into the determination of retirement benefits are included.

Change in Assumptions

The Plan's population was determined to be too small for a complete, valid experience study to be performed. Based on a review of the Plan's demographic experience, Plan management selected actuarial assumptions for employment termination, salary increases, and disability mortality based on those used by California Public Employees Retirement System (CalPERS) for plans with similar benefit formulas, since CalPERS assumptions are based on experience studies of California public agencies. The rates of retirement and disablement have been selected based on the Plan's experience. During the July 1, 2022 actuarial valuation the following assumptions have changed in conjunction with benefit changes below:

- Long-term expected Rate of Return on Assets rate was updated to match Discount Rate of 5.95%.
- Mortality improvement scale was updated to Scale MP-2021.
- Updated the payment from election assumption.

Change in Benefit Terms

During the July 1, 2022 actuarial valuation the benefit terms are the same as those used in the July 1, 2021 actuarial valuation.

NOTE 2 – SCHEDULE OF INVESTMENT RETURNS

The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 3 – ACTUARIAL ASSUMPTIONS USED IN DETERMINING THE ACTUARIALLY DETERMINED CONTRIBUTIONS

The actuarial determined contribution rates for the year ending June 30, 2023, are calculated based on the July 1, 2021 actuarial valuation (two years prior to the end of the fiscal year in which contributions are reported). Details of the significant actuarial methods and assumptions used for the valuation are as follows:

Actuarial Assumptions	
Valuation Date	July 1, 2021
Actuarial Cost Method	Entry Age Normal Method
Amortization Method	Level percentage of pay
Amortization Period	16-year fixed period for 2022/23
Asset Valuation Method	Investment gains and losses (difference between each year's expected and actual returns) spread over 5-year rolling period
Discount Rate	5.95%, net of investment expenses.
Inflation Rate	2.50%
Salary Increase	3.00% merit/longevity increases based on entry age and service.
Cost of Living Increases	0.92% annual future increases assumed.
Mortality	Society of Actuaries RP-2014 Table with Blue and White Collar adjustment for Represented and Nonrepresented employees, respectively, projected fully generational with Scale MP-2020.
All Other Assumptions	Same as those used in the July 1, 2021 funding actuarial valuation.

REQUIRED SUPPLEMENTARY INFORMATION – OPEB

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE DISTRICT'S
NET OPEB LIABILITY AND RELATED RATIOS***

Fiscal Year	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability:							
Service cost	\$ 239,000	\$ 286,000	\$ 293,000	\$ 270,000	\$ 274,000	\$ 262,000	\$ 310,000
Interest	666,000	836,000	811,000	848,000	858,000	818,000	790,000
Changes of benefit terms		-	(74,000)	-	-	-	(117,000)
Difference between expected and actual experience	(565,000)	(1,524,000)	933,000	(892,000)	(621,000)	145,000	-
Change in assumptions	596,000	(973,000)	(821,000)	(47,000)	-	918,000	-
Benefit payments - Cash	(517,000)	(636,000)	(655,000)	(582,000)	(522,000)	(507,000)	(523,000)
Benefit payments - Implied Subsidy	(112,000)	(116,000)	(136,000)	(136,000)	(123,000)	(122,000)	(137,000)
Net Change in Total OPEB Liability	307,000	(2,127,000)	351,000	(539,000)	(134,000)	1,514,000	323,000
Total OPEB Liability at Beginning of Year	10,804,000	12,931,000	12,580,000	13,119,000	13,253,000	11,739,000	11,416,000
Total OPEB Liability at End of Year (a)	\$ 11,111,000	\$ 10,804,000	\$ 12,931,000	\$ 12,580,000	\$ 13,119,000	\$ 13,253,000	\$ 11,739,000
Fiduciary Net Position:							
Contributions - employer	\$ -	\$ -	\$ 3,618,000	\$ 440,000	\$ 461,000	\$ 371,000	\$ 202,000
Contributions - employer (Implied Subsidy benefit payments)	112,000	116,000	136,000	136,000	123,000	122,000	137,000
Contributions - member		-	260,000	363,000	381,000	330,000	188,000
Net investment income	982,000	(1,529,000)	2,094,000	14,000	249,000	424,000	651,000
Benefit payments - Cash	(516,000)	(636,000)	(655,000)	(582,000)	(522,000)	(507,000)	(523,000)
Benefit payments - Implied Subsidy	(112,000)	(116,000)	(136,000)	(136,000)	(123,000)	(122,000)	(137,000)
Administrative expense	(9,000)	(10,000)	(8,000)	(6,000)	(6,000)	(6,000)	(3,000)
Net Change in Fiduciary Net Position	457,000	(2,175,000)	5,309,000	229,000	563,000	612,000	515,000
Fiduciary Net Position at Beginning of Year	9,578,000	11,753,000	6,444,000	6,215,000	5,652,000	5,040,000	4,525,000
Fiduciary Net Position at End of Year (b)	\$ 10,035,000	\$ 9,578,000	\$ 11,753,000	\$ 6,444,000	\$ 6,215,000	\$ 5,652,000	\$ 5,040,000
Net OPEB Liability at End of Year (a) - (b)	\$ 1,076,000	\$ 1,226,000	\$ 1,178,000	\$ 6,136,000	\$ 6,904,000	\$ 7,601,000	\$ 6,699,000
Fiduciary Net Position as Percentage of Total OPEB Liability	90.3%	88.7%	90.9%	51.2%	47.4%	42.6%	42.9%
Covered Payroll¹	\$ 9,343,000	\$ 8,649,000	\$ 8,350,000	\$ 9,303,000	\$ 9,824,000	\$ 8,220,000	\$ 8,739,000
Net OPEB Liability as Percentage of Covered Payroll	11.5%	14.2%	14.1%	66.0%	70.3%	92.5%	76.7%

* This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN**

SCHEDULE OF INVESTMENT RETURNS – OPEB*

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	10.33%	-13.39%	32.48%	0.28%

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	4.21%	8.04%	14.62%	-0.51%	0.59%

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS*

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Actuarially determined contributions	Not Calculated	Not Calculated	\$ 447,000	\$ 440,000	\$ 461,000	\$ 371,000	\$ 202,000
Contributions in relation to the actuarially determined contributions ¹	<u>112,000</u>	<u>116,000</u>	<u>3,754,000</u>	<u>576,000</u>	<u>584,000</u>	<u>493,000</u>	<u>339,000</u>
Contribution deficiency / (excess)	<u>N/A</u>	<u>N/A</u>	<u>\$ (3,307,000)</u>	<u>\$ (136,000)</u>	<u>\$ (123,000)</u>	<u>\$ (122,000)</u>	<u>\$ (137,000)</u>
Covered payroll	\$ 9,343,000	\$ 8,649,000	\$ 8,350,000	\$ 9,303,000	\$ 9,824,000	\$ 8,220,000	\$ 8,739,000
Contributions as a percentage of covered payroll	1.2%	1.3%	45.0%	6.2%	5.9%	6.0%	3.9%

* These schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

¹ Includes implied subsidy benefit payments not reimbursed from the trust.

See accompanying notes to required supplementary information.

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB
JUNE 30, 2023**

NOTE 1 – SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

The total OPEB liability contained in this schedule was obtained from the San Joaquin Regional Transit District Retirement Plan's (the Plan) actuary, Foster and Foster, Inc. The service cost is based on the previous year's valuation, meaning the 2023 values are based on the valuation as of July 1, 2022.

Covered payroll shown represents Compensation Earnable and Pensionable Compensation. Only Compensation Earnable and Pensionable Compensation that would go into the determination of retirement health benefits are included.

Change in Assumptions

The Plan's population was determined to be too small for a complete, valid experience study to be performed. Based on a review of the Plan's demographic experience, Plan management selected actuarial assumptions for employment termination, salary increases, and disability mortality based on those used by California Public Employees Retirement System (CalPERS) for plans with similar benefit formulas, since CalPERS assumptions are based on experience studies of California public agencies. The rates of retirement and disablement have been selected based on the Plan's experience. During the July 1, 2022 actuarial valuation the following assumptions have changed:

- Updated medical trend assumptions.
- Decreased PEMHCA Minimum increases to 3.50%.
- Mortality improvement scale was updated to Scale MP-2021.

Change in Benefit Terms

During the July 1, 2022 actuarial valuation the benefit terms are the same as those used in the July 1, 2021 actuarial valuation.

NOTE 2 – SCHEDULE OF INVESTMENT RETURNS

The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 3 – ACTUARIAL ASSUMPTIONS USED IN DETERMINING THE ACTUARIALLY DETERMINED CONTRIBUTIONS

The actuarial determined contribution rates for the year ending June 30, 2023, are not calculated because there were no required employer or member contributions to OPEB plan in current year.



Attachment B
Cover Page

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
REPORT TO THE RETIREMENT BOARD
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SAN JOAQUIN REGIONAL TRANSIT DISTRICT
RETIREMENT PLAN
JUNE 30, 2023**

TABLE OF CONTENTS

	<u>Page</u>
I. Required Communication to the Retirement Board in Accordance with Professional Standards (SAS 114)	1
II. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4

**REQUIRED COMMUNICATION TO THE RETIREMENT BOARD
IN ACCORDANCE WITH PROFESSIONAL STANDARDS (SAS 114)**

To the Retirement Board of the
San Joaquin Regional Transit District Retirement Plan
Stockton, California

We have audited the financial statements of the San Joaquin Regional Transit District Retirement Plan (the Plan) for the fiscal year ended June 30, 2023, and have issued our report dated November 27, 2023. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 16, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2, Summary of Significant Accounting Policies, to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2023. We noted no transactions entered into by the Plan during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Plan's financial statements were:

- Management's estimate of the fair value of investments, which was derived by various methods as detailed in the notes to the basic financial statements. We evaluated the methods, assumptions, and data used to develop the estimate of the fair value of investments in determining that it is reasonable in relation to the financial statements taken as a whole.
- The contribution amounts, net pension liability (NPL), and net other postemployment benefits (OPEB) liability (NOL) as detailed in the notes to the basic financial statements, which are based on the actuarially-presumed interest rate and assumptions. We evaluated the methods, assumptions, and data used to develop the estimates of the contribution amounts, NPL, and NOL in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosures for investments in Notes 2 and 4 to the financial statements, Summary of Significant Accounting Policies, and Cash and Investments, respectively, were derived from the Plan's investment policy. Management's estimate of the fair value of investments was derived by various methods as detailed in the notes to the basic financial statements.
- Additionally, the disclosures related to the contributions in Note 3, NPL in Note 5, and NOL in Note 6 were derived from actuarial valuations, which involved estimates of the value of reported amounts and probabilities about the occurrence of future events far into the future.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We did not identify any misstatements as a result of audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 27, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of Changes in the District's Net Pension Liability and Related Ratios, Schedule of Investment Returns - Pension, Schedule of District Pension Contributions, Notes to the Required Supplementary Information (RSI) - Pension, Schedule of Changes in the District's Net OPEB Liability and Related Ratios, Schedule of Investment Returns - OPEB, Schedule of District OPEB Contributions, and Notes to RSI - OPEB, which are RSI that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Retirement Board and management of the Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Stockton, California
November 27, 2023

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Retirement Board of the
San Joaquin Regional Transit District Retirement Plan
Stockton, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the San Joaquin Regional Transit District Retirement Plan (the Plan) as of and for the fiscal year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprise the Plan's basic financial statements, and have issued our report thereon dated November 27, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Stockton, California
November 27, 2023



Attachment C
Cover Page



Results of SJRTD Retirement Plan Financial Statement Audit for the Fiscal Year Ended June 30, 2023

Brown Armstrong
Accountancy Corporation
4200 Truxtun Avenue, Suite 300, Bakersfield, California 93309 | 661.324.4971 | Fax 661.324.4997
2423 W March Lane, Suite 202, Stockton, California 95207
www.ba.cpa
Contacts: Ashley Green, CPA, Partner agreen@ba.cpa



February 29, 2024

The Retirement Board of the
San Joaquin Regional Transit District Retirement Plan
Stockton, California

We are pleased to present to you the results of our audit of the San Joaquin Regional Transit District Retirement Plan (the Plan) financial statements for the fiscal year ended June 30, 2023.

We look forward to presenting the results of the audit and addressing your questions.

Sincerely,

Ashley Green, CPA
Partner

Brown Armstrong Accountancy Corporation

Agenda

- ▶ Audit Timeline/Critical Dates List
- ▶ Results of the Audit
 - Required Communication to the Board of Retirement and Audit Committee in Accordance with Professional Standards (SAS 114)
 - Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*
 - Audit Opinion on Financial Statements
- ▶ Financial Statement Review Process
- ▶ Thank Staff/Questions?

Audit Timeline/Critical Dates

- Audit Planning Information Request – June 30, 2023
- Populations provided for sampling – September 18, 2023
- Fieldwork onsite – October 19, 2023
 - Walkthroughs and Understanding of Key Accounting Areas
 - Testing of Internal Controls
 - Update Minutes and Agreements
 - Substantiate all Accounts and Balances
 - Review Confirmation Responses from Actuary, Custodian, Investment Managers, and Consultants
- Draft Actuary Valuations Received – October 20, 2023
- Audit Opinions Issued – November 27, 2023
- Reports Presented to Board of Directors – February 29, 2024

Results of the Audit

Report	Summary of Opinion / Required Communication
<p>Required Communication to the Board of Retirement and Audit Committee in Accordance with Professional Standards (SAS 114)</p>	<ul style="list-style-type: none"> • Auditor Responsibility in Relation to the Financial Statement Audit • Qualitative Aspects of Accounting Practices <ul style="list-style-type: none"> • No New Accounting Policies • Significant Accounting Estimates and Sensitive Financial Statement Disclosures <ul style="list-style-type: none"> • Fair Value of Investments • Contributions and Net Pension Liability, and Net OPEB Liability <ul style="list-style-type: none"> ✓ Based on Actuary Assumptions • Significant Difficulties Encountered in Performing the Audit – None • Corrected and Uncorrected Misstatements – None • Disagreements with Management – None • Other Audit Findings or Issues – None • Limited procedures on Required Supplementary Information

Results of the Audit (Continued)

Report	Summary of Opinion / Required Communication
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	<ul style="list-style-type: none"> • No Material Weaknesses, Significant Deficiencies, or Control Deficiencies Identified • No Noncompliance Noted
Report on Financial Statements (Opinion)	<ul style="list-style-type: none"> • Framework <ul style="list-style-type: none"> • Financial Statements: <ul style="list-style-type: none"> – Accounting Principles Generally Accepted in the United States of America (GAAP) • Audit Standards: <ul style="list-style-type: none"> – Auditing Standards Generally Accepted in the United States of America (GAAS) – <i>Government Auditing Standards</i> • Unmodified (Clean) Opinion on Financial Statements

Financial Statement Review

- ▶ Review Process
 - Administrative Review
 - Engagement Team Review
 - Quality Control Review

Thank Staff/Questions?



Ashley Green, CPA | Partner
Brown Armstrong Accountancy Corporation
Tel: 209-888-4751 | Email agreen@ba.cpa