



## Agenda Report

**DATE:** JANUARY 17, 2023  
**TO:** CITY COUNCIL  
**FROM:** ADMINISTRATIVE SERVICES DEPARTMENT – FINANCE  
**SUBJECT:** SEPTEMBER 2022 INVESTMENT AND SECTION 115 PENSION TRUST REPORT

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### **STATEMENT OF ISSUE:**

In compliance with the City's general Investment Policy and Investment Policy for Section 115 Pension Trust, the City Council is provided quarterly reports on the status of the City's investments. This report provides information for the quarter ending September 30, 2022.

### **RECOMMENDED ACTION:**

Accept the September 2022 Investment and IRS Section 115 Pension Trust Report.

### **DISCUSSION:**

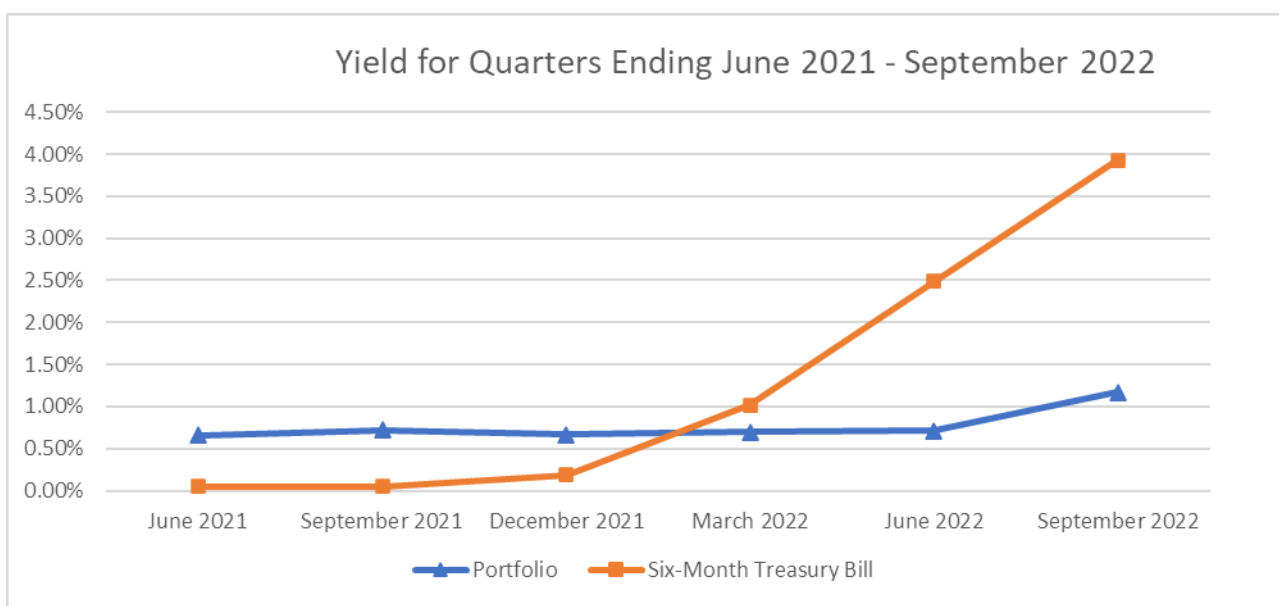
#### **Investment Portfolio**

In January 2022, the City Council adopted the City's current Investment Policy. A section of that policy requires the quarterly submission of the City's investment portfolio to the City Council and City Manager. State legislation requires submission of an investment report noting compliance with the City's investment policy, market versus book value of investments and a statement regarding the City's ability to meet expenditure requirements for the next six months. The City Treasurer has the responsibility for the investment of funds in accordance with the City of Walnut Creek's Investment Policy and approves the quarterly investment report prepared by the Administrative Services Department.

#### **Current Status**

The effective interest rate of the portfolio as of September 30, 2022 was 1.17%. The current Investment Policy is designed with the objective of exceeding the six-month U.S. Treasury Bill rate while meeting other objectives of safety, liquidity and diversification of the portfolio. The City's portfolio structure remains conservative, with investments held to maturity. With the Federal Reserve interest rates continue to increase during current quarter, this strategy resulted in the City's portfolio effective rate falling behind rising US Treasury bill rates. The Treasury bill rate, as compared to the City's portfolio yield, is detailed for the past six quarters in the table below:

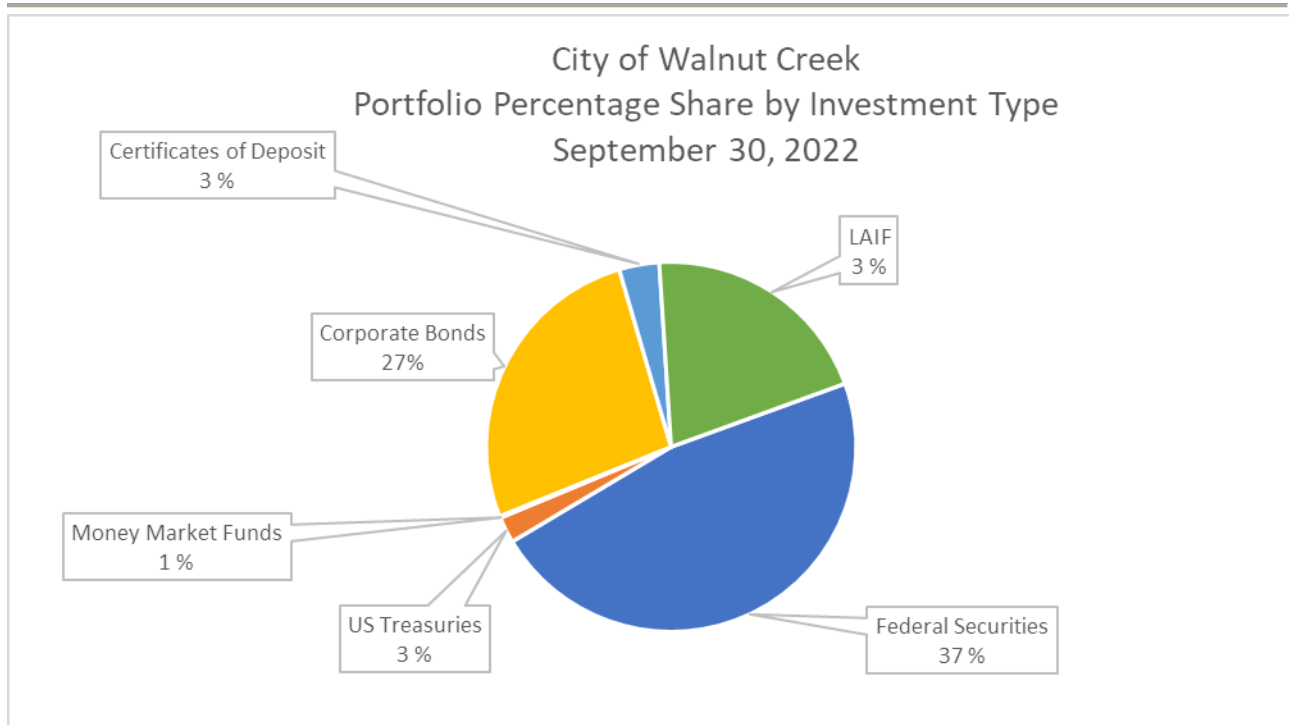
| <i>Quarter Ending</i> | <i>Portfolio</i> | <i>Six-Month Treasury Bill</i> |
|-----------------------|------------------|--------------------------------|
| September 2022        | 1.17%            | 3.93%                          |
| June 2022             | 0.71%            | 2.49%                          |
| March 2022            | 0.70%            | 1.02%                          |
| December 2021         | 0.67%            | 0.19%                          |
| September 2021        | 0.72%            | 0.05%                          |
| June 2021             | 0.66%            | 0.05%                          |



This graph illustrates the trend of the City’s portfolio yields against the six-month Treasury bill for the last six quarters. The yield is below the six-month Treasury rate as of September 30, 2022, because of the combination of factors noted earlier, including Federal Interest rate increases. To fight the inflation, The Federal Reserve raised interest rates by 300 basis points between March and September 2022. When the Federal Open Market Committee (FOMC) reviews interest rates, they take into account a wide range of information, including readings on public health, labor market conditions, supply chain tensions, inflation pressures and expectations as well as financial and international developments.

As indicated on the pie chart on next page, the City’s portfolio is invested in Local Agency Investment Fund (LAIF), Federal Securities, Money Market (MM) Funds, Certificates of Deposit, California General Obligation bonds and Corporate bonds in order to take advantage of yields, while not compromising the City’s liquidity needs.

Since the City of Walnut Creek holds securities to maturity, the necessary liquidity for daily cash needs is provided through investment in the State Pool (Local Agency Investment Fund), money market funds and short-term securities. Staff does not anticipate any problem in the City’s ability to meet its expenditures and cash flow requirements for the next six months.

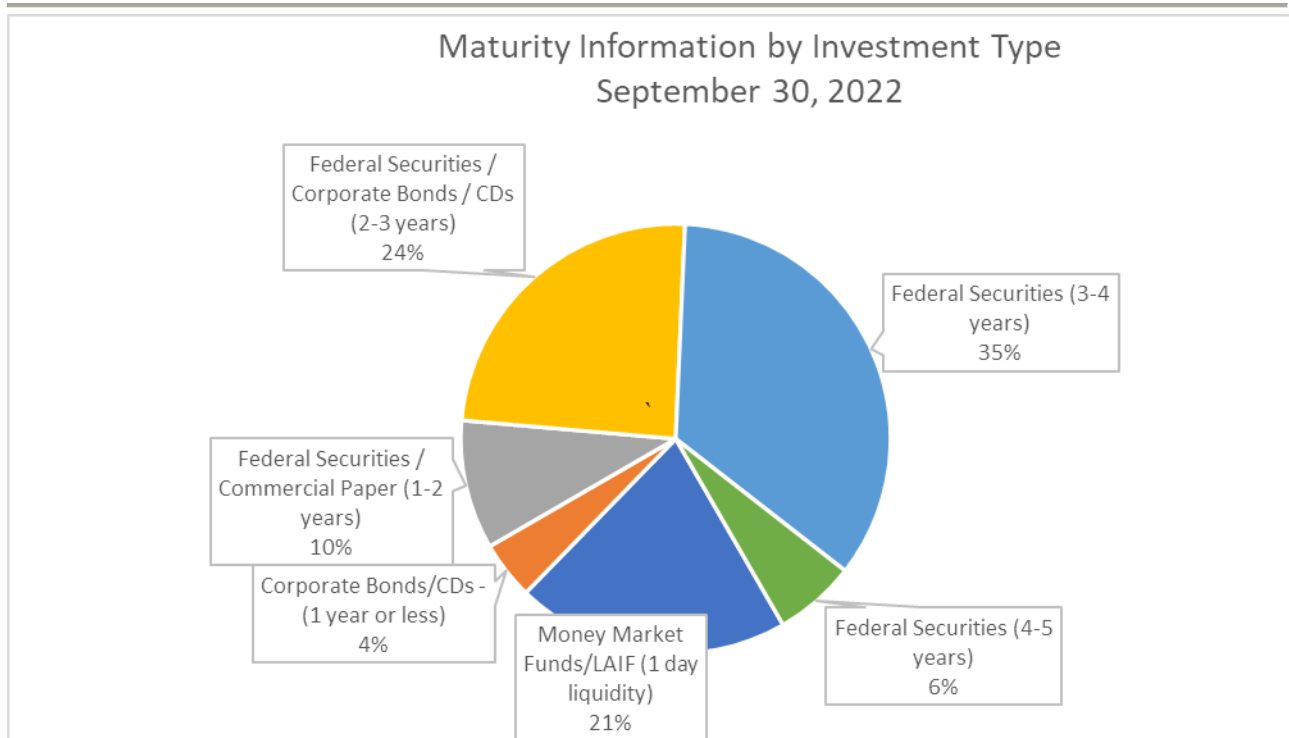


**Portfolio Liquidity**

The average length to maturity for the September 30, 2022 portfolio (excluding LAIF and Money Market Funds, which are immediately available) is 3 years, as detailed below. While the City assumes all securities will be held to maturity, it is important to note that most of the Federal Securities have callable features and thus could be redeemed by the issuers prior to their maturity dates.

**MATURITY SCHEDULE SUMMARY OF PORTFOLIO**

|  | Amount               | Percent     |
|--|----------------------|-------------|
| Money Market Funds/LAIF (1 day liquidity)              | \$26,334,148         | 21%         |
| Corporate Bonds/CDs - (1 year or less)                 | \$5,577,617          | 4%          |
| Federal Securities / Commercial Paper (1-2 years)      | \$12,417,284         | 10%         |
| Federal Securities / Corporate Bonds / CDs (2-3 years) | \$31,055,410         | 24%         |
| Federal Securities (3-4 years)                         | \$44,494,595         | 35%         |
| Federal Securities (4-5 years)                         | \$7,835,139          | 6%          |
| <b>Total Portfolio</b>                                 | <b>\$127,714,191</b> | <b>100%</b> |



**Market Value of Investments**

The market value and original cost value of investments in short-term instruments of less than one year, such as Certificates of Deposit and Money Market Funds, are reported as the same number. State Pool (Local Agency Investment Fund) market valuations are provided by the State Treasurer’s Office. Other investment instruments, such as Government Securities and Corporate Bonds, are subject to daily changes in market value in the secondary market.

Per adopted policy, the City’s intent is to hold all investments to maturity in order to maximize its return on investments and minimize exposure to potential losses resulting from temporary declines in market value. However, if a decline in the market value of a security is deemed by Staff to be permanent, the security may be sold early to minimize the loss of principal. As such, any reported gain or loss as shown in this quarterly report is temporary in nature and does not indicate a change in the ultimate value of the investment portfolio upon redemption. The market values as of September 30, 2022 were obtained from the City’s safekeeping institution, Union Bank of California. The table below gives a snapshot of the City’s Investment Portfolio as of September 30, 2022.

| Type  | Market Value         | Amount Over/(Under) Cost | Average Length of Maturity | Effective Rate of Return |
|---|----------------------|--------------------------|----------------------------|--------------------------|
| Federal Securities                                  | \$60,017,590         | (\$5,436,206)            | 2.7                        | 0.95%                    |
| U.S. Treasuries                                     | 2,925,980            | (60,628)                 | 1.1                        | 2.13%                    |
| California General Obligation Bonds                 | -                    | -                        | -                          | 0.00%                    |
| Corporate Bonds                                     | 33,961,801           | (3,874,917)              | 3.2                        | 1.31%                    |
| Certificates of Deposit                             | 4,474,673            | (193,327)                | 6.2                        | 1.77%                    |
| Money Market Funds                                  | 185,950              | -                        | 1 Day                      | 2.73%                    |
| LAIF  | 26,148,198           | (512,935)                | 1 Day                      | 1.51%                    |
| <b>Total (Portfolio) Investments</b>                | <b>\$127,714,191</b> | <b>(\$10,078,013)</b>    | <b>3.03</b>                | <b>0.72%</b>             |
| U.S. Treasury Money Market (Actor's Equity Account) | 26,500.00            | -                        |                            |                          |
| Cash (Net of outstanding checks)                    | 19,425,873.99        | -                        |                            |                          |
| <b>Total Cash and Investments</b>                   | <b>\$147,166,565</b> | <b>(\$10,078,013)</b>    |                            |                          |

**Current Cash Balances by Fund Category**

The reported totals for cash and investments are accounted for according to the following fund types, most of which are restricted for specific purposes, resulting from state or local policies. Funds are invested until needed to pay bills and demands, meaning that the composition and amount of the investment portfolio is variable. Total portfolio investments decreased approximately \$15.5 million (10%) from the prior quarter primarily due the payment of \$10.98 million one-time annual PERS unfunded accrued liability payment and \$2.3 million annual payment for the City's insurance policies.

|  | Amount               | Percent     |
|--|----------------------|-------------|
| General Fund Contingencies / Future Projects (Assigned)  | \$54,469,346         | 37%         |
| Special Revenue Funds (Restricted)                       | 20,534,262           | 14%         |
| Impact / In Lieu Fee Funds (Restricted)                  | 41,512,905           | 28%         |
| Capital Project / Assessment District Funds (Restricted) | 2,415,840            | 2%          |
| Enterprise Funds (Restricted)                            | 3,028,732            | 2%          |
| Internal Service / Replacement Funds (Assigned)          | 16,223,457           | 11%         |
| Permanent Fund (Restricted)                              | 1,753,958            | 1%          |
| Agency Funds (Restricted)                                | 7,228,065            | 5%          |
| <b>Total</b>   | <b>\$147,166,565</b> | <b>100%</b> |

**Portfolio Analysis**

Included in this agenda item is a detailed report on the City's investment portfolio, including maturity dates, call dates (if applicable), investment types, market values and effective yields of each of the City's individual investments.

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**IRS Section 115 Pension Trust**

In February 2018, the City Council adopted a resolution authorizing the City Manager to establish an IRS Section 115 irrevocable pension trust fund (the Trust) with PFM Asset Management LLC (PMF). In accordance with the adopted Section 115 Trust Investment Policy Statement, PFM acting as investment advisor has the responsibility for investment of funds in compliance with the Policy Statement. Consistent with the City's Investment Policy Statement for the Section 115 Pension Trust, the Committee herewith includes a quarterly report on performance of the Trust as provided by PFM.

The City Council authorized contributions to the pension trust of \$19.9 million since the trust was established:

- \$16.9 million from the General Fund unassigned fund balance:
  - \$12.8 million (FY16)
  - \$1.1 million (FY17)
  - \$3.0 million (FY18)
- \$3.0 million from the PERS Safety Side Fund Reserve in the General Fund (FY19)

The attached reports (3 and 4) represent Pension Trust activity for the quarter ended September 30, 2022. The closing market value of the trust is \$21,850,872. The weighted portfolio performance over the quarter is -10.62% vs. the blended benchmark of -5.59%. See Attachments 3 and 4, June 30, 2022 Walnut Creek Section 115 Pension Trust Statement and Economic Overview for more details.

**FINANCIAL IMPACTS:**

Acceptance of the September 30, 2022 Investment and Section 115 Pension Trust Report will have no financial impact.

**ALTERNATIVE ACTION:**

None.

**DOCUMENTS:**

- Attachment 1: September 30, 2022 Investment Detail Report
- Attachment 2: September 30, 2022 Supplementary Information by Investment Type
- Attachment 3: September 30, 2022 Walnut Creek Section 115 Pension Trust Statement
- Attachment 4: September 30, 2022 Walnut Creek Section 115 Pension Trust Economic Overview

**CITY COUNCIL ACTION RECOMMENDED:**

Accept the September 30, 2022 Investment and Section 115 Pension Trust Statement Report as submitted.

**STAFF CONTACT:** Katie Bruner, Budget Manager  
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# City of Walnut Creek Pension Trust

## Economic Overview

Over the third quarter, annual inflation slowed to 8.2% in September, after hitting a high of 9.1% in June. While the overall level of inflation has come down, the core inflation rate, which excludes more volatile food and energy, advanced to a 40-year high in September, underscoring persistent, elevated inflation that's squeezing households. The core consumer price index was up 6.6% from a year ago, the highest level since 1982. Europe also saw its struggle with record breaking inflation continue through the quarter, ending with a 10% preliminary annual inflation rate as energy prices rose 40.8% year-over-year.

The Federal Reserve (Fed) raised rates a total of 1.5% during the quarter, with expectations for further increases in the coming quarter. The Fed has buckled down on doing what it takes to combat inflation, painting a bleak picture for the path forward of interest rates. While market expectations for the Fed funds rate have risen to an increased likelihood of a 75 basis point (bps) rate hike at the November Federal Open Market Committee (FOMC) meeting and a 75 bps rate hike at the December meeting. The European Central Bank, the Bank of England and various other central banks also continued to raise rates during the quarter as they worked to control inflation in their domestic markets.

U.S. labor markets remained strong during the quarter, ending with an unemployment rate of 3.5% in September after edging up slightly in August. Over the quarter, the U.S. economy added 1,115,000 jobs to non-farm payrolls, 86,000 more than the previous quarter, as employment remains approximately 500,000 higher than its pre-pandemic level. This, along with a low labor-force participation rate and aging demographic trends, continues to keep upward pressure on wages, contributing to the heightened inflation the U.S. faces.

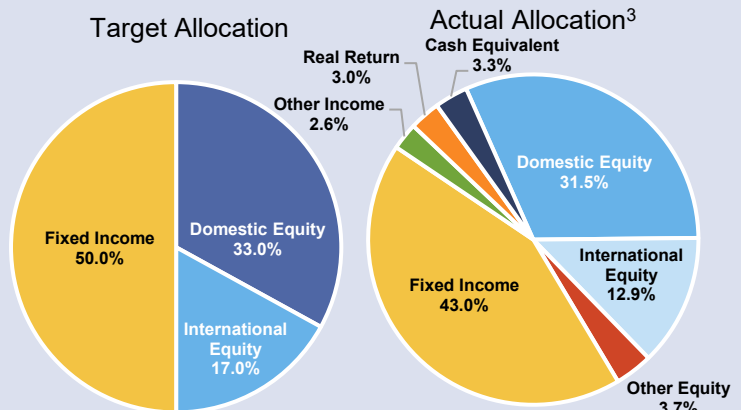
**Domestic Equity:** Domestic equity markets, as represented by the S&P 500 Index, returned -4.88% for the quarter. Within S&P, nine of 11 sectors ended with negative returns for the quarter. Communication Services (-12.71%), Real Estate (-11.03%) and Materials (-7.13%) were the worst-performing sectors. Value stocks, as represented by the Russell 1000 Value Index, returned -5.62%, underperforming growth stocks, as represented by the Russell 1000 Growth Index, which returned -3.60%. Small-caps, as represented by the S&P 600 Index, returned -5.21% during the quarter, underperforming mid- and large-caps while the Russell 2000, returned -2.19% during the quarter, outperforming mid- and large-caps.

**International Equity:** Equity markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, underperformed their U.S. counterparts, returning -9.91% for the quarter. Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning -11.57% versus -9.36% for the quarter.

**Fixed Income:** The Bloomberg U.S. Aggregate Index continued its sharply negative streak in the third quarter, this time with a 4.75% loss. Corporate credit was mixed as the investment-grade (IG) Bloomberg U.S. Corporate Index lost 5.06%, while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, had a much more mild loss at just -0.65% as credit spreads tightened in the BB and B-rated quality.

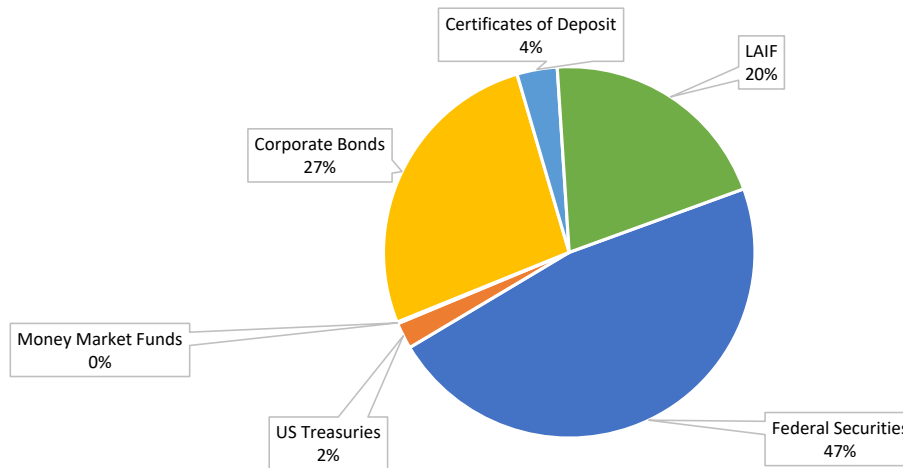
| Portfolio Performance (Period Ending September 30, 2022) |                         |              |         |        |                              |
|--|-------------------------|--------------|---------|--------|------------------------------|
|  | 3 <sup>rd</sup> Quarter | Year to Date | 1 Year  | 3 Year | Since Inception <sup>1</sup> |
| <b>Pension Trust</b>                                     | -5.59%                  | -20.50%      | -17.43% | 1.80%  | 2.65%                        |
| <b>Benchmark<sup>2</sup></b>                             | -5.47%                  | -19.93%      | -17.22% | 0.97%  | 2.17%                        |

| City of Walnut Creek Portfolio Growth 2022 3Q Account Reconciliation |                     |
|--|---------------------|
| <b>Beginning Market Value</b>  | <b>\$23,160,942</b> |
| <b>Net Cash Flows<sup>4</sup></b>                                    | <b>-\$15,911</b>    |
| <b>Earnings</b>  | <b>-\$1,294,158</b> |
| <b>Ending Market Value</b>   | <b>\$21,850,872</b> |



1. Inception date of September 1, 2018.  
 2. Blended Benchmark – September 2018: 33% Russell 3000 Index + 17% MSCI AC World ex USA (Net) + 50% Bloomberg Aggregate.  
 3. The asset allocation ranges are: Domestic Equity: 13%-53%; International Equity: 0%-37%; Fixed Income 30%-70%.  
 4. Net cash flows equal cash inflows (contributions) less cash outflows (distributions, fees).

City of Walnut Creek  
Portfolio Percentage Share by Investment Type  
September 30, 2022



| TYPE OF INSTRUMENT            |   | Market Value         | Amount Over/(Under) Cost | Effective Rate of Return | % of Portfolio | Average Maturity in Years * |
|-------------------------------|---|----------------------|--------------------------|--------------------------|----------------|-----------------------------|
| 1                             | Federal Home Loan Bank (FHLB)                   | \$31,738,317         | (\$2,461,555)            | 1.20%                    | 24.85%         | 2.8                         |
| 9                             | Federal Farm Credit Bureau (FFCB)               | \$12,566,738         | (\$1,215,655)            | 0.51%                    | 9.84%          | 2.9                         |
| 3                             | Federal National Mortgage Assn (FNMA)           | \$9,846,430          | (\$1,137,969)            | 0.73%                    | 7.71%          | 3.5                         |
| 4                             | Government National Mortgage Association (GNMA) | \$0                  | \$0                      | 0.00%                    | 0.00%          | 0.0                         |
|                               | Federal Home Loan Mortgage Corporation (FHLMC)  | \$5,866,105          | (\$621,027)              | 1.00%                    | 4.59%          | 3.4                         |
| SUB -TOTAL FEDERAL SECURITIES |   | 60,017,590           | (5,436,206)              | 0.71%                    | 46.99%         | 2.8                         |
| 12                            | U.S. Treasuries                                 | \$2,925,980          | (\$60,628)               | 2.17%                    | 2.29%          | 1.1                         |
| 11                            | California General Obligation Bonds             | \$0                  | \$0                      | 0.00%                    | 0.00%          | 0.0                         |
| 5                             | Commercial Paper                                | \$0                  | \$0                      | 0.00%                    | 0.00%          | 0.0                         |
| 10                            | Corporate Bonds                                 | \$33,961,801         | (\$3,874,917)            | 1.44%                    | 26.59%         | 3.6                         |
| 6                             | Certificates of Deposit                         | \$4,474,673          | (\$193,327)              | 1.85%                    | 3.50%          | 2.1                         |
| 7                             | Money Market Funds                              | \$185,950            | \$0                      | 2.73%                    | 0.15%          | 0.0                         |
| 8                             | LAIF  | \$26,148,198         | (\$512,935)              | 1.54%                    | 20.47%         | 0.0                         |
| <b>GRAND TOTAL **</b>         |   | <b>\$127,714,191</b> | <b>(\$10,078,013)</b>    | <b>0.72%</b>             | <b>100.00%</b> | <b>3.0</b>                  |

\* Grand Total for Average Maturity Years reflects average for Federal Securities, Commercial Paper, Corporate Bonds and Certificate of Deposit only. LAIF and Money Market funds have same day availability.

\*\* See page 5 of Agenda Report for additional details regarding the restricted use of these funds





# City of Walnut Creek - Section 115 Pension Trust

## Investment Performance Review For the Quarter Ended September 30, 2022

Client Management Team

PFM Asset Management LLC

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Ellen Clark, Director  
Matt Smith, CFA, Senior Managing Consultant  
Chrystal Thomas, Analyst

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Philadelphia, PA 19103

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# **Financial Markets & Investment Strategy Review**

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

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

**THE ECONOMY**

▶ Over the third quarter, annual inflation slowed to 8.2% in September, after hitting a high of 9.1% in June. While the overall level of inflation has come down, the core inflation rate, which excludes more volatile food and energy, advanced to a 40-year high in September, underscoring persistent, elevated inflation that’s squeezing households. The core consumer price index was up 6.6% from a year ago, the highest level since 1982. Europe also saw its struggle with record-breaking inflation continue through the quarter, ending with a 10% preliminary annual inflation rate as energy prices rose 40.8% year-over-year.

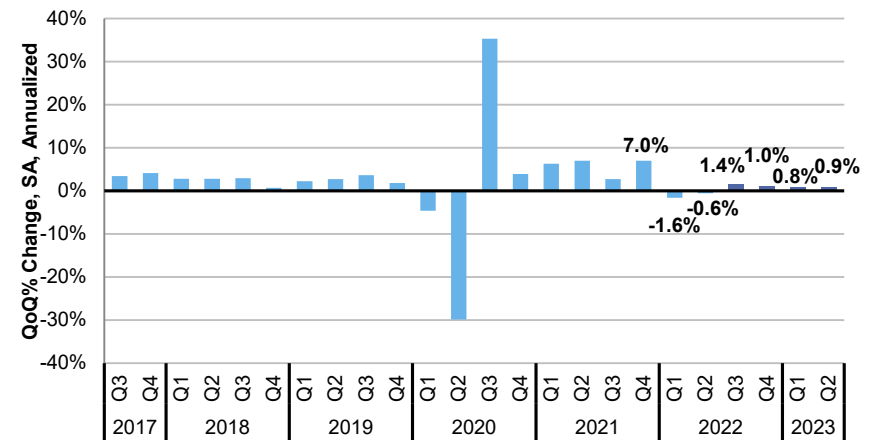
▶ The Federal Reserve (Fed) raised rates a total of 1.5% during the quarter, with expectations for further increases in the coming quarter. The Fed has buckled down on doing what it takes to combat inflation, painting a bleak picture for the path forward of interest rates. While market expectations for the Fed funds rate have risen to an increased likelihood of a 75 basis point (bps) rate hike at the November Federal Open Market Committee (FOMC) meeting and a 75 bps rate hike at the December meeting. The European Central Bank, the Bank of England and various other central banks also continued to raise rates during the quarter as they worked to control inflation in their domestic markets.

▶ U.S. labor markets remained strong during the quarter, ending with an unemployment rate of 3.5% in September after edging up slightly in August. Over the quarter, the U.S. economy added 1,115,000 jobs to non-farm payrolls, 86,000 more than the previous quarter, as employment remains approximately 500,000 higher than its pre-pandemic level. This, along with a low labor-force participation rate and aging demographic trends, continues to keep upward pressure on wages, contributing to the heightened inflation the U.S. faces.

▶ Due to the monetary tightening by the Fed, mortgage rates saw a dramatic rise during the quarter, cooling the hot housing market. U.S. mortgage rates advanced to a fresh 16-year high of 6.81%, extending a rapid ascent in borrowing costs that are seen as dealing a bigger blow to the housing market. As rates rose, sales declined, with August marking the seventh straight month of declines in home sales. At 4.8 million, it is the lowest reading since May 2020.

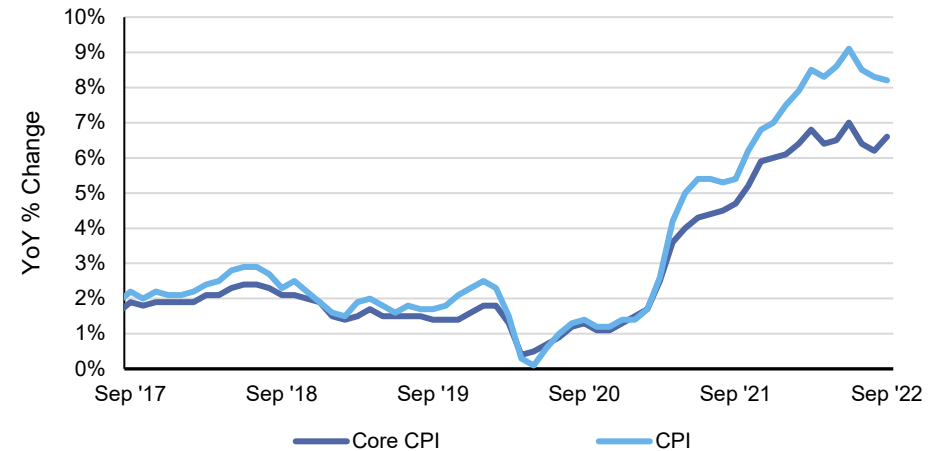
**U.S. Real GDP Growth**

Seasonally Adjusted (SA)



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

**U.S. Inflation Rate**



Source: Bureau of Labor Statistics.

**WHAT WE'RE WATCHING**

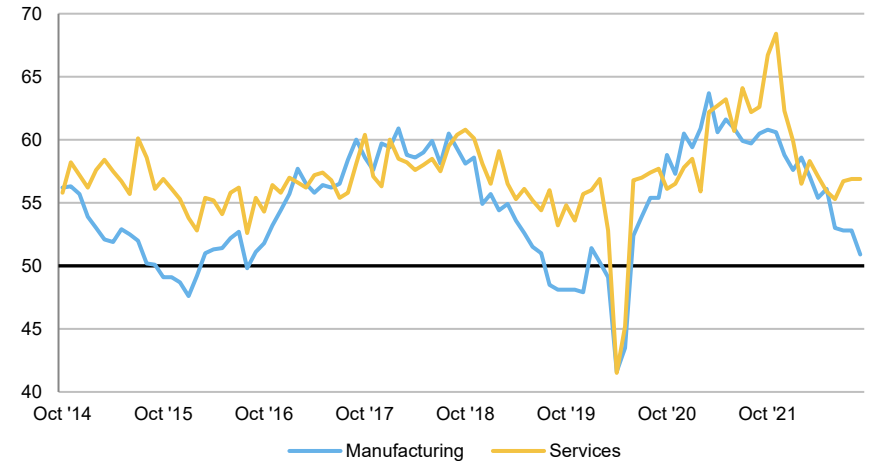
▶ While the U.S. and other major economies continue to raise rates to control inflation while balancing the risk of recession domestically, concerns grow about the possibility of a recession globally. The UN Conference on Trade and Development is calling for a reverse course on raising rates, stating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

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

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

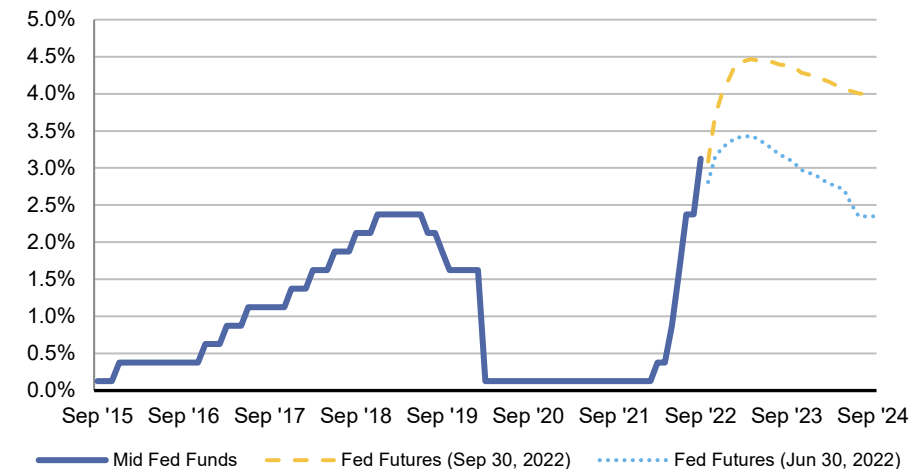
▶ The continued energy disruptions and high prices that have added fuel to the fire of inflation show no signs of slowing. The relief some consumers feel after gas fell from a record \$5.02 per gallon may be short-lived. Prices are expected to rise as the OPEC and its allies agreed to slash output by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

**ISM Manufacturing & Services PMI**



Source: Bloomberg.

**Federal Funds Target Rate**



Source: Bloomberg.

**DOMESTIC EQUITY**

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

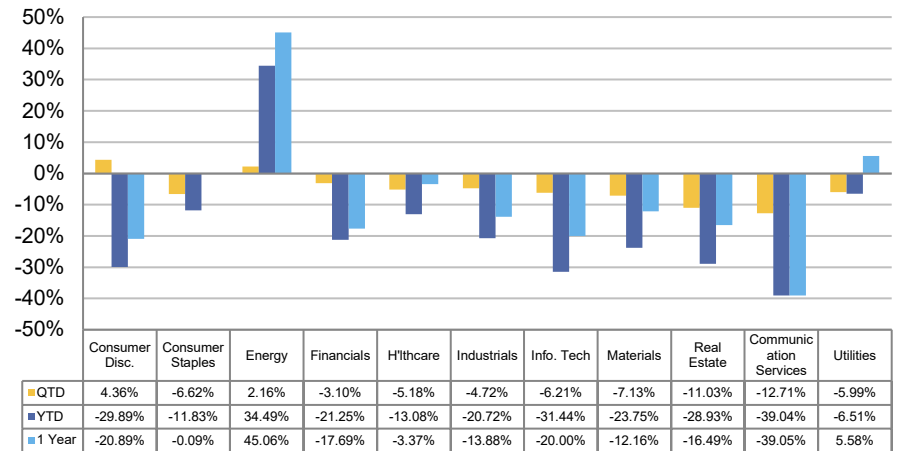
▶ Value stocks, as represented by the Russell 1000 Value Index, returned -5.62%, underperforming growth stocks, as represented by the Russell 1000 Growth Index, which returned -3.60%. Over the trailing 12 months, the value index has outperformed the growth index by 1123 bps (-11.36% vs. -22.59%).

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

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

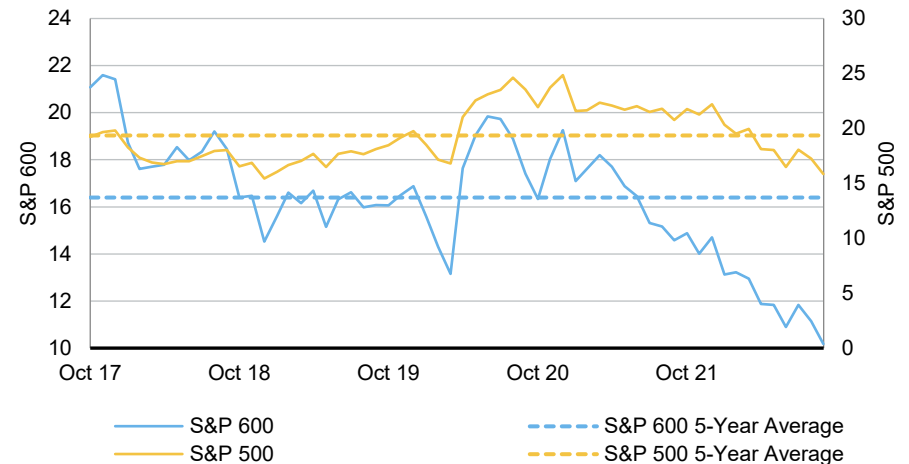
**S&P 500 Index Performance by Sector**

Periods Ended September 30, 2022



Source: Bloomberg.

**P/E Ratios of Major Stock Indices\***



Source: Bloomberg.

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

**NON-U.S. EQUITY**

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

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

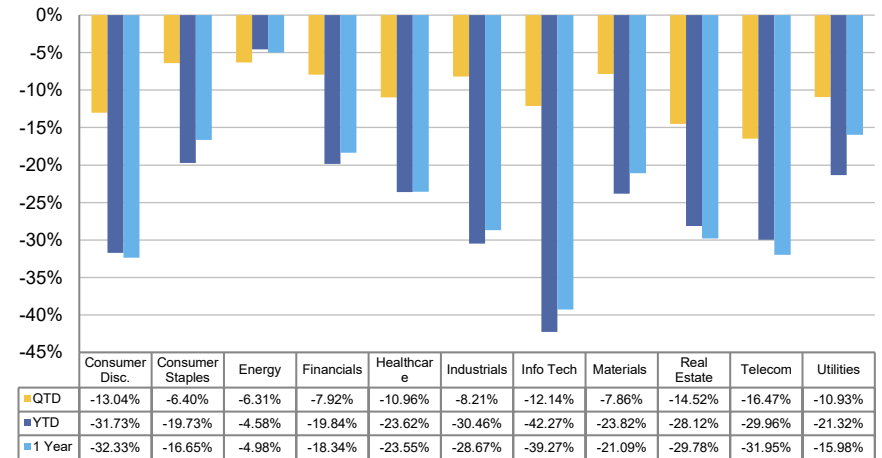
► MSCI Europe (-10.11%) underperformed the MSCI EAFE Index, as the Russian gas supply disruption exacerbated price pressures and hindered the European Central Bank’s efforts to combat inflation. MSCI Japan, on the other hand, fared better than the MSCI EAFE Index, returning -7.52%. Within EM, EM Latin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

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

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

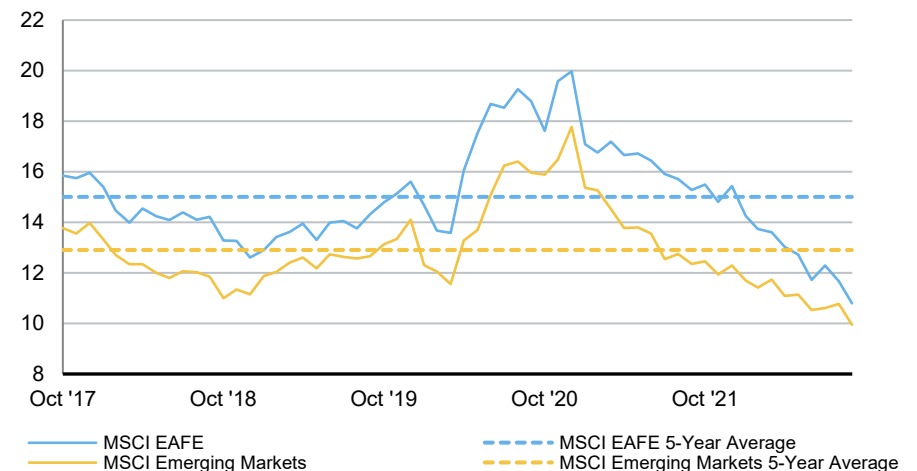
**MSCI ACWI ex-U.S. Sectors**

Periods Ended September 30, 2022



Source: Bloomberg.

**P/E Ratios of MSCI Equity Indices\***



Source: Bloomberg.

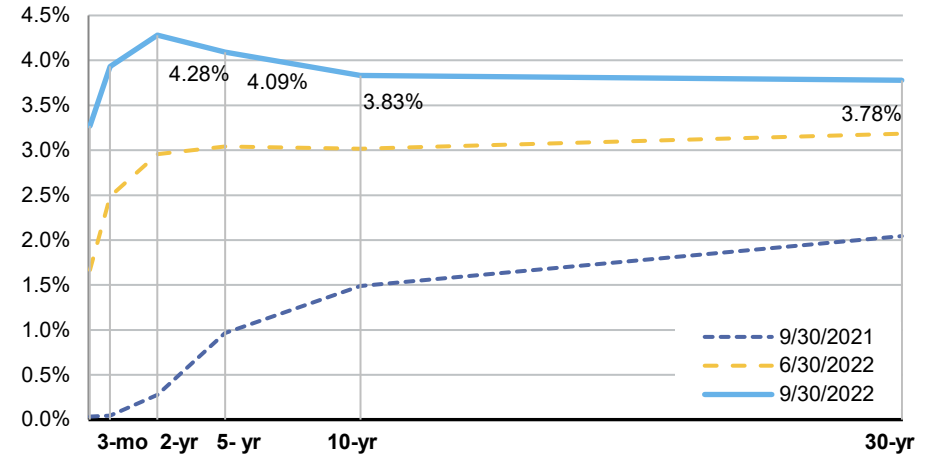
\*P/E ratios are calculated based on one-year forward estimates and adjusted to include only positive earnings results for consistency.



**FIXED INCOME**

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

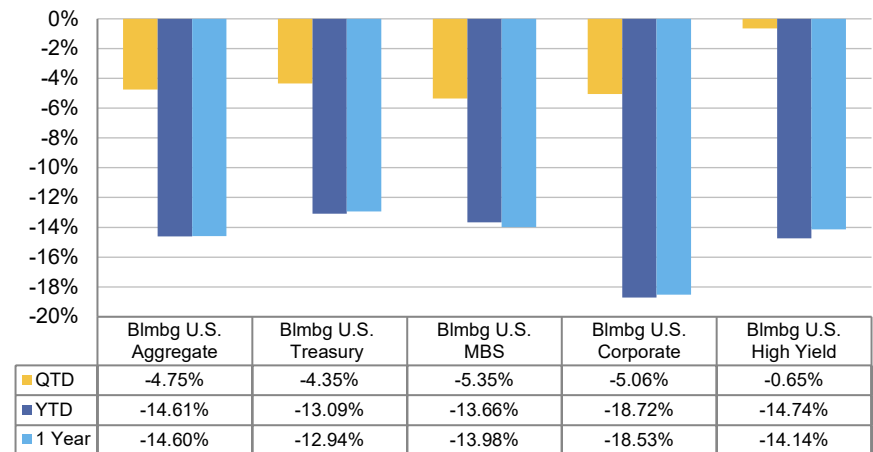
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended September 30, 2022



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

**ALTERNATIVES**

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

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

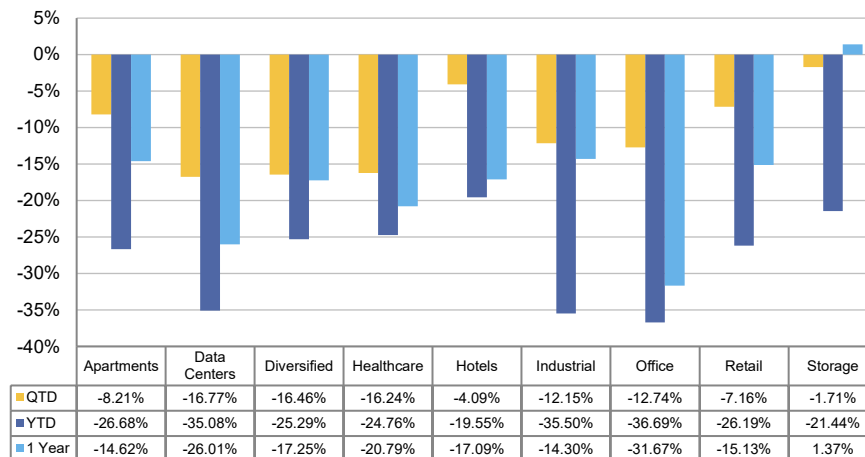
▶ Hedge fund returns were mixed in the third quarter of 2022, with the HFRI Fund Weighted Composite Index returning -0.58%. During the same period, the HFRI Macro (Total) Index, which benefited from recent market volatility, gained 2.21%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds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

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

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

**FTSE NAREIT Sectors**

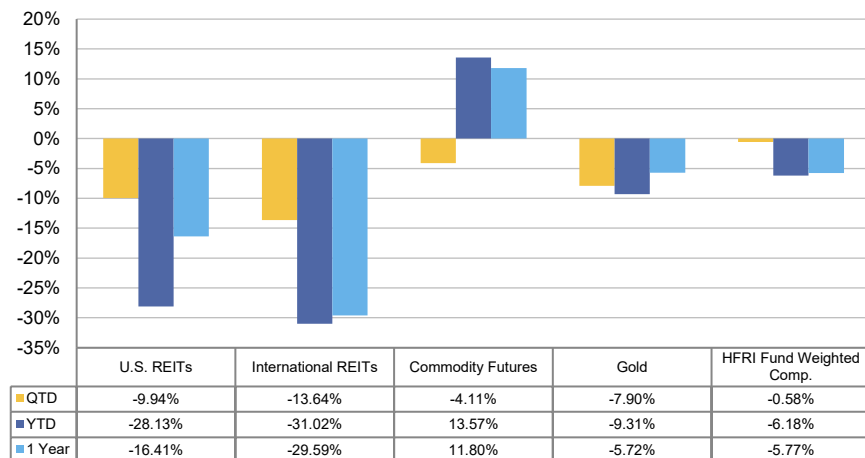
Periods Ended September 30, 2022



Source: Bloomberg.

**Returns for Alternative Assets**

Periods Ended September 30, 2022



Sources: Bloomberg and Hedge Fund Research, Inc.










**Investment Strategy Overview**

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

● Current outlook    ○ Outlook one quarter ago



**Factors to Consider Over the Next 6-12 Months**

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



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

## **Plan Performance Review**

Asset Allocation & Performance

|   | Allocation        |               | Performance(%) |                     |               |               |             |                 |                   |
|---|-------------------|---------------|----------------|---------------------|---------------|---------------|-------------|-----------------|-------------------|
|   | Market Value (\$) | %             | 1 Quarter      | Fiscal Year To Date | Year To Date  | 1 Year        | 3 Years     | Since Inception | Inception Date    |
| <b>City of Walnut Creek - Total Fund</b>          | <b>21,850,872</b> | <b>100.00</b> | <b>-5.59</b>   | <b>-5.59</b>        | <b>-20.50</b> | <b>-17.43</b> | <b>1.80</b> | <b>2.65</b>     | <b>09/01/2018</b> |
| Blended Policy Benchmark                          |                   |               | -5.47          | -5.47               | -19.93        | -17.22        | 0.97        | 2.17            | 09/01/2018        |
| <b>Domestic Equity</b>                            | <b>6,884,630</b>  | <b>31.51</b>  |                |                     |               |               |             |                 |                   |
| PFM Multi-Manager Domestic Equity Fund            | 6,884,630         | 31.51         | -5.10          | -5.10               | -24.71        | -17.97        | 7.38        | 6.28            | 09/01/2018        |
| <i>Russell 3000 Index</i>                         |                   |               | -4.46          | -4.46               | -24.62        | -17.63        | 7.70        | 6.39            | 09/01/2018        |
| Vanguard Total Stock Market ETF - 62.7%           |                   |               | -4.44          | -4.44               | -24.87        | -18.00        | 7.58        | 5.14            | 02/01/2020        |
| <i>Russell 3000 Index</i>                         |                   |               | -4.46          | -4.46               | -24.62        | -17.63        | 7.70        | 5.25            | 02/01/2020        |
| Vaughan Nelson Select - 11.5% (^)                 |                   |               | -4.45          | -4.45               | -21.09        | -10.51        | 12.46       | 10.17           | 09/01/2018        |
| Nuance All Cap Value - 9.1% (^)                   |                   |               | -8.50          | -8.50               | -16.92        | -13.28        | 4.60        | 6.42            | 09/01/2018        |
| <i>Russell 3000 Index</i>                         |                   |               | -4.46          | -4.46               | -24.62        | -17.63        | 7.70        | 6.39            | 09/01/2018        |
| Aristotle Atlantic Core Equity - 7.2%(^)          |                   |               | -4.95          | -4.95               | -26.69        | N/A           | N/A         | -24.47          | 11/01/2021        |
| <i>Russell 3000 Index</i>                         |                   |               | -4.46          | -4.46               | -24.62        | -17.63        | 7.70        | -22.84          | 11/01/2021        |
| Champlain Mid Cap Core - 4.2% (^)                 |                   |               | -4.05          | -4.05               | -30.81        | -26.30        | 6.67        | 6.56            | 09/01/2018        |
| <i>S&amp;P MidCap 400</i>                         |                   |               | -2.46          | -2.46               | -21.52        | -15.25        | 6.01        | 3.46            | 09/01/2018        |
| Jacobs Levy Small Cap - 4.6% (^)                  |                   |               | -7.71          | -7.71               | -23.99        | -16.07        | 10.92       | 8.18            | 05/01/2019        |
| <i>S&amp;P SmallCap 600</i>                       |                   |               | -5.20          | -5.20               | -23.16        | -18.83        | 5.48        | 4.14            | 05/01/2019        |
| <b>International Equity</b>                       | <b>2,813,891</b>  | <b>12.88</b>  |                |                     |               |               |             |                 |                   |
| PFM Multi-Manager International Equity Fund       | 2,813,891         | 12.88         | -10.23         | -10.23              | -30.49        | -28.60        | -2.15       | -1.86           | 09/01/2018        |
| <i>MSCI AC World ex USA (Net)</i>                 |                   |               | -9.91          | -9.91               | -26.50        | -25.17        | -1.52       | -1.31           | 09/01/2018        |
| iShares Core MSCI Total Int'l Stock ETF - 36.1%   |                   |               | -10.53         | -10.53              | -27.21        | -25.75        | -1.40       | -3.75           | 02/01/2020        |
| <i>MSCI AC World ex USA (Net)</i>                 |                   |               | -9.91          | -9.91               | -26.50        | -25.17        | -1.52       | -3.83           | 02/01/2020        |
| WCM Focused Growth International - 6.9% (^)       |                   |               | -7.09          | -7.09               | -35.80        | -32.19        | N/A         | 1.87            | 12/01/2019        |
| <i>MSCI AC World ex USA (Net)</i>                 |                   |               | -9.91          | -9.91               | -26.50        | -25.17        | -1.52       | -3.09           | 12/01/2019        |
| Ninety One Int'l Dynamic Equity - 12.1% (^)       |                   |               | -9.05          | -9.05               | -29.40        | N/A           | N/A         | -26.62          | 12/01/2021        |
| <i>MSCI AC World ex USA (Net)</i>                 |                   |               | -9.91          | -9.91               | -26.50        | -25.17        | -1.52       | -23.46          | 12/01/2021        |
| Acadian Non-U.S. Equity - 17.1% (^)               |                   |               | -7.65          | -7.65               | -24.50        | -21.64        | N/A         | -1.52           | 01/01/2020        |
| <i>MSCI EAFE (net)</i>                            |                   |               | -9.36          | -9.36               | -27.09        | -25.13        | -1.83       | -4.76           | 01/01/2020        |
| Aristotle International Equity - 17.1% (^)        |                   |               | -8.46          | -8.46               | -30.24        | -26.38        | -1.08       | -0.30           | 09/01/2018        |
| <i>MSCI EAFE (net)</i>                            |                   |               | -9.36          | -9.36               | -27.09        | -25.13        | -1.83       | -1.47           | 09/01/2018        |
| Kayne Anderson International Small Cap - 0.9% (^) |                   |               | -14.86         | -14.86              | -41.32        | -40.25        | N/A         | -29.66          | 05/01/2021        |
| <i>MSCI AC World ex USA Small Cap (Net)</i>       |                   |               | -8.37          | -8.37               | -29.37        | -28.93        | 0.38        | -20.49          | 05/01/2021        |
| Schroders Global Emerging Markets - 9.5% (^)      |                   |               | -11.30         | -11.30              | -29.49        | -31.28        | N/A         | -5.06           | 01/01/2020        |
| <i>MSCI EM (net)</i>                              |                   |               | -11.57         | -11.57              | -27.16        | -28.11        | -2.07       | -6.15           | 01/01/2020        |

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

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

## Asset Allocation &amp; Performance

|   | Allocation        |              | Performance(%) |                     |              |        |         |                 |                |
|---|-------------------|--------------|----------------|---------------------|--------------|--------|---------|-----------------|----------------|
|   | Market Value (\$) | %            | 1 Quarter      | Fiscal Year To Date | Year To Date | 1 Year | 3 Years | Since Inception | Inception Date |
| <b>Other Growth</b>   | <b>810,343</b>    | <b>3.71</b>  |                |                     |              |        |         |                 |                |
| Cohen & Steers Inst Realty Shares                             | 406,218           | 1.86         | -10.89         | -10.89              | -27.43       | -15.85 | 0.37    | -3.20           | 04/01/2021     |
| Principal RE Securities Inst Fund                             | 404,125           | 1.85         | -8.54          | -8.54               | -26.91       | -16.16 | -0.24   | -3.09           | 04/01/2021     |
| <i>MSCI US REIT Index</i>                                     |                   |              | -9.96          | -9.96               | -28.26       | -16.56 | -2.00   | -3.79           | 04/01/2021     |
| <b>Fixed Income</b>   | <b>9,401,173</b>  | <b>43.02</b> |                |                     |              |        |         |                 |                |
| PFM Multi-Manager Fixed-Income Fund                           | 9,401,173         | 43.02        | -3.70          | -3.70               | -14.41       | -14.52 | -2.78   | 0.02            | 09/01/2018     |
| <i>Blmbg. U.S. Aggregate</i>                                  |                   |              | -4.75          | -4.75               | -14.61       | -14.60 | -3.26   | -0.19           | 09/01/2018     |
| PGIM Core Fixed - 35.0% (^)                                   |                   |              | -4.63          | -4.63               | -15.50       | -15.42 | -2.95   | 0.20            | 09/01/2018     |
| TIAA Core Fixed - 35.0% (^)                                   |                   |              | -4.24          | -4.24               | -14.78       | -14.90 | -2.50   | 0.50            | 09/01/2018     |
| <i>Blmbg. U.S. Aggregate</i>                                  |                   |              | -4.75          | -4.75               | -14.61       | -14.60 | -3.26   | -0.19           | 09/01/2018     |
| iShares Core U.S. Aggregate Bond ETF - 1.0%                   |                   |              | -4.73          | -4.73               | -14.50       | -14.58 | -3.29   | -9.84           | 05/01/2021     |
| <i>Blmbg. U.S. Aggregate</i>                                  |                   |              | -4.75          | -4.75               | -14.61       | -14.60 | -3.26   | -9.86           | 05/01/2021     |
| PineBridge IG Credit - 5.9% (^)                               |                   |              | -5.34          | -5.34               | -18.56       | -18.35 | -1.81   | 1.69            | 09/01/2018     |
| <i>Blmbg. U.S. Credit Index</i>                               |                   |              | -4.95          | -4.95               | -18.07       | -17.89 | -3.61   | 0.13            | 09/01/2018     |
| Brown Bros. Harriman Structured - 10.5% (^)                   |                   |              | -0.70          | -0.70               | -4.53        | -4.36  | 0.78    | 1.99            | 09/01/2018     |
| <i>ICE BofAML Asset-Bckd Fxd &amp; Flting Rate AA-BBB Idx</i> |                   |              | -1.49          | -1.49               | -6.87        | -7.24  | -0.45   | 0.98            | 09/01/2018     |
| SPDR Blackstone Senior Loan ETF - 7.3%                        |                   |              | -0.16          | -0.16               | -6.57        | -6.21  | 0.96    | -6.68           | 02/01/2022     |
| <i>Credit Suisse Leveraged Loan Index</i>                     |                   |              | 1.19           | 1.19                | -3.31        | -2.62  | 2.12    | -3.66           | 02/01/2022     |
| Brandywine Global High Yield - 2.5%                           |                   |              | 0.25           | 0.25                | -13.02       | -12.45 | 2.47    | -1.10           | 10/01/2020     |
| <i>Blmbg. Ba to B U.S. High Yield</i>                         |                   |              | -0.69          | -0.69               | -14.49       | -13.82 | -0.36   | -2.70           | 10/01/2020     |
| MainStay MacKay High Yield Corp Bond Fund - 2.5%              |                   |              | -0.49          | -0.49               | -11.31       | -11.05 | 0.31    | -6.93           | 06/01/2021     |
| <i>ICE BofAML High Yield Master II</i>                        |                   |              | -0.70          | -0.70               | -14.65       | -14.10 | -0.69   | -9.23           | 06/01/2021     |
| <b>Other Income</b>   | <b>573,765</b>    | <b>2.63</b>  |                |                     |              |        |         |                 |                |
| iShares Preferred and Income Securities ETF                   | 573,765           | 2.63         | -1.96          | -1.96               | -16.75       | -14.55 | -0.64   | -14.10          | 09/01/2021     |
| <i>ICE Exchange-Listed Preferred &amp; Hybrid Securities</i>  |                   |              | -1.95          | -1.95               | -16.55       | -14.27 | -0.15   | -13.82          | 09/01/2021     |
| <b>Real Return</b>  | <b>657,889</b>    | <b>3.01</b>  |                |                     |              |        |         |                 |                |
| PIMCO Commodity Real Return Strategy                          | 657,889           | 3.01         | -8.58          | -8.58               | 5.09         | 4.81   | 14.52   | 10.46           | 06/01/2021     |
| <i>Bloomberg Commodity Index Total Return</i>                 |                   |              | -4.11          | -4.11               | 13.57        | 11.80  | 13.45   | 15.63           | 06/01/2021     |
| <b>Cash Equivalent</b>  | <b>709,181</b>    | <b>3.25</b>  |                |                     |              |        |         |                 |                |
| Wells Fargo Advantage Gov't MM Fund                           | 709,181           | 3.25         | 0.47           | 0.47                | 0.62         | 0.62   | 0.45    | 1.18            | 09/01/2003     |

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

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

## Comparative Performance

|   | 2021         | 2020         | 2019         | 2018       | 2017       |
|---|--------------|--------------|--------------|------------|------------|
| <b>City of Walnut Creek - Total Fund</b>          | <b>11.18</b> | <b>14.02</b> | <b>18.54</b> | <b>N/A</b> | <b>N/A</b> |
| <i>Blended Policy Benchmark</i>                   | 8.57         | 13.23        | 18.17        | N/A        | N/A        |
| <b>Domestic Equity</b>                            |              |              |              |            |            |
| PFM Multi-Manager Domestic Equity Fund            | 26.28        | 20.05        | 29.70        | N/A        | N/A        |
| <i>Russell 3000 Index</i>                         | 25.66        | 20.89        | 31.02        | -5.24      | 21.13      |
| Vanguard Total Stock Market ETF - 62.7%           | 25.72        | 20.95        | 30.80        | -5.13      | 21.16      |
| Vaughan Nelson Select - 11.5% (^)                 | 41.05        | 20.01        | 29.17        | N/A        | N/A        |
| Nuance All Cap Value - 9.1% (^)                   | 15.15        | 9.69         | 31.33        | N/A        | N/A        |
| Aristotle Atlantic Core Equity - 7.2%(^)          | N/A          | N/A          | N/A          | N/A        | N/A        |
| <i>Russell 3000 Index</i>                         | 25.66        | 20.89        | 31.02        | -5.24      | 21.13      |
| Champlain Mid Cap Core - 4.2% (^)                 | 25.95        | 30.51        | 27.82        | N/A        | N/A        |
| <i>S&amp;P MidCap 400</i>                         | 24.76        | 13.66        | 26.20        | -11.08     | 16.24      |
| Jacobs Levy Small Cap - 4.6% (^)                  | 39.61        | 18.81        | N/A          | N/A        | N/A        |
| <i>S&amp;P SmallCap 600</i>                       | 26.82        | 11.29        | 22.78        | -8.48      | 13.23      |
| <b>International Equity</b>                       |              |              |              |            |            |
| PFM Multi-Manager International Equity Fund       | 9.38         | 13.74        | 21.23        | N/A        | N/A        |
| <i>MSCI AC World ex USA (Net)</i>                 | 7.82         | 10.65        | 21.51        | -14.20     | 27.19      |
| iShares Core MSCI Total Int'l Stock ETF - 36.1%   | 8.52         | 11.14        | 21.85        | -14.55     | 28.08      |
| WCM Focused Growth International - 6.9% (^)       | 18.78        | 32.21        | N/A          | N/A        | N/A        |
| Ninety One Int'l Dynamic Equity - 12.1% (^)       | N/A          | N/A          | N/A          | N/A        | N/A        |
| <i>MSCI AC World ex USA (Net)</i>                 | 7.82         | 10.65        | 21.51        | -14.20     | 27.19      |
| Acadian Non-U.S. Equity - 17.1% (^)               | 14.31        | 11.10        | N/A          | N/A        | N/A        |
| Aristotle International Equity - 17.1% (^)        | 17.21        | 10.14        | 25.45        | N/A        | N/A        |
| <i>MSCI EAFE (net)</i>                            | 11.26        | 7.82         | 22.01        | -13.79     | 25.03      |
| Kayne Anderson International Small Cap - 0.9% (^) | N/A          | N/A          | N/A          | N/A        | N/A        |
| <i>MSCI AC World ex USA Small Cap (Net)</i>       | 12.93        | 14.24        | 22.42        | -18.20     | 31.65      |
| Schroders Global Emerging Markets - 9.5% (^)      | -3.38        | 27.26        | N/A          | N/A        | N/A        |
| <i>MSCI EM (net)</i>                              | -2.54        | 18.31        | 18.42        | -14.57     | 37.28      |

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

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.



## Comparative Performance

|  | 2021         | 2020         | 2019         | 2018          | 2017        |
|--|--------------|--------------|--------------|---------------|-------------|
| <b>Other Growth</b>  |              |              |              |               |             |
| Cohen & Steers Inst Realty Shares                            | 42.47        | -2.57        | 33.01        | -3.99         | 7.45        |
| Principal RE Securities Inst Fund                            | 39.64        | -3.23        | 31.13        | -4.31         | 9.03        |
| <i>MSCI US REIT Index</i>                                    | <i>43.06</i> | <i>-7.57</i> | <i>25.84</i> | <i>-4.57</i>  | <i>5.07</i> |
| <b>Fixed Income</b>  |              |              |              |               |             |
| PFM Multi-Manager Fixed-Income Fund                          | -0.85        | 7.86         | 9.56         | N/A           | N/A         |
| <i>Blmbg. U.S. Aggregate</i>                                 | <i>-1.55</i> | <i>7.51</i>  | <i>8.72</i>  | <i>0.01</i>   | <i>3.54</i> |
| PGIM Core Fixed - 35.0% (^)                                  | -0.98        | 9.01         | 9.65         | N/A           | N/A         |
| TIAA Core Fixed - 35.0% (^)                                  | -0.91        | 9.44         | 9.59         | N/A           | N/A         |
| iShares Core U.S. Aggregate Bond ETF - 1.0%                  | -1.67        | 7.42         | 8.68         | -0.05         | 3.53        |
| <i>Blmbg. U.S. Aggregate</i>                                 | <i>-1.55</i> | <i>7.51</i>  | <i>8.72</i>  | <i>0.01</i>   | <i>3.54</i> |
| PineBridge IG Credit - 5.9% (^)                              | 0.02         | 14.54        | 15.48        | N/A           | N/A         |
| <i>Blmbg. U.S. Credit Index</i>                              | <i>-1.08</i> | <i>9.35</i>  | <i>13.80</i> | <i>-2.11</i>  | <i>6.18</i> |
| Brown Bros. Harriman Structured - 10.5% (^)                  | 3.01         | 3.42         | 5.07         | N/A           | N/A         |
| <i>ICE BofAML Asset-Bckd Fxd &amp; Fltng Rate AA-BBB Idx</i> | <i>1.75</i>  | <i>3.94</i>  | <i>4.31</i>  | <i>3.16</i>   | <i>4.53</i> |
| SPDR Blackstone Senior Loan ETF - 7.3%                       | 4.91         | 2.73         | 9.33         | -0.25         | 3.61        |
| <i>Credit Suisse Leveraged Loan Index</i>                    | <i>5.40</i>  | <i>2.78</i>  | <i>8.17</i>  | <i>1.14</i>   | <i>4.25</i> |
| Brandywine Global High Yield - 2.5%                          | 5.50         | 13.92        | 15.56        | 1.27          | 10.48       |
| <i>Blmbg. Ba to B U.S. High Yield</i>                        | <i>4.71</i>  | <i>7.78</i>  | <i>15.18</i> | <i>-1.86</i>  | <i>6.92</i> |
| MainStay MacKay High Yield Corp Bond Fund - 2.5%             | 5.35         | 5.28         | 13.03        | -1.34         | 6.79        |
| <b>Other Income</b>  |              |              |              |               |             |
| iShares Preferred and Income Securities ETF                  | 7.09         | 7.94         | 15.62        | -4.77         | 8.33        |
| <i>ICE Exchange-Listed Preferred &amp; Hybrid Securities</i> | <i>7.75</i>  | <i>8.58</i>  | <i>18.45</i> | <i>N/A</i>    | <i>N/A</i>  |
| <b>Real Return</b>   |              |              |              |               |             |
| PIMCO Commodity Real Return Strategy                         | 33.48        | 0.82         | 12.27        | -13.77        | 2.70        |
| <i>Bloomberg Commodity Index Total Return</i>                | <i>27.11</i> | <i>-3.12</i> | <i>7.69</i>  | <i>-11.25</i> | <i>1.70</i> |
| <b>Cash Equivalent</b>                                       |              |              |              |               |             |
| Wells Fargo Advantage Gov't MM Fund                          | 0.01         | 0.34         | 2.06         | 1.69          | 0.73        |

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

(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

Financial Reconciliation

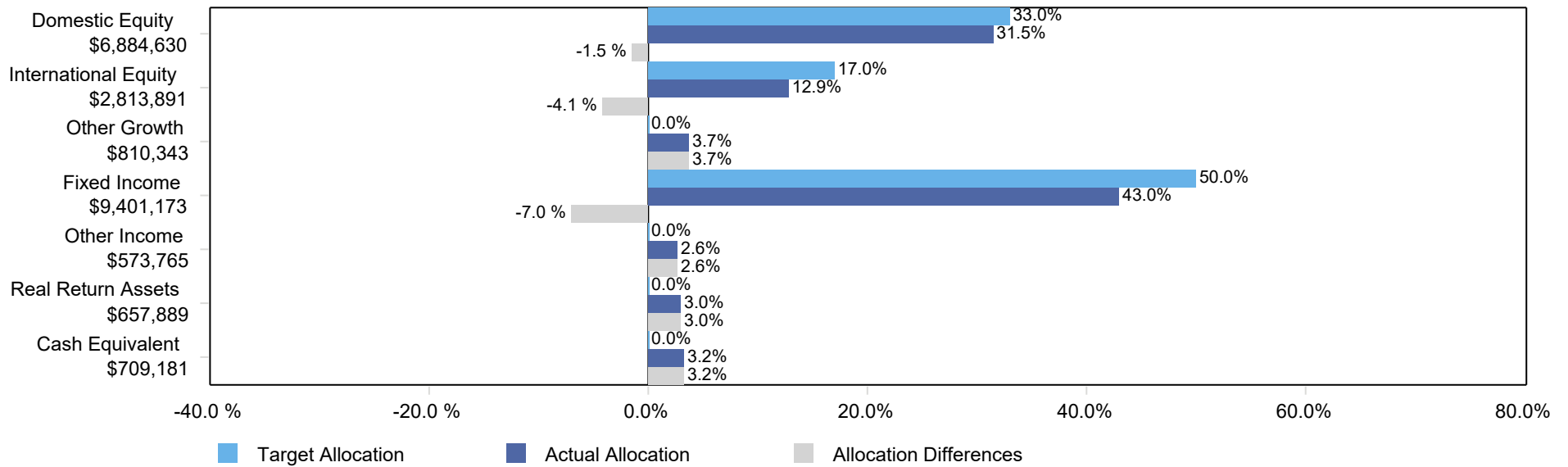
| QTR                               | Market Value<br>As of<br>07/01/2022 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>09/30/2022 |
|-----------------------------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| City of Walnut Creek - Total Fund | 23,160,942                          | (15,911)  | (1,294,158)             | 21,850,872                          |

| YTD                               | Market Value<br>As of<br>01/01/2022 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>09/30/2022 |
|-----------------------------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| City of Walnut Creek - Total Fund | 27,540,090                          | (47,179)  | (5,642,039)             | 21,850,872                          |

| 1 Year                            | Market Value<br>As of<br>10/01/2021 | Net Flows | Return On<br>Investment | Market Value<br>As of<br>09/30/2022 |
|-----------------------------------|-------------------------------------|-----------|-------------------------|-------------------------------------|
| City of Walnut Creek - Total Fund | 26,529,440                          | (62,936)  | (4,615,633)             | 21,850,872                          |

Asset Allocation Compliance - City of Walnut Creek - Total Fund

|  | Asset Allocation (%) | Target Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) | Differences (%) |
|--|----------------------|-----------------------|------------------------|------------------------|-----------------|
| <b>City of Walnut Creek - Total Fund</b> | <b>100.0</b>         | <b>100.0</b>          | <b>N/A</b>             | <b>N/A</b>             | <b>0.0</b>      |
| Domestic Equity                          | 31.5                 | 33.0                  | 13.0                   | 53.0                   | -1.5            |
| International Equity                     | 12.9                 | 17.0                  | 0.0                    | 37.0                   | -4.1            |
| Other Growth                             | 3.7                  | 0.0                   | 0.0                    | 20.0                   | 3.7             |
| Fixed Income                             | 43.0                 | 50.0                  | 30.0                   | 70.0                   | -7.0            |
| Other Income                             | 2.6                  | 0.0                   | 0.0                    | 20.0                   | 2.6             |
| Real Return Assets                       | 3.0                  | 0.0                   | 0.0                    | 20.0                   | 3.0             |
| Cash Equivalent                          | 3.2                  | 0.0                   | 0.0                    | 20.0                   | 3.2             |



Historical Hybrid Composition - Blended Policy Benchmark

| Allocation Mandate         | Weight (%) |
|----------------------------|------------|
| <b>Sep-2018</b>            |            |
| Russell 3000 Index         | 33.0       |
| MSCI AC World ex USA (Net) | 17.0       |
| Blmbg. U.S. Aggregate      | 50.0       |

# **Investment Manager Review**

● **Vanguard Total Stock Market Index**

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

● **Vaughan Nelson Select**

- **Management:** Scott Weber, CFA is the lead portfolio manager and final decision maker. He is the lead PM on the strategy since inception. Chris Wallis, co-portfolio manager, serves as the CIO of the firm.
- **Objective:** The sub-advisor seeks to invest in companies that are trading at a discount to fair value with the potential to generate above-average rates of returns over time.
- **Strategy:** Typical characteristics of an investment in the Select strategy are:
  - Undervalued Growth: companies with attractive ROIC that are trading at an attractive valuation
  - Undervalued Assets: companies where the market is under appreciating the value of underlying assets
  - Undervalued Dividends: companies with attractive dividend yields or return to shareholders

● **Nuance All Cap Value**

- **Management:** Scott Moore, CFA, founder of Nuance Investments, Chad Baumler, CFA, and Darren Schryer, CFA, CPA are the Portfolio Managers responsible for the strategy. Scott and Chad are the PMs for the strategy since inception; Darren was promoted to Associate Portfolio Manager. As of 2022, Jack Meurer was promoted to Associate Portfolio Manager.
- **Objective:** The sub-advisor seeks to invest in companies that are trading at a discount to fair value with the potential to generate above-average rates of returns over time.
- **Strategy:** The team follows a disciplined value approach to investing in companies with attractive competitive positioning that could be under-earning their normalized earning potential due to short-term, transitory issues and as a result they may be trading at a greater discount to their fair value.

### ● Aristotle Atlantic Core Equity

- **Management:** The strategy is managed by a team of three Portfolio Managers. Owen Fitzpatrick, CFA, is the lead portfolio manager and is ultimately responsible for all portfolio decisions. Thomas Hynes and Brendan O’Neill share in portfolio management responsibilities and serve as Research Analysts.
- **Objective:** The strategy seeks to maximize long-term capital appreciation relative to the Russell 3000 Index over a full business cycle utilizing a risk-controlled investment approach.
- **Strategy:** The sub-advisor invests in high quality stocks with a focus on long term sustainable growth identified through both bottom-up fundamental analysis and top-down themes approach. This strategy tends to be concentrated in 45-60 companies. The benchmark for this strategy is the Russell 3000 Index.

### ● Champlain Mid Cap Core

- **Management:** The strategy is managed through a team-based approach headed by Scott Brayman. Mr. Brayman is the founding partner and Chief Investment Officer, as well as portfolio manager for the Mid Cap Core strategy. He is the lead PM on the strategy since inception.
- **Objective:** The sub-advisor seeks to invest in companies that are trading at a discount to fair value with the potential to generate above-average rates of returns over time.
- **Strategy:** The sub-advisor invests in common stocks of mid-capitalization companies that they believe have strong-term fundamentals, superior capital appreciation potential and attractive valuations.

### ● Jacobs Levy Small Cap Equity

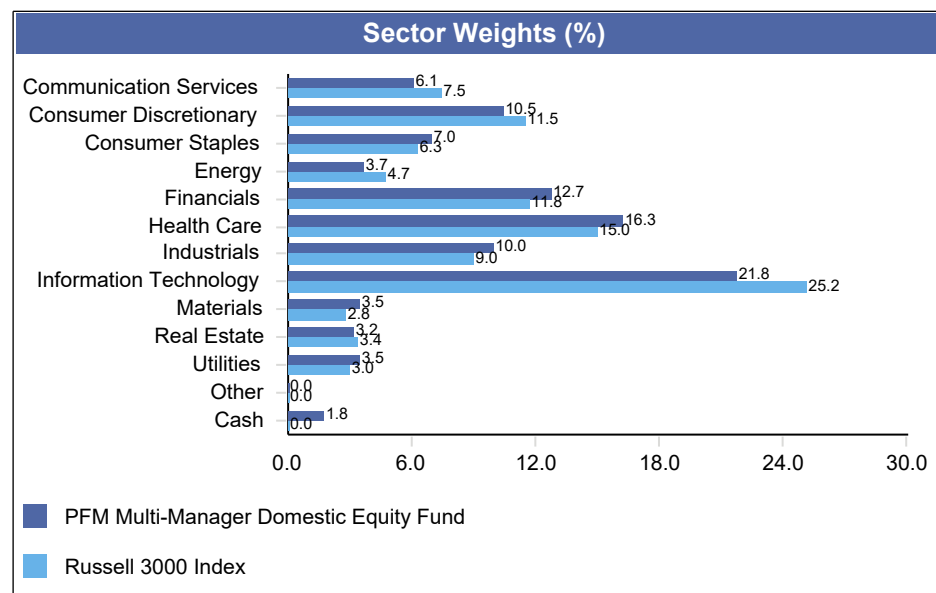
- **Management:** Dr. Bruce I. Jacobs and Mr. Kenneth N. Levy co-founded Jacobs Levy in 1986. The two individuals own 100% of the firm and are the portfolio managers responsible for the day-to-day management of firm assets. The two individuals are backed by a team of over 50 investment professionals.
- **Objective:** Through a quantitative approach, the strategy seeks outperformance relative to the S&P Small Cap Index.
- **Strategy:** The strategy employs an actively managed approach designed to outperform the S&P 600 over a full market cycle. The team uses a multi factor quantitative approach with over 80 factors, 42 are fundamental factors and 40 are industry factors. Stock selection is determined based on an optimizer run for expected alpha.

## Portfolio Characteristics

As of September 30, 2022

### PFM Multi-Manager Domestic Equity vs. Russell 3000 Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 317,425   | 395,275   |
| Median Mkt. Cap (\$M)     | 845       | 1,825     |
| Price/Earnings ratio      | 17.69     | 17.19     |
| Price/Book ratio          | 3.35      | 3.54      |
| 5 Yr. EPS Growth Rate (%) | 17.08     | 18.27     |
| Current Yield (%)         | 1.69      | 1.79      |
| Number of Stocks          | 4,045     | 2,986     |



| Top Ten Holdings       |                      |                      |                   |                      |
|------------------------|----------------------|----------------------|-------------------|----------------------|
|                        | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Apple Inc              | 4.22                 | 5.93                 | -1.71             | 1.22                 |
| Microsoft Corp         | 4.16                 | 4.89                 | -0.73             | -9.12                |
| Amazon.com Inc         | 2.80                 | 2.82                 | -0.02             | 6.39                 |
| Alphabet Inc           | 1.97                 | 1.61                 | 0.36              | -12.22               |
| Tesla Inc              | 1.25                 | 1.89                 | -0.64             | 18.17                |
| Johnson & Johnson      | 1.10                 | 1.21                 | -0.11             | -7.35                |
| NextEra Energy Inc     | 1.07                 | 0.43                 | 0.64              | 1.72                 |
| Berkshire Hathaway Inc | 1.02                 | 1.35                 | -0.33             | -2.20                |
| NVIDIA Corporation     | 0.93                 | 0.82                 | 0.11              | -19.90               |
| Alphabet Inc           | 0.89                 | 1.46                 | -0.57             | -12.09               |
| % of Portfolio         | 19.41                | 22.41                | -3.00             |                      |

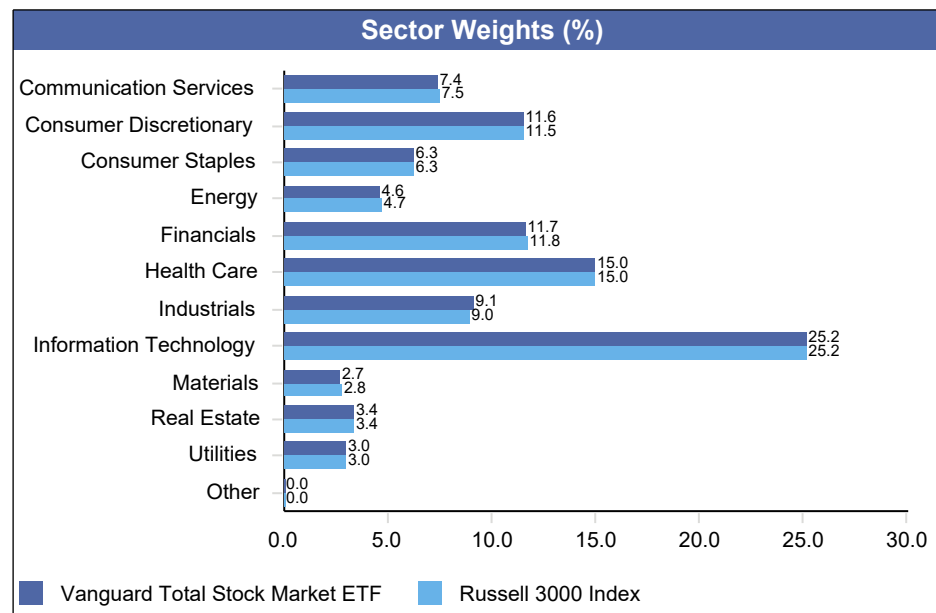
| Ten Best Performers             |                      |                      |                   |                      |
|---------------------------------|----------------------|----------------------|-------------------|----------------------|
|                                 | Portfolio Weight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

The fund characteristics and top holdings shown above are based on a look-through of any underlying mutual funds or ETFs held within the Fund. ETF holdings are available daily, while mutual fund holdings are only published on a monthly or quarterly basis. As a result, holdings used for the look-through of third-party mutual funds may be as of the prior month or quarter end depending on the most recent information available at the time this report was published.



Vanguard Total Stock Market ETF vs. Russell 3000 Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 395,280   | 395,275   |
| Median Mkt. Cap (\$M)     | 842       | 1,825     |
| Price/Earnings ratio      | 17.26     | 17.19     |
| Price/Book ratio          | 3.55      | 3.54      |
| 5 Yr. EPS Growth Rate (%) | 18.19     | 18.27     |
| Current Yield (%)         | 1.78      | 1.79      |
| Number of Stocks          | 4,034     | 2,986     |

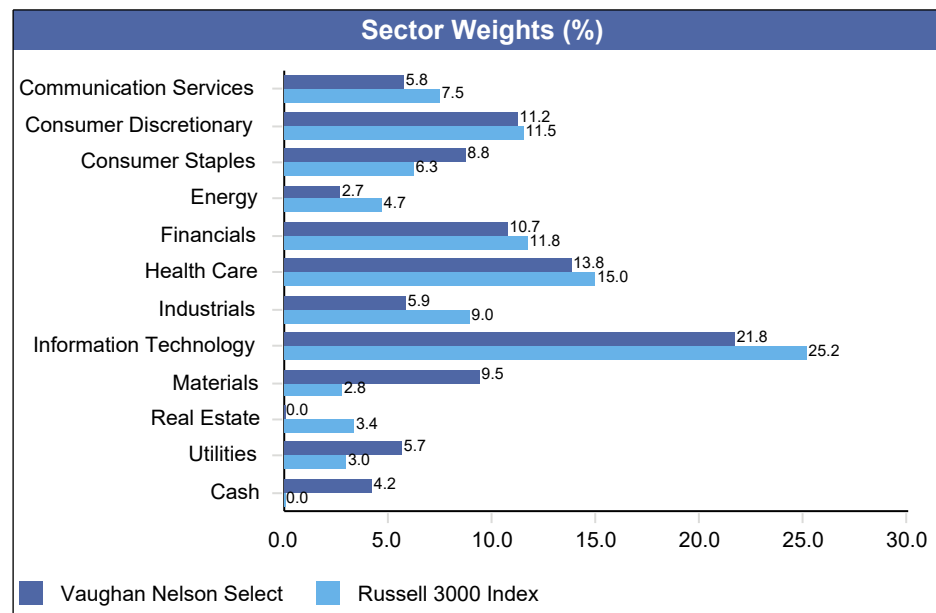


| Top Ten Holdings       |                      |                      |                   |                      |
|------------------------|----------------------|----------------------|-------------------|----------------------|
|                        | Portfolio Weight (%) | Benchmark Weight (%)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

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

Vaughan Nelson Select vs. Russell 3000 Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 250,054   | 395,275   |
| Median Mkt. Cap (\$M)     | 50,457    | 1,825     |
| Price/Earnings ratio      | 27.46     | 17.19     |
| Price/Book ratio          | 5.41      | 3.54      |
| 5 Yr. EPS Growth Rate (%) | 18.80     | 18.27     |
| Current Yield (%)         | 1.33      | 1.79      |
| Number of Stocks          | 28        | 2,986     |

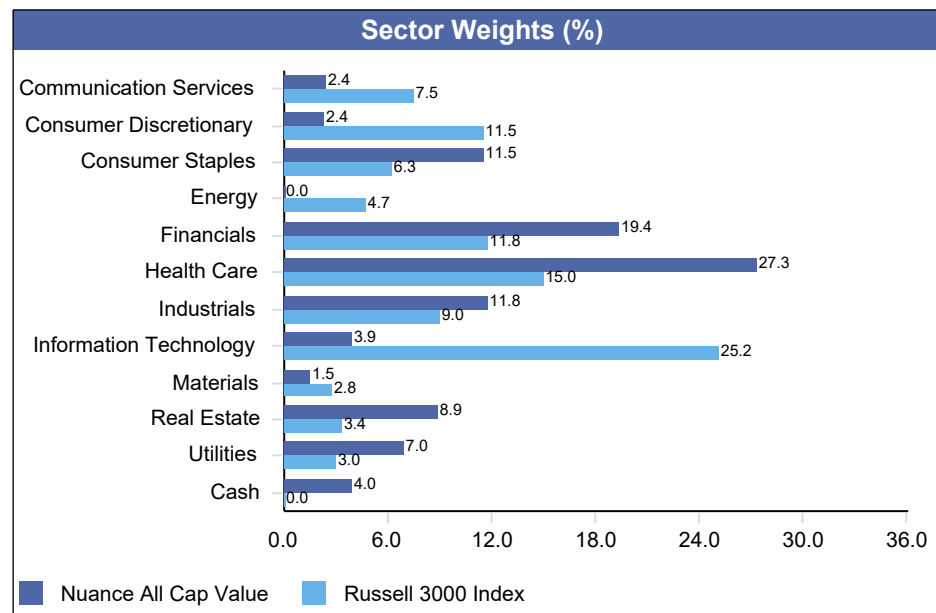


| Top Ten Holdings              |                      |                      |                   |                      |
|-------------------------------|----------------------|----------------------|-------------------|----------------------|
|                               | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| NextEra Energy Inc            | 5.67                 | 0.43                 | 5.24              | 1.72                 |
| Dollar General Corporation    | 5.45                 | 0.15                 | 5.30              | -2.06                |
| Danaher Corp                  | 4.88                 | 0.47                 | 4.41              | 1.98                 |
| Microsoft Corp                | 4.86                 | 4.89                 | -0.03             | -9.12                |
| Amazon.com Inc                | 4.84                 | 2.82                 | 2.02              | 6.39                 |
| Sherwin-Williams Co (The)     | 4.75                 | 0.14                 | 4.61              | -8.34                |
| Wheaton Precious Metals Corp  | 4.70                 | 0.00                 | 4.70              | -9.78                |
| Intercontinental Exchange Inc | 4.47                 | 0.14                 | 4.33              | -3.55                |
| McCormick & Co Inc            | 4.42                 | 0.05                 | 4.37              | -14.00               |
| Clorox Co (The)               | 4.34                 | 0.04                 | 4.30              | -8.19                |
| % of Portfolio                | 48.38                | 9.13                 | 39.25             |                      |

| Ten Best Performers           |                      |                      |                   |                      |
|-------------------------------|----------------------|----------------------|-------------------|----------------------|
|                               | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Luminar Technologies Inc      | 0.95                 | 0.01                 | 0.94              | 22.85                |
| Motorola Solutions Inc        | 4.04                 | 0.10                 | 3.94              | 7.20                 |
| Amazon.com Inc                | 4.84                 | 2.82                 | 2.02              | 6.39                 |
| Verisign Inc                  | 2.11                 | 0.05                 | 2.06              | 3.81                 |
| Vertex Pharmaceuticals Inc    | 3.96                 | 0.21                 | 3.75              | 2.75                 |
| Danaher Corp                  | 4.88                 | 0.47                 | 4.41              | 1.98                 |
| NextEra Energy Inc            | 5.67                 | 0.43                 | 5.24              | 1.72                 |
| Henry (Jack) & Associates Inc | 4.03                 | 0.04                 | 3.99              | 1.50                 |
| Saia Inc                      | 1.95                 | 0.01                 | 1.94              | 1.06                 |
| Aon plc                       | 4.28                 | 0.16                 | 4.12              | -0.48                |
| % of Portfolio                | 36.71                | 4.30                 | 32.41             |                      |

Nuance All Cap Value vs. Russell 3000 Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 72,604    | 395,275   |
| Median Mkt. Cap (\$M)     | 7,471     | 1,825     |
| Price/Earnings ratio      | 20.04     | 17.19     |
| Price/Book ratio          | 2.01      | 3.54      |
| 5 Yr. EPS Growth Rate (%) | 1.93      | 18.27     |
| Current Yield (%)         | 2.31      | 1.79      |
| Number of Stocks          | 53        | 2,986     |

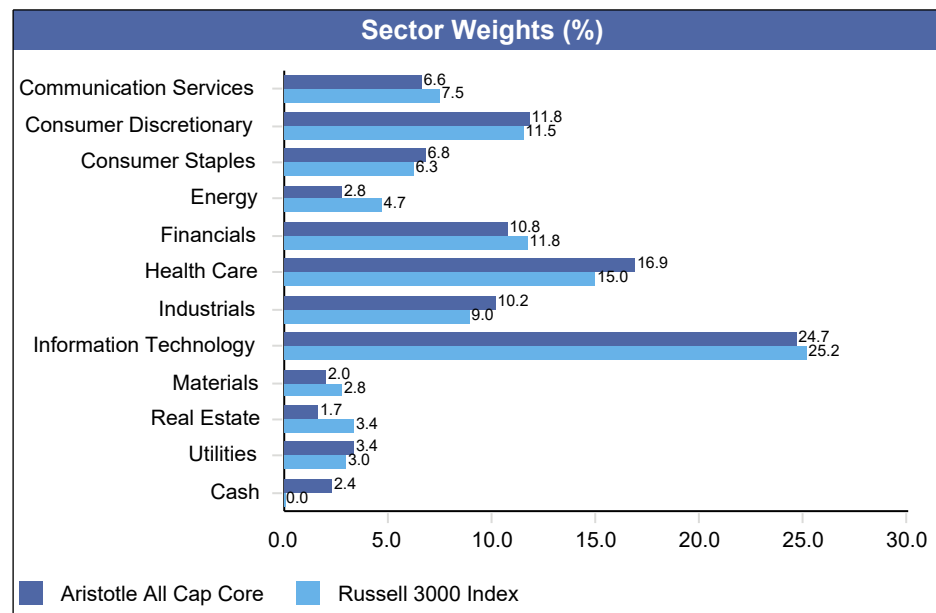


| Top Ten Holdings              |                      |                      |                   |                      |
|-------------------------------|----------------------|----------------------|-------------------|----------------------|
|                               | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Alleghany Corp                | 5.25                 | 0.03                 | 5.22              | 0.75                 |
| Smith & Nephew PLC            | 4.94                 | 0.00                 | 4.94              | -15.79               |
| Baxter International Inc      | 4.77                 | 0.08                 | 4.69              | -15.72               |
| DENTSPLY SIRONA Inc           | 4.63                 | 0.02                 | 4.61              | -20.32               |
| 3M Co                         | 4.50                 | 0.18                 | 4.32              | -13.74               |
| Henkel AG & Co KGAA           | 4.40                 | 0.00                 | 4.40              | -6.46                |
| Equity Commonwealth           | 4.28                 | 0.01                 | 4.27              | -7.84                |
| Travelers Companies Inc (The) | 4.14                 | 0.10                 | 4.04              | -8.91                |
| Northern Trust Corp           | 4.05                 | 0.05                 | 4.00              | -10.65               |
| ICU Medical Inc               | 4.03                 | 0.01                 | 4.02              | -8.39                |
| % of Portfolio                | 44.99                | 0.48                 | 44.51             |                      |

| Ten Best Performers               |                      |                      |                   |                      |
|-----------------------------------|----------------------|----------------------|-------------------|----------------------|
|                                   | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Cal Maine Foods Inc               | 0.26                 | 0.01                 | 0.25              | 14.11                |
| Schwab (Charles) Corp             | 0.52                 | 0.31                 | 0.21              | 14.10                |
| Lindsay Corp                      | 0.49                 | 0.00                 | 0.49              | 8.10                 |
| Reinsurance Group of America Inc. | 1.35                 | 0.02                 | 1.33              | 7.92                 |
| Amazon.com Inc                    | 2.35                 | 2.82                 | -0.47             | 6.39                 |
| Globus Medical Inc                | 0.53                 | 0.01                 | 0.52              | 6.11                 |
| Valley National Bancorp           | 0.77                 | 0.01                 | 0.76              | 4.72                 |
| Amphenol Corp                     | 3.43                 | 0.11                 | 3.32              | 4.29                 |
| Merit Medical Systems Inc         | 0.54                 | 0.01                 | 0.53              | 4.13                 |
| Mission Produce Inc               | 0.23                 | 0.00                 | 0.23              | 1.47                 |
| % of Portfolio                    | 10.47                | 3.30                 | 7.17              |                      |

Aristotle All Cap Core vs. Russell 3000 Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 462,721   | 395,275   |
| Median Mkt. Cap (\$M)     | 64,964    | 1,825     |
| Price/Earnings ratio      | 19.15     | 17.19     |
| Price/Book ratio          | 3.89      | 3.54      |
| 5 Yr. EPS Growth Rate (%) | 21.91     | 18.27     |
| Current Yield (%)         | 1.36      | 1.79      |
| Number of Stocks          | 50        | 2,986     |

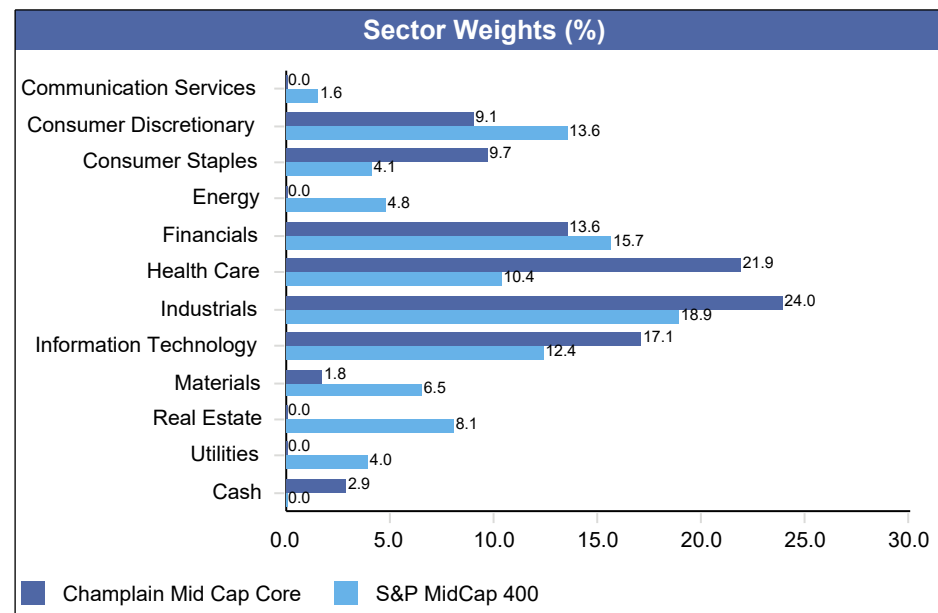


| Top Ten Holdings        |                      |                      |                   |                      |
|-------------------------|----------------------|----------------------|-------------------|----------------------|
|                         | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Microsoft Corp          | 7.29                 | 4.89                 | 2.40              | -9.12                |
| Apple Inc               | 6.72                 | 5.93                 | 0.79              | 1.22                 |
| Alphabet Inc            | 5.39                 | 1.61                 | 3.78              | -12.22               |
| Amazon.com Inc          | 4.04                 | 2.82                 | 1.22              | 6.39                 |
| Cigna Corp              | 2.72                 | 0.23                 | 2.49              | 5.71                 |
| Darling Ingredients Inc | 2.62                 | 0.03                 | 2.59              | 10.62                |
| Norfolk Southern Corp   | 2.60                 | 0.14                 | 2.46              | -7.31                |
| Broadcom Inc            | 2.49                 | 0.49                 | 2.00              | -7.83                |
| AMETEK Inc              | 2.43                 | 0.07                 | 2.36              | 3.39                 |
| Chubb Ltd               | 2.41                 | 0.21                 | 2.20              | -7.08                |
| % of Portfolio          | 38.71                | 16.42                | 22.29             |                      |

| Ten Best Performers      |                      |                      |                   |                      |
|--------------------------|----------------------|----------------------|-------------------|----------------------|
|                          | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Guardant Health Inc      | 0.92                 | 0.01                 | 0.91              | 33.44                |
| Trane Technologies plc   | 1.59                 | 0.09                 | 1.50              | 11.98                |
| O'Reilly Automotive Inc  | 1.42                 | 0.12                 | 1.30              | 11.33                |
| Darling Ingredients Inc  | 2.62                 | 0.03                 | 2.59              | 10.62                |
| Chart Industries Inc     | 1.28                 | 0.02                 | 1.26              | 10.14                |
| Ameriprise Financial Inc | 2.18                 | 0.08                 | 2.10              | 6.50                 |
| Amazon.com Inc           | 4.04                 | 2.82                 | 1.22              | 6.39                 |
| Cigna Corp               | 2.72                 | 0.23                 | 2.49              | 5.71                 |
| Microchip Technology Inc | 0.75                 | 0.09                 | 0.66              | 5.52                 |
| AMETEK Inc               | 2.43                 | 0.07                 | 2.36              | 3.39                 |
| % of Portfolio           | 19.95                | 3.56                 | 16.39             |                      |

Champlain Mid Cap Core vs. S&P MidCap 400

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 16,764    | 6,308     |
| Median Mkt. Cap (\$M)     | 13,017    | 4,616     |
| Price/Earnings ratio      | 25.24     | 11.69     |
| Price/Book ratio          | 3.76      | 2.38      |
| 5 Yr. EPS Growth Rate (%) | 11.71     | 20.40     |
| Current Yield (%)         | 0.90      | 1.90      |
| Number of Stocks          | 62        | 401       |

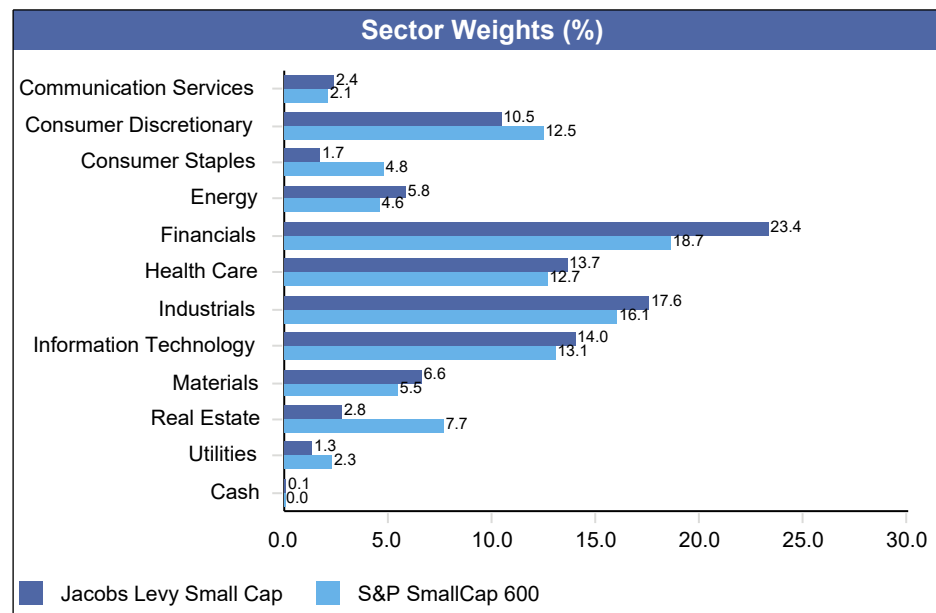


| Top Ten Holdings          |                      |                      |                   |                      |
|---------------------------|----------------------|----------------------|-------------------|----------------------|
|                           | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Everest Re Group Ltd      | 3.44                 | 0.00                 | 3.44              | -5.80                |
| Fortive Corp              | 3.38                 | 0.00                 | 3.38              | 7.33                 |
| AMETEK Inc                | 3.28                 | 0.00                 | 3.28              | 3.39                 |
| CASH                      | 2.87                 | 0.00                 | 2.87              | N/A                  |
| IDEX Corp                 | 2.68                 | 0.00                 | 2.68              | 10.40                |
| Workday Inc               | 2.62                 | 0.00                 | 2.62              | 9.06                 |
| Advance Auto Parts Inc.   | 2.60                 | 0.00                 | 2.60              | -8.87                |
| Edwards Lifesciences Corp | 2.58                 | 0.00                 | 2.58              | -13.10               |
| Toro Co (The)             | 2.42                 | 0.48                 | 1.94              | 14.10                |
| Generac Holdings Inc      | 2.39                 | 0.00                 | 2.39              | -15.40               |
| % of Portfolio            | 28.26                | 0.48                 | 27.78             |                      |

| Ten Best Performers      |                      |                      |                   |                      |
|--------------------------|----------------------|----------------------|-------------------|----------------------|
|                          | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Nutanix Inc              | 1.20                 | 0.00                 | 1.20              | 42.38                |
| Toast Inc                | 0.48                 | 0.00                 | 0.48              | 29.21                |
| Asana Inc                | 0.88                 | 0.00                 | 0.88              | 26.45                |
| Bath & Body Works Inc    | 0.99                 | 0.00                 | 0.99              | 21.70                |
| CoStar Group Inc         | 2.02                 | 0.00                 | 2.02              | 15.29                |
| Repligen Corp            | 0.44                 | 0.51                 | -0.07             | 15.22                |
| Cullen/Frost Bankers Inc | 0.91                 | 0.45                 | 0.46              | 14.30                |
| Toro Co (The)            | 2.42                 | 0.48                 | 1.94              | 14.10                |
| IDEX Corp                | 2.68                 | 0.00                 | 2.68              | 10.40                |
| Zscaler Inc              | 2.00                 | 0.00                 | 2.00              | 9.94                 |
| % of Portfolio           | 14.02                | 1.44                 | 12.58             |                      |

Jacobs Levy Small Cap vs. S&P SmallCap 600

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 1,600     | 2,130     |
| Median Mkt. Cap (\$M)     | 923       | 1,212     |
| Price/Earnings ratio      | 7.85      | 10.74     |
| Price/Book ratio          | 1.80      | 1.96      |
| 5 Yr. EPS Growth Rate (%) | 22.11     | 16.62     |
| Current Yield (%)         | 1.36      | 1.83      |
| Number of Stocks          | 200       | 601       |



| Top Ten Holdings                |                      |                      |                   |                      |
|---------------------------------|----------------------|----------------------|-------------------|----------------------|
|                                 | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Encore Wire Corp                | 1.61                 | 0.27                 | 1.34              | 11.18                |
| Boise Cascade Co                | 1.57                 | 0.29                 | 1.28              | 0.14                 |
| Aerojet Rocketdyne Holdings Inc | 1.56                 | 0.38                 | 1.18              | -1.50                |
| First BanCorp (Puerto Rico)     | 1.49                 | 0.32                 | 1.17              | 6.81                 |
| Yelp Inc                        | 1.47                 | 0.30                 | 1.17              | 22.11                |
| Blucora Inc                     | 1.39                 | 0.11                 | 1.28              | 4.77                 |
| BankUnited Inc                  | 1.34                 | 0.33                 | 1.01              | -3.24                |
| Northwest Natural Holding Co    | 1.31                 | 0.19                 | 1.12              | -17.57               |
| Group 1 Automotive Inc.         | 1.31                 | 0.28                 | 1.03              | -15.68               |
| Banner Corp                     | 1.30                 | 0.25                 | 1.05              | 5.86                 |
| % of Portfolio                  | 14.35                | 2.72                 | 11.63             |                      |

| Ten Best Performers           |                      |                      |                   |                      |
|-------------------------------|----------------------|----------------------|-------------------|----------------------|
|                               | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Tabula Rasa HealthCare Inc    | 0.24                 | 0.00                 | 0.24              | 86.77                |
| Sarepta Therapeutics Inc      | 0.58                 | 0.00                 | 0.58              | 47.47                |
| Extreme Networks Inc          | 1.26                 | 0.21                 | 1.05              | 46.53                |
| Nutanix Inc                   | 0.55                 | 0.00                 | 0.55              | 42.38                |
| Deciphera Pharmaceuticals Inc | 0.42                 | 0.00                 | 0.42              | 40.68                |
| OraSure Technologies Inc      | 0.29                 | 0.03                 | 0.26              | 39.85                |
| Impinj Inc                    | 0.10                 | 0.00                 | 0.10              | 36.41                |
| W&T Offshore Inc              | 0.14                 | 0.00                 | 0.14              | 35.65                |
| Semler Scientific Inc         | 0.19                 | 0.00                 | 0.19              | 33.25                |
| CONSOL Energy Inc             | 0.32                 | 0.26                 | 0.06              | 32.20                |
| % of Portfolio                | 4.09                 | 0.50                 | 3.59              |                      |

### ◆ iShares Core MSCI Total International Stock

- **Management:** BlackRock Fund Advisors is the investment adviser for the fund. The five portfolio managers responsible for managing the fund include Jennifer Hsui, Paul Whitehead, Greg Savage, and Amy Whitelaw.
- **Objective:** The strategy seeks to track the performance of a benchmark index that measures the investment return of the overall stock market.
- **Strategy:** The strategy employs an index replication strategy designed to track the performance of the MSCI All Country World ex-US IMI Index. The strategy uses a representative sampling approach. Representative sampling gives the Fund characteristics similar to the underlying index.

### ◆ WCM Focused Growth

- **Management:** The strategy is managed by Paul R. Black, Peter Hunkel, Michael Trigg, Sanjay Ayer, and Jon Tringale. Paul, Peter, and Michael have been with the fund since its inception in 2011. Sanjay and Jon were promoted to portfolio managers in 2020 and 2022, respectively.
- **Objective:** The strategy seeks to outperform the MSCI ACWI ex U.S. by using bottom-up security selection.
- **Strategy:** A concentrated, high-quality, growth-oriented international equity strategy, based purely on deep bottom-up fundamental research.

### ◆ Ninety-One International Dynamic Equity

- **Management:** The fund is managed by Ian Vose, lead portfolio manager, and Adam Child, assistant portfolio manager. Mr. Vose joined the firm in 2010 and Mr. Child joined in 2012. They have been in the investment industry for 39 and 14 years, respectively.
- **Objective:** The Strategy seeks long-term capital growth primarily through investments in compelling companies across sectors and geographies, excluding the United States.
- **Strategy:** The strategy utilizes a 4-factor front end screen (strategy, earnings, value, technicals) followed by fundamental analysis to identify companies with sustainable returns of capital and strong business growth drivers. This strategy tends to be concentrated in 50-70 companies. The benchmark for this strategy is the MSCI AC World ex U.S. Index.

### ◆ Acadian Non-U.S. Equity

- **Management:** The investment team is overseen by CIO, Brendan Bradley, who has been with the firm since 2004. Also leading the investment team are Ryan Taliaferro, Malcolm Baker, Alexandre Voitenok.
- **Objective:** The strategy seeks to provide long term growth by investing in global securities outside of the U.S.
- **Strategy:** Systematic, quantitatively managed strategy with an all-cap approach utilizing value, quality, growth, and technical factors for security selection.

### ◆ Aristotle International Equity

- **Management:** The strategy is managed by a team of three Portfolio Managers, Howard Gleicher, CFA, Geoffrey Stewart, CFA, and Sean Thorpe, with all decisions made by unanimous approval. The three PMs are supported by a 12-member global sector analyst team.
- **Objective:** The strategy's focus is on identifying high quality stocks, selling at attractive valuations, and with some compelling catalyst for future growth.
- **Strategy:** Aristotle's "value equity" strategies are based on a uniform investment philosophy of investing in high quality businesses trading at discounts to their estimates of intrinsic value. Valuation is looked at through different lens: relative valuation, strategic value for a buyer, discounted cash flows, and attractive company fundamentals relative to peers. Quality, Valuation, and Catalysts are the basis for all of their investment decisions.

### ◆ Virtus Kayne Anderson International Small Cap Equity

- **Management:** The fund is co-managed by Craig Thrasher and Hyung Kim. Mr. Kim became co-PM in January 2019 when the prior portfolio manager stepped back. Both are supported by three research analysts who oversee the small cap product. All five members on the team are generalists with dedicated stock coverage.
- **Objective:** The Fund seeks to invest in international small-cap companies with durable business models and high profitability at attractive prices.
- **Strategy:** The Fund combines quantitative screens with fundamental analysis to identify high-quality companies with a sustainable competitive advantage. Fundamental analysis includes reviewing industry data, regulatory filings, and comprehensive meetings with company management. The team has a specific focus on capital efficiency, growth profile, capital structure, and business resiliency. The quantitative assessment includes searching for a high sustainable rate on capital, low debt, and high free cash flow. The team conducts valuation analysis, primarily using EV/EBIT multiples, to determine the entry point.

### ◆ Schroders Emerging Markets Equity

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

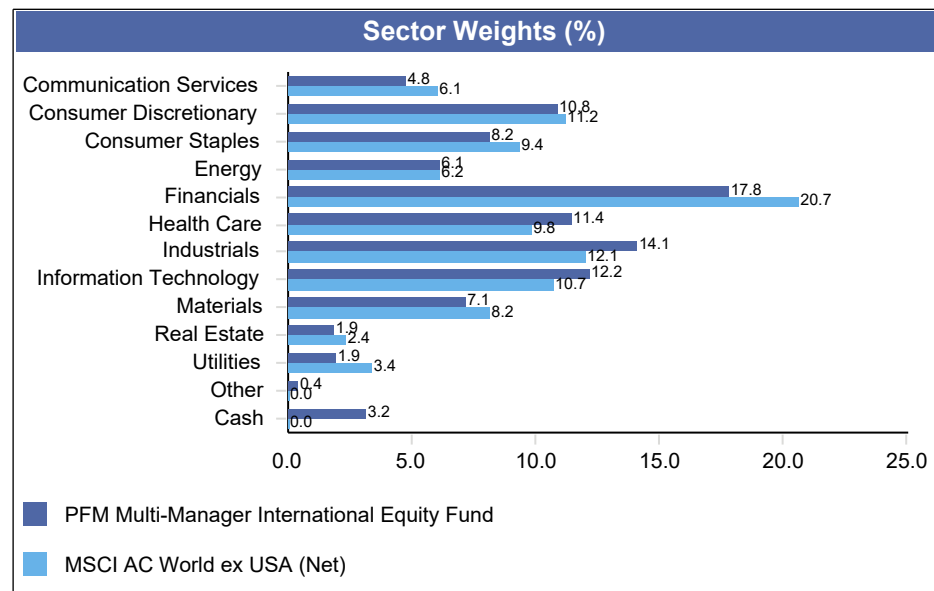


## Portfolio Characteristics

As of September 30, 2022

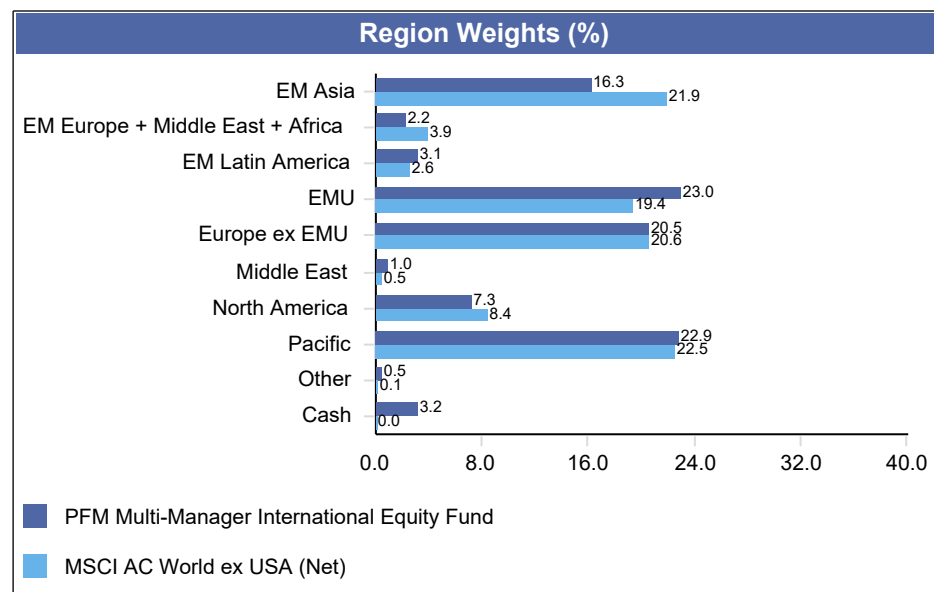
PFM Multi-Manager International Equity vs. MSCI AC World ex USA (net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 57,328    | 66,812    |
| Median Mkt. Cap (\$M)     | 2,241     | 7,549     |
| Price/Earnings ratio      | 11.49     | 10.91     |
| Price/Book ratio          | 2.41      | 2.35      |
| 5 Yr. EPS Growth Rate (%) | 15.18     | 13.39     |
| Current Yield (%)         | 3.31      | 3.65      |
| Number of Stocks          | 4,573     | 2,274     |



### Top Ten Equity Holdings

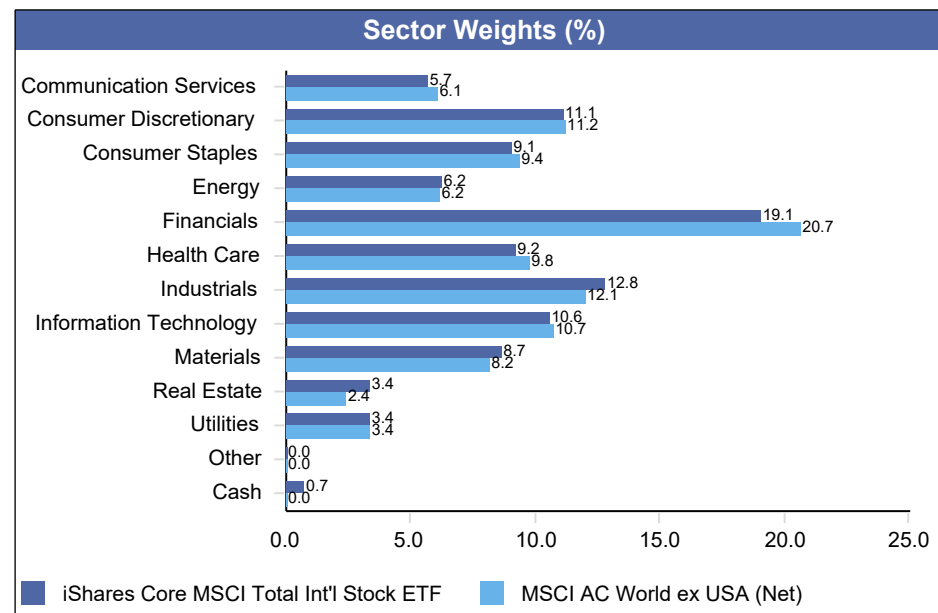
|                                 | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
|---------------------------------|----------------------|----------------------|-------------------|----------------------|
| LVMH Moet Hennessy Louis Vui    | 1.45                 | 0.85                 | 0.60              | -1.57                |
| AIA Group Ltd                   | 1.30                 | 0.51                 | 0.79              | -22.65               |
| Roche Holding AG                | 1.29                 | 1.18                 | 0.11              | -1.21                |
| Novo Nordisk A/S                | 1.21                 | 0.85                 | 0.36              | -8.90                |
| Taiwan Semicon Manu Co          | 1.13                 | 1.67                 | -0.54             | -16.53               |
| Accenture PLC                   | 1.08                 | 0.00                 | 1.08              | -7.00                |
| Novartis AG                     | 1.02                 | 0.85                 | 0.17              | -9.10                |
| Sony Group Corporation          | 0.93                 | 0.41                 | 0.52              | -21.10               |
| DBS Group Holdings Ltd          | 0.89                 | 0.22                 | 0.67              | 10.28                |
| Brookfield Asset Management Inc | 0.82                 | 0.30                 | 0.52              | -7.14                |
| % of Portfolio                  | 11.12                | 6.84                 | 4.28              |                      |



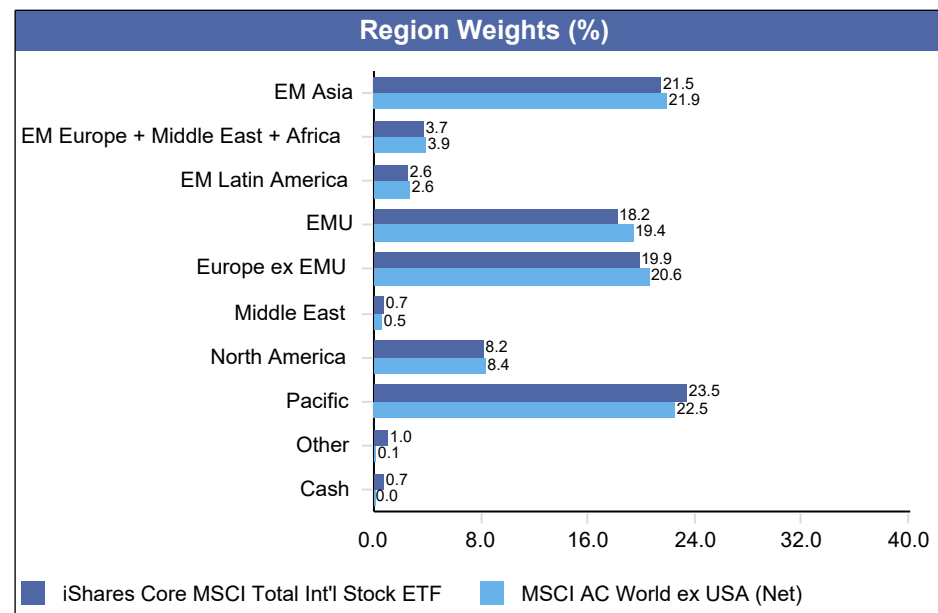
The fund characteristics and top holdings shown above are based on a look-through of any underlying mutual funds or ETFs held within the Fund. ETF holdings are available daily, while mutual fund holdings are only published on a monthly or quarterly basis. As a result, holdings used for the look-through of third-party mutual funds may be as of the prior month or quarter end depending on the most recent information available at the time this report was published.

iShares Core MSCI Total Int'l Stock ETF vs. MSCI AC World ex USA (Net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 56,532    | 66,812    |
| Median Mkt. Cap (\$M)     | 2,405     | 7,549     |
| Price/Earnings ratio      | 10.73     | 10.91     |
| Price/Book ratio          | 2.33      | 2.35      |
| 5 Yr. EPS Growth Rate (%) | 13.40     | 13.39     |
| Current Yield (%)         | 3.65      | 3.65      |
| Number of Stocks          | 4,307     | 2,274     |

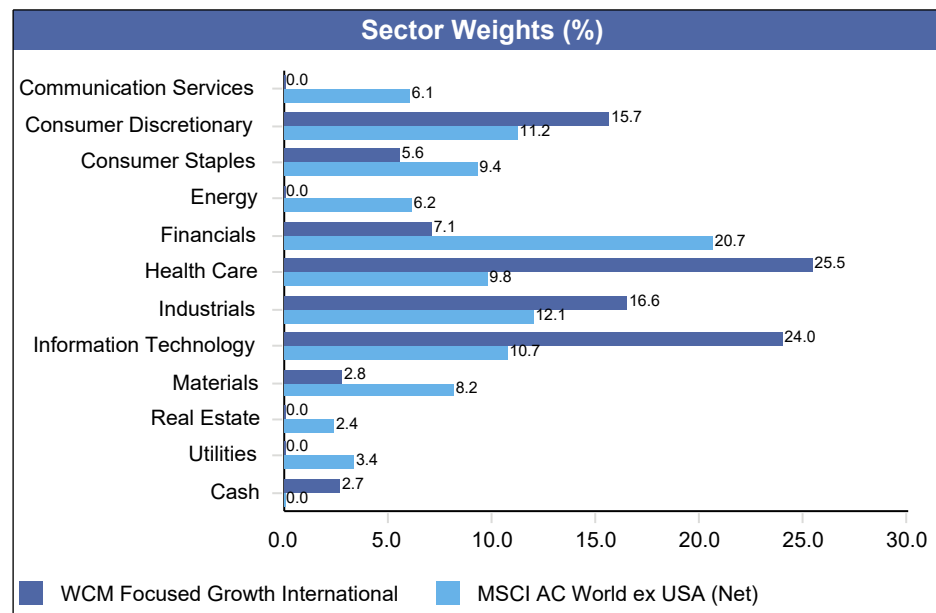


| Top Ten Holdings             |                      |                      |                   |                      |
|------------------------------|----------------------|----------------------|-------------------|----------------------|
|                              | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Taiwan Semicon Manu Co       | 1.40                 | 1.67                 | -0.27             | -16.53               |
| Nestle SA, Cham Und Vevey    | 1.31                 | 1.57                 | -0.26             | -6.51                |
| Roche Holding AG             | 0.99                 | 1.18                 | -0.19             | -1.21                |
| Tencent Holdings LTD         | 0.91                 | 1.08                 | -0.17             | -24.85               |
| Shell Plc                    | 0.80                 | 0.95                 | -0.15             | -2.54                |
| Samsung Electronics Co Ltd   | 0.75                 | 0.90                 | -0.15             | -15.95               |
| ASML Holding NV              | 0.74                 | 0.88                 | -0.14             | -10.56               |
| Astrazeneca PLC              | 0.74                 | 0.88                 | -0.14             | -14.95               |
| Novo Nordisk A/S             | 0.72                 | 0.85                 | -0.13             | -8.90                |
| LVMH Moet Hennessy Louis Vui | 0.71                 | 0.85                 | -0.14             | -1.57                |
| % of Portfolio               | 9.07                 | 10.81                | -1.74             |                      |

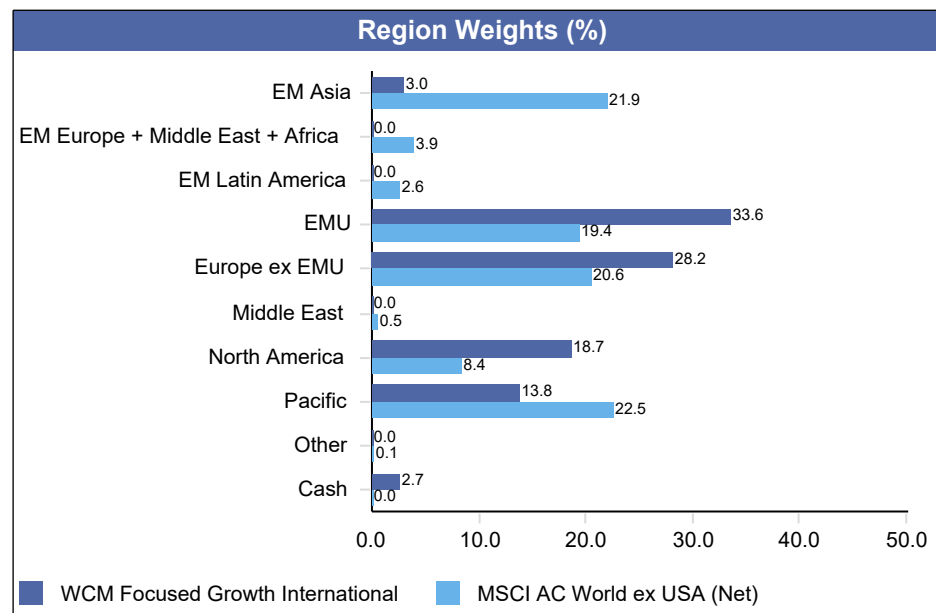


WCM Focused Growth International vs. MSCI AC World ex USA (Net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 79,141    | 66,812    |
| Median Mkt. Cap (\$M)     | 34,472    | 7,549     |
| Price/Earnings ratio      | 30.50     | 10.91     |
| Price/Book ratio          | 4.77      | 2.35      |
| 5 Yr. EPS Growth Rate (%) | 17.38     | 13.39     |
| Current Yield (%)         | 1.09      | 3.65      |
| Number of Stocks          | 37        | 2,274     |

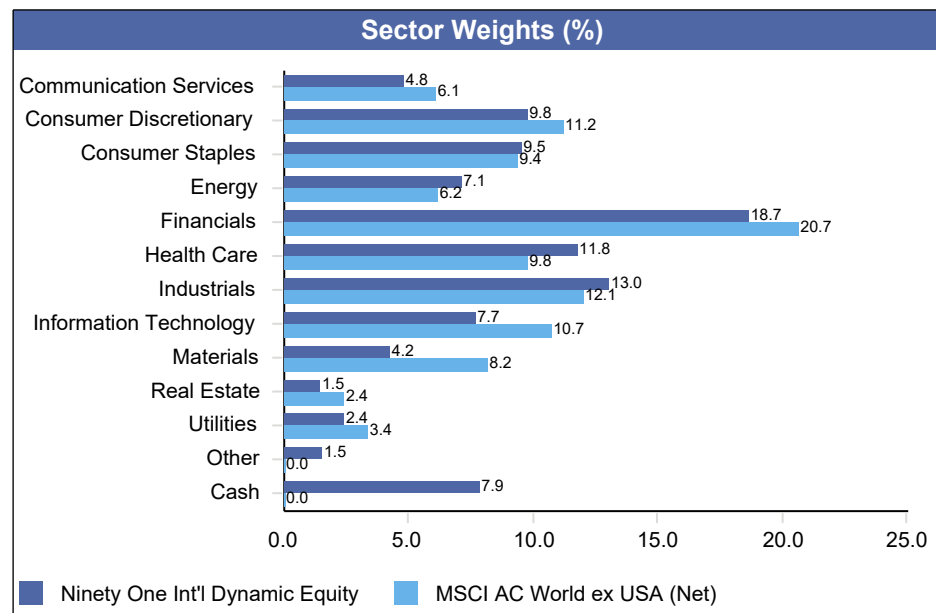


| Top Ten Holdings             |                      |                      |                   |                      |
|------------------------------|----------------------|----------------------|-------------------|----------------------|
|                              | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Canadian Pacific Railway Ltd | 4.78                 | 0.32                 | 4.46              | -4.27                |
| Aon plc                      | 3.83                 | 0.00                 | 3.83              | -0.48                |
| Novo Nordisk A/S             | 3.76                 | 0.85                 | 2.91              | -8.90                |
| LVMH Moet Hennessy Louis Vui | 3.67                 | 0.85                 | 2.82              | -1.57                |
| Accenture PLC                | 3.53                 | 0.00                 | 3.53              | -7.00                |
| EPAM Systems Inc             | 3.42                 | 0.00                 | 3.42              | 22.87                |
| Ferrari NV                   | 3.42                 | 0.12                 | 3.30              | 2.64                 |
| Resmed Inc                   | 3.39                 | 0.00                 | 3.39              | 4.33                 |
| AIA Group Ltd                | 3.29                 | 0.51                 | 2.78              | -22.65               |
| Experian Plc                 | 3.29                 | 0.14                 | 3.15              | 1.42                 |
| % of Portfolio               | 36.38                | 2.79                 | 33.59             |                      |

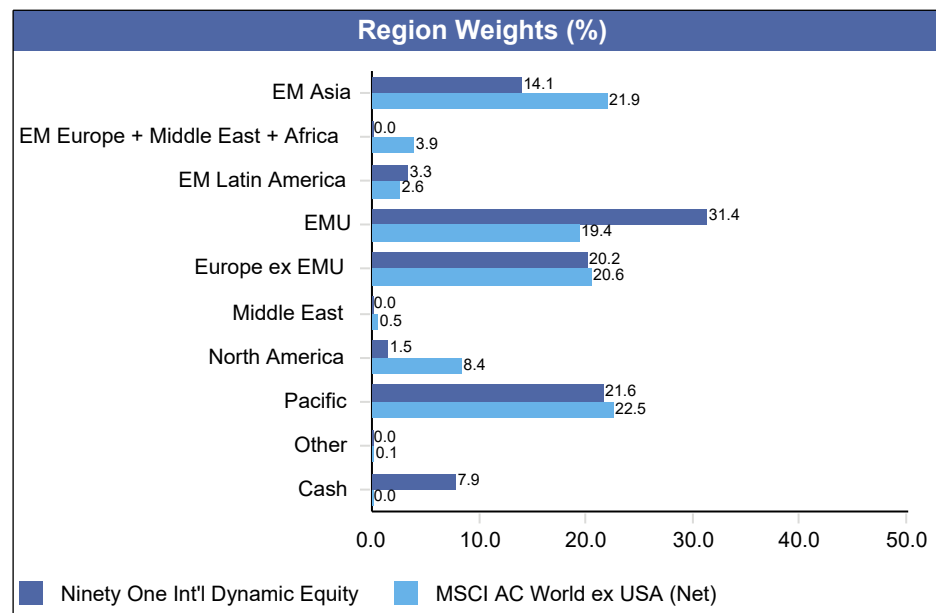


Ninety One Int'l Dynamic Equity vs. MSCI AC World ex USA (Net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 68,110    | 66,812    |
| Median Mkt. Cap (\$M)     | 39,291    | 7,549     |
| Price/Earnings ratio      | 14.85     | 10.91     |
| Price/Book ratio          | 2.65      | 2.35      |
| 5 Yr. EPS Growth Rate (%) | 17.92     | 13.39     |
| Current Yield (%)         | 2.69      | 3.65      |
| Number of Stocks          | 46        | 2,274     |

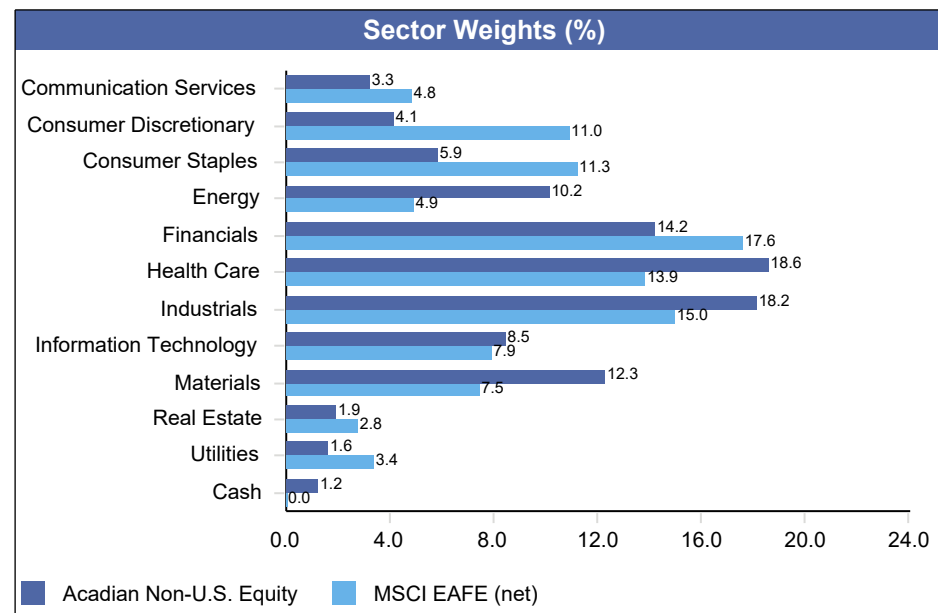


| Top Ten Holdings             |                      |                      |                   |                      |
|------------------------------|----------------------|----------------------|-------------------|----------------------|
|                              | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| CASH                         | 7.87                 | 0.00                 | 7.87              | N/A                  |
| LVMH Moet Hennessy Louis Vui | 3.50                 | 0.85                 | 2.65              | -1.57                |
| Reliance Industries Ltd      | 2.89                 | 0.45                 | 2.44              | -9.79                |
| Taiwan Semicon Manu Co ADR   | 2.87                 | 1.67                 | 1.20              | -15.65               |
| Deutsche Telekom AG          | 2.84                 | 0.28                 | 2.56              | -13.40               |
| H D F C Bank Ltd             | 2.76                 | 0.00                 | 2.76              | 6.30                 |
| Roche Holding AG             | 2.74                 | 1.18                 | 1.56              | -1.21                |
| Qiagen NV                    | 2.63                 | 0.05                 | 2.58              | -12.54               |
| IGO Limited                  | 2.61                 | 0.00                 | 2.61              | 29.33                |
| AIA Group Ltd                | 2.60                 | 0.51                 | 2.09              | -22.65               |
| % of Portfolio               | 33.31                | 4.99                 | 28.32             |                      |

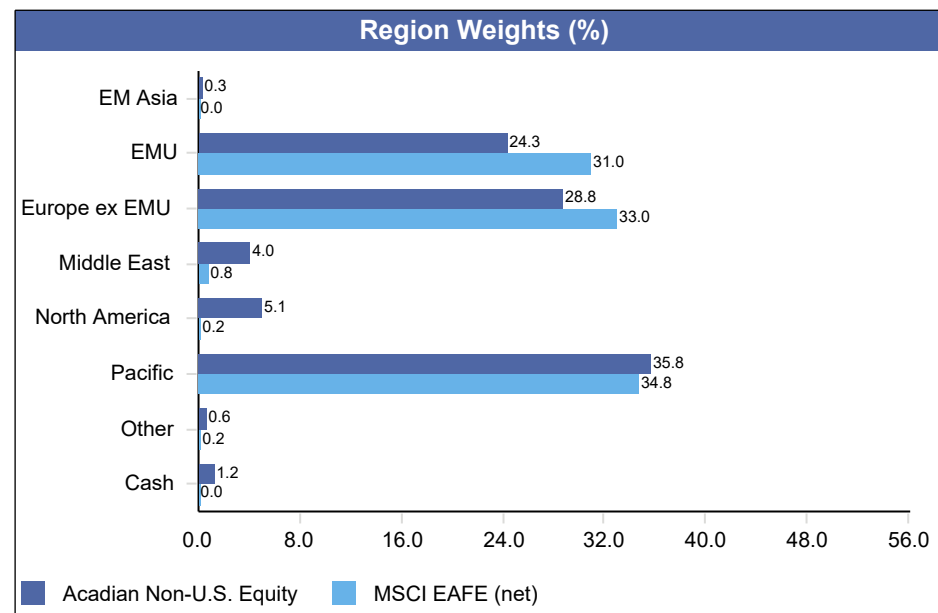


Acadian Non-U.S. Equity vs. MSCI EAFE (net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 41,510    | 63,615    |
| Median Mkt. Cap (\$M)     | 768       | 10,385    |
| Price/Earnings ratio      | 7.72      | 11.34     |
| Price/Book ratio          | 2.21      | 2.40      |
| 5 Yr. EPS Growth Rate (%) | 19.71     | 12.18     |
| Current Yield (%)         | 4.88      | 3.72      |
| Number of Stocks          | 383       | 799       |

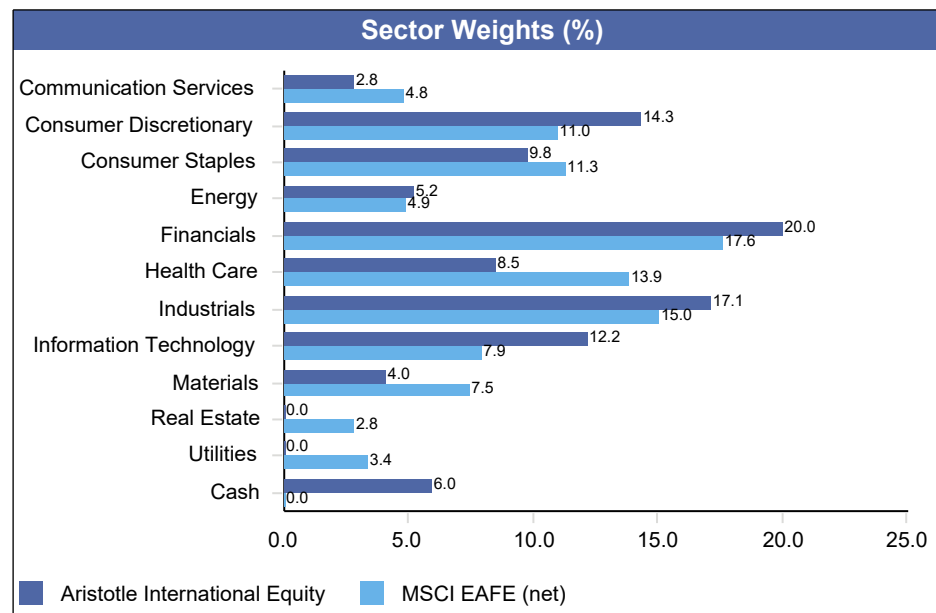


| Top Ten Holdings                  |                      |                      |                   |                      |
|-----------------------------------|----------------------|----------------------|-------------------|----------------------|
|                                   | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Roche Holding AG                  | 3.55                 | 1.89                 | 1.66              | -1.21                |
| Novo Nordisk A/S                  | 2.34                 | 1.36                 | 0.98              | -8.90                |
| Novartis AG                       | 2.24                 | 1.36                 | 0.88              | -9.10                |
| BHP Group Ltd                     | 1.95                 | 1.03                 | 0.92              | -6.74                |
| Whitehaven Coal Ltd               | 1.84                 | 0.00                 | 1.84              | 82.90                |
| Wolters Kluwer NV                 | 1.75                 | 0.21                 | 1.54              | 1.87                 |
| ANZ Bank New Zealand Limited      | 1.68                 | 0.36                 | 1.32              | -2.45                |
| Heineken NV                       | 1.57                 | 0.19                 | 1.38              | -2.60                |
| Nippon Telegraph & Telephone      | 1.57                 | 0.26                 | 1.31              | -4.39                |
| DeutscheBoerse AG, Frankfurt Am M | 1.51                 | 0.26                 | 1.25              | -1.11                |
| % of Portfolio                    | 20.00                | 6.92                 | 13.08             |                      |

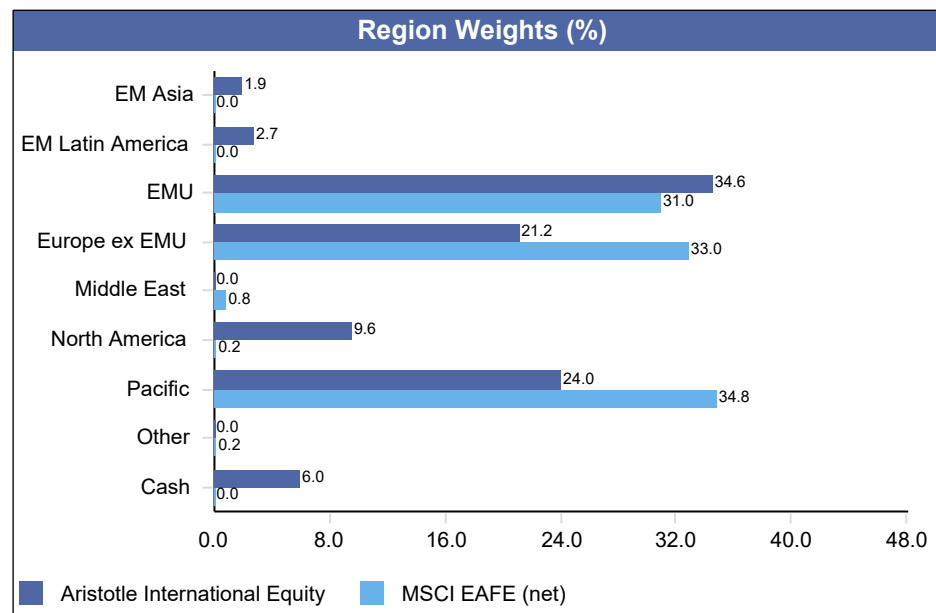


Aristotle International Equity vs. MSCI EAFE (net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 49,345    | 63,615    |
| Median Mkt. Cap (\$M)     | 27,794    | 10,385    |
| Price/Earnings ratio      | 16.16     | 11.34     |
| Price/Book ratio          | 2.10      | 2.40      |
| 5 Yr. EPS Growth Rate (%) | 12.93     | 12.18     |
| Current Yield (%)         | 2.42      | 3.72      |
| Number of Stocks          | 40        | 799       |

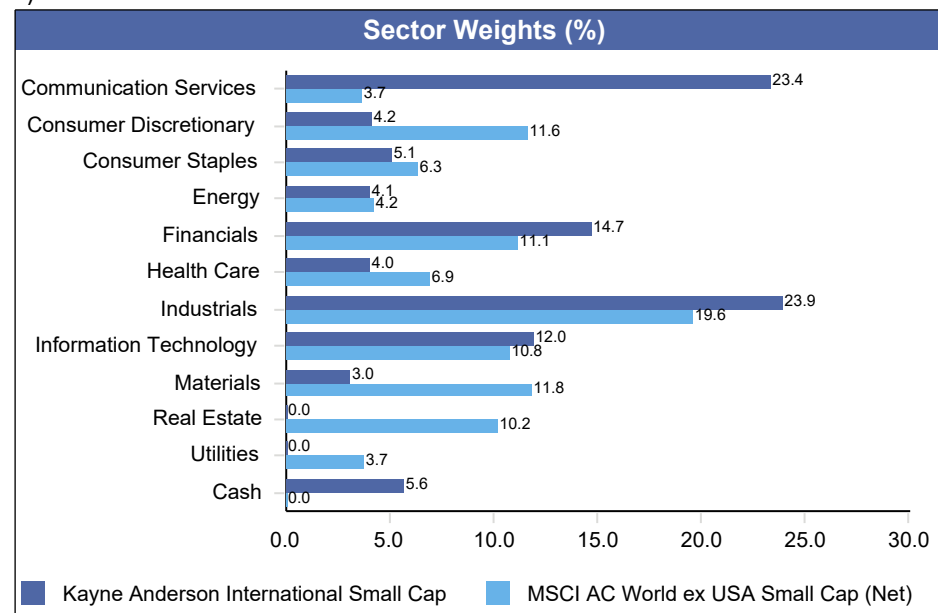


| Top Ten Holdings                   |                      |                      |                   |                      |
|------------------------------------|----------------------|----------------------|-------------------|----------------------|
|                                    | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| CASH                               | 5.96                 | 0.00                 | 5.96              | N/A                  |
| Accenture PLC                      | 4.72                 | 0.00                 | 4.72              | -7.00                |
| Brookfield Asset Management Inc    | 4.12                 | 0.00                 | 4.12              | -7.14                |
| Dassault Systemes SA               | 3.32                 | 0.19                 | 3.13              | -4.54                |
| Sony Group Corporation             | 3.29                 | 0.66                 | 2.63              | -21.10               |
| Pan Pacific International Holdings | 3.26                 | 0.06                 | 3.20              | 11.06                |
| Ashtead Group PLC                  | 3.11                 | 0.16                 | 2.95              | 10.31                |
| DBS Group Holdings Ltd             | 3.10                 | 0.34                 | 2.76              | 10.28                |
| Muenchener Rueck-Geslft Aktgslht   | 2.99                 | 0.28                 | 2.71              | 3.55                 |
| LVMH Moet Hennessy Louis Vui       | 2.93                 | 1.36                 | 1.57              | -1.57                |
| % of Portfolio                     | 36.80                | 3.05                 | 33.75             |                      |

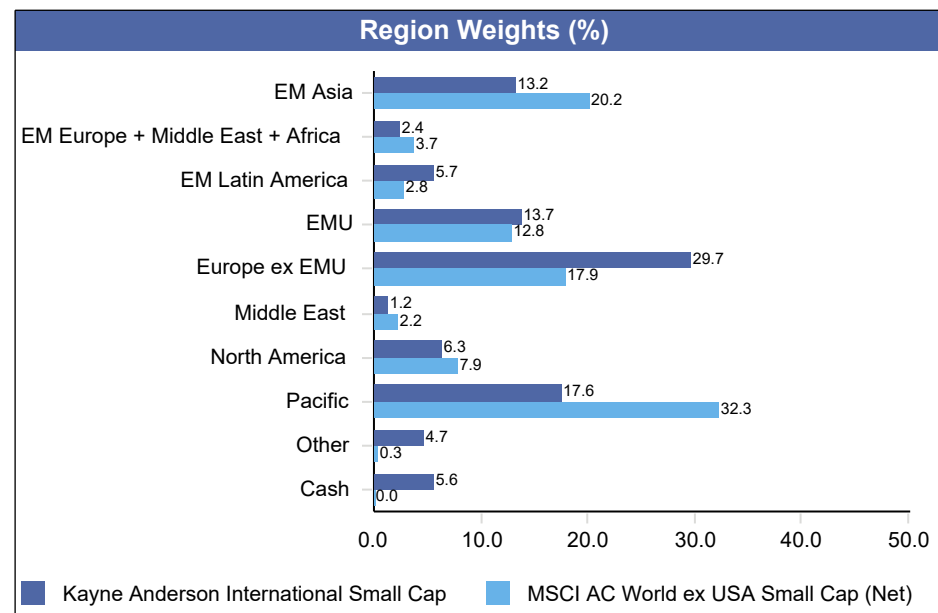


Kayne Anderson International Small Cap vs. MSCI AC World ex USA Small Cap (Net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 1,666     | 2,046     |
| Median Mkt. Cap (\$M)     | 788       | 870       |
| Price/Earnings ratio      | 17.14     | 9.80      |
| Price/Book ratio          | 3.28      | 2.17      |
| 5 Yr. EPS Growth Rate (%) | 7.21      | 12.44     |
| Current Yield (%)         | 3.13      | 3.49      |
| Number of Stocks          | 44        | 4,386     |

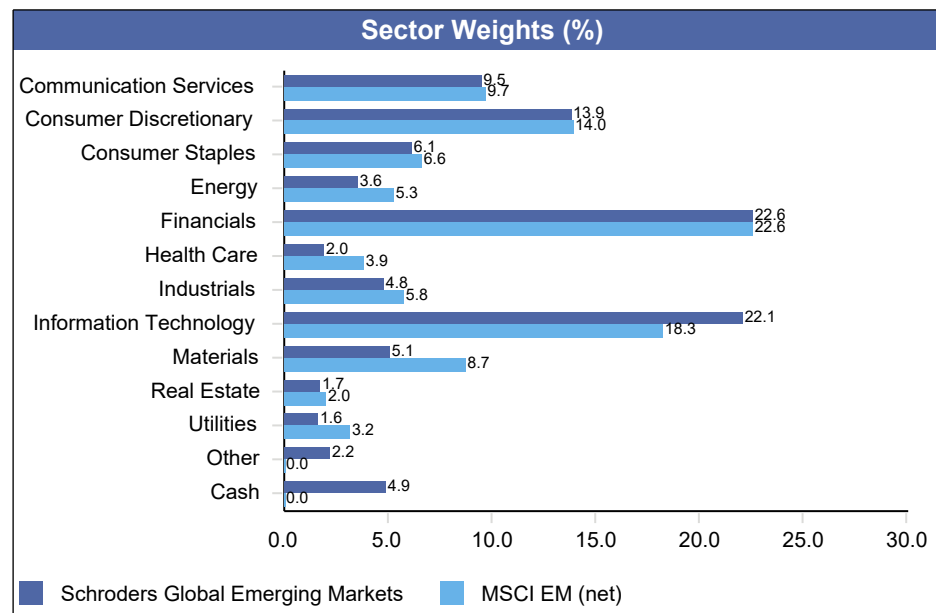


| Top Ten Holdings                        |                      |                      |                   |                      |
|---|----------------------|----------------------|-------------------|----------------------|
|   | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| CASH                                    | 5.64                 | 0.00                 | 5.64              | N/A                  |
| Baltic Classifieds Group PLC            | 4.67                 | 0.00                 | 4.67              | -2.65                |
| Rightmove PLC                           | 4.57                 | 0.14                 | 4.43              | -21.65               |
| Auto Trader Group plc                   | 4.51                 | 0.00                 | 4.51              | -14.20               |
| Haw Par Corp Ltd                        | 4.00                 | 0.03                 | 3.97              | -8.36                |
| Alten, Boulogne-Billancourt             | 3.53                 | 0.10                 | 3.43              | 2.75                 |
| MarkLines Co Ltd                        | 3.28                 | 0.00                 | 3.28              | 4.05                 |
| AJ Bell PLC                             | 3.13                 | 0.03                 | 3.10              | -8.09                |
| Bouvet ASA                              | 3.07                 | 0.00                 | 3.07              | -15.68               |
| Corporacion Moctezuma SAB De Cv Cmoctez | 3.05                 | 0.00                 | 3.05              | -3.10                |
| % of Portfolio                          | 39.45                | 0.30                 | 39.15             |                      |

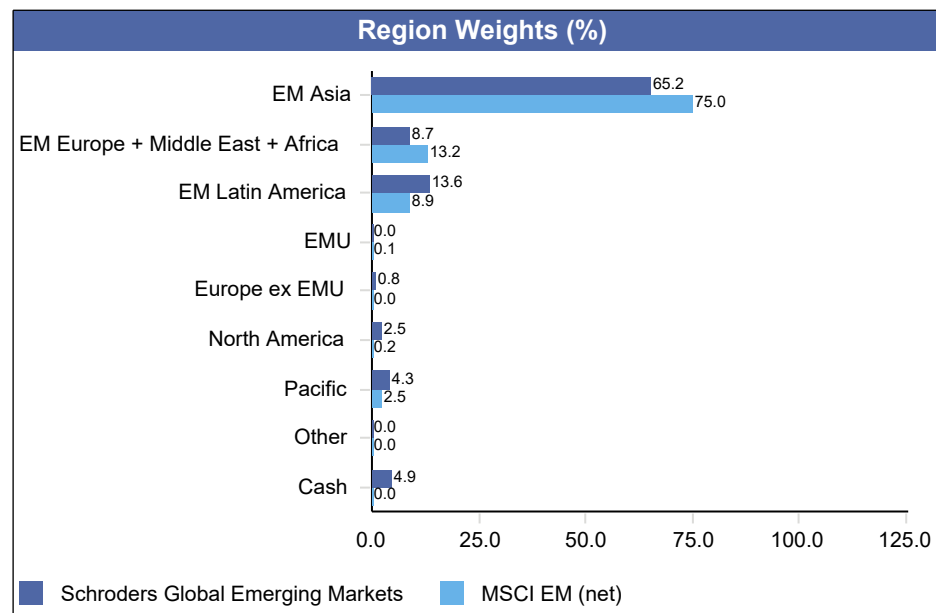


Schroders Global Emerging Markets vs. MSCI EM (net)

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 79,328    | 78,560    |
| Median Mkt. Cap (\$M)     | 11,889    | 5,335     |
| Price/Earnings ratio      | 10.60     | 9.84      |
| Price/Book ratio          | 2.32      | 2.49      |
| 5 Yr. EPS Growth Rate (%) | 12.76     | 15.86     |
| Current Yield (%)         | 3.11      | 3.60      |
| Number of Stocks          | 115       | 1,387     |



| Top Ten Holdings              |                      |                      |                   |                      |
|-------------------------------|----------------------|----------------------|-------------------|----------------------|
|                               | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Taiwan Semicon Manu Co        | 6.65                 | 5.71                 | 0.94              | -16.53               |
| Samsung Electronics Co Ltd    | 5.47                 | 3.08                 | 2.39              | -15.95               |
| CASH                          | 4.86                 | 0.00                 | 4.86              | N/A                  |
| Tencent Holdings LTD          | 4.66                 | 3.70                 | 0.96              | -24.85               |
| Icici Bank Ltd                | 3.05                 | 0.95                 | 2.10              | 18.91                |
| H D F C Bank Ltd              | 2.61                 | 0.00                 | 2.61              | 6.30                 |
| JD.com Inc                    | 2.56                 | 0.95                 | 1.61              | -21.46               |
| Alibaba Group Holding Ltd     | 2.31                 | 2.63                 | -0.32             | -30.36               |
| Infosys Ltd                   | 2.26                 | 1.02                 | 1.24              | -8.32                |
| iShares MSCI Saudi Arabia ETF | 2.23                 | 0.00                 | 2.23              | -0.94                |
| % of Portfolio                | 36.66                | 18.04                | 18.62             |                      |





### ◆ Cohen & Steers Institutional Realty Shares

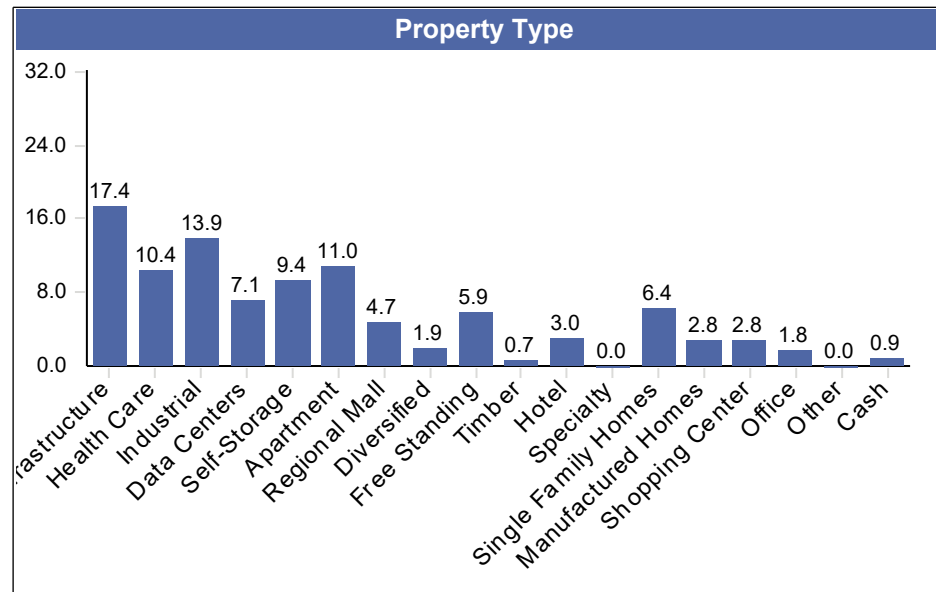
- **Management:** The Fund is managed by Jon Cheigh, Jason Yablon, and Mathew Kirschner (collectively, the “Senior Investment Professionals”). The Senior Investment Professionals have worked together for more than 16 years and have on average 20+ years of experience in the industry. Cohen & Steers has one of the largest and most experienced teams dedicated to the investment management of publicly traded real estate securities.
- **Objective:** The Fund seeks both capital appreciation and current income through investment in real estate securities.
- **Strategy:** The Fund concentrates its investments in the real estate industry. Real estate securities include common stocks, preferred stocks and other equity securities of any market capitalization issued by real estate companies, including real estate investment trusts (REITs) and similar REIT-like entities.

### ◆ Principal Real Estate Securities Institutional Fund

- **Management:** Kelly Rush founded and has managed the US Real Estate Securities strategy since its 1998 inception. Kelly Rush, Anthony Kenkel, and Keith Bokota (collectively, the “Portfolio Managers”) have worked together for more than 13 years and have 24+ years average industry experience.
- **Objective:** The Fund seeks to generate a total return by investing in high quality companies and targets strong, risk-adjusted performance using diversified sources of alpha.
- **Strategy:** The fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies principally engaged in the real estate industry at the time of purchase. It invests in equity securities regardless of market capitalization (small, medium or large). The fund concentrates its investments (invest more than 25% of its net assets) in securities in the real estate industry. It is non-diversified.

Cohen & Steers Inst Realty Shares vs. MSCI US REIT Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 42,783    | 27,612    |
| Median Mkt. Cap (\$M)     | 18,233    | 3,184     |
| Price/Earnings ratio      | 29.33     | 29.07     |
| Price/Book ratio          | 3.02      | 2.35      |
| 5 Yr. EPS Growth Rate (%) | 10.32     | 7.91      |
| Current Yield (%)         | 3.10      | 3.65      |
| Number of Stocks          | 33        | 138       |

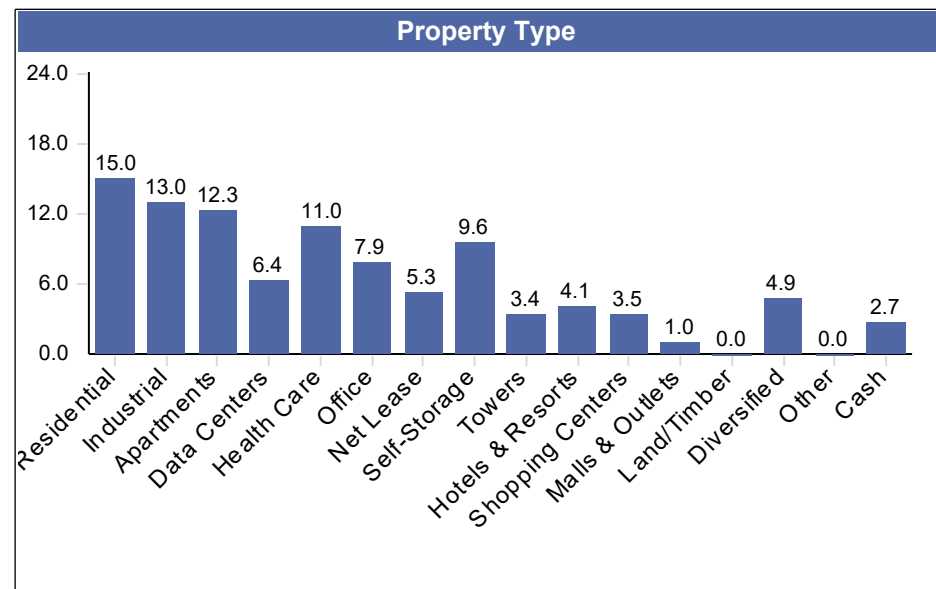


| Top Ten Holdings          |                      |                      |                   |                      |
|---------------------------|----------------------|----------------------|-------------------|----------------------|
|                           | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| American Tower Corp       | 13.67                | 0.00                 | 13.67             | 2.92                 |
| Public Storage            | 7.64                 | 4.75                 | 2.89              | -19.35               |
| Invitation Homes Inc      | 6.47                 | 2.08                 | 4.39              | -10.90               |
| Welltower Inc             | 5.75                 | 3.55                 | 2.20              | -13.75               |
| Duke Realty Corp          | 5.63                 | 2.03                 | 3.60              | -4.86                |
| Prologis Inc              | 5.13                 | 8.39                 | -3.26             | -26.64               |
| Simon Property Group Inc. | 4.77                 | 3.00                 | 1.77              | -26.71               |
| Realty Income Corp.       | 4.69                 | 3.89                 | 0.80              | -0.46                |
| Digital Realty Trust Inc  | 4.41                 | 3.56                 | 0.85              | -7.54                |
| Healthpeak Properties Inc | 3.66                 | 1.35                 | 2.31              | -23.79               |
| % of Portfolio            | 61.82                | 32.60                | 29.22             |                      |

| Ten Best Performers         |                      |                      |                   |                      |
|-----------------------------|----------------------|----------------------|-------------------|----------------------|
|                             | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Americold Realty Trust Inc  | 2.74                 | 0.78                 | 1.96              | 8.54                 |
| American Tower Corp         | 13.67                | 0.00                 | 13.67             | 2.92                 |
| Healthcare Realty Trust Inc | 1.10                 | 0.40                 | 0.70              | 0.05                 |
| Realty Income Corp.         | 4.69                 | 3.89                 | 0.80              | -0.46                |
| Duke Realty Corp            | 5.63                 | 2.03                 | 3.60              | -4.86                |
| SBA Communications Corp     | 2.17                 | 0.00                 | 2.17              | -6.78                |
| Digital Realty Trust Inc    | 4.41                 | 3.56                 | 0.85              | -7.54                |
| Crown Castle Inc            | 1.84                 | 0.00                 | 1.84              | -7.94                |
| Sun Communities Inc.        | 2.81                 | 1.78                 | 1.03              | -8.59                |
| Invitation Homes Inc        | 6.47                 | 2.08                 | 4.39              | -10.90               |
| % of Portfolio              | 45.53                | 14.52                | 31.01             |                      |

Principal Real Estate Securities Inst Fund vs. MSCI US REIT Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Wtd. Avg. Mkt. Cap (\$M)  | 26,713    | 27,612    |
| Median Mkt. Cap (\$M)     | 9,164     | 3,184     |
| Price/Earnings ratio      | 30.27     | 29.07     |
| Price/Book ratio          | 2.27      | 2.35      |
| 5 Yr. EPS Growth Rate (%) | 10.40     | 7.91      |
| Current Yield (%)         | 3.35      | 3.65      |
| Number of Stocks          | 46        | 138       |



| Top Ten Holdings           |                      |                      |                   |                      |
|----------------------------|----------------------|----------------------|-------------------|----------------------|
|                            | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| Prologis Inc               | 6.48                 | 8.39                 | -1.91             | -26.64               |
| Equinix Inc                | 5.51                 | 5.74                 | -0.23             | -10.98               |
| AvalonBay Communities Inc. | 5.30                 | 2.62                 | 2.68              | -21.15               |
| Ventas Inc.                | 4.90                 | 1.98                 | 2.92              | -16.00               |
| VICI Properties Inc        | 4.60                 | 2.76                 | 1.84              | 5.96                 |
| Extra Space Storage Inc    | 4.52                 | 2.19                 | 2.33              | -16.48               |
| Sun Communities Inc.       | 4.28                 | 1.78                 | 2.50              | -8.59                |
| Essex Property Trust Inc.  | 4.26                 | 1.64                 | 2.62              | -23.67               |
| Invitation Homes Inc       | 4.04                 | 2.08                 | 1.96              | -10.90               |
| American Homes 4 Rent      | 3.63                 | 1.07                 | 2.56              | -10.98               |
| % of Portfolio             | 47.52                | 30.25                | 17.27             |                      |

| Ten Best Performers             |                      |                      |                   |                      |
|---------------------------------|----------------------|----------------------|-------------------|----------------------|
|                                 | Portfolio Weight (%) | Benchmark Weight (%) | Active Weight (%) | Quarterly Return (%) |
| PS Business Parks Inc.          | 0.64                 | 0.37                 | 0.27              | 11.97                |
| Agree Realty Corp               | 1.53                 | 0.50                 | 1.03              | 9.77                 |
| VICI Properties Inc             | 4.60                 | 2.76                 | 1.84              | 5.96                 |
| American Tower Corp             | 3.41                 | 0.00                 | 3.41              | 2.92                 |
| Healthcare Realty Trust Inc     | 0.78                 | 0.40                 | 0.38              | 0.05                 |
| Sabra Health Care REIT Inc      | 1.42                 | 0.31                 | 1.11              | -3.98                |
| Broadstone Net Lease Inc        | 1.53                 | 0.32                 | 1.21              | -4.60                |
| Equity LifeStyle Properties Inc | 2.51                 | 1.20                 | 1.31              | -7.34                |
| Digital Realty Trust Inc        | 0.85                 | 3.56                 | -2.71             | -7.54                |
| Sun Communities Inc.            | 4.28                 | 1.78                 | 2.50              | -8.59                |
| % of Portfolio                  | 21.55                | 11.20                | 10.35             |                      |

### ● PGIM - Core Fixed Income

- **Management:** Michael Collins, CFA (since 2009), Richard Piccirillo (2012) and co-CIO Gregory Peters (2014) are Senior Portfolio Managers.
- **Objective:** The strategy seeks to outperform the Bloomberg US Aggregate Index over full market cycles.
- **Strategy:** The strategy invests in a broad range of fixed income securities, including U.S. government securities, corporate bonds, taxable municipal securities and mortgage-backed or other asset-backed securities. The strategy may also invest in a limited amount of non-investment grade securities.

The investment process for Core Fixed Income portfolios utilizes both top-down and bottom-up approaches. Sector allocation, duration, yield curve, and “industry bias” decisions are made using top-down research derived from a range of internal sources, including our global macroeconomic research team and heads of the sector investment teams, as well as external sources. Actual subsector and security selections are made by sector specialists after conducting bottom-up fundamental and quantitative research and relative value analysis.

### ● TIAA –Core Impact Bond

- **Management:** Stephen Liberatore, CFA is a Managing Director and Lead Portfolio Manager (2010)
- **Objective:** The strategy seeks a favorable long-term total return through income and capital appreciation while giving special consideration to certain environmental, social, and governance (“ESG”) criteria.
- **Strategy:** The strategy invests in a broad range of fixed income securities, including U.S. government securities, corporate bonds, taxable municipal securities and mortgage-backed or other asset-backed securities. The strategy may also invest in a limited amount of non-investment grade securities. The strategy seeks to add value through duration and yield-curve positioning, sector allocation and security selection. The evaluation process favors companies with leadership in ESG performance relative to their peers.

### ● iShares Core U.S Aggregate Bond ETF

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

● **PineBridge – Investment Grade Credit**

- **Management:** Robert Vanden Assem, CFA, Managing Director and Head of Developed Markets IG Fixed Income (2001) & Dana Burns, Sr. Portfolio Manager (2007)
- **Objective:** The total return strategy seeks strong returns by combining a top-down view with a bottom-up, credit intensive research process.
- **Strategy:** The strategy invests in USD-denominated investment grade credit, focused in the corporate sector. The portfolio is constructed combining views of fundamentals, valuations and market technicals affecting sector and individual securities.

● **Brown Brothers Harriman – Structured Fixed Income**

- **Management:** Neil Hohmann, PhD, Head of Structured Products (2006), Andrew Hofer, Head of Taxable Portfolio Management (2006) & Chris Ling (2020)
- **Objective:** To deliver attractive long-term results through capital preservation and taking advantage of differences between valuations and fundamentals through a bottom-up research process.
- **Strategy:** The strategy is an investment grade portfolio focused on asset-backed securities backed by assets other than real estate (also known as non-traditional asset-backed securities). These securities will include a mix of equipment leases, commercial royalty and insurance-linked, and broad consumer related including: credit card, auto loans, student loans and debt refinancing. The structured fixed-income strategy may also invest a limited amount in commercial mortgage-backed securities and municipal debt instruments that are secured by tangible asset collateral or revenue streams. The structured fixed-income strategies are constructed using either a bottom-up investment approach or a quantitative framework to assess valuation and long-term return potential.

● **SPDR Blackstone Senior Loan**

- **Management:** Sub-advised by the liquid credit group of Blackstone.
- **Objective:** To provide current income through investment in senior loans.
- **Strategy:** This actively managed ETF invests mainly in the floating rate loan market with an emphasis on larger sized deals. Fixed rate high yield corporate bonds may also be held in environments in which the team views them favorably. The team focuses on companies with strong private equity sponsorship.

● **BrandywineGLOBAL High Yield**

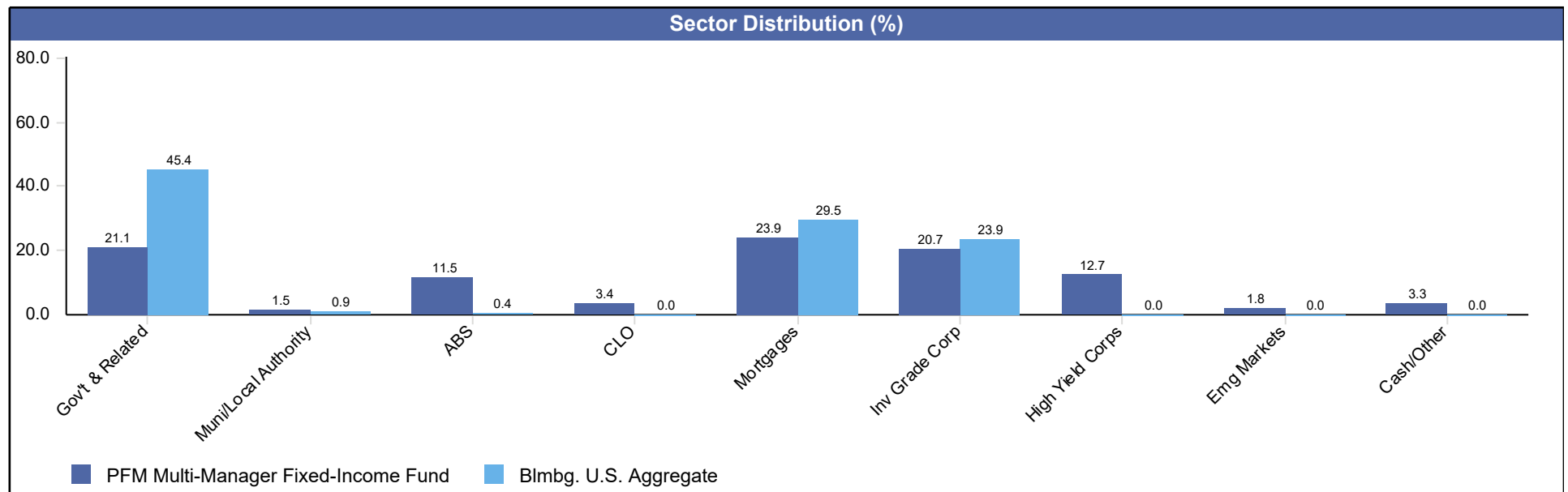
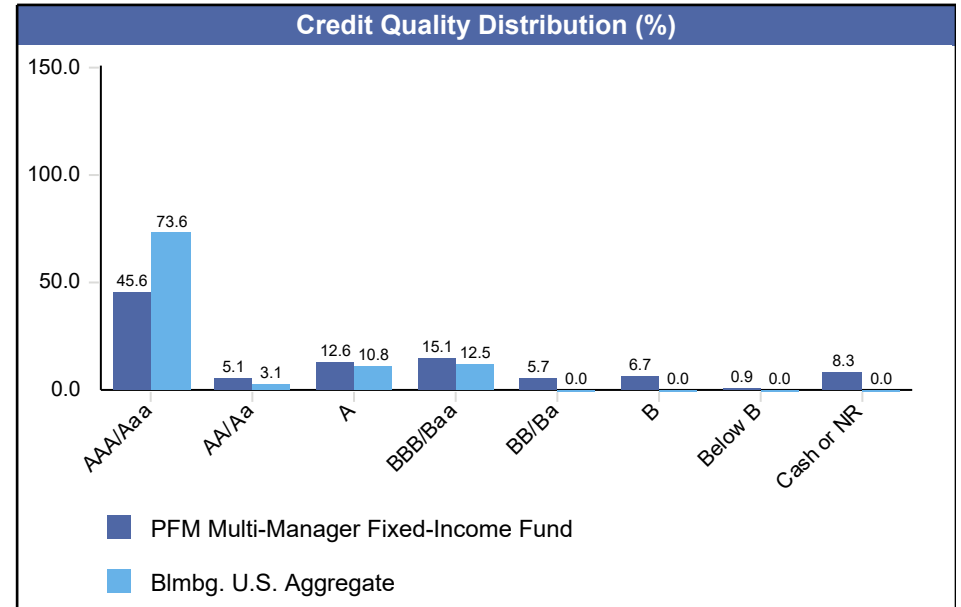
- **Management:** Bill Zox, CFA and John McClain, CFA have led the fund since its inception in 2014.
- **Objective:** Seeks high current income with the opportunity for capital appreciation.
- **Strategy:** The fund generally holds over 80% of its assets in corporate debt rated below investment grade. Securities are purchased when they believe the yield and total return potential are attractive relative to asset and interest coverage and comparable securities.

● **Mainstay MacKay Shields High Yield Corporate**

- **Management:** Andrew Susser is the lead portfolio manager (since 2013). He is supported by about a dozen analysts and traders.
- **Objective:** To outperform the high yield market over the long term through superior credit selection, while mitigating downside risks.
- **Strategy:** A bottom-up, value-oriented approach to investing in the high yield market. The team sets a minimum of 1.5x asset coverage on the universe of corporate bonds then breaks down the remainder into four risk groups with differing spread levels needed for potential inclusion. The result is a diversified portfolio that may include some exposure to loans or investment grade credits.

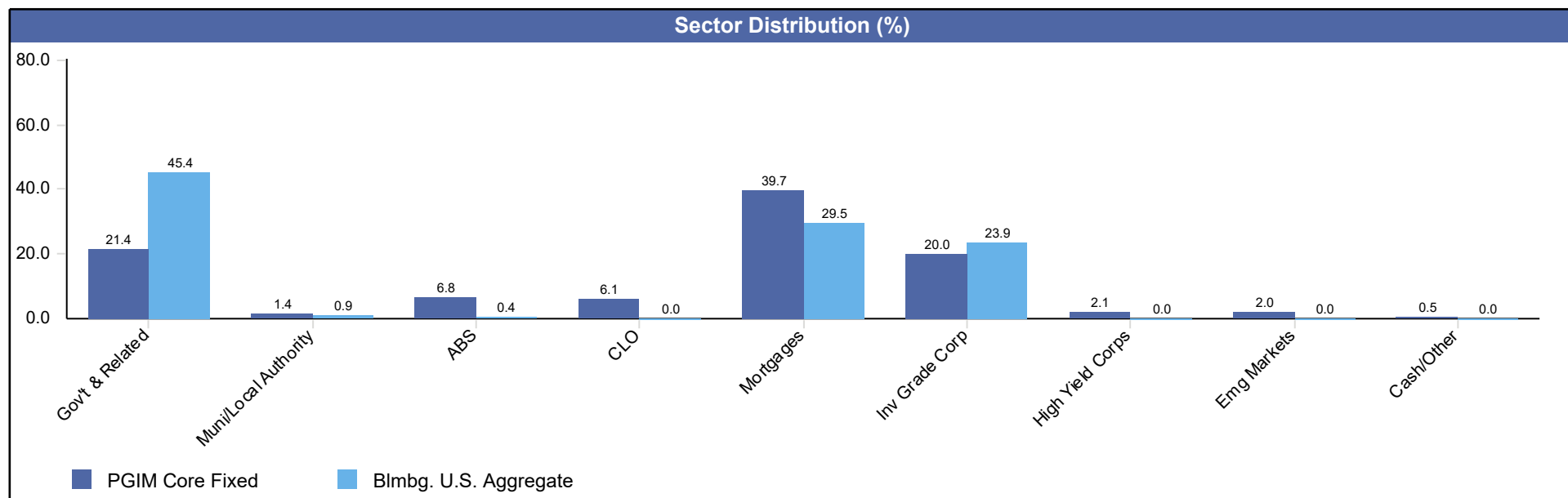
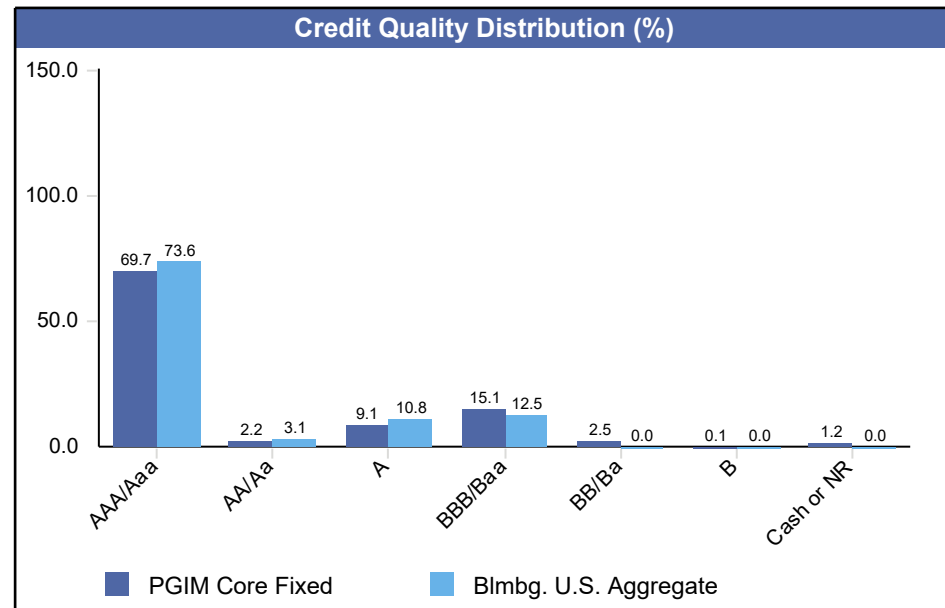
PFM Multi-Manager Fixed-Income Fund vs. Blmbg. U.S. Aggregate

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 5.18      | 6.20      |
| Yield To Maturity (%)     | 5.84      | 4.73      |
| Avg. Maturity             | 7.70      | 8.52      |
| Avg. Quality              | AA        | AA        |
| Coupon Rate (%)           | 3.30      | 2.58      |



PGIM Core Fixed vs. Blmbg. U.S. Aggregate

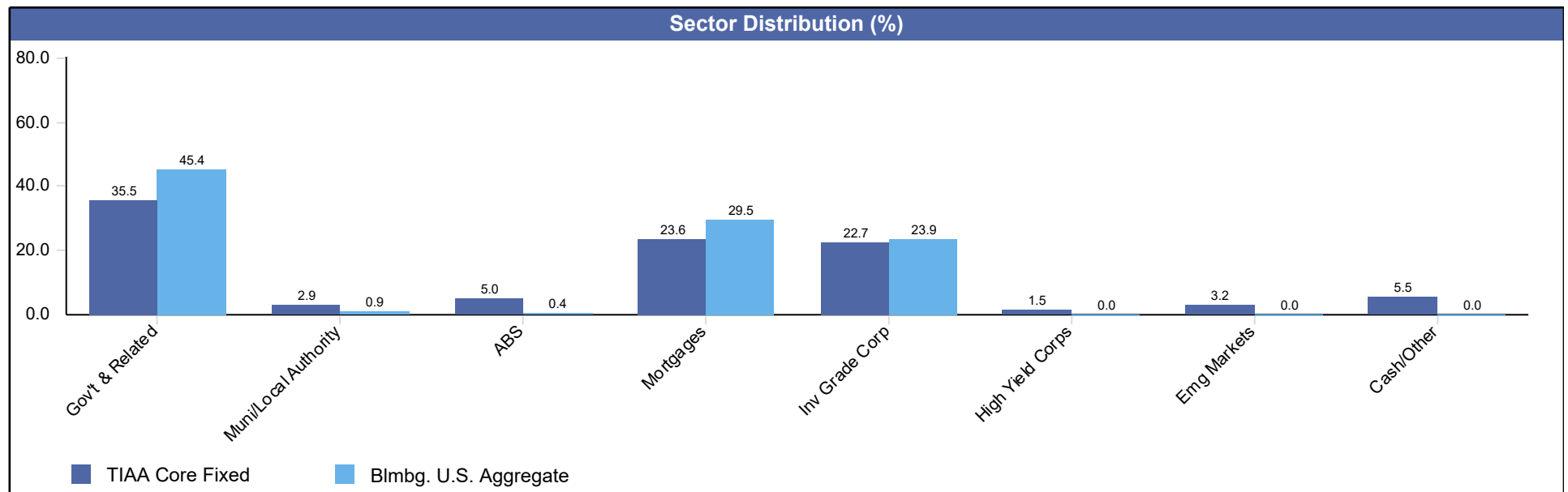
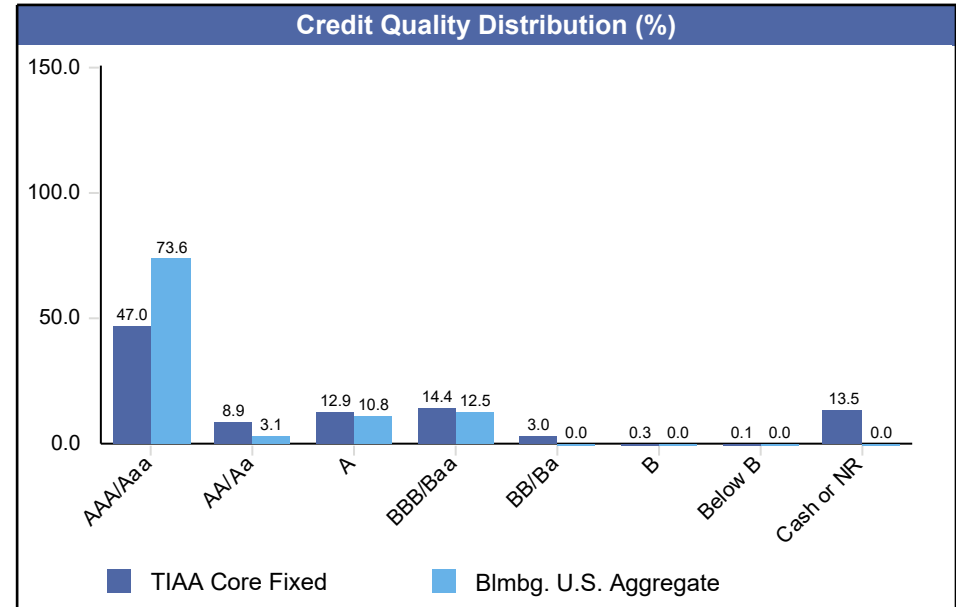
| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 6.19      | 6.20      |
| Yield To Maturity (%)     | 5.43      | 4.73      |
| Avg. Maturity             | 8.32      | 8.52      |
| Avg. Quality              | AA        | AA        |
| Coupon Rate (%)           | 3.09      | 2.58      |





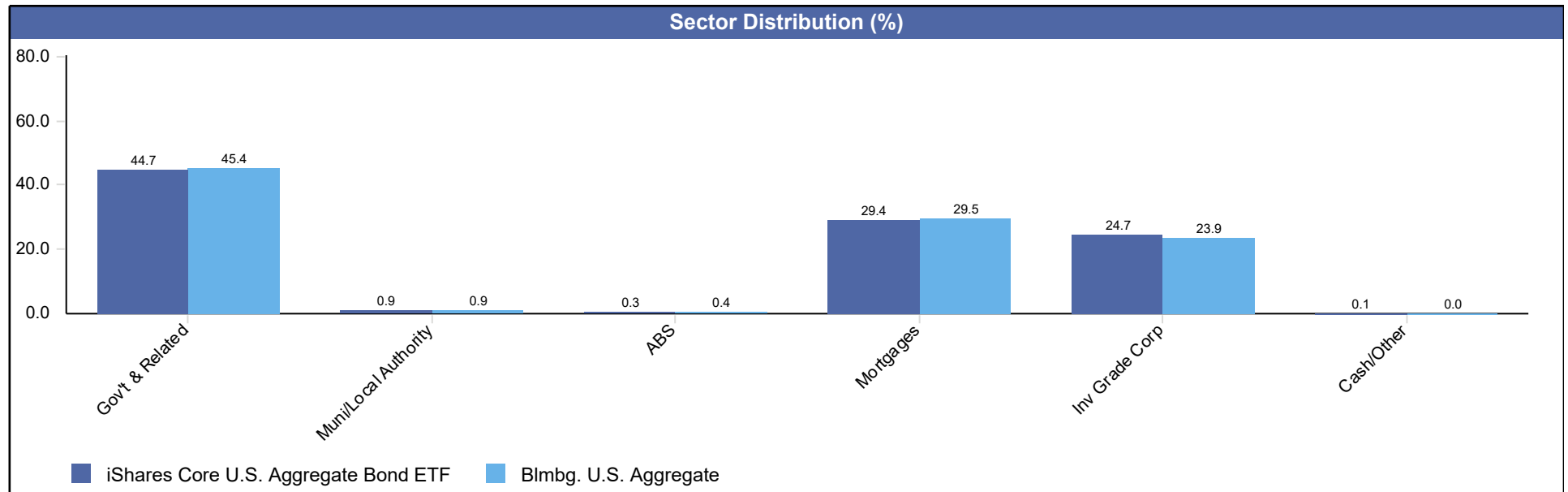
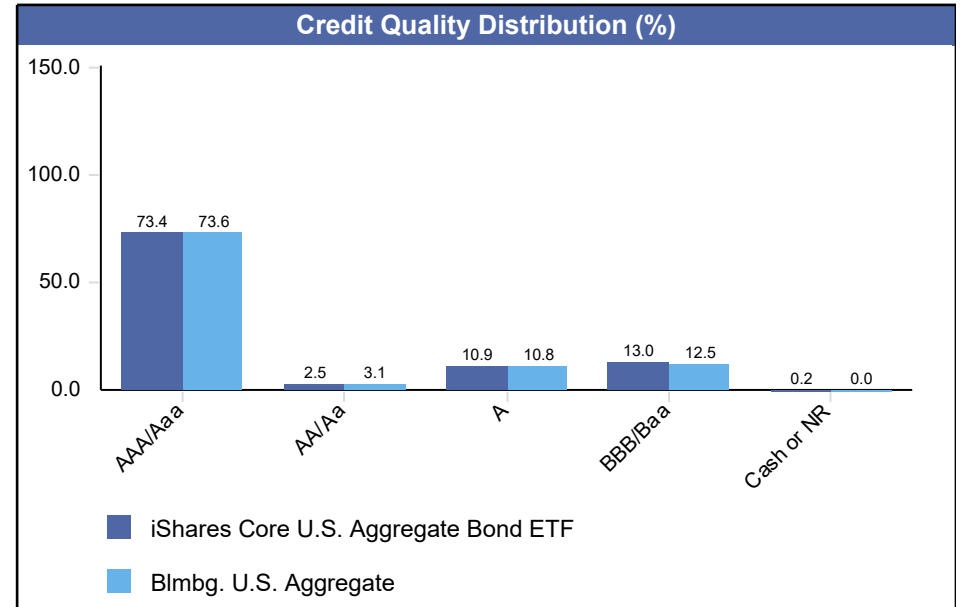
TIAA Core Fixed vs. Blmbg. U.S. Aggregate

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 6.06      | 6.20      |
| Yield To Maturity (%)     | 5.08      | 4.73      |
| Avg. Maturity             | 8.84      | 8.52      |
| Avg. Quality              | AA        | AA        |
| Coupon Rate (%)           | 2.41      | 2.58      |



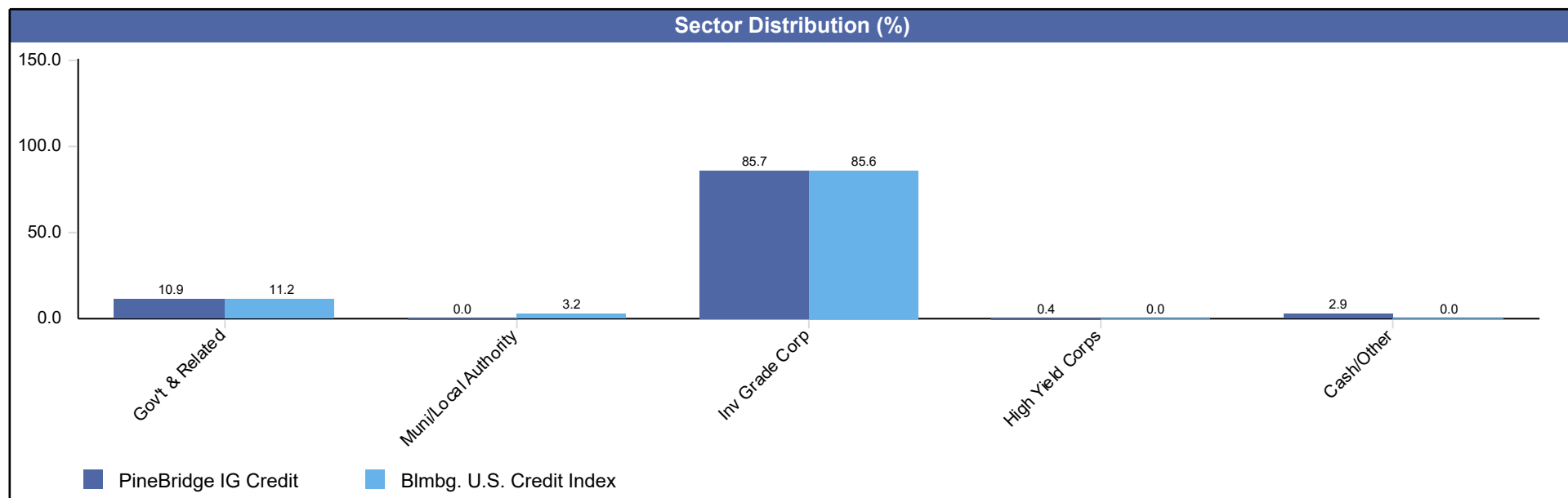
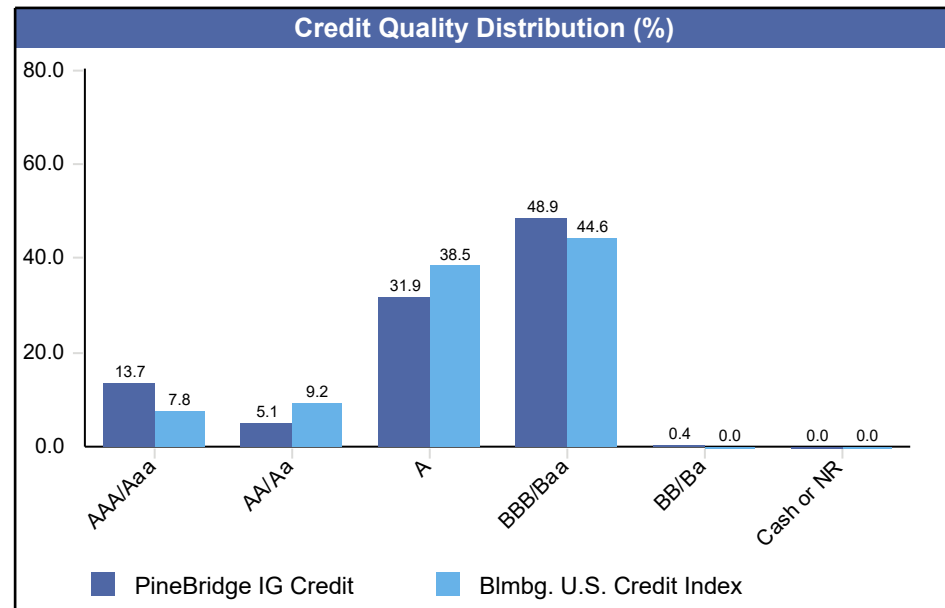
iShares Core U.S. Aggregate Bond ETF vs. Blmbg. U.S. Aggregate

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



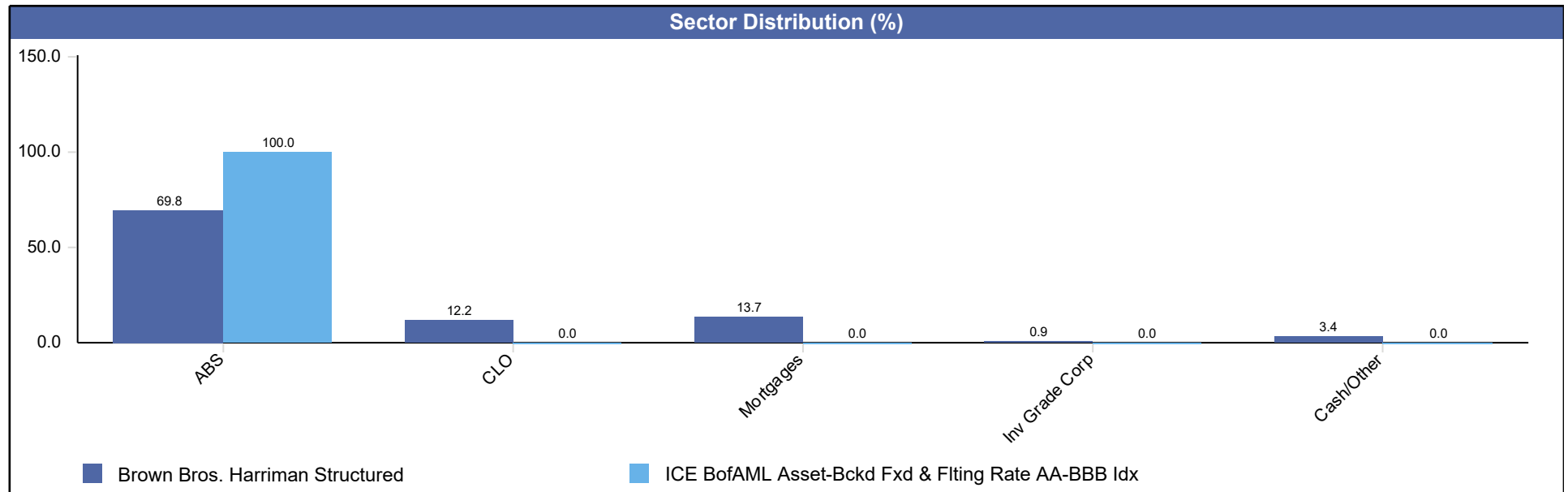
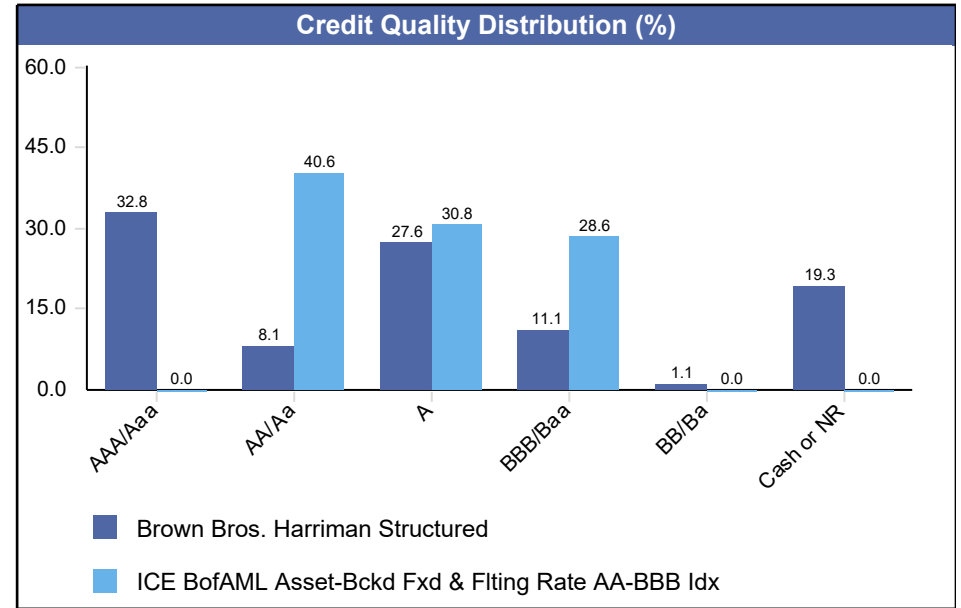
PineBridge IG Credit vs. Blmbg. U.S. Credit Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 7.06      | 6.89      |
| Yield To Maturity (%)     | 5.65      | 5.54      |
| Avg. Maturity             | 11.06     | 10.77     |
| Avg. Quality              | A         | A         |
| Coupon Rate (%)           | 3.51      | 3.55      |



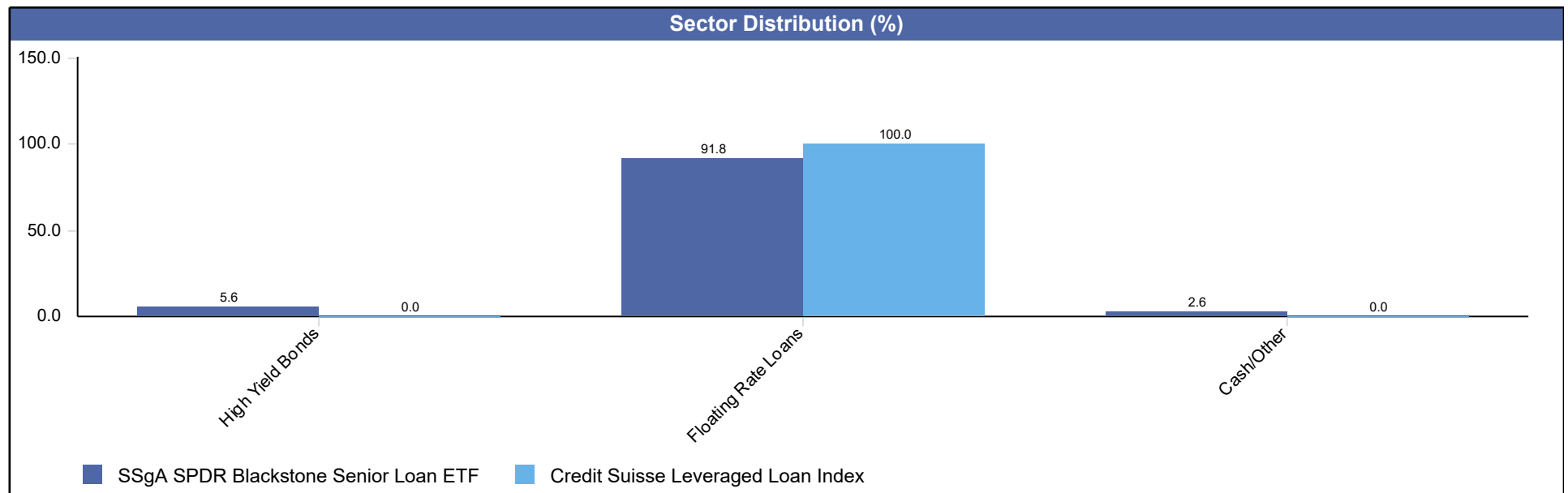
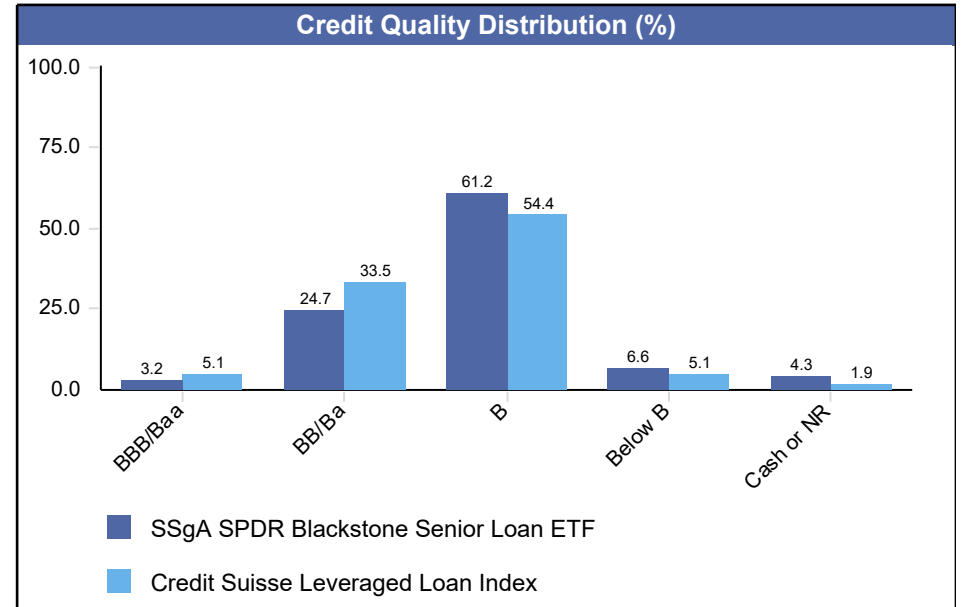
Brown Bros. Harriman Structured vs. ICE BofAML Asset-Bckd Fxd & Flting Rate AA-BBB Idx

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 1.98      | 2.60      |
| Yield To Maturity (%)     | 6.63      | 6.17      |
| Avg. Maturity             | 3.05      | 3.94      |
| Avg. Quality              | A         | A         |
| Coupon Rate (%)           | 3.81      | 2.82      |



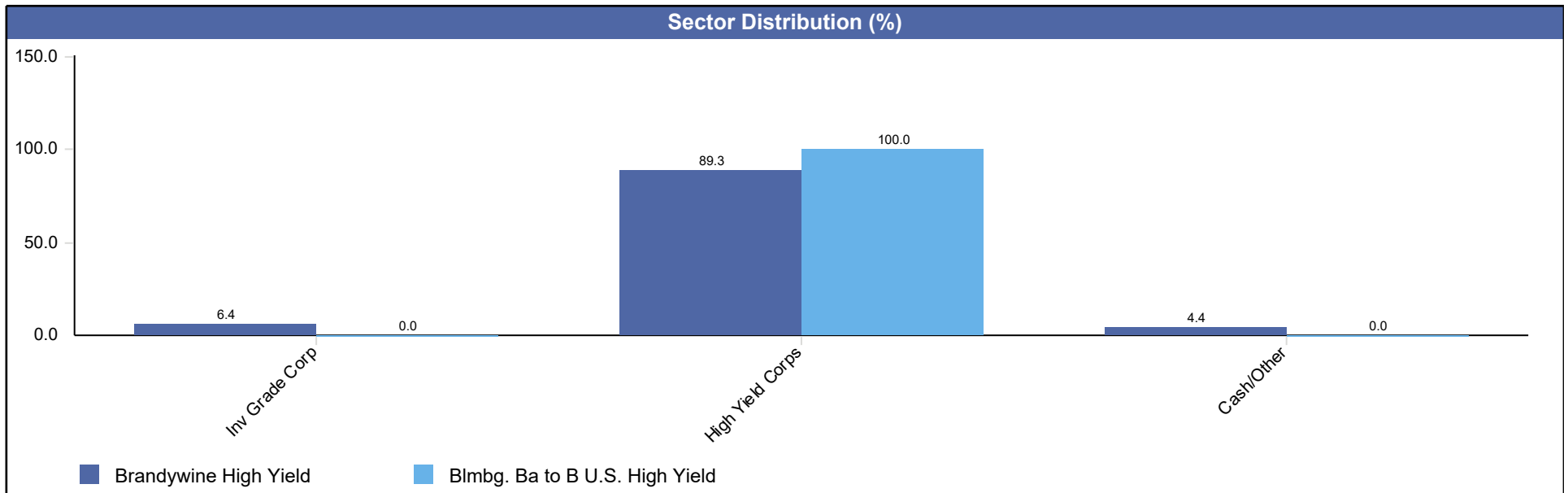
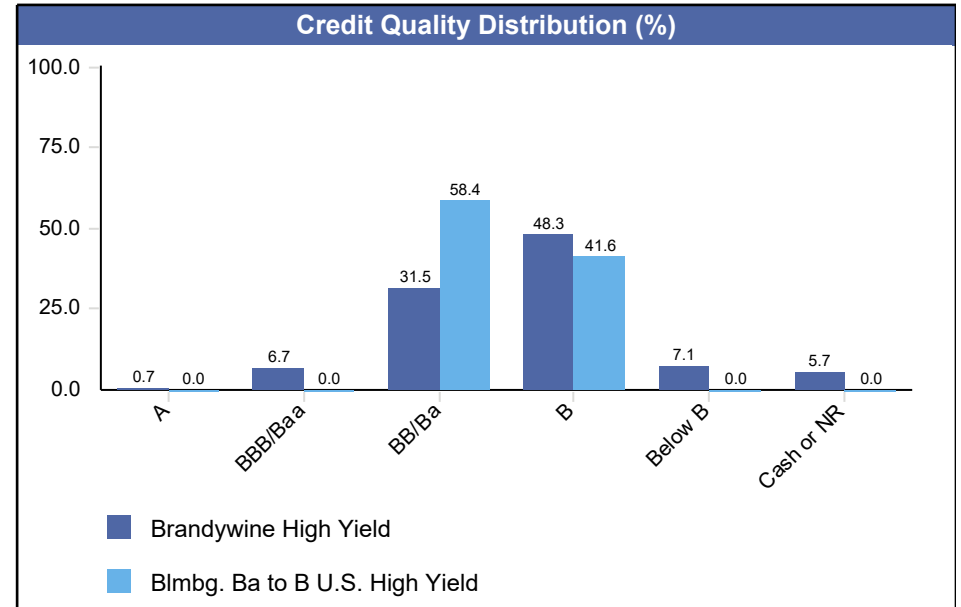
SSgA SPDR Blackstone Senior Loan ETF vs. Credit Suisse Leveraged Loan Index

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 0.07      | 0.25      |
| Yield To Maturity (%)     | 8.74      | 9.77      |
| Avg. Maturity             | 4.50      | 4.50      |
| Avg. Quality              | B         | B         |
| Coupon Rate (%)           | 6.31      | 6.62      |



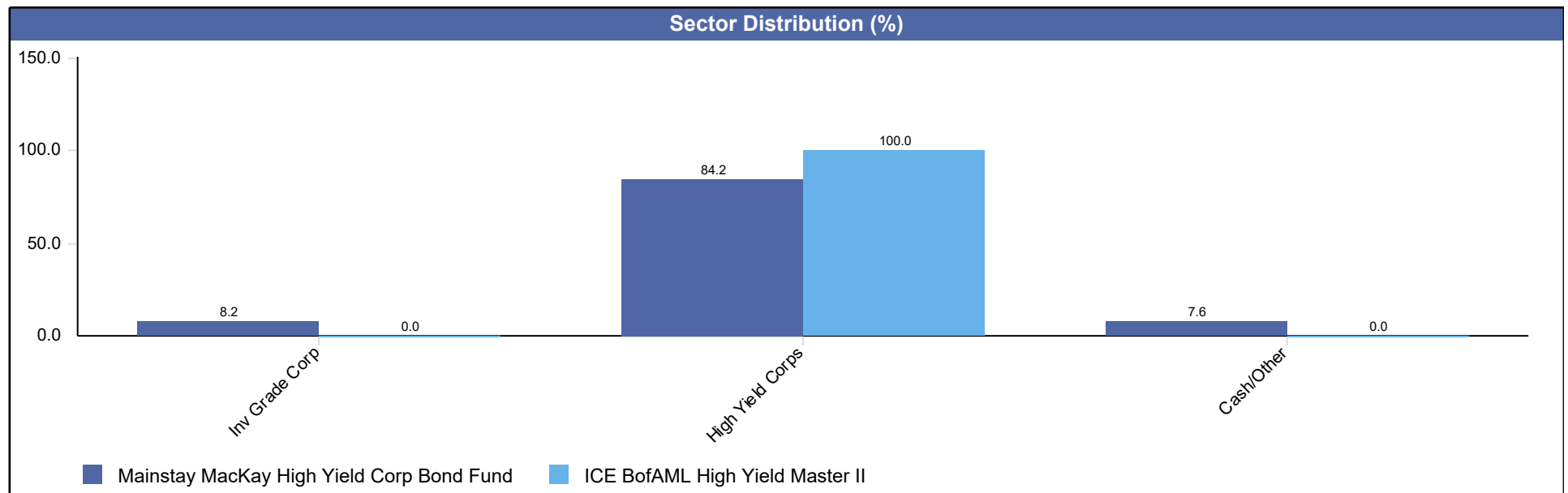
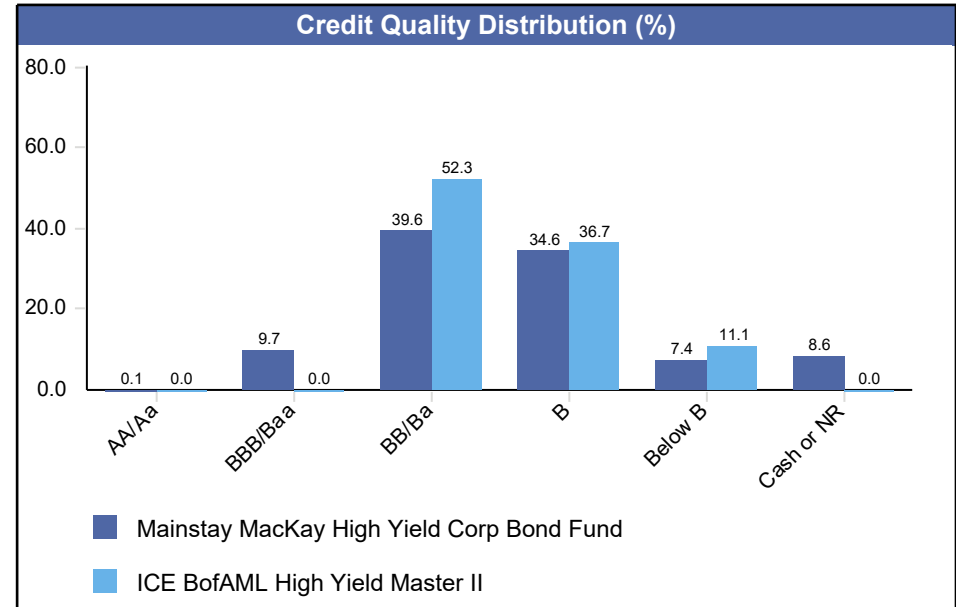
Brandywine High Yield vs. Blmbg. Ba to B U.S. High Yield

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 3.98      | 4.20      |
| Yield To Maturity (%)     | 9.56      | 8.78      |
| Yield To Worst            | 9.56      | 8.80      |
| Avg. Maturity             | 5.89      | 5.83      |
| Avg. Quality              | B         | BB        |
| Coupon Rate (%)           | 5.86      | 5.44      |



Mainstay MacKay High Yield Corp Bond Fund vs. ICE BofAML High Yield Master II

| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 3.72      | 4.19      |
| Yield To Maturity (%)     | 7.94      | 9.52      |
| Avg. Maturity             | 5.21      | 5.64      |
| Avg. Quality              | BB        | B         |
| Coupon Rate (%)           | 5.92      | 5.73      |



● **iShares Preferred and Income Securities ETF**

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



## Portfolio Characteristics

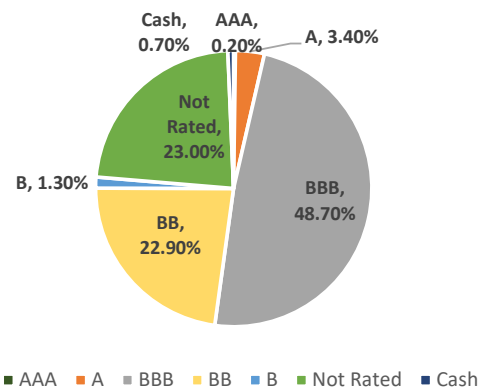
As of June 30, 2022

iShares Preferred and Income Securities ETF (PFF)

### Portfolio Characteristics

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

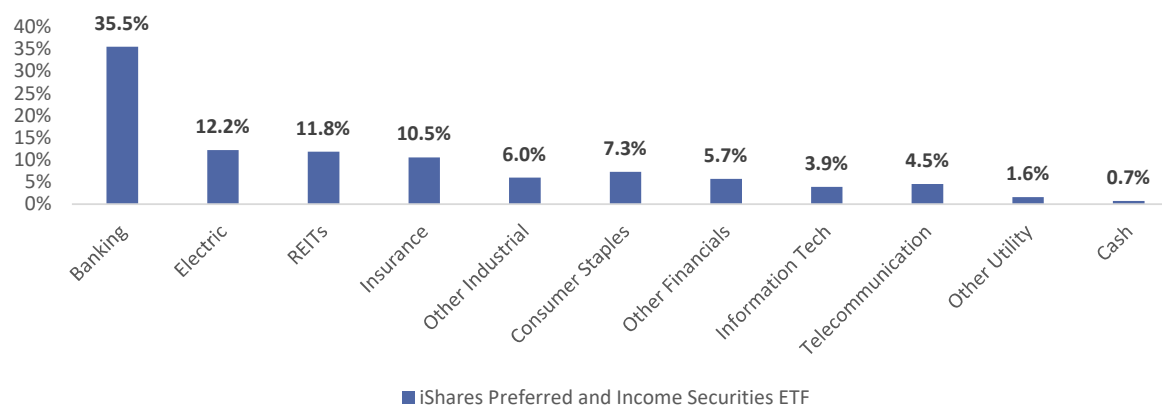
### Credit Quality



### Top 10 Holdings

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

### Diversification by Sector



### ● PIMCO Commodity Real Return Strategy Fund

- **Management:** The Fund is managed by Greg Sharenow, Steve Rodosky, and Andrew DeWitt (collectively, the “Lead Portfolio Managers”). The Lead Portfolio Managers have on average 20+ years of experience in the industry. The Lead Portfolio Managers are further supported by 3 additional members of the portfolio management team as well as 5 product strategists.
- **Objective:** The Fund seeks maximum real return, consistent with prudent investment management.
- **Strategy:** The Fund invests in commodity-linked futures and swap contracts that provide exposure to commodities across various sectors including energy, precious metals, industrial metals, livestock, and agriculture. The Fund collateralizes those positions with a portfolio primarily composed of US Treasury Inflation Protected Securities with durations shorter than 5 years.

## Portfolio Characteristics

As of September 30, 2022

### PIMCO Commodity Real Return Strategy (PCRIX)

#### Portfolio Characteristics

|                                 |        |
|---------------------------------|--------|
| Net Assets (\$ millions)        | 7,967  |
| Gross Expense Ratio             | 0.88%  |
| Net Expense Ratio               | 0.76%  |
| 30-Day SEC Yield (Subsidized)   | 2.34%  |
| 30-Day SEC Yield (Unsubsidized) | 2.29%  |
| Unique Commodities              | 25     |
| Top Sector                      | Energy |
| Weight of Top 10 Holdings       | 66.50% |
| Effective Duration (years)      | 2.64   |
| Effective Maturity (years)      | 2.00   |

#### Top 10 Commodities Holdings

|              |                   |
|--------------|-------------------|
| Natural gas  | Energy            |
| Gold         | Precious Metals   |
| WTI crude    | Energy            |
| Brent crude  | Energy            |
| Soybeans     | Agriculture       |
| Corn         | Agriculture       |
| Wheat        | Agriculture       |
| Copper       | Industrial Metals |
| Soybean meal | Agriculture       |
| Gasoil       | Energy            |

#### Portfolio

|        |
|--------|
| 12.80% |
| 11.30% |
| 8.70%  |
| 7.00%  |
| 5.60%  |
| 5.10%  |
| 4.70%  |
| 3.90%  |
| 3.80%  |
| 3.60%  |

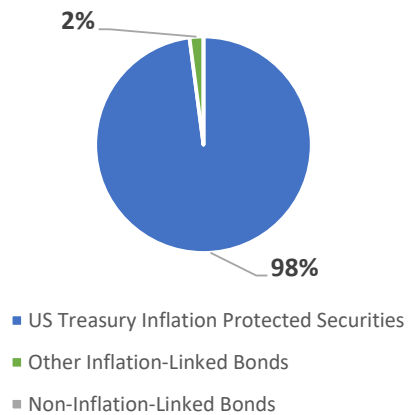
#### Benchmark

|        |
|--------|
| 13.90% |
| 13.30% |
| 7.70%  |
| 6.70%  |
| 5.40%  |
| 5.90%  |
| 5.30%  |
| 4.00%  |
| 3.30%  |
| 3.40%  |

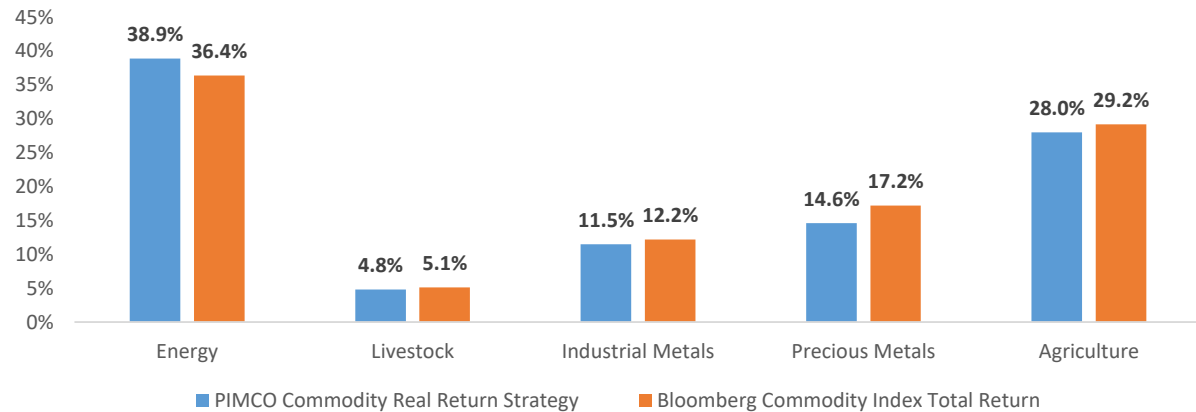
#### Active Weight

|        |
|--------|
| -1.10% |
| -2.00% |
| 1.00%  |
| 0.30%  |
| 0.20%  |
| -0.80% |
| -0.60% |
| -0.10% |
| 0.50%  |
| 0.20%  |

#### Collateral Exposure



#### Diversification by Sector vs. Benchmark



## IMPORTANT DISCLOSURES

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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(^) Performance information is gross of fees and reflects sleeve level information (not specific to this client/investor). It is provided by sub-advisers of the PFM Multi-Manager Equity Fund, PFM Multi-Manager International Equity Fund and PFM Multi-Manager Fixed-Income Fund.

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## SUMMARY

- **PFMAM's Multi-Asset Class Investment Committee (the "Committee") has voted to increase exposure to domestic equity by reducing the tactical commodities position in client portfolios.**
- **Within fixed income, the Committee voted to remove the dedicated exposure to mortgage-backed securities and increase exposure to core and core-plus active fixed income managers.**

## ASSESSMENT

The Committee believes that the U.S. economy is entering a period of economic slowdown while labor market conditions and corporate fundamentals remain fairly strong. Inflation has remained elevated, and the U.S. Federal Reserve ("Fed") has reiterated its focus on bringing down inflation at a time when the components of inflation are peaking. The Committee expects inflation to decline from the recent highs while remaining elevated compared to prior years. Elevated inflation and increased uncertainty will lead to increased volatility in the markets, but the fairly strong corporate fundamentals lend to slightly increasing risk in client portfolios at this time.

At its recent meeting, the Committee voted to reduce the tactical exposure to commodities and increase the allocation to domestic equity. This comes on the back of a recent increase to international equity and fixed income and is in-line with the incremental approach of adding to risk assets. Commodity prices have been increasing in reaction to supply side constraints, but the demand is expected to slow as the global economic slowdown takes effect. The recent increased volatility in the commodity markets has led the Committee to reduce the allocation by removing the Invesco Optimum Yield Diversified Commodity Strategy Fund. Post this trade, client portfolios will continue to have diversified exposure to commodities through the PIMCO Commodity Real Return Strategy Fund.

Within fixed income, the Committee voted to remove the dedicated exposure to mortgage-backed securities ("MBS"). The allocation was added to take advantage of the attractive spreads that MBS were trading at relative to treasuries. This spread has narrowed recently, leading to the removal of this tactical exposure. The proceeds from the sale will be invested with the existing core and core plus fixed income managers.

## PORTFOLIO IMPLICATIONS

Following these changes, multi-asset class client portfolios will continue to be underweight equity and fixed income. The portfolios continue to have a tactical allocation to cash and will look to deploy the remaining cash in client portfolios as attractive opportunities present themselves moving forward.

We appreciate your continued confidence in PFMAM. Should you have any specific questions or wish to discuss this topic in more detail, please contact your client manager directly.

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## SUMMARY

- **PFMAM's Multi-Asset Class Investment Committee (the "Committee") has voted to increase exposure to fixed income and international equities by reducing the tactical cash position in client portfolios.**
- **Within international equities, the Committee voted to increase exposure to developed international markets.**
- **Within fixed income, the Committee voted to increase exposure to core and core-plus active fixed income managers.**

## ASSESSMENT

The risk of a recession has been rising throughout this year as high inflation readings and a hawkish U.S. Federal Reserve ("Fed") stance have impacted economic activity. Amidst this backdrop, the Committee believes that the U.S. economy is entering a period of economic slowdown. A strong labor market and corporate fundamentals are currently alleviating the fears of a drastic pullback in economic activity. Inflation, as measured by the Consumer Price Index, is expected to peak soon as some of the supply chain constraints are lessening; evidenced by rising inventory levels, improving supplier delivery times and softening new orders.

The Committee has voted to reduce tactical exposure to cash and add incremental risk to client portfolios by increasing the allocation to fixed income and international equity as it expects the Fed's hiking cycle to peak on the back of peaking inflation. Increasing the allocation to fixed income results in an increased exposure to core managers. International equities, especially developed international equities, look attractive from a valuation standpoint and have been negatively impacted by the strong dollar. As the rate hikes peak, dollar strength should wane, resulting in a positive tailwind for international equities. This increased allocation to international equities results in an increased exposure to developed international markets relative to emerging markets.

## PORTFOLIO IMPLICATIONS

Following these changes, multi-asset class client portfolios will continue to be underweight equity and fixed income while maintaining an allocation to cash, albeit at a lower level. The Committee will look to tactically deploy the remaining cash in client portfolios as attractive opportunities present themselves moving forward.

We appreciate your continued confidence in PFMAM. Should you have any specific questions or wish to discuss this topic in more detail, please contact your client manager directly.

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**City Of Walnut Creek Investment Report Detail**

**September 30, 2022**

**ATTACHMENT 1**

| Type  | 1st Call Date | S&P Ratings | Purchase Date | Maturity Date | Days to Maturity | Original Cost          | Par Value of Investment | Market Value As of 9/30/2022 | US Bank Effective Yield |
|---|---------------|-------------|---------------|---------------|------------------|------------------------|-------------------------|------------------------------|-------------------------|
| <b>FEDERAL SECURITIES (Maximum maturity of 5 years - see additional restrictions below)</b> |               |             |               |               |                  |                        |                         |                              |                         |
| FHLB  | 11/27/2020    | AA+         | 08/27/20      | 08/27/25      | 4 1154           | 999,500.00             | 1,000,000               | 897,360.00                   | 0.67%                   |
| FHLB  | 11/27/2020    | AA+         | 08/27/20      | 08/27/25      | 4 1154           | 1,399,650.00           | 1,400,000               | 1,256,304.00                 | 0.00%                   |
| FHLB  | 12/11/2020    | AA+         | 09/11/20      | 09/11/25      | 4 1169           | 999,000.00             | 1,000,000               | 890,730.00                   | 0.65%                   |
| FHLB  | 8/18/2021     | AA+         | 04/01/21      | 11/18/24      | 3 872            | 996,000.00             | 1,000,000               | 916,550.00                   | 0.33%                   |
| FHLB  | 8/18/2021     | AA+         | 05/03/21      | 11/18/24      | 3 872            | 995,000.00             | 1,000,000               | 916,550.00                   | 0.00%                   |
| FHLB  | 8/18/2021     | AA+         | 05/06/21      | 11/18/24      | 3 872            | 498,000.00             | 500,000                 | 458,275.00                   | 0.00%                   |
| FHLB  | 8/26/2021     | AA+         | 02/26/21      | 08/26/24      | 3 788            | 1,000,000.00           | 1,000,000               | 922,950.00                   | 0.36%                   |
| FHLB  | 9/24/2021     | NA          | 03/24/21      | 09/24/24      | 3 817            | 1,000,000.00           | 1,000,000               | 923,140.00                   | 0.54%                   |
| FHLB  | 6/15/2021     | AA+         | 03/15/21      | 03/15/24      | 2 624            | 999,388.00             | 1,000,000               | 943,420.00                   | 0.40%                   |
| FHLB  | 6/24/2021     | AA+         | 03/24/21      | 03/24/25      | 3 998            | 1,323,012.50           | 1,325,000               | 1,202,358.00                 | 0.66%                   |
| FHLB  | 7/8/2021      | AA+         | 04/08/21      | 04/08/24      | 2 648            | 1,000,000.00           | 1,000,000               | 938,410.00                   | 0.40%                   |
| FHLB  | 7/26/2021     | NA          | 04/26/21      | 07/26/24      | 3 757            | 1,000,000.00           | 1,000,000               | 928,290.00                   | 0.48%                   |
| FHLB  | 7/22/2021     | AA+         | 04/22/21      | 07/22/24      | 3 753            | 1,000,000.00           | 1,000,000               | 929,560.00                   | 0.54%                   |
| FHLB  | 10/15/2021    | AA+         | 04/15/21      | 10/15/24      | 3 838            | 999,850.00             | 1,000,000               | 922,350.00                   | 0.62%                   |
| FHLB  | 8/27/2021     | AA+         | 05/27/21      | 05/27/26      | 4 1427           | 1,000,000.00           | 1,000,000               | 885,580.00                   | 0.68%                   |
| FHLB  | 12/10/2021    | AA+         | 06/10/21      | 12/10/24      | 3 894            | 1,000,000.00           | 1,000,000               | 915,410.00                   | 0.55%                   |
| FHLB  | 9/28/2021     | AA+         | 07/08/21      | 06/28/24      | 2 729            | 999,250.00             | 1,000,000               | 930,370.00                   | 0.43%                   |
| FHLB  | 9/28/2021     | AA+         | 06/28/21      | 11/28/25      | 4 1247           | 999,000.00             | 1,000,000               | 888,700.00                   | 0.84%                   |
| FHLB  | 9/28/2021     | AA+         | 07/02/21      | 03/28/25      | 3 1002           | 999,000.00             | 1,000,000               | 905,920.00                   | 0.61%                   |
| FHLB  | 12/30/2021    | AA+         | 10/12/21      | 04/30/25      | 3 1035           | 999,250.00             | 1,000,000               | 904,520.00                   | 0.69%                   |
| FHLB  | 12/30/2021    | NA          | 09/30/21      | 06/30/25      | 3 1096           | 1,000,000.00           | 1,000,000               | 901,940.00                   | 0.83%                   |
| FHLB  | 9/28/2022     | AA+         | 09/29/21      | 03/28/25      | 3 1002           | 1,000,000.00           | 1,000,000               | 908,370.00                   | 0.70%                   |
| FHLB  | 5/24/2022     | AA+         | 11/24/21      | 11/24/26      | 5 1608           | 1,000,000.00           | 1,000,000               | 878,660.00                   | 1.42%                   |
| FHLB  | 11/22/2022    | NA          | 11/22/21      | 05/22/25      | 3 1057           | 1,000,000.00           | 1,000,000               | 911,630.00                   | 1.10%                   |
| FHLB  | 3/14/2022     | AA+         | 12/14/21      | 12/14/26      | 5 1628           | 500,000.00             | 500,000                 | 445,975.00                   | 1.12%                   |
| FHLB  | 4/28/2022     | AA+         | 01/31/22      | 04/28/26      | 4 1398           | 499,500.00             | 500,000                 | 451,905.00                   | 1.77%                   |
| FHLB  | 5/24/2022     | AA+         | 02/24/22      | 11/24/25      | 4 1243           | 998,000.00             | 1,000,000               | 930,590.00                   | 1.07%                   |
| FHLB  | 7/14/2022     | NA          | 04/14/22      | 04/14/27      | 5 1749           | 1,000,000.00           | 1,000,000               | 932,570.00                   | 3.22%                   |
| FHLB  | 11/5/2022     | NA          | 05/04/22      | 05/05/23      | 1 309            | 999,370.00             | 1,000,000               | 987,890.00                   | 2.15%                   |
| FHLB  | 2/24/2023     | NA          | 09/24/22      | 08/24/23      | 2 420            | 1,000,000.00           | 1,000,000               | 987,110.00                   | 3.17%                   |
| FHLB  | 2/15/2023     | NA          | 08/15/22      | 08/15/23      | 2 411            | 1,000,000.00           | 1,000,000               | 990,960.00                   | 3.28%                   |
| FHLB  | 2/15/2023     | NA          | 09/06/22      | 08/15/23      | 2 411            | 999,900.00             | 1,000,000               | 990,960.00                   | 0.00%                   |
| FHLB  | 3/27/2023     | AA+         | 09/27/22      | 09/27/24      | 3 820            | 997,500.00             | 1,000,000               | 1,001,030.00                 | 4.00%                   |
| FHLB  | 12/30/2022    | NA          | 09/30/22      | 06/30/23      | 1 365            | 1,000,000.00           | 1,000,000               | 999,780.00                   | 4.00%                   |
| FFCB  | 2/4/2021      | AA+         | 08/04/20      | 08/04/25      | 4 1131           | 2,000,000.00           | 2,000,000               | 1,795,780.00                 | 0.75%                   |
| FFCB  | 8/12/2021     | AA+         | 08/12/20      | 08/12/25      | 4 1139           | 999,403.00             | 1,000,000               | 896,680.00                   | 0.64%                   |
| FFCB  | 8/12/2021     | AA+         | 08/17/20      | 08/12/25      | 4 1139           | 999,000.00             | 1,000,000               | 896,680.00                   | 0.00%                   |
| FFCB  |               | NA          | 09/23/21      | 03/21/25      | 3 995            | 1,299,675.00           | 1,300,000               | 1,180,283.00                 | 0.62%                   |
| FFCB  | 11/4/2021     | AA+         | 09/09/21      | 11/04/24      | 3 858            | 999,060.00             | 1,000,000               | 918,750.00                   | 0.48%                   |
| FFCB  | 2/16/2021     | AA+         | 11/16/20      | 05/16/24      | 2 686            | 999,250.00             | 1,000,000               | 934,760.00                   | 0.37%                   |
| FFCB  | 9/15/2021     | AA+         | 07/13/21      | 09/15/23      | 2 442            | 998,916.00             | 1,000,000               | 959,720.00                   | 0.17%                   |
| FFCB  | 4/14/2021     | AA+         | 01/14/21      | 07/14/25      | 4 1110           | 1,497,000.00           | 1,500,000               | 1,338,855.00                 | 0.44%                   |
| FFCB  | 5/12/2021     | AA+         | 02/25/21      | 11/12/24      | 3 866            | 998,000.00             | 1,000,000               | 915,210.00                   | 0.33%                   |
| FFCB  | 8/17/2021     | AA+         | 02/26/21      | 02/17/26      | 4 1328           | 996,031.00             | 1,000,000               | 878,720.00                   | 0.67%                   |
| FFCB  | 9/1/2021      | AA+         | 03/19/21      | 03/01/24      | 2 610            | 997,058.00             | 1,000,000               | 941,430.00                   | 0.27%                   |
| FFCB  | 11/10/2021    | AA+         | 08/11/21      | 02/10/25      | 3 956            | 999,000.00             | 1,000,000               | 909,870.00                   | 0.53%                   |
| FHLMC   | 10/29/2021    | NA          | 06/15/21      | 10/29/25      | 4 1217           | 1,490,298.00           | 1,500,000               | 1,326,045.00                 | 0.51%                   |
| FHLMC   | 8/20/2021     | NA          | 08/20/20      | 08/20/25      | 4 1147           | 2,000,000.00           | 2,000,000               | 1,790,500.00                 | 0.70%                   |
| FHLMC   | 8/12/2021     | NA          | 08/12/20      | 08/12/25      | 4 1139           | 1,000,000.00           | 1,000,000               | 897,400.00                   | 0.67%                   |
| FHLB  | 6/17/2022     | AA+         | 03/17/22      | 03/17/25      | 3 991            | 999,701.62             | 1,000,000               | 942,200.00                   | 2.18%                   |
| FHLMC   | 7/8/2022      | AA+         | 04/08/22      | 10/08/24      | 3 831            | 998,000.00             | 1,000,000               | 960,300.00                   | 2.60%                   |
| FNMA  | 8/14/2023     | AA+         | 05/03/21      | 08/14/25      | 4 1141           | 991,579.00             | 1,000,000               | 892,450.00                   | 0.56%                   |
| FNMA  |               | NA          | 08/27/20      | 08/25/25      | 4 1152           | 995,320.00             | 1,000,000               | 894,150.00                   | 0.42%                   |
| FNMA  | 7/29/2021     | NA          | 07/29/20      | 07/29/25      | 4 1125           | 999,000.00             | 1,000,000               | 897,560.00                   | 0.67%                   |
| FNMA  | 7/29/2021     | NA          | 07/29/20      | 07/29/25      | 4 1125           | 2,000,000.00           | 2,000,000               | 1,798,640.00                 | 0.78%                   |
| FNMA  | 8/27/2021     | AA+         | 08/27/20      | 08/27/25      | 4 1154           | 1,000,000.00           | 1,000,000               | 893,910.00                   | 0.67%                   |
| FNMA  | 2/28/2022     | NA          | 08/28/20      | 08/28/25      | 4 1155           | 1,000,000.00           | 1,000,000               | 893,810.00                   | 0.67%                   |
| FNMA  | 8/27/2021     | AA+         | 08/27/20      | 08/27/25      | 4 1154           | 998,500.00             | 1,000,000               | 891,220.00                   | 0.56%                   |
| FNMA  | 2/28/2022     | AA+         | 08/28/20      | 08/28/25      | 4 1155           | 2,000,000.00           | 2,000,000               | 1,788,980.00                 | 0.70%                   |
| FNMA  | 8/25/2021     | NA          | 08/25/20      | 08/25/25      | 4 1152           | 1,000,000.00           | 1,000,000               | 895,710.00                   | 0.74%                   |
| FHLMC   |               | AA+         | 01/07/21      | 09/23/25      | 4 1181           | 998,833.97             | 1,000,000               | 891,860.00                   | 0.42%                   |
| <b>TOTAL FEDERAL SECURITIES</b>   |               |             |               |               | <b>2.7</b>       | <b>\$65,453,796.09</b> | <b>\$65,525,000</b>     | <b>\$60,017,590.00</b>       | <b>0.88%</b>            |
|   |               |             |               |               | years            |                        |                         |                              |                         |

**City Of Walnut Creek Investment Report Detail**

ATTACHMENT 1

| September 30, 2022   |               |             |               |               |                  |                 |                         |                              |                         |
|--|---------------|-------------|---------------|---------------|------------------|-----------------|-------------------------|------------------------------|-------------------------|
| Type   | 1st Call Date | S&P Ratings | Purchase Date | Maturity Date | Days to Maturity | Original Cost   | Par Value of Investment | Market Value As of 9/30/2022 | US Bank Effective Yield |
| <b>U.S TREASURIES</b>  |               |             |               |               |                  |                 |                         |                              |                         |
| US TREASURY NOTE   |               |             | 01/10/22      | 12/15/24      | 3 899            | 999,726.56      | 1,000,000               | 931,840.00                   | 1.07%                   |
| US TREASURY BILL   |               |             | 07/21/22      | 10/27/22      | 1 119            | 993,575.56      | 1,000,000               | 998,280.00                   | 2.51%                   |
| US TREASURY BILL   |               |             | 08/30/22      | 11/25/22      | 1 148            | 993,305.83      | 1,000,000               | 995,860.00                   | 2.80%                   |
| <b>TOTAL U.S. TREASURIES</b>   |               |             |               |               | 1.1 years        | \$2,986,607.95  | \$3,000,000.00          | \$2,925,980                  | 2.13%                   |
| <b>CALIFORNIA GENERAL OBLIGATION (G.O.) BONDS</b>  |               |             |               |               |                  |                 |                         |                              |                         |
| <b>TOTAL CALIFORNIA G.O. BONDS</b>   |               |             |               |               | 0.0 years        | 0.00            | 0                       | 0.00                         |                         |
| <b>COMMERCIAL PAPER</b>  |               |             |               |               |                  |                 |                         |                              |                         |
| (For Commercial Paper, maximum \$2 million per institution, total may not exceed 15% of portfolio for maximum of 270 days)                             |               |             |               |               |                  |                 |                         |                              |                         |
| <b>TOTAL COMMERCIAL PAPER</b>  |               |             |               |               | 0.0 years        | \$0             | \$0                     | \$0                          | 0.00%                   |
| <b>CORPORATE BONDS</b>   |               |             |               |               |                  |                 |                         |                              |                         |
| =Amortized monthly   |               |             |               |               |                  |                 |                         |                              |                         |
| (For Medium Term Notes (i.e. more than 270 days)- maximum 30% of portfolio, no more than \$5 million in one institution, maturity not to exceed 5 yrs) |               |             |               |               |                  |                 |                         |                              |                         |
| AMAZON.COM   | AA            |             | 05/13/21      | 05/12/26      | 4 1412           | 999,750.00      | 1,000,000               | 877,430.00                   | 1.14%                   |
| AMERICAN HONDA FINANCE   | A-            |             | 04/18/22      | 07/08/25      | 4 1104           | 948,050.00      | 1,000,000               | 904,790.00                   | 1.33%                   |
| APPLE INC CORP   | AA+           |             | 01/07/20      | 09/11/24      | 3 804            | 1,000,000.00    | 1,000,000               | 953,540.00                   | 1.89%                   |
| APPLE INC CORP   | AA+           |             | 05/11/20      | 05/11/25      | 3 1046           | 1,002,523.72    | 1,000,000               | 917,200.00                   | 1.23%                   |
| APPLE INC CORP   | AA+           |             | 02/08/21      | 02/08/26      | 4 1319           | 1,000,000.00    | 1,000,000               | 879,580.00                   | 0.80%                   |
| BANK OF AMERICA CORP   | A-            |             | 01/26/21      | 01/26/26      | 4 1306           | 1,000,000.00    | 1,000,000               | 847,150.00                   | 0.71%                   |
| BANK OF AMERICA CORP   | A-            |             | 01/26/21      | 01/26/26      | 4 1306           | 1,000,000.00    | 1,000,000               | 847,150.00                   | 0.00%                   |
| BANK OF AMERICA CORP   | A-            |             | 01/29/21      | 01/29/26      | 4 1309           | 1,000,000.00    | 1,000,000               | 856,750.00                   | 0.88%                   |
| BANK OF AMERICA CORP   | A-            |             | 05/28/21      | 05/28/26      | 4 1428           | 1,000,000.00    | 1,000,000               | 854,580.00                   | 1.46%                   |
| BANK OF AMERICA CORP   | A-            |             | 07/30/21      | 07/30/26      | 5 1491           | 1,000,000.00    | 1,000,000               | 827,780.00                   | 1.45%                   |
| BANK OF AMERICA CORP   | A-            |             | 08/26/21      | 08/26/26      | 5 1518           | 1,000,000.00    | 1,000,000               | 847,640.00                   | 1.47%                   |
| BANK OF MONTREAL   | NA            |             | 12/22/21      | 12/22/26      | 5 1636           | 1,000,000.00    | 1,000,000               | 887,390.00                   | 2.25%                   |
| BNY MELLON CORP  | A             |             | 04/30/18      | 04/28/23      | 1 302            | 374,591.25      | 375,000                 | 373,301.25                   | 3.52%                   |
| BNY MELLON CORP  | A             |             | 03/19/20      | 10/24/24      | 3 847            | 1,000,000.00    | 1,000,000               | 947,500.00                   | 2.22%                   |
| BNY MELLON CORP  | A             |             | 07/21/21      | 01/28/26      | 4 1308           | 999,500.00      | 1,000,000               | 878,020.00                   | 0.85%                   |
| BARCLAYS BK  | A             |             | 10/29/21      | 04/29/25      | 3 1034           | 2,000,000.00    | 2,000,000               | 1,773,440.00                 | 1.13%                   |
| BARCLAYS BK PLC  | NA            |             | 08/29/22      | 08/29/25      | 4 1156           | 2,000,000.00    | 2,000,000               | 1,924,500.00                 | 4.31%                   |
| BBT CORP   | A             |             | 12/10/19      | 12/06/24      | 3 890            | 998,970.00      | 1,000,000               | 940,960.00                   | 2.28%                   |
| CATERPILLAR FINL SRV   | A             |             | 02/12/21      | 09/14/23      | 2 441            | 1,001,494.19    | 1,000,000               | 962,930.00                   | 0.47%                   |
| CATERPILLAR FINL SRV   | A             |             | 11/20/20      | 11/13/25      | 4 1232           | 1,354,172.40    | 1,350,000               | 1,196,167.50                 | 0.90%                   |
| CATERPILLAR FINL SRV   | A             |             | 01/21/21      | 11/13/25      | 4 1232           | 2,006,186.44    | 2,000,000               | 1,772,100.00                 | 0.00%                   |
| CATERPILLAR FINL SRV   | A             |             | 03/08/21      | 03/02/26      | 4 1341           | 793,416.00      | 800,000                 | 704,976.00                   | 1.02%                   |
| JOHN DEERE   | A             |             | 03/23/20      | 01/09/25      | 3 924            | 979,770.00      | 1,000,000               | 942,260.00                   | 2.18%                   |
| JOHN DEERE CAPITAL   | A             |             | 01/27/21      | 01/15/26      | 4 1295           | 1,400,000.00    | 1,400,000               | 1,228,136.00                 | 0.80%                   |
| JOHN DEERE CAPITAL   | A             |             | 07/21/21      | 01/15/26      | 4 1295           | 999,500.00      | 1,000,000               | 877,240.00                   | 0.00%                   |
| JPMORGAN CHASE   | A+            |             | 01/22/21      | 01/22/26      | 4 1302           | 1,000,000.00    | 1,000,000               | 862,160.00                   | 0.81%                   |
| JPMORGAN CHASE   | A+            |             | 09/14/21      | 09/14/26      | 5 1537           | 1,000,000.00    | 1,000,000               | 884,280.00                   | 1.13%                   |
| JPMORGAN CHASE   | A-            |             | 08/30/21      | 08/28/26      | 5 1520           | 1,000,000.00    | 1,000,000               | 848,030.00                   | 1.42%                   |
| JPMORGAN CHASE   | NA            |             | 10/29/21      | 10/29/26      | 5 1582           | 1,000,000.00    | 1,000,000               | 849,340.00                   | 1.65%                   |
| ROYAL BANK OF CANADA   | A             |             | 03/12/21      | 01/19/24      | 2 568            | 995,620.23      | 1,000,000               | 948,510.00                   | 0.45%                   |
| TORONTO DOMINION   | A             |             | 10/13/20      | 09/11/25      | 4 1169           | 1,000,000.00    | 1,000,000               | 881,680.00                   | 0.85%                   |
| TORONTO DOMINION   | A             |             | 04/19/21      | 03/04/24      | 2 613            | 1,001,995.68    | 1,000,000               | 939,860.00                   | 0.59%                   |
| TOYOTA MTR CORP  | A+            |             | 09/15/21      | 10/16/25      | 4 1204           | 995,995.66      | 1,000,000               | 886,550.00                   | 0.90%                   |
| TRUIST BK TFC  | A             |             | 03/30/20      | 03/10/25      | 3 984            | 1,985,182.10    | 2,000,000               | 1,838,880.00                 | 1.63%                   |
| <b>TOTAL CORPORATE BONDS</b>   |               |             |               |               | 3.2 years        | \$37,836,717.67 | \$37,925,000            | \$33,961,800.75              | 1.29%                   |



**City Of Walnut Creek Investment Report Detail**

|   |               |             |               |               |                  |                       | September 30, 2022      |                              | ATTACHMENT 1            |  |
|---|---------------|-------------|---------------|---------------|------------------|-----------------------|-------------------------|------------------------------|-------------------------|--|
| Type  | 1st Call Date | S&P Ratings | Purchase Date | Maturity Date | Days to Maturity | Original Cost         | Par Value of Investment | Market Value As of 9/30/2022 | US Bank Effective Yield |  |
| <b>CERTIFICATES OF DEPOSIT</b>  |               |             |               |               |                  |                       |                         |                              |                         |  |
| <b>(Maximum 20% of portfolio - no more than \$2 million in one institution , weighted average maturity not to exceed 3 years)</b> |               |             |               |               |                  |                       |                         |                              |                         |  |
| TVI-BMW BK CD   |               |             | 10/15/19      | 10/11/22      | 1 103            | 247,000.00            | 247,000                 | 246,918.49                   | 1.85%                   |  |
| TVI-ALLY BANK CD  |               |             | 10/17/19      | 10/17/22      | 1 109            | 245,000.00            | 245,000                 | 244,875.05                   | 1.85%                   |  |
| TVI-SALLIE MAE BK CD  |               |             | 11/27/19      | 11/28/22      | 1 151            | 247,000.00            | 247,000                 | 246,503.53                   | 1.85%                   |  |
| MBS-ENERBANK USA CD   |               |             | 03/13/20      | 03/13/23      | 1 256            | 245,000.00            | 245,000                 | 241,932.60                   | 1.01%                   |  |
| VS-AXOS BK BOFI CD  |               |             | 03/27/20      | 03/27/23      | 1 270            | 245,000.00            | 245,000                 | 242,275.60                   | 1.62%                   |  |
| MBS-GREENSTATE CU CD  |               |             | 08/18/20      | 08/18/23      | 2 414            | 245,000.00            | 245,000                 | 237,250.65                   | 0.41%                   |  |
| VS-STATE BANK INDIA CD  |               |             | 02/25/21      | 02/25/26      | 4 1336           | 245,000.00            | 245,000                 | 216,163.50                   | 0.68%                   |  |
| VS-SALLIE MAE BK CD   |               |             | 07/14/21      | 07/14/26      | 5 1475           | 245,000.00            | 245,000                 | 216,572.65                   | 1.13%                   |  |
| MBS-SALLIE MAE BK CD  |               |             | 08/11/21      | 08/11/26      | 5 1503           | 245,000.00            | 245,000                 | 216,900.95                   | 1.24%                   |  |
| VS-SYNCHRONY BK CD  |               |             | 09/10/21      | 09/10/24      | 3 803            | 245,000.00            | 245,000                 | 228,273.85                   | 0.64%                   |  |
| VS-MEDALLION BK CD  |               |             | 09/16/21      | 09/16/24      | 3 809            | 245,000.00            | 245,000                 | 228,126.85                   | 0.64%                   |  |
| VS-SYNCHRONY BK CD  |               |             | 10/22/21      | 10/22/24      | 3 845            | 248,000.00            | 248,000                 | 230,692.08                   | 0.75%                   |  |
| BEAL BANK USA CD  |               |             | 02/24/22      | 02/21/24      | 2 601            | 245,000.00            | 245,000                 | 234,999.10                   | 1.25%                   |  |
| AmericanExpress CD  |               |             | 03/11/22      | 03/11/24      | 2 620            | 245,000.00            | 245,000                 | 236,072.20                   | 1.66%                   |  |
| TVI-CAPITAL ONE CD  |               |             | 05/25/22      | 05/28/24      | 2 698            | 246,000.00            | 246,000                 | 240,521.58                   | 2.91%                   |  |
| CONNEXUS CREDIT CD  |               |             | 08/26/22      | 08/28/24      | 3 790            | 248,000.00            | 248,000                 | 243,982.40                   | 3.46%                   |  |
| CONNEXUS CREDIT CD  |               |             | 08/26/22      | 08/26/25      | 4 1153           | 245,000.00            | 245,000                 | 239,352.75                   | 3.58%                   |  |
| MOUNTAIN AMERICA CREDIT UNION CD  |               |             | 08/31/22      | 02/28/25      | 3 974            | 245,000.00            | 245,000                 | 240,124.50                   | 3.52%                   |  |
| ESSENTIAL FED CD  |               |             | 09/09/22      | 09/09/24      | 3 802            | 247,000.00            | 247,000                 | 243,134.45                   | 3.50%                   |  |
| <b>TOTAL CERTIFICATES OF DEPOSIT</b>  |               |             |               |               | 6.2<br>years     | \$4,668,000.00        | \$4,668,000             | \$4,474,672.78               | 1.77%                   |  |
| <b>MONEY MARKET FUNDS</b>   |               |             |               |               |                  |                       |                         |                              |                         |  |
| US Bank Government Money Market Fund  |               |             |               | N/A           |                  | 185,949.90            | 185,950                 | 185,949.90                   | 2.73%                   |  |
| <b>TOTAL MUTUAL FUNDS</b>   |               |             |               |               |                  | 185,949.90            | \$185,950               | 185,949.90                   | 2.73%                   |  |
| <b>PUBLIC INTEREST CHECKING ACCOUNT</b>   |               |             |               |               |                  |                       |                         |                              |                         |  |
| Pacific Premier (formerly Opus) Bank Checking Account - Closed 3/05/21  |               |             |               |               |                  | -                     | -                       | -                            | -                       |  |
| <b>POOLED PUBLIC AGENCY INVESTMENTS (\$75 million limit per account)</b>  |               |             |               |               |                  |                       |                         |                              |                         |  |
| Local Agency Investment Fund (LAIF) - City  |               |             |               | N/A           |                  | 22,021,215.35         | 22,021,215              | 21,597,548.35                | 1.513%                  |  |
| Local Agency Investment Fund (LAIF) - Successor Agency  |               |             |               | N/A           |                  | 4,639,667.83          | 4,639,668               | 4,550,405.08                 | 1.513%                  |  |
| Local Agency Investment Fund (LAIF) - WCPFFA  |               |             |               | N/A           |                  | 249.26                | 249                     | 244.46                       | 1.513%                  |  |
| <b>TOTAL POOLED PUBLIC AGENCY INVESTMENTS</b>   |               |             |               |               |                  | 26,661,132.44         | \$26,661,132            | 26,148,197.90                | 1.513%                  |  |
| <b>TOTAL INVESTED PORTFOLIO <sup>(1)</sup></b>  |               |             |               |               |                  | <b>137,792,204.05</b> | <b>137,965,082.34</b>   | <b>127,714,191.33</b>        | <b>1.13%</b>            |  |
| <b>MATURITY SCHEDULE SUMMARY OF PORTFOLIO</b>   |               |             |               |               |                  |                       |                         |                              |                         |  |
| Money Market Funds/Public Interest Checking/LAIF (1 day liquidity)  |               |             |               |               |                  |                       |                         | \$26,334,148                 | 20.62%                  |  |
| Maturing in 1 year or less  |               |             |               |               |                  |                       |                         | \$5,577,617                  | 4.37%                   |  |
| Maturing in 1-2 years   |               |             |               |               |                  |                       |                         | \$12,417,284                 | 9.72%                   |  |
| Maturing in 2-3 years   |               |             |               |               |                  |                       |                         | \$31,055,410                 | 24.32%                  |  |
| Maturing in 3-4 years   |               |             |               |               |                  |                       |                         | \$44,494,595                 | 34.84%                  |  |
| Maturing in 4-5 years   |               |             |               |               |                  |                       |                         | \$7,835,139                  | 6.13%                   |  |
| Total Portfolio   |               |             |               |               |                  |                       |                         | \$127,714,191                | 100.00%                 |  |
| <b>SUMMARY BY INVESTMENT TYPE</b>   |               |             |               |               |                  |                       |                         |                              |                         |  |
| Federal Securities  |               |             |               |               |                  |                       |                         | \$60,017,590                 | 46.99%                  |  |
| U.S. Treasuries   |               |             |               |               |                  |                       |                         | \$2,925,980                  | 2.29%                   |  |
| California General Obligation Bonds   |               |             |               |               |                  |                       |                         | \$0                          | 0.00%                   |  |
| Commercial Paper  |               |             |               |               |                  |                       |                         | \$0                          | 0.00%                   |  |
| Corporate Bonds   |               |             |               |               |                  |                       |                         | \$33,961,801                 | 26.59%                  |  |
| Certificates of Deposit   |               |             |               |               |                  |                       |                         | \$4,474,673                  | 3.50%                   |  |
| Money Market Funds  |               |             |               |               |                  |                       |                         | \$185,950                    | 0.15%                   |  |
| Public Interest Checking Account  |               |             |               |               |                  |                       |                         | -                            | 0.00%                   |  |
| LAIF  |               |             |               |               |                  |                       |                         | \$26,148,198                 | 20.47%                  |  |
| <b>GRAND TOTAL</b>  |               |             |               |               |                  |                       |                         | \$127,714,191                | 100.00%                 |  |
| <b>% OF FEDERAL SECURITIES CALLABLE</b>   |               |             |               |               |                  |                       |                         |                              | <b>88%</b>              |  |

<sup>(1)</sup> See page 5 of Agenda Report for additional details regarding the restricted use of these funds