



Agenda Report

DATE: JUNE 6, 2023
TO: CITY COUNCIL
FROM: ADMINISTRATIVE SERVICES DEPARTMENT – FINANCE
SUBJECT: MARCH 2023 INVESTMENT AND SECTION 115 PENSION TRUST REPORT

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 March 31, 2023.

RECOMMENDED ACTION:

Accept the March 2023 Investment and IRS Section 115 Pension Trust Report.

DISCUSSION:

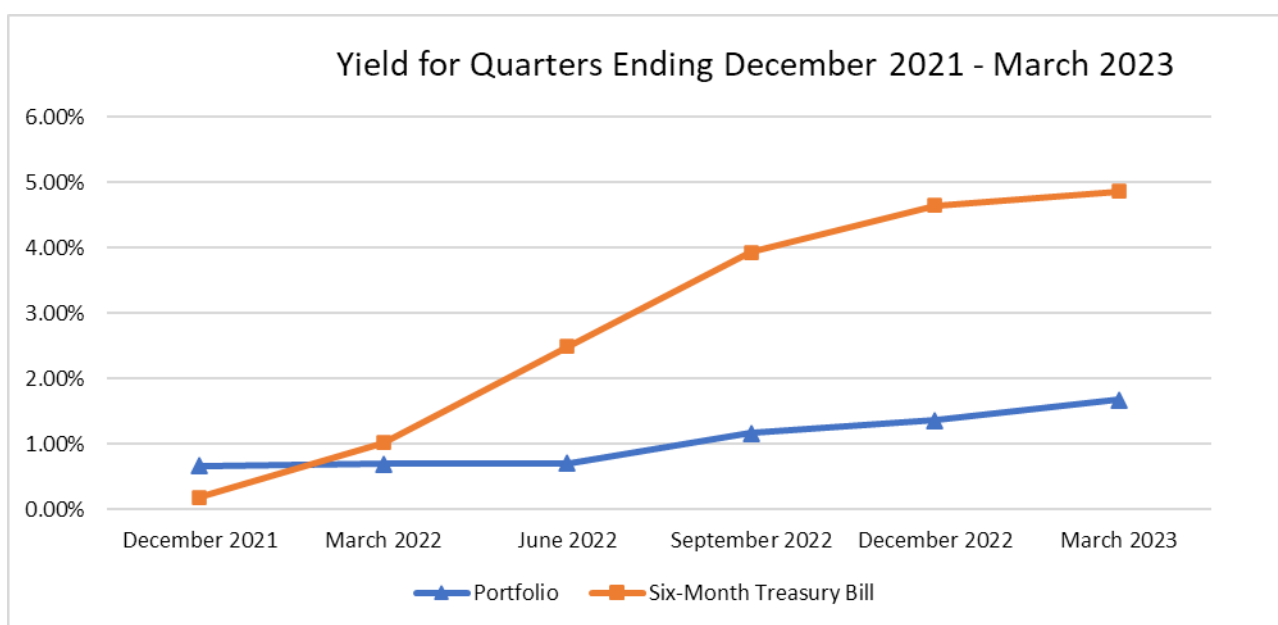
Investment Portfolio

The City's current Investment Policy was updated and adopted by City Council in January 2023. 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 March 31, 2023 was 1.68%. 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 continuing to increase during the quarter, this strategy resulted in the City's portfolio effective rate remaining below 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:

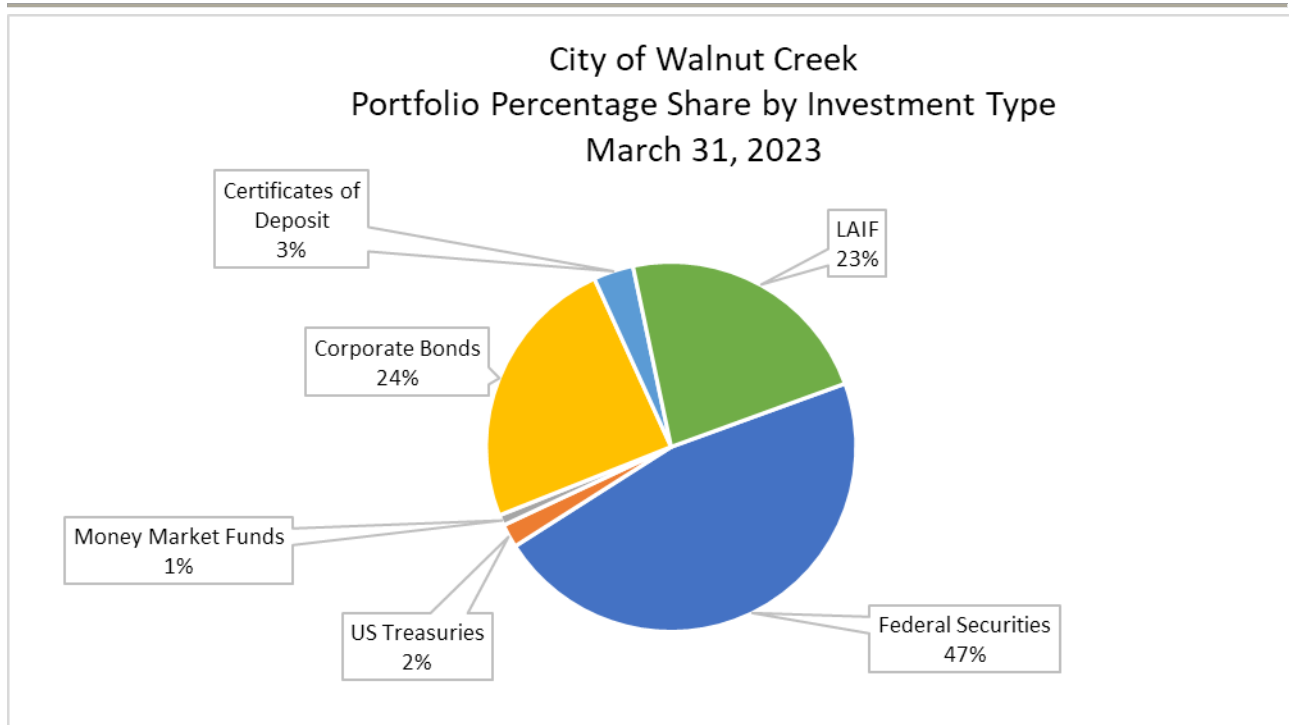
Quarter Ending	Portfolio	Six-Month Treasury Bill
March 2023	1.68%	4.86
December 2022	1.37%	4.65%
September 2022	1.17%	3.93%
June 2022	0.71%	2.49%
March 2022	0.70%	1.02%
December 2021	0.67%	0.19%
September 2021	0.72%	0.05%



The graph above 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 March 31, 2023, because of the combination of factors noted earlier, including Federal Interest rate increases. In calendar year 2022, the Federal Funds rate was increased by 425 basis points. When the Federal Open Market Committee (FOMC) reviews interest rates, they consider 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.

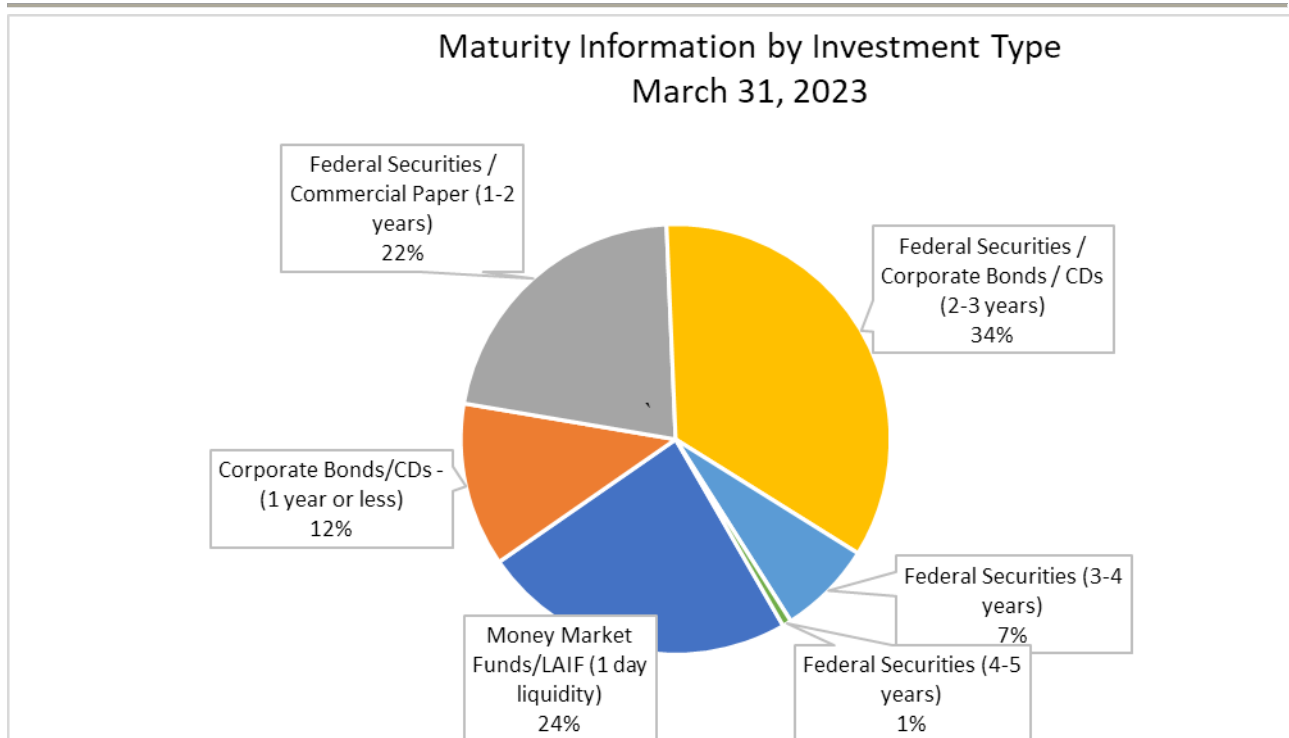


Portfolio Liquidity

The average length to maturity for the March 31, 2023 portfolio (excluding LAIF and Money Market Funds, which are immediately available) is 2.2 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)	\$33,806,486	24%
Corporate Bonds/CDs - (1 year or less)	\$17,581,034	12%
Federal Securities / Commercial Paper (1-2 years)	\$30,893,891	22%
Federal Securities / Corporate Bonds / CDs (2-3 years)	\$49,320,430	35%
Federal Securities (3-4 years)	\$10,161,057	7%
Federal Securities (4-5 years)	\$955,330	1%
Total Portfolio	\$142,718,228	100%



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 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 March 31, 2023 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 March 31, 2023.

Type	Market Value	Amount Over/(Under) Cost	Average Length of Maturity	Effective Rate of Return
Federal Securities	\$66,403,984	(\$4,049,812)	1.9	1.24%
U.S. Treasuries	2,938,760	(\$44,002)	0.6	3.43%
California General Obligation Bonds	-	-	-	0.00%
Corporate Bonds	34,585,877	(\$3,247,985)	2.5	1.36%
Certificates of Deposit	4,983,122	(\$184,878)	1.9	2.82%
Money Market Funds	1,324,451	-	1 Day	4.61%
LAIF	32,482,035	(\$444,164)	1 Day	2.83%
Total (Portfolio) Investments	\$142,718,228	(\$7,970,841)	2.16	1.68%
U.S. Treasury Money Market (Actor's Equity Account)	26,500.00	-		
Cash (Net of outstanding checks)	11,012,099	-		
Total Cash and Investments	\$153,756,826	(\$7,970,841)		

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 increased approximately \$1.76 million (1.1%) from the prior quarter.

	Amount	Percent
General Fund Contingencies / Future Projects (Assigned)	\$ 63,498,674	41%
Special Revenue Funds (Restricted)	21,933,249	14%
Impact / In Lieu Fee Funds (Restricted)	37,963,302	25%
Capital Project / Assessment District Funds (Restricted)	2,524,624	2%
Enterprise Funds (Restricted)	2,874,377	2%
Internal Service / Replacement Funds (Assigned)	15,867,259	10%
Permanent Fund (Restricted)	1,753,958	1%
Agency Funds (Restricted)	7,341,383	5%
Total	\$ 153,756,826	100%

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.

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 March 31, 2023. The closing market value of the trust is \$24,073,672. The weighted portfolio performance over the quarter is 4.69% vs. the blended benchmark of 5.02%. See Attachments 3 and 4, March 31, 2023 Walnut Creek Section 115 Pension Trust Statement and Economic Overview for more details.

FINANCIAL IMPACTS:

Acceptance of the March 31, 2023 Investment and Section 115 Pension Trust Report will have no financial impact.

ALTERNATIVE ACTION:

None.

DOCUMENTS:

- Attachment 1: March 31, 2023 Investment Detail Report
- Attachment 2: March 31, 2023 Supplementary Information by Investment Type
- Attachment 3: March 31, 2023 Walnut Creek Section 115 Pension Trust Statement
- Attachment 4: March 31, 2023 Walnut Creek Section 115 Pension Trust Economic Overview

CITY COUNCIL ACTION RECOMMENDED:

Accept the March 31, 2023 Investment and Section 115 Pension Trust Statement Report as submitted.

STAFF CONTACT: Katie Bruner, Budget Manager
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bruner@walnut-creek.org

City Of Walnut Creek Investment Report Detail

March 31, 2023

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 3/31/23	US Bank Effective Yield
FEDERAL SECURITIES (Maximum maturity of 5 years - see additional restrictions below)									
FHLB	11/27/2020	AA+	08/27/20	08/27/25	3 880	999,500.00	1,000,000	920,930.00	0.65%
FHLB	11/27/2020	AA+	08/27/20	08/27/25	3 880	1,399,650.00	1,400,000	1,289,302.00	0.65%
FHLB	12/11/2020	AA+	09/11/20	09/11/25	3 895	999,000.00	1,000,000	919,260.00	0.63%
FHLB	8/18/2021	AA+	04/01/21	11/18/24	2 598	996,000.00	1,000,000	936,140.00	0.32%
FHLB	8/18/2021	AA+	05/03/21	11/18/24	2 598	995,000.00	1,000,000	936,140.00	0.32%
FHLB	8/18/2021	AA+	05/06/21	11/18/24	2 598	498,000.00	500,000	468,070.00	0.32%
FHLB	8/26/2021	AA+	02/26/21	08/26/24	2 514	1,000,000.00	1,000,000	942,960.00	0.35%
FHLB	9/24/2021	NA	03/24/21	09/24/24	2 543	1,000,000.00	1,000,000	942,890.00	0.53%
FHLB	6/15/2021	AA+	03/15/21	03/15/24	1 350	999,388.00	1,000,000	958,670.00	0.39%
FHLB	6/24/2021	AA+	03/24/21	03/24/25	2 724	1,323,012.50	1,325,000	1,230,805.75	0.65%
FHLB	7/8/2021	AA+	04/08/21	04/08/24	2 374	1,000,000.00	1,000,000	956,360.00	0.39%
FHLB	7/26/2021	NA	04/26/21	07/26/24	2 483	1,000,000.00	1,000,000	947,100.00	0.48%
FHLB	7/22/2021	AA+	04/22/21	07/22/24	2 479	1,000,000.00	1,000,000	948,060.00	0.53%
FHLB	10/15/2021	AA+	04/15/21	10/15/24	2 564	999,850.00	1,000,000	942,580.00	0.60%
FHLB	8/27/2021	AA+	05/27/21	05/27/26	4 1153	1,000,000.00	1,000,000	915,400.00	0.66%
FHLB	12/10/2021	AA+	06/10/21	12/10/24	2 620	1,000,000.00	1,000,000	937,990.00	0.53%
FHLB	9/28/2021	AA+	07/08/21	06/28/24	2 455	999,250.00	1,000,000	948,580.00	0.42%
FHLB	9/28/2021	AA+	06/28/21	11/28/25	3 973	999,000.00	1,000,000	918,740.00	0.82%
FHLB	9/28/2021	AA+	07/02/21	03/28/25	2 728	999,000.00	1,000,000	929,930.00	0.59%
FHLB	12/30/2021	AA+	10/12/21	04/30/25	3 761	999,250.00	1,000,000	929,040.00	0.67%
FHLB	12/30/2021	NA	09/30/21	06/30/25	3 822	1,000,000.00	1,000,000	928,210.00	0.81%
FHLB	9/28/2022	AA+	09/29/21	03/28/25	2 728	1,000,000.00	1,000,000	928,520.00	0.69%
FHLB	5/24/2022	AA+	11/24/21	11/24/26	4 1334	1,000,000.00	1,000,000	903,590.00	1.38%
FHLB	11/22/2022	NA	11/22/21	05/22/25	3 783	1,000,000.00	1,000,000	935,110.00	1.07%
FHLB	3/14/2022	AA+	12/14/21	12/14/26	4 1354	500,000.00	500,000	460,015.00	1.09%
FHLB	4/28/2022	AA+	01/31/22	04/28/26	4 1124	499,500.00	500,000	463,065.00	1.73%
FHLB	5/24/2022	AA+	02/24/22	11/24/25	3 969	998,000.00	1,000,000	956,560.00	1.31%
FHLB	7/14/2022	NA	04/14/22	04/14/27	5 1475	1,000,000.00	1,000,000	955,330.00	3.14%
FHLB	11/5/2022	NA	05/04/22	05/05/23	1 35	999,370.00	1,000,000	997,600.00	2.13%
FHLB	2/24/2023	NA	09/24/22	08/24/23	1 146	1,000,000.00	1,000,000	993,020.00	3.15%
FHLB	2/15/2023	NA	08/15/22	08/15/23	1 137	1,000,000.00	1,000,000	994,020.00	3.27%
FHLB	2/15/2023	NA	09/06/22	08/15/23	1 137	999,900.00	1,000,000	994,020.00	3.27%
FHLB	3/27/2023	AA+	09/27/22	09/27/24	2 546	997,500.00	1,000,000	988,490.00	4.05%
FHLB	12/30/2022	NA	09/30/22	06/30/23	1 91	1,000,000.00	1,000,000	998,050.00	4.01%
FFCB	2/4/2021	AA+	08/04/20	08/04/25	3 857	2,000,000.00	2,000,000	1,848,160.00	0.73%
FFCB	8/12/2021	AA+	08/12/20	08/12/25	3 865	999,403.00	1,000,000	921,340.00	0.62%
FFCB	8/12/2021	AA+	08/17/20	08/12/25	3 865	999,000.00	1,000,000	921,340.00	0.62%
FFCB		NA	09/23/21	03/21/25	2 721	1,299,675.00	1,300,000	1,209,741.00	0.60%
FFCB	11/4/2021	AA+	09/09/21	11/04/24	2 584	999,060.00	1,000,000	939,410.00	0.47%
FFCB	2/16/2021	AA+	11/16/20	05/16/24	2 412	999,250.00	1,000,000	952,380.00	0.37%
FFCB	9/15/2021	AA+	07/13/21	09/15/23	1 168	998,916.00	1,000,000	977,670.00	0.16%
FFCB	4/14/2021	AA+	01/14/21	07/14/25	3 836	1,497,000.00	1,500,000	1,379,355.00	0.42%
FFCB	5/12/2021	AA+	02/25/21	11/12/24	2 592	998,000.00	1,000,000	936,610.00	0.32%
FFCB	8/17/2021	AA+	02/26/21	02/17/26	3 1054	996,031.00	1,000,000	905,320.00	0.65%
FFCB	9/1/2021	AA+	03/19/21	03/01/24	1 336	997,058.00	1,000,000	959,030.00	0.26%
FFCB	11/10/2021	AA+	08/11/21	02/10/25	2 682	999,000.00	1,000,000	931,090.00	0.52%
FHLMC	10/29/2021	NA	06/15/21	10/29/25	3 943	1,490,298.00	1,500,000	1,369,110.00	0.49%
FHLMC	8/20/2021	NA	08/20/20	08/20/25	3 873	2,000,000.00	2,000,000	1,844,080.00	0.68%
FHLMC	8/12/2021	NA	08/12/20	08/12/25	3 865	1,000,000.00	1,000,000	922,000.00	0.65%
FHLB	6/17/2022	AA+	03/17/22	03/17/25	2 717	999,701.62	1,000,000	957,930.00	2.14%
FHLMC	7/8/2022	AA+	04/08/22	10/08/24	2 557	998,000.00	1,000,000	970,650.00	2.58%
FNMA	8/14/2023	AA+	05/03/21	08/14/25	3 867	991,579.00	1,000,000	919,650.00	0.54%
FNMA		NA	08/27/20	08/25/25	3 878	995,320.00	1,000,000	915,540.00	0.41%
FNMA	7/29/2021	NA	07/29/20	07/29/25	3 851	999,000.00	1,000,000	923,000.00	0.65%
FNMA	7/29/2021	NA	07/29/20	07/29/25	3 851	2,000,000.00	2,000,000	1,850,360.00	0.76%
FNMA	8/27/2021	AA+	08/27/20	08/27/25	3 880	1,000,000.00	1,000,000	920,930.00	0.65%
FNMA	2/28/2022	NA	08/28/20	08/28/25	3 881	1,000,000.00	1,000,000	920,860.00	0.65%
FNMA	8/27/2021	AA+	08/27/20	08/27/25	3 880	998,500.00	1,000,000	918,680.00	0.54%
FNMA	2/28/2022	AA+	08/28/20	08/28/25	3 881	2,000,000.00	2,000,000	1,842,840.00	0.68%
FREDDIE MAC	2/23/2023	AA+	11/23/22	08/23/24	2 511	1,000,000.00	1,000,000	998,150.00	5.01%
FFCB	11/3/2022	AA+	11/03/22	11/03/25	3 948	1,000,000.00	1,000,000	998,010.00	5.21%
FNMA	8/25/2021	NA	08/25/20	08/25/25	3 878	1,000,000.00	1,000,000	922,420.00	0.72%
FHLB			02/09/23	02/09/24	1 315	1,000,000.00	1,000,000	1,003,640.00	4.98%
FHLB	8/28/2023		02/28/23	11/28/23	1 242	1,000,000.00	1,000,000	998,080.00	5.01%
FHLB			02/24/23	10/24/23	1 207	1,000,000.00	1,000,000	998,450.00	5.01%
FHLMC		AA+	01/07/21	09/23/25	3 907	998,833.97	1,000,000	913,610.00	0.41%
TOTAL FEDERAL SECURITIES					1.9	\$70,453,796.09	\$70,525,000	\$66,403,983.75	1.24%
					years				

City Of Walnut Creek Investment Report Detail

March 31, 2023

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 3/31/23	US Bank Effective Yield
U.S TREASURIES									
US TREASURY NOTE			01/10/22	12/15/24	2 625	999,726.56	1,000,000	947,620.00	1.06%
US TREASURY NOTE			02/03/23	04/20/23	1 20	990,647.78	1,000,000	997,810.00	4.59%
US TREASURY NOTE			03/23/23	05/25/23	1 55	992,387.50	1,000,000	993,330.00	4.65%
TOTAL U.S. TREASURIES					0.6	\$2,982,761.84	\$3,000,000.00	\$2,938,760	3.43%
					years				
CALIFORNIA GENERAL OBLIGATION (G.O.) BONDS									
TOTAL CALIFORNIA G.O. BONDS					0.0	0.00	0	0.00	
					years				
COMMERCIAL PAPER									
(For Commercial Paper, maximum \$2 million per institution, total may not exceed 15% of portfolio for maximum of 270 days)									
TOTAL COMMERCIAL PAPER					0.0	\$0	\$0	\$0	0.00%
					years				
CORPORATE BONDS									
=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 1138	999,750.00	1,000,000	906,640.00	1.10%
AMERICAN HONDA FINANCE	A-		04/18/22	07/08/25	3 830	948,050.00	1,000,000	926,650.00	1.29%
APPLE INC CORP	AA+		01/07/20	09/11/24	2 530	1,000,000.00	1,000,000	963,990.00	1.87%
APPLE INC CORP	AA+		05/11/20	05/11/25	3 772	1,002,050.50	1,000,000	938,550.00	1.20%
APPLE INC CORP	AA+		02/08/21	02/08/26	3 1045	1,000,000.00	1,000,000	909,850.00	0.77%
BANK OF AMERICA CORP	A-		01/26/21	01/26/26	3 1032	1,000,000.00	1,000,000	859,780.00	0.70%
BANK OF AMERICA CORP	A-		01/26/21	01/26/26	3 1032	1,000,000.00	1,000,000	859,780.00	0.70%
BANK OF AMERICA CORP	A-		01/29/21	01/29/26	3 1035	1,000,000.00	1,000,000	882,480.00	0.85%
BANK OF AMERICA CORP	A-		05/28/21	05/28/26	4 1154	1,000,000.00	1,000,000	862,360.00	1.45%
BANK OF AMERICA CORP	A-		07/30/21	07/30/26	4 1217	1,000,000.00	1,000,000	839,510.00	1.43%
BANK OF AMERICA CORP	A-		08/26/21	08/26/26	4 1244	1,000,000.00	1,000,000	875,020.00	1.43%
BANK OF MONTREAL	NA		12/22/21	12/22/26	4 1362	1,000,000.00	1,000,000	871,560.00	2.29%
BNY MELLON CORP	A		04/30/18	04/28/23	1 28	374,591.25	375,000	374,542.50	3.50%
BNY MELLON CORP	A		03/19/20	10/24/24	2 573	1,000,000.00	1,000,000	954,700.00	2.20%
BNY MELLON CORP	A		07/21/21	01/28/26	3 1034	999,500.00	1,000,000	891,540.00	0.84%
BARCLAYS BK	A		10/29/21	04/29/25	3 760	2,000,000.00	2,000,000	1,798,580.00	1.11%
BARCLAYS BK PLC	NA		08/29/22	08/29/25	3 882	2,000,000.00	2,000,000	1,946,520.00	4.26%
BBT CORP	A		12/10/19	12/06/24	2 616	998,970.00	1,000,000	941,950.00	2.28%
CATERPILLAR FINL SRV	A		02/12/21	09/14/23	1 167	1,000,747.07	1,000,000	979,590.00	0.46%
CATERPILLAR FINL SRV	A		11/20/20	11/13/25	3 958	1,353,513.60	1,350,000	1,231,794.00	0.88%
CATERPILLAR FINL SRV	A		01/21/21	11/13/25	3 958	2,005,209.64	2,000,000	1,824,880.00	0.88%
CATERPILLAR FINL SRV	A		03/08/21	03/02/26	3 1067	793,416.00	800,000	725,448.00	0.99%
JOHN DEERE	A		03/23/20	01/09/25	2 650	979,770.00	1,000,000	962,680.00	2.13%
JOHN DEERE CAPITAL	A		01/27/21	01/15/26	3 1021	1,400,000.00	1,400,000	1,270,542.00	0.77%
JOHN DEERE CAPITAL	A		07/21/21	01/15/26	3 1021	999,500.00	1,000,000	907,530.00	0.77%
JPMORGAN CHASE	A+		01/22/21	01/22/26	3 1028	1,000,000.00	1,000,000	874,870.00	0.80%
JPMORGAN CHASE	A+		09/14/21	09/14/26	4 1263	1,000,000.00	1,000,000	865,780.00	1.16%
JPMORGAN CHASE	A-		08/30/21	08/28/26	4 1246	1,000,000.00	1,000,000	875,390.00	1.37%
JPMORGAN CHASE	NA		10/29/21	10/29/26	4 1308	1,000,000.00	1,000,000	890,130.00	1.57%
ROYAL BANK OF CANADA	A		03/12/21	01/19/24	1 294	995,620.23	1,000,000	960,400.00	0.44%
TORONTO DOMINION	A		10/13/20	09/11/25	3 895	1,000,000.00	1,000,000	901,520.00	0.83%
TORONTO DOMINION	A		04/19/21	03/04/24	1 339	1,001,995.68	1,000,000	955,100.00	0.58%
TOYOTA MTR CORP	A+		09/15/21	10/16/25	3 930	995,995.66	1,000,000	911,840.00	0.88%
TRUIST BK TFC	A		03/30/20	03/10/25	2 710	1,985,182.10	2,000,000	1,844,380.00	1.63%
TOTAL CORPORATE BONDS					2.5	\$37,833,861.73	\$37,925,000	\$34,585,876.50	1.36%
					years				

City Of Walnut Creek Investment Report Detail

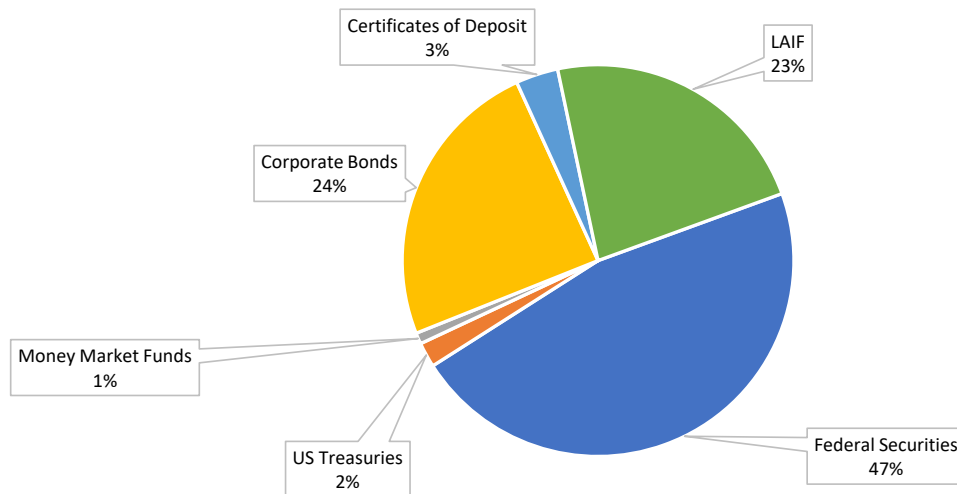
March 31, 2023

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 3/31/23	US Bank Effective Yield
CERTIFICATES OF DEPOSIT									
(Maximum 20% of portfolio - no more than \$2 million in one institution , weighted average maturity not to exceed 3 years)									
AMER CHRISTIAN CD			10/14/22	10/13/23	1 196	244,000.00	244,000	243,099.64	4.37%
FARMERS INS CD			01/18/23	01/18/24	1 293	248,000.00	248,000	247,727.20	5.01%
TECHNOLOGY CU CD			01/19/23	01/21/25	2 662	248,000.00	248,000	248,084.32	5.00%
CALIFORNIA CRED CD			10/20/22	10/20/23	1 203	244,000.00	244,000	242,855.64	4.32%
AUSTIN TELCO CD			11/28/22	11/27/24	2 607	248,000.00	248,000	247,786.72	4.95%
ALASKA USA FEDERAL CU			03/23/23	03/23/26	3 1088	249,000.00	249,000	250,715.61	4.97%
PACIFIC WESTERN BANK CD			03/07/23	03/07/25	2 707	248,000.00	248,000	248,024.80	5.00%
MBS-GREENSTATE CU CD			08/18/20	08/18/23	1 140	245,000.00	245,000	240,702.70	0.41%
VS-STATE BANK INDIA CD			02/25/21	02/25/26	3 1062	245,000.00	245,000	216,734.35	0.68%
VS-SALLIE MAE BK CD			07/14/21	07/14/26	4 1201	245,000.00	245,000	216,239.45	1.13%
MBS-SALLIE MAE BK CD			08/11/21	08/11/26	4 1229	245,000.00	245,000	216,357.05	1.25%
VS-SYNCHRONY BK CD			09/10/21	09/10/24	2 529	245,000.00	245,000	229,947.20	0.64%
VS-MEDALLION BK CD			09/16/21	09/16/24	2 535	245,000.00	245,000	229,790.40	0.64%
VS-SYNCHRONY BK CD			10/22/21	10/22/24	2 571	248,000.00	248,000	232,209.84	0.75%
BEAL BANK USA CD			02/24/22	02/21/24	1 327	245,000.00	245,000	236,567.10	1.24%
AmericanExpress CD			03/11/22	03/11/24	1 346	245,000.00	245,000	237,059.55	1.65%
TVI-CAPITAL ONE CD			05/25/22	05/28/24	2 424	246,000.00	246,000	239,869.68	2.92%
CONNEXUS CREDIT CD			08/26/22	08/28/24	2 516	248,000.00	248,000	242,477.04	3.48%
CONNEXUS CREDIT CD			08/26/22	08/26/25	3 879	245,000.00	245,000	237,069.35	3.62%
MOUNTAIN AMERICA CREDIT UNION CD			08/31/22	02/28/25	2 700	245,000.00	245,000	238,250.25	3.55%
ESSENTIAL FED CD			09/09/22	09/09/24	2 528	247,000.00	247,000	241,553.65	3.53%
TOTAL CERTIFICATES OF DEPOSIT					1.9	\$5,168,000.00	\$5,168,000	\$4,983,121.54	2.82%
					years				
MONEY MARKET FUNDS									
US Bank Government Money Market Fund				N/A		1,324,450.58	1,324,451	1,324,450.58	4.61%
TOTAL MUTUAL FUNDS						1,324,450.58	\$1,324,451	1,324,450.58	4.61%
PUBLIC INTEREST CHECKING ACCOUNT									
Pacific Premier (formerly Opus) Bank Checking Account - Closed 3/05/21						-	-	-	-
POOLED PUBLIC AGENCY INVESTMENTS (\$75 million limit per account)									
Local Agency Investment Fund (LAIF) - City				N/A		28,246,172.75	28,246,173	27,865,141.17	2.831%
Local Agency Investment Fund (LAIF) - Successor Agency				N/A		4,679,774.85	4,679,775	4,616,646.23	2.831%
Local Agency Investment Fund (LAIF) - WCPFFA				N/A		251.42	251	248.03	2.831%
TOTAL POOLED PUBLIC AGENCY INVESTMENTS						32,926,199.02	\$32,926,199	32,482,035.43	2.831%
TOTAL INVESTED PORTFOLIO ⁽¹⁾						150,689,069.26	150,868,649.60	142,718,227.80	1.68%
<u>MATURITY SCHEDULE SUMMARY OF PORTFOLIO</u>									
Money Market Funds/Public Interest Checking/LAIF (1 day liquidity)								\$33,806,486	23.69%
Maturing in 1 year or less								\$17,581,034	12.32%
Maturing in 1-2 years								\$30,893,891	21.65%
Maturing in 2-3 years								\$49,320,430	34.56%
Maturing in 3-4 years								\$10,161,057	7.12%
Maturing in 4-5 years								\$955,330	0.67%
Total Portfolio								\$142,718,228	100.01%
<u>SUMMARY BY INVESTMENT TYPE</u>									
Federal Securities								\$66,403,984	46.53%
U.S. Treasuries								\$2,938,760	2.06%
California General Obligation Bonds								\$0	0.00%
Commercial Paper								\$0	0.00%
Corporate Bonds								\$34,585,877	24.23%
Certificates of Deposit								\$4,983,122	3.49%
Money Market Funds								\$1,324,451	0.93%
Public Interest Checking Account								-	0.00%
LAIF								\$32,482,035	22.76%
GRAND TOTAL								\$142,718,229	100.00%
% OF FEDERAL SECURITIES CALLABLE									85%

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

City of Walnut Creek
Portfolio Percentage Share by Investment Type
March 31, 2023



TYPE OF INSTRUMENT	Market Value	Amount Over/(Under) Cost	Effective Rate of Return	% of Portfolio	Average Maturity in Years *
Federal Home Loan Bank (FHLB)	\$35,372,648	(\$1,827,224)	1.55%	24.78%	0.91
Federal Farm Credit Bureau (FFCB)	\$13,879,456	(\$902,937)	0.82%	9.73%	0.40
Federal National Mortgage Assn (FNMA)	\$10,134,280	(\$850,119)	0.64%	7.10%	0.37
Government National Mortgage Association (GNMA)	\$0	\$0	0.00%	0.00%	0.00
Federal Home Loan Mortgage Corporation (FHLMC)	\$7,017,600	(\$469,532)	1.43%	4.92%	0.23
SUB -TOTAL FEDERAL SECURITIES	66,403,984	(4,049,812)	1.24%	46.53%	1.92
U.S. Treasuries	\$2,938,760	(\$44,002)	3.43%	2.06%	0.64
California General Obligation Bonds	\$0	\$0	0.00%	0.00%	0.00
Commercial Paper	\$0	\$0	0.00%	0.00%	0.00
Corporate Bonds	\$34,585,877	(\$3,247,985)	1.36%	24.23%	2.45
Certificates of Deposit	\$4,983,122	(\$184,878)	2.82%	3.49%	1.92
Money Market Funds	\$1,324,451	\$0	4.61%	0.93%	0.00
LAIF	\$32,482,035	(\$444,164)	2.83%	22.76%	0.00
GRAND TOTAL **	\$142,718,228	(\$7,970,841)	1.68%	100.00%	2.09

* 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 March 31, 2023

Client Management Team

PFM Asset Management LLC

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

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10th Floor
San Francisco, CA 94111
415-393-7270

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43rd Floor
Philadelphia, PA 19103

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Financial Markets & Investment Strategy Review

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
DOMESTIC EQUITY							
S&P 500	7.50%	7.50%	-7.73%	18.60%	11.19%	12.42%	12.24%
Russell 3000 Index	7.18%	7.18%	-8.58%	18.48%	10.45%	11.99%	11.73%
Russell 1000 Value Index	1.01%	1.01%	-5.91%	17.93%	7.50%	9.02%	9.13%
Russell 1000 Growth Index	14.37%	14.37%	-10.90%	18.58%	13.66%	15.01%	14.59%
Russell Midcap Index	4.06%	4.06%	-8.78%	19.20%	8.05%	9.88%	10.05%
Russell 2500 Index	3.39%	3.39%	-10.39%	19.42%	6.65%	9.46%	9.07%
Russell 2000 Index	2.74%	2.74%	-11.61%	17.51%	4.71%	8.55%	8.04%
Russell 2000 Value Index	-0.66%	-0.66%	-12.96%	21.01%	4.55%	7.86%	7.22%
Russell 2000 Growth Index	6.07%	6.07%	-10.60%	13.36%	4.26%	8.74%	8.49%
INTERNATIONAL EQUITY							
MSCI EAFE (Net)	8.47%	8.47%	-1.38%	12.99%	3.52%	6.21%	5.00%
MSCI AC World Index (Net)	7.31%	7.31%	-7.44%	15.36%	6.93%	9.16%	8.06%
MSCI AC World ex USA (Net)	6.87%	6.87%	-5.07%	11.80%	2.47%	5.86%	4.17%
MSCI AC World ex USA Small Cap (Net)	4.70%	4.70%	-10.37%	15.04%	1.67%	5.66%	5.06%
MSCI EM (Net)	3.96%	3.96%	-10.70%	7.83%	-0.91%	4.91%	2.00%
ALTERNATIVES							
FTSE NAREIT Equity REIT Index	2.68%	2.68%	-19.19%	12.08%	6.02%	4.10%	5.97%
FTSE EPRA/NAREIT Developed Index	1.04%	1.04%	-20.61%	7.58%	1.80%	2.15%	3.38%
Bloomberg Commodity Index Total Return	-5.36%	-5.36%	-12.49%	20.82%	5.36%	5.59%	-1.72%
FIXED INCOME							
Blmbg. U.S. Aggregate	2.96%	2.96%	-4.78%	-2.77%	0.90%	0.88%	1.36%
Blmbg. U.S. Government/Credit	3.17%	3.17%	-4.81%	-2.63%	1.16%	1.10%	1.50%
Blmbg. Intermed. U.S. Government/Credit	2.33%	2.33%	-1.66%	-1.28%	1.40%	1.11%	1.32%
Blmbg. U.S. Treasury: 1-3 Year	1.59%	1.59%	0.23%	-0.84%	1.09%	0.81%	0.80%
Blmbg. U.S. Corp: High Yield	3.57%	3.57%	-3.34%	5.91%	3.21%	5.08%	4.10%
Credit Suisse Leveraged Loan Index	3.11%	3.11%	2.12%	8.38%	3.55%	4.57%	3.86%
ICE BofAML Global High Yield Constrained (USD)	3.59%	3.59%	-4.39%	4.58%	1.60%	3.98%	3.31%
Blmbg. Global Aggregate Ex USD	3.06%	3.06%	-10.72%	-4.13%	-3.18%	-1.28%	-0.99%
JPM EMBI Global Diversified	1.86%	1.86%	-6.92%	-0.02%	-0.60%	1.40%	2.01%
CASH EQUIVALENT							
90 Day U.S. Treasury Bill	1.07%	1.07%	2.50%	0.89%	1.41%	1.20%	0.86%

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

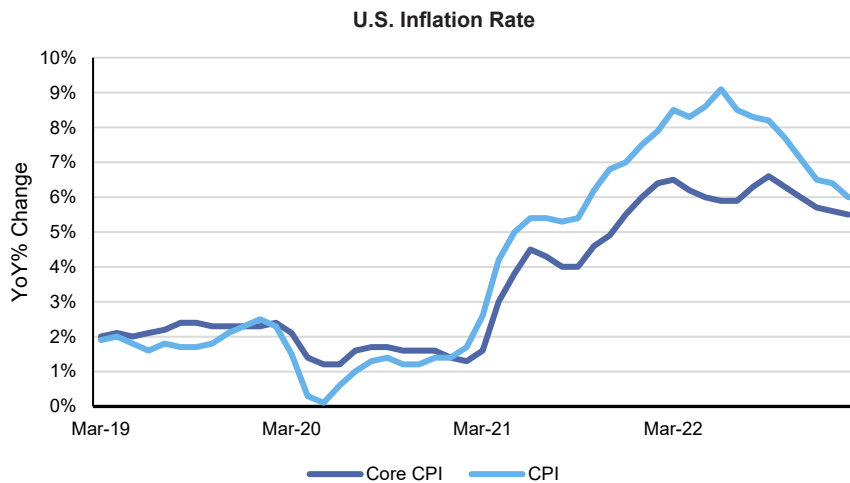
▶ The International Monetary Fund (IMF) revised its global growth outlook downwards, estimating that worldwide gross domestic product (GDP) growth will be 2.8% in 2023 and 3.0% in 2024. This is 10 basis points (bps) lower than the group’s January prediction, as tightening financial conditions and continued geopolitical tensions are expected to drag on growth.

▶ The domestic labor market continued to show strength, with the unemployment rate ending at a flat 3.5%. The labor force participation improved during the quarter, increasing to a pandemic-era high of 62.6% but still below the pre-pandemic rate of 63.3%. Total non-farm employment increased by 1.03 million in the first quarter, up from last quarter’s 853,000. The gains appear to be slowing, with 236,000 jobs added during March, the smallest monthly gain since a decline in December 2020.

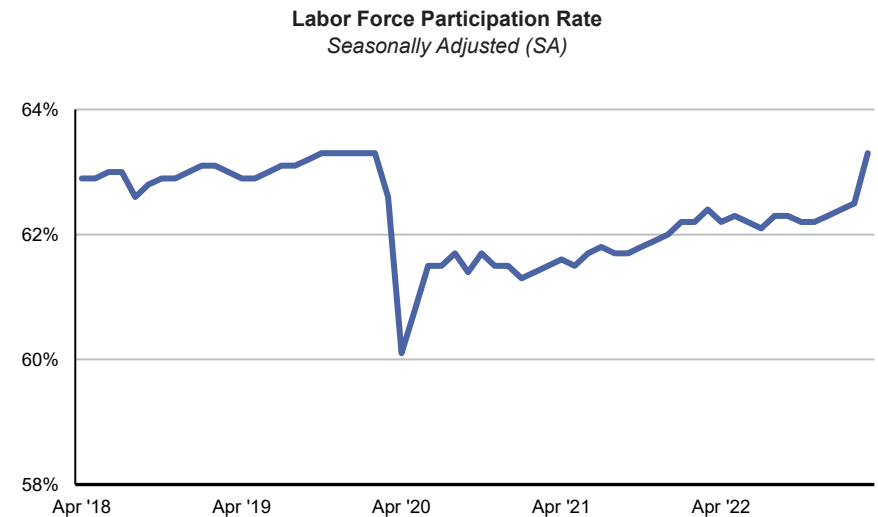
▶ Inflation cooled this quarter as energy prices fell and food prices held flat. Wage growth also slowed, with gains of 4.2% year-over-year at quarter end, compared to nearly 6% one year ago, which are all possible signs of easing inflationary pressures. The headline consumer price index (CPI) gained 5.0% compared to a year earlier in March. While still above the Federal Reserve’s (Fed) target of 2%, the quarter ended with the ninth-straight month of easing price growth on an annual basis.



Source: IMF. Dark blue bars indicate actual numbers; light blue bars indicate forecasted estimates.



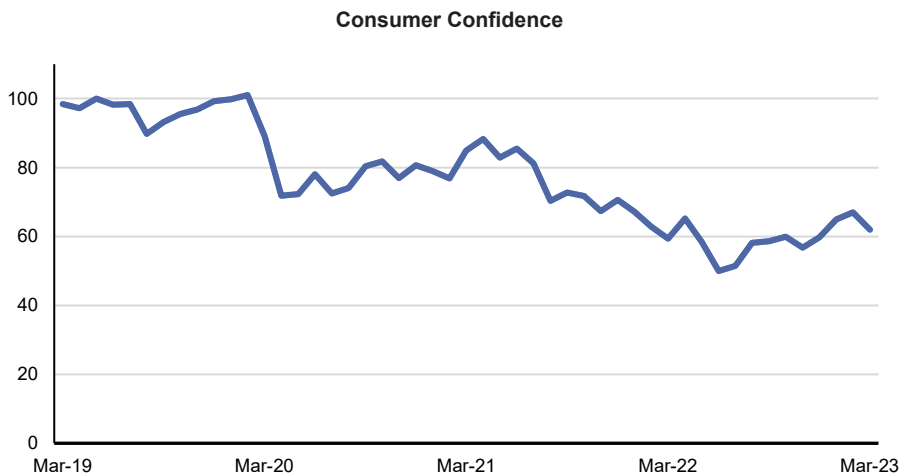
Source: Bureau of Labor Statistics.



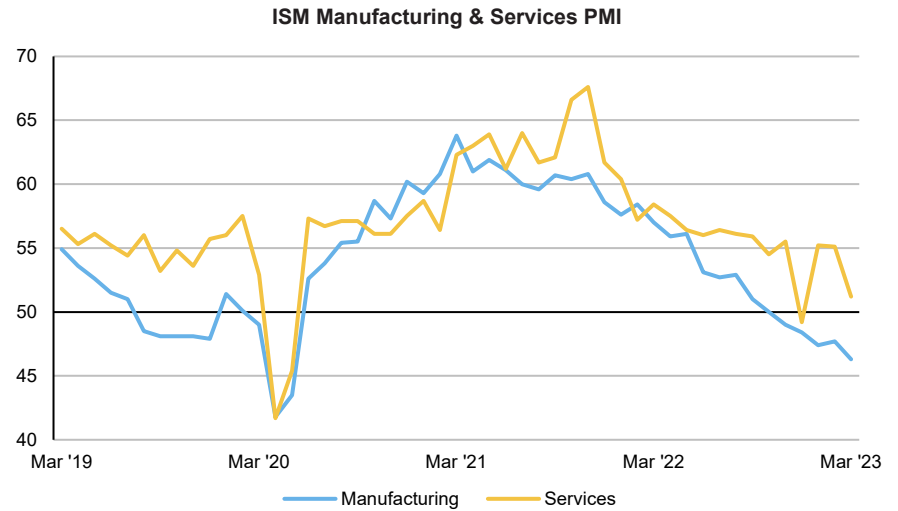
Source: Bureau of Labor Statistics.

WHAT WE'RE WATCHING

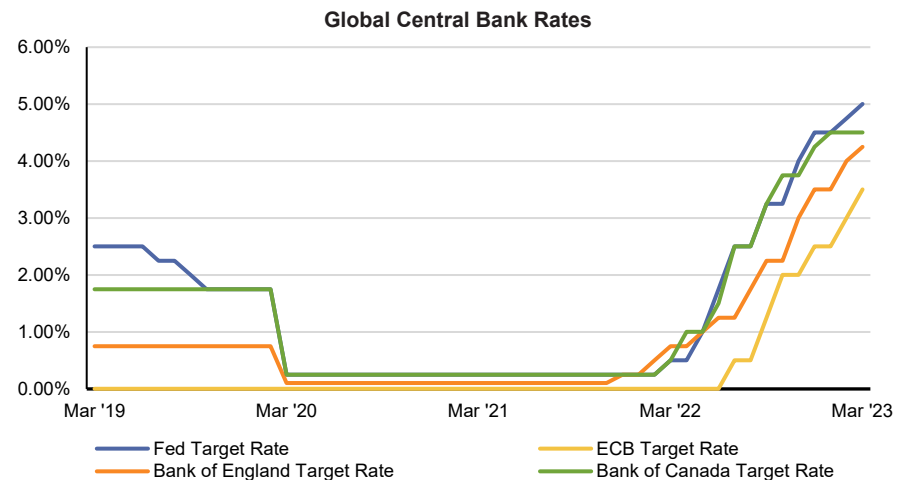
- ▶ During the first quarter, the Fed and the European Central Bank (ECB) both hiked rates in February and March as they continued to tighten monetary policy to tame inflation. Looking forward as inflation cools and central banks are expected to slow or stop interest rate increases, financial markets will have more clarity.
- ▶ The Fed's latest Summary of Economic Projections suggests rates will tick slightly higher in 2023, with the median expectation for the target rate to peak at 5.1% this year. Current market predictions foresee the ECB making a 25-basis point increase at the next meeting, but the ECB remains firmly in meeting-by-meeting mode with no forward guidance on interest rates.
- ▶ Economic indicators have been mixed. U.S. factory activity, as measured by the ISM manufacturing PMI, fell during the quarter to 46.3, the lowest level since May 2020. At the same time, the services sector, which accounts for more than two-thirds of the U.S. economy, continues to indicate growth, with a reading of 51.2 in March.
- ▶ The Michigan Consumer Sentiment Index rose slightly over the quarter, despite the banking turmoil, to 62.0 in March 2023, which was above December's reading of 59.7. Since consumers are increasingly expecting a recession, we continue to monitor this index for negative changes.



Source: Bloomberg.



Source: Bloomberg.



Source: Bloomberg.

DOMESTIC EQUITY

▶ The S&P 500 Index (S&P) posted a positive return of 7.50% for the first quarter of 2023. The trailing 1-year return for the index is -7.73%.

▶ In March, volatility increased following the collapse of Silicon Valley Bank and Signature Bank. Before the collapses, as of March 8, the year-to-for the S&P 400 (6.6%) and S&P 600 (6.6%) were outpacing the S&P 500 (4.3%). As investors became more risk-averse they moved to larger companies, hence the S&P 500 (7.5%) finished the quarter ahead of the S&P 400 (3.8%) and S&P 600 (2.5%).

▶ Within S&P, returns were mixed across the 11 GICS sectors. Information Technology (21.82%), Telecommunication Services (20.50%), and Consumer Discretionary (16.05%) were the best performers over the quarter. Financials (-5.56%), Energy (-4.71%), and Healthcare (-4.31%) were the worst performers.

▶ Growth stocks, as represented by the Russell 1000 Growth Index, returned 14.37%, outpaced value stocks, as represented by the Russell 1000 Value Index, which returned 1.01% for the quarter. Over the trailing 12 months, the Value index has outperformed the Growth index by almost five percentage points (-5.91% vs -10.90%).

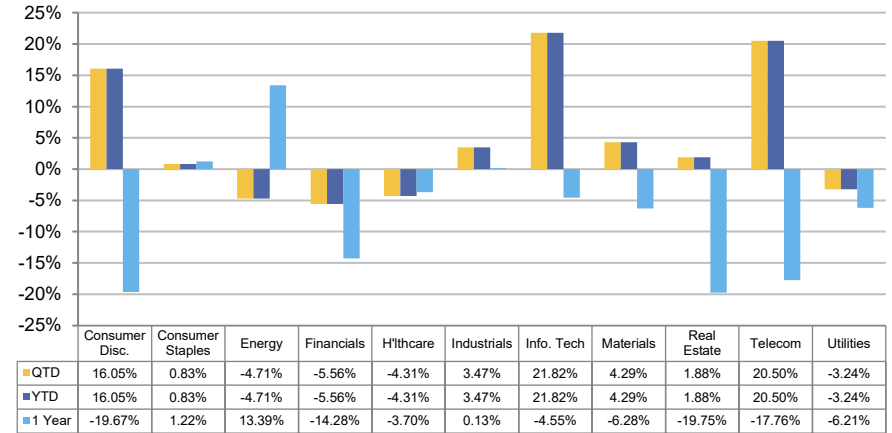
▶ Small-caps, as represented by the Russell 2000 Index, returned 2.74% during the quarter, lagging behind mid- and large-caps. The Russell Midcap and Russell 1000 indices returned 4.06% and 7.46%, respectively.

▶ According to FactSet Earnings Insight (as of March 31, 2023), the expected earnings growth rate for S&P 500 for the quarter is negative 6.6%. If -6.6% is the actual growth rate for the quarter, it will mark the largest decline in earnings since Q2 2020 (-31.8%). Also, according to FactSet, analysts expect earnings declines for the first half of 2023, and earnings growth to return for the second half of 2023. Projected earnings growth for Q1 and Q2 are -6.6% and -4.4%, respectively. Projected earnings growth for Q3 and Q4 are 2.3% and 9.3%, respectively.

▶ As of the end of the quarter, the S&P 500 P/E ratio was 20.17, below its 5-year average of 21.45. By comparison, the S&P 600, which represents small-cap stocks, had a P/E ratio of 14.14, below its 5-year average of 17.54.

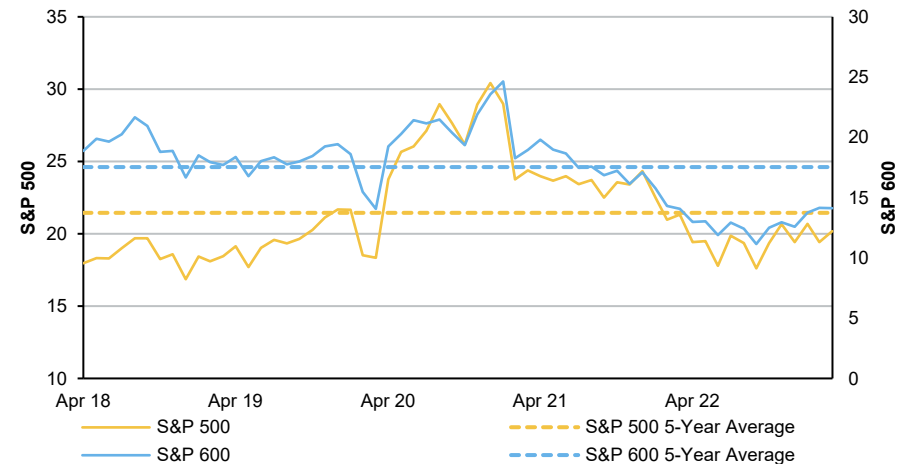
S&P 500 Index Performance by Sector

Periods Ended March 31, 2023



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

▶ Markets outside of the United States, as measured by the MSCI ACWI ex-U.S. Index, slightly underperformed their U.S. counterparts, returning 6.87% for the quarter, despite starting the year on a stronger footing. The trailing 1-year return for non-U.S. equity was -5.07%, which outperformed domestic markets.

▶ Nine of the 11 sectors posted strong positive returns for the quarter, with Information Technology (17.24%) and Consumer Discretionary (11.28%) leading the way, followed by Communication Services (11.24%) and Industrials (10.01%). Energy (-0.30%) and Real Estate (-1.70%) were the worst performers this quarter.

▶ Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning 3.95% versus 8.47% for the quarter. MSCI Europe (10.74%) outperformed the MSCI EAFE Index, aided by a milder than expected winter, falling energy prices, and easing inflation across the region.

▶ Within emerging markets, EM Asia Pacific ex-Japan (4.86%) was the top-performing region during the quarter, benefitting from China and Taiwan's strong returns of 4.71% and 14.82%, respectively. India (-6.29%), on the other hand, detracted as corporate governance concerns led to a broad-based selloff in Indian equities.

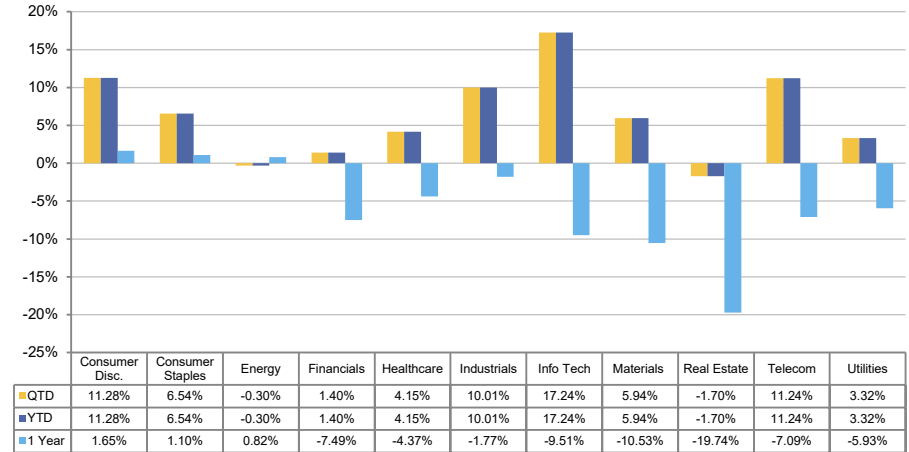
▶ Value stocks underperformed growth stocks for the quarter, a reversal from last year's trend. MSCI AC World ex-USA Value returned 6.87%, while MSCI AC World ex-USA Growth returned 8.02% for the quarter.

▶ Small-caps, as represented by MSCI ACWI ex-U.S. Small Cap Index, underperformed within the international equity markets, returning 4.70% for the quarter.

▶ Valuations remain cheap relative to their long-term average across international equity markets, albeit slightly up from last year end. As of March 31, 2023, MSCI EAFE ended the quarter with a P/E ratio of 13.72 much lower than its 5-year average of 16.07. Similarly, MSCI EM's P/E stood at 12.18 versus a 5-year average of 13.00.

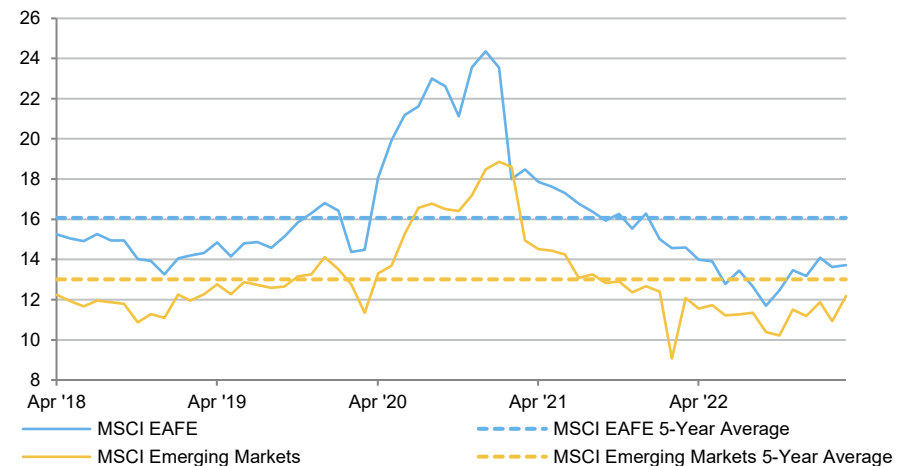
MSCI ACWI ex-U.S. Sectors

Periods Ended March 31, 2023



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 had a strong first quarter, up 2.96%. The trailing one-year period remained negative with a loss of -4.78%.

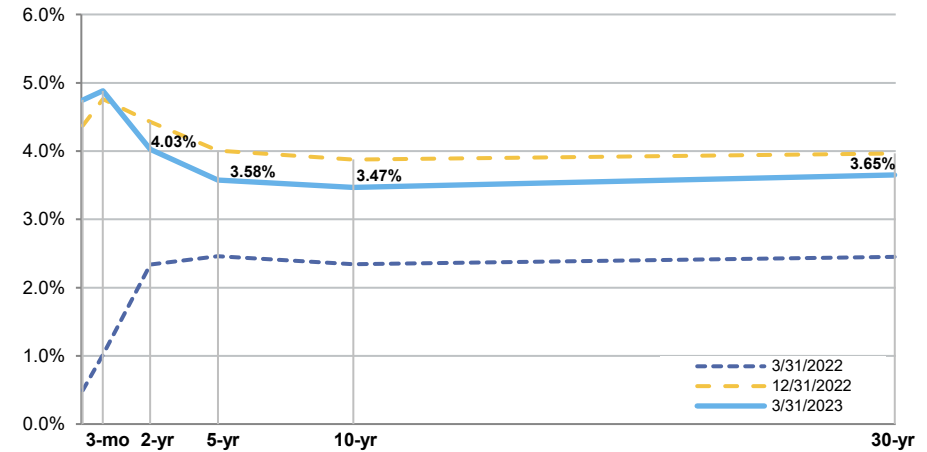
▶ The Treasury market remained volatile as long rates rallied to start the year before backtracking until a mini-banking crisis happened in March. The Bloomberg U.S. Treasury Index closed the quarter with a 3.00% gain. The 2-year mark out to 30 years ended lower by end of March as the market assessed weaker economic conditions, lower expectations of Fed hikes and tightened credit conditions in the aftermath of several bank failures. The 2-year briefly moved above 5% in early March but then dropped 100 bps in the following weeks.

▶ Corporate credit was strong in the first quarter from their higher starting yields, as investment-grade Bloomberg U.S. Corporate (IG Corp) Index gained 3.50%, while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, posted a similar return at 3.57%. HY was led by lowest quality Caa/CCC-rated. Although spreads widened in March on the banking issues, they remained relatively flat for the full quarter.

▶ The fixed-rate mortgage market, as measured by the Bloomberg U.S. Mortgage-Backed Securities (MBS) Index, also rose in the quarter, up 2.53%. On the commercial side the Bloomberg U.S. Agency CMBS Index gained 2.47%.

▶ EM USD sovereign bonds, as represented by the JP Morgan EMBI Global Diversified index, gained 1.86% in the quarter. The performance in the quarter was led by Asian and Latin American regions.

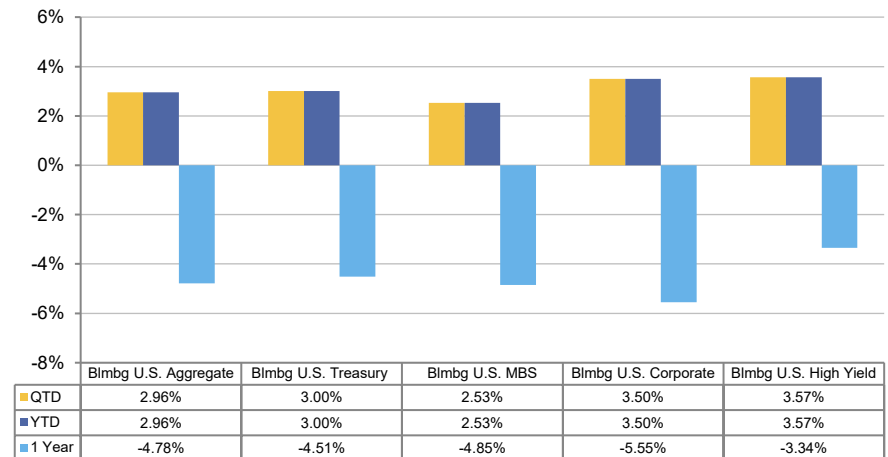
U.S. Treasury Yield Curve



Source: Bloomberg.

Returns for Fixed-Income Segments

Periods Ended March 31, 2023



Source: Bloomberg.

ALTERNATIVES

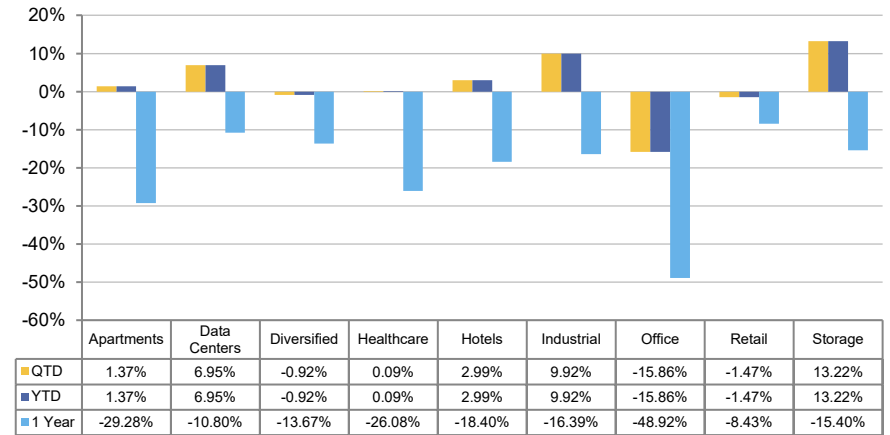
▶ REITs, as measured by the FTSE NAREIT Equity REITs Index, gained 2.68% in the first quarter of 2023, compared to a 5.24% increase in the prior quarter. Most major sectors posted positive returns during the first quarter. The worst performer during the quarter was the Office sector, which has been plagued by concerns surrounding the future of in-person work. The second worst performer during the quarter was Retail, which posted a return of -1.47%, a reversal from the strong returns seen in the fourth quarter of 2022.

▶ Commodity futures, represented by the Bloomberg Commodity Total Return Index, fell -5.36% in the first quarter of 2023. The U.S. Dollar Index (DXY) declined 0.98% during the same period – its second consecutive quarterly loss. Gold had another strong quarter with return of 8.76%, as investors’ demand for the haven asset increased due to heightened recession fears. The West Texas Intermediate (WTI) Crude Oil spot price fell -5.72% from \$80.26 to \$75.67 per barrel due to expectations of weaker demand.

▶ Hedge fund returns were mostly positive in the first quarter of 2023, with the HFRI Fund Weighted Composite Index returning 1.18%. During the same period, the HFRI Macro (Total) Index returned -2.95%. The HFRI Equity Hedge (Total) Index and the HFRI Fund of Funds Index returned 3.38% and 1.57%, respectively.

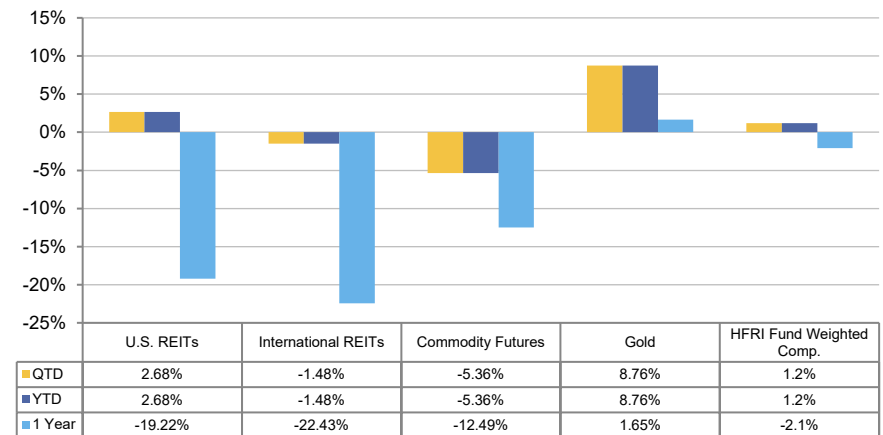
▶ Private real estate, as measured by the NCREIF Property Index, fell -3.50% in the fourth quarter of 2022, resulting in a 5.50% return over the twelve-month period ended December 2022. This was the first negative quarter for the index since Q2 2020. Hotel properties were again the top performers, with a total return of 3.37% in the fourth quarter, while office properties were again the worst performers, with a total return of -4.80%.

FTSE NAREIT Sectors
Periods Ended March 31, 2023



Source: Bloomberg.

Returns for Liquid and Semi-Liquid Alternative Assets
Periods Ended March 31, 2023



Sources: Bloomberg and Hedge Fund Research, Inc.

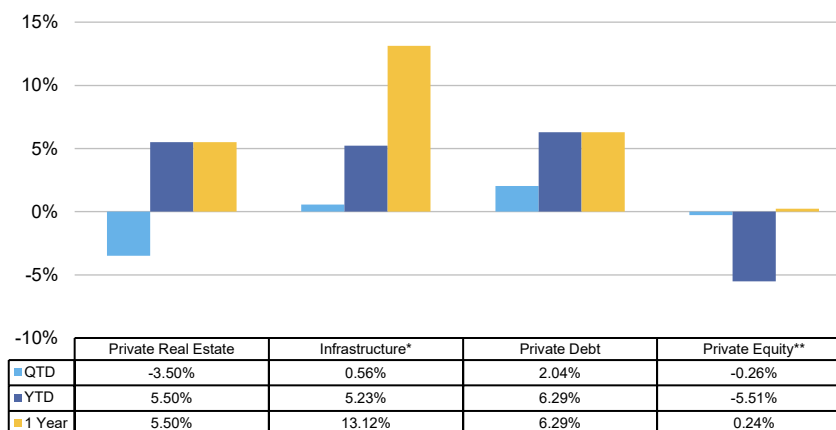
ALTERNATIVES (continued)

► In the fourth quarter of 2022, infrastructure funds raised \$9.19 billion, a drop from the prior quarter. Most of the infrastructure capital raised went to riskier value-added and opportunistic funds as opposed to core infrastructure strategies. Infrastructure dry powder has also fallen from previous years and stands at \$287.64 billion as of Q3 2022. Despite macroeconomic headwinds, the asset class remains attractive due to its ability to provide moderate but consistent returns during periods of volatility, inflation and recession. According to PitchBook, infrastructure funds posted a return of 0.56% in Q2 2022. The asset class has generated a return of 10.15% for the 5 years ended Q2 2022.

► In the fourth quarter of 2022, private debt fundraising amounted to \$69.82 billion, a pickup from the prior quarter. Private debt dry powder has fallen to \$395.16 billion, the lowest level in the past four years. Private debt has performed well relative to public fixed income and remains attractive despite the uncertain macroeconomic environment. According to Cliffwater Direct Lending Index, U.S. middle market loans, a proxy for private debt, posted a return of 2.04% in Q4 2022. The asset class has also generated a return of 8.29% for the 5 years ended Q4 2022.

► In the fourth quarter of 2022, private capital fundraising was led by private equity funds, which closed on \$113.33 billion. Global private equity dry powder, which accounts for the bulk of private capital dry powder, remains high at \$1.25 trillion as of December 2022. Private equity has been a strong performer relative to public equities; however, recent performance has weakened as a result of a slowing economy and market volatility. According to Cambridge Associates, U.S. private equity posted a return of -0.26% in Q3 2022. However, the asset class has generated a return of 19.64% for the 5 years ended Q3 2022.

Returns for Private Capital Assets

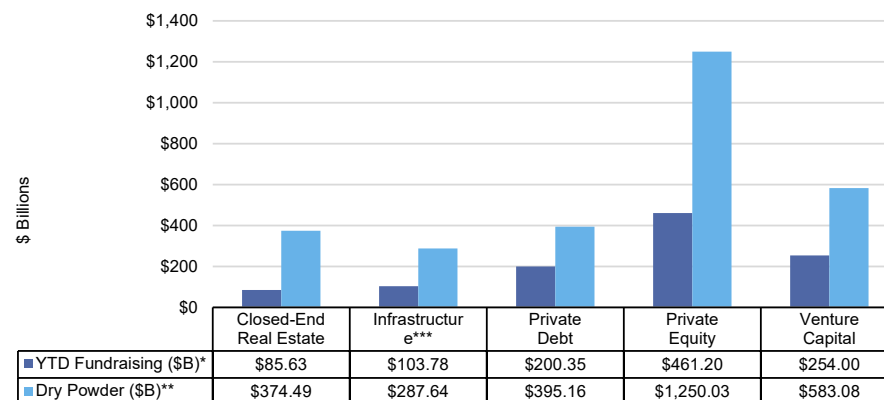


Source: NCREIF, PitchBook, Cliffwater, Cambridge Associates, manual inputs. As of Q4 2022, unless otherwise noted.

*Data as of Q2 2022.

**Data as of Q3 2022.

Private Capital Fundraising & Dry Powder



Sources: Pitchbook.

* Total capital raised in 2022 as of December 31, 2022.

** Cumulative dry powder as of September 30, 2022, unless otherwise noted.

***Cumulative Infrastructure dry powder as of September 30, 2022.

Investment Strategy Overview







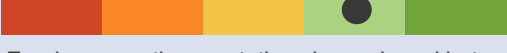


Asset Class	Our Q2 2023 Investment Outlook	Comments
U.S. Equities		<ul style="list-style-type: none"> Tightening financial conditions, increased uncertainty for Fed rate hike path and rising risk of recession weigh on equities outlook in the near-term. As inflation and input costs moderate, earnings are expected to recover in the second half of 2023. After the recent volatility surge, equities especially mid- and small-cap equities look attractive. We are closely watching earnings expectations for any sustained deterioration.
Large-Caps		
Mid-Caps		
Small-Caps		
Non-U.S. Equities		<ul style="list-style-type: none"> International equities continue to trade at a discount to U.S. equities. Risks to the downside are reflected in these valuations, making them look attractive but sustained tightening in global financial conditions could weigh further on return expectations near-term. China's economic reopening and continued stimulus is positive in the near term, but we remain cautious as China continues to face multiple headwinds such as aging demographics and rising corporate debt. International small caps provide exposure to local revenue streams and are trading at attractive valuations.
Developed Markets		
Emerging Markets		
International Small-Caps		
Fixed Income		<ul style="list-style-type: none"> Moderating inflation and slowing economic growth will likely lead to Fed ending rate hike cycle at next meeting. Recent banking crisis has led to increased volatility in the fixed income space. We continue to have favorable view on long duration assets as we believe that interest rates have peaked. Corporate spreads have been under pressure recently but credit markets remain attractive due to strong corporate fundamentals. We continue to seek diversified credit exposure and are closely watching signs for any continued distress in the corporate credit space.
Long-Duration, Interest Rate-Sensitive Sectors		
Credit-Sensitive Sectors		
Alternatives		<ul style="list-style-type: none"> Reasonable valuations and income potential are positives for publicly traded real estate while private real estate NAVs are likely overstated. Private equity and debt strategies can complement multi-asset portfolios by providing access to attractive opportunities during periods of disruption but will be impacted by rising rates and tightening financial conditions. Commodities will be impacted by supply demand dynamics as the global economy continues to slow but offset by improving growth in China.
Real Estate		
Private Equity		
Private Debt		
Commodities		

● Current outlook ○ Outlook one quarter ago



The view expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (3/31/2023) and are subject to change.

Factors to Consider Over the Next 6-12 Months

<p>Monetary Policy:</p>  <ul style="list-style-type: none"> • The Fed has likely won its battle to bring down inflation, but at the cost of causing a banking crisis. • Recent dot plot suggests one more rate hike. Markets expect Fed to begin to cut over next several meetings. Other central banks also likely close to ending rate hike cycle. 	<p>Economic Growth:</p>  <ul style="list-style-type: none"> • Risk of recession is rising as tightening financial conditions impact economic activity. • Relatively stable consumer and strong corporate balance sheets along with strong labor markets could help avoid deep recession. 	<p>Inflation:</p>  <ul style="list-style-type: none"> • Inflation is moderating and is expected to continue to decrease. Falling housing prices and wage growth will help to keep inflation falling. • Any upside surprise driven by services inflation will be negative and will lead to renewed aggressive monetary policy.
<p>Financial Conditions:</p>  <ul style="list-style-type: none"> • Recent banking crisis is expected to lead to tightening of loan standards and credit availability, which will likely further slow economic growth. • Regional banks are seeing deposit outflows, while large banks could seeing deposit inflows. 	<p>Consumer Spending (U.S.):</p>  <ul style="list-style-type: none"> • Consumer sentiment recently recovered modestly from all-time low. • Consumers continue to face pressure from elevated inflation and declining savings rate. Moderating inflation and low unemployment rate may keep consumer spending in-line. 	<p>Labor Markets:</p>  <ul style="list-style-type: none"> • Labor markets remain relatively strong but may soften as economy continues to slow. • Improving labor force participation bodes well for lower wage growth and inflation.
<p>Corporate Fundamentals:</p>  <ul style="list-style-type: none"> • Earnings growth expectations have slowed but are expected to recover during the second half of 2023. • Supply chain constraints and input price pressures are easing, which are a positive amid softening economic growth conditions. 	<p>Valuations:</p>  <ul style="list-style-type: none"> • Equities, especially international equities, look attractive relative to historical valuations but continued uncertainty is leading to increased volatility. • Credit markets look attractive after recent spread widening, but pockets of vulnerabilities will appear as financial conditions tighten further. 	<p>Political Risks:</p>  <ul style="list-style-type: none"> • Political risks remain elevated with the ongoing war in Ukraine. In the near-term, the threat of continued war with spillover effects is negative to risk assets. • Continued tensions between the U.S. and China is negative. • Upcoming U.S. debt ceiling debate warrants attention.

● Current outlook
 ○ Outlook one quarter ago
 Stance Unfavorable to Risk Assets
 Negative Slightly Negative Neutral Slightly Positive Positive
 Stance Favorable to Risk Assets

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 (03/31/2023) 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
City of Walnut Creek - Total Fund	24,073,672	100.00	4.69	4.14	4.69	-6.92	7.61	4.57	09/01/2018
Blended Policy Benchmark			5.02	5.03	5.02	-5.76	6.63	4.31	09/01/2018
Domestic Equity	8,049,269	33.44							
PFM Multi-Manager Domestic Equity Fund	8,049,269	33.44	6.23	8.50	6.23	-9.22	17.70	8.70	09/01/2018
<i>Russell 3000 Index</i>			7.18	9.75	7.18	-8.58	18.48	8.92	09/01/2018
Vanguard Total Stock Market ETF - 60.2%			7.15	9.72	7.15	-8.77	18.36	8.97	02/01/2020
<i>Russell 3000 Index</i>			7.18	9.75	7.18	-8.58	18.48	9.08	02/01/2020
Vaughan Nelson Select - 10.5% (^)			9.19	11.34	9.19	-5.79	25.26	12.71	09/01/2018
Nuance All Cap Value - 7.5% (^)			3.48	6.61	3.48	-4.24	15.43	9.28	09/01/2018
<i>Russell 3000 Index</i>			7.18	9.75	7.18	-8.58	18.48	8.92	09/01/2018
Aristotle Atlantic Core Equity - 7.3%(^)			5.23	7.19	5.23	-11.26	N/A	-10.70	11/01/2021
<i>Russell 3000 Index</i>			7.18	9.75	7.18	-8.58	18.48	-8.16	11/01/2021
Champlain Mid Cap Core - 3.0% (^)			5.60	8.86	5.60	-12.12	16.96	8.78	09/01/2018
<i>S&P MidCap 400</i>			3.81	12.17	3.81	-5.12	22.10	6.27	09/01/2018
Jacobs Levy Small Cap - 11.1% (^)			3.23	5.82	3.23	-8.93	29.67	10.90	05/01/2019
<i>S&P SmallCap 600</i>			2.57	6.17	2.57	-8.82	21.71	6.64	05/01/2019
International Equity	4,210,226	17.49							
PFM Multi-Manager International Equity Fund	4,210,226	17.49	6.70	9.15	6.70	-6.22	11.28	2.62	09/01/2018
<i>MSCI AC World ex USA (Net)</i>			6.87	10.03	6.87	-5.07	11.80	3.24	09/01/2018
iShares Core MSCI Total Int'l Stock ETF - 39.8%			6.89	9.89	6.89	-4.58	12.42	3.33	02/01/2020
<i>MSCI AC World ex USA (Net)</i>			6.87	10.03	6.87	-5.07	11.80	3.07	02/01/2020
WCM Focused Growth International - 9.7% (^)			10.75	15.16	10.75	-4.98	14.63	8.34	12/01/2019
<i>MSCI AC World ex USA (Net)</i>			6.87	10.03	6.87	-5.07	11.80	3.38	12/01/2019
Ninety One Int'l Dynamic Equity - 14.6% (^)			6.96	10.55	6.96	-4.24	N/A	-8.22	12/01/2021
<i>MSCI AC World ex USA (Net)</i>			6.87	10.03	6.87	-5.07	11.80	-4.94	12/01/2021
Acadian Non-U.S. Equity - 12.4% (^)			3.92	10.71	3.92	-4.57	14.88	4.58	01/01/2020
<i>MSCI EAFE (net)</i>			8.47	15.36	8.47	-1.38	12.99	3.35	01/01/2020
Aristotle International Equity - 12.7% (^)			7.11	11.71	7.11	-5.11	13.26	4.16	09/01/2018
<i>MSCI EAFE (net)</i>			8.47	15.36	8.47	-1.38	12.99	4.02	09/01/2018
Kayne Anderson International Small Cap - 1.0% (^)			8.07	7.47	8.07	-11.44	N/A	-12.94	05/01/2021
<i>MSCI AC World ex USA Small Cap (Net)</i>			4.70	8.70	4.70	-10.37	15.04	-7.73	05/01/2021
Schroders Global Emerging Markets - 9.7% (^)			4.75	3.95	4.75	-9.88	9.90	0.49	01/01/2020
<i>MSCI EM (net)</i>			3.96	0.84	3.96	-10.70	7.83	-1.32	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 & Performance

	Allocation		Performance(%)						
	Market Value (\$)	%	1 Quarter	Fiscal Year To Date	Year To Date	1 Year	3 Years	Since Inception	Inception Date
Fixed Income	11,761,090	48.85							
PFM Multi-Manager Fixed-Income Fund	11,761,090	48.85	3.10	0.85	3.10	-5.01	-0.87	1.03	09/01/2018
<i>Blmbg. U.S. Aggregate</i>			2.96	-0.09	2.96	-4.78	-2.77	0.88	09/01/2018
PGIM Core Fixed - 33.2% (^)			3.11	0.36	3.11	-5.10	-1.67	1.30	09/01/2018
TIAA Core Fixed - 33.1% (^)			3.27	-0.11	3.27	-5.51	-1.18	1.37	09/01/2018
<i>Blmbg. U.S. Aggregate</i>			2.96	-0.09	2.96	-4.78	-2.77	0.88	09/01/2018
iShares Core U.S. Aggregate Bond ETF - 11.9%			3.13	-0.09	3.13	-4.75	-2.77	-5.04	05/01/2021
<i>Blmbg. U.S. Aggregate</i>			2.96	-0.09	2.96	-4.78	-2.77	-5.05	05/01/2021
PineBridge IG Credit - 5.6% (^)			2.81	0.58	2.81	-6.58	0.80	2.85	09/01/2018
<i>Blmbg. U.S. Credit Index</i>			3.45	1.71	3.45	-5.31	-0.70	1.60	09/01/2018
Brown Bros. Harriman Structured - 8.5% (^)			2.36	2.35	2.36	0.43	3.59	2.44	09/01/2018
<i>ICE BofA Asset-Bckd Fxd & Fltng Rate AA-BBB Idx</i>			3.00	2.00	3.00	-0.12	3.01	1.65	09/01/2018
Brandywine Global High Yield - 3.7%			3.11	7.68	3.11	-2.56	8.08	2.00	10/01/2020
<i>Blmbg. Ba to B U.S. High Yield</i>			3.44	7.41	3.44	-2.69	5.61	0.95	10/01/2020
MainStay MacKay High Yield Corp Bond Fund - 3.8%			3.92	7.50	3.92	-1.03	6.71	-1.01	06/01/2021
<i>ICE BofA High Yield Master II</i>			3.72	7.10	3.72	-3.60	5.82	-2.88	06/01/2021
Cash Equivalent	53,087	0.22							
Wells Fargo Advantage Gov't MM Fund	53,087	0.22	1.06	2.40	1.06	2.54	0.86	1.25	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

	Year To Date	2022	2021	2020	2019	2018
City of Walnut Creek - Total Fund	4.69	-16.24	11.18	14.02	18.54	N/A
<i>Blended Policy Benchmark</i>	5.02	-15.28	8.57	13.23	18.17	N/A
Domestic Equity						
PFM Multi-Manager Domestic Equity Fund	6.23	-18.97	26.28	20.05	29.70	N/A
<i>Russell 3000 Index</i>	7.18	-19.21	25.66	20.89	31.02	-5.24
Vanguard Total Stock Market ETF - 60.2%	7.15	-19.50	25.72	20.95	30.80	-5.13
Vaughan Nelson Select - 10.5% (^)	9.19	-15.79	41.05	20.01	29.17	N/A
Nuance All Cap Value - 7.5% (^)	3.48	-6.46	15.15	9.69	31.33	N/A
Aristotle Atlantic Core Equity - 7.3%(^)	5.23	-21.43	N/A	N/A	N/A	N/A
<i>Russell 3000 Index</i>	7.18	-19.21	25.66	20.89	31.02	-5.24
Champlain Mid Cap Core - 3.0% (^)	5.60	-25.67	25.95	30.51	27.82	N/A
<i>S&P MidCap 400</i>	3.81	-13.06	24.76	13.66	26.20	-11.08
Jacobs Levy Small Cap - 11.1% (^)	3.23	-15.58	39.61	18.81	N/A	N/A
<i>S&P SmallCap 600</i>	2.57	-16.10	26.82	11.29	22.78	-8.48
International Equity						
PFM Multi-Manager International Equity Fund	6.70	-20.79	9.38	13.74	21.23	N/A
<i>MSCI AC World ex USA (Net)</i>	6.87	-16.00	7.82	10.65	21.51	-14.20
iShares Core MSCI Total Int'l Stock ETF - 39.8%	6.89	-16.35	8.52	11.14	21.85	-14.55
WCM Focused Growth International - 9.7% (^)	10.75	-28.14	18.78	32.21	N/A	N/A
Ninety One Int'l Dynamic Equity - 14.6% (^)	6.96	-19.77	N/A	N/A	N/A	N/A
<i>MSCI AC World ex USA (Net)</i>	6.87	-16.00	7.82	10.65	21.51	-14.20
Acadian Non-U.S. Equity - 12.4% (^)	3.92	-12.37	14.31	11.10	N/A	N/A
Aristotle International Equity - 12.7% (^)	7.11	-20.52	17.21	10.14	25.45	N/A
<i>MSCI EAFE (net)</i>	8.47	-14.45	11.26	7.82	22.01	-13.79
Kayne Anderson International Small Cap - 1.0% (^)	8.07	-31.47	N/A	N/A	N/A	N/A
<i>MSCI AC World ex USA Small Cap (Net)</i>	4.70	-19.97	12.93	14.24	22.42	-18.20
Schroders Global Emerging Markets - 9.7% (^)	4.75	-21.11	-3.38	27.26	N/A	N/A
<i>MSCI EM (net)</i>	3.96	-20.09	-2.54	18.31	18.42	-14.57

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

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Comparative Performance

	Year To Date	2022	2021	2020	2019	2018
Fixed Income						
PFM Multi-Manager Fixed-Income Fund	3.10	-13.06	-0.85	7.86	9.56	N/A
<i>Blmbg. U.S. Aggregate</i>	2.96	-13.01	-1.55	7.51	8.72	0.01
PGIM Core Fixed - 33.2% (^)	3.11	-13.76	-0.98	9.01	9.65	N/A
TIAA Core Fixed - 33.1% (^)	3.27	-13.92	-0.91	9.44	9.59	N/A
iShares Core U.S. Aggregate Bond ETF - 11.9%	3.13	-13.06	-1.67	7.42	8.68	-0.05
<i>Blmbg. U.S. Aggregate</i>	2.96	-13.01	-1.55	7.51	8.72	0.01
PineBridge IG Credit - 5.6% (^)	2.81	-15.83	0.02	14.54	15.48	N/A
<i>Blmbg. U.S. Credit Index</i>	3.45	-15.26	-1.08	9.35	13.80	-2.11
Brown Bros. Harriman Structured - 8.5% (^)	2.36	-3.87	3.01	3.42	5.07	N/A
<i>ICE BofA Asset-Bckd Fxd & Flting Rate AA-BBB Idx</i>	3.00	-6.37	1.75	3.94	4.31	3.16
Brandywine Global High Yield - 3.7%	3.11	-9.38	5.52	13.92	15.56	1.27
<i>Blmbg. Ba to B U.S. High Yield</i>	3.44	-10.59	4.71	7.78	15.18	-1.86
MainStay MacKay High Yield Corp Bond Fund - 3.8%	3.92	-7.81	5.35	5.28	13.03	-1.34
Cash Equivalent						
Wells Fargo Advantage Gov't MM Fund	1.06	1.47	0.01	0.34	2.06	1.69

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

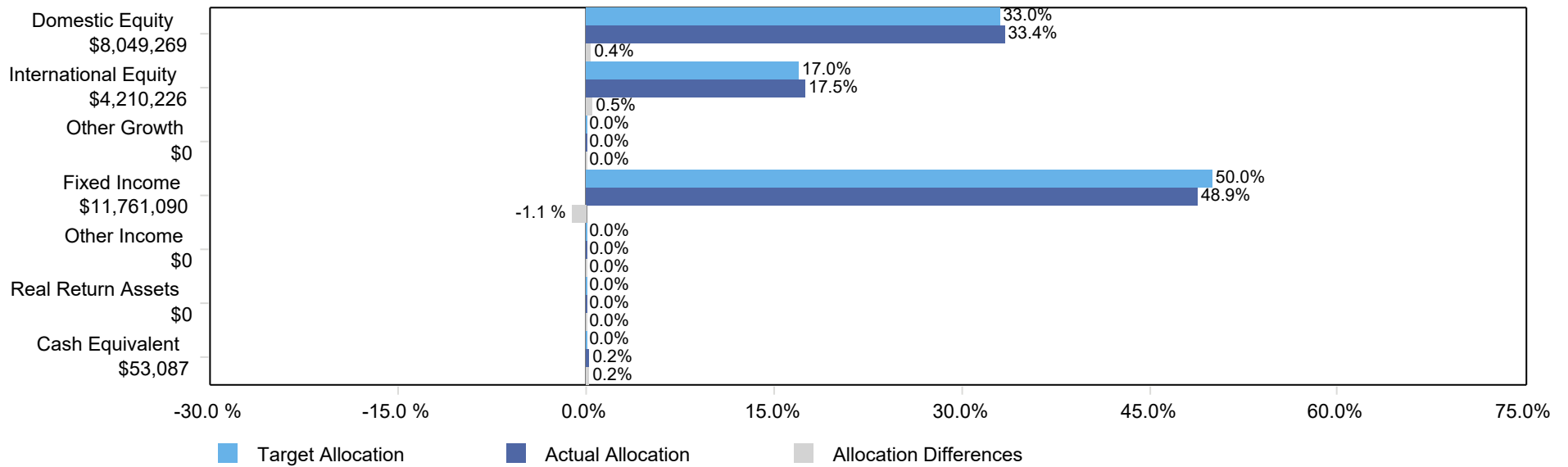
QTR	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2023
City of Walnut Creek - Total Fund	23,009,268	(14,192)	1,078,596	24,073,672

YTD	Market Value As of 01/01/2023	Net Flows	Return On Investment	Market Value As of 03/31/2023
City of Walnut Creek - Total Fund	23,009,268	(14,192)	1,078,596	24,073,672

1 Year	Market Value As of 04/01/2022	Net Flows	Return On Investment	Market Value As of 03/31/2023
City of Walnut Creek - Total Fund	25,933,388	(64,411)	(1,795,304)	24,073,672

Asset Allocation Compliance - City of Walnut Creek - Total Fund

	Asset Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Differences (%)
City of Walnut Creek - Total Fund	100.0	100.0	N/A	N/A	0.0
Domestic Equity	33.4	33.0	13.0	53.0	0.4
International Equity	17.5	17.0	0.0	37.0	0.5
Other Growth	0.0	0.0	0.0	20.0	0.0
Fixed Income	48.9	50.0	30.0	70.0	-1.1
Other Income	0.0	0.0	0.0	20.0	0.0
Real Return Assets	0.0	0.0	0.0	20.0	0.0
Cash Equivalent	0.2	0.0	0.0	20.0	0.2



Historical Hybrid Composition - Blended Policy Benchmark

Allocation Mandate	Weight (%)
Sep-2018	
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 Baulmer, CFA, Jack Meurer, 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; Jack and Darren have been promoted to Associate Portfolio Managers.
- **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 long-term fundamentals, superior capital appreciation potential and attractive valuations.

● Jacobs Levy Small Cap Equity

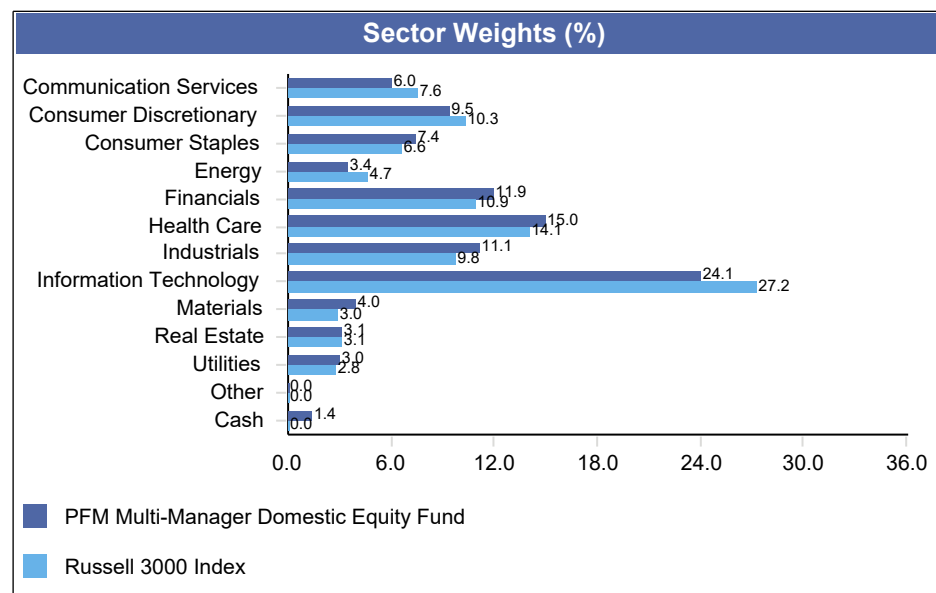
- **Management:** Dr. Bruce I. Jacobs and Mr. Kenneth N. Levy co-founded Jacobs Levy in 1986. The two individuals own 100% of the firm and are the portfolio managers responsible for the day-to-day management of firm assets. The two individuals are backed by a team of over 50 investment professionals.
- **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 March 31, 2023

PFM Multi-Manager Domestic Equity vs. Russell 3000 Index

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	357,116	462,697
Median Mkt. Cap (\$M)	973	2,051
Price/Earnings ratio	19.16	19.78
Price/Book ratio	3.65	3.95
5 Yr. EPS Growth Rate (%)	18.05	18.82
Current Yield (%)	1.53	1.64
Number of Stocks	3,881	2,928



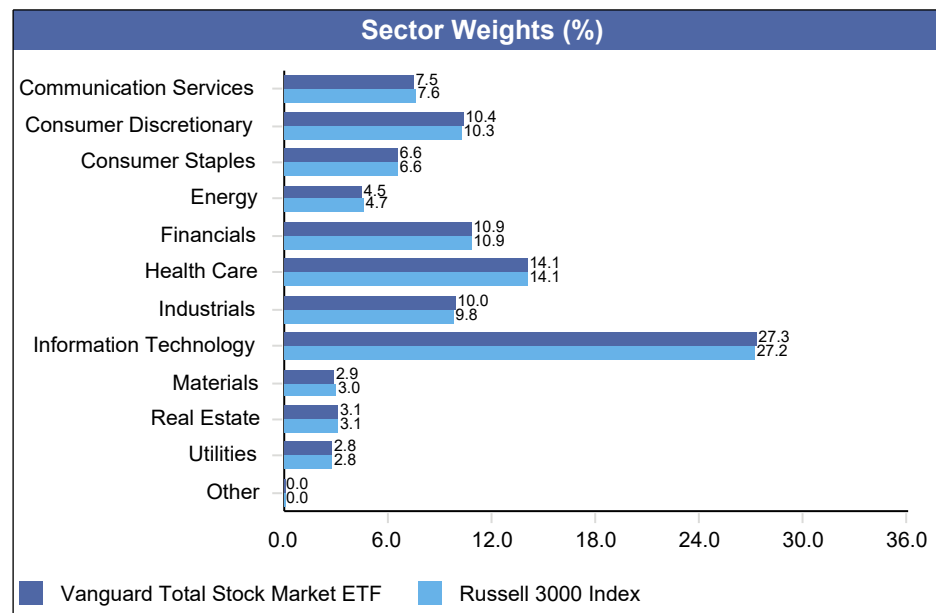
Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Microsoft Corp	4.38	5.37	-0.99	20.52
Apple Inc	4.27	6.17	-1.90	27.11
Amazon.com Inc	2.22	2.29	-0.07	22.96
Alphabet Inc	1.79	1.55	0.24	17.57
NVIDIA Corporation	1.46	1.64	-0.18	90.10
Berkshire Hathaway Inc	1.07	1.39	-0.32	-0.04
Johnson & Johnson	0.96	1.02	-0.06	-11.64
NextEra Energy Inc	0.87	0.38	0.49	-7.20
Tesla Inc	0.84	1.34	-0.50	68.42
Alphabet Inc	0.79	1.36	-0.57	17.21
% of Portfolio	18.65	22.51	-3.86	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Inozyme Pharma Inc	0.00	0.00	0.00	445.71
iBio Inc	0.00	0.00	0.00	368.04
Cipher Mining Inc	0.00	0.00	0.00	316.07
Jasper Therapeutics Inc	0.00	0.00	0.00	274.82
Biomea Fusion Inc	0.00	0.00	0.00	267.85
BigBear ai Holdings Inc	0.00	0.00	0.00	262.18
Perma Fix Environmental Services Inc	0.00	0.00	0.00	233.71
US Xpress Enterprises Inc	0.00	0.00	0.00	228.18
SelectQuote Inc	0.00	0.00	0.00	222.97
Neuropace Inc	0.00	0.00	0.00	211.41
% 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)	461,621	462,697
Median Mkt. Cap (\$M)	961	2,051
Price/Earnings ratio	19.90	19.78
Price/Book ratio	3.96	3.95
5 Yr. EPS Growth Rate (%)	18.79	18.82
Current Yield (%)	1.64	1.64
Number of Stocks	3,870	2,928

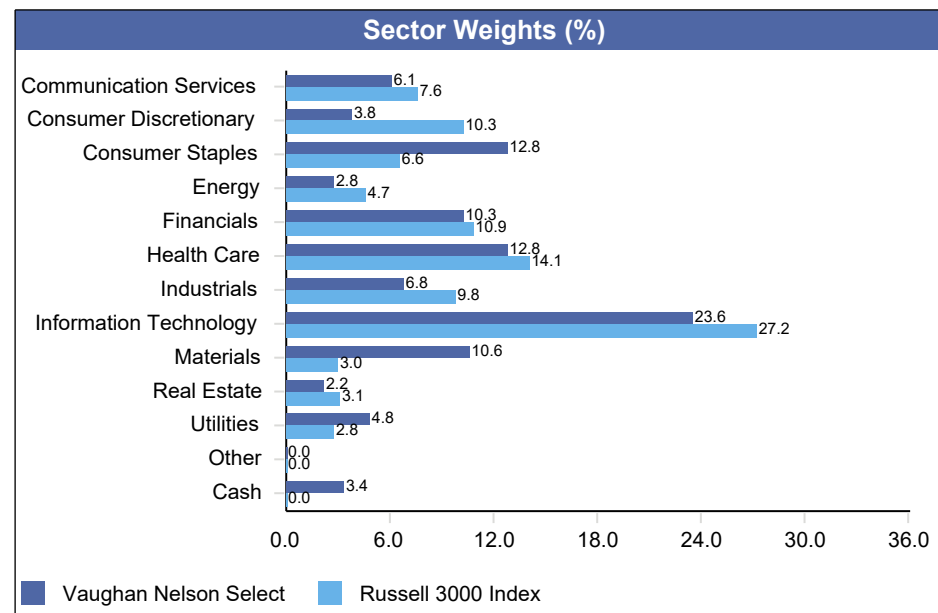


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	6.19	6.17	0.02	27.11
Microsoft Corp	5.36	5.37	-0.01	20.52
Amazon.com Inc	2.25	2.29	-0.04	22.96
NVIDIA Corporation	1.62	1.64	-0.02	90.10
Alphabet Inc	1.55	1.55	0.00	17.57
Tesla Inc	1.39	1.34	0.05	68.42
Berkshire Hathaway Inc	1.35	1.39	-0.04	-0.04
Alphabet Inc	1.31	1.36	-0.05	17.21
Meta Platforms Inc	1.18	1.17	0.01	76.12
Exxon Mobil Corp	1.12	1.13	-0.01	0.19
% of Portfolio	23.32	23.41	-0.09	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Inozyme Pharma Inc	0.00	0.00	0.00	445.71
iBio Inc	0.00	0.00	0.00	368.04
Cipher Mining Inc	0.00	0.00	0.00	316.07
Jasper Therapeutics Inc	0.00	0.00	0.00	274.82
Biomea Fusion Inc	0.00	0.00	0.00	267.85
BigBear ai Holdings Inc	0.00	0.00	0.00	262.18
Perma Fix Environmental Services Inc	0.00	0.00	0.00	233.71
US Xpress Enterprises Inc	0.00	0.00	0.00	228.18
SelectQuote Inc	0.00	0.00	0.00	222.97
Neuropace Inc	0.00	0.00	0.00	211.41
% of Portfolio	0.00	0.00	0.00	

Vaughan Nelson Select vs. Russell 3000 Index

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	305,046	462,697
Median Mkt. Cap (\$M)	58,186	2,051
Price/Earnings ratio	31.98	19.78
Price/Book ratio	5.20	3.95
5 Yr. EPS Growth Rate (%)	18.99	18.82
Current Yield (%)	1.21	1.64
Number of Stocks	29	2,928

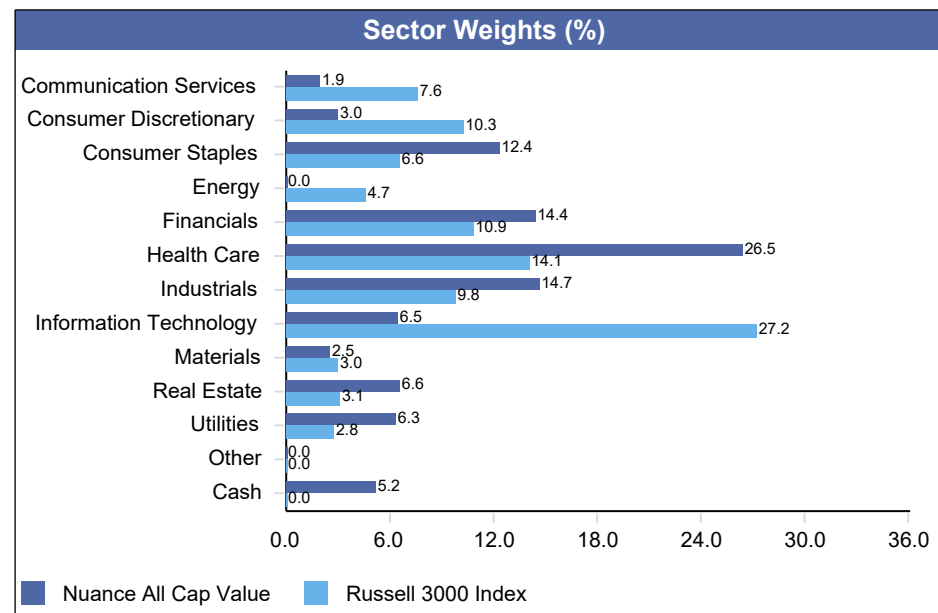


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Wheaton Precious Metals Corp	6.09	0.00	6.09	23.63
Microsoft Corp	5.86	5.37	0.49	20.52
NextEra Energy Inc	4.85	0.38	4.47	-7.20
SALESFORCE INC	4.74	0.48	4.26	50.67
Clorox Co (The)	4.56	0.05	4.51	13.71
Sherwin-Williams Co (The)	4.54	0.13	4.41	-5.03
Motorola Solutions Inc	4.49	0.12	4.37	11.39
Intercontinental Exchange Inc	4.48	0.14	4.34	2.09
Danaher Corp	4.27	0.41	3.86	-4.94
Dollar General Corporation	4.16	0.12	4.04	-14.53
% of Portfolio	48.04	7.20	40.84	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
NVIDIA Corporation	2.85	1.64	1.21	90.10
SALESFORCE INC	4.74	0.48	4.26	50.67
Monolithic Power Systems Inc	1.74	0.06	1.68	41.84
Saia Inc	1.83	0.02	1.81	29.76
Entegris Inc	1.64	0.03	1.61	25.20
Wheaton Precious Metals Corp	6.09	0.00	6.09	23.63
Amazon.com Inc	3.85	2.29	1.56	22.96
Microsoft Corp	5.86	5.37	0.49	20.52
Alphabet Inc	3.17	1.55	1.62	17.57
Kosmos Energy Ltd	2.81	0.01	2.80	16.98
% of Portfolio	34.58	11.45	23.13	

Nuance All Cap Value vs. Russell 3000 Index

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	79,755	462,697
Median Mkt. Cap (\$M)	8,937	2,051
Price/Earnings ratio	21.37	19.78
Price/Book ratio	2.66	3.95
5 Yr. EPS Growth Rate (%)	3.62	18.82
Current Yield (%)	2.30	1.64
Number of Stocks	52	2,928

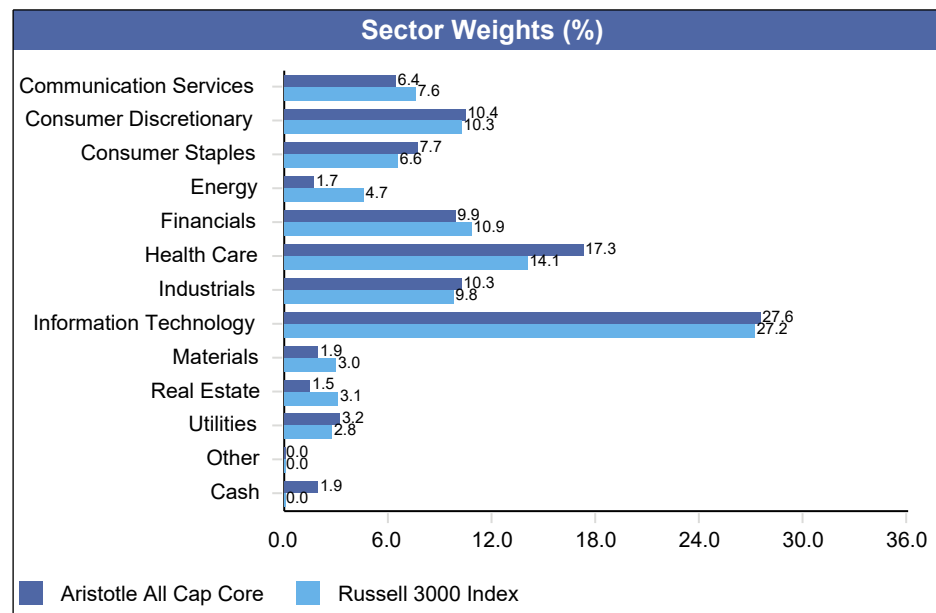


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
CASH	5.23	0.00	5.23	N/A
Zimmer Biomet Holdings Inc	4.93	0.07	4.86	1.53
3M Co	4.79	0.14	4.65	-11.18
DENTSPLY SIRONA Inc	4.76	0.02	4.74	23.81
Kimberly-Clark Corp	4.75	0.11	4.64	-0.18
Smith & Nephew PLC	4.52	0.00	4.52	5.54
Henkel AG & Co KGAA	4.52	0.00	4.52	13.21
Northern Trust Corp	4.45	0.05	4.40	0.45
Universal Health Services Inc.	4.26	0.02	4.24	-9.66
Travelers Companies Inc (The)	3.91	0.10	3.81	-8.09
% of Portfolio	46.12	0.51	45.61	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Mueller Water Products Inc	3.87	0.01	3.86	30.13
Lam Research Corp	1.63	0.18	1.45	26.57
Applied Materials Inc	0.96	0.26	0.70	26.43
DENTSPLY SIRONA Inc	4.76	0.02	4.74	23.81
Amazon.com Inc	3.00	2.29	0.71	22.96
Knorr-Bremse Aktiengesellschaft	2.43	0.00	2.43	22.22
Murata Manufacturing Co Ltd	0.27	0.00	0.27	20.99
Alphabet Inc	1.94	1.55	0.39	17.57
Cal Maine Foods Inc	0.25	0.01	0.24	14.64
Ecolab Inc.	0.76	0.10	0.66	14.10
% of Portfolio	19.87	4.42	15.45	

Aristotle All Cap Core vs. Russell 3000 Index

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	547,402	462,697
Median Mkt. Cap (\$M)	71,769	2,051
Price/Earnings ratio	22.09	19.78
Price/Book ratio	4.62	3.95
5 Yr. EPS Growth Rate (%)	22.08	18.82
Current Yield (%)	1.17	1.64
Number of Stocks	52	2,928

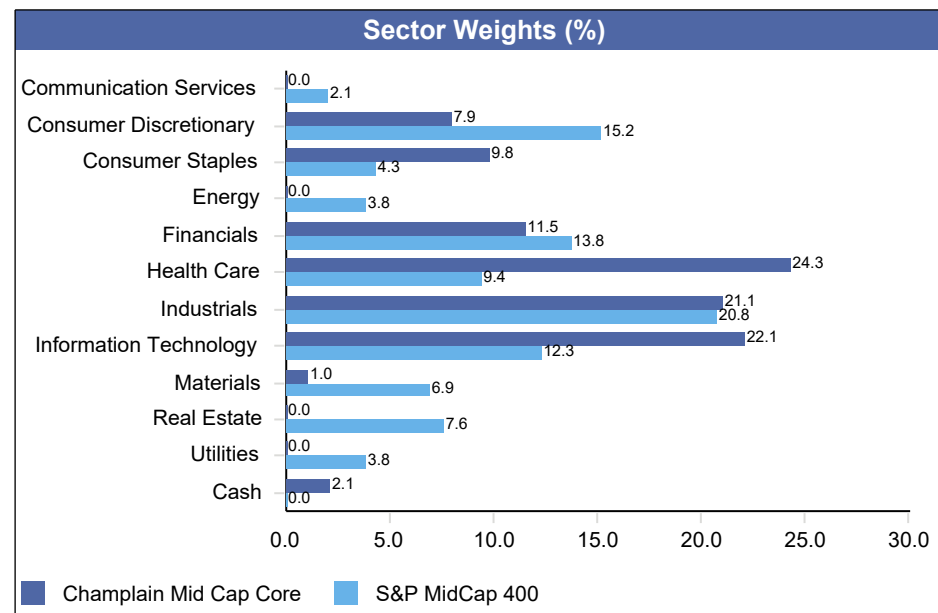


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Apple Inc	7.33	6.17	1.16	27.11
Microsoft Corp	7.32	5.37	1.95	20.52
Alphabet Inc	5.23	1.55	3.68	17.57
Amazon.com Inc	3.28	2.29	0.99	22.96
AMETEK Inc	2.77	0.08	2.69	4.20
Becton Dickinson and Co	2.66	0.18	2.48	-2.28
Broadcom Inc	2.60	0.63	1.97	15.57
NVIDIA Corporation	2.53	1.64	0.89	90.10
JPMorgan Chase & Co	2.53	0.95	1.58	-2.11
Chubb Ltd	2.29	0.20	2.09	-11.60
% of Portfolio	38.54	19.06	19.48	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
NVIDIA Corporation	2.53	1.64	0.89	90.10
Catalent Inc	1.10	0.03	1.07	45.99
Apple Inc	7.33	6.17	1.16	27.11
Applied Materials Inc	1.51	0.26	1.25	26.43
Amazon.com Inc	3.28	2.29	0.99	22.96
Microsoft Corp	7.32	5.37	1.95	20.52
Microchip Technology Inc	0.90	0.11	0.79	19.77
ServiceNow Inc	1.52	0.23	1.29	19.69
Alphabet Inc	5.23	1.55	3.68	17.57
Spirit Aerosystems Holdings Inc	0.90	0.01	0.89	16.65
% of Portfolio	31.62	17.66	13.96	

Champlain Mid Cap Core vs. S&P MidCap 400

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	20,379	6,895
Median Mkt. Cap (\$M)	16,327	5,443
Price/Earnings ratio	31.64	13.90
Price/Book ratio	4.48	2.58
5 Yr. EPS Growth Rate (%)	16.95	17.45
Current Yield (%)	0.74	1.76
Number of Stocks	64	401

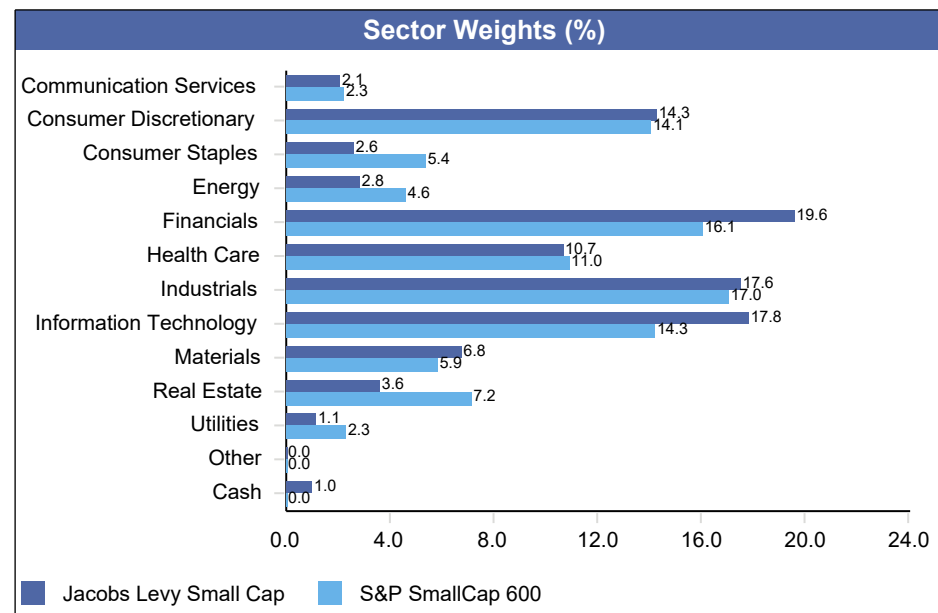


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
AMETEK Inc	3.44	0.00	3.44	4.20
Everest Re Group Ltd	3.43	0.00	3.43	8.60
Fortive Corp	3.40	0.00	3.40	6.21
Workday Inc	3.32	0.00	3.32	23.43
Tradeweb Markets Inc	3.08	0.00	3.08	21.85
Toro Co (The)	2.65	0.54	2.11	-1.80
Palo Alto Networks Inc	2.42	0.00	2.42	43.14
OKTA INC	2.41	0.00	2.41	26.21
Veeva Systems Inc	2.22	0.00	2.22	13.89
Edwards Lifesciences Corp	2.19	0.00	2.19	10.88
% of Portfolio	28.56	0.54	28.02	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Align Technology Inc	1.85	0.00	1.85	58.43
Asana Inc	0.74	0.00	0.74	53.45
West Pharmaceutical Services Inc.	1.25	0.00	1.25	47.32
Catalent Inc	0.91	0.00	0.91	45.99
Palo Alto Networks Inc	2.42	0.00	2.42	43.14
ANSYS Inc	0.90	0.00	0.90	37.75
Palantir Technologies Inc	0.70	0.00	0.70	31.62
OKTA INC	2.41	0.00	2.41	26.21
Freshpet Inc	1.65	0.00	1.65	25.43
DENTSPLY SIRONA Inc	1.45	0.00	1.45	23.81
% of Portfolio	14.28	0.00	14.28	

Jacobs Levy Small Cap vs. S&P SmallCap 600

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	2,004	2,347
Median Mkt. Cap (\$M)	1,114	1,449
Price/Earnings ratio	9.89	12.04
Price/Book ratio	2.10	2.12
5 Yr. EPS Growth Rate (%)	19.69	17.10
Current Yield (%)	1.21	1.77
Number of Stocks	204	602



Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Rambus Inc	1.99	0.60	1.39	43.10
Comfort Systems USA Inc.	1.83	0.57	1.26	26.99
Encore Wire Corp	1.64	0.37	1.27	34.75
O I Glass Inc	1.61	0.38	1.23	37.06
Cavco Industries Inc	1.48	0.28	1.20	40.44
Axcelis Technologies Inc.	1.45	0.48	0.97	67.91
Hub Group Inc	1.37	0.30	1.07	5.60
ArcBest Corp	1.36	0.25	1.11	32.11
Avantax Inc	1.34	0.11	1.23	3.09
Cal Maine Foods Inc	1.33	0.25	1.08	14.64
% of Portfolio	15.40	3.59	11.81	

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
SelectQuote Inc	0.03	0.00	0.03	222.97
Redfin Corp	0.13	0.00	0.13	113.68
Hyster-Yale Materials Handling Inc	0.37	0.00	0.37	99.07
Universal Insurance Holdings	0.38	0.05	0.33	73.49
Arlo Technologies Inc	0.20	0.06	0.14	72.65
Axcelis Technologies Inc.	1.45	0.48	0.97	67.91
Wolverine World Wide Inc.	0.77	0.15	0.62	56.91
OneSpan Inc	0.15	0.07	0.08	56.39
Olympic Steel Inc	0.30	0.05	0.25	55.87
Cerence Inc	0.80	0.12	0.68	51.59
% of Portfolio	4.58	0.98	3.60	

● iShares Core MSCI Total International Stock

- **Management:** BlackRock Fund Advisors is the investment adviser for the fund. The three portfolio managers responsible for managing the fund include Jennifer Hsui, Greg Savage, and Paul Whitehead.
- **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, Michael Trigg, Sanjay Ayer, and Jon Tringale. Paul 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 co-managed by Greg Kuhnert and Adam Child. Mr. Kuhnert joined the firm in 1999 and Mr. Child joined in 2012. They have been in the investment industry for 28 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 four research analysts who oversee the small cap product. All six 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

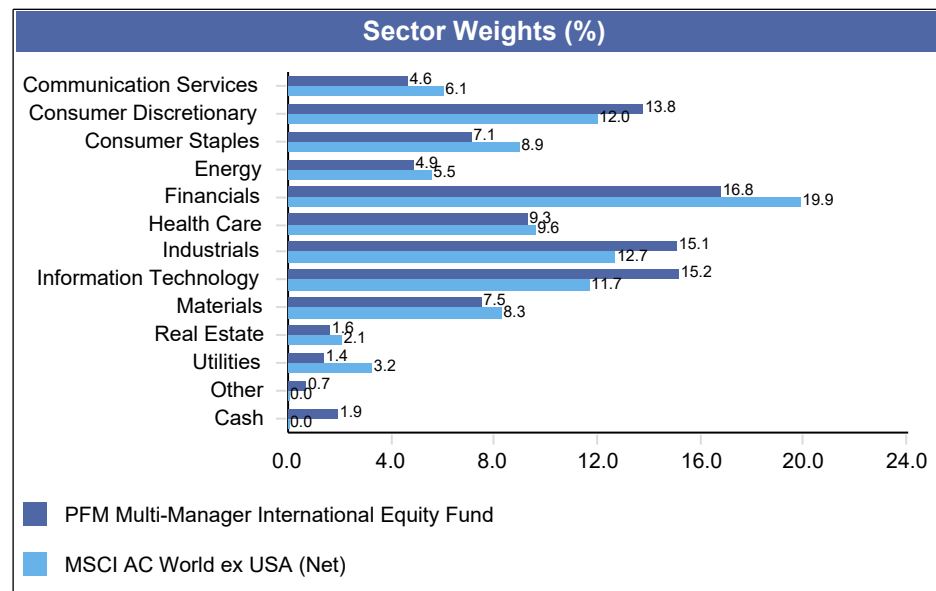
- **Management:** The fund is managed by a team of six portfolio managers led by Tom Wilson, Schroders' Head of Emerging Markets Equity. He has worked at Schroders since 2001 and has been involved with emerging markets equities at Schroders since 2004.
- **Objective:** The Fund seeks capital appreciation.
- **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 March 31, 2023

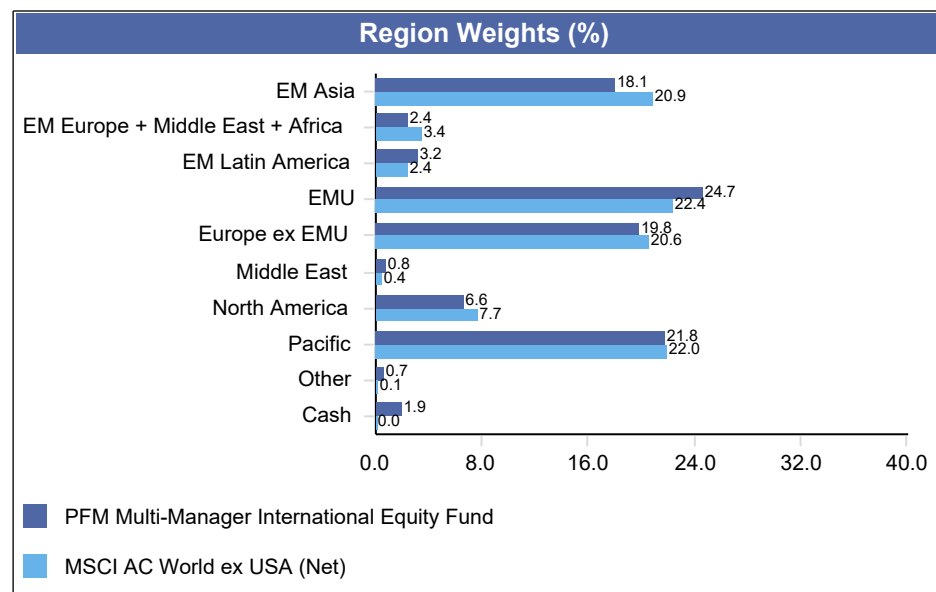
PFM Multi-Manager International Equity vs. MSCI AC World ex USA (net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	80,856	86,264
Median Mkt. Cap (\$M)	2,755	8,946
Price/Earnings ratio	13.76	12.78
Price/Book ratio	2.66	2.46
5 Yr. EPS Growth Rate (%)	11.91	10.49
Current Yield (%)	2.83	3.28
Number of Stocks	4,538	2,262



Top Ten Equity Holdings

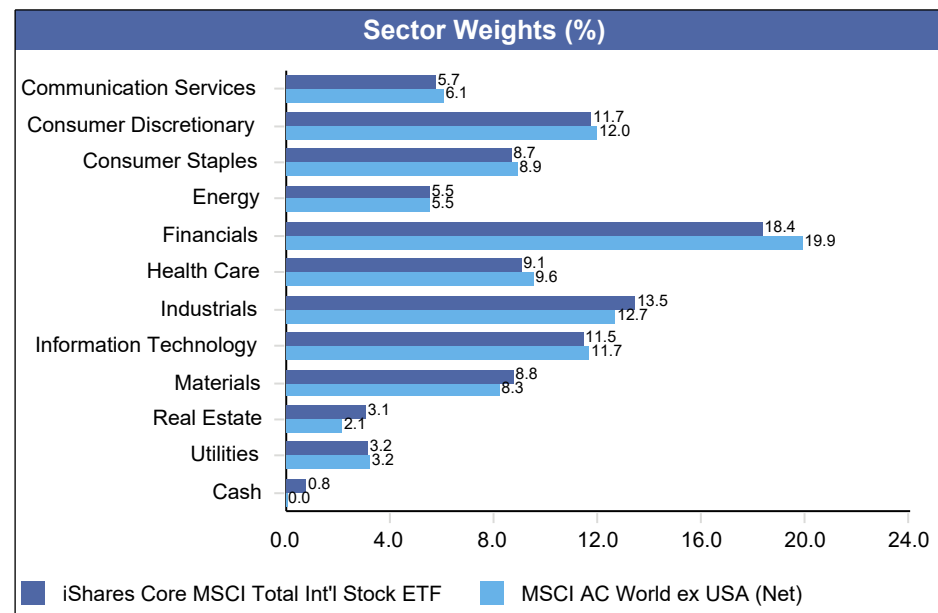
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Novo Nordisk A/S	1.80	1.11	0.69	18.55
LVMH Moet Hennessy Louis Vui	1.67	1.07	0.60	26.43
Samsung Electronics Co Ltd	1.39	0.99	0.40	12.41
Taiwan Semicon Manu Co	1.36	1.82	-0.46	20.62
AIA Group Ltd	1.23	0.53	0.70	-5.33
Sony Group Corporation	1.13	0.48	0.65	18.81
Astrazeneca PLC	1.03	0.91	0.12	4.41
Tencent Holdings LTD	0.99	1.29	-0.30	21.08
Alibaba Group Holding Ltd	0.98	0.80	0.18	15.74
ASML Holding NV	0.90	1.16	-0.26	26.61
% of Portfolio	12.48	10.16	2.32	



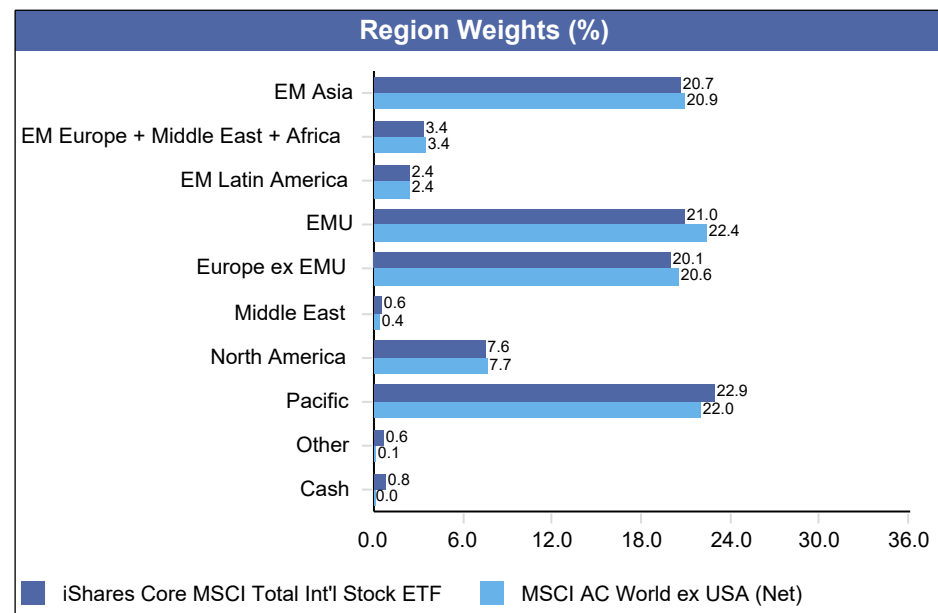
The fund characteristics and top holdings shown above are based on a look-through of any underlying mutual funds or ETFs held within the Fund. ETF holdings are available daily, while mutual fund holdings are only published on a monthly or quarterly basis. As a result, holdings used for the look-through 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)	73,296	86,264
Median Mkt. Cap (\$M)	2,880	8,946
Price/Earnings ratio	12.61	12.78
Price/Book ratio	2.43	2.46
5 Yr. EPS Growth Rate (%)	10.58	10.49
Current Yield (%)	3.32	3.28
Number of Stocks	4,319	2,262

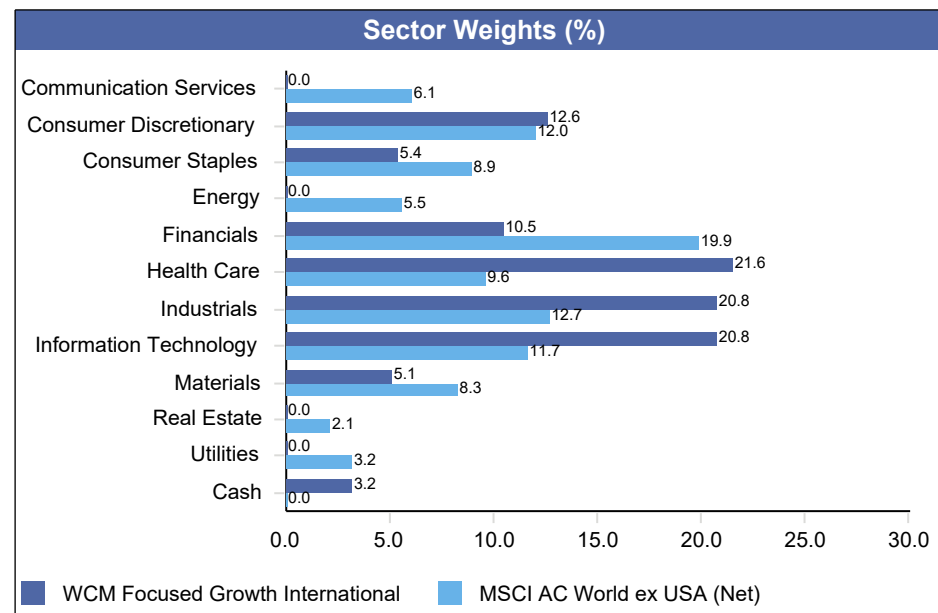


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Taiwan Semicon Manu Co	1.54	1.82	-0.28	20.62
Nestle SA, Cham Und Vevey	1.20	1.42	-0.22	5.36
Tencent Holdings LTD	1.09	1.29	-0.20	21.08
ASML Holding NV	0.98	1.16	-0.18	26.61
Novo Nordisk A/S	0.94	1.11	-0.17	18.55
LVMH Moet Hennessy Louis Vui	0.90	1.07	-0.17	26.43
Samsung Electronics Co Ltd	0.83	0.99	-0.16	12.41
CASH	0.79	0.00	0.79	N/A
Astrazeneca PLC	0.77	0.91	-0.14	4.41
Shell Plc	0.73	0.85	-0.12	2.96
% of Portfolio	9.77	10.62	-0.85	

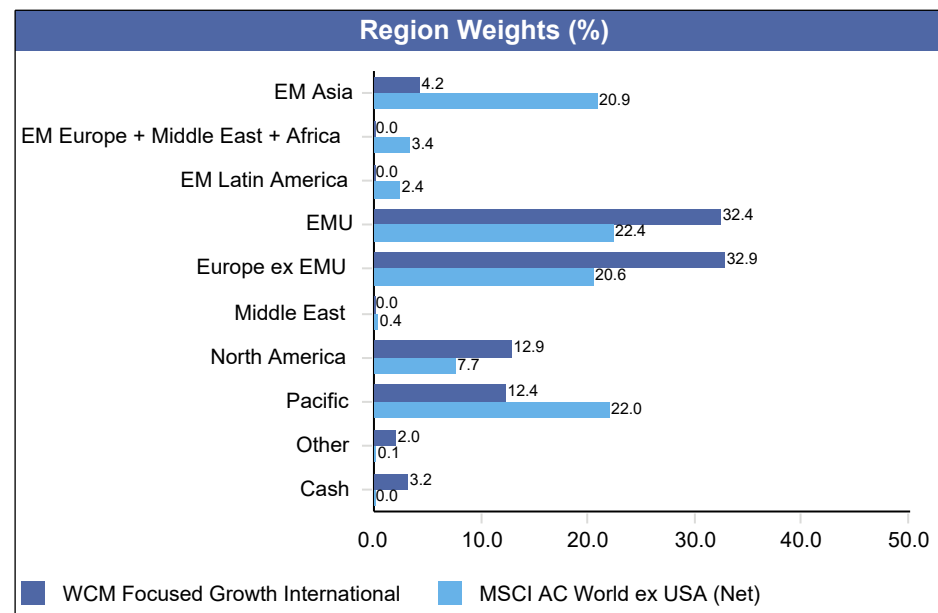


WCM Focused Growth International vs. MSCI AC World ex USA (Net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	107,502	86,264
Median Mkt. Cap (\$M)	49,124	8,946
Price/Earnings ratio	32.78	12.78
Price/Book ratio	5.40	2.46
5 Yr. EPS Growth Rate (%)	16.87	10.49
Current Yield (%)	1.08	3.28
Number of Stocks	38	2,262

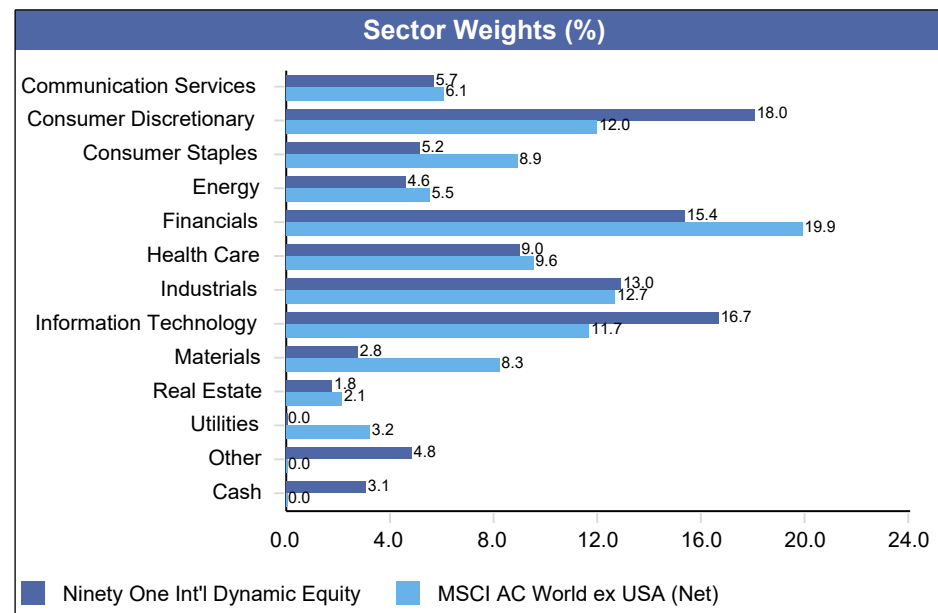


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Novo Nordisk A/S	4.93	1.11	3.82	18.55
Ferrari NV	4.08	0.14	3.94	26.77
Canadian Pacific Railway Ltd	3.97	0.30	3.67	3.34
Adyen N.V	3.92	0.15	3.77	15.29
Aon plc	3.74	0.00	3.74	5.23
Evolution AB (publ)	3.53	0.10	3.43	37.37
Schneider Electric SA	3.46	0.38	3.08	19.68
LVMH Moet Hennessy Louis Vui	3.27	1.07	2.20	26.43
CASH	3.20	0.00	3.20	N/A
Sika AG, Baar	3.15	0.17	2.98	18.19
% of Portfolio	37.25	3.42	33.83	

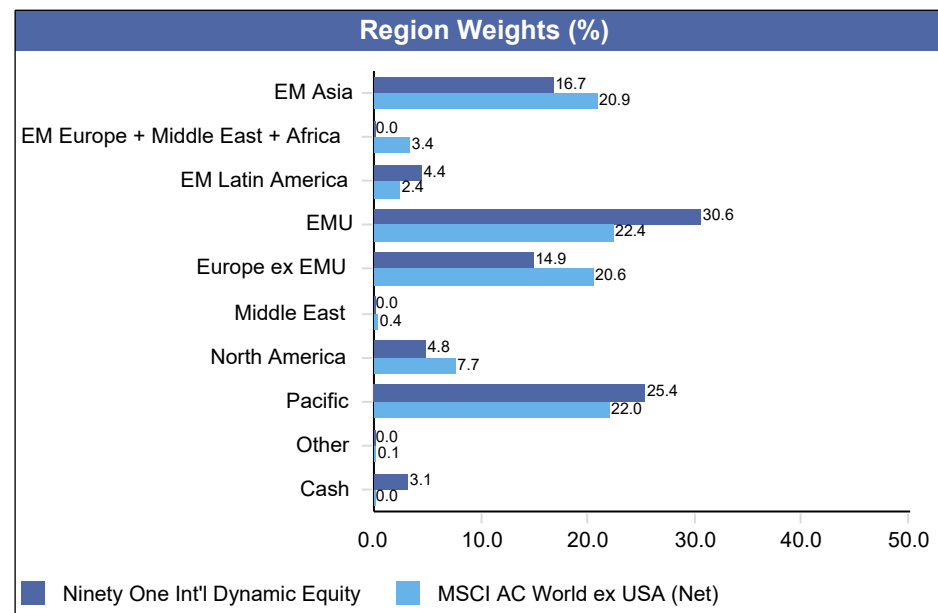


Ninety One Int'l Dynamic Equity vs. MSCI AC World ex USA (Net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	110,809	86,264
Median Mkt. Cap (\$M)	24,088	8,946
Price/Earnings ratio	17.86	12.78
Price/Book ratio	3.03	2.46
5 Yr. EPS Growth Rate (%)	11.59	10.49
Current Yield (%)	2.22	3.28
Number of Stocks	50	2,262

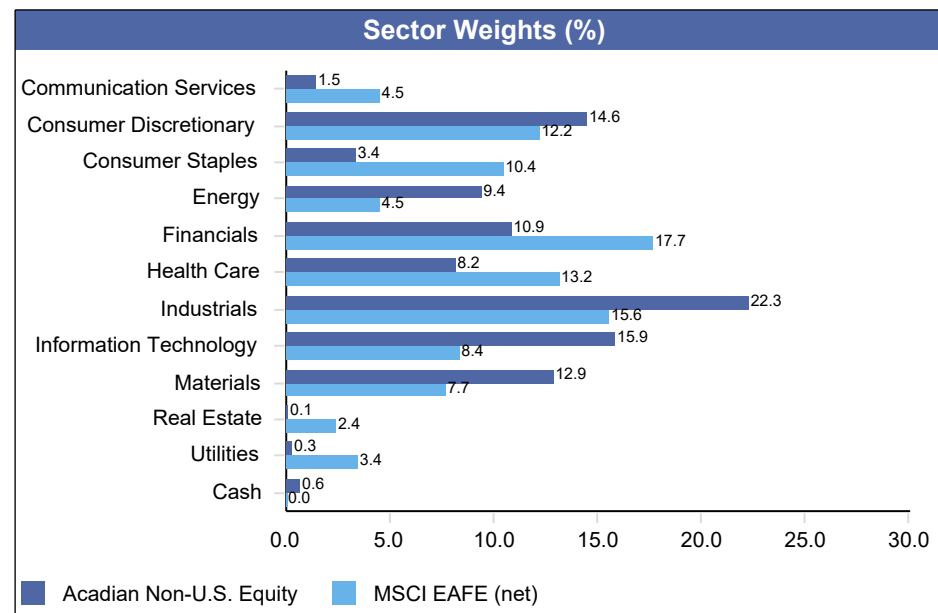


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
iShares Trust - MSCI India ETF	4.82	0.00	4.82	-5.70
LVMH Moet Hennessy Louis Vui	3.58	1.07	2.51	26.43
ASML Holding NV	3.47	1.16	2.31	26.61
Sony Group Corporation	3.22	0.48	2.74	18.81
Taiwan Semicon Manu Co ADR	3.20	1.82	1.38	25.50
Novo Nordisk A/S	3.19	1.11	2.08	18.55
CASH	3.10	0.00	3.10	N/A
Astrazeneca PLC	2.96	0.91	2.05	4.41
Keyence Corp	2.93	0.40	2.53	24.57
BP PLC	2.84	0.48	2.36	11.63
% of Portfolio	33.31	7.43	25.88	

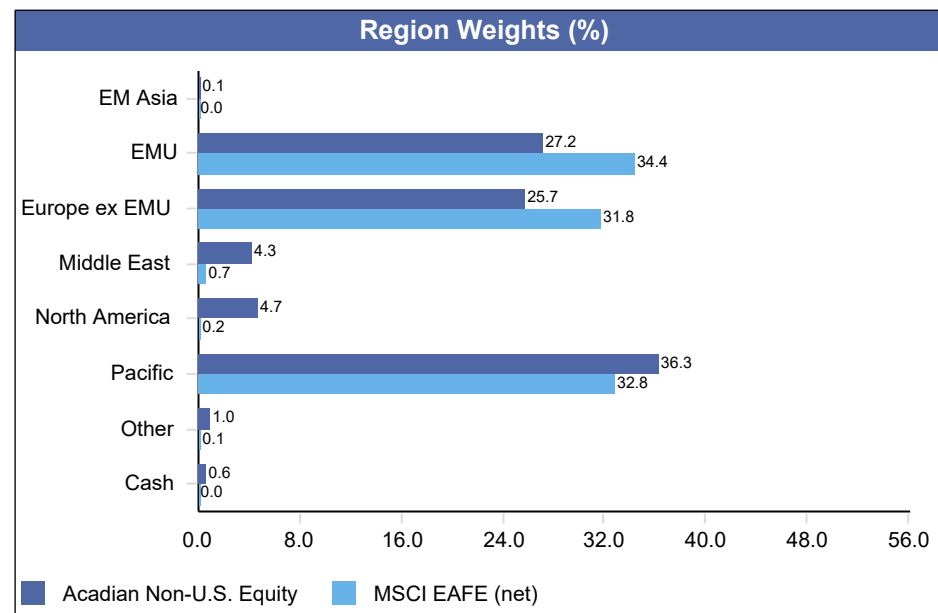


Acadian Non-U.S. Equity vs. MSCI EAFE (net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	44,197	83,612
Median Mkt. Cap (\$M)	1,246	12,647
Price/Earnings ratio	8.58	13.61
Price/Book ratio	2.46	2.58
5 Yr. EPS Growth Rate (%)	15.59	8.67
Current Yield (%)	3.96	3.25
Number of Stocks	290	795

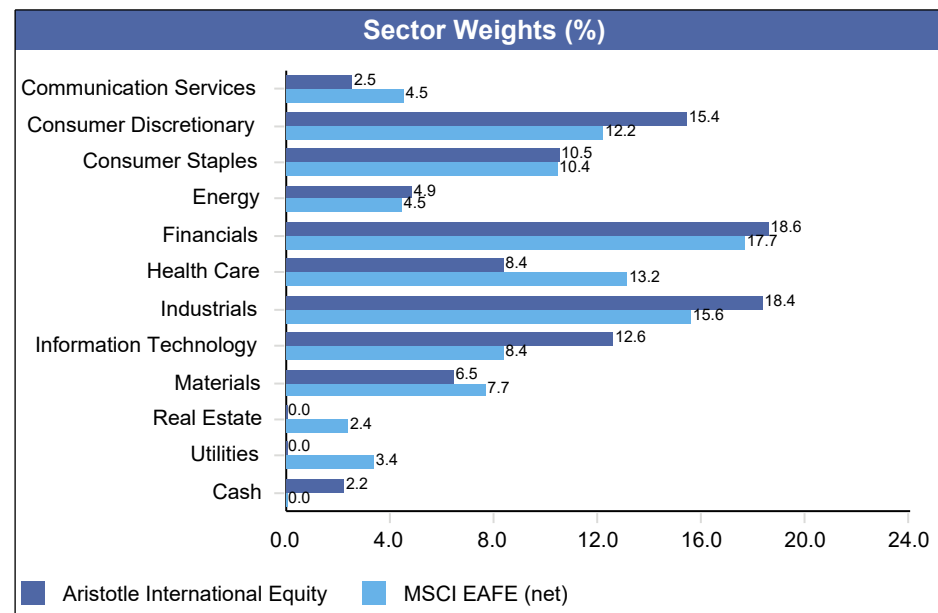


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Novo Nordisk A/S	4.00	1.71	2.29	18.55
BP PLC	2.72	0.75	1.97	9.67
Industria De Diseno Textil Inditex SA	2.57	0.24	2.33	26.58
Hermes International SA	2.47	0.42	2.05	31.59
Check Point Software Tech Ltd.	2.35	0.09	2.26	3.04
Wolters Kluwer NV	2.18	0.21	1.97	21.16
The Swatch Group Ag, Neuenburg	2.10	0.06	2.04	20.68
BHP Group Ltd	2.01	1.05	0.96	5.22
Equinor ASA	1.85	0.18	1.67	-17.87
Rio Tinto Group	1.83	0.50	1.33	-0.47
% of Portfolio	24.08	5.21	18.87	

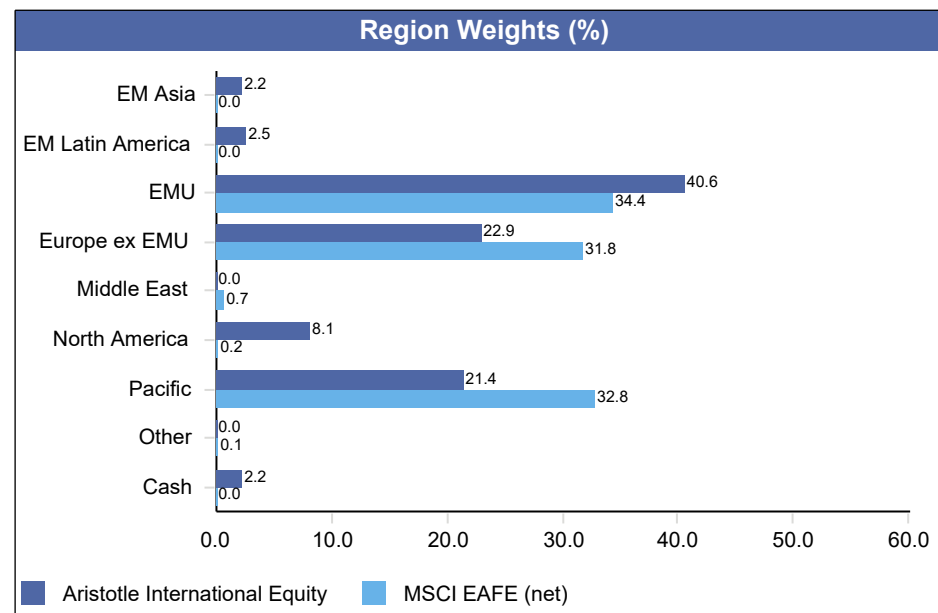


Aristotle International Equity vs. MSCI EAFE (net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	66,346	83,612
Median Mkt. Cap (\$M)	30,449	12,647
Price/Earnings ratio	17.90	13.61
Price/Book ratio	2.43	2.58
5 Yr. EPS Growth Rate (%)	8.68	8.67
Current Yield (%)	2.18	3.25
Number of Stocks	39	795

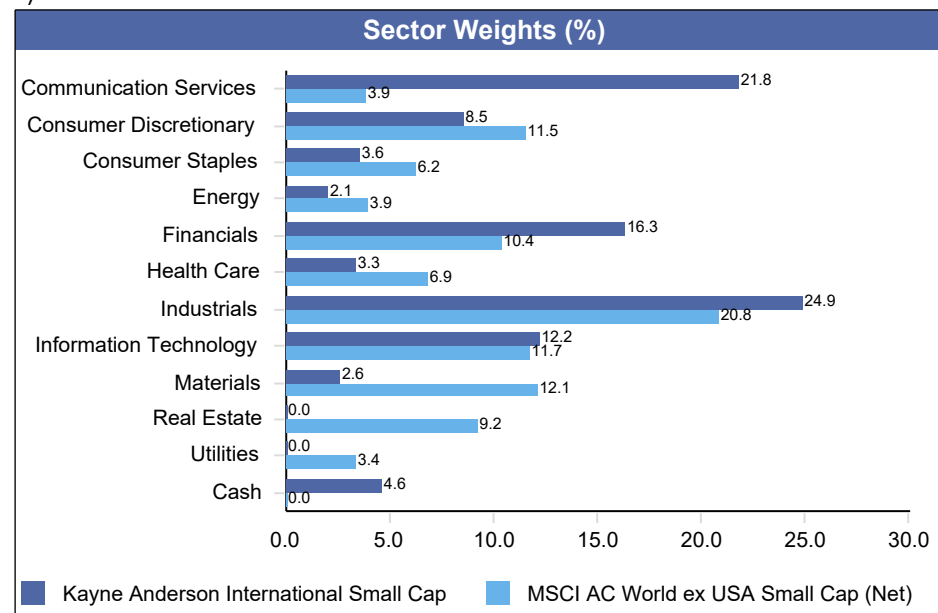


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Accenture PLC	4.45	0.00	4.45	7.53
Sony Group Corporation	3.92	0.74	3.18	18.81
LVMH Moet Hennessy Louis Vui	3.77	1.66	2.11	26.43
Muenchener Rueck-Geslft Aktgslht	3.68	0.32	3.36	7.99
Brookfield Corp	3.56	0.00	3.56	3.74
Ashtead Group PLC	3.55	0.18	3.37	8.23
Dassault Systemes SA	3.31	0.18	3.13	15.11
Pan Pacific International Holdings	3.01	0.05	2.96	3.42
Rentokil Initial PLC	2.84	0.12	2.72	19.70
Haleon plc	2.82	0.13	2.69	1.86
% of Portfolio	34.91	3.38	31.53	

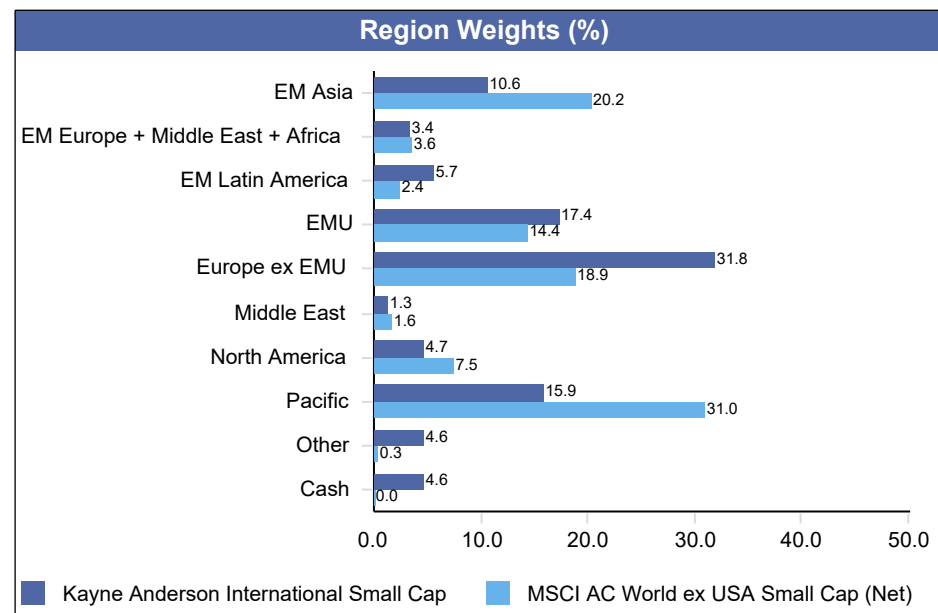


Kayne Anderson International Small Cap vs. MSCI AC World ex USA Small Cap (Net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	2,352	2,389
Median Mkt. Cap (\$M)	1,000	1,014
Price/Earnings ratio	19.18	11.77
Price/Book ratio	3.66	2.23
5 Yr. EPS Growth Rate (%)	7.91	10.72
Current Yield (%)	2.85	3.21
Number of Stocks	44	4,358

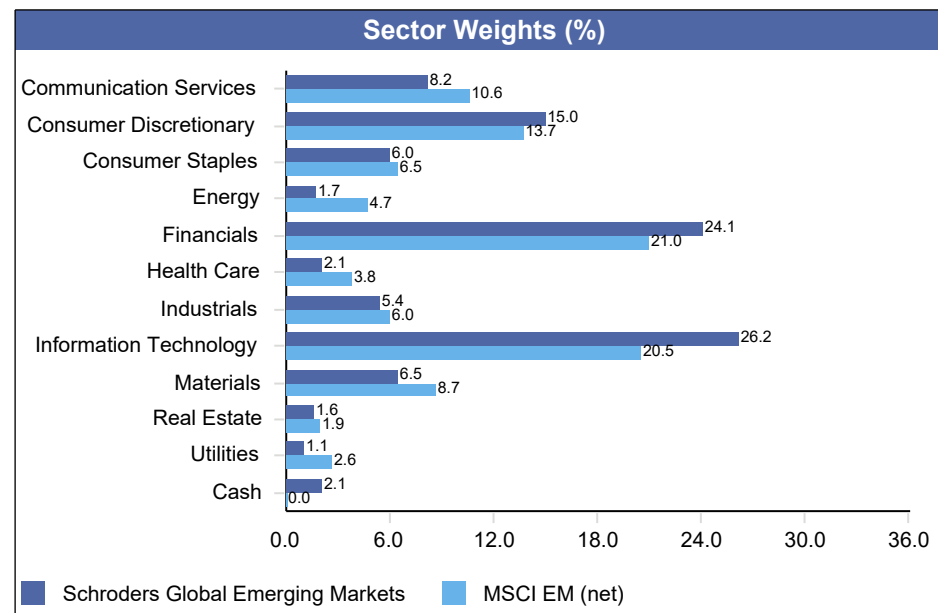


Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Auto Trader Group plc	4.65	0.00	4.65	23.49
Baltic Classifieds Group PLC	4.60	0.00	4.60	13.16
Rightmove PLC	4.60	0.15	4.45	13.16
CASH	4.59	0.00	4.59	N/A
Alten, Boulogne-Billancourt	4.10	0.12	3.98	28.03
Grupa Pracuj S.A	3.42	0.01	3.41	44.38
Haw Par Corp Ltd	3.33	0.00	3.33	2.56
Haitian International Holdings Ltd	3.28	0.00	3.28	-0.81
MarkLines Co Ltd	3.12	0.00	3.12	-1.71
Boa Vista Servicos S A	3.10	0.01	3.09	8.86
% of Portfolio	38.79	0.29	38.50	

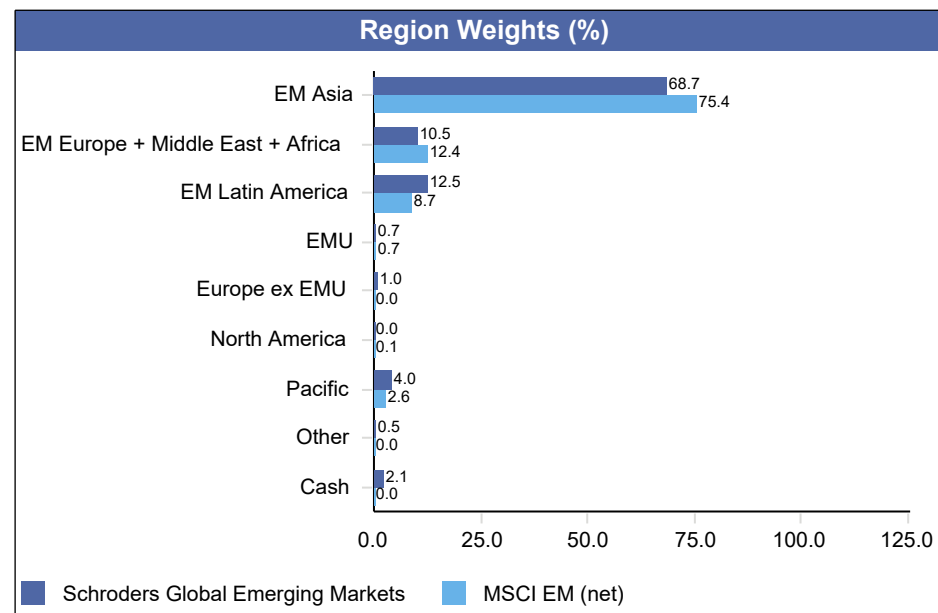


Schroders Global Emerging Markets vs. MSCI EM (net)

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$M)	117,806	102,229
Median Mkt. Cap (\$M)	13,348	6,315
Price/Earnings ratio	12.20	11.01
Price/Book ratio	2.23	2.42
5 Yr. EPS Growth Rate (%)	12.50	15.03
Current Yield (%)	2.74	3.35
Number of Stocks	126	1,379



Top Ten Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Taiwan Semicon Manu Co	7.71	6.57	1.14	20.62
Samsung Electronics Co Ltd	6.86	3.57	3.29	12.41
Tencent Holdings LTD	5.77	4.66	1.11	21.08
Alibaba Group Holding Ltd	3.81	2.89	0.92	15.74
H D F C Bank Ltd	2.25	0.00	2.25	-2.54
CASH	2.10	0.00	2.10	N/A
AIA Group Ltd	2.00	0.00	2.00	-5.33
Infosys Ltd	1.97	0.89	1.08	-3.16
Icici Bank Ltd	1.91	0.84	1.07	-1.42
Samsung Sdi Co Ltd	1.74	0.47	1.27	20.80
% of Portfolio	36.12	19.89	16.23	



◆ PGIM - Core Fixed Income

- **Management:** Michael Collins, CFA (since 2009), Richard Piccirillo (2012) and 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.

● BrandywineGLOBAL High Yield

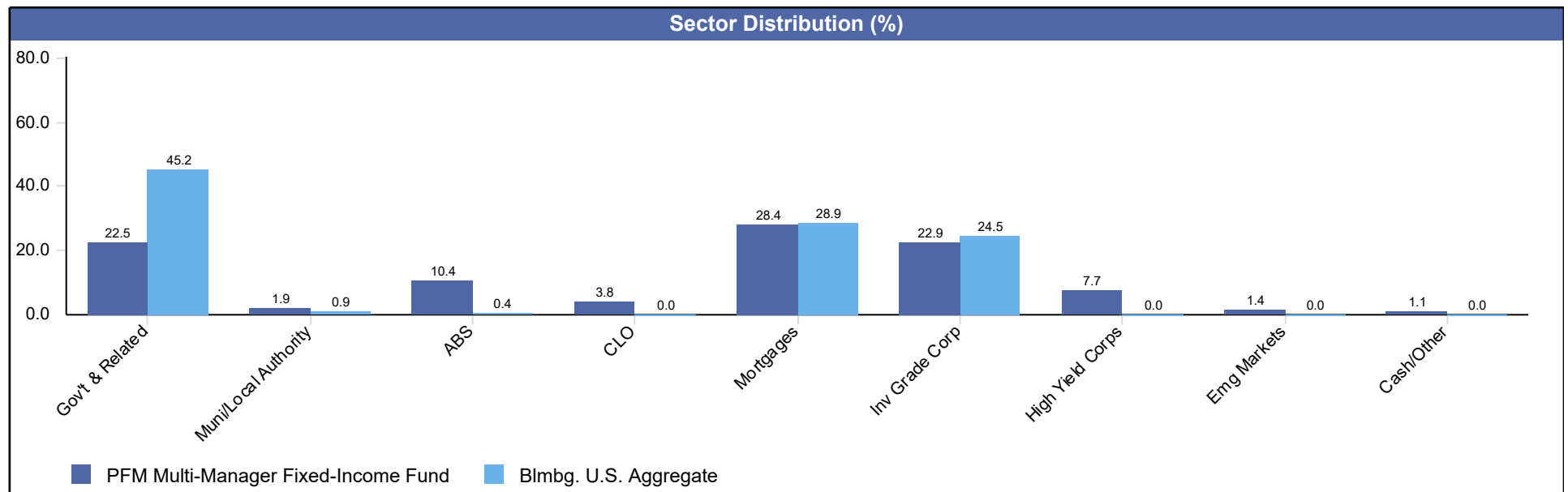
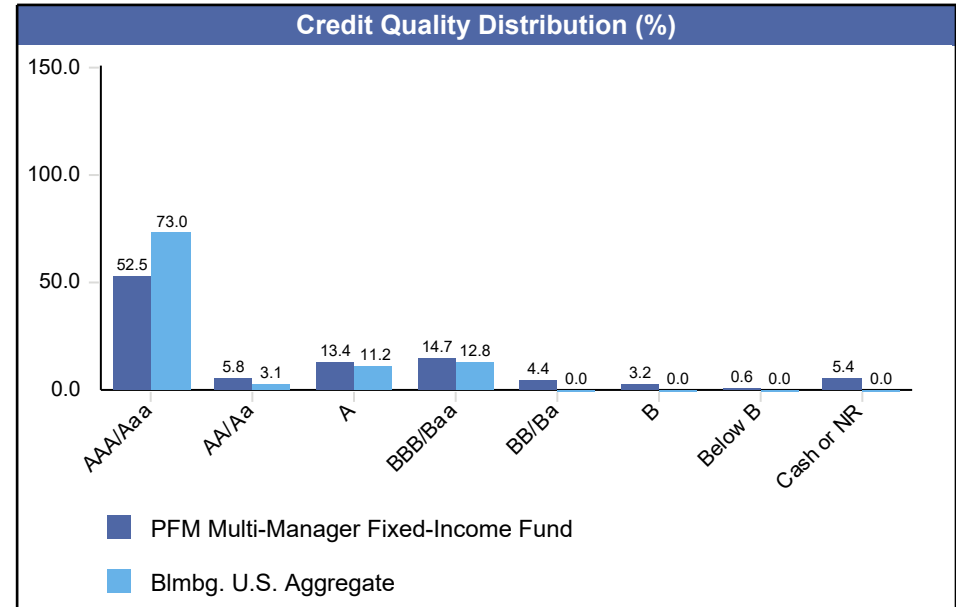
- **Management:** Bill Zox, CFA and John McClain, CFA have led the fund since it's inception in 2014.
- **Objective:** Seeks high current income with the opportunity for capital appreciation.
- **Strategy:** The fund generally holds over 80% of its assets in corporate debt rated below investment grade. 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.

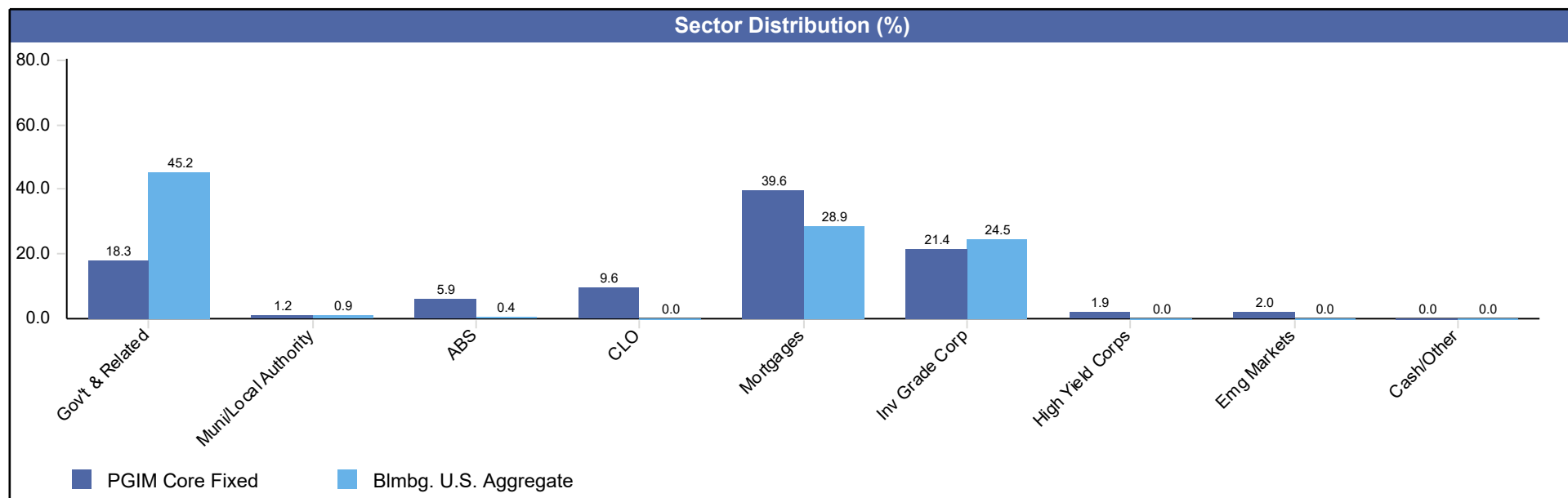
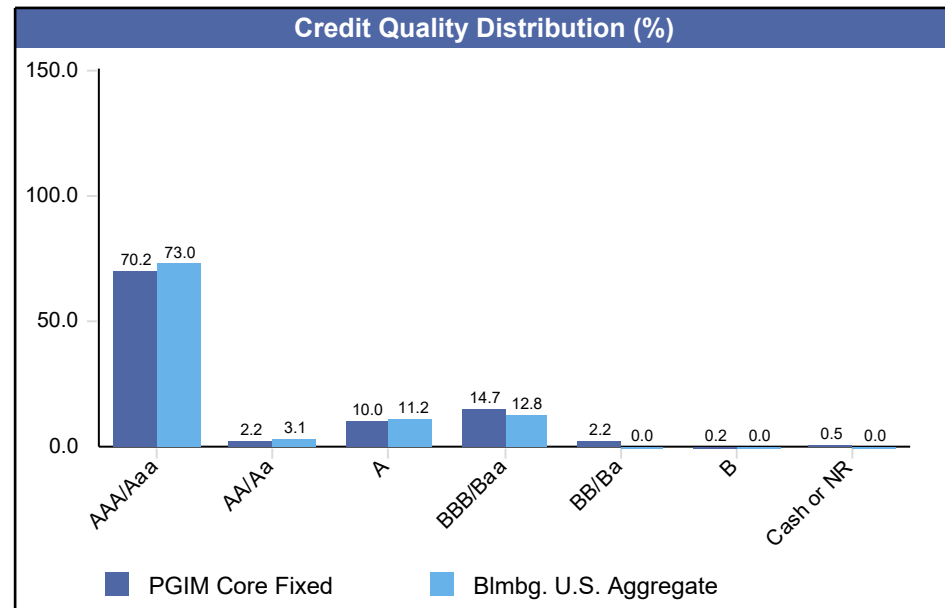
PFM Multi-Manager Fixed-Income Fund vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	5.80	6.33
Yield To Maturity (%)	5.53	4.40
Avg. Maturity	8.40	8.50
Avg. Quality	AA	AA
Coupon Rate (%)	3.60	2.79



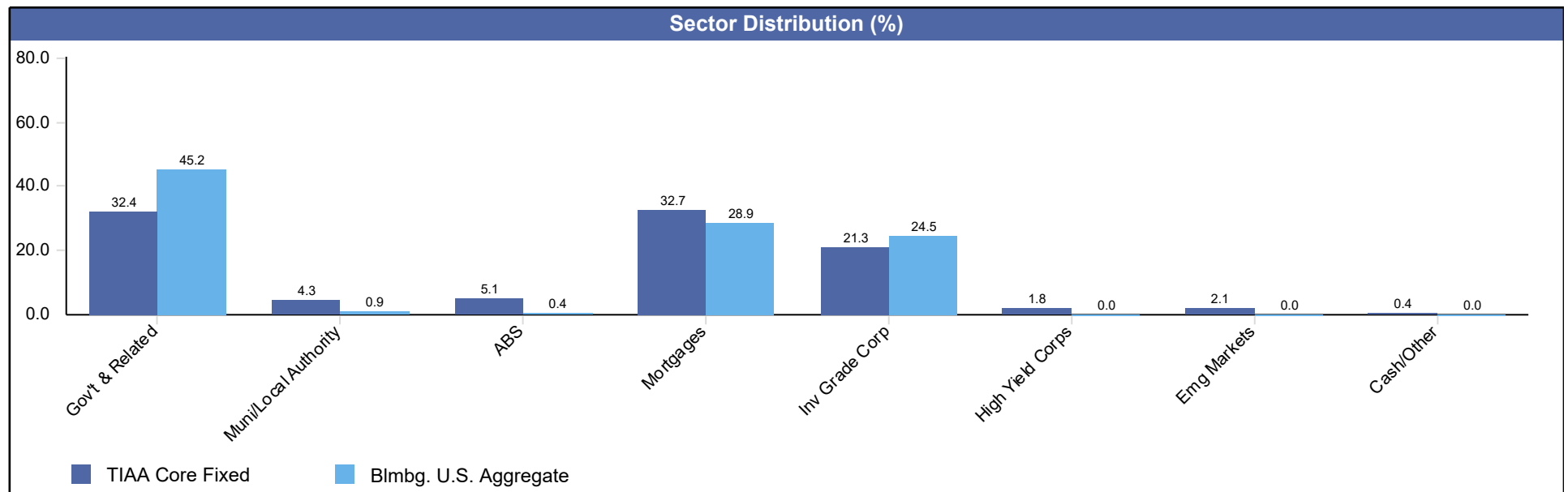
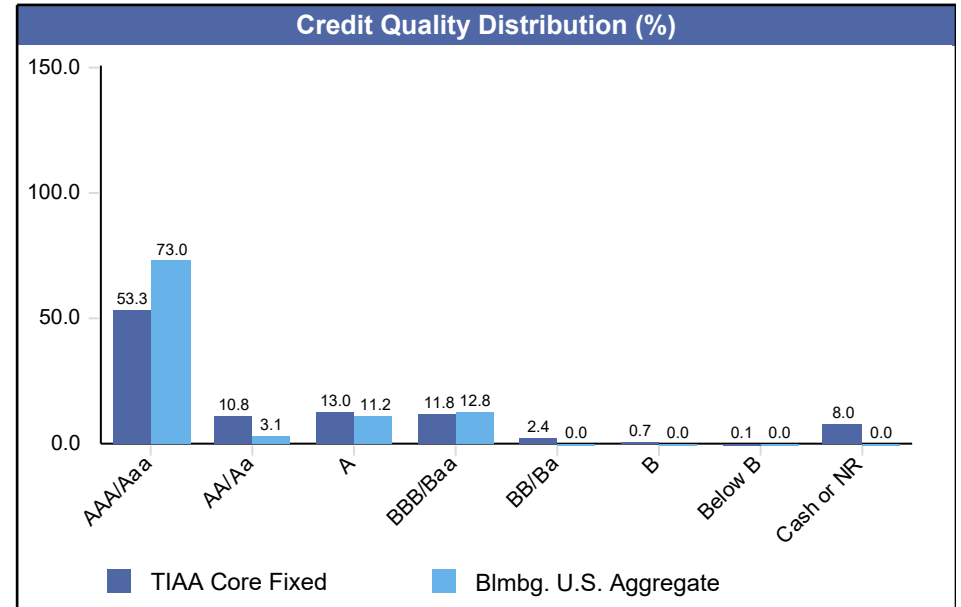
PGIM Core Fixed vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.33	6.33
Yield To Maturity (%)	5.16	4.40
Avg. Maturity	8.81	8.50
Avg. Quality	AA	AA
Coupon Rate (%)	3.64	2.79



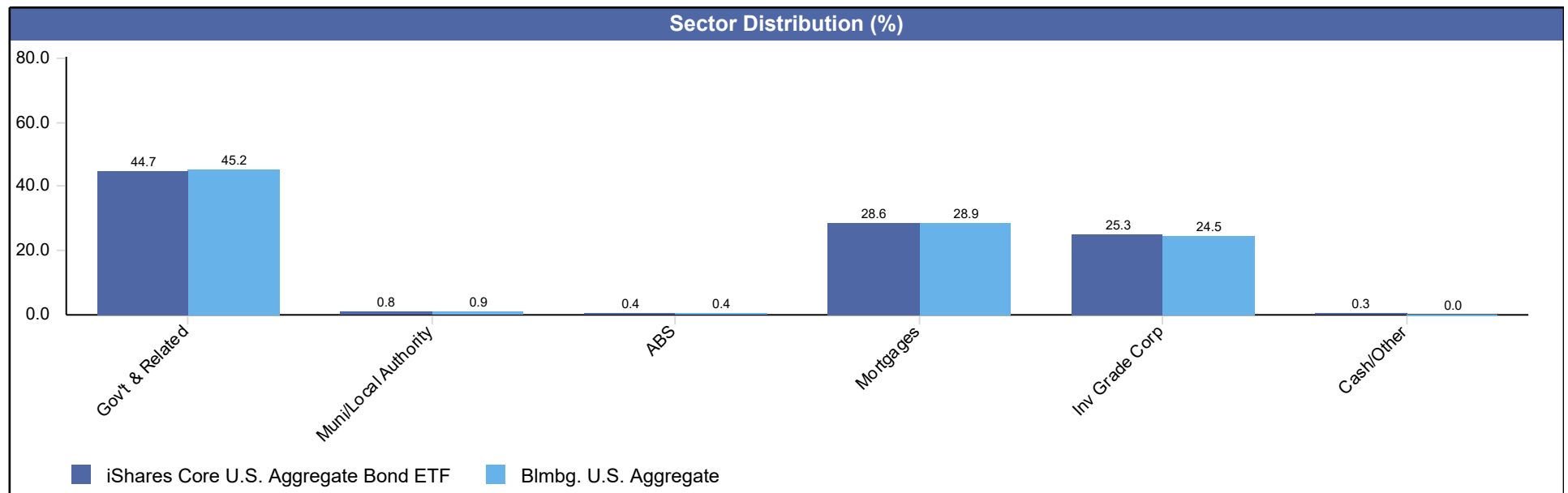
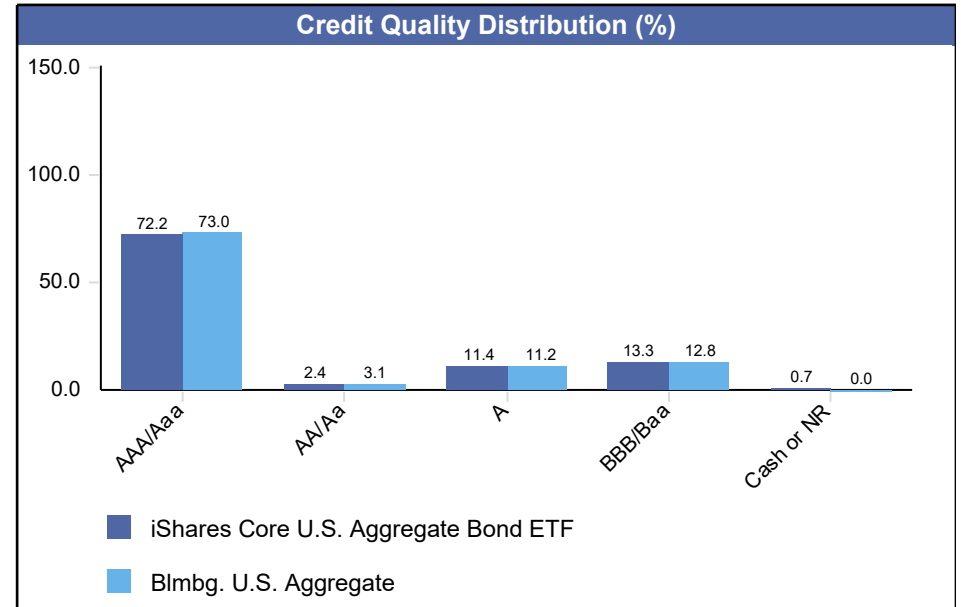
TIAA Core Fixed vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.28	6.33
Yield To Maturity (%)	5.35	4.40
Avg. Maturity	9.42	8.50
Avg. Quality	AA	AA
Coupon Rate (%)	2.85	2.79



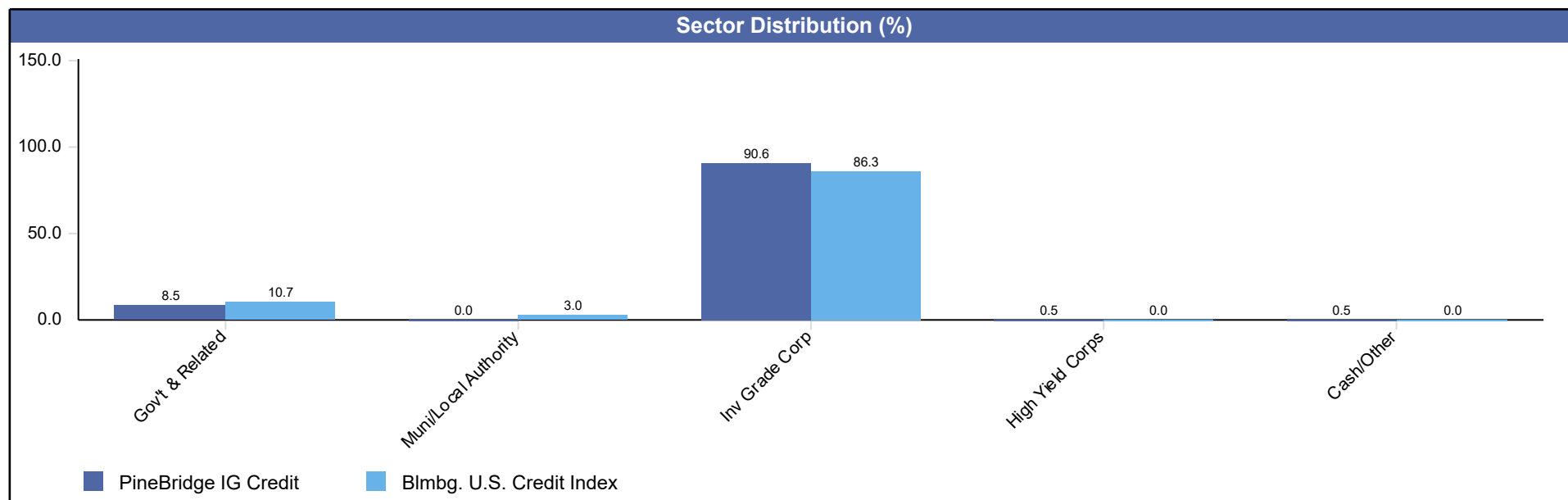
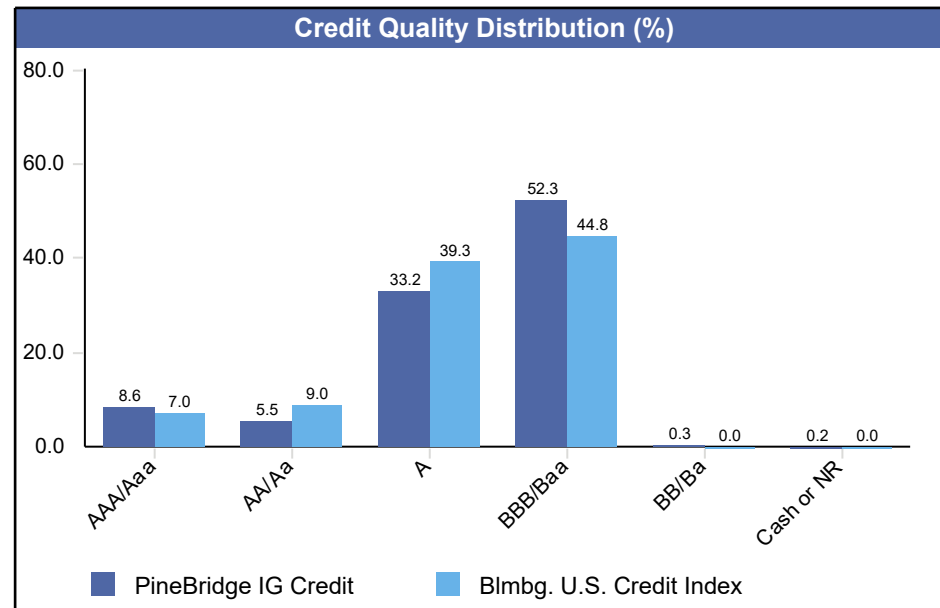
iShares Core U.S. Aggregate Bond ETF vs. Blmbg. U.S. Aggregate

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	6.41	6.33
Yield To Maturity (%)	4.37	4.40
Avg. Maturity	8.77	8.50
Avg. Quality	AA	AA
Coupon Rate (%)	2.82	2.79



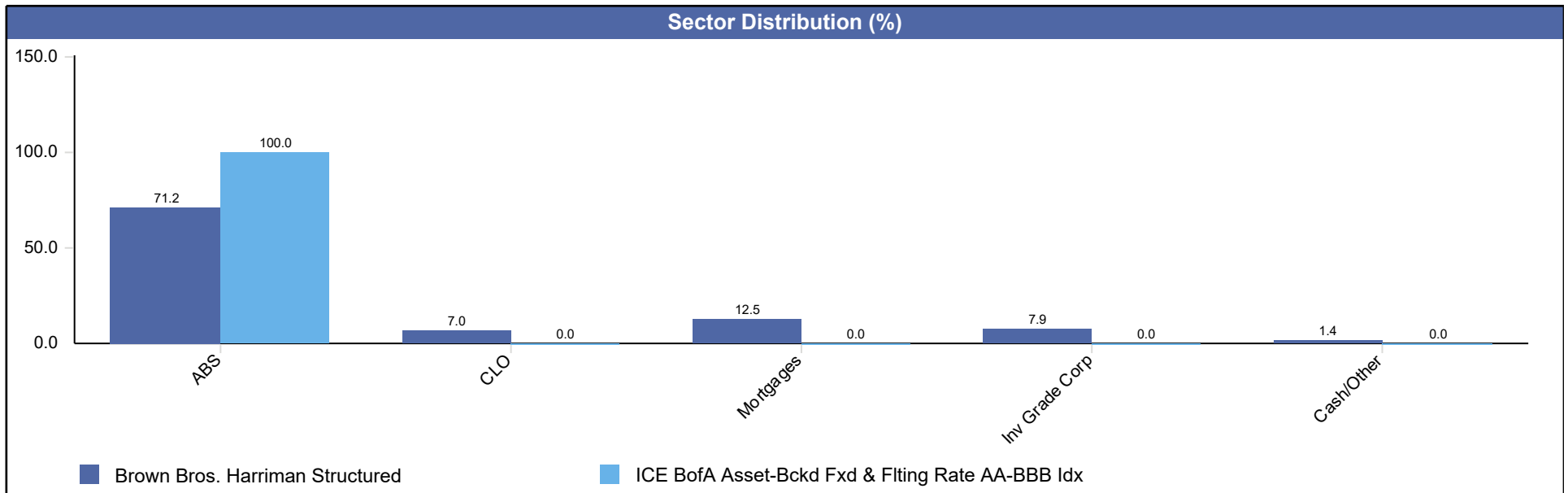
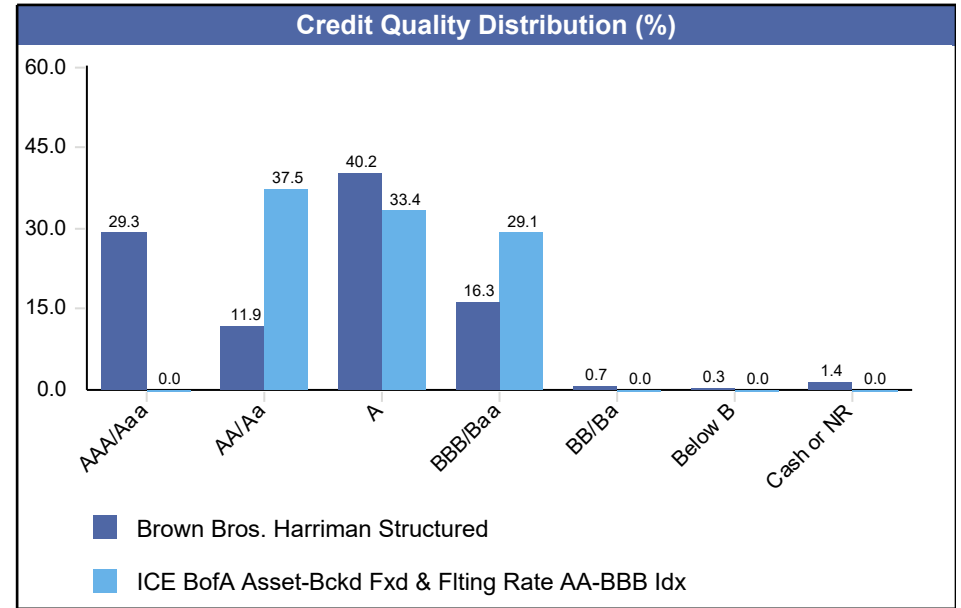
PineBridge IG Credit vs. Blmbg. U.S. Credit Index

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	7.05	7.08
Yield To Maturity (%)	5.38	5.07
Avg. Maturity	10.99	10.88
Avg. Quality	A	A
Coupon Rate (%)	3.91	3.72



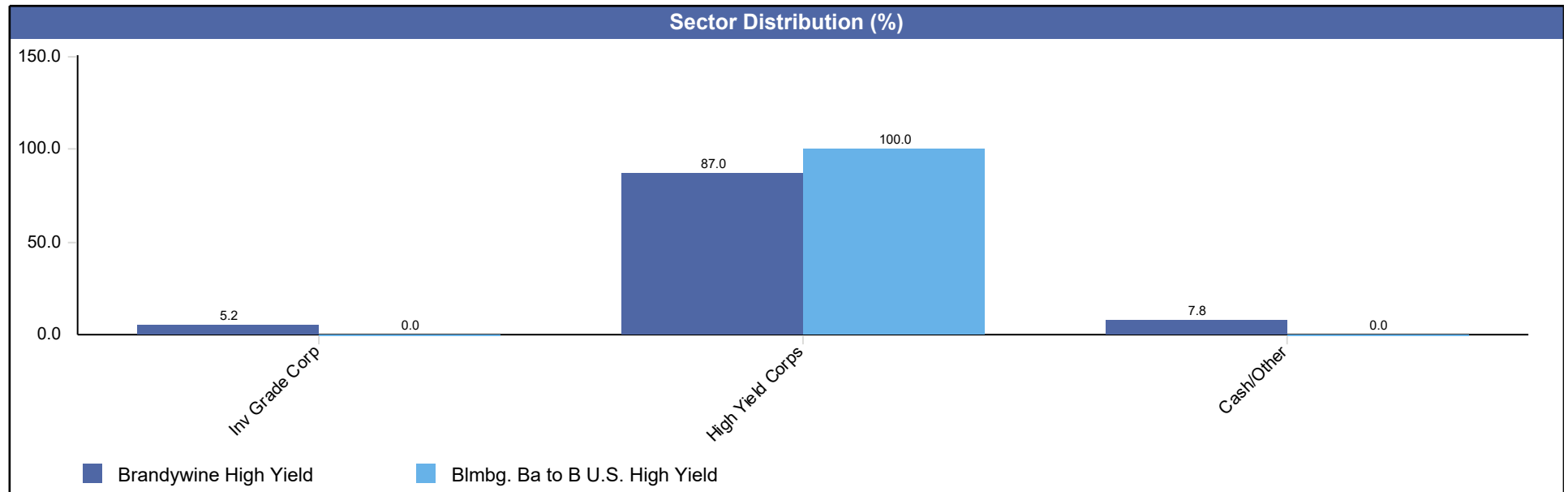
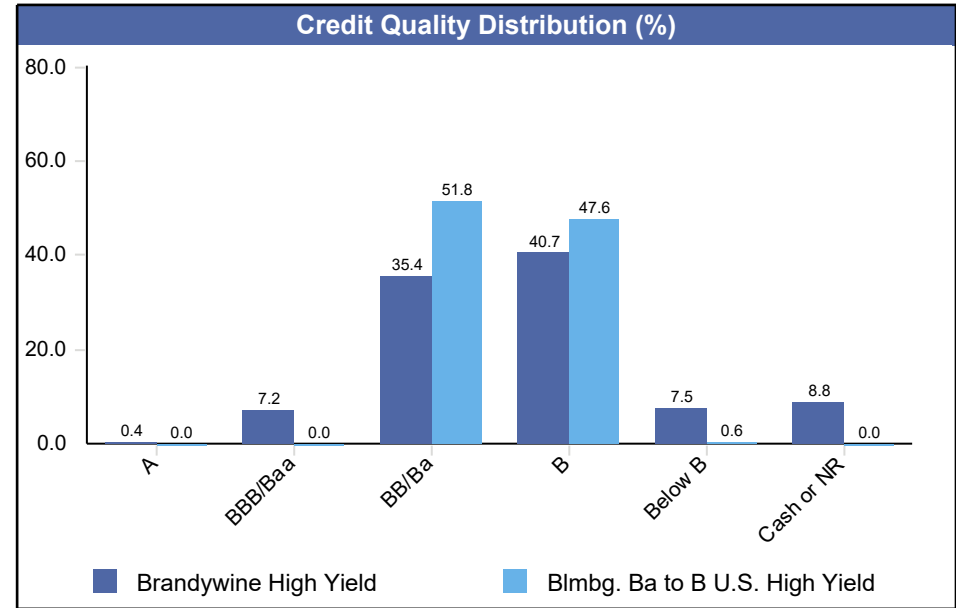
Brown Bros. Harriman Structured vs. ICE BofA Asset-Bckd Fxd & Fltng Rate AA-BBB Idx

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	2.45	2.74
Yield To Maturity (%)	7.29	6.59
Avg. Maturity	3.22	3.81
Avg. Quality	AA	A
Coupon Rate (%)	4.55	3.66



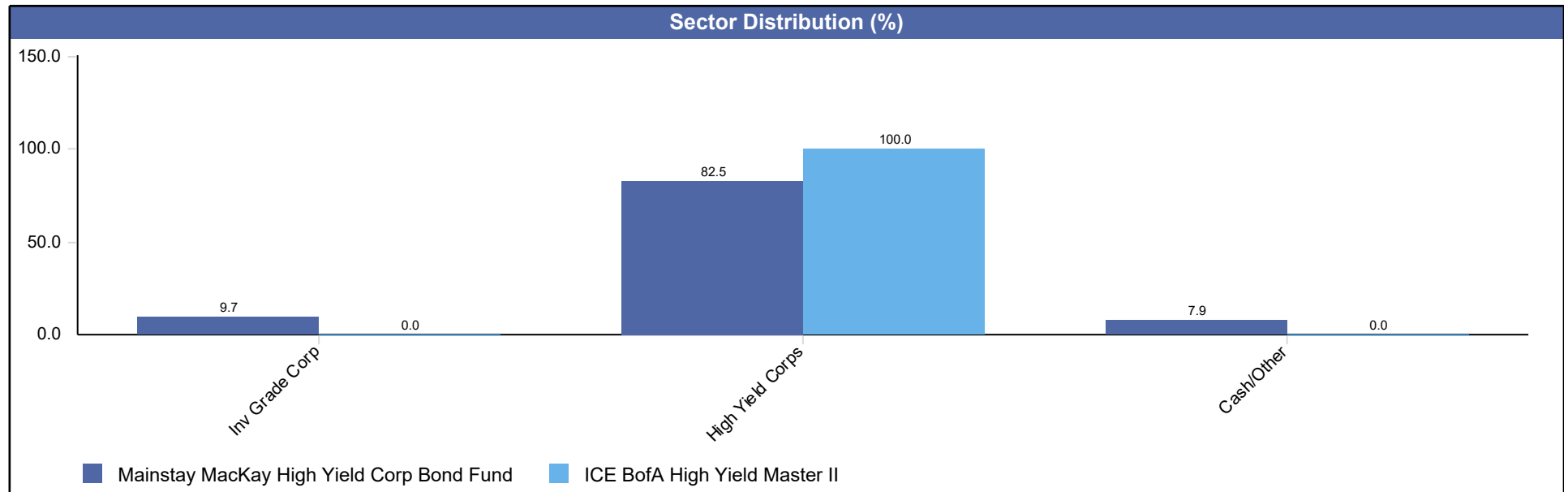
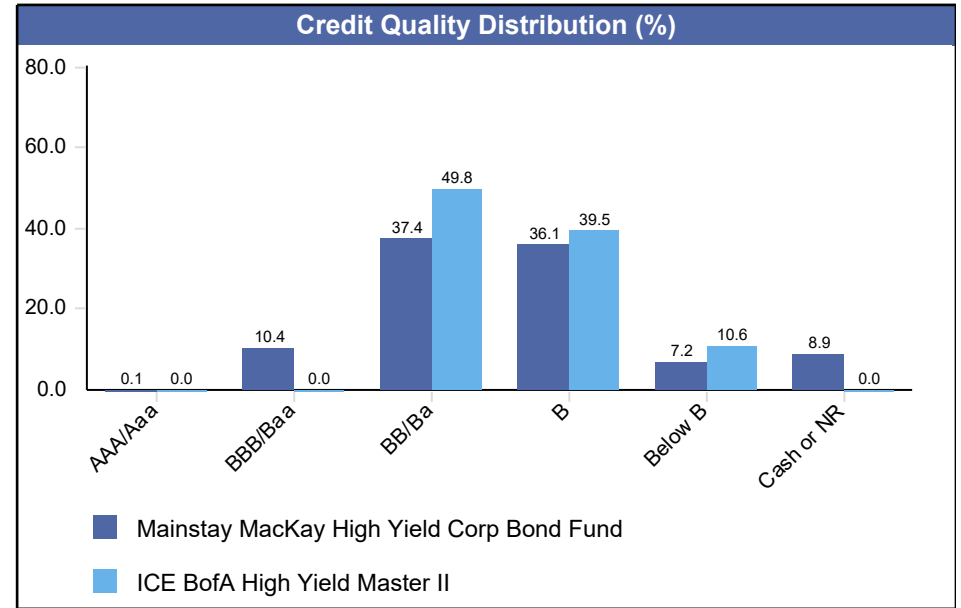
Brandywine High Yield vs. Blmbg. Ba to B U.S. High Yield

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	3.39	2.31
Yield To Maturity (%)	8.39	7.92
Yield To Worst	8.34	N/A
Avg. Maturity	5.20	3.30
Avg. Quality	B	BB
Coupon Rate (%)	6.16	5.93



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

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	3.51	3.78
Yield To Maturity (%)	7.70	8.47
Avg. Maturity	5.39	5.27
Avg. Quality	BB	B
Coupon Rate (%)	6.01	5.83



IMPORTANT DISCLOSURES

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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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Portfolio Updates

SUMMARY

- **PFMAM's Multi-Asset Class Investment Committee (the "Committee") voted to remove the tactical cash allocation from client portfolios by increasing fixed income to its strategic target.**

ASSESSMENT

Multi-asset class client portfolios spent the majority of 2022 underweight fixed income in the face of aggressive rate hikes from the Federal Reserve's Open Market Committee (the "Fed"). The Fed has been battling a surge in inflation in the wake of the Covid-19 pandemic, further disrupted by global energy and other commodity supply realignment in the wake of Russia's invasion in Ukraine.

As we enter 2023, the Committee believes we're experiencing the tail end of the Fed rate hikes. It appears that inflationary levels have peaked based on several measures, although remain historically high. Following multiple rate hikes, the US Treasury yield curve has become inverted, leading to the belief that long-term rates likely peaked during their October 2022 highs. Client portfolios held a tactical cash allocation in 2022, resulting in an underweight to longer duration (interest rate sensitive) fixed income, which fares poorly when rates are rising. Given the expectation of more limited Fed rate hikes and a lower likelihood of long-term rates rising higher, the Committee views this as an opportunity to increase fixed income exposure back to policy targets. In addition, yields on investment grade broad market indices are at levels last seen during the global financial crisis.

PORTFOLIO IMPLICATIONS

Following these changes, multi-asset class client portfolios will be at target weights for equity and fixed income. After one of the worst periods for a balanced portfolio given broad selloffs in both equity and fixed income, the Committee finds it prudent to reduce the defensive stance and move back to policy targets. Amidst this backdrop, the Committee continues to be focused on opportunistically allocating capital to attractive opportunities.

The Committee continues to monitor data for signs of an economic slowdown and will make changes to client portfolios based on economic fundamentals and market outlook.

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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EVENT

- **The SPDR Blackstone Senior Loan ETF (the “ETF”) has been removed from the PFM Multi-Manager Fixed Income Fund**

SUMMARY

As the investment advisor for the Fund, PFM Asset Management LLC (“PFMAM”) recently removed the ETF that was added early last year. The removal of the ETF comes as investment grade fixed income valuations look more attractive given current yield levels. Furthermore, nearing the end of Fed rate hikes decreases the need for floating rate loan exposure. Given some economic data signaling a weaker outlook, the removal of this ETF will also serve to increase credit quality in the Fixed Income Fund.

Proceeds from the liquidation will be allocated primarily to the iShares Core US Aggregate ETF currently held in the Fund.

We appreciate your continued confidence in the PFM Multi-Manager Series Trust. Should you have any specific questions or wish to discuss this topic in more detail, please contact your client manager directly.

SUMMARY

- **PFMAM's Multi-Asset Class Investment Committee (the "Committee") has voted to increase exposure to domestic equity mid-caps and small-caps.**
- **Within international equity, the Committee voted to increase emerging markets to neutral weight (relative to the benchmark).**

ASSESSMENT

Inflation has continued to moderate over the last several months and the Committee believes this trend will continue. While the Federal Reserve is expected to deliver a few more rate hikes to bring down inflation, the Committee believes we are nearing the end of the rate hike cycle. Within the U.S., economic data has been mixed with a slowdown in manufacturing activity and corporate earnings contrasted by strong labor markets and continued services spending. The U.S. economy has been showing signs of slowdown through 2022 and the Committee expects the economic slowdown to continue, even as the probability of an economic recession has declined. The recent pivot away from COVID-zero policy and economic reopening in China has added to global economic momentum at a time when Europe has skirted recession due to a milder winter and falling energy prices. As a result, the Committee believes that global economic stagnation is not of immediate concern.

Within domestic equity, the Committee voted to increase mid- and small-cap stocks. Mid-caps and small-caps, as denoted by S&P MidCap 400 Index and S&P SmallCap 600 Index, have been trading at attractive valuations relative to large-caps, as denoted by S&P 500 Index, over the last few years. Multi-asset class client portfolios have had a slight overweight to mid-and small-caps to take advantage of this opportunity. Currently, the earnings expectations across mid-and small-cap stocks have held up better than that of large-caps. This, combined with the attractive relative valuations, has led the Committee to further overweight this exposure relative to the broad market.

Within international equity, the Committee voted to increase exposure to emerging markets to take advantage of the economic reopening in China that is expected to lead a resurgence in consumption of goods and services. This resurgence is expected to benefit several countries across emerging and developed markets, especially the ones that have significant exports to China. Multi-asset class client portfolios were previously underweight emerging markets due to our concerns around China's economic growth trajectory. However, with the current reopening, the Committee has voted to remove this underweight and bring emerging market exposure in line with the benchmark (MSCI All Country World ex USA Index). This allocation is also supported by attractive valuations within emerging market equities along with a weakening U.S. dollar.

PORTFOLIO IMPLICATIONS

Following these changes, multi-asset class client portfolios will remain at policy targets at the asset class level. Within equities, client portfolios will have a larger overweight to mid-and small caps (vs. large caps) and a neutral exposure to emerging markets (vs. developed) relative to their respective benchmarks.

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 Pension Trust



Economic Overview

The International Monetary Fund (IMF) revised its global growth outlook downwards, estimating that worldwide gross domestic product (GDP) growth will be 2.8% in 2023 and 3.0% in 2024. This is 10 basis points (bps) lower than the group’s January prediction, as tightening financial conditions and continued geopolitical tensions are expected to drag on growth.

The domestic labor market continued to show strength, with the unemployment rate ending at a flat 3.5%. The labor force participation improved during the quarter, increasing to a pandemic-era high of 62.6% but still below the pre-pandemic rate of 63.3%. Total non-farm employment increased by 1.03 million in the first quarter, up from last quarter’s 853,000. The gains appear to be slowing, with 236,000 jobs added during March, the smallest monthly gain since a decline in December 2020.

Inflation cooled this quarter as energy prices fell and food prices held flat. Wage growth also slowed, with gains of 4.2% year-over-year at quarter end, compared to nearly 6% one year ago, which are all possible signs of easing inflationary pressures. During the first quarter, the Fed and the European Central Bank (ECB) both hiked rates in February and March as they continued to tighten monetary policy to tame inflation. Looking forward as inflation cools and central banks are expected to slow or stop interest rate increases, financial markets will have more clarity.

Economic indicators have been mixed. U.S. factory activity, as measured by the ISM manufacturing PMI, fell during the quarter to 46.3, the lowest level since May 2020. At the same time, the services sector, which accounts for more than two-thirds of the U.S. economy, continues to indicate growth, with a reading of 51.2 in March.

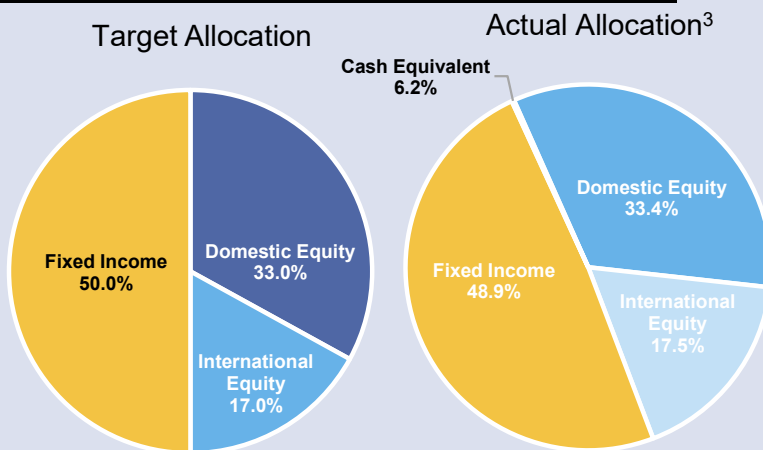
Domestic Equity: Domestic equity markets, as represented by the S&P 500 Index (S&P), posted a positive return of 7.50% for the first quarter of 2023. Returns were mixed across the 11 GICS sectors. Information Technology (21.82%), Telecommunication Services (20.50%), and Consumer Discretionary (16.05%) were the best performers over the quarter. Financials (-5.56%), Energy (-4.71%), and Healthcare (-4.31%) were the worst performers. Growth stocks, as represented by the Russell 1000 Growth Index, returned 14.37%, outpaced value stocks, as represented by the Russell 1000 Value Index, which returned 1.01% for the quarter. Small-caps, as represented by the Russell 2000 Index, returned 2.74% during the quarter, lagging behind mid- and large-caps. The Russell Midcap and Russell 1000 indices returned 4.06% and 7.46%, respectively.

International Equity: Markets outside of the U.S., as measured by the MSCI ACWI ex-U.S. Index, slightly underperformed their U.S. counterparts, returning 6.87% for the quarter, despite starting the year on a stronger footing. The trailing 1-year return for non-U.S. equity was -5.07%, which outperformed domestic markets. Nine of the 11 sectors posted strong positive returns for the quarter, with Information Technology (17.24%) and Consumer Discretionary (11.28%) leading the way. Energy (-0.30%) and Real Estate (-1.70%) were the worst performers this quarter. Emerging markets (EM), as represented by MSCI Emerging Market Index, underperformed Developed ex-U.S. Markets, represented by the MSCI EAFE Index, returning 3.95% versus 8.47% for the quarter.

Fixed Income: Bloomberg U.S. Aggregate had a strong first quarter, up 2.96%. The trailing one-year period remained negative with a loss of -4.78%. Corporate credit was strong in the first quarter from their higher starting yields, as investment-grade Bloomberg U.S. Corporate (IG Corp) Index gained 3.50%, while high yield bonds, as represented by the Bloomberg U.S. Corporate High Yield (HY) Index, posted a similar return at 3.57%.

Portfolio Performance (Period Ending March 31, 2023)					
	1 st Quarter	Fiscal Year to Date	1 Year	3 Year	Since Inception ¹
Pension Trust	4.69%	4.14%	-6.92%	7.61%	4.57%
Benchmark²	5.02%	5.03%	-5.76%	6.63%	4.31%

City of Walnut Creek Portfolio Growth 2023 1Q Account Reconciliation	
Beginning Market Value	\$23,009,268
Net Flows⁴	-\$14,419
Earnings	\$1,078,823
Ending Market Value	\$24,073,672



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).