SEWERAGE & WATER BOARD OF NEW ORLEANS

PENSION COMMITTEE MEETING
TUESDAY, MAY 11, 2021
9:00 AM

May 2021 Pension Link
+1 504-224-8698,,671298380# United States, New Orleans
Phone Conference ID: 671 298 380#

PUBLIC COMMENT WILL BE ACCEPTED VIA EMAIL TO BOARDRELATIONS@SWBNO.ORG. ALL PUBLIC COMMENTS MUST BE RECEIVED PRIOR TO 9:30 AM ON May 11, 2021. COMMENTS WILL BE READ VERBATIM INTO THE RECORD.

Joseph Peychaud, Chair • Councilmember Jay H. Banks
Ralph Johnson• Alejandra Guzman • Dr. Maurice Sholas
• Adam Kay • Christopher Bergeron
• Latressia Matthews • Harold Heller

FINAL AGENDA

1) **ROLL CALL**

2) **PRESENTATION ITEMS**
   - Executive Summary of Performance & Market Overview, Q1 2021- Marquette Associates, Inc.

3) **ACTION ITEM:**
   - Resolution (R-061-2021) Resolution to Adopt Funding Policy and Amend the Rules and Regulations of the Employee's Retirement System of the Sewerage and Water Board of New Orleans

4) **INFORMATION ITEMS**
   - Monthly Performance Report – March 31, 2021 Marquette Associates, Inc.
   - Notification of Upcoming Pension Committee Election

5) **PUBLIC COMMENT**

Public comments received until 30 minutes after the presentation of the Agenda will be read into the record.

6) **ADJOURNMENT**

This teleconference meeting is being held pursuant to and in accordance with the provisions of Section 4 of Proclamation Number JBE 2020-30, extended by Proclamation 79 JBE 2021, pursuant to Section 3 of Act 302 of 2020.

MarquetteAssociates

March 2021
Market Environment

Commodities lead in 1Q, followed by equities

2021 YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012	5yr	10yr
Commodities 13.6%	Broad U.S. Equities 20.9%	Large Cap 31.5%	Real Estate 6.7%	Emerging Markets 37.3%	Small Cap 21.3%	Real Estate 13.3%	Large Cap 13.7%	Small Cap 38.8%	Intl Small Cap 20.0%	Broad U.S. Equities 16.6%	Large Cap 13.9%
Small Cap 12.7%	Small Cap 20.0%	Broad U.S. Equities 31.0%	Bank Loans 1.1%	Intl Small Cap 33.0%	High Yield 17.1%	Intl Small Cap 9.6%	Mid Cap 13.2%	Mid Cap 34.8%	Emerging Markets 18.2%	Small Cap 16.4%	Broad U.S. Equities 13.8%
Mid Cap 8.1%	Large Cap 18.4%	Mid Cap 30.5%	Core Bond 0.0%	Broad Intl Equities 27.2%	Mid Cap 13.8%	Large Cap 1.4%	Broad U.S. Equities 12.6%	Broad U.S. Equities 33.6%	Intl Large Cap 17.3%	Large Cap 16.3%	Mid Cap 12.5%
Broad U.S. Equities 6.3%	Emerging Markets 18.3%	Small Cap 25.5%	High Yield -2.1%	Intl Large Cap 25.0%	Broad U.S. Equities 12.7%	Core Bond 0.5%	Real Estate 11.8%	Large Cap 32.4%	Mid Cap 17.3%	Mid Cap 14.7%	Small Cap 11.7%
Large Cap 6.2%	Mid Cap 17.1%	Intl Small Cap 25.0%	Hedge Funds -4.0%	Large Cap 21.8%	Large Cap 12.0%	Broad U.S. Equities 0.5%	Core Bond 6.0%	Intl Small Cap 29.3%	Broad Intl Equities 16.8%	Emerging Markets 12.1%	Real Estate 9.0%
Intl Small Cap 4.5%	Intl Small Cap 12.3%	Intl Large Cap 22.0%	Large Cap -4.4%	Broad U.S. Equities 21.1%	Commodities 11.4%	Hedge Funds -0.3%	Small Cap 4.9%	Intl Large Cap 22.8%	Broad U.S. Equities 16.4%	Intl Small Cap 10.5%	Intl Small Cap 8.0%
Broad Intl Equities 3.5%	Hedge Funds 10.9%	Broad Intl Equities 21.5%	Broad U.S. Equities -5.2%	Mid Cap 18.5%	Emerging Markets 11.2%	Bank Loans -0.4%	Hedge Funds 3.4%	Broad Intl Equities 15.3%	Small Cap 16.4%	Broad Intl Equities 9.8%	High Yield 6.5%
Intl Large Cap 3.5%	Broad Intl Equities 10.7%	Emerging Markets 18.4%	Mid Cap -9.1%	Small Cap 14.6%	Bank Loans 9.9%	Intl Large Cap -0.8%	High Yield 2.5%	Real Estate 11.0%	Large Cap 16.0%	Intl Large Cap 8.8%	Intl Large Cap 5.5%
Emerging Markets 2.3%	Intl Large Cap 7.8%	Commodities 17.6%	Small Cap -11.0%	Hedge Funds 7.8%	Real Estate 8.0%	Mid Cap -2.4%	Bank Loans 2.1%	Hedge Funds 9.0%	High Yield 15.8%	High Yield 8.1%	Broad Intl Equities 4.9%
Hedge Funds 2.2%	Core Bond 7.5%	High Yield 14.3%	Intl Large Cap -13.8%	High Yield 7.5%	Broad Intl Equities 4.5%	Small Cap -4.4%	Emerging Markets -2.2%	High Yield 7.4%	Real Estate 10.5%	Real Estate 5.9%	Bank Loans 4.4%
Bank Loans 2.0%	High Yield 7.1%	Core Bond 8.7%	Commodities -13.8%	Real Estate 7.0%	Core Bond 2.6%	High Yield -4.5%	Broad Intl Equities -3.9%	Bank Loans 6.2%	Bank Loans 9.4%	Hedge Funds 5.8%	Emerging Markets 3.7%
Real Estate 1.6%	Bank Loans 2.8%	Hedge Funds 8.4%	Broad Intl Equities -14.2%	Commodities 5.8%	Intl Small Cap 2.2%	Broad Intl Equities -5.7%	Intl Large Cap -4.9%	Commodities -1.2%	Hedge Funds 4.8%	Bank Loans 5.3%	Hedge Funds 3.4%
High Yield 0.8%	Real Estate 1.6%	Bank Loans 8.2%	Emerging Markets -14.6%	Bank Loans 4.2%	Intl Large Cap 1.0%	Emerging Markets -14.9%	Intl Small Cap -4.9%	Core Bond -2.0%	Core Bond 4.2%	Core Bond 3.1%	Core Bond 3.4%
Core Bond -3.4%	Commodities -23.7%	Real Estate 6.4%	Intl Small Cap -17.9%	Core Bond 3.5%	Hedge Funds 0.5%	Commodities -32.9%	Commodities -33.1%	Emerging Markets -2.6%	Commodities 0.1%	Commodities 1.2%	Commodities -8.6%

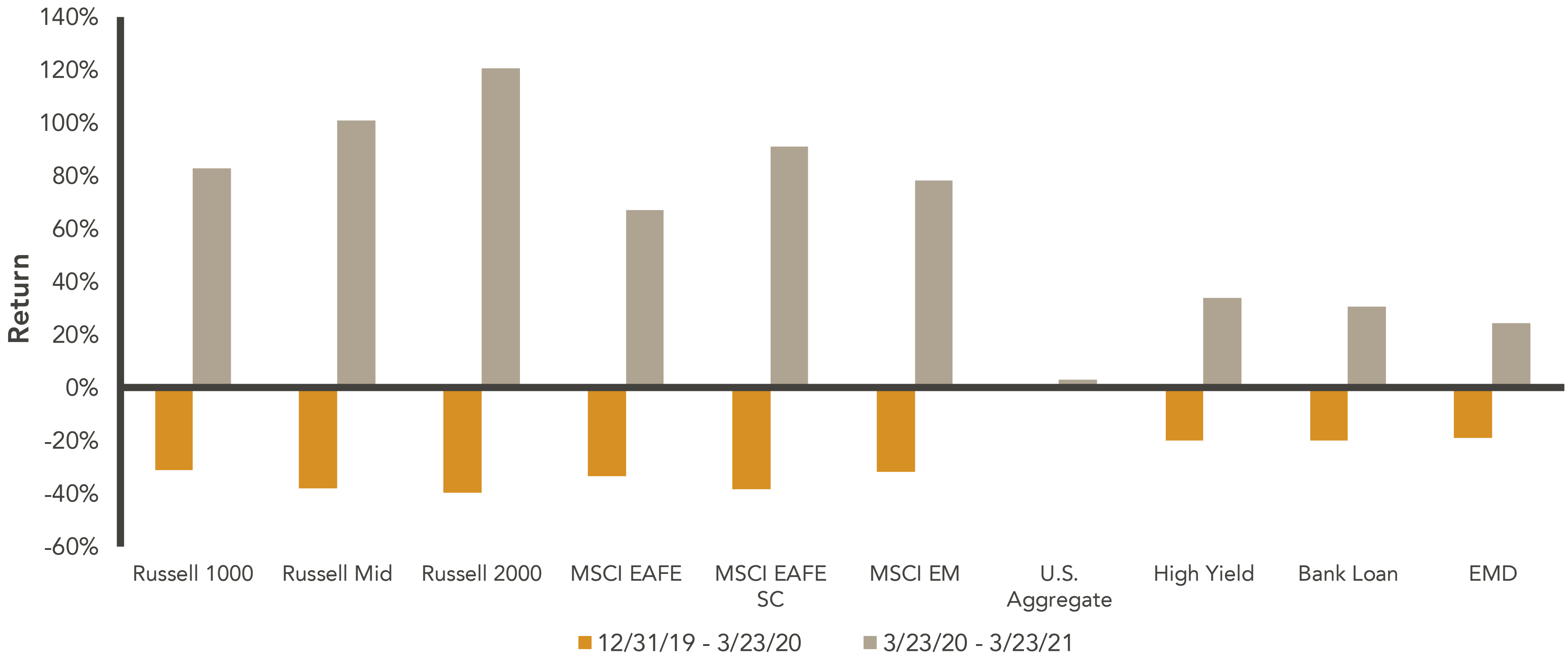
Source: Bloomberg; hedge funds as of February 28, 2021, real estate as of December 31, 2020. Please see end of document for benchmark information.

1Q21 Market Themes

- **One year anniversary of market bottom**: March 23rd marked the one-year anniversary of the pandemic-driven market bottom; since then, equity indices have roared back to life, returning 67-121% across U.S. and non-U.S. indices.
- **Reflation trade**: both interest rates and inflation expectations rose as vaccination rates climbed; 10-year Treasury yield climbs 81 basis points to end the quarter at 1.74%; expectation is muted and transitory gradual rise in rates and inflation until end of economic recovery.
- **Equities continue to rise with cyclicals leading the way**: Value and small maintained their outperformance trends from 4Q20 for both U.S. and non-U.S. indices; the rise in rates and economic re-openings helped propel value over growth.
- **Inflation and rising rates emerge as primary market worries**: Massive expansion in money supply and dramatic rise in savings rates coupled with rise in commodity prices has fueled inflation concerns; higher rates weighed on growth stocks during the quarter.
- **Greater investor risk-taking**: growing signs of frothiness from Archegos/Greensill blowup, SPAC frenzy, margin debt usage; however, corporate issuers remain cautious.
- **Central banks remain accommodative** but starting to contemplate less accommodation: Fed committed to zero rates and no tapering until economy recovered, Bank of Canada and Bank of Japan planning tapering.
- **Biden's $2.25T infrastructure investment plan**: may drive sustained growth in U.S. and globally; expected to be tailwind for EM commodity producers offset by rising U.S. rates.

Markets come roaring back

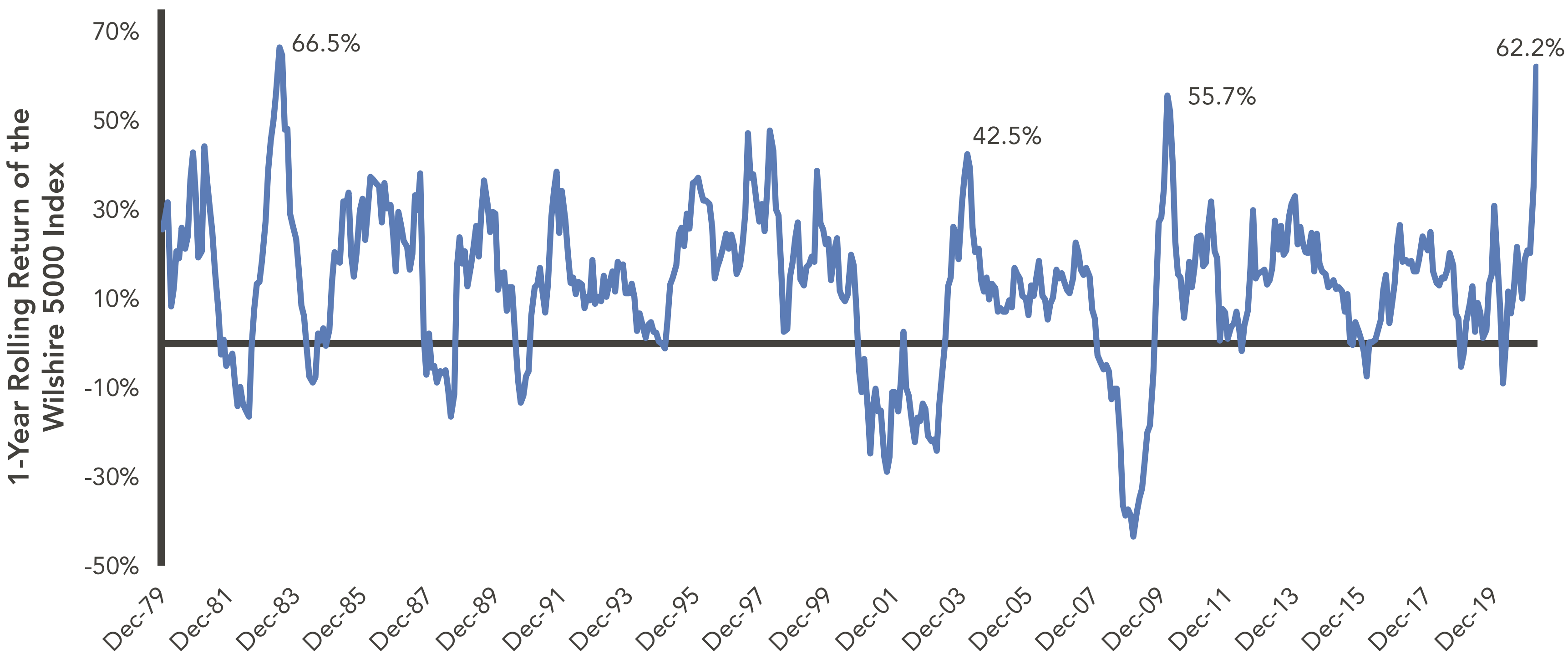
In the 12 months since markets bottomed during the early days of the pandemic, equity and credit markets have delivered spectacular rebounds, with some equity indices returning more than 100%



Source: Bloomberg as of March 23, 2021

Strongest one-year return for U.S. equities since 1983

The U.S. equity market bottomed on March 23, 2020, and 96% of companies in the Wilshire 5000 rose in the subsequent 12-month period

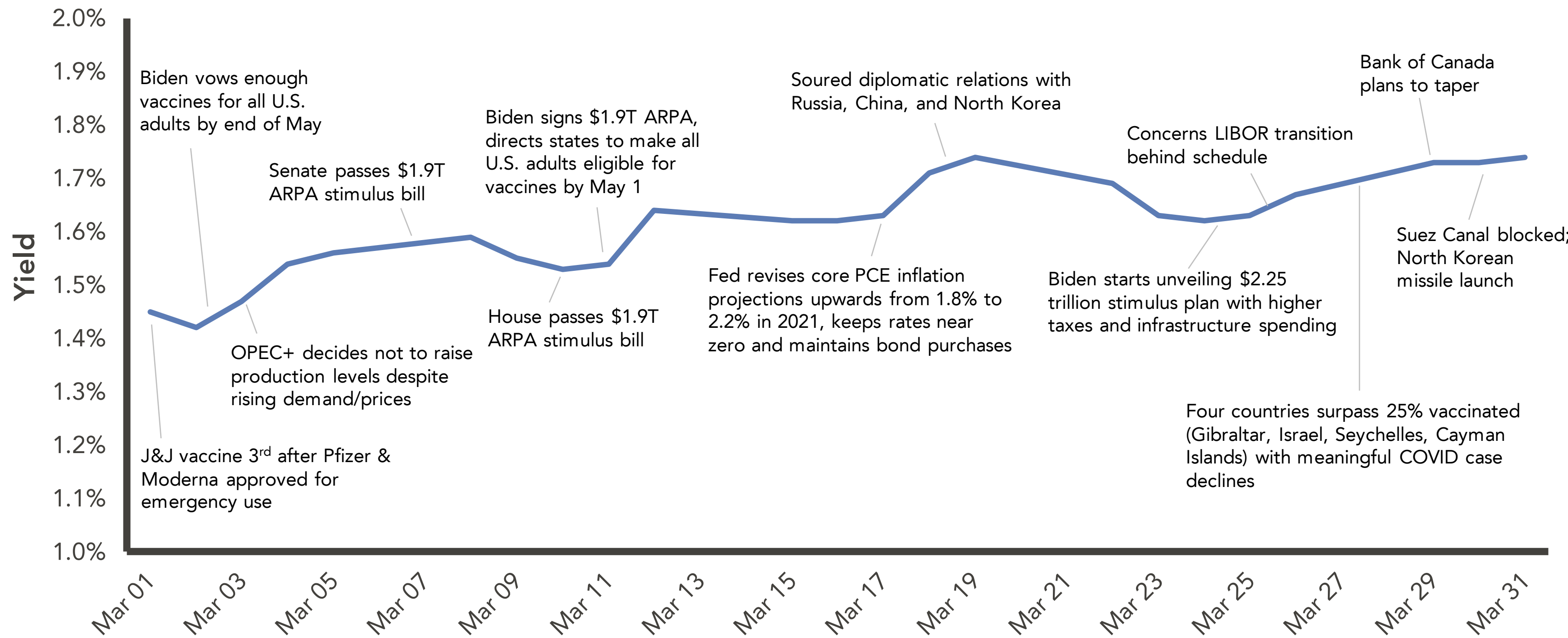


Source: eVestment as of March 31, 2021

March: Yields continued rising in reflation trade

Rising vaccinated rate and more fiscal/monetary stimulus pushed rates and inflation expectations up

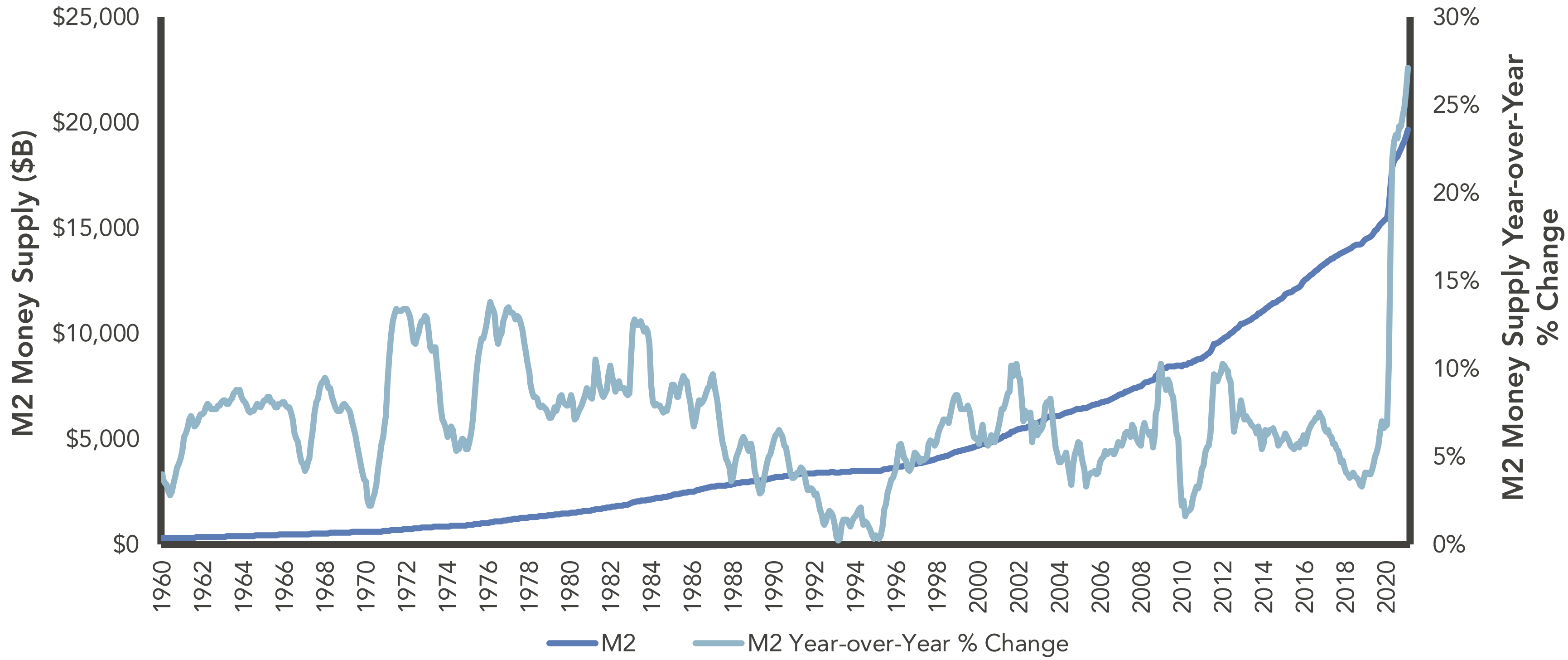
10-Year Treasury Yield



Source: Federal Reserve as of March 31, 2021

Growth of money supply creates inflation worries

Massive stimulus measures have dramatically increased the money supply as measured by M2, the broad money supply statistic



Source: Bloomberg as of February 28, 2021; latest available as of March 31, 2021; M2 money supply includes cash, checking deposits, and easily convertible near money

MarquetteAssociates

Asset class outlook

		CHANGE	HEADWINDS		NEUTRAL	TAILWINDS	
U.S. Equities	Large-cap		□	□	■	□	□
	Mid-cap		□	□	■	□	□
	Small-cap		□	□	□	■	□
	Value		□	□	□	■	□
	Growth	▼	□	■	□	□	□
Non-U.S. Equities	Developed large-cap	▲	□	□	□	■	□
	Developed small-cap		□	□	□	■	□
	Emerging markets	▼	□	□	■	□	□
Fixed Income	Core bonds		□	□	■	□	□
	Bank loans		□	□	■	□	□
	High yield	▼	□	■	□	□	□
	EMD		□	□	□	■	□
Real Assets	Core real estate	▼	□	■	□	□	□
	Value-add real estate		□	□	□	■	□
	Infrastructure		□	□	□	■	□
Hedge Funds	Equity long/short		□	□	□	■	□
	Credit		□	□	■	□	□
	VRP		□	□	■	□	□
Private Equity	Buyout		□	□	□	■	□
	Venture Capital		□	□	□	■	□
Private Credit	Direct lending		□	□	□	□	■
	Distressed/opportunistic		□	□	■	□	□

TAKEAWAYS

- **U.S.**: Smaller and more value-oriented equities should continue to benefit from economic reopenings and higher interest rates. Small-caps are also attractive from a relative valuation perspective. While secular tailwinds still exist for growth stocks, near-term prospects may be hampered by a temporary change in investor sentiment amid higher rates.
- **Non-U.S.**: Developed large-cap, with more value exposure in its benchmark, should perform well over the shorter term. Small-caps tend to perform well in an economic recovery. EM growth sectors should continue to do well but benchmark concentration may be a challenge.
- **Fixed Income**: HY spreads are tighter than average and continued economic reopening may compress spreads further. EMD spreads are still attractive and lagged access to vaccines means lagged spread compression vs. U.S. BL/HY. Infrastructure stimulus should be a tailwind for EM commodity-exporters.
- **Real Assets**: Industrial and multifamily sectors expected to remain strong but office uncertainty and retail headwinds will weigh on returns. Apartment and industrial value-add RE should do well amid inflation and rising demand for NOI growth. Infrastructure should do well amid the economic recovery, inflation, yield scarcity, and supportive economic policy.
- **Hedge Funds**: Equity L/S has historically outperformed during periods of rising inflation and rising rates and can take advantage of increased dispersion as markets move past the initial recovery phase.
- **Private Equity:** While the market broadly remains expensive, we see some attractive areas of near/intermediate opportunities and risks.
- **Private Credit**: Direct lending continues to provide yield and structural premiums relative to other asset classes, with low amounts of available capital and strong demand acting as tailwinds for the group.

For illustration only. These views apply to a 6- to 12-month horizon; arrows in Change column represent change in view since last quarter. This summary of individual asset class views shows relative direction and strength of conviction but is independent of portfolio construction considerations. These views should not be construed as a recommended portfolio or investment advice. Past performance does not imply future returns.

U.S. Economy

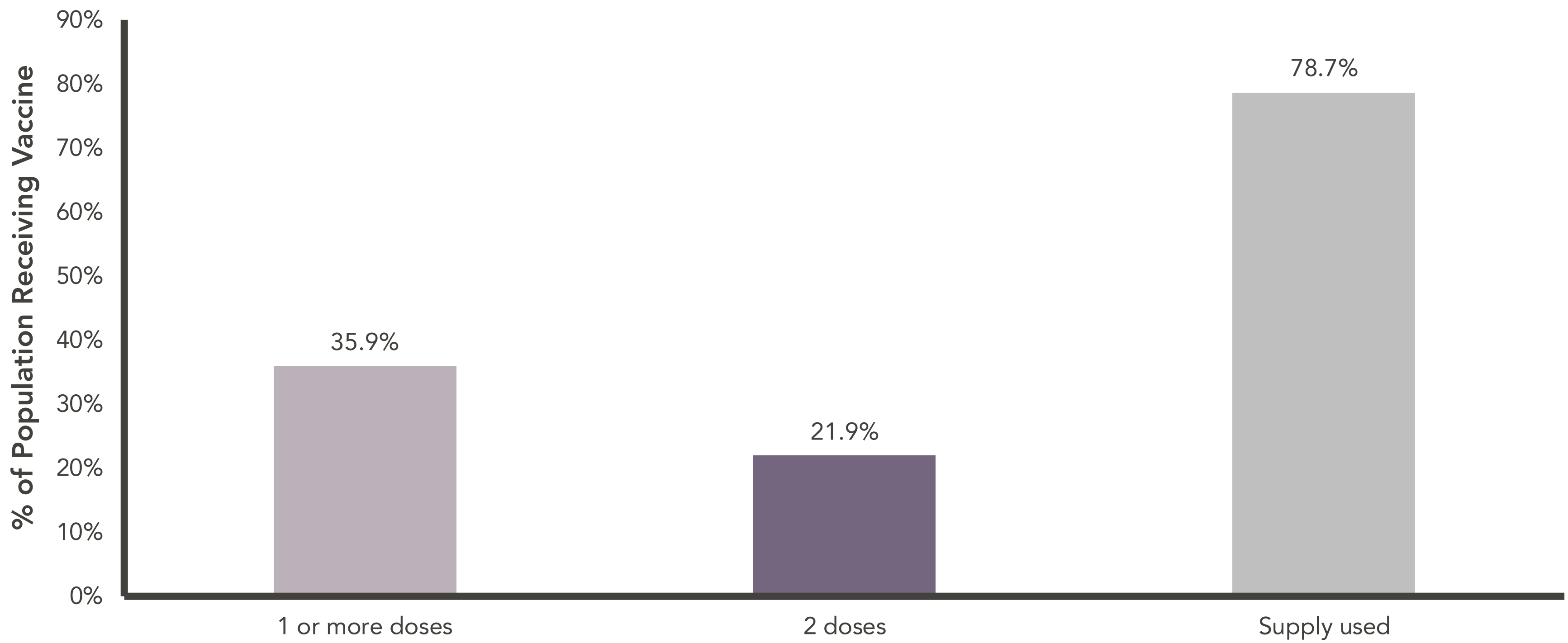
U.S. economy overview

- Light at the end of the tunnel gets a little brighter as COVID-19 vaccinations surpass 20%
- Economic data overall shows a major recovery in the United States in Q1, spurred on by large stimulus packages; elevated growth is expected for the remainder of 2021 and likely continuing into 2022
- Historically high levels of savings should come down as individuals begin to feel more comfortable spending a larger portion of their disposable income; this should help drive GDP higher
- Inflation is expected to rise, but consensus is that it will be transitory and short-lived; central banks remain committed to low rates for the time being
- March unemployment fell to 6.0%; further improvement expected as economy continues to re-open and jobs return across industries, particularly service, retail, travel, and leisure
- CEOs expect a major improvement in their businesses over the next six months

Vaccine distribution becomes more widely available

States begin opening back up as vaccination distributions gain steam

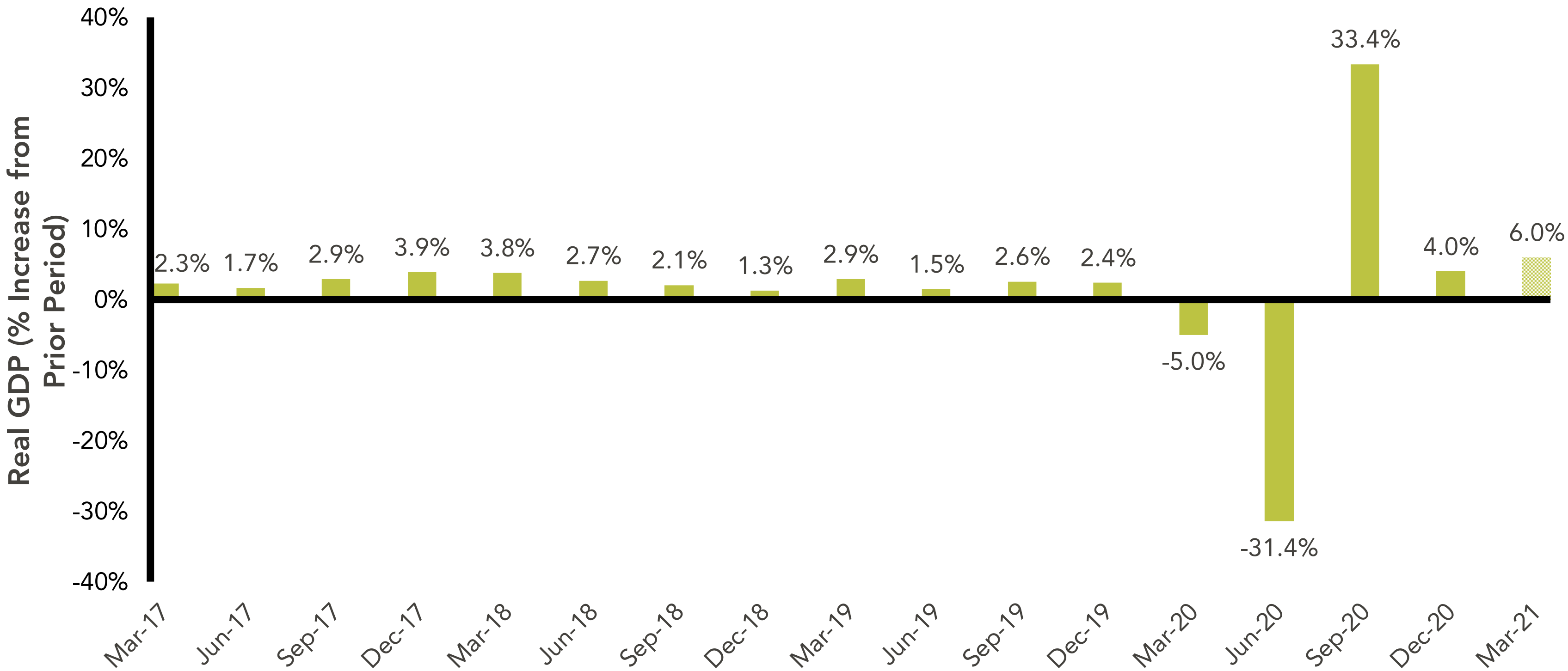
United States Vaccinations



Source: Bloomberg

U.S. economic growth is improving

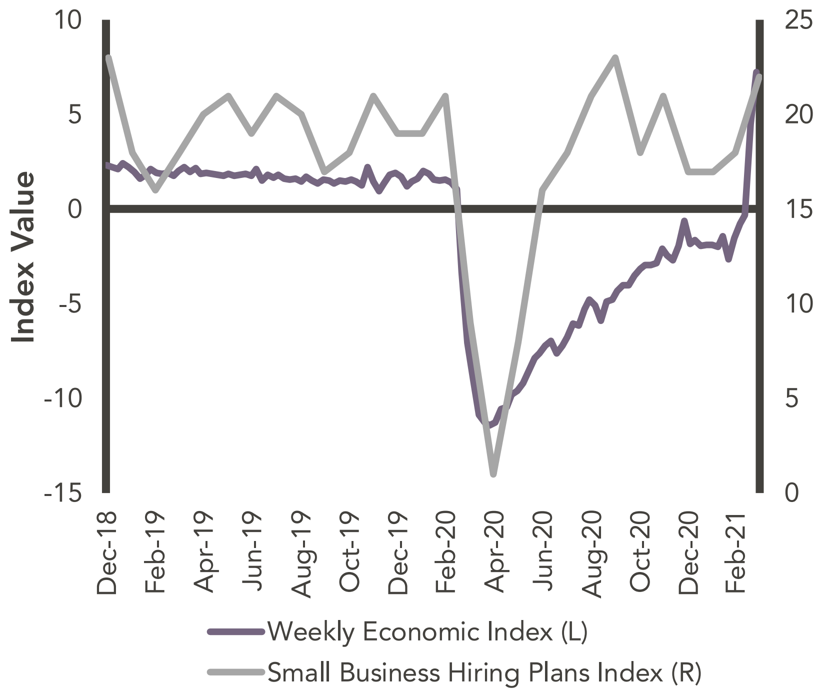
Atlanta Fed's GDP Now projects 1Q GDP to be around 6.0%, indicating a major rebound in the economy; remaining quarters will build off this momentum and post similar — if not higher — growth figures

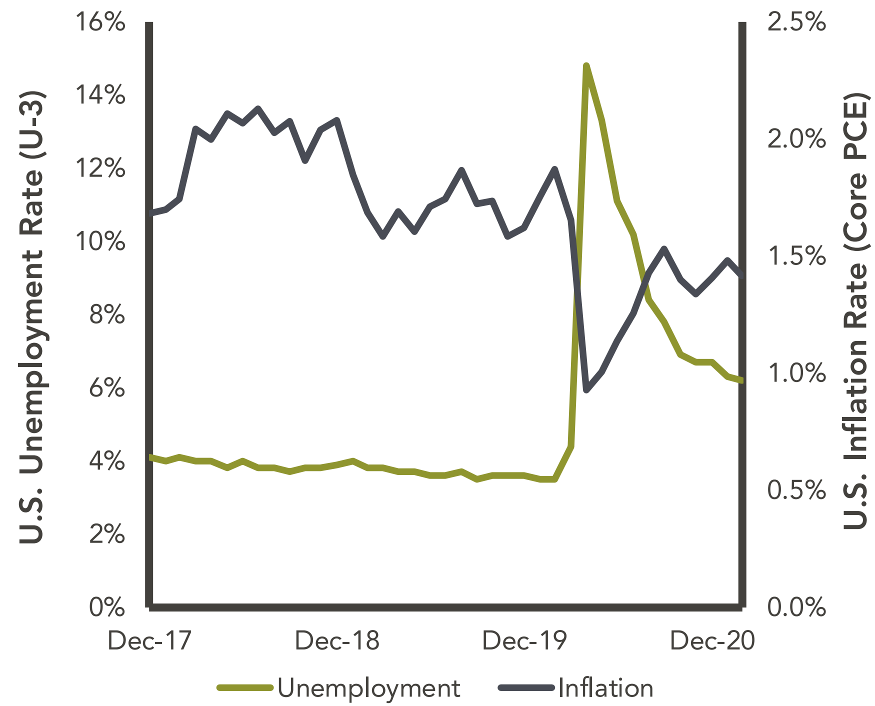


Sources: Atlanta FED, BEA

Pace of recovery heading in right direction

Trajectories of weekly economic index, small business hiring plans index, and rate of unemployment decline suggest economic recovery is gaining momentum





Sources: Marquette Research, Bloomberg, Federal Reserve, NFIB; latest available as of April 5, 2021. Weekly Economic Index as of March 31, 2021; others as of February 28, 2021

Fixed Income

Fixed income: reflation trade gains steam

Fully inoculated rates rose along with commitment to more fiscal/monetary stimulus, resulting in steepening curve and rising inflation expectations

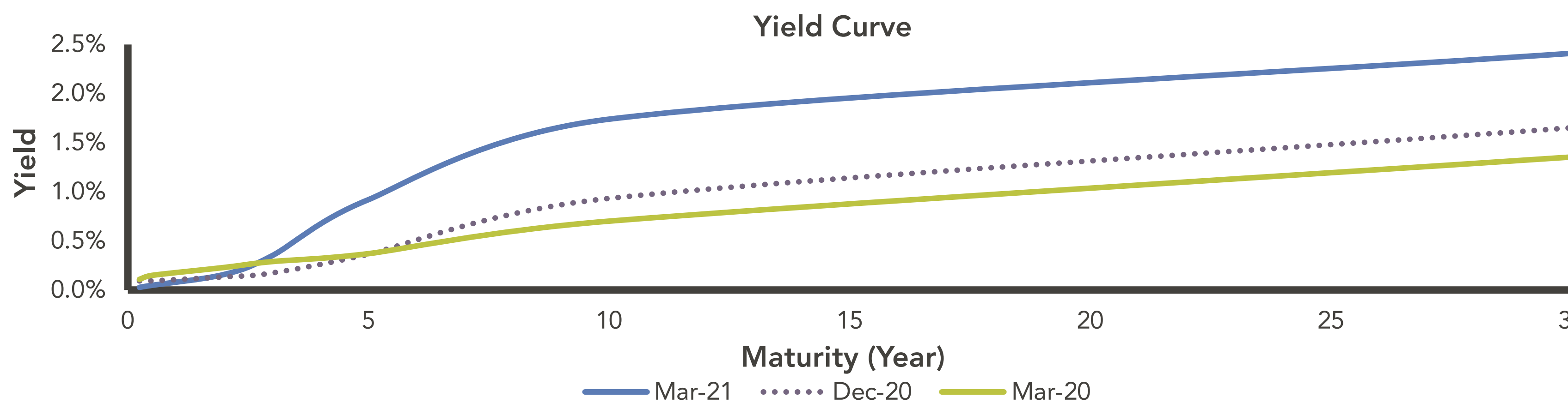
		1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Broad Market Indices	Blm BC Aggregate	-1.2	-3.4	-3.4	0.7	4.7	3.1	3.4
Intermediate Indices	Blm BC Int. Gov./Credit	-0.8	-1.9	-1.9	2.0	4.4	2.8	2.9
Government Only Indices	Blm BC Long Gov.	-5.0	-13.4	-13.4	-15.6	5.8	3.2	6.3
	Blm BC Int. Gov.	-0.7	-1.7	-1.7	-1.2	3.8	2.1	2.3
	Blm BC 1-3 Year Gov.	0.0	-0.1	-0.1	0.4	2.8	1.7	1.3
	Blm BC U.S. TIPS	-0.2	-1.5	-1.5	7.5	5.7	3.9	3.4
Credit Indices	Blm BC U.S. Long Credit	-2.7	-8.4	-8.4	8.9	7.5	6.7	7.2
	Blm BC High Yield	0.1	0.8	0.8	23.7	6.8	8.1	6.5
	CS Leveraged Loan Index	0.1	2.0	2.0	20.8	4.1	5.3	4.4
Securitized Bond Indices	Blm BC MBS	-0.5	-1.1	-1.1	-0.1	3.7	2.4	2.8
	Blm BC ABS	-0.2	-0.2	-0.2	4.6	3.7	2.6	2.5
	Blm BC CMBS	-1.1	-2.1	-2.1	4.9	5.3	3.6	4.1
Non-U.S. Indices	Blm BC Global Aggregate Hedged	-0.4	-2.5	-2.5	1.5	4.3	3.3	3.9
	JPM EMBI Global Diversified	-1.0	-4.5	-4.5	16.0	4.0	5.1	5.6
	JPM GBI-EM Global Diversified	-3.1	-6.7	-6.7	13.0	-0.8	3.1	0.5
Municipal Indices	Blm BC Municipal 5 Year	0.4	-0.3	-0.3	5.1	3.9	2.5	2.9
	Blm BC HY Municipal	1.1	2.1	2.1	15.0	7.3	6.4	7.1

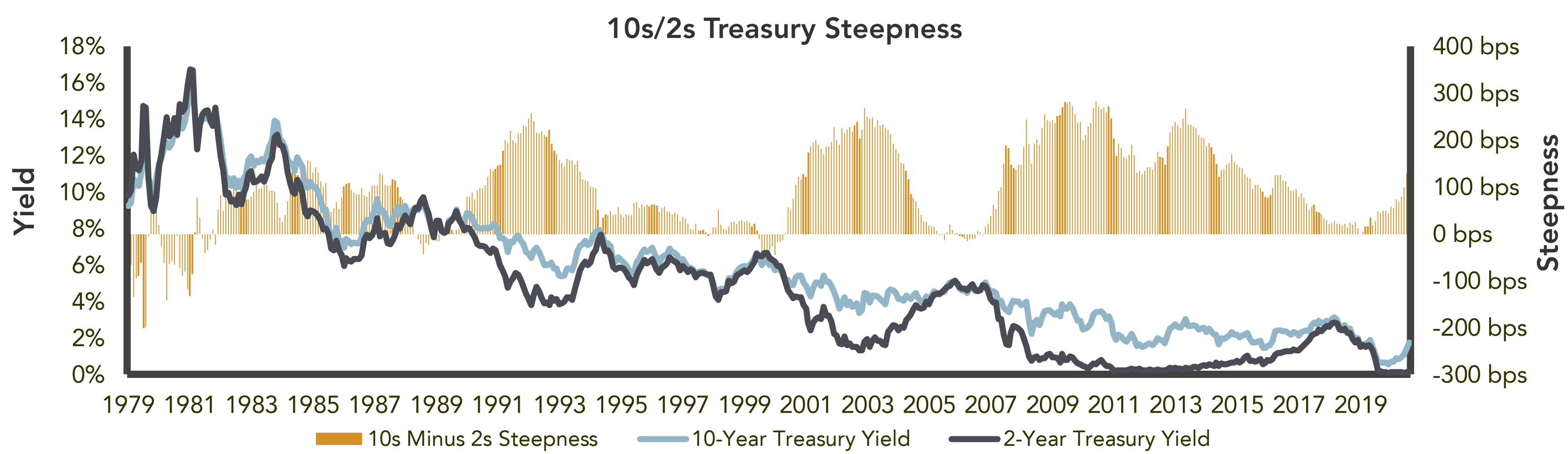
Note: The local currency GBI index is hedged and denominated in U.S. dollars. Sources: Bloomberg Barclays, Credit Suisse, JPMorgan, as of March 31, 2021

Themes for the quarter

- **Reflation trade**: both interest rates and inflation expectations rose as vaccination rates climbed; expectation is muted and transitory gradual rise in rates and inflation until end of economic recovery
- **Tightening spreads**: beat-up industries continued to rebound; businesses gradually reopening; default rates and distress declining; U.S. consumer in stronger shape
- **Greater investor risk-taking**: growing signs of frothiness from Archegos/Greensill blowup, SPAC frenzy, margin debt usage; investors feeling less of burn from '08; however, corporate issuers remain cautious
- **Central banks remaining accommodative** but starting to contemplate less accommodation: Fed committed to zero rates and no tapering until economy recovered, Bank of Canada and Bank of Japan planning tapering
- **Biden's $2.25T infrastructure investment plan**: may drive sustained growth in U.S. and globally; expected to be tailwind for EM commodity producers offset by rising U.S. rates

Yields rise further as vaccination rates increase





Source: Federal Reserve as of March 31, 2021

Opportunities and risks for fixed income

Opportunities

Vaccine progress continues to gain momentum
Number of fully vaccinated Americans rising sharply; Biden expects enough doses for everyone by end of May; GDP growth may further compress credit spreads

Where the value is
EMD spreads still wider relative to other plus sectors such as bank loans and high yield; infrastructure stimulus to benefit EM commodity-producers offset by rising U.S. rates

Rising rates benefit floating-rate instruments
Bank loans' floating rate expected to benefit in rising rates but spreads already tighter than long-term averages which will limit price appreciation

Rising inflation
Fixed income plus sectors such as bank loans, high yield, and EMD as well as equities and real estate historically protect well in inflationary environments

Risks

Inflation expected to rise
Inflation expected to pick up as the economy recovers from COVID-19 shutdowns, but current projections don't indicate concerning levels

Rising rates headwind for fixed-rate instruments
Expected to be headwind for core bonds, but will provide for greater yield and income return going forward

Fed tapering
Central banks still very accommodative but starting to contemplate pumping the brakes; Fed expected to hike rates and taper in 2023, expected to provide long lead time to prevent Taper Tantrum

LIBOR transition
Authorities expected to continue providing further guidance on transitioning bank loan reference rate from LIBOR to SOFR and avoid market distortion

Takeaways: Muted, transitory rising rates & inflation

LOOKING BACK

- **Reflation trade**: Both interest rates and inflation expectations rose, 10-year rose from 0.93% to 1.74% in 1Q21. $1.9 trillion ARPA fiscal stimulus signed. Fed revised 2021 core PCE projections from 1.8% to 2.2%.
- **Tightening spreads**: Beat-up industries such as energy continued rebound. U.S. consumer in strengthening position. Spreads nearing all-time tights across the board except for bank loans and EMD.
- **Greater investor risk-taking**: Growing signs of investor risk appetite. Archegos blowup, SPAC frenzy, rising margin debt are signs of investors feeling less of '08 burn. However, debt issuers remain conservative.
- **Short-term noise**: Turkey's Erdogan sacked its central bank governor and the Turkish lira plunged to near record lows. Container ship blocking Suez Canal traffic finally freed. North Korea's missile launch.

LOOKING AHEAD

- **Interest rates**: Expected to rise further, but muted. Forwards market projecting 10-year Treasury to rise approx. 25bp for each of next 4 years. Fed expected to start hiking and tapering in 2023.
- **Inflation**: Expected to rise along with breakevens through recovery, but in muted and transitory manner.
- **Spreads**: Expected to continue to tighten across the board throughout recovery, expect greater risk-taking as investors look for higher yield opportunities.
- **Central banks still dovish** but contemplating less accommodation: Fed committed to no hikes/taper until full recovery. Bank of Canada and Bank of Japan planning tapering, other central banks expected to follow suit.
- **Biden's $2.25T infrastructure investment plan**: May drive sustained growth in U.S. and globally. Expected to drive tailwind for EM commodity producers offset by rising U.S. rates that might narrow yield differential.

U.S. Equities

Value indices continue leadership in March

U.S. equity index returns indicate strong investor preferences for cyclical stocks to begin 2021

		Month (%)	3-Month (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
Broad Market Indices	Dow Jones	6.8	8.3	8.3	53.8	13.6	16.0	13.1
	Wilshire 5000	3.7	6.5	6.5	62.2	17.2	16.7	13.8
	Russell 3000	3.6	6.3	6.3	62.5	17.1	16.6	13.8
Large-Cap Market Indices	S&P 500	4.4	6.2	6.2	56.4	16.8	16.3	13.9
	Russell 1000	3.8	5.9	5.9	60.6	17.3	16.7	14.0
	Russell 1000 Value	5.9	11.3	11.3	56.1	11.0	11.7	11.0
	Russell 1000 Growth	1.7	0.9	0.9	62.7	22.8	21.0	16.6
Mid-Cap Market Indices	Russell Mid-Cap	2.7	8.1	8.1	73.6	14.7	14.7	12.5
	Russell Mid-Cap Value	5.2	13.1	13.1	73.8	10.7	11.6	11.1
	Russell Mid-Cap Growth	-1.9	-0.6	-0.6	68.6	19.4	18.4	14.1
Small-Cap Market Indices	Russell 2000	1.0	12.7	12.7	94.8	14.8	16.4	11.7
	Russell 2000 Value	5.2	21.2	21.2	97.1	11.6	13.6	10.1
	Russell 2000 Growth	-3.1	4.9	4.9	90.2	17.2	18.6	13.0

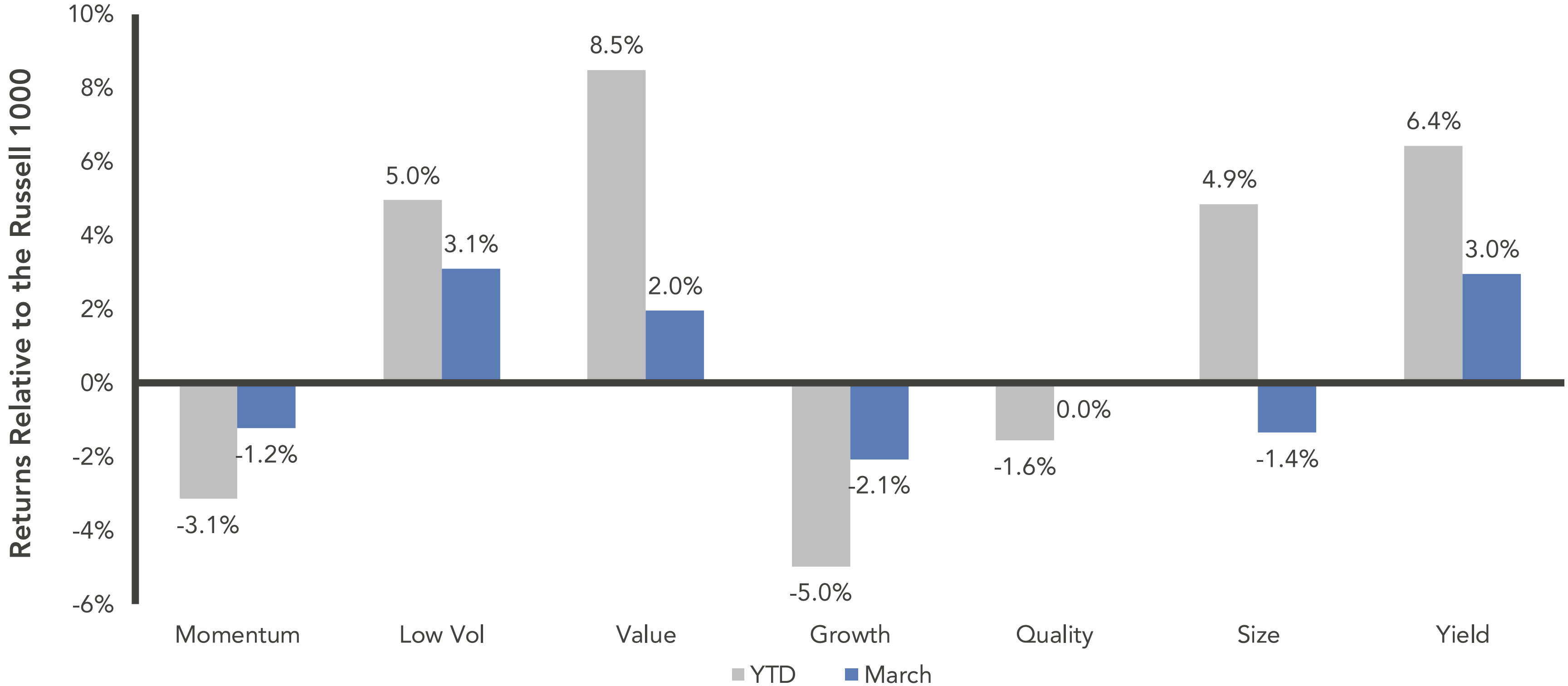
Source: Morningstar Direct as of March 31, 2021

Themes for the quarter

- Value-oriented stocks led the way in 1Q21 due to continued economic reopenings, government stimulus, and an uptick in interest rates
  - In a reversal of 2020 trends, the cheapest areas of the U.S. equity market (i.e., "deep value" names) outperformed more expensive stocks
- Smaller companies have also benefitted from reduced economic restrictions related to COVID-19, evidenced by strong performance of the size factor in the first quarter
- U.S. equity market valuations remain elevated across the size and style spectrum, leading many investors to approach the space with increased caution
- Though 2021 has seen several large daily price moves in major indices, the VIX has actually retreated below its 20-year average
  - Some of the volatility in 1Q21 may have been caused by speculative trading related to companies with high short interest (e.g., GameStop)

Size and value factors continue to lead in 2021

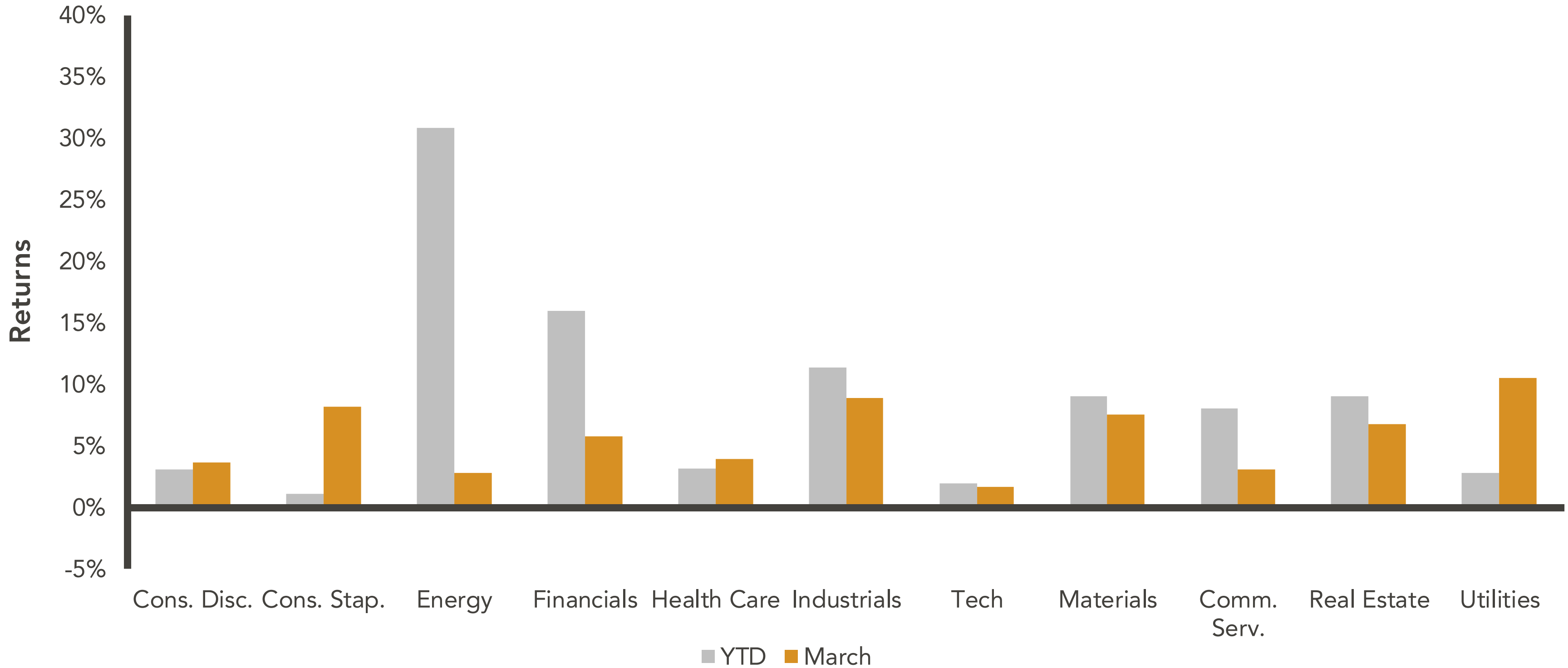
In a continuation of the 4th quarter of 2020, the value factor outpaced the growth factor in the first three months of 2021



Source: Bloomberg as of March 31, 2021

Cyclical sectors lead the way in 2021

Value-oriented segments of the S&P 500 enjoyed a strong start to the calendar year, which continued into March

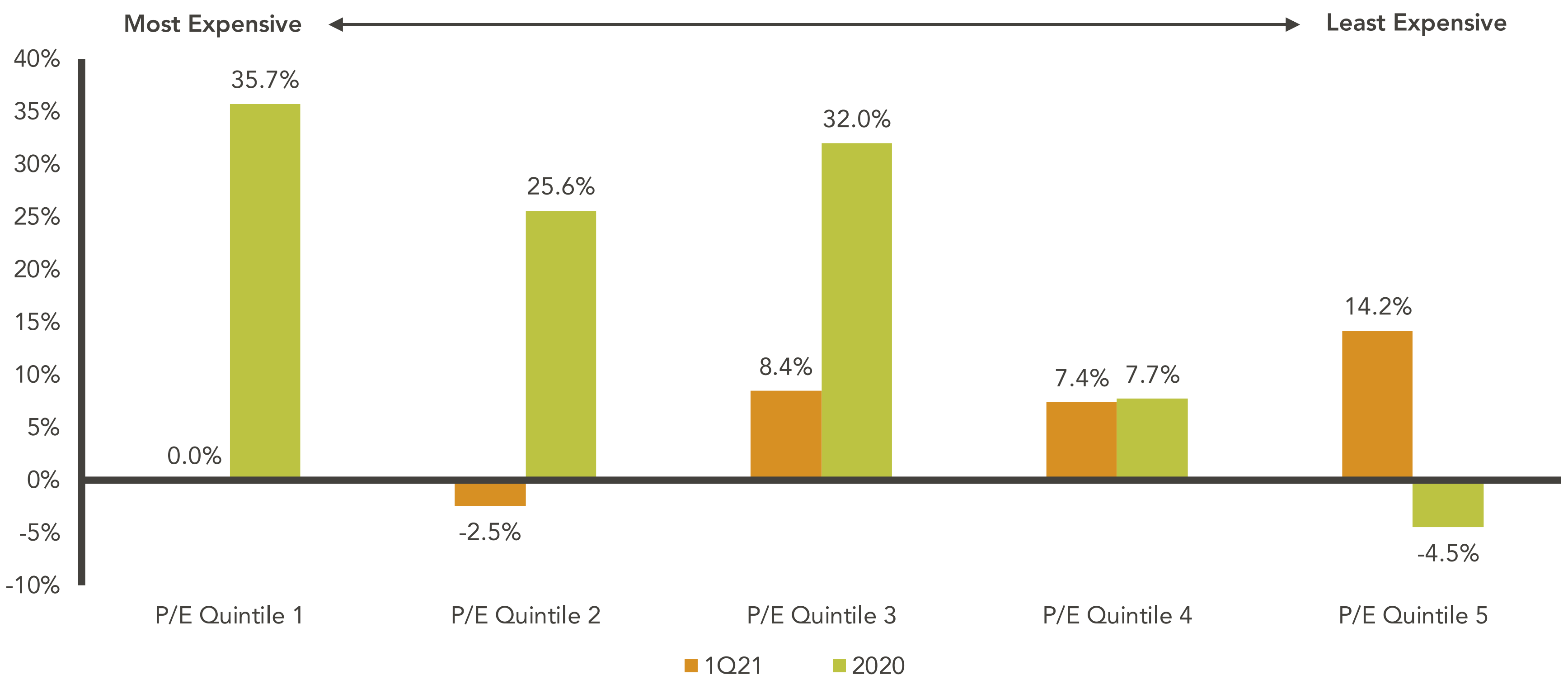


Source: Morningstar Direct as of March 31, 2021

MarquetteAssociates

In a reversal of past trends, cheap stocks lead in 2021

While pricier stocks dominated 2020, cheaper segments of the large-cap space have performed relatively well to start the calendar year



Source: FactSet as of March 31, 2021; SPY ETF used as a proxy for the S&P 500

Opportunities and risks for U.S. equities

Opportunities

Value and small-cap stocks benefitting from vaccine rollout and economic reopening
Traditional and smaller segments of the market may continue to surge amid strong GDP growth and reduced COVID-related restrictions

Equity risk premium remains attractive
While interest rates have ticked up in the last several months, the positive equity risk premium indicates that U.S. stocks are relatively more attractive than fixed income securities

Risks

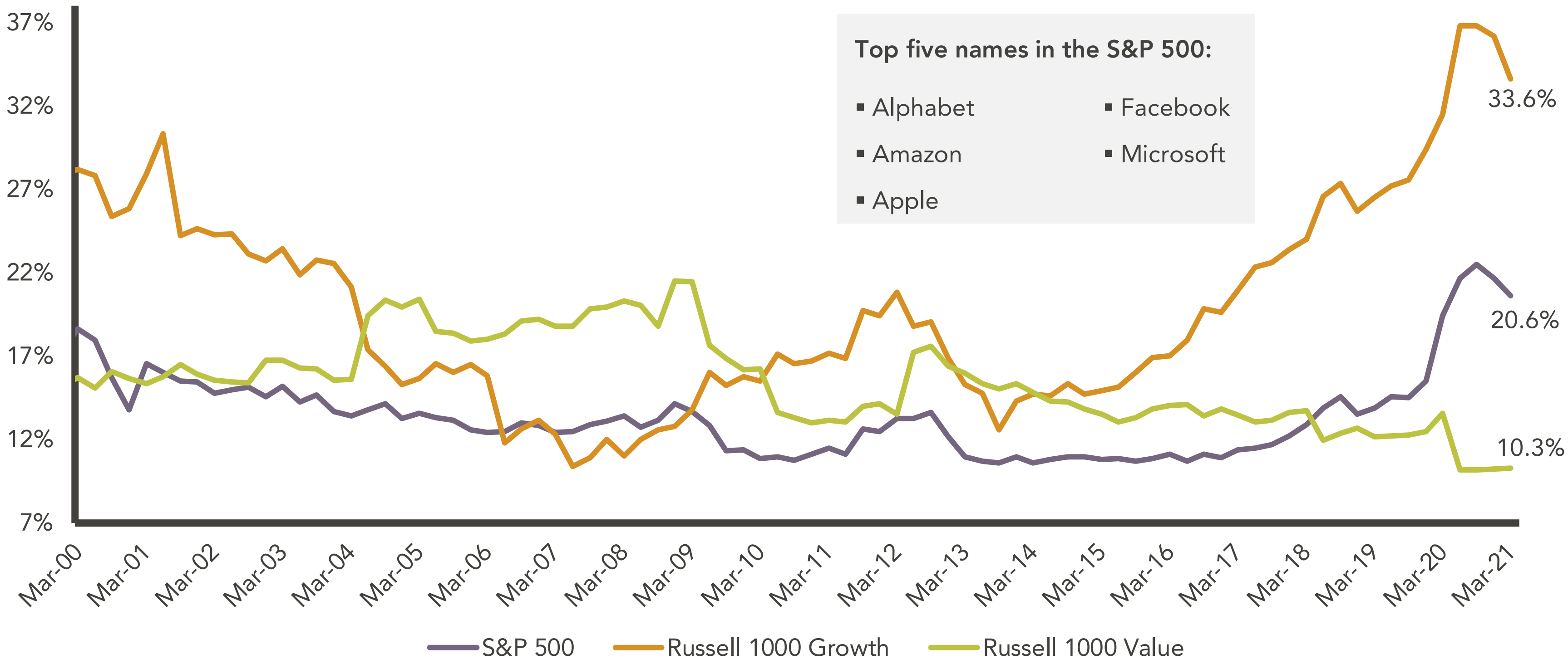
Inflation may increase in the near term
Increased price levels could harm consumer discretionary stocks and income-oriented equities like utilities, since dividends often do not keep up with inflation

Valuations remain stretched
U.S. equity price multiples remain at historically high levels across the size and style spectrums

Interest rates could continue to rise
Higher rates will likely continue to hamper growth-oriented stocks, while serving as a boon to more cyclical sectors of the market

Extreme levels of concentration in growth indices

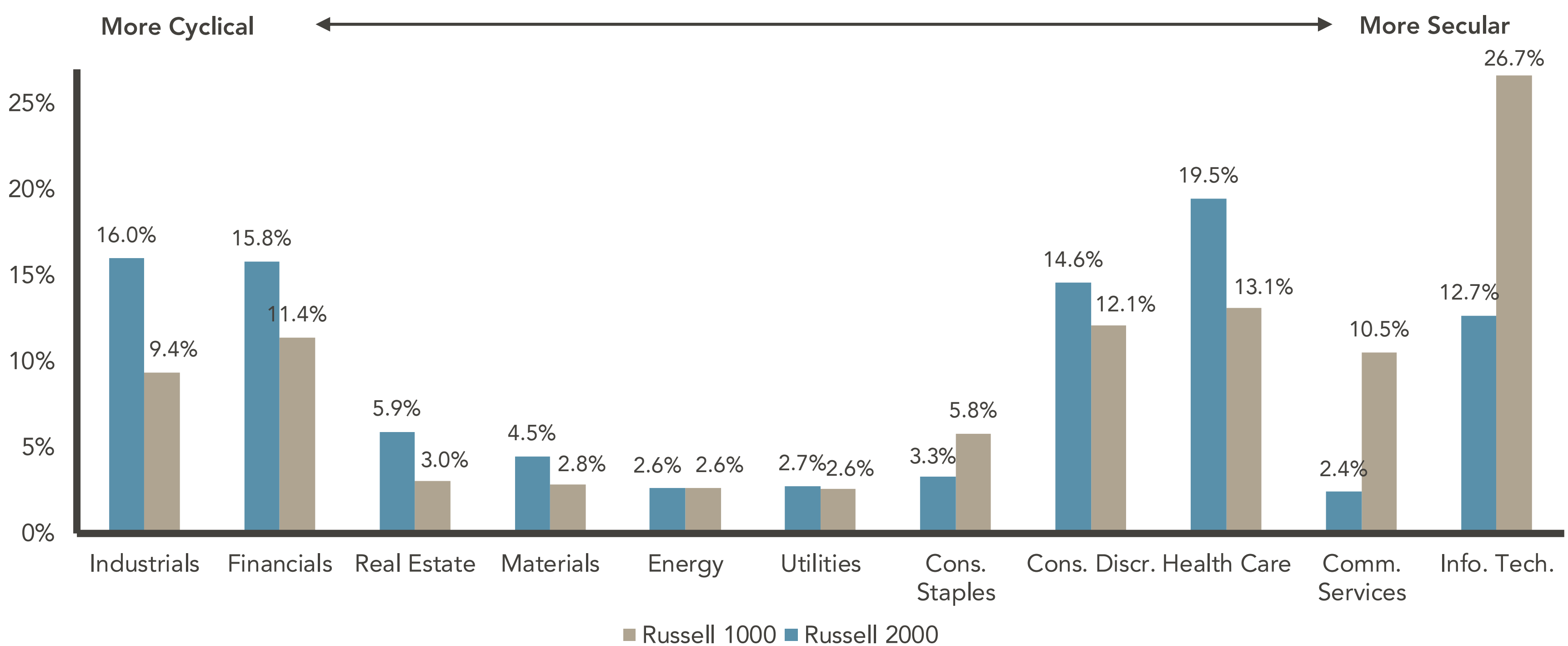
The top five components of the Russell 1000 Growth index, all of which are technology-oriented, constitute 33.6% of the benchmark



Source: FactSet, quarterly data as of March 31, 2021; SPY ETF is used as a proxy for the S&P 500 index, IWF ETF is used as a proxy for the Russell 1000 Growth Index, IWD ETF used as a proxy for the Russell 1000 Value Index

Small-cap benchmarks tend to be more cyclical

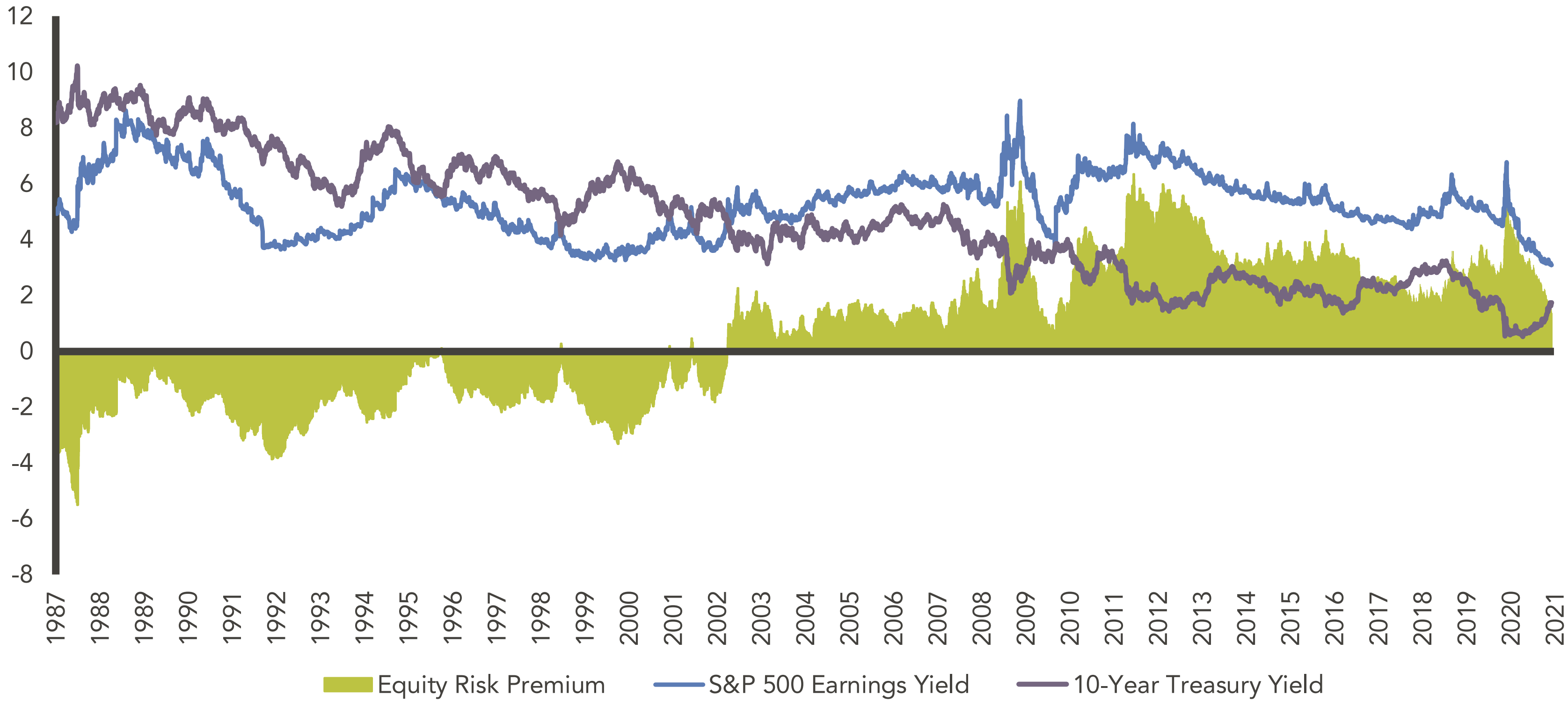
Technology dominates large-cap indices while small-cap benchmarks favor cyclical segments of the market like financials and industrials and helps explain the recent outperformance of small-caps



Source: Bloomberg as of March 31, 2021

Equities still more attractive than bonds

Despite high valuations, the positive equity risk premium indicates that U.S. stocks are still attractive relative to fixed income securities



Source: Bloomberg as of March 31, 2021. The equity risk premium is the earnings yield of the S&P 500 minus the yield on the 10-year Treasury bond

Takeaways: Value, small-caps, and higher rates

LOOKING BACK

- Historic trailing 12-month returns for U.S. equity asset classes and styles sets the stage for uncertainty as valuations have risen back to extreme levels since the market drawdown in 2020.
- 1Q21 marked a reversal from dominating factor groups of 2020, as investors largely favored value over growth, cyclicality over secularism, smaller companies over larger companies, and yield over momentum.
- Speculative trading in January and February dominated headlines but had minimal impact on the U.S. equity market as a whole and largely eased in March.
- Most active managers in the large- and mid-cap spaces were able to outperform their respective benchmarks in 1Q21, a change of pace from the challenges of 2020.

LOOKING AHEAD

- Smaller and more value-oriented companies should continue to benefit from economic re-openings and higher interest rates. Small cap stocks are also attractive from a relative valuation perspective within the broad U.S. equity asset class, despite high absolute multiples.
- While secular tailwinds still exist for growth stocks going forward, their near-term prospects may be hampered by a temporary change in investor sentiment, higher rates, and an uptick in inflation.
- Heightened price volatility within equity markets is likely to persist while the economy fully reopens through mid-to-late 2021. That said, equities remain attractive compared to more conservative asset classes like fixed income.

Non-U.S. Equities

All equities start the year positive after a strong 2020

Both developed and emerging small-caps outperform their large-cap counterparts in the first quarter

	Month (%)	3-Month (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
MSCI ACWI	2.7	4.6	4.6	54.6	12.1	13.2	9.1
MSCI ACWI ex. U.S.	1.3	3.5	3.5	49.4	6.5	9.8	4.9
MSCI EAFE	2.3	3.5	3.5	44.6	6.0	8.8	5.5
MSCI EAFE Local	5.3	7.6	7.6	36.6	7.1	8.8	7.5
MSCI Emerging Markets	-1.5	2.3	2.3	58.4	6.5	12.1	3.7
MSCI EM Local	-0.9	4.0	4.0	53.0	9.3	12.9	6.9
MSCI EAFE Small-Cap	2.2	4.5	4.5	62.0	6.3	10.5	8.0
MSCI EM Small-Cap	1.5	7.7	7.7	87.1	5.2	9.6	3.3
MSCI Frontier	0.3	0.8	0.8	39.3	-1.4	6.6	3.9

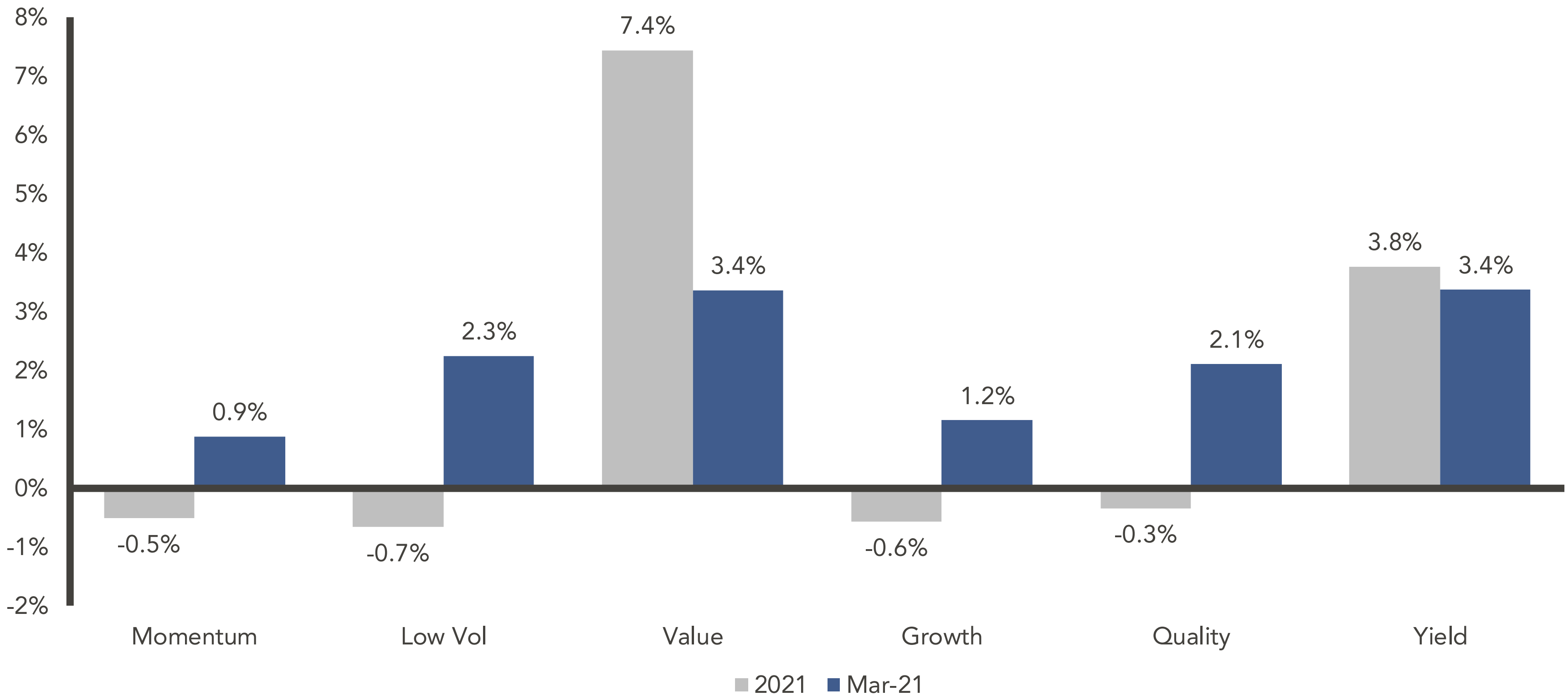
Source: eVestment as of March 31, 2021

Themes for the quarter

- Markets are on pace for a less volatile year
- Global economic data continued to surprise to the upside setting up the following themes:
  - Value outperformed growth through the quarter in both developed and emerging markets
  - Small-caps in both developed and emerging outperformed large-caps in the quarter
  - Financials — and banks in particular — benefited from rising rates over the quarter

MSCI EAFE factors: Value drives performance YTD

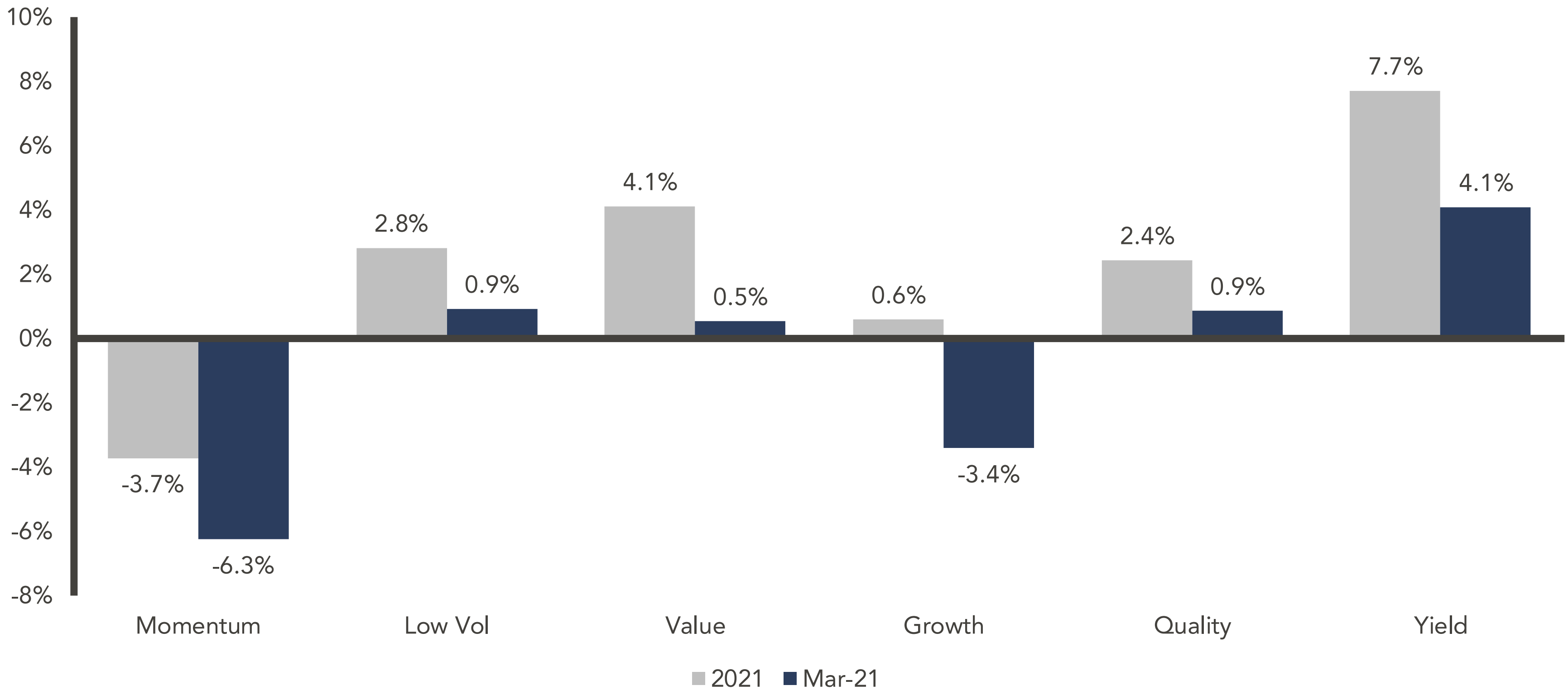
Value continues to dominate in 2021 for developed markets, with other factors trailing far behind



Source: eVestment as of March 31, 2021

MSCI Emerging Markets: Factors are more balanced

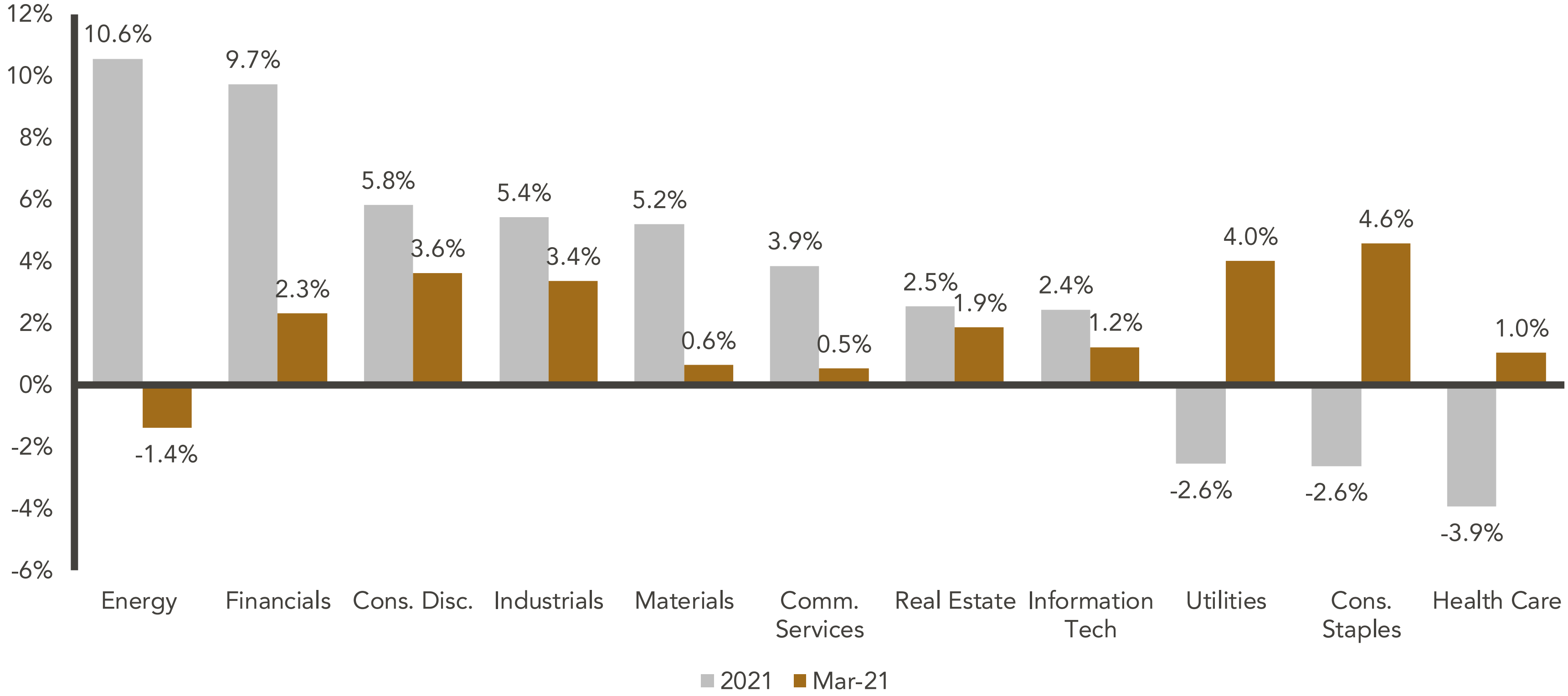
Similar to DM, value is having strong performance in 2021, but unlike DM factor performance is more balanced across the board



Source: eVestment as of March 31, 2021

MSCI EAFE: Cyclicals lead the way

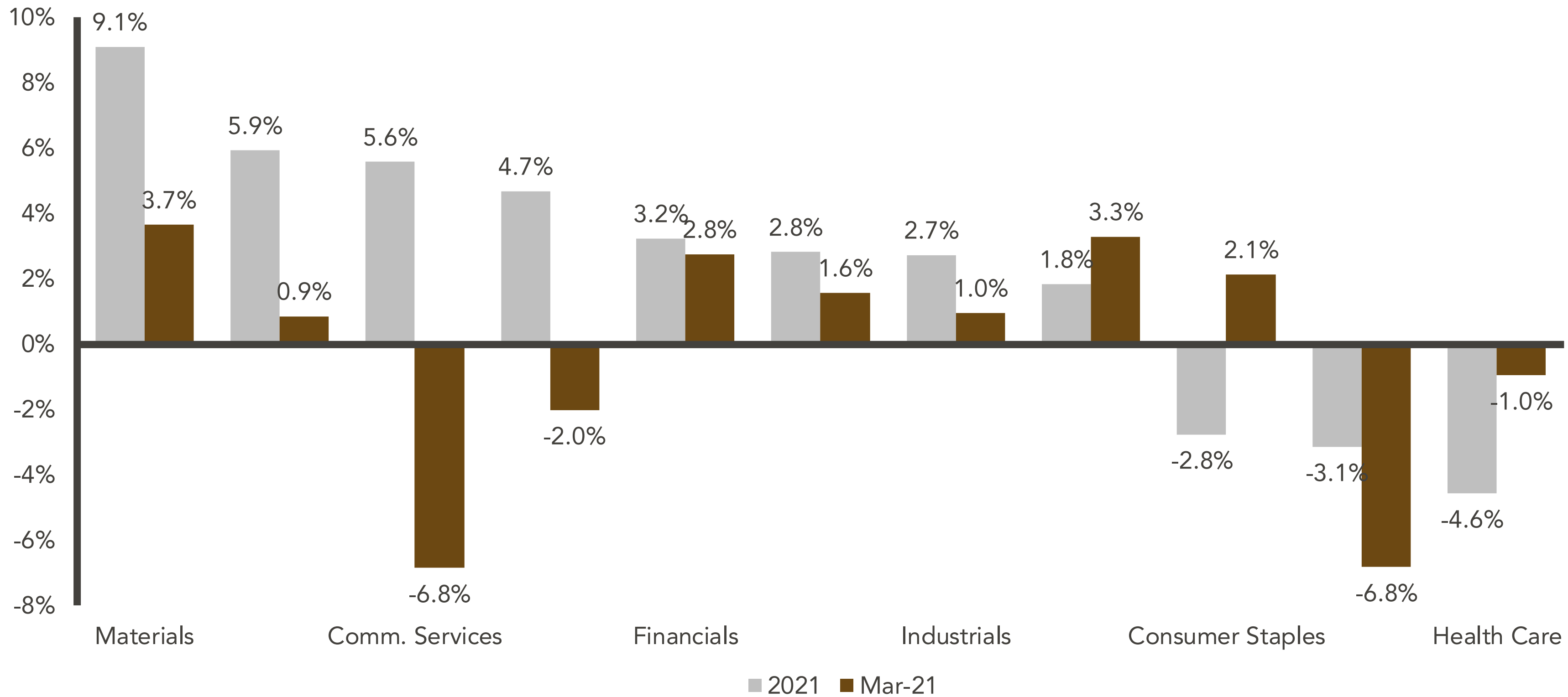
Financials had a strong March, but energy still leads year-to-date



Source: Bloomberg as of March 31, 2021

MSCI Emerging Markets: Cyclicals rebound

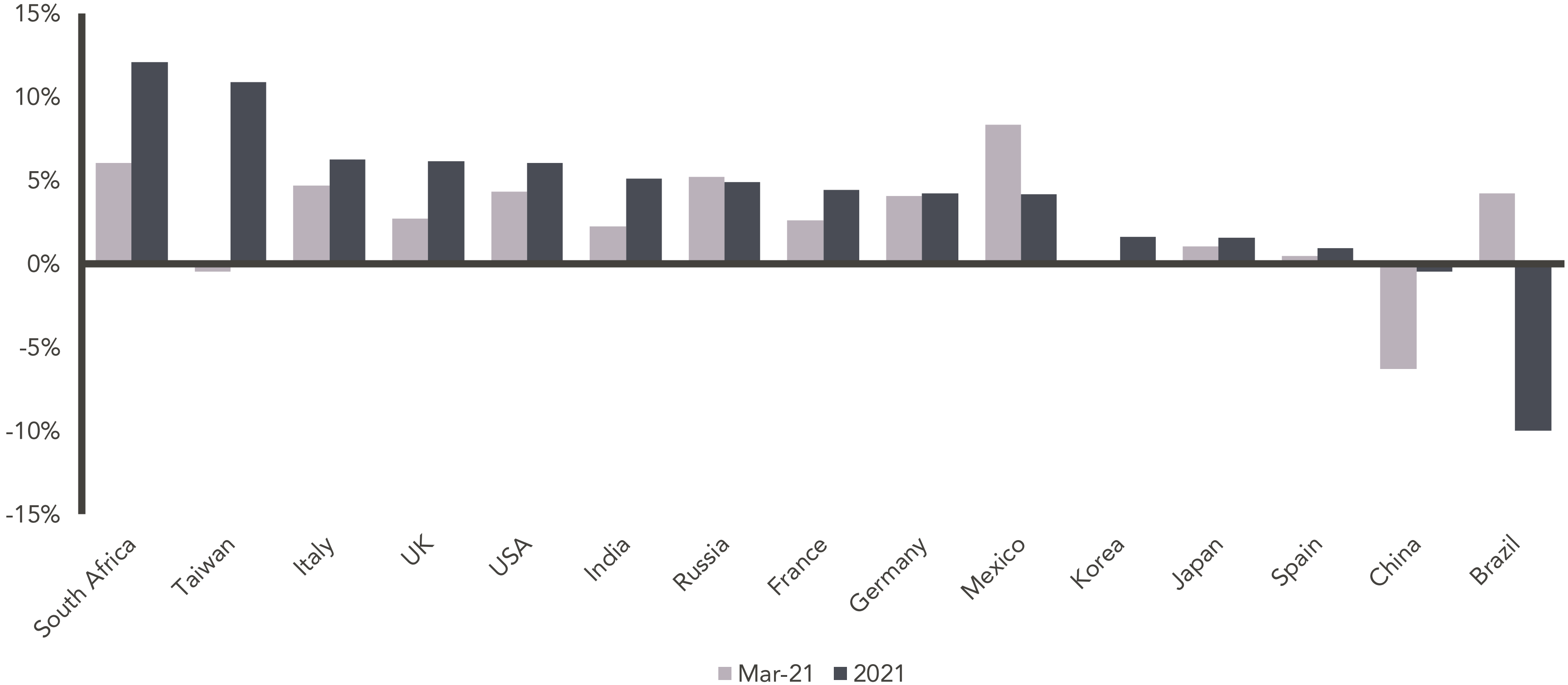
Strong performance from materials, energy, and financials help value rebound



Source: Bloomberg as of March 31, 2021

South Africa and Taiwan lead YTD

After a strong 2020, China experiences a tough March. Brazil rebounds after a tough first two months.

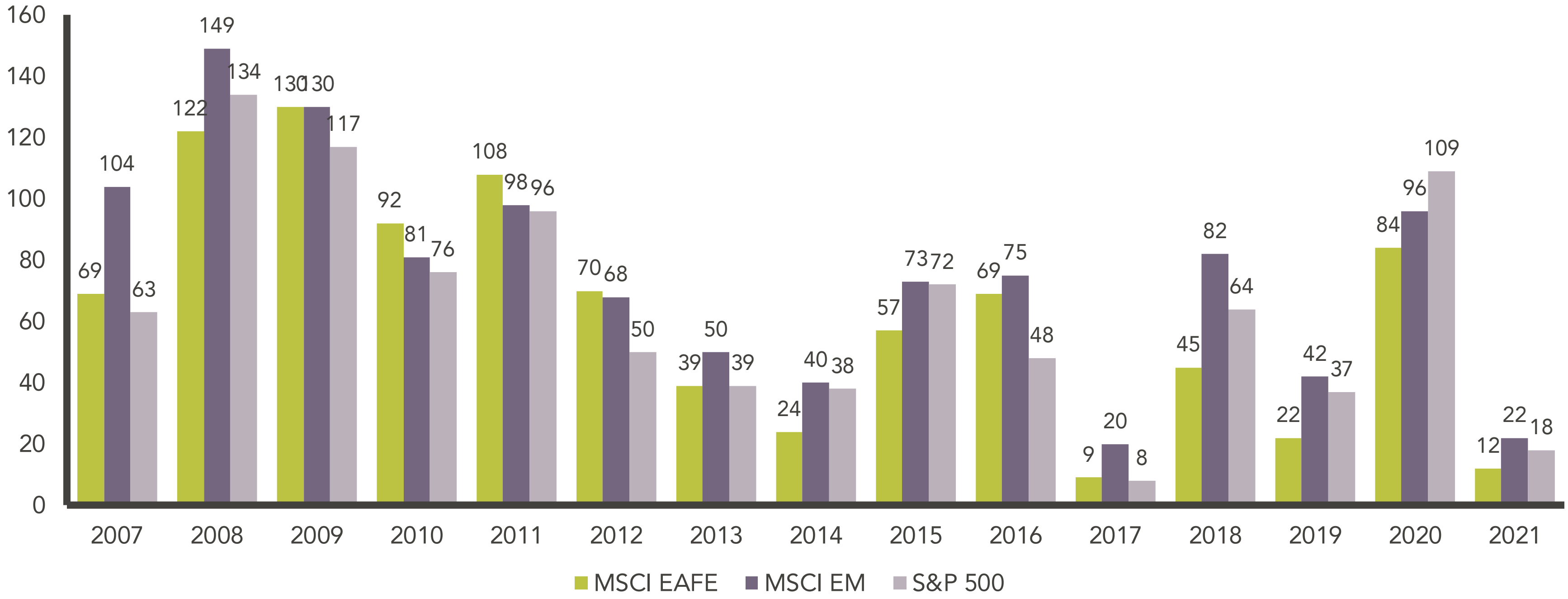


Source: Bloomberg as of March 31, 2021

Volatility persists, but at a more normal rhythm

Equities are on pace for a much less volatile year compared to 2020; price movements are more in line with longer-term averages

Number of days with a 1% move or greater



Source: Bloomberg as of March 31, 2021

Opportunities and risks for non-U.S. equities

Opportunities

Vaccine progress continues to gain momentum
Over 665 million vaccine doses have been administered worldwide

Central banks remain supportive
Interest rates remain low globally which is supportive of equity prices and to some extent justifies valuations; however, monitoring tapering plans from Japan, Canada, and others which may follow suit

Value may have further runway
As economies continue to open some of the hard-hit value stocks can benefit after a tough 2020. Financials should benefit from rising rates.

Post bear market returns tend to stay positive
Historically, 2-year post bear market returns have been positive for the EAFE and EM indices

Risks

Valuations remain elevated
All equities trade at historically high levels. Typically, higher valuations mean lower future returns over the long term.

Possible hiccups in vaccine roll-out
How will emerging markets execute the roll-out and will vaccines be effective against new strains?

Growth may come under short-term pressure
The unprecedented outperformance by growth in 2020 may lead to headwinds in 2021

MSCI EM Index may trail developed index
The EM index is concentrated and top heavy with growth stocks. Should value continue to rally index performance will likely suffer. Active managers can mitigate this risk.

Takeaways: Value, EAFE vs. EM, re-openings

LOOKING BACK

- Economic data continues to beat expectations, aided by low rates and vaccine momentum
- Value rally picked up steam in the first quarter on the heels of the "re-opening" trade
- Small-cap stocks outperformed large-cap stocks

LOOKING AHEAD

- Historically the EAFE and EM indices have remained positive in year 2 after a bear market drawdown
- Valuations are historically high, lowering longer term return expectations
- Low central bank rates and fiscal spending support equities in the short term
- The value rally likely has further runway as economies continue to re-open and vaccines are rolled out
- A value rally bodes well for the more cyclical EAFE index and presents a headwind for the growth heavy EM index

Real Estate

Real estate was slightly positive in 2020

The post COVID recovery continued in Q4. All indices and most property types outperformed Q3 numbers, however retail saw even greater declines per spikes in COVID cases and increases in virus prevention measures.

Indices	4Q20 (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	10 Yr Risk (%)
NPI	**1.2**	**1.6**	**1.6**	**4.9**	**5.9**	**9.0**	**1.9**
Income	1.0	4.2	4.2	4.4	4.5	5.0	0.3
Appreciation	0.1	-2.5	-2.5	0.4	1.3	3.8	1.6
NFI-ODCE	**1.3**	**1.2**	**1.2**	**4.9**	**6.2**	**9.9**	**2.3**
Income	0.9	3.9	3.9	4.1	4.2	4.7	0.3
Appreciation	0.4	-2.6	-2.6	0.8	1.9	5.0	2.1
FTSE NAREIT All Eq. REITs	**8.2**	**-5.1**	**-5.1**	**5.3**	**6.6**	**9.2**	**15.6**
Property Type							
NPI Apartment	1.0	1.8	1.8	4.5	5.4	8.6	1.9
NPI Office	0.5	1.6	1.6	5.0	5.4	8.4	1.8
NPI Industrial	4.7	11.8	11.8	13.1	13.0	13.1	1.2
NPI Retail	-1.2	-7.5	-7.5	-1.2	2.1	7.6	3.6
NPI Hotel	-3.3	-25.6	-25.6	-6.1	-1.9	4.1	6.8
Geographic Sectors							
NPI East	1.0	1.8	1.8	4.5	5.4	8.6	1.9
NPI Midwest	0.5	1.6	1.6	5.0	5.4	8.4	1.8
NPI South	4.7	11.8	11.8	13.1	13.0	13.1	1.2
NPI West	-1.2	-7.5	-7.5	-1.2	2.1	7.6	3.6

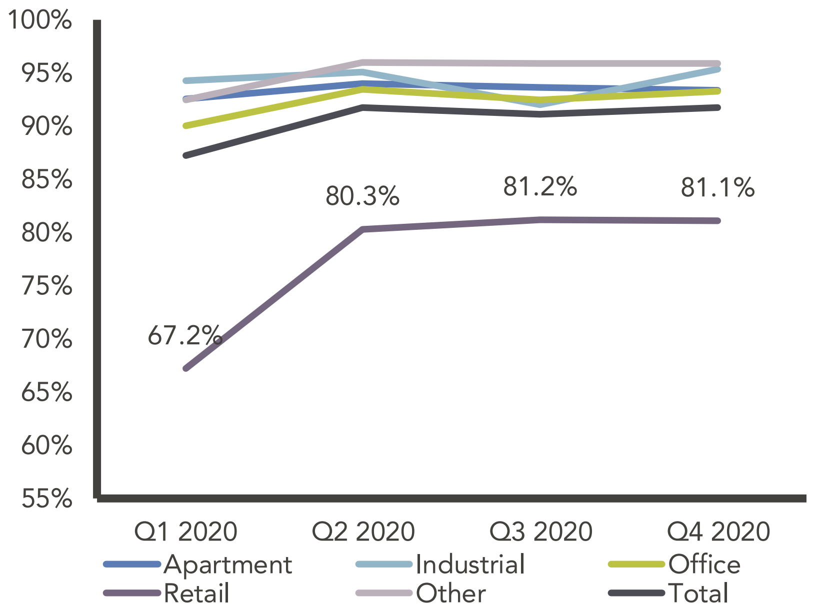
Source: NCREIF as of December 31, 2020

Retail has rebounded, but the struggle continues

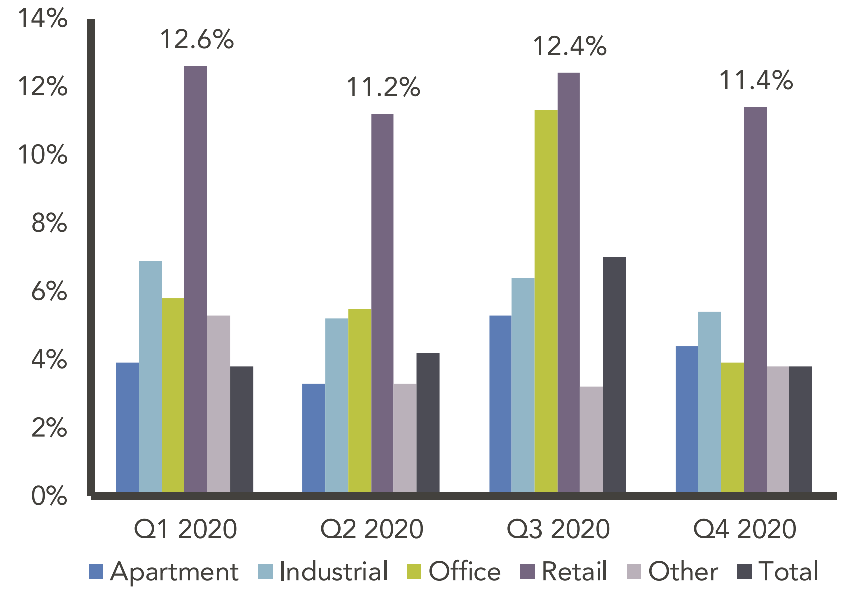
Retail defaults have decreased but remain significantly higher than other sectors.

NFI-ODCE retail default dispersion remains high, as funds with greater exposures to best-in-class grocery anchored tenants and less to regional malls have generally outperformed peers.

NFI-ODCE Equal Weighted Rent Collection By Sector



Dispersion in Rent Collection Across NFI-ODCE Funds



Sources: NCREIF Rent Analysis Reports of July 2020 (38 of 41 NFI-ODCE funds reporting), October 2020 (34 of 41 reporting), and January 2021 (33 of 41 reporting).
*Sector equal weights are the average of each fund's rent collected as a percentage of the rent due for each sector. The equal-weight for the "Total" is the average of each sector's equal-weight percentage shown.

Focus remains on NOI growth

Opportunities

Supply growth is still subdued
There was little pickup of supply growth prior to the end of the most recent cycle, and the near-term development pipeline suggests supply growth should continue to decline.

The industrial rally is poised to continue
Strong demand continues to be driven by e-commerce players. Credit conditions remain favorable. Public markets are pricing warehouses at 10+% premium to NAV.

Apartments remain strong
Despite continued divergence between gateway and secondary markets, debt spreads remain favorable, and rates are the lowest across sectors. Increasing inflation concerns are also likely to be a tailwind for the sector.

Alternative sectors appear compelling
Relatively attractive spreads and permanent post-pandemic behaviors continue to drive demand for emerging subsectors, e.g., data centers, life science properties, cold storage.

Risks

Cap rates could rise
Unlike previous recessions, cap rates were mostly flat in 2020 and remain at a 40-year low. With Treasury rates rising rapidly in 2021, cap rates of more challenged sectors and markets could be on the verge of a blow out, as investors demand more NOI growth across all property types

The outlook for office remains unclear
We will almost certainly see an increase in flexible work environments and employees working from home full time. This could result in tenants reducing office footprints and new creative lease structures. CBD properties in gateway markets could see pressure, with class B properties being most at risk.

The future of retail faces further headwinds
Excluding grocery anchored properties, retail continues to struggle. While rent collection has improved, another round of requests could be coming. Mall vacancy rates continue to hit historic highs, while private and public debt markets remain unfavorable.

Takeaways: Dispersion, NOI growth, inflation

LOOKING BACK

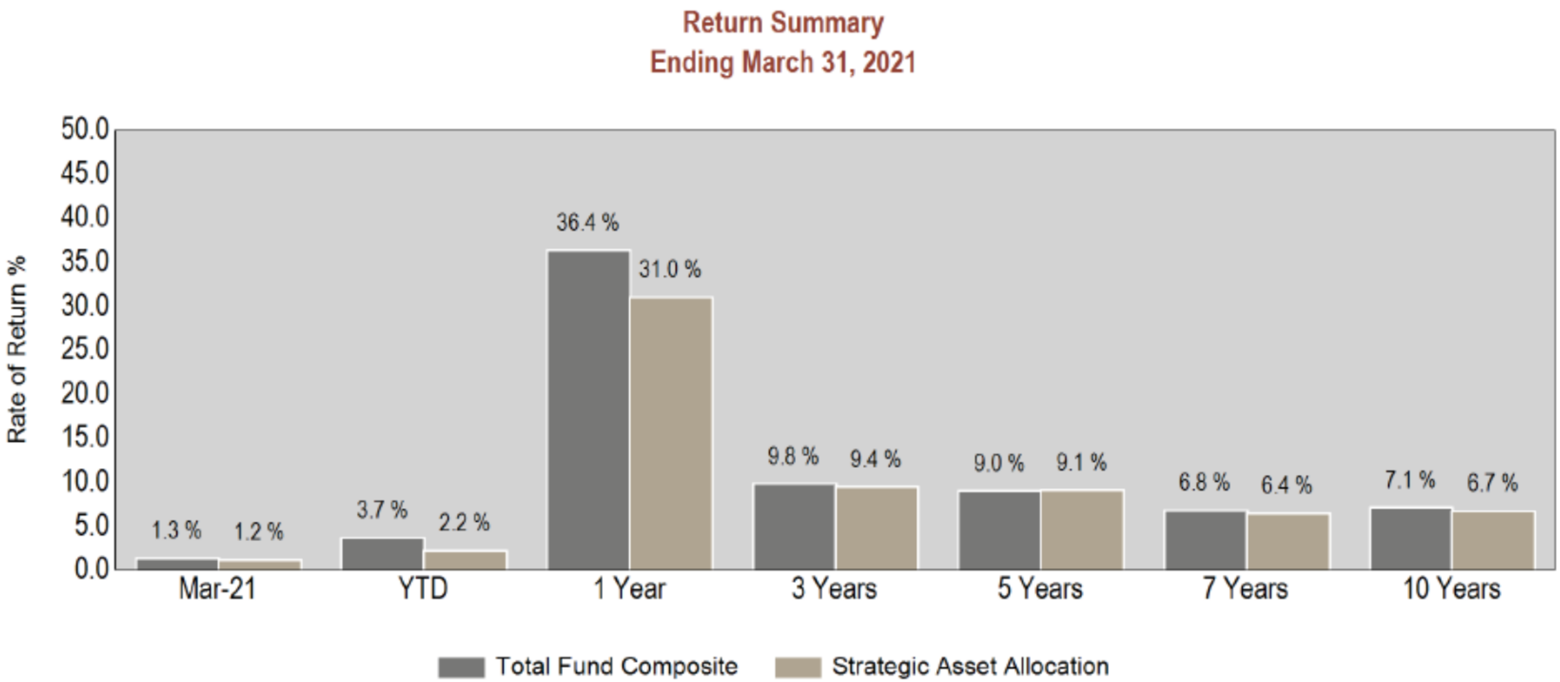
- The COVID19 pandemic was severe headwind to real estate markets, however, its impact was not felt equally across property types and markets. As a result, performance dispersion remains at a historic high.
- Industrial continues to outperform all property types, and values accelerated during the pandemic, due to increased e-commerce penetration. This was naturally a headwind for the retail sector, where defaults are still notably below the benchmark.
- CBD office properties were beaten up in 2020, as tenants were forced to work from home and may reduce office footprints altogether.
- While fundraising declined significantly, opportunistic funds saw a larger percentage of overall flows, as many alternative sectors such as life sciences, data centers, and cold storage saw surges in pandemic driven demand.

LOOKING AHEAD

- Successful vaccine distribution will likely be a tailwind for most property types; however, the office sector remains a question mark. The number of permanent work from home employees and flexible work environments could push many tenants to reduce office footprints.
- As Treasury rates continue to rise, investors will naturally demand more NOI growth across all property types. Properties with limited NOI growth potential could thus see rising cap rates, which would increase the level of performance dispersion. As dispersion increases, 2021 NFI-ODCE fund performance could show a split between winners and losers.
- Alternative properties are showing more core-like performance characteristics; not only should opportunistic funds see more flows, but core alternative assets will likely become a larger part of the NFI-ODCE.
- Rising inflation concerns could drive demand for the asset class, mainly apartments, which have historically shown the most inflation hedging potential.

Portfolio Review

Return Summary (March 31, 2021)



- Fixed Income, Alternative Asset and Real Estate composites added value to the Plan
- Equity composite detracted from the Plan

* Composite performance is compared against its benchmark on a one-month basis ending March 31, 2021

Annualized Performance (Net of Fees)

	Ending March 31, 2021									
	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund Composite	1.3%	3.7%	3.7%	36.4%	9.8%	9.0%	6.8%	7.1%	7.0%	**Jul-02**
Strategic Asset Allocation	1.2%	2.2%	2.2%	31.0%	9.4%	9.1%	6.4%	6.7%	6.6%	*Jul-02*
Fixed Income Composite	-1.0%	-2.5%	-2.5%	7.9%	5.8%	--	--	--	5.3%	**Jan-18**
Fixed Income Balanced Index	-1.2%	-3.4%	-3.4%	2.6%	4.8%	--	--	--	4.4%	*Jan-18*
Equity Composite	2.4%	6.9%	6.9%	63.6%	14.9%	15.8%	12.4%	12.1%	9.3%	**Jun-06**
Equity Balanced Index	3.1%	7.3%	7.3%	66.0%	15.3%	15.4%	12.7%	13.3%	10.0%	*Jun-06*
Alternative Asset Composite	0.0%	3.4%	3.4%	23.2%	5.1%	5.0%	3.2%	3.6%	3.5%	**May-07**
HFRI Fund of Funds Composite Index	-0.3%	1.9%	1.9%	23.8%	5.4%	5.6%	3.9%	3.4%	2.2%	*May-07*
Real Estate Composite	5.1%	8.8%	8.8%	36.8%	11.3%	6.2%	8.3%	9.0%	9.7%	**Apr-10**
MSCI US REIT	4.3%	8.5%	8.5%	36.1%	8.2%	4.0%	6.3%	7.2%	8.0%	*Apr-10*

SWBNO Manager Contribution – YTD Performance

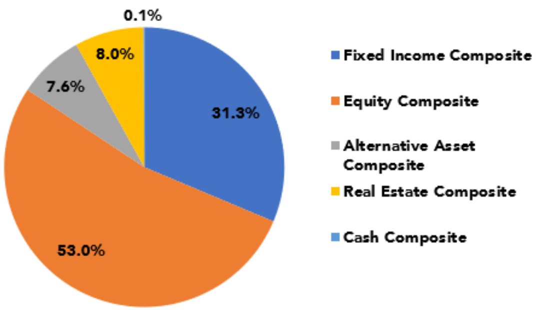
Top Performers	Absolute Performance	Benchmark Performance	Strategy
Pyramis Global Advisors	-2.5%	-3.4%	Fixed Income
Barrow, Hanley, Mewhinney & Strauss	+13.5%	+11.3%	U.S. Equity
Prisma Capital Partners	+3.4%	+1.9%	Hedge Funds

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
NewSouth Capital	+14.3%	+16.8%	U.S. Equity

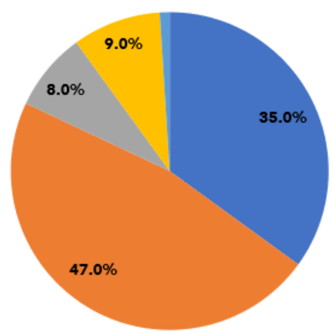
* Year-to-date performance as of March 31, 2021

Current Asset Allocation vs. Target Allocation

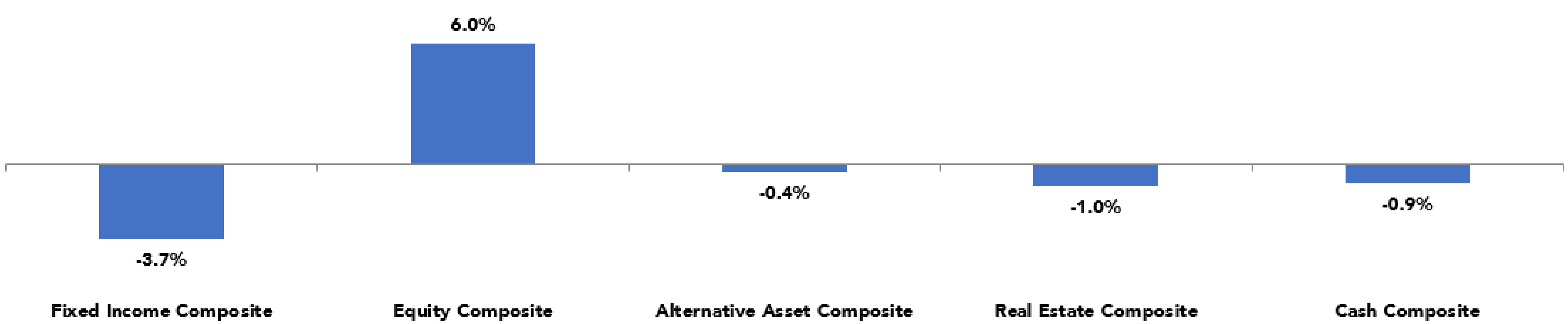
Current Allocation



Target Allocation



	Current Allocation	Target Allocation
Fixed Income Composite	$76,952,032	$85,927,058
Equity Composite	$130,072,756	$115,387,763
Alternative Asset Composite	$18,694,777	$19,640,470
Real Estate Composite	$19,567,914	$22,095,529
Cash Composite	$218,400	$2,455,059



* Data ending March 31, 2021

Key Considerations

- Reviewing fee structures and vehicles:
  - Switching from an ETF to an Index Fund in the Employees' Retirement System

iShares S&P 500 Growth ETF	BlackRock Russell 1000 Growth Index Fund	Annual Fee Savings
Estimated fee 18bps $49,156 annually on $27.3 million*	Estimated fee 2bps $5,462 annually on $27.3 million*	**$43,700**

Result: $43,700 in annual fee savings

MarquetteAssociates

Disclosure

Marquette Associates, Inc. ("Marquette") has prepared this document for the exclusive use by the client or third party for which it was prepared. The information herein was obtained from various sources, including but not limited to third party investment managers, the client's custodian(s) accounting statements, commercially available databases, and other economic and financial market data sources.

The sources of information used in this document are believed to be reliable. Marquette has not independently verified all of the information in this document and its accuracy cannot be guaranteed. Marquette accepts no liability for any direct or consequential losses arising from its use. The information provided herein is as of the date appearing in this material only and is subject to change without prior notice. Thus, all such information is subject to independent verification and we urge clients to compare the information set forth in this statement with the statements you receive directly from the custodian in order to ensure accuracy of all account information. Past performance does not guarantee future results and investing involves risk of loss. No graph, chart, or formula can, in and of itself, be used to determine which securities or investments to buy or sell.

Forward-looking statements, including without limitation any statement or prediction about a future event contained in this presentation, are based on a variety of estimates and assumptions by Marquette, including, but not limited to, estimates of future operating results, the value of assets and market conditions. These estimates and assumptions, including the risk assessments and projections referenced, are inherently uncertain and are subject to numerous business, industry, market, regulatory, geopolitical, competitive, and financial risks that are outside of Marquette's control. There can be no assurance that the assumptions made in connection with any forward-looking statement will prove accurate, and actual results may differ materially.

The inclusion of any forward-looking statement herein should not be regarded as an indication that Marquette considers forward-looking statements to be a reliable prediction of future events. The views contained herein are those of Marquette and should not be taken as financial advice or a recommendation to buy or sell any security. Any forecasts, figures, opinions or investment techniques and strategies described are intended for informational purposes only. They are based on certain assumptions and current market conditions, and although accurate at the time of writing, are subject to change without prior notice. Opinions, estimates, projections, and comments on financial market trends constitute our judgment and are subject to change without notice. Marquette expressly disclaims all liability in respect to actions taken based on any or all of the information included or referenced in this document. **The information is being provided based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing.**

About Marquette Associates

Marquette was founded in 1986 with the sole objective of providing investment consulting at the highest caliber of service. Our expertise is grounded in our commitment to client service — our team aims to be a trusted partner and as fiduciaries, our clients' interests and objectives are at the center of everything we do. Our approach brings together the real-world experience of our people and our dedication to creativity and critical thinking in order to empower our clients to meet their goals. For more information, please visit www.MarquetteAssociates.com.

AMENDMENT TO THE RULES AND REGULATIONS OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS AND ADOPTION OF FUNDING POLICY FOR CONTRIBUTIONS TO SUCH RETIREMENT SYSTEM

WHEREAS, Article VIII (Method Of Financing) of the Rules and Regulations of the Employees' Retirement System of the Sewerage and Water Board of New Orleans ("Rules and Regulations") provides the method of financing the Retirement System, including the method for determining Employer and Employee Pension Contributions under Section 8.3;

WHEREAS, Rudd and Wisdom, Inc. performed an Experience Study of the Retirement System at the request of and on behalf of the Board and on September 10, 2020, the Experience Study of Rudd and Wisdom, Inc., with its various recommendations, was presented to the Pension Committee;

WHEREAS, on December 21, 2020 at the recommendation of the Pension Committee, the Board of Trustees of the Employees' Retirement System of the Sewerage and Water Board of New Orleans adopted the principles of a new Funding Policy, as presented in the Experience Study, effective January 1, 2021 via Resolutions R-140-2020 and R-142-2020;

WHEREAS, as a result of the 2020 Experience Study, Rudd and Wisdom, Inc. recommended a Funding Policy be adopted as a stand-alone document separate from the Rules and Regulations entitled Funding Policy for the Employees' Retirement System of the Sewerage and Water Board of New Orleans attached herewith as Exhibit "A";

WHEREAS, as discussed at the September 10, 2020 presentation of the Experience Study, Sections 8.3(e) and 8.3(f) of Article VIII in the Rules and Regulations must be amended to carry out the intent and purposes of the stand-alone Funding Policy;

NOW THEREFORE, BE IT RESOLVED:

That the Board of Trustees of the Employees' Retirement System of the Sewerage and Water Board of New Orleans approves the recommendations of the Pension Committee to amend the Rules and Regulations in the following manner effective January 1, 2021:

1. Section 8.3(e) of Article VIII currently states:

"**(e) Minimum Annual Contribution.** The total amount payable by the Board to the trust in each year on account of Members and beneficiaries shall be not less than a percentage of the total Earnable Compensation of all members during the preceding year equal to the sum of the Normal Cost rate and the Accrued Liability Contribution rate; provided, however, that the aggregate payment shall be sufficient, when combined with the amount in the Pension Accumulation Account, to provide the pensions and other benefits payable to Members and Beneficiaries during the year then current from the account."

The definition of the "Minimum Annual Contribution" in Section 8.3(e) of Article VIII as shown above shall be removed in its entirety and the following definition substituted therefore:

"**(e) Minimum Annual Contribution.** The total amount payable by the Board to the trust in each year on account of Members and beneficiaries shall be not less than the amount determined under the terms of the separate stand-alone document entitled Funding Policy for the Employees' Retirement System of the Sewerage and Water Board of New Orleans, where such policy shall specify the methods and manner in which the Normal Cost rate and the Accrued Liability Contribution rate are determined."

2. Section 8.3(f) of Article VIII currently states:

"**(f) Satisfaction of Accrued Liability.** The accrued liability contribution shall be discontinued as soon as the accumulated reserve in the Pension Accumulation Account shall equal the present value, as actuarially computed and approved by the Board of Trustees, of the total liabilities chargeable to the account on account of all Members and Beneficiaries less the present value of the normal contributions to be received at the normal rate then in force on account of persons who are at that time Members."

The definition of the "Satisfaction of Accrued Liability" in Section 8.3(f) of Article VIII as shown above shall be removed in its entirety and the following definition substituted therefore:

"**(f) Satisfaction of Accrued Liability.** When the accrued liability becomes fully funded as determined by the plan actuary, the Accrued Liability Contribution rate shall be determined as prescribed under the terms of the separate stand-alone document entitled Funding Policy for the Employees' Retirement System of the Sewerage and Water Board of New Orleans."

NOW THEREFORE, BE IT FURTHER RESOLVED:

That the Board of Trustees of the Employees' Retirement System of the Sewerage and Water Board of New Orleans approves the recommendation of the Pension Committee to amend the Rules and Regulations and adopt a stand-alone funding policy for the Retirement System effective beginning January 1, 2021, in which the stand-alone funding policy shall be separate from the Rules and Regulations of the Retirement System, and the stand-alone funding policy may be amended in the future by the Board of Trustees following the same procedures required to amend the Employees' Retirement System's Rules and Regulations. This stand-alone document shall be known as Funding Policy for the Employees' Retirement System of the Sewerage and Water Board of New Orleans.

I, GHASSAN KORBAN, Executive Director,
Sewerage and Water Board of New Orleans, do hereby
certify that the above and foregoing is a true and
correct copy of a Resolution adopted at the
Meeting of said Board, duly called and held,
according to law, on May 11, 2021.

GHASSAN KORBAN, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

Exhibit A

to R-061-2021

Funding Policy for the Employees' Retirement System of the Sewerage and Water Board of New Orleans

SEWERAGE AND WATER BOARD OF NEW ORLEANS

FUNDING POLICY FOR THE

EMPLOYEES' RETIREMENT SYSTEM OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

EFFECTIVE FOR PLAN YEARS BEGINNING ON AND AFTER JANUARY 1, 2021

Adopted Effective: January 1, 2021

TABLE OF CONTENTS

J:\SWBNO\DB\LEGAL\FundingPolicy.docx

A. Purpose of Funding Policy

Adoption of a formal policy defining priorities and guidelines for the funding of pension benefits has become a best practice for public retirement systems. Governing boards and plan sponsors can use a formal funding policy to communicate funding goals and to provide a plan actuary with guidance in determining the requisite contribution rates to meet those goals. In addition, Louisiana Revised Statute 11:3821 requires the Sewerage and Water Board to "set up an actuarially sound pension fund for the payment of pensions and service benefits to its employees."

On December 21, 2020, the Board of Trustees adopted Resolution R-142-2020 accepting the recommendations from the 2020 Actuarial Experience Study which was prepared by Rudd and Wisdom, Inc. Consulting Actuaries and presented to the Pension Committee on September 10, 2020. On December 21, 2020, the Board of Trustees also adopted Resolution R-140-2020 committing to a closed period, layered amortization method in determining the Sewerage and Water Board's annual contribution to the pension plan. These Resolutions adopted changes that become effective with the 2021 plan year.

This stand-alone document has been written separate from the Rules and Regulations of the Employees' Retirement System of the Sewerage and Water Board of New Orleans in order to specify the details of the Funding Policy adopted by the Board of Trustees in these two Resolutions.

Furthermore, the adoption of this policy is intended to:

- Define the goals and objectives of funding the Employees' Retirement System of the Sewerage and Water Board of New Orleans (the Pension Plan),
- Ensure the funding objectives are consistent with Louisiana Revised Statute 11:3821 and any other applicable statute(s),
- Ensure the funding objectives consider the current recommendations of the Government Finance Officers Association (GFOA) and the Conference of Consulting Actuaries Public Plans Community (CCA PPC),
- Enhance communications to Pension Plan Members regarding the funding strategy, and
- Provide funding policy guidance to current and future Boards of Trustees.

B. Primary Funding Policy Objective

The primary objective of the funding policy is to establish principles that are intended to fully fund the long-term cost of benefits provided to Members under the terms of the Pension Plan through disciplined and timely accumulation of contributions and prudent investment of assets, where such investments are governed by the guidelines of a separate Investment Policy Statement.

C. Funding Priorities and Guidelines

The following priorities and guidelines seek to achieve the Primary Funding Policy Objective:

- **100% Payment of Vested Benefits** – Future contributions and current plan assets must be sufficient to pay for all vested benefits expected to be paid to Members and their beneficiaries when due.

- **Target a Funded Ratio of 100%** – The funded ratio shall be determined based on the ratio of:

    - the Plan Assets (which may be determined using a smoothing methodology discussed below) to

    - the Actuarial Accrued Liability (determined using the selected actuarial Cost Method as discussed below and all other funding valuation assumptions).

- **Contribution Stability and Sound Financing of Benefits** – The financing of benefits should be based on sound actuarial principles. The Board of Trustees desires to minimize year-to-year employer contribution volatility to the extent reasonably possible while understanding that a sound funding policy may require employer contribution fluctuations from year-to-year in order to achieve and maintain the sound actuarial financing of benefits.

- **Intergenerational Equity** – The costs of benefits, which are shared between the Sewerage and Water Board and the employee Members, should be paid for by the generation that receives the benefits rather than deferring those costs to future generations, whenever possible, and in a manner consistent with the principle to pay all vested benefits when due and without reduction.

- **Benefit Enhancements** – Prior to adopting any amendments to the Pension Plan that materially improve plan benefits, the actuary shall provide the Board of Trustees with an analysis of the expected effect of the proposed amendment on the Pension Plan's funded ratio and the annual Actuarially Determined Contributions.

D. Sewerage and Water Board's Funding Policy

The Funding Policy determines the manner in which plan liabilities and assets are measured for purposes of calculating the annual employer contributions to the Pension Plan and determines the level of the annual employer contributions. Typically, funding policies require the annual Normal Cost (i.e., the present value of the current year benefit accruals) plus a portion of the Unfunded Accrued Liability (UAL) (i.e., the excess of Actuarial Accrued Liability over Plan Assets) to be funded via an amortization payment.

In establishing this Funding Policy, the Board of Trustees considered published guidance from the Conference of Consulting Actuaries Public Plans Community and the Government Finance Officers Association. A detailed summary of this guidance, including many of the terms and concepts utilized in the Funding Policy below, is located in the Appendix of this document.

Effective with the January 1, 2021 actuarial valuation, the following Funding Policy shall be used for the Pension Plan:

1. **Methods** – The Sewerage and Water Board shall use the following methods as directed by the Board of Trustees.

    a. **Recommended Contribution** – The annual contribution shall be determined using the **Actuarially Determined Contribution (ADC) Method**. The total ADC shall be determined as the sum of the Normal Cost plus an amortization of the Unfunded Accrued Liability (UAL) as further discussed below.

       The Members' portion of the ADC shall be determined under Section 8.2 of the Rules and Regulations of the Employees' Retirement System of the Sewerage and Water Board of New Orleans (e.g., under current plan terms, for years commencing after December 31, 2014, 6% of Earnable Compensation as defined thereunder).

       The Employer's portion of the ADC shall be determined as the total ADC reduced by the Members' portion of the ADC.

    b. **Cost Method** – The actuarial cost method shall be the Entry Age Normal Level Percent of Pay method. Both the Normal Cost and the Actuarial Accrued Liability shall be determined using this cost method.

    c. **Asset Method** – As directed by the Board of Trustees, the Sewerage and Water Board shall use a 7-year smoothed value of assets with a corridor, where such smoothed value is defined below:

       Market Value of Assets as of the valuation date equals Fair Value plus any receivable contributions made or to be made for a prior plan year. The Plan Assets shall be set equal to the Actuarial Value of Assets (AVA), where such AVA equals Market Value less deferred net asset gains plus deferred net asset losses relative to the assumed rate of return, which is 7.00% per year as of the date of adoption of this Funding Policy. Market Value gains or losses are recognized over a 7-year period at a rate of one-seventh per year. The AVA shall have a 30% corridor such that it is adjusted to be neither in excess of 130% of Market Value nor less than 70% of Market Value.

d. **UAL Amortization Method** – The UAL amortization method shall be determined as follows:

UAL Amortization Method Options	Sewerage and Water Board's Method
Closed Period vs. Open Period	Closed Period
Level Dollar vs. Level Percent	Level Dollar
Single vs. Layered	Layered

Source of UAL Amortization Layers	Sewerage and Water Board's UAL Amortization Period
Actuarial Experience Gain/Loss	25 years
Assumption and Method Changes	25 years
Plan Amendments	15 years
Transition to New Policy	29 years[1]

[1] The Actuarially Determined Contribution for the 2020 plan year was determined using a 30-year open period amortization of the UAL. To determine the Transition UAL Layer to be amortized, the 30-year amortization amount from the January 1, 2020 valuation shall be changed from an open period to a closed period, where such amount is carried forward to January 1, 2021 and amortized over the 29 years remaining on that amount.

As indicated above, the expected UAL as of January 1, 2021 prior to reflecting any actuarial experience gains/losses, assumption/method changes or plan amendments will be amortized over a 29-year period in order to transition to this new funding policy.

The sum of the amortization layers as a percentage of total estimated annual Earnable Compensation shall comprise the "Accrued Liability Contribution Rate" as defined in Section 8.3(d) of the Rules and Regulations of the Employees' Retirement System of the Sewerage and Water Board of New Orleans.

In any year in which the Pension Plan's Funded Ratio equals or exceeds 100% (i.e., the plan is in a surplus position), the unamortized portion of all outstanding amortization layers shall be eliminated, and the total ADC for such year shall be set equal to the Normal Cost. After five consecutive years of surplus, it shall be evaluated whether the ADC shall include an amortization of the surplus as an offset to the Normal Cost.

e. **Contribution Methodology** – Each year, the total ADC and the Employer's portion of the total ADC will be determined as a percentage of total estimated Earnable Compensation for the calendar year containing the valuation date. The Employer's contribution each year shall be determined by applying the percentage so determined to the actual Earnable Compensation paid during the year.

2. Other Considerations

a. **Actuarial Experience Studies -** The Board of Trustees shall authorize an actuarial experience study from time-to-time to examine the Pension Plan's actual experience relative to the expected experience based on the actuarial assumptions in effect. Future experience studies will examine both demographic assumptions and economic assumptions, including the investment return assumption (i.e., the discount rate). Furthermore, future experience studies will also review any changes to funding policy recommendations of the GFOA and CCA since the last experience study, and consideration shall be given whether to amend this Funding Policy for such recommendations. The Board of Trustees shall adopt new actuarial assumptions and methods if warranted based on the results of any such future actuarial experience study. The next scheduled experience study will occur in 2024 and review plan experience during the 5-year period ending December 31, 2023. Thereafter, experience studies shall be conducted every five years. However, if circumstances warrant an earlier evaluation, the Board of Trustees may authorize a study earlier than scheduled and also may authorize the 5-year cycle to be reset based on the date of such earlier study.

b. **Risk-Sharing –** If the ADC becomes untenable, then the Board of Trustees reserves the right to examine adjustments to the Funding Policy, such as the use of longer amortization periods (that remain within the recommended ranges) while still meeting the Primary Funding Objectives, in order to reduce the ADC or otherwise restore the ADC to a sustainable level. Furthermore, outside of this Funding Policy and subject to the measures and procedures required to amend the Pension Plan, the Board of Trustees may examine changes to the Pension Plan in addition to or in lieu of changes to the Funding Policy.

The Board of Trustees reserves the right to amend, modify or replace this Funding Policy.

IN WITNESS THEREOF, I, GHASSAN KORBAN, Executive Director, Sewerage & Water Board of New Orleans do hereby certify that the above document is a true and correct copy of the Stand-Alone Funding Policy for the Employees' Retirement System of the Sewerage and Water Board of New Orleans adopted by the Board of Trustees through Resolution____ ____by a motion duly made, seconded and unanimously passed at a duly called and held Board of Trustees meeting on ________, 2021 and such Funding Policy is incorporated and made part of the Rules & Regulations of the Employees' Retirement System.

____

GHASSAN KORBAN, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

Glossary of Actuarial Terms

Actuarial Accrued Liability or Accrued Liability (AAL)	This is computed differently under different actuarial cost methods. Generally, the Actuarial Accrued Liability or Accrued Liability represents the portion of the Present Value of Future Benefits attributed to periods of service preceding the valuation date.
Actuarial Gain (Loss)	A measure of the difference between actual experience and that expected based on the actuarial assumptions during the period between two actuarial valuation dates, as determined in accordance with the particular actuarial cost method used.
Actuarial Value of Assets (AVA)	The value of assets used by an actuary for an actuarial valuation. The AVA can be set equal to the Market Value of Assets, or the AVA can be set equal to a smoothed value of assets that is designed to smooth volatility in the Market Value of Assets over a period of years (e.g., a three to ten year period).
Entry Age Normal Actuarial Cost Method	An actuarial cost method under which the Present Value of Future Benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of this actuarial present value allocated to the year of service during the valuation year is called the Normal Cost. The portion of this present value not provided for at a valuation date by the Present Value of Future Normal Costs is called the Accrued Liability.
Market Value of Assets	Market Value of Assets as of a valuation date equals Fair Value plus any receivable contributions made or to be made for a prior plan year.
Normal Cost	Computed differently under different actuarial cost methods, the Normal Cost generally represents the portion of the actuarial Present Value of Future Benefits attributed to the current year of service for active employees.
Plan Assets	Used interchangeably with Actuarial Value of Assets. See definition of Actuarial Value of Assets above.
Present Value of Accrued Benefits	The actuarial present value of all accrued benefits (i.e., all benefits attributed by the pension benefit formula to employee service and compensation rendered prior to the valuation date).

Present Value of Future Benefits	Future benefits include all benefits estimated to be payable to plan members (retirees and beneficiaries, terminated employees entitled to benefits but not yet receiving them, and current active members) as a result of their service through the valuation date and their expected future service. The actuarial Present Value of Future Benefits as of the valuation date is the present value of the cost to finance benefits payable in the future, discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.
Present Value of Future Normal Costs	The difference between the Present Value of Future Benefits and the Actuarial Accrued Liability under a given actuarial cost method.
Unfunded Accrued Liability (UAL)	The excess, if any, of the Actuarial Accrued Liability over the Actuarial Value of Assets.

Appendix

Published Guidance on Key Elements of a Funding Policy

The Funding Policy determines the manner in which plan liabilities and assets are measured for purposes of determining the annual employer contributions to the Pension Plan and determines the level of the annual employer contributions. Typically, funding policies require the annual Normal Cost (i.e., the present value of the current year benefit accruals) plus a portion of the Unfunded Accrued Liability (UAL) (i.e., the excess of Actuarial Accrued Liability over Plan Assets) to be funded via an amortization payment.

Published guidance by the following entities has been considered in developing the Funding Policy:

1. **Conference of Consulting Actuaries Public Plans Community (CCA PPC) "Actuarial Funding Policies and Practices for Public Pension Plans" published in October 2014** – This publication is a "white paper" that develops principal elements and parameters of actuarial funding policy for U.S. public pension plans. The guidance offered in the white paper "is not intended to supplant or replace the applicable Actuarial Standards of Practice (ASOPs)" and is "nonbinding and advisory only", but is intended as advice to actuaries and retirement boards in setting funding policy. The white paper develops a Level Cost Allocation Model that recommends actuarial funding methods for measuring both plan liabilities and plan assets, as well as recommends amortization periods for funding the UAL. These recommendations are discussed further below; and

2. **Government Finance Officers Association's Best Practice "Sustainable Funding Practices for Defined Benefit Pensions and Other Postemployment Benefits" approved by the GFOA's Executive Board in January 2016** – This paper includes recommendations for best practices for adopting a funding policy and incorporates by reference the GFOA's Best Practice "Core Elements of Funding Policy" published in 2013 which also recommends parameters for a funding policy.

Both sources of published guidance discuss the following key elements of a funding policy.

- **Recommended Contribution** – There are two methods used to determine recommended employer contributions to Public Pension Plans:

  - **Fixed Rate Method** – The Fixed Rate method determines the annual employer contribution as a constant percentage (i.e., a fixed rate) of payroll. This method is used to minimize volatility in the contribution amount and does not vary from year-to-year absent the adoption of a new fixed rate.

    However, if it is determined that the fixed rate is insufficient to maintain or improve a pension plan's funded ratio, there can be significant lags between when the rate becomes insufficient and when a new fixed rate is adopted by the governing entity, potentially resulting in further reduction to the plan's funded ratio in the meantime.

- **Actuarially Determined Contribution (ADC) Method** – The ADC is determined as the sum of the Normal Cost plus an amortization of the UAL. The ADC changes each year as the Normal Cost and UAL fluctuate. This volatility permits the plan funding to be adjusted as needed in order to continue funding towards 100% over a set period of time.

  As discussed below, the Normal Cost and Actuarial Accrued Liability are determined based upon the selected actuarial Cost Method, and the Plan Assets can either be determined using Market Value or a smoothed Actuarial Value of Assets. Lastly, the period(s) over which the UAL is amortized as well as the methods of setting the period(s) (open period vs. closed period and level dollar amortization vs. level percent of pay amortization) are also key components in the determination of the ADC.

The GFOA recommends using the ADC method. **The CCA PPC white paper is written solely in the context of the ADC method**; however, the white paper indicates that plans that use the Fixed Rate method should also develop an ADC rate for comparison.

- **Cost Method** – The actuarial cost method is used to allocate the Present Value of Future Benefits to past, current and future service periods.

  - **Actuarial Accrued Liability** – This is the portion of the Present Value of Future Benefits assigned to past service (i.e., service before the actuarial valuation date).

  - **Normal Cost** – This is the portion of the Present Value of Future Benefits that is assigned to the current year of service (i.e., it is the present value of the current year's accruals).

  - **Present Value of Future Normal Costs –** This is the portion the Present Value of Future Benefits that is assigned to future service after the valuation year (i.e., it represents the present value of future years' accruals).

  The CCA PPC and the GFOA both recommend that plan liabilities be determined using the Entry Age Normal Level Percent actuarial cost method for plans with pay-related benefits. This method funds each individual's benefits over their career as a level percent of pay.

- **Asset Method** – Rather than use the Market Value of Assets in each annual valuation as the measure of Plan Assets, an Actuarial Value of Assets (AVA) can be used to smooth investment gains and losses and thus reduce year-to-year volatility in developing a funding policy contribution. Some AVA methods also place a corridor around the Market Value of Assets to limit the maximum amount of the smoothing during periods in which the market has been very volatile.

The CCA PPC and the GFOA have various recommended ranges for the length of the period over which assets can be smoothed, but both indicate that a 7-year smoothing period is reasonable. Furthermore, the CCA PPC and GFOA recommend corridors for smoothing periods in excess of 5 years.

- **Amortization Method** – The amortization method determines the manner and period over which the Unfunded Accrued Liability (UAL) is amortized.

  - **Level Dollar vs. Level Percent** – The UAL can be amortized as a:

    - Level Dollar amount, where the amortization installment is the same each year, or

    - Level Percent amount, where the amortization installment increases each year as payroll increases, but this can sometimes result in negative amortization.

  - **Open Period vs. Closed Period** – The UAL can be amortized over an:

    - Open Period, whereby the amortization period is the same each year (e.g., a 30-year Open Period amortization would use a 30-year amortization for the January 1, 2021 valuation, followed by another 30-year open period on January 1, 2022 and so on without the 30-year period ever changing), or

    - Closed Period, whereby the amortization period reduces each successive period (e.g., a 30-year Closed Period amortization would use a 30-year amortization for the January 1, 2021 valuation, followed by a 29-year closed period on January 1, 2022 and so on until the final year of the amortization is reached in the 30^{th} year).

  - **Single Amortization vs. Layered Amortization** – The UAL can be amortized using:

    - **Single Amortization** – Under the Single Amortization method, the full amount of the UAL is amortized over a single period each year.

    - **Layered Amortization** – Under the Layered Amortization method, different amortization layers of the UAL are established at each actuarial valuation, and the sum of the layers is equal to the full UAL. In addition, within a single valuation, multiple layers of UAL can be established for different sources of changes in the UAL. The Layered Amortization method requires that a new amortization base (or layer) be created each year for Actuarial Experience Gains/Losses that occur during the year. In addition, new amortization layers are created in years in which actuarial assumptions or methods are changed and in years in which plan amendments are enacted.

Creating a new amortization layer for each year reduces the volatility of the amortization of the UAL relative to the Single Amortization method, particularly as the Closed Period becomes shorter, if a Closed Period amortization method is used. In addition, different amortization periods can be used for different types of layers created in years in which actuarial assumptions or methods are changed and in years in which plan amendments are enacted. This allows the funding of each layer to be better aligned with an appropriate amortization period.

As shown in the tables below, the CCA PPC and GFOA both recommend a Layered Amortization approach with Closed Periods but with different amortization periods and different recommendations for Level Dollar versus Level Percent.

Method	Amortization Methodology	
	CCA PPC	**GFOA**
Closed Period vs. Open Period	Closed Period	Closed Period
Level Dollar vs. Level Percent	Level Percent[1]	Either
Single vs. Layered	Layered	Layered

Source of Amortization Layers	Amortization Period	
	CCA PPC[1]	**GFOA**
Actuarial Experience Gain/Loss	15 to 20 years	15 to 25 years[4]
Assumption and Method Changes	15 to 25 years	15 to 25 years[4]
Plan Amendments	10 to 15 years[2]	15 to 25 years[4]
Transition to New Policy	Up to 30 years[3]	Not discussed

[1] The white paper indicates that "level dollar could be appropriate for sponsors and plans that are particularly averse to future cost increases, e.g., utilities setting rates for current rate payers." Furthermore, the white paper states "level dollar is generally faster amortization than level percent of pay so longer periods may be reasonable."

[2] The white paper recommends that Plan Amendments be amortized over the actual remaining active future service for amendments affecting active members (where 15 years can be used as an approximation) or over actual remaining retiree life expectancy for amendments affecting inactive members (where 10 years can be used as an approximation).

[3] The white paper indicates that transition policies would allow current fixed period amortization layers with periods not to exceed 30 years to continue with new amortization layers subject to recommended guidelines.

[4] GFOA states that amortization periods should "ideally fall in the 15-20 year range" but "never exceed 25 years".

- **Other Considerations** – The CCA PPC and GFOA each recommend other considerations to manage growth in plan liabilities and mitigate other risks.

  - **Actuarial Experience Studies -** An actuarial experience study examines a Pension Plan's actual demographic and economic experience relative to the expected experience based on the actuarial assumptions used in an actuarial valuation. Adjustments should be made to the actuarial assumptions whenever actual plan experience deviates materially from the assumptions in order to produce the best long-term estimate and to better align the employer contributions with the long-term expected cost of the plan.

    The GFOA recommends an actuarial experience study be conducted at least once every five years, and the CCA PPC does not address assumption selection in its white paper.

  - **Risk Mitigation Strategies** – Other strategies can be implemented to mitigate risks, such as the risk of large contribution increases year-to-year, sharing risks with employees via increased employee contributions or benefit reductions in certain scenarios. Managing growth in plan liabilities via restrictions on plan amendments should also be considered.

    The CCA PPC and GFOA suggest various strategies for mitigating risks and managing growth in plan liabilities, and the referenced publications for each of these bodies suggest incorporating some risk mitigation strategies into a plan's funding policy.

(Preliminary, Subject to Change)

Employees' Retirement System

The Sewerage & Water Board of New Orleans

Employees' Retirement System

Monthly Performance Report

March 31, 2021

Market Value: $245.5 Million and 100.0% of Fund

Investment Manager	Asset Class	Status	Reason
Pyramis Global Advisors (Fidelity)	Core Plus Fixed Income	In Compliance	---
Barrow, Hanley, Mewhinney, & Strauss	Large-Cap Value	In Compliance	---
iShares S&P 500 Growth ETF	Large-Cap Growth	In Compliance	---
NewSouth Capital	Smid-Cap Value	In Compliance	---
Earnest Partners	Non-U.S. Large-Cap Core	In Compliance	---
Prisma Capital Partners LP	Multi-Strat. Hedge FoF	In Compliance	---
Vanguard Real Estate ETF	U.S. REIT	In Compliance	---

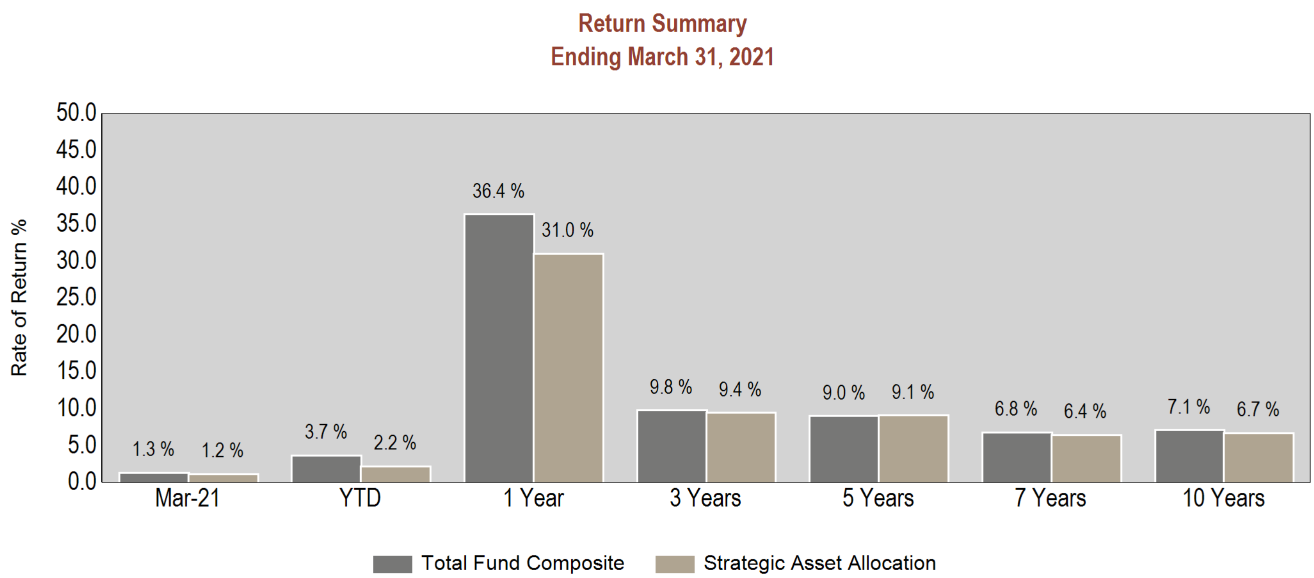
Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

In Compliance – The investment manager states it is acting in accordance with the Investment Policy Guidelines.
Alert – The investment manager is notified of a problem in performance (usually related to a benchmark or volatility measure), a change in investment characteristics, an alteration in management style or key investment professionals, and/or any other irregularities.

On Notice – The investment manager is notified of continued concern with one or more Alert issues. Failure to improve upon stated issues within a specific time frame justifies termination.
Termination – The Trustees have decided to terminate the investment manager. The investment manager is notified and transition plans are in place.

Total Fund Composite



Return Summary - 1 Year

	Total Return
Total Fund Composite	36.4%
Fixed Income Composite	7.9%
Equity Composite	63.6%
Alternative Asset Composite	23.2%
Real Estate Composite	36.8%

Asset Allocation vs. Target

	Current	Current	Policy	Difference	%
Fixed Income	$76,952,032	31.3%	35.0%	-$8,975,025	-3.7%
U.S. Equity	$76,565,953	31.2%	27.0%	$10,279,366	4.2%
Non-U.S. Equity	$53,506,803	21.8%	20.0%	$4,405,627	1.8%
Hedge Funds	$18,694,777	7.6%	8.0%	-$945,693	-0.4%
Real Assets	$19,567,914	8.0%	9.0%	-$2,527,615	-1.0%
Other	$218,400	0.1%	1.0%	-$2,236,659	-0.9%
Total	**$245,505,879**	**100.0%**	**100.0%**		

Summary of Cash Flows

	Last Month	**Last Three Months**	**Year-To-Date**	**One Year**
Beginning Market Value	$245,711,584	$240,197,824	$240,197,824	$199,643,622
Net Cash Flow	-$3,512,083	-$3,780,893	-$3,780,893	-$9,241,917
Net Investment Change	$3,306,378	$9,088,947	$9,088,947	$55,104,173
Ending Market Value	$245,505,879	$245,505,879	$245,505,879	$245,505,879

Total Fund Composite

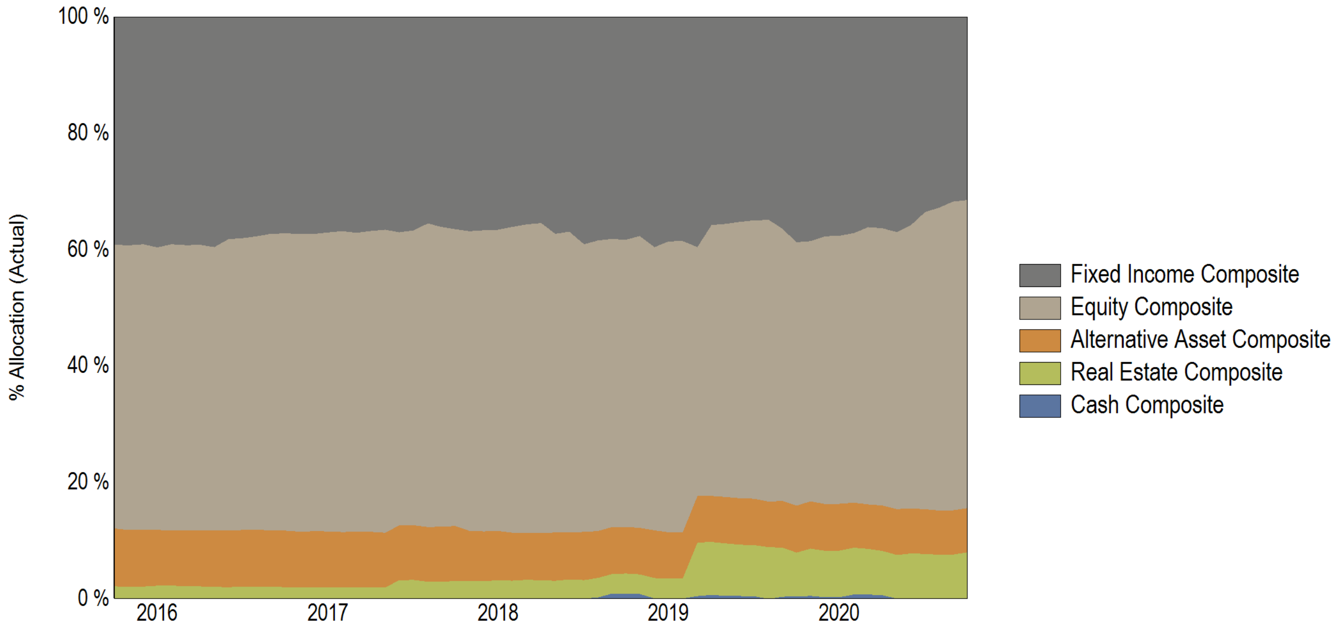
Market Value: $245.5 Million and 100.0% of Fund

Ending March 31, 2021

	Asset Class	Market Value ($)	3 Mo Net Cash Flows ($)	% of Portfolio	Policy %	Policy Difference ($)
Total Fund Composite		**245,505,879**	**-3,780,893**	**100.0**	**100.0**	**0**
Fixed Income Composite		**76,952,032**	**-1,435**	**31.3**	**35.0**	**-8,975,025**
Pyramis Global Advisors (Fidelity)	Core Plus Fixed Income	76,911,493	0	31.3		
Zazove Associates, LLC (Residual)	Core Fixed Income	40,539	-1,435	0.0		
Equity Composite		**130,072,756**	**-3,588,621**	**53.0**	**47.0**	**14,684,993**
Barrow, Hanley, Mewhinney, & Strauss	Large-Cap Value	17,024,420	-23,746	6.9		
iShares S&P 500 Growth ETF	Large-Cap Growth	27,308,908	-2,064,875	11.1		
NewSouth Capital	Smid-Cap Value	32,232,625	-1,500,000	13.1		
Earnest Partners	Non-U.S. Large-Cap Core	53,506,803	0	21.8		
Alternative Asset Composite		**18,694,777**	**0**	**7.6**	**8.0**	**-945,693**
Prisma Capital Partners LP	Multi-Strat. Hedge FoF	18,675,947	0	7.6		
Equitas Capital Advisors (Residual)	Multi-Strat. Hedge Fund	18,830	0	0.0		
Real Estate Composite		**19,567,914**	**-283,812**	**8.0**	**9.0**	**-2,527,615**
Vanguard Real Estate ETF	U.S. REIT	19,567,914	-283,812	8.0		
Cash Composite		**218,400**	**92,976**	**0.1**	**1.0**	**-2,236,659**
Cash	Cash & Equivalents	218,400	92,976	0.1		

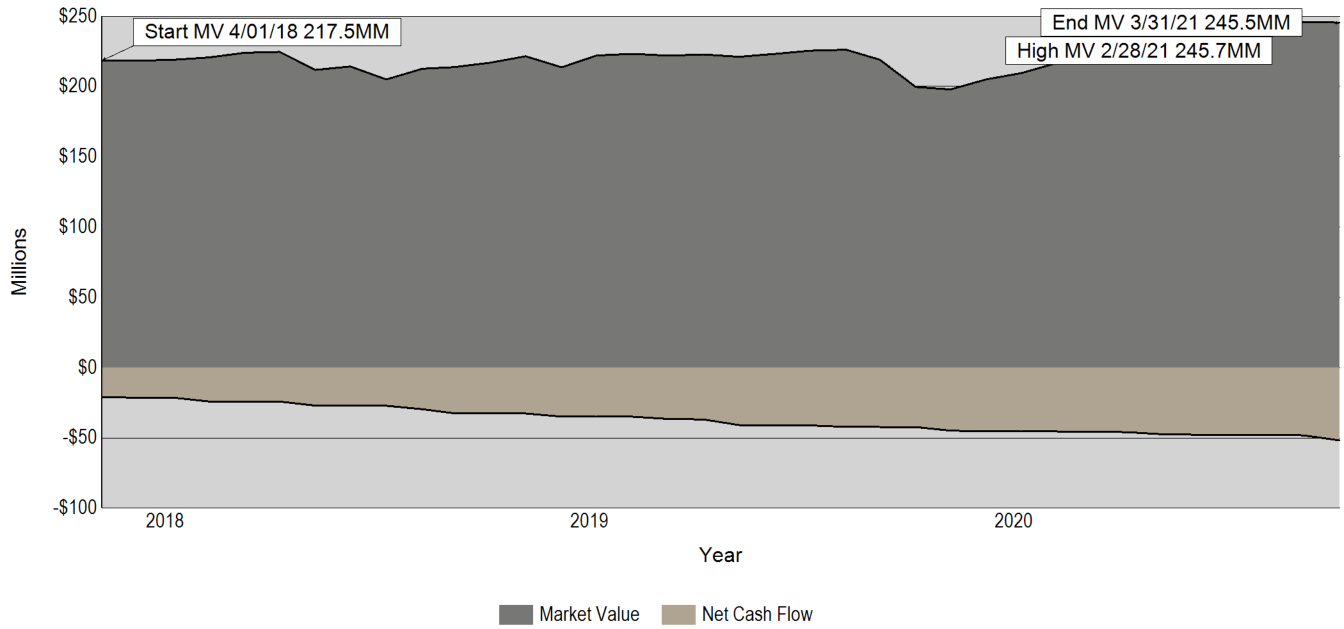
Market Value: $245.5 Million and 100.0% of Fund

Historic Asset Allocation



	Current	Policy	Difference	%
Fixed Income	$76,952,032	$85,927,057	-$8,975,025	-3.7%
U.S. Equity	$76,565,953	$66,286,587	$10,279,366	4.2%
Non-U.S. Equity	$53,506,803	$49,101,176	$4,405,627	1.8%
Hedge Funds	$18,694,777	$19,640,470	-$945,693	-0.4%
Real Assets	$19,567,914	$22,095,529	-$2,527,615	-1.0%
Other	$218,400	$2,455,059	-$2,236,659	-0.9%
Total	**$245,505,879**	**$245,505,879**		

Market Value: $245.5 Million and 100.0% of Fund



Summary of Cash Flows

	Last Month	Last Three Months	Year-To-Date
Beginning Market Value	$245,711,584	$240,197,824	$240,197,824
Net Cash Flow	-$3,512,083	-$3,780,893	-$3,780,893
Net Investment Change	$3,306,378	$9,088,947	$9,088,947
Ending Market Value	$245,505,879	$245,505,879	$245,505,879

Total Fund Composite

Annualized Performance (Gross of Fees)

Market Value: $245.5 Million and 100.0% of Fund

Ending March 31, 2021

	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund Composite	**1.4%**	**3.8%**	**3.8%**	**36.8%**	**10.2%**	**9.3%**	**7.0%**	**7.2%**	**7.1%**	**Jul-02**
Strategic Asset Allocation	*1.2%*	*2.2%*	*2.2%*	*31.0%*	*9.4%*	*9.1%*	*6.4%*	*6.7%*	*6.6%*	*Jul-02*
Fixed Income Composite	**-1.0%**	**-2.5%**	**-2.5%**	**8.1%**	**6.0%**	**--**	**--**	**--**	**5.5%**	**Jan-18**
Fixed Income Balanced Index	*-1.2%*	*-3.4%*	*-3.4%*	*2.6%*	*4.8%*	--	--	--	*4.4%*	*Jan-18*
Equity Composite	**2.4%**	**7.1%**	**7.1%**	**63.9%**	**16.6%**	**15.2%**	**11.9%**	**11.8%**	**9.0%**	**Jun-06**
Equity Balanced Index	*3.1%*	*7.3%*	*7.3%*	*66.0%*	*15.3%*	*15.4%*	*12.7%*	*13.3%*	*10.0%*	*Jun-06*
Alternative Asset Composite	**0.0%**	**3.4%**	**3.4%**	**23.2%**	**5.1%**	**5.0%**	**3.2%**	**3.6%**	**3.5%**	**May-07**
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*2.2%*	*May-07*
Real Estate Composite	**5.1%**	**8.8%**	**8.8%**	**36.9%**	**11.3%**	**6.3%**	**8.3%**	**9.0%**	**9.7%**	**Apr-10**
MSCI US REIT	*4.3%*	*8.5%*	*8.5%*	*36.1%*	*8.2%*	*4.0%*	*6.3%*	*7.2%*	*8.0%*	*Apr-10*

Please note: Returns through inception for the alternative asset composite were calculated and verified using information from the investment manager rather than the Plan's custodian.

Calendar Performance (Gross of Fees)

Market Value: $245.5 Million and 100.0% of Fund

	Calendar Year										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Fund Composite	**10.9%**	**19.1%**	**-3.3%**	**11.6%**	**6.4%**	**-1.7%**	**5.6%**	**11.0%**	**11.7%**	**3.5%**	**9.4%**
Strategic Asset Allocation	*11.0%*	*18.9%*	*-3.8%*	*12.8%*	*6.4%*	*-2.8%*	*4.2%*	*11.5%*	*10.5%*	*2.2%*	*12.5%*
Fixed Income Composite	**9.7%**	**10.2%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Fixed Income Balanced Index	*7.6%*	*9.3%*	*-0.3%*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Equity Composite	**21.1%**	**29.2%**	**-5.6%**	**19.0%**	**11.0%**	**-0.3%**	**9.0%**	**23.8%**	**16.9%**	**0.0%**	**17.9%**
Equity Balanced Index	*20.0%*	*28.6%*	*-7.6%*	*17.3%*	*16.0%*	*0.5%*	*12.6%*	*33.6%*	*16.4%*	*1.0%*	*16.9%*
Alternative Asset Composite	**8.9%**	**8.0%**	**-4.6%**	**7.0%**	**-1.1%**	**0.0%**	**2.3%**	**11.0%**	**7.5%**	**-3.3%**	**7.4%**
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
Real Estate Composite	**-4.4%**	**29.3%**	**-5.8%**	**4.7%**	**8.4%**	**2.6%**	**30.5%**	**2.4%**	**17.7%**	**8.3%**	**--**
MSCI US REIT	*-8.7%*	*24.3%*	*-5.8%*	*3.7%*	*7.1%*	*1.3%*	*28.8%*	*1.3%*	*16.5%*	*7.5%*	*27.0%*

Annualized Performance (Gross of Fees)

Market Value: $245.5 Million and 100.0% of Fund

Ending March 31, 2021

	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund Composite	**1.4%**	**3.8%**	**3.8%**	**36.8%**	**10.2%**	**9.3%**	**7.0%**	**7.2%**	**7.1%**	**Jul-02**
Strategic Asset Allocation	*1.2%*	*2.2%*	*2.2%*	*31.0%*	*9.4%*	*9.1%*	*6.4%*	*6.7%*	*6.6%*	*Jul-02*
Fixed Income Composite	**-1.0%**	**-2.5%**	**-2.5%**	**8.1%**	**6.0%**	**--**	**--**	**--**	**5.5%**	**Jan-18**
Fixed Income Balanced Index	*-1.2%*	*-3.4%*	*-3.4%*	*2.6%*	*4.8%*	*--*	*--*	*--*	*4.4%*	*Jan-18*
Pyramis Global Advisors (Fidelity)	-1.0%	-2.5%	-2.5%	8.0%	6.0%	4.7%	4.4%	4.6%	5.2%	Apr-07
BBgBarc US Aggregate TR	*-1.2%*	*-3.4%*	*-3.4%*	*0.7%*	*4.7%*	*3.1%*	*3.3%*	*3.4%*	*4.1%*	*Apr-07*
Zazove Associates, LLC (Residual)	8.2%	12.8%	12.8%	50.2%	26.7%	--	--	--	26.6%	Jan-18
ICE BofA All US Convertibles TR	*-3.1%*	*2.9%*	*2.9%*	*74.1%*	*21.9%*	*18.8%*	*13.1%*	*12.4%*	*20.4%*	*Jan-18*
Equity Composite	**2.4%**	**7.1%**	**7.1%**	**63.9%**	**16.6%**	**15.2%**	**11.9%**	**11.8%**	**9.0%**	**Jun-06**
Equity Balanced Index	*3.1%*	*7.3%*	*7.3%*	*66.0%*	*15.3%*	*15.4%*	*12.7%*	*13.3%*	*10.0%*	*Jun-06*
Barrow, Hanley, Mewhinney, & Strauss	6.7%	13.7%	13.7%	69.6%	13.8%	13.7%	10.6%	11.8%	8.5%	Sep-06
Russell 1000 Value	*5.9%*	*11.3%*	*11.3%*	*56.1%*	*11.0%*	*11.7%*	*9.4%*	*11.0%*	*7.5%*	*Sep-06*
iShares S&P 500 Growth ETF	2.8%	2.2%	2.2%	59.9%	20.7%	19.0%	--	--	19.0%	Mar-16
S&P 500 Growth	*2.6%*	*2.1%*	*2.1%*	*59.4%*	*20.6%*	*19.3%*	*16.5%*	*16.2%*	*19.3%*	*Mar-16*
NewSouth Capital	4.0%	14.6%	14.6%	76.1%	16.6%	13.5%	11.8%	--	13.8%	Aug-11
Russell 2500 Value	*5.0%*	*16.8%*	*16.8%*	*87.5%*	*10.9%*	*12.2%*	*8.7%*	*10.2%*	*12.3%*	*Aug-11*
Earnest Partners	0.0%	3.6%	3.6%	65.1%	7.4%	11.6%	6.8%	6.1%	8.6%	Jun-10
MSCI ACWI ex USA	*1.3%*	*3.5%*	*3.5%*	*49.4%*	*6.5%*	*9.8%*	*5.3%*	*4.9%*	*7.1%*	*Jun-10*
Alternative Asset Composite	**0.0%**	**3.4%**	**3.4%**	**23.2%**	**5.1%**	**5.0%**	**3.2%**	**3.6%**	**3.5%**	**May-07**
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*2.2%*	*May-07*
Prisma Capital Partners LP	0.0%	3.4%	3.4%	23.2%	5.1%	5.0%	3.2%	3.6%	3.5%	May-07
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*2.2%*	*May-07*
Equitas Capital Advisors (Residual)	0.0%	-0.4%	-0.4%	2.2%	-0.4%	--	--	--	-0.5%	Jan-18
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*4.5%*	*Jan-18*
Real Estate Composite	**5.1%**	**8.8%**	**8.8%**	**36.9%**	**11.3%**	**6.3%**	**8.3%**	**9.0%**	**9.7%**	**Apr-10**
MSCI US REIT	*4.3%*	*8.5%*	*8.5%*	*36.1%*	*8.2%*	*4.0%*	*6.3%*	*7.2%*	*8.0%*	*Apr-10*
Vanguard Real Estate ETF	5.1%	8.8%	8.8%	36.9%	11.3%	6.3%	8.3%	9.0%	9.7%	Apr-10
MSCI US REIT	*4.3%*	*8.5%*	*8.5%*	*36.1%*	*8.2%*	*4.0%*	*6.3%*	*7.2%*	*8.0%*	*Apr-10*

Calendar Performance (Gross of Fees)

Market Value: $245.5 Million and 100.0% of Fund

	Calendar Year										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Fund Composite	**10.9%**	**19.1%**	**-3.3%**	**11.6%**	**6.4%**	**-1.7%**	**5.6%**	**11.0%**	**11.7%**	**3.5%**	**9.4%**
Strategic Asset Allocation	*11.0%*	*18.9%*	*-3.8%*	*12.8%*	*6.4%*	*-2.8%*	*4.2%*	*11.5%*	*10.5%*	*2.2%*	*12.5%*
Fixed Income Composite	**9.7%**	**10.2%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Fixed Income Balanced Index	*7.6%*	*9.3%*	*-0.3%*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Pyramis Global Advisors (Fidelity)	9.7%	10.2%	-0.3%	4.7%	5.6%	0.1%	6.2%	-0.7%	7.6%	7.8%	10.0%
BBgBarc US Aggregate TR	*7.5%*	*8.7%*	*0.0%*	*3.5%*	*2.6%*	*0.6%*	*6.0%*	*-2.0%*	*4.2%*	*7.8%*	*6.5%*
Zazove Associates, LLC (Residual)	10.0%	48.1%	--	--	--	--	--	--	--	--	--
ICE BofA All US Convertibles TR	*46.2%*	*23.1%*	*0.2%*	*13.7%*	*10.7%*	*-3.2%*	*9.4%*	*24.9%*	*15.0%*	*-5.2%*	*16.8%*
Equity Composite	**21.1%**	**29.2%**	**-5.6%**	**19.0%**	**11.0%**	**-0.3%**	**9.0%**	**23.8%**	**16.9%**	**0.0%**	**17.9%**
Equity Balanced Index	*20.0%*	*28.6%*	*-7.6%*	*17.3%*	*16.0%*	*0.5%*	*12.6%*	*33.6%*	*16.4%*	*1.0%*	*16.9%*
Barrow, Hanley, Mewhinney, & Strauss	4.2%	26.8%	-4.6%	15.2%	14.2%	-1.3%	12.8%	32.4%	15.2%	2.6%	11.2%
Russell 1000 Value	*2.8%*	*26.5%*	*-8.3%*	*13.7%*	*17.3%*	*-3.8%*	*13.5%*	*32.5%*	*17.5%*	*0.4%*	*15.5%*
iShares S&P 500 Growth ETF	33.8%	31.1%	-0.1%	26.9%	--	--	--	--	--	--	--
S&P 500 Growth	*33.5%*	*31.1%*	*0.0%*	*27.4%*	*6.9%*	*5.5%*	*14.9%*	*32.8%*	*14.6%*	*4.7%*	*15.1%*
NewSouth Capital	8.9%	29.7%	-0.4%	12.2%	10.2%	-0.5%	12.2%	28.8%	16.8%	--	--
Russell 2500 Value	*4.9%*	*23.6%*	*-12.4%*	*10.4%*	*25.2%*	*-5.5%*	*7.1%*	*33.3%*	*19.2%*	*-3.4%*	*24.8%*
Earnest Partners	13.9%	23.3%	-15.7%	31.6%	5.5%	-5.5%	-1.6%	13.5%	19.5%	-9.7%	--
MSCI ACWI ex USA	*10.7%*	*21.5%*	*-14.2%*	*27.2%*	*4.5%*	*-5.7%*	*-3.9%*	*15.3%*	*16.8%*	*-13.7%*	*11.2%*
Alternative Asset Composite	**8.9%**	**8.0%**	**-4.6%**	**7.0%**	**-1.1%**	**0.0%**	**2.3%**	**11.0%**	**7.5%**	**-3.3%**	**7.4%**
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
Prisma Capital Partners LP	8.9%	8.0%	-4.7%	7.0%	-1.1%	0.0%	2.3%	11.0%	7.5%	-3.3%	7.4%
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
Equitas Capital Advisors (Residual)	2.7%	-1.9%	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
Real Estate Composite	**-4.4%**	**29.3%**	**-5.8%**	**4.7%**	**8.4%**	**2.6%**	**30.5%**	**2.4%**	**17.7%**	**8.3%**	**--**
MSCI US REIT	*-8.7%*	*24.3%*	*-5.8%*	*3.7%*	*7.1%*	*1.3%*	*28.8%*	*1.3%*	*16.5%*	*7.5%*	*27.0%*
Vanguard Real Estate ETF	-4.4%	29.3%	-5.8%	4.7%	8.4%	2.6%	30.5%	2.4%	17.7%	8.3%	--
MSCI US REIT	*-8.7%*	*24.3%*	*-5.8%*	*3.7%*	*7.1%*	*1.3%*	*28.8%*	*1.3%*	*16.5%*	*7.5%*	*27.0%*

Annualized Performance (Net of Fees)

Market Value: $245.5 Million and 100.0% of Fund

Ending March 31, 2021

	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund Composite	**1.3%**	**3.7%**	**3.7%**	**36.4%**	**9.8%**	**9.0%**	**6.8%**	**7.1%**	**7.0%**	**Jul-02**
Strategic Asset Allocation	*1.2%*	*2.2%*	*2.2%*	*31.0%*	*9.4%*	*9.1%*	*6.4%*	*6.7%*	*6.6%*	*Jul-02*
Fixed Income Composite	**-1.0%**	**-2.5%**	**-2.5%**	**7.9%**	**5.8%**	**--**	**--**	**--**	**5.3%**	**Jan-18**
Fixed Income Balanced Index	*-1.2%*	*-3.4%*	*-3.4%*	*2.6%*	*4.8%*	*--*	*--*	*--*	*4.4%*	*Jan-18*
Equity Composite	**2.4%**	**6.9%**	**6.9%**	**63.6%**	**14.9%**	**15.8%**	**12.4%**	**12.1%**	**9.3%**	**Jun-06**
Equity Balanced Index	*3.1%*	*7.3%*	*7.3%*	*66.0%*	*15.3%*	*15.4%*	*12.7%*	*13.3%*	*10.0%*	*Jun-06*
Alternative Asset Composite	**0.0%**	**3.4%**	**3.4%**	**23.2%**	**5.1%**	**5.0%**	**3.2%**	**3.6%**	**3.5%**	**May-07**
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*2.2%*	*May-07*
Real Estate Composite	**5.1%**	**8.8%**	**8.8%**	**36.8%**	**11.3%**	**6.2%**	**8.3%**	**9.0%**	**9.7%**	**Apr-10**
MSCI US REIT	*4.3%*	*8.5%*	*8.5%*	*36.1%*	*8.2%*	*4.0%*	*6.3%*	*7.2%*	*8.0%*	*Apr-10*

Total Fund Composite

Calendar Performance (Net of Fees)

Market Value: $245.5 Million and 100.0% of Fund

	Calendar Year										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Fund Composite	**10.5%**	**18.8%**	**-3.6%**	**11.6%**	**6.4%**	**-1.7%**	**5.6%**	**11.0%**	**11.7%**	**3.5%**	**9.4%**
Strategic Asset Allocation	*11.0%*	*18.9%*	*-3.8%*	*12.8%*	*6.4%*	*-2.8%*	*4.2%*	*11.5%*	*10.5%*	*2.2%*	*12.5%*
InvMetrics Public DB Net Rank	*81*	*60*	*30*	*95*	*78*	*78*	*47*	*85*	*53*	*6*	*90*
Fixed Income Composite	**9.5%**	**10.0%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Fixed Income Balanced Index	*7.6%*	*9.3%*	*-0.3%*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
InvMetrics Public DB US Fix Inc Net Rank	*15*	*9*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Equity Composite	**21.1%**	**24.3%**	**1.2%**	**19.0%**	**11.0%**	**-0.3%**	**9.0%**	**23.8%**	**16.9%**	**0.0%**	**17.9%**
Equity Balanced Index	*20.0%*	*28.6%*	*-7.6%*	*17.3%*	*16.0%*	*0.5%*	*12.6%*	*33.6%*	*16.4%*	*1.0%*	*16.9%*
InvMetrics Public DB Total Eq Net Rank	*7*	*96*	*1*	*97*	*7*	*16*	*19*	*88*	*44*	*13*	*30*
Alternative Asset Composite	**8.9%**	**8.0%**	**-4.7%**	**7.0%**	**-1.1%**	**0.0%**	**2.3%**	**11.0%**	**7.5%**	**-3.3%**	**7.4%**
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
InvMetrics Public DB Hedge Funds Net Rank	*47*	*48*	*81*	*40*	*93*	*45*	*85*	*59*	*46*	*70*	*45*
Real Estate Composite	**-4.4%**	**29.2%**	**-5.8%**	**4.7%**	**8.4%**	**2.6%**	**30.5%**	**2.4%**	**17.7%**	**8.3%**	**--**
MSCI US REIT	*-8.7%*	*24.3%*	*-5.8%*	*3.7%*	*7.1%*	*1.3%*	*28.8%*	*1.3%*	*16.5%*	*7.5%*	*27.0%*
InvMetrics Public DB Real Estate Pub Net Rank	*61*	*1*	*50*	*77*	*11*	*48*	*12*	*99*	*15*	*79*	*--*

Annualized Performance (Net of Fees)

Market Value: $245.5 Million and 100.0% of Fund

Ending March 31, 2021

	1 Mo	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund Composite	**1.3%**	**3.7%**	**3.7%**	**36.4%**	**9.8%**	**9.0%**	**6.8%**	**7.1%**	**7.0%**	**Jul-02**
Strategic Asset Allocation	*1.2%*	*2.2%*	*2.2%*	*31.0%*	*9.4%*	*9.1%*	*6.4%*	*6.7%*	*6.6%*	*Jul-02*
Fixed Income Composite	**-1.0%**	**-2.5%**	**-2.5%**	**7.9%**	**5.8%**	**--**	**--**	**--**	**5.3%**	**Jan-18**
Fixed Income Balanced Index	*-1.2%*	*-3.4%*	*-3.4%*	*2.6%*	*4.8%*	*--*	*--*	*--*	*4.4%*	*Jan-18*
Pyramis Global Advisors (Fidelity)	-1.0%	-2.5%	-2.5%	8.0%	6.0%	4.7%	4.4%	4.6%	5.2%	Apr-07
BBgBarc US Aggregate TR	*-1.2%*	*-3.4%*	*-3.4%*	*0.7%*	*4.7%*	*3.1%*	*3.3%*	*3.4%*	*4.1%*	*Apr-07*
Zazove Associates, LLC (Residual)	8.2%	12.8%	12.8%	50.2%	26.7%	--	--	--	26.6%	Jan-18
ICE BofA All US Convertibles TR	*-3.1%*	*2.9%*	*2.9%*	*74.1%*	*21.9%*	*18.8%*	*13.1%*	*12.4%*	*20.4%*	*Jan-18*
Equity Composite	**2.4%**	**6.9%**	**6.9%**	**63.6%**	**14.9%**	**15.8%**	**12.4%**	**12.1%**	**9.3%**	**Jun-06**
Equity Balanced Index	*3.1%*	*7.3%*	*7.3%*	*66.0%*	*15.3%*	*15.4%*	*12.7%*	*13.3%*	*10.0%*	*Jun-06*
Barrow, Hanley, Mewhinney, & Strauss	6.6%	13.5%	13.5%	68.4%	13.1%	12.9%	9.9%	11.1%	7.9%	Sep-06
Russell 1000 Value	*5.9%*	*11.3%*	*11.3%*	*56.1%*	*11.0%*	*11.7%*	*9.4%*	*11.0%*	*7.5%*	*Sep-06*
iShares S&P 500 Growth ETF	2.8%	2.2%	2.2%	59.8%	20.7%	19.0%	--	--	19.0%	Mar-16
S&P 500 Growth	*2.6%*	*2.1%*	*2.1%*	*59.4%*	*20.6%*	*19.3%*	*16.5%*	*16.2%*	*19.3%*	*Mar-16*
NewSouth Capital	3.9%	14.3%	14.3%	74.7%	15.6%	12.5%	10.7%	--	12.8%	Aug-11
Russell 2500 Value	*5.0%*	*16.8%*	*16.8%*	*87.5%*	*10.9%*	*12.2%*	*8.7%*	*10.2%*	*12.3%*	*Aug-11*
Earnest Partners	-0.1%	3.4%	3.4%	63.7%	6.5%	10.7%	5.9%	5.2%	7.7%	Jun-10
MSCI ACWI ex USA	*1.3%*	*3.5%*	*3.5%*	*49.4%*	*6.5%*	*9.8%*	*5.3%*	*4.9%*	*7.1%*	*Jun-10*
Alternative Asset Composite	**0.0%**	**3.4%**	**3.4%**	**23.2%**	**5.1%**	**5.0%**	**3.2%**	**3.6%**	**3.5%**	**May-07**
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*2.2%*	*May-07*
Prisma Capital Partners LP	0.0%	3.4%	3.4%	23.2%	5.1%	5.0%	3.2%	3.6%	3.5%	May-07
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*2.2%*	*May-07*
Equitas Capital Advisors (Residual)	0.0%	-0.4%	-0.4%	2.2%	-0.4%	--	--	--	-0.5%	Jan-18
HFRI Fund of Funds Composite Index	*-0.3%*	*1.9%*	*1.9%*	*23.8%*	*5.4%*	*5.6%*	*3.9%*	*3.4%*	*4.5%*	*Jan-18*
Real Estate Composite	**5.1%**	**8.8%**	**8.8%**	**36.8%**	**11.3%**	**6.2%**	**8.3%**	**9.0%**	**9.7%**	**Apr-10**
MSCI US REIT	*4.3%*	*8.5%*	*8.5%*	*36.1%*	*8.2%*	*4.0%*	*6.3%*	*7.2%*	*8.0%*	*Apr-10*
Vanguard Real Estate ETF	5.1%	8.8%	8.8%	36.8%	11.3%	6.2%	8.3%	9.0%	9.7%	Apr-10
MSCI US REIT	*4.3%*	*8.5%*	*8.5%*	*36.1%*	*8.2%*	*4.0%*	*6.3%*	*7.2%*	*8.0%*	*Apr-10*

Calendar Performance (Net of Fees)

Market Value: $245.5 Million and 100.0% of Fund

Calendar Year

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total Fund Composite	**10.5%**	**18.8%**	**-3.6%**	**11.6%**	**6.4%**	**-1.7%**	**5.6%**	**11.0%**	**11.7%**	**3.5%**	**9.4%**
Strategic Asset Allocation	*11.0%*	*18.9%*	*-3.8%*	*12.8%*	*6.4%*	*-2.8%*	*4.2%*	*11.5%*	*10.5%*	*2.2%*	*12.5%*
InvMetrics Public DB Net Rank	*81*	*60*	*30*	*95*	*78*	*78*	*47*	*85*	*53*	*6*	*90*
Fixed Income Composite	**9.5%**	**10.0%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Fixed Income Balanced Index	*7.6%*	*9.3%*	*-0.3%*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
InvMetrics Public DB US Fix Inc Net Rank	*15*	*9*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Pyramis Global Advisors (Fidelity)	9.7%	10.2%	-0.3%	4.7%	5.6%	0.1%	6.2%	-0.7%	7.6%	7.8%	10.0%
BBgBarc US Aggregate TR	*7.5%*	*8.7%*	*0.0%*	*3.5%*	*2.6%*	*0.5%*	*6.0%*	*-2.0%*	*4.2%*	*7.8%*	*6.5%*
eV US Core Plus Fixed Inc Net Rank	*24*	*34*	*34*	*52*	*28*	*44*	*26*	*45*	*69*	*19*	*33*
Zazove Associates, LLC (Residual)	10.0%	48.0%	--	--	--	--	--	--	--	--	--
ICE BofA All US Convertibles TR	*46.2%*	*23.1%*	*0.2%*	*13.7%*	*10.7%*	*-3.2%*	*9.4%*	*24.9%*	*15.0%*	*-5.2%*	*16.8%*
eV US Core Fixed Inc Net Rank	*10*	*1*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Equity Composite	**21.1%**	**24.3%**	**1.2%**	**19.0%**	**11.0%**	**-0.3%**	**9.0%**	**23.8%**	**16.9%**	**0.0%**	**17.9%**
Equity Balanced Index	*20.0%*	*28.6%*	*-7.6%*	*17.3%*	*16.0%*	*0.5%*	*12.6%*	*33.6%*	*16.4%*	*1.0%*	*16.9%*
InvMetrics Public DB Total Eq Net Rank	*7*	*96*	*1*	*97*	*7*	*16*	*19*	*88*	*44*	*13*	*30*
Barrow, Hanley, Mewhinney, & Strauss	3.4%	25.9%	-5.2%	14.5%	13.6%	-1.9%	12.1%	31.6%	14.5%	2.0%	10.5%
Russell 1000 Value	*2.8%*	*26.5%*	*-8.3%*	*13.7%*	*17.3%*	*-3.8%*	*13.5%*	*32.5%*	*17.5%*	*0.4%*	*15.5%*
eV US Large Cap Value Equity Net Rank	*50*	*53*	*21*	*78*	*53*	*37*	*41*	*60*	*57*	*30*	*92*
iShares S&P 500 Growth ETF	33.8%	31.0%	-0.1%	26.9%	--	--	--	--	--	--	--
S&P 500 Growth	*33.5%*	*31.1%*	*0.0%*	*27.4%*	*6.9%*	*5.5%*	*14.9%*	*32.8%*	*14.6%*	*4.7%*	*15.1%*
Foreign Large Growth MStar MF Rank	*13*	*28*	*1*	*86*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
NewSouth Capital	8.0%	28.5%	-1.3%	11.2%	9.2%	-1.4%	11.1%	27.7%	15.8%	--	--
Russell 2500 Value	*4.9%*	*23.6%*	*-12.4%*	*10.4%*	*25.2%*	*-5.5%*	*7.1%*	*33.3%*	*19.2%*	*-3.4%*	*24.8%*
eV US Small-Mid Cap Value Equity Net Rank	*32*	*29*	*1*	*61*	*97*	*24*	*12*	*94*	*41*	*--*	*--*
Earnest Partners	12.9%	22.2%	-16.4%	30.5%	4.6%	-6.3%	-2.5%	12.5%	18.5%	-10.5%	--
MSCI ACWI ex USA	*10.7%*	*21.5%*	*-14.2%*	*27.2%*	*4.5%*	*-5.7%*	*-3.9%*	*15.3%*	*16.8%*	*-13.7%*	*11.2%*
eV Global Large Cap Core Eq Net Rank	*59*	*75*	*98*	*4*	*57*	*98*	*99*	*99*	*25*	*74*	*--*

Market Value: $245.5 Million and 100.0% of Fund

	Calendar Year										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Alternative Asset Composite	**8.9%**	**8.0%**	**-4.7%**	**7.0%**	**-1.1%**	**0.0%**	**2.3%**	**11.0%**	**7.5%**	**-3.3%**	**7.4%**
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
InvMetrics Public DB Hedge Funds Net Rank	*47*	*48*	*81*	*40*	*93*	*45*	*85*	*59*	*46*	*70*	*45*
Prisma Capital Partners LP	8.9%	8.0%	-4.7%	7.0%	-1.1%	0.0%	2.3%	11.0%	7.5%	-3.3%	7.4%
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
InvMetrics Public DB Hedge Funds Net Rank	*47*	*48*	*81*	*40*	*93*	*45*	*85*	*59*	*46*	*70*	*45*
Equitas Capital Advisors (Residual)	2.6%	-2.0%	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	*10.9%*	*8.4%*	*-4.0%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*
InvMetrics Public DB Hedge Funds Net Rank	*77*	*96*	--	--	--	--	--	--	--	--	--
Real Estate Composite	**-4.4%**	**29.2%**	**-5.8%**	**4.7%**	**8.4%**	**2.6%**	**30.5%**	**2.4%**	**17.7%**	**8.3%**	**--**
MSCI US REIT	*-8.7%*	*24.3%*	*-5.8%*	*3.7%*	*7.1%*	*1.3%*	*28.8%*	*1.3%*	*16.5%*	*7.5%*	*27.0%*
InvMetrics Public DB Real Estate Pub Net Rank	*61*	*1*	*50*	*77*	*11*	*48*	*12*	*99*	*15*	*79*	--
Vanguard Real Estate ETF	-4.4%	29.2%	-5.8%	4.7%	8.4%	2.6%	30.5%	2.4%	17.7%	8.3%	--
MSCI US REIT	*-8.7%*	*24.3%*	*-5.8%*	*3.7%*	*7.1%*	*1.3%*	*28.8%*	*1.3%*	*16.5%*	*7.5%*	*27.0%*
Real Estate MStar MF Rank	*55*	*37*	*48*	*61*	*19*	*67*	*36*	*36*	*38*	*54*	--

Market Value: $245.5 Million and 100.0% of Fund

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee [1]	Industry Median [2]
Core Plus Fixed Income	Pyramis Global Advisors (Fidelity)	0.25% on the first $50,000,000 0.22% on the next $50,000,000 0.20% on the next $100,000,000 0.17% on the balance	0.24% $184,205	0.30%
Large-Cap Value	Barrow, Hanley, Mewhinney, & Strauss	0.75% on the first $10,000,000 0.50% on the next $15,000,000 0.25% on the next $175,000,000 0.20% on the next $600,000,000 0.15% on the next $200,000,000 0.125% on the balance	0.65% $110,122	0.60%
Large-Cap Growth	iShares S&P 500 Growth ETF	0.18% on the balance	0.18% $49,156	0.75%
Smid-Cap Value	NewSouth Capital	0.90% on the first $25,000,000 0.85% on the next $25,000,000	0.89% $286,477	0.88%
Non-U.S. Large-Cap Core	Earnest Partners	0.85% on the balance	0.85% $454,808	0.65%
Multi-Strat. Hedge FoF	Prisma Capital Partners LP	1.0% on the balance	1.00% $186,759	1.00%
U.S. REIT	Vanguard Real Estate ETF	0.12% on the balance	0.12% $23,481	1.19%
Total Investment Management Fees			**0.53%** **$1,295,010**	**0.65%**

[1] Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.
[2] Source: 2019 Marquette Associates Investment Management Fee Study.

DISCLOSURE