



Sacramento Regional Transit District Agenda

**QUARTERLY MEETING OF THE RETIREMENT BOARDS FOR THE EMPLOYEES AND RETIREES OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT
9:00 A.M., WEDNESDAY DECEMBER 14, 2022, via Webex**

Join from the meeting link: <https://sacrt-046d-16ae.my.webex.com/join/rmatthews>

Call in: 1-510-338-9438 Access Code: 2568 521 9530

Webex App: Join Meeting # 2568 521 9530

Online: Go to www.webex.com and click Join Meeting. Enter Meeting # 2568 521 9530

MEETING NOTE: *This is a joint and concurrent meeting of the five independent Retirement Boards for the pension plans for the employees and retirees of the Sacramento Regional Transit District. This single, combined agenda designates which items will be subject to action by which board(s). Members of each board may be present for the other boards' discussions and actions, except during individual closed sessions.*

ROLL CALL

ATU Retirement Board:	Directors: Li, Kennedy, Niz, McGee Lee Alternates: Valenton, Land
IBEW Retirement Board:	Directors: Li, Kennedy, Bibbs, Pickering Alternates: Valenton, D. Thompson
AEA Retirement Board:	Directors: Li, Kennedy, Devorak, McGoldrick Alternates: Valenton, Santhanakrishnan
AFSCME Retirement Board:	Directors: Li, Kennedy, Guimond, L. Thompson Alternates: Valenton, Salva
MCEG Retirement Board:	Directors: Li, Kennedy, Bobek, Hinz Alternates: Valenton, Flores

PUBLIC ADDRESSES BOARD ON MATTERS ON CONSENT AND MATTERS NOT ON THE AGENDA

At this time the public may address the Retirement Board(s) on subject matters pertaining to Retirement Board business listed on the Consent Calendar, any Closed Sessions or items not listed on the agenda. Remarks may be limited to 3 minutes subject to the discretion of the Common Chair. Members of the public wishing to address one or more of the Boards may submit a "Public Comment Speaker Request" via e-mail to Retirement@SacRT.com. While the Retirement Boards encourage your comments, State law prevents the Boards from discussing items that are not set forth on this meeting agenda. The Boards and staff take your comments very seriously and, if appropriate, will follow up on them.

	<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
1. Resolution:	Authorize the Boards to Conduct Their Meetings for the Next 30 Days	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Via Teleconference as Authorized under the Brown Act pursuant to				
	Government Code Section 54953, as Amended by Assembly Bill 361,				
	during the COVID-19 Pandemic. (All) (Gobel)				

CONSENT CALENDAR

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
2. Motion:	Approving the Minutes for the September 14, 2022 Retirement Board Meeting. (ATU) (Gobel)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Motion:	Approving the Minutes for the September 14, 2022 Retirement Board Meeting. (IBEW) (Gobel)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Motion:	Approving the Minutes for the September 14, 2022 Retirement Board Meeting. (AEA) (Gobel)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Motion:	Approving the Minutes for the September 14, 2022 Retirement Board Meeting. (AFSCME) (Gobel)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Motion:	Approving the Minutes for the September 14, 2022 Retirement Board Meeting. (MCEG) (Gobel)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7. Motion:	Receive and File Administrative Reports for the Quarter Ended September 30, 2022, for the ATU Pension Plan. (ATU) (Chiu)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Motion:	Receive and File Administrative Reports for the Quarter Ended September 30, 2022, for the IBEW Pension Plan. (IBEW) (Chiu)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Motion:	Receive and File Administrative Reports for the Quarter Ended September 30, 2022, for the Salaried Pension Plan. (AEA/AFSCME /MCEG) (Chiu)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
10. Information	Update on Roles and Responsibilities Related to Pension Administration. (All) (Gobel)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

NEW BUSINESS

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
11. Information:	Investment Performance Review of the Real Estate Asset Class by Morgan Stanley for the ATU, IBEW and Salaried Employee Retirement Funds for the Quarter Ended September 30, 2022. (All) (Chiu)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
12. Information:	Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended September 30, 2022. (All) (Chiu)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

REPORTS, IDEAS AND COMMUNICATION

		<u>ATU</u>	<u>IBEW</u>	<u>AEA</u>	<u>AFSCME</u>	<u>MCEG</u>
13. Information:	Annual Report on Educational Activities of Retirement Board Members. (All) (Gobel)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
14. Information:	Manager, Pension & Retirement Services Quarterly Verbal Update. (All) (Gobel)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
15. Information:	AB 1234 Ethical Standards Training 2022 (All) (HB)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

ADJOURN

NOTICE TO THE PUBLIC

It is the policy of the Boards of Directors of the Sacramento Regional Transit District Retirement Plans to encourage participation in the meetings of the Boards of Directors. At each open meeting, members of the public shall be provided with an opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the Boards.

Any person(s) requiring accessible formats of the agenda or assisted listening devices/sign language interpreters should contact the Human Resources Pension and Retiree Services Administrator at 916-556-0296 or TDD 916/483-4327.

Copies of staff reports or other written documentation relating to each item of business referred to on the agenda are on file with the Pension & Retirement Services Analyst at 916-216-9927 and/or Clerk to the Board of Directors of the Sacramento Regional Transit District and are available for public inspection at 1400 29th Street, Sacramento, CA. Any person who has questions concerning any agenda item may call the Retirement Services Analyst of Sacramento Regional Transit District to make inquiry.



RETIREMENT BOARD STAFF REPORT

DATE: December 14, 2022 Agenda Item: 1
TO: Sacramento Regional Transit Retirement Board - All
FROM: John Gobel - Manager, Pension and Retirement Services
SUBJ: AUTHORIZE THE BOARDS TO CONDUCT THEIR MEETINGS FOR THE NEXT 30 DAYS VIA TELECONFERENCE AS AUTHORIZED UNDER THE BROWN ACT PURSUANT TO GOVERNMENT CODE SECTION 54953, AS AMENDED BY ASSEMBLY BILL 361, DURING THE COVID-19 PANDEMIC

RECOMMENDATION

Adopt the attached Resolutions.

RESULT OF RECOMMENDED ACTION

Adoption of the Resolutions will authorize the Retirement Boards to meet via teleconference due to the COVID-19 pandemic, consistent with Assembly Bill (AB) 361, for 30 days.

FISCAL IMPACT

There is no fiscal impact.

DISCUSSION

Adopted and signed into law in September 2021, AB 361 amended the Ralph M. Brown Act (Brown Act) to authorize modified procedures for remote (teleconference) meetings for each local legislative body that finds, by a majority vote, that it has considered the circumstances of the COVID-19 state of emergency, and (i) the state of emergency continues to directly impact the ability of the Retirement Board members to meet safely in person and/or (ii) state or local officials continue to impose or recommend measures to promote social distancing. The findings must be made no later than 30 days after using the modified procedures, and every 30 days thereafter. See Cal. Gov. Code § 54953(e).

When the conditions of AB 361 are met, the Retirement Boards may meet remotely using teleconferencing without requiring any in-person option, without noticing the locations being used by Board members or making them open to the public, and without regard to whether a quorum of the Board is participating from within the Boards' jurisdiction.

Although the number of employees with COVID-19 has moderated in recent months, the Sacramento Regional Transit District (SacRT) still reported over 20 new cases during the month of November 2022. SacRT's auditorium is unusually small, making it difficult to allow for adequate social distancing between members of the Board, staff and the public. Because the peril of transmission has not significantly declined, the prudent course of action is to continue meeting virtually, including for members of the public who wish to participate in a Retirement Board meeting, for the next 30 days.

As explained in this Staff Report and in prior reports referencing AB 361, the modified procedures presently available for remote Board meetings are predicated on the Governor's declaration of a COVID-19 state of emergency. Pursuant to the Governor's October 17, 2022 announcement that California's COVID-19 state of emergency will end on February 28, 2023, Staff anticipates that the Boards will resume in-person meetings on March 8, 2023, absent additional action to postpone the lifting of the state of emergency.

RESOLUTION NO. 2022-12-236

SACRAMENTO REGIONAL TRANSIT RETIREMENT BOARD RESOLUTION

Adopted by the Board of Directors for the Retirement Plan for the Sacramento Regional Transit District Employees who are Members of MCEG on this date:

December 14, 2022

Authorize the Retirement Board of Directors to Meet via Teleconference In Compliance with The Brown Act Pursuant to Government Code Section 54953, As Amended by Assembly Bill 361, During the Covid-19 Pandemic

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS FOR THE RETIREMENT PLAN FOR THE SACRAMENTO REGIONAL TRANSIT DISTRICT EMPLOYEES WHO ARE MEMBERS OF MCEG AS FOLLOWS:

THAT, on March 4, 2020, Governor Gavin Newsom issued a Proclamation of State of Emergency in response to the novel coronavirus (a disease now known as COVID-19); and

WHEREAS, the Sacramento County Health Officer declared a local health emergency related to the COVID-19 on March 6, 2020 and the County Administrator, acting in his capacity as the Director of Emergency Services, proclaimed the existence of a local emergency related to COVID-19 on March 6, 2020; and

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20, which suspended and modified the teleconferencing requirements under the Brown Act (California Government Code Section 54950 et seq.) so that local legislative bodies can hold public meetings via teleconference (with audio or video communications, without a physical meeting location), as long as the meeting agenda identifies the teleconferencing procedures to be used; and

WHEREAS, on June 11, 2021, the Governor issued Executive Order N-08-21, which extended the provision of N-29-20 concerning the conduct of public meetings through September 30, 2021, and the Governor subsequently signed legislation revising Brown Act requirements for teleconferenced public meetings (Assembly Bill 361, referred to hereinafter as "AB 361"); and

WHEREAS, as of the date of this Resolution, the State-wide COVID-19 state of emergency remains in effect; and

WHEREAS, the Sacramento Regional Transit District (SacRT) Retirement Boards' meeting space does not allow for adequate social distancing between members of the Board, SacRT staff and the public; and

WHEREAS, a substantial number of new COVID-19 cases was still reported for employees of SacRT in November 2022; and

WHEREAS, this Board concludes that there is a continuing threat of COVID-19 to the community, and that Board meetings have characteristics that give rise to risks to health and safety of meeting participants (such as the increased mixing associated with bringing together people from across the community, the need to enable those who are immunocompromised or unvaccinated to be able to safely continue to participate fully in public governmental meetings, and the challenges with fully ascertaining and ensuring compliance with vaccination and other safety recommendations at such meetings); and

WHEREAS, to help protect against the spread of COVID-19 and its variants, and to protect the health and safety of the public, the Board desires to take the actions necessary to comply with AB 361 and to continue to hold its Board meetings remotely.

NOW, THEREFORE, BE IT RESOLVED AND FOUND as follows:

1. The Retirement Board hereby finds that the facts set forth in the above recitals are true and correct, and establish the factual basis for the adoption of this Resolution.
2. There is an ongoing proclaimed state of emergency relating to the novel coronavirus causing the disease known as COVID-19 and the state of emergency continues to impact the ability of the attendees and Board members to meet safely in person, within the meaning of California Government Code section 54953(e)(3).
3. The Retirement Board has reconsidered the circumstances of the state of emergency and determined that the present circumstances, including the risks mentioned in the preceding paragraph, authorize teleconferenced public meetings consistent with Assembly Bill 361 is necessary and appropriate.
4. Staff are directed to take all actions necessary to implement this Resolution in accordance with the foregoing provisions and the requirements of Government Code section 54953, as amended by Assembly Bill 361, including but not limited to returning for ratification of this Resolution every 30 days after teleconferencing for the first time pursuant to Assembly Bill 361 for so long as either of the following circumstances exists: (a) the state of emergency continues to directly impact the ability of this legislative body to meet safely in person; and/or (b) state or local officials, including but not limited to the County Health Officer, continue to impose or recommend measures to promote social distancing.

Sandra Bobek, Chair

ATTEST:

Henry Li, Secretary

By:

John Gobel, Assistant Secretary

**Sacramento Regional Transit District
Quarterly Retirement Board Meeting (MCEG)
Wednesday, September 14, 2022
MEETING MINUTES**

This meeting was held as a common meeting of the Sacramento Regional Transit District Retirement Boards (AEA, AFSCME, ATU, IBEW, MCEG).

The meeting was conducted via teleconference in accordance with Government Code Section 54953, as amended by Assembly Bill 361.

The Retirement Board was brought to order at 9:02 a.m. A quorum was present comprised as follows: Director Kennedy, Alternate Valenton, Director Bobek, and Director Hinz. Alternate Flores also attended the meeting. Director Li was absent.

Director Kennedy presided over this meeting as Common Chair.

RESOLUTION TO MEET VIA TELECONFERENCE

1. Resolution: Authorize the Boards to Conduct Their Meetings for the Next 30 Days Via Teleconference as Authorized under the Brown Act pursuant to Government Code Section 54953, as Amended by Assembly Bill 361, during the COVID-19 Pandemic (All). (Gobel)

John Gobel, Manager of Pension and Retirement Services, presented a brief overview of Assembly Bill 361 (AB 361), which authorizes local legislative bodies to continue to meet remotely during the COVID-19 pandemic when certain conditions are met. Mr. Gobel explained that, under AB 361, the Retirement Boards must determine that the circumstances of the COVID-19 state of emergency continue to directly impact the ability of the Boards to meet safely in person in order to continue to meet via special teleconference rules during the next 30 days. Mr. Gobel explained that current circumstances related to the COVID-19 state of emergency include the significant number of COVID-19 cases recently reported for employees of the Sacramento Regional Transit District (SacRT), which had exceeded 30 cases in August 2022, and that the Boards' meeting space does not allow for adequate social distancing between members of the Board, staff and the public. There were no questions from the Board nor public comment on the item.

Director Kennedy moved to Adopt Agenda Item 1. The motion was seconded by Alternate Valenton. Agenda Item 1 was carried unanimously by roll call vote. Ayes – Bobek, Hinz, Kennedy, and Valenton; Noes – None.

September 14, 2022 Meeting Minutes – Continued

2. Information: Report Out from June 8, 2022 Conference with Legal Counsel – Anticipated Litigation Pursuant to Gov. Code Section 54956.9(b) – Significant Exposure to Litigation One Potential Case (ATU). (Gobel).

Mr. Gobel noted that the reporting of a closed session item usually occurs at the conclusion of a public meeting and reminded the Retirement Boards that the reporting process for the June 8, 2022 meeting had been postponed to September 14th. Thereafter, Mr. Gobel announced that the ATU Retirement Board met in closed session on June 8th to discuss a matter of potential litigation and that no action was taken.

PUBLIC COMMENT

Mr. Gobel asked if there were any comments from the public regarding items on the consent calendar or items not on the agenda. There were none.

CONSENT CALENDAR

7. Motion: Approving the Minutes for the June 8, 2022 Retirement Board Meeting (MCEG). (Gobel)
10. Motion: Receive and File Administrative Reports for the Quarter Ended June 30, 2022 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Adelman)
11. Motion: Approving a Five-Year Contract with Hanson Bridgett for Retirement Board Legal Services (All). (Adelman)
12. Motion: Adoption of the Sacramento Regional Transit Retirement Boards Meeting Calendar for 2023 (All). (Gobel)
13. Information: Update on Roles and Responsibilities Related to Pension Administration (All). (Gobel)

Director Kennedy moved to adopt Agenda Items 7, 10, 11, 12, and 13. The motion was seconded by Alternate Valenton. Agenda Items 7, 10, 11, 12, and 13 were carried unanimously by roll call vote: Ayes – Bobek, Hinz, Kennedy, and Valenton; Noes – None.

NEW BUSINESS

14. Information: Investment Performance Review by Boston Partners for the ATU/IBEW and Salaried Employee Retirement Plans for the Domestic Large Cap Equity Class for the Quarter Ended June 30, 2022 (All). (Adelman)

September 14, 2022 Meeting Minutes – Continued

Jamie Adelman, Acting VP, Finance/CFO, introduced Carolyn Margiotti from Boston Partners, one of the Retirement Plans' Domestic Large Cap Equity managers. As indicated in the written materials distributed for the presentation, the firm manages approximately \$58 million for the Retirement Plans and benchmarks that portfolio to the Russell 1000 Value Index. For the measurement period ended June 30, 2022, Boston Partners reported the following annualized returns: 1-Year of -3.19%, 3-Year of 9.55%, 5-Year of 8.63%, and 10-Year of 11.42%. All of these returns were net of fees.

During the discussion of the portfolio, Ms. Margiotti noted that Boston Partners focuses on stocks that are attractively priced and reflective of companies with strong business fundamentals and positive momentum. With regard to performance, she indicated that the fund's returns exceeded those of the benchmark for all measurement periods and explained that higher allocations to the healthcare and consumer discretionary sectors contributed positively to recent results. Finally, Ms. Margiotti discussed the performance of the least expensive stocks in the Russell 1000 Value Index (as measured by price-to-earnings or P/E ratios) to the most expensive stocks, and observed that the low P/E stocks favored by Boston Partners tended to bounce back higher after a bottoming of the market. The Boards had no questions for Ms. Margiotti.

15. Information: Investment Performance Review by Dimensional Fund Advisors (DFA) for the ATU/IBEW and Salaried Employee Retirement Plans for the International Emerging Markets Asset Class for the Quarter Ended June 30, 2022 (All). (Adelman)

Ms. Adelman introduced client relations manager Ted Simpson and portfolio manager Misa Takada from Dimensional Fund Advisors (DFA), the Retirement Plans' Emerging Markets manager. As indicated in the written materials distributed for the presentation, the firm manages approximately \$21 million for the Retirement Plans and benchmarks that portfolio to the MSCI Emerging Markets Index. For the measurement period ended June 30, 2022, DFA reported the following annualized returns: 1-Year of -19.75%, 3-Year of 2.71%, 5-Year of 2.91%, and 10-Year of 3.80%. All of these returns were net of fees.

During the discussion of the portfolio, Ms. Takada explained that the manager holds nearly 7,000 different stocks and that the current industry or sector allocation (which is overweight to materials and industrials) is not expected to change. With regard to the allocation of securities by country, Ms. Takada noted that the portfolio is underweight to China (which has a preponderance of mega cap stocks) and to Russia (which DFA has underweighted since the occupation of Crimea). Finally, Ms. Takada indicated the calendar year-to-date performance exceeded the benchmark by approximately 3% and the one-year performance exceed the benchmark by approximately 5%.

September 14, 2022 Meeting Minutes – Continued

In response to a question from AEA Director Devorak regarding the possibility of further reductions to the portfolio's Chinese holdings in the wake of negative economic news, Ms. Takada explained that the portfolio's cap or limit on single country holdings was removed in 2019. Accordingly, differences between the portfolio's allocation of stocks by country and the benchmark were more reflective of a tilt toward large-sized companies than a conscious effort to remove the stocks of one or more countries from the portfolio. That said, Ms. Takada acknowledged that Chinese securities are a significant component of the index.

16. Motion: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended June 30, 2022 (All). (Adelman)

Ms. Adelman introduced Anne Heaphy and Uvan Tseng from Callan, who provided a market update for the Retirement Boards and reviewed total fund performance for the Retirement Plans.

During the market update, Ms. Heaphy noted a second consecutive decline in GDP for the quarter ended June 30, 2022 and a 9.1% increase in the Consumer Price Index for the twelve-month period ended June 30, 2022. Ms. Heaphy also referenced the negative returns within every sector of the S&P 500, the negative impact of a strong U.S. dollar on international assets, and the negative returns experienced across asset classes (as evidenced by quarterly and annual declines in the S&P 500, Russell 2000, MSCI EAFE, MSCI Emerging Markets, Bloomberg Aggregate, and Bloomberg TIPS indices). In response to a follow-up question from Ms. Adelman regarding China, Ms. Heaphy acknowledged the impact of Chinese stocks on the cap weighted MSCI Emerging Markets Index and Uvan Tseng advised against eliminating (rather than underweighting) the Retirement Plans' exposure to Chinese securities.

Upon receiving the market update, ATU Director Niz referenced the current inflation rate and market fluctuations, and expressed concerns about the possibility of U.S. recession.

During the performance review, Ms. Heaphy reported total assets of approximately \$347 million for the period ended June 30, 2022 and referenced a decline of approximately \$34 million compared to the prior quarter. Despite the referenced decline, Ms. Heaphy indicated that the fiscal year return of -6.90% was significantly better than the policy target for the same period. As explained by Ms. Heaphy and illustrated in written materials distributed by Callan, the active managers selected by the Retirement Boards increased the annual return by more than 4.00% compared to a manager-neutral return, and produced a peer ranking in the top six percent (among public funds with assets between \$100 million and \$1 billion).

September 14, 2022 Meeting Minutes – Continued

With regard to the Watch List, Ms. Heaphy noted that the Retirement Plans' International Small Cap manager, AQR, has outperformed the benchmark on one-, three-, and five-years bases. Accordingly, Callan recommended removal of AQR from the watch list. There were no questions from the Retirement Boards regarding the recommended change to the watch list.

Director Kennedy moved to adopt Agenda Item 16. The motion was seconded by Alternate Valenton. Agenda Item 16 was carried unanimously by roll call vote: Ayes – Bobek, Hinz, Kennedy and Valenton; Noes – None.

REPORT, IDEAS AND COMMUNICATION

17. Information: Conference Report-Out - CALAPRS Training (All). (Gobel)

Mr. Gobel noted that MCEG Director Hinz and IBEW Alternate D. Thompson recently attended a CALAPRS training session on Principles of Pension Governance for Trustees. Consistent with the Retirement Board Member and Staff Education and Travel Policy, Mr. Gobel asked Director Hinz and Alternate Thompson if they had any comments on or impressions of their training to share with the Retirement Boards. In response, Alternate Thompson referenced the magnitude of information provided to new directors and his appreciation of a discussion on disability retirement matters, while Director Hinz referenced the high quality of the educational presentations and the benefit of engaging with directors/trustees from other retirement systems.

18. Information: Manager, Pension & Retirement Services Quarterly Verbal Update (All). (Gobel)

Mr. Gobel reminded the Retirement Boards that they adopted the 2023 meeting calendar by consent today and encouraged everyone to update their personal calendars accordingly.

Mr. Gobel noted that he is planning to prepare an initial report on Retirement Board educational activities for the next quarterly meeting. Mr. Gobel explained that this report is contemplated in the Retirement Board Member and Staff Education and Travel Policy and would lead to further discussions regarding training and educational opportunities for individual directors.

September 14, 2022 Meeting Minutes – Continued

ADJOURN

With no further business to discuss and no public comment on matters not on the agenda, the Retirement Board meeting was adjourned at 10:40 a.m.

Sandra Bobek, Board Chair

ATTEST:

Henry Li, Secretary

By: _____
John Gobel, Assistant Secretary



RETIREMENT BOARD STAFF REPORT

DATE: December 14, 2022 Agenda Item: 9
TO: Sacramento Regional Transit Retirement Boards – AEA/AFSCME/MCEG
FROM: Lawrence Chiu, VP, Finance/CFO
SUBJ: RECEIVE AND FILE ADMINISTRATIVE REPORTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 FOR THE SALARIED PENSION PLAN (AEA/AFSCME/MCEG). (CHIU)

RECOMMENDATION

Motion to Approve

RESULT OF RECOMMENDED ACTION

Motion: Receive and File Administrative Reports for the Quarter Ended September 30, 2022 for the Salaried Pension Plan (AEA/AFSCME/MCEG). (Chiu)

FISCAL IMPACT

None.

DISCUSSION

Table 1 below shows the employer and employee contribution rates for all of the Sacramento Regional Transit District Retirement Plans, by Plan and tier, as of the date indicated.

Table 1

**Employer Contribution Rates
As of September 30, 2022**

	ATU	IBEW	Salary
	Contribution Rate	Contribution Rate	Contribution Rate
Classic	30.23%	34.11%	43.28%
Classic w/Contribution*	28.45%		
PEPRA**	22.39%	25.68%	30.30%

*Includes members hired during calendar year 2015, employee rate 3%

**PEPRA employee rates: ATU – 7.25%, IBEW 7.00% and Salary 6.50%

Unaudited Financial Statements

Attached hereto are unaudited financial statements for the quarter and the year-to-date ended September 30, 2022. The financial statements are presented on an accrual basis and consist of a Statement of Fiduciary Net Position (balance sheet) (Attachment 1), a Statement of Changes in Fiduciary Net Position (income statement) for the quarter ended September 30, 2022 (Attachment 2), and a year-to-date Statement of Changes in Fiduciary Net Position (Attachment 3).

The Statement of Fiduciary Net Position includes a summary of fund assets showing the amounts in the following categories: investments, prepaid assets, and other receivables. This statement also provides amounts due from/to the District and Total Fund Equity (net position).

The Statement of Changes in Fiduciary Net Position includes activities in the following categories: investment gains/losses, dividends, interest income, unrealized gains/losses, benefit contributions/payouts, and investment management and administrative expenses.

Asset Rebalancing

Pursuant to Section IV, Asset Rebalancing Policy of the Statement of Investment Objectives and Policy Guidelines for the ATU, IBEW and Salaried Employees' Retirement Funds, the Retirement Boards have delegated authority to manage pension plan assets in accordance with the approved rebalancing policy to the District's AVP of Finance and Treasury. The AVP of Finance and Treasury is required to report asset rebalancing activity to the Boards at their quarterly meetings. The District no longer has an AVP of Finance and Treasury, accordingly the activity is currently being done by the VP, Finance/CFO with assistance from the Accountant II.

1. The Pension Plan ended the month with an accounts receivable or payable balance due to the District. A payable or receivable is the net amount of the monthly required contribution (required contribution is the percentage of covered payroll determined by the annual actuarial valuation) less the Plan's actual expenses.
2. The Pension Plan hires or removes a Fund Manager, in which case securities must be moved to a new fund manager.
3. The Pension Plan investment mix is under or over the minimum or maximum asset allocation as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 4 is the Salaried Plan's Schedule of Cash Activities for the three months ended September 30, 2022. The schedule of cash activities includes a summary of Plan activities showing the amounts in the following categories: District's pension contributions to the Plan, payments to retirees, and the Pension Plan's cash expenditures paid. This schedule also lists the rebalancing activity that occurred for the three months ended September 30, 2022. The District reimbursed \$48,033.91 to the

Salaried Plan as the result of the net cash activity between the pension plan expenses and the required pension contributions.

Attached hereto as Attachment 5 is the Salaried Plan's Asset Allocation as of September 30, 2022. This statement shows the Salaried Plan's asset allocation as compared to targeted allocation percentages as defined in the Statement of Investment Objectives and Policy Guidelines.

Attached hereto as Attachment 6 is a reconciliation between the Callan Performance Report and the ATU, IBEW and Salaried Pension Plans' unaudited financial statements. The reports differ in that the unaudited financial statements reflect both investment activities and the pension fund's inflows and outflows. Callan's report only reflects the investment activities. The "Net Difference" amounts shown are the results of Callan and Northern Trust Company using different valuations for the same securities and/or litigation settlements received by the Plans.

Included also as Attachment 7 is a reconciliation between the Callan Performance Report and the Schedule of Cash Activities for payments made from/to the District. Callan's report classifies gains from trades and litigation income as "net new investments." Finance staff classifies gains from trades and litigation income in the Pension Plan's unaudited Statement of Changes in Fiduciary Net Position as "Other Income," which is combined in the category of "Interest, Dividend, & Other Inc".

Attached hereto as Attachment 8 is a schedule reflecting Fund Managers' quarterly investment returns and their investment fees. Additionally, the schedule reflects annual rates of return on investment net of investment fees for the one-year and three-year periods ended September 30, 2022 as compared to their benchmarks.

Attached hereto as Attachment 9 is a schedule reflecting transfers of plan assets from the ATU Plan to the Salaried Plan resulting from employee transfers from one union/employee group to another, as well as all retirements, and retiree deaths during the three months ended September 30, 2022.

Sacto Regional Transit District Retirement Plan - Salaried Statement of Fiduciary Net Position

Accrual Basis

As of September 30, 2022

	Sep 30, 22
ASSETS	
Current Assets	
Checking/Savings	
Long-Term Investments	
100000 · Custodial Assets	113,931,159.78
Total Long-Term Investments	113,931,159.78
Total Checking/Savings	113,931,159.78
Accounts Receivable	
1110104 · Other Rec - Due from RT	62,652.83
1110109 · Distributions Receivable	52,537.19
Total Accounts Receivable	115,190.02
Other Current Assets	
1110120 · Prepays	8,696.84
Total Other Current Assets	8,696.84
Total Current Assets	114,055,046.64
TOTAL ASSETS	114,055,046.64
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
3110102 · Administrative Expense Payable	20,612.42
3110122 · MetWest	19,233.65
3110124 · Boston Partners	25,829.24
3110125 · Callan	7,949.28
3110128 · Atlanta Capital	19,070.60
3110129 · S&P Index - SSgA	932.83
3110130 · EAFE - SSgA	514.07
3110132 · Pyrford	18,565.18
3110133 · Northern Trust	8,358.50
3110134 · Clarion	17,630.28
Total Accounts Payable	138,696.05
Total Current Liabilities	138,696.05
Total Liabilities	138,696.05
Equity	
3340101 · Retained Earnings	120,583,102.37
Net Income	-6,666,751.78
Total Equity	113,916,350.59
TOTAL LIABILITIES & EQUITY	114,055,046.64

Sacto Regional Transit District Retirement Plan - Salaried Statement of Changes in Fiduciary Net Position

July through September 2022

Accrual Basis

	Jul - Sep 22	% of In...
Income		
RT Required Contribution		
6630101 · Employer Contributions	2,836,459.16	-78.5%
6630110 · Employee Contribution	202,852.22	-5.6%
Total RT Required Contribution	3,039,311.38	-84.1%
Total Investment Earnings		
Interest, Dividend, & Other Inc		
6830101 · Dividend	358,673.61	-9.9%
6830102 · Interest	221,871.27	-6.1%
6830103 · Other Income	0.00	0.0%
6830104 · Dividend - Distributions	52,537.20	-1.5%
Total Interest, Dividend, & Other Inc	633,082.08	-17.5%
Investment Income		
6530900 · Gains/(Losses) - All	47,499.79	-1.3%
6530915 · Increase(Decrease) in FV	-7,333,323.40	202.9%
Total Investment Income	-7,285,823.61	201.6%
Total Total Investment Earnings	-6,652,741.53	184.1%
Total Income	-3,613,430.15	100.0%
Cost of Goods Sold		
8531210 · AEA - Retirement Benefits Paid	834,330.29	-23.1%
8531211 · AFSCME-Retirement Benefits Paid	897,232.65	-24.8%
8531212 · MCEG - Retirement Benefits Paid	1,060,549.13	-29.4%
8531213 · Employee Contribution Refunds	43,019.17	-1.2%
8532004 · Invest Exp - MetropolitanWest	19,233.65	-0.5%
8532013 · Invest Exp - Boston Partners	25,829.24	-0.7%
8532020 · Invest Exp - Callan	11,916.89	-0.3%
8532024 · Invest Exp - Atlanta Capital	19,070.60	-0.5%
8532025 · Invest Exp - S&P Index SSgA	932.83	-0.0%
8532026 · Invest Exp - EAFE SSgA	514.07	-0.0%
8532027 · Invest Exp - AQR	12,351.45	-0.3%
8532028 · Invest Exp - Pyrford	18,565.18	-0.5%
8532029 · Invest Exp - Northern Trust	8,358.50	-0.2%
8532030 · Invest Exp - Clarion	17,630.29	-0.5%
8532031 · Invest Exp - Morgan Stanley	16,533.19	-0.5%
Total COGS	2,986,067.13	-82.6%
Gross Profit	-6,599,497.28	182.6%
Expense		
8533002 · Admin Exp - Actuary	7,818.83	-0.2%
8533003 · Admin Exp - Med Center	75.00	-0.0%
8533007 · Admin Exp - CALPRS Dues/Courses	3,000.00	-0.1%
8533010 · Admin Exp - Travel	0.00	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,620.10	-0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	310.00	-0.0%
8533026 · Admin Exp - Legal Services	22,227.30	-0.6%
8533029 · Admin Exp - Administrator	30,203.27	-0.8%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	0.00	0.0%
Total Expense	67,254.50	-1.9%
Net Income	-6,666,751.78	184.5%

Sacto Regional Transit District Retirement Plan - Salaried Statement of Changes in Fiduciary Net Position

July through September 2022

Accrual Basis

	Jul - Sep 22	% of Inc...
Income		
RT Required Contribution		
6630101 · Employer Contributions	2,836,459.16	-78.5%
6630110 · Employee Contribution	202,852.22	-5.6%
Total RT Required Contribution	3,039,311.38	-84.1%
Total Investment Earnings		
Interest, Dividend, & Other Inc		
6830101 · Dividend	358,673.61	-9.9%
6830102 · Interest	221,871.27	-6.1%
6830103 · Other Income	0.00	0.0%
6830104 · Dividend - Distributions	52,537.20	-1.5%
Total Interest, Dividend, & Other Inc	633,082.08	-17.5%
Investment Income		
6530900 · Gains/(Losses) - All	47,499.79	-1.3%
6530915 · Increase(Decrease) in FV	-7,333,323.40	202.9%
Total Investment Income	-7,285,823.61	201.6%
Total Total Investment Earnings	-6,652,741.53	184.1%
Total Income	-3,613,430.15	100.0%
Cost of Goods Sold		
8531210 · AEA - Retirement Benefits Paid	834,330.29	-23.1%
8531211 · AFSCME-Retirement Benefits Paid	897,232.65	-24.8%
8531212 · MCEG - Retirement Benefits Paid	1,060,549.13	-29.4%
8531213 · Employee Contribution Refunds	43,019.17	-1.2%
8532004 · Invest Exp - MetropolitanWest	19,233.65	-0.5%
8532013 · Invest Exp - Boston Partners	25,829.24	-0.7%
8532020 · Invest Exp - Callan	11,916.89	-0.3%
8532024 · Invest Exp - Atlanta Capital	19,070.60	-0.5%
8532025 · Invest Exp - S&P Index SSgA	932.83	-0.0%
8532026 · Invest Exp - EAFE SSgA	514.07	-0.0%
8532027 · Invest Exp - AQR	12,351.45	-0.3%
8532028 · Invest Exp - Pyrford	18,565.18	-0.5%
8532029 · Invest Exp - Northern Trust	8,358.50	-0.2%
8532030 · Invest Exp - Clarion	17,630.29	-0.5%
8532031 · Invest Exp - Morgan Stanley	16,533.19	-0.5%
Total COGS	2,986,067.13	-82.6%
Gross Profit	-6,599,497.28	182.6%
Expense		
8533002 · Admin Exp - Actuary	7,818.83	-0.2%
8533003 · Admin Exp - Med Center	75.00	-0.0%
8533007 · Admin Exp - CALPRS Dues/Courses	3,000.00	-0.1%
8533010 · Admin Exp - Travel	0.00	0.0%
8533014 · Admin Exp - Fiduciary Insurance	3,620.10	-0.1%
8533020 · Admin Exp - Procurement Costs	0.00	0.0%
8533025 · Admin Exp - Information Service	310.00	-0.0%
8533026 · Admin Exp - Legal Services	22,227.30	-0.6%
8533029 · Admin Exp - Administrator	30,203.27	-0.8%
8533050 · Admin Exp - Misc Exp	0.00	0.0%
8533051 · Admin Exp - Audit	0.00	0.0%
Total Expense	67,254.50	-1.9%
Net Income	-6,666,751.78	184.5%

Sacramento Regional Transit District
Retirement Fund - Salaried
Schedule of Cash Activities
For the Three Months Period Ended September 30, 2022

	July 2022	August 2022	September 2022	Quarter Totals
Beginning Balance:				
Due (from)/to District - June 30, 2022	(77,785.69)	(25,625.04)	29,751.78	(77,785.69)
Monthly Activity:				
<u>Deposits</u>				
District Pension Contributions @ 30.30% - 43.28%	944,985.06	946,771.25	944,702.85	2,836,459.16
Employee Pension Contributions	69,309.80	68,095.51	65,446.91	202,852.22
Total Deposits	<u>1,014,294.86</u>	<u>1,014,866.76</u>	<u>1,010,149.76</u>	<u>3,039,311.38</u>
<u>Expenses</u>				
Payout to Retirees:				
AEA	(277,734.63)	(276,976.84)	(279,618.82)	(834,330.29)
AFSCME	(299,077.55)	(299,077.55)	(299,077.55)	(897,232.65)
MCEG	(353,547.11)	(352,751.67)	(354,250.35)	(1,060,549.13)
Employee Contribution Refunds	(25,745.72)	(17,273.45)	-	(43,019.17)
Payout to Retirees Subtotal	<u>(956,105.01)</u>	<u>(946,079.51)</u>	<u>(932,946.72)</u>	<u>(2,835,131.24)</u>
Fund Investment Management Expenses:				
Atlanta Capital	(20,304.60)	-	-	(20,304.60)
Boston Partners	(27,711.93)	-	-	(27,711.93)
SSgA S&P 500 Index	-	(955.57)	-	(955.57)
SSgA EAFE MSCI	-	(553.32)	-	(553.32)
Metropolitan West	(20,166.30)	-	-	(20,166.30)
Pyrford	-	(19,521.74)	-	(19,521.74)
Northern Trust	(8,328.10)	-	-	(8,328.10)
Callan	(3,961.63)	-	(3,967.61)	(7,929.24)
Fund Invest. Mgmt Exp. Subtotal	<u>(80,472.56)</u>	<u>(21,030.63)</u>	<u>(3,967.61)</u>	<u>(105,470.80)</u>
Administrative Expenses				
Legal Services	(14,818.20)	(7,409.10)	-	(22,227.30)
Pension Administration	(9,069.74)	(10,550.93)	(10,582.60)	(30,203.27)
Actuarial Services	-	(4,002.72)	-	(4,002.72)
Investigation Information Services	-	(310.00)	-	(310.00)
Medical Evaluations	-	(75.00)	-	(75.00)
Audit Fees	(5,990.00)	-	-	(5,990.00)
CALAPRS Training	-	(3,000.00)	-	(3,000.00)
Administrative Exp. Subtotal	<u>(29,877.94)</u>	<u>(25,347.75)</u>	<u>(10,582.60)</u>	<u>(65,808.29)</u>
Total Expenses	<u>(1,066,455.51)</u>	<u>(992,457.89)</u>	<u>(947,496.93)</u>	<u>(3,006,410.33)</u>
Monthly Net Owed from/(to) District	(52,160.65)	22,408.87	62,652.83	32,901.05
Payment from/(to) the District	<u>-</u>	<u>77,785.69</u>	<u>(29,751.78)</u>	<u>48,033.91</u>
Ending Balance:				
Due (from)/to the District (=Beginning balance + monthly balance-payment to District)	<u>(25,625.04)</u>	<u>29,751.78</u>	<u>(62,652.83)</u>	<u>(62,652.83)</u>

**RT Combined Pension Plans - ATU, IBEW and Salaried
Asset Allocation *
As of September 30, 2022**

Asset Class	Net Asset Market Value 9/30/2022	Actual Asset Allocation	Target Asset Allocation	% Variance	\$ Variance	Target Market Value
FUND MANAGERS:						
Domestic Equity:						
Large Cap Value - Boston Partners - Z8	\$ 55,065,337	16.83%	16.00%	0.83%	\$ 2,723,897	
Large Cap Growth - SSgA S&P 500 Index - XH	49,452,199	15.12%	16.00%	-0.88%	(2,889,240)	
Total Large Cap Domestic Equity	104,517,536	31.95%	32.00%	-0.05%	(165,343)	\$ 104,682,879
Small Cap - Atlanta Capital - XB	27,381,070	8.37%	8.00%	0.37%	1,210,350	26,170,720
International Equity:						
Large Cap Growth:						
Pyrford - ZD	28,524,012	8.72%	9.50%	-0.78%	(2,553,718)	
Large Cap Core:						
SSgA MSCI EAFE - XG	13,580,950	4.15%				
Total Core	13,580,950	4.15%	4.50%	-0.35%	(1,140,080)	
Small Cap:						
AQR - ZB	15,242,790	4.66%	5.00%	-0.34%	(1,113,909)	
Emerging Markets						
DFA - ZA	18,537,313	5.67%	6.00%	-0.33%	(1,090,726)	
Total International Equity	75,885,066	23.20%	25.00%	-1.80%	(5,898,434)	81,783,499
Fixed Income:*						
Met West - XD	80,328,963	24.56%	25.00%	-0.44%	(1,454,536)	81,783,499
Real Estate:*						
Clarion - Lion	20,376,141	6.23%	5.00%	1.23%	4,019,442	
Morgan Stanley	18,645,222	5.70%	5.00%	0.70%	2,288,522	
Total Real Estate	39,021,363	11.93%	10.00%	1.93%	6,307,963	32,713,400
Total Combined Net Asset	\$ 327,133,997	100.00%	100.00%	0.00%	\$ -	\$ 327,133,997

Asset Allocation Policy Ranges*:	Minimum	Target	Maximum
Domestic Equity	35%	40%	45%
Large Cap (50/50 value/growth)	28%	32%	36%
Small Cap	5%	8%	11%
International Equity	20%	25%	30%
Large Cap Developed Markets	10%	14%	18%
Small Cap Developed Markets	3%	5%	7%
Emerging Markets	4%	6%	8%
Domestic Fixed Income	20.0%	25.0%	30.0%
Real Estate	6.0%	10.0%	14.0%

* Per the Statement of Investment Objectives and Policy Guidelines as of 6/10/2020.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Balance Sheet
As of September 30, 2022**

Per Both Pension Fund Balance Sheets:	
ATU Allocated Custodial Assets	147,426,407
ATU Accrued Clarion Distributions Receivable	79,259 **
IBEW Allocated Custodial Assets	65,776,431
IBEW Accrued Clarion Distributions Receivable	34,288 **
Salaried Allocated Custodial Assets	113,931,160
Salaried Accrued Clarion Distributions Receivable	<u>52,537 **</u>
Total Consolidated Net Asset	<u><u>327,300,082</u></u>
Per Callan Report:	
Total Investments	<u><u>327,300,842</u></u>
Net Difference	<u><u>(760) *</u></u>

* The "Net Difference" amounts shown are the results of Callan and Northern Trust using different valuations for the same securities.

**Callan includes Clarion distributions receivable in total investments and Northern Trust recognizes the balance the following quarter when cash is received.

**Reconciliation between Callan Report
and
Consolidated Pension Fund Investment Income
For the Quarter Ended September 30, 2022**

Per Both Pension Fund Income Statements:	
ATU - Investment Earnings	(8,729,155)
ATU - Management Fees	(64,310)
IBEW - Investment Earnings	(3,840,692)
IBEW - Management Fees	(28,106)
Salaried - Investment Earnings	(6,652,742)
Salaried - Management Fees	<u>(45,171)</u>
Total Investment Income	<u><u>(19,360,175)</u></u>
Per Callan Report:	
Investment Returns	<u><u>(19,359,416)</u></u>
Net Difference	<u><u>(759) ***</u></u>

*** The "Net Difference" amounts shown are the results of Callan and Northern Trust using different valuations for the same securities.

**Reconciliation between Callan Report
and
Consolidated Schedule of Cash Activities
For the Quarter Ended September 30, 2022**

	<u>July</u>	<u>August</u>	<u>September</u>	<u>Total</u>
Payments from/(to) the District				
Boston Partners - ATU	-	-	(500,172)	(500,172)
Boston Partners - IBEW	-	-	(209,734)	(209,734)
Boston Partners - Salaried	-	-	(29,752)	(29,752)
Atlanta Capital - ATU	-	(232,288)	-	(232,288)
Atlanta Capital - IBEW	-	(103,462)	-	(103,462)
Atlanta Capital - Salaried	-	77,786	-	77,786
Total Payments from/(to) the District	<u>-</u>	<u>(257,964)</u>	<u>(739,658)</u>	<u>(997,623)</u>
Transfers In/(Out) of Investment Funds				
Boston Partners	-	-	(739,658)	(739,658)
Atlanta Capital	-	(257,964)	-	(257,964)
Total Transfers In/(Out) of Investment Funds	<u>-</u>	<u>(257,964)</u>	<u>(739,658)</u>	<u>(997,623)</u>
Variance between Payments and Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Per Callan Report:				
Net New Investment/(Withdrawals)				<u>(997,623)</u>
Net Difference				<u><u>0</u></u>

**Consolidated Schedule of Cash Activities
For the 12-Months September 30, 2022**

	<u>4Q21</u>	<u>1Q22</u>	<u>2Q22</u>	<u>3Q22</u>	<u>Total</u>
Payments from/(to) the District					
Boston Partners - ATU	-	(454,899)	(744,223)	(500,172)	(1,699,295)
Boston Partners - IBEW	-	(133,774)	(323,030)	(209,734)	(666,538)
Boston Partners - Salaried	-	203,839	72,670	(29,752)	246,758
S&P 500 Index - ATU	(641,771)	-	(108,301)	-	(750,072)
S&P 500 Index - IBEW	(219,729)	-	-	-	(219,729)
S&P 500 Index - Salaried	(205,208)	-	108,301	-	(96,907)
Atlanta Capital - ATU	(1,657,756)	-	(56,187)	(232,288)	(1,946,232)
Atlanta Capital - IBEW	(653,724)	-	-	(103,462)	(757,185)
Atlanta Capital - Salaried	(1,103,945)	-	56,187	77,786	(969,972)
Pyrford - ATU	-	-	(60,404)	-	(60,404)
Pyrford - Salaried	-	-	60,404	-	60,404
EAFE - ATU	-	-	(30,535)	-	(30,535)
EAFE - Salaried	-	-	30,535	-	30,535
AQR - ATU	(465,769)	-	(34,400)	-	(500,169)
AQR - IBEW	(200,893)	-	-	-	(200,893)
AQR - Salaried	(333,338)	-	34,400	-	(298,938)
DFA - ATU	(863,084)	-	(41,213)	-	(904,297)
DFA - IBEW	(360,489)	-	-	-	(360,489)
DFA - Salaried	(776,427)	-	41,213	-	(735,214)
Metropolitan West - ATU	2,403,362	-	(156,008)	-	2,247,354
Metropolitan West - IBEW	1,050,943	-	-	-	1,050,943
Metropolitan West - Salaried	2,045,695	-	156,008	-	2,201,703
Clarion - ATU	-	-	(33,152)	-	(33,152)
Clarion - Salaried	-	-	33,152	-	33,152
Morgan Stanley - ATU	-	-	(31,641)	-	(31,641)
Morgan Stanley - Salaried	-	-	31,641	-	31,641
Total Payments from/(to) the District	<u>(1,982,132)</u>	<u>(384,834)</u>	<u>(994,583)</u>	<u>(997,623)</u>	<u>(4,359,172)</u>

**Sacramento Regional Transit District
ATU, IBEW and Salaried Retirement Plans
Schedule of Fund Investment Returns and Expenses
09/30/22**

	1 Year		1 Year			3 Years		3 Years		
	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts	Net of Fees Returns	Bench-Mark Returns	Favorable/ (Unfavor) Basis Pts	
Boston Partners										
Investment Returns	(3,315,648)	100.00%				15,816,510	100.00%			
Investment Expense	(318,729)	-9.61%				(893,593)	5.65%			
Net Gain/(Loss)	(3,634,377)	109.61%	-6.24%	-11.36%	512.00	14,922,917	94.35%	7.62%	4.36%	326.00
S&P 500										
Investment Returns	(8,963,746)	100.00%				15,410,924	100.00%			
Investment Expense	(11,673)	-0.13%				(42,825)	0.28%			
Net Gain/(Loss)	(8,975,419)	100.13%	-15.50%	-15.47%	(3.00)	15,368,099	99.72%	8.10%	8.16%	(6.00)
Atlanta Capital										
Investment Returns	(2,948,222)	100.00%				4,305,108	100.00%			
Investment Expense	(245,983)	-8.34%				(713,184)	16.57%			
Net Gain/(Loss)	(3,194,205)	108.34%	-10.69%	-23.50%	1281.00	3,591,924	83.43%	3.69%	4.29%	(60.00)
Pyrford										
Investment Returns	(5,855,066)	100.00%				(224,436)	100.00%			
Investment Expense	(227,009)	-3.88%				(647,039)	-288.30%			
Net Gain/(Loss)	(6,082,075)	103.88%	-17.59%	-25.13%	754.00	(871,475)	388.30%	-0.99%	-1.83%	N/A
EAFE										
Investment Returns	(4,483,029)	100.00%				(306,829)	100.00%			
Investment Expense	(6,644)	-0.15%				(21,846)	-7.12%			
Net Gain/(Loss)	(4,489,673)	100.15%	-24.89%	-25.13%	24.00	(328,675)	107.12%	-1.58%	-1.83%	25.00
AQR										
Investment Returns	(5,152,496)	100.00%				389,387	100.00%			
Investment Expense	(162,977)	-3.16%				(451,130)	115.86%			
Net Gain/(Loss)	(5,315,473)	103.16%	-25.46%	-32.06%	660.00	(61,743)	-15.86%	-0.21%	-2.16%	195.00
DFA										
Investment Returns	(5,747,342)	100.00%				1,168,214	100.00%			
Investment Expense	(87,797)	-1.53%				(353,649)	30.27%			
Net Gain/(Loss)	(5,835,139)	101.53%	-23.70%	-25.28%	158.00	814,565	69.73%	0.26%	-2.07%	233.00
Metropolitan West										
Investment Returns	(14,357,864)	100.00%				(5,834,267)	100.00%			
Investment Expense	(239,895)	-1.67%				(766,192)	-13.13%			
Net Gain/(Loss)	(14,597,759)	101.67%	-15.40%	-14.60%	(80.00)	(6,600,459)	113.13%	-2.95%	-3.26%	31.00
Clarion										
Investment Returns	3,886,152	100.00%				N/A	0.00%			
Investment Expense	(201,305)	5.18%				N/A	0.00%			
Net Gain/(Loss)	3,684,847	94.82%	23.33%	22.09%	N/A	-	-	N/A	N/A	N/A
Morgan Stanley										
Investment Returns	3,208,305	100.00%				N/A	0.00%			
Investment Expense	(208,891)	6.51%				N/A	0.00%			
Net Gain/(Loss)	2,999,414	93.49%	19.40%	22.09%	N/A	-	-	N/A	N/A	N/A
Total Fund										
Investment Returns	(43,728,956)	100.00%				30,724,611	100.00%			
Investment Expense	(1,710,904)	-3.91%				(3,889,458)	12.66%			
Net Gain/(Loss)	(45,439,860)	103.91%	-12.07%	-15.60%	353.00	26,835,153	87.34%	3.90%	3.16%	74.00

**Sacramento Regional Transit District, Retirements and Deaths
For the Time Period: July 1, 2022 - September 30, 2022**

Retirements

Emp#	Previous Position	Pension Group	Retirement Date
2834	Bus Operator	ATU	07/16/22
1199	Grants Manager	MCEG	08/01/22
634	Bus Operator	ATU	08/01/22
3469	Light Rail Operator	ATU	08/12/22
1132	Admin Assistant	AEA	09/01/22
2676	EEO Administrator	MCEG	09/01/22
519	Bus Trans. Supervisor	AFSC	09/01/22

Deaths

Emp#	Pension Group	Type	Date of Death
416	ATU	Life Alone	07/14/22
159	ATU	Life Alone	07/25/22
425	ATU	Life Alone	08/07/22
199	ATU	100% J&S	08/07/22
1374	AEA	100% J&S	08/20/22
2526	ATU	Life Alone	08/28/22
3071	ATU	Life Alone	09/21/22



RETIREMENT BOARD STAFF REPORT

DATE: December 14, 2022 Agenda Item: 10
TO: Sacramento Regional Transit Retirement Board – ALL
FROM: John Gobel, Manager, Pension and Retirement Services
SUBJ: UPDATE ON ROLES AND RESPONSIBILITIES RELATED TO PENSION ADMINISTRATION - QUARTER ENDED SEPTEMBER 30, 2022 (ALL).
(Gobel)

RECOMMENDATION

No Recommendation - Information Only

RESULT OF RECOMMENDED ACTION

No recommended action.

FISCAL IMPACT

There is no fiscal impact associated with this action.

DISCUSSION

Every quarter, three reports are distributed to apprise the Retirement Boards of functions performed by Staff and Legal Counsel in support of the pension plans. For reference, the reports prepared for the quarter ended September 30, 2022 are attached for review and identified below:

Attachment A – Pension Administration Staff Roles and Responsibilities

Attachment B – RT Staff Costs Attributable and Charged to RT Pension Plans

Attachment C – Summary of Legal Services Provided for the Quarter

For the latest 90-day processing period (September 10, 2022 to December 10, 2022), Staff effected pensions for 11 new retirees and noted that the average wait time for initial payment was 59 days. While new retirement activity was right in line with the prior quarter, the average wait time was longer compared to the prior quarter and compared to the same period last year (September 11, 2021 to December 10, 2021). In an effort to reverse this recent trend, we are continuing to focus on delays associated with the processing of benefits for deferred, vested members and beginning to formally review group and individual processing metrics on a quarterly basis.

In Attachment A, we have updated the matrix of Staff Roles and Responsibilities to reflect changes in the staff members who work with SacRT's pension plans and their individual work roles. The term "VP - Finance" has replaced all references to "AVP - Finance & Treasury" to reflect the recent reorganization of SacRT and the leadership role of Lawrence Chiu, SacRT Vice President, Finance/CFO, over the Retirement Services team. In addition, new references to the Administrative Assistant II position have been added to reflect that position's expanding involvement with pension-related matters.

Pension Administration Staff Roles and Responsibilities

Pension Plan Member Relations:

Task	Primary Responsibility	Back Up Responsibility
Respond to Employee and Retiree Inquiries	Retirement Services Analyst (I & II), Administrative Assistant II	Manager - Pension & Retirement
Conduct Educational Sessions	Manager - Pension & Retirement	Retirement Services Analyst II
Create Pension Estimates	Retirement Services Analyst II	Retirement Services Analyst I
Process Disability Retirements	Retirement Services Analyst II	Manager - Pension & Retirement
Process Employee and Retiree Deaths	Retirement Services Analyst I	Retirement Services Analyst II
Administer Active and Term Vested Retirement Process	Retirement Services Analysts (I & II)	Manager - Pension & Retirement
Prepare 48-Month Salary Calculations	Retirement Services Analysts (I & II)	Manager - Pension & Retirement
Verify Retiree Wages: gross pay, net wages, no pre-tax deductions, taxes	Retirement Service Analysts (I & II), Payroll Analyst	Payroll Manager
Facilitate Employees' Required Contributions (per contracts and/or PEPRA)	Retirement Services Analysts (I & II)	Manager - Pension & Retirement
Convert Employees to Retirees in SAP	Retirement Services Analysts (I & II)	Retirement Services Analysts (I & II)
Process Lump-Sum Distribution or "Refund" of Employee Contributions for Terminated PEPRA Members	Retirement Services Analyst I	Manager - Pension & Retirement
Retrieve Undeliverable Retiree Mail and Facilitate Required Changes of Address	Administrative Assistant II	Retirement Services Analyst I
Conduct Lost Participant Searches and Related Processes for Returned Checks/stubs	Retirement Services Analyst I	Administrative Assistant II
Retiree Medical – Initial Enrollment	HR Analyst II	HR Department
Print, Stuff and Mail Pay Stubs	Payroll Analyst	Payroll Manager
Manage Stale and Lost Check Replacement	Payroll Analyst	Payroll Manager
Issue Copies of Retiree Pay Stubs and 1099-R Forms	Payroll Analyst	Payroll Manager

Plan Documents:

Task	Primary Responsibility	Back Up Responsibility
Negotiate Benefits, Provisions	VP, Employee Development and Engagement	Senior Manager, Labor Relations
Incorporate Negotiated Benefits/ Provisions into Plan Documents	Chief Counsel, RT	External Counsel

Interpret Plan Provisions	Manager – Pension & Retirement, Hanson Bridgett	External Counsel
Provide Guidance to Staff Regarding New Plan Provisions & Regulations	Manager – Pension & Retirement	Chief Counsel, RT

Contracting & Contract Administration:

Task	Primary Responsibility	Back Up Responsibility
Contract Management, including Oversight of RFP Processes	Manager – Pension & Retirement	VP - Finance
Legal Services (Hanson Bridgett) Contract Procurement	Manager – Pension & Retirement	VP - Finance
Actuarial Services (Cheiron) Contract Procurement	Manager – Pension & Retirement	VP - Finance
Investment Manager Services (Callan) Contract Procurement	Accountant II	VP - Finance
Ensure Adherence to Contract Provisions	Manager – Pension & Retirement	VP - Finance
Process Retirement Board Vendor Invoices	Retirement Services Analyst II	Manager - Pension & Retirement
Pay Invoices	Manager – Pension & Retirement	VP - Finance
Collect Form 700 Statements of Economic Interests from Retirement Board Vendors	Retirement Services Analyst I	Manager - Pension & Retirement

Retirement Board Meetings:

Task	Primary Responsibility	Back Up Responsibility
Manage Retirement Board Meeting Content and Process	Manager - Pension & Retirement	VP – Finance
Draft Staff Reports and Resolutions, Compile Attachments	Staff Presenting Issue to Board	Manager – Pension & Retirement, VP - Finance
Post Retirement Board Agenda Materials	Retirement Services Analyst I	Administrative Assistant II
Moderate Retirement Board Meetings	Manager - Pension & Retirement	VP - Finance

Retirement Board Administration:

Task	Primary Responsibility	Back Up Responsibility
Train Staff/Board Members	Manager – Pension & Retirement	Staff/Vendor with Subject Matter Expertise
Prepare and Process Travel Arrangements for Retirement Board Members for Training	Retirement Services Analyst I	Administrative Assistant II
Facilitate Annual Fiduciary Liability Insurance Renewal	Manager – Pension & Retirement	VP – Finance
Renew Fiduciary Liability Coverage & Communicate Waiver of Recourse Info. to Retirement Board Members	Manager - Pension & Retirement	VP – Finance

Develop and Administer Retirement Board Policies	Manager – Pension & Retirement	VP - Finance
Respond to Public Records Act Requests	Manager – Pension & Retirement	Retirement Service Analysts (I & II)

Coordinate Actuarial Activities:

Task	Primary Responsibility	Back Up Responsibility
Valuation Study and Establish Contribution Rates (annual)	Manager – Pension & Retirement	VP - Finance
Experience Study (every 3-5 years)	Manager – Pension & Retirement	VP - Finance

Asset Management:

Task	Primary Responsibility	Back Up Responsibility
Asset Rebalancing	Accountant II	VP - Finance
Account Reconciliations	Accountant II	VP - Finance
Cash Transfers	Accountant II	VP - Finance
Fund Accounting	Accountant II	VP - Finance
Investment Management	Accountant II	VP - Finance
Financial Statement Preparation	Accountant II	VP - Finance
Annual Audit	Accountant II	VP – Finance
State Controller’s Office Reporting	Accountant II	Manager – Pension & Ret. VP – Finance
U.S. Census Bureau Reporting	Accountant II	Manager – Pension & Ret., VP - Finance
Work with Investment advisors (Callan), Custodian (Northern Trust), Fund Managers, Auditors, and Actuary (Cheiron)	Accountant II	Manager – Pension & Ret., VP - Finance
Review Monthly Asset Rebalancing	Accountant II	VP – Finance
Review/Update of Statement of Investment Objectives and Policy Guidelines management (at least annually)	Accountant II	VP – Finance

Pension Administration Costs
For the Time Period: July 1, 2022 to September 30, 2022

Sum of Value TranCurr				
WBS Element	Source object name	Per	Total	
SAXXXX.PENATU	Finance And Treasury / Matthews, Rosalie	001	1,076.80	
		002	1,322.93	
		003	1,092.19	
	Finance And Treasury / Gobel, John	001	1,894.48	
		002	2,765.76	
		003	1,114.42	
	Finance And Treasury / Mathew, Jessica	001	2,177.31	
		002	2,800.49	
		003	2,289.94	
	Finance And Treasury / Cruz Mendoza, Jessic	001	351.50	
		002	692.26	
		003	434.67	
	SAXXXX.PENATU Total			18,012.75
	SAXXXX.PENIBEW	Finance And Treasury / Matthews, Rosalie	001	722.99
			002	461.50
003			507.65	
Finance And Treasury / Gobel, John		001	810.47	
		002	952.30	
		003	111.43	
Finance And Treasury / Mathew, Jessica		001	810.86	
		002	923.48	
		003	630.67	
Finance And Treasury / Cruz Mendoza, Jessic		001	220.02	
		002	91.26	
		003	156.70	
SAXXXX.PENIBEW Total			6,399.33	
SAXXXX.PENSALA		Finance And Treasury / Matthews, Rosalie	001	738.39
			002	999.90
	003		784.53	
	Finance And Treasury / Gobel, John	001	1,681.75	
		002	678.77	
		003	1,418.33	
	Finance And Treasury / Mathew, Jessica	001	1,982.11	
		002	1,749.35	
		003	2,312.46	
	Finance And Treasury / Cruz Mendoza, Jessic	001	152.94	
		002	225.41	
		003	375.65	
	SAXXXX.PENSALA Total			13,099.59
	SAXXXX.PENSION	Finance And Treasury / Volk, Lynda	001	3,833.41
			002	6,608.46
003			2,728.07	
Finance And Treasury / Matthews, Rosalie		001	2,292.02	
		002	2,738.11	
		003	3,414.97	
Finance And Treasury / Gobel, John		001	3,870.06	
		002	5,997.55	
		003	6,838.44	
Finance And Treasury / Mathew, Jessica		001	1,794.41	
		002	3,108.31	
		003	1,449.04	
Finance And Treasury / Mouton, Wendy		001	526.15	
		002	219.25	
		003	131.54	
Board Support / Smith, Tabettha		003	115.97	
Finance And Treasury / Cruz Mendoza, Jessic		001	474.90	
		002	1,303.95	
		003	1,464.93	
VP, Finance/CFO / Adelman, Jamie		001	752.70	
		002	716.85	
		003	931.92	
SAXXXX.PENSION Total			51,311.01	
Grand Total			88,822.68	

**HANSON BRIDGETT LLP &
SACRAMENTO REGIONAL TRANSIT DISTRICT RETIREMENT BOARDS
LEGAL SERVICES SUMMARY**

Set forth below is a broad summary report of significant legal matters addressed by Hanson Bridgett LLP for the Sacramento Regional Transit District (SacRT) Retirement Boards during the Quarter ended September 30, 2022.

1. Weekly client conference calls and as-needed client and internal conferences on pending matters, upcoming Board meetings and follow-up from prior Board meetings.
2. Preparation for and participation in quarterly Retirement Board Meeting, including review and markup of agenda materials.
3. Review and advise on Plan participant communications and retirement forms.
4. Prepare updated version of draft IBEW Plan document for review by SacRT (Plan Sponsor) benefits counsel.
5. Coordinate update to actuarial services RFP.
6. Revise materials for and assist staff with extension of contracts with disability retirement evaluation services provider and actuarial services provider;
7. Provide counsel on issues including, but not limited to:
 - a. responding to census requests from the Plans' actuary;
 - b. payment of benefits for deceased alternate payee(s); and
 - c. service credit for laid-off and rehired employees.

Respectfully Submitted,

/s/ Shayna M. van Hoften



RETIREMENT BOARD STAFF REPORT

DATE: December 14, 2022 Agenda Item: 11

TO: Sacramento Regional Transit Retirement Boards – ALL

FROM: Lawrence Chiu, VP, Finance/CFO

SUBJ: Investment Performance Review of the Real Estate Asset Class by Morgan Stanley for the ATU, IBEW and Salaried Employee Retirement Funds for the Quarter Ended September 30, 2022 (ALL). (CHIU)

RECOMMENDATION

No Recommendation – For Information Only.

RESULT OF RECOMMENDED ACTION

Information Only

FISCAL IMPACT

None.

DISCUSSION

Retirement funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines (Policy) adopted by each Retirement Board (Board). Under the Policy, the Boards meet at least once every eighteen (18) months with each investment manager to review the performance of the manager's investment, the manager's adherence to the Policy, and any material changes to the manager's organization. The Policy also establishes the Retirement Funds' asset allocation policy and the asset classes in which the Plans funds are invested. The asset classes established by the Policy are (1) Domestic Large Capitalization Equity, (2) Domestic Small Capitalization Equity, (3) International Large Capitalization Equity, (4) International Small Capitalization Equity, (5) International Emerging Markets, (6) Domestic Fixed-Income, and (7) Real Estate.

Morgan Stanley is one of the Retirement Boards' Real Estate fund managers. Morgan Stanley will be presenting performance results for the quarter ended September 30, 2022, shown in Attachment 1, and answering any questions.



Discussion Materials

Morgan Stanley Real Estate Investing
Prime Property Fund

As of September 30, 2022



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ERISA plan investment committee or plan sponsor only:

Morgan Stanley believes that you, as a fiduciary of the Plan, hold or have under management or control total assets of at least \$50,000,000 and are capable of evaluating investment risk independently, both in general and with regard to particular transactions and investment strategies.

Important Notices

General. The information contained herein refers to research, but does not constitute an equity research report and is not from Morgan Stanley Equity Research. Unless otherwise indicated, the views expressed are those of the research and strategy team of Morgan Stanley Real Estate Investing (“MSREI”) and may differ from those of Morgan Stanley Equity Research and other Morgan Stanley affiliates (including others within MSREI). These views may also differ from investment strategies implemented by MSREI now or in the future. The information (including facts, opinions, estimates or projections) contained herein is based on financial, economic, market and other conditions prevailing as of the date hereof. As such, it remains subject to change at any time. By providing such information, MSREI assumes no obligation to provide any update or supplement to such information following the date hereof. Although reasonable care has been taken to ensure that the information (including facts, opinions, estimates or projections) contained herein is accurate, complete and fair, no warranty, express or implied, is made as to the accuracy, completeness or fairness of such information. Certain economic and market information contained herein may have been obtained from third parties sources. While MSREI believes that such sources are reliable, neither MSREI nor any other Morgan Stanley affiliate has independently verified such information or assumes any responsibility or liability for the accuracy, completeness or fairness of such information or any omission of information.

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Past Performance. Past performance is not indicative of future results. Any projected or target returns contained herein are being provided for informational purposes only. Investments in real estate may result in the loss of principal. There can be no assurance that any projected or target returns, or any returns at all, will be achieved.

Not Investment Advice. The materials have been prepared solely for information purposes and do not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The materials contained herein have not been based on a consideration of any individual client circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

Forward-Looking Statements. These materials contain projections and other forward-looking statements. Any statements that are not historical facts are forward-looking statements that involve risks and are inherently uncertain. Sentences or phrases that use such words as “believe,” “anticipate,” “plan,” “may,” “hope,” “can,” “will,” “expect,” “should,” “goal,” “objective,” “projected” and similar expressions also identify forward-looking statements, but their absence does not mean that a statement is not forward-looking. Projections and other forward-looking statements, including statements regarding MSREI’s assessment of the market, are by their nature uncertain insofar as actual realized returns or other projected results can change quickly based on, among other things, unexpected market movements, changes in interest rates, legislative or regulatory developments, errors in strategy execution, acts of God and other asset-level developments. There can be no assurance that projections and other forward-looking information will not change based on subsequent developments and without further notice, and no assurance can be given as to outcome. You should not place undue reliance on forward-looking statements, including forecasts and projections, and statements regarding the assessment of the market, which speak only as of the date referenced herein.

Targeted Purpose and Audience. These materials have been prepared for a specific purpose and a specific target audience. These materials have been designed for use on a one-on-one basis; if you are not the intended recipient and/or plan on using these materials for other than the intended purpose, then these disclosures may not be adequate for your purposes. These materials do not purport to be all-inclusive or to contain all the information necessary to make an investigation or decision regarding MSREI, the Fund or the Adviser. Please discuss any questions you may have with an appropriate MSREI representative.

Not an Offer; Qualified by Offering Memorandum. These materials and the information, which is not impartial, contained herein have been prepared solely for informational and educational purposes and do not constitute an offer, or a solicitation of an offer, to buy or sell any security, instrument or other interest in any current or future fund or investment vehicle, whether sponsored by MSREI or any other Morgan Stanley affiliate or otherwise. Any such offer or solicitation shall be made only pursuant to a final confidential private placement memorandum (the “Offering Memorandum”) for such fund or investment vehicle, which will describe other important information about the sponsor and such fund or investment vehicle. In deciding whether to invest in a fund or investment vehicle, prospective investors should carefully review the Offering Memorandum for such fund or investment vehicle, including the sections regarding the risks and conflicts of interest associated with such an investment and the material terms of the relevant constituent documents. Prospective investors should rely solely on the Offering Memorandum in making an investment decision, and should not rely on any other materials, including these materials, or any oral information, if any, provided by MSREI in connection therewith.

Important Notices (Cont'd)

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Investment Risk. Investments in private funds are speculative and include a high degree of risk. Investors could lose their entire investment. Private funds are highly illiquid, and are only suitable for long-term investors willing to forgo liquidity and put capital at risk for an indefinite period of time. Private funds often engage in speculative investment practices that may increase the risk of investment loss. Private funds may involve complex tax structures and there may be delays in distributing important tax information. Private funds typically have significantly higher fees and expenses than other investment vehicles. Investing in private funds is not for everyone as it entails risks that are different from those of more traditional investments. Anyone considering an investment in a private fund should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of investment and the lack of liquidity) characteristic of such investments.

COVID-19. We have considered the continued impact of COVID-19 in our assumptions utilized to estimate the fair value of PRIME's investments. The extent and duration of the impact to the financial performance of investments will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be easily predicted. Additionally, the impact could disproportionately affect certain investments based on their geographic region and property type. If the financial performance of investments is impacted because of these or any other related factors for an extended period, PRIME's investment results and the valuation of PRIME's investments may be adversely affected.

Consultation of Advisors. These materials do not constitute legal, tax, financial or other advice. The legal, tax and other consequences of any proposed transaction may differ for each recipient as a result of, among other things, the particular financial situation of, and the laws and regulations applicable to, each recipient. You should consult your own legal counsel, accountants and other advisors regarding the information contained herein and the transactions described hereby.

Availability of Adviser's Form ADV. Morgan Stanley Real Estate Advisor, Inc., the Adviser to the Fund, and various other Morgan Stanley affiliates that are registered with the U.S. Securities & Exchange Commission ("SEC") have filed with the SEC, and are required to update periodically, Form ADV. Form ADV Part 2A and 2B contain essential information about a given investment advisory firm, including information about firm management, clients, fee arrangements and the handling of conflicts of interest, and the SEC requires that it be sent to all prospective clients who might enter into an advisory agreement prior to execution. Upon request, the Adviser will furnish a copy of its Form ADV without charge to you. Please contact Morgan Stanley Real Estate Investor Services at (212) 761-7160 or email msreinvestor@morganstanley.com for a copy.

SFDR. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any losses in MSREI funds will be borne solely by investors in MSREI funds and not by Morgan Stanley and its affiliates. Therefore, Morgan Stanley's losses in MSREI funds will be limited to losses attributable to the ownership interests in MSREI funds held by Morgan Stanley and its affiliates in their capacity as investors in MSREI funds. Interests in MSREI funds are not insured by the FDIC and are not deposits, obligations of, or endorsed or guaranteed in any way, by Morgan Stanley. Investors should read the applicable Offering Memorandum (if available) before investing in MSREI fund. Morgan Stanley is the sponsor of MSREI funds for purposes of the Section 619 of the Dodd-Frank Act ("The Volcker Rule"). A description of the role and services of Morgan Stanley is provided in the Memorandum.

Distribution in the European Economic Area. The Fund may not have been approved, notified or registered in accordance with the Alternative Investment Fund Managers Directive (Directive(2011/61/EU) (the "AIFMD") for marketing to professional investors in certain member states of the EEA (each an "EEA Member State"). In such cases, approval may be sought or such notification or registration may be made in the future. Alternatively, the Fund may not be relying on such registration for marketing, and these materials may have been transmitted to an investor in an EEA Member State at such investor's own initiative.

For more information contact: Scott Brown, c/o Morgan Stanley, 1585 Broadway, 37th Floor, New York, NY 10036.

Risk Considerations

There are significant risk factors associated with an investment in PRIME. An investment in PRIME will involve significant risks due to, among other things, the nature of the Fund's investments and potential conflicts of interest. There can be no assurance that PRIME will realize its rate of return objectives or return any investor capital. Investors should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of investment and the lack of liquidity). The value of an investment in the Fund may fluctuate. Past results do not guarantee future performance.

These risk factors include the following:

- Conflicts of interests between the Fund, its investors, the Adviser and other affiliates of Morgan Stanley
- Tax considerations and regulatory matters
- Lack of liquidity of investments
- No or restricted transferability of, or market for, interests in the Fund
- Competition
- Leverage
- Market risk; minority investments in companies
- Interest rate risks
- Risks of real estate investments, which may include the following: dependency on specialized management skills, lack of diversification, fluctuations in the value of underlying properties; defaults by borrowers or tenants; market saturation; changes in general and local economic conditions; decreases in market rates for rents; increases in competition, property taxes, capital expenditures or operating expenses; and other economic, political or regulatory occurrences affecting the real estate industry

See Tab E - Risk Considerations for additional risk factors in connection with making an investment in PRIME

SECTION 1

Morgan Stanley – MSREI Overview

Morgan Stanley – A Leading Global Financial Services Firm

Morgan Stanley serves clients worldwide providing a wide range of investment banking, securities, investment management and wealth management services

MSIM

40+

YEARS OF HISTORY

24

COUNTRIES

1,200+

INVESTMENT PROFESSIONALS

\$1.4Tn

TOTAL MSIM CLIENT AUM ⁽¹⁾



Investment Management (MSIM)

Global investment manager seeking to deliver innovative investment solutions across public and private markets

Institutional Securities Group

Global leader in investment banking: consistently ranked among the top firms in M&A, equity underwriting and debt financings

Wealth Management (MSWM)

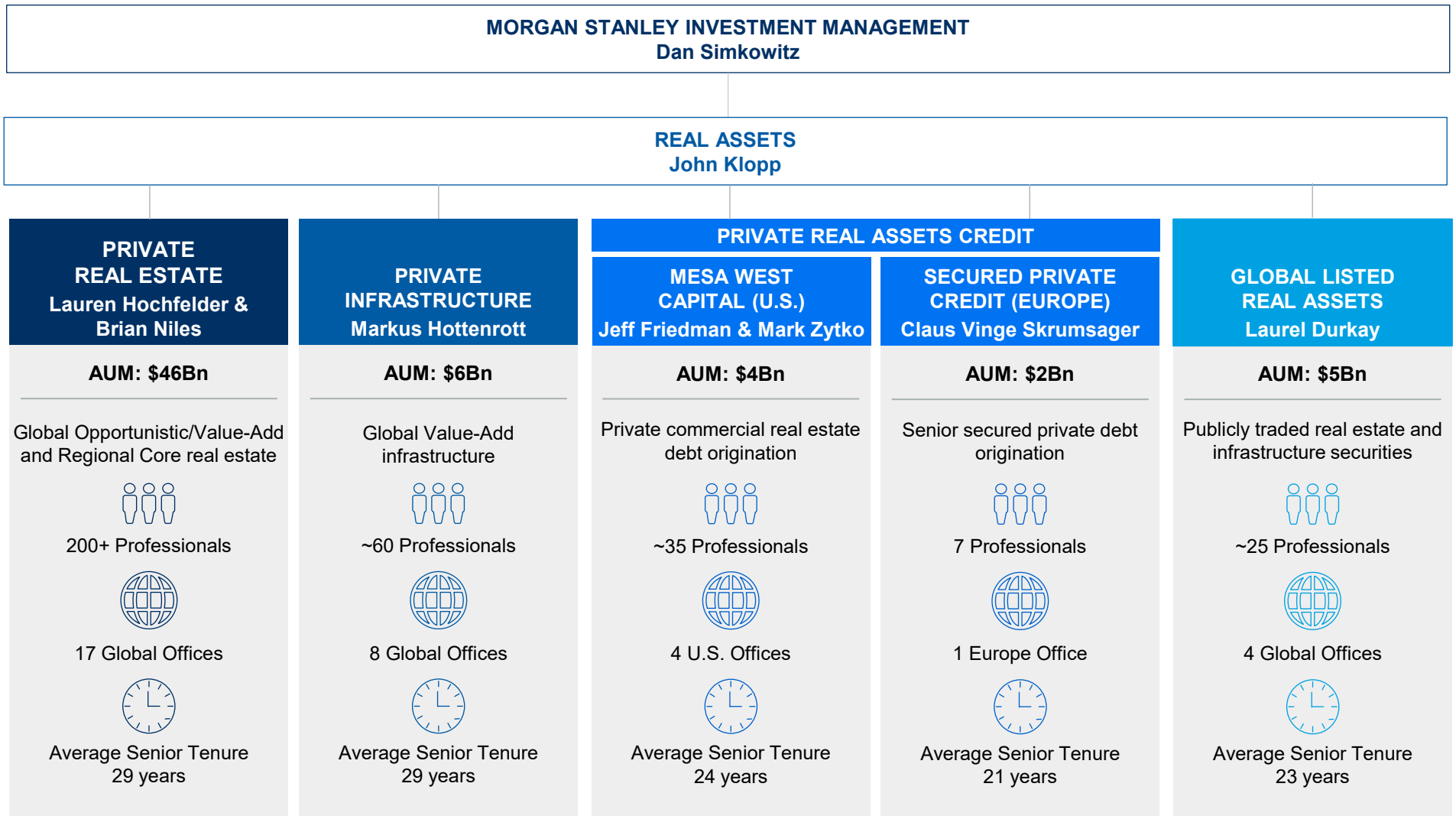
Recognized as one of the industry's premier global wealth management firms

Note

1. As of June 30, 2022. Assets under management (AUM) includes all discretionary and non-discretionary assets of Morgan Stanley Investment Management (MSIM) and all advisory affiliates. MSIM Fund of Fund assets represent assets under management and assets under supervision. MSIM direct private investing assets represents the basis on which the firm earns management fees, not the market value of the assets owned

MSIM's Real Assets Platform

Scope and Scale – \$62Bn in Total AUM

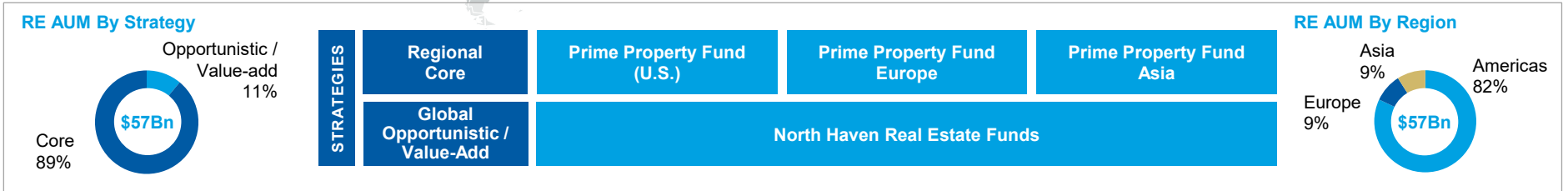
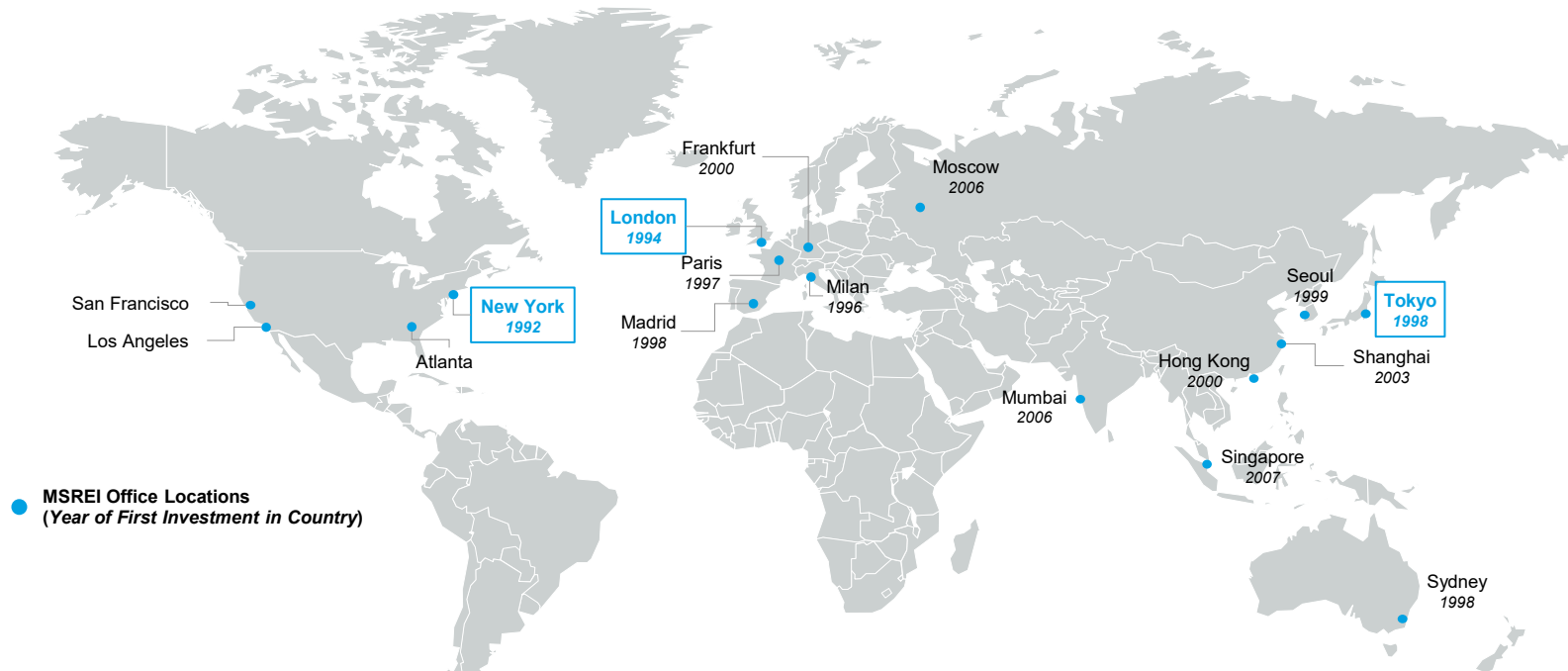


Notes

AUM figures within each business line may not sum to total AUM due to rounding. Data as of June 30, 2022. Direct private investing assets represents the basis on which the firm earns management fees, not the market value of the assets owned. Number of professionals excludes Morgan Stanley and Morgan Stanley Investment Management professionals who support Real Assets. Average tenure reflects the average years of industry experience of the senior management teams

MSREI Global Reach

- Morgan Stanley Real Estate Investing (“MSREI”) is the global private real estate investment management arm of Morgan Stanley
- 200+ professionals in 17 offices across 13 countries plus decades of experience investing internationally
- As of June 30, 2022, MSREI manages \$57Bn of global real estate on behalf of its clients⁽¹⁾



Note
 1. As of June 30, 2022, Real estate assets under management (“RE AUM”) represents gross fair market value of the real estate assets managed by MSREI on behalf of the Firm and its clients, presented at direct ownership interest. RE AUM for certain minority interests represents the respective fund’s equity investment in the entity. Global equity assets under management (fee generating accounts) as of June 30, 2022 was \$46Bn (unaudited). Totals subject to rounding

PRIME Family of Core Open-End Funds

As of September 30, 2022

MSREI offers three open-end core real estate strategies that share consistent investment approaches and what MSREI believes are best practices across different geographies

- The PRIME brand aims to exemplify quality and consistency of approach in managing and servicing investor interests over the long-term
- The PRIME Funds seek to replicate best practices, governance and operations, and deliver first-class reporting, transparency and risk management
- Investors benefit from their aggregate investment across PRIME funds in determining relative fee tier across PRIME Asia and PRIME Europe⁽¹⁾

PRIME	PRIME Asia	PRIME Europe
<ul style="list-style-type: none"> • Established in 1973 • PRIME is one of the largest diversified open-end funds in the U.S. with a proven track record of outperformance⁽²⁾ • Focuses on Class A multifamily communities, warehouse distribution holdings, high quality office assets, storage facilities, student housing residences and top tier super regional malls in targeted primary markets within the U.S. • Gross Asset Value of \$45.9B across 536 investments • Target leverage 15%-25% 	<ul style="list-style-type: none"> • Established in 2015 • PRIME Asia seeks to take advantage of what MSREI believes to be the growing economic relevance and long-term growth potential of the Asian markets • Focuses on institutional grade real estate diversified by property type and location primarily across six major Asian markets • Gross Asset Value of \$3.3B across 69 investments • Target leverage 25%-35% 	<ul style="list-style-type: none"> • Established in 2019 • PRIME Europe seeks to offer scale, diversification, liquidity and strong risk-adjusted returns by assembling an institutional-grade real estate portfolio in targeted markets across Europe • Focuses on Core Western Europe and targets sectors with positive fundamental outlooks • Gross Asset Value of €1.2B across 30 investments • Target leverage 25%-35%

Note

1. Due to regulatory constraints, all investors in PRIME pay the same fee. Please refer to the LPAs of PRIME Asia and Prime Europe for additional details on fees and aggregation.
2. PRIME has outperformed the NFI-ODCE on a gross and net basis each of the last ten calendar years, 2012-2021.

SECTION 2

Executive Summary



801 17th Street, Washington, DC



AMLI Marina Del Rey, Marina Del Rey, CA



200 Cambridgepark Drive, Cambridge, MA



The Hub – University of Arizona, Tucson, AZ



586 Gulf Avenue, Staten Island, NY



AMLI Riverfront Green, Denver, CO



Hialeah Northeast, Miami, FL



5800 Bristol Parkway, Culver City, CA



Fashion Valley Mall, San Diego, CA



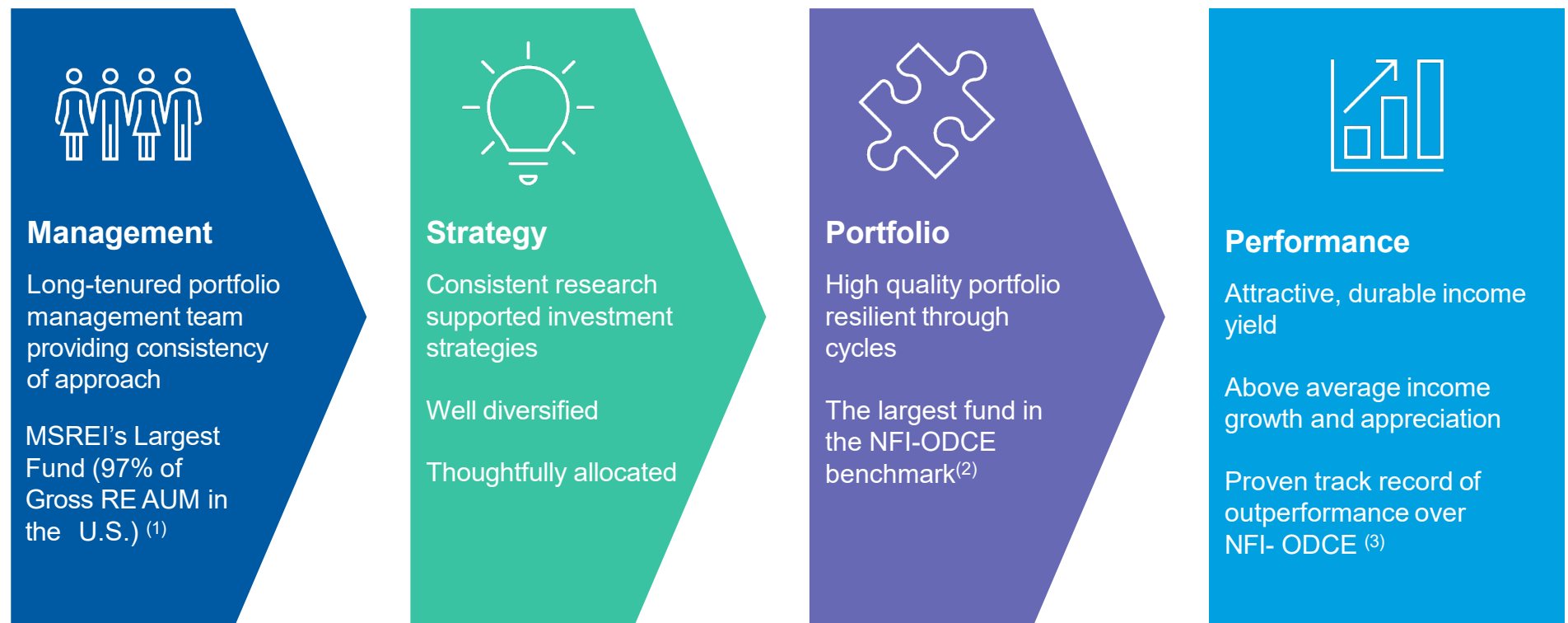
3 Sorbello Road, Pedricktown, NJ

Note

Pictured representative investments serve as examples only of how the MSREI team has pursued investments that are consistent with the investment strategy of PRIME. They were not selected on the basis of their performance. These examples are not intended to be complete or representative of all of the real estate investments made by PRIME. Historical performance is not an indication of future results.

Prime Property Fund

PRIME, in its 50th year of operation, is a core, fully-specified, open-end commingled real estate investment fund diversified by property type and location designed to provide a stable, income-driven rate of return over the long term with potential for growth of income and appreciation of value



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

1. Gross real estate assets represents the gross fair market value of the real estate assets managed by MSREI on behalf of the firm and its clients, presented at direct ownership interest. Gross real estate assets for certain minority interests represents MSREI's equity investment in the entity. Ownership interest, as of June 30, 2022.
2. Based on Net Asset Value as of June 30, 2022.
3. Based on gross and net returns as of September 30, 2022. Please see page 16 for PRIME's gross and net performance compared to the NFI-ODCE.

Current Market Environment

Positive Attributes for Core Real Estate Today

- Fundamentals generally strong with record low vacancy rates in preferred sectors and markets
- Favorable income growth anticipated to continue given spread between current contract and today's market rent
- Inflation and interest rates are lifting construction costs, limiting new supply and supporting current fundamentals
- Inflation hedging characteristics, durable income, and low leverage are attractive relative to many other investment alternatives

Market Concerns

- Interest rates have quickly risen and impacted today's cost of capital
- Deterioration in equity and other markets have resulted in many investors being over-allocated to private real estate, lowering market liquidity
- Cap rates are expanding, offsetting gains from increasing income
 - Expansion varies across property types, markets, and asset quality
- Recessionary pressures could impair income growth over the near term

PRIME's Key Advantages

- Favorable sector allocations should reduce risk and continue to generate strong growth
- PRIME's scale, diversification and quality should be relatively more resilient to softening macro-economic conditions
- Risk-profile is low given high leased status, employment of much lower leverage than the peer group, and below average current value-add activity
- Pro-active write-downs have already occurred, particularly in out of favor sectors such as Office and Retail

Fund Profile

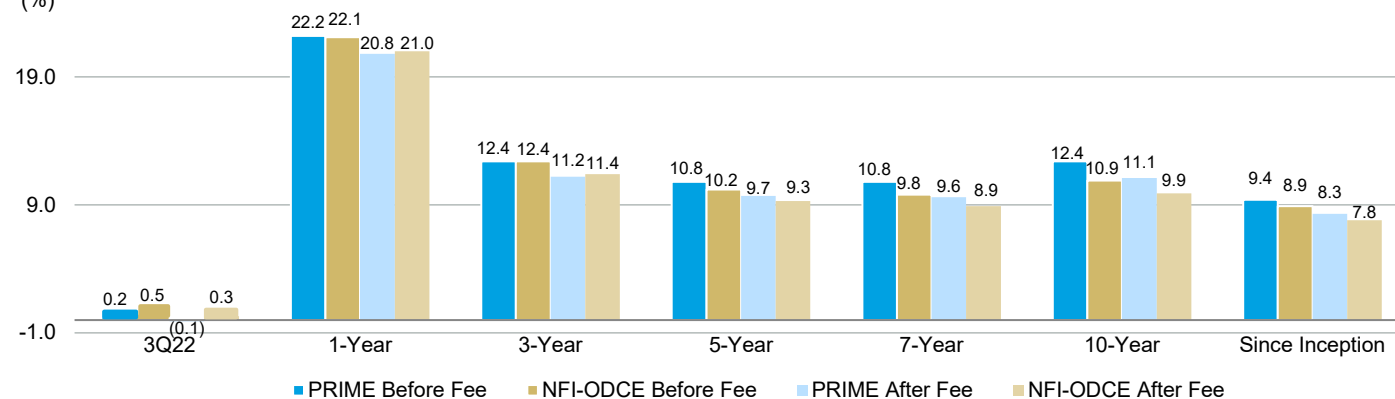
As of September 30, 2022

Gross Real Estate Assets ⁽¹⁾ (\$B)	45.9
Net Asset Value (\$B)	37.8
Consolidated Leverage (%)	18.2
Number of Assets	547
Investors	449
Leased ⁽²⁾ (%)	94.5
Trailing 12-Month Dividend (%)	4.0
Gross Return Since Inception ⁽³⁾ (%)	9.4
Net Return Since Inception ⁽³⁾ (%)	8.3
Incoming Queue (\$M)	30
Redemption Queue (\$B)	2.0

- PRIME has outperformed on both a gross and net basis over 5, 7 and 10 years

PRIME Leveraged Total vs. NCREIF Fund Index—Open-End Diversified Core Equity (“NFI-ODCE”) Total⁽⁴⁾⁽⁵⁾

Annualized Return Comparison—As of September 30, 2022 (%)



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

- Gross real estate assets represent the market value of PRIME real estate investments, including PRIME's share of joint venture assets, before debt.
- Leased status is value weighted (i.e., calculated using the asset values gross of debt) and adjusted for ownership share.
- Returns are presented before (i.e., gross of) investment advisory fees—specifically they do not reflect a deduction for asset management fees, unless otherwise noted. Annual net returns are provided in the Performance Notes.
- The NCREIF Fund Index—Open-End Diversified Core Equity (“NFI-ODCE”) is a fund-level, capitalization-weighted, time-weighted return index and includes property investments at ownership share, cash balances and leverage (i.e., returns reflect each fund's actual asset ownership positions and financing strategy). NFI-ODCE performance information is presented gross of fees.
- See the Performance Notes for important information about the characteristics of the NFI-ODCE and other comparative indices in relation to PRIME and other factors relevant to such comparisons.

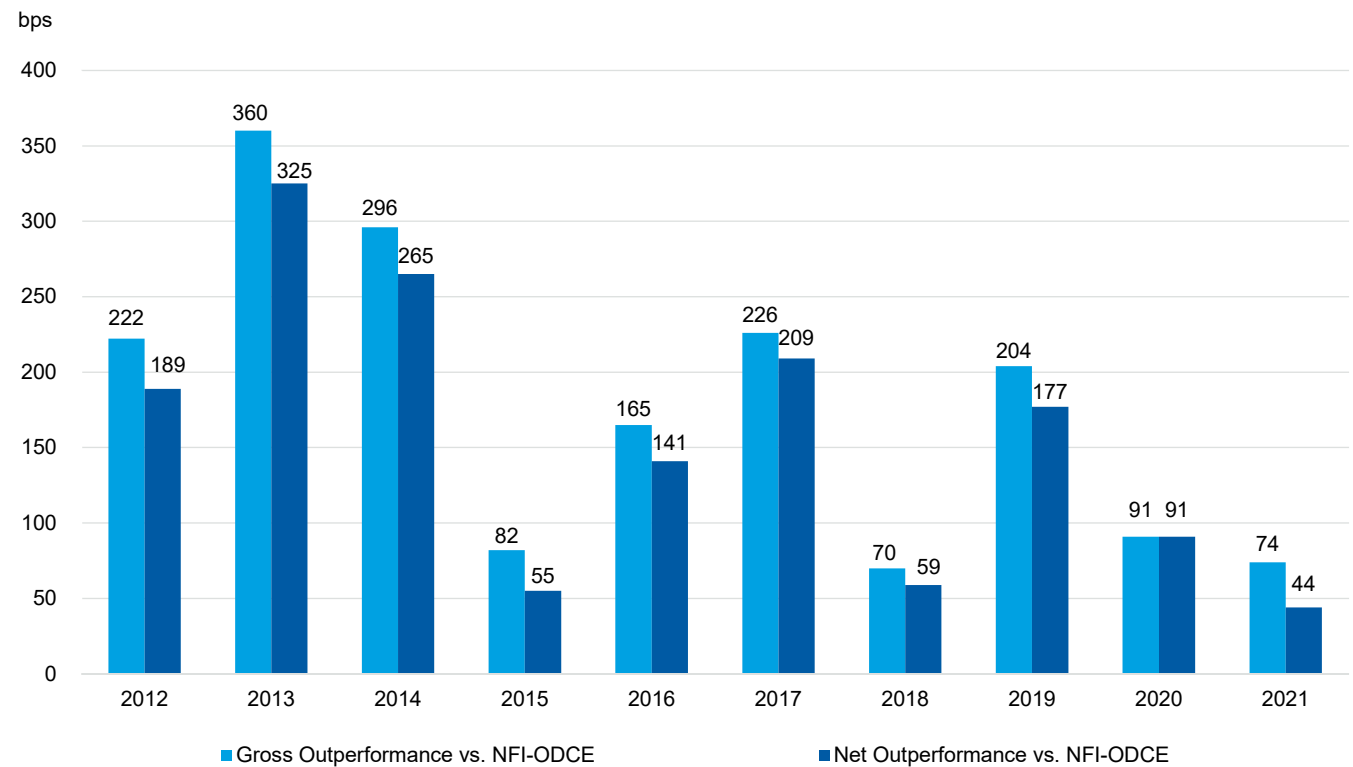
PRIME Performance vs. NFI-ODCE

As of September 30, 2022

- PRIME has outperformed each of the last ten calendar years

PRIME vs. NFI-ODCE Performance Comparison (Gross and Net)

Calendar Years 2012-2021



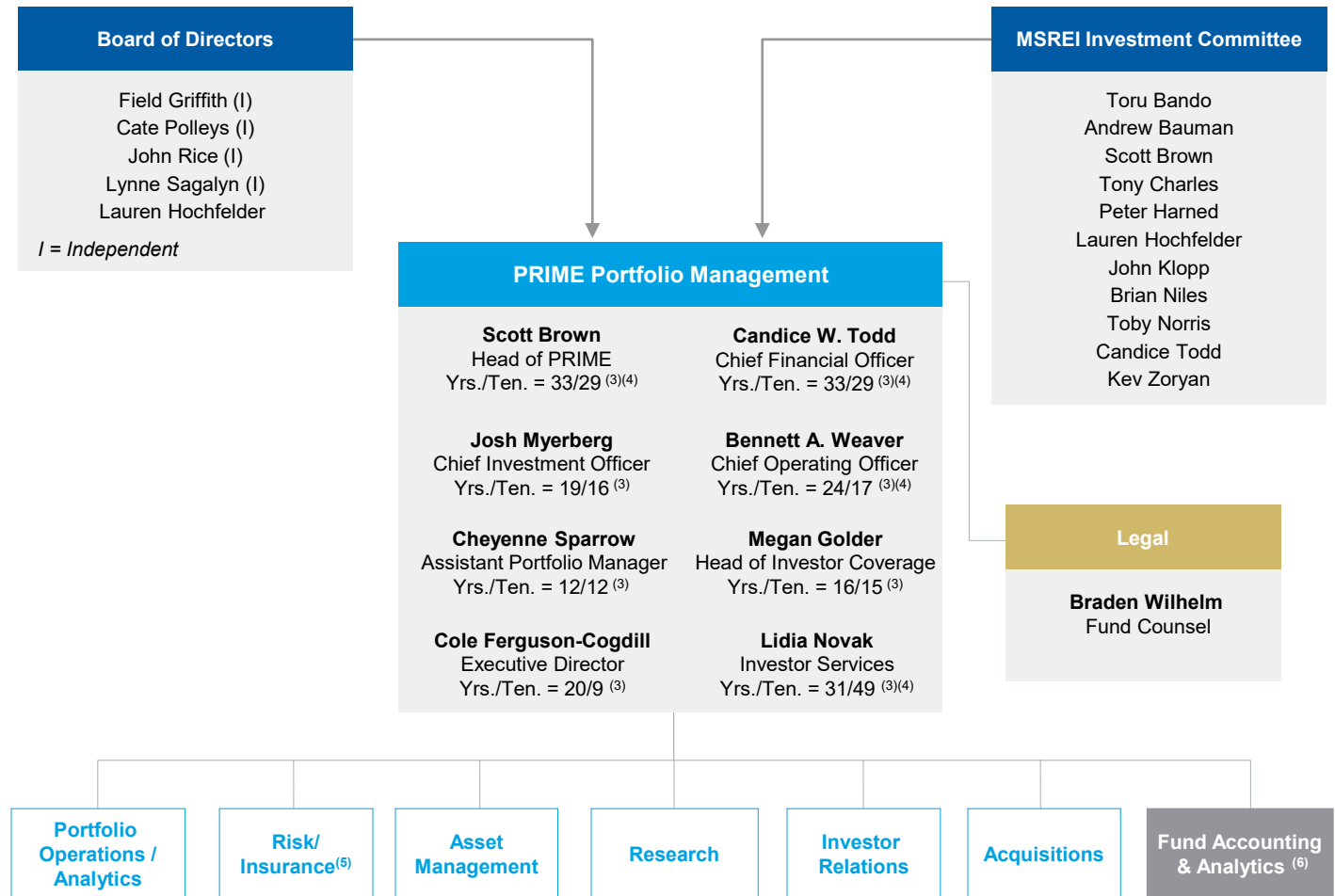
Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

PRIME Resources

As of September 30, 2022 ⁽¹⁾⁽²⁾

- The officers within the portfolio management team have an average tenure with the platform of over 22 years



Notes

- This chart and the data provided herein with respect to professionals that are assigned to work on matters related to PRIME are subject to change from time to time based on MSREI senior management's sole discretion regarding the needs of the MSREI business.
- Resources are shared across all MSREI clients.
- Yrs./Ten. = Years of real estate experience/Tenure at Morgan Stanley.
- Includes years employed by Lend Lease Real Estate and its predecessor, Equitable Real Estate, prior to the acquisition of certain portions of Lend Lease Real Estate's advisory business by Morgan Stanley Real Estate Investing.
- Risk Management is a shared resource across the MSIM platform. As of 1 January 2018, the MSREI Insurance Group has been outsourced. Acrisure LLC hired the four team members and entered into a long-term agreement with Morgan Stanley to provide insurance services. Under this agreement, the former MS employees will dedicate substantially all of their time to the Morgan Stanley Private Funds.
- Fund accounting and analytics are provided by State Street Bank and Trust Company personnel; 15 professionals currently are assigned to provide fund control and analytics services relating to PRIME as of September 30, 2022.

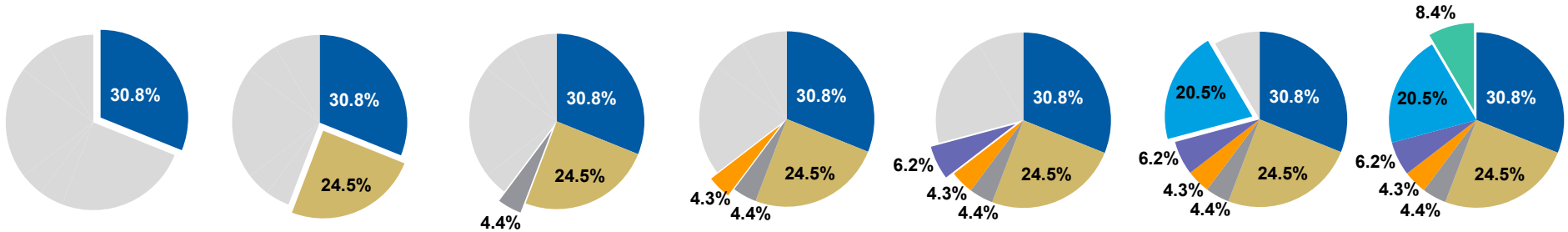
SECTION 3

Portfolio Overview

PRIME Portfolio Construction

As of September 30, 2022

Industrial	Apartment	Student Housing	Self Storage	Healthcare	Office	Retail
<ul style="list-style-type: none"> • 207 assets • 60.6M sq. ft. • \$14.2B of GAV • Large, well-diversified portfolio clustered within key trade-oriented distribution markets 	<ul style="list-style-type: none"> • 88 assets • 26,954 units • \$11.2B of GAV • High quality, Class A, branded portfolio focused on markets with strong population and employment growth 	<ul style="list-style-type: none"> • 46 assets • 18,558 beds • \$2.0B of GAV • Diversified exposure across 32 different universities with 61% of beds located at Power 5 schools 	<ul style="list-style-type: none"> • 88 assets • 4.6M sq. ft. • \$2.0B of GAV • Newer generation, high-quality, branded portfolio generally concentrated in dense, infill submarkets 	<ul style="list-style-type: none"> • 44 assets • 5.8M sq. ft. • \$2.9B of GAV • Targeted medical office buildings on-campus or adjacent to credit health systems and life-science holdings in select biotech nodes 	<ul style="list-style-type: none"> • 34 assets • 12.8M sq. ft. • \$9.4B of GAV • Large cap, well-leased, Class A holdings concentrated in major “24-hour” cities and locations 	<ul style="list-style-type: none"> • 23 assets • 7.4M sq. ft. • \$3.8B of GAV • Unique retail properties that have strategic value to tenants



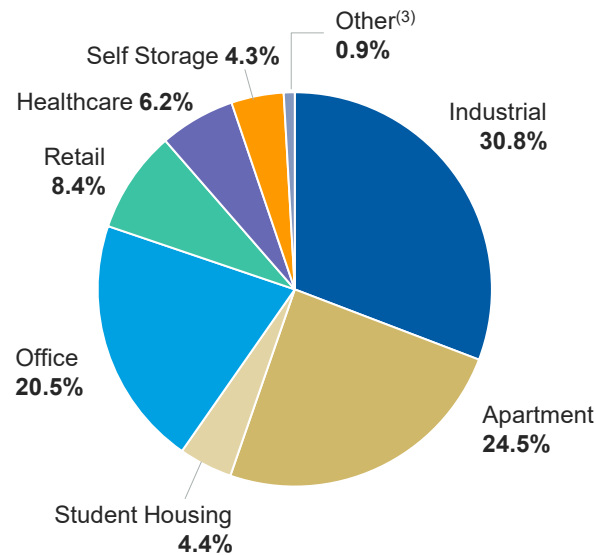
Note
 1. Not depicted above is the less than 1% of GAV allocated to “Other”. For PRIME, Other includes land held for potential development and two hotels. For NFI-ODCE, Other includes hotel and other assets.

Sector Diversification

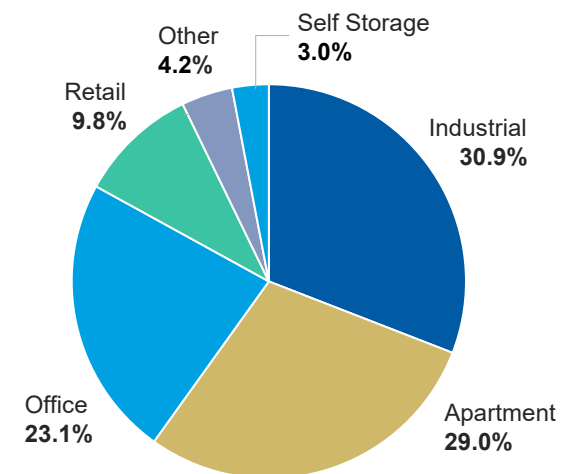
As of September 30, 2022

- Broad property type diversification can reduce overall portfolio volatility
- PRIME's near-term sector diversification targets are⁽²⁾
 - Industrial 20%–30%
 - Apartment 20%–30%
 - Office 20%–30%
 - Retail 5%–15%
 - Healthcare 5%–10%
 - Student Housing 5%–10%
 - Self Storage 0%–5%

PRIME Diversification – Property Sector⁽¹⁾



NFI-ODCE Diversification – Property Sector⁽¹⁾



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns. Diversification does not eliminate the risk of future loss.

1. NFI-ODCE diversification data is presented on a gross asset value basis. The Fund's property sector targets, as set forth in its investment guidelines, are set on a gross asset value basis.
2. These are targets only. The Fund's investment guidelines include no specific limitations or requirements with regard to property type or geographic diversification. The Adviser retains discretion to vary from these targets when it deems it appropriate. There can be no assurance that these targets will be met at any time.
3. For PRIME, other includes land held for potential development and two hotels.

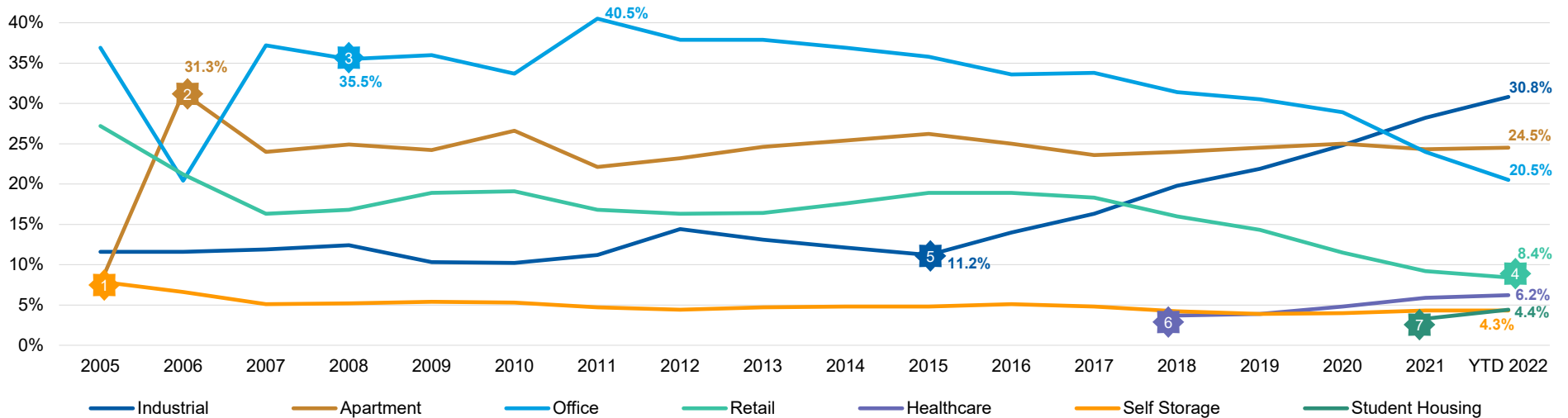
PRIME's Historical Allocations and Tactical Strategies

As of September 30, 2022

Timely and Thoughtful Portfolio Construction Over the Long-Term

- 1 Early in recognizing the institutional acceptance of self storage as a niche asset class with the Safeguard acquisition in 2005
- 2 Dramatically shifted our residential allocation from 7.7% in 2005 to 31.3% with the privatization of AMLI in 2006
- 3 Underweight to the ODCE index in office as we entered the GFC, moved to an overweight during the early recovery and back to an underweight today at 20.5%⁽¹⁾
- 4 Consistently been underweighted to the NFI-ODCE's allocation to retail over the past ten years with an 8.4% retail allocation today⁽²⁾
- 5 Nearly doubled our industrial allocation from 11.2% in 2015 to 21.9% in 2019 with a further increase to 30.8% today
- 6 First fund in the ODCE index to establish a healthcare allocation in 2018 after our initial acquisition in the sector in 2015
- 7 Added student housing as new targeted sector for PRIME in 2021 with a 4.4% allocation today

PRIME Sector Allocations



Notes
 Past performance is not indicative of future results. See the Performance Notes for important information about performance returns. Diversification does not eliminate the risk of future loss.
 1. NFI-ODCE office allocation for 3Q22 was 23.1%. Prior to 2012, NFI-ODCE only disclosed net of debt property allocations. NFI-ODCE net allocations for 4Q08 and 4Q11 were 37.5% and 38.7%, respectively. PRIME net allocations for 4Q08 and 4Q11 were 33.2% and 40.5%.
 2. NFI-ODCE retail allocation as of 3Q22 was 9.8%.

Highlighted Investments⁽¹⁾

As of September 30, 2022



**One Post Office Square,
Boston, MA**

- 100% Ownership
- Leased % - N/A⁽²⁾



**AMLI Marina del Rey,
Marina del Rey, CA**

- 95% Ownership
- 96% Leased



**Fashion Valley Mall,
San Diego, CA**

- 50% Ownership
- 95% Leased



**AMLI concentration in Midtown Miami,
Miami, FL ⁽⁴⁾**

- 97% Ownership
- 97% Leased



**Staten Island Industrial,
Staten Island, NY**

- 100% Ownership
- 100% Leased⁽³⁾



**Cambridgepark Drive,
West Cambridge, MA**

- 100% Ownership
- 84% Leased⁽⁵⁾



**Hills Plaza,
San Francisco, CA**

- 100% Ownership
- 95% Leased



**Dadeland Mall,
Miami, FL**

- 50% Ownership
- 91% Leased

Notes

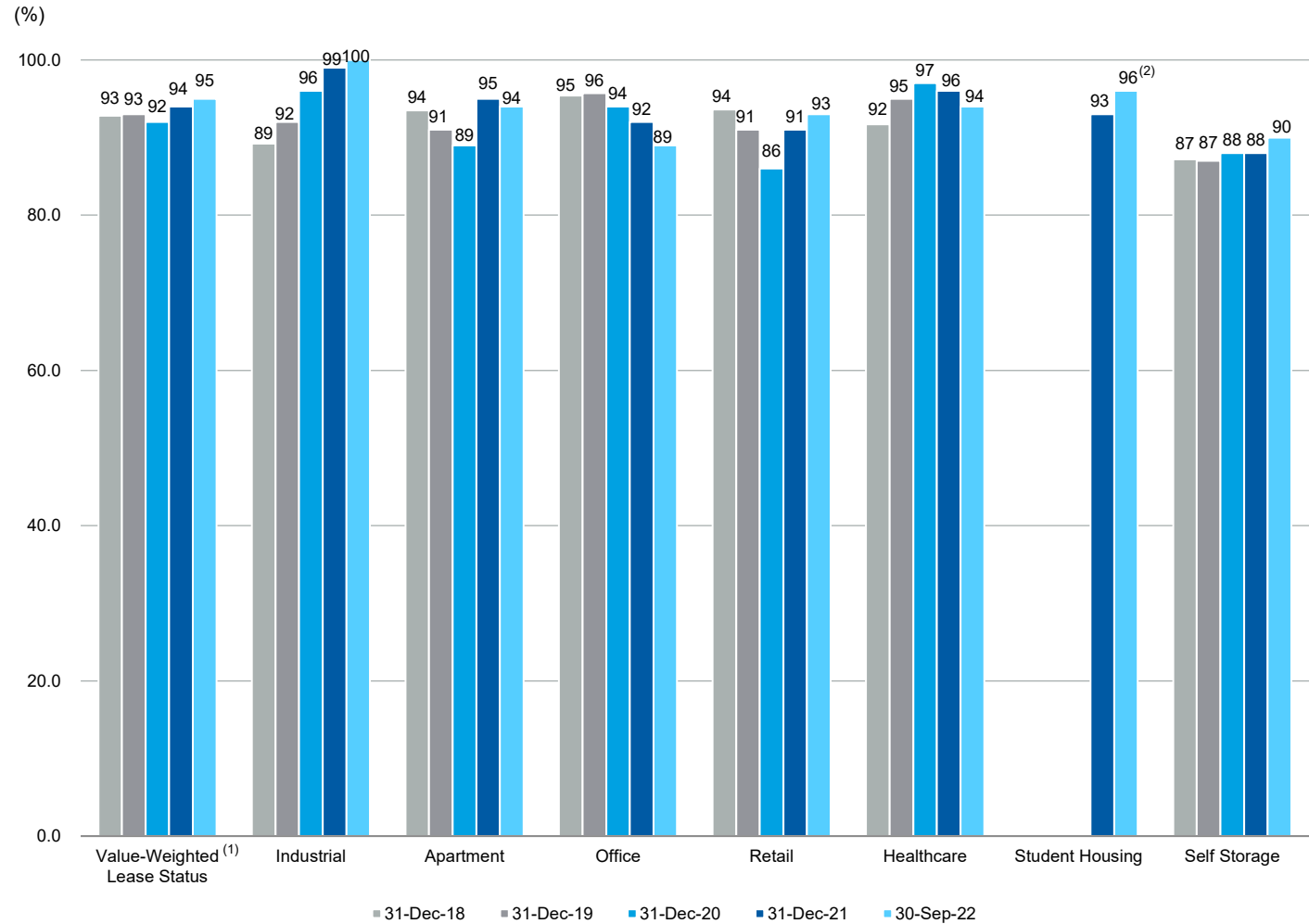
1. Pictured representative investments serve as examples only of how the MSREI team has pursued investments that are consistent with the investment strategy of PRIME. They were not selected on the basis of their performance. These examples are not intended to be complete or representative of all of the real estate investments made by PRIME. Historical performance is not an indication of future results.
2. Office asset is currently under redevelopment. Asset is excluded from all Occupancy and Leased Area percentages.
3. Represents the leased percentage for 526, 546, 566 and 586 Gulf Avenue, Staten Island, NY.
4. Includes three neighboring AMLI assets: Midtown Miami, Midtown 29, and M7 land for the development. Leased percentage represents the weighted average of AMLI Midtown Miami and AMLI Midtown 29
5. Represents the weighted leased percentage across 200, 150, 100 and 125 Cambridgepark Drive, West Cambridge, MA.

Lease Status

As of September 30, 2022

- The apartment lease status excluding three assets in initial lease up is 96.6%
- The self storage lease status excluding two assets in initial lease up is 90.5%

Portfolio Lease Status



Notes

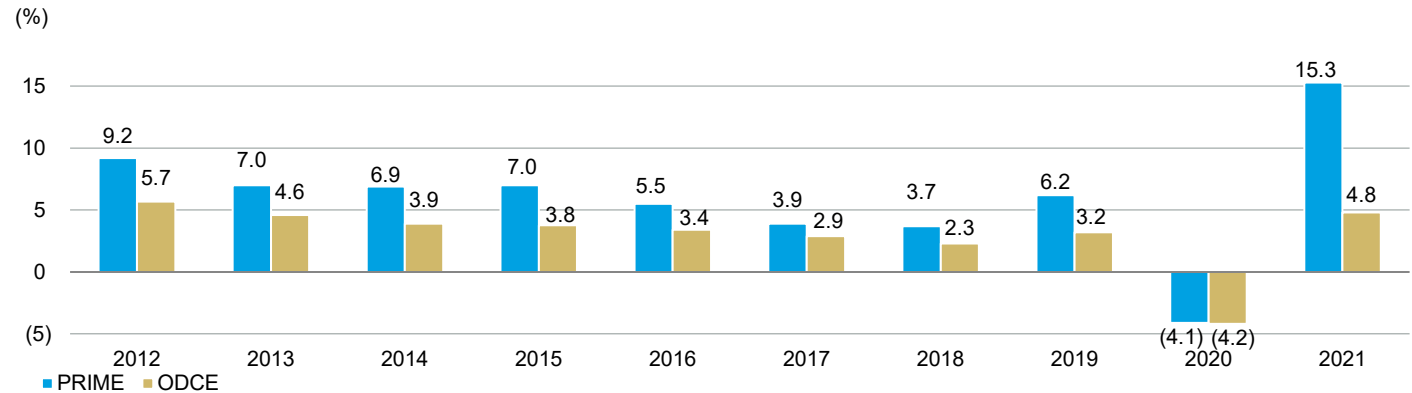
1. Lease Status is value weighted (i.e., calculated using the asset values gross of debt) and adjusted for ownership share.
 2. As of 3Q2022, the following properties have "down" beds which have been excluded as these beds are currently not available for lease: Midtown Lofts (165), 412 Lofts (118), Austin Waterloo (6), Edge on Oak (2), Sydney Hall and Dinkydome (156), Lothlorien (54) and Wilsonian (1)

Comparable Property Level Net Operating Income

As of September 30, 2022

- PRIME's five and ten-year same-store average Comparable Property Level Net Operating Income growth is 5.0% and 6.1% versus the ODCE at 1.8% and 3.0%, respectively⁽²⁾

PRIME vs. ODCE Net Operating Income Growth⁽¹⁾



Source: NCREIF, data as of 4Q 2021

- Comparable Property Level Net Operating Income growth for the nine months ended September 30, 2022 was 11.8%⁽³⁾

PRIME Net Operating Income⁽⁴⁾

Same-Store Analysis – For the nine months ended September 30,

	Comparable Property Net Operating Income (\$ in MM)		
	2022	2021	Inc / (Dec) 09/30/2022 ⁽⁵⁾
Industrial	\$288.0	\$255.5	12.7%
Apartment	261.9	198.3	32.1%
Office	296.5	303.4	(2.3)%
Retail	119.7	108.7	10.1%
Healthcare	76.3	76.8	(0.7)%
Self Storage	58.6	47.9	22.3%
Other	2.4	(3.9)	161.5%
Total Property Level Net Operating Income⁽⁴⁾	\$1,103.4	\$986.7	11.8%

Notes

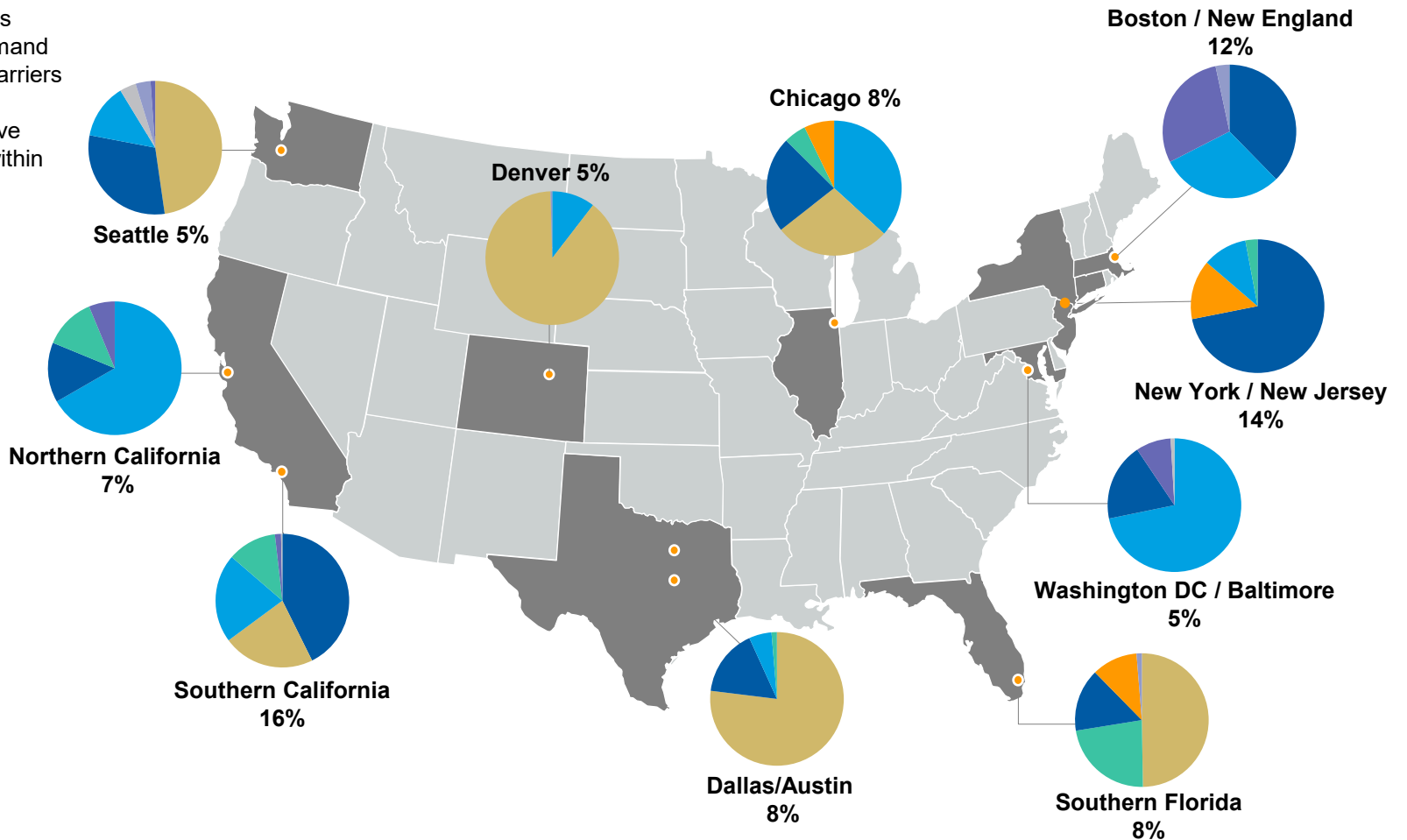
Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

- NFI-ODCE year over year net operating growth looks at growth rates based on the past 8 quarters of same store data
- Simple average based on calendar years 2012 through 2021.
- Comparable total net operating income growth, including operating companies, for the nine months ended September 30, 2022, was 11.3%.
- When comparing asset classes, keep in mind that each has differences. Due to the appraisal methods for valuing real estate, there may be inherent issues when comparing real estate to other asset classes.
- To provide a more meaningful basis for comparison, net operating income includes income before debt service and, for a given calendar month, includes only income generated by real estate investments held by the Fund for at least 13 months prior to the end of that month and excludes net operating income from AMLI operating company \$(9.1)M for the nine months ended September 30, 2022 and \$(3.5)M for the nine months ended September 30, 2021 and Safeguard Self Storage operating company \$(1.2)M for the nine months ended September 30, 2022 and \$(1.2)M for the nine months ended September 30, 2021.

Top PRIME Markets

As of September 30, 2022

- Primary market focus given diversified demand drivers and higher barriers to new supply with strategic and selective exposure targeted within each market



Representative Industrial Assets



20333 S Normandie Avenue, Los Angeles, CA



Turnpike Distribution Center, Medley, FL



10201 NW 112th Street, Miami, FL



3 Montgomery Way, Robbinsville, NJ



Airport West Distribution Center, Atlanta, GA



3 South Middlesex Avenue, Monroe, NJ



5900 Skylab Road, Huntington Beach, CA



4501 West Valley Highway East, Sumner, WA



10501 Seymour Avenue, Franklin Park, IL

Note
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PRIME Industrial

As of September 30, 2022

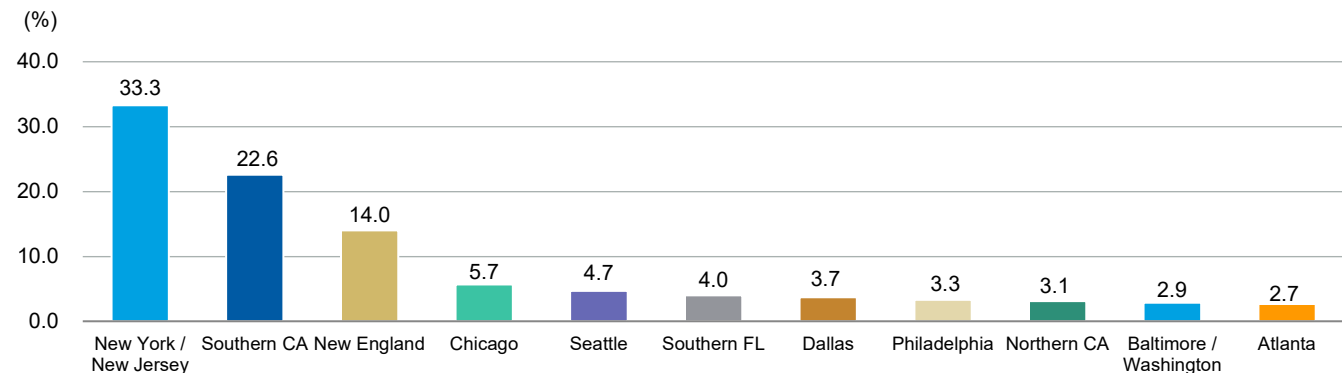
Key Metrics	
Assets:	207
Square Feet:	60.6 Million
Allocation:	30.8%
Leased:	99.5%
2022 NOI Growth ⁽¹⁾ :	12.7%

- 80% of assets are located within a one-hour drive to the center of gravity (optimal population location) in each major metro

Strategy – To focus on clustering holdings in key trade-oriented distribution markets

- PRIME has more than doubled its industrial allocation from 11% in 2015 to 22% in 2019 with a further increase to 30.8% today, while maintaining a disciplined focus on targeted industrial markets
 - PRIME’s industrial portfolio has experienced average annual NOI Growth of 11.2% from 2018 to 3Q22
 - Market rents across PRIME’s industrial portfolio have increased over 60% from 2018 to 3Q22
 - Average market rents are almost 50% higher than current contract rents, per the third-party appraisers
 - Rollover exposure for the remainder of 2022 is 0.9%, followed by 9.3% in 2023, 8.1% in 2024, 11.1% in 2025, 14.3% in 2026 and 10.3% in 2027– approximately 54.0% cumulatively
- Primary distribution markets have achieved higher rent growth vs secondary markets over the past ten years
 - MSREI believes outperformance will likely continue due to depth of demand and greater supply constraints

PRIME Market Concentrations⁽²⁾



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns and the characteristics of the MSCI Index.

- To provide a more meaningful basis for comparison, net operating income includes income before debt service and, for a given calendar month, includes only income generated by real estate investments held by the Fund for at least 13 months prior to the end of that month.
- Appraised value at ownership basis.

Representative Apartment Assets



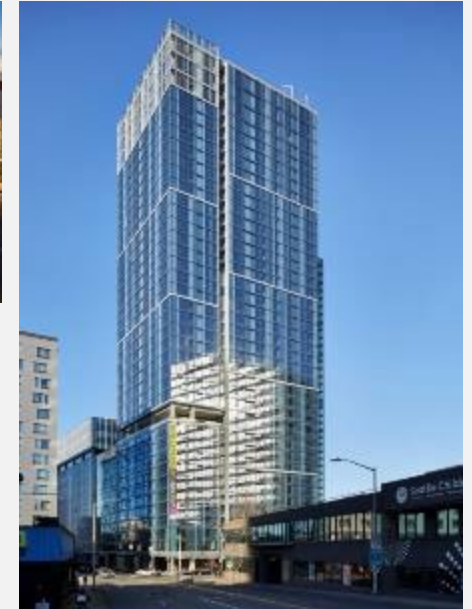
AMLi River North, Chicago, IL



AMLi Quadrangle, Dallas, TX



AMLi Park Broadway, Long Beach, CA



AMLi Arc, Seattle, WA



AMLi Lex on Orange, Glendale, CA



AMLi on Aldrich, Austin, TX



AMLi RidgeGate, Lone Tree, CO



AMLi Joya, Miami, FL



AMLi 3464, Atlanta, GA

Note
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PRIME Apartment

As of September 30, 2022

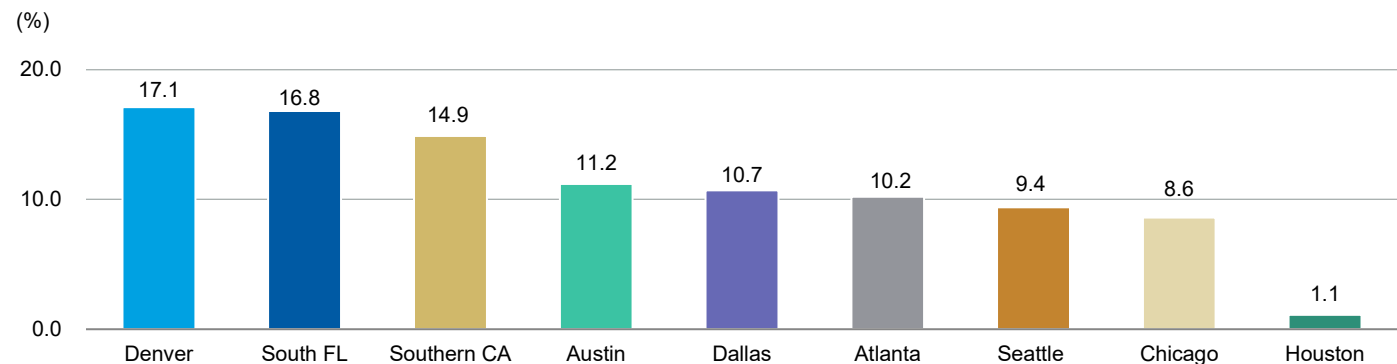
Key Metrics	
Assets:	88
Units:	26,954
Allocation:	24.5%
Leased ⁽¹⁾ :	94.4% / 96.6%
2022 NOI Growth ⁽²⁾ :	32.1%

- The portfolio loss to lease was 8.0%
- Effective rents have increased 18.9% over the past year

Strategy – To focus on markets with strong population and employment growth as well as supply-constrained infill submarkets

- AMLI, wholly-owned and controlled by PRIME, has been a key differentiator in driving efficiency and value creation across our apartment portfolio
 - Developed increasingly important brand recognition through targeted market concentration combined with on-line presence
 - Heavily invested in technology allowing for revenue maximization and cost controls
 - Established culture of providing outstanding service and management to its customers
- AMLI's development platform provides the opportunity for PRIME to create new product in select markets built with long-term ownership in mind

PRIME Market Concentrations⁽³⁾



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

1. As of September 30, 2022, the leased status including assets in lease up was 94.4% and excluding assets in lease up was 96.6%.

2. To provide a more meaningful basis for comparison, net operating income includes income before debt service and, for a given calendar month, includes only income generated by real estate investments held by the Fund for at least 13 months prior to the end of that month and excludes net operating income from AMLI operating company \$(9.1)M for the nine months ended September 30, 2022 and \$(3.5)M for the nine months ended September 30, 2021.

3. Appraised value at ownership basis.

Representative Office Assets



100 Congress Avenue, Austin, TX



One Post Office Square, Boston, MA



1601 Wewatta, Denver, CO



Wilshire Beverly Center, Beverly Hills, CA



Rowes Wharf, Boston, MA



Hills Plaza, San Francisco, CA

Note

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PRIME Office

As of September 30, 2022

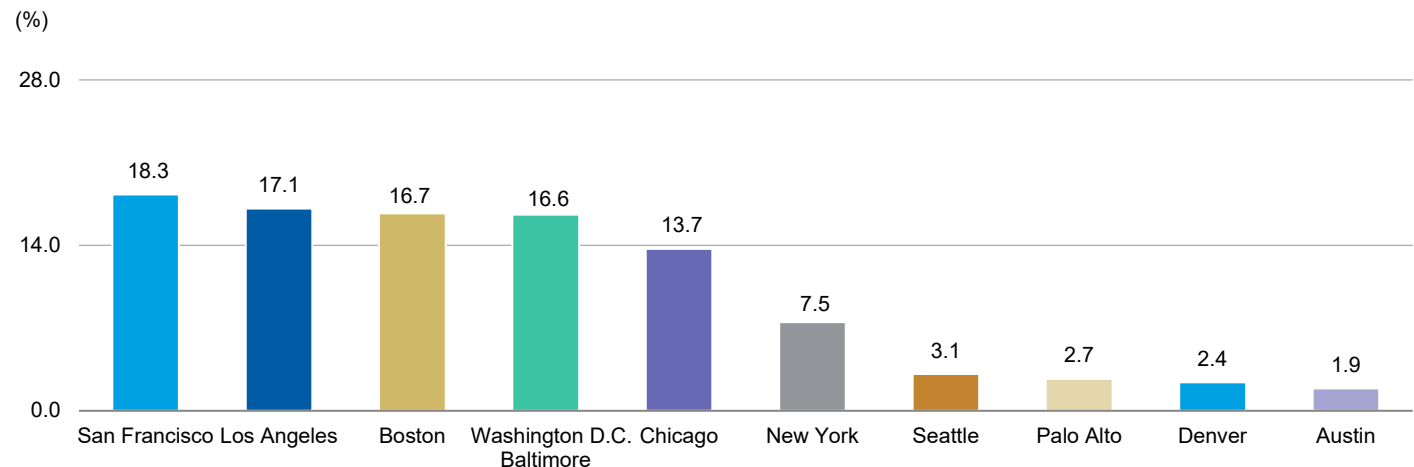
Key Metrics	
Assets:	34
Square Feet:	12.8 Million
Allocation:	20.5%
Leased:	89.1%
2022 NOI Growth ⁽¹⁾ :	(2.3)%

- Major office tenants include CNA Financial, Deloitte, Ernst & Young, Google, Kaiser, Parsons Engineering, and Skadden, Arps, Slate, Meagher & Flom
- PRIME's office portfolio is currently valued, on average, 9% below its peak values from year-end 2018, inclusive of capital expenditures⁽³⁾

Strategy – To target large, high-quality assets that are more resilient to market cycles and generally attract better credit-quality tenants committing to longer-term leases

- Concentrated in major “24-hour” cities and locations
- Focus on investments that can mitigate historically high volatility of office properties
- Average office asset value at ownership share of \$276.6M
- Weighted average remaining lease term of over five years
- MSREI expects the performance gap to widen between high quality, modern product in higher growth markets versus older, commodity assets

PRIME Market Concentrations⁽²⁾



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

- To provide a more meaningful basis for comparison, net operating income includes income before debt service and, for a given calendar month, includes only income generated by real estate investments held by the Fund for at least 13 months prior to the end of that month.
- Appraised value at ownership basis.
- Calculated at PRIME's ownership as of September 30, 2022. Excludes assets that have been converted to life-science, assets currently in development and redevelopment, assets acquired and disposed of since December 31, 2018, and the impact of any ownership percentage changes.

Representative Retail Assets



Fashion Valley Mall, San Diego, CA



Christiana Mall, Newark, DE



Dadeland Mall, Miami, FL



Wynn Shops, Las Vegas, NV



100 Stockton Street, San Francisco, CA



103 Prince Street, New York, NY

Note

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PRIME Retail

As of September 30, 2022

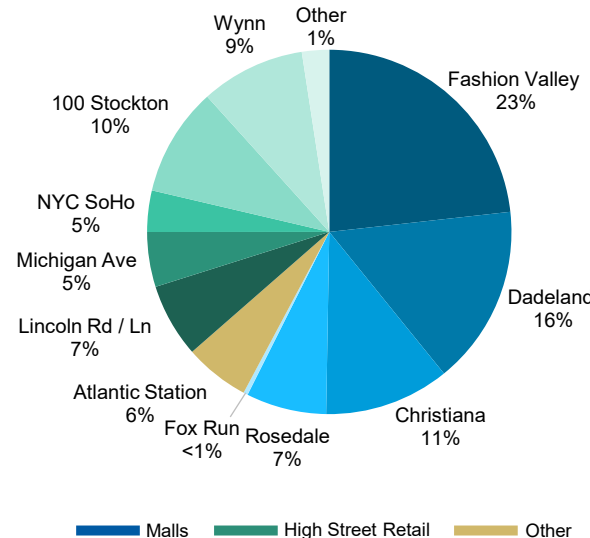
Key Metrics	
Assets:	23
Square Feet:	7.4 Million
Allocation:	8.4%
Leased:	92.7%
2022 NOI Growth ⁽¹⁾ :	10.1%

Strategy – To focus on irreplaceable retail assets that have strategic value to tenants while understanding the need of an evolving customer experience

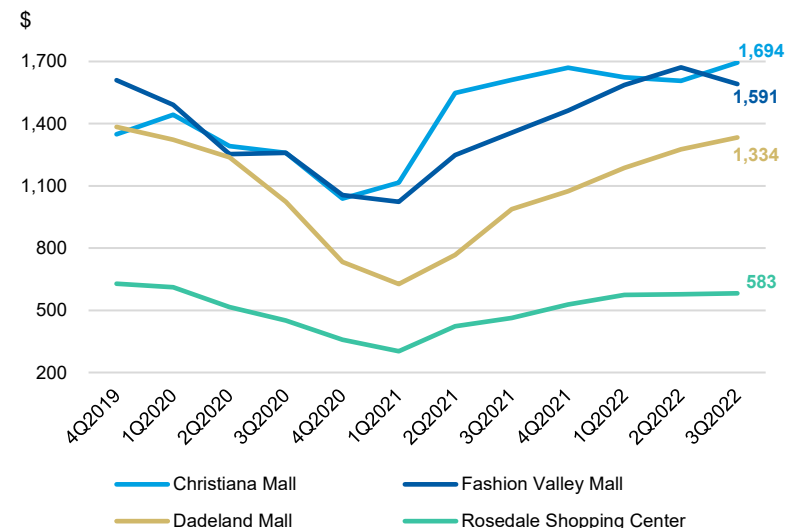
- PRIME has consistently been underweighted to the NFI-ODCE's allocation to retail over the past ten years
- MSREI believes higher quality, well-located holdings will likely continue to outperform as retailers reorient locations and footprints

- The retail portfolio is currently valued on average 23% below near-term peak valuations inclusive of capital expenditures
- PRIME's top four malls comprise 57% of the retail allocation
- At PRIME's top four malls, trailing twelve-month sales are up, on average, 81% from the trough over the past few years, approaching or exceeding pre-COVID levels from fourth quarter of 2019

PRIME Retail Profile



PRIME Historical TTM Sales⁽²⁾



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

1. To provide a more meaningful basis for comparison, net operating income includes income before debt service and, for a given calendar month, includes only income generated by real estate investments held by the Fund for at least 13 months prior to the end of that month.
2. Represents sales for in-line tenants less than 11,000 square feet.

Representative Healthcare Assets



502 Madison Oak Drive, San Antonio, TX



828 Winter Street, Waltham, MA



150 Cambridgepark Drive, Cambridge, MA



7000 Marina Boulevard, Brisbane, CA



1720 El Camino, Burlingame, CA



601 7th Street South, St. Petersburg, FL

Note
Pictured representative investments serve as examples only of how the MSREI team has pursued investments that are consistent with the investment strategy of PRIME. They were not selected on the basis of their performance. These examples are not intended to be complete or representative of all of the real estate investments made by PRIME. Historical performance is not an indication of future results.

PRIME Healthcare

As of September 30, 2022

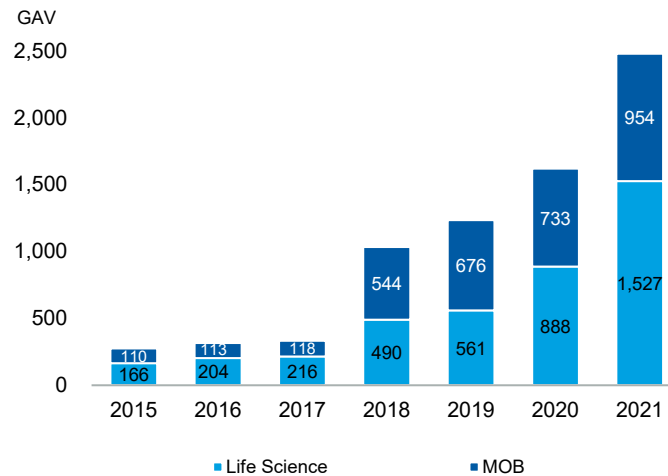
Key Metrics	
Assets:	44
Square Feet:	5.8 Million
Allocation:	6.2%
Leased:	93.7%
2022 NOI Growth ⁽¹⁾ :	(0.7)%

- After making its first investments in 2015, PRIME established a healthcare allocation in September 2018
- At 3Q22, the \$3.4Bn portfolio is comprised of 65% life science holdings and 35% medical office properties

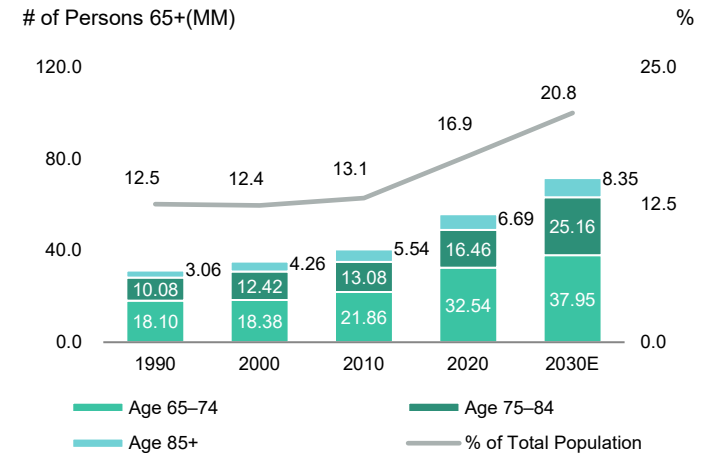
Strategy – To own assets directly advantaged from demand tailwinds of an aging population and increased trend in healthcare spending

- The age 65+ cohort requires the highest need for health services and is projected to grow at 2.5% vs 0.4% for the rest of the population over 2020 - 2030
- We believe the sector has defensive attributes given non-cyclical demand and limitations on speculative supply
- Targeted holdings will be medical office properties that are on-campus or campus-adjacent to credit health systems and life-science buildings in a select number of the U.S. biotech nodes
- PRIME currently owns 35 medical office properties across the U.S. and nine life science buildings in the Boston, San Francisco, and Washington D.C. areas

Historical Exposure



Population Growth: 65+ Cohort to Grow by 17MM People Over Next 10 Years



Source: U.S. Census Bureau, Moody's Analytics, MSREI Strategy, as of October 2022

Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

1. To provide a more meaningful basis for comparison, net operating income includes income before debt service and, for a given calendar month, includes only income generated by real estate investments held by the Fund for at least 13 months prior to the end of that month.

Representative Student Housing Assets



District Flats – University of Missouri, Columbia MO



The Hub – University of Arizona, Tucson, AZ



The Lux – University of Wisconsin, Madison, WI



Catalyst – Florida State University, Tallahassee, FL



412 Lofts – University of Minnesota, Minneapolis, MN



Aspen – Georgia State University, Atlanta, GA



Skybox – University of Oregon, Eugene, OR



The Deacon – University of Cincinnati, Cincinnati, OH



Lothlorien – University of Washington, Seattle, WA

Note
Pictured representative investments serve as examples only of how the MSREI team has pursued investments that are consistent with the investment strategy of PRIME. They were not selected on the basis of their performance. These examples are not intended to be complete or representative of all of the real estate investments made by PRIME. Historical performance is not an indication of future results.

PRIME Student Housing

As of September 30, 2022

Key Metrics	
Assets:	46
Beds:	18,558
Allocation:	4.4%
Leased:	95.9%⁽⁴⁾

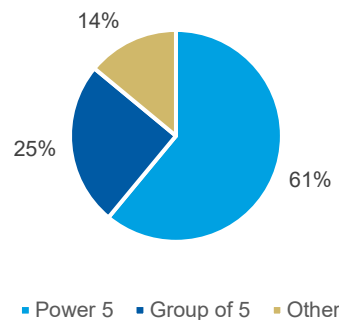
- The properties will be operated under GSA's global brand Yugo that seeks to offer differentiated living experiences that are environmentally and socially conscious, emotionally supportive and safe

Strategy – To take advantage of supportive secular trends, growing institutional interest in the asset class and the current attractive yield spread to conventional apartments

- PRIME has partnered with Global Student Accommodations ("GSA") in an 85/15 joint venture to acquire and manage a diverse portfolio of student housing assets
 - GSA is a global investor in and operator of student housing with over \$5 billion in AUM and active in nine countries with assets in 70 of the world's leading educational cities
- PRIME and GSA intend to scale the venture over the next several years with a target of increasing PRIME's allocation to student housing to 5-10%
- Acquisitions since Q4 2021 have allowed PRIME to obtain scale and diversified exposure to Student Housing over a short time frame
 - Geographically, the portfolio footprint spans the country: 6,646 (36%) beds are in the Southeast and Mideast, 4,488 (24%) beds are in the Midwest, 4,740 (26%) beds are in the West and Southwest, 2,474 (13%) beds are in the Pacific Northwest and 210 (1%) beds are in the Northeast
 - The portfolio's university mix represents an attractive, diversified group of large, growing universities. The weighted-average historical 5-year enrollment growth of the portfolio's schools is 3.4% p.a.⁽³⁾

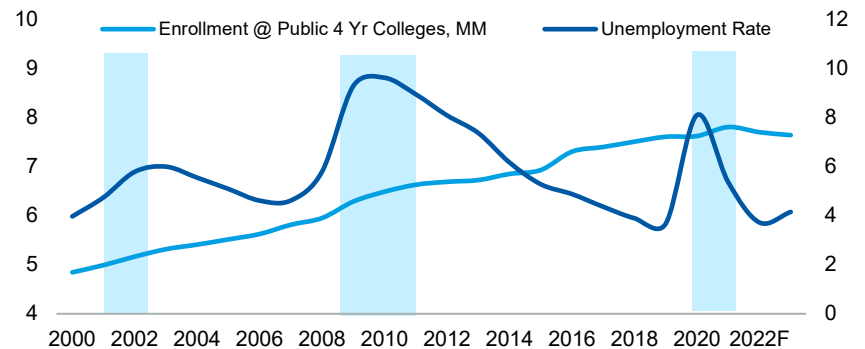
Portfolio University Mix⁽¹⁾⁽²⁾

Percentage of Beds



Recession Resistant Asset Class

Undergraduate College Enrollment (MM) vs Unemployment Rate (%)



Source: US Census Bureau, Moody's Analytics, National Center for Education Statistics, MSREI Strategy, as of November 2022

Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

- Power 5 schools are universities that compete athletically in the ACC, Big Ten, Big 12, Pac-12, or SEC conferences. These are the largest athletic conferences in the country.
- Group of 5 schools are universities that compete athletically in the American Athletic Conference, Conference USA, Mid-American Conference, Mountain West Conference, and Sun Belt Conference.
- U.S. historical 5-year total enrollment growth is -1.0% p.a. over the five years to Fall 2020 and 5.3% over the five years to Fall 2021. Weighted average historical 5-year includes 2016 to 2021.
- As of 3Q2022, the following properties have "down" beds which have been excluded as these beds are currently not available for lease: Midtown Lofts (165), 412 Lofts (118), Austin Waterloo (6), Edge on Oak (2), Sydney Hall and Dinkydome (156), Lothlorien (54) and Wilsonian (1)

Representative Self Storage Assets



Hialeah Northeast, Miami, FL



Coconut Creek, Coconut Creek, FL



615 5th Avenue, Larchmont, NY



Ebbetts Field, Brooklyn, NY



Lansdowne, Upper Darby, PA



Hawthorne, Hawthorne, NJ

Note

Pictured representative investments serve as examples only of how the MSREI team has pursued investments that are consistent with the investment strategy of PRIME. They were not selected on the basis of their performance. These examples are not intended to be complete or representative of all of the real estate investments made by PRIME. Historical performance is not an indication of future results.

PRIME Self Storage

As of September 30, 2022

Key Metrics

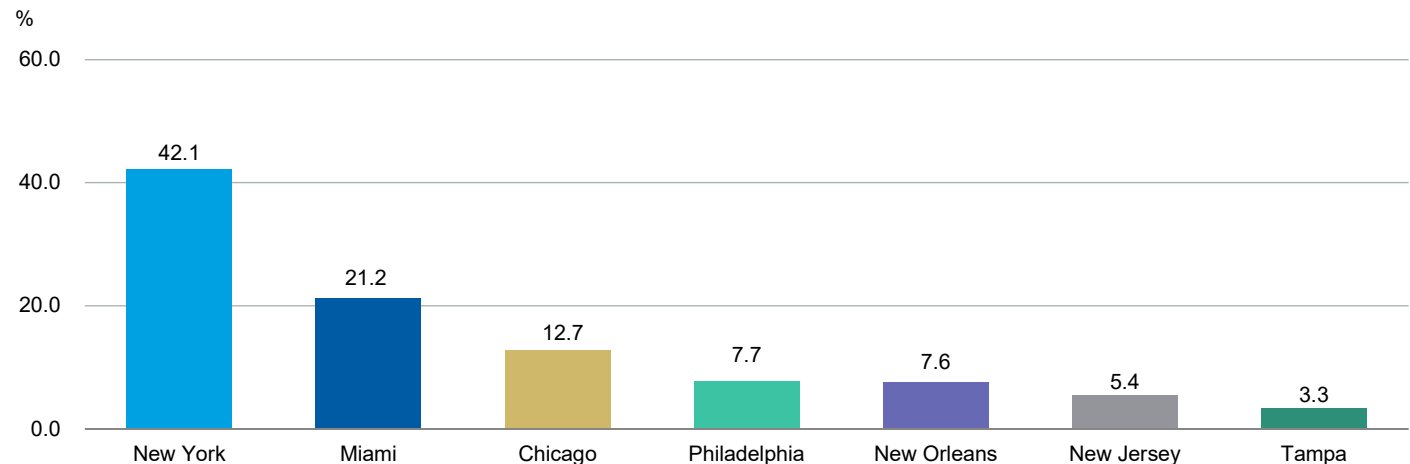
Assets:	88
Square Feet:	4.6 Million
Allocation:	4.3%
Leased ⁽¹⁾ :	89.8% / 90.5%
2022 NOI Growth ⁽²⁾ :	22.3%

- Early in recognizing the institutional acceptance of self storage as a niche asset class with the Safeguard acquisition in 2005
- Gross asset value of the portfolio is \$1,989 million

Strategy – To concentrate holdings in infill sub-markets with limited supply and strong demographics and grow primarily through selective development

- Safeguard, wholly-owned and controlled by PRIME, is a proven operator of self storage assets
- All assets are managed under the Safeguard brand with strong concentrations in greater New York, South Florida and Chicago
- Target high density locations with below-average space per capita metrics
- Safeguard is currently constructing seven new facilities with total budgeted construction costs of approximately \$143.8M (\$67.6M funded to date)

Safeguard Market Concentrations ⁽³⁾



Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

1. As of September 30, 2022, the leased status including assets in lease up was 89.8% and excluding assets in lease up was 90.5%.
2. To provide a more meaningful basis for comparison, net operating income includes income before debt service and, for a given calendar month, includes only income generated by real estate investments held by the Fund for at least 13 months prior to the end of that month and excludes net operating income from and Safeguard Self Storage operating company \$(1.2)M for the nine months ended September 30, 2022 and \$(1.2)M for the nine months ended September 30, 2021.
3. Appraised value at ownership basis.

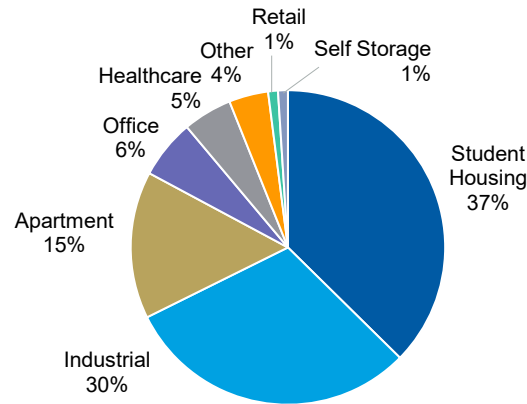
PRIME Acquisitions and Dispositions (1)(2)

As of September 30, 2022

- Over the past two years, PRIME has acquired \$4.1B. Based on purchase price at ownership, 37% of the total acquisition volume was in the student housing sector, 30% in industrial, 15% in apartment, 5% in healthcare, 6% in office and 1% in self-storage
- Dispositions over the last five years have had an average sales price of 3.1% above the most recent appraised value. 2021 dispositions had an average premium of 5.2%

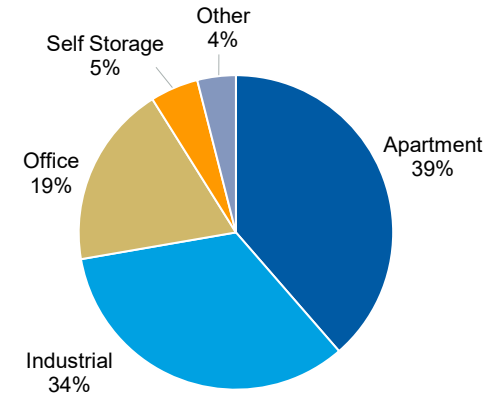
Acquisition Activity By Sector

Trailing 24 Months



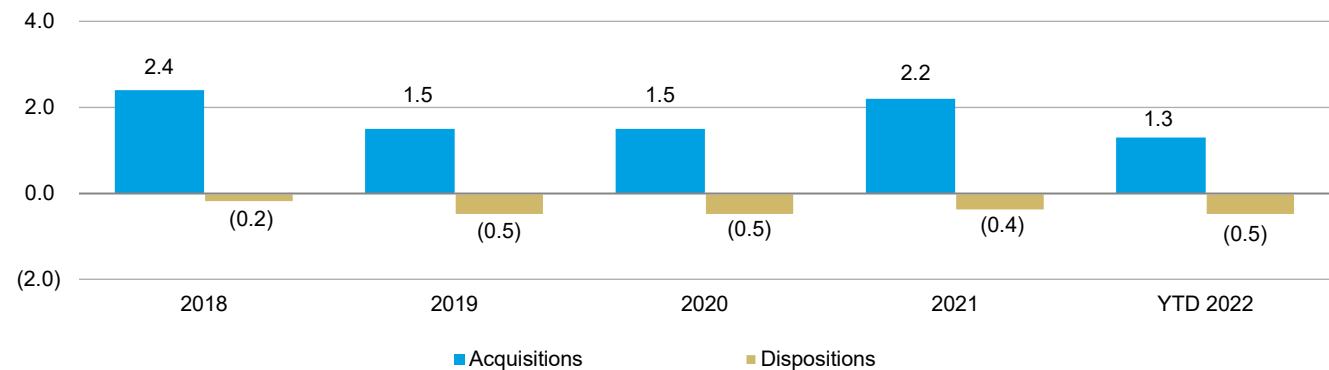
Disposition Activity By Sector

Trailing 24 Months



Transaction Activity

\$Bn



Notes

Past performance is not indicative of future results.

- The amounts do not include development other than the initial acquisition of land.
- Based on PRIME's share of purchase price/sales price at ownership.

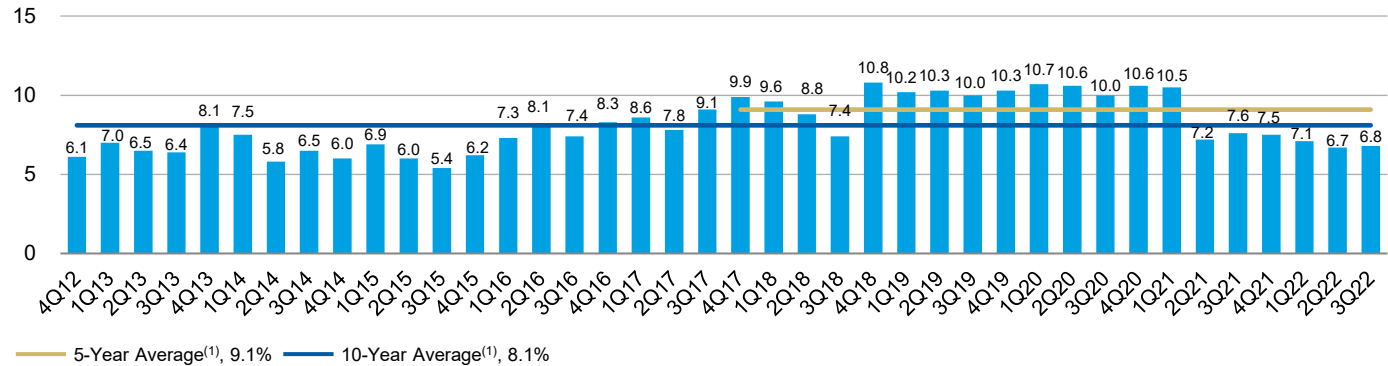
PRIME Value Add

As of September 30, 2022

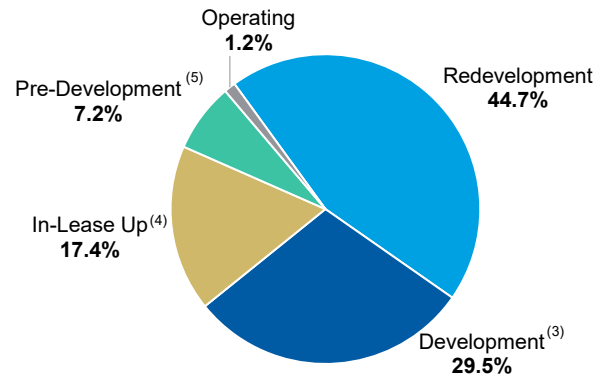
- PRIME's Investment Guidelines allow a portion of the Fund's assets (generally less than 15% of gross assets) to be invested in properties with reasonable asset enhancement opportunities

Value Add

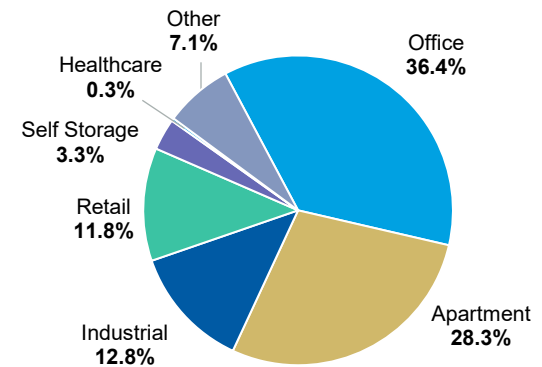
As % of Gross Asset Value



Value Add by Type ⁽²⁾



Value Add by Sector ⁽²⁾



Notes

- Simple average provided.
- Appraised value at ownership basis.
- Development is defined as assets that are under construction.
- In Lease-Up is defined as assets that have not achieved 70% leased status and have not received final certificate of occupancy (CO).
- Pre-Development is defined as assets that are land held for future development.
- Other primarily includes land held for potential development.

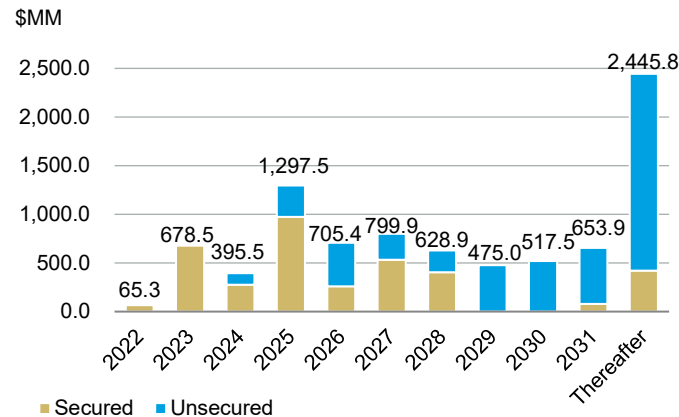
Debt Profile

As of September 30, 2022

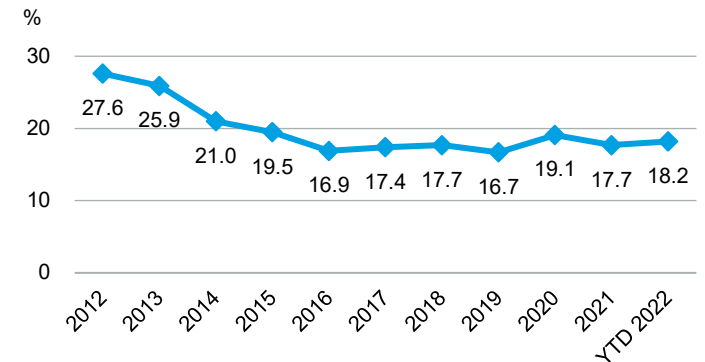
- PRIME's target range for leverage is 15%–25%
- PRIME's debt strategy of maintaining a mix of secured and unsecured financing allows the Fund to effectively and actively manage the portfolio as well as tap into a more diverse set of lending sources
- The Fund has no outstanding forward commitments

Leverage ⁽¹⁾ (%)	18.2
Fund Rating (Standard & Poor's) ⁽²⁾	A
Weighted Average Cost of Debt (%)	3.8
Weighted Average Debt Remaining Term	6.7 years
Unsecured Debt (%)	57.4
Fixed Rate Debt (%)	82.0
Cash to Net Assets (%)	1.2

Debt Maturity Schedule ⁽¹⁾⁽³⁾



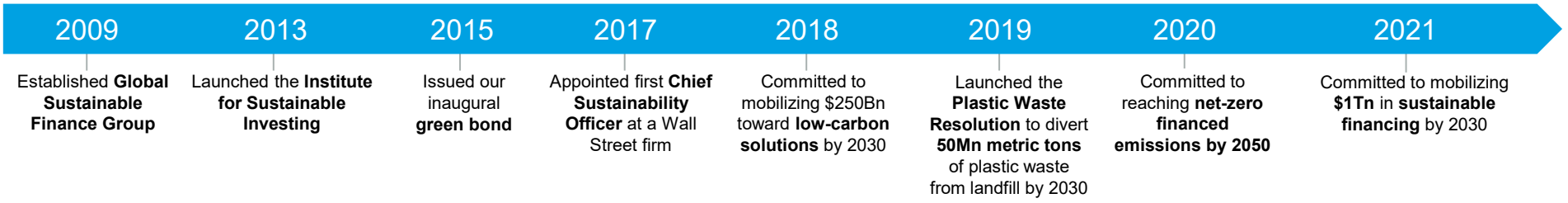
Historical Annual Leverage ⁽⁴⁾



Notes

1. Includes all wholly-owned debt and PRIME's proportionate share of joint venture debt.
2. In June 2021, S&P revised the outlook for PRIME from Stable to Negative citing an increased Debt to EBITDA multiple and elevated credit-protection metrics relative to pre-COVID-19 levels.
3. Maturity schedule reflects wholly owned and joint venture debt at ownership share. Excludes the Fund's \$750 million line of credit and the \$10 million AMLI line of credit, both of which had a zero outstanding balance as of September 30, 2022. Information is as of September 30, 2022 and is subject to change at any time.
4. Financing, on a portfolio-wide basis, will be targeted at 15% to 25% on a consolidated basis (i.e., counting, for these purposes, off-balance sheet leverage used by joint ventures, on a pro rata basis to the Fund). In no event, however, will the Fund's consolidated leverage exceed 50% of the gross value of the Fund's assets at the time the debt is incurred, unless the Board determines otherwise.

Morgan Stanley and MSIM's Commitment to Sustainability



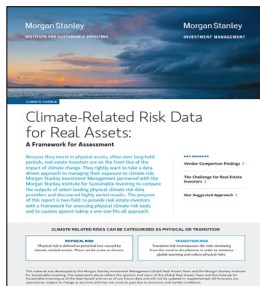
Morgan Stanley Institute for Sustainable Investing

Founded and chaired by Morgan Stanley CEO & Chairman, **James Gorman**, and guided by a prominent **Advisory Board** of industry experts and academics

Twelve years of **capacity building** through the Kellogg-Morgan Stanley Sustainable Investing Challenge and 9 years of the Morgan Stanley Sustainable Investing Fellowship

Regular publications and events on sustainable investing trends and themes

Assessing Climate-Related Risk Data for Real Assets



Firmwide Sustainability

Committed to **net-zero financed emissions** by 2050 and **carbon-neutral operations** by 2022

Joined the Steering Committee of the **Partnership for Carbon Accounting Financials** and the **Net-Zero Banking Alliance**

Set goals to increase the number of **women officers globally by 25%**, and **Black and Hispanic officers in the U.S. by 50%** ⁽¹⁾

Active membership and/or partnership with numerous **sustainable finance and business initiatives, including:**



MSIM Sustainable Investing Overview

Integration & Innovation

MSIM is committed to considering and incorporating material ESG issues when evaluating investment opportunities across both public and private markets

\$60Bn+ sustainable fund assets under management across MSIM and Calvert investment strategies ⁽²⁾

670+ company engagements in 2021 covering sustainability issues ranging from decarbonization and climate risk to diverse and inclusive business practices

Industry Collaboration

MSIM actively participates in industry networks to promote sustainable investing:



MSIM Sustainability Governance

A collaborative structure to integrate sustainability e.g., via the MSIM Sustainability Council and Sustainability Core Teams

Notes

All data points as of December 31, 2021, [2021 Morgan Stanley Sustainability Report](#).



1. Officers includes Managing Directors, Executive Directors and Vice Presidents.

2. The AUM figures referenced here relate to our 'Sustainable Core' and 'Sustainable Objective and Impact' AUM (as defined on page 37 of [2021 Morgan Stanley Sustainability Report](#)) of Legacy MSIM strategies plus total Calvert Research and Management AUM.

PRIME Sustainability

As of September 30, 2022

- PRIME has implemented a **comprehensive sustainability strategy**, aimed at monitoring resources consumed by its real estate assets, thereby creating the potential for the Fund to reduce its carbon footprint in a financially responsible way.
- MSIM has been a signatory to the **United Nations Principles for Responsible Investment (UN PRI)** since 2013.
- The aspiration of achieving net-zero and interim steps toward that aspiration are non-binding and subject to change at any time at the discretion of the Adviser. There is no guarantee that the Fund will achieve this aim.

Achievements	Certifications	Targets
<ul style="list-style-type: none"> GRESB score of 81 in 2022, a two-point decrease from the prior year, consistent with the peer group ⁽¹⁾ <ul style="list-style-type: none"> – 4 Green Star rating – 30-point improvement since 2014  PRIME received an A in the UN PRI 2020 survey Property module for the third year in a row ⁽²⁾ <ul style="list-style-type: none"> – Overall, in 2020, MSIM achieved a straight A scorecard ⁽²⁾  The Adviser previously sought to reduce same-store energy use and Scope 1 and 2 greenhouse gas emissions by 8% by 2022 from a 2017 base year for its directly managed portfolio ⁽³⁾ <ul style="list-style-type: none"> – As of year-end 2020, energy and GHG consumption were reduced by 20% and 17% respectively since 2017 ⁽⁴⁾ 	<ul style="list-style-type: none"> 32.4% of PRIME's assets are LEED certified ⁽⁵⁾ Weighted average LEED certification of Gold ⁽⁵⁾ <p>Office</p> <ul style="list-style-type: none"> 77.9% of the Fund's office portfolio is LEED certified ⁽⁵⁾ 19 assets representing 64% of the Fund's office portfolio were eligible for ENERGY STAR certification ⁽⁵⁾ 15 buildings representing 65% of the Fund's office portfolio have achieved the third-party verified WELL Health-Safety Rating <p>Apartment</p> <ul style="list-style-type: none"> 48 LEED certified assets with an additional nine assets pursuing certification 42 AMLI assets have an ENERGY STAR certification, with a weighted average ENERGY STAR score of 92 ⁽⁵⁾ AMLI recognized as the ENERGY STAR Partner of the Year in 2022 by the U.S. EPA for the 4th consecutive year 	<ul style="list-style-type: none"> The Fund aspires to achieve net-zero emissions by 2050 in line with global efforts to limit warming to 1.5°C above pre-industrial levels: subject to the limitations of existing technologies and regulations ⁽⁶⁾⁽⁷⁾⁽⁸⁾ As part of the net-zero aspiration, the Adviser currently anticipates working to reduce same store Scope 1 and 2 GHGe by 30% by 2030 (against a 2019 base year) ⁽⁷⁾⁽⁸⁾ <ul style="list-style-type: none"> – The Adviser anticipates that this aspiration would include: <ul style="list-style-type: none"> - Seeking to reduce energy use by 15% by 2030 (Base: 2019) - Having 20% of overall buildings seek to install on-site solar by 2030 (Base: 2019) – Currently, over 11% of existing buildings have solar enabled AMLI requires all new developments attempt a minimum of LEED Silver certification or higher

Notes

- Past Performance not indicative of future results. Scores and certifications described herein are based on methodology and criteria created by the respective organizations, which are not fully known to Morgan Stanley. GRESB results reflect 2020 and 2021 Asset-level ESG Performance Data as reported in the 2022 GRESB response. The content of this section is for informational purposes only and is not intended to predict the performance of Prime Property Fund or any investment thereof. Participation in the GRESB Real Estate Assessment, a not-for-profit organization for which MSIM is an investor member, includes an annual participation fee payable by the Fund. Such participation fees are not payments for a rating.
- Past Performance not indicative of future results. PRI results shown are from 2020 reporting. Scores and certifications described herein are based on methodology and criteria created by the respective organizations, which are not fully known to Morgan Stanley. The content of this section is for informational purposes only and is not intended to predict the performance of Prime Property Fund or any investment thereof. Participation in the PRI assessment, a not-for-profit organization for which MSIM is a signatory, includes an annual membership fee payable by MSIM. Such membership fees are not payments for a rating.
- Assets within PRIME's operational control. Where tenants are in control of their own meter and pay utility bills directly, those emissions are considered scope 3 and were not included in PRIME's scope 1 and 2 GHGe reduction targets.
- Note that COVID-19 impacted data from 2020 given effect on building population and usage.
- Based on gross asset value, at ownership.
- Implementation of efforts to achieve this goal remains subject to the Adviser's duties to the Fund, including the Adviser's obligation to endeavor to maximize the return on investment for the Fund.
- Same store definition includes assets that are within PRIME's operational control, owned and stabilized as of January 1, 2019. Divestments will be removed from the baseline and future reporting years. Includes all assets where PRIME has operational control. Where tenants are in control of their own meter and pay utility bills directly, those emissions are considered scope 3 and are not relevant to PRIME's 2030 scope 1 and 2 GHGe reduction aspiration. Newly acquired assets will be incorporated into the energy and GHGe plan boundary upon availability of 24 full months of data from date of acquisition. New developments are excluded from GHGe reduction aspirations.
- This is an aspirational goal that the Adviser pursues as part of its responsible investment strategy for the Fund and is not a binding commitment. There is no guarantee that the Fund will achieve this aim.

Valuation

- PRIME works closely with the Fund's independent appraisers to ensure they have the most current property and capital market information possible

PRIME has a rigorous and thorough appraisal process

- **Every asset independently appraised quarterly**
- Nationally recognized appraisal firm is engaged to manage the process with the third-party appraisal firms that provide appraisals
- Individual appraisal assignments are rotated every three years
- Third-party appraisal firms are engaged by PRIME's independently controlled Board of Directors
- All valuation recommendations are formally reviewed by the Adviser's internal valuation committee

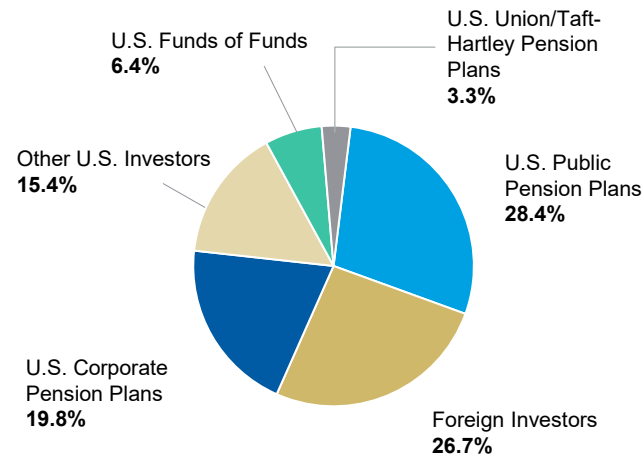
Investor Profile

As of September 30, 2022

- Ownership structure allows for a more diversified capital base

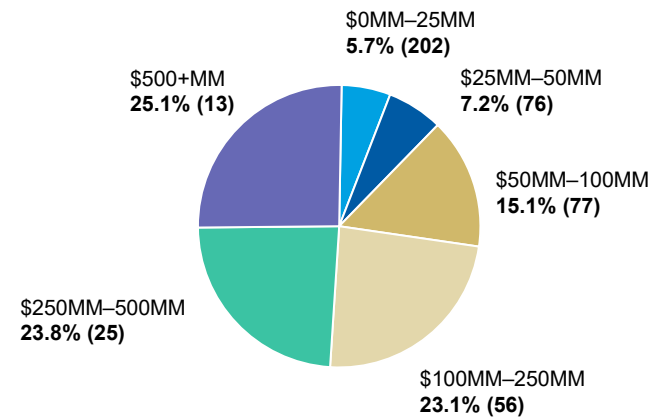
Investor Type—Measured in \$

\$37.8B Net Asset Value



Number of Investors—Measured by Size

\$37.8B Net Asset Value

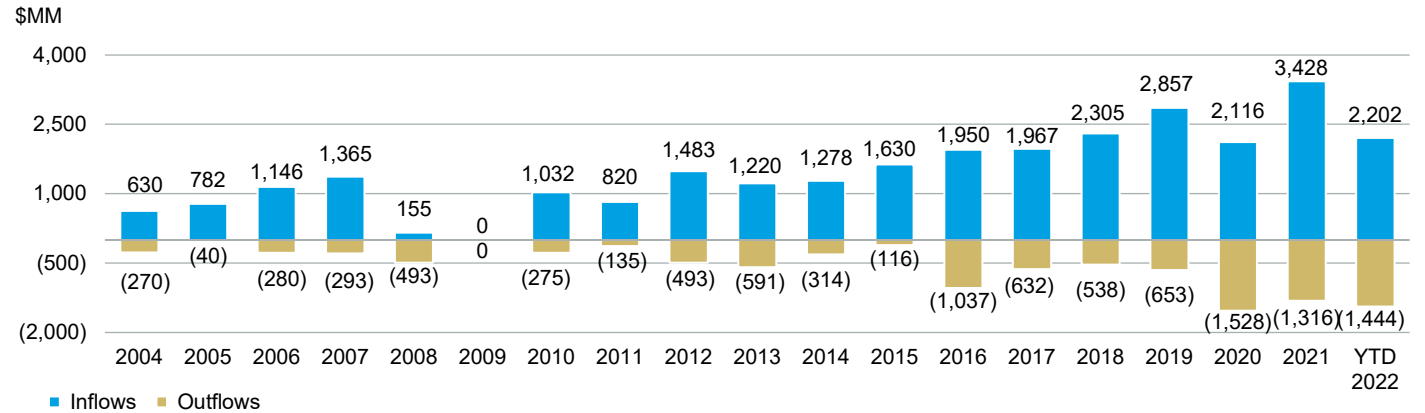


PRIME Client Flows

As of September 30, 2022

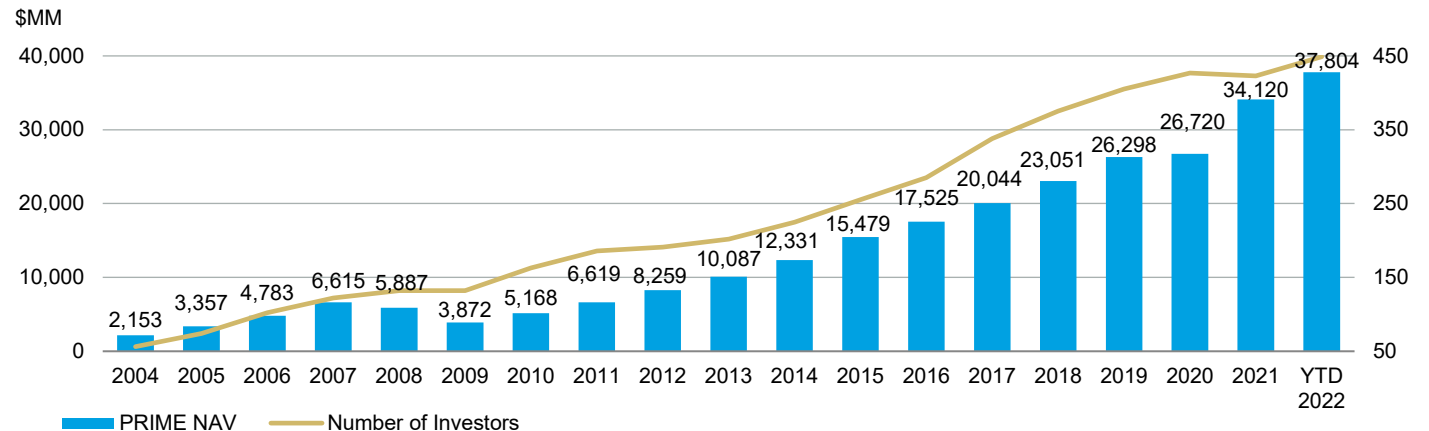
- As of September 30, 2022, PRIME has an incoming investment queue of \$30M and a redemption queue of \$2.0B
- PRIME has averaged \$2.5B of client inflows over the past five calendar years

Inflows and Outflows ⁽¹⁾



- The number of investors in PRIME has doubled since 2014

NAV and Number of Investors



Notes

1. Excludes dividends paid and reinvested. PRIME had a redemption queue from September 2008 to September 2010 and from June 2020 to December 2020. A new redemption queue was instituted on June 30, 2022.

Summary & Differentiating Attributes

Broad Investment Platform

- PRIME is MSREI's only active U.S. core investment mandate and comprises over 97% of AUM in the U.S.⁽¹⁾
- Being part of a global, leading financial services Firm provides access to information, expertise, and deal flow

Strong Relative Track Record

- Outperformed benchmark each of the last ten calendar years and through market cycles
- Research supported investing strategies within each sector has driven the outperformance
- Established best practices in place to manage to an attractive risk-adjusted return

High-quality Portfolio

- Difficult to replicate and more resilient through market cycle
- Well-diversified, tactically weighted, and strategically constructed by sector and geography

Operational Expertise

- AMLI and Safeguard provides expertise and experience within the apartment and self storage sectors

Experienced and Dedicated Team

- Seasoned professionals providing a thoughtful and consistent approach to investing
- Interests aligned with shareholders

Notes

Past performance is not indicative of future results. See the Performance Notes for important information about performance returns.

1. Gross real estate assets represents the gross fair market value of the real estate assets managed by MSREI on behalf of the firm and its clients, presented at direct ownership interest. Gross real estate assets for certain minority interests represents MSREI's equity investment in the entity. Ownership interest, as of June 30, 2022.

Performance Notes

Past performance is not indicative of future results. There can be no assurance that the Fund will achieve comparable, or any, returns. Losses, including a total loss of invested amounts, can result from investment in the Fund.

Unless otherwise noted, performance returns for the Fund contained herein:

- Are annualized (i.e., for periods of one year or greater, the performance returns represent average annual returns). Returns for periods less than one year are unannualized.
- Are time-weighted returns calculated using a “modified Dietz method.” In the absence of daily portfolio valuations, the modified Dietz method weights individual cash flows by the amount of time that those cash flows are held by (or absent from) the portfolio. The Adviser believes the modified Dietz method is a more appropriate way to measure the return on a portfolio than a simple geometric return method because the modified Dietz method identifies and accounts for the timing of all random cash flows while a simple geometric return does not.
- The modified Dietz method formula for calculating a time weighted return is as follows:
 - $R_p = \frac{EFV - BFV - CF}{BFV + WCF}$
 - R_p = Return for the measurement period
 - EFV = Ending fair value of the investment
 - BFV = Beginning fair value of the investment
 - CF = Net cash flows for the period (add if net distribution)
 - WCF = Sum of weighted cash flows for the period
- Are presented before (i.e., gross of) investment advisory fees—specifically, they do not reflect a deduction for asset management fees. Actual returns to an investor would be lower.
- Are presented on a levered basis.
- Are presented based on finalized interim unaudited financial results (or, if available, finalized audited financial statements) available as of the stated time in the return presentation. Such results as of the end of the applicable fiscal year are generally audited by a reputable outside firm within 90 days of the Fund’s fiscal year end.
- Include interest income from short-term investments.
- Include income which is based on accrual accounting.
- Include increases or decreases in net asset value arising from the Fund’s marking of its debt to market in accordance with Accounting Standards Codification 825-10-25

Performance Notes (Cont'd)

The Fund's annual total returns for calendar years 1974-2021 are as follows:

YEAR	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Gross	10.18%	7.64%	10.20%	11.27%	14.05%	14.92%	12.58%	17.25%	8.70%	18.13%
Net	9.15%	6.54%	9.05%	10.44%	13.27%	14.08%	11.59%	16.30%	7.34%	17.52%
YEAR	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
Gross	14.10%	9.74%	8.44%	9.40%	8.51%	9.60%	0.36%	(7.24%)	(3.52%)	2.12%
Net	13.11%	8.63%	7.30%	8.25%	7.38%	8.46%	(0.70%)	(8.23%)	(4.57%)	1.06%
YEAR	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Gross	6.73%	(0.38%)	10.61%	14.34%	18.75%	13.40%	13.27%	3.54%	5.27%	11.04%
Net	5.68%	(1.36%)	9.54%	13.23%	17.59%	12.26%	12.20%	2.59%	4.30%	10.02%
YEAR	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Gross	18.53%	20.70%	18.47%	16.53%	(3.69%)	(32.61%)	16.23%	17.72%	13.16%	17.54%
Net	17.56%	19.81%	17.03%	15.23%	(4.75%)	(33.22%)	15.09%	16.28%	11.68%	16.15%
YEAR	2014	2015	2016	2017	2018	2019	2020	2021		
Gross	15.46%	15.84%	10.42%	9.88%	9.05%	7.38%	2.10%	22.91%		
Net	14.11%	14.50%	9.20%	8.75%	7.95%	6.16%	1.25%	21.46%		

The Fund's inception date was August 20, 1973. Performance information for the Fund for the period in which it was advised by Lend Lease Real Estate Investments, Inc. or its predecessors (the period prior to December 2003) is included because it has been concluded that, given the substantial overlap of personnel and other factors, reporting such information would be helpful. On June 30, 2004, the Fund became the successor in interest of an open-end institutional real estate fund organized in 1973 as a statutory insurance company separate account (known as "Separate Account No. 8 – Prime Property Fund") sponsored and maintained by The Equitable Life Assurance Society of the United States.

Performance Notes (Cont'd)

The sum of the income return and appreciation return components may not equal the gross return because of the time weighting (i.e., chain linking) of component monthly returns and/or quarterly returns.

Income return may or may not approximate distributed income to the investor, depending on the cash distribution policy or elections made by the investor.

As stated above, performance returns for the Fund contained herein are reported on an annualized, not cumulative, return basis. The cumulative, compounded effect of advisory fees on total returns can be significant.

Comparable Indices and Benchmarks – Generally

For purposes of evaluating the Fund's performance, the information contained herein includes certain comparisons to certain real estate and non-real estate indices and benchmarks. It is not possible to invest directly into an index or benchmark. Certain factors and the limited data available for such indices and benchmarks may make direct comparisons difficult, and such indices and benchmarks may have characteristics that are not be fully applicable to the Fund and may be more or less volatile than the Fund. For example, indices (or particular funds contained therein) may have dissimilar asset concentrations, appraisal standards or policies on the reinvestment of dividends or other proceeds when compared to the Fund.

Characteristics of certain indices and benchmarks commonly used in comparisons with the Fund are described below; however, the descriptions are not exhaustive. Thorough familiarity with the characteristics for each index and benchmark is advisable before one can fully understand such comparisons.

NCREIF Fund Index – Open-End Diversified Core Equity

The NCREIF Fund Index – Open-End Diversified Core Equity ("NFI-ODCE") is a fund-level, capitalization-weighted, time-weighted return index and includes property investments at ownership share, cash balances and leverage (i.e., returns reflect each fund's actual asset ownership positions and financing strategy). NFI-ODCE performance information is presented gross of fees. NFI-ODCE information is available beginning in the first quarter of 1978, inclusive.

The MSCI/PREA U.S. ACOE Quarterly Property Fund Index ("MSCI Index")

The MSCI/PREA U.S. ACOE Quarterly Property Fund Index ("MSCI Index") is time-weighted return index peer group benchmark used by PRIME and includes all investments owned by the peer group including real estate, cash and other investments (mezzanine loans receivable, notes receivable, forward commitments, etc.). The MSCI Index is gross of fees and excludes the impact of leverage.

NCREIF Property Index

The NCREIF Property Index ("NPI") is a property-level, time-weighted return index and includes property investments at 100% ownership and does not account for leverage (i.e., returns do not reflect each fund's actual asset ownership position (if not 100%) or financing strategy). NPI performance information is presented gross of fees.

The Fund has a core-oriented investment strategy, while the NPI includes investments with a non-core orientation. The NPI performance returns exclude development, agricultural and other non-income producing properties. Also, the NCREIF Property Index is a broader index and includes assets with enhanced or more opportunistic-type strategies. The Fund's exposure to these types of assets is limited to 15% of gross assets, and the Fund's exposure to these types of assets was 6.8% of gross assets as of September 30, 2022.

Other Indices

Comparisons to the performance returns of other indices (e.g., NAREIT Equity REIT Index, S&P 500, Barclays Capital U.S. Government/Credit Bond Index) are subject to similar considerations concerning component product mixes, weighting, etc. In particular, when comparing the performance of asset classes, readers should keep in mind that there are differences that make direct comparisons difficult. For example, due to the appraisal methods for valuing real estate, there may be inherent issues when comparing real estate to other asset classes; stocks are more volatile than bonds; and U.S. government bonds and fixed income investments are guaranteed by the issuer as to the timely payment of principal and interest and pay a fixed rate of interest.

SECTION 4

Additional Information

PRIME Fee Structure

Asset Management Fee: 84 basis points per annum of the NAV (as of the beginning of each calendar quarter) payable quarterly in arrears.

Incentive Fee: Incentive Fee for each calendar year is capped at 35 basis points per annum. Accrues on a monthly basis over a calendar year. Monthly accrual will equal the product of $X*Y*Z*1/12$, where:

- X = 5.0%;
- Y = NAV (as of the beginning of that month); and
- Z = “Comparable Property NOI Growth” for that month (expressed as a percentage)⁽¹⁾

Incentive Fee is payable at or promptly after the end of each calendar year and equal to the aggregate amount of the Incentive Fee (including any negative amounts) accrued for each month of the calendar year.

Note

1. “Comparable Property NOI Growth” for a given calendar month is the growth, expressed as a percentage, of (i) the aggregate income after operating expenses have been deducted, but before deducting income taxes, financing expenses, fund expenses and capital expenditures (the “NOI”) generated by Included Investments that month, over (ii) the aggregate NOI generated by the same Included Investments during the same calendar month in the preceding year. For these purposes, “Included Investments” means each real estate asset held directly or indirectly by the Fund for at least 13 months prior to the end of that month (for the avoidance of doubt, including any real estate for which there was any expansion, redevelopment or similar change during the prior 13 months); provided that if any such real estate asset is a development asset (i.e., either undeveloped land or a previously developed real estate asset that is subject to a development or redevelopment project where the budgeted costs of such project exceed 50% of the value of such asset immediately prior to undertaking such project), such real estate asset will only be considered held once its development has been completed (i.e., a certificate of occupancy or equivalent document has been obtained); and provided further that “Included Investments” shall not include AMLI Operating Company, Safeguard Operating Company or any other future Investment deemed to be an operating company

Executive Summary

Macro Environment

- Challenging macro environment – higher inflation, higher interest rates, squeezed incomes
- Fed tightening monetary policy has led to higher interest rates across the curve
- Increased capital market volatility across all asset classes

Real Estate Capital Markets and Fundamentals

- Overall industrial and residential fundamentals remain strong, office and retail challenged
- Supply: Low vacancy rates for Grade A stock; higher construction costs support existing values
- Demand: Overall occupational demand more cautious and discerning
- Capital markets: Less competitive capital markets environment favors investors with dry powder

Conclusions

- Affordability will be challenged, supporting prime locations and high-quality assets
- Greater divergence between “winners” and losers” requires more selective investment approach
- Driver of returns will shift from yield compression to an ability to drive NOI growth
- Industrial and residential likely to outperform given secular tailwinds offsetting cyclical weakness

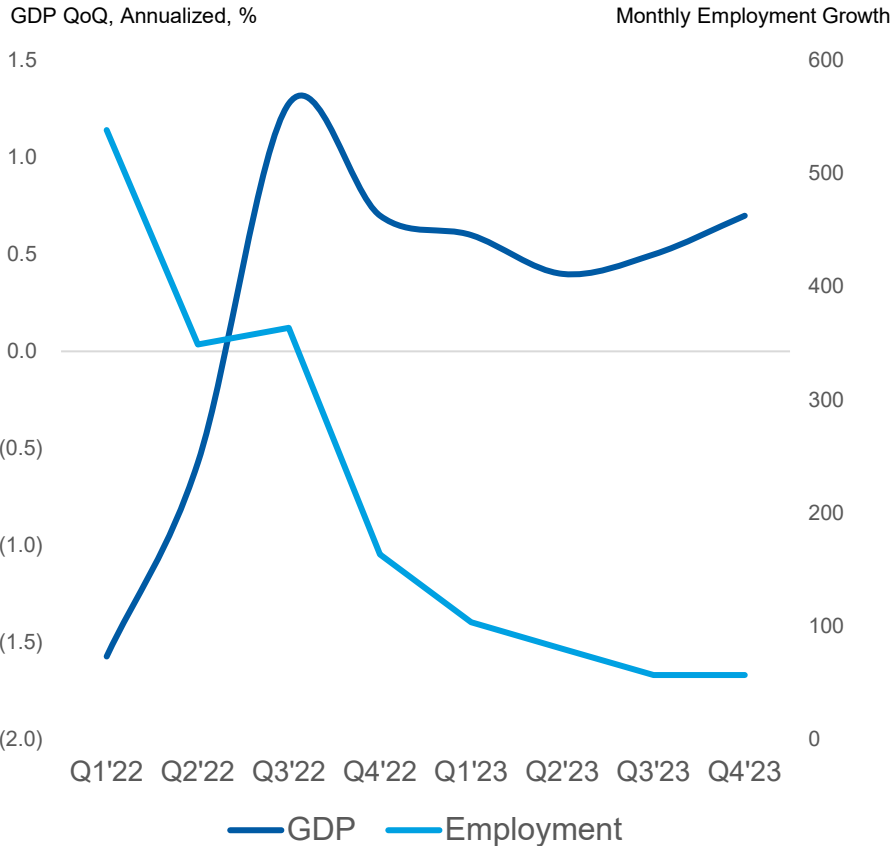
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Macro Economic Environment Challenging

Recession Risks Elevated

Moderating Economic Growth



Source: Bureau of Economic Analysis, Morgan Stanley Research, MSREI Strategy, data as of November 2022

Macro Metrics Remain Relatively Positive but Momentum Shifting

	Signal	Momentum	Comment
Labor Market	●	↓	<ul style="list-style-type: none"> • Employment strong • Unemployment claims low but rising
Consumer	●	↓	<ul style="list-style-type: none"> • Negative real wages • Real spending still positive as households draw down savings
Housing	●	↓	<ul style="list-style-type: none"> • New home sales, permits, and starts declining sharply • Home prices slowing; existing inventories tight
Manufacturing	●	↓	<ul style="list-style-type: none"> • Industrial production increasing at slower pace
Financial Markets	●	↓	<ul style="list-style-type: none"> • Equity markets down • Credit spreads wider

Source: MSREI Strategy, data as of July 2022

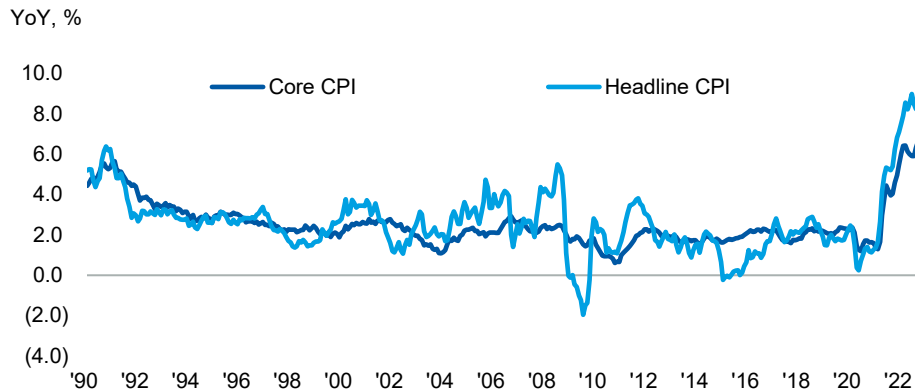
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Elevated Inflation Persisting = Higher Interest Rates

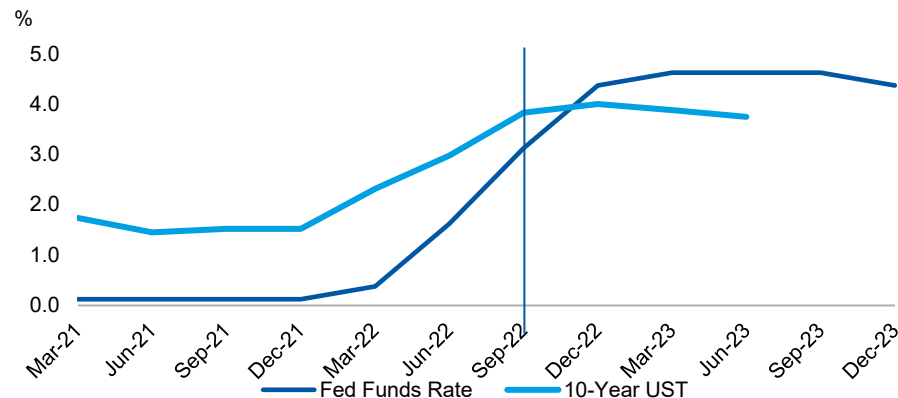
Potential Fed Pivot in Late 2023/24 May Result in Lower Financing Costs in Medium Term

Inflation At Levels Not Seen Since the 1980s



Source: Bureau of Labor Statistics, MSREI Strategy, data as of November 2022

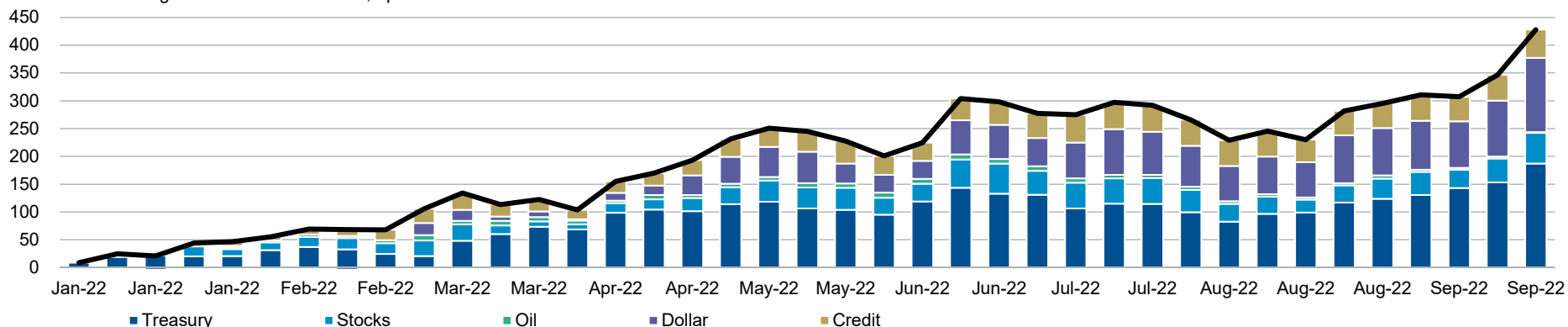
Interest Rates Expected to Peak in 4Q 2022



Source: Morgan Stanley Research, MSREI Strategy, data as of November 2022

Higher Treasuries Driving Tighter Financial Conditions

Cumulative Change in Financial Conditions, bps



Source: Morgan Stanley Research, data as of November 2022

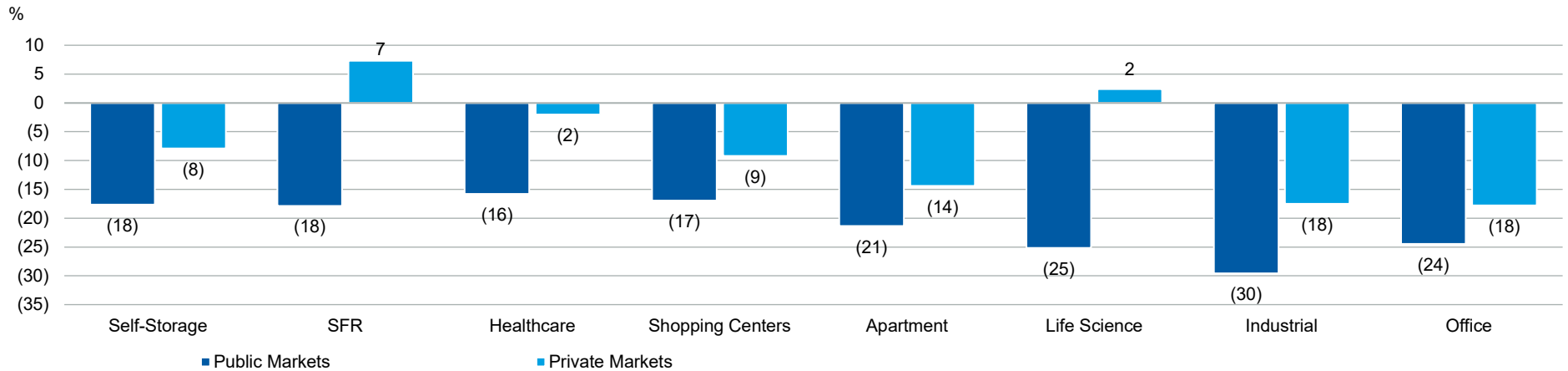
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Cap Rate Spreads have Compressed due to Higher Borrowing Costs

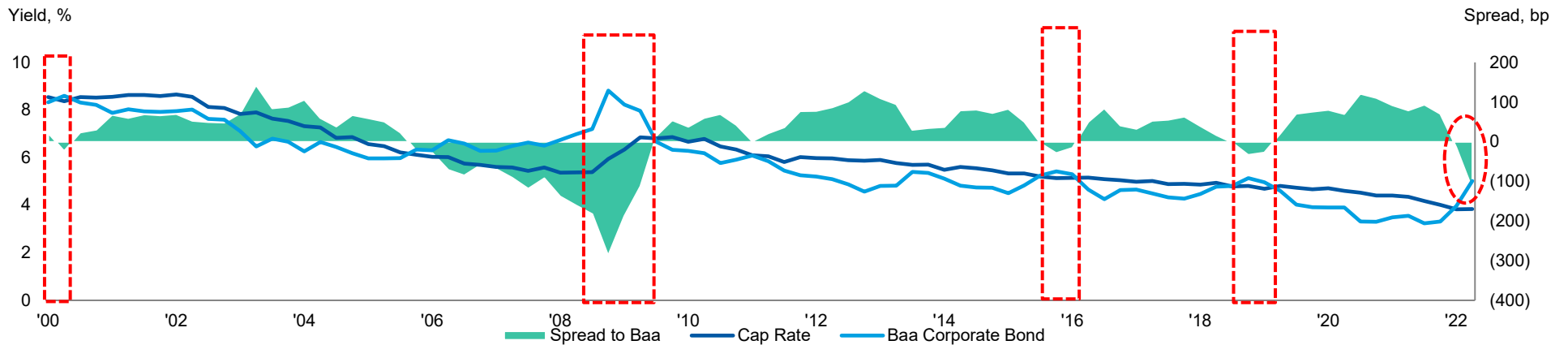
Capital Markets Have Typically Snapped Back Quickly After Periods of Disruption

Public vs. Private Markets YTD Change



Source: Green Street Advisors, NAREIT, MSREI Strategy, data as of November 2022

Real Estate Relative Pricing Suggests Downward Pressure on Valuations



Source: Moody's, NCREIF, MSREI Strategy, data as of November 2022

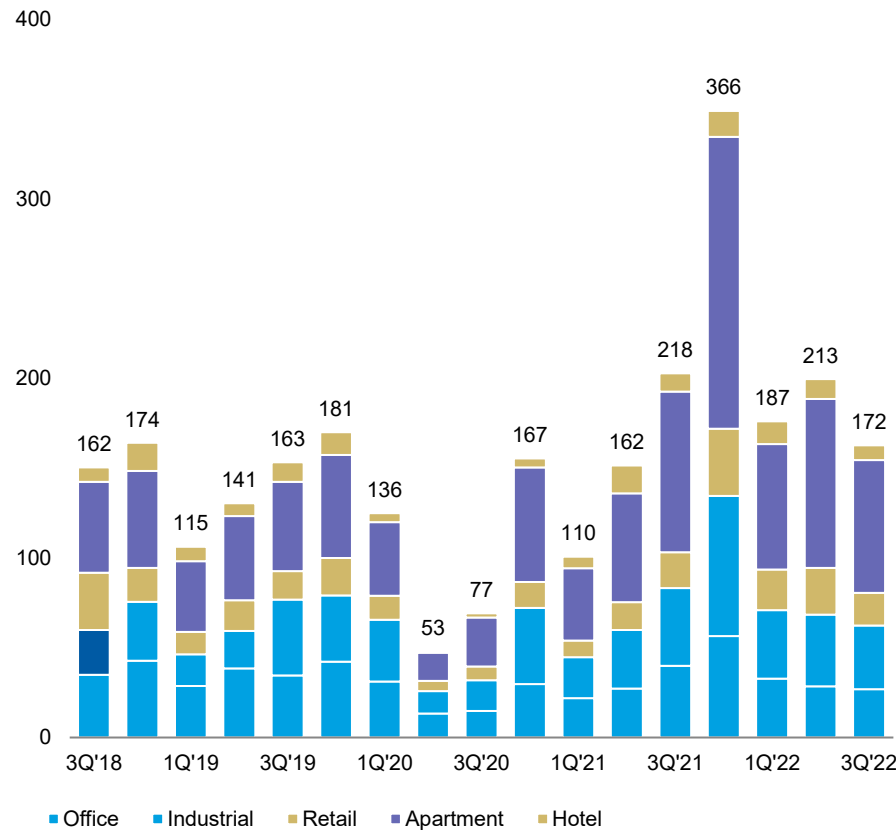
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Capital Markets Beginning to Slow

Limited Competitive Environment Offers Opportunities for Investors With Capital

Transaction Activity Slowing

Quarterly Transaction Volume by Property Type, USD Bn

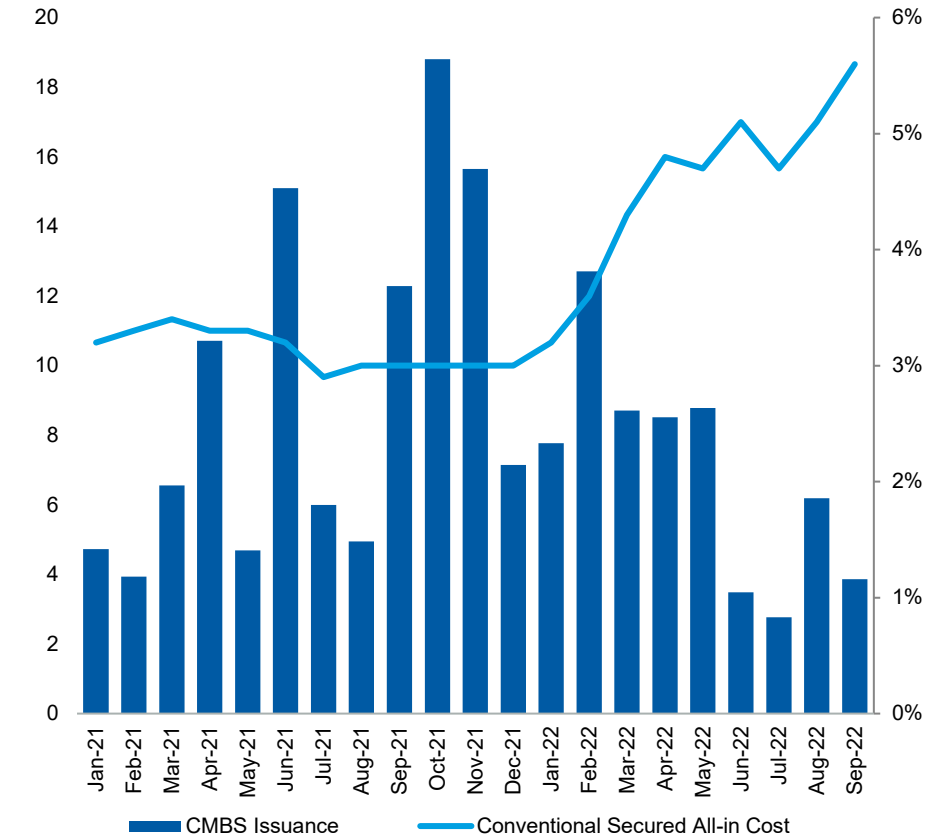


Source: Real Capital Analytics, MSREI Strategy, data as of November 2022

Debt Markets Stalling and Costs Increasing

CMBS Issuance, USD Bn

Conventional Secured All-in Cost



Source: Bloomberg, MSREI Strategy, data as of November 2022. Conventional = Average 10 year, 60% LTV, fixed rate debt

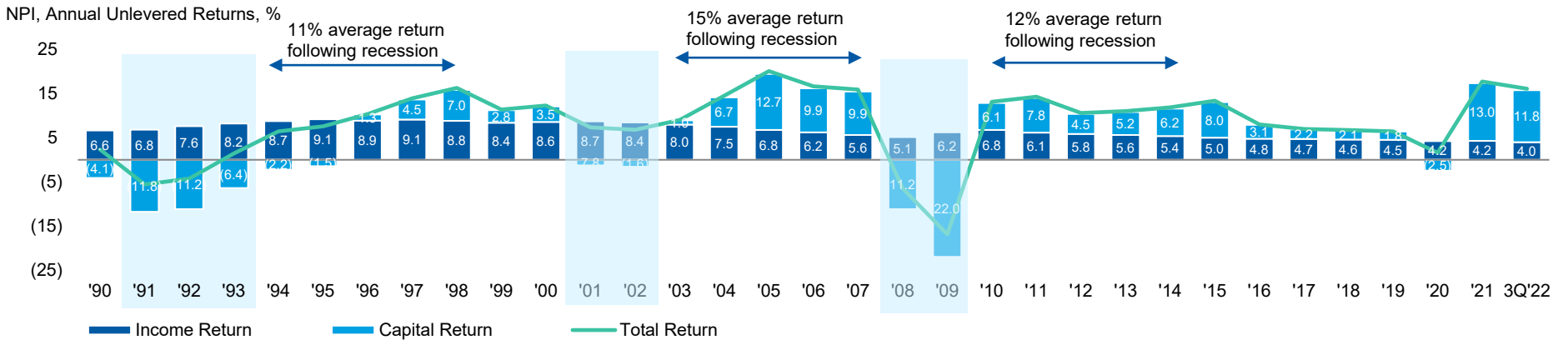
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Despite Softer Macro Backdrop, Real Estate Returns Above Trend

Driven by Industrial and Multifamily Performance

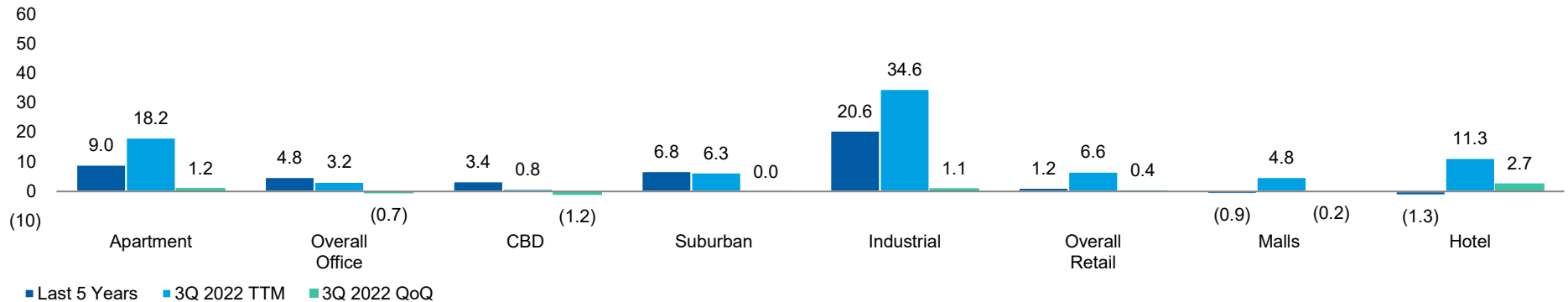
Private Real Estate Performance Accelerated in 1Q but Expected to Moderate due to Rising Cap Rates



Source: NCREIF, MSREI Strategy, data through November 2022

Quarterly Returns Have Slowed Significantly

Annualized Performance by Property Type, %



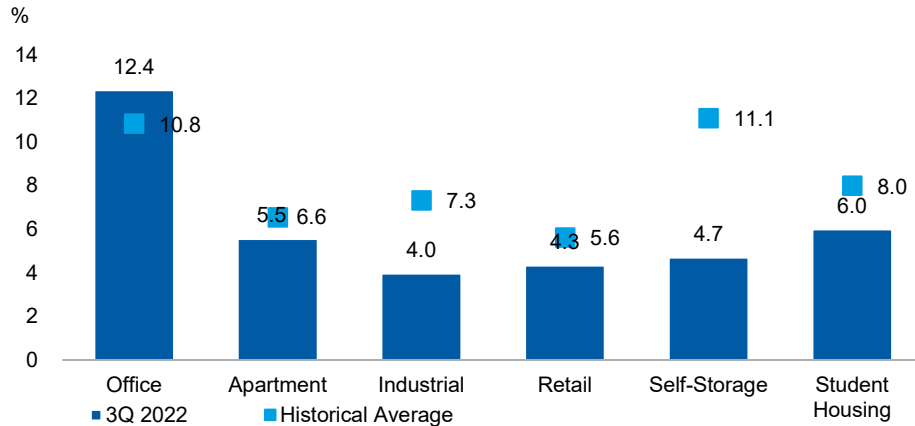
Source: NCREIF, MSREI Strategy, data as of November 2022

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Supported by Robust Real Estate Fundamentals

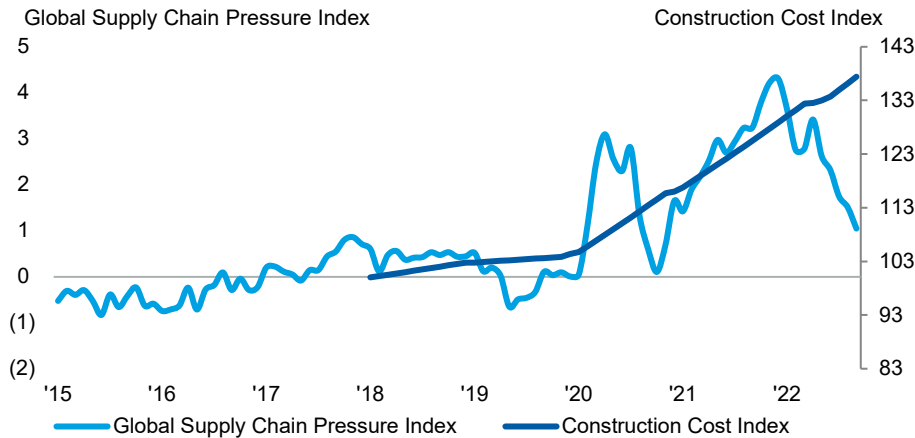
Particularly for Higher Quality Properties in Prime Locations

Vacancy Rates Well Below Historical Average, Except Office



Source: CoStar, MSREI Strategy, data as of November 2022

Supply Chain Issues Continue to Push up Construction Costs



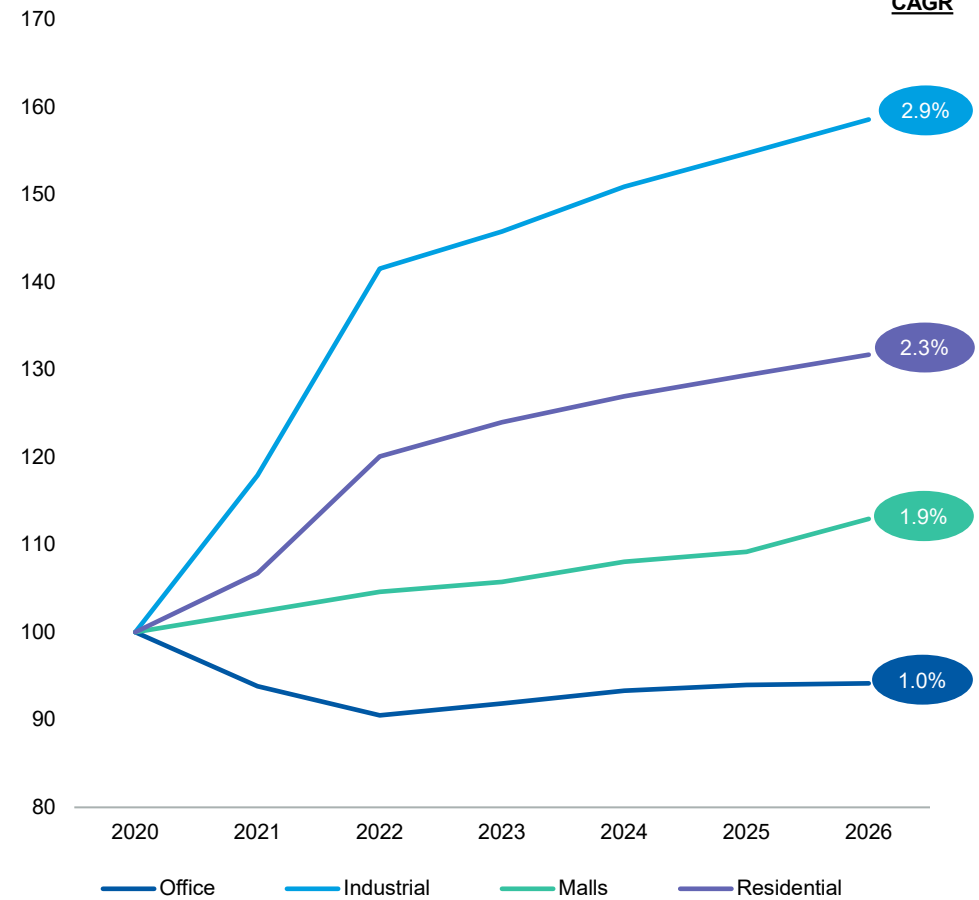
Source: Federal Reserve Bank of New York, CBRE data as of November 2022

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Rent Growth Forecasts Favor Industrial and Residential

Index, 2020 = 100



'23-26
CAGR

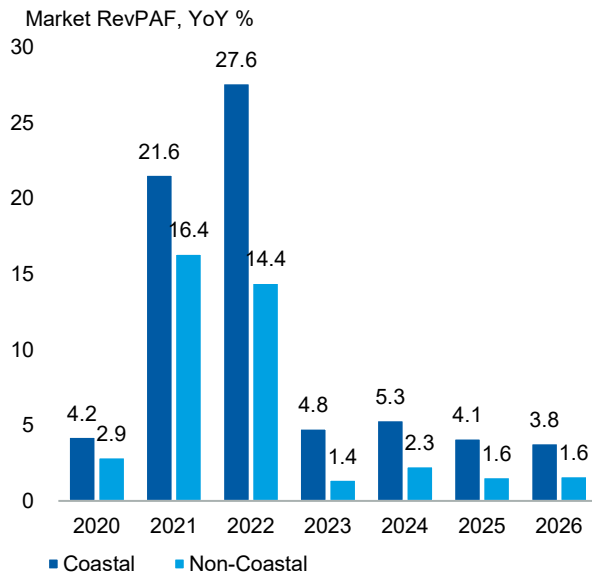
Source: Green Street Advisors, MSREI Strategy, data as of November 2022

Industrial Sector Trends

INDUSTRIAL SECTOR FUNDAMENTALS

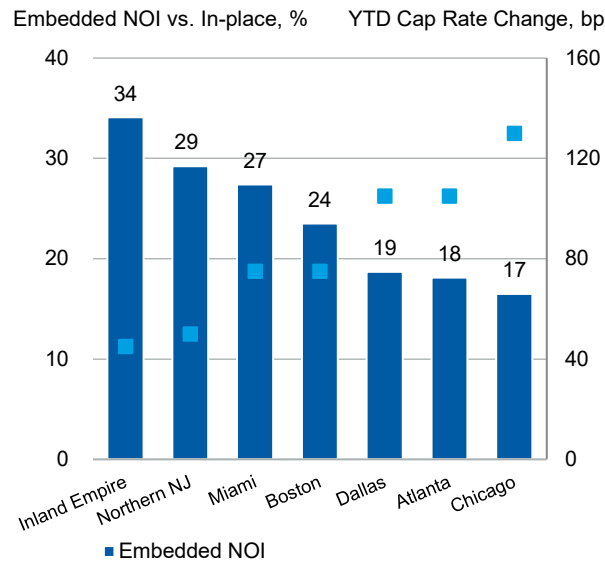
- Shift from globalization and “just-in-time” to localization and “just-in-case” should support incremental demand
- Tenants more discerning due to weakening economic outlook, supporting prime locations and submarkets
- Spread between primary and secondary markets expected to widen
- Rising construction costs will increase replacement cost could mitigate supply risk and support strong existing asset values

Coastal Industrial Markets Expected to Outperform



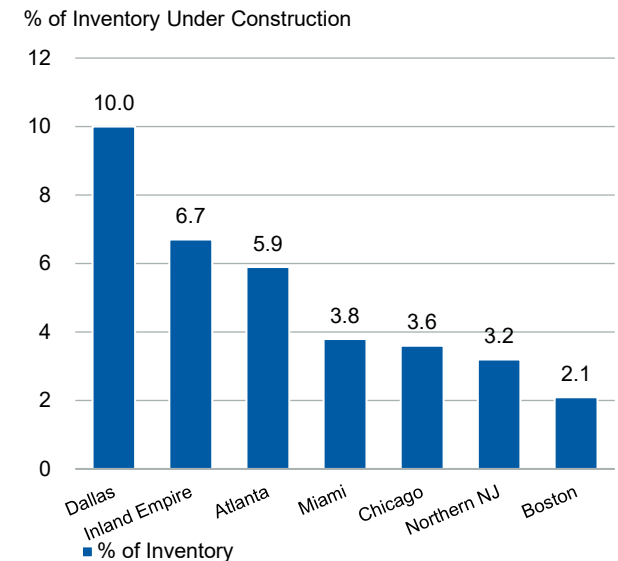
Source: Green Street Advisors, MSREI Strategy, data as of November 2022

Embedded Growth Should Cushion Fundamentals



Source: Green Street Advisors, MSREI Strategy, data as of November 2022

Near Term Supply May Slow Rent Growth



Source: Oxford Economics, MSREI Strategy, data as of November 2022

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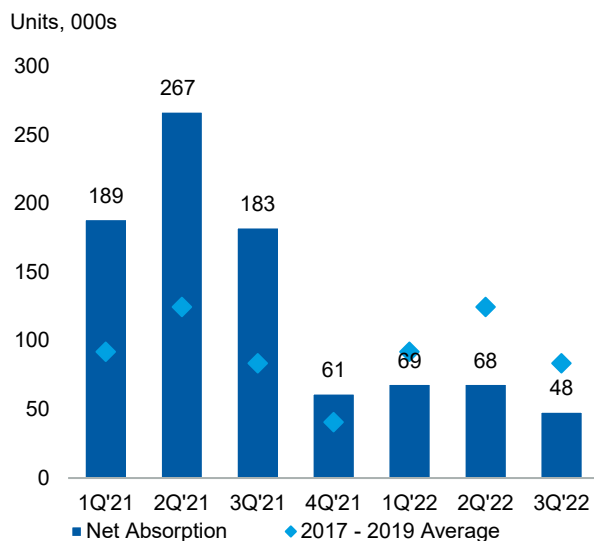
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Residential Sector Trends

RESIDENTIAL SECTOR FUNDAMENTALS

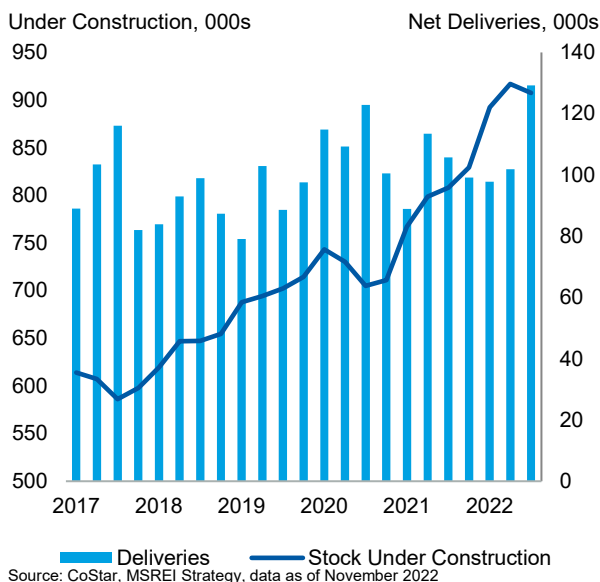
- Stretched for-sale affordability and strong income growth continues to support renter demand in growth markets
- Higher food and energy prices may squeeze consumer incomes, disproportionate impact to lower income renters
- Overall net absorption and rent growth slowing
- Rising construction costs will increase replacement cost could mitigate supply risk and support strong existing asset values
- Supply growth and regulation remain key risks to rental growth

Net Absorption Slowing



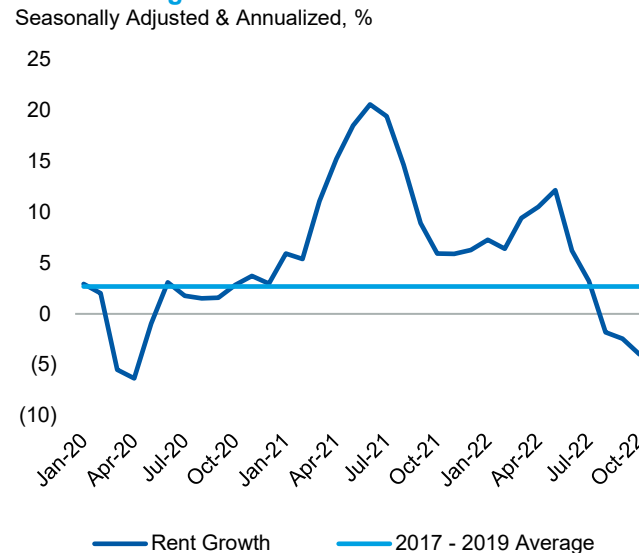
Source: CoStar, MSREI Strategy, data as of November 2022

Backlogs Limiting New Deliveries



Source: CoStar, MSREI Strategy, data as of November 2022

Rents Easing



Source: CoStar, MSREI Strategy, data as of November 2022

Notes:

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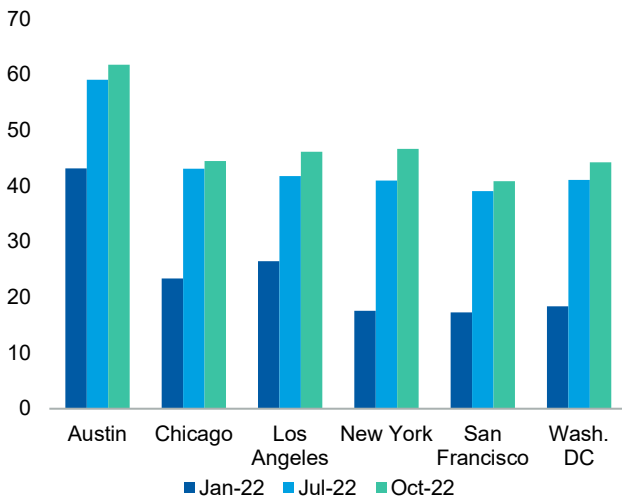
Office Sector Fundamentals

OFFICE SECTOR FUNDAMENTALS

- Uncertainty over WFH impacts and potentially lower demand from economic slowdown and higher costs
- ESG and obsolescence risk may lead to higher capex, particularly for older vintage assets
- Significant bifurcation by market and asset quality
- Emerging “core” markets are taking an increasing share of absorption (due to corporate relocations/expansions) and investment activity

Return to Office Remains Challenging

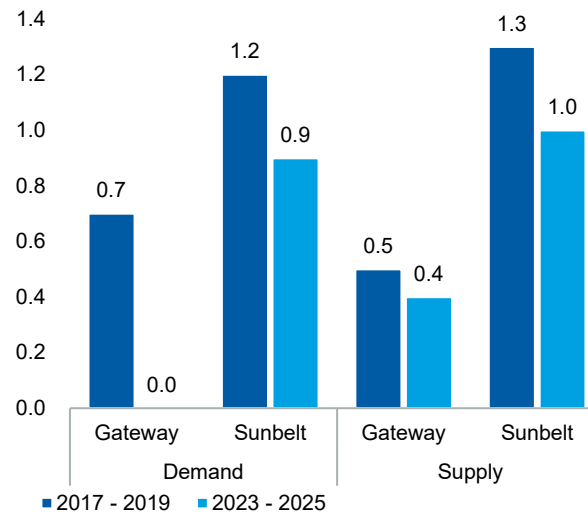
Overall Office Utilization Rate, %



Source: Kastle Systems, MSREI Strategy, data as of October 2022

Lower Demand Cushioned by Low Supply

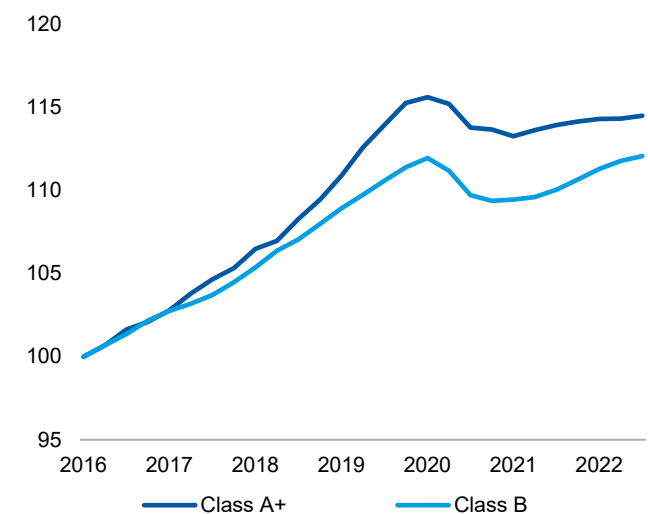
Annualized Growth, %



Source: CoStar, MSREI Strategy, data as of October 2022

Highest Quality Offices Outperforming

Rent Index, 1Q 2016 = 100



Source: CoStar, MSREI Strategy, data as of October 2022

Notes:

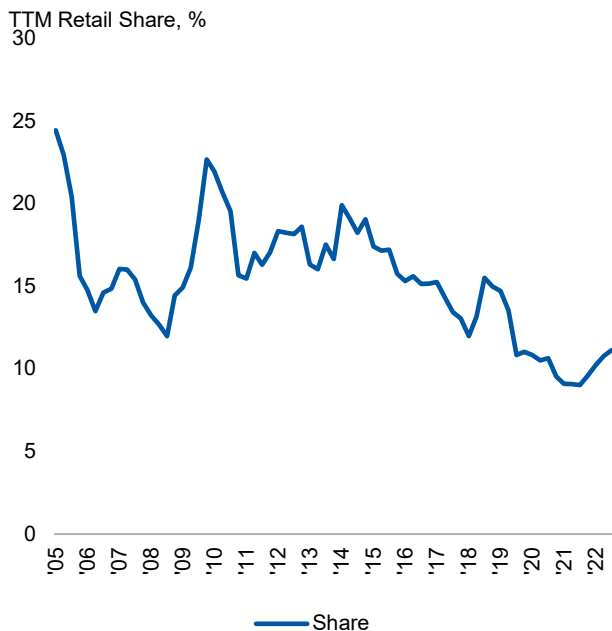
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Retail Sector Trends

RETAIL SECTOR FUNDAMENTALS

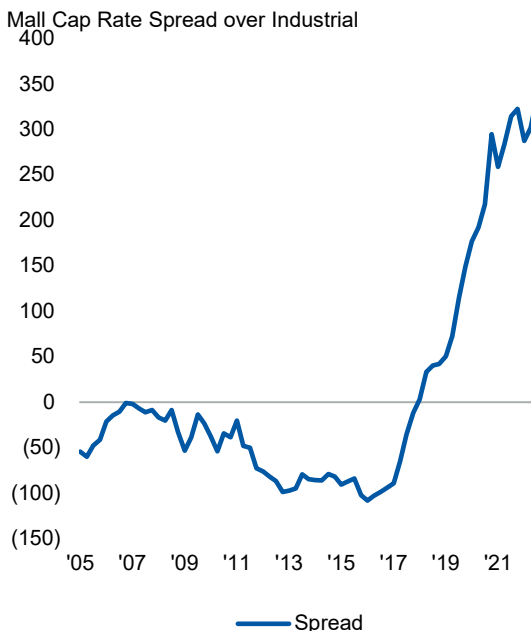
- Strong leasing activity despite health concerns, particularly for Class A malls. Traffic in line with pre-Covid levels
- Squeezed consumer incomes may impact retail sales
- Retail has the highest yield of the main property sectors
- More bifurcation as retailers re-orient locations and footprints to drive more efficiencies

Retail Declining Share of Overall Transactions



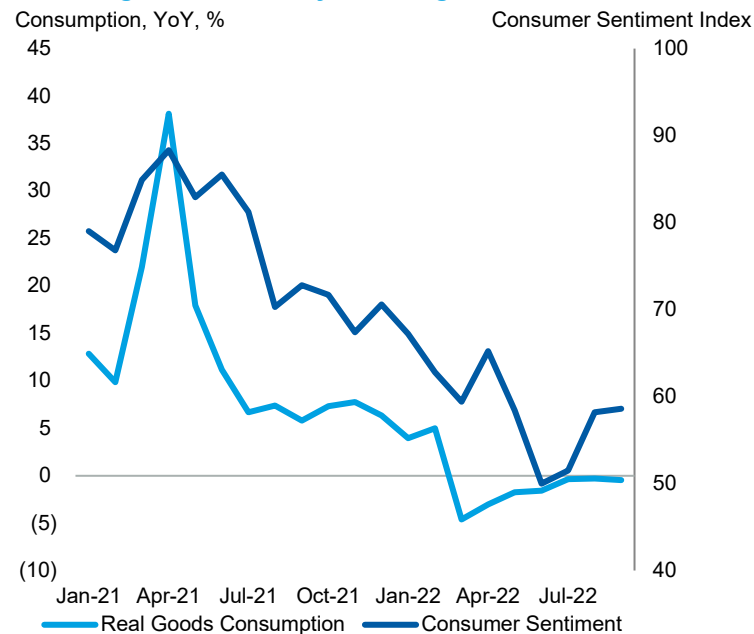
Source: Real Capital Analytics, MSREI Strategy, data as of October 2022

Less Capital = Wider Cap Rate Spreads



Source: Green Street Advisors, MSREI Strategy, data as of October 2022

Declining Sentiment may Challenge Retail Sales



Source: Bureau of Economic Analysis, University of Michigan, MSREI Strategy, as of October 2022

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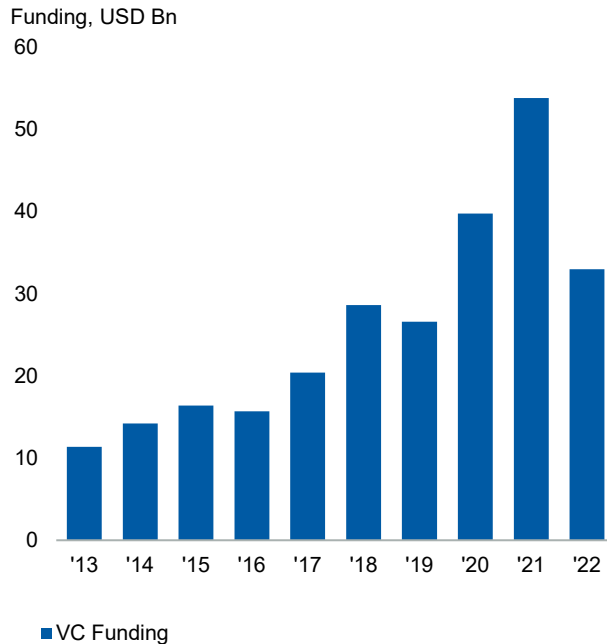
Niche Sector Trends

Overall increase in investor interest and allocations to niche sectors.

NICHE SECTOR FUNDAMENTALS

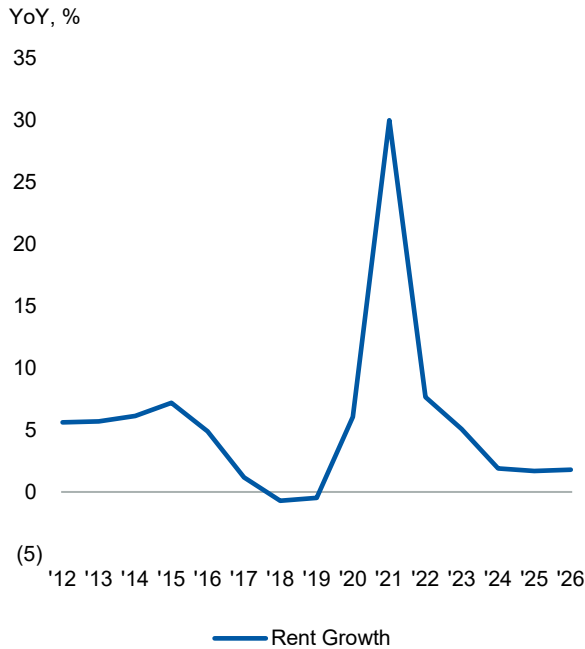
- Life science fundamentals remain strong, although pullback in VC funding and new supply pose challenges to rent growth
- Student housing offers an attractive yield spread to multifamily, stable and countercyclical demand that has rebounded to 2019 levels in major markets and reduced supply levels versus pre-COVID trends.
- Self-storage fundamentals have been very strong due to increased housing demand and above average business demand

Life Science Venture Capital Funding Slowing



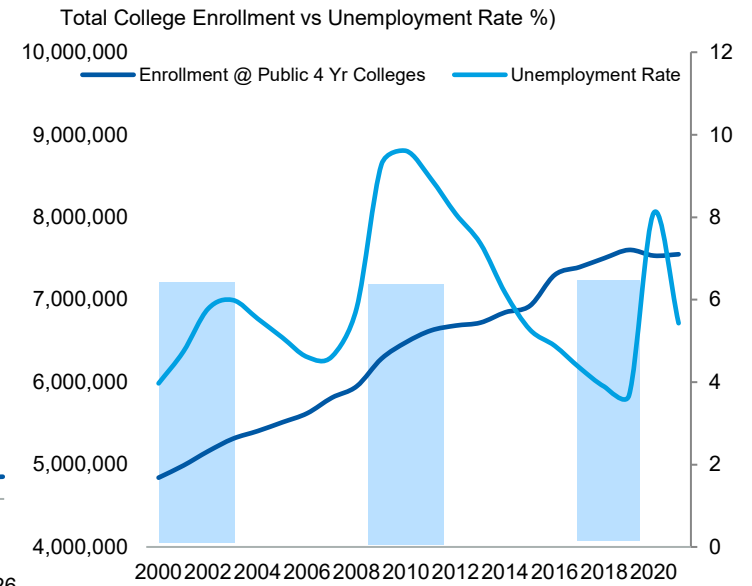
Source: Pitchbook, MSREI Strategy, data as of November 2022

Self Storage Fundamentals



Source: Green Street Advisors, MSREI Strategy, data as of November 2022

Student Housing Recession Resistant Asset Class



Source: US Census Bureau, Oxford Economics, Yardi, MSREI Strategy as of November 2022

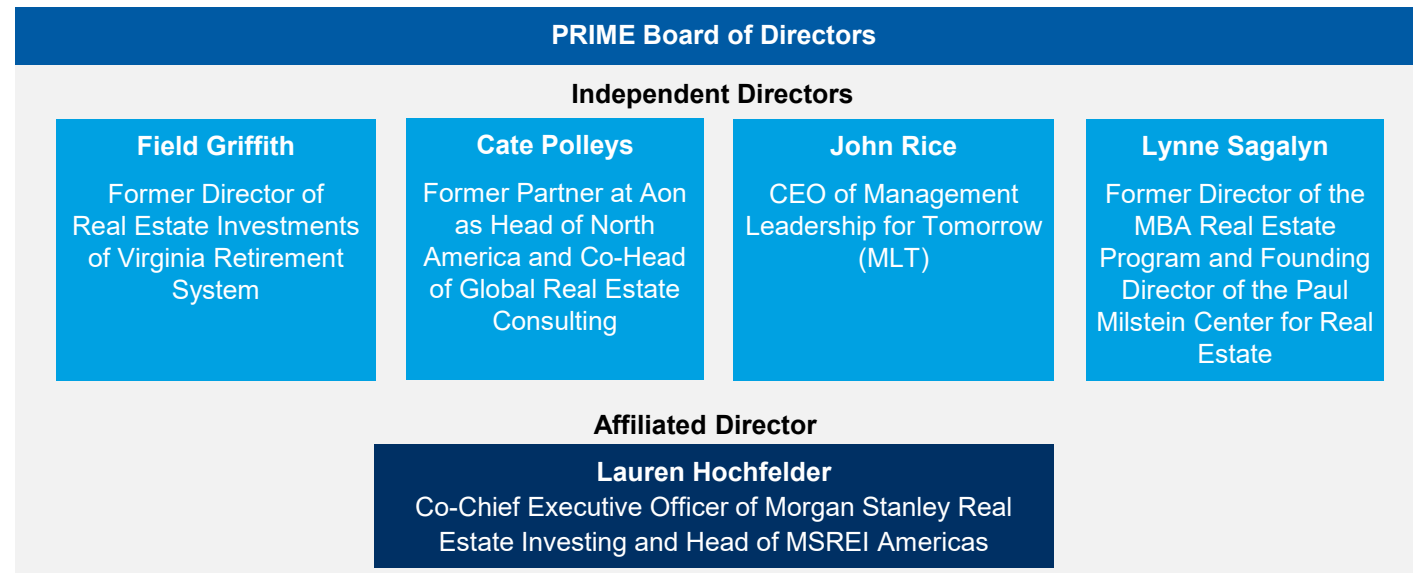
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Governance

- Morgan Stanley Real Estate Advisor, Inc. is the investment adviser (the “Adviser”) to PRIME
- PRIME’s board of directors meets each quarter to review the investment performance of the Fund and monitor the Adviser’s performance of its management responsibilities

PRIME Investment Adviser—Morgan Stanley Real Estate Advisor, Inc.



Key Duties of Directors

- Review quarterly investment performance of PRIME
- Monitor overall performance of the Adviser
- Remove/replace Adviser
- Review/approve investment guidelines and dividend policy
- Approve incurrence of any debt causing consolidated debt to exceed 50% of gross value of assets
- Engage/change independent appraisers and auditors
- Review/approve asset valuation policy
- Resolve certain conflicts of interest; approve certain affiliated transactions (Independent Directors)

Key Executives

Scott A. Brown

Global Head of Prime

Scott Brown is a Managing Director of Morgan Stanley, Head of Prime Property Fund in the U.S. and Global Head of Prime. With over 33 years of real estate experience, he is responsible for the portfolio construction and performance of PRIME as well as the direction and execution of the Fund's strategy. He also serves as a member on various investment committees across the platform. Scott began working with PRIME in 1993 as part of Equitable Real Estate and then Lend Lease while becoming fully dedicated to PRIME in 2002. He transitioned to Morgan Stanley in 2003 and took a leadership position in PRIME in 2007. He is a member of the Pension Real Estate Association and Urban Land Institute. He received an MBA from Indiana University and a BS in Finance from the University of Illinois.



Candice W. Todd

Chief Financial Officer of Morgan Stanley Real Estate Investing and Prime Property Fund, LLC

Candice Todd is a Managing Director of Morgan Stanley, Global Chief Financial Officer for MSREI and Chief Financial Officer of Prime Property Fund in the U.S. Candice is responsible for managing finance, reporting, portfolio management, risk and legal / regulatory activities across both the North Haven Real Estate and PRIME series of core funds. She is responsible for PRIME's capital structure and REIT compliance and also serves on the fund's Investment Committee. Prior to joining Morgan Stanley in November 2003, Candice worked for Lend Lease (predecessor The Yarmouth Group) since 1994 and has 32 years of real estate experience. She previously worked for Prentiss Properties Limited overseeing systems and reporting related to Resolution Trust Corporation contracts. Candice started her career at Price Waterhouse working primarily on real estate clients. In June 2017, she was appointed to the Global Standards Steering Committee, a committee sponsored by ANREV, INREV, PREA and NCREIF to establish global reporting standards wherever practical. Candice was appointed to the Board of NCREIF in November 2014. She has served as the Co-Chairperson of the Accounting Committee at NCREIF and was a REIS Council member. Candice received a Master of Accountancy, and a BS in Human Resources from the University of Alabama.

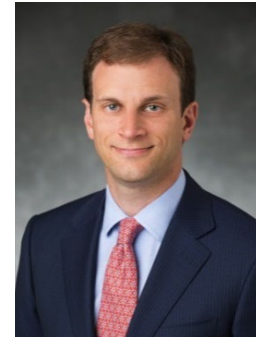


Key Executives (Cont'd)

Josh Myerberg

Chief Investment Officer

Josh Myerberg is a Managing Director of Morgan Stanley and Chief Investment Officer for Prime Property Fund. Prior to joining the Prime executive team, he was responsible for sourcing, underwriting and executing transactions on the West Coast on behalf of Morgan Stanley's real estate funds. During his tenure at Morgan Stanley, Josh has been involved in the acquisition and asset management of a wide range of assets, property types and investment structures for PRIME. Josh joined Morgan Stanley in 2006 after previously working for Banc of America Securities' Real Estate Investment Banking group and First Union Securities. Josh is on the Board of NAREIM and an active member of ULI. Josh received his MBA from the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill and a BA in economics from Washington & Lee University.



Bennett A. Weaver

Chief Operating Officer

Bennett Weaver is a Managing Director of Morgan Stanley and the Chief Operating Officer of Prime Property Fund. Prior to joining Morgan Stanley in July 2004, Bennett worked for Lend Lease and has over 24 years of real estate experience. He departed Morgan Stanley in February 2012 in the lift out of the portfolio accounting & finance team to State Street and rejoined Morgan Stanley in October 2013. Bennett began his career in assurance services at Ernst & Young focusing primarily on real estate clients. Bennett is a Certified Public Accountant. He is an active member of the Accounting Committee at NCREIF. Bennett received an MBA from the University of Georgia, and a BS in Accounting from Oglethorpe University.



Key Executives (Cont'd)

Cheyenne Sparrow

Assistant Portfolio Manager

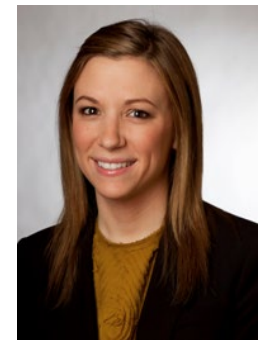
Cheyenne is an Executive Director in Morgan Stanley's Real Estate Investing and a portfolio manager for Prime Property Fund. During her time at Morgan Stanley, Cheyenne has worked on the U.S. debt capital markets team, responsible for structuring the capital stack and securing financing on behalf of MSREI funds and individual transactions. She also worked on the Morgan Stanley's acquisition and integration of Mesa West Capital, a third-party real estate credit platform. Among various other strategic initiatives, she has been involved in fund management, capital raising, fund restructuring, and other platform management projects. Prior to joining Morgan Stanley in 2010, Cheyenne worked in the Portfolio Analytics Group at BlackRock, focusing on Institutional Multi-Sector Fixed Income accounts as well as BlackRock's Fixed Income Retail Mutual Funds. Cheyenne received a BSE with distinction from The Wharton School at the University of Pennsylvania.



Megan Golder

Head of Investor Coverage

Megan Golder is an Executive Director in Morgan Stanley Real Estate Investing. She joined Morgan Stanley in 2007 and is Head of Investor Coverage for Prime Property Fund. In this role, Megan is responsible for client and consultant relationships as well as fund marketing. Megan previously spent three years at Ernst & Young, LLP within the Assurance Advisory Business Services group working primarily on real estate clients. Megan is a member of the Pension Real Estate Association. Megan received a Masters of Accountancy and a BBA in Accounting from the University of Georgia.



Key Executives (Cont'd)

John R. Klopp

Head of Global Real Assets, Morgan Stanley Investment Management

John R. Klopp is a Managing Director of Morgan Stanley, Head of Global Real Assets and a member of the management committee at Morgan Stanley Investment Management. John joined Morgan Stanley in 2010 and served as Co-Chief Executive Officer, Co-Chief Investment Officer and Head of the Americas for MSREI until early 2016. He has 44 years of investing experience. Prior to joining Morgan Stanley, John was the Chief Executive Officer of Capital Trust, Inc., a publicly traded real estate finance and investment management company that he co-founded. From 1989 to 1997, John was the founder and Managing Partner of Victor Capital Group, L.P. John had previously served as Managing Director and Co-Head of Chemical Realty Corporation, the real estate merchant banking arm of Chemical Bank. John serves as the Chair of Columbia Business School's Real Estate Advisory Committee and is an active member of various real estate organizations including the Pension Real Estate Association. He received a B.A. in Economics from Tufts University and an M.B.A in Finance and Real Estate from The Wharton School of the University of Pennsylvania.



Lauren Hochfelder

Co-Chief Executive Officer of MSREI and Head of MSREI Americas

Lauren Hochfelder is a Managing Director of Morgan Stanley, Co-Chief Executive Officer of Morgan Stanley Real Estate Investing ("MSREI") and Head of MSREI Americas. Prior to her role as Co-Chief Executive Officer of MSREI, Lauren served as Deputy Chief Investment Officer of MSREI from 2019 until early 2022, and was named Head of MSREI Americas in 2016. Lauren joined MSREI in 2000 and has been focused on investing on behalf of MSREI's global value-add / opportunistic and regional core funds since then. She has 22 years of investing experience. Lauren graduated magna cum laude and with distinction from Yale University with a B.A. in Ethics, Politics & Economics.



Key Executives (Cont'd)

Brian Niles

Co-Chief Executive Officer of MSREI, Co-Head of NHREF and Head of MSREI Europe

Brian Niles is a Managing Director of Morgan Stanley, Co-Chief Executive Officer of MSREI, Co-Head of North Haven Real Estate Funds (“NHREF”) and Head of MSREI Europe. Brian joined Morgan Stanley in 2006 and was named Head of MSREI Europe in 2011, Co-Head of NHREF in 2019 and Co-Chief Executive Officer of MSREI in 2022. Brian has been an active real estate investing professional for 25 years across multiple geographies and asset classes. Prior to joining Morgan Stanley in 2006, Brian spent nine years with Goldman Sachs working primarily in the Real Estate Principal Investment Area. Brian received a BSc from Cornell University.



Tony Charles

Head of Global Research and Strategy

Tony Charles is a Managing Director and Global Head of Research and Strategy for Morgan Stanley Real Estate Investing. Tony works with the global investment teams to integrate market research into investment decisions and strategy. He is responsible for conducting research on the global real estate markets to identify new products and investment opportunities designed to meet clients' investment goals. With his research team, he develops quarterly global macroeconomic, property sector, and capital markets updates. He serves on fund investment and valuation committees. Prior to joining Morgan Stanley, Tony ran the Research and Strategy function for GE Capital's real estate business and was senior strategy manager in the financial services practice at Accenture. Tony received a Bachelor of Commerce from the University of Melbourne and a Graduate Diploma in Applied Finance from the Securities Institute of Australia.



Key Executives (Cont'd)

Claiborne Johnston

Head of North America Real Assets Client Coverage

Claiborne Johnston is a Managing Director of Morgan Stanley and Head of North America Real Assets client coverage responsible for real estate, private infrastructure and listed real asset securities. Claiborne has over 20 years of experience with Morgan Stanley Real Assets. Claiborne began his career with Morgan Stanley focused on private equity capital markets, investment banking and investment management activities including the coverage of global capital sources for the firm's investment banking and investment management services. Claiborne also had global responsibility for the supervision and coordination of the firm's real estate activities with Wealth Management. Prior to re-joining the firm in 2016, Claiborne spent four years with Invesco Real Estate. Claiborne received an MBA from Columbia University and BA from James Madison University. He currently is involved in a number of industry groups such as INREV, AFIRE, ULI, PREA and the institute for Fiduciary Education.



Gareth Dittmer

Head of Europe Real Assets Client Coverage

Gareth serves as a Managing Director for Morgan Stanley Real Estate Investing (MSREI) based in London. He has more than 22 years of institutional private markets experience across a range of global and regional real estate investing strategies, risk profiles and fund structures. In his current role, he oversees the capital markets activities across Europe and is involved with key institutional investor relationships, fund formation and capital raising. Prior to joining Morgan Stanley in 2012, Gareth served as a European Director in a leading London based private equity real estate fund manager. Gareth is an active member of the European Association for Investors in Non-Listed Real Estate Vehicles (INREV), the Asian association for Investors in Non-listed Real Estate Vehicles (ANREV) and the US association for international real estate investors (AFIRE).



Risk Considerations

There are significant risk factors associated with an investment in PRIME. An investment in PRIME will involve significant risks due to, among other things, the nature of the Fund's investments and potential conflicts of interest. There can be no assurance that the Fund will realize its rate of return objectives or return any investor capital. Investors should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of investment and the lack of liquidity). The value of an investment in a fund may fluctuate. Past results do not guarantee future performance. These risk factors include the following:

- **Recent Legislative Developments:** There have been significant efforts to enhance governmental scrutiny and/or increase the regulation of the private equity industry. On July 21, 2010, then President Obama signed into law the Dodd-Frank Act. A key feature of the Dodd-Frank Act is the potential extension of prudential regulation by the Federal Reserve to U.S. nonbank financial companies that were not previously subject to such regulation but that are determined to pose risk to the U.S. financial system. The Dodd-Frank Act also imposes a number of restrictions on the relationship and activities of banking organizations with certain private equity and hedge funds and other provisions that affect the private equity industry, either directly or indirectly. Therefore, there can be no assurance that any continued regulatory scrutiny or initiatives will not have an adverse impact on Morgan Stanley or otherwise impede PRIME or Morgan Stanley's real estate investing business activities.
- There can be no assurance that PRIME's return objectives will be realized or that there will be any return of capital.
- Investors should carefully review and evaluate the more detailed description of risk factors and conflicts of interest in the Offering Memorandum.
- General economic factors and many other conditions affecting performance (including interest rates, capital flows and employment levels) are beyond PRIME's control.
- Shareholders have no assurance of liquidity. Real estate is relatively illiquid, and redemption queues can develop. There is no guarantee that PRIME will have sufficient cash to fund redemptions, and PRIME is under no obligation to make cash available through sale of assets, borrowings, or otherwise. Also, the right to transfer shares in PRIME is subject to restrictions.
- Earthquakes, floods, other natural disasters, terrorism, war, etc., could cause significant damage to PRIME's properties and may not be adequately insurable.
- PRIME must comply with complex legal and tax rules (particularly, but not limited to, maintaining qualification as a tax advantaged REIT and as an ERISA-exempt "operating company"). There can be no assurance that it will be successful or that ensuring such compliance may not be economically disadvantageous at times. Failure to comply would have a material adverse impact on returns realized by PRIME's shareholders. For example, if PRIME fails to qualify or remain qualified as a REIT, PRIME's dividends will not be deductible by it, and its income will be subject to taxation at regular corporate rates.

Risk Considerations (Cont'd)

- To the extent PRIME makes loans, it has special risks as lender (e.g., lender liability, usury, partner fiduciary issues for partner loans, etc.).
- The Adviser has various conflicts of interest, including that it and its affiliates represent other advisory and/or investment banking clients; they may provide services to PRIME or represent counterparties in transactions with PRIME, subject in some but not all cases to the need for board approval. These conflicts could adversely impact performance.
- PRIME has significant assets in joint ventures, which can keep PRIME from implementing decisions in its sole judgment, and can increase the risk of disputes and litigation with the joint venture partner.
- PRIME relies heavily on its Adviser, which can choose to vary materially from the stated investment guidelines and allocation targets. Shareholders have only limited voting rights, with no control over daily investment decisions.
- Tenant financial condition deterioration could impact performance.
- Mortgage debts and other leverage incurred by PRIME can exacerbate certain risks and, upon default, result in loss of property and cross-defaults.
- Competition for desirable real estate assets is intense.
- Unstabilized properties, if acquired, carry extra risk, as does development of properties. Underwriting of acquisitions and other transactions can be an imprecise process. Litigation can also result from property level transactions or events.
- Real estate valuations are inherently uncertain given the uniqueness of real property, the need to project rental income with such projections being inherently unreliable, and the absence of frequent trading. Real property can be subject to property and transfer taxes. The Fund makes no assurances regarding the price at which an asset may be sold and cautions investors that sales may occur at prices materially lower or higher than the latest appraised value for such asset.
- Owners/operators of real property can be subjected to significant environmental liabilities over extended periods, which may not be insurable.
- The Adviser of PRIME may face challenges as it oversees the management of AMLI and Safeguard and their businesses in conjunction with PRIME's existing investments.
- The rental growth rates in markets where PRIME currently owns many of its apartment assets have historically lagged the rental growth rates of other major U.S. markets.
- There is no guarantee that the PRIME management team, the management team of its operating companies, PRIME's property managers, joint venture partners or other partners in PRIME's operations will remain in place.
- Additional risk factors and conflicts of interest are set forth in PRIME's Offering Memorandum.



RETIREMENT BOARD STAFF REPORT

DATE: December 14, 2022 Agenda Item: 12
TO: Sacramento Regional Transit Retirement Boards – ALL
FROM: Lawrence Chiu, VP, Finance/CFO
SUBJ: RECEIVE AND FILE INVESTMENT PERFORMANCE RESULTS FOR THE ATU, IBEW AND SALARIED EMPLOYEE RETIREMENT PLANS FOR THE QUARTER ENDED SEPTEMBER 30, 2022 (ALL). (CHIU)

RECOMMENDATION

Motion to Approve

RESULT OF RECOMMENDED ACTION

Motion: Receive and File Investment Performance Results for the ATU, IBEW and Salaried Employee Retirement Plans for the Quarter Ended September 30, 2022 (ALL). (Chiu)

FISCAL IMPACT

None.

DISCUSSION

Pension funds are invested consistent with the Statement of Investment Objectives and Policy Guidelines adopted by each Retirement Board. Attached are the two investment performance reports prepared by the Boards' pension investment consultants. The first report is the Third Quarter 2022 Market Update (Attachment 1) and the second is the Investment Measurement Service Quarterly Review as of September 30, 2022 (Attachment 2). These reports provide a detailed analysis of the performance of each of the investment managers retained by the Retirement Boards to manage the Retirement Funds for the quarter ended September 30, 2022. The second report compares the performance of each investment manager with benchmark indices, other fund managers of similarly invested portfolios and other indices.

Investment Compliance Monitoring

In accordance with the Statement of Investment Objectives and Policy Guidelines for the Sacramento Regional Transit District Retirement Plans (Investment Policy), Northern Trust Company performs daily investment compliance monitoring on the Plans' three (3) actively managed funds. As of September 30, 2022, there was a compliance breach reported; however the report was investigated and it was determined that the breach report was due to restructuring of a company held by the Plans' fixed income manager (Intelsat, held by Metwest/TWC) as part of a corporate action. Northern Trust's compliance monitoring settings were set to flag equity common stock, equity rights and other sundry assets as compliance

breaches. The Intelsat investments were originally purchased as Corporate Bonds so this incident is not a violation of the investment policy. The current equity common stock, equity rights and other sundry assets will continue to be monitored until MetWest/TCW disposes of the securities. The final attached report includes the monitoring summary (Attachment 3).

The table below provides an overview of the quarter performance, quarter ending September 30, 2022 – gross of investment management fees:

Investment Manager - Description - Benchmark	Benchmark Index	ATU, IBEW & Salaried Fund	Investment Gains/ (Losses)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	(5.62)%	(4.27)%	\$ (2,486,431)	\$ (739,658)
S&P 500 Index (large cap value) S&P 500	(4.88)%	(4.88)%	\$ (2,539,168)	-
Atlanta Capital (small cap) Russell 2000	(2.19)%	(5.63)%	\$ (1,619,480)	\$ (257,964)
Pyrford (international equities) MSCI EAFE	(9.36)%	(10.51)%	\$ (3,349,778)	-
MSCI EAFE Index (international equities) MSCI EAFE	(9.36)%	(9.33)%	\$ (1,397,185)	-
AQR (small cap international equities) MSCI EAFE SC	(9.83)%	(9.29)%	\$ (1,561,931)	-
Dimensional Fund Advisors (emerging markets) MSCI EM	(11.57)%	(10.79)%	\$ (2,263,081)	-
Metropolitan West (fixed income) Bloomberg Agg.	(4.75)%	(4.97)%	\$ (4,202,617)	-
Clarion Lion Properties (real estate) NCREIF NFI-ODCE	.52%	.62%	\$ 70,666	-
Morgan Stanley Prime Property Fund	.52%	(.06)%	\$ (10,412)	-
Totals	(5.29)%	(5.56)%	\$ (19,359,417)	\$ (997,622)

Bold – fund exceeding respective benchmark

The table below provides an overview of the year to date performance, as of September 30, 2022 – net of investment management fees:

Investment Manager - Description - Benchmark	Benchmark Index	ATU, IBEW & Salaried Fund	Investment Gains/(Loss)	Pension Fund Contributions/ (Withdrawals)
Boston Partners (large cap value) Russell 1000 Value	(11.36)%	(6.24)%	\$ (3,634,377)	\$ (2,119,075)
S&P 500 Index (large cap value) S&P 500	(15.47)%	(15.50)%	\$ (8,975,419)	\$ (1,066,708)
Atlanta Capital (small cap) Russell 2000	(23.50)%	(10.69)%	\$ (3,194,205)	\$ (3,673,389)
Pyrford (international equities) MSCI EAFE	(25.13)%	(17.59)%	\$ (6,082,075)	-
MSCI EAFE Index (international equities) MSCI EAFE	(25.13)%	(24.89)%	\$ (4,489,673)	-
AQR (small cap international equities) MSCI EAFE SC	(32.06)%	(25.46)%	\$ (5,315,473)	\$ (1,000,000)
Dimensional Fund Advisors (emerging markets) MSCI EM	(28.11)%	(23.70)%	\$ (5,835,139)	\$ (2,000,000)
Metropolitan West (fixed income) Bloomberg Agg.	(14.60)%	(15.40)%	\$ (14,597,759)	\$ 5,500,000
Clarion Lion Properties (real estate) NCREIF NFI-ODCE	22.09%	23.33%	\$ 3,684,847	-
Morgan Stanley Prime Property Fund	22.09%	19.40%	\$ 2,999,414	-
Totals	(15.60)%	(12.07)%	\$ (45,439,859)	\$ (4,359,172)

Bold – fund exceeding respective benchmark

December 14, 2022



Sacramento Regional Transit District

3Q22 Market Update

Anne Heaph □

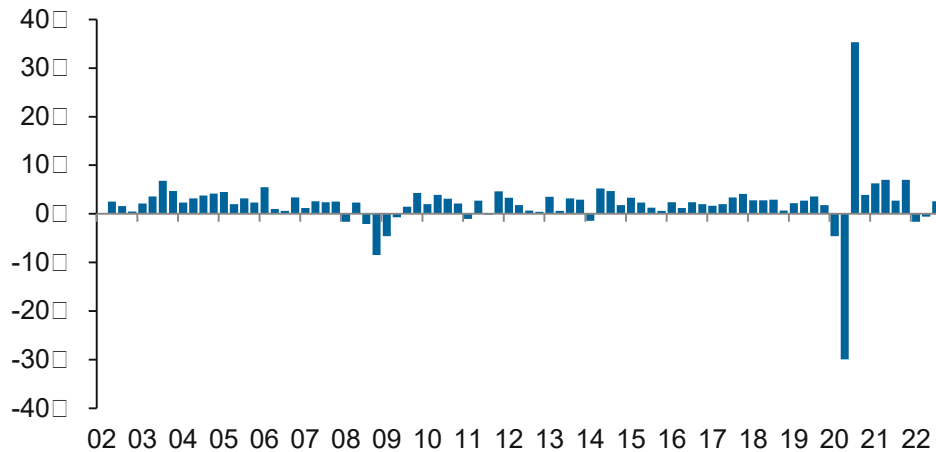
Fund Sponsor Consulting

Uvan Tseng □CFA

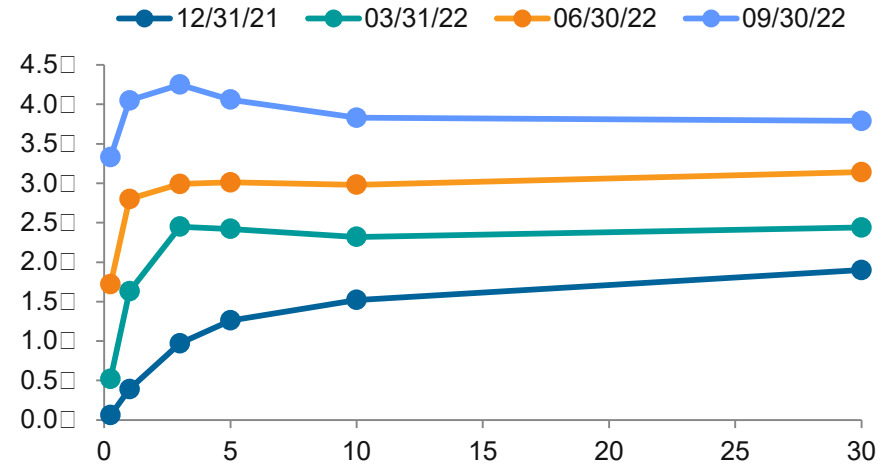
Fund Sponsor Consulting

Economic Commentar

Quarterly Real GDP Growth



US Treasury Yield Curves



Economic data shows growth hit pause in the US

Consensus estimates for GDP growth in 2022 have been scaled back, from north of 4% at the start of the year to below 0%

- 3Q22 GDP rose 2.6%, after falling 1.6% in 1Q22, followed by a 0.9% drop in 2Q22.
- Loss of business and consumer confidence followed the start of the conflict in Ukraine.
- Consumer wealth hit by stock and bond market drop, and now a sharp slowdown in residential housing, as mortgage rates doubled from the start of the year.
- Job market remains strong, with substantial job creation year to date; job listings remain larger than the number of seekers.
 - Initial unemployment claims are creeping up: a leading indicator.
- PMI is showing initial signs of recession in the Business Activity and Output indices; PMI is also a leading indicator.

The Treasury yield curve has steadily shifted higher in an especially sharp way on the short end

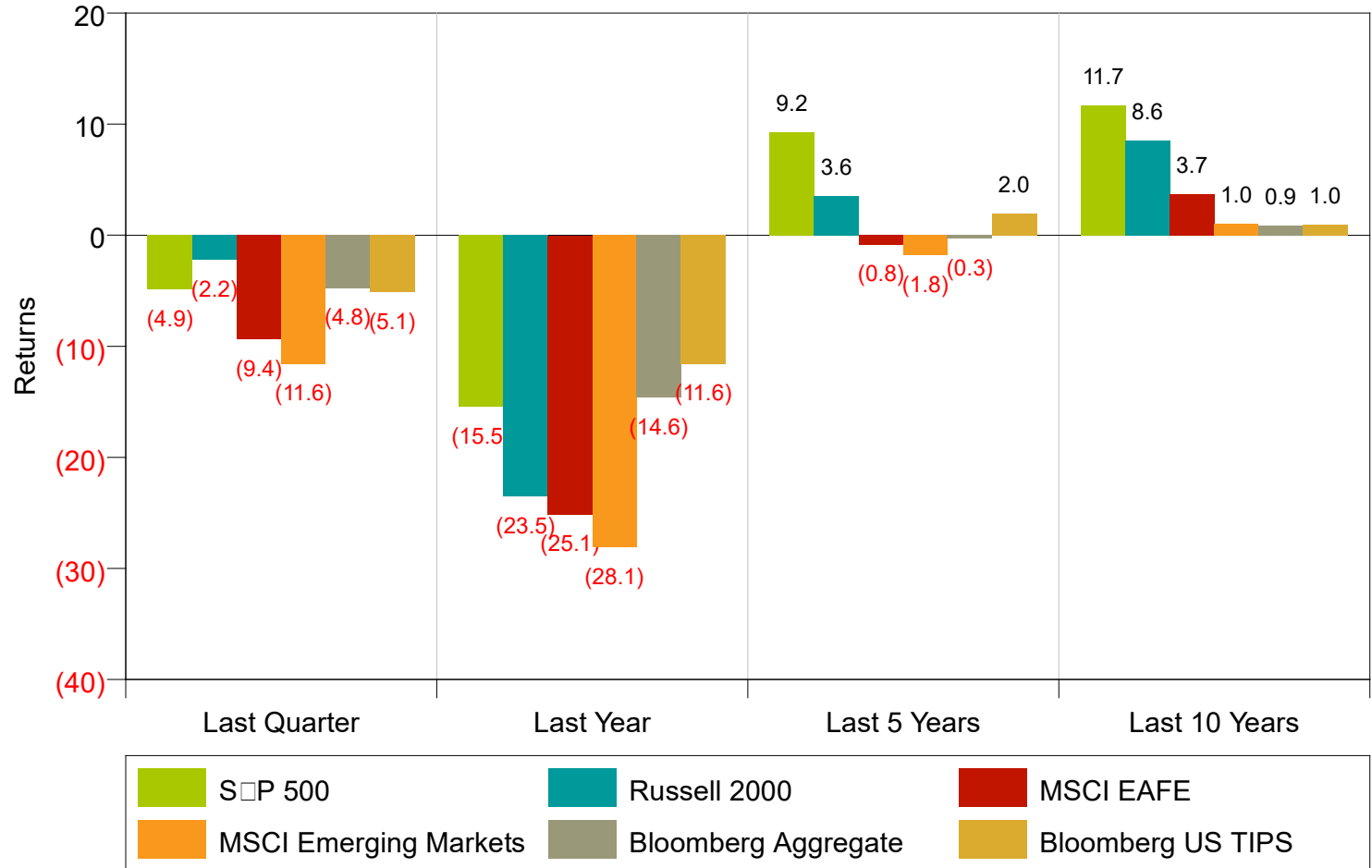
- The yield curve inverted in mid-July and has remained inverted pretty consistently since, with the 1- and 3-year yields exceeding 10- and 30-year yields.
- Higher yields increase the risk of inducing recession, which could lead to reversal in interest rates and lower return.

Sources: Bloomberg, Bureau of Labor Statistics, Callan

Asset Class Performance

Periods Ended September 30, 2022

Asset Class Performance
for Periods Ended September



YTD as of 12/13/2022:

S&P 500:

Russell 2000:

MSCI EAFE:

MSCI Emerging Markets:

Bloomberg Aggregate:

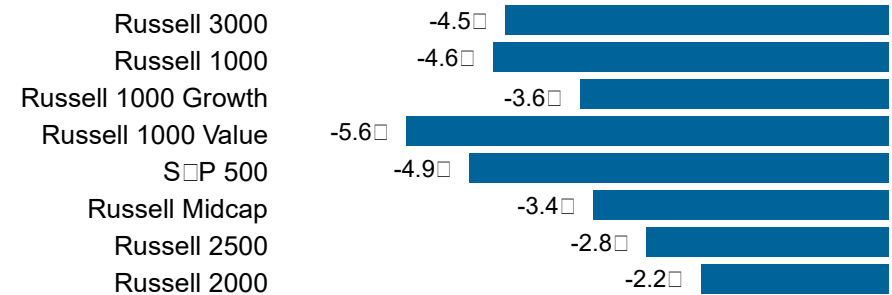
Bloomberg TIPS:

U.S. Equity Performance

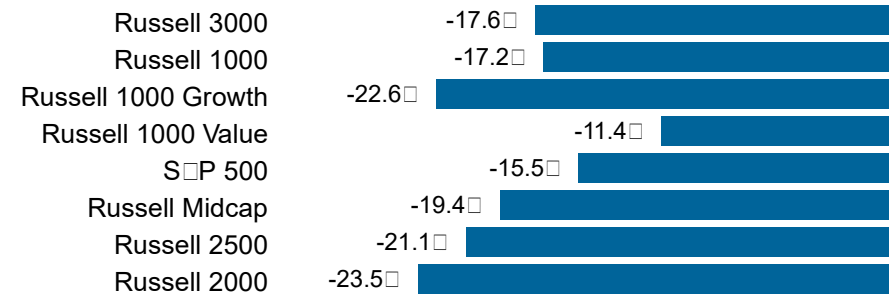
Challenging market conditions persist

- The S&P 500 Index dropped by 5% in 3Q22; all major U.S. indices across styles and market cap ranges were negative in the quarter, except for the Russell 2000 Growth Index, which was up 0.24%.
- During the quarter, all sectors posted negative returns, except for Energy (+2%) and Consumer Discretionary (+4%). The quarterly return for Consumer Discretionary was aided by an exceptional July in which it was up over 18%. Returns posted by Real Estate and Communication Services were the worst, -11% and -13%, respectively.
- Small cap (Russell 2000) outpaced large cap (Russell 1000) and growth outperformed value during the quarter, a reversal of what we've seen in previous quarters this year.
- Continued concerns around inflation and a potential recession, along with geopolitical headlines, contributed to a volatile and risk-averse environment.

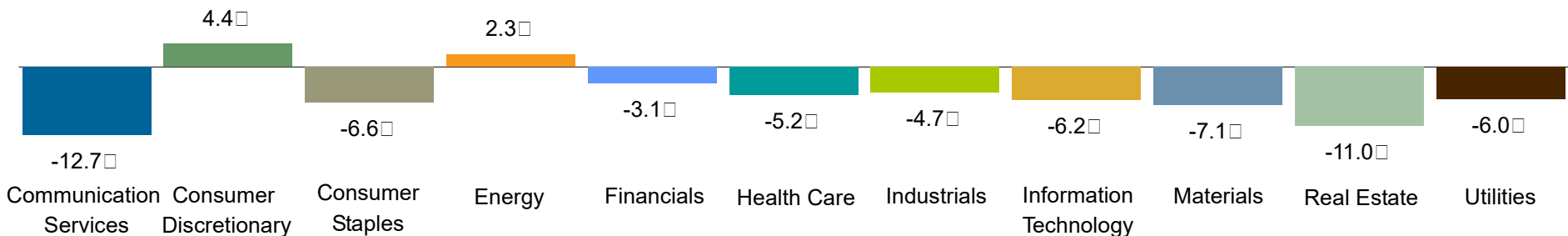
U.S. Equity Quarterly Returns



U.S. Equity One-Year Returns



Industry Sector Quarterly Performance S&P

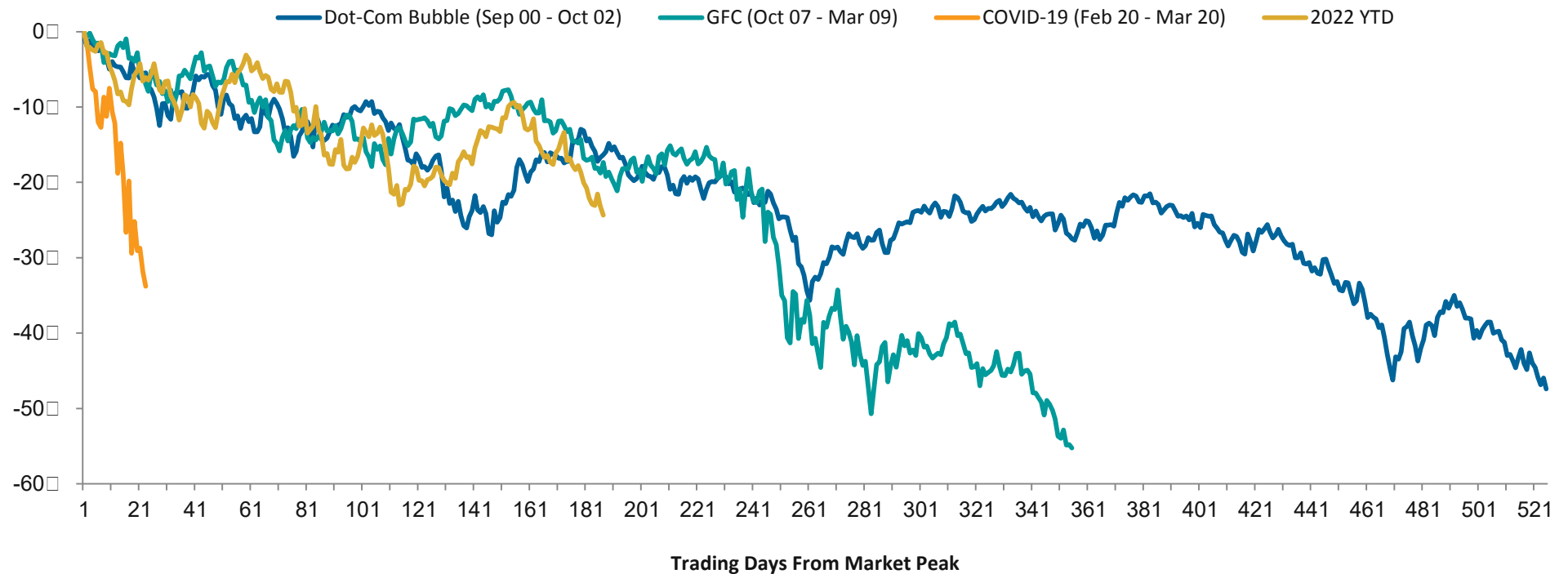


Sources: FTSE Russell, S&P Dow Jones Indices

Equity Drawdown: A More Typical Correction

S&P Cumulative Returns

Market Peak-to-Trough for Recent Corrections vs YTD Through



- While the COVID correction was swift and intense, so far the 2022 correction resembles the GFC and Dot-Com Bubble.
- The 2022 drawdown has been 187 trading days through September.
- It would take another 168 trading days to get to the bottom of the GFC and 338 trading days to get to the bottom of the Tech Bubble.

Sources: Callan, S&P Dow Jones Indices

Global Global ex-U.S. Equity Performance

Global market turmoil

- Global and global ex-U.S. equity markets waned for three consecutive quarters due to inflation, rising rates, and fears of a global recession.

Geopolitical and macro factors plague the market

- Political instability in Italy and the U.K. as a result of prime minister departures weighed on the market.
 - U.K. equities lost confidence as its newly elected prime minister, Liz Truss, announced her economic policy.
- China's COVID-19 lockdowns and growing concerns around the property sector sapped sentiment and economic activity.

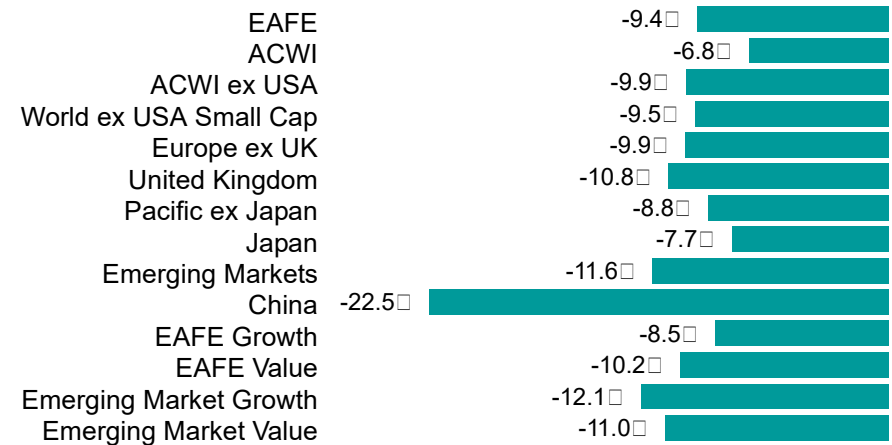
Growth vs. value

- Growth outpaced value in developed markets but lagged value in emerging markets.
 - Rate-sensitive sectors in developed markets (e.g., Communication Services and Real Estate) were challenged given the tightening cycle by global central banks.
 - Profitability of Chinese internet companies has compressed due to lockdowns and regulation, and cyclical downturn in electronics weakened Taiwan and Korean semiconductors.

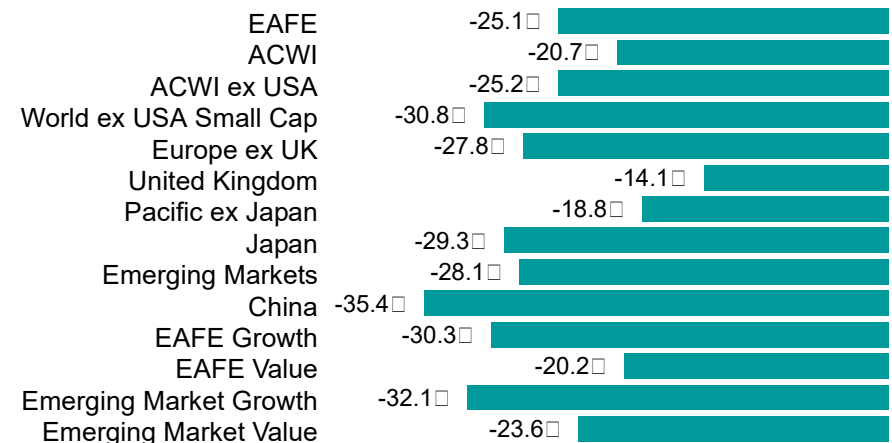
U.S. dollar vs. other currencies

- Growth and interest rate differentials as well as its safe haven status have fueled the U.S. dollar to a multi-decade high.
 - The dollar gained vs. the euro and the yen by about 6%.

Global Equity Quarterly Returns



Global Equity One-Year Returns



Source: MSCI

US Fixed Income Performance

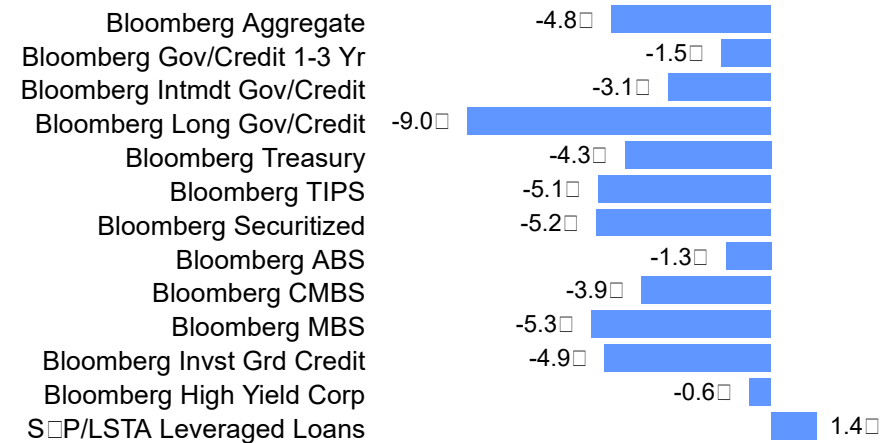
Bonds hit hard as rates rose sharply (again)

- Bloomberg US Aggregate worst nine-month return in its history
 - As are trailing 1, 3, 5 and 10-year returns!
 - 10-year return for Aggregate a mere 0.9%
- Yield curve inverted at quarter-end; 2-year at 4.22%, 10-year at 3.83%.
- 10-year hit 4% briefly in late September; first time since 2009.
- TIPS underperformed nominal Treasuries and 10-year breakeven spreads fell to 2.11% from 2.33% as of 6/30/22.
- Fed raised rates by 150 bps during the quarter, bringing target to 3.0% to 3.25%.
 - Median expectation from Fed is 4.4% at year-end and 4.6% at the end of 2023.
 - Longer-term expectations are much lower.
- Volatility climbed to levels not seen since early 2020.

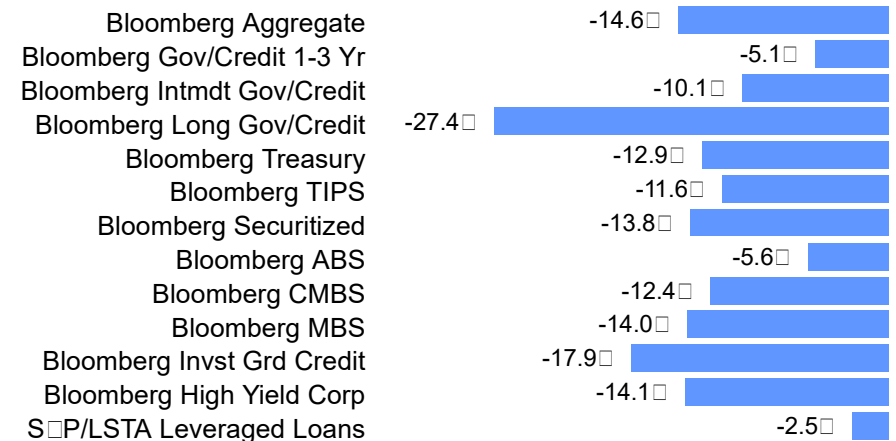
Spread sectors underperformed

- Mortgages had worst month ever vs. like-duration U.S. Treasuries in September; underperformed by 169 bps for 3Q
- Corporates also produced negative returns; the Bloomberg Corp yield-to-worst reached 5.7%.
- High yield fared better and loans gained.
 - Bloomberg HY Corp yield-to-worst 9.7%

US Fixed Income Quarterly Returns



US Fixed Income One-Year Returns



Sources: Bloomberg, S&P Dow Jones Indices

US Private Real Estate Performance

Appreciation returns turn negative, as sector returns are mixed

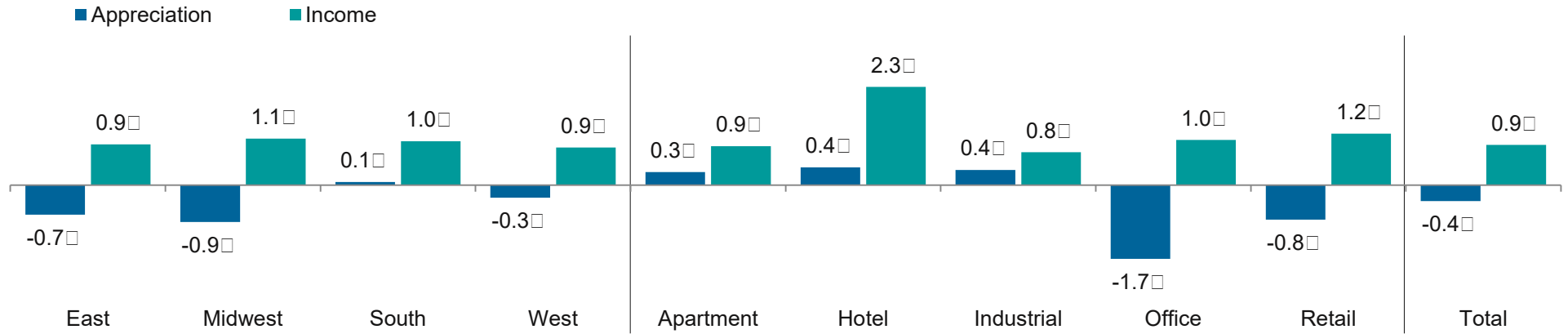
Income rose, but appreciation declined

- Income returns were positive across sectors.
- Valuations are reflective of strong fundamentals in Industrial and Apartment and continued uncertainty in Office and Retail.
- Return dispersion by manager within the ODCE Index was due to the composition of underlying portfolios, and increased borrowing costs are impacting values.
- Niche sectors such as self-storage and life sciences continued to be accretive.

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
NCREIF ODCE	0.3%	21.0%	11.4%	9.3%	9.9%
Income	0.6%	2.7%	3.0%	3.1%	3.5%
Appreciation	-0.3%	17.9%	8.2%	6.0%	6.3%
NCREIF Property Index	0.6%	16.1%	9.9%	8.6%	9.5%
Income	0.9%	4.0%	4.2%	4.3%	4.7%
Appreciation	-0.4%	11.8%	5.6%	4.2%	4.6%

Returns are geometrically linked

NCREIF Property Index Quarterly Returns by Region and Property Type



Source: NCREIF, ODCE return is net

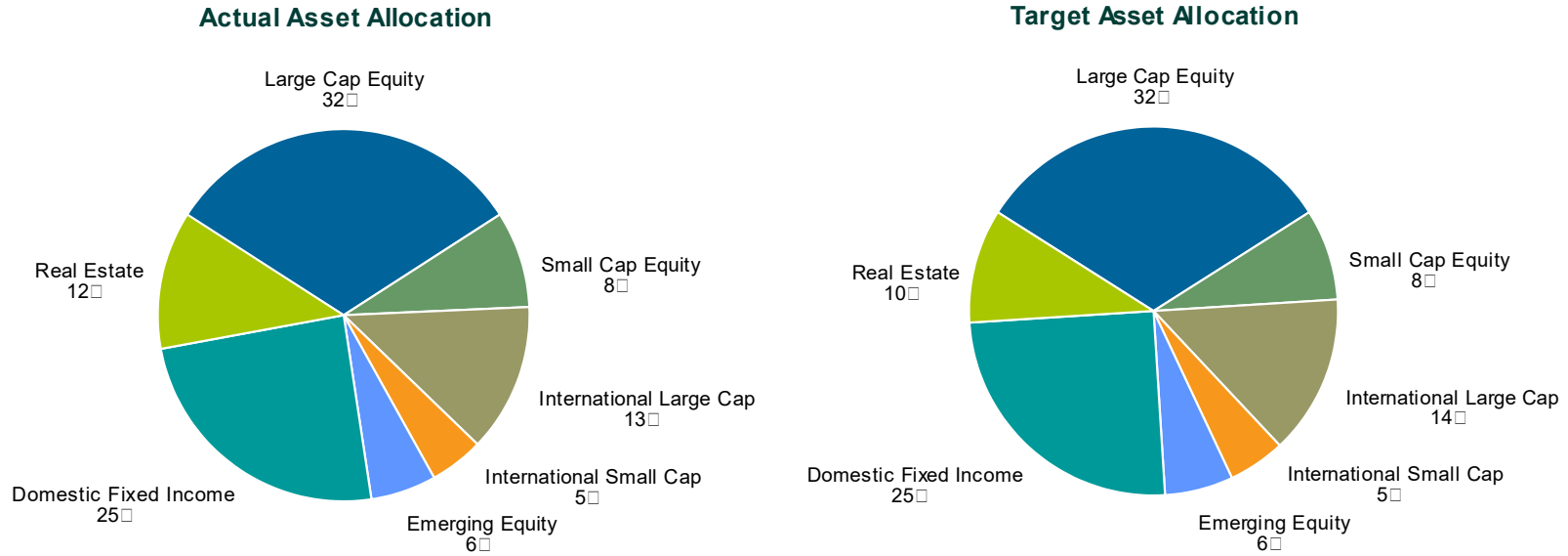


**Sacramento Regional
Transit District**

Total Fund Overview

RT Asset Allocation

As of September 30, 2022



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	104,518	31.9%	32.0%	(0.1%)	(219)
Small Cap Equity	27,381	8.4%	8.0%	0.4%	1,197
International Large Cap	42,105	12.9%	14.0%	(1.1%)	(3,717)
International Small Cap	15,243	4.7%	5.0%	(0.3%)	(1,122)
Emerging Equity	18,537	5.7%	6.0%	(0.3%)	(1,101)
Domestic Fixed Income	80,329	24.5%	25.0%	(0.5%)	(1,496)
Real Estate	39,188	12.0%	10.0%	2.0%	6,458
Total	327,301	100.0%	100.0%		

Total Fund

Performance Attribution

Relative Attribution Effects for quarter ended September

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	(4.57%)	(4.88%)	0.10%	(0.03%)	0.07%
Small Cap Equity	8%	8%	(5.63%)	(2.19%)	(0.30%)	0.02%	(0.28%)
International Large Cap	13%	14%	(10.13%)	(9.36%)	(0.11%)	0.03%	(0.08%)
International Small Cap	5%	5%	(9.29%)	(9.83%)	0.03%	0.01%	0.03%
Emerging Equity	6%	6%	(10.79%)	(11.57%)	0.05%	(0.00%)	0.04%
Domestic Fixed Income	24%	25%	(4.97%)	(4.75%)	(0.06%)	(0.01%)	(0.07%)
Real Estate	11%	10%	0.30%	0.52%	(0.02%)	0.05%	0.03%
Total							

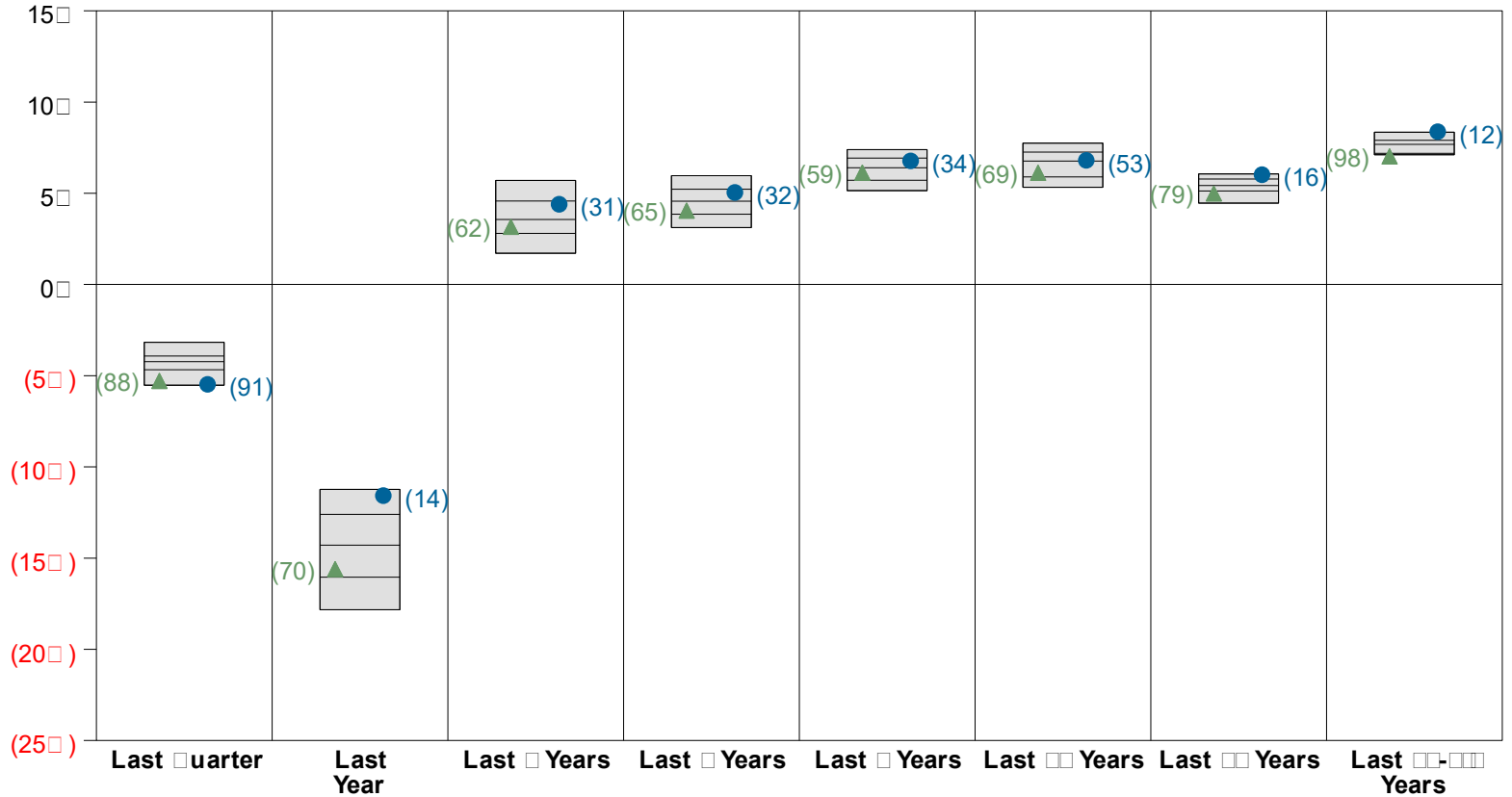
One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	33%	32%	(10.51%)	(15.47%)	1.59%	(0.07%)	1.51%
Small Cap Equity	8%	8%	(10.15%)	(23.50%)	1.13%	(0.04%)	1.08%
International Large Cap	14%	14%	(19.71%)	(25.13%)	0.80%	0.04%	0.84%
International Small Cap	5%	5%	(24.81%)	(32.06%)	0.44%	(0.04%)	0.40%
Emerging Equity	6%	6%	(23.39%)	(28.11%)	0.33%	(0.04%)	0.29%
Domestic Fixed Income	24%	25%	(15.16%)	(14.60%)	(0.14%)	(0.07%)	(0.21%)
Real Estate	10%	10%	22.92%	22.09%	0.09%	(0.11%)	(0.02%)
Total							

Total Fund

Performance as of September 30, 2022

Performance vs Callan Public Fund Spons- Mid M- B Gross



	Last quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8-10 Years
10th Percentile	(3.17)	(11.23)	5.70	5.96	7.40	7.75	6.06	8.35
25th Percentile	(3.92)	(12.60)	4.58	5.22	6.93	7.26	5.78	7.90
Median	(4.23)	(14.29)	3.57	4.56	6.40	6.77	5.42	7.68
75th Percentile	(4.67)	(16.05)	2.80	3.85	5.71	5.90	5.12	7.19
90th Percentile	(5.52)	(17.83)	1.71	3.12	5.14	5.33	4.46	7.12
Total Fund ●	(5.56)	(11.65)	4.33	4.97	6.69	6.72	5.95	8.30
Target ▲	(5.29)	(15.60)	3.16	4.05	6.13	6.13	4.99	7.02

Total Fund

Manager Asset Allocation

	September		Net Ne		June	
	Market Value	Weight	Inv	Inv Return	Market Value	Weight
Domestic Equity						
Large Cap						
Boston Partners	55,065,337	16.82	(739,658)	(2,486,431)	58,291,426	16.77
SSgA S&P 500	49,452,199	15.11	0	(2,539,168)	51,991,367	14.95
Small Cap						
Atlanta Capital	27,381,070	8.37	(257,964)	(1,619,480)	29,258,514	8.42
International Equity						
International Large Cap						
SSgA EAFE	13,580,950	4.15	0	(1,397,185)	14,978,135	4.31
Pyrford	28,524,012	8.71	0	(3,349,778)	31,873,790	9.17
International Small Cap						
AQR	15,242,790	4.66	0	(1,561,931)	16,804,721	4.83
Emerging Equity						
DFA Emerging Markets	18,537,313	5.66	0	(2,263,081)	20,800,394	5.98
Fixed Income						
Metropolitan West	80,328,963	24.54	0	(4,202,617)	84,531,580	24.31
Real Estate						
Clarion Lion Fund	20,542,986	6.28	0	70,666	20,472,320	5.89
Morgan Stanley	18,645,222	5.70	0	(10,412)	18,655,633	5.37
Total Fund						

Total Fund

Manager Returns as of September 30, 2022

	Last □ Quarter	Last Year	Last □ Years	Last □ Years	Last □ Years
Domestic Equity	□□□□□□	□□□□□□	□□□□	□□□□	□□□□□□
Domestic Equity Benchmark	(4.35)	(17.09)	7.50	8.17	10.70
Large Cap Equity	□□□□□□	□□□□□□	□□□□	□□□□	□□□□□□
Boston Partners	(4.27)	(5.74)	8.12	7.36	9.77
Russell 1000 Value Index	(5.62)	(11.36)	4.36	5.29	8.15
SSgA S&P 500	(4.88)	(15.46)	8.15	9.23	11.42
S&P 500 Index	(4.88)	(15.47)	8.16	9.24	11.40
Small Cap Equity	□□□□□□	□□□□□□	□□□□	□□□□	□□□□□□
Atlanta Capital	(5.63)	(10.15)	4.43	8.29	10.65
Russell 2000 Index	(2.19)	(23.50)	4.29	3.55	7.51
International Equity	□□□□□□	□□□□□□	□□□□	□□□□□□	□□□□
International Benchmark	(9.93)	(27.20)	(1.81)	(1.16)	3.15
International Large Cap	□□□□□□	□□□□□□	□□□□□□	□□□□	□□□□
SSgA EAFE	(9.33)	(24.82)	(1.48)	(0.48)	3.21
Pyrford	(10.51)	(17.03)	(0.34)	0.72	-
MSCI EAFE Index	(9.36)	(25.13)	(1.83)	(0.84)	2.84
International Small Cap	□□□□□□	□□□□□□	□□□□	□□□□□□	-
AQR	(9.29)	(24.81)	0.65	(1.39)	-
MSCI EAFE Small Cap Index	(9.83)	(32.06)	(2.16)	(1.79)	3.25
Emerging Markets Equity	□□□□□□	□□□□□□	□□□□	□□□□□□	□□□□
DFA Emerging Markets	(10.79)	(23.39)	0.69	(0.23)	5.15
MSCI Emerging Markets Index	(11.57)	(28.11)	(2.07)	(1.80)	3.88
Domestic Fixed Income	□□□□□□	□□□□□□	□□□□□□	□□□□	□□□□
Met West	(4.97)	(15.16)	(2.68)	0.52	1.21
Bloomberg Aggregate Index	(4.75)	(14.60)	(3.26)	(0.27)	0.54
Real Estate	□□□□	□□□□□□	-	-	-
Clarion Lion Fund	0.62	24.68	-	-	-
Morgan Stanley	(0.06)	21.03	-	-	-
NCREIF NFI-ODCE Val Wt Gr	0.52	22.09	12.37	10.28	9.87
Total Plan	□□□□□□	□□□□□□	□□□□	□□□□	□□□□
Target	(5.29)	(15.60)	3.16	4.05	6.13

□ Current Quarter Target □ 32.0 □ S&P 500 Index, 25.0 □ Blmbg Aggregate, 14.0 □ MSCI EAFE, 10.0 □ NCREIF NFI-ODCE Val Wt Gr, 8.0 □ Russell 2000 Index, 6.0 □ MSCI EM and 5.0 □ MSCI EAFE Small.
 □ Domestic Equity Benchmark □ 80.95 □ S&P500 □ 19.05 □ Russell 2000 until 6/30/2010, 80.95 □ S&P500 □ 19.05 □ Russell 2500 until 6/30/2013, 81.08 □ S&P500 □ 18.92 □ Russell 2000 until 4/30/2015, and 80 □ S&P500 □ 20 □ Russell 2000 thereafter.
 □ International Benchmark □ MSCI EAFE until 6/30/2013, 78.26 □ MSCI EAFE □ 21.74 □ MSCI EM until 4/30/2015, 76 □ MSCI EAFE □ 24 □ MSCI EM until 7/31/2016, and 56 □ MSCI EAFE □ 24 □ MSCI EM □ 20 □ MSCI EAFE Small Cap thereafter.

Total Fund

Manager Calendar Year Returns

	2015	2014	2013	2012	2011
Domestic Equity					
Domestic Equity Benchmark	(24.08)	25.93	18.94	30.32	(5.69)
Large Cap Equity					
Boston Partners	(13.91)	31.78	2.99	23.91	(8.27)
Russell 1000 Value Index	(17.75)	25.16	2.80	26.54	(8.27)
SSgA S&P 500	(23.87)	28.70	18.36	31.50	(4.39)
S&P 500 Index	(23.87)	28.71	18.40	31.49	(4.38)
Small Cap Equity					
Atlanta Capital	(19.27)	21.00	11.67	27.38	1.78
Russell 2000 Index	(25.10)	14.82	19.96	25.52	(11.01)
International Equity					
International Benchmark	(28.07)	7.67	11.39	21.78	(14.76)
International Large Cap					
SSgA EAFE	(26.81)	11.52	8.27	22.49	(13.49)
Pyrford	(19.10)	8.22	4.09	22.30	(10.31)
MSCI EAFE Index	(27.09)	11.26	7.82	22.01	(13.79)
International Small Cap					
AQR	(25.76)	13.52	7.35	21.73	(19.94)
MSCI EAFE Small Cap Index	(32.11)	10.10	12.34	24.96	(17.89)
Emerging Markets Equity					
DFA Emerging Markets	(24.13)	6.25	14.40	16.64	(14.80)
MSCI Emerging Markets Index	(27.16)	(2.54)	18.31	18.44	(14.57)
Domestic Fixed Income					
Met West	(15.27)	(0.46)	9.85	9.41	0.75
Bloomberg Aggregate Index	(14.61)	(1.54)	7.51	8.72	0.01
Real Estate					
Clarion Lion Fund	15.63	-	-	-	-
Morgan Stanley	10.20	-	-	-	-
NCREIF NFI-ODCE Val Wt Gr	13.08	22.17	1.19	5.34	8.50
Total Plan Target	(19.45)	12.81	13.82	20.58	(5.82)

Current Quarter Target 32.0 S&P 500 Index, 25.0 Blmbg Aggregate, 14.0 MSCI EAFE, 10.0 NCREIF NFI-ODCE Val Wt Gr, 8.0 Russell 2000 Index, 6.0 MSCI EM and 5.0 MSCI EAFE Small.
 Domestic Equity Benchmark 80.95 S&P500 19.05 Russell 2000 until 6/30/2010, 80.95 S&P500 19.05 Russell 2500 until 6/30/2013, 81.08 S&P500 18.92 Russell 2000 until 4/30/2015, and 80 S&P500 20 Russell 2000 thereafter.
 International Benchmark MSCI EAFE until 6/30/2013, 78.26 MSCI EAFE 21.74 MSCI EM until 4/30/2015, 7.6 MSCI EAFE 24 MSCI EM until 7/31/2016, and 56 MSCI EAFE 24 MSCI EM 20 MSCI EAFE Small Cap thereafter.

September 30, 2022



Sacramento Regional Transit District Retirement Plans

**Investment Measurement Service
Quarterly Review**

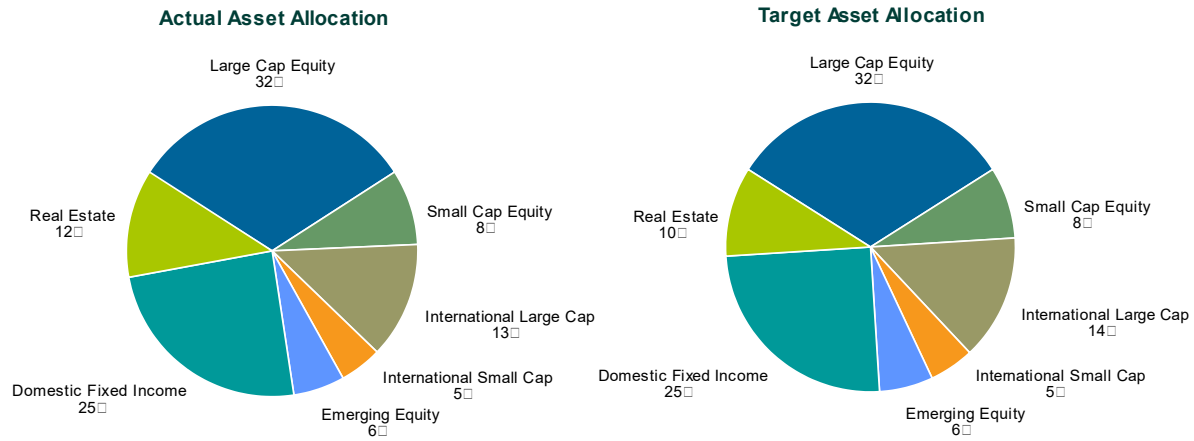
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Sacramento Regional Transit District
Executive Summary for Period Ending September 30, 2022

Asset Allocation



Performance

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Total Plan	-0.00%	-15.60%	3.16%	4.05%	6.13%
Target	-5.29%	-15.60%	3.16%	4.05%	6.13%

Recent Developments

N/A

Organizational Issues

N/A

Manager Performance

Manager	Peer Group Ranking		
	Last Year	Last 3 Years	Last 5 Years
Boston Partners	15	21	23
Atlanta Capital	8	75	21
Pyrford	1	37	[42]
AQR	41	27	[53]
DFA	7	9	31
MetWest	57	69	73
Clarion	24	[23]	[31]
Morgan Stanley	63	[84]	[67]

Brackets indicate performance linked with manager's composite

Watch List

There are no managers currently on watch.

□ Current Quarter Target □ 32.0 □ S□P 500 Index, 25.0 □ Blmbg Aggregate, 14.0 □ MSCI EAFE, 10.0 □ NCREIF NFI-ODCE Val Wt Gr, 8.0 □ Russell 2000 Index, 6.0 □ MSCI EM and 5.0 □ MSCI EAFE Small.
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U.S. EQUITY

Worst three-quarter start to year in decades

- The S&P 500 Index fell 4.9% in 3Q22; all major U.S. indices across styles and market cap ranges were negative except for the Russell 2000 Growth Index, which gained 0.24%.
- During the quarter, all sectors posted negative returns except for Energy (+2%) and Consumer Discretionary (+4%). The return for Consumer Discretionary was aided by an exceptional July when the sector was up more than 18%. Returns for Real Estate and Communication Services were the worst, down 11% and 13%, respectively.
- Small cap (Russell 2000) outpaced large cap (Russell 1000) and growth outperformed value during the quarter, a reversal from previous quarters this year.
- Continued concerns around inflation and a potential recession, along with geopolitical headlines, contributed to a volatile and risk-averse environment.

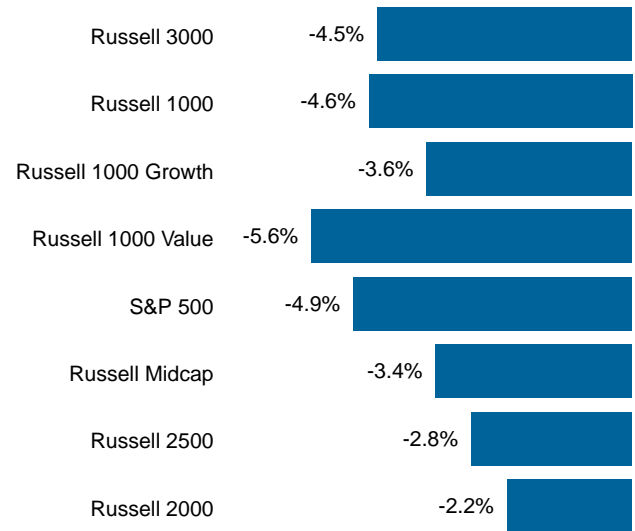
More market difficulties; no place to hide

- The pullback of the U.S. equity markets was reminiscent of other periods marked by bearish sentiment, such as 2008 (Global Financial Crisis) and 2020 (start of pandemic).
- High inflation and interest rates continued to pressure the markets. While some inflationary data (particularly around energy) seemed to soften, other data points around food, shelter, and services remained elevated.
- U.S. equity did not provide a safe haven for investors. Like most other asset classes, it has not generated YTD gains and continues to be overshadowed by the outsized outperformance of commodities.

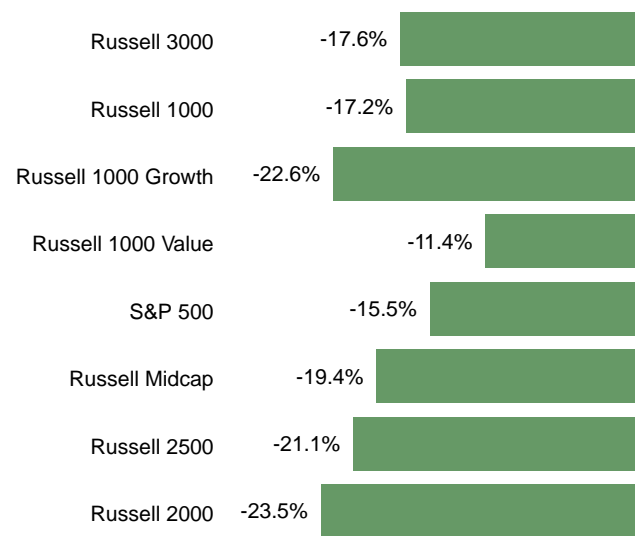
'Relief rally' but not for active managers

- The market experienced a "relief rally" in late June to August based on optimism that inflation had peaked, lessening the urgency for continued rate hikes.
- The rally was marked by a rebound of cyclical growth companies, and unprofitable companies outperformed profitable companies by wide margins across caps. Active managers underperformed significantly during this period.

U.S. Equity: Quarterly Returns

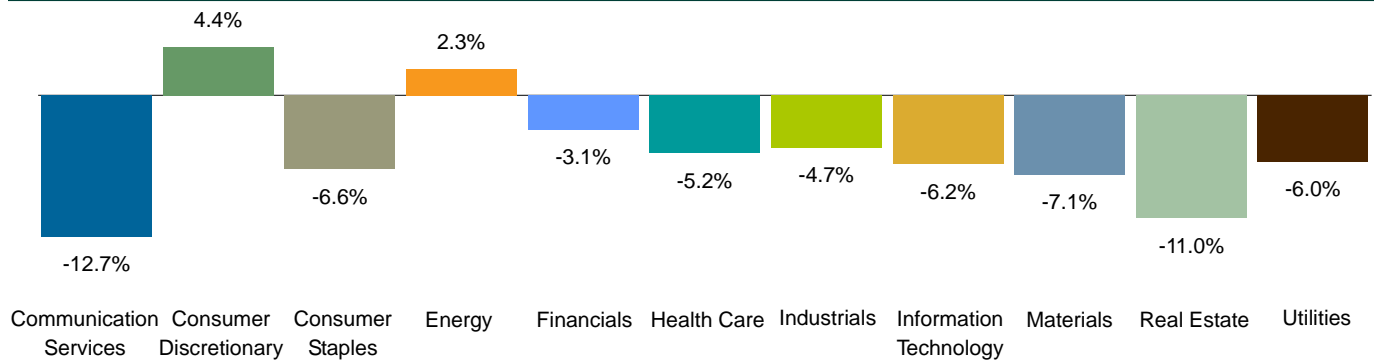


U.S. Equity: One-Year Returns



Sources: FTSE Russell, S&P Dow Jones Indices

S&P Sector Returns, Quarter Ended 9/30/22



Source: S&P Dow Jones Indices

GLOBAL EQUITY

Market turmoil around the world

- Global and global ex-U.S. equity markets waned for three straight quarters due to inflation, rising rates, and fears of global recession.

Geopolitical and macro factors plague market

- Political instability in Italy and the U.K. as a result of prime minister departures weighed on the market.
- U.K. equities lost confidence as its newly elected prime minister Liz Truss announced her economic policy.
- China’s COVID-19 lockdowns and growing concerns around the property sector sapped sentiment and economic activity.

Growth vs. value switch places globally

- Growth outpaced value in developed markets but lagged value in emerging markets.
- Rate-sensitive sectors in developed markets (e.g., Communication Services and Real Estate) were challenged given the tightening cycle by global central banks.
- The profitability of Chinese internet companies has compressed due to lockdowns and regulation, and a cyclical downturn in electronics weakened Taiwan and Korean semiconductors.

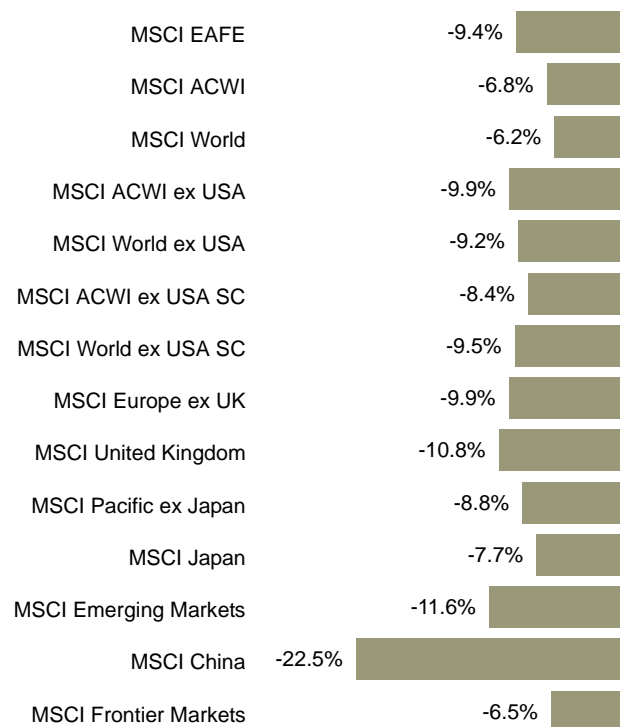
U.S. dollar vs. other currencies

- Growth and the interest rate differential as well as its safe-haven status fueled the U.S. dollar to its highest level in decades.
- The dollar gained vs. the euro and the yen by about 6%.

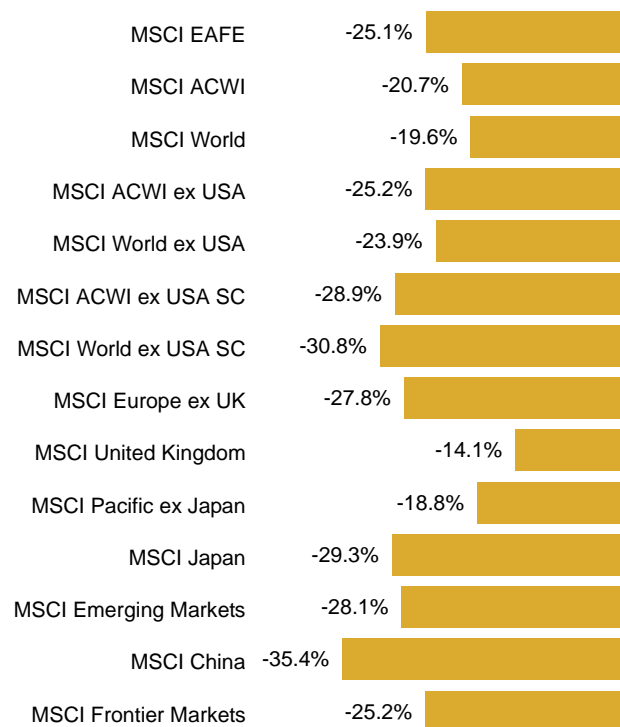
The case for global ex-U.S. equities

- **Diversification:** Global ex-U.S. equities remain a good diversifier to other public markets investments.
- **Valuations/Yield:** Valuation of U.S. stocks took off after the Global Financial Crisis (GFC); many of the tailwinds have dissipated—rates, inflation, and liquidity.
- Developed ex-U.S. stocks continue to be undervalued and currently provide a 1.6% yield premium to U.S. stocks (MSCI EAFE 3.5% vs. S&P 500 1.9%).
- **Economic exposure:** Emerging market and developing economies’ contribution to global GDP has increased while advanced economies’ share has steadily decreased since the GFC.
- U.S. companies do not provide significant exposure to non-U.S. economies

Global Equity: Quarterly Returns



Global Equity: One-Year Returns



Source: MSCI

U.S. FIXED INCOME

Bonds hit hard as rates rose sharply (again)

- Bloomberg US Aggregate saw its worst nine-month return in its history—as did trailing 1-, 3-, 5- and 10-year returns!
- 10-year annualized return for Aggregate is a mere 0.9%.
- Yield curve inverted at quarter-end; 10-year at 3.83% and 2-year at 4.22%
- 10-year at 4% briefly in late September; first time since 2009
- TIPS underperformed nominal Treasuries, and 10-year breakeven spreads fell to 2.11% from 2.33% as of 6/30/22.
- Fed raised rates by 150 bps during the quarter, bringing target to 3.0% to 3.25%.
- Median expectation from Fed is 4.4% at year-end and 4.6% at the end of 2023.
- Longer-term expectations are much lower.
- Volatility climbed to levels not seen since early 2020.

Spread sectors underperformed

- Mortgages had worst month ever vs. like-duration U.S. Treasuries in September; underperformed by 169 bps for 3Q.
- Corporates also underperformed: 33 bps of excess return; Bloomberg Corporate Bond Index yield-to-worst 5.7%
- High yield fared better and loans posted a positive return.
- Bloomberg High Yield Corp yield-to-worst 9.7%

MUNICIPAL BONDS

Municipal bond returns hurt by rising rates

- Lower quality continued to underperform.
- BBB: -4.1%; AAA: -3.5% (YTD BBB: -14.9%; AAA: -11.7%)

Valuations relative to U.S. Treasuries at fair value

- 10-year AAA Muni/10-year U.S. Treasury yield ratio roughly 87%; in line with 10-year average
- Municipal Bond Index after-tax yield = 6.8% (source: Morgan Stanley)

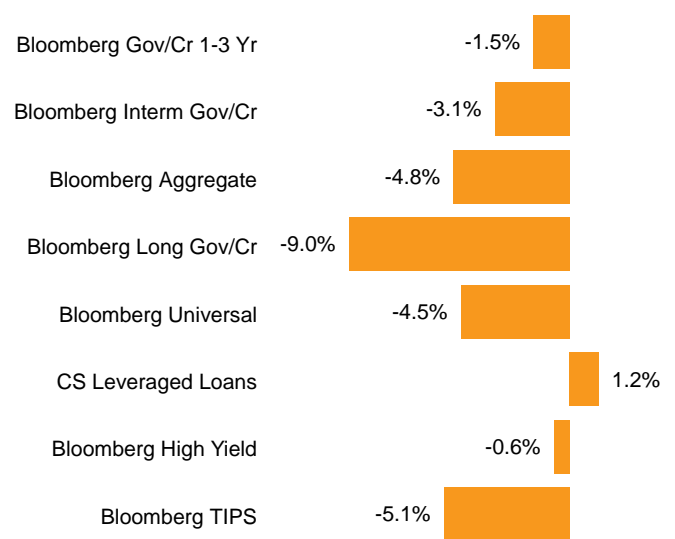
Supply/demand

- Outflows of \$91.5 billion YTD—highest cycle outflow since data series began in 1992
- YTD issuance down 14% vs. last year

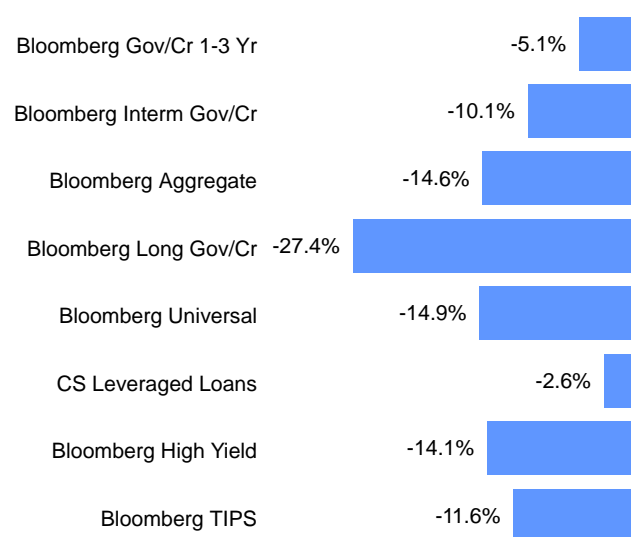
Credit quality remains stable to improving

- State revenues up more than 18% vs. 2021
- Number of defaults lower than 2021 and concentrated in senior living and industrial revenue bonds

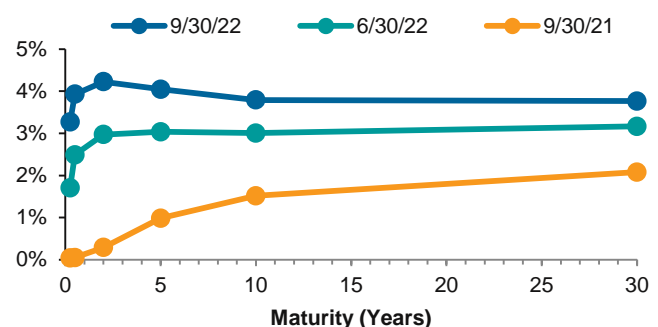
U.S. Fixed Income: Quarterly Returns



U.S. Fixed Income: One-Year Returns



U.S. Treasury Yield Curves



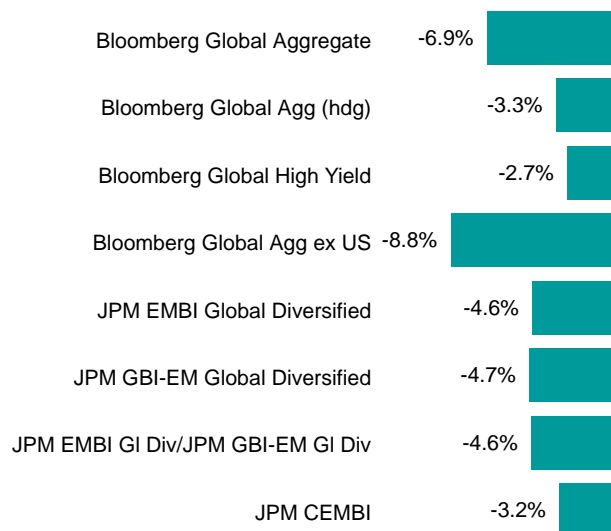
Sources: Bloomberg, Credit Suisse

GLOBAL FIXED INCOME

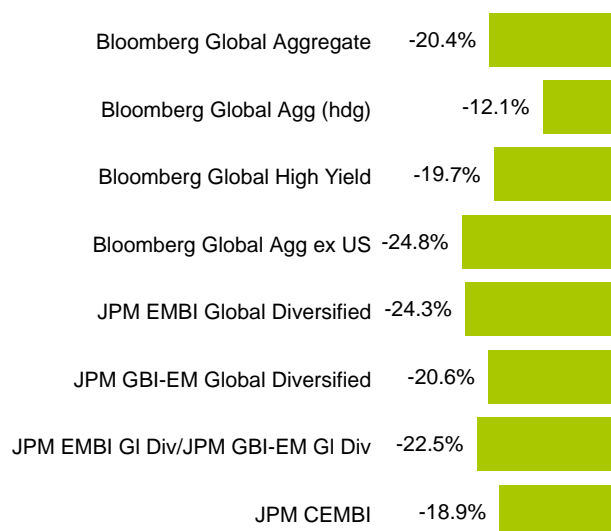
Negative returns driven by broad interest rate increases

- U.S. dollar continued to appreciate vs. yen, euro, and pound
- Bank of Japan intervened to support currency for first time since 1998.
- Pound hit record low vs. U.S. dollar
- Double-digit negative returns were widespread across developed markets.
- U.K. government bonds were hard-hit on UK's "mini-budget" fiasco.
- ICE BofA U.K. Gilts Index -20.6% in 3Q
- Emerging market debt returns also sharply negative
- Most countries in the USD-denominated JPM EMBI Global Diversified Index posted negative returns, hurt by rising rates in the U.S.
- JPM GBI-EM Global Diversified also fell due largely to EM currency depreciation vs. the U.S. dollar.

Global Fixed Income: Quarterly Returns

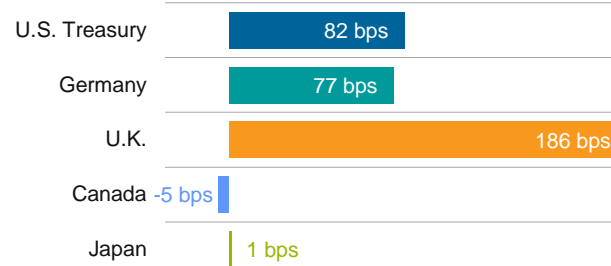


Global Fixed Income: One-Year Returns



Change in 10-Year Global Government Bond Yields

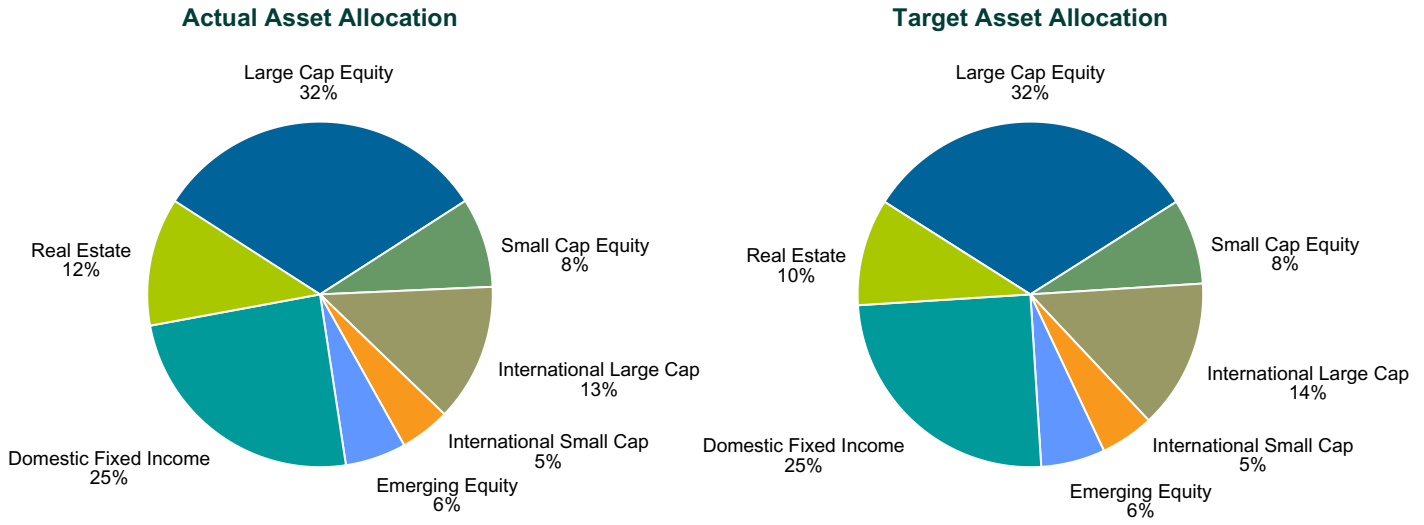
2Q22 to 3Q22



Sources: Bloomberg, JP Morgan

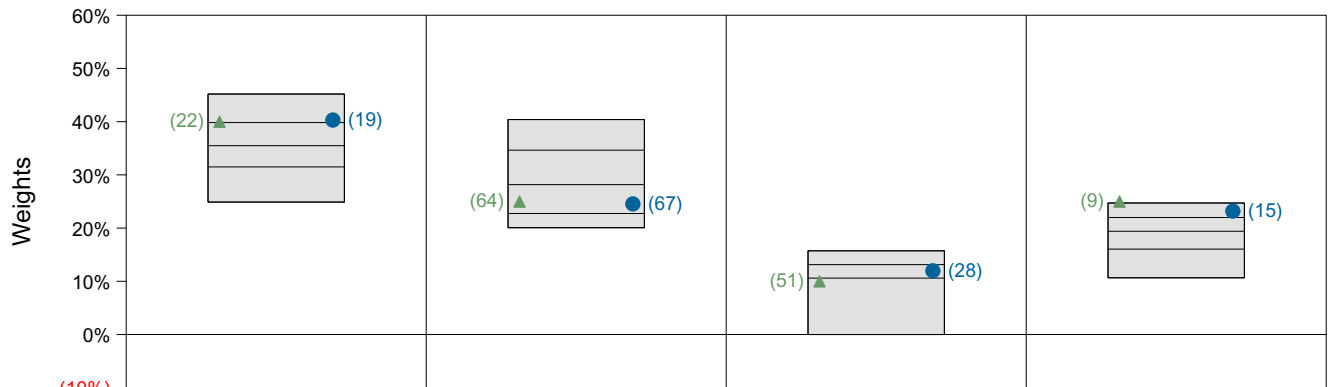
Actual vs Target Asset Allocation As of September 30, 2022

The top left chart shows the Fund's asset allocation as of September 30, 2022. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Callan Public Fund Spons- Mid (100M-1B).



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap Equity	104,518	31.9%	32.0%	(0.1%)	(219)
Small Cap Equity	27,381	8.4%	8.0%	0.4%	1,197
International Large Cap	42,105	12.9%	14.0%	(1.1%)	(3,717)
International Small Cap	15,243	4.7%	5.0%	(0.3%)	(1,122)
Emerging Equity	18,537	5.7%	6.0%	(0.3%)	(1,101)
Domestic Fixed Income	80,329	24.5%	25.0%	(0.5%)	(1,496)
Real Estate	39,188	12.0%	10.0%	2.0%	6,458
Total	327,301	100.0%	100.0%		

Asset Class Weights vs Callan Public Fund Spons- Mid (100M-1B)



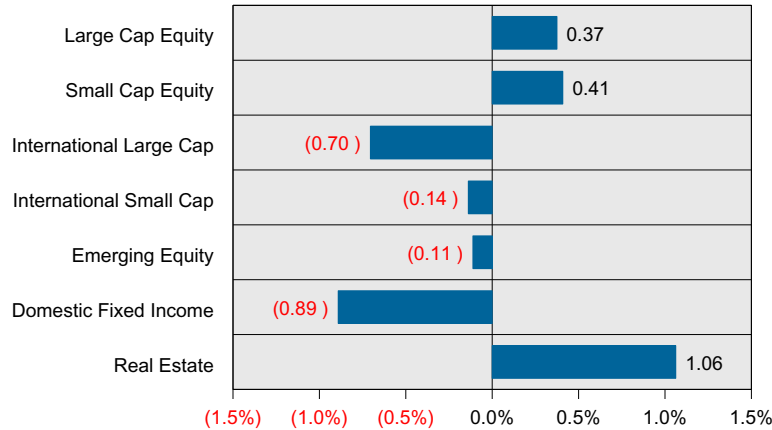
	Domestic Broad Eq	Domestic Fixed Income	Real Estate	Intl Equity
10th Percentile	45.19	40.39	15.74	24.71
25th Percentile	39.83	34.64	13.14	21.99
Median	35.48	28.17	10.60	19.40
75th Percentile	31.50	22.74	0.00	16.05
90th Percentile	24.89	20.07	0.00	10.66
Fund ●	40.30	24.54	11.97	23.19
Target ▲	40.00	25.00	10.00	25.00
% Group Invested	93.94%	100.00%	66.67%	90.91%

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

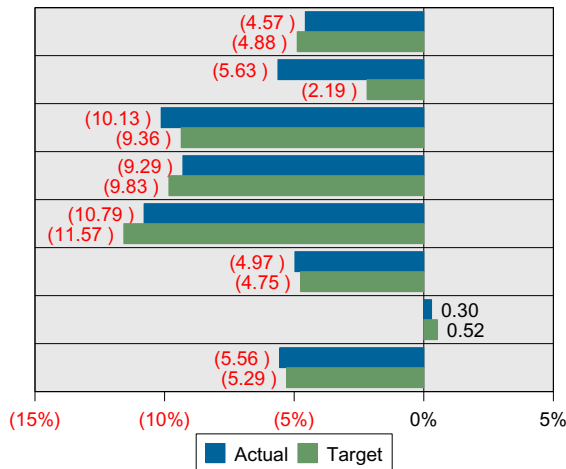
Quarterly Total Fund Relative Attribution - September 30, 2022

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

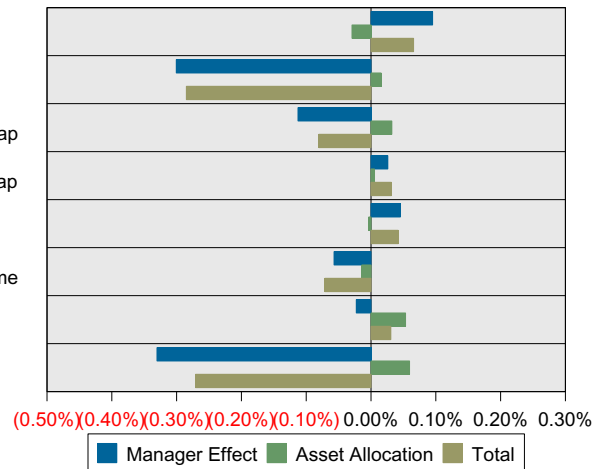
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended September 30, 2022

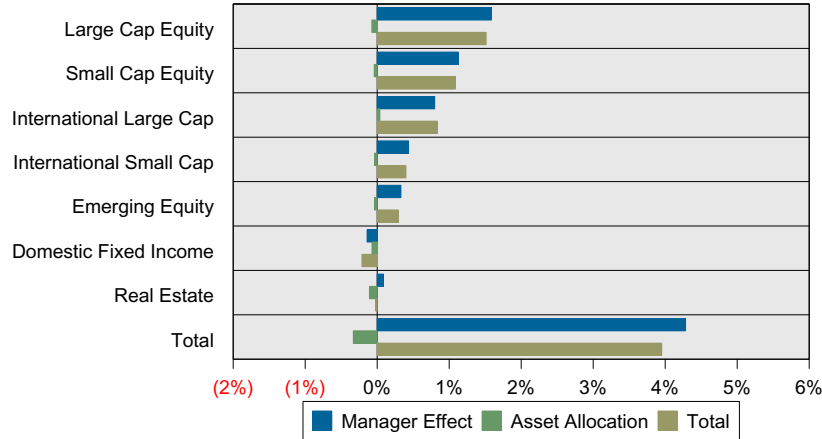
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	32%	32%	(4.57%)	(4.88%)	0.10%	(0.03%)	0.07%
Small Cap Equity	8%	8%	(5.63%)	(2.19%)	(0.30%)	0.02%	(0.28%)
International Large Cap	13%	14%	(10.13%)	(9.36%)	(0.11%)	0.03%	(0.08%)
International Small Cap	5%	5%	(9.29%)	(9.83%)	0.03%	0.01%	0.03%
Emerging Equity	6%	6%	(10.79%)	(11.57%)	0.05%	(0.00%)	0.04%
Domestic Fixed Income	24%	25%	(4.97%)	(4.75%)	(0.06%)	(0.01%)	(0.07%)
Real Estate	11%	10%	0.30%	0.52%	(0.02%)	0.05%	0.03%
Total			(5.56%)	(5.29%)	(0.33%)	0.06%	(0.27%)

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

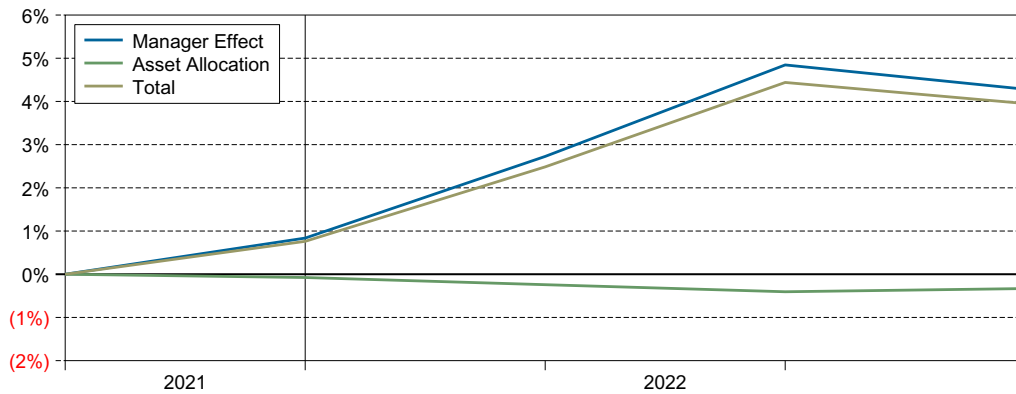
Cumulative Total Fund Relative Attribution - September 30, 2022

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

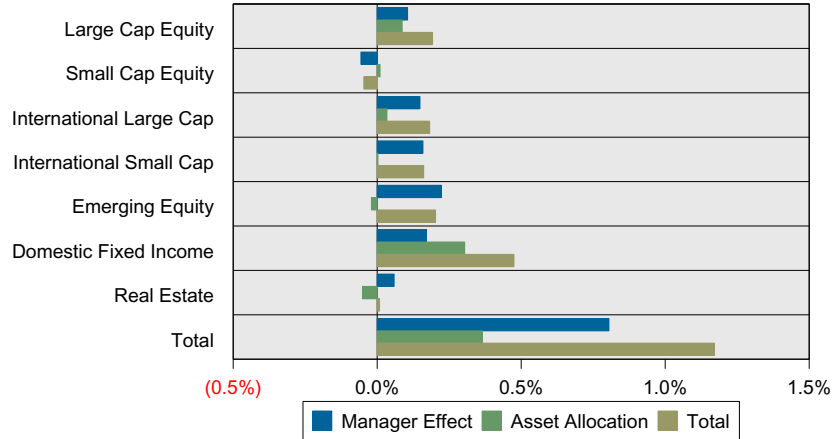
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	33%	32%	(10.51%)	(15.47%)	1.59%	(0.07%)	1.51%
Small Cap Equity	8%	8%	(10.15%)	(23.50%)	1.13%	(0.04%)	1.08%
International Large Cap	14%	14%	(19.71%)	(25.13%)	0.80%	0.04%	0.84%
International Small Cap	5%	5%	(24.81%)	(32.06%)	0.44%	(0.04%)	0.40%
Emerging Equity	6%	6%	(23.39%)	(28.11%)	0.33%	(0.04%)	0.29%
Domestic Fixed Income	24%	25%	(15.16%)	(14.60%)	(0.14%)	(0.07%)	(0.21%)
Real Estate	10%	10%	22.92%	22.09%	0.09%	(0.11%)	(0.02%)
Total			(11.65%)	(15.60%)	+ 4.28%	+ (0.33%)	3.95%

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

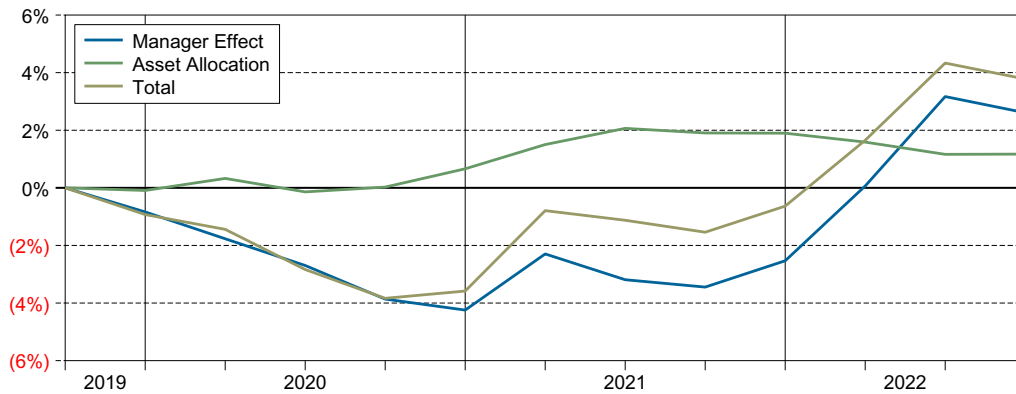
Cumulative Total Fund Relative Attribution - September 30, 2022

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap Equity	34%	32%	8.42%	8.16%	0.11%	0.09%	0.19%
Small Cap Equity	9%	8%	4.43%	4.29%	(0.06%)	0.01%	(0.05%)
International Large Cap	14%	14%	(0.63%)	(1.83%)	0.15%	0.03%	0.18%
International Small Cap	5%	5%	0.65%	(2.16%)	0.16%	0.00%	0.16%
Emerging Equity	6%	6%	0.69%	(2.07%)	0.22%	(0.02%)	0.20%
Domestic Fixed Income	28%	31%	(2.68%)	(3.26%)	0.17%	0.30%	0.47%
Real Estate	4%	4%	-	-	0.06%	(0.05%)	0.01%
Total			4.33%	3.16%	+ 0.80%	+ 0.37%	1.17%

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

Total Fund

Period Ended September 30, 2022

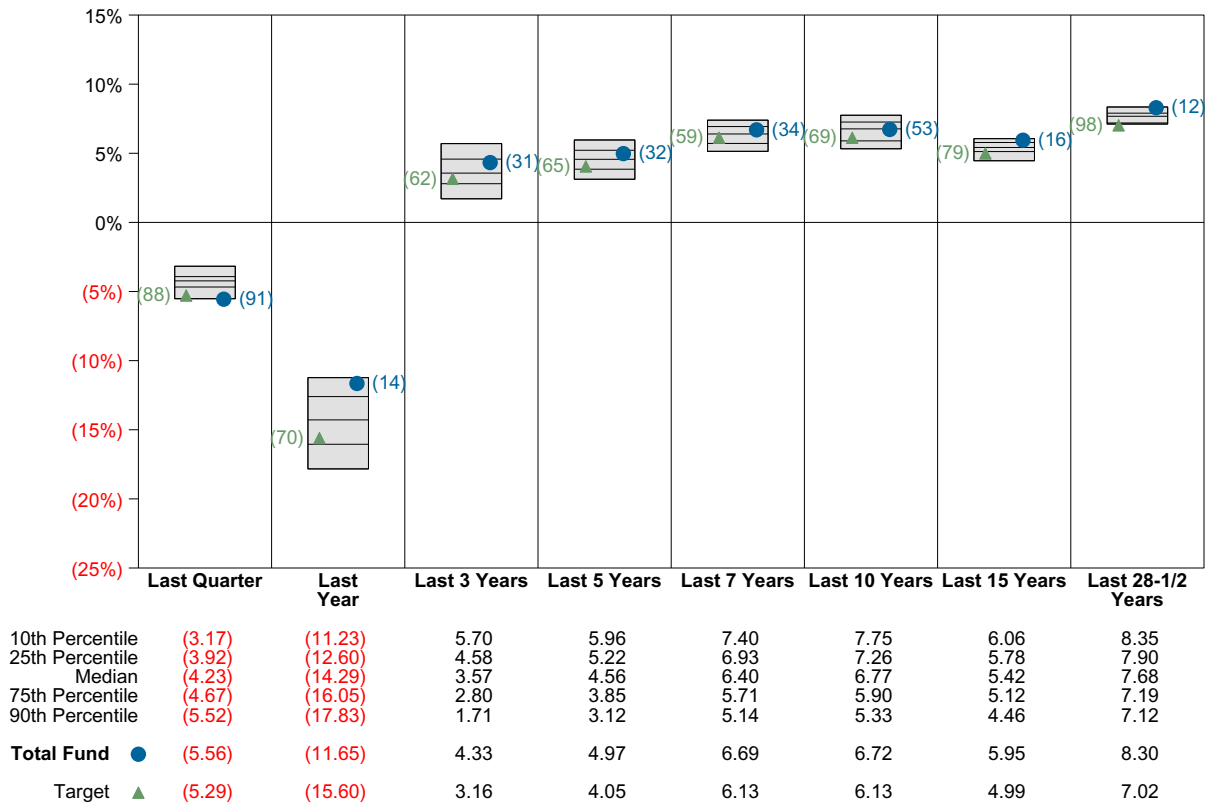
Investment Philosophy

* Current Quarter Target = 30.0% Blmbg Aggregate, 32.0% S&P 500 Index, 5.0% NFI-ODCE Index, 14.0% MSCI EAFE, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small Cap.

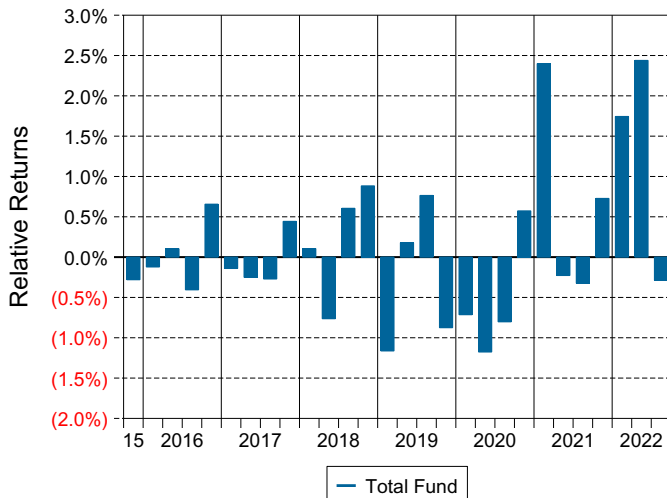
Quarterly Summary and Highlights

- Total Fund's portfolio posted a (5.56)% return for the quarter placing it in the 91 percentile of the Callan Public Fund Spons- Mid (100M-1B) group for the quarter and in the 14 percentile for the last year.
- Total Fund's portfolio underperformed the Target by 0.27% for the quarter and outperformed the Target for the year by 3.95%.

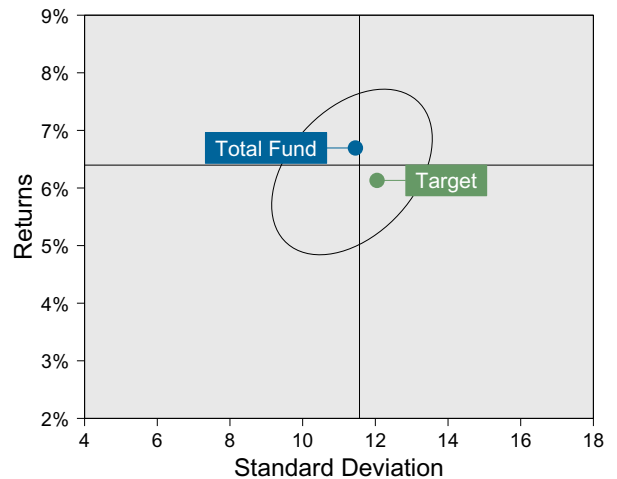
Performance vs Callan Public Fund Spons- Mid (100M-1B) (Gross)



Relative Return vs Target



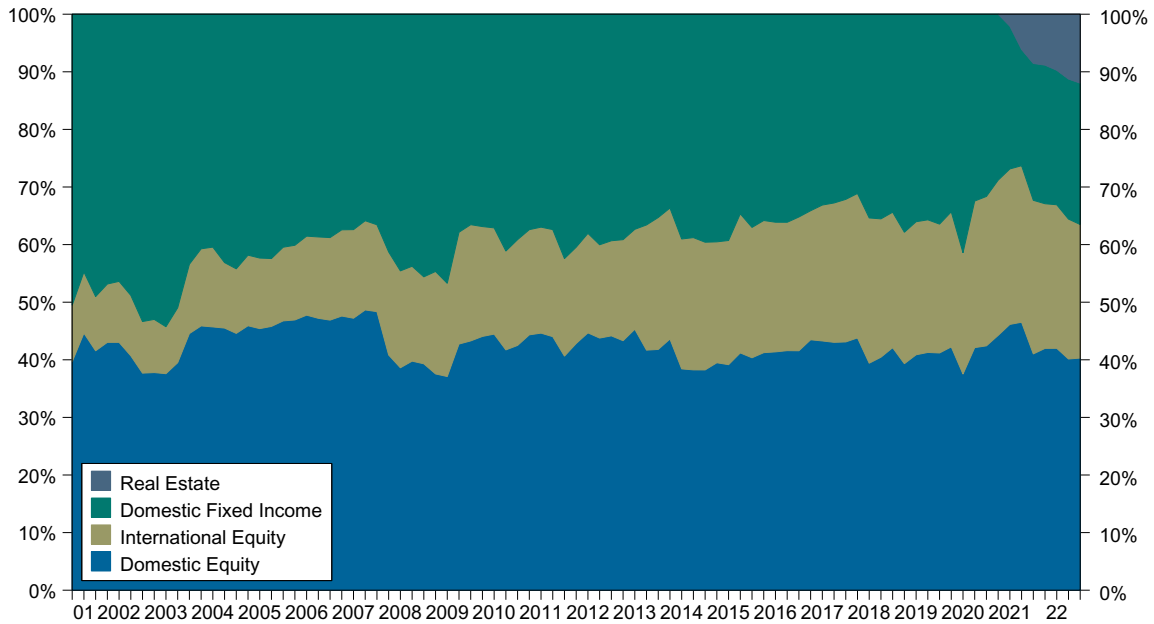
Callan Public Fund Spons- Mid (100M-1B) (Gross) Annualized Seven Year Risk vs Return



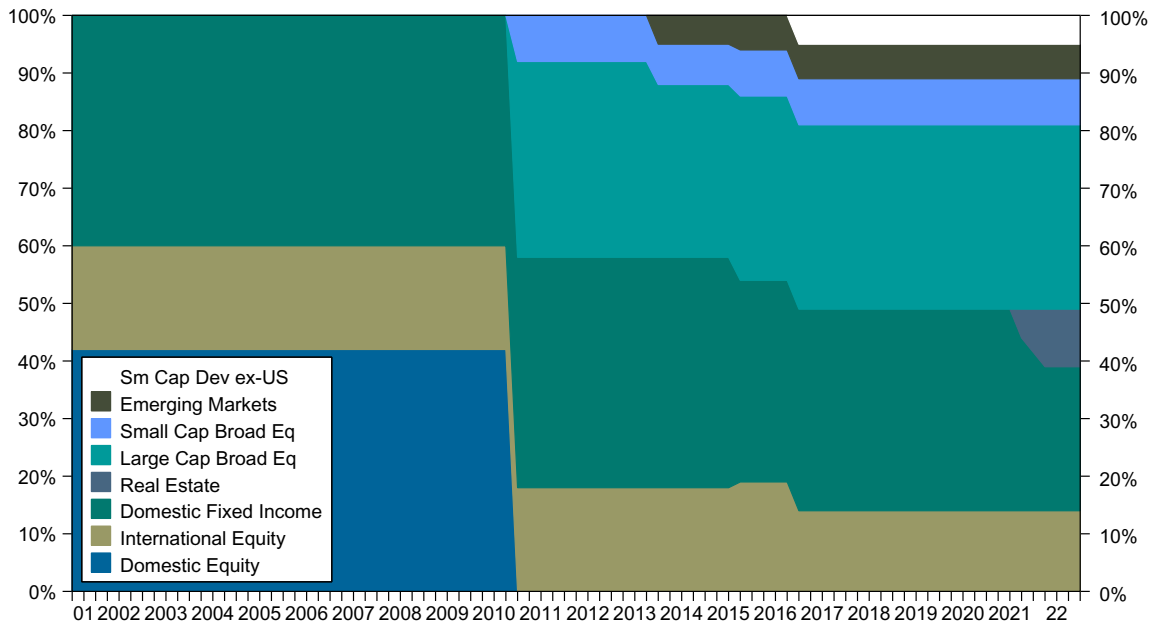
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

Actual Historical Asset Allocation



Target Historical Asset Allocation



* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of September 30, 2022, with the distribution as of June 30, 2022. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	September 30, 2022		Net New Inv.	Inv. Return	June 30, 2022	
	Market Value	Weight			Market Value	Weight
Domestic Equity	\$131,898,606	40.30%	\$(997,623)	\$(6,645,078)	\$139,541,307	40.14%
Large Cap	\$104,517,536	31.93%	\$(739,658)	\$(5,025,599)	\$110,282,793	31.72%
Boston Partners	55,065,337	16.82%	(739,658)	(2,486,431)	58,291,426	16.77%
SSgA S&P 500	49,452,199	15.11%	0	(2,539,168)	51,991,367	14.95%
Small Cap	\$27,381,070	8.37%	\$(257,964)	\$(1,619,480)	\$29,258,514	8.42%
Atlanta Capital	27,381,070	8.37%	(257,964)	(1,619,480)	29,258,514	8.42%
International Equity	\$75,885,066	23.19%	\$0	\$(8,571,974)	\$84,457,040	24.29%
International Large Cap	\$42,104,962	12.86%	\$0	\$(4,746,963)	\$46,851,925	13.48%
SSgA EAFE	13,580,950	4.15%	0	(1,397,185)	14,978,135	4.31%
Pyrford	28,524,012	8.71%	0	(3,349,778)	31,873,790	9.17%
International Small Cap	\$15,242,790	4.66%	\$0	\$(1,561,931)	\$16,804,721	4.83%
AQR	15,242,790	4.66%	0	(1,561,931)	16,804,721	4.83%
Emerging Equity	\$18,537,313	5.66%	\$0	\$(2,263,081)	\$20,800,394	5.98%
DFA Emerging Markets	18,537,313	5.66%	0	(2,263,081)	20,800,394	5.98%
Fixed Income	\$80,328,963	24.54%	\$0	\$(4,202,617)	\$84,531,580	24.31%
Metropolitan West	80,328,963	24.54%	0	(4,202,617)	84,531,580	24.31%
Real Estate	\$39,188,208	11.97%	\$0	\$60,254	\$39,127,953	11.25%
Clarion Lion Fund	20,542,986	6.28%	0	70,666	20,472,320	5.89%
Morgan Stanley	18,645,222	5.70%	0	(10,412)	18,655,633	5.37%
Total Fund	\$327,300,842	100.0%	\$(997,623)	\$(19,359,416)	\$347,657,880	100.0%

Sacramento Regional Transit District Asset Growth

Ending September 30, 2022 (\$ Thousands)	Ending Market Value	=	Beginning Market Value	+	Net New Investment	+	Investment Return
Total Plan							
1/4 Year Ended 9/2022	327,300.8		347,657.9		(997.6)		(19,359.4)
1/4 Year Ended 6/2022	347,657.9		382,375.5		(994.6)		(33,723.0)
1/4 Year Ended 3/2022	382,375.5		393,985.6		(384.8)		(11,225.3)
1/4 Year Ended 12/2021	393,985.6		375,389.0		(1,982.1)		20,578.8
1/4 Year Ended 9/2021	375,389.0		379,228.3		(1,967.9)		(1,871.4)
1/4 Year Ended 6/2021	379,228.3		362,366.9		(522.5)		17,384.0
1/4 Year Ended 3/2021	362,366.9		346,973.1		(2,096.5)		17,490.2
1/4 Year Ended 12/2020	346,973.1		311,751.8		(339.6)		35,560.9
1/4 Year Ended 9/2020	311,751.8		299,942.5		(1,344.8)		13,154.1
1/4 Year Ended 6/2020	299,942.5		268,251.1		(1,217.2)		32,908.6
1/4 Year Ended 3/2020	268,251.1		315,424.7		(567.1)		(46,606.5)
1/4 Year Ended 12/2019	315,424.7		301,283.6		(1,479.0)		15,620.2
1/4 Year Ended 9/2019	301,283.6		298,139.2		(1,322.2)		4,466.6
1/4 Year Ended 6/2019	298,139.2		289,020.0		(1,111.4)		10,230.6
1/4 Year Ended 3/2019	289,020.0		269,114.0		(1,021.9)		20,927.9
1/4 Year Ended 12/2018	269,114.0		292,722.5		(1,066.5)		(22,541.9)
1/4 Year Ended 9/2018	292,722.5		284,083.7		(1,081.0)		9,719.8
1/4 Year Ended 6/2018	284,083.7		284,995.0		(1,267.6)		356.3
1/4 Year Ended 3/2018	284,995.0		288,314.8		(1,183.4)		(2,136.5)
1/4 Year Ended 12/2017	288,314.8		277,835.6		(1,419.7)		11,899.0

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended September 30, 2022. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended September 30, 2022

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Domestic Equity	(4.79%)	(10.44%)	7.60%	8.47%	10.74%
Domestic Equity Benchmark**	(4.35%)	(17.09%)	7.50%	8.17%	10.70%
Large Cap Equity	(4.57%)	(10.51%)	8.42%	8.49%	10.74%
Boston Partners	(4.27%)	(5.74%)	8.12%	7.36%	9.77%
Russell 1000 Value Index	(5.62%)	(11.36%)	4.36%	5.29%	8.15%
SSgA S&P 500	(4.88%)	(15.46%)	8.15%	9.23%	11.42%
S&P 500 Index	(4.88%)	(15.47%)	8.16%	9.24%	11.40%
Small Cap Equity	(5.63%)	(10.15%)	4.43%	8.29%	10.65%
Atlanta Capital	(5.63%)	(10.15%)	4.43%	8.29%	10.65%
Russell 2000 Index	(2.19%)	(23.50%)	4.29%	3.55%	7.51%
International Equity	(10.13%)	(21.72%)	0.03%	(0.05%)	3.75%
International Benchmark***	(9.93%)	(27.20%)	(1.81%)	(1.16%)	3.15%
International Large Cap	(10.13%)	(19.71%)	(0.63%)	0.39%	3.58%
SSgA EAFE	(9.33%)	(24.82%)	(1.48%)	(0.48%)	3.21%
Pyrford	(10.51%)	(17.03%)	(0.34%)	0.72%	-
MSCI EAFE Index	(9.36%)	(25.13%)	(1.83%)	(0.84%)	2.84%
International Small Cap	(9.29%)	(24.81%)	0.65%	(1.39%)	-
AQR	(9.29%)	(24.81%)	0.65%	(1.39%)	-
MSCI EAFE Small Cap Index	(9.83%)	(32.06%)	(2.16%)	(1.79%)	3.25%
Emerging Markets Equity	(10.79%)	(23.39%)	0.69%	(0.23%)	5.15%
DFA Emerging Markets	(10.79%)	(23.39%)	0.69%	(0.23%)	5.15%
MSCI Emerging Markets Index	(11.57%)	(28.11%)	(2.07%)	(1.80%)	3.88%
Domestic Fixed Income	(4.97%)	(15.16%)	(2.68%)	0.52%	1.21%
Met West	(4.97%)	(15.16%)	(2.68%)	0.52%	1.21%
Bloomberg Aggregate Index	(4.75%)	(14.60%)	(3.26%)	(0.27%)	0.54%
Real Estate	0.30%	22.92%	-	-	-
Clarion Lion Fund	0.62%	24.68%	-	-	-
Morgan Stanley	(0.06%)	21.03%	-	-	-
NCREIF NFI-ODCE Val Wt Gr	0.52%	22.09%	12.37%	10.28%	9.87%
Total Plan	(5.56%)	(11.65%)	4.33%	4.97%	6.69%
Target*	(5.29%)	(15.60%)	3.16%	4.05%	6.13%

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended September 30, 2022. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended September 30, 2022

	Last 10 Years	Last 15 Years	Last 20 Years	Last 28-1/2 Years
Domestic Equity	11.43%	8.43%	10.22%	-
Domestic Equity Benchmark**	11.15%	7.79%	9.85%	9.67%
Russell 1000 Value Index	9.17%	5.71%	8.67%	9.05%
S&P 500 Index	11.70%	8.03%	9.84%	9.68%
Russell 2000 Index	8.55%	6.40%	9.36%	8.31%
International Equity	3.72%	1.00%	6.84%	-
MSCI EAFE Index	3.67%	0.61%	5.91%	4.16%
Domestic Fixed Income	1.52%	4.01%	4.63%	-
Met West	1.52%	4.01%	4.63%	-
Bloomberg Aggregate Index	0.89%	2.74%	3.08%	4.49%
Total Plan	6.72%	5.95%	7.64%	8.30%
Target*	6.13%	4.99%	6.86%	7.02%

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2021- 9/2022	2021	2020	2019	2018
Domestic Equity	(18.93%)	28.28%	11.16%	27.71%	(4.64%)
Domestic Equity Benchmark**	(24.08%)	25.93%	18.94%	30.32%	(5.69%)
Large Cap Equity	(18.85%)	30.18%	11.03%	27.77%	(6.33%)
Boston Partners	(13.91%)	31.78%	2.99%	23.91%	(8.27%)
Russell 1000 Value Index	(17.75%)	25.16%	2.80%	26.54%	(8.27%)
SSgA S&P 500	(23.87%)	28.70%	18.36%	31.50%	(4.39%)
S&P 500 Index	(23.87%)	28.71%	18.40%	31.49%	(4.38%)
Small Cap Equity	(19.27%)	21.00%	11.67%	27.38%	1.78%
Atlanta Capital	(19.27%)	21.00%	11.67%	27.38%	1.78%
Russell 2000 Index	(25.10%)	14.82%	19.96%	25.52%	(11.01%)
International Equity	(23.18%)	9.37%	8.48%	20.83%	(13.93%)
International Benchmark***	(28.07%)	7.67%	11.39%	21.78%	(14.76%)
International Large Cap	(21.76%)	9.34%	5.71%	22.34%	(11.25%)
SSgA EAFE	(26.81%)	11.52%	8.27%	22.49%	(13.49%)
Pyrford	(19.10%)	8.22%	4.09%	22.30%	(10.31%)
MSCI EAFE Index	(27.09%)	11.26%	7.82%	22.01%	(13.79%)
International Small Cap	(25.76%)	13.52%	7.35%	21.73%	(19.94%)
AQR	(25.76%)	13.52%	7.35%	21.73%	(19.94%)
MSCI EAFE Small Cap Index	(32.11%)	10.10%	12.34%	24.96%	(17.89%)
Emerging Markets Equity	(24.13%)	6.25%	14.40%	16.64%	(14.80%)
DFA Emerging Markets	(24.13%)	6.25%	14.40%	16.64%	(14.80%)
MSCI Emerging Markets Index	(27.16%)	(2.54%)	18.31%	18.44%	(14.57%)
Domestic Fixed Income	(15.27%)	(0.46%)	9.85%	9.41%	0.75%
Met West	(15.27%)	(0.46%)	9.85%	9.41%	0.75%
Bloomberg Aggregate Index	(14.61%)	(1.54%)	7.51%	8.72%	0.01%
Real Estate	12.98%	-	-	-	-
Clarion Lion Fund	15.63%	-	-	-	-
Morgan Stanley	10.20%	-	-	-	-
NCREIF NFI-ODCE Val Wt Gr	13.08%	22.17%	1.19%	5.34%	8.50%
Total Plan	(16.29%)	15.71%	11.42%	19.25%	(5.05%)
Target*	(19.45%)	12.81%	13.82%	20.58%	(5.82%)

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small. Returns are for annualized calendar years.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	2017	2016	2015	2014	2013
Domestic Equity	(10.44%)	14.58%	0.06%	10.85%	36.44%
Domestic Equity Benchmark**	(17.09%)	13.85%	0.26%	12.07%	33.61%
Boston Partners	(5.74%)	14.71%	(3.75%)	11.87%	37.52%
Russell 1000 Value Index	(11.36%)	17.34%	(3.83%)	13.45%	32.53%
S&P 500 Index	(15.47%)	11.96%	1.38%	13.69%	32.39%
Russell 2000 Index	(23.50%)	21.31%	(4.41%)	4.89%	38.82%
International Equity	(21.72%)	2.55%	(4.17%)	(3.72%)	16.66%
MSCI EAFE Index	(25.13%)	1.00%	(0.81%)	(4.90%)	22.78%
Domestic Fixed Income	(15.16%)	2.87%	0.51%	6.37%	(1.03%)
Met West	(15.16%)	2.87%	0.51%	6.37%	(1.03%)
Bloomberg Aggregate Index	(14.60%)	2.65%	0.55%	5.97%	(2.02%)
Total Plan	(11.65%)	7.65%	(0.97%)	5.61%	17.71%
Target*	(15.60%)	7.40%	(0.71%)	5.82%	15.99%

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

Returns are for annualized calendar years.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended September 30, 2022. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended September 30, 2022

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Net of Fee Returns					
Domestic Equity	(4.89%)	(10.76%)	7.22%	8.08%	10.34%
Domestic Equity Benchmark**	(4.35%)	(17.09%)	7.50%	8.17%	10.70%
Large Cap Equity	(4.64%)	(10.78%)	8.14%	8.21%	10.45%
Boston Partners	(4.40%)	(6.24%)	7.62%	6.83%	9.23%
Russell 1000 Value Index	(5.62%)	(11.36%)	4.36%	5.29%	8.15%
SSgA S&P 500	(4.90%)	(15.50%)	8.10%	9.18%	11.36%
S&P 500 Index	(4.88%)	(15.47%)	8.16%	9.24%	11.40%
Small Cap Equity	(5.82%)	(10.69%)	3.69%	7.49%	9.84%
Atlanta Capital	(5.82%)	(10.69%)	3.69%	7.49%	9.84%
Russell 2000 Index	(2.19%)	(23.50%)	4.29%	3.55%	7.51%
International Equity	(10.25%)	(22.14%)	(0.53%)	(0.63%)	3.18%
International Equity Benchmark***	(9.93%)	(27.20%)	(1.81%)	(1.16%)	3.15%
International Large Cap	(10.25%)	(20.10%)	(1.10%)	(0.10%)	3.09%
SSgA EAFE	(9.35%)	(24.89%)	(1.58%)	(0.58%)	3.10%
Pyrford	(10.67%)	(17.59%)	(0.99%)	0.04%	-
MSCI EAFE Index	(9.36%)	(25.13%)	(1.83%)	(0.84%)	2.84%
International Small Cap	(9.50%)	(25.46%)	(0.21%)	(2.25%)	-
AQR	(9.50%)	(25.46%)	(0.21%)	(2.25%)	-
MSCI EAFE Small Cap Index	(9.83%)	(32.06%)	(2.16%)	(1.79%)	3.25%
Emerging Markets Equity	(10.88%)	(23.70%)	0.26%	(0.70%)	4.62%
DFA Emerging Markets	(10.88%)	(23.70%)	0.26%	(0.70%)	4.62%
MSCI Emerging Markets Index	(11.57%)	(28.11%)	(2.07%)	(1.80%)	3.88%
Domestic Fixed Income	(5.04%)	(15.40%)	(2.95%)	0.24%	0.94%
Met West	(5.04%)	(15.40%)	(2.95%)	0.24%	0.94%
Bloomberg Aggregate Index	(4.75%)	(14.60%)	(3.26%)	(0.27%)	0.54%
Real Estate	0.03%	21.43%	-	-	-
Clarion Lion Fund	0.35%	23.33%	-	-	-
Morgan Stanley	(0.32%)	19.40%	-	-	-
NCREIF NFI-ODCE Val Wt Gr	0.52%	22.09%	12.37%	10.28%	9.87%
Total Plan	(5.67%)	(12.07%)	3.90%	4.55%	6.28%
Target*	(5.29%)	(15.60%)	3.16%	4.05%	6.13%

* Current Quarter Target = 32.0% S&P 500 Index, 25.0% Blmbg Aggregate, 14.0% MSCI EAFE, 10.0% NCREIF NFI-ODCE Val Wt Gr, 8.0% Russell 2000 Index, 6.0% MSCI EM and 5.0% MSCI EAFE Small.

** Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

*** International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Domestic Equity

Period Ended September 30, 2022

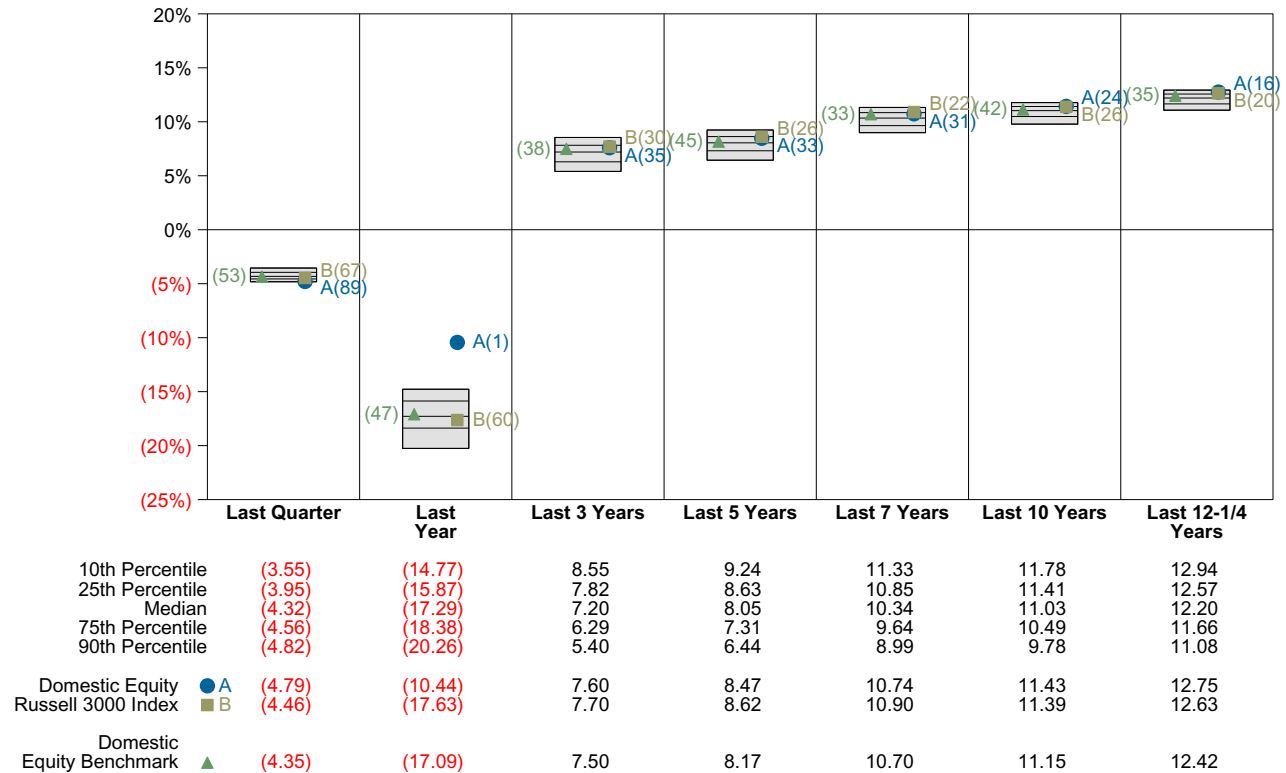
Investment Philosophy

Domestic Equity Benchmark = 80.95% S&P500 + 19.05% Russell 2000 until 6/30/2010, 80.95% S&P500 + 19.05% Russell 2500 until 6/30/2013, 81.08% S&P500 + 18.92% Russell 2000 until 4/30/2015, and 80% S&P500 + 20% Russell 2000 thereafter.

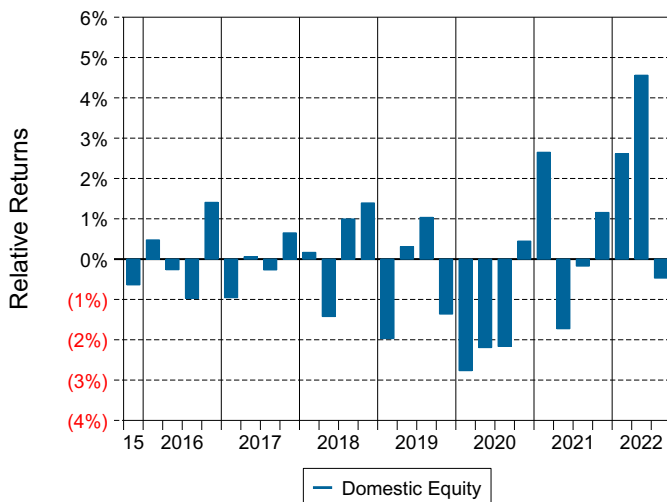
Quarterly Summary and Highlights

- Domestic Equity's portfolio posted a (4.79)% return for the quarter placing it in the 89 percentile of the Fund Sponsor - Domestic Equity group for the quarter and in the 1 percentile for the last year.
- Domestic Equity's portfolio underperformed the Domestic Equity Benchmark by 0.45% for the quarter and outperformed the Domestic Equity Benchmark for the year by 6.65%.

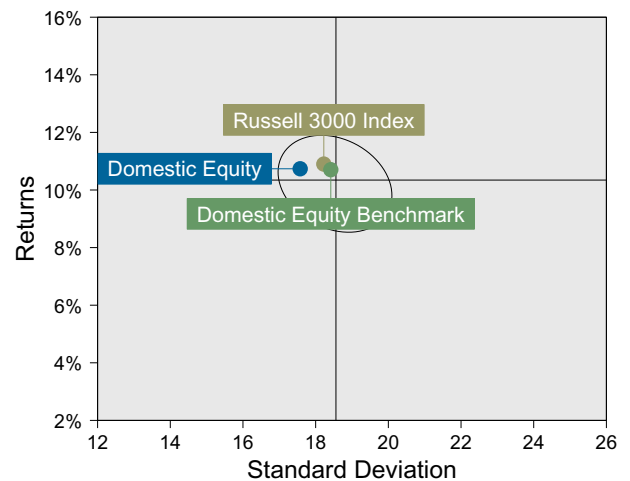
Performance vs Fund Sponsor - Domestic Equity (Gross)



Relative Returns vs Domestic Equity Benchmark



Fund Sponsor - Domestic Equity (Gross) Annualized Seven Year Risk vs Return

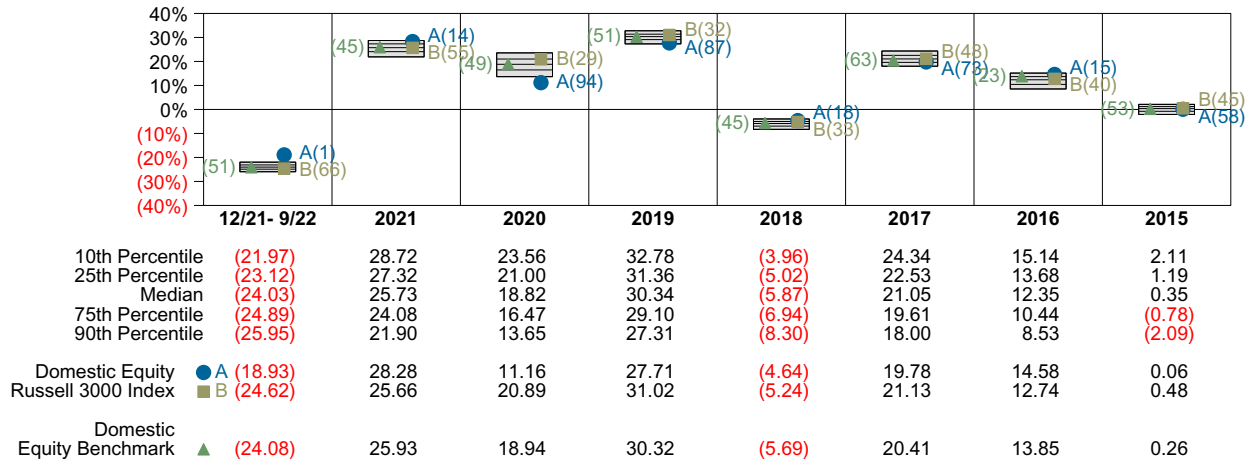


Domestic Equity Return Analysis Summary

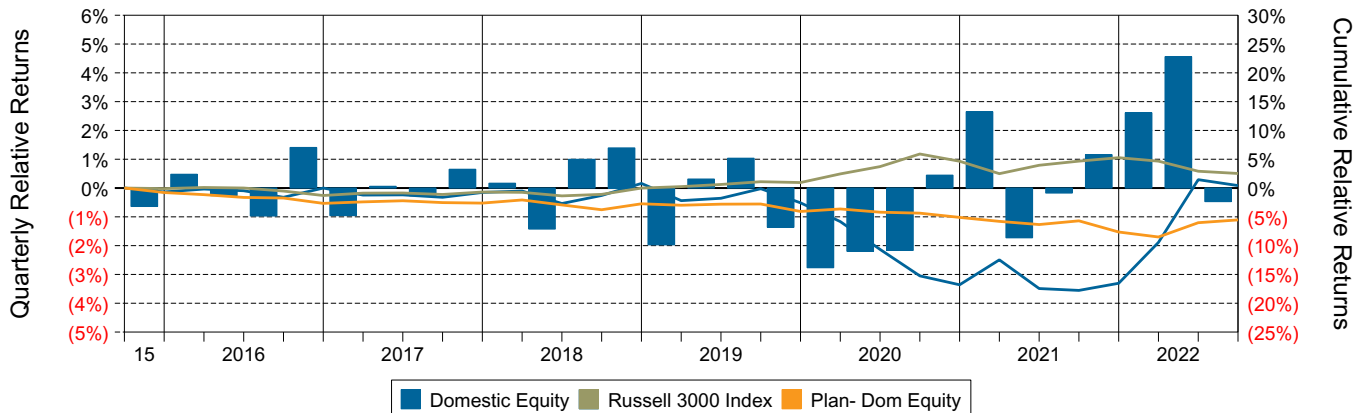
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

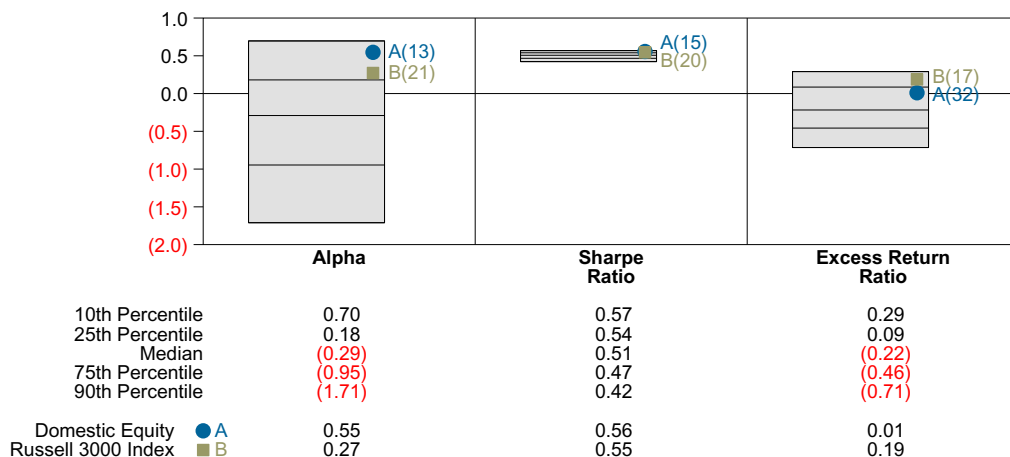
Performance vs Fund Sponsor - Domestic Equity (Gross)



Cumulative and Quarterly Relative Returns vs Domestic Equity Benchmark



Risk Adjusted Return Measures vs Domestic Equity Benchmark Rankings Against Fund Sponsor - Domestic Equity (Gross) Seven Years Ended September 30, 2022



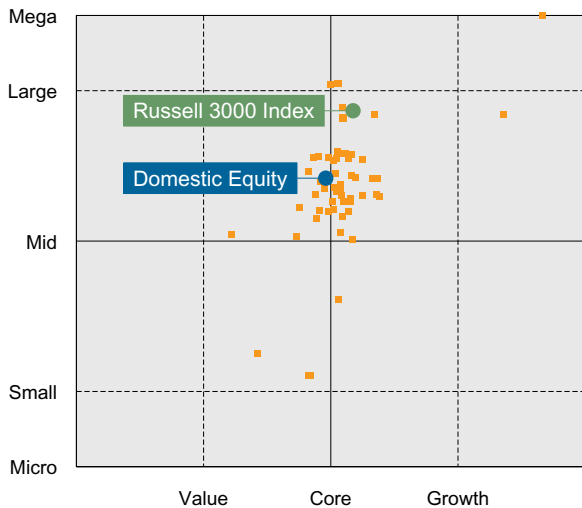
Current Holdings Based Style Analysis

Domestic Equity

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

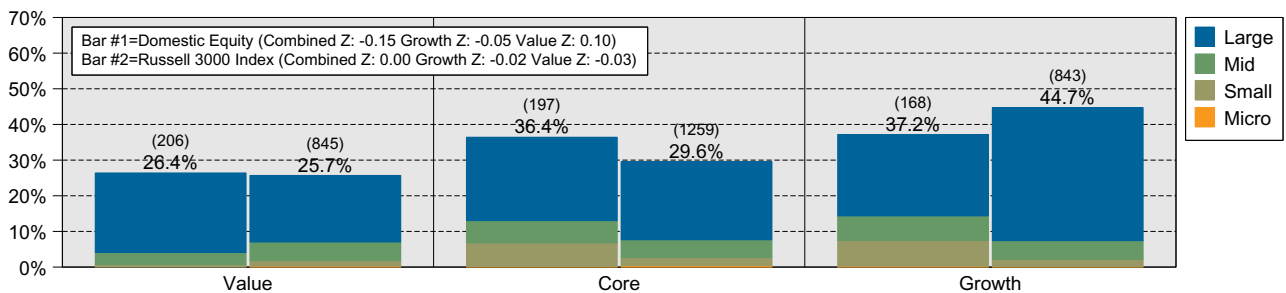
Style Map vs Plan- Dom Equity Holdings as of September 30, 2022



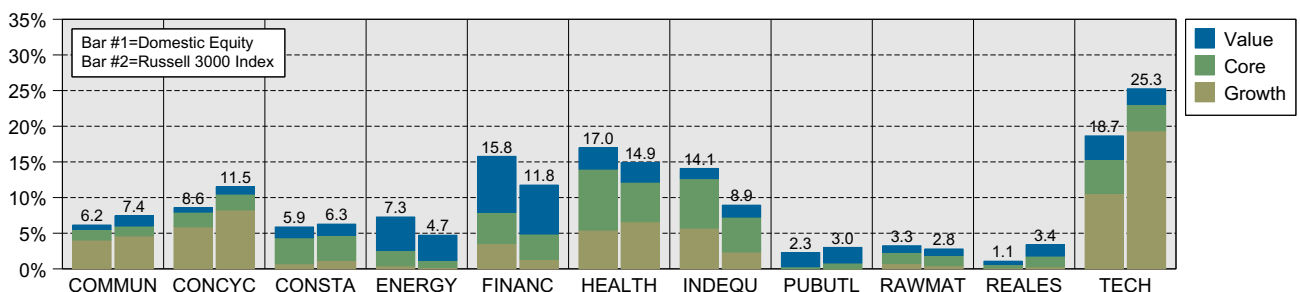
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Large	22.3% (95)	23.4% (96)	22.8% (85)	68.5% (276)
	18.7% (100)	21.9% (94)	37.3% (100)	77.9% (294)
Mid	3.4% (105)	6.3% (80)	6.9% (60)	16.5% (245)
	5.3% (181)	5.0% (202)	5.2% (207)	15.5% (590)
Small	0.7% (6)	6.5% (20)	7.3% (22)	14.5% (48)
	1.5% (300)	2.3% (507)	2.0% (372)	5.8% (1179)
Micro	0.0% (0)	0.2% (1)	0.2% (1)	0.5% (2)
	0.2% (264)	0.4% (456)	0.2% (164)	0.8% (884)
Total	26.4% (206)	36.4% (197)	37.2% (168)	100.0% (571)
	25.7% (845)	29.6% (1259)	44.7% (843)	100.0% (2947)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



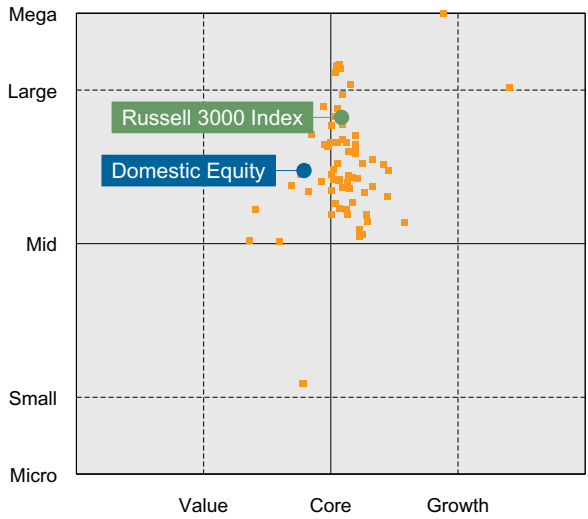
Sector Weights Distribution Holdings as of September 30, 2022



Historical Holdings Based Style Analysis Domestic Equity For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

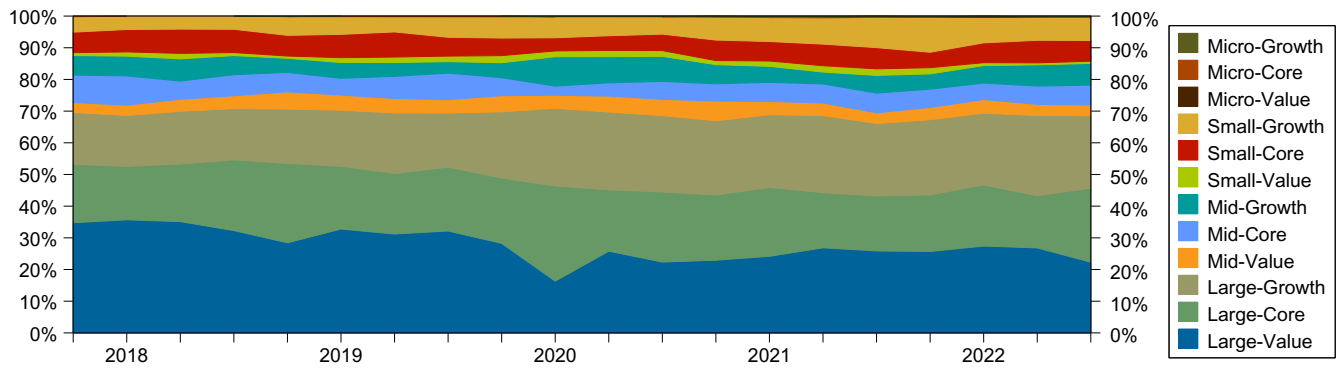
Average Style Map vs Plan- Dom Equity Holdings for Five Years Ended September 30, 2022



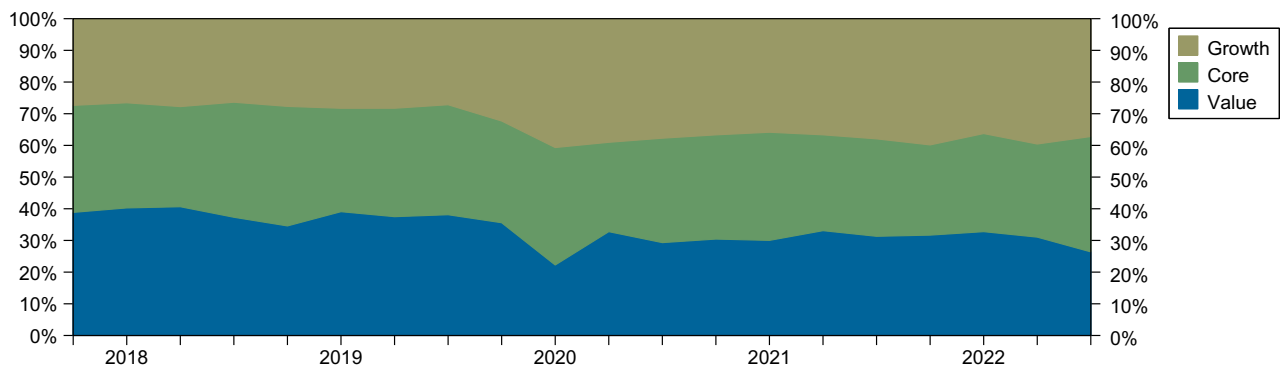
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	27.9% (101)	20.3% (96)	20.9% (87)	69.1% (284)
Large	22.1% (101)	20.7% (96)	34.1% (101)	76.9% (298)
Mid	4.3% (99)	6.1% (85)	5.9% (59)	16.3% (243)
Small	4.7% (168)	5.5% (208)	5.8% (221)	16.1% (597)
Micro	1.5% (10)	6.3% (23)	6.6% (20)	14.4% (53)
	1.7% (312)	2.5% (496)	2.1% (386)	6.3% (1194)
Micro	0.0% (0)	0.1% (1)	0.1% (0)	0.3% (1)
	0.3% (311)	0.3% (401)	0.2% (183)	0.8% (895)
Total	33.7% (210)	32.9% (205)	33.5% (166)	100.0% (581)
	28.8% (892)	28.9% (1201)	42.2% (891)	100.0% (2984)
	Value	Core	Growth	Total

Domestic Equity Historical Cap/Style Exposures



Domestic Equity Historical Style Only Exposures

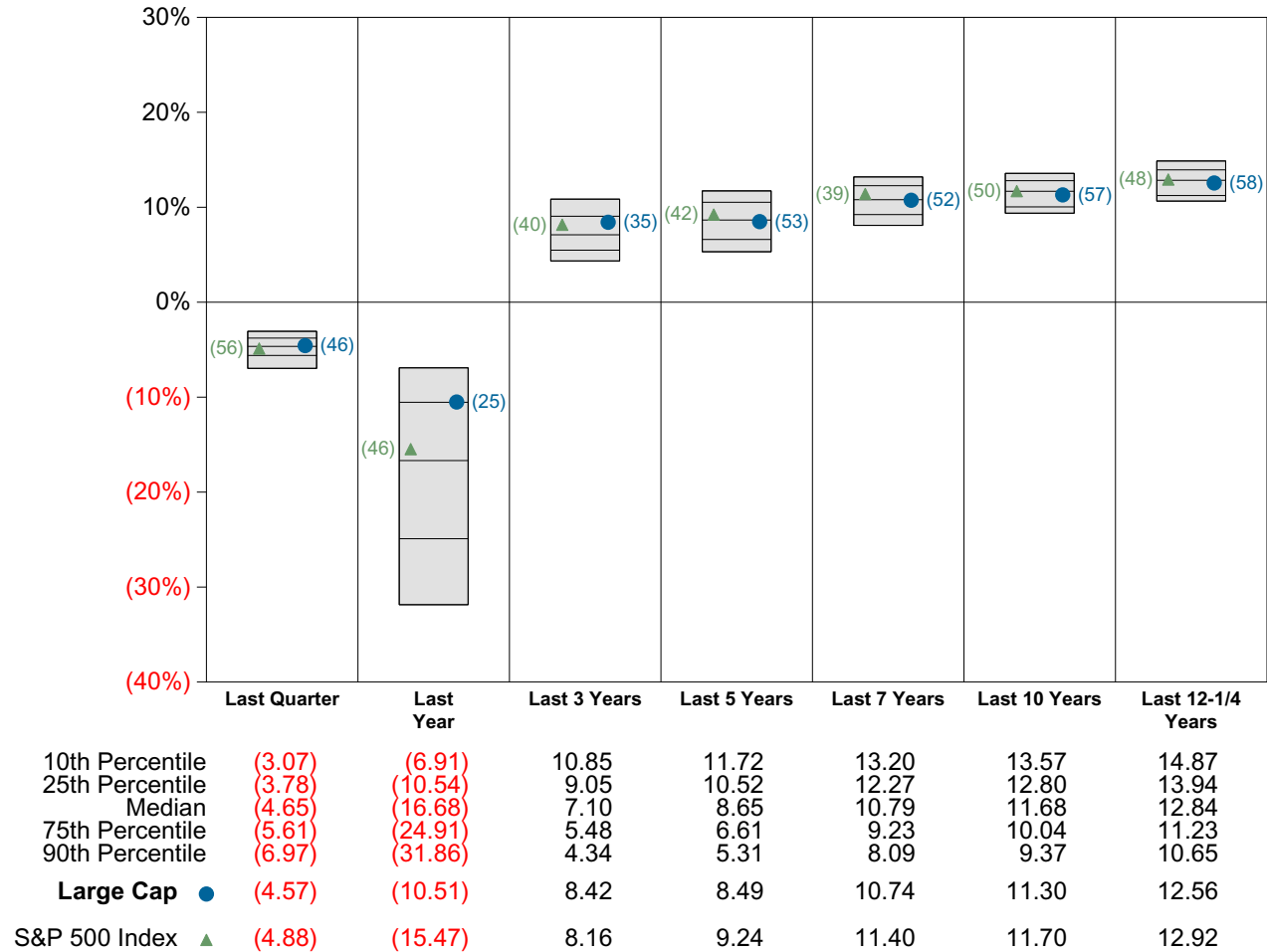


Large Cap Period Ended September 30, 2022

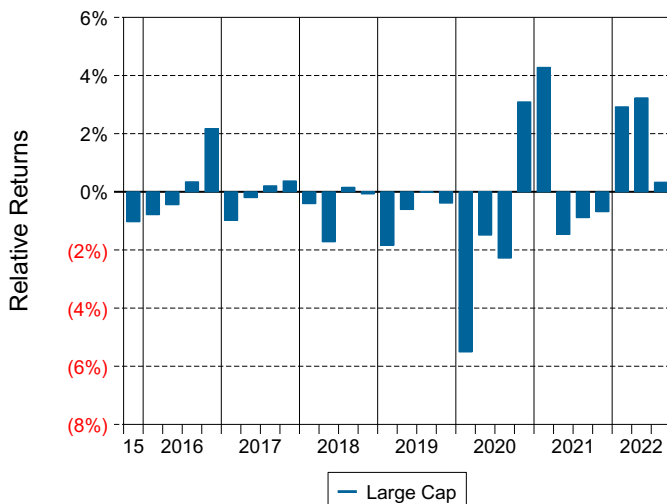
Quarterly Summary and Highlights

- Large Cap's portfolio posted a (4.57)% return for the quarter placing it in the 46 percentile of the Callan Large Capitalization group for the quarter and in the 25 percentile for the last year.
- Large Cap's portfolio outperformed the S&P 500 Index by 0.31% for the quarter and outperformed the S&P 500 Index for the year by 4.96%.

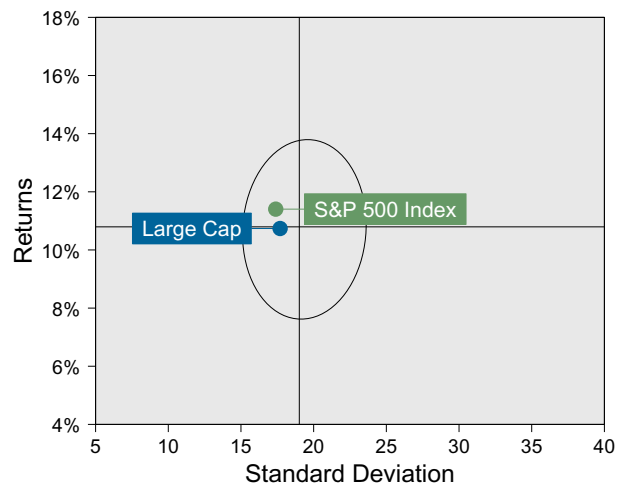
Performance vs Callan Large Capitalization (Gross)



Relative Return vs S&P 500 Index



Callan Large Capitalization (Gross)
Annualized Seven Year Risk vs Return

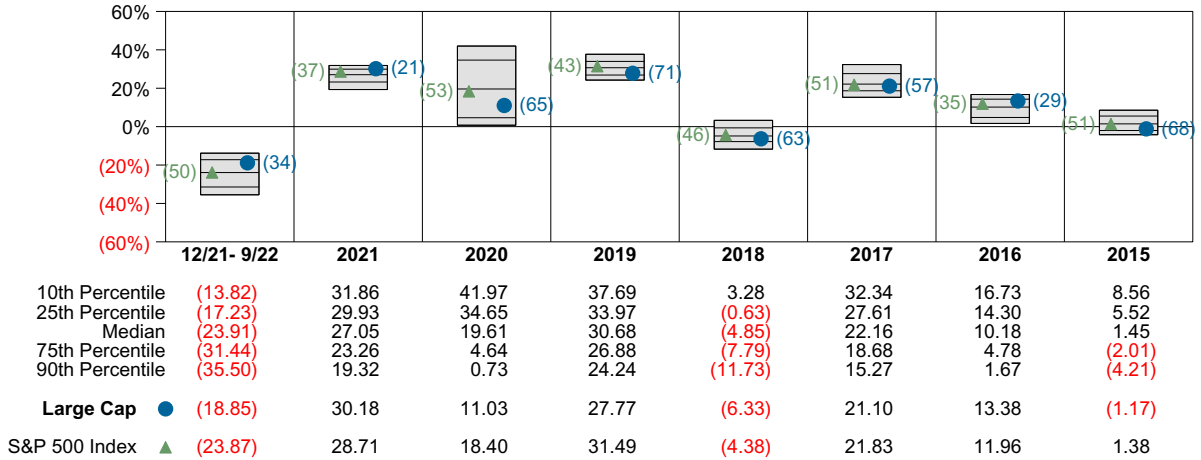


Large Cap Return Analysis Summary

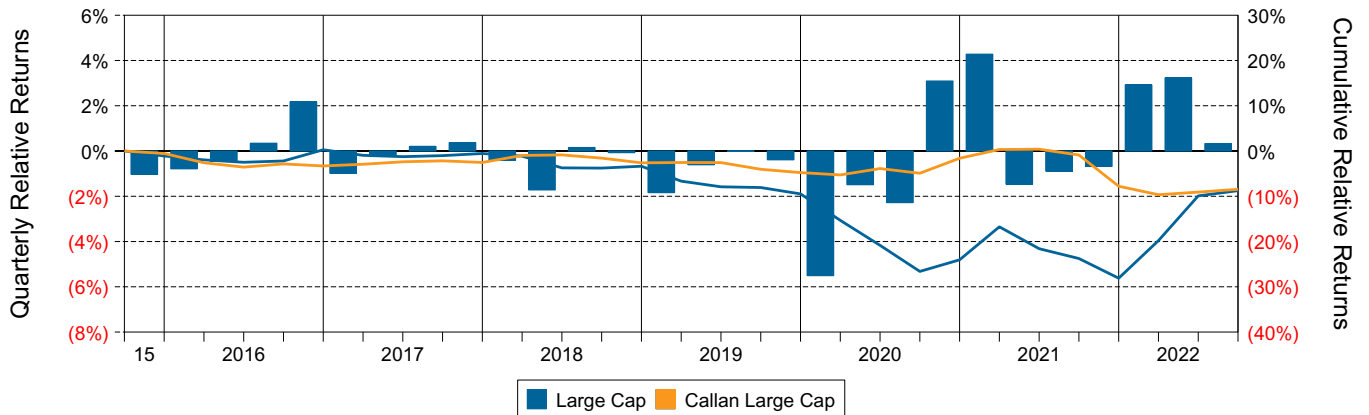
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

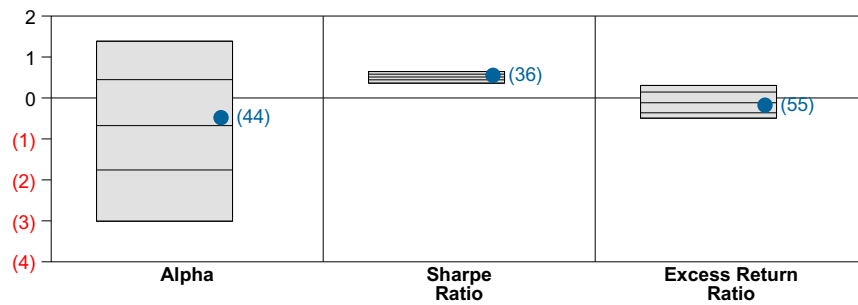
Performance vs Callan Large Capitalization (Gross)



Cumulative and Quarterly Relative Returns vs S&P 500 Index



Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Capitalization (Gross) Seven Years Ended September 30, 2022



	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.39	0.65	0.31
25th Percentile	0.45	0.58	0.14
Median	(0.67)	0.51	(0.12)
75th Percentile	(1.76)	0.44	(0.36)
90th Percentile	(3.01)	0.36	(0.49)
Large Cap	(0.48)	0.55	(0.18)

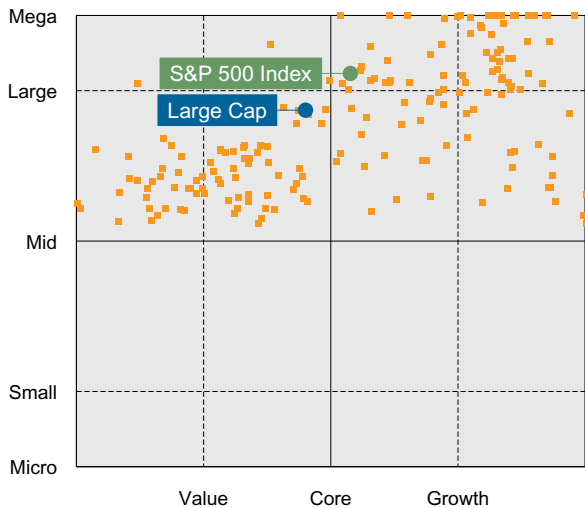
Current Holdings Based Style Analysis

Large Cap

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

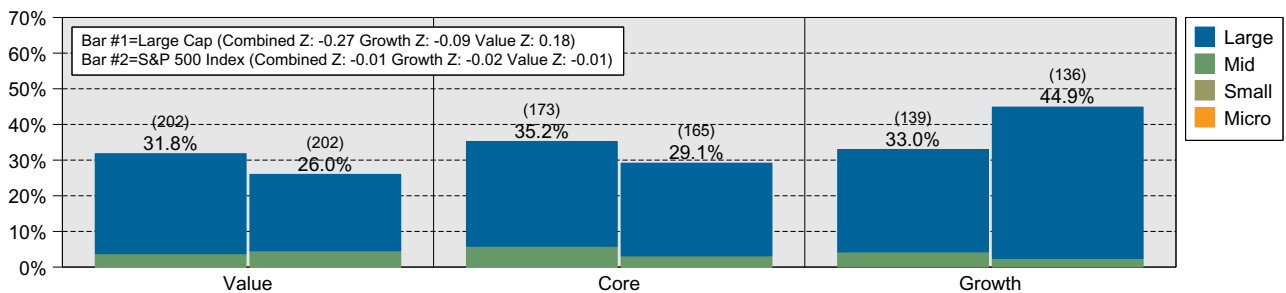
Style Map vs Callan Large Cap Holdings as of September 30, 2022



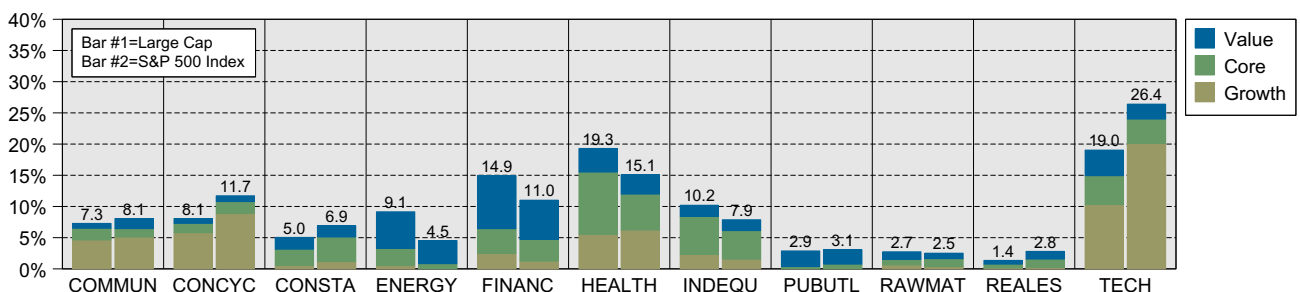
Style Exposure Matrix Holdings as of September 30, 2022

Large	28.1% (95)	29.4% (96)	28.7% (85)	86.2% (276)
	21.4% (95)	26.0% (94)	42.4% (84)	89.8% (273)
Mid	3.7% (104)	5.8% (76)	4.3% (54)	13.8% (234)
	4.6% (104)	3.1% (70)	2.5% (52)	10.1% (226)
Small	0.0% (3)	0.0% (1)	0.0% (0)	0.0% (4)
	0.0% (3)	0.0% (1)	0.0% (0)	0.0% (4)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	31.8% (202)	35.2% (173)	33.0% (139)	100.0% (514)
	26.0% (202)	29.1% (165)	44.9% (136)	100.0% (503)
	Value	Core	Growth	Total

Combined Z-Score Style Distribution Holdings as of September 30, 2022



Sector Weights Distribution Holdings as of September 30, 2022



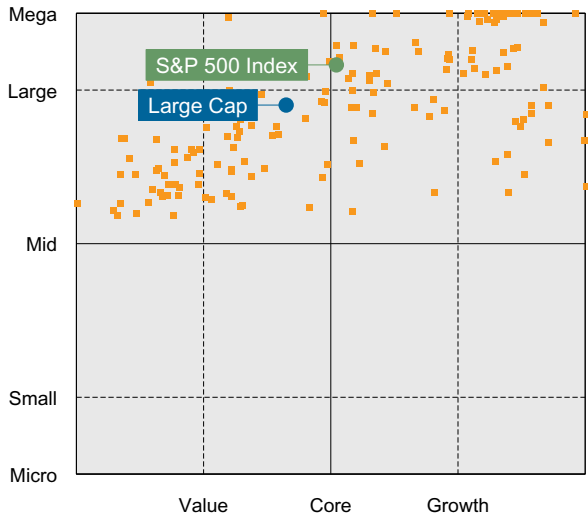
Historical Holdings Based Style Analysis

Large Cap

For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

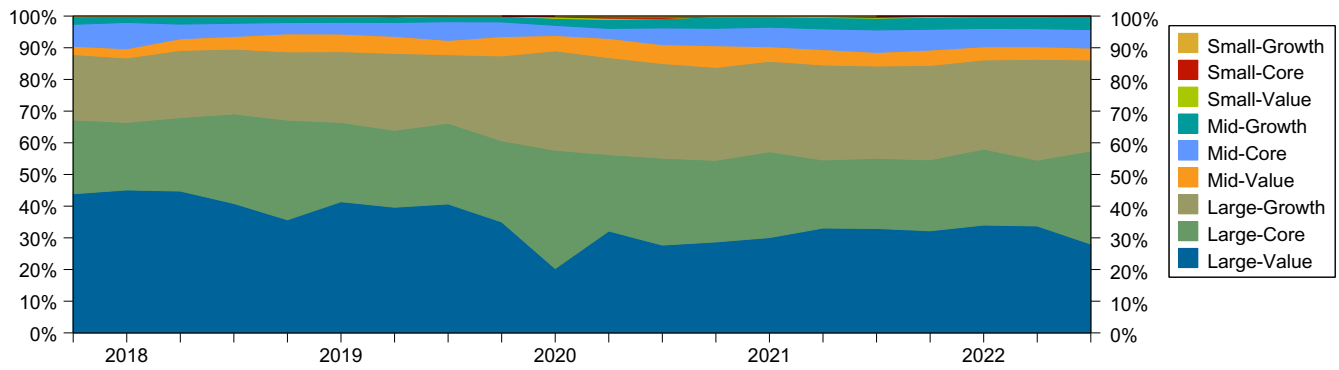
Average Style Map vs Callan Large Cap Holdings for Five Years Ended September 30, 2022



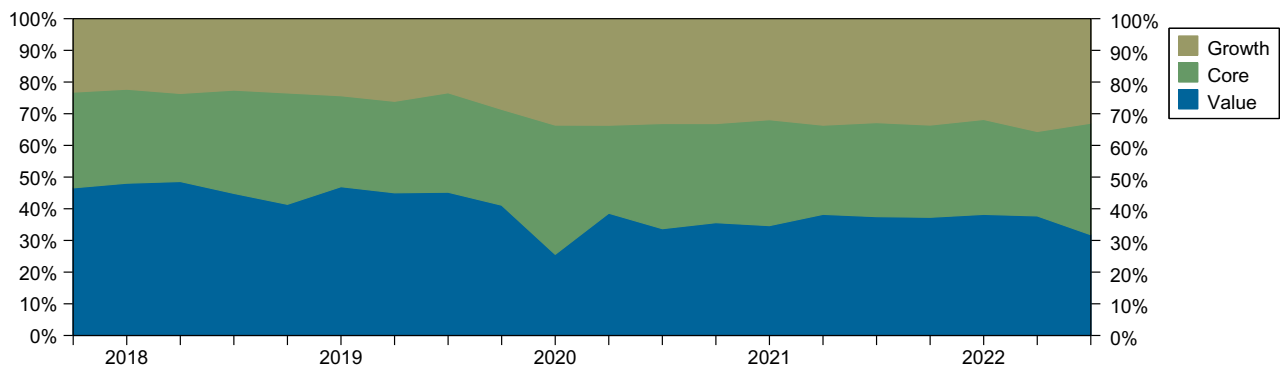
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	35.0% (101)	25.5% (96)	26.3% (87)	86.8% (284)
Large	26.4% (99)	24.6% (94)	39.0% (85)	90.0% (278)
Mid	4.7% (97)	5.3% (81)	2.8% (51)	12.8% (229)
Small	0.1% (4)	0.2% (2)	0.1% (1)	0.3% (7)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	39.8% (202)	31.0% (179)	29.2% (139)	100.0% (520)
	30.4% (198)	28.2% (172)	41.4% (134)	100.0% (504)
	Value	Core	Growth	Total

Large Cap Historical Cap/Style Exposures



Large Cap Historical Style Only Exposures



SSgA S&P 500

Period Ended September 30, 2022

Investment Philosophy

SSGA believes that their passive investment strategy can provide market-like returns with minimal transaction costs. Returns prior to 6/30/2012 are linked to a composite history.

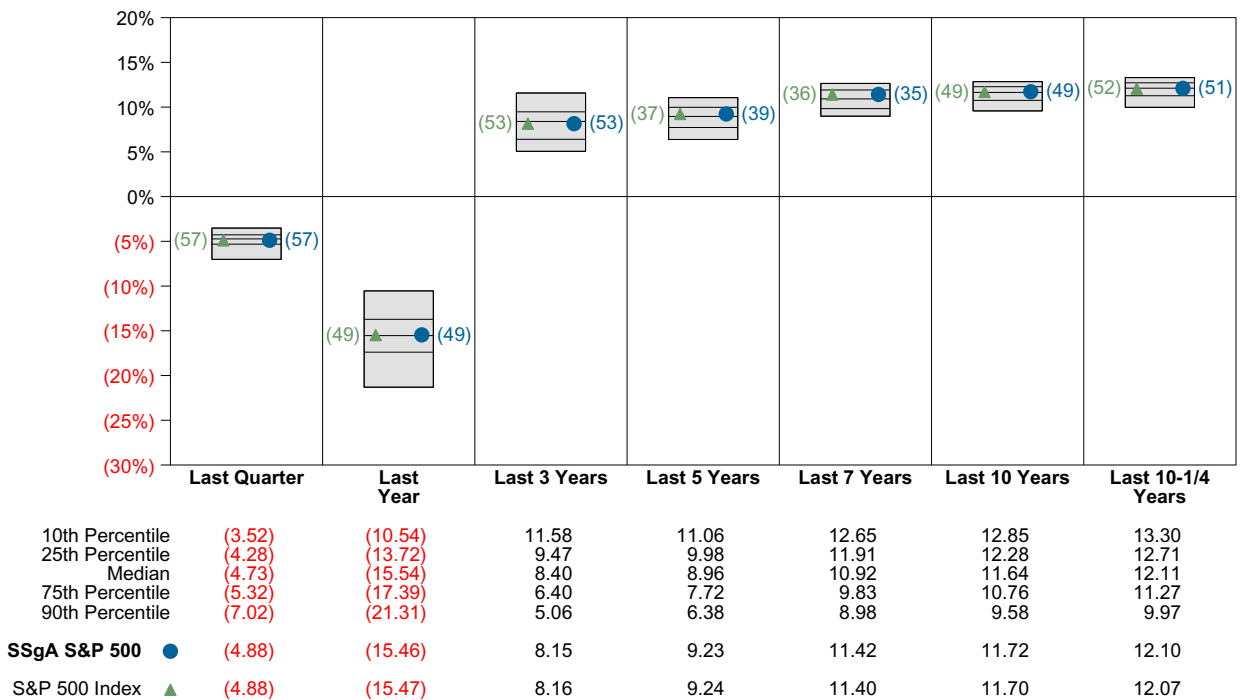
Quarterly Summary and Highlights

- SSgA S&P 500's portfolio posted a (4.88)% return for the quarter placing it in the 57 percentile of the Callan Large Cap Core group for the quarter and in the 49 percentile for the last year.
- SSGA S&P 500's portfolio underperformed the S&P 500 Index by 0.00% for the quarter and outperformed the S&P 500 Index for the year by 0.01%.

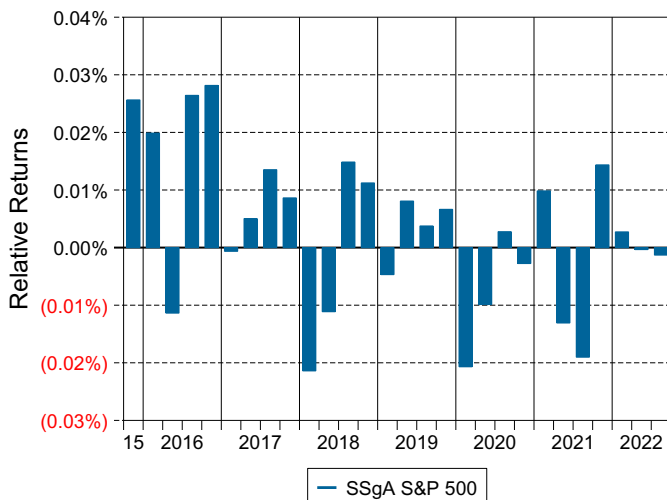
Quarterly Asset Growth

Beginning Market Value	\$51,991,367
Net New Investment	\$0
Investment Gains/(Losses)	\$-2,539,168
Ending Market Value	\$49,452,199

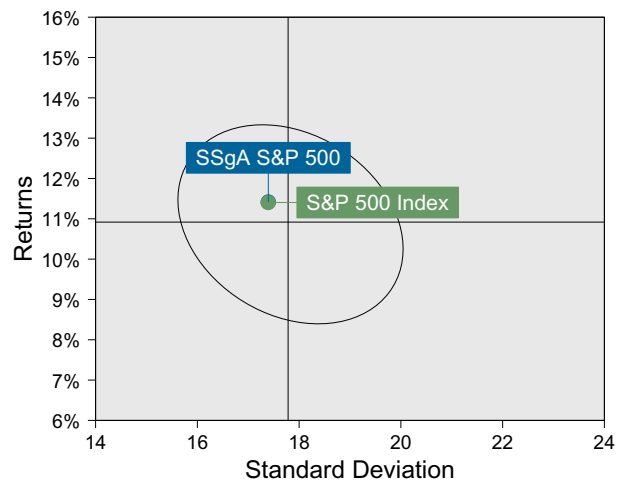
Performance vs Callan Large Cap Core (Gross)



Relative Return vs S&P 500 Index



Callan Large Cap Core (Gross) Annualized Seven Year Risk vs Return

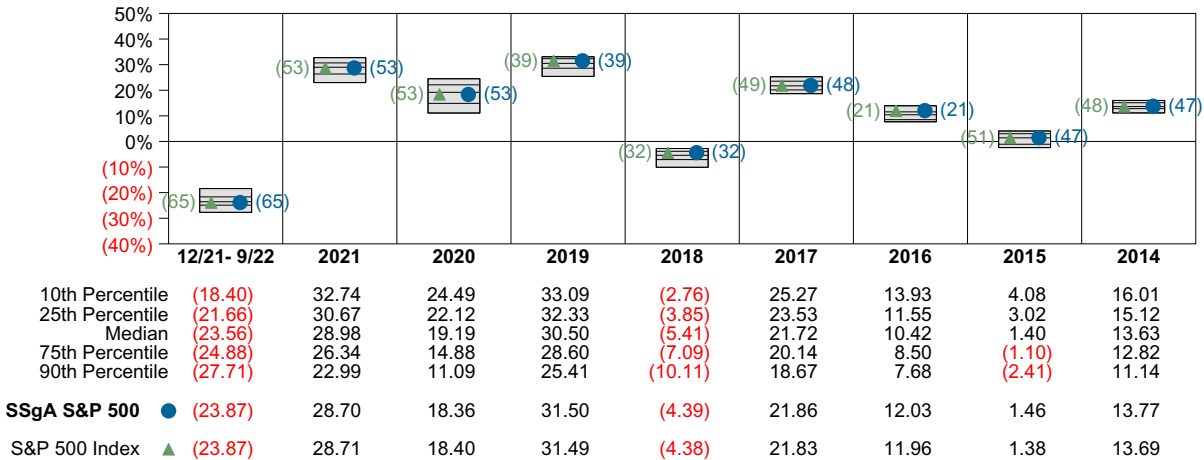


SSgA S&P 500 Return Analysis Summary

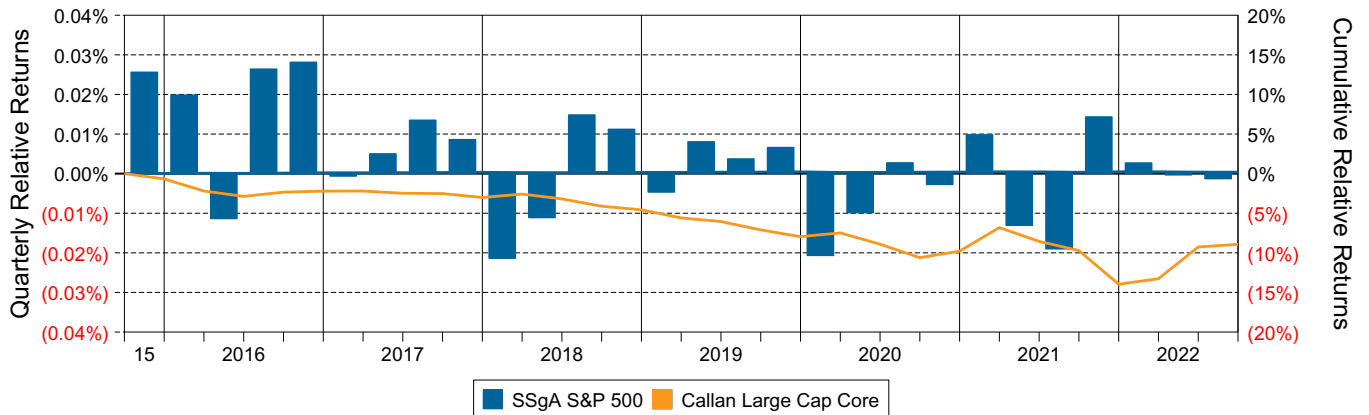
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

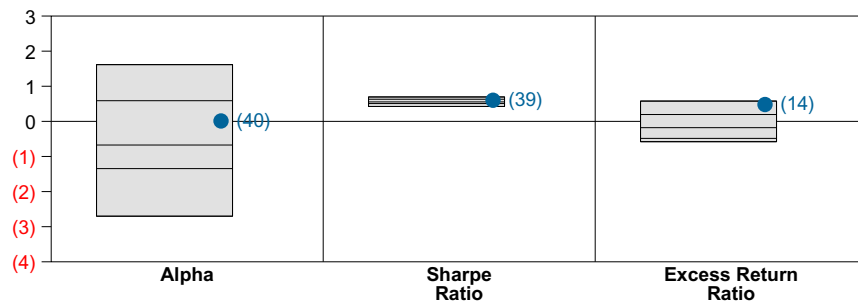
Performance vs Callan Large Cap Core (Gross)



Cumulative and Quarterly Relative Returns vs S&P 500 Index



Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Callan Large Cap Core (Gross) Seven Years Ended September 30, 2022



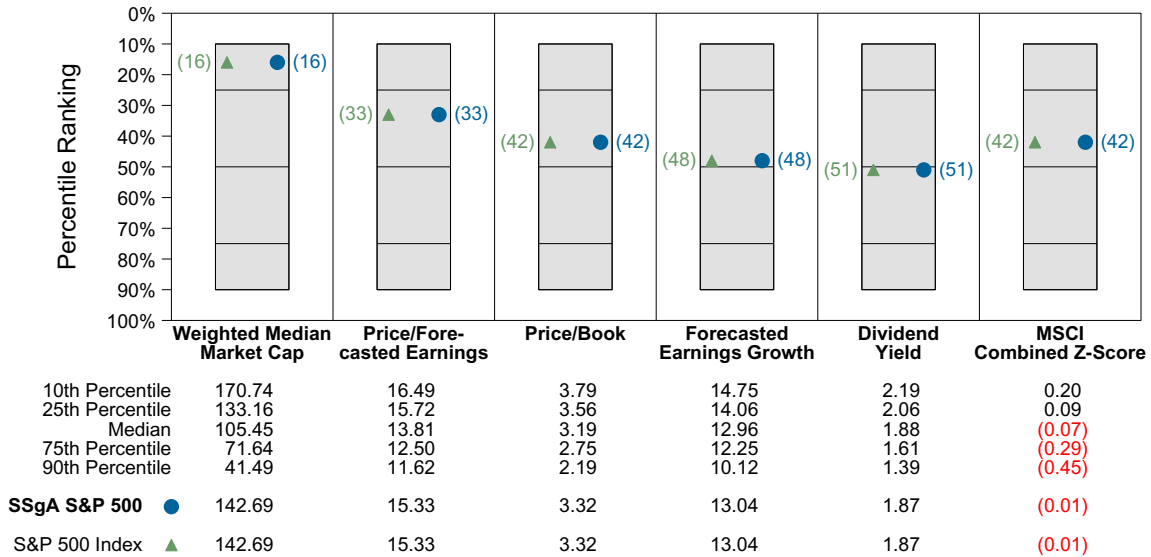
	Alpha	Sharpe Ratio	Excess Return Ratio
10th Percentile	1.62	0.70	0.58
25th Percentile	0.59	0.63	0.19
Median	(0.67)	0.55	(0.18)
75th Percentile	(1.35)	0.51	(0.49)
90th Percentile	(2.70)	0.42	(0.58)
SSgA S&P 500	0.01	0.60	0.48

SSgA S&P 500 Equity Characteristics Analysis Summary

Portfolio Characteristics

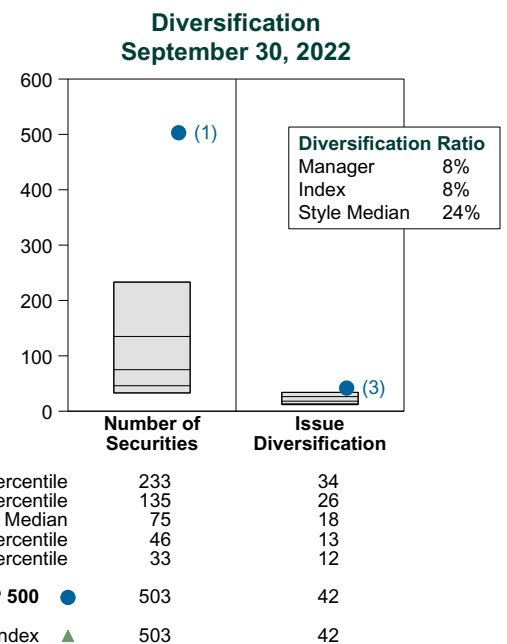
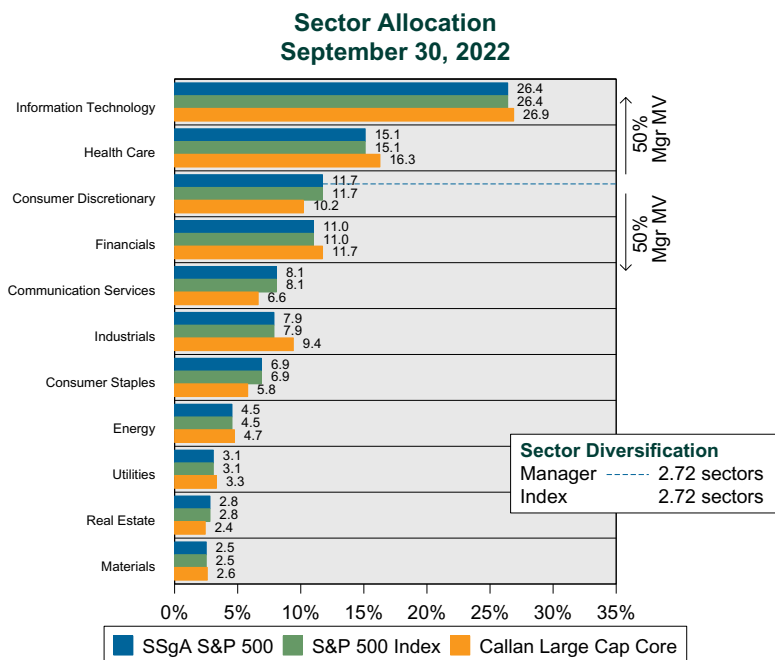
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Core as of September 30, 2022



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



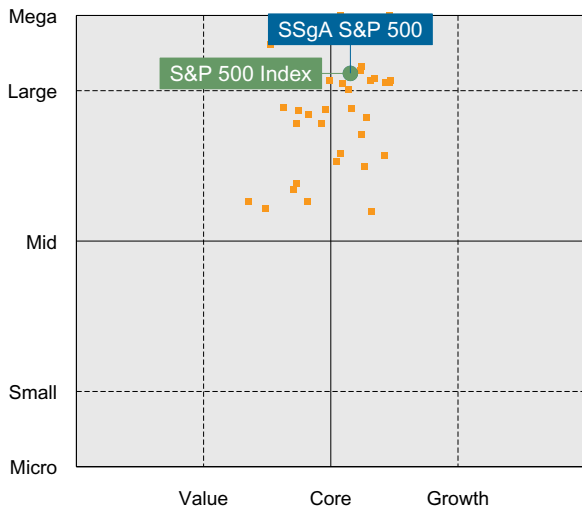
Current Holdings Based Style Analysis

SSgA S&P 500

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

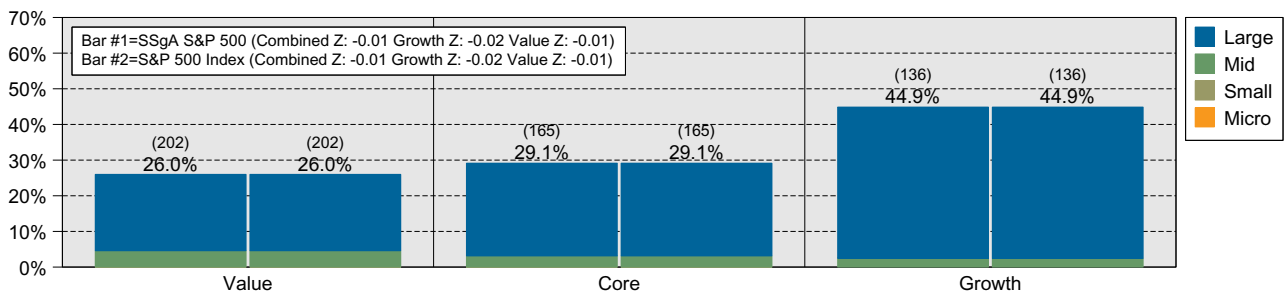
Style Map vs Callan Large Cap Core Holdings as of September 30, 2022



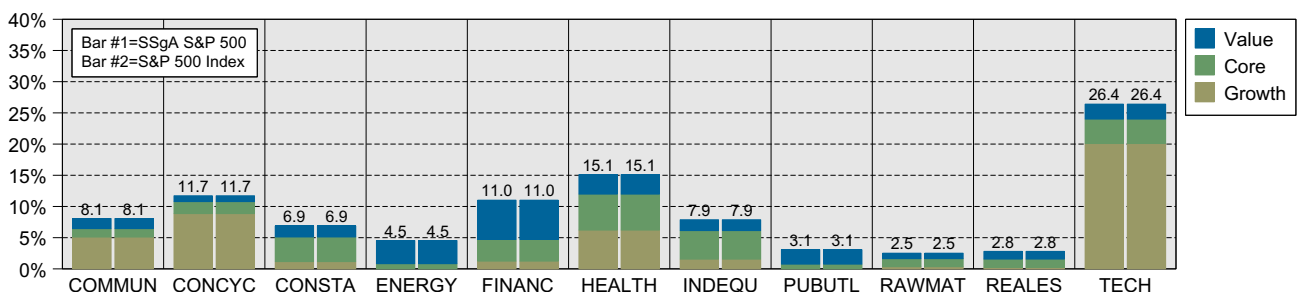
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Large	21.4% (95)	26.0% (94)	42.4% (84)	89.8% (273)
Mid	4.6% (104)	3.1% (70)	2.5% (52)	10.1% (226)
Small	0.0% (3)	0.0% (1)	0.0% (0)	0.0% (4)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	26.0% (202)	29.1% (165)	44.9% (136)	100.0% (503)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



Sector Weights Distribution Holdings as of September 30, 2022



Boston Partners

Period Ended September 30, 2022

Investment Philosophy

Boston Partners attempts to implement a disciplined investment process designed to find undervalued securities issued by companies with sound fundamentals and positive business momentum. Boston Partners was funded 6/27/05. The first full quarter for this portfolio is 3rd quarter 2005.

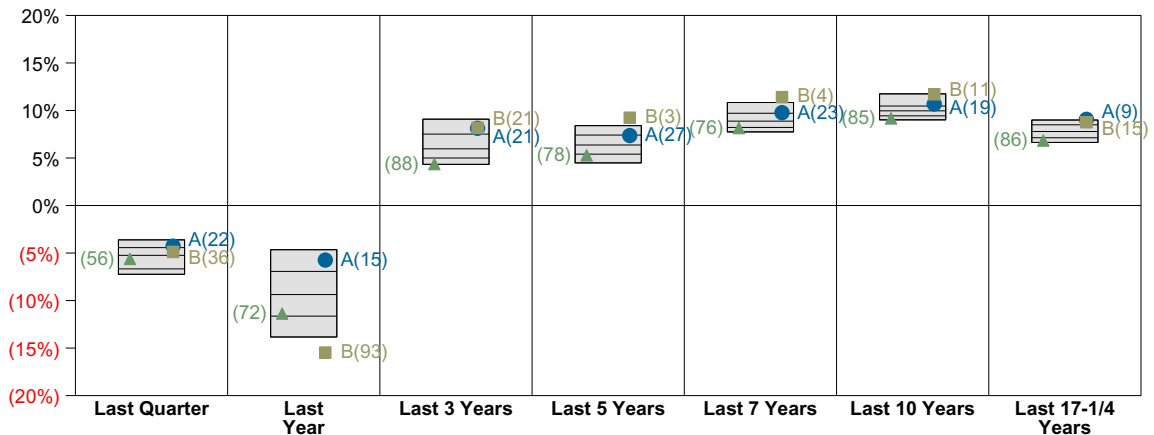
Quarterly Summary and Highlights

- Boston Partners's portfolio posted a (4.27)% return for the quarter placing it in the 22 percentile of the Callan Large Cap Value group for the quarter and in the 15 percentile for the last year.
- Boston Partners's portfolio outperformed the Russell 1000 Value Index by 1.35% for the quarter and outperformed the Russell 1000 Value Index for the year by 5.62%.

Quarterly Asset Growth

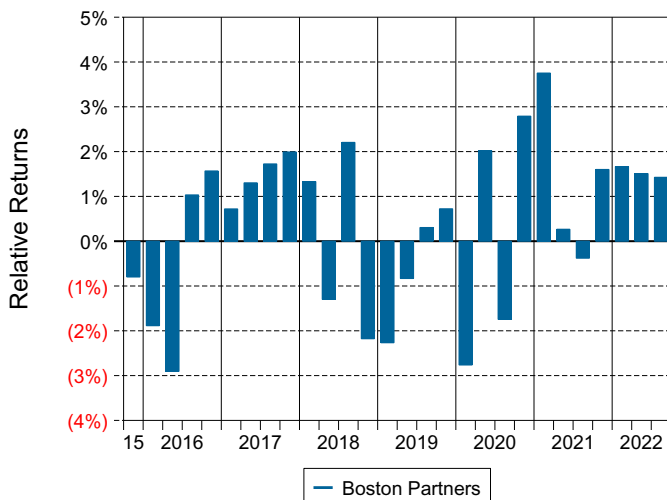
Beginning Market Value	\$58,291,426
Net New Investment	\$-739,658
Investment Gains/(Losses)	\$-2,486,431
Ending Market Value	\$55,065,337

Performance vs Callan Large Cap Value (Gross)

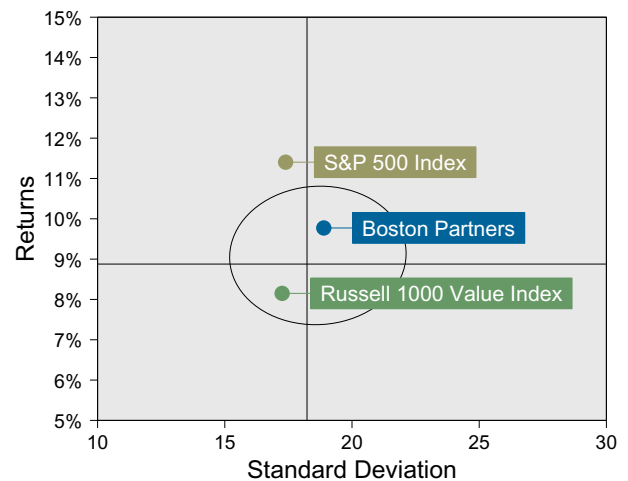


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 17-1/4 Years
10th Percentile	(3.61)	(4.65)	9.08	8.41	10.84	11.75	8.99
25th Percentile	(4.43)	(6.93)	7.51	7.41	9.71	10.47	8.49
Median	(5.24)	(9.37)	5.97	6.37	8.88	9.96	7.79
75th Percentile	(6.67)	(11.64)	5.00	5.40	8.22	9.44	7.13
90th Percentile	(7.24)	(13.84)	4.33	4.48	7.75	9.01	6.63
Boston Partners	● A (4.27)	(5.74)	8.12	7.36	9.77	10.68	9.07
S&P 500 Index	■ B (4.88)	(15.47)	8.16	9.24	11.40	11.70	8.76
Russell 1000 Value Index	▲ (5.62)	(11.36)	4.36	5.29	8.15	9.17	6.84

Relative Return vs Russell 1000 Value Index



Callan Large Cap Value (Gross) Annualized Seven Year Risk vs Return

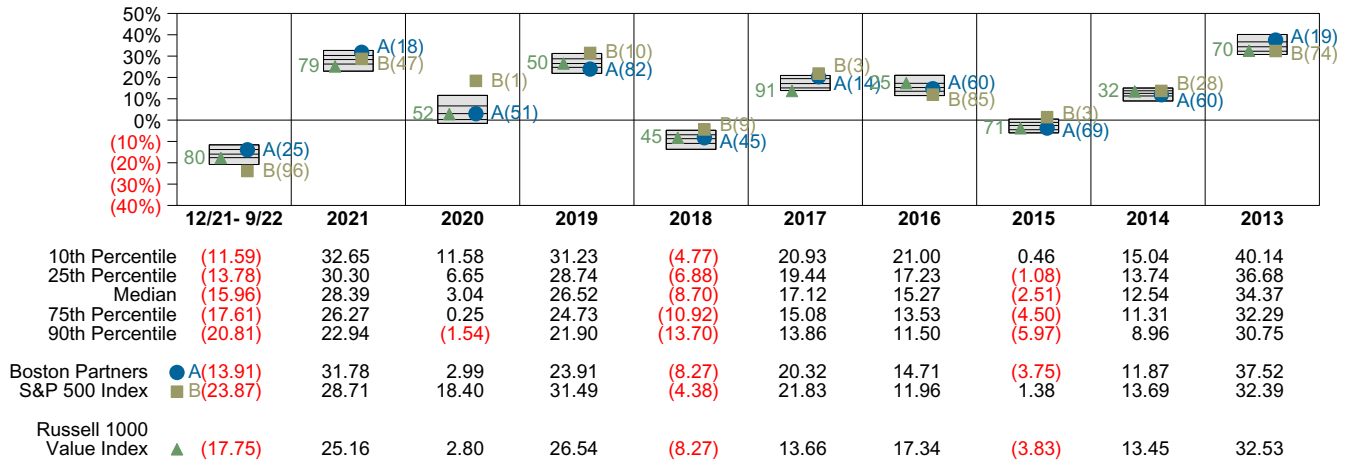


Boston Partners Return Analysis Summary

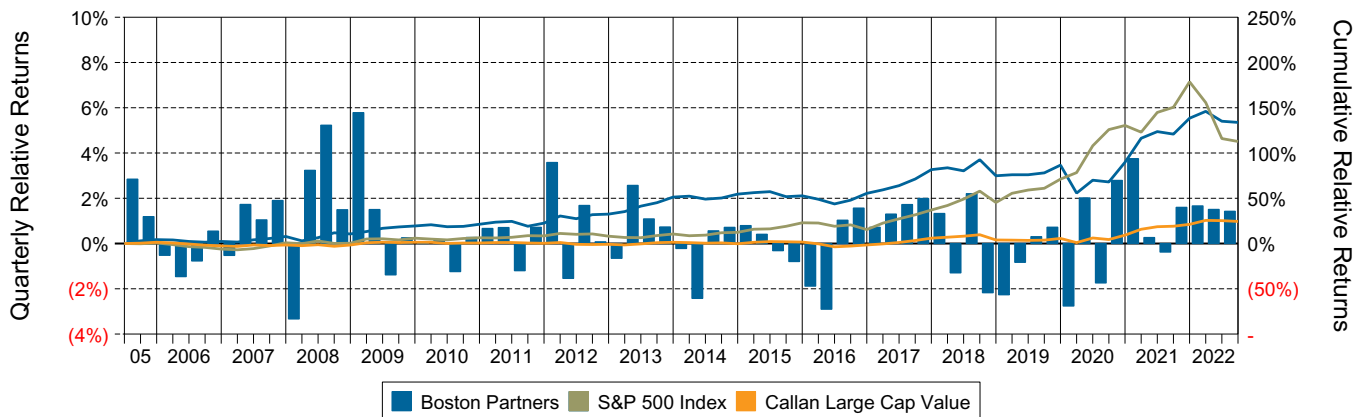
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

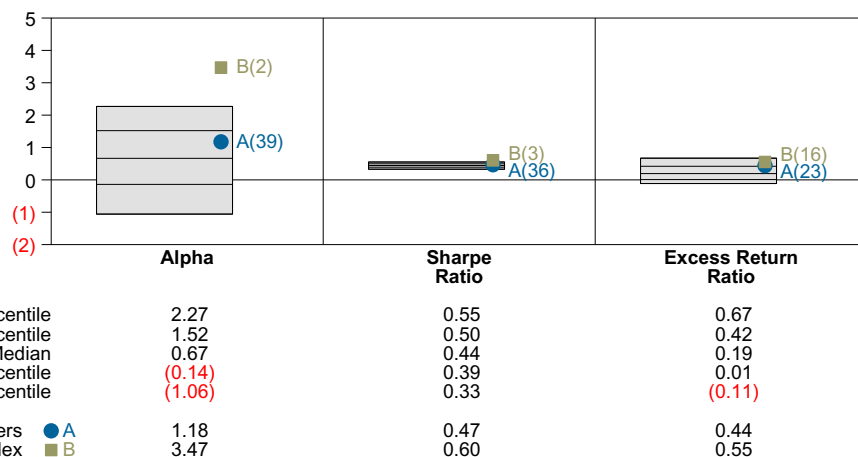
Performance vs Callan Large Cap Value (Gross)



Cumulative and Quarterly Relative Returns vs Russell 1000 Value Index



Risk Adjusted Return Measures vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended September 30, 2022

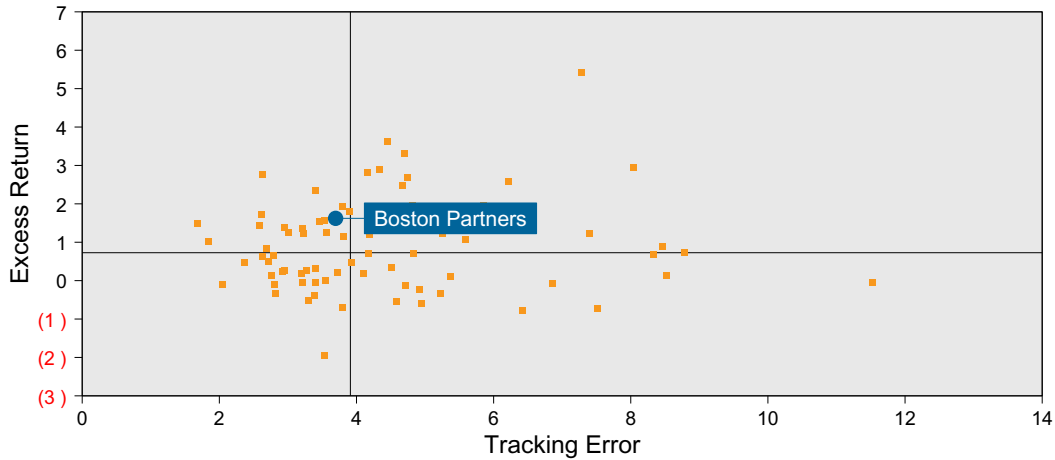


Boston Partners Risk Analysis Summary

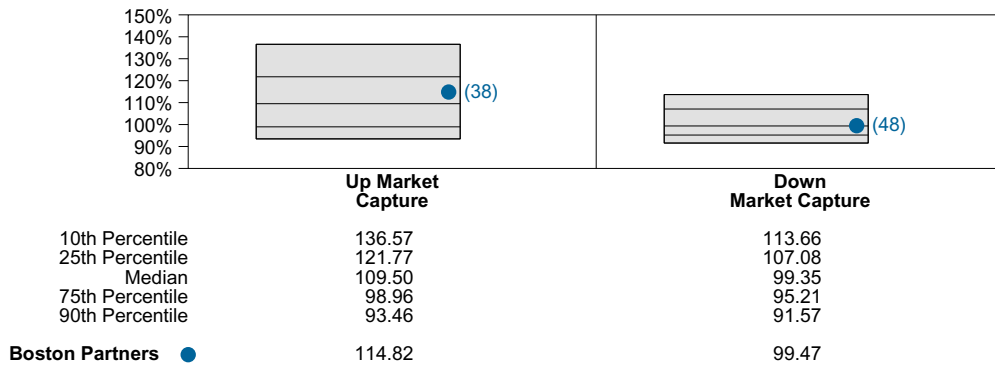
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

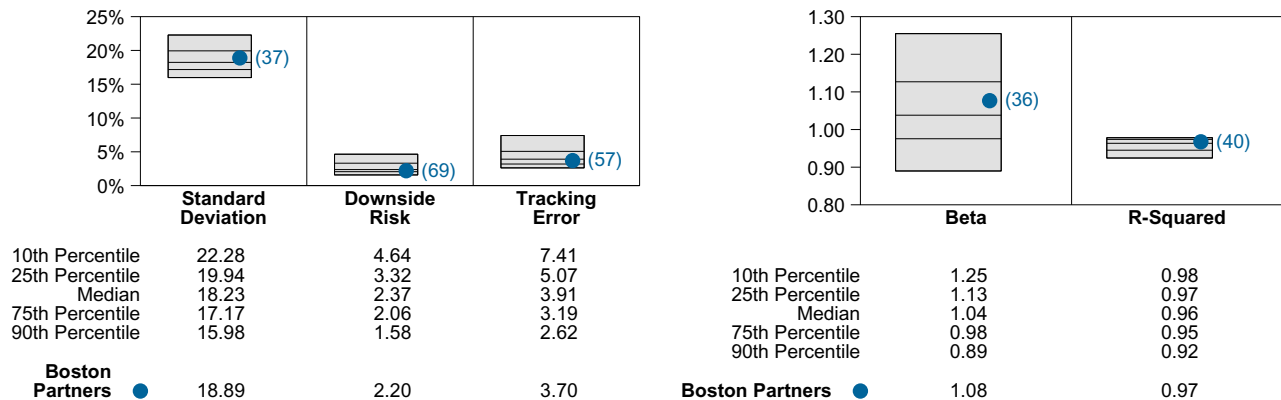
Risk Analysis vs Callan Large Cap Value (Gross) Seven Years Ended September 30, 2022



Market Capture vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended September 30, 2022



Risk Statistics Rankings vs Russell 1000 Value Index Rankings Against Callan Large Cap Value (Gross) Seven Years Ended September 30, 2022

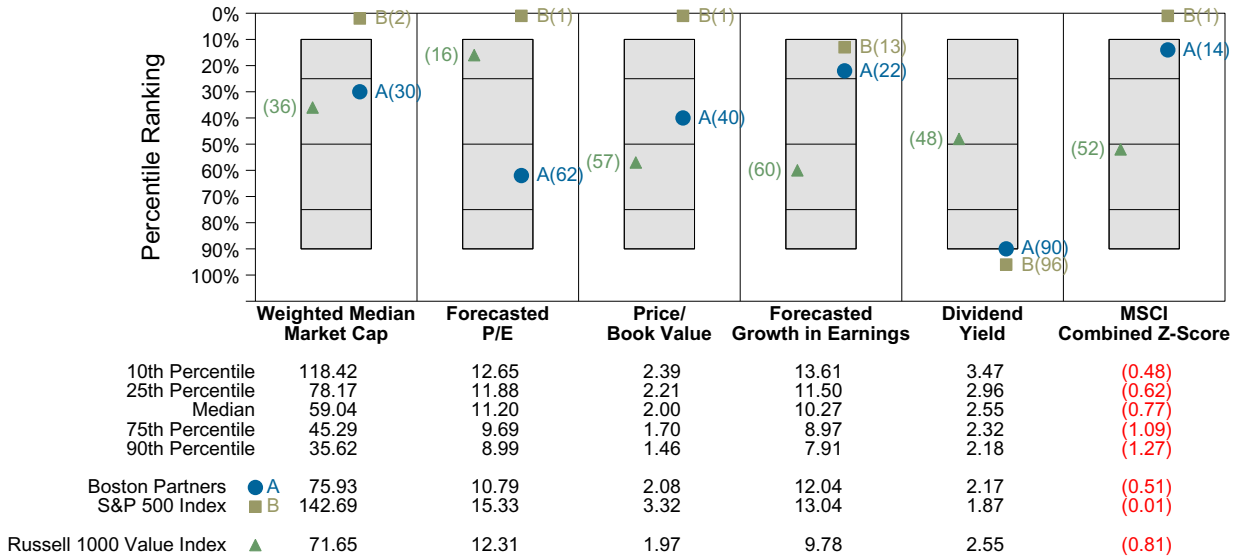


Boston Partners Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

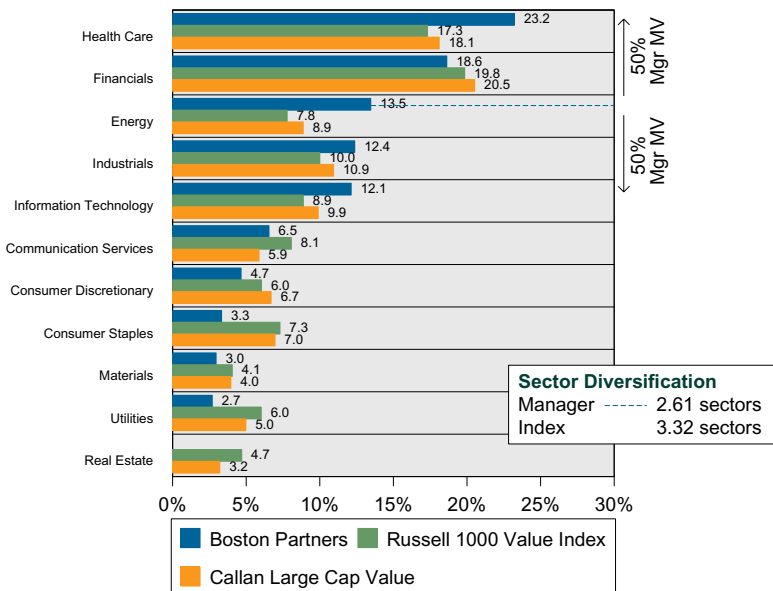
Portfolio Characteristics Percentile Rankings Rankings Against Callan Large Cap Value as of September 30, 2022



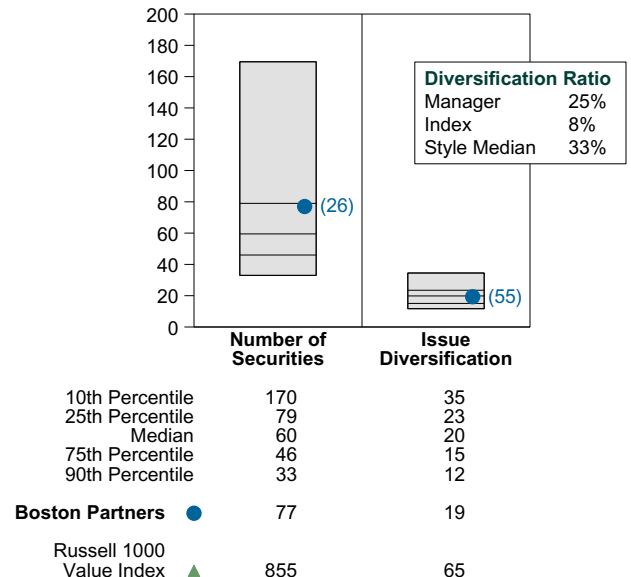
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation September 30, 2022



Diversification September 30, 2022



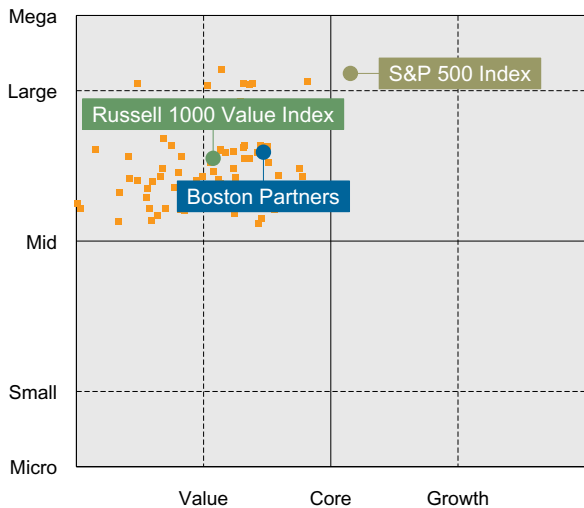
Current Holdings Based Style Analysis

Boston Partners

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

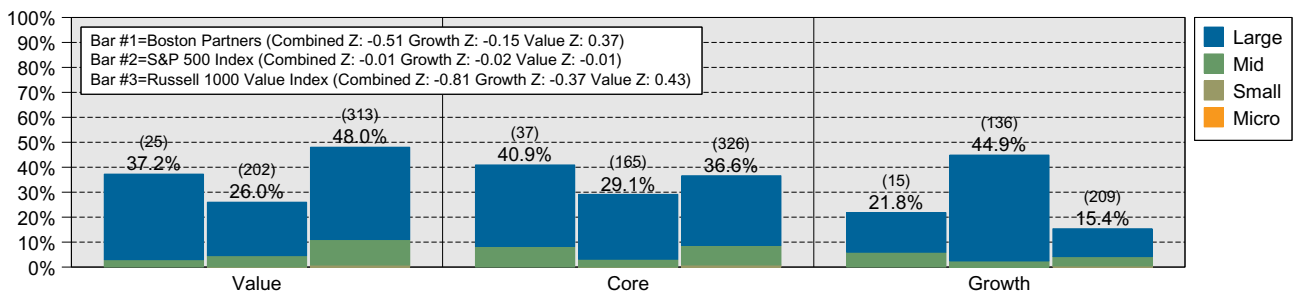
Style Map vs Callan Large Cap Value Holdings as of September 30, 2022



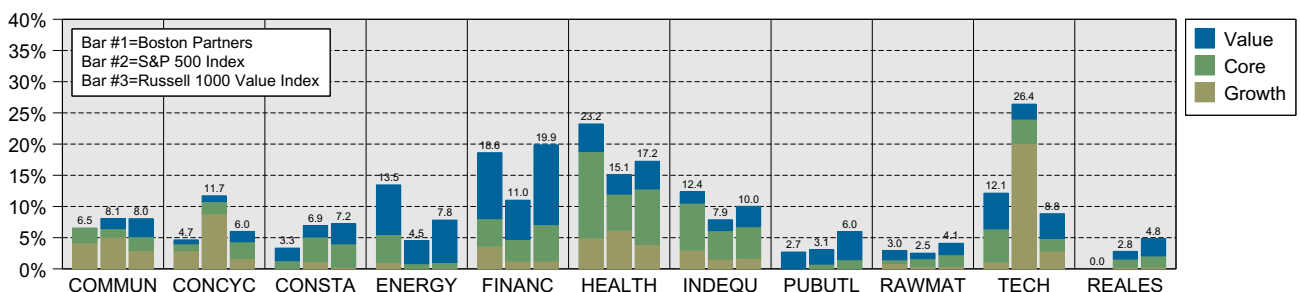
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Large	34.3% (21)	32.6% (24)	15.9% (9)	82.7% (54)
	21.4% (95)	26.0% (94)	42.4% (84)	89.8% (273)
	37.0% (98)	27.9% (82)	11.2% (51)	76.1% (231)
Mid	3.0% (4)	8.4% (13)	5.9% (6)	17.3% (23)
	4.6% (104)	3.1% (70)	2.5% (52)	10.1% (226)
	10.2% (165)	7.8% (183)	3.8% (118)	21.8% (466)
Small	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (3)	0.0% (1)	0.0% (0)	0.0% (4)
	0.8% (50)	0.8% (61)	0.4% (40)	2.1% (151)
Micro	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	37.2% (25)	40.9% (37)	21.8% (15)	100.0% (77)
	26.0% (202)	29.1% (165)	44.9% (136)	100.0% (503)
	48.0% (313)	36.6% (326)	15.4% (209)	100.0% (848)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



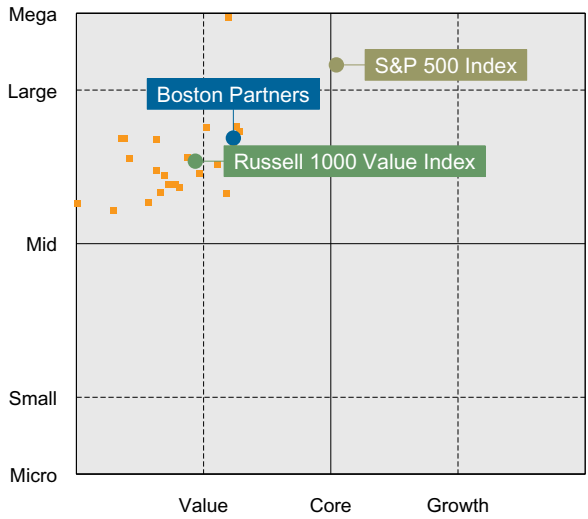
Sector Weights Distribution Holdings as of September 30, 2022



Historical Holdings Based Style Analysis Boston Partners For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

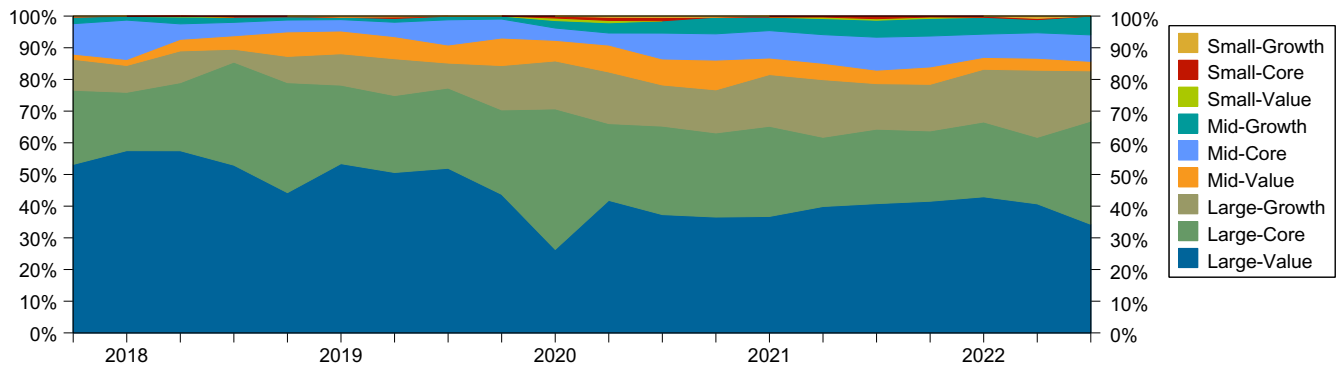
Average Style Map vs Callan Large Cap Value Holdings for Five Years Ended September 30, 2022



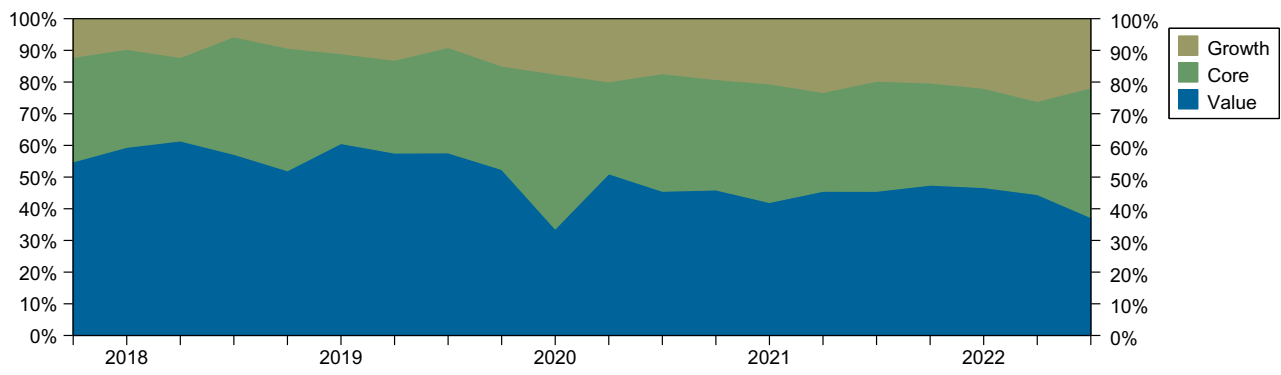
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	Value	Core	Growth	Total
Large	44.2% (27)	26.4% (21)	13.0% (12)	83.6% (60)
	26.4% (99)	24.6% (94)	39.0% (85)	90.0% (278)
Mid	43.8% (100)	26.2% (81)	6.5% (36)	76.5% (217)
	5.5% (8)	7.1% (12)	3.1% (5)	15.8% (25)
Small	4.0% (95)	3.5% (77)	2.4% (48)	9.9% (220)
	9.7% (161)	8.2% (172)	3.3% (96)	21.2% (429)
Micro	0.2% (0)	0.3% (1)	0.1% (0)	0.6% (1)
	0.0% (4)	0.0% (1)	0.0% (1)	0.1% (6)
Total	1.1% (58)	0.9% (55)	0.4% (28)	2.3% (141)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	49.9% (35)	33.8% (34)	16.2% (17)	100.0% (86)
	30.4% (198)	28.2% (172)	41.4% (134)	100.0% (504)
Total	54.6% (319)	35.3% (308)	10.2% (160)	100.0% (787)

Boston Partners Historical Cap/Style Exposures



Boston Partners Historical Style Only Exposures



Atlanta Capital Period Ended September 30, 2022

Investment Philosophy

Atlanta Capital Managements approach with its small cap product is to focus on high quality companies with an overall portfolio risk exposure tied to the Russell 2000 Index. Key characteristics of this portfolio include: (1) stocks rated B+ or better by S&P, (2) equally weighting 75 stocks, (3) sector concentrations similar to that of the benchmark. A group of ten analysts is in charge of screening the Russell 2000 to identify companies they believe have strong price appreciation potential and good business fundamentals. These analysts present the ideas to the portfolio management team, led by Chip Reed, who makes the final decisions on the inclusion of stocks. In general, stocks are sold from the portfolio if the B+ or better financial rating is no longer met, there is an adverse change in the fundamental business, or because of regular portfolio maintenance to ensure broad diversification. Returns prior to 6/30/2010 are linked to a composite history.

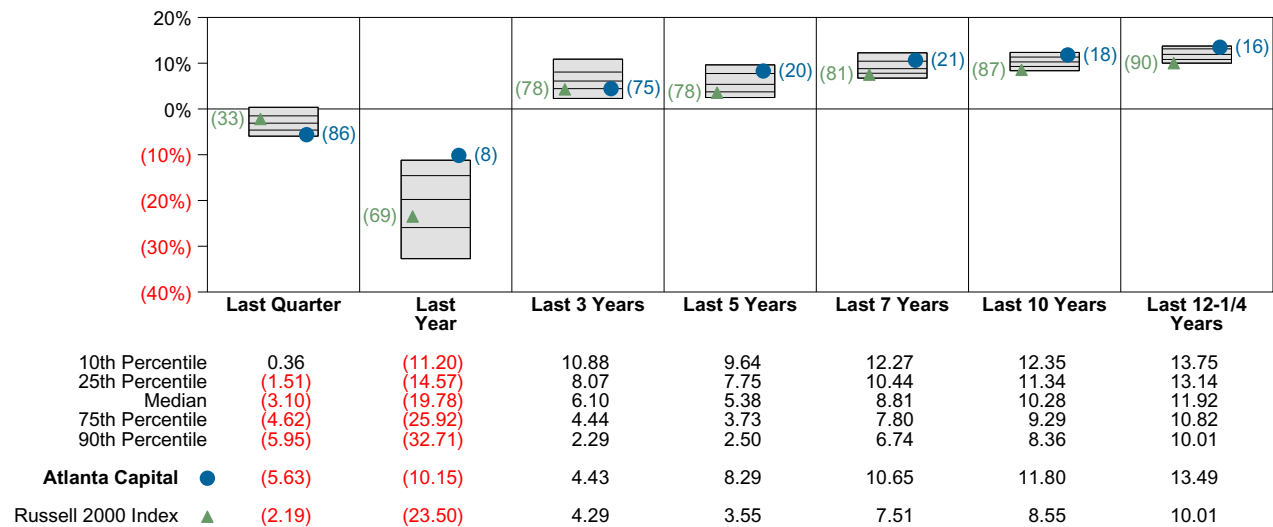
Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a (5.63)% return for the quarter placing it in the 86 percentile of the Callan Small Capitalization group for the quarter and in the 8 percentile for the last year.
- Atlanta Capital's portfolio underperformed the Russell 2000 Index by 3.44% for the quarter and outperformed the Russell 2000 Index for the year by 13.35%.

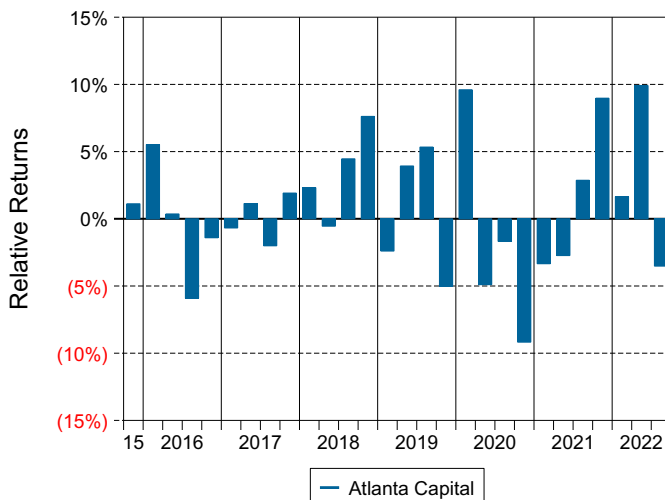
Quarterly Asset Growth

Beginning Market Value	\$29,258,514
Net New Investment	\$-257,964
Investment Gains/(Losses)	\$-1,619,480
Ending Market Value	\$27,381,070

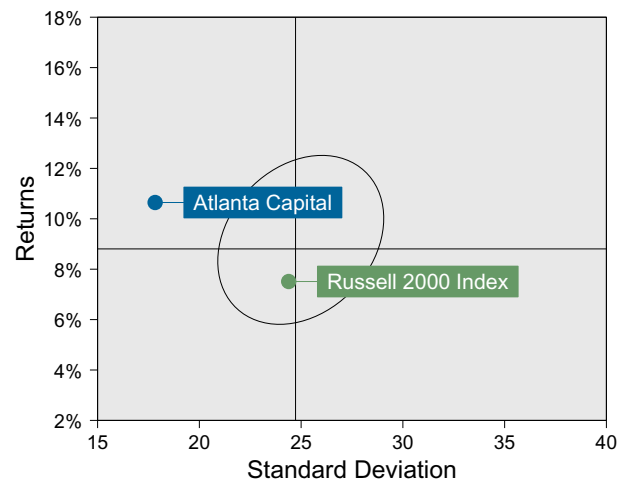
Performance vs Callan Small Capitalization (Gross)



Relative Return vs Russell 2000 Index



Callan Small Capitalization (Gross) Annualized Seven Year Risk vs Return

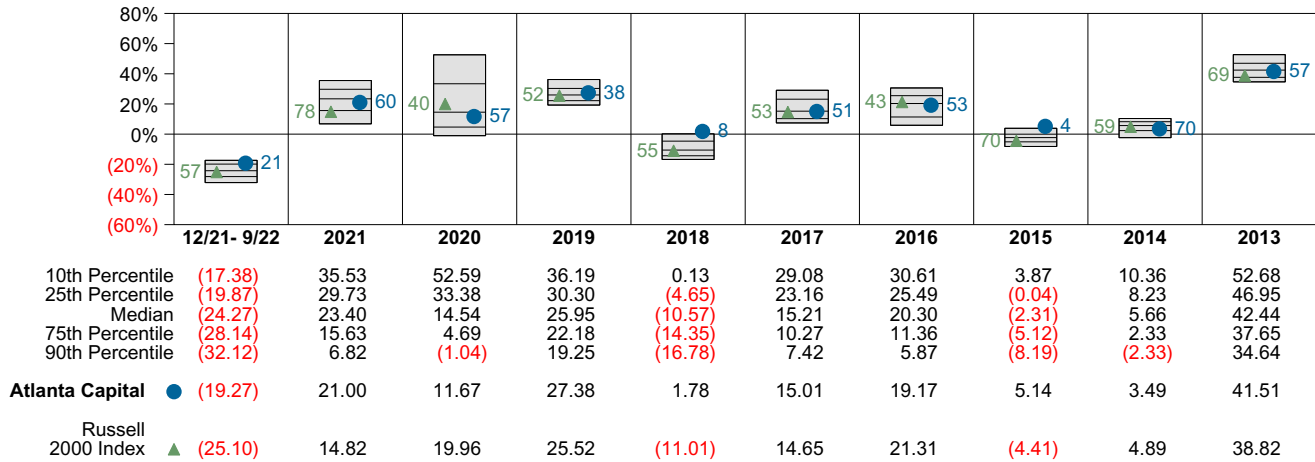


Atlanta Capital Return Analysis Summary

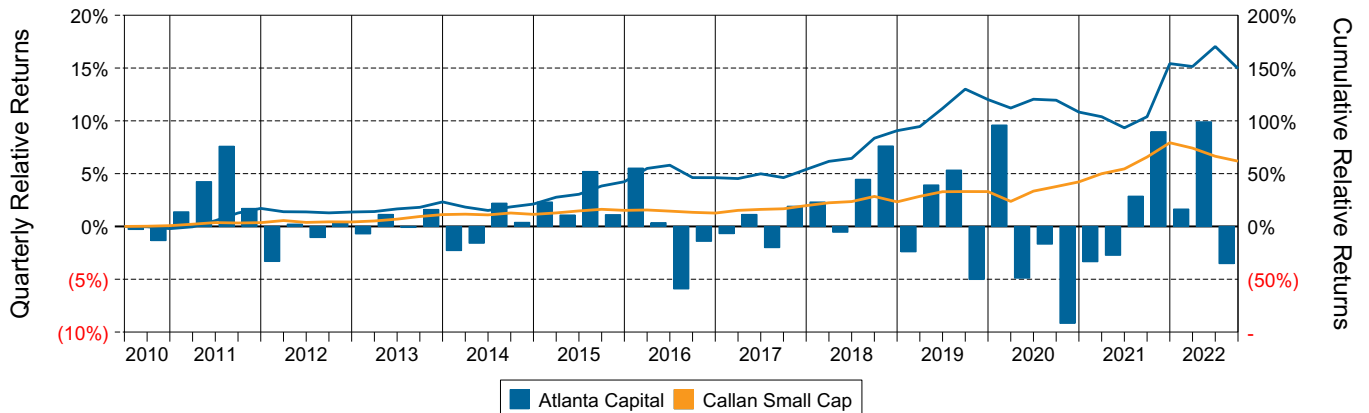
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

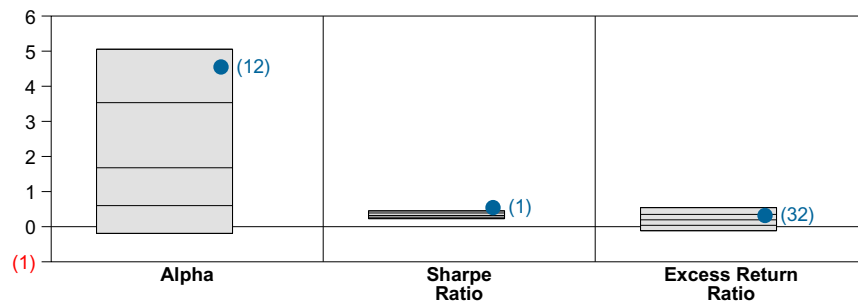
Performance vs Callan Small Capitalization (Gross)



Cumulative and Quarterly Relative Returns vs Russell 2000 Index



Risk Adjusted Return Measures vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended September 30, 2022

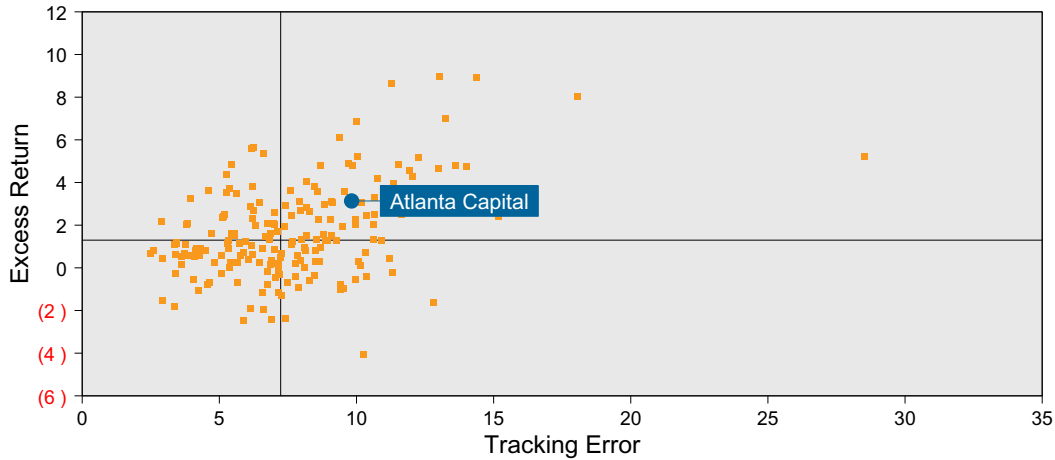


Atlanta Capital Risk Analysis Summary

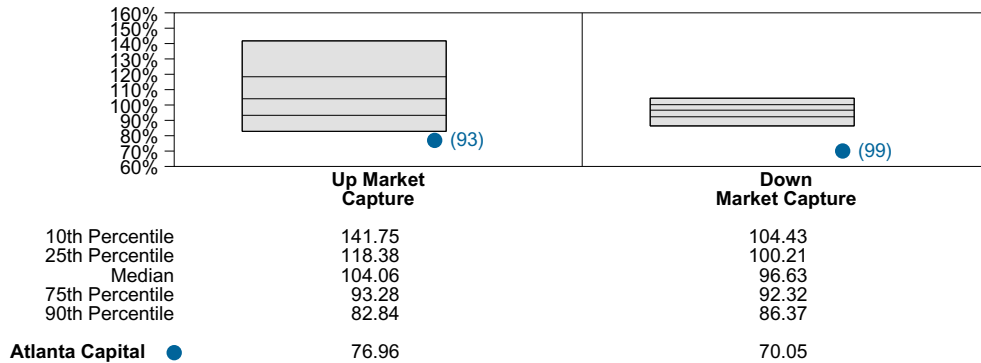
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

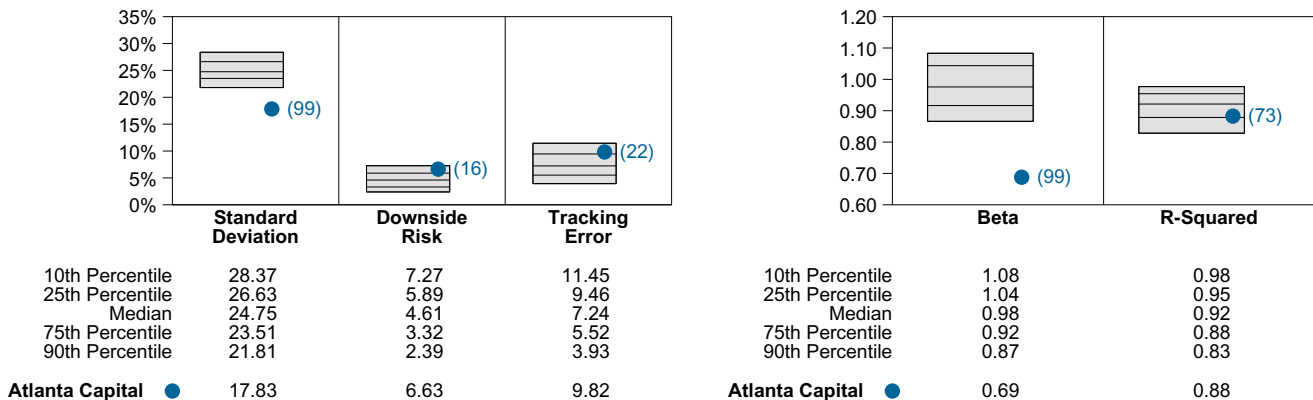
Risk Analysis vs Callan Small Capitalization (Gross) Seven Years Ended September 30, 2022



Market Capture vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended September 30, 2022



Risk Statistics Rankings vs Russell 2000 Index Rankings Against Callan Small Capitalization (Gross) Seven Years Ended September 30, 2022

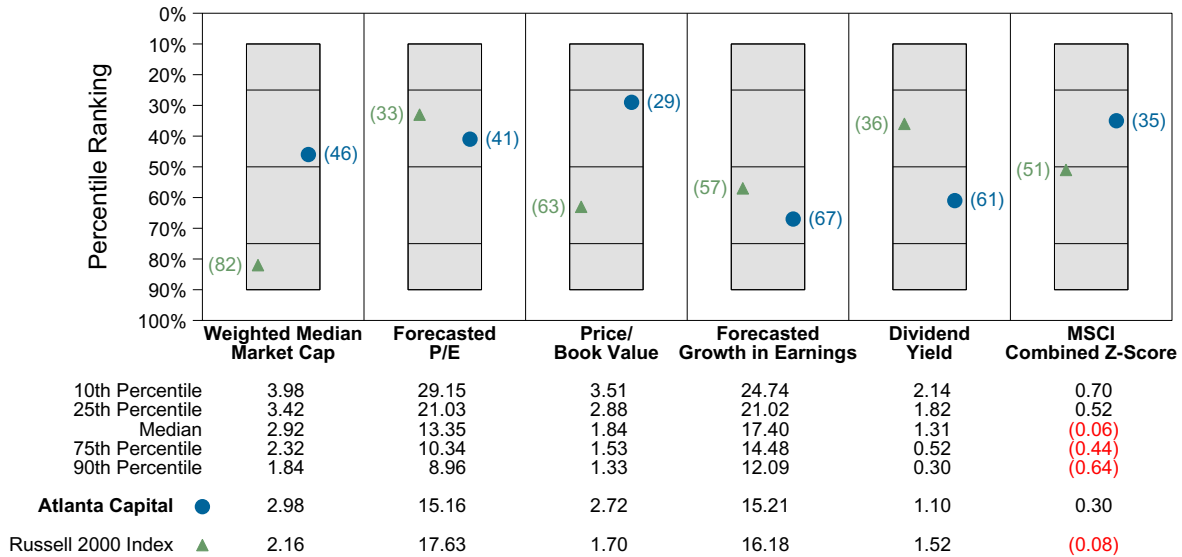


Atlanta Capital Equity Characteristics Analysis Summary

Portfolio Characteristics

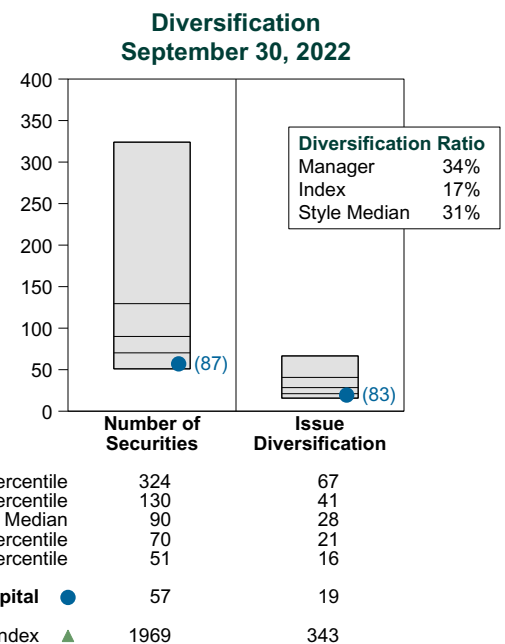
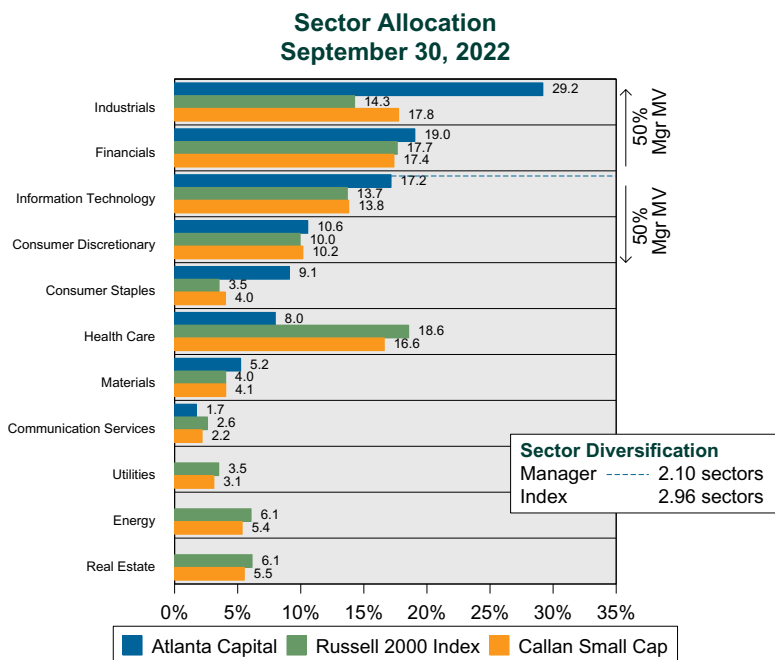
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Small Capitalization as of September 30, 2022



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



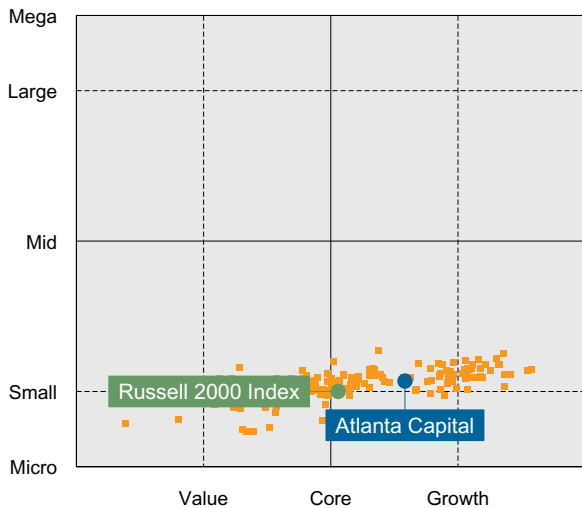
Current Holdings Based Style Analysis

Atlanta Capital

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

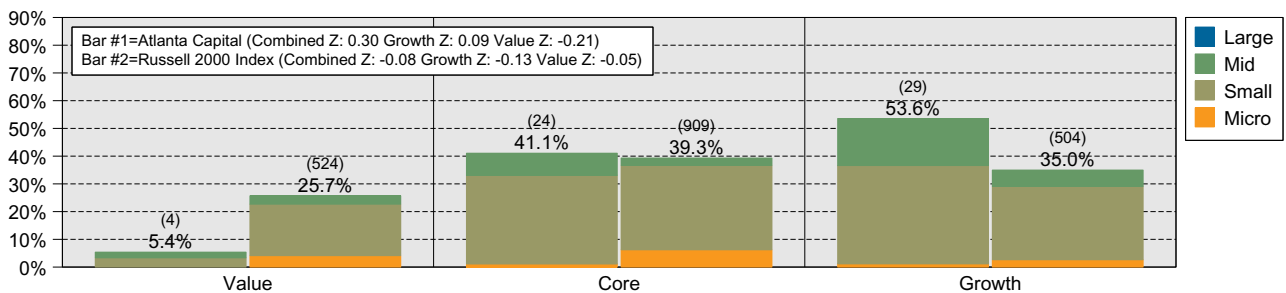
Style Map vs Callan Small Cap Holdings as of September 30, 2022



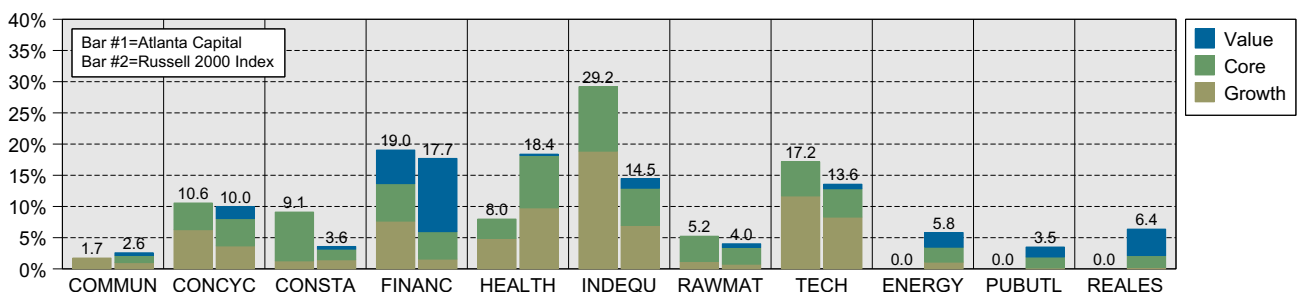
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Large	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Mid	2.0% (1)	8.0% (4)	17.0% (6)	27.0% (11)
Small	3.3% (3)	32.0% (19)	35.5% (22)	70.7% (44)
Micro	0.0% (0)	1.1% (1)	1.2% (1)	2.3% (2)
Total	5.4% (4)	41.1% (24)	53.6% (29)	100.0% (57)
	25.7% (524)	39.3% (909)	35.0% (504)	100.0% (1937)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



Sector Weights Distribution Holdings as of September 30, 2022



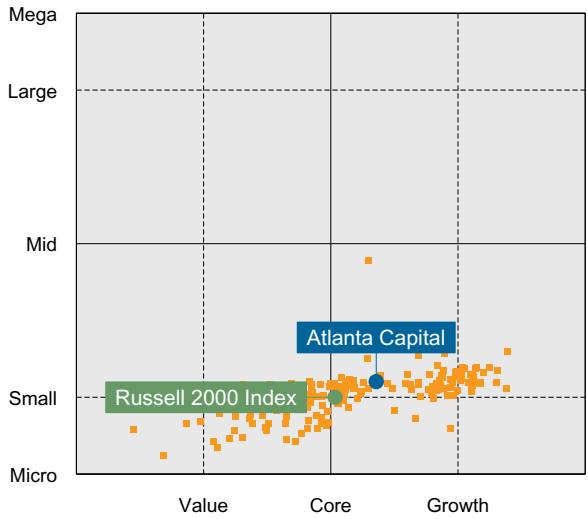
Historical Holdings Based Style Analysis

Atlanta Capital

For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various market capitalization and style segments of the domestic equity market. The market is segmented quarterly by capitalization and style. The capitalization segments are dictated by capitalization decile breakpoints. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each capitalization/style segment of the market. The next two style exposure charts illustrate the actual quarterly cap/style and style only segment exposures of the portfolio through history.

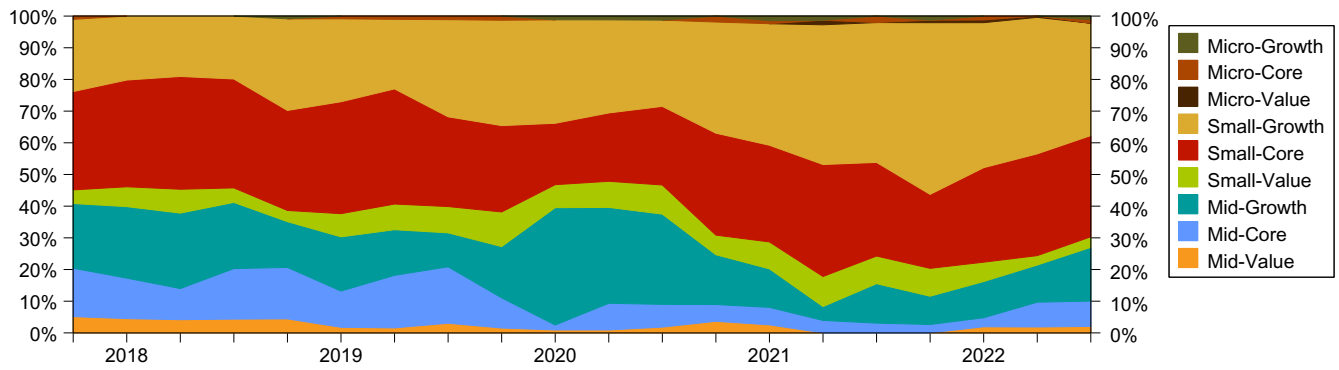
Average Style Map vs Callan Small Cap Holdings for Five Years Ended September 30, 2022



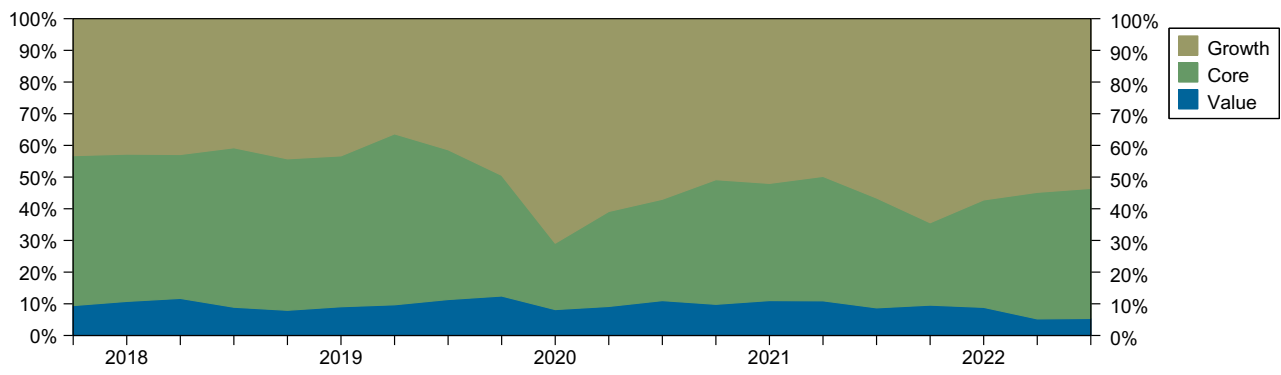
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Large	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Mid	2.3% (2)	9.1% (4)	17.5% (8)	28.9% (14)
Small	7.0% (6)	30.2% (20)	32.6% (19)	69.8% (45)
Micro	0.2% (0)	0.6% (1)	0.5% (0)	1.3% (1)
Total	9.5% (8)	39.9% (25)	50.6% (27)	100.0% (60)
	23.5% (570)	38.6% (854)	37.9% (566)	100.0% (1990)
	Value	Core	Growth	Total

Atlanta Capital Historical Cap/Style Exposures



Atlanta Capital Historical Style Only Exposures



International Equity Period Ended September 30, 2022

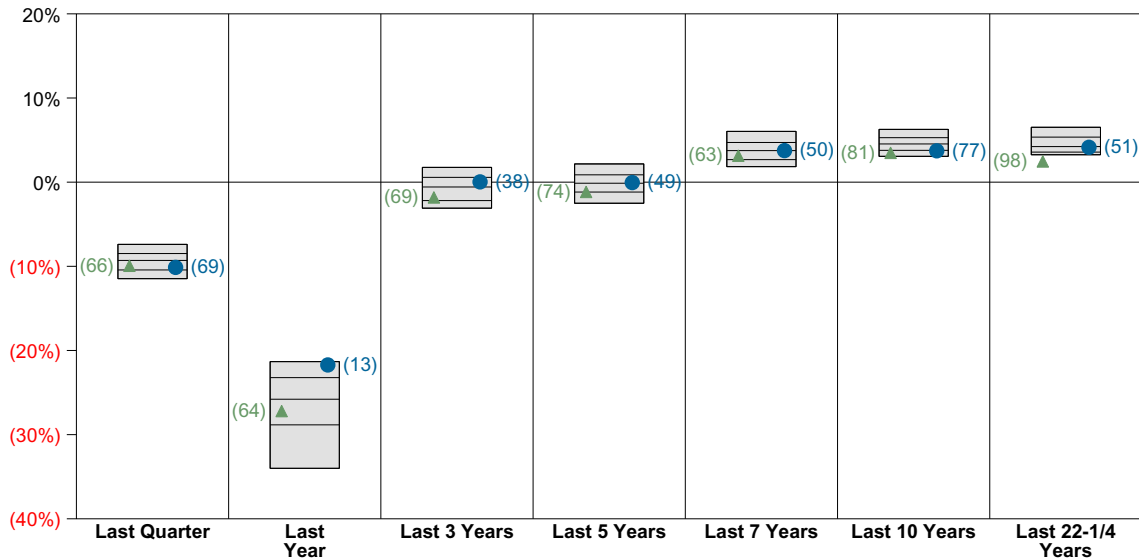
Investment Philosophy

International Benchmark = MSCI EAFE until 6/30/2013, 78.26% MSCI EAFE + 21.74% MSCI EM until 4/30/2015, 76% MSCI EAFE + 24% MSCI EM until 7/31/2016, and 56% MSCI EAFE + 24% MSCI EM + 20% MSCI EAFE Small Cap thereafter.

Quarterly Summary and Highlights

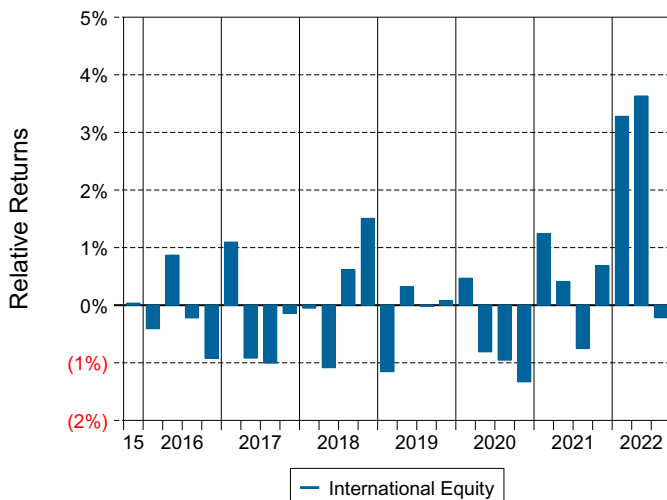
- International Equity's portfolio posted a (10.13)% return for the quarter placing it in the 69 percentile of the Callan Non-US Equity group for the quarter and in the 13 percentile for the last year.
- International Equity's portfolio underperformed the International Benchmark by 0.19% for the quarter and outperformed the International Benchmark for the year by 5.48%.

Performance vs Callan Non-US Equity (Gross)

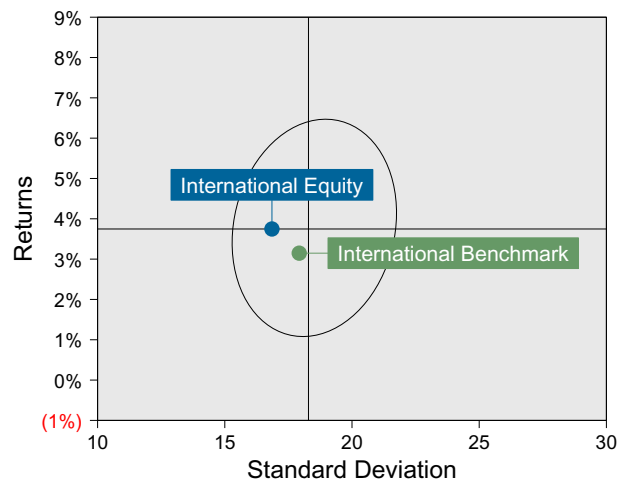


10th Percentile	(7.39)	(21.33)	1.75	2.17	6.03	6.27	6.52
25th Percentile	(8.48)	(23.23)	0.57	0.87	4.71	5.29	5.35
Median	(9.30)	(25.79)	(0.57)	(0.13)	3.75	4.54	4.23
75th Percentile	(10.43)	(28.84)	(2.19)	(1.18)	2.68	3.78	3.57
90th Percentile	(11.47)	(34.00)	(3.09)	(2.51)	1.84	3.07	3.26
International Equity	(10.13)	(21.72)	0.03	(0.05)	3.75	3.72	4.14
International Benchmark	(9.93)	(27.20)	(1.81)	(1.16)	3.15	3.48	2.46

Relative Return vs International Benchmark



Callan Non-US Equity (Gross)
Annualized Seven Year Risk vs Return

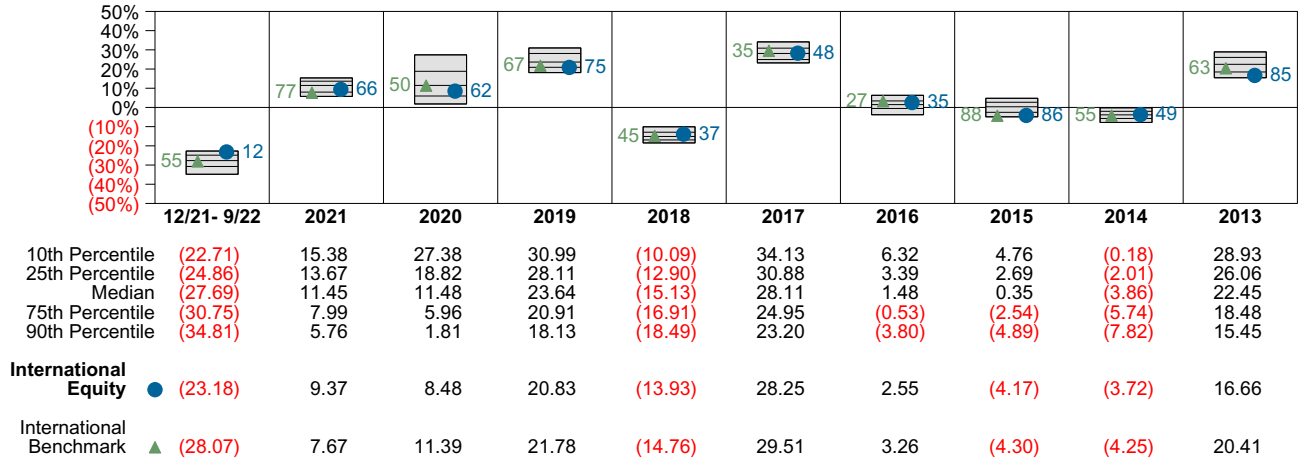


International Equity Return Analysis Summary

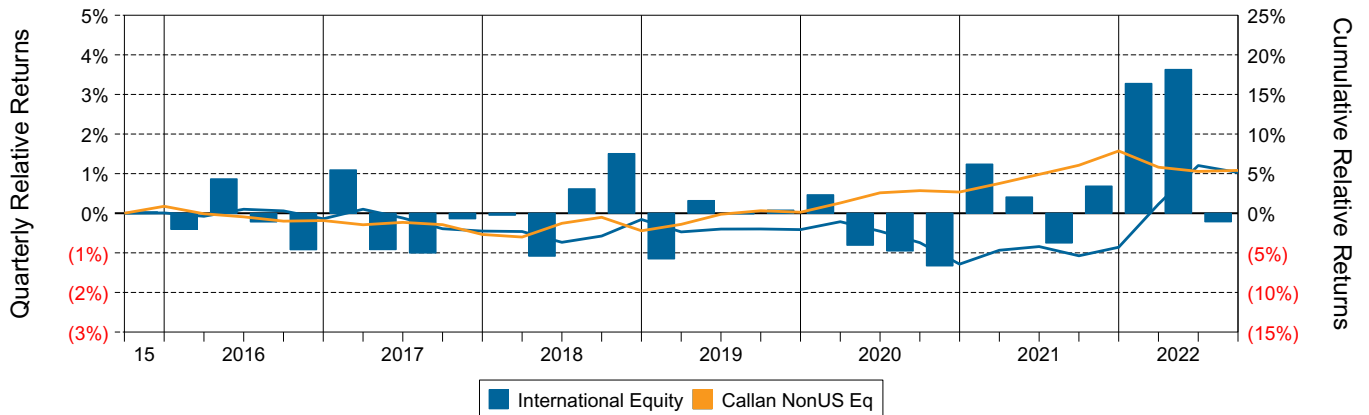
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

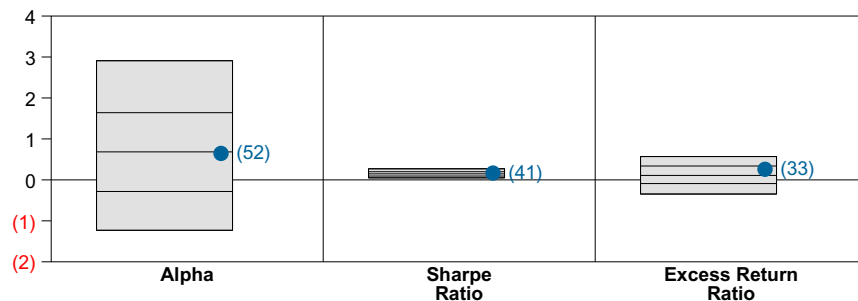
Performance vs Callan Non-US Equity (Gross)



Cumulative and Quarterly Relative Returns vs International Benchmark



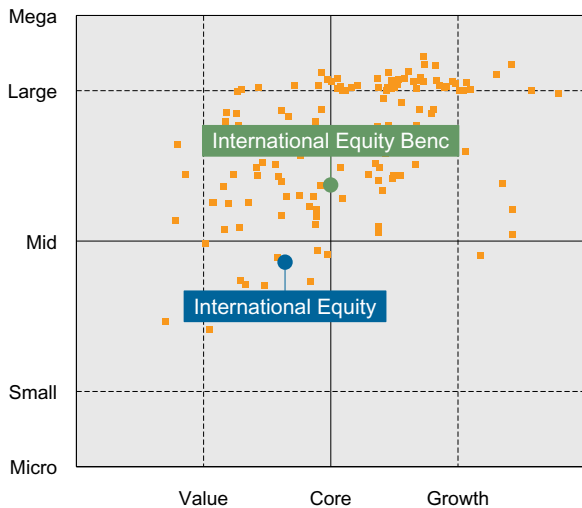
Risk Adjusted Return Measures vs International Benchmark Rankings Against Callan Non-US Equity (Gross) Seven Years Ended September 30, 2022



Current Holdings Based Style Analysis International Equity As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

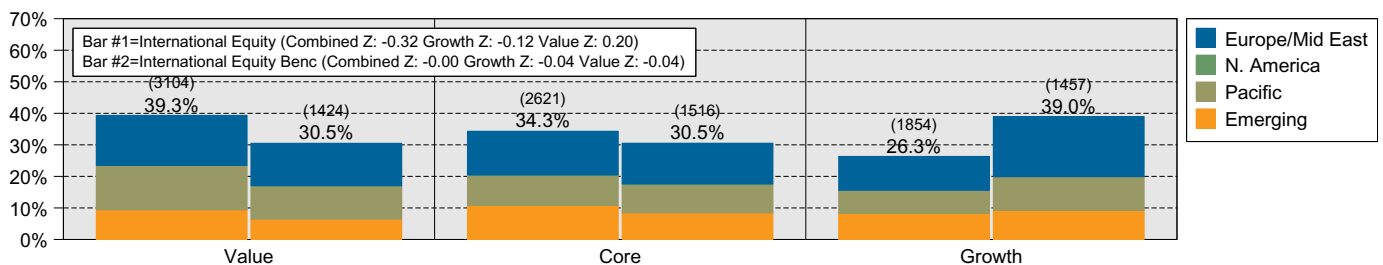
Style Map vs Callan NonUS Eq Holdings as of September 30, 2022



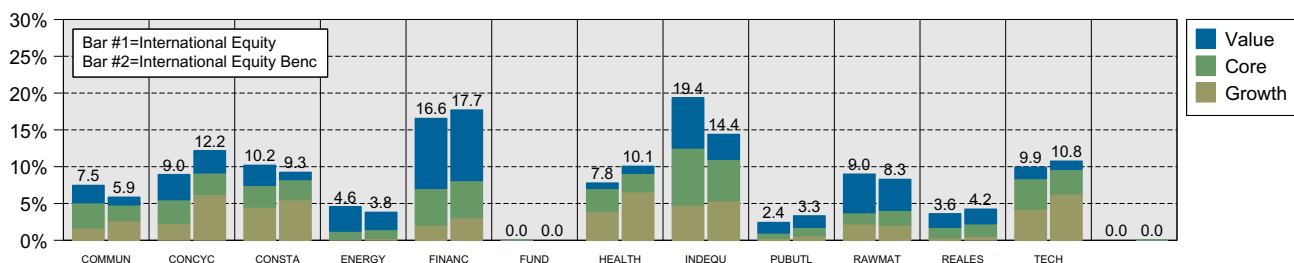
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	15.9% (269)	13.9% (175)	10.8% (170)	40.5% (614)
N. America	0.0% (2)	0.0% (10)	0.0% (0)	0.0% (12)
Pacific	14.1% (250)	9.6% (190)	7.3% (161)	31.0% (601)
Emerging	9.4% (2583)	10.8% (2246)	8.3% (1523)	28.5% (6352)
Total	39.3% (3104)	34.3% (2621)	26.3% (1854)	100.0% (7579)
	30.5% (1424)	30.5% (1516)	39.0% (1457)	100.0% (4397)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



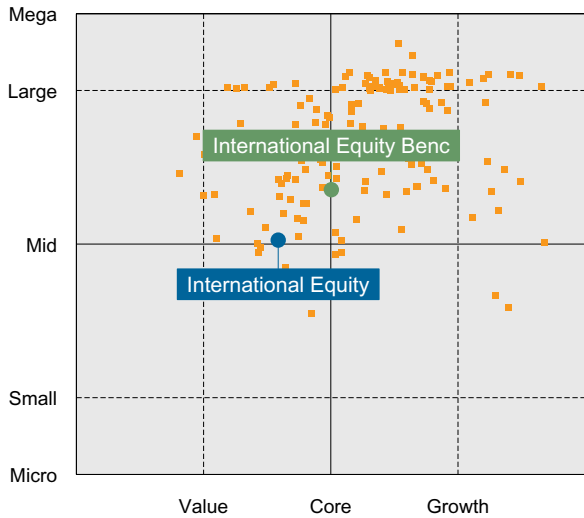
Sector Weights Distribution Holdings as of September 30, 2022



Historical Holdings Based Style Analysis International Equity For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

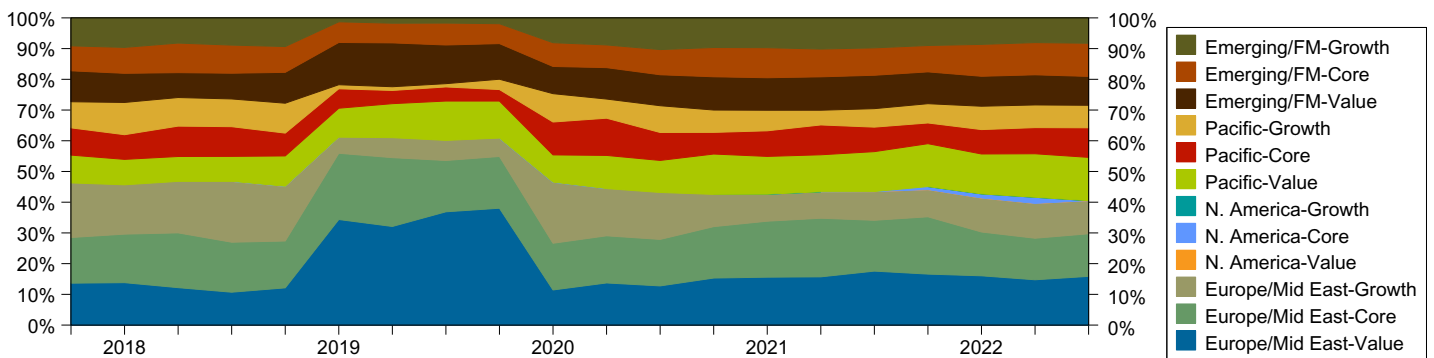
Average Style Map vs Callan NonUS Eq Holdings for Five Years Ended September 30, 2022



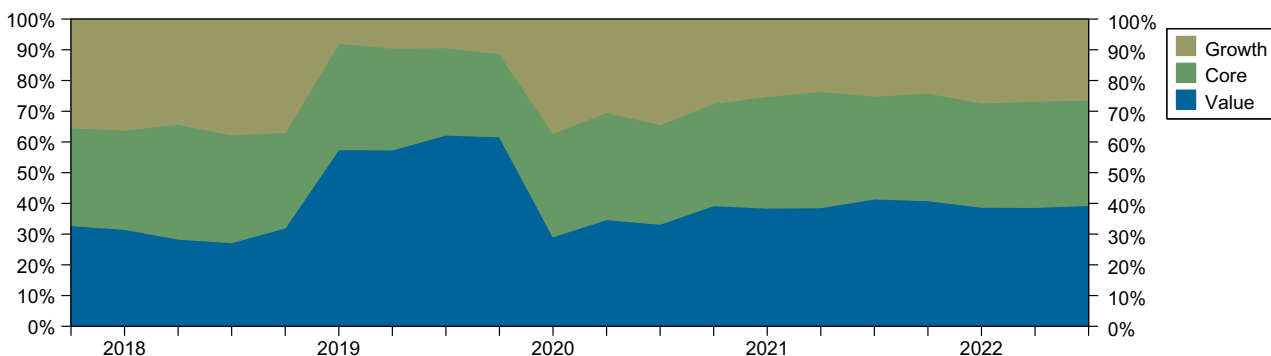
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	18.5% (232) 13.6% (459)	16.7% (218) 14.5% (528)	12.1% (221) 18.5% (508)	47.3% (671) 46.6% (1495)
N. America	0.0% (1) 0.0% (1)	0.2% (3) 0.0% (2)	0.0% (0) 0.0% (1)	0.2% (4) 0.0% (4)
Pacific	11.2% (288) 9.5% (576)	8.0% (243) 9.0% (568)	6.6% (215) 11.0% (559)	25.8% (746) 29.6% (1703)
Emerging/ FM	10.5% (2067) 6.5% (441)	8.6% (1706) 7.4% (394)	7.6% (1219) 9.9% (394)	26.7% (4992) 23.8% (1229)
Total	40.2% (2588) 29.6% (1477)	33.5% (2170) 31.0% (1492)	26.3% (1655) 39.4% (1462)	100.0% (6413) 100.0% (4431)

International Equity Historical Region/Style Exposures



International Equity Historical Style Only Exposures



Country Allocation

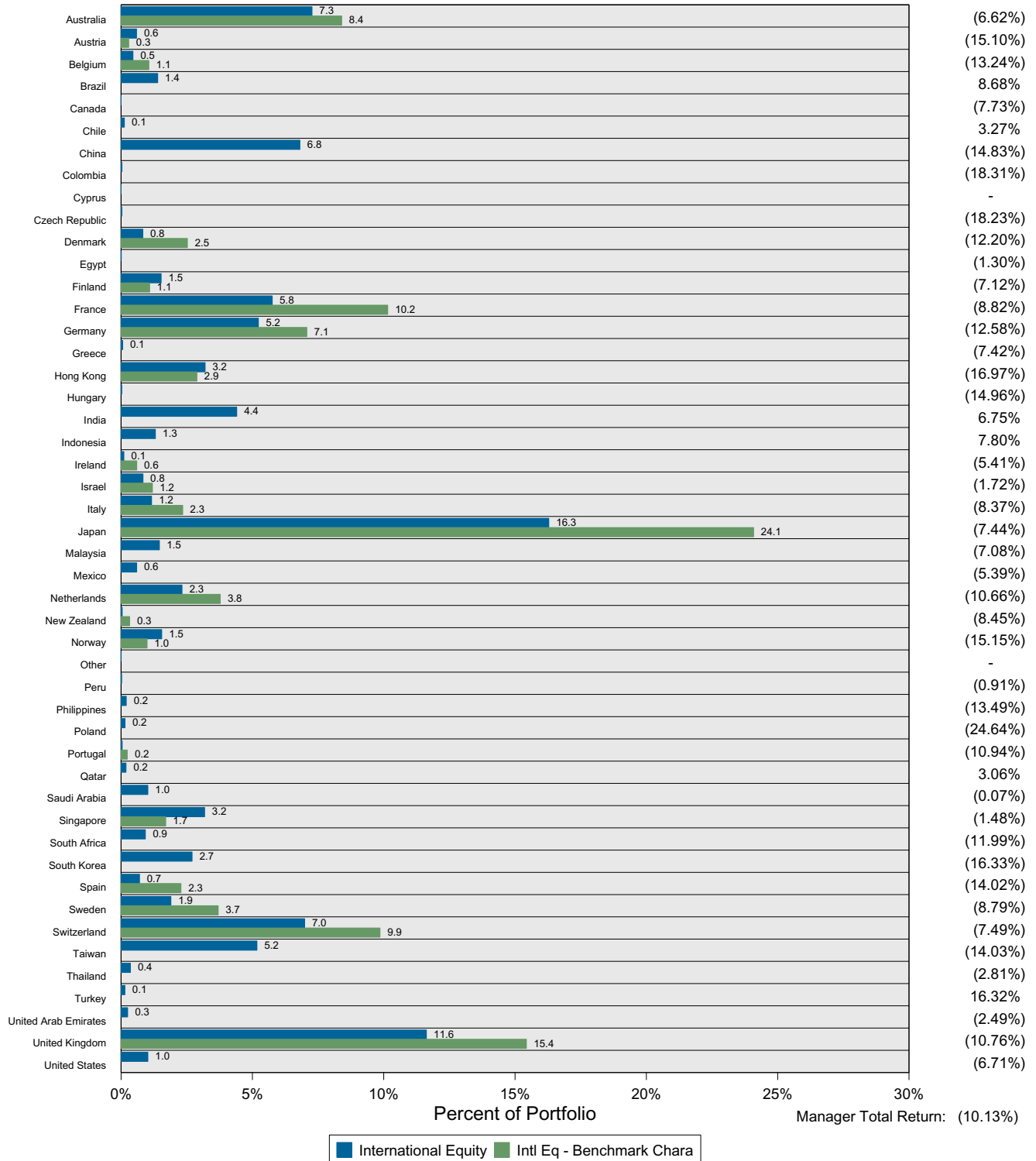
International Equity VS Intl Eq - Benchmark Characteristics

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of September 30, 2022. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of September 30, 2022

Index Rtns



SSgA EAFE

Period Ended September 30, 2022

Investment Philosophy

SSGA's objective is to provide the most cost-effective implementation of passive investing with stringent risk control and tracking requirements through a replication method. Returns prior to 6/30/2012 are linked to a composite history.

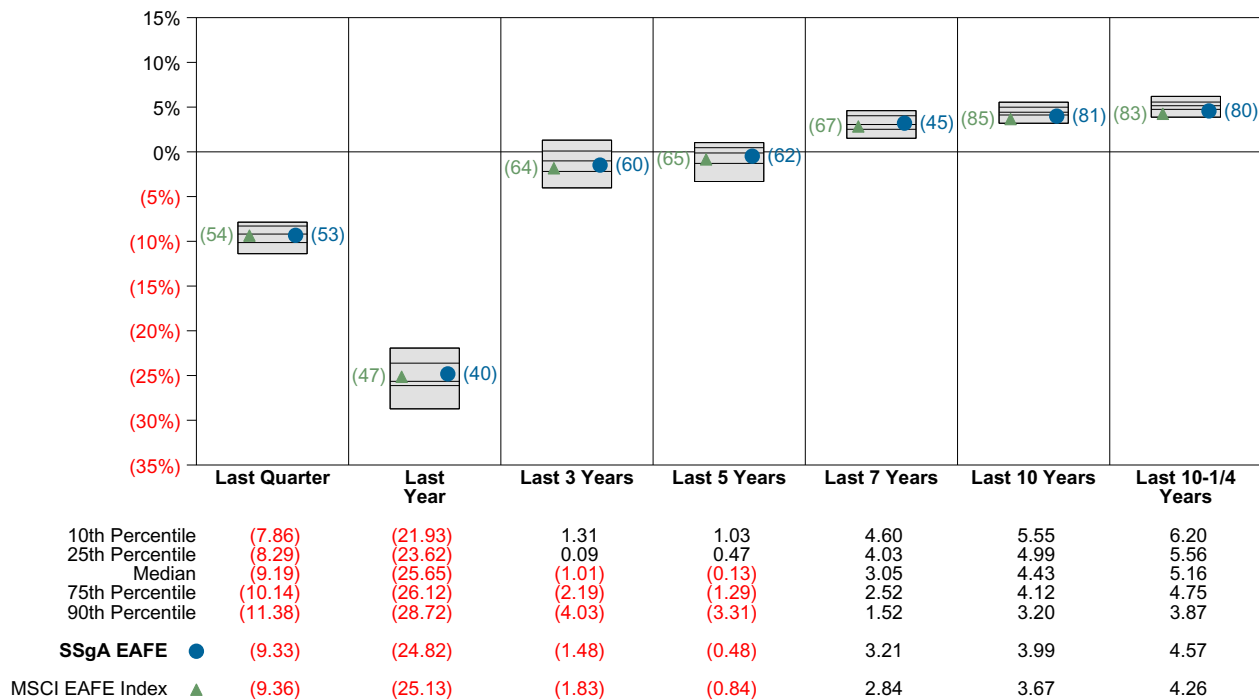
Quarterly Summary and Highlights

- SSgA EAFE's portfolio posted a (9.33)% return for the quarter placing it in the 53 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 40 percentile for the last year.
- SSgA EAFE's portfolio outperformed the MSCI EAFE Index by 0.03% for the quarter and outperformed the MSCI EAFE Index for the year by 0.31%.

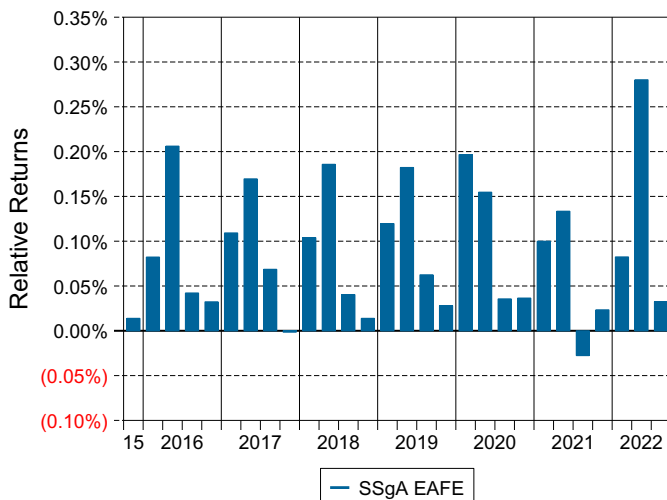
Quarterly Asset Growth

Beginning Market Value	\$14,978,135
Net New Investment	\$0
Investment Gains/(Losses)	-\$1,397,185
Ending Market Value	\$13,580,950

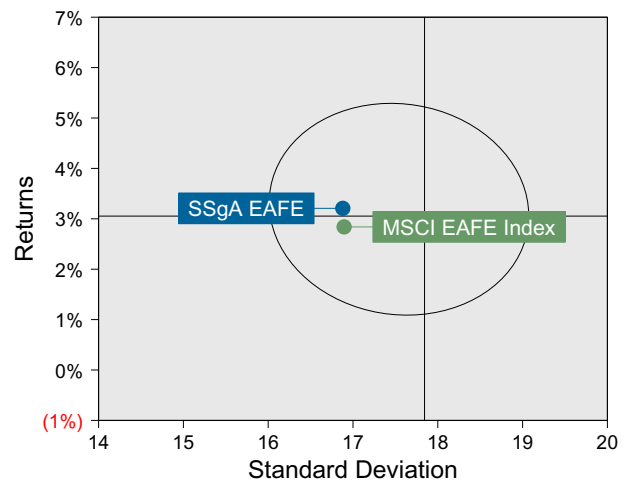
Performance vs Callan Non-US Developed Core Equity (Gross)



Relative Return vs MSCI EAFE Index



Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return

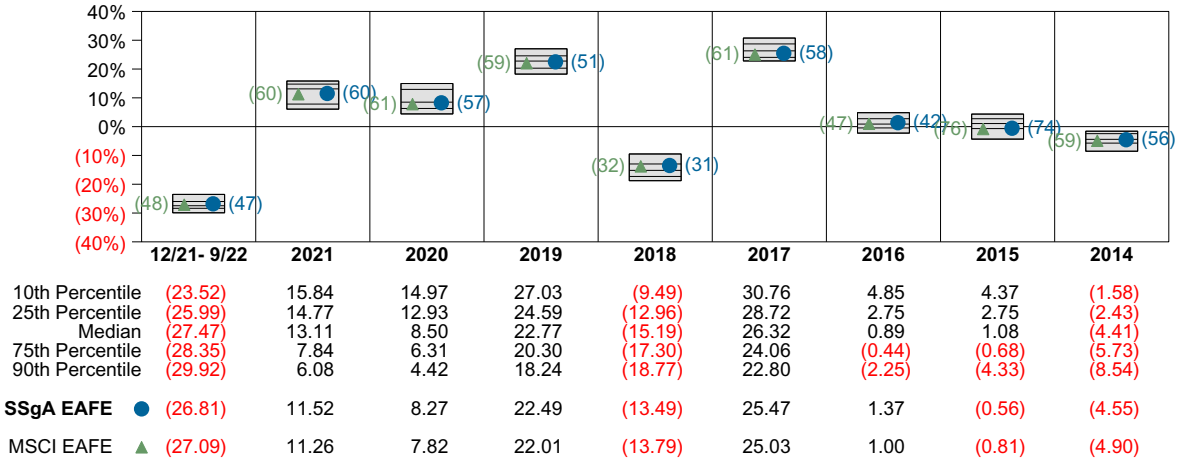


SSgA EAFE Return Analysis Summary

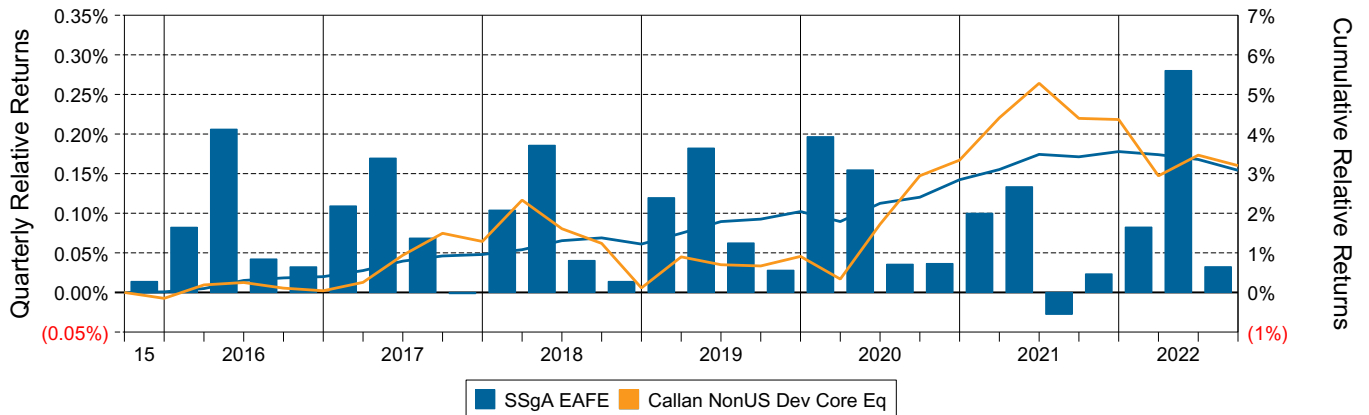
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

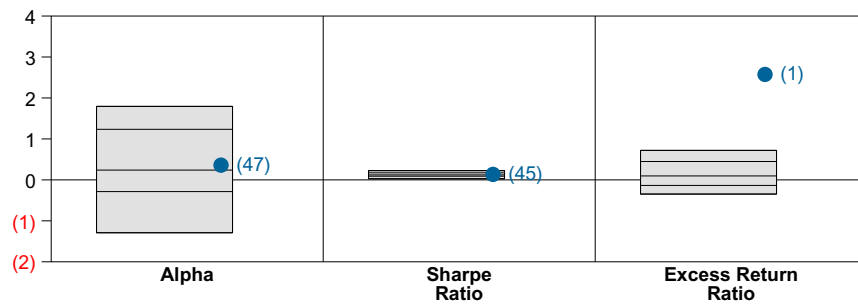
Performance vs Callan Non-US Developed Core Equity (Gross)



Cumulative and Quarterly Relative Returns vs MSCI EAFE



Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended September 30, 2022



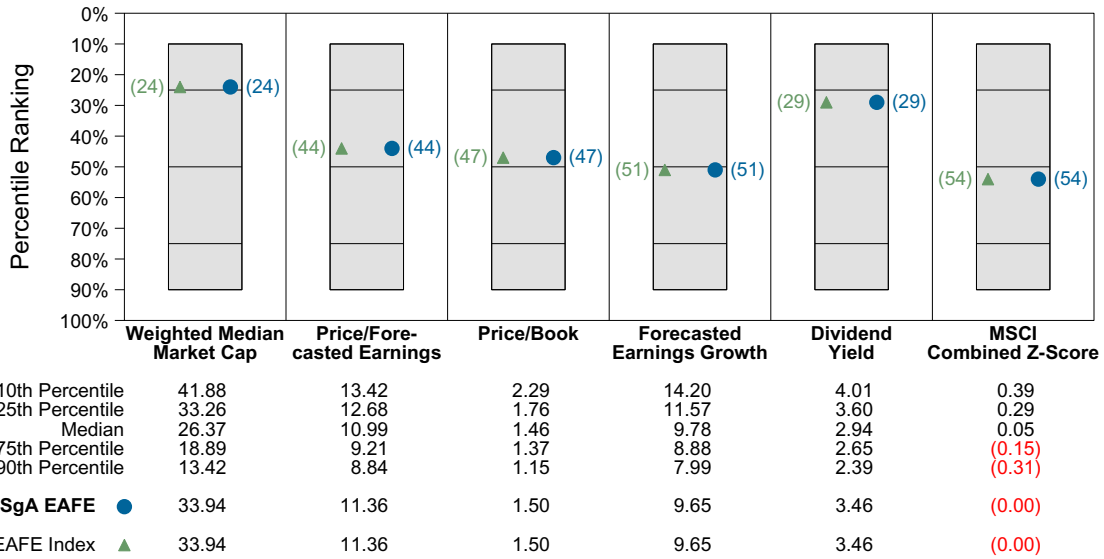
10th Percentile	1.79	0.23	0.72
25th Percentile	1.23	0.17	0.45
Median	0.24	0.12	0.10
75th Percentile	(0.29)	0.09	(0.14)
90th Percentile	(1.29)	0.03	(0.35)
SSgA EAFE	● 0.36	0.13	2.57

SSgA EAFE Equity Characteristics Analysis Summary

Portfolio Characteristics

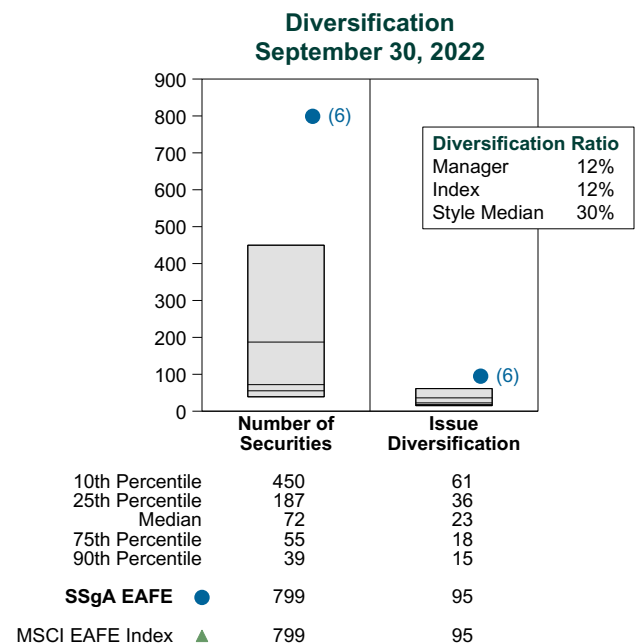
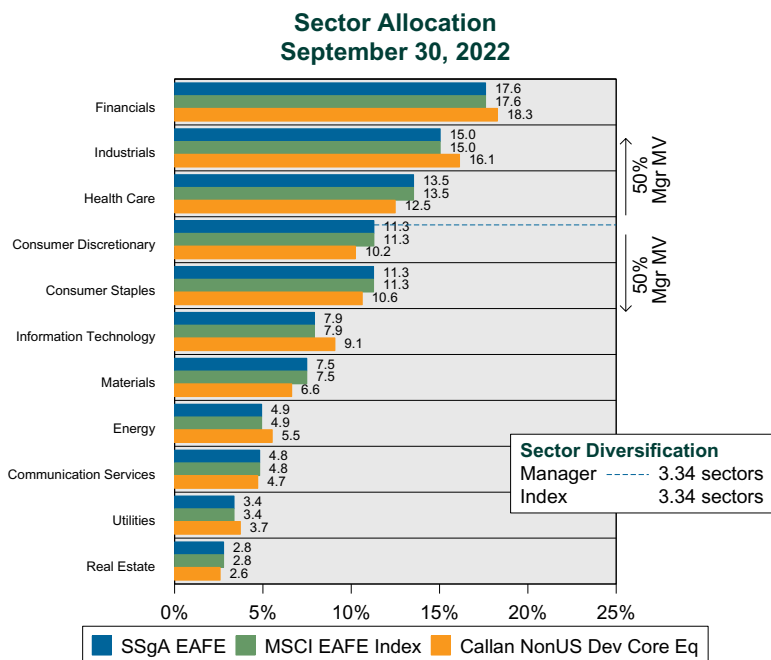
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of September 30, 2022



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



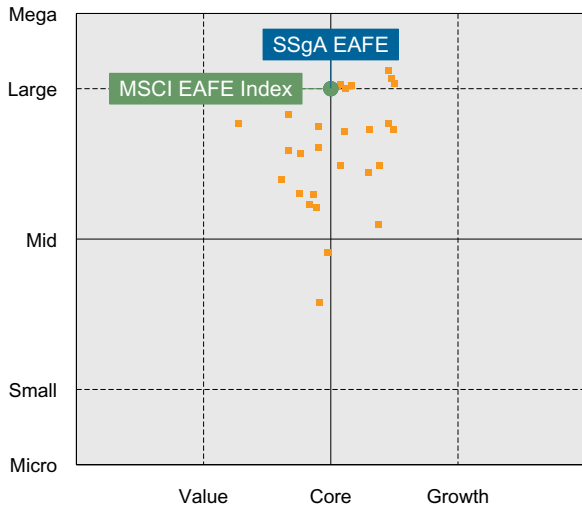
Current Holdings Based Style Analysis

SSgA EAFE

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

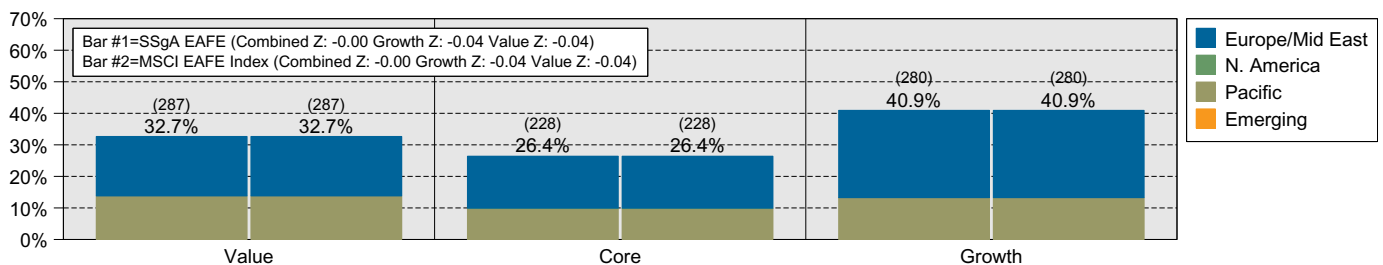
Style Map vs Callan NonUS Dev Core Eq Holdings as of September 30, 2022



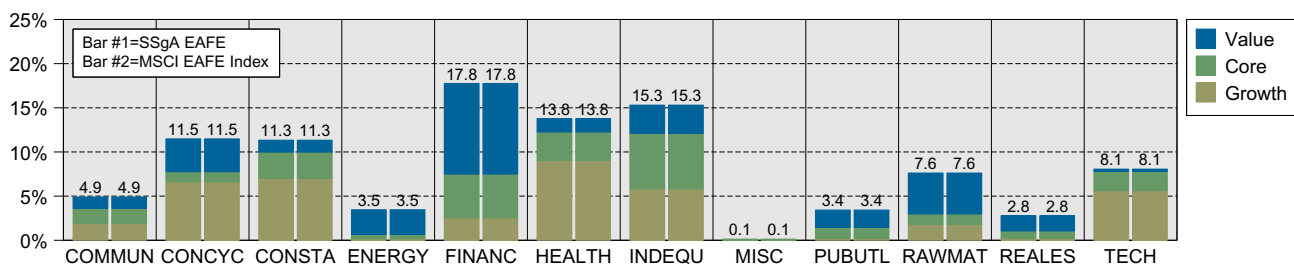
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	18.9% (157)	16.5% (126)	27.7% (155)	63.0% (438)
N. America	0.0% (0)	0.1% (1)	0.0% (0)	0.1% (1)
Pacific	13.8% (130)	9.8% (101)	13.3% (125)	36.9% (356)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
Total	32.7% (287)	26.4% (228)	40.9% (280)	100.0% (795)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



Sector Weights Distribution Holdings as of September 30, 2022



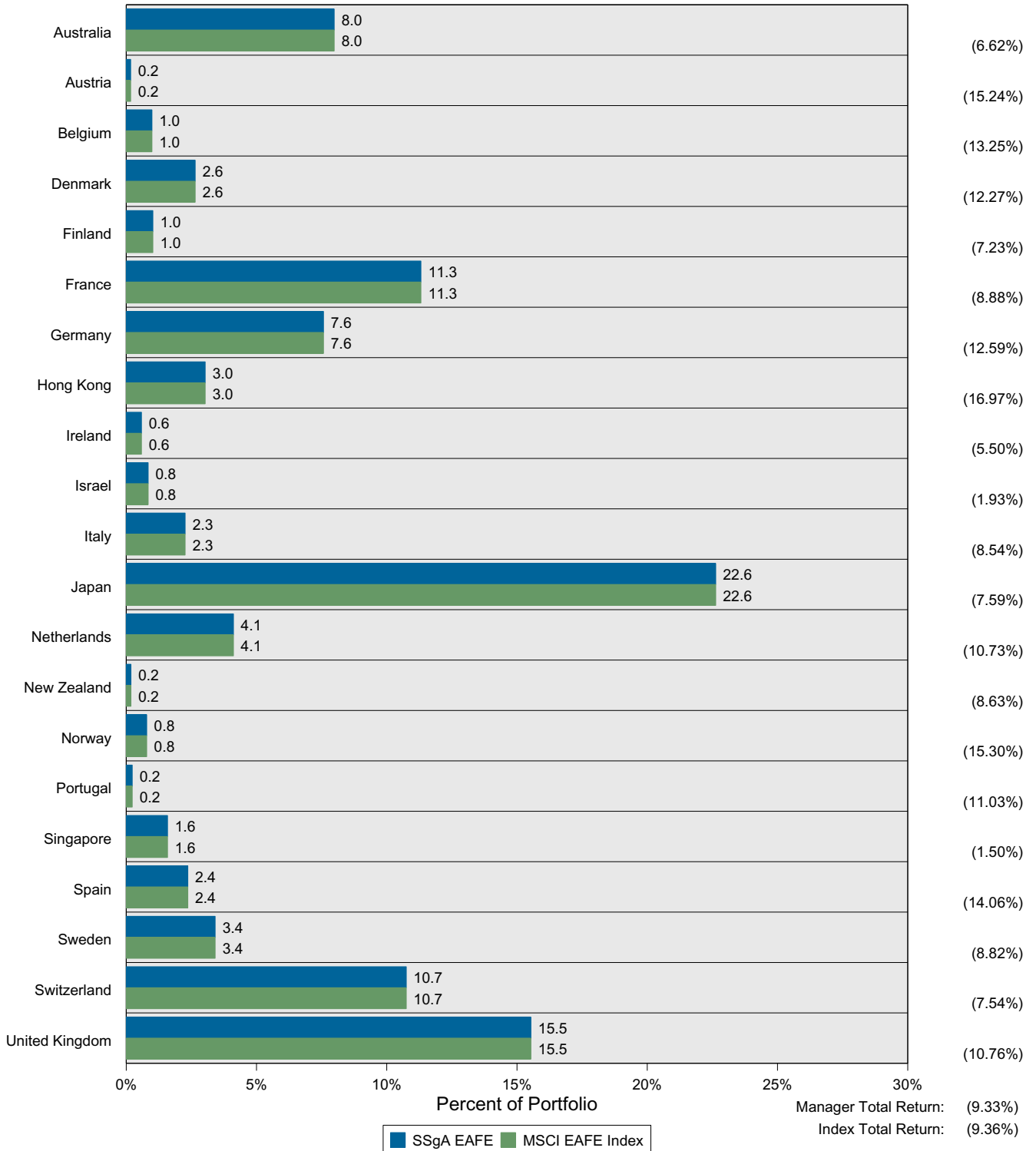
Country Allocation SSgA EAFE VS MSCI EAFE Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of September 30, 2022. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of September 30, 2022

Index Rtns



SSgA EAFE Top 10 Portfolio Holdings Characteristics as of September 30, 2022

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Nestle S A Shs Nom New	Consumer Staples	\$340,117	2.5%	(6.54)%	299.17	21.45	2.61%	7.50%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$256,409	1.9%	(1.24)%	230.87	15.23	2.88%	5.26%
Asml Holding N V Asml Rev Stk Spl	Information Technology	\$191,752	1.4%	(10.66)%	172.66	23.70	1.38%	18.61%
Astrazeneca Plc Ord	Health Care	\$191,016	1.4%	(14.75)%	172.00	15.10	2.11%	15.70%
Novo Nordisk B	Health Care	\$184,432	1.4%	(8.85)%	174.81	26.48	1.46%	18.06%
Novartis	Health Care	\$184,369	1.4%	(9.13)%	184.45	11.76	4.10%	4.00%
Lvmh Moet Hennessy Lou Vuitt Ord	Consumer Discretionary	\$184,365	1.4%	(1.67)%	300.94	20.31	1.97%	11.70%
Toyota Motor Corp	Consumer Discretionary	\$152,643	1.1%	(16.15)%	211.45	8.29	2.77%	7.21%
Bhp Billiton Ltd Shs	Materials	\$139,239	1.0%	(9.94)%	125.46	8.29	12.03%	(15.46)%
Total Sa Act	Energy	\$130,217	1.0%	(8.92)%	123.87	4.03	5.53%	19.03%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Electricite De France Edf Shs	Utilities	\$7,251	0.1%	42.74%	45.27	22.23	4.66%	(9.01)%
Aveva Group Plc Shs New	Information Technology	\$4,700	0.0%	29.64%	10.59	30.79	1.19%	10.70%
Mineral Resources	Materials	\$7,994	0.1%	29.53%	8.01	6.56	1.52%	43.09%
Wisetech Global	Information Technology	\$5,453	0.0%	28.59%	10.93	65.05	0.31%	29.10%
Eisai Co	Health Care	\$14,988	0.1%	28.36%	15.88	39.99	2.06%	(5.84)%
Swire Pacific A	Real Estate	\$4,138	0.0%	28.30%	6.77	9.59	4.43%	(18.59)%
Nibe Industrier Ab Markaryd Shs B	Industrials	\$15,181	0.1%	20.35%	16.08	46.26	0.50%	19.10%
Wix Com	Information Technology	\$4,974	0.0%	17.50%	4.48	977.88	0.00%	-
Hikari Tsushin Inc Shs	Consumer Discretionary	\$2,680	0.0%	15.87%	5.30	11.61	2.95%	19.37%
Cyber Ark Software	Information Technology	\$6,780	0.0%	15.37%	6.11	(1026.99)	0.00%	90.30%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Natwest Group Plc Shs	Financials	\$14,989	0.1%	(99.13)%	24.37	5.41	5.24%	6.49%
Uniper	Utilities	\$389	0.0%	(74.30)%	1.39	(2.41)	1.80%	(14.50)%
Gsk Plc Ord	Health Care	\$65,841	0.5%	(65.96)%	59.29	9.57	7.18%	9.57%
Grifols Sa Barcelona Acciones Por De	Health Care	\$2,882	0.0%	(53.85)%	3.71	9.67	5.92%	2.43%
Salmar	Consumer Staples	\$2,204	0.0%	(51.93)%	3.97	10.66	5.45%	21.10%
Kion Group	Industrials	\$1,556	0.0%	(51.86)%	2.56	6.55	7.54%	7.86%
Gn Great Nordic Ltd Ord	Health Care	\$2,557	0.0%	(49.47)%	2.42	7.72	1.16%	17.70%
Zim Integrated Shipping Services	Industrials	\$2,200	0.0%	(45.34)%	2.82	1.31	115.32%	(53.50)%
Ocado Group Plc W/I	Consumer Staples	\$3,381	0.0%	(44.40)%	4.35	(11.24)	0.00%	(50.30)%
Mowi Asa Shs New	Consumer Staples	\$5,839	0.0%	(43.34)%	6.57	9.20	4.60%	22.10%

Pyrford

Period Ended September 30, 2022

Investment Philosophy

Pyrford's investment strategy is based on a value-driven, absolute return approach, with both top-down and bottom-up elements. At the country level they seek to invest in countries that offer an attractive market valuation relative to their long-term prospects. At the stock level they identify companies that offer excellent value relative to in-house forecasts of long-term (5 years) earnings growth. This approach is characterized by low absolute volatility and downside protection. Returns prior to 6/30/2017 are linked to a composite history.

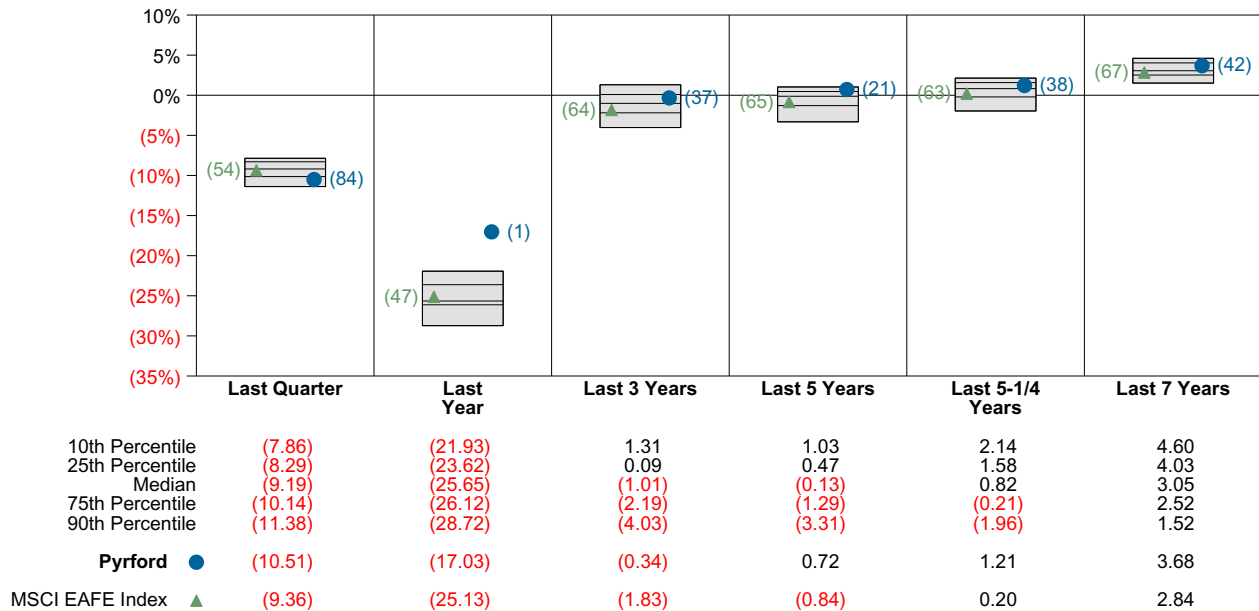
Quarterly Summary and Highlights

- Pyrford's portfolio posted a (10.51)% return for the quarter placing it in the 84 percentile of the Callan Non-US Developed Core Equity group for the quarter and in the 1 percentile for the last year.
- Pyrford's portfolio underperformed the MSCI EAFE Index by 1.15% for the quarter and outperformed the MSCI EAFE Index for the year by 8.10%.

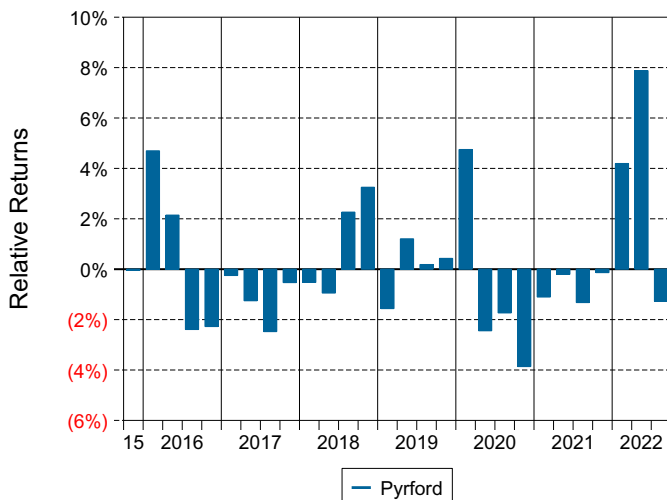
Quarterly Asset Growth

Beginning Market Value	\$31,873,790
Net New Investment	\$0
Investment Gains/(Losses)	\$-3,349,778
Ending Market Value	\$28,524,012

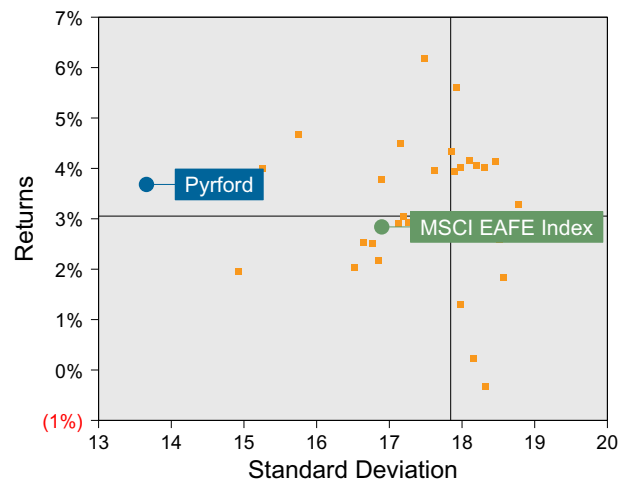
Performance vs Callan Non-US Developed Core Equity (Gross)



Relative Return vs MSCI EAFE Index



Callan Non-US Developed Core Equity (Gross) Annualized Seven Year Risk vs Return

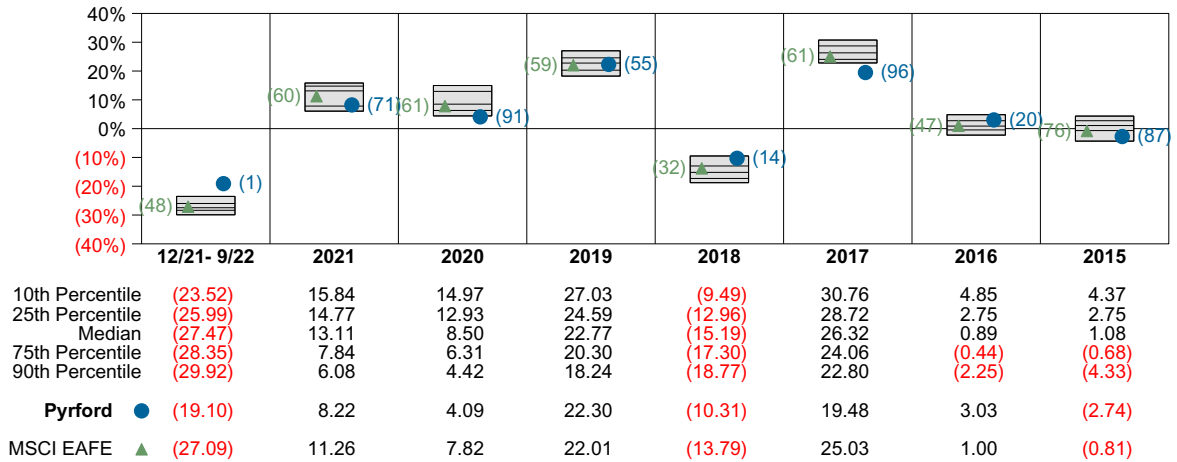


Pyrford Return Analysis Summary

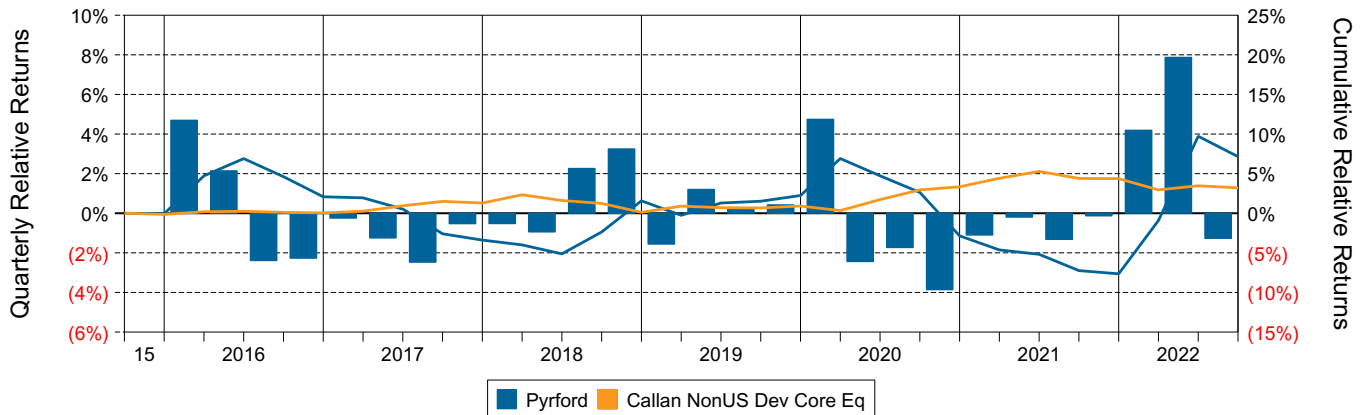
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

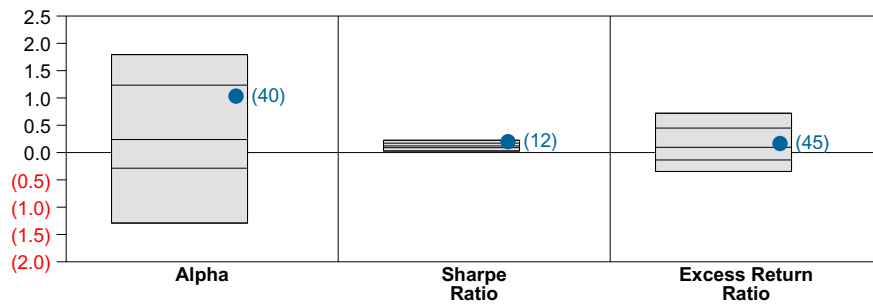
Performance vs Callan Non-US Developed Core Equity (Gross)



Cumulative and Quarterly Relative Returns vs MSCI EAFE



Risk Adjusted Return Measures vs MSCI EAFE Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended September 30, 2022

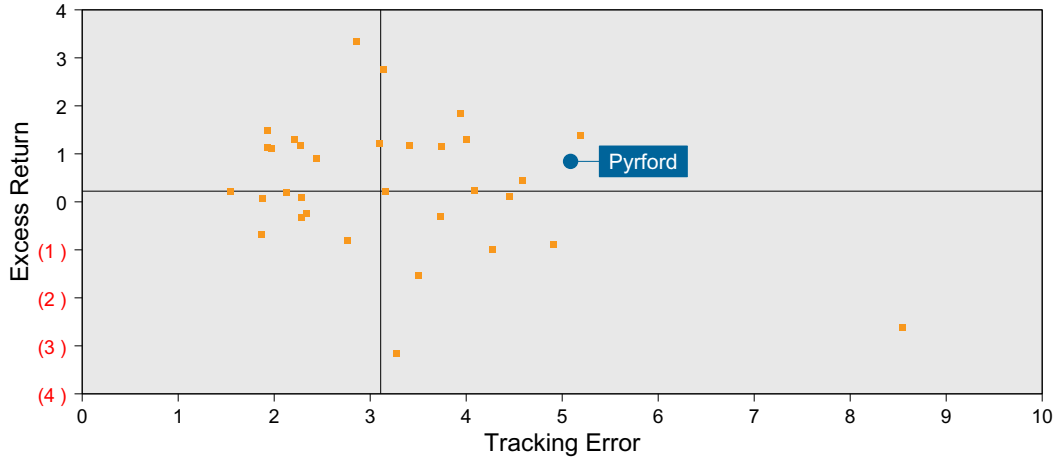


Pyrford Risk Analysis Summary

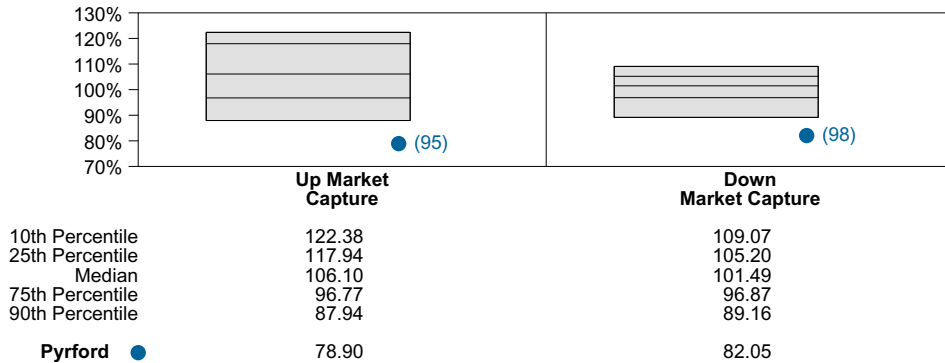
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

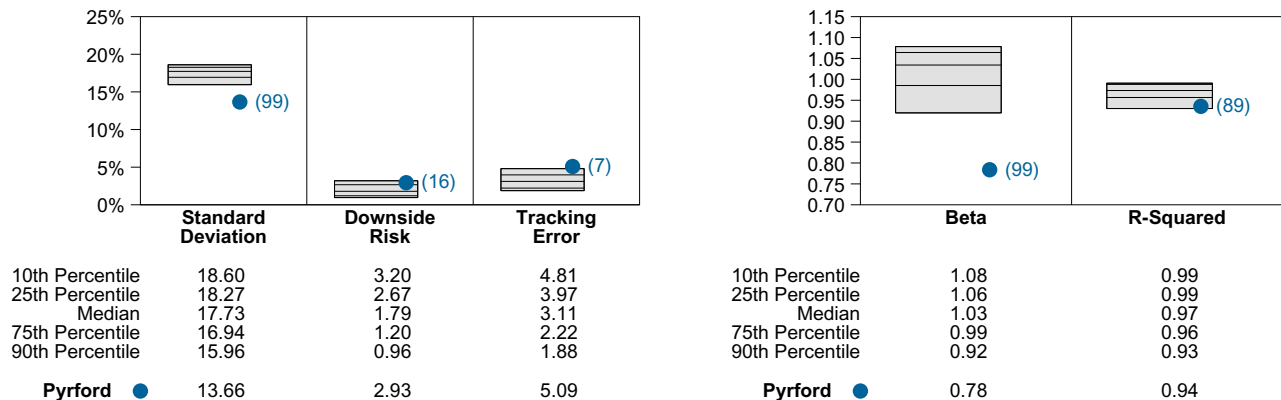
Risk Analysis vs Callan Non-US Developed Core Equity (Gross) Seven Years Ended September 30, 2022



Market Capture vs MSCI EAFE (Net) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended September 30, 2022



Risk Statistics Rankings vs MSCI EAFE (Net) Rankings Against Callan Non-US Developed Core Equity (Gross) Seven Years Ended September 30, 2022

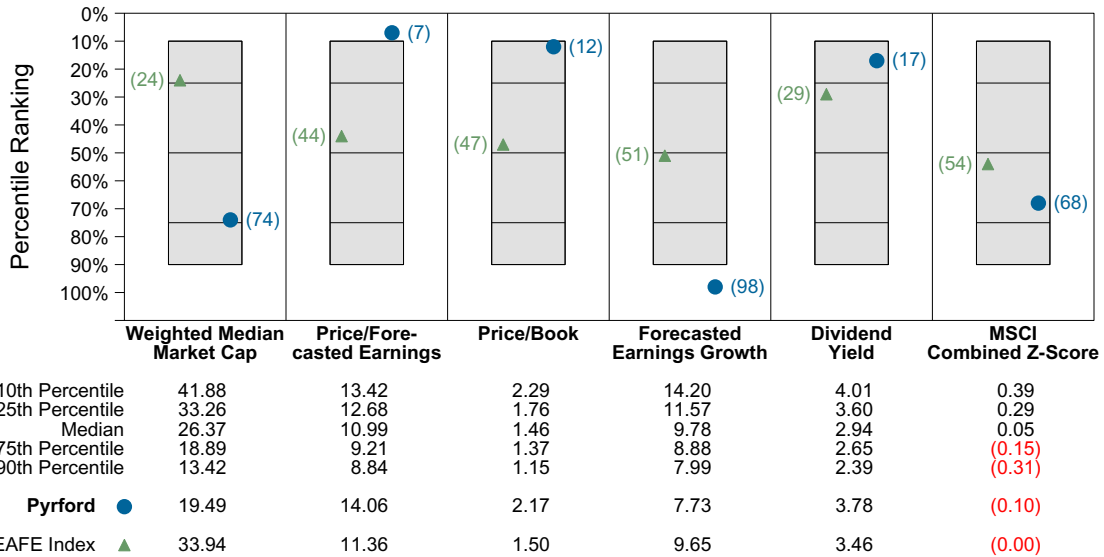


Pyrford Equity Characteristics Analysis Summary

Portfolio Characteristics

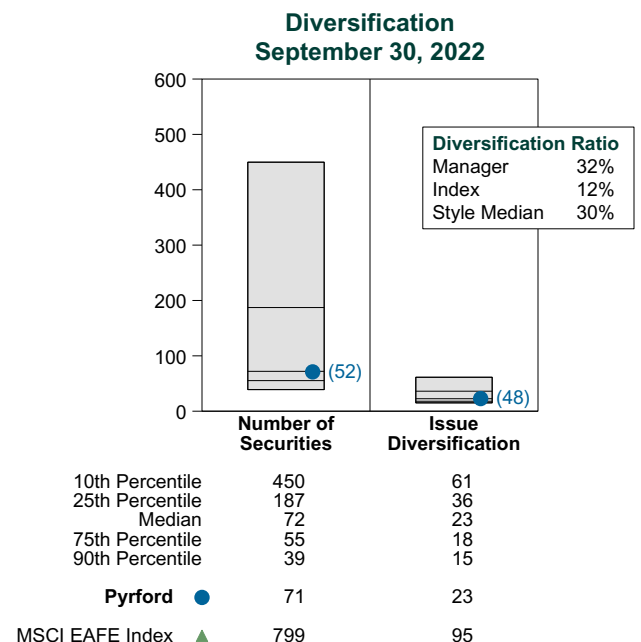
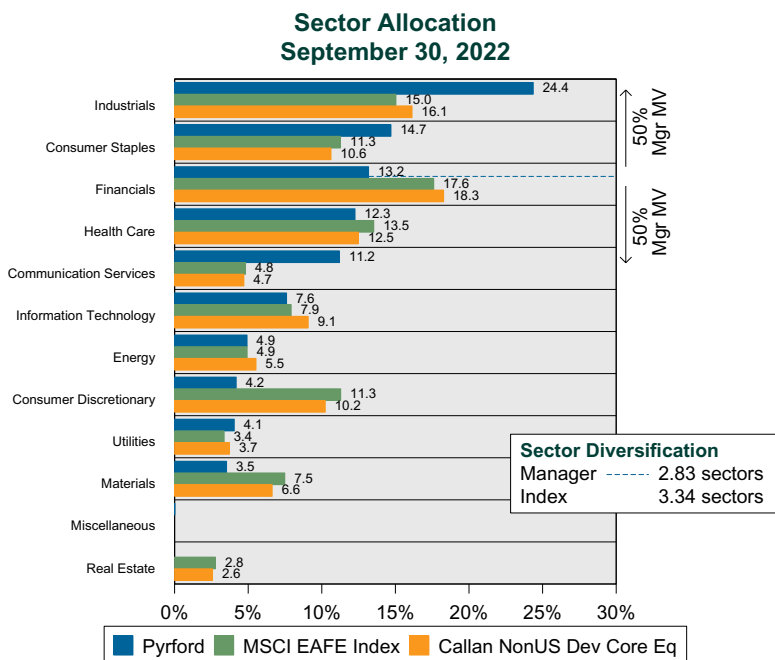
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Non-US Developed Core Equity as of September 30, 2022



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



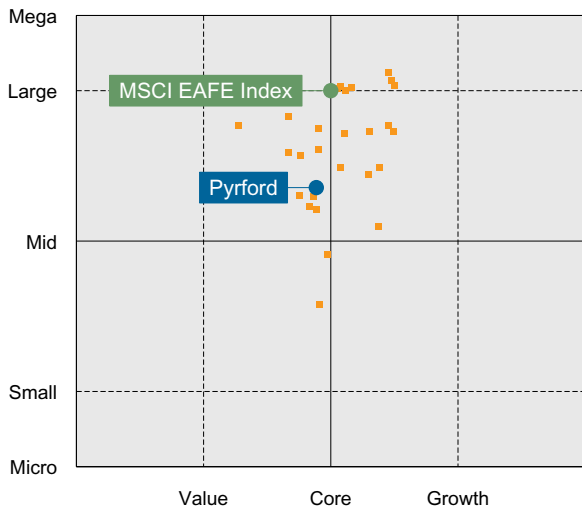
Current Holdings Based Style Analysis

Pyrford

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left chart illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

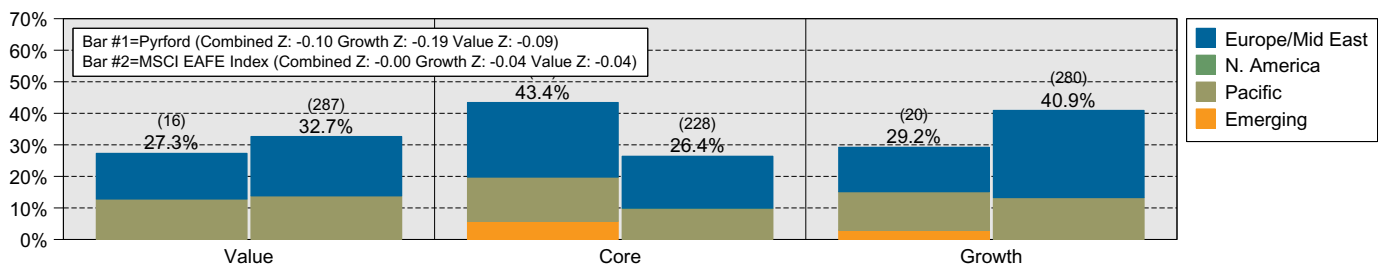
Style Map vs Callan NonUS Dev Core Eq Holdings as of September 30, 2022



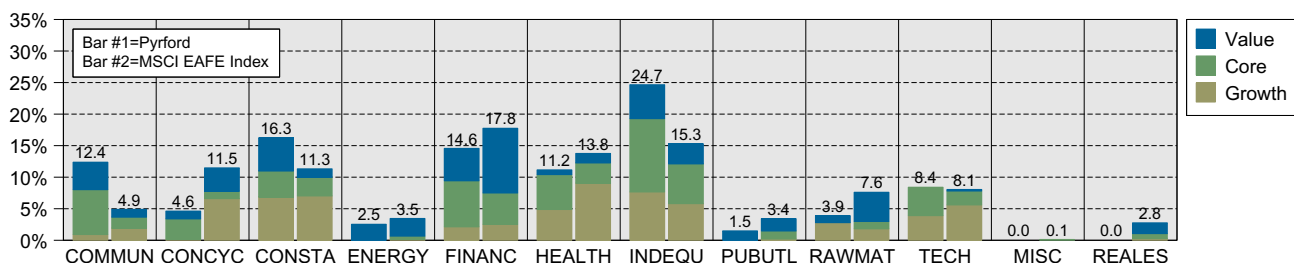
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	14.5% (9) 18.9% (157)	23.7% (15) 16.5% (126)	14.1% (9) 27.7% (155)	52.3% (33) 63.0% (438)
N. America	0.0% (0) 0.0% (0)	0.0% (0) 0.1% (1)	0.0% (0) 0.0% (0)	0.0% (0) 0.1% (1)
Pacific	12.8% (7) 13.8% (130)	14.0% (8) 9.8% (101)	12.2% (7) 13.3% (125)	39.0% (22) 36.9% (356)
Emerging	0.0% (0) 0.0% (0)	5.8% (4) 0.0% (0)	2.9% (4) 0.0% (0)	8.7% (8) 0.0% (0)
Total	27.3% (16) 32.7% (287)	43.4% (27) 26.4% (228)	29.2% (20) 40.9% (280)	100.0% (63) 100.0% (795)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



Sector Weights Distribution Holdings as of September 30, 2022



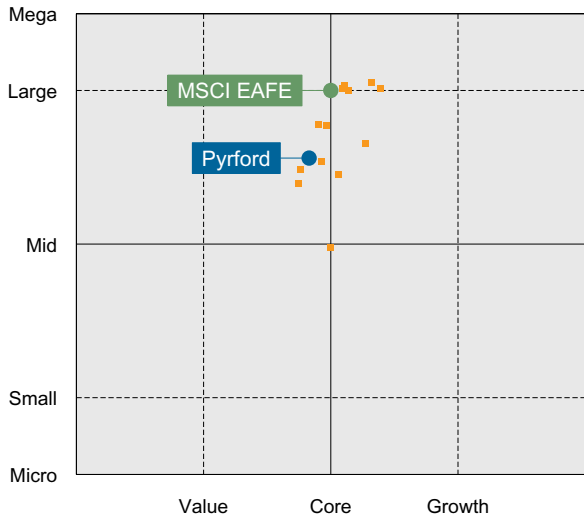
Historical Holdings Based Style Analysis

Pyrford

For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

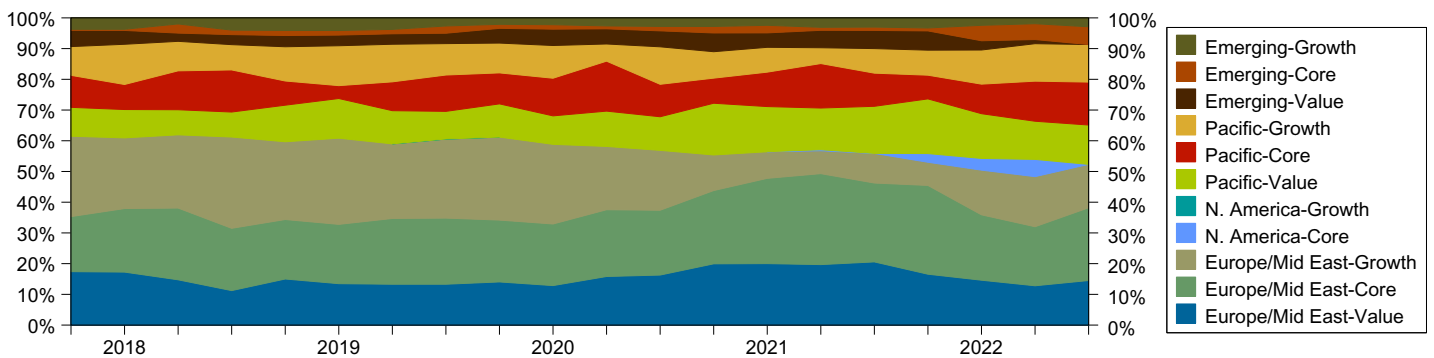
Average Style Map vs Callan NonUS Dev Core Eq Holdings for Five Years Ended September 30, 2022



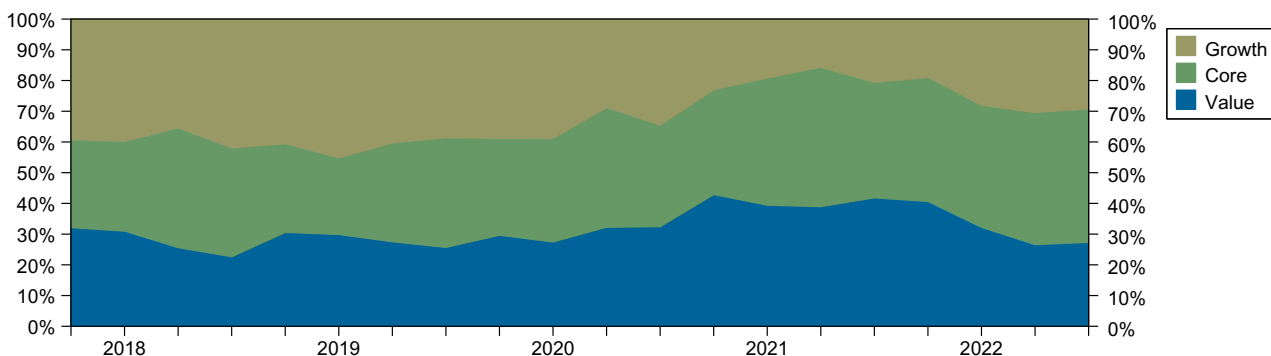
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	15.7% (11) 19.0% (140)	22.3% (14) 18.1% (126)	19.4% (14) 25.7% (177)	57.5% (39) 62.8% (443)
N. America	0.0% (0) 0.0% (0)	0.6% (0) 0.0% (0)	0.0% (0) 0.0% (0)	0.6% (0) 0.0% (0)
Pacific	12.0% (8) 12.3% (147)	10.8% (7) 10.6% (134)	9.9% (7) 14.2% (155)	32.8% (22) 37.2% (436)
Emerging	4.1% (3) 0.0% (0)	2.0% (2) 0.0% (0)	3.0% (3) 0.0% (0)	9.2% (8) 0.0% (0)
Total	31.8% (22) 31.3% (287)	35.8% (23) 28.7% (260)	32.3% (24) 39.9% (332)	100.0% (69) 100.0% (879)

Pyrford Historical Region/Style Exposures



Pyrford Historical Style Only Exposures



Country Allocation

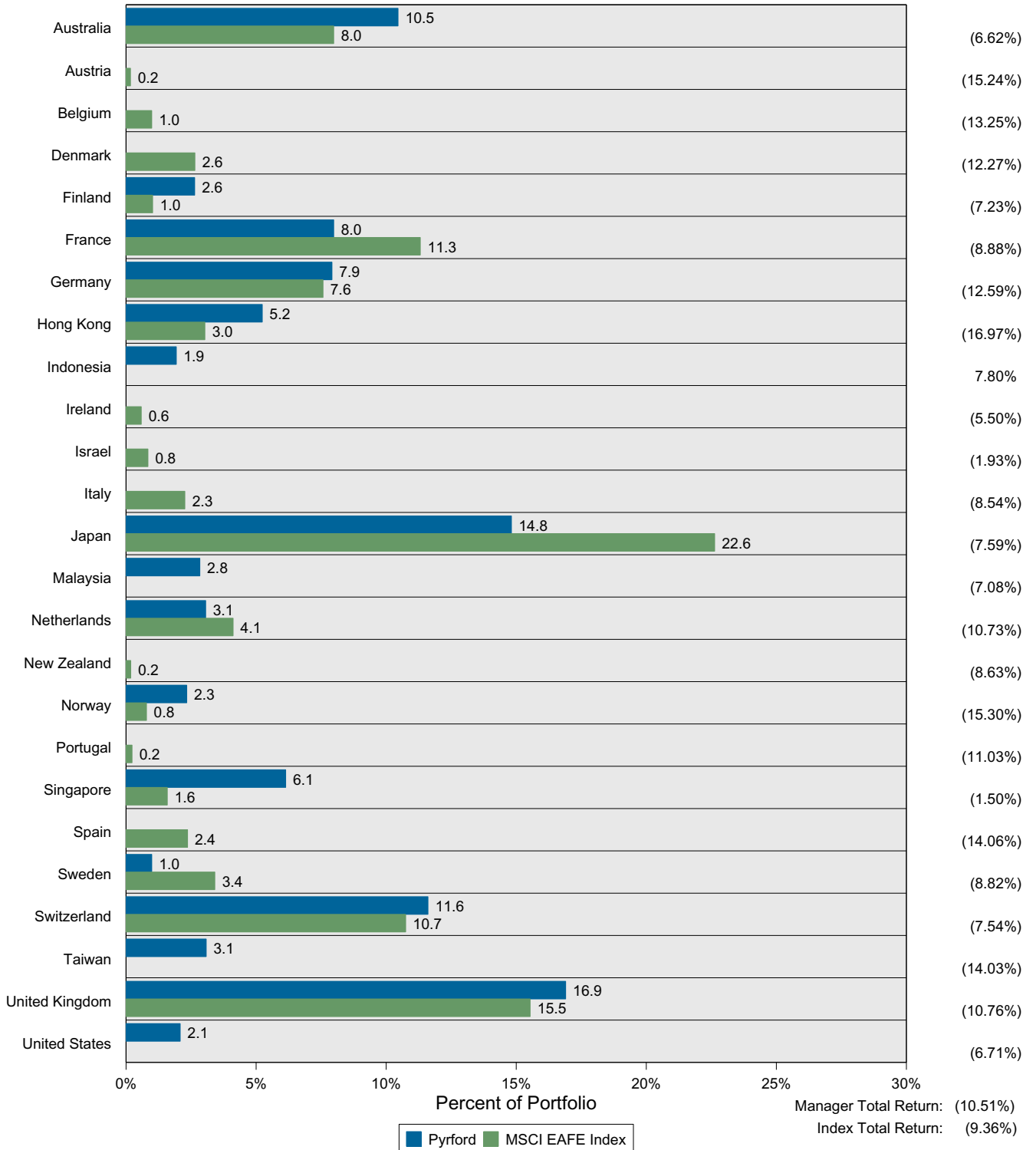
Pyrford VS MSCI EAFE Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of September 30, 2022. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of September 30, 2022

Index Rtns



Pyrford Top 10 Portfolio Holdings Characteristics as of September 30, 2022

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Japan Tobacco Inc Ord	Consumer Staples	\$933,845	3.3%	(5.02)%	32.80	10.96	6.32%	2.15%
Nestle S A Shs Nom New	Consumer Staples	\$790,474	2.8%	(6.54)%	299.17	21.45	2.61%	7.50%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$750,026	2.6%	(1.24)%	230.87	15.23	2.88%	5.26%
Novartis	Health Care	\$711,621	2.5%	(9.13)%	184.45	11.76	4.10%	4.00%
Mitsubishi Elec Corp Shs	Industrials	\$692,122	2.4%	(14.72)%	19.35	11.90	3.07%	8.20%
Sanofi Shs	Health Care	\$677,369	2.4%	(23.74)%	97.35	9.53	4.25%	9.00%
Telenor Asa Shs	Communication Services	\$647,651	2.3%	(31.03)%	12.80	12.07	9.03%	14.80%
Kddi	Communication Services	\$643,803	2.3%	(5.72)%	67.50	13.02	2.95%	6.53%
Sap Se Shs	Information Technology	\$585,802	2.1%	(9.38)%	100.08	15.32	2.34%	(1.20)%
Air Liquide Sa	Materials	\$566,548	2.0%	(14.02)%	60.27	18.83	2.24%	12.90%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Pt Telekomunikasi Indo Perse Shs Ser	Communication Services	\$249,439	0.9%	9.08%	29.01	15.26	3.36%	4.34%
Nihon Kohden Corp Shs	Health Care	\$473,749	1.7%	4.90%	1.88	18.03	1.27%	63.45%
Singapore Telecom	Communication Services	\$536,505	1.9%	3.88%	30.61	16.55	3.50%	15.92%
Bp Plc Shs	Energy	\$281,468	1.0%	3.76%	89.95	4.26	3.83%	13.32%
Wolters Kluwer	Industrials	\$304,653	1.1%	1.77%	25.21	24.07	1.57%	11.33%
Brambles Ltd Npv	Industrials	\$532,968	1.9%	1.20%	10.17	16.02	8.76%	9.77%
United Overseas Bk Ltd Shs	Financials	\$507,483	1.8%	(0.01)%	30.74	8.58	4.59%	3.00%
Abc-Mart	Consumer Discretionary	\$480,881	1.7%	(1.06)%	3.55	20.64	2.73%	20.24%
Unilever Plc Shs	Consumer Staples	\$536,388	1.9%	(1.06)%	112.60	17.13	3.63%	4.50%
Roche Hldgs Ag Basel Div Rts Ctf	Health Care	\$750,026	2.6%	(1.24)%	230.87	15.23	2.88%	5.26%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Fielmann	Consumer Discretionary	\$332,713	1.2%	(33.38)%	2.67	19.53	4.62%	9.20%
Merida Industry Co.	Consumer Discretionary	\$36,706	0.1%	(31.56)%	1.70	11.20	4.43%	3.65%
Telenor Asa Shs	Communication Services	\$647,651	2.3%	(31.03)%	12.80	12.07	9.03%	14.80%
Koninklijke Vopak NV Rotterd Shs	Energy	\$355,857	1.2%	(27.23)%	2.30	6.97	6.68%	(1.97)%
Royal Philips NV Shs	Health Care	\$189,196	0.7%	(27.06)%	13.94	10.52	5.31%	10.38%
Asm Pacific Technology Ltd Ord	Information Technology	\$216,436	0.8%	(26.88)%	2.50	7.62	8.16%	(1.75)%
Vodafone Group Plc New Shs New	Communication Services	\$447,360	1.6%	(26.65)%	31.26	10.46	7.46%	14.54%
Sanofi Shs	Health Care	\$677,369	2.4%	(23.74)%	97.35	9.53	4.25%	9.00%
Essity Ab	Consumer Staples	\$160,817	0.6%	(23.67)%	12.75	14.58	3.17%	15.00%
Aia Group Ltd Com Par Usd 1	Financials	\$533,317	1.9%	(22.66)%	99.51	14.68	2.27%	7.17%

AQR

Period Ended September 30, 2022

Investment Philosophy

Returns prior to 9/30/2016 are linked to a composite history.

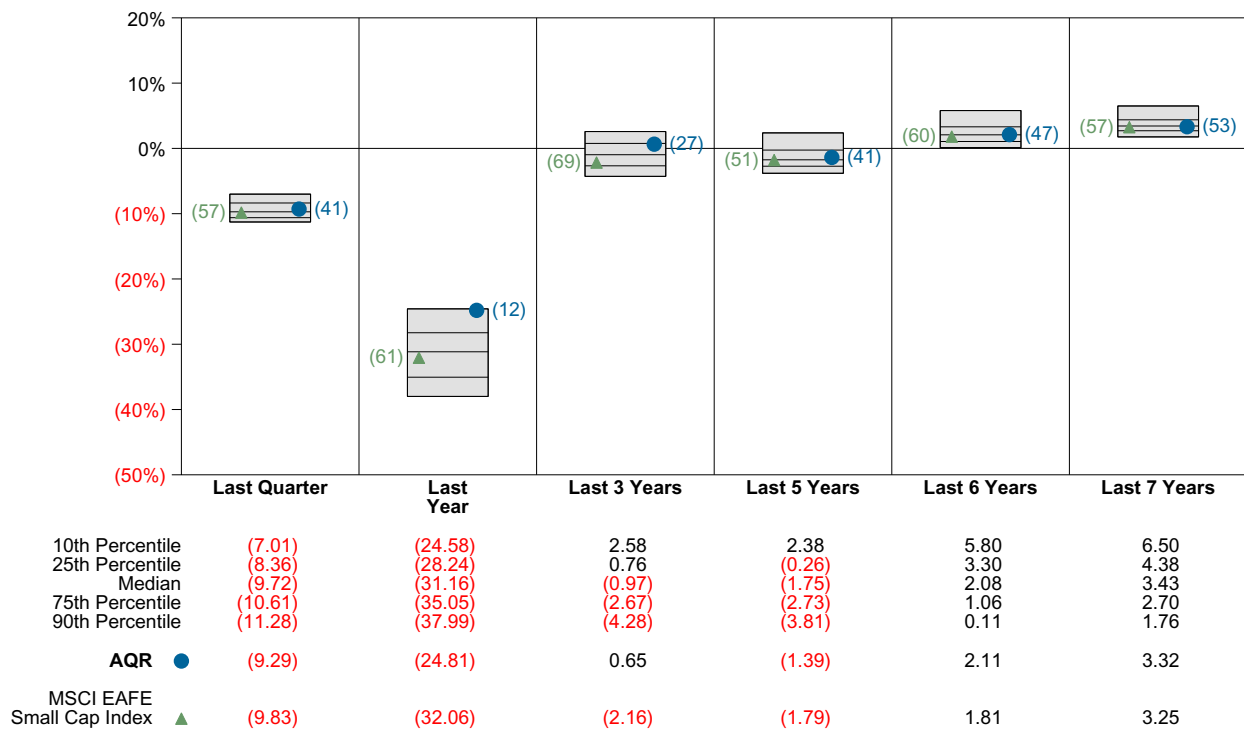
Quarterly Summary and Highlights

- AQR's portfolio posted a (9.29)% return for the quarter placing it in the 41 percentile of the Callan International Small Cap group for the quarter and in the 12 percentile for the last year.
- AQR's portfolio outperformed the MSCI EAFE Small Cap Index by 0.54% for the quarter and outperformed the MSCI EAFE Small Cap Index for the year by 7.25%.

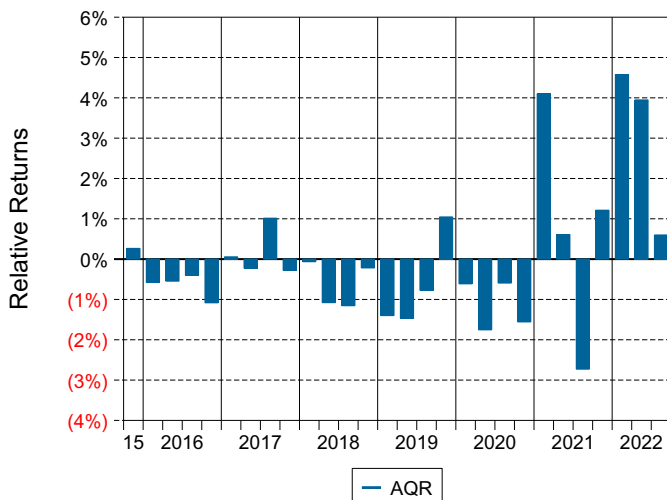
Quarterly Asset Growth

Beginning Market Value	\$16,804,721
Net New Investment	\$0
Investment Gains/(Losses)	\$-1,561,931
Ending Market Value	\$15,242,790

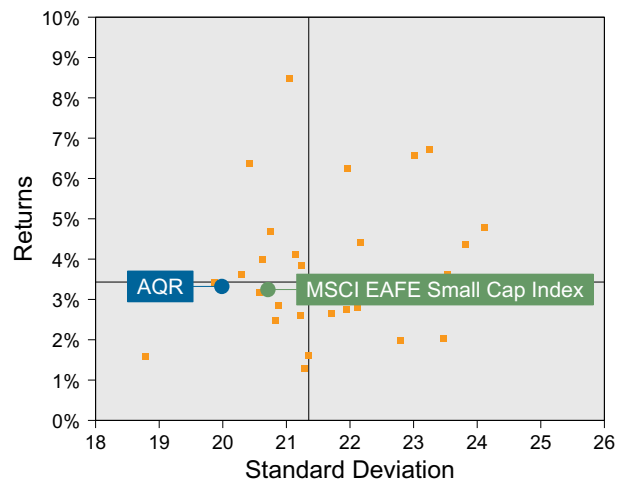
Performance vs Callan International Small Cap (Gross)



Relative Returns vs MSCI EAFE Small Cap Index



Callan International Small Cap (Gross) Annualized Seven Year Risk vs Return

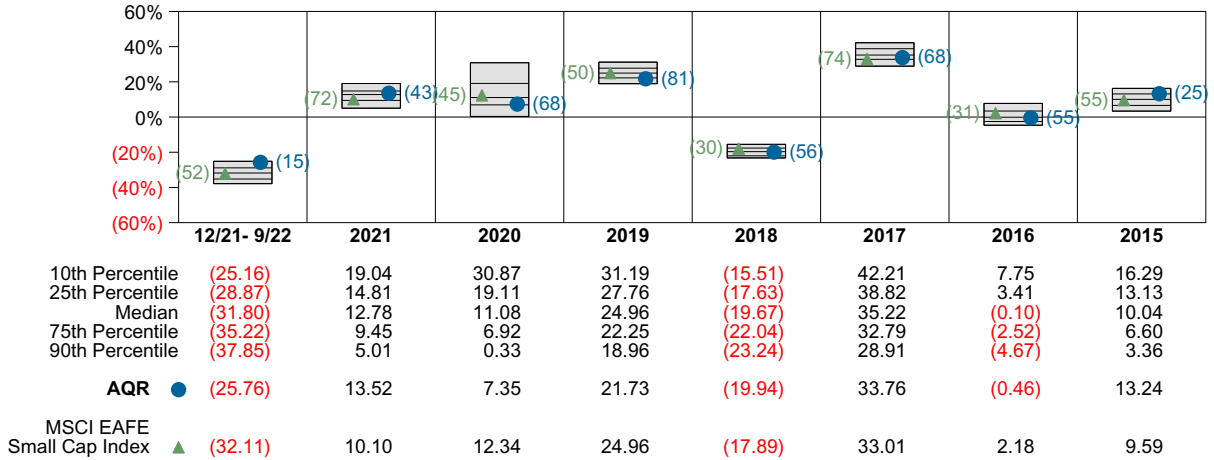


AQR Return Analysis Summary

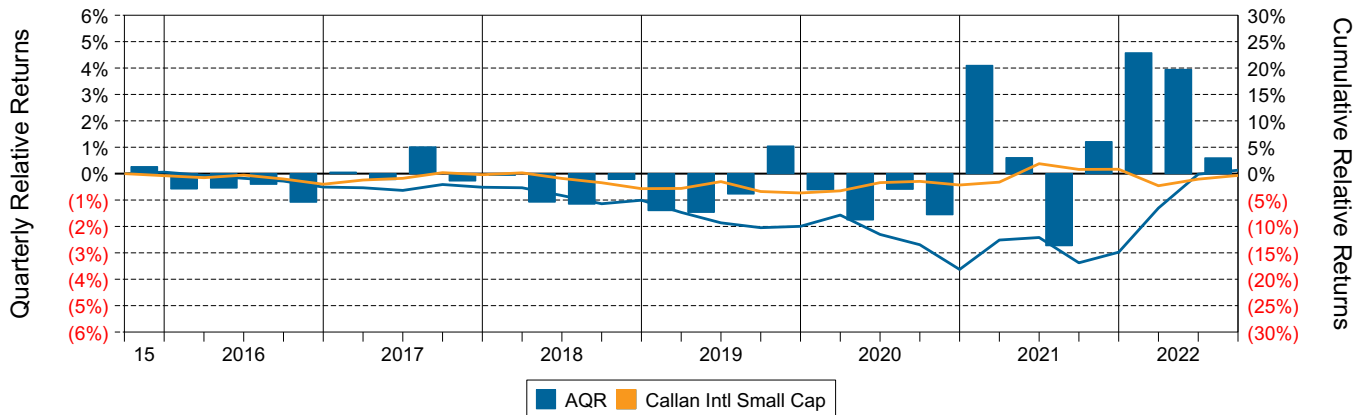
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

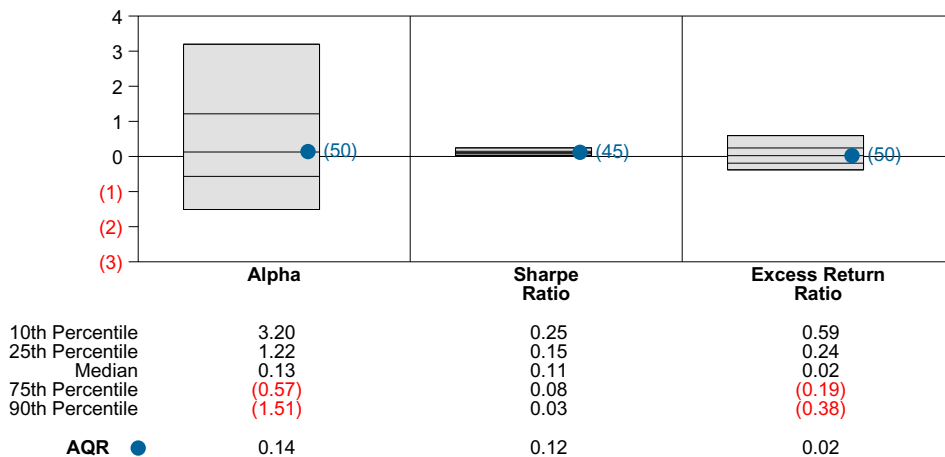
Performance vs Callan International Small Cap (Gross)



Cumulative and Quarterly Relative Returns vs MSCI EAFE Small Cap Index



Risk Adjusted Return Measures vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended September 30, 2022

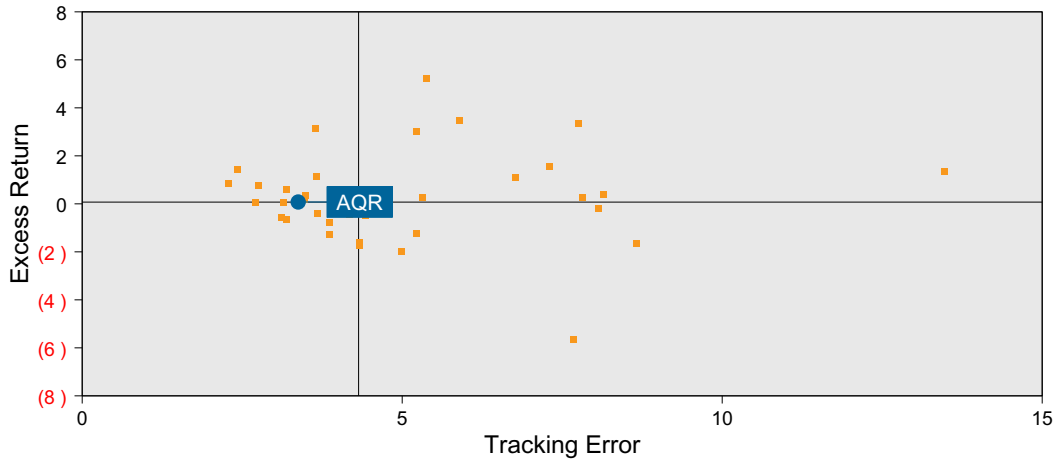


AQR Risk Analysis Summary

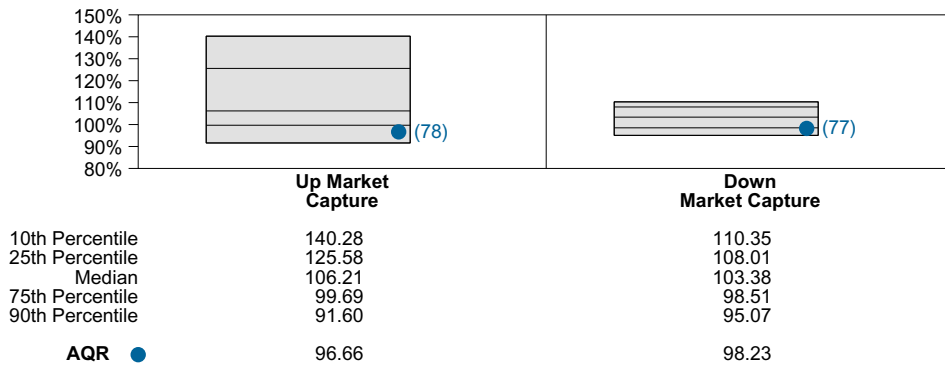
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

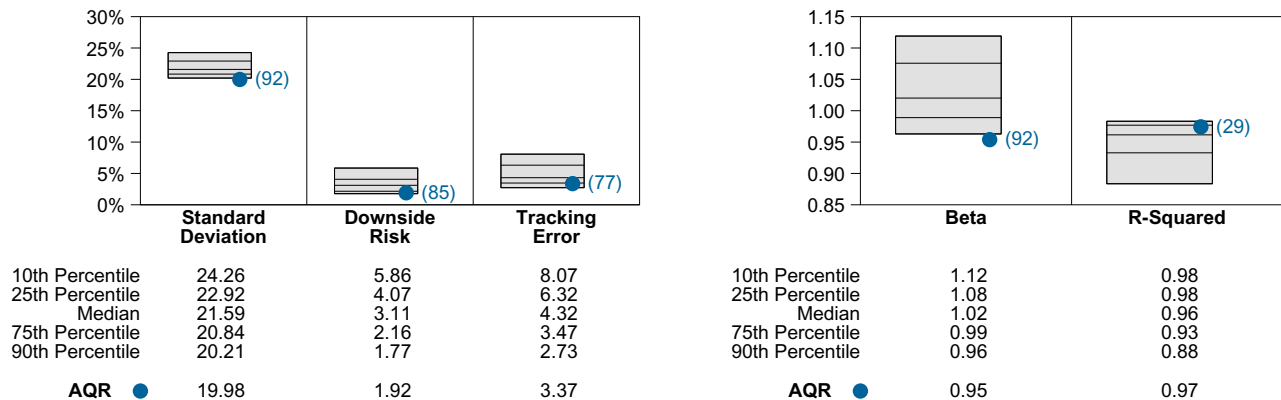
Risk Analysis vs Callan International Small Cap (Gross) Seven Years Ended September 30, 2022



Market Capture vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended September 30, 2022



Risk Statistics Rankings vs MSCI EAFE Small Cap Index Rankings Against Callan International Small Cap (Gross) Seven Years Ended September 30, 2022

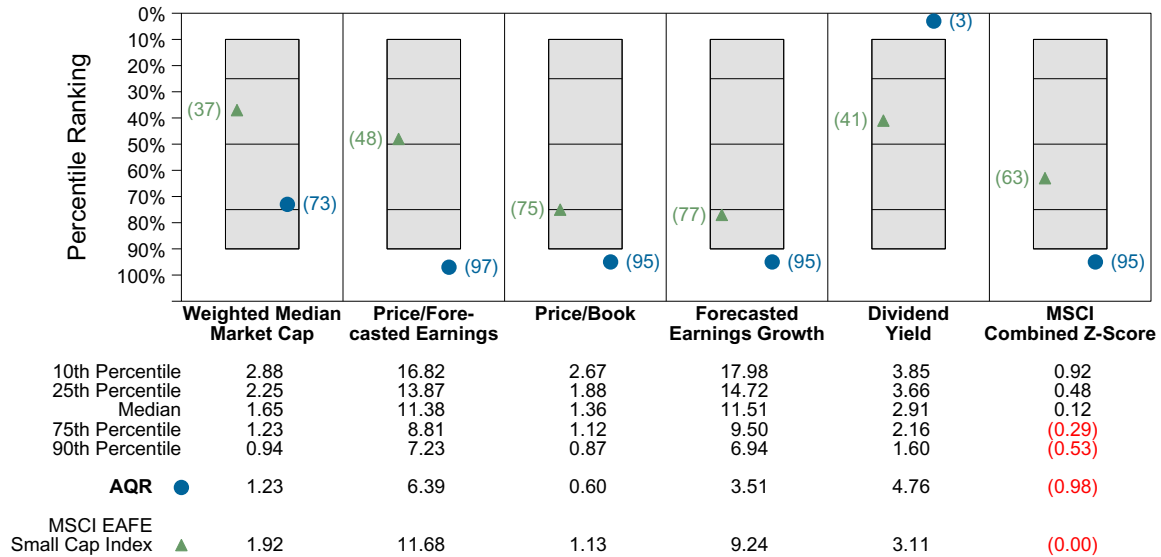


AQR Equity Characteristics Analysis Summary

Portfolio Characteristics

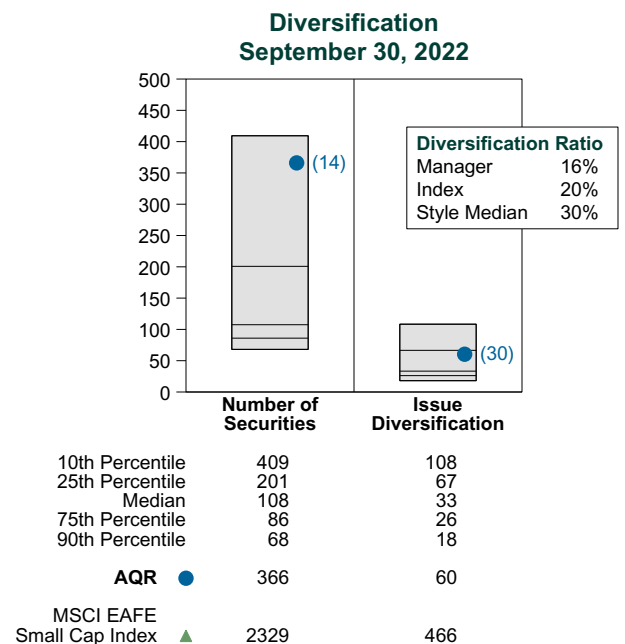
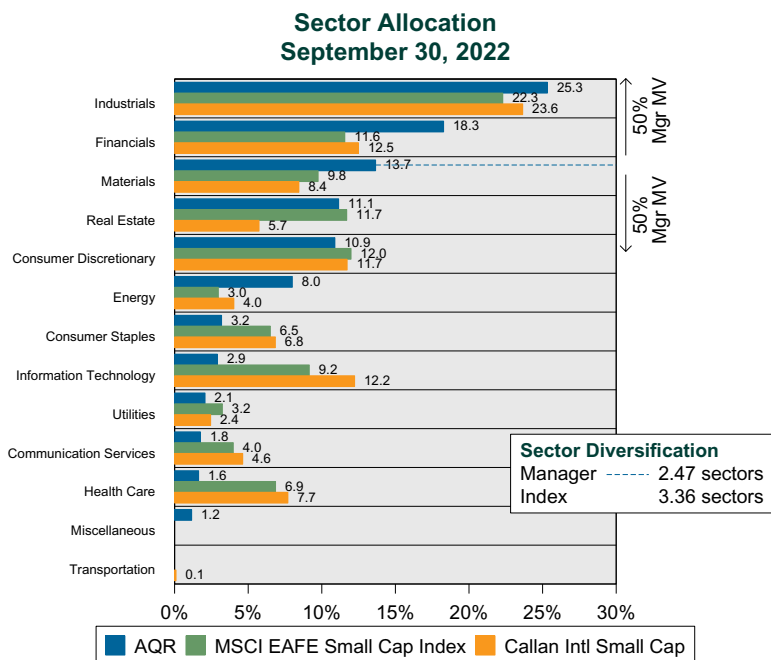
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan International Small Cap as of September 30, 2022



Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.



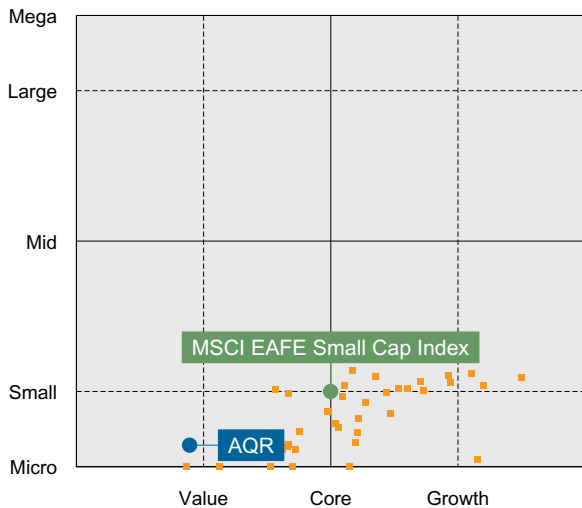
Current Holdings Based Style Analysis

AQR

As of September 30, 2022

This page analyzes the current investment style of a portfolio utilizing a detailed holdings-based style analysis to determine actual exposures to various regional and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the current market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the current portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The middle chart illustrates the total exposures and stock counts in the three style segments, with a legend showing the total growth, value, and "combined Z" (growth - value) scores. The bottom chart exhibits the sector weights as well as the style weights within each sector.

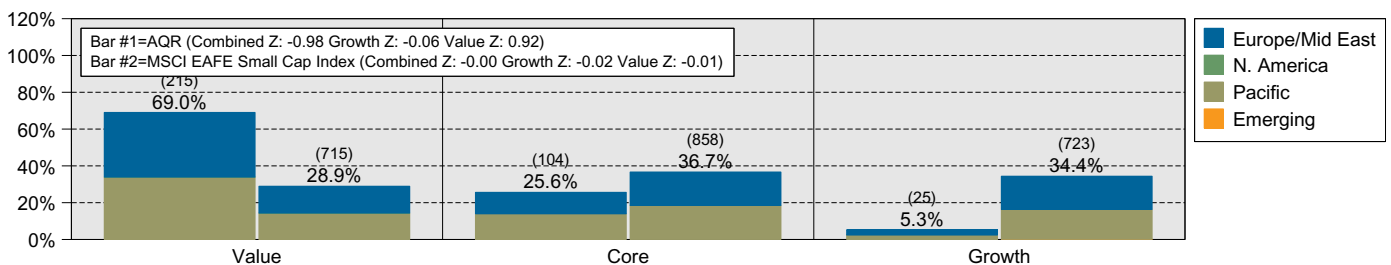
Style Map vs Callan Intl Small Cap Holdings as of September 30, 2022



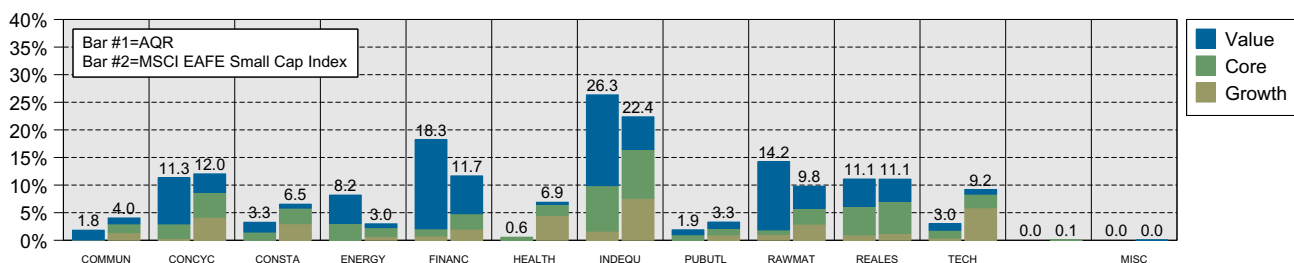
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	35.1% (111)	11.7% (47)	2.9% (13)	49.7% (171)
N. America	14.6% (336)	18.1% (413)	18.0% (346)	50.8% (1095)
Pacific	0.0% (1)	0.1% (6)	0.0% (0)	0.1% (7)
Emerging	33.9% (103)	13.9% (57)	2.4% (12)	50.3% (172)
	14.3% (377)	18.5% (439)	16.3% (375)	49.1% (1191)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (1)	0.0% (0)	0.1% (2)	0.1% (3)
Total	69.0% (215)	25.6% (104)	5.3% (25)	100.0% (344)
	28.9% (715)	36.7% (858)	34.4% (723)	100.0% (2296)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



Sector Weights Distribution Holdings as of September 30, 2022



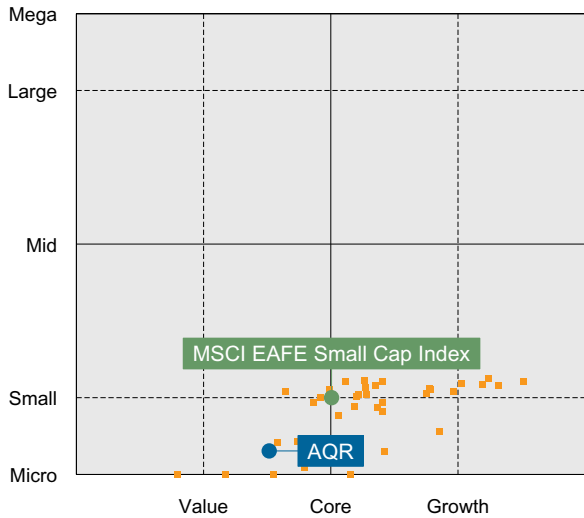
Historical Holdings Based Style Analysis

AQR

For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

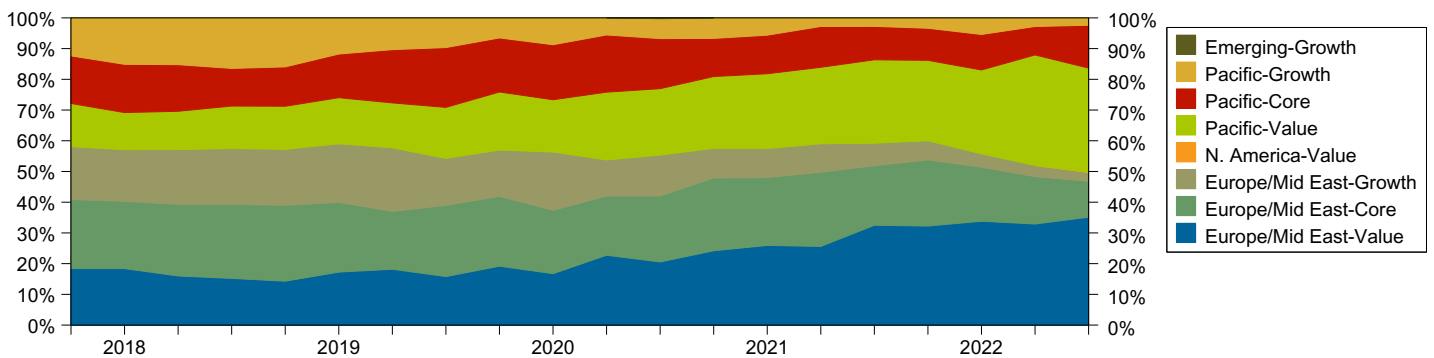
Average Style Map vs Callan Intl Small Cap Holdings for Five Years Ended September 30, 2022



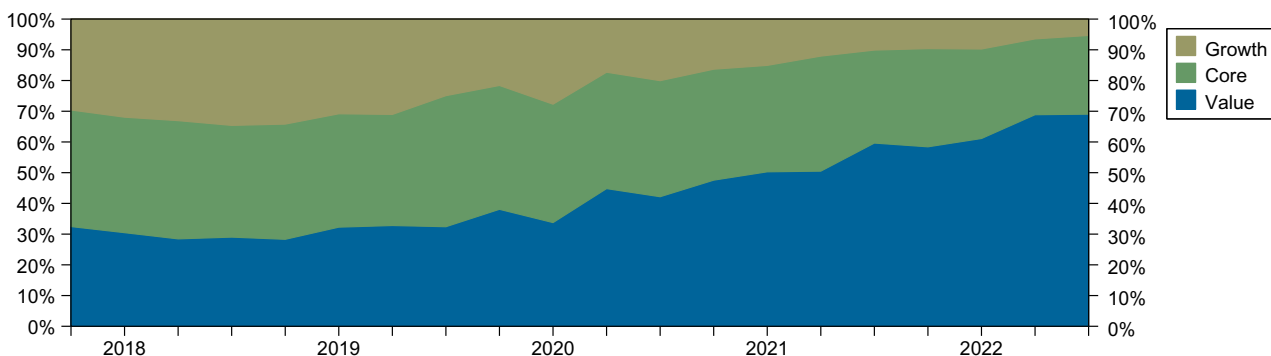
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	22.7% (96)	21.0% (93)	12.8% (50)	56.5% (239)
Europe/ Mid East	14.3% (319)	21.6% (401)	20.5% (330)	56.4% (1050)
N. America	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (2)	0.0% (0)	0.0% (2)
Pacific	20.8% (128)	14.4% (89)	8.3% (51)	43.4% (268)
	12.9% (429)	15.4% (433)	15.2% (404)	43.5% (1266)
Emerging	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)
	0.0% (0)	0.0% (1)	0.0% (0)	0.0% (1)
Total	43.5% (224)	35.4% (182)	21.1% (101)	100.0% (507)
	27.3% (748)	37.0% (837)	35.7% (734)	100.0% (2319)
	Value	Core	Growth	Total

AQR Historical Region/Style Exposures



AQR Historical Style Only Exposures



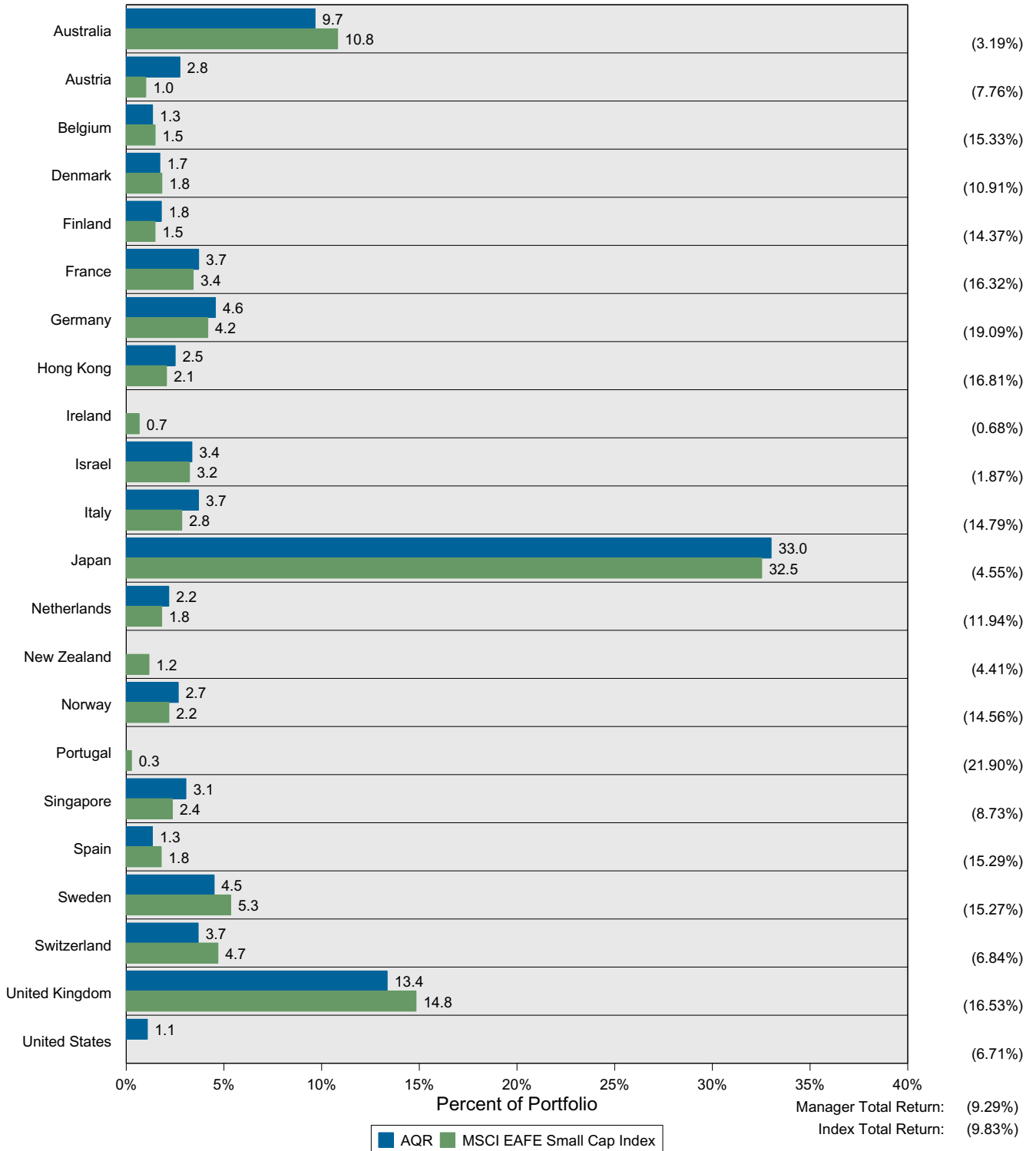
Country Allocation AQR VS MSCI EAFE Small Cap Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of September 30, 2022. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of September 30, 2022

Index Rtns



AQR Top 10 Portfolio Holdings Characteristics as of September 30, 2022

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Ashikaga Holdings	Financials	\$222,505	1.5%	1.05%	2.12	5.96	3.90%	(3.26)%
Hokuhoku Finl Group Inc Shs	Financials	\$220,361	1.4%	(4.34)%	0.76	5.21	4.10%	11.02%
Nishi-Nippon Finl Hldgs	Financials	\$215,908	1.4%	(3.95)%	0.79	4.65	4.67%	(3.86)%
Ssab Svenskt Stal B	Materials	\$210,322	1.4%	4.38%	3.13	5.05	10.97%	-
Pacific Basin Bulk Shipping Shs	Industrials	\$208,689	1.4%	(4.02)%	1.64	1.94	247.72%	(48.98)%
Unipol Gruppo Finanziario Sp Shs	Financials	\$204,167	1.3%	(13.70)%	2.81	4.36	14.52%	23.23%
Jb Hi-Fi	Consumer Discretionary	\$199,746	1.3%	(4.31)%	2.67	10.35	8.32%	(6.37)%
Kobe Steel Ltd Shs	Materials	\$196,099	1.3%	(9.57)%	1.59	3.98	6.90%	(0.49)%
Kandenko Co	Industrials	\$191,963	1.3%	(6.16)%	1.18	7.69	3.37%	3.46%
K Plus S Ag Namen -Akt	Materials	\$190,422	1.2%	(21.40)%	3.66	3.20	1.02%	(20.00)%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Pilbara Minerals	Materials	\$156,536	1.0%	80.75%	8.75	7.52	0.00%	8.30%
Whitehaven Coal Ltd Brisbane Shs	Energy	\$147,014	1.0%	75.43%	5.54	3.16	5.33%	(32.40)%
Batigroup R	Industrials	\$46,420	0.3%	41.13%	0.76	8.43	0.00%	(33.45)%
Nrw Holdings	Industrials	\$9,652	0.1%	34.94%	0.69	9.75	5.25%	25.62%
Perenti Global Ltd Shs	Materials	\$11,659	0.1%	34.35%	0.42	7.00	5.30%	3.31%
Dampskibsselskabet Norden A/ Shs	Industrials	\$57,196	0.4%	32.26%	1.57	5.91	12.13%	59.08%
Bobst Nom (New)	Industrials	\$4,691	0.0%	24.51%	1.32	11.38	10.18%	23.02%
Mcmillan Shakespeare Ltd Shs	Industrials	\$35,691	0.2%	23.64%	0.64	11.66	8.39%	11.21%
U-Blox Holding Ag	Information Technology	\$103,663	0.7%	22.98%	0.87	10.87	0.00%	5.32%
Ste Bic Act	Industrials	\$27,213	0.2%	16.50%	2.84	12.24	3.31%	2.80%

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Grieg Seafood	Consumer Staples	\$12,776	0.1%	(52.30)%	0.77	6.42	4.08%	5.36%
Eml Pmts Ltd Shs	Information Technology	\$3,779	0.0%	(52.25)%	0.19	12.86	0.00%	5.00%
888 Holdings Plc Shs	Consumer Discretionary	\$31,297	0.2%	(48.66)%	0.47	4.46	3.65%	28.60%
Appen	Information Technology	\$31,844	0.2%	(47.63)%	0.25	24.77	3.89%	74.71%
Grange Resources	Materials	\$21,859	0.1%	(46.65)%	0.52	2.96	17.14%	36.24%
Mediaset Espana Comunicacio Shs	Communication Services	\$2,513	0.0%	(43.70)%	0.72	4.00	0.00%	(3.73)%
Hochschild Mining Plc	Materials	\$26,747	0.2%	(42.21)%	0.34	5.41	0.00%	(11.11)%
Norma Group Ag Maintal Namen Akt	Industrials	\$4,825	0.0%	(37.02)%	0.43	5.71	5.45%	10.17%
On The Beach Group	Consumer Discretionary	\$52,575	0.3%	(34.94)%	0.19	6.38	0.00%	33.73%
Trinity Mirror Plc Ord	Communication Services	\$99,049	0.6%	(34.59)%	0.24	2.41	10.60%	4.05%

DFA Emerging Markets Period Ended September 30, 2022

Investment Philosophy

Returns prior to 6/30/2013 are linked to a composite history.

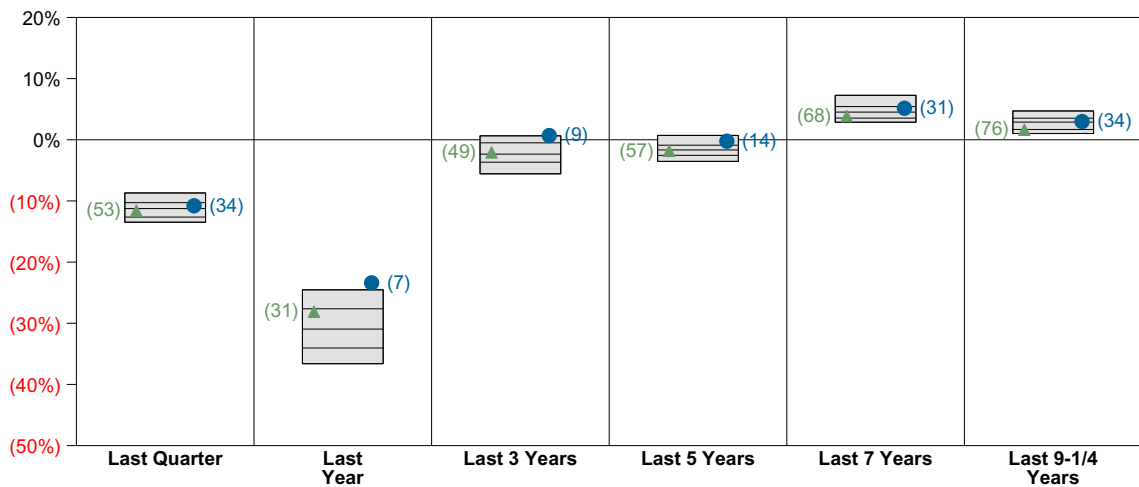
Quarterly Summary and Highlights

- DFA Emerging Markets's portfolio posted a (10.79)% return for the quarter placing it in the 34 percentile of the Callan Emerging Markets Equity Mut Funds group for the quarter and in the 7 percentile for the last year.
- DFA Emerging Markets's portfolio outperformed the MSCI Emerging Markets Index by 0.78% for the quarter and outperformed the MSCI Emerging Markets Index for the year by 4.72%.

Quarterly Asset Growth

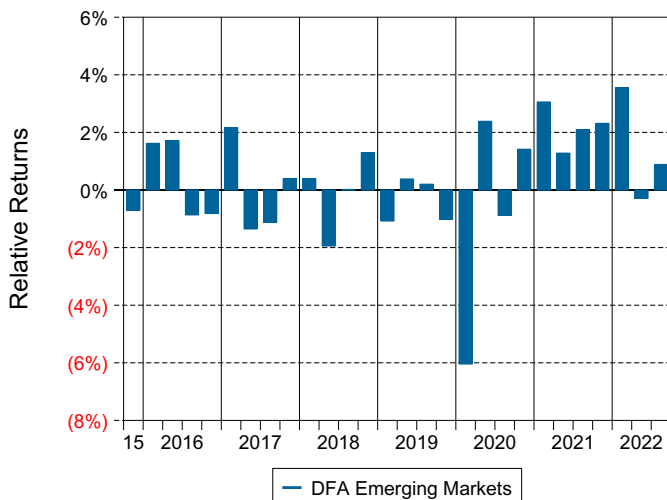
Beginning Market Value	\$20,800,394
Net New Investment	\$0
Investment Gains/(Losses)	\$-2,263,081
Ending Market Value	\$18,537,313

Performance vs Callan Emerging Markets Equity Mut Funds (Gross)

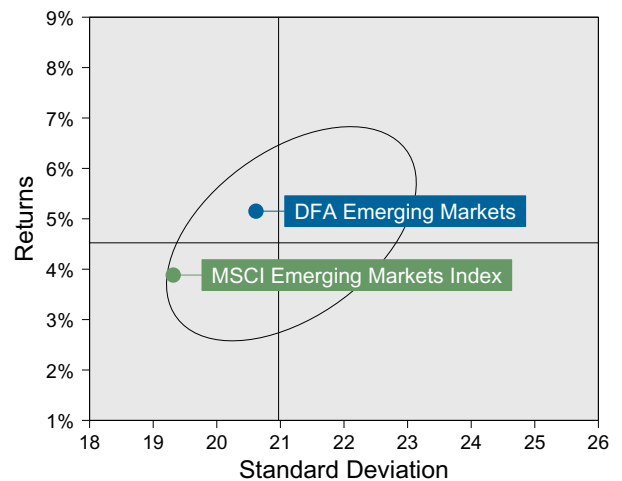


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 9-1/4 Years
10th Percentile	(8.69)	(24.53)	0.65	0.71	7.27	4.71
25th Percentile	(10.28)	(27.63)	(0.50)	(0.89)	5.43	3.53
Median	(11.24)	(30.95)	(2.35)	(1.66)	4.52	2.89
75th Percentile	(12.64)	(34.04)	(3.67)	(2.54)	3.54	1.68
90th Percentile	(13.48)	(36.61)	(5.57)	(3.54)	2.87	1.02
DFA Emerging Markets	(10.79)	(23.39)	0.69	(0.23)	5.15	2.97
MSCI Emerging Markets Index	(11.57)	(28.11)	(2.07)	(1.80)	3.88	1.64

Relative Returns vs MSCI Emerging Markets Index



Callan Emerging Markets Equity Mut Funds (Gross) Annualized Seven Year Risk vs Return

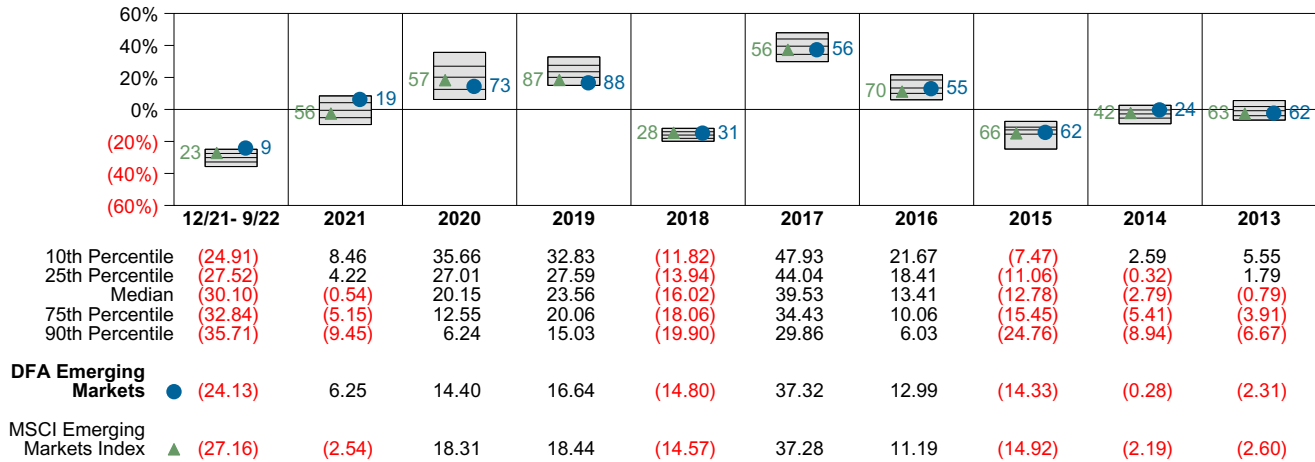


DFA Emerging Markets Return Analysis Summary

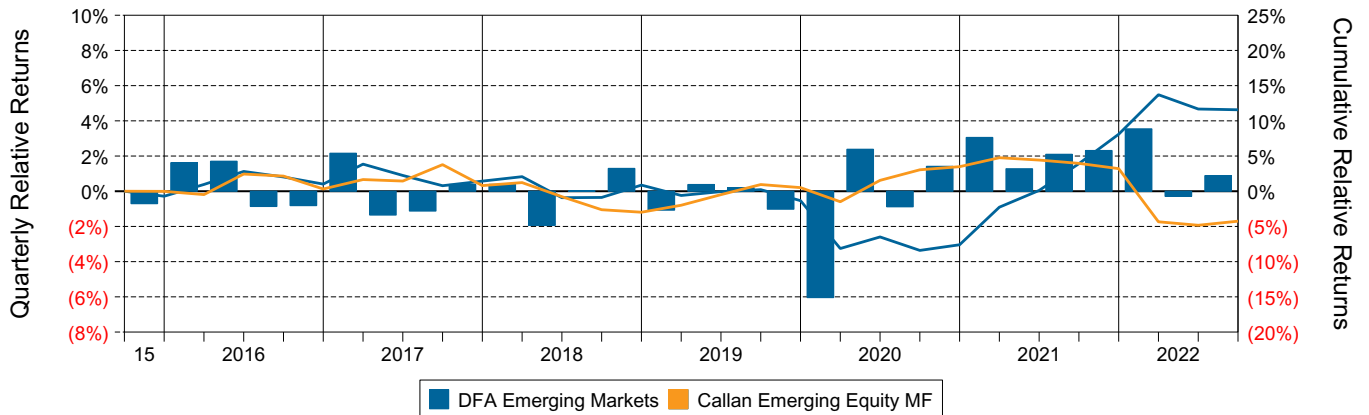
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

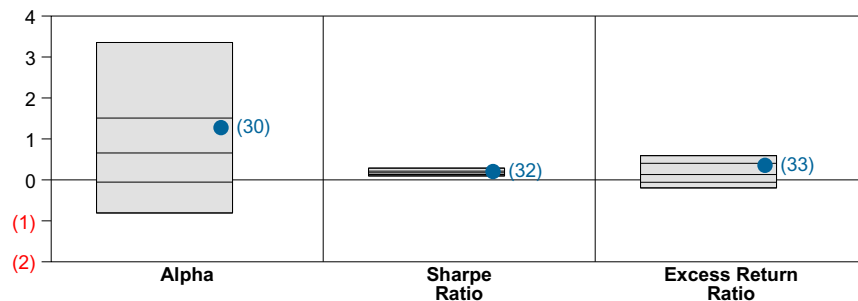
Performance vs Callan Emerging Markets Equity Mut Funds (Gross)



Cumulative and Quarterly Relative Returns vs MSCI Emerging Markets Index



Risk Adjusted Return Measures vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended September 30, 2022

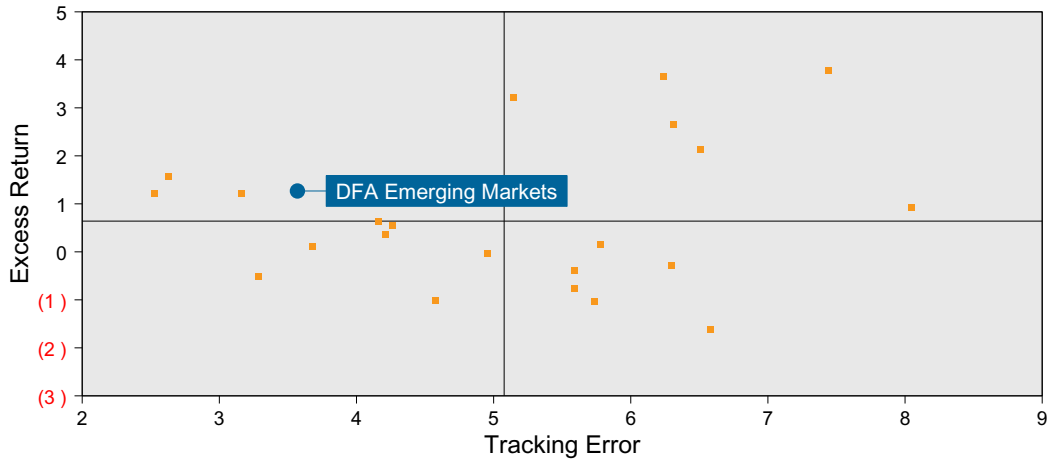


DFA Emerging Markets Risk Analysis Summary

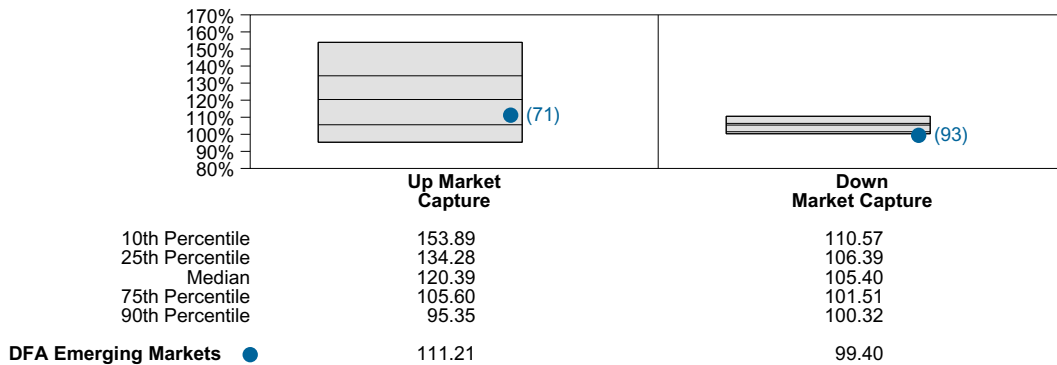
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows Up and Down Market Capture. The last two charts show the ranking of the manager's risk statistics versus the peer group.

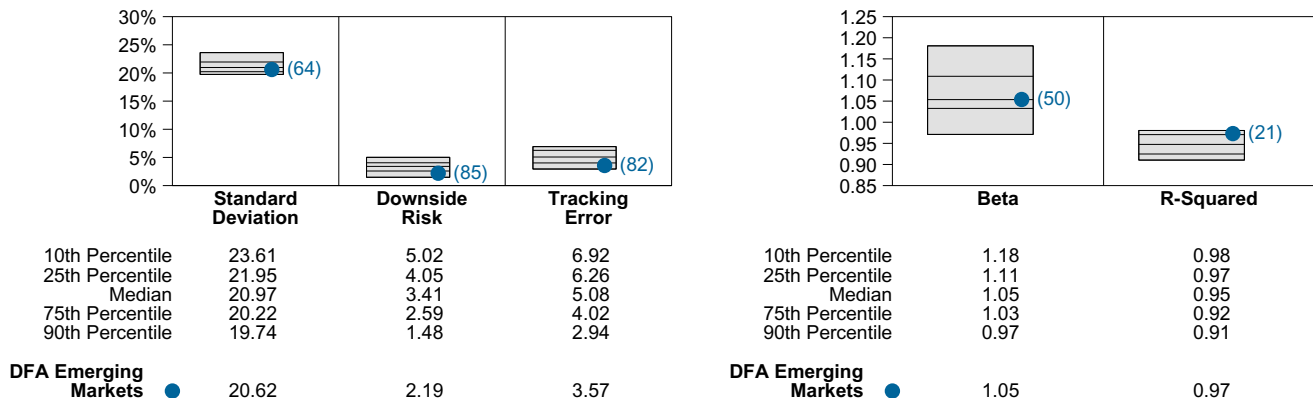
Risk Analysis vs Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended September 30, 2022



Market Capture vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended September 30, 2022



Risk Statistics Rankings vs MSCI Emerging Markets Index Rankings Against Callan Emerging Markets Equity Mut Funds (Gross) Seven Years Ended September 30, 2022

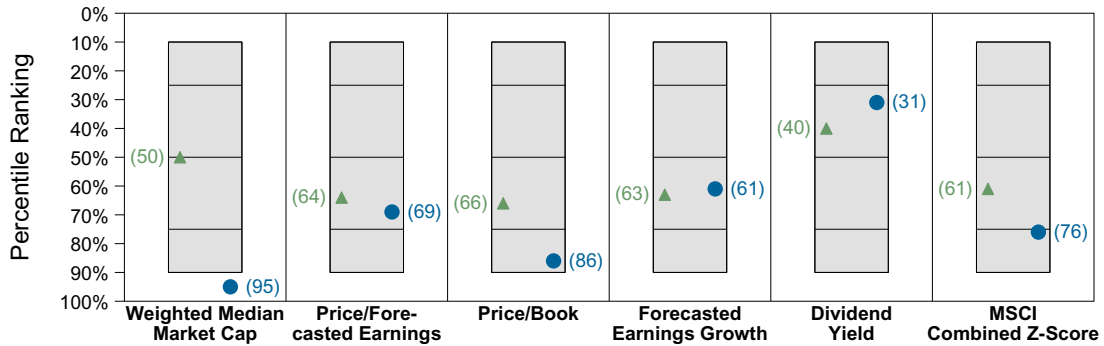


DFA Emerging Markets Equity Characteristics Analysis Summary

Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Portfolio Characteristics Percentile Rankings Rankings Against Callan Emerging Markets Equity Mut Funds as of September 30, 2022

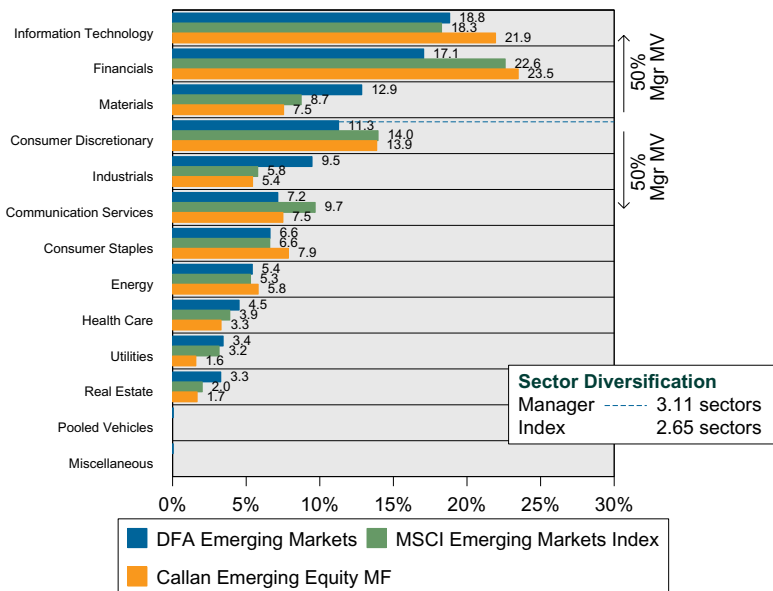


	Weighted Median Market Cap	Price/Forecasted Earnings	Price/Book	Forecasted Earnings Growth	Dividend Yield	MSCI Combined Z-Score
10th Percentile	47.66	18.98	3.31	20.69	7.21	0.76
25th Percentile	39.41	14.86	2.24	19.40	4.98	0.44
Median	23.39	11.52	1.70	16.55	3.20	0.14
75th Percentile	12.53	8.85	1.29	12.79	2.06	(0.26)
90th Percentile	8.39	6.53	0.98	11.54	1.78	(0.69)
DFA Emerging Markets	6.20	8.97	1.13	14.84	4.35	(0.32)
MSCI Emerging Markets Index	23.47	10.18	1.42	14.48	3.49	(0.01)

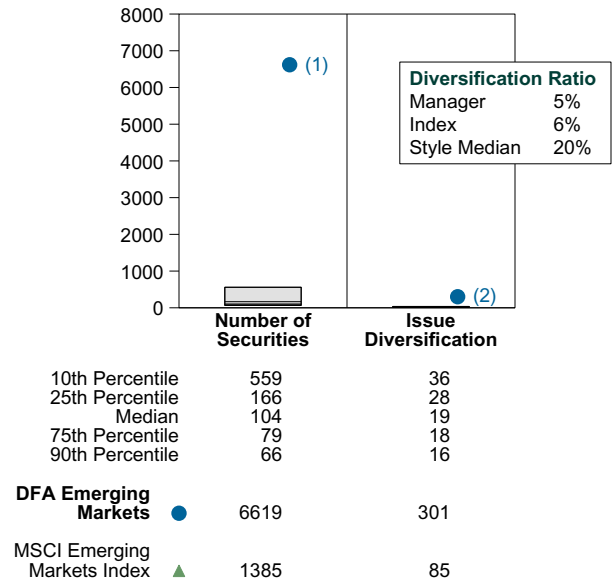
Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that account for half of the portfolio's market value.

Sector Allocation September 30, 2022



Diversification September 30, 2022



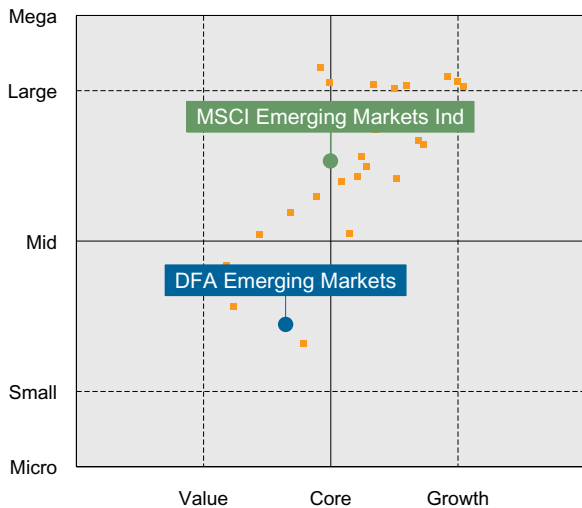
Current Holdings Based Style Analysis

DFA Emerging Markets

As of September 30, 2022

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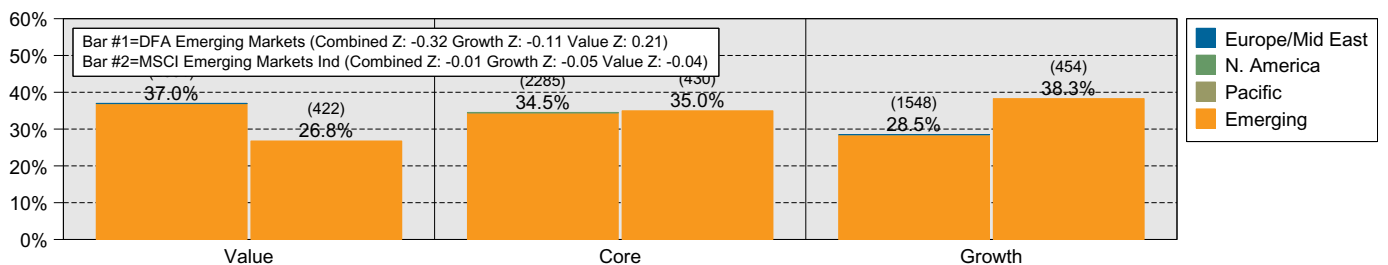
Style Map vs Callan Emerging Equity MF Holdings as of September 30, 2022



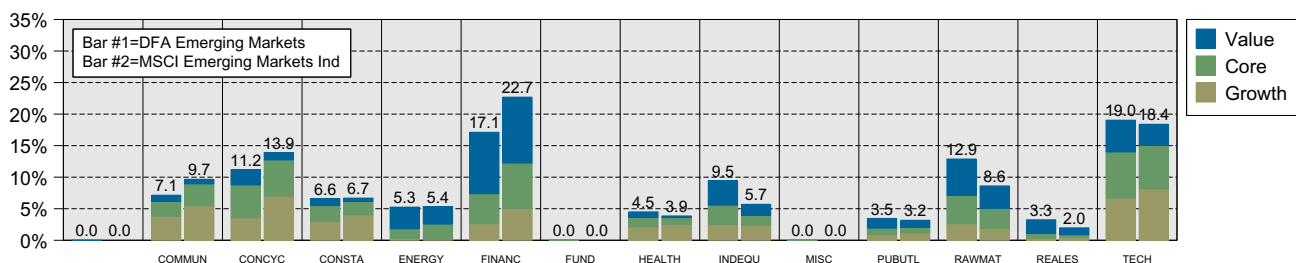
Style Exposure Matrix Holdings as of September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	0.0% (1) 0.0% (0)	0.0% (0) 0.0% (0)	0.0% (1) 0.0% (0)	0.0% (2) 0.0% (0)
N. America	0.0% (1) 0.0% (0)	0.1% (11) 0.0% (0)	0.0% (0) 0.0% (0)	0.1% (12) 0.0% (0)
Pacific	0.0% (16) 0.0% (0)	0.0% (29) 0.0% (0)	0.1% (24) 0.0% (0)	0.2% (69) 0.0% (0)
Emerging	36.9% (2583) 26.8% (422)	34.4% (2245) 35.0% (430)	28.4% (1523) 38.3% (454)	99.7% (6351) 100.0% (1306)
Total	37.0% (2601) 26.8% (422)	34.5% (2285) 35.0% (430)	28.5% (1548) 38.3% (454)	100.0% (6434) 100.0% (1306)

Combined Z-Score Style Distribution Holdings as of September 30, 2022



Sector Weights Distribution Holdings as of September 30, 2022



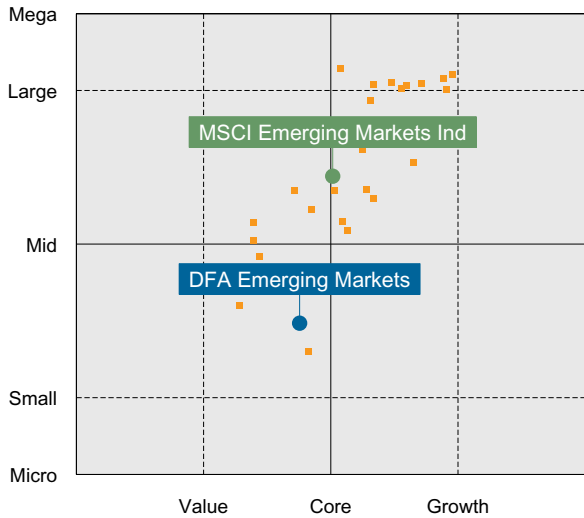
Historical Holdings Based Style Analysis

DFA Emerging Markets

For Five Years Ended September 30, 2022

This page analyzes the historical investment style of a portfolio utilizing a detailed holdings-based style analysis to determine average actual exposures to various region and style segments of the international/global equity market. The market is segmented quarterly by region and style. The style segments are determined using the "Combined Z Score", based on the eight fundamental factors used in the MSCI stock style scoring system. The upper-left style map illustrates the average historical market capitalization and style score of the portfolio relative to indices and/or peers. The upper-right style exposure matrix displays the average historical portfolio and index weights and stock counts (in parentheses) in each region/style segment of the market. The next two style exposure charts illustrate the actual quarterly region/style and style only segment exposures of the portfolio through history.

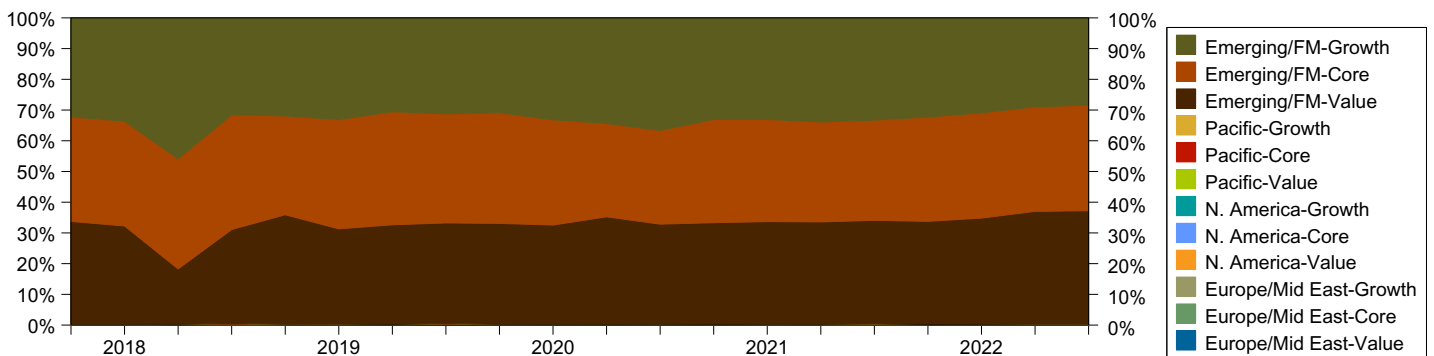
Average Style Map vs Callan Emerging Equity MF Holdings for Five Years Ended September 30, 2022



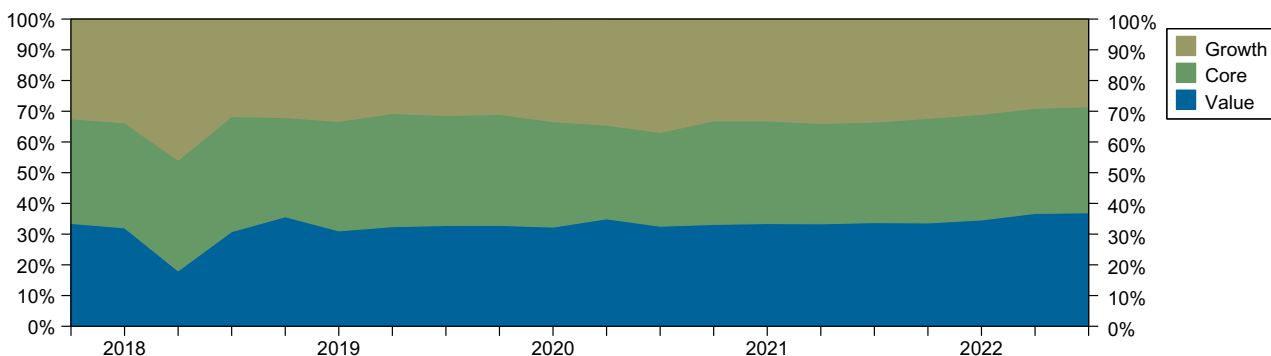
Average Style Exposure Matrix Holdings for Five Years Ended September 30, 2022

	Value	Core	Growth	Total
Europe/ Mid East	0.0% (1) 0.0% (0)	0.0% (1) 0.0% (0)	0.0% (0) 0.0% (0)	0.1% (2) 0.0% (0)
N. America	0.0% (1) 0.0% (0)	0.0% (5) 0.1% (1)	0.0% (0) 0.0% (1)	0.1% (6) 0.1% (2)
Pacific	0.0% (17) 0.0% (0)	0.0% (24) 0.0% (1)	0.1% (15) 0.0% (0)	0.2% (56) 0.0% (1)
Emerging/ FM	32.7% (1976) 27.5% (441)	34.1% (1627) 31.0% (394)	32.9% (1162) 41.4% (393)	99.7% (4765) 99.9% (1228)
Total	32.8% (1995) 27.5% (441)	34.2% (1657) 31.1% (396)	33.1% (1177) 41.4% (394)	100.0% (4829) 100.0% (1231)

DFA Emerging Markets Historical Region/Style Exposures



DFA Emerging Markets Historical Style Only Exposures



Country Allocation

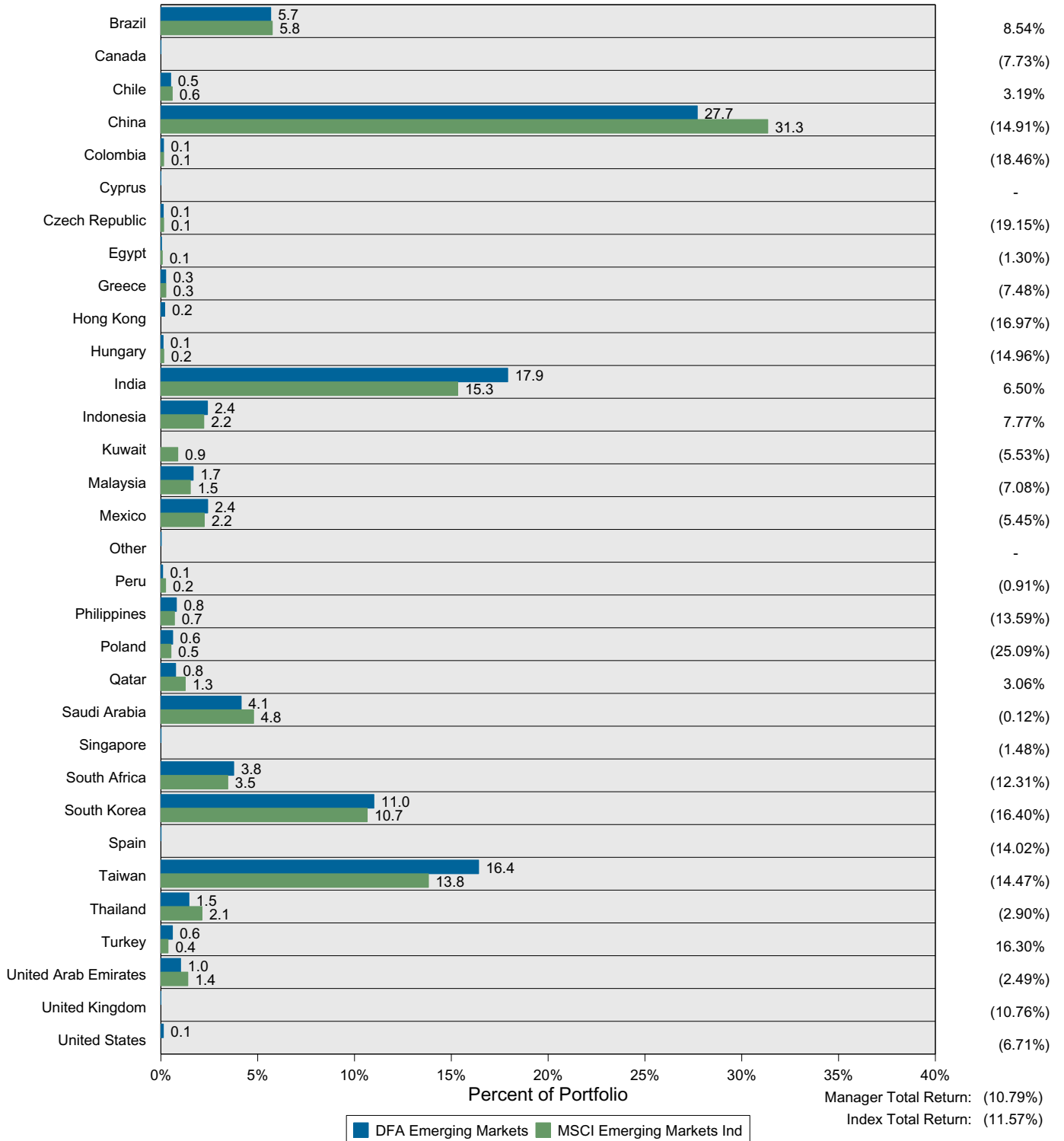
DFA Emerging Markets VS MSCI Emerging Markets Index

Country Allocation

The chart below contrasts the portfolio's country allocation with that of the index as of September 30, 2022. This chart is useful because large deviations in country allocation relative to the index are often good predictors of tracking error in the subsequent quarter. To the extent that the portfolio allocation is similar to the index, the portfolio should experience more "index-like" performance. In order to illustrate the performance effect on the portfolio and index of these country allocations, the individual index country returns are also shown.

Country Weights as of September 30, 2022

Index Rtns



DFA Emerging Markets Top 10 Portfolio Holdings Characteristics as of September 30, 2022

10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Samsung Electronics Co Ltd Ord	Information Technology	\$493,705	2.7%	(14.93)%	221.57	9.60	2.72%	(0.84)%
Tencent Holdings Limited Shs Par Hkd	Communication Services	\$481,733	2.6%	(29.31)%	325.65	17.11	0.60%	6.91%
Taiwan Semicond Manufac Co L Shs	Information Technology	\$477,754	2.6%	(16.49)%	344.66	11.22	2.61%	22.60%
Taiwan Semiconductor Mfg Co Ltd Spon	Information Technology	\$208,875	1.1%	(21.01)%	344.66	11.22	2.61%	22.60%
China Construction Bank Shs H	Financials	\$185,814	1.0%	(18.99)%	139.05	3.11	9.85%	5.07%
Vale Sa Shs	Materials	\$161,066	0.9%	(4.37)%	63.65	4.58	13.91%	64.12%
Alibaba Group Hldg Ltd Sponsored Ads	Consumer Discretionary	\$153,509	0.8%	(33.83)%	211.78	10.11	0.00%	0.30%
Reliance Industries Ltd Shs Demateri	Energy	\$137,811	0.7%	(10.81)%	197.76	19.22	0.34%	19.20%
Ping An Insurance H	Financials	\$129,279	0.7%	(29.29)%	37.19	4.49	8.37%	12.54%
Infosys Technologies	Information Technology	\$117,530	0.6%	(6.14)%	72.88	22.65	2.19%	12.40%

10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Pc Jeweller	Consumer Discretionary	\$764	0.0%	252.37%	0.48	(25.75)	0.60%	7.42%
Rukun Raharja	Industrials	\$18	0.0%	196.60%	0.29	70.00	0.67%	2.12%
Kum Yang	Materials	\$489	0.0%	190.26%	0.64	37.30	0.00%	-
Positivo Inf On	Information Technology	\$1,669	0.0%	116.92%	0.33	10.75	2.73%	(30.92)%
Is Fin Kir	Financials	\$182	0.0%	112.90%	0.30	9.35	0.00%	3.67%
From30 Co.Ltd.	Industrials	\$171	0.0%	107.30%	0.13	(19.52)	0.00%	(28.16)%
Pt Bumi Res Tbk Shs	Energy	\$2,927	0.0%	99.99%	1.29	3.33	0.00%	-
Warderly Intl Holdings Limit Shs	Industrials	\$1,063	0.0%	99.06%	0.77	(1.71)	0.00%	-
Power Mech Projects	Industrials	\$444	0.0%	96.44%	0.33	8.95	0.08%	15.74%
Mazagon Dock Shipbuilders	Industrials	\$665	0.0%	95.21%	1.22	13.11	1.77%	-

10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Baron Electronics	Information Technology	\$3	0.0%	(97.34)%	0.04	(192.27)	0.00%	-
Fang Hldgs Ltd Adr New	Communication Services	\$11	0.0%	(89.69)%	0.01	-	26.85%	-
Unifin Financiera	Financials	\$20	0.0%	(88.93)%	0.05	0.83	0.00%	(7.40)%
Cifi Holdings (Group)	Real Estate	\$3,288	0.0%	(80.91)%	0.96	1.19	14.42%	(1.39)%
Sinco Pharms.Hdg.	Pooled Vehicles	\$114	0.0%	(80.78)%	0.07	3.50	0.00%	-
Logan Property Holdings	Real Estate	\$235	0.0%	(76.28)%	0.40	0.35	0.00%	40.67%
Ronshine China Hdg.	Real Estate	\$59	0.0%	(73.97)%	0.12	0.29	0.00%	(17.14)%
Serba Dinamik Holdings	Energy	\$28	0.0%	(73.60)%	0.02	0.16	218.00%	-
Ever Sunshine Lifestyle Services Gro	Real Estate	\$1,672	0.0%	(72.11)%	0.65	4.65	2.53%	14.70%
Times Property Holdings	Real Estate	\$67	0.0%	(70.80)%	0.22	0.62	110.20%	26.71%

Metropolitan West

Period Ended September 30, 2022

Investment Philosophy

Metropolitan West Asset Management (MWAM) attempts to add value by limiting duration, managing the yield curve, rotating among bond market sectors and using proprietary quantitative valuation techniques.

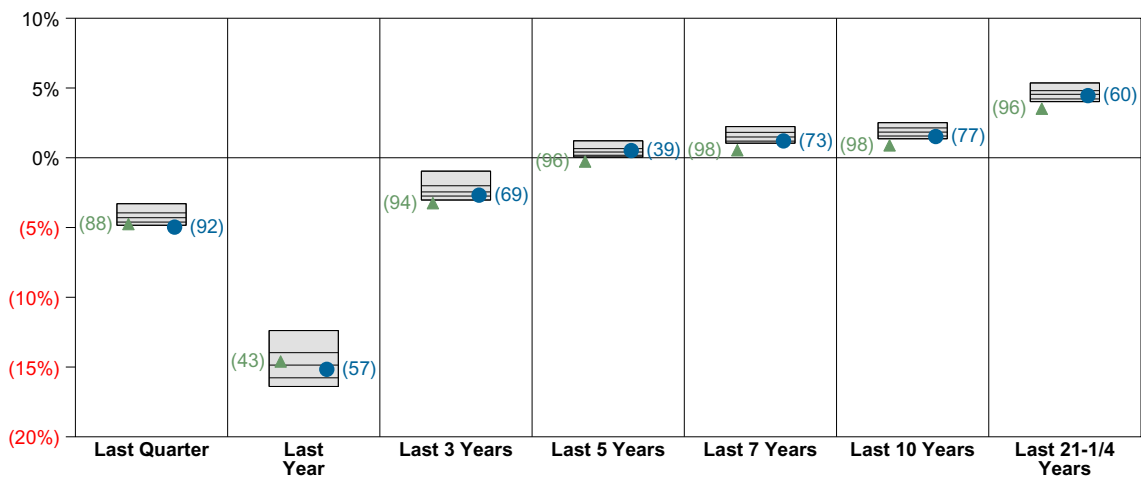
Quarterly Summary and Highlights

- Metropolitan West's portfolio posted a (4.97)% return for the quarter placing it in the 92 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 57 percentile for the last year.
- Metropolitan West's portfolio underperformed the Bloomberg Aggregate Index by 0.22% for the quarter and underperformed the Bloomberg Aggregate Index for the year by 0.56%.

Quarterly Asset Growth

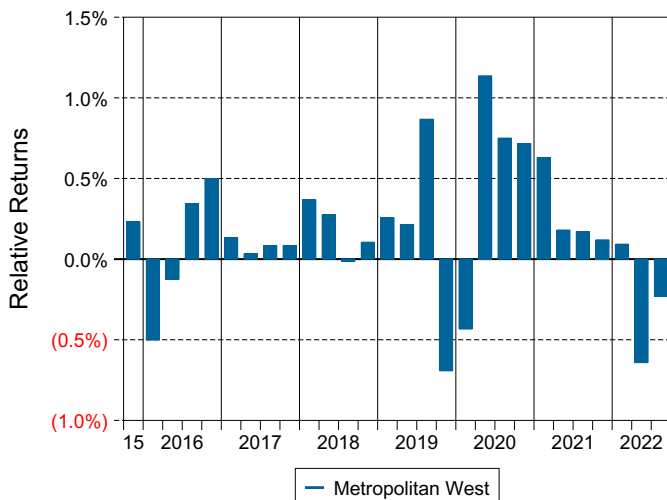
Beginning Market Value	\$84,531,580
Net New Investment	\$0
Investment Gains/(Losses)	\$-4,202,617
Ending Market Value	\$80,328,963

Performance vs Callan Core Plus Fixed Income (Gross)

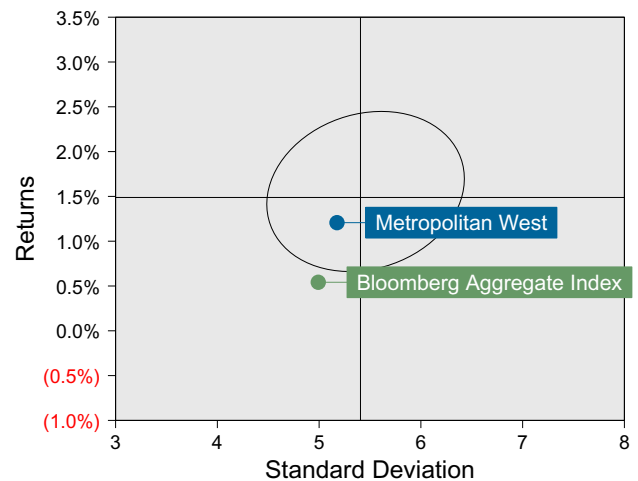


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Last 21-1/4 Years
10th Percentile	(3.29)	(12.39)	(0.96)	1.22	2.24	2.51	5.36
25th Percentile	(3.95)	(13.97)	(2.01)	0.65	1.82	2.14	4.81
Median	(4.30)	(14.86)	(2.45)	0.41	1.49	1.84	4.55
75th Percentile	(4.61)	(15.77)	(2.75)	0.18	1.19	1.56	4.22
90th Percentile	(4.84)	(16.39)	(3.03)	0.05	1.04	1.36	4.02
Metropolitan West	(4.97)	(15.16)	(2.68)	0.52	1.21	1.52	4.45
Bloomberg Aggregate Index	(4.75)	(14.60)	(3.26)	(0.27)	0.54	0.89	3.52

Relative Returns vs Bloomberg Aggregate Index



Callan Core Plus Fixed Income (Gross) Annualized Seven Year Risk vs Return

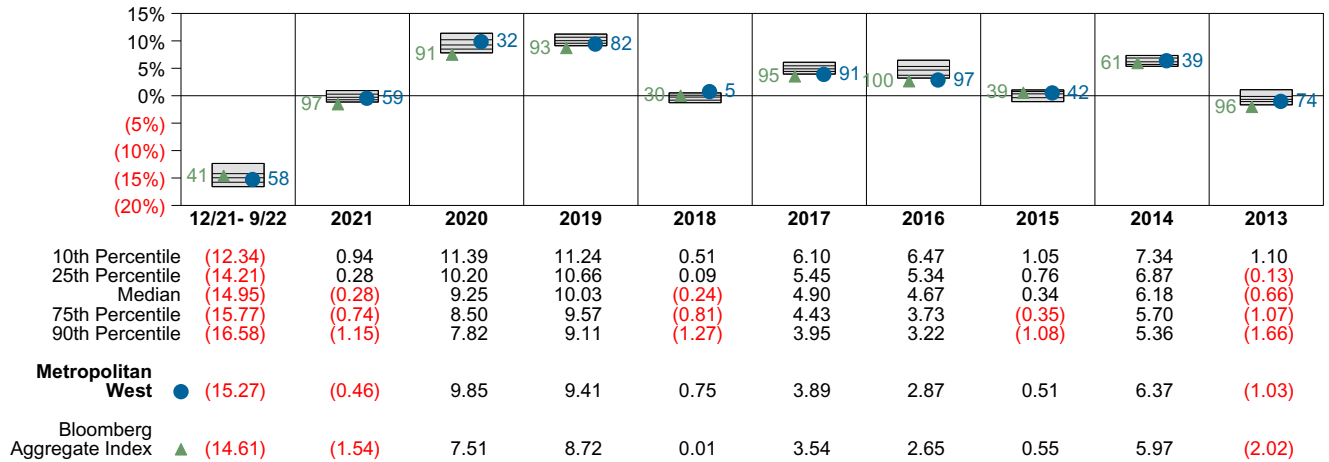


Metropolitan West Return Analysis Summary

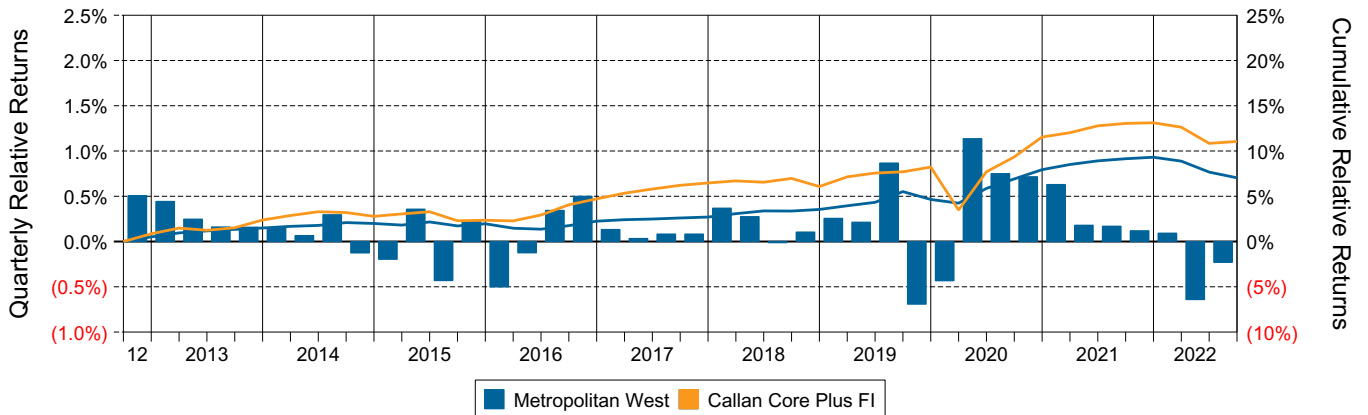
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last chart illustrates the manager's ranking relative to their style using various risk-adjusted return measures.

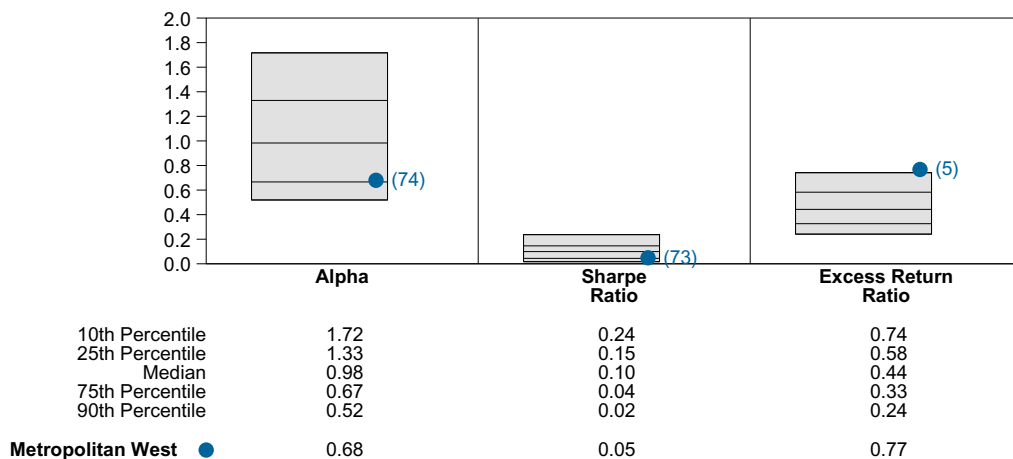
Performance vs Callan Core Plus Fixed Income (Gross)



Cumulative and Quarterly Relative Returns vs Bloomberg Aggregate Index



Risk Adjusted Return Measures vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended September 30, 2022

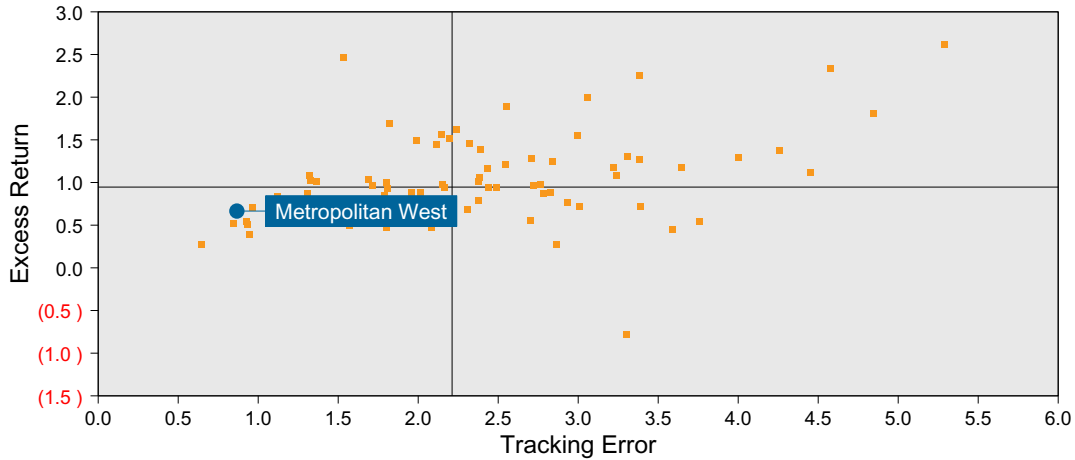


Metropolitan West Risk Analysis Summary

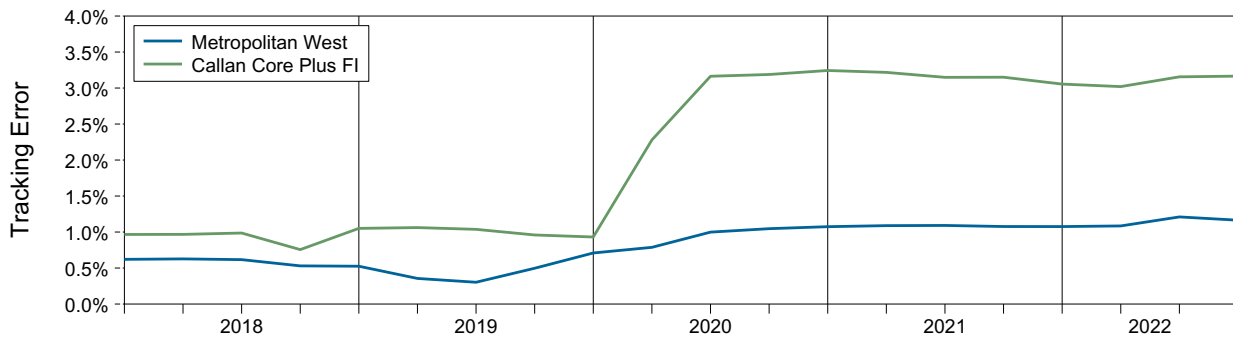
Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

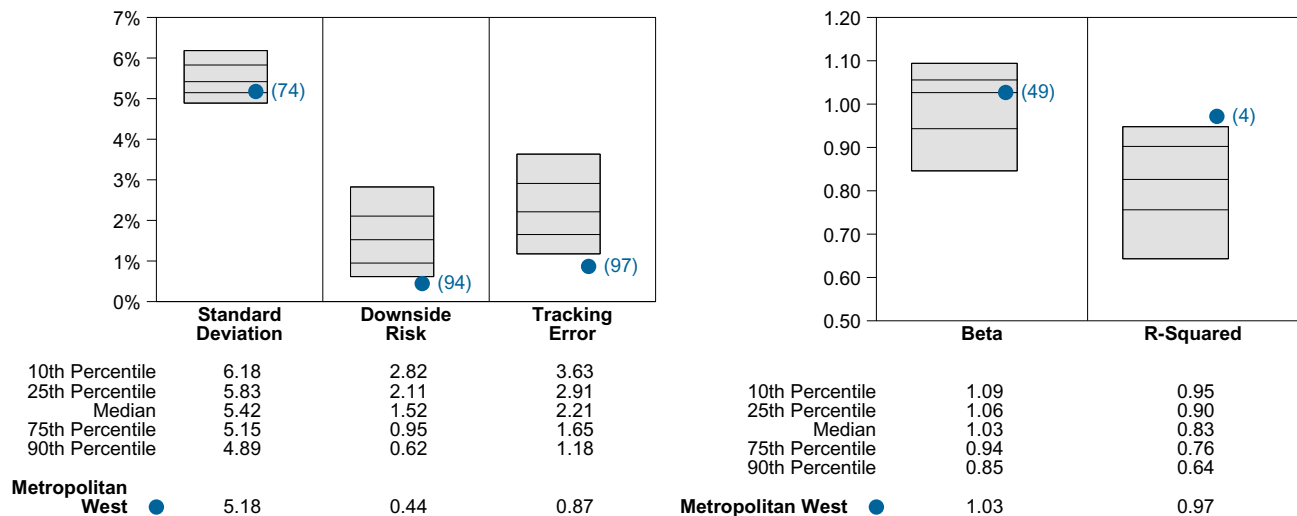
Risk Analysis vs Callan Core Plus Fixed Income (Gross) Seven Years Ended September 30, 2022



Rolling 12 Quarter Tracking Error vs Bloomberg Aggregate Index



Risk Statistics Rankings vs Bloomberg Aggregate Index Rankings Against Callan Core Plus Fixed Income (Gross) Seven Years Ended September 30, 2022

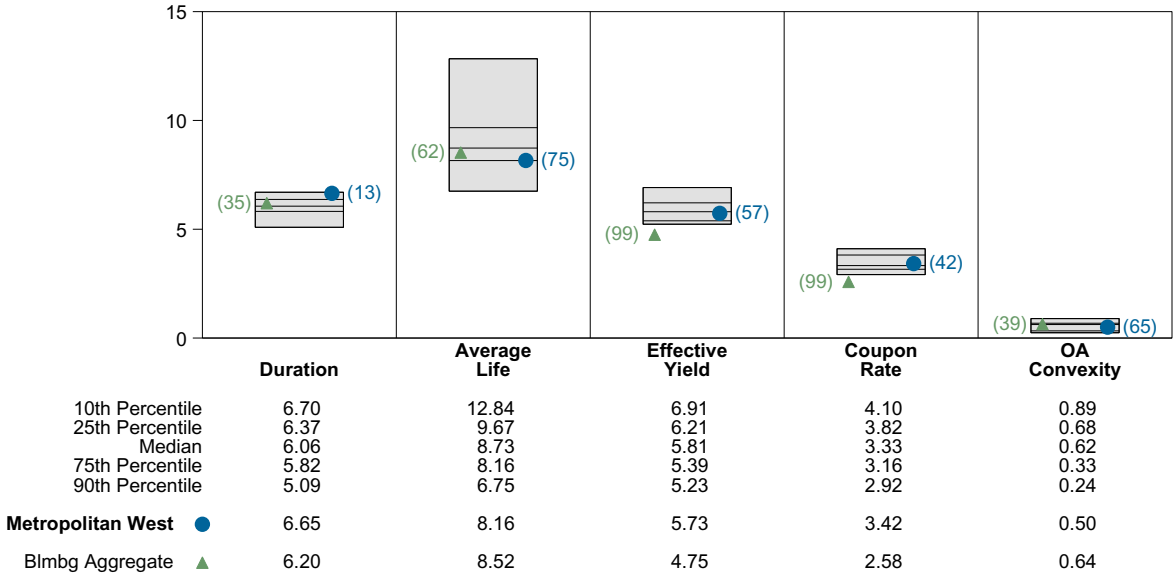


Metropolitan West Bond Characteristics Analysis Summary

Portfolio Characteristics

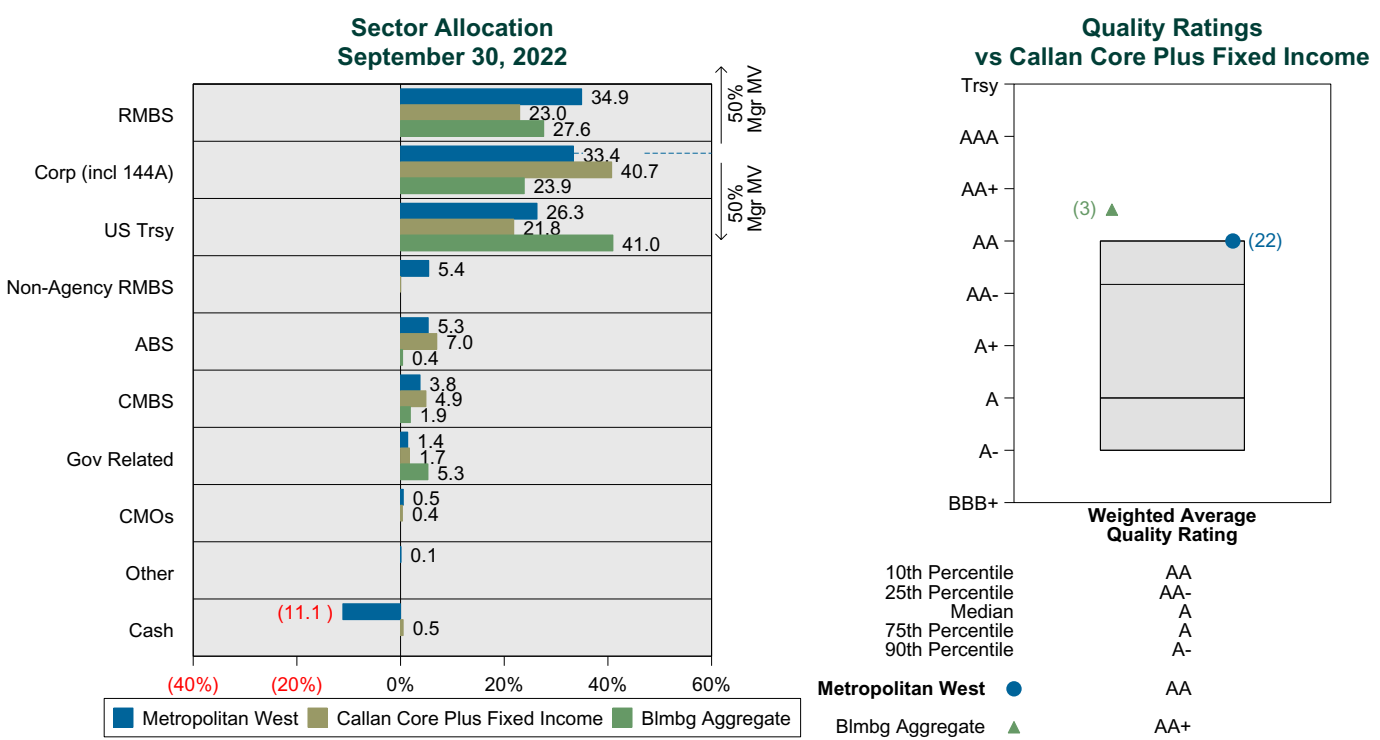
This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

Fixed Income Portfolio Characteristics Rankings Against Callan Core Plus Fixed Income as of September 30, 2022



Sector Allocation and Quality Ratings

The first graph compares the manager's sector allocation with the average allocation across all the members of the manager's style. The second graph compares the manager's weighted average quality rating with the range of quality ratings for the style.

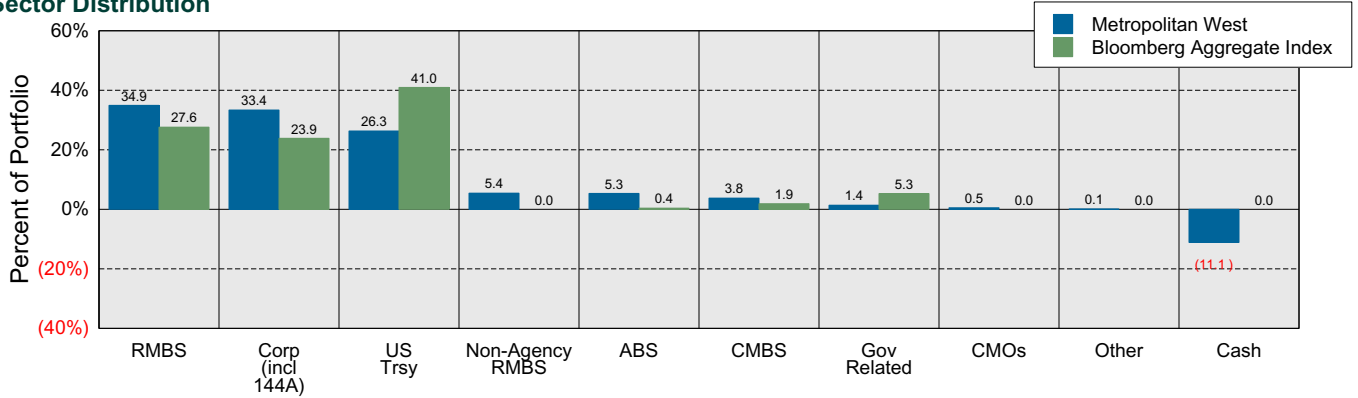


Metropolitan West Portfolio Characteristics Summary As of September 30, 2022

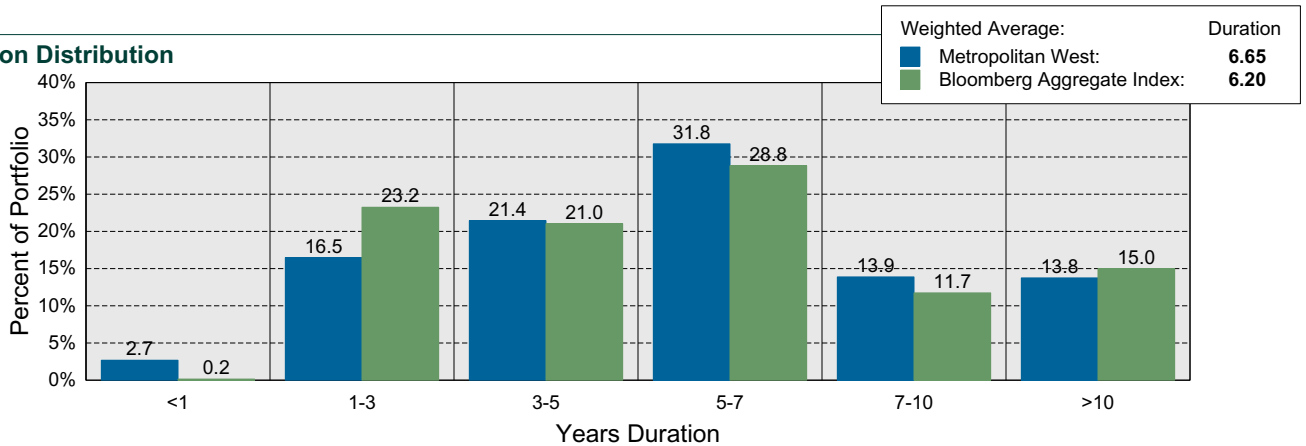
Portfolio Structure Comparison

The charts below compare the structure of the portfolio to that of the index from the three perspectives that have the greatest influence on return. The first chart compares the two portfolios across sectors. The second chart compares the duration distribution. The last chart compares the distribution across quality ratings.

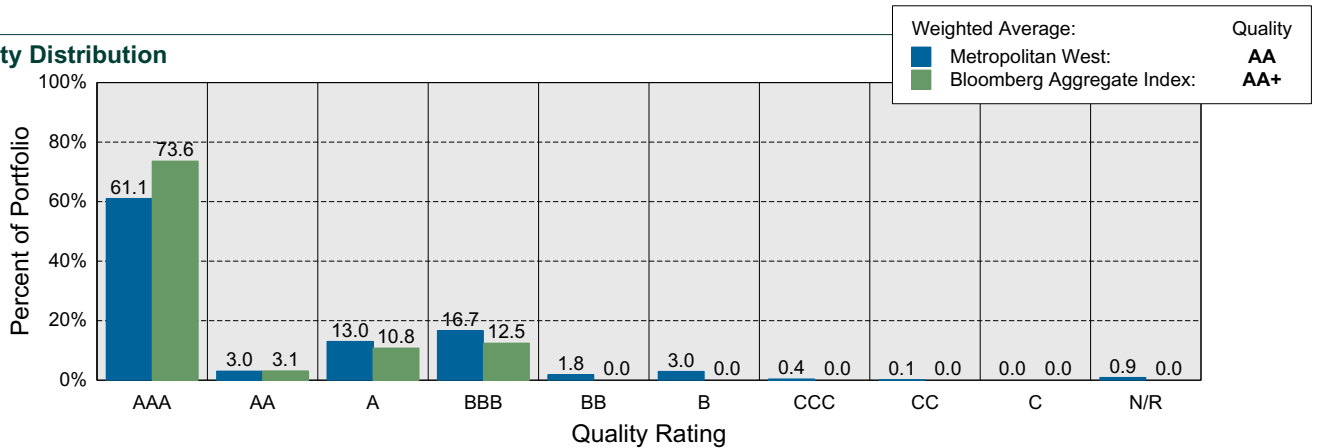
Sector Distribution



Duration Distribution



Quality Distribution



Real Estate

Period Ended September 30, 2022

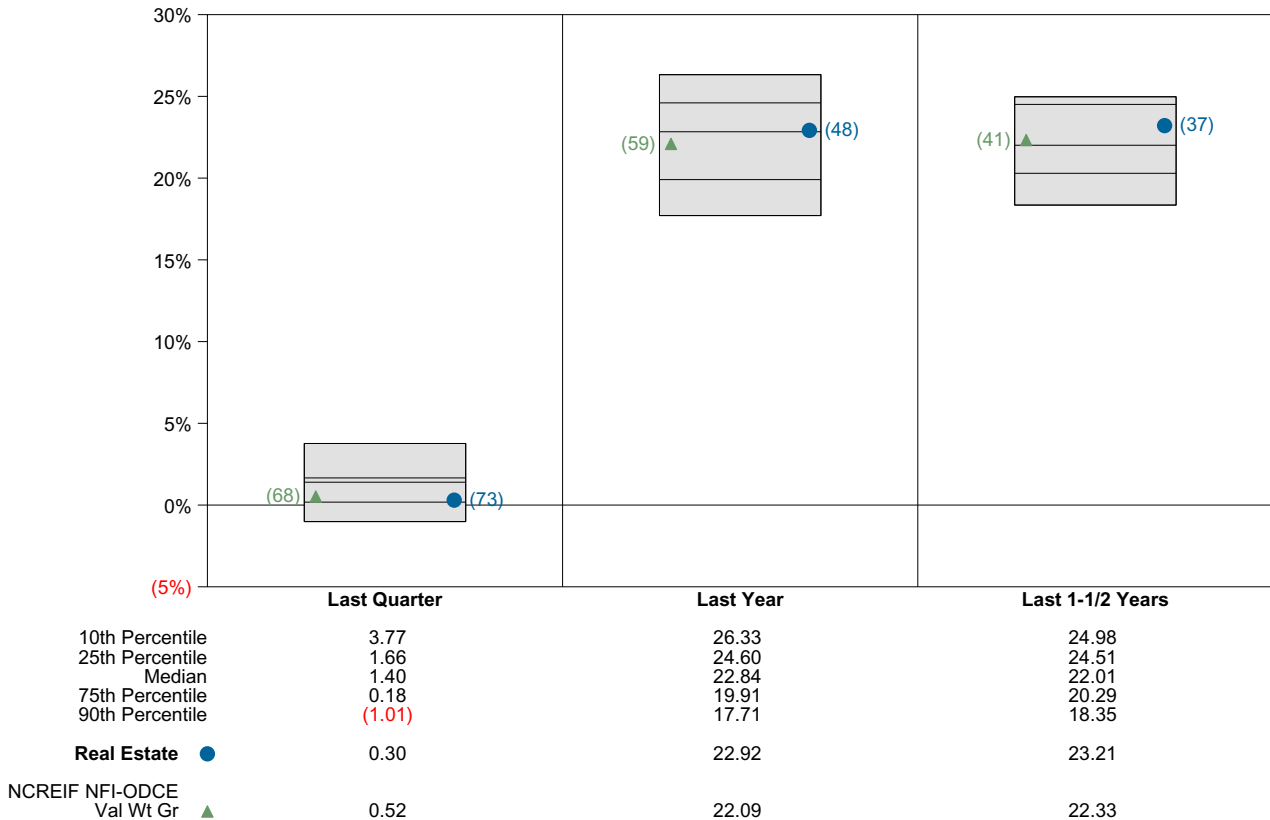
Quarterly Summary and Highlights

- Real Estate's portfolio posted a 0.30% return for the quarter placing it in the 73 percentile of the Callan Real Estate ODCE group for the quarter and in the 48 percentile for the last year.
- Real Estate's portfolio underperformed the NCREIF NFI-ODCE Val Wt Gr by 0.22% for the quarter and outperformed the NCREIF NFI-ODCE Val Wt Gr for the year by 0.83%.

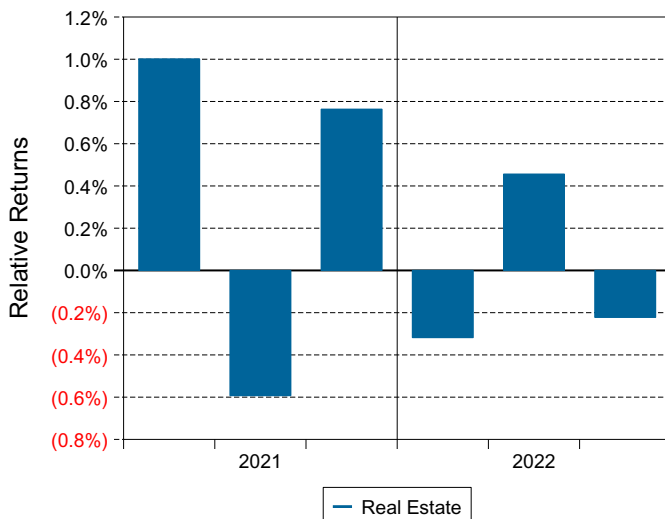
Quarterly Asset Growth

Beginning Market Value	\$39,127,953
Net New Investment	\$0
Investment Gains/(Losses)	\$60,254
Ending Market Value	\$39,188,208

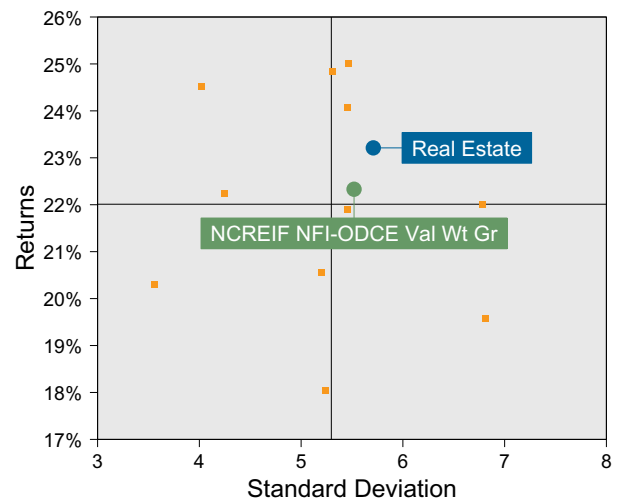
Performance vs Callan Real Estate ODCE (Gross)



Relative Returns vs NCREIF NFI-ODCE Val Wt Gr



Callan Real Estate ODCE (Gross) Annualized One and One-Half Year Risk vs Return

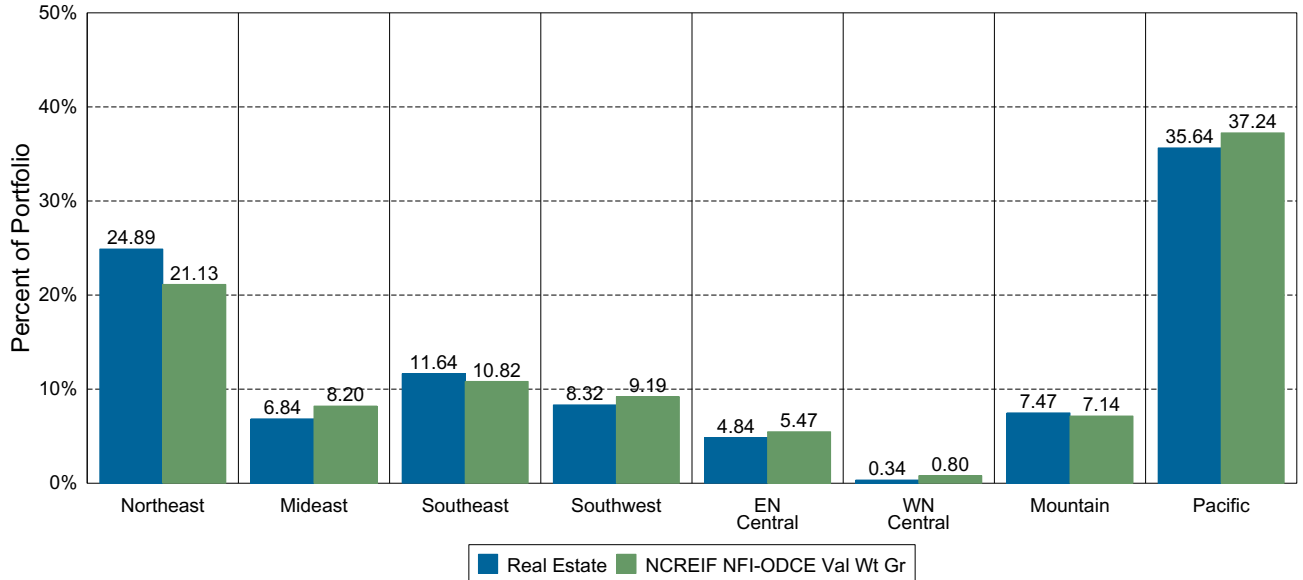


Real Estate Diversification Analysis as of September 30, 2022

Diversification Analysis

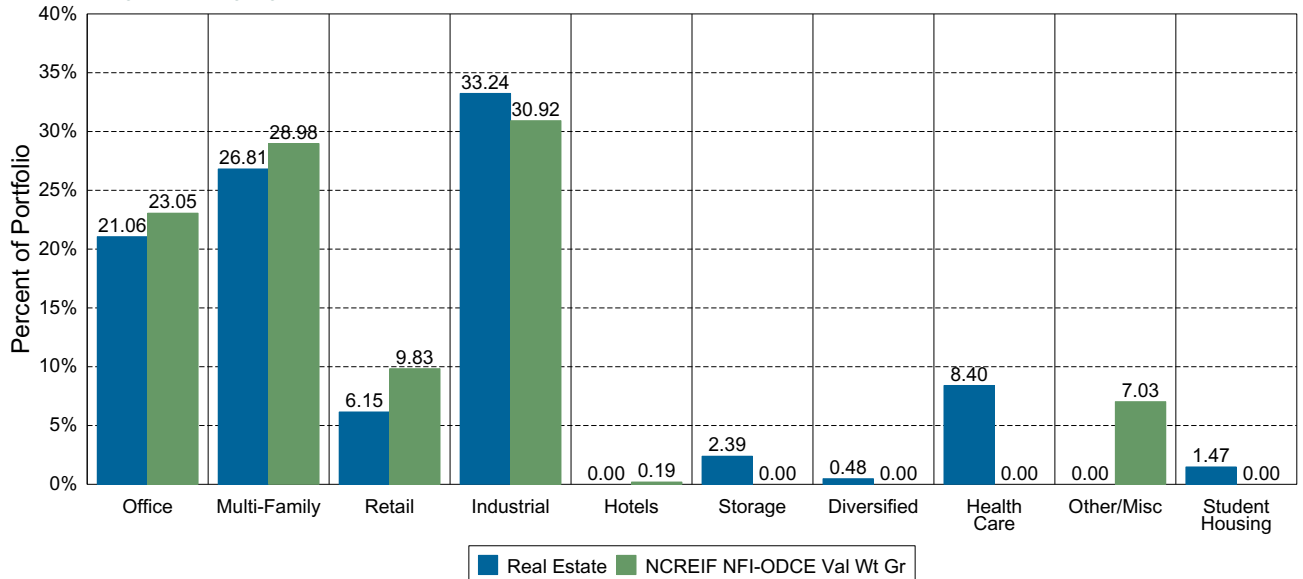
The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Property Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2022



Real Estate	24.89%	6.84%	11.64%	8.32%	4.84%	0.34%	7.47%	35.64%
NCREIF NFI-ODCE Val Wt Gr	21.13%	8.20%	10.82%	9.19%	5.47%	0.80%	7.14%	37.24%

Diversification by Property Type as of September 30, 2022



Real Estate	21.06%	26.81%	6.15%	33.24%	0.00%	2.39%	0.48%	8.40%	0.00%	1.47%
NCREIF NFI-ODCE Val Wt Gr	23.05%	28.98%	9.83%	30.92%	0.19%	0.00%	0.00%	0.00%	7.03%	0.00%

Clarion Lion Fund

Period Ended September 30, 2022

Investment Philosophy

The Lion Properties Fund is an income oriented, core, diversified fund with a research driven strategy comprising three primary elements: Returns prior to 3/31/2021 are linked to the fund's history.

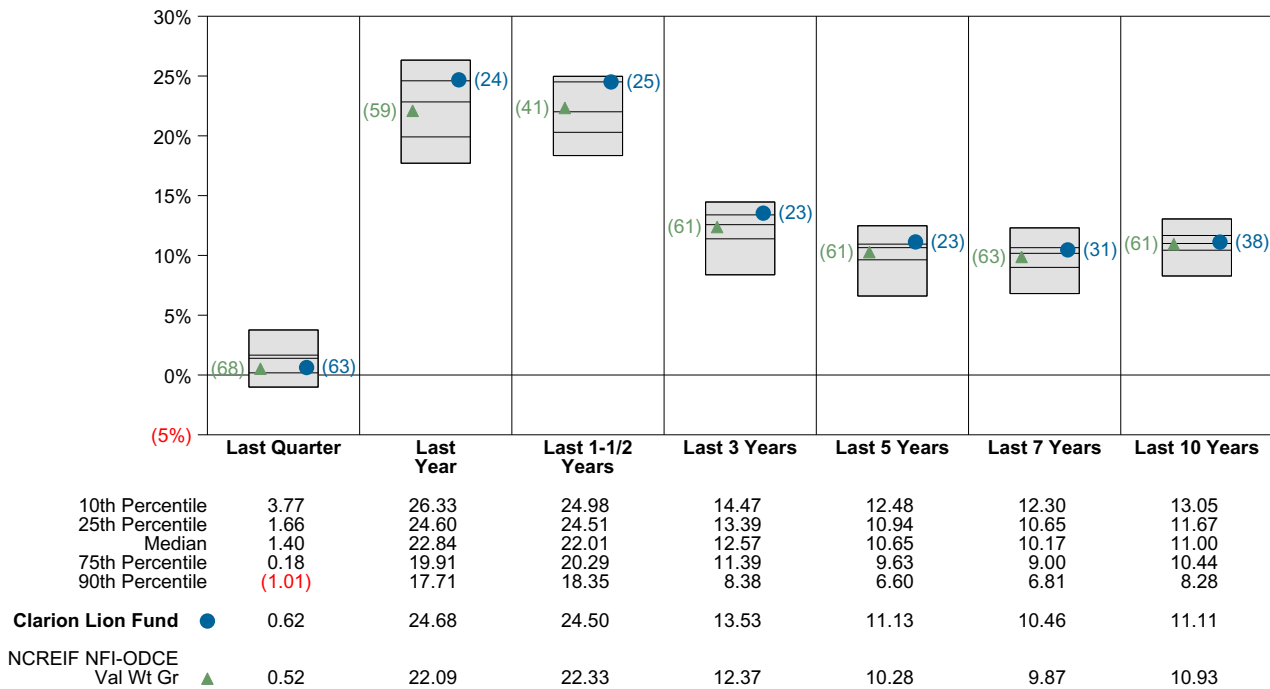
Quarterly Summary and Highlights

- Clarion Lion Fund's portfolio posted a 0.62% return for the quarter placing it in the 63rd percentile of the Callan Real Estate ODCE group for the quarter and in the 24th percentile for the last year.
- Clarion Lion Fund's portfolio outperformed the NCREIF NFI-ODCE Val Wt Gr by 0.10% for the quarter and outperformed the NCREIF NFI-ODCE Val Wt Gr for the year by 2.59%.

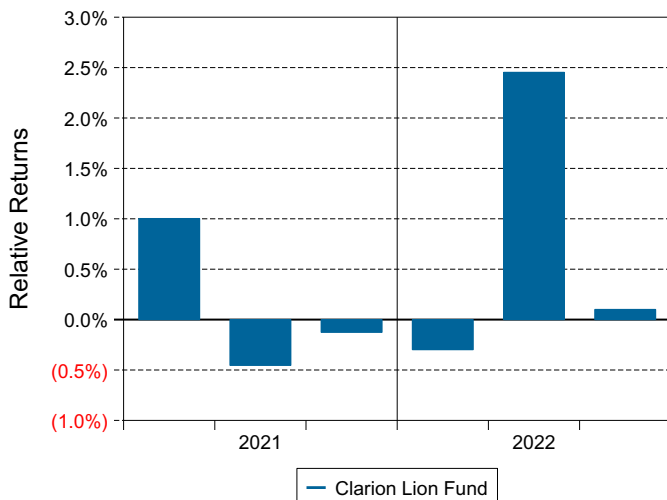
Quarterly Asset Growth

Beginning Market Value	\$20,472,320
Net New Investment	\$0
Investment Gains/(Losses)	\$70,666
Ending Market Value	\$20,542,986

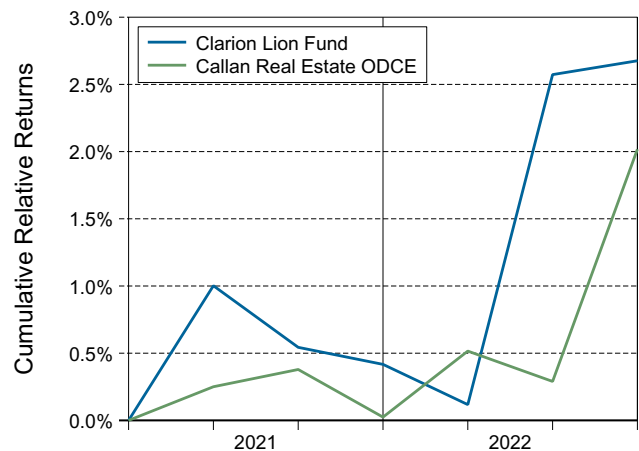
Performance vs Callan Real Estate ODCE (Gross)



Relative Returns vs NCREIF NFI-ODCE Val Wt Gr



Cumulative Returns vs NCREIF NFI-ODCE Val Wt Gr

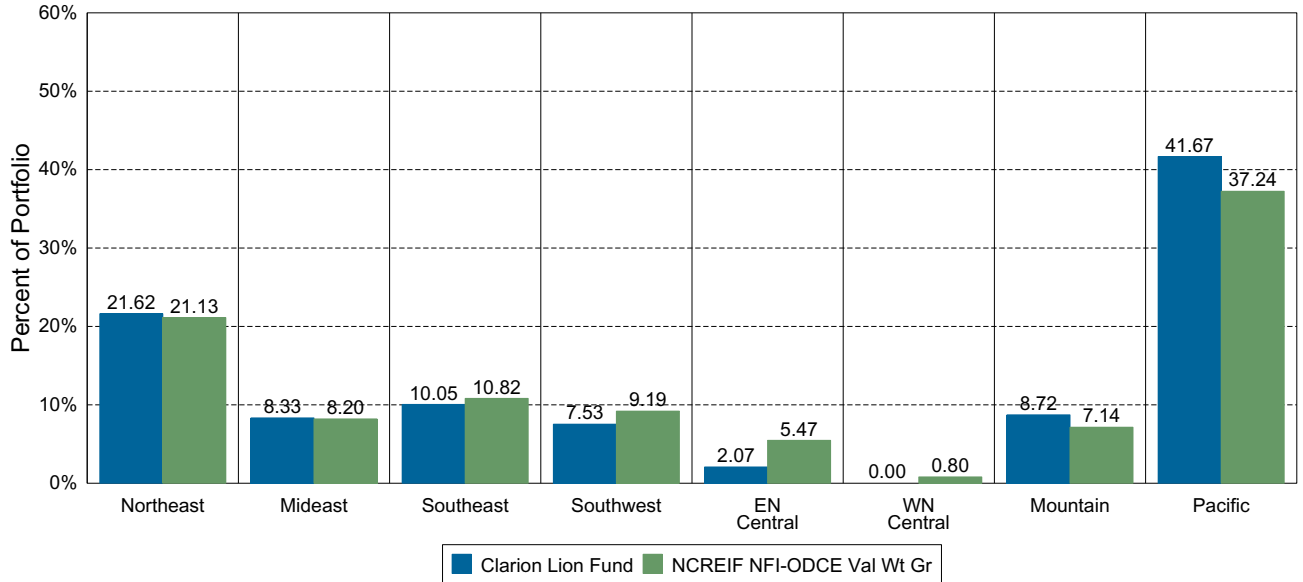


Clarion Lion Fund Diversification Analysis as of September 30, 2022

Diversification Analysis

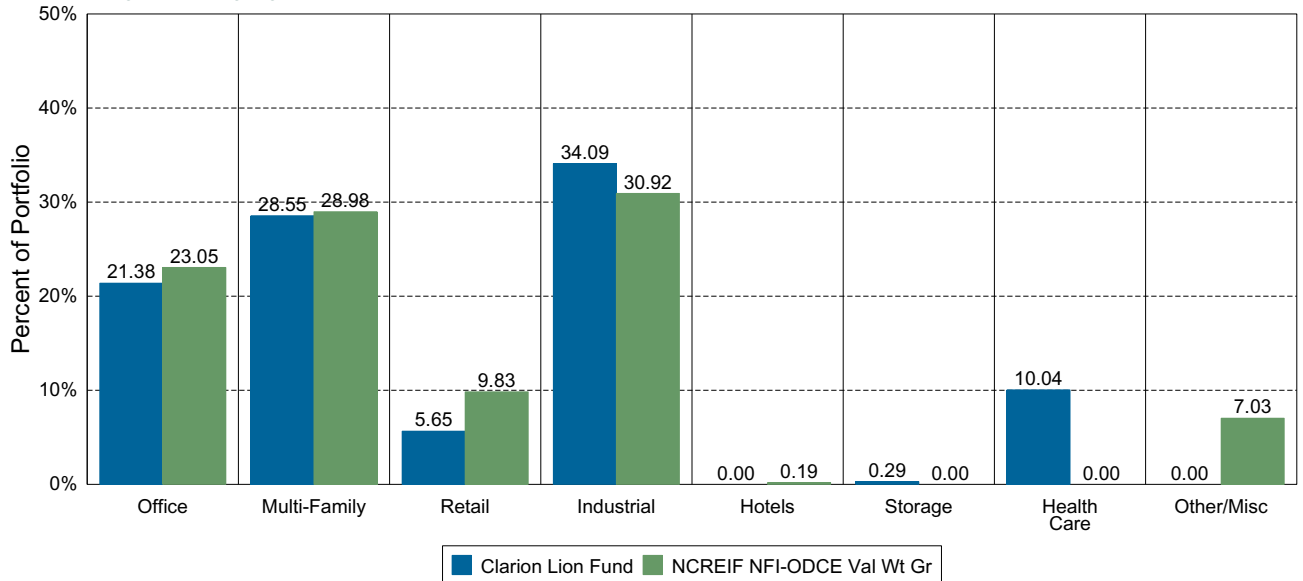
The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Property Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2022



Clarion Lion Fund	21.62%	8.33%	10.05%	7.53%	2.07%	0.00%	8.72%	41.67%
NCREIF NFI-ODCE Val Wt Gr	21.13%	8.20%	10.82%	9.19%	5.47%	0.80%	7.14%	37.24%

Diversification by Property Type as of September 30, 2022



Clarion Lion Fund	21.38%	28.55%	5.65%	34.09%	0.00%	0.29%	10.04%	0.00%
NCREIF NFI-ODCE Val Wt Gr	23.05%	28.98%	9.83%	30.92%	0.19%	0.00%	0.00%	7.03%

Morgan Stanley Period Ended September 30, 2022

Investment Philosophy

The overall strategy of Prime Property Fund is to acquire and own well located, high quality, income-producing commercial real estate in markets with proven investor demand on resale. The Fund is diversified across property types and geographic regions and targets properties with high occupancy levels to provide a relatively stable income component. Returns prior to 6/30/2021 are linked to the fund's history.

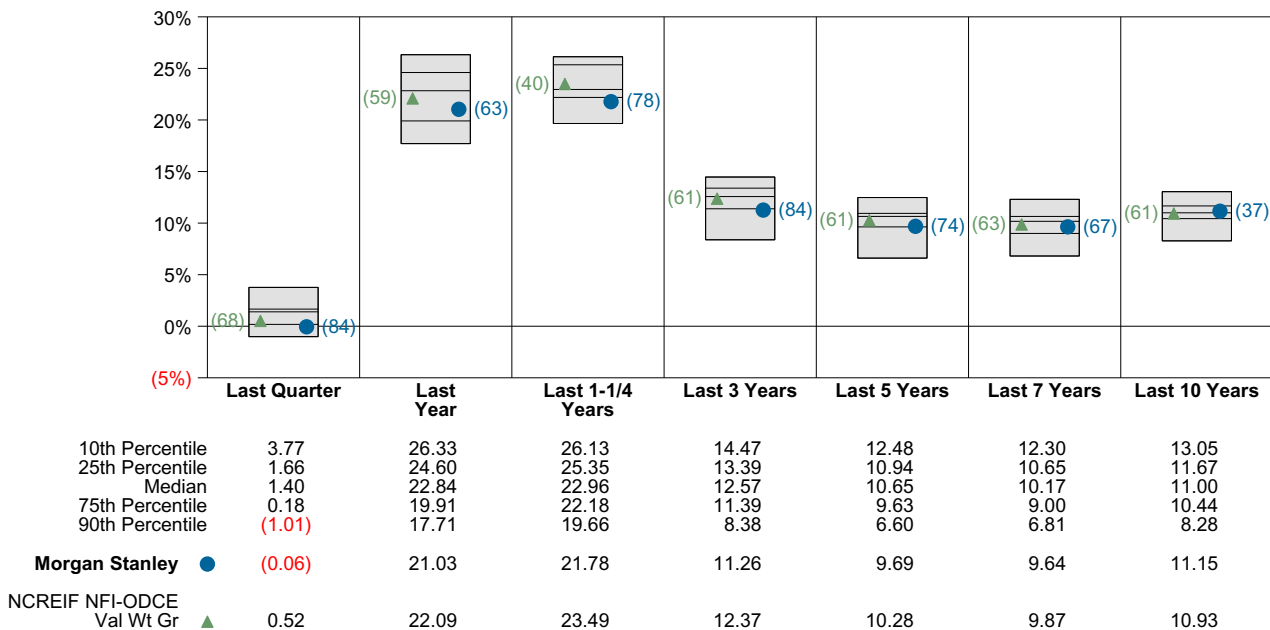
Quarterly Summary and Highlights

- Morgan Stanley's portfolio posted a (0.06)% return for the quarter placing it in the 84 percentile of the Callan Real Estate ODCE group for the quarter and in the 63 percentile for the last year.
- Morgan Stanley's portfolio underperformed the NCREIF NFI-ODCE Val Wt Gr by 0.58% for the quarter and underperformed the NCREIF NFI-ODCE Val Wt Gr for the year by 1.06%.

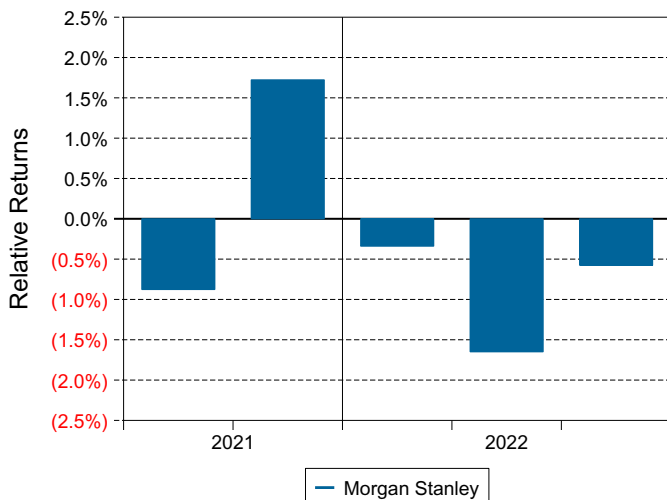
Quarterly Asset Growth

Beginning Market Value	\$18,655,633
Net New Investment	\$0
Investment Gains/(Losses)	\$-10,412
Ending Market Value	\$18,645,222

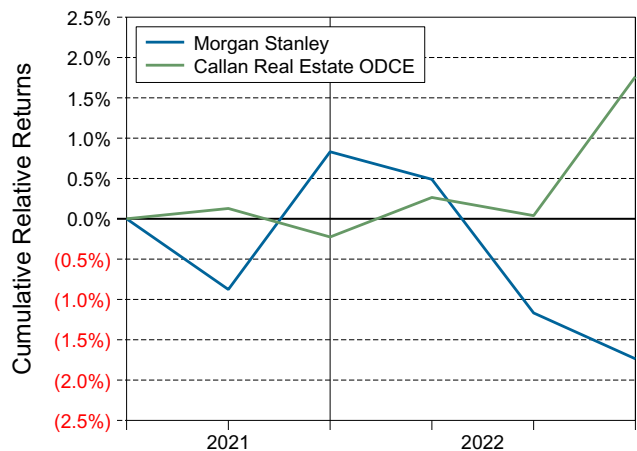
Performance vs Callan Real Estate ODCE (Gross)



Relative Returns vs NCREIF NFI-ODCE Val Wt Gr



Cumulative Returns vs NCREIF NFI-ODCE Val Wt Gr

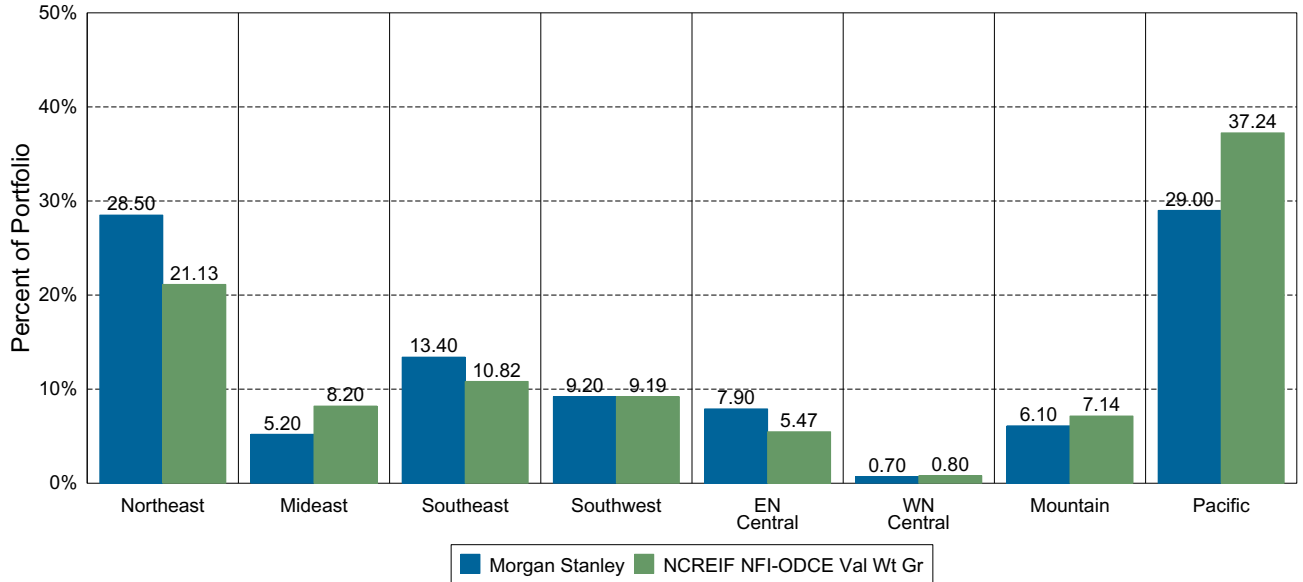


Morgan Stanley Diversification Analysis as of September 30, 2022

Diversification Analysis

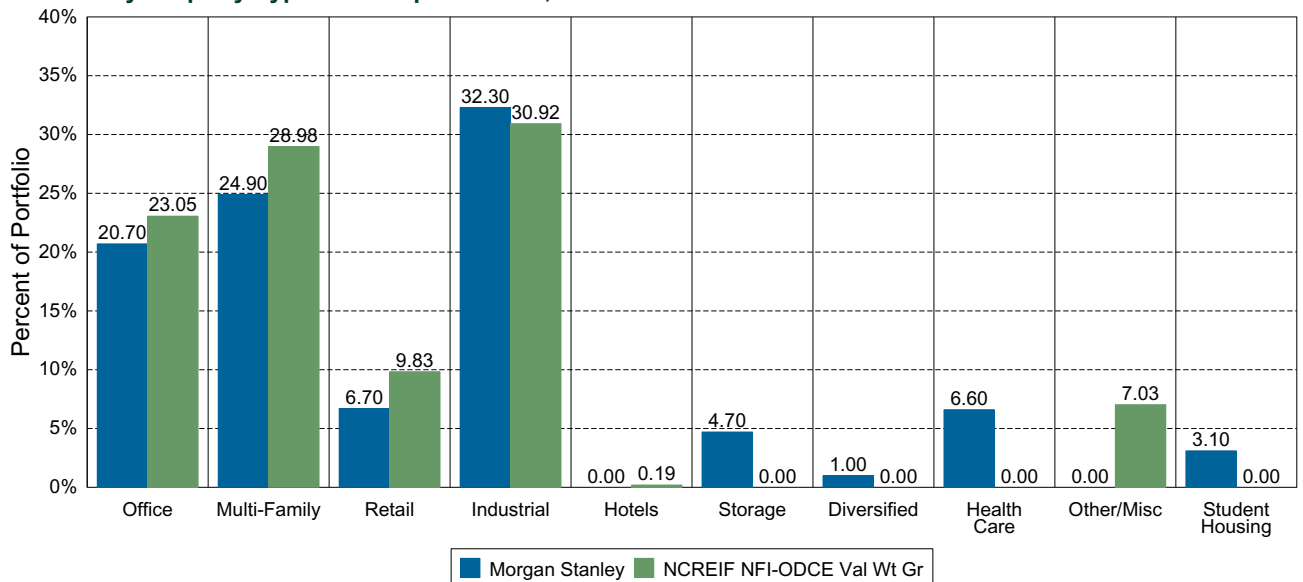
The following charts provide information on the diversification of the portfolio with regards to both Geographic Region and Property Type. Similar information is provided on the relevant market index for comparison.

Diversification by Geographic Region as of September 30, 2022



Morgan Stanley	28.50%	5.20%	13.40%	9.20%	7.90%	0.70%	6.10%	29.00%
NCREIF NFI-ODCE Val Wt Gr	21.13%	8.20%	10.82%	9.19%	5.47%	0.80%	7.14%	37.24%

Diversification by Property Type as of September 30, 2022



Morgan Stanley	20.70%	24.90%	6.70%	32.30%	0.00%	4.70%	1.00%	6.60%	0.00%	3.10%
NCREIF NFI-ODCE Val Wt Gr	23.05%	28.98%	9.83%	30.92%	0.19%	0.00%	0.00%	0.00%	7.03%	0.00%

Risk/Reward Statistics

The risk statistics used in this report examine performance characteristics of a manager or a portfolio relative to a benchmark (market indicator) which assumes to represent overall movements in the asset class being considered. The main unit of analysis is the excess return, which is the portfolio return minus the return on a risk free asset (3 month T-Bill).

Alpha measures a portfolio's return in excess of the market return adjusted for risk. It is a measure of the manager's contribution to performance with reference to security selection. A positive alpha indicates that a portfolio was positively rewarded for the residual risk which was taken for that level of market exposure.

Beta measures the sensitivity of rates of portfolio returns to movements in the market index. A portfolio's beta measures the expected change in return per 1% change in the return on the market. If a beta of a portfolio is 1.5, a 1 percent increase in the return on the market will result, on average, in a 1.5 percent increase in the return on the portfolio. The converse would also be true.

Downside Risk stems from the desire to differentiate between "good risk" (upside volatility) and "bad risk" (downside volatility). Whereas standard deviation punishes both upside and downside volatility, downside risk measures only the standard deviation of returns below the target. Returns above the target are assigned a deviation of zero. Both the frequency and magnitude of underperformance affect the amount of downside risk.

Excess Return Ratio is a measure of risk adjusted relative return. This ratio captures the amount of active management performance (value added relative to an index) per unit of active management risk (tracking error against the index.) It is calculated by dividing the manager's annualized cumulative excess return relative to the index by the standard deviation of the individual quarterly excess returns. The Excess Return Ratio can be interpreted as the manager's active risk/reward tradeoff for diverging from the index when the index is mandated to be the "riskless" market position.

Information Ratio measures the manager's market risk-adjusted excess return per unit of residual risk relative to a benchmark. It is computed by dividing alpha by the residual risk over a given time period. Assuming all other factors being equal, managers with lower residual risk achieve higher values in the information ratio. Managers with higher information ratios will add value relative to the benchmark more reliably and consistently.

R-Squared indicates the extent to which the variability of the portfolio returns are explained by market action. It can also be thought of as measuring the diversification relative to the appropriate benchmark. An r-squared value of .75 indicates that 75% of the fluctuation in a portfolio return is explained by market action. An r-squared of 1.0 indicates that a portfolio's returns are entirely related to the market and it is not influenced by other factors. An r-squared of zero indicates that no relationship exists between the portfolio's return and the market.

Relative Standard Deviation is a simple measure of a manager's risk (volatility) relative to a benchmark. It is calculated by dividing the manager's standard deviation of returns by the benchmark's standard deviation of returns. A relative standard deviation of 1.20, for example, means the manager has exhibited 20% more risk than the benchmark over that time period. A ratio of .80 would imply 20% less risk. This ratio is especially useful when analyzing the risk of investment grade fixed-income products where actual historical durations are not available. By using this relative risk measure over rolling time periods one can illustrate the "implied" historical duration patterns of the portfolio versus the benchmark.

Residual Portfolio Risk is the unsystematic risk of a fund, the portion of the total risk unique to the fund (manager) itself and not related to the overall market. This reflects the "bets" which the manager places in that particular asset market. These bets may reflect emphasis in particular sectors, maturities (for bonds), or other issue specific factors which the manager considers a good investment opportunity. Diversification of the portfolio will reduce or eliminate the residual risk of that portfolio.

Risk/Reward Statistics

Rising Declining Periods refer to the sub-asset class cycles vis-a-vis the broader asset class. This is determined by evaluating the cumulative relative sub-asset class index performance to that of the broader asset class index. For example, to determine the Growth Style cycle, the S&P 500 Growth Index (sub-asset class) performance is compared to that of the S&P 500 Index (broader asset class).

Sharpe Ratio is a commonly used measure of risk-adjusted return. It is calculated by subtracting the "risk-free" return (usually 3 Month Treasury Bill) from the portfolio return and dividing the resulting "excess return" by the portfolio's risk level (standard deviation). The result is a measure of return gained per unit of risk taken.

Sortino Ratio is a downside risk-adjusted measure of value-added. It measures excess return over a benchmark divided by downside risk. The natural appeal is that it identifies value-added per unit of truly bad risk. The danger of interpretation, however, lies in these two areas: (1) the statistical significance of the denominator, and (2) its reliance on the persistence of skewness in return distributions.

Standard Deviation is a statistical measure of portfolio risk. It reflects the average deviation of the observations from their sample mean. Standard deviation is used as an estimate of risk since it measures how wide the range of returns typically is. The wider the typical range of returns, the higher the standard deviation of returns, and the higher the portfolio risk. If returns are normally distributed (ie. has a bell shaped curve distribution) then approximately 2/3 of the returns would occur within plus or minus one standard deviation from the sample mean.

Total Portfolio Risk is a measure of the volatility of the quarterly excess returns of an asset. Total risk is composed of two measures of risk: market (non-diversifiable or systematic) risk and residual (diversifiable or unsystematic) risk. The purpose of portfolio diversification is to reduce the residual risk of the portfolio.

Tracking Error is a statistical measure of a portfolio's risk relative to an index. It reflects the standard deviation of a portfolio's individual quarterly or monthly returns from the index's returns. Typically, the lower the Tracking Error, the more "index-like" the portfolio.

Treynor Ratio represents the portfolio's average excess return over a specified period divided by the beta relative to its benchmark over that same period. This measure reflects the reward over the risk-free rate relative to the systematic risk assumed.

Note: Alpha, Total Risk, and Residual Risk are annualized.

Quarterly Highlights

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit www.callan.com/research-library to see all of our publications, and www.callan.com/blog to view our blog. For more information contact Barb Gerraty at 415-274-3093 / institute@callan.com.

New Research from Callan's Experts

[Research Cafe: Preliminary Mid-Year Capital Markets Assumptions](#) | In this coffee break session, our experts, Jay Kloepfer and Adam Lozinski, describe our preliminary 2023-2032 Capital Markets Assumptions, discuss the process and rationale behind the adjustments of these long-term projections, and explain the potential implications for strategic recommendations.

[Is Financial Wellness the Right Prescription for Your DC Plan?](#) Jana Steele discusses what financial wellness is and how it can be incorporated effectively into a defined contribution (DC) plan.

Blog Highlights

[Do Active Core Plus Fixed Income Managers Add Value With Sector Rotation?](#) | To help answer this question, we used benchmark indices and risk-adjusted them to disentangle an active manager's contribution to performance from a strategic overweight to credit vs. the contribution added by true sector rotation. This provides a quantitative framework for evaluating potential performance, which can be balanced against other considerations, including fees and expenses, complexity, and desired risk and performance patterns.

[Bubbles Bursting Everywhere](#) | The S&P 500 posted its worst six-month return in over 50 years to start the year. Inflation is surging, hitting 40-year highs in the United States. At the same time, interest rates are rising, and, to top it off, a recession may be on the horizon. For institutional investors, navigating these treacherous cross-currents requires an understanding of just how we arrived at this point.

[The Fading Unicorn: How Volatility, Inflation, and Rate Hikes Impact Venture Capital](#) | With Fed rate hikes, skyrocketing prices, and a Nasdaq selloff, venture capital (VC) limited partners have no shortage of worries. The unicorn stampede of the past decade has begun to fade, with many technology companies drastically declining

in value in the public markets. By understanding venture capital's relationship with interest rates, inflation, and the public markets, institutional investors can better navigate the effect on their portfolios in 2022 and beyond.

[Target Date Funds and the Ever-Evolving Glidepath](#) | In 2021 and the first half of 2022, multiple target date fund (TDF) providers announced changes to their strategic TDF glidepaths. The timing of these changes was unique, as capital markets adjusted to a post-pandemic world and a vastly different global outlook.

Quarterly Periodicals

[Private Equity Update, 2Q22](#) | A high-level summary of private equity activity in the quarter through all the investment stages

[Active vs. Passive Charts, 2Q22](#) | A comparison of active managers alongside relevant benchmarks over the long term

[Market Pulse, 2Q22](#) | A quarterly market reference guide covering trends in the U.S. economy, developments for institutional investors, and the latest data on the capital markets

[Capital Markets Review, 2Q22](#) | Analysis and a broad overview of the economy and public and private markets activity each quarter across a wide range of asset classes

[Hedge Fund Update, 2Q22](#) | Commentary on developments for hedge funds and multi-asset class (MAC) strategies

[Real Assets Update, 2Q22](#) | A summary of market activity for real assets and private real estate during the quarter

[Private Credit Update, 2Q22](#) | A review of performance and fundraising activity for private credit during the quarter

Events

A complete list of all upcoming events can be found on our website: callan.com/events-education.

Please mark your calendar and look forward to upcoming invitations:

2023 Capital Markets Projections Webinar

Jan. 18, 2023 – Virtual

2023 National Conference

April 2-4, 2023 – Scottsdale, AZ

For more information about events, please contact Barb Gerraty: 415-274-3093 / gerraty@callan.com

Education: By the Numbers

50+

Unique pieces of research the Institute generates each year

525

Attendees (on average) of the Institute's annual National Conference

3,700

Total attendees of the "Callan College" since 1994

Education

Founded in 1994, the "Callan College" offers educational sessions for industry professionals involved in the investment decision-making process.

Introduction to Investments

March 1-2 – Chicago

May 23-25 – Virtual

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. Our virtual session is held over three days with virtual modules of 2.5-3 hours, while the in-person session lasts one-and-a-half days. This course is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities. Virtual tuition is \$950 per person and includes instruction and digital materials. In-person tuition is \$2,350 per person and includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

Additional information including registration can be found at: callan.com/events-education



"Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry."

Greg Allen, CEO and Chief Research Officer

List of Callan's Investment Manager Clients

Confidential – For Callan Client Use Only

Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry, and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor, and disclose potential conflicts on an ongoing basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database, or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please note that if an investment manager receives a product or service on a complimentary basis (e.g., attending an educational event), they are not included in the list below. Callan is committed to ensuring that we do not consider an investment manager's business relationship with Callan, or lack thereof, in performing evaluations for or making suggestions or recommendations to its other clients. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group, and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance department.

Manager Name
abrdrn (Aberdeen Standard Investments)
Acadian Asset Management LLC
Adams Street Partners, LLC
AEGON USA Investment Management Inc.
AllianceBernstein
Allianz
Allspring Global Investments
American Century Investments
Amundi US, Inc.
Antares Capital LP
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Aristotle Capital Management, LLC
Atlanta Capital Management Co., LLC
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors

Manager Name
Barings LLC
Baron Capital Management, Inc.
Barrow, Hanley, Mewhinney & Strauss, LLC
BentallGreenOak
BlackRock
Blackstone Group (The)
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
Brookfield Asset Management Inc.
Brown Brothers Harriman & Company
Capital Group
Carillon Tower Advisers
CastleArk Management, LLC
Chartwell Investment Partners
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.

Manager Name

Columbia Threadneedle Investments North America

Credit Suisse Asset Management, LLC

Crescent Capital Group LP

DePrince, Race & Zollo, Inc.

Dimensional Fund Advisors L.P.

Doubleline

Duff & Phelps Investment Management Co.

DWS

EARNEST Partners, LLC

Epoch Investment Partners, Inc.

Fayez Sarofim & Company

Federated Hermes, Inc.

Fidelity Institutional Asset Management

Fiera Capital Corporation

First Hawaiian Bank Wealth Management Division

First Sentier Investors

Fisher Investments

Franklin Templeton

Fred Alger Management, LLC

GAM (USA) Inc.

GlobeFlex Capital, L.P.

GoldenTree Asset Management, LP

Goldman Sachs

Golub Capital

Guggenheim Investments

GW&K Investment Management

Harbor Capital Group Trust

Hardman Johnston Global Advisors LLC

Heitman LLC

Hotchkis & Wiley Capital Management, LLC

Impax Asset Management LLC

Income Research + Management

Insight Investment

Intech Investment Management LLC

Intercontinental Real Estate Corporation

Invesco

J.P. Morgan

Janus

Jennison Associates LLC

Jobs Peak Advisors

Manager Name

KeyCorp

Lazard Asset Management

LGIM America

Lincoln National Corporation

Longview Partners

Loomis, Sayles & Company, L.P.

Lord Abbett & Company

LSV Asset Management

MackKay Shields LLC

Macquarie Asset Management

Manning & Napier Advisors, LLC

Manulife Investment Management

Marathon Asset Management, L.P.

McKinley Capital Management, LLC

Mellon

MetLife Investment Management

MFS Investment Management

MidFirst Bank

MLC Asset Management

Mondrian Investment Partners Limited

Montag & Caldwell, LLC

Morgan Stanley Investment Management

MUFG Union Bank, N.A.

Natixis Investment Managers

Neuberger Berman

Newton Investment Management

Ninety One North America, Inc.

Northern Trust Asset Management

Nuveen

P/E Investments

Pacific Investment Management Company

Pantheon Ventures

Parametric Portfolio Associates LLC

Partners Group (USA) Inc.

Pathway Capital Management, LP

Peregrine Capital Management, LLC

PFM Asset Management LLC

PGIM Fixed Income

PGIM Quantitative Solutions LLC

Pictet Asset Management

Manager Name

PineBridge Investments

Polen Capital Management, LLC

Principal Global Investors

Putnam Investments, LLC

Raymond James Investment Management

RBC Global Asset Management

Regions Financial Corporation

Richard Bernstein Advisors LLC

Robeco Institutional Asset Management, US Inc.

Rothschild & Co. Asset Management US

S&P Dow Jones Indices

Schroder Investment Management North America Inc.

Segall Bryant & Hamill

SLC Management

Smith Graham & Co. Investment Advisors, L.P.

State Street Global Advisors

Strategic Global Advisors, LLC

T. Rowe Price Associates, Inc.

Manager Name

The TCW Group, Inc.

Thompson, Siegel & Walmsley LLC

Thornburg Investment Management, Inc.

Tri-Star Trust Bank

UBS Asset Management

VanEck

Versus Capital Group

Victory Capital Management Inc.

Virtus Investment Partners, Inc.

Vontobel Asset Management

Voya

Walter Scott & Partners Limited

WCM Investment Management

Wellington Management Company, LLP

Western Asset Management Company LLC

Westfield Capital Management Company, LP

William Blair & Company LLC

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The statements made herein may include forward-looking statement regarding future results. The forward-looking statement herein: (i) are best estimations consistent with the information available as of the date hereof and (ii) involve known and unknown risks and uncertainties. Actual results may vary, perhaps materially, from the future result projected in this document. Undue reliance should not be placed on forward-looking statements.

Callan disclaims any responsibility for reviewing the risks of individual securities or the compliance/non-compliance of individual security holdings with a client's investment policy guidelines.

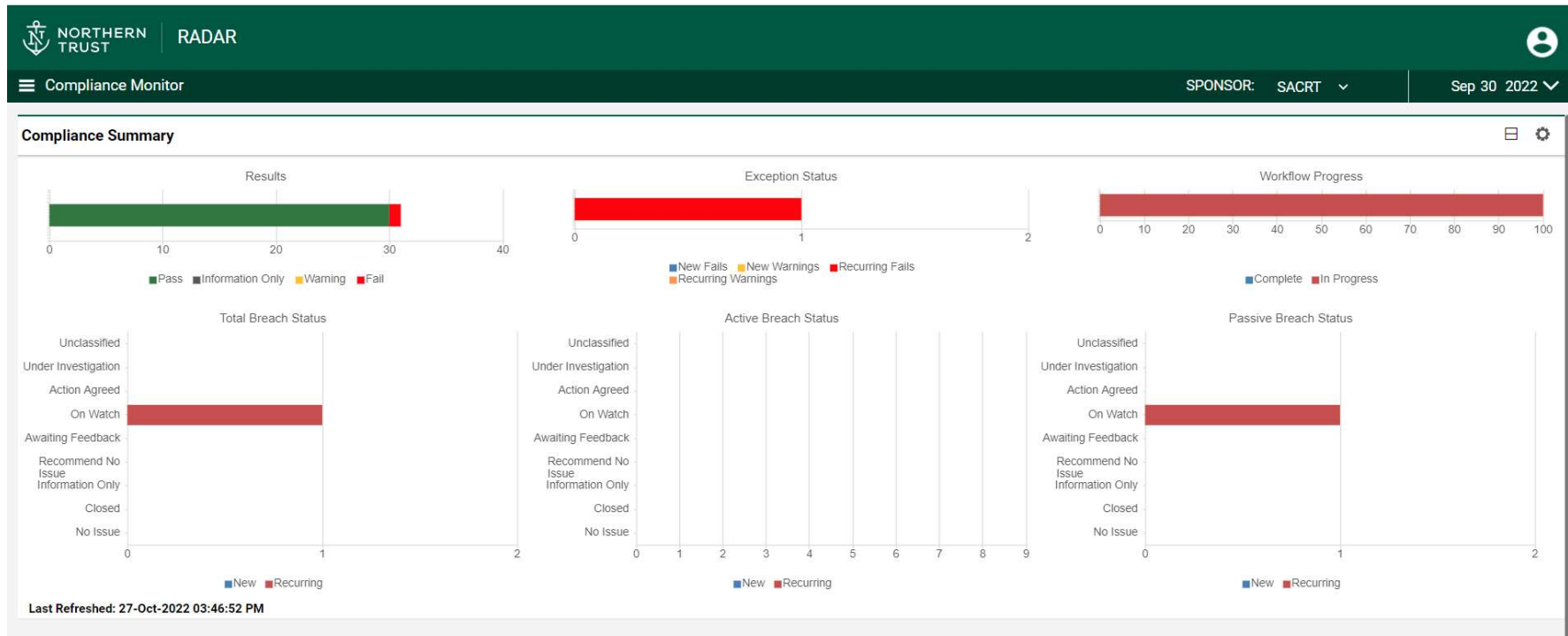
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Reference to, or inclusion in this document of, any product, service or entity should not necessarily be construed as recommendation, approval, or endorsement or such product, service or entity by Callan. This document is provided in connection with Callan's consulting services and should not be viewed as an advertisement of Callan, or of the strategies or products discussed or referenced herein.

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Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.



Note: The compliance breach is a carry forward from March 2022 and was caused by a restructuring of Intelsat, a global provider of satellite communications services (original holdings Intelsat Jackson CUSIPs 45824TAY1 and 45824TBA2 and current holdings CUSIPs L5217E120, L5137X109, L5137X117, 458ESCAB6 and 458ESCAC4); which are part of MetWest/TCW's portfolio holdings. As a result of the restructuring, there will be an equity line item in the portfolio for some period as MetWest/TCW seeks an opportunistic disposition to maximize the realized value. In time, execution on Intelsat's business plan should improve the liquidity and value of Intelsat common shares, leading to a full liquidation from the portfolio. Northern Trust's compliance monitoring settings were set to flag equity common stock, equity rights and other sundry assets as compliance breaches. The Intelsat investments were originally purchased as Corporate Bonds so this incident is not a violation of the investment policy. The current equity common stock, equity rights and other sundry assets will continue to be monitored until MetWest/TCW disposes of the securities.

Type Filters Applied:All,Fail,Information Only,Warning Breach Status Filters Applied:All,Active,Passive

Breach ID	Rule Processing Frequency	Account / Consolidation Name	Rule Name	Rule Category	Result Type	Valuation Date	Run Date	Age	Link	Active Passive Marker	Breach Cause	Breach Status	Workflow Status	Commentary
SACR03.R1.199	DAILY	SACRT - METWEST	PA44271 - SACRT SACR03 Permitted Investments	Permitted Assets	Fail	30-Sep-2022	2-Oct-2022	131	Linked	Passive	Corporate Action	On Watch	Under Investigation	

Compliance Results

Breach Result Numerator: 65,086.63 Denominator: 86,203,009.58

Account ID	Account Name	Total Market Value	Securities Triggered	% Results
SACR03	SACRT - METWEST	65,086.63	5	0.08

Reference Date:24-May-2022

Sponsor:SACRT

Compliance Breach Result:Fail - Permitted Assets

Valuation Date:24-May-2022

Rule Name:PA44271 - SACRT SACR03 Permitted Investments

Rule Run Date:24-May-2022

Rule Narrative:Flags Prohibited Investments only. Please refer to IMA Language for more details.

Breach Id:SACR03.R1.106

Benchmark:

Active/Passive:Passive

Breach Status:On Watch

Breach Cause:Corporate Action

Commentary:Incident Description - The compliance breach was caused by a restructuring of Intelsat, a global provider of satellite communications services (original holdings Intelsat Jackson CUSIPs 45824TAY1 and 45824TBA2 and current holdings CUSIPs L5217E120, L5137X109, L5137X117, 458ESCAB6 and 458ESCAC4); which are part of MetWest/TCW's portfolio holdings. As a result of the restructuring, there will be an equity line item in the portfolio for some period as MetWest/TCW seeks an opportunistic disposition to maximize the realized value. In time, execution on Intelsat's business plan should improve the liquidity and value of Intelsat common shares, leading to a full liquidation from the portfolio. Northern Trust's compliance monitoring settings were set to flag equity common stock, equity rights and other sundry assets as compliance breaches. The Intelsat investments were originally purchased as Corporate Bonds so this incident is not a violation of the investment policy. The current equity common stock, equity rights and other sundry assets will continue to be monitored until MetWest/TCW disposes of the securities. by Lynda Volk from 25-MAY-22 at 12:27;

Asset Category/Name	Country of Risk	Security Identifier	Id Type	Shares/Par Value	Market Value Base	Security Weight %
Equities						
Common Stock						
Common Stock						
INTELSAT S.A.	Luxembourg	LU2445093128	ISIN	2,120.00	63,070.00	0.07
Rights/Warrants						
Rights						
INTELSAT JACKSON HOLDINGS S A BEF+ RTS 12-05-2025	United States	LU2445092583	ISIN	221.00	966.88	0.00
INTELSAT JACKSON HOLDINGS S A RTS BEF+ 12-05-2025	United States	LU2445091858	ISIN	221.00	1,049.75	0.00
Other Assets						
Miscellaneous						
Sundry Asset						
ESC CB144A INTELSAT JA D07/05/17 9.75% JJ25 ESCROW	United States	458ESCAC4	CUSIP	145,000.00	0.00	0.00

All data is offered on the basis of the best available information, and is subject to the limitand constraints set forth in the Northern Trust Terms for Compliance Analyst Service.

We offer the Compliance Analyst service based on Northern Trust's definition of security classifications and prices, which are obtained through internal processes and vended information.

Reference Date:24-May-2022

Sponsor:SACRT

Compliance Breach Result:Fail - Permitted Assets

Valuation Date:24-May-2022

Rule Name:PA44271 - SACRT SACR03 Permitted Investments

Rule Run Date:24-May-2022

Rule Narrative:Flags Prohibited Investments only. Please refer to IMA Language for more details.

Breach Id:SACR03.R1.106

Benchmark:

Active/Passive:Passive

Breach Status:On Watch

Breach Cause:Corporate Action

Commentary:Incident Description - The compliance breach was caused by a restructuring of Intelsat, a global provider of satellite communications services (original holdings Intelsat Jackson CUSIPs 45824TAY1 and 45824TBA2 and current holdings CUSIPs L5217E120, L5137X109, L5137X117, 458ESCAB6 and 458ESCAC4); which are part of MetWest/TCW's portfolio holdings. As a result of the restructuring, there will be an equity line item in the portfolio for some period as MetWest/TCW seeks an opportunistic disposition to maximize the realized value. In time, execution on Intelsat's business plan should improve the liquidity and value of Intelsat common shares, leading to a full liquidation from the portfolio. Northern Trust's compliance monitoring settings were set to flag equity common stock, equity rights and other sundry assets as compliance breaches. The Intelsat investments were originally purchased as Corporate Bonds so this incident is not a violation of the investment policy. The current equity common stock, equity rights and other sundry assets will continue to be monitored until MetWest/TCW disposes of the securities. by Lynda Volk from 25-MAY-22 at 12:27;

Asset Category/Name	Country of Risk	Security Identifier	Id Type	Shares/Par Value	Market Value Base	Security Weight %
ESC CB144A INTELSAT JA D09/19/18 8.5% AO24 ESCROW	United States	458ESCAB6	CUSIP	77,000.00	0.00	0.00



RETIREMENT BOARD STAFF REPORT

DATE: December 14, 2022 Agenda Item: 13
TO: Sacramento Regional Transit Retirement Board – ALL
FROM: John Gobel, Manager, Pension and Retirement Services
SUBJ: ANNUAL REPORT ON EDUCATIONAL ACTIVITIES OF RETIREMENT BOARD MEMBERS (ALL). (Gobel)

RECOMMENDATION

No Recommendation - Information Only

RESULT OF RECOMMENDED ACTION

No recommended action.

FISCAL IMPACT

None. Costs associated with the education and training of the Retirement Boards are considered administrative expenses of the Retirement Plans and are paid from the trust (rather than by the plan sponsor).

DISCUSSION

At the Retirement Boards' meeting on September 8, 2022, Staff reported that two relatively new Directors had recently completed the CALAPRS Principles of Pension Governance course. Thereafter, MCEG Retirement Board Director Lisa Hinz and IBEW Retirement Board Alternate Director David Thompson were asked to share their experiences and impressions of the in-person, four-day CALAPRS training event. Finally, Staff reminded the Retirement Boards that new Directors were required to attend a CALAPRS training or a comparable program within 24 months of their appointment in accordance with the Retirement Board Member and Staff Education and Travel Policy ("Policy").

As background, the Policy was originally adopted by the Retirement Boards in 2006, and then revised in 2017. To clarify that costs associated with relevant CALAPRS trainings are not subject to the annual Retirement Board Member and Staff training budget of \$1,500, the Retirement Boards adopted a further revised Policy on December 12, 2018 (attached as Exhibit A).

The Policy directs Staff to coordinate two internal educational seminars for Retirement Board members per year. For the 2022 calendar year, these seminars included Cheiron's expanded actuarial presentation at the special Retirement Board meeting on February 16, 2022 and Hanson Bridgett's AB 1234 ethical standards training at the regular, quarterly Retirement Board meeting on December 14, 2022. The Policy also directs Staff to submit an annual report to the Retirement Boards on educational activities. This initial report meets that criterion for 2022.

In addition to mandating training for new Directors and establishing a threshold for the continuing education of current Directors, the Policy contemplates that Staff will regularly apprise the Retirement Boards of opportunities for external training and prepare semi-annual reports for each Director. Beginning with the 2023 calendar year, progress will be made toward those goals by discussing current educational opportunities during the Quarterly Verbal Update from the Manager of Pension and Retirement Services provided at regular Board meetings, and by distributing semi-annual educational reports to individual Directors.

EXHIBIT A

RETIREMENT BOARD MEMBER AND STAFF EDUCATION AND TRAVEL POLICY

PREAMBLE

1. The Retirement Board's fiduciary duties of loyalty, skill, care and diligence extend across all facets of Plan administration, including the investment and management of public pension funds. Retirement Board Members acknowledge the need to acquire the necessary knowledge for prudently discharging their fiduciary duties in their roles as Retirement Board Members. Accordingly, the Retirement Board has adopted this Education and Travel Policy to provide Retirement Board Members with rules and guidelines for obtaining necessary education on matters related to public pension administration and investments.
2. This Policy will be implemented in compliance with the relevant provisions of the California Constitution, and applied consistently with the existing philosophy, objectives, policies and guidelines approved by the Retirement Board.

POLICY OBJECTIVES

3. The objectives of this Policy are to:
 - a. Ensure that all Retirement Board Members are provided with adequate opportunity and support to acquire the knowledge they need to effectively carry out their Retirement Board duties in a fiduciary capacity;
 - b. Raise awareness of the importance of fiduciary education for Retirement Board Members, and the level of expected Retirement Board Member commitment to that education;
 - c. Provide guidelines by which the Sacramento Regional Transit District (SacRT) will reimburse Retirement Board Members and Retirement Board Staff for qualifying travel expenditures; and
 - d. Ensure that travel expenditures incurred are prudent and cost effective.

POLICY GUIDELINES

General Provisions

4. Retirement Board Members agree to develop and maintain a sufficient level of knowledge and understanding of relevant issues pertaining to Plan administration throughout their terms on the Retirement Board.

5. Retirement Board Members agree to pursue appropriate education across a range of relevant pension-related topics designed to help them become proficient in performing their Retirement Board duties, rather than limiting their education to particular areas. The general topics include:
 - a. Governance and fiduciary duty;
 - b. Ethics;
 - c. Investment policy and asset allocation;
 - d. Benefits administration;
 - e. Actuarial policies and funding;
 - f. Technology; and
 - g. Regulatory and legal issues.
6. Appropriate educational tools for Retirement Board Members include, but are not limited to:
 - a. Conferences, seminars, webinars, workshops, roundtables, courses or similar events;
 - b. Association meetings or events;
 - c. In-house trainings such as the New Trustee Orientation program; and d. Relevant periodicals, listservs, journals, textbooks or similar materials.
7. Retirement Board Staff will regularly identify appropriate educational opportunities and distribute information about those opportunities to Retirement Board Members. Retirement Board Members are also encouraged to suggest educational opportunities that provide value to the Retirement Board. If a Retirement Board Member requests overnight lodging or other significant travel-related expenses, the conference or seminar that the Retirement Board Member should include an average of at least five hours of substantive educational content per day.
8. Retirement Board Members will make every reasonable effort to satisfy the following minimum standards and goals:
 - a. Acquire and maintain an appropriate level of knowledge and skill in each of the topic areas listed in Item 5 to ensure prudent Plan administration in accordance with the Retirement Board Members' fiduciary duties.
 - b. Attend the in-house New Trustee Orientation within three months of election or appointment, or before sitting at the first Retirement Board meeting as a voting member, whichever is earliest.

- c. Attend Principles of Pension Management offered by California Association of Public Retirement Systems (CALAPRS), or similar introductory trustee training, as soon as reasonably possible following appointment or election, but no later than 24 months following appointment or election. The Retirement Board may waive this requirement if it is determined that the new Retirement Board Member received this education prior to the member's election or appointment and a waiver would serve the best interests of the Plan.
 - d. Obtain 24 hours of education within two years of assuming office and for every subsequent two-year period in which the Retirement Board Member continues to sit on the Retirement Board. The 24 hours of education can consist of any of the opportunities listed in Item 6.
 - e. Participate in any in-house educational seminars or trainings that may be offered from time to time.
9. A Sacramento Regional Transit District (SacRT) employee functioning as a Retirement Board Member will not suffer a loss of compensation while obtaining, or traveling to or from, training pursuant to this Policy during his or her regularly scheduled working hours.
10. On a semi-annual basis, Retirement Board Staff will notify Retirement Board Members of their progress toward the educational goals established in this Policy.
11. On an annual basis, Retirement Board Staff will submit a report to the Retirement Board on the educational activities of the Retirement Board Members. At a minimum, the report will summarize:
- a. conference attendance;
 - b. attendance at in-house educational sessions held during the year; and
 - c. other educational activities.

Orientation Program

12. Retirement Board Staff will conduct an orientation program covering the general topics outlined in Item 5 above, for each new Retirement Board Member within three months of election or appointment or before the Retirement Board Member sits at the first Retirement Board meeting as a voting member, whichever is earliest. The aim of the orientation program will be to ensure that new Retirement Board Members are in a position to contribute fully to Retirement Board and committee deliberations, and effectively carry out their fiduciary duties while serving on the Retirement Board.
13. As soon as possible following their election or appointment to the Retirement Board, new Retirement Board Members will:
- a. Be provided with a Retirement Board Member Handbook and any other documents that the Pension and Retiree Services Administrator deems necessary;

- b. Be oriented by the Retirement Board Chairperson, or the Chairperson's designee, on current issues before the Retirement Board; and
 - c. Be introduced to other Retirement Board Members.
14. Prior to attending their first meeting of the Retirement Board as a trustee, new Retirement Board Members will endeavor to attend a meeting of the Retirement Board as an observer.

In-House Educational Seminars

15. Retirement Board Staff will coordinate at least two in-house educational seminars each year such as:
- a. AB 1234 Public Sector Ethics training, which is a required 2-hour training every two years; and
 - b. One or more other trainings covering one or more of the topics listed in Item 5. Retirement Board Members may suggest topics.

In-house seminars may be added to regular Retirement Board meetings or organized as stand-alone sessions.

Approval and Reporting of Conference Attendance

16. The Treasury Controller will approve attendance by Retirement Board Members at advanced CALAPRS trainings, including Principles of Pension Management for Trustees, and Advanced Principles of Pension Management for Trustees, and attendance by Retirement Board Members or Staff at any of the courses in CALAPRS Courses for Retirement Plan Administration series. The Treasury Controller will approve other trainings for Retirement Board Members or Retirement Board Staff that fall within the established procurement authority and under the \$1,500 annual training budget established by resolution on June 6, 2011. The \$1,500 budget does not cover costs associated with the introductory trustee training offered by CALAPRS, or advanced CALAPRS trainings. Costs associated with attending such CALAPRS trainings are not drawn down from this \$1,500 budget.
17. The Retirement Board must approve trainings that do not qualify under Item 16 above.
18. In authorizing attendance to a conference or seminar, priority will be given to Retirement Board Members who have not previously attended the same or a similar conference or seminar, so as to carry out the Retirement Board's intent to distribute conference and seminar opportunities on a fair and equitable basis.
19. If more than two members of a Retirement Board will be attending a training together outside of a noticed public meeting, the Retirement Board Members may not engage in discussions regarding the business of the Retirement Board while at the training. However, attendance at educational conference seminars and social activities by more than two members of Retirement Board is not a violation of this provision.

20. Board Members will inform Retirement Board Staff of all pension and investment-related conferences attended. This information will be used for education tracking purposes only.
21. Requests for reimbursement of travel-related expenses are subject to Sacramento Regional Transit District's Reimbursement of Expense Policy and Procedures.
22. Upon returning from a conference, attendees will submit oral or written reports to Retirement Board Staff and fellow Retirement Board members on the content and quality of the conference or other training opportunity attended. Attendees will also provide a copy of any materials distributed at the conference.
23. Retirement Board Staff will retain and catalogue all relevant conference materials submitted by Retirement Board Members. If appropriate, copies of the materials will be distributed to other Retirement Board Members.

Reporting of Other Training Opportunities

24. Retirement Board Staff will regularly notify Retirement Board Members of other educational opportunities, such as webinars and industry articles. These notifications will generally be via email.
25. Following participation in any other educational activity or training, Retirement Board Members will notify Retirement Board Staff of their activity for training tracking purposes.

Publication

26. A copy of this policy will be provided to Retirement Board Members and other interested parties upon request.

POLICY REVIEW

27. The Retirement Board will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

POLICY HISTORY

28. The Retirement Board adopted the original policy on November 20, 2006, and adopted a revised policy on June 14, 2017. The Retirement Board adopted this revised policy on December 12, 2018.

EXHIBIT A

RETIREMENT BOARD MEMBER AND STAFF EDUCATION AND TRAVEL POLICY

PREAMBLE

1. The Retirement Board's fiduciary duties of loyalty, skill, care and diligence extend across all facets of Plan administration, including the investment and management of public pension funds. Retirement Board Members acknowledge the need to acquire the necessary knowledge for prudently discharging their fiduciary duties in their roles as Retirement Board Members. Accordingly, the Retirement Board has adopted this Education and Travel Policy to provide Retirement Board Members with rules and guidelines for obtaining necessary education on matters related to public pension administration and investments.
2. This Policy will be implemented in compliance with the relevant provisions of the California Constitution, and applied consistently with the existing philosophy, objectives, policies and guidelines approved by the Retirement Board.

POLICY OBJECTIVES

3. The objectives of this Policy are to:
 - a. Ensure that all Retirement Board Members are provided with adequate opportunity and support to acquire the knowledge they need to effectively carry out their Retirement Board duties in a fiduciary capacity;
 - b. Raise awareness of the importance of fiduciary education for Retirement Board Members, and the level of expected Retirement Board Member commitment to that education;
 - c. Provide guidelines by which the Sacramento Regional Transit District (SacRT) will reimburse Retirement Board Members and Retirement Board Staff for qualifying travel expenditures; and
 - d. Ensure that travel expenditures incurred are prudent and cost effective.

POLICY GUIDELINES

General Provisions

4. Retirement Board Members agree to develop and maintain a sufficient level of knowledge and understanding of relevant issues pertaining to Plan administration throughout their terms on the Retirement Board.

5. Retirement Board Members agree to pursue appropriate education across a range of relevant pension-related topics designed to help them become proficient in performing their Retirement Board duties, rather than limiting their education to particular areas. The general topics include:
 - a. Governance and fiduciary duty;
 - b. Ethics;
 - c. Investment policy and asset allocation;
 - d. Benefits administration;
 - e. Actuarial policies and funding;
 - f. Technology; and
 - g. Regulatory and legal issues.
6. Appropriate educational tools for Retirement Board Members include, but are not limited to:
 - a. Conferences, seminars, webinars, workshops, roundtables, courses or similar events;
 - b. Association meetings or events;
 - c. In-house trainings such as the New Trustee Orientation program; and d. Relevant periodicals, listservs, journals, textbooks or similar materials.
7. Retirement Board Staff will regularly identify appropriate educational opportunities and distribute information about those opportunities to Retirement Board Members. Retirement Board Members are also encouraged to suggest educational opportunities that provide value to the Retirement Board. If a Retirement Board Member requests overnight lodging or other significant travel-related expenses, the conference or seminar that the Retirement Board Member should include an average of at least five hours of substantive educational content per day.
8. Retirement Board Members will make every reasonable effort to satisfy the following minimum standards and goals:
 - a. Acquire and maintain an appropriate level of knowledge and skill in each of the topic areas listed in Item 5 to ensure prudent Plan administration in accordance with the Retirement Board Members' fiduciary duties.
 - b. Attend the in-house New Trustee Orientation within three months of election or appointment, or before sitting at the first Retirement Board meeting as a voting member, whichever is earliest.

- c. Attend Principles of Pension Management offered by California Association of Public Retirement Systems (CALAPRS), or similar introductory trustee training, as soon as reasonably possible following appointment or election, but no later than 24 months following appointment or election. The Retirement Board may waive this requirement if it is determined that the new Retirement Board Member received this education prior to the member's election or appointment and a waiver would serve the best interests of the Plan.
 - d. Obtain 24 hours of education within two years of assuming office and for every subsequent two-year period in which the Retirement Board Member continues to sit on the Retirement Board. The 24 hours of education can consist of any of the opportunities listed in Item 6.
 - e. Participate in any in-house educational seminars or trainings that may be offered from time to time.
9. A Sacramento Regional Transit District (SacRT) employee functioning as a Retirement Board Member will not suffer a loss of compensation while obtaining, or traveling to or from, training pursuant to this Policy during his or her regularly scheduled working hours.
10. On a semi-annual basis, Retirement Board Staff will notify Retirement Board Members of their progress toward the educational goals established in this Policy.
11. On an annual basis, Retirement Board Staff will submit a report to the Retirement Board on the educational activities of the Retirement Board Members. At a minimum, the report will summarize:
- a. conference attendance;
 - b. attendance at in-house educational sessions held during the year; and
 - c. other educational activities.

Orientation Program

12. Retirement Board Staff will conduct an orientation program covering the general topics outlined in Item 5 above, for each new Retirement Board Member within three months of election or appointment or before the Retirement Board Member sits at the first Retirement Board meeting as a voting member, whichever is earliest. The aim of the orientation program will be to ensure that new Retirement Board Members are in a position to contribute fully to Retirement Board and committee deliberations, and effectively carry out their fiduciary duties while serving on the Retirement Board.
13. As soon as possible following their election or appointment to the Retirement Board, new Retirement Board Members will:
- a. Be provided with a Retirement Board Member Handbook and any other documents that the Pension and Retiree Services Administrator deems necessary;

- b. Be oriented by the Retirement Board Chairperson, or the Chairperson's designee, on current issues before the Retirement Board; and
 - c. Be introduced to other Retirement Board Members.
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RETIREMENT BOARD STAFF REPORT

DATE: December 14, 2022 Agenda Item: 15
TO: Sacramento Regional Transit Retirement Board – ALL
FROM: John Gobel, Manager, Pension and Retirement Services
SUBJ: AB 1234 ETHICAL STANDARDS TRAINING 2022 (ALL). (Gobel)

RECOMMENDATION

No Recommendation - Information Only

RESULT OF RECOMMENDED ACTION

Compliance with biennial local government ethics training requirements for certain public officials.

FISCAL IMPACT

There is no fiscal impact associated with this action.

DISCUSSION

California Assembly Bill 1234 (“AB 1234”) has been in effect since January 1, 2006 and requires certain public officials to complete ethics training every two years. For reference, these requirements are codified in Government Code §§ 53234 to 53235.2.

Under AB 1234, select local public officials are required to take a training course to educate them on the ethical standards required of any individual who works in local government. This training is required within one year of an official's appointment and must be repeated at least once every two years. This requirement extends to Retirement Board Members. The Retirement Boards last received the training in December 2020.

Attorneys from Hanson Bridgett, Legal Counsel for the Retirement Boards, will conduct a two-hour ethics training session for regular and alternate members of all five Retirement Boards. Because a portion of the training will be interactive, all Retirement Board Members should expect to participate via video and contact Staff ahead of the meeting if they anticipate any technological barriers to full participation.

Additional information and materials will be distributed during the training session. After the training, Retirement Board Members who attend the session will receive certificates of completion.