

NOTICE OF THE BOARD OF DIRECTORS OF  
POST-EMPLOYMENT BENEFITS TRUST RETIREMENT BOARD  
SPECIAL MEETING

To: Steve LaMar, and Paul Cook, Members of the Board of Directors of Post-Employment Benefits Trust Retirement Board.

Pursuant to the call of the President of Post-Employment Benefits Trust Retirement Board, notice is hereby given that a Special Meeting of the Board of Directors of Post-Employment Benefits Trust Retirement Board, has been called and will be held on Tuesday, May 12, 2020 at the hour of 12:00 p.m. by way of a teleconference only, pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20. Access to the teleconference will be provided as further described in Exhibit A. The meeting is called for the purposes set forth in Exhibit "A" attached hereto and by this reference made a part hereof.

This notice is given in accordance with the bylaws of Post-Employment Benefits Trust Retirement Board and Section 54956 of the California Government Code and Corporation Code Section 5211, and Governor Newsom's Executive Orders N-25-20 and N-29-20.



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Peer Swan  
Chairman

AGENDA  
IRVINE RANCH WATER DISTRICT  
POST-EMPLOYMENT BENEFITS TRUST RETIREMENT BOARD  
SPECIAL MEETING  
TUESDAY, MAY 12, 2020

*Due to COVID-19, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspend certain requirements of the Ralph M. Brown Act. Members of the public may not attend this meeting in person.*

Participation by Committee Members will be from remote locations. Public access and participation will only be available telephonically/electronically.

To virtually attend the meeting and to be able to view any presentations or additional materials provided at the meeting, please join online via Webex using the link and information below:

Via Web:

<https://irwd.my.webex.com/irwd.my/j.php?MTID=m60fc092c5c0696a9b221b123a27cec95>

Meeting Number: 622 940 313

Password: wVkCKBqn774

After joining the meeting, in order to ensure all persons can participate and observe the meeting, please select the "Call in" option and use a telephone to access the audio for the meeting shown.

Please enter the attendee id number, which will be provided when you connect to Webex, followed by #.

As courtesy to the other participants, please mute your phone when you are not speaking.

CALL TO ORDER 12:00 p.m.

ATTENDANCE Board Member: Peer Swan \_\_\_\_ Board Member: Steve LaMar \_\_\_\_  
Board Member: Paul Cook \_\_\_\_

ALSO PRESENT Cheryl Clary \_\_\_\_  
Rob Jacobson \_\_\_\_  
Tanja Fournier \_\_\_\_

PUBLIC COMMENT NOTICE

If you wish to address the Committee on any item, please submit a request to speak via the "chat" feature available when joining the meeting virtually. Remarks are limited to three minutes per speaker on each subject. You may also submit a public comment in advance of the meeting by emailing comments@irwd.com before 8:00 a.m. on Tuesday, May 12, 2020.

**ALL VOTES SHALL BE TAKEN BY A ROLL CALL VOTE.**

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## COMMUNICATIONS

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1. Meeting Minutes: Tanja Fournier
2. Public Comments
3. Determine the need to discuss and/or take action on item(s) introduced, which came to the attention of the District subsequent to the agenda being posted.
4. Determine which items may be approved without discussion.

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## ACTION

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5. MINUTES OF THE MEETING OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD – FOURNIER / JACOBSON / CLARY

Recommendation: That the minutes of the April 7, 2020 Board Meeting of the Irvine Ranch Water District Retirement Board be approved as presented.

6. IRWD POST-RETIREMENT BENEFITS TRUST INVESTMENT REVIEW – FOURNIER / JACOBSON / CLARY

Recommendation: Based on discussions and direction from the Board, staff will implement agreed-upon changes to the investment portfolio, if any.

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## OTHER BUSINESS

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7. Directors' Comments
8. Adjourn

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the above-named Retirement Board in connection with a matter subject to discussion or consideration at an open meeting of the Retirement Board are available for public inspection in the District's office, 15600 Sand Canyon Avenue, Irvine, California ("District Office"). If such writings are distributed to members of the Retirement Board less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Retirement Board Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available at the entrance of the meeting room at the District Office. The Irvine Ranch Water District Committee Room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.), please contact the District Secretary at (949) 453-5300 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in an alternative format upon written request to the District Secretary at least seventy-two (72) hours prior to the scheduled meeting.

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May 12, 2020  
Prepared by: T. Fournier  
Submitted by: R. Jacobson/C. Clary  
Approved by: Paul A. Cook



## RETIREMENT BOARD

### MINUTES OF THE SPECIAL MEETING OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD

#### SUMMARY:

Provided are the minutes of the April 7, 2020 special meeting of the Irvine Ranch Water District Retirement Board for approval.

#### FISCAL IMPACTS:

None.

#### ENVIRONMENTAL COMPLIANCE:

Not applicable.

#### RECOMMENDATION:

THAT THE MINUTES OF THE APRIL 7, 2020 SPECIAL MEETING OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD BE APPROVED AS PRESENTED.

#### LIST OF EXHIBITS:

Exhibit "A" – April 7, 2020 Minutes

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## EXHIBIT "A"

### MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE IRVINE RANCH WATER DISTRICT RETIREMENT BOARD

April 7, 2020

The meeting of the Board of Directors of the Irvine Ranch Water District (IRWD) Retirement Board was called to order by Chairman Swan at 12:00 p.m. on April 7, 2020 via Webex conference call.

Directors Present: Chairman Peer Swan, Vice Chairman Steve LaMar, and Paul Cook

Also Present: Treasurer Robert Jacobson, Executive Director of Finance and Administrative Services Cheryl Clary, Assistant Treasurer Tanja Fournier and Dan Quirk of SageView Advisory Group.

COMMUNICATION: None.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED: None.

#### ACTION CALENDAR

#### MINUTES OF BOARD MEETING

Tanja Fournier presented the minutes from the February 4, 2020 and the March 3, 2020 meetings.

On MOTION by Cook, seconded by LaMar, the February 4, 2020 and the March 3, 2020 meetings were approved as presented.

#### Trust Investment Review

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- Given capital market volatility regarding the coronavirus pandemic, the Board called a special meeting to discuss the portfolio and positions. SageView Advisors provided information on the portfolio balance as of April 6, which had improved slightly to \$72,999,344 as compared to the market value on March 31, 2020 of \$71,882,058.
- Based on discussions at the meeting and input from SageView Advisors, the Retirement Board determined that the current investment allocation is appropriate, and no changes were recommended.

#### ADJOURNMENT

There being no further business, Chairman Swan adjourned the meeting.

APPROVED and SIGNED this 12<sup>th</sup> day of May 2020.

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Board Member, IRVINE RANCH WATER DISTRICT  
RETIREMENT BOARD

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Secretary, IRVINE RANCH WATER DISTRICT  
RETIREMENT BOARD



May 12, 2020  
 Prepared by: T. Fournier  
 Submitted by: R. Jacobson / C. Clary  
 Approved by: Paul A. Cook



## RETIREMENT BOARD

### IRWD POST-RETIREMENT BENEFITS TRUST INVESTMENT REVIEW AS OF MARCH 31, 2020

#### SUMMARY:

Staff and a representative from IRWD's pension investment advisor, SageView Investment Advisors, will present the Portfolio Investment Review for the quarter ended March 31, 2020 and provide an update on current market conditions and any recommended portfolio changes.

#### BACKGROUND:

##### Quarterly Investment Review:

As of March 31, 2020, the IRWD Post-Retirement Benefits Trust market value was \$71,882,058, which was a net decrease of \$12,159,947 from the prior quarter end. The change was primarily due to a decrease in market value of \$12,758,368. Dividends and capital gains for the quarter were \$612,234, and trust expenses were \$13,813 paid to SageView Advisors for investment advisory services. The closing balances and fund returns as of March 31, 2020 are as follows:

Investment	Quarterly Return	Quarter Ended December 31, 2019	Quarter Ended March 31, 2020	Incr/(Decr)	Percent of Portfolio
<b>EQUITIES</b>					
Vanguard Institutional Index Fund.	-19.60%	\$38,523,634	<b>\$33,131,402</b>	(\$5,392,233)	46.1%
Vanguard Extended Mkt (small/mid) Index Fund	-28.00%	6,398,058	<b>4,711,468</b>	(\$1,686,591)	6.6%
Vanguard Developed Market Index	-24.03%	8,415,442	<b>6,850,475</b>	(\$1,564,968)	9.5%
Vanguard Emerging Markets Index	-24.55%	1,268,656	<b>1,000,545</b>	(\$268,111)	1.4%
<b>FIXED INCOME</b>					
Metropolitan Total Return Bond Fund	2.31%	8,553,445	<b>6,074,629</b>	(\$2,478,816)	8.5%
Baird Core Plus Bond Fund	0.04%	15,551,374	<b>15,095,038</b>	(\$456,336)	21.0%
Vanguard High-Yield Corporate Fund	-10.59%	2,059,239	<b>1,835,622</b>	(\$223,617)	2.6%
Vanguard Short Term Bond Index Admiral	-2.38%	3,252,944	<b>3,152,942</b>	(\$100,002)	4.4%
<b>CASH-SHORT TERM</b>					
Fidelity Government Cash Reserves		19,213	<b>29,938</b>	\$10,725	0.0%
Closing Balance		\$84,042,004	<b>\$71,882,058</b>	(\$12,159,947)	100.0%

For the quarter ended March 31, 2020, the portfolio return was (14.48%), compared to the custom benchmark return of (13.68%). For the one-year period ended March 31, 2020, the return was (5.05%), compared to the custom benchmark return of (4.34%). The return for the portfolio outperformed the peer-group custom benchmark return of (7.35%). The Plan Investment Review, as of March 31, 2020, is provided as Exhibit "A".

A representative from SageView Advisors will present the Plan Investment Review for the quarter ended March 31, 2020 and provide an update on the portfolio and current market conditions, as well as any recommended portfolio changes for the Board's consideration.

**FISCAL IMPACTS:**

As of March 31, 2020, the IRWD Post-Retirement Benefits Trust market value was \$71,882,058, which was a net decrease of \$12,159,947 from the prior quarter end. The change was primarily due to a decrease in market value of \$12,758,368. Dividends and capital gains for the quarter were \$612,234, and trust expenses of \$13,813 were paid to SageView Advisors for investment advisory services.

**ENVIRONMENTAL COMPLIANCE:**

This item is not a project as defined in the California Environmental Quality Act Code of Regulations, Title 14, Chapter 3, Section 15378.

**RECOMMENDATION:**

**BASED ON DISCUSSIONS AND DIRECTION FROM THE BOARD, STAFF WILL IMPLEMENT AGREED-UPON CHANGES TO THE INVESTMENT PORTFOLIO, IF ANY.**

**LIST OF EXHIBITS:**

Exhibit "A" – The Plan Investment Review as of March 31, 2020



# Plan Investment Review

## Irvine Ranch Water District Post-Employment Benefits Trust

For period ending March 31, 2020

SEE  
WHERE  
YOU'RE  
GOING

Jonathan Upham Registered Representative with and securities offered through Cetera Advisor Networks LLC, member FINRA/SIPC  
1920 Main Street, Suite 800, Irvine, CA 92614 | T 949.955.1395 | SageView is not affiliated with Cetera



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# Section I

## Market Overview

The views are those of SageView Advisory Group and should not be construed as investment advice. All information is believed to be from reliable sources; however, we make no representation as to its completeness or accuracy. All economic and performance information is historical and not indicative of future results. The market indices discussed are unmanaged. Investors cannot directly invest in unmanaged indices. Additional risks are associated with international investing, such as currency fluctuations, political and economic stability, and differences in accounting standards. Please consult your financial advisor for more information.

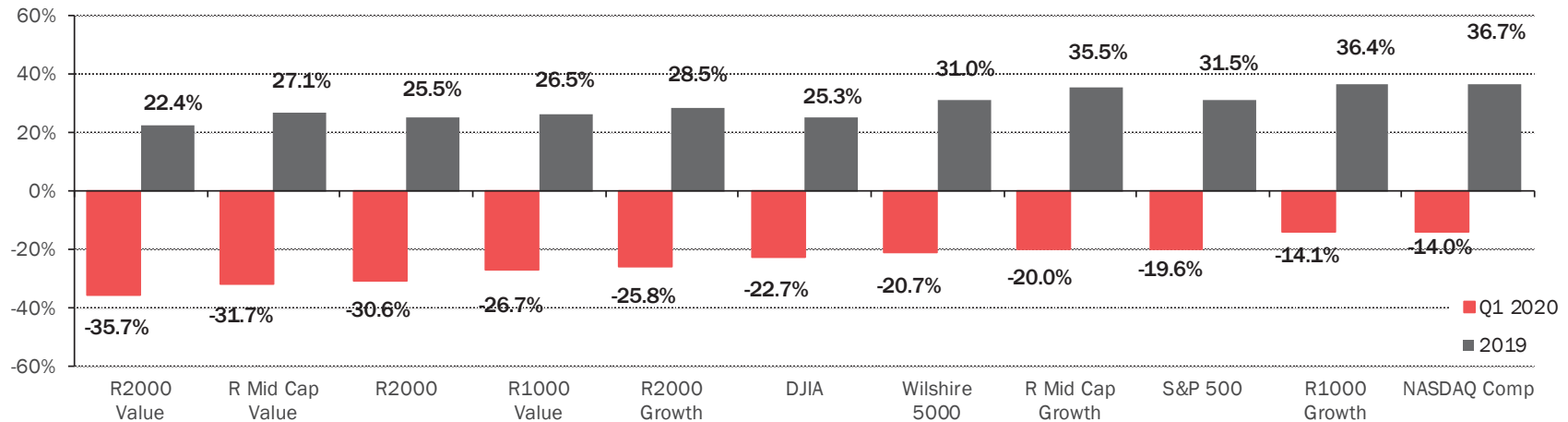
No representations or warranties are being made as to the tax effect, performance, past or future, or financial impact of this summary. This information is provided as an informal report; no warranties as to the accuracy or content are implied or expressed. The information above must be interpreted in the context of, and is qualified by, all the information contained in the prospectuses, where applicable, which have been or will be delivered to the appropriate investing parties prior to any offer being made.

# U.S. Equities

## Exhibit "A"

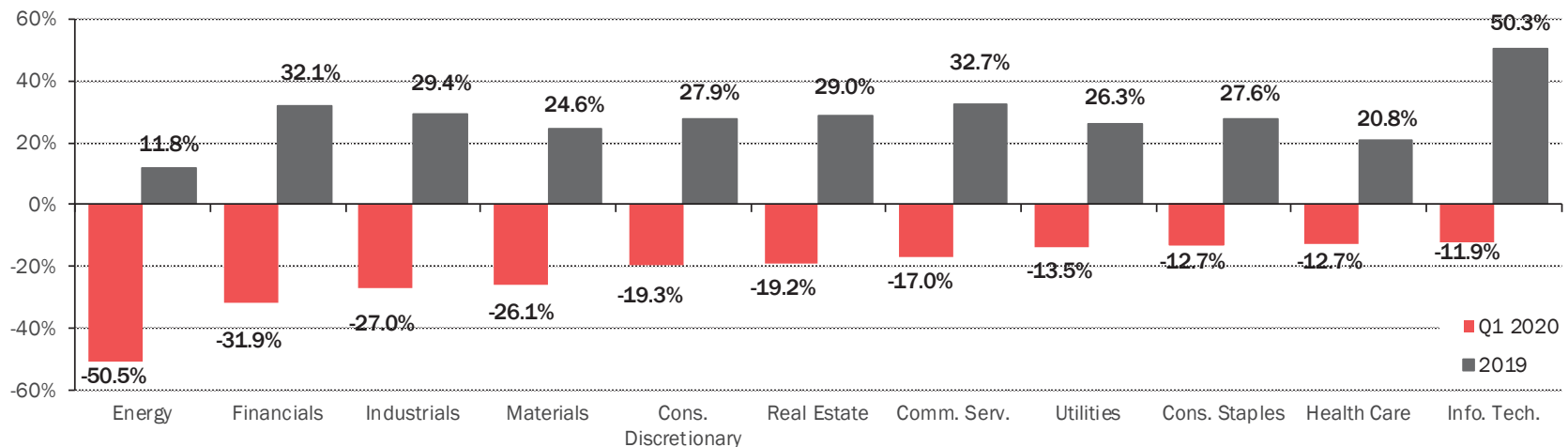
All major U.S. equity indices posted negative returns in excess of 14% in the first quarter. After reaching its peak on February 19th, the S&P 500 experienced its quickest bear market in history as the benchmark fell 20% in just 20 days. Oil prices reached historic lows when Saudi Arabia initiated a price war with Russia.

### PERFORMANCE OF MAJOR U.S. EQUITY INDEXES - Q1 2020 AND 2019



Source: Morningstar. Returns represent total return, including dividends.

### S&P 500 SECTOR RETURNS - Q1 2020 AND 2019



Source: Morningstar. Returns represent cumulative total return, including dividends.

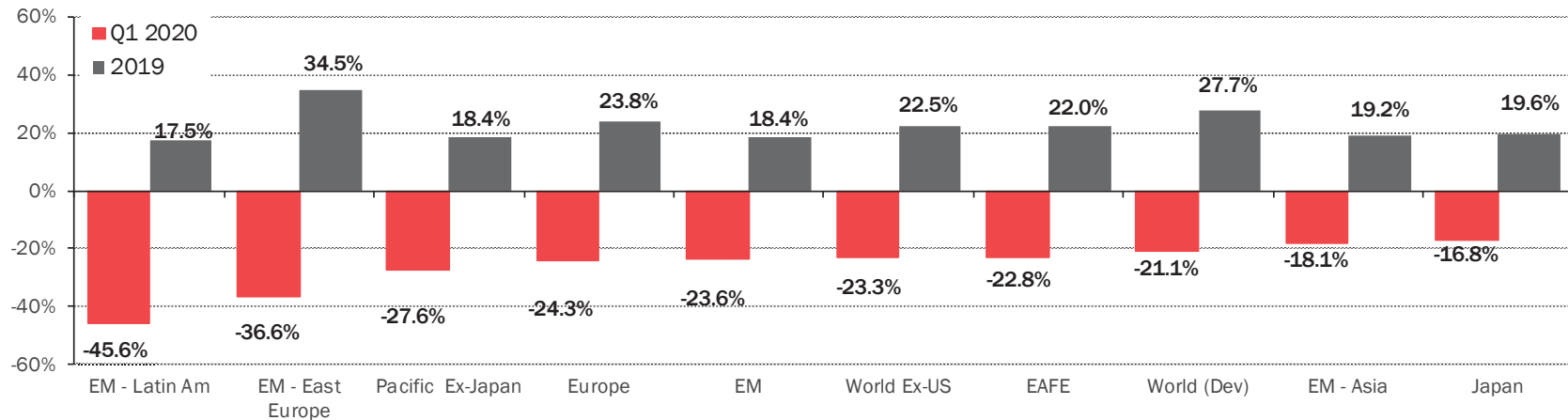
No representations or warranties are being made as to the tax effect, performance, past or future, or financial impact of this summary. This information is provided as an informal report; no warranties as to the accuracy or content are implied or expressed. The information above must be interpreted in the context of, and is qualified by, all the information contained in the prospectuses, where applicable, which have been or will be delivered to the appropriate investing parties prior to any offer being made. Note: Sector Weighting and/or Credit Analysis data reflect most current information available. Securities offered through Cetera Advisor Networks LLC, member SIPC. SageView is not affiliated with Cetera Advisor Networks LLC. Fund returns shown are net of fund expenses and sales charges.



# International Equities

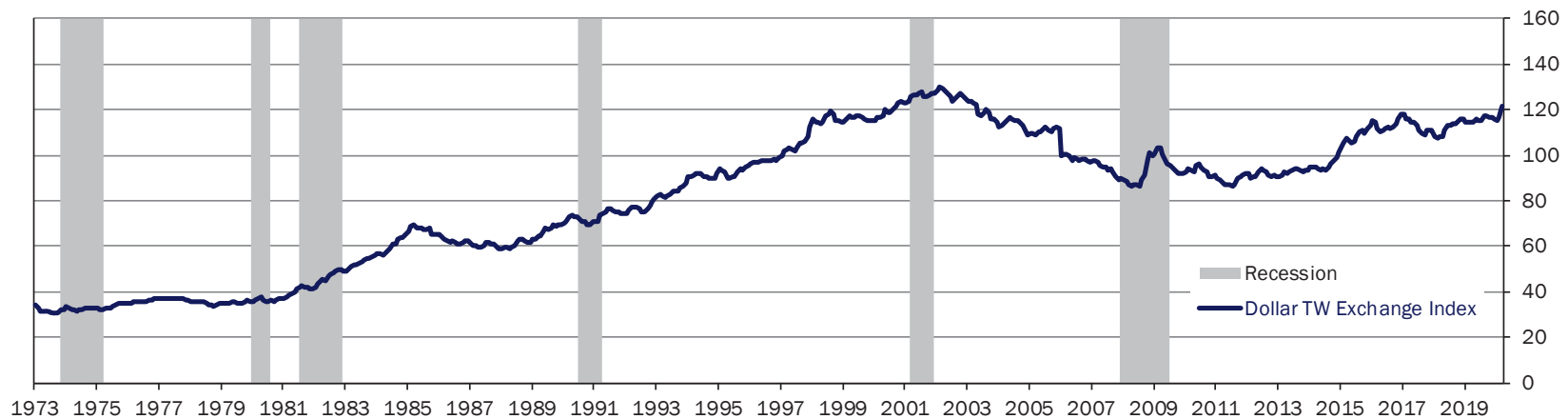
The COVID-19 outbreak ignited a global selloff, with international equities lagging their U.S. counterparts. In March, the Bank of England and the European Central Bank (ECB) both announced major stimulus efforts. The EU's Pandemic Emergency Purchase Program will inject €750 billion stimulus into the European economy.

## INTERNATIONAL EQUITY MARKET RETURNS - Q1 2020 AND 2019



Source: Morningstar. Returns represent cumulative total return, including dividends.

## Dollar Trade Weighted Exchange Index for Broad Currencies: 1973 - 2020



Source: Bloomberg. Data as of March 31, 2020.

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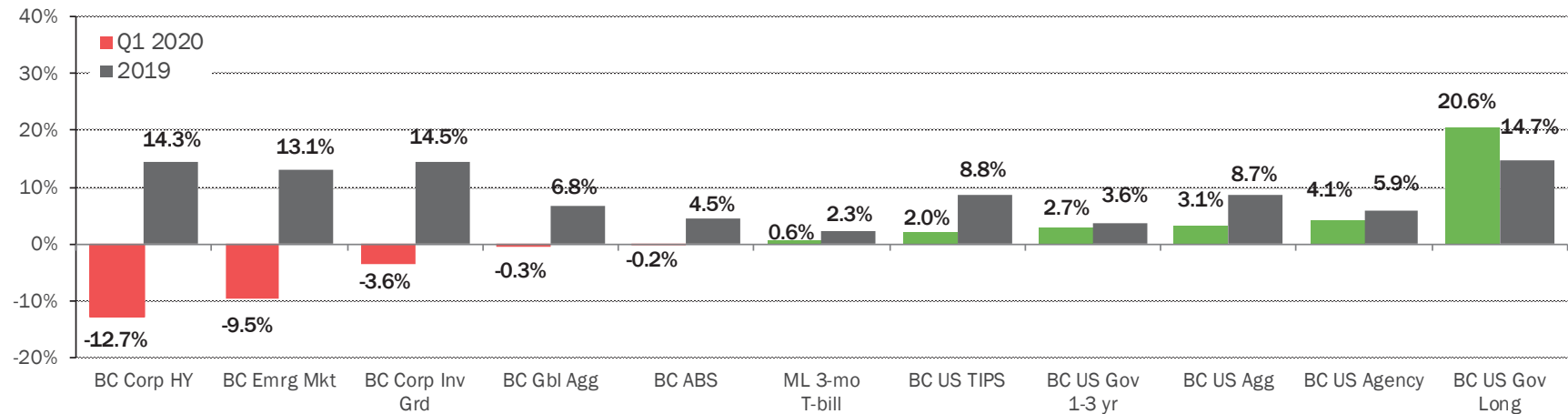




# Fixed Income

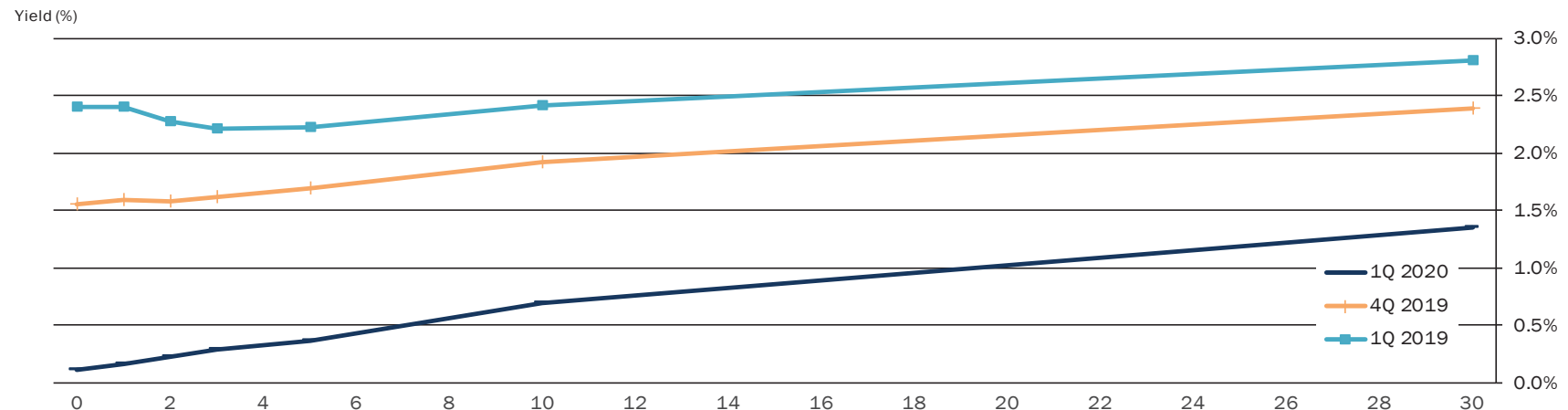
Bond markets experienced a flight to safety in Q1. Within Treasuries, the combination of aggressive Fed action and the expected decline in economic activity sent yields sharply lower across the board. Meanwhile, the yield curve steepened, suggesting optimism that economic activity will rebound over the long term.

## FIXED INCOME RETURNS Q1 2020 and 2019



Source: Morningstar. Returns represent total return, including dividends.

## U.S. TREASURY YIELD CURVE



Source: Bloomberg. Data as of respective quarter end.

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# Asset Class Returns

																2005 - 2019	
2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD	Ann.	Vol.
EM Equity 34.5%	REITs 35.1%	EM Equity 39.8%	Fixed Income 5.2%	EM Equity 79.0%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Fixed Income 3.1%	Large Cap 9.0%	REITs 22.2%
Comdty. 21.4%	EM Equity 32.6%	Comdty. 16.2%	Cash 1.8%	High Yield 59.4%	Small Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	DM Equity 25.6%	Fixed Income 0.0%	REITs 28.7%	Cash 0.5%	REITs 8.3%	EM Equity 22.1%
DM Equity 14.0%	DM Equity 26.9%	DM Equity 11.6%	Asset Alloc. -25.4%	DM Equity 32.5%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 21.8%	REITs -4.0%	Small Cap 25.5%	Asset Alloc. -14.8%	Small Cap 7.9%	Comdty. 18.6%
REITs 12.2%	Small Cap 18.4%	Asset Alloc. 7.1%	High Yield -26.9%	REITs 28.0%	Comdty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Comdty. 11.8%	Small Cap 14.6%	High Yield -4.1%	DM Equity 22.7%	High Yield -15.0%	EM Equity 7.8%	Small Cap 17.7%
Asset Alloc. 8.1%	Large Cap 15.8%	Fixed Income 7.0%	Small Cap -33.8%	Small Cap 27.2%	Large Cap 15.1%	Cash 0.1%	Small Cap 16.3%	High Yield 7.3%	Small Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 14.6%	Large Cap -4.4%	Asset Alloc. 19.5%	Large Cap -19.6%	High Yield 7.2%	DM Equity 17.3%
Large Cap 4.9%	Asset Alloc. 15.3%	Large Cap 5.5%	Comdty. -35.6%	Large Cap 26.5%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	REITs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	REITs 8.6%	High Yield 10.4%	Asset Alloc. -5.8%	EM Equity 18.9%	DM Equity -22.7%	Asset Alloc. 6.6%	Large Cap 14.0%
Small Cap 4.6%	High Yield 13.7%	Cash 4.8%	Large Cap -37.0%	Asset Alloc. 25.0%	Asset Alloc. 13.3%	Small Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	REITs 8.7%	Small Cap -11.0%	High Yield 12.6%	Comdty. -23.3%	DM Equity 5.3%	High Yield 10.9%
High Yield 3.6%	Cash 4.8%	High Yield 3.2%	REITs -37.7%	Comdty. 18.9%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Small Cap -4.4%	Fixed Income 2.6%	Fixed Income 3.5%	Comdty. -11.2%	Fixed Income 8.7%	REITs -23.4%	Fixed Income 4.1%	Asset Alloc. 10.0%
Cash 3.0%	Fixed Income 4.3%	Small Cap -1.6%	DM Equity -43.1%	Fixed Income 5.9%	Fixed Income 6.5%	Comdty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Comdty. 1.7%	DM Equity -13.4%	Comdty. 7.7%	EM Equity -23.6%	Cash 1.3%	Fixed Income 3.4%
Fixed Income 2.4%	Comdty. 2.1%	REITs -15.7%	EM Equity -53.2%	Cash 0.1%	Cash 0.1%	EM Equity -18.2%	Comdty. -1.1%	Comdty. -9.5%	Comdty. -17.0%	Comdty. -24.7%	Cash 0.3%	Cash 0.8%	EM Equity -14.2%	Cash 2.2%	Small Cap -30.6%	Comdty. -2.6%	Cash 1.0%

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

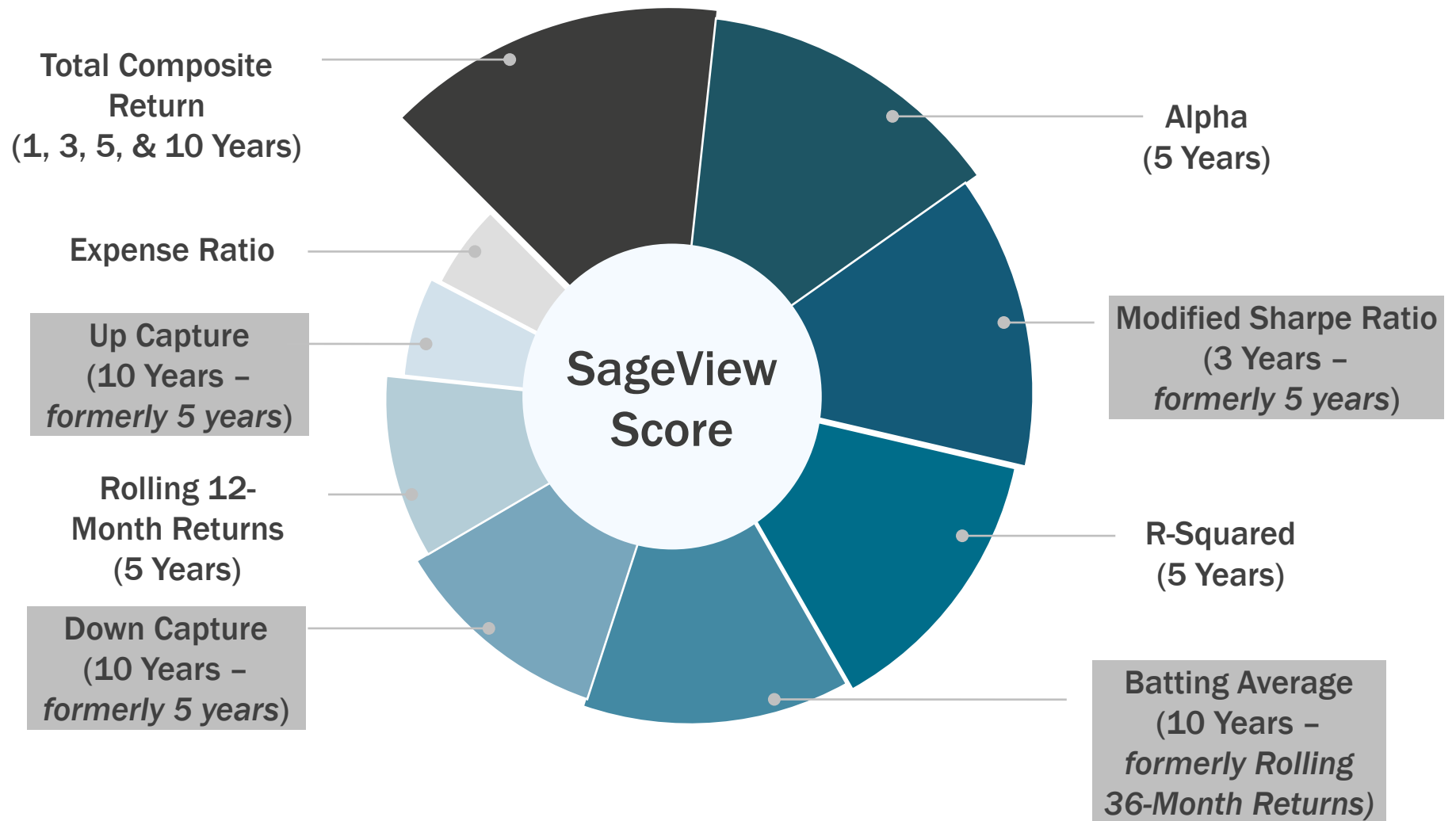
Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Barclays Global HY Index, Fixed Income: Bloomberg Barclays US Aggregate, REITs: NAREIT Equity REIT Index, Cash: Bloomberg Barclays 1-3m Treasury. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg Barclays US Aggregate, 5% in the Bloomberg Barclays 1-3m Treasury, 5% in the Bloomberg Barclays Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period of 12/31/03 - 12/31/18. Please see disclosure page at end for index definitions. All data represents total return for stated period. The "Asset Allocation" portfolio is for illustrative purposes only. Past performance is not indicative of future returns.

Guide to the Markets - U.S. Data are as of March 31, 2020.

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# New Quantitative Scoring for Actively Managed Funds (4/1/20)



Graphic is for illustrative purposes only, and is not intended to indicate relative weights of component elements in overall SageView Score.

SageView Advisory Group, 2019. For use with SageView clients only.



# Rolling Returns vs. Batting Average

- **Purpose:** To convey the average return that a fund has delivered within a given measurement window
- **Details:**
  - Displays returns in overlapping cycles of 12 or 36 months inside a longer observation window (5 years and 10 years, respectively).
  - One goal is to reduce the end-date sensitivity that is prevalent in trailing returns.
  - Assigns an overweight to the returns in the middle of the rolling sequence versus the beginning and end of the sequence. Each monthly return in the middle of a data set is counted up to 12 or 36 times under the current scoring approach

## Rolling Returns



- **Purpose:** To measure the consistency with which a manager has outperformed a peer group average
- **Details:**
  - Displays the ratio of monthly outperformance observations to monthly underperformance observations in a given measurement window
  - The higher the ratio, the more consistent the outperformance
  - Compares many short periods distinctly, unlike rolling returns, which compares many longer periods that overlap
  - Unlike rolling returns, batting average does not account for the degree of outperformance or underperformance

## Batting Average



# Active Fund Scoring Research – Measurement Period Changes

Exhibit "A"

**PRACTICAL CONSIDERATIONS:** The IC also considered the implications of directly comparing fund statistics across disparate time periods. This can happen when some peer group funds have insufficient history to generate the desired statistic but have at least the minimum history to receive a composite score (3 years). For these funds, the inception-to-date statistic is substituted.

## Modified Sharpe Ratio

Measurement period changing from 5 years to 3 years

Statistics that measure performance or risk in absolute terms (like Sharpe Ratio) are very market environment dependent.

Measuring Sharpe Ratios over 3 years will address the occasional issue of measurement period mismatches.

## Upside & Downside Capture

Measurement period changing from 5 years to 10 years

Measurement period mismatches are less problematic for scoring metrics that are designed to characterize a fund (like Up and Down Capture).

To adequately characterize a fund and to exhibit statistically significant results, it is best to measure Up and Down Capture over 10 years, which should capture a full market cycle.



## Section II

# Investment Summary



## Executive Summary and Observations

- Assets total \$71,882,058, down from \$84,062,384 at December 31, 2019
- Trade activity during the quarter:
  - Increased Vanguard Institutional Index target from 45% to 48%
  - Decreased Metropolitan Wes Total Return from 10.5% to 7.5%

For the quarter, the net total return was -14.48%, compared to the index-based custom benchmark of -13.68% and the peer-group custom benchmark of -15.63%. Relative to the custom index benchmark, underperformance resulted from Baird Core Plus and Metropolitan West Total Return.

- For the past 12 months, the net total return was -5.05%, in line with the index-based custom benchmark return of -4.34%, with underperformance coming from Baird Core Plus and Metropolitan West Total Return. Dividend tax impacts on international holdings have caused an approximate 0.15% annual drag on overall portfolio performance. The return for the portfolio beat the peer-group custom benchmark return of -7.35%.
- The portfolio is heavily allocated to index funds, leading to a low overall expense ratio of 0.13%.
- Baird Core Plus, Metropolitan West Total Return, and Vanguard High Yield Corporate Bond score in the top decile of SageView's peer group quantitative rankings, while all index funds receive a pass rating.

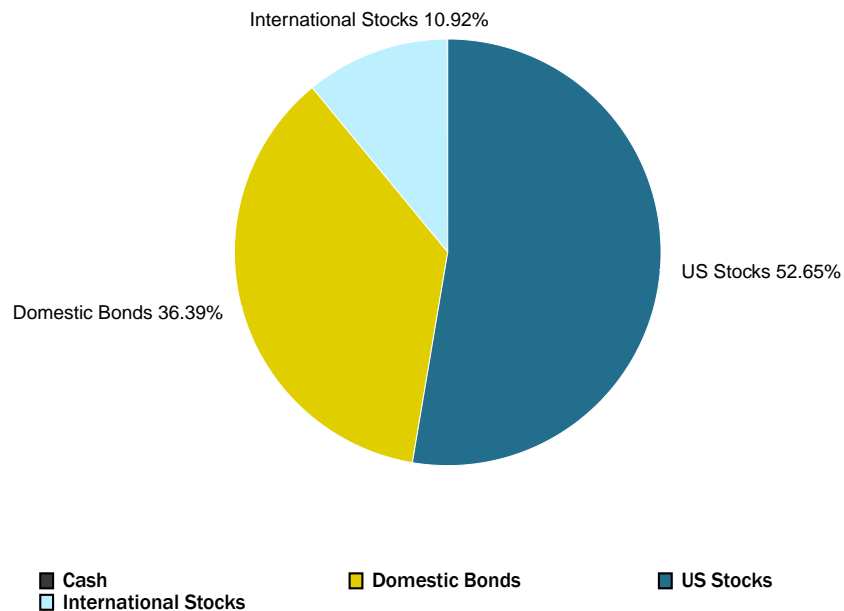


# Exhibit "A"

## Asset Allocation by Fund

As of 03/31/2020

Fund	% of Plan Assets	Total Assets
Vanguard Institutional Index I	46.09%	\$33,131,401.82
Baird Core Plus Bond Inst	21.00%	\$15,095,037.80
Vanguard Developed Markets Index Instl	9.53%	\$6,850,474.74
Metropolitan West Total Return Bd I	8.45%	\$6,074,629.06
Vanguard Extended Market Index Admiral	6.55%	\$4,711,467.58
Vanguard Short-Term Corp Bd Idx Admiral	4.39%	\$3,152,941.67
Vanguard High-Yield Corporate Adm	2.55%	\$1,835,622.30
Vanguard Emerging Mkts Stock Idx Adm	1.39%	\$1,000,545.05
Fidelity® Government Cash Reserves	0.04%	\$29,937.68
<b>Total Market Value:</b>	<b>100.00%</b>	<b>\$71,882,057.70</b>



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Exhibit "A"  
**Portfolio Allocation versus Target**  
As of 12/31/2019

Security Description	12/31/2018	12/31/2019	3/31/2020	4/24/2020	4/24/2020 % Weight	3/3/2020 % Target	1/1/2020 % Target
Fidelity Government Cash Reserves	20,346	39,593	29,938	37,935	0.0%	0.0%	0.0%
Vanguard Short Term Corporate Bond	2,146,099	3,252,944	3,152,942	3,235,603	4.2%	4.0%	4.0%
Baird Core Plus Institutional	10,926,798	15,551,374	15,095,038	15,528,577	20.3%	19.0%	19.0%
Metropolitan West Total Return I	6,558,889	8,553,445	6,074,629	6,219,107	8.1%	7.5%	10.5%
Vanguard High Yield Corporate Bond	4,218,239	2,059,239	1,835,622	1,897,065	2.5%	2.5%	2.5%
Fixed Income	23,870,371	29,456,594	26,188,169	26,918,286	35.1%	33.0%	36.0%
Vanguard Institutional Index	28,557,074	38,523,634	33,131,402	36,403,870	47.5%	48.0%	45.0%
Vanguard Extended Market Index	4,679,880	6,398,058	4,711,468	5,159,232	6.7%	7.5%	7.5%
Vanguard Developed Markets Index	9,353,306	8,415,442	6,850,475	7,144,706	9.3%	10.0%	10.0%
Vanguard Emerging Markets Index	2,387,361	1,268,656	1,000,545	1,052,316	1.4%	1.5%	1.5%
Equity	44,977,621	54,605,790	45,693,889	49,760,124	64.9%	67.0%	64.0%
Total	68,847,992	84,062,384	71,882,058	76,678,410	100.0%	100.0%	100.0%

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# Exhibit "A"

## Fund Performance Summary

As of 03/31/2020

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Fidelity® Government Cash Reserves	Money Market-Taxable	0.04%	0.26	0.26	1.63	1.39	0.87	0.44	0.38	NA
ICE BofA US 3M Trsy Bill TR USD*			0.57	0.57	2.25	1.83	1.19	0.64		
Cat: Morningstar Money Market - Taxable			0.25	0.25	1.54	1.31	0.81	0.41	0.46	
Vanguard Short-Term Corp Bd Idx Admiral	Short-Term Bond	4.39%	-2.38	-2.38	1.60	2.22	2.05	2.70	0.07	Pass
BBgBarc Credit 1-5 Yr TR USD*			-1.22	-1.22	2.82	2.58	2.23	2.75		
Cat: Morningstar Short-Term Bond			-2.14	-2.14	0.73	1.48	1.40	1.81	0.71	
Baird Core Plus Bond Inst	Intermediate Core-Plus Bond	21.00%	0.04	0.04	6.23	4.26	3.39	4.60	0.30	TOP DEC
BBgBarc US Agg Bond TR USD*			3.15	3.15	8.93	4.82	3.36	3.88		
Cat: Morningstar Intermediate Core-Plus Bond			-1.10	-1.10	4.25	3.28	2.57	3.87	0.78	
Metropolitan West Total Return Bd I	Intermediate Core-Plus Bond	8.45%	2.31	2.31	8.16	4.64	3.22	4.81	0.44	TOP DEC
BBgBarc US Agg Bond TR USD*			3.15	3.15	8.93	4.82	3.36	3.88		
Cat: Morningstar Intermediate Core-Plus Bond			-1.10	-1.10	4.25	3.28	2.57	3.87	0.78	
Vanguard High-Yield Corporate Adm	High Yield Bond	2.55%	-10.59	-10.59	-3.67	1.79	3.03	5.63	0.13	TOP DEC
ICE BofA US High Yield TR USD*			-13.12	-13.12	-7.45	0.55	2.67	5.50		
Cat: Morningstar High Yield Bond			-12.69	-12.69	-7.65	-0.17	1.70	4.53	0.98	
Vanguard Institutional Index I	Large Blend	46.09%	-19.60	-19.60	-7.00	5.08	6.70	10.50	0.04	Pass
S&P 500 TR USD*			-19.60	-19.60	-6.98	5.10	6.73	10.53		
Cat: Morningstar Large Blend			-20.92	-20.92	-9.97	2.80	4.45	8.84	0.86	
Vanguard Extended Market Index Admiral	Mid-Cap Blend	6.55%	-28.00	-28.00	-20.51	-1.91	1.03	8.24	0.07	Pass
S&P Completion TR USD*			-28.02	-28.02	-20.59	-2.02	0.92	8.14		
Cat: Morningstar Mid-Cap Blend			-28.28	-28.28	-20.69	-3.71	-0.58	6.60	0.98	
Vanguard Developed Markets Index Instl	Foreign Large Blend	9.53%	-24.03	-24.03	-15.83	-2.36	-0.56	2.78	0.05	Pass
FTSE Dv Ex US TR USD*			-23.06	-23.06	-14.38	-1.58	-0.08	3.03		
Cat: Morningstar Foreign Large Blend			-23.38	-23.38	-15.66	-2.74	-1.13	2.18	0.95	
Vanguard Emerging Mkts Stock Idx Adm	Diversified Emerging Mkts	1.39%	-24.55	-24.55	-18.47	-2.78	-1.15	0.32	0.14	Pass
FTSE EMs AC China A Incl (US RIC) NR USD*			-24.18	-24.18	-17.94	-2.52	-1.13	0.67		
Cat: Morningstar Diversified Emerging Mkts			-25.25	-25.25	-19.16	-3.34	-1.35	0.48	1.26	

\*Investment Policy Benchmark

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# Exhibit "A"

## Funds for Future Consideration

Fund PeerGroup Idx	% of Assets	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	Ticker	SageView Rank
<b>Addition</b>										
Vanguard Long-Term Treasury Admiral	-	20.86	20.86	31.96	13.18	7.19	8.81	0.10	VUSUX	4
Cat. Avg. : Morningstar Long Government		20.48	20.48	31.32	13.01	6.91	9.18	0.46		
Idx : BBgBarc US Government Long TR USD		20.63	20.63	32.28	13.30	7.32	8.89			
<b>Addition</b>										
Vanguard Long-Term Corporate Bd Idx Adm	-	-4.29	-4.29	9.41	6.64	4.76	7.36	0.07*	VLTCX	NA
Vanguard Long-Term Investment-Grade Adm	-	2.06	2.06	14.88	8.58	5.86	8.13	0.12	VWETX	4
Cat. Avg. : Morningstar Long-Term Bond		-0.63	-0.63	11.13	6.98	4.82	7.03	0.59		
Idx : BBgBarc US Govt/Credit Long TR USD		6.21	6.21	19.32	9.68	5.99	8.07			

= Current
  = Addition
  = Alternative

\*Includes a 1.00% purchase fee

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# Investment Discussion Summary - Current Investments

Exhibit "A"

Fund Name % of Plan Assets Category	Comment Date	Comments
Baird Core Plus Bond Inst 21.00 Intermediate Core-Plus Bond	03/31/2020	<p>Performance Update (03/31/2020): The fund underperformed the Bloomberg Barclays U.S. Universal Bond Index in Q1. An overweight to investment grade credit, specifically in the BBB quality segment drove relative performance as spreads widened over the quarter. Securitized investments, including an overweight to Non agency RMBS and CMBS, modestly outperformed treasuries, as well as security selection within Agency RMBS. Underweights to High Yield, Emerging Market Debt, and Agency RMBS detracted from relative performance. Yield curve positioning was also a headwind as the curve steepened in the fourth quarter. Over the trailing one year, the fund underperformed the benchmark. Negative performance was added across credit positioning, securitized asset positioning, and yield curve positioning over the trailing 12 months.</p> <p>Strategy Summary: The fund utilizes a duration neutral approach relative to the benchmark. Typically, portfolio managers hope to generate the most excess return (about 40% of alpha) through security selection, then sector allocation (30% of alpha), yield curve positioning (25% of alpha), and lastly trade execution (5% of alpha). Credit analysts first determine which issuers appear to offer the best value within each sector. Only US dollar denominated securities are utilized in this fund with no use of derivative securities. The prospectus benchmark for the strategy is the BBGBarclays US Universal Index. The standard category benchmark is the BBGBarclays US Aggregate Bond Index. Fund comments are relative to the prospectus benchmark.</p>
Metropolitan West Total Return Bd I 8.45 Intermediate Core-Plus Bond	03/31/2020	<p>Performance Update (03/31/2020): The fund underperformed the Bloomberg Barclays US Aggregate Bond Index in Q4. Duration and yield curve management were neutral relative to the benchmark and had little impact on performance for the quarter. Corporate credit sector allocation and security selection within consumer non cyclicals, communications, and finance were negative. Underweights to technology and banking resulted in a slight drag. Over the trailing 1 year, the fund outperformed the benchmark. Underperformance was driven primarily by security selection within corporate credit and emerging markets for the trailing 12 months.</p> <p>Strategy Summary: The MetWest Total Return fund applies a long term value discipline while emphasizing fundamental bottom up research, which represents the most important facet of portfolio construction process. The core of the investment process is a long term economic outlook, which is determined by the generalist investment team on a quarterly basis and reviewed constantly. The portfolio construction process is made up of five strategies that include: 1) duration management, 2) yield curve positioning, 3) sector allocation, 4) security selection, and 5) opportunistic ideas. The prospectus benchmark for the strategy is the BBGBarc US Agg Bond Index.</p>

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# Investment Discussion Summary - Current Investments

Exhibit "A"

Fund Name % of Plan Assets Category	Comment Date	Comments
Vanguard High-Yield Corporate Adm 2.55 High Yield Bond	03/31/2020	<p><b>Performance Update (03/31/2020):</b> The fund outperformed its category benchmark for both the quarter and the 12 month period. The fund's higher quality bias modestly held back performance relative to the broad market. Positive security selection drove the fund's outperformance of its primary benchmark with strong performance in pharmaceuticals, health care, financial institutions, packaging, and chemicals. Sector allocation was largely neutral, with the exception of a modest cash drag. For the 12 month period, security selection led to outperformance. Selection was also strong in multiple sectors, but most notably in financials, media and entertainment, and health care.</p> <p><b>Strategy Summary:</b> The Fund invests primarily in a diversified group of high yielding, higher risk corporate bonds with medium and lower range credit quality ratings. The Fund invests at least 80% of its assets in corporate bonds that are rated below Baa by Moody's. The Fund may not invest more than 20% of its assets in any of the following, in the aggregate: bonds with credit ratings lower than B or the equivalent, convertible securities, preferred stocks, and fixed and floating rate loans of medium to lower range credit quality. The standard category benchmark is the BB Barclays US Corporate High Yield Bond Index. Fund comments are relative to the prospectus benchmark.</p>

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# Exhibit "A" IPS Historical Ranking

Fund Name	06/2017	09/2017	12/2017	03/2018	06/2018	09/2018	12/2018	03/2019	06/2019	09/2019	12/2019	03/2020
Fidelity® Government Cash Reserves	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vanguard Short-Term Corp Bd Idx Admiral	NA	NA	NA	NA	NA	NA	NA	NA	Pass	Pass	Pass	Pass
Baird Core Plus Bond Inst	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC
Metropolitan West Total Return Bd I	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP DEC	TOP QUAR	TOP QUAR	TOP DEC	2 <sup>ND</sup> QUAR	2 <sup>ND</sup> QUAR	2 <sup>ND</sup> QUAR	TOP DEC
Vanguard High-Yield Corporate Adm	TOP QUAR	TOP QUAR	TOP QUAR	TOP QUAR	TOP QUAR	TOP QUAR	TOP QUAR	TOP DEC	TOP DEC	TOP DEC	TOP QUAR	TOP DEC
Vanguard Institutional Index I	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Vanguard Extended Market Index Admiral	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Vanguard Developed Markets Index Instl	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Vanguard Emerging Mkts Stock Idx Adm	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass

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# Exhibit "A"

## Fund Score Summary

Fund Name	Ticker	Total Return Composite Ranking	Rolling 12 Mo Perf. (5 Yrs.)	RSquared (3 Yrs)	Modified Sharpe Ratio (36 Mos.)	Alpha (60 Mos.)	Up Capture Ratio (10 Yrs.)	Down Capture Ratio (10 Yrs.)	Batting Average (10 Yrs.)	Expense Ratio	SageView Normalized Ranking
Baird Core Plus Bond Inst	BCOIX	12%	29%	31%	19%	14%	9%	43%	4%	5%	5%
Metropolitan West Total Return Bd I	MWTIX	10%	52%	2%	7%	17%	19%	15%	24%	17%	3%
Vanguard High-Yield Corporate Adm	VWEAX	5%	40%	57%	3%	5%	58%	11%	17%	3%	4%

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# Baird Core Plus Bond Inst

Exhibit "A"

BCOIX

Ranking Vs. Peers - Intermediate Core-Plus Bond

March 31, 2020

Intermediate Core-Plus Bond Universe: 743 Funds

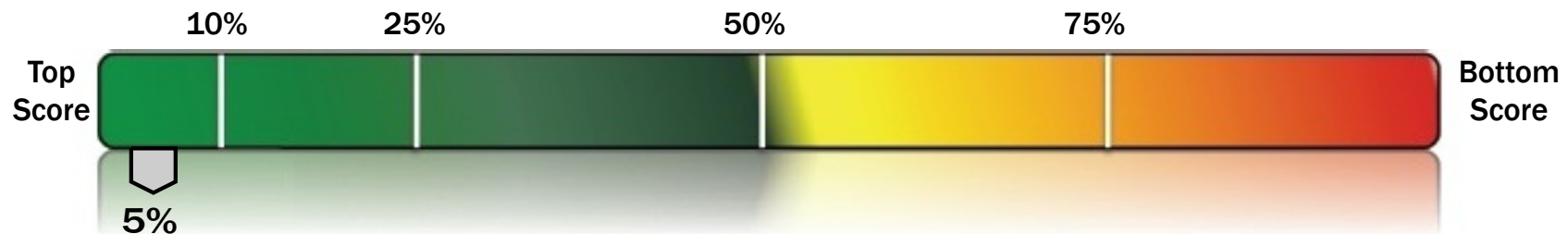
Performance Ranking			Ranking
Total Return Composite Ranking			12.05%
	10 Year	13.00%	
	5 Year	7.00%	
	3 Year	14.00%	
	1 Year	23.00%	
Rolling 12 Month - 5 Years			28.92%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		19.00%
Alpha - 60 Months		14.00%
Up Capture Ratio - 10 years		9.00%
Down Capture Ratio - 10 years		43.00%
Batting Average - 10 Years		4.00%

Style Consistency			Ranking
Style Consistency to Benchmark			
BBgBarc US Agg Bond TR USD	R2		31.00%

Fund Expense		Ranking
Expense Ratio	0.3	5.00%

SageView Normalized Ranking	
SageView Normalized Ranking	5.00%
STATUS	TOP DECILE



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# Metropolitan West Total Return Bd I

Exhibit "A"

MWTIX

Ranking Vs. Peers - Intermediate Core-Plus Bond

March 31, 2020

Intermediate Core-Plus Bond Universe: 743 Funds

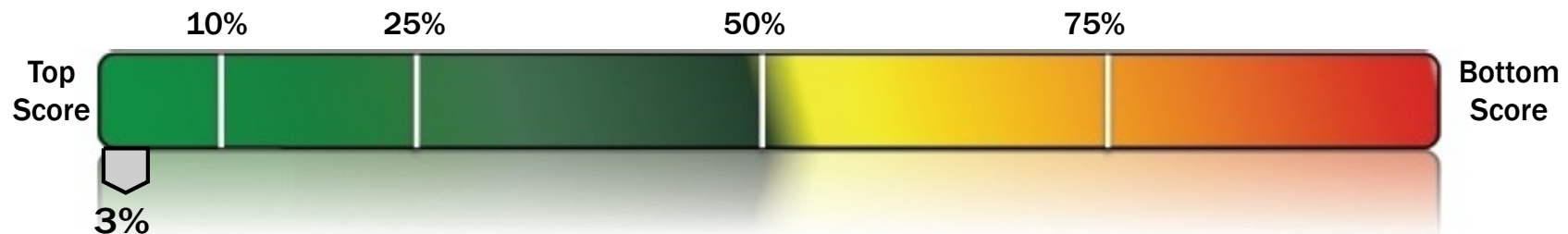
Performance Ranking			Ranking
Total Return Composite Ranking			10.35%
	10 Year	8.00%	
	5 Year	15.00%	
	3 Year	6.00%	
	1 Year	6.00%	
Rolling 12 Month - 5 Years			51.96%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		7.00%
Alpha - 60 Months		17.00%
Up Capture Ratio - 10 years		19.00%
Down Capture Ratio - 10 years		15.00%
Batting Average - 10 Years		24.00%

Style Consistency			Ranking
Style Consistency to Benchmark			
BBgBarc US Agg Bond TR USD	R2		2.00%

Fund Expense		Ranking
Expense Ratio	0.44	17.00%

SageView Normalized Ranking	
SageView Normalized Ranking	3.00%
STATUS	TOP DECILE



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# Vanguard High-Yield Corporate Adm

Exhibit "A"

VWEAX

Ranking Vs. Peers - High Yield Bond

March 31, 2020

High Yield Bond Universe: 744 Funds

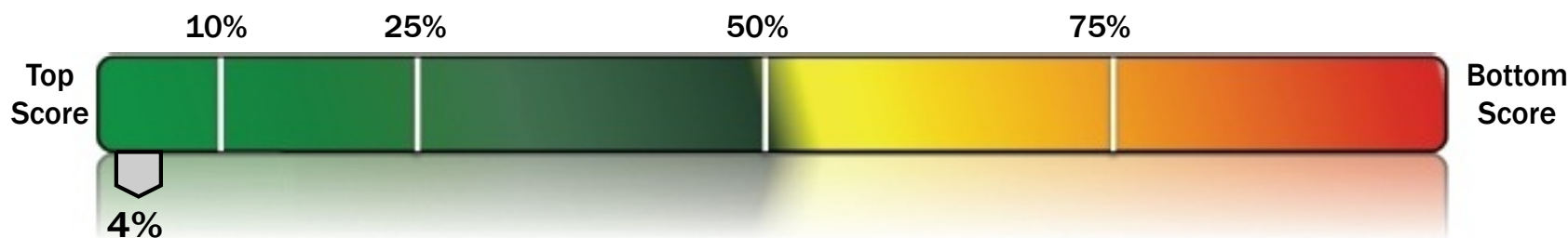
Performance Ranking			Ranking
Total Return Composite Ranking			4.80%
	10 Year	6.00%	
	5 Year	5.00%	
	3 Year	3.00%	
	1 Year	6.00%	
Rolling 12 Month - 5 Years			40.49%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		3.00%
Alpha - 60 Months		5.00%
Up Capture Ratio - 10 years		58.00%
Down Capture Ratio - 10 years		11.00%
Batting Average - 10 Years		17.00%

Style Consistency			Ranking
Style Consistency to Benchmark			
BBgBarc US HY 2% Issuer Cap TR USD	R2		57.00%

Fund Expense		Ranking
Expense Ratio	0.13	3.00%

SageView Normalized Ranking	
SageView Normalized Ranking	4.00%
STATUS	TOP DECILE



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# Vanguard Long-Term Treasury Admiral

Exhibit "A"

VUSUX

Ranking Vs. Peers - Long Government

March 31, 2020

Long Government Universe: 32 Funds

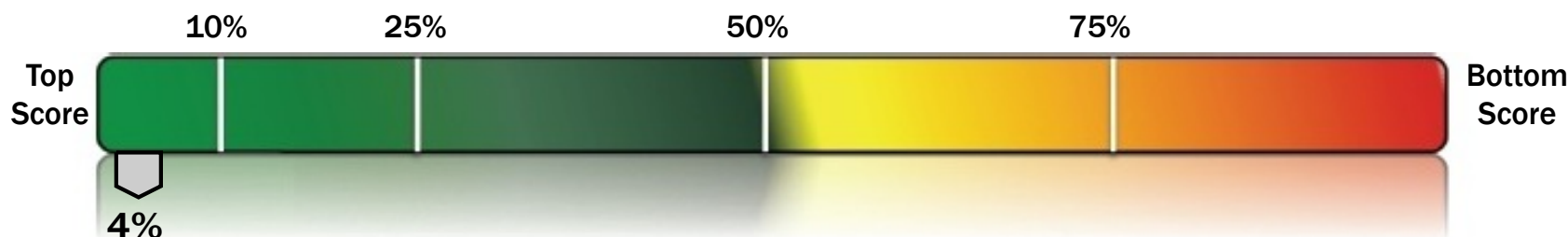
Performance Ranking			Ranking
Total Return Composite Ranking			25.85%
	10 Year	28.00%	
	5 Year	23.00%	
	3 Year	26.00%	
	1 Year	32.00%	
Rolling 12 Month - 5 Years			31.02%

Ratio Statistics		Ranking
Modified Sharpe Ratio - 36 Months		26.00%
Alpha - 60 Months		19.00%
Up Capture Ratio - 10 years		24.00%
Down Capture Ratio - 10 years		48.00%
Batting Average - 10 Years		8.00%

Style Consistency			Ranking
Style Consistency to Benchmark			
BBgBarc US Government Long TR USD	R2		26.00%

Fund Expense		Ranking
Expense Ratio	0.1	4.00%

SageView Normalized Ranking	
SageView Normalized Ranking	4.00%
STATUS	TOP DECILE



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# Section III

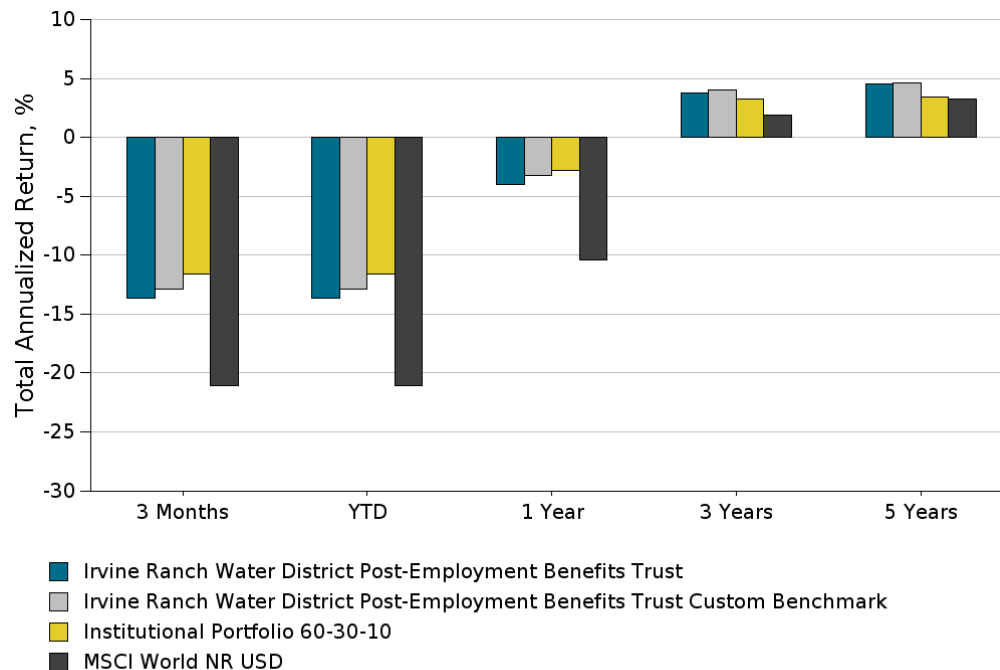
## Portfolio Summary

# Exhibit "A"

## Portfolio Return vs. Custom Benchmark

As of 03/31/2020

Performance As Of March 31, 2020	3 Month	YTD	1 Year	3 Year	5 Year	Std Dev 5 Yr	Prospectus Exp Ratio
Irvine Ranch Water District Post-Employment Benefits Trust	-14.48	-14.48	-5.05	2.87	NA	NA	0.13
Irvine Ranch Water District Post-Employment Benefits Trust Custom Benchmark	-13.68	-13.68	-4.34	3.18	NA	NA	NA
Irvine Ranch Water District Post-Employment Benefits Trust Custom Category Benchmark	-15.63	-15.63	-7.35	1.12	NA	NA	0.85
Institutional Portfolio 60-30-10	-11.63	-11.63	-2.83	3.26	3.42	8.01	NA
MSCI World NR USD	-21.05	-21.05	-10.39	1.92	3.25	13.57	NA



<sup>1</sup>Industry Average Exp Ratio 0.89%. Based on plan assets \$50Mil+

Benchmark	Weight
S&P 500 TR USD	46.09%
BBgBarc US Agg Bond TR USD	29.45%
FTSE Dv Ex US TR USD	9.53%
S&P Completion TR USD	6.55%
BBgBarc Credit 1-5 Yr TR USD	4.39%
ICE BofA US High Yield TR USD	2.55%
FTSE EMs AC China A Incl (US RIC) NR USD	1.39%
ICE BofA US 3M Trsy Bill TR USD	0.04%

<sup>1</sup>Industry Average Expense Ratio Source: 401(k) Averages Book, 18th Edition, published by HR Investment Consultants

The Institutional Portfolio 60-30-10 consists of 60% MSCI World NR USD, 30% BBgBarc US Agg Bond TR USD and 10% ICE BofA US 3M Trsy Bill TR USD

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# Exhibit "A" Management Style Analysis

As of 03/31/2020

Domestic Equity Style Box

	VALUE	BLEND	GROWTH
LARGE CAP		<ul style="list-style-type: none"> <li>Vanguard Institutional Index I(\$117.07 bn)</li> </ul>	
MID CAP		<ul style="list-style-type: none"> <li>Vanguard Extended Market Index Admiral (\$4.68 bn)</li> </ul>	
SMALL CAP			

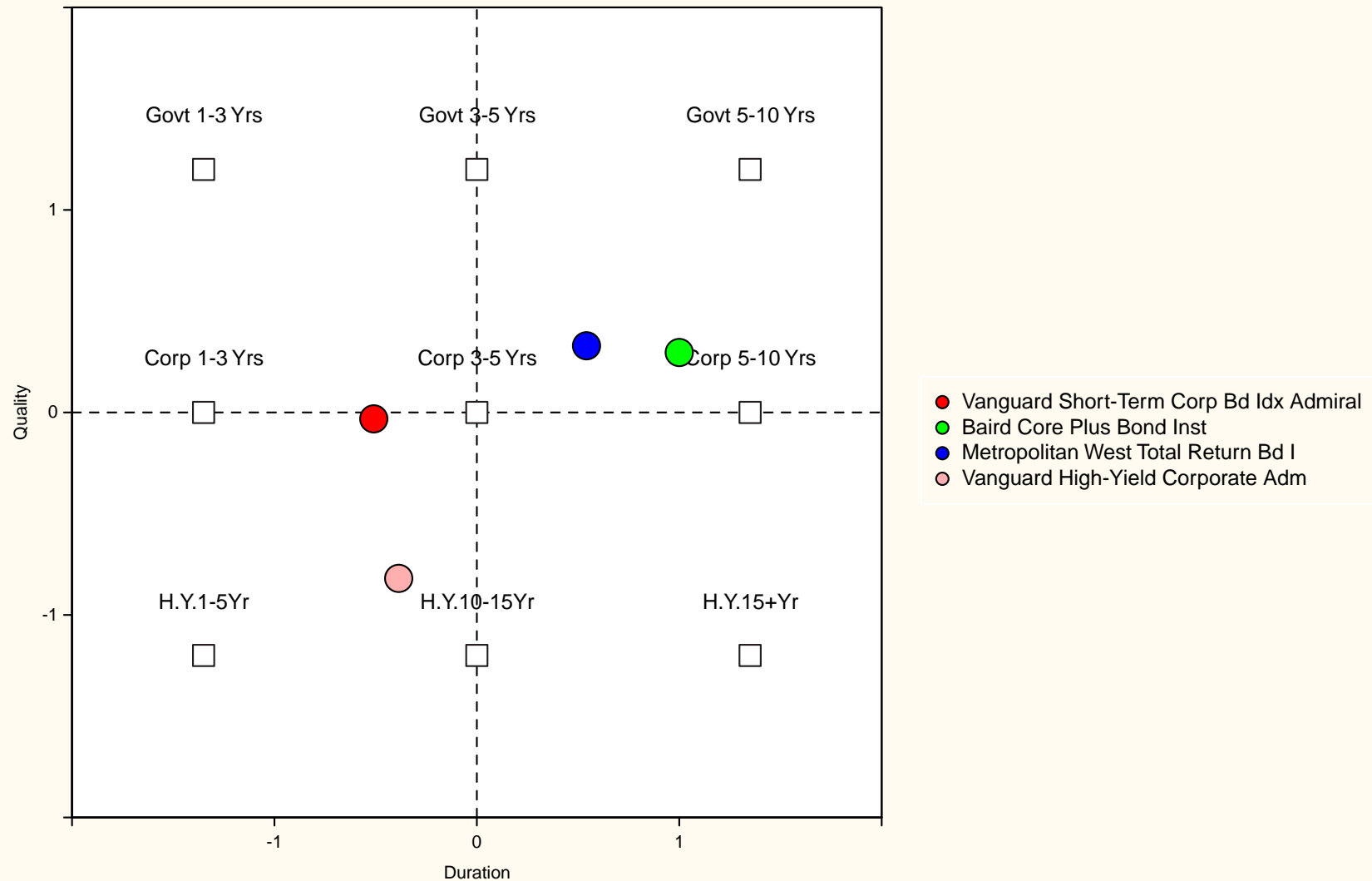
*Average Market Cap. listed in parentheses*

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## Manager Style Box

Fixed Income - Single Computation  
April 2010 - March 2020

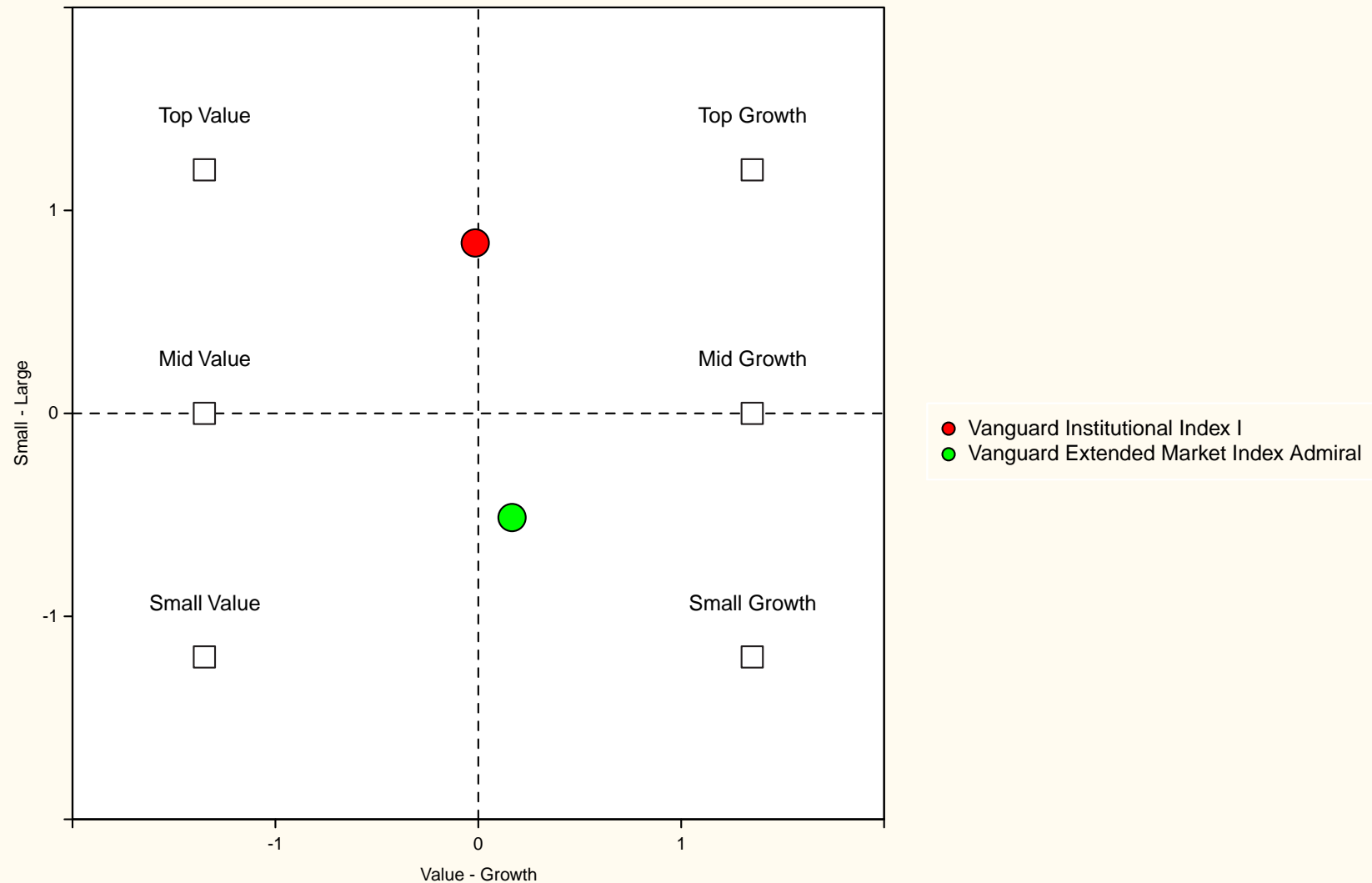


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## Manager Style Box

Equity - Single Computation  
April 2010 - March 2020

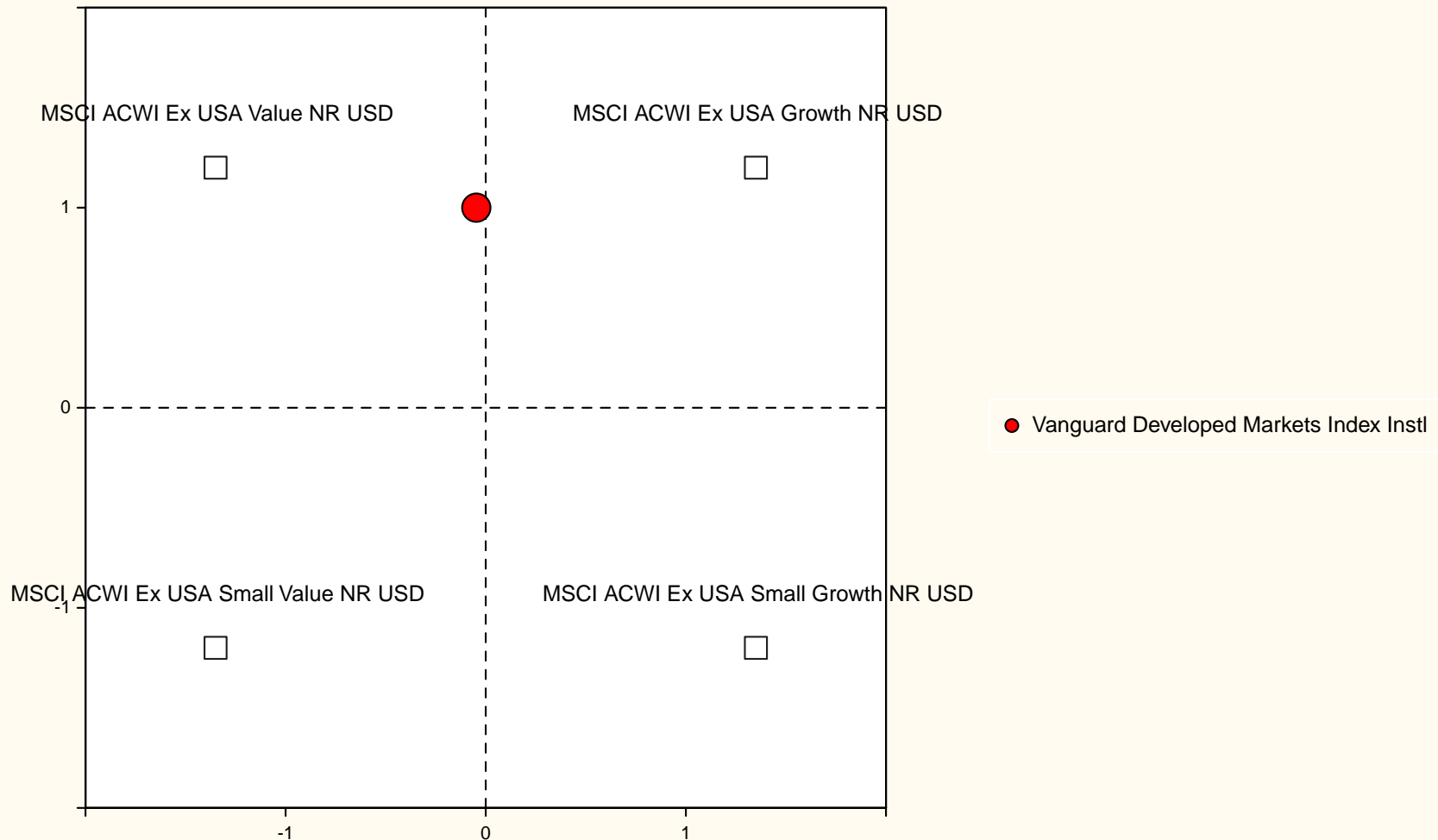


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## Manager Style Box

International Equity - Single Computation  
April 2010 - March 2020



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# Section IV

## Fund Comparison

Exhibit "A"  
**Manager Comparison**  
 As of 03/31/2020

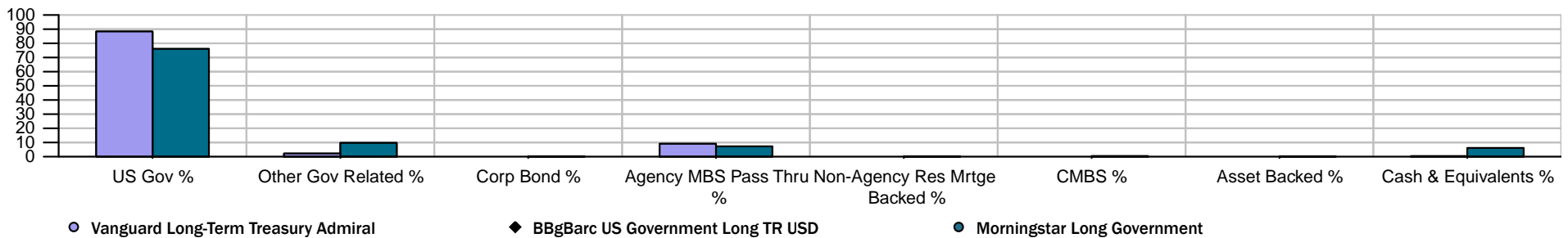
Vanguard Long-Term Treasury Admiral	
Ticker	VUSUX
Fund Summary	
Manager Tenure(Longest)	5.16
Manager Tenure(Average)	5.16
Inception Date	05/19/1986
Fund Size(mil)	4,578 m
Average Market Cap(mil)	-
# of Holdings	111
% Asset in Top 10 Holdings	36.90
Turnover Ratio %	96.00
Prospectus Net Expense Ratio	0.10

No more funds to compare!

**Annualized Performance**

	Total Ret YTD	% Cat Rank	Total Ret 1 Yr	% Cat Rank	Total Ret 3 Yr	% Cat Rank	Total Ret 5 Yr	% Cat Rank	Total Ret 10 Yr	% Cat Rank	Total Ret 15 Yr	% Cat Rank
Vanguard Long-Term Treasury Admiral	20.86	60	31.96	61	13.18	54	7.19	47	8.81	52	7.60	38
BBgBarc US Government Long TR USD	20.63	70	32.28	54	13.30	46	7.32	31	8.89	39	7.66	34
Morningstar Long Government	20.48	71	31.32	65	13.01	64	6.91	60	9.18	35	7.35	63

**Sector Exposure**

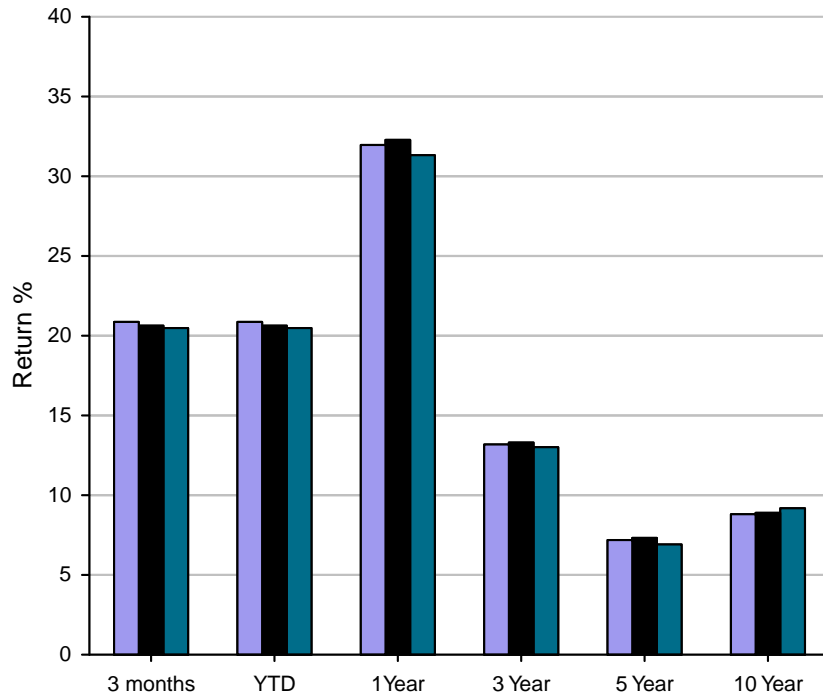


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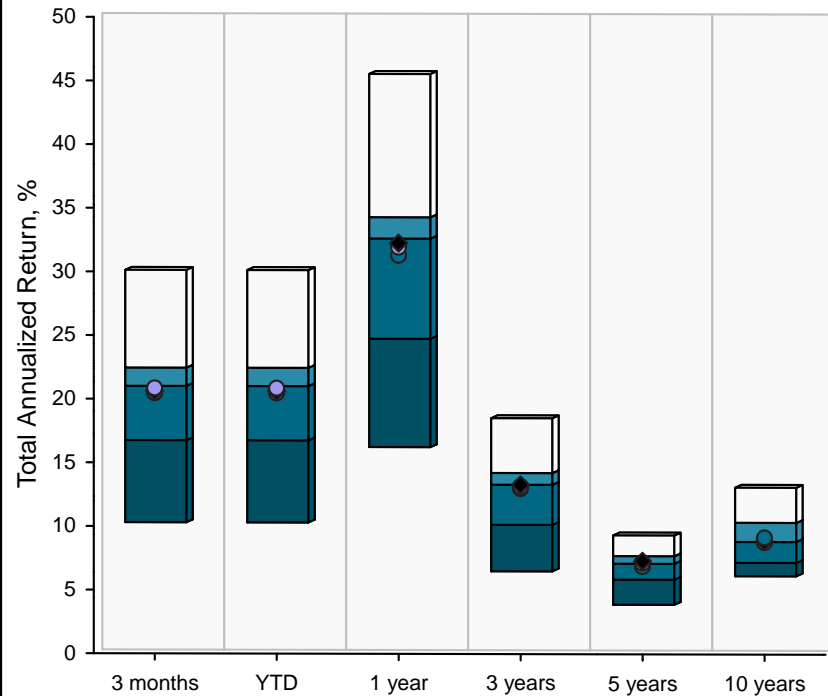


# Exhibit "A" Manager Comparison As of 03/31/2020

**Annualized Performance**



**Annualized Performance Relative to Peer Group**



○ Vanguard Long-Term Treasury Admiral

◆ BBgBarc US Government Long TR USD

● Morningstar Long Government

**Calendar Year Returns**

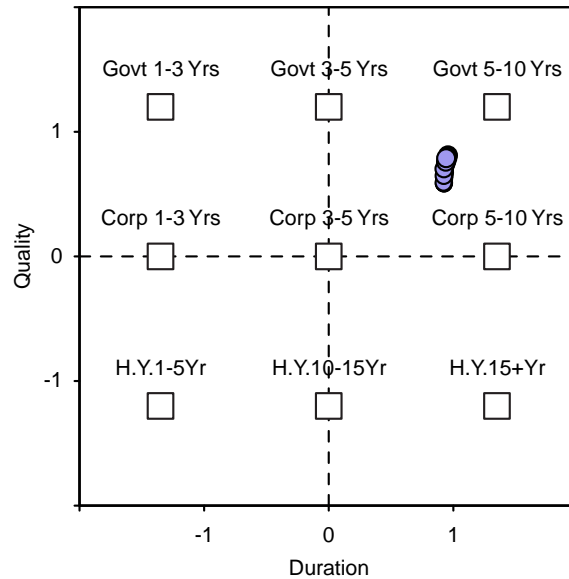
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD
Vanguard Long-Term Treasury Admiral	9.05	29.40	3.56	-12.94	25.40	-1.44	1.29	8.69	-1.81	14.24	20.86
BBgBarc US Government Long TR USD	9.43	29.15	3.78	-12.48	24.66	-1.16	1.43	8.53	-1.79	14.75	20.63
Morningstar Long Government	10.20	34.11	3.51	-13.80	26.97	-1.46	1.18	8.42	-1.81	14.04	20.48

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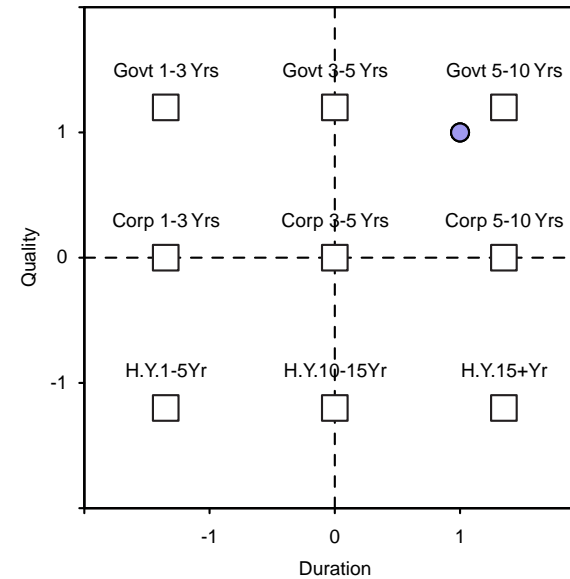


# Exhibit "A" Manager Comparison As of 03/31/2020

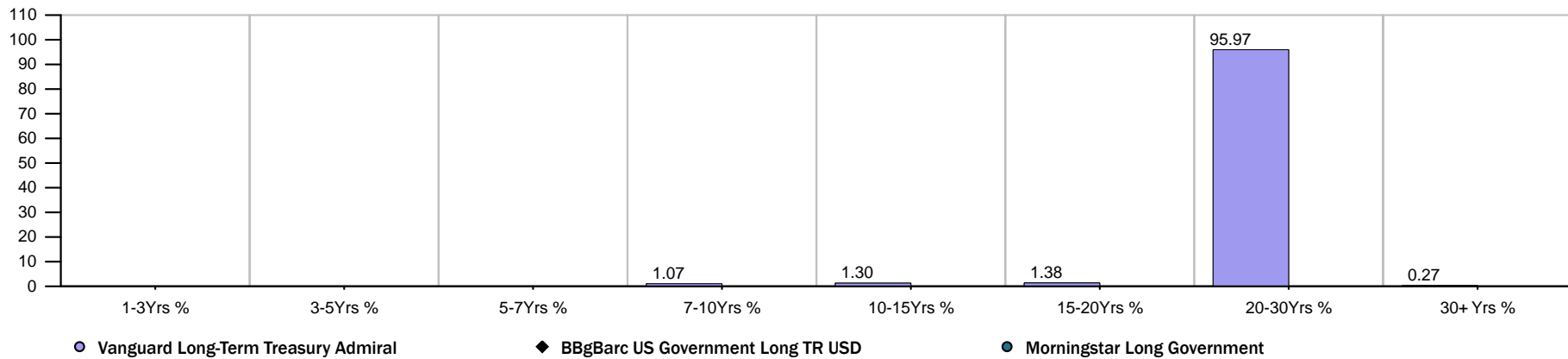
**Return-Based Style Analysis**  
Time Period: April 2015 - March 2020



**Returns Based Style Analysis**  
Time Period: April 2015 - March 2020



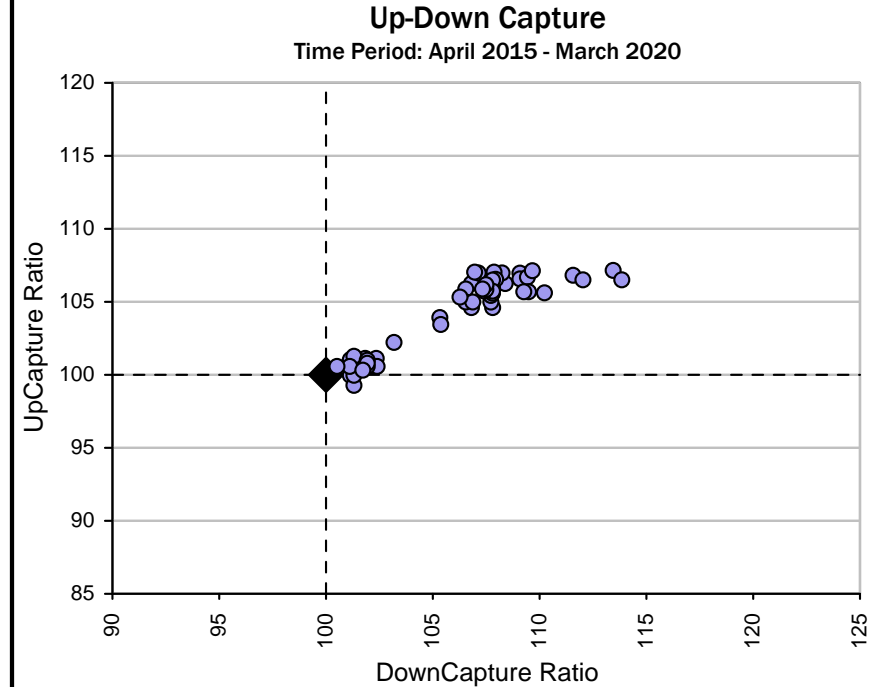
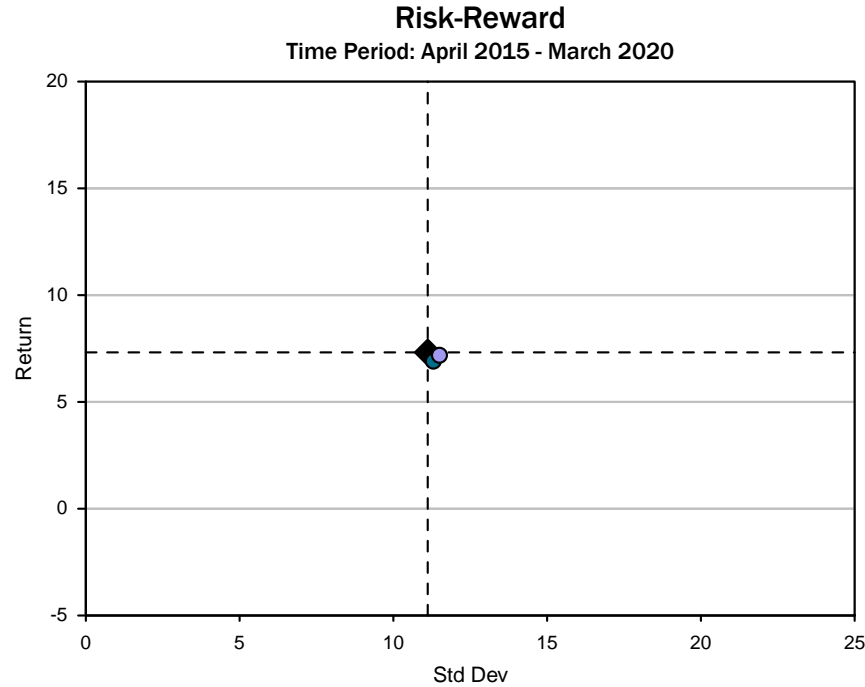
## Maturity Breakdown



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# Exhibit "A" Manager Comparison As of 03/31/2020



● Vanguard Long-Term Treasury Admiral

◆ BBgBarc US Government Long TR USD

● Morningstar Long Government

## Drawdown Analysis

Time Period: April 2015 - March 2020

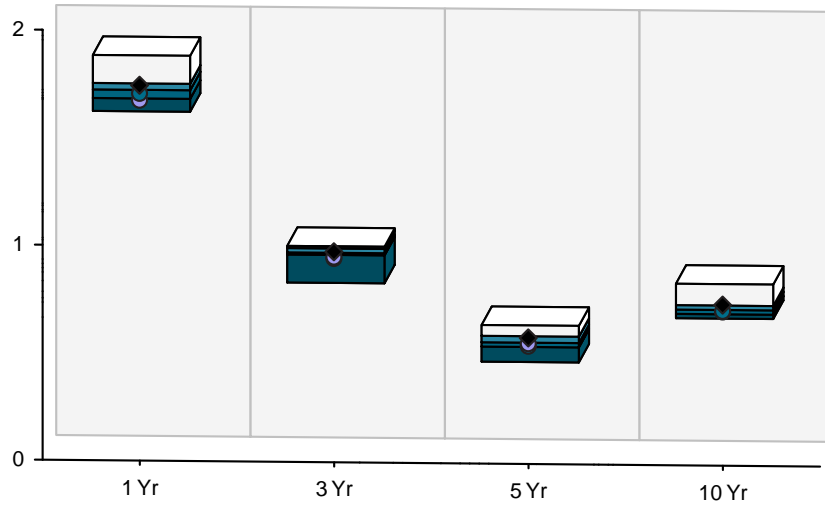
	Up Number	Down Number	Up Capture Return	Down Capture Return	Best Month	Worst Month	Best Quarter	Worst Quarter	Up Capture Ratio	Down Capture Ratio	R2
Vanguard Long-Term Treasury Admiral	31.00	29.00	2.98	-1.92	10.69	-7.85	20.86	-12.05	102.54	104.74	99.42
BBgBarc US Government Long TR USD	31.00	29.00	2.91	-1.83	10.39	-7.31	20.63	-11.50	100.00	100.00	100.00
Morningstar Long Government	31.00	29.00	2.90	-1.88	10.37	-7.96	20.66	-12.18	100.40	101.81	97.14

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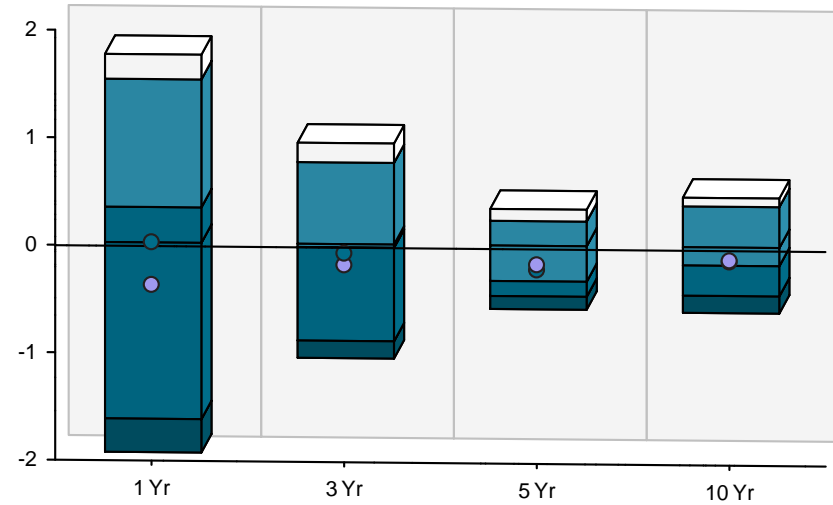


# Exhibit "A" Manager Comparison As of 03/31/2020

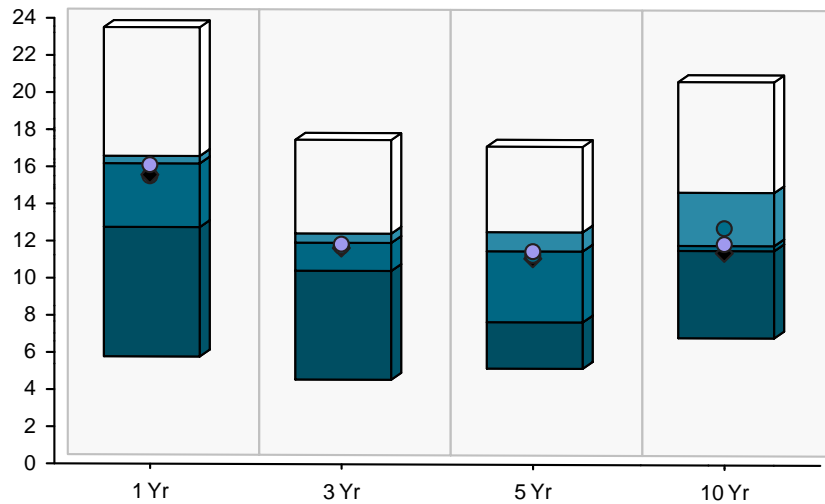
## Sharpe Ratio



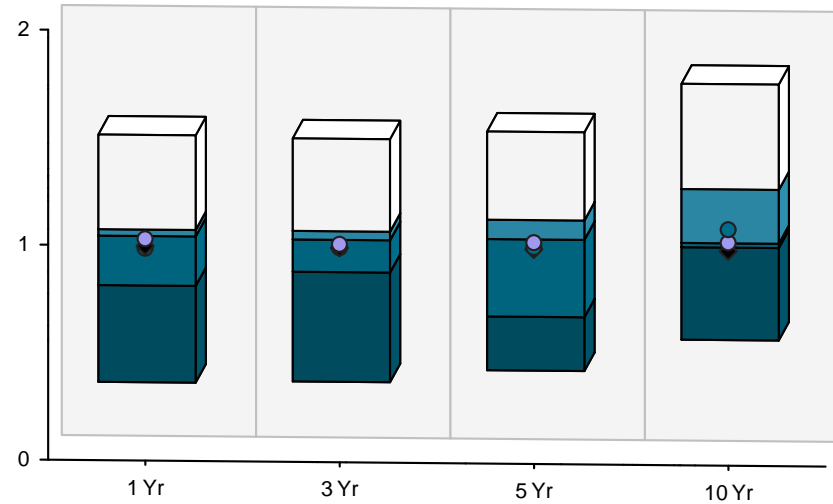
## Information Ratio



## Standard Deviation



## Beta



● Vanguard Long-Term Treasury Admiral

◆ BBgBarc US Government Long TR USD

● Morningstar Long Government

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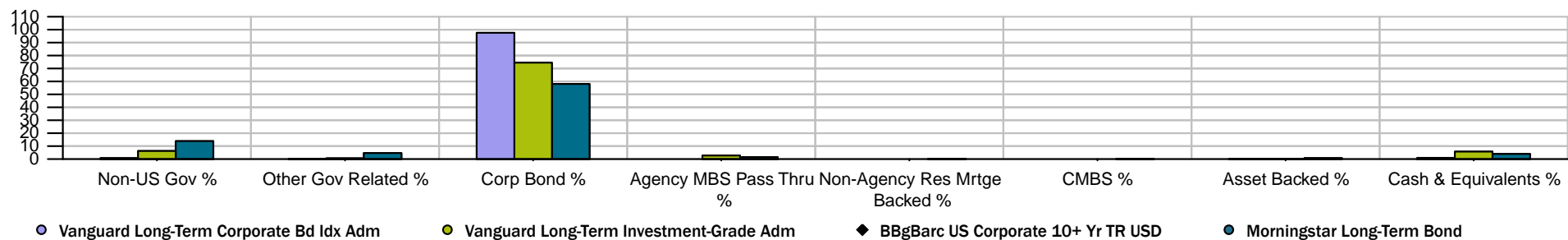
Exhibit "A"  
**Manager Comparison**  
As of 03/31/2020

Vanguard Long-Term Corporate Bd Idx Adm		Vanguard Long-Term Investment-Grade Adm	
Ticker	VLTCX	Ticker	VWETX
Fund Summary		Fund Summary	
Manager Tenure(Longest)	10.33	Manager Tenure(Longest)	5.83
Manager Tenure(Average)	10.33	Manager Tenure(Average)	2.50
Inception Date	11/19/2009	Inception Date	07/09/1973
Fund Size(mil)	4,538 m	Fund Size(mil)	18,813 m
Average Market Cap(mil)	-	Average Market Cap(mil)	-
# of Holdings	2076	# of Holdings	1014
% Asset in Top 10 Holdings	3.78	% Asset in Top 10 Holdings	7.38
Turnover Ratio %	47.00	Turnover Ratio %	34.00
Prospectus Net Expense Ratio	0.07	Prospectus Net Expense Ratio	0.12

**Annualized Performance**

	Total Ret YTD	% Cat Rank	Total Ret 1 Yr	% Cat Rank	Total Ret 3 Yr	% Cat Rank	Total Ret 5 Yr	% Cat Rank	Total Ret 10 Yr	% Cat Rank	Total Ret 15 Yr	% Cat Rank
Vanguard Long-Term Corporate Bd Idx Adm	-4.29	69	9.41	57	6.64	56	4.76	55	7.36	40	-	-
Vanguard Long-Term Investment-Grade Adm	2.06	28	14.88	23	8.58	23	5.86	17	8.13	10	7.02	33
BBgBarc US Corporate 10+ Yr TR USD	-4.51	73	9.57	57	6.66	55	4.74	58	7.30	47	6.52	65
Morningstar Long-Term Bond	-0.63	47	11.13	44	6.98	42	4.82	54	7.03	59	6.43	69

**Sector Exposure**

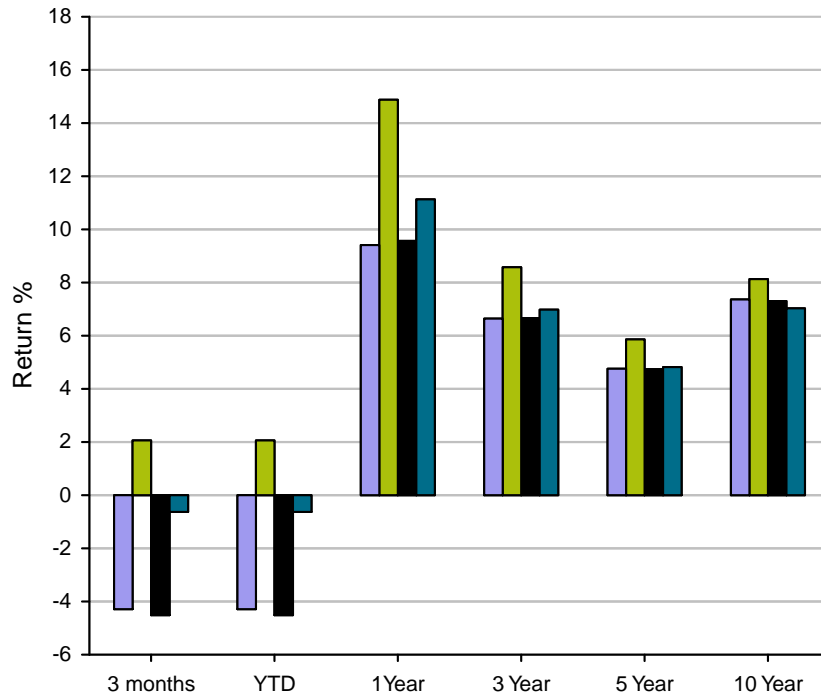


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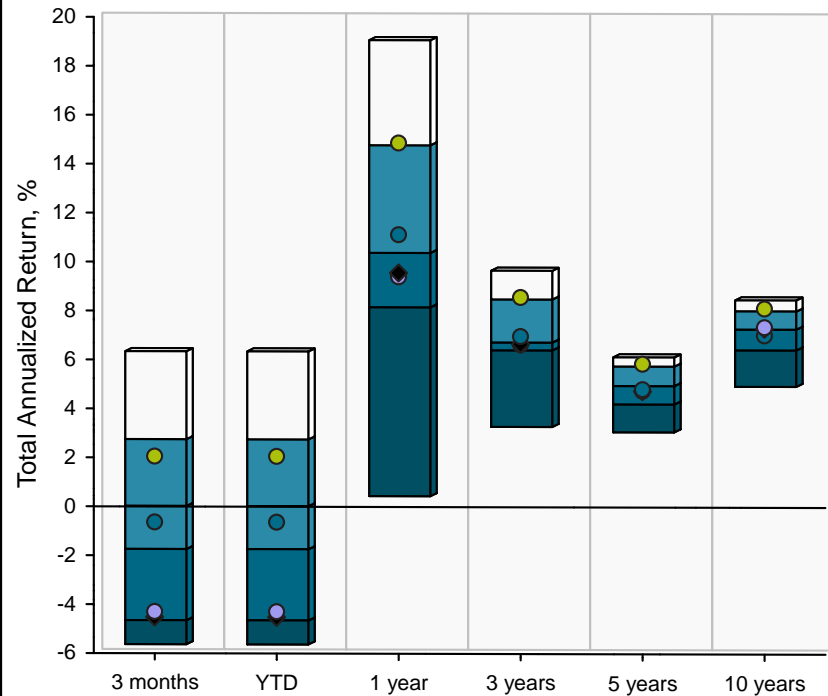


# Exhibit "A" Manager Comparison As of 03/31/2020

### Annualized Performance



### Annualized Performance Relative to Peer Group



● Vanguard Long-Term Corporate Bd Idx Adm    
 ● Vanguard Long-Term Investment-Grade Adm    
 ◆ BBgBarc US Corporate 10+ Yr TR USD    
 ● Morningstar Long-Term Bond

### Calendar Year Returns

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD
Vanguard Long-Term Corporate Bd Idx Adm	11.26	15.90	12.29	-5.92	16.72	-4.62	10.60	12.43	-6.89	23.18	-4.29
Vanguard Long-Term Investment-Grade Adm	10.84	17.30	11.77	-5.77	18.28	-2.11	7.92	12.04	-5.86	20.52	2.06
BBgBarc US Corporate 10+ Yr TR USD	11.20	15.91	12.41	-5.68	15.73	-4.61	10.97	12.09	-7.24	23.89	-4.51
Morningstar Long-Term Bond	10.32	15.94	12.26	-5.93	16.43	-2.78	7.67	10.72	-4.89	19.30	-0.63

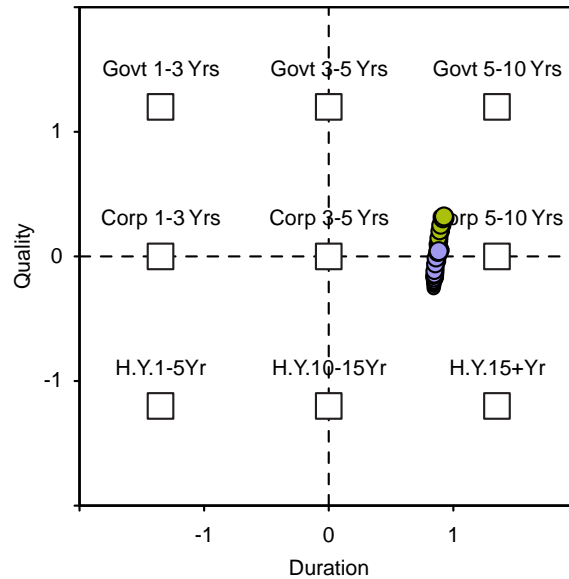
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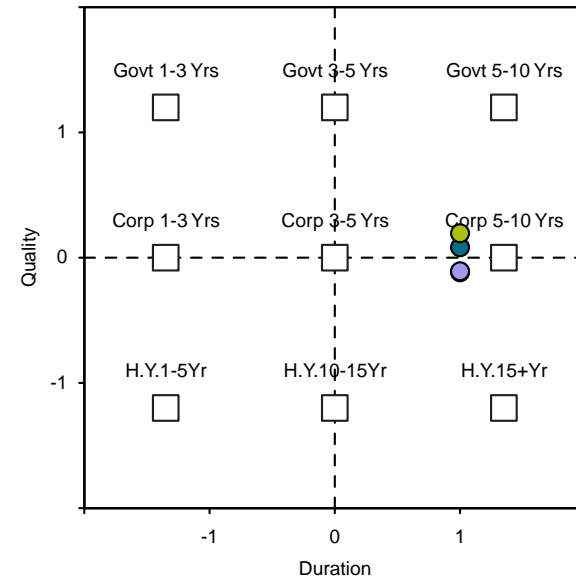


# Exhibit "A" Manager Comparison As of 03/31/2020

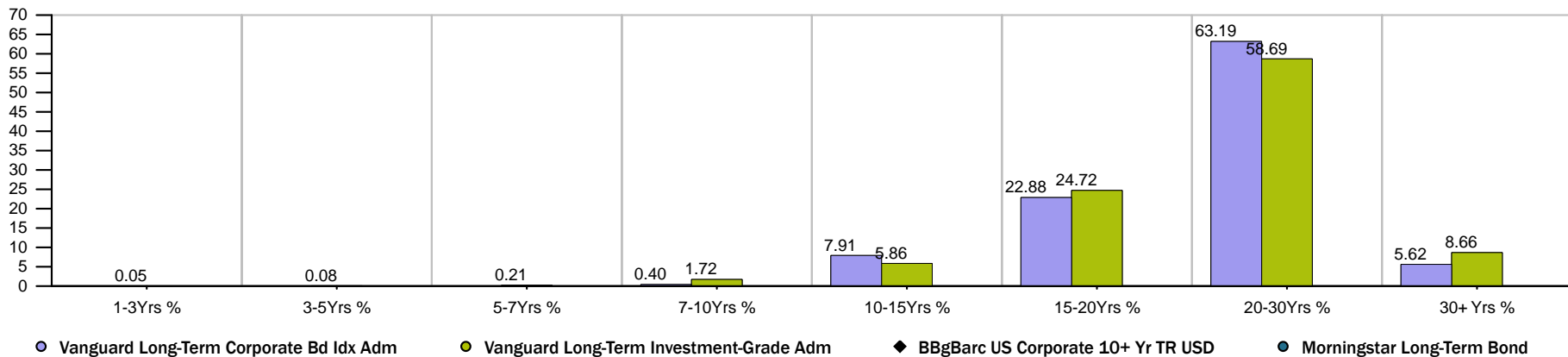
**Return-Based Style Analysis**  
Time Period: April 2015 - March 2020



**Returns Based Style Analysis**  
Time Period: April 2015 - March 2020



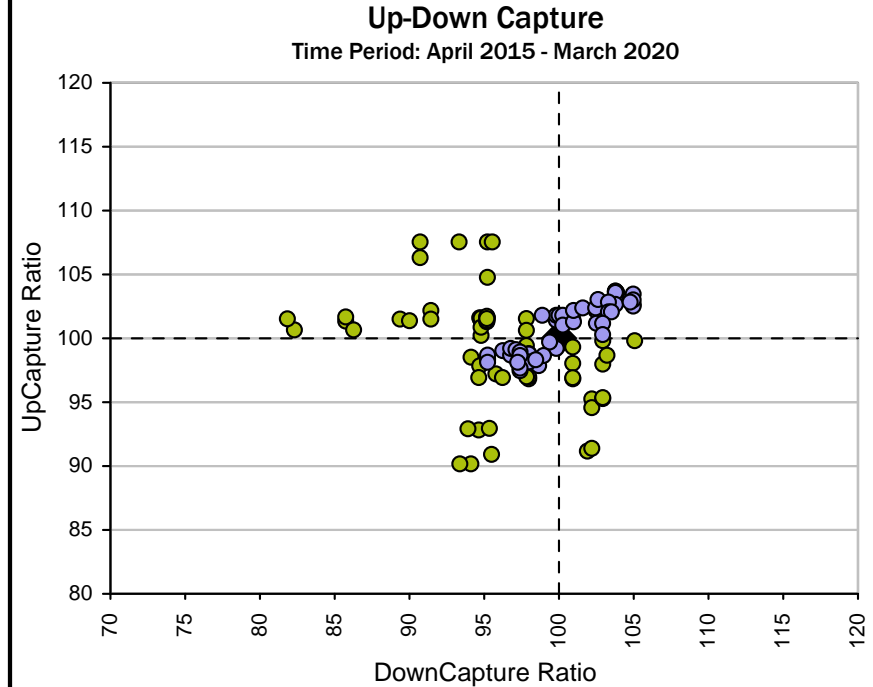
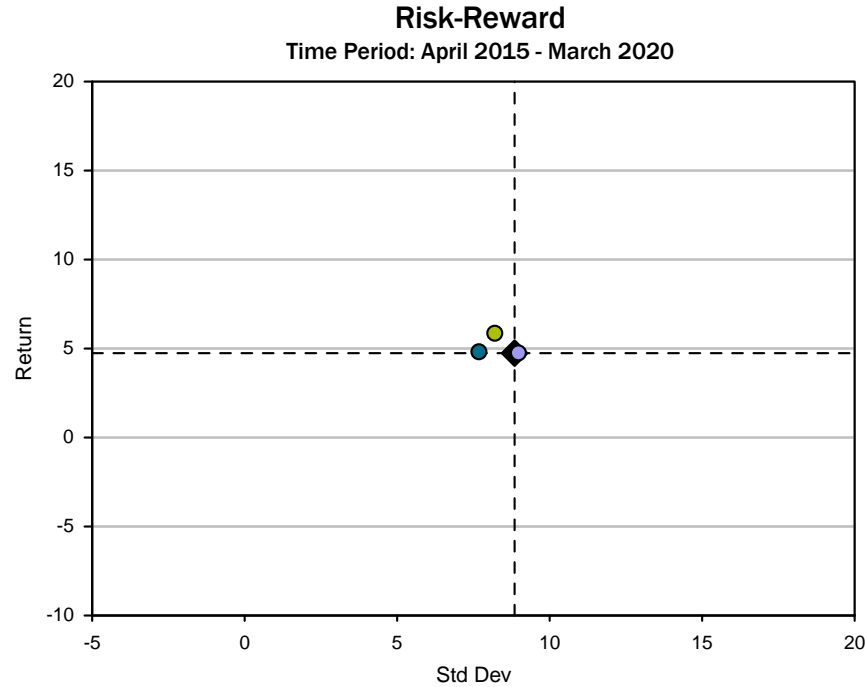
**Maturity Breakdown**



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# Exhibit "A" Manager Comparison As of 03/31/2020



● Vanguard Long-Term Corporate Bd Idx Adm    
 ● Vanguard Long-Term Investment-Grade Adm    
 ◆ BBgBarc US Corporate 10+ Yr TR USD    
 ● Morningstar Long-Term Bond

## Drawdown Analysis

Time Period: April 2015 - March 2020

	Up Number	Down Number	Up Capture Return	Down Capture Return	Best Month	Worst Month	Best Quarter	Worst Quarter	Up Capture Ratio	Down Capture Ratio	R2
Vanguard Long-Term Corporate Bd Idx Adm	38.00	22.00	1.86	-1.94	6.06	-9.96	7.75	-7.63	100.40	100.37	99.07
Vanguard Long-Term Investment-Grade Adm	38.00	22.00	1.83	-1.66	7.01	-5.50	7.08	-7.61	98.59	86.64	90.10
BBgBarc US Corporate 10+ Yr TR USD	37.00	23.00	1.85	-1.93	5.86	-9.92	7.97	-7.76	100.00	100.00	100.00
Morningstar Long-Term Bond	38.00	22.00	1.67	-1.49	5.82	-7.89	6.86	-7.04	83.48	86.77	82.24

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# Section IV

## Appendix

# Quarterly Investment Analysis Criteria

Exhibit "A"

All active plan investment options are reviewed quarterly against their peer group and index benchmark to determine the performance and quality of each offering. Each are evaluated using the following criteria:

1. Trailing 1, 3, 5 and 10 year returns – Total return is a basic measure of a fund's performance. Investors tend to focus more on total return than any other measure of a fund's success or failure. Fund returns over each period are factored into a weighted average, based on the life of a fund. Recent returns receive a slightly higher weighting, while older returns, which may have been produced under different conditions, are weighted less.
2. Rolling 12-month returns (5 years) – The use of 12-month rolling returns minimizes the problem of end-point sensitivity. To score high, a manager must consistently outperform peers across a variety of market cycles, not just the current cycle.
3. Rolling 36 month returns (10 years) – Using 36-month rolling returns allows us to assess fund returns over longer time segments, thus putting more emphasis on performance across different market cycles.
4. Style Consistency to the appropriate index – We utilize R-squared to assess whether the funds selected for the plan continue to operate and perform as expected within their appropriate asset class. R-squared measures the closeness between a fund's returns and movements in the benchmark. All active funds have some deviation from their benchmark, but excessive deviation could indicate that a fund is drifting away from its stated category mandate.
5. Sharpe Ratio – This is a measure of a fund's risk-adjusted performance. How much additional risk did an investor have to assume to achieve a greater return? The Sharpe Ratio is calculated by dividing the annualized return in excess of the risk free Treasury bill rate by the standard deviation of returns earned over that same time frame. This ratio is an excellent measure for determining whether an investor is being rewarded for taking on additional risk.
6. Alpha – The use of Alpha allows us to gauge the effectiveness of the manager. Alpha is the difference between the portfolio's actual return and its expected return given the funds level of risk as calculated by beta.
7. Up Capture Ratio (5 years) – The up capture ratio calculates the percentage of return of an index that a fund has captured during up market cycles. It tracks the fund's relative performance versus the appropriate index when the index is going up.
8. Down Capture Ratio (5 year) – The down capture ratio calculates the percentage of return of an index a fund has captured during down market cycles. Funds that perform well in this category tend to reduce the downside loss for investors during bear markets.
9. Expense Ratio – All else equal, a lower expense ratio is preferred. The expense ratio is compared as a percentage of the appropriate category average and then given a score based upon that percentage. This rewards low-cost funds and penalizes high-cost funds. Some may (correctly) argue that expense ratios are "double weighted" in our scoring methodology, because performance returns are net of expenses, but fiduciaries are encouraged to carefully manage expenses.

Each fund is benchmarked to a specific market index, and fund performance is evaluated and compared to a relevant peer group using Morningstar category classifications. A fund is given a peer group ranking for each criterion, shown as a percentage. A ranking of 10% indicates a fund is in the top 10% of its peer group for that criterion. The percentage rankings for all criteria are then averaged to give a fund its average ranking score.

The lower the average ranking score the better. For example, a fund with an average ranking score of 25% would in general be a better overall fund than a comparable fund with a ranking score of 50%.

All funds with at least a three year track record are scored in the above manner. A fund is then classified as Top Decile, top Quartile, 2nd Quartile, 3rd Quartile or 4<sup>th</sup> Quartile based upon the overall score compared to all other funds within that particular asset category.

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# Passive Investment Options Analysis Criteria

Exhibit "A"

All passive investment options are reviewed quarterly against their peer group and index benchmark to determine the performance and quality of each offering. Each are evaluated using the following criteria:

1. **Expense Ratio** – The percentage of fund assets, net of reimbursements, used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio. The Prospectus Net Expense Ratio is collected annually from a fund's prospectus.
2. **Tracking Error** – A measure of the difference in returns between an investment and a benchmark. Tracking error is reported as a standard deviation of the difference between the returns of an investment and its benchmark.
3. **R-Squared** – A statistical metric that ranges from zero to 100 and measures the percentage of portfolio's performance that is explained by the movement of its benchmark index. R-Squared is helpful in assessing the reliability of alpha and beta in explaining a portfolio risk and return characteristics. An r-squared of 100 would mean that the portfolio's performance movements are perfectly correlated with those of the benchmark over time, and would suggest that alpha and beta may be relied upon with a high degree of confidence.
4. **Beta** – A measure of the volatility, or systematic risk, of an investment in comparison to a market index as a whole. Beta is calculated using regression analysis. Beta represents the tendency of an investment's returns to respond to moves in the market or index that it's calculated against. A beta of 1 indicates that the investment's price moves with the market. A beta of less than 1 means that the investment is theoretically less volatile than the market. A beta of greater than 1 indicates that the investment's price is theoretically more volatile than the market. The reliability of an investment's beta is a function of the investment's r-squared value in relation to the benchmark. A high r-squared value signifies that the beta measure is reliable, while a low r-squared signifies that it is potentially inaccurate.

Each of the criteria above carries a proprietary weight. An index fund is evaluated and ranked in each of the above criteria relative to their peer group. A fund is given a peer group ranking for each criterion. The percentage rankings for all criteria are then weighted to give a fund its average ranking score.

The raw score is then normalized on a scale of 1 to 100, with 1 being the best and 100 the worst. The top 75% of the funds in a category receive a passing score, while the bottom 25% fail.

