

PARS: City of Beaumont

March 31, 2023

Presented by:

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DISCUSSION HIGHLIGHTS – CITY OF BEAUMONT

Asset Allocation (as of 3-31-23)

- Stocks 48.35% (40% - 60%); Bonds 47.02% (40% - 60%); Cash 4.62% (0% - 20%)
- Large Cap 25.81%, Mid Cap 4.19%, Small Cap 6.81%, International 9.94%, REIT 1.61%
- *Moderate (Active)*

Performance (as of 3-31-23) Gross of investment fees, net of fund level fees

- 1 Month: 1.60%
- 3 Month: 4.40%
- 1 Year: -6.17%
- Inception to Date: -5.92% (March, 2022)

Outlook

- US Economy
 - Recession vs. recession; soft landing
 - Banking crisis
 - Inflation
 - Labor
 - Inventories
- Geopolitical
 - China / Russia
 - Ukraine
- Federal Reserve
 - Rate hikes, pause, cuts
 - Balance sheet
 - Emergency lending program
- Corporate
 - Earnings growth
 - Margins; valuations

Economic and Market Forecast March 2023

	2022 Assumptions	2023 Assumptions
GDP	0.1% - 0.9%	- 0.5% - +0.5%
S&P 500 Earnings	\$210 - \$220	\$195 - \$205
Unemployment	3.7% - 4.2%	4.4% - 5.1%
Core PCE Inflation	4.0% - 4.5%	2.9% - 3.4%
Fed Funds Target	4.0% - 4.5%	4.25% - 5.0%

Selected Period Performance

PARS/PRSP MODERATE HIGHMARK PLUS (****050106)
Performance Report

As of: March 31, 2023

	1 Month	3 Months	Year to Date (3 Months)	1 Year	Inception to Date 03/01/2022
Cash Equivalents	.38	1.05	1.05	2.53	2.34
<i>Lipper Money Market Funds Index</i>	.38	1.07	1.07	2.59	2.40
Total Fixed Income	1.83	2.93	2.93	-4.26	-6.20
<i>Bloomberg US Aggregate Bd Index (USD)</i>	2.54	2.96	2.96	-4.78	-6.88
Total Equities	1.44	6.21	6.21	-8.83	-6.57
Large Cap Funds	3.12	7.84	7.84	-9.15	-6.10
<i>S&P 500 Composite Index</i>	3.67	7.50	7.50	-7.73	-3.98
Mid Cap Funds	-1.45	3.87	3.87	-8.98	-6.21
<i>Russell Midcap Index</i>	-1.53	4.06	4.06	-8.78	-5.97
Small Cap Funds	-4.10	2.82	2.82	-9.14	-8.11
<i>Russell 2000 Index (USD)</i>	-4.78	2.74	2.74	-11.61	-9.74
International Equities	2.75	6.75	6.75	-4.33	-4.70
<i>MSCI EAFE Index (Net)</i>	2.48	8.47	8.47	-1.38	-.69
<i>MSCI EM Free Index (Net USD)</i>	3.03	3.96	3.96	-10.70	-11.80
REIT Funds	-2.23	1.55	1.55	-20.03	-13.95
<i>Wilshire REIT Index</i>	-2.55	3.32	3.32	-21.33	-14.81
Total Managed Portfolio	1.60	4.40	4.40	-6.17	-5.92
Total Account Net of Fees	1.57	4.32	4.32	-6.47	-6.22

Returns are gross of fees not including account level advisory fees unless otherwise stated. Gross returns are presented before management and custodial fees but after all trading expenses, embedded and reflect the reinvestment of dividends and other income. Net returns are net of investment management fees in effect for the respective time period. Returns for periods over one year are annualized. An investor cannot invest directly in unmanaged indices. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns. Securities are not FDIC insured have no bank guarantee and may lose value.

Asset Allocation – City of Beaumont

As of March 31, 2023

Current Asset Allocation		Investment Vehicle	
Equity	48.35%		Range: 40% - 60%
Large Cap Core	4.67%	COFYX	Columbia Contrarian Core Cl Y
	9.32%	VGIAX	Vanguard Growth & Income Admiral Shares
Large Cap Value	4.41%	DODGX	Dodge & Cox Stock Fund
	1.92%	IVE	iShares S&P 500 Value ETF
Large Cap Growth	2.76%	HNACX	Harbor Capital Appreciation Instl
	2.73%	IVW	iShares S&P 500 Growth ETF
Mid Cap Core	4.19%	IWR	iShares Russell Mid Cap ETF
Small Cap Value	3.42%	UBVFX	Undiscovered Managers Behavioral Value R6
Small Cap Growth	3.39%	FGROX	Emerald Growth Institutional Fund
International Core	1.26%	DODFX	Dodge & Cox International Stock Fund
	3.68%	DFALX	DFA Large Cap International Portfolio
International Growth	1.23%	MGRDX	MFS International Growth Fund
Emerging Markets	3.76%	HHHFX	Schroder Emerging Market Equity
REIT	1.61%	VNQ	Vanguard REIT ETF
Fixed Income	47.02%		Range: 40% - 60%
Short-Term	10.51%	VFSUX	Vanguard Short-Term Corp Adm Fund
Intermediate-Term	11.85%	DBLFX	DoubleLine Core Fixed Income I
	11.78%	DODIX	Dodge & Cox Income Fund
	11.88%	PTRQX	Prudential Total Return Bd Cl Q
	1.01%	PHIYX	PIMCO High Yield Instl Fund
Cash	4.62%		Range: 0% - 20%
	4.62%	FGZXX	First American Government Obligations Fund
TOTAL	100.00%		

CITY OF BEAUMONT

For Period Ending March 31, 2023

LARGE CAP EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to- Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Columbia Contrarian Core Inst3	4.58	8.73	8.73	-8.62	18.20	10.94	11.97
Vanguard Growth & Income Adm	2.58	6.47	6.47	-8.16	19.11	10.89	12.18
Dodge & Cox Stock I	-1.60	1.50	1.50	-6.78	23.34	9.43	11.37
iShares S&P 500 Value ETF	1.30	5.13	5.13	-0.34	18.91	9.29	9.98
iShares S&P 500 Growth ETF	5.83	9.58	9.58	-15.47	16.63	11.70	13.42
Harbor Capital Appreciation Retirement	8.41	18.32	18.32	-14.66	14.36	10.80	13.99
S&P 500 TR USD	3.67	7.50	7.50	-7.73	18.60	11.19	12.24
MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	-1.55	4.03	4.03	-8.90	19.01	7.90	9.88
Russell Mid Cap TR USD	-1.53	4.06	4.06	-8.78	19.20	8.05	10.05
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	-5.32	0.53	0.53	-3.97	32.79	8.40	10.28
Emerald Growth Institutional	-2.90	4.12	4.12	-11.72	14.43	5.69	10.08
Russell 2000 TR USD	-4.78	2.74	2.74	-11.61	17.51	4.71	8.04
REAL ESTATE FUNDS							
Vanguard Real Estate ETF	-2.10	1.77	1.77	-20.12	9.80	5.80	5.78
INTERNATIONAL EQUITY FUNDS							
Dodge & Cox International Stock I	0.88	6.15	6.15	-0.46	17.30	2.91	5.06
DFA Large Cap International I	2.53	7.93	7.93	-1.26	14.85	3.91	5.18
MFS International Growth R6	5.19	9.22	9.22	1.03	13.16	6.73	6.87
MSCI EAFE NR USD	2.48	8.47	8.47	-1.38	12.99	3.52	5.00
Hartford Schroders Emerging Mkts Eq F	2.96	5.16	5.16	-10.26	7.86	-0.55	2.64
MSCI EM NR USD	3.03	3.96	3.96	-10.70	7.83	-0.91	2.00
BOND FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to- Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
DoubleLine Core Fixed Income I	2.02	3.56	3.56	-5.03	-0.56	0.68	1.70
PGIM Total Return Bond R6	1.90	3.17	3.17	-6.05	-1.14	0.99	2.07
Dodge & Cox Income I	1.79	3.13	3.13	-3.03	0.13	1.93	2.35
Vanguard Short-Term Investment-Grade Adm	1.54	1.88	1.88	-0.19	0.75	1.59	1.59
Bloomberg US Agg Bond TR USD	2.54	2.96	2.96	-4.78	-2.77	0.91	1.36
PIMCO High Yield Instl	1.83	3.98	3.98	-2.66	4.55	2.94	3.73

Source: SEI Investments, Morningstar Investments

Returns less than one year are not annualized. Past performance is no indication of future results. The information presented has been obtained from sources believed to be accurate and reliable. Securities are not FDIC insured, have no bank guarantee and may lose value.