PARS: City of Beaumont

September 2022

Presented by:
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HighMark® Capital Management

DISCUSSION HIGHLIGHTS – CITY OF BEAUMONT

Asset Allocation **(as of 9-30-22)**
- Stocks 45.41% (40% - 60%); Bonds 48.82% (40% - 60%); Cash 5.77% (0% - 20%)
- Large Cap 25.52%, Mid Cap 4.31%, Small Cap 6.74%, International 7.05%, REIT 1.79%
- *Moderate (Active)*

Performance **(as of 9-30-22) Gross of investment fees, net of fund level fees**
- 1 Month: -6.29%
- 3 Month: -4.39%
- Inception to Date: -14.33% (March, 2022)

Outlook

▪ US Economy	– Recession?
	– Inflation
	– Unemployment/labor
	– State of the consumer
▪ Global Economies	– Developed international / emerging markets.
▪ Geopolitical	– War in Ukraine
	– China
▪ Federal Reserve	– Rate hikes
	– 10-year yield: 2.85-3.15% (‘22); 2.70-3.00% (‘23)
▪ Outlook	– Value vs. Growth
	– Real assets

Selected Period Performance

Account Name: PARS/PRSP MODERATE HIGHMARK PLUS

As of: September 30, 2022 **Account ID: xxxxx50106**

Performance Report

	1 Month	3 Months	Inception to Date 03/01/2022
Cash Equivalents	.18	.46	.61
Lipper Money Market Funds Index	*.19*	*.49*	*.63*
Total Fixed Income	-3.87	-3.81	-10.94
Bloomberg US Aggregate Bd Index (USD)	*-4.32*	*-4.75*	*-11.74*
Total Equities	-9.51	-5.65	-19.17
Large Cap Funds	-9.20	-4.84	-18.74
S&P 500 Composite Index	*-9.21*	*-4.88*	*-17.23*
Mid Cap Funds	-9.20	-3.39	-17.65
Russell Midcap Index	*-9.27*	*-3.44*	*-17.65*
Small Cap Funds	-9.45	-3.25	-18.13
Russell 2000 Index (USD)	*-9.58*	*-2.19*	*-18.00*
International Equities	-10.06	-10.60	-22.29
MSCI EAFE Index (Net)	*-9.35*	*-9.36*	*-22.01*
MSCI EM Free Index (Net USD)	*-11.72*	*-11.57*	*-23.47*
REIT Funds	-12.92	-11.08	-19.82
Wilshire REIT Index	*-12.26*	*-10.23*	*-21.80*
Total Managed Portfolio	-6.29	-4.39	-14.33
Total Account Net of Fees	-6.32	-4.47	-14.49

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 September 30, 2022

Current Asset Allocation		Investment Vehicle	
Equity		***Range: 40% - 60%***	**45.41%**
Large Cap Core	COFYX	Columbia Contrarian Core Cl Y	4.77%
	VGIAX	Vanguard Growth & Income Admiral Shares	9.14%
Large Cap Value	DODGX	Dodge & Cox Stock Fund	4.28%
	IVE	iShares S&P 500 Value ETF	1.91%
Large Cap Growth	HNACX	Harbor Capital Appreciation Instl	2.71%
	PRUFX	T. Rowe Price Growth Stock Fund	2.72%
Mid Cap Core	IWR	iShares Russell Mid Cap ETF	4.31%
Small Cap Value	UBVFX	Undiscovered Managers Behavorial Value R6	3.34%
Small Cap Growth	VBK	Victory RS Small Cap Growth Fund	3.40%
International Core	DODFX	Dodge & Cox International Stock Fund	0.77%
	DFALX	DFA Large Cap International Portfolio	2.70%
International Growth	MGRDX	MFS International Growth Fund	0.79%
Emerging Markets	HHHFX	Schroder Emerging Market Equity	2.80%
REIT	VNQ	Vanguard REIT ETF	1.79%
Fixed Income		***Range: 40% - 60%***	**48.82%**
Short-Term	VFSUX	Vanguard Short-Term Corp Adm Fund	11.00%
Intermediate-Term	PTRQX	Prudential Total Return Bd Cl Q	12.25%
	DBLFX	DoubleLine Core Fixed Income I	12.26%
	PTTRX	PIMCO Total Return Instl Fund	12.29%
High Yield	PHIYX	PIMCO High Yield Instl Fund	1.02%
Cash		***Range: 0% - 20%***	**5.77%**
	FGZXX	First American Government Obligations Fund	5.77%
TOTAL			**100.00%**

City of Beaumont

For Period Ending September 30, 2022

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	-9.50	-5.67	-23.36	-16.97	8.44	8.36	11.61
Dodge & Cox Stock I	-9.52	-7.19	-17.89	-13.09	8.46	7.29	11.39
iShares S&P 500 Value ETF	-8.48	-5.86	-16.69	-9.80	4.93	6.00	9.45
Harbor Capital Appreciation Retirement	-9.15	-1.80	-36.75	-33.57	8.36	9.90	12.86
Vanguard Growth & Income Adm	-8.98	-4.48	-22.69	-13.85	8.64	9.26	11.80
T. Rowe Price Growth Stock I	-9.49	-3.29	-38.69	-35.76	3.60	6.83	11.48
S&P 500 TR USD	**-9.21**	**-4.88**	**-23.87**	**-15.47**	**8.16**	**9.24**	**11.70**

MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	-9.28	-3.47	-24.35	-19.51	5.03	6.33	10.13
Russell Mid Cap TR USD	**-9.27**	**-3.44**	**-24.27**	**-19.39**	**5.19**	**6.48**	**10.30**

SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	-9.95	-5.61	-13.07	-6.72	9.14	5.99	10.79
Vanguard Small-Cap Growth ETF	-8.99	-0.79	-30.50	-30.09	2.82	5.65	9.15
Russell 2000 TR USD	**-9.58**	**-2.19**	**-25.10**	**-23.50**	**4.29**	**3.55**	**8.55**

INTERNATIONAL EQUITY FUNDS							
Dodge & Cox International Stock I	-9.05	-10.69	-19.64	-17.71	0.25	-1.48	4.17
DFA Large Cap International I	-9.44	-10.05	-25.80	-23.33	-0.75	-0.26	3.83
MFS International Growth R6	-7.89	-7.73	-25.61	-21.94	0.99	3.04	5.56
MSCI EAFE NR USD	**-9.35**	**-9.36**	**-27.09**	**-25.13**	**-1.83**	**-0.84**	**3.67**
Hartford Schroders Emerging Mkts Eq F	-10.82	-12.16	-29.54	-31.60	-2.63	-1.70	1.53
MSCI EM NR USD	**-11.72**	**-11.57**	**-27.16**	**-28.11**	**-2.07**	**-1.81**	**1.05**

REAL ESTATE FUNDS							
Fund Name	**1-Month Return**	**3-Month Return**	**Year-to-Date**	**1-Year Return**	**3-Year Return**	**5-Year Return**	**10-Year Return**
Vanguard Real Estate ETF	-12.83	-10.98	-29.25	-18.71	-1.62	3.07	6.23

BOND FUNDS							
DoubleLine Core Fixed Income I	-4.13	-4.08	-13.77	-13.96	-3.08	-0.31	1.36
PIMCO Total Return Instl	-4.31	-4.82	-15.59	-15.65	-3.14	-0.30	1.05
PGIM Total Return Bond R6	-4.82	-4.57	-16.77	-16.51	-3.72	-0.14	1.74
Vanguard Short-Term Investment-Grade Adm	-2.01	-1.87	-7.35	-7.98	-0.74	0.75	1.34
Bloomberg US Agg Bond TR USD	**-4.32**	**-4.75**	**-14.61**	**-14.60**	**-3.26**	**-0.27**	**0.89**
PIMCO High Yield Instl	-3.77	-0.50	-14.37	-13.79	-1.28	1.05	3.45

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.