

South Central Connecticut Regional Water Authority
90 Sargent Drive, New Haven, Connecticut
or
****Dial in by phone**
[+1 469-965-2517, 882549932#](tel:+14699652517882549932) United States, Northlake
Phone conference ID: 882 549 932#

AGENDA

Regular Meeting of Thursday, April 24, 2025 at 12:30 p.m.

-
1. Call to Order
 - 1.1 Safety Moment
 2. Public Comment: The time limit granted to each speaker shall be three (3) minutes. Residents and customers may address the Board.
 3. Meet as Pension & Benefit Committee: C. LaMarr
 - 3.1 Approve Minutes – January 23, 2025 meeting
 - 3.2 Review 1/1/2025 Actuary reports and assumptions for pension and VEBA and related contribution amounts: Angell Pension Group, Inc.
 - 3.3 Quarterly Investment Performance Review – Pension & VEBA: S. Kelliher and J. McLaughlin
 - 3.4 Review FY 2026 Committee Work Plan
 4. Act on matters arising from committee meeting
 5. Consent Agenda
 - 5.1 Approve Minutes – March 27, 2025 regular meeting and March 31, 2025 special meeting
 - 5.2 Capital Budget Authorization - May 2025
 - 5.3 Capital Budget Transfer Notifications (no action required) – May 2025
 - 5.4 Monthly Financial report – March 2025
 - 5.5 Accounts Receivable update – March 2025
 - 5.6 FY 2025-2026 Application schedule
 6. Finance: R. Kowalski
 - 6.1 Type B3 Amendments
 7. Reports on RPB Committee meetings
 8. Business updates: S. Lakshminarayanan
 - 8.1 RWAY/CIS Update: S. Lakshminarayanan and R. Kowalski
 - 8.2 Monthly Business Highlights: S. Lakshminarayanan
 - 8.3 *Blue Drop update: S. Lakshminarayanan and R. Kowalski - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(A)(B), pertaining to trade secrets and commercial and financial information.*
 - 8.4 Consider and act on the General Bond Resolution and Supplemental Resolution for the Aquarion Water Authority
 9. Application – Lake Gaillard & Lake Saltonstall Electrical Improvements: O. Kelly - *Upon 2/3 vote, convene in possible executive session pursuant to C.G.S. Section 1-200(6)(E) for matters covered by Section 1-210(b)(19)(i)(ii), pertaining to security risk.*
 - 9.1 Review and discuss Application
 - 9.2 Affidavit regarding confidential information within said Application
 - 9.3 Motion for Protective Order for confidential information within said Application
 - 9.4 Protective Order concerning confidential information within said Application for submission to the Representative Policy Board (RPB)
 - 9.5 Possible recommendation to submit Application to the RPB
 10. Discussion regarding Strategy: FMA - *Upon 2/3 vote, convene in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered by Section 1-210(b)(5)(A), pertaining to trade secrets.*

**** Members of the public may attend the meeting in person or by conference call. To view meeting documents please visit <https://tinyurl.com/4bw5kh8h>. For questions, contact the board office at 203-401-2515 or by email at jslubowski@rwater.com.**

***RPB Member (V. Marino) will be excused at item 8.3**

**South Central Connecticut Regional Water Authority
Pension & Benefit Committee
Minutes of the January 23, 2025 Meeting**

The regular meeting of the South Central Connecticut Regional Water Authority (“RWA”) Pension & Benefit Committee took place on Thursday, January 23, 2025, at 90 Sargent Drive, New Haven, Connecticut, and via remote access. Chair LaMarr presided.

Present: Committee members – Mss. LaMarr and Sack(R), and Messrs. Borowy, Curseaden, and Ricozzi
Management – Mss. Kowalski and Calo (R), and Messrs. Lakshminarayanan, Hill(R), and Singh
RPB – Mr. Betkoski(R)
Morgan Stanley – Messrs. Kelliher (R), McLaughlin (R) and Kantapin (R)
Staff - Mrs. Slubowski

3. MEET AS PENSION & BENEFIT COMMITTEE:

Chair LaMarr called the meeting to order at 12:31 p.m.

3.1 APPROVE MINUTES

On motion made by Mr. Ricozzi, and seconded by Mr. Borowy, the Committee voted and approved the minutes of its October 24, 2024 meeting.

Borowy	Aye
Curseaden	Absent
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

3.2 QUARTERLY INVESTMENT PERFORMANCE REVIEW – PENSION AND VEBA

Mr. Kelliher from Morgan Stanley, the RWA's pension investment advisor, offered his condolences on the passing of Mr. Bingaman, the RWA's former President & Chief Executive Officer. He also reported that this would be Mr. Kantapin's last meeting, as he would be moving out of the country.

At 12:34 p.m., Mr. Curseaden entered the meeting.

Mr. Kelliher provided an update on the market environment, RWA's asset allocations, and investment results of the pension and VEBA plans for the period ended December 31, 2024.

After discussion, Authority members thanked Mr. Kelliher and wished Mr. Kantapin luck in his new venture.

At 1:18 p.m., Messrs. Kelliher, McLaughlin, and Kantapin withdrew from the meeting.

Committee members discussed the status of the Request for Information (“RFI”)/Request for Proposal (“RFP”) as discussed last year. Ms. Kowalski, the RWA's Senior Vice President, Chief Financial Officer & Head of Corporate Development, provided a high level update. Chair LaMarr shared additional information on the status and reported that the RFI has been completed. After discussion it was determined that the Committee should meet in executive session to discuss the RFI/RFP in more detail.

At 1:02 p.m., on motion made by Mr. Ricozzi and seconded by Mr. Borowy, the Committee voted unanimously to meet in executive session pursuant to C.G.S. Section 1-200(6)(E) to discuss matters covered

South Central Connecticut Regional Water Authority
Pension & Benefit Committee
January 23, 2025

by Section 1-210(b)(5)(A)(B), pertaining to trade secrets and commercial and financial information. Present in executive session were committee members, Messrs. Lakshminarayanan, Betkoski, Hill, and Singh, and Mss. Kowalski, Calo, and Slubowski.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

At 1:23 p.m., the Committee came out of executive session. No votes were taken in, or as a result of executive session. On motion made by Mr. Curseaden and seconded by Mr. Ricozzi, the committee voted to adjourn the meeting.

Borowy	Aye
Curseaden	Aye
LaMarr	Aye
Ricozzi	Aye
Sack	Aye

Catherine E. LaMarr, Chairperson

(R) = Attended remotely.

UNAPPROVED

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY SALARIED EMPLOYEES' RETIREMENT PLAN

Plan Demographics

	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Active Participants	64	67
Terminated Vested Participants	53	60
Retired Participants	187	177
Total Participants	304	304
Average Active Participant Age	57.6	57.2
Average Active Participant Service	26.6	25.2
Average Inactive Participant Age	69.6	69.6
Average Inactive Participant Life Expectancy	19.6	19.6

Asset Values

	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Market Value of Assets	\$49,107,788	\$45,276,275
Actuarial Value of Assets	\$49,134,517	\$46,852,532
Ratio of Actuarial to Market Value	100%	103%
Investment Return on Market Value of Assets	9.9%	11.9%
Prior Year Employer Contributions	\$3,030,226	\$4,062,445
Prior Year Benefit Payments	(\$3,653,980)	(\$3,561,012)
Prior Year Administrative Expenses	(\$227,754)	(\$197,287)

Funded Status

	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Valuation Rate Basis		
Valuation Interest Rate	6.75%	6.75%
Present Value of Accrued Benefits (PVAB)	\$55,020,889	\$53,731,426
Market Value of Assets	\$49,107,788	\$45,276,275
Excess (Shortfall) Based on Market Value	(\$5,913,101)	(\$8,455,151)
Funding Percentage on PVAB Basis Market Value	89.25%	84.26%
Present Value of Accrued Benefits (PVAB)	\$55,020,889	\$53,731,426
Actuarial Value of Assets	\$49,134,517	\$46,852,532
Excess (Shortfall) Based on Actuarial Value	(\$5,886,372)	(\$6,878,894)
Funding Percentage on PVAB Basis Actuarial Value	89.30%	87.20%

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY SALARIED EMPLOYEES' RETIREMENT PLAN

Contributions	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
<u>Actuarially Determined Contribution</u>		
Normal Cost	\$1,569,112	\$1,654,180
Expected Employee Contributions	\$0	\$0
Employer Normal Cost	\$1,569,112	\$1,654,180
Employer Normal Cost with 1/2 Year Interest	\$1,621,205	\$1,709,097
Actuarially Determined Contribution	\$1,621,205	\$1,709,097
Fiscal Year Contribution to Fully Fund by 5/31/2025 Based on Asset Values as of the end of the plan year	\$7,508,000	\$9,485,000
Actual Fiscal Year Contribution	TBD	\$3,194,706
Actuarial Assumptions	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Discount Rate	6.75%	6.75%
Salary Scale	4.00%	4.00%
Pre Retirement Mortality	PubG-2010 Above Median Employee with Scale MP-2021 generational improvements (M/F)	PubG-2010 Above Median Employee with Scale MP-2021 generational improvements (M/F)
Pre Retirement Mortality	PubG-2010 Above Median Annuitant with Scale MP-2021 generational improvements (M/F)	PubG-2010 Above Median Annuitant with Scale MP-2021 generational improvements (M/F)

EXECUTIVE SUMMARY OF THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY RETIREMENT PLAN (UNION)

Plan Demographics

	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Active Participants	55	60
Terminated Vested Participants	38	37
Retired Participants	114	116
Total Participants	207	213
Average Active Participant Age	60.2	59.3
Average Active Participant Service	32.4	31.5
Average Inactive Participant Age	69.2	69.2
Average Inactive Participant Life Expectancy	19.7	19.7

Asset Values

	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Market Value of Assets	\$29,022,593	\$26,787,118
Actuarial Value of Assets	\$29,022,642	\$27,712,663
Ratio of Actuarial to Market Value	100%	103%
Investment Return on Market Value of Assets	10.0%	12.1%
Prior Plan Year Employer Contributions	\$1,520,156	\$2,031,587
Prior Plan Year Benefit Payments	(\$1,899,392)	(\$1,883,524)
Prior Plan Year Administrative Expenses	(\$125,005)	(\$120,612)

Funded Status

	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Valuation Rate Basis		
Valuation Interest Rate	6.75%	6.75%
Present Value of Accrued Benefits (PVAB)	\$31,168,912	\$31,237,990
Market Value of Assets	\$29,022,593	\$26,787,118
Excess (Shortfall) Based on Market Value	(\$2,146,319)	(\$4,450,872)
Funding PercentAge on PVAB Basis Market Value	93.11%	85.75%
Present Value of Accrued Benefits (PVAB)	\$31,168,912	\$31,237,990
Actuarial Value of Assets	\$29,022,642	\$27,712,663
Excess (Shortfall) Based on Actuarial Value	(\$2,146,270)	(\$3,525,327)
Funding PercentAge on PVAB Basis Actuarial Value	93.11%	88.71%

**EXECUTIVE SUMMARY OF THE
SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY RETIREMENT PLAN
(UNION)**

Contributions	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
<u>Actuarially Determined Contribution</u>		
Normal Cost	\$581,596	\$747,142
Expected Employee Contributions	N/A	N/A
Employer Normal Cost	\$581,596	\$747,142
Employer Normal Cost with 1/2 Year Interest	\$600,904	\$771,946
Actuarially Determined Contribution	\$600,904	\$771,946
Fiscal Year Contribution to Fully Fund by 5/31/2025 Based on Asset Values as of the end of the plan year	\$3,054,789	\$4,599,000
Actual Fiscal Year Contribution	TBD	\$1,805,294
Actuarial Assumptions	Actuarial Valuation as of January 1, 2025	Actuarial Valuation as of January 1, 2024
Discount Rate	6.75%	6.75%
Salary Scale	N/A	N/A
Pre Retirement Mortality	PubG-2010 Total Employee with Scale MP-2021 generational improvements (M/F)	PubG-2010 Total Employee with Scale MP-2021 generational improvements (M/F)
Pre Retirement Mortality	PubG-2010 Healthy Annuitant with Scale MP-2021 generational improvements (M/F)	PubG-2010 Healthy Annuitant with Scale MP-2021 generational improvements (M/F)

Proposed Resolution – FY 2026 VEBA Plan Contribution

RESOLVED, that the Authority approves a contribution of \$1,570,423 to the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, effective for the actuarial valuation of January 1, 2025; and

FURTHER RESOLVED, that the Authority approves the continued use of the mortality table for the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, the PubG.H.-2010 Employee, Healthy Annuitant, and Contingent Survivor with Scale MP-2021 generational improvements (M/F), effective as of the actuarial valuation of January 1, 2025.

Proposed Pension Contribution Resolutions FY 2026

Salaried

RESOLVED, that the Authority approves a contribution of \$2,350,784 to the South Central Connecticut Regional Water Authority's Salaried Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2025; and

FURTHER RESOLVED, that the Authority approves the continued use of the PubG-2010 Above Median Employee and Annuitant with Scale MP-2021 generational improvements (M/F), effective for the actuarial valuation of January 1, 2025.

Union

RESOLVED, that the Authority approves a contribution of \$871,325 to the South Central Connecticut Regional Water Authority's Union Employees' Retirement Plan, effective for the actuarial valuation of January 1, 2025; and

FURTHER RESOLVED, that the Authority approves the continued use of the PubG-2010 Total Employee and Annuitant with Scale MP-2021 generational improvements (M/F), effective for the actuarial valuation of January 1, 2025.

Proposed Resolution – FY 2026 VEBA Plan Contribution

RESOLVED, that the Authority approves a contribution of \$1,570,423 to the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, effective for the actuarial valuation of January 1, 2025; and

FURTHER RESOLVED, that the Authority approves the continued use of the mortality table for the South Central Connecticut Regional Water Authority's Retired Employees' Contributory Welfare Trust, the PubG.H.-2010 Employee, Healthy Annuitant, and Contingent Survivor with Scale MP-2021 generational improvements (M/F), effective as of the actuarial valuation of January 1, 2025.

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Discussion Outline & Agenda

	Section
Market Commentary	I.
Asset Allocation & Investment Matrices	II.
Investment Results	III.
Appendix	IV.
- Investment Holdings Analysis	

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Market Commentary



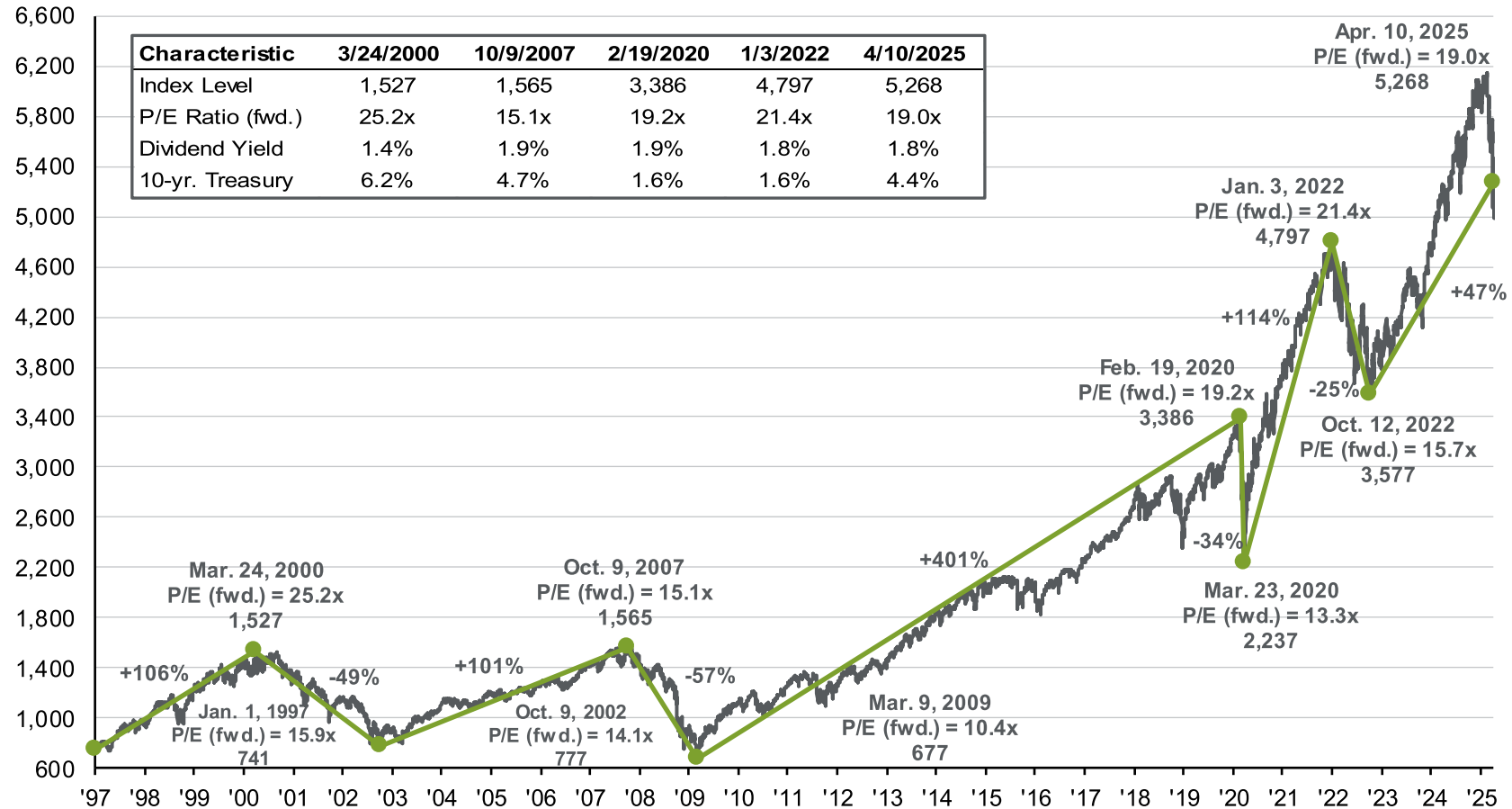
S&P 500 Index at inflection points

GTM

U.S.

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S&P 500 Price Index



Source: Compustat, FactSet, Federal Reserve, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management. Dividend yield is calculated as consensus estimates of dividends for the next 12 months, divided by most recent price, as provided by Compustat. Forward price-to-earnings ratio is a bottom-up calculation based on IBES estimates and FactSet estimates since January 2022. Returns are cumulative and based on S&P 500 Index price movement only, and do not include the reinvestment of dividends. Past performance is not indicative of future returns.

Guide to the Markets – U.S. Data are as of April 10, 2025.

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ASSET MANAGEMENT



Yield curve

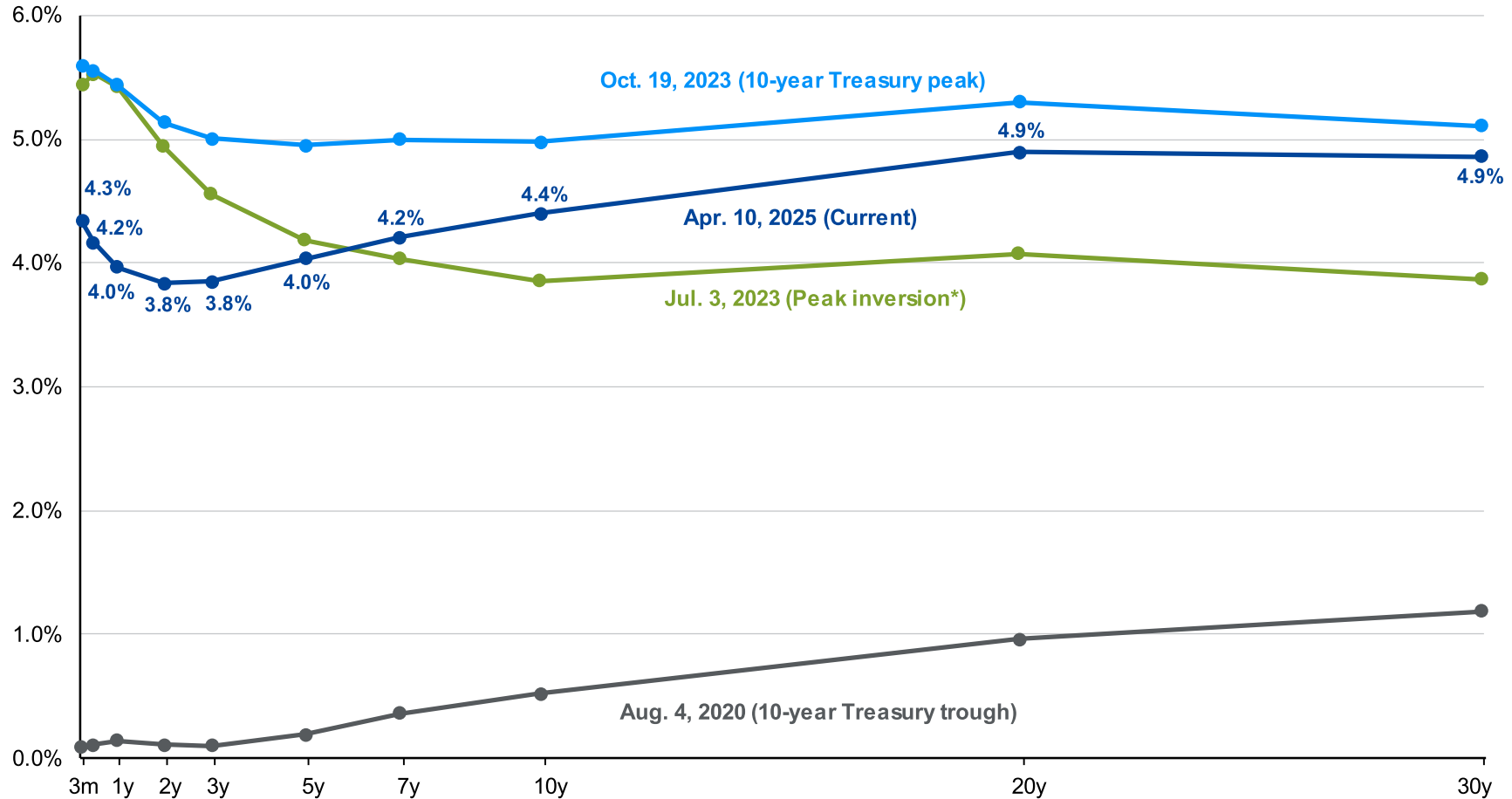
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Fixed Income

U.S. Treasury yield curve

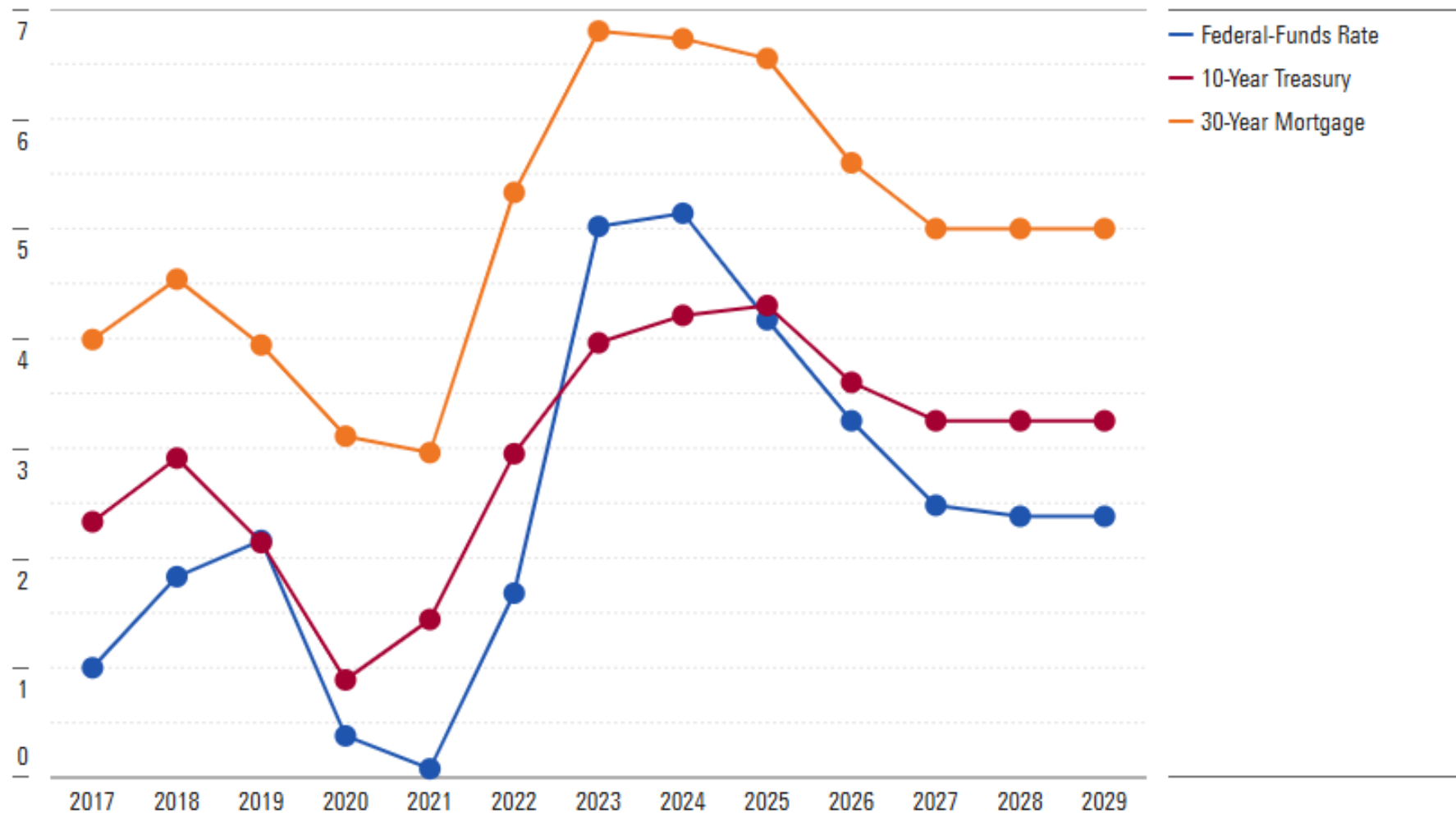


Source: FactSet, Federal Reserve, J.P. Morgan Asset Management. Analysis references data back to 2020. *Peak inversion is measured by the spread between the yield on a 10-year Treasury and 2-year Treasury.
Guide to the Markets – U.S. Data are as of April 10, 2025.

J.P.Morgan
ASSET MANAGEMENT

Markets are Now Expecting Multiple Rate Cuts in 2025

Interest Rate Forecasts (Annual Averages)



Source: Federal Reserve, Morningstar. Data as of 03/28/2025.



Bloomberg U.S. Agg. annual returns and intra-year declines

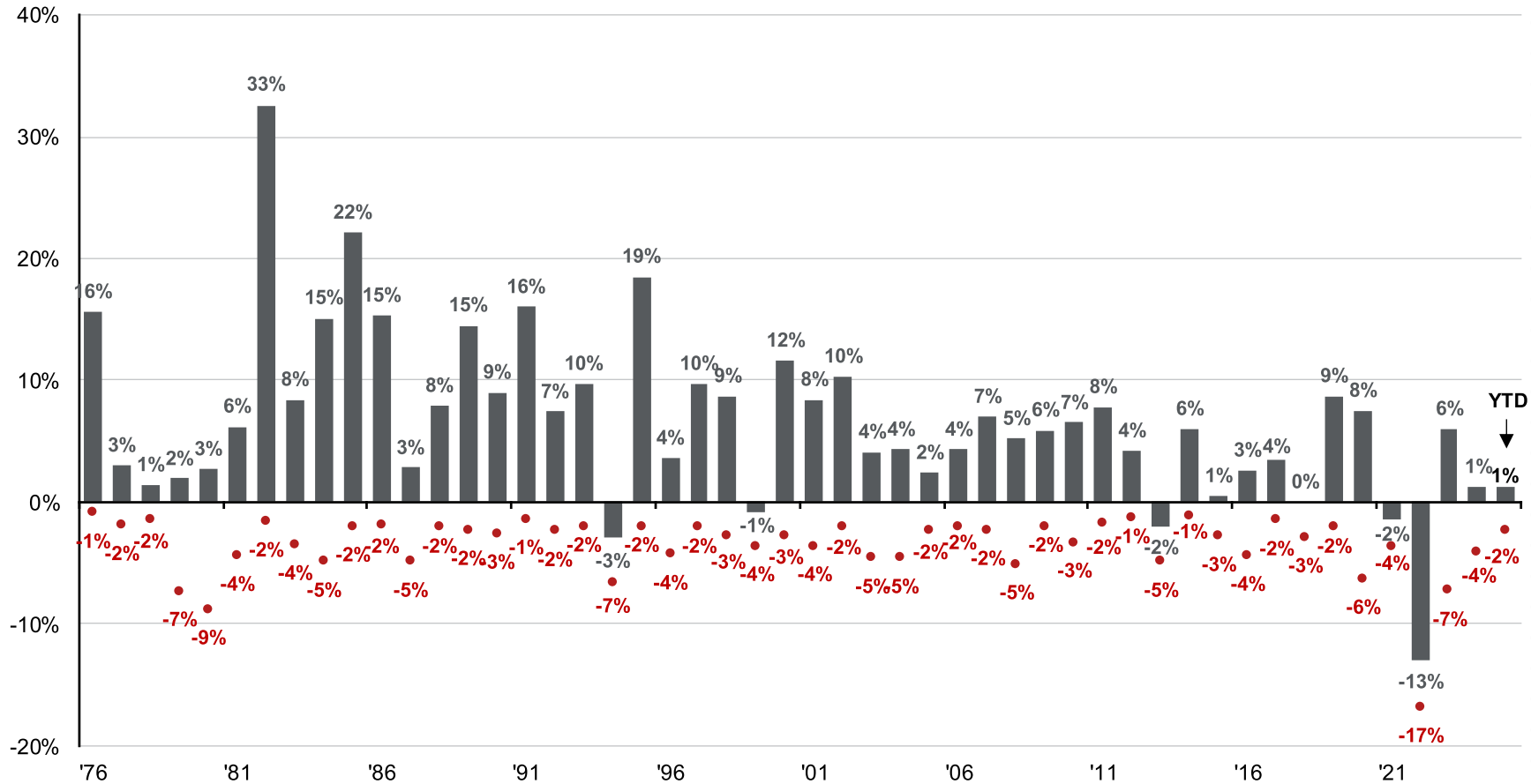
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Bloomberg U.S. Aggregate intra-year declines vs. calendar year returns

Despite average intra-year drops of 3.5%, annual returns were positive in 44 of 49 years



Source: Bloomberg, FactSet, J.P. Morgan Asset Management.

Returns are based on total return. Intra-year drops refers to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns shown are calendar year returns from 1976 to 2024, over which time period the average annual return was 6.5%. Returns from 1976 to 1989 are calculated on a monthly basis; daily data are used afterward.

Guide to the Markets – U.S. Data are as of April 10, 2025.

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Data as of April 11, 2025

Index	2024 Calendar Year	2025 Year to Date
Russell 3000	23.81%	-9.17%
S&P 500	25.02%	-8.47%
S&P 500 Equal Weighted	13.01%	-6.94%

Russell 1000 Value	14.37%	-4.33%
Russell 1000 Growth	33.36%	-12.55%
Morningstar Dividend Yield Focus	14.21%	0.33%
Magnificent Seven*	64.63%	-17.59%

MSCI ACWI Ex USA	5.53%	0.79%
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Bloomberg US Aggregate Bond	1.25%	1.06%
Bloomberg US Govt/Credit Interm	3.00%	1.55%

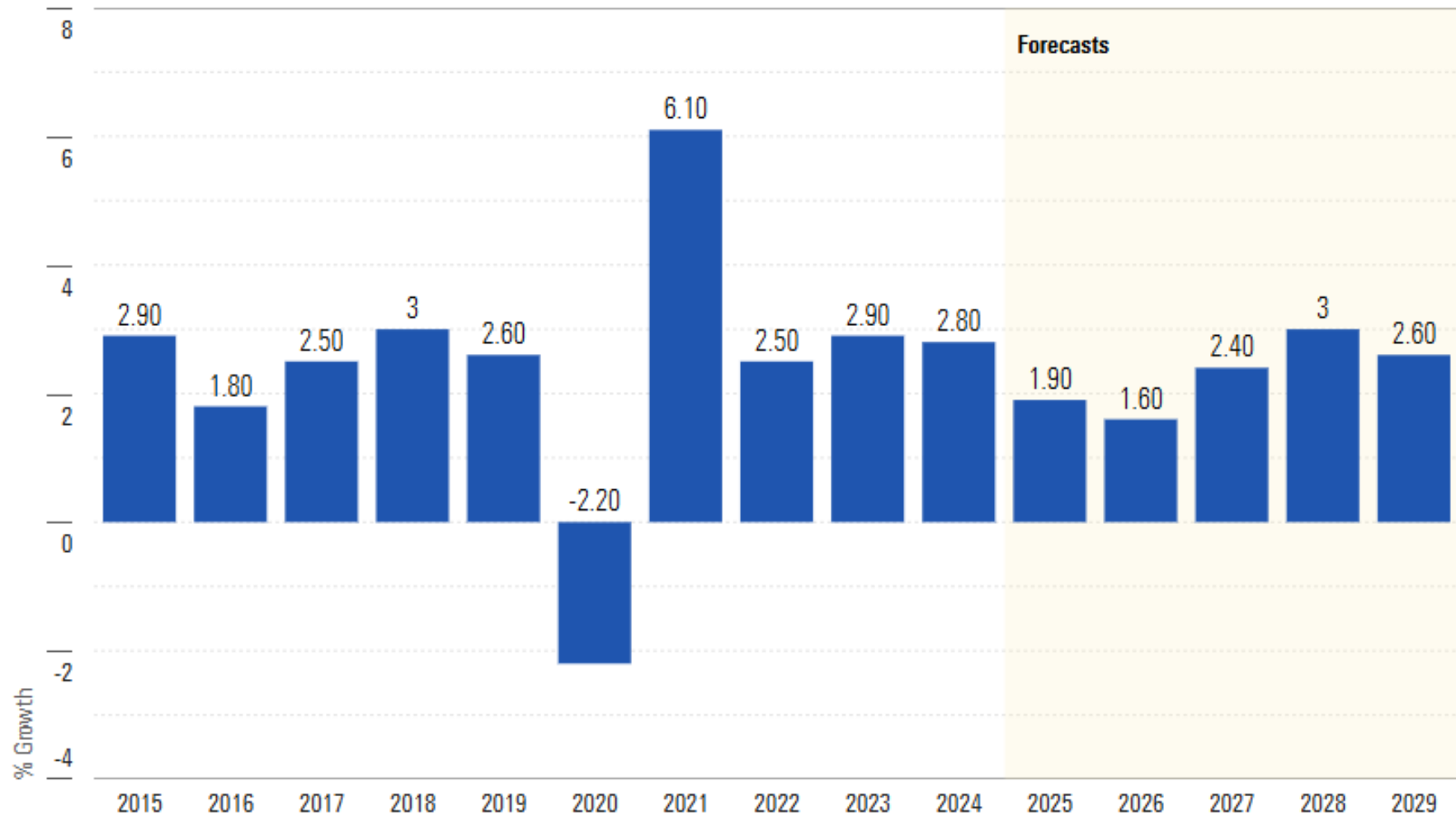
Source: Morningstar, Morgan Stanley

***Magnificent Seven Performance based on Roundhill Magnificent Seven ETF**

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any An investment cannot be made directly in a market index

Tariffs and their Impact on GDP Growth

US Real GDP Growth



Source: Bureau of Economic Analysis, Morningstar. Data as of 03/27/2025.

Investors like to avoid stock market declines at all costs, but declines are an inevitable part of investing. A little historical background can help put stock market declines in perspective.

S&P 500 Index 1942 - 2025			
Type of Decline	Average Frequency*	Average Length**	Last Occurrence
-5% or more	About 3 times a year	39 days	March 2025
-10% or more	About every 16 months	127 days	March 2025
-15% or more	About every 3 years	230 days	October 2022
-20% or more	About every 5.5 years	335 days	October 2022

Dow Jones Industrial Average® 1942 - 2025			
Type of Decline	Average Frequency*	Average Length**	Last Occurrence
-5% or more	About 3 times a year	41 days	March 2025
-10% or more	About every 17 months	130 days	September 2022
-15% or more	About every 2.75 years	226 days	September 2022
-20% or more	About every 5.75 years	397 days	September 2022

Source: First Trust, Bloomberg. Data from 4/29/1942 - 3/31/2025. **Past performance is no guarantee of future results.** For illustrative purposes only and not indicative of any actual investment. Investors cannot invest directly in an index.

*Correction cycles are determined by identifying market declines in excess of the minimum declines noted above. The cycle ends when there is a recovery of the magnitude of the minimum decline needed for that correction size (i.e., a recovery of greater than 5%, 10%, 15% or 20%). After that recovery is noted, the algorithm begins searching for the next decline to start the cycle again.

**Measures from the date of the market high to the date of the market low.

The S&P 500 Index is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.

The Dow Jones Industrial Average® (The Dow®), is a price-weighted measure of 30 U.S. blue-chip companies. The index covers all industries except transportation and utilities.

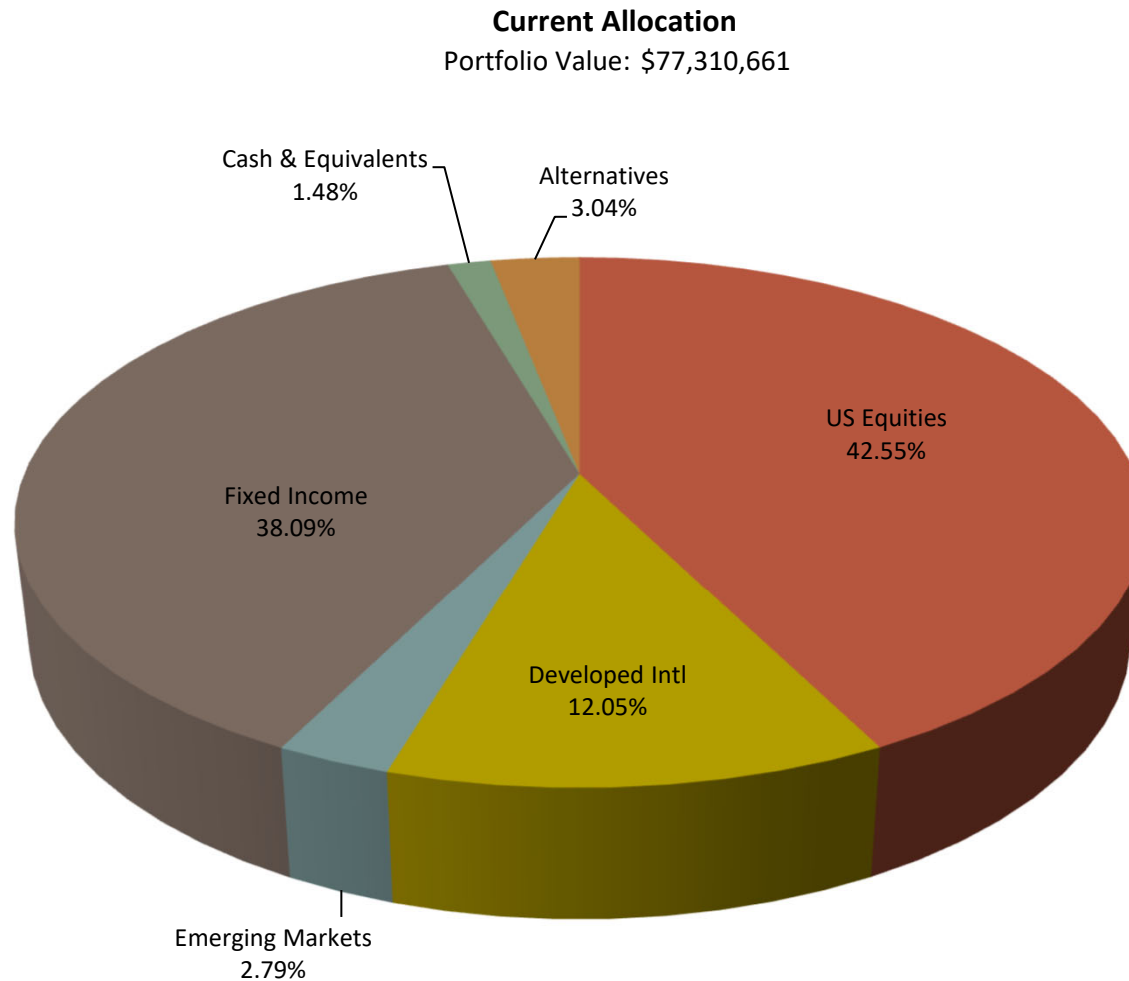
The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

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Asset Allocation & Investment Matrices

SCCT Regional Water Authority - Salary & Union Plans



Total Equity	
57.39%	
<u>% of Total Equity</u>	
US Equity	= 74.14%
Intl Equity	= 25.86%
<u>% of Intl Equity</u>	
Developed Intl	= 81.19%
Emerging Markets	= 18.81%
<u>Russell 3000 Style Analysis*</u>	
Value	= 25.53%
Core	= 50.08%
Growth	= 24.39%
<u>Salary/Union Style Analysis*</u>	
Value	= 33.98%
Core	= 49.94%
Growth	= 16.08%

Assets as of 3/31/2025

Asset Allocation does not assure a profit or protect against loss in declining financial markets

The information and data contained in this report are from sources considered reliable,

but their accuracy and completeness is not guaranteed. This report has been prepared for illustrative purposes only

and is not intended to be used as a substitute for monthly transaction statements you receive on a regular basis

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to verify its accuracy. The Company strongly encourages you to consult with your own accountants or other

advisors with respect to any tax questions.

*Equity Style Analysis provided by Morningstar "Asset Scan"

Data Source: Morgan Stanley & Morningstar

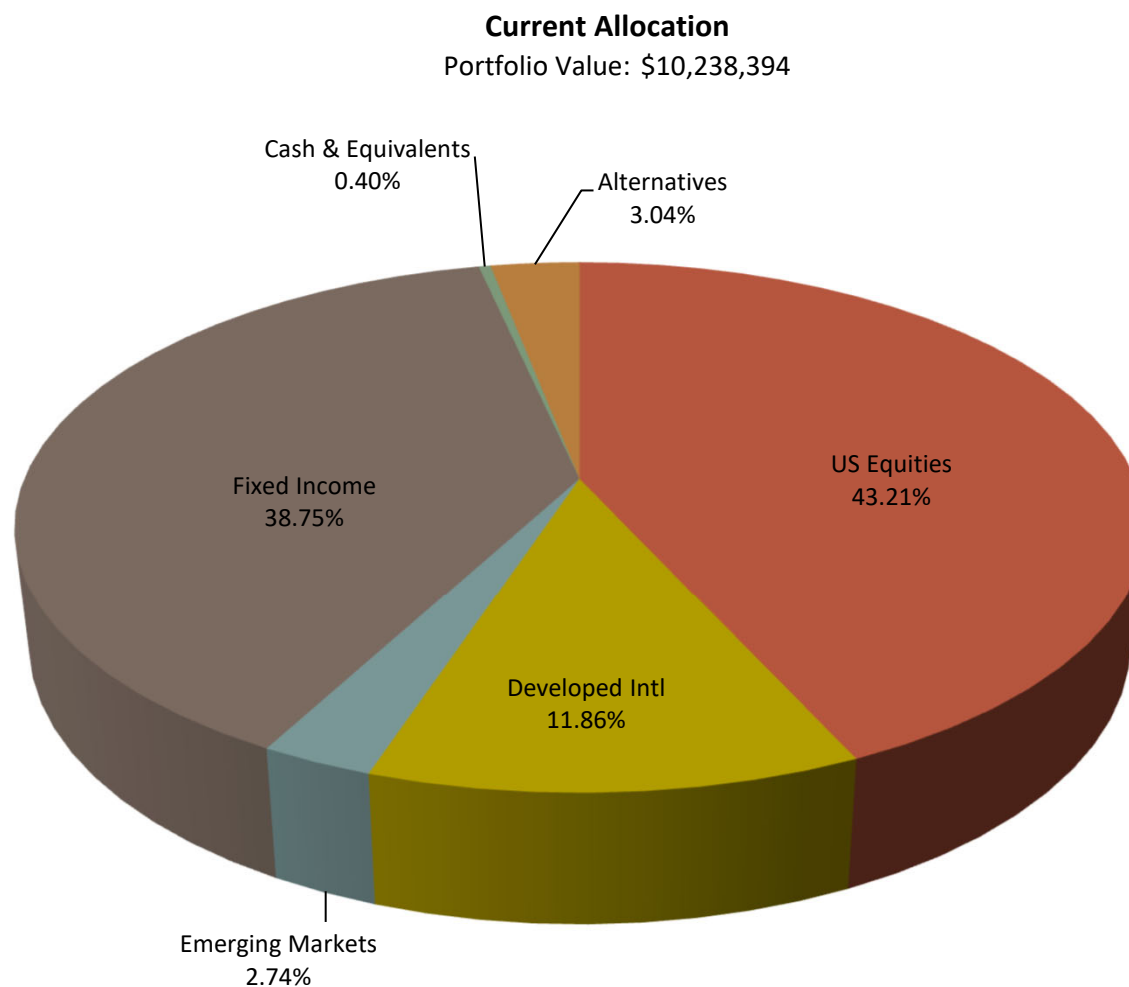
SCCT Regional Water Authority - Salary & Union Plans
Asset Allocation Matrix Summary
As of 3/31/2025

Benchmark vs Actual			
	Benchmark	Actual	+/-
Russell 3000	42.00%	42.86%	0.86%
MSCI ACWI ex US	15.00%	14.51%	-0.49%
Bloomberg US Aggregate	31.00%	38.11%	7.11%
FTSE WGBI	3.00%	0.00%	-3.00%
HFRI FOF	5.00%	1.57%	-3.43%
Global Real Estate	2.00%	1.46%	-0.54%
Cash & Equivalents/T-Bills	2.00%	1.48%	-0.52%
Total	100.00%	100.00%	0.00%

Cash & Equivalents/T-Bills: Any Government Security with less than 1 year to maturity

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SCCT Regional Water Authority - VEBA Plan



Total Equity	
57.80%	
% of Total Equity	
US Equity	= 74.75%
Intl Equity	= 25.25%
% of Intl Equity	
Developed Intl	= 81.21%
Emerging Markets	= 18.79%
Russell 3000 Style Analysis*	
Value	= 25.53%
Core	= 50.08%
Growth	= 24.39%
VEBA Style Analysis*	
Value	= 33.75%
Core	= 50.28%
Growth	= 15.97%

Assets as of 3/31/2025

Asset Allocation does not assure a profit or protect against loss in declining financial markets

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to verify its accuracy. The Company strongly encourages you to consult with your own accountants or other

advisors with respect to any tax questions.

*Equity Style Analysis provided by Morningstar "Asset Scan"

Data Source: Morgan Stanley & Morningstar

SCCT Regional Water Authority - VEBA Plan
Asset Allocation Matrix Summary
As of 3/31/2025

Benchmark vs Actual			
	Benchmark	Actual	+/-
Russell 3000	42.00%	43.50%	1.50%
MSCI ACWI ex US	15.00%	14.27%	-0.73%
Bloomberg US Aggregate	31.00%	38.78%	7.78%
FTSE WGBI	3.00%	0.00%	-3.00%
HFRI FOF	5.00%	1.61%	-3.39%
Global Real Estate	2.00%	1.43%	-0.57%
Cash & Equivalents/T-Bills	2.00%	0.40%	-1.60%
Total	100.00%	100.00%	0.00%

Cash & Equivalents/T-Bills: Any Government Security with less than 1 year to maturity

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AT MORGAN STANLEY

Investment Results

SCCT Regional Water Authority
Quarter to Date/Year to Date Investment Results
December 31, 2024 - March 31, 2025

Account Number	Account Type	Beg. Asset Value 31-Dec-2024	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2025	Net \$ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	\$49,083,979	\$0	(\$915,044)	\$48,168,934	\$48,452,115	\$283,180	0.60%	0.68%
447-xxx451	Union	\$29,071,284	\$0	(\$367,886)	\$28,703,398	\$28,858,547	\$155,149	0.51%	0.59%
447-xxx456	VEBA	\$10,430,659	\$0	(\$250,947)	\$10,179,712	\$10,238,394	\$58,682	0.51%	0.59%
axx15a	Matrix Trust (Salaried)**	\$110,235	(\$912,428)	\$929,041	\$126,849	\$126,849	\$0	-	-
axx15b	Matrix Trust (Union)**	\$15,856	(\$323,774)	\$423,106	\$115,188	\$115,188	\$0	-	-
axx16	Matrix Trust(VEBA)**	\$475,052	(\$596,035)	\$181,731	\$60,749	\$60,749	\$0	-	-
Consolidated		\$89,187,065	(\$1,832,236)	\$0	\$87,354,829	\$87,851,841	\$497,012	0.56%	0.64%

December 31, 2024 - March 31, 2025

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75% x (3/12)		1.69%
Guidelines/Benchmarks - Market Cap Weighted		
Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills		0.15%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills		-0.21%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills		-0.67%
Guidelines/Benchmarks - Equal Weighted		
Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills		1.55%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills		1.51%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills		1.13%
	Russell 3000	-4.72%
	S&P 500	-4.27%
	S&P 500 Equal Weight	-0.61%
	Russell 1000 Value	2.14%
	Russell 1000	-4.49%
	Russell 1000 Growth	-9.97%
	Russell 2000	-9.48%
	MSCI All Country World ex. US	5.23%
	MSCI EAFE	6.86%
	MSCI EM	2.93%
	Bloomberg Aggregate	2.78%
	Bloomberg Govt/Credit Intermediate	2.42%
	HFRI Fund of Funds Index	-0.64%
	DJ Global World Real Estate	2.87%
	FTSE WGBI Index	2.57%
	30 Day T-Bill	1.07%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

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Data Source: Morgan Stanley, Broadridge, Morningstar

SCCT Regional Water Authority
Fiscal Year Investment Results
May 31, 2024 - March 31, 2025

Account Number	Account Type	Beg. Asset Value 31-May-2024	Net Deposits/Withdrawals	Transfers*	Net Invested	Ending Asset Value 31-Mar-2025	Net \$ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	\$46,574,710	\$0	(\$838,233)	\$45,736,476	\$48,452,115	\$2,715,639	5.85%	6.15%
447-xxx451	Union	\$27,639,383	\$0	(\$383,129)	\$27,256,254	\$28,858,547	\$1,602,293	5.77%	6.06%
447-xxx456	VEBA	\$9,914,332	\$0	(\$250,947)	\$9,663,384	\$10,238,394	\$575,010	5.74%	6.04%
axx15	Matrix Trust (Master Trust)**	\$0	(\$15,241)	\$38,066	\$22,825	\$22,825	\$0	-	-
axx15a	Matrix Trust (Salaried)**	\$828,045	(\$1,630,237)	\$929,041	\$126,849	\$126,849	\$0	-	-
axx15b	Matrix Trust (Union)**	\$415,577	(\$761,561)	\$461,172	\$115,188	\$115,188	\$0	-	-
axx16	Matrix Trust(VEBA)**	\$178,145	(\$184,605)	\$67,209	\$60,749	\$60,749	(\$0)	-	-
Consolidated		\$85,550,192	(\$2,591,644)	\$23,177	\$82,981,725	\$87,874,666	\$4,892,941	5.81%	6.11%

May 31, 2024 - March 31, 2025

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75% x (10/12)		5.63%
Guidelines/Benchmarks - Market Cap Weighted		
Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills		5.88%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills		6.08%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills		6.01%
Guidelines/Benchmarks - Equal Weighted		
Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills		5.65%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills		5.80%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills		5.71%
	Russell 3000	7.09%
	S&P 500	7.53%
	S&P 500 Equal Weight	6.41%
	Russell 1000 Value	8.52%
	Russell 1000	7.55%
	Russell 1000 Growth	6.18%
	Russell 2000	-1.67%
	MSCI All Country World ex. US	4.98%
	MSCI EAFE	3.62%
	MSCI EM	7.01%
	Bloomberg Aggregate	5.80%
	Bloomberg Govt/Credit Intermediate	5.82%
	HFRI Fund of Funds Index	3.73%
	DJ Global World Real Estate	9.03%
	FTSE WGBI Index	3.70%
	30 Day T-Bill	4.14%

***Fiscal Year Transfers Balance of \$23,177: Matrix Trust transferred money to Morgan Stanley on 5/31/2024 (\$13,636.40 & \$9,540.10)**

***Morgan Stanley accounts did not receive those proceeds until 6/3/2024**

Performance for accounts held outside of Morgan Stanley are calculated using simple math

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Data Source: Morgan Stanley, Broadridge, Morningstar

SCCT Regional Water Authority
Trailing Twelve Month Investment Results
March 31, 2024 - March 31, 2025

Account Number	Account Type	Beg. Asset Value 31-Mar-2024	Net Deposits/Withdrawals	Transfers*	Net Invested	Ending Asset Value 31-Mar-2025	Net \$ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	\$46,565,262	\$0	(\$777,229)	\$45,788,034	\$48,452,115	\$2,664,081	5.73%	6.09%
447-xxx451	Union	\$27,661,942	\$0	(\$373,626)	\$27,288,316	\$28,858,547	\$1,570,231	5.64%	6.00%
447-xxx456	VEBA	\$9,929,596	\$0	(\$250,947)	\$9,678,649	\$10,238,394	\$559,746	5.58%	5.94%
axx15	Matrix Trust (Master Trust)**	\$0	(\$15,241)	\$38,066	\$22,825	\$22,825	\$0	-	-
axx15a	Matrix Trust (Salaried)**	\$776,306	(\$1,578,498)	\$929,041	\$126,849	\$126,849	\$0	-	-
axx15b	Matrix Trust (Union)**	\$397,889	(\$743,873)	\$461,172	\$115,188	\$115,188	\$0	-	-
axx16	Matrix Trust(VEBA)**	\$800,123	(\$712,899)	(\$26,476)	\$60,749	\$60,749	\$0	-	-
Consolidated		\$86,131,119	(\$3,050,510)	\$0	\$83,080,609	\$87,874,666	\$4,794,058	5.68%	6.04%

March 31, 2024 - March 31, 2025

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%		6.75%
Guidelines/Benchmarks - Market Cap Weighted		
Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills		5.64%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills		5.95%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills		5.99%
Guidelines/Benchmarks - Equal Weighted		
Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills		4.58%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills		4.63%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills		4.61%
	Russell 3000	7.22%
	S&P 500	8.25%
	S&P 500 Equal Weight	4.09%
	Russell 1000 Value	7.18%
	Russell 1000	7.82%
	Russell 1000 Growth	7.76%
	Russell 2000	-4.01%
	MSCI All Country World ex. US	6.09%
	MSCI EAFE	4.88%
	MSCI EM	8.09%
	Bloomberg Aggregate	4.88%
	Bloomberg Govt/Credit Intermediate	5.65%
	HFRI Fund of Funds Index	4.09%
	DJ Global World Real Estate	6.01%
	FTSE WGBI Index	2.10%
	30 Day T-Bill	5.08%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

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Data Source: Morgan Stanley, Broadridge, Morningstar

SCCT Regional Water Authority
Trailing Three Year Investment Results
March 31, 2022 - March 31, 2025

Account Number	Account Type	Beg. Asset Value 31-Mar-2022	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2025	Net \$ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	\$43,268,495	\$0	(\$879,571)	\$42,388,924	\$48,452,115	\$6,063,191	4.42%	4.79%
447-xxx451	Union	\$26,488,968	\$0	(\$1,203,260)	\$25,285,708	\$28,858,547	\$3,572,839	4.47%	4.84%
447-xxx456	VEBA	\$9,265,208	\$0	(\$250,947)	\$9,014,261	\$10,238,394	\$1,224,133	4.20%	4.57%
447-xxx626	Skybridge (Salaried)	\$34,475	\$0	(\$34,478)	(\$3)	\$0	\$3	0.00%	0.00%
447-xxx627	Skybridge (Union)	\$23,136	\$0	(\$23,137)	(\$2)	\$0	\$2	0.00%	0.00%
axx15	Matrix Trust (Master Trust)**	\$0	(\$15,241)	\$38,066	\$22,825	\$22,825	\$0	-	-
axx15a	Matrix Trust (Salaried)**	(\$135,504)	(\$1,098,768)	\$1,361,120	\$126,848	\$126,849	\$0	-	-
axx15b	Matrix Trust (Union)**	(\$72,547)	(\$1,357,390)	\$1,545,125	\$115,188	\$115,188	\$0	-	-
axx16	Matrix Trust(VEBA)**	\$126,499	\$487,167	(\$552,917)	\$60,749	\$60,749	\$0	-	-
Consolidated		\$78,998,731	(\$1,984,232)	\$0	\$77,014,498	\$87,874,666	\$10,860,168	4.41%	4.78%

March 31, 2022 - March 31, 2025

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%	6.75%
Actuarial Assumed Rate of Return (Prior to 5/31/2021): 7.00%	7.00%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	3.78%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	4.42%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	4.88%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	2.75%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	3.15%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	3.55%

Russell 3000	8.22%
S&P 500	9.06%
S&P 500 Equal Weight	5.20%
Russell 1000 Value	6.64%
Russell 1000	8.65%
Russell 1000 Growth	10.10%
Russell 2000	0.52%
MSCI All Country World ex. US	4.48%
MSCI EAFE	6.05%
MSCI EM	1.44%
Bloomberg Aggregate	0.52%
Bloomberg Govt/Credit Intermediate	2.18%
HFRI Fund of Funds Index	3.85%
DJ Global World Real Estate	-2.80%
FTSE WGBI Index	-2.89%
30 Day T-Bill	4.35%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

*447-xxx626 closed May 2022

*447-xxx627 closed July 2022

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Data Source: Morgan Stanley, Broadridge, Morningstar

SCCT Regional Water Authority
Trailing Five Year Investment Results
March 31, 2020 - March 31, 2025

Account Number	Account Type	Beg. Asset Value 31-Mar-2020	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2025	Net \$ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	\$32,405,932	\$0	(\$1,401,982)	\$31,003,950	\$48,452,115	\$17,448,165	9.06%	9.45%
447-xxx451	Union	\$19,962,433	\$0	(\$1,740,113)	\$18,222,320	\$28,858,547	\$10,636,227	9.11%	9.50%
447-xxx456	VEBA	\$6,484,412	\$0	\$149,053	\$6,633,464	\$10,238,394	\$3,604,930	9.12%	9.52%
447-xxx626	Skybridge (Salaried)	\$507,793	\$0	(\$704,240)	(\$196,447)	\$0	\$196,014	6.76%	6.76%
447-xxx627	Skybridge (Union)	\$341,024	\$0	(\$472,852)	(\$131,828)	\$0	\$131,395	6.76%	6.76%
axx15	Matrix Trust (Master Trust)**	\$0	(\$15,241)	\$38,066	\$22,825	\$22,825	\$0	-	-
axx15a	Matrix Trust (Salaried)**	\$93,343	(\$2,847,210)	\$2,880,716	\$126,848	\$126,849	\$0	-	-
axx15b	Matrix Trust (Union)**	\$192,843	(\$2,862,056)	\$2,784,402	\$115,188	\$115,188	\$0	-	-
axx16	Matrix Trust(VEBA)**	\$369,700	\$1,224,097	(\$1,533,048)	\$60,749	\$60,749	\$0	-	-
Consolidated		\$60,357,480	(\$4,500,410)	\$0	\$55,857,070	\$87,874,666	\$32,016,730	9.08%	9.46%

March 31, 2020 - March 31, 2025

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%

6.75%

Actuarial Assumed Rate of Return (Prior to 5/31/2021): 7.00%

7.00%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills

7.85%

Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills

9.58%

Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills

11.03%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills

7.69%

Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills

9.39%

Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills

10.82%

Russell 3000	18.18%
S&P 500	18.59%
S&P 500 Equal Weight	17.71%
Russell 1000 Value	16.15%
Russell 1000	18.47%
Russell 1000 Growth	20.09%
Russell 2000	13.27%
MSCI All Country World ex. US	10.92%
MSCI EAFE	11.77%
MSCI EM	7.94%
Bloomberg Aggregate	-0.40%
Bloomberg Govt/Credit Intermediate	0.86%
HFRI Fund of Funds Index	7.05%
DJ Global World Real Estate	5.91%
FTSE WGBI Index	-2.97%
30 Day T-Bill	2.61%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

*447-xxx626 closed May 2022

*447-xxx627 closed July 2022

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Data Source: Morgan Stanley, Broadridge, Morningstar

SCCT Regional Water Authority
Since Inception (Fully Invested) Investment Results
December 31, 2015 - March 31, 2025

Account Number	Account Type	Beg. Asset Value 31-Dec-2015	Net Deposits/Withdrawals	Transfers	Net Invested	Ending Asset Value 31-Mar-2025	Net \$ Gain/Loss	Gain/Loss (net) %	Gain/Loss (gross) %
447-xxx450	Salaried	\$22,078,953	\$0	\$4,350,326	\$26,429,279	\$48,452,115	\$22,022,836	6.87%	7.27%
447-xxx451	Union	\$16,143,219	\$0	(\$1,246,217)	\$14,897,002	\$28,858,547	\$13,961,544	6.88%	7.29%
447-xxx456	VEBA	\$2,919,401	\$0	\$2,944,891	\$5,864,292	\$10,238,394	\$4,374,103	6.68%	7.09%
447-xxx626	Skybridge (Salaried)	\$0	\$0	(\$153,806)	(\$153,806)	\$0	\$153,806	3.12%	3.12%
447-xxx627	Skybridge (Union)	\$0	\$0	(\$107,539)	(\$107,539)	\$0	\$107,539	3.12%	3.12%
axx15	Matrix Trust (Master Trust)**	\$0	(\$15,241)	\$38,066	\$22,825	\$22,825	\$0	-	-
axx15a	Matrix Trust (Salaried)**	\$202,978	\$2,771,220	(\$2,847,349)	\$126,848	\$126,849	\$0	-	-
axx15b	Matrix Trust (Union)**	\$147,576	(\$2,429,151)	\$2,396,763	\$115,188	\$115,188	\$0	-	-
axx16	Matrix Trust(VEBA)**	\$269,858	\$5,166,024	(\$5,375,134)	\$60,749	\$60,749	\$0	-	-
Consolidated		\$41,761,987	\$5,492,852	\$0	\$47,254,839	\$87,874,666	\$40,619,827	6.82%	7.21%

December 31, 2015 - March 31, 2025

Actuarial Assumed Rate of Return

Actuarial Assumed Rate of Return (Current): 6.75%	6.75%
Actuarial Assumed Rate of Return (Prior to 5/31/2021): 7.00%	7.00%

Guidelines/Benchmarks - Market Cap Weighted

Least Equity Risk: 34% R3000, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	5.85%
Strategic: 42% R3000, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	7.06%
Most Equity Risk: 44% R3000, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	7.22%

Guidelines/Benchmarks - Equal Weighted

Least Equity Risk: 34% S&P 500 Equal Weighted, 11% MSCI ACWxUS, 39% Bloomberg Agg, 4% FTSE WGBI, 9% HFRI FOF, 1% Global RE, 2% T-Bills	5.29%
Strategic: 42% S&P 500 Equal Weighted, 15% MSCI ACWxUS, 31% Bloomberg Agg, 3% FTSE WGBI, 5% HFRI FOF, 2% Global RE, 2% T-Bills	6.36%
Most Equity Risk: 44% S&P 500 Equal Weighted, 16% MSCI ACWxUS, 16% Bloomberg Agg, 2% FTSE WGBI, 15% HFRI FOF, 5% Global RE, 2% T-Bills	6.50%

Russell 3000	12.98%
S&P 500	13.53%
S&P 500 Equal Weight	11.33%
Russell 1000 Value	9.92%
Russell 1000	13.31%
Russell 1000 Growth	16.22%
Russell 2000	7.84%
MSCI All Country World ex. US	6.45%
MSCI EAFE	6.49%
MSCI EM	6.10%
Bloomberg Aggregate	1.70%
Bloomberg Govt/Credit Intermediate	2.00%
HFRI Fund of Funds Index	-0.16%
DJ Global World Real Estate	3.83%
FTSE WGBI Index	0.07%
30 Day T-Bill	1.99%

Performance for accounts held outside of Morgan Stanley are calculated using simple math

*447-xxx626 closed May 2022

*447-xxx627 closed July 2022

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Data Source: Morgan Stanley, Broadridge, Morningstar

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY

Appendix

Morgan Stanley

THE KELLIHER CORBETT GROUP
AT MORGAN STANLEY

Investment Holdings Analysis

Mutual Funds/ETFs

Results

Data as of 3/31/2025	Morningstar	Market Returns (%)						\$	% of				
	Category	3 Month	YTD	1-Yr		3-Yr	5-Yr	10-Yr	Assets	Total			
Cash & Equivalents													
Cash & Equivalents		-	-	-	-	-	-	-	\$ 290,027	0.33%			
Fixed Income													
Vanguard Short-Term Treasury ETF	Short Government	1.60	1.60	●	5.43	●	2.81	●	1.12	●	1.44	\$ 164,332	0.19%
Cat: Short Government	Short Government	1.79	1.79		5.37		2.49		0.90		1.27		
Guggenheim Limited Duration Instl	Short-Term Bond	1.63	1.63	●	6.40	●	4.21	●	3.49	●	2.91	\$ 341,651	0.39%
Vanguard Short-Term Bond ETF	Short-Term Bond	2.00	2.00	●	5.71	●	2.78	●	1.24	●	1.72	\$ 281,808	0.32%
Cat: Short-Term Bond	Short-Term Bond	1.68	1.68		5.91		3.41		2.70		2.07		
Vanguard Interim-Term Bond ETF	Intermediate Core Bond	3.22	3.22	●	5.56	●	0.96	●	0.06	●	1.85	\$ 2,434,926	2.78%
Cat: Intermediate Core Bond	Intermediate Core Bond	2.65	2.65		4.97		0.55		0.05		1.41		
Fidelity Total Bond ETF	Intermediate Core-Plus Bond	2.73	2.73	●	5.51	●	1.24	●	1.33	●	2.27	\$ 2,344,128	2.68%
Loomis Sayles Core Plus Bond Y	Intermediate Core-Plus Bond	3.00	3.00	●	4.12	●	0.51	●	0.63	●	2.03	\$ 2,596,843	2.97%
Cat: Intermediate Core-Plus Bond	Intermediate Core-Plus Bond	2.61	2.61		5.27		0.92		0.99		1.77		
PIMCO Income I2	Multisector Bond	3.27	3.27	●	7.30	●	4.53	●	5.12	●	4.30	\$ 6,023,088	6.88%
Cat: Multisector Bond	Multisector Bond	1.82	1.82		6.36		3.20		4.86		3.18		
Idx: Bloomberg US Agg Bond TR USD	-	2.78	2.78		4.88		0.52		-0.40		1.46		
Idx: Bloomberg US Govt/Credit Interm TR USD	-	2.42	2.42		5.65		2.18		0.86		1.81		
Idx: FTSE WGBI USD	-	2.57	2.57		2.10		-2.89		-2.97		-0.05		
Sub-Total Fixed Income									\$ 14,186,775		16.20%		

● Green = exceeds peer group
 ● Yellow = trails peer group
 □ Red = fails to meet criteria (on watch/remove and/or replacement)

Data Source: Morgan Stanley & Morningstar

Orange = Fund position only held in VEBA

Assets as of 3/31/2025
See last page for important disclosure/disclaimer

Mutual Funds/ETFs

Results

Data as of 3/31/2025	Morningstar	Market Returns (%)								\$	% of		
	Category	3 Month	YTD		1-Yr		3-Yr		5-Yr		10-Yr	Assets	Total
US Equity													
Columbia Dividend Income Inst	Large Value	2.59	2.59	●	8.87	●	8.36	●	15.91	●	11.08	\$ 4,215,581	4.82%
Vanguard Value ETF	Large Value	2.62	2.62	●	8.46	●	8.05	●	17.05	●	10.34	\$ 6,335,240	7.24%
Cat: Large Value	Large Value	1.49	1.49		6.62		6.86		16.55		8.91		
Invesco S&P 500® Equal Weight ETF	Large Blend	-0.66	-0.66	●	3.86	●	4.99	●	17.47	●	9.74	\$ 4,066,574	4.64%
Vanguard Total Stock Market ETF	Large Blend	-4.82	-4.82	●	7.06	●	8.12	●	18.09	●	11.74	\$ 9,257,985	10.57%
Cat: Large Blend	Large Blend	-3.76	-3.76		5.76		7.82		17.26		10.99		
MFS Massachusetts Inv Gr Stk I	Large Growth	-5.07	-5.07	●	2.34	●	6.36	●	16.05	●	12.74	\$ 2,964,198	3.39%
Vanguard Russell 1000 Growth ETF	Large Growth	-9.98	-9.98	●	7.67	●	10.03	●	20.00	●	15.02	\$ 2,570,747	2.94%
Cat: Large Growth	Large Growth	-8.49	-8.49		5.01		7.76		16.99		12.61		
iShares Core S&P Small-Cap ETF	Small Blend	-8.93	-8.93	●	-3.46	●	0.64	●	15.01	●	7.48	\$ 1,129,356	1.29%
Cat: Small Blend	Small Blend	-8.05	-8.05		-3.54		2.02		15.28		6.64		
Idx: Russell 3000 TR USD	-	-4.72	-4.72		7.22		8.22		18.18		11.80		
Idx: S&P 500 TR USD	-	-4.27	-4.27		8.25		9.06		18.59		12.50		
Idx: Russell 1000 Value TR USD	-	2.14	2.14		7.18		6.64		16.15		8.79		
Idx: Russell 1000 TR USD	-	-4.49	-4.49		7.82		8.65		18.47		12.18		
Idx: Russell 1000 Growth TR USD	-	-9.97	-9.97		7.76		10.10		20.09		15.12		
Idx: Morningstar DYF TR USD	-	8.63	8.63		13.99		8.32		15.43		8.92		
Idx: Russell 2000 TR USD	-	-9.48	-9.48		-4.01		0.52		13.27		6.30		
Sub-Total US Equity												\$ 30,539,681	34.88%

- Green = exceeds peer group
- Yellow = trails peer group
- Red = fails to meet criteria (on watch/remove and/or replacement)

Data Source: Morgan Stanley & Morningstar

Assets as of 3/31/2025

See last page for important disclosure/disclaimer

Mutual Funds/ETFs

Results

Data as of 3/31/2025	Morningstar	Market Returns (%)						\$	% of				
	Category	3 Month	YTD		1-Yr	3-Yr	5-Yr	10-Yr	Assets	Total			
Global/International Equity													
MFS Intl Diversification I	Foreign Large Blend	5.82	5.82	●	8.08	●	5.45	●	10.54	●	6.57	\$ 3,628,293	4.14%
Vanguard Total International Stock ETF	Foreign Large Blend	5.51	5.51	●	6.41	●	4.68	●	11.49	●	5.24	\$ 3,868,520	4.42%
Cat: Foreign Large Blend	Foreign Large Blend	6.50	6.50		6.09		5.58		11.48		5.21		
Capital Group International Focus Eq ETF	Foreign Large Growth	-1.86	-1.86	●	-4.52	●	0.87		-		-	\$ 3,293,784	3.76%
Cat: Foreign Large Growth	Foreign Large Growth	2.89	2.89		1.27		2.65		9.09		5.53		
First Eagle Global I	Global Allocation	6.99	6.99	●	12.51	●	8.19	●	14.02	●	7.72	\$ 3,778,472	4.32%
Cat: Global Allocation	Global Allocation	2.12	2.12		5.31		3.49		9.33		4.61		
Idx: MSCI ACWI Ex USA NR USD	-	5.23	5.23		6.09		4.48		10.92		4.98		
Idx: MSCI ACWI NR USD	-	-1.32	-1.32		7.15		6.91		15.18		8.84		
Idx: MSCI EAFE NR USD	-	6.86	6.86		4.88		6.05		11.77		5.40		
Idx: MSCI EM NR USD	-	2.93	2.93		8.09		1.44		7.94		3.71		
Sub-Total Global/International Equity										\$ 14,569,068		16.64%	
Balanced													
Capital Group Core Balanced ETF	Moderate Allocation	-0.47	-0.47	●	8.50		-		-		-	\$ 3,981,240	4.55%
Janus Henderson Balanced I	Moderate Allocation	-2.05	-2.05	●	5.59	●	5.13	●	10.54	●	8.30	\$ 3,959,409	4.52%
Cat: Moderate Allocation	Moderate Allocation	-0.31	-0.31		5.41		4.30		10.14		6.33		
Idx: Bloomberg US Agg Bond TR USD	-	2.78	2.78		4.88		0.52		-0.40		1.46		
Idx: S&P 500 TR USD	-	-4.27	-4.27		8.25		9.06		18.59		12.50		
Sub-Total Balanced										\$ 7,940,649		9.07%	
Alternative													
BlackRock Event Driven Equity Instl	Event Driven	1.50	1.50	●	3.00	●	2.97	●	4.52	●	4.06	\$ 1,260,933	1.44%
Cat: Event Driven	Event Driven	1.34	1.34		4.81		2.88		5.79		3.33		
JPMorgan Hedged Equity I	Equity Hedged	-4.81	-4.81	●	6.35	●	7.98	●	10.33	●	7.75	\$ 119,768	0.14%
Cat: Equity Hedged	Equity Hedged	-2.05	-2.05		4.54		4.45		7.84		4.16		
Cohen & Steers Global Realty I	Global Real Estate	1.65	1.65	●	2.84	●	-3.84	●	6.86	●	3.78	\$ 1,277,219	1.46%
Cat: Global Real Estate	Global Real Estate	1.66	1.66		2.77		-4.22		5.86		2.42		
Idx: S&P 500 TR USD	-	-4.27	-4.27		8.25		9.06		18.59		12.50		
Idx: Bloomberg US Agg Bond TR USD	-	2.78	2.78		4.88		0.52		-0.40		1.46		
Idx: Russell 3000 TR USD	-	-4.72	-4.72		7.22		8.22		18.18		11.80		
Idx: MSCI ACWI NR USD	-	-1.32	-1.32		7.15		6.91		15.18		8.84		
Idx: DJ Global World Real Estate TR USD	-	2.87	2.87		6.01		-2.80		5.91		3.05		
Sub-Total Alternative										\$ 2,657,920		3.04%	
Total										\$ 70,184,119		80.17%	

Green = exceeds peer group
 Yellow = trails peer group
 Red = fails to meet criteria (on watch/remove and/or replacement)

Data Source: Morgan Stanley & Morningstar

Assets as of 3/31/2025
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Mutual Funds/ETFs

Statistics

Data as of 3/31/2025	Prospectus Net Expense Ratio	Prospectus Adj Expense Ratio	Beta 3 Yr vs. S&P or BBg Agg	Alpha 3 Yr vs. S&P or BBg Agg	Std Dev 3 Yr	R2 3 Yr vs. S&P or BBg Agg	P/E Ratio	P/B Ratio	Geo Avg Mkt Cap \$MM	Mstar Risk 5 Yr
Fixed Income										
Vanguard Short-Term Treasury ETF	0.03	0.03	0.24	-0.82	2.22	73	-	-	-	Below Avg
Cat: Short Government	0.60	0.60	0.32	-0.83	2.77	79	20.0	2.7	77455	-
Guggenheim Limited Duration Instl	0.50	0.46	0.34	0.91	2.93	84	26.3	4.7	343935	Average
Vanguard Short-Term Bond ETF	0.03	0.03	0.40	-0.24	3.27	89	-	-	-	Average
Cat: Short-Term Bond	0.64	0.64	0.35	0.18	3.05	82	23.0	3.5	22949	-
Vanguard Inter-Term Bond ETF	0.03	0.03	1.05	0.66	8.08	99	-	-	-	Above Avg
Cat: Intermediate Core Bond	0.56	0.56	0.97	-0.10	7.51	98	-	-	-	-
Fidelity Total Bond ETF	0.36	0.36	0.99	0.67	7.65	98	-	-	-	Average
Loomis Sayles Core Plus Bond Y	0.49	0.49	1.11	0.49	8.58	99	-	-	-	Above Avg
Cat: Intermediate Core-Plus Bond	0.76	0.76	0.98	0.32	7.65	95	-	-	-	-
PIMCO Income I2	0.93	0.60	0.80	3.10	6.54	89	-	-	-	Average
Cat: Multisector Bond	0.98	0.98	0.70	1.44	6.29	73	-	-	-	-

See last page for important disclosure/disclaimer

Orange = Fund position only held in VEBA

The Prospectus Adjusted Operating Expense Ratio is the percentage of fund assets paid for operating expenses and management fees. The expense ratio typically includes the following types of fees: accounting, administrator, advisor, auditor, board of directors, custodial, distribution (12b-1), legal, organizational, professional, registration, shareholder reporting, sub-advisor, and transfer agency. The ratio does reflect fee waivers in effect during the time period, and does not include interest and dividends on borrowed securities. The expense ratio does not reflect the fund's brokerage costs or any investor sales charges.

Data Source: Morgan Stanley & Morningstar

Mutual Funds/ETFs

Statistics

Data as of 3/31/2025	Prospectus Net Expense Ratio	Prospectus Adj Expense Ratio	Beta 3 Yr vs. S&P or BBg Agg	Alpha 3 Yr vs. S&P or BBg Agg	Std Dev 3 Yr	R2 3 Yr vs. S&P or BBg Agg	P/E Ratio	P/B Ratio	Geo Avg Mkt Cap \$MM	Mstar Risk 5 Yr
US Equity										
Columbia Dividend Income Inst	0.65	0.65	0.75	0.26	14.30	83	21.3	3.5	183451	Low
Vanguard Value ETF	0.04	0.04	0.81	-0.12	15.86	78	19.3	2.8	128613	Below Avg
Cat: Large Value	0.87	0.87	0.85	-1.33	16.58	78	18.5	2.5	142163	-
Invesco S&P 500® Equal Weight ETF	0.20	0.20	1.00	-3.63	18.50	87	21.2	2.8	42835	Above Avg
Vanguard Total Stock Market ETF	0.03	0.03	1.03	-0.94	17.79	99	25.5	4.3	217414	Above Avg
Cat: Large Blend	0.76	0.76	0.97	-0.98	17.23	94	24.6	4.6	391447	-
MFS Massachusetts Inv Gr Stk I	0.46	0.46	0.98	-2.41	17.24	96	31.5	6.4	235210	Low
Vanguard Russell 1000 Growth ETF	0.07	0.07	1.13	0.75	20.47	91	31.5	10.8	604641	Average
Cat: Large Growth	0.93	0.93	1.15	-1.25	21.37	88	32.0	8.6	490160	-
iShares Core S&P Small-Cap ETF	0.06	0.06	1.14	-7.71	23.41	71	16.8	1.7	2811	Above Avg
Cat: Small Blend	0.97	0.97	1.09	-6.38	22.10	73	17.9	2.2	5626	-

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Data Source: Morgan Stanley & Morningstar

Mutual Funds/ETFs

Statistics

	Prospectus Net Expense Ratio	Prospectus Adj Expense Ratio	Beta 3 Yr vs. S&P or BBg Agg	Alpha 3 Yr vs. S&P or BBg Agg	Std Dev 3 Yr	R2 3 Yr vs. S&P or BBg Agg	P/E Ratio	P/B Ratio	Geo Avg Mkt Cap \$MM	Mstar Risk 5 Yr
Data as of 3/31/2025										
Global/International Equity										
MFS Intl Diversification I	0.83	0.83	1.00	0.95	16.38	97	16.5	2.0	40497	Below Avg
Vanguard Total International Stock ETF	0.05	0.05	1.03	0.25	16.77	99	15.2	1.7	32744	Below Avg
Cat: Foreign Large Blend	0.88	0.88	1.02	1.17	17.09	93	16.0	1.9	62242	-
Capital Group International Focus Eq ETF	0.54	0.54	1.07	-3.30	18.03	92	18.3	2.2	62911	-
Cat: Foreign Large Growth	0.99	0.99	1.12	-1.35	19.62	86	22.2	3.3	73863	-
First Eagle Global I	0.86	0.86	1.02	4.23	13.60	89	17.7	2.0	65919	Above Avg
Cat: Global Allocation	1.13	1.13	0.94	-0.37	12.52	88	19.1	2.4	96982	-
Balanced										
Capital Group Core Balanced ETF	0.33	0.33	-	-	-	-	25.8	4.6	207868	-
Janus Henderson Balanced I	0.66	0.66	0.95	1.21	12.50	91	29.9	7.2	487647	Average
Cat: Moderate Allocation	1.00	1.00	0.93	0.39	12.26	91	22.8	3.5	185226	-
Alternative										
BlackRock Event Driven Equity Instl	1.29	1.29	0.16	-2.07	3.85	46	24.3	3.1	21398	Average
Cat: Event Driven	1.88	1.88	0.14	-2.06	4.37	26	21.4	2.4	11173	Average
JPMorgan Hedged Equity I	0.58	0.58	0.55	1.80	10.24	75	26.6	4.8	362556	Average
Cat: Equity Hedged	1.24	1.24	0.53	-1.42	10.76	67	25.2	4.6	447107	-
Cohen & Steers Global Realty I	0.90	0.90	1.08	-10.25	19.86	78	26.1	1.5	19964	Average
Cat: Global Real Estate	1.12	1.12	1.05	-10.59	19.73	75	22.8	1.5	17370	-

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Data Source: Morgan Stanley & Morningstar

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Assets as of 3/31/2025

Data Source: Morningstar; as of 3/31/2025

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Glossary of Terms

Accrued Income: The dividends and interest earned but not yet received at both the beginning and end of each reporting period.

Advisory Account: An investment advisory relationship is designed for clients who prefer that their Financial Advisor act as an investment consultant, with their assets invested in a mutual fund asset allocation program or in a Advisory account that is directed by a professional money manager either at Morgan Stanley or at an external money management firm. There are important differences in your relationship with your Financial Advisor and Morgan Stanley in brokerage accounts and in advisory accounts. Additional information about these differences is available at <http://www.morganstanley.com/ourcommitment>

Annualized Standard Deviation: A measure of volatility, it quantifies how much a series of numbers, such as portfolio returns, deviates around its average. Since it measures the portfolio's investment volatility, the account's gross rate of return is used.

Brokerage Account: In a brokerage relationship, your Financial Advisor will work with you to facilitate the execution of securities transactions on your behalf. Your Financial Advisor also provides investor education and professional, personalized information about financial products and services in connection with these brokerage services. You can choose how you want to pay for these services and you will receive the same services regardless of which pricing option you choose. There are important differences in your relationship with your Financial Advisor and Morgan Stanley in brokerage accounts and in advisory accounts. Additional information about these differences is available at <http://www.morganstanley.com/ourcommitment>

Comparative Indices: A complete description of the comparative indices included in this Performance Report is available upon request.

Dollar-Weighted Return: Rate of return calculation methodology that reflects both the timing and magnitude of external contributions and withdrawals and measures the portfolio's performance. The return for each month is calculated as the average return on all dollars invested.

Gross Return: The return of the portfolio before the deduction of fees/commissions and other expenses.

Net Contributions/Withdrawals: The total value of capital contributed to or withdrawn from the account during the reporting period. The dollar amount represented by contribution or withdrawal transactions is excluded from the calculation of Portfolio Appreciation.

Net Invested Capital: The sum of the Total Beginning Value and the net of additional capital Contributions and Withdrawals for each reporting period.

Net Portfolio Appreciation: The total dollar gain/loss of the portfolio for each reporting period. The Net Portfolio Appreciation includes the impact of income received and is calculated as the difference between Net Invested Capital and Total Ending Value.

Net Return: The return of the portfolio for the period reduced by the amount of fees/commissions paid. The net of fees return is calculated gross of certain custody fees.

Time-Weighted Return: Rate of return calculation methodology that eliminates the impact of external contributions and withdrawals to the portfolio value and measures the manager's performance. Portfolio returns are calculated at least monthly and individual monthly returns are geometrically linked to calculate total cumulative return.

Total Beginning Value: The total market value of the portfolio, valued on a trade date basis, at the beginning of each reporting period. The Total Beginning Value includes Accrued Income.

Total Ending Value: The total market value of the portfolio, valued on a trade date basis, at the end of each reporting period. The Total Ending Value includes Accrued Income.

Weighted Average: The average in which each yield to be averaged is assigned a weight. These weightings determine the relative importance or frequency of each yield on the average.

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All indexes are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

Equities:

The **Dow Jones Industrial Average** is a price-weighted average of 30 actively traded blue-chip U.S. stocks.

The **MSCI ACWI (All Country World Index)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

The **MSCI EAFE Index(Europe, Australasia, Far East)** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The **MSCI Europe Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe.

The **MSCI Pacific Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the Pacific region.

The **Russell 1000 Index®** measures the performance of the 1,000 largest companies in the Russell 3000.

The **Russell 1000 Growth Index®** measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index®** measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Index®** measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

The **Russell 2000 Growth Index®** measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000 Value Index®** measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 3000 Index®** measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

The **Russell Midcap Index®** measures the performance of the 800 smallest companies in the Russell 1000 Index.

The **Russell Midcap Growth Index®** measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

The **Russell Midcap Value Index®** measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value index.

The **S&P 500 Index** is widely regarded as the best single gauge of the U.S. equities market. The index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The **S&P 500 Index** focuses on the large-cap segment of the market; however, since it includes a significant portion of the total value of the market, it also represents the market.

Fixed income:

The **Bloomberg 1-3 Month U.S. Treasury Bill Index** includes all publicly issued zero-coupon US Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have \$250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non convertible.

The **Bloomberg Global High Yield Index** is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive. Until January 1, 2011, the index also included CMBS high yield securities.

The **Bloomberg Municipal Index** consists of a broad selection of investment-grade general obligation and revenue bonds of maturities ranging from one year to 30 years. It is an unmanaged index representative of the tax-exempt bond market.

The **Bloomberg US Dollar Floating Rate Note (FRN) Index** provides a measure of the U.S. dollar denominated floating rate note market.

The **Bloomberg US Corporate Investment Grade Index** is an unmanaged index consisting of publicly issued US Corporate and specified foreign debentures and secured notes that are rated investment grade (Baa3/BBB or higher) by at least two ratings agencies, have at least one year to final maturity and have at least \$250 million par amount outstanding. To qualify, bonds must be SEC-registered.

The **Bloomberg US High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

The **Bloomberg US Mortgage Backed Securities Index** is an unmanaged index that measures the performance of investment grade fixed-rate mortgage backed pass-through securities of GNMA, FNMA and FHLMC.

The **Bloomberg US TIPS Index** consists of Inflation-Protection securities issued by the U.S. Treasury.

The **J.P. Morgan Emerging Market Bond Global Index(EMBI)** includes U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities.

The **J.P. Morgan Domestic High Yield Index** is designed to mirror the investable universe of the U.S. dollar domestic high yield corporate debt market.

The **J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (CEMBI Broad Diversified)** is an expansion of the **J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI)**. The CEMBI is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

The **J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI Global Diversified)** tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds. The index limits the exposure of some of the larger countries.

The **J.P. Morgan GBI EM Global Diversified** tracks the performance of local currency debt issued by emerging market governments, whose debt is accessible by most of the international investor base.

The **U.S. Treasury Index** is a component of the U.S. Government index.



J.P. Morgan Asset Management – Definitions

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Other asset classes:

The **Alerian MLP Index** is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provides investors with an unbiased, comprehensive benchmark for the asset class.

The **Bloomberg Commodity Index** and related sub-indices are composed of futures contracts on physical commodities and represents twenty two separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel, and zinc

The **Cambridge Associates U.S. Global Buyout and Growth Index®** is based on data compiled from 1,768 global (U.S. & ex -U.S.) buyout and growth equity funds, including fully liquidated partnerships, formed between 1986 and 2013.

The **CS/Tremont Hedge Fund Index** is compiled by Credit Suisse Tremont Index, LLC. It is an asset-weighted hedge fund index and includes only funds, as opposed to separate accounts. The Index uses the Credit Suisse/Tremont database, which tracks over 4500 funds, and consists only of funds with a minimum of US\$50 million under management, a 12-month track record, and audited financial statements. It is calculated and rebalanced on a monthly basis, and shown net of all performance fees and expenses. It is the exclusive property of Credit Suisse Tremont Index, LLC.

The **HFRI Monthly Indices (HFRI)** are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. The HFRI are broken down into 4 main strategies, each with multiple sub strategies. All single-manager HFRI Index constituents are included in the HFRI Fund Weighted Composite, which accounts for over 2200 funds listed on the internal HFR Database.

The **NAREIT EQUITY REIT Index** is designed to provide the most comprehensive assessment of overall industry performance, and includes all tax-qualified real estate investment trusts (REITs) that are listed on the NYSE, the American Stock Exchange or the NASDAQ National Market List.

The **NFI-ODCE**, short for NCREIF Fund Index -Open End Diversified Core Equity, is an index of investment returns reporting on both a historical and current basis the results of 33 open-end commingled funds pursuing a core investment strategy, some of which have performance histories dating back to the 1970s. The NFI-ODCE Index is capitalization-weighted and is reported gross of fees. Measurement is time-weighted.

Definitions:

Investing in **alternative assets** involves higher risks than traditional investments and is suitable only for sophisticated investors. Alternative investments involve greater risks than traditional investments and should not be deemed a complete investment program. They are not tax efficient and an investor should consult with his/her tax advisor prior to investing. Alternative investments have higher fees than traditional investments and they may also be highly leveraged and engage in speculative investment techniques, which can magnify the potential for investment loss or gain. The value of the investment may fall as well as rise and investors may get back less than they invested.

Bonds are subject to interest rate risks. Bond prices generally fall when interest rates rise.

Investments in **commodities** may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the original investment. The use of derivatives may not be successful, resulting in investment losses, and the cost of such strategies may reduce investment returns.

Distressed Restructuring Strategies employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings.

Investments in **emerging markets** can be more volatile. The normal risks of investing in foreign countries are heightened when investing in emerging markets. In addition, the small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Also, emerging markets may not provide adequate legal protection for private or foreign investment or private property.

The price of **equity** securities may rise, or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries, or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time.

Equity market neutral strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. Equity Market Neutral Strategies typically maintain characteristic net equity market exposure no greater than 10% long or short.

Global macro strategies trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Some overseas markets may not be as politically and economically stable as the United States and other nations.

There is no guarantee that the use of **long and short positions** will succeed in limiting an investor's exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Using long and short selling strategies may have higher portfolio turnover rates. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

Merger arbitrage strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction.

Mid-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies. Historically, mid-cap companies' stock has experienced a greater degree of market volatility than the average stock.

Price to forward earnings is a measure of the price-to-earnings ratio (P/E) using forecasted earnings. **Price to book value** compares a stock's market value to its book value. **Price to cash flow** is a measure of the market's expectations of a firm's future financial health. **Price to dividends** is the ratio of the price of a share on a stock exchange to the dividends per share paid in the previous year, used as a measure of a company's potential as an investment.

Real estate investments may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investments may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

Relative Value Strategies maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

Small-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies since smaller companies generally have a higher risk of failure. Historically, smaller companies' stock has experienced a greater degree of market volatility than the average stock.

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ASSET MANAGEMENT



J.P. Morgan Asset Management – Risks & disclosures

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Unless otherwise stated, all data are as of March 31, 2025 or most recently available.

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ASSET MANAGEMENT

Pension & Benefit Committee

FY2026 Work Plan

The Pension and Benefit Committee will assist the Regional Water Authority (RWA) in fulfilling its fiduciary responsibilities for oversight relating to RWA's Defined Benefit Pension Plan, Defined Contribution Plan and Voluntary Retired Employees' Contributory Welfare Trust (collectively, the "Employee Retirement Plan").

July 2025

- Quarterly investment performance review – pension and VEBA
- 401k Annual Update

October 2025

- Quarterly investment performance review - pension and VEBA

January 2026

- Quarterly investment performance review - pension and VEBA
- Consider the appropriateness of RFI, RFQ, or RFP for investment management services

April 2026

- Review 1/1/2026 Actuary Reports for pension and VEBA and related contribution amounts
- Review actuarial assumptions
- Quarterly investment performance review – pension and VEBA
- Review Committee FY 2027 work plan
- If proposed and available, discuss potential additional year-end pension contribution

Possible May 2026

- If proposed and not reviewed at the April meeting, discuss potential additional year-end pension contribution