

PUBLIC  
AGENCY  
RETIREMENT  
SERVICES

PARS

TRUSTED SOLUTIONS. LASTING RESULTS.



# TOWN OF TIBURON

PARS 115 Trust – OPEB Prefunding Program and  
Pension Rate Stabilization Program Client Review

June 14, 2021

# CONTACTS

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# PARS 115 TRUST TEAM

## Trust Administrator & Consultant



- Recordkeeping
- Sub-trust accounting
- Monitors plan compliance
- Processes contributions/disbursements
- Hands-on, dedicated support teams
- Coordinates all agency services

<b>37</b> Years of Experience (1984-2021)	<b>2,000+</b> Plans under Administration	<b>1,000+</b> Public Agency Clients	<b>400+</b> 115 Trust Clients	<b>500K+</b> Plan Participants	<b>\$6.0B</b> Assets under Administration
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## Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts
- Safeguard plan assets
- Oversight protection as plan fiduciary
- Custodian of assets

<b>158</b> Years of Experience (1863-2021)	<b>\$5.0T</b> Assets under Administration
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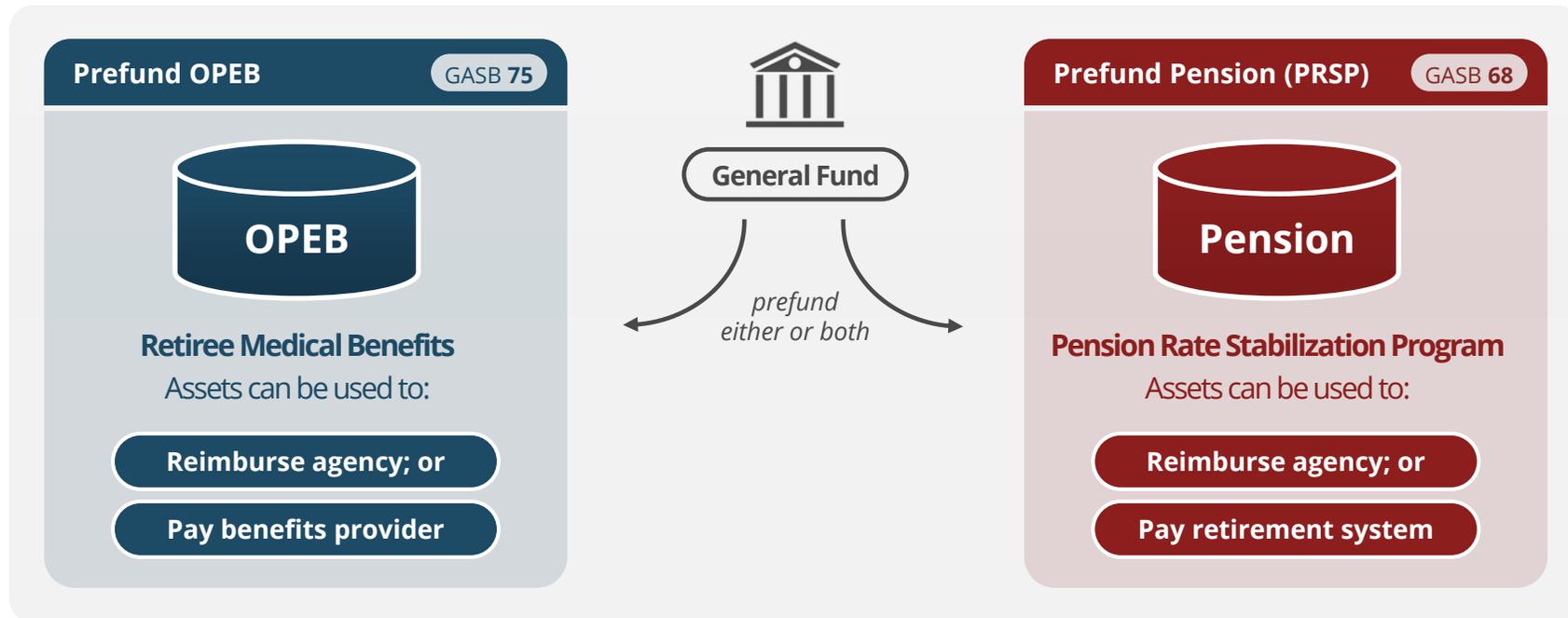
## Investment Manager



- Investment sub-advisor to trustee U.S. Bank
- Investment policy assistance
- Uses open architecture
- Active and passive platform options
- Customized portfolios (with minimum asset level)

<b>102</b> Years of Experience (1919-2021)	<b>\$18.2B</b> Assets under Management & Advisement
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# PARS IRS-APPROVED SECTION 115 TRUST



**Subaccounts**  
 OPEB and pension assets are individually sub-accounted, and can be divided by dept., bargaining group, or cost center

**Financial Stability**  
 Assets in the PARS Section 115 Combination Trust can be used to address unfunded liabilities.

**Flexible Investing**  
 Allows separate investment strategies for OPEB and pension subaccounts.

**Anytime Access**  
 Trust funds are available anytime; OPEB for OPEB and pension for pension.

**Economies-of-Scale**  
 OPEB and pension assets aggregate and reach lower fees on tiered schedule sooner – saving money!

**No Set Up Cost or Minimums**  
 No set-up costs, no minimum annual contribution amounts, and no fees until assets are added.

# 115 TRUST – OPEB/PENSION CLIENT LIST

Updated June 2021

## CITIES & TOWNS (132)

Alameda  
Alhambra  
Anaheim  
Atherton  
Atwater  
Bakersfield  
Bell Gardens  
Benicia  
Beverly Hills  
Brea  
Brisbane  
Burlingame  
Camarillo  
Capitola  
Chino Hills  
Colma  
Commerce  
Corcoran  
Coronado  
Costa Mesa  
Covina  
Crescent City  
Cudahy  
Cupertino  
Cypress  
Daly City  
Del Rey Oaks  
Dinuba  
Duarte  
Dublin  
El Cajon  
El Centro  
El Segundo  
Elk Grove  
Emeryville  
Escondido  
Fairfax  
Fairfield  
Fountain Valley  
Fullerton  
Galt  
Garden Grove  
Gilroy  
Glendale  
Goleta  
Grass Valley  
Half Moon Bay  
Healdsburg  
Hemet  
Hercules  
Hermosa Beach  
Huntington Beach  
Indian Wells  
Indio  
La Habra  
La Mesa  
La Quinta  
La Verne  
Laguna Niguel  
Lake Forest  
Lakewood  
Lemon Grove  
Livermore  
Lodi  
Los Alamitos  
Los Altos Hills

Mammoth Lakes  
Manhattan Beach  
Merced  
Monrovia  
Morgan Hill  
Napa  
National City  
Norwalk  
Novato  
Oakley  
Orinda  
Oroville  
Pacifica  
Palmdale  
Palo Alto  
Pasadena  
Perris  
Pico Rivera  
Piedmont  
Pinole  
Pittsburg  
Placentia  
Pleasanton  
Port Hueneme  
Rancho Cucamonga  
Redding  
Redwood City  
Rialto  
Richmond  
Riverside  
Rohnert Park  
Rolling Hills  
Rosemead

Ross  
Salinas  
San Anselmo  
San Leandro  
San Ramon  
Santa Ana  
Santa Clara  
Santa Clarita  
Sausalito  
Selma  
Solana Beach  
Stanton  
Stockton  
Taft  
Temecula  
Temple City  
Thousand Oaks  
Tiburon  
Tustin  
Union City  
Upland  
Vallejo  
Villa Park  
Walnut  
West Covina  
West Sacramento  
Westminster  
Winters  
Woodland  
Woodside  
Yountville  
Yuba City  
Yucca Valley

## COUNTIES (30)

Alpine  
Amador  
Calaveras  
Colusa  
Contra Costa  
Humboldt  
Imperial  
Inyo  
Kern  
Kings  
Lake  
Lassen  
Mariposa  
Merced  
Mono  
Napa  
Nevada  
Placer  
Plumas  
Riverside  
San Benito  
Shasta  
Siskiyou  
Solano  
Sonoma  
Sutter  
Trinity  
Tulare  
Yolo  
Yuba

# 115 TRUST – OPEB/PENSION CLIENT LIST

Updated June 2021

## SPECIAL DISTRICTS (104)

Agoura Hills/Calabasas Community Center Authority  
Alameda County Mosquito Abatement District  
Beach Cities Health District  
Bighorn-Desert View Water Agency  
Bodega Bay Public Utilities District  
Calaveras County Water District  
California Joint Powers Insurance Authority  
California Joint Powers Risk Management Authority  
Central Contra Costa Sanitary District  
Central Contra Costa Transit Authority  
Coastside Fire Protection District  
Conejo Recreation & Park District  
Contra Costa County EEs' Retirement Association  
Contra Costa Mosquito and Vector Control District  
Crestline Village Water District  
Delta Diablo  
Desert Recreation District  
East Bay Regional Park District  
East Contra Costa Fire Protection District  
East Orange County Water District  
Eastern Sierra Community Services District  
Eastern Sierra Transit Authority  
El Dorado Hills County Water (& Fire) District  
Fallbrook Public Utility District  
Fresno Irrigation District  
Fresno Metropolitan Flood Control District  
Glenn-Colusa Irrigation District  
Goleta Cemetery District  
Goleta West Sanitary District  
Great Basin Unified Air Pollution Control District  
Greater Vallejo Recreation District  
Hayward Area Recreation & Park District  
Hesperia Fire Protection District  
Housing Authority of the County of Butte  
Housing Authority of the County of Contra Costa  
Housing Authority of the County of San Bernardino  
Housing Authority of the County of Santa Cruz

Humboldt Bay Fire Joint Powers Authority  
Humboldt Bay Municipal Water District  
Humboldt No. 1 Fire Protection District  
Menlo Park Fire Protection District  
Mesa Water District  
Metropolitan Transportation Commission  
Midpeninsula Regional Open Space District  
Mid-Peninsula Water District  
Mojave Desert Air Quality Management District  
Montecito Fire Protection District  
Monterey Bay Unified Air Pollution Control District  
Moraga-Orinda Fire Protection District  
Mosquito & Vector Mgmt Dist. of Santa Barbara Co.  
Mountains Recreation and Conservation Authority  
Municipal Pooling Authority  
Municipal Water District of Orange County  
Napa County Mosquito Abatement District  
Nevada County Consolidated Fire District  
North Central Fire Protection District  
Northern Salinas Valley Mosquito Abatement District  
Novato Sanitary District  
Orange County Fire Authority  
Orange County Mosquito and Vector Control District  
Orange County Water District  
Orchard Dale Water District  
Public Agency Risk Sharing Authority of CA (PARSAC)  
Pebble Beach Community Services District  
Placencia Library District  
Placer County Air Pollution Control District  
Placer County Resource Conservation District  
Rancho Cucamonga Fire Protection District  
Rancho Murieta Community Services District  
Rowland Water District  
Sacramento Area Flood Control Agency  
San Andreas Sanitary District  
San Elijo Joint Powers Authority  
San Mateo County Mosquito & Vector Control District

Santa Barbara County Law Library  
Santa Cruz Regional 9-1-1 JPA  
Sewer Authority Mid-Coastside  
Shasta Valley Cemetery District  
South Coast Water District  
South Montebello Irrigation District  
South Orange County Wastewater Authority  
South Placer Fire Protection District  
Southern Marin Fire Protection District  
State Water Contractors  
Superior Court of CA, County of Imperial  
Superior Court of CA, County of Inyo  
Superior Court of CA, County of Kern  
Superior Court of CA, County of Marin  
Superior Court of CA, County of Merced  
Superior Court of CA, County of Orange  
Superior Court of CA, County of San Mateo  
Superior Court of CA, County of Shasta  
Superior Court of CA, County of Siskiyou  
Superior Court of CA, County of Sonoma  
Sweetwater Springs Water District  
Three Valleys Municipal Water District  
Twentynine Palms Water District  
Ventura Regional Sanitation District  
Walnut Valley Water District  
West Bay Sanitary District  
West County Wastewater District  
Western Riverside Council of Governments  
Yorba Linda Water District  
Zone 7 Water Agency

## EDUCATION DISTRICTS (2)

Sonoma County Office of Education  
Intelcom

# 115 TRUST – OPEB/PENSION CLIENT LIST

Updated June 2021

## SCHOOL DISTRICTS (50)

Alisal Union School District  
Alta Loma School District  
Auburn Union School District  
Bass Lake Joint Union Elementary School District  
Bellflower Unified School District  
Beverly Hills Unified School District  
Calistoga Joint Unified School District  
Campbell Union High School District  
Compton Unified School District  
Corning Union Elementary School District  
Coronado Unified School District  
Cotati-Rohnert Park Unified School District  
El Dorado Union High School District  
El Monte Union High School District  
Folsom Cordova Unified School District  
Fontana Unified School District  
Fowler Unified School District  
Hermosa Beach City School District  
Hesperia Unified School District  
John Swett Unified School District  
Lakeside Union School District (San Diego)  
Lemon Grove School District  
Lindsay Unified School District  
Madera Unified School District  
Manteca Unified School District  
Moreno Valley Unified School District  
Napa Valley Unified School District  
Natomas Unified School District  
Newport-Mesa Unified School District  
Ocean View School District (Ventura)  
Ontario-Montclair School District

Orcutt Union School District  
Palmdale School District  
Placer Union High School District  
Porterville Unified School District  
Poway Unified School District  
Red Bluff Joint Union High School District  
Red Bluff Union Elementary School District  
River Delta Unified School District  
Riverdale Joint Unified School District  
San Bruno Park School District  
San Dieguito Union High School District  
San Marino Unified School District  
Santa Barbara Unified School District  
Santa Rita Union School District  
Trona Joint Unified School District  
Visalia Unified School District  
Westside Union School District  
Whittier City School District  
Wilsona School District

## COMMUNITY COLLEGE DISTRICTS (16)

Citrus CCD  
Coast CCD  
Grossmont-Cuyamaca CCD  
Hartnell CCD  
Imperial CCD  
Marin CCD  
Palo Verde CCD  
Pasadena Area CCD  
Rancho Santiago CCD  
Rio Hondo CCD  
San Bernardino CCD  
San Luis Obispo County CCD (Cuesta)  
State Center CCD  
Victor Valley CCD  
West Valley-Mission CCD  
Yosemite CCD

# SUMMARY OF AGENCY'S OPEB PLAN

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<b>Plan Type:</b>	IRC Section 115 Irrevocable Exclusive Benefit Trust
<b>Trustee Approach:</b>	Discretionary
<b>Plan Effective Date:</b>	May 4, 2016
<b>Plan Administrators:</b>	Town Manager
<b>Current Investment Strategy:</b>	Balanced Index PLUS (Passive) Strategy; Pooled Account

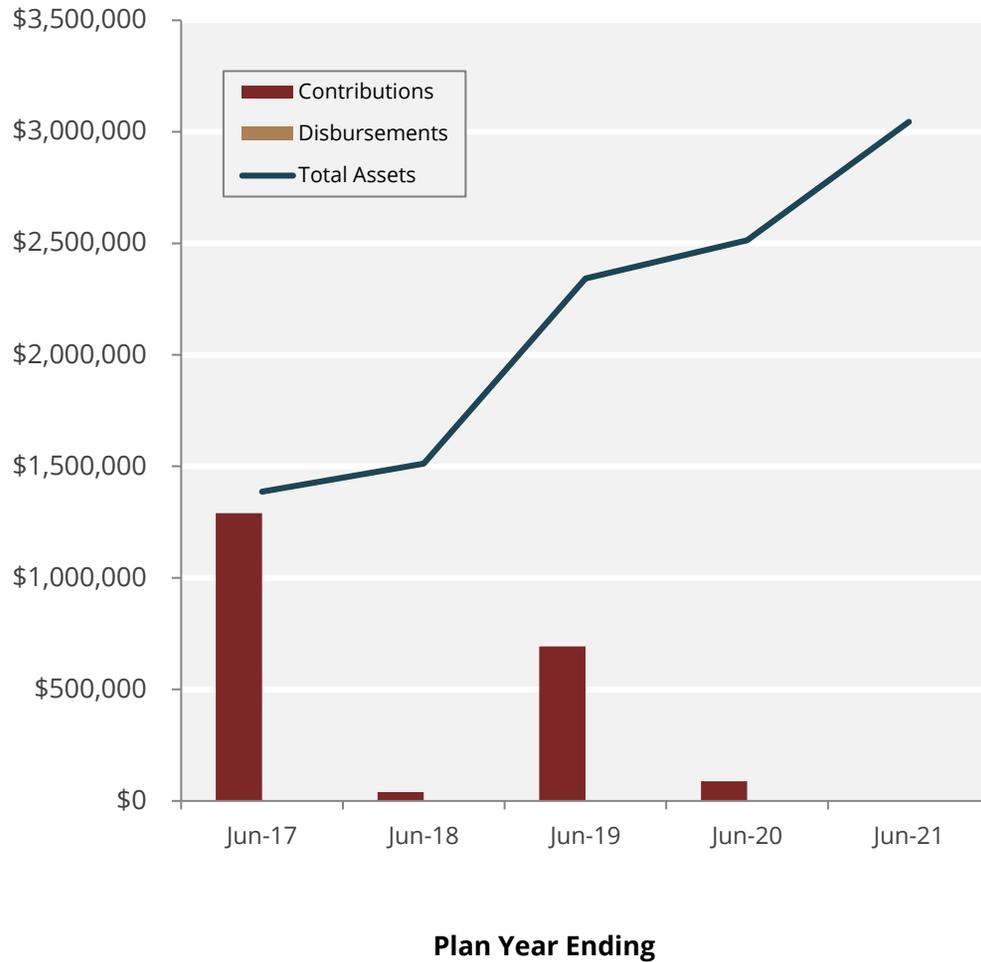
## AS OF APRIL 30, 2021:

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<b>Initial Contribution:</b>	September 2016: \$322,520
<b>Additional Contributions:</b>	\$1,787,803
<b>Total Contributions:</b>	\$2,110,322
<b>Disbursements:</b>	\$0
<b>Total Investment Earnings:</b>	\$971,746
<b>Account Balance:</b>	\$3,045,081

# SUMMARY OF AGENCY'S OPEB PLAN

## CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF APRIL 30, 2021:



Year	Contributions	Disbursements	Total Assets
Jun-17*	\$1,290,017	\$0	\$1,386,481
Jun-18	\$39,521	\$0	\$1,511,758
Jun-19	\$692,713	\$0	\$2,342,412
Jun-20	\$88,071	\$0	\$2,513,798
Jun-21**	\$0	\$0	\$3,045,081

\*Plan Year Ending June 2017 is based on 10 months of activity.  
 \*\*Plan Year Ending June 2021 is based on 10 months of activity.

# OPEB ACTUARIAL RESULTS

- We have received the actuarial report by Nicolay Consulting dated September 23, 2020 with a measurement date as of June 30, 2019. In the table below, we have summarized the results.

<b>Demographic Study</b>	<b>Measurement Date: June 30, 2018</b>	<b>Measurement Date: June 30, 2019</b>
<b>Actives</b>	37	41
<b>Retirees</b>	21	26
<b>Total</b>	58	67

# OPEB ACTUARIAL RESULTS

	Measurement Date: June 30, 2018 Discount Rate: 6.50%	Measurement Date: June 30, 2019 Discount Rate: 6.50%
<b>Total OPEB Liability (TOL)</b> <i>Actuarial Accrued Liability (AAL)</i>	\$3,737,498	\$3,677,790
<b>Fiduciary Net Position</b> <i>Actuarial Value of Assets</i>	\$1,511,758	\$2,342,412*
<b>Net OPEB Liability (NOL)</b> <i>Unfunded Actuarial Accrued Liability (UAAL)</i>	\$2,225,740	\$1,335,378
<b>Funded Ratio (%)</b>	40.4%	63.7%
<b>Service Cost</b>	\$102,141 <i>for FY 2017-18</i>	\$107,248 <i>for FY 2018-19</i>
<b>Actuarially Determined Contribution (ADC)</b>	\$257,809 <i>for FY 2018-19</i>	\$354,559 <i>for FY 2019-20</i>
<b>Annual Benefit Payments (Pay-as-you-Go)</b>	\$135,075 <i>for FY 2017-18</i>	\$105,340 <i>for FY 2018-19</i>

\*As of April 30, 2021, assets at \$3,045,081.

**Rule of thumb:** For every one percent increase in the discount rate, the unfunded liability is lowered by 10-12%.

# SUMMARY OF AGENCY'S PENSION PLAN

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<b>Plan Type:</b>	IRC Section 115 Irrevocable Exclusive Benefit Trust
<b>Trustee Approach:</b>	Discretionary
<b>Plan Effective Date:</b>	May 4, 2016
<b>Plan Administrator:</b>	Town Manager
<b>Current Investment Strategy:</b>	Moderately Conservative Index PLUS (Passive) Strategy; Pooled Account

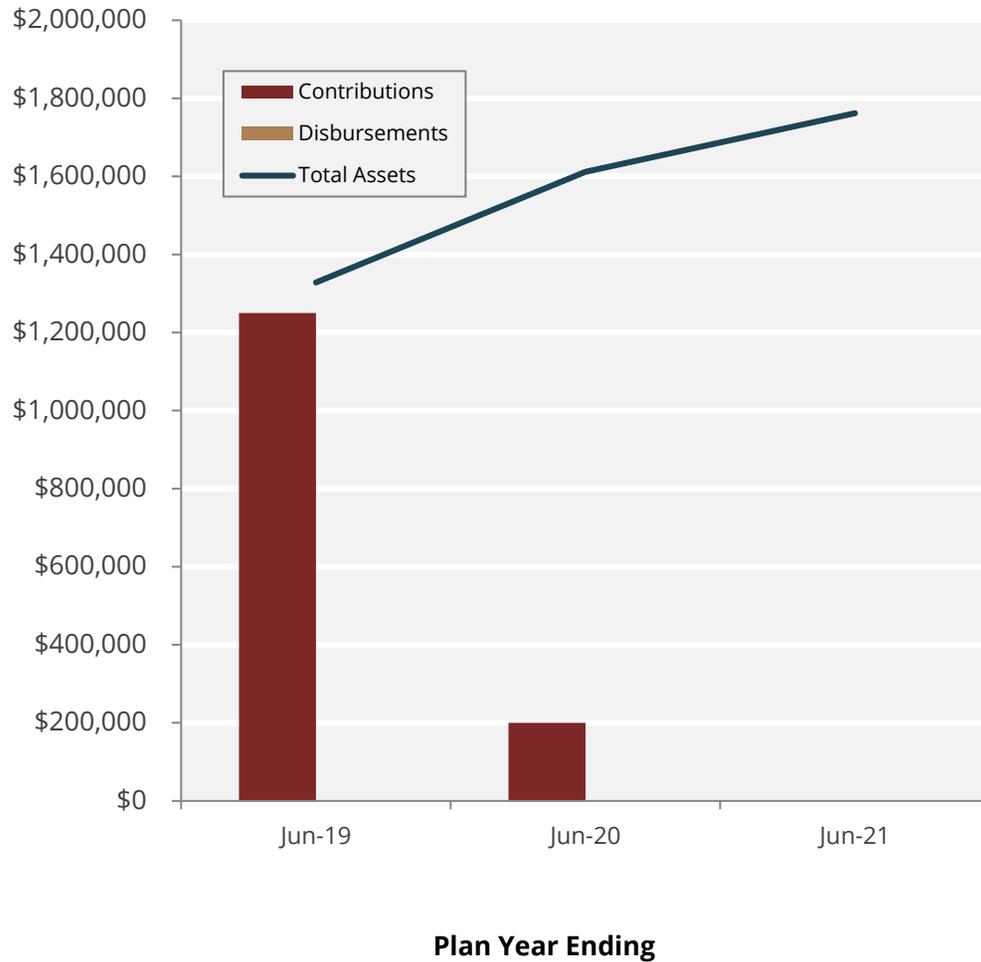
## AS OF APRIL 30, 2021:

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<b>Initial Contribution:</b>	July 2018: \$1,050,000
<b>Additional Contributions:</b>	\$400,000
<b>Total Contributions:</b>	\$1,450,000
<b>Disbursements:</b>	\$0
<b>Total Investment Earnings:</b>	\$330,918
<b>Account Balance:</b>	\$1,762,100

# SUMMARY OF AGENCY'S PENSION PLAN

## CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF APRIL 30, 2021:



Year	Contributions	Disbursements	Total Assets
Jun-19	\$1,250,000	\$0	\$1,328,259
Jun-20	\$200,000	\$0	\$1,611,919
Jun-21*	\$0	\$0	\$1,762,100

\*Plan Year Ending June 2021 is based on 10 months of activity.



# PENSION FUNDING STATUS

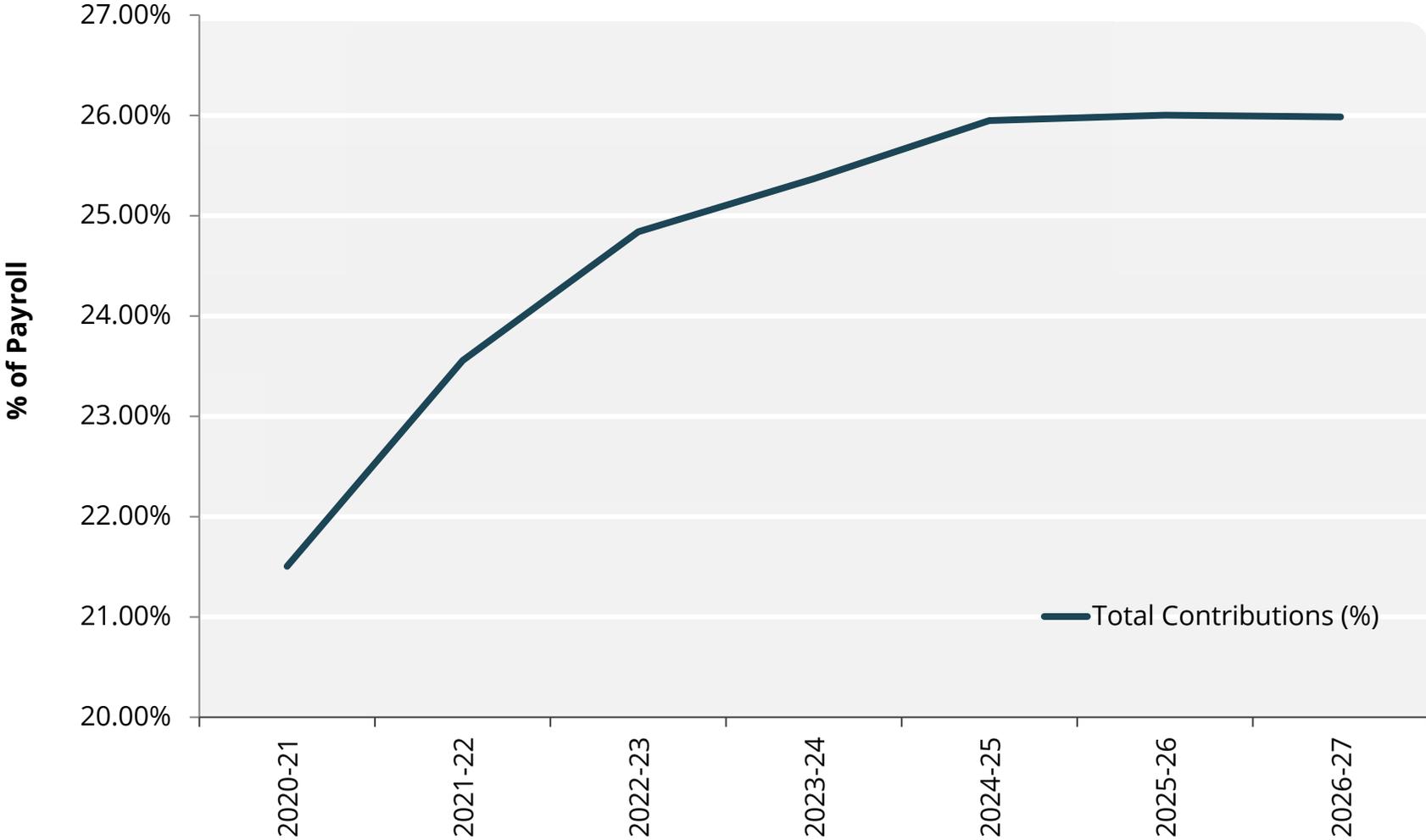
As of June 30, 2019, Town of Tiburon’s CalPERS pension plan is funded as follows\*:

Combined Miscellaneous & Safety Groups	Valuation as of June 30, 2018	Valuation as of June 30, 2019	Change
Actuarial Liability	\$38.0 M	\$39.5 M	3.8% ↑
Assets	\$28.9 M	\$29.7 M	3.0% ↑
Unfunded Liability	\$9.2 M	\$9.8 M	6.5% ↑
Funded Ratio	75.9%	75.3%	0.8% ↓
Employer Contribution Amount	\$1.0 M (FY 19-20)	\$1.1 M (FY 20-21)	13.3% ↑
Employer Contribution Amount – Projected*	---	\$1.5 M (FY 26-27)	40.3% ↑

\* Data through 2026-27 from Agency’s latest CalPERS actuarial valuation.

# PROJECTED EMPLOYER CONTRIBUTIONS (MISC.)

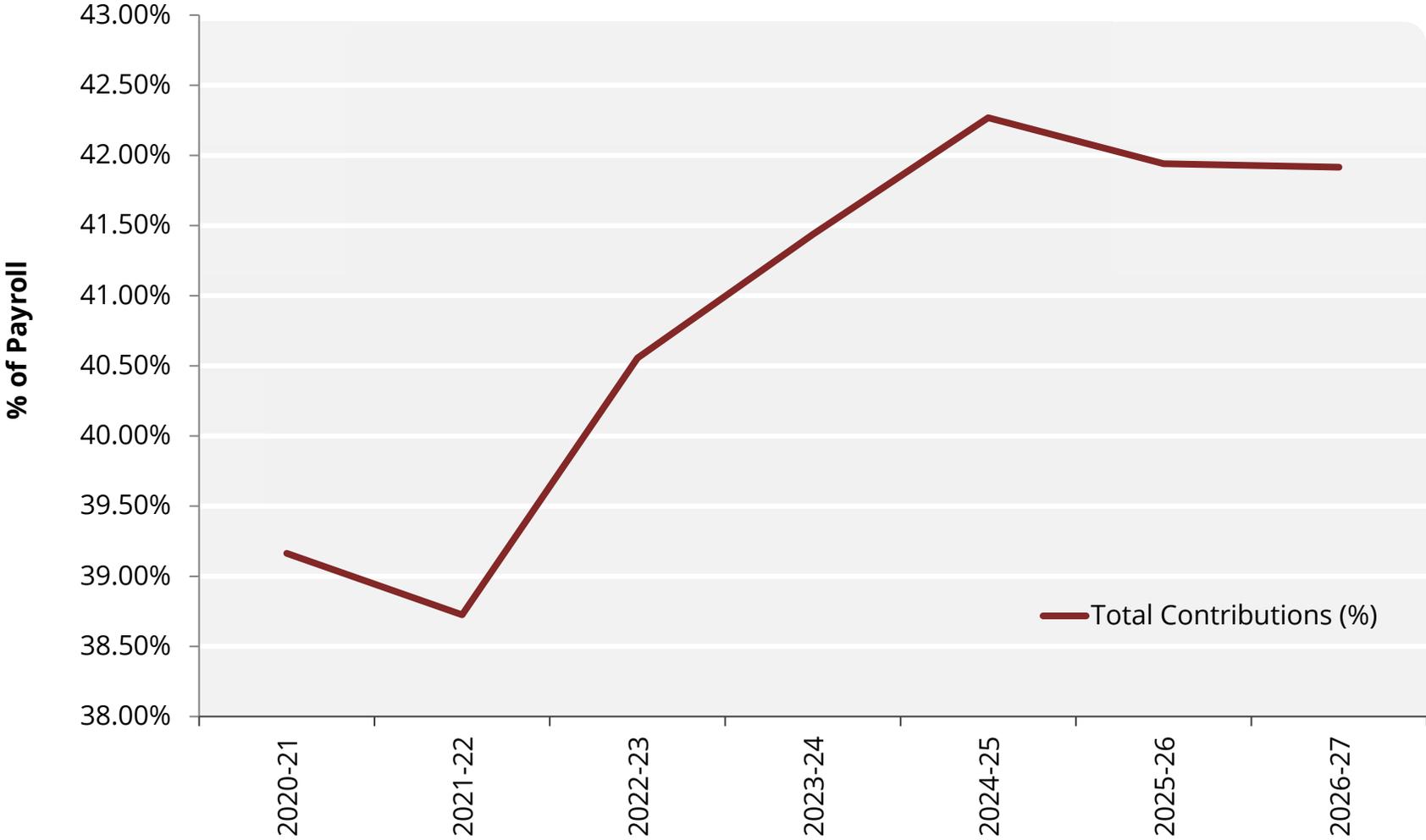
Projected misc. contributions increase from \$533.7K to \$739.0K\* (38.5% ↑)



\* Data through 2026-27 from Agency's latest CalPERS actuarial valuation.

# PROJECTED EMPLOYER CONTRIBUTIONS (SAFETY)

Projected safety contributions increase from \$562.4K to \$798.9K\* (42.0% ↑)



\* Data through 2026-27 from Agency's latest CalPERS actuarial valuation.

# **Town of Tiburon**

**April 30, 2021**

**Presented by  
Andrew Brown, CFA**

# Economic and Market Forecasts - April 2021

	<b>2021</b>	<b>2022</b>
	Assumptions	Assumptions
<b>GDP</b>	5.5% - 7.5%	3.5% - 4.5%
<b>S&amp;P500 earnings</b>	\$170 - \$190	\$190 - \$210
<b>Unemployment</b>	4.8% - 5.5%	4.2% - 4.9%
<b>Core PCE Inflation</b>	1.8% - 2.1%	1.8% - 2.1%
<b>Fed Funds Target</b>	0.0% - 0.25%	0.0% - 0.25%

2021-2022 projections

**Selected Period Performance**  
**PARS/OPEB BALANCED INDEX PLUS**  
**Account 6746050109**  
**Period Ending: 4/30/2021**

	3 Months	Year to Date (4 Months)	1 Year	3 Years	Since Inception (55 Months)
Cash Equivalents	.01	.01	.04	1.24	1.08
<i>Lipper Money Market Funds Index</i>	.00	.00	.04	1.20	1.03
Total Fixed Income	-1.51	-2.11	.62	5.00	2.77
<i>BBG Barclays US Aggregate Bd Index</i>	-1.91	-2.61	-.27	5.19	2.97
Total Equities	11.41	11.74	50.14	14.97	14.98
Large Cap Funds	13.21	12.04	46.51	18.43	17.49
<i>S&amp;P 500 Composite Index</i>	12.98	11.84	45.98	18.67	17.64
Mid Cap Funds	13.96	13.65	60.34	16.69	15.42
<i>Russell Midcap Index</i>	13.95	13.65	59.57	16.71	15.46
Small Cap Funds	10.01	15.38	75.10	14.78	15.20
<i>Russell 2000 Index</i>	9.55	15.07	74.91	15.23	15.35
International Equities	5.87	6.79	45.00	7.49	9.92
<i>MSCI EAFE Index</i>	7.74	6.59	39.88	6.27	9.26
<i>MSCI EM Free Index</i>	1.71	4.83	48.71	7.51	11.56
RR: REITS	17.27	17.31	35.31	13.21	7.00
<i>Wilshire REIT Index</i>	16.93	17.55	34.24	11.36	6.23
Total Managed Portfolio	6.34	6.30	27.85	11.11	9.98

**Performance Inception: 10/01/2016**

Returns are gross of account level investment advisory fees and net of any fees, including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. 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

## As of April 30, 2021

Current Asset Allocation		Investment Vehicle	
<b>Equity</b>		<b>Range: 50%-70%</b>	<b>61.05%</b>
Large Cap Core	IVV	iShares Core S&P 500 ETF	19.43%
Large Cap Value	IVE	iShares S&P 500 Value ETF	6.93%
Large Cap Growth	IVW	iShares S&P 500 Growth ETF	7.25%
Mid Cap Core	IWR	iShares Russell Mid-Cap ETF	4.53%
Small Cap Value	IWN	iShares Russell 2000 Value ETF	4.29%
Small Cap Growth	IWO	iShares Russell 2000 Growth ETF	4.35%
International Core	IEFA	iShares Core MSCI EAFE ETF	6.85%
Emerging Markets	VWO	Vanguard FTSE Emerging Markets ETF	5.40%
Real Estate	VNQ	Vanguard Real Estate ETF	2.02%
<b>Fixed Income</b>		<b>Range: 30%-50%</b>	<b>34.81%</b>
Short-Term	VFSUX	Vanguard Short-Term Investment-Grade Adm	5.30%
Intermediate-Term	AGG	iShares Core US Aggregate Bond ETF	27.85%
High Yield	VWEAX	Vanguard High-Yield Corporate Adm	1.66%
<b>Cash</b>		<b>Range: 0%-20%</b>	<b>4.14%</b>
	FGZXX	First American Government Oblig Z	4.14%
<b>TOTAL</b>			<b>100.00%</b>

**Selected Period Performance**  
**PARS/PRSP MODERATELY CONSERVATIVE**  
**Account 6746050105**  
**Period Ending: 4/30/2021**

	3 Months	Year to Date (4 Months)	1 Year	Since Inception (33 Months)
Cash Equivalents	.01	.01	.04	1.19
<i>Lipper Money Market Funds Index</i>	<i>.00</i>	<i>.00</i>	<i>.04</i>	<i>1.15</i>
Total Fixed Income	-1.50	-2.09	.67	5.16
<i>BBG Barclays US Aggregate Bd Index</i>	<i>-1.91</i>	<i>-2.61</i>	<i>-.27</i>	<i>5.44</i>
Total Equities	11.36	11.72	49.32	14.19
Large Cap Funds	13.22	12.06	45.71	17.42
<i>S&amp;P 500 Composite Index</i>	<i>12.98</i>	<i>11.84</i>	<i>45.98</i>	<i>17.65</i>
Mid Cap Funds	13.96	13.64	59.43	16.28
<i>Russell Midcap Index</i>	<i>13.95</i>	<i>13.65</i>	<i>59.57</i>	<i>16.06</i>
Small Cap Funds	10.00	15.38	74.02	12.59
<i>Russell 2000 Index</i>	<i>9.55</i>	<i>15.07</i>	<i>74.91</i>	<i>13.24</i>
International Equities	5.98	6.81	44.17	8.27
<i>MSCI EAFE Index</i>	<i>7.74</i>	<i>6.59</i>	<i>39.88</i>	<i>7.28</i>
<i>MSCI EM Free Index</i>	<i>1.71</i>	<i>4.83</i>	<i>48.71</i>	<i>10.48</i>
RR: REITS	17.26	17.30	34.40	10.80
<i>Wilshire REIT Index</i>	<i>16.93</i>	<i>17.55</i>	<i>34.24</i>	<i>9.04</i>
Total Managed Portfolio	2.35	2.04	13.38	7.98

**Performance Inception: 08/01/2018**

Returns are gross of account level investment advisory fees and net of any fees, including fees to manage mutual fund or exchange traded fund holdings. Returns for periods over one year are annualized. 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

## As of April 30, 2021

Current Asset Allocation		Investment Vehicle	
<b>Equity</b>		<b>Range: 20%-40%</b>	<b>31.70%</b>
Large Cap Core	IVV	iShares Core S&P 500 ETF	9.70%
Large Cap Value	IVE	iShares S&P 500 Value ETF	3.53%
Large Cap Growth	IVW	iShares S&P 500 Growth ETF	3.67%
Mid Cap Core	IWR	iShares Russell Mid-Cap ETF	2.35%
Small Cap Value	IWN	iShares Russell 2000 Value ETF	2.30%
Small Cap Growth	IWO	iShares Russell 2000 Growth ETF	2.31%
International Core	IEFA	iShares Core MSCI EAFE ETF	3.92%
Emerging Markets	VWO	Vanguard FTSE Emerging Markets ETF	2.82%
Real Estate	VNQ	Vanguard Real Estate ETF	1.10%
<b>Fixed Income</b>		<b>Range: 50%-80%</b>	<b>66.70%</b>
Short-Term	VFSUX	Vanguard Short-Term Investment-Grade Adm	11.17%
Intermediate-Term	AGG	iShares Core US Aggregate Bond ETF	52.88%
High Yield	VWEAX	Vanguard High-Yield Corporate Adm	2.65%
<b>Cash</b>		<b>Range: 0%-20%</b>	<b>1.60%</b>
	FGZXX	First American Government Oblig Z	1.60%
<b>TOTAL</b>			<b>100.00%</b>

# TOWN OF TIBURON

## For Period Ending April 30, 2021

### 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
iShares S&P 500 Growth ETF	6.84	9.65	9.06	48.57	22.95	21.04	16.34
iShares S&P 500 Value ETF	3.72	16.67	14.81	40.64	12.84	12.49	11.09
iShares Core S&P 500 ETF	5.34	12.97	11.83	45.94	18.63	17.38	14.12

### MID CAP EQUITY FUNDS

iShares Russell Mid-Cap ETF	5.07	13.90	13.60	59.31	16.55	15.40	12.52
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### SMALL CAP EQUITY FUNDS

iShares Russell 2000 Growth ETF	2.17	2.19	7.11	68.96	17.90	18.88	12.94
iShares Russell 2000 Value ETF	2.02	17.39	23.53	78.73	11.50	13.40	9.98

### INTERNATIONAL EQUITY FUNDS

iShares Core MSCI EAFE ETF	3.24	8.10	7.07	42.06	6.61	9.37	--
Vanguard FTSE Emerging Markets ETF	1.87	2.50	5.50	47.54	7.77	11.59	3.15

### REAL ESTATE FUNDS

Vanguard Real Estate ETF	7.96	17.32	17.35	35.35	13.52	8.28	9.12
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### BOND FUNDS

iShares Core US Aggregate Bond ETF	0.79	-1.94	-2.63	-0.31	5.13	3.13	3.32
Vanguard Short-Term Investment-Grade Adm	0.51	-0.02	0.04	4.38	4.28	2.94	2.61
Vanguard High-Yield Corporate Adm	1.20	1.08	1.11	14.73	6.61	6.38	6.07

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.

# ADMINISTRATIVE REVIEW

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- 1 Future contributions
- 2 Future disbursement requests/options
- 3 Agency's future actuarial valuation for GASB 45/75 compliance  
Next valuation measurement date: June 2021
- 4 GASB 75 updates – effective for fiscal years beginning after June 15, 2017
- 5 Investment Guidelines Document – Signed August 2018
- 6 Client funding policy
- 7 Client Feedback
- 8 GASB 74/75 Compliance
- 9 Employer Portal – Opted-In



# EMPLOYER PORTAL

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**Public Agency Retirement Services (PARS) has launched its new employer portal for the IRC Section 115 Trust. Features include:**

- Latest monthly account balance
- Transaction history
- Downloadable prior statements
- Investment Performance

[employer.pars.org](https://employer.pars.org)

# GASB 74/75 REPORTING

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- **To assist our public agency clients with GASB 74/75, PARS will be providing the following:**
  - An individual trust statement of each agency's plan assets that shows a reconciliation of assets held at the beginning of the fiscal year through the end of the fiscal year, breaking out the appropriate plan contributions, benefit payments, expenses, and investment earnings
  - Year-end audited financial statements of the Trust as a whole including Schedule of Changes in Fiduciary Net Position by Employer completed by CliftonLarsonAllen (CLA) that is intended to be compliant with GASB 74/75 requirements.
  - Supporting SOC 1-Type 2 report on the controls over the calculation and allocation of additions and deductions to employer accounts within the Trust
  - Investment allocation data and information on investment policies including target asset allocations and allowable asset class allocation ranges
- PARS Auditors have determined that participating plans should be considered an agent multiple-employer defined benefit OPEB plan (agent OPEB plan) as defined under GASB

## PARS DIVERSIFIED PORTFOLIOS CONSERVATIVE

Q1 2021

### WHY THE PARS DIVERSIFIED CONSERVATIVE PORTFOLIO?

#### Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

#### Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

#### Flexible Investment Options

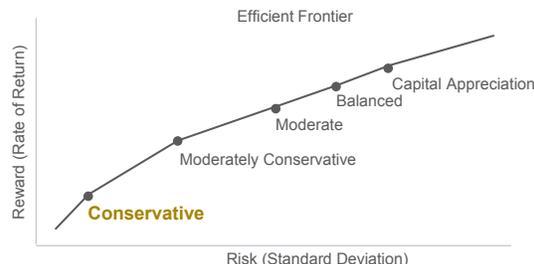
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

#### Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

### INVESTMENT OBJECTIVE

To provide a consistent level of inflation-protected income over the long-term. The major portion of the assets will be fixed income related. Equity securities are utilized to provide inflation protection.



### ASSET ALLOCATION — CONSERVATIVE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	5 – 20%	15%	15%
Fixed Income	60 – 95%	80%	84%
Cash	0 – 20%	5%	1%

### ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

#### HighMark Plus Composite (Active)

Current Quarter*	-1.17%
Blended Benchmark*,**	-0.75%
Year To Date*	-1.17%
Blended Benchmark*,**	-0.75%
1 Year	12.59%
Blended Benchmark**	9.09%
3 Year	6.05%
Blended Benchmark**	5.73%
5 Year	5.18%
Blended Benchmark**	4.65%
10 Year	4.46%
Blended Benchmark**	4.12%

#### Index Plus Composite (Passive)

Current Quarter*	-1.19%
Blended Benchmark*,**	-0.75%
Year To Date*	-1.19%
Blended Benchmark*,**	-0.75%
1 Year	9.20%
Blended Benchmark**	9.09%
3 Year	5.82%
Blended Benchmark**	5.73%
5 Year	4.62%
Blended Benchmark**	4.65%
10 Year	4.18%
Blended Benchmark**	4.12%

\* Returns less than one year are not annualized. \*\*Breakdown for Blended Benchmark: From 10/1/2012 - Present: 7.5% S&P500, 1.5% Russell Mid Cap, 2.5% Russell 2000, 1% MSCI EM (net), 2% MSCI EAFE (net), 52.25% BBG Barclays US Agg, 25.75% ICE BofA 1-3 Yr US Corp/Govt, 2% ICE BofA US High Yield Master II, 0.5% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 – 9/30/2012, the blended benchmark was 12% S&P 500, 1% Russell 2000, 2% MSCI EAFE (net), 40% ICE BofA 1-3 Year Corp./Govt, 40% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007: the blended benchmark was 15% S&P 500, 40% ICE BofA 1-3Yr Corp/Govt, 40% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

### ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

#### HighMark Plus Composite (Active)

2008	-9.04%
2009	15.59%
2010	8.68%
2011	2.19%
2012	8.45%
2013	3.69%
2014	3.88%
2015	0.29%
2016	4.18%
2017	6.73%
2018	-1.35%
2019	11.05%
2020	9.03%

#### Index Plus Composite (Passive)

2008	-6.70%
2009	10.49%
2010	7.67%
2011	3.70%
2012	6.22%
2013	3.40%
2014	4.32%
2015	0.06%
2016	3.75%
2017	5.52%
2018	-1.09%
2019	10.37%
2020	8.56%

### PORTFOLIO FACTS

#### HighMark Plus (Active)

Composite Inception Date	07/2004
No of Holdings in Portfolio	20

#### Index Plus (Passive)

Composite Inception Date	07/2004
No of Holdings in Portfolio	13

## HOLDINGS

### HighMark Plus (Active)

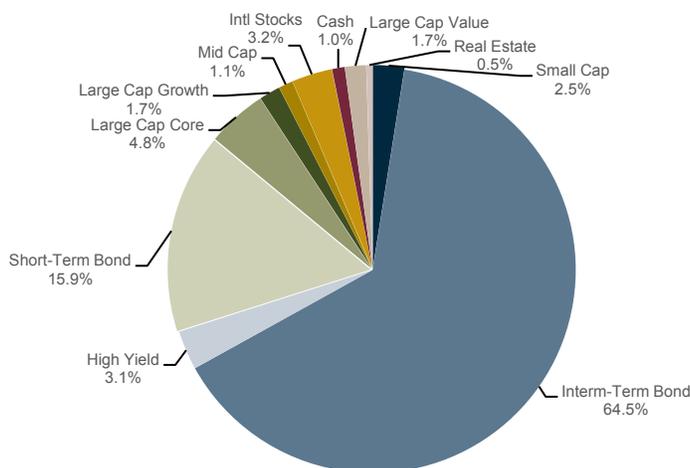
Columbia Contrarian Core I3  
Vanguard Growth & Income Adm  
Dodge & Cox Stock Fund  
iShares S&P 500 Value ETF  
Harbor Capital Appreciation - Retirement  
T. Rowe Price Growth Stock - I  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
Undiscovered Managers Behavioral Value-R6  
Victory RS Small Cap Growth - R6  
DFA Large Cap International Portfolio  
Dodge & Cox International Stock  
MFS International Growth - R6  
Hartford Schroders Emerging Markets Eq  
Vanguard Short-Term Invest-Grade Adm  
PIMCO High Yield Instl  
PIMCO Total Return Fund - Inst  
PGIM Total Return Bond - R6  
DoubleLine Core Fixed Income - I  
First American Government Obligations Z

### Index Plus (Passive)

iShares Core S&P 500 ETF  
iShares S&P 500 Value ETF  
iShares S&P 500 Growth ETF  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
iShares Russell 2000 Value ETF  
iShares Russell 2000 Growth ETF  
iShares Core MSCI EAFE ETF  
Vanguard FTSE Emerging Markets ETF  
Vanguard Short-Term Invest-Grade Adm  
iShares Core U.S. Aggregate  
Vanguard High-Yield Corp Adm  
First American Government Obligations Z

*Holdings are subject to change at the discretion of the investment manager.*

## STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Conservative active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and 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 Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.

## HIGHMARK CAPITAL MANAGEMENT

350 California Street  
Suite 1600  
San Francisco, CA 94104  
800-582-4734

### ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has 100 years (including predecessor organizations) of institutional money management experience with \$9.1 billion in assets under management and \$9.2 billion in assets under advisement\*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

#### Andrew Brown, CFA®

Senior Portfolio Manager  
Investment Experience: since 1994  
HighMark Tenure: since 1997  
Education: MBA, University of Southern California; BA, University of Southern California

#### Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager  
Investment Experience: since 2004  
HighMark Tenure: since 2014  
Education: BA, Colgate University

#### J. Keith Stribling, CFA®

Senior Portfolio Manager  
Investment Experience: since 1985  
HighMark Tenure: since 1995  
Education: BA, Stetson University

#### Christiane Tsuda

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2010  
Education: BA, International Christian University, Tokyo

#### Anne Wimmer, CFA®

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2007  
Education: BA, University of California, Santa Barbara

#### Randy Yurchak, CFA®

Senior Portfolio Manager  
Investment Experience: since 2002  
HighMark Tenure: since 2017  
Education: MBA, Arizona State University; BS, University of Washington

#### Asset Allocation Committee

Number of Members: 17  
Average Years of Experience: 26  
Average Tenure (Years): 14

#### Manager Review Group

Number of Members: 8  
Average Years of Experience: 20  
Average Tenure (Years): 9

\*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

## PARS DIVERSIFIED PORTFOLIOS MODERATELY CONSERVATIVE

Q1 2021

### WHY THE PARS DIVERSIFIED MODERATELY CONSERVATIVE PORTFOLIO?

#### Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

#### Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

#### Flexible Investment Options

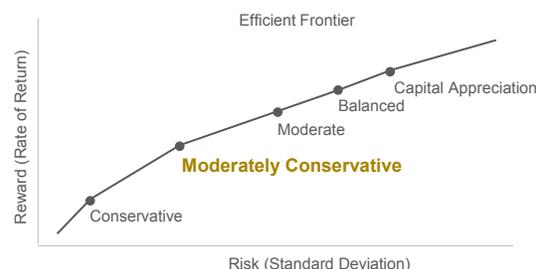
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

#### Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

### INVESTMENT OBJECTIVE

To provide current income, with capital appreciation as a secondary objective. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.



### ASSET ALLOCATION — MODERATELY CONSERVATIVE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	20 - 40%	30%	31%
Fixed Income	50 - 80%	65%	68%
Cash	0 - 20%	5%	1%

### ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
Current Quarter*	0.29%	Current Quarter*	0.25%
Blended Benchmark**, **	0.34%	Blended Benchmark**, **	0.34%
Year To Date*	0.29%	Year To Date*	0.25%
Blended Benchmark**, **	0.34%	Blended Benchmark**, **	0.34%
1 Year	20.82%	1 Year	16.47%
Blended Benchmark**	16.98%	Blended Benchmark**	16.98%
3 Year	7.49%	3 Year	7.26%
Blended Benchmark**	7.44%	Blended Benchmark**	7.44%
5 Year	6.92%	5 Year	6.35%
Blended Benchmark**	6.54%	Blended Benchmark**	6.54%
10 Year	5.75%	10 Year	5.51%
Blended Benchmark**	5.69%	Blended Benchmark**	5.69%

\* Returns less than one year are not annualized. \*\*Breakdown for Blended Benchmark: From 10/1/2012 - Present: 15.5% S&P500, 3% Russell Mid Cap, 4.5% Russell 2000, 2% MSCI EM (net), 4% MSCI EAFE (net), 49.25% BBG Barclays US Agg, 14% ICE BofA 1-3 Yr US Corp/Gov't, 1.75% ICE BofA US High Yield Master II, 1% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 - 9/30/2012: the blended benchmark was 25% S&P 500; 1.5% Russell 2000, 3.5% MSCI EAFE (net), 25% ICE BofA 1-3 Year Corp./Gov't, 40% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007, the blended benchmark was 30% S&P 500, 25% ICE BofA 1-3Yr Corp/Gov, 40% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

### ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
2008	-15.37%	2008	-12.40%
2009	18.71%	2009	11.92%
2010	10.46%	2010	9.72%
2011	1.75%	2011	3.24%
2012	10.88%	2012	8.24%
2013	7.30%	2013	6.78%
2014	4.41%	2014	5.40%
2015	0.32%	2015	-0.18%
2016	4.94%	2016	5.42%
2017	9.56%	2017	8.08%
2018	-2.60%	2018	-2.33%
2019	13.73%	2019	13.53%
2020	10.76%	2020	9.74%

### PORTFOLIO FACTS

HighMark Plus (Active)		Index Plus (Passive)	
Composite Inception Date	08/2004	Composite Inception Date	05/2005
No of Holdings in Portfolio	20	No of Holdings in Portfolio	13

## HOLDINGS

### HighMark Plus (Active)

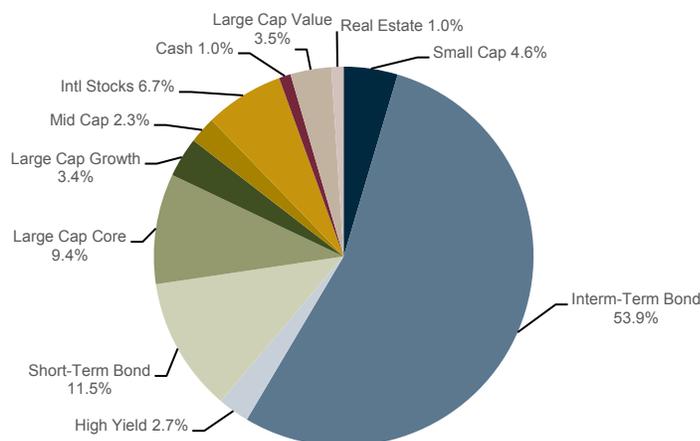
Columbia Contrarian Core I3  
Vanguard Growth & Income Adm  
Dodge & Cox Stock Fund  
iShares S&P 500 Value ETF  
Harbor Capital Appreciation - Retirement  
T. Rowe Price Growth Stock - I  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
Undiscovered Managers Behavioral Value-R6  
Victory RS Small Cap Growth - R6  
DFA Large Cap International Portfolio  
Dodge & Cox International Stock  
MFS International Growth - R6  
Hartford Schroders Emerging Markets Eq  
Vanguard Short-Term Invest-Grade Adm  
PIMCO High Yield Instl  
PIMCO Total Return Fund - Inst  
PGIM Total Return Bond - R6  
DoubleLine Core Fixed Income - I  
First American Government Obligations Z

### Index Plus (Passive)

iShares Core S&P 500 ETF  
iShares S&P 500 Value ETF  
iShares S&P 500 Growth ETF  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
iShares Russell 2000 Value ETF  
iShares Russell 2000 Growth ETF  
iShares Core MSCI EAFE ETF  
Vanguard FTSE Emerging Markets ETF  
Vanguard Short-Term Invest-Grade Adm  
iShares Core U.S. Aggregate  
Vanguard High-Yield Corp Adm  
First American Government Obligations Z

*Holdings are subject to change at the discretion of the investment manager.*

## STYLE



The performance records shown represent a size-weighted composite of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Moderately Conservative active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and 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 Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**

## HIGHMARK CAPITAL MANAGEMENT

350 California Street  
Suite 1600  
San Francisco, CA 94104  
800-582-4734

### ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has 100 years (including predecessor organizations) of institutional money management experience with \$9.1 billion in assets under management and \$9.2 billion in assets under advisement\*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

#### Andrew Brown, CFA®

Senior Portfolio Manager  
Investment Experience: since 1994  
HighMark Tenure: since 1997  
Education: MBA, University of Southern California; BA, University of Southern California

#### Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager  
Investment Experience: since 2004  
HighMark Tenure: since 2014  
Education: BA, Colgate University

#### J. Keith Stribling, CFA®

Senior Portfolio Manager  
Investment Experience: since 1985  
HighMark Tenure: since 1995  
Education: BA, Stetson University

#### Christiane Tsuda

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2010  
Education: BA, International Christian University, Tokyo

#### Anne Wimmer, CFA®

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2007  
Education: BA, University of California, Santa Barbara

#### Randy Yurchak, CFA®

Senior Portfolio Manager  
Investment Experience: since 2002  
HighMark Tenure: since 2017  
Education: MBA, Arizona State University; BS, University of Washington

#### Asset Allocation Committee

Number of Members: 17  
Average Years of Experience: 26  
Average Tenure (Years): 14

#### Manager Review Group

Number of Members: 8  
Average Years of Experience: 20  
Average Tenure (Years): 9

\*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

## WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

### Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

### Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

### Flexible Investment Options

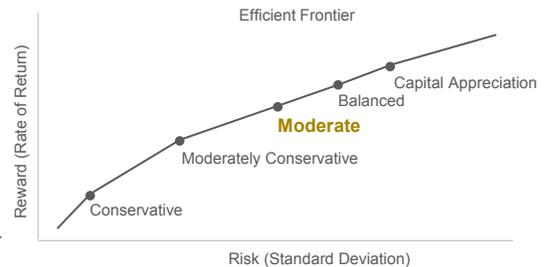
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

### Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

## INVESTMENT OBJECTIVE

To provide current income and moderate capital appreciation. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



## ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	52%
Fixed Income	40 - 60%	45%	47%
Cash	0 - 20%	5%	1%

## ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

### HighMark Plus Composite (Active)

Current Quarter*	2.24%
Blended Benchmark**,**	2.26%
Year To Date*	2.24%
Blended Benchmark**,**	2.26%
1 Year	31.89%
Blended Benchmark**	28.56%
3 Year	9.52%
Blended Benchmark**	9.51%
5 Year	9.32%
Blended Benchmark**	8.95%
10 Year	7.40%
Blended Benchmark**	7.60%

### Index Plus Composite (Passive)

Current Quarter*	2.27%
Blended Benchmark**,**	2.26%
Year To Date*	2.27%
Blended Benchmark**,**	2.26%
1 Year	27.38%
Blended Benchmark**	28.56%
3 Year	9.04%
Blended Benchmark**	9.51%
5 Year	8.60%
Blended Benchmark**	8.95%
10 Year	7.19%
Blended Benchmark**	7.60%

\* Returns less than one year are not annualized. \*\*Breakdown for Blended Benchmark: From 10/1/2012 – Present: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM (net), 6% MSCI EAFE (net), 33.50% BBG Barclays US Agg, 10% ICE BofA 1-3 Yr US Corp/Govt, 1.50% ICE BofA US High Yield Master II, 1.75% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 – 9/30/2012: the blended benchmark was 43% S&P 500; 2% Russell 2000, 5% MSCI EAFE (net), 15% ICE BofA 1-3 Year Corp./Govt, 30% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007: the blended benchmark was 50% S&P 500, 15% ICE BofA 1-3Yr Corp/Govt, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

## ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

### HighMark Plus Composite (Active)

2008	-22.88%
2009	21.47%
2010	12.42%
2011	0.55%
2012	12.25%
2013	13.06%
2014	4.84%
2015	0.14%
2016	6.45%
2017	13.19%
2018	-4.03%
2019	17.71%
2020	12.92%

### Index Plus Composite (Passive)

2008	-18.14%
2009	16.05%
2010	11.77%
2011	2.29%
2012	10.91%
2013	12.79%
2014	5.72%
2015	-0.52%
2016	7.23%
2017	11.59%
2018	-4.03%
2019	17.52%
2020	11.23%

## PORTFOLIO FACTS

### HighMark Plus (Active)

Composite Inception Date	10/2004
No of Holdings in Portfolio	20

### Index Plus (Passive)

Composite Inception Date	05/2006
No of Holdings in Portfolio	13

## HOLDINGS

### HighMark Plus (Active)

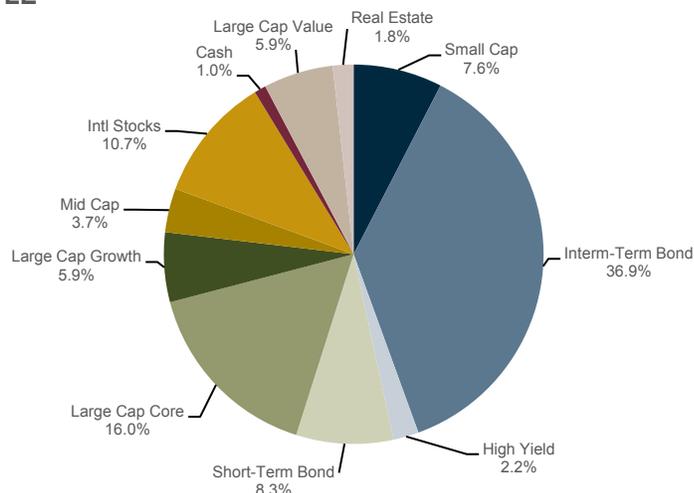
Columbia Contrarian Core I3  
 Vanguard Growth & Income Adm  
 Dodge & Cox Stock Fund  
 iShares S&P 500 Value ETF  
 Harbor Capital Appreciation - Retirement  
 T. Rowe Price Growth Stock - I  
 iShares Russell Mid-Cap ETF  
 Vanguard Real Estate ETF  
 Undiscovered Managers Behavioral Value-R6  
 Victory RS Small Cap Growth - R6  
 DFA Large Cap International Portfolio  
 Dodge & Cox International Stock  
 MFS International Growth - R6  
 Hartford Schroders Emerging Markets Eq  
 Vanguard Short-Term Invest-Grade Adm  
 PIMCO High Yield Instl  
 PIMCO Total Return Fund - Inst  
 PGIM Total Return Bond - R6  
 DoubleLine Core Fixed Income - I  
 First American Government Obligations Z

### Index Plus (Passive)

iShares Core S&P 500 ETF  
 iShares S&P 500 Value ETF  
 iShares S&P 500 Growth ETF  
 iShares Russell Mid-Cap ETF  
 Vanguard Real Estate ETF  
 iShares Russell 2000 Value ETF  
 iShares Russell 2000 Growth ETF  
 iShares Core MSCI EAFE ETF  
 Vanguard FTSE Emerging Markets ETF  
 Vanguard Short-Term Invest-Grade Adm  
 iShares Core U.S. Aggregate  
 Vanguard High-Yield Corp Adm  
 First American Government Obligations Z

*Holdings are subject to change at the discretion of the investment manager.*

## STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Moderate active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and 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 Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**

## HIGHMARK CAPITAL MANAGEMENT

350 California Street  
 Suite 1600  
 San Francisco, CA 94104  
 800-582-4734

### ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has 100 years (including predecessor organizations) of institutional money management experience with \$9.1 billion in assets under management and \$9.2 billion in assets under advisement\*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

#### Andrew Brown, CFA®

Senior Portfolio Manager  
 Investment Experience: since 1994  
 HighMark Tenure: since 1997  
 Education: MBA, University of Southern California; BA, University of Southern California

#### Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager  
 Investment Experience: since 2004  
 HighMark Tenure: since 2014  
 Education: BA, Colgate University

#### J. Keith Stribling, CFA®

Senior Portfolio Manager  
 Investment Experience: since 1985  
 HighMark Tenure: since 1995  
 Education: BA, Stetson University

#### Christiane Tsuda

Senior Portfolio Manager  
 Investment Experience: since 1987  
 HighMark Tenure: since 2010  
 Education: BA, International Christian University, Tokyo

#### Anne Wimmer, CFA®

Senior Portfolio Manager  
 Investment Experience: since 1987  
 HighMark Tenure: since 2007  
 Education: BA, University of California, Santa Barbara

#### Randy Yurchak, CFA®

Senior Portfolio Manager  
 Investment Experience: since 2002  
 HighMark Tenure: since 2017  
 Education: MBA, Arizona State University; BS, University of Washington

### Asset Allocation Committee

Number of Members: 17  
 Average Years of Experience: 26  
 Average Tenure (Years): 14

### Manager Review Group

Number of Members: 8  
 Average Years of Experience: 20  
 Average Tenure (Years): 9

\*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

## PARS DIVERSIFIED PORTFOLIOS BALANCED

Q1 2021

### WHY THE PARS DIVERSIFIED BALANCED PORTFOLIO?

#### Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

#### Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

#### Flexible Investment Options

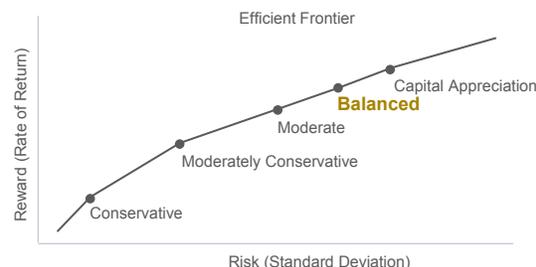
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

#### Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

### INVESTMENT OBJECTIVE

To provide growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return.



### ASSET ALLOCATION — BALANCED PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	50 – 70%	60%	62%
Fixed Income	30 – 50%	35%	37%
Cash	0 – 20%	5%	1%

(Gross of Investment Management Fees, but Net of Embedded Fund Fees)

### ANNUALIZED TOTAL RETURNS

#### HighMark Plus Composite (Active)

Current Quarter*	3.26%
Blended Benchmark*, **	3.17%
Year To Date*	3.26%
Blended Benchmark*, **	3.17%
1 Year	38.00%
Blended Benchmark**	34.69%
3 Year	10.55%
Blended Benchmark**	10.52%
5 Year	10.57%
Blended Benchmark**	10.15%
10 Year	8.21%
Blended Benchmark**	8.58%

#### Index Plus Composite (Passive)

Current Quarter*	3.27%
Blended Benchmark*, **	3.17%
Year To Date*	3.27%
Blended Benchmark*, **	3.17%
1 Year	33.21%
Blended Benchmark**	34.69%
3 Year	9.91%
Blended Benchmark**	10.52%
5 Year	9.72%
Blended Benchmark**	10.15%
10 Year	7.96%
Blended Benchmark**	8.58%

\* Returns less than one year are not annualized. \*\*Breakdown for Blended Benchmark: From 10/1/2012 – Present: 32% S&P500, 6% Russell Mid Cap, 9% Russell 2000, 4% MSCI EM (net), 7% MSCI EAFE (net), 27% BBG Barclays US Agg, 6.75% ICE BofA 1-3 Yr US Corp/Gov't, 1.25% ICE BofA US High Yield Master II, 2% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 – 9/30/2012: the blended benchmark was 51% S&P 500; 3% Russell 2000, 6% MSCI EAFE (net), 5% ICE BofA 1-3 Year Corp./Gov't, 30% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007: the blended benchmark was 60% S&P 500, 5% ICE BofA 1-3Yr Corp/Gov, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

### ANNUAL RETURNS

(Gross of Investment Management Fees, but Net of Embedded Fund Fees)

#### HighMark Plus Composite (Active)

2008	-25.72%
2009	21.36%
2010	14.11%
2011	-0.46%
2012	13.25%
2013	16.61%
2014	4.70%
2015	0.04%
2016	6.81%
2017	15.46%
2018	-4.88%
2019	19.85%
2020	14.06%

#### Index Plus Composite (Passive)

2008	-23.22%
2009	17.62%
2010	12.76%
2011	1.60%
2012	11.93%
2013	15.63%
2014	6.08%
2015	-0.81%
2016	8.25%
2017	13.39%
2018	-5.05%
2019	19.59%
2020	12.07%

### PORTFOLIO FACTS

#### HighMark Plus (Active)

Composite Inception Date	10/2006
No of Holdings in Portfolio	20

#### Index Plus (Passive)

Composite Inception Date	10/2007
No of Holdings in Portfolio	13

## HOLDINGS

### HighMark Plus (Active)

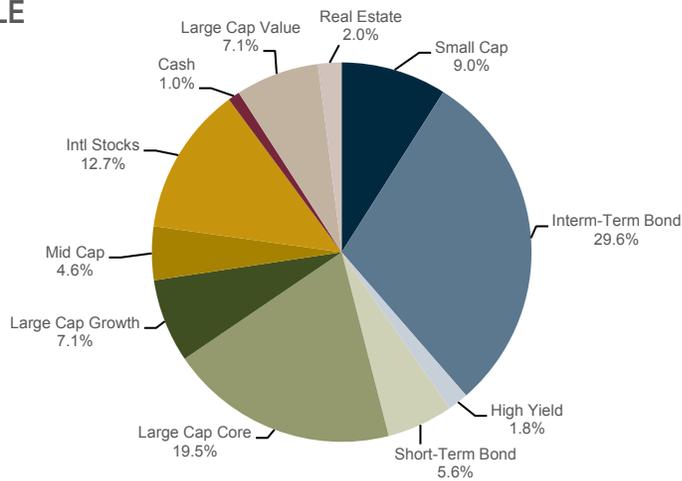
Columbia Contrarian Core I3  
 Vanguard Growth & Income Adm  
 Dodge & Cox Stock Fund  
 iShares S&P 500 Value ETF  
 Harbor Capital Appreciation - Retirement  
 T. Rowe Price Growth Stock - I  
 iShares Russell Mid-Cap ETF  
 Vanguard Real Estate ETF  
 Undiscovered Managers Behavioral Value-R6  
 Victory RS Small Cap Growth - R6  
 DFA Large Cap International Portfolio  
 Dodge & Cox International Stock  
 MFS International Growth - R6  
 Hartford Schroders Emerging Markets Eq  
 Vanguard Short-Term Invest-Grade Adm  
 PIMCO High Yield Instl  
 PIMCO Total Return Fund - Inst  
 PGIM Total Return Bond - R6  
 DoubleLine Core Fixed Income - I  
 First American Government Obligations Z

### Index Plus (Passive)

iShares Core S&P 500 ETF  
 iShares S&P 500 Value ETF  
 iShares S&P 500 Growth ETF  
 iShares Russell Mid-Cap ETF  
 Vanguard Real Estate ETF  
 iShares Russell 2000 Value ETF  
 iShares Russell 2000 Growth ETF  
 iShares Core MSCI EAFE ETF  
 Vanguard FTSE Emerging Markets ETF  
 Vanguard Short-Term Invest-Grade Adm  
 iShares Core U.S. Aggregate  
 Vanguard High-Yield Corp Adm  
 First American Government Obligations Z

*Holdings are subject to change at the discretion of the investment manager.*

## STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Balanced active and passive objectives.

The composite name has been changed from PARS Balanced/Moderately Aggressive to PARS Balanced on 5/1/2013. The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and 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 Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

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## HIGHMARK CAPITAL MANAGEMENT

350 California Street  
 Suite 1600  
 San Francisco, CA 94104  
 800-582-4734

### ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has 100 years (including predecessor organizations) of institutional money management experience with \$9.1 billion in assets under management and \$9.2 billion in assets under advisement\*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

#### Andrew Brown, CFA®

Senior Portfolio Manager  
 Investment Experience: since 1994  
 HighMark Tenure: since 1997  
 Education: MBA, University of Southern California; BA, University of Southern California

#### Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager  
 Investment Experience: since 2004  
 HighMark Tenure: since 2014  
 Education: BA, Colgate University

#### J. Keith Stribling, CFA®

Senior Portfolio Manager  
 Investment Experience: since 1985  
 HighMark Tenure: since 1995  
 Education: BA, Stetson University

#### Christiane Tsuda

Senior Portfolio Manager  
 Investment Experience: since 1987  
 HighMark Tenure: since 2010  
 Education: BA, International Christian University, Tokyo

#### Anne Wimmer, CFA®

Senior Portfolio Manager  
 Investment Experience: since 1987  
 HighMark Tenure: since 2007  
 Education: BA, University of California, Santa Barbara

#### Randy Yurchak, CFA®

Senior Portfolio Manager  
 Investment Experience: since 2002  
 HighMark Tenure: since 2017  
 Education: MBA, Arizona State University; BS, University of Washington

### Asset Allocation Committee

Number of Members: 17  
 Average Years of Experience: 26  
 Average Tenure (Years): 14

### Manager Review Group

Number of Members: 8  
 Average Years of Experience: 20  
 Average Tenure (Years): 9

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## WHY THE PARS DIVERSIFIED CAPITAL APPRECIATION PORTFOLIO?

### Comprehensive Investment Solution

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Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

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Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

### Flexible Investment Options

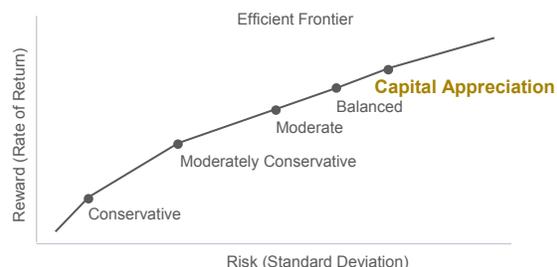
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### Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

## INVESTMENT OBJECTIVE

To provide growth of principal. The major portion of the assets are invested in equity securities and market fluctuations are expected.



## ASSET ALLOCATION — CAPITAL APPRECIATION PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	65 - 85%	75%	78%
Fixed Income	10 - 30%	20%	21%
Cash	0 - 20%	5%	1%

## ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

### Consolidated Composite

Current Quarter*	4.58%
Blended Benchmark*,**	4.47%
Year To Date*	4.58%
Blended Benchmark*,**	4.47%
1 Year	44.77%
Blended Benchmark**	43.99%
3 Year	11.55%
Blended Benchmark**	11.78%
5 Year	11.80%
Blended Benchmark**	11.82%
10 Year	9.19%
Blended Benchmark**	9.50%

\* Returns less than one year are not annualized. \*\*Breakdown for Blended Benchmark: 39.5% S&P500, 7.5% Russell Mid Cap, 10.5% Russell 2000, 5.25% MSCI EM (net), 10.25% MSCI EAFE (net), 16% BBG Barclays US Agg, 3% ICE BofA 1-3 Yr US Corp/Govt, 1% ICE BofA US High Yield Master II, 2% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill.

## ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

### Consolidated Composite

2008	N/A
2009	23.77%
2010	12.95%
2011	-1.35%
2012	13.87%
2013	20.33%
2014	6.05%
2015	-0.27%
2016	8.81%
2017	16.72%
2018	-5.82%
2019	22.62%
2020	14.50%

## PORTFOLIO FACTS

### Consolidated Composite

Composite Inception Date	01/2009
No of Holdings in Portfolio	20

## HOLDINGS

### HighMark Plus (Active)

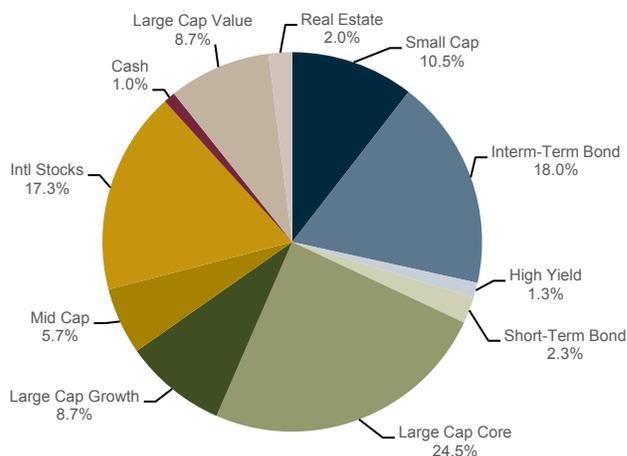
Columbia Contrarian Core I3  
Vanguard Growth & Income Adm  
Dodge & Cox Stock Fund  
iShares S&P 500 Value ETF  
Harbor Capital Appreciation – Retirement  
T. Rowe Price Growth Stock - I  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
Undiscovered Managers Behavioral Value-R6  
Victory RS Small Cap Growth - R6  
DFA Large Cap International Portfolio  
Dodge & Cox International Stock  
MFS International Growth - R6  
Hartford Schroders Emerging Markets Eq  
Vanguard Short-Term Invest-Grade Adm  
PIMCO High Yield Instl  
PIMCO Total Return Fund - Inst  
PGIM Total Return Bond - R6  
DoubleLine Core Fixed Income - I  
First American Government Obligations Z

### Index Plus (Passive)

iShares Core S&P 500 ETF  
iShares S&P 500 Value ETF  
iShares S&P 500 Growth ETF  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
iShares Russell 2000 Value ETF  
iShares Russell 2000 Growth ETF  
iShares Core MSCI EAFE ETF  
Vanguard FTSE Emerging Markets ETF  
Vanguard Short-Term Invest-Grade Adm  
iShares Core U.S. Aggregate  
Vanguard High-Yield Corp Adm  
First American Government Obligations Z

*Holdings are subject to change at the discretion of the investment manager.*

## STYLE



The performance records shown represent a size-weighted composite of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Capital Appreciation active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and 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 Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), a SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**

## HIGHMARK CAPITAL MANAGEMENT

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San Francisco, CA 94104  
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### ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has 100 years (including predecessor organizations) of institutional money management experience with \$9.1 billion in assets under management and \$9.2 billion in assets under advisement\*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

#### Andrew Brown, CFA®

Senior Portfolio Manager  
Investment Experience: since 1994  
HighMark Tenure: since 1997  
Education: MBA, University of Southern California; BA, University of Southern California

#### Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager  
Investment Experience: since 2004  
HighMark Tenure: since 2014  
Education: BA, Colgate University

#### J. Keith Stribling, CFA®

Senior Portfolio Manager  
Investment Experience: since 1985  
HighMark Tenure: since 1995  
Education: BA, Stetson University

#### Christiane Tsuda

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2010  
Education: BA, International Christian University, Tokyo

#### Anne Wimmer, CFA®

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2007  
Education: BA, University of California, Santa Barbara

#### Randy Yurchak, CFA®

Senior Portfolio Manager  
Investment Experience: since 2002  
HighMark Tenure: since 2017  
Education: MBA, Arizona State University; BS, University of Washington

### Asset Allocation Committee

Number of Members: 17  
Average Years of Experience: 26  
Average Tenure (Years): 14

### Manager Review Group

Number of Members: 8  
Average Years of Experience: 20  
Average Tenure (Years): 9

\*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.