

Executive Summary - Informational

TO: State Investment Board
FROM: Dave Hunter
DATE: May 14, 2021
SUBJECT: SIB Meeting Materials – May 21, 2021

Our May SIB meeting will include Callan’s Quarterly Performance Review as of March 31, 2021. RIO will highlight recent in-state investment program initiatives including 50 South Capital and Bank of North Dakota updates. The SIB Audit Committee will provide an important update on recent board governance matters in order to highlight best practices and potential challenges when expanding an in-state investment program.

Asset and Performance Overview – Over 99% of our SIB clients generated net returns which exceeded their approved policy benchmarks for the 5 years ended 3/31/2021 including Legacy, PERS, TFFR, WSI and Budget Stabilization. For the 1-year ended 3/31/2021, Legacy, PERS and TFFR net returns were 31.0%, 31.8% and 31.2%, respectively. WSI and Budget Stabilization also performed well with net returns of 16.13% and 7.98%, respectively, in the current year and exceeding Policy Benchmark Returns.

	Current FYTD 3/31/2021	1 Yr Ended 3/31/2021	3 Yrs Ended 3/31/2021	5 Yrs Ended 3/31/2021
Legacy Fund \$8.4 billion				
Total Fund Return - Net	16.63%	31.01%	8.78%	9.34%
Policy Benchmark Return	15.48%	28.05%	8.94%	8.75%
Total Relative Return	1.16%	2.95%	-0.15%	0.58%
PERS \$3.78 billion				
Total Fund Return - Net	18.91%	31.84%	9.43%	10.20%
Policy Benchmark Return	18.35%	31.19%	9.54%	9.78%
Total Relative Return	0.56%	0.65%	-0.12%	0.43%
TFFR \$3 billion				
Total Fund Return - Net	18.44%	31.24%	9.32%	10.07%
Policy Benchmark Return	18.37%	31.47%	9.55%	9.74%
Total Relative Return	0.07%	-0.22%	-0.22%	0.34%
WSI \$2.2 billion				
Total Fund Return - Net	7.35%	16.13%	7.01%	7.25%
Policy Benchmark Return	5.86%	12.45%	6.71%	6.08%
Total Relative Return	1.49%	3.68%	0.31%	1.17%
Budget Stabilization \$752 million				
Total Fund Return - Net	3.45%	7.98%	3.52%	2.44%
Policy Benchmark Return	0.31%	1.47%	2.99%	1.96%
Total Relative Return	3.14%	6.50%	0.53%	0.48%

Diversified Real Assets – RIO will recommend a \$150 million follow-on commitment to I-Squared Capital (ISQ III) and a \$65 million follow-on commitment to Macquarie Infrastructure Partners (MIP V). The I-Squared commitment is targeted for Legacy Fund (\$90 million) and Pension (\$60 million), while MIP V is targeted for Legacy (\$30 million), Pension (\$20 million) and Insurance (\$15 million) noting we are underweight this sector of diversified real assets given very strong equity returns in the past year. The SIB previously committed \$140 million to MIP IV in October of 2018 and \$100 million to MIP V in May of 2020 following a comprehensive due diligence process with Mercer's real asset team in 2018 and Callan's infrastructure specialist Jan Mende in mid-2020. The SIB previously approved a \$140 million commitment to ISQ II in March of 2018 after a similar comprehensive due diligence process with Mercer in 2018, noting that ISQ II results have exceeded expectations to date with a Net Internal Rate of Return of 17.2% as of March 31, 2021. MIP IV returns have also been strong at 12.72% over the last year.

SIB Committee Reports - RIO will request the Board to accept sub-committee reports provided by the SIB Executive Review Committee and SIB Audit Committee.

Quarterly Monitoring Reports – Board acceptance will be requested for Quarterly Monitoring Reports on Executive Limitations/Staff Relations, Budget/Financial Conditions, and Investment Ends and SIB Watch List. RIO is not recommending any Watch List revisions at this time. Also included is the TFFR recently revised Investment Policy Statement.



ND STATE INVESTMENT BOARD MEETING

Friday, May 21, 2021, 8:30 a.m. (CST)

Workforce Safety & Insurance

1600 E Century Avenue, Bismarck, ND

Teleconference 701-328-0950, Conference ID: 580157280#

REVISED AGENDA

- I. CALL TO ORDER AND ACCEPTANCE OF AGENDA
- II. ACCEPTANCE OF MINUTES (April 23, 2021)
- III. INVESTMENTS
 - A. Asset and Performance Overview - Mr. Hunter (10 minutes) **Board Acceptance**
 - B. Callan Quarterly Performance Review (15 minutes)
 1. Market Update - Mr. Paul Erlendson and Mr. Alex Browning
 2. Pension, Insurance, and Legacy Fund Performance Measurement **Board Acceptance**
 - C. Infrastructure Update and Recommendation – Mr. Darren Schulz **Board Action** (15 minutes)
 1. I-Squared Capital
 - a. **Global Fund III Overview**
 2. Macquarie Infrastructure Partners
 - D. 50 South Capital Update – Mr. Trey Hart, Ms. Bridget Schweihs, Mr. Bob Morgan, Ms. Tamara Doi Beck (10 min)
 1. **ND Growth Fund IPS – Mr. Hunter Board Action**
- IV. GOVERNANCE (45 minutes)
 - A. Executive Review Committee - Ms. Smith **Board Action**
 - B. Audit Committee - Ms. Sauter **Board Action**
 1. Governance Review * – SIB
 - * Potential Executive Session pursuant to N.D.C.C. 44-04-19.2 and N.D.C.C. 44-04-18.4 to review and discuss confidential financial information of a privileged nature.
- V. QUARTERLY MONITORING 3/31/2021 **Board Acceptance** (10 minutes)
 - A. Executive Limitations/Staff Relations - Mr. Hunter
 - B. Budget/Financial Conditions - Ms. Flanagan
 - C. **Investment Ends / Watch List - Mr. Schulz**
 - D. **TFFR IPS - Ms. Murtha**
- VI. OTHER
 - A. **Resolution for Ms. Gumeringer**

Next Meetings: SIB - July 23, 2021, 8:30 a.m., Bismarck State College
- VII. ADJOURNMENT

Any individual requiring an auxiliary aid or service, please contact the Retirement and Investment Office (701) 328-9885 at least three (3) days prior to the scheduled meeting.

**NORTH DAKOTA STATE INVESTMENT BOARD
MINUTES OF THE
April 23, 2021, BOARD MEETING**

MEMBERS PRESENT:

Brent Sanford, Lt. Governor, Chair
 Rob Lech, TFFR Board, Vice Chair
 Troy Seibel, PERS Board, Parliamentarian
 Thomas Beadle, State Treasurer
 Jon Godfread, Insurance Commissioner
 Toni Gumeringer, TFFR Board
 Keith Kempenich, Legacy/Budget Stab. Adv. Board
 Bryan Klipfel, Director of WSI
 Adam Miller, PERS Board
 Mel Olson, TFFR Board
 Jodi Smith, Commissioner of Trust Lands
 Yvonne Smith, PERS Board

STAFF PRESENT:

Eric Chin, Chief Risk Officer/Senior CIO
 Bonnie Heit, Admin SVS Spur
 David Hunter, Exec Dir/CIO
 Jan Murtha, Dep Exec Dir/CRO
 Ann Nagel, Investment Accountant
 Sara Sauter, Spur of Internal Audit
 Darren Schulz, Dep CIO
 Susan Walcker, Senior Financial Accountant
 Denise Weeks, Retirement Program Manager

GUESTS:

Alex Browning, Callan LLC
 Tamara Doi Beck, Northern Trust/50 South
 Brian Bark, Sun Mountain
 Jodi Bjornson, WSI
 Dan Brooks, Sun Mountain
 Sally Corning, Sun Mountain
 Jessica Davis, Insurance Dept.
 Dean DePountis, Attorney General's Office
 Paul Erlendson, Callan LLC
 Trey Hart, Northern Trust/50 South
 Perry Hopper, Callan LLC
 Candace Johnson, Securities Dept.
 Pete Keliuotis, Callan LLC
 Jerry Klein, LBSFAB
 Rachel Kriege, Insurance Dept.
 Scott Litman, GCM Grosvenor
 Adam Mathiak, Legislative Council
 Bob Morgan, Northern Trust/50 South
 Lee Rand, Sun Mountain
 Bryan Reinhardt, PERS
 Todd Steinwand, BND
 Max Sango, Invesco
 Greg Tevin, Emerging Prairie
 Karen Tyler, Securities Dept. Commissioner
 Jared Ungar, Callan LLC

CALL TO ORDER:

Dr. Rob Lech, Vice Chair, called the State Investment Board (SIB) regular meeting to order at 8:31 a.m. on Friday, April 23, 2021. The meeting was held at Workforce Safety & Insurance, 1600 E Century Ave., Bismarck, ND.

A roll call vote taken and a quorum of the SIB was present.

AGENDA:

The Board considered the agenda for the April 23, 2021, meeting,

IT WAS MOVED BY MR. OLSON AND SECONDED BY MS. GUMERINGER AND CARRIED BY A VOICE VOTE TO ACCEPT THE AGENDA FOR THE APRIL 23, 2021, MEETING.

AYES: MR. KLIPFEL, COMMISSIONER GODFREAD, MR. OLSON, MR. MILLER, TREASURER BEADLE. MS. GUMERINGER, MS. SMITH, COMMISSIONER SMITH, DR. LECH, AND MR. SEIBEL

NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR SANFORD

MINUTES:

IT WAS MOVED BY MS. SMITH AND SECONDED BY MS. GUMERINGER AND CARRIED BY A VOICE VOTE TO APPROVE THE MARCH 26, 2021, MINUTES AS DISTRIBUTED.

AYES: DR. LECH, TREASURER BEADLE, MR. OLSON, MR. SEIBEL, MR. MILLER, COMMISSIONER GODFREAD, MS. GUMERINGER, MS. SMITH, COMMISSIONER SMITH, AND MR. KLIPFEL

NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR SANFORD

Lt. Governor assumed the role of Chair.

INVESTMENTS:

In-State Investment Program Due Diligence Overview - Mr. Hunter provided an update on the In-State Investment Program. SIB Investment Staff and Callan LLC completed additional due diligence on the top three candidates advanced by the SIB at their March 26, 2021, meeting; GCM Grosvenor, 50 South Capital, and Sun Mountain Capital. SIB Investment Staff and Callan identified 50 South Capital and Sun Mountain Capital as the top two finalists. All three firms were deemed to be strong candidates to expand the Legacy Fund In-State Investment Program by providing needed capital to drive economic development in North Dakota. However, SIB Investment Staff and Callan ranked 50 South and Sun Mountain higher than GCM Grosvenor largely due to their proposals being more closely aligned with the desire to promote new capital formation for both new and existing entrepreneurs in North Dakota in order to further diversify the economy and create jobs. Sun Mountain and 50 South Capital also committed to establishing physical presence in North Dakota.

Discussion followed on the process and HB 1425.

The Board recessed at 8:55 a.m. and reconvened at 9:11 a.m. due to technical issues.

Discussion continued on the process and HB 1425. After discussion, 50 South Capital and Sun Mountain Capital presented additional information on their proposals for the North Dakota In-State Investment Program.

The Board recessed at 10:41 a.m. and reconvened at 10:54 a.m.

SIB Investment Staff reviewed their recommendation and ranked 50 South Capital over Sun Mountain Capital based on the following:

- 1) Institutional Presence - 50 South Capital is a subsidiary of Northern Trust, which is a leading global financial services firm with vast financial resources, strong "AA" credit rating, robust compliance department, and a trusted advisor to thousands of large, institutional investors in the U.S. and abroad. Northern Trust has \$1.4 trillion in assets under management and over \$11 trillion in assets under custody as of Dec. 31, 2020.
- 2) Investment Performance - Although it is difficult to compare track records for in-state programs given differing investment objectives and opportunities in varied geographic locations, 50 South Capital returns were generally stronger and more in-line with RIO's return expectations on a sector by sector basis in the last 5-years.
- 3) Trusted and Proven Relationship - The SIB and ND Department of Trust Lands have long-term, valued relationships with the corporate parent of 50 South Capital as Northern Trust has served as SIB's primary custodian and record keeper for 30 years.
- 4) Competitive Pricing - All in pricing is competitive between 50 South Capital and Sun Mountain. In addition, 50 South is offering a 10% Northern Trust custodial fee credit based on 50 South Management Fees (e.g. \$1 million fee savings over 15 years).

SIB oversight has effectively fostered the development of a top-performing sovereign wealth fund over the last five years. Net investment returns of the Legacy Fund generally compare favorably versus larger sovereign wealth funds in the last 5-years including the \$1.3 trillion Norway Global Government Fund, and the \$74 billion Alaska Permanent Fund in 2020, while generally having a materially lower allocation to equity investments. These above benchmark returns have been achieved while striving to maintain the highest fiduciary standards without compromise and in accordance with all state and federal laws without exception. SIB Investment Staff strongly believe 50 South Capital is well aligned with the SIB and RIO to continue to strive to attain the best risk adjusted returns for its clients in accordance with the intent of recent legislatively mandated investment targets set for the Legacy Fund.

SIB Investment Staff recommended the SIB engage 50 South Capital, a subsidiary of Northern Trust, to expand the Legacy Fund in-state investment program with a new \$250 million Private Capital commitment including sector allocations to private equity, venture capital, and private credit. This recommendation is consistent with a Legacy and Budget Stabilization Fund Advisory Board approved mandate for a 3% target allocation to Private Capital with a preference for in-state investments at a competitive rate of return. Legacy Fund is estimated at \$8.4 billion at March 31, 2021, such that a 3% allocation would approximate \$250 million. In order to minimize the impact of commitment fees on returns, the initial commitment to 50 South Capital is recommended to be \$100 million at inception. The commitment size may be increased by RIO on an "as needed basis" in the upcoming years as compelling investment opportunities are identified, subject to appropriate due diligence, negotiated and funded by 50 South Capital on behalf of the Legacy Fund and SIB.

IT WAS MOVED BY MR. OLSON AND SECONDED BY MS. GUMERINGER AND CARRIED BY A ROLL CALL VOTE TO ACCEPT STAFF RECOMMENDATION AND ENGAGE 50 SOUTH CAPITAL TO EXPAND THE LEGACY FUND IN-STATE INVESTMENT PROGRAM WITH A NEW \$250 MILLION PRIVATE CAPITAL COMMITMENT INCLUDING SECTOR ALLOCATIONS TO PRIVATE EQUITY VENTURE CAPITAL AND PRIVATE CREDIT.

AYES: TREASURER BEADLE, MR. GUMERINGER, COMMISSIONER GODFREAD, MR. KLIPFEL, COMMISSIONER SMITH, MS. SMITH, DR. LECH, MR. MILLER, MR. SEIBEL, MR. OLSON, AND LT. GOVERNOR SANFORD.

NAYS: NONE

MOTION CARRIED

BANK OF NORTH DAKOTA (BND) IN-STATE INVESTMENT PROGRAM:

BND approached SIB Investment Personnel to determine if a portion of the existing \$400 million BND Match Loan CD Program could be used to fund a private debt placement backed by a highly rated public entity at a competitive risk adjusted rate of return. SIB Investment Staff engaged in market due diligence to provide indicative market pricing and terms for this proposed \$100 million, fixed rate, 20-year loan. Upon sharing these indicative terms and pricing with BND, SIB Investment Staff was requested to seek SIB approval to move forward with the in-state investment opportunity subject to further negotiation of final legal terms including a requirement that at least one major rating agency formally issue a ratings letter indicating the private debt instrument is rated no less than "A" at inception/funding by the Legacy Fund.

The SIB elected to enter into Executive Session for additional details on the potential in-state investment opportunity including terms which are subject to a non-disclosure agreement.

IT WAS MOVED BY DR. LECH AND SECONDED BY MS. SMITH AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. 44-04-19.2 AND N.D.C.C. 44-04-18.4 TO REVIEW AND DISCUSS A CONFIDENTIAL PRIVATE MARKET INVESTMENT OPPORTUNITY.

AYES: MR. SMITH, MR. MILLER, MR. OLSON, MS. GUMERINGER, DR. LECH, MR. SEIBEL, MR. KLIPFEL, COMMISSIONER GODFREAD, COMMISSIONER SMITH, TREASURER BEADLE, AND LT. GOVERNOR SANFORD

NAYS: NONE

MOTION CARRIED

The Board entered into Executive Session at 11:21 a.m.

The SIB, Ms. Sauter, Mr. Chin, Mr. Hunter, Mr. Schulz, Mr. Steinwand, Mr. DePountis, and Ms. Heit were in attendance.

SIB exited Executive Session at 11:36 a.m.

IT WAS MOVED BY DR. LECH AND SECONDED BY COMMISSIONER GODFREAD AND CARRIED BY A ROLL CALL VOTE TO AUTHORIZE SIB INVESTMENT STAFF TO MOVE FORWARD WITH ADVANCING THE DIRECT PURCHASE OF FIXED RATE BONDS BY THE SIB FOR THE LEGACY FUND FROM THE NORTH DAKOTA TRANSMISSION AUTHORITY.

Commissioner Smith, citing a conflict of interest, felt she should abstain from the vote.

IT WAS MOVED BY MR. SEIBEL AND SECONDED BY TREASURER BEADLE AND CARRIED BY A ROLL CALL VOTE TO ALLOW COMMISSIONER SMITH TO VOTE.

AYES: MR. GUMERINGER, MS. SMITH, MR. KLIPFEL, TREASURER BEADLE, DR. LECH, COMMISSIONER GODFREAD, MR. OLSON, MR. SEIBEL, MR. MILLER, AND LT. GOVERNOR SANFORD

NAYS: NONE

MOTION CARRIED

ABSTAIN: COMMISSIONER SMITH

A roll call was taken on the initial motion.

AYES: COMMISSIONER SMITH, TREASURER BEADLE, MR. MILLER, COMMISSIONER GODFREAD, MR. OLSON, MR. KLIPFEL, MS. GUMERINGER, MR. SEIBEL, DR. LECH, MS. SMITH, AND LT. GOVERNOR SANFORD

NAYS: NONE

MOTION CARRIED

INVESCO:

Mr. Schulz reviewed Invesco's Real Estate U.S. Fund VI opportunity. Because of future expected distributions of capital in the Pension Trust U.S. value-add private real estate commitments, new follow-on commitments are necessary to maintain strategic target exposures to non-core real estate. SIB Investment Staff recommended a target allocation to non-core private real estate for the Legacy Fund with the goal of further diversifying existing core private real estate mandates within the Fund. Based upon current capacity to commit, the market opportunity set, the relative attractiveness of core versus non-core strategies, and the pace of capital deployment from existing managers, SIB Investment Staff recommended an additional commitment.

Mr. Max Sango reviewed Invesco's Real Estate U.S. Fund VI opportunity.

SIB Investment Staff recommended a commitment of \$200 million in total to Invesco's Value Added Fund VI for the Pension Trust and Legacy Fund (\$100 million each).

IT WAS MOVED BY COMMISSIONER SMITH AND SECONDED BY TREASURER BEADLE AND CARRIED BY A ROLL CALL VOTE TO ACCEPT STAFF RECOMMENDATION AND COMMIT \$200 MILLION TO INVESCO'S VALUE ADDED FUND VI FOR BOTH THE PENSION TRUST AND LEGACY FUND (\$100 MILLION EACH) SUBJECT TO SATISFACTORY LEGAL REVIEW AND NEGOTIATION.

AYES: MR. OLSON, MR. SEIBEL, COMMISSIONER SMITH, MS. GUMERINGER, COMMISSIONER GODFREAD, MS. SMITH, MR. MILLER, TREASURER BEADLE, MR. KLIPFEL, DR. LECH, AND LT. GOVERNOR SANFORD

NAYS: NONE

MOTION CARRIED

Dr. Lech assumed the role of Chair.

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS):

Mr. Hunter reviewed a revised Investment Policy Statement (IPS) for Job Service North Dakota. The IPS was approved by the PERS board at their April 13, 2021, meeting.

IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY MR. OLSON AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE REVISED IPS FOR JOB SERVICE NORTH DAKOTA.

AYES: MR. KLIPFEL, MR. OLSON, COMMISSIONER GODFREAD, TREASURER BEADLE, COMMISSIONER SMITH, MR. SEIBEL, DR. LECH, MR. MILLER, MS. SMITH, AND MS. GUMERINGER

NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR SANFORD

LEGISLATIVE UPDATE:

Mr. Hunter reviewed Legislation affecting RIO and the SIB particularly RIO's budget bill HB 1022. The Senate Appropriations Committee gave a unanimous Do Pass recommendation to RIO's amended budget bill to include funding for one additional full-time employee for the Investment Division, ND Information Technology unification, and office relocation to Workforce Safety & Insurance.

TEACHERS' FUND FOR RETIREMENT (TFFR) :

Included in the SIB meeting materials was the Teachers' Fund for Retirement (TFFR) June 30, 2020, annual review report. The information provided validates that the TFFR Ends policies formally adopted by the TFFR Board and accepted by the SIB are being implemented.

EXECUTIVE REVIEW COMMITTEE:

SIB Assessment - The 2021 SIB assessment conducted by the SIB Executive Review Committee was reviewed and discussed. Overall, the self-assessment and the board-assessment had positive results and comments.

In comparing the assessment results over the years, the following trends have emerged:

1. Fiduciary attendance continues to have one of the lowest scores for multiple years.
2. An issue is understanding what authority has been retained by the SIB and what has been delegated to staff.
3. All fiduciaries need to be vocal and make sure their voice is heard during meetings.

IT WAS MOVED BY MR. OLSON AND SECONDED BY MS. GUMERINGER AND CARRIED BY A VOICE VOTE TO ACCEPT THE 2021 SIB ASSESSMENT.

AYES: MR. KLIPFEL, COMMISSIONER GODFREAD, MR. OLSON, MR. MILLER, TREASURER BEADLE, MS. GUMERINGER, MS. SMITH, COMMISSIONER SMITH, DR. LECH, AND MR. SEIBEL

NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR SANFORD

Annual Compensation Survey - Ms. Smith referenced results of an annual compensation survey in which RIO participates in. The survey is conducted by a leading investment consulting firm along with 50 other U.S. public funds (the SIB was previously sent the results). Survey results indicate the Executive Director/CIO of RIO is compensated near the lowest quartile given the size of the SIB program. The Executive Review Committee (ERC) is working on a plan to move towards compensating the Executive Director/CIO in the median range or slightly above that range. The goal would be to stay in the median range from year to year. The ERC will be bringing a recommendation to the SIB at their May 21, 2021, meeting.

OTHER:

The next meeting of the Executive Review Committee has been scheduled for May 12, 2021, at 1:00 p.m. at RIO.

The next regular meeting of the Audit Committee has been scheduled for May 20, 2021, at 2:30 p.m. at Workforce Safety & Insurance.

The next regular meeting of the SIB has been scheduled for May 21, 2021, at 8:30 a.m. at Workforce Safety & Insurance.

ADJOURNMENT:

With no further business to come before the SIB, Dr. Lech adjourned the meeting at 12:37 p.m.

Lt. Governor Sanford, Chair
State Investment Board

Bonnie Heit
Recorder

Asset and Performance Overview

Quarterly Investment Review as of March 31, 2021

May 18, 2021

Dave Hunter, Executive Director / CIO

Darren Schulz, Deputy Chief Investment Officer

Jan Murtha, Deputy Executive Director / Chief Retirement Officer

Connie Flanagan, Chief Financial Officer

Eric Chin, Chief Risk Officer

ND Retirement & Investment Office (RIO)

State Investment Board (SIB)

State Investment Board – Client Assets Under Management

Fund Name	Market Values as of 3/31/21 ⁽¹⁾	Market Values as of 6/30/20 ⁽²⁾	Market Values as of 3/31/20 ⁽¹⁾
Pension Trust Fund			
Public Employees Retirement System (PERS)	3,777,497,729	3,212,113,498	2,909,524,117
Teachers' Fund for Retirement (TFFR)	3,036,688,989	2,612,716,511	2,358,789,518
City of Bismarck Employees Pension	121,047,144	106,946,867	97,888,813
City of Grand Forks Employees Pension	74,806,268	67,458,580	58,772,670
City of Bismarck Police Pension	48,741,965	42,552,004	38,727,234
Grand Forks Park District	8,748,262	7,406,214	6,669,500
Subtotal Pension Trust Fund	7,067,530,358	6,049,193,674	5,470,371,853
Insurance Trust Fund			
Workforce Safety & Insurance (WSI)	2,237,585,651	2,125,881,223	1,983,262,875
Budget Stabilization Fund	751,896,128	727,275,064	696,775,990
City of Fargo FargoDome Permanent Fund	47,518,770	43,550,868	38,505,207
PERS Group Insurance Account	33,728,291	31,495,987	30,670,434
State Fire and Tornado Fund	22,838,272	22,825,556	20,623,780
ND Association of Counties (NDACo) Fund	7,435,341	6,693,192	6,022,270
Petroleum Tank Release Compensation Fund	6,179,359	6,165,425	6,081,528
State Risk Management Fund	4,220,760	4,561,174	4,129,479
State Risk Management Workers Comp Fund	4,130,535	5,116,218	4,576,307
State Bonding Fund	3,792,585	3,787,526	3,663,715
ND Board of Medicine	2,674,581	2,470,789	2,255,935
Insurance Regulatory Trust Fund	2,662,831	5,714,620	1,629,413
Attorney General Settlement Fund	921,222	1,057,148	1,013,237
Lewis & Clark Interpretive Center Endowment Fund	879,193	793,808	713,942
Bismarck Deferred Sick Leave Account	814,221	770,793	700,706
Cultural Endowment Fund	582,662	493,401	433,458
ND Veterans' Cemetary Trust Fund	363,129	312,782	279,234
Subtotal Insurance Trust Fund	3,128,223,530	2,988,965,574	2,801,337,509
Legacy Trust Fund			
Legacy Fund	8,425,927,272	6,999,783,268	6,154,656,769
PERS Retiree Insurance Credit Fund	171,489,977	144,237,322	124,976,821
Job Service of North Dakota Pension	96,020,159	95,338,533	91,799,431
ND Tobacco Prevention and Control Trust Fund	1,592,430	7,589,354	7,573,495
Total Assets Under SIB Management	18,890,783,726	16,285,107,725	14,650,715,878

⁽¹⁾ Market values are unaudited and subject to change.

⁽²⁾ 6/30/20 market values as stated in the Comprehensive Annual Financial Report.

- ▶ **SIB client investments totaled approximately \$18.9 billion as of March 31, 2021**, with the Pension Trust at \$7.1 billion, Insurance Trust at \$3.1 billion and Legacy Fund exceeding \$8.4 billion.
- ▶ **Equity markets continued to advance in the second quarter, aided by optimism surrounding the COVID-19 rollout positive signs of economic expansion.** Bonds declined namely due to a backup in rates in longer dated instruments and credit spreads remained steady. As a result, global public equities returned 5.1% in the 2nd quarter of 2019, while fixed income returned -4.5%.
- ▶ **The Pension Trust posted a net return of 31.4% in the last year.** During the last 5-years, the Pension Trust generated a net annualized return of 10.1%, exceeding the performance benchmark of 9.8%.
- ▶ **The Insurance Trust generated a net return of 14.2% in the last year.** During the last 5-years, the Insurance Trust posted a net annualized return of 6.6%, exceeding the performance benchmark of 5.5%.
- ▶ **Legacy Fund generated a net return of 31.0% last year.** During the last 5-years, Legacy Fund earned a net annualized return of 9.3%, exceeding the performance benchmark of 8.8%.

Investment Performance Overview – March 31, 2021

Investment Performance Criteria :

SIB clients should receive investment returns consistent with their respective client board approved investment policy statements including agreed upon asset allocation targets and actual market performance (pursuant to Section D.3 of the SIB Governance Manual). **The “Ends” for investment performance is evaluated based on comparison of each client’s actual rate of return (net of fees), risk levels and risk adjusted returns, versus the client’s policy benchmark over 5 or more years. During this reporting period, all SIB clients were required to be invested in accordance with the prudent investor rule (per NDCC 21-10).**

Pension Pool:

Every Pension Pool client generated positive Excess Returns of at least 0.25% per annum in the last 5-years (including 0.43% for PERS and 0.34% for TFFR), while adhering to approved risk levels and generally producing positive Risk Adjusted Excess Return.

TFFR and PERS earned over 10% per annum for the 5-years ended March 31, 2021, and over 31% in the last year largely due to global public equities rising by 13% per annum over the last 5-years and over 54% in the last year. Fixed income returns were depressed in the investment grade sector last year due to rising interest rates generating a muted 0.71% for the 1-year ended March 31, 2021, while non-investment grade returns were very strong at over 23% in the last year and over 8% in the last 5-years. Real asset returns were meaningfully positive at 4.5% per annum for the 5-years ended March 31, 2021.

Non-Pension Pool:

Every Non-Pension client generated positive Excess Return for the 5-years ended March 31, 2021, with two exceptions for Job Service (which is over 140% funded) and Tobacco Prevention & Control Fund (which is 100% invested in passive indices.)

Legacy Fund earned over 31% and 9.3% for the 1 and 5 year periods ended March 31, 2021, respectively exceeding Policy Benchmarks by nearly 3% in the last year and over 0.50% in the last 5-years. Legacy Fund earned over \$1.9 billion of net investment income in the last year driving Legacy from \$6.15 billion at March 31, 2020, up to over \$8.4 billion as of March 31, 2021. Asset allocation was responsible for generating \$1.72 billion (or 92%) of this income, while the prudent use of active investment management generated an incremental \$180 million of net investment income for the 1-year ended March 31, 2021. **WSI and Budget Stabilization also generated strong absolute and relative returns for the 1 and 5-year periods ended March 31, 2021.**

Actual asset allocations are within Target ranges and guidelines as of March 31, 2021.

Note: Amount and returns are unaudited and subject to change.

Pension Pool Return & Risk Summary – March 31, 2021

Key Points: Every Pension Pool portfolio generated positive “Excess Return” for 5 years ended Mar. 31, 2021, while adhering to prescribed risk levels (e.g. within 115% of Policy Benchmark), noting Job Service (on next slide) is not in the Pension Pool.

	Current FYTD 3/31/2021	1 Yr Ended 3/31/2021	3 Yrs Ended 3/31/2021	5 Yrs Ended 3/31/2021	Risk 5 Yrs Ended 3/31/2021	Risk Adjust. Excess Return 3/31/2021
PERS \$3.78 billion						
Total Fund Return - Net	18.91%	31.84%	9.43%	10.20%	10.3%	0.14%
Policy Benchmark Return	18.35%	31.19%	9.54%	9.78%	10.0%	
Total Relative Return	0.56%	0.65%	-0.12%	0.43%	103%	
TFFR \$3 billion						
Total Fund Return - Net	18.44%	31.24%	9.32%	10.07%	10.2%	0.27%
Policy Benchmark Return	18.37%	31.47%	9.55%	9.74%	10.1%	
Total Relative Return	0.07%	-0.22%	-0.22%	0.34%	101%	
Bismarck Employee \$121 million						
Total Fund Return - Net	14.88%	25.49%	8.42%	9.10%	8.4%	0.50%
Policy Benchmark Return	14.57%	25.46%	8.50%	8.59%	8.4%	
Total Relative Return	0.33%	0.03%	-0.09%	0.51%	100%	


5-Yr. Returns Mar. 31, 2020	Asset Allocation	Benchmark Return	Allocation x Return
<i>Asset Class</i>	<i>a</i>	<i>b</i>	<i>a x b</i>
Equity	58%	13.6%	7.9%
Fixed Income	23%	4.5%	1.0%
Real Assets	19%	4.5%	0.8%
Policy Benchmark Return (5-years)			9.78%

PERS Current Policy Benchmark:

58% Equity (30% U.S., 21% Non-U.S., 7% Private); **23% Fixed Income** (16% Investment Grade, 7% High Yield); **19% Real Asset** (11% R.E.; 6.4% Infra.; 1.6% Timber).

Note: Amounts are unaudited and subject to change.


Pension Client Return & Risk Summary – March 31, 2021



	Current FYTD 3/31/2021	1 Yr Ended 3/31/2021	3 Yrs Ended 3/31/2021	5 Yrs Ended 3/31/2021	Risk 5 Yrs Ended 3/31/2021	Risk Adjust. Excess Return 3/31/2021
Bismarck Police \$49 million						
Total Fund Return - Net	16.38%	27.85%	8.71%	9.49%	9.1%	0.47%
Policy Benchmark Return	16.23%	28.06%	8.82%	9.07%	9.2%	
Total Relative Return	0.15%	-0.21%	-0.11%	0.42%	99%	
Grand Forks \$75 million						
Total Fund Return - Net	19.25%	33.63%	10.08%	10.57%	10.7%	0.36%
Policy Benchmark Return	19.62%	34.14%	10.24%	10.32%	10.8%	
Total Relative Return	-0.34%	-0.51%	-0.15%	0.26%	99%	
Grand Forks Park District \$8.75 million						
Total Fund Return - Net	18.00%	30.35%	9.57%	10.14%	9.9%	-0.02%
Policy Benchmark Return	17.28%	29.25%	9.53%	9.72%	9.4%	
Total Relative Return	0.78%	1.10%	0.04%	0.42%	105%	
Job Service \$96 million						
Total Fund Return - Net	4.53%	9.92%	4.89%	5.06%	4.2%	-1.39%
Policy Benchmark Return	5.62%	11.24%	6.18%	6.24%	3.9%	
Total Relative Return	-1.19%	-1.33%	-1.29%	-1.18%	106%	

Risk Adjusted Excess Return measures actual portfolio results versus a benchmark adjusted by its risk relative to a benchmark portfolio. This metric is positive if excess returns are due to “smart” investment decisions or negative if driven by excess risk.

Non-Pension Return & Risk Summary – March 31, 2021

	Current FYTD 3/31/2021	1 Yr Ended 3/31/2021	3 Yrs Ended 3/31/2021	5 Yrs Ended 3/31/2021	Risk 5 Yrs Ended 3/31/2021	Risk Adj Excess Return 5 Yrs Ended 3/31/2021
						
WSI \$2.2 billion						
Total Fund Return - Net	7.35%	16.13%	7.01%	7.25%	6.08%	-0.33%
Policy Benchmark Return	5.86%	12.45%	6.71%	6.08%	4.57%	
Total Relative Return	1.49%	3.68%	0.31%	1.17%		
Legacy Fund \$8.4 billion						
Total Fund Return - Net	16.63%	31.01%	8.78%	9.34%	10.63%	-0.27%
Policy Benchmark Return	15.48%	28.05%	8.94%	8.75%	9.51%	
Total Relative Return	1.16%	2.95%	-0.15%	0.58%		
Budget Stabilization \$752 million						
Total Fund Return - Net	3.45%	7.98%	3.52%	2.44%	2.81%	-0.26%
Policy Benchmark Return	0.31%	1.47%	2.99%	1.96%	1.14%	
Total Relative Return	3.14%	6.50%	0.53%	0.48%		

All Non-Pension clients generated positive Excess Return for the 5 years ended March 31, 2021, with the exception of the Tobacco Prevention and Control Trust Fund which is 100% invested in passive index strategies and Job Service which is over 140% funded. **The three largest non-Pension clients including Legacy Fund, WSI & Budget Stabilization Fund posted strong absolute and relative returns in the 1 and 5 year periods ended 3/31/2021.**

Non-Pension Return & Risk Summary – March 31, 2021

	Current FYTD 3/31/2021	1 Yr Ended 3/31/2021	3 Yrs Ended 3/31/2021	5 Yrs Ended 3/31/2021	Risk 5 Yrs Ended 3/31/2021	Risk Adj Excess Return 5 Yrs Ended 3/31/2021
Fire & Tornado \$23 million						
Total Fund Return - Net	11.23%	23.10%	7.78%	7.86%	8.43%	-0.50%
Policy Benchmark Return	9.94%	19.41%	7.91%	7.06%	6.79%	
Total Relative Return	1.30%	3.69%	-0.13%	0.80%		
State Bonding \$3.8 million						
Total Fund Return - Net	0.08%	3.48%	3.58%	3.21%	2.48%	0.65%
Policy Benchmark Return	-1.12%	0.47%	3.24%	2.26%	2.11%	
Total Relative Return	1.21%	3.02%	0.34%	0.95%		
Insur.Reg.Trust Fund \$2.7 million						
Total Fund Return - Net	9.47%	18.12%	7.08%	6.78%	6.04%	0.55%
Policy Benchmark Return	8.67%	16.17%	6.46%	5.88%	5.67%	
Total Relative Return	0.79%	1.95%	0.62%	0.90%		
Petrol.Tank Release Comp. \$6.2 million						
Total Fund Return - Net	0.13%	3.18%	3.37%	3.01%	2.23%	0.64%
Policy Benchmark Return	-1.01%	0.43%	3.08%	2.16%	1.96%	
Total Relative Return	1.15%	2.75%	0.29%	0.86%		
State Risk Mgmt. \$4.2 million						
Total Fund Return - Net	10.05%	21.58%	8.24%	7.97%	7.80%	-0.69%
Policy Benchmark Return	8.85%	18.10%	8.48%	7.23%	6.15%	
Total Relative Return	1.20%	3.48%	-0.25%	0.74%		
State Risk Bonding \$4.1 million						
Total Fund Return - Net	12.34%	25.62%	8.99%	8.78%	9.01%	-0.80%
Policy Benchmark Return	11.45%	22.50%	9.43%	8.24%	7.43%	
Total Relative Return	0.90%	3.12%	-0.44%	0.54%		

Note: Amounts are unaudited and subject to change.

Non-Pension Return & Risk Summary – March 31, 2021

	Current FYTD 3/31/2021	1 Yr Ended 3/31/2021	3 Yrs Ended 3/31/2021	5 Yrs Ended 3/31/2021	Risk 5 Yrs Ended 3/31/2021	Risk Adj Excess Return 5 Yrs Ended 3/31/2021
NDACo \$7.4 million						
Total Fund Return - Net	11.05%	23.40%	8.13%	7.73%	8.60%	-0.55%
Policy Benchmark Return	9.54%	19.16%	8.16%	6.88%	6.76%	
Total Relative Return	1.53%	4.24%	-0.03%	0.85%		
Bismarck Def.Sick Leave < \$1 million						
Total Fund Return - Net	9.56%	20.58%	7.46%	7.54%	7.78%	-0.42%
Policy Benchmark Return	7.94%	16.35%	7.44%	6.47%	5.96%	
Total Relative Return	1.62%	4.24%	0.03%	1.07%		
FargoDome \$47.5 million						
Total Fund Return - Net	16.57%	31.86%	8.77%	9.38%	11.19%	-0.57%
Policy Benchmark Return	16.16%	29.58%	9.37%	8.96%	9.85%	
Total Relative Return	0.39%	2.28%	-0.60%	0.41%		
Cultural Endowment < \$1 million						
Total Fund Return - Net	18.12%	34.56%	9.83%	10.16%	11.81%	-0.85%
Policy Benchmark Return	17.85%	32.64%	10.62%	10.08%	10.59%	
Total Relative Return	0.25%	1.92%	-0.79%	0.08%		
Board of Medicine \$2.7 million						
Total Fund Return - Net	8.23%	18.68%	6.48%	5.67%	6.54%	-0.62%
Policy Benchmark Return	6.99%	14.53%	6.22%	5.13%	4.85%	
Total Relative Return	1.26%	4.15%	0.26%	0.54%		
PERS Group Ins. \$34 million						
Total Fund Return - Net	3.22%	7.39%	3.35%	2.17%	2.60%	-0.35%
Policy Benchmark Return	0.47%	1.55%	2.90%	1.93%	1.05%	
Total Relative Return	2.75%	5.85%	0.45%	0.23%		

Note: Amounts are unaudited and subject to change.

Non-Pension Return & Risk Summary – March 31, 2021

	Current FYTD 3/31/2021	1 Yr Ended 3/31/2021	3 Yrs Ended 3/31/2021	5 Yrs Ended 3/31/2021	Risk 5 Yrs Ended 3/31/2021	Risk Adj Excess Return 5 Yrs Ended 3/31/2021
L&C Interpretive Center < \$1 million						
Total Fund Return - Net	10.85%	23.30%	N/A	N/A		
Policy Benchmark Return	9.35%	18.82%	N/A	N/A		
Total Relative Return	1.21%	4.48%	N/A	N/A		
AG Settlement Fund < \$1 million						
Total Fund Return - Net	3.45%	N/A	N/A	N/A		
Policy Benchmark Return	0.40%	N/A	N/A	N/A		
Total Relative Return	3.06%	N/A	N/A	N/A		
Veterans Cemetery < \$1 million						
Total Fund Return - Net	16.18%	N/A	N/A	N/A		
Policy Benchmark Return	15.49%	N/A	N/A	N/A		
Total Relative Return	0.69%	N/A	N/A	N/A		
PERS Retiree Health \$171 million						
Total Fund Return - Net	19.56%	37.29%	10.42%	10.36%	12.26%	-0.52%
Policy Benchmark Return	17.99%	33.44%	10.33%	10.03%	11.11%	
Total Relative Return	1.57%	3.85%	0.09%	0.33%		
Tobacco Control \$1.6 million						
Total Fund Return - Net	0.05%	0.27%	2.91%	2.42%	1.46%	-0.04%
Policy Benchmark Return	0.10%	0.32%	2.92%	2.43%	1.42%	
Total Relative Return	-0.03%	-0.05%	-0.01%	-0.01%		

Note: Amounts are unaudited and subject to change.

Legacy Fund In-State Investment Program

Introductions by RIO to 50 South Capital or Others

- ▶ **RIO has commenced introductory meetings with 50 South Capital and others including the following agencies, firms or representatives:**
 - ▶ **Bank of North Dakota** – Chief Business Development Todd Steinwand, CFO Tim Porter, E.D. & Gov't. Program Kelvin Hullet, Banker Kylee Merkel
 - ▶ **North Dakota Commerce** – Commissioner James Leiman, Joshua Teigan
 - ▶ **North Dakota Securities** - Commissioner Karen Tyler
 - ▶ **North Dakota Public Finance Authority** – Director DeAnn Ament
 - ▶ **North Dakota Bankers Assoc.** – Rick Clayburgh, President & CEO
 - ▶ **Independent Comm. Banks of North Dakota** – Barry Haugen, President
 - ▶ **AuraVax** – Matthew Meyer (Business) & Eden Cooper (Senior Member) - *Privately-held biotechnology company built around proprietary nasal vaccine technology*
 - ▶ **Aurora Energy Solutions, LLC** – Brent Brennan, OGRP Director - *North Dakota's Oil & Gas Research Program (OGRP) established by the legislature in 2003*

Please note the above listing is not intended to be all inclusive as we are routinely receiving other inquiries some of which are premature and/or more general/non-specific in nature.

Legacy Fund In-State Investment Program

NDBA & ICBND Preliminary Screening – Jan. 15, 2021

▶ STATE-CHARTERED BANKS


- ▶ American Trust Center
- ▶ **Bell Bank & Trust, Fargo**
- ▶ First Western Bank & Trust, Minot
- ▶ Kirkwood Bank & Trust Co., Bismarck
- ▶ Garrison State Bank and Trust, Garrison
- ▶ State Bank & Trust of Kenmare, Kenmare
- ▶ First International Bank & Trust, Watford City
- ▶ American State Bank & Trust Company of Williston, Williston
- ▶ First State Bank & Trust, Williston

▶ NATIONAL BANKS

- ▶ **Alerus Financial, National Association, Grand Forks**
- ▶ First National Bank and Trust Co. of Bottineau, Bottineau
- ▶ The Ramsey National Bank and Trust Co., Devils Lake
- ▶ Dakota Community Bank, NA, Hebron



Current LMTI Ratings

Fund	Transparency Index
<u>Alaska Permanent Fund Corporation</u>	10
<u>Alberta Investment Management Corporation</u>	10
<u>Chile Pension Reserve Fund</u>	10
<u>Fondo de Ahorro de Panama</u>	10
<u>Future Fund</u>	10
<u>Mubadala Investment Company</u>	10
<u>Mumtalakat Holding</u>	10
<u>National Pensions Reserve Fund</u>	10
<u>New Zealand Superannuation Fund</u>	10
<u>North Dakota Legacy Fund</u> 	10
<u>Norway Government Pension Fund Global</u>	10
<u>Samruk-Kazyna</u>	10
<u>Social and Economic Stabilization Fund</u>	10
<u>State Oil Fund of Azerbaijan</u>	10
<u>Temasek Holdings</u>	10



Linaburg-Maduell Transparency Index (LMTI)

The Linaburg-Maduell Transparency Index was developed at the Sovereign Wealth Fund Institute by Carl Linaburg and Michael Maduell.

The Linaburg-Maduell transparency index is a method of rating transparency in respect to sovereign wealth funds. Pertaining to government-owned investment vehicles, where there have been concerns of unethical agendas, calls have been made to the larger “opaque” or non-transparent funds to show their intentions.

This index of rating transparency was developed in 2008 and has since been used worldwide, by sovereign wealth funds in their official annual reports and statements, as the global standard benchmark.

This index is based off ten essential principles that depict sovereign wealth fund transparency to the public. **The following principles each add one point of transparency to the index rating.** The index is an ongoing project of the Sovereign Wealth Fund Institute. The minimum rating a fund can receive is a 1; however, the Sovereign Wealth Fund Institute recommends a minimum rating of 8 in order to claim adequate transparency. Transparency ratings may change as funds release additional information. There are different levels of depth in regards to each principle. Judgment of these principles is left to the discretion of the Sovereign Wealth Fund Institute.

Point Principles of Linaburg-Maduell Transparency Index

- +1 Fund provides history including reason for creation, origins of wealth, and government ownership structure
- +1 Fund provides up-to-date independently audited annual reports
- +1 Fund provides ownership percentage of company holdings, and geographic locations of holdings
- +1 Fund provides total portfolio market value, returns, and management compensation
- +1 Fund provides guidelines in reference to ethical standards, investment policies, and enforcer of guidelines
- +1 Fund provides clear strategies and objectives
- +1 If applicable, the fund clearly identifies subsidiaries and contact information
- +1 If applicable, the fund identifies external managers
- +1 Fund manages its own web site
- +1 Fund provides main office location address and contact information such as telephone and fax

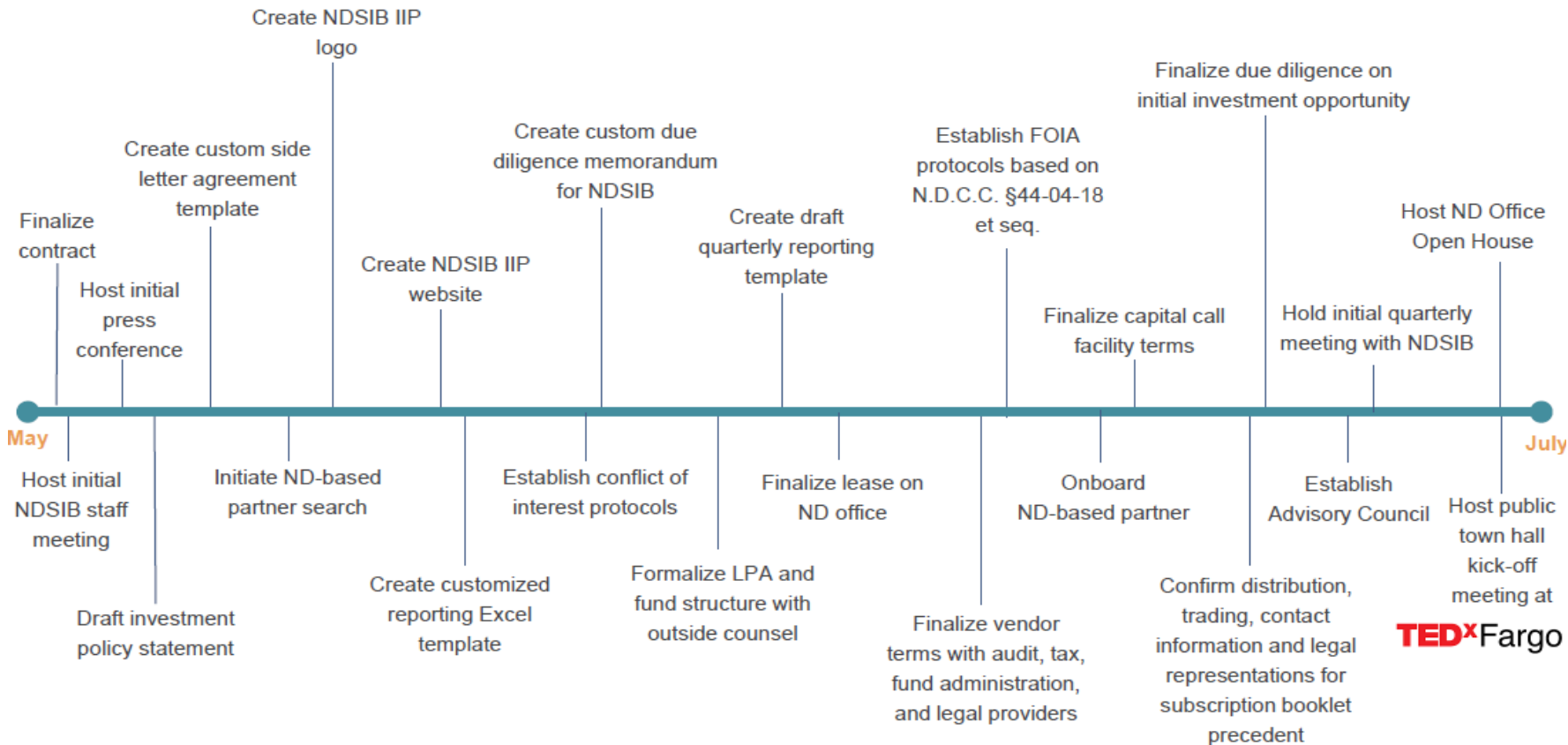
North Dakota Legacy Fund In-State Investment Program

50 South and RIO are working towards a potential first “Equity Closing” in early-June

NDSIB IIP: IMPLEMENTATION



A SUBSIDIARY OF NORTHERN TRUST CORPORATION



For illustrative purposes only. Subject to regulatory and corporate approvals.

Funds discussed herein not insured by the Federal Deposit Insurance Corporation or any governmental agency and are not deposits or obligations of, or guaranteed or endorsed in any way by, 50 South Capital Advisors, LLC or its affiliates.

Callan



May 2021

North Dakota State Investment Board

Performance Evaluation
as of March 31, 2021

Paul Erlendson
Senior Vice President

Alex Browning
Senior Vice President

Callan

Market Update

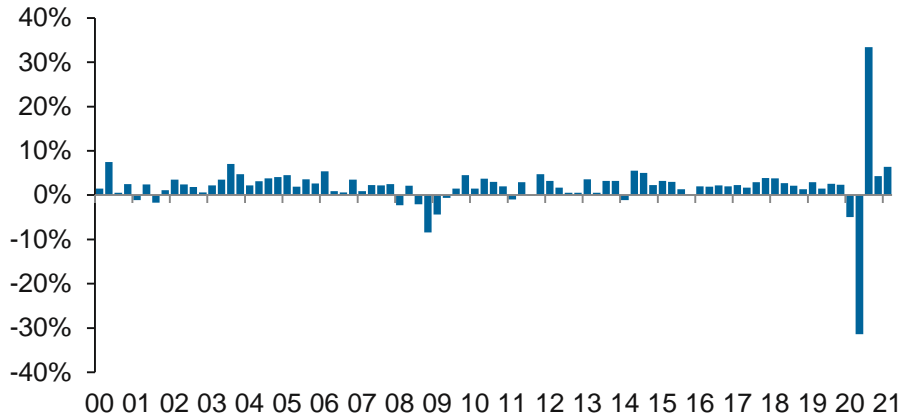
First Quarter 2021

U.S. Economy—Summary

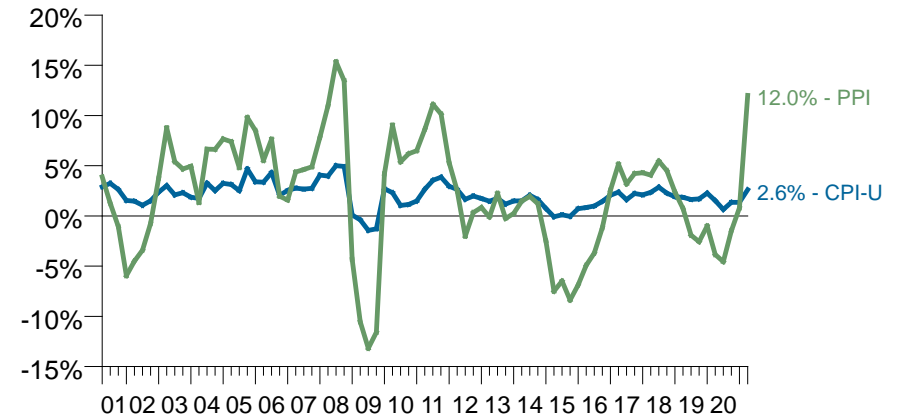
For periods ended March 31, 2021

Quarterly Real GDP Growth*

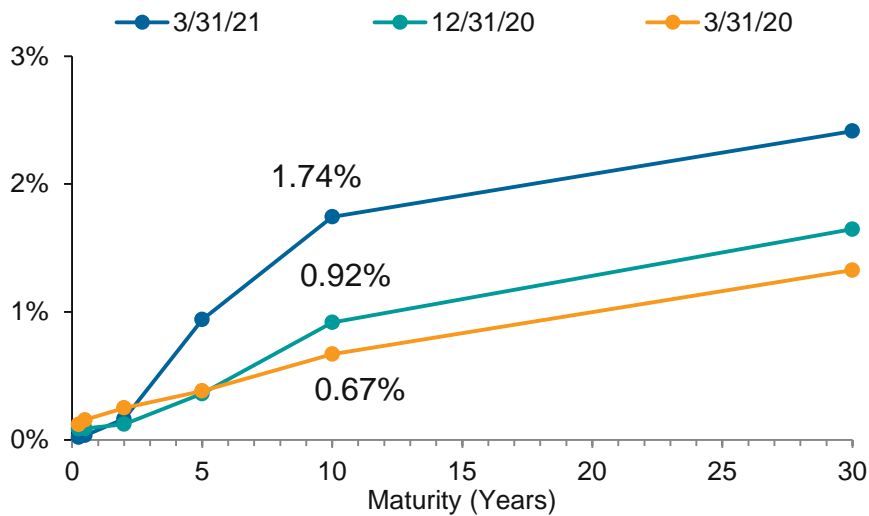
1Q21 6.4%



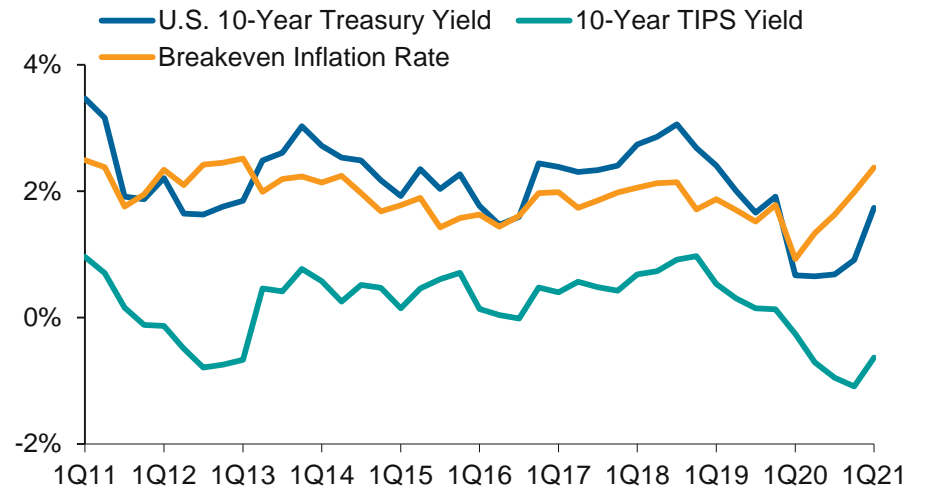
Inflation Year-Over-Year



U.S. Treasury Yield Curves



Historical 10-Year Yields



*Advanced estimate for 1Q21. Sources: Bloomberg, Bureau of Labor Statistics, Callan, IHS Markit

Market Environment: 1Q21

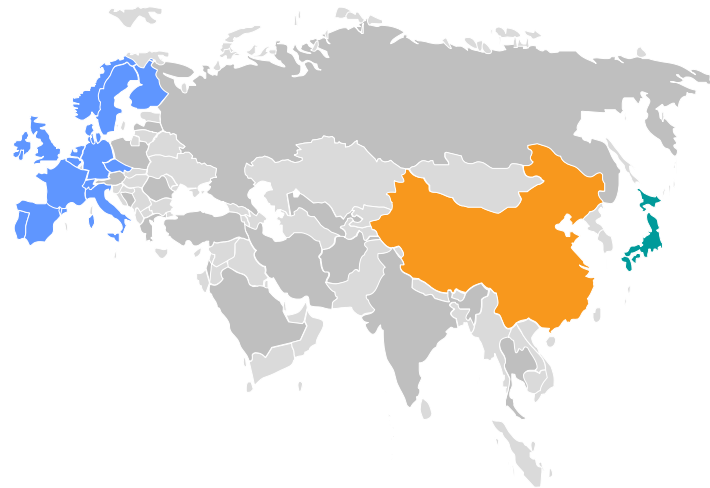
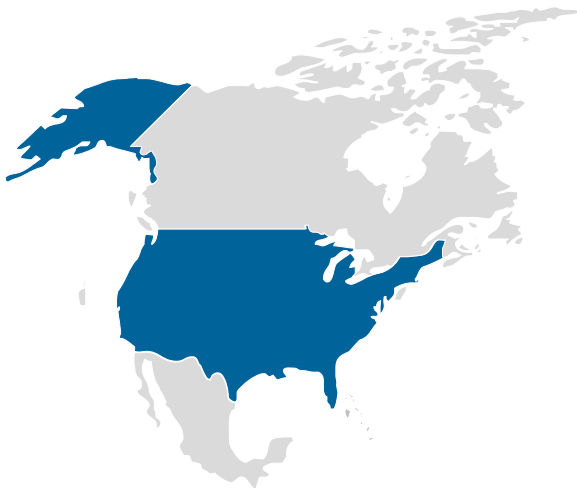
Growth worldwide with uncertainty coming from uneven vaccine rollout

U.S.

- 2020 GDP loss of 3.5% for the year is the deepest recession in 75 years. Fed expects 6.5% growth in 2021.
- Retail sales, durable goods, and personal spending rebounded late in 2020 and 1Q21 following the vaccine announcement and passage of new stimulus.
- Unemployment dropped to 6.0% in March, with an eye-popping 916,000-job gain.
 - Jobless claims decelerated to less than 1 million per week but are still elevated relative to prior recession peaks.
- Housing benefiting from relatively low mortgage rates
- Fed left rates close to 0% and expects to be on hold until 2023.

Global

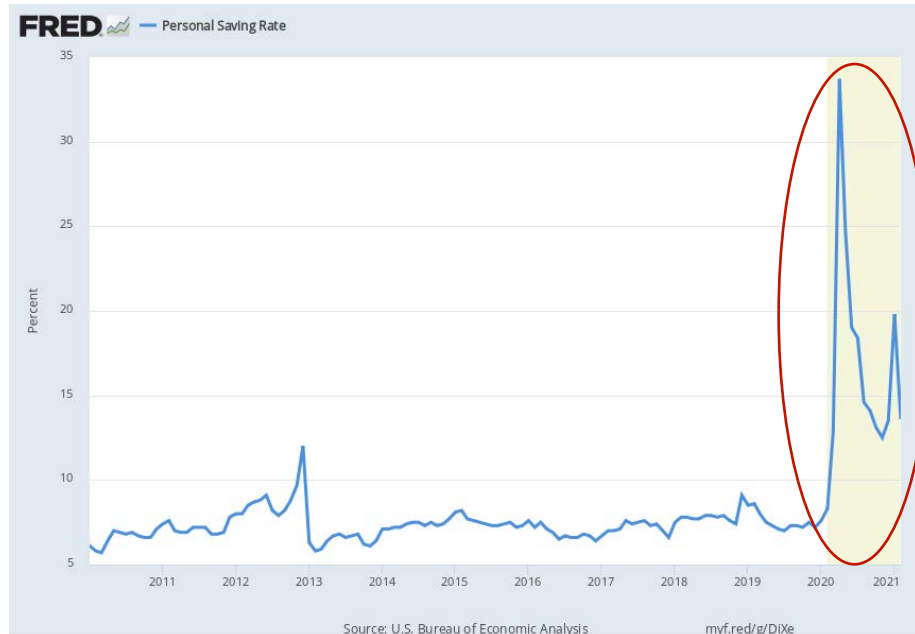
- Euro zone GDP contracted 4.9% in 2020, after shrinking by 2.4% in 2019.
- U.K. GDP sank 7.3% in 2020—most ever, struck by the double-whammy of the pandemic and Brexit.
- Japan's economy shrank 4.8% in 2020, continuing a decline that began in 4Q19.
- China's GDP grew 2.3% in 2020, one of the few countries to see positive growth. 1Q21 growth inched up just 0.6%, far below expectations.



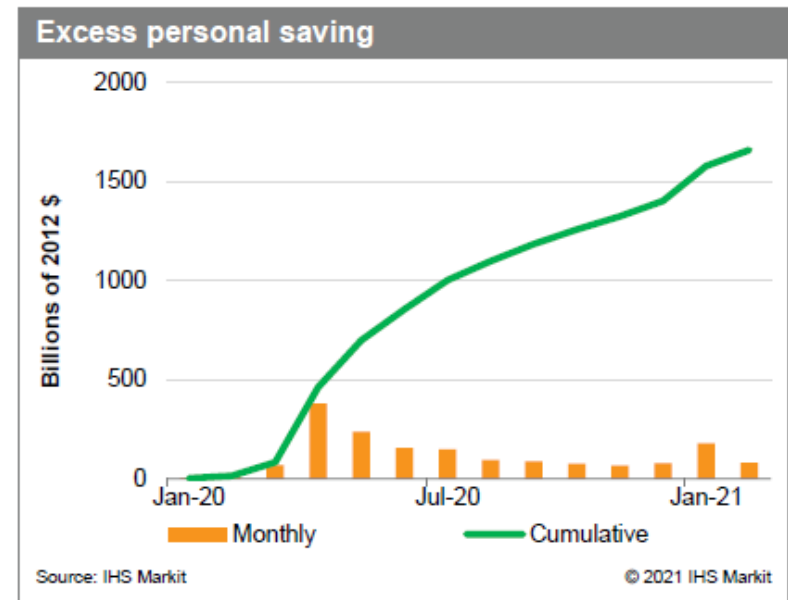
Liquidity Supporting Economy (and Driving Markets)

Consumers = more money, fewer problems; investors = dry powder abundant

U.S. Personal Savings Rate



Excess Personal Saving



- U.S. personal savings rate far exceeds levels seen in the post-WWII era; shot up to 34% last April, spiked again to 20% with new lockdowns imposed at the end of 2020.
 - Savings usually FALLS in a recession. Disposable income rose under congressional pandemic relief measures, and state and local government restrictions on activities hindered spending.
- Excess savings will insulate consumer spending during economic wobbles and through the winding down of fiscal stimulus.
 - Rapid depletion of excess savings could goose GDP and spur short-term inflation; consumer theory and experience following WWII suggests a modest increase in consumption.

Excess savings = savings in excess of the 7.4% average savings rate for the year prior to the pandemic; calculation performed by IHS Markit
Sources: Federal Reserve, IHS Markit

Callan Periodic Table of Investment Returns

Cumulative Returns Ending March 31, 2021						Monthly Returns		
Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years	Jan 2021	Feb 2021	Mar 2021
Small Cap Equity	Small Cap Equity	Large Cap Equity	Small Cap Equity	Large Cap Equity	Large Cap Equity	Small Cap Equity	Small Cap Equity	Large Cap Equity
12.70%	94.85%	16.78%	16.35%	13.59%	13.91%	5.03%	6.23%	4.38%
Large Cap Equity	Emerging Market Equity	Small Cap Equity	Large Cap Equity	Small Cap Equity	Small Cap Equity	Emerging Market Equity	Real Estate	Real Estate
6.17%	58.39%	14.76%	16.29%	11.05%	11.68%	3.07%	3.70%	2.85%
Real Estate	Large Cap Equity	High Yield	Emerging Market Equity	Emerging Market Equity	High Yield	High Yield	Large Cap Equity	Dev ex-U.S. Equity
5.80%	56.35%	6.84%	12.07%	6.58%	6.48%	0.33%	2.76%	2.55%
Dev ex-U.S. Equity	Dev ex-U.S. Equity	Emerging Market Equity	Dev ex-U.S. Equity	High Yield	Real Estate	U.S. Fixed Income	Dev ex-U.S. Equity	Small Cap Equity
4.04%	45.86%	6.48%	8.92%	5.42%	5.73%	-0.72%	2.55%	1.00%
Emerging Market Equity	Real Estate	Dev ex-U.S. Equity	High Yield	Real Estate	Dev ex-U.S. Equity	Real Estate	Emerging Market Equity	High Yield
2.29%	34.65%	6.34%	8.06%	4.90%	5.21%	-0.81%	0.76%	0.15%
High Yield	High Yield	Real Estate	Real Estate	Dev ex-U.S. Equity	Emerging Market Equity	Large Cap Equity	High Yield	U.S. Fixed Income
0.85%	23.72%	5.06%	3.86%	4.75%	3.65%	-1.01%	0.37%	-1.25%
U.S. Fixed Income	Global ex-U.S. Fixed Income	U.S. Fixed Income	U.S. Fixed Income	U.S. Fixed Income	U.S. Fixed Income	Global ex-U.S. Fixed Income	U.S. Fixed Income	Emerging Market Equity
-3.37%	7.15%	4.65%	3.10%	3.31%	3.44%	-1.03%	-1.44%	-1.51%
Global ex-U.S. Fixed Income	U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income	Dev ex-U.S. Equity	Global ex-U.S. Fixed Income	Global ex-U.S. Fixed Income
-5.29%	0.71%	1.15%	2.13%	0.91%	1.26%	-1.07%	-1.94%	-2.42%

Sources: ● Bloomberg Barclays Aggregate ● Bloomberg Barclays Corp High Yield ● Bloomberg Barclays Global Aggregate ex US
 ● FTSE EPRA Nareit Developed ● MSCI World ex USA ● MSCI Emerging Markets ● Russell 2000 ● S&P 500

U.S. Equity Performance: 1Q21

New market peaks in year of the pandemic

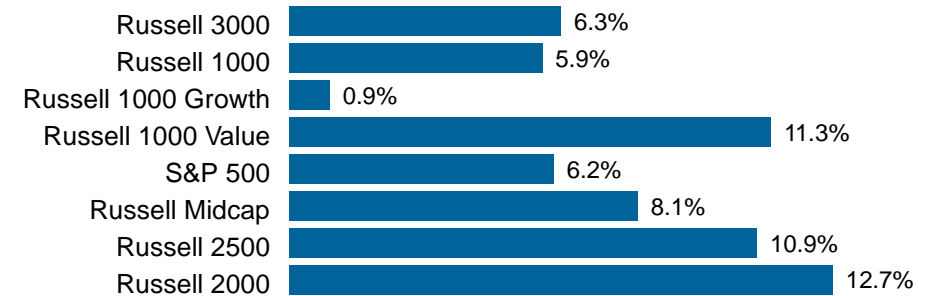
Markets continue setting all-time highs

- The S&P 500 Index hit record highs in 1Q21, gaining 6.2%.
 - Since the prior peak (February 2020) the S&P is up over 19.6%, with only Energy (-4.7%) and Utilities (-4.9%) declining from peak-to-peak.
 - Since March 2020 market low, S&P up over 80.7%, with all sectors posting gains over 40%; Energy +116.2%
 - 1Q21 top sectors were Energy and Financials, while Industrials and Consumer Staples underperformed.
 - “Re-opening” industries (airlines, retail REITs, hospitality) outperformed while “work from home” industries (online retail, home improvement) lagged.

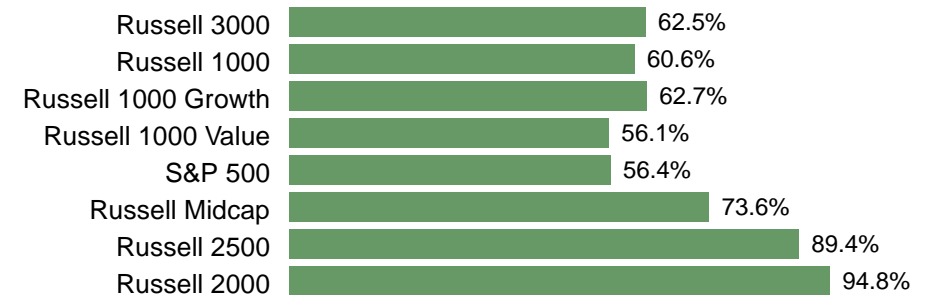
Value and small cap trends continued through 1Q21

- Value outperformed growth across the market cap spectrum.
- Small caps outperformed large in 1Q.
- Small value was the top-performing asset class for the quarter (+21.2%) and from the March 2020 low (+127.7%).

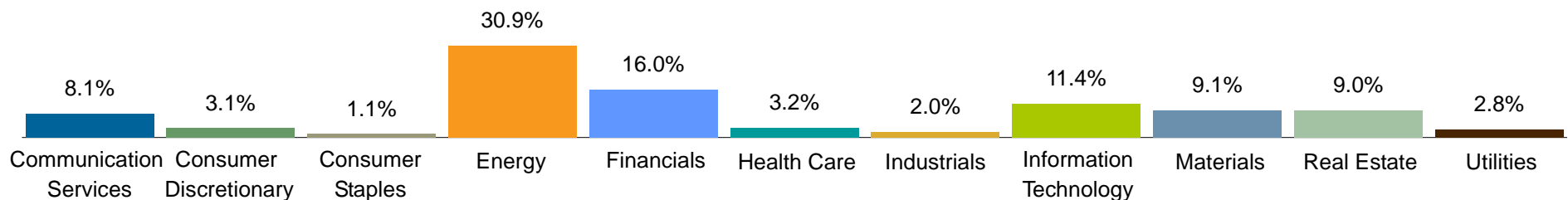
U.S. Equity: Quarterly Returns



U.S. Equity: One-Year Returns



Industry Sector Quarterly Performance (S&P 500)



Sources: FTSE Russell, S&P Dow Jones Indices

Global ex-U.S. Equity Performance: 1Q21

Nearly 100 million people fully vaccinated worldwide

- Markets responded positively to the global rollout of the COVID-19 vaccine.
- Most risk assets continued to outperform as global businesses reopen.
- Small cap outperformed large over the quarter on continued economic optimism.
- Emerging markets trailed developed markets; COVID-19 outbreaks and vaccination challenges hindered EM results.

Market continues to favor cyclicals

- Sustained market recovery and rising interest rates buoyed cyclical stocks; Energy, Financials, and Industrials drove the market.
- Factor performance showed a preference for beta and volatility, similar to 4Q20.

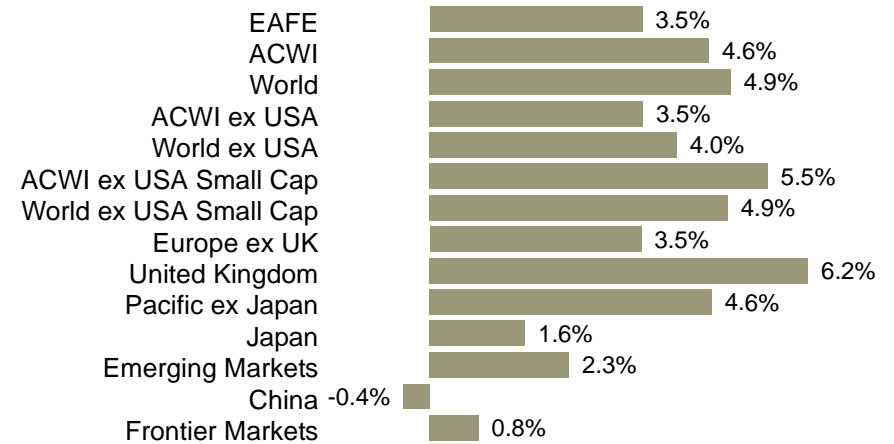
U.S. dollar vs. other currencies

- The U.S. stimulus package announcement, combined with yields rising on economic confidence, fueled the U.S. dollar.

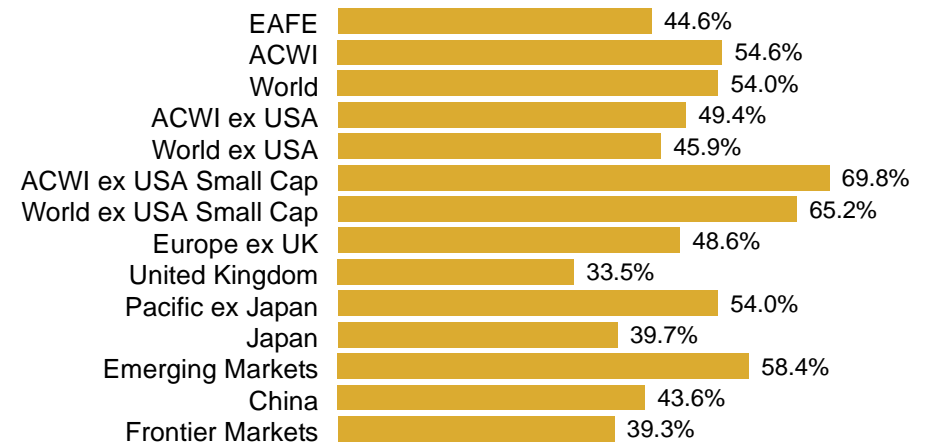
Growth vs. value

- Value outpaced growth for the second consecutive quarter.

Global Equity: Quarterly Returns



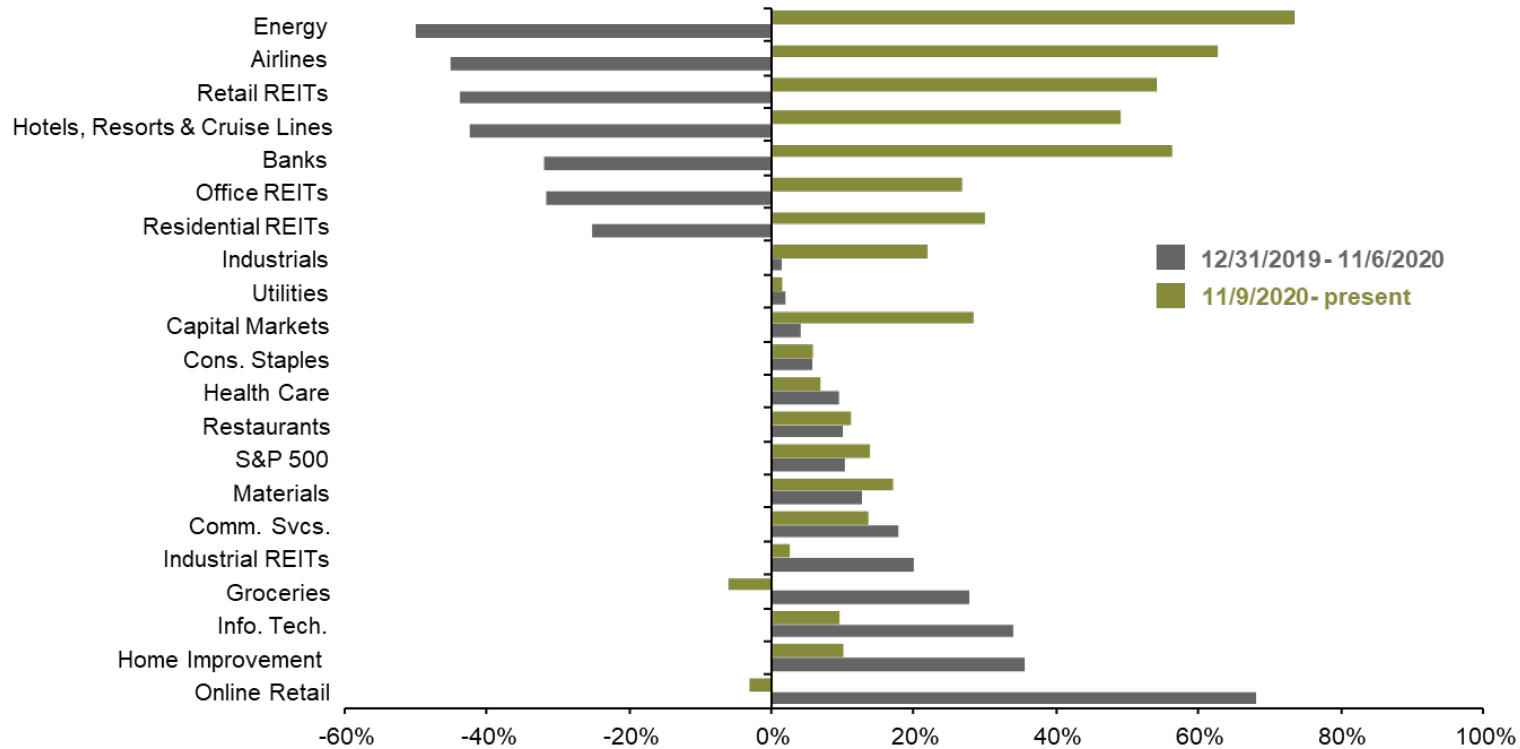
Global Equity: One-Year Returns



Source: MSCI

U.S. Stock Market Sector Leadership Through the Pandemic

COVID trade flipped to a 'GDP growth trade' with the announcement of vaccines in November



Best-performing sectors employ far fewer workers than many of the underperforming sectors (health care, capital markets, banks, hospitality, transportation, energy).

Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. Nov. 6, 2020, chosen as the last business day before vaccine candidate is revealed to have more than 90% efficacy against the COVID-19 virus in global trials.

Guide to the Markets – U.S. Data are as of March 31, 2021.

U.S. Fixed Income Performance: 1Q21

The U.S. Treasury yield curve steepened

- The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20.
- The short-end of the curve remained anchored, with no rate hikes expected until at least 2023, steepening the yield curve.
- TIPS outperformed nominal U.S. Treasuries as 10-year breakeven spreads widened from 1.99% to 2.37%.

Bloomberg Barclays Aggregate fell

- The Bloomberg Barclays US Aggregate Bond Index dropped 3.4%, with spread sectors outperforming treasuries.
- Demand for corporate credit remains strong, and spreads did not change meaningfully over the quarter

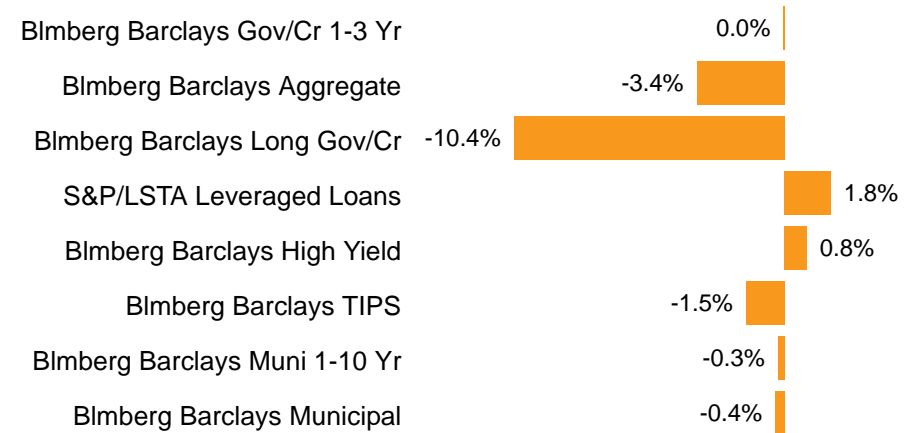
High yield bonds gained as rally extended

- High yield (HY) bonds outperformed investment grade (IG) in 1Q, gaining 0.8% amid a wave of new issuance.
- Leveraged loans rose 1.8% during the quarter, driven by favorable supply/demand dynamics, floating rate coupons, and relatively short durations.

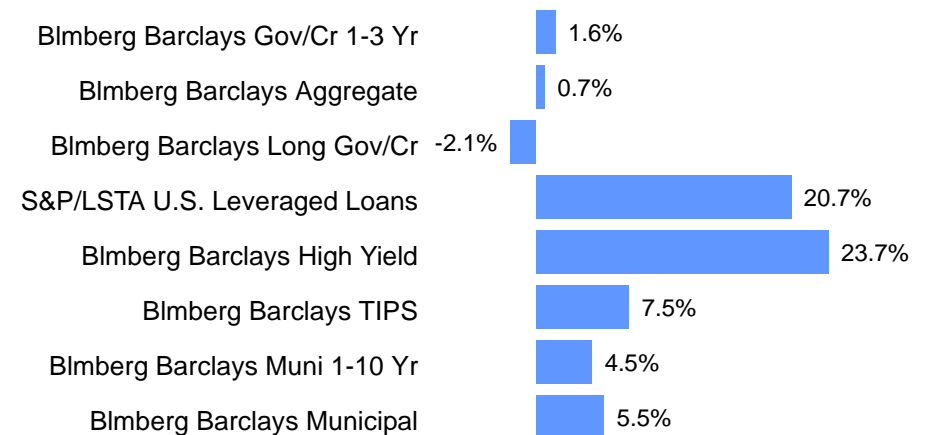
Munis boosted by stimulus

- Municipals outperformed treasuries for the quarter, as municipal yields rose less than treasury yields.
- The municipal market was supported by the American Rescue Act.

U.S. Fixed Income: Quarterly Returns



U.S. Fixed Income: One-Year Returns



Source: Bloomberg Barclays

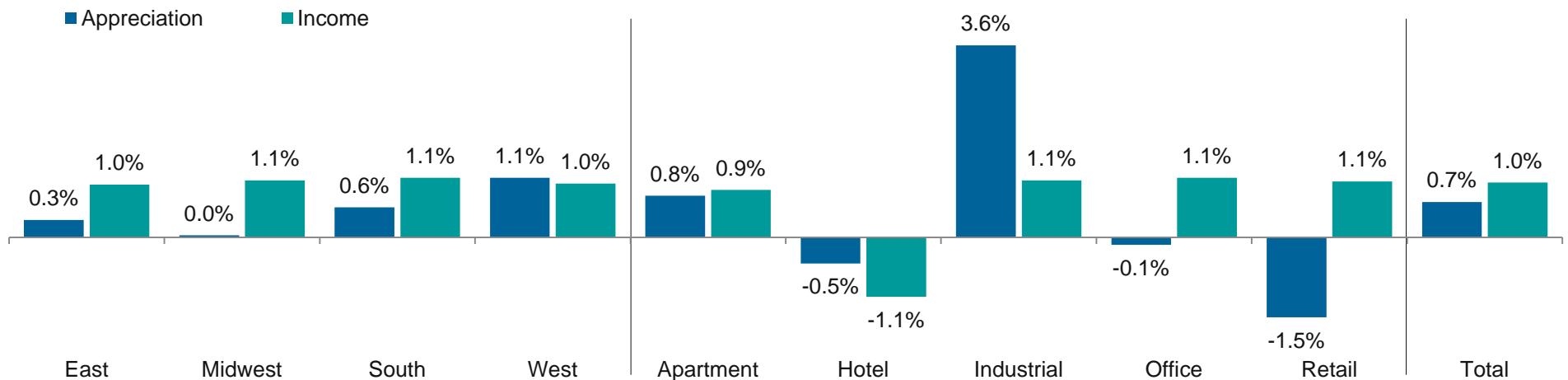
U.S. Private Real Estate Market Trends

Results

- Hotel and Retail are the most challenged sectors while Office faces uncertainty; Industrial remains the best performer.
- Income remains positive except in Hotel sector.
- Appraisers have more certainty on pandemic’s impact on valuations.
- Return dispersion by manager within the ODCE Index due to composition of underlying portfolios

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
NCREIF ODCE	1.9%	1.5%	4.0%	5.3%	8.7%
Income	0.8%	3.0%	3.2%	3.3%	3.7%
Appreciation	1.1%	-1.5%	0.8%	1.9%	4.8%
NCREIF Property Index	1.7%	2.6%	4.9%	5.9%	9.0%
Income	1.0%	4.1%	4.4%	4.5%	5.0%
Appreciation	0.7%	-1.5%	0.5%	1.3%	3.7%

NCREIF Property Index Returns by Region and Property Type



Source: NCREIF

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NDSIB Total Performance Summary

NDSIB Consolidated Gross Performance Summary

As of March 31, 2021

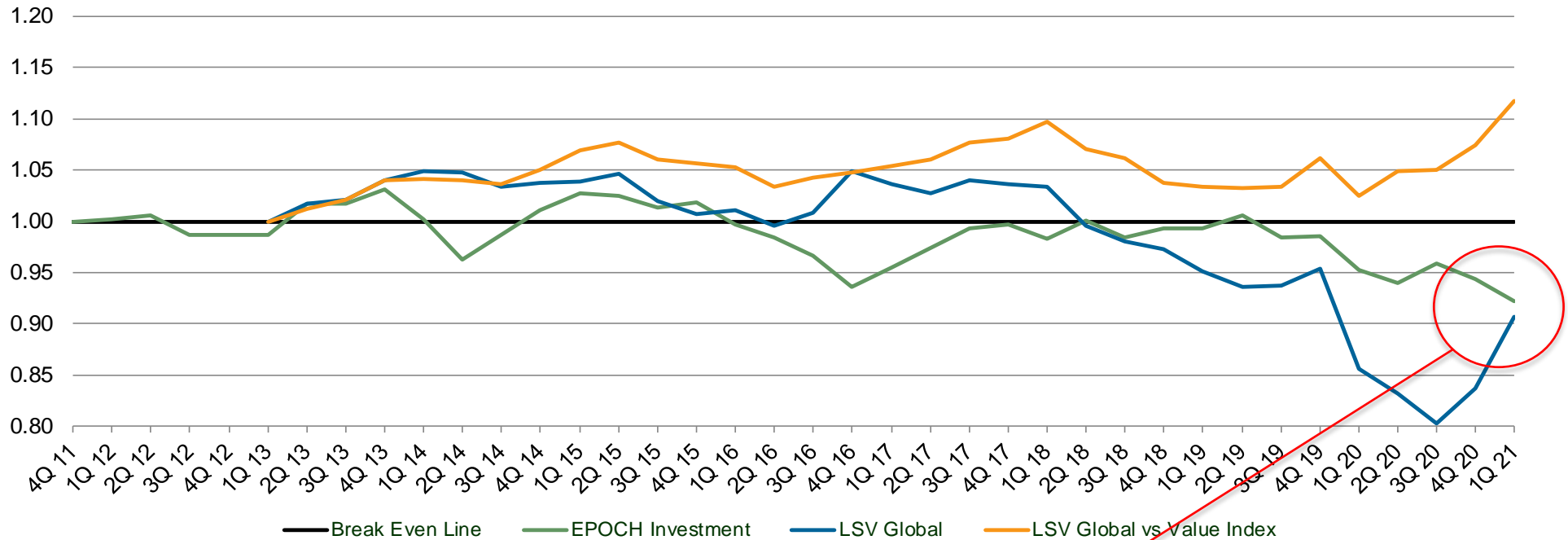
	Last Quarter	Last Year	Last 5 Years
Consolidated Pension Trust	3.26%	31.72%	10.38%
<i>Consolidated Pension Trust Target</i>	3.27%	31.23%	9.75%
Relative Performance vs. Target	-0.01%	0.49%	0.63%
PERS Total Fund	3.37%	32.14%	10.47%
<i>NDSIB PERS Total Fund Target</i>	3.34%	31.20%	9.78%
Relative Performance vs. Target	0.03%	0.94%	0.69%
TFFR Total Fund	3.16%	31.55%	10.33%
<i>NDSIB TFFR Total Fund Target</i>	3.24%	31.47%	9.74%
Relative Performance vs. Target	-0.08%	0.08%	0.59%
WSI Total Fund	-0.71%	16.32%	7.45%
<i>NDSIB WSI Total Fund Target</i>	-0.72%	12.44%	6.08%
Relative Performance vs. Target	0.01%	3.88%	1.37%
Legacy - Total Fund	2.02%	31.28%	9.56%
<i>NDSIB Legacy - Total Fund Target</i>	1.90%	28.04%	8.76%
Relative Performance vs. Target	0.12%	3.24%	0.80%
Budget - Total Fund	0.66%	8.09%	2.60%
<i>NDSIB Budget - Total Fund Target</i>	-0.04%	1.56%	1.97%
Relative Performance vs. Target	0.70%	6.53%	0.63%

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Manager Relative Performance

Word Equities

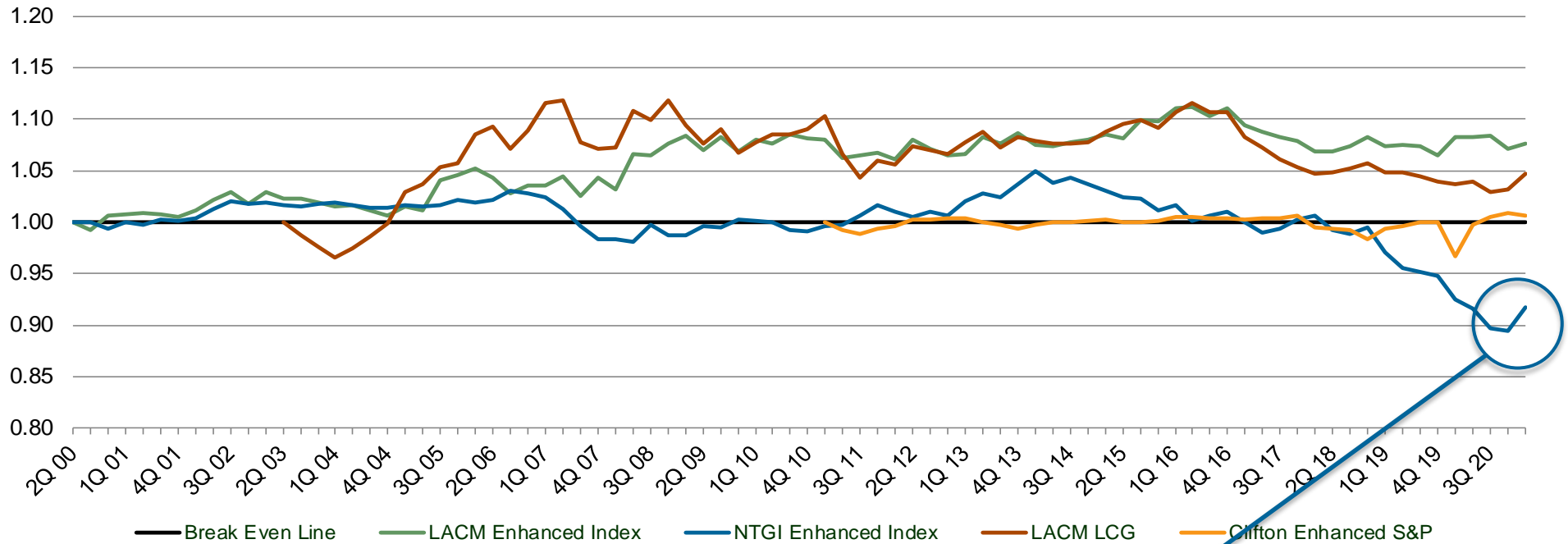
Cumulative Net Relative Return Since Inception, as of March 31, 2021



Fund Name	First Full Quarter of Returns	Cumulative Net Relative Return Since Inception	Benchmark
EPOCH Investment	Q1 2012	0.92	MSCI World
LSV Global	Q2 2013	0.91	Custom LSV Global Index
LSV Global vs Value Index	Q2 2013	1.12	MSCI ACWI IMI Value

U.S. Large Cap Equities

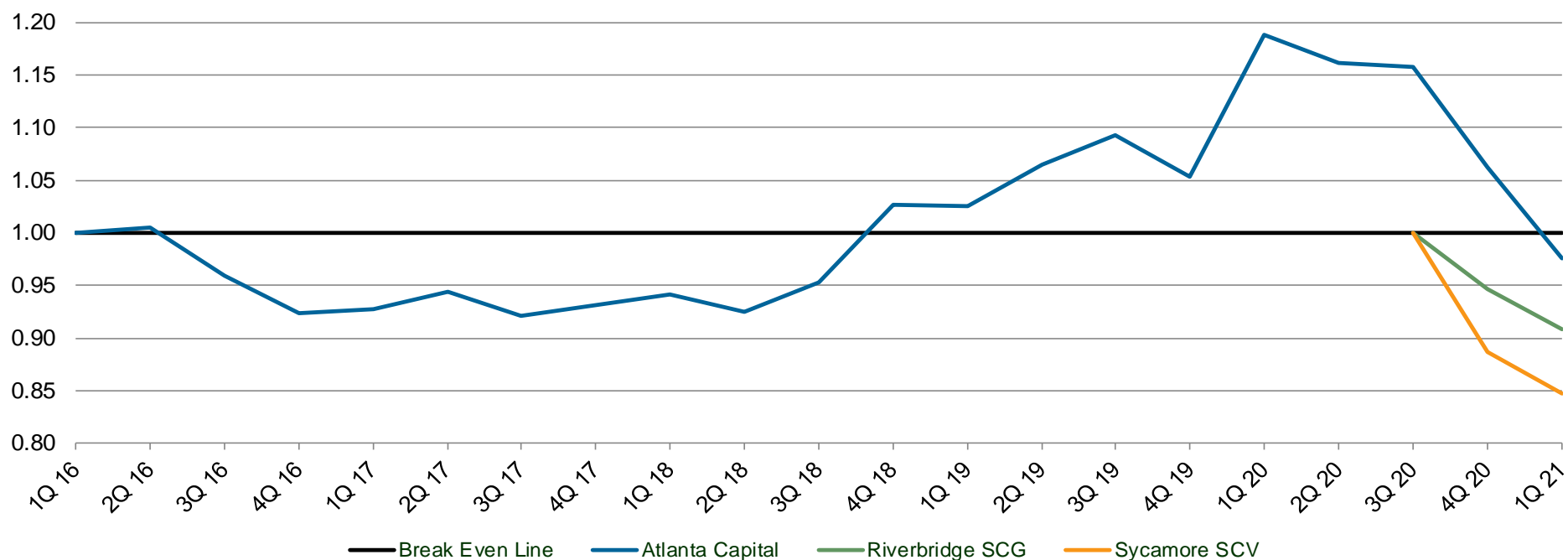
Cumulative Net Relative Return Since Inception, as of March 31, 2021



Fund Name	First Full Quarter of Returns	Cumulative Net Relative Return Since Inception	Benchmark
Clifton Enhanced S&P	Q2 2011	1.01	S&P 500
LACM LCG	Q3 2003	1.05	Russell 1000 Growth
LACM Enhanced Index	Q3 2000	1.08	Russell 1000
NTGI Enhanced Index	Q3 2000	0.92	S&P 500

U.S. Small Cap Equities

Cumulative Net Relative Return Since Inception, as of March 31, 2021

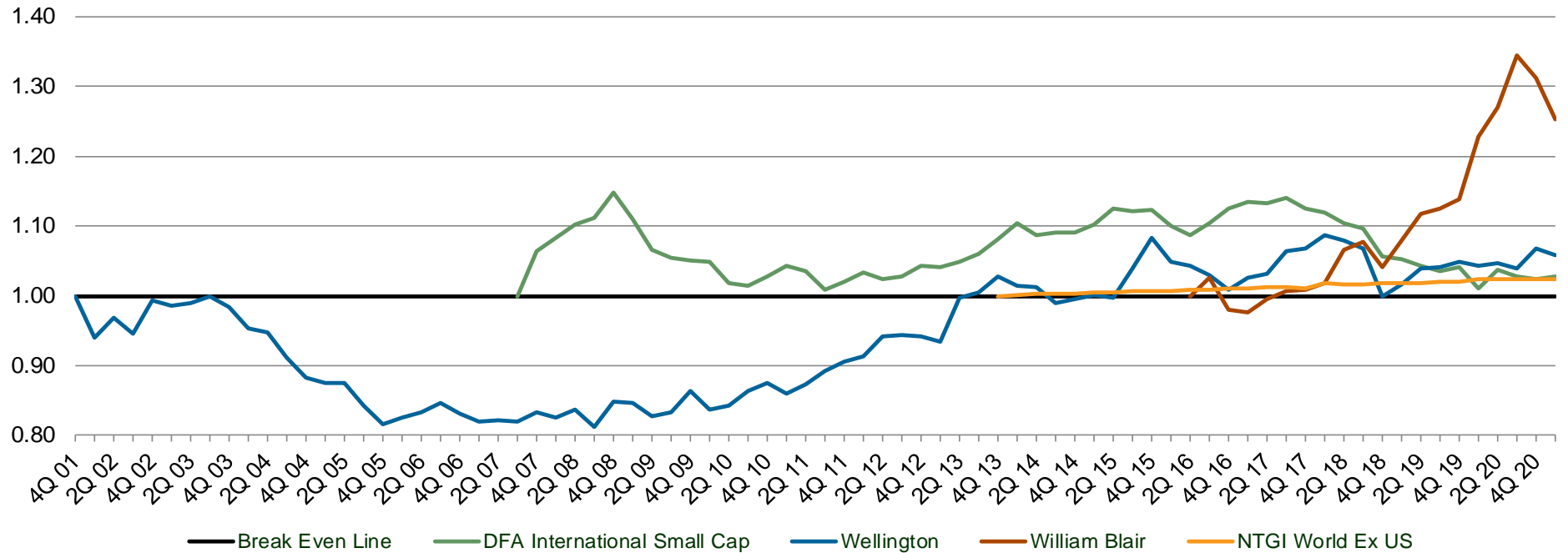


Fund Name	First Full Quarter of Returns	Cumulative Net Relative Return Since Inception	Benchmark
Atlanta Capital	Q2 2016	0.98	S&P 600 Small Cap
Riverbridge SCG	Q4 2020	0.91	Russell 2000 Growth
Sycamore SCV	Q4 2020	0.85	Russell 2000 Value

Note: Next quarter will include Riverbridge and Sycamore

Developed International Equities

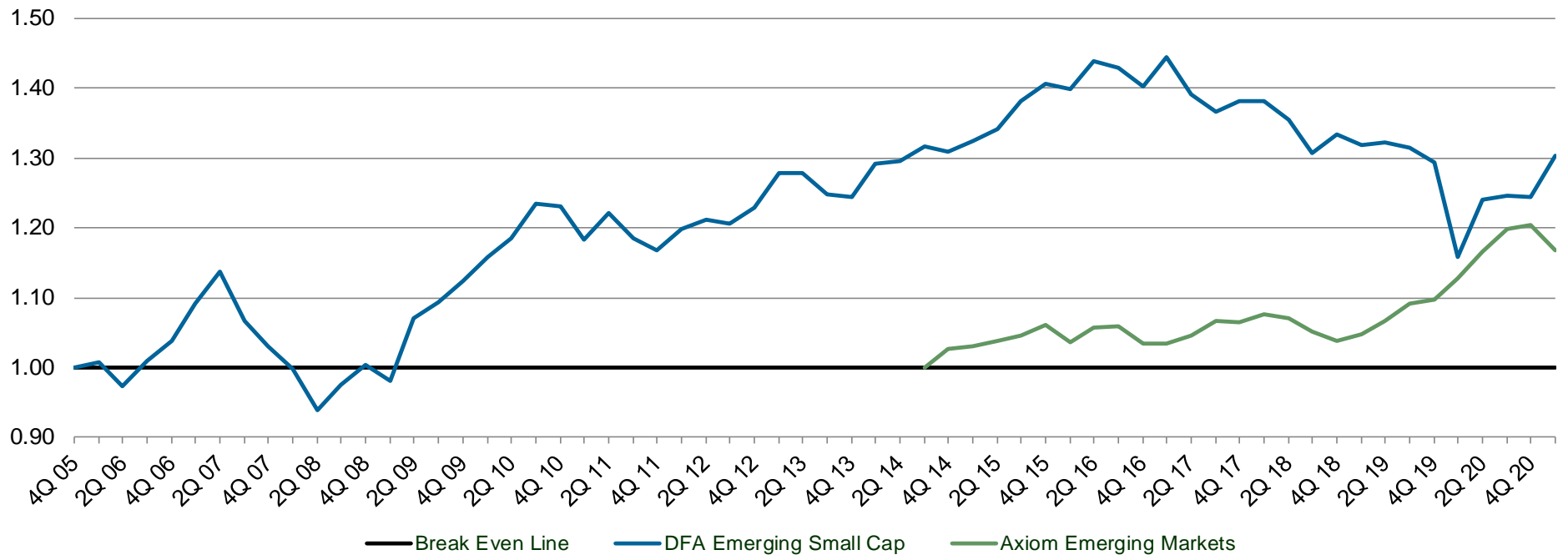
Cumulative Net Relative Return Since Inception, as of March 31, 2021



Fund Name	First Full Quarter of Returns	Cumulative Net Relative Return Since Inception	Benchmark
DFA International Small Cap	Q4 2007	1.03	MSCI World Ex US SC Value
NTGI World Ex US	Q1 2014	1.02	MSCI World Ex US
Wellington	Q1 2002	1.06	BMI, EPAC, <\$2 B
William Blair	Q3 2016	1.25	MSCI ACWI Ex US IMI

Emerging Market Equities

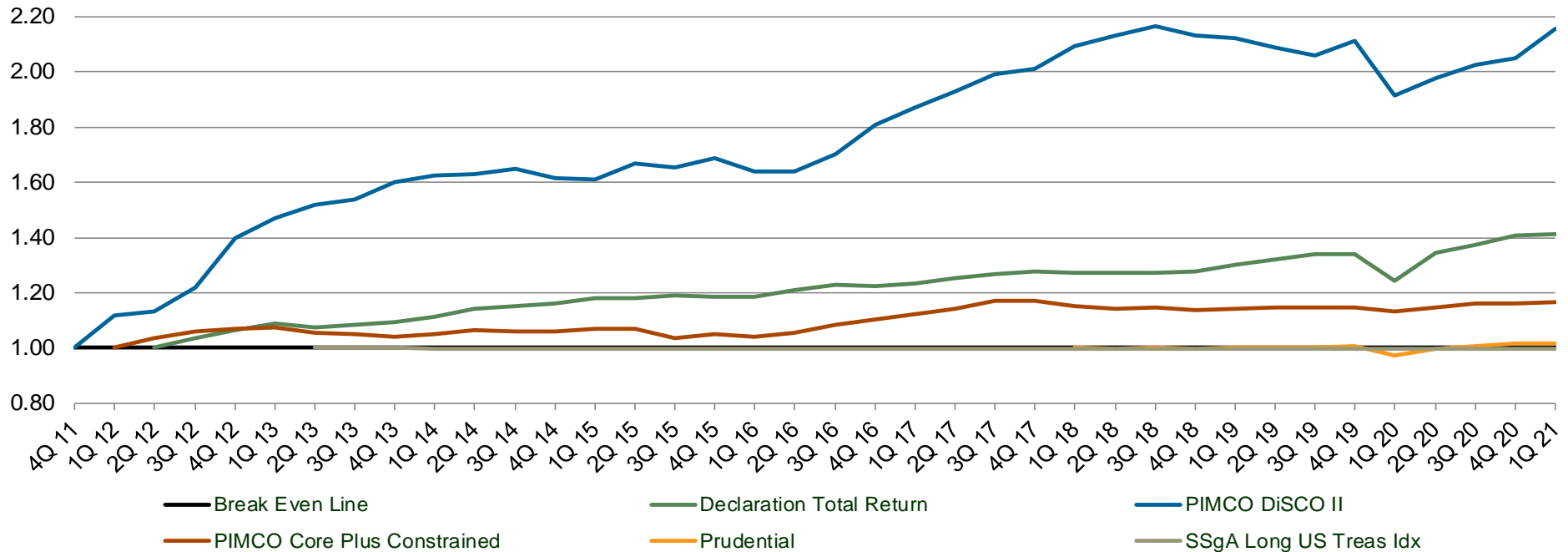
Cumulative Net Relative Return Since Inception, as of March 31, 2021



Fund Name	First Full Quarter of Returns	Cumulative Net Relative Return Since Inception	Benchmark
Axiom Emerging Markets	Q4 2014	1.17	MSCI Emerging Market
DFA Emerging Small Cap	Q1 2006	1.30	MSCI Emerging Market

Investment Grade Fixed Income

Cumulative Net Relative Return Since Inception, as of March 31, 2021

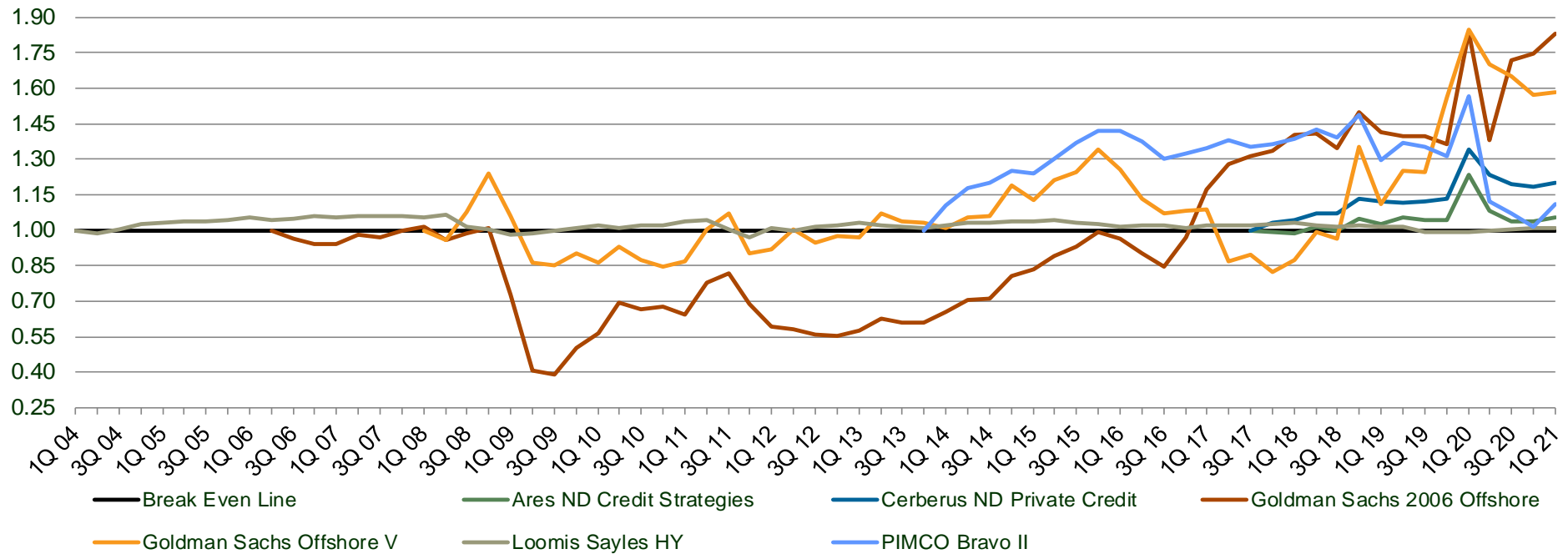


Fund Name	First Full Quarter of Returns	Cumulative Net Relative Return Since Inception	Benchmark
Declaration Total Return	Q3 2012	1.41	3-Month LIBOR
PIMCO DiSCO II	Q1 2012	2.15	Bloomberg Aggregate
PIMCO Core Plus Constrained	Q2 2014	1.17	PIMCO Custom Benchmark
Prudential	Q2 2018	1.02	Bloomberg Aggregate
SSgA Long US Treas Idx	Q3 2013	1.00	Bloomberg Long Treasury

The PIMCO Custom Benchmark reflects the returns of 3-month Libor through Feb. 28, 2014; The fund's performance through March 31, 2014; 3-month Libor through June 30, 2018; and the Blmbg Agg thereafter.

Below Investment Grade Fixed Income

Cumulative Net Relative Return Since Inception, as of March 31, 2021



Fund Name	First Full Quarter of Returns	Cumulative Net Relative Return Since Inception	Benchmark
Ares ND Credit Strategies	Q4 2017	1.06	S&P:LSTA Leveraged Loan B
Cerberus ND Private Credit	Q4 2017	1.20	S&P:LSTA Leveraged Loan B
Goldman Sachs 2006 Offshore	Q3 2006	1.83	Bloomberg: HY Corp 2% Iss Cap
Goldman Sachs Offshore V	Q4 2007	1.58	Bloomberg: HY Corp 2% Iss Cap
Loomis Sayles HY	Q2 2004	1.01	Bloomberg: HY Corp 2% Iss Cap
PIMCO Bravo II	Q1 2014	1.11	Bloomberg: HY Corp 2% Iss Cap

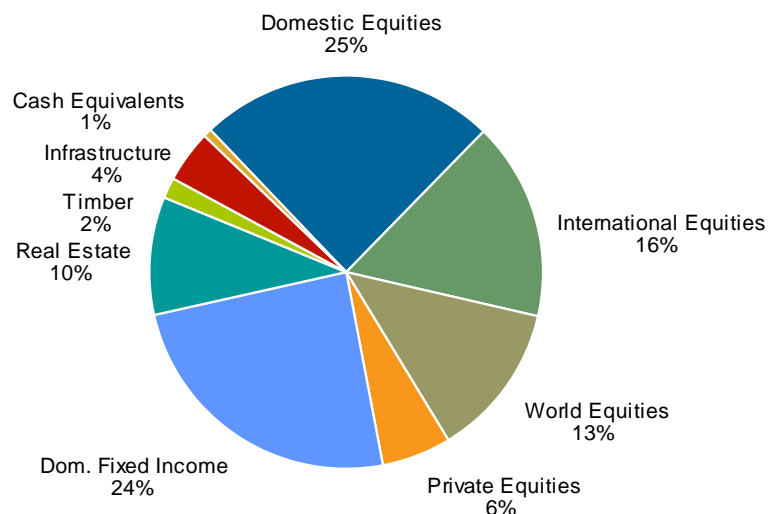
Consolidated Pension Trusts Quarterly Review

- Public Employees Retirement System
- Teachers' Fund for Retirement

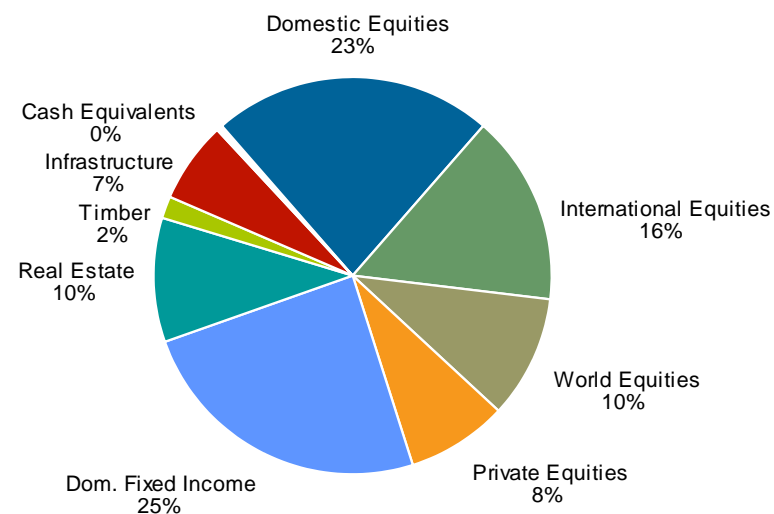
Consolidated Pension Trust Allocation

As of March 31, 2021

Actual Asset Allocation



Target Asset Allocation

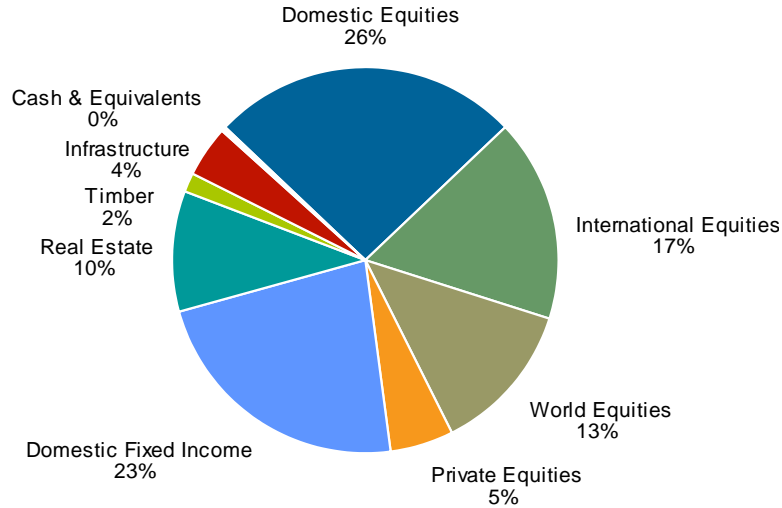


Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equities	1,737,043	24.6%	22.8%	1.8%	128,597
International Equities	1,149,385	16.3%	15.5%	0.8%	53,034
World Equities	894,211	12.7%	10.0%	2.7%	187,458
Private Equities	399,581	5.7%	8.2%	(2.5%)	(180,188)
Dom. Fixed Income	1,729,648	24.5%	24.5%	(0.1%)	(4,191)
Real Estate	685,022	9.7%	10.1%	(0.4%)	(30,290)
Timber	119,097	1.7%	1.7%	0.0%	0
Infrastructure	307,049	4.3%	6.7%	(2.4%)	(169,799)
Cash Equivalents	46,494	0.7%	0.4%	0.2%	15,379
Total	7,067,530	100.0%	100.0%		

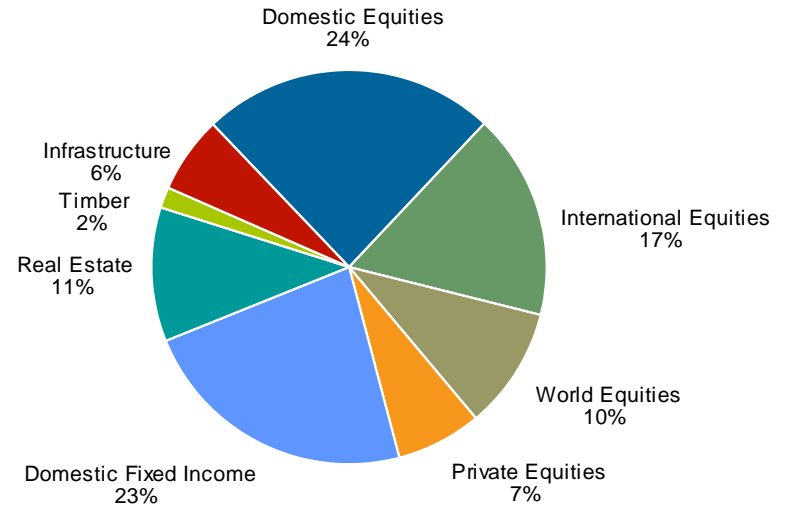
PERS Allocation

As of March 31, 2021

Actual Asset Allocation



Target Asset Allocation

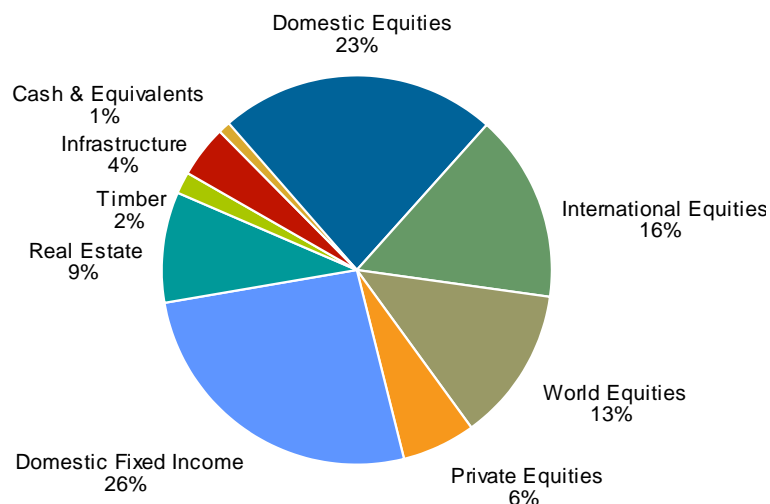


Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equities	974,090	25.8%	24.1%	1.7%	63,049
International Equities	642,648	17.0%	16.9%	0.1%	4,924
World Equities	481,113	12.7%	10.0%	2.7%	103,363
Private Equities	201,446	5.3%	7.0%	(1.7%)	(62,979)
Domestic Fixed Income	860,297	22.8%	23.0%	(0.2%)	(8,527)
Real Estate	380,491	10.1%	11.0%	(0.9%)	(35,034)
Timber	60,226	1.6%	1.6%	0.0%	0
Infrastructure	160,841	4.3%	6.4%	(2.1%)	(81,132)
Cash & Equivalents	16,344	0.4%	0.0%	0.4%	16,344
Total	3,777,498	100.0%	100.0%		

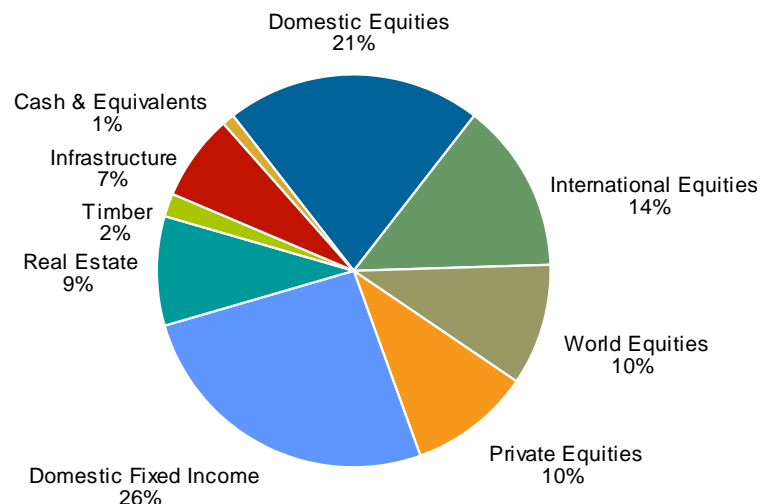
TFFR Allocation

As of March 31, 2021

Actual Asset Allocation



Target Asset Allocation

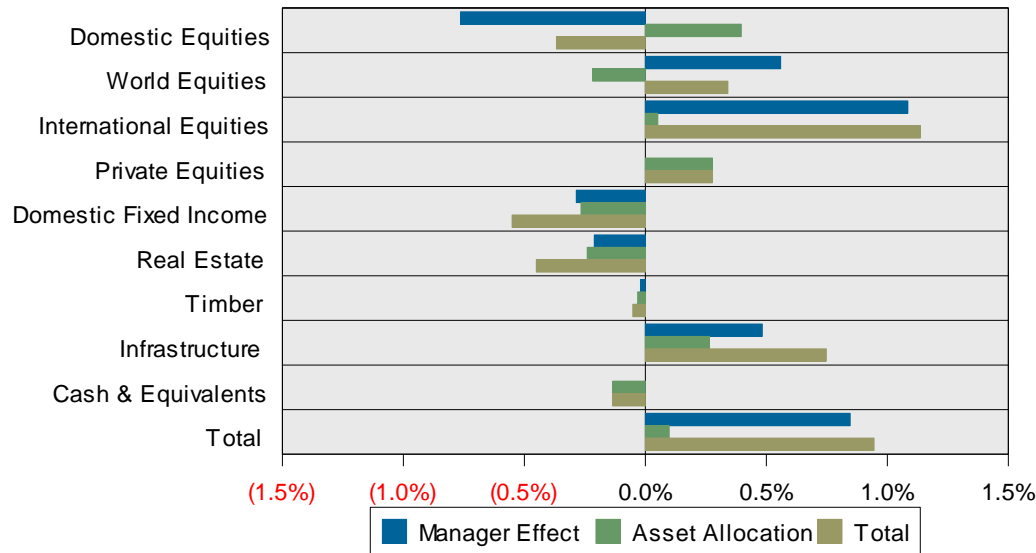


Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equities	703,307	23.2%	21.0%	2.2%	65,603
International Equities	473,733	15.6%	14.0%	1.6%	48,596
World Equities	387,650	12.8%	10.0%	2.8%	83,981
Private Equities	185,395	6.1%	10.0%	(3.9%)	(118,274)
Domestic Fixed Income	794,204	26.2%	26.0%	0.2%	4,665
Real Estate	278,171	9.2%	9.0%	0.2%	4,869
Timber	53,760	1.8%	1.8%	0.0%	0
Infrastructure	131,526	4.3%	7.2%	(2.9%)	(88,016)
Cash & Equivalents	28,944	1.0%	1.0%	(0.0%)	(1,423)
Total	3,036,689	100.0%	100.0%		

PERS Performance and Attribution

As of March 31, 2021

One Year Relative Attribution Effects



Returns for 1 Year Ended 03/31/2021

Return Type	Return (%)
Gross	32.14%
Net of fees	31.83%
Target	31.20%
Net added	0.63%

One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	22%	63.68%	67.61%	(0.76%)	0.40%	(0.37%)
World Equities	14%	14%	59.30%	54.03%	0.56%	(0.22%)	0.34%
International Equities	16%	15%	57.84%	49.02%	1.09%	0.05%	1.14%
Private Equities	5%	7%	19.21%	19.21%	0.00%	0.28%	0.28%
Domestic Fixed Income	24%	23%	6.33%	7.26%	(0.28%)	(0.27%)	(0.55%)
Real Estate	11%	11%	1.18%	2.61%	(0.21%)	(0.24%)	(0.45%)
Timber	2%	2%	0.56%	1.46%	(0.02%)	(0.03%)	(0.05%)
Infrastructure	5%	6%	9.98%	1.74%	0.48%	0.26%	0.75%
Cash & Equivalents	1%	0%	0.20%	0.20%	0.00%	(0.14%)	(0.14%)

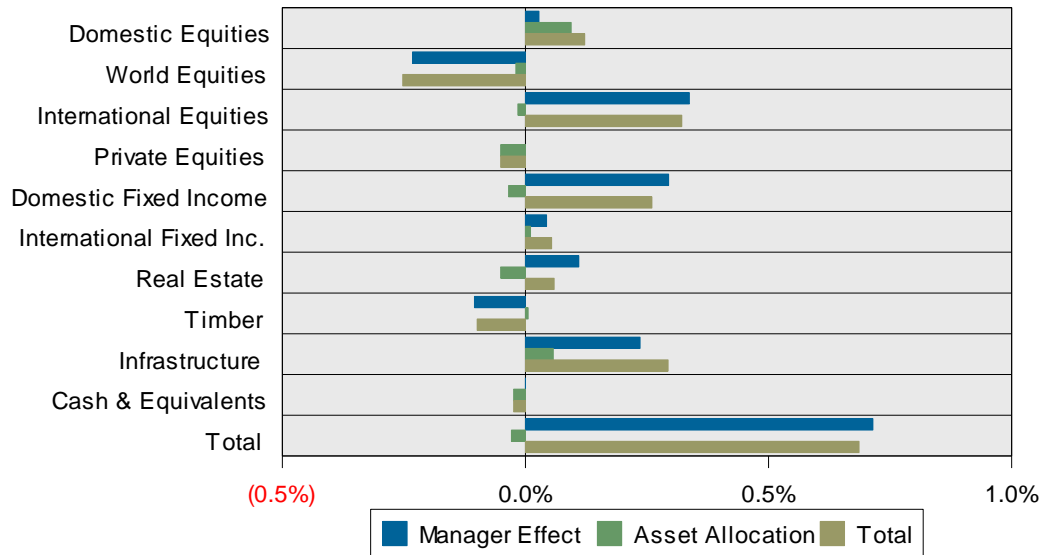
Total 32.14% = 31.20% + 0.85% + 0.10%

0.95%

PERS Performance and Attribution

As of March 31, 2021

Five Year Annualized Relative Attribution Effects



Returns for 5 Years Ended 03/31/2021

Return Type	Return (%)
Gross	10.47%
Net of fees	10.20%
Target	9.78%
Net added	0.42%

Five Year Annualized Relative Attribution Effects

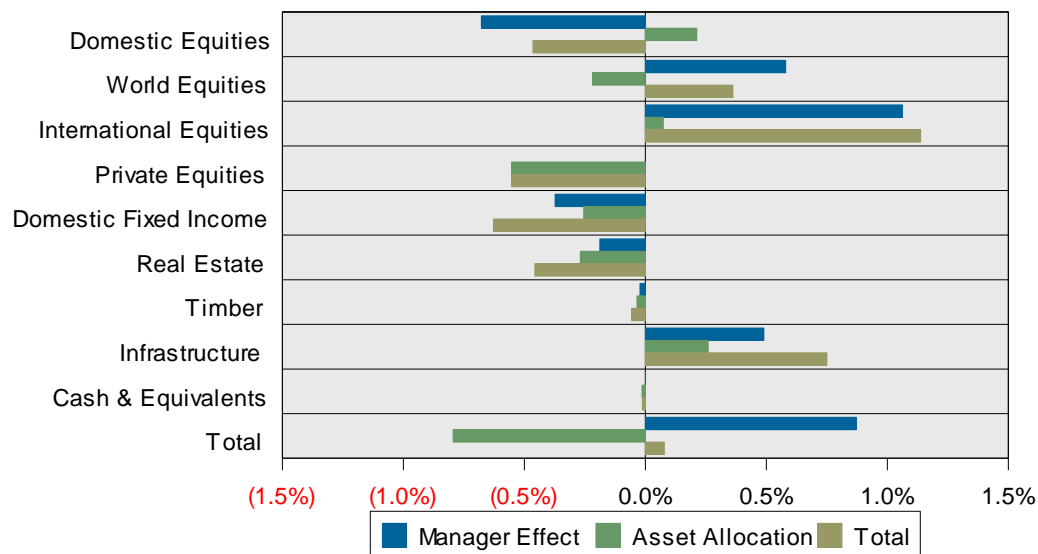
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	21%	16.84%	16.59%	0.03%	0.09%	0.12%
World Equities	16%	16%	11.90%	13.36%	(0.23%)	(0.02%)	(0.25%)
International Equities	16%	15%	11.89%	9.69%	0.34%	(0.02%)	0.32%
Private Equities	4%	7%	9.43%	9.43%	0.00%	(0.05%)	(0.05%)
Domestic Fixed Income	21%	21%	5.97%	4.57%	0.29%	(0.03%)	0.26%
International Fixed Inc.	2%	2%	-	-	0.04%	0.01%	0.05%
Real Estate	11%	11%	6.75%	5.81%	0.11%	(0.05%)	0.06%
Timber	2%	2%	(0.75%)	2.51%	(0.10%)	0.01%	(0.10%)
Infrastructure	5%	6%	7.71%	2.75%	0.24%	0.06%	0.29%
Cash & Equivalents	1%	0%	1.24%	1.23%	0.00%	(0.02%)	(0.02%)

Total 10.47% = 9.78% + 0.71% + (0.03%) 0.69%

TFFR Performance and Attribution

As of March 31, 2021

One Year Relative Attribution Effects



Returns for 1 Year Ended 03/31/2021

Return Type	Return (%)
Gross	31.55%
Net of fees	31.25%
Target	31.47%
Net added	-0.22%

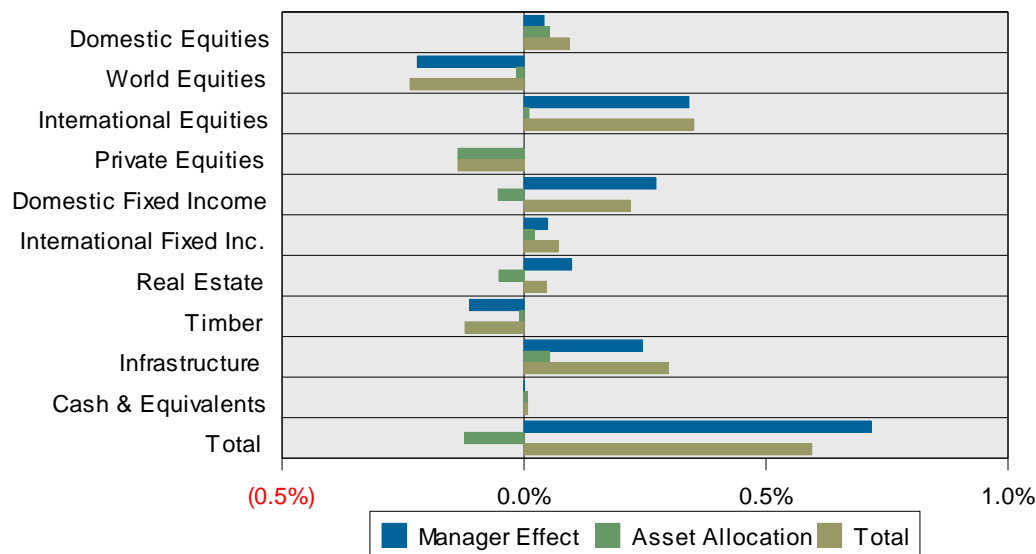
One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	22%	21%	63.69%	67.50%	(0.68%)	0.21%	(0.46%)
World Equities	14%	14%	59.30%	54.03%	0.58%	(0.22%)	0.36%
International Equities	15%	14%	57.11%	48.48%	1.06%	0.07%	1.14%
Private Equities	5%	7%	19.21%	19.21%	0.00%	(0.55%)	(0.55%)
Domestic Fixed Income	25%	24%	6.07%	7.28%	(0.37%)	(0.25%)	(0.63%)
Real Estate	10%	10%	1.17%	2.61%	(0.19%)	(0.27%)	(0.46%)
Timber	2%	2%	0.56%	1.46%	(0.02%)	(0.03%)	(0.06%)
Infrastructure	5%	6%	9.98%	1.74%	0.49%	0.26%	0.75%
Cash & Equivalents	1%	1%	0.21%	0.12%	0.00%	(0.01%)	(0.01%)
Total			31.55%	31.47%	+ 0.87%	+ (0.79%)	0.08%

TFFR Performance and Attribution

As of March 31, 2021

Five Year Annualized Relative Attribution Effects



Returns for 5 Years Ended 03/31/2021

Return Type	Return (%)
Gross	10.33%
Net of fees	10.07%
Target	9.74%
Net added	0.33%

Five Year Annualized Relative Attribution Effects

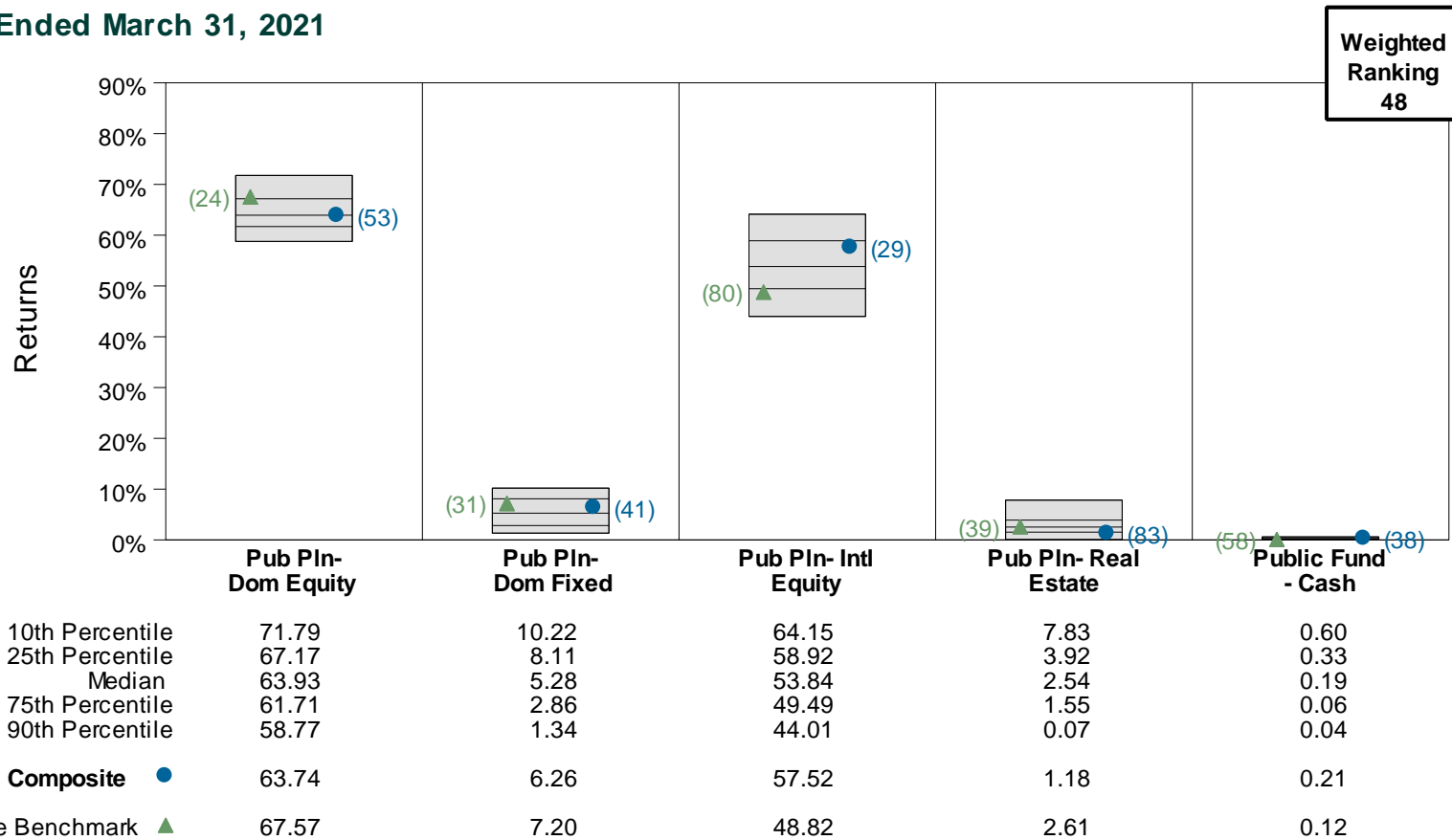
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	21%	16.88%	16.62%	0.04%	0.05%	0.09%
World Equities	16%	16%	11.90%	13.36%	(0.22%)	(0.02%)	(0.24%)
International Equities	16%	15%	11.75%	9.53%	0.34%	0.01%	0.35%
Private Equities	4%	6%	9.42%	9.42%	0.00%	(0.14%)	(0.14%)
Domestic Fixed Income	21%	21%	5.79%	4.44%	0.27%	(0.05%)	0.22%
International Fixed Inc.	2%	2%	-	-	0.05%	0.02%	0.07%
Real Estate	10%	10%	6.75%	5.81%	0.10%	(0.05%)	0.05%
Timber	2%	3%	(0.75%)	2.51%	(0.11%)	(0.01%)	(0.12%)
Infrastructure	5%	6%	7.71%	2.75%	0.24%	0.05%	0.30%
Cash & Equivalents	1%	1%	1.24%	1.19%	0.00%	0.01%	0.01%

Total 10.33% = 9.74% + 0.72% + (0.12%) 0.59%

Asset Class Composite Results

Consolidated Pension Trust Asset Class Results vs. Other Public Pension Funds

Total Asset Class Performance One Year Ended March 31, 2021

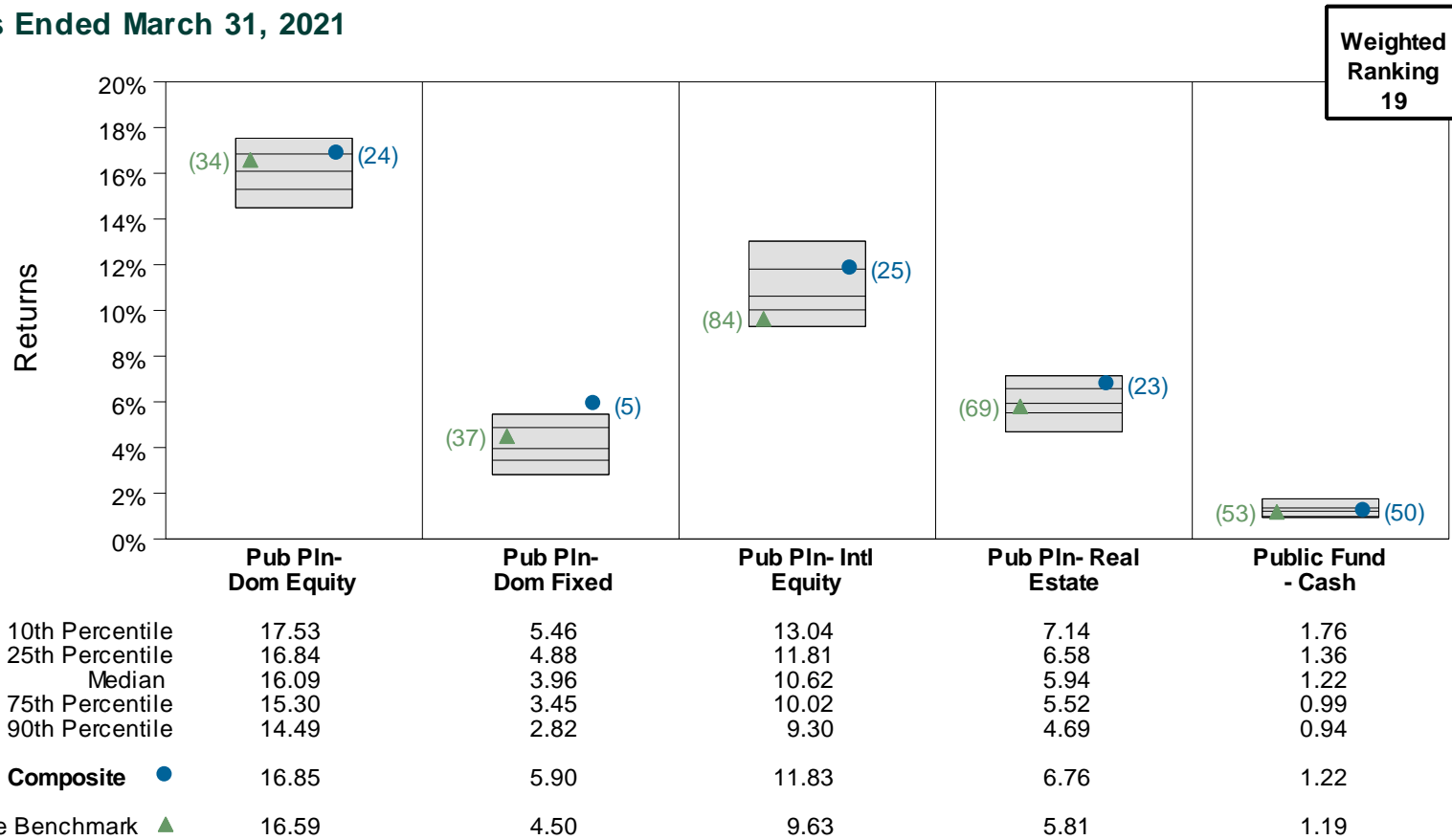


- Domestic and international equity allocations continued to drive absolute returns over the trailing 12 months.
- International equity and domestic fixed income outperformed their respective peer group medians.

Asset Class Composite Results

Consolidated Pension Trust Asset Class Results vs. Other Public Pension Funds

Total Asset Class Performance Five Years Ended March 31, 2021



- All asset classes outperformed their respective benchmarks over the trailing five years.
- All asset classes ranked in the top quartile over the trailing five years.

Callan

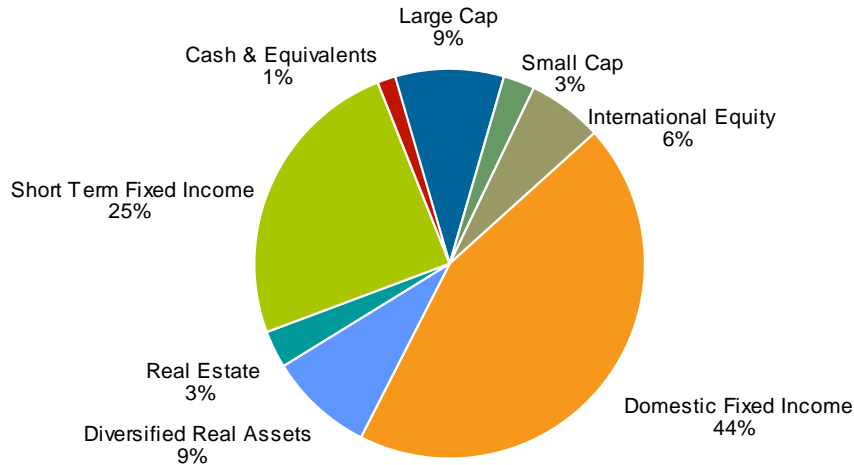
Consolidated Insurance Trust Quarterly Review

- Workforce Safety and Insurance Legacy Fund
- Budget Stabilization Fund

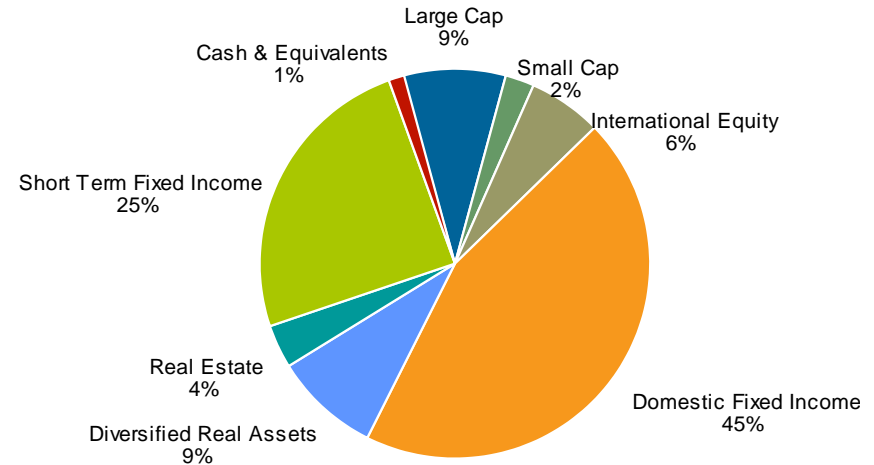
Consolidated Insurance Trust Allocation

As of March 31, 2021

Actual Asset Allocation



Target Asset Allocation

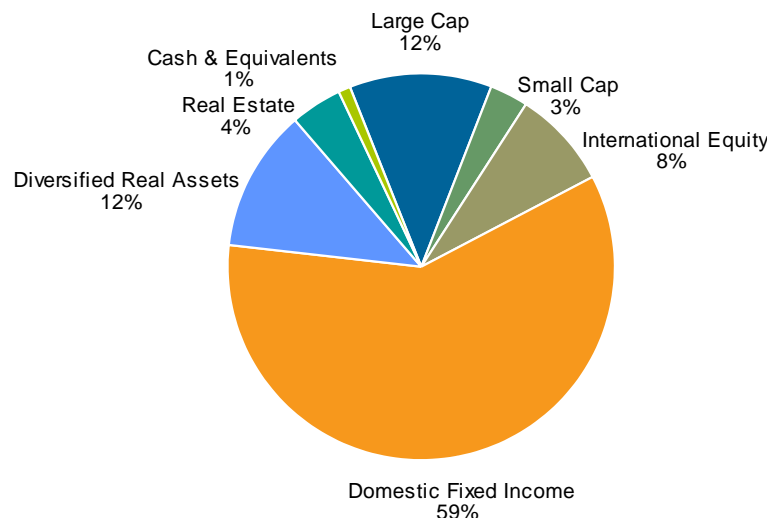


Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap	285,839	9.1%	8.5%	0.6%	19,642
Small Cap	80,924	2.6%	2.4%	0.2%	5,177
International Equity	194,261	6.2%	6.1%	0.1%	4,212
Domestic Fixed Income	1,381,538	44.2%	44.5%	(0.4%)	(11,272)
Diversified Real Assets	271,048	8.7%	8.7%	(0.1%)	(2,250)
Real Estate	96,500	3.1%	3.6%	(0.5%)	(15,587)
Short Term Fixed Income	771,386	24.7%	24.7%	0.0%	0
Cash & Equivalents	46,728	1.5%	1.5%	0.0%	79
Total	3,128,224	100.0%	100.0%		

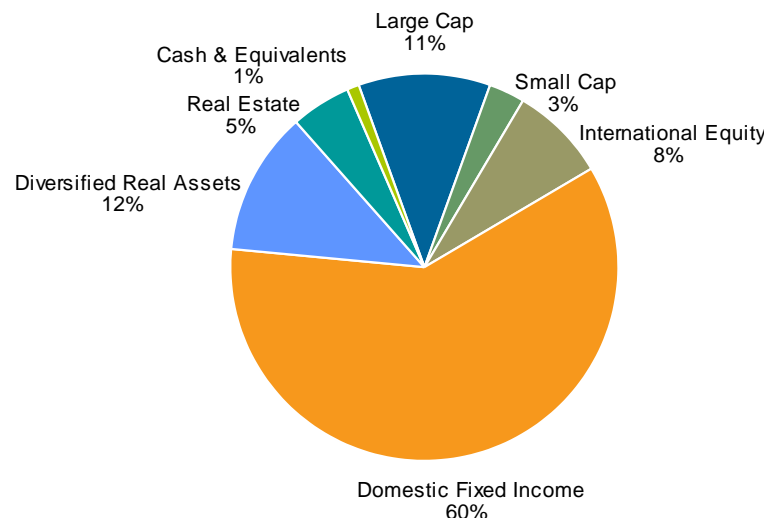
WSI Allocation

As of March 31, 2021

Actual Asset Allocation



Target Asset Allocation

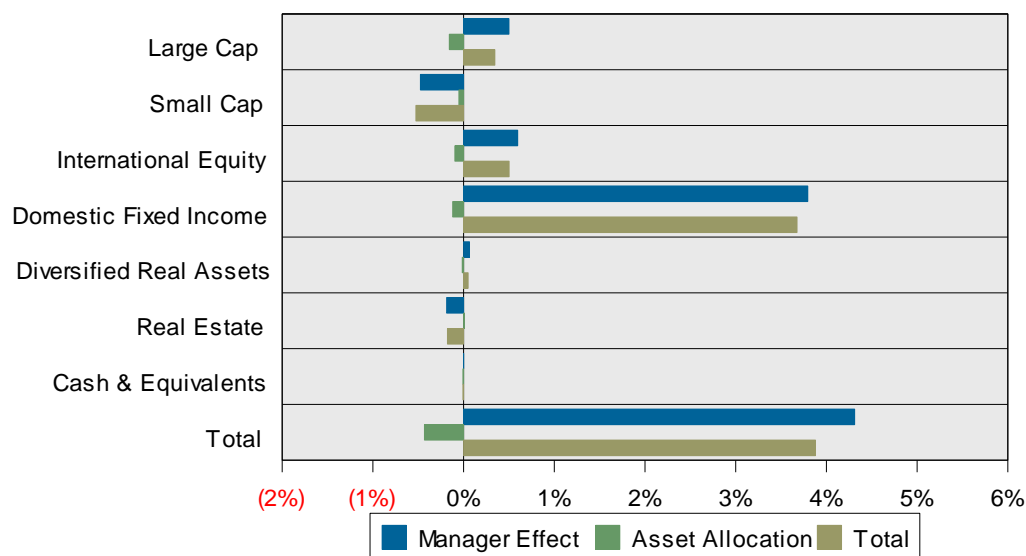


Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap	265,668	11.9%	11.0%	0.9%	19,534
Small Cap	72,261	3.2%	3.0%	0.2%	5,133
International Equity	183,301	8.2%	8.0%	0.2%	4,294
Domestic Fixed Income	1,331,342	59.5%	60.0%	(0.5%)	(11,210)
Diversified Real Assets	266,265	11.9%	12.0%	(0.1%)	(2,245)
Real Estate	96,292	4.3%	5.0%	(0.7%)	(15,587)
Cash & Equivalents	22,457	1.0%	1.0%	0.0%	81
Total	2,237,586	100.0%	100.0%		

WSI Performance and Attribution

As of March 31, 2021

One Year Relative Attribution Effects



Returns for 1 Year Ended 03/31/2021

Return Type	Return (%)
Gross	16.32%
Net of fees	16.12%
Target	12.44%
Net added	3.68%

One Year Relative Attribution Effects

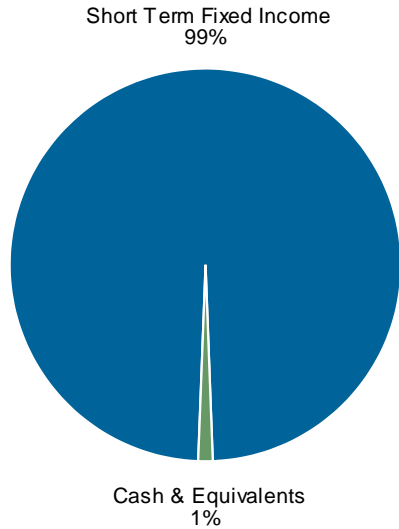
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	11%	11%	67.03%	60.59%	0.50%	(0.16%)	0.34%
Small Cap	3%	3%	72.02%	94.85%	(0.47%)	(0.05%)	(0.52%)
International Equity	8%	8%	56.26%	45.86%	0.60%	(0.09%)	0.50%
Domestic Fixed Income	61%	60%	6.40%	0.71%	3.80%	(0.12%)	3.68%
Diversified Real Assets	12%	12%	5.45%	4.91%	0.07%	(0.01%)	0.05%
Real Estate	5%	5%	(1.27%)	2.61%	(0.19%)	0.01%	(0.18%)
Cash & Equivalents	1%	1%	0.11%	0.12%	(0.00%)	(0.01%)	(0.01%)

Total **16.32% = 12.44% + 4.31% + (0.43%)** **3.88%**

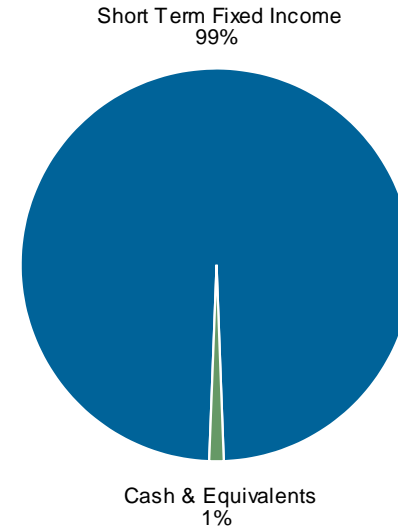
Budget Stabilization Fund Allocation

As of March 31, 2021

Actual Asset Allocation



Target Asset Allocation

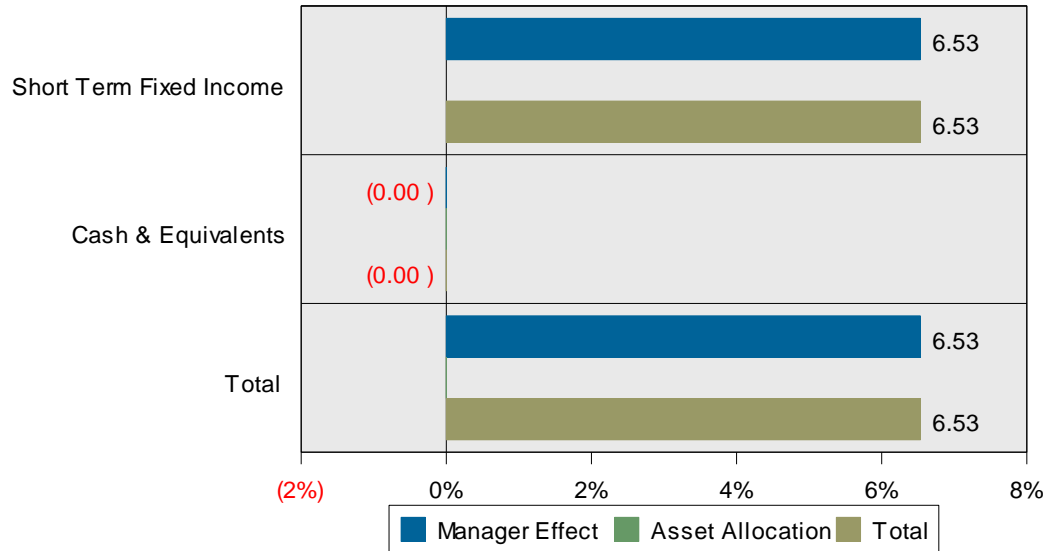


Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Short Term Fixed Income	742,047	98.7%	99.2%	(0.5%)	(3,909)
Cash & Equivalents	9,849	1.3%	0.8%	0.5%	3,909
Total	751,896	100.0%	100.0%		

Budget Stabilization Fund Performance and Attribution

As of March 31, 2021

One Year Relative Attribution Effects



Returns for 1 Year Ended 03/31/2021

Return Type	Return (%)
Gross	8.09%
Net of fees	7.99%
Target	1.56%
Net added	6.43%

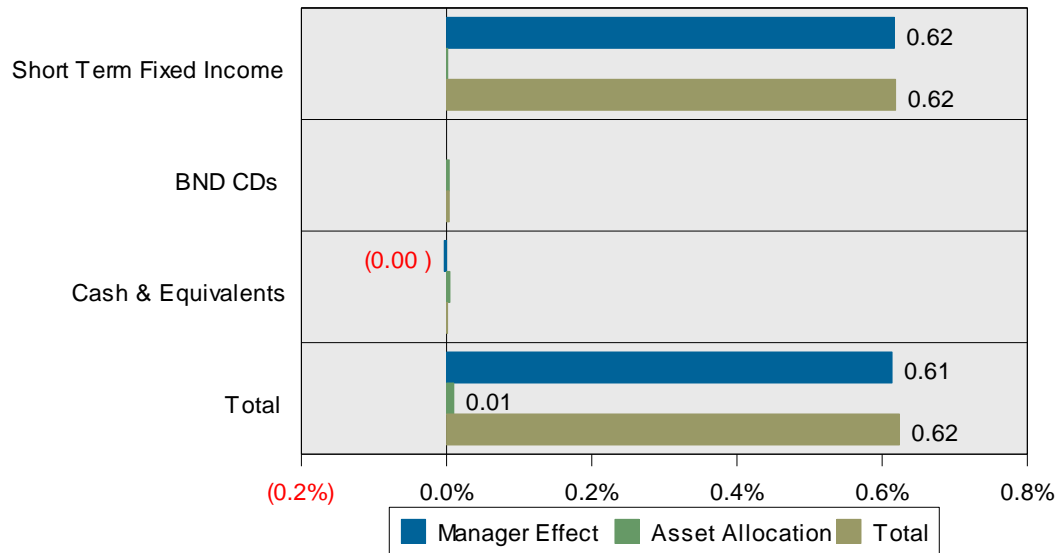
One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Short Term Fixed Income	99%	99%	8.18%	1.57%	6.53%	0.00%	6.53%
Cash & Equivalents	1%	1%	0.11%	0.12%	(0.00)%	0.00%	(0.00)%
Total			8.09%	1.56%	+ 6.53%	+ 0.00%	6.53%

Budget Stabilization Fund Performance and Attribution

As of March 31, 2021

Five Year Annualized Relative Attribution Effects



Returns for 5 Years Ended 03/31/2021

Return Type	Return (%)
Gross	2.60%
Net of fees	2.44%
Target	1.97%
Net added	0.47%

Five Year Annualized Relative Attribution Effects

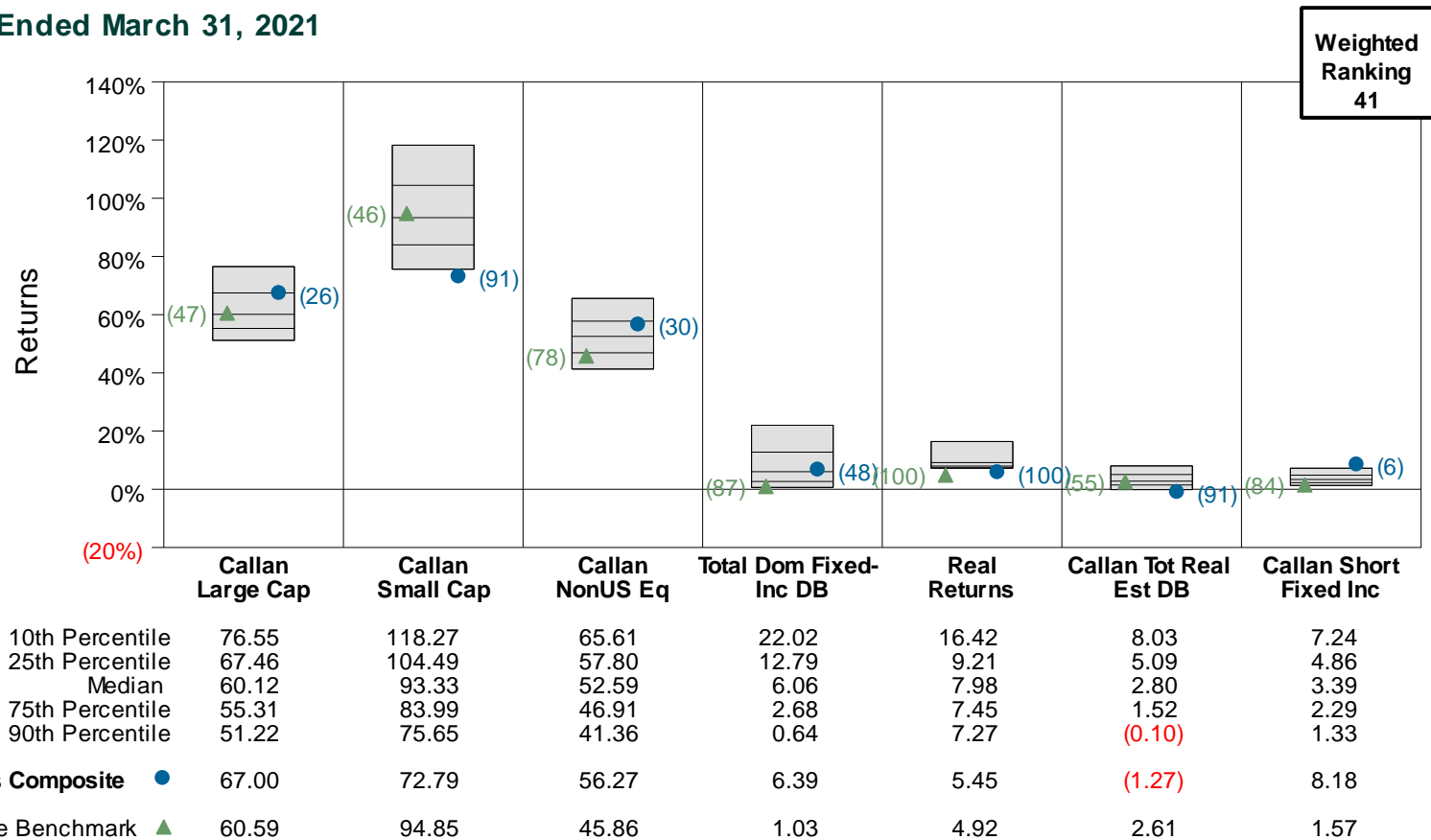
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Short Term Fixed Income	94%	94%	2.58%	1.91%	0.62%	0.00%	0.62%
BND CDs	3%	3%	-	-	0.00%	0.00%	0.00%
Cash & Equivalents	3%	3%	1.05%	1.19%	(0.00%)	0.00%	0.00%

Total **2.60% = 1.97% + 0.61% + 0.01%** **0.62%**

Asset Class Composite Results

Consolidated Insurance Trust Asset Class Results vs. Callan Style Groups

Total Asset Class Performance
One Year Ended March 31, 2021

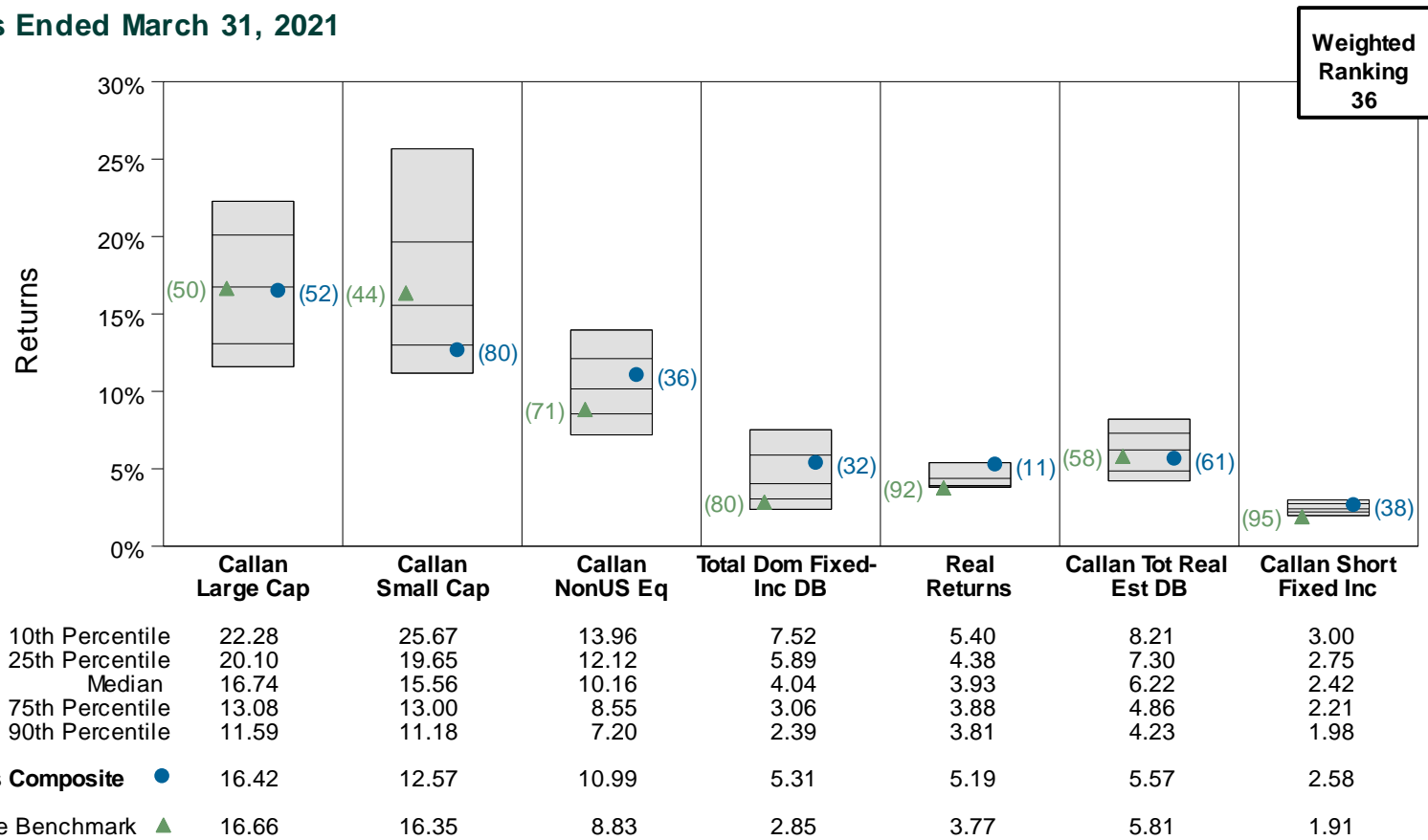


- U.S. large cap equity, non-U.S. equity, and fixed income allocations notably outperformed their benchmarks, while small cap equity trailed on a relative basis.
- Real returns, small cap equity, and real estate underperformed the peer median.

Asset Class Composite Results

Consolidated Insurance Trust Asset Class Results vs. Callan Style Groups

Total Asset Class Performance
Five Years Ended March 31, 2021



- U.S. LC equity, U.S. SC equity and real estate underperformed their benchmarks over the trailing 5-year period.
- Real returns ranked in the top quartile, while international equity, fixed income, and short-term fixed income ranked above median.

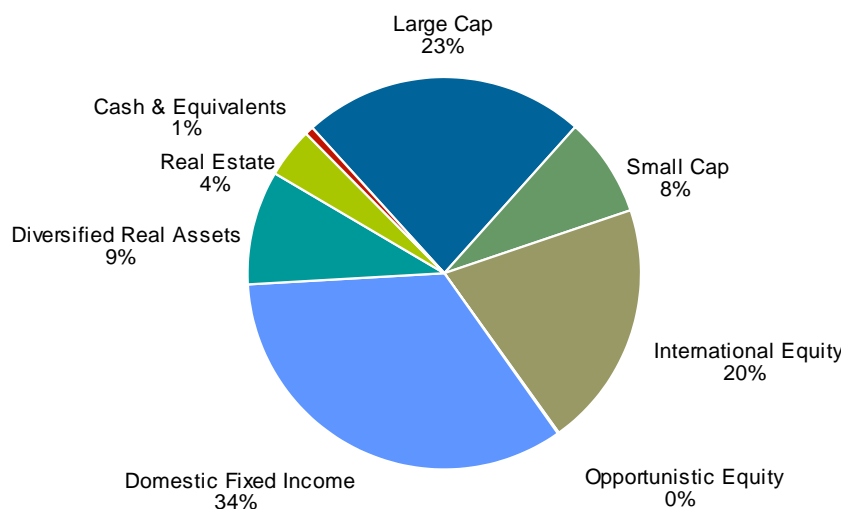
Callan

Legacy Fund Quarterly Review

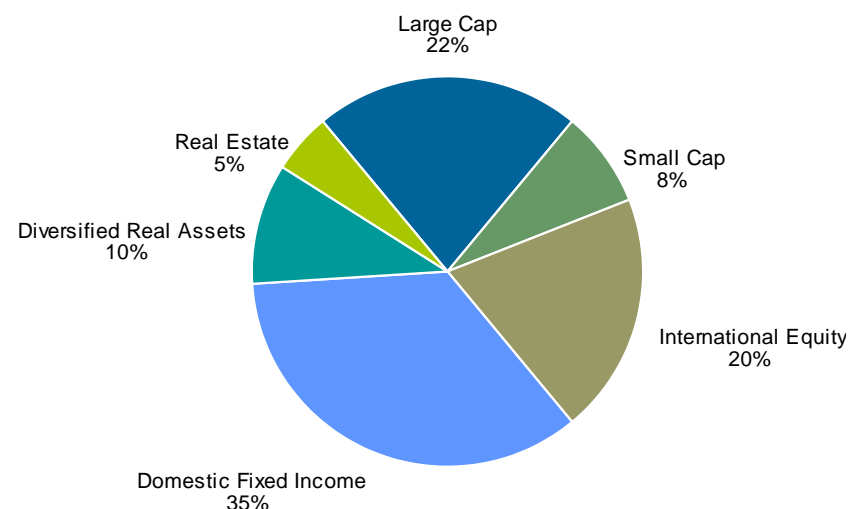
Legacy Fund Allocation

As of March 31, 2021

Actual Asset Allocation



Target Asset Allocation

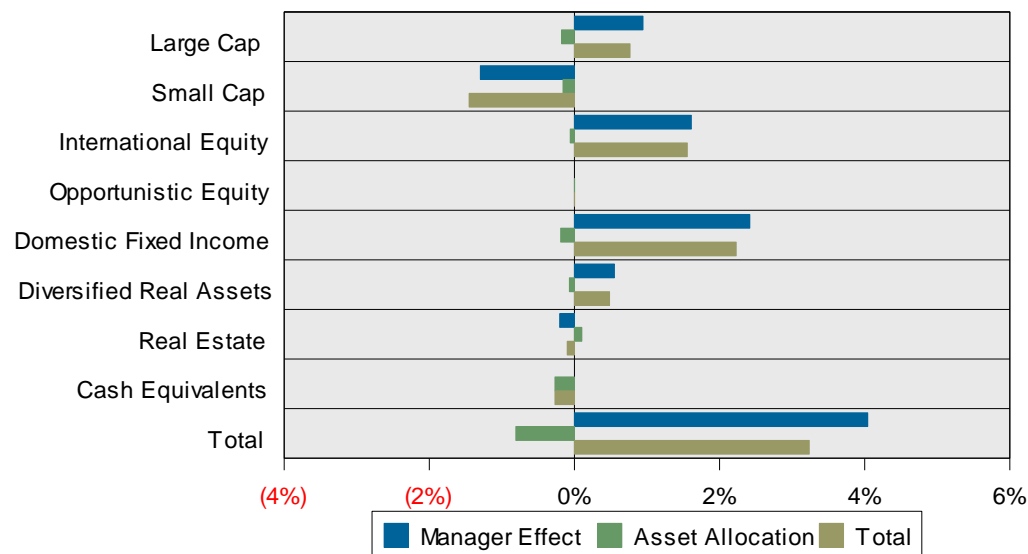


Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap	1,966,677	23.3%	22.0%	1.3%	112,973
Small Cap	687,102	8.2%	8.0%	0.2%	13,028
International Equity	1,712,112	20.3%	20.0%	0.3%	26,926
Opportunistic Equity	11,494	0.1%	0.0%	0.1%	11,494
Domestic Fixed Income	2,855,205	33.9%	35.0%	(1.1%)	(93,869)
Diversified Real Assets	792,597	9.4%	10.0%	(0.6%)	(49,996)
Real Estate	345,009	4.1%	5.0%	(0.9%)	(76,288)
Cash & Equivalents	55,731	0.7%	0.0%	0.7%	55,731
Total	8,425,927	100.0%	100.0%		

Legacy Performance and Attribution

As of March 31, 2021

One Year Relative Attribution Effects



Returns for 1 Year Ended 03/31/2021

Return Type	Return (%)
Gross	31.28%
Net of fees	31.01%
Target	28.04%
Net added	2.97%

One Year Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	22%	22%	65.94%	60.59%	0.95%	(0.18%)	0.77%
Small Cap	8%	8%	73.30%	94.85%	(1.30%)	(0.16%)	(1.45%)
International Equity	20%	20%	55.65%	45.86%	1.61%	(0.06%)	1.56%
Opportunistic Equity	0%	0%	-	-	0.00%	0.00%	0.00%
Domestic Fixed Income	35%	35%	6.28%	0.71%	2.42%	(0.19%)	2.23%
Diversified Real Assets	10%	10%	9.72%	4.99%	0.55%	(0.07%)	0.48%
Real Estate	4%	5%	(1.25%)	2.61%	(0.20%)	0.10%	(0.10%)
Cash Equivalents	1%	0%	0.10%	0.10%	0.00%	(0.27%)	(0.27%)

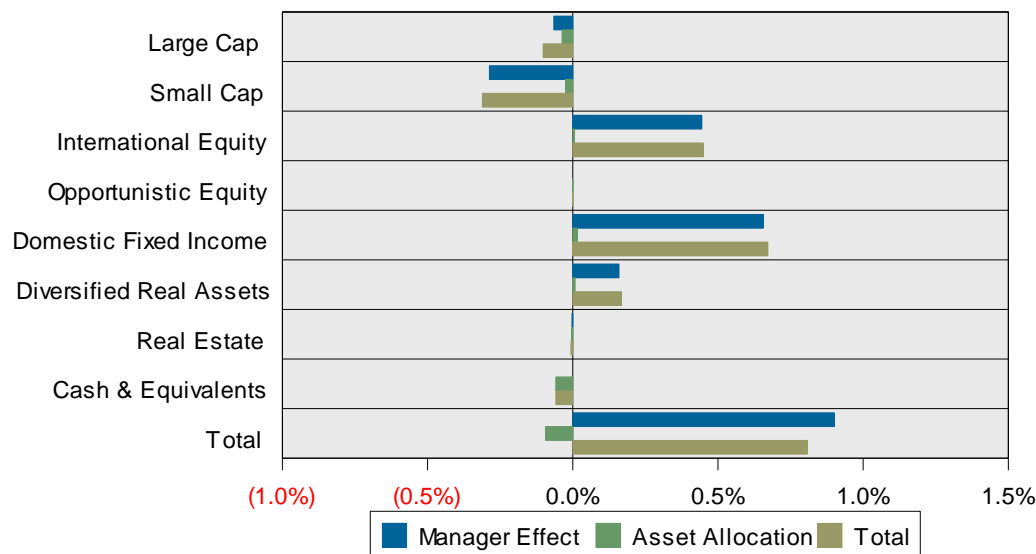
Total 31.28% = 28.04% + 4.04% + (0.81%)

3.24%

Legacy Performance and Attribution

As of March 31, 2021

Five Year Annualized Relative Attribution Effects



Returns for 5 Years Ended 03/31/2021

Return Type	Return (%)
Gross	9.56%
Net of fees	9.34%
Target	8.76%
Net added	0.58%

Five Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	22%	22%	16.29%	16.66%	(0.07%)	(0.04%)	(0.10%)
Small Cap	8%	8%	12.81%	16.35%	(0.29%)	(0.02%)	(0.31%)
International Equity	20%	20%	10.98%	8.83%	0.44%	0.01%	0.45%
Opportunistic Equity	0%	0%	-	-	0.00%	0.00%	0.00%
Domestic Fixed Income	35%	35%	5.07%	3.10%	0.66%	0.02%	0.67%
Diversified Real Assets	10%	10%	5.37%	3.75%	0.16%	0.01%	0.17%
Real Estate	5%	5%	5.52%	5.81%	(0.00%)	(0.00%)	(0.01%)
Cash & Equivalents	1%	0%	1.05%	1.05%	0.00%	(0.06%)	(0.06%)

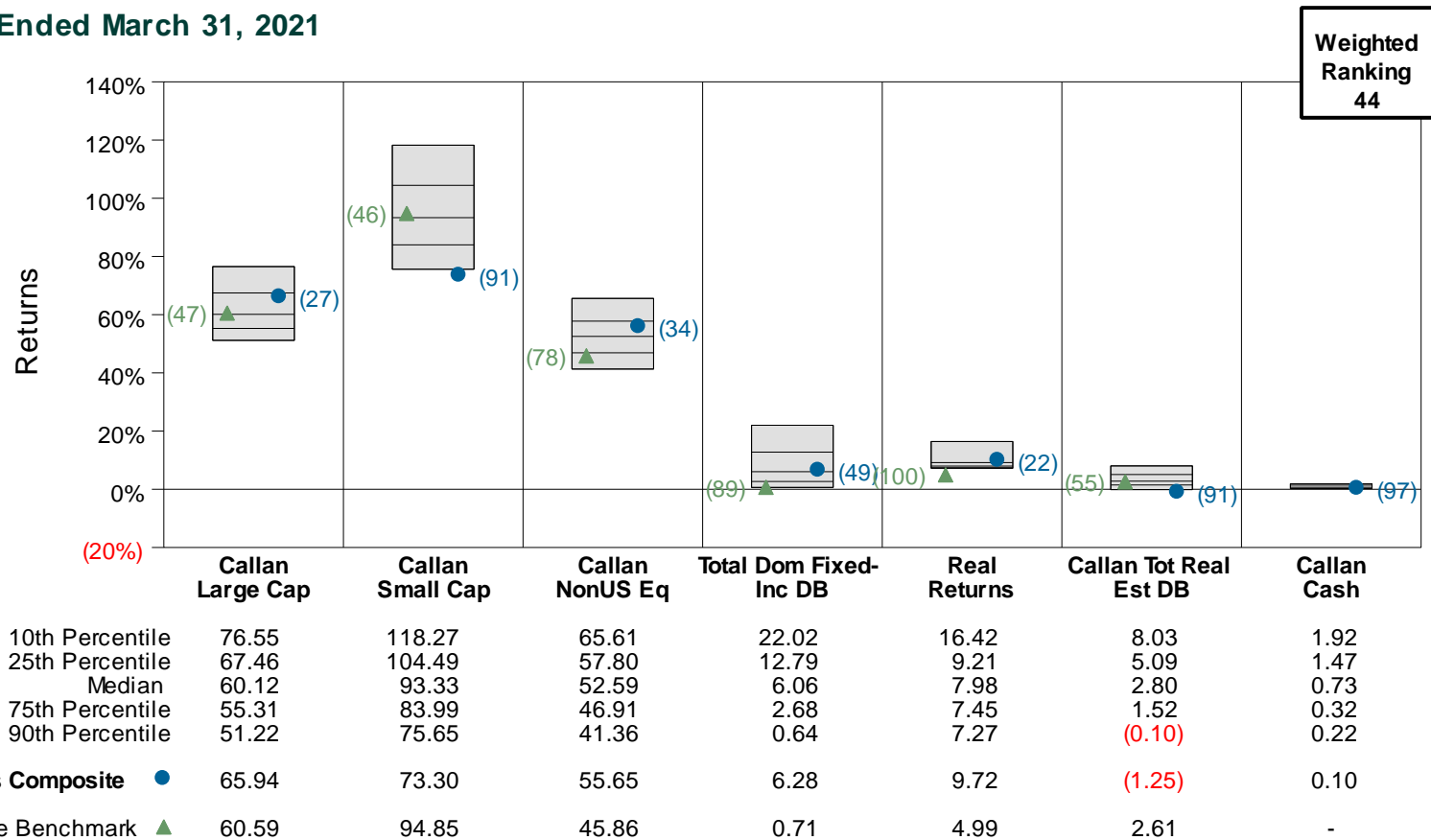
Total **9.56% = 8.76% + 0.90% + (0.09%)**

0.81%

Asset Class Composite Results

Legacy Fund Asset Class Results vs. Callan Style Groups

Total Asset Class Performance
One Year Ended March 31, 2021

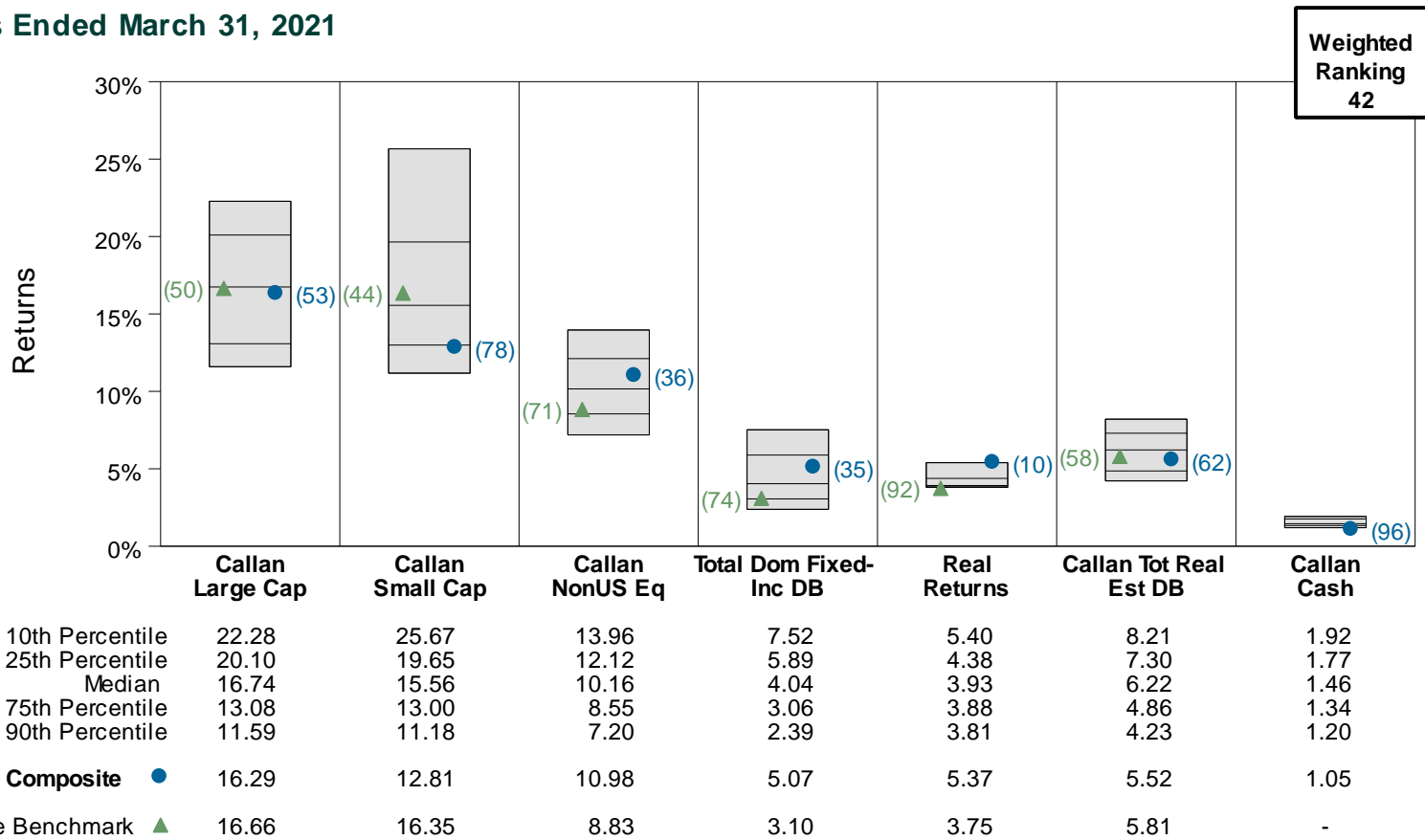


- Non-U.S. equity significantly outperformed its benchmark. U.S. LC equity, real returns and fixed income also outperformed. U.S. SC equity significantly underperformed.
- U.S SC equity and real estate were the only asset classes to underperform the peer median.

Asset Class Composite Results

Legacy Fund Asset Class Results vs. Callan Style Groups

Total Asset Class Performance
Five Years Ended March 31, 2021



- Non-U.S. equities, domestic fixed income, and real returns all beat their respective benchmarks over the past five years.
- Real returns ranked in the top decile, while non-U.S. equity ranked above median.

Callan

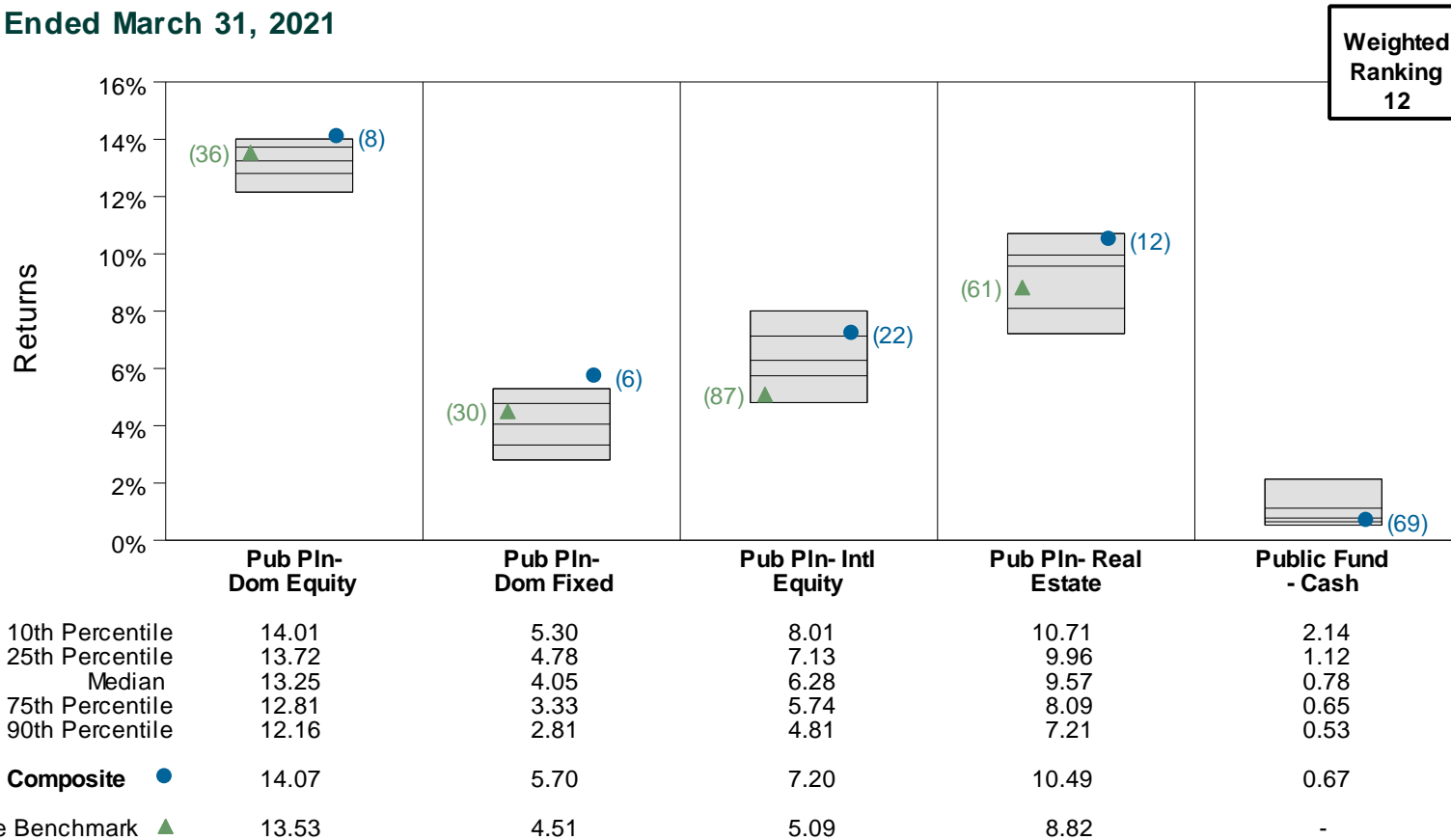
Appendix A

Consolidated Asset Class Rankings

Asset Class Composite Results

PERS' Asset Class Results vs. Other Public Pension Funds

Total Asset Class Performance Ten Years Ended March 31, 2021

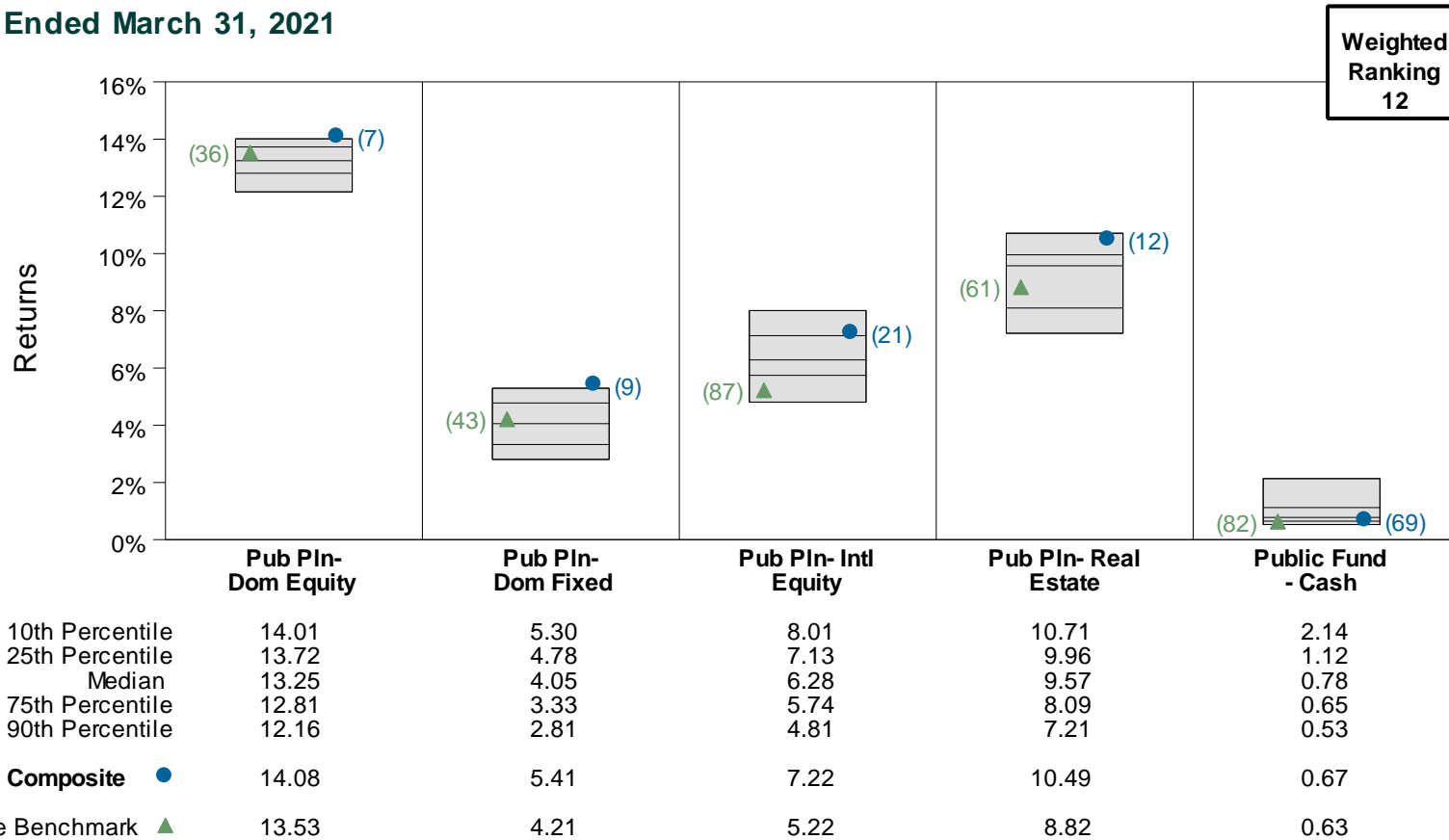


- All asset classes have outperformed their benchmarks and performed in the top quartile over the last 10 years (excluding cash).
- Domestic equity and fixed income ranked in the top decile over the period.

Asset Class Composite Results

TFFR's Asset Class Results vs. Other Public Pension Funds

Total Asset Class Performance Ten Years Ended March 31, 2021

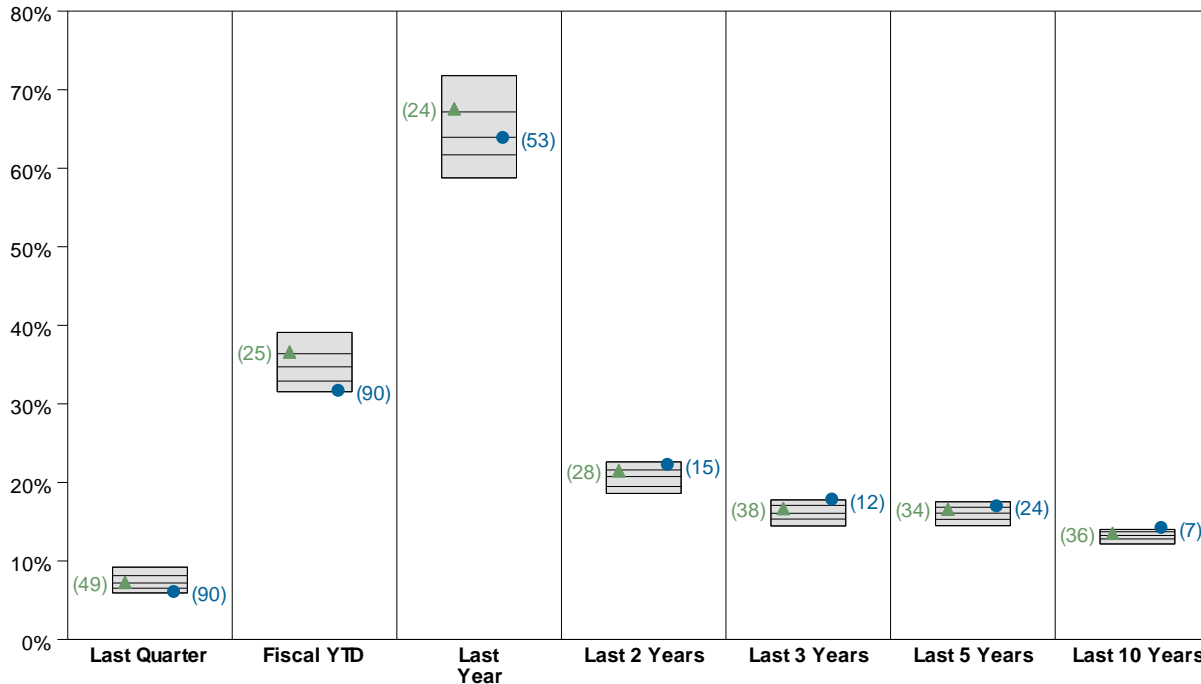


- All asset classes have outperformed their benchmarks over the last 10 years.
- With the exception of cash, all asset classes have ranked in the top quartile over the period.

Consolidated Pension Trust: Domestic Equity

As of March 31, 2021

Performance vs Public Fund - Domestic Equity (Gross)



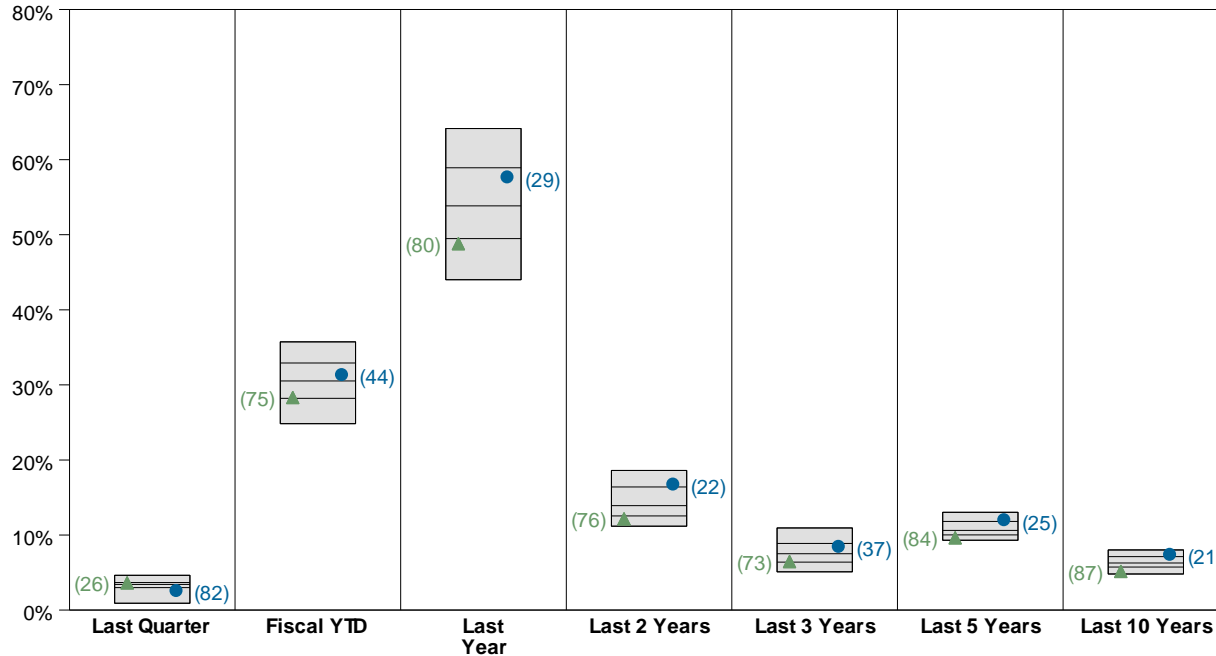
10th Percentile	9.22	39.10	71.79	22.62	17.77	17.53	14.01
25th Percentile	8.13	36.39	67.17	21.59	17.07	16.84	13.72
Median	7.19	34.71	63.93	20.75	16.07	16.09	13.25
75th Percentile	6.53	32.89	61.71	19.48	15.33	15.30	12.81
90th Percentile	5.93	31.54	58.77	18.59	14.46	14.49	12.16
Domestic Equities ●	5.94	31.54	63.74	22.12	17.70	16.85	14.11
Domestic Equity Target ▲	7.28	36.62	67.57	21.48	16.68	16.59	13.53

- The domestic equity composite underperformed the benchmark over shorter periods, but has outperformed over longer horizons.
- NDSIB's domestic equity portfolio has benefitted from a meaningful growth tilt versus other Public Pension Funds.

Consolidated Pension Trust: International Equity

As of March 31, 2021

Performance vs Public Fund - International Equity (Gross)



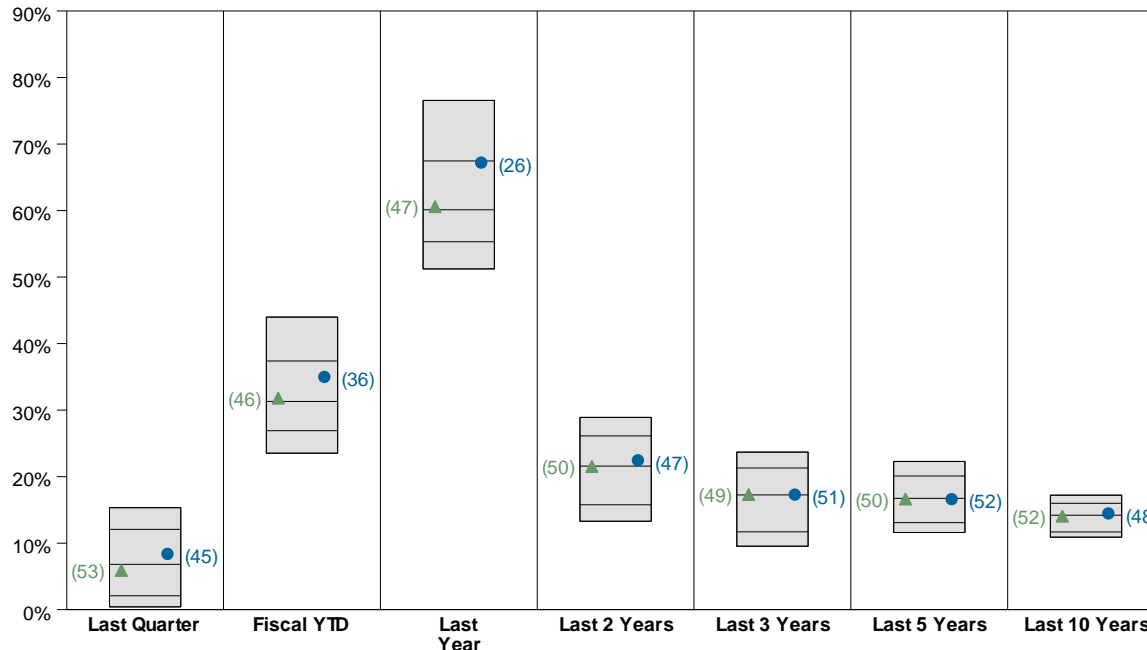
10th Percentile	4.64	35.73	64.15	18.61	10.94	13.04	8.01	
25th Percentile	3.67	32.91	58.92	16.41	8.88	11.81	7.13	
Median	3.43	30.52	53.84	13.91	7.51	10.62	6.28	
75th Percentile	3.00	28.21	49.49	12.54	6.40	10.02	5.74	
90th Percentile	0.91	24.84	44.01	11.17	5.11	9.30	4.81	
International Equities	●	2.42	31.18	57.52	16.58	8.30	11.83	7.23
International Equity Target	▲	3.63	28.33	48.82	12.16	6.48	9.63	5.17

- NDSIB's international equity outperformed the benchmark over all periods one-year and longer.
- The portfolio has performed in the top quartile over the five- and ten-year periods.
- NDSIB's international equity portfolio also benefits from a growth tilt versus other Public Pension Funds.

Consolidated Insurance Trust: Large Cap Equity

As of March 31, 2021

Performance vs Callan Large Capitalization (Gross)



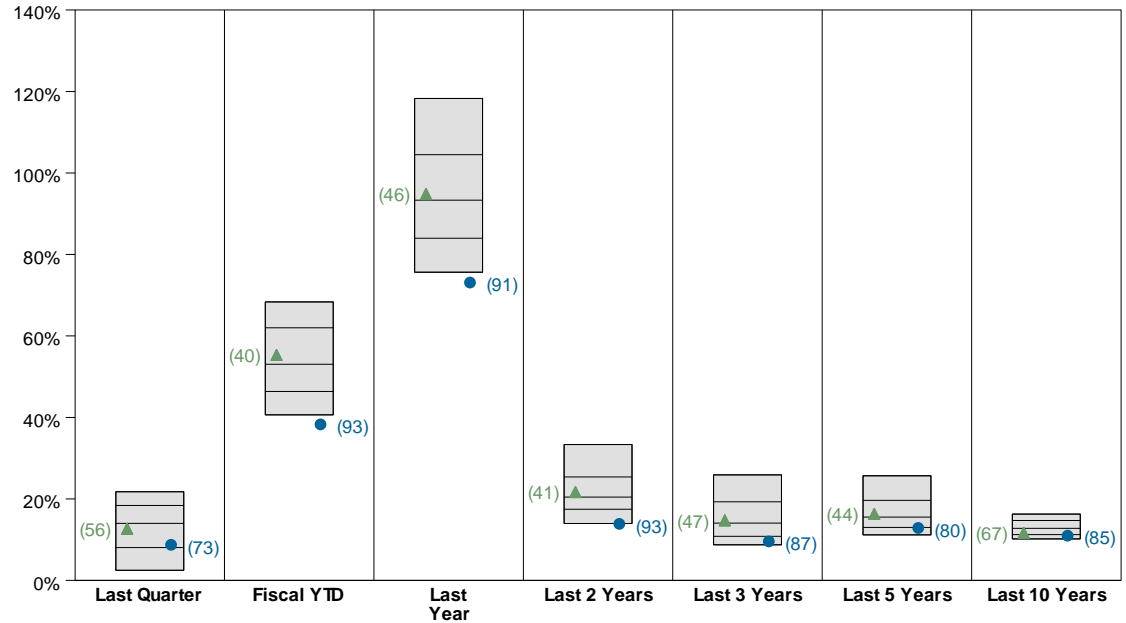
10th Percentile	15.34	43.98	76.55	28.91	23.69	22.28	17.21
25th Percentile	12.08	37.39	67.46	26.12	21.30	20.10	15.99
Median	6.81	31.29	60.12	21.58	17.25	16.74	14.20
75th Percentile	2.10	26.91	55.31	15.77	11.71	13.08	11.68
90th Percentile	0.43	23.53	51.22	13.30	9.54	11.59	10.90
Large Cap ●	8.17	34.78	67.00	22.24	17.10	16.42	14.26
Large Cap Equity Target ▲	5.91	31.82	60.59	21.53	17.31	16.66	14.08

- The portfolio has generally performed near the median among peer composites.

Consolidated Insurance Trust: Small Cap Equity

As of March 31, 2021

Performance vs Callan Small Capitalization (Gross)



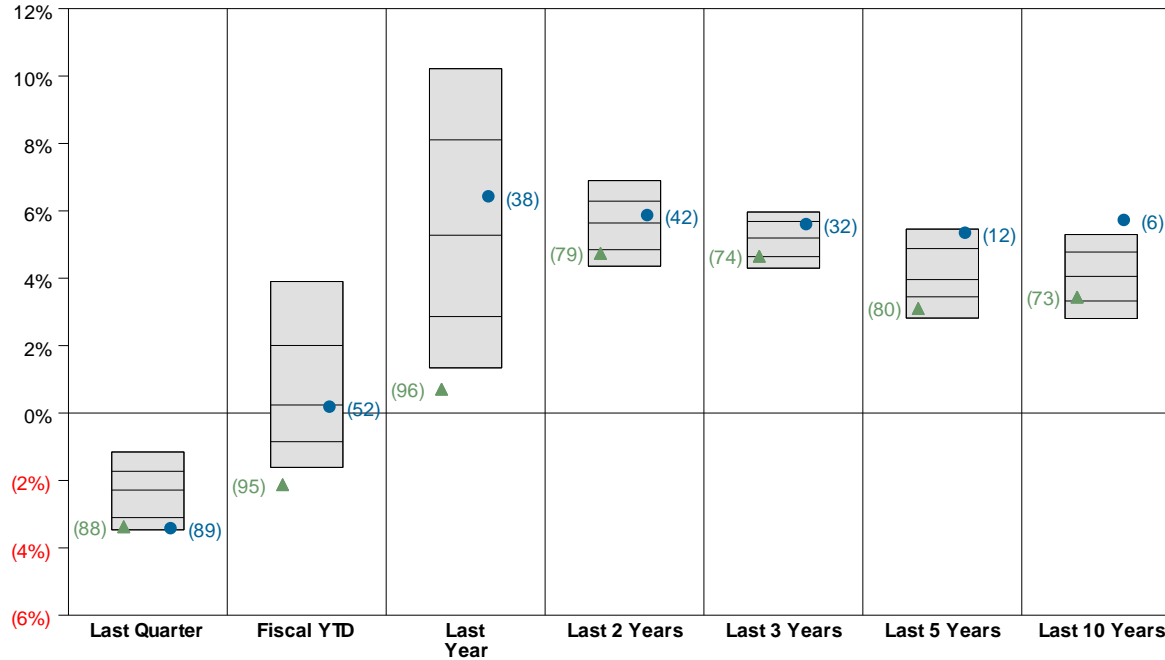
10th Percentile	21.76	68.35	118.27	33.34	25.89	25.67	16.28
25th Percentile	18.39	62.02	104.49	25.38	19.31	19.65	14.71
Median	14.00	53.06	93.33	20.45	14.05	15.56	12.77
75th Percentile	8.08	46.37	83.99	17.47	10.82	13.00	11.25
90th Percentile	2.49	40.65	75.65	13.96	8.75	11.18	10.18
Small Cap	8.42	37.96	72.79	13.57	9.28	12.57	10.67
Small Cap Equity Target	12.70	55.36	94.85	21.70	14.76	16.35	11.68

- The asset class underperformed the benchmark over all measured periods.

Consolidated Insurance Trust: Domestic Fixed Income

As of March 31, 2021

Performance vs Public Fund - Domestic Fixed (Gross)



10th Percentile	(1.16)	3.90	10.22	6.90	5.96	5.46	5.30
25th Percentile	(1.73)	2.01	8.11	6.29	5.69	4.88	4.78
Median	(2.29)	0.24	5.28	5.64	5.19	3.96	4.05
75th Percentile	(3.10)	(0.85)	2.86	4.85	4.64	3.45	3.33
90th Percentile	(3.46)	(1.61)	1.34	4.35	4.30	2.82	2.81
Domestic Fixed Income	● (3.46)	0.15	6.39	5.84	5.57	5.31	5.69
Blmbg Aggregate	▲ (3.37)	(2.12)	0.71	4.74	4.65	3.10	3.44

- The asset class outperformed the target over all measured periods longer than one year.
- The domestic fixed income asset class ranked in the top decile for the ten-year periods. The asset class is above median for all periods longer than one year.

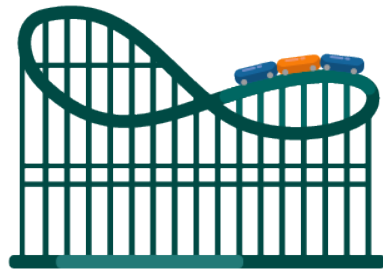
Callan Update

Published Research Highlights from 1Q21

2021 Defined Contribution Survey



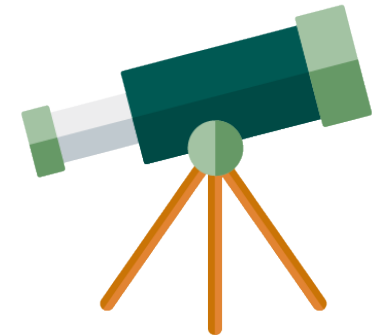
GameStopped—Or Just Getting Started?



Coping with COVID-19: Investment Manager Survey 3rd Edition



Callan's 2021-2030 Capital Markets Assumptions



Recent Blog Posts

Relief Bill Provides Shot in the Arm to Corporate Pensions

William Emmett & Sweta Vaidya

Why the Yield Curve Is Really Curving

Dario Buechi

Plus our [blog](#) contains a wide array of posts related to the pandemic

Additional Reading

Private Equity Trends quarterly newsletter

Active vs. Passive quarterly charts

Capital Markets Review quarterly newsletter

Monthly Updates to the Periodic Table

Market Pulse Flipbook quarterly markets update

Callan Institute Events

Upcoming conferences, workshops, and webinars

2021 National Conference

July 19-21, 2021

Salt Lake City, UT

We are excited to announce our confirmed speakers and workshop topics below. We will continue to update you as we finalize our lineup for this event!

Confirmed Conference Speakers:

- Niall Ferguson
- Scott Gottlieb, M.D.

This year's Callan-led workshops will cover the following topics:

- Callan's Fund Sponsor Cost of Doing Business Survey Results
- Defined Contribution: Are Managed Accounts Adding Value?
- How to Navigate Your Corporate DB Plan in This Low-Rate Era
- Real Estate Debt as an Alternative to Traditional Fixed Income in the Hunt for Yield

Callan College

Learn the Fundamentals

This course is for institutional investors, including trustees and staff members of nonprofits, and public and corporate funds. This session familiarizes fund sponsor trustees and staff with basic investment theory, terminology, and practices.

Join our next virtual session:

Aug. 17, 2021 – Aug. 19, 2021

2-3 hour sessions over 3 days

Join our next LIVE session in Chicago:

Oct. 6, 2021 – Oct. 7, 2021

1.5-day session held in Callan's Chicago office

Webinars

Research Café: Insurance Session

May 19, 2021 – 9:30am (PT)

Inflation and Why Debt Matters

May 25, 2021 – 9:30am (PT)

March 31, 2021



North Dakota State Investment Board Pension Funds

**Investment Measurement Service
Quarterly Review**

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March 31, 2021

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NDSIB - Public Employees Retirement System

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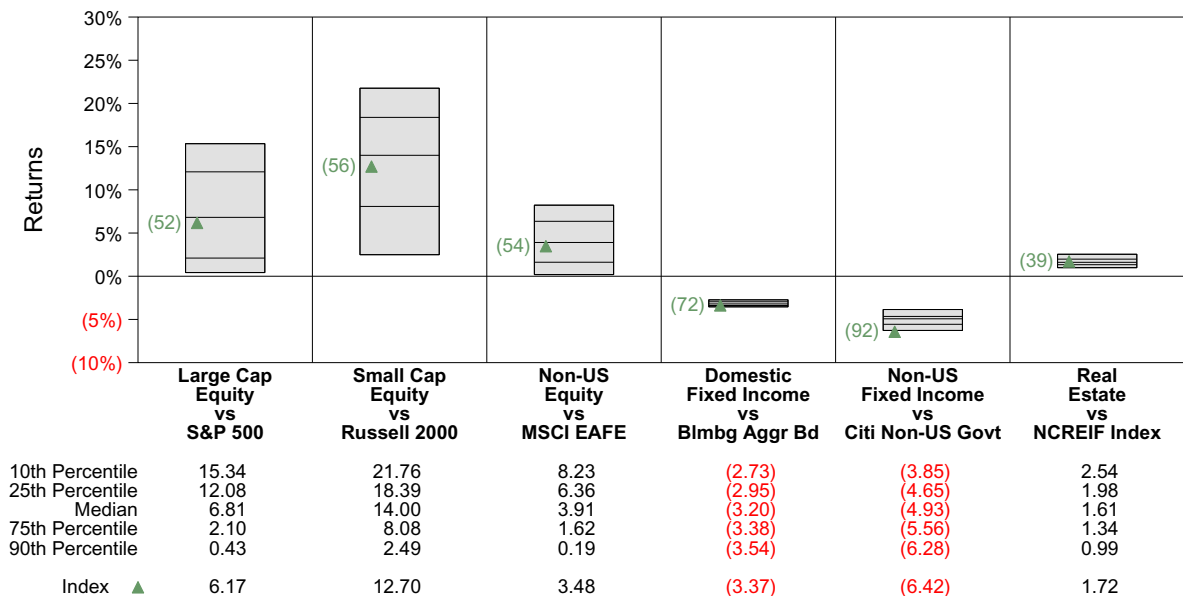
Market Overview

Active Management vs Index Returns

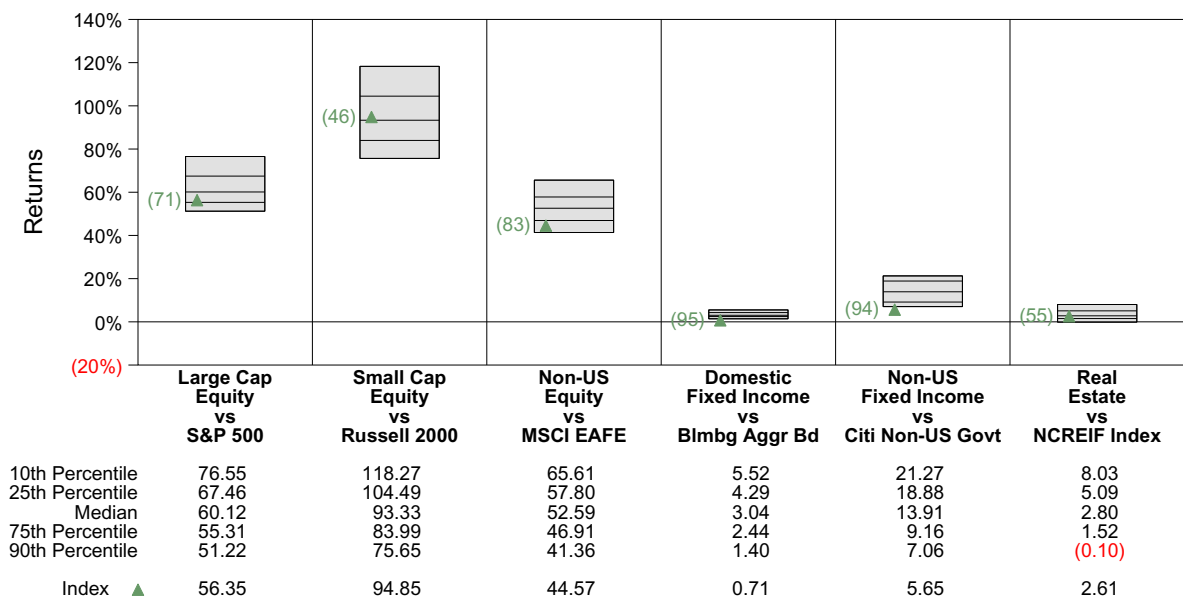
Market Overview

The charts below illustrate the range of returns across managers in Callan's Separate Account database over the most recent one quarter and one year time periods. The database is broken down by asset class to illustrate the difference in returns across those asset classes. An appropriate index is also shown for each asset class for comparison purposes. As an example, the first bar in the upper chart illustrates the range of returns for domestic equity managers over the last quarter. The triangle represents the S&P 500 return. The number next to the triangle represents the ranking of the S&P 500 in the Large Cap Equity manager database.

Range of Separate Account Manager Returns by Asset Class One Quarter Ended March 31, 2021



Range of Separate Account Manager Returns by Asset Class One Year Ended March 31, 2021



The U.S. Economy: Open for Business

ECONOMY

2 U.S. GDP notched a solid 6.4% gain in 1Q21, and the U.S. economy may be on track for a truly eye-opening expansion. Initial projections are pointing to growth rates of 9% or even higher for 2Q. At that rate, GDP is now likely to return to its pre-pandemic peak by midyear.

Sharp Gains After Steep Plunge in 1Q20

INSTITUTIONAL INVESTORS

4 All institutional investor types saw robust gains for the four quarters ending 1Q21. And all but corporate DB plans exceeded a 60% stocks/40% bonds benchmark. Investors are elated following an incredible year, but that is tempered by sobering expectations for the capital markets.

Another Rebound Around the World

EQUITY

6 The S&P 500 Index hit record highs in 1Q21, and since the prior peak (February 2020) it is up over 19.6%. Global markets responded positively to the rollout of the COVID-19 vaccine; small cap outperformed large on continued economic optimism.

Broad Market Quarterly Returns

U.S. Equity
Russell 3000



Global ex-U.S. Equity
MSCI ACWI ex USA



U.S. Fixed Income
Bloomberg Barclays Agg



Global ex-U.S. Fixed Income
Bloomberg Barclays Gbl ex US



Sources: Bloomberg Barclays, FTSE Russell, MSCI

U.S., Global Bonds Fall as Rates Head Up

FIXED INCOME

8 The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20. The Bloomberg Barclays US Aggregate Bond Index fell 3.4%. Global fixed income dropped as developed market rates rose and the U.S. dollar strengthened.

Signs of Stability Amid Virus Challenges

REAL ESTATE/REAL ASSETS

10 The Hotel and Retail sectors face continued headwinds. The outlook for the Office sector is uncertain while Industrial remains the best performer. Net operating income for private real estate declined. Global REITs and U.S. REITs outpaced equities in the quarter.

Market Is Riding a Wave of Momentum

PRIVATE EQUITY

11 The strong start to 1Q21 was fueled by stimulus, optimism, and positive investor sentiment. Preliminary numbers show that fundraising and exits (particularly IPOs) were generally up, but new investments declined slightly from the prior quarter.

Continued Interest as Yields Remain Low

PRIVATE CREDIT

12 Private credit remains attractive in a low-yield environment. Spreads for high yield and leveraged loans have snapped back. Fundraising slowed down in 2020 due to the pandemic; senior debt and mezzanine capital represented the bulk of the capital that was raised.

Damn the Margin Calls, Full Risk Ahead

HEDGE FUNDS/MACs

13 The Credit Suisse Hedge Fund Index gained 2.9% in 1Q21. The median fund in the Callan Hedge Fund-of-Funds Database earned 2.1%; over the last year, the median rebounded 27.1%. The average Callan Institutional Hedge Fund manager earned 4.1%, net of fees.

Third Straight Quarterly Gain

DEFINED CONTRIBUTION

15 The Callan DC Index™ gained 11.2% in 4Q20, slightly below the increase of the Age 45 Target Date Fund (+13.4%) but the third straight quarter of gains for both. Investors expressed an appetite for relatively safer asset classes, based on net flows in plans.

Now Open for Business

ECONOMY | Jay Kloepfer

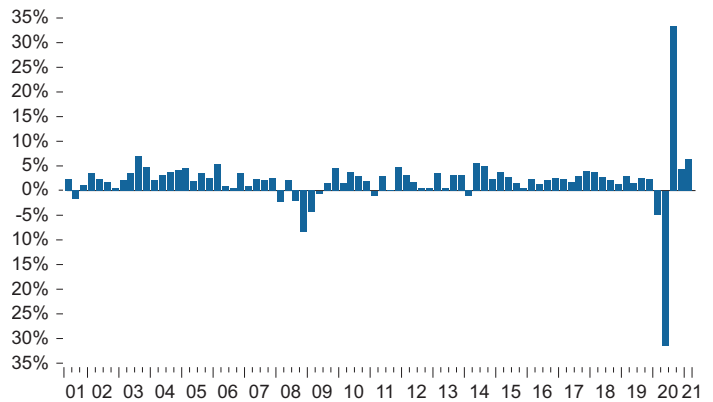
U.S. GDP notched a solid 6.4% gain in 1Q21. The U.S. economy may be on track for a truly eye-opening expansion, with initial projections from high-frequency GDP trackers such as GDPNow pointing to growth rates of 9% or even higher for 2Q. At that rate, GDP is likely to return to its pre-pandemic peak by midyear. For context, after the Global Financial Crisis (2008-09), it took 3½ years before real GDP reclaimed its pre-recession highs. At the start of the pandemic, the level of real GDP dropped more than 10% from March to June 2020. But the recovery in the second half of the year meant annual GDP growth measured -3.5% compared to 2019, although that is still the worst annual loss in 75 years. The steep decline and the rapid recovery surrounding the pandemic have been unprecedented.

The robust 1Q21 result reflects the grand reopening enabled by the expansion of vaccinations against COVID-19 and improvements in containing the spread of the virus in the United States. After a faltering start to the vaccination roll-out, supplies and distribution methods began catching up to demand as the quarter came to a close. Expectations that a majority of American adults will be vaccinated by the end of June have fueled sustained optimism by consumers and a move toward a full economic reopening by all businesses, particularly those most affected by the pandemic: travel, hospitality, passenger transportation. As the country moves toward the reopening of places of work and the retreat from work-from-home orders, expect a surge in demand for business and personal services as well. This reopening will not be without hitches, as supply chains have been seriously impacted around the globe, and the mismatch of the supply of labor and demand to fill jobs may take the rest of the year (or longer) to be sorted out.

Around the globe, the move toward reopening has been far less even and sustained, as the rollout and availability of the vaccine has been much less robust than in the U.S. Spikes in COVID infection rates in India, Brazil, Canada, and many European countries constrain both business and consumer confidence, and health care systems are under even greater stress in India

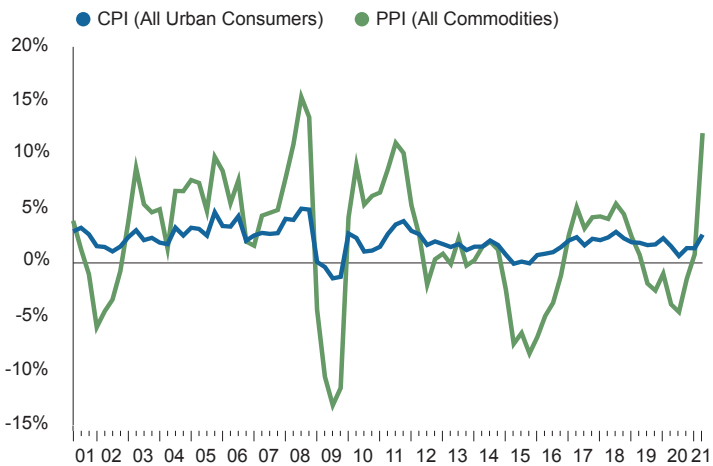
Quarterly Real GDP Growth

(20 Years)



Source: Bureau of Economic Analysis

Inflation Year-Over-Year



Source: Bureau of Labor Statistics

and Brazil than at any time since the start of the global pandemic. The lagging distribution of vaccines to many countries may hinder their reopening and recovery well into 2022, as well as travel into and out of these regions.

The biggest hole to fill in the U.S. economy is in the job market. We lost over 22 million jobs in March and April last year, and recovered just 13 million by the end of the year. After a weak January, however, key metrics of the U.S. job market have perked up substantially. Monthly job creation climbed to 558,000

in February and 780,000 in March, for a total of 1.5 million new jobs in the first quarter. The unemployment rate fell to 6.0% in March and is expected to continue moving down toward 5%, while the number of initial unemployment claims, which has remained stubbornly high at more than triple the “normal” rate of 200,000 per week, fell below 600,000 at the start of April, as the pace of job formation has picked up.

Massive fiscal stimulus is clearly the major contributor to rapid growth in 2021, fueling consumer optimism alongside the vaccine and the reopening of state and local economies. The U.S. Treasury reported that \$339 billion in stimulus payments were distributed in March, which boosted personal income by a stunning 21%. Personal consumption expenditures drove GDP growth, rising by 10.7% in the quarter, along with surges in investment in housing, equipment, and intellectual property. Pent-up demand and stimulus payments spurred spending on durable goods (motor vehicles), nondurable goods (led by food and beverages), and services (led by food services and accommodations). In addition to the stimulus, federal government spending jumped to cover administration of the Paycheck Protection Program as well as purchases of the vaccines for distribution to the public.

Amid the general optimism in the U.S., one concern has emerged: inflation. As the hitches in supply and demand for goods, services, and labor are worked out, CPI rose 2.6% and the producer price index jumped 12% in the quarter. However, investors should be cautious when interpreting annual comparisons to temporarily depressed prices at the start of the pandemic. For instance, both of these price indices reflect a sharp recovery in energy prices, which fell through the floor last year.

The Long-Term View

Index	1Q21	Periods Ended 3/31/21			
		1Yr	5Yrs	10Yrs	25Yrs
U.S. Equity					
Russell 3000	6.3	62.5	16.6	13.8	9.7
S&P 500	6.2	56.4	16.3	13.9	9.6
Russell 2000	12.7	94.8	16.4	11.7	9.4
Global ex-U.S. Equity					
MSCI EAFE	3.5	44.6	8.8	5.5	5.0
MSCI ACWI ex USA	3.5	49.4	9.8	4.9	--
MSCI Emerging Markets	2.3	58.4	12.1	3.7	--
MSCI ACWI ex USA Small Cap	5.5	69.8	10.4	6.3	6.5
Fixed Income					
Bloomberg Barclays Agg	-3.4	0.7	3.1	3.4	5.1
90-Day T-Bill	0.0	0.1	1.2	0.6	2.2
Bloomberg Barclays Long G/C	-10.4	-2.1	5.5	7	7.2
Bloomberg Barclays GI Agg ex US	-5.3	7.2	2.1	1.3	3.8
Real Estate					
NCREIF Property	1.7	2.6	5.8	8.8	9.1
FTSE Nareit Equity	8.9	37.8	5.3	8.6	9.9
Alternatives					
CS Hedge Fund	2.9	20.2	5.1	3.9	7.2
Cambridge PE*	10.5	18.1	13.9	13.9	14.1
Bloomberg Commodity	6.9	35	2.3	-6.3	1.0
Gold Spot Price	-9.5	7.5	6.8	1.8	6.0
Inflation – CPI-U	1.7	2.6	2.2	1.7	2.1

*Data for most recent period lags by a quarter. Data as of 9/30/20.

Sources: Bloomberg, Bloomberg Barclays, Bureau of Economic Analysis, Credit Suisse, FTSE Russell, MSCI, NCREIF, Refinitiv/Cambridge, S&P Dow Jones Indices

Recent Quarterly Economic Indicators

	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Employment Cost–Total Compensation Growth	2.6%	2.5%	2.4%	2.7%	2.8%	2.7%	2.8%	2.7%
Nonfarm Business–Productivity Growth	5.4%	-3.8%	4.2%	11.2%	-0.8%	1.6%	0.3%	2.0%
GDP Growth	6.4%	4.3%	33.4%	-31.4%	-5.0%	2.4%	2.6%	1.5%
Manufacturing Capacity Utilization	73.4%	73.1%	70.9%	63.2%	73.9%	75.0%	75.4%	75.5%
Consumer Sentiment Index (1966=100)	80.2	79.8	75.6	74.0	96.4	97.2	93.8	98.4

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve, IHS Economics, Reuters/University of Michigan

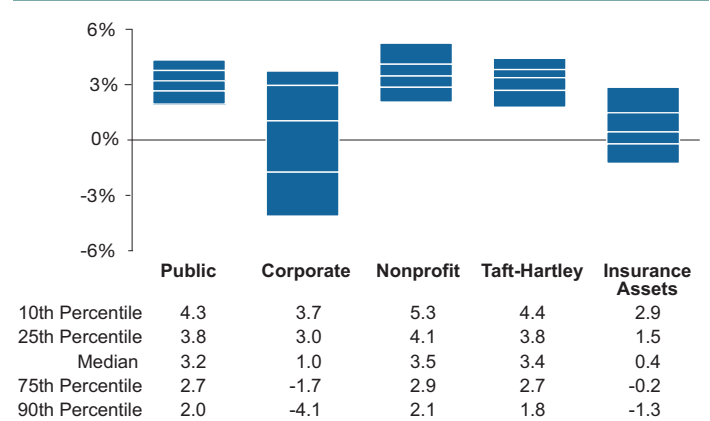
Returns Up Sharply Over One Year, and Most Types Top Benchmark

INSTITUTIONAL INVESTORS

Performance

- Most institutional investor types saw robust gains for the four quarters ending 1Q21.
- All but corporate DB plans and insurance assets comfortably exceeded a 60% stocks/40% bonds benchmark.
- Nonprofits saw the highest increases for the trailing one year, and the gains were strong enough to boost their returns over the trailing three and five years and make them the top performers.
- Over the trailing 20 years, public DB plans have performed the best but most investor types saw returns on par with the 60%/40% benchmark.
- Institutional investors are evaluating the path forward in terms of strategic allocations and portfolio re-assessment. Following an exceptionally strong year for stocks, plan sponsors are re-evaluating how to generate returns in a low-yield environment with lowered capital markets assumptions.
- Inflation is becoming a concern, with questions about whether to adjust portfolios to address it, and whether it is a short-term issue or longer-term problem.
- There is renewed worry about the likelihood of another market drawdown, given the incredible market recovery since last March and the heady valuations relative to historical averages.

Quarterly Returns, Callan Database Groups



Source: Callan

- Investors are having sharper-edged conversations about what to do regarding:
 - Fixed income exposure, and what can serve as an equity diversifier equal to bonds with the return of zero interest rates
 - De-risking and the new yield environment
- Investors have demonstrated discipline in rebalancing between growth and value managers, and U.S. and global ex-U.S. equity.

Callan Database Median and Index Returns* for Periods Ended 3/31/21

Database Group	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years
Public Database	3.2	32.3	9.4	10.0	8.2	6.9
Corporate Database	1.0	27.9	9.7	9.8	8.1	7.0
Nonprofit Database	3.5	37.0	9.8	10.3	8.0	7.0
Taft-Hartley Database	3.4	33.0	9.6	10.1	8.5	6.8
Insurance Assets Database	0.4	15.8	6.4	5.7	5.2	5.4
All Institutional Investors	3.1	33.2	9.6	10.1	8.2	7.0
Large (>\$1 billion)	3.2	31.1	9.8	10.1	8.5	7.1
Medium (\$100mm - \$1bn)	3.0	33.1	9.7	10.1	8.2	6.9
Small (<\$100 million)	3.2	34.8	9.5	9.9	8.0	6.8

*Returns less than one year are not annualized.

Source: Callan. Callan's database includes the following groups: public defined benefit (DB) plans, corporate DB plans, nonprofits, insurance assets, and Taft-Hartley plans. Approximately 10% to 15% of the database constituents are Callan's clients. All database group returns presented gross of fees. Past performance is no guarantee of future results. Reference to or inclusion in this report of any product, service, or entity should not be construed as a recommendation, approval, affiliation, or endorsement of such product, service, or entity by Callan.

- Fixed income structures focus on its role—to diversify equity, to serve as a flight to quality and as a source of liquidity, and to provide interest rate exposure—balanced against the desire for return in a very low-yield environment.
 - Creative reconstruction of “core” fixed income away from lower-returning segments of the Aggregate, using private credit, securitized debt, high yield bonds, bank loans, private placements, global fixed income, and TIPS
- Real assets see renewed interest with growing concern for inflation.
 - Investors are questioning the continued inclusion of past real assets stalwarts: natural resources, energy, MLPs, and commodities.
 - They are focused on what truly diversifies the growth and risk-mitigating assets.

Defined Benefit Plans

- Funded status is a top concern for public and corporate DB plans.
- For public DB plans, liquidity needs and drawdown risks are another concern.
- Lower capital markets assumptions challenge expectations for funding and solvency.
- The plunge in rates did not derail the commitment to de-risking, but glidepaths are being reset for those farther from

full funding. Duration paid off, but moves to STRIPS for extra duration are now in question. Funded status for corporate DB plans farther down their LDI glidepaths did just fine in 2020.

- There has been an increase in global equity focus for corporate plans.

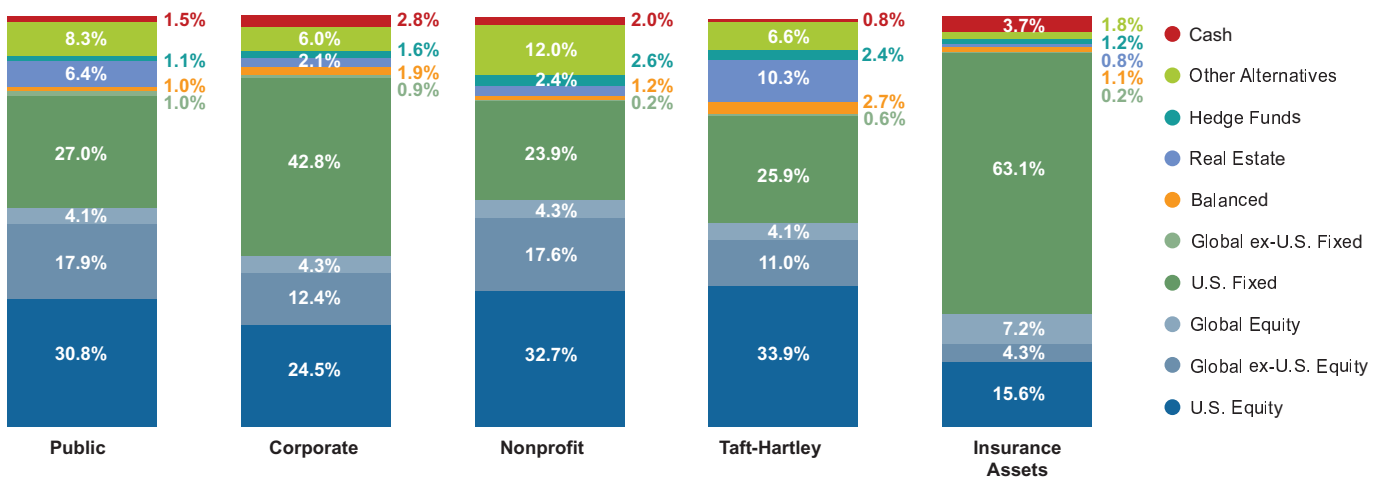
Defined Contribution Plans

- Fees remain the top issue for DC plan sponsors, although there is a renewed focus on investment structures.
- Glidepaths are being reassessed in light of lower short-term capital markets assumptions. The long-term equilibrium did not change, but it is coming from a lower starting point. The impact on replacement ratios is small, and there are modest changes if any.
- Recordkeeper consolidation activity picked up in 4Q20. This will likely point to an increase in recordkeeper searches in the near term.

Nonprofits

- The focus is on meeting return targets.
- Subdued expectations for capital markets returns are a challenge for the sustainability of established spending rates.
- Nonprofits increased ESG activity, with a number starting to ask due diligence questions of investment managers.

Average Asset Allocation, Callan Database Groups



Note: charts may not sum to 100% due to rounding
Source: Callan

Equity

U.S. Equities

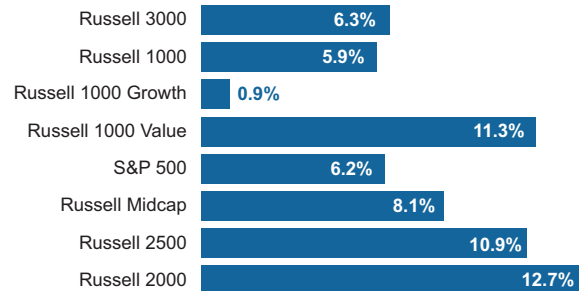
Markets continue setting all-time highs

- The S&P 500 Index hit record highs in 1Q21, gaining 6.2%.
- Since the prior peak (February 2020) the S&P is up over 19.6%, with only Energy (-4.7%) and Utilities (-4.9%) declining from peak-to-peak.
- Since the March 2020 market low, the S&P is up over 80.7%, with all sectors posting gains over 40%; Energy +116.2%
- 1Q21 top sectors were Energy and Financials, while Industrials and Consumer Staples underperformed.
- “Re-opening” industries (airlines, retail REITs, hospitality) outperformed while “work from home” industries (online retail, home improvement) lagged.

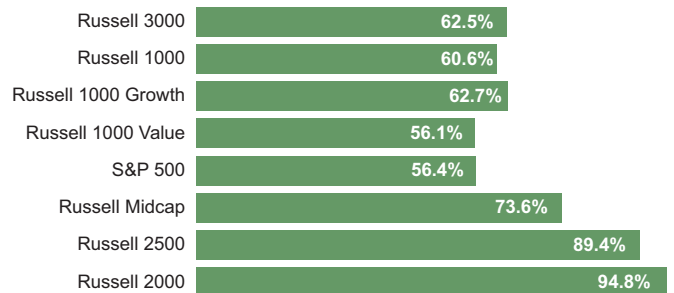
Value and small cap trends continue through 1Q21

- Value outperformed growth across the market cap spectrum.
- Small caps outperformed large.
- Small value was the top-performing asset class for the quarter (+21.2%) and from the March 2020 low (+127.7%).
- Russell 2000 gained 12.7%, extending the rally from 4Q20 when the index experienced its best quarterly return on record (+31.4%).
- Small cap stocks surged on stronger GDP and economic recovery forecasts due to higher exposure to cyclical sectors relative to large cap indices.
- Industrials, Financials, and Real Estate sectors benefit most from expectations of GDP expansion.
- Small cap stocks have historically outperformed in recoveries following market crashes.

U.S. Equity: Quarterly Returns



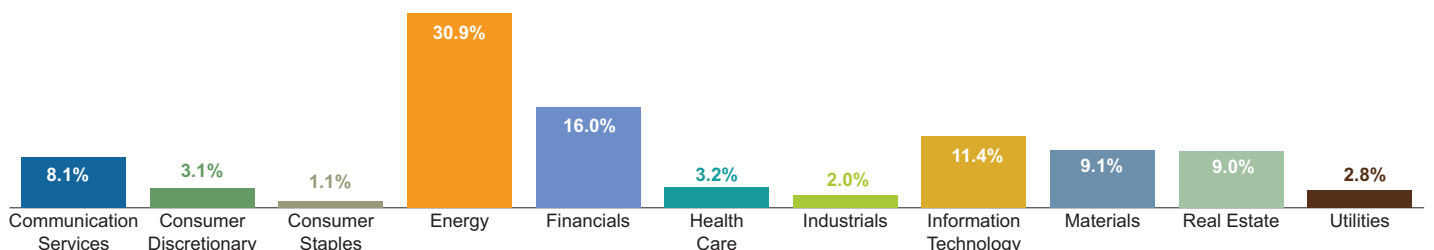
U.S. Equity: One-Year Returns



Sources: FTSE Russell and S&P Dow Jones Indices

- Cyclical sectors and industries (Energy, Financials, Industrials, Materials) continued to outperform their growth counterparts as GDP forecasts improved, stimulus was enacted, and vaccinations progressed.
- November 2020 vaccine data news was a catalyst for the market rotation into value/cyclicals.

Quarterly Performance of Industry Sectors



Source: S&P Dow Jones Indices

Global Equity

Nearly 100 million people fully vaccinated worldwide

- Markets responded positively to the global rollout of the COVID-19 vaccine.
- Most risk assets continued to outperform as global businesses reopen.
- Small cap outperformed large over the quarter on continued economic optimism.
- Emerging markets trailed developed markets; COVID-19 outbreaks and vaccination challenges hindered EM results.

Market continues to favor cyclicals

- Market recovery and rising interest rates buoyed cyclicals; Energy, Financials, and Industrials drove the gains.
- Factor performance showed a preference for beta and volatility, similar to 4Q20.

U.S. dollar vs. other currencies

- The U.S. stimulus package announcement, combined with yields rising on economic confidence, fueled the U.S. dollar.

Growth vs. value

- Value outpaced growth for the second consecutive quarter.
- Vaccination rollout has stoked style rotation.
- Value outperformed growth by 17.0% and 10.5% in developed and emerging markets over the past two quarters, respectively.
- The rotation to value in 4Q20 was sharp and narrow.
- Cheap, low-quality factors were rewarded, favoring fundamental deep value managers.
- Quantitative value managers struggled as market rotation yielded a severe momentum reversal.

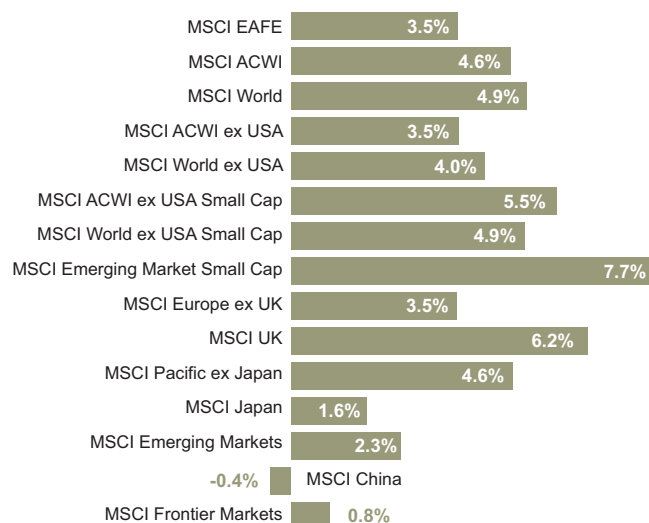
Factor payoffs may hinge on macroeconomy

- Over the past 20 years, small cap and value thrived in recoveries, momentum in expansions, low volatility in slowdowns, and low volatility and quality in contractions.
- As the market continues its recovery and transitions to expansion, value run may persist.
- Furthermore, relative value and quantitative managers are expected to participate as the value rally broadens out.

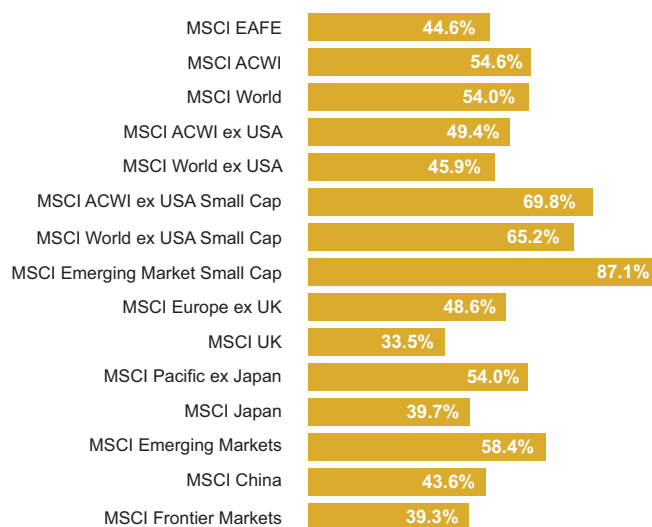
COVID-19 resurgence may delay EM recovery

- Although daily COVID-19 fatalities for developed markets have declined dramatically by 70% from the peak in January, they are notably increasing in emerging markets.
- China, South Korea, and Taiwan have by and large contained the pandemic, while pockets of developing economies are challenged with rising infections.

Global ex-U.S. Equity: Quarterly Returns (U.S. Dollar)



Global ex-U.S. Equity: One-Year Returns (U.S. Dollar)



Source: MSCI

Fixed Income

U.S. Fixed Income

U.S. Treasury yield curve steepens

- The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20.
- The short-end of the curve remained anchored, with no rate hikes expected until at least 2023, steepening the yield curve.
- TIPS outperformed nominal U.S. Treasuries as 10-year breakeven spreads widened from 1.99% to 2.37%.

Bloomberg Barclays Aggregate falls

- The Bloomberg Barclays US Aggregate Bond Index dropped 3.4%, with spread sectors outperforming treasuries.
- Demand for corporate credit remains strong, and spreads did not change meaningfully over the quarter

High yield bonds gain as rally extends

- High yield bonds outperformed investment grade in 1Q, gaining 0.8% amid a wave of new issuance.
- Leveraged loans rose 2.0% during the quarter, driven by favorable supply/demand dynamics, floating rate coupons, and relatively short durations.

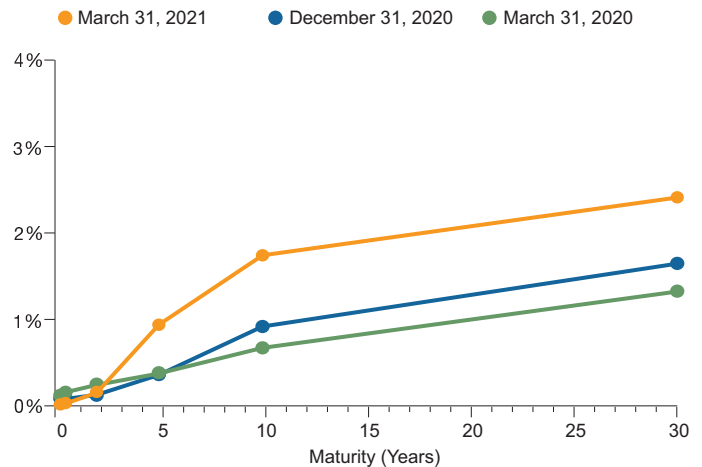
Stimulus boosts munis

- Municipals outperformed treasuries for the quarter, as municipal yields rose less than treasury yields.
- The municipal market was supported by the American Rescue Act.

Fixed income outlook

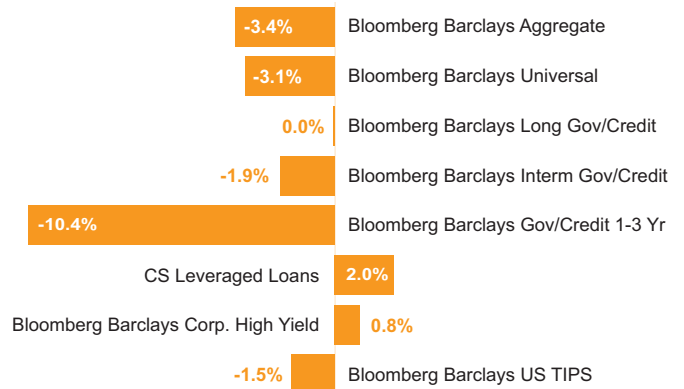
- High demand, low and negative interest rates globally, and improving growth should continue to support spread product.
- The Federal Reserve continues to support U.S. fixed income markets.
- Private credit remains a compelling, actionable opportunity.
- Bond pickers stay constructive on select COVID-sensitive sectors.

U.S. Treasury Yield Curves



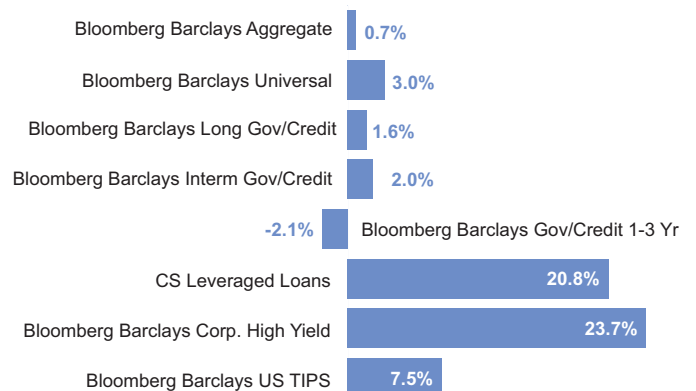
Source: Bloomberg

U.S. Fixed Income: Quarterly Returns



Sources: Bloomberg Barclays and Credit Suisse

U.S. Fixed Income: One-Year Returns



Sources: Bloomberg Barclays and Credit Suisse

Growth and inflation expectations

- In 1Q21, the Treasury curve steepened 78 bps as the market anticipated stronger economic growth after another round of fiscal stimulus.
- The 10-year breakeven inflation rate rose 38 bps, reaching levels last seen in 2014 and 60 bps above pre-pandemic levels, implying the market expects the economy to heat-up.

Market expectations diverge from Fed guidance

- The Fed dot plot continues to indicate the central bank should keep its policy rate low until 2023.
- Inflation (PCE) is estimated to tick up in 2021, but the policy shift to average inflation targeting in 2020 allows for inflation to rise above the 2% target during economic expansions, letting the Fed keep rates lower for longer.

Bond market response

- The common sentiment among managers is a near-term inflation increase. However, the front-end should remain anchored as unemployment and savings rates remain elevated, bank lending activity is muted, and secular forces persist.
- Recent and additional curve steepening provides opportunities along the curve and better roll down.

Global Fixed Income

Global fixed income posts negative returns

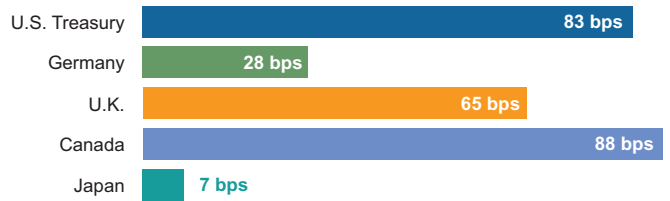
- Global fixed income fell as developed market rates rose and the U.S. dollar strengthened.
- The U.S. dollar gained nearly 4% versus a basket of currencies, 6.6% versus the yen, and nearly 4% versus the euro.

Emerging market debt sells off

- Emerging market debt indices fell in 1Q21, with EM corporates faring better than hard and local currency sovereigns amid improving corporate fundamentals.
- U.S. dollar-denominated index (EMBI Global Diversified) fell 4.5% as rising U.S. rates spilled into emerging markets; returns were largely negative across the 70+ constituents.
- Local currency index (GBI-EM Global Diversified) fared worse than hard currency, as real yields rose higher than in the U.S.

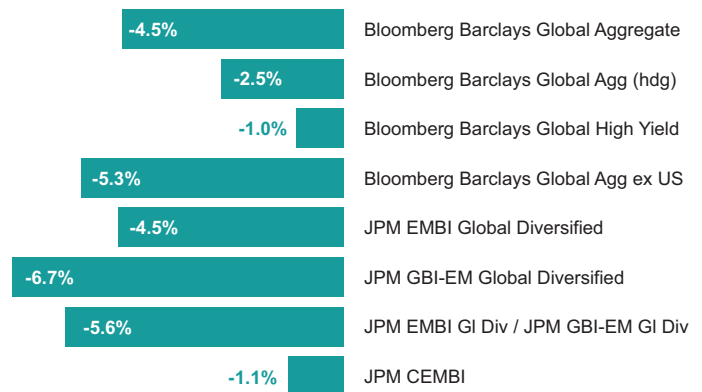
Change in 10-Year Global Government Bond Yields

4Q20 to 1Q21



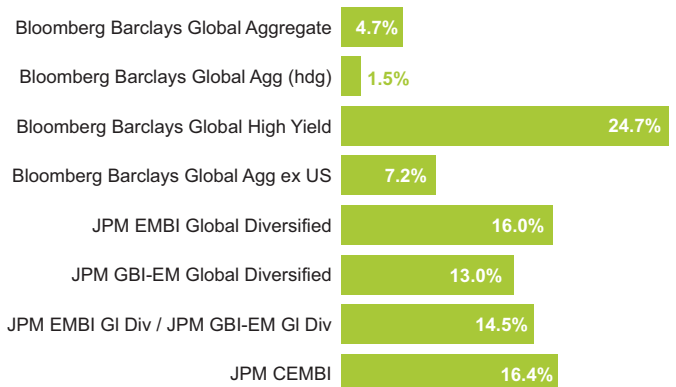
Source: Bloomberg Barclays

Global Fixed Income: Quarterly Returns



Sources: Bloomberg Barclays and JPMorgan Chase

Global Fixed Income: One-Year Returns



Sources: Bloomberg Barclays and JPMorgan Chase

Signs of Stability Amid Continued Virus Challenges

REAL ESTATE/REAL ASSETS | Munir Iman

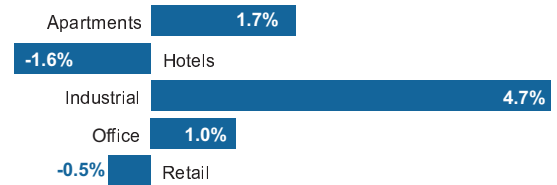
Pandemic affects all sectors

- Hotel and Retail are the most challenged sectors of private real estate, while Office faces uncertainty; Industrial remains the best performer.
- Income remains positive except for the Hotel sector.
- Vacancy rates for all property types are or will be impacted.

NOI declines as Retail suffers

- Net operating income (NOI) declined as Retail continues to suffer.
- 1Q21 rent collections showed relatively stable income throughout the quarter in the Industrial, Apartment, and Office sectors. But the pandemic's impact on regional malls has hindered Retail.
- Class A/B urban apartments were relatively strong, followed by Industrial and Office.
- Transaction volume has dropped off during the quarter with the exception of multifamily and industrial assets with strong-credit tenants, which are trading at pre-COVID-19 levels.
- Cap rates remained steady during the quarter. The spread between cap rates and 10-year Treasuries is relatively high, leading some market participants to speculate that cap rates will not adjust much. Price discovery is happening and there are limited transactions.

Sector Quarterly Returns by Property Type and Region



Source: NCREIF

Global REITs outpace equities

- Global REITs outperformed in 1Q21, gaining 5.8% compared to 4.9% for global equities (MSCI World).
- U.S. REITs rose 8.9% in 1Q21, beating the S&P 500 Index, which gained 6.2%.
- Globally, REITs are trading above NAV with the exception of those in Hong Kong, the United Kingdom, and continental Europe.
- Property sectors are mixed, between trading at a discount or premium.
- Ongoing volatility in REIT share prices offers opportunities to purchase mispriced securities, individual assets from REIT owners, and discounted debt, as well as to lend to companies and/or execute take-privates of public companies.

Callan Database Median and Index Returns* for Periods Ended 3/31/21

Private Real Assets	Quarter	Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years
Real Estate ODCE Style	1.6	1.6	2.1	4.8	5.7	8.8	5.3
NFI-ODCE (value wt net)	1.9	1.9	1.5	4.0	5.3	8.7	5.3
NCREIF Property	1.7	1.7	2.6	4.9	5.8	8.8	7.0
NCREIF Farmland	0.6	0.6	2.4	3.7	4.8	9.9	11.0
NCREIF Timberland	0.8	0.8	1.5	1.7	2.5	4.5	5.3
Public Real Estate							
Global Real Estate Style	5.6	5.6	34.7	8.0	6.2	7.8	5.4
FTSE EPRA Nareit Developed	5.8	5.8	34.6	5.1	3.9	5.7	--
Global ex-U.S. Real Estate Style	2.3	2.3	33.6	7.5	6.4	7.4	5.1
FTSE EPRA Nareit Dev ex US	2.0	2.0	31.0	2.6	4.4	4.7	--
U.S. REIT Style	8.3	8.3	36.0	11.2	6.8	9.5	7.0
EPRA Nareit Equity REITs	8.9	8.9	37.8	9.5	5.3	8.6	6.1

*Returns less than one year are not annualized.

Sources: Callan, FTSE Russell, NCREIF

Roller-Coaster Ride Ends on a High Note

PRIVATE EQUITY | Gary Robertson

Ebullience in the capital markets is facilitating strong liquidity for private equity, with investors reaping robust distributions and returns. The key negative is that new investment prices have risen into uncharted territory, particularly for the “COVID-19 resistant” Technology sector. If opening up the economy proceeds without major setbacks, we expect 2021 may set new records in volumes and private equity industry growth.

Fundraising ► Based on preliminary data, 1Q21 private equity partnerships holding final closes totaled \$212 billion, up 6% from 4Q20. New partnerships formed dropped 17% to 385 as the trend toward more capital concentrated in larger funds continued. Callan expects fundraising to remain vigorous as 2021 advances. (Unless otherwise noted, all data come from PitchBook.)

Buyouts ► Funds closed 2,472 investments with \$85 billion in disclosed deal value, a 15% decline in count and a 44% drop in dollar value from 4Q. The largest investment was the \$4.3 billion carve-out of BlueTriton Brands, Nestle’s bottled water division, by One Rock and Metropoulos & Co. The lack of any notably large investments explains the quarter’s announced value decline.

VC Investments ► New investments in venture capital companies totaled 8,608 rounds of financing, up 19%, with \$135

Funds Closed 1/1/21 to 3/31/21

Strategy	No. of Funds	Amt (\$mm)	Share
Venture Capital	211	46,734	22%
Growth Equity	31	14,062	7%
Buyouts	109	111,612	53%
Mezzanine Debt	4	602	0%
Distressed	4	8,282	4%
Energy	0	0	0%
Secondary and Other	20	27,922	13%
Fund-of-Funds	6	2,312	1%
Totals	385	211,526	100%

Source: PitchBook (Figures may not total due to rounding.)

billion of announced value, up 41%. The largest investment was a \$3.4 billion 10th round in online brokerage Robinhood by a syndicate of 13 investors including Sequoia, NEA, and Andreessen Horowitz.

Exits ► There were 453 private M&A exits of private equity-backed companies, a drop of 7%. Disclosed values declined 13% to \$102 billion. There were 82 private equity-backed IPOs, up 32%, which raised an aggregate \$26 billion, up 8%.

Venture-backed M&A exits totaled 434 with disclosed value of \$18 billion. The number of sales declined 8% from 4Q, and announced value fell 61%. There were 147 VC-backed IPOs, up 24%, and the combined float totaled \$39 billion, a 50% increase.

Private Equity Performance (%) (Pooled Horizon IRRs through 9/30/20*)

Strategy	3 Months	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years
All Venture	11.1	27.9	20.8	14.6	16.6	12.3	6.0	26.6
Growth Equity	12.4	25.8	19.2	16.4	14.7	13.5	11.3	15.1
All Buyouts	10.8	15.6	13.4	14.3	14.0	12.4	11.9	13.2
Mezzanine	5.5	7.5	9.0	10.0	11.5	10.5	8.4	9.8
Credit Opportunities	3.5	-1.8	2.7	5.6	8.2	8.5	9.4	9.5
Control Distressed	7.8	5.9	5.8	8.5	10.3	9.6	10.3	10.7
All Private Equity	10.5	18.1	14.7	13.9	13.9	12.1	10.0	14.1
S&P 500	8.9	15.2	12.3	14.2	13.7	9.2	6.4	9.3
Russell 3000	14.7	20.9	14.5	15.4	13.8	10.0	7.8	9.7

Note: Private equity returns are net of fees. Sources: Refinitiv/Cambridge and S&P Dow Jones Indices
*Most recent data available at time of publication

Note: Transaction count and dollar volume figures across all private equity measures are preliminary figures and are subject to update in subsequent versions of the *Capital Markets Review* and other Callan publications.

Strong Demand and Favorable Pricing for Direct Lending

PRIVATE CREDIT | Catherine Beard

Attractive in a low-rate environment

- The yield and income-generating characteristics of private credit remain attractive in a low-rate environment.
- Alpha generation can be magnified through strategies that extract a complexity premium.
- In the early phases of the dislocation, nimble multi-strategy private credit managers were able to purchase high-quality securities at steep discounts.

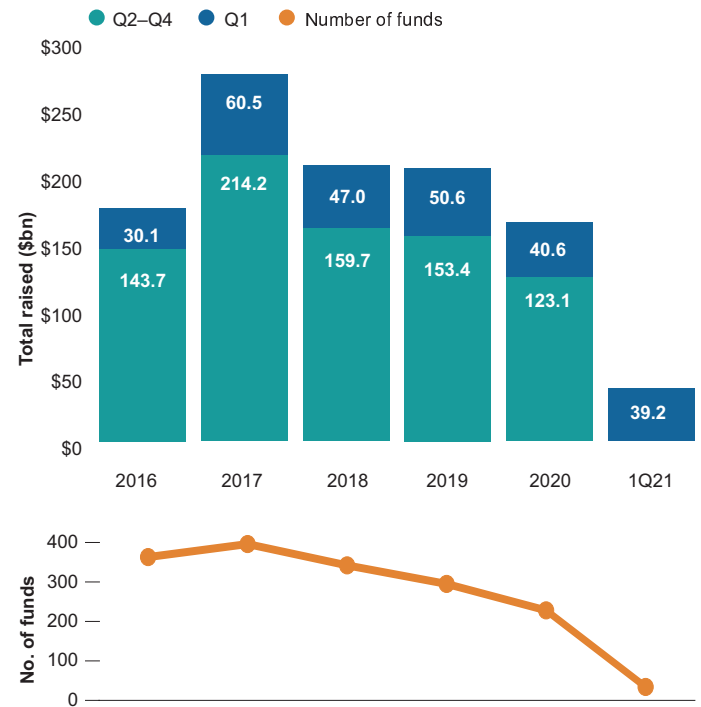
Favorable direct lending pricing trends

- Unlevered direct lending historically generated premiums of 150-200 bps over traditional high yield bonds and leveraged loans, with downside protection.
- Direct lenders are seeing a premium in new deals with less-risky structures, but trends are reverting to pre-pandemic levels. Most existing portfolios weathered the dislocation well. Deal flow is robust as sponsors are particularly active in funding leveraged buyouts in the health care, technology, and business services sectors.

Spreads snap back

- Government stimulus has driven a snap-back in leveraged loan and high yield spreads despite continued high levels of unemployment and economic uncertainty.
- Early pandemic pricing premiums of 200-300 bps for newly underwritten deals have compressed to 50-100 bps, with structures approaching pre-pandemic levels.
- While the Phase I dislocation opportunity to purchase quality paper in liquid markets has passed for the time being, longer-term Phase II and III opportunities are evolving but somewhat muted as businesses benefit from the reopening of the U.S. economy.
- An injection of significant liquidity into the credit markets may mute the corporate distressed opportunity in the U.S.

Year-On-Year Fundraising (\$bn)



Source: Private Debt Investor

Recent slowing in fundraising

- Private credit fundraising tapered off in 2020 due primarily to COVID-related market disruptions.
- Senior debt and mezzanine capital fundraising were the bulk of private credit capital raised in 2020.
- Significant distressed capital was raised leading up to the dislocation but has since tapered off.
- In the first part of 2021, fundraising in opportunistic credit, specialty finance, and asset-based lending strategies has ramped up.

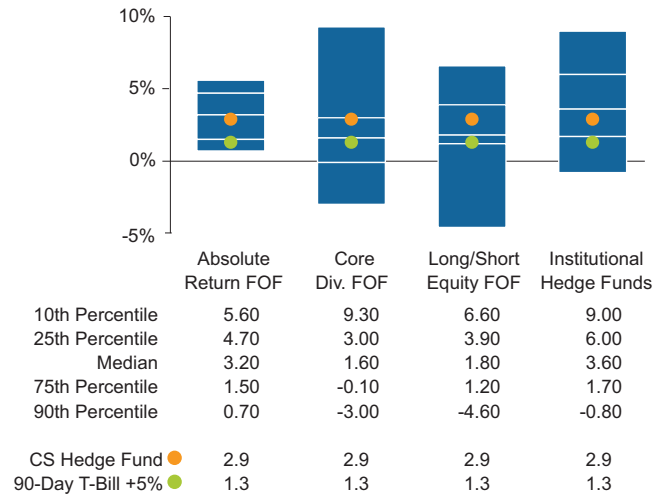
Damn the Shorts and Margin Calls, Full Risk Ahead

HEDGE FUNDS/MACs | Jim McKee

Emboldened by more injections of vaccines, central bank liquidity, and fiscal stimulus in 1Q21, investors' risk appetites grew again, particularly among equities, commodities, and lower-rated credits. However, growing fears of inflation stemming from a stronger-than-expected economic outlook caused some violent side effects elsewhere. Risk assets leaning on benign interest rate assumptions, like growth stocks, longer-dated bonds, and gold, suffered indigestion from the prior year's strong advance.

Below the surface of these capital markets, shifting economic currents created notable turbulence within the hedge fund community. In January, retail investors dominated headlines with their social media-coordinated trades to upend short sellers in certain stocks like GameStop. At the end of March, a concentrated and levered equity bet by Archegos suffered massive losses from a margin call. However, Archegos was more of a non-event for the hedge fund community.

Hedge Fund Style Group Returns



Sources: Callan, Credit Suisse, Federal Reserve

Callan Peer Group Median and Index Returns* for Periods Ended 3/31/21

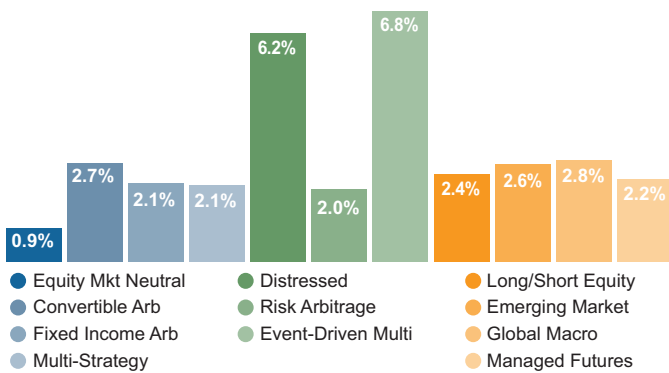
Hedge Fund Universe	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years
Callan Institutional Hedge Fund Peer Group	3.6	19.4	5.5	6.9	6.1	7.4
Callan Fund-of-Funds Peer Group	2.1	27.1	5.6	6.0	4.8	4.6
Callan Absolute Return FOF Style	3.2	19.3	4.5	5.0	4.0	3.9
Callan Core Diversified FOF Style	1.6	25.5	5.3	5.8	4.7	4.5
Callan Long/Short Equity FOF Style	1.8	33.7	8.9	8.6	6.3	5.5
BB GS Cross Asset Risk Premia 6% Vol Idx	0.1	-2.0	0.3	1.6	4.7	5.7
Credit Suisse Hedge Fund	2.9	20.2	4.8	5.1	3.9	4.5
CS Convertible Arbitrage	2.7	19.5	5.9	6.1	3.9	4.6
CS Distressed	6.2	23.6	3.1	5.1	4.0	4.5
CS Emerging Markets	2.6	28.7	5.1	7.7	4.8	5.3
CS Equity Market Neutral	0.9	8.3	-0.6	0.6	1.4	-1.0
CS Event-Driven Multi	6.8	40.6	6.6	6.5	2.8	4.8
CS Fixed Income Arb	2.1	12.3	3.7	5.0	4.6	4.0
CS Global Macro	2.8	19.1	6.3	5.5	4.3	5.8
CS Long/Short Equity	2.4	24.3	5.4	6.1	5.0	5.2
CS Managed Futures	2.3	4.1	3.2	-0.5	0.9	2.6
CS Multi-Strategy	2.1	15.3	4.0	5.1	5.4	5.4
CS Risk Arbitrage	2.0	26.9	7.7	6.4	3.9	4.4
HFRI Asset Wtd Composite	2.7	18.5	3.7	4.7	3.7	--
90-Day T-Bill + 5%	1.3	5.1	6.5	6.2	5.6	6.2

*Net of fees. Sources: Bloomberg Barclays GSAM, Callan, Credit Suisse, Hedge Fund Research

Looking past these distracting headlines, the first quarter was broadly good, or at least benign, for hedge funds. Illustrating hedge fund performance without implementation costs, the Credit Suisse Hedge Fund Index (CS HFI) gained 2.9% in 1Q. As a proxy for live hedge fund portfolios, net of all fees, the median fund in the Callan Hedge Fund-of-Funds Database earned 2.1%. Over the last year, the median fund rebounded 27.1%.

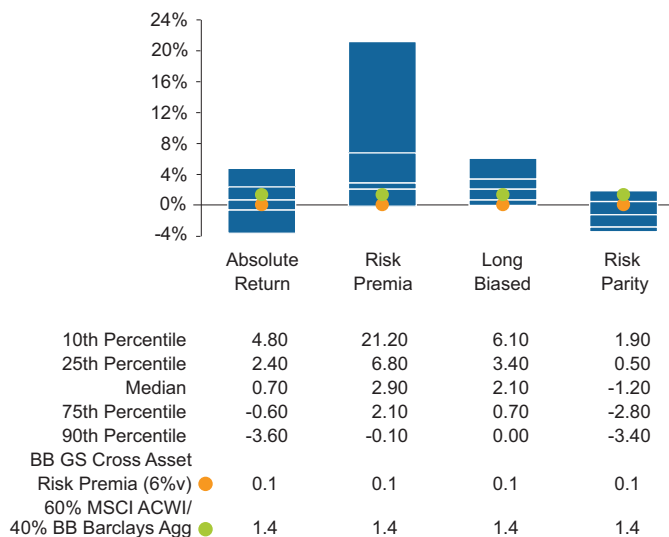
During this year's first quarter, all of CS HFI's underlying strategies added value. The best-performing strategy was Event-Driven Multi-Strategy (+6.8%), aided by unusually strong

Credit Suisse Hedge Fund Strategy Returns



Source: Credit Suisse

MAC Style Group Returns



Sources: Bloomberg Barclays, Callan, Eurekahedge, S&P Dow Jones Indices

issuance of IPOs, SPACs, and convertibles along with resilient M&A activity. Another strong-performing strategy was Distressed (+6.2%), which derived support from recovering market values in stressed industry assets. Strategies hedged against equity and rate risks yielded more modest, however less stressful, profits, such as Convertible Arb (+2.7%), Fixed Income Arb (+2.1%), and Risk Arb (+2.0%).

Representing 50 of the largest, broadly diversified hedge funds with low-beta exposure to equity markets, the average Callan Institutional Hedge Fund (CIHF) manager for the quarter earned 4.1%, net of fees. Within this peer group, the average Hedged Credit fund gained 6.1% while the average Hedged Cross-Asset fund advanced 3.7%. With minimal net equity exposure, the average Hedged Equity fund yielded 2.2%. The weakest sub-peer group was Hedged Rates (+1.5%).

Within the Callan Hedge Fund-of-Funds Database, market exposures did not notably differentiate a hedge fund portfolio's performance in the first quarter. Despite a strong U.S. equity rally, the median Callan Long/Short Equity FOF (+1.8%) lagged the Callan Absolute Return FOF (+3.2%) that benefited more from corporate events and recovering credits. With diversifying exposures to both non-directional and directional styles, the Core Diversified FOF netted 1.6%.

Within Callan's database of liquid alternative solutions, three of the four Multi-Asset Class (MAC) style groups generated positive returns, gross of fees, consistent with their underlying risk exposures. For example, the median Callan Risk Premia MAC rose 2.9%, aided by the rebounding value factor. Given a usually long equity bias within its dynamic asset allocation mandate, the Callan Long-Biased MAC (+2.1%) marginally outperformed the traditional benchmark of 60% MSCI ACWI and 40% Bloomberg Barclays US Aggregate Bond Index (+1.4%). Typically targeting equal risk-weighted allocations to major asset classes with leverage, the Callan Risk Parity MAC lost 1.2%, given its outsized dollar weight to bonds. As the most conservative MAC style focused on non-directional strategies of long and short asset class exposures, the Callan Absolute Return MAC edged ahead 0.7%.

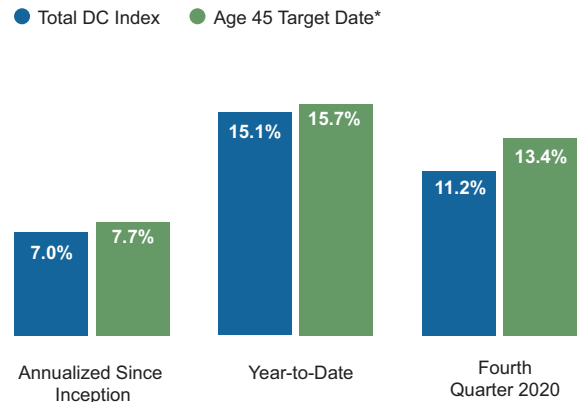
Index Caps off 2020 with Third Straight Quarterly Gain

DEFINED CONTRIBUTION | Patrick Wisdom

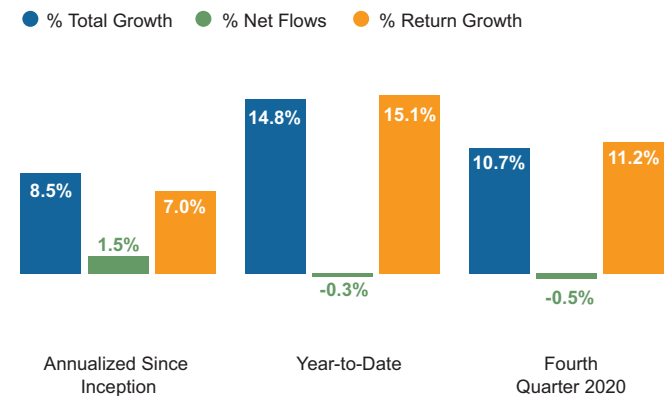
- The Callan DC Index™ rose 11.2% in 4Q20, the third straight quarter of gains after a 15.0% 1Q20 plunge, and increased 15.1% for the year. The Age 45 Target Date Fund (analogous to the 2040 vintage) posted a larger gain (13.4%), attributable to its higher allocation to equity, which outperformed fixed income during the quarter.
- Balances rose by 10.7%, the third straight quarter of gains. Robust investment returns (11.2%) were the sole driver of the growth; quarterly net flows (-0.5%) had a negative effect.
- Target date funds, uncharacteristically, saw low quarterly net inflows of only 0.6%.
- Relatively safer asset classes, such as stable value (66.5%) and U.S. fixed income (9.8%), received sizable net inflows.
- Global equity received its largest-ever quarterly net inflows (6.5%). Conversely, U.S. large cap (-47.1%) and U.S. small/mid cap (-26.4%) had the largest percentage of net outflows.
- Turnover (i.e., net transfer activity levels within DC plans) declined from the previous quarter's 0.75% to 0.14%, the lowest figure since 3Q18.
- The overall allocation to equity increased to 70.5% from the previous quarter's 68.8%, despite the net outflows in U.S. large cap and small/mid cap.
- After the largest percentage decrease in allocation the previous quarter, U.S. small/mid cap had the biggest increase in 4Q, bringing the overall allocation to 8.2%.
- Despite sizable net inflows, stable value (9.1%) experienced the largest decrease in allocation, signaling the asset class was a relative underperformer. Similarly, U.S. fixed income (6.3%) had the second-largest decrease, while money market funds (1.4%) saw a modest reduction.
- The prevalence of a money market offering (47.4%) decreased by 1.7 percentage points after rising by a similar amount the previous quarter. Many more DC plans continue to offer a stable value option (75.9%).

The Callan DC Index is an equally weighted index tracking the cash flows and performance of over 100 plans, representing nearly \$300 billion in assets. The Index is updated quarterly and is available on Callan's website.

Investment Performance



Growth Sources



Net Cash Flow Analysis (4Q20)

(Top Two and Bottom Two Asset Gatherers)

Asset Class	Flows as % of Total Net Flows
Stable Value	66.54%
U.S. Fixed Income	9.77%
U.S. Smid Cap	-26.40%
U.S. Large Cap	-47.10%
Total Turnover**	0.14%

Data provided here is the most recent available at time of publication.

Source: Callan DC Index

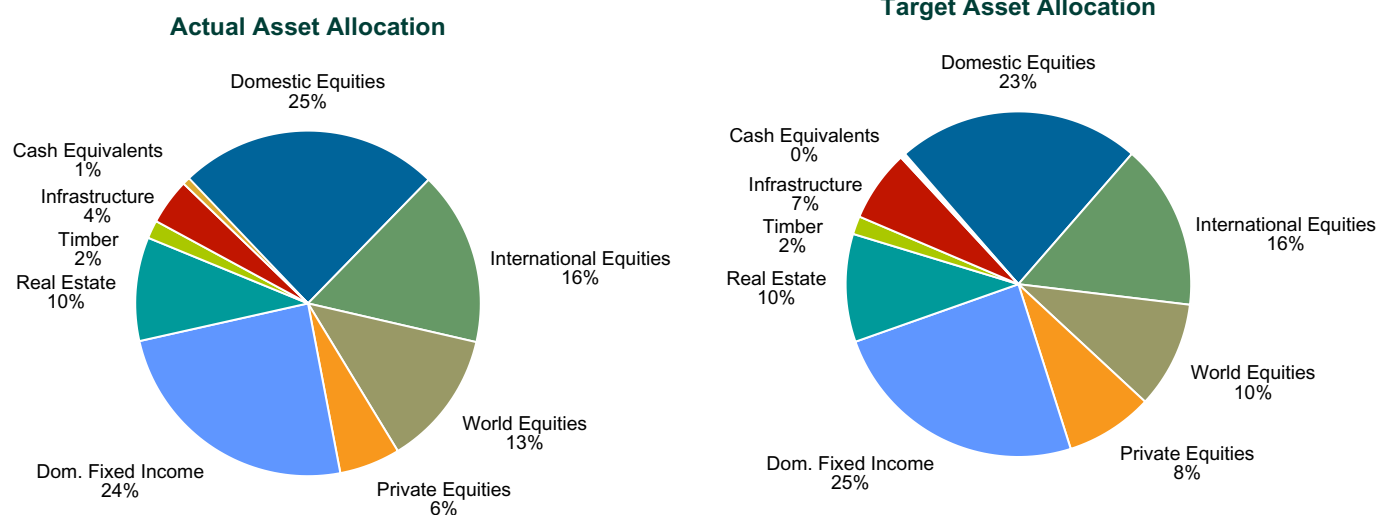
Note: DC Index inception date is January 2006.

* The Age 45 Fund transitioned from the average 2035 TDF to the 2040 TDF in June 2018.

** Total Index "turnover" measures the percentage of total invested assets (transfers only, excluding contributions and withdrawals) that moved between asset classes.

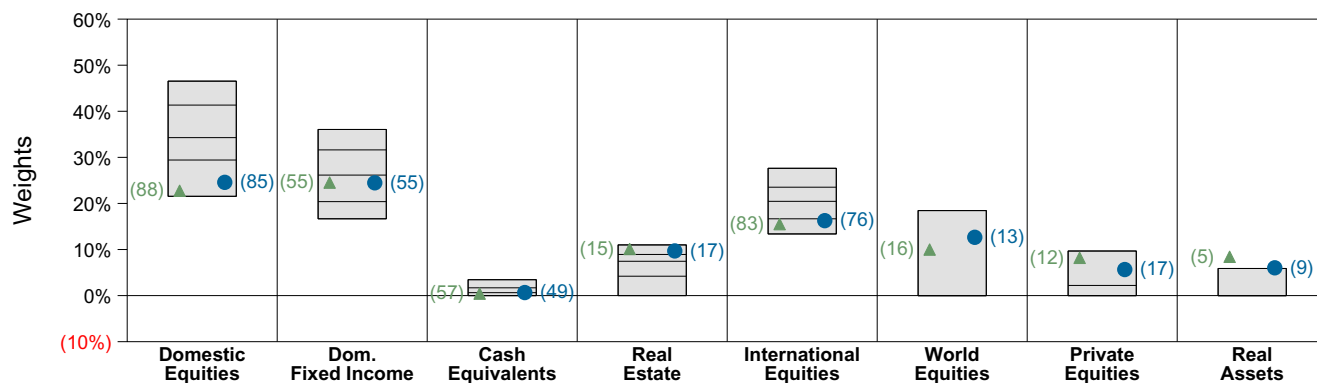
Actual vs Target Asset Allocation As of March 31, 2021

The top left chart shows the Fund's asset allocation as of March 31, 2021. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Callan Public Fund Sponsor Database.



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equities	1,737,043	24.6%	22.8%	1.8%	128,597
International Equities	1,149,385	16.3%	15.5%	0.8%	53,034
World Equities	894,211	12.7%	10.0%	2.7%	187,458
Private Equities	399,581	5.7%	8.2%	(2.5%)	(180,188)
Dom. Fixed Income	1,729,648	24.5%	24.5%	(0.1%)	(4,191)
Real Estate	685,022	9.7%	10.1%	(0.4%)	(30,290)
Timber	119,097	1.7%	1.7%	0.0%	0
Infrastructure	307,049	4.3%	6.7%	(2.4%)	(169,799)
Cash Equivalents	46,494	0.7%	0.4%	0.2%	15,379
Total	7,067,530	100.0%	100.0%		

Asset Class Weights vs Callan Public Fund Sponsor Database



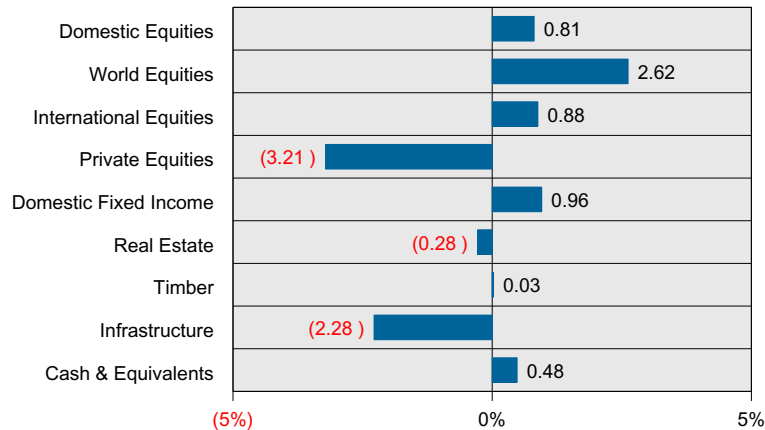
	Domestic Equities	Dom. Fixed Income	Cash Equivalents	Real Estate	International Equities	World Equities	Private Equities	Real Assets
10th Percentile	46.54	36.05	3.45	11.00	27.63	18.45	9.68	5.89
25th Percentile	41.34	31.62	1.69	8.93	23.52	0.00	2.21	0.00
Median	34.28	26.15	0.63	7.45	20.46	0.00	0.00	0.00
75th Percentile	29.42	20.39	0.01	4.21	16.66	0.00	0.00	0.00
90th Percentile	21.54	16.67	0.00	0.00	13.38	0.00	0.00	0.00
Fund	● 24.58	24.47	0.66	9.69	16.26	12.65	5.65	6.03
Target	▲ 22.76	24.53	0.44	10.12	15.51	10.00	8.20	8.43
% Group Invested	93.53%	98.56%	76.26%	82.01%	90.65%	20.14%	26.62%	20.14%

* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

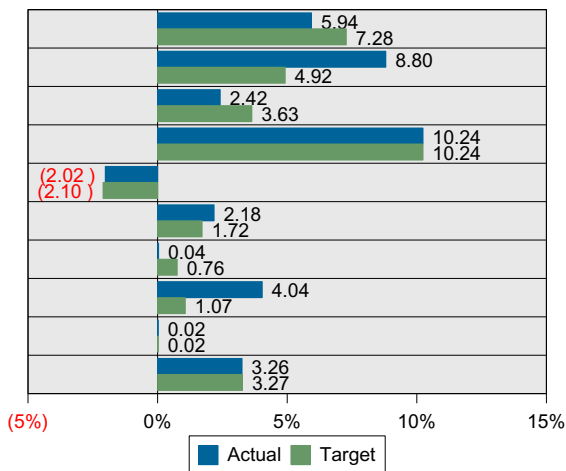
Quarterly Total Fund Relative Attribution - March 31, 2021

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

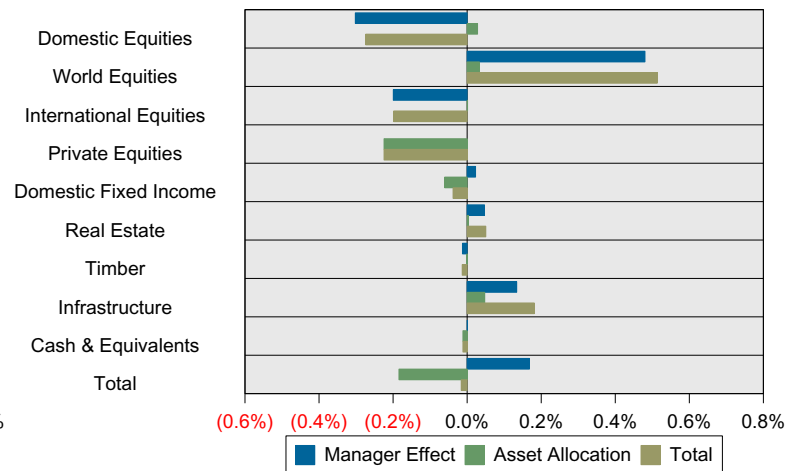
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2021

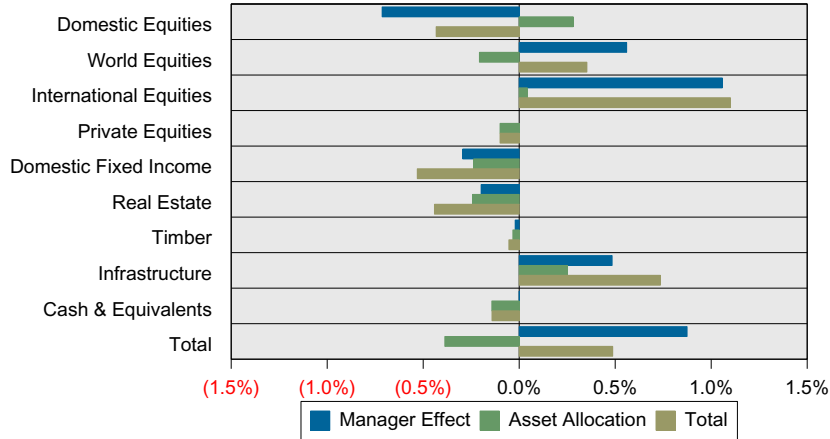
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	24%	23%	5.94%	7.28%	(0.30%)	0.03%	(0.27%)
World Equities	13%	10%	8.80%	4.92%	0.48%	0.03%	0.51%
International Equities	16%	16%	2.42%	3.63%	(0.20%)	0.00%	(0.20%)
Private Equities	5%	8%	10.24%	10.24%	0.00%	(0.22%)	(0.22%)
Domestic Fixed Income	25%	25%	(2.02%)	(2.10%)	0.02%	(0.06%)	(0.04%)
Real Estate	10%	10%	2.18%	1.72%	0.05%	0.00%	0.05%
Timber	2%	2%	0.04%	0.76%	(0.01%)	(0.00%)	(0.01%)
Infrastructure	4%	7%	4.04%	1.07%	0.13%	0.05%	0.18%
Cash & Equivalents	1%	0%	0.02%	0.02%	(0.00%)	(0.01%)	(0.01%)
Total			3.26%	3.27%	+ 0.17%	+ (0.18%)	(0.02%)

* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

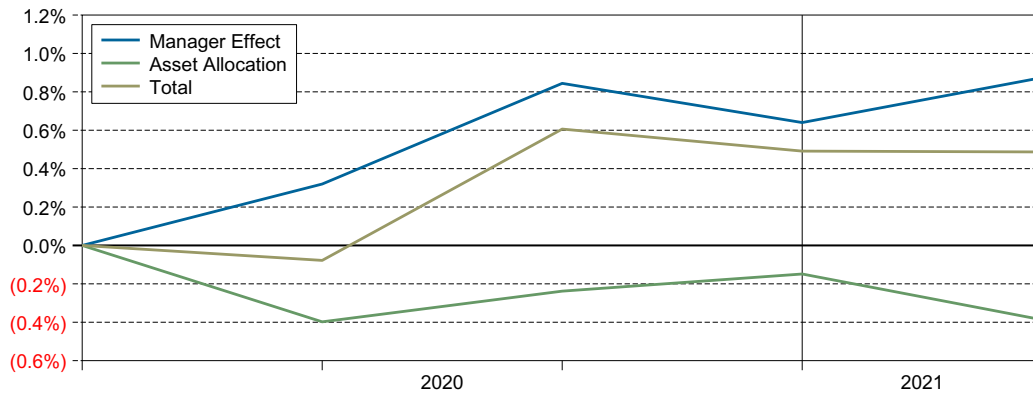
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

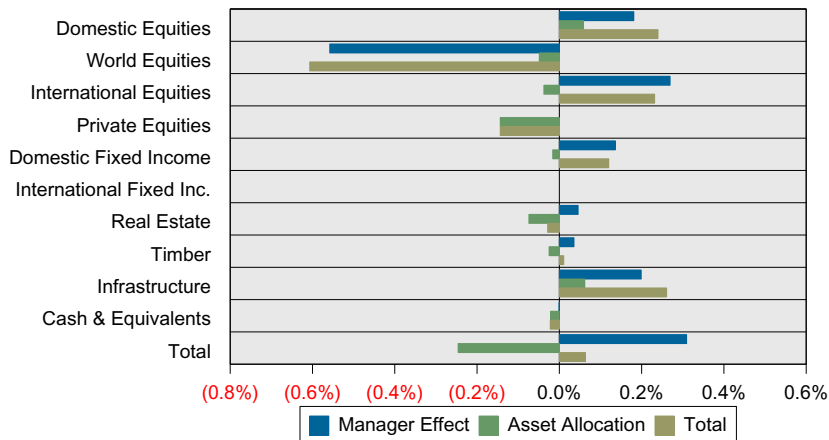
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	22%	63.74%	67.57%	(0.71%)	0.28%	(0.43%)
World Equities	14%	14%	59.31%	54.03%	0.56%	(0.21%)	0.35%
International Equities	15%	15%	57.52%	48.82%	1.06%	0.04%	1.10%
Private Equities	5%	7%	19.20%	19.20%	0.00%	(0.10%)	(0.10%)
Domestic Fixed Income	24%	24%	6.26%	7.20%	(0.29%)	(0.24%)	(0.53%)
Real Estate	11%	10%	1.18%	2.61%	(0.20%)	(0.24%)	(0.44%)
Timber	2%	2%	0.56%	1.46%	(0.02%)	(0.03%)	(0.05%)
Infrastructure	5%	6%	9.96%	1.74%	0.48%	0.25%	0.74%
Cash & Equivalents	1%	0%	0.21%	0.12%	0.00%	(0.14%)	(0.14%)
Total			31.72%	31.23%	+ 0.87%	+ (0.39%)	0.49%

* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

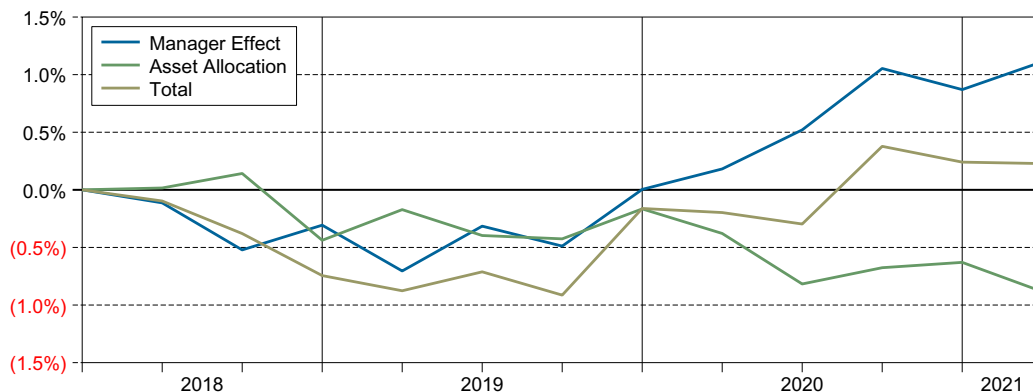
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

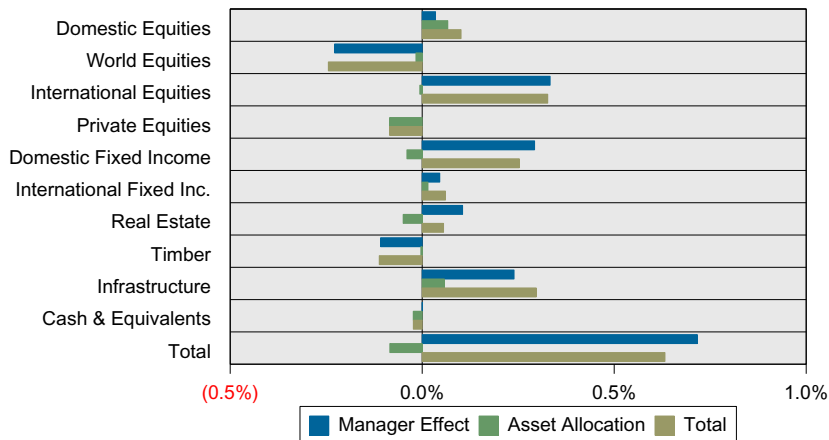
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	21%	17.70%	16.68%	0.18%	0.06%	0.24%
World Equities	16%	15%	9.36%	12.81%	(0.56%)	(0.05%)	(0.61%)
International Equities	15%	14%	8.30%	6.48%	0.27%	(0.04%)	0.23%
Private Equities	4%	7%	10.08%	10.08%	0.00%	(0.14%)	(0.14%)
Domestic Fixed Income	24%	23%	5.91%	5.40%	0.14%	(0.02%)	0.12%
International Fixed Inc.	0%	0%	-	-	0.00%	0.00%	0.00%
Real Estate	11%	10%	5.28%	4.89%	0.05%	(0.07%)	(0.03%)
Timber	2%	2%	3.24%	1.71%	0.04%	(0.02%)	0.01%
Infrastructure	5%	6%	6.90%	2.98%	0.20%	0.06%	0.26%
Cash & Equivalents	1%	0%	1.43%	1.49%	(0.00%)	(0.02%)	(0.02%)
Total			9.61%	9.54%	+ 0.31%	+ (0.25%)	0.06%

* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

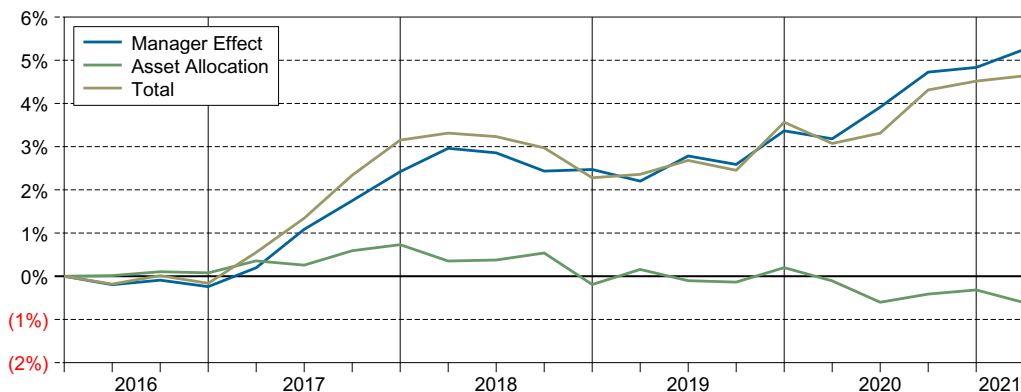
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

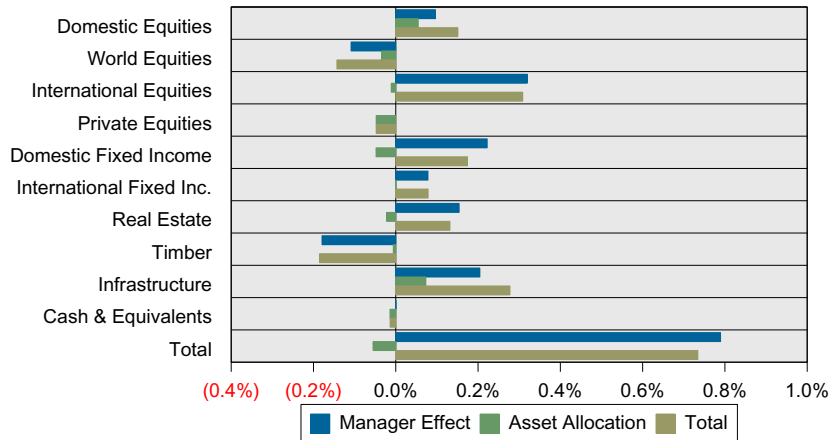
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	21%	16.85%	16.59%	0.03%	0.07%	0.10%
World Equities	16%	16%	11.90%	13.36%	(0.23%)	(0.02%)	(0.24%)
International Equities	16%	14%	11.83%	9.63%	0.33%	(0.01%)	0.33%
Private Equities	4%	6%	9.42%	9.42%	0.00%	(0.08%)	(0.08%)
Domestic Fixed Income	21%	21%	5.90%	4.50%	0.29%	(0.04%)	0.25%
International Fixed Inc.	2%	2%	-	-	0.05%	0.01%	0.06%
Real Estate	11%	10%	6.76%	5.81%	0.11%	(0.05%)	0.06%
Timber	2%	3%	(0.75%)	2.51%	(0.11%)	(0.00%)	(0.11%)
Infrastructure	5%	6%	7.71%	2.75%	0.24%	0.06%	0.30%
Cash & Equivalents	1%	0%	1.22%	1.19%	0.00%	(0.02%)	(0.02%)
Total			10.38%	9.75%	+ 0.72%	+ (0.08%)	0.63%

* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

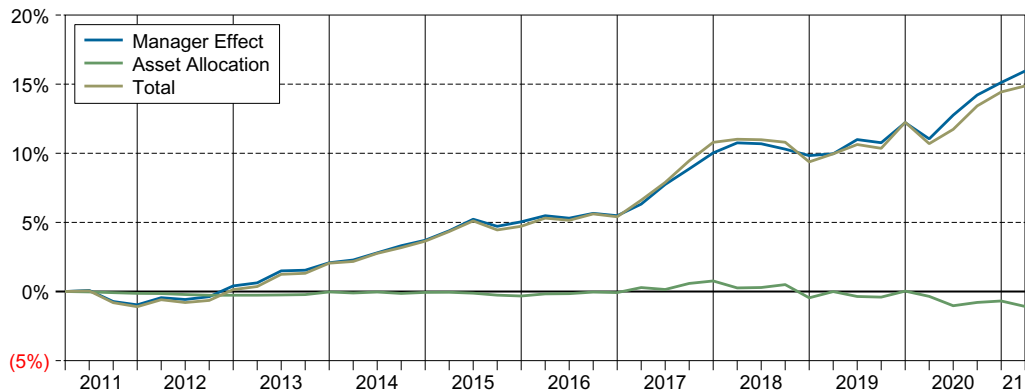
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Ten Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Ten Year Annualized Relative Attribution Effects

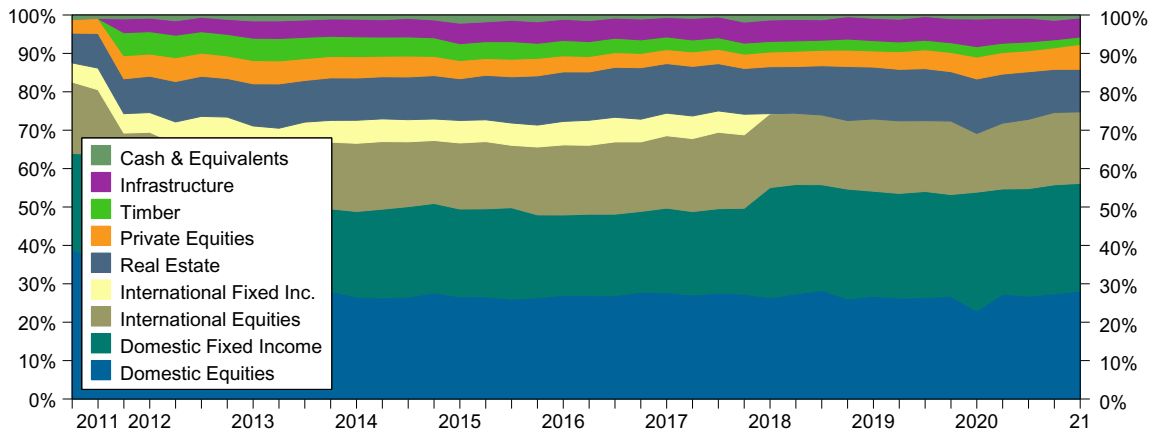
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	24%	23%	14.11%	13.53%	0.10%	0.05%	0.15%
World Equities	14%	14%	-	-	(0.11%)	(0.03%)	(0.14%)
International Equities	16%	15%	7.23%	5.17%	0.32%	(0.01%)	0.31%
Private Equities	4%	6%	5.09%	5.09%	0.00%	(0.05%)	(0.05%)
Domestic Fixed Income	20%	20%	5.61%	4.35%	0.22%	(0.05%)	0.17%
International Fixed Inc.	3%	3%	-	-	0.08%	0.00%	0.08%
Real Estate	10%	10%	10.47%	8.82%	0.15%	(0.02%)	0.13%
Timber	3%	3%	-	-	(0.18%)	(0.01%)	(0.19%)
Infrastructure	4%	5%	-	-	0.20%	0.07%	0.28%
Cash & Equivalents	1%	1%	0.66%	0.63%	0.00%	(0.01%)	(0.01%)
Total			8.52%	7.79%	+ 0.79%	+ (0.06%)	0.73%

* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

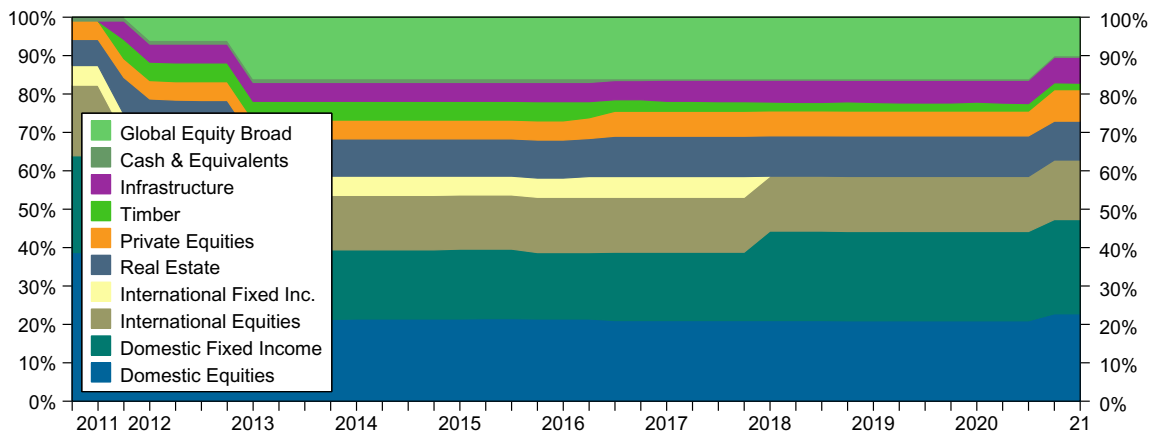
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, the fund's historical target asset allocation, and the historical asset allocation of the average fund in the Callan Public Fund Sponsor Database.

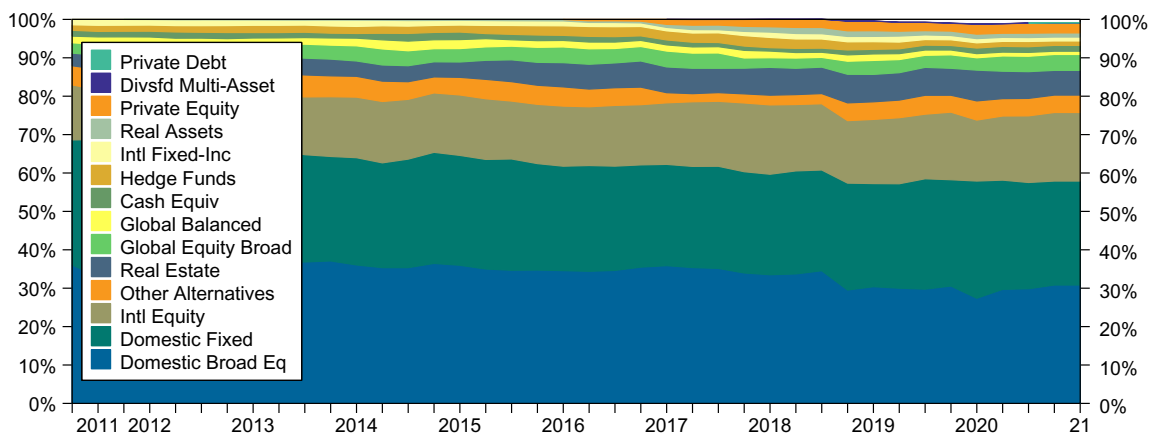
Actual Historical Asset Allocation



Target Historical Asset Allocation



Average Callan Public Fund Sponsor Database Historical Asset Allocation

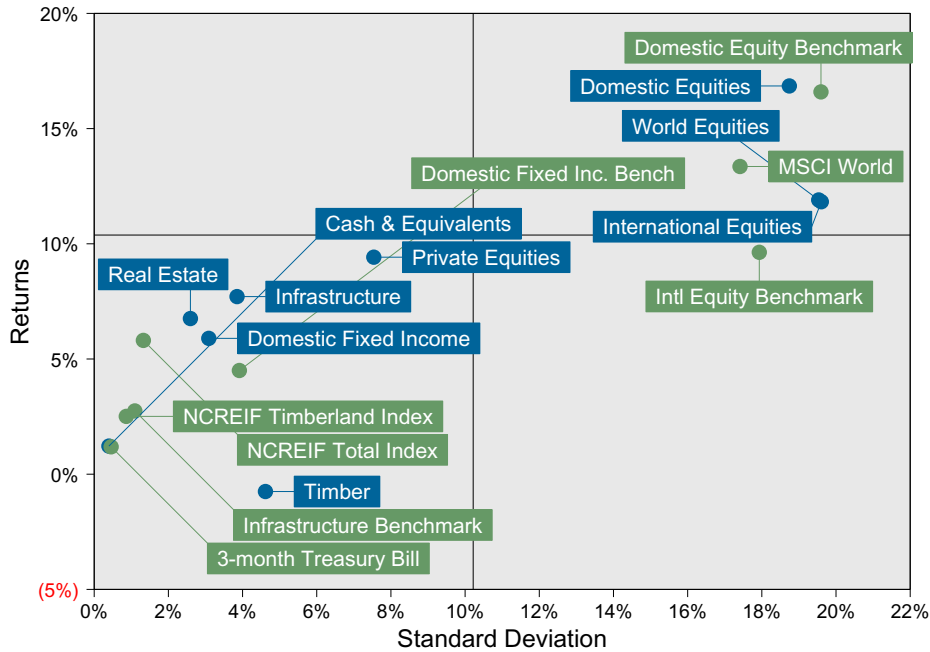


* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

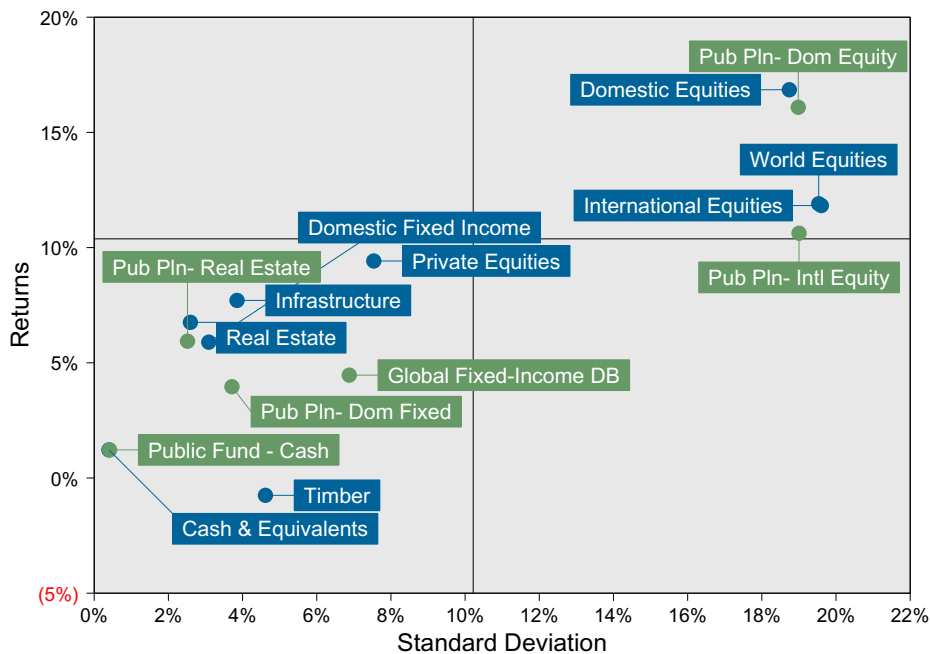
Asset Class Risk and Return

The charts below show the five year annualized risk and return for each asset class component of the Total Fund. The first graph contrasts these values with those of the appropriate index for each asset class. The second chart contrasts them with the risk and return of the median portfolio in each of the appropriate CAI comparative databases. In each case, the crosshairs on the chart represent the return and risk of the Total Fund.

Five Year Annualized Risk vs Return Asset Classes vs Benchmark Indices



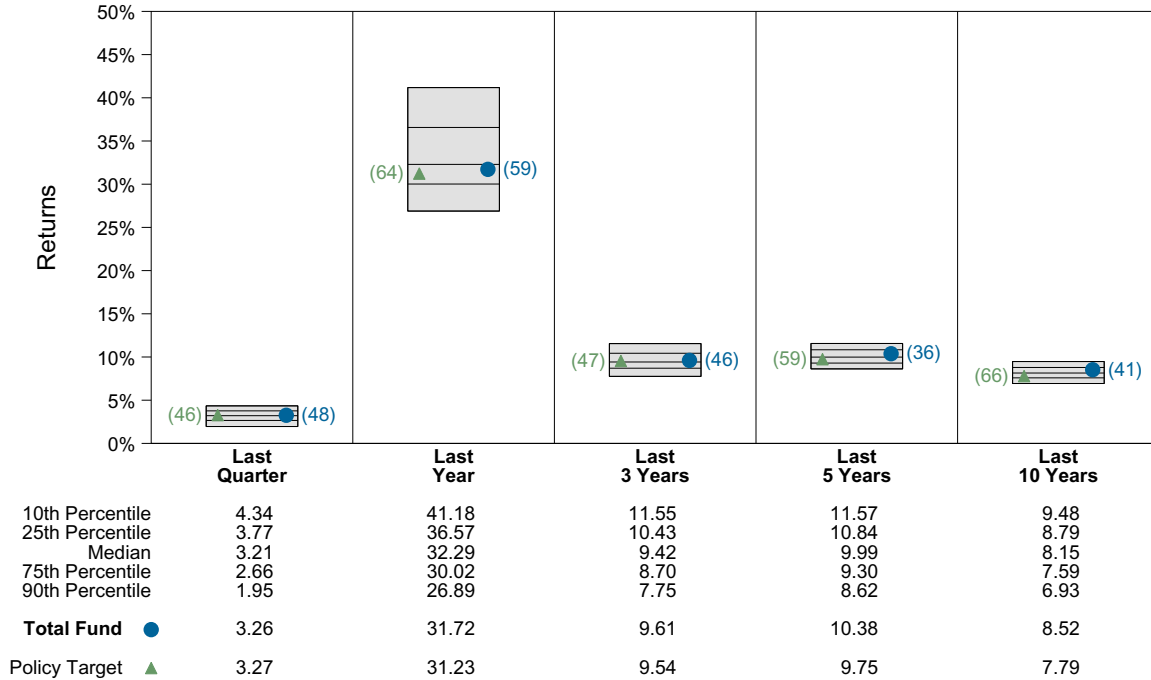
Five Year Annualized Risk vs Return Asset Classes vs Asset Class Median



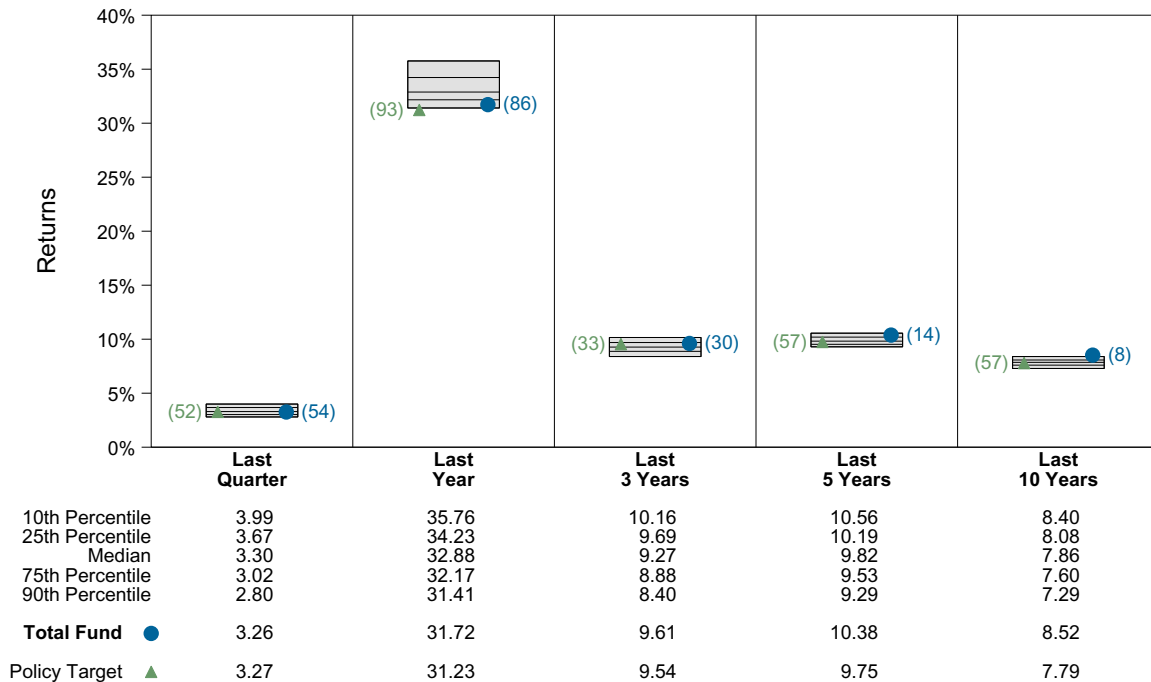
Total Fund Ranking

The first two charts show the ranking of the Total Fund's performance relative to that of the Callan Public Fund Sponsor Database for periods ended March 31, 2021. The first chart is a standard unadjusted ranking. In the second chart each fund in the database is adjusted to have the same historical asset allocation as that of the Total Fund.

Callan Public Fund Sponsor Database



Asset Allocation Adjusted Ranking

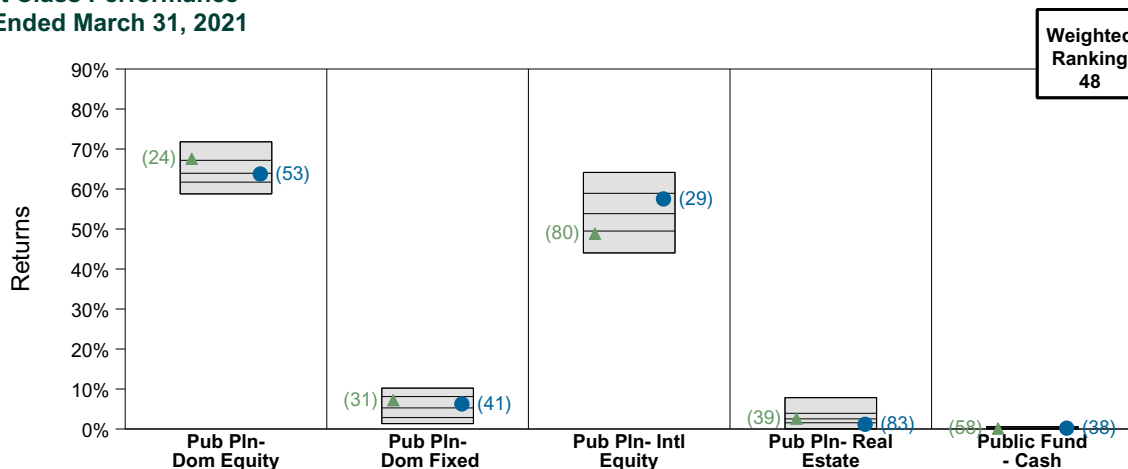


* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

Asset Class Rankings

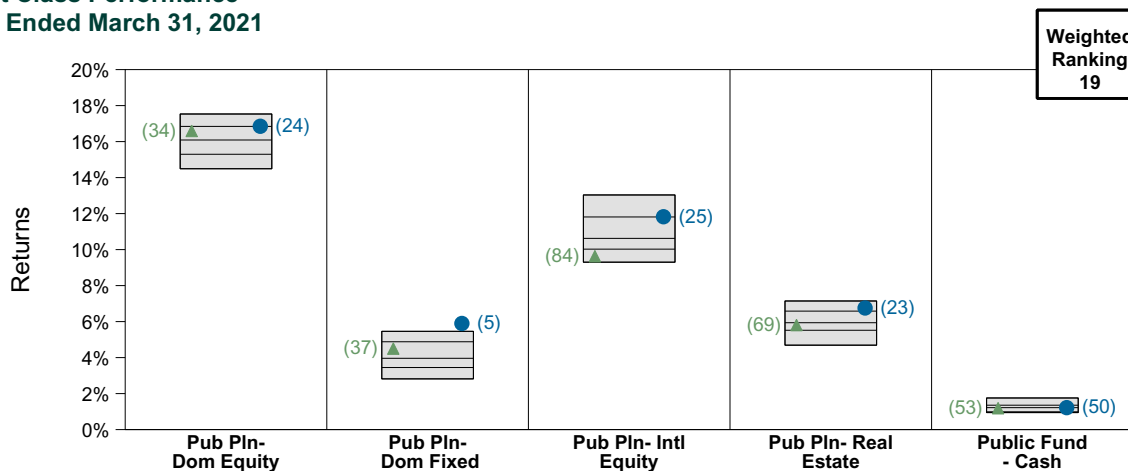
The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance One Year Ended March 31, 2021



	Pub Pln-Dom Equity	Pub Pln-Dom Fixed	Pub Pln-Intl Equity	Pub Pln-Real Estate	Public Fund - Cash
10th Percentile	71.79	10.22	64.15	7.83	0.60
25th Percentile	67.17	8.11	58.92	3.92	0.33
Median	63.93	5.28	53.84	2.54	0.19
75th Percentile	61.71	2.86	49.49	1.55	0.06
90th Percentile	58.77	1.34	44.01	0.07	0.04
Asset Class Composite	63.74	6.26	57.52	1.18	0.21
Composite Benchmark	67.57	7.20	48.82	2.61	0.12

Total Asset Class Performance Five Years Ended March 31, 2021



	Pub Pln-Dom Equity	Pub Pln-Dom Fixed	Pub Pln-Intl Equity	Pub Pln-Real Estate	Public Fund - Cash
10th Percentile	17.53	5.46	13.04	7.14	1.76
25th Percentile	16.84	4.88	11.81	6.58	1.36
Median	16.09	3.96	10.62	5.94	1.22
75th Percentile	15.30	3.45	10.02	5.52	0.99
90th Percentile	14.49	2.82	9.30	4.69	0.94
Asset Class Composite	16.85	5.90	11.83	6.76	1.22
Composite Benchmark	16.59	4.50	9.63	5.81	1.19

* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	March 31, 2021			Inv. Return	December 31, 2020	
	Market Value	Weight	Net New Inv.		Market Value	Weight
Global Equities	\$4,180,220,552	59.15%	\$(56,454,266)	\$232,694,092	\$4,003,980,727	58.26%
Public Equities	\$3,780,639,113	53.49%	\$(84,382,547)	\$196,869,399	\$3,668,152,261	53.37%
World Equities	\$894,211,116	12.65%	\$(94,942,449)	\$74,398,692	\$914,754,872	13.31%
EPOCH Investment Partners	404,816,496	5.73%	(53,808,796)	12,045,240	446,580,052	6.50%
LSV Asset Management	489,394,620	6.92%	(41,133,653)	62,353,453	468,174,820	6.81%
Domestic Equities	\$1,737,042,974	24.58%	\$11,238,328	\$95,348,361	\$1,630,456,285	23.72%
Large Cap	\$1,374,546,963	19.45%	\$44,684,347	\$65,572,570	\$1,264,290,046	18.40%
L.A. Capital	533,975,146	7.56%	(250,801)	12,865,020	521,360,927	7.59%
LACM Enhanced Index	272,067,225	3.85%	(64,852)	16,565,397	255,566,680	3.72%
Northern Trust AM Enh S&P 500	254,385,404	3.60%	0	20,750,013	233,635,391	3.40%
Parametric Enh S&P 500	314,119,187	4.44%	45,000,000	15,392,140	253,727,047	3.69%
Small Cap	\$362,496,011	5.13%	\$(33,446,019)	\$29,775,791	\$366,166,239	5.33%
Atlanta Capital	118,150,237	1.67%	(6,181,805)	9,913,788	114,418,253	1.66%
Riverbridge Small Cap Growth	115,521,371	1.63%	(14,144,822)	1,512,662	128,153,531	1.86%
Sycamore Small Cap Value	128,824,404	1.82%	(13,119,392)	18,349,341	123,594,455	1.80%
International Equities	\$1,149,385,024	16.26%	\$(678,425)	\$27,122,345	\$1,122,941,104	16.34%
Developed	\$879,607,241	12.45%	\$(427,034)	\$23,874,498	\$856,159,778	12.46%
DFA Int'l Small Cap	86,755,504	1.23%	0	6,529,544	80,225,959	1.17%
Northern Trust AM World Ex US	426,369,627	6.03%	(27,809)	16,182,427	410,215,009	5.97%
Wellington Management Co.	97,917,891	1.39%	(180,764)	3,489,776	94,608,880	1.38%
William Blair	268,564,220	3.80%	(218,462)	(2,327,249)	271,109,930	3.94%
Emerging Markets	\$269,777,783	3.82%	\$(251,391)	\$3,247,847	\$266,781,326	3.88%
Axiom	200,861,366	2.84%	(251,391)	(1,356,761)	202,469,518	2.95%
DFA	68,916,417	0.98%	0	4,604,608	64,311,809	0.94%

Investment Manager Asset Allocation

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Asset Distribution Across Investment Managers

	March 31, 2021			December 31, 2020		
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Private Equities	\$399,581,439	5.65%	\$27,928,280	\$35,824,693	\$335,828,466	4.89%
Adams St Direct Co-Invest Fund	192,383	0.00%	0	(96)	192,479	0.00%
Adams St Direct Fund 2010	956,745	0.01%	(17,074)	173,349	800,470	0.01%
Adams St 1998 Partnership	13,153	0.00%	0	(228)	13,381	0.00%
Adams St 1999 Partnership	130,430	0.00%	0	703	129,727	0.00%
Adams St 2000 Partnership	306,328	0.00%	0	(3,976)	310,304	0.00%
Adams St 2001 Partnership	657,019	0.01%	0	44,685	612,334	0.01%
Adams St 2002 Partnership	137,630	0.00%	0	691	136,939	0.00%
Adams St 2003 Partnership	142,394	0.00%	0	(1,041)	143,435	0.00%
Adams St 2010 Partnership	6,896,477	0.10%	(522,921)	1,251,803	6,167,595	0.09%
Adams St 2008 Fund	6,719,751	0.10%	(383,009)	771,971	6,330,789	0.09%
Adams St 1999 Non-US	1	0.00%	0	(48)	49	0.00%
Adams St 2000 Non-US	221,692	0.00%	0	(2,671)	224,363	0.00%
Adams St 2001 Non-US	95,591	0.00%	0	847	94,744	0.00%
Adams St 2002 Non-US	86,507	0.00%	0	256	86,251	0.00%
Adams St 2003 Non-US	161,642	0.00%	0	(53)	161,695	0.00%
Adams St 2004 Non-US	225,501	0.00%	0	40,125	185,376	0.00%
Adams St 2010 Non-US	3,037,276	0.04%	(177,805)	404,322	2,810,759	0.04%
Adams St 2010 Non-US Emg	1,972,306	0.03%	(81,650)	326,168	1,727,788	0.03%
Adams St 2015 Global Fund	38,045,565	0.54%	0	7,716,827	30,328,738	0.44%
Adams St 2016 Global Fund	28,269,821	0.40%	675,000	4,491,220	23,103,601	0.34%
Adams St 2017 Global Fund	50,074,251	0.71%	1,530,000	6,740,107	41,804,144	0.61%
Adams St 2018 Global Fund	35,974,788	0.51%	3,575,000	5,477,043	26,922,745	0.39%
Adams St 2019 Global Fund	16,639,796	0.24%	4,680,000	4,058,280	7,901,516	0.11%
Adams St 2020 Global Fund	3,200,715	0.05%	0	2,000,715	1,200,000	0.02%
Adams Street BVCF IV Fund	779	0.00%	(982)	(2,604)	4,365	0.00%
BlackRock	135,017,304	1.91%	7,355,053	0	127,662,251	1.86%
Blackrock PEP 2020	6,122,049	0.09%	6,122,049	0	-	-
Sixth Street TAO	17,242,123	0.24%	5,894,912	606,414	10,740,797	0.16%
Remaining Misc. Funds*	47,041,422	0.67%	(720,293)	1,729,884	46,031,831	0.67%

* Comprised of Matlin Patterson II, Matlin Patterson III, InvestAmerica Lewis & Clark, InvestAmerica L&C II, Corsair III, Capital Intl Fd V, Capital Intl Fd VI, EIG, Quantum Energy Partners, Hearthstone MSII, Hearthstone MSIII.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	March 31, 2021				December 31, 2020	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Global Fixed Income	\$1,729,648,223	24.47%	\$72,924,100	\$(35,935,303)	\$1,692,659,427	24.63%
Domestic Fixed Income	\$1,729,648,223	24.47%	\$72,924,100	\$(35,935,303)	\$1,692,659,427	24.63%
Investment Grade	\$1,266,302,399	17.92%	\$88,693,482	\$(47,863,052)	\$1,225,471,970	17.83%
Declaration Total Return	155,179,275	2.20%	24,921,495	800,566	129,457,214	1.88%
PIMCO DiSCO II	114,149,702	1.62%	0	1,860,561	112,289,141	1.63%
PIMCO Core Plus Constrained	425,291,351	6.02%	18,386,393	(13,428,369)	420,333,327	6.12%
Prudential Core	426,663,443	6.04%	18,389,973	(15,404,365)	423,677,834	6.16%
SSgA Long US Treas Index	145,018,628	2.05%	26,995,620	(21,691,445)	139,714,453	2.03%
Below Investment Grade	\$463,345,824	6.56%	\$(15,769,382)	\$11,927,749	\$467,187,457	6.80%
Ares ND Credit Strategies Fd	125,565,990	1.78%	0	4,160,357	121,405,633	1.77%
Cerberus ND Private Credit Fd	136,561,943	1.93%	(13,750,000)	4,645,616	145,666,327	2.12%
Goldman Sachs 2006 Offshore	68,335	0.00%	0	1,002	67,333	0.00%
Goldman Sachs Offshore V	162,204	0.00%	(72,262)	3,417	231,049	0.00%
Loomis Sayles	187,118,171	2.65%	(218,216)	1,620,310	185,716,077	2.70%
PIMCO Bravo II Fund	13,869,181	0.20%	(1,728,904)	1,497,047	14,101,038	0.21%
Global Real Assets	\$1,111,168,048	15.72%	\$(8,927,768)	\$26,771,758	\$1,093,324,058	15.91%
Real Estate	\$685,022,066	9.69%	\$2,034,344	\$14,579,011	\$668,408,711	9.73%
Invesco Core Real Estate	330,545,519	4.68%	(266,644)	5,305,743	325,506,420	4.74%
Invesco Fund III	239,052	0.00%	0	239,051	1	0.00%
Invesco Asia RE Fund III	18,954,281	0.27%	(392,340)	548,596	18,798,025	0.27%
Invesco Value Added Fd IV	34,880,560	0.49%	0	1,868,174	33,012,386	0.48%
Invesco Value Added Fd V	43,671,674	0.62%	2,693,328	2,077,545	38,900,801	0.57%
JP Morgan	256,162,893	3.62%	0	4,639,763	251,523,130	3.66%
JP Morgan Greater European Opp Fd	568,087	0.01%	0	(99,861)	667,948	0.01%
Other Real Assets	\$426,145,982	6.03%	\$(10,962,112)	\$12,192,748	\$424,915,346	6.18%
Infrastructure	\$307,048,792	4.34%	\$(6,706,112)	\$12,146,732	\$301,608,172	4.39%
ISQ Global Infrastructure II	45,514,873	0.64%	1,897,268	0	43,617,605	0.63%
The Rohatyn Group	15,336,936	0.22%	0	(285,631)	15,622,567	0.23%
JP Morgan IIF	137,765,992	1.95%	(3,317,144)	7,518,819	133,564,316	1.94%
Grosvenor Cust. Infrastructure	13,371,883	0.19%	(3,411,285)	733,426	16,049,742	0.23%
Grosvenor Cust. Infrastructure II	19,911,687	0.28%	(253,420)	1,579,707	18,585,400	0.27%
Macquarie Infrastructure Fund IV	67,621,942	0.96%	(2,353,232)	2,864,573	67,110,601	0.98%
Macquarie Infrastructure Fund V	7,525,479	0.11%	731,700	(264,162)	7,057,941	0.10%
Timber	\$119,097,190	1.69%	\$(4,256,000)	\$46,016	\$123,307,174	1.79%
TIR Teredo	28,114,431	0.40%	0	1,004,474	27,109,957	0.39%
TIR Springbank	90,982,759	1.29%	(4,256,000)	(958,458)	96,197,217	1.40%
Cash	\$46,493,536	0.66%	\$(36,343,060)	\$11,492	\$82,825,104	1.21%
Northern Trust Cash Account	35,901,947	0.51%	(36,343,060)	8,881	72,236,126	1.05%
Bank of ND	10,591,589	0.15%	0	2,611	10,588,978	0.15%
Total Fund	\$7,067,530,360	100.0%	\$(28,800,995)	\$223,542,039	\$6,872,789,316	100.0%

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Equities					
Gross	5.90%	56.48%	12.17%	13.58%	-
Net	5.84%	56.11%	11.92%	13.33%	-
Weighted Benchmark	6.31%	54.08%	12.74%	13.48%	-
Public Equities					
Gross	5.47%	60.40%	-	-	-
Net	5.40%	59.97%	-	-	-
Weighted Benchmark	5.61%	58.27%	-	-	-
World Equities					
Gross	8.80%	59.31%	9.36%	11.90%	-
Net	8.69%	58.73%	8.98%	11.50%	-
MSCI World	4.92%	54.03%	12.81%	13.36%	9.88%
EPOCH Investment - Gross(1)	2.81%	50.23%	11.15%	12.32%	-
EPOCH Investment - Net	2.61%	49.27%	10.45%	11.61%	-
MSCI World	4.92%	54.03%	12.81%	13.36%	9.88%
LSV Asset Management - Gross(2)	13.90%	67.11%	7.83%	11.45%	-
LSV Asset Management - Net	13.87%	66.94%	7.72%	11.30%	-
Benchmark(4)	5.14%	57.58%	12.52%	13.73%	-
Domestic Equities					
Gross	5.94%	63.74%	17.70%	16.85%	14.11%
Net	5.89%	63.47%	17.51%	16.65%	13.87%
Weighted Benchmark	7.28%	67.57%	16.68%	16.59%	13.53%
Large Cap					
Gross	5.19%	61.95%	18.97%	17.37%	14.83%
Net	5.16%	61.86%	18.87%	17.25%	14.67%
Large Cap Benchmark(3)	5.91%	60.59%	17.31%	16.66%	14.08%
L.A. Capital - Gross	2.47%	64.61%	23.04%	19.95%	16.26%
L.A. Capital - Net	2.42%	64.29%	22.79%	19.70%	16.02%
Russell 1000 Growth Index	0.94%	62.74%	22.80%	21.05%	16.63%
LACM Enhanced Index - Gross	6.48%	59.89%	17.70%	16.07%	14.06%
LACM Enhanced Index - Net	6.46%	59.73%	17.58%	15.95%	13.93%
Russell 1000 Index	5.91%	60.59%	17.31%	16.66%	13.97%
Northern Tr AM Enh S&P500 - Gross	8.88%	55.07%	13.23%	13.95%	13.16%
Northern Tr AM Enh S&P500 - Net	8.88%	55.07%	13.23%	13.95%	12.98%
S&P 500 Index	6.17%	56.35%	16.78%	16.29%	13.91%
Parametric Enh S&P500 - Gross	5.83%	62.38%	17.12%	16.31%	14.01%
Parametric Enh S&P500 - Net	5.83%	62.76%	17.21%	16.31%	13.98%
S&P 500 Index	6.17%	56.35%	16.78%	16.29%	13.91%
Small Cap					
Gross	8.46%	69.20%	13.34%	15.03%	11.65%
Net	8.32%	68.22%	12.86%	14.54%	11.16%
Russell 2000 Index	12.70%	94.85%	14.76%	16.35%	11.68%
Atlanta Capital - Gross	8.89%	61.57%	15.86%	-	-
Atlanta Capital - Net	8.72%	60.53%	15.09%	-	-
S&P 600 Small Cap Index	18.24%	95.33%	13.71%	15.60%	12.97%
Riverbridge Small Cap Growth - Gross	0.84%	-	-	-	-
Riverbridge Small Cap Growth - Net	0.71%	-	-	-	-
Russell 2000 Growth Index	4.88%	90.20%	17.16%	18.61%	13.02%
Sycamore Small Cap Value - Gross	15.89%	-	-	-	-
Sycamore Small Cap Value - Net	15.77%	-	-	-	-
Russell 2000 Value Index	21.17%	97.05%	11.57%	13.56%	10.06%

(1) EPOCH Investment was removed from the Domestic Equities Composite to the World Equities Composite as of 1/1/2012.

(3) LSV Asset Management was removed from the Domestic Equities and Intl Equities Composites to the World Equities Composite as of February 1, 2013.

(3) S&P 500 Index through 12/31/2011 and Russell 1000 Index thereafter.

(4) MSCI ACWI Gross through 6/30/2019 and MSCI ACWI IMI thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
International Equities					
Gross	2.42%	57.52%	8.30%	11.83%	7.23%
Net	2.35%	57.02%	8.07%	11.61%	6.95%
Weighted Benchmark	3.63%	48.82%	6.48%	9.63%	5.17%
Developed					
Gross	2.79%	54.47%	8.34%	11.19%	7.34%
Net	2.74%	54.15%	8.11%	10.95%	7.05%
Benchmark(1)	4.04%	45.86%	6.34%	8.83%	5.51%
DFA Int'l Small Cap Value - Net	8.14%	64.42%	1.15%	7.11%	5.74%
World ex US SC Value	7.65%	61.67%	4.07%	8.59%	5.91%
Northern Tr AM World ex US - Gross	3.94%	45.71%	6.57%	9.31%	-
Northern Tr AM World ex US - Net	3.94%	45.67%	6.54%	9.27%	-
MSCI World ex US	4.04%	45.86%	6.34%	8.92%	5.21%
Wellington Management - Gross	3.70%	68.40%	4.55%	10.50%	10.10%
Wellington Management - Net	3.50%	67.01%	3.67%	9.58%	9.18%
BMI, EPAC, <\$2 B	4.53%	64.76%	4.62%	9.37%	6.93%
William Blair - Gross	(0.86%)	55.47%	14.54%	-	-
William Blair - Net	(0.94%)	54.96%	14.14%	-	-
MSCI ACWI ex US IMI	3.77%	51.94%	6.51%	9.84%	5.11%
Emerging Markets					
Gross	1.22%	68.49%	8.34%	13.83%	6.33%
Net	1.12%	67.36%	8.10%	13.68%	6.05%
Emerging Mkts - Net	2.29%	58.39%	6.48%	12.07%	3.65%
Axiom - Gross(2)	(0.67%)	65.40%	9.75%	15.01%	-
Axiom - Net	(0.79%)	63.94%	9.42%	14.81%	-
Emerging Mkts - Net	2.29%	58.39%	6.48%	12.07%	3.65%
DFA - Net	7.16%	78.18%	4.43%	10.51%	4.67%
Emerging Mkts - Net	2.29%	58.39%	6.48%	12.07%	3.65%

(1) MSCI EAFE through 12/31/1996; 50% Hedged EAFE through 3/31/2011; MSCI EAFE again through 6/30/2016; MSCI World ex-US thereafter.

(2) Axiom's performance are reported net of fees through 6/30/2020.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	Returns for Periods Ended March 31, 2021				
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Private Equities*					
Net	10.24%	19.20%	10.08%	9.42%	5.03%
Adams St Direct Co-Invest Fund	(0.05%)	(61.03%)	(37.02%)	(25.24%)	(7.66%)
Adams St Direct Fund 2010	21.75%	26.66%	18.77%	14.33%	14.90%
Adams St 1998 Partnership	(1.70%)	(1.86%)	1.77%	1.09%	1.28%
Adams St 1999 Partnership	0.54%	6.19%	1.69%	0.89%	2.39%
Adams St 2000 Partnership	(1.28%)	(4.73%)	0.89%	1.39%	2.31%
Adams St 2001 Partnership	7.30%	23.78%	6.97%	5.05%	6.21%
Adams St 2002 Partnership	0.51%	0.96%	(4.52%)	2.72%	3.75%
Adams St 2003 Partnership	(0.73%)	(8.65%)	(0.94%)	2.49%	6.13%
Adams St 2010 Partnership	22.18%	57.70%	29.09%	22.18%	17.71%
Adams St 2008 Fund	12.26%	30.56%	19.05%	17.12%	13.43%
Adams St 1999 Non-US	(98.41%)	(98.41%)	(74.69%)	(55.69%)	(30.36%)
Adams St 2000 Non-US	(1.19%)	(0.40%)	0.30%	4.01%	1.50%
Adams St 2001 Non-US	0.89%	(0.21%)	5.73%	2.41%	8.00%
Adams St 2002 Non-US	0.30%	(2.97%)	(1.03%)	(0.90%)	3.19%
Adams St 2003 Non-US	(0.03%)	0.89%	(7.91%)	1.43%	5.75%
Adams St 2004 Non-US	21.64%	22.49%	8.30%	8.00%	6.81%
Adams St 2010 Non-US	15.36%	29.73%	21.97%	20.88%	12.82%
Adams St 2010 Non-US Emg	19.81%	30.61%	16.74%	14.92%	5.92%
Adams St 2015 Global Fund	25.44%	39.38%	24.78%	25.66%	-
Adams St 2016 Global Fund	19.39%	27.37%	17.60%	-	-
Adams St 2017 Global Fund	16.09%	27.65%	17.94%	-	-
Adams St 2018 Global Fund	19.56%	30.14%	-	-	-
Adams St 2019 Global Fund	43.97%	98.94%	-	-	-
Adams St 2020 Global Fund	166.73%	-	-	-	-
Adams St BVCF IV Fund	(60.33%)	(70.63%)	(91.94%)	(77.75%)	(45.90%)
BlackRock	0.00%	12.46%	8.68%	-	-
Sixth Street TAO	4.90%	-	-	-	-
Remaining Misc. Funds**	3.77%	(2.47%)	(0.70%)	1.44%	(1.07%)

* Corsair III was taken out from the Private Equity Composite on July 1, 2009. It was then added back into the Private Equity Composite on October 1, 2011. At this time Corsair IV, Capital Intl and EIG were also added to this composite.

** Comprised of Matlin Patterson II, Matlin Patterson III, InvestAmerica Lewis & Clark, InvestAmerica L&C II, Corsair III, Capital Intl Fd V, Capital Intl Fd VI, EIG, Quantum Energy Partners, Hearthstone MSII, Hearthstone MSIII.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Fixed Income					
Gross	(2.02%)	6.26%	5.91%	5.80%	-
Net	(2.04%)	6.13%	5.76%	5.62%	-
Weighted Benchmark	(2.10%)	7.20%	5.40%	4.53%	-
Domestic Fixed Income					
Gross	(2.02%)	6.26%	5.91%	5.90%	5.61%
Net	(2.04%)	6.13%	5.76%	5.73%	5.42%
Weighted Benchmark	(2.10%)	7.20%	5.40%	4.50%	4.35%
Investment Grade					
Gross	(3.65%)	3.82%	5.59%	4.89%	4.91%
Net	(3.67%)	3.73%	5.49%	4.78%	4.78%
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
Declaration Total Return - Net Libor-3 Month	0.54% 0.05%	14.13% 0.28%	5.24% 1.64%	5.10% 1.44%	- 0.89%
PIMCO Core Plus Cons. - Gross(1)	(3.05%)	3.89%	5.46%	5.97%	-
PIMCO Core Plus Cons. - Net Blended Benchmark(2)	(3.07%) (3.37%)	3.74% 0.71%	5.32% 4.91%	5.73% 3.39%	- -
PIMCO DiSCO II - Net Blmbg Aggregate	1.66% (3.37%)	13.33% 0.71%	5.68% 4.65%	8.90% 3.10%	- 3.44%
Prudential Core - Gross	(3.47%)	5.12%	5.32%	-	-
Prudential Core - Net Blmbg Aggregate	(3.50%) (3.37%)	5.00% 0.71%	5.19% 4.65%	- 3.10%	- 3.44%
SSgA Long US Treas Idx - Gross	(13.50%)	(15.69%)	5.93%	3.17%	-
SSgA Long US Treas Idx - Net Blmbg Long Treas	(13.50%) (13.51%)	(15.71%) (15.80%)	5.91% 5.87%	3.14% 3.13%	- 6.35%
Below Investment Grade					
Gross	2.57%	12.97%	6.72%	8.41%	7.27%
Net	2.52%	12.76%	6.48%	8.11%	6.93%
Blmbg HY Corp 2% Issue	0.86%	23.65%	6.82%	8.04%	6.47%
Ares ND Credit Strategies Fd - Net	3.43%	4.75%	6.89%	-	-
Cerberus ND Private Credit Fd - Net S&P/LSTA Leveraged Loan B	3.21% 1.60%	9.45% 22.23%	9.65% 4.54%	- 5.64%	- 4.53%
Goldman Sachs 2006 Offshore - Net	1.49%	6.05%	6.25%	16.18%	14.97%
Goldman Sachs Offshore V - Net	5.55%	23.01%	42.83%	19.66%	16.25%
PIMCO Bravo II Fund - Net Blmbg HY Corp 2% Issue	10.62% 0.86%	(12.29%) 23.65%	(0.74%) 6.82%	2.89% 8.04%	- 6.47%
Loomis Sayles - Gross	0.87%	26.33%	6.61%	8.44%	6.69%
Loomis Sayles - Net Blmbg HY Corp 2% Issue	0.75% 0.86%	25.74% 23.65%	6.08% 6.82%	7.91% 8.04%	6.21% 6.47%

(1) The product changed from Commingled Fund to Separate Account in March 2014.

(2) Libor-3 month through Feb. 28, 2014; Fund's performance through March 31, 2014; Libor-3 month through June 30, 2018; Blmbg Aggregate thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Real Assets					
Gross	2.45%	3.55%	5.51%	5.87%	-
Net	2.41%	3.17%	5.06%	5.44%	-
Weighted Benchmark	1.40%	2.21%	3.92%	4.45%	-
Real Estate					
Gross	2.18%	1.18%	5.28%	6.76%	10.47%
Net	2.14%	0.75%	4.74%	6.25%	9.81%
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%
Invesco Core Real Estate - Gross	1.63%	(1.58%)	4.68%	6.00%	9.35%
Invesco Core Real Estate - Net	1.55%	(1.90%)	4.33%	5.66%	8.96%
Invesco Asia RE Fund III - Net	2.90%	6.39%	30.80%	27.05%	-
Invesco Value Added Fd IV - Net	5.66%	2.49%	9.73%	8.71%	-
Invesco Value Added Fd V - Net	5.31%	0.98%	-	-	-
JP Morgan - Gross	1.84%	2.57%	5.28%	6.53%	10.54%
JP Morgan - Net	1.84%	1.84%	4.32%	5.60%	9.52%
JPM Greater European Opp Fd - Net	(14.95%)	(9.28%)	(26.10%)	(16.86%)	*****%
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%
Other Real Assets					
Gross	2.89%	7.22%	-	-	-
Net	2.83%	6.90%	-	-	-
Weighted Benchmark	1.01%	1.71%	-	-	-
Infrastructure					
Gross	4.04%	9.96%	6.90%	7.71%	-
Net	3.95%	9.52%	6.45%	7.22%	-
ISQ Global Infrastructure II - Net	0.00%	12.34%	-	-	-
The Rohatyn Group - Net	(1.83%)	(15.99%)	(13.79%)	(3.94%)	(0.97%)
JP Morgan IIF - Gross	5.63%	10.68%	8.60%	8.66%	7.37%
JP Morgan IIF - Net	5.43%	9.79%	7.86%	7.89%	6.43%
Grosvenor Cust. Infrastructure - Net	5.58%	12.63%	7.06%	7.41%	-
Grosvenor Cust. Infrastructure II - Net	8.50%	18.79%	13.39%	9.15%	-
Benchmark(1)	1.07%	1.74%	2.98%	2.75%	1.91%
Macquarie Infrastructure Fd IV - Net	4.29%	12.72%	-	-	-
Macquarie Infrastructure Fd V - Net	(3.75%)	-	-	-	-
Benchmark(2)	1.07%	1.74%	-	-	-
Timber					
Net	0.04%	0.56%	3.24%	(0.75%)	-
TIR Teredo - Net	3.71%	4.95%	3.83%	(0.81%)	3.57%
TIR Springbank - Net	(1.01%)	(0.70%)	3.10%	(0.72%)	(1.01%)
NCREIF Timberland Index	0.76%	1.46%	1.71%	2.51%	4.55%
Cash & Cash Equivalents - Net					
	0.02%	0.21%	1.43%	1.22%	0.66%
Cash Account - Net	0.02%	0.22%	1.42%	1.22%	0.66%
Bank of ND - Net	0.02%	0.19%	1.43%	-	-
3-month Treasury Bill	0.02%	0.12%	1.49%	1.19%	0.63%
Total Fund					
Gross	3.26%	31.72%	9.61%	10.38%	8.52%
Net	3.21%	31.41%	9.35%	10.11%	8.17%
Target*	3.27%	31.23%	9.54%	9.75%	7.79%

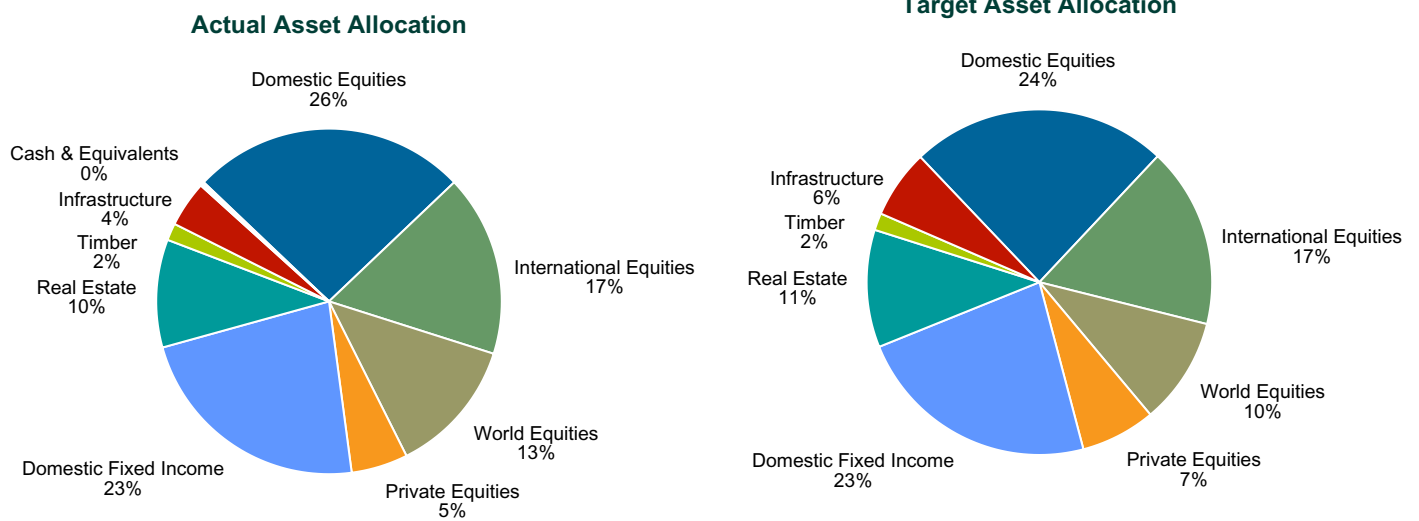
* Current Quarter Target = 18.2% Russell 1000 Index, 17.1% Blmbg Aggregate, 11.6% MSCI World ex US, 10.1% NCREIF Total Index, 10.0% MSCI World, 8.2% NDSIB PEN - Private Equity, 7.4% Blmbg:HY Corp 2% Iss Cap, 4.6% Russell 2000 Index, 3.9% MSCI EM, 3.4% CPI All Urban Cons lagged 3 months, 3.4% NCREIF NFI-ODCE Eq Wt Net, 1.7% NCREIF Timberland Index and 0.4% 3-month Treasury Bill.

(1) CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.

(2) 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.

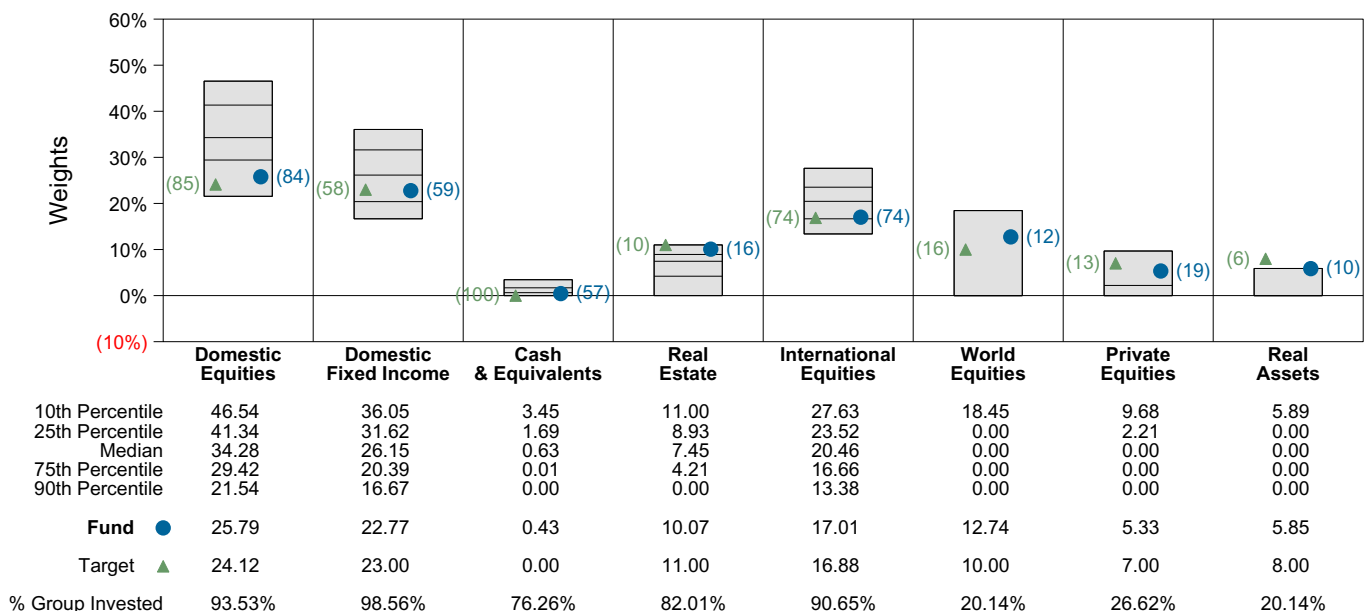
Actual vs Target Asset Allocation As of March 31, 2021

The top left chart shows the Fund's asset allocation as of March 31, 2021. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Callan Public Fund Sponsor Database.



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equities	974,090	25.8%	24.1%	1.7%	63,049
International Equities	642,648	17.0%	16.9%	0.1%	4,924
World Equities	481,113	12.7%	10.0%	2.7%	103,363
Private Equities	201,446	5.3%	7.0%	(1.7%)	(62,979)
Domestic Fixed Income	860,297	22.8%	23.0%	(0.2%)	(8,527)
Real Estate	380,491	10.1%	11.0%	(0.9%)	(35,034)
Timber	60,226	1.6%	1.6%	0.0%	0
Infrastructure	160,841	4.3%	6.4%	(2.1%)	(81,132)
Cash & Equivalents	16,344	0.4%	0.0%	0.4%	16,344
Total	3,777,498	100.0%	100.0%		

Asset Class Weights vs Callan Public Fund Sponsor Database

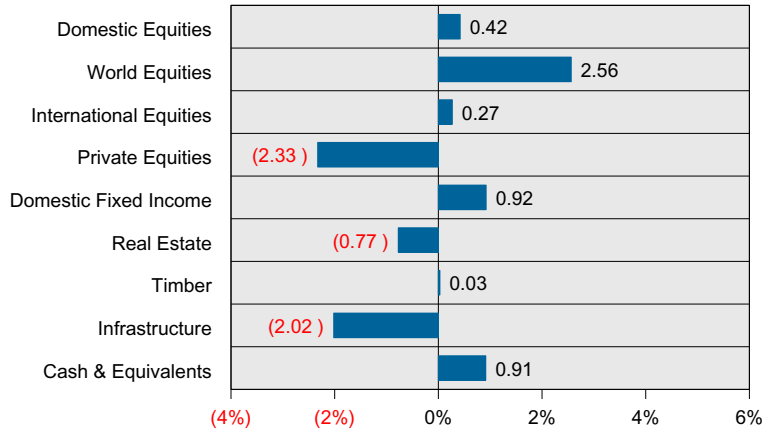


* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

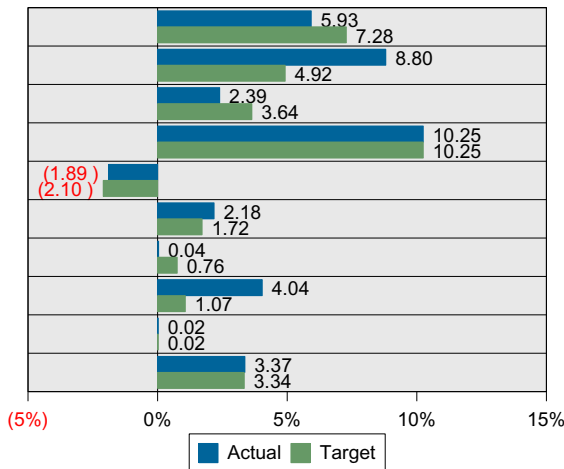
Quarterly Total Fund Relative Attribution - March 31, 2021

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

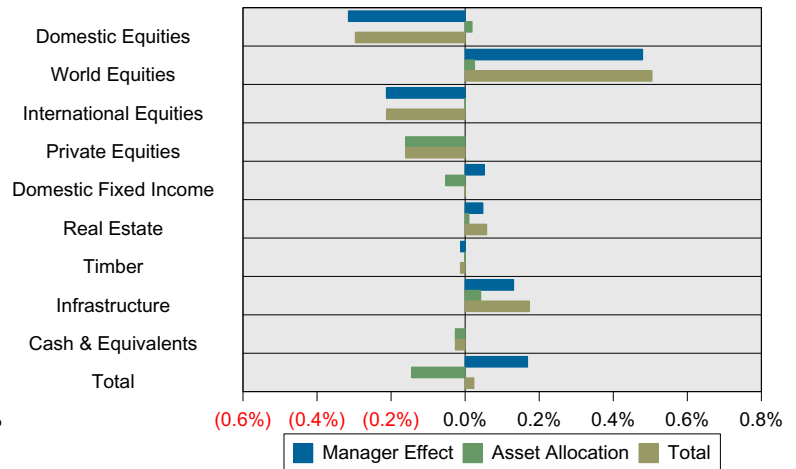
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2021

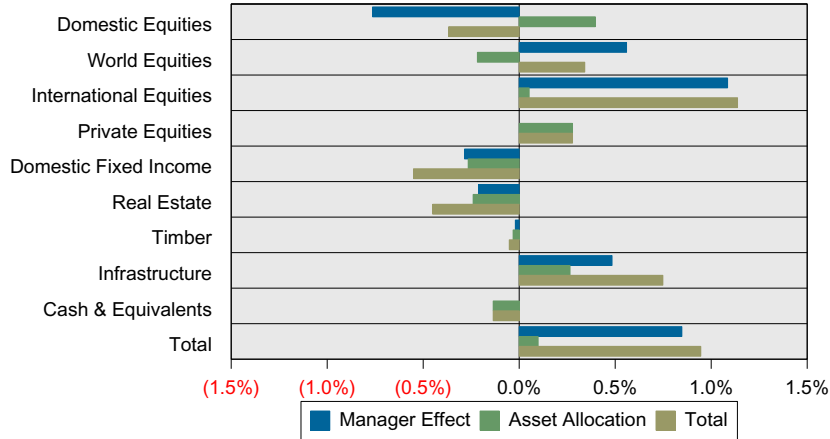
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	25%	24%	5.93%	7.28%	(0.32%)	0.02%	(0.30%)
World Equities	13%	10%	8.80%	4.92%	0.48%	0.03%	0.50%
International Equities	17%	17%	2.39%	3.64%	(0.21%)	0.00%	(0.21%)
Private Equities	5%	7%	10.25%	10.25%	0.00%	(0.16%)	(0.16%)
Domestic Fixed Income	24%	23%	(1.89%)	(2.10%)	0.05%	(0.05%)	0.00%
Real Estate	10%	11%	2.18%	1.72%	0.05%	0.01%	0.06%
Timber	2%	2%	0.04%	0.76%	(0.01%)	(0.00%)	(0.01%)
Infrastructure	4%	6%	4.04%	1.07%	0.13%	0.04%	0.17%
Cash & Equivalents	1%	0%	0.02%	0.02%	0.00%	(0.03%)	(0.03%)
Total			3.37%	3.34%	+ 0.17%	+ (0.14%)	0.02%

* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

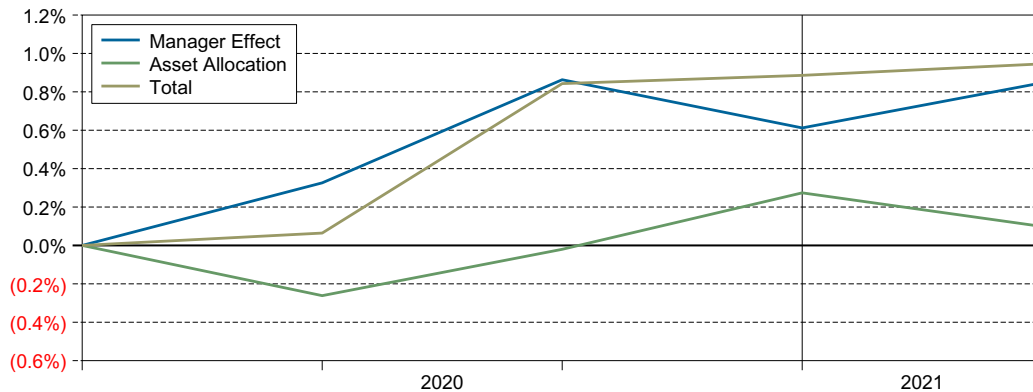
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

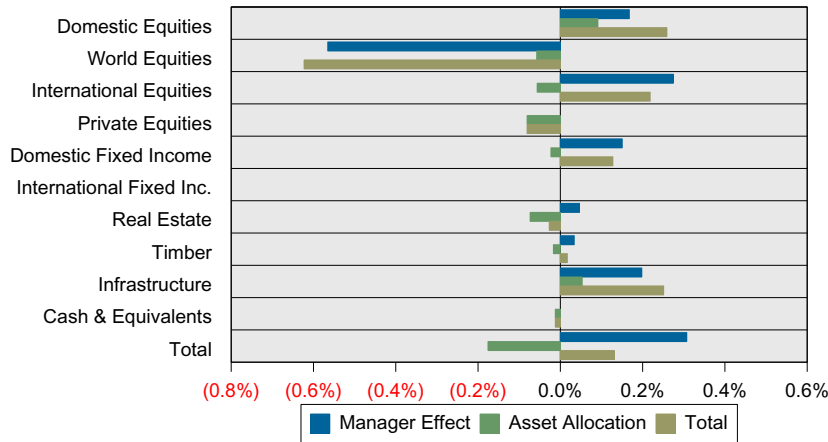
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	22%	63.68%	67.61%	(0.76%)	0.40%	(0.37%)
World Equities	14%	14%	59.30%	54.03%	0.56%	(0.22%)	0.34%
International Equities	16%	15%	57.84%	49.02%	1.09%	0.05%	1.14%
Private Equities	5%	7%	19.21%	19.21%	0.00%	0.28%	0.28%
Domestic Fixed Income	24%	23%	6.33%	7.26%	(0.28%)	(0.27%)	(0.55%)
Real Estate	11%	11%	1.18%	2.61%	(0.21%)	(0.24%)	(0.45%)
Timber	2%	2%	0.56%	1.46%	(0.02%)	(0.03%)	(0.05%)
Infrastructure	5%	6%	9.98%	1.74%	0.48%	0.26%	0.75%
Cash & Equivalents	1%	0%	0.20%	0.20%	0.00%	(0.14%)	(0.14%)
Total			32.14%	31.20%	+ 0.85%	+ 0.10%	0.95%

* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

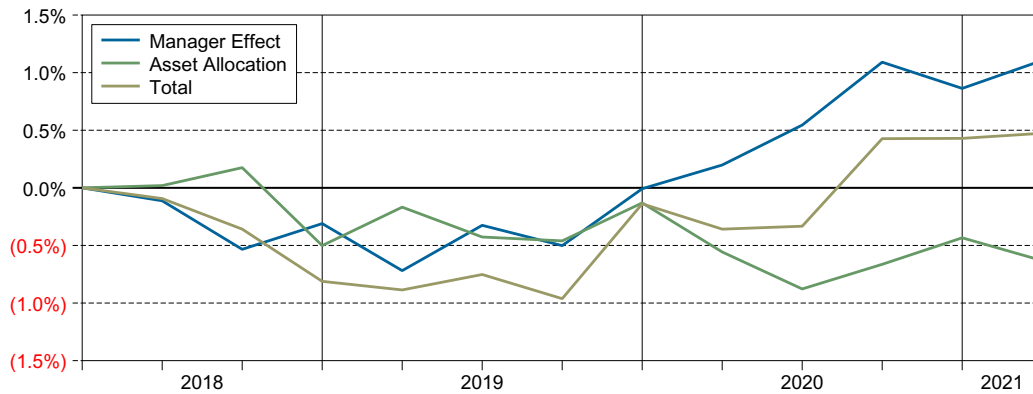
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

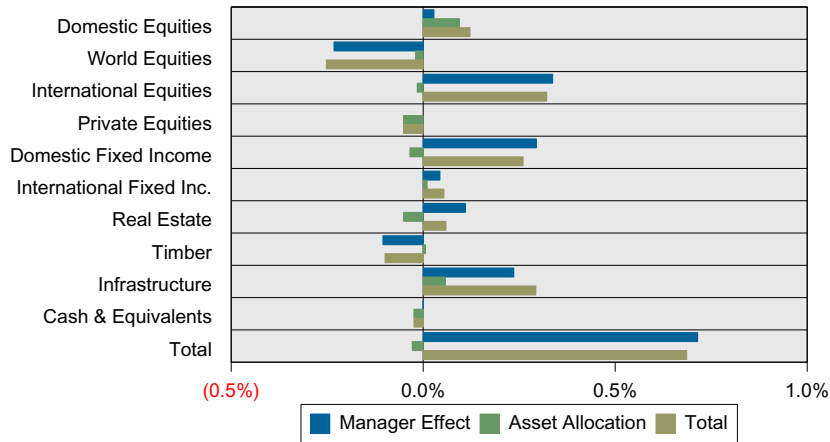
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	21%	17.68%	16.69%	0.17%	0.09%	0.26%
World Equities	16%	15%	9.36%	12.81%	(0.57%)	(0.06%)	(0.62%)
International Equities	16%	15%	8.32%	6.48%	0.27%	(0.06%)	0.22%
Private Equities	4%	7%	10.09%	10.09%	0.00%	(0.08%)	(0.08%)
Domestic Fixed Income	23%	23%	5.97%	5.41%	0.15%	(0.02%)	0.13%
International Fixed Inc.	0%	0%	-	-	0.00%	0.00%	0.00%
Real Estate	11%	11%	5.28%	4.89%	0.05%	(0.07%)	(0.03%)
Timber	2%	2%	3.24%	1.71%	0.03%	(0.02%)	0.02%
Infrastructure	5%	6%	6.90%	2.98%	0.20%	0.05%	0.25%
Cash & Equivalents	1%	0%	1.46%	1.46%	0.00%	(0.01%)	(0.01%)
Total			9.68%	9.55%	+ 0.31%	+ (0.18%)	0.13%

* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

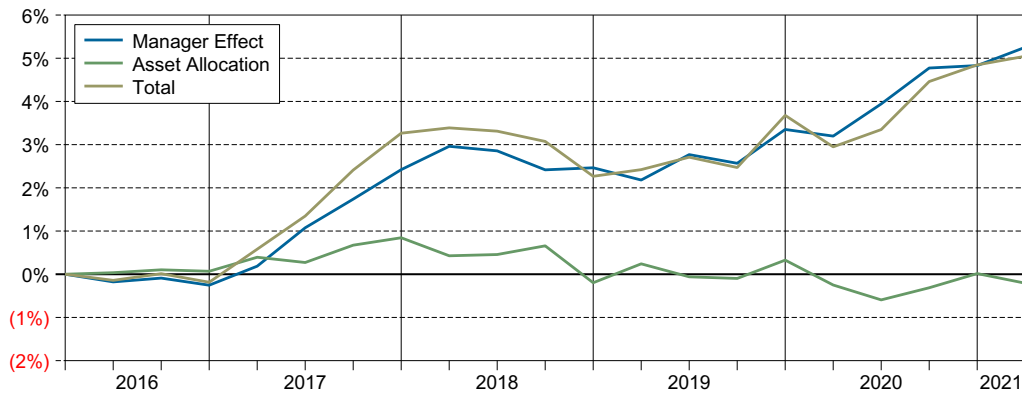
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

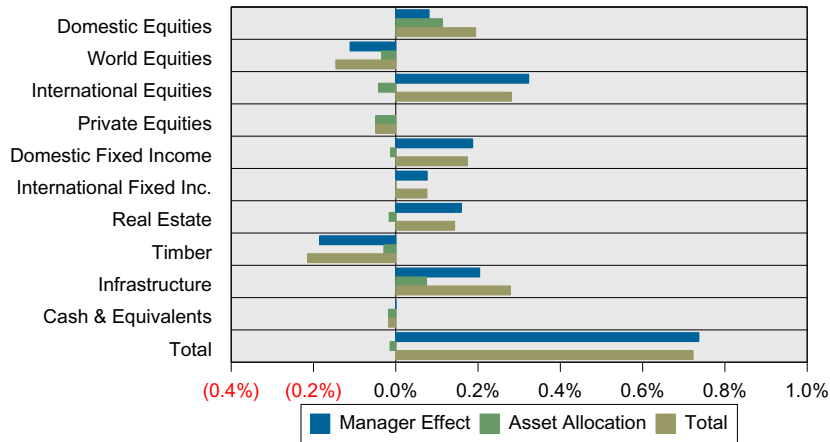
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	21%	16.84%	16.59%	0.03%	0.09%	0.12%
World Equities	16%	16%	11.90%	13.36%	(0.23%)	(0.02%)	(0.25%)
International Equities	16%	15%	11.89%	9.69%	0.34%	(0.02%)	0.32%
Private Equities	4%	7%	9.43%	9.43%	0.00%	(0.05%)	(0.05%)
Domestic Fixed Income	21%	21%	5.97%	4.57%	0.29%	(0.03%)	0.26%
International Fixed Inc.	2%	2%	-	-	0.04%	0.01%	0.05%
Real Estate	11%	11%	6.75%	5.81%	0.11%	(0.05%)	0.06%
Timber	2%	2%	(0.75%)	2.51%	(0.10%)	0.01%	(0.10%)
Infrastructure	5%	6%	7.71%	2.75%	0.24%	0.06%	0.29%
Cash & Equivalents	1%	0%	1.24%	1.23%	0.00%	(0.02%)	(0.02%)
Total			10.47%	9.78%	+ 0.71%	+ (0.03%)	0.69%

* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

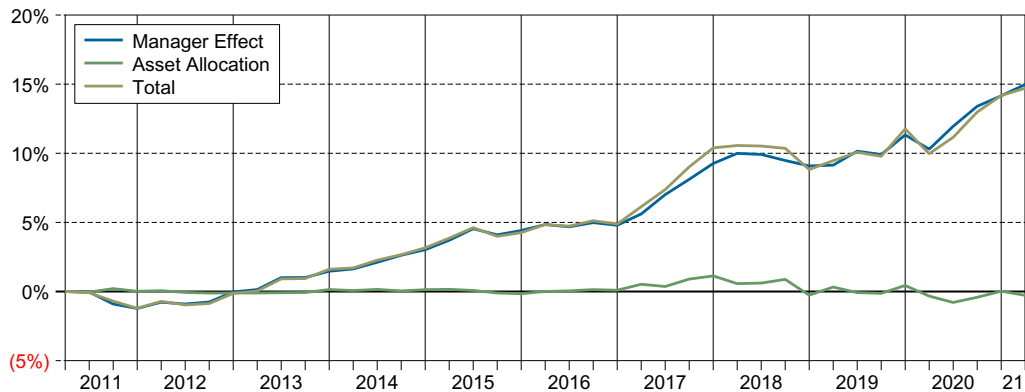
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Ten Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Ten Year Annualized Relative Attribution Effects

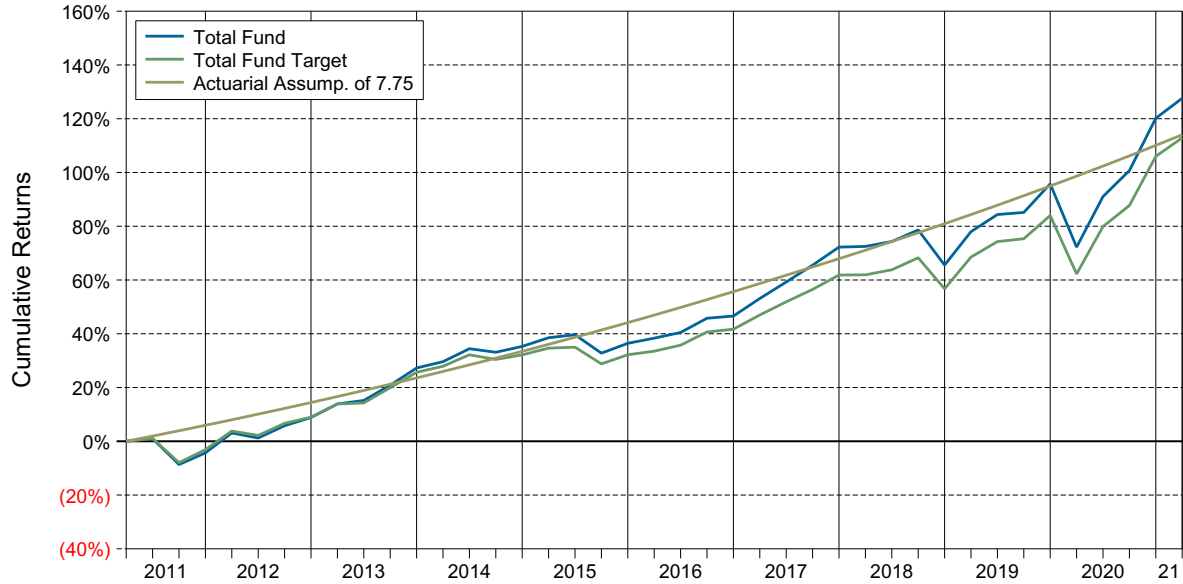
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	24%	23%	14.07%	13.53%	0.08%	0.11%	0.19%
World Equities	14%	14%	-	-	(0.11%)	(0.03%)	(0.15%)
International Equities	16%	15%	7.20%	5.09%	0.32%	(0.04%)	0.28%
Private Equities	4%	6%	5.05%	5.05%	0.00%	(0.05%)	(0.05%)
Domestic Fixed Income	20%	20%	5.70%	4.51%	0.19%	(0.01%)	0.17%
International Fixed Inc.	3%	3%	-	-	0.08%	(0.00%)	0.08%
Real Estate	10%	10%	10.49%	8.82%	0.16%	(0.02%)	0.14%
Timber	3%	3%	-	-	(0.18%)	(0.03%)	(0.21%)
Infrastructure	4%	5%	-	-	0.20%	0.07%	0.28%
Cash & Equivalents	1%	1%	0.67%	0.65%	0.00%	(0.02%)	(0.02%)
Total			8.57%	7.85%	+ 0.74%	+ (0.01%)	0.72%

* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

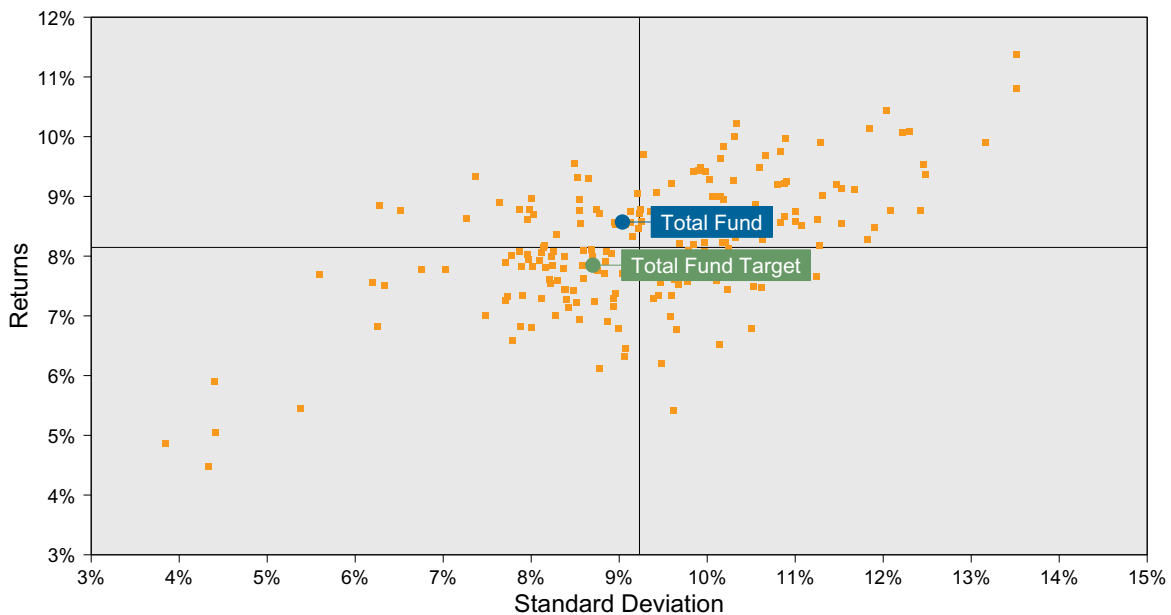
Cumulative Performance Relative to Target

The first chart below illustrates the cumulative performance of the Total Fund relative to the cumulative performance of the Fund's Target Asset Mix. The Target Mix is assumed to be rebalanced each quarter with no transaction costs. The second chart below shows the return and the risk of the Total Fund and the Target Mix, contrasted with the returns and risks of the funds in the Callan Public Fund Sponsor Database.

Cumulative Returns Actual vs Target



Ten Year Annualized Risk vs Return



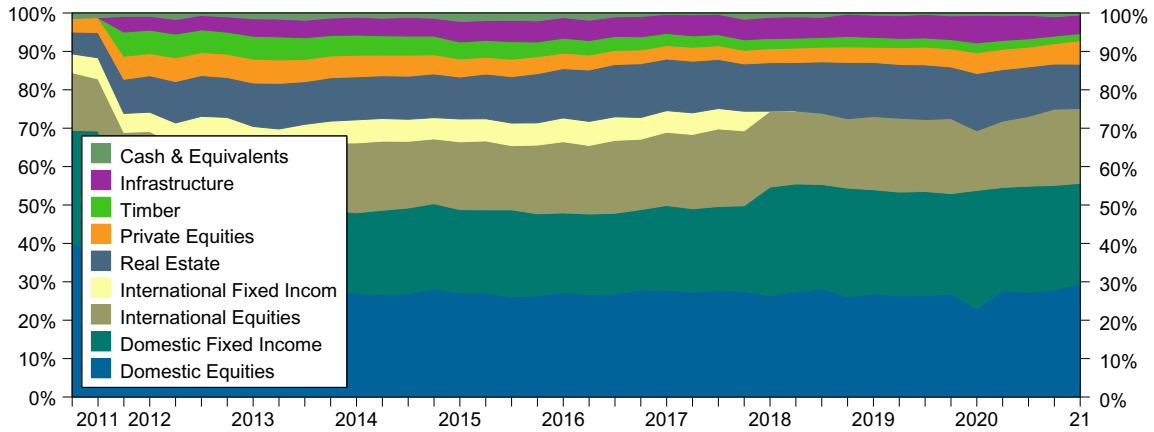
Squares represent membership of the Callan Public Fund Sponsor Database

* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

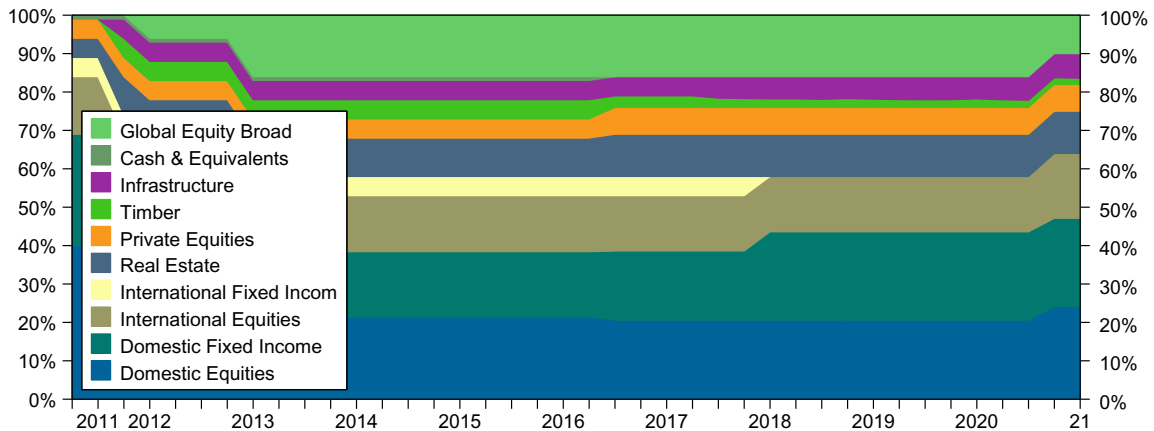
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, the fund's historical target asset allocation, and the historical asset allocation of the average fund in the Callan Public Fund Sponsor Database.

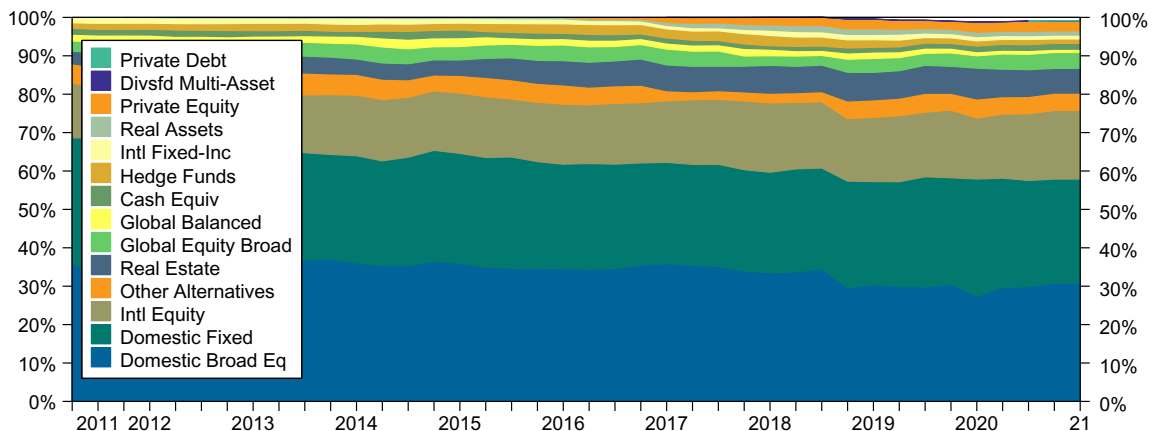
Actual Historical Asset Allocation



Target Historical Asset Allocation



Average Callan Public Fund Sponsor Database Historical Asset Allocation

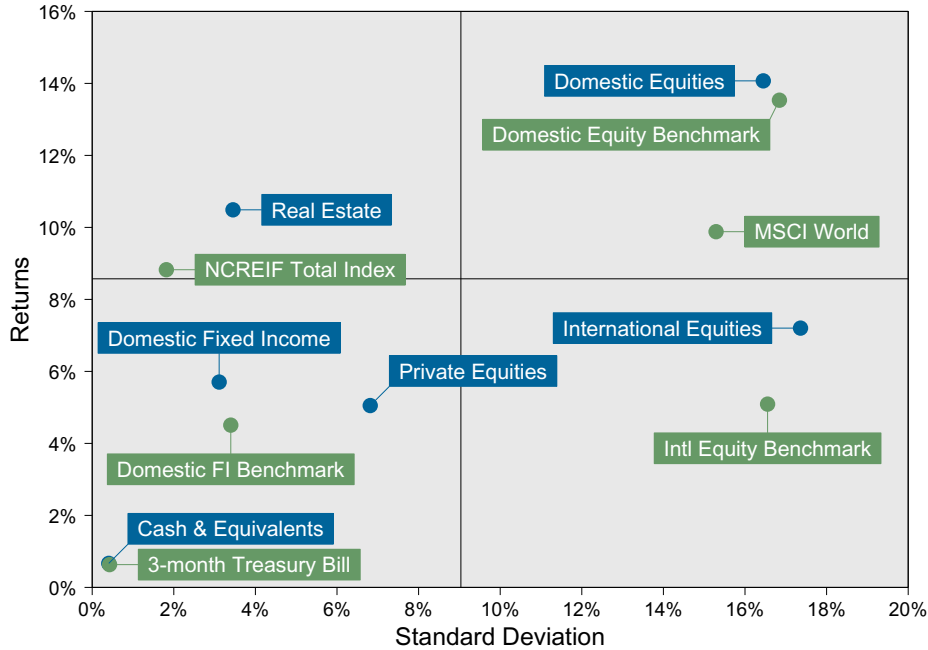


* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

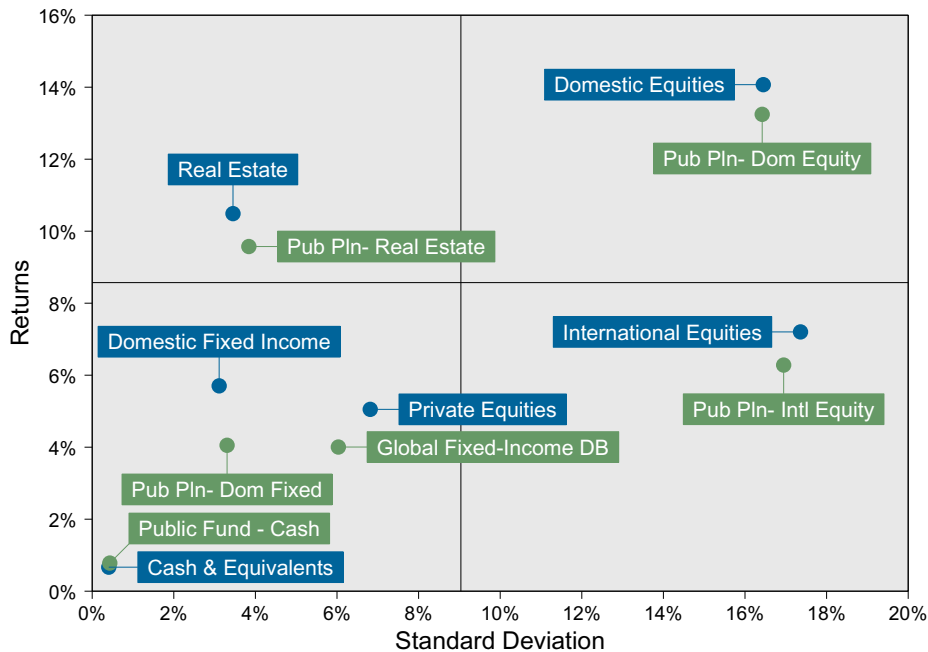
Asset Class Risk and Return

The charts below show the ten year annualized risk and return for each asset class component of the Total Fund. The first graph contrasts these values with those of the appropriate index for each asset class. The second chart contrasts them with the risk and return of the median portfolio in each of the appropriate CAI comparative databases. In each case, the crosshairs on the chart represent the return and risk of the Total Fund.

Ten Year Annualized Risk vs Return Asset Classes vs Benchmark Indices



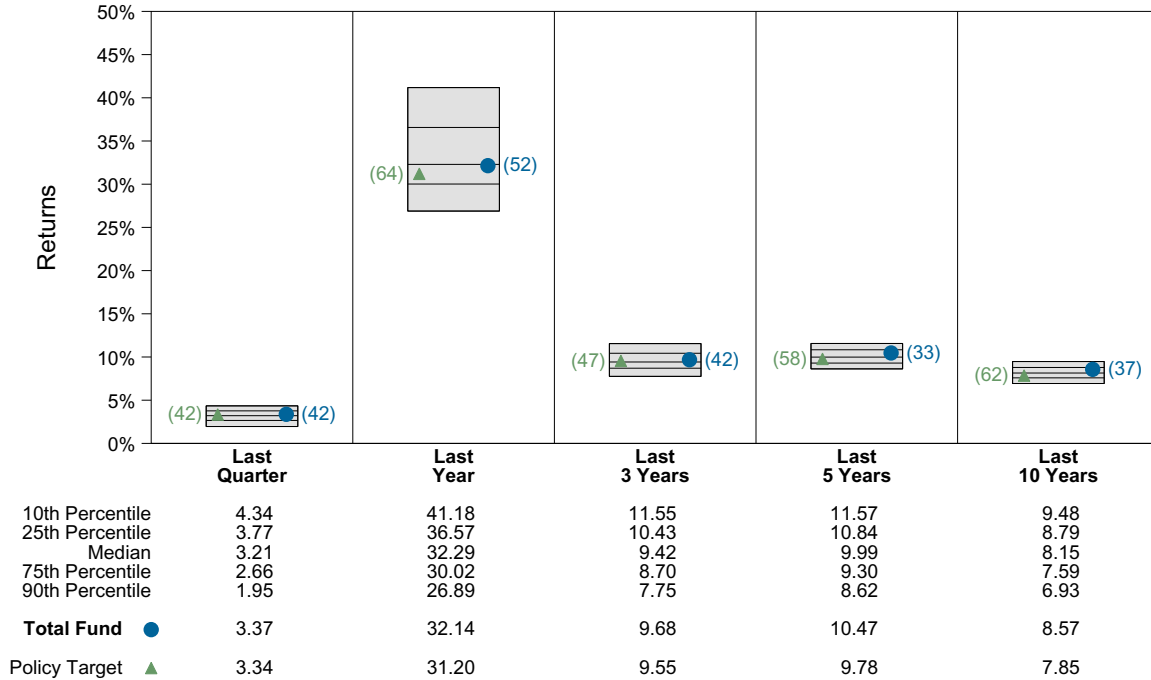
Ten Year Annualized Risk vs Return Asset Classes vs Asset Class Median



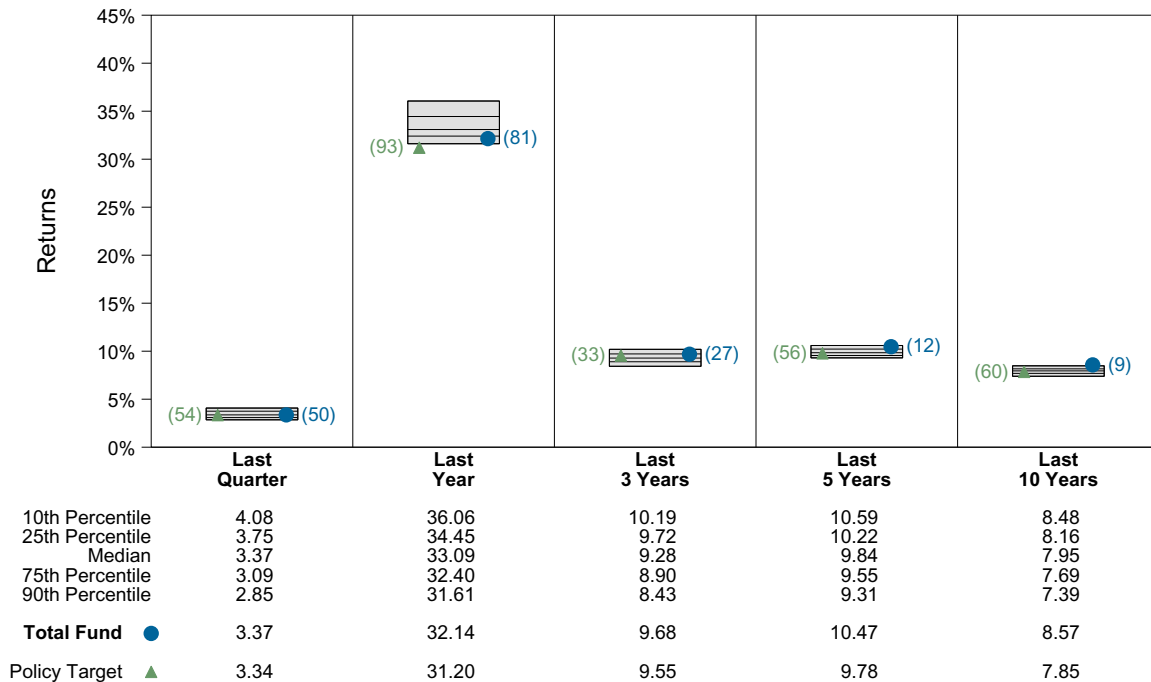
Total Fund Ranking

The first two charts show the ranking of the Total Fund's performance relative to that of the Callan Public Fund Sponsor Database for periods ended March 31, 2021. The first chart is a standard unadjusted ranking. In the second chart each fund in the database is adjusted to have the same historical asset allocation as that of the Total Fund.

Callan Public Fund Sponsor Database



Asset Allocation Adjusted Ranking

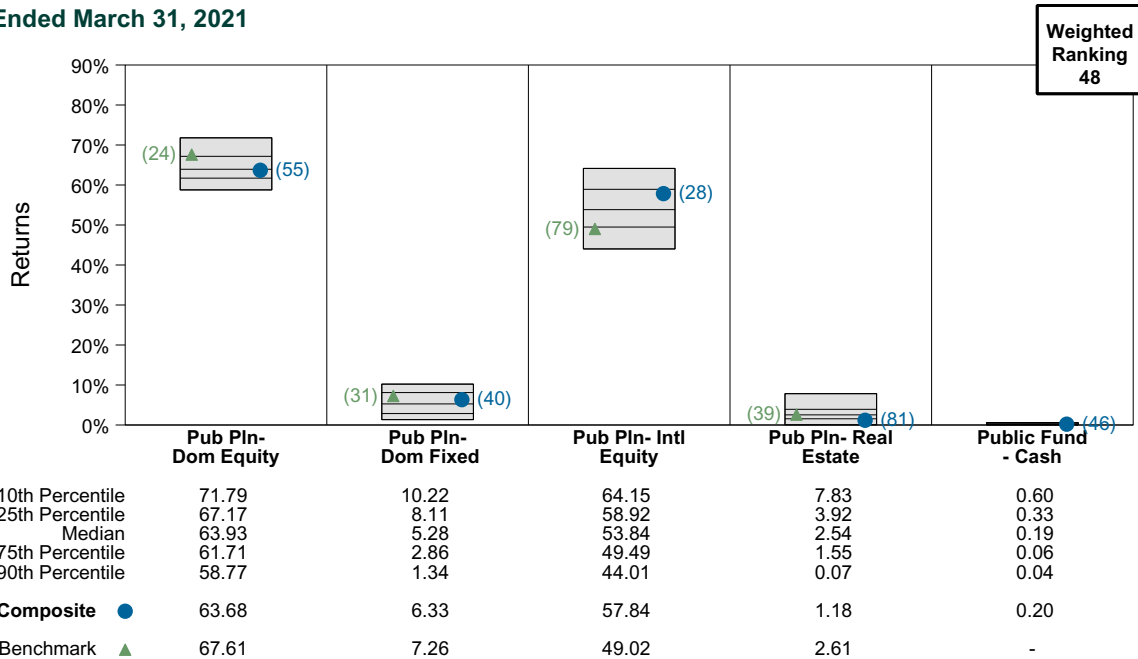


* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

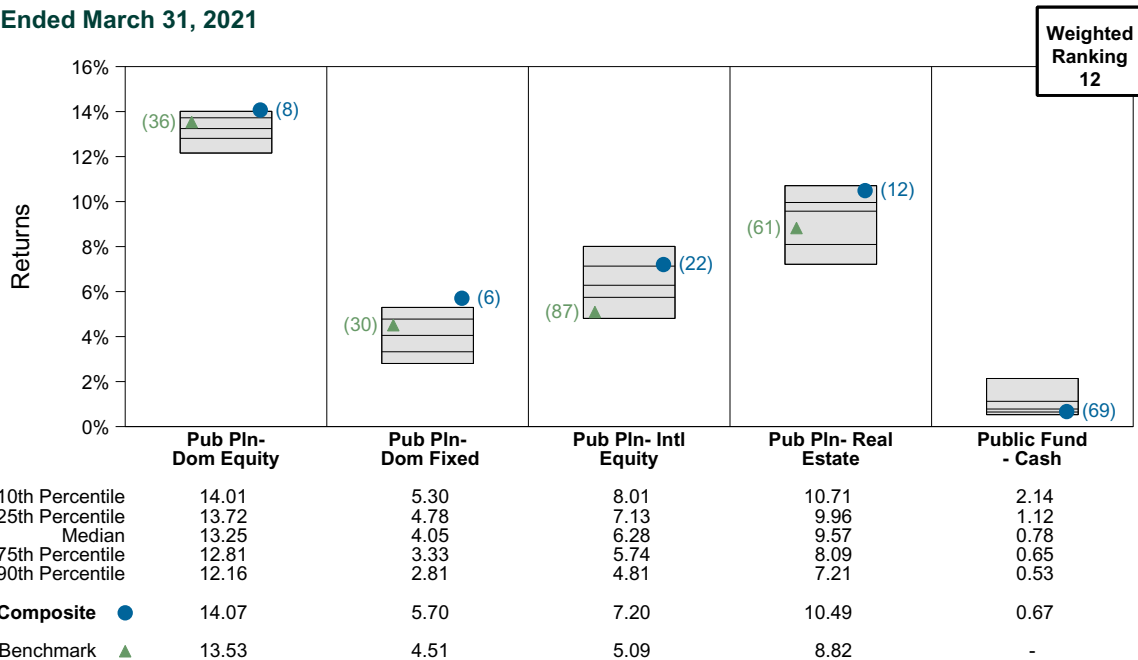
Asset Class Rankings

The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance One Year Ended March 31, 2021



Total Asset Class Performance Ten Years Ended March 31, 2021



* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

Asset Class Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Class Allocation

	March 31, 2021		Net New Inv.	Inv. Return	December 31, 2020	
	Market Value	Weight			Market Value	Weight
Global Equities	\$2,299,297,811	60.87%	\$(12,877,634)	\$125,568,429	\$2,186,607,017	59.59%
Public Equities	\$2,097,851,791	55.54%	\$(28,367,845)	\$107,533,091	\$2,018,686,545	55.01%
World Equities	\$481,112,986	12.74%	\$(67,714,718)	\$39,098,497	\$509,729,206	13.89%
Domestic Equities	\$974,090,345	25.79%	\$39,482,819	\$53,408,002	\$881,199,525	24.01%
Large Cap	773,650,465	20.48%	50,198,972	36,966,275	686,485,218	18.71%
Small Cap	200,439,880	5.31%	(10,716,153)	16,441,727	194,714,306	5.31%
International Equities	\$642,648,460	17.01%	\$(135,946)	\$15,026,592	\$627,757,814	17.11%
Developed	483,445,249	12.80%	(143,864)	13,114,306	470,474,807	12.82%
Emerging Markets	159,203,212	4.21%	7,918	1,912,287	157,283,007	4.29%
Private Equities	\$201,446,020	5.33%	\$15,490,211	\$18,035,337	\$167,920,472	4.58%
Global Fixed Income	\$860,297,219	22.77%	\$17,093,100	\$(16,750,707)	\$859,954,825	23.43%
Domestic Fixed Income	\$860,297,219	22.77%	\$17,093,100	\$(16,750,707)	\$859,954,825	23.43%
Investment Grade	613,997,575	16.25%	25,906,787	(23,184,111)	611,274,898	16.66%
Below Investment Grade	246,299,644	6.52%	(8,813,687)	6,433,404	248,679,927	6.78%
Global Real Assets	\$601,558,361	15.92%	\$(4,740,727)	\$14,488,492	\$591,810,596	16.13%
Real Estate	\$380,490,713	10.07%	\$1,061,805	\$8,099,062	\$371,329,845	10.12%
Other Real Assets	\$221,067,648	5.85%	\$(5,802,532)	\$6,389,430	\$220,480,750	6.01%
Infrastructure	160,841,326	4.26%	(3,650,313)	6,366,160	158,125,479	4.31%
Timber	60,226,322	1.59%	(2,152,219)	23,270	62,355,271	1.70%
Cash	\$16,344,339	0.43%	\$(14,835,253)	\$7,512	\$31,172,080	0.85%
Total Fund	\$3,777,497,730	100.0%	\$(15,360,514)	\$123,313,726	\$3,669,544,518	100.0%

PLEASE REFER TO PAGES 29-31 FOR INVESTMENT MANAGER LEVEL ASSET ALLOCATION.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Equities					
Gross	5.79%	56.70%	12.13%	13.58%	-
Net	5.75%	56.36%	11.90%	13.34%	-
Weighted Benchmark	6.19%	53.38%	12.68%	13.48%	-
Public Equities					
Gross	5.39%	60.41%	-	-	-
Net	5.34%	60.03%	-	-	-
Weighted Benchmark	5.61%	58.29%	-	-	-
World Equities					
Gross	8.80%	59.30%	9.36%	11.90%	-
Net	8.69%	58.73%	8.99%	11.50%	-
MSCI World	4.92%	54.03%	12.81%	13.36%	9.88%
Domestic Equities					
Gross	5.93%	63.68%	17.68%	16.84%	14.07%
Net	5.93%	63.49%	17.51%	16.65%	13.86%
Weighted Benchmark	7.28%	67.61%	16.69%	16.59%	13.53%
Large Cap					
Gross	5.21%	62.07%	19.01%	17.39%	14.83%
Net	5.18%	61.99%	18.91%	17.27%	14.65%
Benchmark(1)	5.91%	60.59%	17.31%	16.66%	14.08%
Small Cap Equity					
Gross	8.46%	69.26%	13.37%	15.04%	11.57%
Net	8.32%	68.27%	12.89%	14.55%	11.21%
Russell 2000 Index	12.70%	94.85%	14.76%	16.35%	11.68%
International Equities					
Gross	2.39%	57.84%	8.32%	11.89%	7.20%
Net	2.33%	57.34%	8.09%	11.68%	6.94%
Weighted Benchmark	3.64%	49.02%	6.48%	9.69%	5.09%
Developed					
Gross	2.79%	54.49%	8.35%	11.20%	7.25%
Net	2.74%	54.18%	8.12%	10.96%	6.98%
Benchmark(2)	4.04%	45.86%	6.34%	8.83%	5.51%
Emerging Markets					
Gross	1.22%	68.49%	8.37%	13.85%	6.33%
Net	1.12%	67.36%	8.12%	13.70%	6.09%
Benchmark(3)	2.29%	58.39%	6.48%	12.07%	3.67%
Private Equities					
Net	10.25%	19.21%	10.09%	9.43%	5.02%

(1) S&P 500 Index through 12/31/2011 and the Russell 1000 Index thereafter.

(2) 50% Hedged EAFE through 3/31/2011, MSCI EAFE through 6/30/2016; MSCI World ex-US thereafter.

(3) MSCI Emerging Mkts Idx (Gross) through 6/30/2011 and MSCI Emerging Mkts Idx Net thereafter.

PLEASE REFER TO PAGES 32-36 FOR INVESTMENT MANAGER LEVEL RETURNS.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Fixed Income					
Gross	(1.89%)	6.33%	5.97%	5.88%	-
Net	(1.92%)	6.21%	5.83%	5.70%	-
Weighted Benchmark	(2.10%)	7.26%	5.41%	4.55%	-
Domestic Fixed Income					
Gross	(1.89%)	6.33%	5.97%	5.97%	5.70%
Net	(1.92%)	6.21%	5.83%	5.81%	5.50%
Weighted Benchmark	(2.10%)	7.26%	5.41%	4.57%	4.51%
Inv. Grade Fixed Income					
Gross	(3.64%)	3.83%	5.59%	4.89%	4.91%
Net	(3.66%)	3.73%	5.49%	4.78%	4.77%
Blmbg Aggregate Index	(3.37%)	0.71%	4.65%	3.10%	3.44%
Below Inv. Grade Fixed Income					
Gross	2.59%	12.73%	6.71%	8.41%	7.27%
Net	2.55%	12.53%	6.47%	8.11%	6.90%
Blmbg HY Corp 2% Issue	0.86%	23.65%	6.82%	8.04%	6.47%
Global Real Assets					
Gross	2.45%	3.50%	5.51%	5.92%	-
Net	2.40%	3.11%	5.06%	5.49%	-
Weighted Benchmark	1.42%	2.23%	3.95%	4.48%	-
Real Estate					
Gross	2.18%	1.18%	5.28%	6.75%	10.49%
Net	2.14%	0.75%	4.74%	6.25%	9.96%
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%
Other Real Assets					
Gross	2.92%	7.31%	-	-	-
Net	2.86%	6.99%	-	-	-
Weighted Benchmark	1.00%	1.71%	-	-	-
Infrastructure					
Gross	4.04%	9.98%	6.90%	7.71%	-
Net	3.95%	9.54%	6.46%	7.22%	-
Benchmark(1)	1.07%	1.74%	2.98%	2.75%	-
Timber					
Net	0.04%	0.56%	3.24%	(0.75%)	-
NCREIF Timberland Index	0.76%	1.46%	1.71%	2.51%	4.55%
Cash & Equivalents - Net	0.02%	0.20%	1.46%	1.24%	0.67%
3-month Treasury Bill	0.02%	0.12%	1.49%	1.19%	0.63%
Total Fund					
Gross	3.37%	32.14%	9.68%	10.47%	8.57%
Net	3.32%	31.83%	9.43%	10.20%	8.27%
Target*	3.34%	31.20%	9.55%	9.78%	7.85%

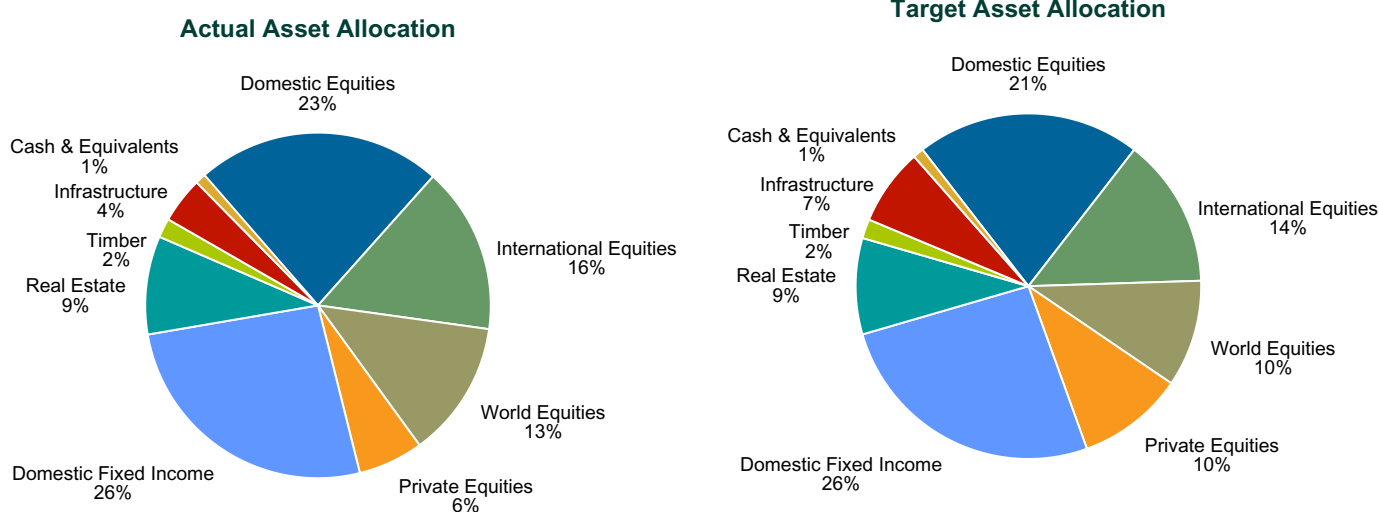
* Current Quarter Target = 19.3% Russell 1000 Index, 16.0% Blmbg Aggregate, 12.7% MSCI World ex US, 11.0% NCREIF Total Index, 10.0% MSCI World, 7.0% Blmbg:HY Corp 2% Iss Cap, 7.0% NDSIB PERS - Private Equity, 4.8% Russell 2000 Index, 4.2% MSCI EM, 3.2% NCREIF NFI-ODCE Eq Wt Net, 3.2% CPI All Urban Cons lagged 3 months and 1.6% NCREIF Timberland Index.

(1) CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.

PLEASE REFER TO PAGES 32-36 FOR INVESTMENT MANAGER LEVEL RETURNS.

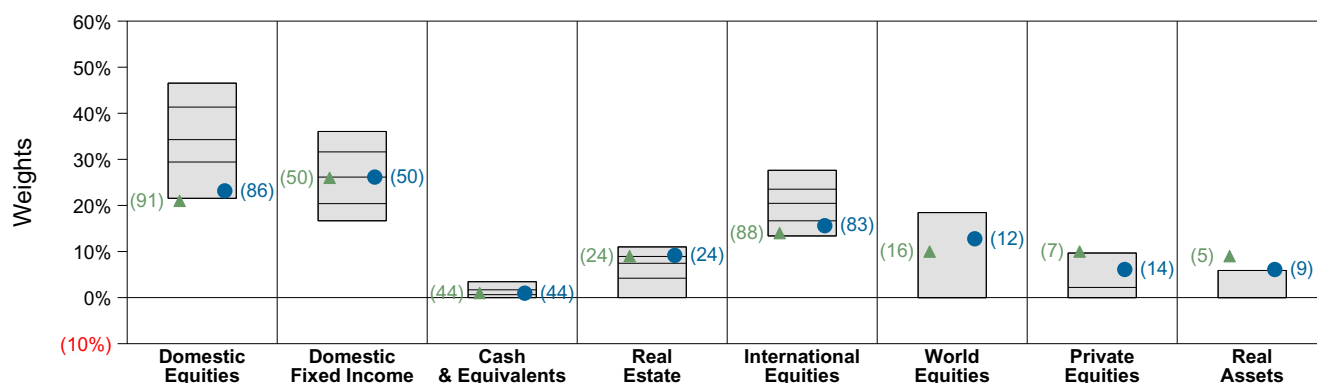
Actual vs Target Asset Allocation As of March 31, 2021

The top left chart shows the Fund's asset allocation as of March 31, 2021. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Callan Public Fund Sponsor Database.



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equities	703,307	23.2%	21.0%	2.2%	65,603
International Equities	473,733	15.6%	14.0%	1.6%	48,596
World Equities	387,650	12.8%	10.0%	2.8%	83,981
Private Equities	185,395	6.1%	10.0%	(3.9%)	(118,274)
Domestic Fixed Income	794,204	26.2%	26.0%	0.2%	4,665
Real Estate	278,171	9.2%	9.0%	0.2%	4,869
Timber	53,760	1.8%	1.8%	0.0%	0
Infrastructure	131,526	4.3%	7.2%	(2.9%)	(88,016)
Cash & Equivalents	28,944	1.0%	1.0%	(0.0%)	(1,423)
Total	3,036,689	100.0%	100.0%		

Asset Class Weights vs Callan Public Fund Sponsor Database



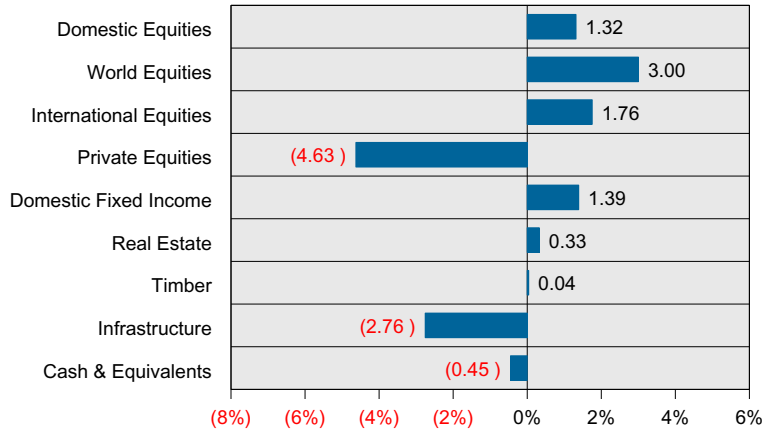
	Domestic Equities	Domestic Fixed Income	Cash & Equivalents	Real Estate	International Equities	World Equities	Private Equities	Real Assets
10th Percentile	46.54	36.05	3.45	11.00	27.63	18.45	9.68	5.89
25th Percentile	41.34	31.62	1.69	8.93	23.52	0.00	2.21	0.00
Median	34.28	26.15	0.63	7.45	20.46	0.00	0.00	0.00
75th Percentile	29.42	20.39	0.01	4.21	16.66	0.00	0.00	0.00
90th Percentile	21.54	16.67	0.00	0.00	13.38	0.00	0.00	0.00
Fund	● 23.16	26.15	0.95	9.16	15.60	12.77	6.11	6.10
Target	▲ 21.00	26.00	1.00	9.00	14.00	10.00	10.00	9.00
% Group Invested	93.53%	98.56%	76.26%	82.01%	90.65%	20.14%	26.62%	20.14%

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

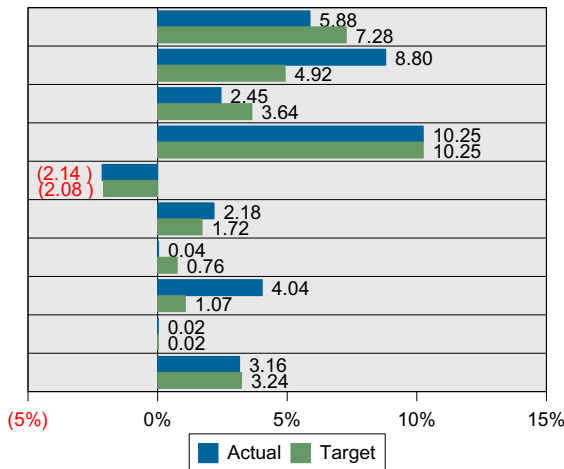
Quarterly Total Fund Relative Attribution - March 31, 2021

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

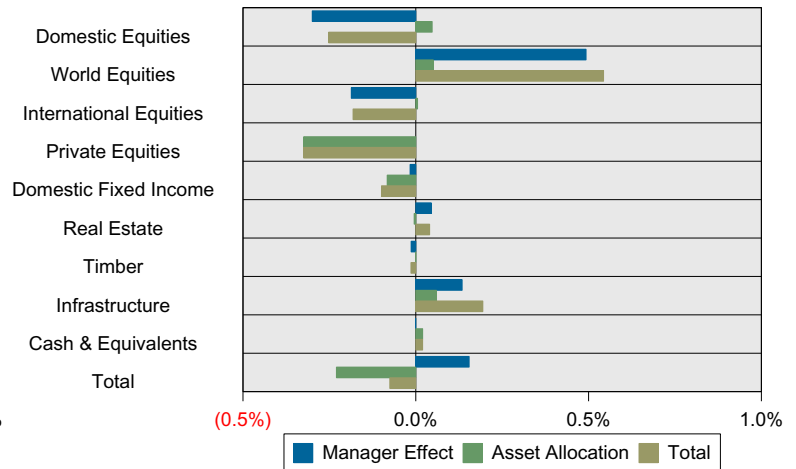
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2021

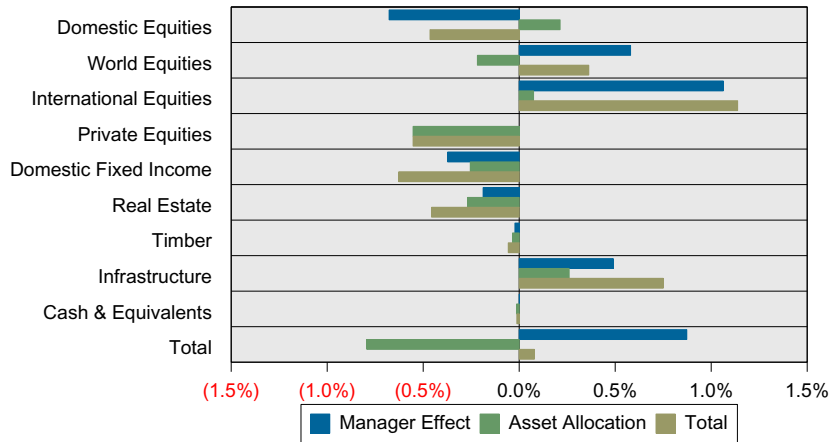
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	22%	21%	5.88%	7.28%	(0.30)%	0.05%	(0.25)%
World Equities	13%	10%	8.80%	4.92%	0.49%	0.05%	0.54%
International Equities	16%	14%	2.45%	3.64%	(0.19)%	0.01%	(0.18)%
Private Equities	5%	10%	10.25%	10.25%	0.00%	(0.32)%	(0.32)%
Domestic Fixed Income	27%	26%	(2.14)%	(2.08)%	(0.02)%	(0.08)%	(0.10)%
Real Estate	9%	9%	2.18%	1.72%	0.04%	(0.00)%	0.04%
Timber	2%	2%	0.04%	0.76%	(0.01)%	(0.00)%	(0.01)%
Infrastructure	4%	7%	4.04%	1.07%	0.13%	0.06%	0.19%
Cash & Equivalents	1%	1%	0.02%	0.02%	(0.00)%	0.02%	0.02%
Total			3.16%	3.24%	+ 0.15%	+ (0.23)%	(0.08)%

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

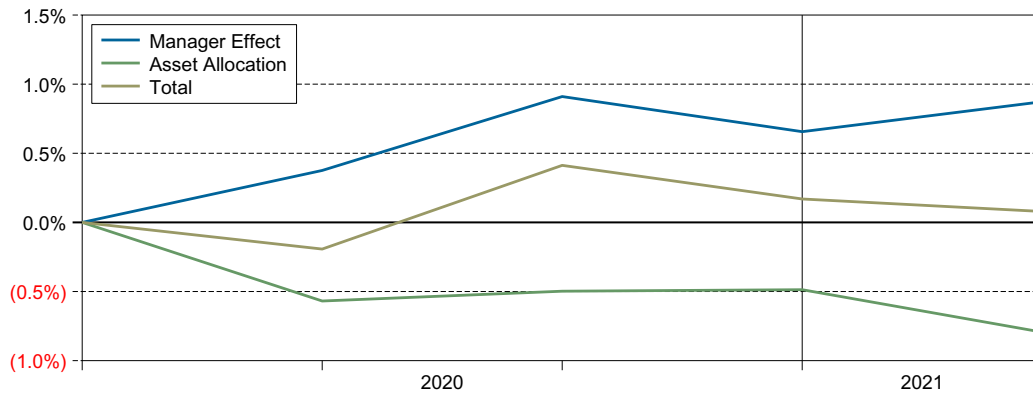
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

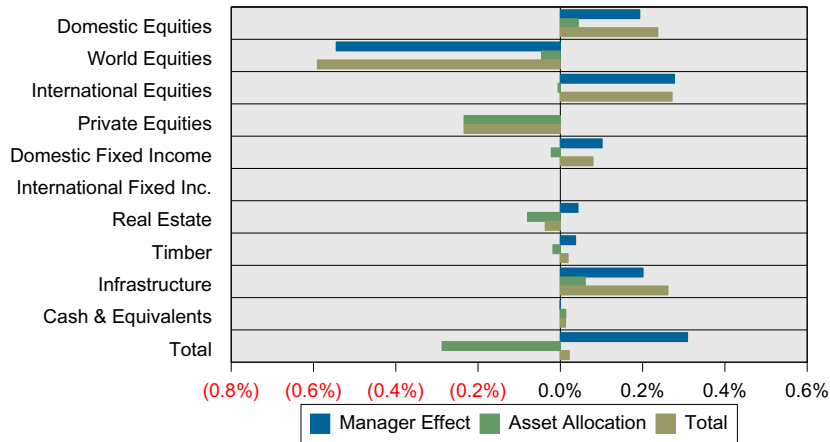
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	22%	21%	63.69%	67.50%	(0.68%)	0.21%	(0.46%)
World Equities	14%	14%	59.30%	54.03%	0.58%	(0.22%)	0.36%
International Equities	15%	14%	57.11%	48.48%	1.06%	0.07%	1.14%
Private Equities	5%	7%	19.21%	19.21%	0.00%	(0.55%)	(0.55%)
Domestic Fixed Income	25%	24%	6.07%	7.28%	(0.37%)	(0.25%)	(0.63%)
Real Estate	10%	10%	1.17%	2.61%	(0.19%)	(0.27%)	(0.46%)
Timber	2%	2%	0.56%	1.46%	(0.02%)	(0.03%)	(0.06%)
Infrastructure	5%	6%	9.98%	1.74%	0.49%	0.26%	0.75%
Cash & Equivalents	1%	1%	0.21%	0.12%	0.00%	(0.01%)	(0.01%)
Total			31.55%	31.47%	+ 0.87%	+ (0.79%)	0.08%

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

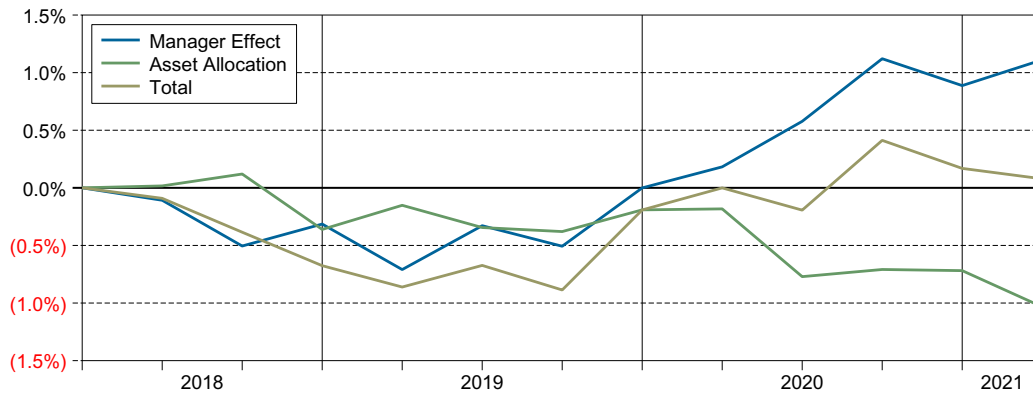
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

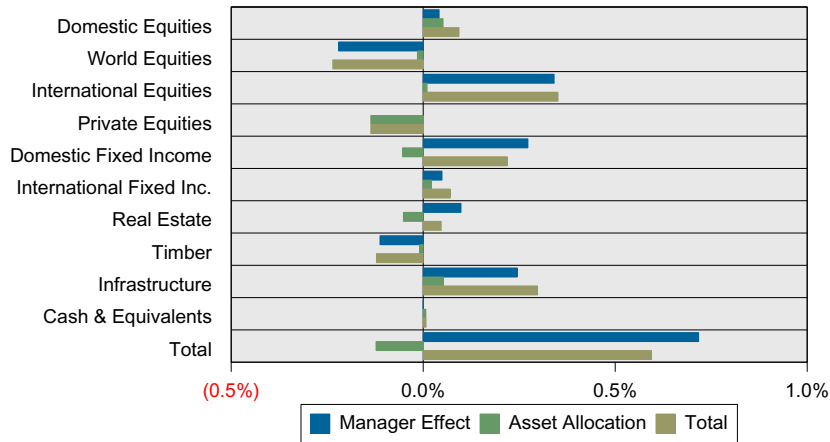
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	22%	21%	17.76%	16.74%	0.19%	0.04%	0.24%
World Equities	15%	15%	9.36%	12.81%	(0.54%)	(0.05%)	(0.59%)
International Equities	15%	14%	8.30%	6.46%	0.28%	(0.01%)	0.27%
Private Equities	4%	6%	10.09%	10.09%	0.00%	(0.23%)	(0.23%)
Domestic Fixed Income	24%	23%	5.79%	5.41%	0.10%	(0.02%)	0.08%
International Fixed Inc.	0%	0%	-	-	0.00%	0.00%	0.00%
Real Estate	10%	10%	5.28%	4.89%	0.04%	(0.08%)	(0.04%)
Timber	2%	2%	3.24%	1.71%	0.04%	(0.02%)	0.02%
Infrastructure	5%	6%	6.90%	2.98%	0.20%	0.06%	0.26%
Cash & Equivalents	1%	1%	1.46%	1.49%	(0.00%)	0.01%	0.01%
Total			9.58%	9.55%	+ 0.31%	+ (0.29%)	0.02%

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

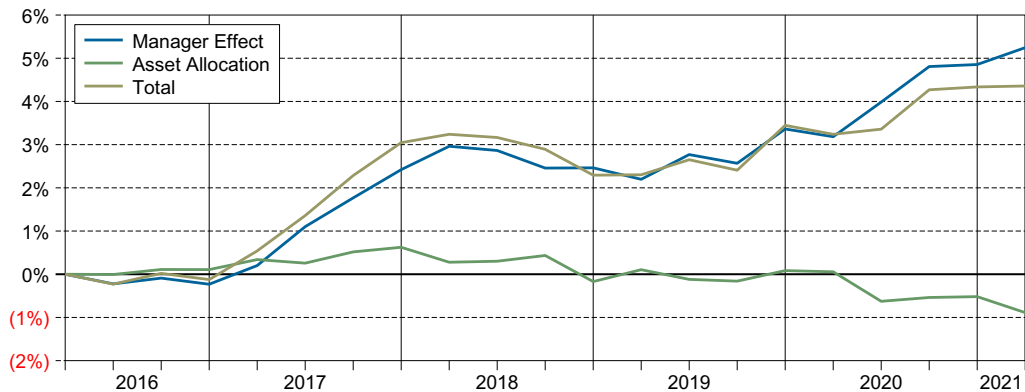
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

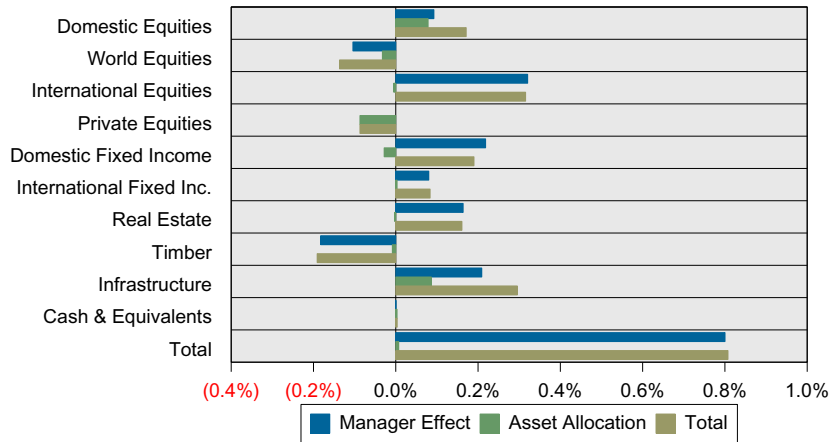
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	23%	21%	16.88%	16.62%	0.04%	0.05%	0.09%
World Equities	16%	16%	11.90%	13.36%	(0.22%)	(0.02%)	(0.24%)
International Equities	16%	15%	11.75%	9.53%	0.34%	0.01%	0.35%
Private Equities	4%	6%	9.42%	9.42%	0.00%	(0.14%)	(0.14%)
Domestic Fixed Income	21%	21%	5.79%	4.44%	0.27%	(0.05%)	0.22%
International Fixed Inc.	2%	2%	-	-	0.05%	0.02%	0.07%
Real Estate	10%	10%	6.75%	5.81%	0.10%	(0.05%)	0.05%
Timber	2%	3%	(0.75%)	2.51%	(0.11%)	(0.01%)	(0.12%)
Infrastructure	5%	6%	7.71%	2.75%	0.24%	0.05%	0.30%
Cash & Equivalents	1%	1%	1.24%	1.19%	0.00%	0.01%	0.01%
Total			10.33%	9.74%	+ 0.72%	+ (0.12%)	0.59%

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

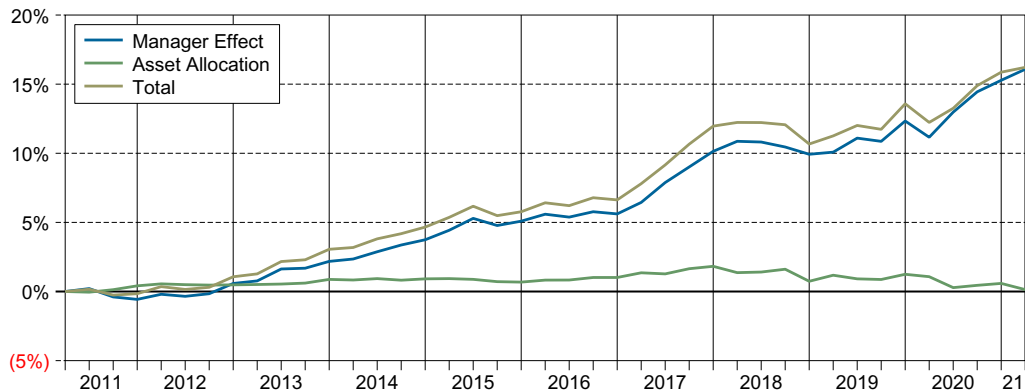
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Ten Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Ten Year Annualized Relative Attribution Effects

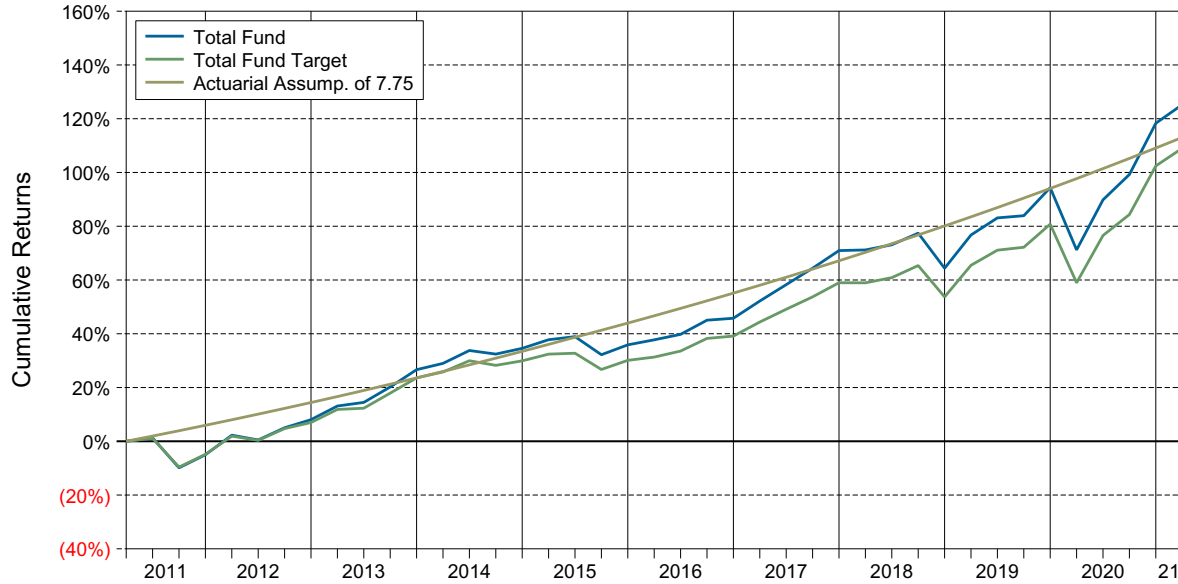
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equities	24%	23%	14.08%	13.53%	0.09%	0.08%	0.17%
World Equities	14%	14%	-	-	(0.10%)	(0.03%)	(0.14%)
International Equities	16%	16%	7.22%	5.22%	0.32%	0.01%	0.32%
Private Equities	4%	6%	5.06%	5.06%	0.00%	(0.09%)	(0.09%)
Domestic Fixed Income	19%	19%	5.41%	4.21%	0.22%	(0.03%)	0.19%
International Fixed Inc.	4%	4%	-	-	0.08%	0.00%	0.08%
Real Estate	10%	10%	10.49%	8.82%	0.16%	(0.00%)	0.16%
Timber	3%	4%	-	-	(0.18%)	(0.01%)	(0.19%)
Infrastructure	4%	5%	-	-	0.21%	0.09%	0.30%
Cash & Equivalents	1%	1%	0.67%	0.63%	0.00%	0.00%	0.00%
Total			8.46%	7.65%	+ 0.80%	+ 0.01%	0.81%

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

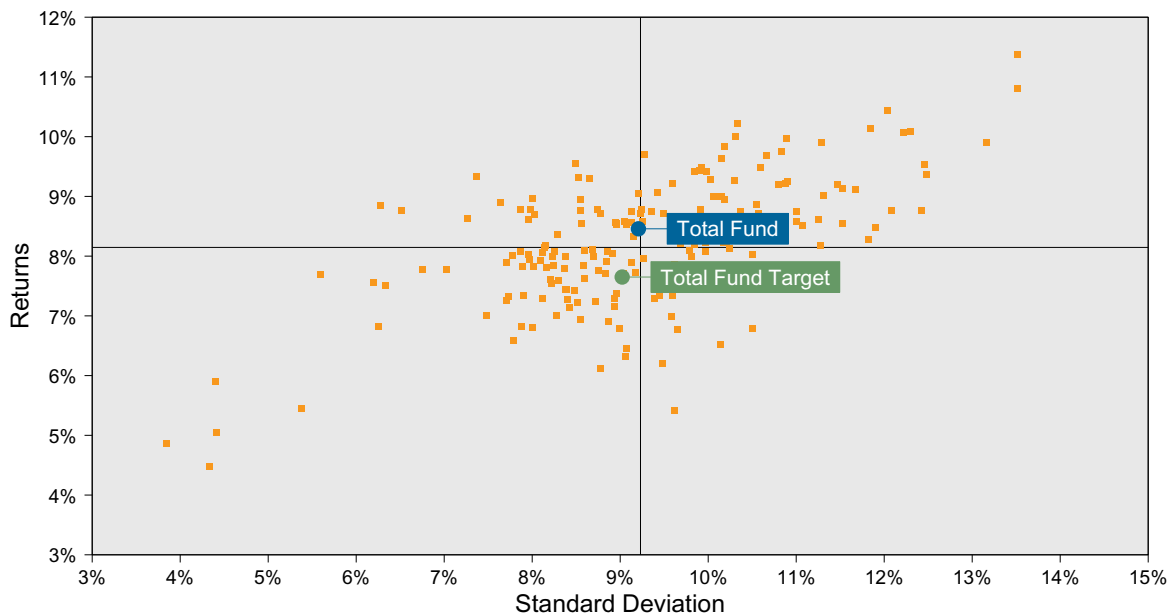
Cumulative Performance Relative to Target

The first chart below illustrates the cumulative performance of the Total Fund relative to the cumulative performance of the Fund's Target Asset Mix. The Target Mix is assumed to be rebalanced each quarter with no transaction costs. The second chart below shows the return and the risk of the Total Fund and the Target Mix, contrasted with the returns and risks of the funds in the Callan Public Fund Sponsor Database.

Cumulative Returns Actual vs Target



Ten Year Annualized Risk vs Return



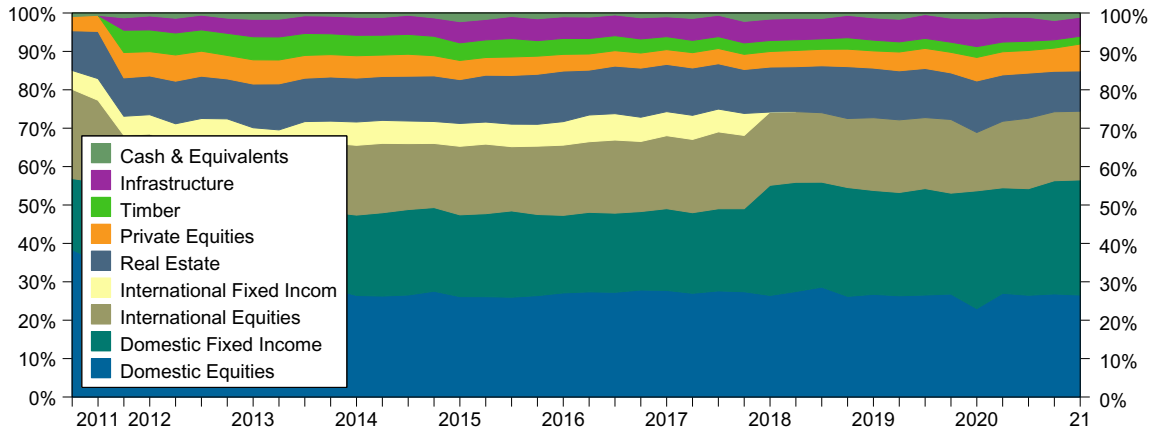
Squares represent membership of the Callan Public Fund Sponsor Database

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

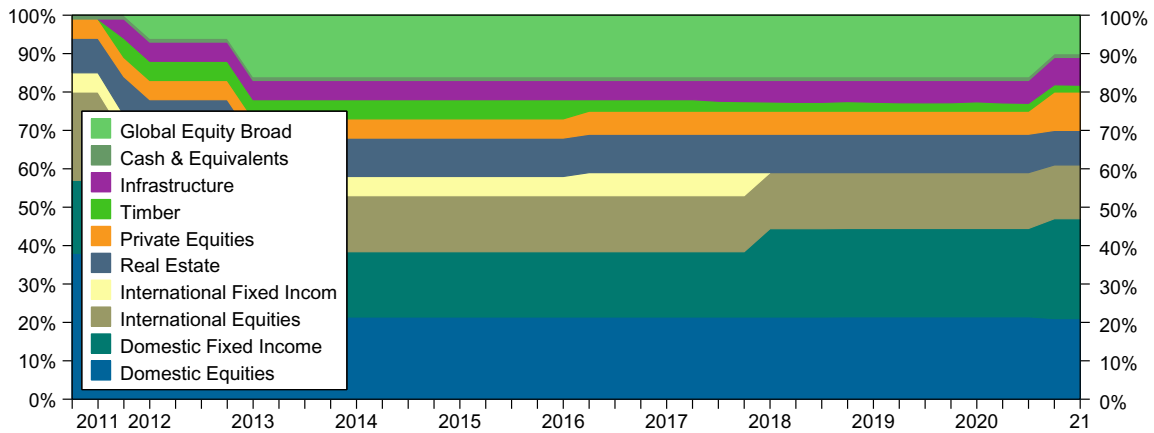
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, the fund's historical target asset allocation, and the historical asset allocation of the average fund in the Callan Public Fund Sponsor Database.

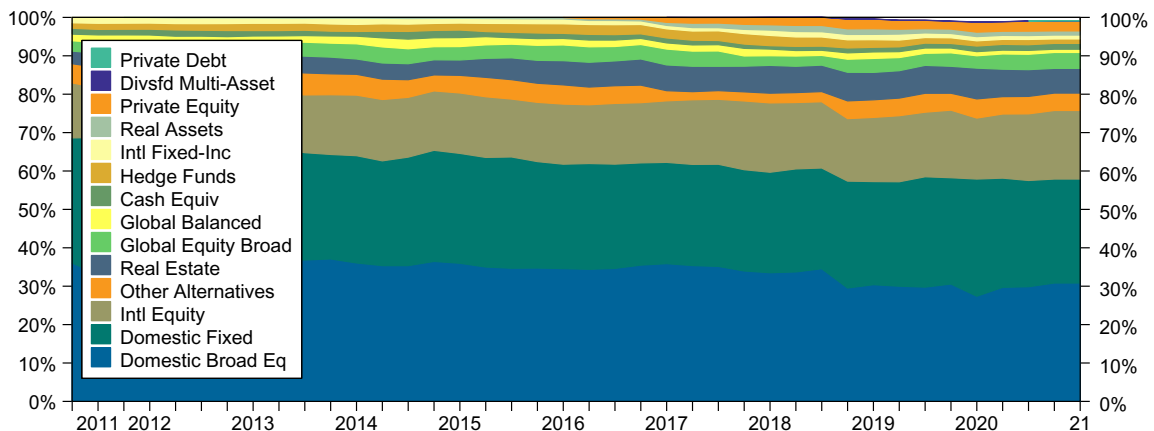
Actual Historical Asset Allocation



Target Historical Asset Allocation



Average Callan Public Fund Sponsor Database Historical Asset Allocation

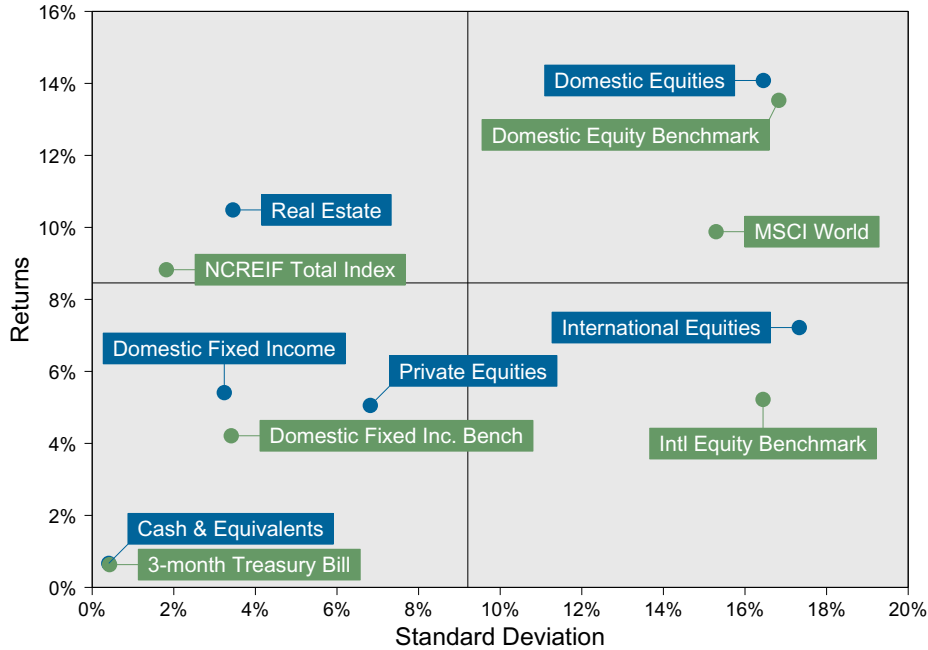


* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

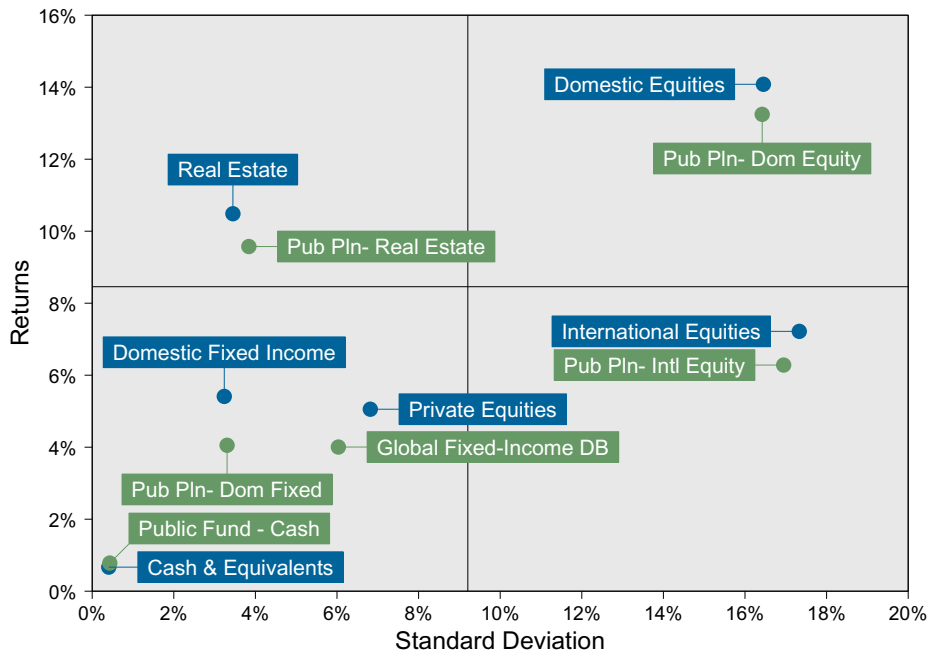
Asset Class Risk and Return

The charts below show the ten year annualized risk and return for each asset class component of the Total Fund. The first graph contrasts these values with those of the appropriate index for each asset class. The second chart contrasts them with the risk and return of the median portfolio in each of the appropriate CAI comparative databases. In each case, the crosshairs on the chart represent the return and risk of the Total Fund.

Ten Year Annualized Risk vs Return Asset Classes vs Benchmark Indices



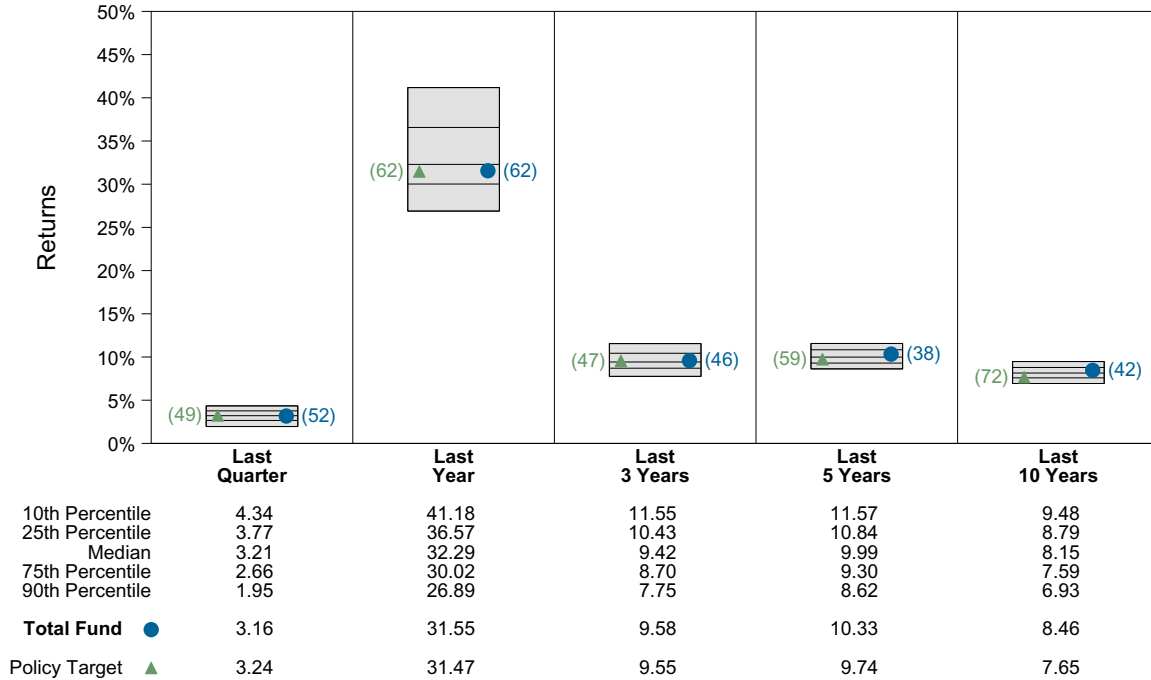
Ten Year Annualized Risk vs Return Asset Classes vs Asset Class Median



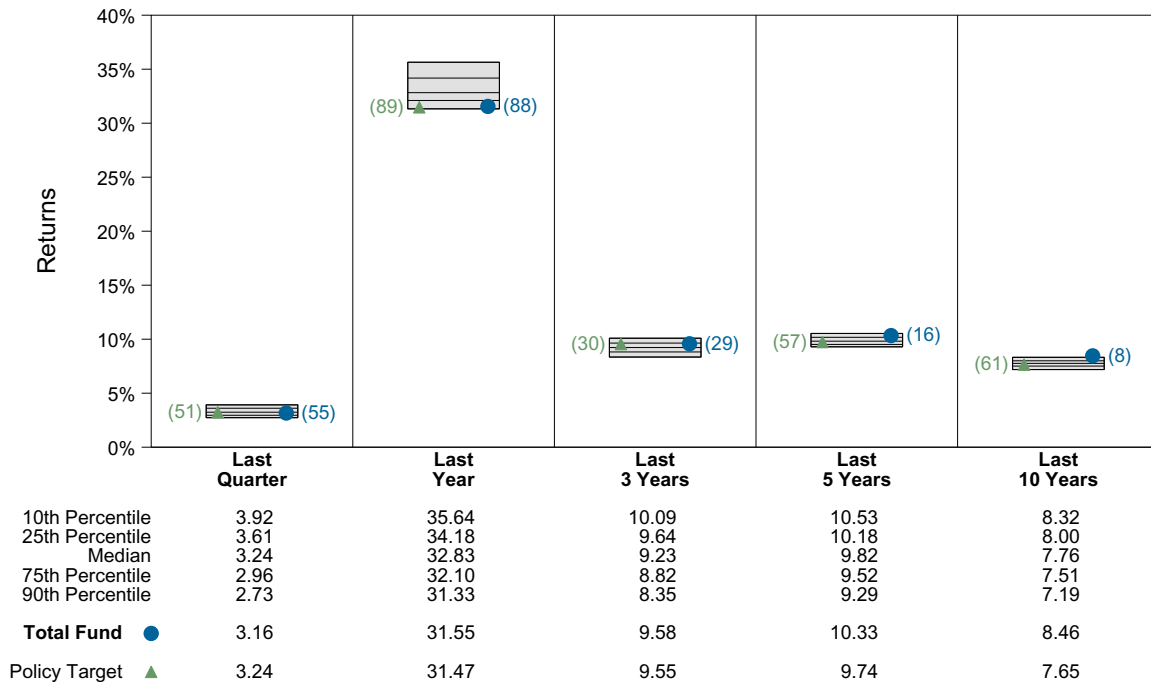
Total Fund Ranking

The first two charts show the ranking of the Total Fund's performance relative to that of the Callan Public Fund Sponsor Database for periods ended March 31, 2021. The first chart is a standard unadjusted ranking. In the second chart each fund in the database is adjusted to have the same historical asset allocation as that of the Total Fund.

Callan Public Fund Sponsor Database



Asset Allocation Adjusted Ranking

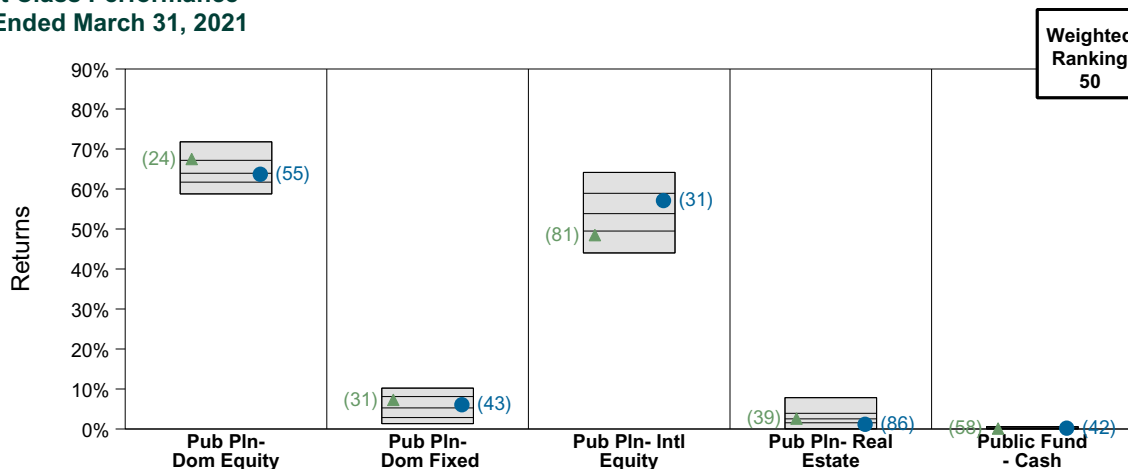


* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

Asset Class Rankings

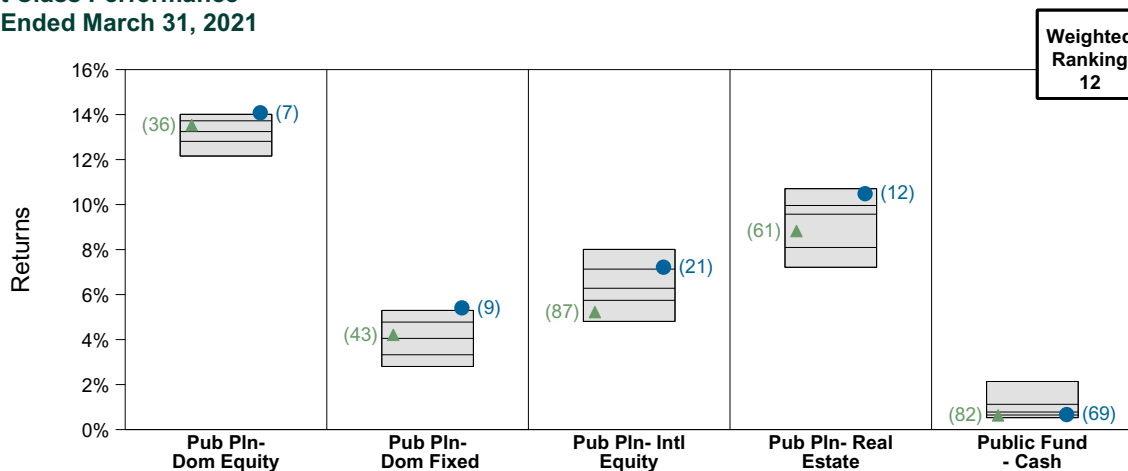
The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance One Year Ended March 31, 2021



10th Percentile	71.79	10.22	64.15	7.83	0.60
25th Percentile	67.17	8.11	58.92	3.92	0.33
Median	63.93	5.28	53.84	2.54	0.19
75th Percentile	61.71	2.86	49.49	1.55	0.06
90th Percentile	58.77	1.34	44.01	0.07	0.04
Asset Class Composite	63.69	6.07	57.11	1.17	0.21
Composite Benchmark	67.50	7.28	48.48	2.61	0.12

Total Asset Class Performance Ten Years Ended March 31, 2021



10th Percentile	14.01	5.30	8.01	10.71	2.14
25th Percentile	13.72	4.78	7.13	9.96	1.12
Median	13.25	4.05	6.28	9.57	0.78
75th Percentile	12.81	3.33	5.74	8.09	0.65
90th Percentile	12.16	2.81	4.81	7.21	0.53
Asset Class Composite	14.08	5.41	7.22	10.49	0.67
Composite Benchmark	13.53	4.21	5.22	8.82	0.63

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

Asset Class Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Class Allocation

	March 31, 2021		Net New Inv.	Inv. Return	December 31, 2020	
	Market Value	Weight			Market Value	Weight
Global Equities	\$1,750,084,759	57.63%	\$(38,845,731)	\$99,676,524	\$1,689,253,966	57.17%
Public Equities	\$1,564,689,691	51.53%	\$(52,169,155)	\$83,080,404	\$1,533,778,441	51.90%
World Equities	\$387,649,541	12.77%	\$(25,601,176)	\$33,144,605	\$380,106,112	12.86%
Domestic Equities	\$703,307,231	23.16%	\$(26,442,500)	\$38,620,669	\$691,129,062	23.39%
Large Cap	553,153,822	18.22%	(4,313,133)	26,271,632	531,195,324	17.98%
Small Cap	150,153,409	4.94%	(22,129,367)	12,349,037	159,933,739	5.41%
International Equities	\$473,732,918	15.60%	\$(125,479)	\$11,315,130	\$462,543,267	15.65%
Developed	371,776,912	12.24%	112,349	10,085,320	361,579,243	12.24%
Emerging Markets	101,956,007	3.36%	(237,828)	1,229,810	100,964,024	3.42%
Private Equities	\$185,395,068	6.11%	\$13,323,424	\$16,596,120	\$155,475,525	5.26%
Global Fixed Income	\$794,203,636	26.15%	\$52,688,676	\$(17,561,842)	\$759,076,802	25.69%
Domestic Fixed Income	\$794,203,636	26.15%	\$52,688,676	\$(17,561,842)	\$759,076,802	25.69%
Investment Grade	594,852,457	19.59%	59,501,149	(22,593,205)	557,944,512	18.88%
Below Investment Grade	199,351,179	6.56%	(6,812,473)	5,031,363	201,132,289	6.81%
Global Real Assets	\$463,456,383	15.26%	\$(3,979,957)	\$11,144,712	\$456,291,627	15.44%
Real Estate	\$278,170,630	9.16%	\$821,719	\$5,920,532	\$271,428,379	9.19%
Other Real Assets	\$185,285,753	6.10%	\$(4,801,677)	\$5,224,180	\$184,863,249	6.26%
Infrastructure	131,526,013	4.33%	(2,880,544)	5,203,409	129,203,148	4.37%
Timber	53,759,740	1.77%	(1,921,132)	20,771	55,660,101	1.88%
Cash	\$28,944,213	0.95%	\$(21,483,491)	\$3,558	\$50,424,145	1.71%
Total Fund	\$3,036,688,990	100.0%	\$(11,620,503)	\$93,262,953	\$2,955,046,540	100.0%

PLEASE REFER TO PAGES 29-31 FOR INVESTMENT MANAGER LEVEL ASSET ALLOCATION.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Equities					
Gross	6.00%	56.33%	12.27%	13.61%	-
Net	5.95%	55.98%	12.03%	13.37%	-
Weighted Benchmark	6.49%	54.94%	12.90%	13.55%	-
Public Equities					
Gross	5.53%	60.49%	-	-	-
Net	5.46%	60.09%	-	-	-
Weighted Benchmark	5.61%	58.14%	-	-	-
World Equities					
Gross	8.80%	59.30%	9.36%	11.90%	-
Net	8.68%	58.73%	8.99%	11.50%	-
MSCI World	4.92%	54.03%	12.81%	13.36%	9.88%
Domestic Equities					
Gross	5.88%	63.69%	17.76%	16.88%	14.08%
Net	5.86%	63.46%	17.58%	16.69%	13.86%
Weighted Benchmark	7.28%	67.50%	16.74%	16.62%	13.53%
Large Cap					
Gross	5.15%	61.98%	19.00%	17.38%	14.81%
Net	5.12%	61.90%	18.89%	17.26%	14.63%
Benchmark(1)	5.91%	60.59%	17.31%	16.66%	14.08%
Small Cap					
Gross	8.46%	69.26%	13.37%	15.04%	11.57%
Net	8.32%	68.27%	12.88%	14.55%	11.21%
Russell 2000 Index	12.70%	94.85%	14.76%	16.35%	11.68%
International Equities					
Gross	2.45%	57.11%	8.30%	11.75%	7.22%
Net	2.39%	56.64%	8.07%	11.53%	6.95%
Weighted Benchmark	3.64%	48.48%	6.46%	9.53%	5.22%
Developed					
Gross	2.79%	54.45%	8.34%	11.19%	7.33%
Net	2.74%	54.15%	8.11%	10.96%	7.06%
Benchmark(2)	4.04%	45.86%	6.34%	8.83%	5.51%
Emerging Markets					
Gross	1.22%	68.49%	8.37%	13.85%	6.30%
Net	1.12%	67.36%	8.12%	13.70%	6.06%
Benchmark(3)	2.29%	58.39%	6.48%	12.07%	3.67%
Private Equities					
Net	10.25%	19.21%	10.09%	9.42%	5.02%

(1) S&P 500 Index through 12/31/2011 and the Russell 1000 Index thereafter.

(2) 50% Hedged EAFE through 3/31/2011; MSCI EAFE through 6/30/16; MSCI World ex-US thereafter.

(3) MSCI Emerging Mkts Idx (Gross) through 6/30/2011 and MSCI Emerging Mkts Idx Net thereafter.

PLEASE REFER TO PAGES 32-36 FOR INVESTMENT MANAGER LEVEL RETURNS.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Fixed Income					
Gross	(2.14%)	6.07%	5.79%	5.71%	-
Net	(2.16%)	5.94%	5.64%	5.52%	-
Weighted Benchmark	(2.08%)	7.28%	5.41%	4.46%	-
Domestic Fixed Income					
Gross	(2.14%)	6.07%	5.79%	5.79%	5.41%
Net	(2.16%)	5.94%	5.64%	5.63%	5.28%
Weighted Benchmark	(2.08%)	7.28%	5.41%	4.44%	4.21%
Inv. Grade Fixed Income					
Gross	(3.65%)	3.82%	5.58%	4.89%	4.90%
Net	(3.67%)	3.73%	5.49%	4.78%	4.77%
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
Below Inv. Grade Fixed Income					
Gross	2.52%	13.34%	6.74%	8.42%	7.27%
Net	2.47%	13.12%	6.48%	8.12%	6.89%
Blmbg HY Corp 2% Issue	0.86%	23.65%	6.82%	8.04%	6.47%
Global Real Assets					
Gross	2.45%	3.57%	5.49%	5.79%	-
Net	2.40%	3.18%	5.04%	5.36%	-
Weighted Benchmark	1.36%	2.16%	3.87%	4.41%	-
Real Estate					
Gross	2.18%	1.17%	5.28%	6.75%	10.49%
Net	2.14%	0.75%	4.74%	6.25%	9.96%
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%
Other Real Assets					
Gross	2.85%	7.14%	-	-	-
Net	2.79%	6.83%	-	-	-
Weighted Benchmark	1.01%	1.71%	-	-	-
Infrastructure					
Gross	4.04%	9.98%	6.90%	7.71%	-
Net	3.95%	9.54%	6.46%	7.22%	-
Benchmark(1)	1.07%	1.74%	2.98%	2.75%	-
Timber					
Net	0.04%	0.56%	3.24%	(0.75%)	-
NCREIF Timberland Index	0.76%	1.46%	1.71%	2.51%	4.55%
Cash & Equivalents - Net	0.02%	0.21%	1.46%	1.24%	0.67%
3-month Treasury Bill	0.02%	0.12%	1.49%	1.19%	0.63%
Total Fund					
Gross	3.16%	31.55%	9.58%	10.33%	8.46%
Net	3.11%	31.25%	9.33%	10.07%	8.15%
Target*	3.24%	31.47%	9.55%	9.74%	7.65%

* Current Quarter Target = 18.0% Blmbg Aggregate, 16.8% Russell 1000 Index, 10.5% MSCI World ex US, 10.0% NDTFFR-Private Equity, 10.0% MSCI World, 9.0% NCREIF Total Index, 8.0% Blmbg:HY Corp 2% Iss Cap, 4.2% Russell 2000 Index, 3.6% NCREIF NFI-ODCE Eq Wt Net, 3.6% CPI All Urban Cons lagged 3 months, 3.5% MSCI EM, 1.8% NCREIF Timberland Index and 1.0% 3-month Treasury Bill.

(1) CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.

PLEASE REFER TO PAGES 32-36 FOR INVESTMENT MANAGER LEVEL RETURNS.

Domestic Equities

Period Ended March 31, 2021

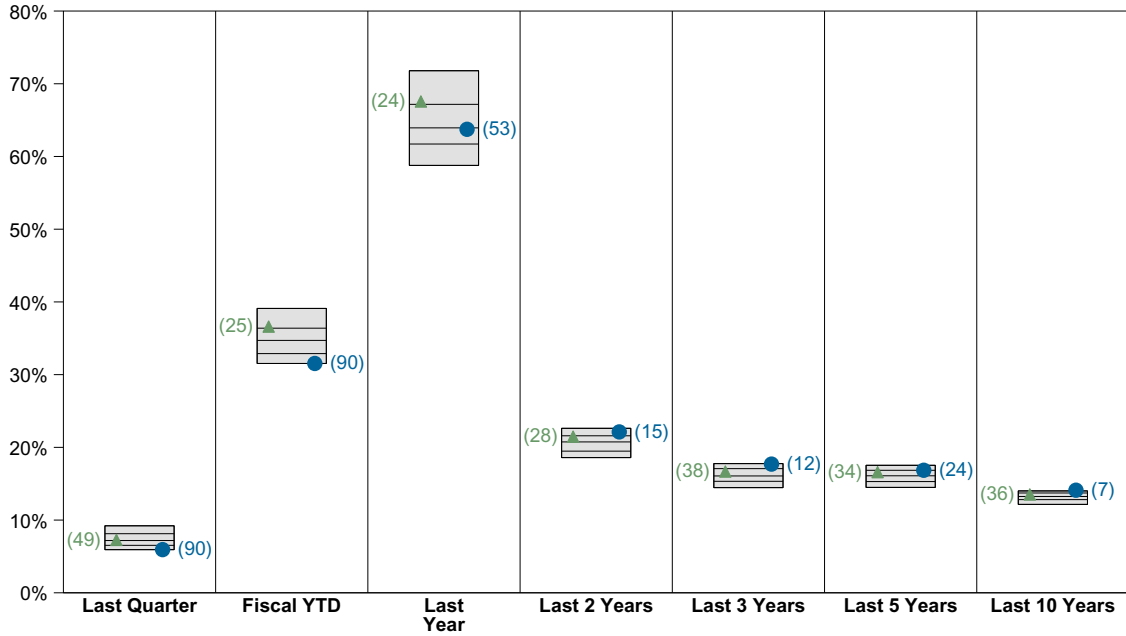
Quarterly Summary and Highlights

- Domestic Equities's portfolio posted a 5.94% return for the quarter placing it in the 90 percentile of the Public Fund - Domestic Equity group for the quarter and in the 53 percentile for the last year.
- Domestic Equities's portfolio underperformed the Domestic Equity Target by 1.34% for the quarter and underperformed the Domestic Equity Target for the year by 3.83%.

Quarterly Asset Growth

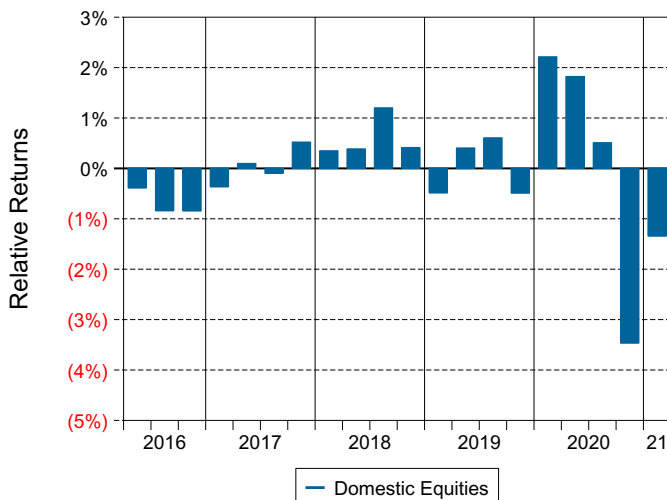
Beginning Market Value	\$1,630,456,285
Net New Investment	\$11,238,328
Investment Gains/(Losses)	\$95,348,361
Ending Market Value	\$1,737,042,974

Performance vs Public Fund - Domestic Equity (Gross)

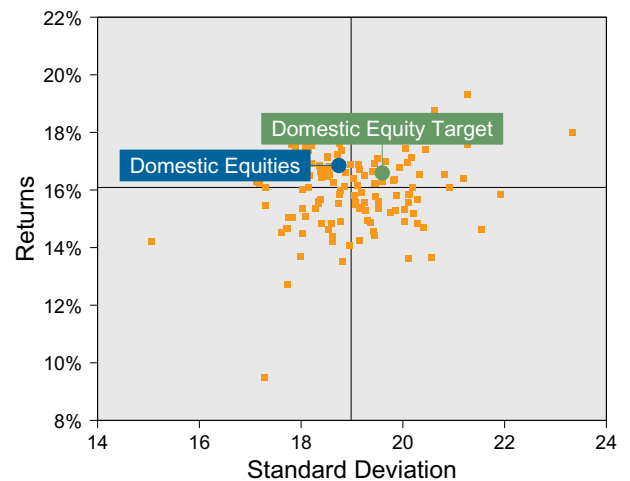


10th Percentile	9.22	39.10	71.79	22.62	17.77	17.53	14.01
25th Percentile	8.13	36.39	67.17	21.59	17.07	16.84	13.72
Median	7.19	34.71	63.93	20.75	16.07	16.09	13.25
75th Percentile	6.53	32.89	61.71	19.48	15.33	15.30	12.81
90th Percentile	5.93	31.54	58.77	18.59	14.46	14.49	12.16
Domestic Equities	5.94	31.54	63.74	22.12	17.70	16.85	14.11
Domestic Equity Target	7.28	36.62	67.57	21.48	16.68	16.59	13.53

Relative Return vs Domestic Equity Target



Public Fund - Domestic Equity (Gross) Annualized Five Year Risk vs Return



L.A. Capital Period Ended March 31, 2021

Investment Philosophy

The LA Capital Structured portfolio is a large growth portfolio benchmarked to the Russell 1000 Growth Index. It is an active assignment meaning that it targets a 2% alpha and constrains its risk budget (tracking error) to 4% relative to the benchmark. LA Capital believes that investment results are driven by Investor Preferences and thus recognize that when preferences shift a different posture related to that factor is warranted.

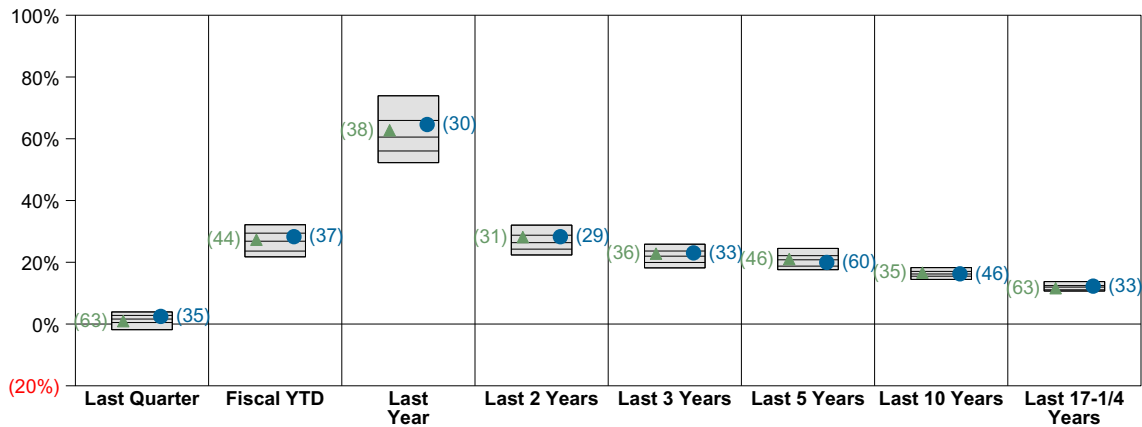
Quarterly Summary and Highlights

- L.A. Capital's portfolio posted a 2.47% return for the quarter placing it in the 35 percentile of the Callan Large Cap Growth group for the quarter and in the 30 percentile for the last year.
- L.A. Capital's portfolio outperformed the Russell 1000 Growth Index by 1.52% for the quarter and outperformed the Russell 1000 Growth Index for the year by 1.86%.

Quarterly Asset Growth

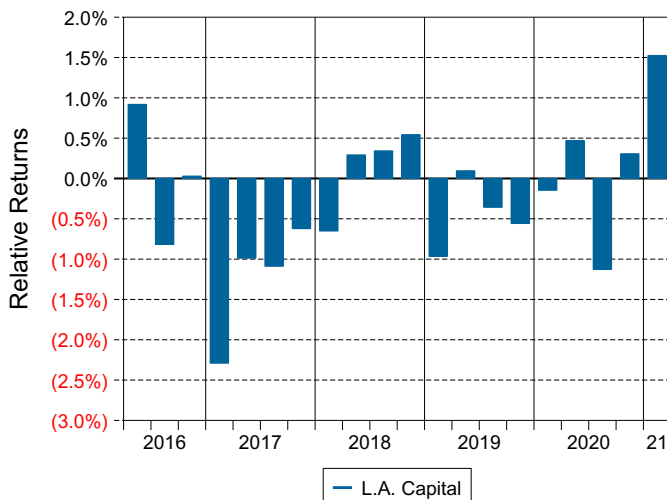
Beginning Market Value	\$521,360,927
Net New Investment	\$-250,801
Investment Gains/(Losses)	\$12,865,020
Ending Market Value	\$533,975,146

Performance vs Callan Large Cap Growth (Gross)

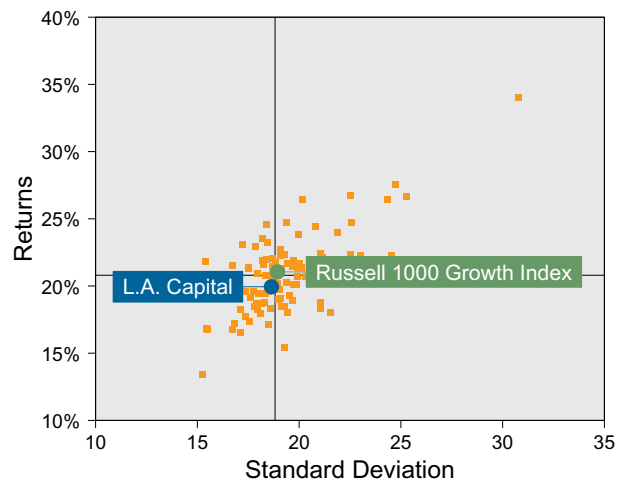


10th Percentile	3.92	32.16	73.92	32.03	25.85	24.49	18.27	13.75
25th Percentile	2.80	29.43	65.93	28.76	23.64	22.14	17.05	12.45
Median	1.62	26.82	60.55	26.36	21.98	20.80	16.21	11.96
75th Percentile	0.48	23.63	56.05	24.26	19.94	18.76	15.49	11.08
90th Percentile	(1.83)	21.76	52.26	22.36	18.19	17.60	14.44	10.69
L.A. Capital	● 2.47	28.29	64.61	28.28	23.04	19.95	16.26	12.27
Russell 1000 Growth Index	▲ 0.94	27.30	62.74	28.15	22.80	21.05	16.63	11.60

Relative Return vs Russell 1000 Growth Index



Callan Large Cap Growth (Gross) Annualized Five Year Risk vs Return



L.A. Capital Management Enhanced Index Period Ended March 31, 2021

Investment Philosophy

The LA Capital Enhanced portfolio is a large core portfolio benchmarked to the Russell 1000 Index. Characterized as an enhanced index assignment, its objective is to track the benchmark with lower variability. The pension portfolio began in August of 2000 and the insurance portfolio was initiated in April of 2004. Since October of 2006 a small portion of each of the two core accounts was allocated into the Large Cap Alpha Fund with intent to add incremental alpha to the assignment given that the information ratio was expected to be higher.

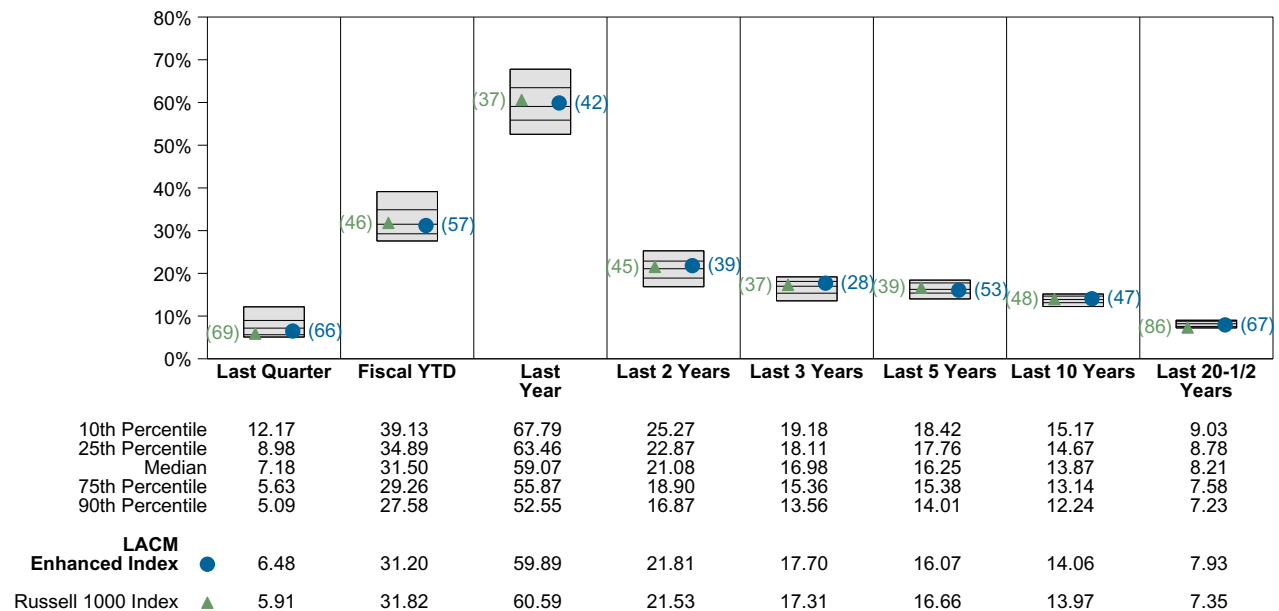
Quarterly Summary and Highlights

- LACM Enhanced Index's portfolio posted a 6.48% return for the quarter placing it in the 66 percentile of the Callan Large Cap Core group for the quarter and in the 42 percentile for the last year.
- LACM Enhanced Index's portfolio outperformed the Russell 1000 Index by 0.57% for the quarter and underperformed the Russell 1000 Index for the year by 0.70%.

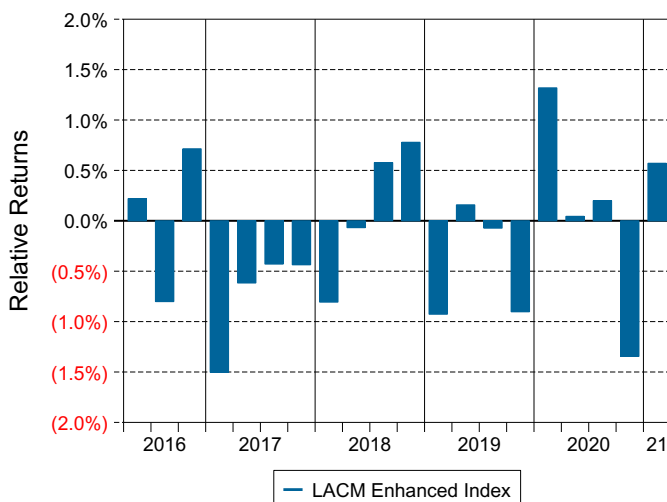
Quarterly Asset Growth

Beginning Market Value	\$255,566,680
Net New Investment	\$-64,852
Investment Gains/(Losses)	\$16,565,397
Ending Market Value	\$272,067,225

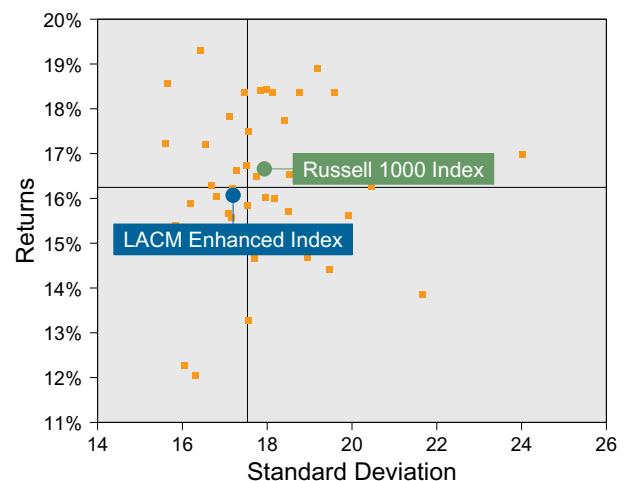
Performance vs Callan Large Cap Core (Gross)



Relative Return vs Russell 1000 Index



Callan Large Cap Core (Gross) Annualized Five Year Risk vs Return



Northern Trust AM Enh S&P500 Period Ended March 31, 2021

Investment Philosophy

Northern Trust AM Enhanced S&P 500 employs a quantitative investment approach, focusing on the stock selection process as the principal source of value added. The account invests primarily in a broadly diversified portfolio of equity securities that include securities convertible into equity securities (including common stock), warrants, rights and units or shares in trusts, exchange traded funds and investment companies. The Investment Manager intends to use futures and options to manage market risk associated with the account's investments.

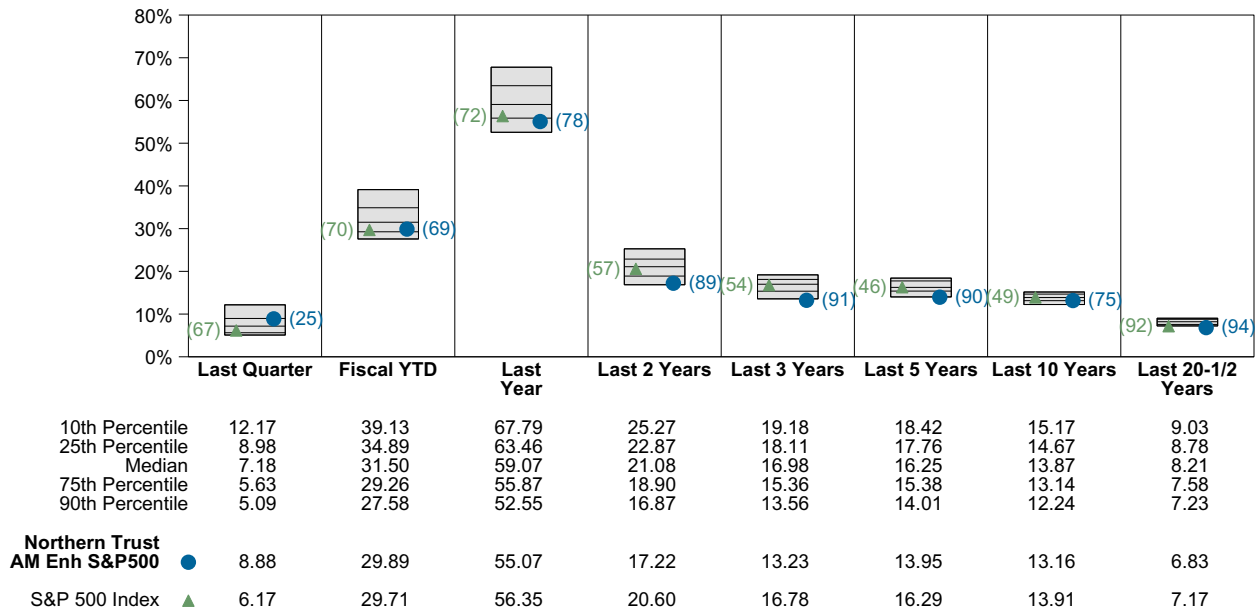
Quarterly Summary and Highlights

- Northern Trust AM Enh S&P500's portfolio posted a 8.88% return for the quarter placing it in the 25 percentile of the Callan Large Cap Core group for the quarter and in the 78 percentile for the last year.
- Northern Trust AM Enh S&P500's portfolio outperformed the S&P 500 Index by 2.71% for the quarter and underperformed the S&P 500 Index for the year by 1.28%.

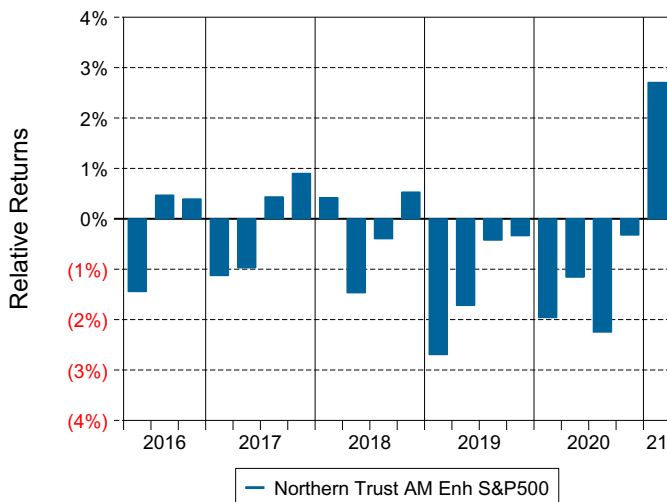
Quarterly Asset Growth

Beginning Market Value	\$233,635,391
Net New Investment	\$-0
Investment Gains/(Losses)	\$20,750,013
Ending Market Value	\$254,385,404

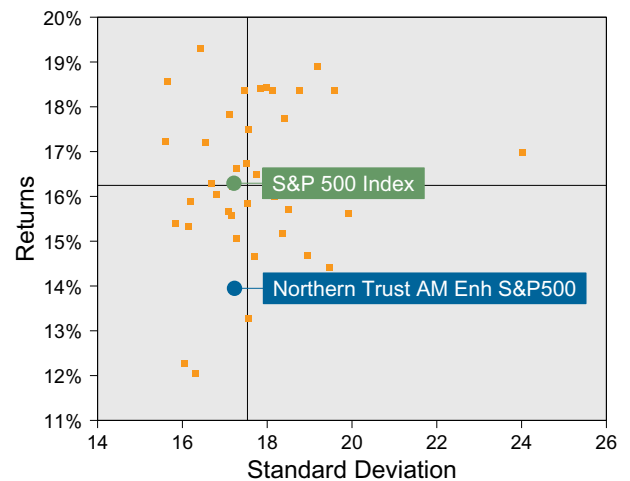
Performance vs Callan Large Cap Core (Gross)



Relative Return vs S&P 500 Index



Callan Large Cap Core (Gross) Annualized Five Year Risk vs Return



Parametric Enh S&P 500 Period Ended March 31, 2021

Investment Philosophy

Parametric Clifton utilizes equity futures to gain benchmark exposure in constructing the portfolio it believes provides the greatest likelihood of outperforming the index. In this construction the underlying cash portfolio is invested in a liquid, high quality short duration fixed income portfolio. Over market cycles excess return generated by the short duration portfolio, when added to the performance of futures is expected to allow the strategy to achieve 0.50% to 1.00% of gross excess annual performance.

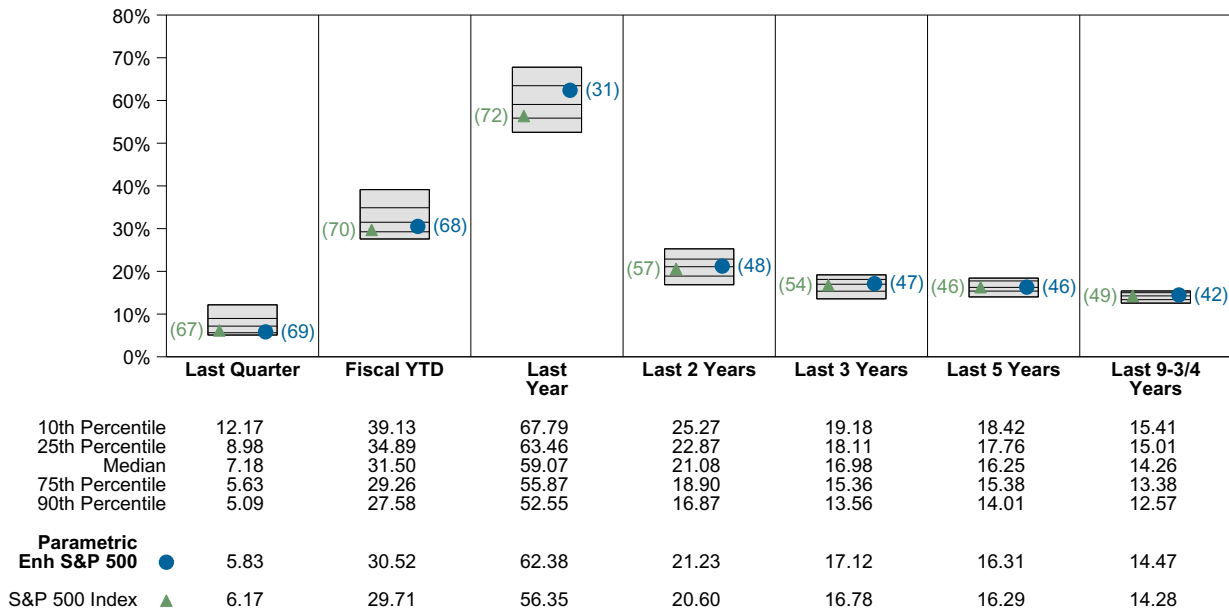
Quarterly Summary and Highlights

- Parametric Enh S&P 500's portfolio posted a 5.83% return for the quarter placing it in the 69 percentile of the Callan Large Cap Core group for the quarter and in the 31 percentile for the last year.
- Parametric Enh S&P 500's portfolio underperformed the S&P 500 Index by 0.35% for the quarter and outperformed the S&P 500 Index for the year by 6.03%.

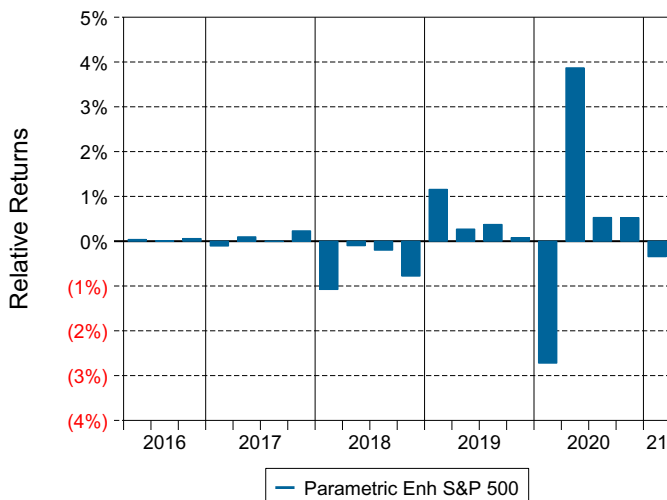
Quarterly Asset Growth

Beginning Market Value	\$253,727,047
Net New Investment	\$45,000,000
Investment Gains/(Losses)	\$15,392,140
Ending Market Value	\$314,119,187

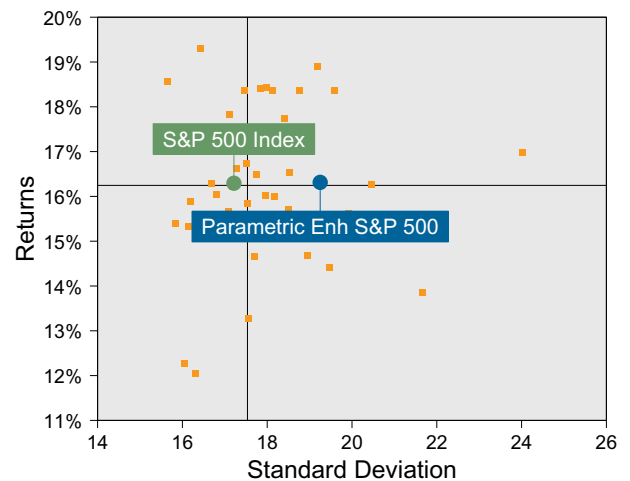
Performance vs Callan Large Cap Core (Gross)



Relative Return vs S&P 500 Index



Callan Large Cap Core (Gross) Annualized Five Year Risk vs Return



Atlanta Capital Period Ended March 31, 2021

Investment Philosophy

Atlanta believes that high quality companies produce consistently increasing earnings and dividends, thereby providing attractive returns with moderate risk over the long-term.

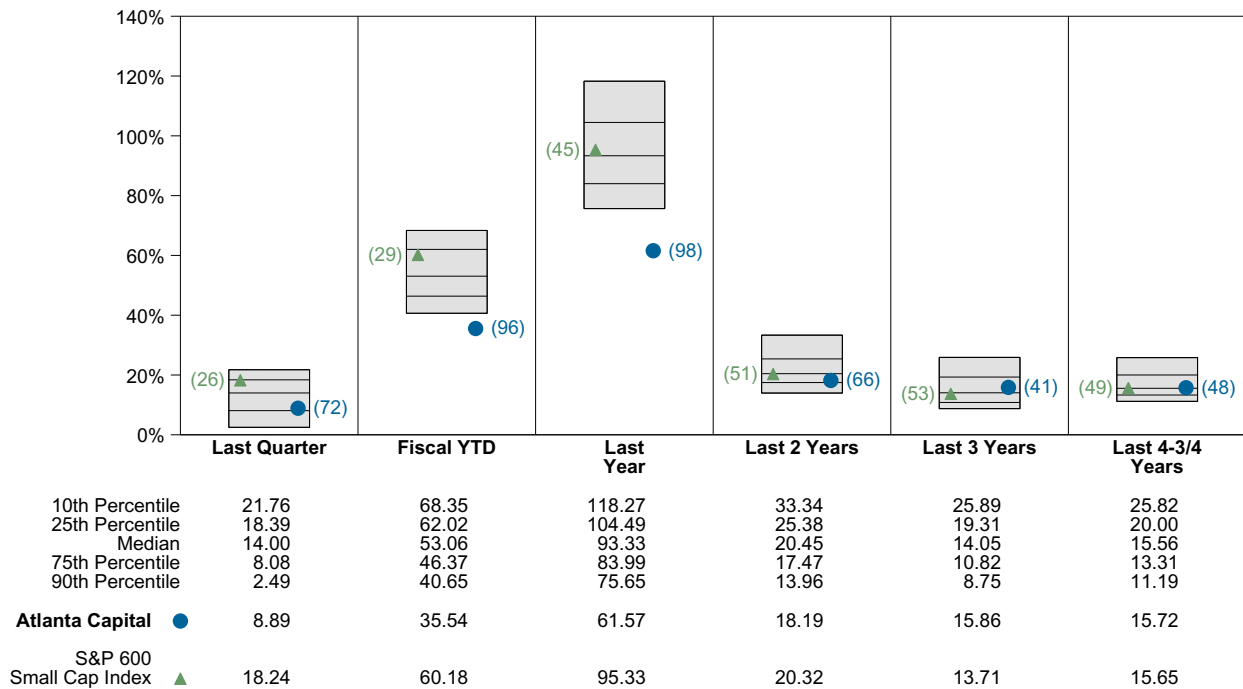
Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a 8.89% return for the quarter placing it in the 72 percentile of the Callan Small Capitalization group for the quarter and in the 98 percentile for the last year.
- Atlanta Capital's portfolio underperformed the S&P 600 Small Cap Index by 9.35% for the quarter and underperformed the S&P 600 Small Cap Index for the year by 33.77%.

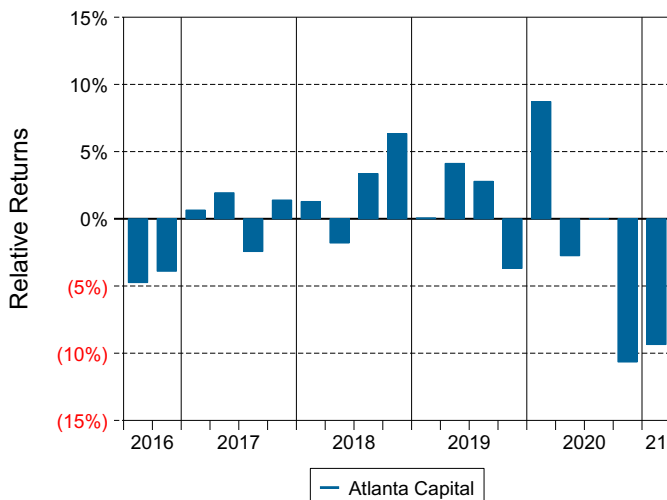
Quarterly Asset Growth

Beginning Market Value	\$114,418,253
Net New Investment	\$-6,181,805
Investment Gains/(Losses)	\$9,913,788
Ending Market Value	\$118,150,237

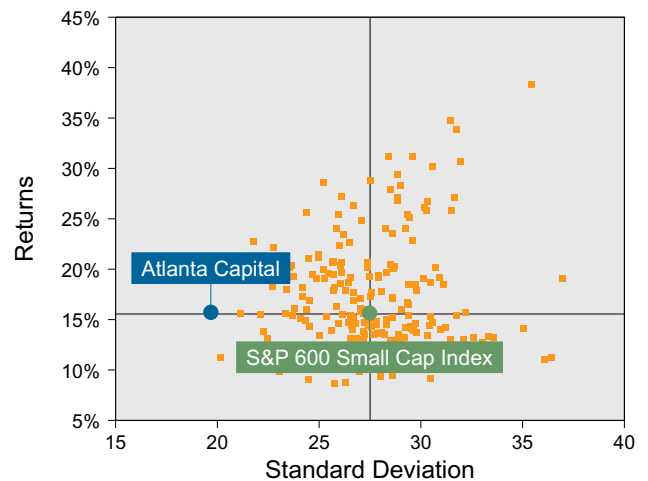
Performance vs Callan Small Capitalization (Gross)



Relative Return vs S&P 600 Small Cap Index



Callan Small Capitalization (Gross) Annualized Four and Three-Quarter Year Risk vs Return



Riverbridge Small Cap Growth Period Ended March 31, 2021

Investment Philosophy

Riverbridge believes earnings power determines the value of a franchise. They focus on companies that are building earnings power and intrinsic value of the company over long periods of time. They also look for high-quality growth companies that demonstrate the ability to sustain strong secular earnings growth, regardless of overall economic conditions.

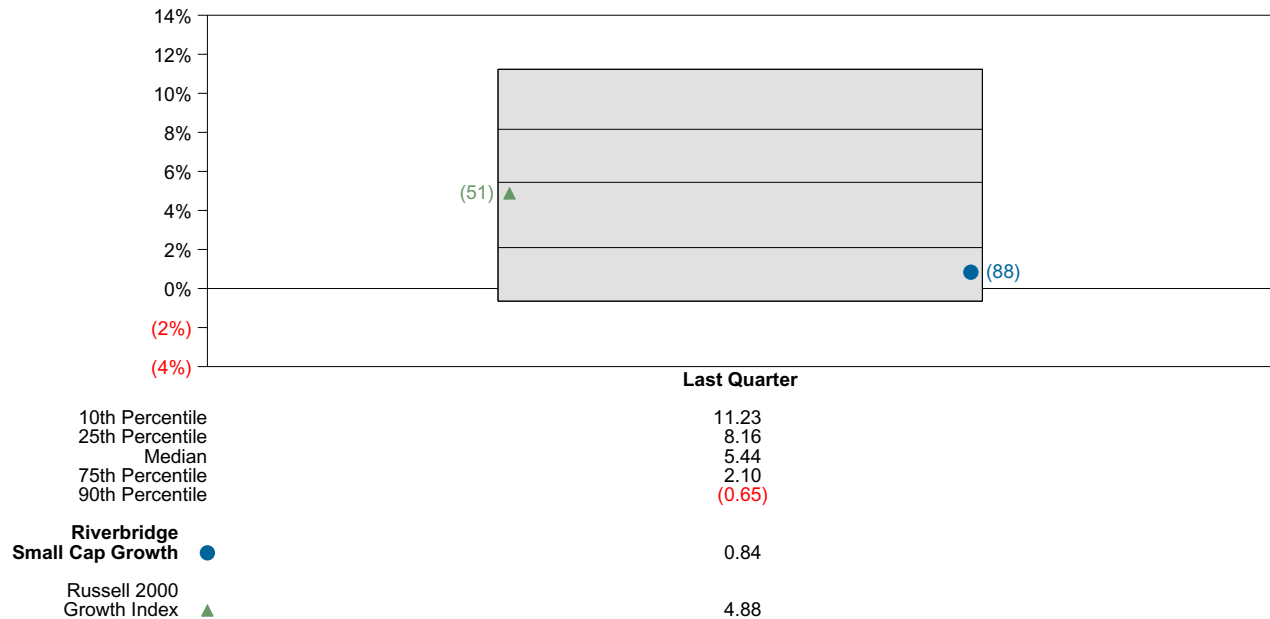
Quarterly Summary and Highlights

- Riverbridge Small Cap Growth's portfolio posted a 0.84% return for the quarter placing it in the 88 percentile of the Callan Small Cap Growth group for the quarter.
- Riverbridge Small Cap Growth's portfolio underperformed the Russell 2000 Growth Index by 4.04% for the quarter.

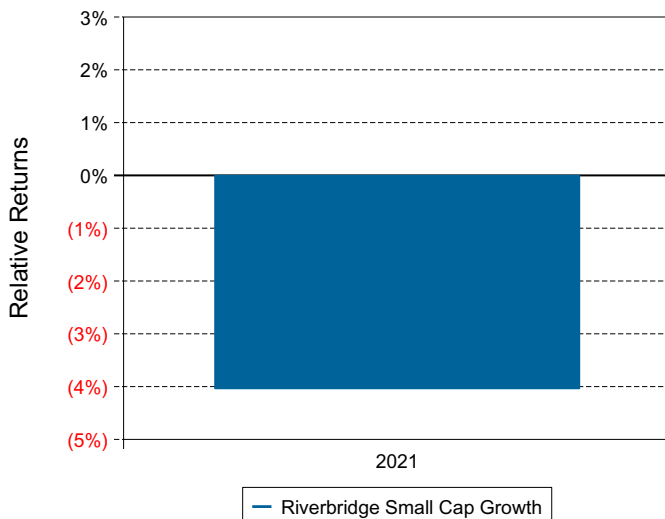
Quarterly Asset Growth

Beginning Market Value	\$128,153,531
Net New Investment	\$-14,144,822
Investment Gains/(Losses)	\$1,512,662
Ending Market Value	\$115,521,371

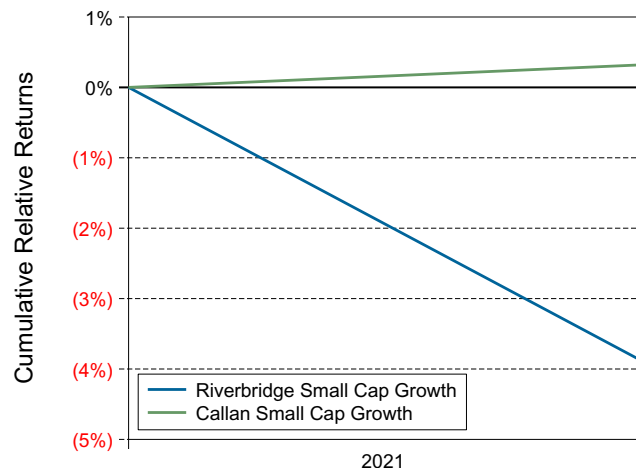
Performance vs Callan Small Cap Growth (Gross)



Relative Return vs Russell 2000 Growth Index



Cumulative Returns vs Russell 2000 Growth Index



Sycamore Small Cap Value

Period Ended March 31, 2021

Investment Philosophy

The Small Cap Value strategy employs a bottom-up investment process to build a diversified portfolio of small cap companies that the investment team believes to possess each of the following attributes: better business with above-average financial strength, an exploitable valuation disparity between the current market value and the estimated fair value, and finally, the prospect for improving fundamentals.

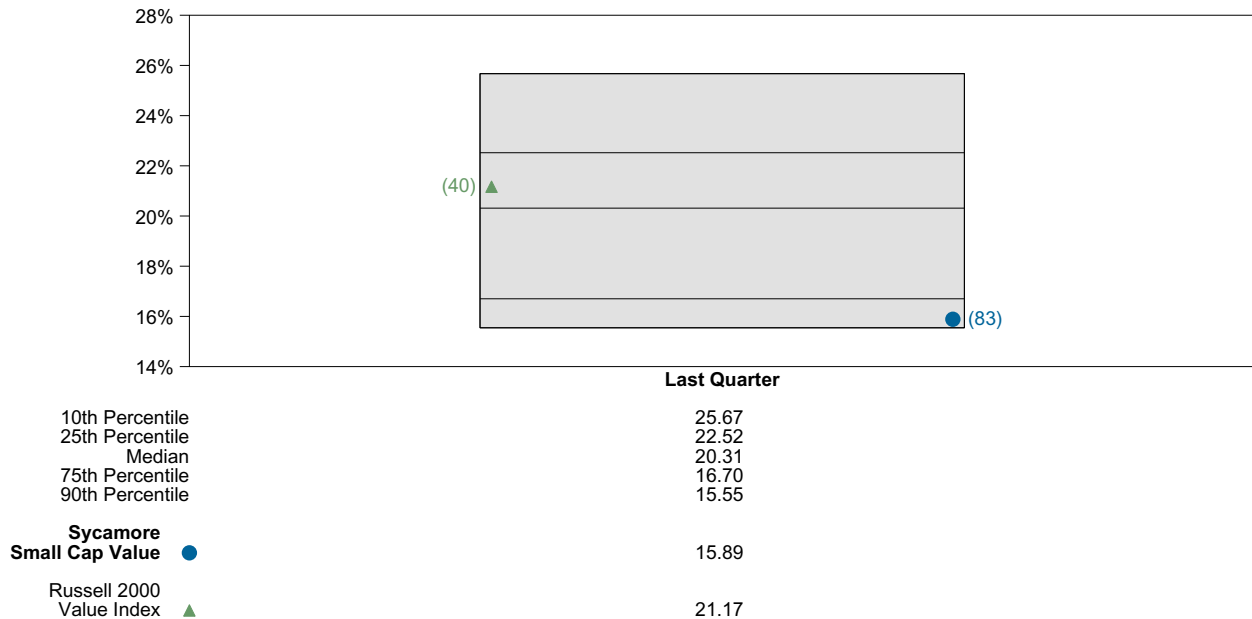
Quarterly Summary and Highlights

- Sycamore Small Cap Value's portfolio posted a 15.89% return for the quarter placing it in the 83 percentile of the Callan Small Cap Value group for the quarter.
- Sycamore Small Cap Value's portfolio underperformed the Russell 2000 Value Index by 5.28% for the quarter.

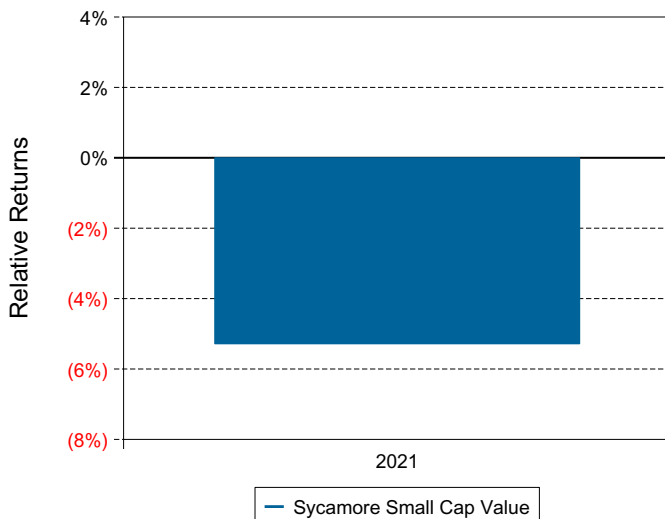
Quarterly Asset Growth

Beginning Market Value	\$123,594,455
Net New Investment	\$-13,119,392
Investment Gains/(Losses)	\$18,349,341
Ending Market Value	\$128,824,404

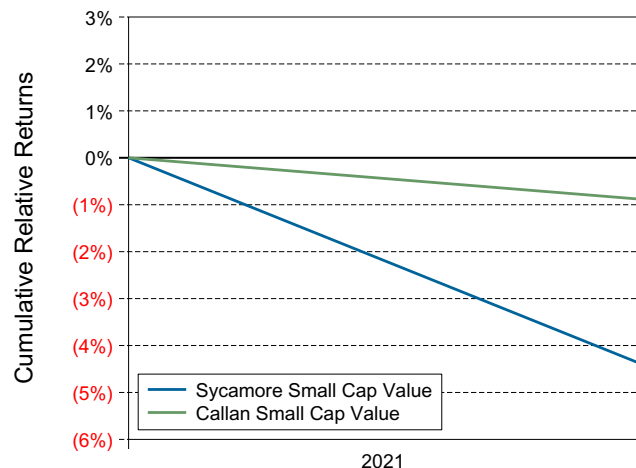
Performance vs Callan Small Cap Value (Gross)



Relative Return vs Russell 2000 Value Index



Cumulative Returns vs Russell 2000 Value Index



International Equities Period Ended March 31, 2021

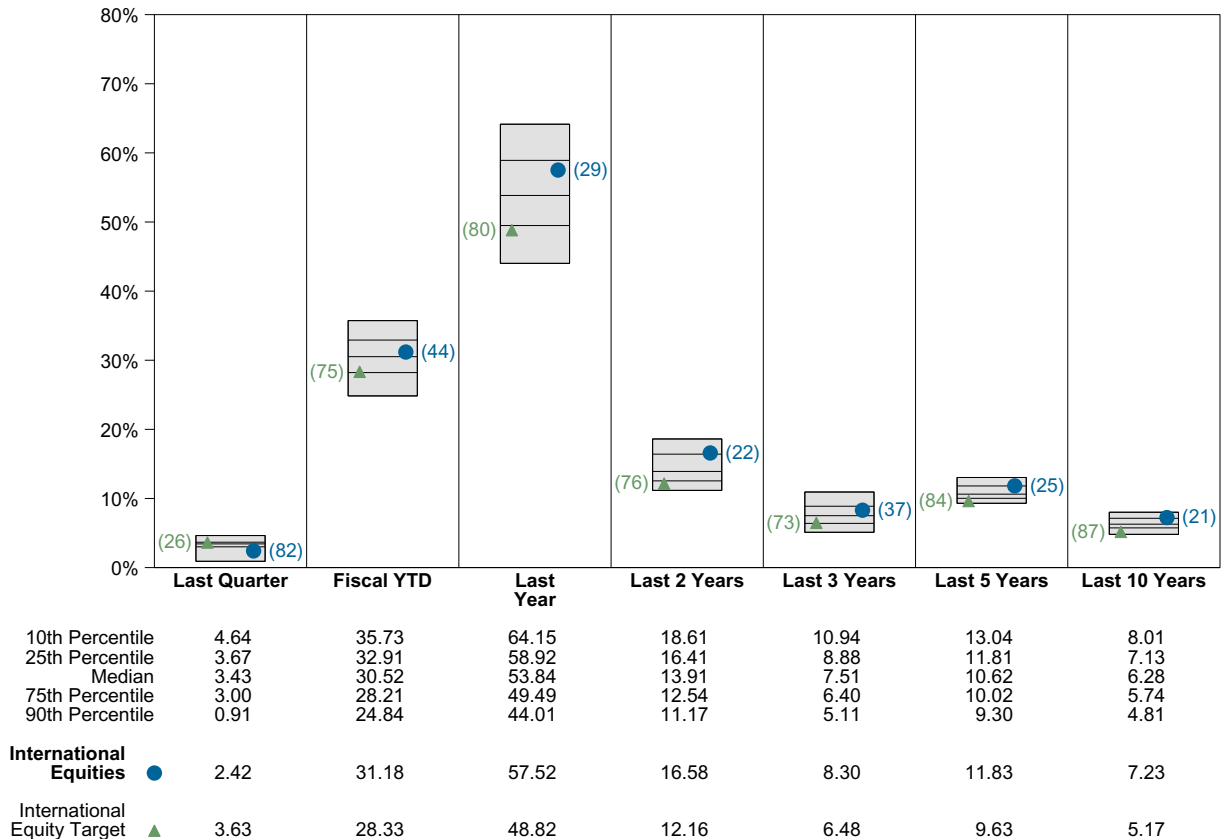
Quarterly Summary and Highlights

- International Equities's portfolio posted a 2.42% return for the quarter placing it in the 82 percentile of the Public Fund - International Equity group for the quarter and in the 29 percentile for the last year.
- International Equities's portfolio underperformed the International Equity Target by 1.22% for the quarter and outperformed the International Equity Target for the year by 8.70%.

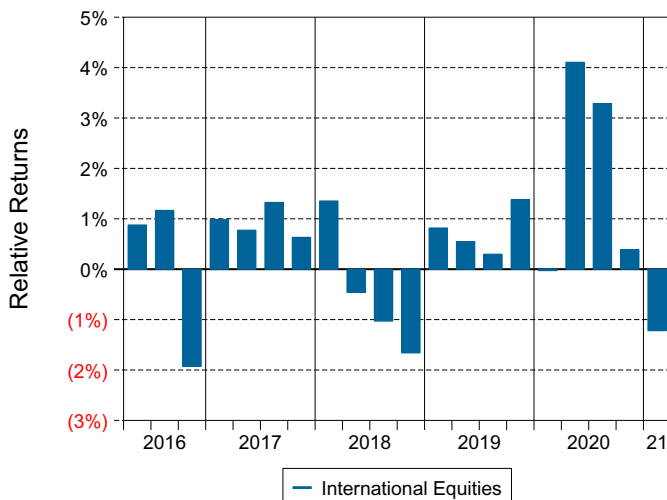
Quarterly Asset Growth

Beginning Market Value	\$1,122,941,104
Net New Investment	\$-678,425
Investment Gains/(Losses)	\$27,122,345
Ending Market Value	\$1,149,385,024

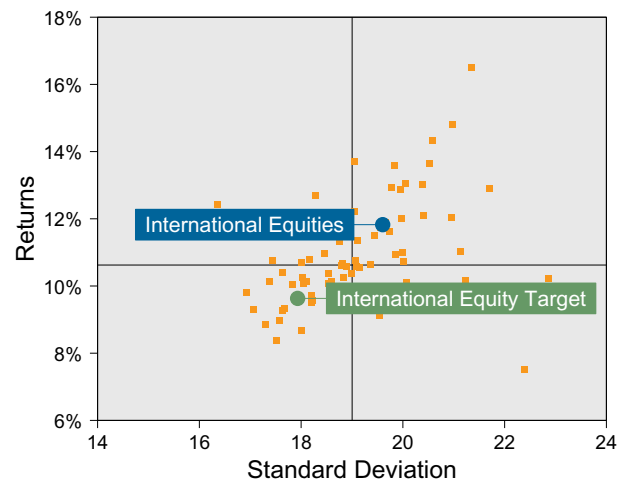
Performance vs Public Fund - International Equity (Gross)



Relative Return vs International Equity Target



Public Fund - International Equity (Gross) Annualized Five Year Risk vs Return



DFA International Small Cap Value Fund

Period Ended March 31, 2021

Investment Philosophy

The International Small Cap Value Portfolio invests in the stocks of small, non-US developed markets companies that Dimensional believes to be value stocks at the time of purchase. Specifically, it looks at companies that fall within the smallest 8-10% of each country's market capitalization, and who's shares have a high book value in relation to their market value (BtM). It does not invest in emerging markets.

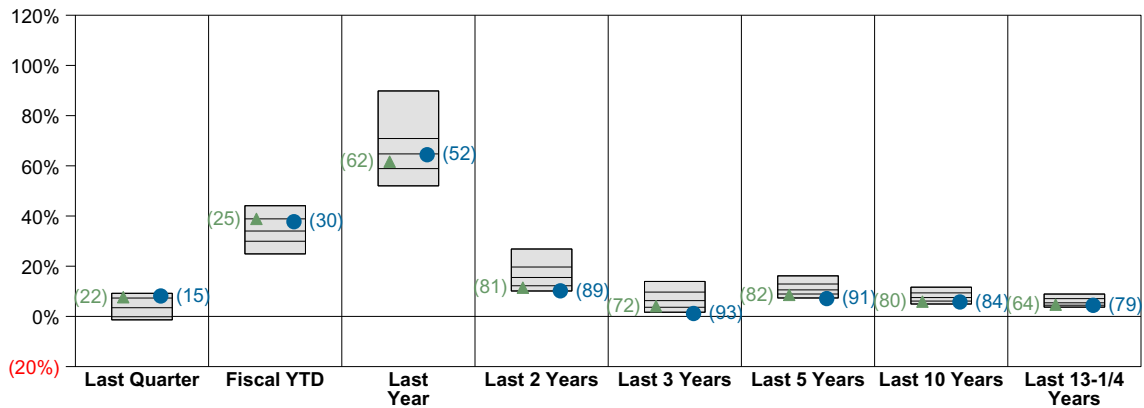
Quarterly Summary and Highlights

- DFA Intl Small Cap Value's portfolio posted a 8.14% return for the quarter placing it in the 15 percentile of the Callan International Small Cap Mut Funds group for the quarter and in the 52 percentile for the last year.
- DFA Intl Small Cap Value's portfolio outperformed the World ex US SC Value by 0.49% for the quarter and outperformed the World ex US SC Value for the year by 2.75%.

Quarterly Asset Growth

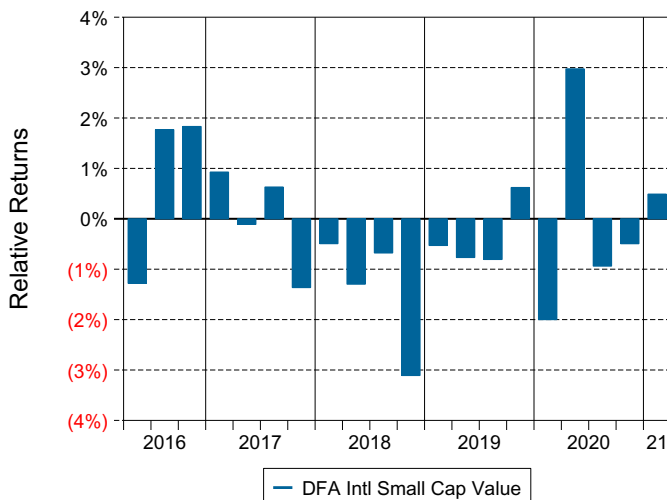
Beginning Market Value	\$80,225,959
Net New Investment	\$0
Investment Gains/(Losses)	\$6,529,544
Ending Market Value	\$86,755,504

Performance vs Callan International Small Cap Mut Funds (Net)

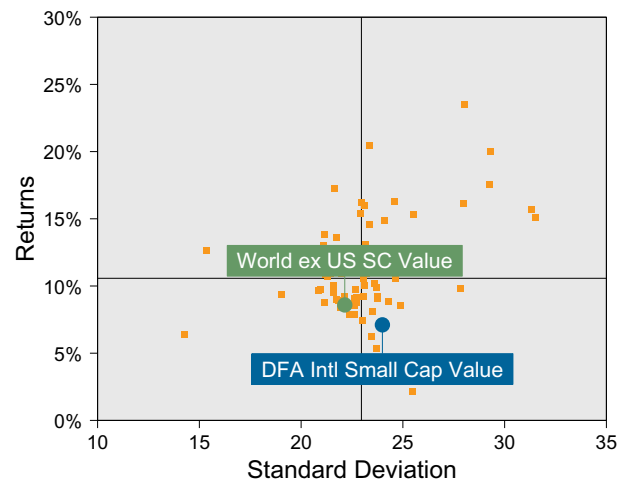


10th Percentile	9.20	44.10	89.83	26.86	13.93	16.16	11.64	8.92
25th Percentile	7.32	38.86	70.88	19.68	9.69	12.90	9.37	7.08
Median	3.46	34.02	64.75	15.51	6.29	10.57	7.51	5.41
75th Percentile	(0.13)	29.95	58.89	12.21	3.64	8.92	6.11	4.46
90th Percentile	(1.37)	24.91	52.02	10.13	1.66	7.34	4.94	3.69
DFA Intl Small Cap Value	● 8.14	37.72	64.42	10.19	1.15	7.11	5.74	4.42
World ex US SC Value	▲ 7.65	38.88	61.67	11.46	4.07	8.59	5.91	4.69

Relative Return vs World ex US SC Value



Callan International Small Cap Mut Funds (Net) Annualized Five Year Risk vs Return



Northern Tr AM Wrld ex US Period Ended March 31, 2021

Investment Philosophy

The Fund's objective is to provide investment results that approximate the overall performance of the MSCI World ex-US Equity Index.

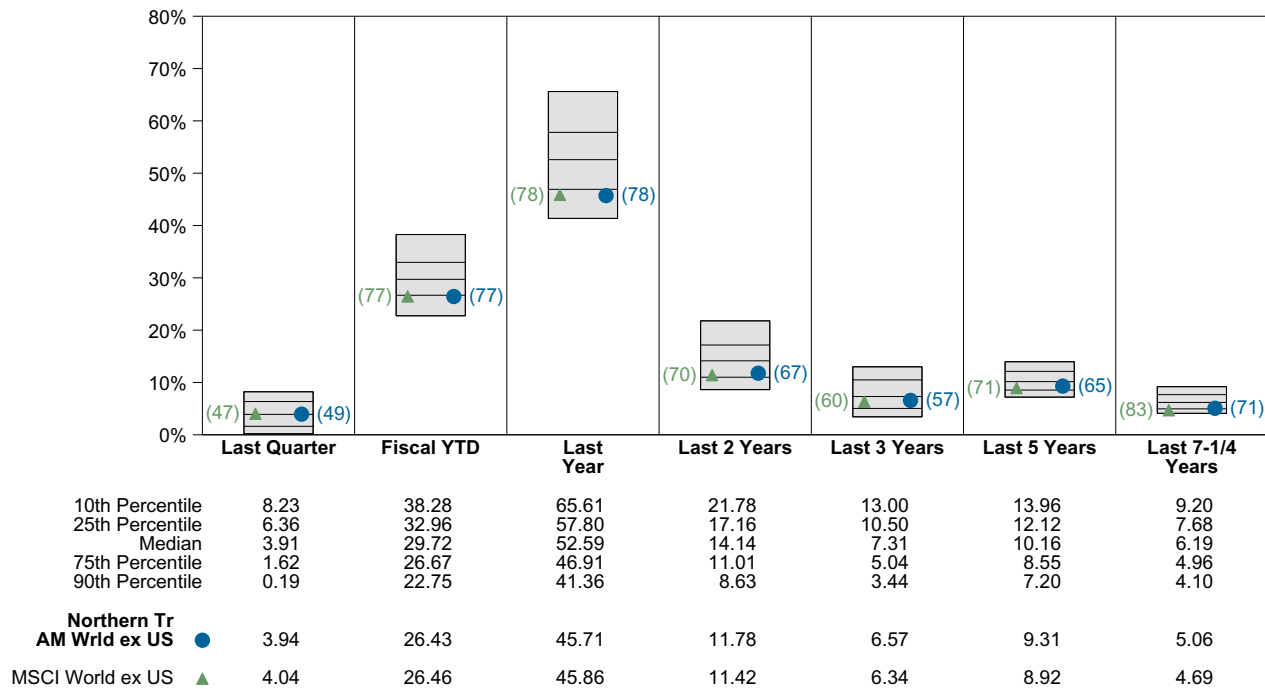
Quarterly Summary and Highlights

- Northern Tr AM Wrld ex US's portfolio posted a 3.94% return for the quarter placing it in the 49 percentile of the Callan Non-US Equity group for the quarter and in the 78 percentile for the last year.
- Northern Tr AM Wrld ex US's portfolio underperformed the MSCI World ex US by 0.10% for the quarter and underperformed the MSCI World ex US for the year by 0.15%.

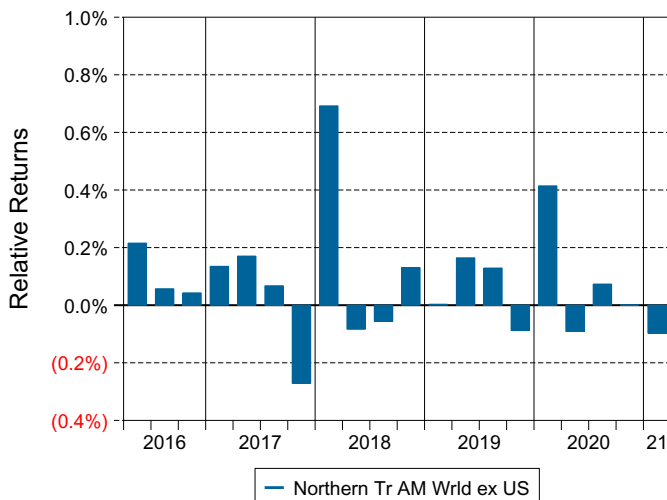
Quarterly Asset Growth

Beginning Market Value	\$410,215,009
Net New Investment	\$-27,809
Investment Gains/(Losses)	\$16,182,427
Ending Market Value	\$426,369,627

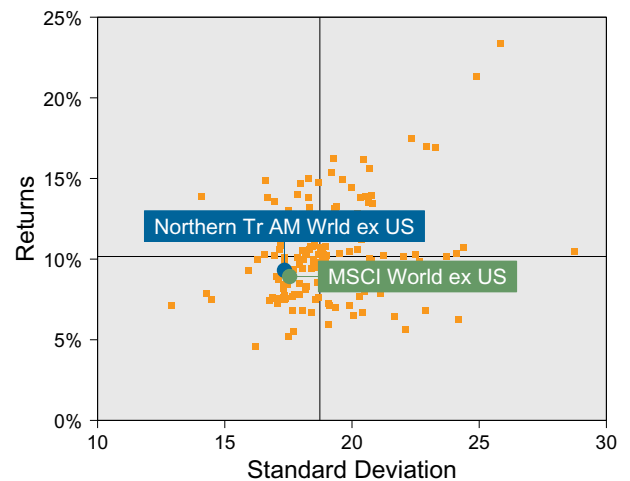
Performance vs Callan Non-US Equity (Gross)



Relative Return vs MSCI World ex US



Callan Non-US Equity (Gross) Annualized Five Year Risk vs Return



Wellington Management Period Ended March 31, 2021

Investment Philosophy

The International Small Cap Opportunities investment approach is bottom-up focused, and leverages the global research resources at Wellington Management. In implementing purchase decisions, consideration is given to the size, liquidity, and volatility of these prospects. Sell decisions are based on changing fundamentals or valuations, or on finding better opportunities elsewhere. The assets are not hedged.

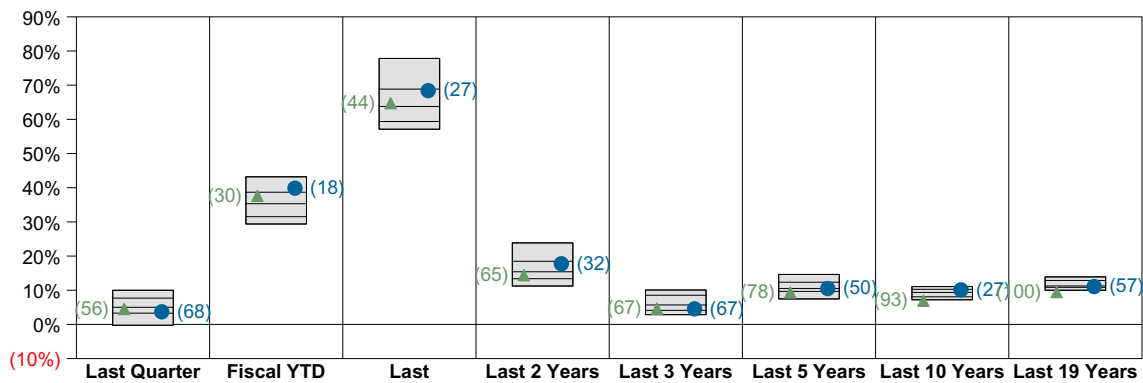
Quarterly Summary and Highlights

- Wellington Management's portfolio posted a 3.70% return for the quarter placing it in the 68 percentile of the Callan International Small Cap group for the quarter and in the 27 percentile for the last year.
- Wellington Management's portfolio underperformed the S&P BMI EPAC <\$2 B by 0.83% for the quarter and outperformed the S&P BMI EPAC <\$2 B for the year by 3.65%.

Quarterly Asset Growth

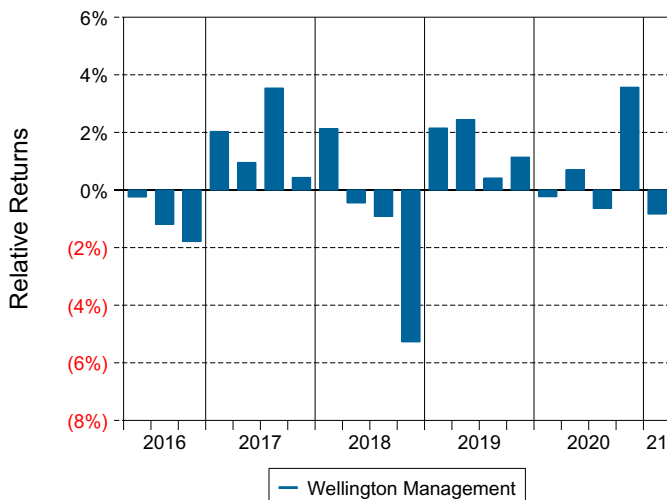
Beginning Market Value	\$94,608,880
Net New Investment	\$-180,764
Investment Gains/(Losses)	\$3,489,776
Ending Market Value	\$97,917,891

Performance vs Callan International Small Cap (Gross)

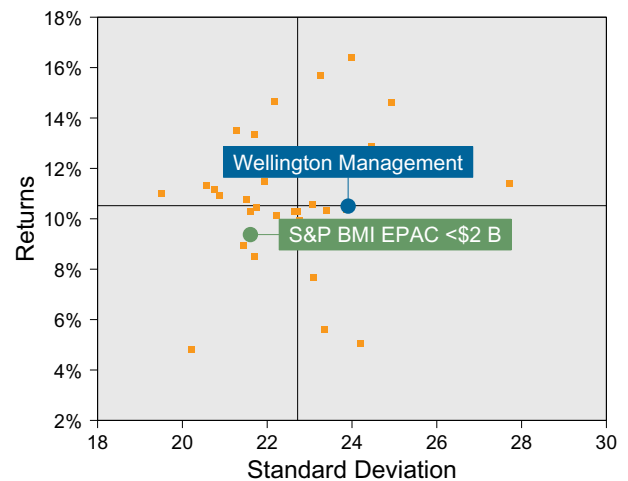


10th Percentile	9.99	43.19	77.83	23.86	10.07	14.62	11.08	13.91
25th Percentile	7.70	38.68	68.85	18.47	8.53	12.35	10.27	12.87
Median	5.01	35.32	63.77	15.41	5.70	10.52	9.36	11.25
75th Percentile	3.29	31.52	59.37	13.38	4.12	9.67	8.08	10.85
90th Percentile	(0.25)	29.38	57.11	11.23	2.86	7.45	7.21	10.00
Wellington Management	● 3.70	39.87	68.40	17.75	4.55	10.50	10.10	11.08
S&P BMI EPAC <\$2 B	▲ 4.53	37.63	64.76	14.43	4.62	9.37	6.93	9.46

Relative Return vs S&P BMI EPAC <\$2 B



Callan International Small Cap (Gross) Annualized Five Year Risk vs Return



William Blair

Period Ended March 31, 2021

Investment Philosophy

One of the basic investment tenets of William Blair & Company has been its focus on quality growth companies. They believe that investing in quality growth companies will generate above average results with generally less risk than the market. This opportunity exists because they believe the market underestimates the durability and rate of growth in companies that have the following characteristics: strong management with a unique vision, competitive advantages that prolong the duration and size of earnings growth, and conservative financing. Internationally, they believe that this philosophy can be combined with strategic flexibility in managing geographic exposure, capitalization, sector emphasis, and relative growth and valuation at the portfolio level in order to provide an appropriate degree of adaptability to cyclical conditions.

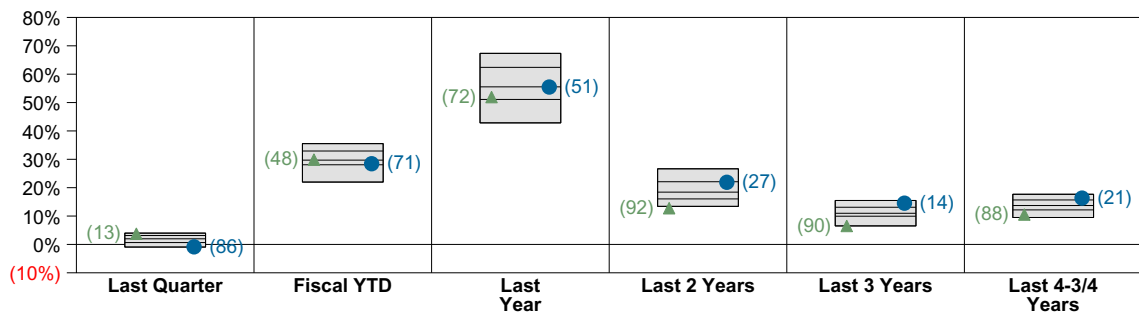
Quarterly Summary and Highlights

- William Blair's portfolio posted a (0.86)% return for the quarter placing it in the 86 percentile of the Callan Non-US All Country Growth Equity group for the quarter and in the 51 percentile for the last year.
- William Blair's portfolio underperformed the MSCI ACWI ex US IMI by 4.63% for the quarter and outperformed the MSCI ACWI ex US IMI for the year by 3.53%.

Quarterly Asset Growth

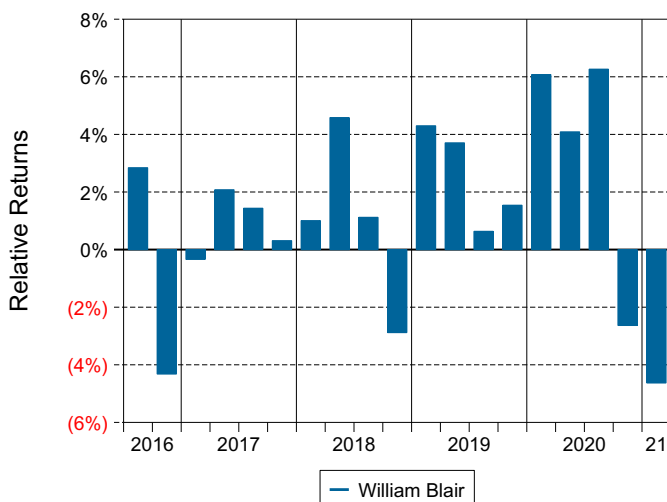
Beginning Market Value	\$271,109,930
Net New Investment	\$-218,462
Investment Gains/(Losses)	\$-2,327,249
Ending Market Value	\$268,564,220

Performance vs Callan Non-US All Country Growth Equity (Gross)

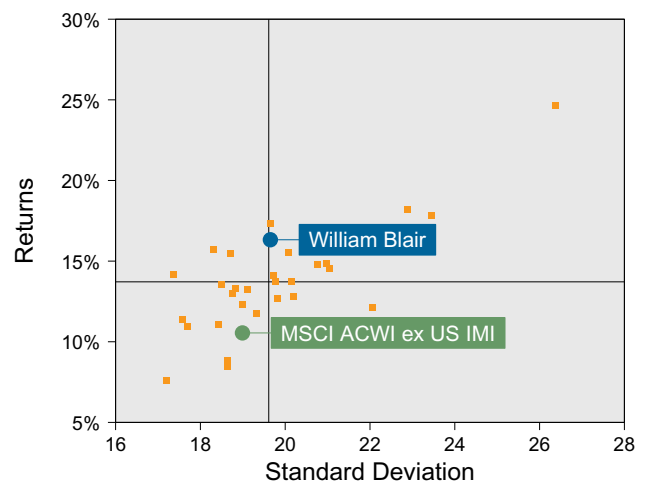


	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 4-3/4 Years
10th Percentile	3.99	35.53	67.34	26.65	15.49	17.68
25th Percentile	3.14	32.92	62.41	22.10	13.10	15.68
Median	1.98	29.71	55.53	18.43	10.98	13.71
75th Percentile	0.66	28.07	51.10	16.04	9.95	12.17
90th Percentile	(0.93)	21.97	42.84	13.41	6.53	9.49
William Blair	(0.86)	28.44	55.47	21.90	14.54	16.32
MSCI ACWI ex US IMI	3.77	29.91	51.94	12.76	6.51	10.55

Relative Return vs MSCI ACWI ex US IMI



Callan Non-US All Country Growth Equity (Gross) Annualized Four and Three-Quarter Year Risk vs Return



Axiom Emerging Markets

Period Ended March 31, 2021

Investment Philosophy

The Emerging Markets Equity strategy seeks to invest in emerging market securities issued by companies whose key business drivers are both improving and exceeding expectations, as determined by Axiom's stock selection techniques focused on fundamental company analysis. The strategy considers companies either (i) located in countries that are not included in the MSCI Developed Markets Index series or (ii) that derive a majority of their revenues or assets from a country or countries not included in the MSCI Developed Markets Index series, in each case at the time of investment. Although the Manager generally expects the strategy's investment portfolio to be geographically diverse, there are no prescribed limits on geographic distribution of the strategy's investments and the strategy has the authority to invest in securities traded in securities markets or any country in the world.

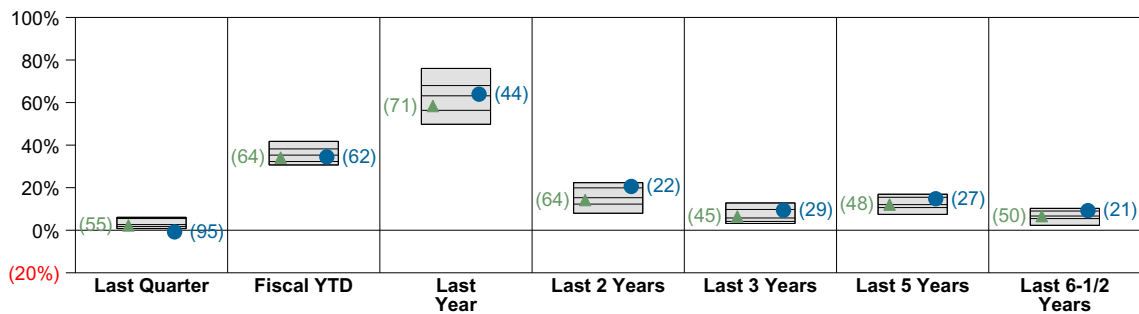
Quarterly Summary and Highlights

- Axiom Emerging Markets's portfolio posted a (0.79)% return for the quarter placing it in the 95 percentile of the Callan Emerging Markets Equity Mut Funds group for the quarter and in the 44 percentile for the last year.
- Axiom Emerging Markets's portfolio underperformed the MSCI EM by 3.08% for the quarter and outperformed the MSCI EM for the year by 5.55%.

Quarterly Asset Growth

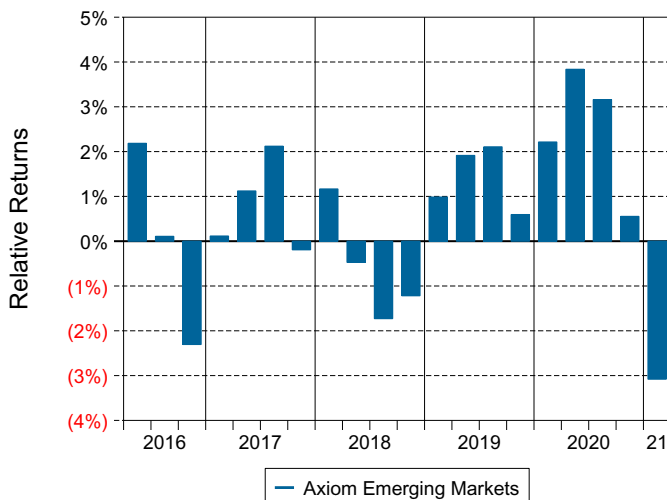
Beginning Market Value	\$202,469,518
Net New Investment	\$0
Investment Gains/(Losses)	\$-1,608,152
Ending Market Value	\$200,861,366

Performance vs Callan Emerging Markets Equity Mut Funds (Net)



	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 6-1/2 Years
10th Percentile	6.07	41.77	76.04	22.35	12.82	16.91	10.28
25th Percentile	5.51	38.23	67.99	19.92	9.77	15.49	9.02
Median	2.66	35.30	63.17	15.29	5.76	12.04	6.68
75th Percentile	1.73	32.30	56.34	12.28	4.13	10.65	5.47
90th Percentile	0.78	30.68	49.79	7.96	3.16	7.45	2.30
Axiom Emerging Markets	(0.79)	34.47	63.94	20.57	9.42	14.81	9.22
MSCI EM	2.29	34.13	58.39	14.18	6.48	12.07	6.64

Relative Return vs MSCI EM



Callan Emerging Markets Equity Mut Funds (Net) Annualized Five Year Risk vs Return



DFA Emerging Markets Period Ended March 31, 2021

Investment Philosophy

The Emerging Markets Small Cap Portfolio invests in small cap emerging markets companies. Presently, this means investment in companies whose market capitalization is less than \$2.3 billion at the time of purchase. Dimensional considers, among other things, information disseminated by the International Finance Corporation in determining and approving emerging market countries.

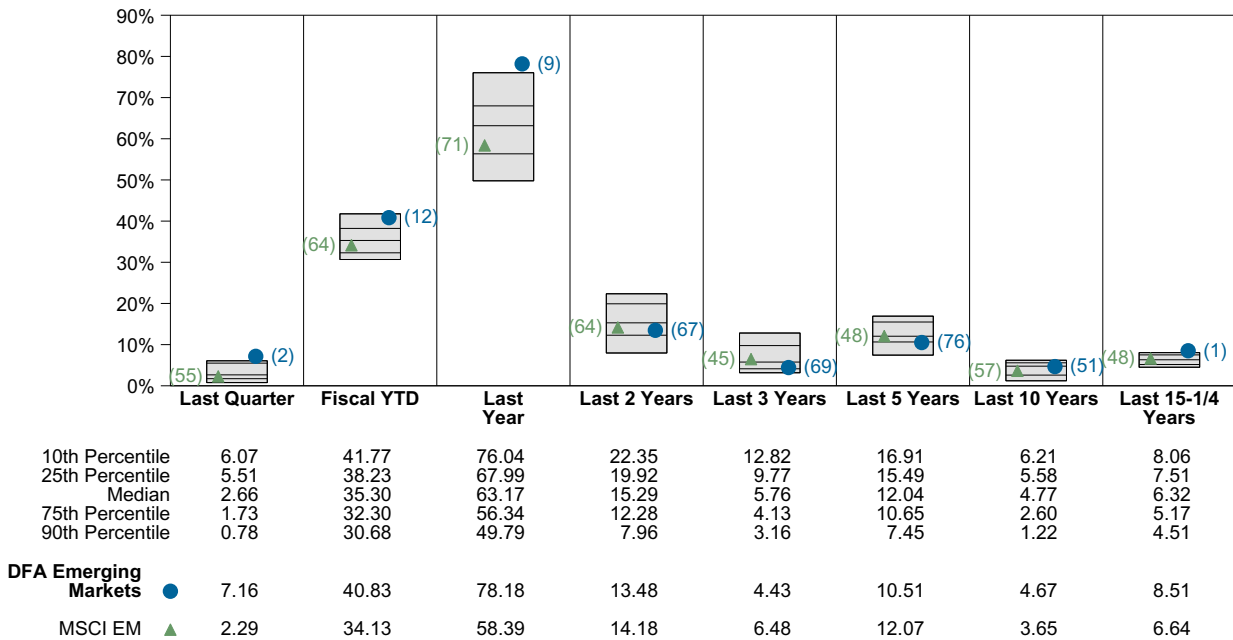
Quarterly Summary and Highlights

- DFA Emerging Markets's portfolio posted a 7.16% return for the quarter placing it in the 2 percentile of the Callan Emerging Markets Equity Mut Funds group for the quarter and in the 9 percentile for the last year.
- DFA Emerging Markets's portfolio outperformed the MSCI EM by 4.87% for the quarter and outperformed the MSCI EM for the year by 19.80%.

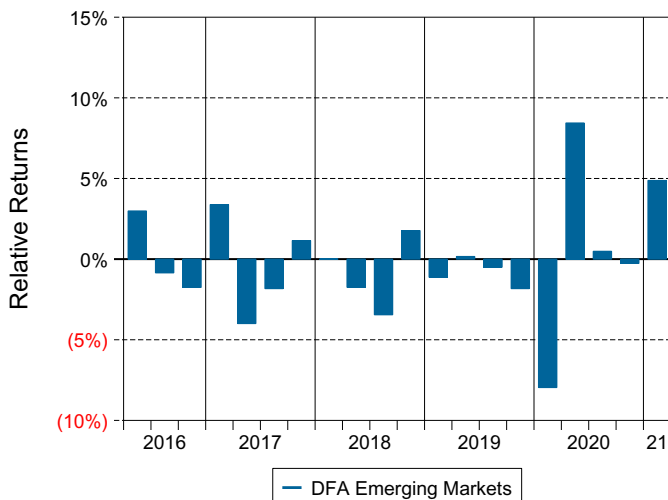
Quarterly Asset Growth

Beginning Market Value	\$64,311,809
Net New Investment	\$0
Investment Gains/(Losses)	\$4,604,608
Ending Market Value	\$68,916,417

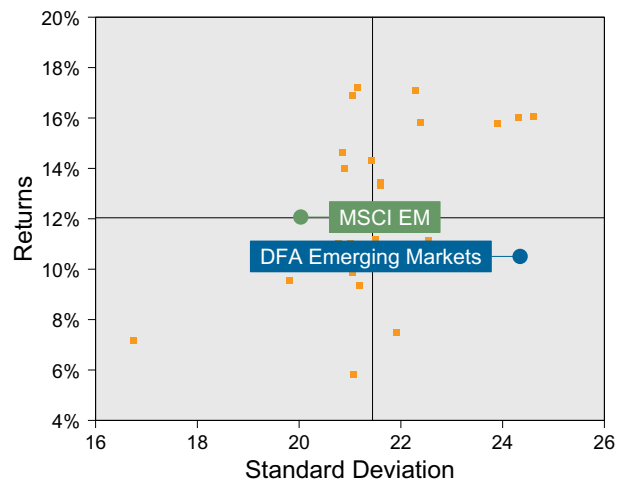
Performance vs Callan Emerging Markets Equity Mut Funds (Net)



Relative Return vs MSCI EM



Callan Emerging Markets Equity Mut Funds (Net) Annualized Five Year Risk vs Return



EPOCH Investment Period Ended March 31, 2021

Investment Philosophy

Epoch seeks to produce superior risk adjusted returns by building portfolios of businesses with outstanding risk/reward profiles without running a high degree of capital risk. They analyze businesses in the same manner private investors would in looking to purchase the entire company. The strategy only invests in businesses that are understood and where they have confidence in the financial statements. They seek businesses that generate "free cash flow" and securities that have unrecognized potential yet possess a combination of above average yield, above average free cash flow growth, and/or below average valuation. Global Choice is a "best ideas" portfolio at Epoch with every stock held in other strategies managed by the firm.

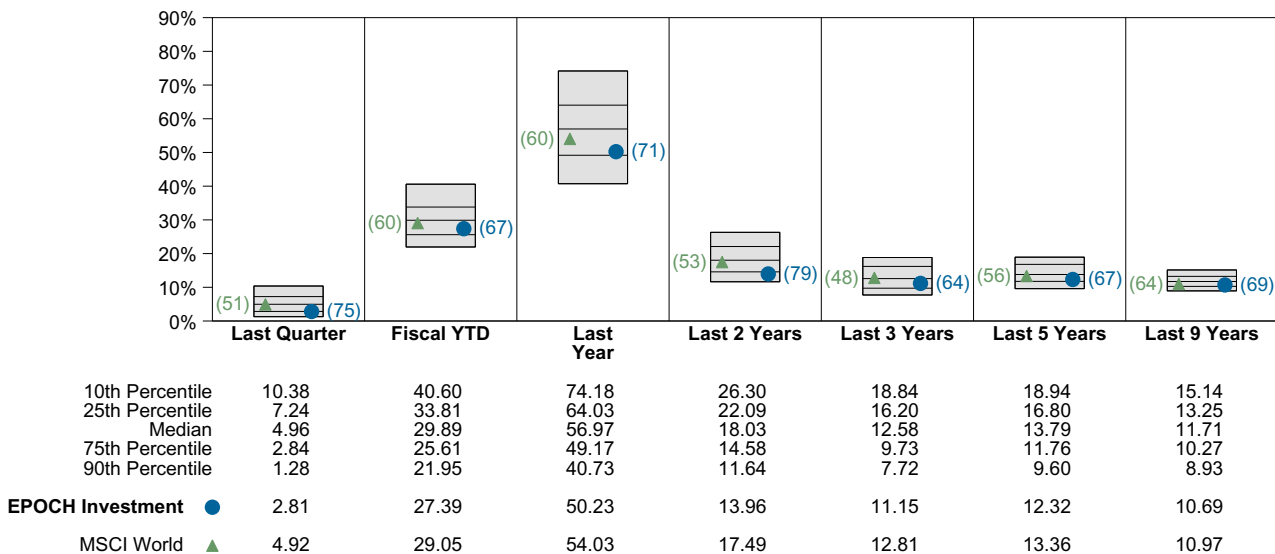
Quarterly Summary and Highlights

- EPOCH Investment's portfolio posted a 2.81% return for the quarter placing it in the 75 percentile of the Callan Global Equity group for the quarter and in the 71 percentile for the last year.
- EPOCH Investment's portfolio underperformed the MSCI World by 2.11% for the quarter and underperformed the MSCI World for the year by 3.81%.

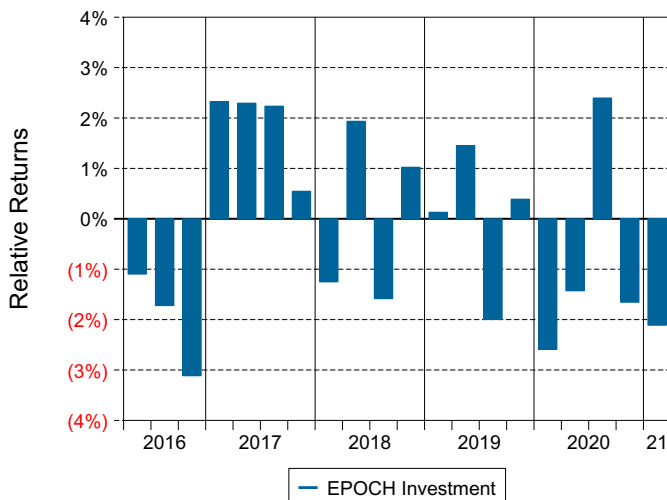
Quarterly Asset Growth

Beginning Market Value	\$446,580,052
Net New Investment	\$-53,808,796
Investment Gains/(Losses)	\$12,045,240
Ending Market Value	\$404,816,496

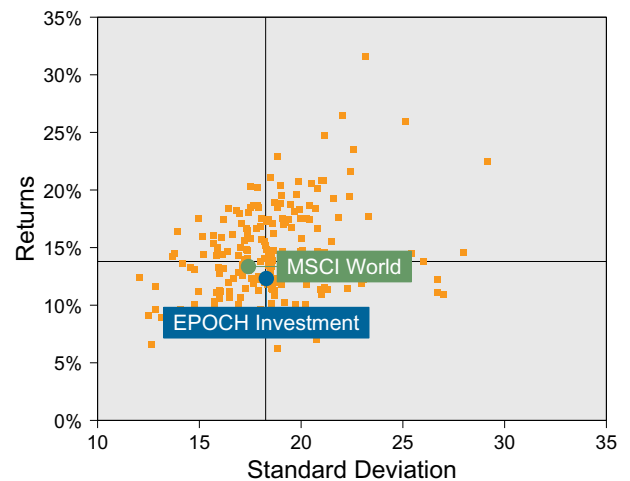
Performance vs Callan Global Equity (Gross)



Relative Return vs MSCI World



Callan Global Equity (Gross) Annualized Five Year Risk vs Return



LSV Asset Management Period Ended March 31, 2021

Investment Philosophy

The Global Value (ACWI) Equity strategy is managed using quantitative techniques to select individual securities in a risk-controlled, bottom-up approach. Value factors and security selection dominate sector/industry factors as explainers of performance. **The Benchmark is comprised of MSCI ACWI through June 30, 2019; MSCI ACWI IMI Index thereafter.**

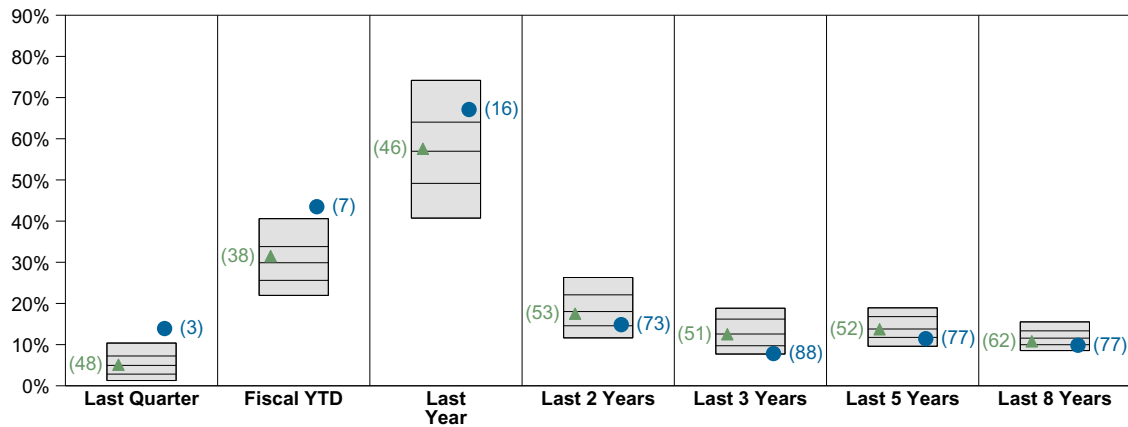
Quarterly Summary and Highlights

- LSV Asset Management's portfolio posted a 13.90% return for the quarter placing it in the 3 percentile of the Callan Global Equity group for the quarter and in the 16 percentile for the last year.
- LSV Asset Management's portfolio outperformed the Benchmark by 8.77% for the quarter and outperformed the Benchmark for the year by 9.53%.

Quarterly Asset Growth

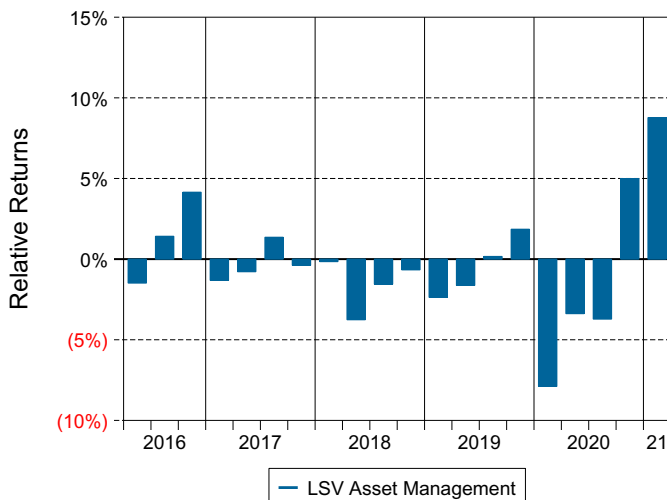
Beginning Market Value	\$468,174,820
Net New Investment	\$-41,133,653
Investment Gains/(Losses)	\$62,353,453
Ending Market Value	\$489,394,620

Performance vs Callan Global Equity (Gross)

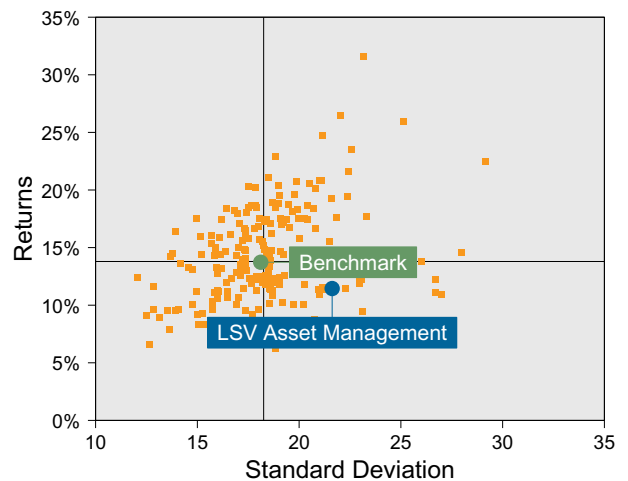


10th Percentile	10.38	40.60	74.18	26.30	18.84	18.94	15.52
25th Percentile	7.24	33.81	64.03	22.09	16.20	16.80	13.34
Median	4.96	29.89	56.97	18.03	12.58	13.79	11.57
75th Percentile	2.84	25.61	49.17	14.58	9.73	11.76	9.98
90th Percentile	1.28	21.95	40.73	11.64	7.72	9.60	8.56
LSV Asset Management	● 13.90	43.50	67.11	14.85	7.83	11.45	9.85
Benchmark	▲ 5.14	31.50	57.58	17.52	12.52	13.73	10.81

Relative Return vs Benchmark



Callan Global Equity (Gross) Annualized Five Year Risk vs Return



Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 20-1/4 Years
Private Equity	10.24%	19.20%	10.08%	9.42%	3.67%
Adams St Direct Co-Invest Fund	(0.05%)	(61.03%)	(37.02%)	(25.24%)	-
Adams St Direct Fd 2010	21.75%	26.66%	18.77%	14.33%	-
Adams St 1998 Partnership	(1.70%)	(1.86%)	1.77%	1.09%	1.63%
Adams St 1999 Partnership	0.54%	6.19%	1.69%	0.89%	2.38%
Adams St 2000 Partnership	(1.28%)	(4.73%)	0.89%	1.39%	2.99%
Adams St 2001 Partnership	7.30%	23.78%	6.97%	5.05%	4.25%
Adams St 2002 Partnership	0.51%	0.96%	(4.52%)	2.72%	-
Adams St 2003 Partnership	(0.73%)	(8.65%)	(0.94%)	2.49%	-
Adams St 2010 Partnership	22.18%	57.70%	29.09%	22.18%	-
Adams St 2008 Fund	12.26%	30.56%	19.05%	17.12%	-
Adams St 2000 Non-US	(1.19%)	(0.40%)	0.30%	4.01%	3.02%
Adams St 2001 Non-US	0.89%	(0.21%)	5.73%	2.41%	-
Adams St 2002 Non-US	0.30%	(2.97%)	(1.03%)	(0.90%)	-
Adams St 2003 Non-US	(0.03%)	0.89%	(7.91%)	1.43%	-
Adams St 2004 Non-US	21.64%	22.49%	8.30%	8.00%	-
Adams St 2010 Non-US	15.36%	29.73%	21.97%	20.88%	-
Adams St 2010 NonUS Emg	19.81%	30.61%	16.74%	14.92%	-
Adams St 2015 Global Fund	25.44%	39.38%	24.78%	25.66%	-
Adams St 2016 Global Fund	19.39%	27.37%	17.60%	-	-
Adams St 2017 Global Fund	16.09%	27.65%	17.94%	-	-
Adams St 2018 Global Fund	19.56%	30.14%	-	-	-
Adams St 2019 Global Fund	43.97%	98.94%	-	-	-
Adams St 2020 Global Fund	166.73%	-	-	-	-
Adams St BVCF IV Fund	(60.33%)	(70.63%)	(91.94%)	(77.75%)	(21.37%)
BlackRock	0.00%	12.46%	8.68%	-	-
Sixth Street TAO	4.90%	-	-	-	-
Remaining Misc. Funds*	3.77%	(2.47%)	(0.70%)	1.44%	-
Russell 1000 Index	5.91%	60.59%	17.31%	16.66%	7.95%
Russell 2000 Index	12.70%	94.85%	14.76%	16.35%	9.27%

* Comprised of Matlin Patterson II, Matlin Patterson III, InvestAmerica Lewis & Clark, InvestAmerica L&C II, Corsair III, Capital Intl Fd V, Capital Intl Fd VI, EIG, Quantum Energy Partners, Hearthstone MSII, Hearthstone MSIII.

Domestic Fixed Income Period Ended March 31, 2021

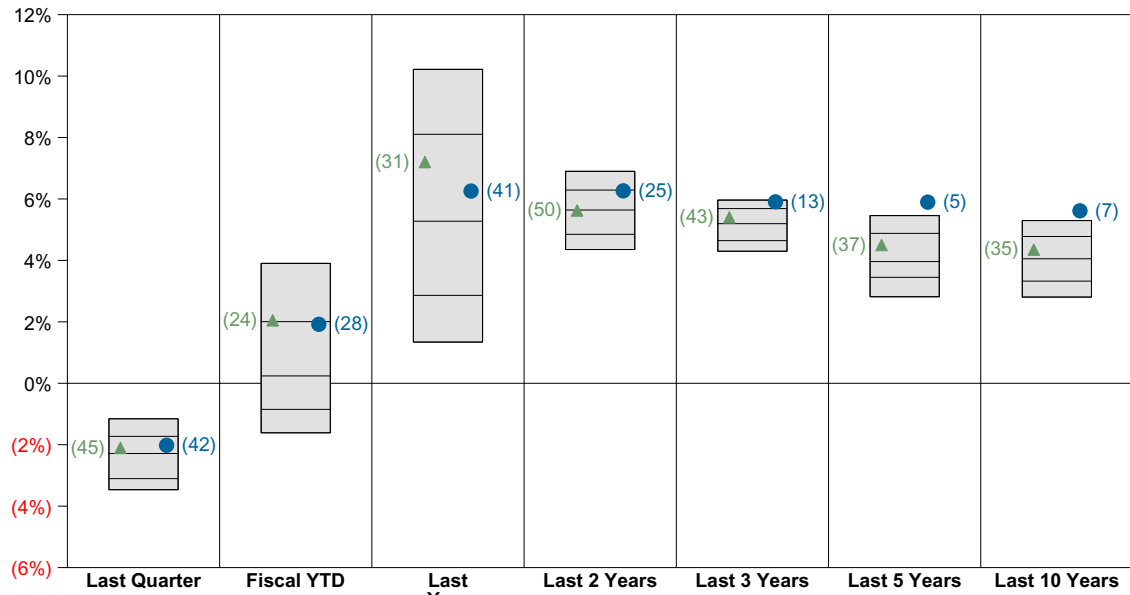
Quarterly Summary and Highlights

- Domestic Fixed Income's portfolio posted a (2.02)% return for the quarter placing it in the 42 percentile of the Public Fund - Domestic Fixed group for the quarter and in the 41 percentile for the last year.
- Domestic Fixed Income's portfolio outperformed the Domestic Fixed Income Target by 0.09% for the quarter and underperformed the Domestic Fixed Income Target for the year by 0.94%.

Quarterly Asset Growth

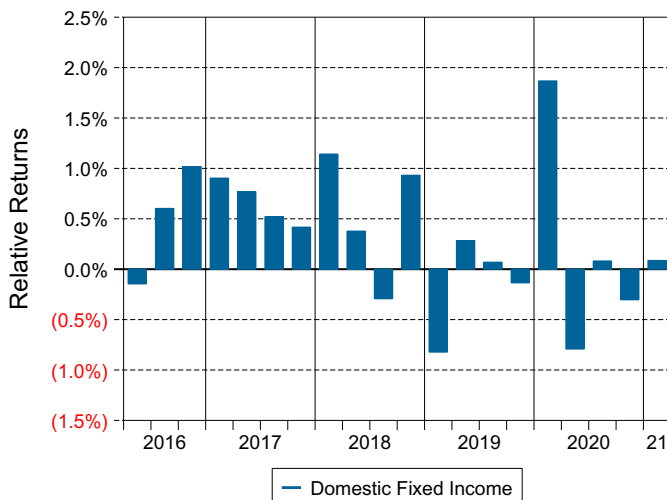
Beginning Market Value	\$1,692,659,427
Net New Investment	\$72,924,100
Investment Gains/(Losses)	\$-35,935,304
Ending Market Value	\$1,729,648,223

Performance vs Public Fund - Domestic Fixed (Gross)

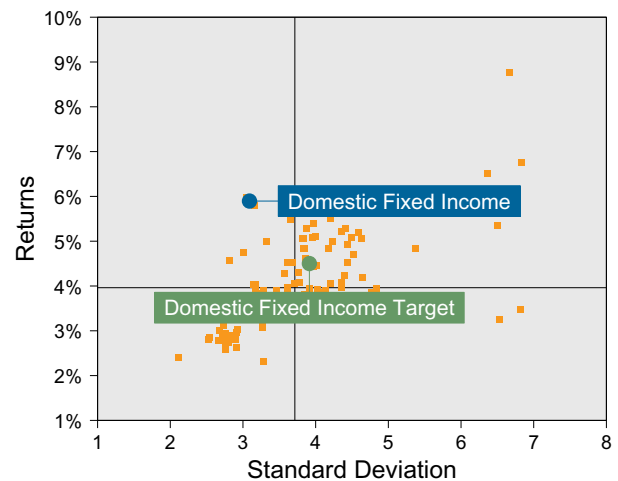


10th Percentile	(1.16)	3.90	10.22	6.90	5.96	5.46	5.30
25th Percentile	(1.73)	2.01	8.11	6.29	5.69	4.88	4.78
Median	(2.29)	0.24	5.28	5.64	5.19	3.96	4.05
75th Percentile	(3.10)	(0.85)	2.86	4.85	4.64	3.45	3.33
90th Percentile	(3.46)	(1.61)	1.34	4.35	4.30	2.82	2.81
Domestic Fixed Income	● (2.02)	1.92	6.26	6.26	5.91	5.90	5.61
Domestic Fixed Income Target	▲ (2.10)	2.05	7.20	5.63	5.40	4.50	4.35

Relative Returns vs Domestic Fixed Income Target



Public Fund - Domestic Fixed (Gross) Annualized Five Year Risk vs Return



Declaration Total Return Period Ended March 31, 2021

Investment Philosophy

The Fund's portfolio holdings consist primarily of RMBS issued by private sector companies (Non-Agency RMBS) and government agencies (Agency MBS) and CMBS issued by private sector companies. Agency MBS includes securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Government National Mortgage Association (Ginnie Mae). Portfolio holdings may range from short tenure senior classes to stressed issues or subordinated securities with substantial risk of non-payment and correspondingly higher yields. Smaller portfolio allocations may include consumer asset-backed securities (ABS), or other structured credit securities and corporate bonds. As a diversification strategy and a potential hedge to credit risk, the Fund may invest in securities which tend to benefit from slow mortgage prepayments and economic growth, such as interest only (IO) MBS.

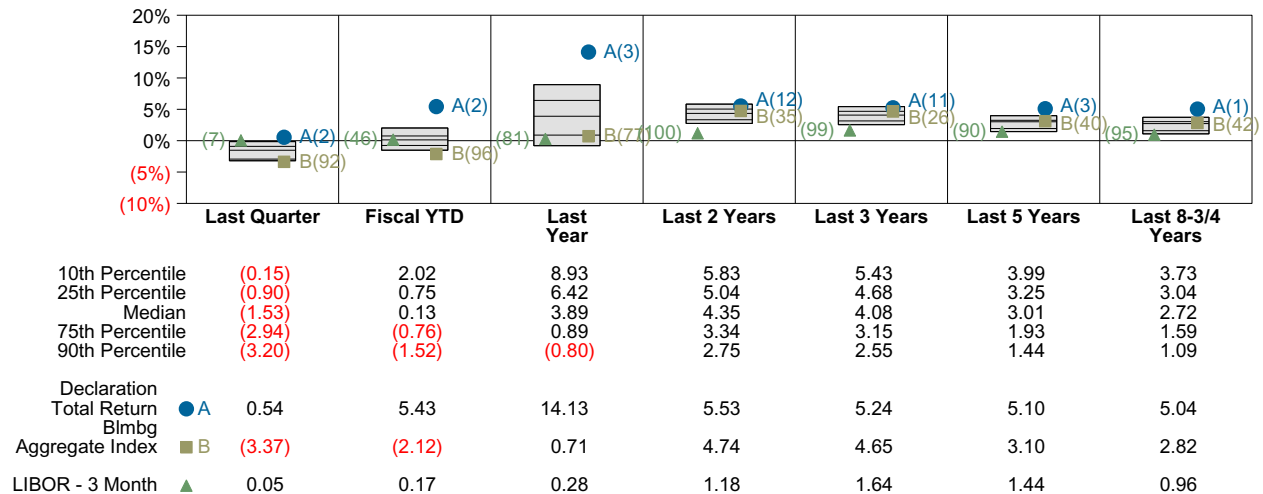
Quarterly Summary and Highlights

- Declaration Total Return's portfolio posted a 0.54% return for the quarter placing it in the 2 percentile of the Callan Intermediate Fixed Inc Mut Funds group for the quarter and in the 3 percentile for the last year.
- Declaration Total Return's portfolio outperformed the LIBOR - 3 Month by 0.49% for the quarter and outperformed the LIBOR - 3 Month for the year by 13.85%.

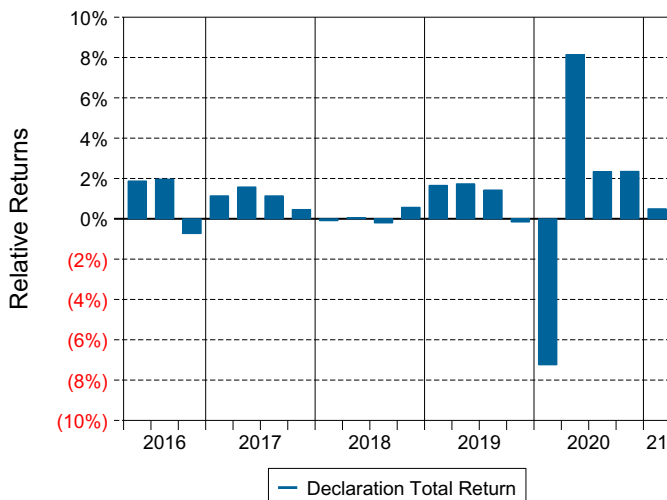
Quarterly Asset Growth

Beginning Market Value	\$129,457,214
Net New Investment	\$24,921,495
Investment Gains/(Losses)	\$800,566
Ending Market Value	\$155,179,275

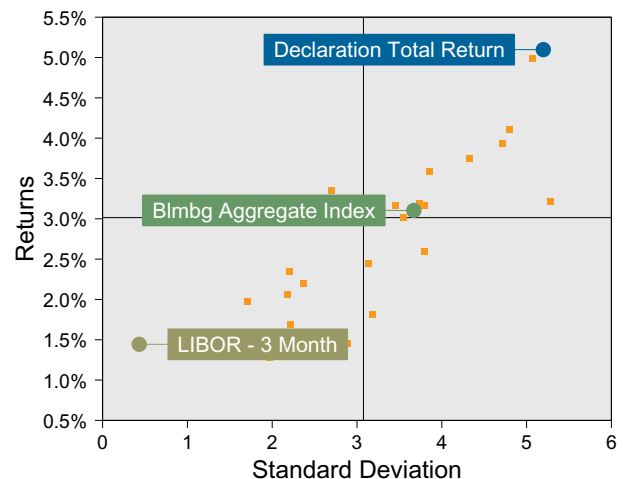
Performance vs Callan Intermediate Fixed Inc Mut Funds (Net)



Relative Return vs LIBOR - 3 Month



Callan Intermediate Fixed Inc Mut Funds (Net) Annualized Five Year Risk vs Return



PIMCO DiSCO II

Period Ended March 31, 2021

Investment Philosophy

The PIMCO Distressed Senior Credit Opportunities Fund is an opportunistic private-equity style Fund which seeks to provide investors enhanced returns principally through long-biased investments in undervalued senior and super senior structured credit securities that are expected to produce attractive levels of current income and that may also appreciate in value over the long term. The fund will look to capitalize on forced sales by liquidity constrained investors.

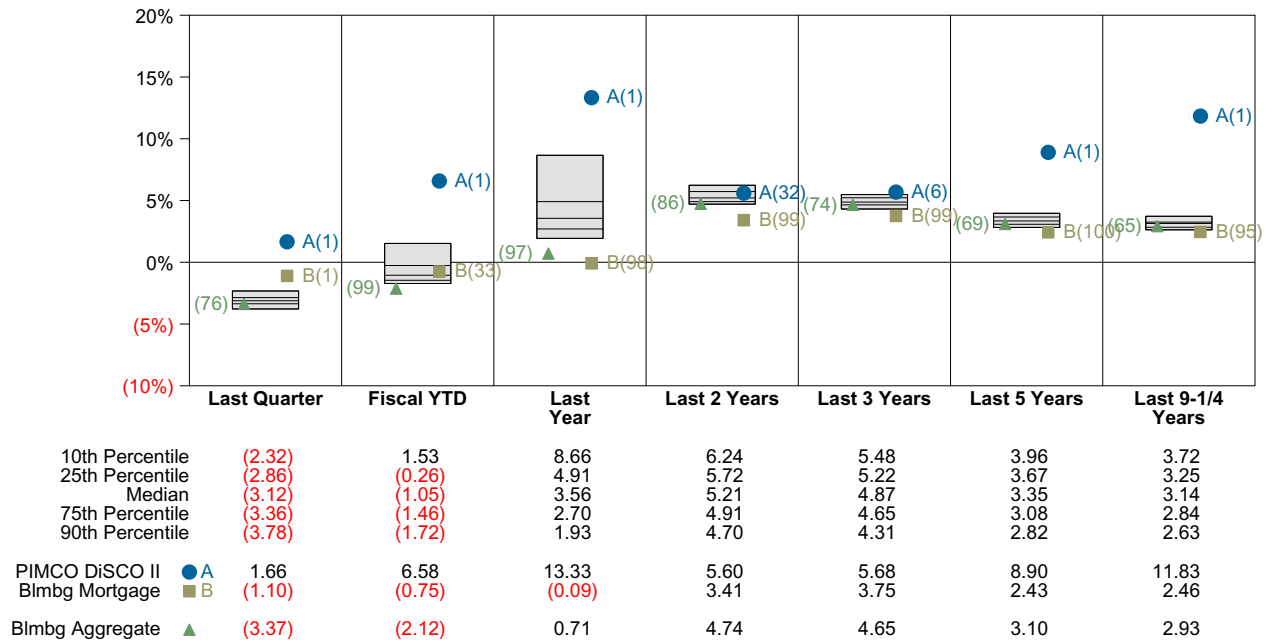
Quarterly Summary and Highlights

- PIMCO DiSCO II's portfolio posted a 1.66% return for the quarter placing it in the 1 percentile of the Callan Core Bond Mutual Funds group for the quarter and in the 1 percentile for the last year.
- PIMCO DiSCO II's portfolio outperformed the Blmbg Aggregate by 5.03% for the quarter and outperformed the Blmbg Aggregate for the year by 12.62%.

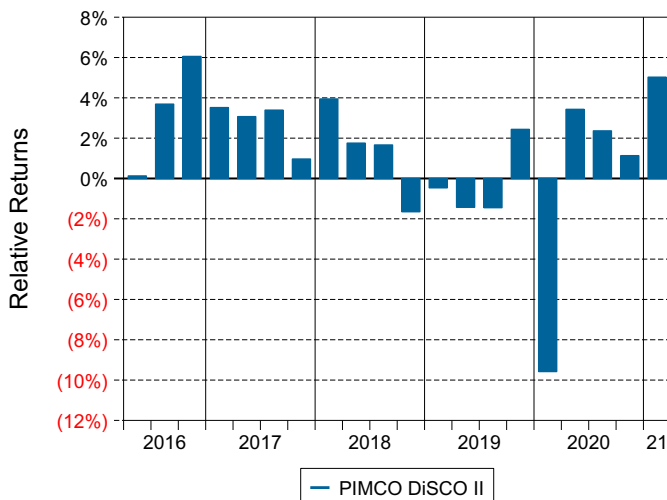
Quarterly Asset Growth

Beginning Market Value	\$112,289,141
Net New Investment	\$0
Investment Gains/(Losses)	\$1,860,561
Ending Market Value	\$114,149,702

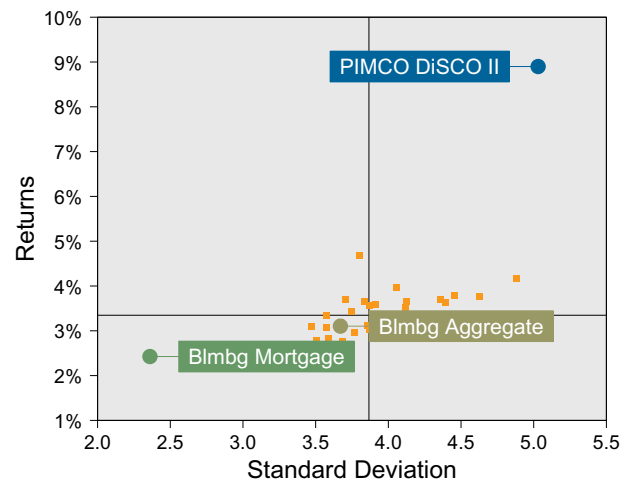
Performance vs Callan Core Bond Mutual Funds (Net)



Relative Return vs Blmbg Aggregate



Callan Core Bond Mutual Funds (Net) Annualized Five Year Risk vs Return



PIMCO Core Plus Constrained Period Ended March 31, 2021

Investment Philosophy

PIMCO's investment process utilizes both "top-down" and "bottom-up" strategies. Top-down strategies focus on duration, yield curve positioning, volatility, and sector rotation. These strategies are deployed from a macro view of the portfolio driven by their secular outlook of the forces likely to influence the economy and financial markets over the next three to five years and their cyclical views of two- to four-quarter trends. Implementation in portfolios is effected by selecting securities that achieve the designated objectives. Bottom-up strategies drive their security selection process and facilitate the identification and analysis of undervalued securities. **The product changed from Commingled Fund to Separate Account in March 2014. *Libor-3 month through February 28, 2017; Fund's performance through March 31, 2014; Libor-3 month through June 30, 2018; Bloomberg Aggregate thereafter.**

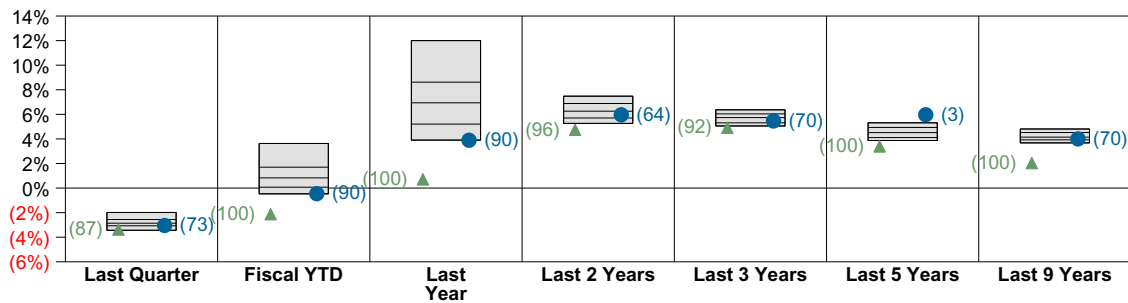
Quarterly Summary and Highlights

- PIMCO Core Plus Constrained's portfolio posted a (3.05)% return for the quarter placing it in the 73 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 90 percentile for the last year.
- PIMCO Core Plus Constrained's portfolio outperformed the Blended Benchmark* by 0.33% for the quarter and outperformed the Blended Benchmark* for the year by 3.18%.

Quarterly Asset Growth

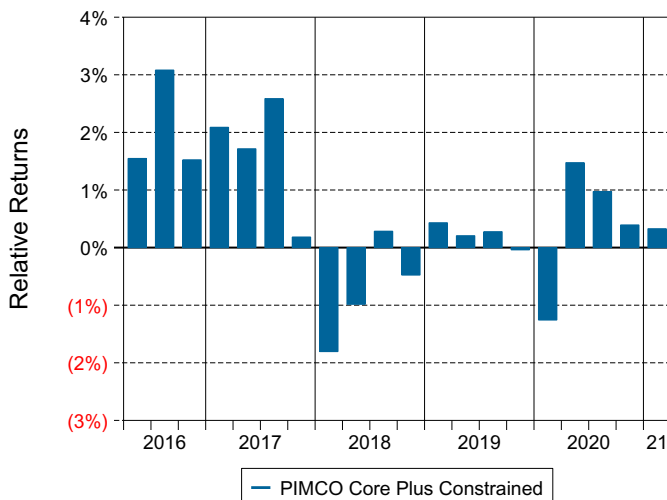
Beginning Market Value	\$420,333,327
Net New Investment	\$18,386,393
Investment Gains/(Losses)	\$-13,428,369
Ending Market Value	\$425,291,351

Performance vs Callan Core Plus Fixed Income (Gross)

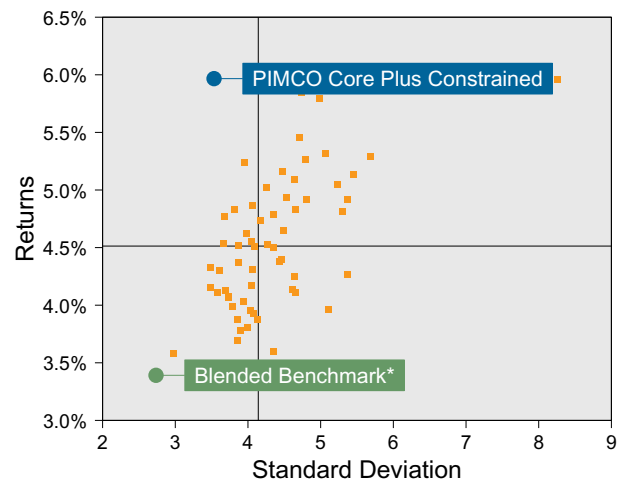


10th Percentile	(1.98)	3.63	12.00	7.48	6.37	5.31	4.81
25th Percentile	(2.56)	1.70	8.62	6.88	6.04	4.93	4.52
Median	(2.86)	0.83	6.94	6.26	5.73	4.51	4.15
75th Percentile	(3.07)	0.07	5.21	5.70	5.31	4.11	3.93
90th Percentile	(3.44)	(0.47)	3.90	5.26	5.05	3.87	3.68
PIMCO Core Plus Constrained	● (3.05)	(0.46)	3.89	5.96	5.46	5.97	4.00
Blended Benchmark*	▲ (3.37)	(2.12)	0.71	4.74	4.91	3.39	2.04

Relative Return vs Blended Benchmark*



Callan Core Plus Fixed Income (Gross) Annualized Five Year Risk vs Return



Prudential Core Period Ended March 31, 2021

Investment Philosophy

The PGIM Fixed Income Core Fixed Income strategy seeks to provide +60 bps over the Bloomberg Barclays Aggregate Index over a market cycle. The strategy tends to generate its excess return from fairly equal increments of both sector allocation and subsector/security allocation. Duration and yield curve positioning is generally de-emphasized, but will be considered when market opportunities dictate. The primary way they add value is through intensive research-based sector, industry, and security selection. The strategy is predominately investment grade, but may also invest nominally in crossover/high yield bonds and emerging markets debt, when guidelines permit.

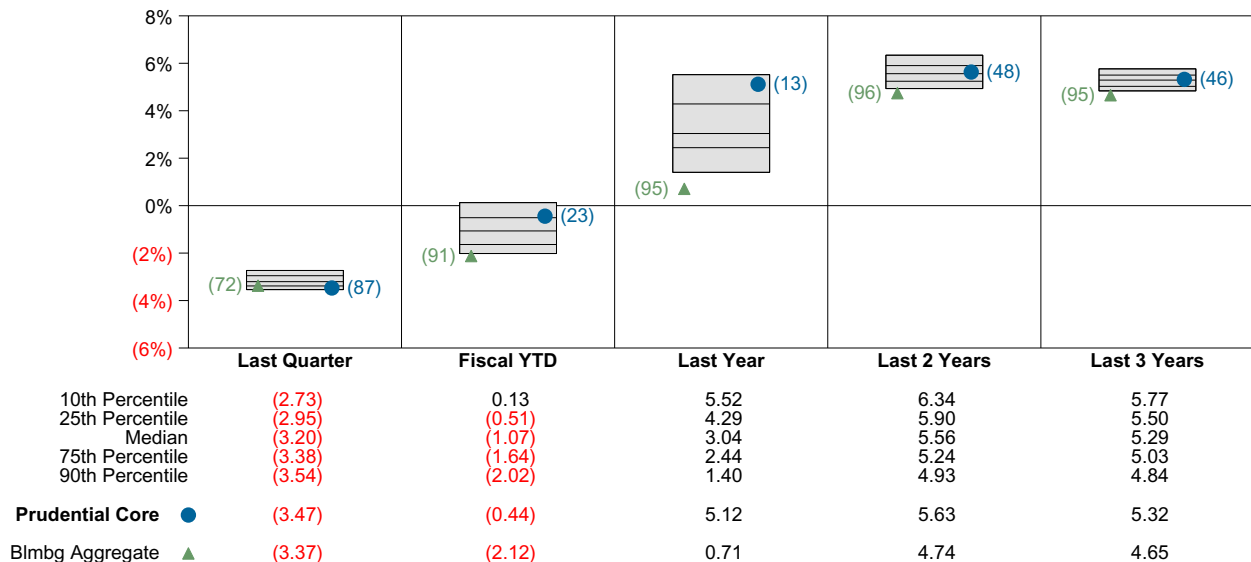
Quarterly Summary and Highlights

- Prudential Core's portfolio posted a (3.47)% return for the quarter placing it in the 87 percentile of the Callan Core Bond Fixed Income group for the quarter and in the 13 percentile for the last year.
- Prudential Core's portfolio underperformed the Blmbg Aggregate by 0.10% for the quarter and outperformed the Blmbg Aggregate for the year by 4.41%.

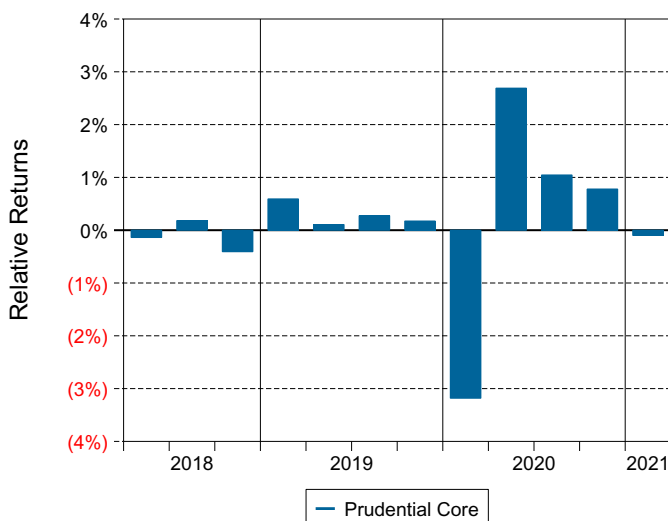
Quarterly Asset Growth

Beginning Market Value	\$423,677,834
Net New Investment	\$18,389,973
Investment Gains/(Losses)	\$-15,404,365
Ending Market Value	\$426,663,443

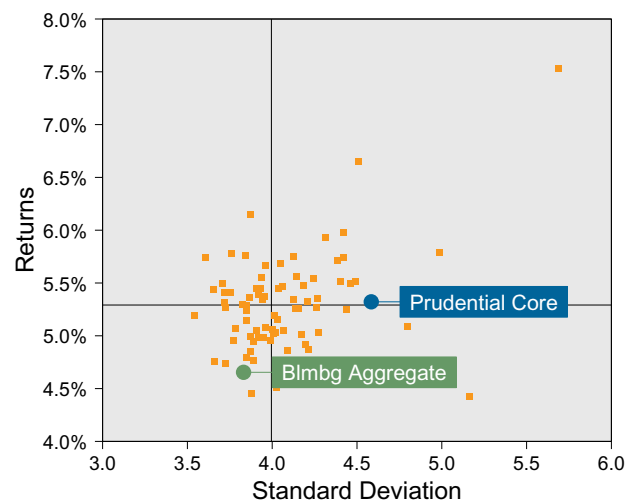
Performance vs Callan Core Bond Fixed Income (Gross)



Relative Return vs Blmbg Aggregate



Callan Core Bond Fixed Income (Gross) Annualized Three Year Risk vs Return



SSgA Long US Treas Index Period Ended March 31, 2021

Investment Philosophy

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Barclays Capital U.S. Long Treasury Bond Index over the long term.

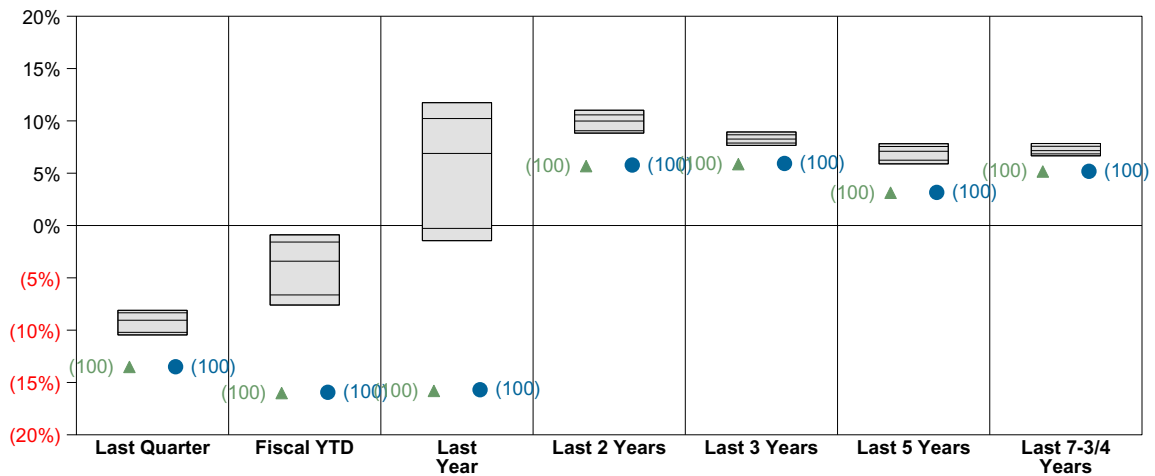
Quarterly Summary and Highlights

- SSgA Long US Treas Index's portfolio posted a (13.50)% return for the quarter placing it in the 100 percentile of the Callan Extended Maturity Fixed Income group for the quarter and in the 100 percentile for the last year.
- SSgA Long US Treas Index's portfolio outperformed the Blmbg:Long Treasury by 0.02% for the quarter and outperformed the Blmbg:Long Treasury for the year by 0.11%.

Quarterly Asset Growth

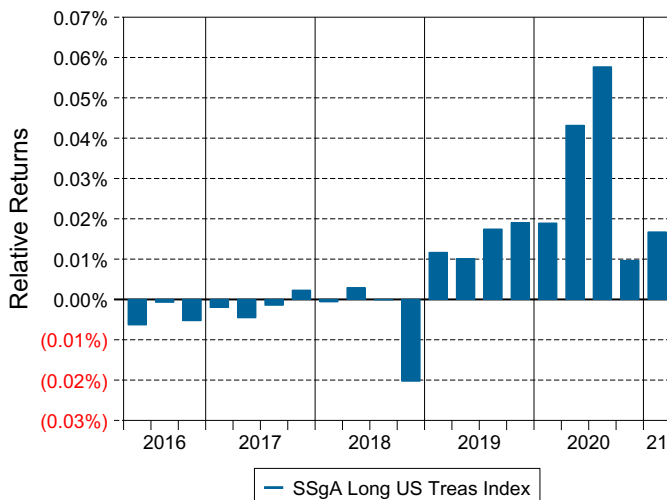
Beginning Market Value	\$139,714,453
Net New Investment	\$26,995,620
Investment Gains/(Losses)	\$-21,691,445
Ending Market Value	\$145,018,628

Performance vs Callan Extended Maturity Fixed Income (Gross)

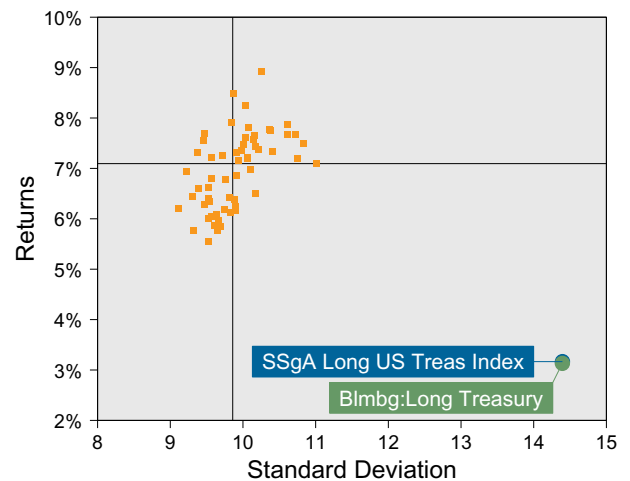


10th Percentile	(8.10)	(0.89)	11.74	11.02	8.94	7.82	7.84
25th Percentile	(8.34)	(1.58)	10.23	10.57	8.67	7.55	7.57
Median	(9.05)	(3.41)	6.89	9.99	8.26	7.09	7.16
75th Percentile	(10.21)	(6.63)	(0.27)	9.06	7.88	6.24	6.85
90th Percentile	(10.46)	(7.60)	(1.45)	8.83	7.65	5.89	6.66
SSgA Long US Treas Index	● (13.50)	(15.94)	(15.69)	5.78	5.93	3.17	5.18
Blmbg:Long Treasury	▲ (13.51)	(16.01)	(15.80)	5.68	5.87	3.13	5.16

Relative Return vs Blmbg:Long Treasury



Callan Extended Maturity Fixed Income (Gross) Annualized Five Year Risk vs Return



Ares ND Credit Strategies Fd Period Ended March 31, 2021

Quarterly Summary and Highlights

- Ares ND Credit Strategies Fd's portfolio posted a 3.43% return for the quarter placing it in the 3 percentile of the Callan High Yield Mutual Funds group for the quarter and in the 100 percentile for the last year.
- Ares ND Credit Strategies Fd's portfolio outperformed the S&P/LSTA Leveraged Loan B Index by 1.82% for the quarter and underperformed the S&P/LSTA Leveraged Loan B Index for the year by 17.48%.

Quarterly Asset Growth

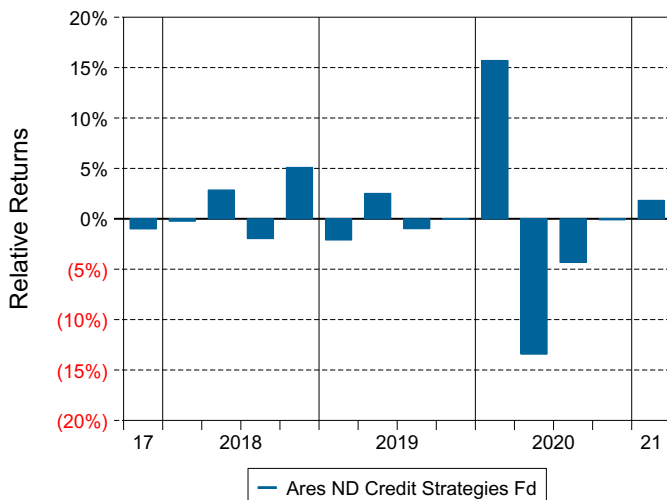
Beginning Market Value	\$121,405,633
Net New Investment	\$0
Investment Gains/(Losses)	\$4,160,357
Ending Market Value	\$125,565,990

Performance vs Callan High Yield Mutual Funds (Net)

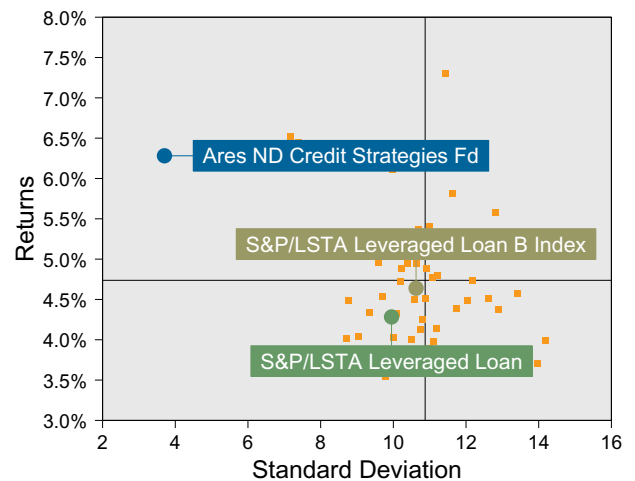


10th Percentile	2.14	15.47	27.41	8.09	7.05	6.00	
25th Percentile	1.36	13.40	24.95	7.04	6.37	5.19	
Median	0.70	11.68	22.05	6.47	5.77	4.74	
75th Percentile	0.30	10.44	20.33	5.64	5.28	4.20	
90th Percentile	(0.06)	8.89	17.74	5.13	4.82	3.93	
Ares ND Credit Strategies Fd S&P/LSTA Leveraged Loan	● A	3.43	7.23	4.75	6.63	6.89	6.28
S&P/LSTA Leveraged Loan B Index	▲ B	1.78	10.03	20.71	4.71	4.13	4.28
S&P/LSTA Leveraged Loan B Index	▲	1.60	10.01	22.23	5.18	4.54	4.64

Relative Returns vs S&P/LSTA Leveraged Loan B Index



Callan High Yield Mutual Funds (Net) Annualized Three and One-Half Year Risk vs Return



Cerberus ND Private Credit Fd Period Ended March 31, 2021

Investment Philosophy

The investment objective of the LLC is to achieve superior risk-adjusted rates of return primarily through origination of, and investment in, secured debt assets consistent with the Loan Opportunities Strategy of the Cerberus Business Finance lending platform ("CBF", "Cerberus Business Finance" or the "Cerberus Lending Platform"). The Cerberus Lending Platform is a direct origination and lending business focused on providing secured debt primarily to U.S. middle-market companies. The LLC expects to generate both current income and capital appreciation.

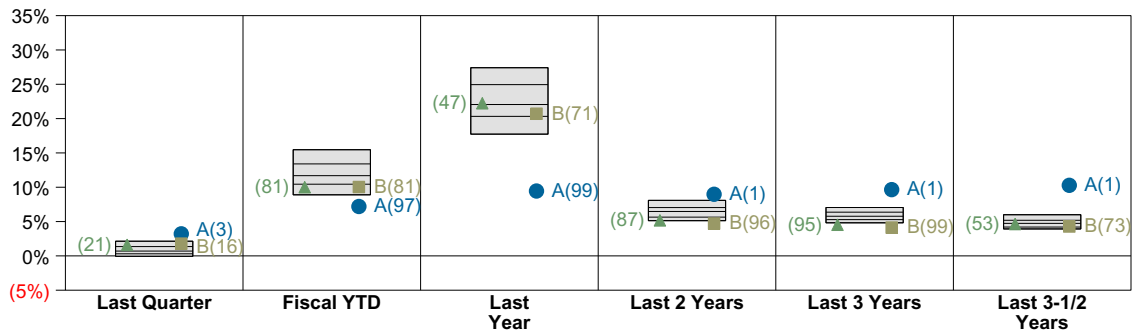
Quarterly Summary and Highlights

- Cerberus ND Private Credit Fd's portfolio posted a 3.21% return for the quarter placing it in the 3 percentile of the Callan High Yield Mutual Funds group for the quarter and in the 99 percentile for the last year.
- Cerberus ND Private Credit Fd's portfolio outperformed the S&P/LSTA Leveraged Loan B Index by 1.61% for the quarter and underperformed the S&P/LSTA Leveraged Loan B Index for the year by 12.78%.

Quarterly Asset Growth

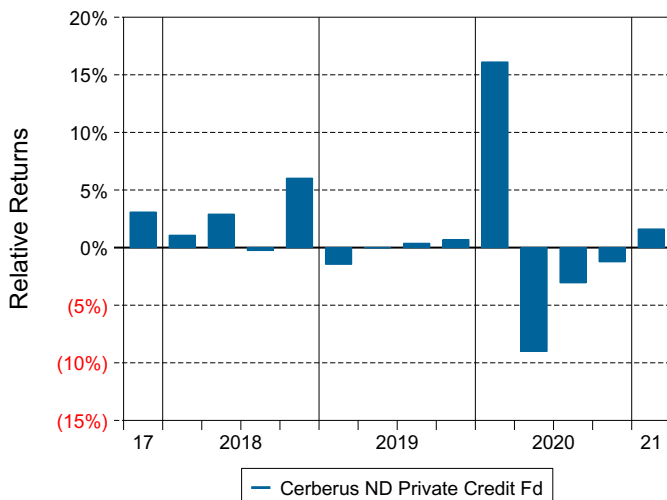
Beginning Market Value	\$145,666,327
Net New Investment	\$-13,750,000
Investment Gains/(Losses)	\$4,645,616
Ending Market Value	\$136,561,943

Performance vs Callan High Yield Mutual Funds (Net)

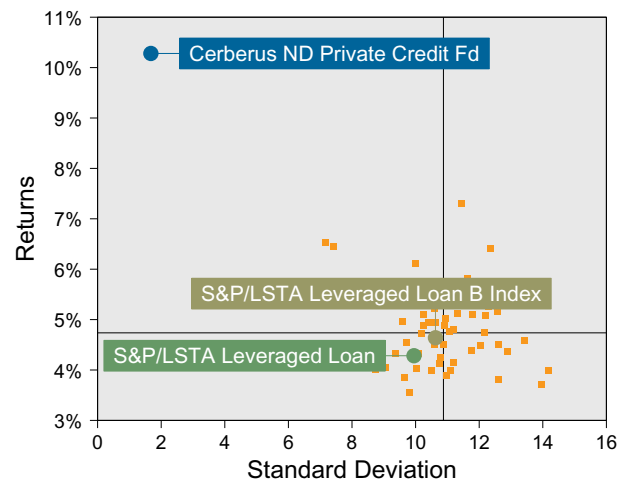


10th Percentile		2.14	15.47	27.41	8.09	7.05	6.00
25th Percentile		1.36	13.40	24.95	7.04	6.37	5.19
Median		0.70	11.68	22.05	6.47	5.77	4.74
75th Percentile		0.30	10.44	20.33	5.64	5.28	4.20
90th Percentile		(0.06)	8.89	17.74	5.13	4.82	3.93
Cerberus ND Private Credit Fd S&P/LSTA Leveraged Loan	● A	3.21	7.19	9.45	8.98	9.65	10.28
S&P/LSTA Leveraged Loan B Index	▲	1.60	10.01	22.23	5.18	4.54	4.64

Relative Returns vs S&P/LSTA Leveraged Loan B Index



Callan High Yield Mutual Funds (Net) Annualized Three and One-Half Year Risk vs Return



Goldman Sachs 2006 Offshore Period Ended March 31, 2021

Investment Philosophy

GS Mezzanine Partners seeks large-sized mezzanine investments comprised generally of fixed income securities and an associated equity component. They focus on providing "private high yield" capital for mid- to large-sized leveraged and management buyout transactions, recapitalizations, financings, re-financings, acquisitions and restructurings for private equity firms, private family companies and corporate issuers.

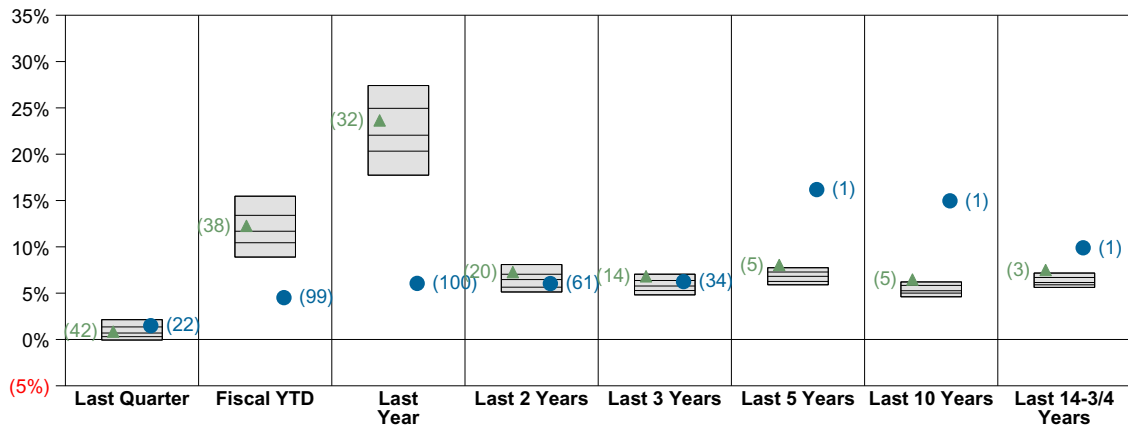
Quarterly Summary and Highlights

- Goldman Sachs's portfolio posted a 1.49% return for the quarter placing it in the 22 percentile of the Callan High Yield Mutual Funds group for the quarter and in the 100 percentile for the last year.
- Goldman Sachs's portfolio outperformed the Blmbg:HY Corp 2% Iss Cap by 0.63% for the quarter and underperformed the Blmbg:HY Corp 2% Iss Cap for the year by 17.60%.

Quarterly Asset Growth

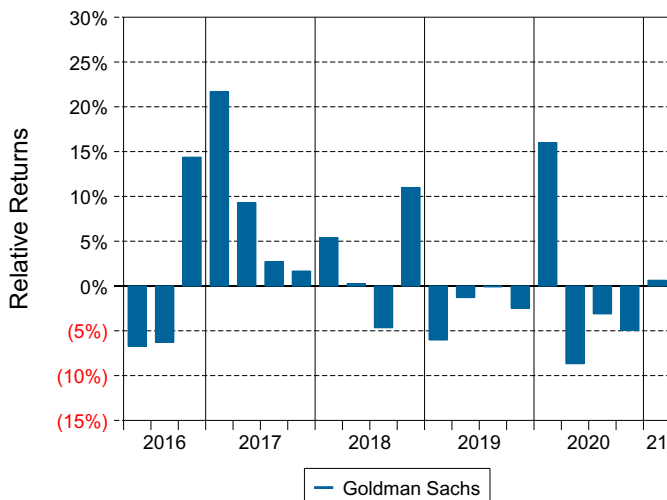
Beginning Market Value	\$67,333
Net New Investment	\$0
Investment Gains/(Losses)	\$1,002
Ending Market Value	\$68,335

Performance vs Callan High Yield Mutual Funds (Net)

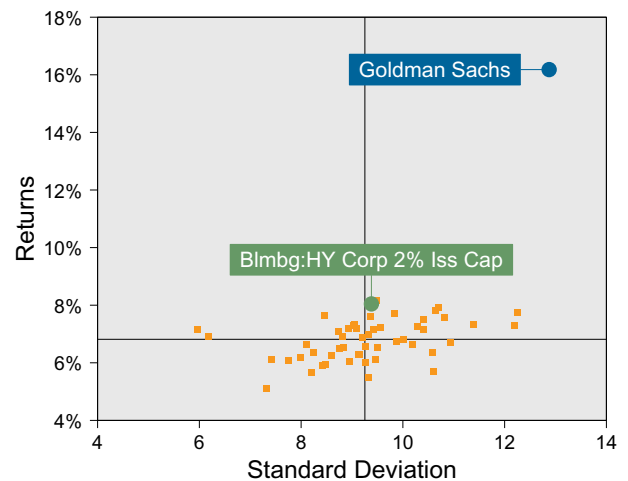


10th Percentile	2.14	15.47	27.41	8.09	7.05	7.75	6.21	7.17
25th Percentile	1.36	13.40	24.95	7.04	6.37	7.28	5.84	6.69
Median	0.70	11.68	22.05	6.47	5.77	6.82	5.26	6.15
75th Percentile	0.30	10.44	20.33	5.64	5.28	6.27	5.00	5.90
90th Percentile	(0.06)	8.89	17.74	5.13	4.82	5.90	4.61	5.62
Goldman Sachs	● 1.49	4.52	6.05	6.03	6.25	16.18	14.97	9.90
Blmbg:HY Corp 2% Iss Cap	▲ 0.86	12.27	23.65	7.27	6.82	8.04	6.47	7.50

Relative Return vs Blmbg:HY Corp 2% Iss Cap



Callan High Yield Mutual Funds (Net) Annualized Five Year Risk vs Return



Goldman Sachs Offshore Fund V

Period Ended March 31, 2021

Investment Philosophy

GS Mezzanine Partners seeks large-sized mezzanine investments comprised generally of fixed income securities and an associated equity component. They focus on providing "private high yield" capital for mid- to large-sized leveraged and management buyout transactions, recapitalizations, financings, re-financings, acquisitions and restructurings for private equity firms, private family companies and corporate issuers.

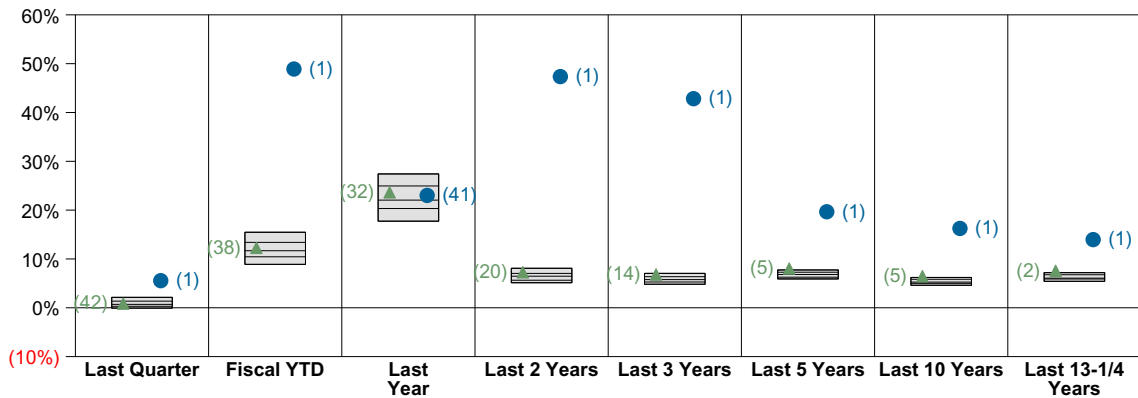
Quarterly Summary and Highlights

- Goldman Sachs Offshore V's portfolio posted a 5.55% return for the quarter placing it in the 1 percentile of the Callan High Yield Mutual Funds group for the quarter and in the 41 percentile for the last year.
- Goldman Sachs Offshore V's portfolio outperformed the Blmbg:HY Corp 2% Iss Cap by 4.69% for the quarter and underperformed the Blmbg:HY Corp 2% Iss Cap for the year by 0.63%.

Quarterly Asset Growth

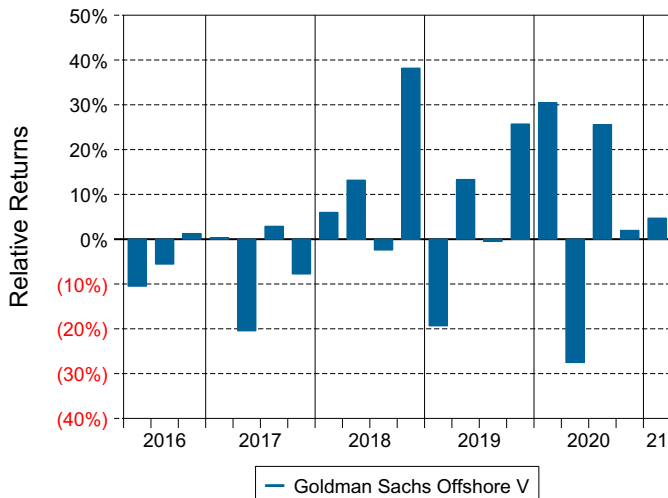
Beginning Market Value	\$231,049
Net New Investment	\$-72,262
Investment Gains/(Losses)	\$3,417
Ending Market Value	\$162,204

Performance vs Callan High Yield Mutual Funds (Net)

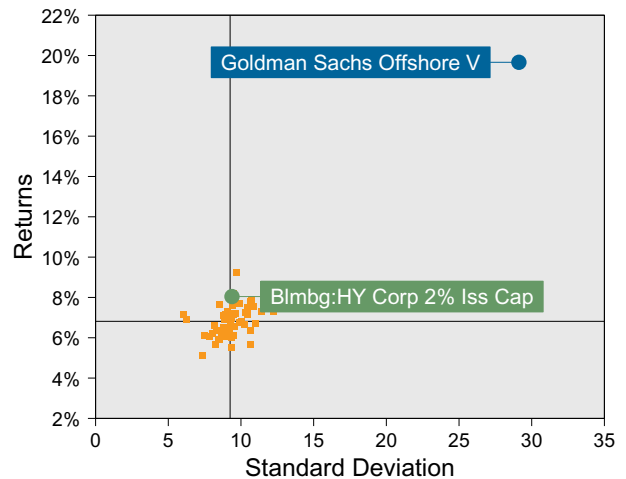


	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years	Last 13-1/4 Years
10th Percentile	2.14	15.47	27.41	8.09	7.05	7.75	6.21	7.19
25th Percentile	1.36	13.40	24.95	7.04	6.37	7.28	5.84	6.77
Median	0.70	11.68	22.05	6.47	5.77	6.82	5.26	6.07
75th Percentile	0.30	10.44	20.33	5.64	5.28	6.27	5.00	5.89
90th Percentile	(0.06)	8.89	17.74	5.13	4.82	5.90	4.61	5.42
Goldman Sachs Offshore V	● 5.55	48.90	23.01	47.35	42.83	19.66	16.25	13.96
Blmbg:HY Corp 2% Iss Cap	▲ 0.86	12.27	23.65	7.27	6.82	8.04	6.47	7.57

Relative Return vs Blmbg:HY Corp 2% Iss Cap



Callan High Yield Mutual Funds (Net) Annualized Five Year Risk vs Return



Loomis Sayles

Period Ended March 31, 2021

Investment Philosophy

The High Yield Full Discretion Strategy seeks to identify attractive sectors and specific investment opportunities primarily within the global fixed income market through a global economic and interest rate framework. Portfolio managers incorporate a long-term macroeconomic view along with a stringent bottom-up investment evaluation process that drives security selection and resulting sector allocations. Opportunistic investments in non-benchmark sectors including investment grade corporate, emerging market, and non-US dollar debt and convertible bonds help to manage overall portfolio risk and enhance total return potential.

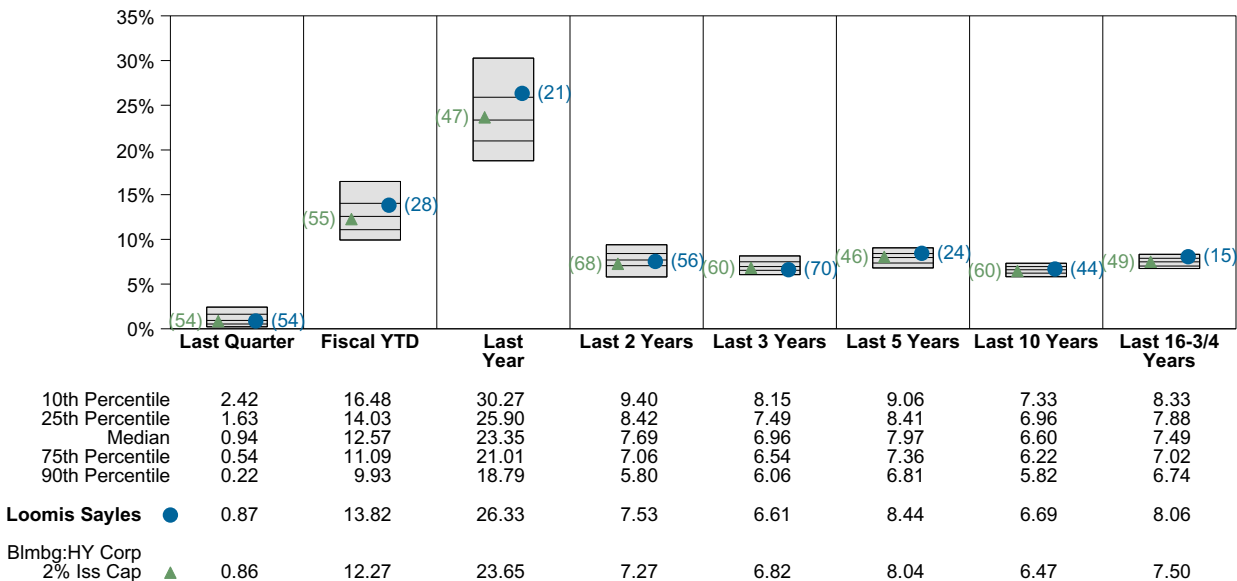
Quarterly Summary and Highlights

- Loomis Sayles's portfolio posted a 0.87% return for the quarter placing it in the 54 percentile of the Callan High Yield Fixed Income group for the quarter and in the 21 percentile for the last year.
- Loomis Sayles's portfolio outperformed the Blmbg:HY Corp 2% Iss Cap by 0.02% for the quarter and outperformed the Blmbg:HY Corp 2% Iss Cap for the year by 2.68%.

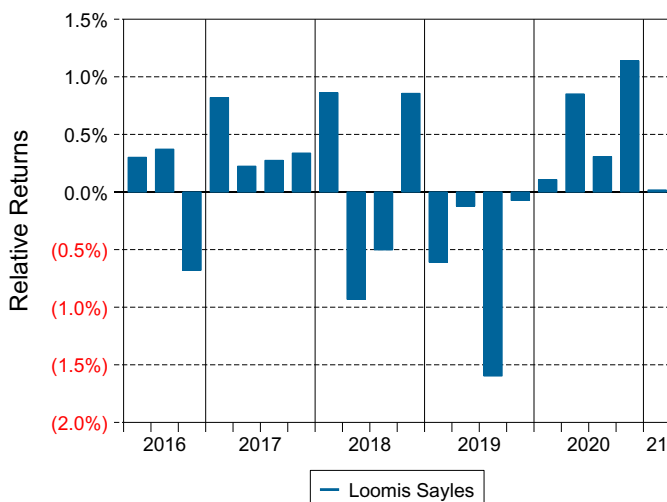
Quarterly Asset Growth

Beginning Market Value	\$185,716,077
Net New Investment	\$-218,216
Investment Gains/(Losses)	\$1,620,310
Ending Market Value	\$187,118,171

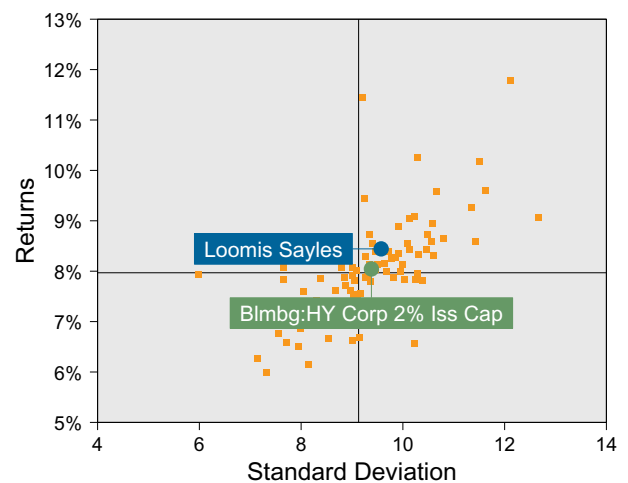
Performance vs Callan High Yield Fixed Income (Gross)



Relative Return vs Blmbg:HY Corp 2% Iss Cap



Callan High Yield Fixed Income (Gross) Annualized Five Year Risk vs Return



PIMCO Bravo II Fund Period Ended March 31, 2021

Investment Philosophy

The BRAVO II Fund is a private equity style fund targeting an annualized IRR of 15-20% and multiple of 1.8-2x, net of fees and carried interest with an initial 5-year term. The fund will seek to capitalize on non-economic asset sale decisions by global financial institutions. The fund will have the flexibility to acquire attractively discounted, less liquid loans, structured credit and other assets tied to residential or commercial real estate markets in the U.S. and Europe.

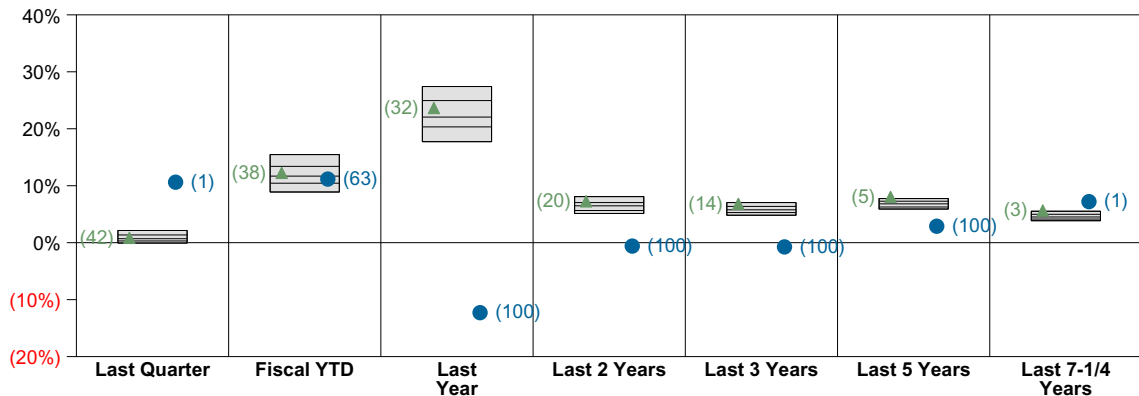
Quarterly Summary and Highlights

- PIMCO Bravo II Fund's portfolio posted a 10.62% return for the quarter placing it in the 1 percentile of the Callan High Yield Mutual Funds group for the quarter and in the 100 percentile for the last year.
- PIMCO Bravo II Fund's portfolio outperformed the Blmbg:HY Corp 2% Iss Cap by 9.76% for the quarter and underperformed the Blmbg:HY Corp 2% Iss Cap for the year by 35.94%.

Quarterly Asset Growth

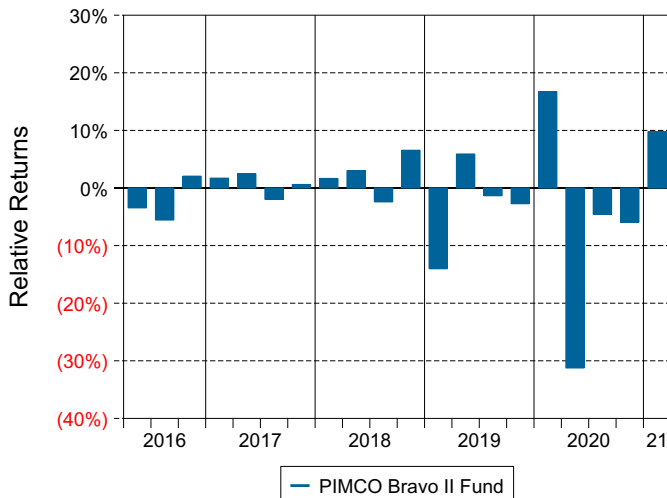
Beginning Market Value	\$14,101,038
Net New Investment	\$-1,728,904
Investment Gains/(Losses)	\$1,497,047
Ending Market Value	\$13,869,181

Performance vs Callan High Yield Mutual Funds (Net)

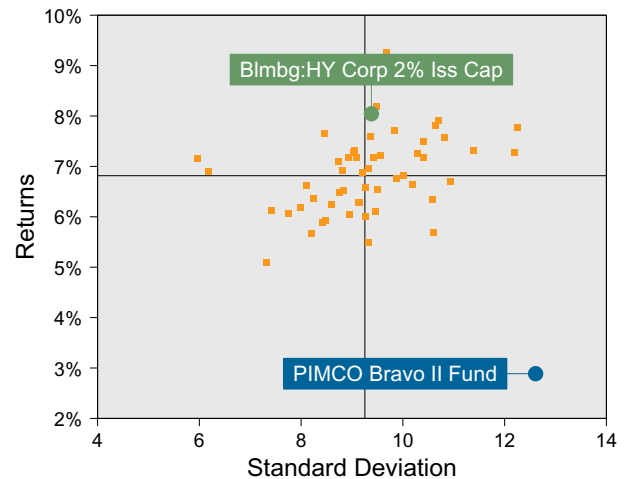


10th Percentile	2.14	15.47	27.41	8.09	7.05	7.75	5.52
25th Percentile	1.36	13.40	24.95	7.04	6.37	7.28	4.98
Median	0.70	11.68	22.05	6.47	5.77	6.82	4.51
75th Percentile	0.30	10.44	20.33	5.64	5.28	6.27	4.15
90th Percentile	(0.06)	8.89	17.74	5.13	4.82	5.90	3.86
PIMCO Bravo II Fund	10.62	11.16	(12.29)	(0.60)	(0.74)	2.89	7.21
Blmbg:HY Corp 2% Iss Cap	0.86	12.27	23.65	7.27	6.82	8.04	5.65

Relative Return vs Blmbg:HY Corp 2% Iss Cap



Callan High Yield Mutual Funds (Net) Annualized Five Year Risk vs Return



Real Estate Period Ended March 31, 2021

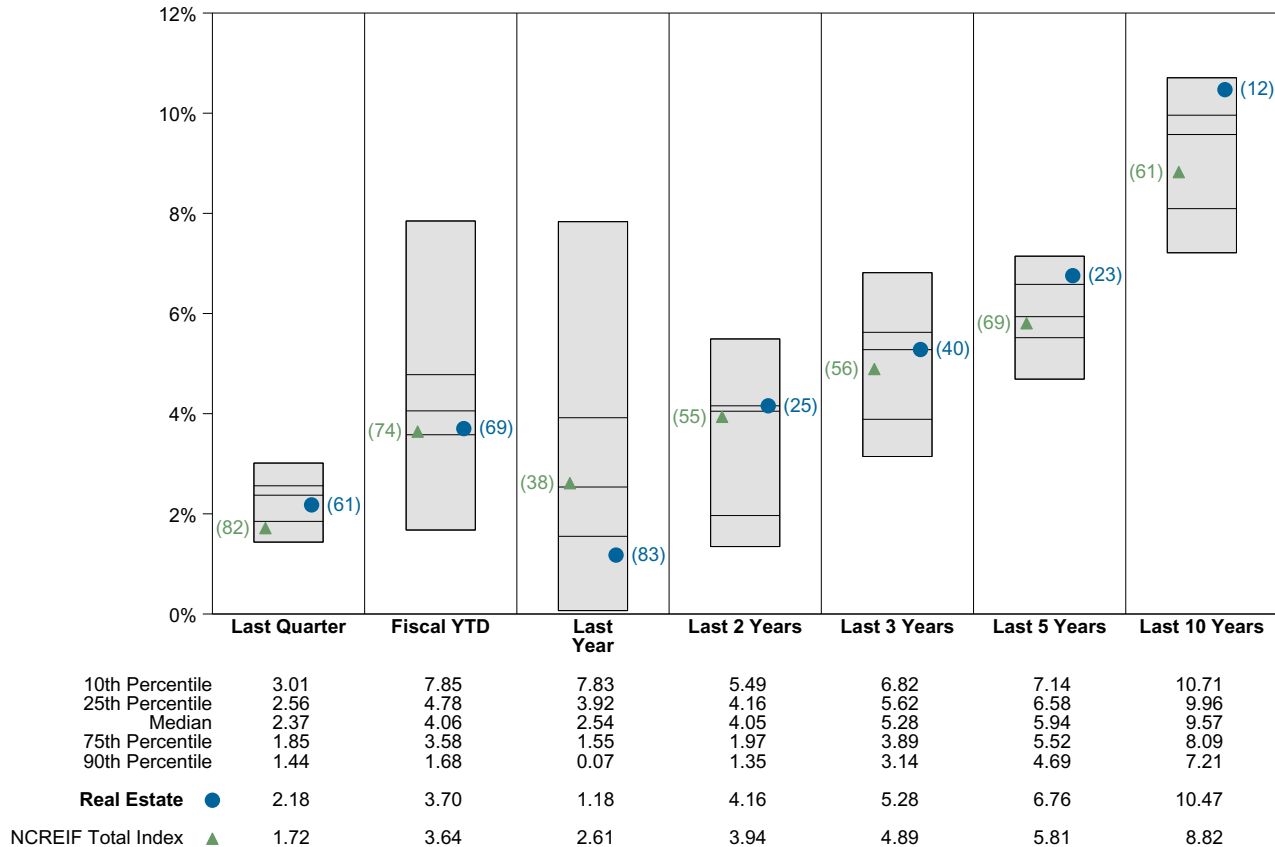
Quarterly Summary and Highlights

- Real Estate's portfolio posted a 2.18% return for the quarter placing it in the 61 percentile of the Public Fund - Real Estate group for the quarter and in the 83 percentile for the last year.
- Real Estate's portfolio outperformed the NCREIF Total Index by 0.46% for the quarter and underperformed the NCREIF Total Index for the year by 1.44%.

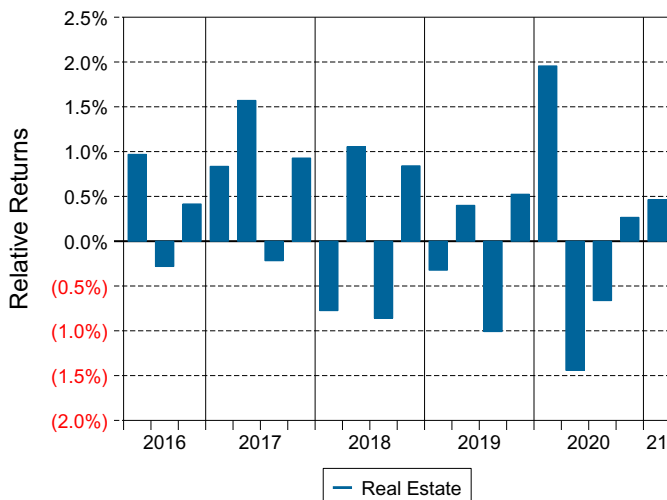
Quarterly Asset Growth

Beginning Market Value	\$668,408,711
Net New Investment	\$2,034,344
Investment Gains/(Losses)	\$14,579,011
Ending Market Value	\$685,022,066

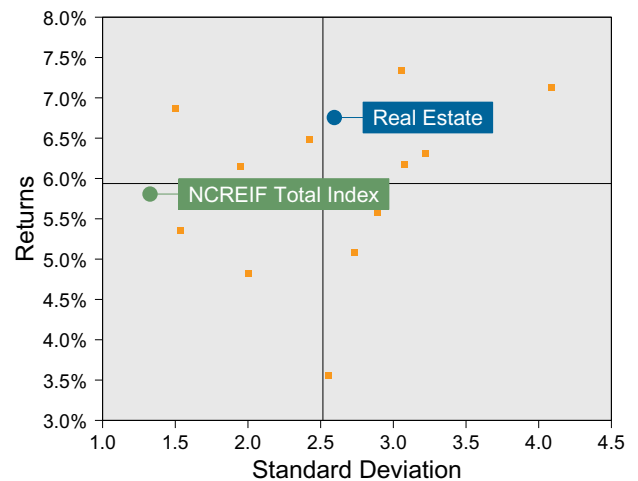
Performance vs Public Fund - Real Estate (Gross)



Relative Return vs NCREIF Total Index



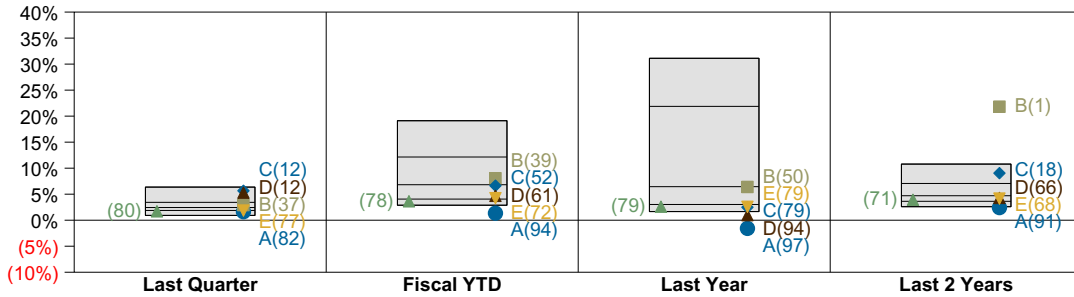
Public Fund - Real Estate (Gross) Annualized Five Year Risk vs Return



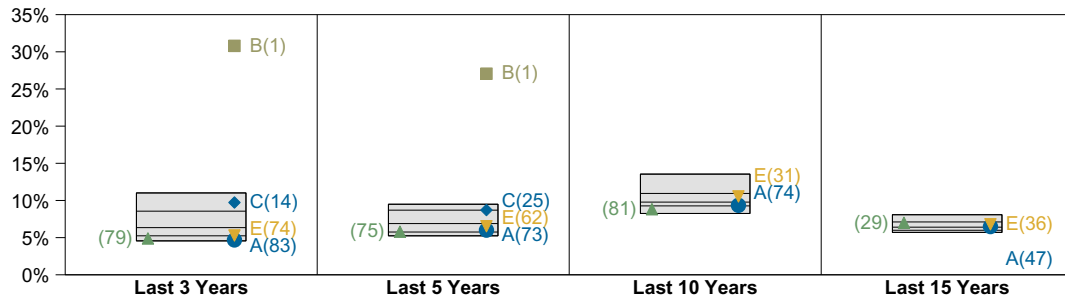
North Dakota State Investment Board Pension Funds Performance vs Callan Total Domestic Real Estate DB Periods Ended March 31, 2021

Return Ranking

The chart below illustrates fund rankings over various periods versus the Callan Total Domestic Real Estate DB. The bars represent the range of returns from the 10th percentile to the 90th percentile for each period for all funds in the Callan Total Domestic Real Estate DB. The numbers to the right of the bar represent the percentile rankings of the funds being analyzed. The table below the chart details the rates of return plotted in the graph above.



	Last Quarter	Fiscal YTD	Last Year	Last 2 Years
10th Percentile	6.36	19.12	31.12	10.79
25th Percentile	3.43	12.14	21.88	7.06
Median	2.44	6.82	6.45	4.70
75th Percentile	1.87	4.06	3.02	3.63
90th Percentile	0.92	2.88	1.66	2.60
Invesco Core Real Estate	● A 1.63	1.35	(1.58)	2.42
Invesco Asia RE Fund III	■ B 2.90	8.06	6.39	21.81
Invesco Value Added Fd IV	◆ C 5.66	6.64	2.49	9.05
Invesco Value Added Fd V	▲ D 5.31	4.69	0.98	4.29
JPMorgan Investment	▼ E 1.84	4.23	2.57	4.15
NCREIF Total Index	▲ 1.72	3.64	2.61	3.94



	Last 3 Years	Last 5 Years	Last 10 Years	Last 15 Years
10th Percentile	11.01	9.49	13.55	8.08
25th Percentile	8.56	8.70	10.95	7.11
Median	6.35	6.89	9.78	6.41
75th Percentile	5.25	5.75	9.27	5.99
90th Percentile	4.56	5.25	8.25	5.70
Invesco Core Real Estate	● A 4.68	6.00	9.35	6.49
Invesco Asia RE Fund III	■ B 30.80	27.05	-	-
Invesco Value Added Fd IV	◆ C 9.73	8.71	-	-
Invesco Value Added Fd V	▲ D -	-	-	-
JPMorgan Investment	▼ E 5.28	6.53	10.54	6.79
NCREIF Total Index	▲ 4.89	5.81	8.82	7.00

TIR Teredo

Period Ended March 31, 2021

Investment Philosophy

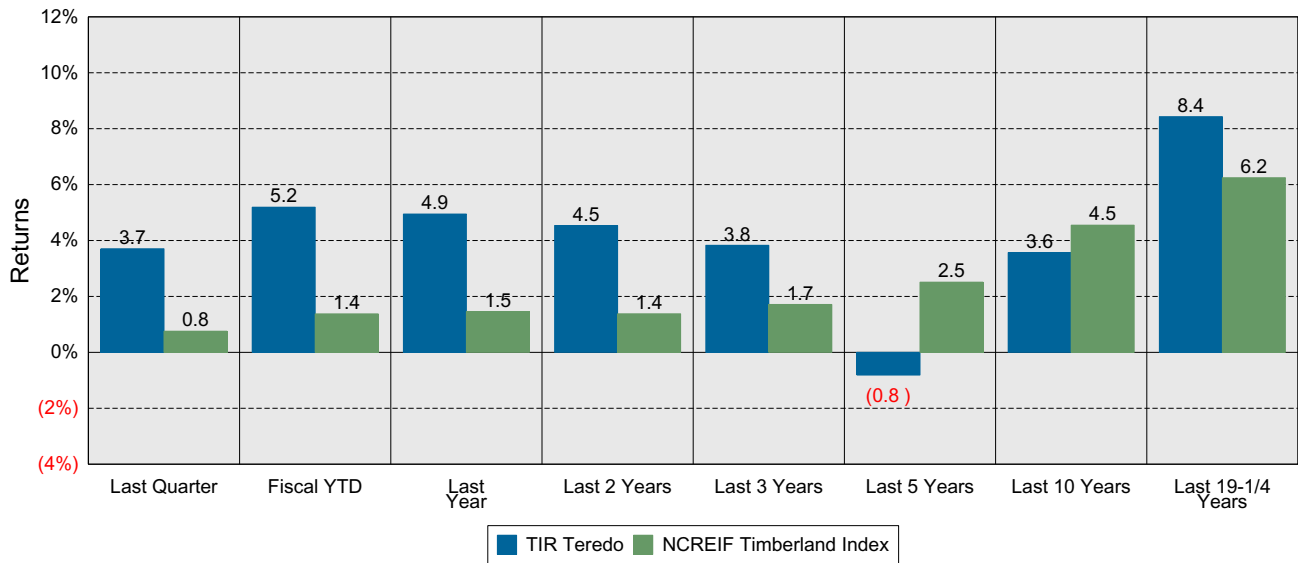
Teredo Timber LLC - The investment objective of Teredo is to provide competitive investment returns from increasing saw timber production through the 20 year term of the partnership. TIR's management strategy is to maximize saw timber volume by applying intensive forest management techniques which accelerate growth through the diameter class distribution. Periodic cash flows are produced from thinning and final harvests of the individual timber stands.

Quarterly Summary and Highlights

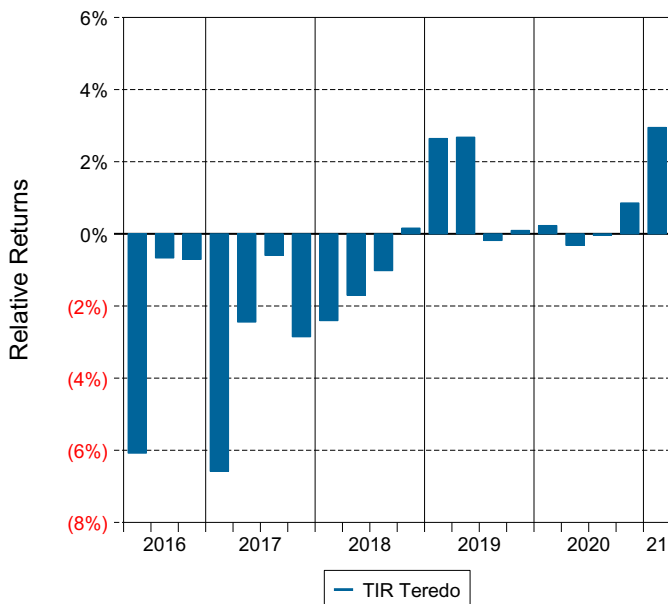
- TIR Teredo's portfolio outperformed the NCREIF Timberland Index by 2.95% for the quarter and outperformed the NCREIF Timberland Index for the year by 3.48%.

Quarterly Asset Growth

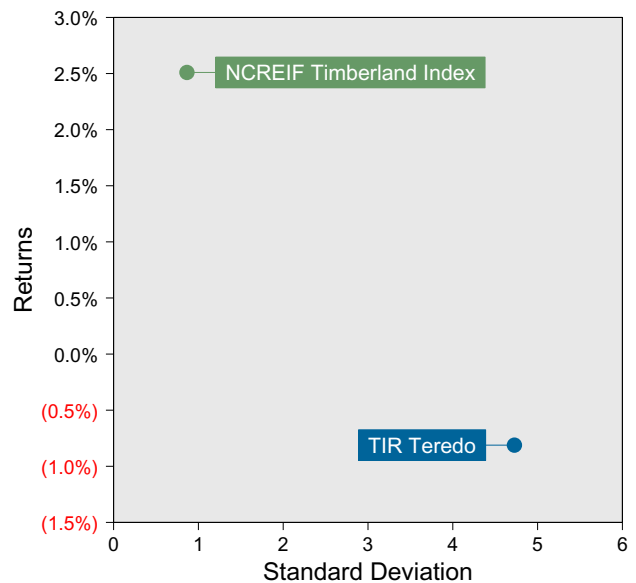
Beginning Market Value	\$27,109,957
Net New Investment	\$0
Investment Gains/(Losses)	\$1,004,474
Ending Market Value	\$28,114,431



Relative Return vs NCREIF Timberland Index



Annualized Five Year Risk vs Return



TIR Springbank Period Ended March 31, 2021

Investment Philosophy

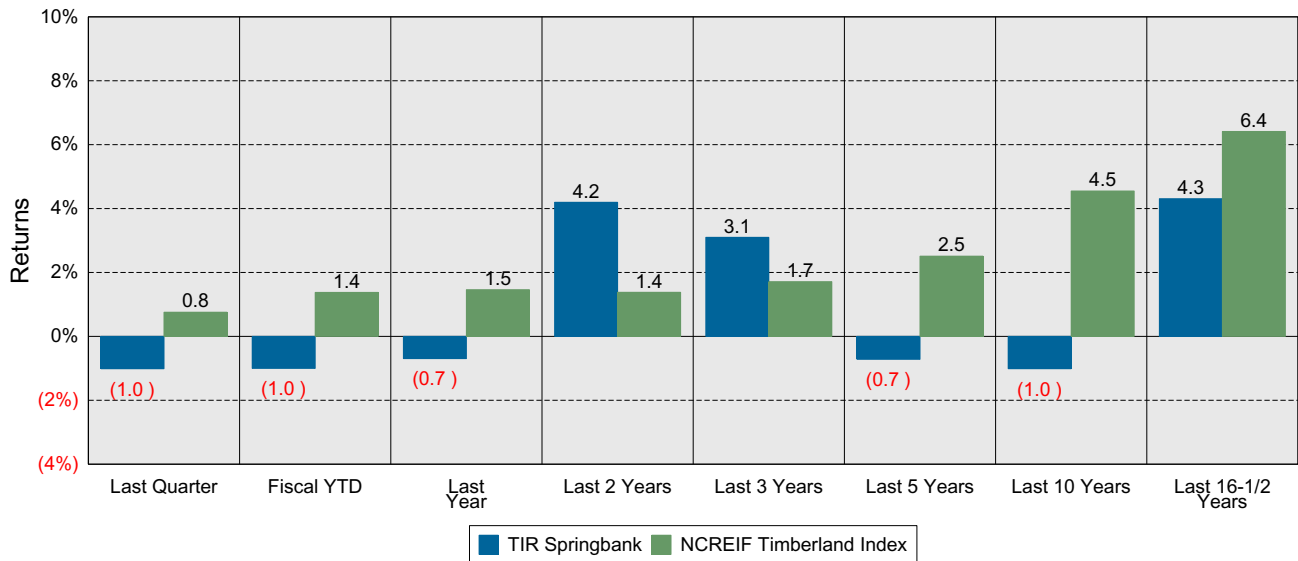
Springbank LLC - The investment objective of Springbank is to maximize long-term investment potential by means of the formation of a dedicated land management group, intensive timber management to increase timber production, the coordination of timber harvesting with land management activities and direct marketing and selective real estate partnerships.

Quarterly Summary and Highlights

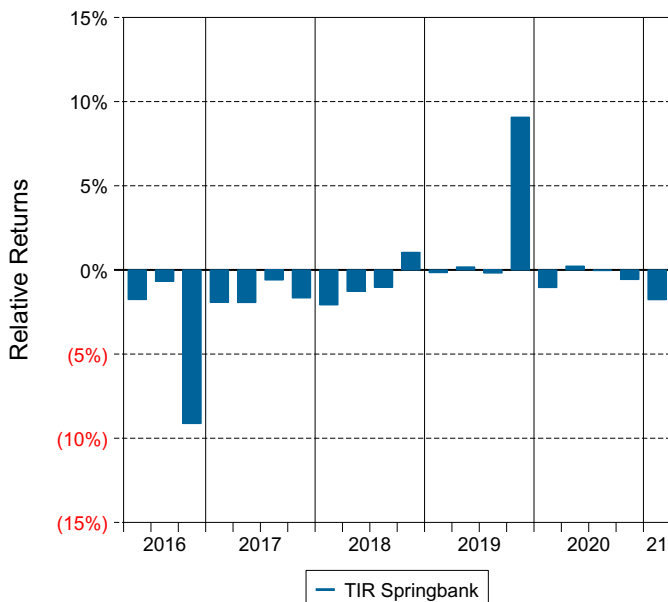
- TIR Springbank's portfolio underperformed the NCREIF Timberland Index by 1.77% for the quarter and underperformed the NCREIF Timberland Index for the year by 2.16%.

Quarterly Asset Growth

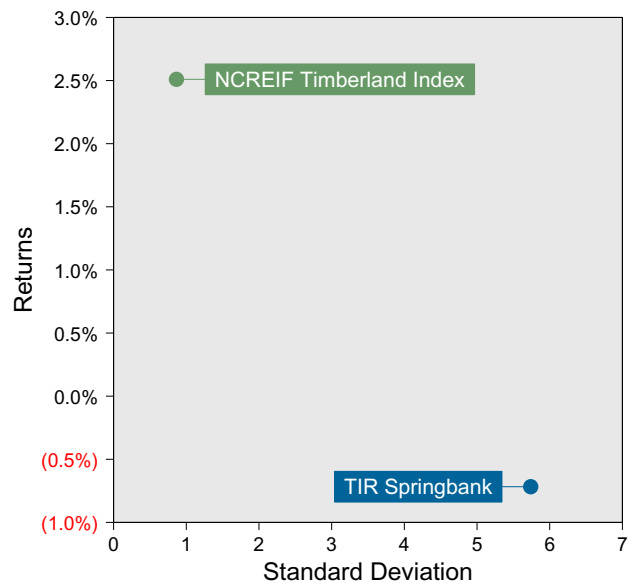
Beginning Market Value	\$96,197,217
Net New Investment	\$-4,256,000
Investment Gains/(Losses)	\$-958,458
Ending Market Value	\$90,982,759



Relative Return vs NCREIF Timberland Index



Annualized Five Year Risk vs Return



ISQ Global Infrastructure II Period Ended March 31, 2021

Investment Philosophy

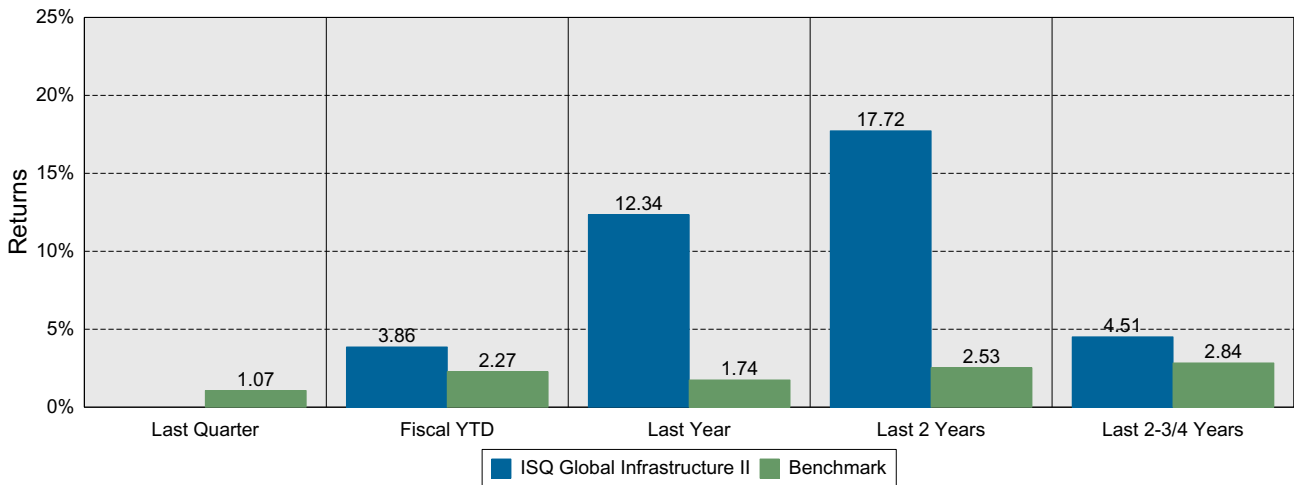
The ISQ Global Infrastructure Fund II seeks to achieve long-term capital appreciation as well as current income through equity and equity related investments in infrastructure and infrastructure related assets located globally, with a focus on North America, Europe, and selected growth economies in Asia and Latin America. The Fund may also invest in debt Securities that have equity-like returns or an equity component, or are related to its equity investments, including without limitation convertible debt, bank loans and participations and other similar instruments. **The Benchmark is comprised of 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.**

Quarterly Summary and Highlights

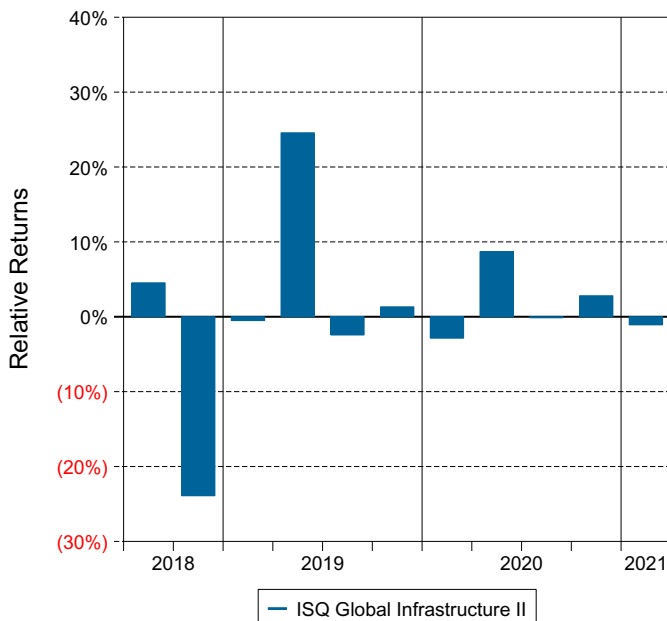
- ISQ Global Infrastructure II's portfolio underperformed the Benchmark by 1.07% for the quarter and outperformed the Benchmark for the year by 10.60%.

Quarterly Asset Growth

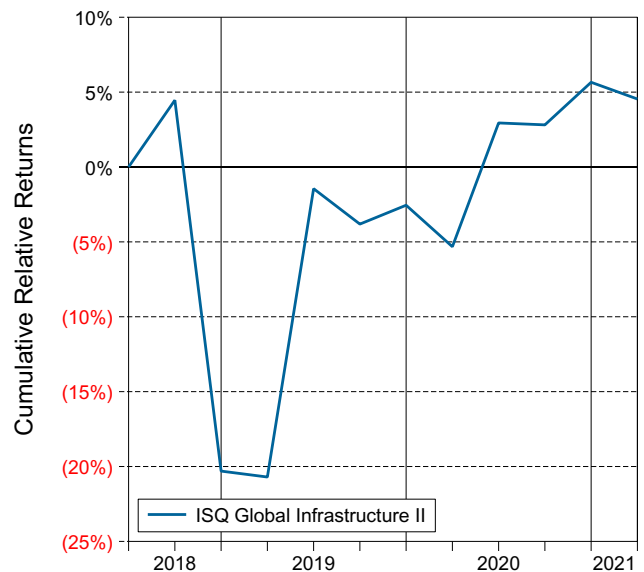
Beginning Market Value	\$43,617,605
Net New Investment	\$1,897,268
Investment Gains/(Losses)	\$0
Ending Market Value	\$45,514,873



Relative Return vs Benchmark



Cumulative Returns vs Benchmark



The Rohatyn Group

Period Ended March 31, 2021

Investment Philosophy

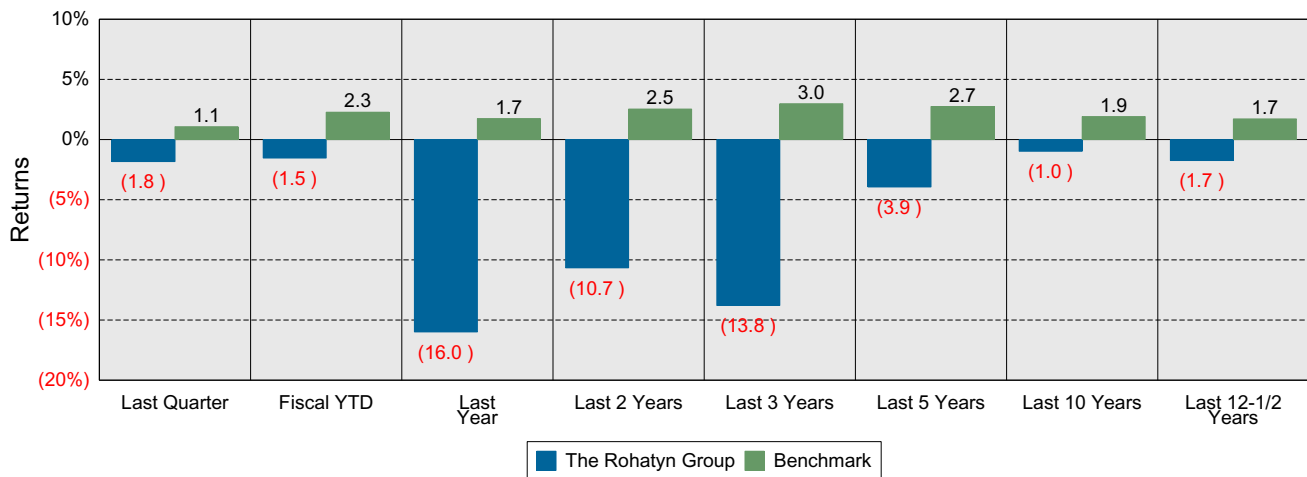
The Rohatyn Group's Asian Infrastructure & Related Resources Opportunity (AIRRO) Fund seeks to invest in infrastructure and related resources opportunities across the greater Asia Pacific region. The Fund seeks to invest in a broad range of assets, including: core infrastructure, power both from conventional and renewable sources, communications, water and waste-water, public works, urban development and other "social" infrastructure assets and related resources. The management of the AIRRO Fund was transferred from JP Morgan to The Rohatyn Group in May, 2018. **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

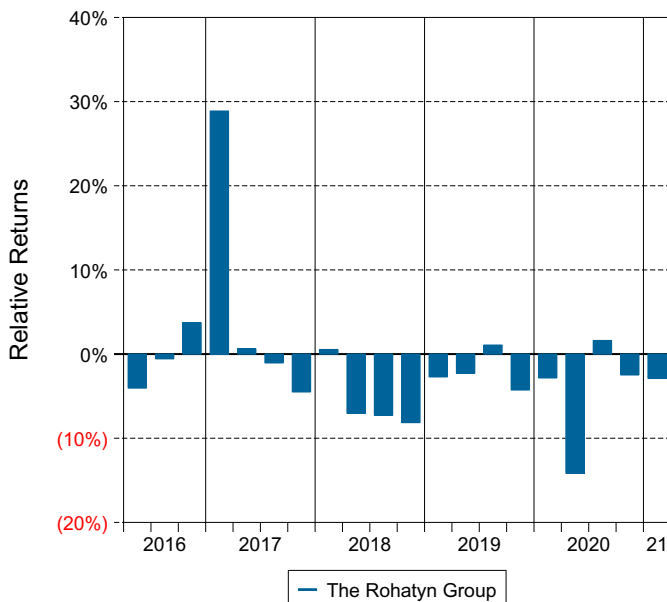
- The Rohatyn Group's portfolio underperformed the Benchmark by 2.90% for the quarter and underperformed the Benchmark for the year by 17.73%.

Quarterly Asset Growth

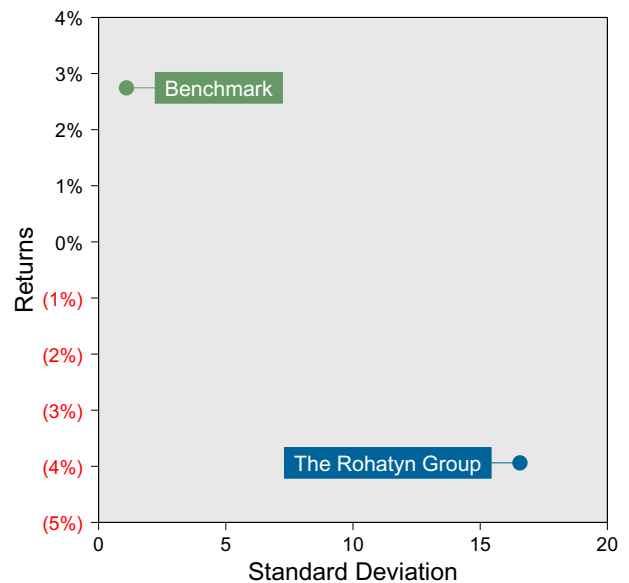
Beginning Market Value	\$15,622,567
Net New Investment	\$0
Investment Gains/(Losses)	\$-285,631
Ending Market Value	\$15,336,936



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



JPM Infrastructure Fund Period Ended March 31, 2021

Investment Philosophy

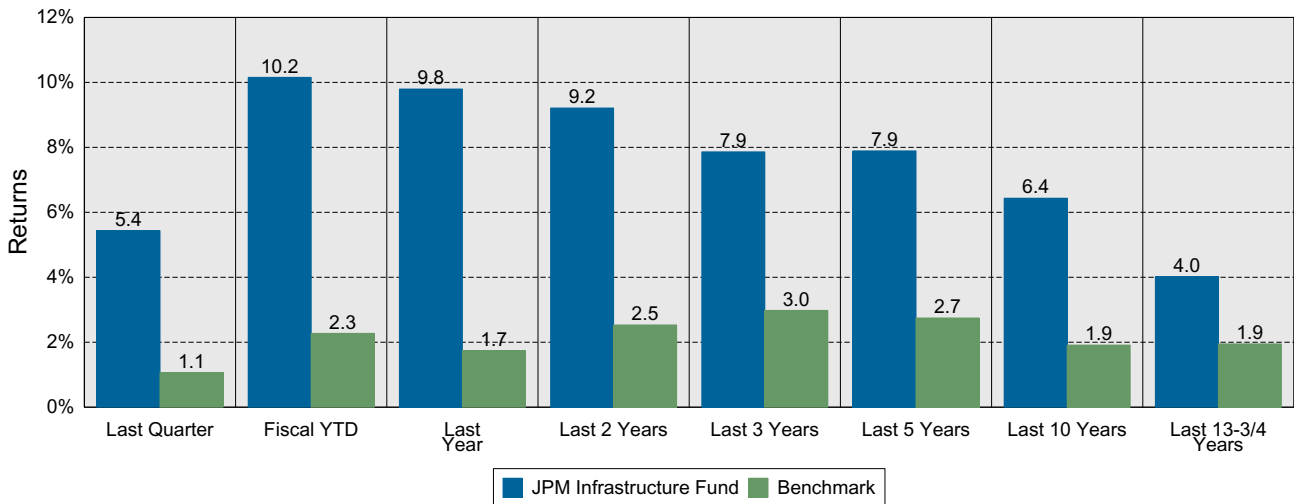
The only open-ended private commingled infrastructure fund in the U.S., the JPMorgan Infrastructure Investments Fund invests in stabilized assets in OECD countries with selected value-added opportunities, across infrastructure industry sub-sectors, including: toll roads, bridges and tunnels; oil and gas pipelines; electricity transmission and distribution facilities; contracted power generation assets; water distribution; waste-water collection and processing; railway lines and rapid rail links; and seaports and airports. **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

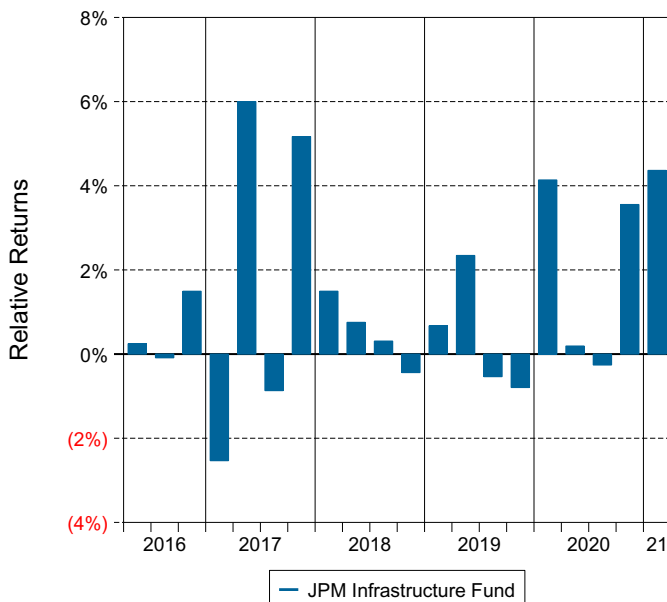
- JPM Infrastructure Fund's portfolio outperformed the Benchmark by 4.36% for the quarter and outperformed the Benchmark for the year by 8.05%.

Quarterly Asset Growth

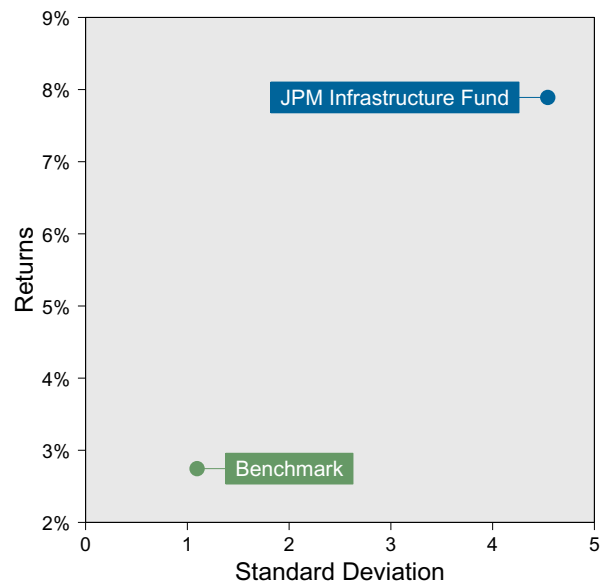
Beginning Market Value	\$133,564,316
Net New Investment	\$-3,054,881
Investment Gains/(Losses)	\$7,256,556
Ending Market Value	\$137,765,992



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Grosvenor Cust. Infrastructure Period Ended March 31, 2021

Investment Philosophy

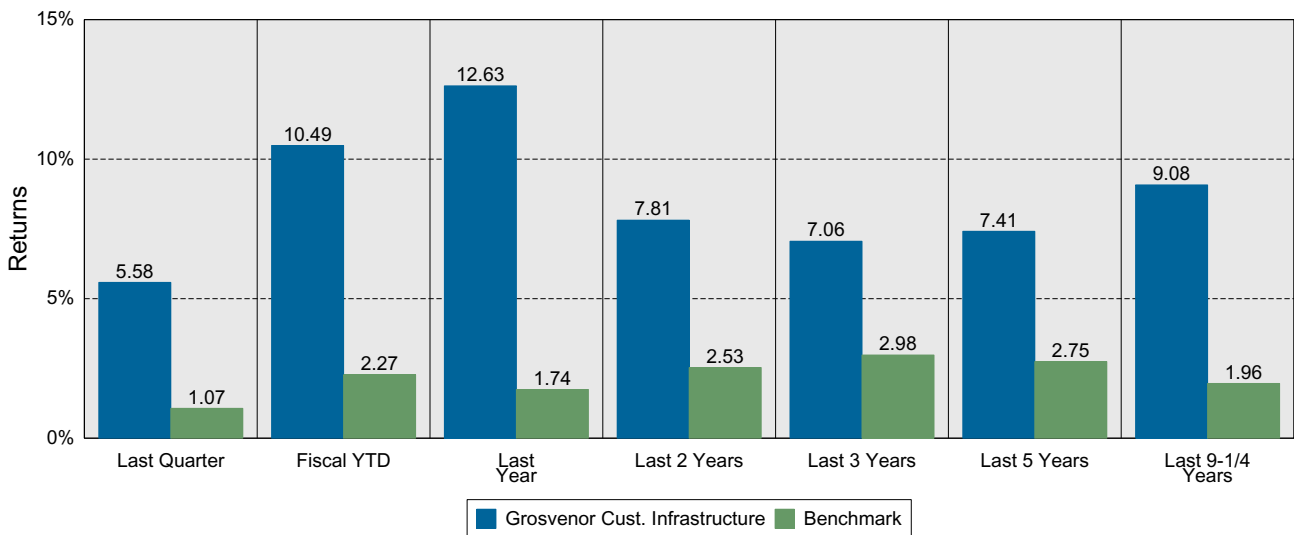
The Customized Infrastructure Strategies LP is a commingled fund focused on providing a comprehensive, diversified solution for investors looking to access the infrastructure asset class. The Fund seeks to generate stable, long-term yield and attractive risk-adjusted returns by investing in a diversified portfolio of primary core and core plus infrastructure funds (30%), co-investments (40%) and opportunistic secondary fund purchases (30%). **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

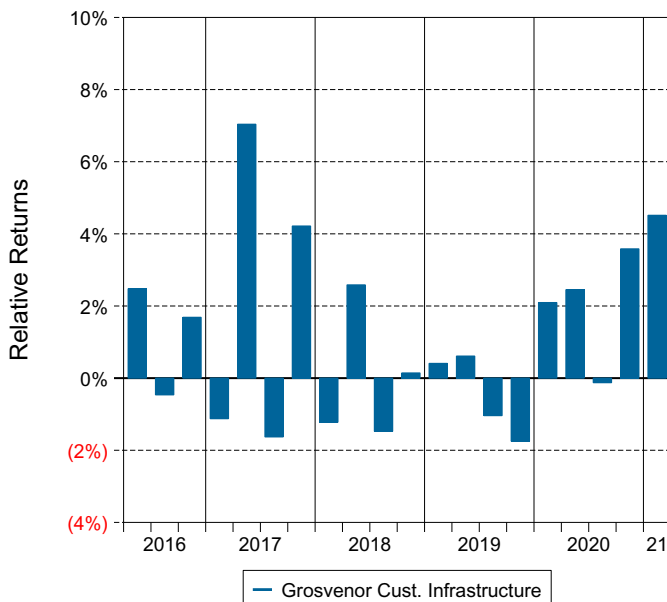
- Grosvenor Cust. Infrastructure's portfolio outperformed the Benchmark by 4.51% for the quarter and outperformed the Benchmark for the year by 10.88%.

Quarterly Asset Growth

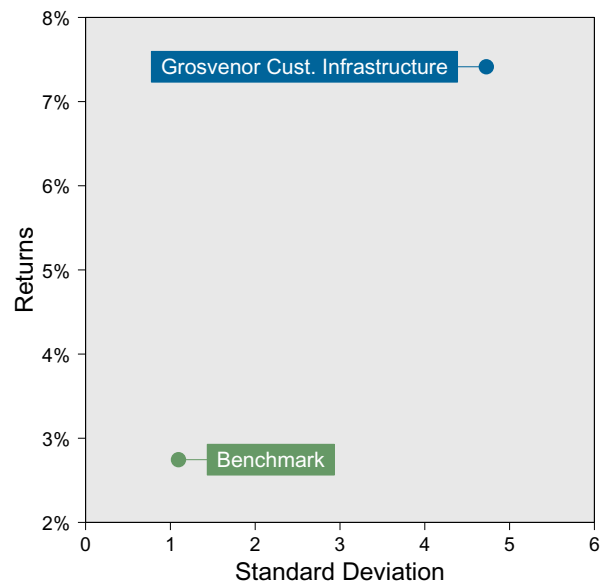
Beginning Market Value	\$16,049,742
Net New Investment	\$-3,411,285
Investment Gains/(Losses)	\$733,426
Ending Market Value	\$13,371,883



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Grosvenor Cust. Infrastructure II Period Ended March 31, 2021

Investment Philosophy

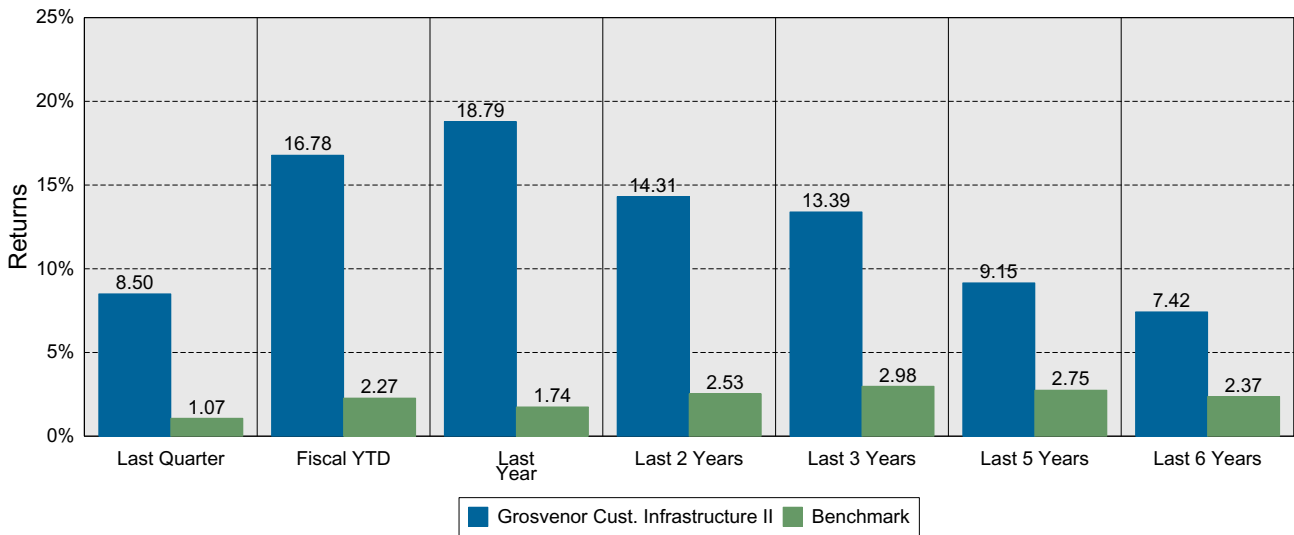
The Customized Infrastructure Strategies LP is a commingled fund focused on providing a comprehensive, diversified solution for investors looking to access the infrastructure asset class. The Fund seeks to generate stable, long-term yield and attractive risk-adjusted returns by investing in a diversified portfolio of primary core and core plus infrastructure funds (30%), co-investments (40%) and opportunistic secondary fund purchases (30%). **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

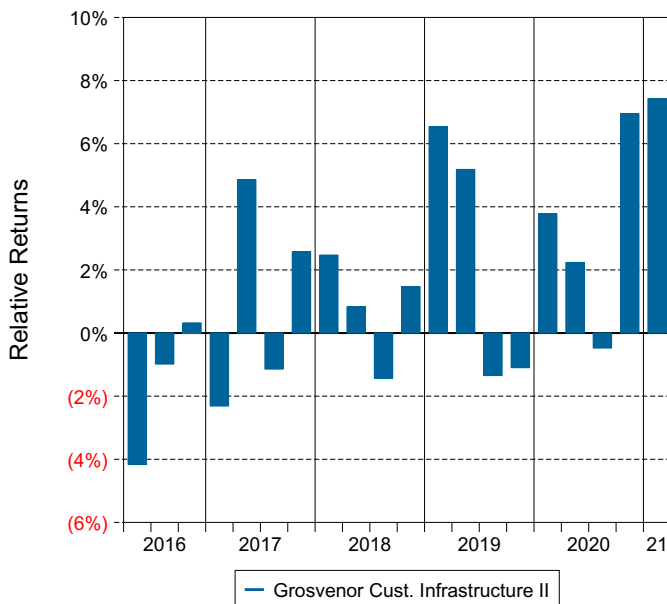
- Grosvenor Cust. Infrastructure II's portfolio outperformed the Benchmark by 7.43% for the quarter and outperformed the Benchmark for the year by 17.04%.

Quarterly Asset Growth

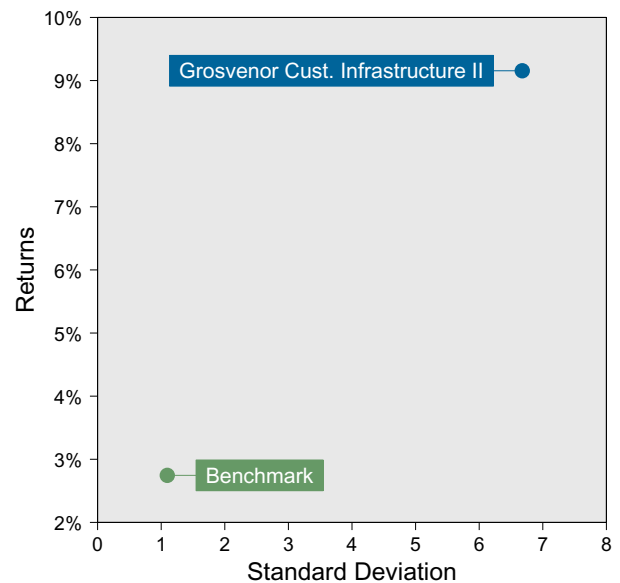
Beginning Market Value	\$18,585,400
Net New Investment	\$-253,420
Investment Gains/(Losses)	\$1,579,707
Ending Market Value	\$19,911,687



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Macquarie Infrastructure Fund IV

Period Ended March 31, 2021

Investment Philosophy

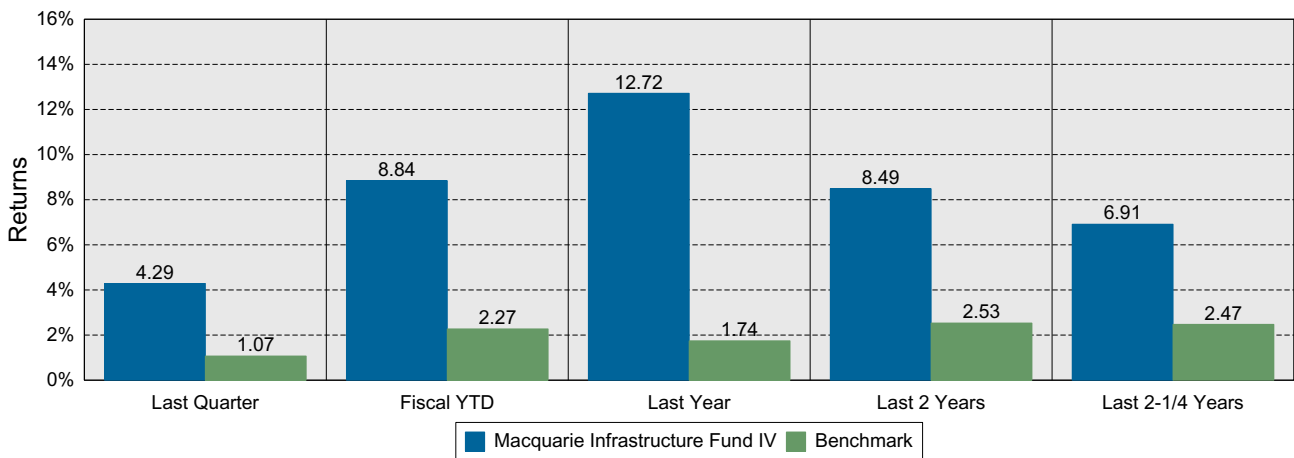
Macquarie's principal investment philosophy is to invest in infrastructure assets that exhibit monopolistic and/or contractual revenue drivers, limited substitution risk and high barriers to entry. The manager has continued to focus on investments where the team's sector expertise and operating experience will provide a competitive advantage in sourcing and due diligence. Furthermore, the manager will also continue to focus on opportunities where its active management capabilities can add value for investors in terms of enhancing returns and the substantial mitigation and/or elimination of material operational risks. **The Benchmark is comprised of 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.**

Quarterly Summary and Highlights

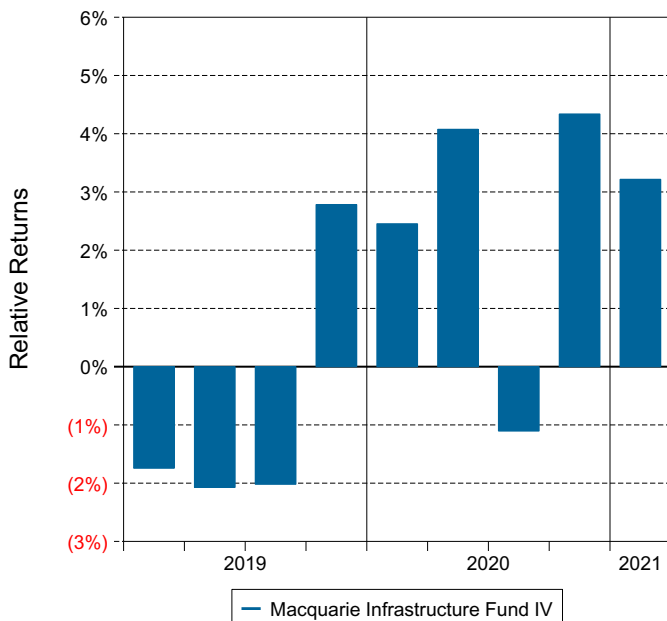
- Macquarie Infrastructure Fund IV's portfolio outperformed the Benchmark by 3.22% for the quarter and outperformed the Benchmark for the year by 10.97%.

Quarterly Asset Growth

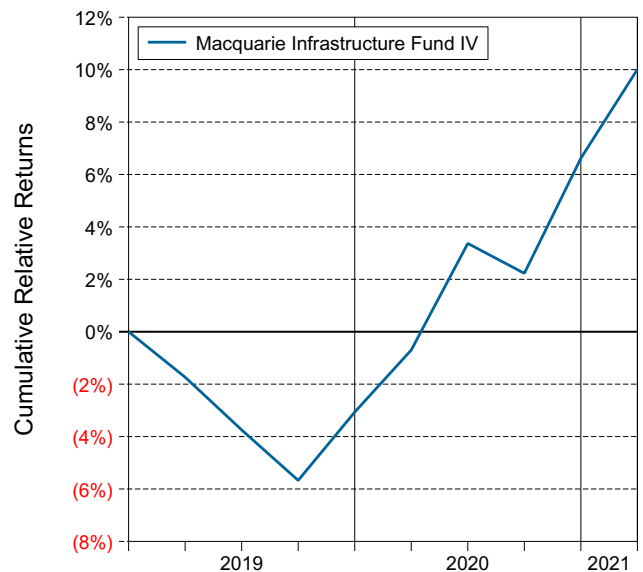
Beginning Market Value	\$67,110,601
Net New Investment	\$-2,353,232
Investment Gains/(Losses)	\$2,864,573
Ending Market Value	\$67,621,942



Relative Return vs Benchmark



Cumulative Returns vs Benchmark



Macquarie Infrastructure Fund V

Period Ended March 31, 2021

Investment Philosophy

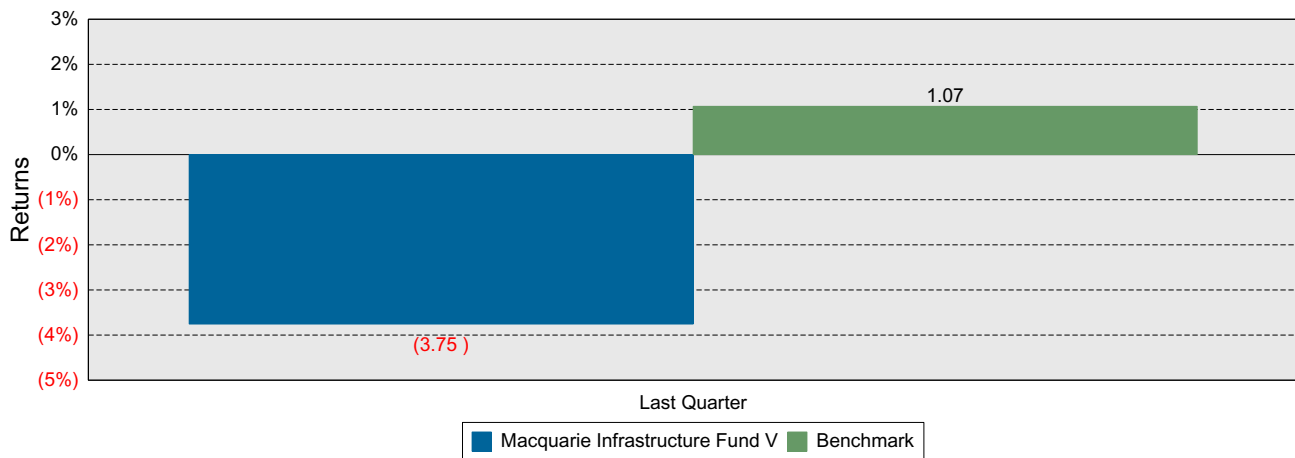
Macquarie’s principal investment philosophy is to invest in infrastructure assets that exhibit monopolistic and/or contractual revenue drivers, limited substitution risk and high barriers to entry. The manager has continued to focus on investments where the team’s sector expertise and operating experience will provide a competitive advantage in sourcing and due diligence. Furthermore, the manager will also continue to focus on opportunities where its active management capabilities can add value for investors in terms of enhancing returns and the substantial mitigation and/or elimination of material operational risks. **The Benchmark is comprised of 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.**

Quarterly Summary and Highlights

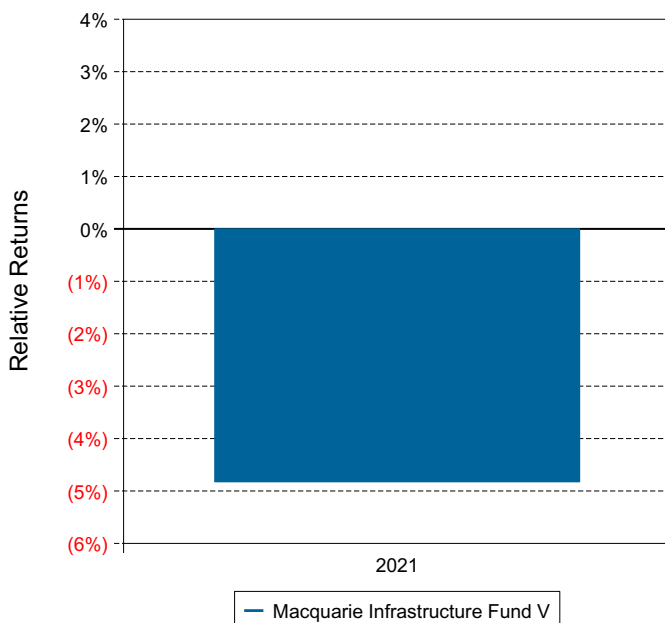
- Macquarie Infrastructure Fund V’s portfolio underperformed the Benchmark by 4.82% for the quarter.

Quarterly Asset Growth

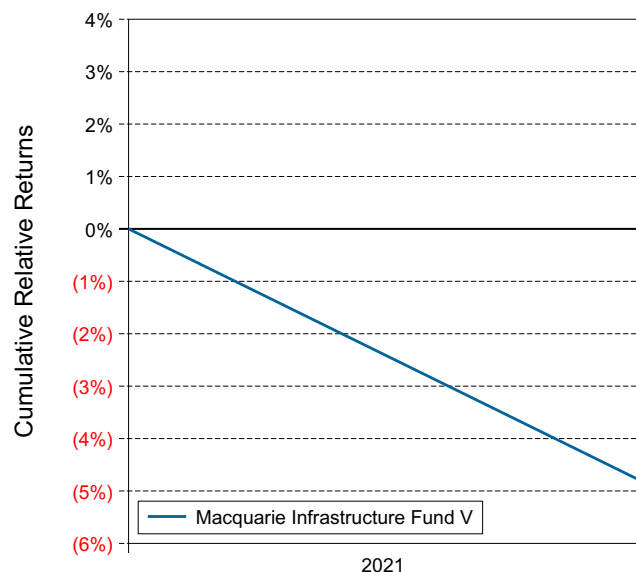
Beginning Market Value	\$7,057,941
Net New Investment	\$731,700
Investment Gains/(Losses)	\$-264,162
Ending Market Value	\$7,525,479



Relative Return vs Benchmark



Cumulative Returns vs Benchmark



Research and Education

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit www.callan.com/callan/research-library to see all of our publications, and www.callan.com/callan/blog to view our blog. For more information contact Barb Gerraty at 415-274-3093 / institute@callan.com.

New Research from Callan's Experts

[Callan's 2021-2030 Capital Markets Assumptions](#) | Callan develops capital markets assumptions to help clients with their long-term strategic planning. For the period 2021-2030, we made almost revolutionary changes to our projections. We also added several new asset classes, including private credit.

[2021 Defined Contribution Survey](#) | The world is changing dramatically, and our annual *DC Survey* is evolving to fit the shifting landscape. Callan's 14th Annual *DC Survey* now covers the SECURE and CARES Acts, the impacts of the COVID-19 pandemic, along with the key tenets of DC plan management, financial wellness, and HSAs.

[GameStopped—or Just Getting Started?](#) | In this quarter's *Hedge Fund Monitor*, Jim McKee explains what the GameStop saga means for institutional investors, and outlines what questions they should be asking their hedge fund managers.

[Coping with COVID-19: How Work Is Evolving for Investment Managers, 3rd Edition](#) | Following up on our September publication, Callan surveyed investment managers regarding how their firms were responding to the COVID-19 pandemic, focusing on office closures and re-openings, work-from-home approaches, business travel, and meetings. This edition also includes data on how firms are handling attendance to live events and changes to employee benefits packages specific to the COVID-19 pandemic.

Blog Highlights

[Captive Insurance Stepped in to Ease Pandemic's Blow. Now What?](#) | By accessing permissible capital invested in the captive investment portfolio, some captive insurers were able to support their parent organizations during COVID-19 by providing relief from business interruption losses. As dependence on captive

insurance increases, the demand for higher investment returns from the captive investment portfolio will also increase.

[How the Pandemic Affected Private Credit, and What's Next](#) | As interest rates on investment grade bonds have fallen to near-zero, private credit has attracted more interest from institutional investors.

[Why the Yield Curve Is Really Curving](#) | As prospects for growth have brightened on the back of increasing vaccinations, a gradual re-opening across the country, and continued fiscal stimulus, yields on longer maturity bonds have risen while short-term rates have been anchored by the Fed.

Quarterly Periodicals

[Private Equity Trends, 4Q20](#) | A high-level summary of private equity activity in the quarter through all the investment stages

[Active vs. Passive Charts, 4Q20](#) | A comparison of active managers alongside relevant benchmarks over the long term

[Market Pulse Flipbook, 4Q20](#) | A quarterly market reference guide covering trends in the U.S. economy, developments for institutional investors, and the latest data on the capital markets

[Capital Markets Review, 4Q20](#) | Analysis and a broad overview of the economy and public and private market activity each quarter across a wide range of asset classes

[Hedge Fund Quarterly, 4Q20](#) | Commentary on developments for hedge funds and multi-asset class (MAC) strategies

[Real Assets Reporter, 4Q20](#) | A summary of market activity for real assets and private real estate during the quarter

Events

Miss out on a Callan conference or workshop? Event summaries and speakers' presentations are available on our website: callan.com/callan/research-library

Please mark your calendar and look forward to upcoming invitations:

2021 National Conference

July 19-21, 2021, in Salt Lake City

For more information about events, please contact Barb Gerraty: 415-274-3093 / gerraty@callan.com

Education: By the Numbers

50+

Unique pieces of research the Institute generates each year

525

Attendees (on average) of the Institute's annual National Conference

3,700

Total attendees of the "Callan College" since 1994

Education

Founded in 1994, the "Callan College" offers educational sessions for industry professionals involved in the investment decision-making process.

Introduction to Investments—Virtual

August 17-19, 2021

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. It is held over three days with virtual modules of 2.5-3 hours. This course is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities. Tuition is \$950 per person and includes instruction and digital materials.

Additional information including registration can be found at: callan.com/callan/events/ccintro_august/

Introduction to Investments—In Person

October 6-7, 2021, in Chicago

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. It lasts one-and-a-half days and is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities. Tuition is \$2,350 per person and includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

Additional information including dates and registration can be found at: callan.com/callan/events/oct-intro-college-2/



"Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry."

Greg Allen, CEO and Chief Research Officer

List of Callan's Investment Manager Clients

Confidential – For Callan Client Use Only

Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry, and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor, and disclose potential conflicts on an ongoing basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database, or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please note that if an investment manager receives a product or service on a complimentary basis (e.g., attending an educational event), they are not included in the list below. Callan is committed to ensuring that we do not consider an investment manager's business relationship with Callan, or lack thereof, in performing evaluations for or making suggestions or recommendations to its other clients. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group, and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance department.

Manager Name
Aberdeen Standard Investments
Acadian Asset Management LLC
Adams Street Partners, LLC
AEGON USA Investment Management Inc.
AllianceBernstein
Allianz
American Century Investments
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Aristotle Capital Management, LLC
Atlanta Capital Management Co., LLC
Aviva Investors
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors
Barings LLC
Baron Capital Management, Inc.

Manager Name
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock
BMO Global Asset Management
BNP Paribas Asset Management
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
Brown Brothers Harriman & Company
Cambiar Investors, LLC
Capital Group
Carillon Tower Advisers
CastleArk Management, LLC
Causeway Capital Management LLC
Chartwell Investment Partners
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.
Columbia Threadneedle Investments North America

Manager Name

Credit Suisse Asset Management
Crescent Capital Group LP
D.E. Shaw Investment Management, LLC
DePrince, Race & Zollo, Inc.
Dimensional Fund Advisors LP
Doubleline
Duff & Phelps Investment Management Co.
DWS
EARNEST Partners, LLC
Eaton Vance Management
Epoch Investment Partners, Inc.
Fayez Sarofim & Company
Federated Hermes, Inc.
Fidelity Institutional Asset Management
Fiera Capital Corporation
First Hawaiian Bank Wealth Management Division
First Sentier Investors (formerly First State Investments)
Fisher Investments
Franklin Templeton
GAM (USA) Inc.
GCM Grosvenor
GlobeFlex Capital, L.P.
GoldenTree Asset Management, LP
Goldman Sachs
Guggenheim Investments
GW&K Investment Management
Harbor Capital Group Trust
Heitman LLC
Hotchkis & Wiley Capital Management, LLC
Income Research + Management, Inc.
Insight Investment
Intech Investment Management, LLC
Intercontinental Real Estate Corporation
Invesco
Ivy Investments
J.P. Morgan
Janus
Jennison Associates LLC
Jobs Peak Advisors
J O Hambro Capital Management Limited

Manager Name

KeyCorp
Lazard Asset Management
LGIM America (formerly Legal & General Inv Mgmt America)
Lincoln National Corporation
Longview Partners
Loomis, Sayles & Company, L.P.
Lord Abbett & Company
LSV Asset Management
MacKay Shields LLC
Manning & Napier Advisors, LLC
Manulife Investment Management
McKinley Capital Management, LLC
Mellon
MetLife Investment Management
MFS Investment Management
MidFirst Bank
Mondrian Investment Partners Limited
Montag & Caldwell, LLC
Morgan Stanley Investment Management
MUFG Union Bank, N.A.
Natixis Investment Managers
Neuberger Berman
Newton Investment Management
Ninety One North America, Inc. (formerly Investec Asset Mgmt.)
Northern Trust Asset Management
Nuveen
P/E Investments
Pacific Investment Management Company
Parametric Portfolio Associates LLC
Partners Group (USA) Inc.
Pathway Capital Management
Peregrine Capital Management, LLC
PFM Asset Management LLC
PGIM Fixed Income
PineBridge Investments
Polen Capital Management, LLC
Principal Global Investors
Putnam Investments, LLC
QMA LLC
RBC Global Asset Management

Manager Name

Regions Financial Corporation

Richard Bernstein Advisors LLC

Robeco Institutional Asset Management, US Inc.

Rothschild & Co. Asset Management US

S&P Dow Jones Indices

Schroder Investment Management North America Inc.

SLC Management

Smith Graham & Co. Investment Advisors, L.P.

State Street Global Advisors

Stone Harbor Investment Partners L.P.

Strategic Global Advisors

T. Rowe Price Associates, Inc.

The TCW Group, Inc.

Thompson, Siegel & Walmsley LLC

Thornburg Investment Management, Inc.

Manager Name

Tri-Star Trust Bank

VanEck

Versus Capital Group

Victory Capital Management Inc.

Virtus Investment Partners, Inc.

Vontobel Asset Management, Inc.

Voya

WCM Investment Management

WEDGE Capital Management

Wellington Management Company LLP

Wells Fargo Asset Management

Western Asset Management Company LLC

Westfield Capital Management Company, LP

William Blair & Company LLC

March 31, 2021



North Dakota State Investment Board Insurance Trust

**Investment Measurement Service
Quarterly Review**

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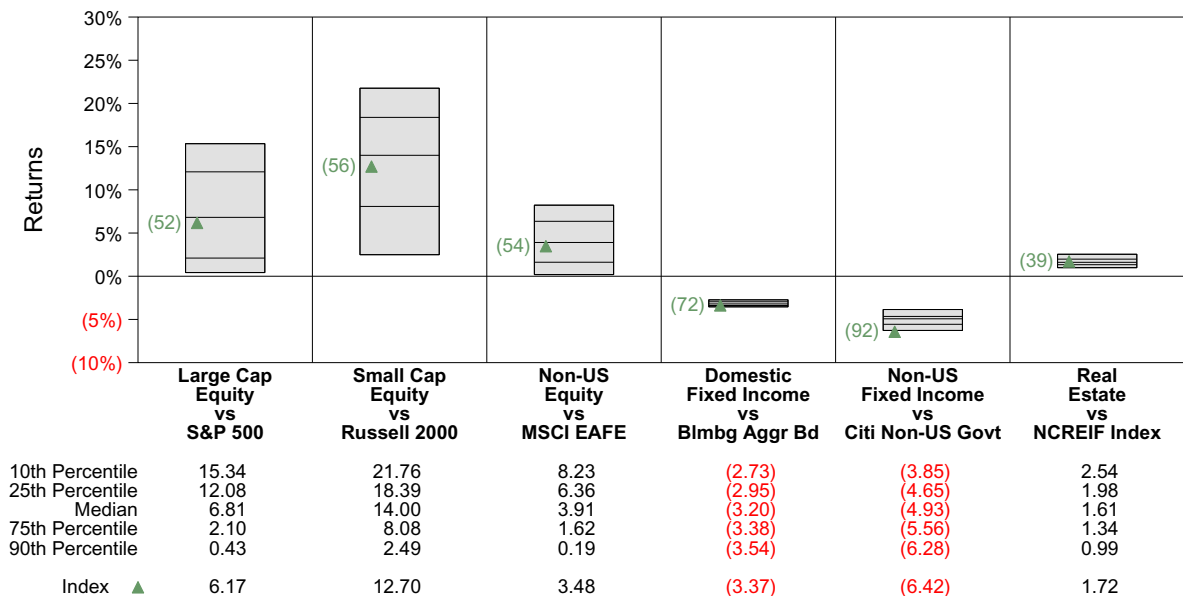
Market Overview

Active Management vs Index Returns

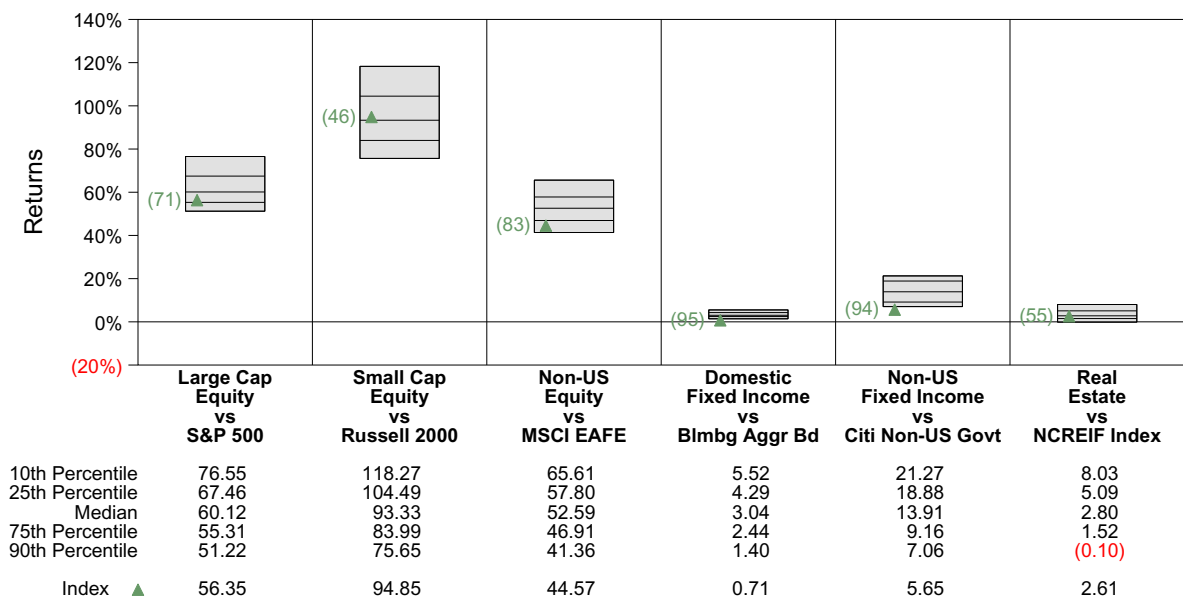
Market Overview

The charts below illustrate the range of returns across managers in Callan's Separate Account database over the most recent one quarter and one year time periods. The database is broken down by asset class to illustrate the difference in returns across those asset classes. An appropriate index is also shown for each asset class for comparison purposes. As an example, the first bar in the upper chart illustrates the range of returns for domestic equity managers over the last quarter. The triangle represents the S&P 500 return. The number next to the triangle represents the ranking of the S&P 500 in the Large Cap Equity manager database.

Range of Separate Account Manager Returns by Asset Class One Quarter Ended March 31, 2021



Range of Separate Account Manager Returns by Asset Class One Year Ended March 31, 2021



The U.S. Economy: Open for Business

ECONOMY

2 U.S. GDP notched a solid 6.4% gain in 1Q21, and the U.S. economy may be on track for a truly eye-opening expansion. Initial projections are pointing to growth rates of 9% or even higher for 2Q. At that rate, GDP is now likely to return to its pre-pandemic peak by midyear.

Sharp Gains After Steep Plunge in 1Q20

INSTITUTIONAL INVESTORS

4 All institutional investor types saw robust gains for the four quarters ending 1Q21. And all but corporate DB plans exceeded a 60% stocks/40% bonds benchmark. Investors are elated following an incredible year, but that is tempered by sobering expectations for the capital markets.

Another Rebound Around the World

EQUITY

6 The S&P 500 Index hit record highs in 1Q21, and since the prior peak (February 2020) it is up over 19.6%. Global markets responded positively to the rollout of the COVID-19 vaccine; small cap outperformed large on continued economic optimism.

Broad Market Quarterly Returns

U.S. Equity
Russell 3000



Global ex-U.S. Equity
MSCI ACWI ex USA



U.S. Fixed Income
Bloomberg Barclays Agg



Global ex-U.S. Fixed Income
Bloomberg Barclays Gbl ex US



Sources: Bloomberg Barclays, FTSE Russell, MSCI

U.S., Global Bonds Fall as Rates Head Up

FIXED INCOME

8 The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20. The Bloomberg Barclays US Aggregate Bond Index fell 3.4%. Global fixed income dropped as developed market rates rose and the U.S. dollar strengthened.

Signs of Stability Amid Virus Challenges

REAL ESTATE/REAL ASSETS

10 The Hotel and Retail sectors face continued headwinds. The outlook for the Office sector is uncertain while Industrial remains the best performer. Net operating income for private real estate declined. Global REITs and U.S. REITs outpaced equities in the quarter.

Market Is Riding a Wave of Momentum

PRIVATE EQUITY

11 The strong start to 1Q21 was fueled by stimulus, optimism, and positive investor sentiment. Preliminary numbers show that fundraising and exits (particularly IPOs) were generally up, but new investments declined slightly from the prior quarter.

Continued Interest as Yields Remain Low

PRIVATE CREDIT

12 Private credit remains attractive in a low-yield environment. Spreads for high yield and leveraged loans have snapped back. Fundraising slowed down in 2020 due to the pandemic; senior debt and mezzanine capital represented the bulk of the capital that was raised.

Damn the Margin Calls, Full Risk Ahead

HEDGE FUNDS/MACs

13 The Credit Suisse Hedge Fund Index gained 2.9% in 1Q21. The median fund in the Callan Hedge Fund-of-Funds Database earned 2.1%; over the last year, the median rebounded 27.1%. The average Callan Institutional Hedge Fund manager earned 4.1%, net of fees.

Third Straight Quarterly Gain

DEFINED CONTRIBUTION

15 The Callan DC Index™ gained 11.2% in 4Q20, slightly below the increase of the Age 45 Target Date Fund (+13.4%) but the third straight quarter of gains for both. Investors expressed an appetite for relatively safer asset classes, based on net flows in plans.

Now Open for Business

ECONOMY | Jay Kloepfer

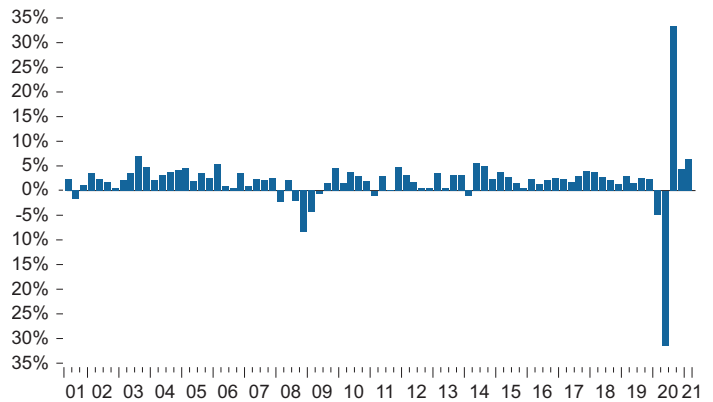
U.S. GDP notched a solid 6.4% gain in 1Q21. The U.S. economy may be on track for a truly eye-opening expansion, with initial projections from high-frequency GDP trackers such as GDPNow pointing to growth rates of 9% or even higher for 2Q. At that rate, GDP is likely to return to its pre-pandemic peak by midyear. For context, after the Global Financial Crisis (2008-09), it took 3½ years before real GDP reclaimed its pre-recession highs. At the start of the pandemic, the level of real GDP dropped more than 10% from March to June 2020. But the recovery in the second half of the year meant annual GDP growth measured -3.5% compared to 2019, although that is still the worst annual loss in 75 years. The steep decline and the rapid recovery surrounding the pandemic have been unprecedented.

The robust 1Q21 result reflects the grand reopening enabled by the expansion of vaccinations against COVID-19 and improvements in containing the spread of the virus in the United States. After a faltering start to the vaccination roll-out, supplies and distribution methods began catching up to demand as the quarter came to a close. Expectations that a majority of American adults will be vaccinated by the end of June have fueled sustained optimism by consumers and a move toward a full economic reopening by all businesses, particularly those most affected by the pandemic: travel, hospitality, passenger transportation. As the country moves toward the reopening of places of work and the retreat from work-from-home orders, expect a surge in demand for business and personal services as well. This reopening will not be without hitches, as supply chains have been seriously impacted around the globe, and the mismatch of the supply of labor and demand to fill jobs may take the rest of the year (or longer) to be sorted out.

Around the globe, the move toward reopening has been far less even and sustained, as the rollout and availability of the vaccine has been much less robust than in the U.S. Spikes in COVID infection rates in India, Brazil, Canada, and many European countries constrain both business and consumer confidence, and health care systems are under even greater stress in India

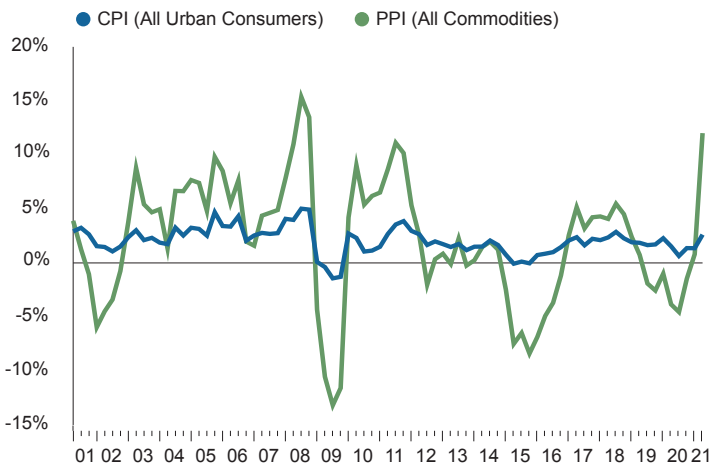
Quarterly Real GDP Growth

(20 Years)



Source: Bureau of Economic Analysis

Inflation Year-Over-Year



Source: Bureau of Labor Statistics

and Brazil than at any time since the start of the global pandemic. The lagging distribution of vaccines to many countries may hinder their reopening and recovery well into 2022, as well as travel into and out of these regions.

The biggest hole to fill in the U.S. economy is in the job market. We lost over 22 million jobs in March and April last year, and recovered just 13 million by the end of the year. After a weak January, however, key metrics of the U.S. job market have perked up substantially. Monthly job creation climbed to 558,000

in February and 780,000 in March, for a total of 1.5 million new jobs in the first quarter. The unemployment rate fell to 6.0% in March and is expected to continue moving down toward 5%, while the number of initial unemployment claims, which has remained stubbornly high at more than triple the “normal” rate of 200,000 per week, fell below 600,000 at the start of April, as the pace of job formation has picked up.

Massive fiscal stimulus is clearly the major contributor to rapid growth in 2021, fueling consumer optimism alongside the vaccine and the reopening of state and local economies. The U.S. Treasury reported that \$339 billion in stimulus payments were distributed in March, which boosted personal income by a stunning 21%. Personal consumption expenditures drove GDP growth, rising by 10.7% in the quarter, along with surges in investment in housing, equipment, and intellectual property. Pent-up demand and stimulus payments spurred spending on durable goods (motor vehicles), nondurable goods (led by food and beverages), and services (led by food services and accommodations). In addition to the stimulus, federal government spending jumped to cover administration of the Paycheck Protection Program as well as purchases of the vaccines for distribution to the public.

Amid the general optimism in the U.S., one concern has emerged: inflation. As the hitches in supply and demand for goods, services, and labor are worked out, CPI rose 2.6% and the producer price index jumped 12% in the quarter. However, investors should be cautious when interpreting annual comparisons to temporarily depressed prices at the start of the pandemic. For instance, both of these price indices reflect a sharp recovery in energy prices, which fell through the floor last year.

The Long-Term View

Index	1Q21	Periods Ended 3/31/21			
		1Yr	5Yrs	10Yrs	25Yrs
U.S. Equity					
Russell 3000	6.3	62.5	16.6	13.8	9.7
S&P 500	6.2	56.4	16.3	13.9	9.6
Russell 2000	12.7	94.8	16.4	11.7	9.4
Global ex-U.S. Equity					
MSCI EAFE	3.5	44.6	8.8	5.5	5.0
MSCI ACWI ex USA	3.5	49.4	9.8	4.9	--
MSCI Emerging Markets	2.3	58.4	12.1	3.7	--
MSCI ACWI ex USA Small Cap	5.5	69.8	10.4	6.3	6.5
Fixed Income					
Bloomberg Barclays Agg	-3.4	0.7	3.1	3.4	5.1
90-Day T-Bill	0.0	0.1	1.2	0.6	2.2
Bloomberg Barclays Long G/C	-10.4	-2.1	5.5	7	7.2
Bloomberg Barclays GI Agg ex US	-5.3	7.2	2.1	1.3	3.8
Real Estate					
NCREIF Property	1.7	2.6	5.8	8.8	9.1
FTSE Nareit Equity	8.9	37.8	5.3	8.6	9.9
Alternatives					
CS Hedge Fund	2.9	20.2	5.1	3.9	7.2
Cambridge PE*	10.5	18.1	13.9	13.9	14.1
Bloomberg Commodity	6.9	35	2.3	-6.3	1.0
Gold Spot Price	-9.5	7.5	6.8	1.8	6.0
Inflation – CPI-U	1.7	2.6	2.2	1.7	2.1

*Data for most recent period lags by a quarter. Data as of 9/30/20.

Sources: Bloomberg, Bloomberg Barclays, Bureau of Economic Analysis, Credit Suisse, FTSE Russell, MSCI, NCREIF, Refinitiv/Cambridge, S&P Dow Jones Indices

Recent Quarterly Economic Indicators

	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Employment Cost–Total Compensation Growth	2.6%	2.5%	2.4%	2.7%	2.8%	2.7%	2.8%	2.7%
Nonfarm Business–Productivity Growth	5.4%	-3.8%	4.2%	11.2%	-0.8%	1.6%	0.3%	2.0%
GDP Growth	6.4%	4.3%	33.4%	-31.4%	-5.0%	2.4%	2.6%	1.5%
Manufacturing Capacity Utilization	73.4%	73.1%	70.9%	63.2%	73.9%	75.0%	75.4%	75.5%
Consumer Sentiment Index (1966=100)	80.2	79.8	75.6	74.0	96.4	97.2	93.8	98.4

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve, IHS Economics, Reuters/University of Michigan

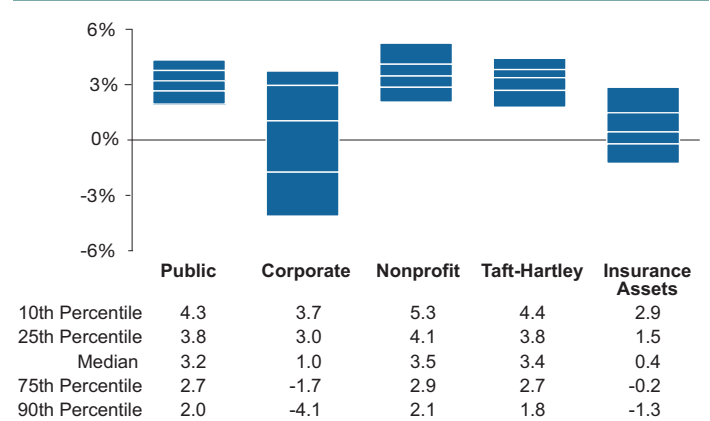
Returns Up Sharply Over One Year, and Most Types Top Benchmark

INSTITUTIONAL INVESTORS

Performance

- Most institutional investor types saw robust gains for the four quarters ending 1Q21.
- All but corporate DB plans and insurance assets comfortably exceeded a 60% stocks/40% bonds benchmark.
- Nonprofits saw the highest increases for the trailing one year, and the gains were strong enough to boost their returns over the trailing three and five years and make them the top performers.
- Over the trailing 20 years, public DB plans have performed the best but most investor types saw returns on par with the 60%/40% benchmark.
- Institutional investors are evaluating the path forward in terms of strategic allocations and portfolio re-assessment. Following an exceptionally strong year for stocks, plan sponsors are re-evaluating how to generate returns in a low-yield environment with lowered capital markets assumptions.
- Inflation is becoming a concern, with questions about whether to adjust portfolios to address it, and whether it is a short-term issue or longer-term problem.
- There is renewed worry about the likelihood of another market drawdown, given the incredible market recovery since last March and the heady valuations relative to historical averages.

Quarterly Returns, Callan Database Groups



Source: Callan

- Investors are having sharper-edged conversations about what to do regarding:
 - Fixed income exposure, and what can serve as an equity diversifier equal to bonds with the return of zero interest rates
 - De-risking and the new yield environment
- Investors have demonstrated discipline in rebalancing between growth and value managers, and U.S. and global ex-U.S. equity.

Callan Database Median and Index Returns* for Periods Ended 3/31/21

Database Group	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years
Public Database	3.2	32.3	9.4	10.0	8.2	6.9
Corporate Database	1.0	27.9	9.7	9.8	8.1	7.0
Nonprofit Database	3.5	37.0	9.8	10.3	8.0	7.0
Taft-Hartley Database	3.4	33.0	9.6	10.1	8.5	6.8
Insurance Assets Database	0.4	15.8	6.4	5.7	5.2	5.4
All Institutional Investors	3.1	33.2	9.6	10.1	8.2	7.0
Large (>\$1 billion)	3.2	31.1	9.8	10.1	8.5	7.1
Medium (\$100mm - \$1bn)	3.0	33.1	9.7	10.1	8.2	6.9
Small (<\$100 million)	3.2	34.8	9.5	9.9	8.0	6.8

*Returns less than one year are not annualized.

Source: Callan. Callan's database includes the following groups: public defined benefit (DB) plans, corporate DB plans, nonprofits, insurance assets, and Taft-Hartley plans. Approximately 10% to 15% of the database constituents are Callan's clients. All database group returns presented gross of fees. Past performance is no guarantee of future results. Reference to or inclusion in this report of any product, service, or entity should not be construed as a recommendation, approval, affiliation, or endorsement of such product, service, or entity by Callan.

- Fixed income structures focus on its role—to diversify equity, to serve as a flight to quality and as a source of liquidity, and to provide interest rate exposure—balanced against the desire for return in a very low-yield environment.
 - Creative reconstruction of “core” fixed income away from lower-returning segments of the Aggregate, using private credit, securitized debt, high yield bonds, bank loans, private placements, global fixed income, and TIPS
- Real assets see renewed interest with growing concern for inflation.
 - Investors are questioning the continued inclusion of past real assets stalwarts: natural resources, energy, MLPs, and commodities.
 - They are focused on what truly diversifies the growth and risk-mitigating assets.

Defined Benefit Plans

- Funded status is a top concern for public and corporate DB plans.
- For public DB plans, liquidity needs and drawdown risks are another concern.
- Lower capital markets assumptions challenge expectations for funding and solvency.
- The plunge in rates did not derail the commitment to de-risking, but glidepaths are being reset for those farther from

full funding. Duration paid off, but moves to STRIPS for extra duration are now in question. Funded status for corporate DB plans farther down their LDI glidepaths did just fine in 2020.

- There has been an increase in global equity focus for corporate plans.

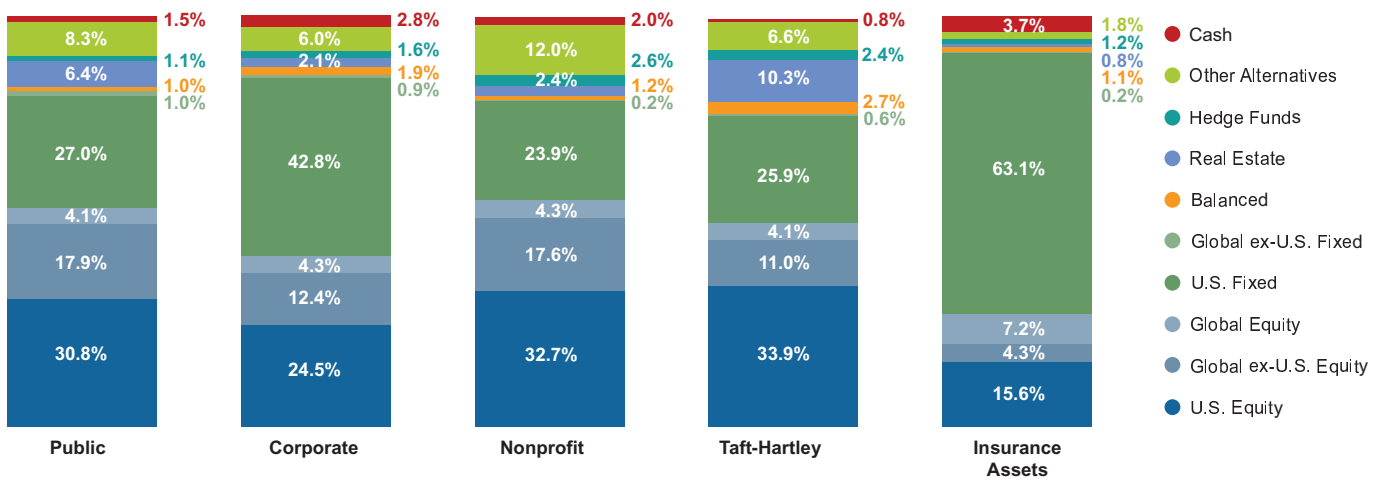
Defined Contribution Plans

- Fees remain the top issue for DC plan sponsors, although there is a renewed focus on investment structures.
- Glidepaths are being reassessed in light of lower short-term capital markets assumptions. The long-term equilibrium did not change, but it is coming from a lower starting point. The impact on replacement ratios is small, and there are modest changes if any.
- Recordkeeper consolidation activity picked up in 4Q20. This will likely point to an increase in recordkeeper searches in the near term.

Nonprofits

- The focus is on meeting return targets.
- Subdued expectations for capital markets returns are a challenge for the sustainability of established spending rates.
- Nonprofits increased ESG activity, with a number starting to ask due diligence questions of investment managers.

Average Asset Allocation, Callan Database Groups



Note: charts may not sum to 100% due to rounding
Source: Callan

Equity

U.S. Equities

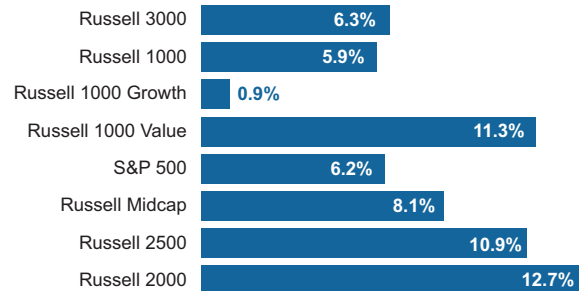
Markets continue setting all-time highs

- The S&P 500 Index hit record highs in 1Q21, gaining 6.2%.
- Since the prior peak (February 2020) the S&P is up over 19.6%, with only Energy (-4.7%) and Utilities (-4.9%) declining from peak-to-peak.
- Since the March 2020 market low, the S&P is up over 80.7%, with all sectors posting gains over 40%; Energy +116.2%
- 1Q21 top sectors were Energy and Financials, while Industrials and Consumer Staples underperformed.
- “Re-opening” industries (airlines, retail REITs, hospitality) outperformed while “work from home” industries (online retail, home improvement) lagged.

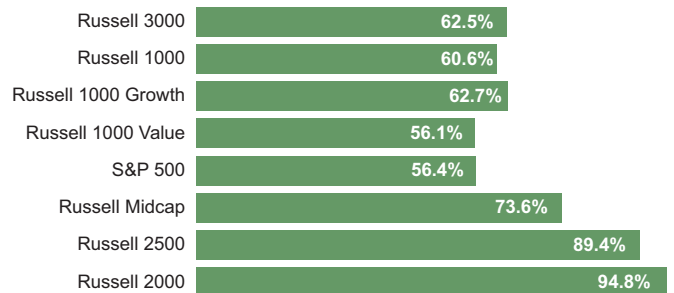
Value and small cap trends continue through 1Q21

- Value outperformed growth across the market cap spectrum.
- Small caps outperformed large.
- Small value was the top-performing asset class for the quarter (+21.2%) and from the March 2020 low (+127.7%).
- Russell 2000 gained 12.7%, extending the rally from 4Q20 when the index experienced its best quarterly return on record (+31.4%).
- Small cap stocks surged on stronger GDP and economic recovery forecasts due to higher exposure to cyclical sectors relative to large cap indices.
- Industrials, Financials, and Real Estate sectors benefit most from expectations of GDP expansion.
- Small cap stocks have historically outperformed in recoveries following market crashes.

U.S. Equity: Quarterly Returns



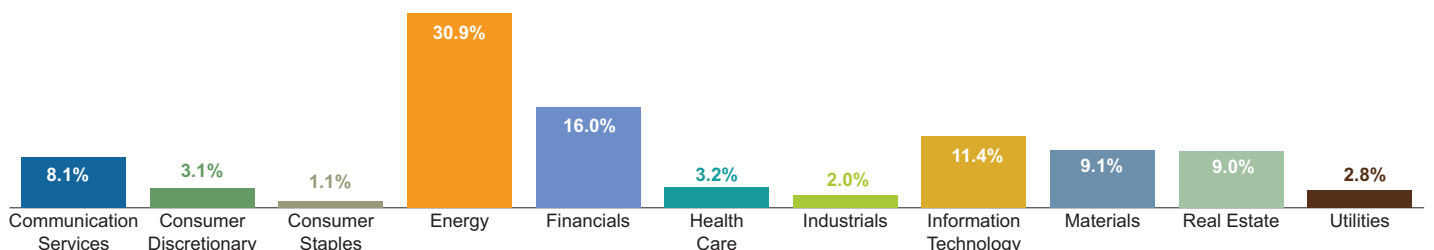
U.S. Equity: One-Year Returns



Sources: FTSE Russell and S&P Dow Jones Indices

- Cyclical sectors and industries (Energy, Financials, Industrials, Materials) continued to outperform their growth counterparts as GDP forecasts improved, stimulus was enacted, and vaccinations progressed.
- November 2020 vaccine data news was a catalyst for the market rotation into value/cyclicals.

Quarterly Performance of Industry Sectors



Source: S&P Dow Jones Indices

Global Equity

Nearly 100 million people fully vaccinated worldwide

- Markets responded positively to the global rollout of the COVID-19 vaccine.
- Most risk assets continued to outperform as global businesses reopen.
- Small cap outperformed large over the quarter on continued economic optimism.
- Emerging markets trailed developed markets; COVID-19 outbreaks and vaccination challenges hindered EM results.

Market continues to favor cyclicals

- Market recovery and rising interest rates buoyed cyclicals; Energy, Financials, and Industrials drove the gains.
- Factor performance showed a preference for beta and volatility, similar to 4Q20.

U.S. dollar vs. other currencies

- The U.S. stimulus package announcement, combined with yields rising on economic confidence, fueled the U.S. dollar.

Growth vs. value

- Value outpaced growth for the second consecutive quarter.
- Vaccination rollout has stoked style rotation.
- Value outperformed growth by 17.0% and 10.5% in developed and emerging markets over the past two quarters, respectively.
- The rotation to value in 4Q20 was sharp and narrow.
- Cheap, low-quality factors were rewarded, favoring fundamental deep value managers.
- Quantitative value managers struggled as market rotation yielded a severe momentum reversal.

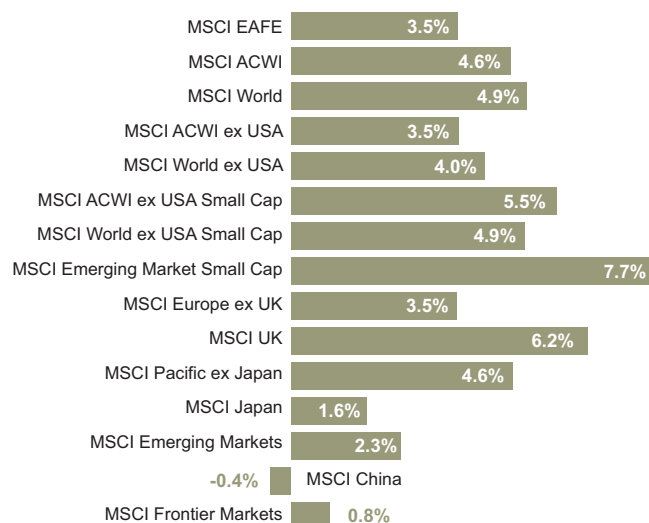
Factor payoffs may hinge on macroeconomy

- Over the past 20 years, small cap and value thrived in recoveries, momentum in expansions, low volatility in slowdowns, and low volatility and quality in contractions.
- As the market continues its recovery and transitions to expansion, value run may persist.
- Furthermore, relative value and quantitative managers are expected to participate as the value rally broadens out.

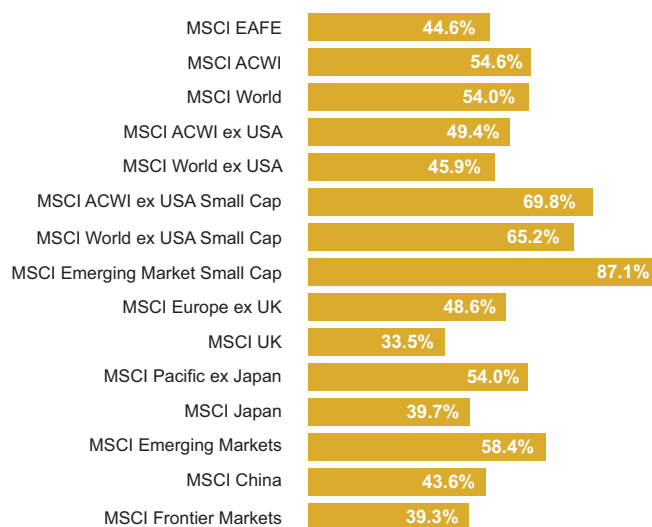
COVID-19 resurgence may delay EM recovery

- Although daily COVID-19 fatalities for developed markets have declined dramatically by 70% from the peak in January, they are notably increasing in emerging markets.
- China, South Korea, and Taiwan have by and large contained the pandemic, while pockets of developing economies are challenged with rising infections.

Global ex-U.S. Equity: Quarterly Returns (U.S. Dollar)



Global ex-U.S. Equity: One-Year Returns (U.S. Dollar)



Source: MSCI

Fixed Income

U.S. Fixed Income

U.S. Treasury yield curve steepens

- The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20.
- The short-end of the curve remained anchored, with no rate hikes expected until at least 2023, steepening the yield curve.
- TIPS outperformed nominal U.S. Treasuries as 10-year breakeven spreads widened from 1.99% to 2.37%.

Bloomberg Barclays Aggregate falls

- The Bloomberg Barclays US Aggregate Bond Index dropped 3.4%, with spread sectors outperforming treasuries.
- Demand for corporate credit remains strong, and spreads did not change meaningfully over the quarter

High yield bonds gain as rally extends

- High yield bonds outperformed investment grade in 1Q, gaining 0.8% amid a wave of new issuance.
- Leveraged loans rose 2.0% during the quarter, driven by favorable supply/demand dynamics, floating rate coupons, and relatively short durations.

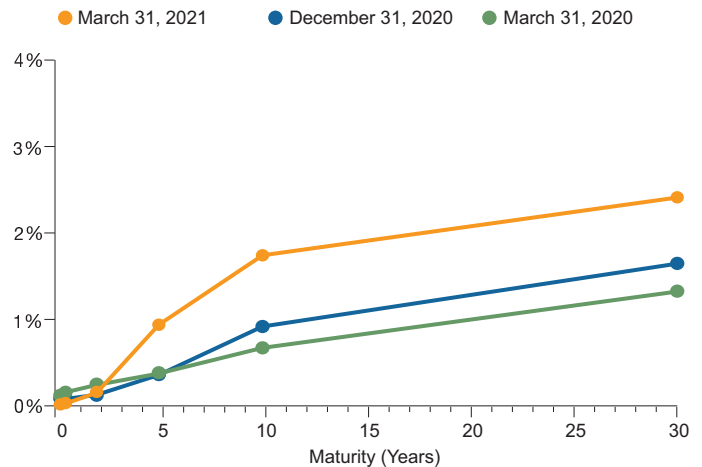
Stimulus boosts munis

- Municipals outperformed treasuries for the quarter, as municipal yields rose less than treasury yields.
- The municipal market was supported by the American Rescue Act.

Fixed income outlook

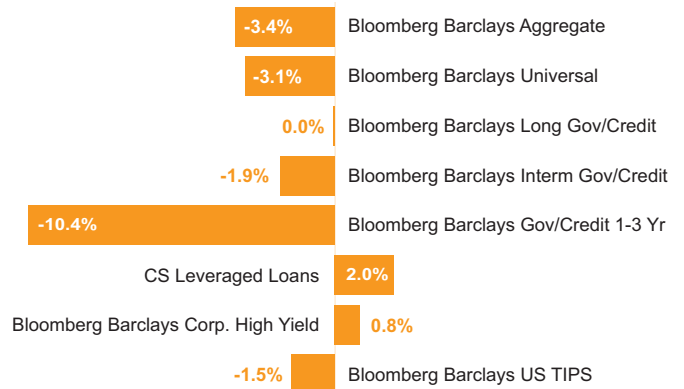
- High demand, low and negative interest rates globally, and improving growth should continue to support spread product.
- The Federal Reserve continues to support U.S. fixed income markets.
- Private credit remains a compelling, actionable opportunity.
- Bond pickers stay constructive on select COVID-sensitive sectors.

U.S. Treasury Yield Curves



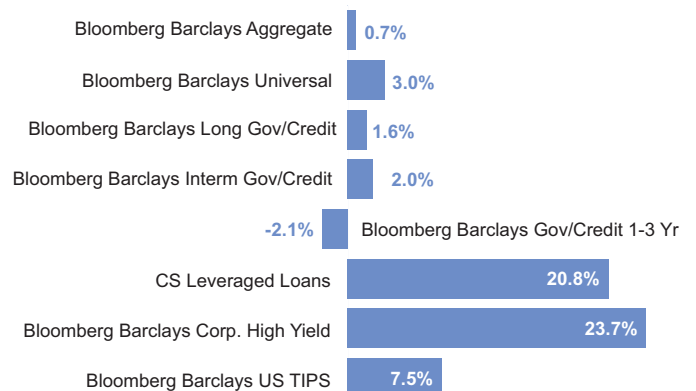
Source: Bloomberg

U.S. Fixed Income: Quarterly Returns



Sources: Bloomberg Barclays and Credit Suisse

U.S. Fixed Income: One-Year Returns



Sources: Bloomberg Barclays and Credit Suisse

Growth and inflation expectations

- In 1Q21, the Treasury curve steepened 78 bps as the market anticipated stronger economic growth after another round of fiscal stimulus.
- The 10-year breakeven inflation rate rose 38 bps, reaching levels last seen in 2014 and 60 bps above pre-pandemic levels, implying the market expects the economy to heat-up.

Market expectations diverge from Fed guidance

- The Fed dot plot continues to indicate the central bank should keep its policy rate low until 2023.
- Inflation (PCE) is estimated to tick up in 2021, but the policy shift to average inflation targeting in 2020 allows for inflation to rise above the 2% target during economic expansions, letting the Fed keep rates lower for longer.

Bond market response

- The common sentiment among managers is a near-term inflation increase. However, the front-end should remain anchored as unemployment and savings rates remain elevated, bank lending activity is muted, and secular forces persist.
- Recent and additional curve steepening provides opportunities along the curve and better roll down.

Global Fixed Income

Global fixed income posts negative returns

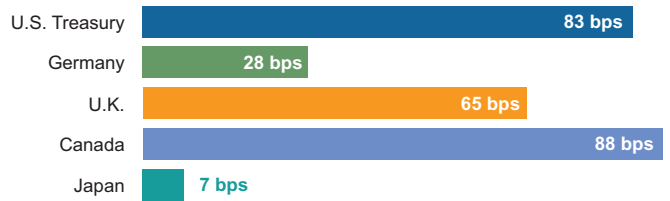
- Global fixed income fell as developed market rates rose and the U.S. dollar strengthened.
- The U.S. dollar gained nearly 4% versus a basket of currencies, 6.6% versus the yen, and nearly 4% versus the euro.

Emerging market debt sells off

- Emerging market debt indices fell in 1Q21, with EM corporates faring better than hard and local currency sovereigns amid improving corporate fundamentals.
- U.S. dollar-denominated index (EMBI Global Diversified) fell 4.5% as rising U.S. rates spilled into emerging markets; returns were largely negative across the 70+ constituents.
- Local currency index (GBI-EM Global Diversified) fared worse than hard currency, as real yields rose higher than in the U.S.

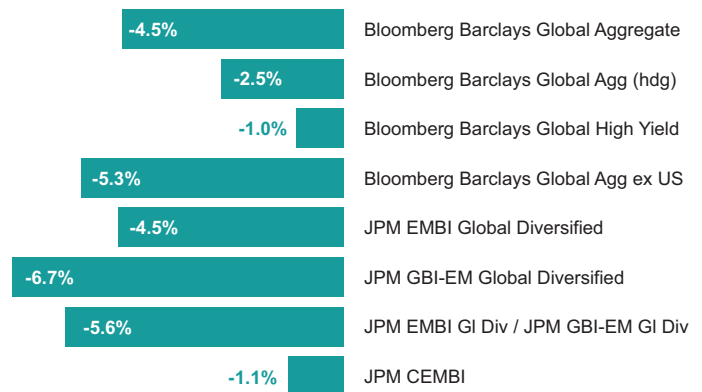
Change in 10-Year Global Government Bond Yields

4Q20 to 1Q21



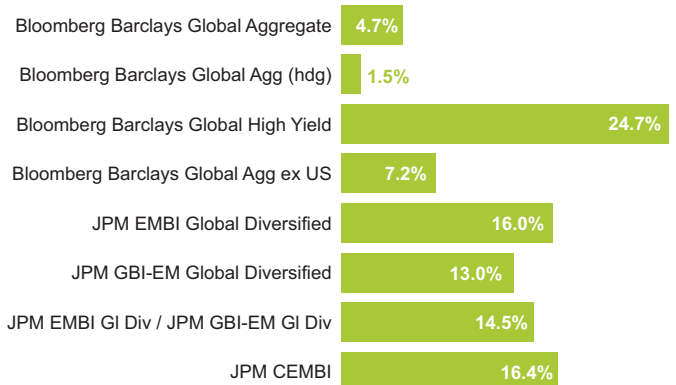
Source: Bloomberg Barclays

Global Fixed Income: Quarterly Returns



Sources: Bloomberg Barclays and JPMorgan Chase

Global Fixed Income: One-Year Returns



Sources: Bloomberg Barclays and JPMorgan Chase

Signs of Stability Amid Continued Virus Challenges

REAL ESTATE/REAL ASSETS | Munir Iman

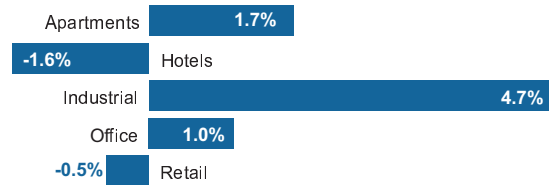
Pandemic affects all sectors

- Hotel and Retail are the most challenged sectors of private real estate, while Office faces uncertainty; Industrial remains the best performer.
- Income remains positive except for the Hotel sector.
- Vacancy rates for all property types are or will be impacted.

NOI declines as Retail suffers

- Net operating income (NOI) declined as Retail continues to suffer.
- 1Q21 rent collections showed relatively stable income throughout the quarter in the Industrial, Apartment, and Office sectors. But the pandemic's impact on regional malls has hindered Retail.
- Class A/B urban apartments were relatively strong, followed by Industrial and Office.
- Transaction volume has dropped off during the quarter with the exception of multifamily and industrial assets with strong-credit tenants, which are trading at pre-COVID-19 levels.
- Cap rates remained steady during the quarter. The spread between cap rates and 10-year Treasuries is relatively high, leading some market participants to speculate that cap rates will not adjust much. Price discovery is happening and there are limited transactions.

Sector Quarterly Returns by Property Type and Region



Source: NCREIF

Global REITs outpace equities

- Global REITs outperformed in 1Q21, gaining 5.8% compared to 4.9% for global equities (MSCI World).
- U.S. REITs rose 8.9% in 1Q21, beating the S&P 500 Index, which gained 6.2%.
- Globally, REITs are trading above NAV with the exception of those in Hong Kong, the United Kingdom, and continental Europe.
- Property sectors are mixed, between trading at a discount or premium.
- Ongoing volatility in REIT share prices offers opportunities to purchase mispriced securities, individual assets from REIT owners, and discounted debt, as well as to lend to companies and/or execute take-privates of public companies.

Callan Database Median and Index Returns* for Periods Ended 3/31/21

Private Real Assets	Quarter	Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years
Real Estate ODCE Style	1.6	1.6	2.1	4.8	5.7	8.8	5.3
NFI-ODCE (value wt net)	1.9	1.9	1.5	4.0	5.3	8.7	5.3
NCREIF Property	1.7	1.7	2.6	4.9	5.8	8.8	7.0
NCREIF Farmland	0.6	0.6	2.4	3.7	4.8	9.9	11.0
NCREIF Timberland	0.8	0.8	1.5	1.7	2.5	4.5	5.3
Public Real Estate							
Global Real Estate Style	5.6	5.6	34.7	8.0	6.2	7.8	5.4
FTSE EPRA Nareit Developed	5.8	5.8	34.6	5.1	3.9	5.7	--
Global ex-U.S. Real Estate Style	2.3	2.3	33.6	7.5	6.4	7.4	5.1
FTSE EPRA Nareit Dev ex US	2.0	2.0	31.0	2.6	4.4	4.7	--
U.S. REIT Style	8.3	8.3	36.0	11.2	6.8	9.5	7.0
EPRA Nareit Equity REITs	8.9	8.9	37.8	9.5	5.3	8.6	6.1

*Returns less than one year are not annualized.
Sources: Callan, FTSE Russell, NCREIF

Roller-Coaster Ride Ends on a High Note

PRIVATE EQUITY | Gary Robertson

Ebullience in the capital markets is facilitating strong liquidity for private equity, with investors reaping robust distributions and returns. The key negative is that new investment prices have risen into uncharted territory, particularly for the “COVID-19 resistant” Technology sector. If opening up the economy proceeds without major setbacks, we expect 2021 may set new records in volumes and private equity industry growth.

Fundraising ► Based on preliminary data, 1Q21 private equity partnerships holding final closes totaled \$212 billion, up 6% from 4Q20. New partnerships formed dropped 17% to 385 as the trend toward more capital concentrated in larger funds continued. Callan expects fundraising to remain vigorous as 2021 advances. (Unless otherwise noted, all data come from PitchBook.)

Buyouts ► Funds closed 2,472 investments with \$85 billion in disclosed deal value, a 15% decline in count and a 44% drop in dollar value from 4Q. The largest investment was the \$4.3 billion carve-out of BlueTriton Brands, Nestle’s bottled water division, by One Rock and Metropoulos & Co. The lack of any notably large investments explains the quarter’s announced value decline.

VC Investments ► New investments in venture capital companies totaled 8,608 rounds of financing, up 19%, with \$135

Funds Closed 1/1/21 to 3/31/21

Strategy	No. of Funds	Amt (\$mm)	Share
Venture Capital	211	46,734	22%
Growth Equity	31	14,062	7%
Buyouts	109	111,612	53%
Mezzanine Debt	4	602	0%
Distressed	4	8,282	4%
Energy	0	0	0%
Secondary and Other	20	27,922	13%
Fund-of-Funds	6	2,312	1%
Totals	385	211,526	100%

Source: PitchBook (Figures may not total due to rounding.)

billion of announced value, up 41%. The largest investment was a \$3.4 billion 10th round in online brokerage Robinhood by a syndicate of 13 investors including Sequoia, NEA, and Andreessen Horowitz.

Exits ► There were 453 private M&A exits of private equity-backed companies, a drop of 7%. Disclosed values declined 13% to \$102 billion. There were 82 private equity-backed IPOs, up 32%, which raised an aggregate \$26 billion, up 8%.

Venture-backed M&A exits totaled 434 with disclosed value of \$18 billion. The number of sales declined 8% from 4Q, and announced value fell 61%. There were 147 VC-backed IPOs, up 24%, and the combined float totaled \$39 billion, a 50% increase.

Private Equity Performance (%) (Pooled Horizon IRRs through 9/30/20*)

Strategy	3 Months	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years
All Venture	11.1	27.9	20.8	14.6	16.6	12.3	6.0	26.6
Growth Equity	12.4	25.8	19.2	16.4	14.7	13.5	11.3	15.1
All Buyouts	10.8	15.6	13.4	14.3	14.0	12.4	11.9	13.2
Mezzanine	5.5	7.5	9.0	10.0	11.5	10.5	8.4	9.8
Credit Opportunities	3.5	-1.8	2.7	5.6	8.2	8.5	9.4	9.5
Control Distressed	7.8	5.9	5.8	8.5	10.3	9.6	10.3	10.7
All Private Equity	10.5	18.1	14.7	13.9	13.9	12.1	10.0	14.1
S&P 500	8.9	15.2	12.3	14.2	13.7	9.2	6.4	9.3
Russell 3000	14.7	20.9	14.5	15.4	13.8	10.0	7.8	9.7

Note: Private equity returns are net of fees. Sources: Refinitiv/Cambridge and S&P Dow Jones Indices
*Most recent data available at time of publication

Note: Transaction count and dollar volume figures across all private equity measures are preliminary figures and are subject to update in subsequent versions of the *Capital Markets Review* and other Callan publications.

Strong Demand and Favorable Pricing for Direct Lending

PRIVATE CREDIT | Catherine Beard

Attractive in a low-rate environment

- The yield and income-generating characteristics of private credit remain attractive in a low-rate environment.
- Alpha generation can be magnified through strategies that extract a complexity premium.
- In the early phases of the dislocation, nimble multi-strategy private credit managers were able to purchase high-quality securities at steep discounts.

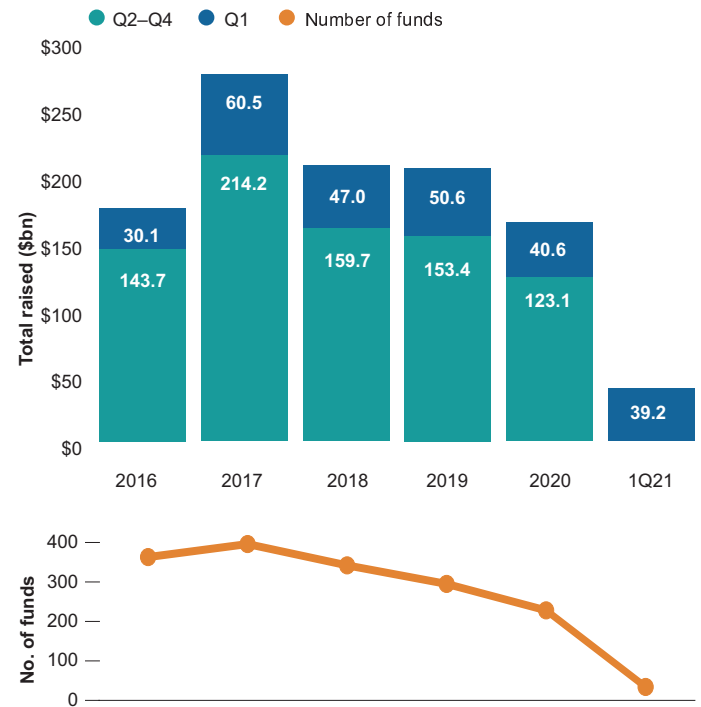
Favorable direct lending pricing trends

- Unlevered direct lending historically generated premiums of 150-200 bps over traditional high yield bonds and leveraged loans, with downside protection.
- Direct lenders are seeing a premium in new deals with less-risky structures, but trends are reverting to pre-pandemic levels. Most existing portfolios weathered the dislocation well. Deal flow is robust as sponsors are particularly active in funding leveraged buyouts in the health care, technology, and business services sectors.

Spreads snap back

- Government stimulus has driven a snap-back in leveraged loan and high yield spreads despite continued high levels of unemployment and economic uncertainty.
- Early pandemic pricing premiums of 200-300 bps for newly underwritten deals have compressed to 50-100 bps, with structures approaching pre-pandemic levels.
- While the Phase I dislocation opportunity to purchase quality paper in liquid markets has passed for the time being, longer-term Phase II and III opportunities are evolving but somewhat muted as businesses benefit from the reopening of the U.S. economy.
- An injection of significant liquidity into the credit markets may mute the corporate distressed opportunity in the U.S.

Year-On-Year Fundraising (\$bn)



Source: Private Debt Investor

Recent slowing in fundraising

- Private credit fundraising tapered off in 2020 due primarily to COVID-related market disruptions.
- Senior debt and mezzanine capital fundraising were the bulk of private credit capital raised in 2020.
- Significant distressed capital was raised leading up to the dislocation but has since tapered off.
- In the first part of 2021, fundraising in opportunistic credit, specialty finance, and asset-based lending strategies has ramped up.

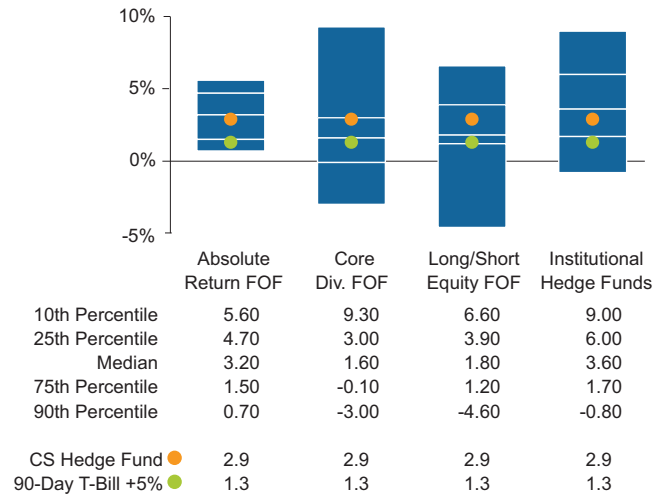
Damn the Shorts and Margin Calls, Full Risk Ahead

HEDGE FUNDS/MACs | Jim McKee

Emboldened by more injections of vaccines, central bank liquidity, and fiscal stimulus in 1Q21, investors' risk appetites grew again, particularly among equities, commodities, and lower-rated credits. However, growing fears of inflation stemming from a stronger-than-expected economic outlook caused some violent side effects elsewhere. Risk assets leaning on benign interest rate assumptions, like growth stocks, longer-dated bonds, and gold, suffered indigestion from the prior year's strong advance.

Below the surface of these capital markets, shifting economic currents created notable turbulence within the hedge fund community. In January, retail investors dominated headlines with their social media-coordinated trades to upend short sellers in certain stocks like GameStop. At the end of March, a concentrated and levered equity bet by Archegos suffered massive losses from a margin call. However, Archegos was more of a non-event for the hedge fund community.

Hedge Fund Style Group Returns



Sources: Callan, Credit Suisse, Federal Reserve

Callan Peer Group Median and Index Returns* for Periods Ended 3/31/21

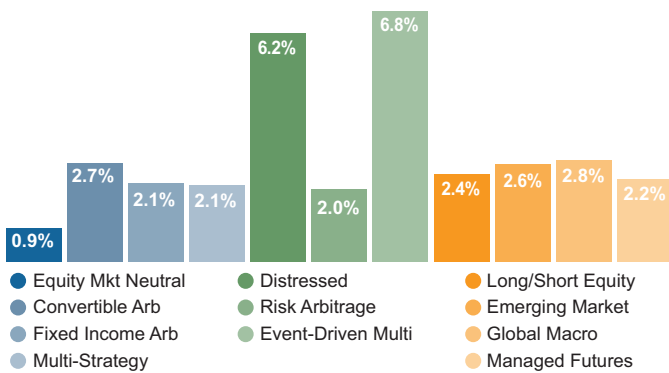
Hedge Fund Universe	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years
Callan Institutional Hedge Fund Peer Group	3.6	19.4	5.5	6.9	6.1	7.4
Callan Fund-of-Funds Peer Group	2.1	27.1	5.6	6.0	4.8	4.6
Callan Absolute Return FOF Style	3.2	19.3	4.5	5.0	4.0	3.9
Callan Core Diversified FOF Style	1.6	25.5	5.3	5.8	4.7	4.5
Callan Long/Short Equity FOF Style	1.8	33.7	8.9	8.6	6.3	5.5
BB GS Cross Asset Risk Premia 6% Vol Idx	0.1	-2.0	0.3	1.6	4.7	5.7
Credit Suisse Hedge Fund	2.9	20.2	4.8	5.1	3.9	4.5
CS Convertible Arbitrage	2.7	19.5	5.9	6.1	3.9	4.6
CS Distressed	6.2	23.6	3.1	5.1	4.0	4.5
CS Emerging Markets	2.6	28.7	5.1	7.7	4.8	5.3
CS Equity Market Neutral	0.9	8.3	-0.6	0.6	1.4	-1.0
CS Event-Driven Multi	6.8	40.6	6.6	6.5	2.8	4.8
CS Fixed Income Arb	2.1	12.3	3.7	5.0	4.6	4.0
CS Global Macro	2.8	19.1	6.3	5.5	4.3	5.8
CS Long/Short Equity	2.4	24.3	5.4	6.1	5.0	5.2
CS Managed Futures	2.3	4.1	3.2	-0.5	0.9	2.6
CS Multi-Strategy	2.1	15.3	4.0	5.1	5.4	5.4
CS Risk Arbitrage	2.0	26.9	7.7	6.4	3.9	4.4
HFRI Asset Wtd Composite	2.7	18.5	3.7	4.7	3.7	--
90-Day T-Bill + 5%	1.3	5.1	6.5	6.2	5.6	6.2

*Net of fees. Sources: Bloomberg Barclays GSAM, Callan, Credit Suisse, Hedge Fund Research

Looking past these distracting headlines, the first quarter was broadly good, or at least benign, for hedge funds. Illustrating hedge fund performance without implementation costs, the Credit Suisse Hedge Fund Index (CS HFI) gained 2.9% in 1Q. As a proxy for live hedge fund portfolios, net of all fees, the median fund in the Callan Hedge Fund-of-Funds Database earned 2.1%. Over the last year, the median fund rebounded 27.1%.

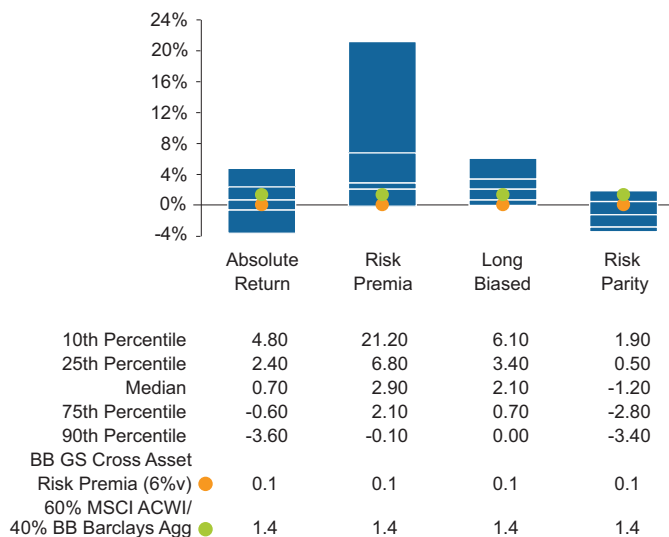
During this year's first quarter, all of CS HFI's underlying strategies added value. The best-performing strategy was Event-Driven Multi-Strategy (+6.8%), aided by unusually strong

Credit Suisse Hedge Fund Strategy Returns



Source: Credit Suisse

MAC Style Group Returns



Sources: Bloomberg Barclays, Callan, Eurekahedge, S&P Dow Jones Indices

issuance of IPOs, SPACs, and convertibles along with resilient M&A activity. Another strong-performing strategy was Distressed (+6.2%), which derived support from recovering market values in stressed industry assets. Strategies hedged against equity and rate risks yielded more modest, however less stressful, profits, such as Convertible Arb (+2.7%), Fixed Income Arb (+2.1%), and Risk Arb (+2.0%).

Representing 50 of the largest, broadly diversified hedge funds with low-beta exposure to equity markets, the average Callan Institutional Hedge Fund (CIHF) manager for the quarter earned 4.1%, net of fees. Within this peer group, the average Hedged Credit fund gained 6.1% while the average Hedged Cross-Asset fund advanced 3.7%. With minimal net equity exposure, the average Hedged Equity fund yielded 2.2%. The weakest sub-peer group was Hedged Rates (+1.5%).

Within the Callan Hedge Fund-of-Funds Database, market exposures did not notably differentiate a hedge fund portfolio's performance in the first quarter. Despite a strong U.S. equity rally, the median Callan Long/Short Equity FOF (+1.8%) lagged the Callan Absolute Return FOF (+3.2%) that benefited more from corporate events and recovering credits. With diversifying exposures to both non-directional and directional styles, the Core Diversified FOF netted 1.6%.

Within Callan's database of liquid alternative solutions, three of the four Multi-Asset Class (MAC) style groups generated positive returns, gross of fees, consistent with their underlying risk exposures. For example, the median Callan Risk Premia MAC rose 2.9%, aided by the rebounding value factor. Given a usually long equity bias within its dynamic asset allocation mandate, the Callan Long-Biased MAC (+2.1%) marginally outperformed the traditional benchmark of 60% MSCI ACWI and 40% Bloomberg Barclays US Aggregate Bond Index (+1.4%). Typically targeting equal risk-weighted allocations to major asset classes with leverage, the Callan Risk Parity MAC lost 1.2%, given its outsized dollar weight to bonds. As the most conservative MAC style focused on non-directional strategies of long and short asset class exposures, the Callan Absolute Return MAC edged ahead 0.7%.

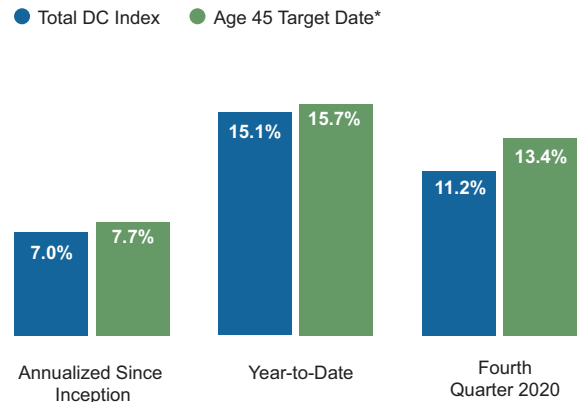
Index Caps off 2020 with Third Straight Quarterly Gain

DEFINED CONTRIBUTION | Patrick Wisdom

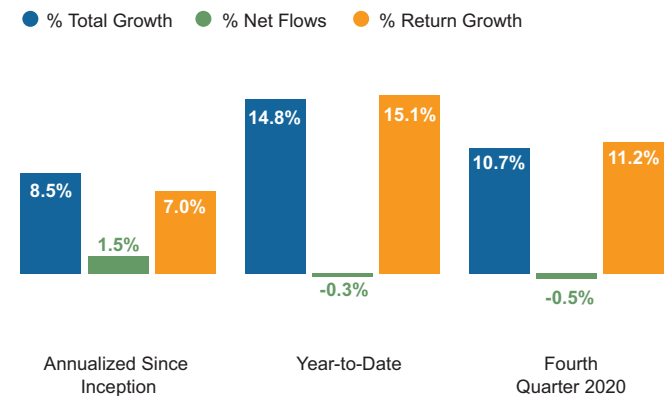
- The Callan DC Index™ rose 11.2% in 4Q20, the third straight quarter of gains after a 15.0% 1Q20 plunge, and increased 15.1% for the year. The Age 45 Target Date Fund (analogous to the 2040 vintage) posted a larger gain (13.4%), attributable to its higher allocation to equity, which outperformed fixed income during the quarter.
- Balances rose by 10.7%, the third straight quarter of gains. Robust investment returns (11.2%) were the sole driver of the growth; quarterly net flows (-0.5%) had a negative effect.
- Target date funds, uncharacteristically, saw low quarterly net inflows of only 0.6%.
- Relatively safer asset classes, such as stable value (66.5%) and U.S. fixed income (9.8%), received sizable net inflows.
- Global equity received its largest-ever quarterly net inflows (6.5%). Conversely, U.S. large cap (-47.1%) and U.S. small/mid cap (-26.4%) had the largest percentage of net outflows.
- Turnover (i.e., net transfer activity levels within DC plans) declined from the previous quarter's 0.75% to 0.14%, the lowest figure since 3Q18.
- The overall allocation to equity increased to 70.5% from the previous quarter's 68.8%, despite the net outflows in U.S. large cap and small/mid cap.
- After the largest percentage decrease in allocation the previous quarter, U.S. small/mid cap had the biggest increase in 4Q, bringing the overall allocation to 8.2%.
- Despite sizable net inflows, stable value (9.1%) experienced the largest decrease in allocation, signaling the asset class was a relative underperformer. Similarly, U.S. fixed income (6.3%) had the second-largest decrease, while money market funds (1.4%) saw a modest reduction.
- The prevalence of a money market offering (47.4%) decreased by 1.7 percentage points after rising by a similar amount the previous quarter. Many more DC plans continue to offer a stable value option (75.9%).

The Callan DC Index is an equally weighted index tracking the cash flows and performance of over 100 plans, representing nearly \$300 billion in assets. The Index is updated quarterly and is available on Callan's website.

Investment Performance



Growth Sources



Net Cash Flow Analysis (4Q20)

(Top Two and Bottom Two Asset Gatherers)

Asset Class	Flows as % of Total Net Flows
Stable Value	66.54%
U.S. Fixed Income	9.77%
U.S. Smid Cap	-26.40%
U.S. Large Cap	-47.10%
Total Turnover**	0.14%

Data provided here is the most recent available at time of publication.

Source: Callan DC Index

Note: DC Index inception date is January 2006.

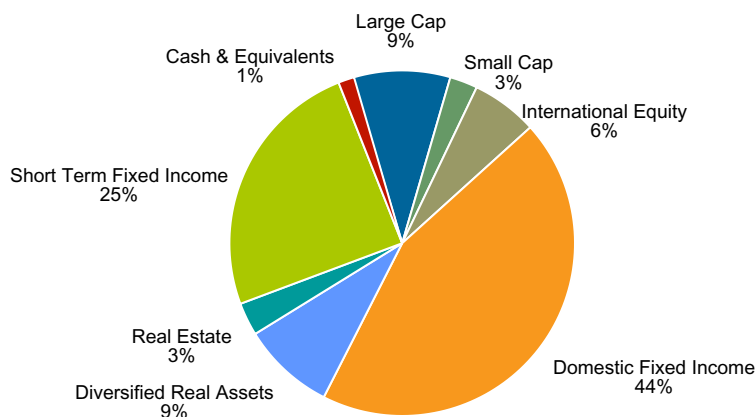
* The Age 45 Fund transitioned from the average 2035 TDF to the 2040 TDF in June 2018.

** Total Index "turnover" measures the percentage of total invested assets (transfers only, excluding contributions and withdrawals) that moved between asset classes.

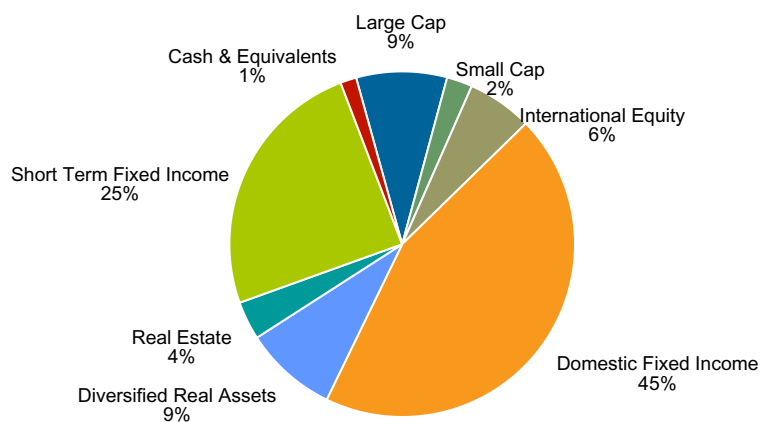
Actual vs Target Asset Allocation As of March 31, 2021

The first chart below shows the Fund's asset allocation as of March 31, 2021. The second chart shows the Fund's target asset allocation as outlined in the investment policy statement.

Actual Asset Allocation



Target Asset Allocation



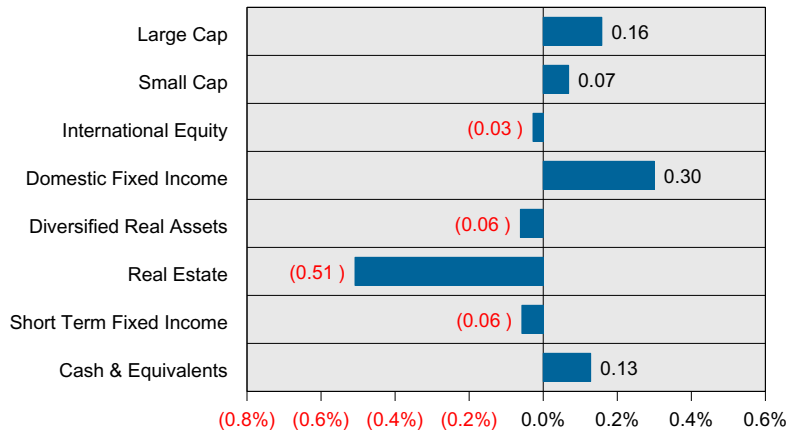
Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap	285,839	9.1%	8.5%	0.6%	19,642
Small Cap	80,924	2.6%	2.4%	0.2%	5,177
International Equity	194,261	6.2%	6.1%	0.1%	4,212
Domestic Fixed Income	1,381,538	44.2%	44.5%	(0.4%)	(11,272)
Diversified Real Assets	271,048	8.7%	8.7%	(0.1%)	(2,250)
Real Estate	96,500	3.1%	3.6%	(0.5%)	(15,587)
Short Term Fixed Income	771,386	24.7%	24.7%	0.0%	0
Cash & Equivalents	46,728	1.5%	1.5%	0.0%	79
Total	3,128,224	100.0%	100.0%		

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

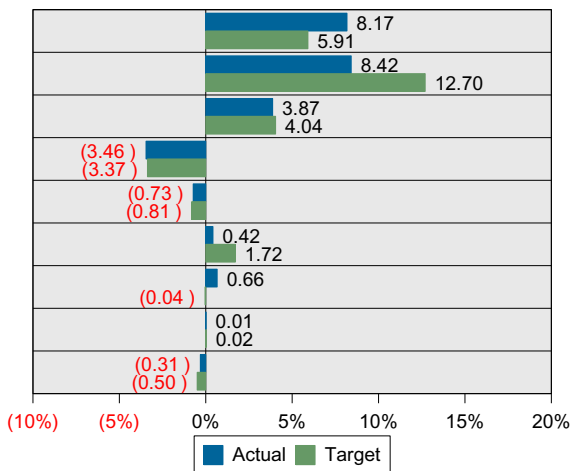
Quarterly Total Fund Relative Attribution - March 31, 2021

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

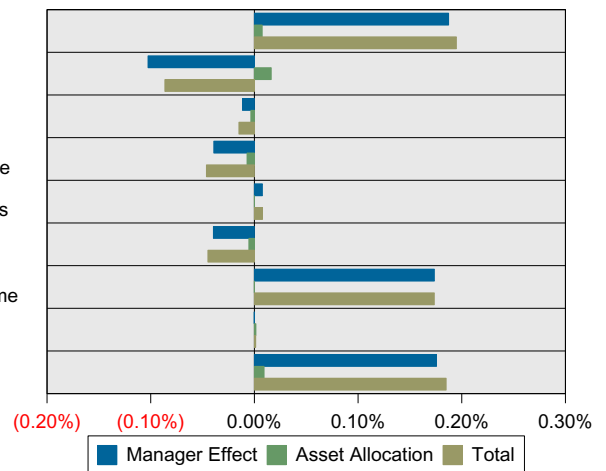
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2021

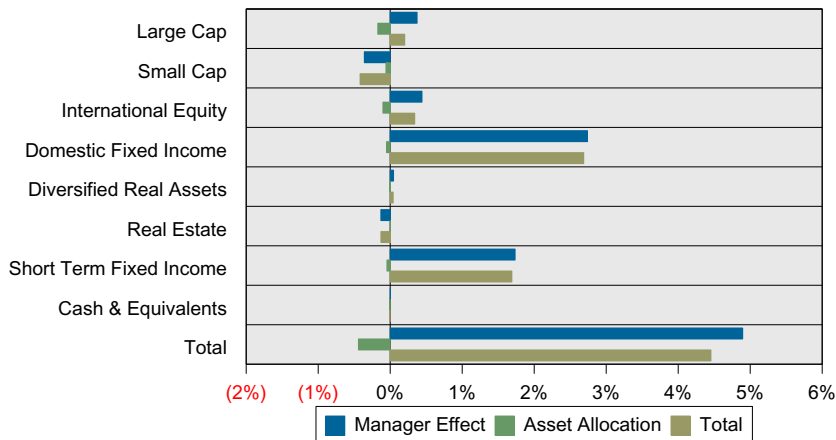
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	9%	9%	8.17%	5.91%	0.19%	0.01%	0.19%
Small Cap	2%	2%	8.42%	12.70%	(0.10%)	0.02%	(0.09%)
International Equity	6%	6%	3.87%	4.04%	(0.01%)	(0.00%)	(0.01%)
Domestic Fixed Income	45%	45%	(3.46%)	(3.37%)	(0.04%)	(0.01%)	(0.05%)
Diversified Real Assets	9%	9%	(0.73%)	(0.81%)	0.01%	0.00%	0.01%
Real Estate	3%	4%	0.42%	1.72%	(0.04%)	(0.01%)	(0.04%)
Short Term Fixed Income	25%	25%	0.66%	(0.04%)	0.17%	(0.00%)	0.17%
Cash & Equivalents	1%	1%	0.01%	0.02%	(0.00%)	0.00%	0.00%
Total					(0.31%)	(0.50%)	0.18%

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

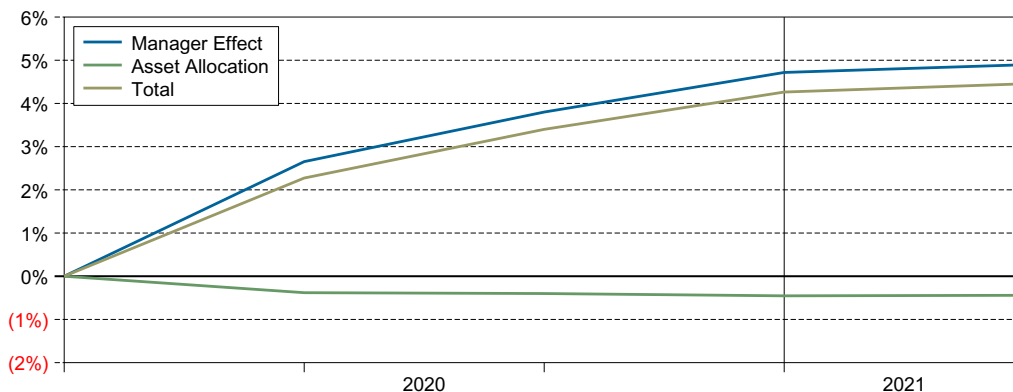
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

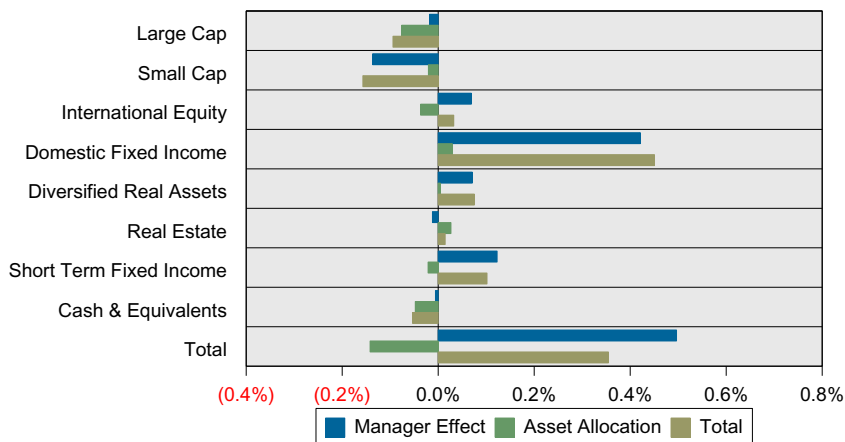
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	8%	8%	67.00%	60.59%	0.37%	(0.17%)	0.20%
Small Cap	2%	2%	72.79%	94.85%	(0.36%)	(0.06%)	(0.42%)
International Equity	6%	6%	56.27%	45.86%	0.44%	(0.10%)	0.34%
Domestic Fixed Income	45%	44%	6.39%	0.71%	2.74%	(0.05%)	2.69%
Diversified Real Assets	9%	9%	5.45%	4.92%	0.05%	(0.00%)	0.04%
Real Estate	3%	4%	(1.27%)	2.61%	(0.13%)	0.00%	(0.13%)
Short Term Fixed Income	25%	25%	8.18%	1.57%	1.73%	(0.05%)	1.69%
Cash & Equivalents	1%	1%	0.11%	0.12%	(0.00%)	(0.01%)	(0.01%)
Total			14.37%	9.92%	+ 4.90%	+ (0.44%)	4.45%

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

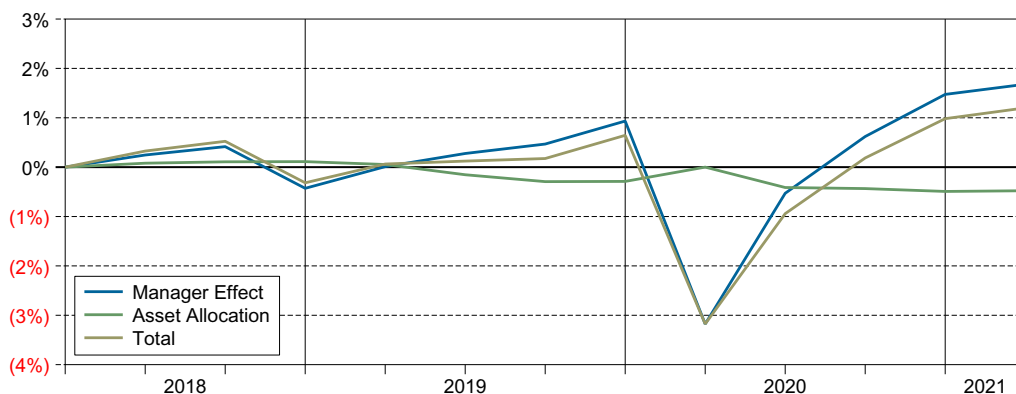
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

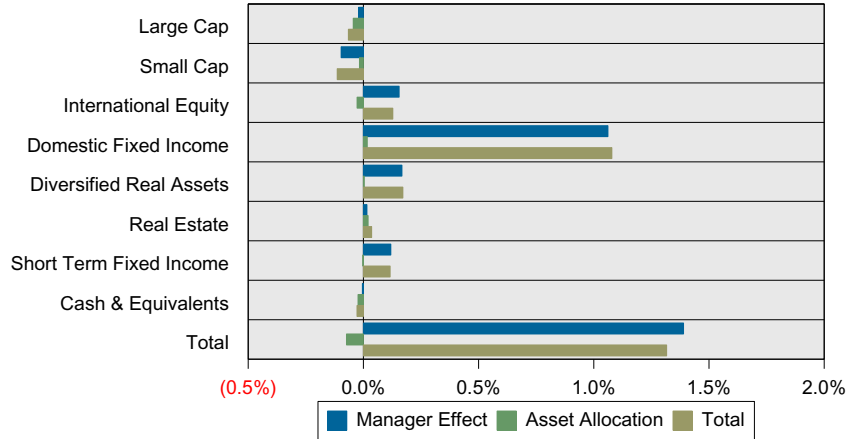
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	9%	9%	17.10%	17.31%	(0.02%)	(0.08%)	(0.09%)
Small Cap	3%	3%	9.28%	14.76%	(0.14%)	(0.02%)	(0.16%)
International Equity	7%	7%	7.51%	6.34%	0.07%	(0.04%)	0.03%
Domestic Fixed Income	49%	49%	5.57%	4.65%	0.42%	0.03%	0.45%
Diversified Real Assets	10%	10%	4.55%	3.86%	0.07%	0.00%	0.08%
Real Estate	4%	4%	3.86%	4.89%	(0.01%)	0.03%	0.01%
Short Term Fixed Income	16%	16%	3.67%	3.04%	0.12%	(0.02%)	0.10%
Cash & Equivalents	3%	3%	1.32%	1.49%	(0.01%)	(0.05%)	(0.05%)
Total			6.41%	6.05%	+ 0.50%	+ (0.14%)	0.35%

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

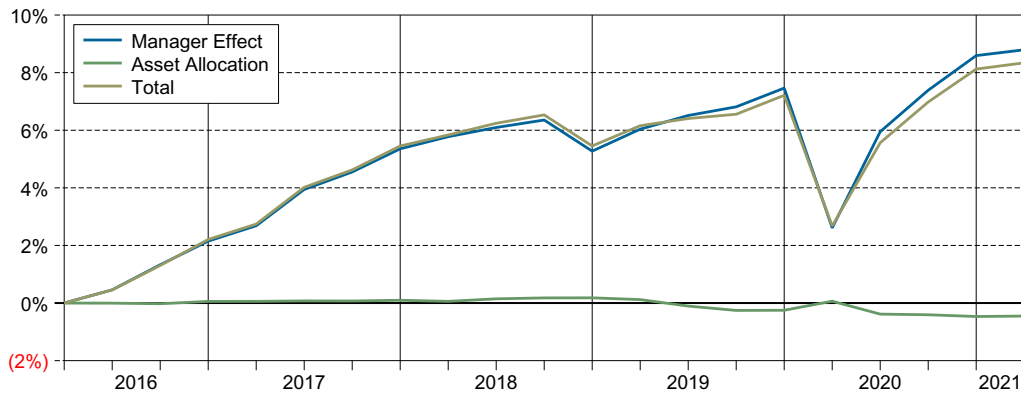
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

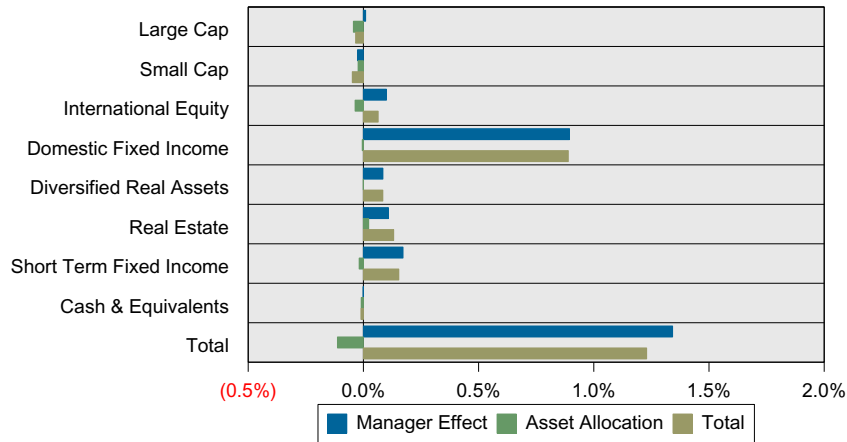
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	10%	10%	16.42%	16.66%	(0.02%)	(0.04%)	(0.07%)
Small Cap	3%	3%	12.57%	16.35%	(0.10%)	(0.02%)	(0.11%)
International Equity	7%	7%	10.99%	8.83%	0.16%	(0.03%)	0.13%
Domestic Fixed Income	49%	49%	5.31%	3.10%	1.06%	0.02%	1.08%
Diversified Real Assets	11%	11%	5.19%	3.77%	0.17%	0.00%	0.17%
Real Estate	5%	4%	5.57%	5.81%	0.02%	0.02%	0.04%
Short Term Fixed Income	13%	13%	2.58%	1.91%	0.12%	(0.00%)	0.12%
Cash & Equivalents	3%	3%	1.05%	1.19%	(0.00%)	(0.02%)	(0.03%)
Total			6.76%	5.45%	+ 1.39%	+ (0.07%)	1.32%

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

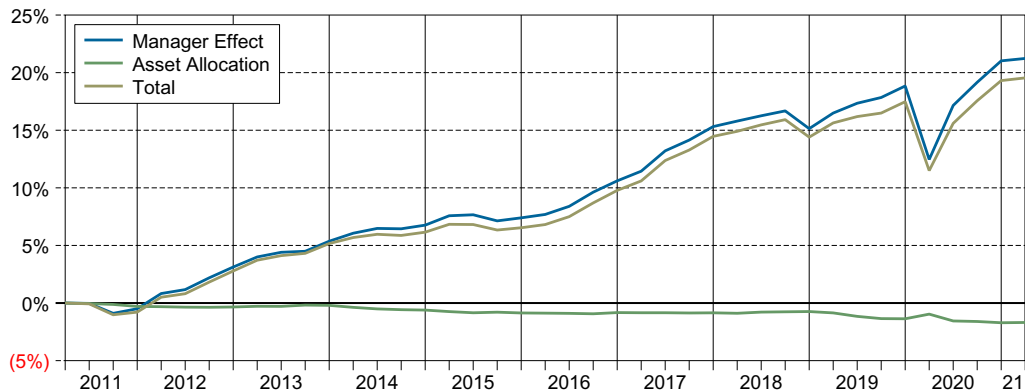
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Ten Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Ten Year Annualized Relative Attribution Effects

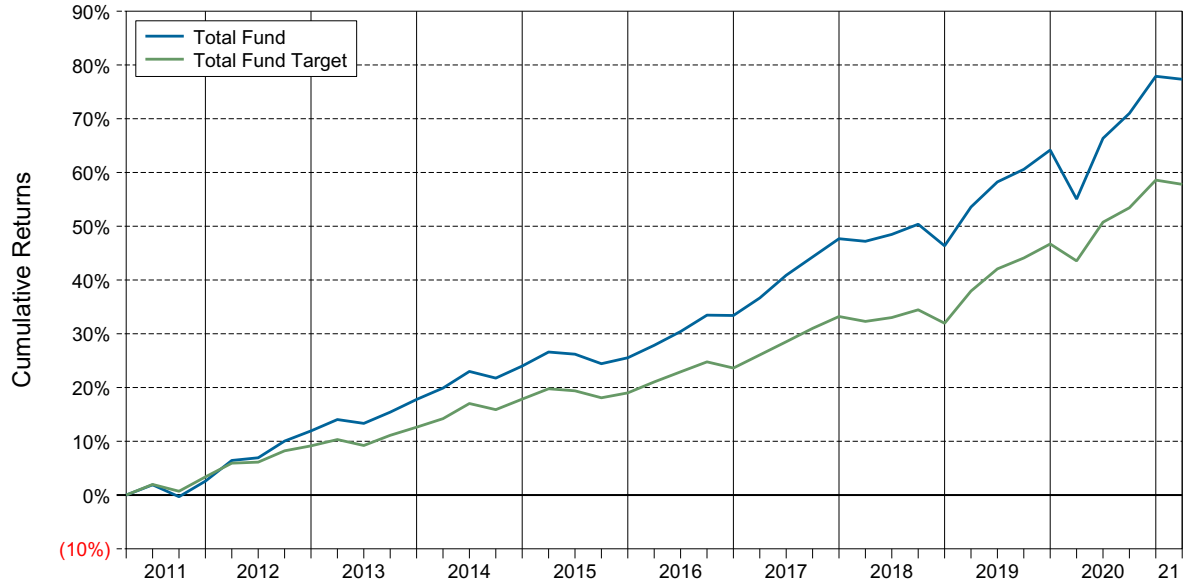
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	10%	10%	14.26%	14.08%	0.01%	(0.04%)	(0.03%)
Small Cap	3%	3%	10.67%	11.68%	(0.03%)	(0.02%)	(0.05%)
International Equity	7%	7%	7.17%	5.51%	0.10%	(0.04%)	0.06%
Domestic Fixed Income	42%	42%	5.69%	3.44%	0.89%	(0.01%)	0.89%
Diversified Real Assets	11%	11%	4.45%	3.53%	0.08%	(0.00%)	0.08%
Real Estate	5%	4%	11.07%	8.82%	0.11%	0.02%	0.13%
Short Term Fixed Income	19%	19%	1.94%	1.28%	0.17%	(0.02%)	0.15%
Cash & Equivalents	3%	3%	0.59%	0.63%	(0.00%)	(0.01%)	(0.01%)
Total			5.90%	4.67%	+ 1.34%	+ (0.11%)	1.23%

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

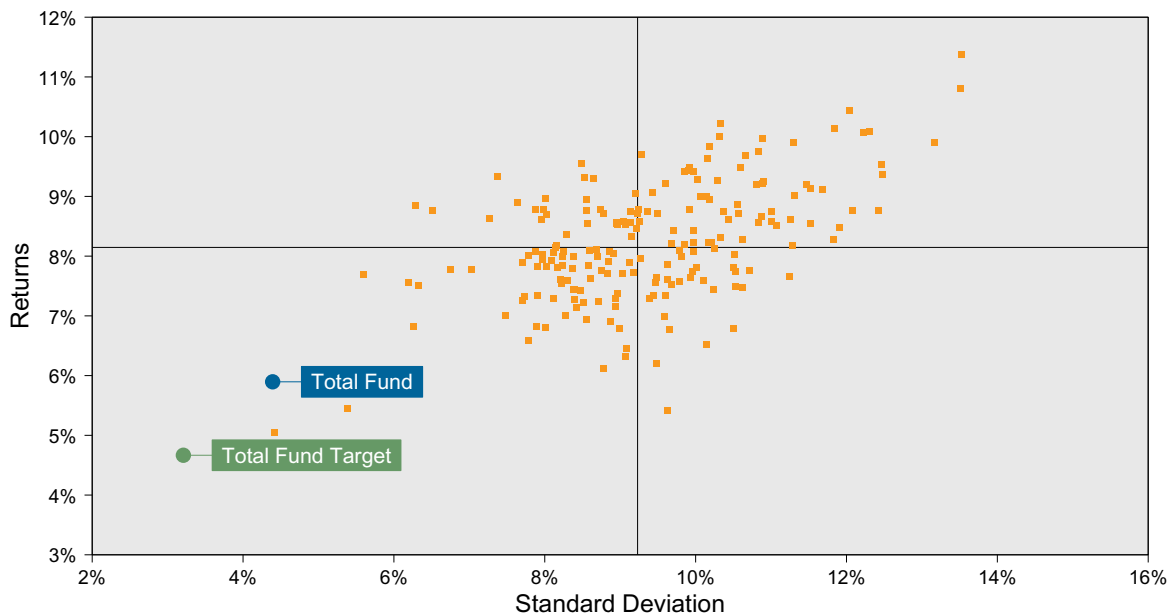
Cumulative Performance Relative to Target

The first chart below illustrates the cumulative performance of the Total Fund relative to the cumulative performance of the Fund's Target Asset Mix. The Target Mix is assumed to be rebalanced each quarter with no transaction costs. The second chart below shows the return and the risk of the Total Fund and the Target Mix, contrasted with the returns and risks of the funds in the Callan Public Fund Sponsor Database.

Cumulative Returns Actual vs Target



Ten Year Annualized Risk vs Return



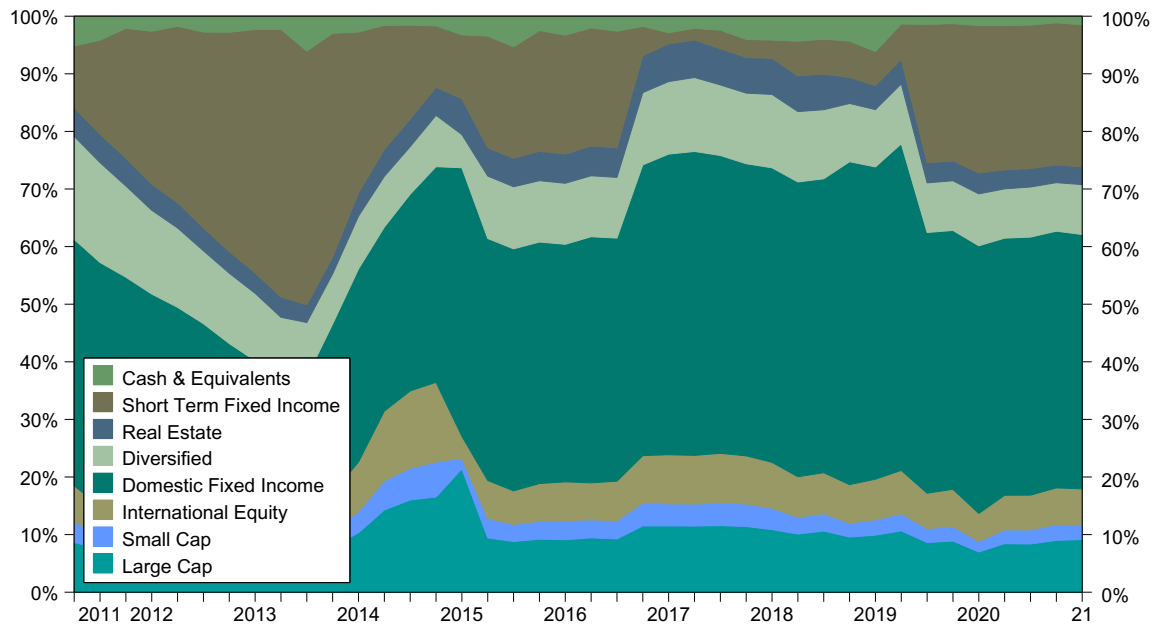
Squares represent membership of the Callan Public Fund Sponsor Database

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

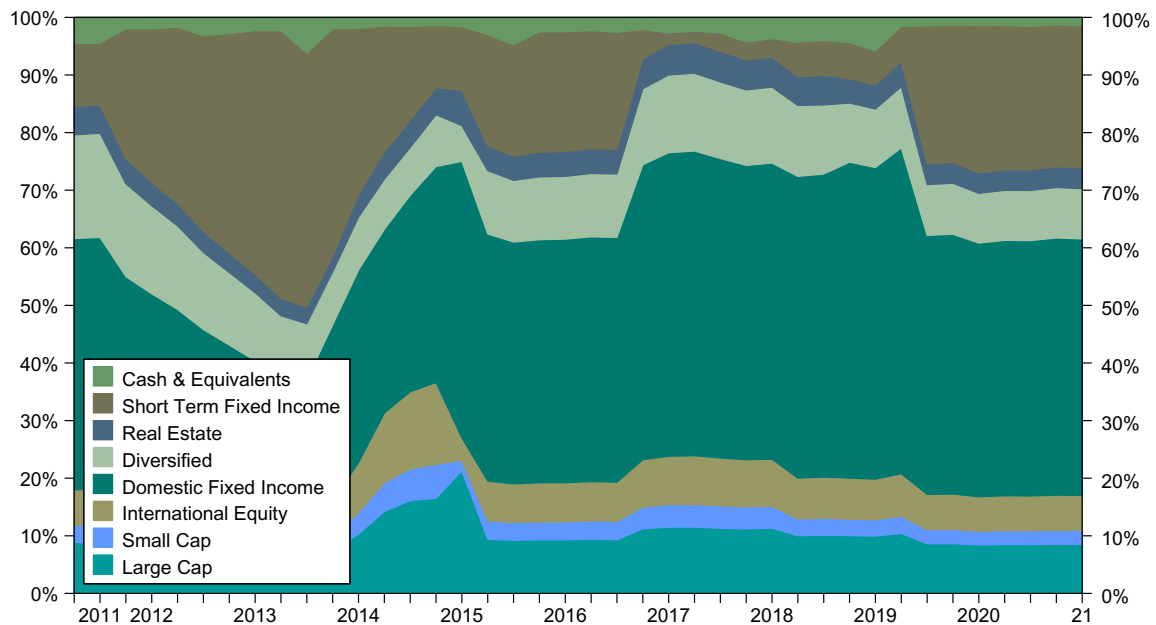
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

Actual Historical Asset Allocation



Target Historical Asset Allocation

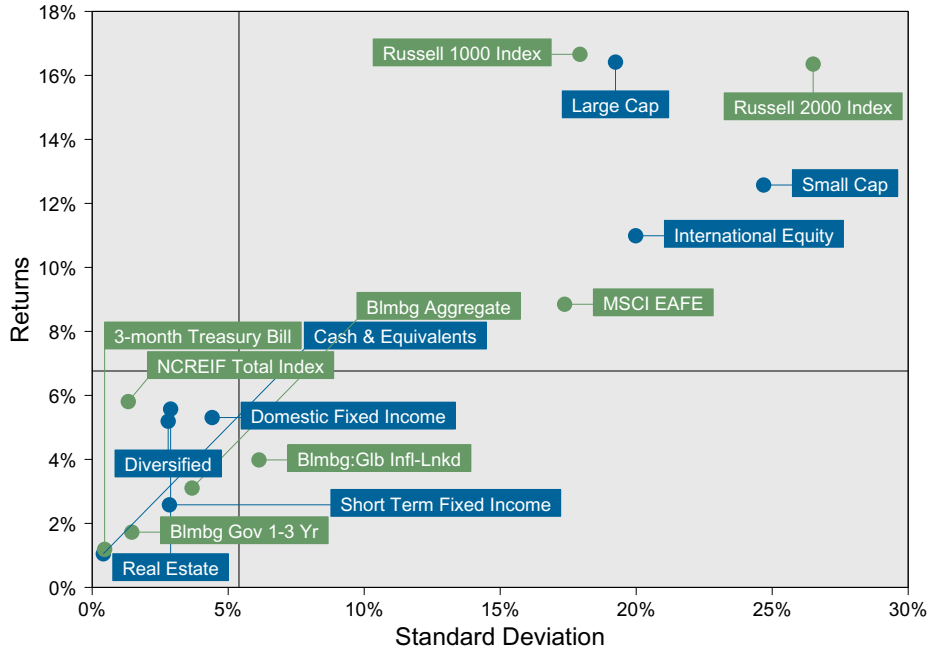


* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

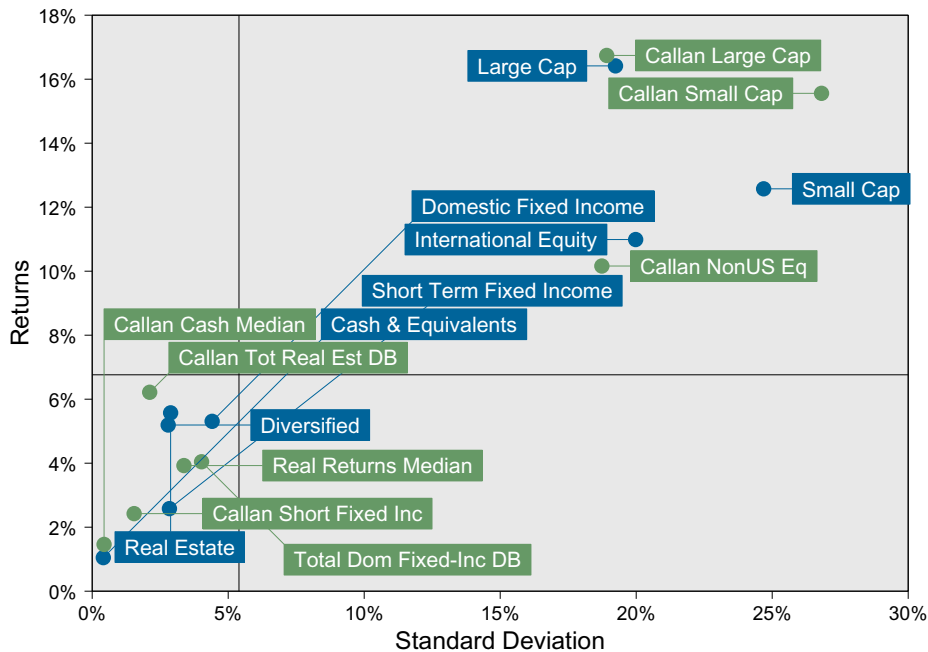
Asset Class Risk and Return

The charts below show the five year annualized risk and return for each asset class component of the Total Fund. The first graph contrasts these values with those of the appropriate index for each asset class. The second chart contrasts them with the risk and return of the median portfolio in each of the appropriate CAI comparative databases. In each case, the crosshairs on the chart represent the return and risk of the Total Fund.

Five Year Annualized Risk vs Return Asset Classes vs Benchmark Indices



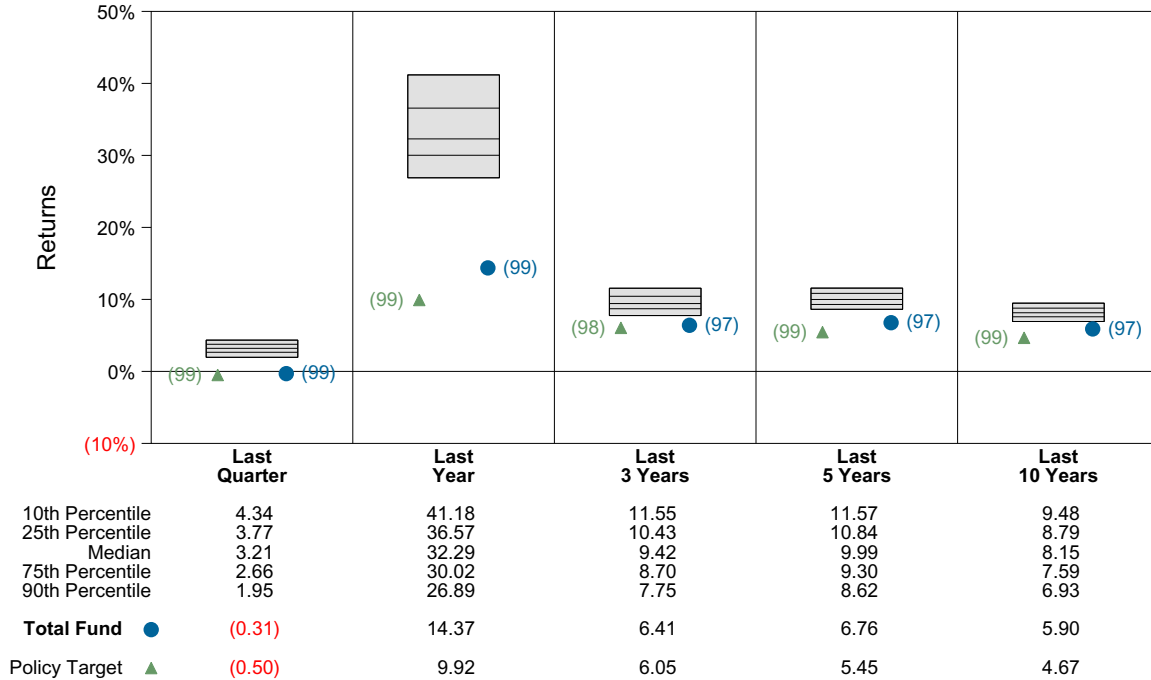
Five Year Annualized Risk vs Return Asset Classes vs Asset Class Median



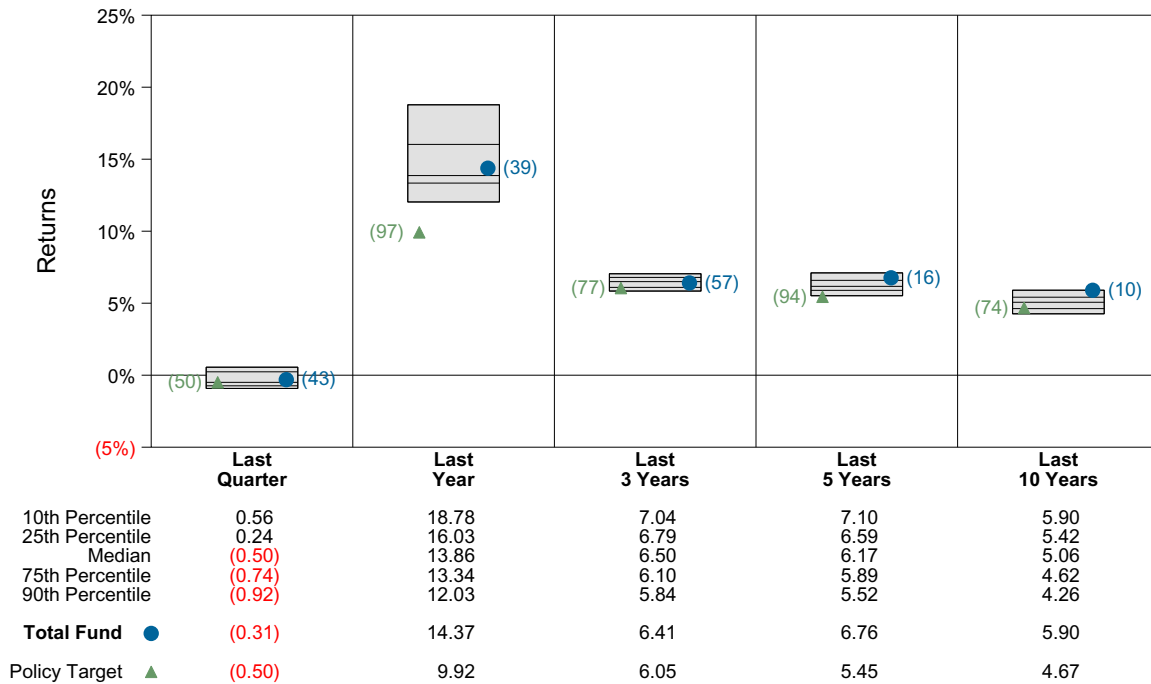
Total Fund Ranking

The first two charts show the ranking of the Total Fund's performance relative to that of the Callan Public Fund Sponsor Database for periods ended March 31, 2021. The first chart is a standard unadjusted ranking. In the second chart each fund in the database is adjusted to have the same historical asset allocation as that of the Total Fund.

Callan Public Fund Sponsor Database



Asset Allocation Adjusted Ranking

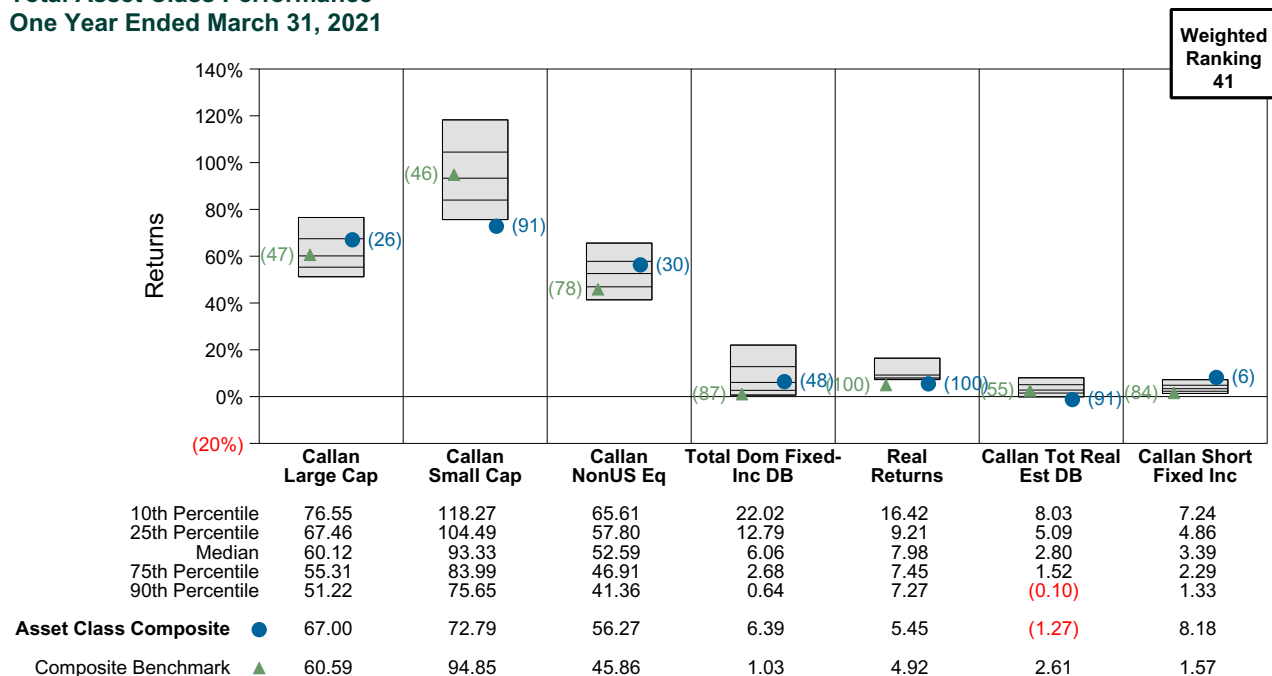


* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

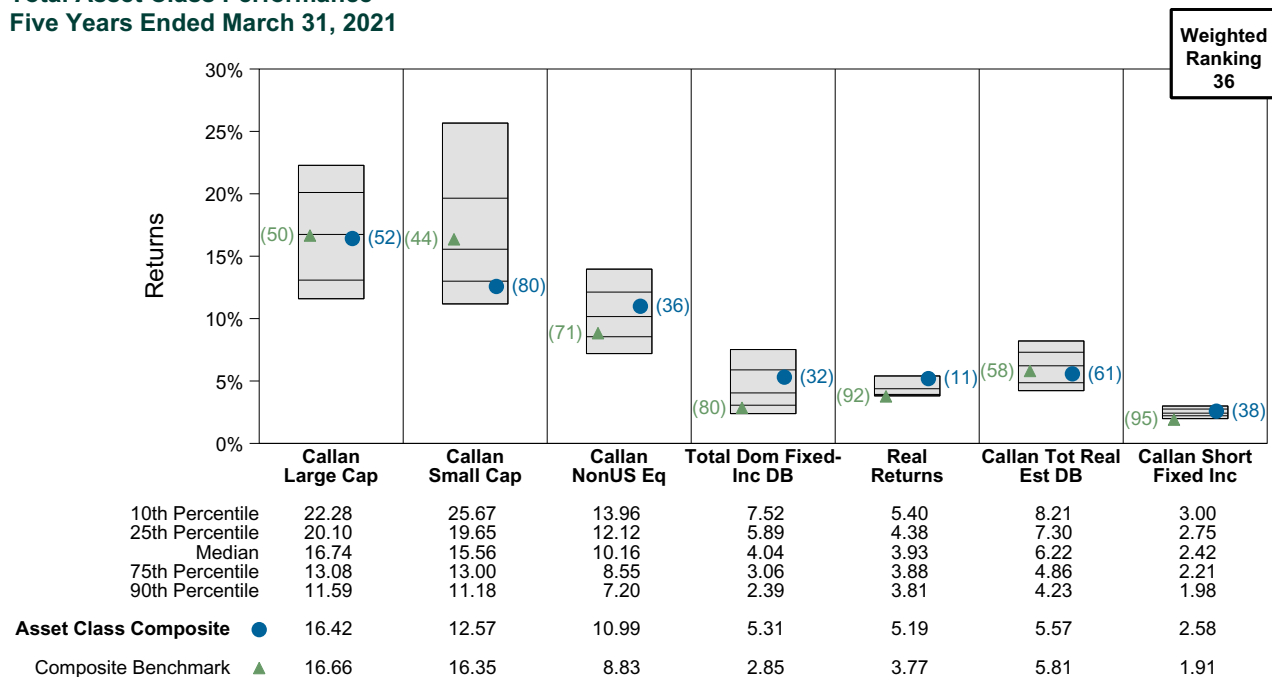
Asset Class Rankings

The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance One Year Ended March 31, 2021



Total Asset Class Performance Five Years Ended March 31, 2021



* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	March 31, 2021		Net New Inv.	Inv. Return	December 31, 2020	
	Market Value	Weight			Market Value	Weight
Global Equity	\$561,024,195	17.93%	\$(46,362,875)	\$36,112,748	\$571,274,322	18.11%
Domestic Equity	\$366,763,281	11.72%	\$(33,217,229)	\$28,929,611	\$371,050,899	11.76%
Large Cap	\$285,839,297	9.14%	\$(20,111,584)	\$22,045,484	\$283,905,398	9.00%
Parametric Large Cap	50,489,733	1.61%	(11,000,000)	3,085,032	58,404,701	1.85%
L.A. Capital Large Cap Growth	85,489,842	2.73%	(5,043,866)	1,928,878	88,604,830	2.81%
L.A. Capital Enhanced	63,191,236	2.02%	(4,015,372)	3,832,435	63,374,173	2.01%
LSV Large Cap Value	86,668,485	2.77%	(52,346)	13,199,138	73,521,693	2.33%
Small Cap	\$80,923,984	2.59%	\$(13,105,645)	\$6,884,128	\$87,145,501	2.76%
Atlanta Capital	26,653,394	0.85%	(3,041,711)	2,300,848	27,394,258	0.87%
PIMCO RAE	0	0.00%	(1,228)	793	435	0.00%
Riverbridge Small Cap Growth	25,790,371	0.82%	(5,034,370)	410,015	30,414,727	0.96%
Sycamore Small Cap Value	28,480,219	0.91%	(5,028,336)	4,172,473	29,336,082	0.93%
International Equity	\$194,260,915	6.21%	\$(13,145,645)	\$7,183,137	\$200,223,423	6.35%
DFA Int'l Small Cap Value	24,394,804	0.78%	0	1,836,044	22,558,760	0.71%
LSV Intl Value	71,845,565	2.30%	(64,771)	5,340,078	66,570,258	2.11%
Vanguard Intl Explorer Fund	21,251,510	0.68%	0	548,033	20,703,476	0.66%
William Blair	76,769,036	2.45%	(13,080,874)	(541,019)	90,390,929	2.86%
Domestic Fixed Income	\$1,381,538,183	44.16%	\$24,636,494	\$(49,330,458)	\$1,406,232,147	44.57%
Declaration Total Return	114,591,373	3.66%	14,939,876	504,610	99,146,887	3.14%
PIMCO Core Plus Constrained	193,840,751	6.20%	4,941,707	(6,335,482)	195,234,526	6.19%
PIMCO DiSCO II	47,370,975	1.51%	0	772,113	46,598,862	1.48%
PIMCO Bravo II Fund	7,085,687	0.23%	(883,293)	764,795	7,204,185	0.23%
Prudential	355,620,859	11.37%	(195,081)	(16,578,515)	372,394,455	11.80%
SSgA US Govt Credit Bd Idx	191,144,486	6.11%	1,492,796	(8,500,215)	198,151,905	6.28%
Wells Capital	115,831,450	3.70%	(57,649)	(4,055,663)	119,944,762	3.80%
Western Asset Management	356,052,603	11.38%	4,398,139	(15,902,100)	367,556,564	11.65%
Global Real Assets	\$367,547,959	11.75%	\$6,399,760	\$(1,617,637)	\$362,765,836	11.50%
Real Estate	\$96,499,624	3.08%	\$(830,509)	\$403,867	\$96,926,265	3.07%
Invesco Core Real Estate	50,912,959	1.63%	(411,799)	823,243	50,501,514	1.60%
JP Morgan RE Inc & Growth	45,586,665	1.46%	(418,710)	(419,376)	46,424,751	1.47%
Diversified	\$271,048,335	8.66%	\$7,230,268	\$(2,021,504)	\$265,839,571	8.43%
Western Asset TIPS	170,870,565	5.46%	9,953,761	(4,020,798)	164,937,602	5.23%
JP Morgan Infrastructure	42,272,844	1.35%	(1,017,850)	2,305,997	40,984,697	1.30%
Eastern Timber Opportunities	51,218,983	1.64%	0	(673,416)	51,892,399	1.64%
Grosvenor Cust. Infrastructure	6,685,943	0.21%	(1,705,643)	366,713	8,024,873	0.25%
Short Term Fixed Income	\$771,385,637	24.66%	\$(12,122,200)	\$5,142,654	\$778,365,183	24.67%
Barings Active Short Duration	386,318,057	12.35%	(6,122,200)	5,038,224	387,402,033	12.28%
JP Morgan Short Term Bonds	385,067,580	12.31%	(6,000,000)	104,430	390,963,150	12.39%
Cash	\$46,727,555	1.49%	\$10,248,190	\$5,994	\$36,473,372	1.16%
Northern Trust Cash Account	26,451,879	0.85%	10,248,190	995	16,202,694	0.51%
Bank of ND	20,275,676	0.65%	0	4,999	20,270,677	0.64%
Total Fund	\$3,128,223,530	100.0%	\$(17,200,630)	\$(9,686,699)	\$3,155,110,859	100.0%

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Equity					
Gross	6.69%	63.99%	-	-	-
Net	6.58%	63.55%	-	-	-
Weighted Benchmark	6.21%	59.73%	-	-	-
Domestic Equity					
Gross	8.27%	68.32%	15.47%	15.68%	13.44%
Net	8.20%	67.99%	15.27%	15.46%	13.19%
Weighted Benchmark	7.43%	67.81%	-	-	-
Large Cap					
Gross	8.17%	67.00%	17.10%	16.42%	14.26%
Net	8.13%	66.84%	16.93%	16.22%	14.05%
Benchmark(1)	5.91%	60.59%	17.31%	16.66%	14.08%
Parametric Clifton Large Cap - Gross	5.78%	61.56%	16.96%	16.25%	14.14%
Parametric Clifton Large Cap - Net	5.78%	61.95%	17.05%	16.25%	14.05%
S&P 500 Index	6.17%	56.35%	16.78%	16.29%	13.91%
L.A. Capital - Gross	2.39%	64.23%	23.16%	19.86%	16.11%
L.A. Capital - Net	2.34%	63.90%	22.90%	19.62%	15.88%
Russell 1000 Growth Index	0.94%	62.74%	22.80%	21.05%	16.63%
L.A. Capital Enhanced - Gross	6.51%	60.00%	17.85%	16.20%	14.07%
L.A. Capital Enhanced - Net	6.48%	59.84%	17.73%	16.06%	13.93%
Russell 1000 Index	5.91%	60.59%	17.31%	16.66%	13.97%
LSV Asset Management - Gross	17.96%	74.26%	9.09%	12.05%	11.83%
LSV Asset Management - Net	17.88%	73.78%	8.79%	11.73%	11.51%
Russell 1000 Value Index	11.26%	56.09%	10.96%	11.74%	10.99%
Small Cap					
Gross	8.42%	72.79%	9.28%	12.57%	10.67%
Net	8.28%	71.90%	9.00%	12.26%	10.29%
Russell 2000 Index	12.70%	94.85%	14.76%	16.35%	11.68%
Atlanta Capital - Gross	8.86%	62.57%	-	-	-
Atlanta Capital - Net	8.68%	61.78%	-	-	-
S&P 600 Small Cap Index	18.24%	95.33%	13.71%	15.60%	12.97%
Riverbridge Small Cap Growth - Gross	0.84%	-	-	-	-
Riverbridge Small Cap Growth - Net	0.70%	-	-	-	-
Russell 2000 Growth Index	4.88%	90.20%	17.16%	18.61%	13.02%
Sycamore Small Cap Value - Gross	15.85%	-	-	-	-
Sycamore Small Cap Value - Net	15.73%	-	-	-	-
Russell 2000 Value Index	21.17%	97.05%	11.57%	13.56%	10.06%
International Equity					
Gross	3.87%	56.27%	7.51%	10.99%	7.17%
Net	3.79%	55.82%	7.19%	10.66%	6.82%
Benchmark(2)	4.04%	45.86%	6.34%	8.83%	5.51%
DFA Intl Small Cap Value - Net	8.14%	64.42%	1.15%	7.11%	5.74%
World ex US SC Va	7.65%	61.67%	4.07%	8.59%	5.91%
LSV Asset Management - Gross	8.03%	47.46%	1.92%	7.31%	5.44%
LSV Asset Management - Net	7.92%	46.88%	1.53%	6.89%	5.01%
Benchmark(3)	3.48%	44.57%	6.02%	8.85%	5.52%
Vanguard Intl Explorer Fund - Net	2.65%	64.86%	3.29%	9.05%	6.73%
BMI, EPAC, <\$2 B	4.53%	64.76%	4.62%	9.37%	6.93%
William Blair - Gross	(0.82%)	55.38%	14.46%	-	-
William Blair - Net	(0.93%)	54.83%	14.03%	-	-
MSCI ACWI ex US IMI	3.77%	51.94%	6.51%	9.84%	5.11%

(1) S&P 500 Index through 12/31/2011 and Russell 1000 Index thereafter.

(2) MSCI EAFE through 9/30/2000; 50% Hedged EAFE through 3/31/2011; MSCI EAFE again through 6/30/2016; MSCI World ex-US thereafter.

(3) MSCI EAFE through 9/30/2000; 50% Hedged EAFE through 3/31/2011; MSCI EAFE again thereafter.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Domestic Fixed Income					
Gross	(3.46%)	6.39%	5.57%	5.31%	5.69%
Net	(3.49%)	6.25%	5.44%	5.18%	5.55%
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
Declaration Total Return - Net	0.55%	14.13%	5.25%	5.10%	-
Libor-3 Month	0.05%	0.28%	1.64%	1.44%	0.89%
PIMCO Core Plus Cons. - Gross	(3.17%)	3.81%	-	-	-
PIMCO Core Plus Cons. - Net	(3.20%)	3.61%	-	-	-
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
PIMCO DiSCO II - Net	1.66%	13.40%	5.70%	8.91%	-
PIMCO Bravo II Fund - Net	10.62%	(12.29%)	(0.74%)	2.89%	-
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
Prudential - Gross	(4.45%)	7.02%	5.64%	4.87%	5.12%
Prudential - Net	(4.50%)	6.80%	5.41%	4.62%	4.90%
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
Wells Capital - Gross	(3.38%)	17.21%	7.97%	7.04%	6.44%
Wells Capital - Net	(3.43%)	16.99%	7.78%	6.85%	6.24%
Blmbg Credit Baa	(4.32%)	13.06%	6.55%	5.63%	5.29%
Western Asset - Gross	(4.28%)	4.82%	5.17%	4.41%	4.78%
Western Asset - Net	(4.31%)	4.70%	5.05%	4.28%	4.64%
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
SSgA US Govt Cr Bd Idx - Gross	(4.26%)	0.96%	5.09%	3.42%	-
SSgA US Govt Cr Bd Idx - Net	(4.27%)	0.95%	5.07%	3.40%	-
Blmbg Govt/Credit Bd	(4.28%)	0.86%	4.99%	3.36%	3.70%
Global Real Assets					
Gross	(0.43%)	3.53%	-	-	-
Net	(0.50%)	3.26%	-	-	-
Weighted Benchmark	(0.08%)	4.25%	-	-	-
Real Estate					
Gross	0.42%	(1.27%)	3.86%	5.57%	11.07%
Net	0.30%	(1.72%)	3.34%	5.00%	10.24%
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%
Invesco Core Real Estate - Gross	1.63%	(1.57%)	4.70%	6.01%	-
Invesco Core Real Estate - Net	1.55%	(1.89%)	4.34%	5.67%	-
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%
JP Morgan - Gross	(0.90%)	(0.94%)	2.93%	5.07%	11.12%
JP Morgan - Net	(1.07%)	(1.52%)	2.25%	4.29%	10.06%
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	Returns for Periods Ended March 31, 2021				
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Diversified					
Gross	(0.73%)	5.45%	4.55%	5.19%	4.45%
Net	(0.77%)	5.25%	4.34%	4.95%	4.17%
Weighted Benchmark	(0.81%)	4.92%	3.86%	3.77%	3.53%
Western Asset TIPS - Gross	(2.29%)	8.07%	3.58%	3.94%	3.32%
Western Asset TIPS - Net	(2.32%)	7.95%	3.45%	3.81%	3.18%
Benchmark(1)	(1.82%)	7.44%	4.24%	4.41%	3.57%
JP Morgan Infrastructure - Gross	5.63%	10.02%	8.39%	8.53%	7.19%
JP Morgan Infrastructure - Net	5.43%	9.17%	7.67%	7.77%	6.25%
Benchmark(2)	1.07%	1.74%	2.98%	2.75%	1.91%
Eastern Timber Opportunities - Net	(1.30%)	(4.93%)	1.44%	2.91%	3.14%
NCREIF Timberland Index	0.76%	1.46%	1.71%	2.51%	4.55%
Grosvenor Cust. Infrastructure - Net	5.58%	12.63%	7.06%	7.41%	-
Benchmark(2)	1.07%	1.74%	2.98%	2.75%	1.91%
Short Term Fixed Income					
Gross	0.66%	8.18%	3.67%	2.58%	1.94%
Net	0.65%	8.08%	3.55%	2.42%	1.80%
Benchmark(3)	(0.04%)	1.57%	3.04%	1.91%	1.28%
Barings Active Short Duration - Gross	1.30%	12.90%	-	-	-
Barings Active Short Duration - Net	1.27%	12.76%	-	-	-
Blmbg Gov/Cred 1-3 Yr	(0.04%)	1.57%	3.04%	2.00%	1.57%
JP Morgan Short Term Bds - Gross	0.03%	3.84%	3.72%	2.45%	-
JP Morgan Short Term Bds - Net	0.03%	3.76%	3.61%	2.31%	-
Blmbg Gov/Credit 1-3 Yr	(0.04%)	1.57%	3.04%	2.00%	1.57%
Cash & Equivalents - Net					
Cash Account- Net	0.00%	0.05%	1.24%	0.96%	0.55%
Bank of ND - Net	0.02%	0.19%	1.43%	-	-
90 Day Treasury Bills	0.02%	0.12%	1.49%	1.19%	0.63%
Total Fund					
Gross	(0.31%)	14.37%	6.41%	6.76%	5.90%
Net	(0.35%)	14.20%	6.25%	6.58%	5.69%
Target*	(0.50%)	9.92%	6.05%	5.45%	4.67%

* Current Quarter Target = 44.5% Blmbg Aggregate, 24.7% Blmbg Gov/Cred 1-3 Yr, 8.7% NDSIB INS DRA Weighted Benchmark, 8.5% Russell 1000 Index, 6.1% MSCI World ex US, 3.6% NCREIF Total Index, 2.4% Russell 2000 Index and 1.5% 3-month Treasury Bill.

(1) Blmbg US TIPS through 12/31/2009; Blmbg Global Inflation-Linked through 10/31/18; Blmbg US Government Inflation Bond Index thereafter.

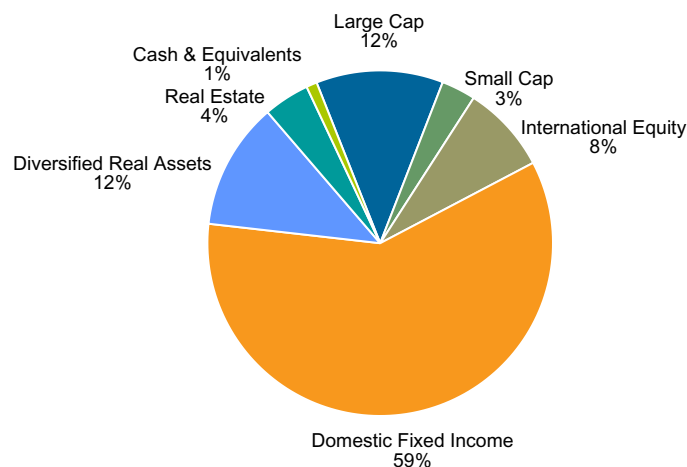
(2) CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.

(3) Blmbg Gov 1-3 Yr through March 31, 2017 and Blmbg Gov/Credit 1-3 Yr thereafter.

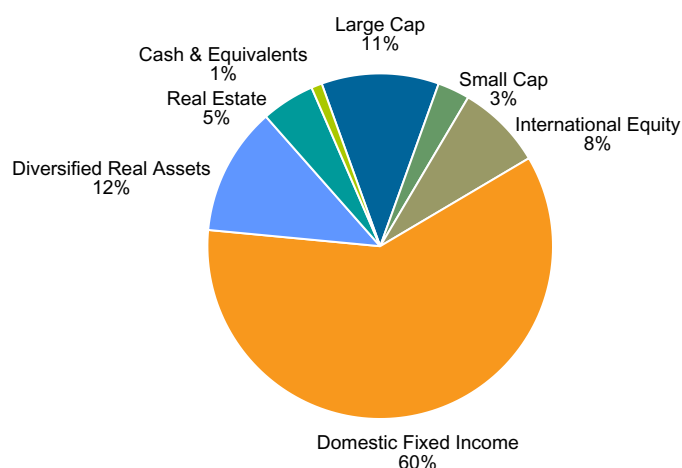
Actual vs Target Asset Allocation As of March 31, 2021

The first chart below shows the Fund's asset allocation as of March 31, 2021. The second chart shows the Fund's target asset allocation as outlined in the investment policy statement.

Actual Asset Allocation



Target Asset Allocation



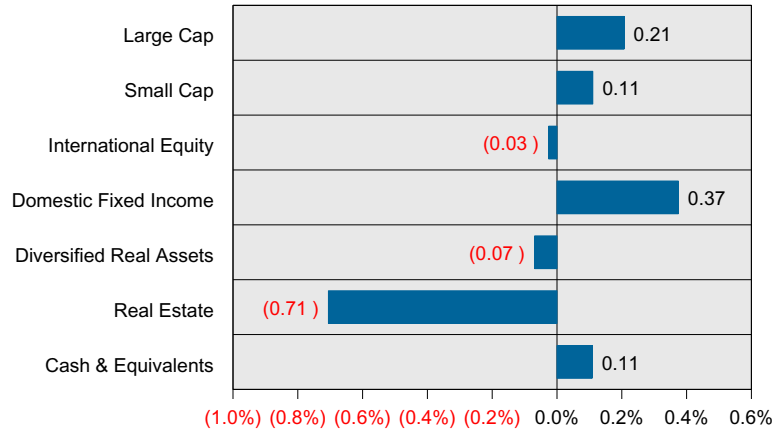
Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap	265,668	11.9%	11.0%	0.9%	19,534
Small Cap	72,261	3.2%	3.0%	0.2%	5,133
International Equity	183,301	8.2%	8.0%	0.2%	4,294
Domestic Fixed Income	1,331,342	59.5%	60.0%	(0.5%)	(11,210)
Diversified Real Assets	266,265	11.9%	12.0%	(0.1%)	(2,245)
Real Estate	96,292	4.3%	5.0%	(0.7%)	(15,587)
Cash & Equivalents	22,457	1.0%	1.0%	0.0%	81
Total	2,237,586	100.0%	100.0%		

* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

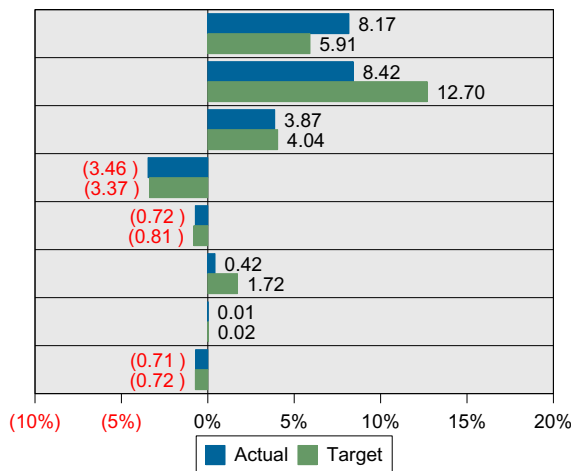
Quarterly Total Fund Relative Attribution - March 31, 2021

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

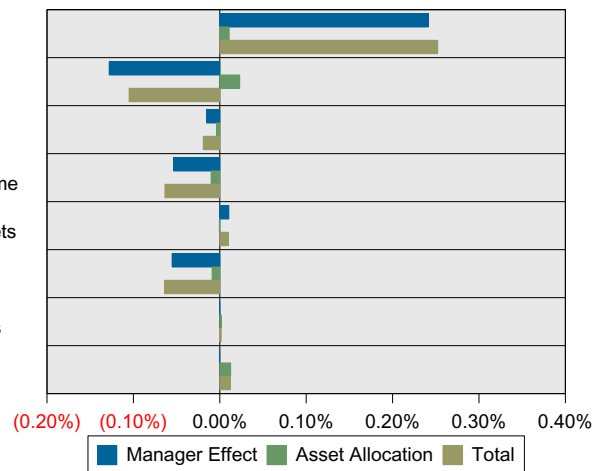
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2021

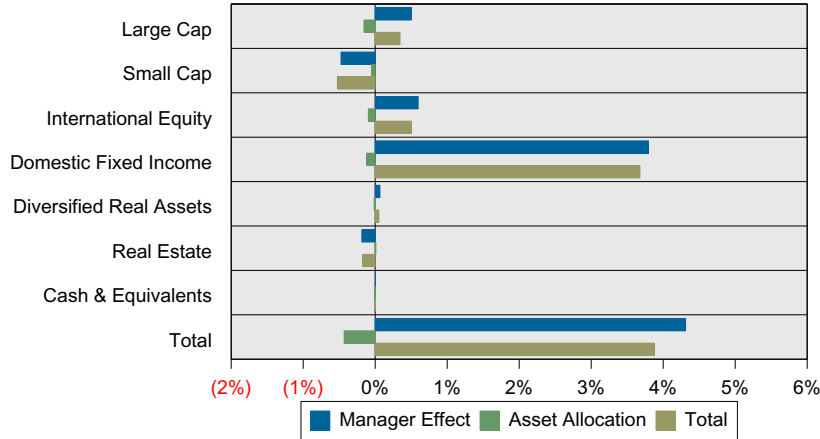
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	11%	11%	8.17%	5.91%	0.24%	0.01%	0.25%
Small Cap	3%	3%	8.42%	12.70%	(0.13%)	0.02%	(0.10%)
International Equity	8%	8%	3.87%	4.04%	(0.02%)	(0.00%)	(0.02%)
Domestic Fixed Income	60%	60%	(3.46%)	(3.37%)	(0.05%)	(0.01%)	(0.06%)
Diversified Real Assets	12%	12%	(0.72%)	(0.81%)	0.01%	(0.00%)	0.01%
Real Estate	4%	5%	0.42%	1.72%	(0.06%)	(0.01%)	(0.06%)
Cash & Equivalents	1%	1%	0.01%	0.02%	(0.00%)	0.00%	0.00%
Total					(0.71%)	(0.00%)	(0.71%)

* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

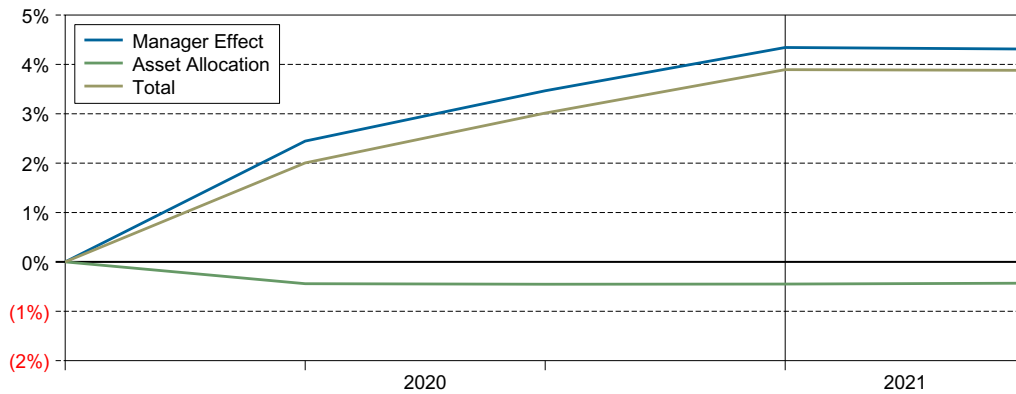
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

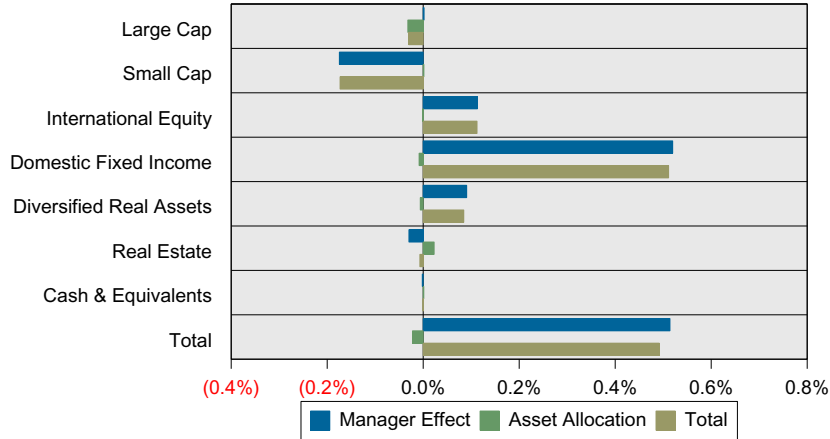
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	11%	11%	67.03%	60.59%	0.50%	(0.16%)	0.34%
Small Cap	3%	3%	72.02%	94.85%	(0.47%)	(0.05%)	(0.52%)
International Equity	8%	8%	56.26%	45.86%	0.60%	(0.09%)	0.50%
Domestic Fixed Income	61%	60%	6.40%	0.71%	3.80%	(0.12%)	3.68%
Diversified Real Assets	12%	12%	5.45%	4.91%	0.07%	(0.01%)	0.05%
Real Estate	5%	5%	(1.27%)	2.61%	(0.19%)	0.01%	(0.18%)
Cash & Equivalents	1%	1%	0.11%	0.12%	(0.00%)	(0.01%)	(0.01%)
Total			16.32%	12.44%	+ 4.31%	+ (0.43%)	3.88%

* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

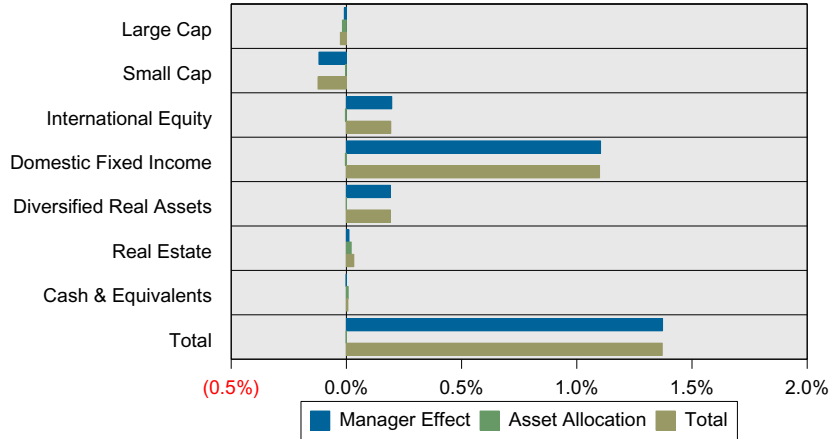
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	11%	11%	17.17%	17.31%	0.00%	(0.03%)	(0.03%)
Small Cap	3%	3%	9.14%	14.76%	(0.17%)	0.00%	(0.17%)
International Equity	8%	8%	7.55%	6.34%	0.11%	(0.00%)	0.11%
Domestic Fixed Income	59%	59%	5.60%	4.65%	0.52%	(0.01%)	0.51%
Diversified Real Assets	12%	12%	4.57%	3.85%	0.09%	(0.01%)	0.08%
Real Estate	5%	5%	3.86%	4.89%	(0.03%)	0.02%	(0.01%)
Cash & Equivalents	1%	1%	1.32%	1.49%	(0.00%)	0.00%	(0.00%)
Total			7.20%	6.70%	+ 0.51%	+ (0.02%)	0.49%

* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

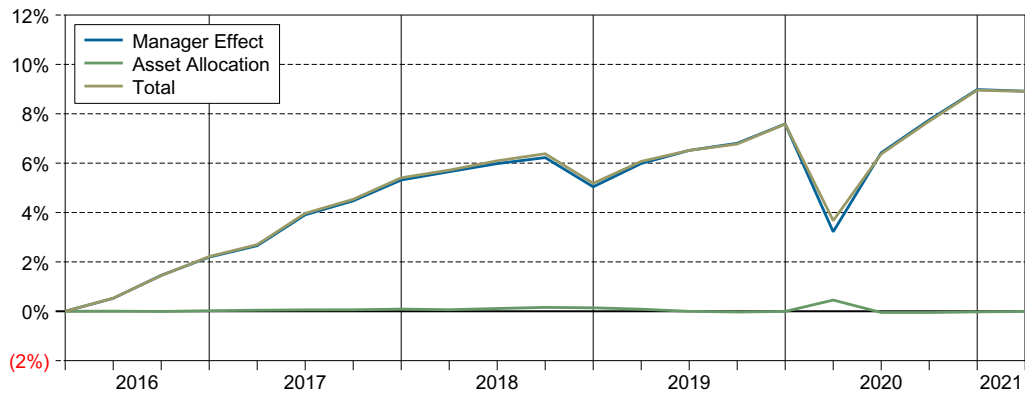
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

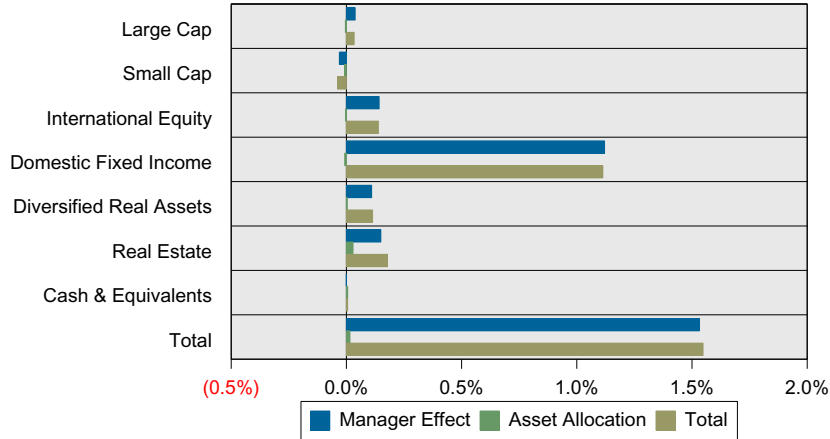
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	11%	11%	16.47%	16.66%	(0.01%)	(0.02%)	(0.03%)
Small Cap	3%	3%	12.49%	16.35%	(0.12%)	(0.00%)	(0.12%)
International Equity	8%	8%	11.02%	8.83%	0.20%	(0.00%)	0.19%
Domestic Fixed Income	57%	57%	5.14%	3.10%	1.10%	(0.00%)	1.10%
Diversified Real Assets	13%	13%	5.22%	3.82%	0.19%	(0.00%)	0.19%
Real Estate	6%	5%	5.57%	5.81%	0.01%	0.02%	0.03%
Cash & Equivalents	1%	1%	1.05%	1.19%	(0.00%)	0.01%	0.01%
Total			7.45%	6.08%	+ 1.37%	+ (0.00%)	1.37%

* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

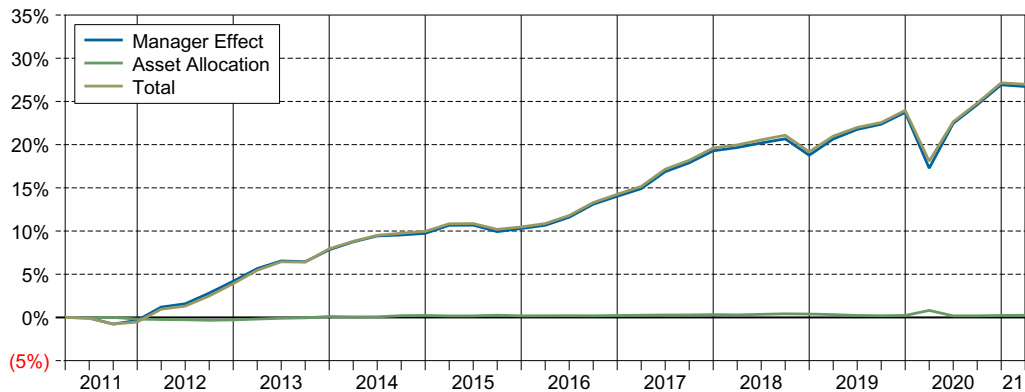
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Ten Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects

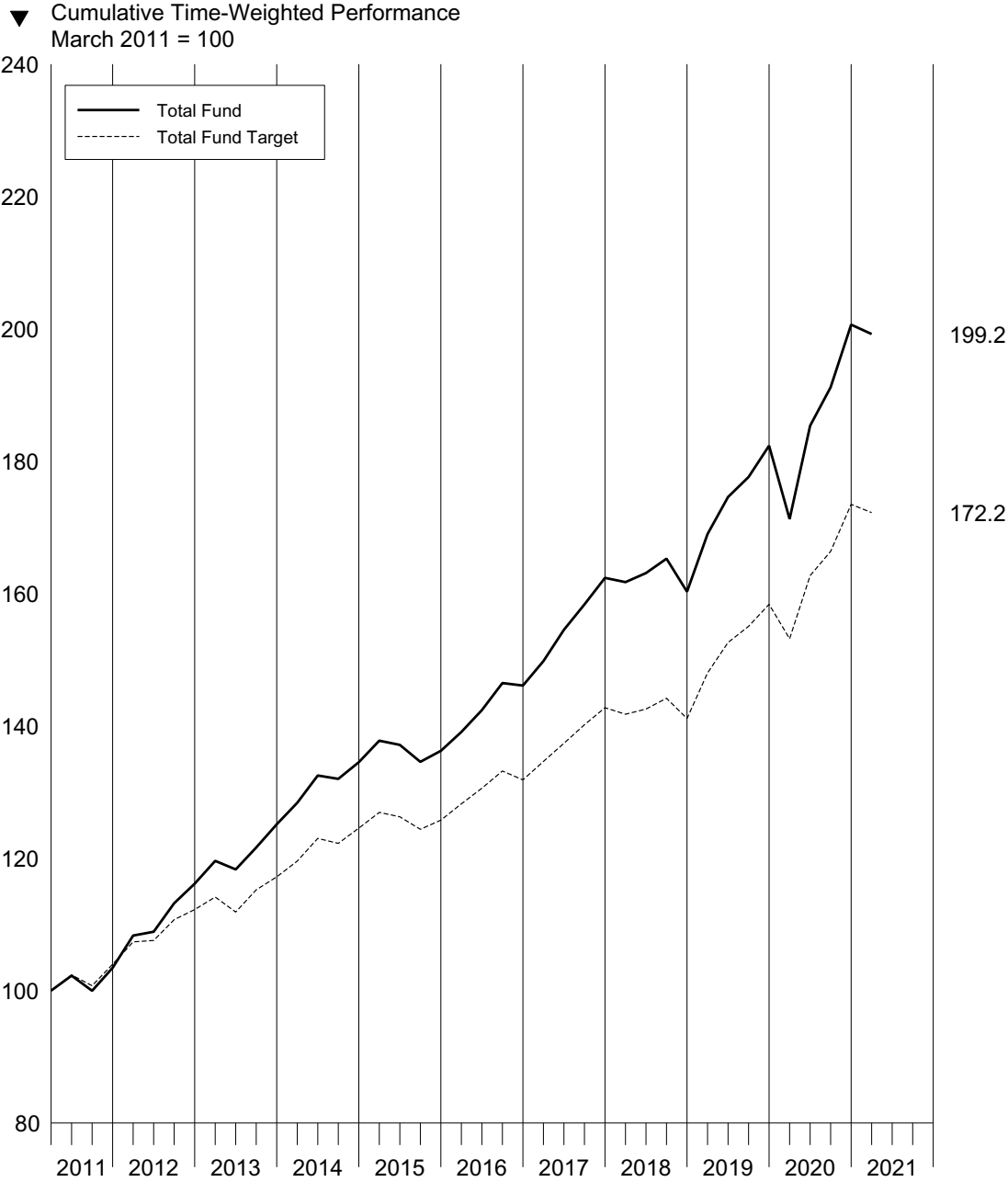


Ten Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	11%	11%	14.28%	13.97%	0.04%	(0.00%)	0.03%
Small Cap	4%	3%	10.64%	11.68%	(0.03%)	(0.01%)	(0.04%)
International Equity	8%	8%	7.12%	5.51%	0.14%	(0.00%)	0.14%
Domestic Fixed Income	54%	54%	5.58%	3.44%	1.12%	(0.01%)	1.11%
Diversified Real Assets	16%	17%	4.55%	3.76%	0.11%	0.00%	0.11%
Real Estate	6%	6%	11.06%	8.82%	0.15%	0.03%	0.18%
Cash & Equivalents	1%	1%	0.59%	0.63%	(0.00%)	0.01%	0.01%
Total			7.14%	5.59%	+ 1.53%	+ 0.02%	1.55%

* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

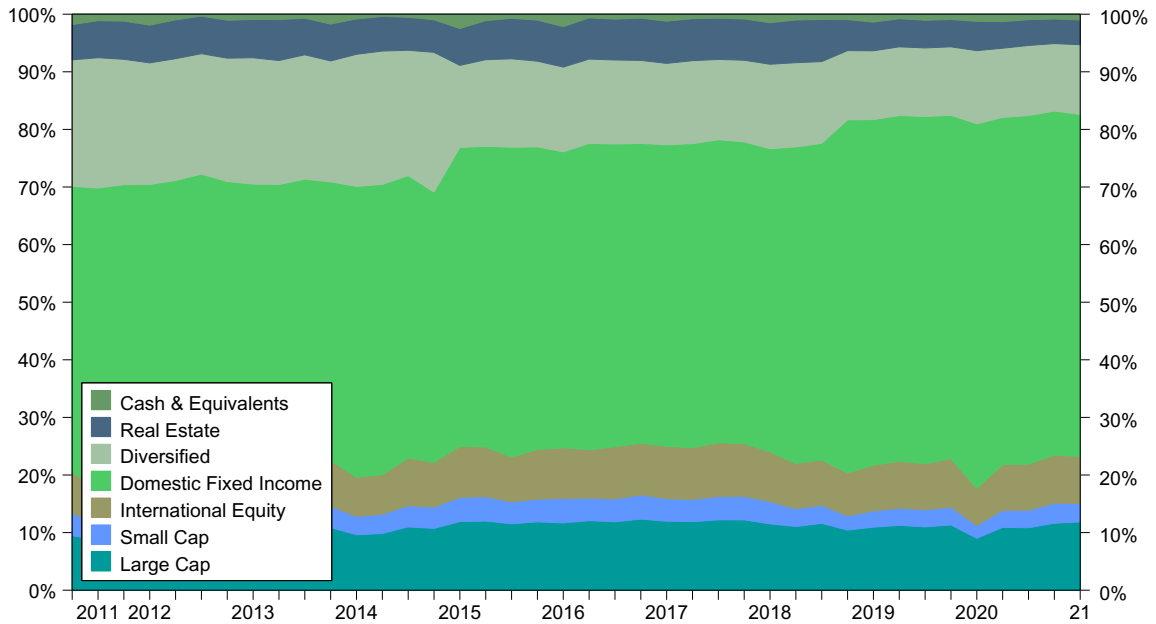
**NDSIB - Workforce Safety & Insurance
Cumulative Results**



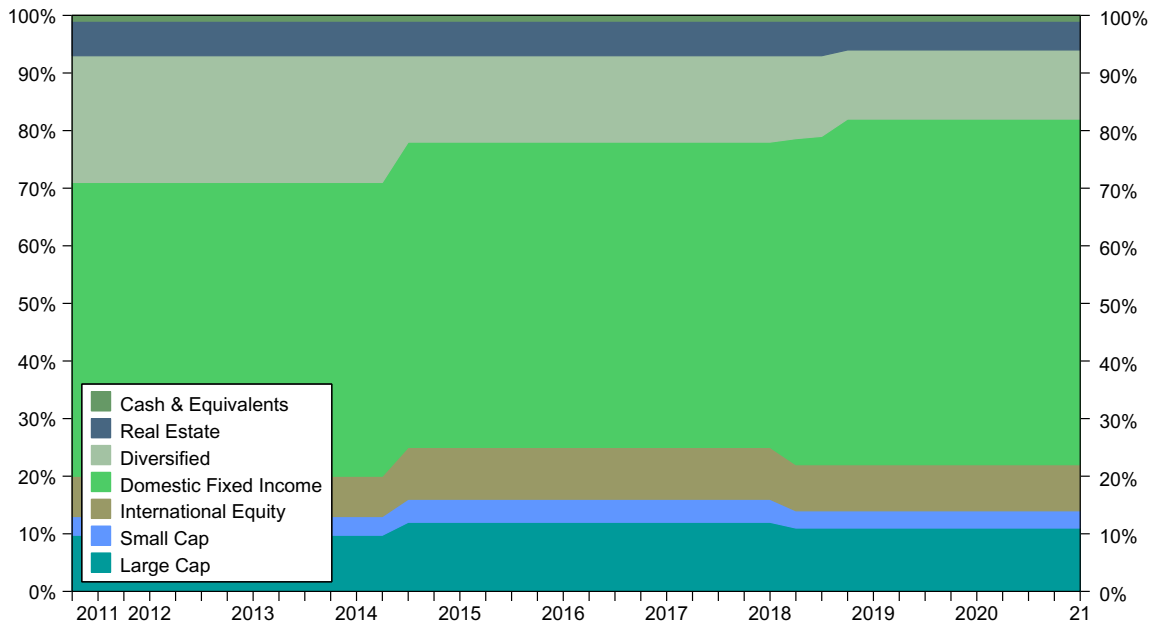
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

Actual Historical Asset Allocation



Target Historical Asset Allocation

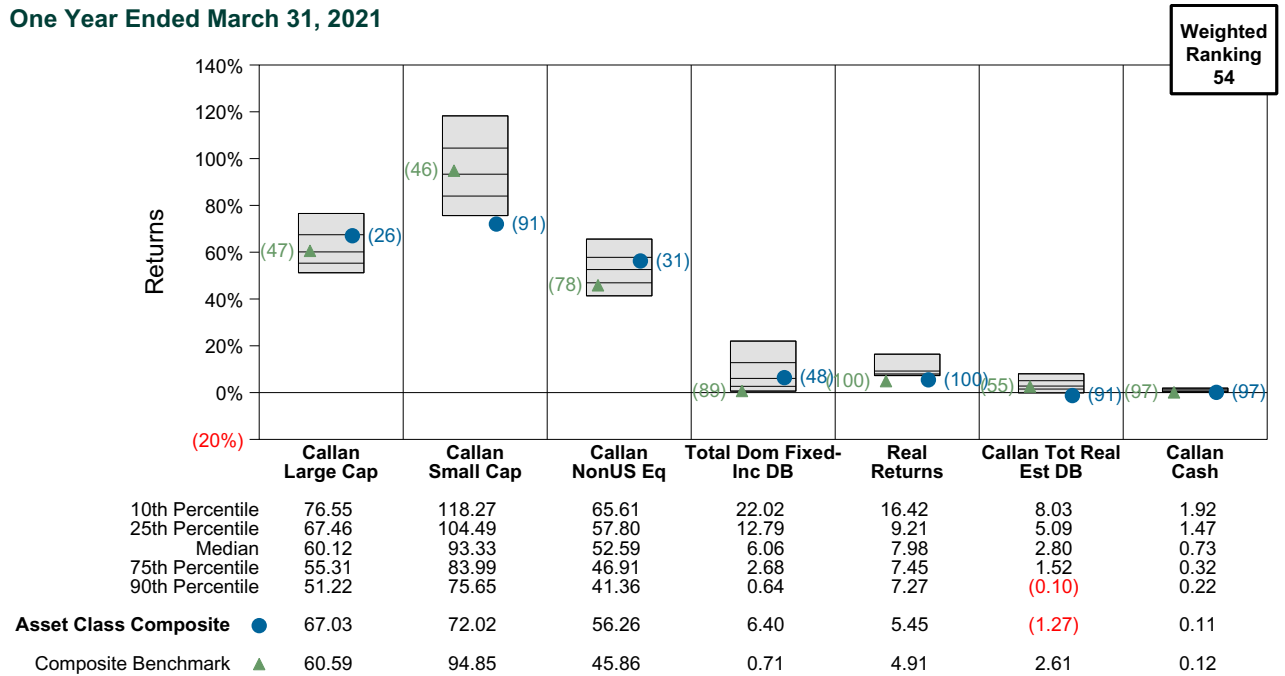


* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

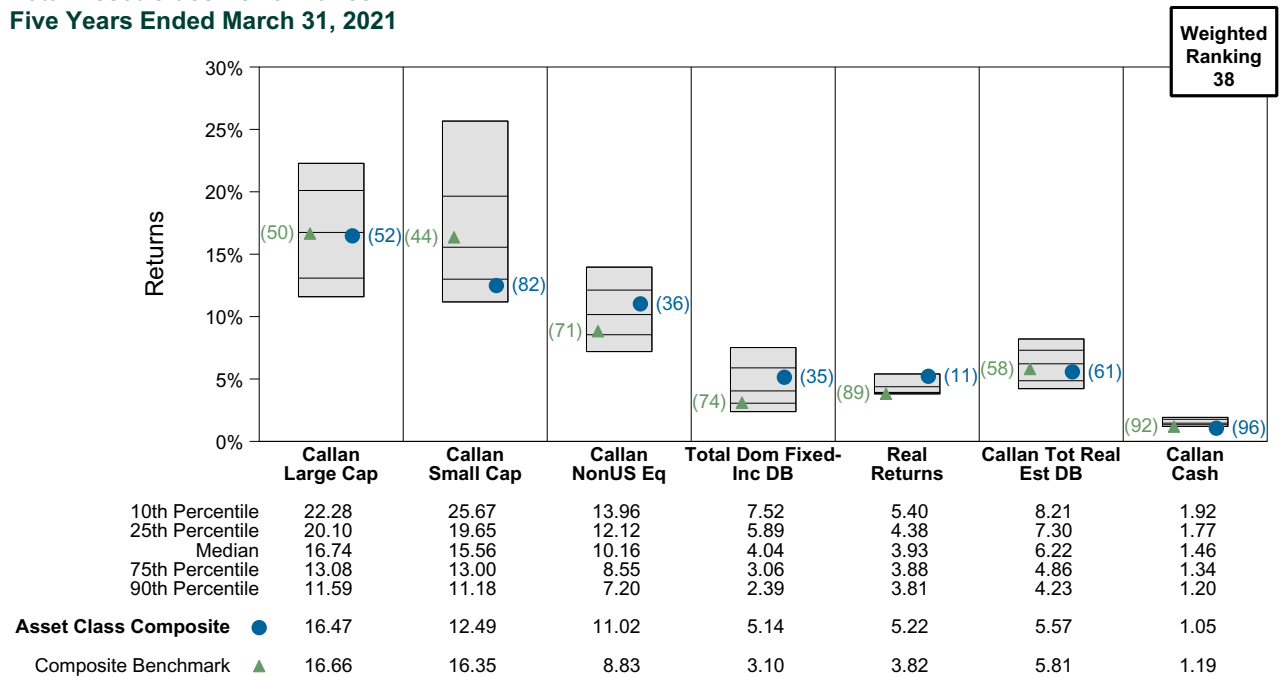
Asset Class Rankings

The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance One Year Ended March 31, 2021



Total Asset Class Performance Five Years Ended March 31, 2021



* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

Asset Class Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Class Allocation

	March 31, 2021		Net New Inv.	Inv. Return	December 31, 2020	
	Market Value	Weight			Market Value	Weight
Global Equity	\$521,229,955	23.29%	\$(43,190,658)	\$33,201,895	\$531,218,719	23.47%
Domestic Equity	\$337,929,134	15.10%	\$(30,636,023)	\$26,445,593	\$342,119,564	15.12%
Large Cap	265,668,479	11.87%	(18,244,899)	20,319,454	263,593,924	11.65%
Small Cap	72,260,655	3.23%	(12,391,124)	6,126,139	78,525,640	3.47%
International Equity	\$183,300,822	8.19%	\$(12,554,635)	\$6,756,302	\$189,099,155	8.36%
Domestic Fixed Income	\$1,331,341,804	59.50%	\$23,788,184	\$(47,596,673)	\$1,355,150,293	59.88%
Global Real Assets	\$362,557,002	16.20%	\$6,370,893	\$(1,569,515)	\$357,755,625	15.81%
Real Estate	96,292,180	4.30%	(832,858)	403,016	96,722,022	4.27%
Diversified	266,264,823	11.90%	7,203,751	(1,972,532)	261,033,604	11.53%
Cash	\$22,456,889	1.00%	\$3,541,593	\$2,844	\$18,912,452	0.84%
Total Fund	\$2,237,585,651	100.0%	\$(9,489,989)	\$(15,961,449)	\$2,263,037,089	100.0%

PLEASE REFER TO PAGE 30 FOR INVESTMENT MANAGER LEVEL ASSET ALLOCATION.

Asset Class Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Global Equity					
Gross	6.67%	63.82%	-	-	-
Net	6.59%	63.44%	-	-	-
Weighted Benchmark	6.16%	59.44%	-	-	-
Domestic Equity					
Gross	8.30%	68.18%	15.55%	15.74%	13.49%
Net	8.23%	67.86%	15.36%	15.51%	13.23%
Weighted Benchmark	7.38%	67.58%	-	-	-
Large Cap					
Gross	8.17%	67.03%	17.17%	16.47%	14.28%
Net	8.12%	66.88%	17.00%	16.28%	14.07%
Benchmark(1)	5.91%	60.59%	17.31%	16.66%	14.08%
Small Cap					
Gross	8.42%	72.02%	9.14%	12.49%	10.64%
Net	8.28%	71.13%	8.86%	12.17%	10.26%
Russell 2000	12.70%	94.85%	14.76%	16.35%	11.68%
International Equity					
Gross	3.87%	56.26%	7.55%	11.02%	7.12%
Net	3.79%	55.81%	7.23%	10.69%	6.76%
Benchmark(2)	4.04%	45.86%	6.34%	8.83%	5.51%
Domestic Fixed Income					
Gross	(3.46%)	6.40%	5.60%	5.14%	5.58%
Net	(3.49%)	6.26%	5.47%	5.01%	5.43%
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	3.44%
Global Real Assets					
Gross	(0.42%)	3.51%	-	-	-
Net	(0.49%)	3.23%	-	-	-
Weighted Benchmark	(0.07%)	4.24%	-	-	-
Real Estate					
Gross	0.42%	(1.27%)	3.86%	5.57%	11.06%
Net	0.30%	(1.72%)	3.34%	5.00%	10.25%
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.82%
Diversified					
Gross	(0.72%)	5.45%	4.57%	5.22%	4.55%
Net	(0.77%)	5.24%	4.35%	4.97%	4.25%
Weighted Benchmark	(0.81%)	4.91%	3.85%	3.82%	3.76%
Cash & Equivalents - Net	0.01%	0.11%	1.32%	1.05%	0.59%
90 Day Treasury Bills	0.02%	0.12%	1.49%	1.19%	0.63%
Total Fund					
Gross	(0.71%)	16.32%	7.20%	7.45%	7.14%
Net	(0.75%)	16.12%	7.01%	7.25%	6.89%
Target*	(0.72%)	12.44%	6.70%	6.08%	5.59%

* Current Quarter Target = 60.0% Blmbg Aggregate, 12.0% NDSIB WSI DRA Weighted Benchmark, 11.0% Russell 1000 Index, 8.0% MSCI World ex US, 5.0% NCREIF Total Index, 3.0% Russell 2000 Index and 1.0% 3-month Treasury Bill.

(1) S&P 500 Index through 12/31/2011 and Russell 1000 Index thereafter.

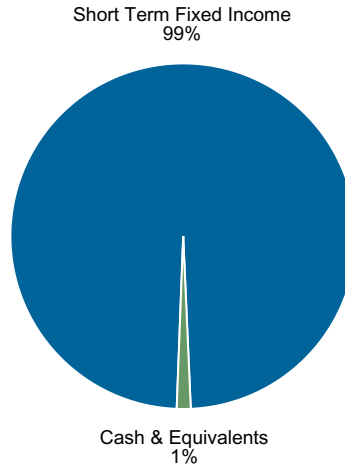
(2) MSCI EAFE through 9/30/2000; 50% Hedged EAFE through 3/31/2011; MSCI EAFE again through 6/30/2016; MSCI World ex-US thereafter.

PLEASE REFER TO PAGE 31-33 FOR INVESTMENT MANAGER LEVEL RETURNS.

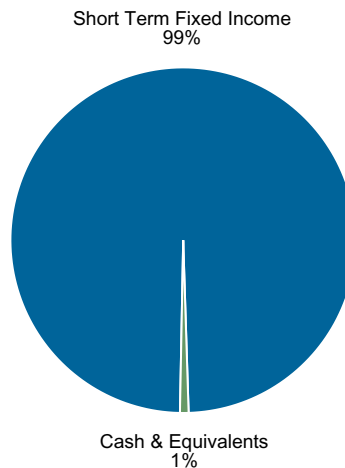
Actual vs Target Asset Allocation As of March 31, 2021

The first chart below shows the Fund's asset allocation as of March 31, 2021. The second chart shows the Fund's target asset allocation as outlined in the investment policy statement.

Actual Asset Allocation



Target Asset Allocation



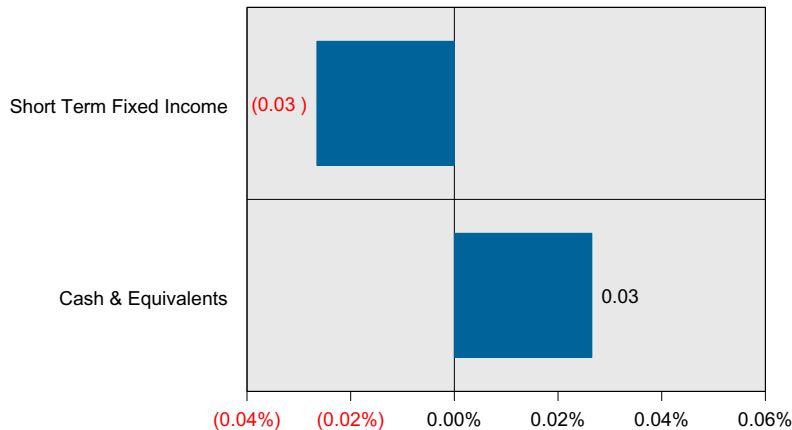
Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Short Term Fixed Income	742,047	98.7%	99.2%	(0.5%)	(3,909)
Cash & Equivalents	9,849	1.3%	0.8%	0.5%	3,909
Total	751,896	100.0%	100.0%		

* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

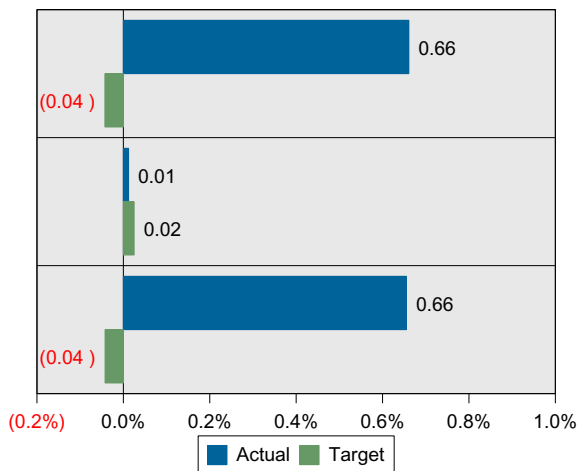
Quarterly Total Fund Relative Attribution - March 31, 2021

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

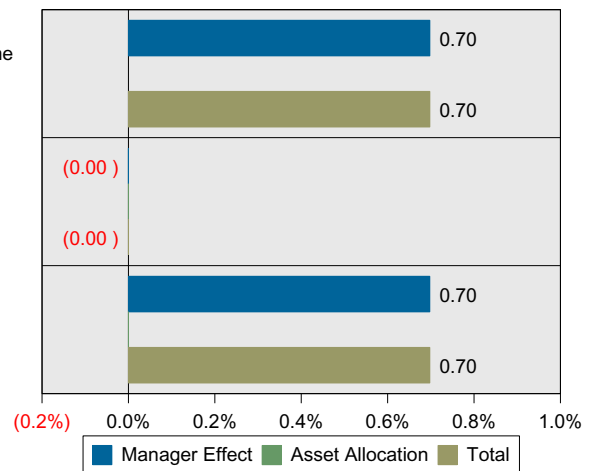
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2021

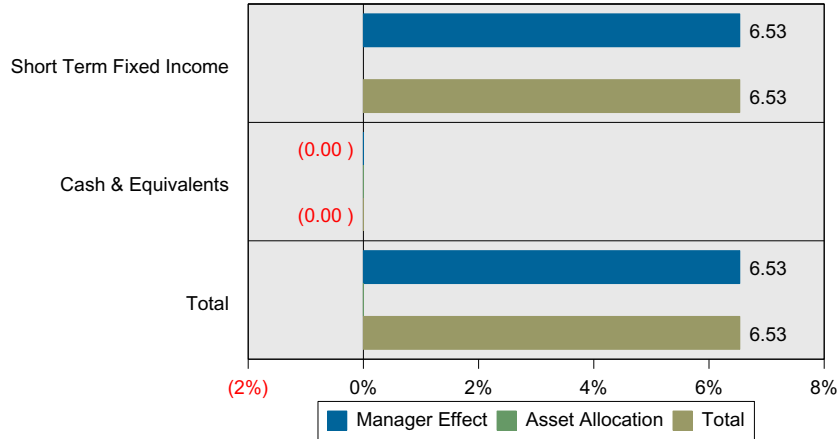
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Short Term Fixed Income	99%	99%	0.66%	(0.04%)	0.70%	0.00%	0.70%
Cash & Equivalents	1%	1%	0.01%	0.02%	(0.00%)	0.00%	(0.00%)
Total			0.66%		(0.04%)	0.70%	0.70%

* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

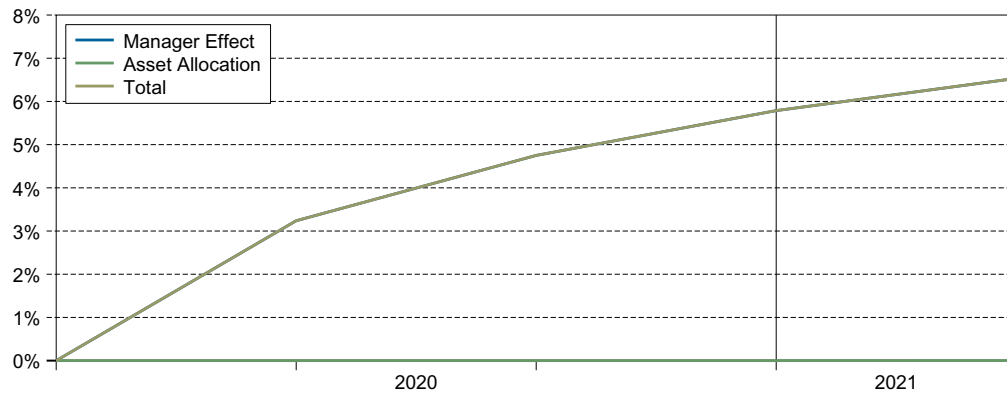
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

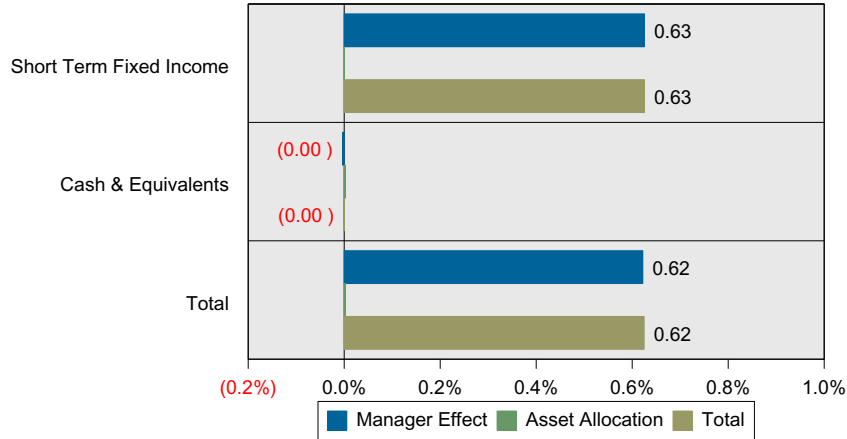
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Short Term Fixed Income	99%	99%	8.18%	1.57%	6.53%	0.00%	6.53%
Cash & Equivalents	1%	1%	0.11%	0.12%	(0.00%)	0.00%	(0.00%)
Total			8.09%	= 1.56%	+ 6.53%	+ 0.00%	6.53%

* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

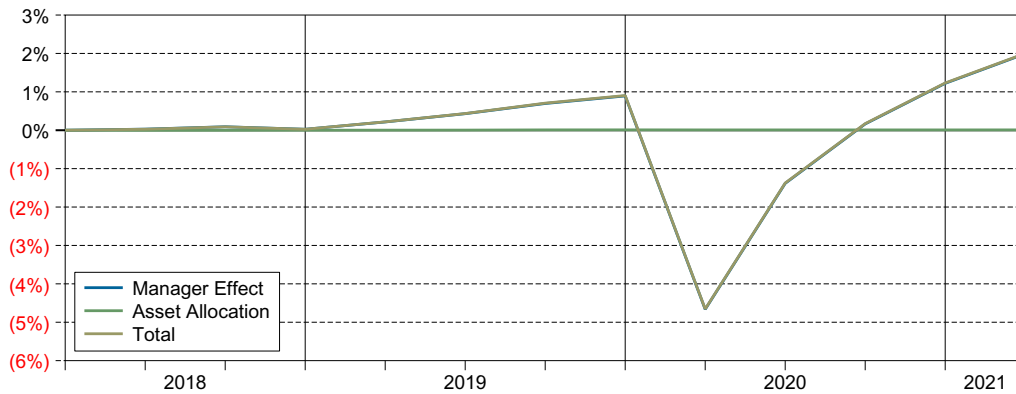
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

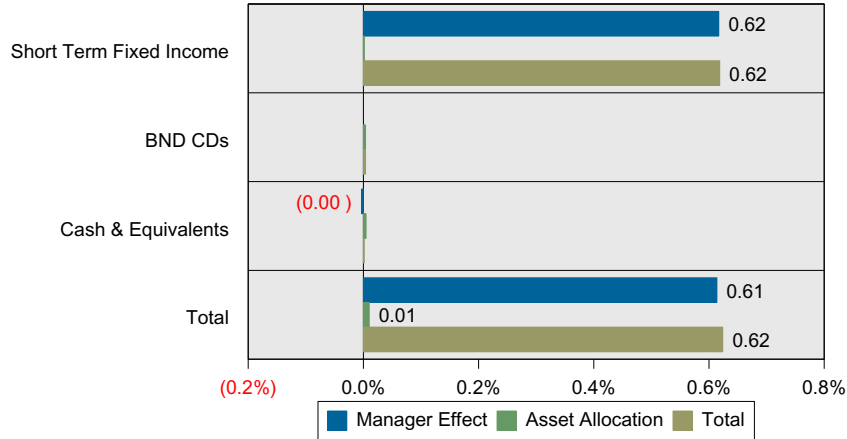
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Short Term Fixed Income	98%	98%	3.67%	3.04%	0.63%	0.00%	0.63%
Cash & Equivalents	2%	2%	1.32%	1.49%	(0.00)%	0.00%	(0.00)%
Total			3.64%	3.01%	+ 0.62%	+ 0.00%	0.62%

* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

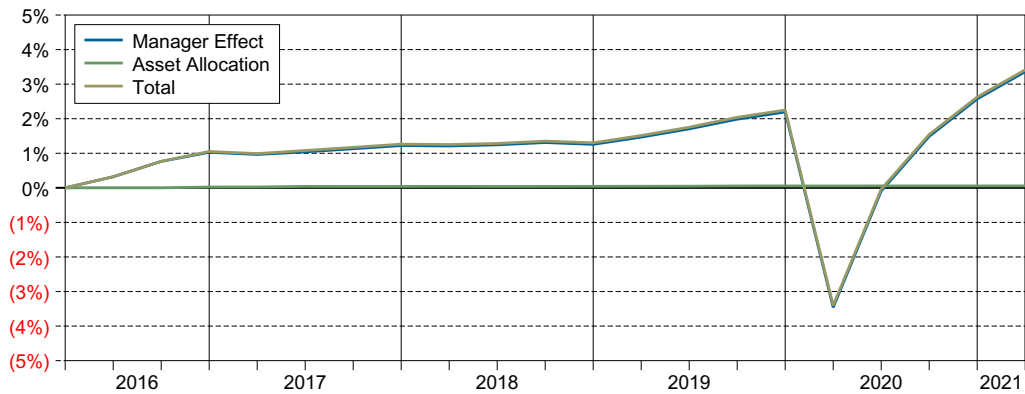
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

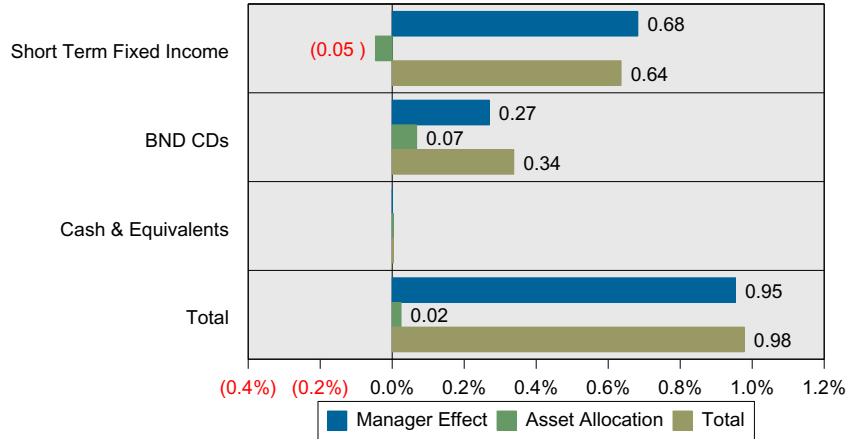
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Short Term Fixed Income	94%	94%	2.58%	1.91%	0.62%	0.00%	0.62%
BND CDs	3%	3%	-	-	0.00%	0.00%	0.00%
Cash & Equivalents	3%	3%	1.05%	1.19%	(0.00%)	0.00%	0.00%
Total			2.60%	1.97%	+ 0.61%	+ 0.01%	0.62%

* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

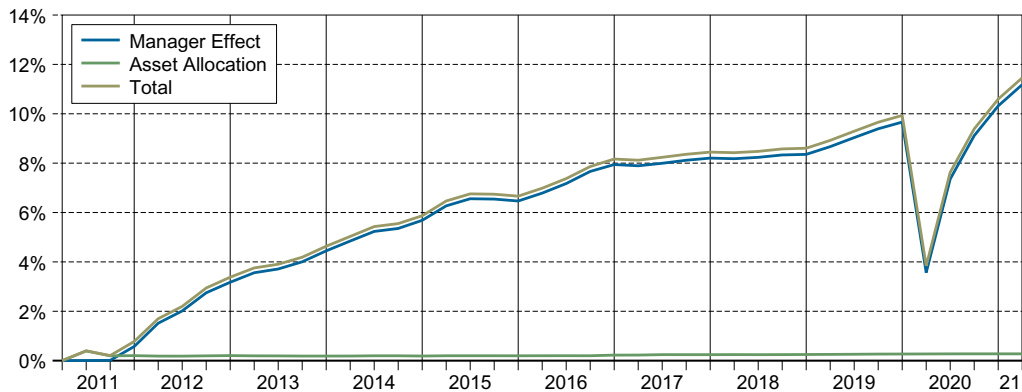
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Ten Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects

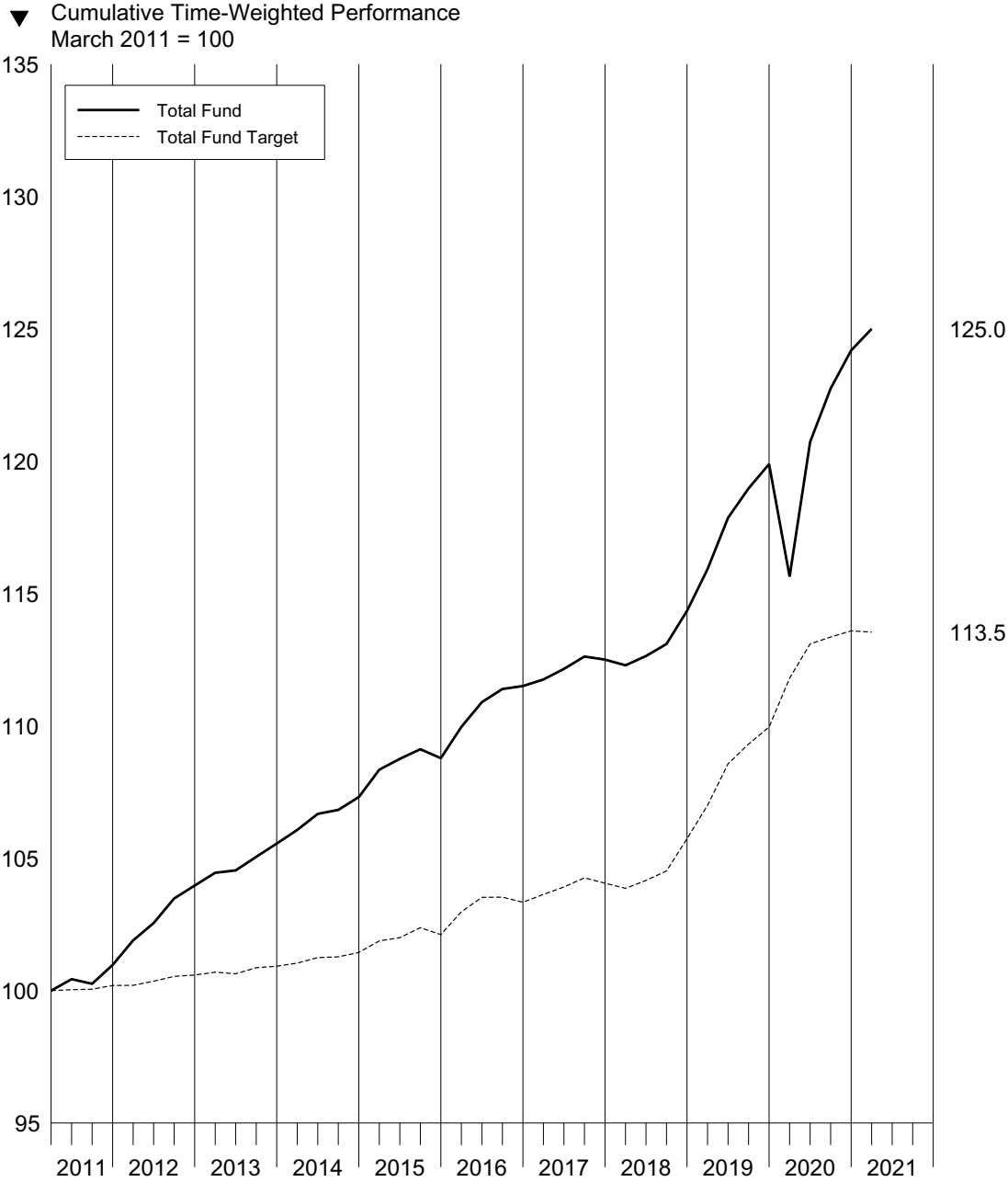


Ten Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Short Term Fixed Income	85%	82%	2.02%	1.19%	0.68%	(0.05%)	0.64%
BND CDs	12%	11%	-	-	0.27%	0.07%	0.34%
Cash & Equivalents	3%	7%	0.59%	0.63%	0.00%	0.00%	0.00%
Total			2.26%	= 1.28%	+ 0.95%	+ 0.02%	0.98%

* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

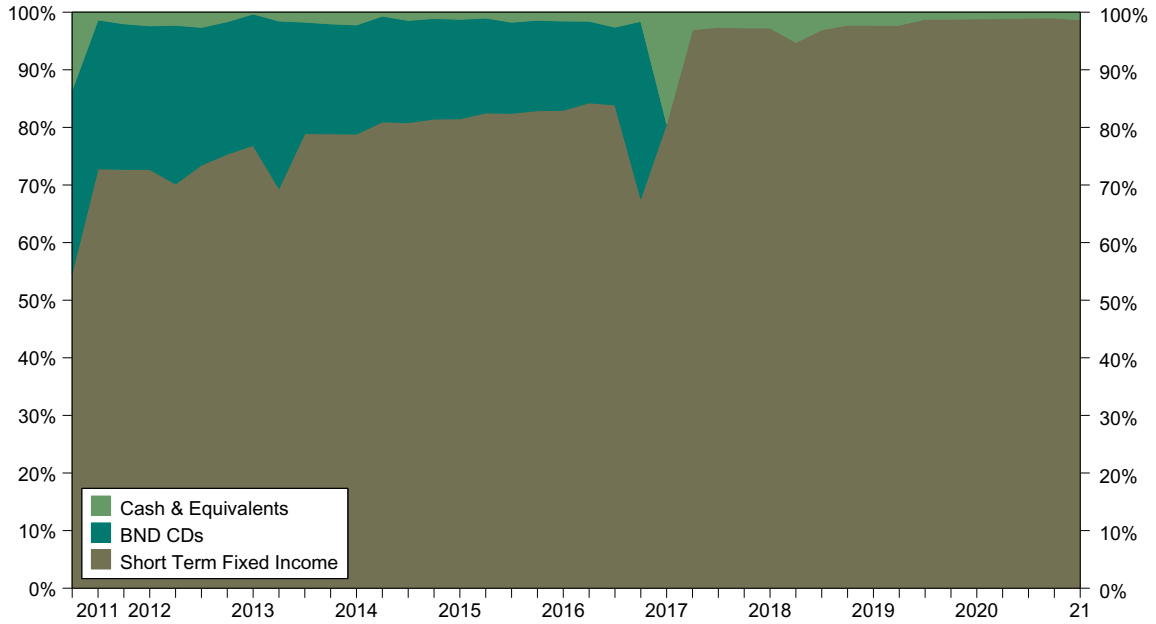
**NDSIB - Budget Stabilization Fund
Cumulative Results**



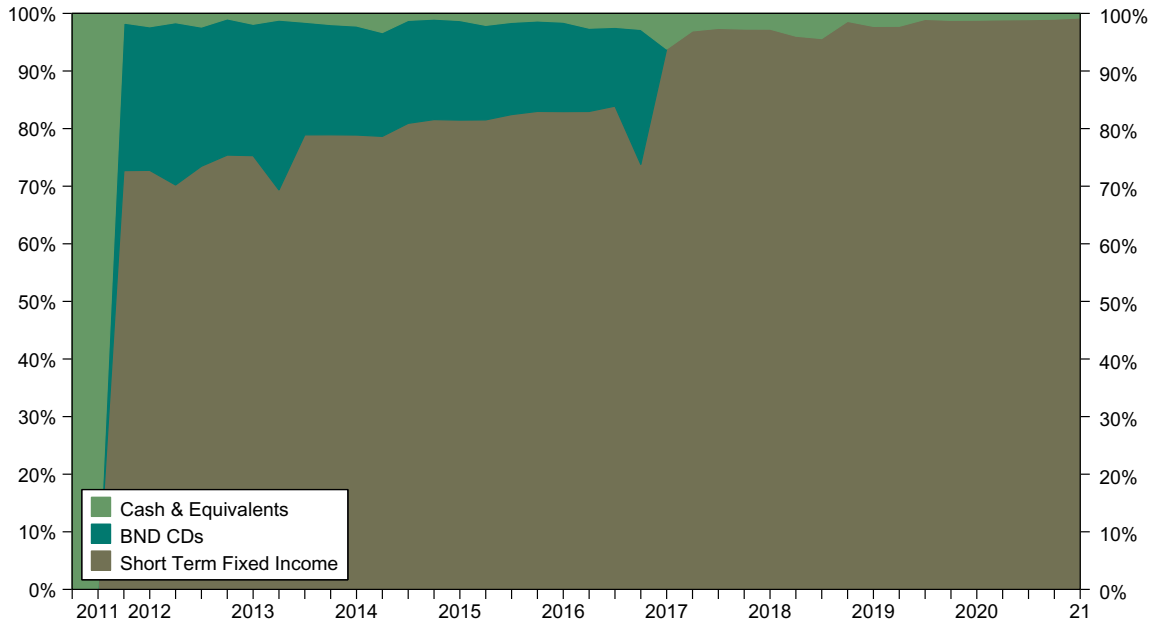
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

Actual Historical Asset Allocation



Target Historical Asset Allocation



* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

Asset Class Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Class Allocation

	March 31, 2021		Net New Inv.	Inv. Return	December 31, 2020	
	Market Value	Weight			Market Value	Weight
Short Term Fixed Income	\$742,047,114	98.69%	\$(2,532,140)	\$4,894,560	\$739,684,694	99.00%
Cash & Equivalents	\$9,849,014	1.31%	\$2,381,451	\$787	\$7,466,775	1.00%
Total Fund	\$751,896,128	100.0%	\$(150,689)	\$4,895,347	\$747,151,469	100.0%

PLEASE REFER TO PAGE 30 FOR INVESTMENT MANAGER LEVEL ASSET ALLOCATION.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021					
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Short Term Fixed Income					
Gross	0.66%	8.18%	3.67%	2.58%	2.02%
Net	0.65%	8.08%	3.55%	2.41%	1.87%
Blended Benchmark(1)	(0.04%)	1.57%	3.04%	1.91%	-
Cash & Equivalents - Net					
3-month Treasury Bill	0.01%	0.11%	1.32%	1.05%	0.59%
	0.02%	0.12%	1.49%	1.19%	0.63%
Total Fund					
Gross	0.66%	8.09%	3.64%	2.60%	2.26%
Net	0.64%	7.99%	3.52%	2.44%	2.13%
Target*	(0.04%)	1.56%	3.01%	1.97%	1.28%

* Current Quarter Target = 99.2% Blmbg Gov/Cred 1-3 Yr and 0.8% 3-month Treasury Bill.

(1) Blmbg Gov 1-3 Yr through March 31, 2017 and Blmbg Gov/Credit 1-3 Yr thereafter.

PLEASE REFER TO PAGES 31-33 FOR INVESTMENT MANAGER LEVEL RETURNS.

Large Cap Period Ended March 31, 2021

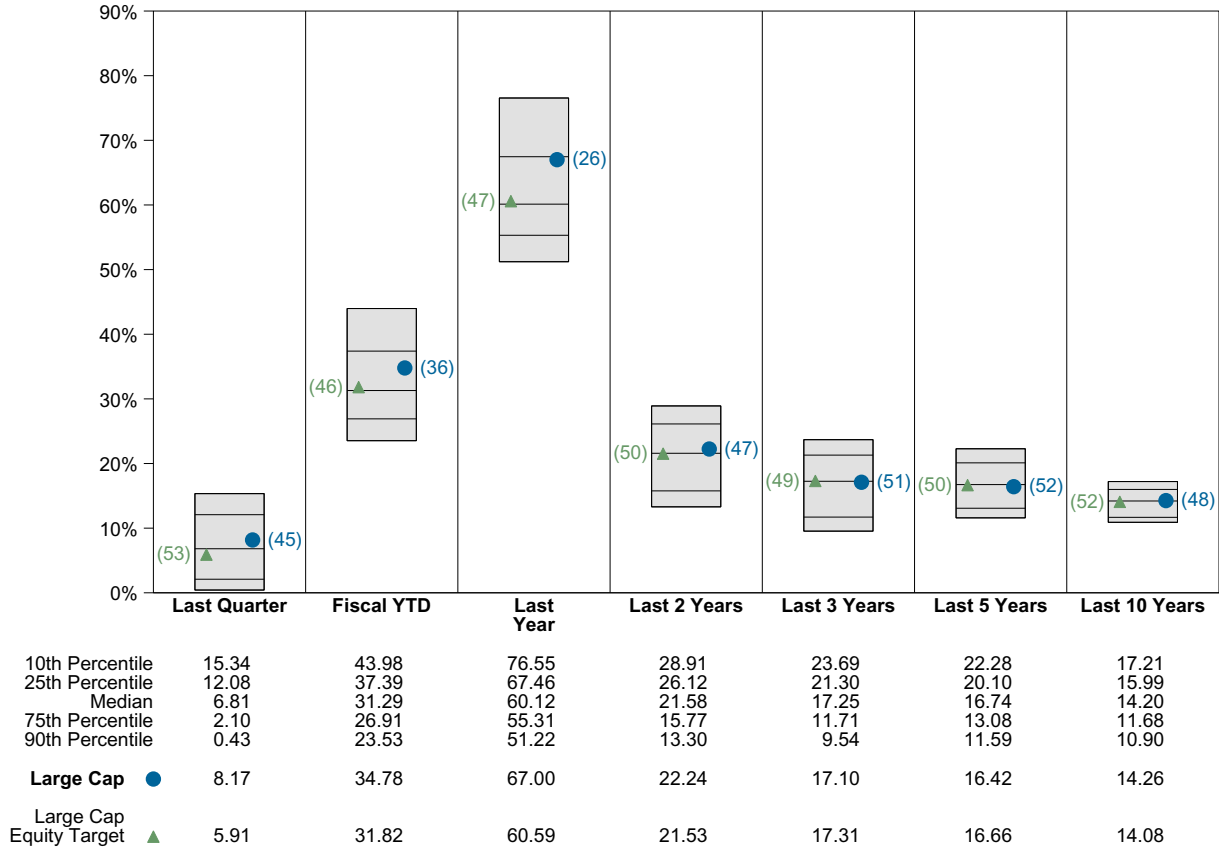
Quarterly Summary and Highlights

- Large Cap's portfolio posted a 8.17% return for the quarter placing it in the 45 percentile of the Callan Large Capitalization group for the quarter and in the 26 percentile for the last year.
- Large Cap's portfolio outperformed the Large Cap Equity Target by 2.26% for the quarter and outperformed the Large Cap Equity Target for the year by 6.42%.

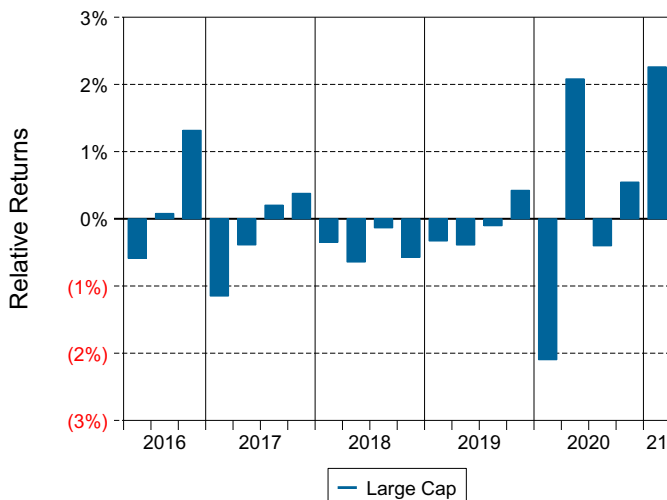
Quarterly Asset Growth

Beginning Market Value	\$283,905,398
Net New Investment	\$-20,111,584
Investment Gains/(Losses)	\$22,045,484
Ending Market Value	\$285,839,297

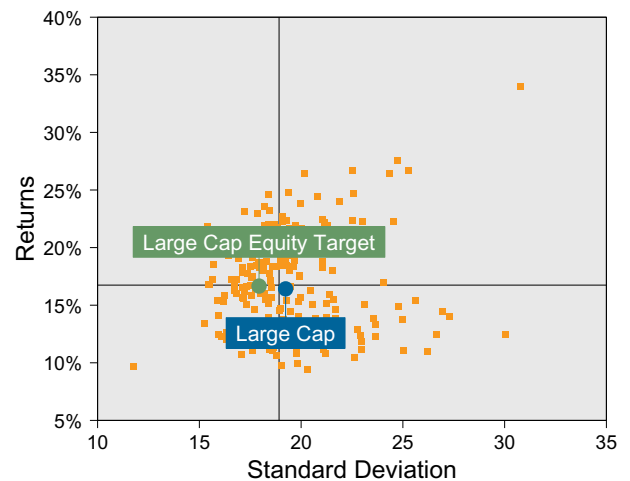
Performance vs Callan Large Capitalization (Gross)



Relative Return vs Large Cap Equity Target



Callan Large Capitalization (Gross) Annualized Five Year Risk vs Return



Parametric Large Cap Period Ended March 31, 2021

Investment Philosophy

Parametric Clifton utilizes equity futures to gain benchmark exposure in constructing the portfolio it believes provides the greatest likelihood of outperforming the index. In this construction the underlying cash portfolio is invested in a liquid, high quality short duration fixed income portfolio. Over market cycles excess return generated by the short duration portfolio, when added to the performance of futures is expected to allow the strategy to achieve 0.50% to 1.00% of gross excess annual performance.

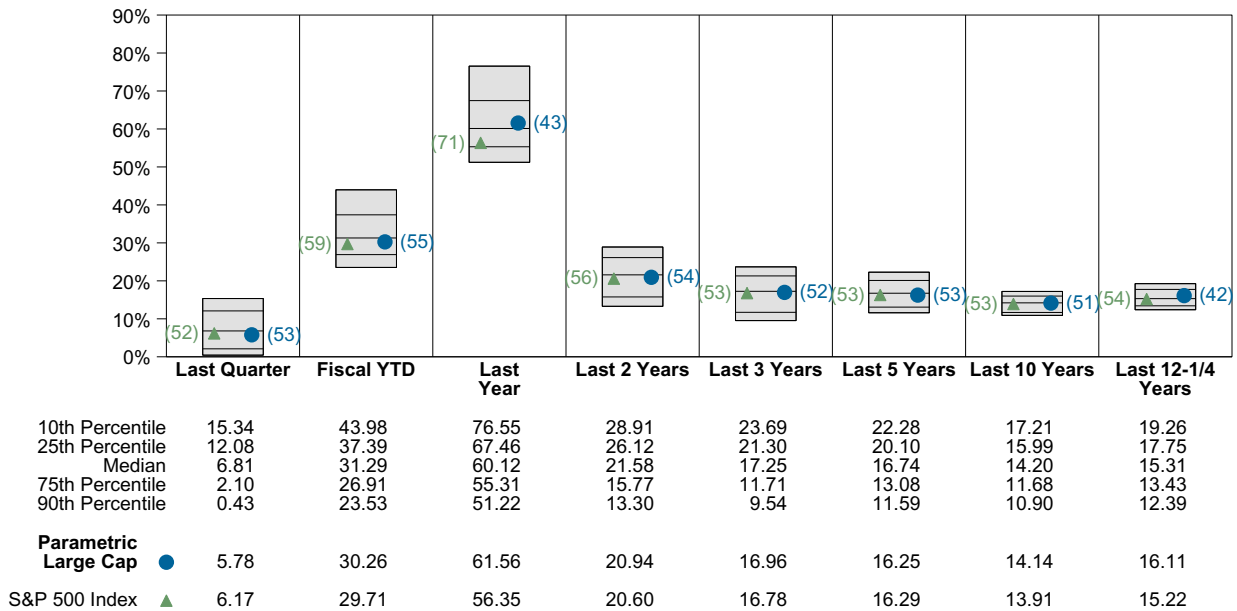
Quarterly Summary and Highlights

- Parametric Large Cap's portfolio posted a 5.78% return for the quarter placing it in the 53 percentile of the Callan Large Capitalization group for the quarter and in the 43 percentile for the last year.
- Parametric Large Cap's portfolio underperformed the S&P 500 Index by 0.39% for the quarter and outperformed the S&P 500 Index for the year by 5.21%.

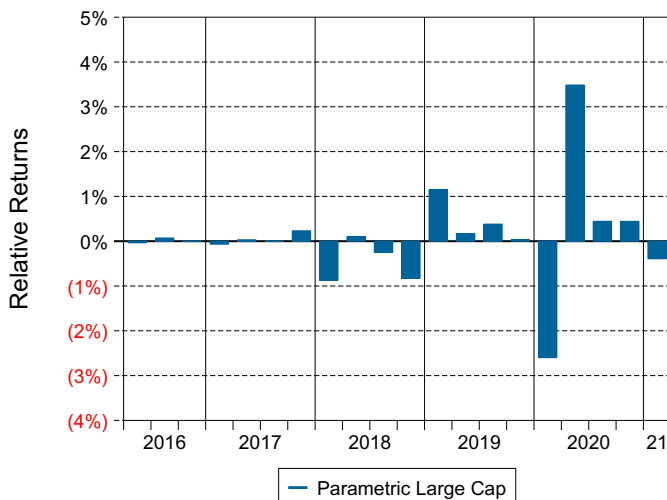
Quarterly Asset Growth

Beginning Market Value	\$58,404,701
Net New Investment	\$-11,000,000
Investment Gains/(Losses)	\$3,085,032
Ending Market Value	\$50,489,733

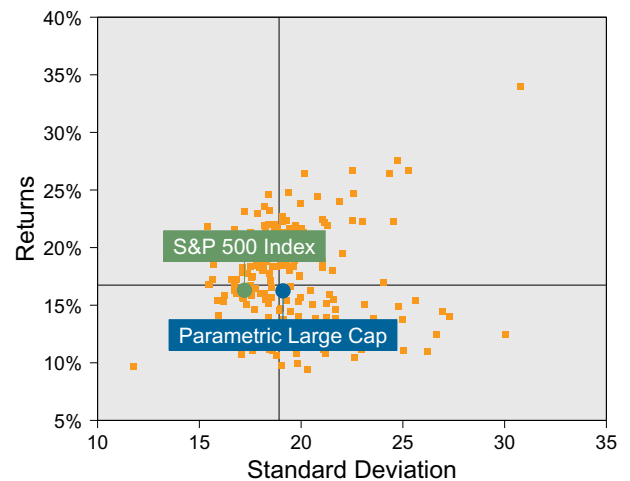
Performance vs Callan Large Capitalization (Gross)



Relative Return vs S&P 500 Index



Callan Large Capitalization (Gross) Annualized Five Year Risk vs Return



L.A. Capital Period Ended March 31, 2021

Investment Philosophy

The LA Capital Structured portfolio is a large growth portfolio benchmarked to the Russell 1000 Growth Index. It is an active assignment meaning that it targets a 2% alpha and constrains its risk budget (tracking error) to 4% relative to the benchmark. LA Capital believes that investment results are driven by Investor Preferences and thus recognize that when preferences shift a different posture related to that factor is warranted.

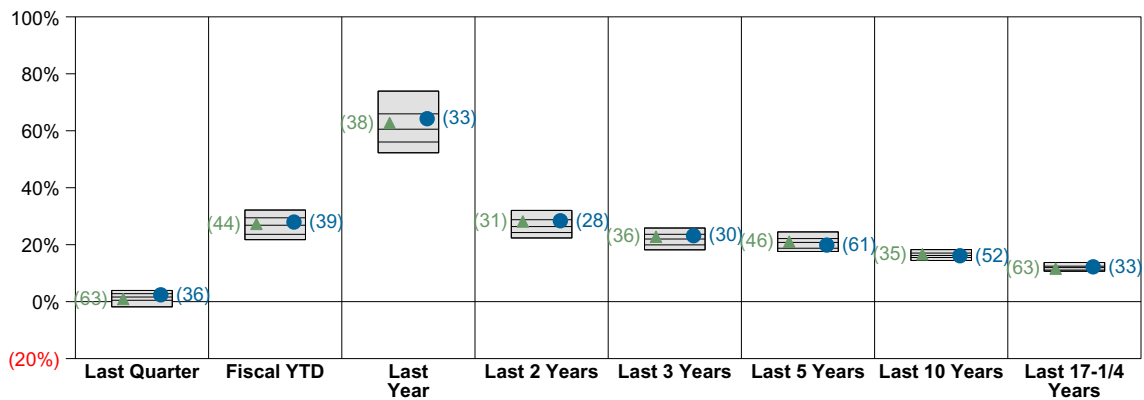
Quarterly Summary and Highlights

- L.A. Capital Large Cap Growth's portfolio posted a 2.39% return for the quarter placing it in the 36 percentile of the Callan Large Cap Growth group for the quarter and in the 33 percentile for the last year.
- L.A. Capital Large Cap Growth's portfolio outperformed the Russell 1000 Growth Index by 1.45% for the quarter and outperformed the Russell 1000 Growth Index for the year by 1.48%.

Quarterly Asset Growth

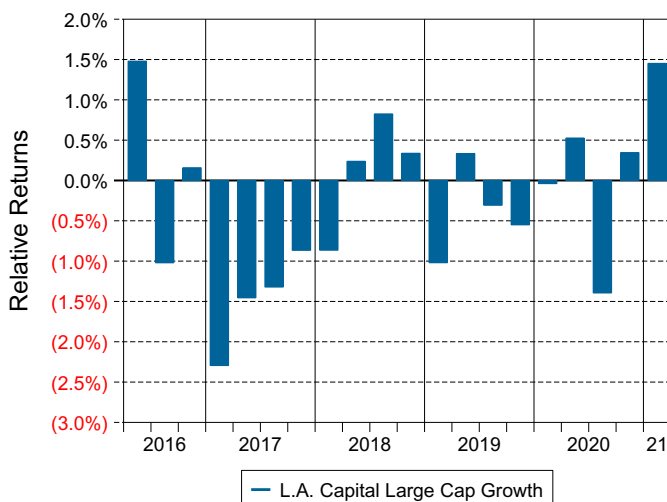
Beginning Market Value	\$88,604,830
Net New Investment	\$-5,043,866
Investment Gains/(Losses)	\$1,928,878
Ending Market Value	\$85,489,842

Performance vs Callan Large Cap Growth (Gross)

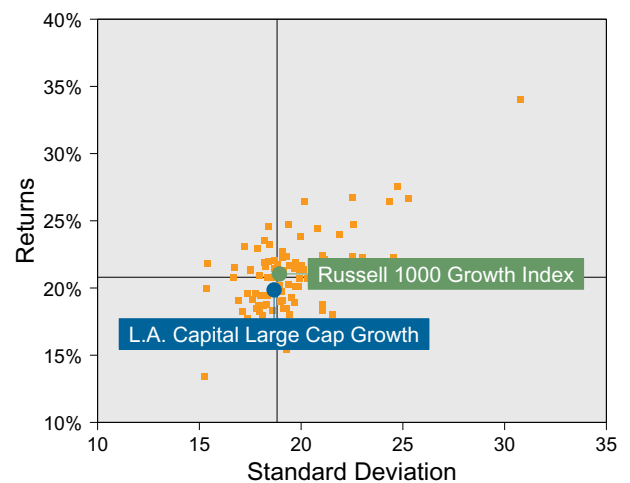


	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years	Last 17-1/4 Years
10th Percentile	3.92	32.16	73.92	32.03	25.85	24.49	18.27	13.75
25th Percentile	2.80	29.43	65.93	28.76	23.64	22.14	17.05	12.45
Median	1.62	26.82	60.55	26.36	21.98	20.80	16.21	11.96
75th Percentile	0.48	23.63	56.05	24.26	19.94	18.76	15.49	11.08
90th Percentile	(1.83)	21.76	52.26	22.36	18.19	17.60	14.44	10.69
L.A. Capital Large Cap Growth	● 2.39	27.94	64.23	28.40	23.16	19.86	16.11	12.21
Russell 1000 Growth Index	▲ 0.94	27.30	62.74	28.15	22.80	21.05	16.63	11.60

Relative Return vs Russell 1000 Growth Index



Callan Large Cap Growth (Gross) Annualized Five Year Risk vs Return



L.A. Capital Enhanced Period Ended March 31, 2021

Investment Philosophy

The LA Capital Enhanced portfolio is a large core portfolio benchmarked to the Russell 1000 Index. Characterized as an enhanced index assignment, its objective is to track the benchmark with lower variability. The pension portfolio began in August of 2000 and the insurance portfolio was initiated in April of 2004. Since October of 2006 a small portion of each of the two core accounts was allocated into the Large Cap Alpha Fund with intent to add incremental alpha to the assignment given that the information ratio was expected to be higher.

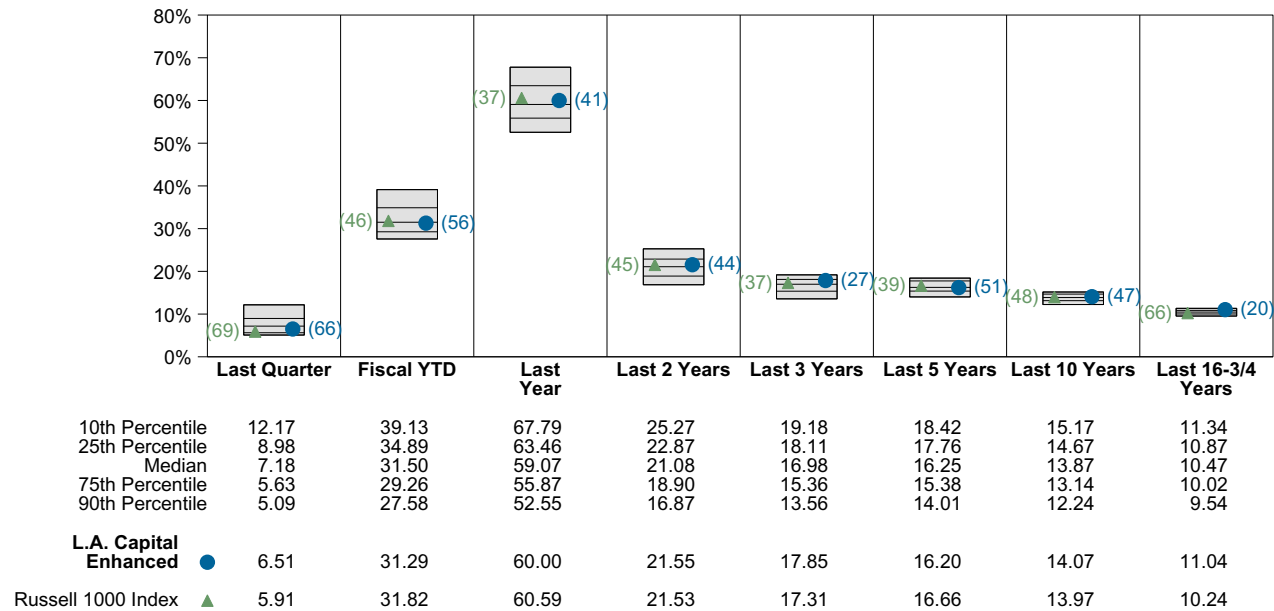
Quarterly Summary and Highlights

- L.A. Capital Enhanced's portfolio posted a 6.51% return for the quarter placing it in the 66 percentile of the Callan Large Cap Core group for the quarter and in the 41 percentile for the last year.
- L.A. Capital Enhanced's portfolio outperformed the Russell 1000 Index by 0.59% for the quarter and underperformed the Russell 1000 Index for the year by 0.59%.

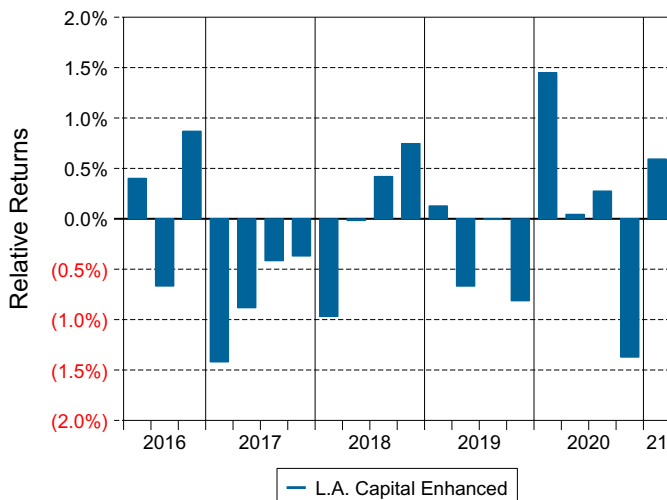
Quarterly Asset Growth

Beginning Market Value	\$63,374,173
Net New Investment	\$-4,015,372
Investment Gains/(Losses)	\$3,832,435
Ending Market Value	\$63,191,236

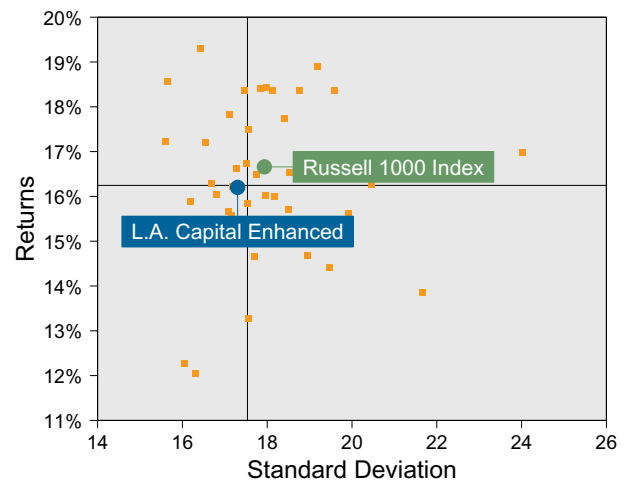
Performance vs Callan Large Cap Core (Gross)



Relative Return vs Russell 1000 Index



Callan Large Cap Core (Gross) Annualized Five Year Risk vs Return



LSV Asset Management

Period Ended March 31, 2021

Investment Philosophy

The objective of LSV Asset Management's Large Cap Value Equity (U.S.) strategy is to outperform the Russell 1000 Value by at least 200 basis points (gross of fees) per annum over a 3-5 year period with a tracking error of approximately 4%. Their stock selection process is a quantitative approach that ranks a broad universe of stocks on a combination of value and momentum factors and seeks to invest approximately 100 stocks in the most attractive securities possible within strict risk parameters to control the portfolio's tracking error relative to the benchmark. The resulting portfolio is broadly diversified across industry groups and fully invested.

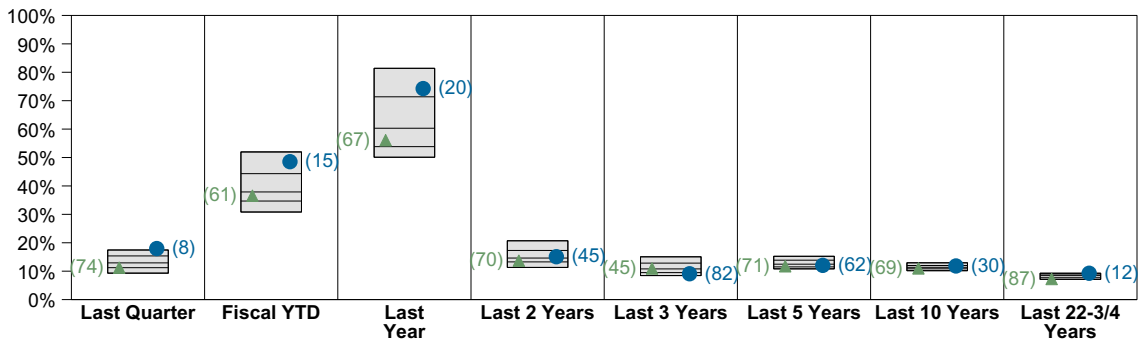
Quarterly Summary and Highlights

- LSV Large Cap Value's portfolio posted a 17.96% return for the quarter placing it in the 8 percentile of the Callan Large Cap Value group for the quarter and in the 20 percentile for the last year.
- LSV Large Cap Value's portfolio outperformed the Russell 1000 Value Index by 6.71% for the quarter and outperformed the Russell 1000 Value Index for the year by 18.17%.

Quarterly Asset Growth

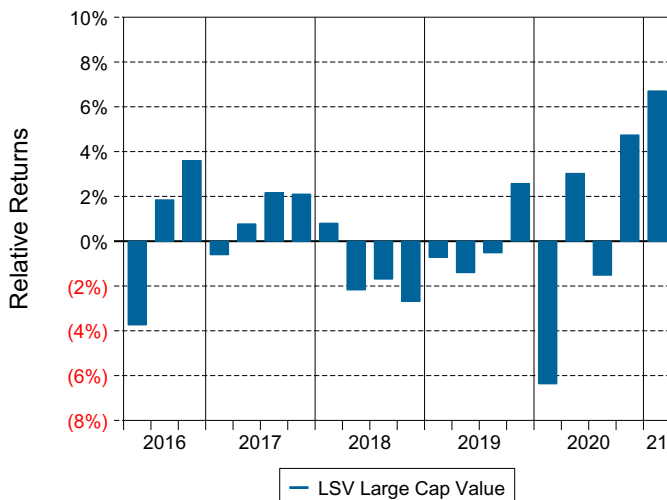
Beginning Market Value	\$73,521,693
Net New Investment	\$-52,346
Investment Gains/(Losses)	\$13,199,138
Ending Market Value	\$86,668,485

Performance vs Callan Large Cap Value (Gross)

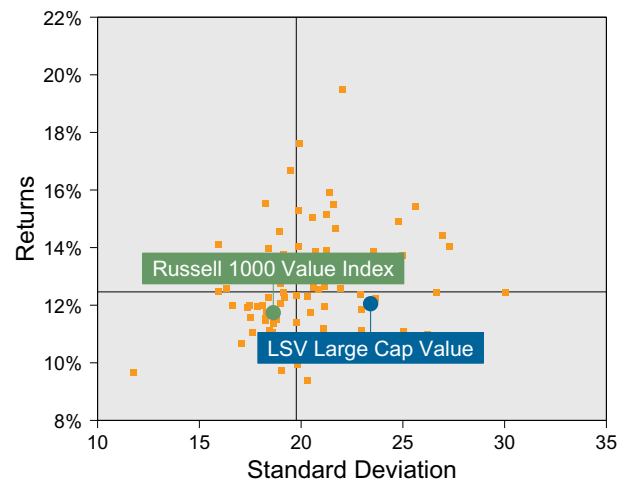


	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years	Last 22-3/4 Years
10th Percentile	17.45	51.96	81.39	20.70	15.06	15.24	12.95	9.28
25th Percentile	15.38	44.32	71.37	17.30	12.84	13.87	12.01	8.99
Median	12.92	37.88	60.30	14.62	10.80	12.46	11.36	8.43
75th Percentile	11.24	34.68	53.83	13.27	9.50	11.52	10.84	7.70
90th Percentile	9.31	30.82	50.09	11.31	8.45	10.82	10.17	7.12
LSV Large Cap Value	17.96	48.54	74.26	15.09	9.09	12.05	11.83	9.27
Russell 1000 Value Index	11.26	36.57	56.09	13.71	10.96	11.74	10.99	7.26

Relative Return vs Russell 1000 Value Index



Callan Large Cap Value (Gross) Annualized Five Year Risk vs Return



Small Cap Period Ended March 31, 2021

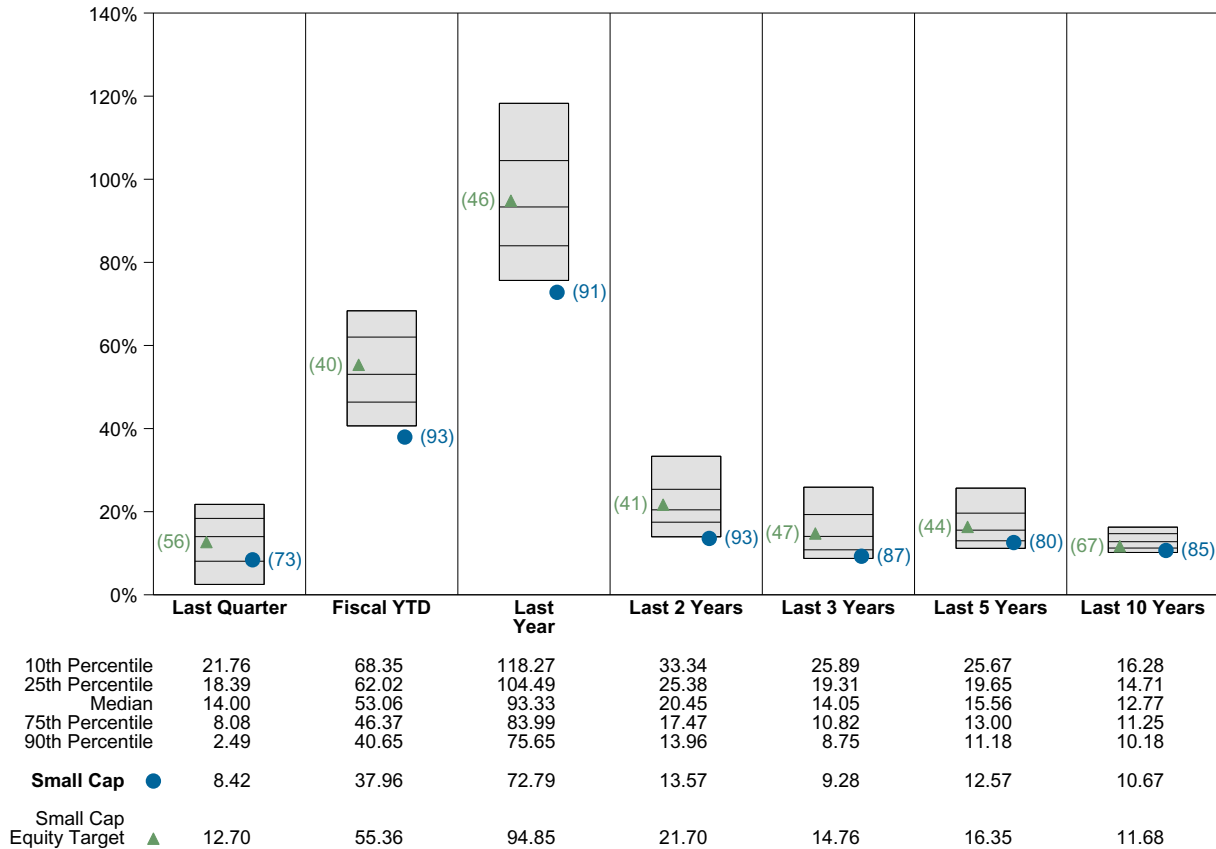
Quarterly Summary and Highlights

- Small Cap's portfolio posted a 8.42% return for the quarter placing it in the 73 percentile of the Callan Small Capitalization group for the quarter and in the 91 percentile for the last year.
- Small Cap's portfolio underperformed the Small Cap Equity Target by 4.28% for the quarter and underperformed the Small Cap Equity Target for the year by 22.05%.

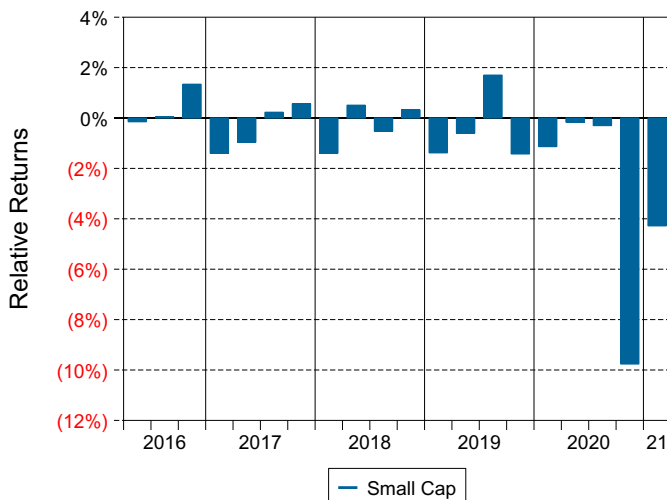
Quarterly Asset Growth

Beginning Market Value	\$87,145,501
Net New Investment	\$-13,105,645
Investment Gains/(Losses)	\$6,884,128
Ending Market Value	\$80,923,984

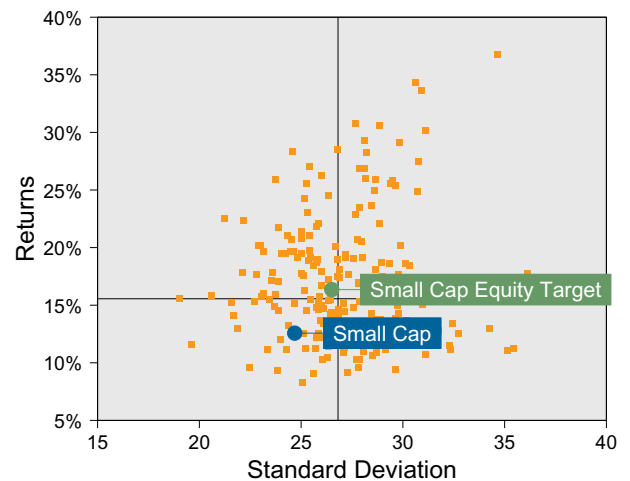
Performance vs Callan Small Capitalization (Gross)



Relative Return vs Small Cap Equity Target



Callan Small Capitalization (Gross) Annualized Five Year Risk vs Return



Atlanta Capital Period Ended March 31, 2021

Investment Philosophy

Atlanta believes that high quality companies produce consistently increasing earnings and dividends, thereby providing attractive returns with moderate risk over the long-term.

Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a 8.86% return for the quarter placing it in the 72 percentile of the Callan Small Capitalization group for the quarter and in the 97 percentile for the last year.
- Atlanta Capital's portfolio underperformed the S&P 600 Small Cap Index by 9.38% for the quarter and underperformed the S&P 600 Small Cap Index for the year by 32.76%.

Quarterly Asset Growth

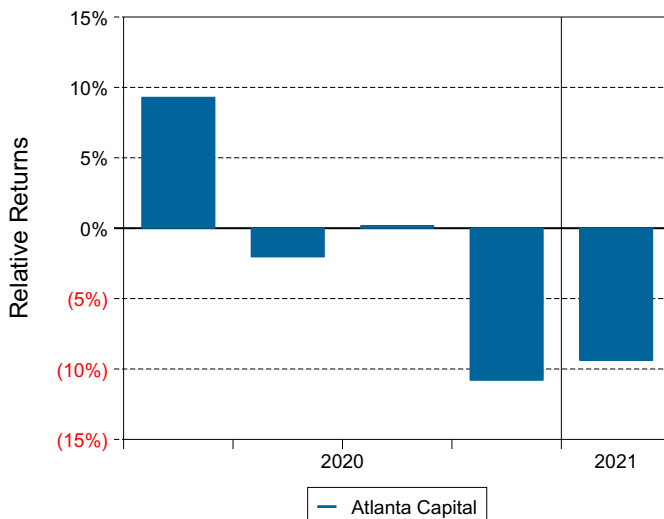
Beginning Market Value	\$27,394,258
Net New Investment	\$-3,041,711
Investment Gains/(Losses)	\$2,300,848
Ending Market Value	\$26,653,394

Performance vs Callan Small Capitalization (Gross)

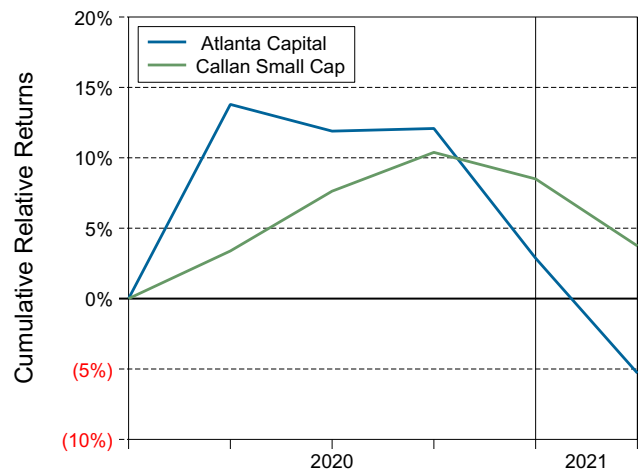


10th Percentile	21.76	68.35	118.27	44.52
25th Percentile	18.39	62.02	104.49	33.10
Median	14.00	53.06	93.33	25.44
75th Percentile	8.08	46.37	83.99	19.05
90th Percentile	2.49	40.65	75.65	14.34
Atlanta Capital	8.86	35.58	62.57	19.25
S&P 600 Small Cap Index	18.24	60.18	95.33	24.55

Relative Return vs S&P 600 Small Cap Index



Cumulative Returns vs S&P 600 Small Cap Index



Riverbridge Small Cap Growth Period Ended March 31, 2021

Investment Philosophy

Riverbridge believes earnings power determines the value of a franchise. They focus on companies that are building earnings power and intrinsic value of the company over long periods of time. They also look for high-quality growth companies that demonstrate the ability to sustain strong secular earnings growth, regardless of overall economic conditions.

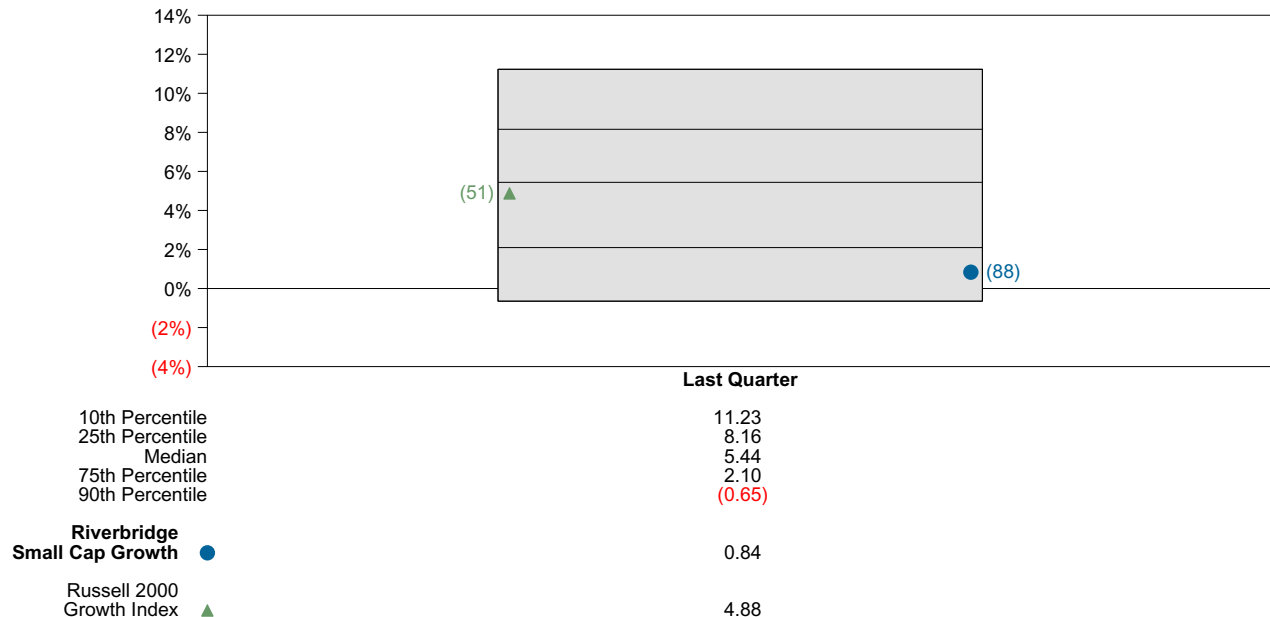
Quarterly Summary and Highlights

- Riverbridge Small Cap Growth's portfolio posted a 0.84% return for the quarter placing it in the 88 percentile of the Callan Small Cap Growth group for the quarter.
- Riverbridge Small Cap Growth's portfolio underperformed the Russell 2000 Growth Index by 4.04% for the quarter.

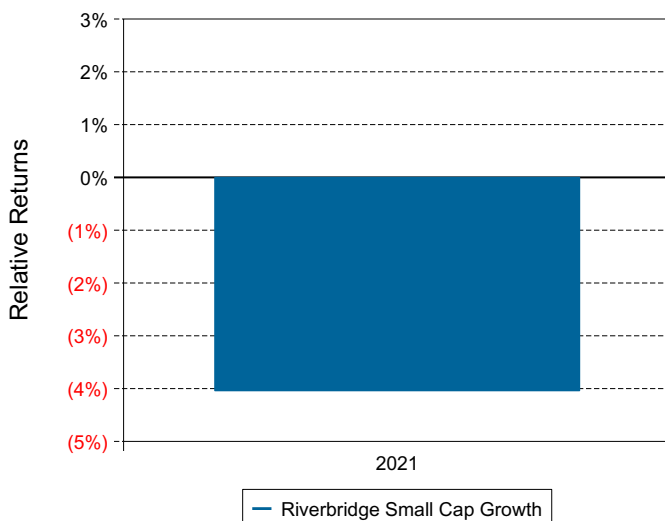
Quarterly Asset Growth

Beginning Market Value	\$30,414,727
Net New Investment	\$-5,034,370
Investment Gains/(Losses)	\$410,015
Ending Market Value	\$25,790,371

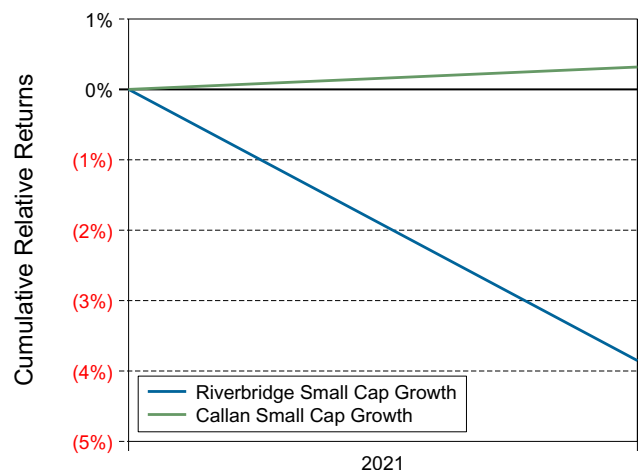
Performance vs Callan Small Cap Growth (Gross)



Relative Return vs Russell 2000 Growth Index



Cumulative Returns vs Russell 2000 Growth Index



Sycamore Small Cap Value

Period Ended March 31, 2021

Investment Philosophy

The Small Cap Value strategy employs a bottom-up investment process to build a diversified portfolio of small cap companies that the investment team believes to possess each of the following attributes: better business with above-average financial strength, an exploitable valuation disparity between the current market value and the estimated fair value, and finally, the prospect for improving fundamentals.

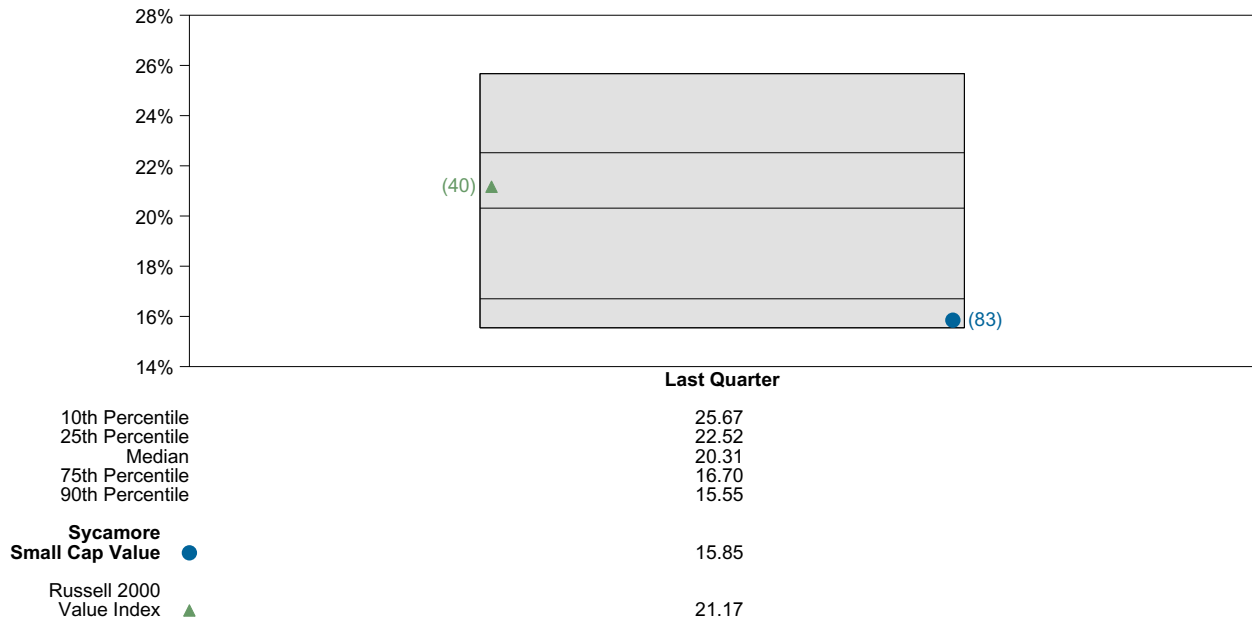
Quarterly Summary and Highlights

- Sycamore Small Cap Value's portfolio posted a 15.85% return for the quarter placing it in the 83 percentile of the Callan Small Cap Value group for the quarter.
- Sycamore Small Cap Value's portfolio underperformed the Russell 2000 Value Index by 5.32% for the quarter.

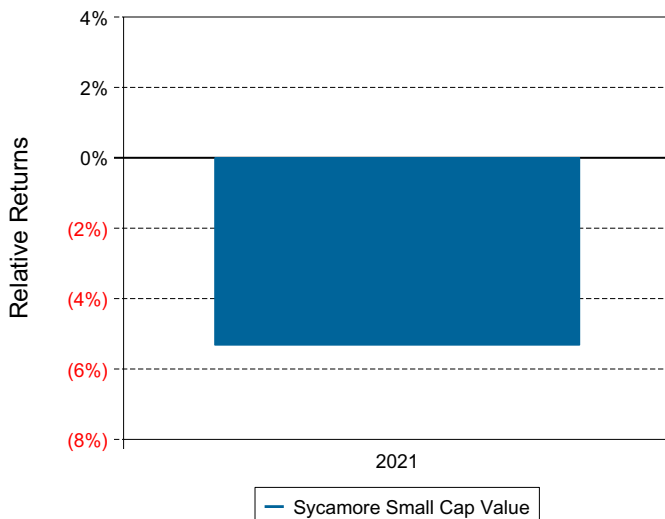
Quarterly Asset Growth

Beginning Market Value	\$29,336,082
Net New Investment	\$-5,028,336
Investment Gains/(Losses)	\$4,172,473
Ending Market Value	\$28,480,219

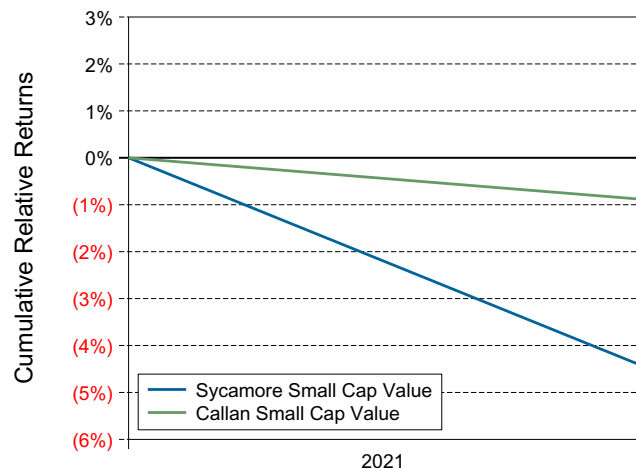
Performance vs Callan Small Cap Value (Gross)



Relative Return vs Russell 2000 Value Index



Cumulative Returns vs Russell 2000 Value Index



International Equity Period Ended March 31, 2021

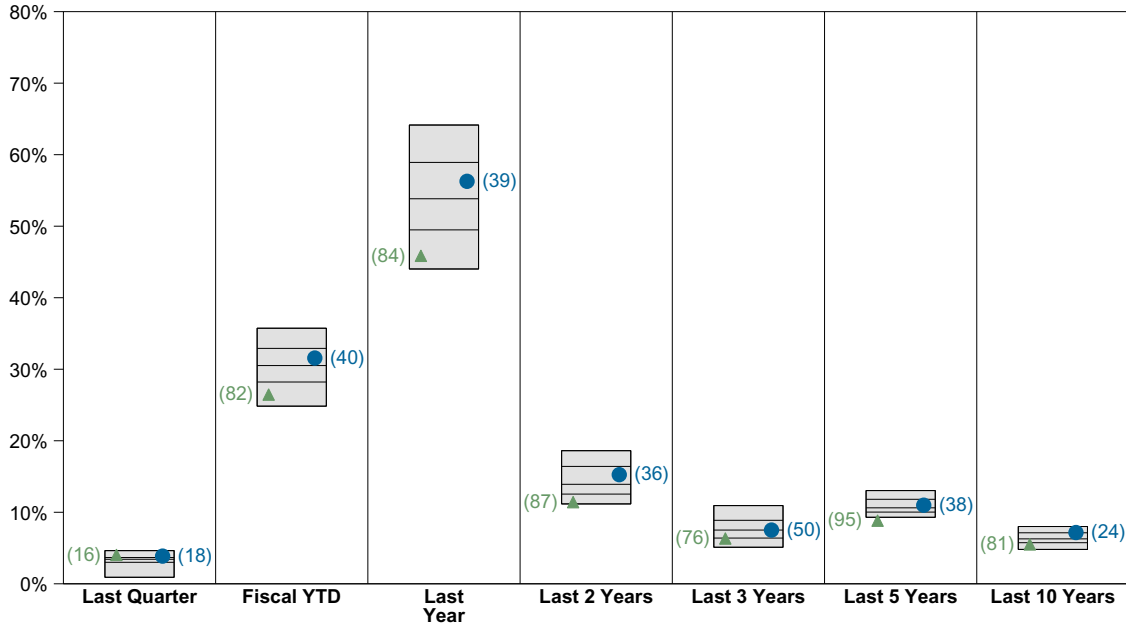
Quarterly Summary and Highlights

- International Equity's portfolio posted a 3.87% return for the quarter placing it in the 18 percentile of the Public Fund - International Equity group for the quarter and in the 39 percentile for the last year.
- International Equity's portfolio underperformed the International Equity Target by 0.17% for the quarter and outperformed the International Equity Target for the year by 10.41%.

Quarterly Asset Growth

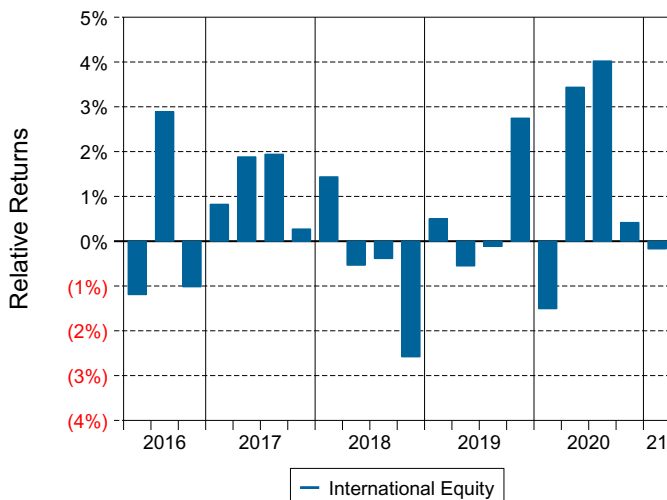
Beginning Market Value	\$200,223,423
Net New Investment	\$-13,145,645
Investment Gains/(Losses)	\$7,183,137
Ending Market Value	\$194,260,915

Performance vs Public Fund - International Equity (Gross)

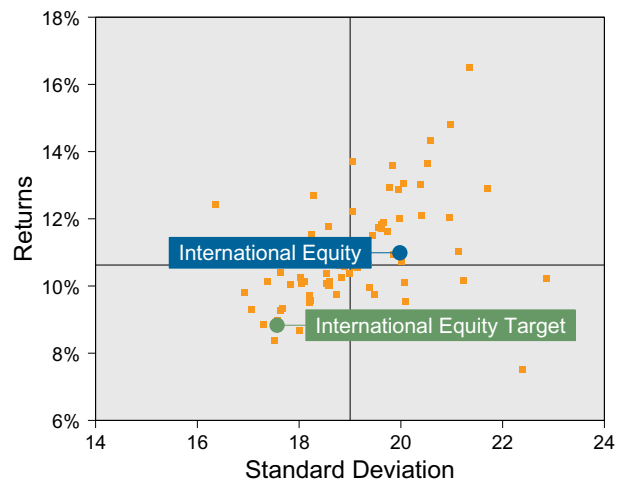


10th Percentile	4.64	35.73	64.15	18.61	10.94	13.04	8.01
25th Percentile	3.67	32.91	58.92	16.41	8.88	11.81	7.13
Median	3.43	30.52	53.84	13.91	7.51	10.62	6.28
75th Percentile	3.00	28.21	49.49	12.54	6.40	10.02	5.74
90th Percentile	0.91	24.84	44.01	11.17	5.11	9.30	4.81
International Equity ●	3.87	31.57	56.27	15.26	7.51	10.99	7.17
International Equity Target ▲	4.04	26.46	45.86	11.42	6.34	8.83	5.51

Relative Return vs International Equity Target



Public Fund - International Equity (Gross) Annualized Five Year Risk vs Return



DFA Intl Small Cap Value Period Ended March 31, 2021

Investment Philosophy

The International Small Cap Value Portfolio invests in the stocks of small, non-US developed markets companies that Dimensional believes to be value stocks at the time of purchase. Specifically, it looks at companies that fall within the smallest 8-10% of each country's market capitalization, and who's shares have a high book value in relation to their market value (BtM). It does not invest in emerging markets.

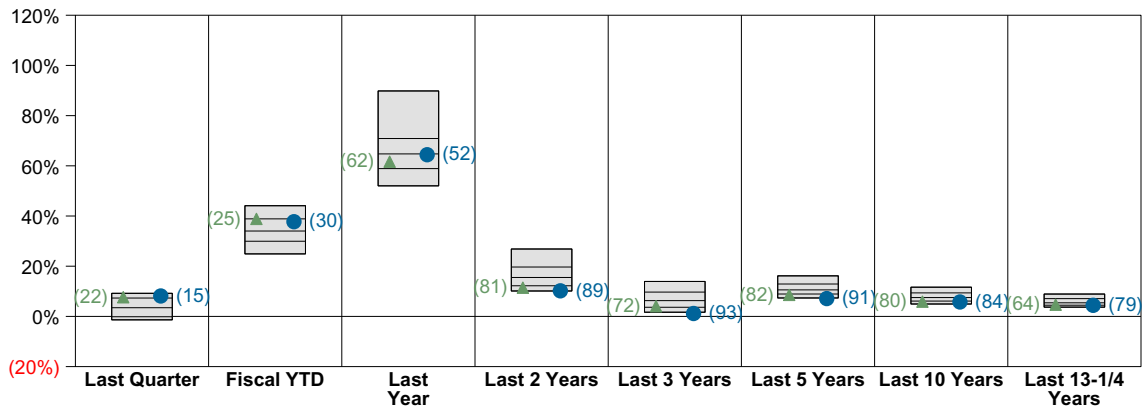
Quarterly Summary and Highlights

- DFA Intl Small Cap Value's portfolio posted a 8.14% return for the quarter placing it in the 15 percentile of the Callan International Small Cap Mut Funds group for the quarter and in the 52 percentile for the last year.
- DFA Intl Small Cap Value's portfolio outperformed the World ex US SC Value by 0.49% for the quarter and outperformed the World ex US SC Value for the year by 2.75%.

Quarterly Asset Growth

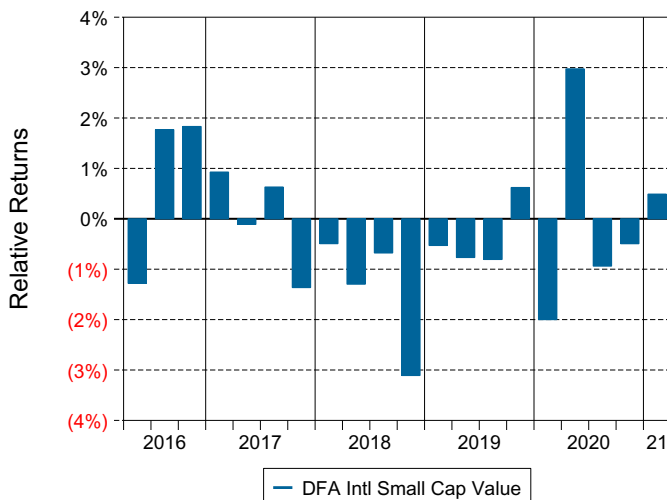
Beginning Market Value	\$22,558,760
Net New Investment	\$0
Investment Gains/(Losses)	\$1,836,044
Ending Market Value	\$24,394,804

Performance vs Callan International Small Cap Mut Funds (Net)

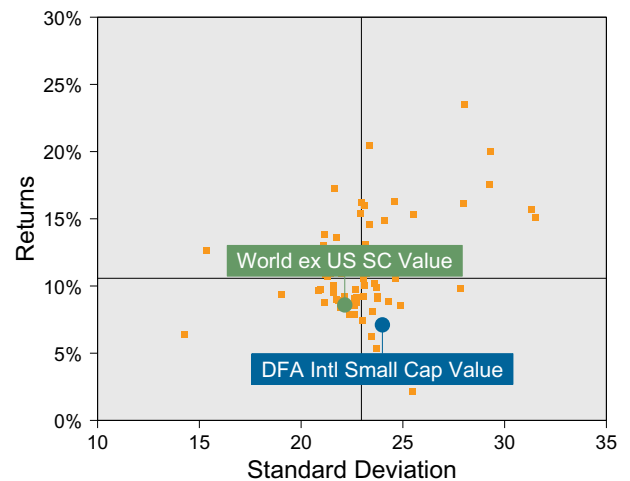


10th Percentile	9.20	44.10	89.83	26.86	13.93	16.16	11.64	8.92
25th Percentile	7.32	38.86	70.88	19.68	9.69	12.90	9.37	7.08
Median	3.46	34.02	64.75	15.51	6.29	10.57	7.51	5.41
75th Percentile	(0.13)	29.95	58.89	12.21	3.64	8.92	6.11	4.46
90th Percentile	(1.37)	24.91	52.02	10.13	1.66	7.34	4.94	3.69
DFA Intl Small Cap Value	8.14	37.72	64.42	10.19	1.15	7.11	5.74	4.42
World ex US SC Value	7.65	38.88	61.67	11.46	4.07	8.59	5.91	4.69

Relative Return vs World ex US SC Value



Callan International Small Cap Mut Funds (Net) Annualized Five Year Risk vs Return



LSV Intl Value

Period Ended March 31, 2021

Investment Philosophy

The objective of LSV Asset Management's International Large Cap Value strategy is to outperform the MSCI EAFE Index by at least 250 basis points (gross of fees) per annum over an annualized 3-5 year period with a tracking error of approximately 5-6%. Their stock selection process is a quantitative approach that ranks a broad universe of stocks on a combination of value and momentum factors and seeks to invest approximately 150 stocks in the most attractive securities possible within strict risk parameters to control the portfolio's tracking error relative to the benchmark. The resulting portfolio is broadly diversified across industry groups and fully invested. LSV weights countries at a neutral weight relative to the benchmark country weights. 50% of the portfolio is US dollar hedged. ***MSCI EAFE through 9/30/2000; 50% Hedged EAFE through 3/31/2011 and MSCI EAFE again thereafter.**

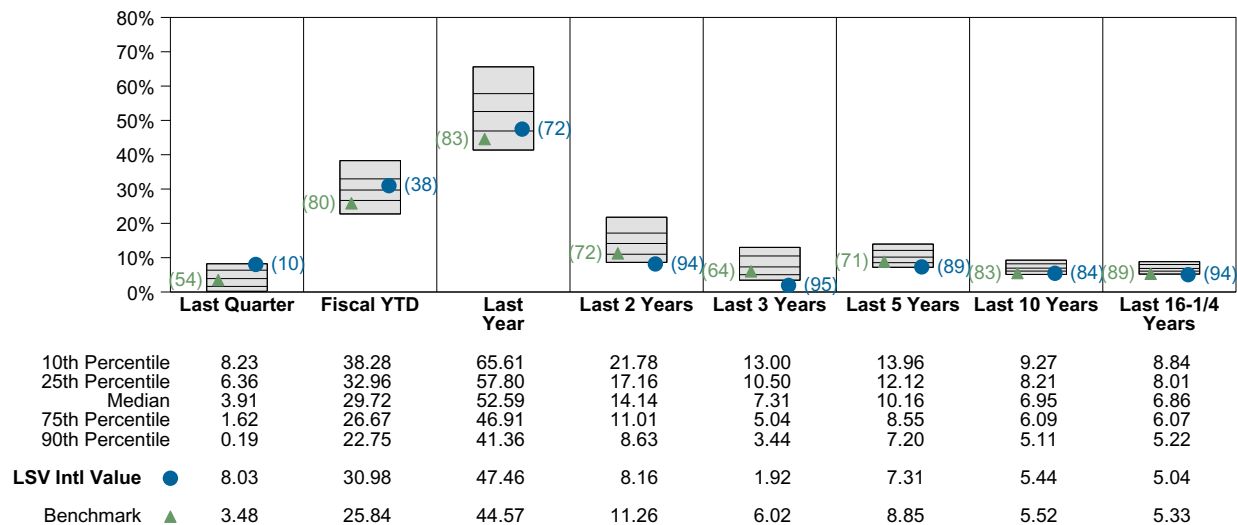
Quarterly Summary and Highlights

- LSV Intl Value's portfolio posted a 8.03% return for the quarter placing it in the 10 percentile of the Callan Non-US Equity group for the quarter and in the 72 percentile for the last year.
- LSV Intl Value's portfolio outperformed the Benchmark by 4.55% for the quarter and outperformed the Benchmark for the year by 2.89%.

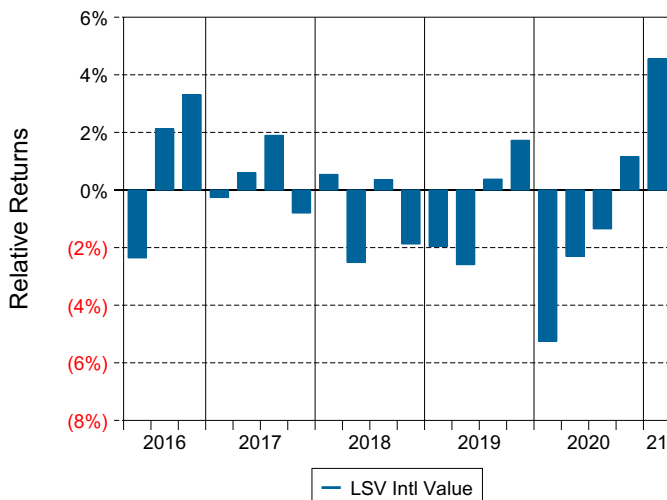
Quarterly Asset Growth

Beginning Market Value	\$66,570,258
Net New Investment	\$-64,771
Investment Gains/(Losses)	\$5,340,078
Ending Market Value	\$71,845,565

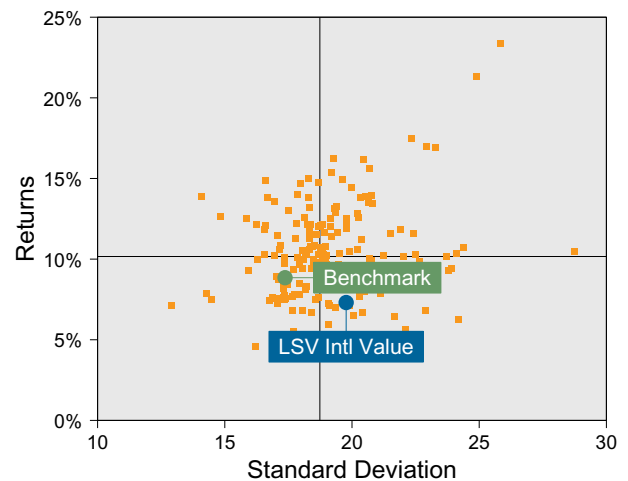
Performance vs Callan Non-US Equity (Gross)



Relative Return vs Benchmark



Callan Non-US Equity (Gross) Annualized Five Year Risk vs Return



Vanguard Intl Explorer Fund Period Ended March 31, 2021

Investment Philosophy

Vanguard International Explorer Fund invests primarily in the equity securities of small-capitalization companies located outside the United States that the advisor believes offer the potential for long-term capital appreciation. The advisor considers, among other things, whether a company is likely to have above-average earnings growth, whether the company's securities are attractively valued, and whether the company has any proprietary advantages.

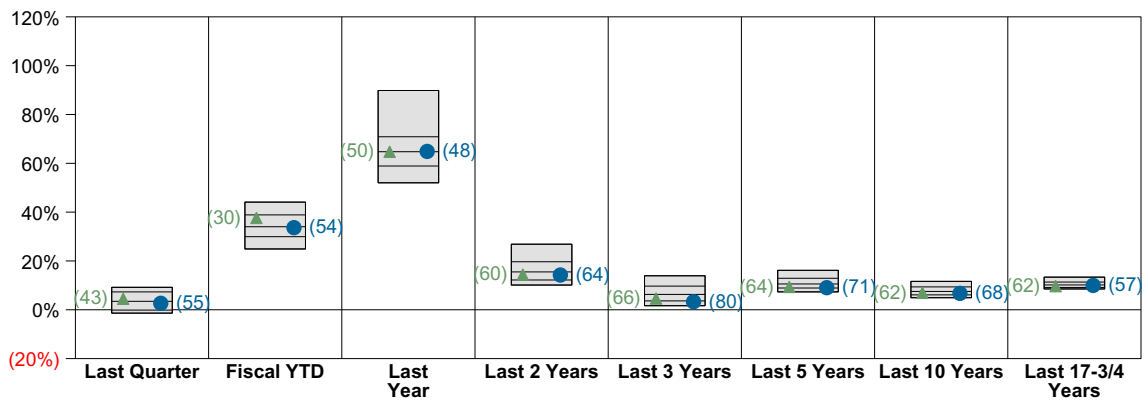
Quarterly Summary and Highlights

- Vanguard Intl Explorer Fund's portfolio posted a 2.65% return for the quarter placing it in the 55 percentile of the Callan International Small Cap Mut Funds group for the quarter and in the 48 percentile for the last year.
- Vanguard Intl Explorer Fund's portfolio underperformed the S&P BMI EPAC <\$2 B by 1.88% for the quarter and outperformed the S&P BMI EPAC <\$2 B for the year by 0.11%.

Quarterly Asset Growth

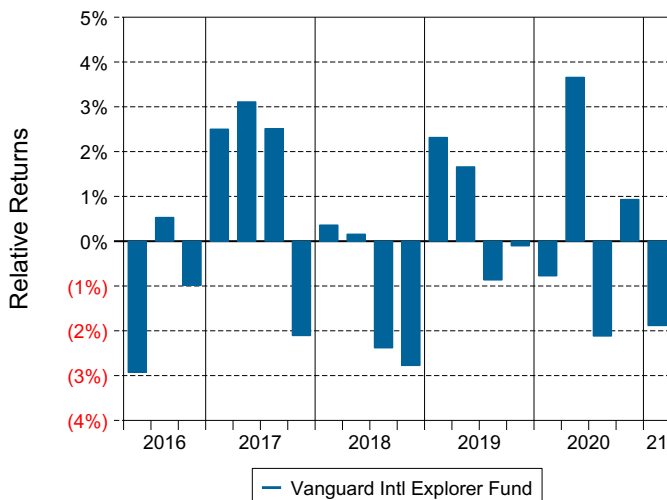
Beginning Market Value	\$20,703,476
Net New Investment	\$0
Investment Gains/(Losses)	\$548,033
Ending Market Value	\$21,251,510

Performance vs Callan International Small Cap Mut Funds (Net)

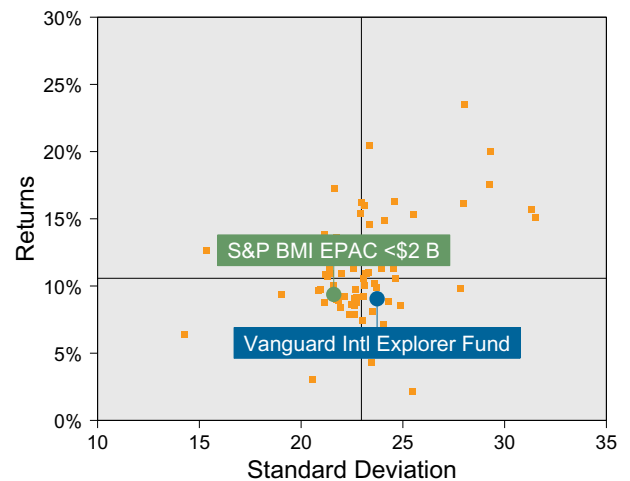


10th Percentile	9.20	44.10	89.83	26.86	13.93	16.16	11.64	13.38
25th Percentile	7.32	38.86	70.88	19.68	9.69	12.90	9.37	11.35
Median	3.46	34.02	64.75	15.51	6.29	10.57	7.51	10.17
75th Percentile	(0.13)	29.95	58.89	12.21	3.64	8.92	6.11	9.15
90th Percentile	(1.37)	24.91	52.02	10.13	1.66	7.34	4.94	8.53
Vanguard Intl Explorer Fund	2.65	33.64	64.86	14.24	3.29	9.05	6.73	9.96
S&P BMI EPAC <\$2 B	4.53	37.63	64.76	14.43	4.62	9.37	6.93	9.70

Relative Return vs S&P BMI EPAC <\$2 B



Callan International Small Cap Mut Funds (Net) Annualized Five Year Risk vs Return



William Blair

Period Ended March 31, 2021

Investment Philosophy

One of the basic investment tenets of William Blair & Company has been its focus on quality growth companies. They believe that investing in quality growth companies will generate above average results with generally less risk than the market. This opportunity exists because they believe the market underestimates the durability and rate of growth in companies that have the following characteristics: strong management with a unique vision, competitive advantages that prolong the duration and size of earnings growth, and conservative financing. Internationally, they believe that this philosophy can be combined with strategic flexibility in managing geographic exposure, capitalization, sector emphasis, and relative growth and valuation at the portfolio level in order to provide an appropriate degree of adaptability to cyclical conditions.

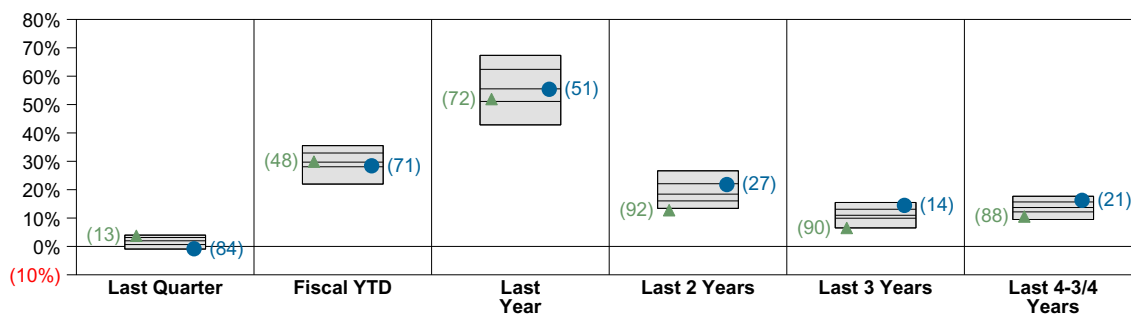
Quarterly Summary and Highlights

- William Blair's portfolio posted a (0.82)% return for the quarter placing it in the 84 percentile of the Callan Non-US All Country Growth Equity group for the quarter and in the 51 percentile for the last year.
- William Blair's portfolio underperformed the MSCI ACWI ex US IMI by 4.60% for the quarter and outperformed the MSCI ACWI ex US IMI for the year by 3.44%.

Quarterly Asset Growth

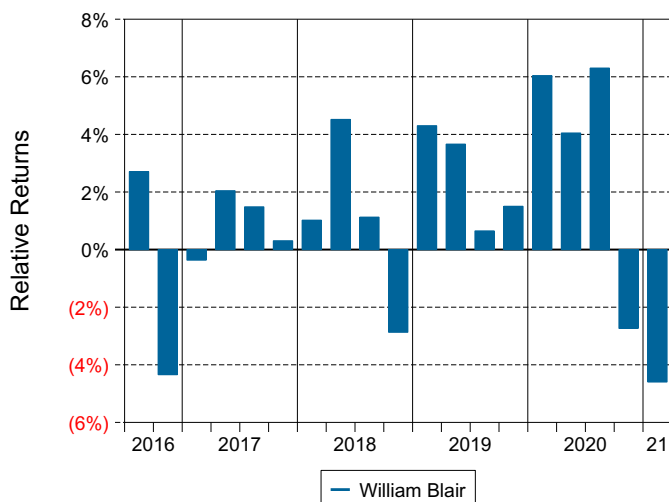
Beginning Market Value	\$90,390,929
Net New Investment	\$-13,080,874
Investment Gains/(Losses)	\$-541,019
Ending Market Value	\$76,769,036

Performance vs Callan Non-US All Country Growth Equity (Gross)

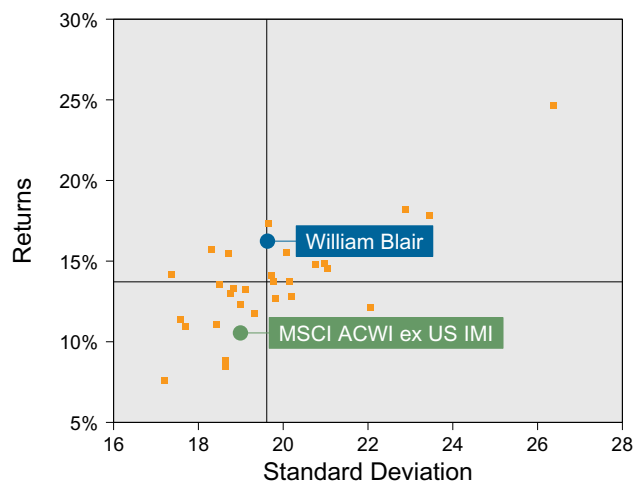


10th Percentile	3.99	35.53	67.34	26.65	15.49	17.68
25th Percentile	3.14	32.92	62.41	22.10	13.10	15.68
Median	1.98	29.71	55.53	18.43	10.98	13.71
75th Percentile	0.66	28.07	51.10	16.04	9.95	12.17
90th Percentile	(0.93)	21.97	42.84	13.41	6.53	9.49
William Blair	● (0.82)	28.41	55.38	21.80	14.46	16.24
MSCI ACWI ex US IMI	▲ 3.77	29.91	51.94	12.76	6.51	10.55

Relative Return vs MSCI ACWI ex US IMI



Callan Non-US All Country Growth Equity (Gross) Annualized Four and Three-Quarter Year Risk vs Return



Domestic Fixed Income Period Ended March 31, 2021

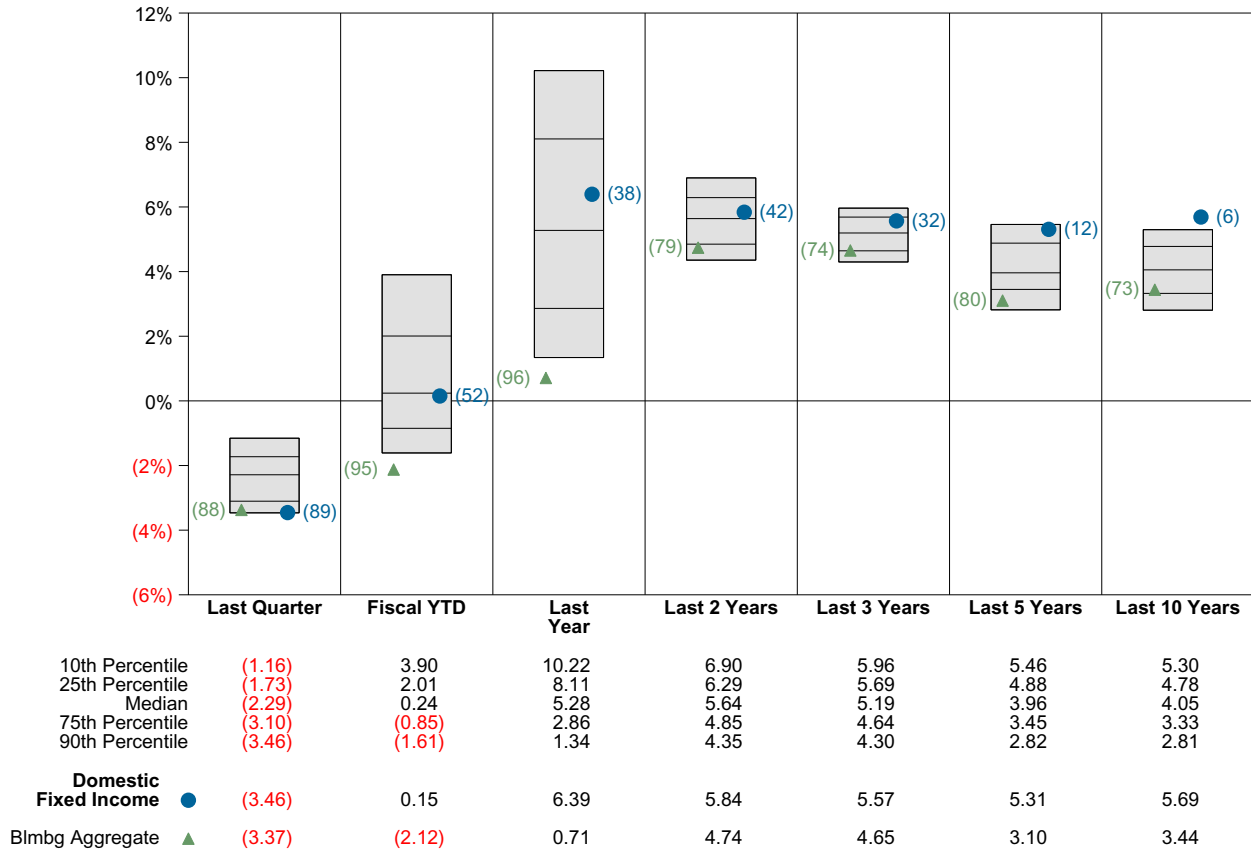
Quarterly Summary and Highlights

- Domestic Fixed Income's portfolio posted a (3.46)% return for the quarter placing it in the 89 percentile of the Public Fund - Domestic Fixed group for the quarter and in the 38 percentile for the last year.
- Domestic Fixed Income's portfolio underperformed the Blmbg Aggregate by 0.08% for the quarter and outperformed the Blmbg Aggregate for the year by 5.68%.

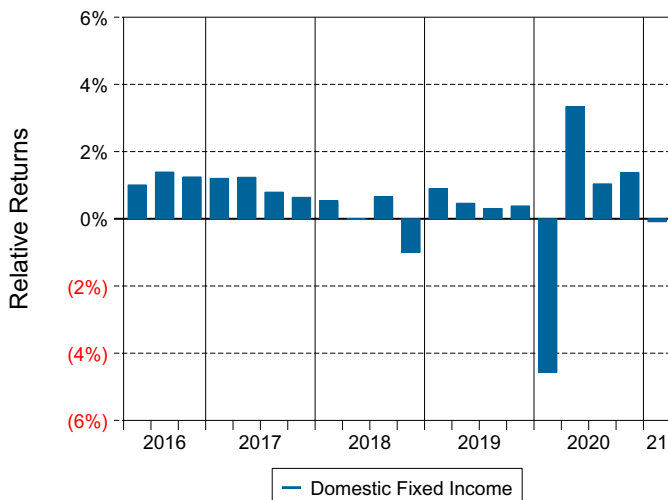
Quarterly Asset Growth

Beginning Market Value	\$1,406,232,147
Net New Investment	\$24,636,494
Investment Gains/(Losses)	\$-49,330,458
Ending Market Value	\$1,381,538,183

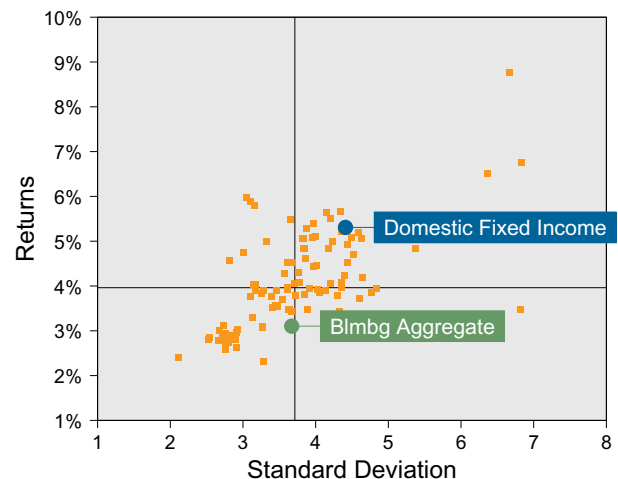
Performance vs Public Fund - Domestic Fixed (Gross)



Relative Return vs Blmbg Aggregate



Public Fund - Domestic Fixed (Gross) Annualized Five Year Risk vs Return



Declaration Total Return Period Ended March 31, 2021

Investment Philosophy

The Fund's portfolio holdings consist primarily of RMBS issued by private sector companies (Non-Agency RMBS) and government agencies (Agency MBS) and CMBS issued by private sector companies. Agency MBS includes securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Government National Mortgage Association (Ginnie Mae). Portfolio holdings may range from short tenure senior classes to stressed issues or subordinated securities with substantial risk of non-payment and correspondingly higher yields. Smaller portfolio allocations may include consumer asset-backed securities (ABS), or other structured credit securities and corporate bonds. As a diversification strategy and a potential hedge to credit risk, the Fund may invest in securities which tend to benefit from slow mortgage prepayments and economic growth, such as interest only (IO) MBS.

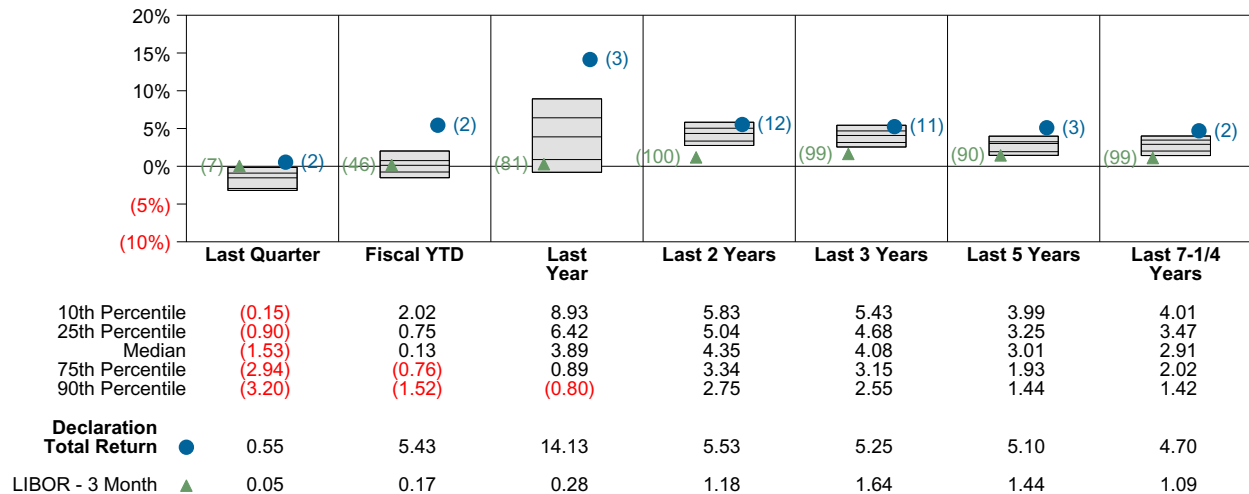
Quarterly Summary and Highlights

- Declaration Total Return's portfolio posted a 0.55% return for the quarter placing it in the 2 percentile of the Callan Intermediate Fixed Inc Mut Funds group for the quarter and in the 3 percentile for the last year.
- Declaration Total Return's portfolio outperformed the LIBOR - 3 Month by 0.50% for the quarter and outperformed the LIBOR - 3 Month for the year by 13.85%.

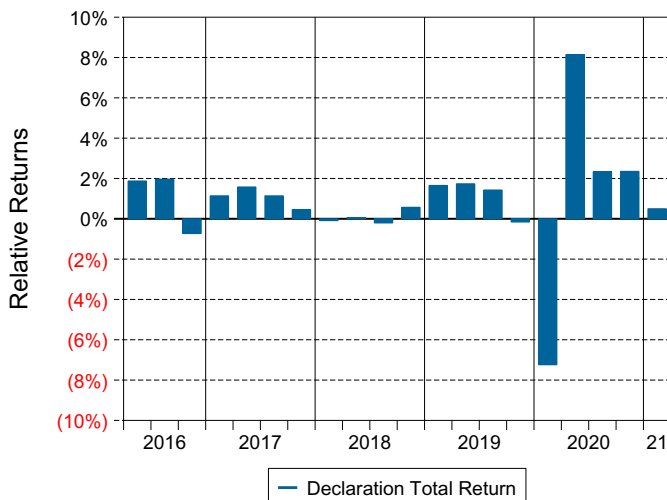
Quarterly Asset Growth

Beginning Market Value	\$99,146,887
Net New Investment	\$14,939,876
Investment Gains/(Losses)	\$504,610
Ending Market Value	\$114,591,373

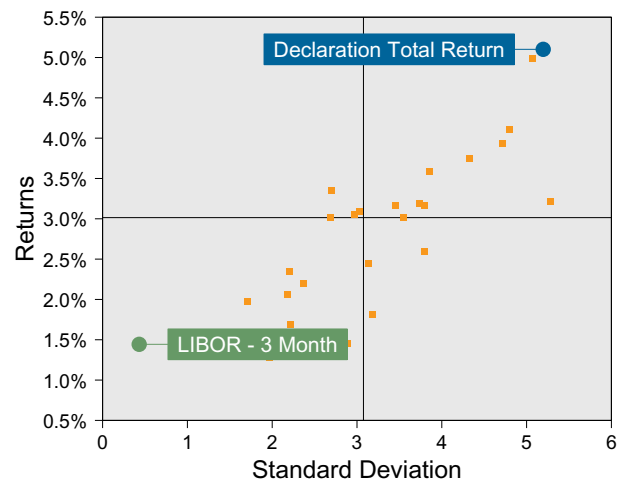
Performance vs Callan Intermediate Fixed Inc Mut Funds (Net)



Relative Return vs LIBOR - 3 Month



Callan Intermediate Fixed Inc Mut Funds (Net) Annualized Five Year Risk vs Return



PIMCO Core Plus Constrained Period Ended March 31, 2021

Investment Philosophy

PIMCO's investment process utilizes both "top-down" and "bottom-up" strategies. Top-down strategies focus on duration, yield curve positioning, volatility, and sector rotation. These strategies are deployed from a macro view of the portfolio driven by their secular outlook of the forces likely to influence the economy and financial markets over the next three to five years and their cyclical views of two- to four-quarter trends. Implementation in portfolios is effected by selecting securities that achieve the designated objectives. Bottom-up strategies drive their security selection process and facilitate the identification and analysis of undervalued securities.

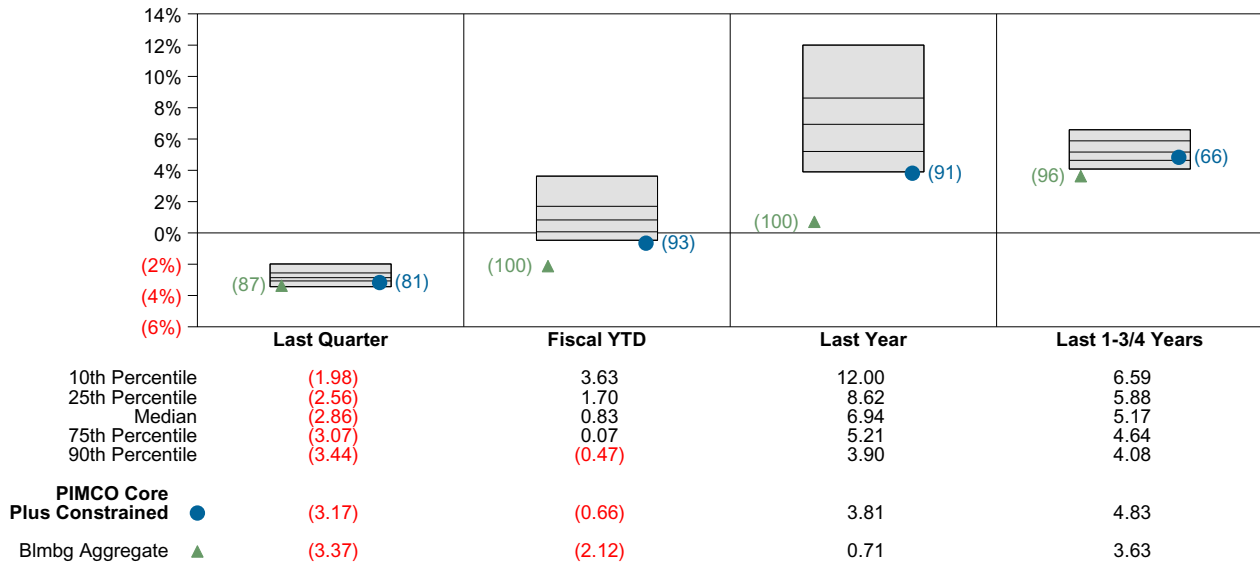
Quarterly Summary and Highlights

- PIMCO Core Plus Constrained's portfolio posted a (3.17)% return for the quarter placing it in the 81 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 91 percentile for the last year.
- PIMCO Core Plus Constrained's portfolio outperformed the Blmbg Aggregate by 0.20% for the quarter and outperformed the Blmbg Aggregate for the year by 3.10%.

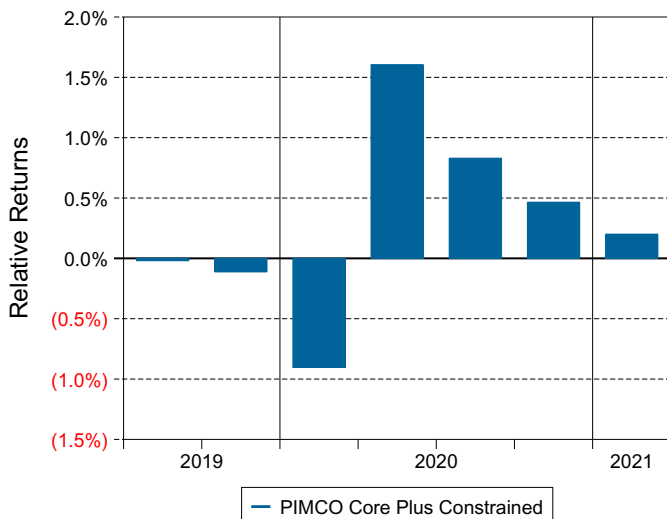
Quarterly Asset Growth

Beginning Market Value	\$195,234,526
Net New Investment	\$4,941,707
Investment Gains/(Losses)	\$-6,335,482
Ending Market Value	\$193,840,751

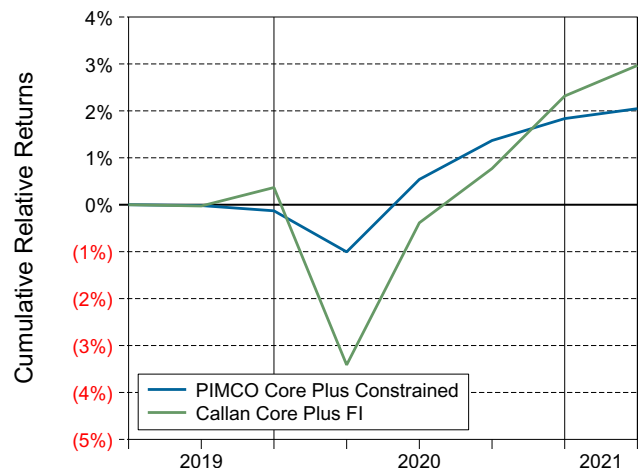
Performance vs Callan Core Plus Fixed Income (Gross)



Relative Return vs Blmbg Aggregate



Cumulative Returns vs Blmbg Aggregate



PIMCO DiSCO II

Period Ended March 31, 2021

Investment Philosophy

The PIMCO Distressed Senior Credit Opportunities Fund is an opportunistic private-equity style Fund which seeks to provide investors enhanced returns principally through long-biased investments in undervalued senior and super senior structured credit securities that are expected to produce attractive levels of current income and that may also appreciate in value over the long term. The fund will look to capitalize on forced sales by liquidity constrained investors.

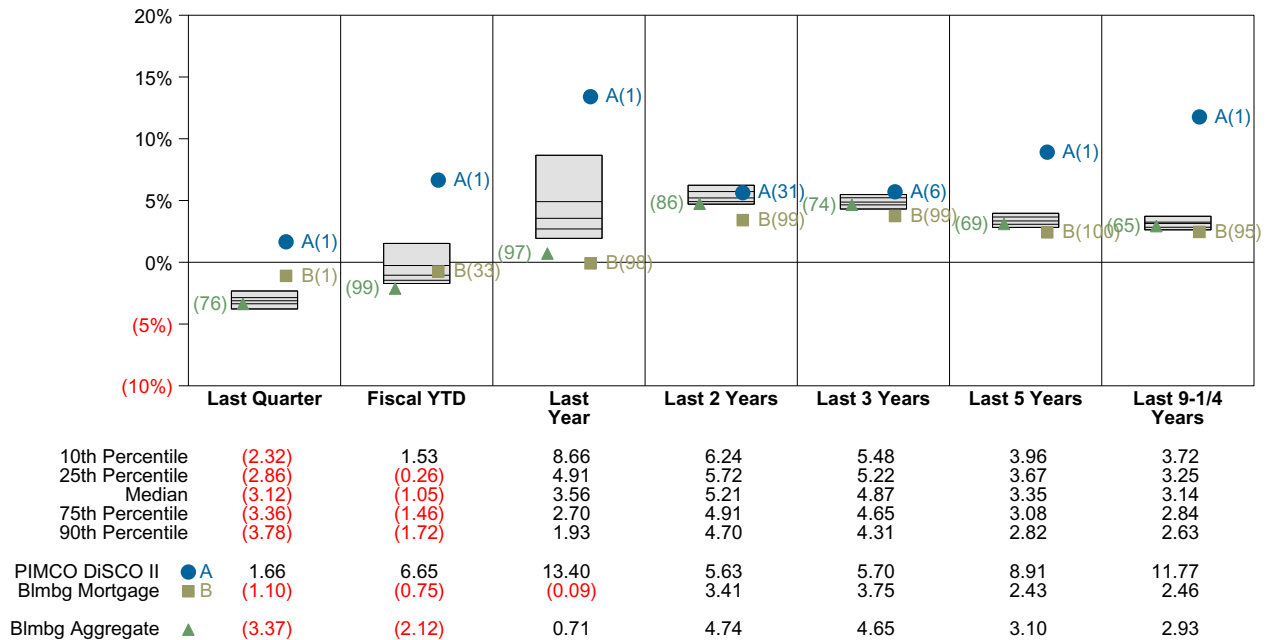
Quarterly Summary and Highlights

- PIMCO DiSCO II's portfolio posted a 1.66% return for the quarter placing it in the 1 percentile of the Callan Core Bond Mutual Funds group for the quarter and in the 1 percentile for the last year.
- PIMCO DiSCO II's portfolio outperformed the Blmbg Aggregate by 5.03% for the quarter and outperformed the Blmbg Aggregate for the year by 12.69%.

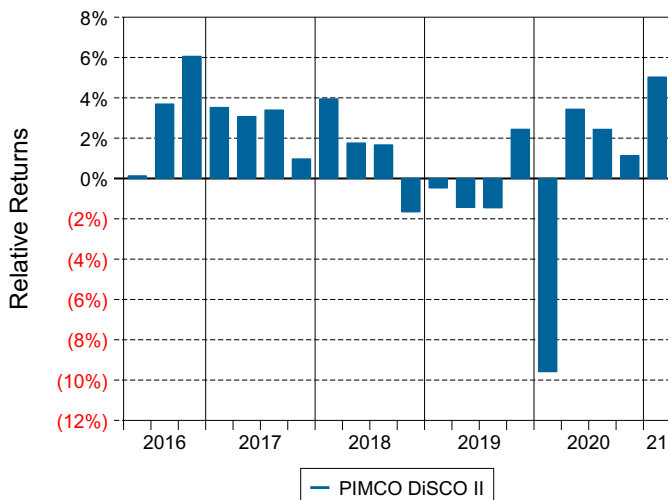
Quarterly Asset Growth

Beginning Market Value	\$46,598,862
Net New Investment	\$0
Investment Gains/(Losses)	\$772,113
Ending Market Value	\$47,370,975

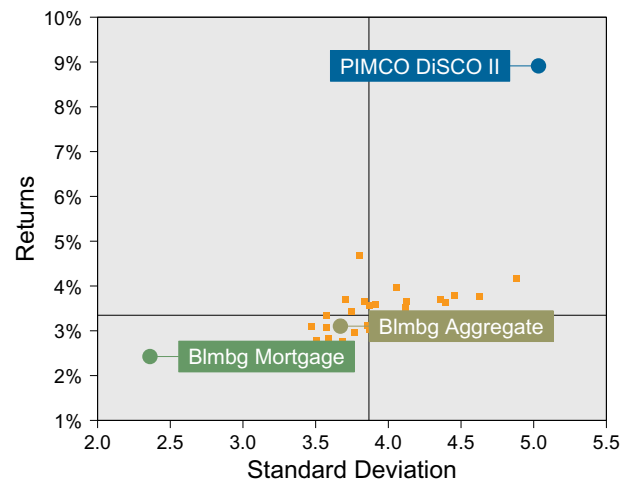
Performance vs Callan Core Bond Mutual Funds (Net)



Relative Return vs Blmbg Aggregate



Callan Core Bond Mutual Funds (Net) Annualized Five Year Risk vs Return



PIMCO Bravo II Fund

Period Ended March 31, 2021

Investment Philosophy

The BRAVO II Fund is a private equity style fund targeting an annualized IRR of 15-20% and multiple of 1.8-2x, net of fees and carried interest with an initial 5-year term. The fund will seek to capitalize on non-economic asset sale decisions by global financial institutions. The fund will have the flexibility to acquire attractively discounted, less liquid loans, structured credit and other assets tied to residential or commercial real estate markets in the U.S. and Europe.

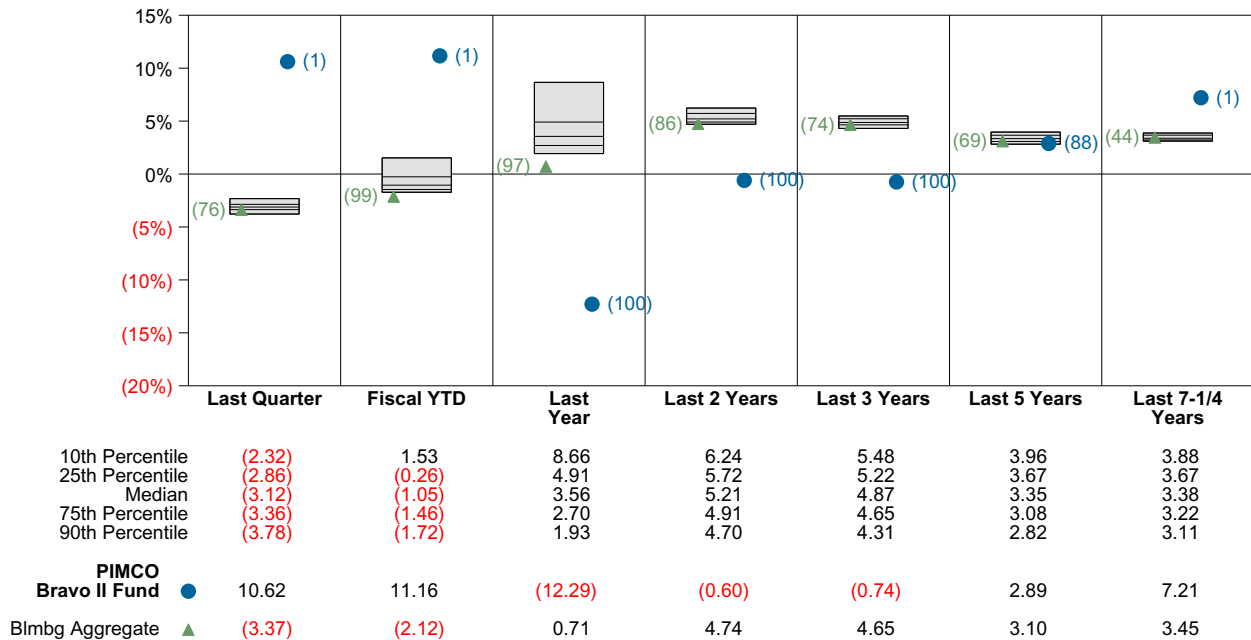
Quarterly Summary and Highlights

- PIMCO Bravo II Fund's portfolio posted a 10.62% return for the quarter placing it in the 1 percentile of the Callan Core Bond Mutual Funds group for the quarter and in the 100 percentile for the last year.
- PIMCO Bravo II Fund's portfolio outperformed the Blmbg Aggregate by 13.99% for the quarter and underperformed the Blmbg Aggregate for the year by 13.00%.

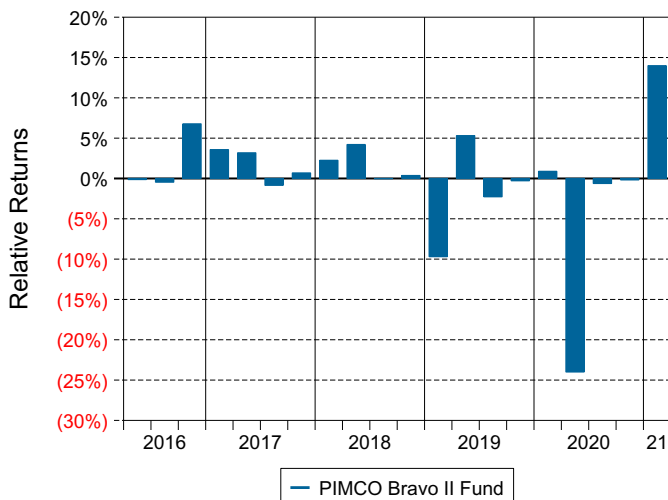
Quarterly Asset Growth

Beginning Market Value	\$7,204,185
Net New Investment	\$-883,293
Investment Gains/(Losses)	\$764,795
Ending Market Value	\$7,085,687

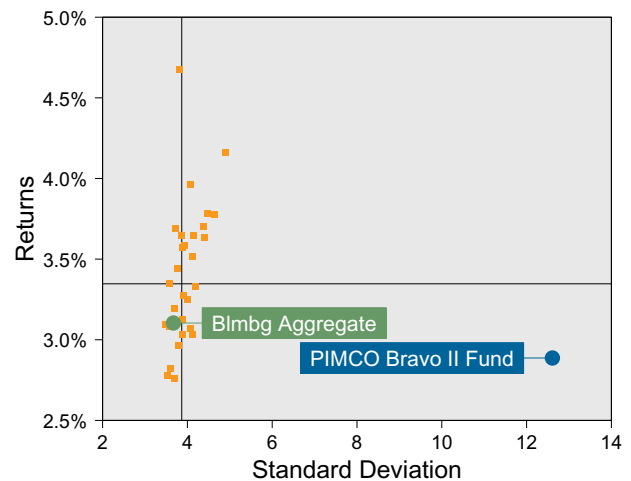
Performance vs Callan Core Bond Mutual Funds (Net)



Relative Return vs Blmbg Aggregate



Callan Core Bond Mutual Funds (Net) Annualized Five Year Risk vs Return



Prudential Core Plus Period Ended March 31, 2021

Investment Philosophy

PGIM Fixed Income's Core Plus Strategy is an actively-managed strategy that seeks +150 bps over the Bloomberg Barclays U.S. Aggregate Bond Index or similar benchmark annualized over a market cycle (three to five years.) The Strategy seeks about half of its excess return from active sector allocation and up to one-third each from subsector/security selection and duration/yield curve/currencies, depending on market opportunities.

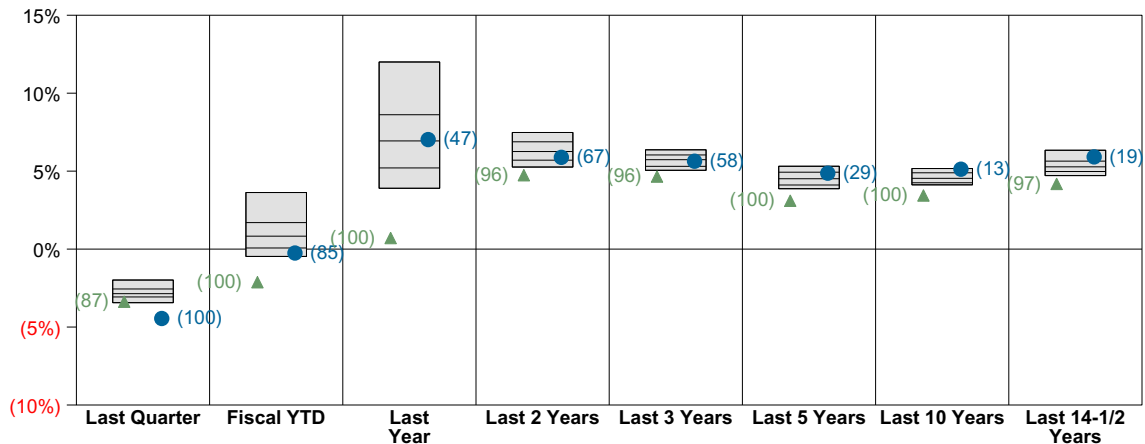
Quarterly Summary and Highlights

- Prudential Core Plus's portfolio posted a (4.45)% return for the quarter placing it in the 100 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 47 percentile for the last year.
- Prudential Core Plus's portfolio underperformed the Blmbg Aggregate by 1.08% for the quarter and outperformed the Blmbg Aggregate for the year by 6.31%.

Quarterly Asset Growth

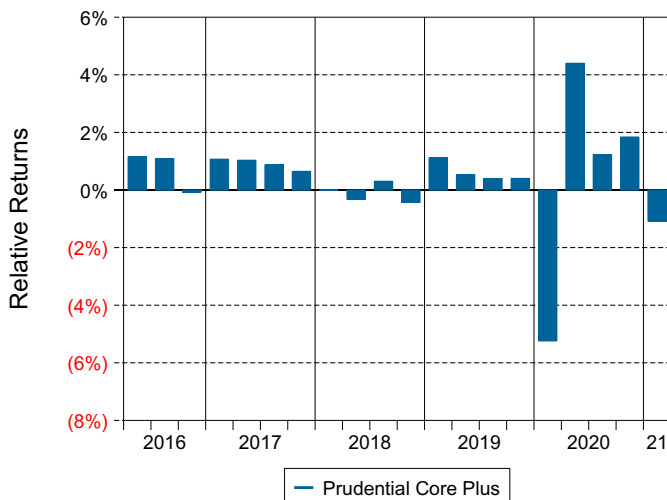
Beginning Market Value	\$372,394,455
Net New Investment	\$-195,081
Investment Gains/(Losses)	\$-16,578,515
Ending Market Value	\$355,620,859

Performance vs Callan Core Plus Fixed Income (Gross)

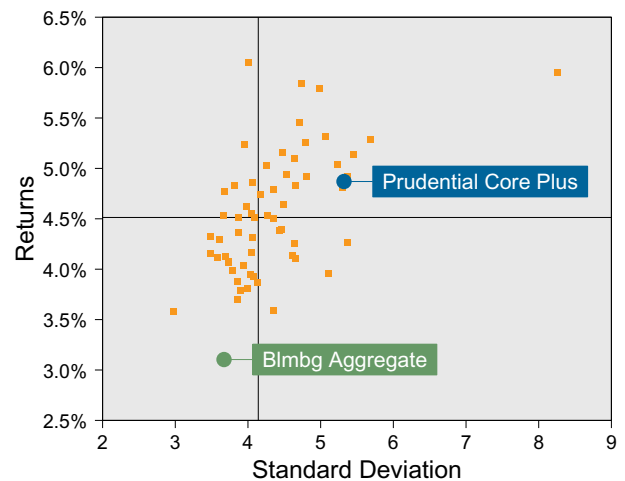


	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 10 Years	Last 14-1/2 Years
10th Percentile	(1.98)	3.63	12.00	7.48	6.37	5.31	5.17	6.34
25th Percentile	(2.56)	1.70	8.62	6.88	6.04	4.93	4.89	5.64
Median	(2.86)	0.83	6.94	6.26	5.73	4.51	4.54	5.28
75th Percentile	(3.07)	0.07	5.21	5.70	5.31	4.11	4.26	4.98
90th Percentile	(3.44)	(0.47)	3.90	5.26	5.05	3.87	4.12	4.71
Prudential Core Plus	(4.45)	(0.25)	7.02	5.88	5.64	4.87	5.12	5.91
Blmbg Aggregate	(3.37)	(2.12)	0.71	4.74	4.65	3.10	3.44	4.18

Relative Return vs Blmbg Aggregate



Callan Core Plus Fixed Income (Gross) Annualized Five Year Risk vs Return



SSgA US Govt Cr Bd Index Period Ended March 31, 2021

Investment Philosophy

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Barclays Capital U.S. Government/Credit Bond Index over the long term.

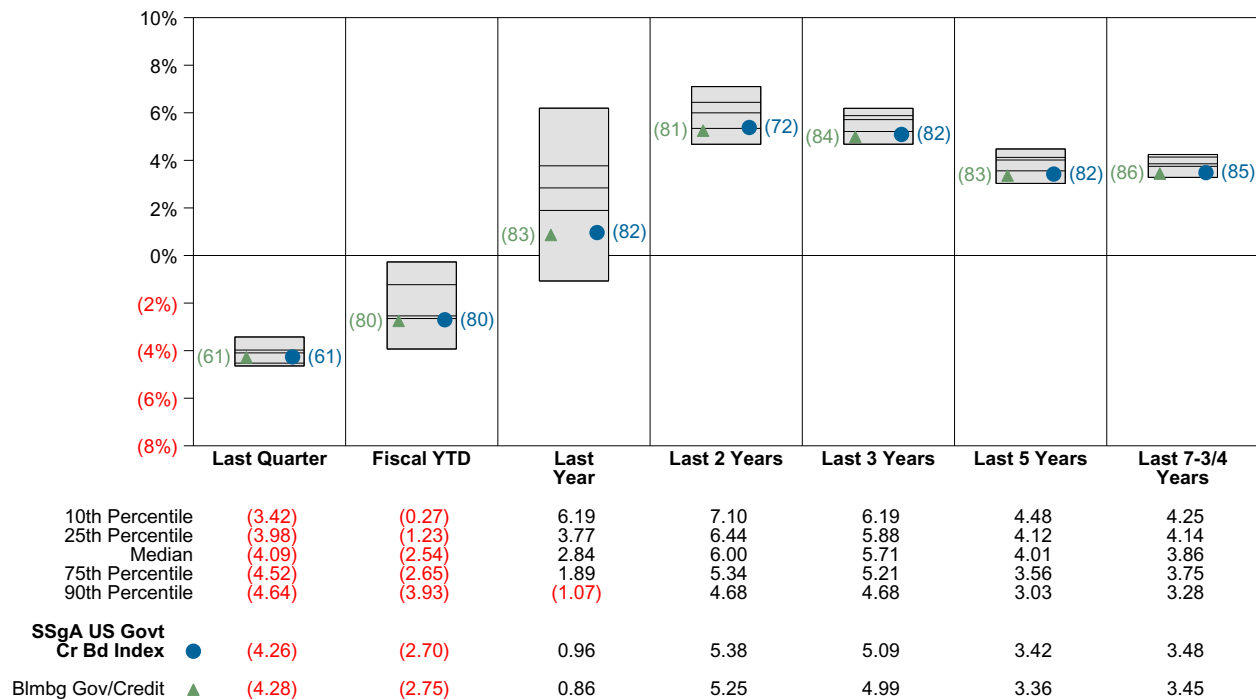
Quarterly Summary and Highlights

- SSgA US Govt Cr Bd Index's portfolio posted a (4.26)% return for the quarter placing it in the 61 percentile of the Callan Government/Credit group for the quarter and in the 82 percentile for the last year.
- SSgA US Govt Cr Bd Index's portfolio outperformed the Blmbg Gov/Credit by 0.02% for the quarter and outperformed the Blmbg Gov/Credit for the year by 0.10%.

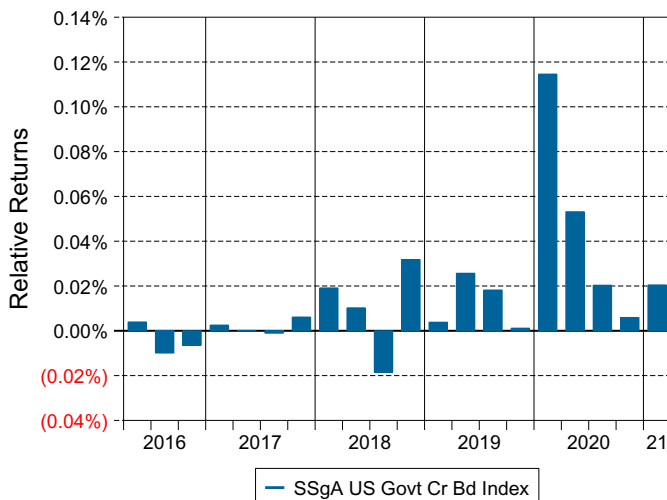
Quarterly Asset Growth

Beginning Market Value	\$198,151,905
Net New Investment	\$1,492,796
Investment Gains/(Losses)	\$-8,500,215
Ending Market Value	\$191,144,486

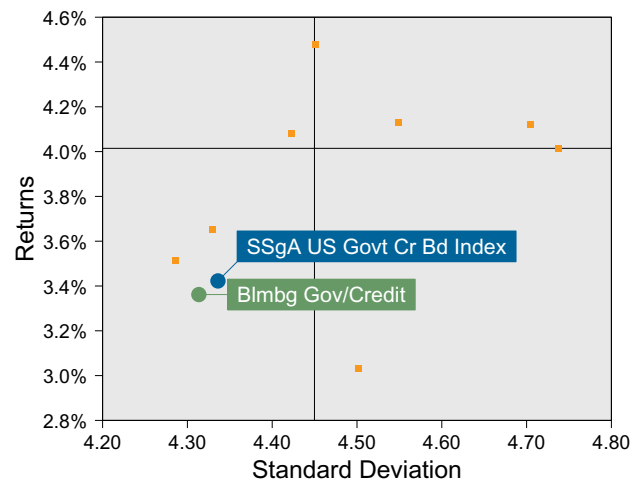
Performance vs Callan Government/Credit (Gross)



Relative Return vs Blmbg Gov/Credit



Callan Government/Credit (Gross) Annualized Five Year Risk vs Return



Wells Capital Period Ended March 31, 2021

Investment Philosophy

The Medium Quality Credit fixed income strategy is designed to maximize total return from the high-grade corporate bond market while maintaining a strategic allocation to the BBB portion of the high yield market. The investment process for this fund starts with a "top-down" strategy. Security selection is determined by in-depth credit research, holding that in-depth knowledge of industries, companies, and their management teams can help identify credit trends that can lead to investment opportunities. Furthermore, a disciplined relative value framework is applied to help determine the optimal position to invest within an industry and within an individual issuer's capital structure.

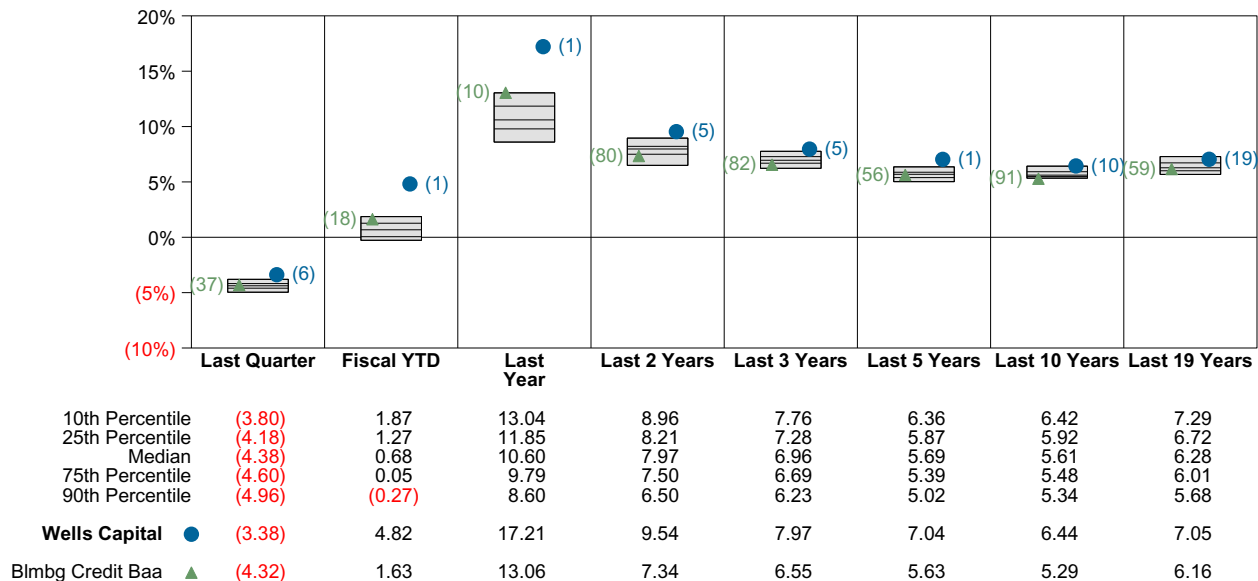
Quarterly Summary and Highlights

- Wells Capital's portfolio posted a (3.38)% return for the quarter placing it in the 6 percentile of the Callan Investment Grade Credit Fixed Inc group for the quarter and in the 1 percentile for the last year.
- Wells Capital's portfolio outperformed the Blmbg Credit Baa by 0.93% for the quarter and outperformed the Blmbg Credit Baa for the year by 4.16%.

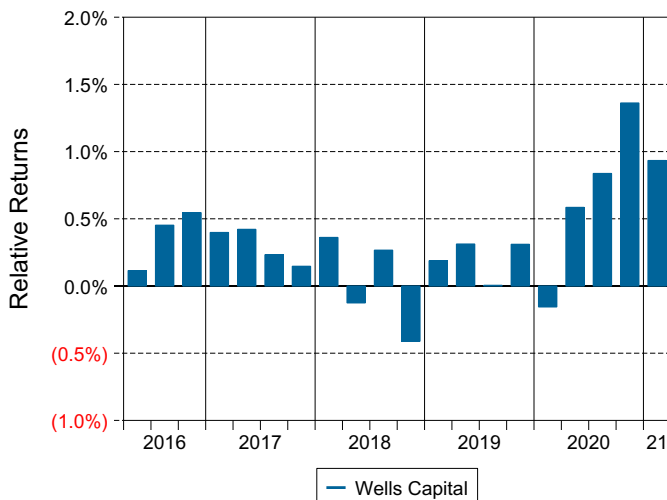
Quarterly Asset Growth

Beginning Market Value	\$119,944,762
Net New Investment	\$-57,649
Investment Gains/(Losses)	\$-4,055,663
Ending Market Value	\$115,831,450

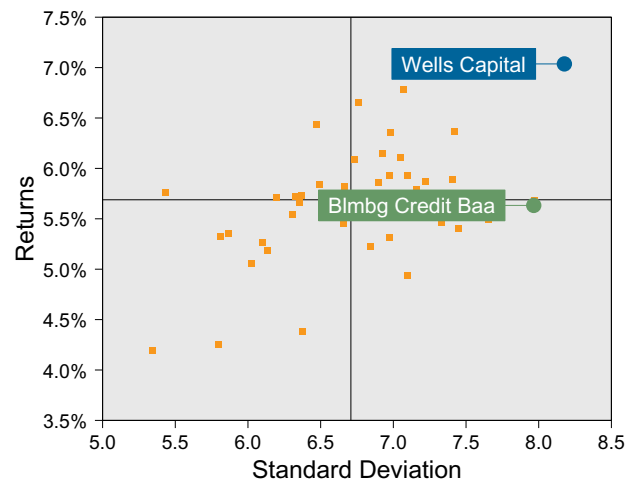
Performance vs Callan Investment Grade Credit Fixed Inc (Gross)



Relative Return vs Blmbg Credit Baa



Callan Investment Grade Credit Fixed Inc (Gross) Annualized Five Year Risk vs Return



Western Asset Management Company

Period Ended March 31, 2021

Investment Philosophy

Western Asset designs this portfolio using all major fixed-income sectors with a bias towards non-Treasuries, especially corporate, mortgage-backed and asset-backed securities. Value can be added through sector rotation, issue selection, duration and term structure weighting.

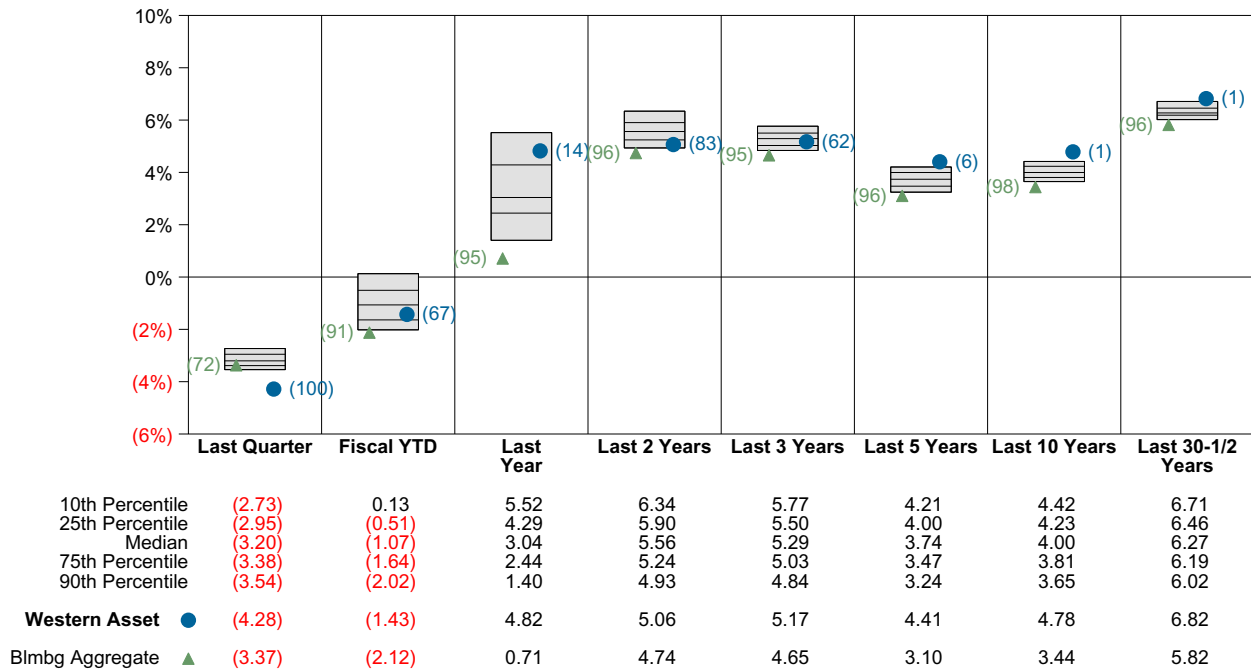
Quarterly Summary and Highlights

- Western Asset's portfolio posted a (4.28)% return for the quarter placing it in the 100 percentile of the Callan Core Bond Fixed Income group for the quarter and in the 14 percentile for the last year.
- Western Asset's portfolio underperformed the Blmbg Aggregate by 0.91% for the quarter and outperformed the Blmbg Aggregate for the year by 4.11%.

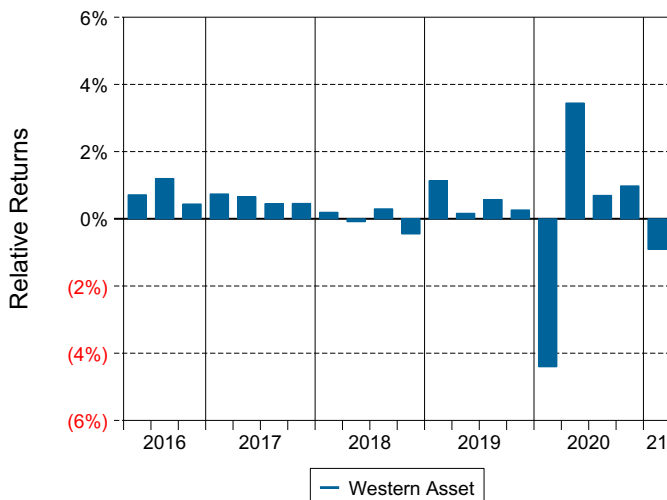
Quarterly Asset Growth

Beginning Market Value	\$367,556,564
Net New Investment	\$4,398,139
Investment Gains/(Losses)	\$-15,902,100
Ending Market Value	\$356,052,603

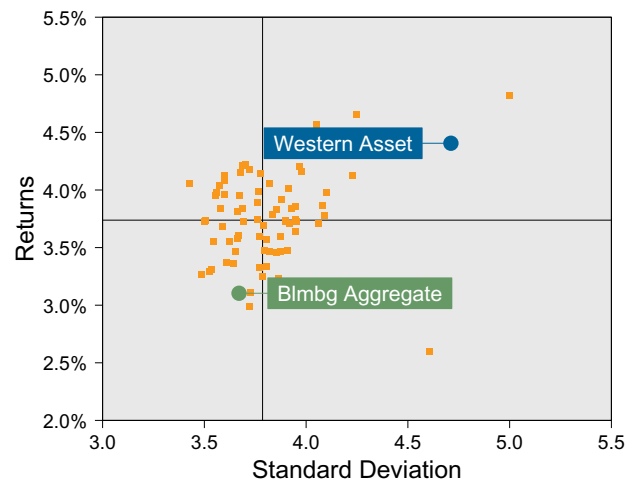
Performance vs Callan Core Bond Fixed Income (Gross)



Relative Return vs Blmbg Aggregate



Callan Core Bond Fixed Income (Gross) Annualized Five Year Risk vs Return



Real Estate Period Ended March 31, 2021

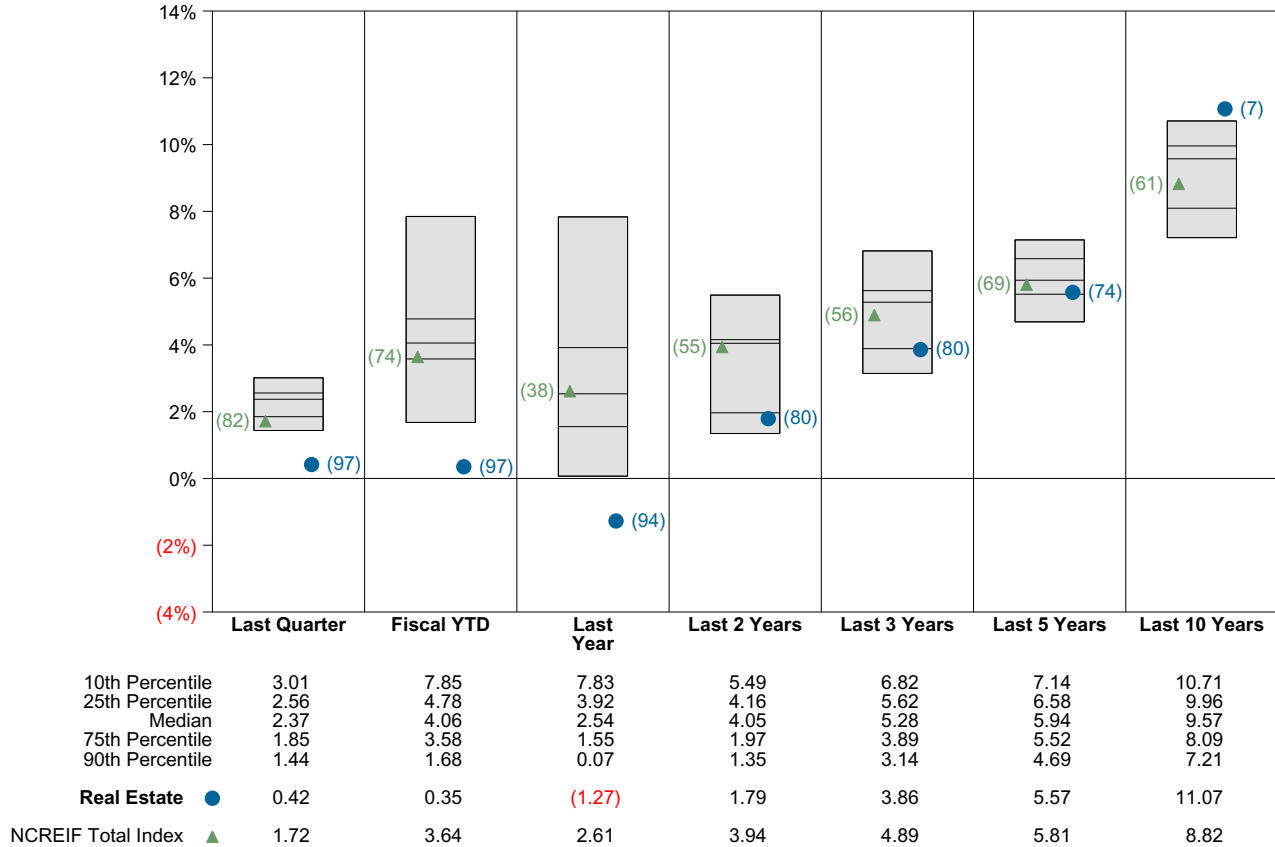
Quarterly Summary and Highlights

- Real Estate's portfolio posted a 0.42% return for the quarter placing it in the 97 percentile of the Public Fund - Real Estate group for the quarter and in the 94 percentile for the last year.
- Real Estate's portfolio underperformed the NCREIF Total Index by 1.30% for the quarter and underperformed the NCREIF Total Index for the year by 3.89%.

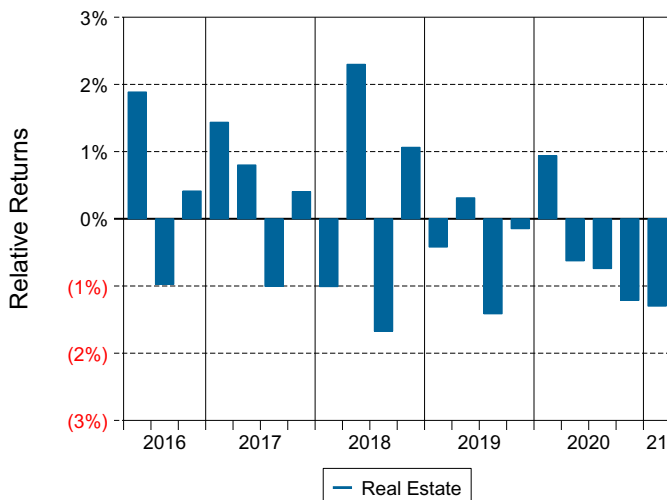
Quarterly Asset Growth

Beginning Market Value	\$96,926,265
Net New Investment	\$-830,509
Investment Gains/(Losses)	\$403,867
Ending Market Value	\$96,499,624

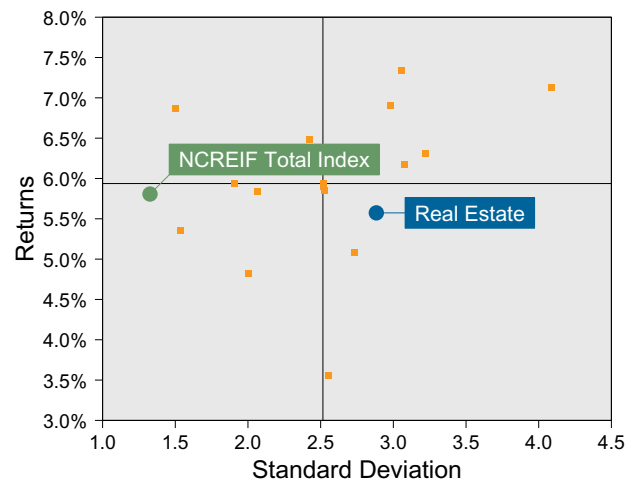
Performance vs Public Fund - Real Estate (Gross)



Relative Return vs NCREIF Total Index



Public Fund - Real Estate (Gross) Annualized Five Year Risk vs Return



Invesco Core Real Estate Period Ended March 31, 2021

Investment Philosophy

IRE's investment philosophy is comprised of two fundamental principles: (1) maximize the predictability and consistency of investment returns and (2) minimize the risk of capital loss. This philosophy forms the cornerstone of the company's real estate investment philosophy.

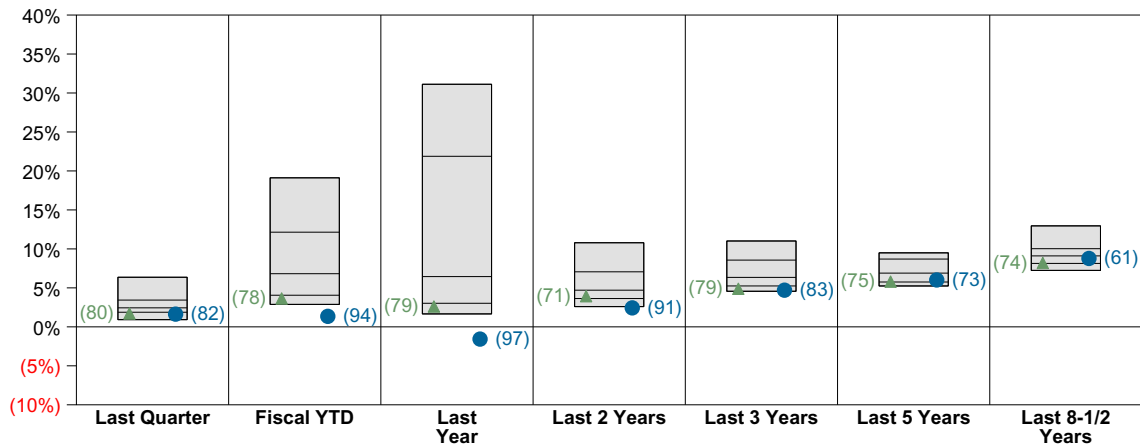
Quarterly Summary and Highlights

- Invesco Core Real Estate's portfolio posted a 1.63% return for the quarter placing it in the 82 percentile of the Callan Total Domestic Real Estate DB group for the quarter and in the 97 percentile for the last year.
- Invesco Core Real Estate's portfolio underperformed the NCREIF Total Index by 0.08% for the quarter and underperformed the NCREIF Total Index for the year by 4.18%.

Quarterly Asset Growth

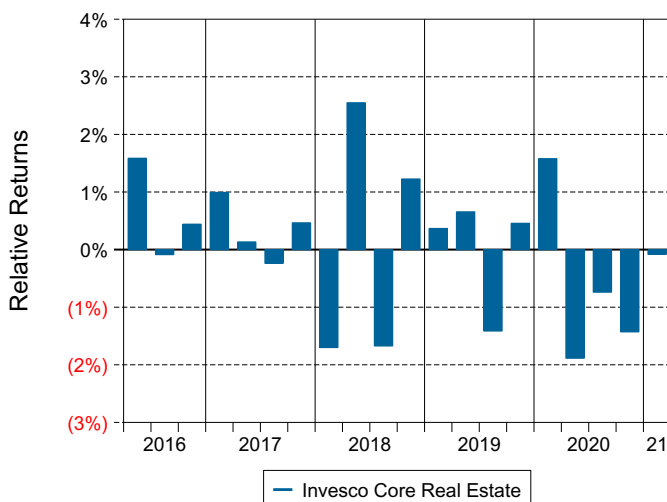
Beginning Market Value	\$50,501,514
Net New Investment	\$-411,799
Investment Gains/(Losses)	\$823,243
Ending Market Value	\$50,912,959

Performance vs Callan Total Domestic Real Estate DB (Gross)

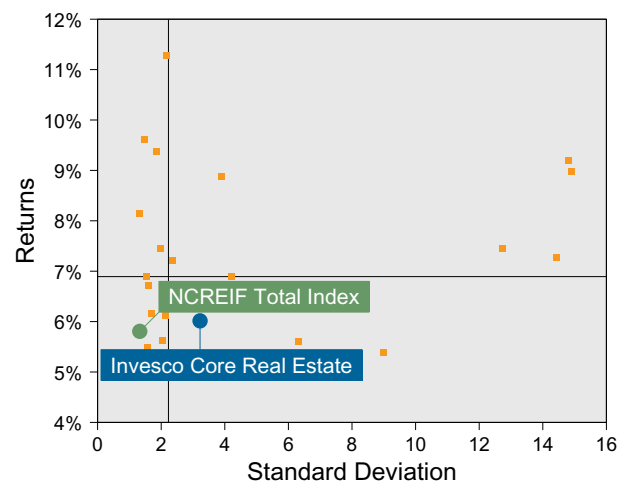


10th Percentile	6.36	19.12	31.12	10.79	11.01	9.49	12.95
25th Percentile	3.43	12.14	21.88	7.06	8.56	8.70	10.03
Median	2.44	6.82	6.45	4.70	6.35	6.89	9.10
75th Percentile	1.87	4.06	3.02	3.63	5.25	5.75	8.14
90th Percentile	0.92	2.88	1.66	2.60	4.56	5.25	7.24
Invesco Core Real Estate	● 1.63	1.35	(1.57)	2.43	4.70	6.01	8.77
NCREIF Total Index	▲ 1.72	3.64	2.61	3.94	4.89	5.81	8.20

Relative Return vs NCREIF Total Index



Callan Total Domestic Real Estate DB (Gross) Annualized Five Year Risk vs Return



JP Morgan Real Estate Period Ended March 31, 2021

Investment Philosophy

The J.P. Morgan U.S. Real Estate Income and Growth Fund seeks to construct and opportunistically manage a portfolio of core direct real estate investments, complemented by other real estate and real estate-related assets. The Fund pursues a broadly diversified absolute-return strategy and pursues all property investments on an opportunistic basis. The majority of the Fund's investments will be in direct core properties in the office, industrial, retail and residential sectors.

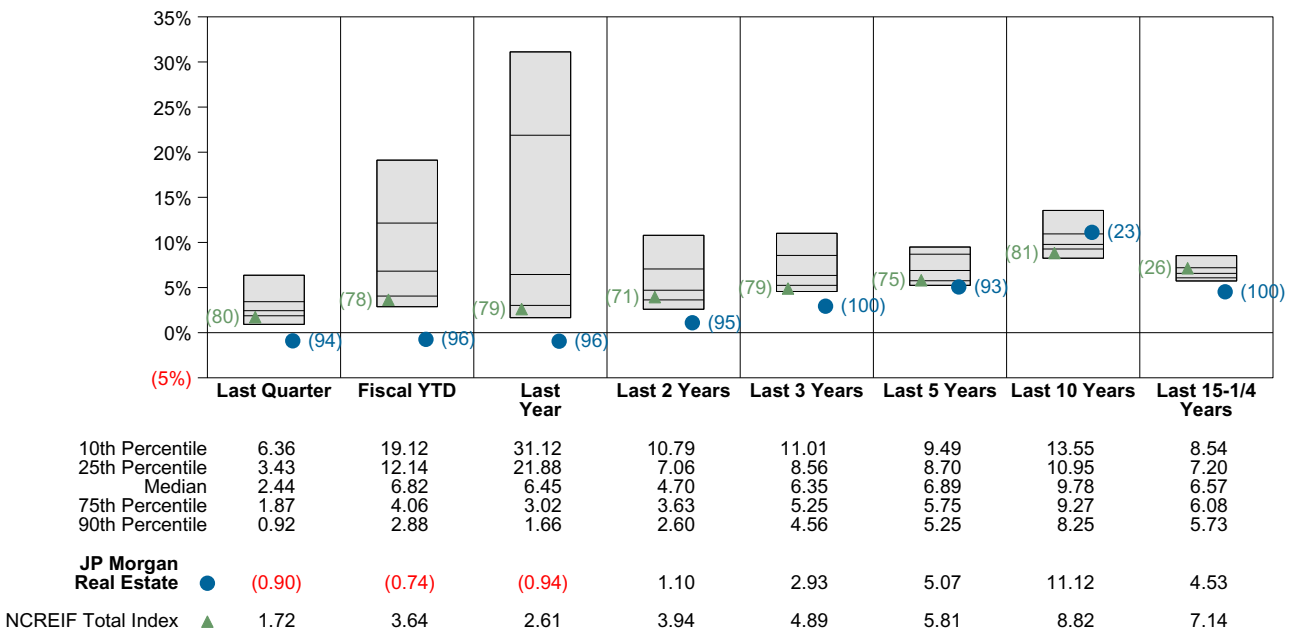
Quarterly Summary and Highlights

- JP Morgan Real Estate's portfolio posted a (0.90)% return for the quarter placing it in the 94 percentile of the Callan Total Domestic Real Estate DB group for the quarter and in the 96 percentile for the last year.
- JP Morgan Real Estate's portfolio underperformed the NCREIF Total Index by 2.62% for the quarter and underperformed the NCREIF Total Index for the year by 3.56%.

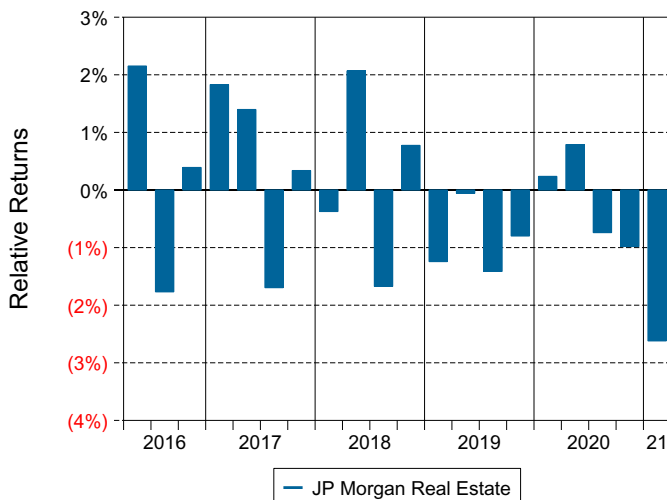
Quarterly Asset Growth

Beginning Market Value	\$46,424,751
Net New Investment	\$-418,710
Investment Gains/(Losses)	\$-419,376
Ending Market Value	\$45,586,665

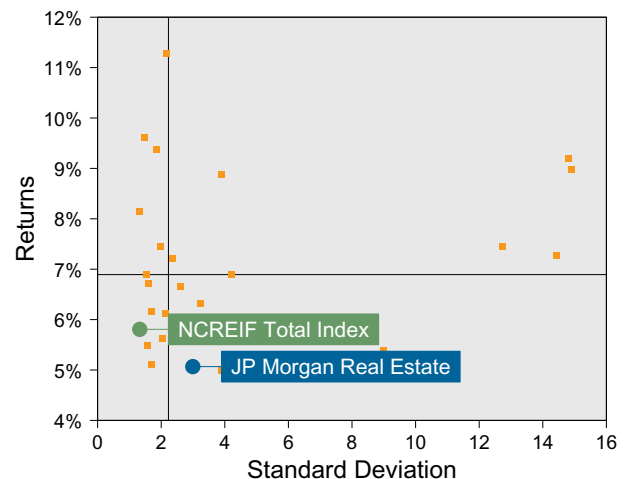
Performance vs Callan Total Domestic Real Estate DB (Gross)



Relative Return vs NCREIF Total Index



Callan Total Domestic Real Estate DB (Gross) Annualized Five Year Risk vs Return



Western Asset TIPS Period Ended March 31, 2021

Investment Philosophy

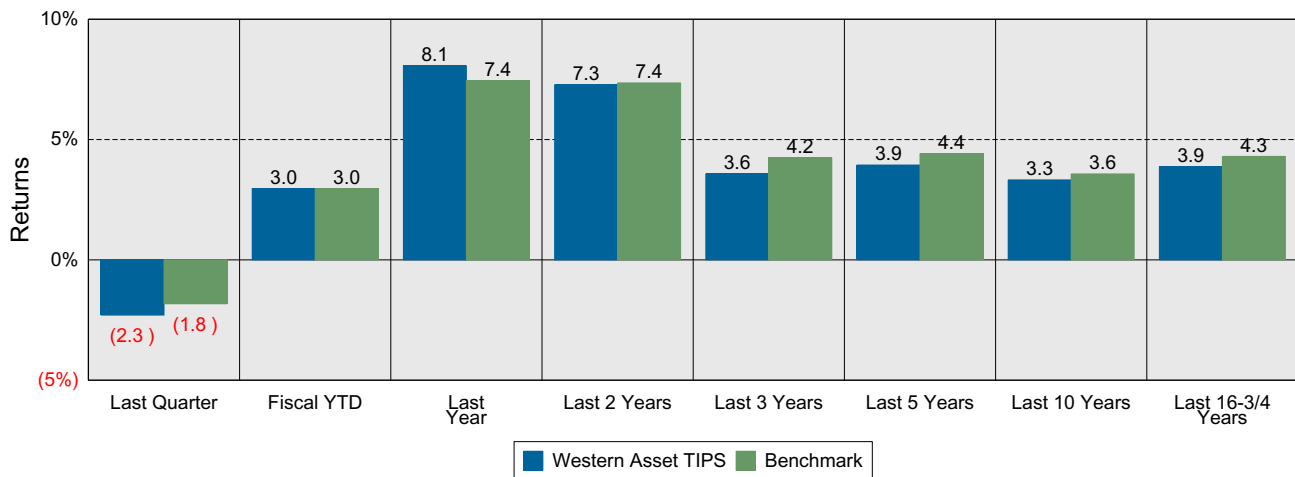
The Western Asset US TIPS Full Discretion strategy is an inflation-protected strategy that aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using higher-yielding inflation-protected instruments with a bias toward Treasury Inflation-Protected Securities (TIPS). Opportunistic investments include high-yield, emerging markets, non-dollar securities, commodities and bank loans that may also be employed using derivatives. **Benchmark: Bloomberg US TIPS through 12/31/2009; Bloomberg Global Inflation-Linked through 10/31/2018; Bloomberg US Govt Inflation Linked Bond Index thereafter.**

Quarterly Summary and Highlights

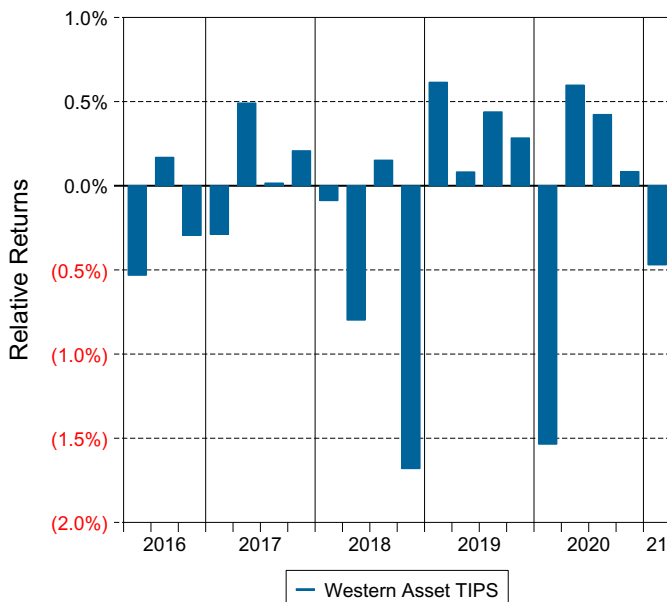
- Western Asset TIPS's portfolio underperformed the Benchmark by 0.47% for the quarter and outperformed the Benchmark for the year by 0.63%.

Quarterly Asset Growth

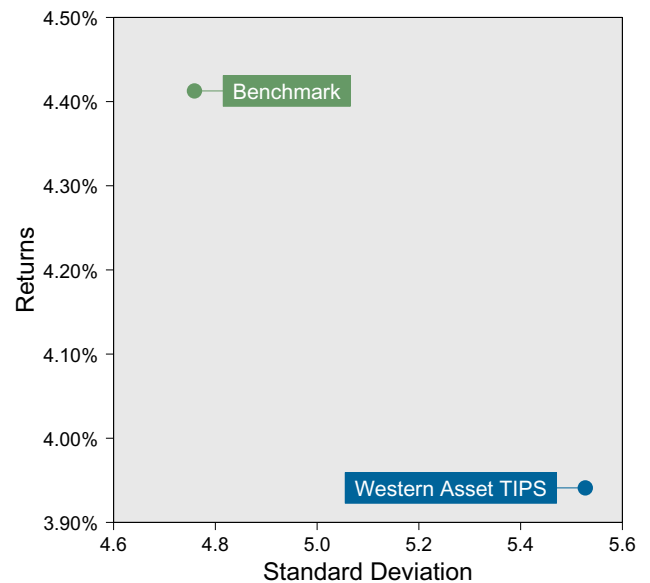
Beginning Market Value	\$164,937,602
Net New Investment	\$9,953,761
Investment Gains/(Losses)	\$-4,020,798
Ending Market Value	\$170,870,565



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Eastern Timber Opportunities Period Ended March 31, 2021

Investment Philosophy

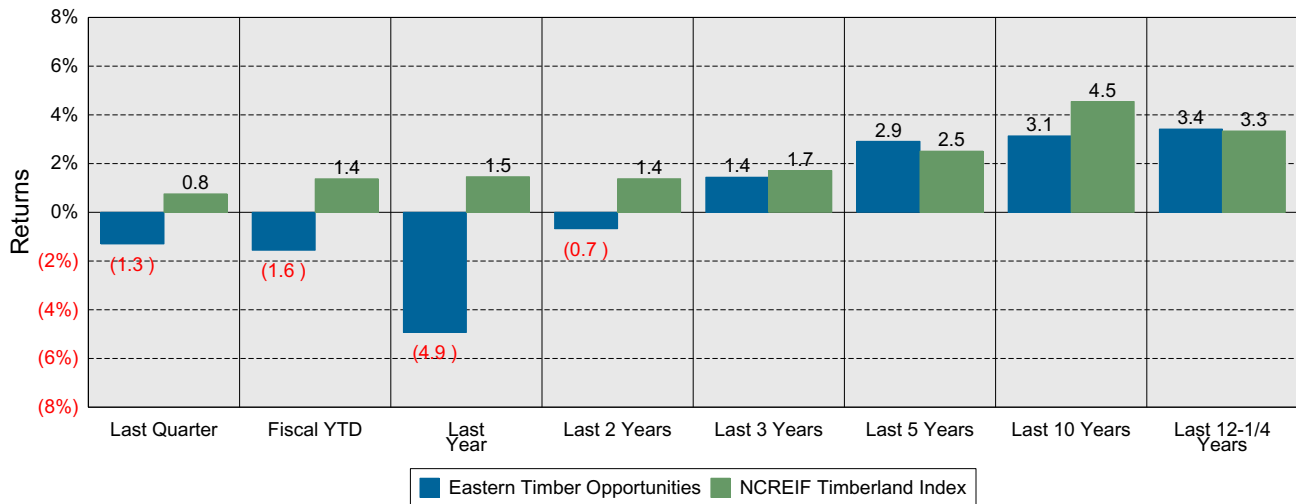
The investment objective of the Eastern Timberland Opportunities fund is to provide competitive timberland investment returns from Eastern US timberland investments by pursuing management strategies to increase timber production and land values through the investment term. TIR will maximize timber values within the portfolio with the application of intensive forest management techniques to accelerate the growth in timber volume and movement into higher value product categories. Additional value will be captured by realizing higher and better use opportunities for select timberland properties throughout the portfolio.

Quarterly Summary and Highlights

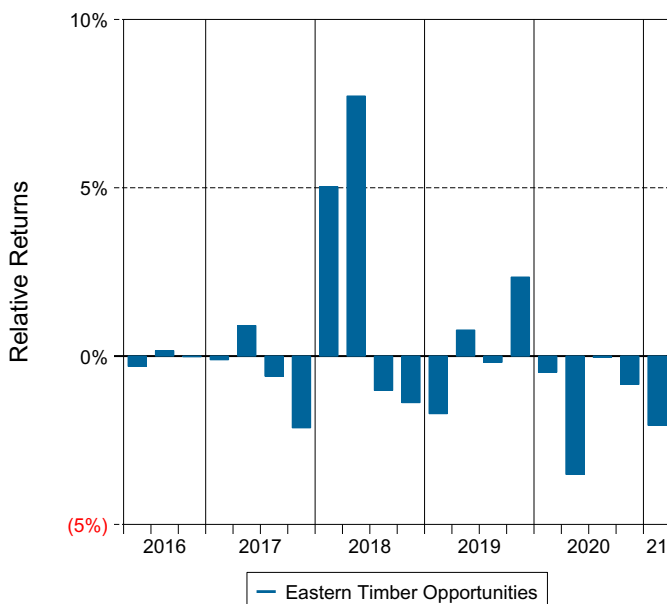
- Eastern Timber Opportunities's portfolio underperformed the NCREIF Timberland Index by 2.05% for the quarter and underperformed the NCREIF Timberland Index for the year by 6.39%.

Quarterly Asset Growth

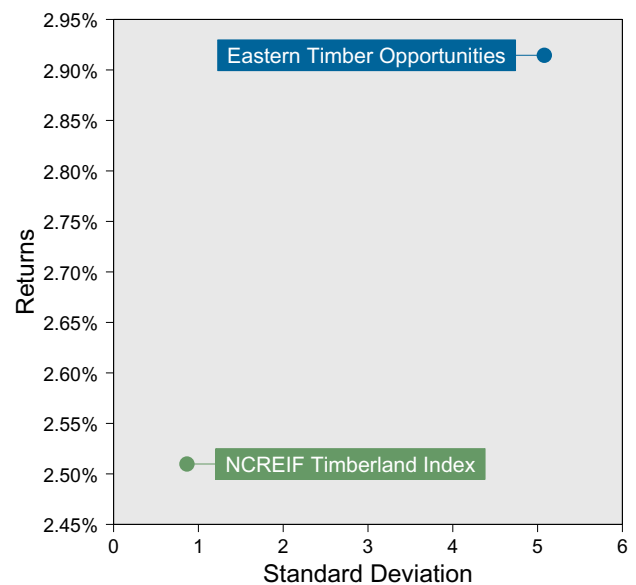
Beginning Market Value	\$51,892,399
Net New Investment	\$0
Investment Gains/(Losses)	\$-673,416
Ending Market Value	\$51,218,983



Relative Return vs NCREIF Timberland Index



Annualized Five Year Risk vs Return



JP Morgan Infrastructure Period Ended March 31, 2021

Investment Philosophy

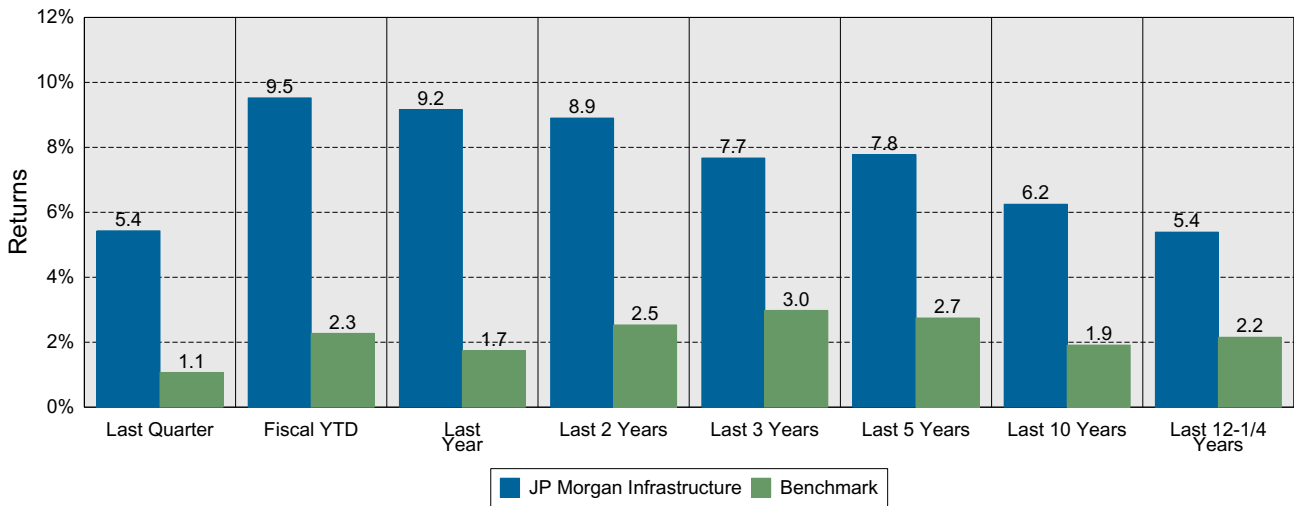
The only open-ended private commingled infrastructure fund in the U.S, the JPMorgan Infrastructure Investments Fund invests in stabilized assets in OECD countries with selected value-added opportunities, across infrastructure industry sub-sectors, including: toll roads, bridges and tunnels; oil and gas pipelines; electricity transmission and distribution facilities; contracted power generation assets; water distribution; waste-water collection and processing; railway lines and rapid rail links; and seaports and airports. **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

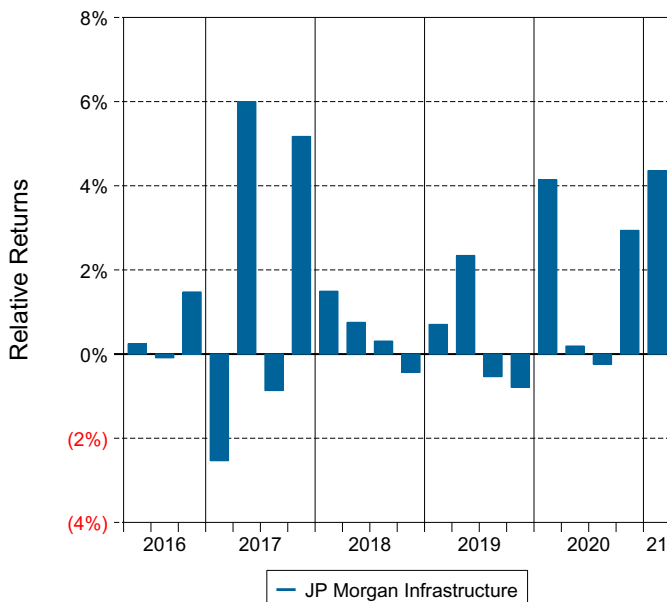
- JP Morgan Infrastructure's portfolio outperformed the Benchmark by 4.36% for the quarter and outperformed the Benchmark for the year by 7.42%.

Quarterly Asset Growth

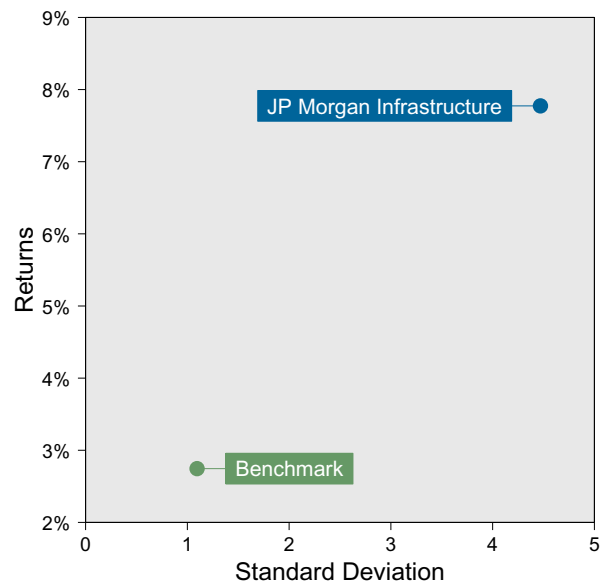
Beginning Market Value	\$40,984,697
Net New Investment	\$-937,376
Investment Gains/(Losses)	\$2,225,523
Ending Market Value	\$42,272,844



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Grosvenor Cust. Infrastructure Period Ended March 31, 2021

Investment Philosophy

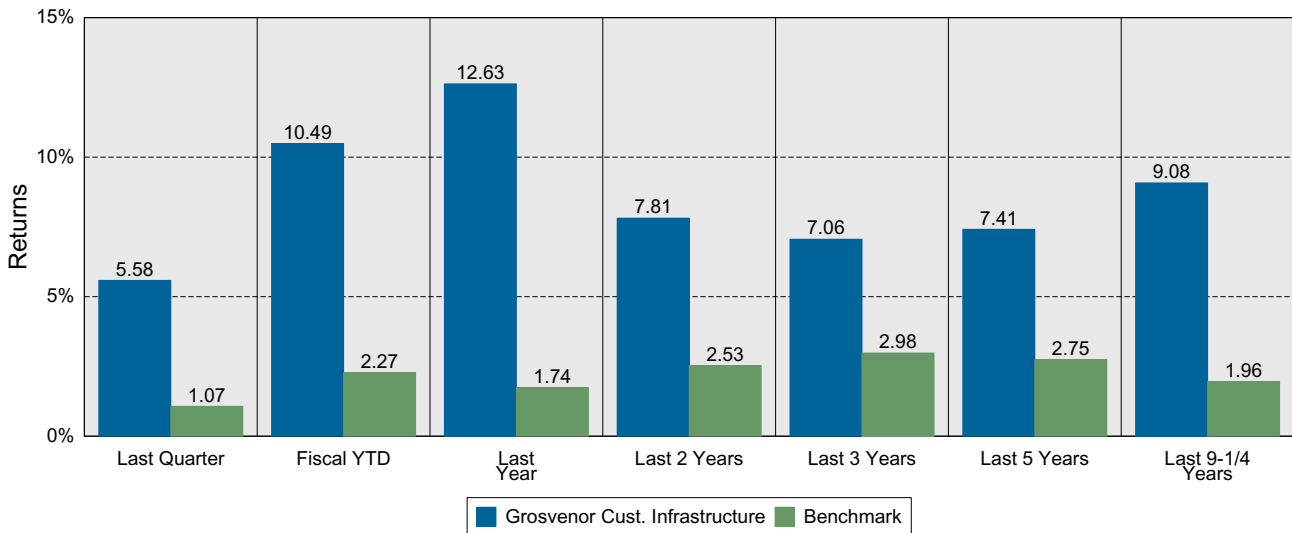
The Customized Infrastructure Strategies LP is a commingled fund focused on providing a comprehensive, diversified solution for investors looking to access the infrastructure asset class. The Fund seeks to generate stable, long-term yield and attractive risk-adjusted returns by investing in a diversified portfolio of primary core and core plus infrastructure funds (30%), co-investments (40%) and opportunistic secondary fund purchases (30%). **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

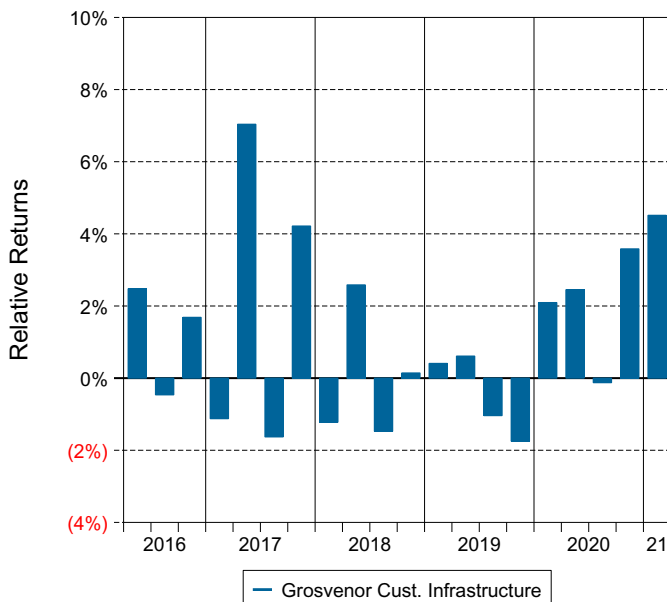
- Grosvenor Cust. Infrastructure's portfolio outperformed the Benchmark by 4.51% for the quarter and outperformed the Benchmark for the year by 10.88%.

Quarterly Asset Growth

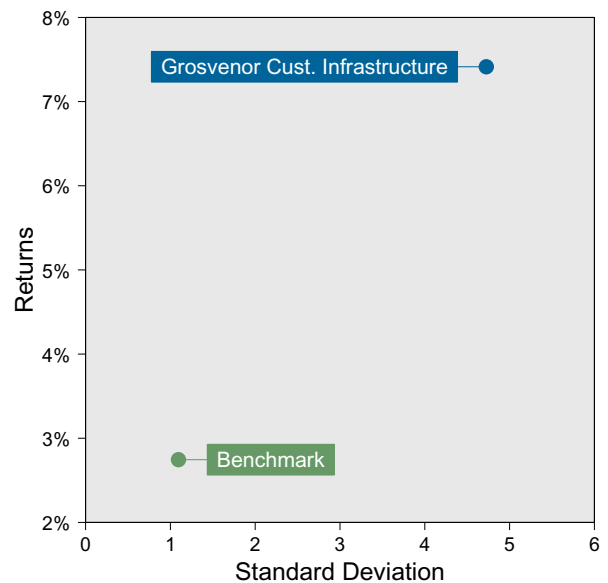
Beginning Market Value	\$8,024,873
Net New Investment	\$-1,705,643
Investment Gains/(Losses)	\$366,713
Ending Market Value	\$6,685,943



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Short Term Fixed Income Period Ended March 31, 2021

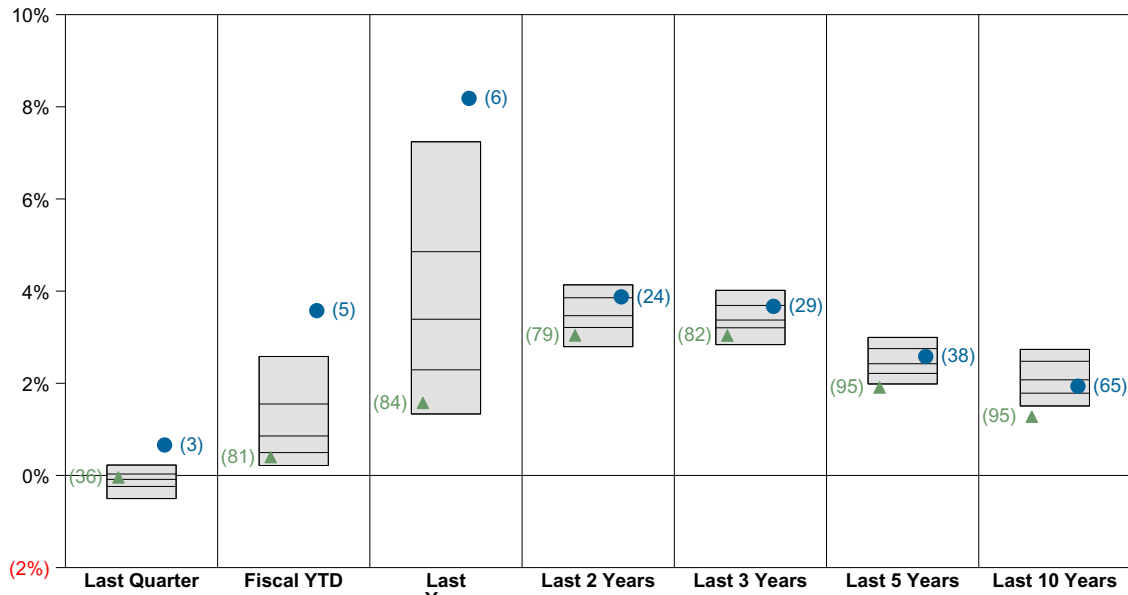
Quarterly Summary and Highlights

- Short Term Fixed Income's portfolio posted a 0.66% return for the quarter placing it in the 3 percentile of the Callan Short Term Fixed Income group for the quarter and in the 6 percentile for the last year.
- Short Term Fixed Income's portfolio outperformed the Short Term Fixed Target by 0.70% for the quarter and outperformed the Short Term Fixed Target for the year by 6.61%.

Quarterly Asset Growth

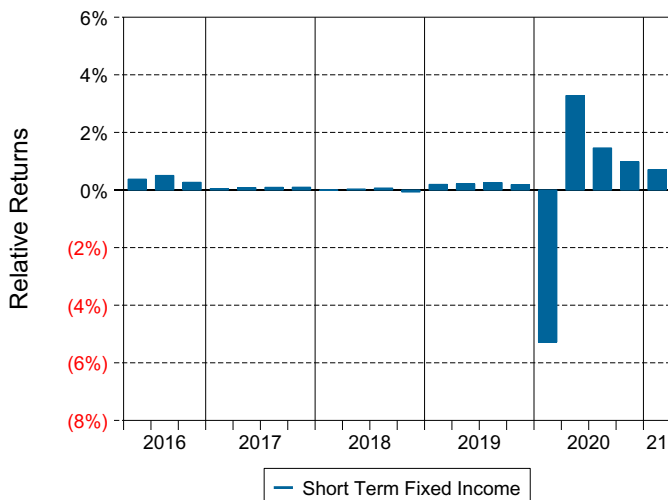
Beginning Market Value	\$778,365,183
Net New Investment	\$-12,122,200
Investment Gains/(Losses)	\$5,142,654
Ending Market Value	\$771,385,637

Performance vs Callan Short Term Fixed Income (Gross)

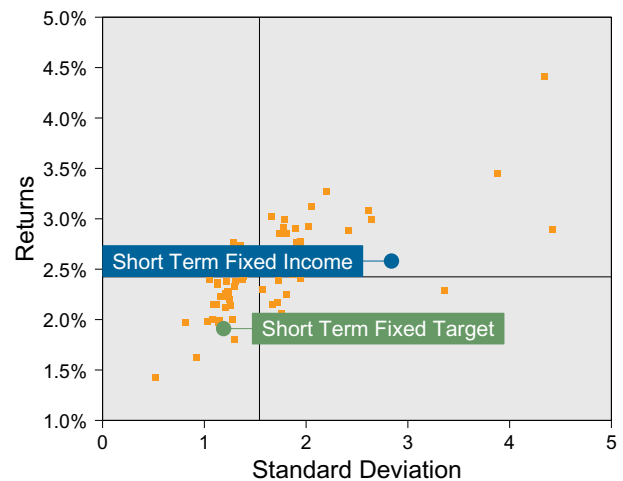


10th Percentile	0.23	2.58	7.24	4.14	4.02	3.00	2.73
25th Percentile	0.03	1.55	4.86	3.86	3.69	2.75	2.48
Median	(0.09)	0.86	3.39	3.47	3.37	2.42	2.08
75th Percentile	(0.24)	0.50	2.29	3.21	3.20	2.21	1.79
90th Percentile	(0.50)	0.22	1.33	2.80	2.84	1.98	1.51
Short Term Fixed Income	● 0.66	3.58	8.18	3.88	3.67	2.58	1.94
Short Term Fixed Target	▲ (0.04)	0.40	1.57	3.04	3.04	1.91	1.28

Relative Return vs Short Term Fixed Target



Callan Short Term Fixed Income (Gross) Annualized Five Year Risk vs Return



Barings Active Short Duration Period Ended March 31, 2021

Investment Philosophy

Babson's Active Short Duration team employs a total return management style, which dynamically adjusts duration in response to actual yield curve conditions. The approach seeks to take advantage of a variety of relative value opportunities, predominantly in the investment grade universe, which should provide steady income and potential capital appreciation. Value is also added through security selection. The end result is a high quality/short duration portfolio that has historically captured most of the returns of moderate duration bonds.

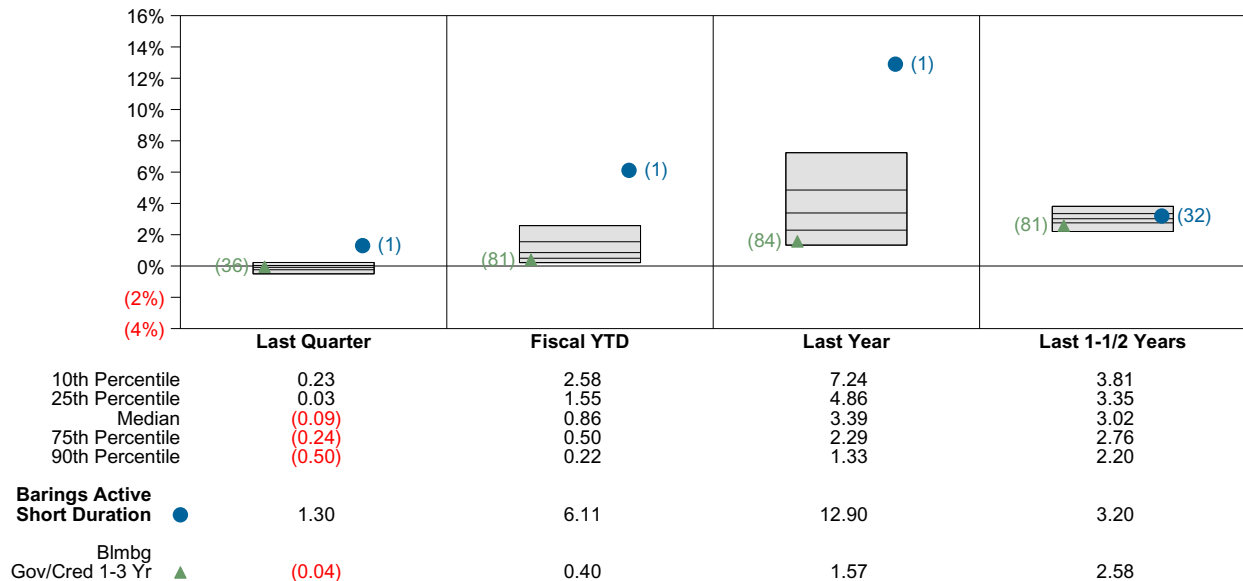
Quarterly Summary and Highlights

- Barings Active Short Duration's portfolio posted a 1.30% return for the quarter placing it in the 1 percentile of the Callan Short Term Fixed Income group for the quarter and in the 1 percentile for the last year.
- Barings Active Short Duration's portfolio outperformed the Blmbg Gov/Cred 1-3 Yr by 1.34% for the quarter and outperformed the Blmbg Gov/Cred 1-3 Yr for the year by 11.32%.

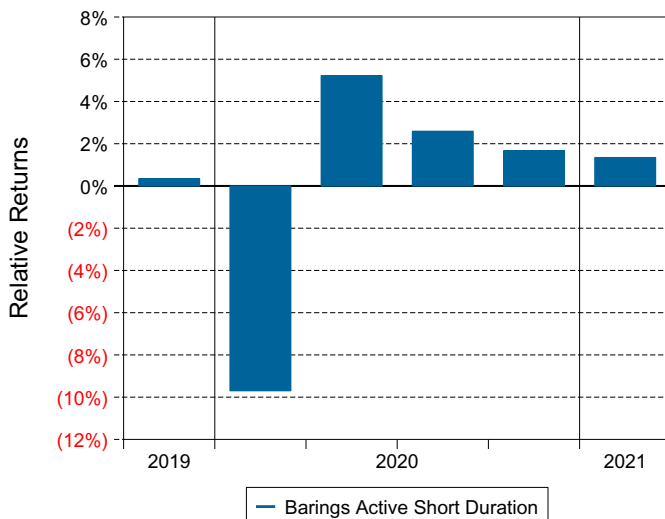
Quarterly Asset Growth

Beginning Market Value	\$387,402,033
Net New Investment	\$-6,122,200
Investment Gains/(Losses)	\$5,038,224
Ending Market Value	\$386,318,057

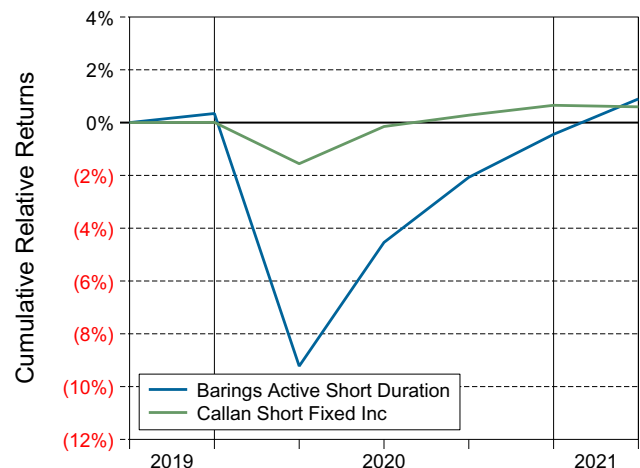
Performance vs Callan Short Term Fixed Income (Gross)



Relative Return vs Blmbg Gov/Cred 1-3 Yr



Cumulative Returns vs Blmbg Gov/Cred 1-3 Yr



JP Morgan Short Term Bonds Period Ended March 31, 2021

Investment Philosophy

The investment objective of this account is to outperform the Barclays Capital 1-3 year Government/Credit Index while maintaining total return risk similar to that of the benchmark as measured over a market cycle. The weighted average effective duration of the portfolio will typically remain within +/- 30% of the benchmark.

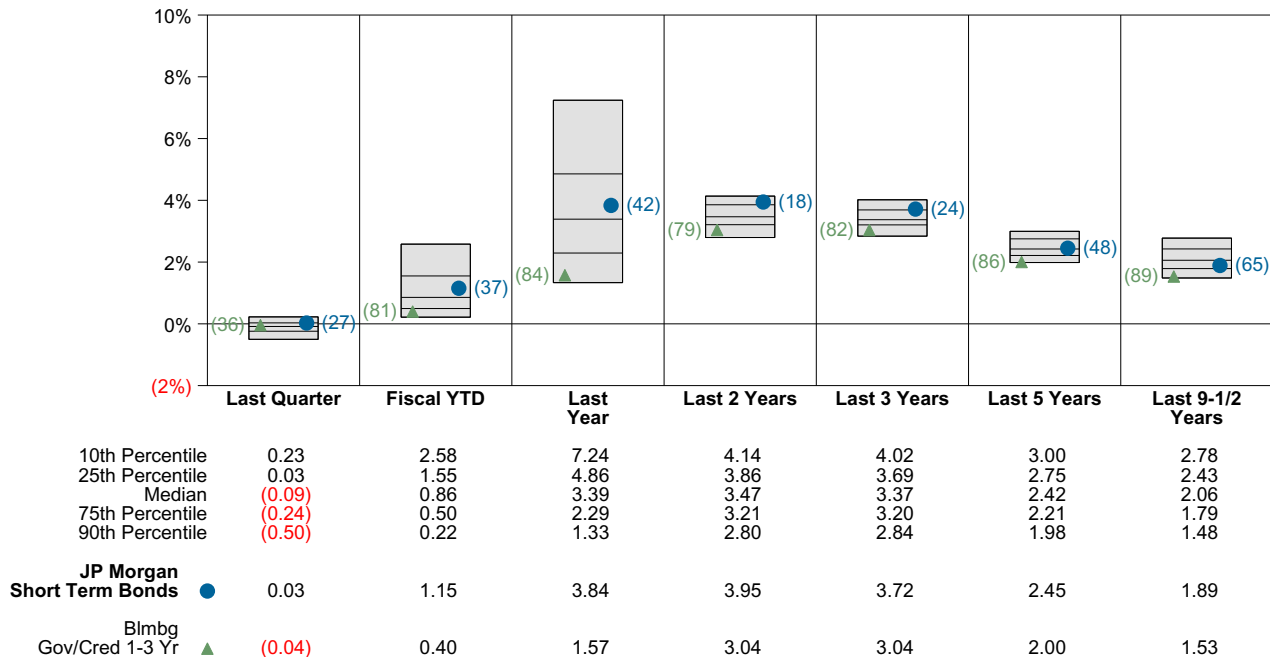
Quarterly Summary and Highlights

- JP Morgan Short Term Bonds's portfolio posted a 0.03% return for the quarter placing it in the 27 percentile of the Callan Short Term Fixed Income group for the quarter and in the 42 percentile for the last year.
- JP Morgan Short Term Bonds's portfolio outperformed the Blmbg Gov/Cred 1-3 Yr by 0.07% for the quarter and outperformed the Blmbg Gov/Cred 1-3 Yr for the year by 2.26%.

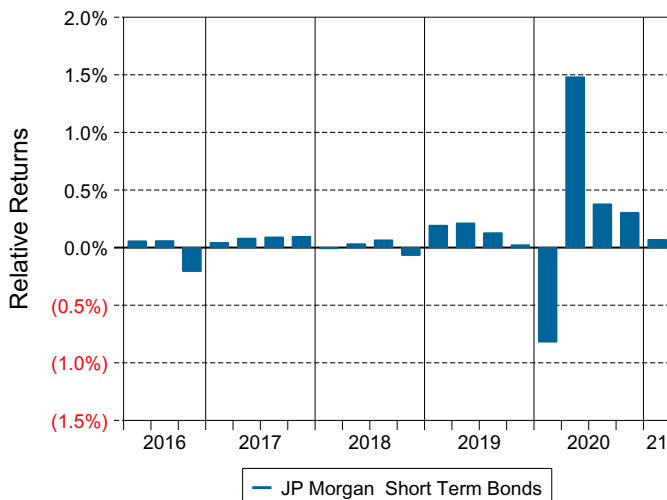
Quarterly Asset Growth

Beginning Market Value	\$390,963,150
Net New Investment	\$-6,000,000
Investment Gains/(Losses)	\$104,430
Ending Market Value	\$385,067,580

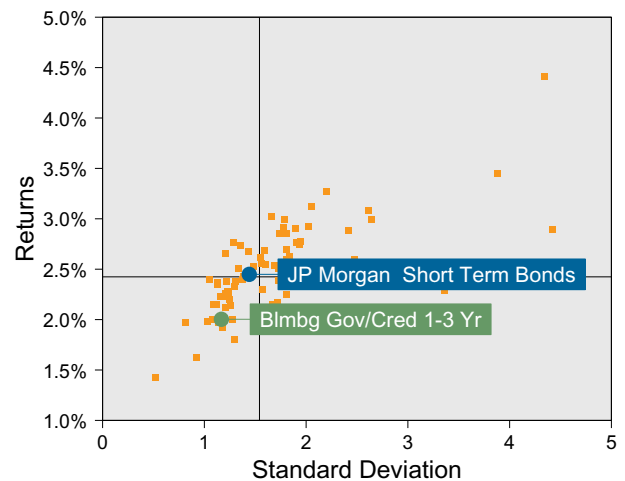
Performance vs Callan Short Term Fixed Income (Gross)



Relative Return vs Blmbg Gov/Cred 1-3 Yr



Callan Short Term Fixed Income (Gross) Annualized Five Year Risk vs Return



Research and Education

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit www.callan.com/callan/research-library to see all of our publications, and www.callan.com/callan/blog to view our blog. For more information contact Barb Gerraty at 415-274-3093 / institute@callan.com.

New Research from Callan's Experts

[Callan's 2021-2030 Capital Markets Assumptions](#) | Callan develops capital markets assumptions to help clients with their long-term strategic planning. For the period 2021-2030, we made almost revolutionary changes to our projections. We also added several new asset classes, including private credit.

[2021 Defined Contribution Survey](#) | The world is changing dramatically, and our annual *DC Survey* is evolving to fit the shifting landscape. Callan's 14th Annual *DC Survey* now covers the SECURE and CARES Acts, the impacts of the COVID-19 pandemic, along with the key tenets of DC plan management, financial wellness, and HSAs.

[GameStopped—or Just Getting Started?](#) | In this quarter's *Hedge Fund Monitor*, Jim McKee explains what the GameStop saga means for institutional investors, and outlines what questions they should be asking their hedge fund managers.

[Coping with COVID-19: How Work Is Evolving for Investment Managers, 3rd Edition](#) | Following up on our September publication, Callan surveyed investment managers regarding how their firms were responding to the COVID-19 pandemic, focusing on office closures and re-openings, work-from-home approaches, business travel, and meetings. This edition also includes data on how firms are handling attendance to live events and changes to employee benefits packages specific to the COVID-19 pandemic.

Blog Highlights

[Captive Insurance Stepped in to Ease Pandemic's Blow. Now What?](#) | By accessing permissible capital invested in the captive investment portfolio, some captive insurers were able to support their parent organizations during COVID-19 by providing relief from business interruption losses. As dependence on captive

insurance increases, the demand for higher investment returns from the captive investment portfolio will also increase.

[How the Pandemic Affected Private Credit, and What's Next](#) | As interest rates on investment grade bonds have fallen to near-zero, private credit has attracted more interest from institutional investors.

[Why the Yield Curve Is Really Curving](#) | As prospects for growth have brightened on the back of increasing vaccinations, a gradual re-opening across the country, and continued fiscal stimulus, yields on longer maturity bonds have risen while short-term rates have been anchored by the Fed.

Quarterly Periodicals

[Private Equity Trends, 4Q20](#) | A high-level summary of private equity activity in the quarter through all the investment stages

[Active vs. Passive Charts, 4Q20](#) | A comparison of active managers alongside relevant benchmarks over the long term

[Market Pulse Flipbook, 4Q20](#) | A quarterly market reference guide covering trends in the U.S. economy, developments for institutional investors, and the latest data on the capital markets

[Capital Markets Review, 4Q20](#) | Analysis and a broad overview of the economy and public and private market activity each quarter across a wide range of asset classes

[Hedge Fund Quarterly, 4Q20](#) | Commentary on developments for hedge funds and multi-asset class (MAC) strategies

[Real Assets Reporter, 4Q20](#) | A summary of market activity for real assets and private real estate during the quarter

Events

Miss out on a Callan conference or workshop? Event summaries and speakers' presentations are available on our website: callan.com/callan/research-library

Please mark your calendar and look forward to upcoming invitations:

2021 National Conference

July 19-21, 2021, in Salt Lake City

For more information about events, please contact Barb Gerraty: 415-274-3093 / gerraty@callan.com

Education: By the Numbers

50+

Unique pieces of research the Institute generates each year

525

Attendees (on average) of the Institute's annual National Conference

3,700

Total attendees of the "Callan College" since 1994

Education

Founded in 1994, the "Callan College" offers educational sessions for industry professionals involved in the investment decision-making process.

Introduction to Investments—Virtual

August 17-19, 2021

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. It is held over three days with virtual modules of 2.5-3 hours. This course is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities. Tuition is \$950 per person and includes instruction and digital materials.

Additional information including registration can be found at: callan.com/callan/events/ccintro_august/

Introduction to Investments—In Person

October 6-7, 2021, in Chicago

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. It lasts one-and-a-half days and is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities. Tuition is \$2,350 per person and includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

Additional information including dates and registration can be found at: callan.com/callan/events/oct-intro-college-2/



"Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry."

Greg Allen, CEO and Chief Research Officer

List of Callan's Investment Manager Clients

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Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry, and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor, and disclose potential conflicts on an ongoing basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database, or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please note that if an investment manager receives a product or service on a complimentary basis (e.g., attending an educational event), they are not included in the list below. Callan is committed to ensuring that we do not consider an investment manager's business relationship with Callan, or lack thereof, in performing evaluations for or making suggestions or recommendations to its other clients. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group, and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance department.

Manager Name
Aberdeen Standard Investments
Acadian Asset Management LLC
Adams Street Partners, LLC
AEGON USA Investment Management Inc.
AllianceBernstein
Allianz
American Century Investments
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Aristotle Capital Management, LLC
Atlanta Capital Management Co., LLC
Aviva Investors
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors
Barings LLC
Baron Capital Management, Inc.

Manager Name
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock
BMO Global Asset Management
BNP Paribas Asset Management
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
Brown Brothers Harriman & Company
Cambiar Investors, LLC
Capital Group
Carillon Tower Advisers
CastleArk Management, LLC
Causeway Capital Management LLC
Chartwell Investment Partners
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.
Columbia Threadneedle Investments North America

Manager Name

Credit Suisse Asset Management
Crescent Capital Group LP
D.E. Shaw Investment Management, LLC
DePrince, Race & Zollo, Inc.
Dimensional Fund Advisors LP
Doubleline
Duff & Phelps Investment Management Co.
DWS
EARNEST Partners, LLC
Eaton Vance Management
Epoch Investment Partners, Inc.
Fayez Sarofim & Company
Federated Hermes, Inc.
Fidelity Institutional Asset Management
Fiera Capital Corporation
First Hawaiian Bank Wealth Management Division
First Sentier Investors (formerly First State Investments)
Fisher Investments
Franklin Templeton
GAM (USA) Inc.
GCM Grosvenor
GlobeFlex Capital, L.P.
GoldenTree Asset Management, LP
Goldman Sachs
Guggenheim Investments
GW&K Investment Management
Harbor Capital Group Trust
Heitman LLC
Hotchkis & Wiley Capital Management, LLC
Income Research + Management, Inc.
Insight Investment
Intech Investment Management, LLC
Intercontinental Real Estate Corporation
Invesco
Ivy Investments
J.P. Morgan
Janus
Jennison Associates LLC
Jobs Peak Advisors
J O Hambro Capital Management Limited

Manager Name

KeyCorp
Lazard Asset Management
LGIM America (formerly Legal & General Inv Mgmt America)
Lincoln National Corporation
Longview Partners
Loomis, Sayles & Company, L.P.
Lord Abbett & Company
LSV Asset Management
MacKay Shields LLC
Manning & Napier Advisors, LLC
Manulife Investment Management
McKinley Capital Management, LLC
Mellon
MetLife Investment Management
MFS Investment Management
MidFirst Bank
Mondrian Investment Partners Limited
Montag & Caldwell, LLC
Morgan Stanley Investment Management
MUFG Union Bank, N.A.
Natixis Investment Managers
Neuberger Berman
Newton Investment Management
Ninety One North America, Inc. (formerly Investec Asset Mgmt.)
Northern Trust Asset Management
Nuveen
P/E Investments
Pacific Investment Management Company
Parametric Portfolio Associates LLC
Partners Group (USA) Inc.
Pathway Capital Management
Peregrine Capital Management, LLC
PFM Asset Management LLC
PGIM Fixed Income
PineBridge Investments
Polen Capital Management, LLC
Principal Global Investors
Putnam Investments, LLC
QMA LLC
RBC Global Asset Management

Manager Name

Regions Financial Corporation

Richard Bernstein Advisors LLC

Robeco Institutional Asset Management, US Inc.

Rothschild & Co. Asset Management US

S&P Dow Jones Indices

Schroder Investment Management North America Inc.

SLC Management

Smith Graham & Co. Investment Advisors, L.P.

State Street Global Advisors

Stone Harbor Investment Partners L.P.

Strategic Global Advisors

T. Rowe Price Associates, Inc.

The TCW Group, Inc.

Thompson, Siegel & Walmsley LLC

Thornburg Investment Management, Inc.

Manager Name

Tri-Star Trust Bank

VanEck

Versus Capital Group

Victory Capital Management Inc.

Virtus Investment Partners, Inc.

Vontobel Asset Management, Inc.

Voya

WCM Investment Management

WEDGE Capital Management

Wellington Management Company LLP

Wells Fargo Asset Management

Western Asset Management Company LLC

Westfield Capital Management Company, LP

William Blair & Company LLC

March 31, 2021



North Dakota State Investment Board Legacy Fund

**Investment Measurement Service
Quarterly Review**

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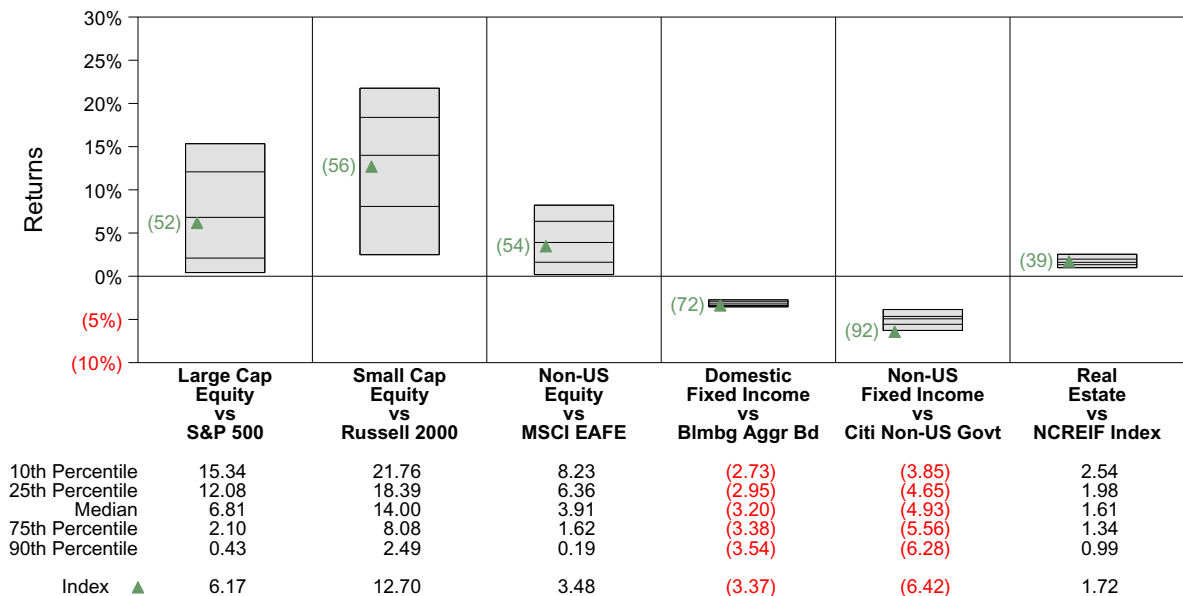
Market Overview

Active Management vs Index Returns

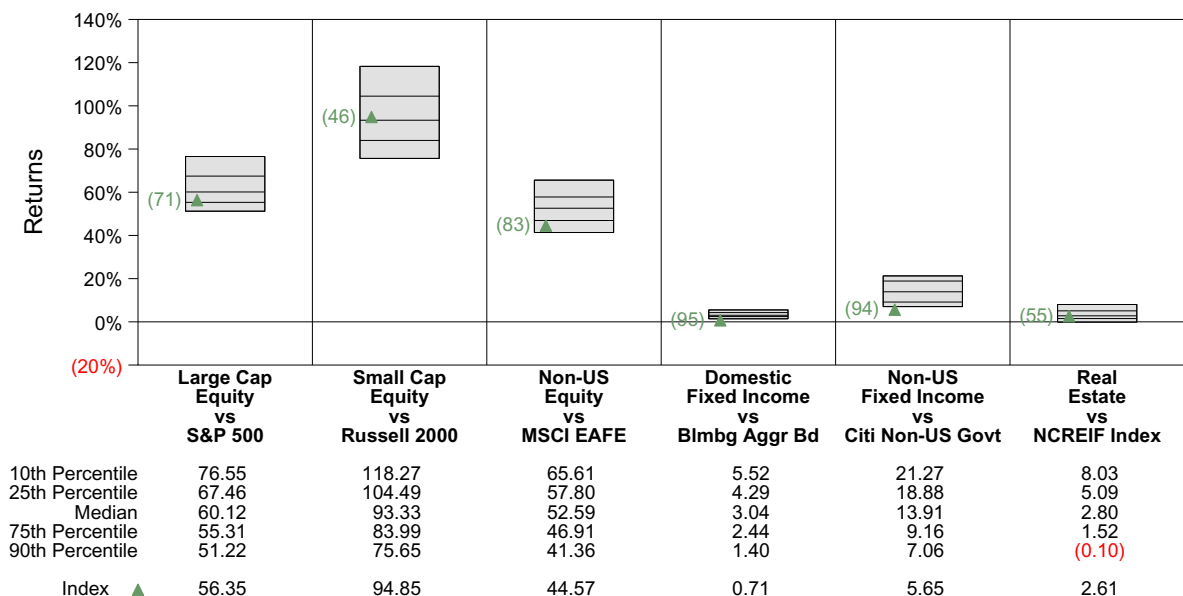
Market Overview

The charts below illustrate the range of returns across managers in Callan's Separate Account database over the most recent one quarter and one year time periods. The database is broken down by asset class to illustrate the difference in returns across those asset classes. An appropriate index is also shown for each asset class for comparison purposes. As an example, the first bar in the upper chart illustrates the range of returns for domestic equity managers over the last quarter. The triangle represents the S&P 500 return. The number next to the triangle represents the ranking of the S&P 500 in the Large Cap Equity manager database.

Range of Separate Account Manager Returns by Asset Class One Quarter Ended March 31, 2021



Range of Separate Account Manager Returns by Asset Class One Year Ended March 31, 2021



The U.S. Economy: Open for Business

ECONOMY

2 U.S. GDP notched a solid 6.4% gain in 1Q21, and the U.S. economy may be on track for a truly eye-opening expansion. Initial projections are pointing to growth rates of 9% or even higher for 2Q. At that rate, GDP is now likely to return to its pre-pandemic peak by midyear.

Sharp Gains After Steep Plunge in 1Q20

INSTITUTIONAL INVESTORS

4 All institutional investor types saw robust gains for the four quarters ending 1Q21. And all but corporate DB plans exceeded a 60% stocks/40% bonds benchmark. Investors are elated following an incredible year, but that is tempered by sobering expectations for the capital markets.

Another Rebound Around the World

EQUITY

6 The S&P 500 Index hit record highs in 1Q21, and since the prior peak (February 2020) it is up over 19.6%. Global markets responded positively to the rollout of the COVID-19 vaccine; small cap outperformed large on continued economic optimism.

Broad Market Quarterly Returns

U.S. Equity
Russell 3000



Global ex-U.S. Equity
MSCI ACWI ex USA



U.S. Fixed Income
Bloomberg Barclays Agg



Global ex-U.S. Fixed Income
Bloomberg Barclays Gbl ex US



Sources: Bloomberg Barclays, FTSE Russell, MSCI

U.S., Global Bonds Fall as Rates Head Up

FIXED INCOME

8 The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20. The Bloomberg Barclays US Aggregate Bond Index fell 3.4%. Global fixed income dropped as developed market rates rose and the U.S. dollar strengthened.

Signs of Stability Amid Virus Challenges

REAL ESTATE/REAL ASSETS

10 The Hotel and Retail sectors face continued headwinds. The outlook for the Office sector is uncertain while Industrial remains the best performer. Net operating income for private real estate declined. Global REITs and U.S. REITs outpaced equities in the quarter.

Market Is Riding a Wave of Momentum

PRIVATE EQUITY

11 The strong start to 1Q21 was fueled by stimulus, optimism, and positive investor sentiment. Preliminary numbers show that fundraising and exits (particularly IPOs) were generally up, but new investments declined slightly from the prior quarter.

Continued Interest as Yields Remain Low

PRIVATE CREDIT

12 Private credit remains attractive in a low-yield environment. Spreads for high yield and leveraged loans have snapped back. Fundraising slowed down in 2020 due to the pandemic; senior debt and mezzanine capital represented the bulk of the capital that was raised.

Damn the Margin Calls, Full Risk Ahead

HEDGE FUNDS/MACs

13 The Credit Suisse Hedge Fund Index gained 2.9% in 1Q21. The median fund in the Callan Hedge Fund-of-Funds Database earned 2.1%; over the last year, the median rebounded 27.1%. The average Callan Institutional Hedge Fund manager earned 4.1%, net of fees.

Third Straight Quarterly Gain

DEFINED CONTRIBUTION

15 The Callan DC Index™ gained 11.2% in 4Q20, slightly below the increase of the Age 45 Target Date Fund (+13.4%) but the third straight quarter of gains for both. Investors expressed an appetite for relatively safer asset classes, based on net flows in plans.

Now Open for Business

ECONOMY | Jay Kloepfer

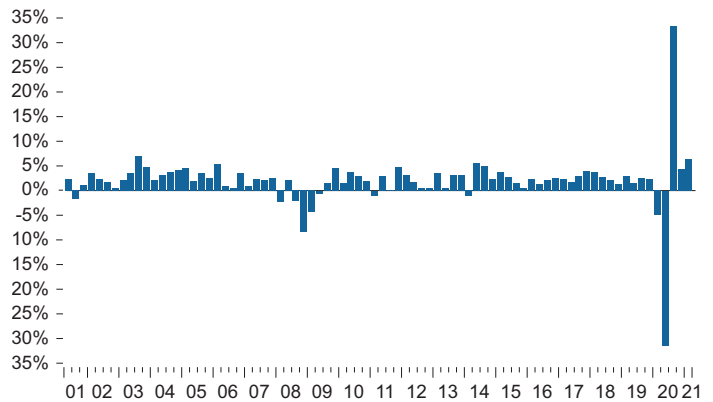
U.S. GDP notched a solid 6.4% gain in 1Q21. The U.S. economy may be on track for a truly eye-opening expansion, with initial projections from high-frequency GDP trackers such as GDPNow pointing to growth rates of 9% or even higher for 2Q. At that rate, GDP is likely to return to its pre-pandemic peak by midyear. For context, after the Global Financial Crisis (2008-09), it took 3½ years before real GDP reclaimed its pre-recession highs. At the start of the pandemic, the level of real GDP dropped more than 10% from March to June 2020. But the recovery in the second half of the year meant annual GDP growth measured -3.5% compared to 2019, although that is still the worst annual loss in 75 years. The steep decline and the rapid recovery surrounding the pandemic have been unprecedented.

The robust 1Q21 result reflects the grand reopening enabled by the expansion of vaccinations against COVID-19 and improvements in containing the spread of the virus in the United States. After a faltering start to the vaccination roll-out, supplies and distribution methods began catching up to demand as the quarter came to a close. Expectations that a majority of American adults will be vaccinated by the end of June have fueled sustained optimism by consumers and a move toward a full economic reopening by all businesses, particularly those most affected by the pandemic: travel, hospitality, passenger transportation. As the country moves toward the reopening of places of work and the retreat from work-from-home orders, expect a surge in demand for business and personal services as well. This reopening will not be without hitches, as supply chains have been seriously impacted around the globe, and the mismatch of the supply of labor and demand to fill jobs may take the rest of the year (or longer) to be sorted out.

Around the globe, the move toward reopening has been far less even and sustained, as the rollout and availability of the vaccine has been much less robust than in the U.S. Spikes in COVID infection rates in India, Brazil, Canada, and many European countries constrain both business and consumer confidence, and health care systems are under even greater stress in India

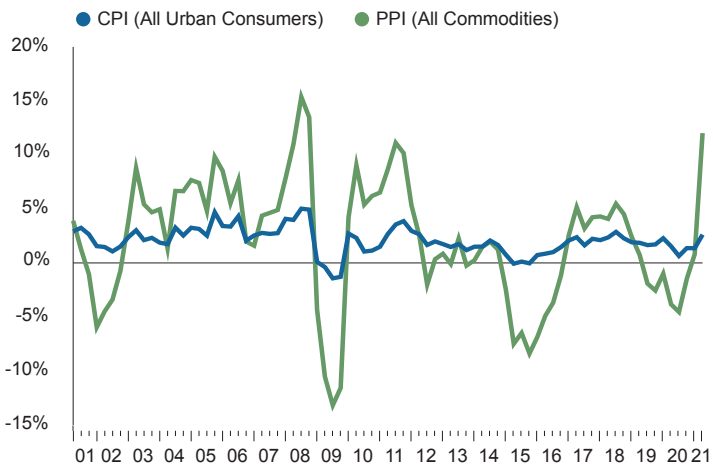
Quarterly Real GDP Growth

(20 Years)



Source: Bureau of Economic Analysis

Inflation Year-Over-Year



Source: Bureau of Labor Statistics

and Brazil than at any time since the start of the global pandemic. The lagging distribution of vaccines to many countries may hinder their reopening and recovery well into 2022, as well as travel into and out of these regions.

The biggest hole to fill in the U.S. economy is in the job market. We lost over 22 million jobs in March and April last year, and recovered just 13 million by the end of the year. After a weak January, however, key metrics of the U.S. job market have perked up substantially. Monthly job creation climbed to 558,000

in February and 780,000 in March, for a total of 1.5 million new jobs in the first quarter. The unemployment rate fell to 6.0% in March and is expected to continue moving down toward 5%, while the number of initial unemployment claims, which has remained stubbornly high at more than triple the “normal” rate of 200,000 per week, fell below 600,000 at the start of April, as the pace of job formation has picked up.

Massive fiscal stimulus is clearly the major contributor to rapid growth in 2021, fueling consumer optimism alongside the vaccine and the reopening of state and local economies. The U.S. Treasury reported that \$339 billion in stimulus payments were distributed in March, which boosted personal income by a stunning 21%. Personal consumption expenditures drove GDP growth, rising by 10.7% in the quarter, along with surges in investment in housing, equipment, and intellectual property. Pent-up demand and stimulus payments spurred spending on durable goods (motor vehicles), nondurable goods (led by food and beverages), and services (led by food services and accommodations). In addition to the stimulus, federal government spending jumped to cover administration of the Paycheck Protection Program as well as purchases of the vaccines for distribution to the public.

Amid the general optimism in the U.S., one concern has emerged: inflation. As the hitches in supply and demand for goods, services, and labor are worked out, CPI rose 2.6% and the producer price index jumped 12% in the quarter. However, investors should be cautious when interpreting annual comparisons to temporarily depressed prices at the start of the pandemic. For instance, both of these price indices reflect a sharp recovery in energy prices, which fell through the floor last year.

The Long-Term View

Index	1Q21	Periods Ended 3/31/21			
		1Yr	5Yrs	10Yrs	25Yrs
U.S. Equity					
Russell 3000	6.3	62.5	16.6	13.8	9.7
S&P 500	6.2	56.4	16.3	13.9	9.6
Russell 2000	12.7	94.8	16.4	11.7	9.4
Global ex-U.S. Equity					
MSCI EAFE	3.5	44.6	8.8	5.5	5.0
MSCI ACWI ex USA	3.5	49.4	9.8	4.9	--
MSCI Emerging Markets	2.3	58.4	12.1	3.7	--
MSCI ACWI ex USA Small Cap	5.5	69.8	10.4	6.3	6.5
Fixed Income					
Bloomberg Barclays Agg	-3.4	0.7	3.1	3.4	5.1
90-Day T-Bill	0.0	0.1	1.2	0.6	2.2
Bloomberg Barclays Long G/C	-10.4	-2.1	5.5	7	7.2
Bloomberg Barclays GI Agg ex US	-5.3	7.2	2.1	1.3	3.8
Real Estate					
NCREIF Property	1.7	2.6	5.8	8.8	9.1
FTSE Nareit Equity	8.9	37.8	5.3	8.6	9.9
Alternatives					
CS Hedge Fund	2.9	20.2	5.1	3.9	7.2
Cambridge PE*	10.5	18.1	13.9	13.9	14.1
Bloomberg Commodity	6.9	35	2.3	-6.3	1.0
Gold Spot Price	-9.5	7.5	6.8	1.8	6.0
Inflation – CPI-U	1.7	2.6	2.2	1.7	2.1

*Data for most recent period lags by a quarter. Data as of 9/30/20.

Sources: Bloomberg, Bloomberg Barclays, Bureau of Economic Analysis, Credit Suisse, FTSE Russell, MSCI, NCREIF, Refinitiv/Cambridge, S&P Dow Jones Indices

Recent Quarterly Economic Indicators

	1Q21	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19
Employment Cost–Total Compensation Growth	2.6%	2.5%	2.4%	2.7%	2.8%	2.7%	2.8%	2.7%
Nonfarm Business–Productivity Growth	5.4%	-3.8%	4.2%	11.2%	-0.8%	1.6%	0.3%	2.0%
GDP Growth	6.4%	4.3%	33.4%	-31.4%	-5.0%	2.4%	2.6%	1.5%
Manufacturing Capacity Utilization	73.4%	73.1%	70.9%	63.2%	73.9%	75.0%	75.4%	75.5%
Consumer Sentiment Index (1966=100)	80.2	79.8	75.6	74.0	96.4	97.2	93.8	98.4

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve, IHS Economics, Reuters/University of Michigan

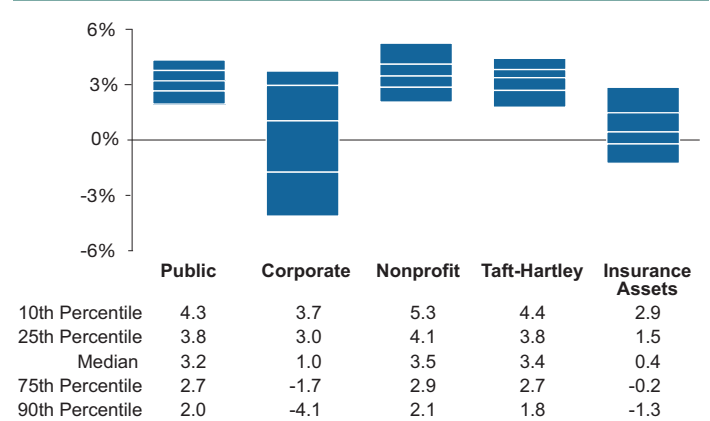
Returns Up Sharply Over One Year, and Most Types Top Benchmark

INSTITUTIONAL INVESTORS

Performance

- Most institutional investor types saw robust gains for the four quarters ending 1Q21.
- All but corporate DB plans and insurance assets comfortably exceeded a 60% stocks/40% bonds benchmark.
- Nonprofits saw the highest increases for the trailing one year, and the gains were strong enough to boost their returns over the trailing three and five years and make them the top performers.
- Over the trailing 20 years, public DB plans have performed the best but most investor types saw returns on par with the 60%/40% benchmark.
- Institutional investors are evaluating the path forward in terms of strategic allocations and portfolio re-assessment. Following an exceptionally strong year for stocks, plan sponsors are re-evaluating how to generate returns in a low-yield environment with lowered capital markets assumptions.
- Inflation is becoming a concern, with questions about whether to adjust portfolios to address it, and whether it is a short-term issue or longer-term problem.
- There is renewed worry about the likelihood of another market drawdown, given the incredible market recovery since last March and the heady valuations relative to historical averages.

Quarterly Returns, Callan Database Groups



Source: Callan

- Investors are having sharper-edged conversations about what to do regarding:
 - Fixed income exposure, and what can serve as an equity diversifier equal to bonds with the return of zero interest rates
 - De-risking and the new yield environment
- Investors have demonstrated discipline in rebalancing between growth and value managers, and U.S. and global ex-U.S. equity.

Callan Database Median and Index Returns* for Periods Ended 3/31/21

Database Group	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years
Public Database	3.2	32.3	9.4	10.0	8.2	6.9
Corporate Database	1.0	27.9	9.7	9.8	8.1	7.0
Nonprofit Database	3.5	37.0	9.8	10.3	8.0	7.0
Taft-Hartley Database	3.4	33.0	9.6	10.1	8.5	6.8
Insurance Assets Database	0.4	15.8	6.4	5.7	5.2	5.4
All Institutional Investors	3.1	33.2	9.6	10.1	8.2	7.0
Large (>\$1 billion)	3.2	31.1	9.8	10.1	8.5	7.1
Medium (\$100mm - \$1bn)	3.0	33.1	9.7	10.1	8.2	6.9
Small (<\$100 million)	3.2	34.8	9.5	9.9	8.0	6.8

*Returns less than one year are not annualized.

Source: Callan. Callan's database includes the following groups: public defined benefit (DB) plans, corporate DB plans, nonprofits, insurance assets, and Taft-Hartley plans. Approximately 10% to 15% of the database constituents are Callan's clients. All database group returns presented gross of fees. Past performance is no guarantee of future results. Reference to or inclusion in this report of any product, service, or entity should not be construed as a recommendation, approval, affiliation, or endorsement of such product, service, or entity by Callan.

- Fixed income structures focus on its role—to diversify equity, to serve as a flight to quality and as a source of liquidity, and to provide interest rate exposure—balanced against the desire for return in a very low-yield environment.
 - Creative reconstruction of “core” fixed income away from lower-returning segments of the Aggregate, using private credit, securitized debt, high yield bonds, bank loans, private placements, global fixed income, and TIPS
- Real assets see renewed interest with growing concern for inflation.
 - Investors are questioning the continued inclusion of past real assets stalwarts: natural resources, energy, MLPs, and commodities.
 - They are focused on what truly diversifies the growth and risk-mitigating assets.

Defined Benefit Plans

- Funded status is a top concern for public and corporate DB plans.
- For public DB plans, liquidity needs and drawdown risks are another concern.
- Lower capital markets assumptions challenge expectations for funding and solvency.
- The plunge in rates did not derail the commitment to de-risking, but glidepaths are being reset for those farther from

full funding. Duration paid off, but moves to STRIPS for extra duration are now in question. Funded status for corporate DB plans farther down their LDI glidepaths did just fine in 2020.

- There has been an increase in global equity focus for corporate plans.

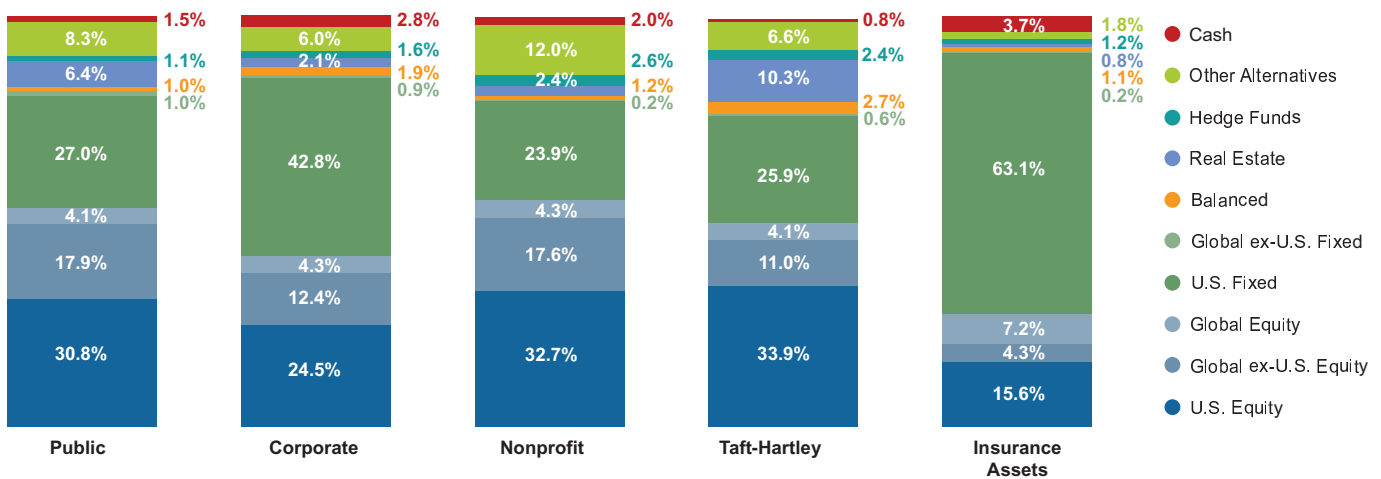
Defined Contribution Plans

- Fees remain the top issue for DC plan sponsors, although there is a renewed focus on investment structures.
- Glidepaths are being reassessed in light of lower short-term capital markets assumptions. The long-term equilibrium did not change, but it is coming from a lower starting point. The impact on replacement ratios is small, and there are modest changes if any.
- Recordkeeper consolidation activity picked up in 4Q20. This will likely point to an increase in recordkeeper searches in the near term.

Nonprofits

- The focus is on meeting return targets.
- Subdued expectations for capital markets returns are a challenge for the sustainability of established spending rates.
- Nonprofits increased ESG activity, with a number starting to ask due diligence questions of investment managers.

Average Asset Allocation, Callan Database Groups



Note: charts may not sum to 100% due to rounding
Source: Callan

Equity

U.S. Equities

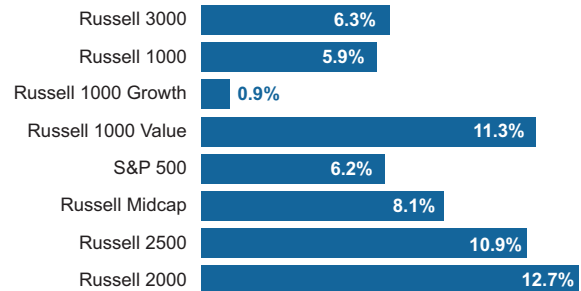
Markets continue setting all-time highs

- The S&P 500 Index hit record highs in 1Q21, gaining 6.2%.
- Since the prior peak (February 2020) the S&P is up over 19.6%, with only Energy (-4.7%) and Utilities (-4.9%) declining from peak-to-peak.
- Since the March 2020 market low, the S&P is up over 80.7%, with all sectors posting gains over 40%; Energy +116.2%
- 1Q21 top sectors were Energy and Financials, while Industrials and Consumer Staples underperformed.
- “Re-opening” industries (airlines, retail REITs, hospitality) outperformed while “work from home” industries (online retail, home improvement) lagged.

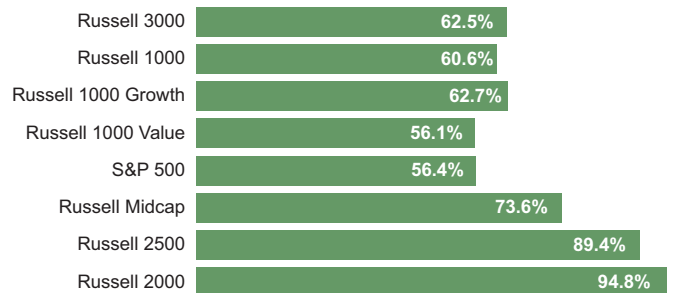
Value and small cap trends continue through 1Q21

- Value outperformed growth across the market cap spectrum.
- Small caps outperformed large.
- Small value was the top-performing asset class for the quarter (+21.2%) and from the March 2020 low (+127.7%).
- Russell 2000 gained 12.7%, extending the rally from 4Q20 when the index experienced its best quarterly return on record (+31.4%).
- Small cap stocks surged on stronger GDP and economic recovery forecasts due to higher exposure to cyclical sectors relative to large cap indices.
- Industrials, Financials, and Real Estate sectors benefit most from expectations of GDP expansion.
- Small cap stocks have historically outperformed in recoveries following market crashes.

U.S. Equity: Quarterly Returns



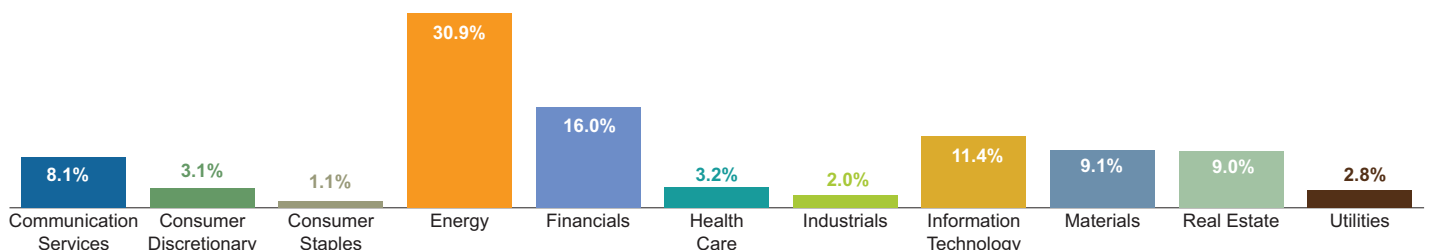
U.S. Equity: One-Year Returns



Sources: FTSE Russell and S&P Dow Jones Indices

- Cyclical sectors and industries (Energy, Financials, Industrials, Materials) continued to outperform their growth counterparts as GDP forecasts improved, stimulus was enacted, and vaccinations progressed.
- November 2020 vaccine data news was a catalyst for the market rotation into value/cyclicals.

Quarterly Performance of Industry Sectors



Source: S&P Dow Jones Indices

Global Equity

Nearly 100 million people fully vaccinated worldwide

- Markets responded positively to the global rollout of the COVID-19 vaccine.
- Most risk assets continued to outperform as global businesses reopen.
- Small cap outperformed large over the quarter on continued economic optimism.
- Emerging markets trailed developed markets; COVID-19 outbreaks and vaccination challenges hindered EM results.

Market continues to favor cyclicals

- Market recovery and rising interest rates buoyed cyclicals; Energy, Financials, and Industrials drove the gains.
- Factor performance showed a preference for beta and volatility, similar to 4Q20.

U.S. dollar vs. other currencies

- The U.S. stimulus package announcement, combined with yields rising on economic confidence, fueled the U.S. dollar.

Growth vs. value

- Value outpaced growth for the second consecutive quarter.
- Vaccination rollout has stoked style rotation.
- Value outperformed growth by 17.0% and 10.5% in developed and emerging markets over the past two quarters, respectively.
- The rotation to value in 4Q20 was sharp and narrow.
- Cheap, low-quality factors were rewarded, favoring fundamental deep value managers.
- Quantitative value managers struggled as market rotation yielded a severe momentum reversal.

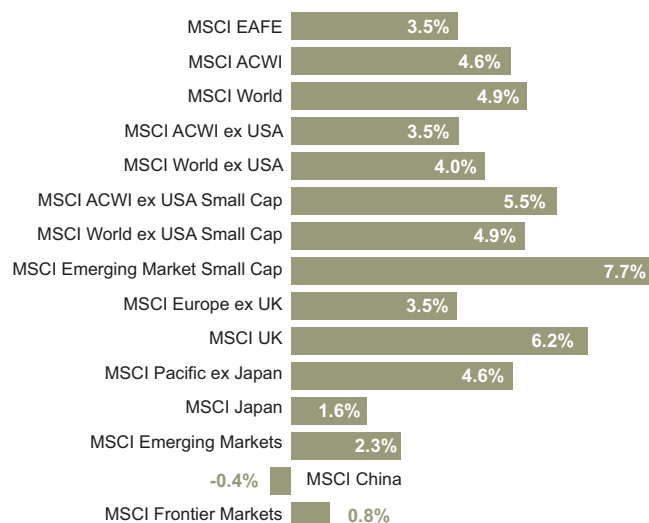
Factor payoffs may hinge on macroeconomy

- Over the past 20 years, small cap and value thrived in recoveries, momentum in expansions, low volatility in slowdowns, and low volatility and quality in contractions.
- As the market continues its recovery and transitions to expansion, value run may persist.
- Furthermore, relative value and quantitative managers are expected to participate as the value rally broadens out.

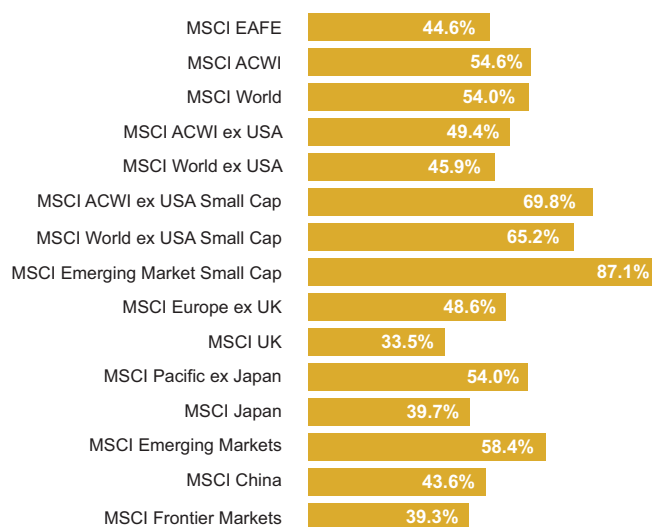
COVID-19 resurgence may delay EM recovery

- Although daily COVID-19 fatalities for developed markets have declined dramatically by 70% from the peak in January, they are notably increasing in emerging markets.
- China, South Korea, and Taiwan have by and large contained the pandemic, while pockets of developing economies are challenged with rising infections.

Global ex-U.S. Equity: Quarterly Returns (U.S. Dollar)



Global ex-U.S. Equity: One-Year Returns (U.S. Dollar)



Source: MSCI

Fixed Income

U.S. Fixed Income

U.S. Treasury yield curve steepens

- The 10-year U.S. Treasury yield closed 1Q21 at 1.74%, up 81 bps from 4Q20.
- The short-end of the curve remained anchored, with no rate hikes expected until at least 2023, steepening the yield curve.
- TIPS outperformed nominal U.S. Treasuries as 10-year breakeven spreads widened from 1.99% to 2.37%.

Bloomberg Barclays Aggregate falls

- The Bloomberg Barclays US Aggregate Bond Index dropped 3.4%, with spread sectors outperforming treasuries.
- Demand for corporate credit remains strong, and spreads did not change meaningfully over the quarter

High yield bonds gain as rally extends

- High yield bonds outperformed investment grade in 1Q, gaining 0.8% amid a wave of new issuance.
- Leveraged loans rose 2.0% during the quarter, driven by favorable supply/demand dynamics, floating rate coupons, and relatively short durations.

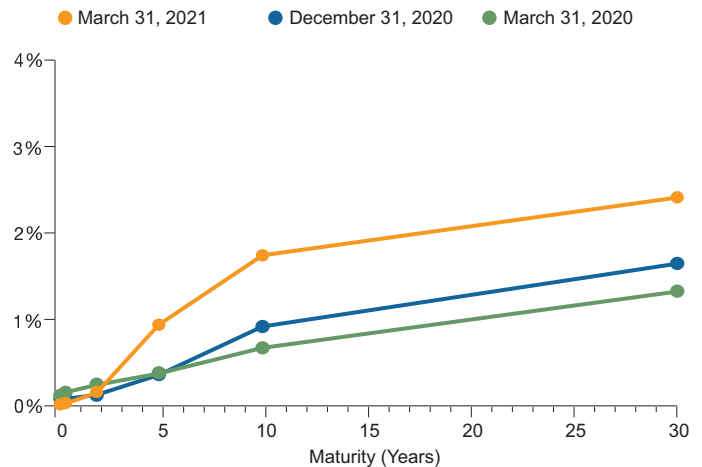
Stimulus boosts munis

- Municipals outperformed treasuries for the quarter, as municipal yields rose less than treasury yields.
- The municipal market was supported by the American Rescue Act.

Fixed income outlook

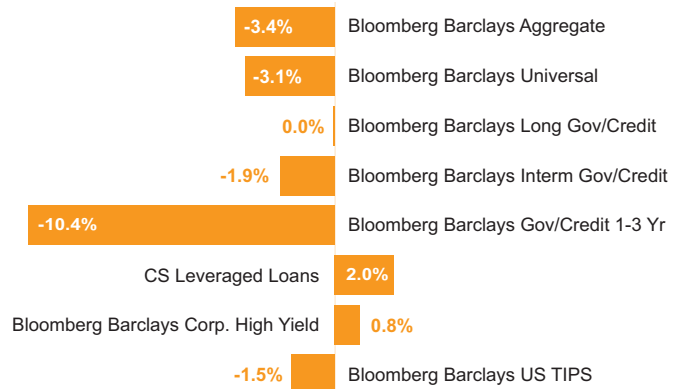
- High demand, low and negative interest rates globally, and improving growth should continue to support spread product.
- The Federal Reserve continues to support U.S. fixed income markets.
- Private credit remains a compelling, actionable opportunity.
- Bond pickers stay constructive on select COVID-sensitive sectors.

U.S. Treasury Yield Curves



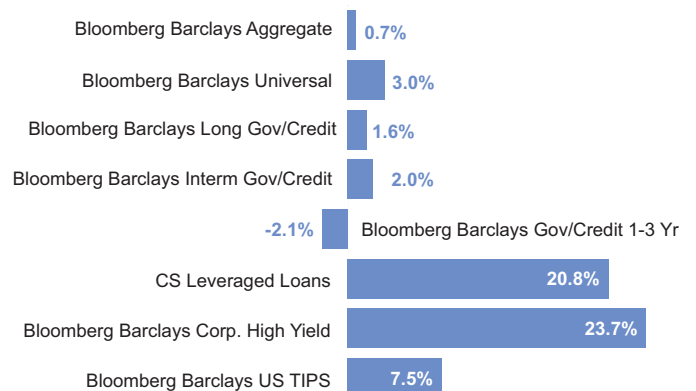
Source: Bloomberg

U.S. Fixed Income: Quarterly Returns



Sources: Bloomberg Barclays and Credit Suisse

U.S. Fixed Income: One-Year Returns



Sources: Bloomberg Barclays and Credit Suisse

Growth and inflation expectations

- In 1Q21, the Treasury curve steepened 78 bps as the market anticipated stronger economic growth after another round of fiscal stimulus.
- The 10-year breakeven inflation rate rose 38 bps, reaching levels last seen in 2014 and 60 bps above pre-pandemic levels, implying the market expects the economy to heat-up.

Market expectations diverge from Fed guidance

- The Fed dot plot continues to indicate the central bank should keep its policy rate low until 2023.
- Inflation (PCE) is estimated to tick up in 2021, but the policy shift to average inflation targeting in 2020 allows for inflation to rise above the 2% target during economic expansions, letting the Fed keep rates lower for longer.

Bond market response

- The common sentiment among managers is a near-term inflation increase. However, the front-end should remain anchored as unemployment and savings rates remain elevated, bank lending activity is muted, and secular forces persist.
- Recent and additional curve steepening provides opportunities along the curve and better roll down.

Global Fixed Income

Global fixed income posts negative returns

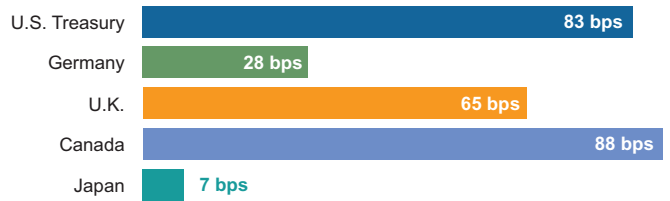
- Global fixed income fell as developed market rates rose and the U.S. dollar strengthened.
- The U.S. dollar gained nearly 4% versus a basket of currencies, 6.6% versus the yen, and nearly 4% versus the euro.

Emerging market debt sells off

- Emerging market debt indices fell in 1Q21, with EM corporates faring better than hard and local currency sovereigns amid improving corporate fundamentals.
- U.S. dollar-denominated index (EMBI Global Diversified) fell 4.5% as rising U.S. rates spilled into emerging markets; returns were largely negative across the 70+ constituents.
- Local currency index (GBI-EM Global Diversified) fared worse than hard currency, as real yields rose higher than in the U.S.

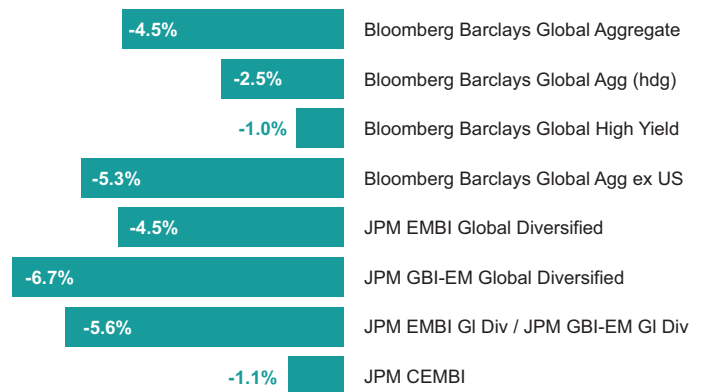
Change in 10-Year Global Government Bond Yields

4Q20 to 1Q21



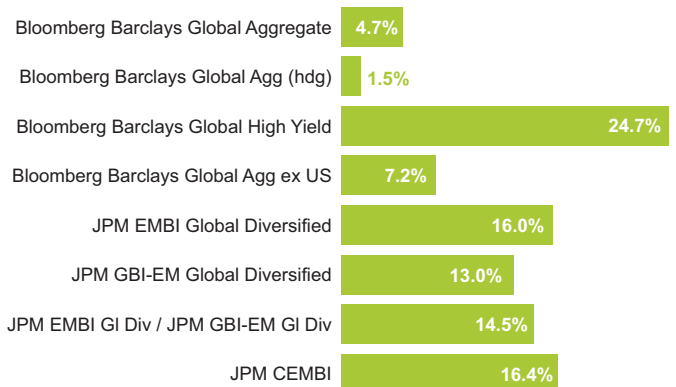
Source: Bloomberg Barclays

Global Fixed Income: Quarterly Returns



Sources: Bloomberg Barclays and JPMorgan Chase

Global Fixed Income: One-Year Returns



Sources: Bloomberg Barclays and JPMorgan Chase

Signs of Stability Amid Continued Virus Challenges

REAL ESTATE/REAL ASSETS | Munir Iman

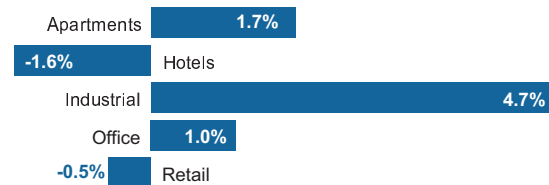
Pandemic affects all sectors

- Hotel and Retail are the most challenged sectors of private real estate, while Office faces uncertainty; Industrial remains the best performer.
- Income remains positive except for the Hotel sector.
- Vacancy rates for all property types are or will be impacted.

NOI declines as Retail suffers

- Net operating income (NOI) declined as Retail continues to suffer.
- 1Q21 rent collections showed relatively stable income throughout the quarter in the Industrial, Apartment, and Office sectors. But the pandemic's impact on regional malls has hindered Retail.
- Class A/B urban apartments were relatively strong, followed by Industrial and Office.
- Transaction volume has dropped off during the quarter with the exception of multifamily and industrial assets with strong-credit tenants, which are trading at pre-COVID-19 levels.
- Cap rates remained steady during the quarter. The spread between cap rates and 10-year Treasuries is relatively high, leading some market participants to speculate that cap rates will not adjust much. Price discovery is happening and there are limited transactions.

Sector Quarterly Returns by Property Type and Region



Source: NCREIF

Global REITs outpace equities

- Global REITs outperformed in 1Q21, gaining 5.8% compared to 4.9% for global equities (MSCI World).
- U.S. REITs rose 8.9% in 1Q21, beating the S&P 500 Index, which gained 6.2%.
- Globally, REITs are trading above NAV with the exception of those in Hong Kong, the United Kingdom, and continental Europe.
- Property sectors are mixed, between trading at a discount or premium.
- Ongoing volatility in REIT share prices offers opportunities to purchase mispriced securities, individual assets from REIT owners, and discounted debt, as well as to lend to companies and/or execute take-privates of public companies.

Callan Database Median and Index Returns* for Periods Ended 3/31/21

Private Real Assets	Quarter	Year to Date	1 Year	3 Years	5 Years	10 Years	15 Years
Real Estate ODCE Style	1.6	1.6	2.1	4.8	5.7	8.8	5.3
NFI-ODCE (value wt net)	1.9	1.9	1.5	4.0	5.3	8.7	5.3
NCREIF Property	1.7	1.7	2.6	4.9	5.8	8.8	7.0
NCREIF Farmland	0.6	0.6	2.4	3.7	4.8	9.9	11.0
NCREIF Timberland	0.8	0.8	1.5	1.7	2.5	4.5	5.3
Public Real Estate							
Global Real Estate Style	5.6	5.6	34.7	8.0	6.2	7.8	5.4
FTSE EPRA Nareit Developed	5.8	5.8	34.6	5.1	3.9	5.7	--
Global ex-U.S. Real Estate Style	2.3	2.3	33.6	7.5	6.4	7.4	5.1
FTSE EPRA Nareit Dev ex US	2.0	2.0	31.0	2.6	4.4	4.7	--
U.S. REIT Style	8.3	8.3	36.0	11.2	6.8	9.5	7.0
EPRA Nareit Equity REITs	8.9	8.9	37.8	9.5	5.3	8.6	6.1

*Returns less than one year are not annualized.

Sources: Callan, FTSE Russell, NCREIF

Roller-Coaster Ride Ends on a High Note

PRIVATE EQUITY | Gary Robertson

Ebullience in the capital markets is facilitating strong liquidity for private equity, with investors reaping robust distributions and returns. The key negative is that new investment prices have risen into uncharted territory, particularly for the “COVID-19 resistant” Technology sector. If opening up the economy proceeds without major setbacks, we expect 2021 may set new records in volumes and private equity industry growth.

Fundraising ► Based on preliminary data, 1Q21 private equity partnerships holding final closes totaled \$212 billion, up 6% from 4Q20. New partnerships formed dropped 17% to 385 as the trend toward more capital concentrated in larger funds continued. Callan expects fundraising to remain vigorous as 2021 advances. (Unless otherwise noted, all data come from PitchBook.)

Buyouts ► Funds closed 2,472 investments with \$85 billion in disclosed deal value, a 15% decline in count and a 44% drop in dollar value from 4Q. The largest investment was the \$4.3 billion carve-out of BlueTriton Brands, Nestle’s bottled water division, by One Rock and Metropoulos & Co. The lack of any notably large investments explains the quarter’s announced value decline.

VC Investments ► New investments in venture capital companies totaled 8,608 rounds of financing, up 19%, with \$135

Funds Closed 1/1/21 to 3/31/21

Strategy	No. of Funds	Amt (\$mm)	Share
Venture Capital	211	46,734	22%
Growth Equity	31	14,062	7%
Buyouts	109	111,612	53%
Mezzanine Debt	4	602	0%
Distressed	4	8,282	4%
Energy	0	0	0%
Secondary and Other	20	27,922	13%
Fund-of-Funds	6	2,312	1%
Totals	385	211,526	100%

Source: PitchBook (Figures may not total due to rounding.)

billion of announced value, up 41%. The largest investment was a \$3.4 billion 10th round in online brokerage Robinhood by a syndicate of 13 investors including Sequoia, NEA, and Andreessen Horowitz.

Exits ► There were 453 private M&A exits of private equity-backed companies, a drop of 7%. Disclosed values declined 13% to \$102 billion. There were 82 private equity-backed IPOs, up 32%, which raised an aggregate \$26 billion, up 8%.

Venture-backed M&A exits totaled 434 with disclosed value of \$18 billion. The number of sales declined 8% from 4Q, and announced value fell 61%. There were 147 VC-backed IPOs, up 24%, and the combined float totaled \$39 billion, a 50% increase.

Private Equity Performance (%) (Pooled Horizon IRRs through 9/30/20*)

Strategy	3 Months	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years
All Venture	11.1	27.9	20.8	14.6	16.6	12.3	6.0	26.6
Growth Equity	12.4	25.8	19.2	16.4	14.7	13.5	11.3	15.1
All Buyouts	10.8	15.6	13.4	14.3	14.0	12.4	11.9	13.2
Mezzanine	5.5	7.5	9.0	10.0	11.5	10.5	8.4	9.8
Credit Opportunities	3.5	-1.8	2.7	5.6	8.2	8.5	9.4	9.5
Control Distressed	7.8	5.9	5.8	8.5	10.3	9.6	10.3	10.7
All Private Equity	10.5	18.1	14.7	13.9	13.9	12.1	10.0	14.1
S&P 500	8.9	15.2	12.3	14.2	13.7	9.2	6.4	9.3
Russell 3000	14.7	20.9	14.5	15.4	13.8	10.0	7.8	9.7

Note: Private equity returns are net of fees. Sources: Refinitiv/Cambridge and S&P Dow Jones Indices
*Most recent data available at time of publication

Note: Transaction count and dollar volume figures across all private equity measures are preliminary figures and are subject to update in subsequent versions of the *Capital Markets Review* and other Callan publications.

Strong Demand and Favorable Pricing for Direct Lending

PRIVATE CREDIT | Catherine Beard

Attractive in a low-rate environment

- The yield and income-generating characteristics of private credit remain attractive in a low-rate environment.
- Alpha generation can be magnified through strategies that extract a complexity premium.
- In the early phases of the dislocation, nimble multi-strategy private credit managers were able to purchase high-quality securities at steep discounts.

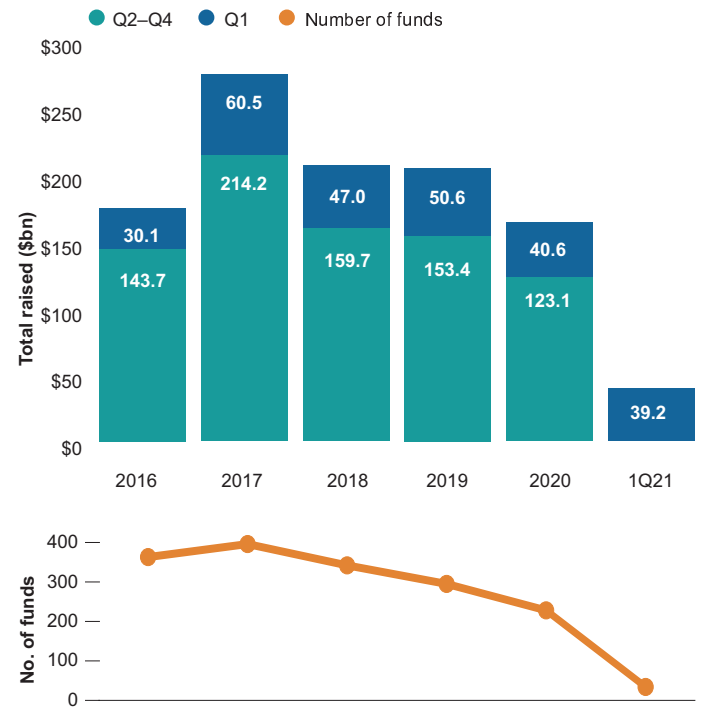
Favorable direct lending pricing trends

- Unlevered direct lending historically generated premiums of 150-200 bps over traditional high yield bonds and leveraged loans, with downside protection.
- Direct lenders are seeing a premium in new deals with less-risky structures, but trends are reverting to pre-pandemic levels. Most existing portfolios weathered the dislocation well. Deal flow is robust as sponsors are particularly active in funding leveraged buyouts in the health care, technology, and business services sectors.

Spreads snap back

- Government stimulus has driven a snap-back in leveraged loan and high yield spreads despite continued high levels of unemployment and economic uncertainty.
- Early pandemic pricing premiums of 200-300 bps for newly underwritten deals have compressed to 50-100 bps, with structures approaching pre-pandemic levels.
- While the Phase I dislocation opportunity to purchase quality paper in liquid markets has passed for the time being, longer-term Phase II and III opportunities are evolving but somewhat muted as businesses benefit from the reopening of the U.S. economy.
- An injection of significant liquidity into the credit markets may mute the corporate distressed opportunity in the U.S.

Year-On-Year Fundraising (\$bn)



Source: Private Debt Investor

Recent slowing in fundraising

- Private credit fundraising tapered off in 2020 due primarily to COVID-related market disruptions.
- Senior debt and mezzanine capital fundraising were the bulk of private credit capital raised in 2020.
- Significant distressed capital was raised leading up to the dislocation but has since tapered off.
- In the first part of 2021, fundraising in opportunistic credit, specialty finance, and asset-based lending strategies has ramped up.

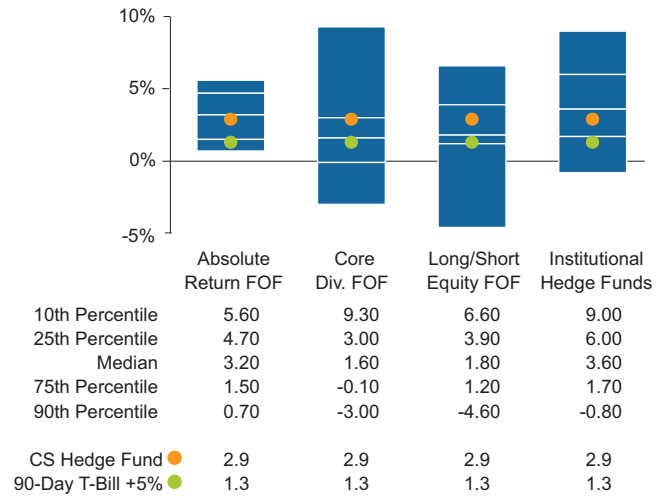
Damn the Shorts and Margin Calls, Full Risk Ahead

HEDGE FUNDS/MACs | Jim McKee

Emboldened by more injections of vaccines, central bank liquidity, and fiscal stimulus in 1Q21, investors' risk appetites grew again, particularly among equities, commodities, and lower-rated credits. However, growing fears of inflation stemming from a stronger-than-expected economic outlook caused some violent side effects elsewhere. Risk assets leaning on benign interest rate assumptions, like growth stocks, longer-dated bonds, and gold, suffered indigestion from the prior year's strong advance.

Below the surface of these capital markets, shifting economic currents created notable turbulence within the hedge fund community. In January, retail investors dominated headlines with their social media-coordinated trades to upend short sellers in certain stocks like GameStop. At the end of March, a concentrated and levered equity bet by Archegos suffered massive losses from a margin call. However, Archegos was more of a non-event for the hedge fund community.

Hedge Fund Style Group Returns



Sources: Callan, Credit Suisse, Federal Reserve

Callan Peer Group Median and Index Returns* for Periods Ended 3/31/21

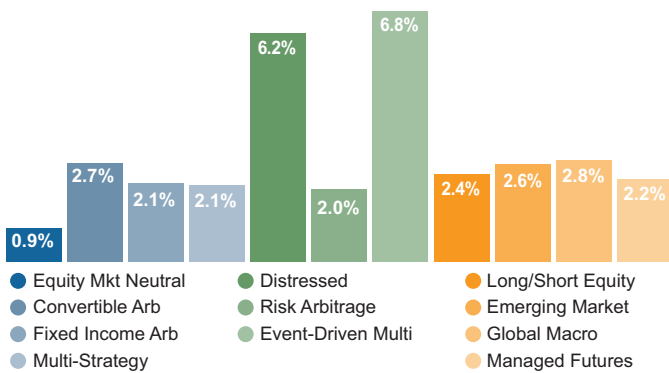
Hedge Fund Universe	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years
Callan Institutional Hedge Fund Peer Group	3.6	19.4	5.5	6.9	6.1	7.4
Callan Fund-of-Funds Peer Group	2.1	27.1	5.6	6.0	4.8	4.6
Callan Absolute Return FOF Style	3.2	19.3	4.5	5.0	4.0	3.9
Callan Core Diversified FOF Style	1.6	25.5	5.3	5.8	4.7	4.5
Callan Long/Short Equity FOF Style	1.8	33.7	8.9	8.6	6.3	5.5
BB GS Cross Asset Risk Premia 6% Vol Idx	0.1	-2.0	0.3	1.6	4.7	5.7
Credit Suisse Hedge Fund	2.9	20.2	4.8	5.1	3.9	4.5
CS Convertible Arbitrage	2.7	19.5	5.9	6.1	3.9	4.6
CS Distressed	6.2	23.6	3.1	5.1	4.0	4.5
CS Emerging Markets	2.6	28.7	5.1	7.7	4.8	5.3
CS Equity Market Neutral	0.9	8.3	-0.6	0.6	1.4	-1.0
CS Event-Driven Multi	6.8	40.6	6.6	6.5	2.8	4.8
CS Fixed Income Arb	2.1	12.3	3.7	5.0	4.6	4.0
CS Global Macro	2.8	19.1	6.3	5.5	4.3	5.8
CS Long/Short Equity	2.4	24.3	5.4	6.1	5.0	5.2
CS Managed Futures	2.3	4.1	3.2	-0.5	0.9	2.6
CS Multi-Strategy	2.1	15.3	4.0	5.1	5.4	5.4
CS Risk Arbitrage	2.0	26.9	7.7	6.4	3.9	4.4
HFRI Asset Wtd Composite	2.7	18.5	3.7	4.7	3.7	--
90-Day T-Bill + 5%	1.3	5.1	6.5	6.2	5.6	6.2

*Net of fees. Sources: Bloomberg Barclays GSAM, Callan, Credit Suisse, Hedge Fund Research

Looking past these distracting headlines, the first quarter was broadly good, or at least benign, for hedge funds. Illustrating hedge fund performance without implementation costs, the Credit Suisse Hedge Fund Index (CS HFI) gained 2.9% in 1Q. As a proxy for live hedge fund portfolios, net of all fees, the median fund in the Callan Hedge Fund-of-Funds Database earned 2.1%. Over the last year, the median fund rebounded 27.1%.

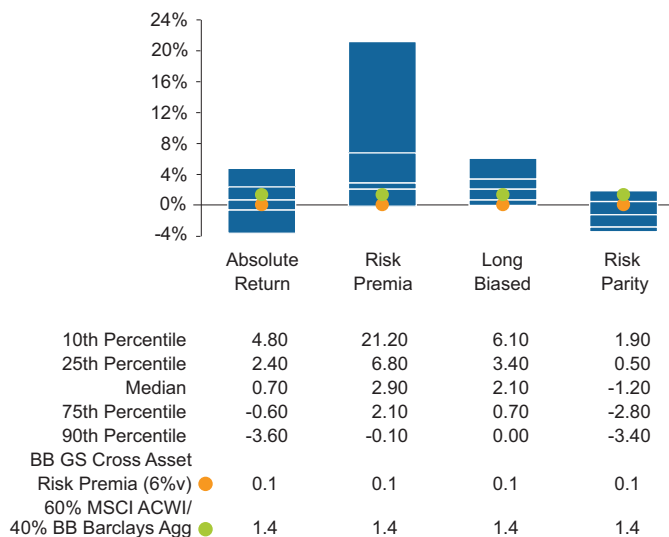
During this year's first quarter, all of CS HFI's underlying strategies added value. The best-performing strategy was Event-Driven Multi-Strategy (+6.8%), aided by unusually strong

Credit Suisse Hedge Fund Strategy Returns



Source: Credit Suisse

MAC Style Group Returns



Sources: Bloomberg Barclays, Callan, Eurekahedge, S&P Dow Jones Indices

issuance of IPOs, SPACs, and convertibles along with resilient M&A activity. Another strong-performing strategy was Distressed (+6.2%), which derived support from recovering market values in stressed industry assets. Strategies hedged against equity and rate risks yielded more modest, however less stressful, profits, such as Convertible Arb (+2.7%), Fixed Income Arb (+2.1%), and Risk Arb (+2.0%).

Representing 50 of the largest, broadly diversified hedge funds with low-beta exposure to equity markets, the average Callan Institutional Hedge Fund (CIHF) manager for the quarter earned 4.1%, net of fees. Within this peer group, the average Hedged Credit fund gained 6.1% while the average Hedged Cross-Asset fund advanced 3.7%. With minimal net equity exposure, the average Hedged Equity fund yielded 2.2%. The weakest sub-peer group was Hedged Rates (+1.5%).

Within the Callan Hedge Fund-of-Funds Database, market exposures did not notably differentiate a hedge fund portfolio's performance in the first quarter. Despite a strong U.S. equity rally, the median Callan Long/Short Equity FOF (+1.8%) lagged the Callan Absolute Return FOF (+3.2%) that benefited more from corporate events and recovering credits. With diversifying exposures to both non-directional and directional styles, the Core Diversified FOF netted 1.6%.

Within Callan's database of liquid alternative solutions, three of the four Multi-Asset Class (MAC) style groups generated positive returns, gross of fees, consistent with their underlying risk exposures. For example, the median Callan Risk Premia MAC rose 2.9%, aided by the rebounding value factor. Given a usually long equity bias within its dynamic asset allocation mandate, the Callan Long-Biased MAC (+2.1%) marginally outperformed the traditional benchmark of 60% MSCI ACWI and 40% Bloomberg Barclays US Aggregate Bond Index (+1.4%). Typically targeting equal risk-weighted allocations to major asset classes with leverage, the Callan Risk Parity MAC lost 1.2%, given its outsized dollar weight to bonds. As the most conservative MAC style focused on non-directional strategies of long and short asset class exposures, the Callan Absolute Return MAC edged ahead 0.7%.

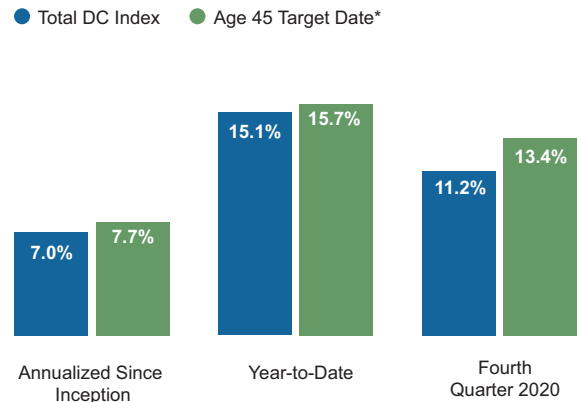
Index Caps off 2020 with Third Straight Quarterly Gain

DEFINED CONTRIBUTION | Patrick Wisdom

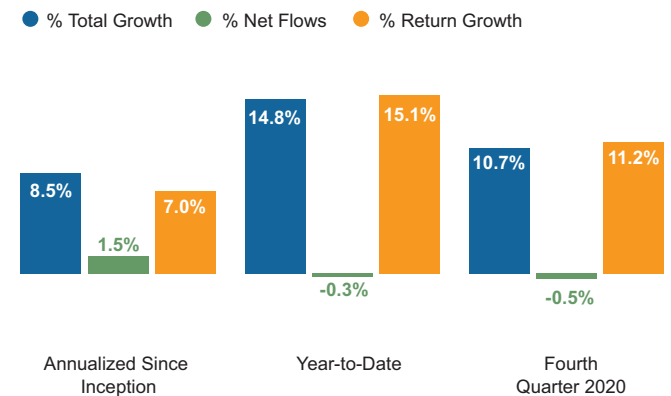
- The Callan DC Index™ rose 11.2% in 4Q20, the third straight quarter of gains after a 15.0% 1Q20 plunge, and increased 15.1% for the year. The Age 45 Target Date Fund (analogous to the 2040 vintage) posted a larger gain (13.4%), attributable to its higher allocation to equity, which outperformed fixed income during the quarter.
- Balances rose by 10.7%, the third straight quarter of gains. Robust investment returns (11.2%) were the sole driver of the growth; quarterly net flows (-0.5%) had a negative effect.
- Target date funds, uncharacteristically, saw low quarterly net inflows of only 0.6%.
- Relatively safer asset classes, such as stable value (66.5%) and U.S. fixed income (9.8%), received sizable net inflows.
- Global equity received its largest-ever quarterly net inflows (6.5%). Conversely, U.S. large cap (-47.1%) and U.S. small/mid cap (-26.4%) had the largest percentage of net outflows.
- Turnover (i.e., net transfer activity levels within DC plans) declined from the previous quarter's 0.75% to 0.14%, the lowest figure since 3Q18.
- The overall allocation to equity increased to 70.5% from the previous quarter's 68.8%, despite the net outflows in U.S. large cap and small/mid cap.
- After the largest percentage decrease in allocation the previous quarter, U.S. small/mid cap had the biggest increase in 4Q, bringing the overall allocation to 8.2%.
- Despite sizable net inflows, stable value (9.1%) experienced the largest decrease in allocation, signaling the asset class was a relative underperformer. Similarly, U.S. fixed income (6.3%) had the second-largest decrease, while money market funds (1.4%) saw a modest reduction.
- The prevalence of a money market offering (47.4%) decreased by 1.7 percentage points after rising by a similar amount the previous quarter. Many more DC plans continue to offer a stable value option (75.9%).

The Callan DC Index is an equally weighted index tracking the cash flows and performance of over 100 plans, representing nearly \$300 billion in assets. The Index is updated quarterly and is available on Callan's website.

Investment Performance



Growth Sources



Net Cash Flow Analysis (4Q20)

(Top Two and Bottom Two Asset Gatherers)

Asset Class	Flows as % of Total Net Flows
Stable Value	66.54%
U.S. Fixed Income	9.77%
U.S. Smid Cap	-26.40%
U.S. Large Cap	-47.10%
Total Turnover**	0.14%

Data provided here is the most recent available at time of publication.

Source: Callan DC Index

Note: DC Index inception date is January 2006.

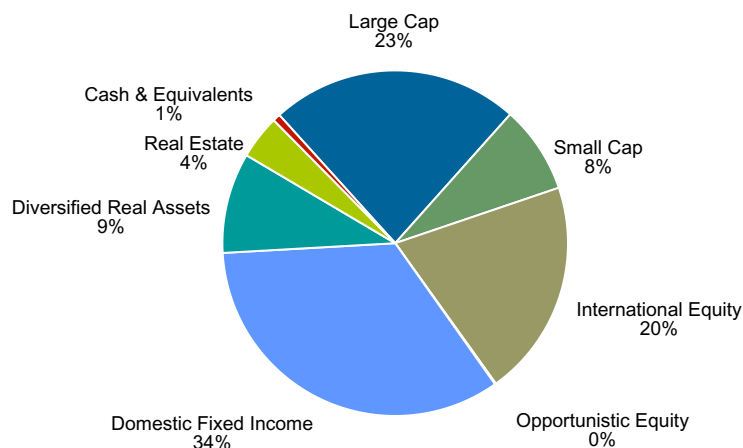
* The Age 45 Fund transitioned from the average 2035 TDF to the 2040 TDF in June 2018.

** Total Index "turnover" measures the percentage of total invested assets (transfers only, excluding contributions and withdrawals) that moved between asset classes.

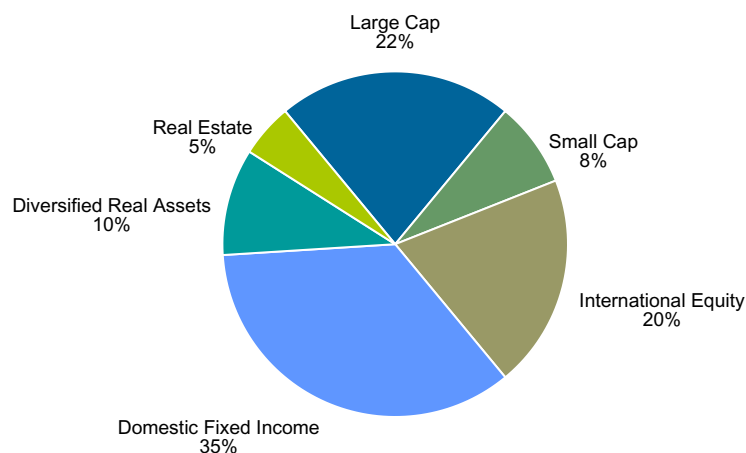
Actual vs Target Asset Allocation As of March 31, 2021

The first chart below shows the Fund's asset allocation as of March 31, 2021. The second chart shows the Fund's target asset allocation as outlined in the investment policy statement.

Actual Asset Allocation



Target Asset Allocation



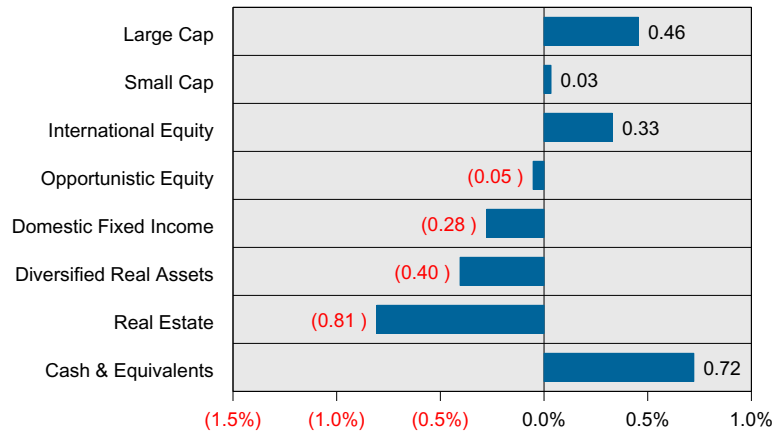
Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Large Cap	1,966,677	23.3%	22.0%	1.3%	112,973
Small Cap	687,102	8.2%	8.0%	0.2%	13,028
International Equity	1,712,112	20.3%	20.0%	0.3%	26,926
Opportunistic Equity	11,494	0.1%	0.0%	0.1%	11,494
Domestic Fixed Income	2,855,205	33.9%	35.0%	(1.1%)	(93,869)
Diversified Real Assets	792,597	9.4%	10.0%	(0.6%)	(49,996)
Real Estate	345,009	4.1%	5.0%	(0.9%)	(76,288)
Cash & Equivalents	55,731	0.7%	0.0%	0.7%	55,731
Total	8,425,927	100.0%	100.0%		

* Current Quarter Target = 35.0% Blmbg Aggregate, 22.0% Russell 1000 Index, 20.0% MSCI EAFE, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index and 5.0% NCREIF Total Index.

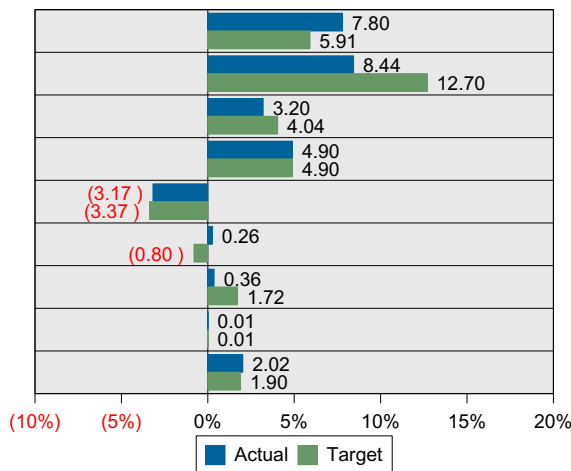
Quarterly Total Fund Relative Attribution - March 31, 2021

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

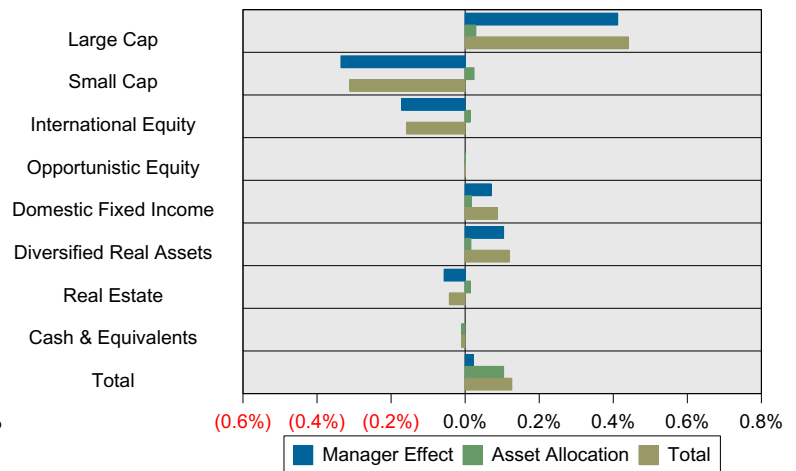
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2021

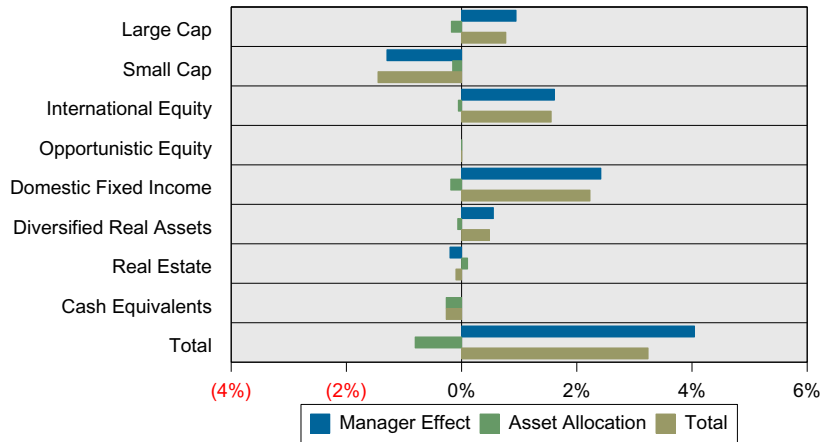
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	22%	22%	7.80%	5.91%	0.41%	0.03%	0.44%
Small Cap	8%	8%	8.44%	12.70%	(0.34%)	0.02%	(0.31%)
International Equity	20%	20%	3.20%	4.04%	(0.17%)	0.01%	(0.16%)
Opportunistic Equity	0%	0%	4.90%	4.90%	0.00%	0.00%	0.00%
Domestic Fixed Income	35%	35%	(3.17%)	(3.37%)	0.07%	0.02%	0.09%
Diversified Real Assets	10%	10%	0.26%	(0.80%)	0.10%	0.02%	0.12%
Real Estate	4%	5%	0.36%	1.72%	(0.06%)	0.01%	(0.04%)
Cash & Equivalents	1%	0%	0.01%	0.01%	0.00%	(0.01%)	(0.01%)
Total			2.02%	1.90%	+ 0.02%	+ 0.10%	0.13%

* Current Quarter Target = 35.0% Blmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

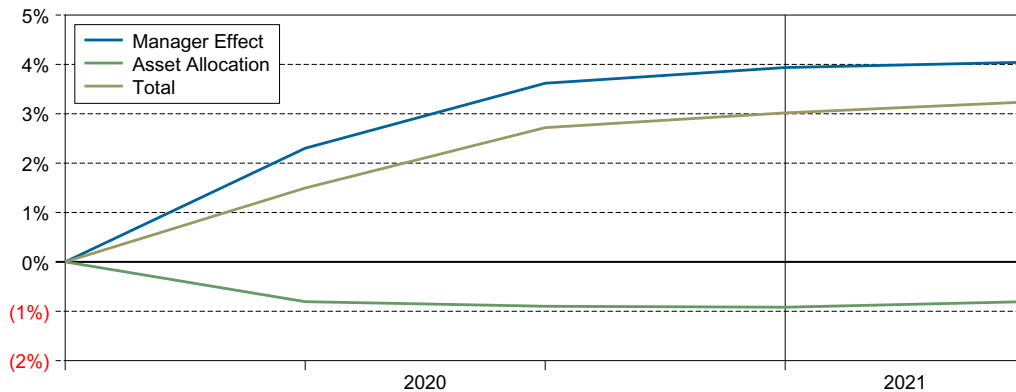
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

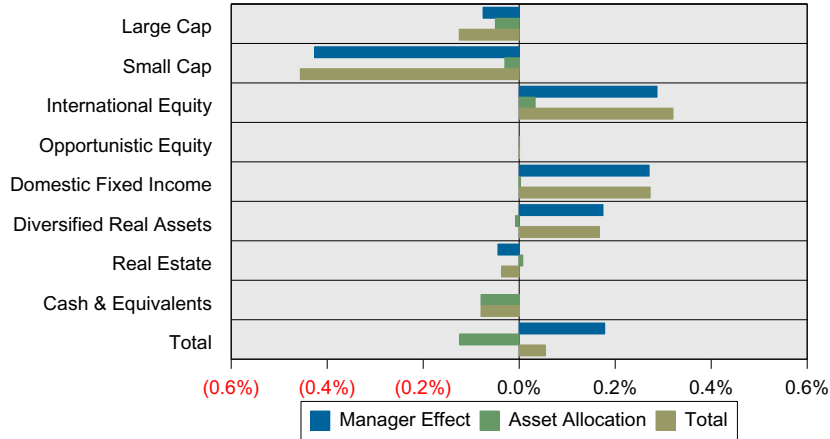
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	22%	22%	65.94%	60.59%	0.95%	(0.18%)	0.77%
Small Cap	8%	8%	73.30%	94.85%	(1.30%)	(0.16%)	(1.45%)
International Equity	20%	20%	55.65%	45.86%	1.61%	(0.06%)	1.56%
Opportunistic Equity	0%	0%	-	-	0.00%	0.00%	0.00%
Domestic Fixed Income	35%	35%	6.28%	0.71%	2.42%	(0.19%)	2.23%
Diversified Real Assets	10%	10%	9.72%	4.99%	0.55%	(0.07%)	0.48%
Real Estate	4%	5%	(1.25%)	2.61%	(0.20%)	0.10%	(0.10%)
Cash Equivalents	1%	0%	0.10%	0.10%	0.00%	(0.27%)	(0.27%)
Total			31.28%	28.04%	+ 4.04%	+ (0.81%)	3.23%

* Current Quarter Target = 35.0% Blmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

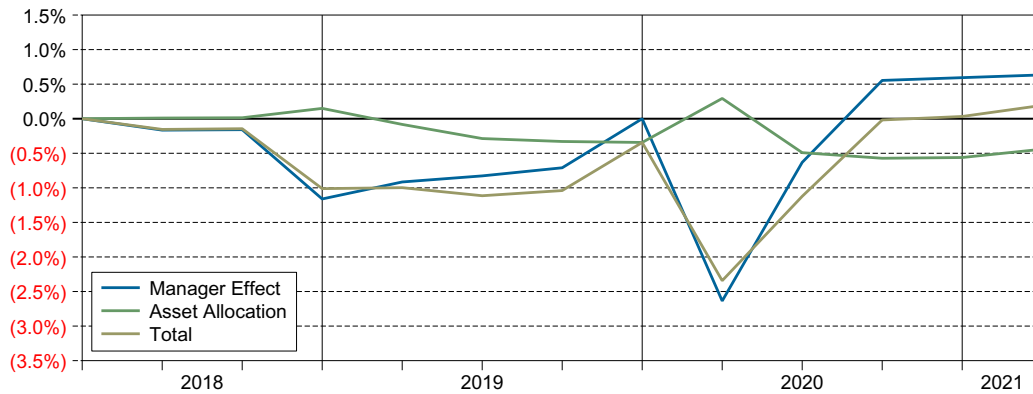
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Three Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Three Year Annualized Relative Attribution Effects

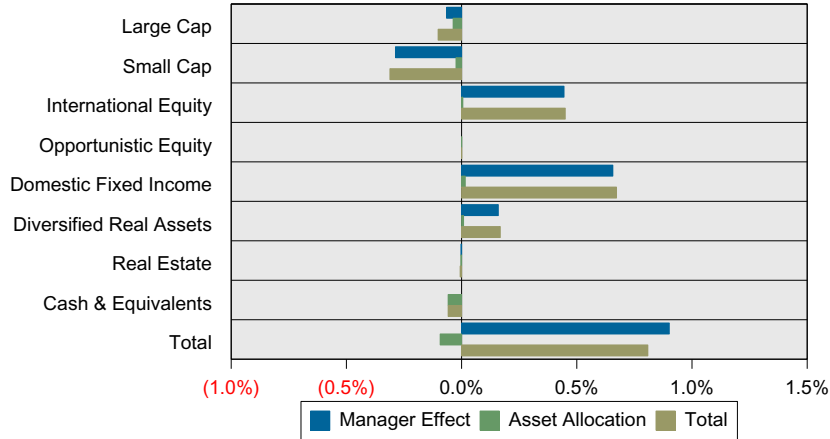
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	22%	22%	16.84%	17.31%	(0.08%)	(0.05%)	(0.12%)
Small Cap	8%	8%	9.65%	14.76%	(0.43%)	(0.03%)	(0.46%)
International Equity	20%	20%	7.64%	6.34%	0.29%	0.03%	0.32%
Opportunistic Equity	0%	0%	-	-	0.00%	0.00%	0.00%
Domestic Fixed Income	35%	35%	5.64%	4.65%	0.27%	0.00%	0.27%
Diversified Real Assets	10%	10%	5.34%	3.58%	0.17%	(0.01%)	0.17%
Real Estate	5%	5%	3.78%	4.89%	(0.04%)	0.01%	(0.04%)
Cash & Equivalents	1%	0%	1.31%	1.31%	0.00%	(0.08%)	(0.08%)
Total			8.99%	8.94%	+ 0.18%	+ (0.12%)	0.05%

* Current Quarter Target = 35.0% Blmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

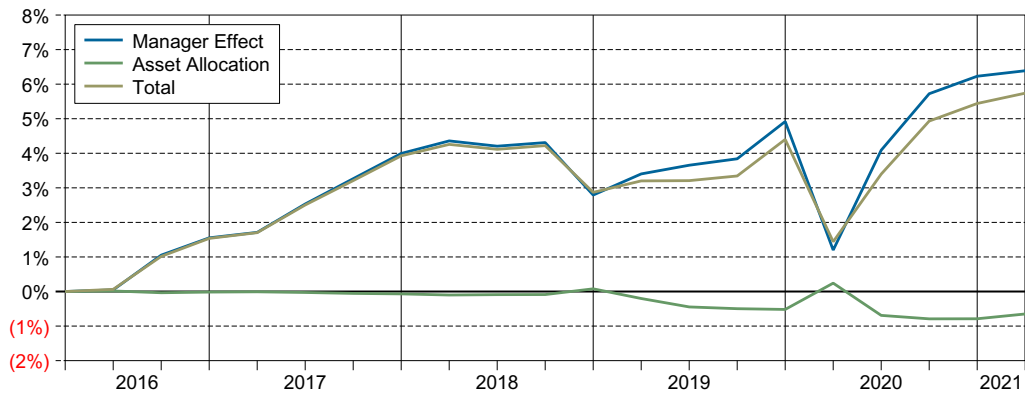
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

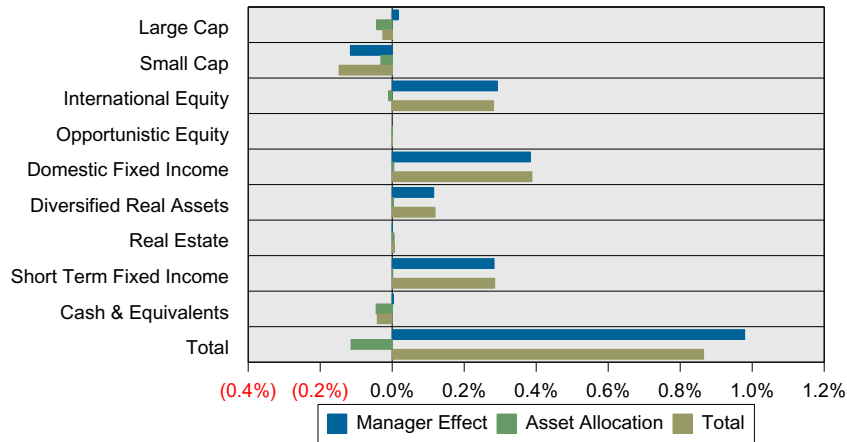
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	22%	22%	16.29%	16.66%	(0.07%)	(0.04%)	(0.10%)
Small Cap	8%	8%	12.81%	16.35%	(0.29%)	(0.02%)	(0.31%)
International Equity	20%	20%	10.98%	8.83%	0.44%	0.01%	0.45%
Opportunistic Equity	0%	0%	-	-	0.00%	0.00%	0.00%
Domestic Fixed Income	35%	35%	5.07%	3.10%	0.66%	0.02%	0.67%
Diversified Real Assets	10%	10%	5.37%	3.75%	0.16%	0.01%	0.17%
Real Estate	5%	5%	5.52%	5.81%	(0.00%)	(0.00%)	(0.01%)
Cash & Equivalents	1%	0%	1.05%	1.05%	0.00%	(0.06%)	(0.06%)
Total			9.56%	8.76%	+ 0.90%	+ (0.09%)	0.81%

* Current Quarter Target = 35.0% Blmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

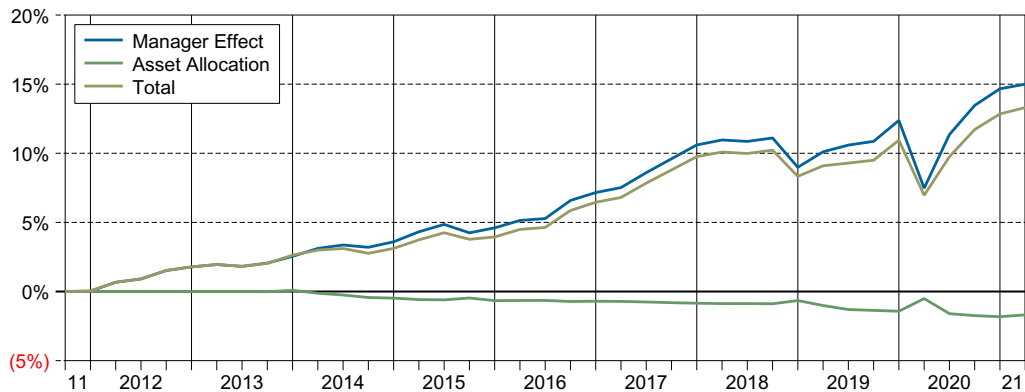
Cumulative Total Fund Relative Attribution - March 31, 2021

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by asset class. These relative attribution effects separate the cumulative sources of total fund excess return into Asset Allocation Effect and Manager Selection Effect.

Nine and One-Half Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Nine and One-Half Year Annualized Relative Attribution Effects

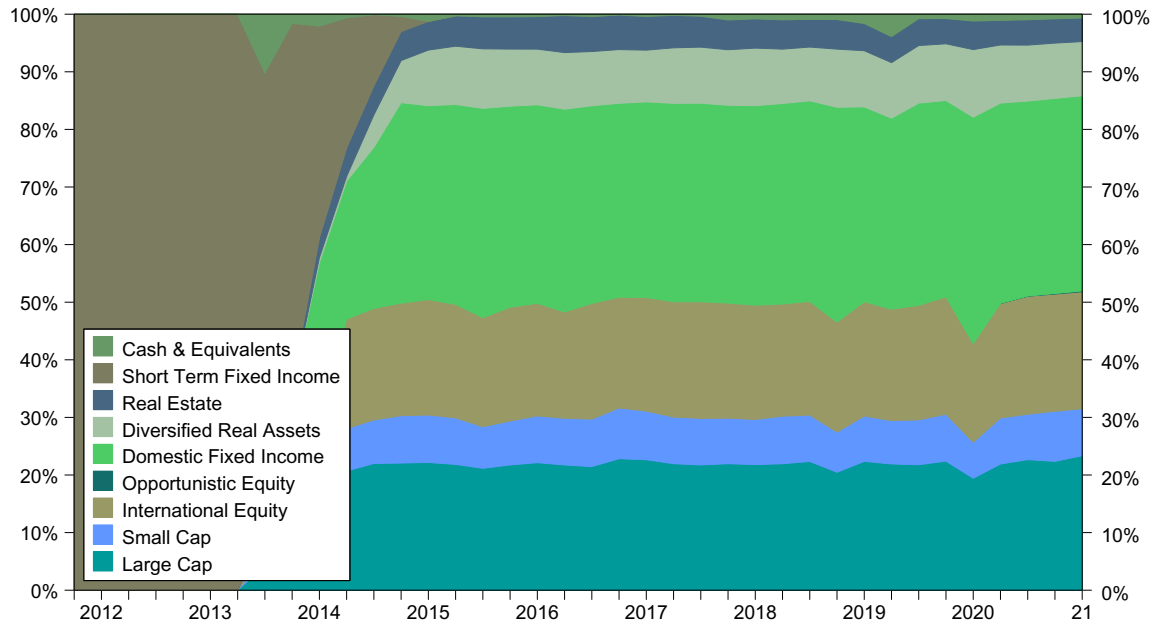
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Large Cap	17%	17%	-	-	0.02%	(0.04%)	(0.03%)
Small Cap	6%	6%	-	-	(0.12%)	(0.03%)	(0.15%)
International Equity	15%	15%	-	-	0.29%	(0.01%)	0.28%
Opportunistic Equity	0%	0%	-	-	0.00%	0.00%	0.00%
Domestic Fixed Income	26%	26%	-	-	0.38%	0.00%	0.39%
Diversified Real Assets	7%	7%	-	-	0.12%	0.00%	0.12%
Real Estate	4%	4%	-	-	0.00%	0.01%	0.01%
Short Term Fixed Income	23%	24%	-	-	0.28%	0.00%	0.28%
Cash & Equivalents	3%	2%	0.60%	0.59%	0.00%	(0.04%)	(0.04%)
Total			6.27%	5.40%	+ 0.98%	+ (0.11%)	0.86%

* Current Quarter Target = 35.0% Blmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

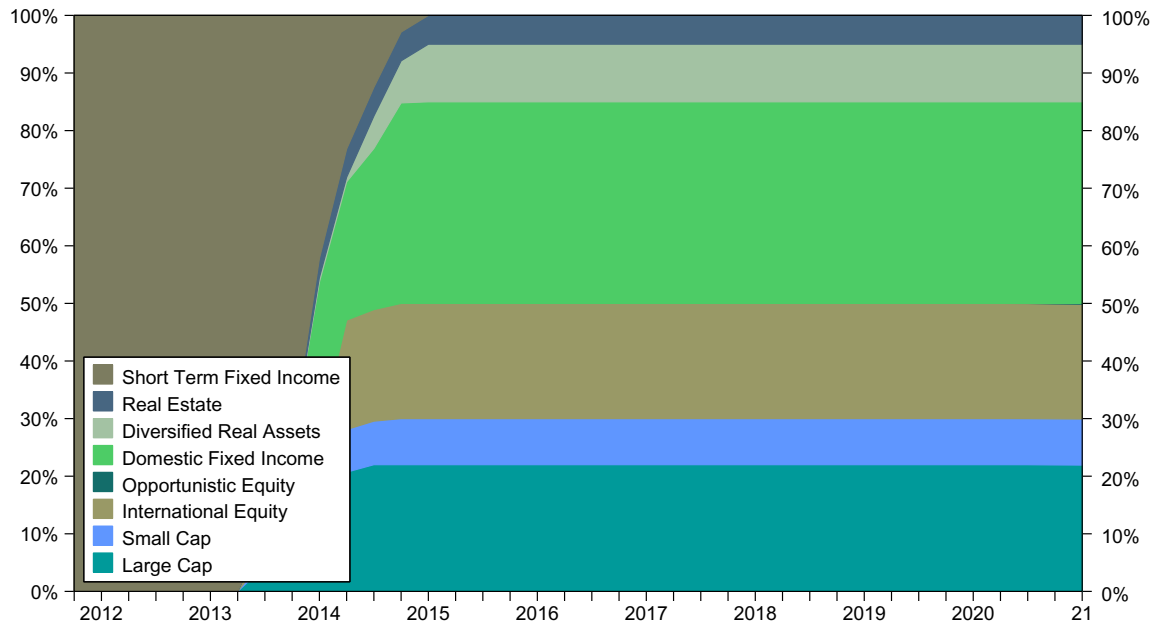
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, and the fund's historical target asset allocation.

Actual Historical Asset Allocation



Target Historical Asset Allocation

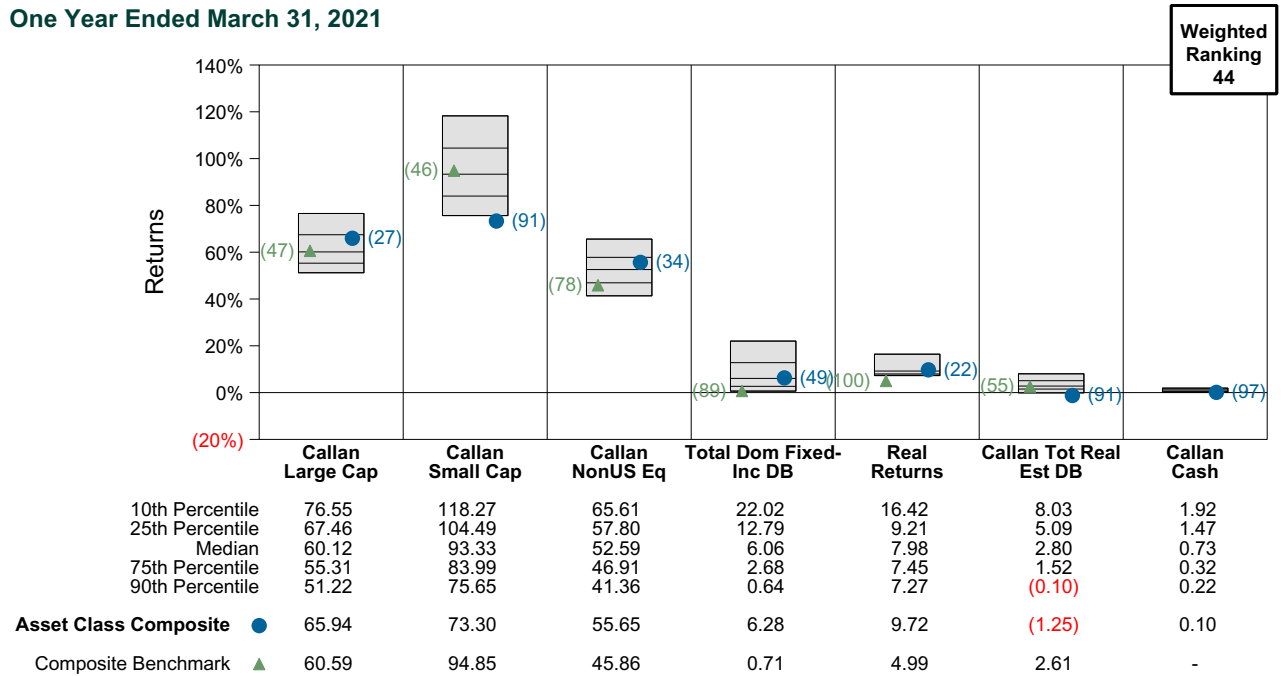


* Current Quarter Target = 35.0% Blmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

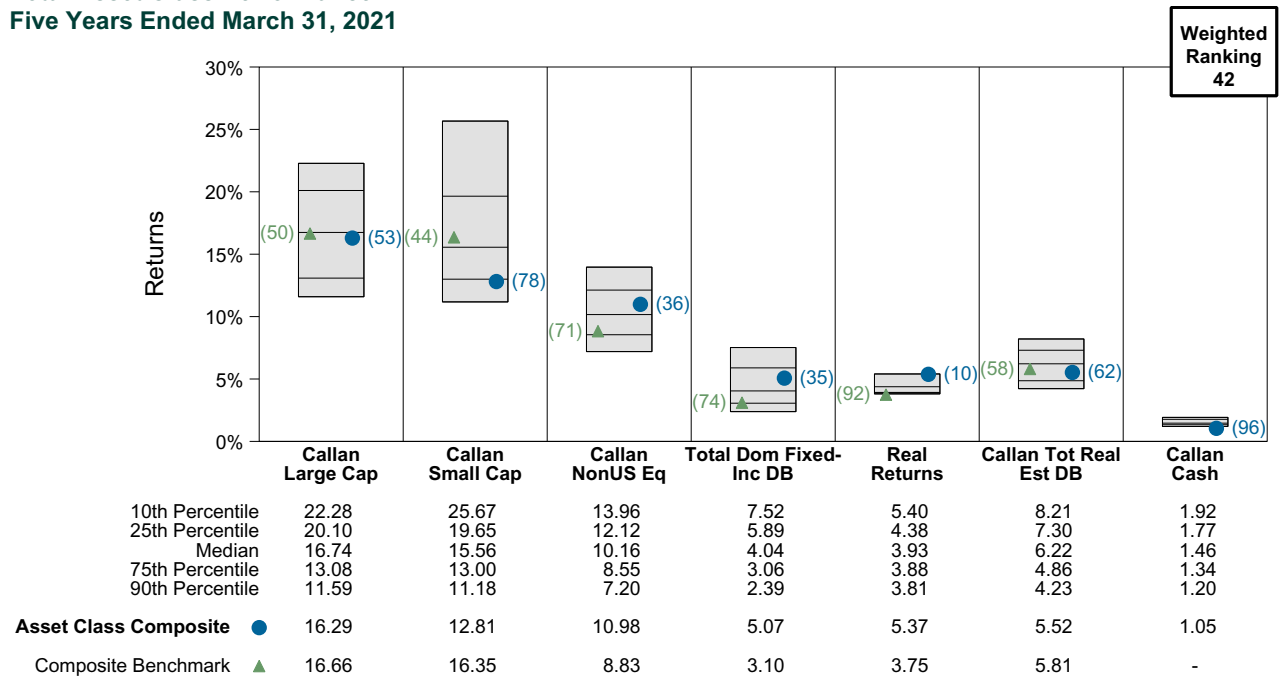
Asset Class Rankings

The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance One Year Ended March 31, 2021



Total Asset Class Performance Five Years Ended March 31, 2021



* Current Quarter Target = 35.0% Bmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

Asset Class Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2021, with the distribution as of December 31, 2020. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Class Allocation

	March 31, 2021			Inv. Return	December 31, 2020	
	Market Value	Weight	Net New Inv.		Market Value	Weight
Global Equity	\$4,377,385,540	51.95%	\$(78,835,331)	\$253,316,649	\$4,202,904,223	51.51%
Domestic Equity	\$2,653,779,237	31.50%	\$(81,570,370)	\$199,743,399	\$2,535,606,208	31.07%
Large Cap	\$1,966,677,143	23.34%	\$(734,385)	\$142,272,002	\$1,825,139,525	22.37%
L.A. Capital Enhanced	440,245,727	5.22%	(122,530)	27,464,752	412,903,505	5.06%
L.A. Capital Large Cap Growth	610,898,697	7.25%	(292,390)	14,032,644	597,158,443	7.32%
Parametric Large Cap	387,998,682	4.60%	0	21,645,967	366,352,714	4.49%
LSV Large Cap Value	527,534,036	6.26%	(319,465)	79,128,638	448,724,864	5.50%
Small Cap	\$687,102,094	8.15%	\$(80,835,985)	\$57,471,397	\$710,466,682	8.71%
Atlanta Capital	222,999,630	2.65%	(20,325,435)	19,218,917	224,106,148	2.75%
Parametric SmallCap	-	-	0	(6)	6	0.00%
PIMCO RAE	0	0.00%	(92)	57	35	0.00%
Riverbridge Small Cap Growth	220,603,506	2.62%	(30,279,804)	3,284,179	247,599,130	3.03%
Sycamore Small Cap Value	243,498,958	2.89%	(30,230,654)	34,968,250	238,761,363	2.93%
International Equity	\$1,712,111,909	20.32%	\$(1,194,549)	\$53,168,968	\$1,660,137,490	20.34%
DFA Intl SmallCap Value	190,471,392	2.26%	0	14,335,591	176,135,801	2.16%
LSV Intl Value	556,998,198	6.61%	(502,963)	40,722,744	516,778,417	6.33%
Vanguard Intl Explorer Fund	185,886,466	2.21%	0	4,793,634	181,092,833	2.22%
William Blair	778,755,853	9.24%	(691,586)	(6,683,001)	786,130,440	9.63%
Opportunistic Equity	\$11,494,395	0.14%	\$3,929,588	\$404,282	\$7,160,525	0.09%
Sixth Street TAO	11,494,395	0.14%	3,929,588	404,282	7,160,525	0.09%
Domestic Fixed Income	\$2,855,205,303	33.89%	\$182,669,757	\$(91,584,025)	\$2,764,119,570	33.87%
Ares ND Credit Strategies Fd	83,710,660	0.99%	0	2,773,572	80,937,088	0.99%
BND CDs	45,520,548	0.54%	(376,944)	312,494	45,584,998	0.56%
Cerberus ND Private Credit Fd	109,238,479	1.30%	(11,250,000)	3,800,958	116,687,521	1.43%
Declaration Total Return	226,318,586	2.69%	19,875,559	1,234,730	205,208,297	2.51%
PIMCO Bravo II	6,783,492	0.08%	(845,611)	732,250	6,896,853	0.08%
PIMCO DiSCO II	61,868,230	0.73%	0	1,008,410	60,859,820	0.75%
Prudential	848,795,194	10.07%	60,593,146	(40,281,239)	828,483,288	10.15%
SSgA US Govt Credit Bd Idx	398,577,143	4.73%	11,985,945	(17,281,266)	403,872,464	4.95%
Wells Capital	225,812,883	2.68%	26,900,742	(7,603,733)	206,515,875	2.53%
Western Asset Management	848,580,087	10.07%	75,786,922	(36,280,201)	809,073,367	9.92%
Global Real Assets	\$1,137,605,479	13.50%	\$6,660,302	\$3,254,697	\$1,127,690,479	13.82%
Real Estate	\$345,008,538	4.09%	\$(423,321)	\$1,249,986	\$344,181,873	4.22%
Invesco Core Real Estate	174,726,220	2.07%	(140,948)	2,804,936	172,062,232	2.11%
JP Morgan RE Inc & Growth	170,282,318	2.02%	(282,373)	(1,554,950)	172,119,641	2.11%
Diversified	\$792,596,940	9.41%	\$7,083,623	\$2,004,711	\$783,508,606	9.60%
Western Asset TIPS	487,798,813	5.79%	9,871,093	(11,028,040)	488,955,759	5.99%
ISQ Global Infrastructure II	52,517,161	0.62%	2,189,154	0	50,328,007	0.62%
JP Morgan Infrastructure	113,188,210	1.34%	(2,725,357)	6,174,452	109,739,116	1.34%
Grosvenor Cust. Infrastructure	49,779,218	0.59%	(633,549)	3,949,264	46,463,503	0.57%
Macquarie Infrastructure Fund IV	78,025,319	0.93%	(2,715,268)	3,305,278	77,435,309	0.95%
Macquarie Infrastructure Fund V	11,288,219	0.13%	1,097,550	(396,243)	10,586,912	0.13%
Cash	\$55,730,950	0.66%	\$(9,575,014)	\$5,268	\$65,300,695	0.80%
Northern Trust Cash Account	37,241,102	0.44%	(9,951,958)	747	47,192,313	0.58%
Bank of ND	18,489,848	0.22%	376,944	4,522	18,108,383	0.22%
Total Fund	\$8,425,927,272	100.0%	\$100,919,715	\$164,992,590	\$8,160,014,967	100.0%

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 9-1/2 Years
Global Equity					
Gross	6.09%	62.88%	-	-	-
Net	6.01%	62.42%	-	-	-
Weighted Benchmark	6.25%	59.64%	-	-	-
Domestic Equity					
Gross	8.00%	67.80%	14.94%	15.40%	-
Net	7.93%	67.38%	14.72%	15.18%	-
Weighted Benchmark	7.74%	69.32%	-	-	-
Large Cap					
Gross	7.80%	65.94%	16.84%	16.29%	-
Net	7.75%	65.75%	16.67%	16.10%	-
Russell 1000 Index	5.91%	60.59%	17.31%	16.66%	16.68%
L.A. Capital Enhanced - Gross	6.65%	60.84%	17.83%	16.07%	-
L.A. Capital Enhanced - Net	6.62%	60.65%	17.69%	15.92%	-
Russell 1000 Index	5.91%	60.59%	17.31%	16.66%	16.68%
L.A. Capital LargeCap Growth - Gross	2.35%	64.36%	22.73%	19.61%	-
L.A. Capital LargeCap Growth - Net	2.30%	64.04%	22.49%	19.37%	-
Russell 1000 Growth Index	0.94%	62.74%	22.80%	21.05%	19.24%
Parametric Clifton Large Cap - Gross	5.91%	61.10%	16.95%	16.28%	-
Parametric Clifton Large Cap - Net	5.91%	61.40%	17.03%	16.28%	-
S&P 500 Index	6.17%	56.35%	16.78%	16.29%	16.50%
LSV Large Cap Value - Gross	17.64%	72.79%	9.40%	12.46%	-
LSV Large Cap Value - Net	17.56%	72.31%	9.09%	12.14%	-
Russell 1000 Value Index	11.26%	56.09%	10.96%	11.74%	13.76%
Small Cap					
Gross	8.44%	73.30%	9.65%	12.81%	-
Net	8.30%	72.21%	9.33%	12.49%	-
Russell 2000 Index	12.70%	94.85%	14.76%	16.35%	15.49%
Atlanta Capital - Gross	8.92%	61.89%	-	-	-
Atlanta Capital - Net	8.75%	61.14%	-	-	-
S&P 600 Small Cap Index	18.24%	95.33%	13.71%	15.60%	16.40%
Riverbridge Small Cap Growth - Gross	0.80%	-	-	-	-
Riverbridge Small Cap Growth - Net	0.67%	-	-	-	-
Russell 2000 Growth Index	4.88%	90.20%	17.16%	18.61%	16.88%
Sycamore Small Cap Value - Gross	15.91%	-	-	-	-
Sycamore Small Cap Value - Net	15.80%	-	-	-	-
Russell 2000 Value Index	21.17%	97.05%	11.57%	13.56%	13.79%
International Equity					
Gross	3.20%	55.65%	7.64%	10.98%	-
Net	3.13%	55.21%	7.32%	10.66%	-
Benchmark(1)	4.04%	45.86%	6.34%	8.83%	8.01%
DFA Intl Small Cap Value	8.14%	64.42%	1.15%	7.11%	-
World ex US SC Va	7.65%	61.67%	4.07%	8.59%	8.78%
LSV Intl Value - Gross	7.89%	47.58%	2.17%	7.33%	-
LSV Intl Value - Net	7.78%	47.01%	1.78%	6.93%	-
MSCI EAFE Index	3.48%	44.57%	6.02%	8.85%	8.02%
Vanguard Intl Explorer Fund	2.65%	64.86%	3.29%	9.05%	-
BMI, EPAC, <\$2 B	4.53%	64.76%	4.62%	9.37%	9.51%
William Blair - Gross	(0.85%)	55.55%	14.57%	-	-
William Blair - Net	(0.94%)	55.02%	14.15%	-	-
MSCI ACWI ex US IMI	3.77%	51.94%	6.51%	9.84%	7.84%
Opportunistic Equity					
Net	4.90%	-	-	-	-
Weighted Benchmark(2)	1.23%	-	-	-	-
Sixth Street TAO - Net	4.90%	-	-	-	-
Benchmark(2)	1.23%	-	-	-	-

(1) MSCI EAFE through 6/30/2016 and MSCI World ex-US thereafter.

(2) 50% S&P/LSTA Leveraged Loan B and 50% Blmbg HY Corp 2% Issue.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 9-1/2 Years
Domestic Fixed Income					
Gross	(3.17%)	6.28%	5.64%	5.07%	-
Net	(3.20%)	6.16%	5.53%	4.95%	-
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	2.97%
Ares ND Credit Strategies Fd - Net	3.43%	4.75%	6.89%	-	-
Cerberus ND Private Credit Fd - Net	3.28%	9.69%	9.75%	-	-
S&P/LSTA Leveraged Loan B	1.60%	22.23%	4.54%	5.64%	5.27%
BND CDs - Net	0.69%	2.56%	3.05%	-	-
Declaration Total Return - Net	0.55%	14.13%	5.24%	5.10%	-
Libor-3 Month	0.05%	0.28%	1.64%	1.44%	0.92%
PIMCO Bravo II - Net(1)	10.62%	(12.29%)	(0.74%)	2.89%	-
PIMCO DiSCO II - Net (1)	1.66%	13.19%	5.64%	8.87%	-
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	2.97%
Prudential - Gross	(4.66%)	6.58%	5.76%	5.02%	-
Prudential - Net	(4.71%)	6.37%	5.54%	4.78%	-
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	2.97%
Wells Capital - Gross	(3.41%)	17.00%	7.96%	6.95%	-
Wells Capital - Net	(3.45%)	16.79%	7.77%	6.77%	-
Blmbg Credit Baa	(4.32%)	13.06%	6.55%	5.63%	5.20%
Western Asset - Gross	(4.24%)	4.68%	5.25%	4.39%	-
Western Asset - Net	(4.27%)	4.56%	5.13%	4.27%	-
Blmbg Aggregate	(3.37%)	0.71%	4.65%	3.10%	2.97%
SSgA US Govt Credit Bd Idx - Gross	(4.25%)	0.97%	5.10%	3.43%	-
SSgA US Govt Credit Bd Idx - Net	(4.25%)	0.96%	5.08%	3.40%	-
Blmbg Govt/Credit Bd	(4.28%)	0.86%	4.99%	3.36%	3.15%

(1) Prior to 7/1/2019, the Legacy Fund participated in these portfolios via the Insurance Pool. Beginning 7/1/2019, its portion of the pool was segregated into its own portfolios. Returns prior to that date reflect the data from the Insurance pool.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended March 31, 2021. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended March 31, 2021

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 9-1/2 Years
Global Real Assets					
Gross	0.29%	6.20%	-	-	-
Net	0.22%	5.91%	-	-	-
Weighted Benchmark	0.04%	4.21%	-	-	-
Real Estate					
Gross	0.36%	(1.25%)	3.78%	5.52%	-
Net	0.24%	(1.69%)	3.27%	4.96%	-
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.49%
Invesco Core Real Estate - Gross	1.63%	(1.58%)	4.68%	6.00%	-
Invesco Core Real Estate - Net	1.55%	(1.90%)	4.33%	5.66%	-
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.49%
JP Morgan RE Inc & Growth - Gross	(0.90%)	(0.96%)	2.91%	5.07%	-
JP Morgan RE Inc & Growth - Net	(1.07%)	(1.53%)	2.24%	4.29%	-
NCREIF Total Index	1.72%	2.61%	4.89%	5.81%	8.49%
Diversified					
Gross	0.26%	9.72%	5.34%	5.37%	-
Net	0.22%	9.51%	5.13%	5.14%	-
Weighted Benchmark	(0.80%)	4.99%	3.58%	3.75%	-
Western Asset TIPS - Gross	(2.26%)	8.31%	3.64%	3.98%	-
Western Asset TIPS - Net	(2.28%)	8.19%	3.52%	3.85%	-
Benchmark(3)	(1.82%)	7.44%	4.24%	4.41%	3.35%
JP Morgan Infrastructure - Gross	5.63%	10.02%	8.37%	8.50%	-
JP Morgan Infrastructure - Net	5.43%	9.12%	7.62%	7.74%	-
Grosvenor Cust. Infrastructure - Net	8.50%	18.79%	13.39%	9.16%	-
Benchmark(1)	1.07%	1.74%	2.98%	2.75%	1.84%
Macquarie Infrastructure Fd IV - Net	4.29%	12.72%	-	-	-
Macquarie Infrastructure Fd V - Net	(3.75%)	-	-	-	-
ISQ Global Infrastructure II - Net	0.00%	12.34%	-	-	-
Benchmark(2)	1.07%	1.74%	-	-	-
Cash & Equivalents - Net					
NT Cash Account - Net	0.01%	0.10%	1.31%	1.05%	0.60%
Bank of ND - Net	0.00%	0.05%	-	-	-
90 Day Treasury Bills	0.02%	0.19%	-	-	-
90 Day Treasury Bills	0.02%	0.12%	1.49%	1.19%	0.66%
Total Fund					
Gross	2.02%	31.28%	8.99%	9.56%	6.27%
Net	1.97%	31.01%	8.78%	9.34%	6.08%
Target*	1.90%	28.04%	8.94%	8.76%	5.40%

* Current Quarter Target = 35.0% Blmbg Aggregate, 21.9% Russell 1000 Index, 19.9% MSCI World ex US, 10.0% NDSIB Legacy DRA Weighted Benchmark, 8.0% Russell 2000 Index, 5.0% NCREIF Total Index and 0.1% NDLEG-Opportunistic Equity.

(1) CPI-W through 6/30/2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.

(2) 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.

(3) Blmbg Global Inflation-Linked through 10/31/2018 and Blmbg US Govt Inflation Linked Bond Index thereafter.

Domestic Equity

Period Ended March 31, 2021

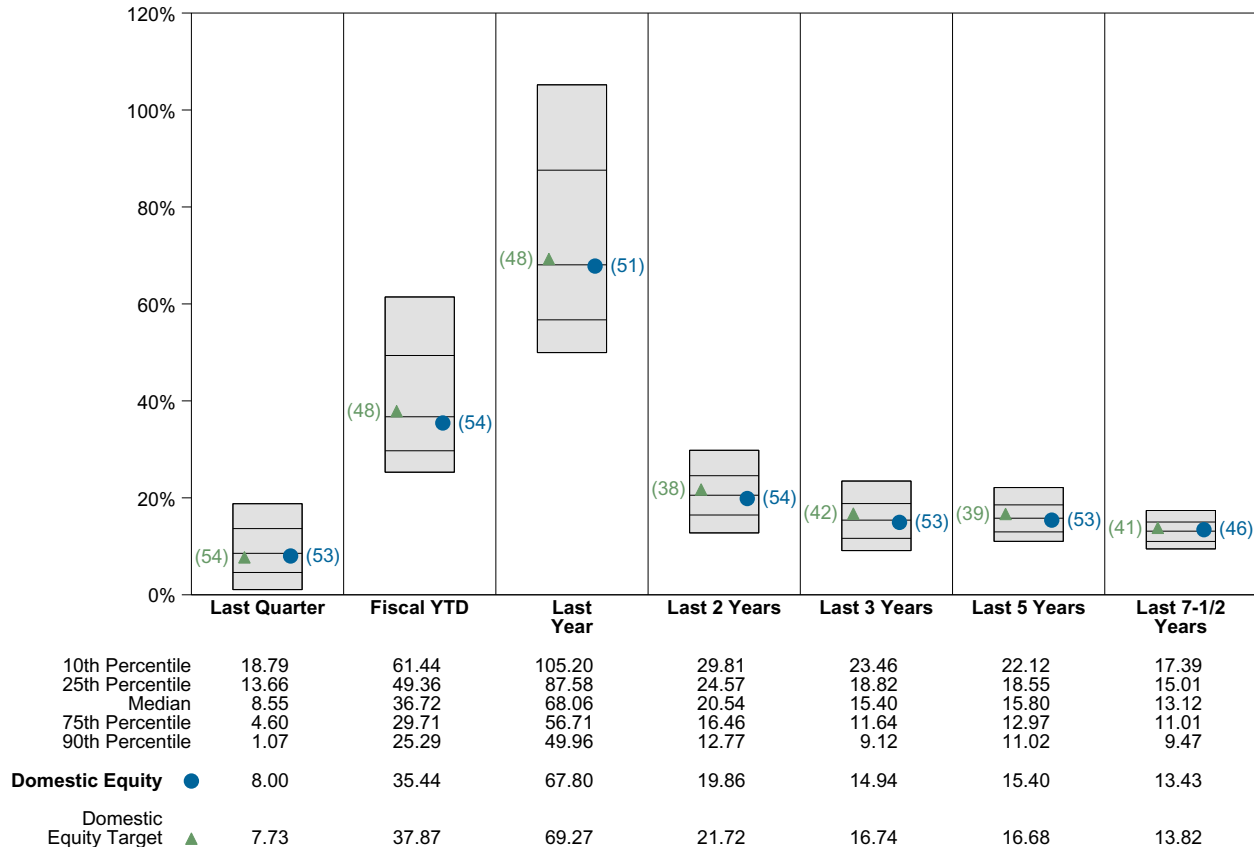
Quarterly Summary and Highlights

- Domestic Equity's portfolio posted a 8.00% return for the quarter placing it in the 53 percentile of the Total Domestic Equity Database group for the quarter and in the 51 percentile for the last year.
- Domestic Equity's portfolio outperformed the Domestic Equity Target by 0.28% for the quarter and underperformed the Domestic Equity Target for the year by 1.47%.

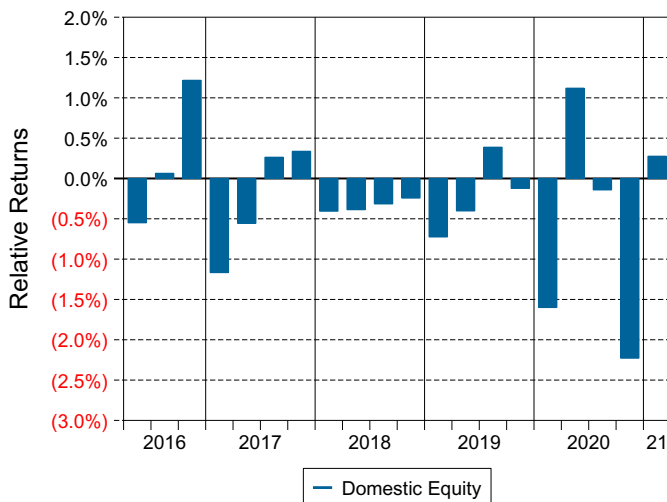
Quarterly Asset Growth

Beginning Market Value	\$2,535,606,208
Net New Investment	\$-81,570,370
Investment Gains/(Losses)	\$199,743,399
Ending Market Value	\$2,653,779,237

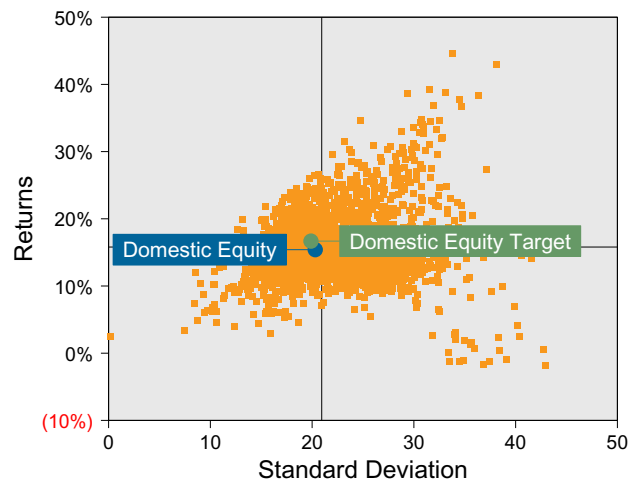
Performance vs Total Domestic Equity Database (Gross)



Relative Return vs Domestic Equity Target



Total Domestic Equity Database (Gross) Annualized Five Year Risk vs Return



Parametric Large Cap Period Ended March 31, 2021

Investment Philosophy

Parametric Clifton utilizes equity futures to gain benchmark exposure in constructing the portfolio it believes provides the greatest likelihood of outperforming the index. In this construction the underlying cash portfolio is invested in a liquid, high quality short duration fixed income portfolio. Over market cycles excess return generated by the short duration portfolio, when added to the performance of futures is expected to allow the strategy to achieve 0.50% to 1.00% of gross excess annual performance.

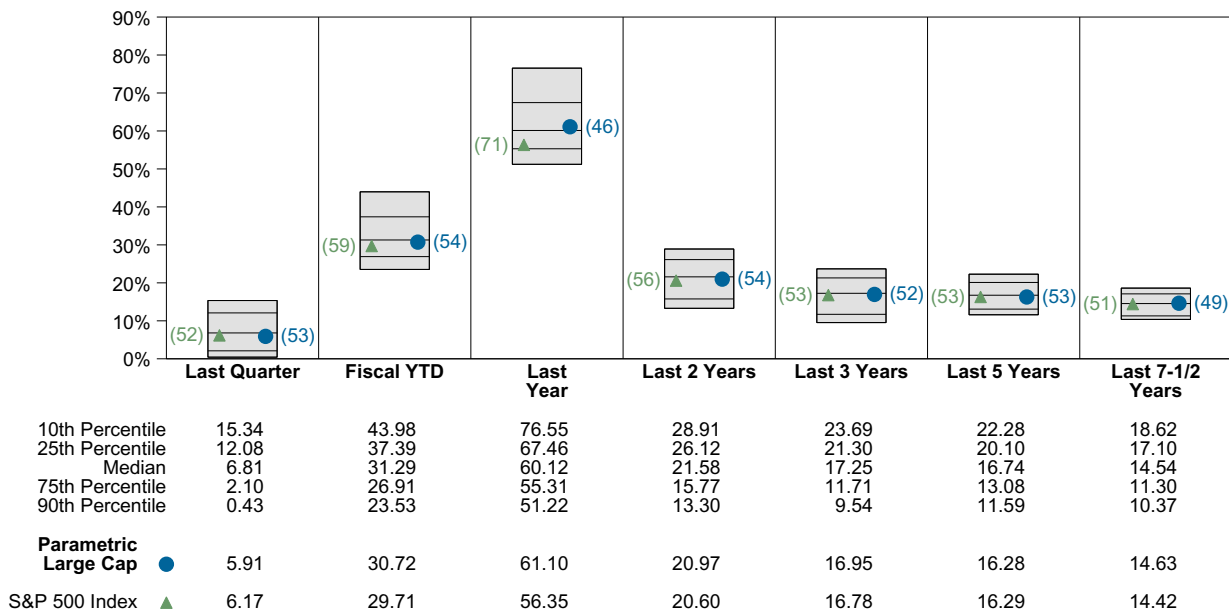
Quarterly Summary and Highlights

- Parametric Large Cap's portfolio posted a 5.91% return for the quarter placing it in the 53 percentile of the Callan Large Capitalization group for the quarter and in the 46 percentile for the last year.
- Parametric Large Cap's portfolio underperformed the S&P 500 Index by 0.27% for the quarter and outperformed the S&P 500 Index for the year by 4.75%.

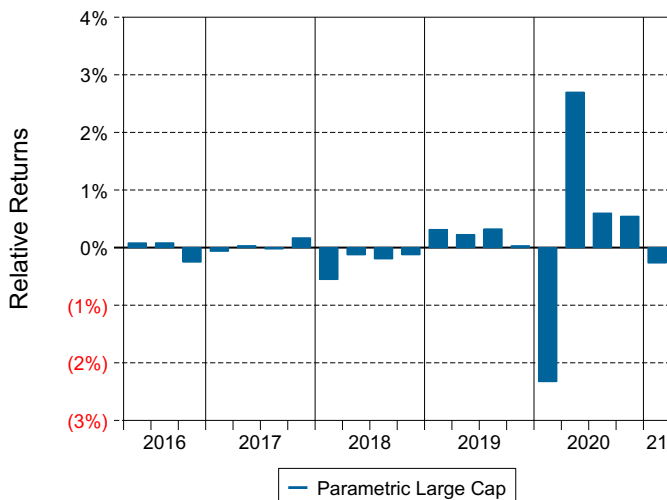
Quarterly Asset Growth

Beginning Market Value	\$366,352,714
Net New Investment	\$0
Investment Gains/(Losses)	\$21,645,967
Ending Market Value	\$387,998,682

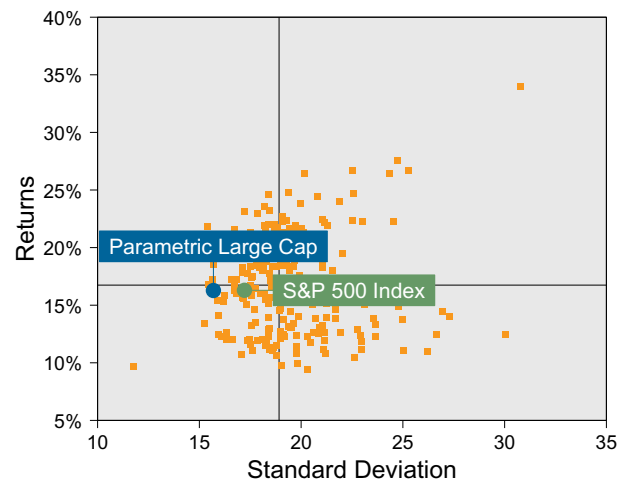
Performance vs Callan Large Capitalization (Gross)



Relative Return vs S&P 500 Index



Callan Large Capitalization (Gross) Annualized Five Year Risk vs Return



L.A. Capital Period Ended March 31, 2021

Investment Philosophy

The LA Capital Structured portfolio is a large growth portfolio benchmarked to the Russell 1000 Growth Index. It is an active assignment meaning that it targets a 2% alpha and constrains its risk budget (tracking error) to 4% relative to the benchmark. LA Capital believes that investment results are driven by Investor Preferences and thus recognize that when preferences shift a different posture related to that factor is warranted.

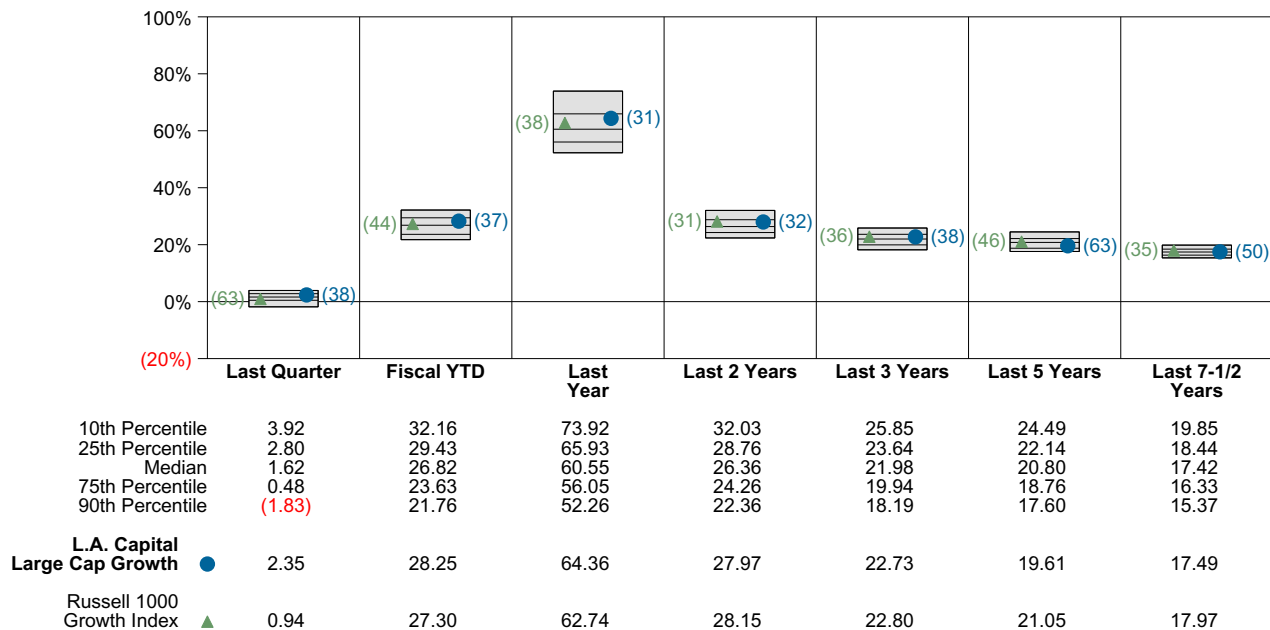
Quarterly Summary and Highlights

- L.A. Capital Large Cap Growth's portfolio posted a 2.35% return for the quarter placing it in the 38 percentile of the Callan Large Cap Growth group for the quarter and in the 31 percentile for the last year.
- L.A. Capital Large Cap Growth's portfolio outperformed the Russell 1000 Growth Index by 1.41% for the quarter and outperformed the Russell 1000 Growth Index for the year by 1.61%.

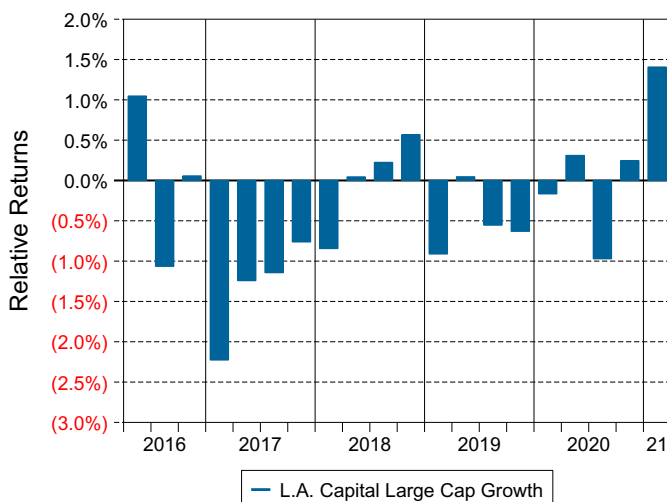
Quarterly Asset Growth

Beginning Market Value	\$597,158,443
Net New Investment	\$-292,390
Investment Gains/(Losses)	\$14,032,644
Ending Market Value	\$610,898,697

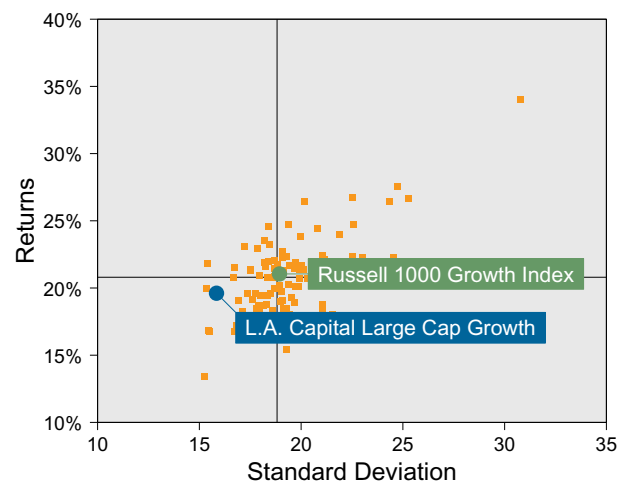
Performance vs Callan Large Cap Growth (Gross)



Relative Return vs Russell 1000 Growth Index



Callan Large Cap Growth (Gross) Annualized Five Year Risk vs Return



L.A. Capital Enhanced Period Ended March 31, 2021

Investment Philosophy

The LA Capital Enhanced portfolio is a large core portfolio benchmarked to the Russell 1000 Index. Characterized as an enhanced index assignment, its objective is to track the benchmark with lower variability. The pension portfolio began in August of 2000 and the insurance portfolio was initiated in April of 2004. Since October of 2006 a small portion of each of the two core accounts was allocated to the Large Cap Alpha Fund with intent to add incremental alpha to the assignment given that the information ratio was expected to be higher.

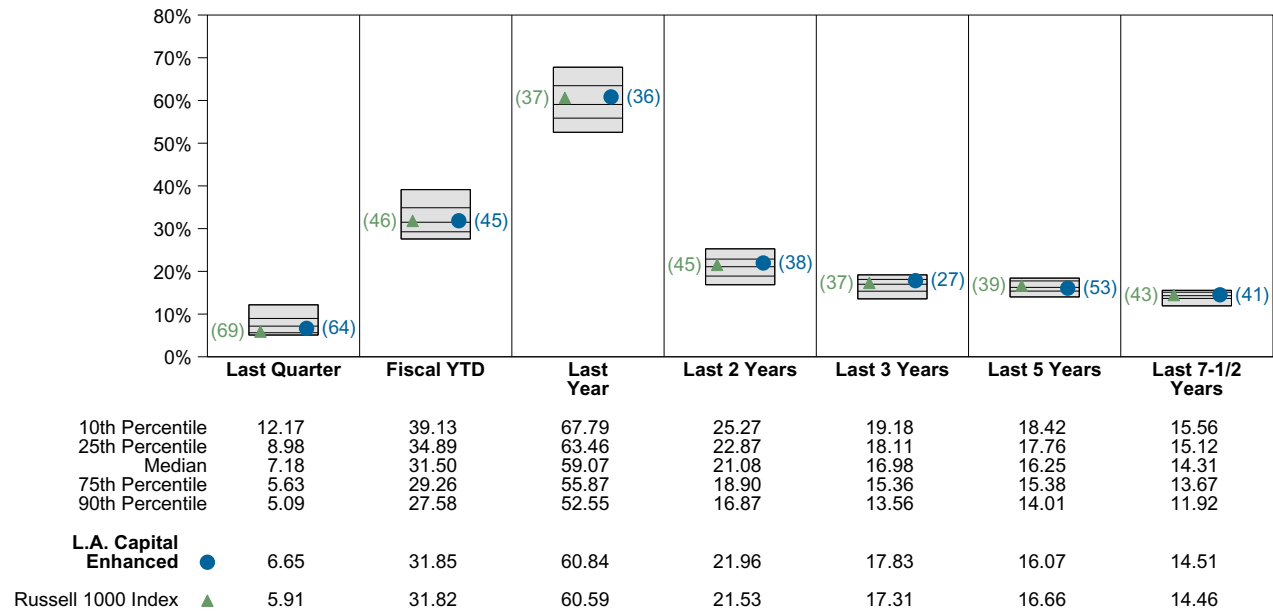
Quarterly Summary and Highlights

- L.A. Capital Enhanced's portfolio posted a 6.65% return for the quarter placing it in the 64 percentile of the Callan Large Cap Core group for the quarter and in the 36 percentile for the last year.
- L.A. Capital Enhanced's portfolio outperformed the Russell 1000 Index by 0.74% for the quarter and outperformed the Russell 1000 Index for the year by 0.25%.

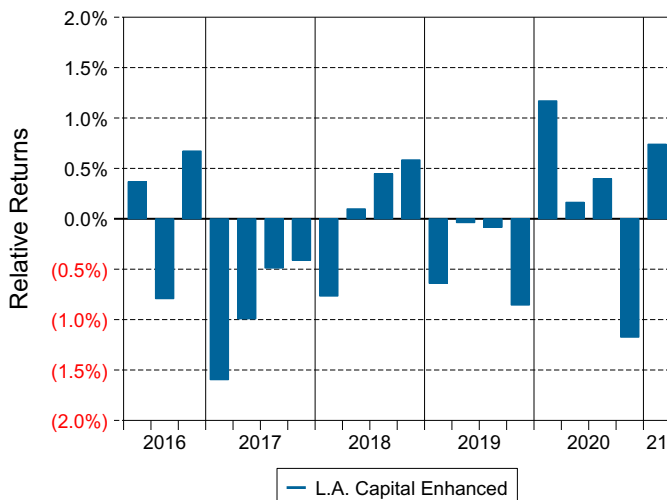
Quarterly Asset Growth

Beginning Market Value	\$412,903,505
Net New Investment	\$-122,530
Investment Gains/(Losses)	\$27,464,752
Ending Market Value	\$440,245,727

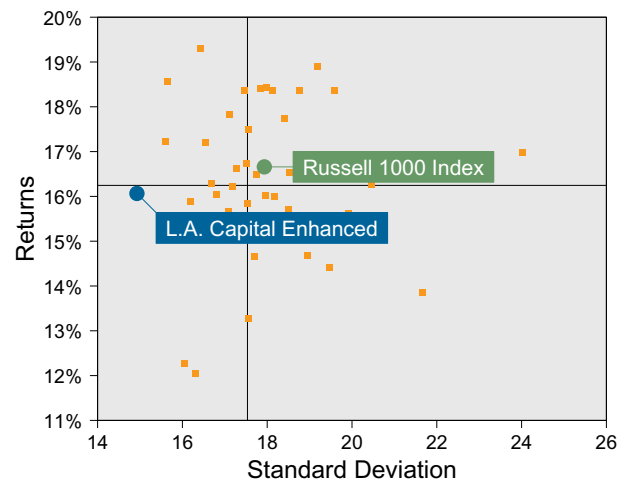
Performance vs Callan Large Cap Core (Gross)



Relative Return vs Russell 1000 Index



Callan Large Cap Core (Gross) Annualized Five Year Risk vs Return



LSV Asset Management

Period Ended March 31, 2021

Investment Philosophy

The objective of LSV Asset Management's Large Cap Value Equity (U.S.) strategy is to outperform the Russell 1000 Value by at least 200 basis points (gross of fees) per annum over a 3-5 year period with a tracking error of approximately 4%. Their stock selection process is a quantitative approach that ranks a broad universe of stocks on a combination of value and momentum factors and seeks to invest approximately 100 stocks in the most attractive securities possible within strict risk parameters to control the portfolio's tracking error relative to the benchmark. The resulting portfolio is broadly diversified across industry groups and fully invested.

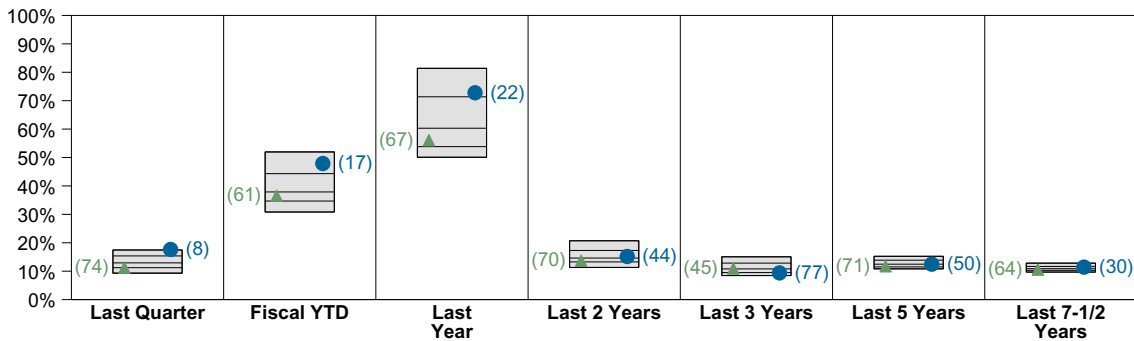
Quarterly Summary and Highlights

- LSV Large Cap Value's portfolio posted a 17.64% return for the quarter placing it in the 8 percentile of the Callan Large Cap Value group for the quarter and in the 22 percentile for the last year.
- LSV Large Cap Value's portfolio outperformed the Russell 1000 Value Index by 6.39% for the quarter and outperformed the Russell 1000 Value Index for the year by 16.70%.

Quarterly Asset Growth

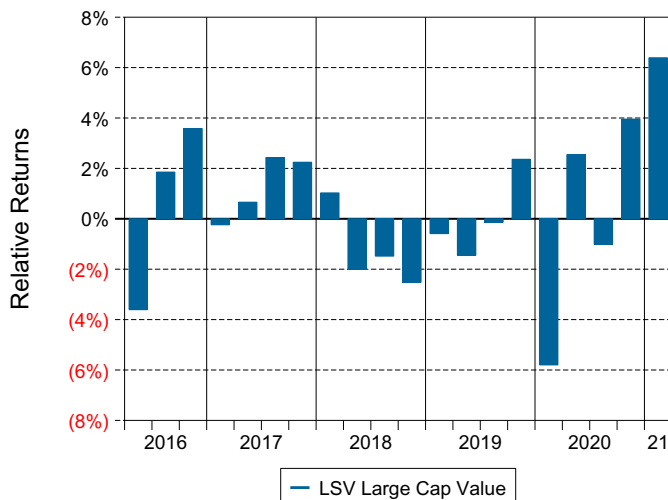
Beginning Market Value	\$448,724,864
Net New Investment	\$-319,465
Investment Gains/(Losses)	\$79,128,638
Ending Market Value	\$527,534,036

Performance vs Callan Large Cap Value (Gross)

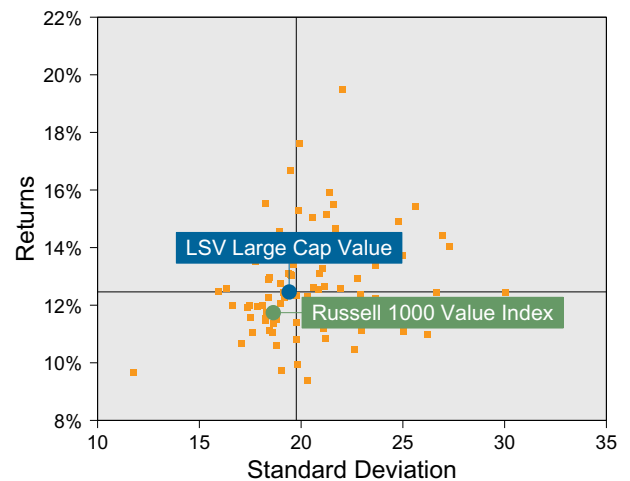


	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7-1/2 Years
10th Percentile	17.45	51.96	81.39	20.70	15.06	15.24	12.83
25th Percentile	15.38	44.32	71.37	17.30	12.84	13.87	11.67
Median	12.92	37.88	60.30	14.62	10.80	12.46	10.87
75th Percentile	11.24	34.68	53.83	13.27	9.50	11.52	10.30
90th Percentile	9.31	30.82	50.09	11.31	8.45	10.82	9.68
LSV Large Cap Value	17.64	47.89	72.79	15.17	9.40	12.46	11.44
Russell 1000 Value Index	11.26	36.57	56.09	13.71	10.96	11.74	10.57

Relative Return vs Russell 1000 Value Index



Callan Large Cap Value (Gross) Annualized Five Year Risk vs Return



Atlanta Capital Period Ended March 31, 2021

Investment Philosophy

Atlanta believes that high quality companies produce consistently increasing earnings and dividends, thereby providing attractive returns with moderate risk over the long-term.

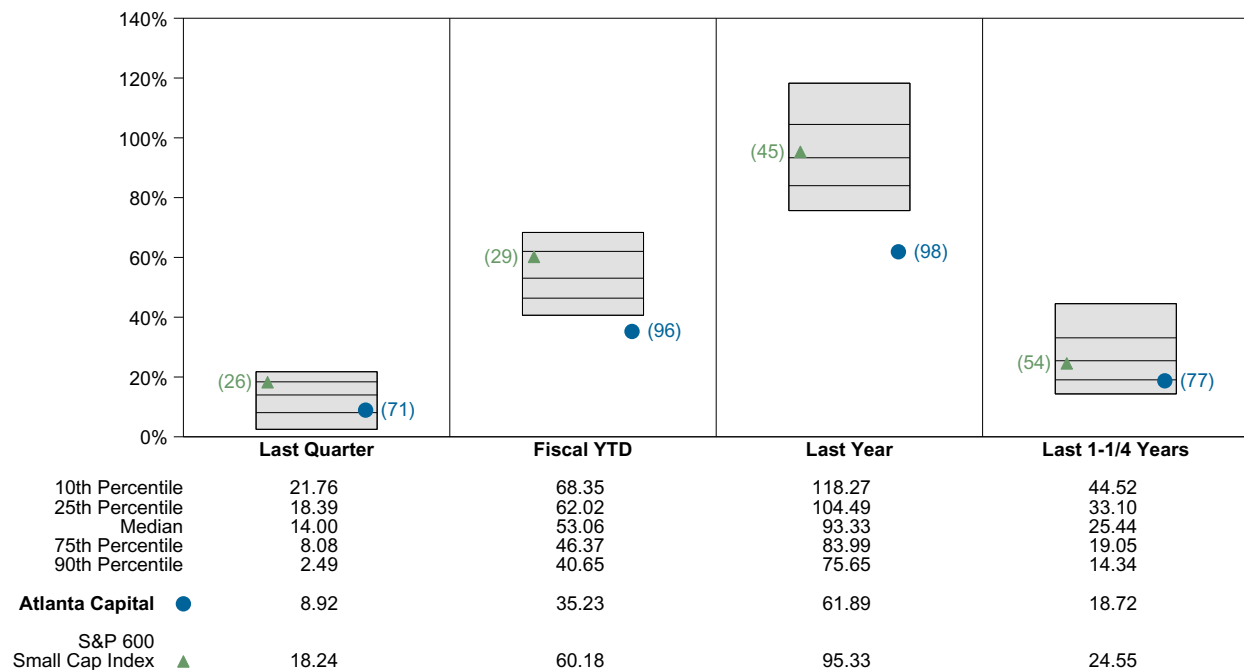
Quarterly Summary and Highlights

- Atlanta Capital's portfolio posted a 8.92% return for the quarter placing it in the 71 percentile of the Callan Small Capitalization group for the quarter and in the 98 percentile for the last year.
- Atlanta Capital's portfolio underperformed the S&P 600 Small Cap Index by 9.32% for the quarter and underperformed the S&P 600 Small Cap Index for the year by 33.45%.

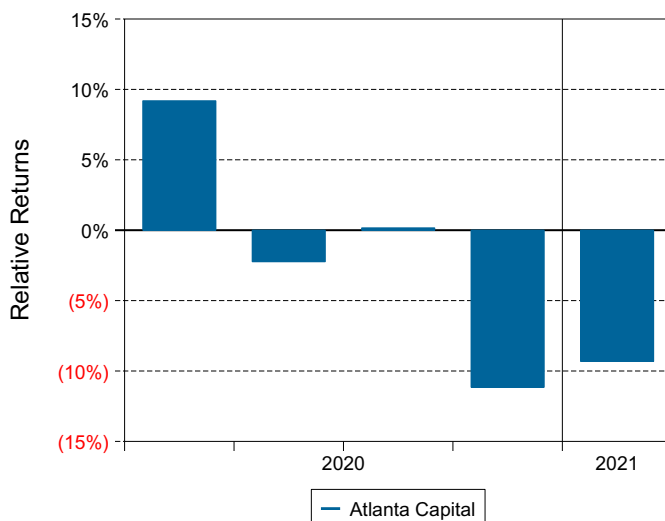
Quarterly Asset Growth

Beginning Market Value	\$224,106,148
Net New Investment	\$-20,325,435
Investment Gains/(Losses)	\$19,218,917
Ending Market Value	\$222,999,630

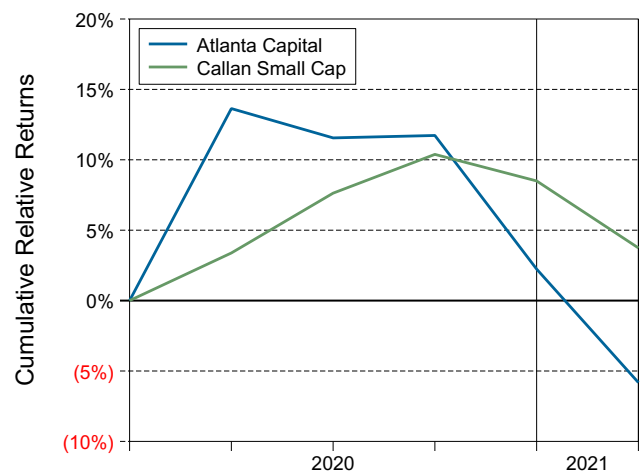
Performance vs Callan Small Capitalization (Gross)



Relative Return vs S&P 600 Small Cap Index



Cumulative Returns vs S&P 600 Small Cap Index



Riverbridge Small Cap Growth Period Ended March 31, 2021

Investment Philosophy

Riverbridge believes earnings power determines the value of a franchise. They focus on companies that are building earnings power and intrinsic value of the company over long periods of time. They also look for high-quality growth companies that demonstrate the ability to sustain strong secular earnings growth, regardless of overall economic conditions.

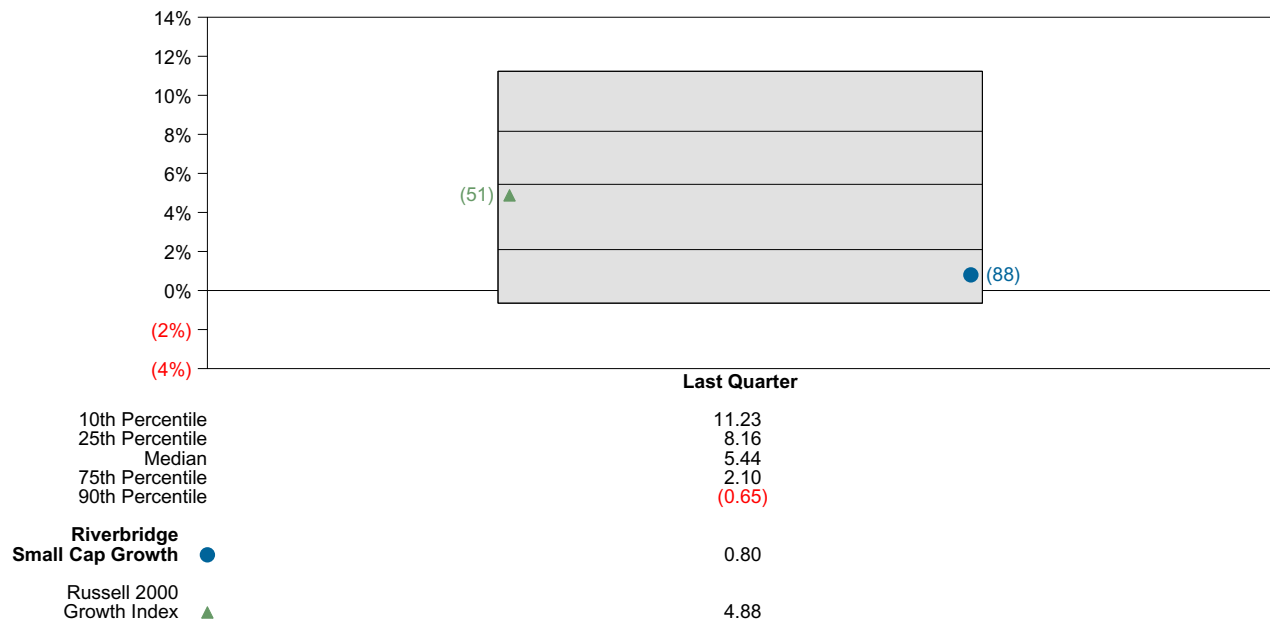
Quarterly Summary and Highlights

- Riverbridge Small Cap Growth's portfolio posted a 0.80% return for the quarter placing it in the 88 percentile of the Callan Small Cap Growth group for the quarter.
- Riverbridge Small Cap Growth's portfolio underperformed the Russell 2000 Growth Index by 4.07% for the quarter.

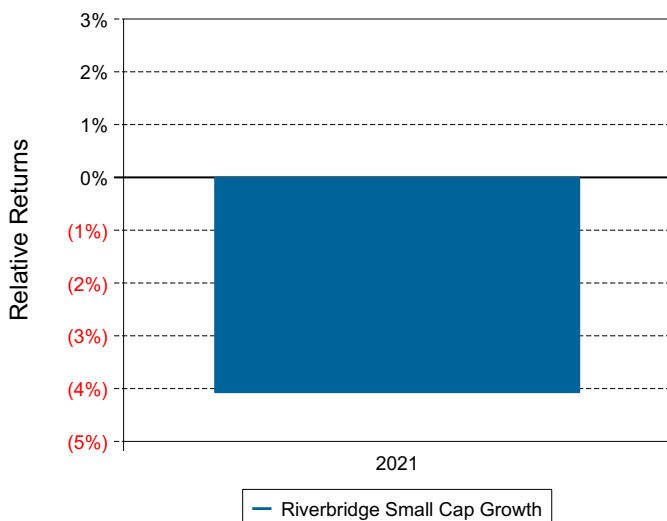
Quarterly Asset Growth

Beginning Market Value	\$247,599,130
Net New Investment	\$-30,279,804
Investment Gains/(Losses)	\$3,284,179
Ending Market Value	\$220,603,506

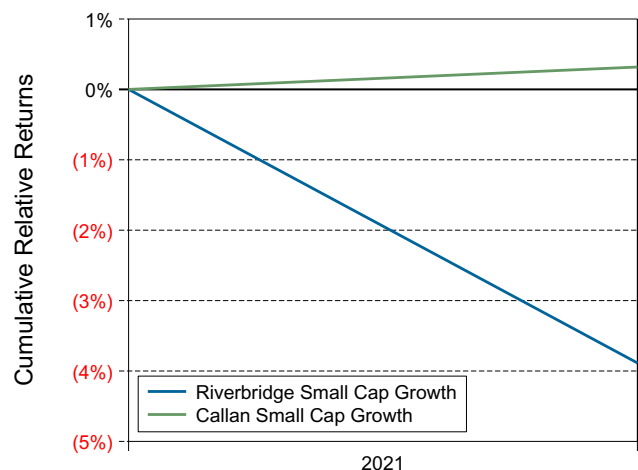
Performance vs Callan Small Cap Growth (Gross)



Relative Return vs Russell 2000 Growth Index



Cumulative Returns vs Russell 2000 Growth Index



Sycamore Small Cap Value

Period Ended March 31, 2021

Investment Philosophy

The Small Cap Value strategy employs a bottom-up investment process to build a diversified portfolio of small cap companies that the investment team believes to possess each of the following attributes: better business with above-average financial strength, an exploitable valuation disparity between the current market value and the estimated fair value, and finally, the prospect for improving fundamentals.

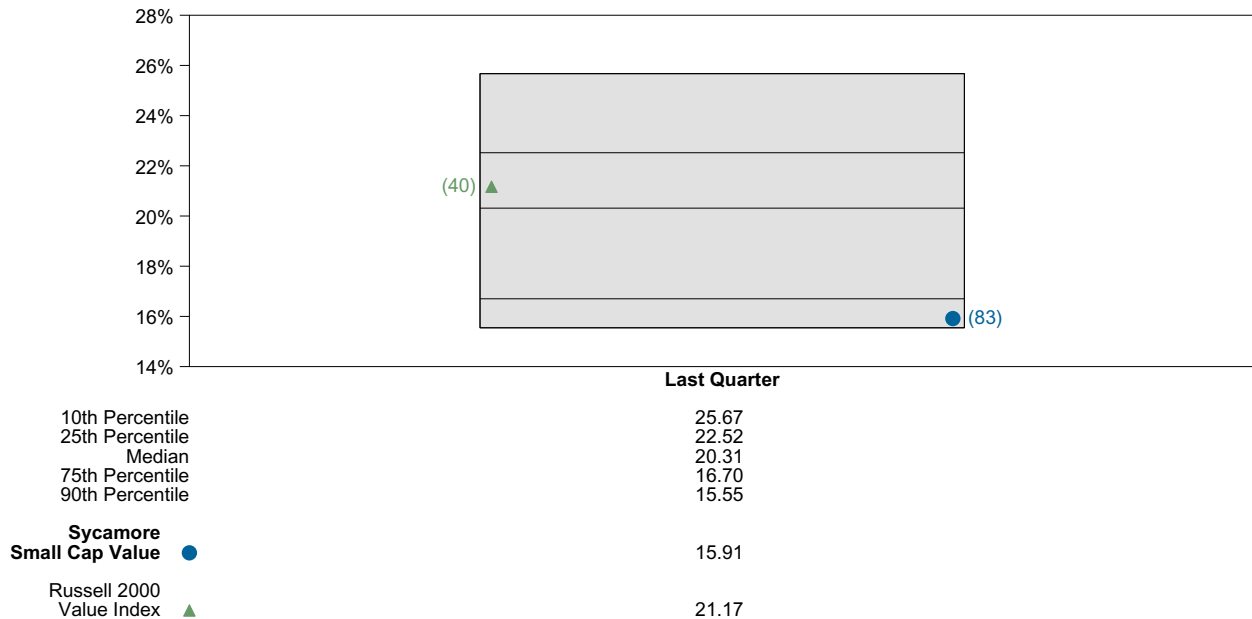
Quarterly Summary and Highlights

- Sycamore Small Cap Value's portfolio posted a 15.91% return for the quarter placing it in the 83 percentile of the Callan Small Cap Value group for the quarter.
- Sycamore Small Cap Value's portfolio underperformed the Russell 2000 Value Index by 5.25% for the quarter.

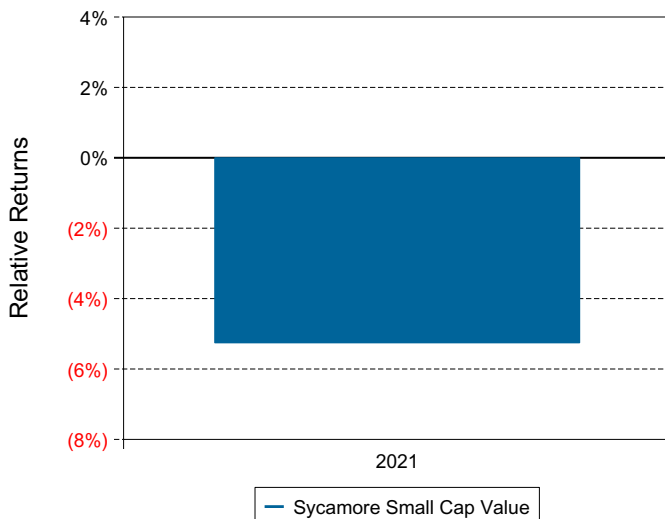
Quarterly Asset Growth

Beginning Market Value	\$238,761,363
Net New Investment	\$-30,230,654
Investment Gains/(Losses)	\$34,968,250
Ending Market Value	\$243,498,958

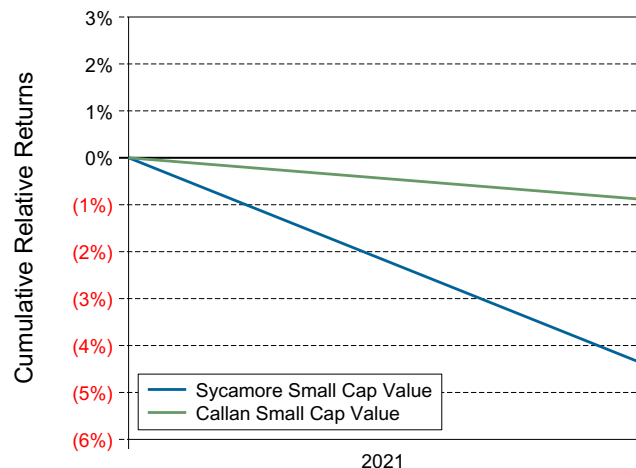
Performance vs Callan Small Cap Value (Gross)



Relative Return vs Russell 2000 Value Index



Cumulative Returns vs Russell 2000 Value Index



International Equity Period Ended March 31, 2021

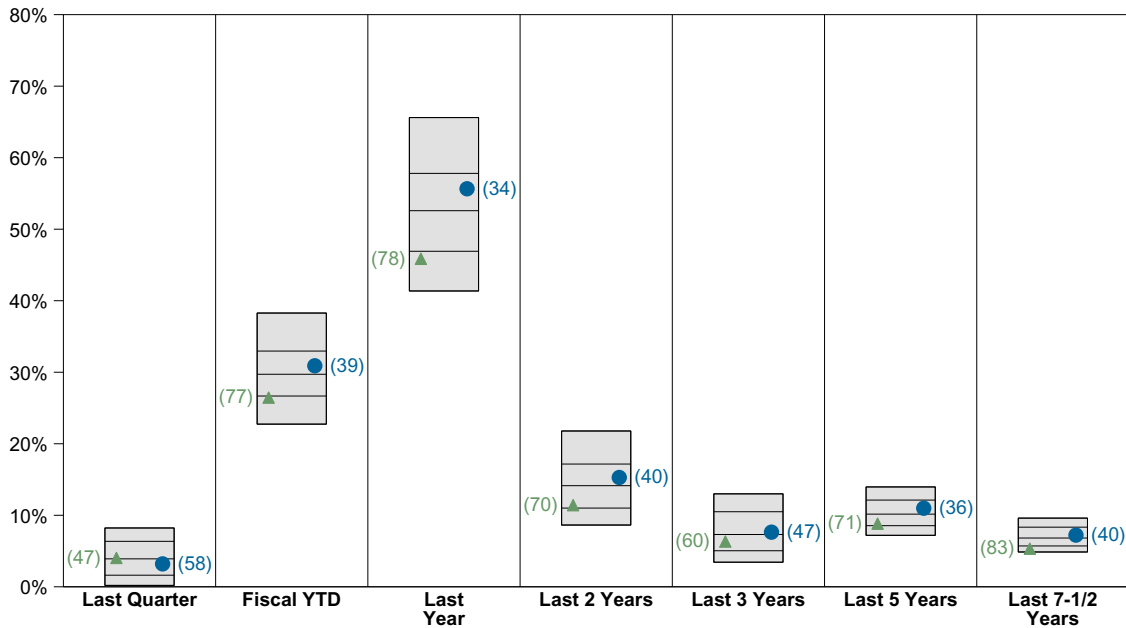
Quarterly Summary and Highlights

- International Equity's portfolio posted a 3.20% return for the quarter placing it in the 58 percentile of the Callan Non-US Equity group for the quarter and in the 34 percentile for the last year.
- International Equity's portfolio underperformed the International Equity Target by 0.84% for the quarter and outperformed the International Equity Target for the year by 9.79%.

Quarterly Asset Growth

Beginning Market Value	\$1,660,137,490
Net New Investment	\$-1,194,549
Investment Gains/(Losses)	\$53,168,968
Ending Market Value	\$1,712,111,909

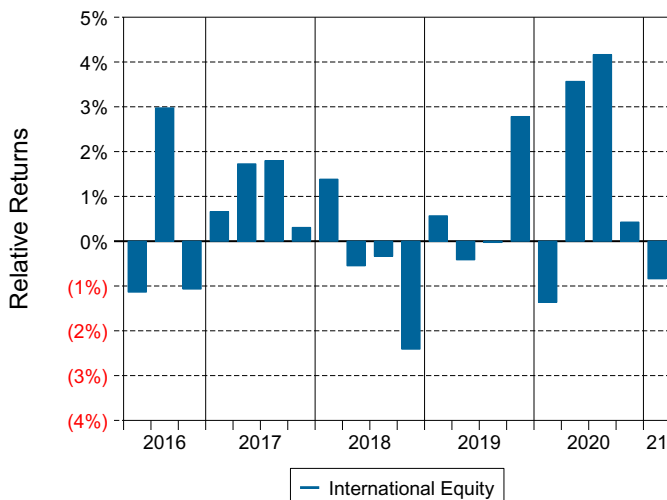
Performance vs Callan Non-US Equity (Gross)



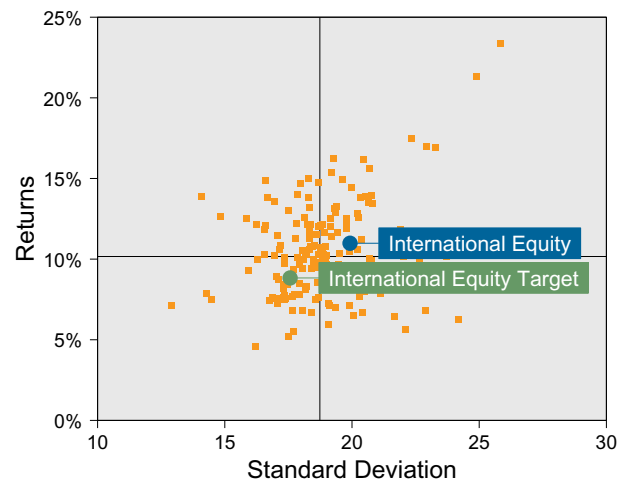
10th Percentile	8.23	38.28	65.61	21.78	13.00	13.96	9.60
25th Percentile	6.36	32.96	57.80	17.16	10.50	12.12	8.34
Median	3.91	29.72	52.59	14.14	7.31	10.16	6.82
75th Percentile	1.62	26.67	46.91	11.01	5.04	8.55	5.71
90th Percentile	0.19	22.75	41.36	8.63	3.44	7.20	4.86

International Equity ●	3.20	30.90	55.65	15.28	7.64	10.98	7.23
International Equity Target ▲	4.04	26.46	45.86	11.42	6.34	8.83	5.33

Relative Return vs International Equity Target



Callan Non-US Equity (Gross) Annualized Five Year Risk vs Return



DFA Intl Small Cap Value Period Ended March 31, 2021

Investment Philosophy

The International Small Cap Value Portfolio invests in the stocks of small, non-US developed markets companies that Dimensional believes to be value stocks at the time of purchase. Specifically, it looks at companies that fall within the smallest 8-10% of each country's market capitalization, and who's shares have a high book value in relation to their market value (BtM). It does not invest in emerging markets.

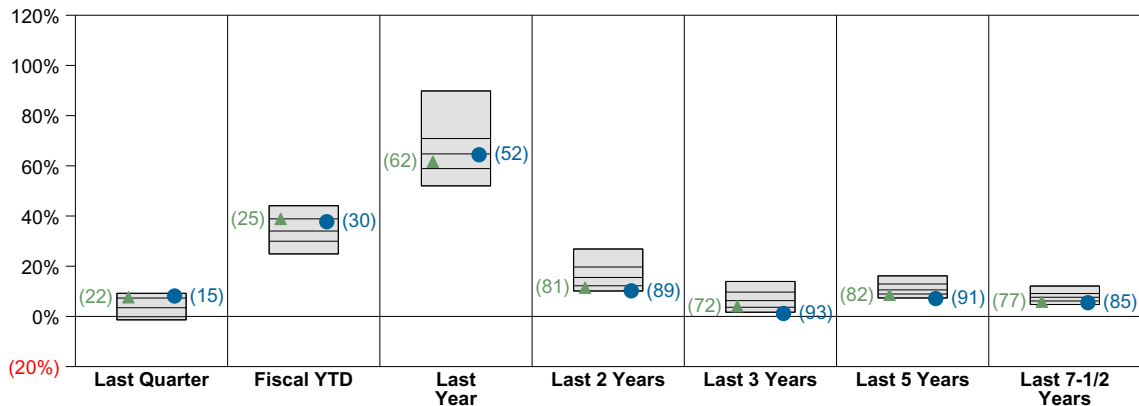
Quarterly Summary and Highlights

- DFA Intl Small Cap Value's portfolio posted a 8.14% return for the quarter placing it in the 15 percentile of the Callan International Small Cap Mut Funds group for the quarter and in the 52 percentile for the last year.
- DFA Intl Small Cap Value's portfolio outperformed the World ex US SC Value by 0.49% for the quarter and outperformed the World ex US SC Value for the year by 2.75%.

Quarterly Asset Growth

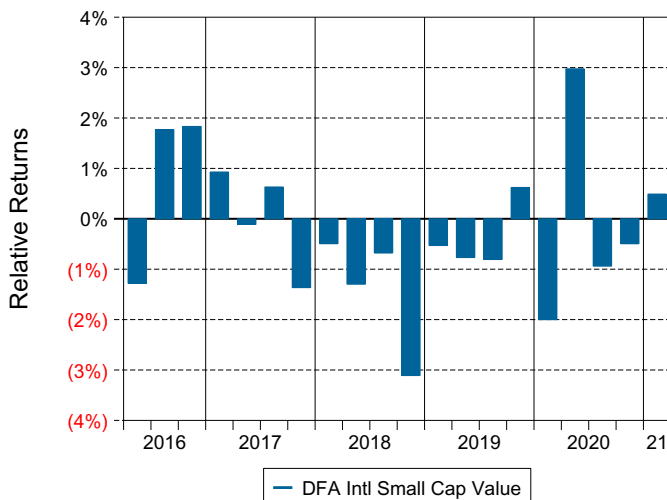
Beginning Market Value	\$176,135,801
Net New Investment	\$0
Investment Gains/(Losses)	\$14,335,591
Ending Market Value	\$190,471,392

Performance vs Callan International Small Cap Mut Funds (Net)

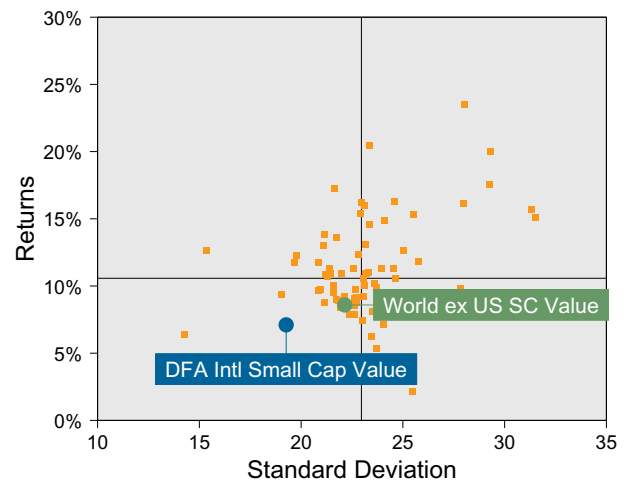


10th Percentile	9.20	44.10	89.83	26.86	13.93	16.16	12.10
25th Percentile	7.32	38.86	70.88	19.68	9.69	12.90	9.12
Median	3.46	34.02	64.75	15.51	6.29	10.57	7.63
75th Percentile	(0.13)	29.95	58.89	12.21	3.64	8.92	6.15
90th Percentile	(1.37)	24.91	52.02	10.13	1.66	7.34	4.73
DFA Intl Small Cap Value	● 8.14	37.72	64.42	10.19	1.15	7.11	5.46
World ex US SC Value	▲ 7.65	38.88	61.67	11.46	4.07	8.59	5.90

Relative Return vs World ex US SC Value



Callan International Small Cap Mut Funds (Net) Annualized Five Year Risk vs Return



LSV Intl Value

Period Ended March 31, 2021

Investment Philosophy

The objective of LSV Asset Management's International Large Cap Value strategy is to outperform the MSCI EAFE Index by at least 250 basis points (gross of fees) per annum over an annualized 3-5 year period with a tracking error of approximately 5-6%. Their stock selection process is a quantitative approach that ranks a broad universe of stocks on a combination of value and momentum factors and seeks to invest approximately 150 stocks in the most attractive securities possible within strict risk parameters to control the portfolio's tracking error relative to the benchmark. The resulting portfolio is broadly diversified across industry groups and fully invested. LSV weights countries at a neutral weight relative to the benchmark country weights. 50% of the portfolio is US dollar hedged.

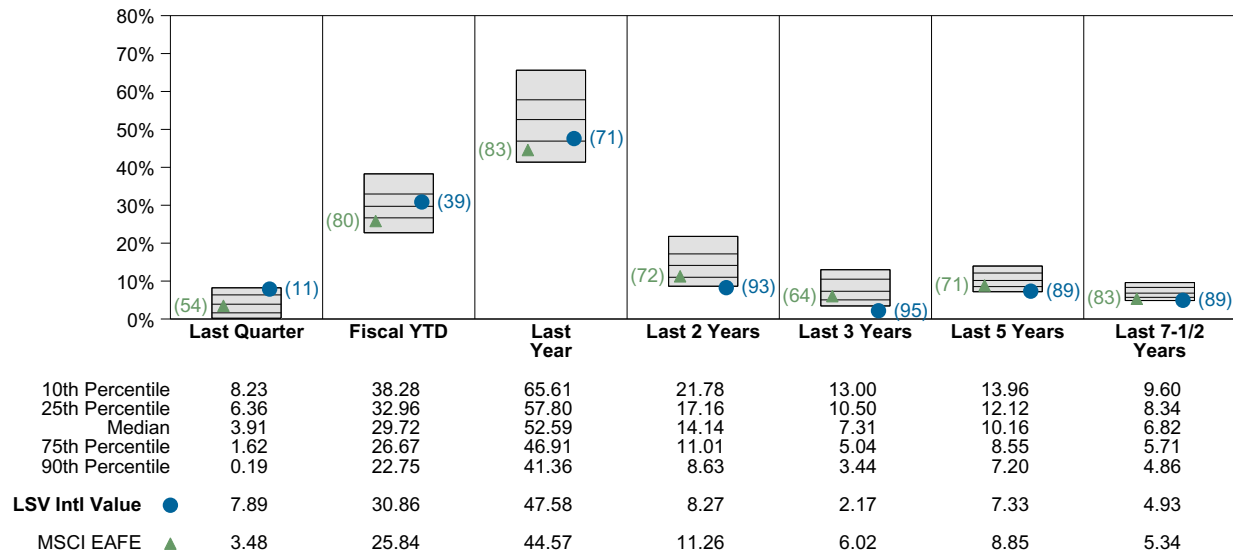
Quarterly Summary and Highlights

- LSV Intl Value's portfolio posted a 7.89% return for the quarter placing it in the 11 percentile of the Callan Non-US Equity group for the quarter and in the 71 percentile for the last year.
- LSV Intl Value's portfolio outperformed the MSCI EAFE by 4.41% for the quarter and outperformed the MSCI EAFE for the year by 3.01%.

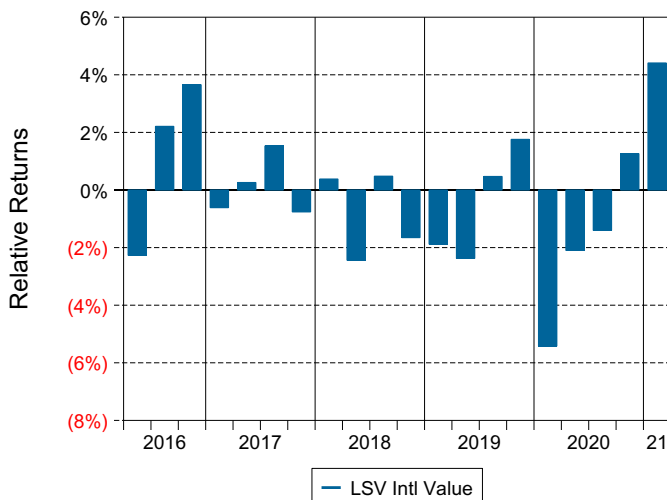
Quarterly Asset Growth

Beginning Market Value	\$516,778,417
Net New Investment	\$-502,963
Investment Gains/(Losses)	\$40,722,744
Ending Market Value	\$556,998,198

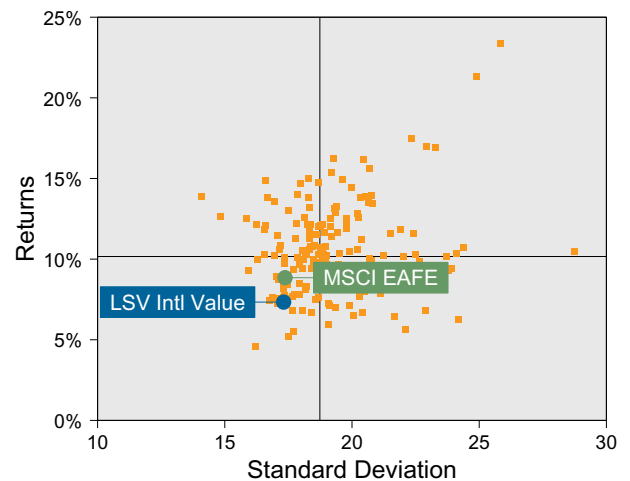
Performance vs Callan Non-US Equity (Gross)



Relative Return vs MSCI EAFE



Callan Non-US Equity (Gross) Annualized Five Year Risk vs Return



Vanguard Intl Explorer Fund

Period Ended March 31, 2021

Investment Philosophy

Vanguard International Explorer Fund invests primarily in the equity securities of small-capitalization companies located outside the United States that the advisor believes offer the potential for long-term capital appreciation. The advisor considers, among other things, whether a company is likely to have above-average earnings growth, whether the company's securities are attractively valued, and whether the company has any proprietary advantages.

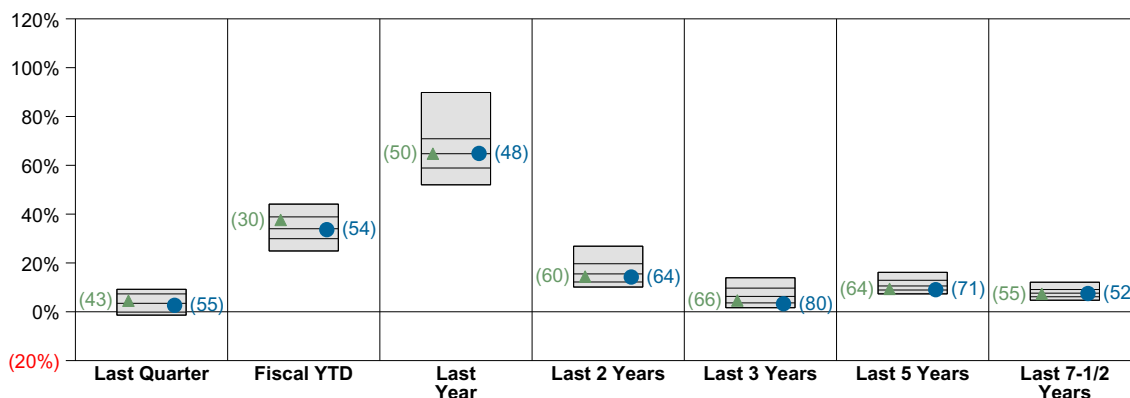
Quarterly Summary and Highlights

- Vanguard Intl Explorer Fund's portfolio posted a 2.65% return for the quarter placing it in the 55 percentile of the Callan International Small Cap Mut Funds group for the quarter and in the 48 percentile for the last year.
- Vanguard Intl Explorer Fund's portfolio underperformed the S&P BMI EPAC <\$2 B by 1.88% for the quarter and outperformed the S&P BMI EPAC <\$2 B for the year by 0.11%.

Quarterly Asset Growth

Beginning Market Value	\$181,092,833
Net New Investment	\$0
Investment Gains/(Losses)	\$4,793,634
Ending Market Value	\$185,886,466

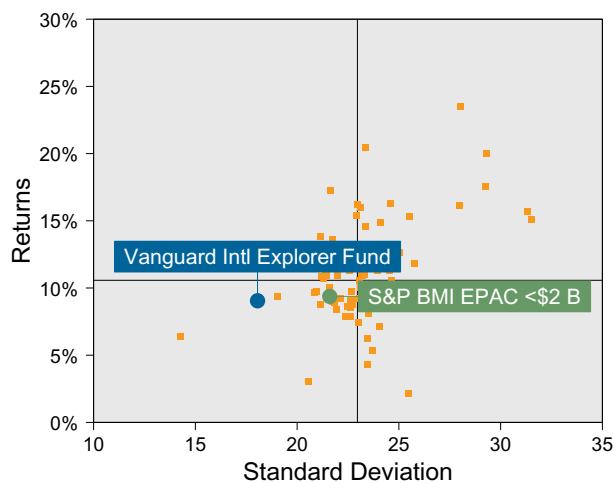
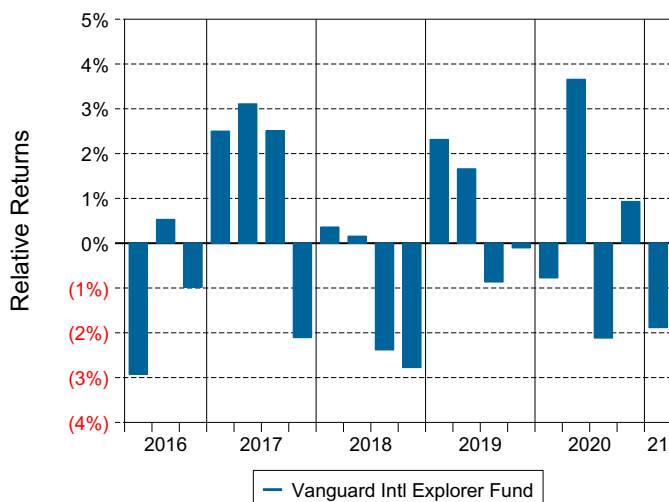
Performance vs Callan International Small Cap Mut Funds (Net)



10th Percentile	9.20	44.10	89.83	26.86	13.93	16.16	12.10
25th Percentile	7.32	38.86	70.88	19.68	9.69	12.90	9.12
Median	3.46	34.02	64.75	15.51	6.29	10.57	7.63
75th Percentile	(0.13)	29.95	58.89	12.21	3.64	8.92	6.15
90th Percentile	(1.37)	24.91	52.02	10.13	1.66	7.34	4.73

Callan International Small Cap Mut Funds (Net) Annualized Five Year Risk vs Return

Relative Return vs S&P BMI EPAC <\$2 B



William Blair

Period Ended March 31, 2021

Investment Philosophy

One of the basic investment tenets of William Blair & Company has been its focus on quality growth companies. They believe that investing in quality growth companies will generate above average results with generally less risk than the market. This opportunity exists because they believe the market underestimates the durability and rate of growth in companies that have the following characteristics: strong management with a unique vision, competitive advantages that prolong the duration and size of earnings growth, and conservative financing. Internationally, they believe that this philosophy can be combined with strategic flexibility in managing geographic exposure, capitalization, sector emphasis, and relative growth and valuation at the portfolio level in order to provide an appropriate degree of adaptability to cyclical conditions.

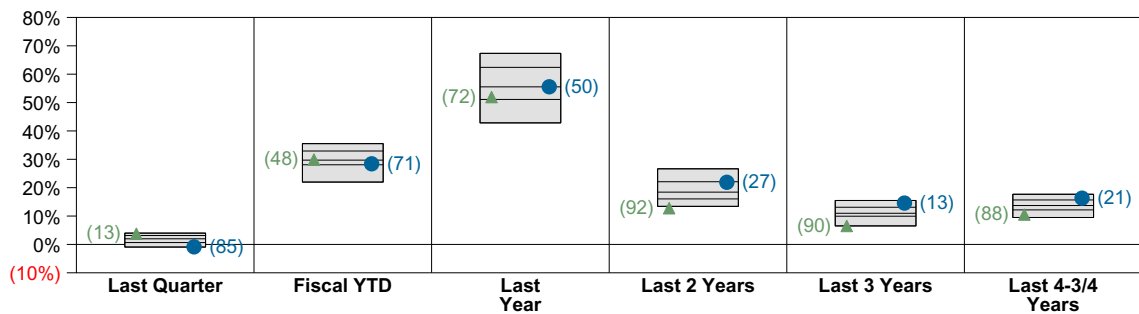
Quarterly Summary and Highlights

- William Blair's portfolio posted a (0.85)% return for the quarter placing it in the 85 percentile of the Callan Non-US All Country Growth Equity group for the quarter and in the 50 percentile for the last year.
- William Blair's portfolio underperformed the MSCI ACWI ex US IMI by 4.62% for the quarter and outperformed the MSCI ACWI ex US IMI for the year by 3.61%.

Quarterly Asset Growth

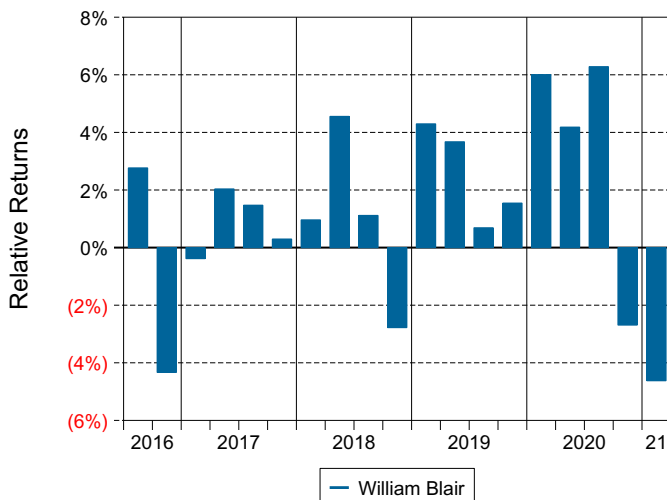
Beginning Market Value	\$786,130,440
Net New Investment	\$-691,586
Investment Gains/(Losses)	\$-6,683,001
Ending Market Value	\$778,755,853

Performance vs Callan Non-US All Country Growth Equity (Gross)

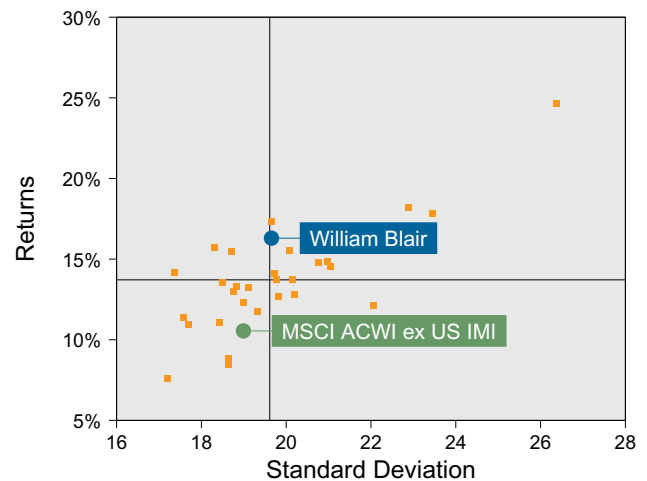


	Last Quarter	Fiscal YTD	Last Year	Last 2 Years	Last 3 Years	Last 4-3/4 Years
10th Percentile	3.99	35.53	67.34	26.65	15.49	17.68
25th Percentile	3.14	32.92	62.41	22.10	13.10	15.68
Median	1.98	29.71	55.53	18.43	10.98	13.71
75th Percentile	0.66	28.07	51.10	16.04	9.95	12.17
90th Percentile	(0.93)	21.97	42.84	13.41	6.53	9.49
William Blair	(0.85)	28.41	55.55	21.90	14.57	16.30
MSCI ACWI ex US IMI	3.77	29.91	51.94	12.76	6.51	10.55

Relative Return vs MSCI ACWI ex US IMI



Callan Non-US All Country Growth Equity (Gross) Annualized Four and Three-Quarter Year Risk vs Return



Sixth Street TAO

Period Ended March 31, 2021

Investment Philosophy

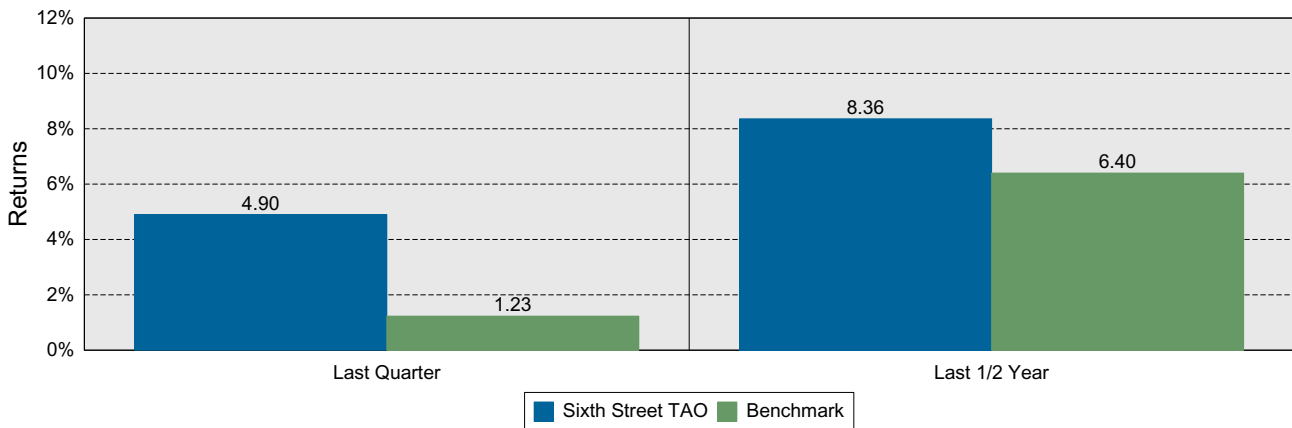
Sixth Street Partners' TAO strategy is an opportunistic, theme-driven multi-strategy credit mandate that seeks to leverage the firm's entire credit platform by investing in theme-driven liquid and less liquid investments across a broad array of credit-oriented opportunities. The strategy invests in opportunities sourced across the firm that feature attractive risk/reward profiles but do not fit the investment mandates of SSP's Special Situations, Direct Lending and Fundamental Strategies platforms, thereby carrying the moniker "Adjacent Opportunities". These opportunities can be an outgrowth of certain conditions: non-control positions with attractive risk-reward profiles; higher return, low money multiples due to short duration situations; and longer duration opportunities with low macroeconomic correlations. **The Benchmark is comprised of 50% S&P/LSTA Leveraged Loan B and 50% Blmbg HY Corp 2% Issue.**

Quarterly Summary and Highlights

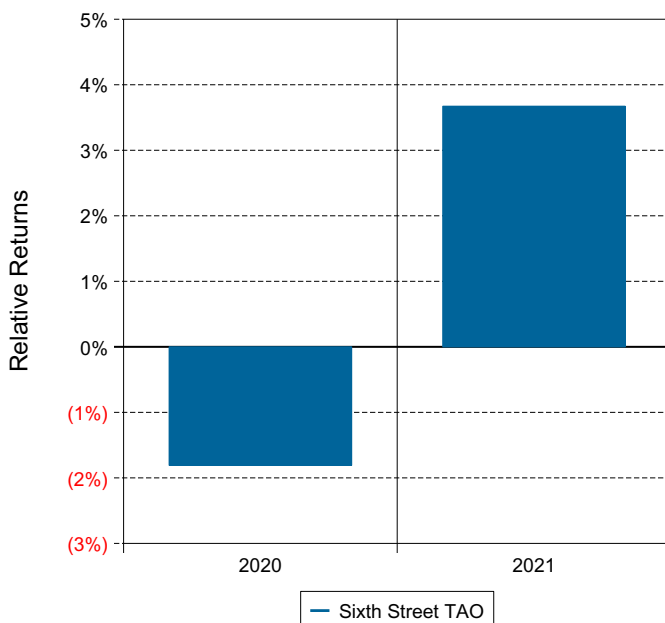
- Sixth Street TAO's portfolio outperformed the Benchmark by 3.67% for the quarter and outperformed the Benchmark for the one-half year by 1.96%.

Quarterly Asset Growth

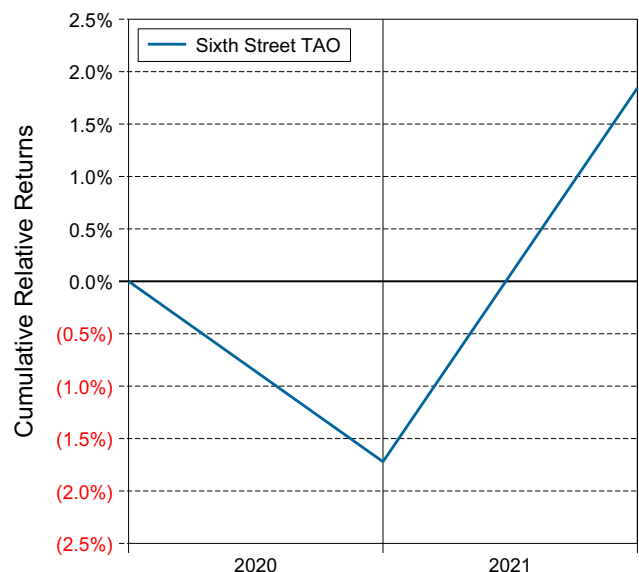
Beginning Market Value	\$7,160,525
Net New Investment	\$3,929,588
Investment Gains/(Losses)	\$404,282
Ending Market Value	\$11,494,395



Relative Return vs Benchmark



Cumulative Returns vs Benchmark



Domestic Fixed Income Period Ended March 31, 2021

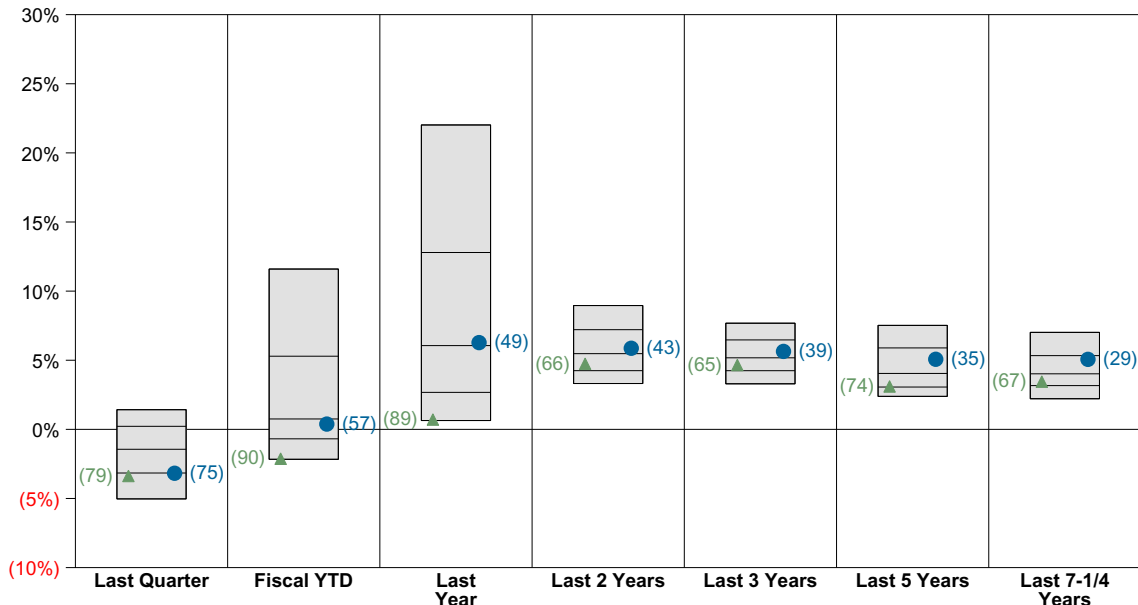
Quarterly Summary and Highlights

- Domestic Fixed Income's portfolio posted a (3.17)% return for the quarter placing it in the 75 percentile of the Total Domestic Fixed-Inc Database group for the quarter and in the 49 percentile for the last year.
- Domestic Fixed Income's portfolio outperformed the Domestic Fixed Income Target by 0.20% for the quarter and outperformed the Domestic Fixed Income Target for the year by 5.57%.

Quarterly Asset Growth

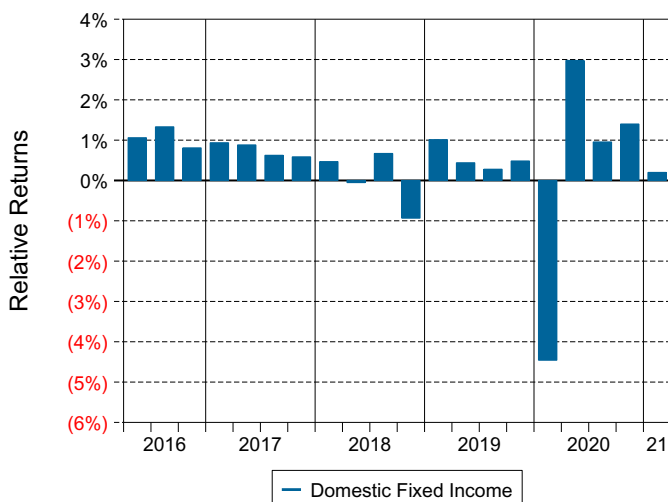
Beginning Market Value	\$2,764,119,570
Net New Investment	\$182,669,757
Investment Gains/(Losses)	\$-91,584,025
Ending Market Value	\$2,855,205,303

Performance vs Total Domestic Fixed-Inc Database (Gross)



10th Percentile	1.42	11.60	22.02	8.96	7.68	7.52	7.01
25th Percentile	0.22	5.29	12.79	7.21	6.47	5.89	5.33
Median	(1.44)	0.75	6.06	5.48	5.18	4.04	4.02
75th Percentile	(3.16)	(0.68)	2.68	4.25	4.24	3.06	3.17
90th Percentile	(5.03)	(2.17)	0.64	3.32	3.29	2.39	2.21
Domestic Fixed Income	● (3.17)	0.38	6.28	5.87	5.64	5.07	5.06
Domestic Fixed Income Target	▲ (3.37)	(2.12)	0.71	4.74	4.65	3.10	3.45

Relative Returns vs Domestic Fixed Income Target



Total Domestic Fixed-Inc Database (Gross) Annualized Five Year Risk vs Return



Ares ND Credit Strategies Fd Period Ended March 31, 2021

Quarterly Summary and Highlights

- Ares ND Credit Strategies Fd's portfolio posted a 3.43% return for the quarter placing it in the 3 percentile of the Callan High Yield Mutual Funds group for the quarter and in the 100 percentile for the last year.
- Ares ND Credit Strategies Fd's portfolio outperformed the S&P/LSTA Leveraged Loan B Index by 1.82% for the quarter and underperformed the S&P/LSTA Leveraged Loan B Index for the year by 17.48%.

Quarterly Asset Growth

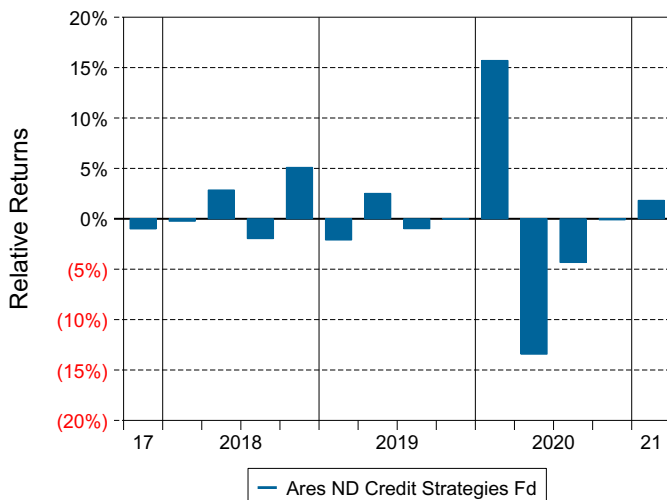
Beginning Market Value	\$80,937,088
Net New Investment	\$0
Investment Gains/(Losses)	\$2,773,572
Ending Market Value	\$83,710,660

Performance vs Callan High Yield Mutual Funds (Net)

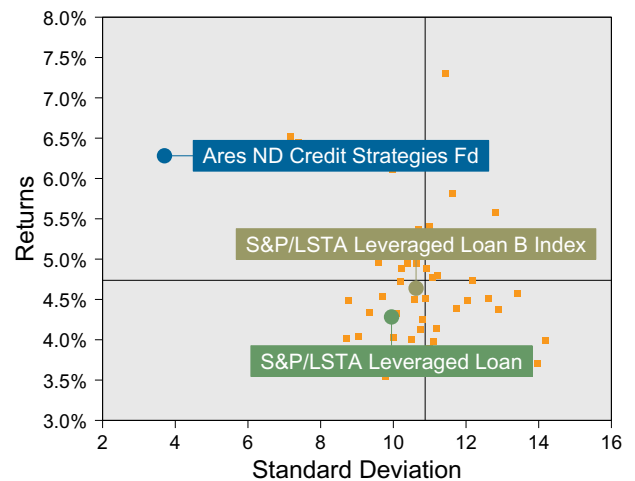


10th Percentile	2.14	15.47	27.41	8.09	7.05	6.00
25th Percentile	1.36	13.40	24.95	7.04	6.37	5.19
Median	0.70	11.68	22.05	6.47	5.77	4.74
75th Percentile	0.30	10.44	20.33	5.64	5.28	4.20
90th Percentile	(0.06)	8.89	17.74	5.13	4.82	3.93
Ares ND Credit Strategies Fd	● A	3.43	7.23	4.75	6.63	6.28
S&P/LSTA Leveraged Loan	■ B	1.78	10.03	20.71	4.71	4.13
S&P/LSTA Leveraged Loan B Index	▲	1.60	10.01	22.23	5.18	4.54

Relative Returns vs S&P/LSTA Leveraged Loan B Index



Callan High Yield Mutual Funds (Net) Annualized Three and One-Half Year Risk vs Return



Cerberus ND Private Credit Fd Period Ended March 31, 2021

Investment Philosophy

The investment objective of the LLC is to achieve superior risk-adjusted rates of return primarily through origination of, and investment in, secured debt assets consistent with the Loan Opportunities Strategy of the Cerberus Business Finance lending platform ("CBF", "Cerberus Business Finance" or the "Cerberus Lending Platform"). The Cerberus Lending Platform is a direct origination and lending business focused on providing secured debt primarily to U.S. middle-market companies. The LLC expects to generate both current income and capital appreciation.

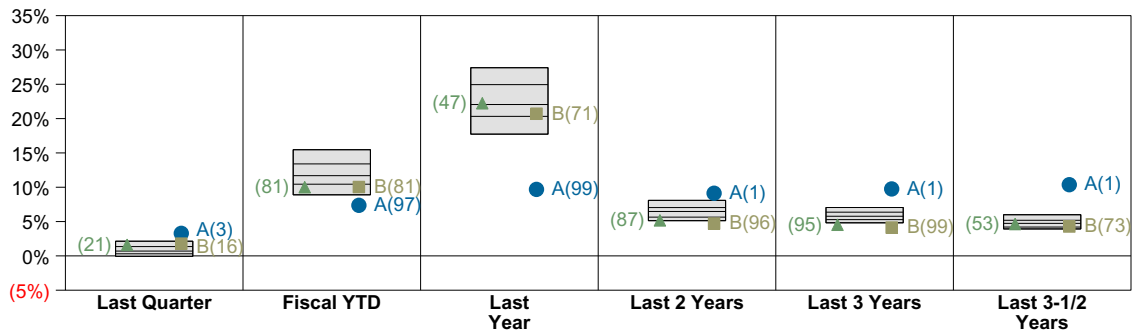
Quarterly Summary and Highlights

- Cerberus ND Private Credit Fd's portfolio posted a 3.28% return for the quarter placing it in the 3 percentile of the Callan High Yield Mutual Funds group for the quarter and in the 99 percentile for the last year.
- Cerberus ND Private Credit Fd's portfolio outperformed the S&P/LSTA Leveraged Loan B Index by 1.68% for the quarter and underperformed the S&P/LSTA Leveraged Loan B Index for the year by 12.55%.

Quarterly Asset Growth

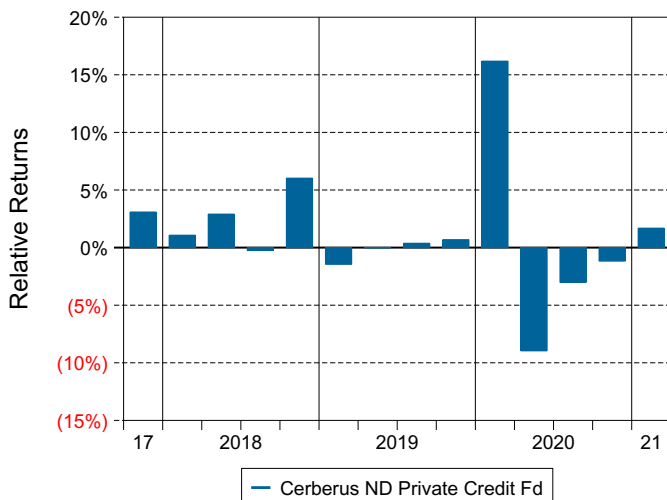
Beginning Market Value	\$116,687,521
Net New Investment	\$-11,250,000
Investment Gains/(Losses)	\$3,800,958
Ending Market Value	\$109,238,479

Performance vs Callan High Yield Mutual Funds (Net)

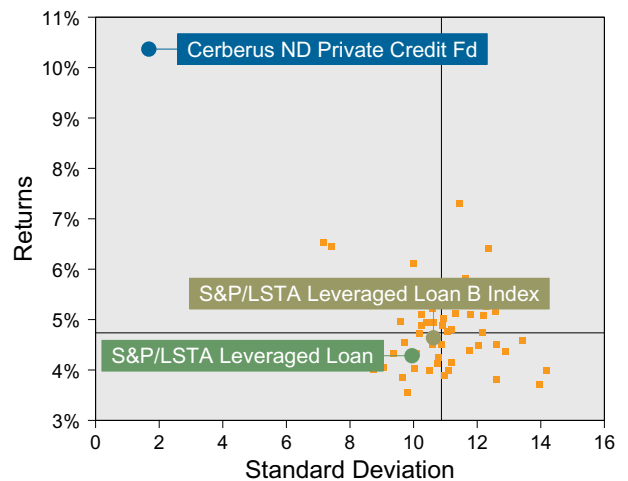


10th Percentile	2.14	15.47	27.41	8.09	7.05	6.00	
25th Percentile	1.36	13.40	24.95	7.04	6.37	5.19	
Median	0.70	11.68	22.05	6.47	5.77	4.74	
75th Percentile	0.30	10.44	20.33	5.64	5.28	4.20	
90th Percentile	(0.06)	8.89	17.74	5.13	4.82	3.93	
Cerberus ND Private Credit Fd S&P/LSTA Leveraged Loan	● A	3.28	7.37	9.69	9.13	9.75	10.37
S&P/LSTA Leveraged Loan B Index	▲	1.78	10.03	20.71	4.71	4.13	4.28
		1.60	10.01	22.23	5.18	4.54	4.64

Relative Returns vs S&P/LSTA Leveraged Loan B Index



Callan High Yield Mutual Funds (Net) Annualized Three and One-Half Year Risk vs Return



Declaration Total Return Period Ended March 31, 2021

Investment Philosophy

The Fund's portfolio holdings consist primarily of RMBS issued by private sector companies (Non-Agency RMBS) and government agencies (Agency MBS) and CMBS issued by private sector companies. Agency MBS includes securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Government National Mortgage Association (Ginnie Mae). Portfolio holdings may range from short tenure senior classes to stressed issues or subordinated securities with substantial risk of non-payment and correspondingly higher yields. Smaller portfolio allocations may include consumer asset-backed securities (ABS), or other structured credit securities and corporate bonds. As a diversification strategy and a potential hedge to credit risk, the Fund may invest in securities which tend to benefit from slow mortgage prepayments and economic growth, such as interest only (IO) MBS.

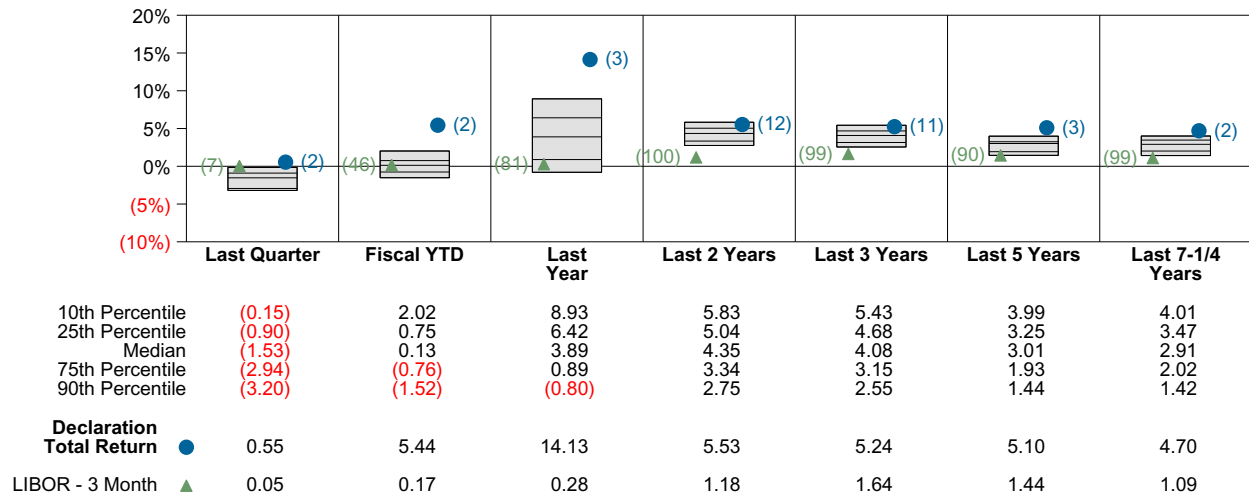
Quarterly Summary and Highlights

- Declaration Total Return's portfolio posted a 0.55% return for the quarter placing it in the 2 percentile of the Callan Intermediate Fixed Inc Mut Funds group for the quarter and in the 3 percentile for the last year.
- Declaration Total Return's portfolio outperformed the LIBOR - 3 Month by 0.50% for the quarter and outperformed the LIBOR - 3 Month for the year by 13.85%.

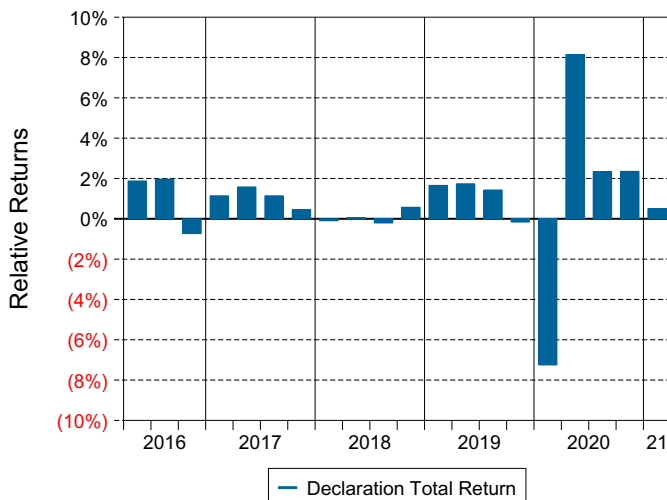
Quarterly Asset Growth

Beginning Market Value	\$205,208,297
Net New Investment	\$19,875,559
Investment Gains/(Losses)	\$1,234,730
Ending Market Value	\$226,318,586

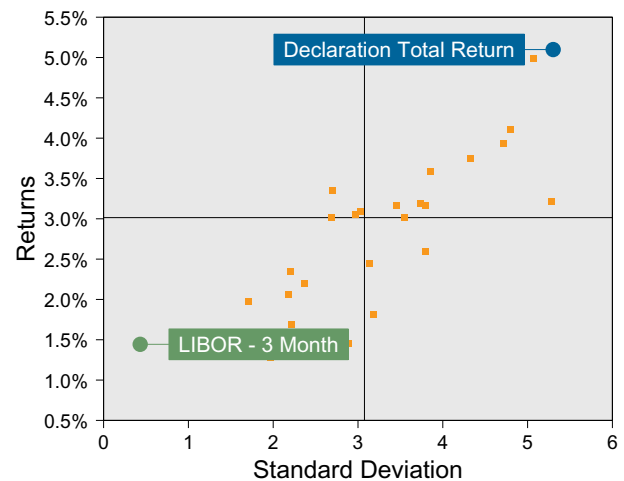
Performance vs Callan Intermediate Fixed Inc Mut Funds (Net)



Relative Return vs LIBOR - 3 Month



Callan Intermediate Fixed Inc Mut Funds (Net) Annualized Five Year Risk vs Return



PIMCO Bravo II

Period Ended March 31, 2021

Investment Philosophy

The BRAVO II Fund is a private equity style fund targeting an annualized IRR of 15-20% and multiple of 1.8-2x, net of fees and carried interest with an initial 5-year term. The fund will seek to capitalize on non-economic asset sale decisions by global financial institutions. The fund will have the flexibility to acquire attractively discounted, less liquid loans, structured credit and other assets tied to residential or commercial real estate markets in the U.S. and Europe. **Prior to July 1, 2019, the Legacy Fund participated in these portfolios via the Insurance Pool. Beginning July 1, 2019, its portion of the pool was segregated into its own portfolios. Returns prior to that date reflect the data from the Insurance pool.**

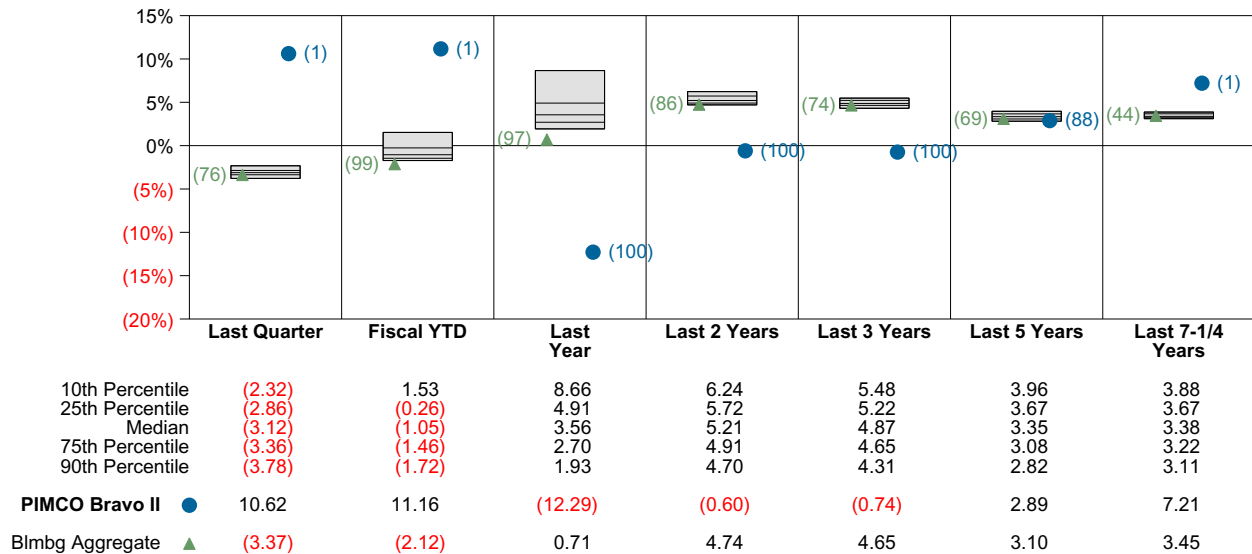
Quarterly Summary and Highlights

- PIMCO Bravo II's portfolio posted a 10.62% return for the quarter placing it in the 1 percentile of the Callan Core Bond Mutual Funds group for the quarter and in the 100 percentile for the last year.
- PIMCO Bravo II's portfolio outperformed the Blmbg Aggregate by 13.99% for the quarter and underperformed the Blmbg Aggregate for the year by 13.00%.

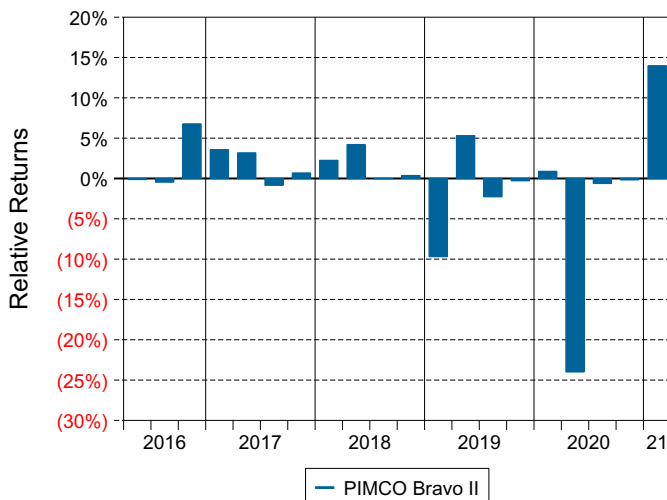
Quarterly Asset Growth

Beginning Market Value	\$6,896,853
Net New Investment	\$-845,611
Investment Gains/(Losses)	\$732,250
Ending Market Value	\$6,783,492

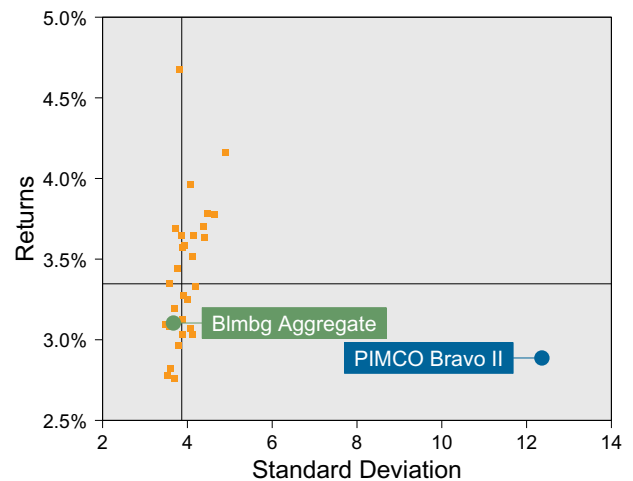
Performance vs Callan Core Bond Mutual Funds (Net)



Relative Return vs Blmbg Aggregate



Callan Core Bond Mutual Funds (Net) Annualized Five Year Risk vs Return



PIMCO DiSCO II

Period Ended March 31, 2021

Investment Philosophy

The PIMCO Distressed Senior Credit Opportunities Fund is an opportunistic private-equity style Fund which seeks to provide investors enhanced returns principally through long-biased investments in undervalued senior and super senior structured credit securities that are expected to produce attractive levels of current income and that may also appreciate in value over the long term. The fund will look to capitalize on forced sales by liquidity constrained investors. **Prior to July 1, 2019, the Legacy Fund participated in these portfolios via the Insurance Pool. Beginning July 1, 2019, its portion of the pool was segregated into its own portfolios. Returns prior to that date reflect the data from the Insurance pool.**

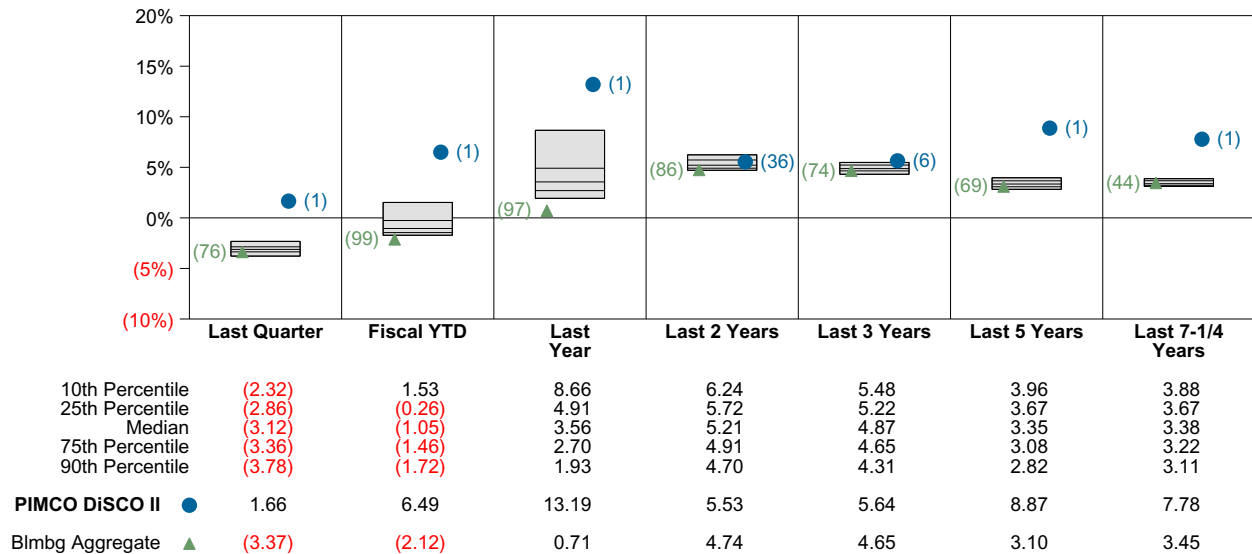
Quarterly Summary and Highlights

- PIMCO DiSCO II's portfolio posted a 1.66% return for the quarter placing it in the 1 percentile of the Callan Core Bond Mutual Funds group for the quarter and in the 1 percentile for the last year.
- PIMCO DiSCO II's portfolio outperformed the Blmbg Aggregate by 5.03% for the quarter and outperformed the Blmbg Aggregate for the year by 12.48%.

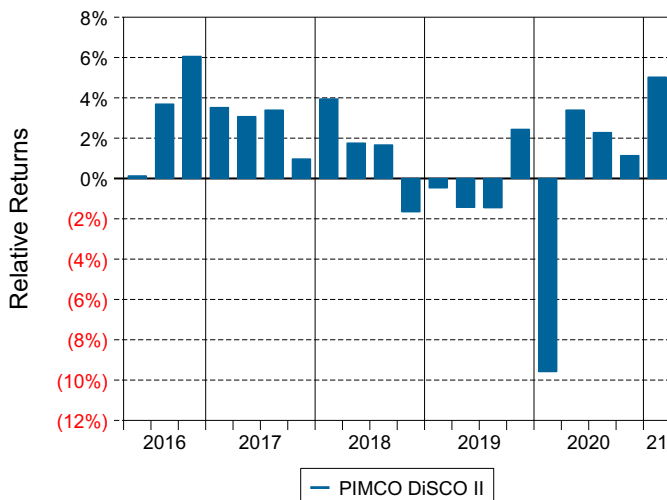
Quarterly Asset Growth

Beginning Market Value	\$60,859,820
Net New Investment	\$0
Investment Gains/(Losses)	\$1,008,410
Ending Market Value	\$61,868,230

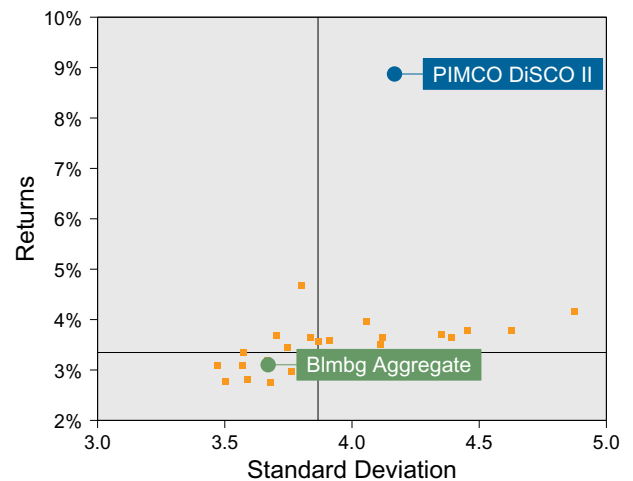
Performance vs Callan Core Bond Mutual Funds (Net)



Relative Return vs Blmbg Aggregate



Callan Core Bond Mutual Funds (Net) Annualized Five Year Risk vs Return



Prudential Period Ended March 31, 2021

Investment Philosophy

PGIM Fixed Income's Core Plus Strategy is an actively-managed strategy that seeks +150 bps over the Bloomberg Barclays U.S. Aggregate Bond Index or similar benchmark annualized over a market cycle (three to five years.) The Strategy seeks about half of its excess return from active sector allocation and up to one-third each from subsector/security selection and duration/yield curve/currencies, depending on market opportunities.

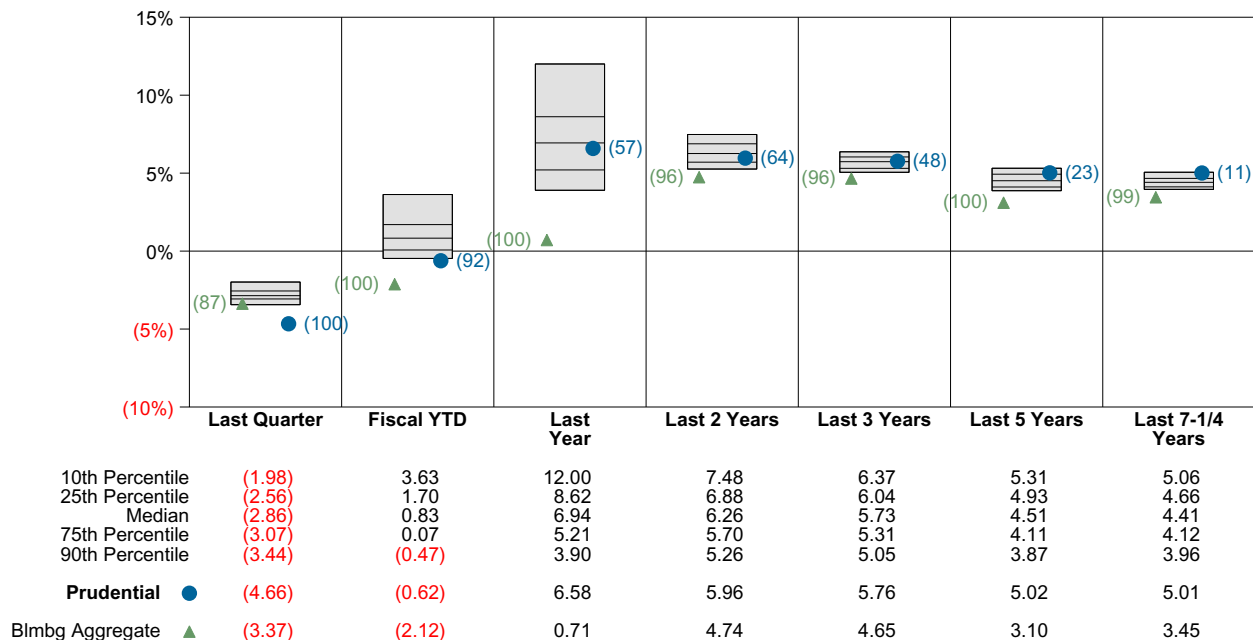
Quarterly Summary and Highlights

- Prudential's portfolio posted a (4.66)% return for the quarter placing it in the 100 percentile of the Callan Core Plus Fixed Income group for the quarter and in the 57 percentile for the last year.
- Prudential's portfolio underperformed the Blmbg Aggregate by 1.29% for the quarter and outperformed the Blmbg Aggregate for the year by 5.87%.

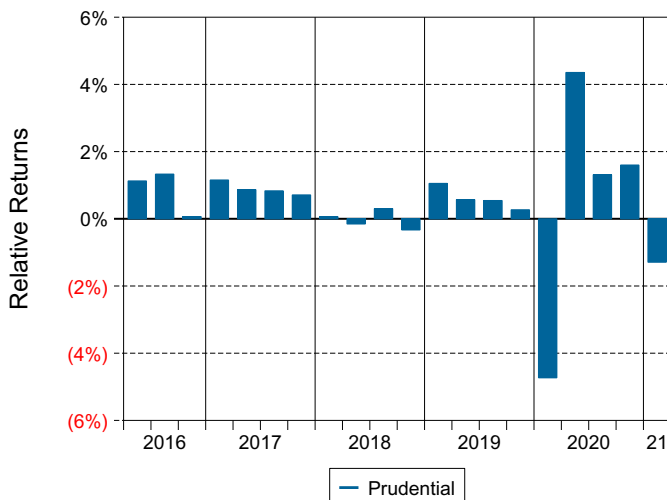
Quarterly Asset Growth

Beginning Market Value	\$828,483,288
Net New Investment	\$60,593,146
Investment Gains/(Losses)	\$-40,281,239
Ending Market Value	\$848,795,194

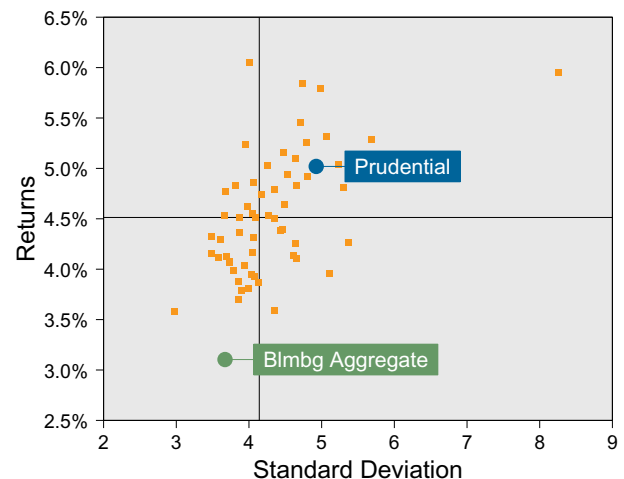
Performance vs Callan Core Plus Fixed Income (Gross)



Relative Return vs Blmbg Aggregate



Callan Core Plus Fixed Income (Gross) Annualized Five Year Risk vs Return



SSgA US Govt Credit Bd Idx Period Ended March 31, 2021

Investment Philosophy

The Fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Barclays Capital U.S. Government/Credit Bond Index over the long term.

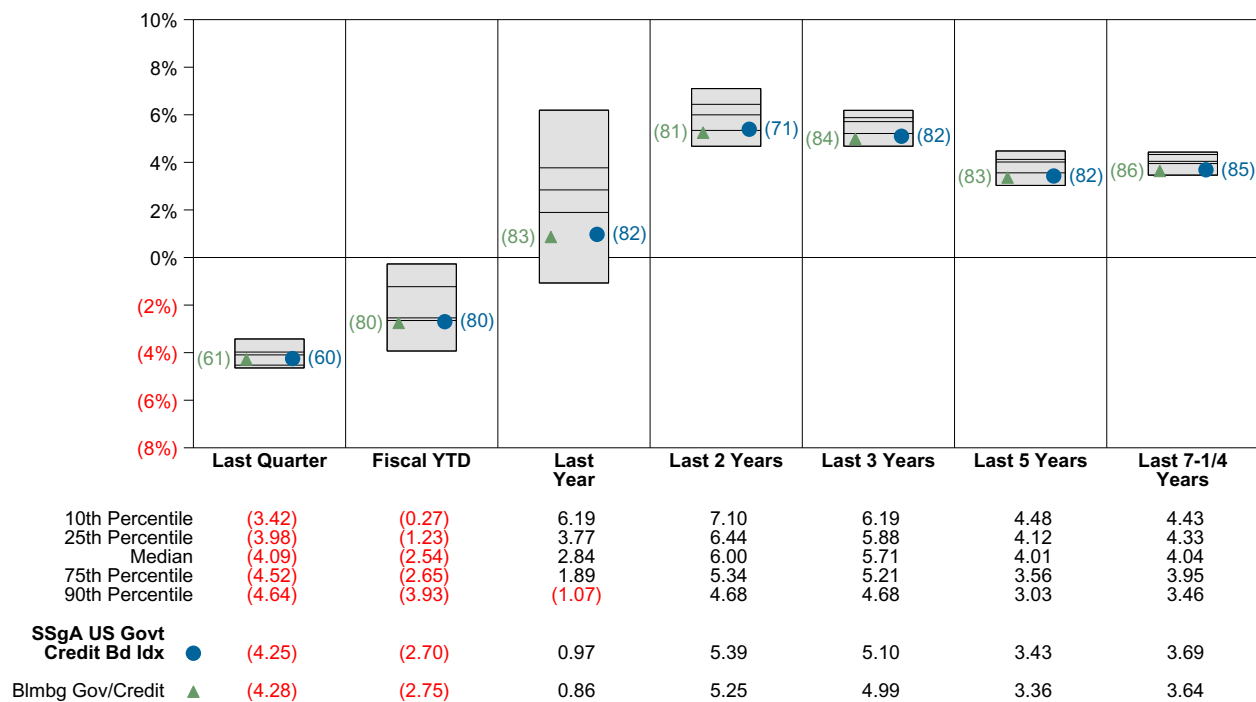
Quarterly Summary and Highlights

- SSgA US Govt Credit Bd Idx's portfolio posted a (4.25)% return for the quarter placing it in the 60 percentile of the Callan Government/Credit group for the quarter and in the 82 percentile for the last year.
- SSgA US Govt Credit Bd Idx's portfolio outperformed the Blmbg Gov/Credit by 0.03% for the quarter and outperformed the Blmbg Gov/Credit for the year by 0.11%.

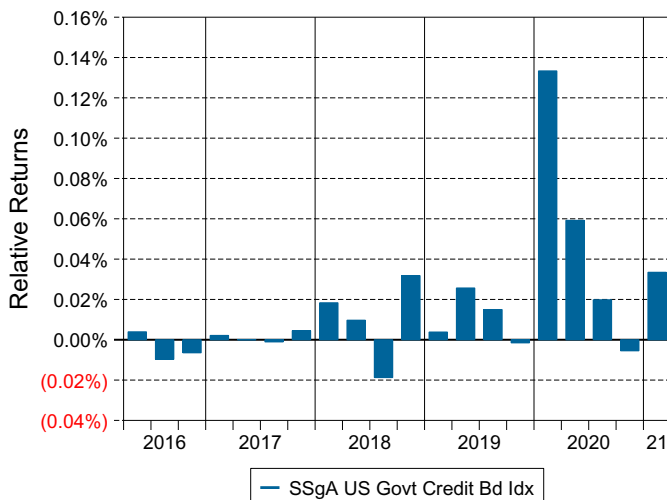
Quarterly Asset Growth

Beginning Market Value	\$403,872,464
Net New Investment	\$11,985,945
Investment Gains/(Losses)	\$-17,281,266
Ending Market Value	\$398,577,143

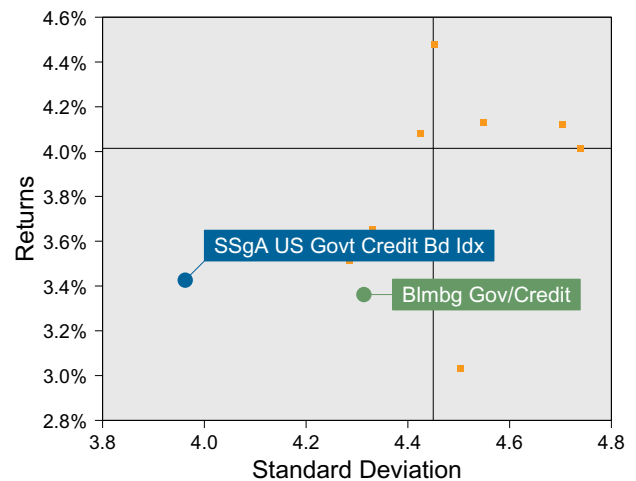
Performance vs Callan Government/Credit (Gross)



Relative Return vs Blmbg Gov/Credit



Callan Government/Credit (Gross) Annualized Five Year Risk vs Return



Wells Capital

Period Ended March 31, 2021

Investment Philosophy

The Medium Quality Credit fixed income strategy is designed to maximize total return from the high-grade corporate bond market while maintaining a strategic allocation to the BBB portion of the high yield market. The investment process for this fund starts with a "top-down" strategy. Security selection is determined by in-depth credit research, holding that in-depth knowledge of industries, companies, and their management teams can help identify credit trends that can lead to investment opportunities. Furthermore, a disciplined relative value framework is applied to help determine the optimal position to invest within an industry and within an individual issuer's capital structure.

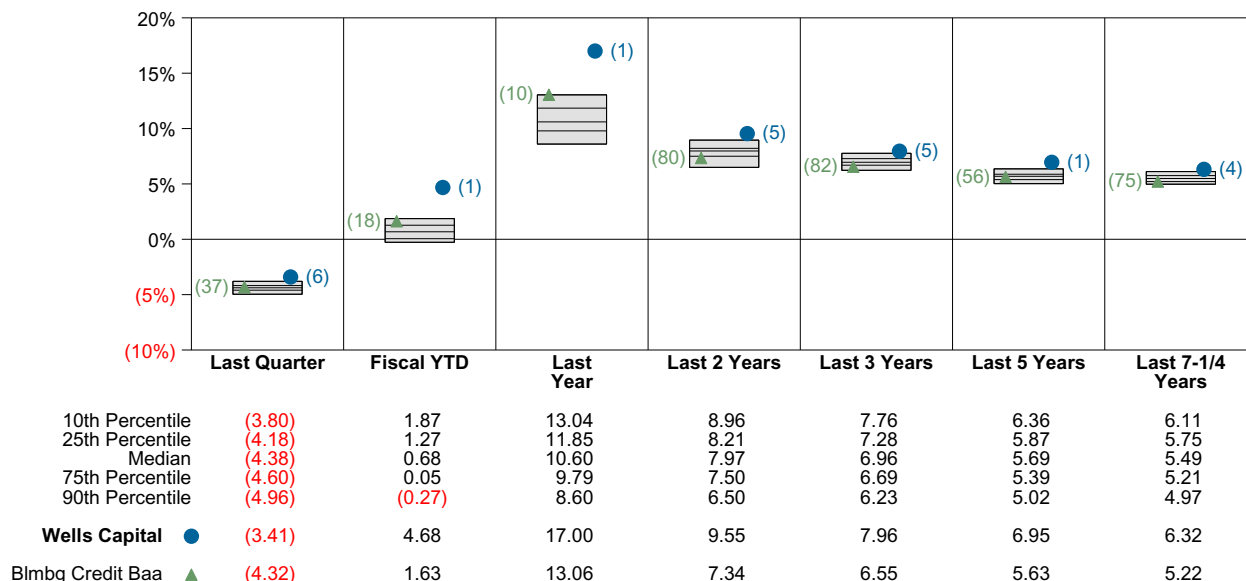
Quarterly Summary and Highlights

- Wells Capital's portfolio posted a (3.41)% return for the quarter placing it in the 6 percentile of the Callan Investment Grade Credit Fixed Inc group for the quarter and in the 1 percentile for the last year.
- Wells Capital's portfolio outperformed the Blmbg Credit Baa by 0.91% for the quarter and outperformed the Blmbg Credit Baa for the year by 3.94%.

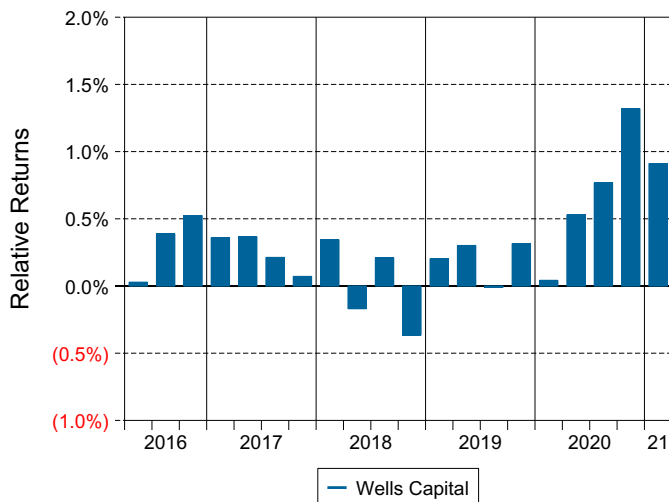
Quarterly Asset Growth

Beginning Market Value	\$206,515,875
Net New Investment	\$26,900,742
Investment Gains/(Losses)	\$-7,603,733
Ending Market Value	\$225,812,883

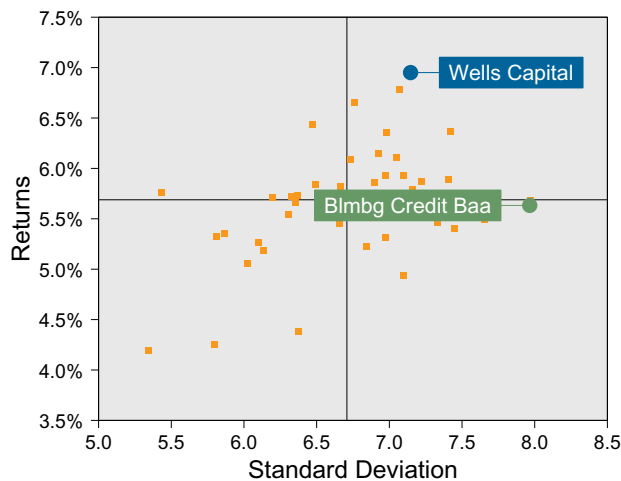
Performance vs Callan Investment Grade Credit Fixed Inc (Gross)



Relative Return vs Blmbg Credit Baa



Callan Investment Grade Credit Fixed Inc (Gross) Annualized Five Year Risk vs Return



Western Asset Management Company

Period Ended March 31, 2021

Investment Philosophy

Western Asset designs this portfolio using all major fixed-income sectors with a bias towards non-Treasuries, especially corporate, mortgage-backed and asset-backed securities. Value can be added through sector rotation, issue selection, duration and term structure weighting.

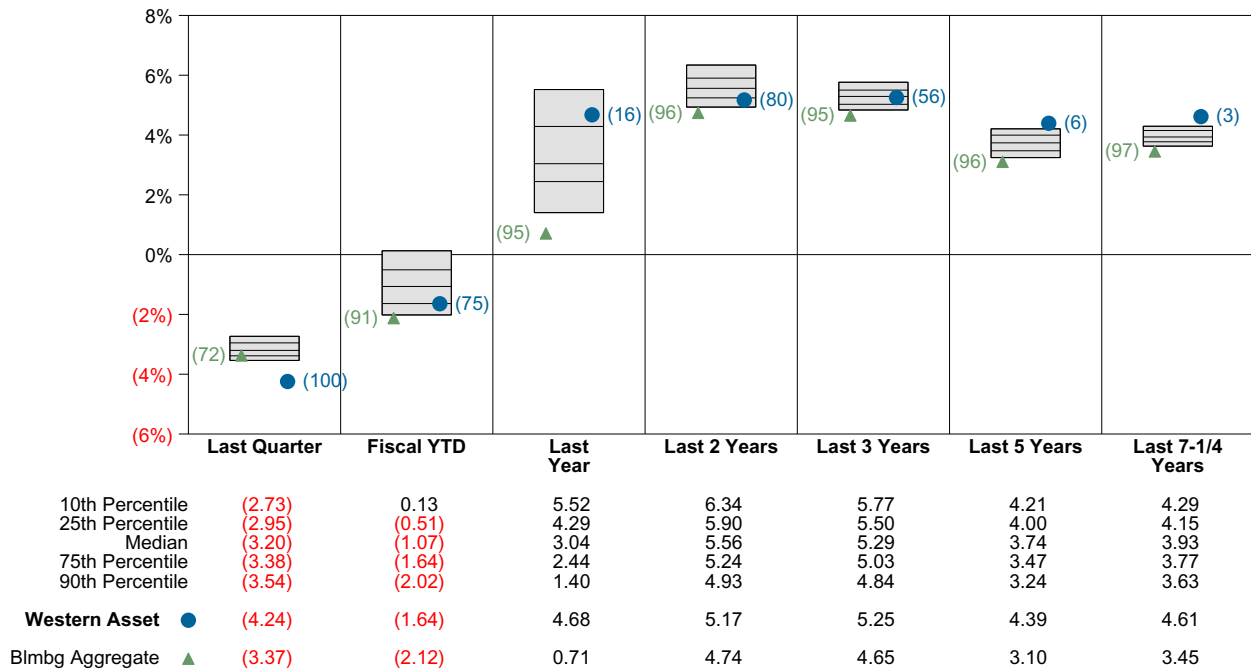
Quarterly Summary and Highlights

- Western Asset's portfolio posted a (4.24)% return for the quarter placing it in the 100 percentile of the Callan Core Bond Fixed Income group for the quarter and in the 16 percentile for the last year.
- Western Asset's portfolio underperformed the Blmbg Aggregate by 0.87% for the quarter and outperformed the Blmbg Aggregate for the year by 3.97%.

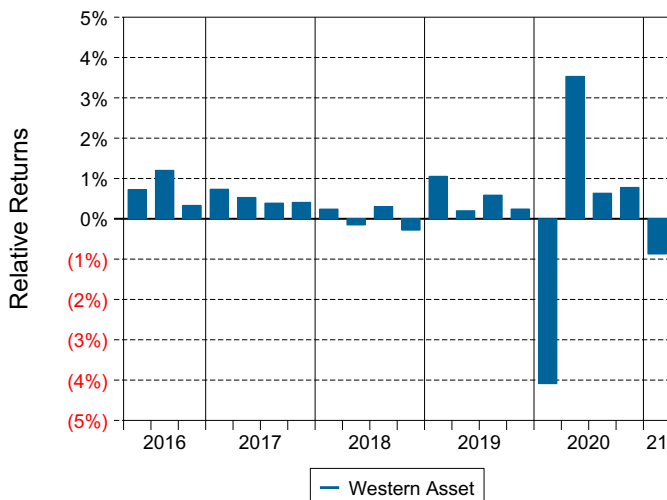
Quarterly Asset Growth

Beginning Market Value	\$809,073,367
Net New Investment	\$75,786,922
Investment Gains/(Losses)	\$-36,280,201
Ending Market Value	\$848,580,087

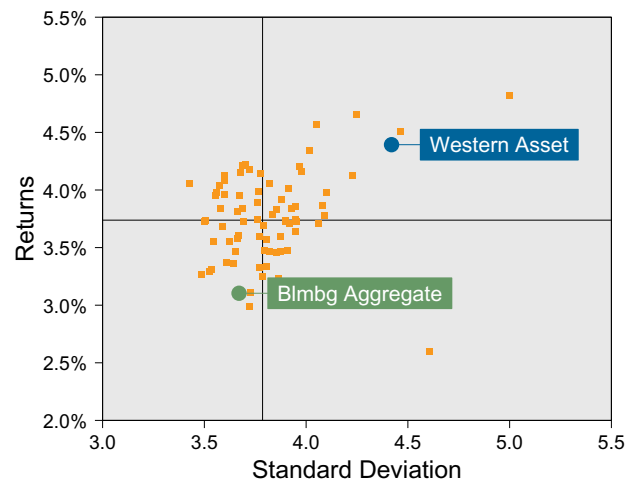
Performance vs Callan Core Bond Fixed Income (Gross)



Relative Return vs Blmbg Aggregate



Callan Core Bond Fixed Income (Gross) Annualized Five Year Risk vs Return



Invesco Core Real Estate Period Ended March 31, 2021

Investment Philosophy

IRE's investment philosophy is comprised of two fundamental principles: (1) maximize the predictability and consistency of investment returns and (2) minimize the risk of capital loss. This philosophy forms the cornerstone of the company's real estate investment philosophy.

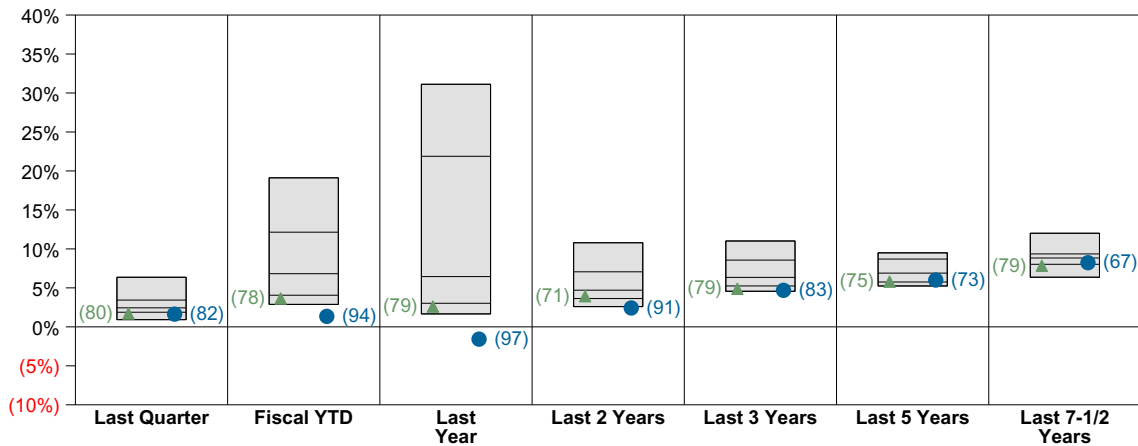
Quarterly Summary and Highlights

- Invesco Core Real Estate's portfolio posted a 1.63% return for the quarter placing it in the 82 percentile of the Callan Total Domestic Real Estate DB group for the quarter and in the 97 percentile for the last year.
- Invesco Core Real Estate's portfolio underperformed the NCREIF Total Index by 0.09% for the quarter and underperformed the NCREIF Total Index for the year by 4.19%.

Quarterly Asset Growth

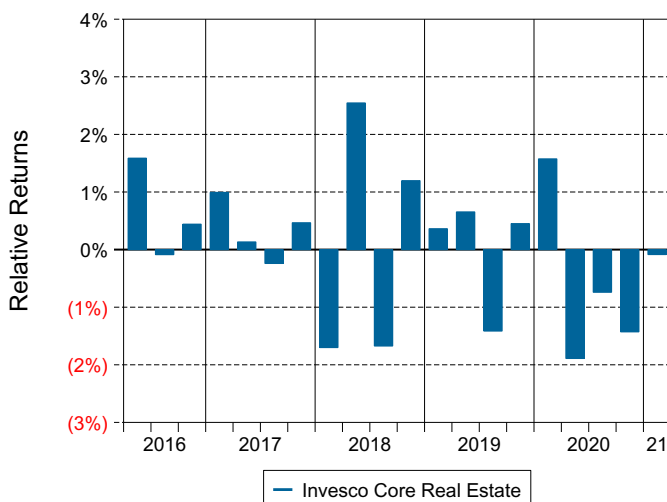
Beginning Market Value	\$172,062,232
Net New Investment	\$-140,948
Investment Gains/(Losses)	\$2,804,936
Ending Market Value	\$174,726,220

Performance vs Callan Total Domestic Real Estate DB (Gross)

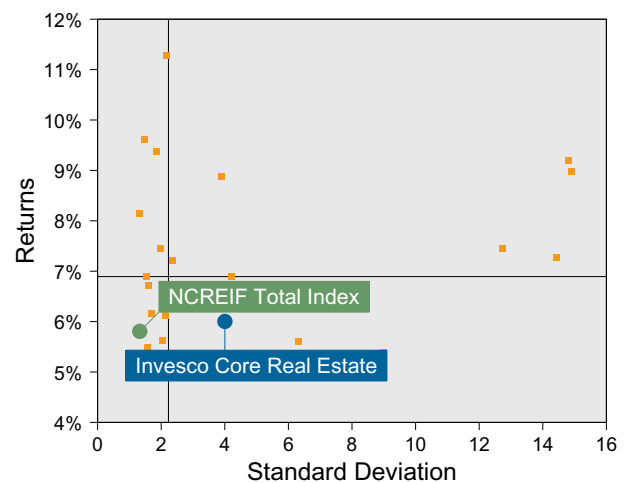


Period	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Invesco Core Real Estate	NCREIF Total Index
Last Quarter	6.36	3.43	2.44	1.87	0.92	1.63 (82)	1.72 (80)
Fiscal YTD	19.12	12.14	6.82	4.06	2.88	1.34 (94)	3.64 (78)
Last Year	31.12	21.88	6.45	3.02	1.66	(1.58) (97)	2.61 (79)
Last 2 Years	10.79	7.06	4.70	3.63	2.60	2.42 (91)	3.94 (71)
Last 3 Years	11.01	8.56	6.35	5.25	4.56	4.68 (83)	4.89 (79)
Last 5 Years	9.49	8.70	6.89	5.75	5.25	6.00 (73)	5.81 (75)
Last 7-1/2 Years	12.01	9.35	8.83	8.03	6.37	8.23 (67)	7.84 (79)

Relative Return vs NCREIF Total Index



Callan Total Domestic Real Estate DB (Gross) Annualized Five Year Risk vs Return



JP Morgan RE Inc & Growth Period Ended March 31, 2021

Investment Philosophy

The J.P. Morgan U.S. Real Estate Income and Growth Fund seeks to construct and opportunistically manage a portfolio of core direct real estate investments, complemented by other real estate and real estate-related assets. The Fund pursues a broadly diversified absolute-return strategy and pursues all property investments on an opportunistic basis. The majority of the Fund's investments will be in direct core properties in the office, industrial, retail and residential sectors.

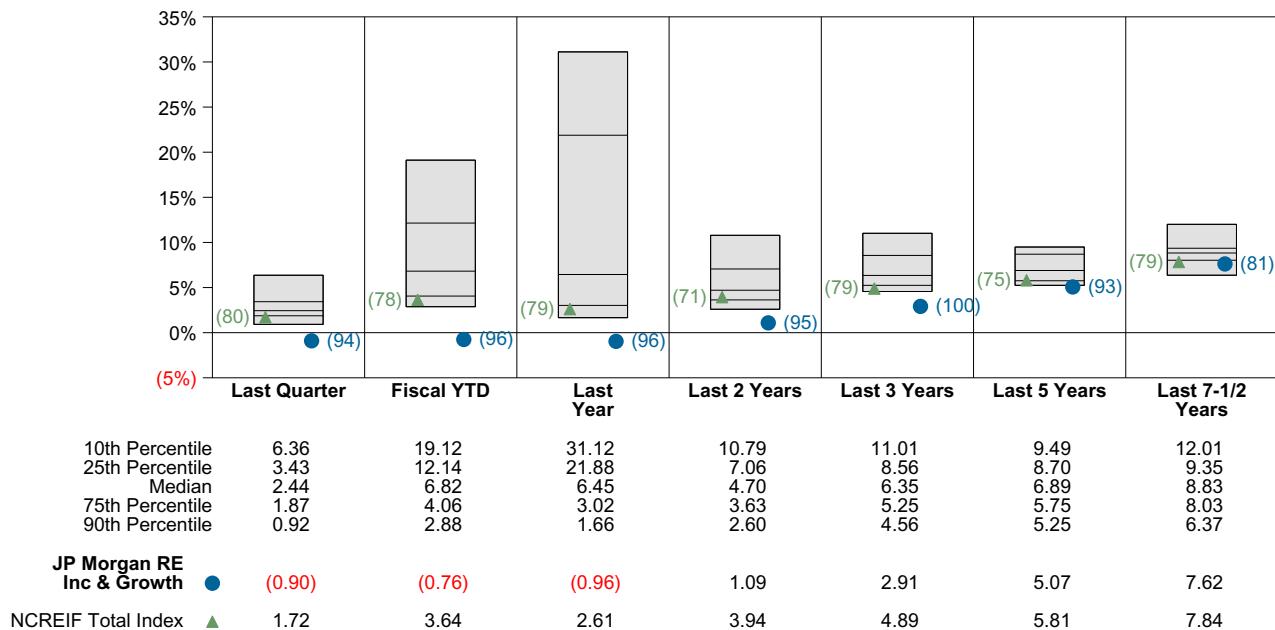
Quarterly Summary and Highlights

- JP Morgan RE Inc & Growth's portfolio posted a (0.90)% return for the quarter placing it in the 94 percentile of the Callan Total Domestic Real Estate DB group for the quarter and in the 96 percentile for the last year.
- JP Morgan RE Inc & Growth's portfolio underperformed the NCREIF Total Index by 2.62% for the quarter and underperformed the NCREIF Total Index for the year by 3.58%.

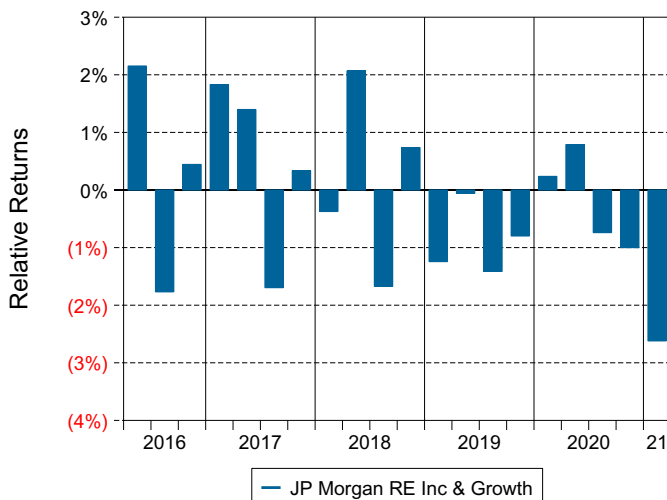
Quarterly Asset Growth

Beginning Market Value	\$172,119,641
Net New Investment	\$-282,373
Investment Gains/(Losses)	\$-1,554,950
Ending Market Value	\$170,282,318

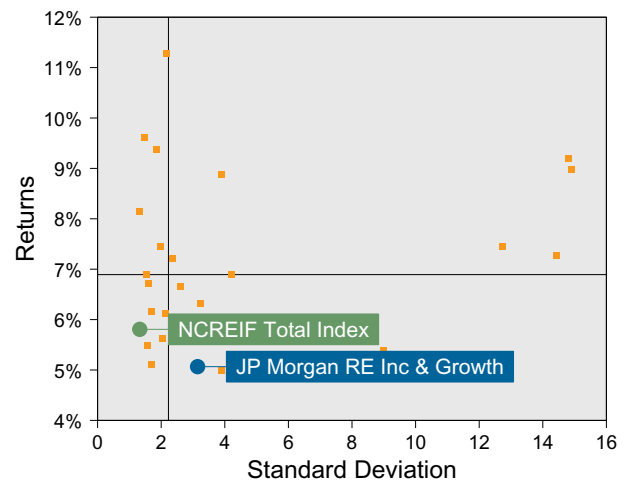
Performance vs Callan Total Domestic Real Estate DB (Gross)



Relative Return vs NCREIF Total Index



Callan Total Domestic Real Estate DB (Gross) Annualized Five Year Risk vs Return



Western Asset TIPS Period Ended March 31, 2021

Investment Philosophy

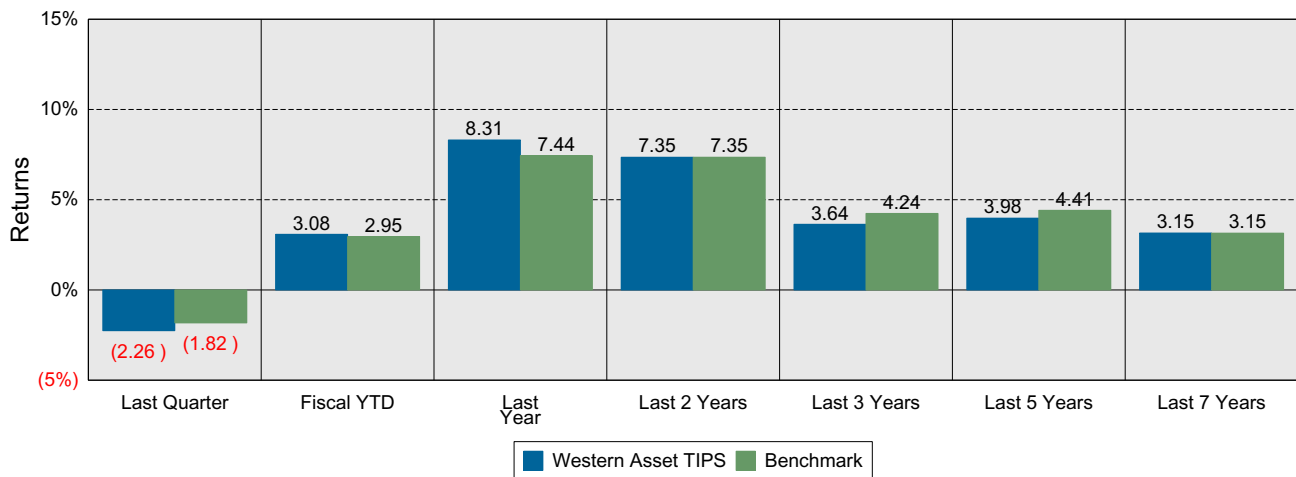
The Western Asset US TIPS Full Discretion strategy is an inflation-protected strategy that aims to maximize total return and add value through duration and curve positioning, sector allocation, and security selection, while approximating benchmark risk. The strategy invests in a diversified portfolio using higher-yielding inflation-protected instruments with a bias toward Treasury Inflation-Protected Securities (TIPS). Opportunistic investments include high-yield, emerging markets, non-dollar securities, commodities and bank loans that may also be employed using derivatives. **Benchmark: Bloomberg US TIPS through 12/31/2009; Bloomberg Global Inflation-Linked through 10/31/2018; Bloomberg US Govt Inflation Linked Bond Index thereafter.**

Quarterly Summary and Highlights

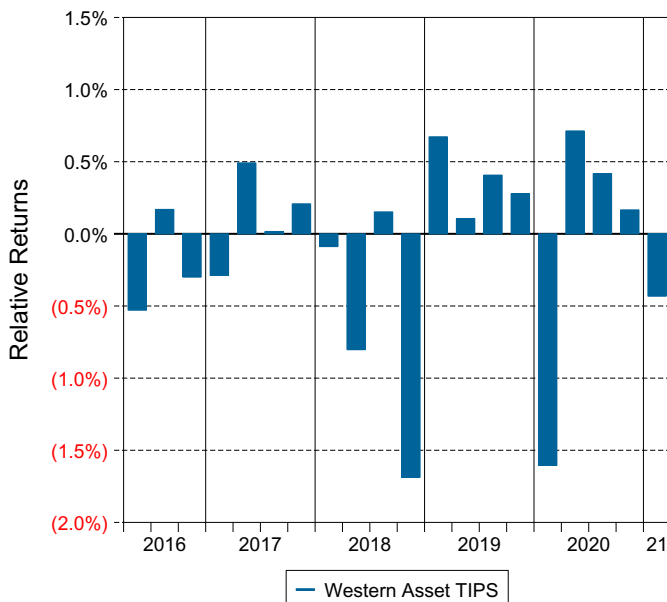
- Western Asset TIPS's portfolio underperformed the Benchmark by 0.43% for the quarter and outperformed the Benchmark for the year by 0.87%.

Quarterly Asset Growth

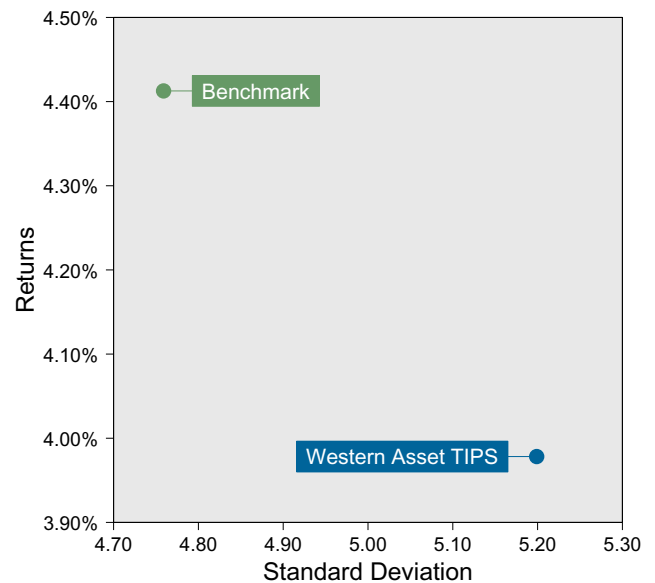
Beginning Market Value	\$488,955,759
Net New Investment	\$9,871,093
Investment Gains/(Losses)	\$-11,028,040
Ending Market Value	\$487,798,813



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



ISQ Global Infrastructure II

Period Ended March 31, 2021

Investment Philosophy

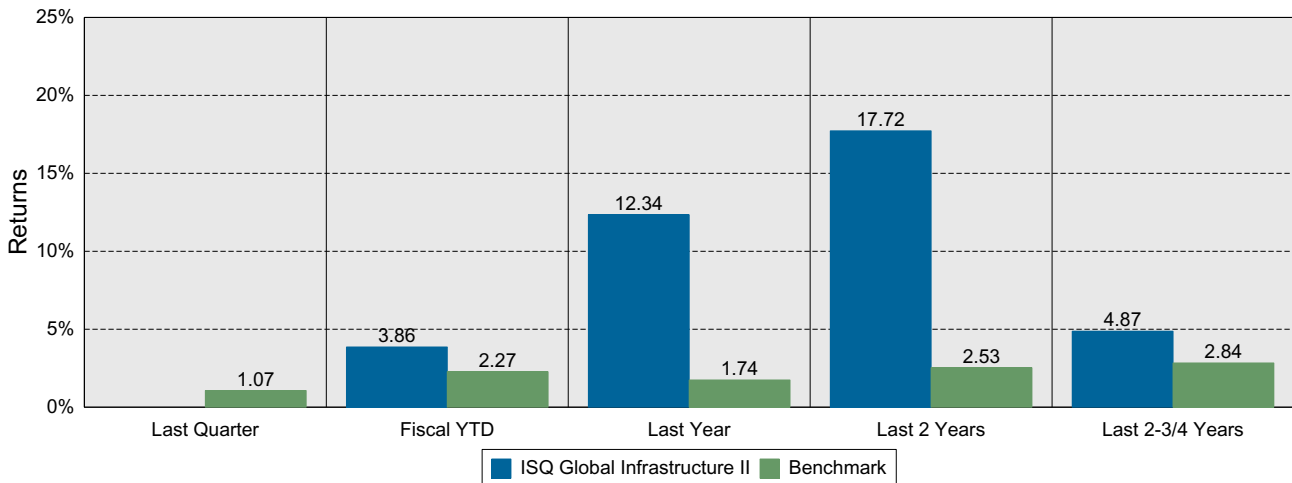
The ISQ Global Infrastructure Fund II seeks to achieve long-term capital appreciation as well as current income through equity and equity related investments in infrastructure and infrastructure related assets located globally, with a focus on North America, Europe, and selected growth economies in Asia and Latin America. The Fund may also invest in debt Securities that have equity-like returns or an equity component, or are related to its equity investments, including without limitation convertible debt, bank loans and participations and other similar instruments. **The Benchmark is comprised of 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.**

Quarterly Summary and Highlights

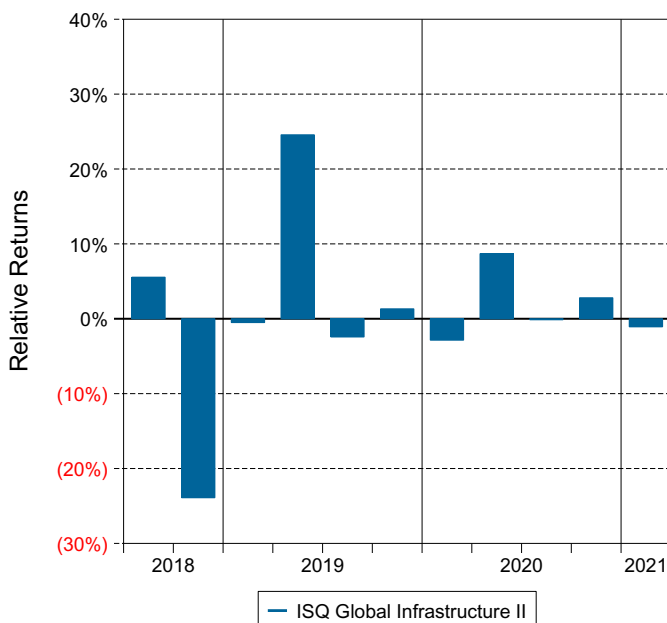
- ISQ Global Infrastructure II's portfolio underperformed the Benchmark by 1.07% for the quarter and outperformed the Benchmark for the year by 10.60%.

Quarterly Asset Growth

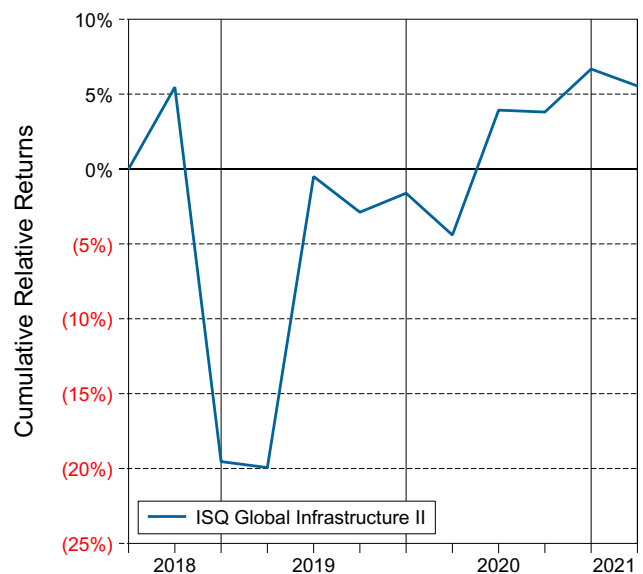
Beginning Market Value	\$50,328,007
Net New Investment	\$2,189,154
Investment Gains/(Losses)	\$0
Ending Market Value	\$52,517,161



Relative Return vs Benchmark



Cumulative Returns vs Benchmark



JP Morgan Infrastructure Period Ended March 31, 2021

Investment Philosophy

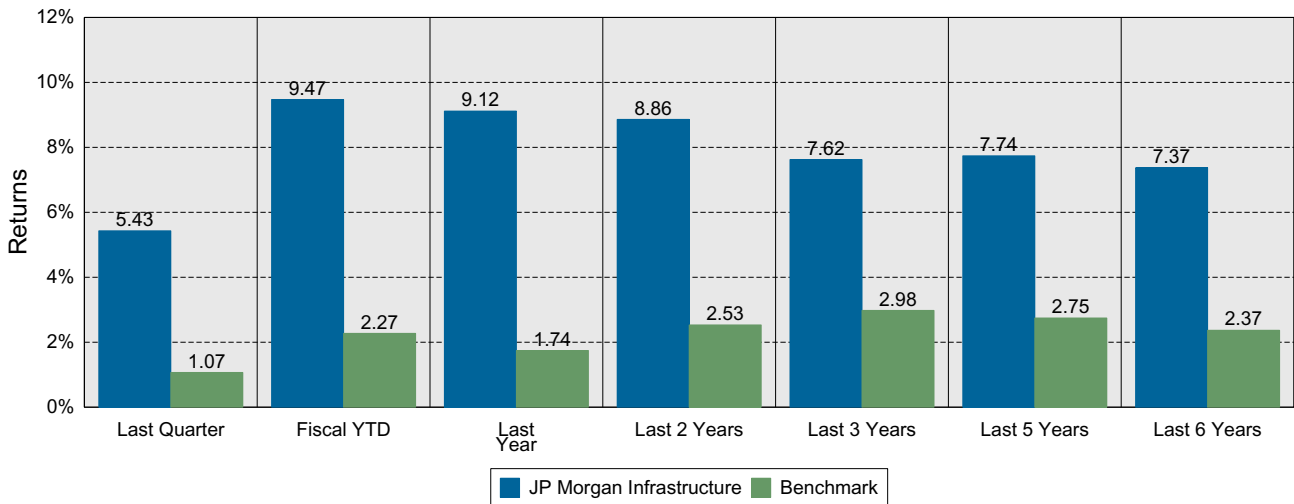
The only open-ended private commingled infrastructure fund in the U.S, the JPMorgan Infrastructure Investments Fund invests in stabilized assets in OECD countries with selected value-added opportunities, across infrastructure industry sub-sectors, including: toll roads, bridges and tunnels; oil and gas pipelines; electricity transmission and distribution facilities; contracted power generation assets; water distribution; waste-water collection and processing; railway lines and rapid rail links; and seaports and airports. **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

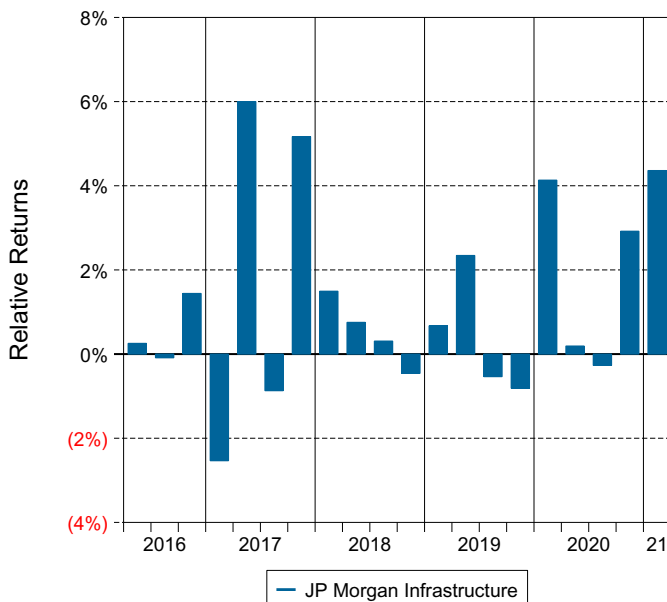
- JP Morgan Infrastructure's portfolio outperformed the Benchmark by 4.36% for the quarter and outperformed the Benchmark for the year by 7.37%.

Quarterly Asset Growth

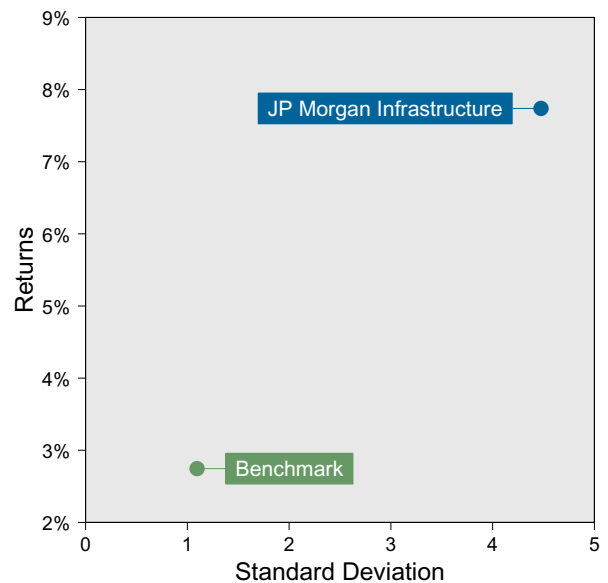
Beginning Market Value	\$109,739,116
Net New Investment	\$-2,509,883
Investment Gains/(Losses)	\$5,958,977
Ending Market Value	\$113,188,210



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Grosvenor Cust. Infrastructure Period Ended March 31, 2021

Investment Philosophy

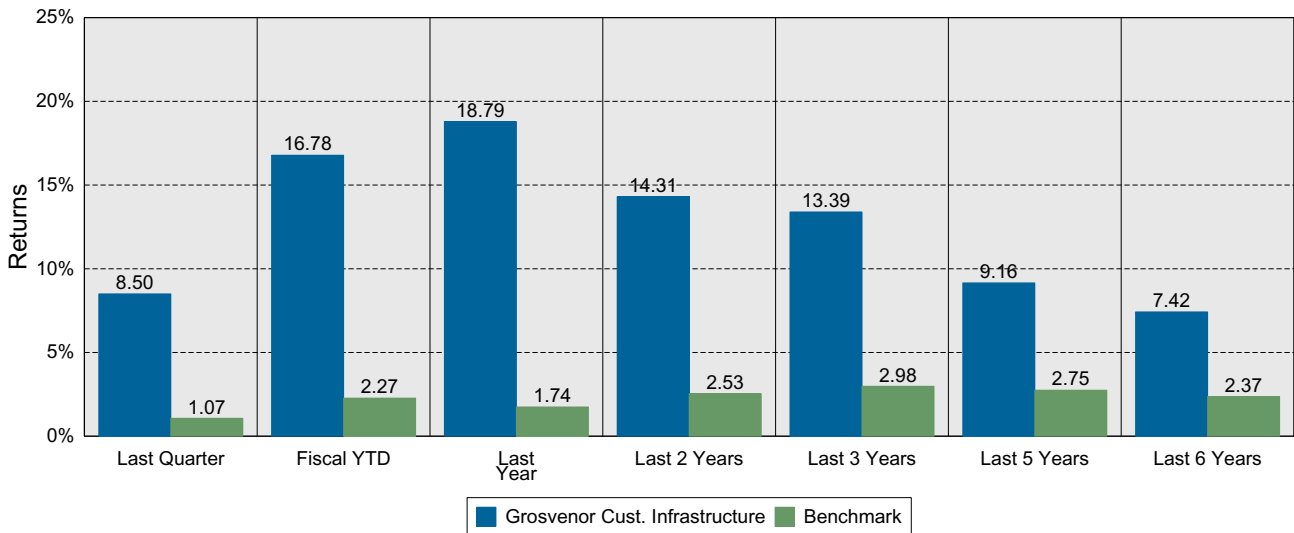
The Customized Infrastructure Strategies LP is a commingled fund focused on providing a comprehensive, diversified solution for investors looking to access the infrastructure asset class. The Fund seeks to generate stable, long-term yield and attractive risk-adjusted returns by investing in a diversified portfolio of primary core and core plus infrastructure funds (30%), co-investments (40%) and opportunistic secondary fund purchases (30%). **The Benchmark is comprised of CPI-W through June 30, 2018; 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net thereafter.**

Quarterly Summary and Highlights

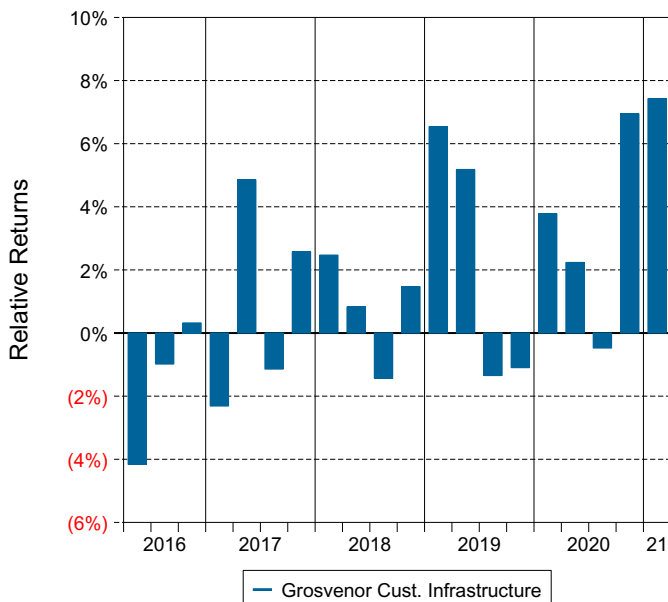
- Grosvenor Cust. Infrastructure's portfolio outperformed the Benchmark by 7.43% for the quarter and outperformed the Benchmark for the year by 17.04%.

Quarterly Asset Growth

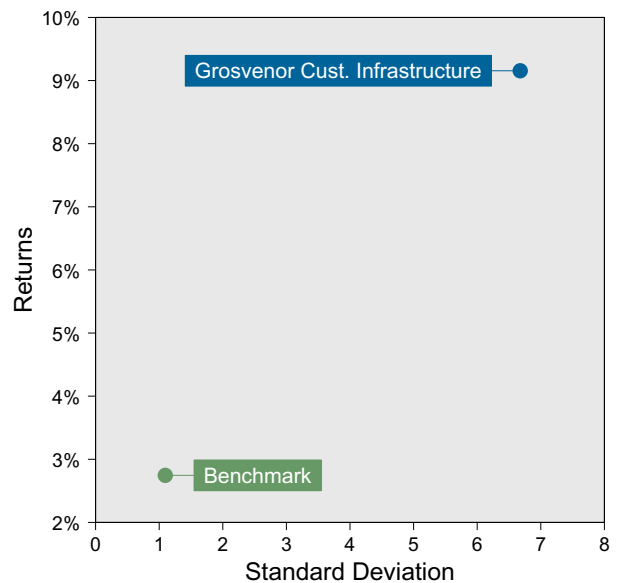
Beginning Market Value	\$46,463,503
Net New Investment	\$-633,549
Investment Gains/(Losses)	\$3,949,264
Ending Market Value	\$49,779,218



Relative Return vs Benchmark



Annualized Five Year Risk vs Return



Macquarie Infrastructure Fund IV

Period Ended March 31, 2021

Investment Philosophy

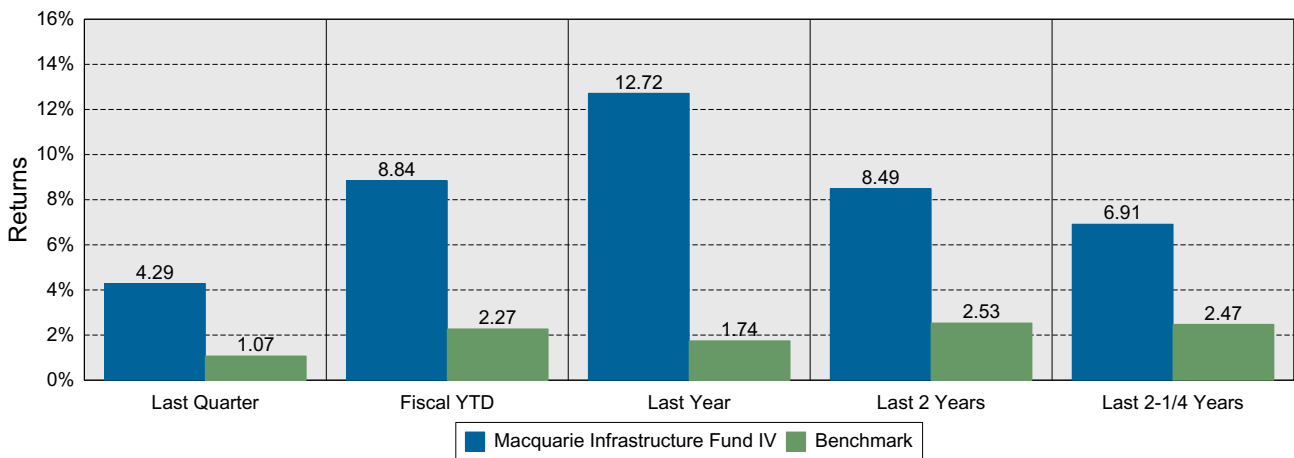
Macquarie's principal investment philosophy is to invest in infrastructure assets that exhibit monopolistic and/or contractual revenue drivers, limited substitution risk and high barriers to entry. The manager has continued to focus on investments where the team's sector expertise and operating experience will provide a competitive advantage in sourcing and due diligence. Furthermore, the manager will also continue to focus on opportunities where its active management capabilities can add value for investors in terms of enhancing returns and the substantial mitigation and/or elimination of material operational risks. **The Benchmark is comprised of 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.**

Quarterly Summary and Highlights

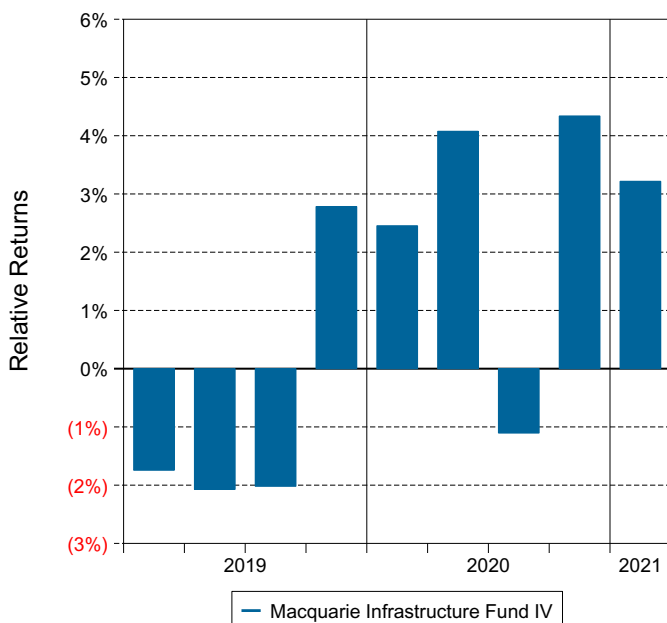
- Macquarie Infrastructure Fund IV's portfolio outperformed the Benchmark by 3.22% for the quarter and outperformed the Benchmark for the year by 10.97%.

Quarterly Asset Growth

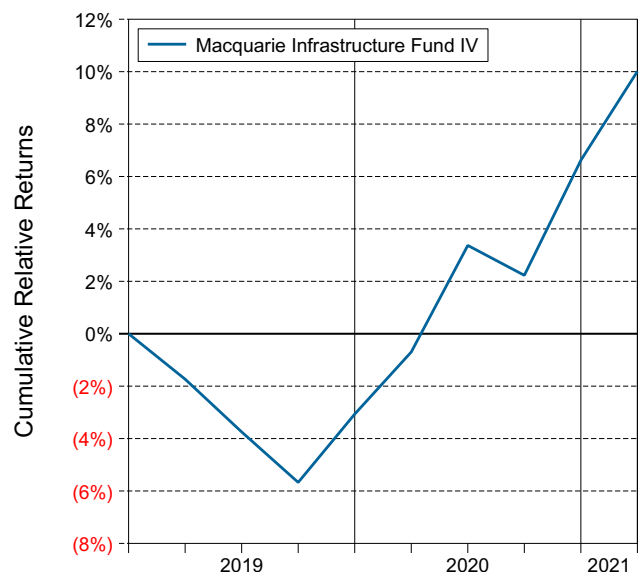
Beginning Market Value	\$77,435,309
Net New Investment	\$-2,715,268
Investment Gains/(Losses)	\$3,305,278
Ending Market Value	\$78,025,319



Relative Return vs Benchmark



Cumulative Returns vs Benchmark



Macquarie Infrastructure Fund V

Period Ended March 31, 2021

Investment Philosophy

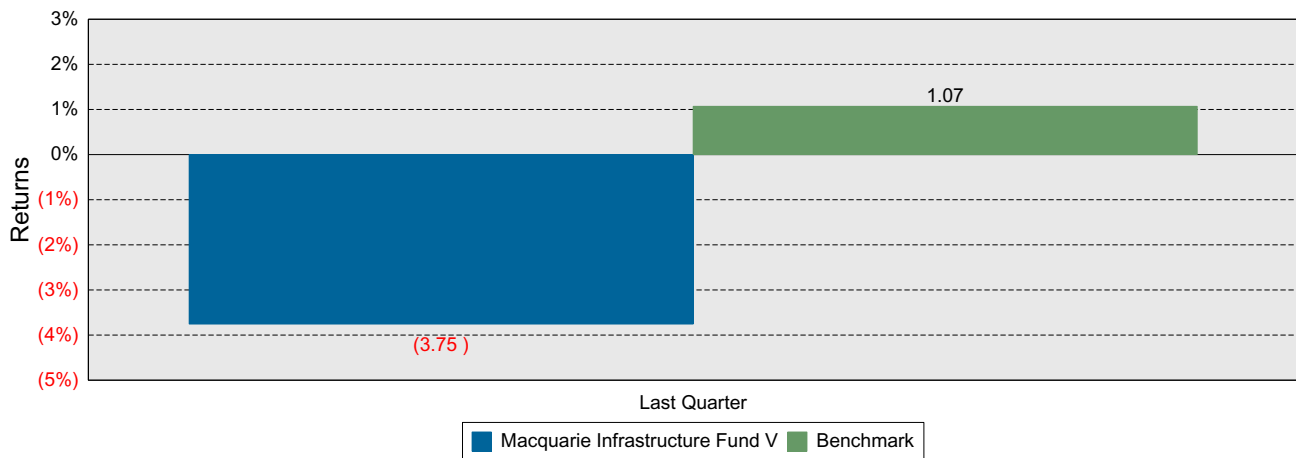
Macquarie’s principal investment philosophy is to invest in infrastructure assets that exhibit monopolistic and/or contractual revenue drivers, limited substitution risk and high barriers to entry. The manager has continued to focus on investments where the team’s sector expertise and operating experience will provide a competitive advantage in sourcing and due diligence. Furthermore, the manager will also continue to focus on opportunities where its active management capabilities can add value for investors in terms of enhancing returns and the substantial mitigation and/or elimination of material operational risks. **The Benchmark is comprised of 50% CPI-U lagged one quarter and 50% NFI-ODCE Equal Weight Net.**

Quarterly Summary and Highlights

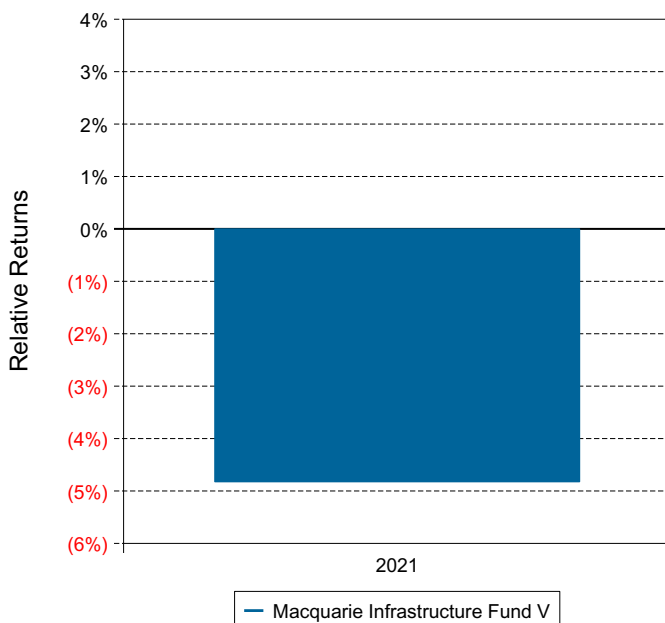
- Macquarie Infrastructure Fund V’s portfolio underperformed the Benchmark by 4.82% for the quarter.

Quarterly Asset Growth

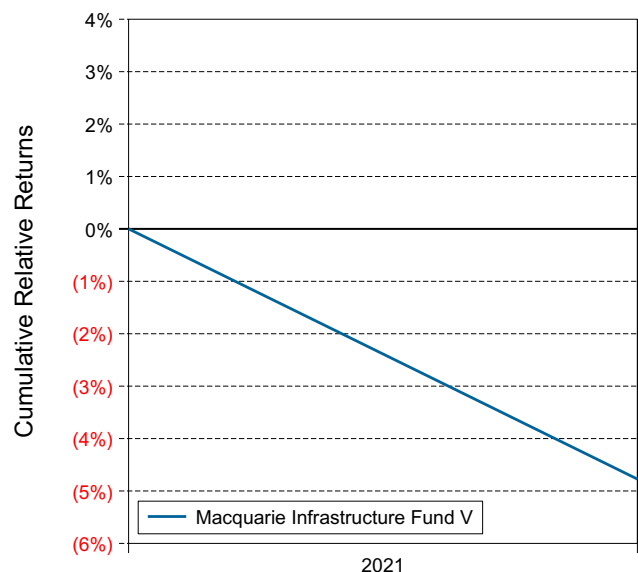
Beginning Market Value	\$10,586,912
Net New Investment	\$1,097,550
Investment Gains/(Losses)	\$-396,243
Ending Market Value	\$11,288,219



Relative Return vs Benchmark



Cumulative Returns vs Benchmark



Research and Education

The Callan Institute provides research to update clients on the latest industry trends and carefully structured educational programs to enhance the knowledge of industry professionals. Visit www.callan.com/callan/research-library to see all of our publications, and www.callan.com/callan/blog to view our blog. For more information contact Barb Gerraty at 415-274-3093 / institute@callan.com.

New Research from Callan's Experts

[Callan's 2021-2030 Capital Markets Assumptions](#) | Callan develops capital markets assumptions to help clients with their long-term strategic planning. For the period 2021-2030, we made almost revolutionary changes to our projections. We also added several new asset classes, including private credit.

[2021 Defined Contribution Survey](#) | The world is changing dramatically, and our annual *DC Survey* is evolving to fit the shifting landscape. Callan's 14th Annual *DC Survey* now covers the SECURE and CARES Acts, the impacts of the COVID-19 pandemic, along with the key tenets of DC plan management, financial wellness, and HSAs.

[GameStopped—or Just Getting Started?](#) | In this quarter's *Hedge Fund Monitor*, Jim McKee explains what the GameStop saga means for institutional investors, and outlines what questions they should be asking their hedge fund managers.

[Coping with COVID-19: How Work Is Evolving for Investment Managers, 3rd Edition](#) | Following up on our September publication, Callan surveyed investment managers regarding how their firms were responding to the COVID-19 pandemic, focusing on office closures and re-openings, work-from-home approaches, business travel, and meetings. This edition also includes data on how firms are handling attendance to live events and changes to employee benefits packages specific to the COVID-19 pandemic.

Blog Highlights

[Captive Insurance Stepped in to Ease Pandemic's Blow. Now What?](#) | By accessing permissible capital invested in the captive investment portfolio, some captive insurers were able to support their parent organizations during COVID-19 by providing relief from business interruption losses. As dependence on captive

insurance increases, the demand for higher investment returns from the captive investment portfolio will also increase.

[How the Pandemic Affected Private Credit, and What's Next](#) | As interest rates on investment grade bonds have fallen to near-zero, private credit has attracted more interest from institutional investors.

[Why the Yield Curve Is Really Curving](#) | As prospects for growth have brightened on the back of increasing vaccinations, a gradual re-opening across the country, and continued fiscal stimulus, yields on longer maturity bonds have risen while short-term rates have been anchored by the Fed.

Quarterly Periodicals

[Private Equity Trends, 4Q20](#) | A high-level summary of private equity activity in the quarter through all the investment stages

[Active vs. Passive Charts, 4Q20](#) | A comparison of active managers alongside relevant benchmarks over the long term

[Market Pulse Flipbook, 4Q20](#) | A quarterly market reference guide covering trends in the U.S. economy, developments for institutional investors, and the latest data on the capital markets

[Capital Markets Review, 4Q20](#) | Analysis and a broad overview of the economy and public and private market activity each quarter across a wide range of asset classes

[Hedge Fund Quarterly, 4Q20](#) | Commentary on developments for hedge funds and multi-asset class (MAC) strategies

[Real Assets Reporter, 4Q20](#) | A summary of market activity for real assets and private real estate during the quarter

Events

Miss out on a Callan conference or workshop? Event summaries and speakers' presentations are available on our website: callan.com/callan/research-library

Please mark your calendar and look forward to upcoming invitations:

2021 National Conference

July 19-21, 2021, in Salt Lake City

For more information about events, please contact Barb Gerraty: 415-274-3093 / gerraty@callan.com

Education: By the Numbers

50+

Unique pieces of research the Institute generates each year

525

Attendees (on average) of the Institute's annual National Conference

3,700

Total attendees of the "Callan College" since 1994

Education

Founded in 1994, the "Callan College" offers educational sessions for industry professionals involved in the investment decision-making process.

Introduction to Investments—Virtual

August 17-19, 2021

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. It is held over three days with virtual modules of 2.5-3 hours. This course is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities. Tuition is \$950 per person and includes instruction and digital materials.

Additional information including registration can be found at: callan.com/callan/events/ccintro_august/

Introduction to Investments—In Person

October 6-7, 2021, in Chicago

This program familiarizes institutional investor trustees and staff and asset management advisers with basic investment theory, terminology, and practices. It lasts one-and-a-half days and is designed for individuals with less than two years of experience with asset-management oversight and/or support responsibilities. Tuition is \$2,350 per person and includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

Additional information including dates and registration can be found at: callan.com/callan/events/oct-intro-college-2/



"Research is the foundation of all we do at Callan, and sharing our best thinking with the investment community is our way of helping to foster dialogue to raise the bar across the industry."

Greg Allen, CEO and Chief Research Officer

List of Callan's Investment Manager Clients

Confidential – For Callan Client Use Only

Callan takes its fiduciary and disclosure responsibilities to clients very seriously. We recognize that there are numerous potential conflicts of interest encountered in the investment consulting industry, and that it is our responsibility to manage those conflicts effectively and in the best interest of our clients. At Callan, we employ a robust process to identify, manage, monitor, and disclose potential conflicts on an ongoing basis.

The list below is an important component of our conflicts management and disclosure process. It identifies those investment managers that pay Callan fees for educational, consulting, software, database, or reporting products and services. We update the list quarterly because we believe that our fund sponsor clients should know the investment managers that do business with Callan, particularly those investment manager clients that the fund sponsor clients may be using or considering using. Please note that if an investment manager receives a product or service on a complimentary basis (e.g., attending an educational event), they are not included in the list below. Callan is committed to ensuring that we do not consider an investment manager's business relationship with Callan, or lack thereof, in performing evaluations for or making suggestions or recommendations to its other clients. Please refer to Callan's ADV Part 2A for a more detailed description of the services and products that Callan makes available to investment manager clients through our Institutional Consulting Group, Independent Adviser Group, and Fund Sponsor Consulting Group. Due to the complex corporate and organizational ownership structures of many investment management firms, parent and affiliate firm relationships are not indicated on our list.

Fund sponsor clients may request a copy of the most currently available list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by particular fund manager clients. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance department.

Manager Name
Aberdeen Standard Investments
Acadian Asset Management LLC
Adams Street Partners, LLC
AEGON USA Investment Management Inc.
AllianceBernstein
Allianz
American Century Investments
AQR Capital Management
Ares Management LLC
Ariel Investments, LLC
Aristotle Capital Management, LLC
Atlanta Capital Management Co., LLC
Aviva Investors
AXA Investment Managers
Baillie Gifford International, LLC
Baird Advisors
Barings LLC
Baron Capital Management, Inc.

Manager Name
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock
BMO Global Asset Management
BNP Paribas Asset Management
BNY Mellon Asset Management
Boston Partners
Brandes Investment Partners, L.P.
Brandywine Global Investment Management, LLC
Brown Brothers Harriman & Company
Cambiar Investors, LLC
Capital Group
Carillon Tower Advisers
CastleArk Management, LLC
Causeway Capital Management LLC
Chartwell Investment Partners
ClearBridge Investments, LLC
Cohen & Steers Capital Management, Inc.
Columbia Threadneedle Investments North America

Manager Name

Credit Suisse Asset Management
Crescent Capital Group LP
D.E. Shaw Investment Management, LLC
DePrince, Race & Zollo, Inc.
Dimensional Fund Advisors LP
Doubleline
Duff & Phelps Investment Management Co.
DWS
EARNEST Partners, LLC
Eaton Vance Management
Epoch Investment Partners, Inc.
Fayez Sarofim & Company
Federated Hermes, Inc.
Fidelity Institutional Asset Management
Fiera Capital Corporation
First Hawaiian Bank Wealth Management Division
First Sentier Investors (formerly First State Investments)
Fisher Investments
Franklin Templeton
GAM (USA) Inc.
GCM Grosvenor
GlobeFlex Capital, L.P.
GoldenTree Asset Management, LP
Goldman Sachs
Guggenheim Investments
GW&K Investment Management
Harbor Capital Group Trust
Heitman LLC
Hotchkis & Wiley Capital Management, LLC
Income Research + Management, Inc.
Insight Investment
Intech Investment Management, LLC
Intercontinental Real Estate Corporation
Invesco
Ivy Investments
J.P. Morgan
Janus
Jennison Associates LLC
Jobs Peak Advisors
J O Hambro Capital Management Limited

Manager Name

KeyCorp
Lazard Asset Management
LGIM America (formerly Legal & General Inv Mgmt America)
Lincoln National Corporation
Longview Partners
Loomis, Sayles & Company, L.P.
Lord Abbett & Company
LSV Asset Management
MacKay Shields LLC
Manning & Napier Advisors, LLC
Manulife Investment Management
McKinley Capital Management, LLC
Mellon
MetLife Investment Management
MFS Investment Management
MidFirst Bank
Mondrian Investment Partners Limited
Montag & Caldwell, LLC
Morgan Stanley Investment Management
MUFG Union Bank, N.A.
Natixis Investment Managers
Neuberger Berman
Newton Investment Management
Ninety One North America, Inc. (formerly Investec Asset Mgmt.)
Northern Trust Asset Management
Nuveen
P/E Investments
Pacific Investment Management Company
Parametric Portfolio Associates LLC
Partners Group (USA) Inc.
Pathway Capital Management
Peregrine Capital Management, LLC
PFM Asset Management LLC
PGIM Fixed Income
PineBridge Investments
Polen Capital Management, LLC
Principal Global Investors
Putnam Investments, LLC
QMA LLC
RBC Global Asset Management

Manager Name

Regions Financial Corporation

Richard Bernstein Advisors LLC

Robeco Institutional Asset Management, US Inc.

Rothschild & Co. Asset Management US

S&P Dow Jones Indices

Schroder Investment Management North America Inc.

SLC Management

Smith Graham & Co. Investment Advisors, L.P.

State Street Global Advisors

Stone Harbor Investment Partners L.P.

Strategic Global Advisors

T. Rowe Price Associates, Inc.

The TCW Group, Inc.

Thompson, Siegel & Walmsley LLC

Thornburg Investment Management, Inc.

Manager Name

Tri-Star Trust Bank

VanEck

Versus Capital Group

Victory Capital Management Inc.

Virtus Investment Partners, Inc.

Vontobel Asset Management, Inc.

Voya

WCM Investment Management

WEDGE Capital Management

Wellington Management Company LLP

Wells Fargo Asset Management

Western Asset Management Company LLC

Westfield Capital Management Company, LP

William Blair & Company LLC

Board Action

To: State Investment Board
From: SIB Investment Staff
Date: May 21, 2021
RE: **ISQ Global Infrastructure Fund III (Pension, Legacy)**

Recommendation:

Staff recommends that the NDSIB invest up to \$150 million in I Squared Capital's (ISQ) ISQ Global Infrastructure Fund III (Fund III). Staff recommends an investment of \$60 million in the Pension Pool and \$90 million in the Legacy Fund. In March of 2018, the SIB previously approved a commitment of \$140 million to ISQ Fund II (Fund II), Fund III's predecessor fund. ISQ's funds have performed exceptionally well, with Fund I generating a net internal rate of return (IRR) of 16.6%, and Fund II posting a 17.2% net IRR (as of Dec. 31, 2020).

In the *Callan LLC Diversified Real Assets Engagement Recommendation* dated January 22, 2021, Staff noted the "need to address imbalances relative to policy targets within the broad Diversified Real Assets category created by strong equity market performance across the Pension, Insurance and Legacy Fund pools." The recommended allocations to Fund III will help to address these imbalances in the Pension and Legacy pools.

ISQ Overview:

ISQ is a \$27.3 billion infrastructure manager led by Sadek Wahba, Gautum Bhandari, and Adil Rahmathulla. ISQ was founded in 2012 and is headquartered in Miami. The firm has a global presence with offices in Miami, London, New York, New Delhi, Hong Kong, and Singapore.

In 2018, when the NDSIB approved the initial commitment to ISQ Fund II, ISQ already had a deep and experienced team of 99 professionals. Since then, ISQ has continued to develop and expand its team and currently employs 155+ professionals. The team is comprised of 62 investment professionals, 22 Operators/Asset Managers, 11 Senior Policy Advisors with the remaining professionals spread across finance, legal and compliance, and investor relations.

Similar to Fund II, Fund III employs a global strategy and seeks to invest in mid-market infrastructure platforms that operate in the utilities, transportation, digital infrastructure, social infrastructure, or energy sectors. Key tenets of the investment strategy are:

1. Platform approach: ISQ seeks to build and develop middle market investment platforms. ISQ may purchase smaller assets with the goal of aggregating assets to create a larger integrated platform with the potential for significant operating synergies and scale.
2. Value creation through operational improvements: ISQ seeks to implement operational improvements to increase efficiencies and operating performance of assets.
3. Control investments are critical: Control is necessary to manage the risk profile of the investments throughout their life cycle, as well as to drive the aforementioned operational improvements.
4. Risk management is an integral component of the investment strategy:
 - a. ISQ's risk model is used to produce a risk/return analysis for each potential investment
 - b. The model establishes a basis to compare potential investments across sectors and geographies
 - c. ISQ uses its risk engine to monitor risks over the life of each asset
 - d. The risk model focuses on ten critical factors: barriers to entry, regulation, growth, business cycle, operations, leverage, governance, purchase price, liquidity, and inflation.
 - e. Quantifying the abovementioned factors allows ISQ to build a globally diversified portfolio of infrastructure assets that exhibit low correlation to each other.
5. Middle market focus: The mid-market segment allows for attractive entry valuations, as well as the opportunity to implement bottom-up operational changes to create value.
6. ISQ may opportunistically target larger investments at opportune points in the valuation cycle.

Fund III Characteristics:

Target IRR: 11-16+%

Fund Cap: \$13 billion

Number of Investments: 16-20 investments

Non OECD exposure: Limited to 33.3%

Position Size Limit: No more than 25% of commitments in a single investment

Conclusion:

Like Fund II, Staff believes that an investment in Fund III is a prudent investment for the Legacy Fund and Pension Pool. Fund III's global, middle market platform strategy adds a differentiated approach to infrastructure investing compared to other managers on the SIB's platform.

The competitive advantages mentioned in the initial ISQ Fund II recommendation remain. These advantages include:

1. Deep and experienced team.

- a. With 62 investment professionals, ISQ has the breadth and depth of talent to effectively manage a global infrastructure investment strategy. The partners have worked together for over 16 years.
 - b. Operations Team: ISQ employs a large 22-person team of operators and industry veterans. This team plays a critical role in the alpha generation process as it is responsible for identifying and implementing operational value creation initiatives.
2. Senior Policy Advisors: ISQ employs a team of 11 industry experts that provide regulatory insights that help mitigate policy and regulatory risk. This team also facilitates dialogue with regulators and policy makers at the highest levels—oftentimes leading to information critical to the investment process.
3. Risk Management Framework: ISQ has a unique risk framework that not only mitigates risk, but also provides a basis to compare investments across sectors and regions. The ISQ risk model quantifies risk for ten factors (noted above). By quantifying these factors, ISQ can produce a risk/return analysis on each potential investment, which allows the firm to identify and select the “best” opportunities across sectors and geographies. Moreover, this model is key to building a portfolio of assets that is diversified and exhibits low correlation to each other.

Ultimately, Staff believes that Fund III is an attractive investment, and will help to achieve the Pension Pool and Legacy Fund’s investment objectives.



ISQUARED CAPITAL

Global Fund III Overview

Hong Kong

London

Miami

New Delhi

New York

Singapore

I Squared Capital – Presenting Team

Adil Rahmathulla Co-founder and Managing Partner



Adil Rahmathulla is a Co-founder and Managing Partner and has been a member of the Investment and Management Committees of I Squared Capital since inception. In his role as an active investor and asset manager, he also chairs the boards of several portfolio companies globally.

Adil was previously at Morgan Stanley for seven years, where he was the head of Morgan Stanley Infrastructure Americas Executions, part of MSIP, a \$4 billion infrastructure investment fund at the time of Adil's departure. The portfolio included investments in several countries and diverse sectors including power generation, co-generation, gas distribution, transmission and distribution companies, airports, toll roads and container ports. Prior to joining Morgan Stanley, Adil worked on M&A and financings at Credit Suisse and as a consultant and auditor for several years with Arthur Andersen and PricewaterhouseCoopers.

Adil holds an MBA from the Yale School of Management at Yale University and a Bachelor of Commerce from the University of Bombay. Adil is a member of the board of advisors of Yale International Center of Finance at Yale University.

Andreas Moon Managing Director



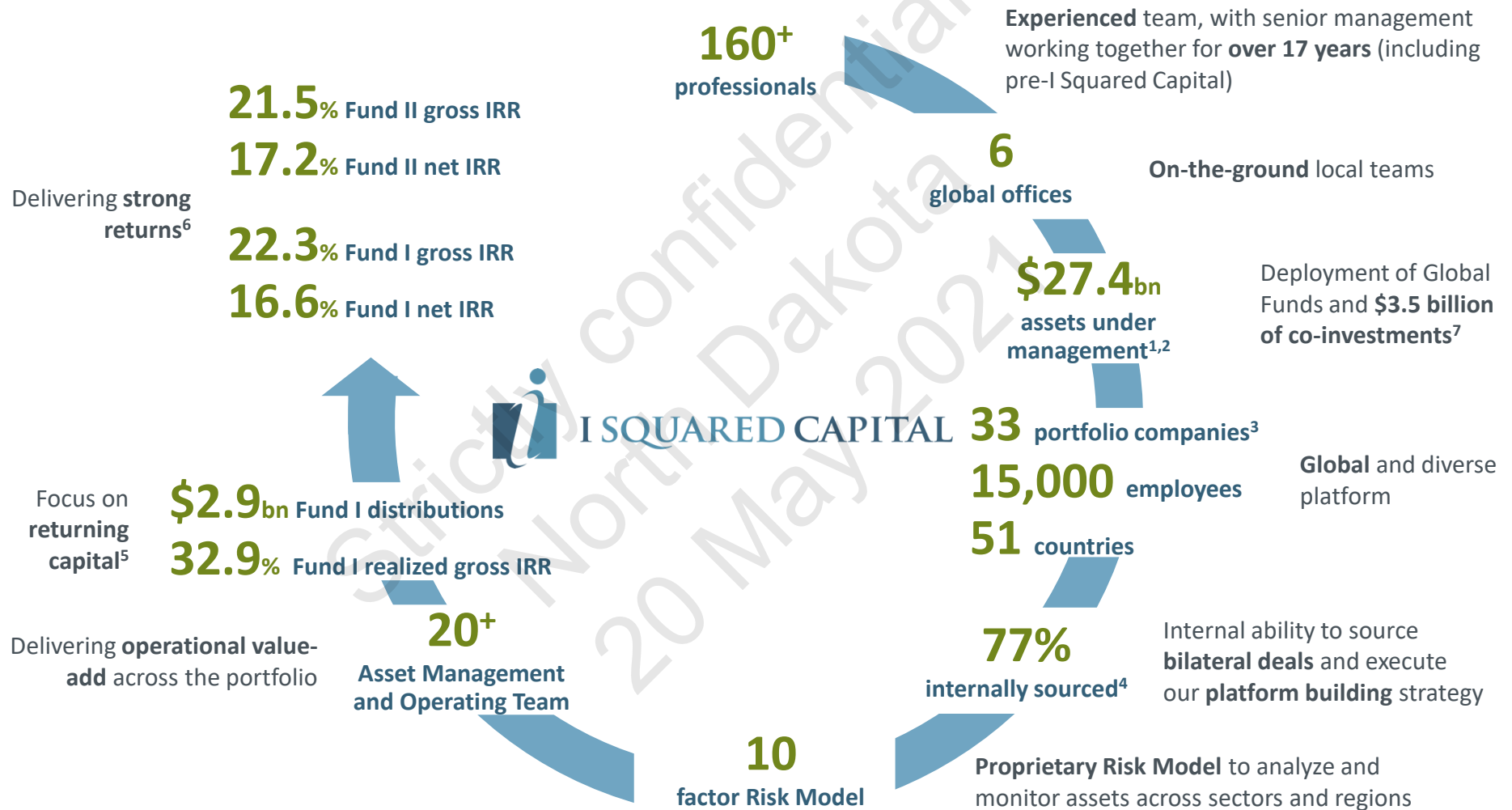
Andreas Moon is Managing Director and Head of Investor Relations at I Squared Capital, a private equity firm focused on global infrastructure. Under his leadership, assets under management increased to over \$27 billion since inception leading to his selection in 2019 by Private Equity International (PEI) Infrastructure Investor as a Top 20 Rainmaker. The Firm has also been a multiple recipient of the PEI Infrastructure Investor Awards for both Global and North America Fundraising of the Year.

Previously, Andreas spent over 10 years at Morgan Stanley and is a former vice president of Morgan Stanley Infrastructure Partners where he was responsible for capital raising, investor relations and co-investments. Prior to joining Morgan Stanley Infrastructure Partners in 2007, he worked in Morgan Stanley's Global Capital Markets division where he originated, structured, and executed over \$20 billion of financing products for global financial institutions and corporate clients.

Andreas is a graduate of Binghamton University where he received a BA in Economics. He served as a former board member of the Association of Asian American Investment Managers (AAAIM).

About I Squared Capital

An employee-owned global infrastructure investor with investment professionals, operating partners and senior policy advisors in six offices on four continents.



¹ Aggregate fair value of ISQ Global Infrastructure Fund (Fund I), ISQ Global Infrastructure Fund II (Fund II), related co-investment vehicles, net cash position, and an employee-only fund controlled by I Squared Capital, plus the remaining capital that I Squared Capital is entitled to call from investors in those funds and vehicles as of December 31, 2020. Co-investment total includes all amounts invested in I Squared Capital's co-investment vehicles by investors in Funds I and II, prospective investors in the Funds and third parties. Other than AUM, the performance data presented on this slide are not reflective of co-invested amounts.

² Assets under management figure also includes gross amounts committed to ISQ Global Infrastructure Fund III (Fund III), ISQ Growth Markets Infrastructure Fund (GM Fund), ISQ Global Infrastructure Credit Fund (Credit Fund), ISQ GIF III Co-Investment Fund (Co-Investment Fund) and Credit SMAs by April 2021. A portion of such gross commitments may be contingent upon additional amounts being subscribed to Fund III.

³ Aggregate historical track record including realized assets acquired or constructed by I Squared Capital.

⁴ Total investment pipeline since inception by value.

⁵ Reflects the gross IRR for investments that have been fully or partially realized by Fund I as of December 31, 2020, which includes four fully-realized investments and five partially-realized investments.

A diverse global portfolio¹

I Squared Capital has owned and operated a diverse portfolio of 33 companies since its inception in its targeted sectors and regions providing essential services to millions of people around the world.

Energy

Renewables

4,000+
megawatts

Thermal

5,700+
megawatts

Gathering systems

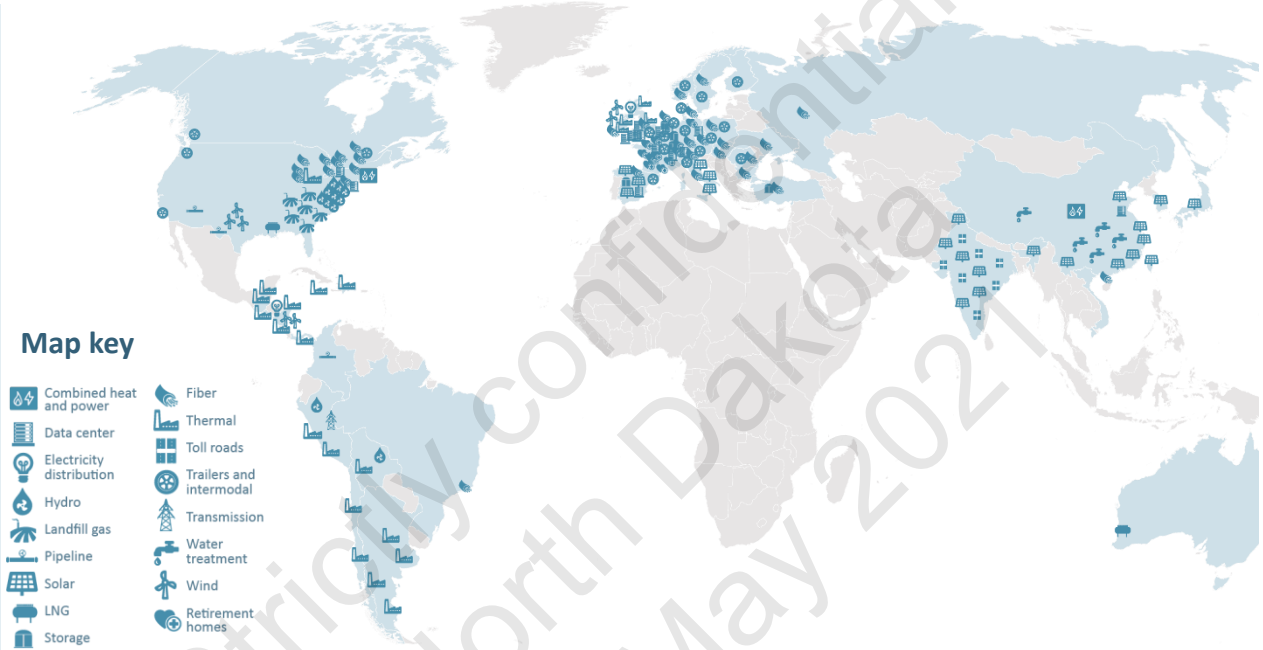
3,000+
kilometers

LNG processing²

1.5 billion
MMBTU

Bulk liquid storage

4,500+
cubic kilometers



Utilities

Wastewater

237,500
metric tons per day

Waste processing capacity

238,000+
tons per annum³

Electricity distribution

2.6 million
customers

Transmission lines

1,070
kilometers

Transport

Toll roads

8,900+
lane-kilometers

Intermodal

250,000+
chassis or trailers

Service centers

102
workshops

Digital infrastructure

Fiber network

4.4 million
kilometers

Cellular sites

4,750

Wi-fi hot spots

29,488

Global connections

132
countries

Social infrastructure

Elderly care homes

120

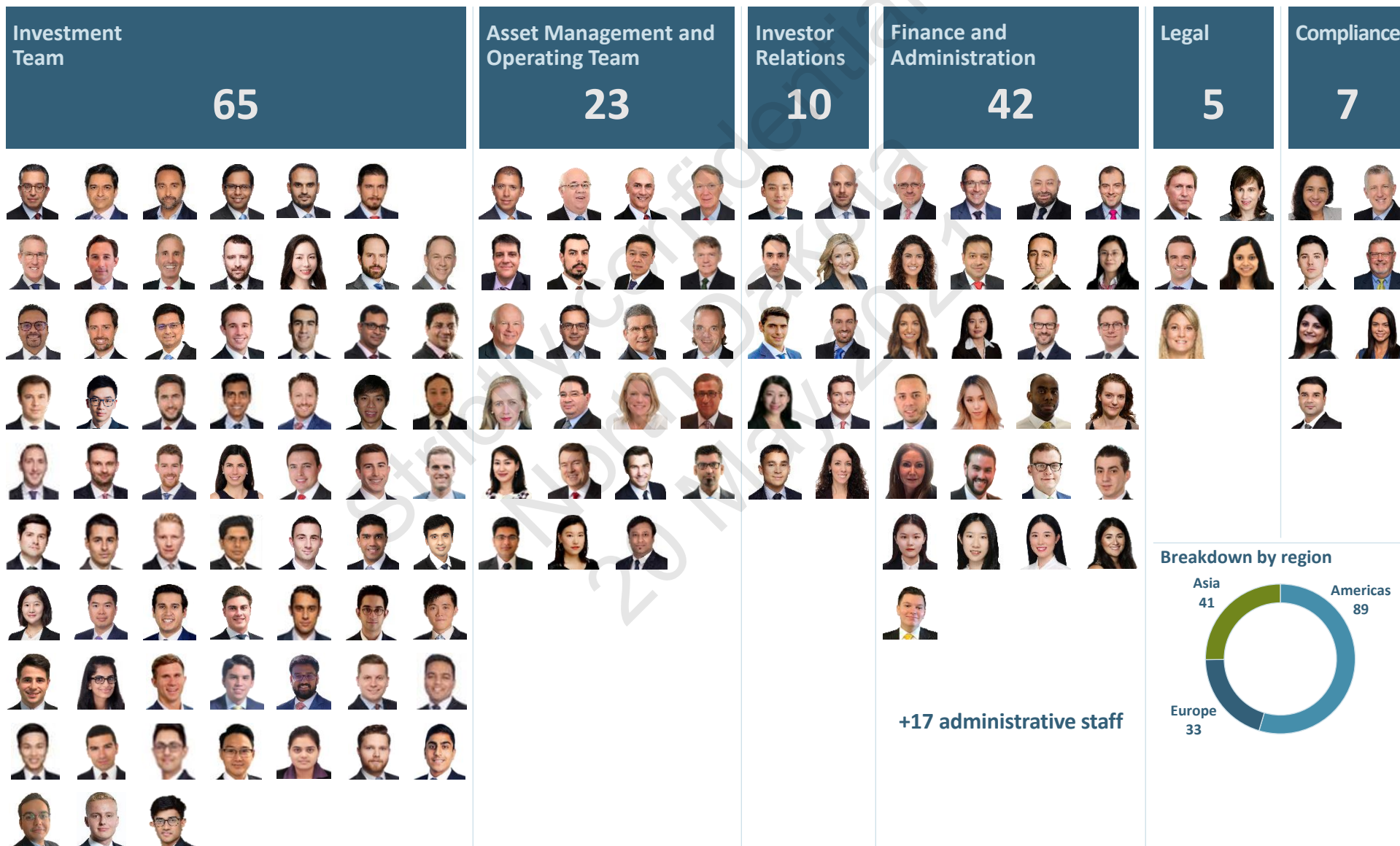
¹ Aggregated historical metrics including all realized and unrealized assets acquired or constructed by I Squared Capital.

² Under construction.

³ Including under development assets.

A specialized and dedicated team

I Squared Capital has a diverse global team of experienced investment and infrastructure professionals across its six global offices.



Senior Policy Advisors¹

A global team of Senior Policy Advisors providing insight and analysis of the regulatory risk and challenges facing infrastructure investments around the world.



Nicolas Baverez
European Transport and Energy

A partner at Gibson, Dunn & Crutcher in Paris specializing in privatizations, public-private partnerships, and regulatory law, Nicolas was previously a magistrate in the Cour des Comptes (France's Court of Audit), member of staff for the President of the French Parliament.



Norman Bay
Global Energy Policy

A partner and head of the energy regulatory and enforcement group at Willkie Farr & Gallagher LLP, Norman was also the former Chairman of the Federal Energy Regulatory Commission (FERC), the U.S. Attorney for the District of New Mexico and a Professor at the University of New Mexico School of Law.



Walid Chamamah
International Finance

A former Co-President of Morgan Stanley and former Chairman of Morgan Stanley International, Walid also served as a member of the Morgan Stanley Management and Operating Committees.



Jonson Cox
European Infrastructure

The current Chairman of the Water Services Regulatory Authority (Ofwat) and Chairman of Harworth Group, Jonson is also the former Group Chief Executive of Anglian Water Group, former Chief Executive Officer of Valpak, and former Chief Operating Officer of Railtrack.



Iván Díaz-Molina
Latin American Energy

A former president of electricity distribution companies in Chile and El Salvador, and Chief Executive Officer of companies in Peru and Brazil, Iván currently serves as Chairman of SAESA Group and AESGener Director.



Thomas J. Donohue Sr.
U.S. and Global Strategy

President and Chief Executive Officer of the United States Chamber of Commerce located in Washington, D.C., Tom is the former President and Chief Executive Officer of the American Trucking Association.



Anders Eldrup
European Energy

Chief Executive Officer of DONG Energy from 2001 to 2012, as well as President and Member of the Executive Board, Anders served as Permanent Secretary of the Danish Ministry of Finance starting in 1991 when he served as Director in the Department of the Budget.



Kristina Johnson
U.S. Energy

Recently appointed President of Ohio State and former Chancellor of the State University of New York, U.S. Under Secretary of Energy and Provost at Johns Hopkins University. Kristina received the John Fritz medal, the highest honor in the engineering profession in 2008.



Ginger Lew
U.S. Federal and State Regulation

A former Senior Advisor to White House Economic Council Director Larry Summers, Ginger was also the former Chief Operating Officers of SBA, General Counsel at U.S. Department of Commerce and Chief Counsel at the U.S. Department of Energy.



Dr. Mahmoud Mohieldin
Sustainability

A Special Envoy to the UN Secretary General on Financing the 2030 Agenda for Sustainable Development, Mahmoud served for ten years as the World Bank Group's Senior Vice President for the 2030 Development Agenda and was Minister of Investment in Egypt from 2004 until 2010.



Michael Morell
Global Risk

Served thirty-three years with the Central Intelligence Agency, the last three-and-a-half as Deputy Director, a position from which he ran the day-to-day operations of the Agency. Michael also served on President Obama's Review Group on Intelligence and Communications Technology.

¹ Senior Policy Advisors are not I Squared Capital employees. There can be no assurance that such professionals will continue to be associated with I Squared Capital throughout the life of the Funds. The level of involvement and role of the Senior Policy Advisors with each Fund portfolio company may vary, and in some cases they may have no involvement or role at all.

Fund performance

I Squared Capital has two global infrastructure funds under management that are currently being invested.

ISQ Global Infrastructure Fund I¹

Vintage	2014
Size	\$3 billion (hard cap)
Portfolio companies	15
Invested capital	\$3.0 billion
Realized proceeds	\$2.4 billion
Total value ²	\$5.5 billion
Leverage ³	59%
Loss ratio	0%

Gross IRR ¹	22.3%
Net IRR ¹	16.6%

Gross MOIC ¹	1.9x
Net MOIC ¹	1.7x

Annual yield from operations ⁴	9.8%
Quartile ⁵	First

ISQ Global Infrastructure Fund II¹

Vintage	2017
Size	\$7 billion (hard cap)
Portfolio companies	16⁶
Invested capital	\$4.8 billion
Realized proceeds	\$0.3 billion
Total value ²	\$6.7 billion
Leverage ³	53%
Loss ratio	0%

Gross IRR ¹	21.5%
Net IRR ¹	17.2%

Gross MOIC ¹	1.4x
Net MOIC ¹	1.3x

Quartile ⁵	First
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¹ Performance as of December 31, 2020. Past or projected performance is not necessarily indicative of future results, and there can be no assurance that any Fund or investment will achieve similar returns. See the Disclosure at the end of this Presentation for important information regarding the performance data presented herein, including the calculation of gross and net returns.

² "Total value" is the sum of realized proceeds and Unrealized Value, which is defined in the Disclosures at the end of this Presentation.

³ Calculated based on gross debt of portfolio company divided by total enterprise value.

⁴ Annual yield from operations represents (i) historical LTM EBITDA as of December 31, 2020 (or September 30, 2020, in the case of Energia) at the asset level, less debt service and maintenance capex, divided by (ii) cash funded into the assets as of December 31, 2020, net of financings, bridged investments and cash extractions. See the Disclosure at the end of this Presentation for important information about yield from operations.

⁵ Based on the Cambridge Associates Infrastructure benchmark (the "Benchmark") for Q3 2020. Managers of funds included in the Benchmark may have different definitions or methodologies for calculating or reporting and performance, including, without limitation, with respect to recycled capital or use of fund-level leverage, and I Squared Capital is unable to determine how such differences affect the Cambridge Associates data. Accordingly, the respective Fund's performance may not be directly comparable to such other managers' metrics. Undue reliance should not be placed on comparisons between the Benchmark's and I Squared Capital's data sets. Please also refer to the Disclosures at the end of this Presentation for additional important information with respect to benchmarking information provided by Cambridge Associates.

⁶ Includes one transaction with high probability of executing or closing based on management's current views or expectations.

Cube Hydro overview

A platform of dispatchable and run-of-the-river hydro plants with 385 megawatts of generation capacity in five U.S. states.



Company Overview

- I Squared Capital established Cube Hydro in 2014 as a hydropower platform headquartered in Bethesda, MD
- The I Squared Capital and Cube Hydro teams successfully executed 6 transactions over five years, to develop a 385 megawatt, 19 asset portfolio
- Portfolio exposure to diverse hydrological resources in 3 power markets (SERC, PJM, NYISO) and a 17-mile transmission facility at Yadkin
- Visibility on 2+ GW of long-term growth through proprietary pipeline including development, acquisitions and Public-Private Partnerships
- 2018A revenue and EBITDA of \$82mm and \$46mm, respectively¹

Company Attributes at Exit

Hydroelectric projects	Total capacity	Powered U.S. homes
19	385 megawatts	147,000
River systems	Annual generation	Growth Pipeline
10	1.5 terawatt-hours	2.0⁺ gigawatts
U.S. states		
5		

Investment Rationale¹

Consistent with I Squared Capital's global strategy, Cube Hydro offered the opportunity to:

- Aggregate small assets into a large platform attractive to strategic and low-cost of capital buyers
- Focus on organic development (at build cost) and bilateral transactions in an effort to fuel platform growth
- Drive operational excellence via rigorous asset management and implementation of best practices across the portfolio
- Pursue value-added revenue optimization projects, via technological enhancements
- Utilize senior policy advisors and effective risk management practices in an effort to reduce or eliminate regulatory exposures

Exit

In the second quarter of 2019, the Fund announced the sale of 100 percent of its equity interest in Cube Hydro Partners and its affiliate, Helix Partners, to Ontario Power Generation. The transaction closed in the fourth quarter of 2019 upon receiving regulatory approval.

¹ Please refer to the Disclosure the end of this Presentation, for important information regarding the description of I Squared Capital's investment rationale and criteria, deteriorating market conditions, as well as the use of performance data presented herein.

Inherent portfolio resiliency

I Squared Capital believes that its globally diverse platform and its prudent, risk-adjusted approach result in a portfolio with strong embedded resilience, which is primed to perform across a range of market conditions.

Portfolio diversification

Highly diversified portfolio by asset, sector and geography – no inter-platform overlap of portfolio companies

- ✓ **33** portfolio companies operating across **51** countries
- ✓ Median single company exposure in Funds I and II is **5.9%**, only five companies represent above **10%**, and highest single company exposure is **14%**
- ✓ Global operations give valuable lead time: trends identified in one region are anticipated and prepared for elsewhere

Prudent approach

Leverage

No currently anticipated default events or significant liquidity concerns

- ✓ Aggregate debt service ratio¹: **3.1x**
- ✓ Fund I debt-to-aggregate value^{2,4}: **59%**
- ✓ Fund II debt-to-aggregate value²: **53%**

Hedging

Comprehensive currency hedges are a standard part of our risk management strategy

- ✓ Invested capital³ hedged: **104%**
- ✓ Intrinsic value⁴ hedged: **77%**

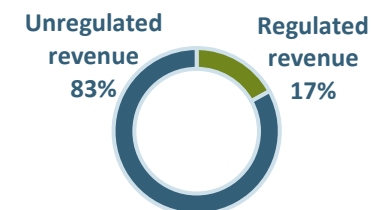
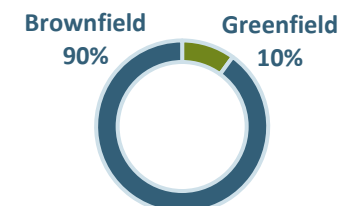
Entry prices

Entry pricing discipline provides built-in cushion

- ✓ Average enterprise value entry multiple⁵: **9.9x**
- ✓ Average enterprise value discount to comparable transactions⁶: **15%**

Exposure⁷

- ✓ Limited greenfield exposure protects against completion or availability risk
- ✓ Low exposure to regulation insulates from potential adverse government actions
- ✓ Long-term, contracted revenue provides balance sheet foresight



¹ EBITDA to mandatory debt service.

² Based on portfolio company gross debt to enterprise value.

³ By cost basis.

⁴ Fair market value of the asset.

⁵ Average enterprise value to EBITDA entry multiple since I Squared Capital inception.

⁶ Based on transactions believed by I Squared Capital to be the most direct comparables in the industry within the relevant time period. Selection of comparable transactions is inherently subjective, and others might select different comparables based on their assessment of the market.

⁷ Information herein reflect current beliefs of I Squared Capital as of the date hereof and are based on a variety of assumptions and estimates that are subject to various risks.



ISQ Global Infrastructure Fund III

Strictly confidential
North Dakota
20 May 2022



ISQ key differentiators

Relative to the infrastructure landscape, I Squared Capital's strategy provides a competitive edge spanning the investment process.

Cohesive team with on-the-ground presence

Highly complementary team of investing, operating and policy professionals on the ground in the Firm's target markets across six global offices

Globally diversified cross-sectoral strategy

Allows I Squared Capital to invest and exit assets optimally and deliver attractive risk-adjusted returns across geographies and sectors

Proprietary Risk Model with a focus on risk-adjusted returns

10-factor Risk Model enabling direct comparisons of infrastructure assets across sectors and regions considering idiosyncratic risks

Disciplined investment strategy

Target high quality, resilient infrastructure assets with disciplined pricing and prudent leverage

Off-market investment sourcing

Robust pipeline of bilateral investments sourced through the extensive networks

Platform development

Building and acquiring scaled infrastructure assets through both mid-market and larger, opportunistic investments generally sourced bi-laterally at attractive entry valuations

Intensive focus on operational value creation

Focus on lifecycle asset management and industrial management best practices delivers enhanced asset value

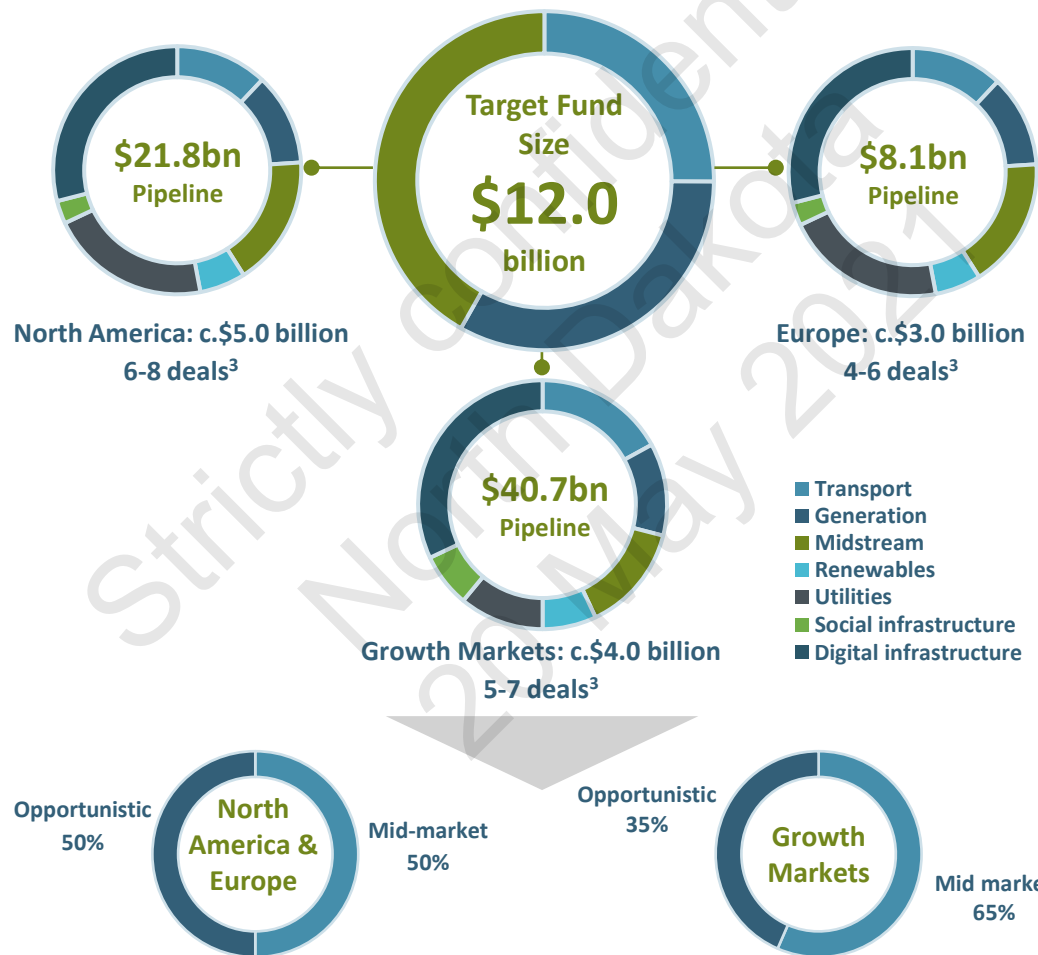
Regulatory and policy risk focus

Focus on identifying, measuring and managing regulatory and policy risk

Fund size overview

I Squared Capital believes that a \$12.0 billion fund size will enable I Squared Capital to pursue a high quality, well diversified portfolio of assets while maintaining a high degree of selectivity across geography, sub-sector and deal type.

Regional sleeves are each underpinned by a large and growing pipeline diversified by subsector and transaction type¹



¹ The pipeline information presented herein relates to certain potential investment opportunities that may be available for Fund III and/or that I Squared Capital is currently considering. With respect to any potential investment opportunities, neither I Squared Capital nor Fund III has consummated or entered into an exclusive agreement relating to such potential investments. The pipeline amounts represent I Squared Capital's estimates of the aggregate equity contributions by its Funds that would be needed to acquire all potential investments currently under review by I Squared Capital, but there can be no assurance that any such potential investments will ever be acquired by any Fund in the amounts set forth on this page or at all.

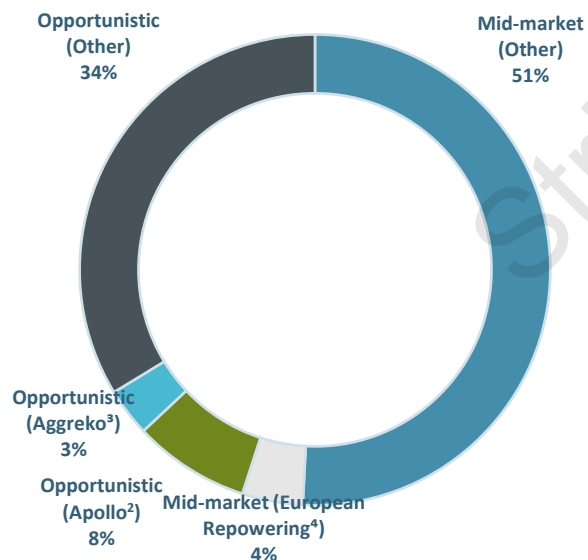
³ Represents the targeted investment concentrations (by aggregate amount and number of investments) for Fund III in each specified region, but Fund III's final portfolio construction may vary materially from these targets. There can be no assurance that Fund III will achieve its diversification objectives or that any particular amount or number of investments (if any) will be made in any particular region. It is expected that a portion of the pipeline investments will be taken up by Fund II and therefore will not be available to Fund III.



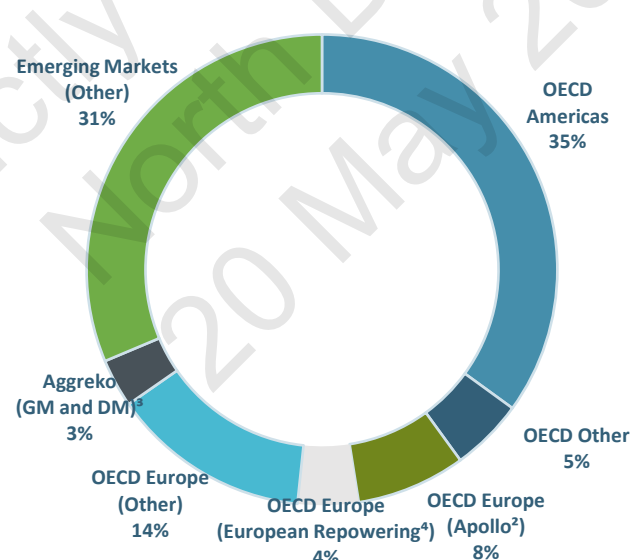
Fund III strategy and targeted deployment

Fund III will continue to focus on delivering attractive risk-adjusted returns to investors primarily through middle-market assets with core risk fundamentals, operational value-add and platform development,¹ with first investment Project Apollo signed in October 2020.

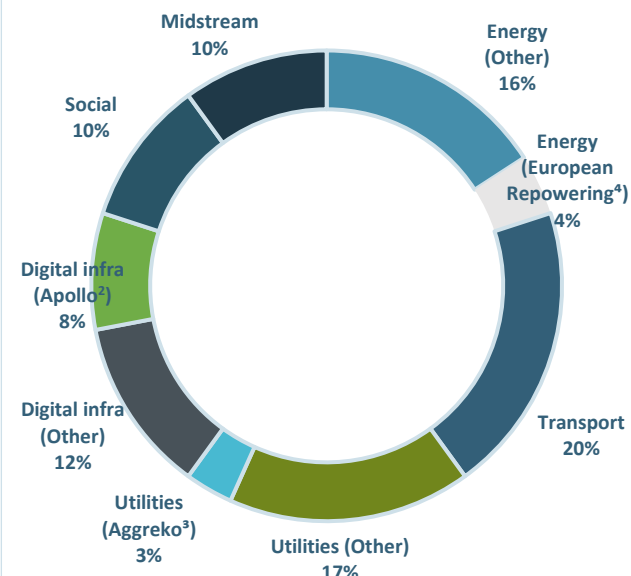
By transaction type



By geography



By sector



¹ Represents the targeted investment concentrations (as percentages of the aggregate potential equity amounts to be invested) for Fund III in each specified strategy, geography or sector, but Fund III's final portfolio construction may vary materially from these targets. There can be no assurance that Fund III will achieve its diversification objectives or that any particular amount or number of investments (if any) will be made in any particular strategy, geography or sector.

² Assuming the final equity check to be \$1,300m including \$400m co-investment opportunity, over the Target Fund Size of \$12bn.

³ Fund III and Growth Market Fund I, have received the requisite shareholder approval to acquire Aggreko. The illustrative chart assumes 2:1 split between Fund III and Growth Markets Fund. Final allocation is still to be decided. Aggreko allocation will be split across Emerging Market allocation and target OECD Europe split.

⁴ European Repowering transaction is expected to be announced w/c 05/17. Final allocation will be determined at closing and may vary from what is shown in the above.

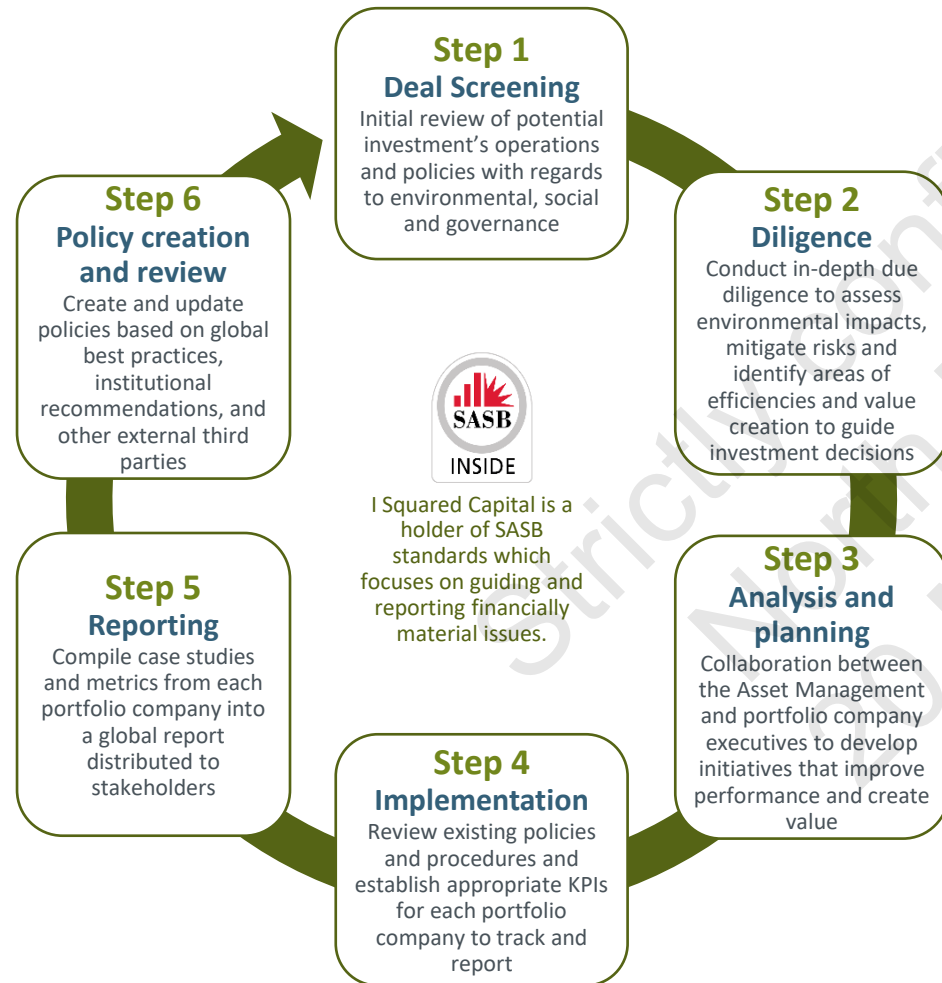
A commitment to sustainable investing

I Squared Capital applies a systematic sustainability framework across its investments and measures its impact by mapping specific metrics to the UN's Sustainable Development Goals.





Signatory of:



ESG is embedded in the entire investment life cycle



Operational improvements mapped to SDGs¹

- 
Quality education
326 percent year-over-year increase in community meetings
1,130,620 participants in community engagement programs in 2019
- 
Affordable and clean energy
35 percent year-over-year increase in wind generation
8,487,623 megawatt-hours of renewable generation in 2019
- 
Clean water and sanitation
136 percent year-over-year increase in wastewater treated
Over 1.2 million customers served from wastewater treatment in 2018
- 
Life on land
140 percent year-over-year increase in total trees and shrubs planted since acquisition with **126,254** trees and shrubs planted in 2019

ESG Team



William Campbell
General Counsel and Head of ESG
Responsible for legal issues regarding investments and oversight of sustainability globally.



Ulrica Svensson
Operating Director
Formerly the Head of Sustainable Investments at a leading firm in London and dedicated to implementing, monitoring, and reporting on sustainability globally.



Dr. Mahmoud Mohieldin
Senior Policy Advisor
A Special Envoy to the UN Secretary General on Financing the 2030 Agenda for Sustainable Development and former Senior Vice President at the World Bank.

¹ Percentage increases relate to 2019's improvements from 2018 across all investments managed by I Squared Capital.

ISQ Global Infrastructure Fund III

Summary of Certain Key Information and Terms

Target fund size	\$12 billion	Commitment period	Will begin on the date on which the first management fees are paid and end five (5) years after the final closing.
Hard cap	\$13 billion	GP commitment	At least 2% of total commitments
Target returns	15-20% gross IRR	Carry	20%, over 8% hurdle
Target cash yield	6%	Management fee	1.60% for commitments up to and including \$100 million
Minimum commitment	\$25 million. Commitments of lesser amounts may be accepted at the discretion of the General Partner.		
Term	Ten (10) years from the final closing.		

Disclosure

Certain of the information contained herein, particularly in respect of market data, economic and other forecasts and portfolio company related data, is from third-party sources. While I Squared Capital believes such sources to be reliable, neither the Funds nor I Squared Capital nor any of their respective affiliates nor employees have updated any such information through the date hereof or undertaken any independent review of such information. I Squared Capital does not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any of the information contained herein (including but not limited to economic, market or other information obtained from third parties), and it expressly disclaims any responsibility or liability therefor.

Any information about a ISQ Global Infrastructure Fund III (“Fund III”) referenced herein is provided for informational and discussion purposes only, contains expected terms only, and is a summary of certain terms and target fund characteristics that are subject to change and is not intended to be complete and is qualified in its entirety by reference to Fund III’s Governing Documents, which should be reviewed in their entirety prior to making an investment in Fund III.

Any comparable transactions discussed herein were selected by I Squared Capital for illustrative purposes because I Squared Capital believes that, for the investments to which they are compared, they represent relevant comparables in the relevant industries within the relevant time periods. Similarly, any investment funds that are compared to Fund III were selected by I Squared Capital for illustrative purposes because I Squared Capital believes that they represent the relevant private investment fund sponsors that are currently raising capital for a new infrastructure fund. Selection of such criteria is inherently subjective and others might select other comparables based on their assessment of the market. Actual results may differ, quite possibly materially, from the estimates and assumptions presented herein.

The pipeline information presented herein relates to certain potential investment opportunities that may be available for Fund III and/or that I Squared Capital is currently considering. With respect to any potential investment opportunities, neither I Squared Capital nor Fund III has consummated or entered into an exclusive agreement relating to such potential investments,

and there can be no assurance that any of such potential future investments will ever be acquired by Fund III or any related entity.

Third-party logos and vendor information included herein are provided for illustrative purposes only. Inclusion of such logos does not imply affiliation with or endorsement by such firms or businesses. There is no guarantee that I Squared Capital, the Funds or the current or future portfolio companies of the Funds will work with any of the firms or businesses whose logos are included herein in the future.

Important information regarding performance

Past or projected performance is not necessarily indicative of future results, and there can be no assurance that any Funds or any investment will achieve comparable results to those presented herein, that any Fund will be able to implement its investment strategy or achieve its investment objectives or that the returns generated by any investment will equal or exceed any past or projected returns presented herein. There can be no assurance that investors will not lose any or all of their invested capital.

As used throughout, and unless otherwise indicated, any stated or targeted IRR or valuation for an investment as of its acquisition or at “entry” represents I Squared Capital’s estimate, at the time such investment was acquired, of the potential gross IRR that the Fund might realize from such investment if all of I Squared Capital’s pre-acquisition assumptions regarding such investment proved to be true. Such information is presented herein only for reference and is not intended to be any indication of current expectations. Targeted gross returns are not indicative of actual results.

Certain current and historical unrealized returns presented in this Presentation represent hypothetical, unrealized IRRs and MOICs that are calculated utilizing mathematical models requiring inputs that, in some cases, are estimated, and certain assumptions that I Squared Capital believes are reasonable under the circumstances that ultimately may not hold true with respect to any investment. The models, including the underlying estimates and assumptions, are prepared as of December 31, 2020 and reflect conditions at such time. Actual realized returns may deviate materially from these models. Calculations of the IRRs and MOICs represent U.S. dollar values and are based on (i) actual historical cash flows for each investment and (ii) the hypothetical disposition of each

investment and hedge on December 31, 2020 for its Unrealized Value. “Unrealized Value” represents I Squared Capital’s estimate of unrealized fair value in U.S. dollars as of December 31, 2020, taking into account certain information I Squared Capital deems to be pertinent, including available market prices, valuations of comparable public companies, recent sales of private and public comparable companies or assets, types of securities, marketability, restrictions on dispositions, material third-party transactions, current financial position, operating results, forecasts, general business and economic risk factors, liquidation or collateral value of the portfolio company’s capital, offers from third parties to buy the portfolio company, potential claim recoveries and the value to potential strategic buyers or the value of recent investments in the securities of the portfolio company. However, there can be no assurance that unrealized investments will be realized at the Unrealized Values assumed herein or at all, and transaction costs connected with such realizations remain unknown and, therefore, are not factored into such calculations. Actual realized returns will depend on, among other factors, future operating results of the applicable asset or portfolio company, changes in interest rates, changes in legislation or regulation, changes in market conditions (including as a result of the deteriorating market conditions described below and general and local economic, governmental, regulatory, political and technological factors, capital market conditions and industry trends), changing levels of competition within certain industries and markets, legal and contractual restrictions on transfer that may limit liquidity and other factors affecting the value of the assets between now and the time of disposition, as well as any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the calculations herein are based and any or all of which could cause actual results to differ materially from the results shown. Accordingly, actual realized returns may be materially lower than the unrealized returns presented herein. Therefore, no investor has received (nor, due to the imposition of Fund-level fees, expenses and carried interest, among other factors, will any investor receive) the stated returns, and the actual realized return on unrealized investments or realized by any investor will differ materially from the performance information indicated herein. No assumption should be made that investments identified and discussed herein were or will be profitable, or that investments made in the future will be comparable in quality or performance to the investments described therein.

Disclosure

“Gross IRR” means an aggregate, annual, compound, gross internal rate of return on investments. “Gross MOIC” represents the multiple of invested capital (i.e., the total combined value divided by the invested amount). Gross IRR and MOIC reflect all funded capital, fair market values, and hedges and exclude carried interest, fees and other partnership expenses, as well as blocker taxes, which, when deducted, would materially lower the reported gross returns herein. Net IRR and MOIC are calculated based on the gross cash flows, as described above, and are presented net of any carried interest, management fees, and other partnership expenses, but exclude blocker taxes. The management fees and carried interest taken into account for calculating “net” returns are based on blended rates paid across all investors in the applicable Fund and do not necessarily represent the fees and carry paid by any particular investor. An individual investor’s Net IRR may vary based on the timing of capital contributions and distributions. Net IRR and MOIC cannot be calculated with respect to individual investments, and recipients of this Presentation should refer to I Squared Capital’s historical investment track record.

In certain circumstances, the Funds utilize subscription facilities or other lending facilities to provide funding in anticipation of capital calls for investments or for partnership expenses. Interest expense incurred due to the use of such facilities causes both Gross and Net IRR to be lower than it would have otherwise been, but use of such facilities also increases Net IRR (but not Gross IRR) due to the shorter period during which capital contributions are outstanding.

Important information regarding projections

Past or projected performance is not necessarily indicative of future results, and there can be no assurance that any Funds or any investment will achieve comparable results to those presented herein, that any Fund will be able to implement its investment strategy or achieve its investment objectives or that the returns generated by any investment will equal or exceed any past or projected returns presented herein. There can be no assurance that investors will not lose any or all of their invested capital. Any projections, forecasts or other model or estimated future returns, including estimates of returns or performance, set forth herein (“Projections”) are hypothetical, have been prepared and are set out for illustrative and discussion purposes only, and do not constitute a forecast. Projections should not be

relied upon and do not represent, and are not necessarily indicative of, the results that may be achieved by any investment. Projected or targeted performance has many inherent limitations. As a sophisticated investor, you acknowledge that you understand and accept such inherent limitations and agree to use Projections for discussion purposes only.

Unless otherwise indicated, Projections are presented on a “gross” basis and do not reflect the deduction of any fees and expenses, including management fee or carried interest, taxes payable by an individual investor, transaction costs related to the disposition of unrealized investments or the fund-level taxes, or other fund-level expenses that are expected to be borne by Fund investors, which will reduce returns and are expected to be substantial in the aggregate. Net performance information for Projections cannot be calculated without making arbitrary assumptions about timing of fees and expenses, and for that reason is not included herein.

Projections are based largely on historical information. I Squared Capital has not independently verified the accuracy or completeness of the information nor have the simulated results been independently verified or audited. Should any of the information used in the simulation prove to be inaccurate, the simulated or hypothetical results themselves may be inaccurate. Furthermore, Projections are based upon certain assumptions that may change. There are numerous factors related to the markets in general or the implementation of any specific investment program that cannot be fully accounted for in the preparation of projected or targeted performance results, all of which can adversely affect actual investment results. Projections are therefore subject to a number of important risks, qualifications, limitations, and exceptions. The models, estimates and assumptions on which Projections are based are believed to be reasonable under the circumstances, but actual realized returns on a Fund’s investments will depend on, among other factors, the ability to consummate attractive investments and to obtain the leverage reasonably assumed to be achievable based on current proposals from prospective financiers, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which Projections are based.

Projections have been prepared based on I Squared Capital’s view at the time such Projections were prepared in relation to future events and various estimations and assumptions made by I Squared Capital or the applicable investments, including I Squared Capital’s belief about what results may be achievable in light of I Squared Capital’s experience with similar transactions, and estimations and assumptions about events that have not yet occurred, any of which may prove to be incorrect. Such estimations and assumptions may require modification as additional information becomes available and as economic and market developments warrant. Any such modification could be either favorable or adverse. While Projections are based on assumptions that believed to have been reasonable in light of the information available at the time and under the circumstances in which Projections were prepared, they are subject to uncertainties, changes (including changes in economic, operational, political, legal, tax and other circumstances) and other risks, including, but not limited to, broad trends in business and finance, tax and other legislation affecting I Squared Capital, the Funds, its investors, investments, monetary and fiscal policies, interest rates, inflation, market conditions, the level and volatility of trading markets, the availability and cost of short-term or long-term funding and capital, all of which are beyond the control of I Squared Capital and any of which may cause the relevant actual, financial and other results to be materially different from the results expressed or implied by such Projections. Industry experts may disagree with the estimations and assumptions used in preparing the Projections.

No assurance, representation or warranty is made by any person that any of Projections will be achieved and no investor should rely on Projections. None of I Squared Capital, the Funds, any of their affiliates or any of their respective directors, officers, employees, partners, shareholders, advisors or agents makes any assurance, representation or warranty as to the accuracy of any Projections, estimates and assumptions.

Disclosure

Important information regarding case studies

The investment summaries and case studies presented herein are for illustrative purposes only and have been presented in order to provide an illustration of the types of investments made or considered by I Squared Capital. It should not be assumed that investments made in the future will be comparable in quality or performance to the investments described herein. The information presented in these investment summaries and case studies is based primarily on internal projections, market research and other analysis conducted by I Squared Capital, management and other representations of applicable portfolio companies, and third parties. Except where otherwise indicated, such information has not been updated subsequent to the making of such analysis or the relevant date specified, is not intended to provide an update of company performance, and at the time made was and remains today subject to a number of actual contingencies that generally are not discussed herein. The materials included in this Presentation are not, and are not intended to be, representative of I Squared Capital's historical investment track record, including the footnotes and definitions contained therein. A complete list of all investments made by the Funds from their inception, including investment performance, can be found within I Squared Capital's historical track record. There can be no assurances that any plans described in the investment summaries and case studies will be realized on the terms expressed herein or at all, and all such plans are subject to uncertainties and risks.

The investment rationale and criteria described herein reflect the beliefs of I Squared Capital that were considered to be true at the time I Squared Capital made an investment decision. Such rationale and criteria are based on a variety of assumptions and estimates employed by I Squared Capital and are subject to various risks. There can be no assurances that the investments made by Fund III or any other Fund will meet these criteria or that any such Fund will be able to implement its investment strategy with respect to those investments it pursues. Further, there can be no assurance that any projections or estimates will be attained within the proposed timing set forth herein or at all, and actual results may be significantly different from expectations described in this Presentation.

The metrics regarding select aspects of the company's operations were selected by I Squared Capital on a subjective basis. Such

metrics are provided solely for illustrative purposes to demonstrate elements of the company's business, are incomplete, and are not necessarily indicative of the company's performance or overall operations. There can be no assurance that historical trends will continue throughout the life of the Fund.

Important information regarding cash yields

Annual yield from operations is unaudited and represents (i) historical LTM EBITDA as of December 31, 2020 (or September 30, 2020, in the case of Energia) at the asset level (unaudited), less debt service and maintenance capex, divided by (ii) cash funded into the assets as of December 31, 2020, net of financings, bridged investments and cash extractions. For any assets acquired during LTM December 2019, yield from operations has been weighted to account for the pro-rated holding period. Disposed assets have been excluded from the calculation. The calculation excludes greenfield assets, assets under development, assets acquired in the current quarter and yields generated from investments in public securities. Further, certain other items, including one-time major capex, have been excluded from the calculation. Yield from operations is a measure of portfolio company economic income and is not indicative of actual or potential distributions of current income or other returns to investors in the Fund. Yield from operations may be retained by a portfolio company in accordance with debt distribution covenants or to fund growth (by way of acquisitions or to fund the costs of running a growth platform) or other portfolio company needs rather than being distributed to the Fund. Any such amounts actually received by the Fund are not necessarily distributed to investors, and prior to any such distribution, such amounts will be reduced by management fees, carried interests and fund-level expenses, which in the aggregate are expected to be substantial. Therefore, the yields depicted herein do not reflect the reduction of such fees and expenses associated with an investment.

Important information regarding risk scores

In order to calculate the risk scores discussed in this Presentation, I Squared Capital considered ten categories of risks and assigned a score of 0-10 to each category for each investment (with higher numbers indicating higher levels of perceived risk). The scores assigned to all categories for each investment were then added together to reach I Squared Capital's

overall risk score for such investment. As such, any risk scores discussed in this Presentation with respect to a specific investment or potential investment represent I Squared Capital's internal ratings of certain potential risks identified by I Squared Capital. Risk scores for an investment at the time such investment is made are reflective of the analysis of certain potential risks identified by I Squared Capital at the time and are not necessarily an indication of the actual risks associated with such investment. Any reference herein to risk reduction or "de-risking" is intended to denote an effort by I Squared Capital to reduce the risk scores associated with the relevant investment or project, but no program can be expected to fully identify or ameliorate such risks, and no representation is made that the risks identified by I Squared Capital are comprehensive. Any changes in an investment's risk score represent I Squared Capital's views on the effects of its post-acquisition efforts to reduce the risks relating to such investment. There can be no assurance that the relevant risks for such investment have actually been identified or mitigated or that they will not result in significant losses in the future.

Important information regarding benchmarks

The Benchmark consists of funds that make investments in companies or projects that focus on providing the essential, long-lived facilities and services necessary for operation of the economy. Managers of funds included in the Benchmark may have different definitions or methodologies for calculating or reporting and performance, including, without limitation, with respect to recycled capital or use of fund-level leverage, and I Squared Capital is unable to determine how such differences affect the Cambridge Associates data. Accordingly, the respective Fund's performance may not be directly comparable to such other managers' metrics. Undue reliance should not be placed on comparisons between the Benchmark's and I Squared Capital's data sets.

Quartile and percentile rankings are based on the Benchmark as of December 31, 2020, based on net performance of the relevant Funds as of such date. The Benchmark is updated on a rolling basis, therefore benchmarks can change retroactively. The Benchmark is one of a number of private equity and infrastructure benchmarks; not all benchmarks are reviewed here.

Disclosure

Important information regarding deteriorating market conditions

Any performance information, including any forward-looking statements, hypothetical performance, projections, targets, assumptions and expectations with respect to any investment described herein, as well as discussions or analysis of the business environment and investment strategy of any Fund included herein (e.g., with respect to financial markets, business opportunities, demand, investment pipeline and other conditions) were generally prepared prior to the advent of the novel coronavirus outbreak (“COVID-19”) and do not reflect its ongoing and ultimate potential effects, all of which can substantially and adversely impact certain information included herein regarding any Fund’s execution of its investment strategy and past and future expectations regarding any Fund investment. To the extent that current conditions continue (or worsen as some expect), I Squared Capital expects that there will be adverse impacts on the availability of credit to businesses as well as on asset prices and more generally the public and private markets, which, in each case, could impact certain information included herein regarding any Fund and its investments, as well as the ability of any Fund to implement its investment objective, consummate transactions and/or adequately assess and react to actual and potential downside risks to such Fund’s investments. In addition, the full impacts of the pandemic and the oil price shocks resulting from disputes among members of the Organization of Petroleum Exporting Countries (“OPEC”) on markets, business activity and the U.S. and global economy, as well as potential changes in U.S. economic and fiscal policies that may be adopted to address the pandemic, price shocks and related externalities, are not yet fully identified or understood. Given the fluidity of the global macro situation, it is difficult to predict the ultimate impact on any Fund, or any of its investments or on the global economy. Recipients should note that the ongoing pandemic and oil price shocks, together with, among other events, the ensuing global market turmoil, unprecedented global travel restrictions and regional and nationwide quarantines that have been implemented by several governments and the slowing and/or complete idling of certain significant U.S. and global businesses and sectors, have led to a market correction in the United States and elsewhere, and have led most market participants and commentators to expect an economic downturn in North America, Europe and/or globally. Political and economic leaders in the United States and abroad

have begun implementing measures to attempt to address the increasing uncertainty in global markets and the global economy. Such measures have included and may include in the future additional travel bans impacting the movement of people and goods between the United States and other major economic centers and material monetary and/or fiscal policy changes. In addition, key public health officials in the United States have indicated that they believe the COVID-19 pandemic will worsen in the near term, which would be expected to lead to increased social and economic uncertainty. Moreover, no actual or potential resolution of the OPEC disputes regarding production and output levels has been publicly disclosed. **Any information herein that is based on or could be affected by oil or gas prices should be reviewed carefully in the context of the rapid and severe decline of those prices, the full effects of which are unknown and therefore not reflected herein.**

Portfolio company sales and EBITDA figures

Portfolio company sales and EBITDA figures, including historical figures presented in these materials may be reflected on a pro forma basis for material add-on acquisitions and divestitures, and other significant transactions (e.g., material sale-leaseback transactions, etc.), if applicable. Additionally, amounts contained in these materials are generally unaudited and may be flash or preliminary amounts reported by portfolio company management. Portfolio company EBITDA reported to I Squared Capital may be adjusted for purposes of determining the estimated fair value of such portfolio company in accordance with I Squared Capital’s valuation policy, or for other purposes. Sales and EBITDA figures discussed in these materials with respect to companies, whether pre- or post-acquisition, are believed to be from reliable sources, but I Squared Capital does not attest to their accuracy.

EACH RECIPIENT ACKNOWLEDGES AND AGREES THAT IT IS RECEIVING THIS INFORMATION ONLY FOR THE PURPOSES STATED ABOVE AND SUBJECT TO ALL APPLICABLE CONFIDENTIALITY OBLIGATIONS AS WELL AS THE UNITED STATES SECURITIES LAWS PROHIBITING ANY PERSON WHO HAS RECEIVED MATERIAL, NON-PUBLIC INFORMATION FROM PURCHASING OR SELLING SECURITIES OF THE APPLICABLE ISSUER OR FROM COMMUNICATING SUCH INFORMATION TO ANY

OTHER PERSON UNDER CIRCUMSTANCES IN WHICH IT IS REASONABLY FORESEEABLE THAT SUCH PERSON IS LIKELY TO PURCHASE OR SELL SUCH SECURITIES.

BOARD ACTION

TO: State Investment Board
FROM: Dave Hunter, Darren Schulz and Eric Chin
DATE: May 21, 2021
SUBJECT: Macquarie Infrastructure Partners V Recommendation

Recommendation: RIO requests the SIB approve up to an additional \$65 million commitment to Macquarie Infrastructure Partners V (MIP V). The SIB previously committed \$100 million to MIP V in May 2020 with a commitment of \$60mm from the Legacy fund and \$40 million from the Pension pool. The proposed increase is comprised of \$30 million from the Legacy fund, \$20 million from the Pension pool, and a new allocation to the Insurance pool of \$15 million. This top up to MIP V will grant the NDSIB participation in the Limited Partner Advisory Committee (LPAC) and further help bring diversified real assets towards policy targets.

MIP Overview:

As one of three units within Macquarie Asset Management (MAM), the Macquarie Infrastructure & Real Assets (MIRA) team is a leading infrastructure manager globally, with a long track record sourcing and managing assets in four primary infrastructure sectors: regulated utilities, communications, waste management and transportation.

MIP V is a continuation of predecessor funds that invest in core and core-plus infrastructure assets and companies in North America: Macquarie Essential Assets Partnership (2003 vintage), Macquarie Infrastructure Partners I (2006), II (2008), III (2013) and IV (2018).

Key tenets of the investment strategy are the following:

1. Focus primarily on established brownfield infrastructure assets that possess contracted revenue streams, favorable demographic factors and natural monopolistic characteristics
2. Value creation through active asset management and operational improvements: MIP seeks to implement operational improvements to increase efficiencies and operating performance of assets
3. Control equity investments are critical to the strategy
4. Diversified by sector, geography and stage of asset life
5. Conservative use of asset-level leverage and weighted average leverage of the total fund not to exceed 50% LTV.

Fund V Characteristics:

Target Net IRR: 10-12% with 4% to 6% Target Gross Yield

Target Fund Size: \$5 billion

Number of Investments: 7-10 investments

Target Deal Size: \$400-600 million

Geographic exposure: 80-100% U.S. and Canada, up to 20% Other Americas

Position Size Limit: No more than 20% of commitment in a single investment



NORTH DAKOTA GROWTH FUND INVESTMENT POLICY

1.0 PURPOSE

This document sets forth the investment policy (“Policy”) for the 1889 Growth Fund, L.P. (“1889” or “North Dakota Growth Fund” or “NDGF”). This Policy shall apply to all monies in the NDGF that have been called and/or committed by the Investment Advisor (as defined herein).

The purpose of the Policy is to ensure that the North Dakota State Investment Board (“SIB”), the Investment Advisor, as well as any contractors SIB or Investment Advisor retains to provide services related to NDGF, take prudent, measured, effective actions while supporting NDGF. Specifically, this Policy addresses the following key areas:

- a) The investment objectives and underlying investment strategy of NDGF;
- b) General parameters for the investment of assets in NDGF;
- c) The roles and responsibilities of the Investment Advisor and any contractors retained to provides services related to NDGF; and
- d) The processes for the performance evaluation of contractors who provide investment, administrative, advisory, and/or reporting services on behalf of SIB for NDGF.

This Policy is designed to allow for sufficient flexibility in the management oversight process to take advantage of investment opportunities as they arise, while setting forth reasonable parameters to ensure prudence and care in the execution of NDGF.

SIB establishes and executes this Policy in accordance with applicable local, State and federal laws.

2.0 ESTABLISHMENT AND AUTHORITY OF ENTITY

Pursuant to North Dakota Century Code § 21-10, as amended from time to time, SIB may show preference to qualified investment firms and financial institutions with a presence in North Dakota for purposes of investment of SIB’s Legacy Fund. In 2020 and 2021, SIB conducted a study to determine the most efficient and prudent manner to expand SIB’s and the Legacy Fund’s in-state investment activity. After reviewing the study, in February 2021, SIB approved a three percent (3%) private capital allocation with a preference for in-state investments. In April 2021, 50 South Capital Advisors, LLC was selected by SIB following its public bidding process and RFP, as a partner to expand the Legacy Fund’s in-state investment activity as the general partner of NDGF.

2.1 DEFINITIONS

- a) **“North Dakota venture capital firm”** means
1. an entity that (i) has a majority of its employees physically located in North Dakota, or (ii) has at least one (1) member of its investment team based in the State; or
 2. an entity that has a “track record” of identifying, evaluating and investing in “North Dakota companies” and that provides equity financing for starting up or expanding a company, or related purposes, such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital.
- b) **“Track record”** means having made, on average, at least one (1) investment in a North Dakota company in each of its funds if the North Dakota venture capital firm has multiple funds. If a North Dakota venture capital firm has not established a track record of investing in North Dakota companies since its inception, but has at least one (1) investment in a North Dakota company in its most recent investment fund(s) with a demonstrated pipeline and network to further establish a track record of investing in North Dakota companies, the Investment Advisor may, using its prudent judgment, determine that such a firm is a North Dakota venture capital firm based on its most recent investment history and current investment strategy.
- c) **“Venture capital”** means equity or debt financing that is provided for starting up, expanding, or relocating a company, or related purposes such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. This includes, but is not limited to, financing classified as venture capital, mezzanine, private equity, private credit, infrastructure, real assets, venture debt, buyout or growth equity.
- d) **“North Dakota companies”** are firms that are headquartered in or otherwise have a demonstrable presence in the State of North Dakota at the time of initial or follow-on investment.
- e) **“Demonstrable presence”** means (i) at least one (1) physical office (including a home office) and one (1) full-time employee within the geographic borders of North Dakota; (ii) have a material portion of total sales/revenue (or equivalent metric) from customers or clients physically located within the geographic borders of North Dakota; or (iii) at the time of initial investment, have a clear plan to use NDGF monies to create a demonstrable presence in the State as a result of NDGF’s investment.

3.0 INVESTMENT OBJECTIVES

SIB maintains a number of underlying objectives for the investment of monies from NDGF in accordance with this Investment Policy:

- a) **Performance** – NDGF has collinear objectives of achieving strong investment performance, growing North Dakota’s investment community, and accelerating the development of growth businesses in North Dakota. NDGF will endeavor to make investments in North Dakota venture capital firms and North Dakota-based operating companies in order to attract, assist and retain quality growth businesses in the State. It is expected that the returns generated by NDGF will be sufficient to compensate NDGF for the long-term and illiquid commitments associated with these investments.

Recognizing the long-term nature of these investments, this relative performance will be measured over a period of multiple market cycles. As a result, SIB has adopted a long-term total return strategy for NDGF investments. As such, NDGF assets will be managed on a total return basis. While SIB recognizes the importance of the preservation of capital, it also adheres to the principle that varying degrees of investment risk are generally remunerated with compensating returns in the long-term:

- **Performance Benchmarking** – The goal will be to create and utilize a customized benchmark that incorporates benchmark data from Cambridge Associates. As NDGF’s asset mix becomes apparent during the commitment period, a review shall be conducted to assess whether use of a blended benchmark is more appropriate for performance measurement purposes. Furthermore, the Investment Advisor shall perform and report benchmark comparisons against pertinent public market equivalents (PMEs), in addition to benchmarking the performance of NDGF against SIB’s Legacy Fund five-year trailing investment performance. The Investment Advisor will review the most appropriate benchmarks for performance reporting purposes with SIB on a periodic basis.

Recognizing the stated investment objectives of NDGF, the risk-adjusted investment performance expectations are importantly different than those of an alternatives investment portfolio without a geographic-focused investment policy. Understanding this, the performance benchmarking objectives of NDGF are more inhibited as there is not an accordant sample set of investment portfolios with NDGF’s investment objectives.

- b) **Diversification** – In order to achieve NDGF’s investment objectives, investments shall be diversified so as to minimize the risk of loss. A long-term focus on investment results, as well as prudent diversification and active oversight, will be the primary risk control mechanisms. Diversification shall chiefly be considered along the

following lines: (i) strategy; (ii) industry sector; (iii) size of investment; (iv) investment stage; (v) vintage; (vi) geographic location; and (vii) business model.

- c) **Strategy Classifications** – NDGF investments may be classified by strategy, including, but not limited to the following:
1. Venture Capital (including accelerators, startup studios and incubators);
 2. Private Credit (including venture debt);
 3. Private Equity;
 4. Growth Equity;
 5. Infrastructure; and
 6. Real assets.
- d) **Cost-Efficiency and Fee Transparency** – SIB, the Investment Advisor and its contractors shall seek to minimize any fees or costs that diminish from the total assets or value of NDGF. Furthermore, the Investment Advisor and its contractors shall strive to achieve full transparency by delineating accordant fees and expenses.
- e) **Encouraging Additional Investments and Investor Focus in North Dakota Growth Businesses** – SIB, the Investment Advisor and any contractors servicing NDGF shall encourage the investment and philanthropic communities to explore and monitor investment opportunities in North Dakota businesses in tandem with NDGF. This may include hosting investor forums, facilitating meetings between investors and NDGF, or various other efforts.

4.0 INVESTMENT PARAMETERS

- a) **Commitment Amount** – No more than \$250,000,000.00 shall be committed to NDGF.
- b) **Investment Period** – The Investment Advisor shall endeavor to commit assets placed in NDGF over the course of five (5) years. The Investment Advisor shall not invest more than one-third of NDGF’s total committed capital in any given calendar year. In an effort to accommodate the re-investment of distributions received by NDGF (discussed further below), the investment period shall automatically renew for an additional one-year period at the end of Year 5, and, thereafter, the investment period shall automatically renew at the end of each subsequent year for an additional one-year period, unless SIB or the Investment Advisor provides written notice to the Investment Advisor or SIB, as applicable, on or before October 31 of the then current year to not extend the investment period.
- c) **Re-Investment of Distributions** – Distributions from NDGF may be re-invested into NDGF by the Investment Advisor without being counted against the \$250 million cap on monies invested in NDGF. The re-investment does not need to occur in the same recipient fund or direct investment. The Investment Advisor may re-invest an amount

equal to all distributions (less the aggregate amount of all previous permanent write-downs and write-offs) to NDGF (regardless of the sources or character thereof). With respect to such re-invested distributions, the Investment Advisor shall ensure that the aggregate amount of (i) investment contributions with respect to unrealized investments as of any date of determination plus (ii) any amounts proposed to be recalled by the Investment Advisor as of such date would be less than or equal to \$250 million.

- d) **Diversified Portfolio Approach** – NDGF investments shall be spread across multiple venture capital firms and direct investments based in North Dakota and/or venture capital firms with a track record of investing in North Dakota companies.
- e) **\$25M Cap on the Amount Invested in Individual Funds** – No more than \$25,000,000.00 may be invested in any one particular recipient fund.
- f) **North Dakota Investment Activity.** Any fund in which the Investment Advisor places money under NDGF shall seek to invest a multiple of the aggregate amount of investable capital that is received from NDGF in North Dakota companies during the life of the fund. The Investment Advisor shall use its prudent judgment to negotiate with each recipient fund the multiple of investable capital on NDGF's investment amount in North Dakota companies. Investable capital is calculated as committed capital (as defined in the recipient fund's applicable governing documents) less related estimated fees and expenses to be incurred during the life of the fund. For instance, if NDGF invests \$5 million in an NDGF recipient fund, the recipient fund shall endeavor to invest at least \$5 million in North Dakota companies over the life of the fund. As such, NDGF shall endeavor to invest a minimum of \$250,000,000.00 in North Dakota companies over the life of the program. The Investment Advisor shall enter into certain side letter agreements with each recipient fund to ensure an alignment of interest in each firm's pursuit of its North Dakota investment activity. The Investment Advisor shall monitor each recipient fund's North Dakota investment activity and report to SIB on each firm's compliance with this Policy.
- h) **Underlying Funds** – The following investment considerations apply to all underlying recipient funds:
 - 1. The minimum fund size shall be \$10 million for North Dakota venture capital firms with a physical presence in the State. The minimum fund size shall be \$25 million for North Dakota venture capital firms without a physical presence in the State but a track record of investing in North Dakota companies.
 - 2. The Investment Advisor reserves the ability to grant exceptions to investment funds under the fund size minimum that possess a demonstrable North Dakota nexus.

3. Utilize reputable service providers in their administration of their legal, accounting, tax, audit fund administration, technology, and other various needs.
 4. Provide audited financials within 120 days of calendar year-end.
- i) **Direct Investments** – This Policy authorizes the use of direct investments. Direct investments can only be made in businesses that have received investments or commitments from a recognized, proven, uninvolved third-party investor. In the event, the Investment Advisor makes a co-investment alongside a recipient fund(s), NDGF’s co-investment shall be made at the same time and on the same terms as such recipient fund(s).

The maximum amount of each direct investment shall not exceed \$10 million. The Investment Advisor will review and provide a concrete recommendation for each direct investment opportunity to SIB. Due diligence, reporting, and all other responsibilities shall be consistent, appropriate, and abide by the requirements set forth for NDGF investments in this Policy.

Direct investments are limited to direct investments in North Dakota companies and to venture capital, growth capital, infrastructure, real assets, private credit and private equity strategy classifications. Direct investments may take the form of equity, debt, convertible preferred equity, or a comparable instrument, which provides an equity-type of return. Venture capital direct investments are expected to be in expansion/growth stage North Dakota companies.

5.0 INVESTMENT ROLES AND RESPONSIBILITIES

a) State Investment Board

SIB exercises authority and control over the management of NDGF, by setting policy and procedures which the Investment Advisor executes either internally or through the use of contractors. As such, key roles and responsibilities include, but are not limited to:

1. **Investment Policy** – SIB is responsible for this Policy and shall review this Policy at least annually to ensure accuracy and continued relevance.
2. **Oversight** – SIB is responsible for the direction of investments and administration of the assets of NDGF. This includes the ability to reject any investment selected by the Investment Advisor prior to implementation and contract formation, if it is deemed to violate this Policy;
3. **Contractors** – In order to properly carry out its responsibilities, SIB may rely on one or more contractors to assist in the administration of NDGF. SIB may

engage and rely on experienced contractors (the “Investment Advisor”) for various investment management, administrative and reporting services. SIB intends to retain an Investment Advisor to perform such investment management, administrative and reporting services for NDGF, as the general partner of NDGF.

4. **Performance and Fee Monitoring** – SIB will review the investment performance of each NDGF recipient fund and direct investment, as well as the fees, at least biannually.
5. **Due Diligence** – SIB will monitor investments and review operational due diligence activities performed by the Investment Advisor and any subcontractors retained by the Investment Advisor.

b) Investment Advisor

The chief responsibilities of the Investment Advisor shall include, but not be limited to:

1. **Implementation of Investment Strategy** – Among the chief responsibilities of the Investment Advisor is the implementation of the investment strategy outlined in this Policy, the development of portfolio allocation recommendations, and the rebalancing of NDGF assets when market movements and/or cash flows cause a breach of this Policy or applicable statutes.
2. **Selection and Evaluation of Recipient Funds** – The Investment Advisor shall evaluate and select fund recommendations for NDGF based on this Investment Policy, with the advice and counsel of SIB. This responsibility includes the screening of venture capital and private equity firms and their associated investment funds. The Investment Advisor’s up-front due diligence on potential fund investments may include but not be limited to:
 - a.) Research;
 - b.) Reference checking;
 - c.) Financial analysis;
 - d.) Vetting of firms, funds, executives, managers;
 - e.) Evidence of prior investment performance track records for prior investment offerings, as well as for key individuals;
 - f.) Level of fit or complementary characteristics of a given investment in the context of the overall NDGF portfolio and broader allocation targets (*i.e.*, sector and business stage diversification);
 - g.) Review and negotiation of contractual fee structures; and

- h.) Review and negotiation of favorable limited partnership agreement and side letter agreement provisions, including but not limited to, recipient funds' commitment to reviewing and evaluating investments in North Dakota companies presented to them by the Investment Advisor or other NDGF recipient funds (or otherwise).
3. **Selection and Evaluation of Direct Investments** – The Investment Advisor shall evaluate and select direct investment recommendations for NDGF based on this Investment Policy.
 4. **Fund Monitoring** – The Investment Advisor will be responsible for monitoring the performance of NDGF recipient funds and direct investments, tracking the diversification of invested assets and the amounts invested by recipient funds, and facilitating and reconciling all reporting and accounting requirements of portfolio companies and recipient funds. When possible, the Investment Advisor shall seek to serve on limited partner advisory committees of individual recipient funds and attend annual board meetings of recipient funds. The Investment Advisor shall also document its efforts to present potential North Dakota companies to recipient funds for their evaluation and potential investment.
 5. **Benchmarking** – The Investment Advisor is responsible for establishing applicable investment benchmarks (including public market equivalents), measuring the performance of recipient funds against such benchmarks, and reviewing benchmarks at a minimum of every two (2) years to ensure accuracy and relevance.
 6. **Reporting** – The Investment Advisor is chiefly responsible for administering all pertinent reporting and recordkeeping duties of this Policy. See Section 6.0 of this Policy for additional information. In addition to the Investment Advisor's reporting responsibilities as further outlined in Section 6.0 of this Policy, it shall hold an annual town hall summit to:
 - a.) Report on the progress of NDGF;
 - b.) Provide updates from recipient funds on their portfolios, investment performance and economic impact;
 - c.) Provide reports from underlying portfolio companies and NDGF direct investments;
 - d.) Provide networking opportunities for recipient funds, as well as other local, regional and national venture capital and private equity firms to engage with NDGF's underlying North Dakota companies to foster a more collaborative and engaged community.
 - e.) Provide educational content and discussion topics for North Dakota entrepreneurs, civic leaders, university business officers,

governmental officials and other key constituents on NDGF's impact on the North Dakota economy.

7. **Biannual Meetings** – SIB and the Investment Advisor shall meet at least biannually to review fund performance as compared to applicable benchmarks and peer group performance. The Investment Advisor shall provide detailed pipeline reports to SIB recording the number of North Dakota investment opportunities sourced and presented to recipient funds for their evaluation and review, and prospective recipient North Dakota venture capital firms under consideration.
8. **Annual Report** – The Investment Advisor will prepare and provide SIB with an annual report that (a) contains a summary of recipient fund and direct investment performance, (b) outlines the impact on North Dakota companies and the North Dakota economy, (c) delineates percentages and amounts of investment options/returns, and (d) notes other pertinent reporting information that illustrates NDGF impact and developments.
9. **Website** – The Investment Advisor shall create and maintain a publicly accessible webpage dedicated to NDGF. The webpage shall feature a standardized submission process that allows North Dakota-based, profit-driven entrepreneurial ventures to submit their endeavors for funding consideration to the Investment Advisor. The Investment Advisor shall maintain a list of submissions and make them available to recipient funds. The webpage will also feature information on the purpose, impact and general performance of NDGF and its investments. This may include quarterly or annual reports, content that showcases the economic impact of the program, or documents that demonstrate compliance with reporting requirements. The Investment Advisor and all other pertinent contributors shall treat the information reported by recipient funds as confidential proprietary information that cannot be shared publicly.
10. **Communication and Liaison Duties** – The Investment Advisor shall create and distribute program information to existing and prospective venture capital funds and portfolio companies. The Investment Advisor shall collaborate with appropriate governmental agencies to interface with local and national media outlets, as well as participate in and publish content related to NDGF to raise the profile of the program.
11. **Encouraging Additional Investments and Investor Focus in North Dakota Growth Businesses** – The Investment Advisor, working independently as well as in active collaboration with SIB, shall make a concerted effort to encourage the investment and philanthropic community to explore and monitor investment opportunities in North Dakota businesses in tandem with

SIB. This may include hosting investor forums, facilitating meetings between investors and NDGF, or various other efforts.

- a.) The Investment Advisor shall work to cultivate relationships with established North Dakota businesses and seek to connect them with North Dakota portfolio companies that receive investment through NDGF recipient funds. The Investment Advisor shall document for SIB connections made and the potential impact of such connections.

12. Educational Resource and Advisor – The Investment Advisor shall serve as a general resource and advisor to SIB and its consultants for information, guidance and training regarding investment, reporting, fund and direct investment vetting and management, portfolio company valuation, and marketing strategies. The Investment Advisor shall work with leading academic and non-profit institutions in North Dakota to attract talent to consider entrepreneurship and employment at a startup as a first-order career path, especially amongst NDGF’s underlying North Dakota portfolio companies hiring within the State.

- a.) The Investment Advisor shall collaborate with Economic Development Association of North Dakota and the North Dakota Department of Commerce’s Economic Development & Finance Division in their efforts to target companies receiving investment through NDGF for North Dakota expansion or relocation.

13. Other duties as assigned by SIB and its designees.

In managing the investments of NDGF, its recipients funds and direct investments, the Investment Advisor agrees that it will act with the skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like objectives. Responsibilities are subject to contractual terms agreed upon between SIB and the Investment Advisor.

6.0 REPORTING REQUIREMENTS

The Investment Advisor is required to obtain quarterly reports with information from all NDGF recipient funds and direct investments. In order to fulfill these duties, SIB will require the Investment Advisor to track, aggregate and report specific data and information to SIB on a quarterly basis for all NDGF investments. Not only is this intended to ensure compliance with pertinent statutes, but it will SIB and the State of North Dakota to obtain a more precise, comprehensive review on the outcomes and impact of NDGF.

Key reporting components include, but are not limited, to the following:

- a) Quarterly cash flows (*e.g.*, commitments, capital calls, distributions, etc.);
- b) Asset class/strategy;
- c) Vintage;
- d) Internal Rate of Return (IRR) / net investment performance (*e.g.*, TVPI, RVPI, DPI);
- e) Beginning and ending Net Asset Values (NAV);
- f) Management fees, transaction fees, partnership expenses and carried interest;
- g) Contractual dates and fund investment terms;
- h) Benchmark comparisons (including public market equivalents);
- i) Fund size;
- j) Percent (%) of capital called;
- k) NDGF percent (%) of ownership in fund;
- l) Total number of companies in portfolio;
- m) Portfolio company sectors/industries;
- n) Portfolio company financial metrics (*e.g.*, revenue, EBITDA, cash burn, net debt, etc.);
- o) Pertinent portfolio company business updates;
- p) Figures related to underlying portfolio company full-time employment and payroll with descriptions of notable increases or decreases;
- q) The aggregate amount of capital that is invested in North Dakota companies by NDGF recipient funds during the life of the recipient fund;
- r) The names of portfolio companies within recipient funds;
- s) The addresses of portfolio companies within recipient funds;
- t) The date of the initial and any follow-on investments;
- u) The cost of the investment, including all pertinent fees;
- v) The current fair market value of the investment;
- w) For North Dakota companies within recipient funds, the number of North Dakota-based employees on the investment date;
- x) For North Dakota companies within recipient funds, the current number of North Dakota employees;
- y) The annual North Dakota state taxes paid by participating funds and portfolio companies; and
- z) The number of patents (provisional or issued) held by NDGF's underlying portfolio companies.

The Investment Advisor will be required to ensure standardization of reporting across all recipient funds.

In order to maintain sound accounting and financial reporting processes in accordance with generally accepted accounting principles (GAAP), NDGF investments and disclosures must be tracked and reported at fair market value. The Investment Advisor shall provide quarterly reports to SIB no later than one-hundred-and-twenty (120) days of the final day in the pertinent quarter. The Investment Advisor shall provide calendar year-end reports to SIB no later than one-hundred-and-eighty (180) days of the final day in the pertinent year. An

audited financial report shall be provided to SIB. Annual financial statements from recipient funds shall follow Financial Accounting Standards Board (FASB) topics 820 and 946.

7.0 EXCEPTIONS TO THIS POLICY

SIB shall review exceptions to this Policy to ensure activities remain relevant and appropriate with the intent of this Policy, and prudent investment standards.

8.0 POLICY REVIEW

SIB shall review this Policy at least once every year to ensure that it remains relevant and appropriate.

APPENDIX A

As of the date of approval of this Policy, the following contractors and sub-contractors have been retained and authorized:

Investment Advisor:	50 South Capital Advisors, LLC
Legal:	Kirkland & Ellis LLP HMB Legal Counsel
Fund Administration:	Strata Fund Solutions, LLC
Forensic Background Checks:	Financial Risk Mitigation, Inc.
Tax and Audit:	Deloitte LLP
Custody:	Bank of North Dakota

Executive Review
Mr. David Hunter, Executive Director/Chief Investment Officer
May 12, 2021

Evaluation Process:

In compliance with the State Investment Board (SIB) Governance Policy, the SIB conducted a formal evaluation of the Executive Director/Chief Investment Officer, based on accomplishment of *Ends* and *Compliance with Executive Limitations*. An Executive Review Subcommittee, consisting of SIB board members Mel Olson, Adam Miller and Yvonne Smith, was appointed to oversee the evaluation process. Staff assistance was provided by Sara Sauter, Supervisor of Internal Audit Services, and by Bonnie Heit, Assistant to the Board.

- The primary feedback tool for this evaluation was a survey instrument designed to evaluate compliance with the SIB Governance Ends Policy and Executive Limitations Policies.
 - The survey instrument focused on board meetings, board relations, office operations, investment programs and program operations, public/legislative relations, and professional skills and development.
 - The instrument used the following three-point scale: 1- Does Not Meet Expectations, 2-Meets Expectations, and 3 - Exceeds Expectations.
 -
- In addition to the survey, the following reports were taken into account:
 - Independent Audit Report for the period ending June 30, 2020, issued by CliftonLarsonAllen LLP.
 - RIO Financial FY Ended 6/30/2020 – November 20, 2020
 - Quarterly Monitoring Reports – January 24, 2020, May 22, 2020, September 25, 2020, and November 20, 2020
 - Executive Limitation Audit CY 2020 – February 26, 2021
 - ED/CIO Effectiveness survey
- Mr. Hunter also completed a self-assessment of his performance for consideration.

On April 14, 2021, the Executive Review Subcommittee reviewed the results and discussed areas of strength and developmental opportunities. The results and subsequent discussion form the basis for the formal evaluation. The evaluation will be presented to the SIB for final approval at the May 21, 2021, SIB Board Meeting.

Findings and Conclusions:

All SIB board members completed the evaluation survey. The composite results were as follows:

- The majority of the responses were “Meets Expectations” or “Exceeds Expectations.” There was only one question where a board member indicated does not meet expectations. That pertained to communications and presentations to the legislature.
- The overall average rating of Mr. Hunter’s performance has improved year over year.
- Themes of the comments regarding Mr. Hunter’s skills included:
 - **Board Meetings:** Information is provided in a comprehensive yet manageable format. The executive summary continues to be very beneficial for board members. In addition, there seems to be an educational component at all meetings. One suggestion was that receiving the board materials earlier would be helpful.
 - **Board Relations:** Consistently and conscientiously provides the board with alternatives for consideration, with an objective and thorough analysis. Timely and responsive to questions, and active in helping board members process high levels of materials.
 - **Office Operations:** Observations between Mr. Hunter and the staff appear to indicate a safe, respectful, healthy, and productive work environment. Continues work to cultivate a positive work environment. Mr. Hunter did an excellent job managing the change with the challenging year.
 - **Investment Programs and Program Operations:** Mr. Hunter does a good job of bringing the complexities of the work to the level of the different board members, clearly articulates recommendations, works hard to provide materials and rationale before the meeting, and acting with the highest ethical and fiduciary standards. Committed to monitoring asset allocation, risk levels, and money manager performance. High level of assurance that our investments are prudent and yield results that are in line with or above our benchmarks.
 - **Public/Legislative Relations:** Initiated the Fund Facts communication during the legislative session to help articulate the work of NDRIO. High level of credibility with legislators. A suggestion was made that he be more engaged in the legislative discussion.
 - **Professional Skills and Development:** Great skill in communicating complex information effectively. Mr. Hunter deflects credit for positive feedback to other individuals/groups involved in the process, thus building teamwork and a positive agency attitude.
 - **General Comments:** Extremely satisfied; Mr. Hunter is a true professional; meets all obligations. Mr. Hunter does an outstanding job of working with the staff and others to accomplish the agency's goals as the investment

results indicate. The one area of improvement would be to improve communications with stakeholders and constituents.

Investment Performance

- SIB client investments exceeded \$18.4 billion as of December 31, 2020. This is a 13.9% rise in the past year. SIB client investments earned over \$2.9 billion of net investment income in the current biennium including \$1.35 billion for Legacy Fund in the 20 months ended Feb. 28, 2021.
- SIB client investment returns have exceeded performance benchmarks by 0.50% for the 5-years ended Dec. 31, 2021, which translates into \$300 million of incremental income based on average assets under management of \$12 billion during this 5-year period (e.g. \$12 billion x 0.50% = \$60 million per year x 5 years = \$300 million).
- The Pension Trust posted a net return of +12.1% in the last year ending 12/31/20. The Pension Trust generated a net annualized return of 9.7% during the last 5-years exceeding the policy benchmark of 9.3%.
- The Insurance Trust generated a net investment return of +8.2% in the last year ending 12/31/20. During the last 5-years, the Insurance Trust posted a net annualized return of 7.0%, exceeding the performance benchmark of 5.9%.
- The Legacy Fund generated a net investment return of +12.2% in the last year ending 12/31/20. During the last 5-years, Legacy Fund earned a net annualized return of 9.3%, exceeding the policy benchmark of 8.6%.
- SIB investment expense has reduced by 50% since fiscal 2010. In fiscal 2010 investment fees were .84% and in fiscal 2020 investment fees were .42%. The 0.42% decline in fees translates into \$42 million of annual fee savings (e.g. \$10 billion x 0.42% = \$42 million).

Executive Director/DIO Effectiveness Survey Results

- Survey participation responses were received from fourteen out of nineteen employees. This is 74% participation rate. Overall survey responses continued to trend positive although some minor dissent was noted.
- Thirteen employees believe the Executive Director/CIO demonstrates integrity and sets an example for others.
- Thirteen out of the fourteen responses also agreed that the Executive Director/CIO provides a clear sense of purpose direction, roles and responsibility for staff.
- Twelve of the employees agree that the Executive Director/CIO keeps employees informed about what is occurring throughout the organization when appropriate.
- The majority of employees agreed the Executive Director/CIO takes time to understand other perspectives and is open to changing his position.
- Consistent with prior years, the Executive Director/CIO received favorable responses in the area of valuing employees. Staff overwhelmingly agrees that the Executive Director/CIO shows genuine concern for staff and treats everyone with respect.

- The responses to the open ended question were very positive with a majority of employees indicating that they are very satisfied with the job being done by the Executive Director/CIO.

Executive Director Self-Evaluation

- Mr. Hunter ranked his performance as meeting expectations in all survey items, except for rating himself “Exceeding Expectations” on question 16 in Category 4, Investment Programs and Program Operations in regard to at board meetings and other interactions, the Executive Director/CIO maintains high fiduciary standards. The annual review of Executive Limitations policy provides corroborating evidence to support this statement.

Summary

This evaluation shows that Mr. Hunter continues to provide excellent leadership as the Executive Director/Chief Investment Officer. His credibility and respect among board members, stakeholders, clients, and staff continues.

Improvements have been achieved during the year in regard to increasing transparency, improving clarity in communication in SIB meeting materials, continued efforts to reduce fees, continued efforts to provide critical education for the SIB, and increasing emphasis on investment management risk, due diligence reporting and compliance monitoring.

Mr. David Hunter, State Investment Board ED/CIO

Date

Yvonne M. Smith, Executive Review Committee Chair

Date

TO: State Investment Board

FROM: State Investment Board Executive Review Committee

DATE: May 21, 2021

SUBJECT: RIO Executive Director/CIO Salary Recommendation

During the 2021 legislative session, Representative Kempenich initiated a review of the current compensation of the Executive Director/Chief Investment Officer position (pos.1197) within the Retirement and Investment Office (RIO). The position is an unclassified, appointed position.

Salary benchmark information is a source of data in determining equitable market compensation. Tools such as salary surveys provide insight in mitigating inequities due to external market conditions. Equity increases may be granted to mitigate such inequities while ensuring retention of highly valued skill sets and knowledge within state government. Analysis shows that an inequity exists for the Executive Director/Chief Investment Officer position in relation to comparable positions involved in public fund institutional investments.

- Confidential salary benchmark information was obtained for comparable positions involved in public fund institutional investments. The market analysis confirms that the current salary is approximately 25% below market median for this specific position.
- In addition, salary benchmark information obtained from the National Association of State Retirement Administrator Salaries indicated the position is approximately 27% below market median for this specific position.

House Bill 1022 included a 10.5% salary equity increase for the Executive Director/Chief Investment Officer position (pos.1197) in the 2021-2023 biennium. The Chief Financial Officer for RIO has confirmed that the current biennium budget contains adequate funding to award this increase effective May 1, 2021.

Based on this information, the SIB Executive Review Committee recommends granting a 10.5% equity increase to RIO's Executive Director/CIO (pos. 1197) effective May 1, 2021. The funding specified for this position in HB1022 will be used to continue this increase into the 2021-2023 biennium. Also, the Executive Review Committee is recommended the 1.5% legislative increase starting July 1, 2021.

RETIREMENT AND INVESTMENT OFFICE
Internal Audit
2020-2021 3rd Quarter Audit Activities Report
January 1, 2021 – March 31, 2021

The audit objective of Internal Audit is twofold: first, to provide comprehensive, practical audit coverage of the Retirement and Investment Office (RIO) programs; second, to assist RIO management and the State Investment Board (SIB) by conducting special reviews or audits.

Audit coverage is based on the July 1, 2020 through June 30, 2021 work plan approved by the SIB Audit Committee. The audit activities undertaken are consistent with the Internal Audit charter and goals, and the goals of RIO. To the extent possible, our audits are being carried out in accordance with the International Standards for the Professional Practice of Internal Auditing. Audit effort is being directed to the needs of RIO and the concerns of management and the SIB Audit Committee.

Investment and Agency Audit Activities

- **Executive Limitation Audit**

On an annual basis, Internal Audit reviews the Executive Director/CIO's level of compliance with SIB Governance Manual Executive Limitation Policies A- 1 through A-11. The Executive Limitations Audit was started in December 2020.

The report was issued in February 2021 and approved by the Audit Committee at the February meeting.

- **Executive Review Committee**

In February 2021, the Executive Review Committee requested Internal Audit's assistance in administering a board self-evaluation. Internal Audit administered the evaluation, collected the responses, and reported the results to the State Investment Board on April 23, 2021.

The Executive Review Committee also annually evaluates the Executive Director/CIO of the North Dakota Retirement and Investment Office, Mr. David Hunter. Internal Audit's assistance was required to facilitate a survey to the current SIB members and a survey to RIO staff. The survey to RIO staff was completed in March 2021 and the SIB survey was administered in March/April 2021. Internal Audit compiled the results and reported to the Executive Review Committee.

- **External Audit Support**

The contract with RIO's external auditors expired with the completion of the 2019/20 annual audits. The State Auditor's Office issued a RFP during the third quarter and selected CLA again as RIO's external audit partner for the next three years. Thomas Rey, CLA, will be presenting the audit scope and approach for fiscal year 2020/2021 at the May Audit Committee meeting. CLA will be remotely conducting the preliminary fieldwork for the audit starting in June of 2021. They are planning to be on-site for the final field work in August 2021.

- **Administrative Policy Review**

The Deputy Executive Director/Chief Retirement Officer, Supervisor of Administrative Services /Office Manager, and Supervisor of Internal Audit are meeting regularly to revise the Administrative Policy manual for RIO staff. The policies are then forwarded to the Executive Director/Chief Investment Officer for the final review. After the final review, the policies are reviewed by division managers then presented to staff. Policies completed in the third quarter are the Grievance Policy, Media Inquiries,

Recruitment and Retention Bonus, Time Off to Vote, Travel, and Tuition Reimbursement. The policy manual should be complete (with the exception of the IT policies) by June 30, 2021.

- **Cash Management and Rebalancing Audit**

A review of procedures for cash management and rebalancing of investment allocations was initiated. A sample of rebalancing of asset allocations, wire transactions, and bank fees will be selected and confirmed. Secondly, a sample of client requests will also be reviewed for timeliness and accuracy. Lastly, a review of staff access and authorization will be reviewed and confirmed.

This audit is currently in progress.

- **Internal Control Assessment**

Internal Audit is working on an internal control guideline assessment put forth by the North Dakota Office of Management and Budget. This is an overall assessment on processes for state agencies.

This assessment is currently in progress.

Retirement Program Audit Activities

- **TFFR Employer Salary Reviews**

Internal Audit examines employer reporting to the Teachers' Fund for Retirement (TFFR) to determine whether retirement salaries and contributions reported for members of TFFR are accurate and comply with the definition of salary as it appears in the TFFR Employer Guide. Other reporting procedures reviewed during the audit process are calculation of service hours and eligibility for TFFR membership. A written report is issued to Retirement Services after the review is completed.

Status of TFFR Employer Audits as of March 31, 2021:

- The Minot Employer audit was completed and the report issued Nov 2020.
- There are no other employer reviews in progress.

- **Salary Verification /Participant Data Review**

On an annual basis Internal Audit verifies retirement salaries and contributions reported to TFFR for the prior fiscal year for 65 randomly selected member accounts from 60 different employers. The sample was selected, notifications were sent for the required information, and information had been returned by the employers in the second and third quarters of 2019/20. The review of the information was scheduled to be completed in spring of 2020.

There was a delay in the start of Phase 2 and 3 of the review due to additional duties acquired by Internal Audit during the pandemic and the initiation of the PAS project. A majority of the audit field work occurred during the second and third quarters of fiscal year 2020-21.

This report for the completed review dated May 11, 2021 was issued to Retirement Services. The report is included in the May meeting materials.

- **Pension Administration System Upgrade**

The Supervisor of Internal Audit was a member of the PAS Committee. The RFP for hiring a consultant went out in June of 2020. The first two weeks of July, the Supervisor of Internal Audit helped evaluate the proposals that were received. A consultant, Segal, was selected and a contract was negotiated in October 2020. RIO then entered Stage I of the PAS project. Both the Supervisor of Internal Audit and the Internal Auditor participated in meetings with the Consultant during the months of November, December, and January.

Stage 1 of the Project was completed March of 2021. The consultant, Segal, completed the Benefits Communications Best Practices report – 10 Keys Framework Overview which was presented to the Audit Committee at the February 2021 meeting. The final two reports – Current and Future Business Model and Cybersecurity Assessments were issued and presented to the TFFR Board in March 2021. The reports are included in the May 2021 Audit Committee meeting materials for review and discussion at the May Audit Committee meeting.

RIO entered Stage 2 of the project during the months of April and May, staff has been working with the consultant on the development of the RFP for the new pension administration system software. The RFP should be issued at some time during the month of June 2021. RIO has maintained the established timeline set for the completion of Stages 1 and 2 of the PAS project.

Administrative Activities

The Supervisor of Internal Audit attended the monthly RIO staff meetings, monthly RIO manager's meetings, divisional meetings, three SIB meetings, and two TFFR meetings. The Internal Audit staff member attended the monthly RIO staff meetings, divisional meetings, two TFFR meetings and two SIB meetings.

Professional Development/CE/General Education

The Internal Auditor attended virtual training for IT Authentication and TEAMS phone training.



ND STATE INVESTMENT BOARD AUDIT COMMITTEE

Thursday, May 20, 2021, 2:30 p.m.
Workforce Safety & Insurance Conference Room
1600 East Century Avenue Suite 1, Bismarck ND 58503

AGENDA

- I. Call to Order and Approval of Agenda – Chair (committee action) (5 minutes)
- II. Approval of February 25, 2021 Minutes – Chair (committee action) (5 minutes)
- III. Presentation of July 1, 2020 to June 30, 2021 Fiscal Year Financial Audit Scope and Approach and Final GASB 68 Schedule Audit Report – CLA, Thomas Rey (committee action) (30 minutes)
- IV. Legislative and Office Update – David Hunter (informational) (5 minutes) (to follow)
- V. 2020 – 2021 Third Quarter Audit Activities Report – Sara Sauter (committee action) (20 minutes)
 - a. 2018-2019 Salary Verification – Participant Data Review
- VI. 2021 - 2022 Audit Services Workplan and Budgeted Hours– Sara Sauter (committee action) (30 minutes)
- VII. State Investment Board Governance Review – Sara Sauter (committee action) (30 minutes) (to follow)
- VIII. Update on Internal Audit Activities – Sara Sauter (committee action) (15 minutes)
- IX. PAS System Update – Sara Sauter (informational) (15 minutes)
 - a. Current & Future Business Model & RIO's Response
 - b. Cybersecurity Assessment Results & RIO's Response
- X. 2021 - 2022 SIB Audit Committee Meeting Schedule – Sara Sauter (committee action) (5 minutes)
- XI. 2021 - 2022 SIB Audit Committee Membership – Sara Sauter (information) (5 minutes)
- XII. Other – Next SIB Audit Committee Meeting
- XIII. ****PENDING APPROVAL****
Retirement and Investment Office
Wednesday, August 11, 2020 – 2:30 PM
RIO Conference Room
3442 E Century Ave
Bismarck, ND
- XIV. Adjournment

Any individual requiring an auxiliary aid or service should contact the Retirement and Investment Office at (701) 328-9885 at least (3) days prior to the scheduled meeting.

**STATE INVESTMENT BOARD
AUDIT COMMITTEE MEETING
MINUTES OF THE
FEBRUARY 25, 2021 MEETING**

COMMITTEE MEMBERS PRESENT: Yvonne Smith, PERS Board, Chair
Rob Lech, TFFR Board, Vice Chair
Julie Dahle, External Representative
Jon Griffin, External Representative
Jodi Smith, Commissioner of Dept. of Trust Lands

STAFF PRESENT: Bonnie Heit, Suprv of Admin Svs
David Hunter, Exec Dir/CIO
Jan Murtha, Dep Exec Dir/CRO
Sara Sauter, Suprv of Internal Audit
Dottie Thorsen, Internal Auditor
Denise Weeks, Retirement Program Manager

GUESTS: Dean DePountis, Attorney General's Office

CALL TO ORDER:

Ms. Smith called the State Investment Board (SIB) Audit Committee meeting to order at 3:00 p.m. on Thursday, February 25, 2021, at Workforce Safety & Insurance (virtual host), 1600 E Century Ave., Bismarck, ND.

The following Audit Committee members were available representing a quorum; Dr. Lech, Ms. Smith, Ms. Dahle, and Mr. Griffin

AGENDA:

The agenda was considered for the February 25, 2021, meeting.

IT WAS MOVED BY DR. LECH AND SECONDED BY MR. GRIFFIN AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE FEBRUARY 25, 2021, MEETING AS DISTRIBUTED.

AYES: DR. LECH, MS. DAHLE, MR. GRIFFIN, AND MS. SMITH

NAYS: NONE

MOTION CARRIED

ABSENT: COMMISSIONER SMITH

MINUTES:

IT WAS MOVED BY MS. DAHLE AND SECONDED BY MR. GRIFFIN AND CARRIED BY A VOICE VOTE TO ACCEPT THE NOVEMBER 18, 2020, MINUTES AS DISTRIBUTED.

AYES: MR. GRIFFIN, DR. LECH, MS. DAHLE, AND MS. SMITH

NAYS: NONE

MOTION CARRIED

ABSENT: COMMISSIONER SMITH

LEGISLATIVE UPDATE:

Mr. Hunter reviewed Legislation affecting RIO and the SIB.

AUDIT ACTIVITIES:

Audit Committee - Ms. Sauter reviewed activities of Internal Audit for the period of October 1, 2020 - December 31, 2020.

RIO - The Executive Limitations Audit was issued in February 2021.

Support was provided to CliftonLarsonAllen (CLA) for the Teachers' Fund for Retirement (TFFR) GASB 68 Census Data audit and the Financial Statements audit of RIO for the period ending June 30, 2020. The Financial Statements audit of RIO was issued on November 9, 2020 and the GASB 68 Schedules of Employer Allocations and Pension Amounts by Employer was issued in December 2020.

Internal Audit is also assisting with the review of RIO's administrative policies.

Internal Audit is working on internal control guidelines for an overall assessment of processes for state agencies put forth by the Office of Management and Budget (OMB).

SIB - Cash Management and Rebalancing Audit. The audit entails a review of procedures for cash management and rebalancing of investment allocations, wire transactions, and bank fees. A review of staff access and authorization will also be reviewed. The audit is currently in progress.

TFFR - The Minot Employer Salary Review was completed in November 2020. There are no other audits in progress.

The Salary Verification Audit is in progress. On an annual basis retirement salaries and contributions reported to TFFR for the prior fiscal year for 65 randomly selected member accounts from 60 different employers are verified.

Internal Audit continues to assist in the Pension Administration System (PAS) upgrade.

IT WAS MOVED BY DR. LECH AND SECONDED BY MS. DAHLE AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE AUDIT ACTIVITIES REPORT FOR THE PERIOD OF OCTOBER 1, 2020 - DECEMBER 31, 2020.

AYES: COMMISSIONER SMITH, MS. DAHLE, DR. LECH, MR. GRIFFIN, AND MS. SMITH

NAYS: NONE

MOTION CARRIED

EXECUTIVE LIMITATIONS AUDIT:

Ms. Sauter reviewed the Executive Limitations audit for the period of January 1, 2020 - December 31, 2020. Internal Audit was sufficiently satisfied that the Executive Director/CIO was in compliance with SIB Governance Executive Limitation Policies A-1 through A-11.

IT WAS MOVED BY MR. GRIFFIN AND SECONDED BY MS. DAHLE AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE REPORT ON THE EXECUTIVE LIMITATIONS AUDIT.

AYES: MR. GRIFFIN, MS. DAHLE, DR. LECH, COMMISSIONER SMITH, AND MS. SMITH

NAYS: NONE

MOTION CARRIED

AUDIT ACTIVITIES (CURRENT):

Ms. Sauter has been working with the Executive Review Committee (ERC) on activities for the evaluation of the Executive Director/CIO. The ERC also requested Ms. Sauter administer the SIB Board Self Evaluation. The Self Evaluation was sent out on February 15, 2021.

Internal Audit continues to attend the PAS meetings. Staff wishes and wants were grouped into the following topics: the pension/administration/workflow, member portal, employer portal, actuary/audit/reports, and technical items/general features. In these sessions, staff reviewed the list of features requested and added any other features not noted. This information will be used to develop an RFP. RFP development is scheduled to start in March 2021. Ms. Sauter participates in weekly updates about the PAS system status with the consultant and other staff involved in the project.

Segal provided their report on Benefits Communications Best Practices (10 keys framework overview) in January. They are also working on a final draft of a Current Business Model Report. A Cybersecurity Assessment was completed and the report will be issued in March 2021.

Ms. Sauter has also been working with Investment Services and Retirement Services to provide Fund Facts on the SIB program and the TFFR program to the Legislature. Emails are sent to all members on a weekly basis.

Ms. Thorsen continues to work on the Salary Verification Review for fiscal year 2018/19.

IT WAS MOVED BY DR. LECH AND SECONDED BY MS. SMITH AND CARRIED BY A ROLL CALL VOTE TO ACCEPT THE CURRENT AUDIT ACTIVITIES REPORT.

AYES: DR. LECH, COMMISSIONER SMITH, MS. DAHLE, MR. GRIFFIN, AND MS. SMITH

NAYS: NONE

MOTION CARRIED

PAS UPDATE:

Ms. Murtha updated the Audit Committee on the PAS project. Staff is working towards a June 1 issue of the Request for Proposal (RFP) with a vendor on board by the end of the year.

Ms. Murtha also reviewed the results and recommendations of Segal's review of the agency's Benefits Communications Best Practices (10 keys framework overview).

GASB 68 SCHEDULES AUDIT:

The GASB 68 Schedules of Employer Allocations and Pension Amounts by Employer was issued in December 2020.

CLA's contract has concluded. The State Auditor's Office is in the process of reviewing and selecting RIO's next external auditor. The contract should be issued by March 2021.

OTHER:

The next Audit Committee meeting is scheduled for Thursday, May 27, 2021, at 2:30 p.m. at the Retirement and Investment Office (virtual), 3442 East Century Ave., Bismarck, ND.

With no further business to come before the Audit Committee, Ms. Smith adjourned the meeting at 4:20 p.m.

Respectfully Submitted:

Ms. Yvonne Smith, Chair
SIB Audit Committee

Bonnie Heit
Recorder

MEMORANDUM

TO: State Investment Board (SIB) Audit Committee
FROM: Sara Sauter, Supervisor of Internal Audit
DATE: May 20, 2021
SUBJECT: 2021 - 2022 Internal Audit Workplan

The following information details the proposed workplan for Internal Audit for 2021 – 2022. This workplan represents what Internal Audit anticipates will be accomplished in the upcoming fiscal year, however, needs and priorities may change and this workplan may require adjustments. Any anticipated changes will be discussed with the SIB Audit Committee as they are identified. Frequency, hours, and reporting are addressed where applicable. Internal Audit will allocate resources to the following audit activities during fiscal year 2022:

Primary Audit Responsibilities - Total Hours Allocated: 2,425	Hours
Teacher's Fund for Retirement (TFFR) Salary Reviews	700
TFFR File Maintenance Audit	210
TFFR Refund and Purchase Audit	120
TFFR Death Audit	150
Pension Administration System Project	400
Internal Control Assessment	115
Cash Management and Rebalancing Audit	200
Investment Confirmation Audit	100
Executive Limitation	210
Executive Limitation Audit	
SIB Customer Satisfaction Survey	
ED/CIO Effectiveness Survey	
SIB Executive Review Committee	
General Consulting	60
External Auditor Assistance	160

TEACHERS' FUND FOR RETIREMENT (TFFR) SALARY REVIEWS:

The primary purpose of employer salary reviews is to determine if the retirement salaries and contributions reported to TFFR by a participating employer are in compliance with the definition of salary as it appears in the North Dakota Century Code (N.D.C.C. § 15-39.1-04 (10)). Reported service hours and eligibility for TFFR membership are also verified. It should be noted that RIO has no legal responsibility to test the reporting by the employers. This testing is a done as a service for the TFFR members.

TFFR Salary Review Notifications are sent to participating employers throughout the fiscal year based on anticipated production levels with approximately two to three employers notified at one time. Audit notifications are sent electronically to key personnel including the superintendent and business manager. The 2021-2022 audit plan includes performing TFFR Salary Reviews on the ten largest employers on a five-year cycle. The ten largest employers employ over half of the participants reported to the TFFR program. A total of 2 salary reviews are scheduled for the 2021-2022.

The Participant Data Review is intended to supplement other auditing activities. This project increases the number of participating employers included in overall audit activities and reinforces to our participating employers the importance of accurate reporting. A total of 65 member accounts from 60 different employers will be randomly

selected for further verification from all available participating employers except those employers who meet the following criteria: currently being audited by Internal Audit, have been notified of an upcoming audit by Internal Audit, have been audited by Internal Audit in the last twelve months, were selected for a GASB 68 Census Data Audit, or were included in the prior year salary verification project.

Total Hours Allocated: 700

Audit Report Recipients: Deputy Executive Director/Chief Retirement Officer, Retirement Program Manager, SIB Audit Committee, and the TFFR Board

TFFR FILE MAINTENANCE AUDIT:

On an annual basis, Internal Audit of the Retirement and Investment Office (RIO) will review system generated (CPAS) audit tables to ensure transactions initiated by RIO staff are expected and appropriate given the role in the organization. The processes for entering information from Member Action Forms, Change of Address forms, and Point of Contact forms are also reviewed. A sample of members will be reviewed for each of the processes to verify the information on the form is the same as the information in the system.

Total Hours Allocated: 210

Audit Report Recipients: Deputy Executive Director/Chief Retirement Officer, Retirement Program Manager, Chief Financial Officer, Supervisor of Information Systems, SIB Audit Committee, and the TFFR Board

TFFR REFUND AND PURCHASE AUDIT:

On an annual basis, Internal Audit verifies the accuracy of the reporting of lump sum payments, lump sum purchases of service credit, and installment purchases of service credit. Procedures for lump sum payments (refunds) and purchases are reviewed. Internal Audit also verifies that the transactions reviewed are found on the staff member's system generated audit table reports (CPAS) and that the proper documents are found in the member's FileNet account.

Total Hours Allocated: 120

Audit Report Recipients: Deputy Executive Director/Chief Retirement Officer, Retirement Program Manager, Chief Financial Officer, Supervisor of Information Systems, SIB Audit Committee, and the TFFR Board

TFFR DEATH AUDIT:

The purpose of the audit is to ensure that the deaths of TFFR members were processed in a timely manner and that overpayment of benefits did not occur. If benefits were overpaid in error, Internal Audit verifies that overpaid amounts were recovered. Deaths opened as of July 2020 will be reviewed to ensure the proper documents are on file and that accounts are closed. Secondly, the deaths that occurred at fiscal year-end (June 2021) are reviewed to verify that benefit payments are suspended. Other information reviewed in the audit are the monthly North Dakota Vital Statics reports and the quarterly LifeStatus 360 reports.

Total Hours Allocated: 150

Audit Report Recipients: Executive Director, Deputy Executive Director/Chief Retirement Officer, Retirement Program Manager, SIB Audit Committee, and the TFFR Board

EXECUTIVE LIMITATION AUDIT:

On an annual basis, the Executive Director/CIO's compliance with the State Investment Board (SIB) Governance Manual Executive Limitation Policies A-1 through A-11 is reviewed. The most recent calendar year is included in the audit. As a part of the Executive Limitation Audit process, Internal Audit facilitates a number of surveys. In December of each year, staff is asked to evaluate the Executive Director/CIO in the areas of leadership, communication, and valuing employees. In July of each year, Internal Audit facilitates a customer satisfaction survey which is administered to SIB investment clients. At the request of the SIB Executive Review Committee, Internal Audit will also facilitate and compile the results of the survey administered to members of the SIB each February as a part of their evaluation of the Executive Director/CIO.

Total Hours Allocated: 210

Audit Report Recipients: Executive Director/CIO, SIB Audit Committee, and SIB

INVESTMENT CONFIRMATION AUDIT:

A sample of investments will be selected and a confirmation letter will be sent to the investment manager and custodial bank. This will confirm that investment balances exist and that the investments are being reported accurately.

Total Hours Allocated: 100

Audit Report Recipients: Executive Director/CIO, Deputy CIO, Chief Financial Officer, SIB Audit Committee, and SIB

CASH MANAGEMENT AND REBALANCING AUDIT:

Internal Audit will conduct a review of procedures of the cash management and rebalancing of the investment allocations. The following procedures will be tested as part of this audit:

- Rebalancing of asset allocations sample
- Wire transactions
- Timeliness and accuracy of client requests
- Sample of bank fees
- Review of staff access and authorization

Total Hours Allocated: 200

Audit Reports Recipients: Executive Director/Chief Investment Officer, Deputy Chief Investment Officer, Chief Financial Officer, and SIB Audit Committee

INTERNAL CONTROL ASSESSMENT:

A formal internal control assessment of RIO has never been completed. Internal audit is working on an internal control guideline assessment put forth by the North Dakota Office of Management and Budget. This is an overall assessment on processes for state agencies. This assessment will be completed first, and then reviewed to determine where further action is needed.

Total Hours Allocated: 115

Audit Report Recipients: Executive Director, Deputy Executive Director/Chief Retirement Officer, Chief Financial Officer, Supervisor of Administrative Services, Supervisor of Information Systems, Retirement Program Manager, and SIB Audit Committee

EXTERNAL AUDITOR ASSISTANCE:

Internal Audit assists our external auditor, CliftonLarsonAllen (CLA), with a variety of tasks related to the annual financial audit. In particular, Internal Audit is responsible for notifying participating employers that they have been selected to participate in an upcoming GASB 68 Census Data Audit. Internal Audit is also responsible for ensuring any information requested from participating employers is provided timely to our external audit partners. Since CLA will not be onsite for preliminary fieldwork, Internal Audit will likely become more involved with the external audit assistance in preparing documents and gathering information.

Total Hours Allocated: 160

VENDOR DUE DILIGENCE:

Vendor due diligence is essential, not only to decrease threats to business operations and financial stability but also to reduce compliance risk and reputation risk. Vendor due diligence is not a onetime event and should be an ongoing process. Vendor due diligence will be reviewed on the third parties that RIO utilizes.

Audit Report Recipients: Executive Director, Deputy Executive Director/Chief Retirement Officer, Chief Financial Officer, Supervisor of Administrative Services, Supervisor of Information Systems, and SIB Audit Committee

CONSULTING:

PENSION SYSTEM UPGRADE ASSISTANANCE:

Internal Audit staff has been a part of Stage 1 and Stage 2 of the Pension Administration System (PAS) upgrade. For the upcoming fiscal year, the Supervisor of Internal Audit will be a part of the evaluation team for the RFP and contract meetings. Internal Audit staff will also participate in the finalists’ system demos. Stage 3 for the PAS upgrade is expected to start December 2021 and audit staff will also be involved in the implementation phase of the project.

Total Hours Allocated: 400

GENERAL CONSULTING:

Internal Audit has been embraced by many of the divisions within RIO and consulted with on various topics throughout the year. Consulting on a project, policy, or issue can be essential in mitigating risk in various areas.

Total Hours Allocated: 60

PORTFOLIO MONITORING PROCEDURES:

RIO staff has been working with Blackrock to implement a comprehensive risk management system using Blackrock’s Aladdin system. This includes a module designed to monitor investment portfolios to ensure they remain within investment guidelines. This will give investment staff the opportunity to independently monitor investment guidelines and not be reliant on investment managers for notification if they are outside of the set guidelines. RIO has added additional investment staff and will be working on designing procedures to regularly monitor investment portfolios. Although guideline monitoring has been done sporadically in the past, it is considered a best practice in the industry to have a more consistent and specific process in place. Audit staff will help review procedures and provide feedback during the process.

Internal Audit will allocate resources to the following administrative activities during fiscal year 2022:

Primary Administrative Responsibilities - Total Hours Allocated: 1,735	Hours
Annual Leave, Sick Leave, and Holidays	695
Staff Meetings, Reporting, Email, and Records Retention	450
SIB Audit Committee, SIB, and TFFR Board Meeting	450
Preparation and Attendance	
Annual Audit Planning	60
Professional Development	80

ANNUAL LEAVE, SICK LEAVE, AND HOLIDAYS:

The staff auditor earns 192 hours of annual leave per year (16 hours per month). The Supervisor of Internal Audit earns 144 hours of annual leave per year (12 hours per month). The current workplan makes an allowance for each staff member to utilize 100 hours of sick leave per year. Given the nature of such leave it is anticipated that more or less leave could be utilized. During the course of the fiscal year, all state offices will close on ten observed holidays including New Year’s Day, Martin Luther King Jr Day, President’s Day, Good Friday, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, and Christmas Day.

Total Hours Allocated: 695

STAFF MEETINGS, REPORTING, EMAIL, AND RECORDS RETENTION:

Audit staff engages in numerous activities required to facilitate the day to day operations of both the department and the organization. Internal Audit participates in division staff meetings and organization wide staff meetings. Staff members also must manage electronic communication, complete time and general reporting activities, and ensure compliance with published records retention procedures.

Total Hours Allocated: 450

SIB AUDIT COMMITTEE, SIB, AND TFFR BOARD MEETINGS

The Supervisor of Internal Audit is required to prepare meeting materials for all SIB Audit Committee meetings. On some occasions, meeting materials are also required for SIB and TFFR meetings as Internal Audit provides quarterly updates to both of these boards. The Supervisor of Internal Audit attends (whenever possible) all SIB Audit Committee, SIB, and TFFR meetings. The staff auditor attends SIB Audit Committee meetings and TFFR Board meetings.

Total Hours Allocated: 450

ANNUAL AUDIT PLANNING:

Internal Audit completes audit planning activities on an annual basis. The agency risk assessment will be reviewed and adjusted depending on how risks have changed. The audit plan will be risk-based. An audit hours' budget and workplan are also created.

Total Hours Allocated: 60

PROFESSIONAL DEVELOPMENT

Professional development and continuing education opportunities are critical to continued professional success. All staff members of Internal Audit are members of the Institute of Internal Auditors (IIA). Staff members attend educational opportunities provided by our local IIA chapter when available. The IIA also offers free webinars to all IIA members throughout the year which cover a variety of auditing related topics. RIO is also a member of the Association of Public Pension Fund Auditors (APPFA). APPFA is working with the Public Pension Forum (P2F2) on providing virtual education in the fall. Staff is planning to attend the virtual training provided through the P2F2 annual conference. Staff will try to attend one or two-day training seminars offered by our local IIA chapter if and when such opportunities are available under current budgetary constraints.

Total Hours Allocated: 80

**NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE
INTERNAL AUDIT DIVISIONS
BUDGETED HOURS FOR THE FISCAL YEAR JULY 1, 2021 TO JUNE 30, 2022**

	2021 -2022 BUDGET HOURS (2 FTE'S)
Primary Audit Responsibilities - Total Hours Allocated: 2,575	
Teachers' Fund for Retirement (TFFR) Salary Reviews	700
TFFR Salary Review Notifications	
TFFR Salary Reviews	
Annual Salary Verification Project	
TFFR File Maintenance Audits	210
TFFR Refund and Purchases Audit	160
TFFR Death Audit	110
Pension System Upgrade Assistance	400
Internal Control Assessment	115
Cash Management and Rebalancing Audit	200
Investment Confirmation Audit	100
Executive Limitations	210
Executive Limitations Audit	
SIB Customer Satisfaction Survey	
ED/CIO Effectiveness Survey	
SIB Executive Review Committee Survey (If Requested)	
Board Self-Evaluation (If Requested)	
General Consulting	60
External Auditor Assistance	160
GASB 68 Census Data Audit Notifications	
	2,425
% of Available Hours Allocated to Primary Audit Responsibilities	58%
Primary Administrative Responsibilities - Total Hours Allocated: 1,585	
Annual Leave, Sick Leave, and Holidays	695
Staff Meetings, Reporting, Email, and Records Retention	450
SIB Audit Committee, SIB, and TFFR Board Meetings	450
Preparation and Attendance	
Annual Audit Planning	60
Professional Development	80
	1,735
% of Available Hours Allocated to Primary Administrative Responsibilities	42%
Total 2019-2020 Budget Hours	4,160
Total Budget Hours for 2020 - 2021	4,160
Budget Hours for D. Thorsen	2,080
Budget Hours for S. Sauter	2,080

MEMORANDUM

TO: State Investment Board (SIB)

FROM: Chair, Lt. Governor Sanford and Vice Chair, Dr. Robert Lech

DATE: May 21, 2021

SUBJECT: Governance

The State Investment Board has long prided itself on the established strong governance policies that all Board members followed. However, recently there have been concerns where a Board member(s) may or may not have followed the proper process with their ideas or concerns. As every Board member has other roles outside of the State Investment Board, Board members must follow the governance structure and understand their role as a Board member. It is crucial to do a review when there is any situation that a Board member may have acted outside the SIB governance.

The Open Compliance and Ethics Group states “Governance is the culture, values, mission, structure and layers of policies and measures by which organizations are directed and controlled. The tone at the top that is set, followed and communicated is critical to success.” Governance is a system and process, not a single activity. Therefore, the successful implementation of a good governance strategy requires a systematic approach that incorporates strategic planning, risk management, and performance management. Like culture, it is a core component of the unique characteristics of a successful board.

On April 28, 2021, Treasurer Thomas Beadle made a request to Callan, the SIB investment consultant, for due diligence because he had concerns expressed by several outside entities voiced to him. Callan has provided the requested documentation to Treasurer Beadle. This request raises the issue of how Board members should address due diligence concerns on an individual basis or on a Board basis.

Board Governance *Policy B-2 Governing Style* in *Section B Governance Process* states the board will:

- 1. Cultivate a sense of group responsibility. The board, not the staff, will be responsible for excellence in governing. The board will strive to be an initiator of policy, not merely a reactor to staff initiatives. The board will strive to use the expertise of individual members to enhance the ability of the board as a body, rather than to substitute the individual judgments for the board's values.***
- 2. Direct, control, and inspire the organization through the careful establishment of the broadest written policies reflecting the board's values and perspectives. The board's major focus will be on the intended long-term impacts outside the operating organization (Ends), not on the administrative or programmatic means of attaining those effects.***
- 3. Enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, policy-making principles, respect of roles, and ensuring the continuity of governance capability.***
- 4. After speaking with one voice, self-police any tendency to stray from adopted board governance policies. The board will not allow any officer, member, or committee of the board to hinder or be an excuse for not fulfilling its commitments. The board respects the right of any member, as an individual, to publicly disagree with an adopted board policy. Board members will accurately portray board policies and decisions.***

This has been interpreted in the past that the Board will speak with one voice after topics are discussed at a Board level. Discussions and approvals concerning matters such as due diligence and press releases would be brought in front of the full board or be authorized by the Board Chair. With the recent events it is unclear if the policy is being interpreted by Board members to be able to individually speak and be able to do inquiries on behalf the Board without discussions or approval.

First, the Board needs to clarify and enforce the interpretation of speaking with one voice:

1. The Board is to speak as one voice and all inquiries (e.g. due diligence, interviews, press releases) are to be discussed and approved with the full Board at a meeting or approved by the Board Chair.

Or

2. If the Board decides that Board members may speak on behalf of the Board without Board discussion and approval or Board Chair approval.

If the Board decides that Board members are allowed to act and speak on behalf of the Board without discussion and approval from the Board or Board Chair, then amendments to current policy are needed to avoid conflicts of interest and liability for the Board and its members. If the Board decides to speak as one voice, enhanced policy and procedures are needed.

Secondly, elected officials acting as Board members need to ensure they are acting in their role as a Board member and not as their role as an elected official. As stated in *Governance Process Board Members' Code of Conduct B-8*, "Conflicts of interest and the appearance of impropriety shall be avoided by SIB members. Board members must not allow their family, social, professional, or other relationships to influence their judgment in discharging their responsibilities." Elected officials must ensure that they are unswayed by partisan interest, public sentiment, or fear of criticism which is also stated in the same section of the governance manual. If the Board decides to allow members to speak on behalf of the Board without discussion or approval, then enhanced policy measures are needed to assist Board members to avoid the appearance of conflict.

Lastly, if the Board decides that the Board does speak with one voice and matters concerning the Board or Board directives need to be discussed and approved, then the SIB Chair has requested assistance from the Audit Committee to address the concern of whether Treasurer Beadle went outside the bounds of the governance policy with his request to Callan. This would include:

1. The review letter from Treasurer Thomas Beadle
 - a. See if proper governance was followed
 - i. Including talking to board members and staff
 1. Supporting documentation (e.g. emails)
 2. Open Records
 - b. How Treasurer Beadle communicated to entities
 - i. What kind of documentation was provided to the entities, if any
 - c. Report on any findings or conclusions
2. Recommendations, if any
 - a. Policy
 - b. Procedure
 - c. Training
3. Report and recommendations
4. Board leadership will bring forth any recommendations for board discussion

In the interim it is recommended that the Board adopt the following:

“Official inquiries and media press releases by any one board member(s) are not allowed without a discussion and approval from Board Chair or full Board.”

This is to ensure that the Board is adhering to the *policy B-2 Governing Style* in *Section B Governance Process*. This also protects board members to ensure they are not being influenced by outside parties and/or doing any self-promoting activities, and avoiding the appearance of conflict of interest.



State of North Dakota
OFFICE OF STATE TREASURER
Thomas Beadle, State Treasurer

April 28, 2020

Mr. Pete Keliuotis
Executive Vice President, Callan
600 Montgomery Street
Suite 800
San Francisco, CA 94111

Dear Mr. Keliuotis:

As the newly elected State Treasurer of North Dakota and, as a member of the State Investment Board, I am writing you today regarding a few concerns that have come to my attention within the last week.

Callan has been a longtime partner for our state and has done a good job helping to manage our funds. It is my hope to be able to ensure that the relationship avoids clouds of doubt, and to ensure that our citizens have confidence that we are doing the best work possible on their behalf.

Throughout the course of the conversations around in-state investing in North Dakota, I have had several entities come forth with concerns about the process. While I am comfortable with the selection of 50 South that the State Investment Board approved last week, I want to make sure that I am answering the questions and addressing the concerns that my constituents are bringing forward.

One concern brought to my attention is regarding past headlines referencing previous involvement by Callan in a number of conflicts of interest and "pay-to-play" scandals in other states. The scandals have revolved around the Callan Institute, Callan College and other so-called educational or consulting services. I trust that those issues are firmly in the rearview mirror, but I would like some assurances of that.

As part of my due diligence as the new State Treasurer, I have listed below a few requests and questions that I would appreciate your written answers to within 10 days of receipt of this letter. It is my goal as Treasurer to make sure that we have transparency and accountability in this process, and to make sure our taxpayers have confidence in this outcome. I'm hoping that your answers can help us give them comfort in this.

- Since becoming North Dakota's investment consultant, has Callan received compensation of any kind from any of the investment managers you have recommended to the State Investment Board? If so, what are the total amounts received by Callan from each manager? Have any such payments been disclosed to the State Investment Board?
- Of our current investment managers hired by Callan for managing ND State Funds, how many are clients/members of the Callan Institute? Are any not members?
- What is the current annual fee to be a member of the Callan Institute?
- For the In-State Investment Program, how were firms notified of an opportunity to submit a proposal? Did any North Dakota based firm receive information about the opportunity to submit a proposal?

Thank you very much for helping me give our citizens the confidence in this process that they are deserving of.

Sincerely,

Thomas Beadle
State Treasurer

cc: Paul Erlendson, SVP Callan
Alex Browning, SVP Callan

Dave Hunter, ND RIO

NORTH DAKOTA RETIREMENT AND INVESTMENT OFFICE

QUARTERLY MONITORING REPORT Executive Limitations / Staff Relations

Quarter Ended March 31, 2021

The Executive Limitation “Staff Relations” deals with the treatment of staff at RIO. The executive director “shall not cause or allow any condition or any communication which is unfair, undignified, or disrespectful.” This Executive Limitation lists six specific limitations that range from personnel policies to exit interviews. All the limitations are intended to protect staff from unfair, undignified, or disrespectful treatment by management.

There were no exceptions to this Executive Limitation during the past quarter.

The Executive Director/CIO held at least three full office meetings and three manager meetings during the first calendar quarter of 2021 in order to promote an open and collaborative work environment while enhancing team member communication, awareness and engagement.

I sincerely thank all of our RIO team members who have done an outstanding job of handling an increased workload since last July when we elected to restructure agency operations to become more technologically efficient particularly while transitioning to a remote work enabled office environment in early-2020 and in anticipation of our long awaited TFFR pension administration system modernization project.

BUDGETING / FINANCIAL CONDITION

AS OF MARCH 31, 2021

	2019-2021 BUDGET	ADJUSTED APPROPRIATION	BIENNIUM TO DATE ACTUAL	EXPENDITURES		
				BUDGET AVAILABLE	% BUDGET AVAILABLE	% OF BIENNIUM REMAINING
SALARIES AND BENEFITS	\$ 4,978,230.00	\$ 4,978,230.00	\$ 4,208,627.64	\$ 769,602.36	15.46%	12.50%
OPERATING EXPENDITURES	3,538,934.00 *	3,538,934.00	651,908.80	2,887,025.20	81.58%	12.50%
CAPITAL ASSETS	6,300,000.00	6,300,000.00	0.00	6,300,000.00	100.00%	12.50%
CONTINGENCY	52,000.00	52,000.00	0.00	52,000.00	100.00%	12.50%
TOTAL	\$ 14,869,164.00	\$ 14,869,164.00	\$ 4,860,536.44	10,008,627.56	67.31%	12.50%

* In addition to the Capital Assets line, the operating expenditure budget includes \$2,650,000 for the TFFR Pension Administration System Project.

EXPENDITURE REPORT

QUARTER ENDED MARCH 31, 2021

<u>CONTINUING APPROPRIATIONS</u>	<u>INVESTMENT</u>	<u>RETIREMENT</u>	<u>QUARTERLY TOTALS</u>	<u>FISCAL YEAR TO - DATE</u>	<u>BIENNIUM TO - DATE</u>
INVESTMENT EXPENDITURES	\$ 43,254,921	\$ 0	\$ 43,254,921	\$ 66,783,615	\$ 132,215,580
MEMBER CLAIMS					
1. ANNUITY PAYMENTS	0	58,558,400	58,558,400	176,163,024	400,524,554
2. REFUND PAYMENTS	0	1,139,362	1,139,362	4,638,806	11,128,510
TOTAL MEMBER CLAIMS	0	59,697,762	59,697,762	180,801,830	411,653,064
OTHER CONTINUING APPROPRIATIONS	107,718	65,954	173,673	388,305	1,609,499
TOTAL CONTINUING APPROPRIATIONS	43,362,639	59,763,716	103,126,355	247,973,751	543,575,817
<u>BUDGETED EXPENDITURES</u>					
1. SALARIES & BENEFITS					
SALARIES	250,960	212,555	463,515	1,385,357	3,093,598
OVERTIME/TEMPORARY	0	0	0	0	55
TERMINATION SALARY & BENEFITS	0	0	0	0	0
FRINGE BENEFITS	84,527	84,446	168,973	500,769	1,114,974
TOTAL SALARY & BENEFITS	335,487	297,001	632,488	1,886,127	4,208,628
2. OPERATING EXPENDITURES					
DATA PROCESSING	4,361	28,170	32,531	70,284	154,645
TELECOMMUNICATIONS - ISD	1,327	1,681	3,008	7,844	19,608
TRAVEL	112	224	336	1,130	29,863
IT - SOFTWARE/SUPPLIES	0	0	0	34	330
POSTAGE SERVICES	672	10,274	10,946	22,362	55,268
IT - CONTRACTUAL SERVICES	364	897	1,261	1,991	5,958
BUILDING/LAND RENT & LEASES	6,039	8,688	14,727	66,273	156,198
DUES & PROF. DEVELOPMENT	414	5,610	6,024	9,464	24,915
OPERATING FEES & SERVICES	579	3,137	3,716	4,866	29,905
REPAIR SERVICE	33	47	80	80	2,245
PROFESSIONAL SERVICES	1,076	63,042	64,118	123,588	138,191
INSURANCE	0	0	0	894	1,812
OFFICE SUPPLIES	81	293	375	622	2,092
PRINTING	269	4,422	4,691	7,485	21,460
PROFESSIONAL SUPPLIES & MATERIALS	378	653	1,030	1,060	2,502
MISCELLANEOUS SUPPLIES	15	18	33	141	1,196
IT EQUIPMENT UNDER \$5000	53	198	251	463	2,181
OTHER EQUIP. UNDER \$5000	0	0	0	0	0
OFFICE EQUIP. & FURNITURE UNDER \$5000	0	0	0	0	3,540
TOTAL OPERATING EXPENDITURES	15,774	127,355	143,128	318,579	651,909
3. CAPITAL ASSETS	0	0	0	0	0
4. CONTINGENCY	0	0	0	0	0
TOTAL BUDGETED EXPENDITURES	351,260	424,356	775,617	2,204,706	4,860,536
TOTAL EXPENDITURES	\$ 43,606,181	\$ 60,122,118	\$ 103,901,972	\$ 250,178,457	\$ 518,432,670

INVESTMENT EXPENDITURE DETAIL
INVESTMENT EXPENSE FOR YEAR ENDED JUNE 30, 2021

	9/30/2020 Quarter	12/31/2020 Quarter	3/31/2021 Quarter	Fiscal Year to Date Totals
Investment Manager Fees				
Pension Investment Pool	\$ 12,022,964	\$ 16,865,211	\$ 6,098,128	\$ 34,986,303
Insurance Investment Pool	1,801,654	2,256,276	1,170,773	5,228,703
Legacy Fund	9,309,131	10,787,004	4,459,433	24,555,568
PERS Retiree Health Credit Fund / Job Service ND Pension Fund	268,406	276,148	287,948	832,502
Tobacco Prevention and Control Fund	236	176	-	412
Total Investment Manager Fees	\$ 23,402,392	\$ 30,184,814	\$ 12,016,282	\$ 65,603,488
Investment Custodian Fees				
Pension Investment Pool	\$ 136,349	\$ -	\$ -	\$ 136,349
Insurance Investment Pool	78,742	-	-	78,742
Legacy Fund	177,758	-	-	177,758
PERS Retiree Health Credit Fund / Job Service ND Pension Fund	4,704	-	-	4,704
Tobacco Prevention and Control Fund	550	-	-	550
Total Investment Custodian Fees	\$ 398,103	\$ -	\$ -	\$ 398,103
Investment Consultant Fees				
Pension Investment Pool	\$ 80,590	\$ 116,660	\$ 63,462	\$ 260,712
Insurance Investment Pool	32,205	22,208	22,800	77,213
Legacy Fund	80,010	137,677	226,413	444,100
Total Investment Consultant Fees	\$ 192,805	\$ 276,545	\$ 312,675	\$ 782,025
Total Investment Expenses	\$ 23,993,299	\$ 30,461,359	\$ 12,328,957	\$ 66,783,615

**Quarterly Report on Ends
Q3:FY21**

Investment Program

Manager Research and Monitoring Highlights

Over the quarter, Staff continued to evaluate prudent approaches to increasing allocations to the in-state investment program. Staff also continued to research candidate managers that employ quantitative strategies in international equities. Lastly, Staff spent considerable time conducting due diligence on candidate managers for the Diversified Real Assets allocation.

Portfolio Changes & Investment Consultant

At the February 26th board meeting, the Board approved Staff's recommendation to make up to a \$200 million commitment to GCM Grosvenor Customized Infrastructure Strategies Fund III. At this meeting the SIB also approved the revisions to the Legacy Fund's Investment Policy Statement to incorporate a Private Capital target of 3%, which would have preference for in-state investments.

Other

Staff continues to conduct preliminary due diligence on prospect managers/products for future consideration.

Staff continues to monitor each client's asset allocation monthly and makes rebalancing decisions based on rebalancing policy and cash flow requirements.

Staff attended meetings with many SIB client boards, sub-committees and/or legislative committees or representatives including TFFR, PERS, Legacy and Budget Stabilization Advisory Fund.

LSV and Epoch remain on the Watch List.

Watch List Managers

TOTAL EPOCH EQUITIES	>>>>>>>	\$	404,816,496	1-year	3-year	5-years	ITD (9 1/4 Yrs)
Epoch World Equities	Pension	\$	404,816,496	49.3%	10.5%	11.6%	11.0%
<i>Benchmark</i>			<i>MSCI World</i>	54.0%	12.8%	13.4%	12.0%
	<i>Pension</i>		<i>Relative performance</i>	-4.8%	-2.4%	-1.8%	-1.0%

TOTAL LSV EQUITIES	>>>>>>>	\$	1,732,440,904	1-year	3-year	5-years	10-years
LSV World Equities	Pension	\$	489,394,620	66.9%	7.7%	11.3%	-
<i>Benchmark</i>			<i>MSCI ACWI</i>	57.6%	12.5%	13.7%	-
	<i>Pension</i>		<i>Relative performance</i>	9.4%	-4.8%	-2.4%	-
LSV U.S. Large Cap Value	Insurance	\$	86,668,485	73.8%	8.8%	11.7%	11.5%
LSV U.S. Large Cap Value	Legacy	\$	527,534,036	72.3%	9.1%	12.1%	-
<i>Benchmark</i>			<i>Russell 1000 Value</i>	56.1%	11.0%	11.7%	11.0%
	<i>Insurance</i>		<i>Relative performance</i>	17.7%	-2.2%	0.0%	0.5%
	<i>Legacy</i>		<i>Relative performance</i>	16.2%	-1.9%	0.4%	-
LSV International Value	Insurance	\$	71,845,565	46.9%	1.5%	6.9%	5.0%
LSV International Value	Legacy	\$	556,998,198	47.0%	1.8%	6.9%	-
<i>Benchmark</i>			<i>MSCI EAFE</i>	44.6%	6.0%	8.9%	5.5%
	<i>Insurance</i>		<i>Relative performance</i>	2.3%	-4.5%	-2.0%	-0.5%
	<i>Legacy</i>		<i>Relative performance</i>	2.4%	-4.2%	-1.9%	-

As of March 31, 2011

NDRIO Investment Due Diligence Quarterly Monitoring Report Jan-01-2021 to Mar-31-2021

Date	Firm	Reason For Call	Key Takeaways	Location	RIO Attendees
1/5/2021	TIR	Portfolio Review		Call	David Hunter
1/5/2021	Digital Colony Capital	Introduction	<i>Prospect</i>	Call	David Hunter
1/6/2021	ND Bankers Association	IIP call with Rick Clayburgh and Barry Haugen		Call	David Hunter
1/6/2021	TPG	Meeting with CEO	<i>Healthcare and tech themes</i>	Call	Darren Schulz, Eric Chin, Matt Posch
1/8/2021	Axiom	Axiom EM Equity / China delistings and Alibaba & Tencent	<i>Track China equity exposure</i>	Call	Darren Schulz, David Hunter, Eric Chin, Matt Posch
1/11/2021	SWF	Collaboration Call		Call	David Hunter
1/12/2021	GCM Grosvenor	CIS III Overview	<i>Diversified, similar to predecessor funds</i>	Call	Matt Posch, Eric Chin, Darren Schulz
1/13/2021	Sixth Street	Quick update	<i>Existing manager</i>	Call	Eric Chin
1/13/2021	Worldquant	Prospect DD	<i>Potential candidate for international quant search</i>	Call	Eric Chin
1/19/2021	CIO Reference NM			Call	David Hunter
1/20/2021	ND Bankers Association	IIP call with Rick Clayburgh and Barry Haugen regarding financial institutions in ND		Call	David Hunter, Matt Posch
1/20/2021	Mercer	IIP Update		Call	David Hunter
1/25/2021	Western Asset	Portfolio review	<i>Outperformed through 2020</i>	Call	David Hunter, Darren Schulz, Eric Chin, Matt Posch
1/26/2021	TPG	Overview of global equity strategy	<i>Private equity approach to public equities</i>	Call	Darren Schulz, Eric Chin, Matt Posch
1/27/2021	GSAM	International equities follow up	<i>Prospect for intl quant search</i>	Call	Eric Chin, Matt Posch, Darren Schulz
1/28/2021	MSIM	Update with MSIM	<i>Products might be suitable for NDSIB</i>	Call	Eric Chin
2/1/2021	CIO Reference AZ			Call	David Hunter
2/2/2021	Callan	Real Assets		Call	David Hunter
2/3/2021	Riverbridge	2020 portfolio review	<i>Good year for firm and strategy performance</i>	Call	Darren Schulz, Eric Chin, Matt Posch
2/3/2021	WFAM	Catch up	<i>Existing Manager</i>	Call	Eric Chin
2/4/2021	ISquared	Portfolio review	<i>Review of portfolio in 2020, introduction to fund III</i>	Call	Darren Schulz, Eric Chin, Matt Posch
2/4/2021	Deutsche Bank	Chat with Kevin Sheehan		Call	David Hunter
2/5/2021	London Co.	Chat with Paul Foster		Call	David Hunter
2/5/2021	Adams St	IIP Update with Miguel Gonzalo		Call	David Hunter
2/5/2021	Hudson Advisors	Explore products	<i>Keep an eye on Hudson</i>	Call	Eric Chin
2/8/2021	Manulife	Portfolio overview	<i>Strategy continues to outperform</i>	Call	David Hunter, Darren Schulz, Eric Chin, Matt Posch
2/9/2021	ND Commerce	Chat with Josh Teigan		Call	David Hunter
2/10/2021	SSI	High Yield with Elisa Kowal		Call	David Hunter

2/11/2021	Digital Colony	Call wth Kevin Smithen		Call	David Hunter
2/11/2021	Blackrock	Update with joe Hernandez		Call	David Hunter
2/12/2021	D.E. Shaw	Firm and strategy overview	Quant strategy	Call	Darren Schulz, Eric Chin, Matt Posch
2/17/2021	EQT	Chat about VC and Aldevron	EQT has a strong platform	Call	David Hunter, Darren Schulz, Eric Chin
2/17/2021	KKY	Call with Ari Barkan & Giuseppe Guerriero		Call	David Hunter
2/18/2021	GSAM	Demo of investment process	Dashboard to view portfolio moves and risks	Call	Darren Schulz, Eric Chin, Matt Posch
2/19/2021	Global Infrastructure Partners	Introduction	Infrastructure overview	Call	Darren Schulz, Eric Chin, Matt Posch
2/19/2021	GCM	Candidate for NDSIB	Catch up and pacing	Call	Eric Chin
2/22/2021	EQT Partners	Infrastructure overview	EU based infrastructure group	Call	Darren Schulz, Eric Chin, Matt Posch
2/23/2021	Aristeia Capital	Networking meeting @ Pension Bridge	Interesting Candidate	Call	Eric Chin
2/23/2021	Baillie Gifford	Networking meeting @ Pension Bridge	Attractive Prospect	Call	Eric Chin
2/23/2021	NextEnergy Capital	Networking meeting @ Pension Bridge	Solar focused funds	Call	Matt Posch
2/23/2021	BMO	Networking meeting @ Pension Bridge	Interesting Candidate	Call	Eric Chin
2/23/2021	World Gold Council	Networking meeting @ Pension Bridge	Educational on gold	Call	Matt Posch
2/24/2021	Lombard Odier Asset Management	Networking meeting @ Pension Bridge	Prospect	Call	Eric Chin
2/24/2021	400 Capital Management	Networking meeting @ Pension Bridge	Structured credit	Call	Matt Posch
2/24/2021	DSC Meridian Capital	Networking meeting @ Pension Bridge	Opportunistic credit	Call	Matt Posch
2/24/2021	Natixis	Networking meeting @ Pension Bridge	Prospect	Call	Matt Posch
2/24/2021	JP Morgan	Networking meeting @ Pension Bridge	Educational	Call	Matt Posch
2/24/2021	Federated Hermes	Networking meeting @ Pension Bridge	Attractive Prospect	Call	Eric Chin
2/24/2021	CIM	Networking meeting @ Pension Bridge	Prospect	Call	Eric Chin
2/24/2021	SEI	Call with Bob Morgan		Call	David Hunter
2/24/2021	Ares Capital Corp (ARCC) Group Meeting	Evaluate Ares BDC	Educational	Call	Eric Chin
2/24/2021	BNP	Networking meeting @ Pension Bridge	Prospect	Call	Eric Chin
2/25/2021	Parnassus Investments	Networking meeting @ Pension Bridge	Prospect	Call	Eric Chin
2/25/2021	FTSE Russell	Networking meeting @ Pension Bridge	Educational	Call	Matt Posch
2/25/2021	Janus Henderson	Networking meeting @ Pension Bridge	Prospect	Call	Matt Posch
2/25/2021	MFS	Networking meeting @ Pension Bridge	Prospect	Call	Eric Chin
2/25/2021	Ninety One	Networking meeting @ Pension Bridge	Prospect	Call	Eric Chin
2/25/2021	Nomura	Networking meeting @ Pension Bridge	Prospect	Call	Matt Posch
2/25/2021	MIP IV Annual LPAC meeting	LPAC	Continues to perform	Call	Eric Chin
3/1/2021	Metaprop	Introductory call	Invests in proptech	Call	Matt Posch
3/1/2021	Metlife	Networking meeting @ Pension Bridge	Prospect	Call	Matt Posch

3/1/2021	D.E. Shaw	Investment process follow up	Continued dialogue around quant investment process	Call	Darren Schulz, Eric Chin, Matt Posch
3/2/2021	CIS III	Onboarding	Current manager	Call	Eric Chin
3/3/2021	MetLife Investment Management	Introductory call	Prospect	Call	Eric Chin
3/4/2021	JP Morgan	Short Term Bond Portfolio Update		Call	David Hunter
3/5/2021	Fisher Investments	Prospect	Prospect	Call	Eric Chin
3/5/2021	Blackrock	SAE Overview	Further conversation around quant process	Call	Darren Schulz, Eric Chin, Matt Posch
3/8/2021	Invesco	Due Diligence	Fund IV catchup	Call	Darren Schulz
3/9/2021	Macquarie	Portfolio Update		Call	Darren Schulz, Eric Chin, Matt Posch
3/9/2021	William Blair	Portfolio Review		Call	Darren Schulz, Eric Chin, Matt Posch
3/11/2021	D.E. Shaw	Demo of risk reporting	Dashboard view of portfolio risks	Call	Darren Schulz, Eric Chin, Matt Posch
3/15/2021	KKR	Introductory Call	Prospect	Call	Eric Chin
3/15/2021	Callan	In-State Program		Call	David Hunter
3/15/2021	Contrarian	Prospect	Prospect	Call	Eric Chin
3/15/2021	Bain Capital	Due diligence	Prospect	Call	Eric Chin
3/16/2021	Arrowstreet Capital	Introductory Call	Reviewed International equity strategy, philosophy, process.	Call	Darren Schulz, Eric Chin, Matt Posch
3/17/2021	JPM IIF	Portfolio overview		Call	Darren Schulz, Eric Chin, Matt Posch
3/17/2021	Sun Mountain	In-State Program		Call	David Hunter
3/17/2021	EQT Partners	Infrastructure follow up	Continued dialogue on infrastructure portfolio	Call	Darren Schulz, Eric Chin, Matt Posch
3/17/2021	Schroders - International Value	Due diligence call	Prospect	Call	Eric Chin
3/18/2021	Marathon	Introductory Call	Reviewed International equity strategy, philosophy, process. Fundamental, multi-manager	Call	Darren Schulz, Eric Chin, Matt Posch
3/18/2021	Grosvenor	In-State Program		Call	David Hunter
3/18/2021	50 South	In-State Program		Call	David Hunter
3/19/2021	Janus Henderson	Introductory Call	Prospect	Call	Eric Chin
3/19/2021	Ariel	Introductory Call	Reviewed International equity strategy, philosophy, process. Fundamental manager	Call	Darren Schulz, Eric Chin, Matt Posch
3/22/2021	Western Asset	Portfolio review	Portfolio review	Call	Eric Chin
3/23/2021	WFAM	Update on WFAM	Discuss sale of WFAM	Call	Eric Chin
3/29/2021	Taconic Commercial Real Estate Dislocation Fund III (CRE III)	New fund launch	Interesting fund	Call	Eric Chin
3/30/2021	Acadian	Introductory Call	Reviewed International equity strategy, philosophy, process. Quantitative strategy	Call	Darren Schulz, Eric Chin, Matt Posch
3/31/2021	PIMCO	DiSCO 2 & Private Markets Outlook		Call	David Hunter, Darren Schulz, Eric Chin, Matt Posch
3/31/2021	Axiom	Team update	New hires to the team	Call	David Hunter, Darren Schulz, Eric Chin, Matt Posch
3/31/2021	Sun Mountain	Due diligence		Call	David Hunter

1. PLAN CHARACTERISTICS AND FUND CONSTRAINTS

The North Dakota Teachers' Fund for Retirement (TFFR) is a successor pension benefit plan to the Teachers' Insurance and Retirement Fund (TIRF). TIRF was established in 1913, 24 years after North Dakota became a state, to provide retirement income to all public school and certain state teachers and administrators in the state of North Dakota. TIRF became TFFR in 1971. The plan is administered by a seven-member Board of Trustees comprised of: two active teachers, two retired teachers and one school administrator appointed by the Governor of North Dakota and two elected officials - the State Treasurer and the State Superintendent of Public Instruction.

The plan is a multi-employer defined benefit public pension plan that provides retirement, disability, and death benefits in accordance with Chapter 15-39.1 of the North Dakota Century Code (NDCC). Monthly retirement benefits are based on the formula: Number of Years of service X 2.0% X Final Average Salary. Adjustments to the basic formula are made depending on the retirement option selected.

Funding is provided by monthly employee and employer contributions scheduled to increase as follows:

	7/1/11	7/1/12	7/1/14
Employee	7.75%	9.75%	11.75%
Employer	8.75%	10.75%	12.75%

Employee and employer contributions will be reduced to 7.75% each when TFFR reaches 100% funded level on an actuarial value basis.

The TFFR Board has an actuarial valuation performed annually and an Experience Study and Asset Liability Study performed every five years. The actuarial assumed rate of return on assets was reduced to 7.25% from 7.75% as of July 1, 2020. Key plan and financial statistics are recorded in the most recent valuation report on file at the North Dakota Retirement and Investment office (RIO).

2. FUND GOALS

The Plan benefits are financed through both statutory employer and employee contributions and the investment earnings on assets held in the Fund. The TFFR Board recognizes that a sound investment program is essential to meet the pension obligations.

As a result, the Fund goals are to:

- 1) Improve the Plan's funding status to protect and sustain current and future benefits.
- 2) Minimize the employee and employer contributions needed to fund the Plan over the long term.
- 3) Avoid substantial volatility in required contribution rates and fluctuations in the Plan's funding status.
- 4) Accumulate a funding surplus to provide increases in retiree annuity payments to preserve the purchasing power of their retirement benefit.

The Board acknowledges the material impact that funding the pension plan has on the State/School District's financial performance. These goals affect the Fund's investment strategies and often represent conflicting goals. For example, minimizing the long-term funding costs implies a less conservative investment program, whereas dampening the volatility of contributions and avoiding large swings in the funding status implies a more conservative investment program. The Board places a greater emphasis on the strategy of improving the funding status and reducing the contributions that must be made to the Fund, as it is most consistent with the long-term goal of conserving money to apply to other important state/local projects.

3. RESPONSIBILITIES AND DISCRETION OF THE STATE INVESTMENT BOARD (SIB)

The TFFR Board is charged by law under NDCC 21-10-02.1 with the responsibility of establishing policies on investment goals and asset allocation of the Fund. The SIB is charged with implementing these policies and investing the assets of the Fund in the manner provided in NDCC 21-10-07, the prudent investor rule. Under this rule, the fiduciaries shall exercise the judgment and care, under the circumstances then prevailing, that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it, not in regard to speculation but in regard to the permanent disposition of funds, considering probable safety of capital as well as probable income. The Fund must be invested exclusively for the benefit of the members and their beneficiaries in accordance with this investment policy.

Management responsibility for the investment program not assigned to the SIB in Chapter 21-10 of the North Dakota Century Code (NDCC) is hereby delegated to the SIB, who must establish written policies for the operation of the investment program, consistent with this investment policy.

The SIB may delegate investment responsibility to professional money managers. Where a money manager has been retained, the SIB's role in determining investment strategy and security selection is supervisory, not advisory.

At the discretion of the SIB, the Fund's assets may be pooled with other funds. In pooling funds, the SIB may establish whatever asset class pools it deems necessary with specific quality, diversification, restrictions, and performance objectives appropriate to the prudent investor rule and the objectives of the funds participating in the pools.

The SIB is responsible for establishing criteria, procedures, and making decisions with respect to hiring, keeping, and terminating money managers. SIB investment responsibility also includes selecting performance measurement services, consultants, report formats, and frequency of meetings with managers.

The SIB will implement changes to this policy as promptly as is prudent.

4. RISK TOLERANCE

The Board is unwilling to undertake investment strategies that might jeopardize the ability of the Fund to finance the pension benefits promised to plan participants.

However, funding the pension promise in an economical manner is critical to the State/School Districts ability to continue to provide pension benefits to plan participants. Thus, the Board actively seeks to lower the cost of funding the Plan's pension obligations by taking on risk for which it expects to be compensated over the long term. The Board understands that a prudent investment approach to risk taking can result in periods of under-performance for the Fund in which the funding status may decline. These periods, in turn, can lead to higher required contribution rates. Nevertheless, the Board believes that such an approach, prudently implemented, best serves the long-run interests of the State/School District and, therefore, of plan participants.

5. INVESTMENT OBJECTIVES

The Board's investment objectives are expressed in terms of reward and risk expectations relative to investable, passive benchmarks. The Fund's policy benchmark is comprised of policy mix weights of appropriate asset class benchmarks as set by the SIB

- 1) The fund's rate of return, net of fees and expenses, should at least match that of the policy benchmark over a minimum evaluation period of five years.
- 2) The fund's risk, measured by the standard deviation of net returns, should not exceed 115% of the policy benchmark over a minimum evaluation period of five years.
- 3) The risk-adjusted performance of the fund, net of fees and expenses, should at least match that of the policy benchmark over a minimum evaluation period of five years.

6. POLICY ASSET MIX

Benefit payments are projected to occur over a long period of time. This allows TFFR to adopt a long-term investment horizon and asset allocation policy for the management of fund assets. Asset allocation policy is critical because it defines the basic risk and return characteristics of the investment portfolio. Asset allocation targets are established using an asset-liability analysis designed to assist the Board in determining an acceptable volatility target for the fund and an optimal asset allocation policy mix. This asset-liability analysis considers both sides of the plan balance sheet, utilizing both quantitative and qualitative inputs, in order to estimate the potential impact of various asset class mixes on key measures of total plan risk, including the resulting estimated impact of funded status and contribution rates. After consideration of all the inputs and a discussion of its own collective risk tolerance, the Board approves the appropriate policy asset mix for the Fund.

Asset Class	Policy Target (%)
Public Equity	45%
- Broad U.S. Equity	27%
- Global ex-U.S. Equity	18%
Fixed Income	27%
- Core Fixed Income	18%
- High Yield	8%
- Cash Equivalents	1%
Alternatives	28%
- Real Estate	9%
- Private Infrastructure	9%
- Timber	0%
- Private Equity	10%
Total	100%

An allocation to Global Alternatives of up to 10% is authorized but shall not increase the expected volatility of the portfolio as measured in Section 5; and if utilized, all other targets will be adjusted pro-rata. The Board does not endorse tactical asset allocation, therefore, it is anticipated the portfolio be managed as close to the policy target as is prudent and practicable while minimizing rebalancing costs. Rebalancing of the Fund to this target will be done in accordance with the SIB's rebalancing policy.

7. RESTRICTIONS

While the SIB is responsible for establishing specific quality, diversification, restrictions, and performance objectives for the investment vehicles in which the Fund's assets will be invested, it is understood that:

- a. Futures and options may be used to hedge or replicate underlying index exposure, but not for speculation.
- b. Derivatives use will be monitored to ensure that undue risks are not taken by the money managers
- c. No transaction shall be made which threatens the tax exempt status of the Fund.
- d. All assets will be held in custody by the SIB's master custodian or such other custodians as are acceptable to the SIB.
- e. No unhedged short sales or speculative margin purchases shall be made.
- f. Social investing is prohibited unless it meets the Exclusive Benefit Rule and it can be substantiated that the investment must provide an equivalent or superior rate of return for a similar investment with a similar time horizon and similar risk.

For the purpose of this document, Social Investing is defined as *"The investment or commitment of public pension fund money for the purpose of obtaining an effect other than a maximized return to the intended beneficiaries."*

- g. Economically targeted investing is prohibited unless the investment meets the Exclusive Benefit Rule.

For the purpose of this document economically targeted investment is defined as an investment designed to produce a competitive rate of return commensurate with risk involved, as well as to create collateral economic benefits for a targeted geographic area, group of people, or sector of the economy.

Also, for the purpose of this document, the Exclusive Benefit Rule is met if the following four conditions are satisfied:

- 1) The cost does not exceed the fair market value at the time of investment.
- 2) The investment provides the Fund with an equivalent or superior rate of return for a similar investment with a similar time horizon and similar task.
- 3) Sufficient liquidity is maintained in the Fund to permit distributions in accordance with the terms of the plan.
- 4) The safeguards and diversity that a prudent investor would adhere to are present.

Where investment characteristics, including yield, risk, and liquidity are equivalent, the Board's policy favors investments which will have a positive impact on the economy of North Dakota.

8. INTERNAL CONTROLS

A system of internal controls must be in place by the SIB to prevent losses of public funds arising from fraud or employee error. Such controls deemed most important are the separation of responsibilities for investment purchases from the recording of investment activity, custodial safekeeping, written confirmation of investment transactions, and established criteria for broker relationships. The annual financial audit must include a comprehensive review of the portfolio, accounting procedures for security transactions and compliance with the investment policy.

9. EVALUATION AND REVIEW

Investment management of the Fund will be evaluated against the Fund's investment objectives. Emphasis will be placed on five year results. Evaluation should include an assessment of the continued feasibility of achieving the investment objectives and the appropriateness of the Investment Policy Statement for achieving those objectives.

Performance reports will be provided to the TFFR Board periodically, but not less than annually. Such reports will include asset returns and allocation data as well as information regarding all

significant and/or material matters and changes pertaining to the investment of the Fund, including but not limited to:

- 1) A list of the advisory services managing investments for the board.
- 2) A list of investments at market value, compared to previous reporting period, of each fund managed by each advisory service.
- 3) Earnings, percentage earned, and change in market value of each fund's investments.
- 4) Comparison of the performance of each fund managed by each advisory service to other funds under the board's control and to generally accepted market indicators.
- 5) All material legal or legislative proceedings affecting the SIB.
- 6) Compliance with this investment policy statement.

TFFR Board Adopted: May 25, 1995.

Amended: November 30, 1995; August 21, 1997; July 15, 1999; July 27, 2000; September 18, 2003; July 14, 2005; September 21, 2006; September 20, 2007; October 27, 2011; September 26, 2013; January 21, 2016; September 21, 2017; January 25, 2018; November 19, 2020.

Approved by SIB: November 18, 2011, February 26, 2016, September 22, 2017, February 23, 2018, November 20, 2020.

ND Teachers' Fund for Retirement

ND State Investment Board

Date:

Date:

Janilyn Murtha
Deputy Executive Director/
Chief Retirement Officer

David Hunter
Executive Director/CIO

ND TFFR and ND SIB Joint Board Resolution
In Appreciation of
Trustee Toni Gumeringer

WHEREAS, Trustee Toni Gumeringer has served as a member of the TFFR and SIB Boards; and

WHEREAS, Trustee Toni Gumeringer has diligently carried out her duties and responsibilities as a member of these Boards and fiduciary of the TFFR and SIB Programs; and

WHEREAS, Trustee Toni Gumeringer has been a valued and dedicated member of these Boards in helping maintain the high standards of integrity for the TFFR and SIB Programs.

NOW THEREFORE, BE IT RESOLVED that Trustee Toni Gumeringer be duly recognized by these Boards for her dedication to the State of North Dakota through her service on the Teacher's Fund for Retirement Board of Trustees and State Investment Board.

On Behalf of the TFFR Board

On Behalf of the SIB

Dr. Rob Lech, President

Lt. Governor Brent Sanford, Chair

Votes

Votes

Date

Date