

# Carmel Area Wastewater District Defined Benefit Plan



**H F G** Hastie Financial Group

*For confidence in your future*

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1<sup>st</sup> Quarter and 2021 Performance Review

2<sup>nd</sup> Quarter 2021 Action Plan

April 20, 2021

## Change in Market Value Register

From 1/1/2021 to 3/31/2021

### Carmel Area Wastewater

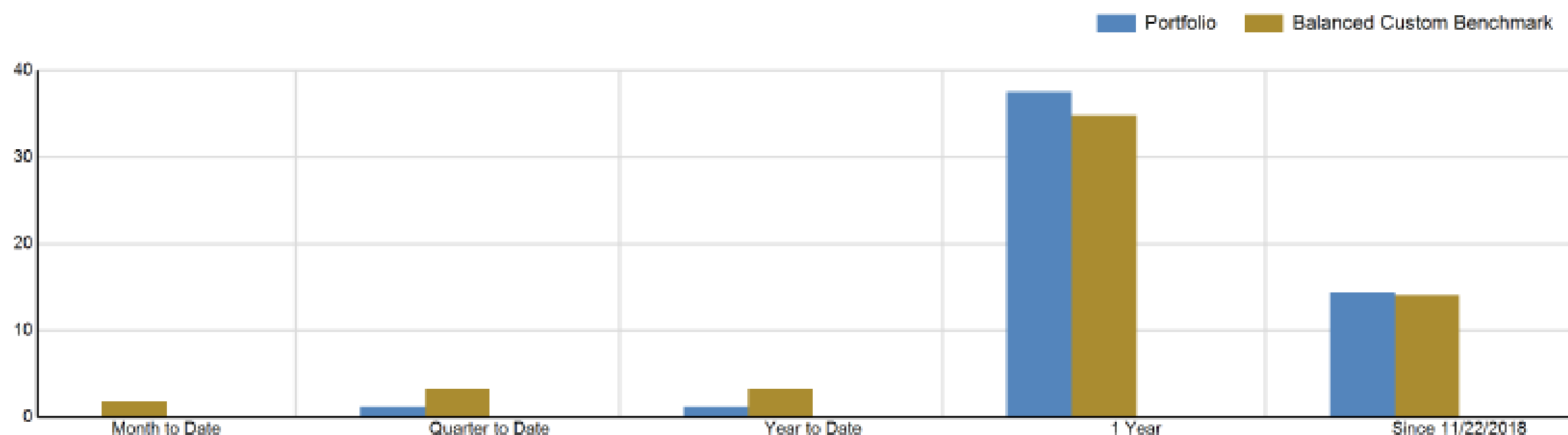
Account Name	Performance Start Date	Beginning Value with Accrued Interest (\$)	Net Contributions/ Withdrawals (\$)	Total Gains/Losses (\$)	Net Income (\$)	Ending Balance with Accrued Interest (\$)	Net Change (\$)	Performance Stop Date	TWR (%)
Carmel Area Wastewater District Ppt Non Prototype NFS - PPS Custom (xxxx4110)	01/01/2021	6,380,109.46	(46,237.92)	51,336.54	25,298.78	6,399,341.67	65,470.13	03/31/2021	1.03
<b>Total</b>	<b>1/1/2021</b>	<b>\$6,380,109.46</b>	<b>(\$46,237.92)</b>	<b>\$51,336.54</b>	<b>\$25,298.78</b>	<b>\$6,399,341.67</b>	<b>\$65,470.13</b>	<b>3/31/2021</b>	<b>1.03</b>

## Performance Summary

As of 3/31/2021

Carmel Area Wastewater

### Time Weighted Return



### Activity Summary

Beginning Balance (11/21/2018)	\$0.00
Contributions	\$5,029,476.99
Withdrawals	\$418,168.68
Realized Gain / Loss	\$808,544.46
Unrealized Gain / Loss	\$611,927.15
Interest	\$0.00
Dividend / Cap Gains	\$457,719.68
Management Fees	\$85,788.98
12B1 Credits	\$92.11
Ending Balance (03/31/2021)	\$6,403,802.73
Total Gain / Loss After Fees	\$1,792,494.42

### Performance Summary

Period	Portfolio	Balanced Custom Benchmark
Month to Date	0.04	1.81
Quarter to Date	1.10	3.28
Year to Date	1.10	3.28
1 Year	37.49	34.78
Since 11/22/2018	14.38	14.02

Note: Returns are time-weighted and annualized for any period greater than one year. This report is incomplete without the accompanying disclosure page.

# Performance by Security

From 1/1/2021 to 3/31/2021

Carmel Area Wastewater

## Holdings by Account and Asset Class (Primary)

Description	Market Value (1/1/2021)	Purchases / Sales	Interest Dividends Cap. Gains	Market Value (3/31/2021)	Annualized Return % (IRR Net of Fees)
<b>Carmel Area Wastewater District Ppt Non Prototype NFS - PPS Custom (xxxx4110)</b>					
<b>Domestic Equity</b>					
iShares Core S&P 500 ETF	885,906.89	(159,576.18)	2,557.91	778,700.43	6.46
JPMorgan Large-Cap Growth Fund CI I	793,951.20	(339,822.36)	.00	462,036.47	1.10
Columbia Contrarian Core Fund Advisor CI	365,125.65	57,864.60	.00	448,851.86	6.85
Neuberger Berman Large-Cap Value Fund Institutional CI	.00	445,019.66	.00	443,680.48	-0.30
MFS Mid-Cap Value Fund CI I	.00	254,296.95	.00	256,713.90	0.95
Bridgeway Small-Cap Value Fund	.00	254,308.95	.00	242,284.05	-4.73
Federated Hermes Kaufmann Small-Cap Fund Institutional Shares	509,426.56	(337,000.83)	.00	199,006.99	6.10
iShares Morningstar Mid-Cap Growth ETF	355,452.43	(157,212.70)	25.99	194,900.78	-1.04
Columbia Dividend Income Fund Advisor CI	438,746.15	(464,132.30)	.00	.00	5.79
<b>International Equity</b>					
PGIM Jennison International Opportunities Fund-CI Z	717,701.69	(390,504.52)	.00	328,383.23	0.23
Bank of New York Mellon Global Emerging Markets CI I	.00	262,320.91	.00	237,742.13	-9.37

Description	Market Value (1/1/2021)	Purchases / Sales	Interest Dividends Cap. Gains	Market Value (3/31/2021)	Annualized Return % (IRR Net of Fees)
<b>Domestic Bond</b>					
Columbia Mortgage Opportunities Fund Advisor CI	.00	637,369.66	1,627.29	642,667.11	1.09
PGIM High-Yield Fund- CI Z	538,547.66	4,998.27	4,998.27	544,512.53	1.11
BlackRock Floating Rate Income Portfolio Institutional	.00	381,445.42	.00	380,294.18	-0.30
American Funds Inflation Linked Bond Fund CI F- 2	.00	327,901.13	.00	321,895.61	-1.83
American Funds U.S. Government Securities CI F-2	293,291.21	11,992.46	11,992.46	296,377.14	1.05
Goldman Sachs Enhanced Income Fund CI Administration	.00	254,308.95	.00	254,296.95	-0.00
BlackRock Inflation-Protected Bond Inv Institutional	307,961.53	(309,512.97)	2.19	.00	0.57
Guggenheim Total Return Bond Fund Institutional CI	420,061.50	(405,465.81)	1,864.94	.00	-3.03
<b>International Bond</b>					
PGIM Global Total Return Fund CI Z	477,850.23	(451,614.69)	2,223.46	.00	-5.03

	3 Month	1 Year	3 Year	5 Year
S&P 500 TR	6.17	56.35	16.78	16.29
Russell 1000	5.91	60.59	17.31	16.66
Russell Mid Cap	8.14	73.64	14.73	14.67
Russell 2000	12.70	94.85	14.76	16.35
MSCI EAFE	3.48	44.57	6.02	8.85
MSCI Emerging Markets	2.29	58.39	6.48	12.07
Barclays Capital US Aggregate	-3.37	0.71	4.65	3.10

■ Sell or Reduced:

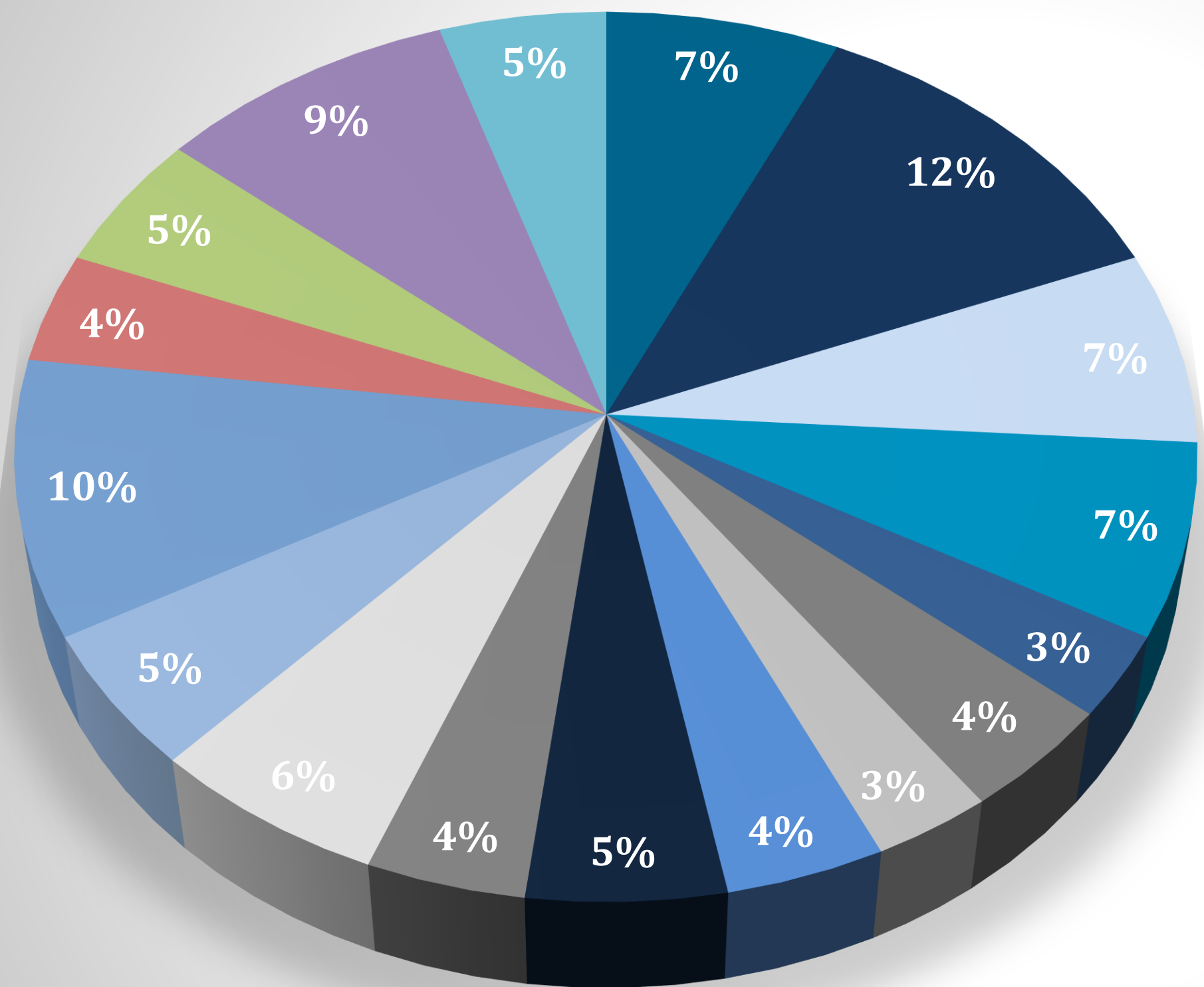
- JPMorgan Large Cap Growth
- Columbia Dividend Income
- iShares Morningstar Mid Cap
- Federated Kaufmann Small Cap
- PGIM International Opportunities
- PGIM Global Total Return
- Guggenheim Total Return

■ Buy:

- Columbia Contrarian Core
- Neuberger Berman Large Value
- MFS Mid Cap Value
- Bridgeway Small Value
- BlackRock Floating Rate
- Columbia Mortgage Opportunities
- Goldman Sachs Enhanced Income

■ Rebalance the rest of the portfolio

# 2<sup>ND</sup> QUARTER 2021 OVERALL PORTFOLIO



- JP Morgan Large Cap Growth - 7%
- iShares Core S&P 500 - 12%
- Columbia Contrarian Core - 7%
- Neuberger Berman Large Value - 7%
- iShares Morningstar Mid Cap - 3%
- MFS Mid Value - 4%
- Federated Kaufmann Small Cap - 3%
- Bridgeway Small Value - 4%
- PGIM International Opportunities - 5%
- BNY Mellon Global Emerging Markets - 4%
- BlackRock Floating Rate - 6%
- American Funds Govt Securities - 5%
- Columbia Mortgage Opportunities - 10%
- Goldman Sachs Enhanced Income - 4%
- American Funds Inflation Protected - 5%
- PGIM High Yield - 9%
- Cash - 5%



**BETA:**

A measure of volatility (risk) relative to the Standard & Poor's 500 Index. Beta of 1.0 indicates risk equal to that of the Standard & Poor's 500 Index over a given period of time, usually 3, 5 and 10 years. Beta of less than 1.0 indicates risk less than that of the S&P 500 Index.

	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CAWD Portfolio	0.66	0.64	0.67

Mutual Fund/ETF	3 Year Beta	Net Expense Ratio
JP Morgan Large Cap Growth	1.06	0.69
iShares Core S&P 500	1.00	0.03
Columbia Contrarian Core	1.03	0.77
Neuberger Berman Large Cap Value	1.04	0.68
iShares Morningstar Mid Cap	1.07	0.06
MFS Mid Value	1.16	0.82
Federated Kaufmann Small Cap	1.09	0.91
Bridgeway Small Value	1.25	0.94
PGIM International Opportunities	0.87	0.90
BNY Mellon Global Emerging Markets	1.02	1.00
BlackRock Floating Rate	0.21	0.71
American Funds Govt Securities	0.70	0.34
Columbia Mortgage Opportunities	0.42	0.76
Goldman Sachs Enhanced Income	0.19	0.60
American Funds Inflation Protected Bond	0.60	0.54
PGIM High Yield	0.79	0.40

**STANDARD DEVIATION:**

Another measure of volatility (risk). A higher Standard Deviation indicates a higher degree of volatility (risk) over a given period of time, usually 3, 5 and 10 years. We will compare the CAWD Portfolio with the S&P 500 Index.

	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CAWD Portfolio	12.47	9.95	9.46
Standard & Poor's 500 Index	18.40	14.89	13.58

**MEAN:**

Mean return over a given period of time, usually 3, 5 and 10 years. We will compare the CAWD Portfolio with the S&P 500 Index.

	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CAWD Portfolio	13.77	13.02	9.84
Standard & Poor's 500 Index	16.78	16.29	13.91

**ALPHA:**

A measure of risk-adjusted returns. An Alpha of 0 indicates a return proportionate to the degree of risk taken. A positive Alpha indicates a return generated in excess of the degree of risk taken.

	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CAWD Portfolio	1.94	1.90	0.26

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Blended benchmark returns are composed of individual index data and index composition may change over time. All indices are unmanaged and it is not possible to invest directly in an index or blended benchmark. Unlike investments, indices and blended benchmarks do not incur management fees, charges, or expenses.

Balanced Custom Benchmark - 48.00% Russell 3000; 5.50% US Treasury Bills; 4.00% Bloomberg Barclays US Government Intermediate; 20.00% Bloomberg Barclays US Govt/Credit 1-3 Yr ; 9.00% MSCI ACWI ex USA (GR) ; 8.50% BofA Merrill Lynch US High-Yield - Master II; 5.00% Bloomberg Barclays US TIPS Index - Rebalance monthly.

Russell 3000 - The Russell 3000 Index is composed of 3000 large U.S. companies, as determined by market capitalization. This portfolio of securities represents approximately 98% of the investable U.S. equity market.

US Treasury Bills - The 3-Month Treasury Bill represents the monthly return equivalents of yield averages, which are not marked to market; this index is an average of the last three three-month Treasury Bill issues.

Bloomberg Barclays US Government Intermediate - The Bloomberg Barclays US Government Intermediate Bond Index is a broad measure of U.S. Government Treasury and Agency Securities with maturities of up to ten years.

Bloomberg Barclays US Govt/Credit 1-3 Yr - The Bloomberg Barclays US Govt/Credit 1-3 Yr Index measures a composite of government and corporate issues with maturities between 1-3 years.

MSCI ACWI ex USA (GR) - The MSCI ACWI ex USA (Gross) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of Developed and Emerging Markets. The MSCI ACWI ex USA index does not include the United States. (Total Return Gross USD)

BofA Merrill Lynch US High-Yield - Master II - The Merrill Lynch US High Yield Master II Index is a commonly used benchmark index for high yield corporate bonds. It is administered by Merrill Lynch. The Master II is a measure of the broad high yield market, unlike the Merrill Lynch BB/B Index, which excludes lower-rated securities.

Bloomberg Barclays US TIPS Index - The Bloomberg Barclays U.S. TIPS Index is a rules based, market value-weighted index that tracks inflation-protected securities issued by the U.S. Treasury.