



City of Marietta Employees Pension Plan
Investment Performance Analysis
December 31, 2021

CBIZ Investment Advisory Services, LLC (CBIZ IAS) has compiled the accompanying summary of the market value, performance statistics and performance results as of the date indicated in this report. CBIZ IAS evaluates the performance results of the investment advisors or unregistered money managers through comparisons with market indices and other universe performance data deemed appropriate, providing a basis for observations and recommendations thereon.

CBIZ IAS performed time-weighted rates of return and internal rate of return calculations in accordance with standards recommended by the CFA Institute where possible.

Information is provided to CBIZ IAS by custodians, administrators, investment advisors, unregistered money managers and/or other sources as applicable. CBIZ IAS analyzes transactions reflected in the custodian and/or administrator statements, as well as reviewing the available annual audited market values of the portfolio. This provides a reasonable basis, not absolute, that the investment information presented is free from a significant misstatement. CBIZ IAS believes that our method of evaluating and measuring performance results contained herein provides a reasonable basis for the observations and recommendations presented in this report.

The investment information referred to above presents the market value, if available, as of the date indicated in this report and the performance results of the investment advisors or unregistered money managers for the calendar quarter. Generally, market values and related account performance are based on estimates, especially in instances where independent third party valuations are not available. Pricing sources may differ between Managers and Custodians. CBIZ IAS does not warrant the accuracy of the information.

CBIZ IAS does not provide legal, accounting or tax advice to clients. All clients with legal questions, accounting queries, or tax considerations, including the effect of Unrelated Business Taxable Income (UBTI) resulting from alternative investment strategies, are strongly urged to consult a professional with the relevant expertise.

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Past performance is not indicative of future results.

Investment advisory services provided through CBIZ Investment Advisory Services, LLC, a registered investment adviser and a wholly owned subsidiary of CBIZ, Inc. A copy of CBIZ IAS's current Form ADV may be obtained at [//www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

CBIZ INVESTMENT ADVISORY SERVICES, LLC ("CBIZ IAS")



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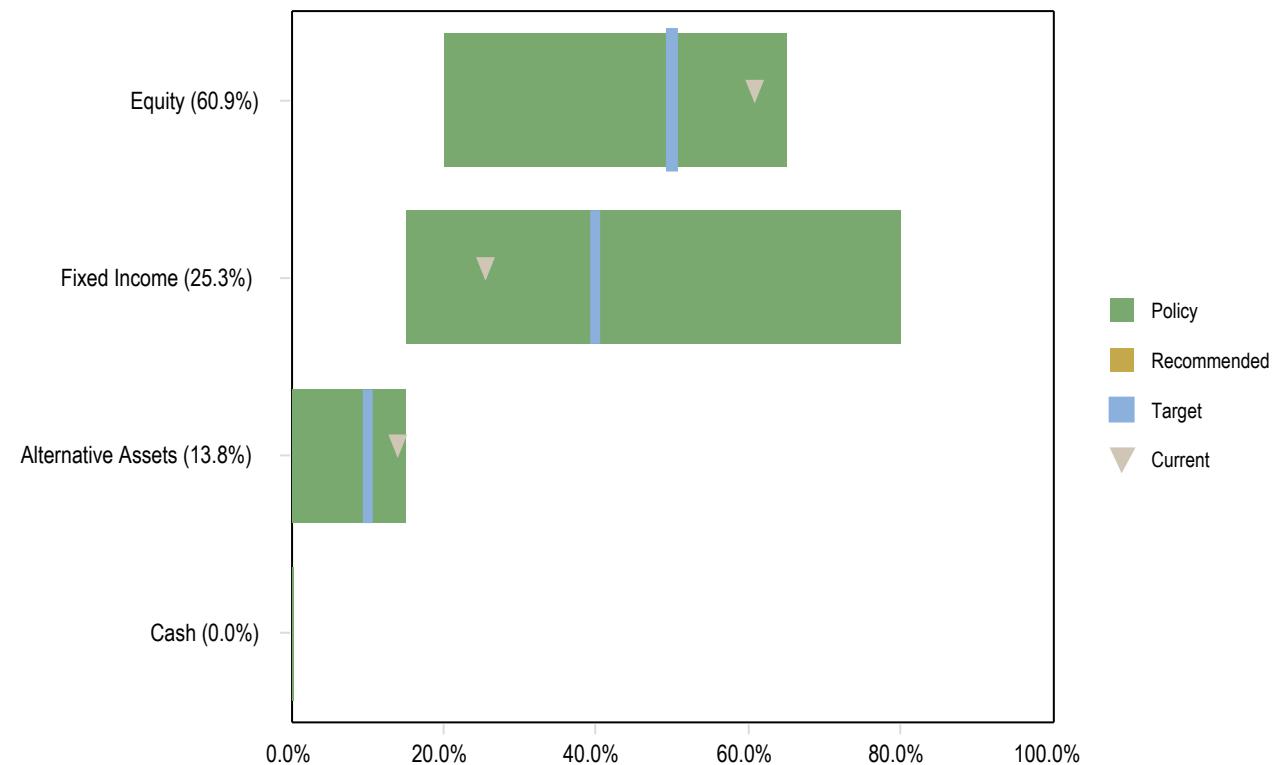
Asset Allocation Compliance

City of Marietta Employees Pension Plan

December 31, 2021



	Policy Range	Policy (\$)	%	Current (\$)	%	Differences (\$)	%
Equity	20.0 - 65.0	64,804,598	50.0	78,867,520	60.9	14,062,923	10.9
Fixed Income	15.0 - 80.0	51,843,678	40.0	32,854,874	25.3	-18,988,804	-14.7
Alternative Assets	0.0 - 15.0	12,960,920	10.0	17,875,206	13.8	4,914,286	3.8
Cash	0.0 - 0.0		0.0	11,595	0.0	11,595	0.0
Total		129,609,195	100.0	129,609,195	100.0		0.0



Executive Summary

City of Marietta Employees Pension Plan

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	Market Value	% of Portfolio	QTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Total Fund	\$129,609,195	100.0	3.9	15.3	17.8	12.7	10.7	8.9	Jan-91
45% S&P 500/45% Barclays Agg/10% ML Conv			5.4	12.8	15.3	11.3	10.0	8.8	
35% S&P 500/45% Barclays Agg/10% ML Conv/10% ACWI x US			4.5	10.8	14.0	10.4	9.1	-	
Total Equity	\$78,867,520	60.9	5.5	24.3	25.1	17.1	15.1	12.6	Sep-08
S&P 500			11.0	28.7	26.1	18.5	16.6	12.6	
Total Domestic Equity	\$78,867,520	60.9	5.5	24.3	25.1	17.1	15.1	16.5	Mar-09
Eagle Capital Management	\$33,065,092	25.5	3.2	28.2	24.6	17.9	16.5	17.7	Apr-09
S&P 500			11.0	28.7	26.1	18.5	16.6	17.4	
Russell 1000 Value Index			7.8	25.2	17.6	11.2	13.0	14.5	
Westfield Capital All Cap	\$30,133,763	23.2	9.1	23.5	33.4	24.1	18.7	18.3	Apr-09
Russell 3000 Growth Index			10.9	25.8	33.2	24.6	19.4	19.9	
iShares Russell SMID Index	\$15,668,665	12.1	3.8	18.2	-	-	-	38.6	Oct-20
Russell 2500 Index			3.8	18.2	21.9	13.8	14.1	38.7	
Total Fixed Income	\$32,854,874	25.3	-0.1	-1.4	5.1	3.6	2.8	3.7	Sep-08
Sage Advisory Core Taxable Fixed Income	\$16,657,412	12.9	0.0	-1.0	5.6	3.9	3.0	3.4	Jan-10
Blmbg. U.S. Aggregate			0.0	-1.5	4.8	3.6	2.9	3.6	
Orleans Capital Management Investment Grade Fixed Income	\$16,197,462	12.5	-0.2	-1.8	4.7	3.3	-	3.1	Jan-14
Blmbg. U.S. Gov't/Credit			0.2	-1.7	5.5	4.0	3.1	3.6	
Total Alternative	\$17,875,206	13.8	4.3	10.4	13.1	11.9	10.7	10.9	Apr-09
Victory INCORE Investment Grade Convertible Securities	\$17,875,206	13.8	4.3	10.3	13.0	12.0	10.8	10.9	Apr-09
ICE BofAML Inv. Grade US Conv. 5% Constrained			5.1	12.5	13.7	12.3	-	-	
Total Cash	\$11,595	0.0	0.0	0.0	0.7	0.9	1.2	1.1	Mar-09
Cash	\$11,595	0.0	0.0	0.0	0.7	0.9	1.3	1.1	Mar-09
90 Day US Treasury Bill			0.0	0.0	1.0	1.1	0.6	0.5	

Cash Flow Summary

City of Marietta Employees Pension Plan

	Quarter Ending as of December 31, 2021						
	Market Value As of 10/01/2021	Contributions	Withdrawals	Net Cash Flow	Fees	Net Investment Change	Market Value As of 12/31/2021
Eagle Capital Management	\$35,766,562	-	-\$3,800,790	-\$3,798,000	-\$70,187	\$1,169,508	\$33,065,092
Westfield Capital All Cap	\$30,758,254	-	-\$3,410,470	-\$3,408,000	-\$56,215	\$2,842,194	\$30,133,763
iShares Russell SMID Index	\$16,894,972	\$1,513	-\$1,795,582	-\$1,792,487	-	\$567,761	\$15,668,665
Sage Advisory Core Taxable Fixed Income	\$16,766,881	-	-\$101,574	-\$100,000	-\$15,925	\$8,030	\$16,657,412
Orleans Capital Management Investment Grade Fixed Income	\$16,237,136	-	-\$1,542	-	-\$6,061	-\$32,071	\$16,197,462
Victory INCORE Investment Grade Convertible Securities	\$17,139,488	-	-\$1,598	-	-\$23,781	\$761,096	\$17,875,206
Cash	\$8,335	\$9,100,000	-\$9,096,770	\$3,711	-	\$30	\$11,595
Total Fund	\$133,571,628	\$9,101,513	-\$18,208,325	-\$9,094,776	-\$172,169	\$5,316,548	\$129,609,195

Cash Flow Summary

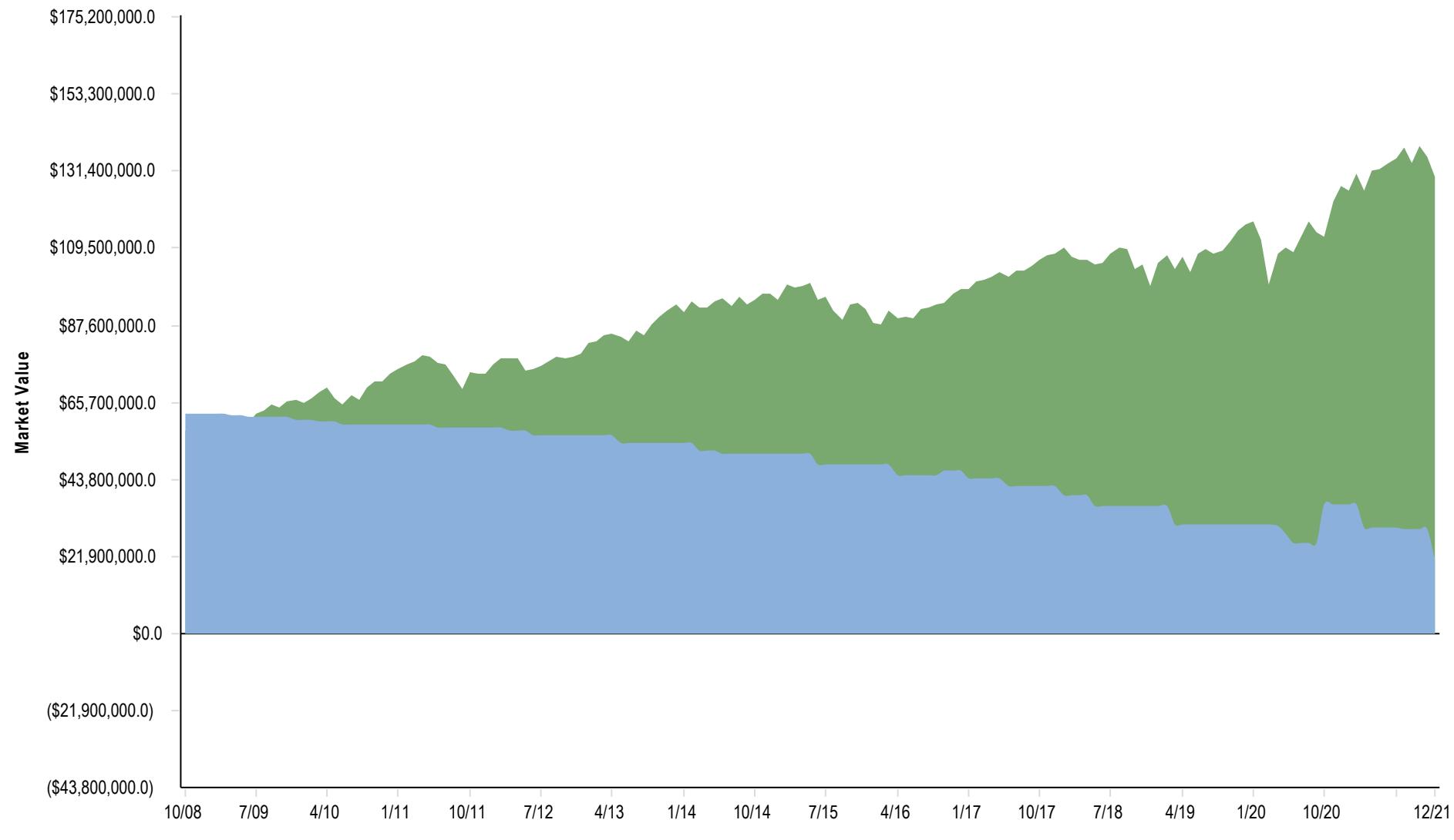
City of Marietta Employees Pension Plan

	Market Value As of 07/01/2021	Contributions	Withdrawals	Net Cash Flows	Fees	Fiscal Year to Date as of December 31, 2021	
						Net Investment Change	Market Value As of 12/31/2021
Eagle Capital Management	\$36,502,731	-	-\$5,303,626	-\$5,298,000	-\$138,942	\$2,004,930	\$33,065,092
Westfield Capital All Cap	\$32,668,991	-	-\$4,913,060	-\$4,908,000	-\$115,536	\$2,493,368	\$30,133,763
iShares Russell SMID Index	\$15,331,356	\$2,002,994	-\$1,797,063	\$208,994	-	\$131,378	\$15,668,665
Sage Advisory Core Taxable Fixed Income	\$16,833,138	-	-\$203,151	-\$200,000	-\$31,911	\$59,336	\$16,657,412
Orleans Capital Management Investment Grade Fixed Income	\$16,271,987	-	-\$3,083	-	-\$12,125	-\$59,316	\$16,197,462
Victory INCORE Investment Grade Convertible Securities	\$16,295,080	\$1,000,000	-\$3,140	\$1,000,000	-\$46,224	\$629,490	\$17,875,206
Cash	\$43,626	\$9,200,000	-\$9,232,063	-\$30,890	-	\$32	\$11,595
Total Fund	\$133,946,909	\$12,202,994	-\$21,455,187	-\$9,227,895	-\$344,739	\$5,259,219	\$129,609,195

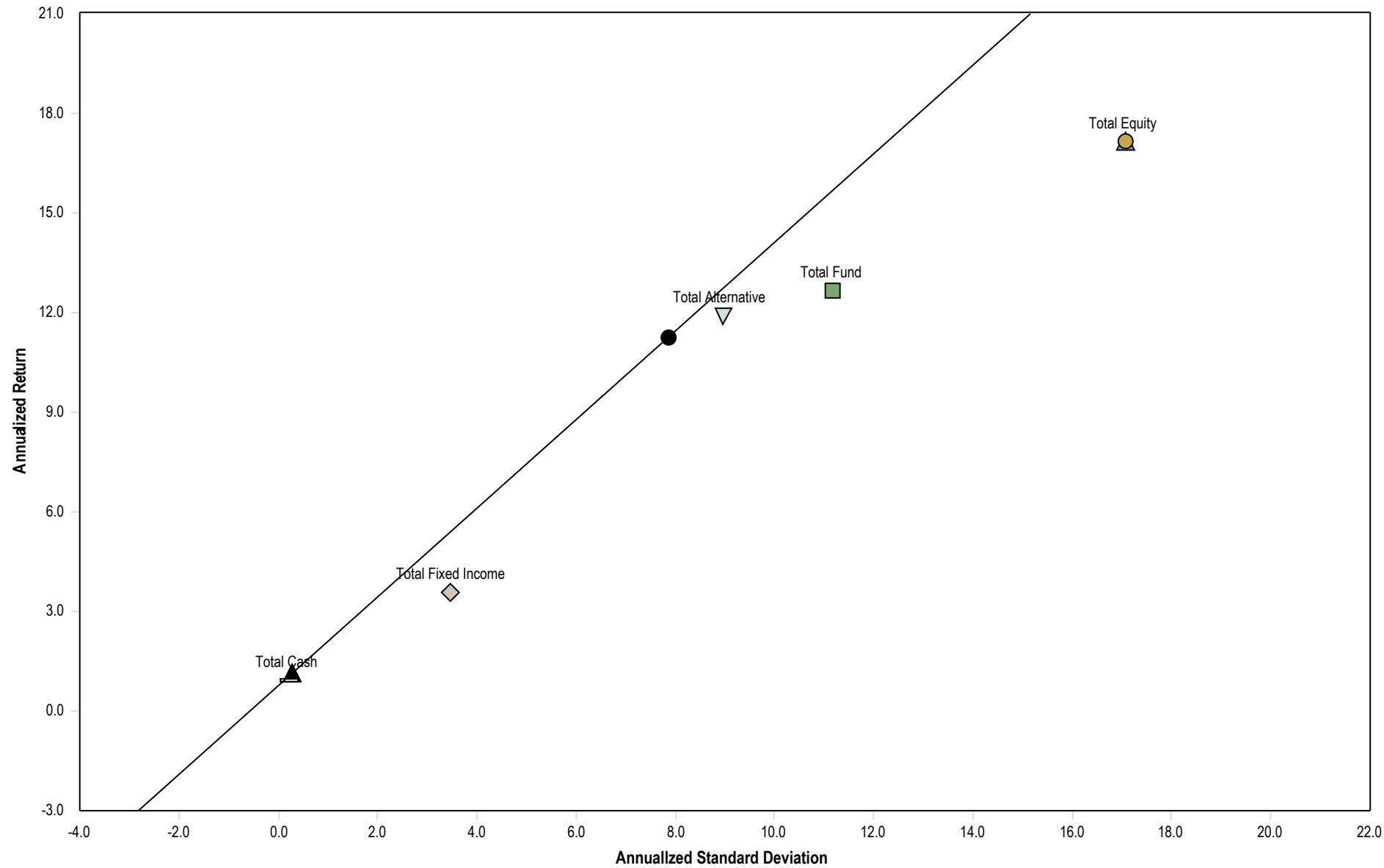
Growth of Assets

City of Marietta Employees Pension Plan

December 31, 2021



Periods Ending	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Gain/Loss	Ending Market Value
Since Inception	\$62,648,540	\$193,539,347	\$235,374,985	-\$41,835,637	\$108,796,292	\$129,609,195



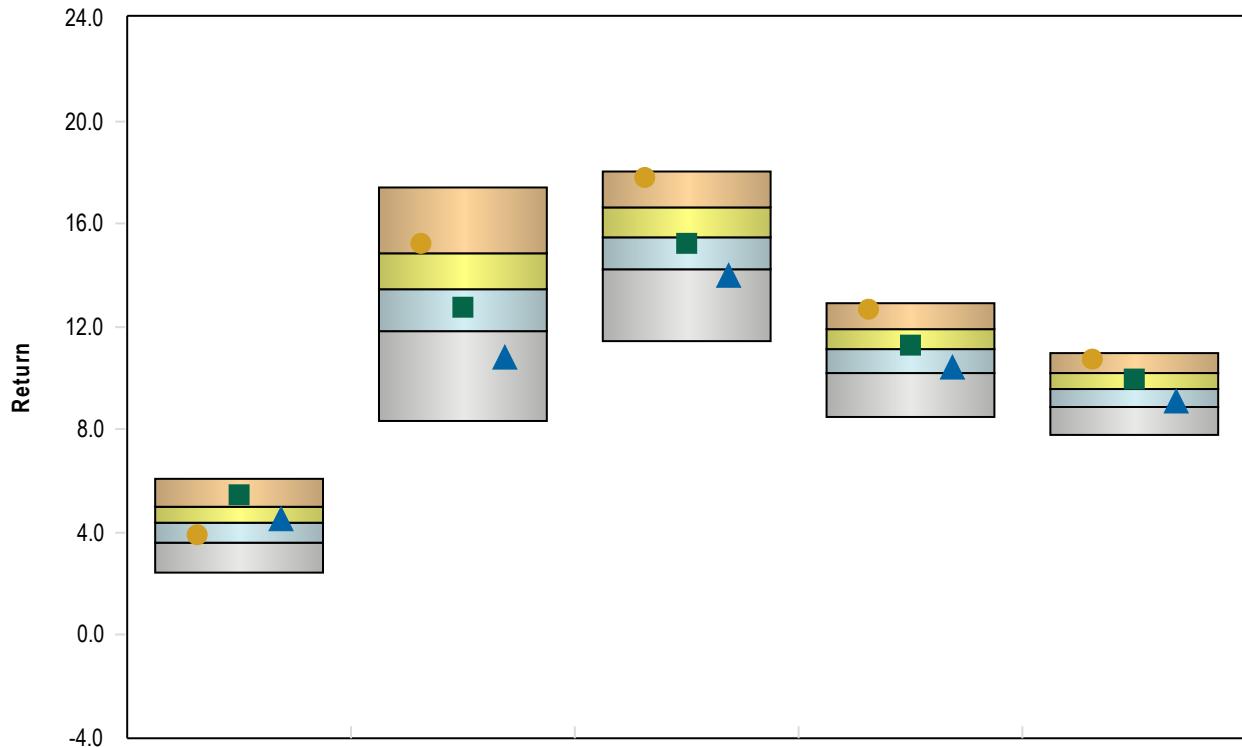
Calculation based on monthly periodicity.

Plan Sponsor Peer Group Analysis

City of Marietta Employees Pension Plan

All Public Plans < \$1B-Total Fund

December 31, 2021



	1 Quarter	1 Year	3 Years	5 Years	10 Years
● Total Fund	3.9 (68)	15.3 (21)	17.8 (7)	12.7 (9)	10.7 (12)
■ 45% S&P 500/45% Barclays Agg/10% ML Conv	5.4 (14)	12.8 (62)	15.3 (56)	11.3 (45)	10.0 (33)
▲ 35% S&P 500/45% Barclays Agg/10% ML Conv/10% ACWI x US	4.5 (44)	10.8 (86)	14.0 (78)	10.4 (70)	9.1 (70)
5th Percentile	6.1	17.4	18.0	12.9	11.0
1st Quartile	5.0	14.9	16.6	11.9	10.2
Median	4.4	13.5	15.5	11.1	9.6
3rd Quartile	3.6	11.8	14.2	10.2	8.9
95th Percentile	2.4	8.4	11.4	8.5	7.8
Population	485	481	469	447	363

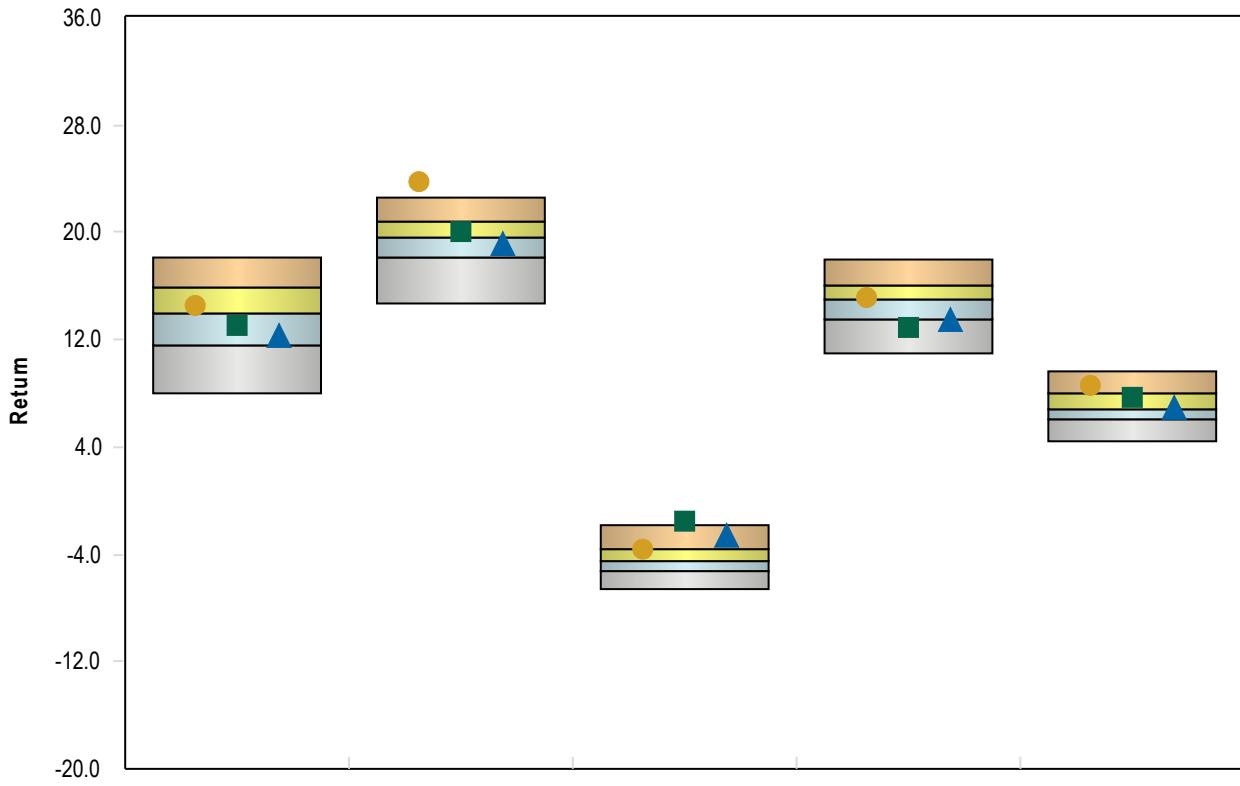
Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Plan Sponsor Peer Group Analysis

City of Marietta Employees Pension Plan

All Public Plans < \$1B-Total Fund

December 31, 2021



	2020	2019	2018	2017	2016
● Total Fund	14.5 (45)	23.8 (2)	-3.6 (25)	15.2 (46)	8.5 (16)
■ 45% S&P 500/45% Barclays Agg/10% ML Conv	13.0 (59)	20.1 (44)	-1.5 (4)	13.0 (84)	7.7 (32)
▲ 35% S&P 500/45% Barclays Agg/10% ML Conv/10% ACWI x US	12.3 (68)	19.2 (59)	-2.5 (9)	13.5 (77)	6.9 (48)
5th Percentile	18.1	22.5	-1.9	18.0	9.6
1st Quartile	15.9	20.8	-3.6	16.0	8.0
Median	14.0	19.7	-4.5	15.0	6.8
3rd Quartile	11.6	18.1	-5.3	13.6	6.1
95th Percentile	8.0	14.7	-6.6	10.9	4.4
Population	856	865	790	764	753

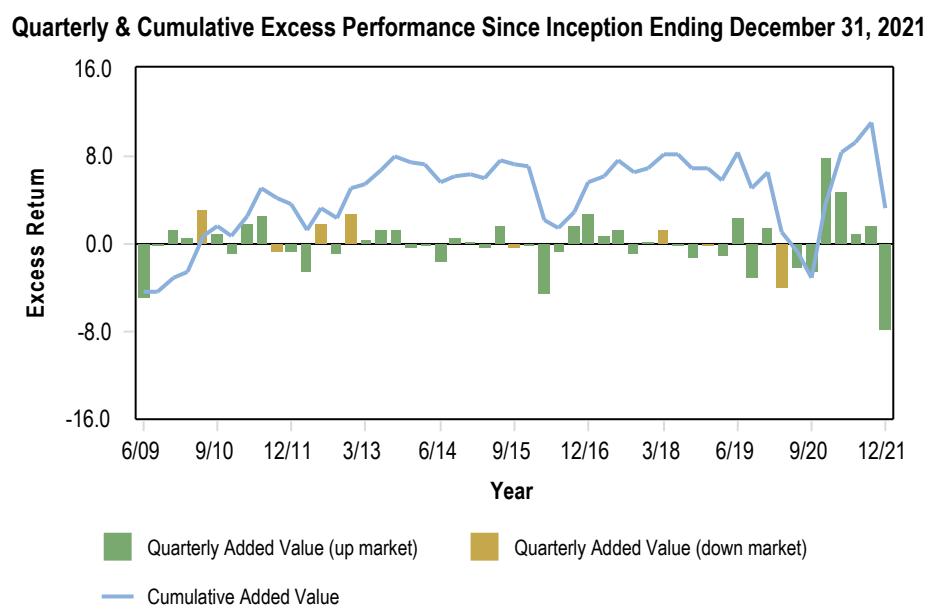
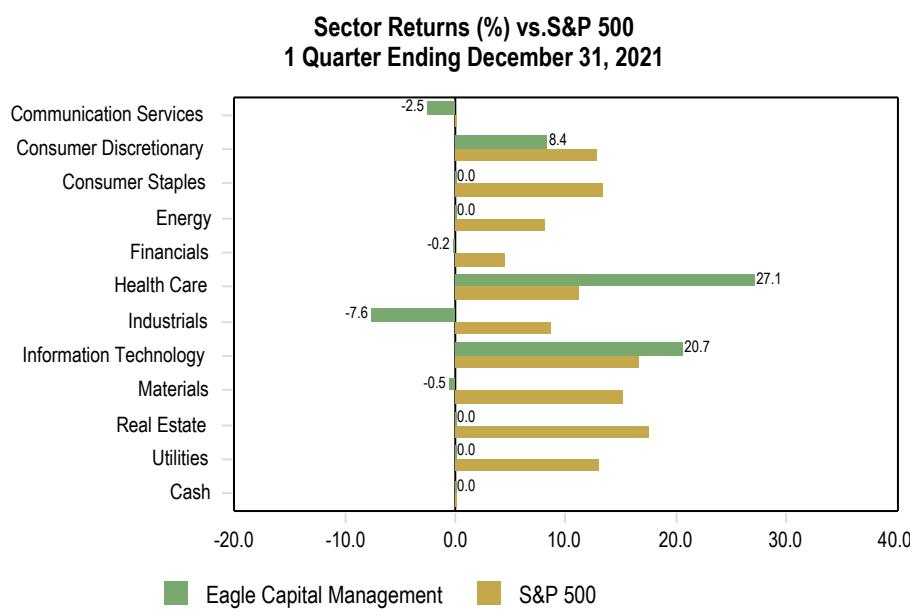
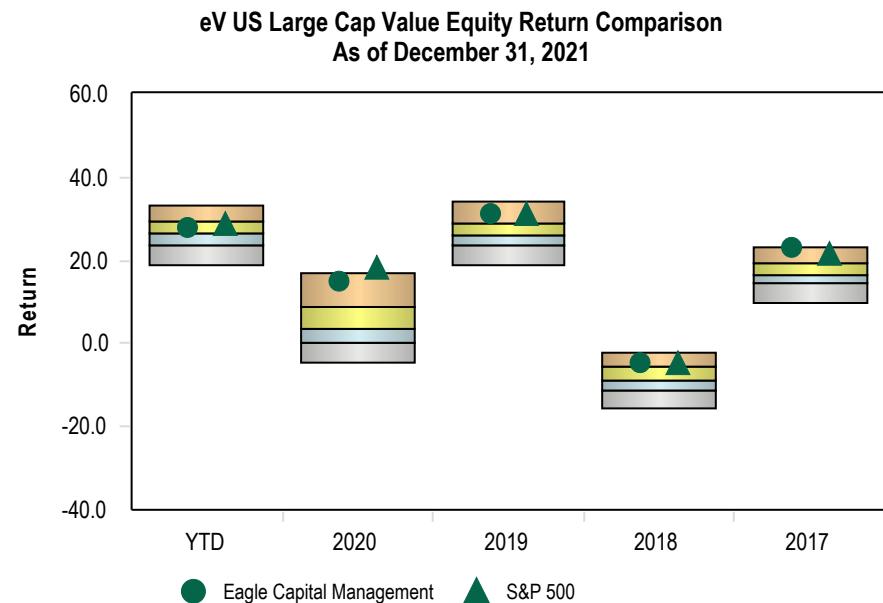
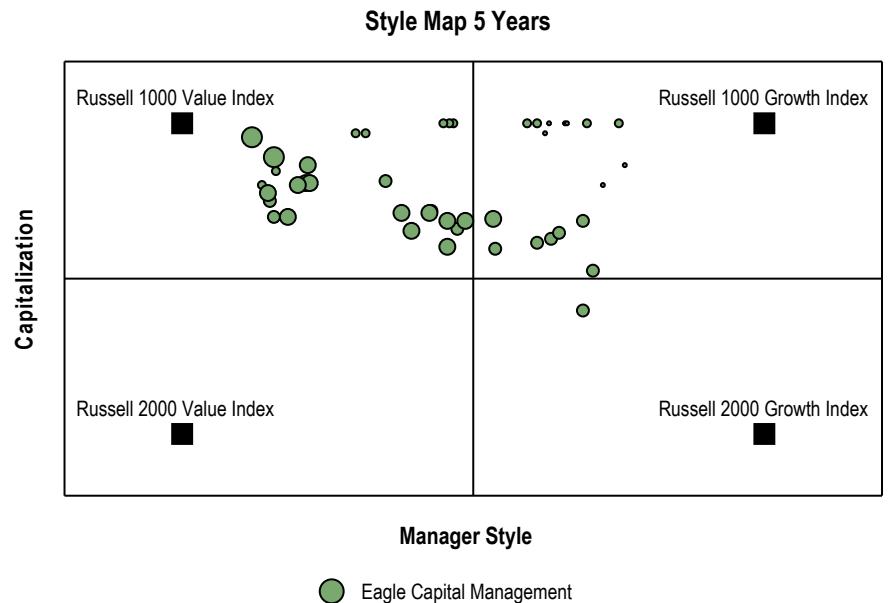
Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Investment Manager Analysis

Eagle's decision-making process is a bottom-up focus on companies undergoing significant change. They are looking for management teams with a vision to meaningfully change the company over the next three to five years. They must understand the corporation's strategy, evaluate it, judge management's record and ability to execute and ensure that they have the necessary resources. They then confirm that the company is undervalued. Their universe is ranked from companies that they know from adjacent opportunities and from dialogues with cutting-edge thinkers in different industries. While they use databases to highlight mispriced stocks, they do not take reported numbers at face value. Almost all of their value-added comes from original research. Frequent meetings with management, other employees and competitors, suppliers, and customers are integral to their process.

Portfolio Characteristics		Sector Allocation		Top Ten Equity Holdings			
	Portfolio	Benchmark		Portfolio	Benchmark		
Wtd. Avg. Mkt. Cap \$M	697,594	665,768	Cash	1.7	Alphabet Inc	10.1	2.0
Median Mkt. Cap \$M	119,707	34,463	Communication Services	35.6	Microsoft Corp	9.7	6.3
Price/Earnings ratio	19.6	25.8	Consumer Discretionary	16.5	Meta Platforms Inc	7.0	2.0
Price/Book ratio	3.9	4.9	Financials	22.1	Amazon.com Inc	6.6	3.6
5 Yr. EPS Growth Rate (%)	21.6	20.8	Health Care	7.8	Netflix Inc	4.8	0.7
Current Yield (%)	0.8	1.3	Industrials	4.6	Marriott International Inc	4.5	0.1
Beta (5 Years, Monthly)	1.1	1.0	Information Technology	10.9	Unitedhealth Group Inc	4.4	1.2
Number of Stocks	29	505	Materials	0.8	Goldman Sachs Group Inc (The)	4.3	0.3
		Total		100.0	Liberty Broadband Corp	4.3	0.0
					Comcast Corp	4.2	0.6
		% of Portfolio		59.9	59.9	16.8	16.8

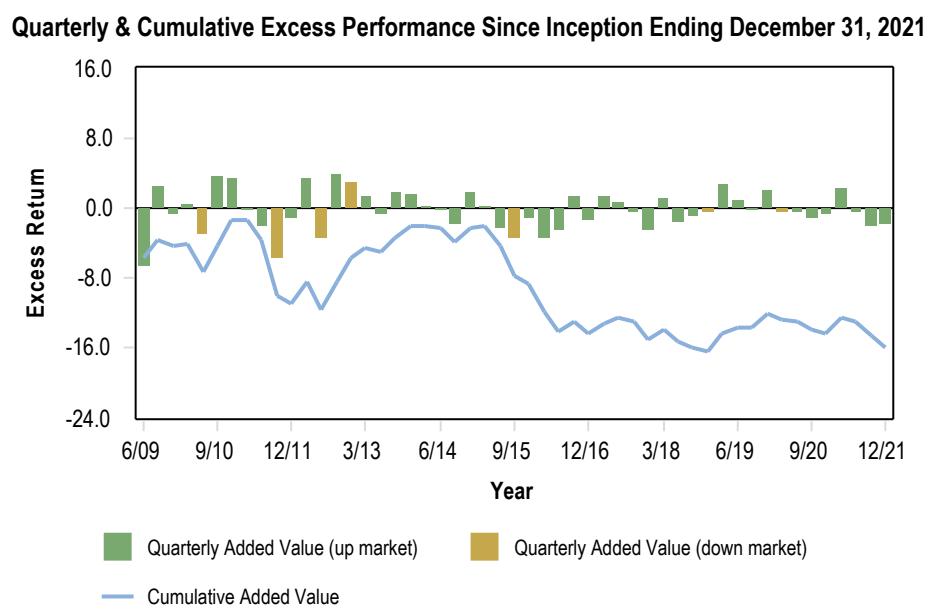
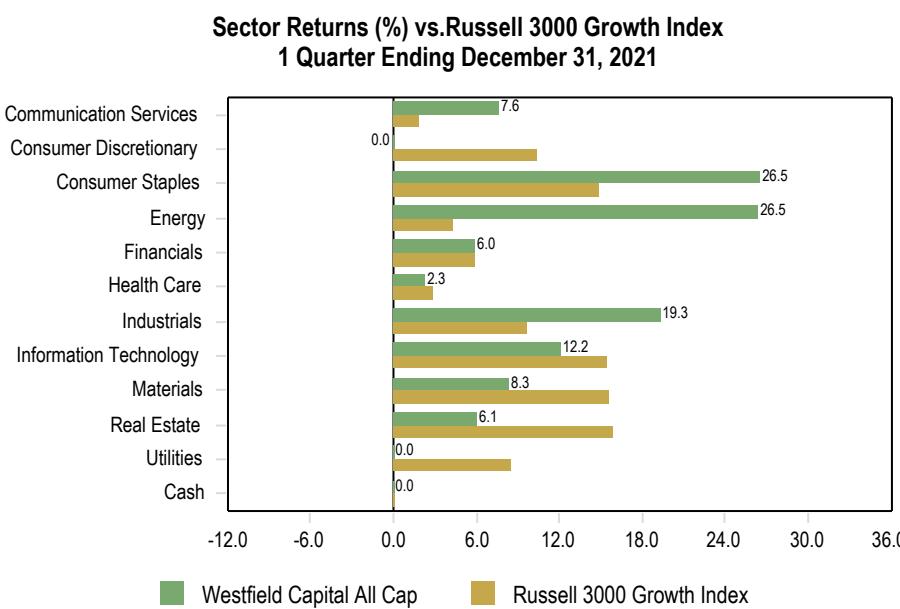
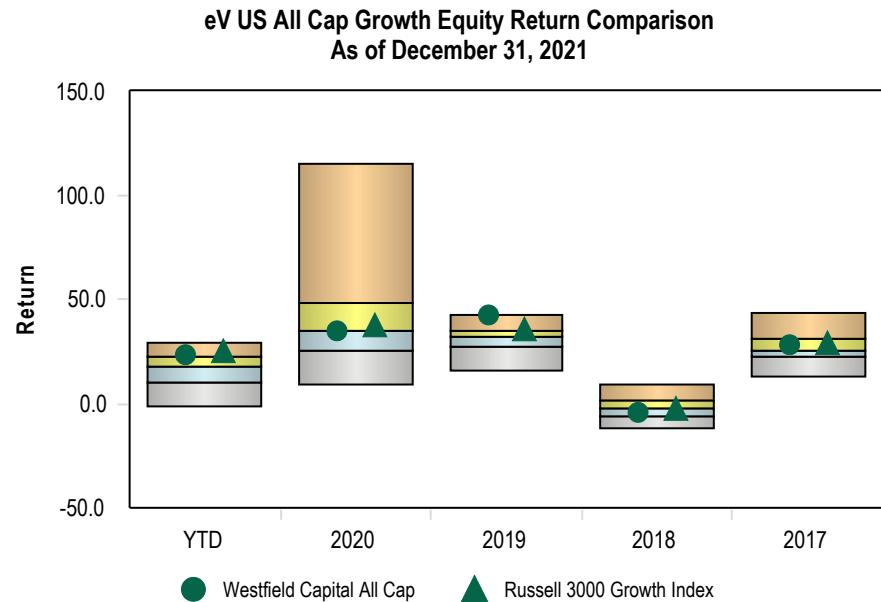
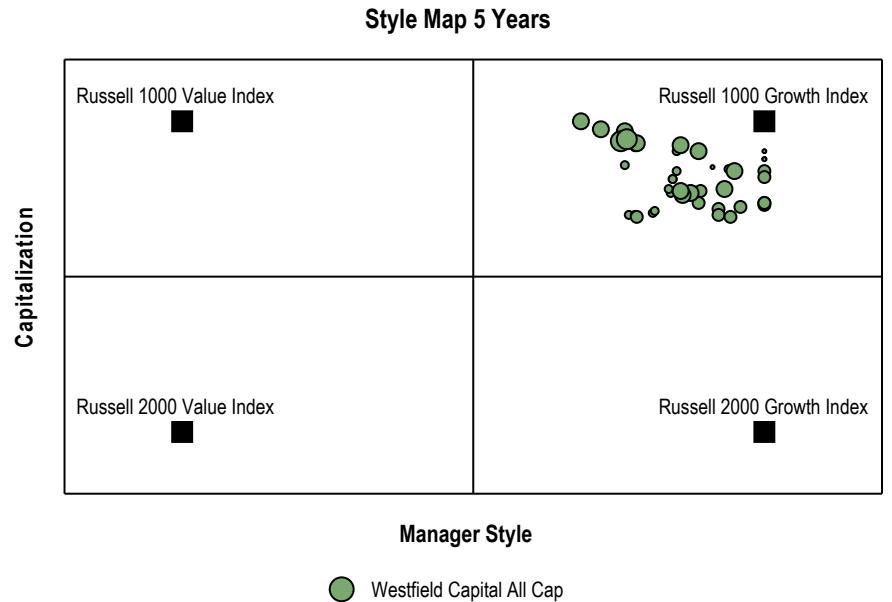
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Eagle Capital Management	3.2 (97)	28.2 (35)	24.6 (9)	17.9 (4)	17.7 (3)	04/01/2009
S&P 500	11.0 (7)	28.7 (30)	26.1 (5)	18.5 (3)	17.4 (5)	



Westfield's Investment Committee believes that reasonably priced stocks of companies with high foreseen earnings potential are best identified through in-depth, fundamental research. Research is covered vertically by industry. Each of Westfield's investment professionals follows several industries using a broad information network that includes company management, suppliers, users, competitors and Wall Street sources to identify and evaluate companies capable of providing consistently high or accelerating earnings growth. By covering companies that span the capitalization spectrum, Westfield gains perspective on all levels of the supply chain, grasping valuable insights into industry trends. Westfield is a fundamental, bottom-up manager investing in earnings growth stocks due to their conviction that stock prices follow earnings progress and that they offer the best opportunity for investment return.

Portfolio Characteristics		Sector Allocation		Top Ten Equity Holdings			
	Portfolio	Benchmark		Portfolio	Benchmark		
Wtd. Avg. Mkt. Cap \$M	863,639	926,312	Cash	0.6	Apple Inc	11.6	10.9
Median Mkt. Cap \$M	37,196	2,258	Communication Services	14.1	Alphabet Inc Class A	7.3	3.0
Price/Earnings ratio	29.6	35.4	Consumer Discretionary	11.3	Amazon.com Inc	7.0	5.7
Price/Book ratio	5.6	12.1	Consumer Staples	2.3	Microsoft Corp	6.7	10.1
5 Yr. EPS Growth Rate (%)	34.1	27.7	Energy	1.1	Meta Platforms Inc	4.6	3.2
Current Yield (%)	0.5	0.7	Financials	4.5	QUALCOMM Inc.	2.8	0.8
Beta (5 Years, Monthly)	1.0	1.0	Health Care	9.7	ServiceNow Inc	2.7	0.5
Number of Stocks	39	1,749	Industrials	9.5	Lumentum Holdings Inc	2.7	0.0
			Information Technology	43.6	Visa Inc	2.7	1.5
			Materials	1.6	salesforce.com Inc	2.4	0.2
			Real Estate	1.8			
			Total	100.0	% of Portfolio	50.5	35.9

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Westfield Capital All Cap	9.1 (11)	23.5 (18)	33.4 (24)	24.1 (41)	18.3 (60)	03/01/2009
Russell 3000 Growth Index	10.9 (5)	25.8 (9)	33.2 (26)	24.6 (34)	20.6 (24)	



iShares Russell SMID Index

December 31, 2021

Seeks to track the performance of the Russell 2500 Index, which measures the small to mid-cap segment of the U.S. equity universe.

Fund Information

Ticker	BSMIX
Fund Style	Small Blend
Fund Assets	475 Million
Portfolio Assets	164 Million
% Assets in Top 10 Holdings	5.28 %
Total Number of Holdings	2532
PM Name	Team Managed
PM Tenure	5 Years 8 Months
Net Expense(%)	0.12 %
Closed to New Investors	Open

Equity Characteristics

Avg. Market Cap	5,711 Million
Price/Earnings	15.9
Price/Book	2.4
Price/Sales	1.5
Price/Cash Flow	8.7
Dividend Yield	1.1 %
Number of Equity Holdings	2522

Top Holdings

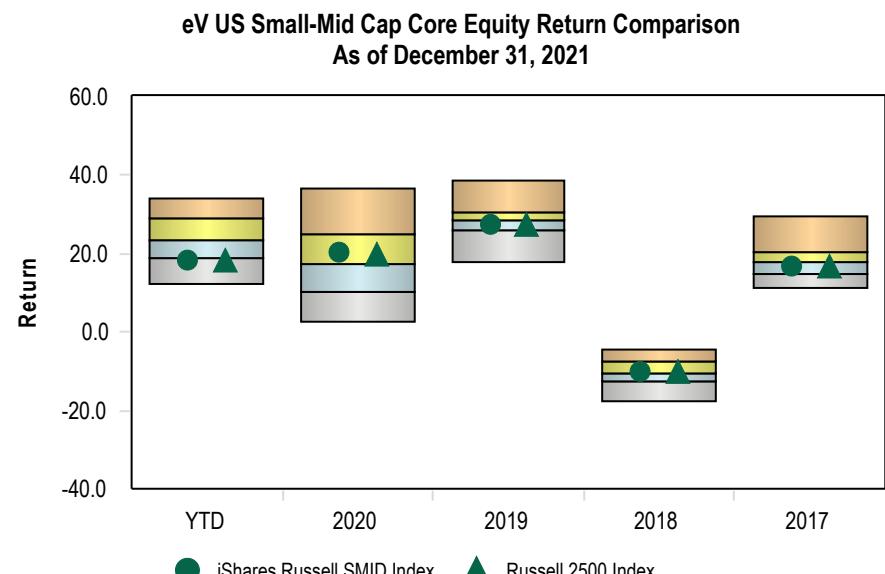
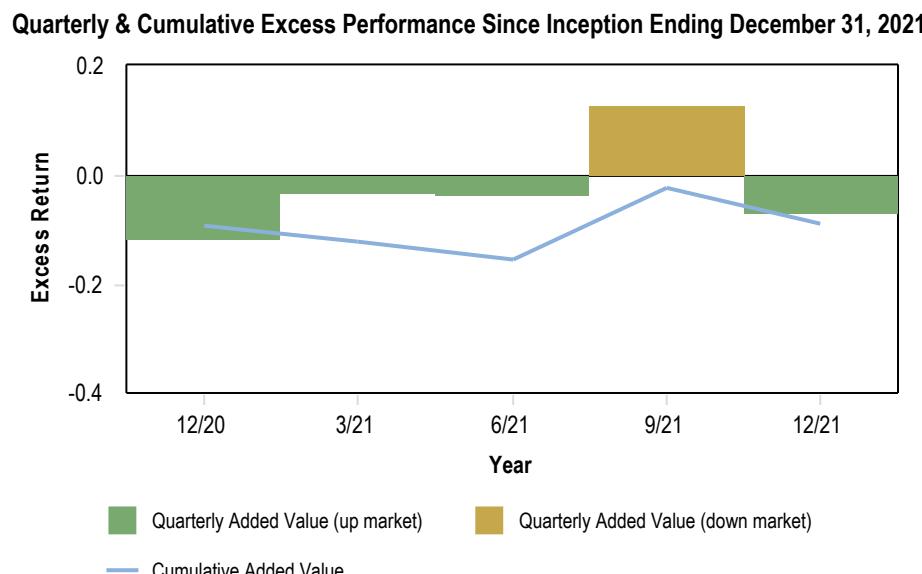
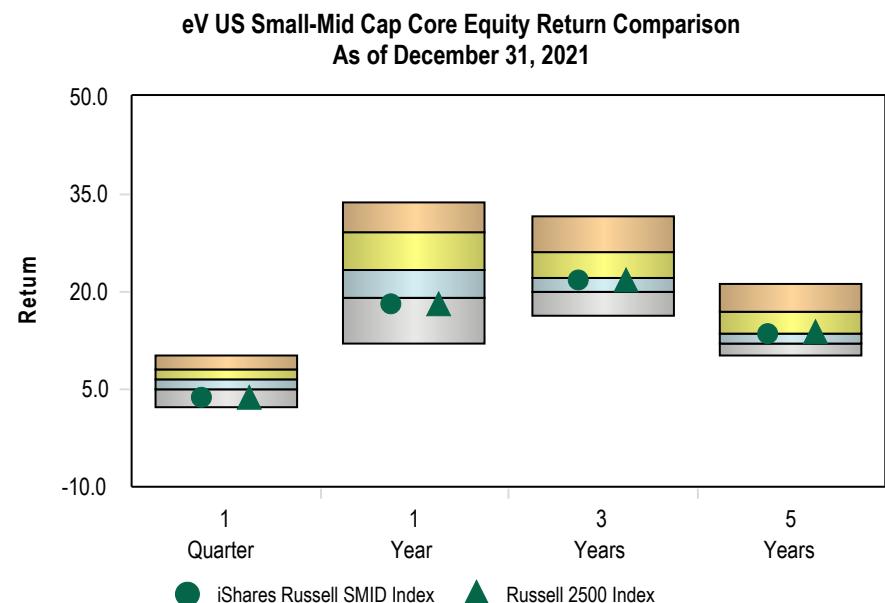
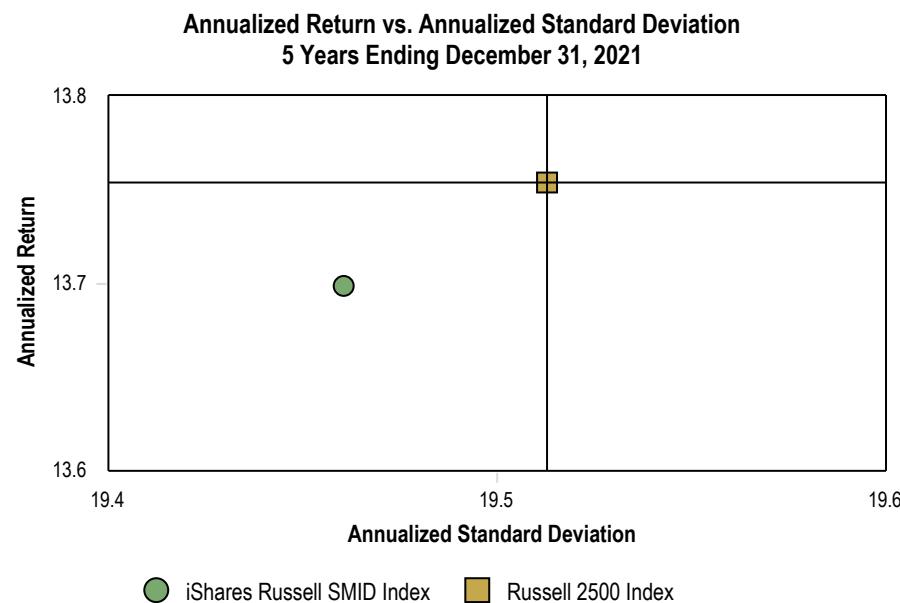
iShares Russell 2000 ETF	1.0
BlackRock Cash Funds Treasury SL	0.9
iShares Russell Mid-Cap ETF	0.7
MongoDB Inc Class A	0.5
Devon Energy Corp	0.4
ON Semiconductor Corp	0.4
PerkinElmer Inc	0.4
Avantor Inc	0.4
Enphase Energy Inc	0.4
Bill.com Holdings Inc Ordinary	0.3

Sector Allocation

Energy	3.9
Materials	4.3
Industrials	16.0
Consumer Discretionary	12.8
Consumer Staples	3.5
Health Care	13.7
Financials	13.8
Information Technology	17.2
Communication Services	2.7
Utilities	2.5
Real Estate	9.6

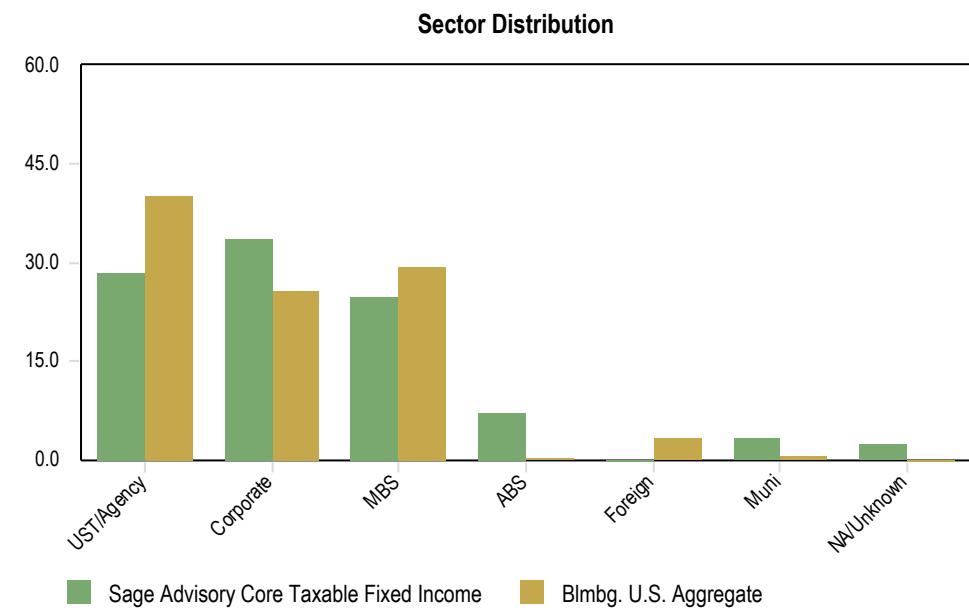
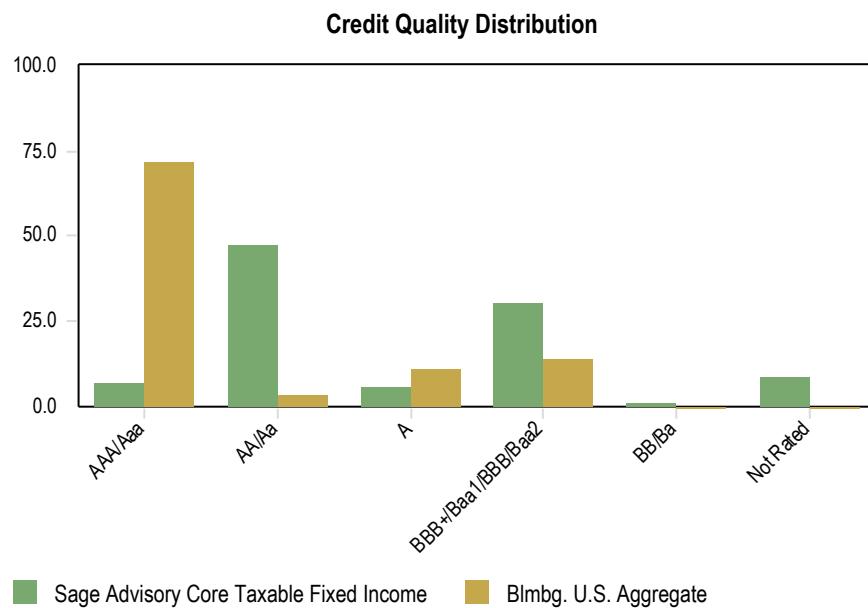
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
iShares Russell SMID Index	3.8 (84)	18.2 (78)	21.9 (51)	13.7 (51)	38.6 (63)	10/09/2020
Russell 2500 Index	3.8 (84)	18.2 (78)	21.9 (52)	13.8 (50)	38.7 (62)	

Most recent Morningstar statistics available are shown.

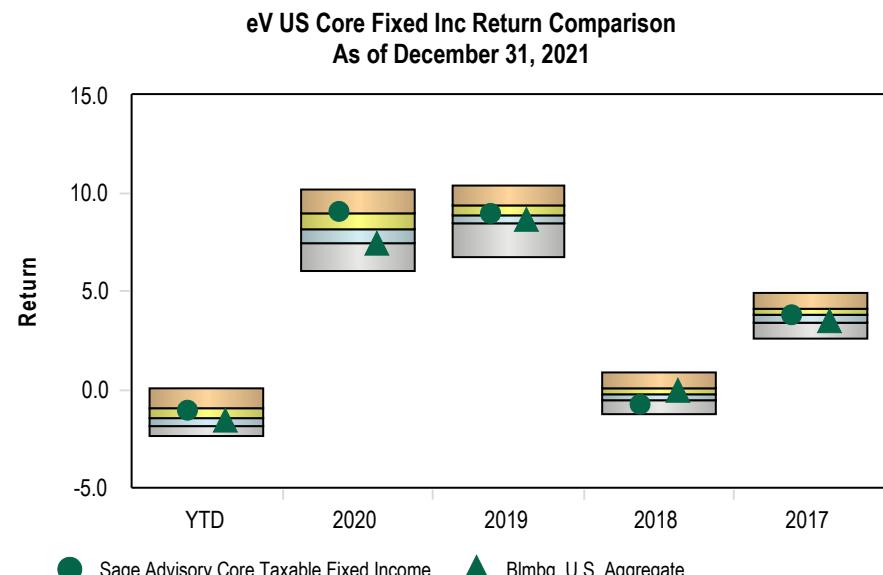
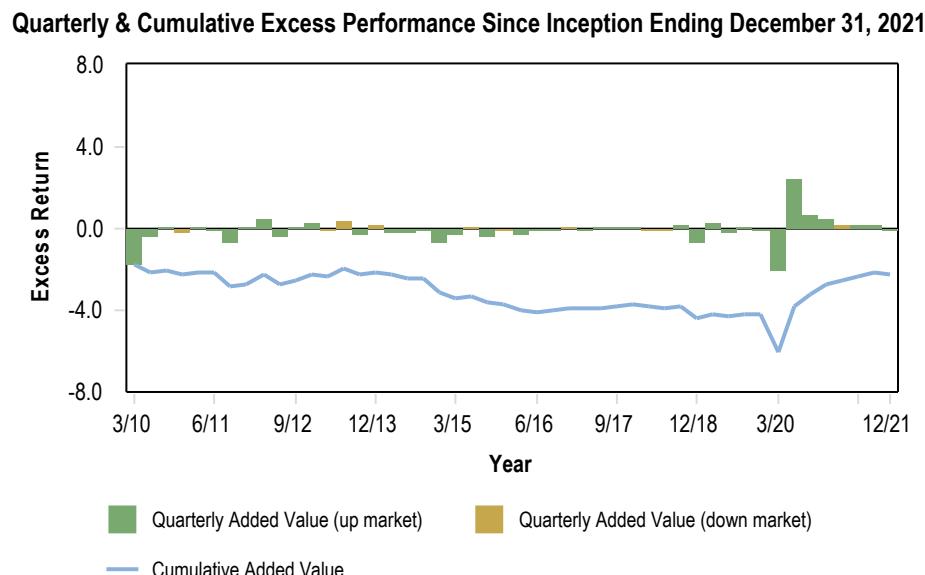
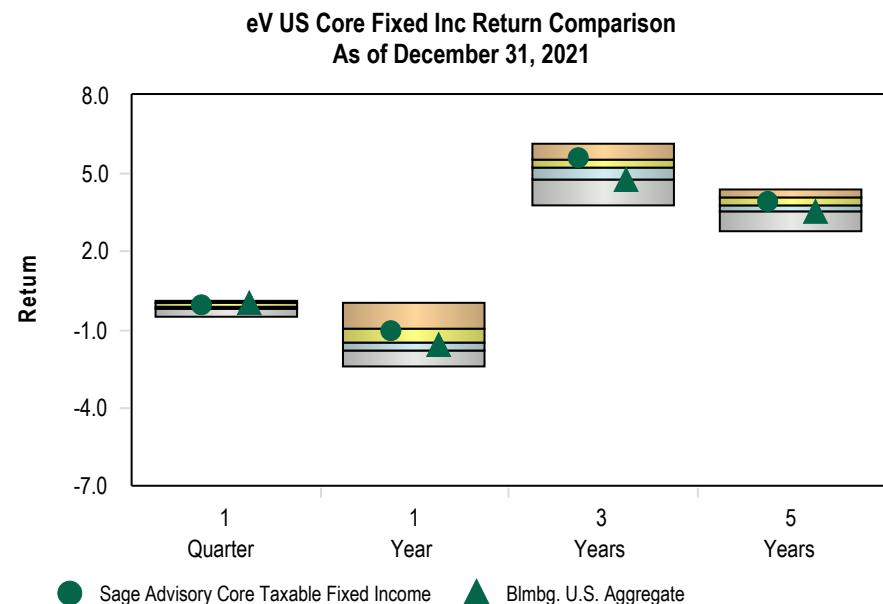
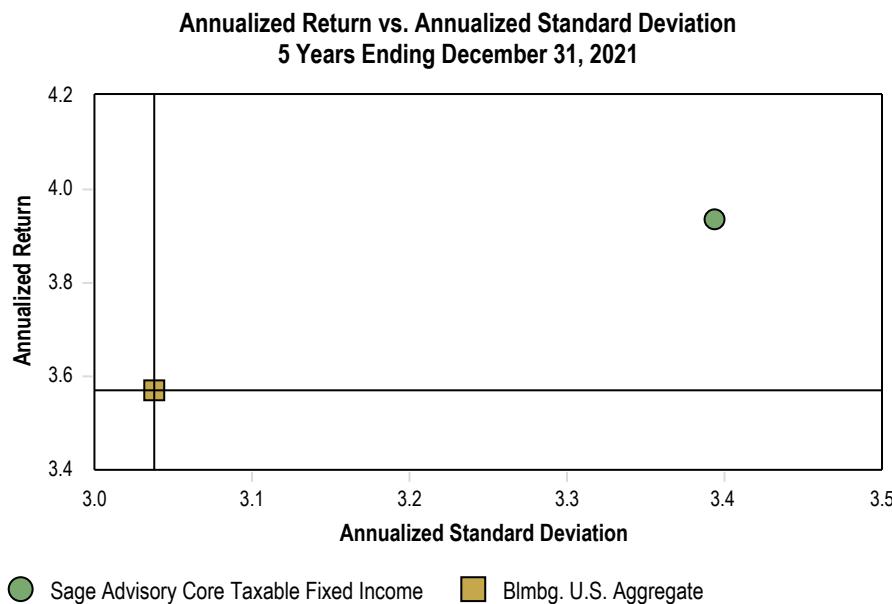


Sage Advisory employs a value-oriented comprehensive portfolio management approach blending active duration management, market sector rotation and undervalued security selection. Cash will be used for duration adjustment purposes or as part of a defensive mode, which could be as high as 30%. The strategy looks to provide consistent quarterly total returns while minimizing downside risk in any environment.

	Portfolio	Benchmark
Avg. Maturity	8.5	8.6
Avg. Quality	A	AA
Coupon Rate (%)	2.6	2.5
Effective Duration	6.3	6.4
Yield To Maturity (%)	1.9	1.7



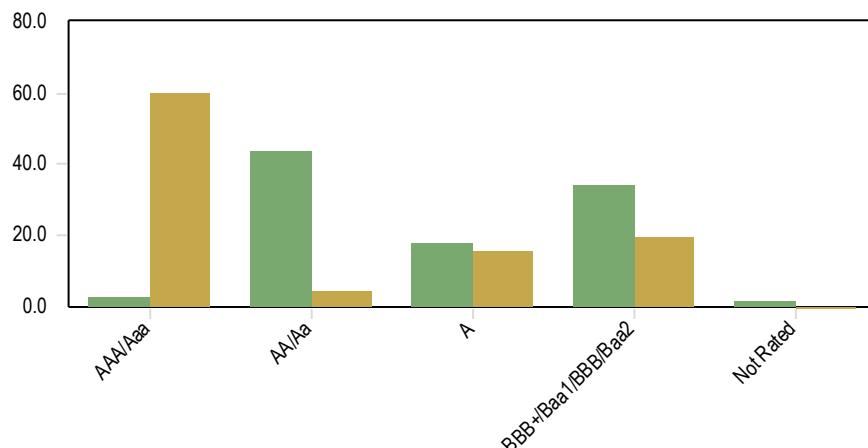
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Sage Advisory Core Taxable Fixed Income	0.0 (36)	-1.0 (30)	5.6 (26)	3.9 (42)	3.4 (89)	01/01/2010
Blmbg. U.S. Aggregate	0.0 (24)	-1.5 (54)	4.8 (79)	3.6 (77)	3.6 (77)	



The Orleans Capital Management Investment Grade Fixed Income strategy adds value through sector and security selection designed to create an enduring yield advantage over the applicable benchmark without a material variation in quality, convexity, or other portfolio characteristics. In doing so, they overweight both the corporate and mortgage-backed sectors and underweight lower yielding government agencies and treasuries.

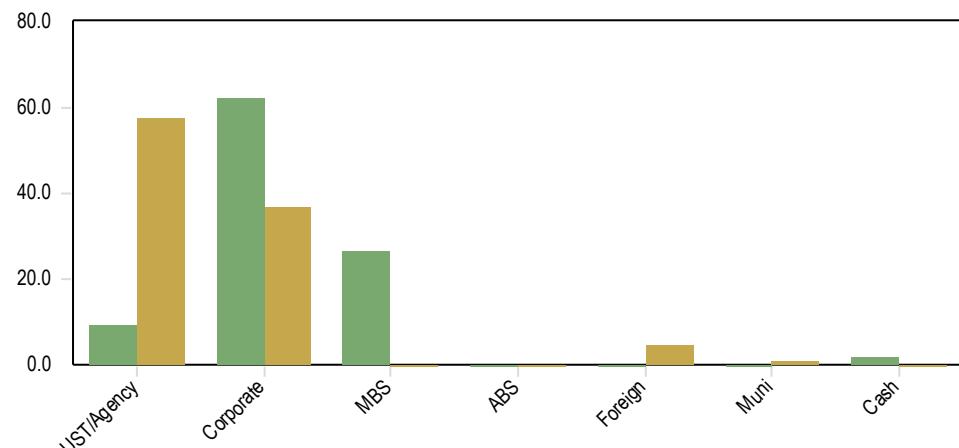
	Portfolio	Benchmark
Avg. Maturity	7.8	9.8
Avg. Quality	A	AA
Coupon Rate (%)	3.4	2.5
Effective Duration	6.1	7.6
Yield To Maturity (%)	1.9	1.7

Credit Quality Distribution



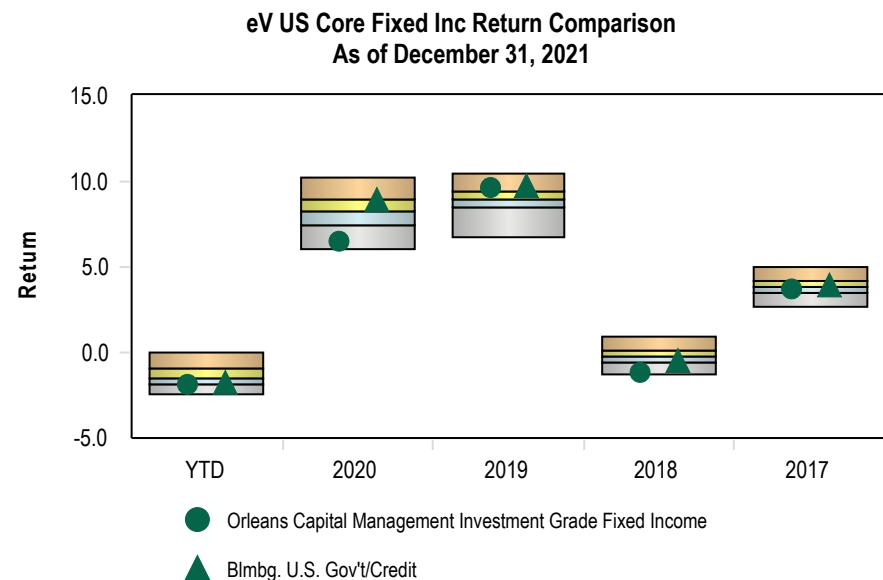
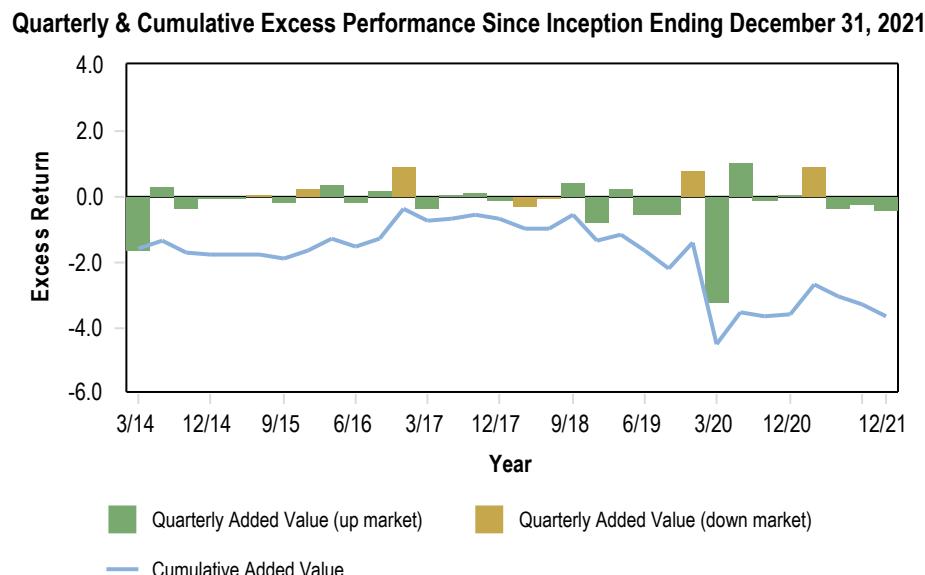
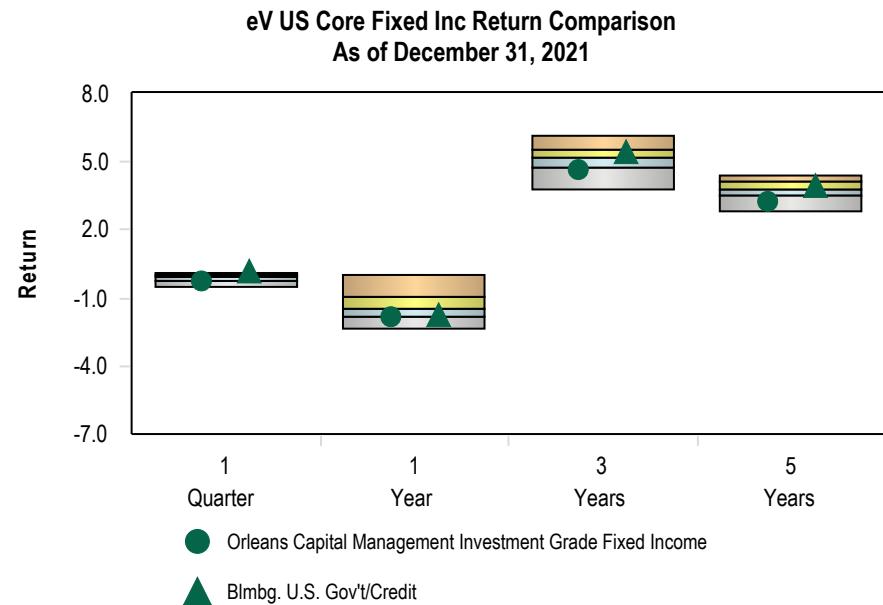
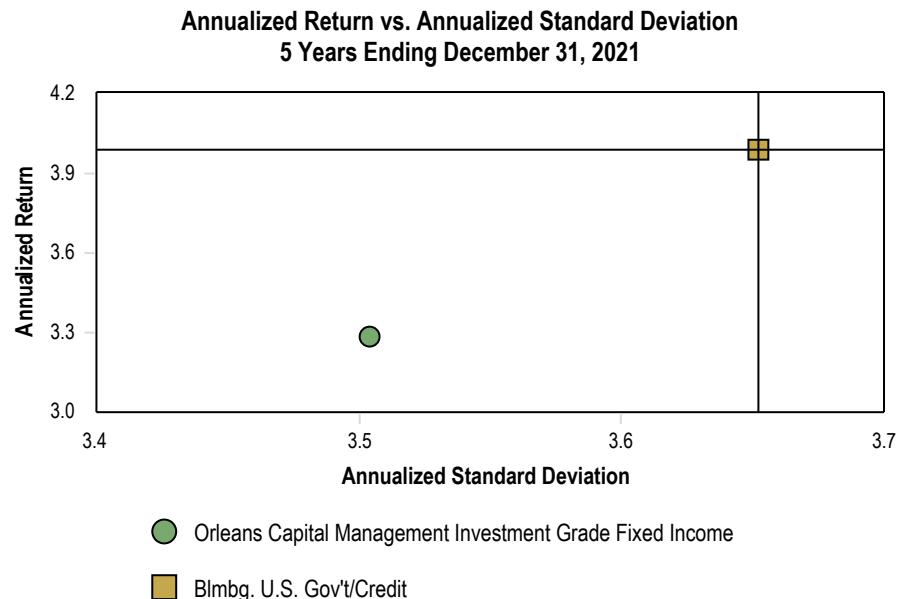
Orleans Capital Management Investment Grade Fixed Income
Blmbg. U.S. Gov't/Credit

Sector Distribution



Orleans Capital Management Investment Grade Fixed Income
Blmbg. U.S. Gov't/Credit

	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Orleans Capital Management Investment Grade Fixed Income	-0.2 (78)	-1.8 (77)	4.7 (85)	3.3 (90)	3.1 (88)	01/01/2014
Blmbg. U.S. Gov't/Credit	0.2 (4)	-1.7 (70)	5.5 (29)	4.0 (38)	3.6 (42)	

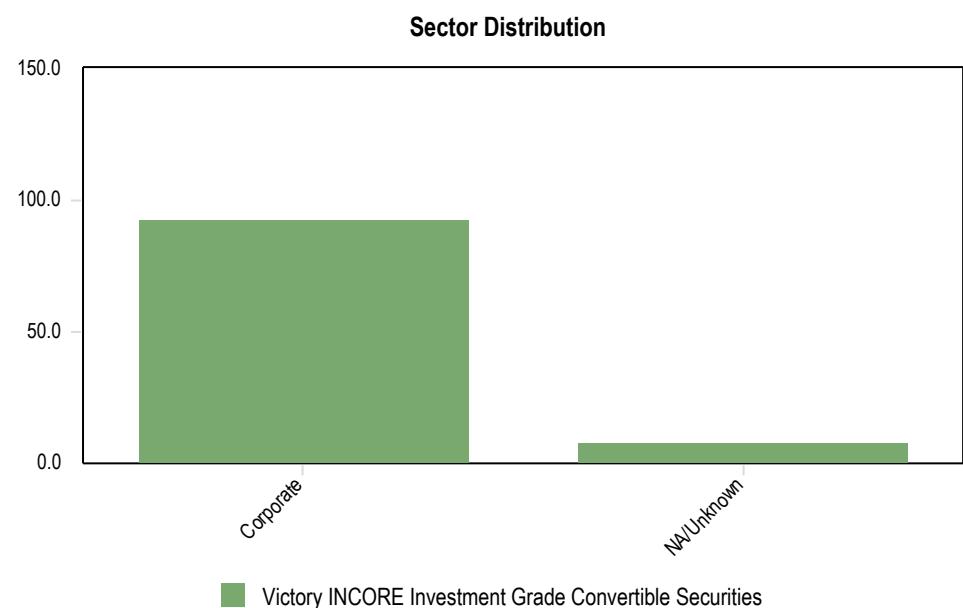
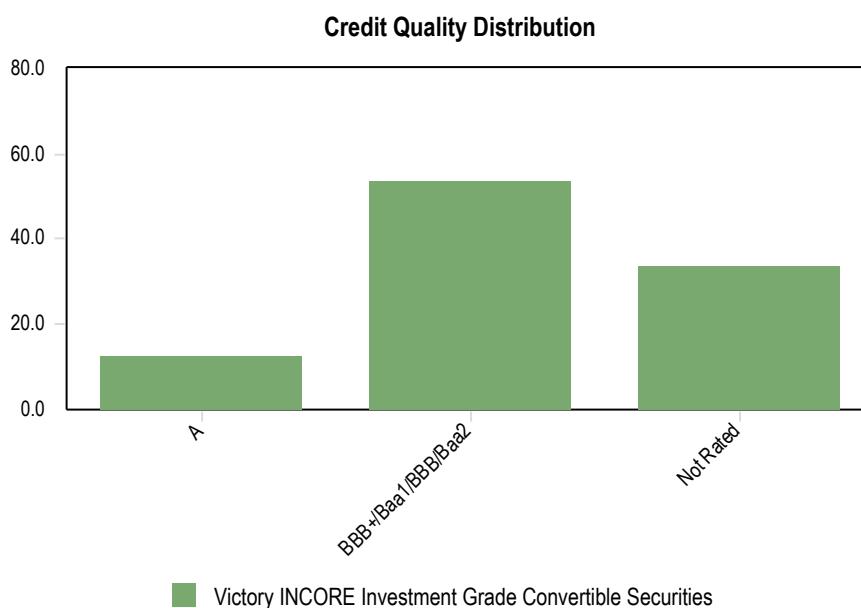


Victory INCORE Investment Grade Convertible Securities

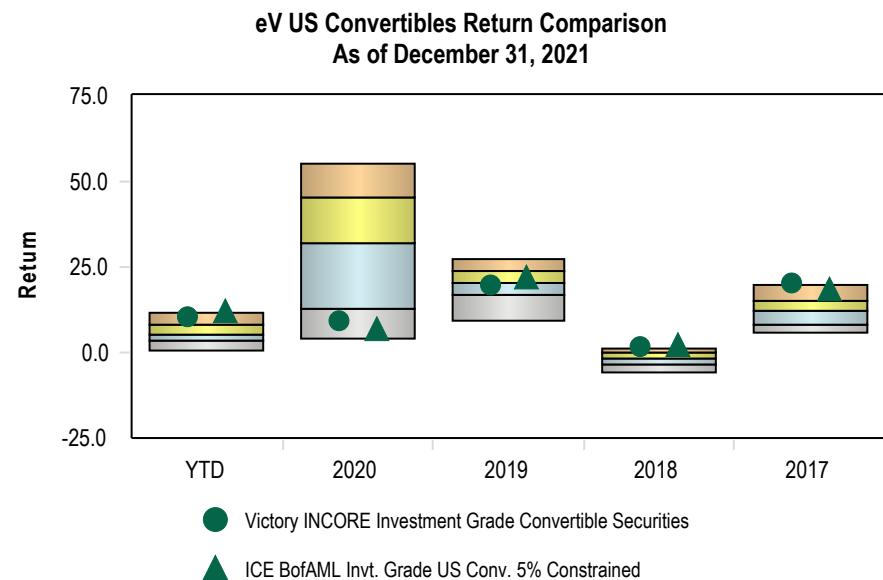
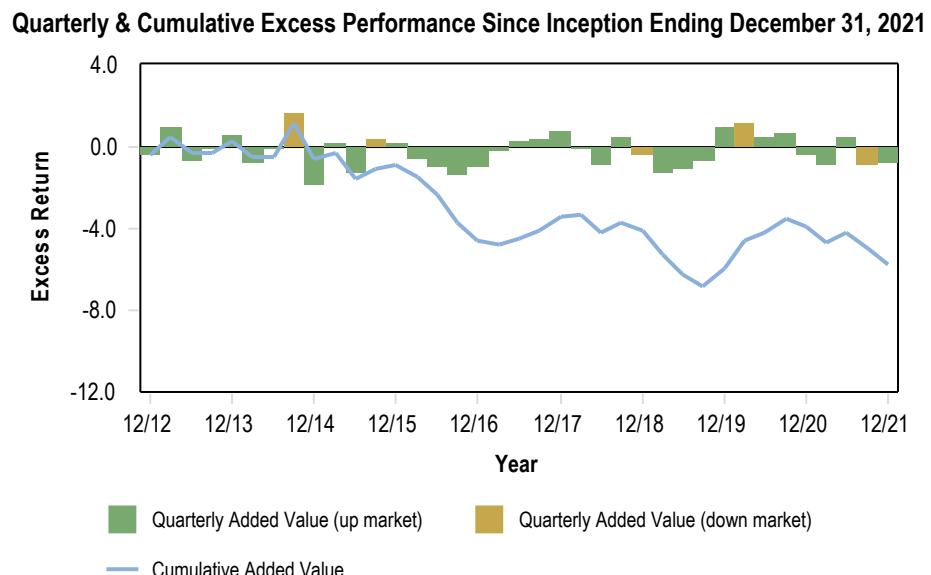
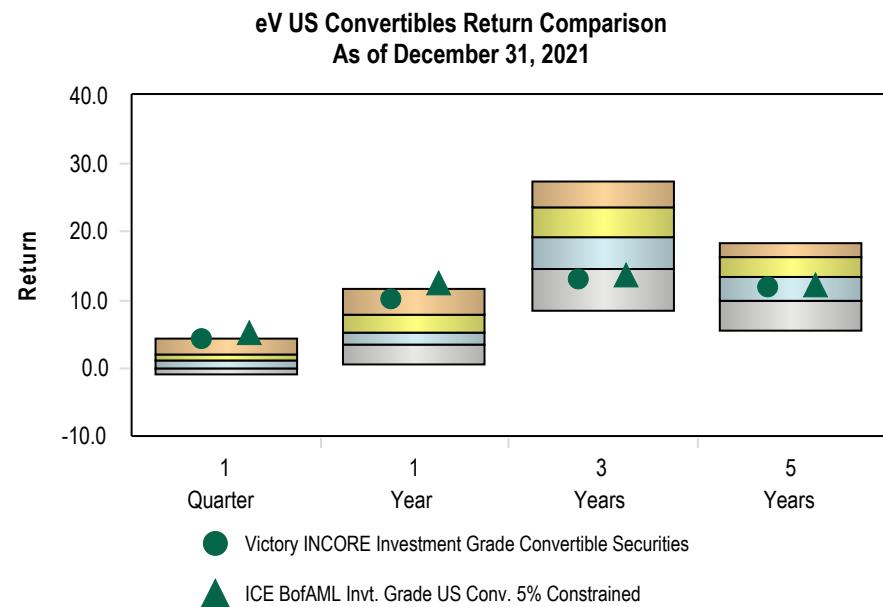
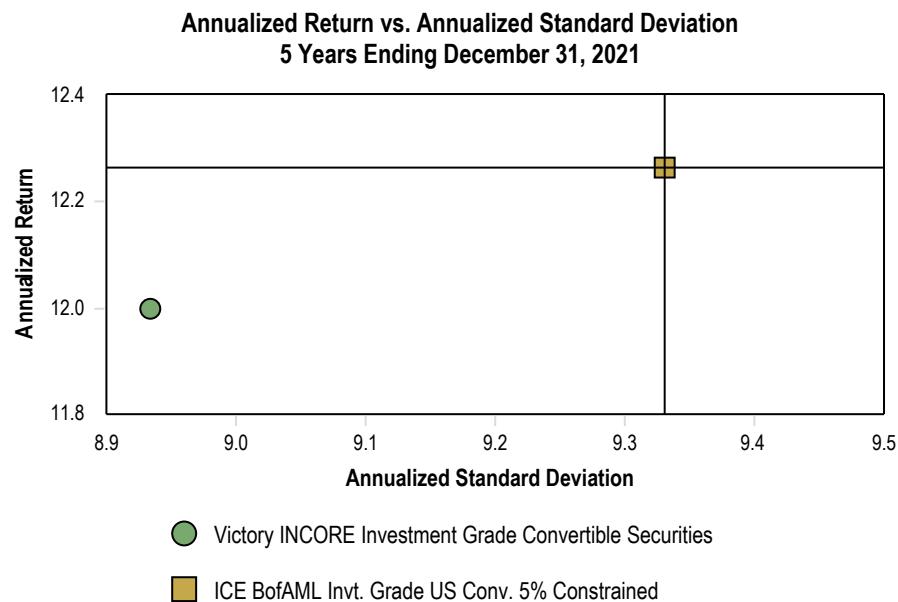
December 31, 2021

Process focuses on the intrinsic value of the underlying common stock as well as on the convertible security itself. The underlying equity analysis looks for the best combination of intrinsic value, statistical cheapness and earnings revision. The underlying fixed income analysis encompasses financial statement factors in addition to trends of pertinent financial ratios such as pre-tax interest coverage, current ratio, return on equity and profit margins. Convertible characteristics they analyze include quality, intrinsic value, conversion premium, break-even, investment value, yield advantage, call and put features, liquidity, and sensitivity/horizon analysis. They purchase when the underlying equity exhibits superior valuation characteristics, coupled with the most compelling combination of statistical cheapness and earnings revision; underlying bond exhibits solid cash flow or improving fundamentals; and convertible particulars are attractive.

Portfolio	
Avg. Maturity	1.1
Avg. Quality	BBB
Coupon Rate (%)	3.0
Effective Duration	1.1
Yield To Maturity (%)	-1.1



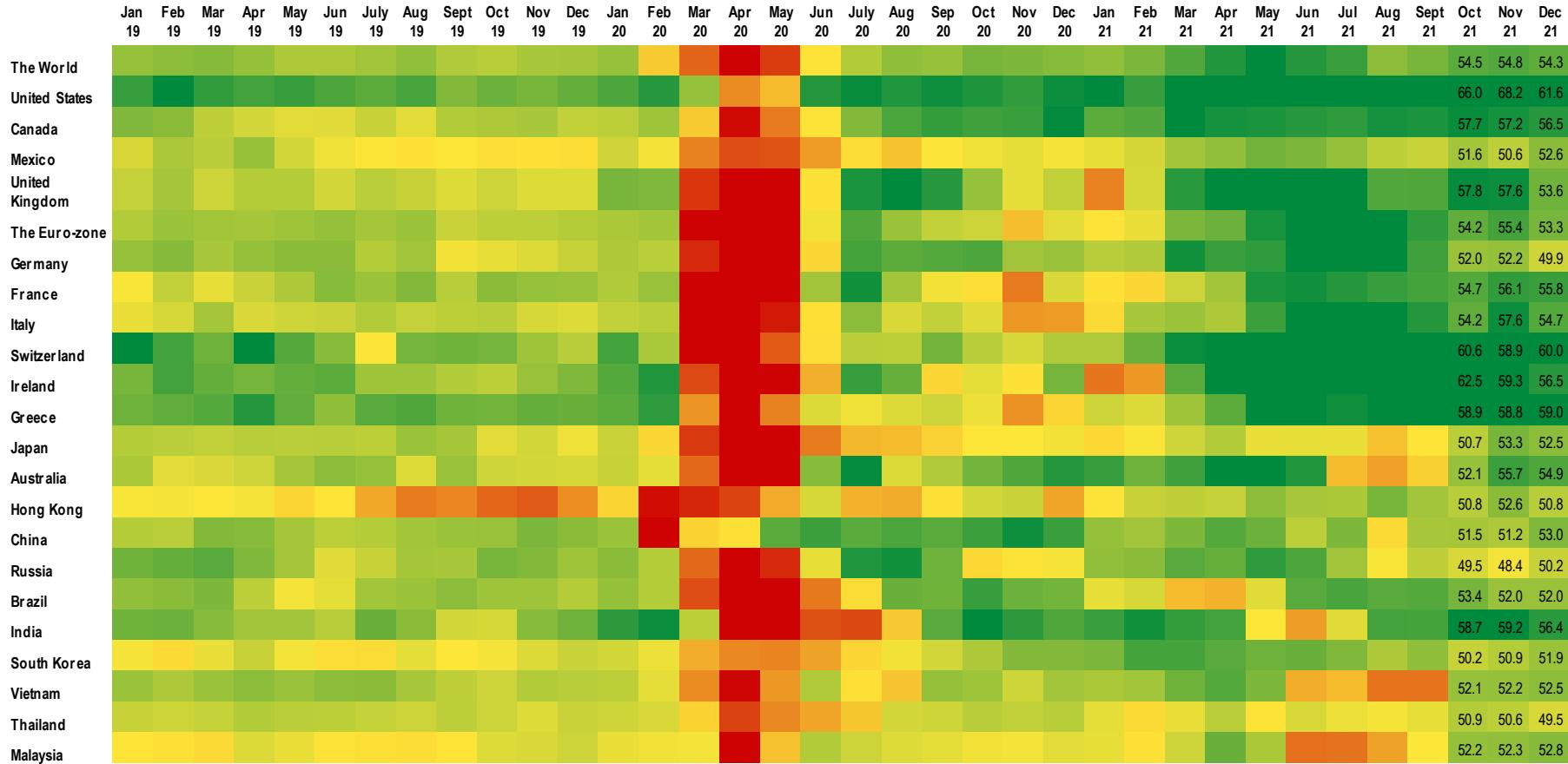
	1 Quarter	1 Year	3 Years	5 Years	Since Inception	Inception Date
Victory INCORE Investment Grade Convertible Securities	4.3	10.3	13.0	12.0	10.8	03/01/2009
ICE BofAML Inv. Grade US Conv. 5% Constrained	5.1	12.5	13.7	12.3	-	



Market Commentary



A Global View



Source: Bloomberg, CBIZ IAS Research. The figures represent Purchasing Managers' Index for the corresponding countries, where numbers above "50" represent expansion and numbers below "50" represent contraction. The heat map uses surveys compiled by Markit for Canada (manufacturing only), United Kingdom, the Euro-zone, Germany, France, Italy, Switzerland (economy-weighted by CBIZ IAS), Ireland, Greece (manufacturing only), Japan, Australia, Hong Kong, China, Russia, Brazil, India, South Korea (manufacturing only), Vietnam (manufacturing only), Thailand (manufacturing only), and Malaysia (manufacturing only). Other sources include: The World – JPMorgan; United States – Institute for Supply Management; Mexico – Instituto Mexicano de Ejecutivos en Finanzas (economy-weighted by CBIZ IAS). All 23





The U.S. Economy: A Snapshot

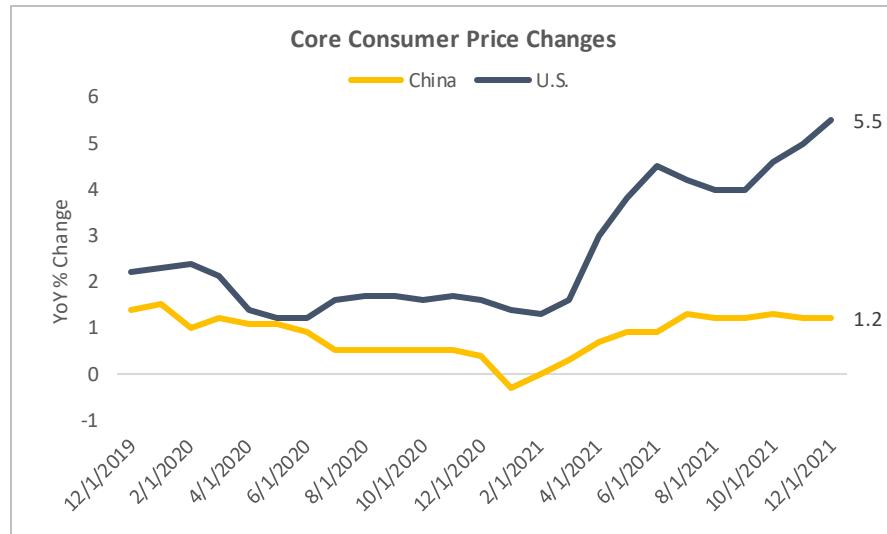
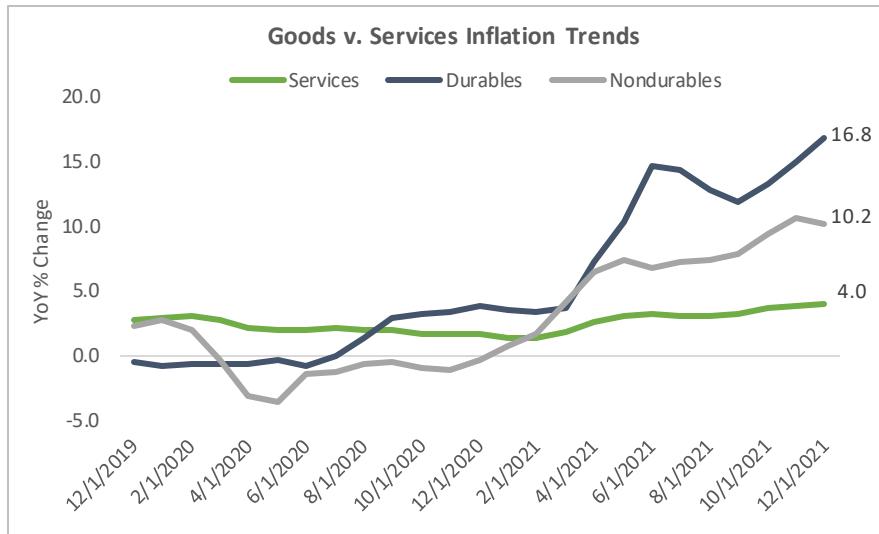
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
Unemployment Rate	4.4	11.1	7.9	6.7	6.0	5.9	4.8	3.9
Consumer Sentiment	89.1	78.1	80.4	80.7	84.9	85.5	72.8	70.6
Business Sentiment	52.1	56.6	57.5	57.6	63.8	60.2	61.8	61.6
Short Term Inflation Expectations	-2.2	0.6	0.7	2.0	2.7	3.2	2.5	3.4
Long Term Inflation Expectations	0.5	1.2	1.5	2.0	2.6	2.5	2.5	2.9
Housing Market	72	58	83	86	82	81	76	84

	Labor Market	Consumer	Business	Inflation	Housing
Economic Growth	The headline unemployment rate of 3.9% suggests a healthy labor market on the surface, but underneath we still remain ~4 million jobs below the February 2020 peak, and the participation ratio remains subdued.	Elevated prices have been a headwind to the real purchasing power of the consumer. Sentiment remains muted, and personal consumption stalled against the winds of inflation in December.	Pressures on the supply chain began to ease, with delivery times improving and prices paid/received falling from lofty levels. The business activity softened a touch due to omicron but remains elevated by historical standards.	On a year-over-year basis, we are seeing historically high % changes in the Consumer Price Index (CPI). Broadly, we see modest inflationary pressures, but outsized price gains in select items such as energy and used cars have driven the headline figure to lofty levels.	The housing market remains heated amidst historically low mortgage rates and tight inventory, but we are seeing some plateauing of prices. Still, there are shortages of homes from underbuilding in the last decade; construction may pick up as supply shortages thaw.
	Policy Rate	10 Year Yield	Corporate Spreads	Corporate Earnings	Valuation
Markets	The fourth quarter witnessed the Fed's increasing hawkishness. Although no changes were made to policy to end 2021, the December meeting minutes revealed a Central Bank ready to taper, decrease its balance sheet, and to potentially raise rates multiple times in 2022.	The benchmark yield remained range bound for most of the fourth quarter, ending the year at 1.51%. The U.S. Treasury yield curve continued to flatten, as the shorter end of the curve anticipated a more hawkish Fed but the longer end stayed put.	Corporate spreads remain tight, and new issuance activity is healthy in anticipation of higher rates in 2022. Valuations are high in the credit market, but such conditions can persist for an extended period of time, especially in expectation of positive earnings growth.	Quarterly earnings growth figures have been consistently revised up throughout 2021. After exceeding expectations in Q3, earnings growth for companies in the S&P 500 Index in Q4 is estimated to be 21.3% year-over-year, according to FactSet.	Despite robust earnings, strong equity market performance has kept the equity market valuations at lofty levels. Like its credit counterpart, equity markets can hum along at high valuations for extended periods of time, with an increased likelihood of downside risk.

Source: Bloomberg, CBIZ IAS Research. Top Table: Unemployment Rate = U-3 Unemployment Rate (Bureau of Labor Statistics); Consumer Sentiment = UMich Consumer Sentiment (University of Michigan); Business Sentiment = Economy weighted Manufacturing and Non-Manufacturing Composite (Institute for Supply Management); Short Term Inflation Expectations = 1 Year Breakeven; Long Term Inflation Expectations = 5 Year



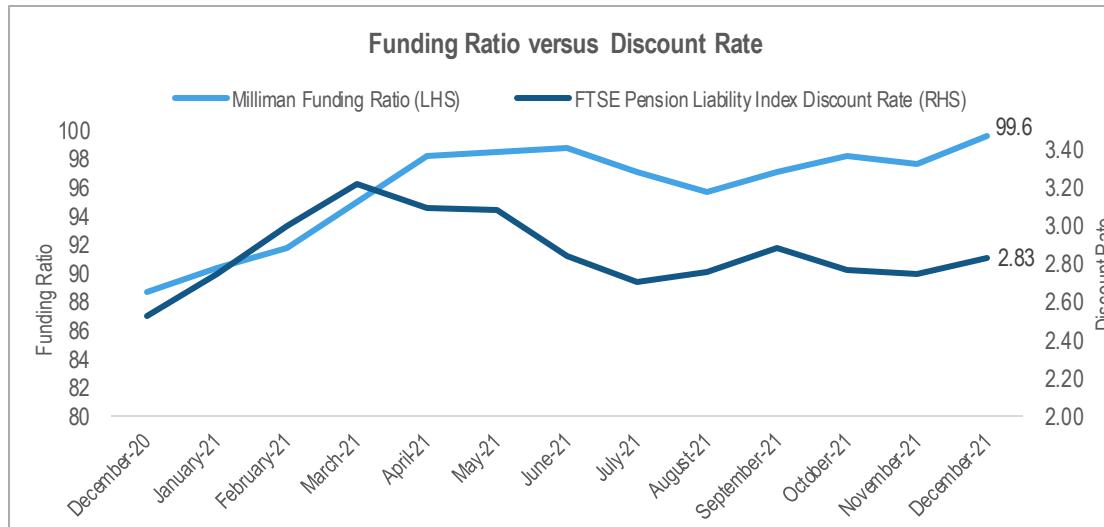
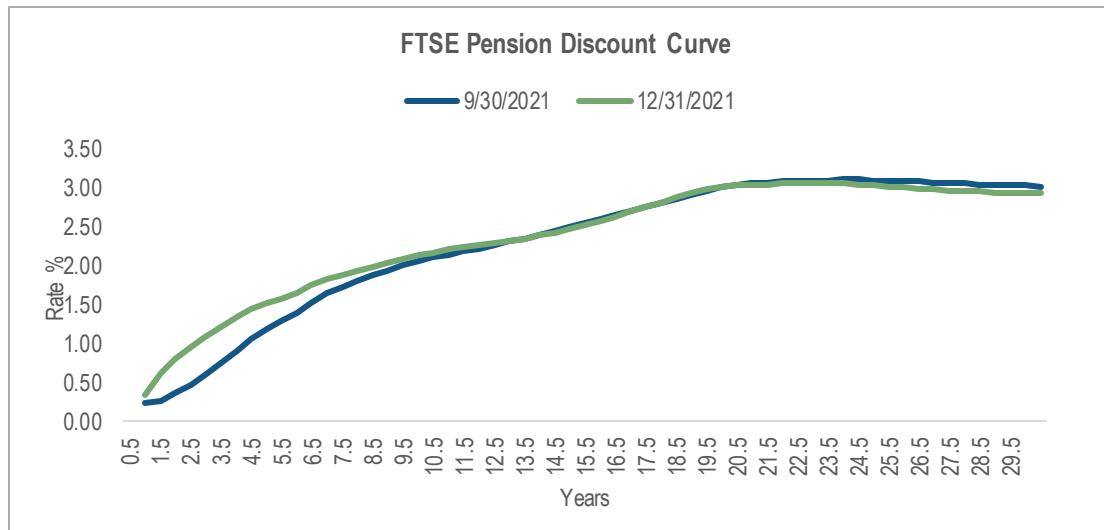
Special Topic: Inflation Update



- The inflation profile in the United States still carries the thumbprint of the COVID-19 pandemic. Energy and items related to transportation, such as new and used cars and car rentals have made outsized contributions to the historically large changes in the headline Consumer Price Index (CPI). More broadly speaking, there is also a divide between the goods and services sectors as shown on the left chart above. This divergence is reflects the pandemic's influence on American consumption and therefore, on prices; direct stimulus payments and extra savings have been channeled into goods consumption as delta and omicron variants have kept a lid on services.
- The most recent December U.S. CPI data painted a picture of a more broad-based price increases, hinting at acceleration of prices in the general economy. We expect to experience elevated inflation numbers on a year-over-year basis for the first two quarters before we begin to see an improvement. Already, there are signs of thawing in the global supply chain and both prices paid and received falling in Purchasing Managers' Index and Federal Reserve's regional surveys. There are other cooling factors, like the discontinuation of the child tax credit that affect consumers' likelihood to pay up for the goods they desire. In addition, as long as there is global trade, inflation will remain a global phenomenon. The chart to your right shows the diverging CPIs in U.S. and China, one of our largest trading partners. Ultimately, some of the inflation or lack thereof can be imported through our trading activities. However, we do not expect the improvement in the U.S. inflation profile to be immediate because the pandemic is not entirely out of our lives, and the omicron variant presents additional challenges.



Pension Landscape





Asset Class Performance

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q4 2021
EM Eq 78.5	US REITs 27.9	US REITs 8.3	US REITs 19.7	Small Cap 38.8	US REITs 28.0	US REITs 2.8	Small Cap 21.3	EM Eq 37.3	T-Bill 1.8	Large Cap 31.5	Small Cap 20.0	US REITs 43.2	US REITs 16.3
High Yield 58.2	Small Cap 26.9	US Agg 7.8	EM Eq 18.2	Large Cap 32.4	Large Cap 13.7	Large Cap 1.4	High Yield 17.1	Intl Dev Eq 25.0	US Agg 0.0	US REITs 28.7	Large Cap 18.4	Large Cap 28.7	Large Cap 11.0
Intl Dev Eq 31.8	EM Eq 18.9	Global Agg 5.6	Intl Dev Eq 17.3	Intl Dev Eq 22.8	US Agg 6.0	US Agg 0.5	Large Cap 12.0	Large Cap 21.8	Global Agg -1.2	Small Cap 25.5	EM Eq 18.3	Small Cap 14.8	Intl Dev Eq 2.7
US REITs 28.0	High Yield 15.1	High Yield 5	Small Cap 16.3	High Yield 7.4	Small Cap 4.9	T-Bill 0.0	EM Eq 11.2	Small Cap 14.6	High Yield -2.1	Intl Dev Eq 22.0	Global Agg 9.2	Intl Dev Eq 11.3	Small Cap 2.1
Small Cap 27.2	Large Cap 15.1	Large Cap 2.1	Large Cap 16.0	US REITs 2.9	High Yield 2.5	Intl Dev Eq -0.8	US REITs 8.6	US REITs 8.7	EM Eq -4.0	Intl Dev Eq 18.4	T-Bill 7.8	High Yield 5.3	High Yield 0.7
Large Cap 26.5	Intl Dev Eq 7.8	T-Bill 0.1	High Yield 15.8	T-Bill 0.00	Global Agg 0.6	Global Agg -3.2	US Agg 2.6	High Yield 7.5	Large Cap -4.4	High Yield 14.3	US Agg 7.5	T-Bill 0.0	T-Bill 0.0
Global Agg 6.9	US Agg 6.5	Small Cap -4.2	Global Agg 4.3	US Agg -2.0	T-Bill 0.0	Small Cap -4.4	Global Agg 2.1	Global Agg 7.4	Small Cap -11.0	US Agg 8.7	High Yield 7.1	US Agg -1.5	US Agg 0.0
US Agg 5.9	Global Agg 5.5	Intl Dev Eq -12.1	US Agg 4.2	Global Agg -2.6	EM Eq -2.2	High Yield -4.5	Intl Dev Eq 1.0	US Agg 3.5	Intl Dev Eq -13.8	Global Agg 6.8	T-Bill 0.5	EM Eq -2.5	Global Agg -0.7
T-Bill 0.1	T-Bill 0.1	EM Eq -18.4	T-Bill 0.1	EM Eq -2.6	Intl Dev Eq -4.9	EM Eq -14.9	T-Bill 0.3	T-Bill 0.8	EM Eq -14.6	T-Bill 2.2	US REITs -8.00	Global Agg -4.7	EM Eq -1.3

Source: Bloomberg. Data as of 12/31/2021. Past performance is no guarantee of future returns. Large Cap = S&P 500 Index Total Return; Small Cap = Russell 2000 Index Total Return; US REITs = FTSE Nareit All Equity REITs Index Total Return; EM Eq = MSCI EM Index Net Return USD; Intl Dev Eq = MSCI EAFE Index Net Return USD; U.S. Agg = Bloomberg Barclays U.S. Aggregate Bond Index; High Yield = Bloomberg Barclays High Yield Corporate Index; T-Bill = Bloomberg Barclays US Treasury Bill 1-3 month Index; Global Agg = Bloomberg Bardays Global Aggregate Index.





Q1 2022 Asset Allocation Views

Asset Class	Underweight	At Weight	Overweight	Notes
U.S. Large Cap Equity		●		Corporate earnings momentum is constructive but coming off of a peak, and high valuations still remain a headwind. COVID-19 remains a challenge for select industries.
U.S. Small Cap Equity		●		Valuations remain attractive, early cycle gains are in the rearview mirror. Continue to prefer selection of higher quality stocks and avoidance of stressed balance sheets through active management.
U.S. Public Real Estate (REITs)		●		The continued reopening should help REITs but there are uncertainties regarding office usage and leasing. Hawkish Fed action may be a headwind, but the yield profile remains attractive with a comfortable margin.
International Developed Equity			●	Developed markets carry a more attractive valuation profile than U.S. equity. Shorter term headwinds include omicron's impact on supply chain challenges and energy shortage.
International Emerging Equity			●	The delay in the vaccination timeline compared to developed countries render developing countries earlier in the economic cycle. Valuations remain attractive but some caution is warranted around growth concerns in China.
U.S. Government Bonds	●			The low rates keep the outlook bearish, and anticipated Fed tapering is expected to impact sentiment. The upside probability for rates remains high given the flat curve, but demand for high quality assets may offset.
U.S. TIPs		●		The shorter-term prospect for price spikes may benefit lower duration TIPs, but longer term inflation trajectory remains uncertain. For longer duration TIPs, interest rate risk is a notable headwind.
U.S. Core Fixed Income		●		Core fixed income offers a stabilizing role in client portfolios. Yields remain low and duration headwind significant, but core fixed income is diversified in multiple sectors and functions as a hedge against equity volatility.
U.S. Investment Grade Corporate	●			Investment grade credit spreads remain considerably compressed, resulting in high valuations and capped upside. The greatest source of risk is the long duration profile of this asset class in a rising rate environment.
U.S. High Yield Corporate		●		Default rates remain low despite compressed spreads. The new issuance market remains robust ahead of the potential Fed rate hikes. The shorter duration profile of this asset class lowers the interest rate risk.
International Developed Debt	●			Negative yields still dominate many developed sovereigns, due to central bank policies. Corporate debt market remains robust, but yields at historic lows. Currency effects may be mixed for U.S. Dollar investors.
International Emerging Debt			●	EM debt yields exceed those of U.S. high yield, and the relative valuation profile keep this asset class attractive. Short-term challenges may include inflation and central bank reactions to dramatic price moves in commodities.





Market Overview

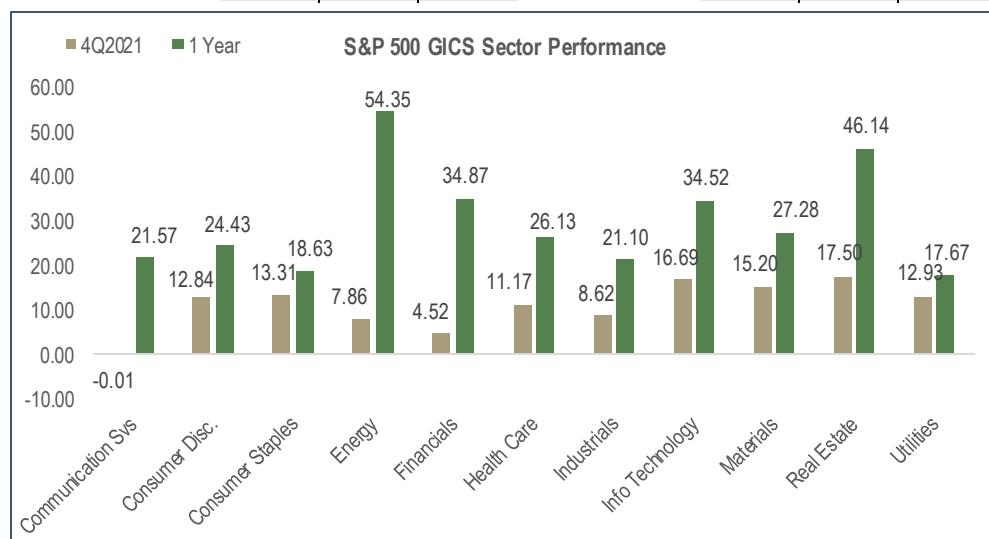
Total Return	1 Month	4Q2021	YTD	1 Year	3 Year	5 Year	10 Year
Russell 1000 Growth	2.11	11.64	27.60	27.60	34.04	25.30	19.77
Russell 1000 Value	6.31	7.77	25.16	25.16	17.62	11.16	12.96
Russell 2000 Growth	0.44	0.01	2.83	2.83	21.14	14.52	14.12
Russell 2000 Value	4.08	4.36	28.27	28.27	17.97	9.06	12.02
Russell 3000	3.94	9.28	25.66	25.66	25.76	17.96	16.29
S&P 500	4.48	11.03	28.71	28.71	26.04	18.46	16.54
FTSE NAREIT Equity REITs	8.83	16.31	43.24	43.24	18.40	10.75	11.37
BBgBarc High Yield Corp	1.87	0.71	5.28	5.28	8.83	6.29	6.82
BBgBarc US Agg Bond	-0.26	0.01	-1.54	-1.54	4.79	3.57	2.90
BBgBarc US Gov/Credit	-0.32	0.18	-1.75	-1.75	5.49	3.99	3.13
BBgBarc Global Agg	-0.14	-0.67	-4.71	-4.71	3.59	3.36	1.77
JPMorgan EMBI Global Diversified	1.40	-0.44	-1.80	-1.80	5.94	4.65	5.28
FTSE WBIG	-0.28	-0.03	-1.62	-1.62	4.79	3.56	2.85
MSCI EAFE NR USD	5.12	2.69	11.26	11.26	13.53	9.54	8.02
MSCI EM NR USD	1.88	-1.31	-2.54	-2.54	10.93	9.87	5.48
MSCI ACWI ex USA NR USD	4.13	1.82	7.82	7.82	13.17	9.60	7.28
HFRI Fund of Funds Composite	0.76	0.77	6.53	6.53	8.59	5.78	2.79
HFRI Equity Hedge	1.85	0.91	11.96	11.96	14.49	9.56	4.54
HFRI Macro	0.65	-0.53	7.52	7.52	6.46	3.41	1.30
HFRI Event Driven	1.78	1.63	13.06	13.06	9.91	6.93	4.00
HFRI Relative Value Multi-Strat	-0.76	-1.35	6.30	6.30	6.09	4.40	4.01





U.S. Equity

	Total Return	4Q2021	YTD	1 Year	3 Year	5 Year	P/Ettm	Div. Yield
S&P 500		11.03	28.71	28.71	26.04	18.46	25.98	1.28
DJIA		7.87	20.95	20.95	18.47	15.51	20.12	1.74
Russell 2000		2.12	14.78	14.78	19.97	11.99	N/A	1.19
Russell 3000		9.28	25.66	25.66	25.76	17.96	28.94	1.26
Nasdaq		8.45	22.18	22.18	34.23	24.96	128.21	0.63
FTSE Nareit Equity REITs		16.31	43.24	43.24	18.40	10.75	91.29	2.75
	Value	Quarter		Year-to-Date				
Large	7.77	9.78	11.64	Large	25.16	26.46	27.60	
Mid	8.54	6.44	2.85	Mid	28.34	22.58	12.73	
Small	4.36	2.14	0.01	Small	28.27	14.82	2.83	



- The S&P 500 Index returned 11% for the fourth quarter, an impressive return but not without volatility. High valuations, the discovery of the omicron variant, and the Fed's increasingly hawkish tone contributed to a rocky quarter.
- The Russell 2000 Index fell into correction territory during the fourth quarter and continued to lag large cap stocks. In particular, the prospect of a less accommodative central bank, and omicron's reminder of the persistence of this pandemic weighed on small stocks.
- The Value versus Growth relationship depended on market capitalization. For large cap stocks, technology stocks continued to forge ahead, and Growth style outperformed Value. On the other hand, the Russell 2000 Index saw a selloff in biotech stocks, weighing heavily on Growth and resulting in Value's outperformance.
- After three consecutive years of stellar performance in equity markets, it would be prudent to manage return expectations for 2022. Valuation remains elevated, but the earnings environment is expected to stay healthy as we look out to the new year.

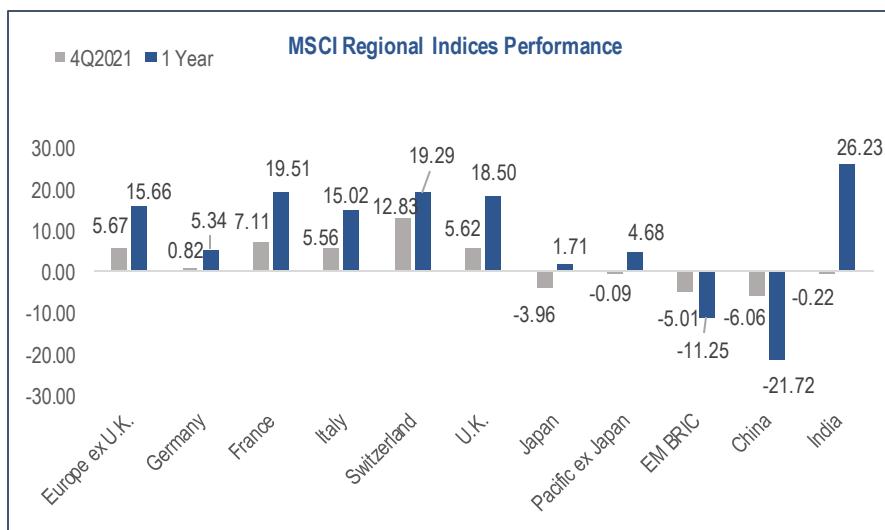
Source: Bloomberg, CBIZ IAS Research. 3 and 5 Year performance figures have been annualized. Past performance does not guarantee future results. Trailing price to earnings ratios and dividend yields are as of 1/11/2022. Indexes represented in the style boxes include: Large Value – Russell 1000 Value Index; Large Core – Russell 1000 Index; Large Growth – Russell 1000 Growth Index; Mid Value – Russell Mid Cap Value Index; Mid Core – Russell Mid Cap Index; Mid Growth – Russell Mid Cap Growth Index; Small Value – Russell 2000 Value Index; Small Core – Russell 2000 Index; Small Growth – Russell 2000 Growth Index. Performance data as of 12/31/2021.



International Equity

Total Return	4Q2021	YTD	1 Year	3 Year	5 Year	P/E ttm	Div. Yield
MSCI ACWI ex USA	1.82	7.82	7.82	13.17	9.60	16.63	2.53
MSCI EAFE	2.69	11.26	11.26	13.53	9.54	17.70	2.62
MSCI EAFE Small Cap	0.07	10.10	10.10	15.61	11.03	24.37	2.32
MSCI EM	-1.31	-2.54	-2.54	10.93	9.87	14.38	2.34
Bloomberg Dollar Index	0.72	4.75	4.75	-0.63	-1.53	N/A	N/A
JPM EM Currency Index	-4.84	-9.25	-9.25	-5.48	-4.41	N/A	N/A

	Quarter			Year-to-Date		
	Value	Core	Growth	Value	Core	Growth
Large	1.40	3.18	4.89	11.75	12.30	12.54
Mid	0.35	0.98	1.40	7.89	7.70	7.01
Small	0.24	0.07	-0.11	11.60	10.10	8.36



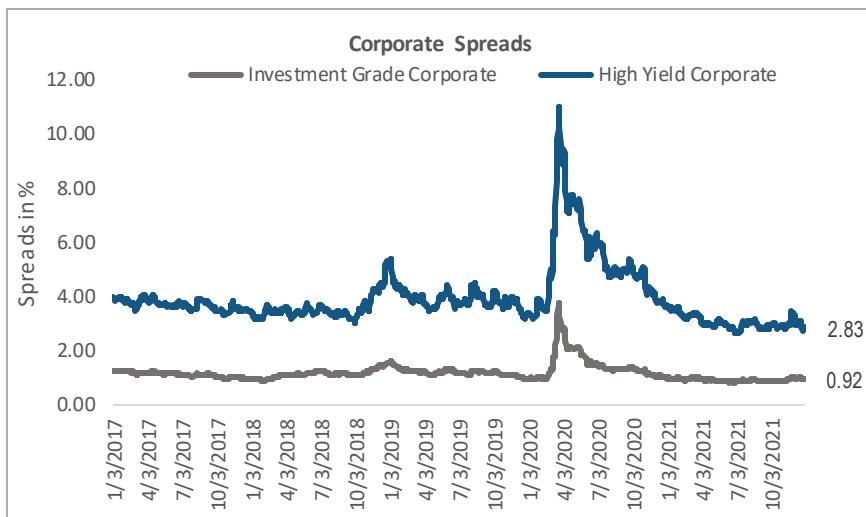
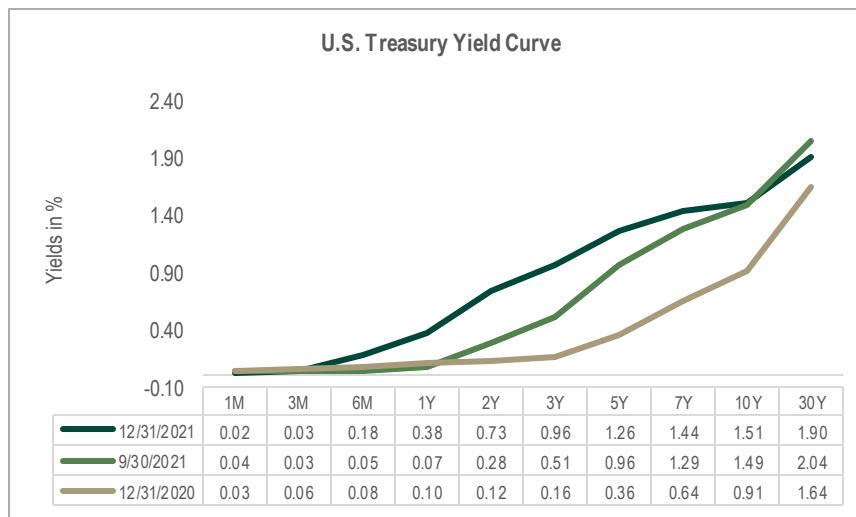
Source: Bloomberg, CBIZ IAS Research. 3 and 5 Year performance figures have been annualized. Past performance does not guarantee future results. Trailing price to earnings ratios and dividend yields are as of 1/11/2022. Indexes represented in the style boxes include: Large Value – MSCI EAFE Large Value Index; Large Core – MSCI EAFE Index; Large Growth – MSCI EAFE Large Growth Index; Mid Value – MSCI EAFE Mid Value Index; Mid Core – MSCI EAFE Mid Cap Index; Mid Growth – MSCI EAFE Mid Growth Index; Small Value – MSCI EAFE Small Value Index; Small Core – MSCI EAFE Small Cap Index; Small Growth – MSCI EAFE Small Growth Index.



Fixed Income Landscape

Performance and Characteristics

4Q2021	Price Return	Coupon Return	Other	Total	Duration	Yield	OAS Level (bps)	OAS Change YTD (bps)
U.S. Aggregate Index	-0.48	0.57	-0.08	0.01	6.84	1.75	0.36	0.03
U.S. Investment Grade	-0.58	0.80	0.01	0.23	8.70	2.33	0.92	0.08
U.S. Corp High Yield	-0.66	1.36	0.01	0.71	3.90	4.21	2.83	-0.04
U.S. Gov/Credit Long	1.36	0.78	0.01	2.15	16.41	2.58	0.75	0.03
U.S. Gov Long	2.44	0.58	0.03	3.05	18.31	1.90	0.00	-0.01
U.S. Credit Long	0.59	0.92	0.01	1.52	15.00	3.10	1.30	0.07



- The 10-year yield traded in a range-bound fashion, ending where it had started the quarter: 1.5%. The U.S. Treasury yield flattened, pivoting around the 10-year yield; the shorter end of the curve rose and the 30-year yield fell throughout the quarter.

- Corporate spreads remain tight, and new issuance activity is healthy in anticipation of higher rates in 2022. Valuations are high in the credit market, but such conditions can persist for an extended period of time, especially in expectation of positive earnings growth.