

Investment Performance Review
Period Ending December 31, 2021

Port Houston OPEB Plan



On behalf of everyone at AndCo, we want to Thank You for the opportunity to serve and the trust you place in us! 2021 marked another unique year as society continued to deal with the effects of the global pandemic. While this environment caused all organizations to reassess their business models and service approach, AndCo has remained steadfast in our belief and conviction that the best way to service our valued clients is within a model that is independent, singularly focused, customized, and passionately delivered. These four AndCo principles drive our service approach and desire to exceed your expectations. We take our role as your consultant and trusted advisor seriously and will continue working hard to maintain your confidence.

Looking back at 2021, we would like to provide a brief update on the firm. We advise on approximately \$123 billion in client assets, as of June 30, 2021. 2021 also marked the 21st straight year of revenue growth for the firm. We continue to reinvest 100% of our net profits back into the organization so that we can continue to evolve and adapt within a market environment that is constantly changing and challenging. Put simply, stasis is not an effective strategy, and we are convicted in our belief that a firm not focused on moving forward in our industry is moving backward.

To execute on our commitment, we continued to make personnel and technology investments within the firm. Our personnel investments focused on further enhancing departmental service levels and narrowing perceived gaps. We continued to invest in our proprietary software system to more effectively and efficiently compile and share information across departments and ultimately better serve our clients. We also continued to build out our internal site (the intranet) so colleagues could stay connected with the firm and gain a deeper understanding of standard operating procedures and collectively service our clients the AndCo way. Our intranet also helped strengthen our internal brand and culture by pushing out a variety of daily firm updates, videos, and interactive posts to increase team member bonds to our values, core philosophies, and ultimately, brought the firm closer together. We believe these connections are increasingly important in the COVID environment when many team members remain wholly or partially remote and we will continue to explore innovative ways to be together in 2022.

As we start 2022, we are 87 team members strong with plans to grow. We are targeting several new positions for the year as we thoughtfully continue to invest in our firm to provide the quality services you expect from AndCo. These talent enhancements cover multiple departments including Research and Client Solutions, which will strengthen our alternative and public market research as well as our client service. We are also looking to add team members to our Consulting, Finance, Marketing, and IT departments.

While adding so many resources to a firm our size is a significant investment, it is one we embrace due to the impact we believe it will have on our ability to continue serving our clients at a high level and push us closer to our vision of being a transformational organization viewed as the leader in our industry.

At the beginning of each year, we discuss the AndCo partnership and, when earned, announce new partners. This year I am thrilled to share two new team members were named partners at AndCo – Brian Green and Kerry Richardville. Brian has been with the firm for over 6 years and is currently a consultant based out of our Detroit, Michigan office. Kerry has been with AndCo for over 5 years and is a consultant based in Orlando. We could not be happier for both Brian and Kerry or more grateful for the contributions they have made to AndCo since joining the firm. Brian and Kerry represent what it means to be an AndCo team member, and we are honored and fortunate to have them serving our clients. With the addition of Brian and Kerry, we have 13 partners representing various departments at AndCo, which provides diverse perspectives and insight. Our growing partnership group continues to strengthen AndCo and reaffirm our belief that 100% employee management is vital to protecting our mission, vision, values, and the long-term success of our organization. We enter 2022 with an unwavering commitment to serve you the best we possibly can.

Coming off a year that provided many of our clients record returns, we recognize results going forward may be more challenging to obtain. Please know we will continue to invest and evolve our firm in aiming to meet these realities. We do not take any client relationship for granted and will continue to work tirelessly to serve, earn your trust, add value, and exceed your expectations. We are honored and humbled you have chosen AndCo as your partner.

In closing, and as we have stated since our rebrand in 2017, our name, AndCo, reminds us of who we work for every day - “Our Client” &Co. You will always be first in our service model. As we continue to discuss strategic decisions and reinvestments regarding our firm, please know that our decisions are filtered through the following question: “How does this keep our clients’ interests first?” If it doesn’t meet this standard, we don’t do it - it’s that simple.

Thank you again for your valued partnership and the opportunity to serve you. Happy New Year!



Mike Welker, CFA
CEO



Organizational Chart

PARTNERSHIP

Mike Welker, CFA®
Brian Green
Bryan Bakardjiev, CFA®
Dan Johnson
Dan Osika, CFA®
Donna Sullivan
Evan Scussel, CFA®, CAIA®

Jacob Peacock, CPFA
Jason Purdy
Kerry Richardville, CFA®
Kim Spurlin, CPA
Steve Gordon
Troy Brown, CFA®

LEADERSHIP & MANAGEMENT

Mike Welker, CFA®
CEO

Bryan Bakardjiev, CFA®
COO

Kim Spurlin, CPA
CFO

Sara Searle
CCO

Stacie Runion
CHRO

Steve Gordon
Partner

Troy Brown, CFA®
Executive Director

Brooke Wilson, CIPM®
Client Solutions Director

Dan Johnson
Consulting Director

Daniel Kwasny, CIPM®
Client Solutions Director

Evan Scussel, CFA®, CAIA®
Research Director

Jack Evatt
Consulting Director

Jacob Peacock, CPFA
Consulting Director

Jason Purdy
I.T. Director

Molly Halcom
Marketing Director

Philip Schmitt
Research Director

Rachel Brignoni, MHR
People & Culture Director

INVESTMENT POLICY COMMITTEE

Mike Welker, CFA®
Bryan Bakardjiev, CFA®
Troy Brown, CFA®
Sara Searle

CONSULTING

Annette Bidart
Brad Hess, CFA®, CPFA
Brendon Vavrica, CFP®
Brian Green
Chris Kuhn, CFA®, CAIA®
Christiaan Brokaw, CFA®
Dave West, CFA®
Doug Anderson
Gwelda Swilley
Ian Jones
James Ross
Jeff Kuchta, CFA®, CPFA
Jennifer Brozstek

Jennifer Gainfort, CFA®, CPFA
John Mellinger
John Thinnies, CFA®, CAIA®
Jon Breth, CFP®
Justin Lauver, Esq.
Kevin Vandolder, CFA®
Kerry Richardville, CFA®
Mary Nye
Michael Fleiner
Michael Holycross, CIMA®
Mike Bostler

Oleg Sydyak, CFA®, FSA, EA
Paul Murray, CPFA
Peter Brown
Tim Nash
Tim Walters
Tony Kay
Tyler Grumbles, CFA®, CIPM®, CAIA®

CLIENT SOLUTIONS

Donna Sullivan
Albert Sauerland
Amy Foster
David Gough, CPFA
Don Delaney

Donnell Lehrer, CPFA
Grace Niebrzydowski
James Reno
Jeff Pruniski
Joe Carter, CPFA

Julio Garcia Rengifo
Kim Hummel
Meghan Haines
Misha Bell
Yoon Lee-Choi

OPERATIONS

FINANCE
Kahjeelia Pope
Robert Marquetti

COMPLIANCE
Allen Caldwell
Thay Arroyo

H.R.
Sara Schmedinghoff

OPERATIONS
Jerry Camel

MARKETING
Dan Osika, CFA®
John Rodak, CIPM®
Kayleigh Greaser
Kim Goodearl
Lauren Kaufmann

RESEARCH

Ben Baldridge, CFA®, CAIA®
Private & Hedged Fixed Income

Chester Wyche
Real Estate & Real Assets

Dan Lomelino, CFA®
Fixed Income

David Julier
Real Estate & Real Assets

Elizabeth Wolfe
Capital Markets & Asset Allocation

Evan Scussel, CFA®, CAIA®
Private & Public Equity

Joseph Ivaszuk
Operational Due Diligence

Josue Christiansen, CFA®, CIPM®
Public Equity

Julie Baker, CFA®, CAIA®
Private & Hedged Equity

Justin Ellsesser, CFA®, CAIA®
Private Equity

Kevin Laake, CFA®, CAIA®
Private Equity

Michael Kosoff
Hedge Funds

Philip Schmitt
Fixed Income & Capital Markets

Ryan McCuskey
Real Estate & Real Assets

Zac Chichinski, CFA®, CIPM®
Public Equity



87
EMPLOYEES

38 ADVANCED
DEGREES

23 CFA®

8 CAIA®

8 CPFA

6 CIPM®



4th Quarter 2021 Market Environment

The Economy

- The US economy faced headwinds from the Omicron variant during the quarter which likely had a negative impact on economic growth. Fortunately, despite higher transmission rates, the variant appears to be less likely to result in hospitalizations or significant health risks.
- Even with the variant, the demand for goods and services remained strong during the quarter and market expectations for 4th quarter US GDP growth range from 4% to 7%.
- The US labor market is nearing full employment with the unemployment rate falling to 3.9% in December. The pace of job growth slowed during the quarter with a three-month average of roughly +365,000. Despite the continued improvement in the labor market, workers are continuing to leave their employers in record numbers. This condition means the number of jobs available exceeds the number of unemployed workers. As a result, wage growth remains strong as employers compete to fill job openings.
- Persistently higher inflation readings forced the Fed to announce it was planning to end its bond purchase program earlier than expected. In addition, the Fed's December statement suggested that it could also begin raising short-term interest rates sooner than expected.

Equity (Domestic and International)

- US equities rose to all-time highs during the 4th quarter as investors expressed optimism about future economic growth and continued monetary support from the Fed. Large cap growth was the best performing domestic segment of the equity market relative to other US market capitalizations and styles.
- International equities lagged far behind their US counterparts during the 4th quarter. A key contributor to the muted performance was US dollar strength, which rose against both the Euro and Yen developed market currencies and most emerging market currencies. Emerging markets came under pressure as the Chinese property developer Evergrande defaulted during the quarter.

Fixed Income

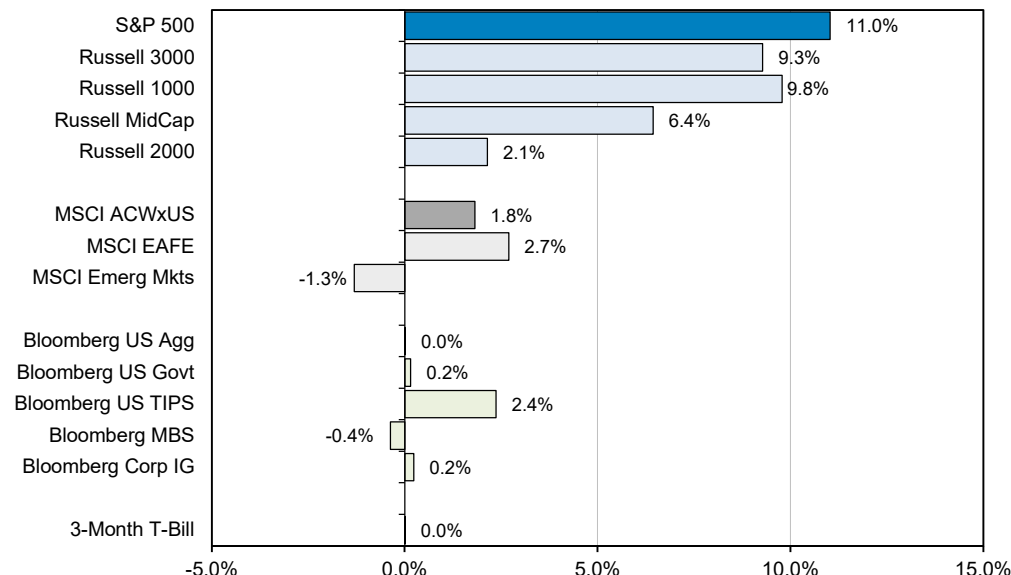
- The combination of concerns related to the potential for rising US interest rates and persistent inflation acted as headwinds for fixed income performance during the quarter. US interest rates moved modestly higher during the quarter with the US 10-Year Treasury bond rising 2 basis points to close at 1.51%.
- Generally, performance across most bond markets sectors was positive during the quarter, led by US high yield corporate bonds and US Treasury Inflation-Protected Securities (TIPS).
- High yield bond's combination of higher coupons and a shorter maturity profile relative to high quality government bonds was the primary driver of their performance during the period.
- TIPS outperformed all other sectors during the quarter. US inflation remained substantially higher than the Fed's stated 2% long-term target average, and as a result, investors' expectations of future inflation increased.

Market Themes

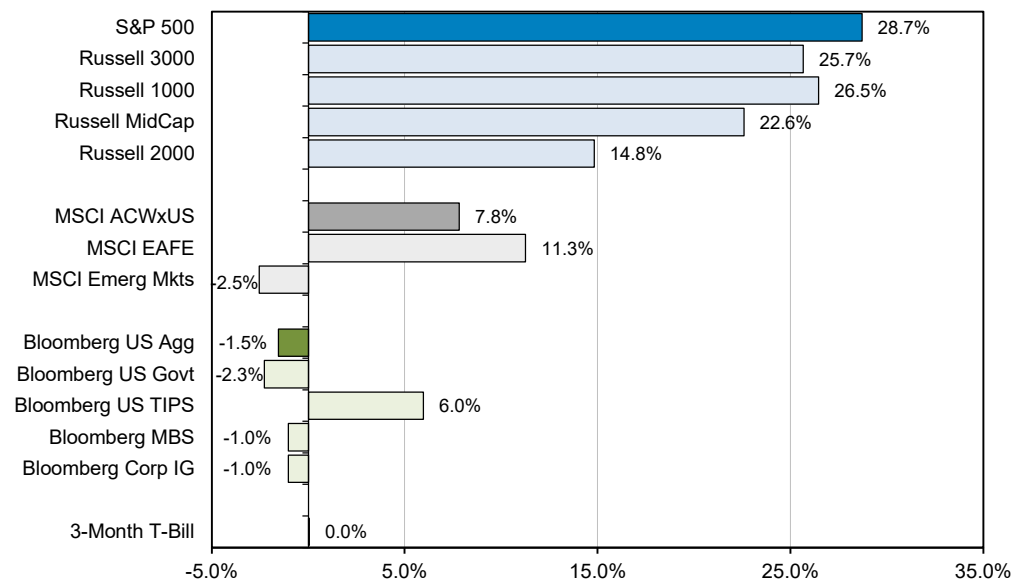
- Global central bank monetary policy diverged somewhat during the quarter as the Fed stated its intention to taper its bond purchases and potentially begin raising interest rates in 2022. Both the European Central Bank and the Bank of Japan reiterated their intent to remain accommodative as localized inflation remains low.
- While US economic growth remained strong, overall global economic growth slowed during the quarter primarily due to the rise in pandemic-related cases and shutdowns. It is likely that economic growth could face headwinds in 2022 as central bank stimulus begins to wear off.
- US equity markets – as measured by the S&P 500 Index – experienced their third consecutive year of double-digit positive performance led by large, growth-oriented companies. While equities have historically performed well during periods of rising inflation due to their links with strong economic growth, companies may face headwinds if they are unable to pass along price increases, which would result in lower profit margins.
- Longer-dated fixed income markets were negatively impacted by rising interest rates during the year. Despite the potential for increasing risks due to deteriorating credit conditions, corporate bonds could outperform given their higher coupons and shorter maturity profiles compared to higher quality, longer duration bonds.

- Broad US equity markets experienced strong returns during the 4th quarter of 2021. There were a variety of factors that contributed to performance including improving corporate earnings, increased consumer spending and demand, and continued accommodative monetary support from the Fed. For the period, the S&P 500 large cap benchmark returned 11.0%, compared to 6.4% for the mid-cap and 2.1% for small cap indices.
- Similar to domestic markets, developed market international equities also posted positive results for the 4th quarter, albeit more muted. Europe and the UK were negatively affected by the increase in COVID cases related to the Omicron variant. Emerging markets declined primarily due to concerns related to future economic growth in China and the default of property developer Evergrande. China is the second largest country in the developed market index (9.4%) and its weight dominates the emerging markets index (32.5%). During the period, the MSCI EAFE Index returned of 2.7% while the MSCI Emerging Markets Index declined by -1.3%
- For the quarter, bond market performance was generally muted as concerns about higher interest rates and rising inflation acted as sizable headwinds. The outlier during the period was TIPS, which are highly sensitive to future inflation expectations and posted a return of 2.4%. The Bloomberg Barclays (BB) US Aggregate Index returned 0.0%, for the period, trailing Investment Grade Corporate bonds, which returned 0.2%.
- Developed equity markets were sharply higher over the trailing 1-year period. The combination of Improving economic fundamentals, continued support from the Fed, and improving investor expectations all combined to drive equity markets higher. All broad US equity market indexes traded at near-record levels during the quarter. The S&P 500 large cap stock index led equity market performance for the year with a return of 28.7%. The Russell 2000 small cap index returned a lower, but still strong, 14.8% for the year.
- Over the trailing 1-year period the developed market MSCI EAFE Index return of 11.3% outpaced the MSCI Emerging Markets Index return of -2.5%. While growth in developed markets improved throughout the year, emerging markets were negatively impacted from concerns related to index's dominant country weight to China.
- Bond market returns over the trailing 1-year period were broadly negative as rising interest rates and concerns regarding inflation detracted from performance. TIPS were the lone bright spot in the bond market with the TIPS Index returning 6.0% for the year.

Quarter Performance



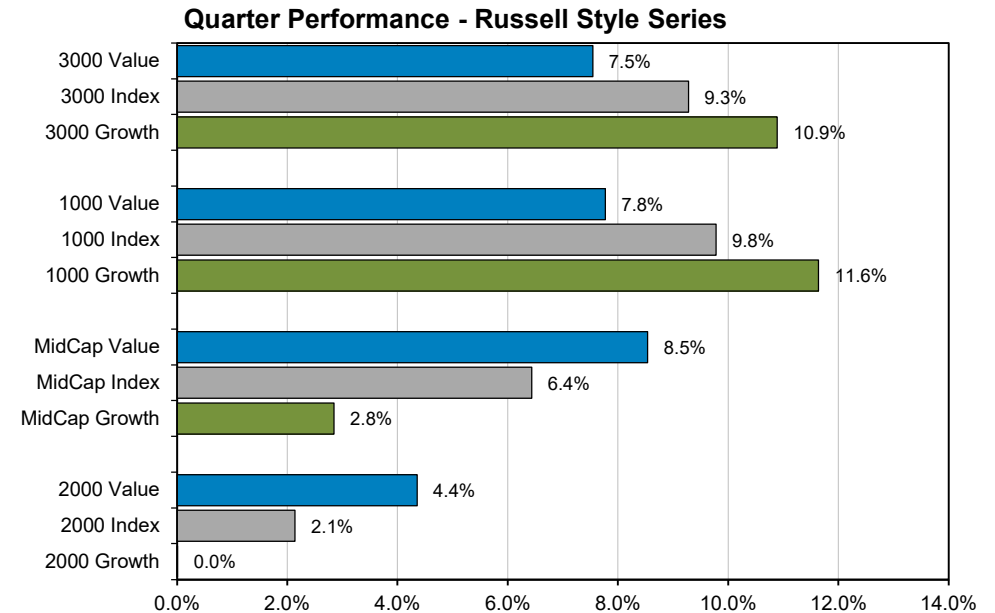
1-Year Performance



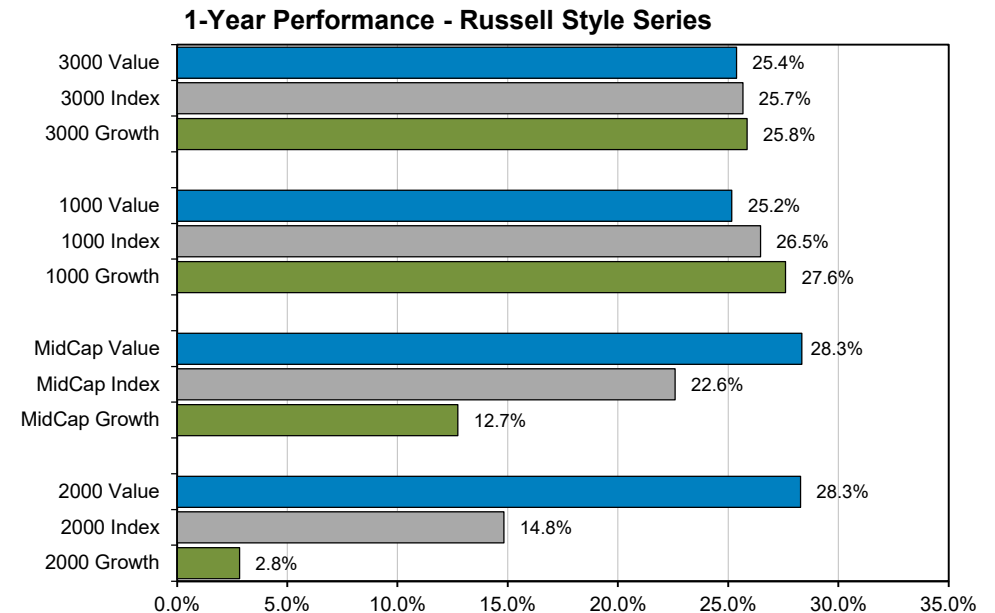
Source: Investment Metrics



- The equity market resumed its solid momentum during the 4th quarter as nearly all US equity benchmarks posted positive returns across both the style and market capitalization spectrums. Large cap stocks continued their leadership followed by mid and small cap issues. The Russell 1000 Index returned a strong 9.8% for the quarter and outpaced a 6.4% return of the Russell Mid Cap Index and a Russell 2000 Index return of 2.1%.
- Performance across styles and market capitalizations was disparate during the quarter. Large cap growth stocks sizably outpaced their value counterparts while mid and small cap value stocks outperformed growth stocks by an even wider margin. For the period, the Russell 1000 Growth Index was the best performing style index, posting a return of 11.6%. Mid cap value index performance was the next best performing segment, returning 8.5% for the quarter. Small cap growth stocks were the laggards during the period with the Russell 2000 Growth Index returning 0.0%.

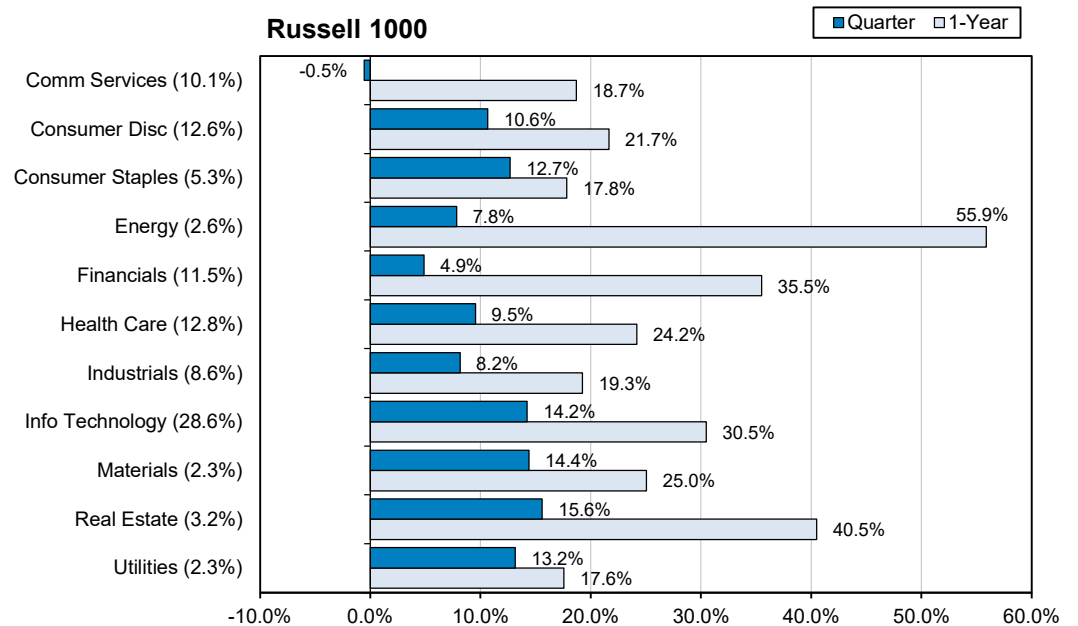


- Performance across all market capitalizations and styles was broadly robust over the trailing 1-year period. Much like the 4th quarter, the outlier for the year was small cap growth stocks. The Russell 2000 Growth Index return of 2.8% for the year significantly lagged both its mid and large cap growth index counterparts and Russell 2000 Value index return of 28.3%.
- While large cap style returns were relatively similar for the year, there was wide dispersion across mid and small style-based index performance. For the year, the Russell 1000 Growth Index rose by 27.6% compared to a still robust 25.2% return for the Russell 1000 Value Index. Within mid and small cap benchmark performance, value dominated growth by double digits. The Russell 2000 Value Index and Russell Mid Cap Value Index both returned 28.3% for the period. In comparison, the Russell Mid Cap Growth Index returned 12.7%, while the Russell 2000 Growth Index returned only 2.8%.



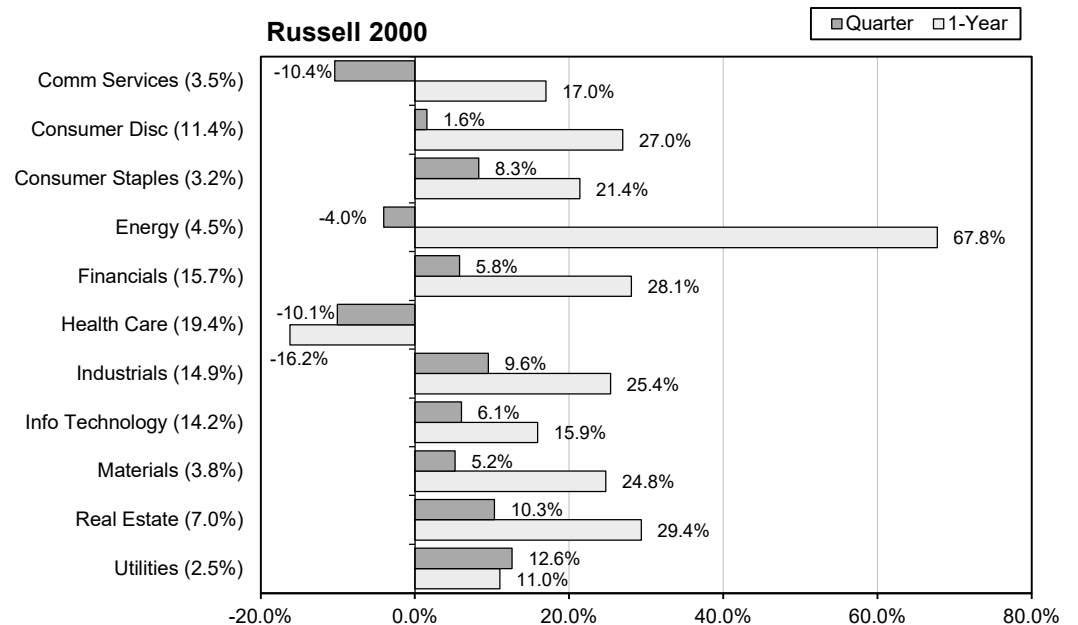
- Economic sector performance was positive across ten of the eleven large cap economic sectors for the 4th quarter. Six sectors outpaced the return of the broad index during the period.
- Economically sensitive sectors like real estate (15.6%), materials (14.4%), information technology (14.2%), and utilities (13.2%) were the best performing sectors for the quarter. In general, companies in sectors with the ability to grow earnings and either guard against, or pass along, inflation experienced the strongest returns. While nearly all sectors experienced positive results, the communication services sector (-0.5%) lagged its peers and was the sole negative performer for the quarter.
- For the full year, four sectors exceeded the return of the broad large cap benchmark: energy (55.9%), real estate (40.5%), financials (35.5%), and information technology (30.5%). The weakest economic sector performance in the Russell 1000 for the year was utilities, which still managed to post a solid return of 17.6%.

Russell 1000



- Small cap sector performance was more mixed with eight of the eleven economic sectors posting positive performance for the quarter and seven of them outpacing the return of the broader Russell 2000 Index. Utilities were the best performing sector during the quarter, returning 12.6%. The real estate (10.3%), industrials (9.6%), and consumer staples (8.3%) sectors also performed well during the period.
- For the trailing 1-year period, nine of the eleven sectors outpaced the broad benchmark's return. Outperforming sectors included energy (67.8%), real estate (29.4%), financials (28.1%), consumer discretionary (27.0%), industrials (25.4%), materials (24.8%), consumer staples (21.4%), communication services (17.0%), and information technology (15.9%). The combination of a steadily improving economy, improving corporate fundamentals, easy monetary policy, and rising inflationary pressures were all tailwinds for the robust performance in these sectors.

Russell 2000



The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of December 31, 2021

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.11%	25.7%	34.6%	Information Technology
Microsoft Corp	5.65%	19.5%	52.5%	Information Technology
Amazon.com Inc	3.23%	1.5%	2.4%	Consumer Discretionary
Alphabet Inc Class A	1.94%	8.4%	65.3%	Communication Services
Tesla Inc	1.91%	36.3%	49.8%	Consumer Discretionary
Alphabet Inc Class C	1.81%	8.6%	65.2%	Communication Services
Meta Platforms Inc Class A	1.77%	-0.9%	23.1%	Communication Services
NVIDIA Corp	1.57%	42.0%	125.5%	Information Technology
Berkshire Hathaway Inc Class B	1.22%	9.5%	29.0%	Financials
UnitedHealth Group Inc	1.05%	28.9%	45.2%	Health Care

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Arista Networks Inc	0.08%	67.3%	97.9%	Information Technology
Builders FirstSource Inc	0.04%	65.7%	110.0%	Industrials
New Relic Inc	0.01%	53.2%	68.1%	Information Technology
Teradyne Inc	0.06%	49.9%	36.8%	Information Technology
Ciena Corp	0.03%	49.9%	45.6%	Information Technology
ON Semiconductor Corp	0.06%	48.4%	107.5%	Information Technology
Ford Motor Co	0.18%	47.4%	137.5%	Consumer Discretionary
Dollar Tree Inc	0.07%	46.8%	30.1%	Consumer Discretionary
Marvell Technology Inc	0.16%	45.2%	84.6%	Information Technology
Rexford Industrial Realty Inc	0.03%	43.4%	67.8%	Real Estate

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Peloton Interactive Inc	0.02%	-58.9%	-76.4%	Consumer Discretionary
Everbridge Inc	0.01%	-55.4%	-54.8%	Information Technology
Chegg Inc	0.01%	-54.9%	-66.0%	Consumer Discretionary
Upstart Holdings Inc Ordinary Shares	0.02%	-52.2%	271.3%	Financials
StoneCo Ltd Class A	0.01%	-51.4%	-79.9%	Information Technology
Vroom Inc Ordinary Shares	0.00%	-51.1%	-73.7%	Consumer Discretionary
Paysafe Ltd Ord Shares - Class A	0.01%	-49.5%	N/A	Information Technology
Virgin Galactic Holdings Inc Shs A	0.01%	-47.1%	-43.6%	Industrials
DraftKings Inc Ord Shares - Class A	0.02%	-43.0%	-41.0%	Consumer Discretionary
DocuSign Inc	0.07%	-40.8%	-31.5%	Information Technology

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
AMC Entmt Hldgs Inc Class A	0.47%	-28.5%	1,183.0%	Communication Services
Synaptics Inc	0.38%	61.1%	200.3%	Information Technology
Lattice Semiconductor Corp	0.35%	19.2%	68.2%	Information Technology
EastGroup Properties Inc	0.31%	37.4%	68.4%	Real Estate
BJ's Wholesale Club Holdings Inc	0.31%	21.9%	79.6%	Consumer Staples
Tetra Tech Inc	0.31%	13.8%	47.5%	Industrials
Saia Inc	0.30%	41.6%	86.4%	Industrials
Ovintiv Inc	0.30%	3.0%	138.4%	Energy
Tenet Healthcare Corp	0.29%	23.0%	104.6%	Health Care
WillScot Mobile Mini Holdings Corp	0.29%	28.8%	76.3%	Industrials

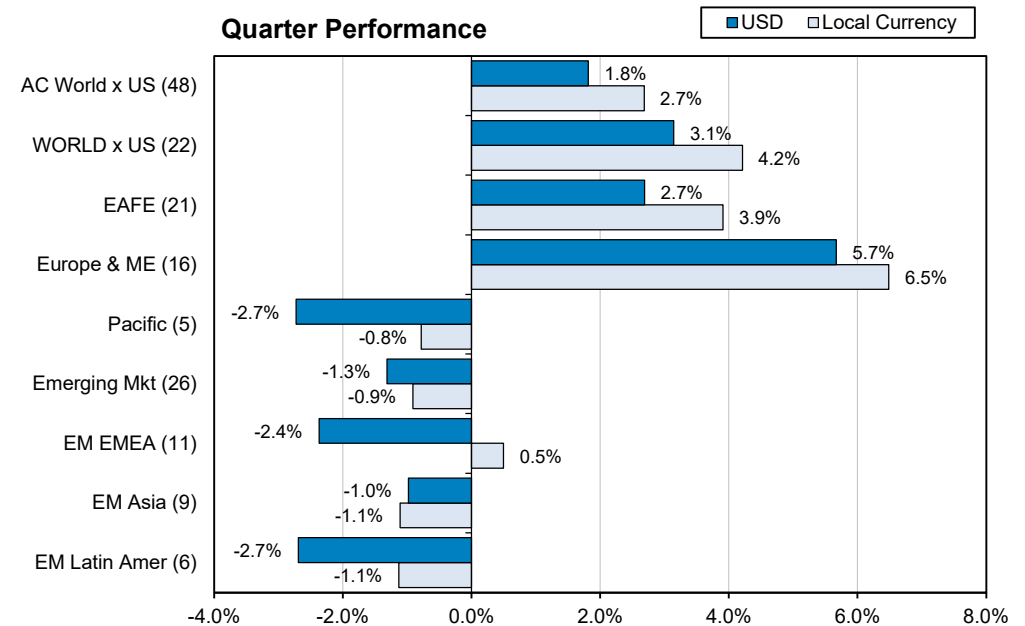
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Adicet Bio Inc Ordinary Shares	0.01%	123.1%	24.5%	Health Care
Yellow Corp Ordinary Shares	0.02%	122.9%	184.3%	Industrials
R.R.Donnelley & Sons Co	0.03%	119.1%	398.2%	Industrials
ChemoCentryx Inc	0.07%	112.9%	-41.2%	Health Care
iRhythm Technologies Inc	0.12%	101.0%	-50.4%	Health Care
BlueLinx Holdings Inc	0.03%	95.9%	227.3%	Industrials
Kezar Life Sciences Inc	0.02%	93.5%	220.3%	Health Care
Alpha & Omega Semiconductor Ltd	0.04%	93.1%	156.2%	Information Technology
Protagonist Therapeutics Inc	0.05%	93.0%	69.6%	Health Care
Clearfield Inc	0.03%	91.2%	241.5%	Information Technology

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Allakos Inc	0.01%	-90.8%	-93.0%	Health Care
Cortextyme Inc	0.01%	-86.2%	-54.6%	Health Care
Rafael Hldgs Inc Ord Shares - B	0.00%	-83.4%	-78.1%	Real Estate
Adagio Therapeutics Inc Ord Shares	0.01%	-82.8%	N/A	Health Care
Atea Pharmaceuticals Inc Ord Shs	0.02%	-74.5%	-78.6%	Health Care
Eros STX Global Corp	0.00%	-73.9%	-86.8%	Communication Services
Reata Pharmaceuticals Inc A	0.02%	-73.8%	-78.7%	Health Care
Generation Bio Co Ordinary Shares	0.01%	-71.8%	-75.0%	Health Care
BeyondSpring Inc	0.00%	-71.3%	-62.9%	Health Care
Deciphera Pharmaceuticals Inc	0.01%	-71.2%	-82.9%	Health Care

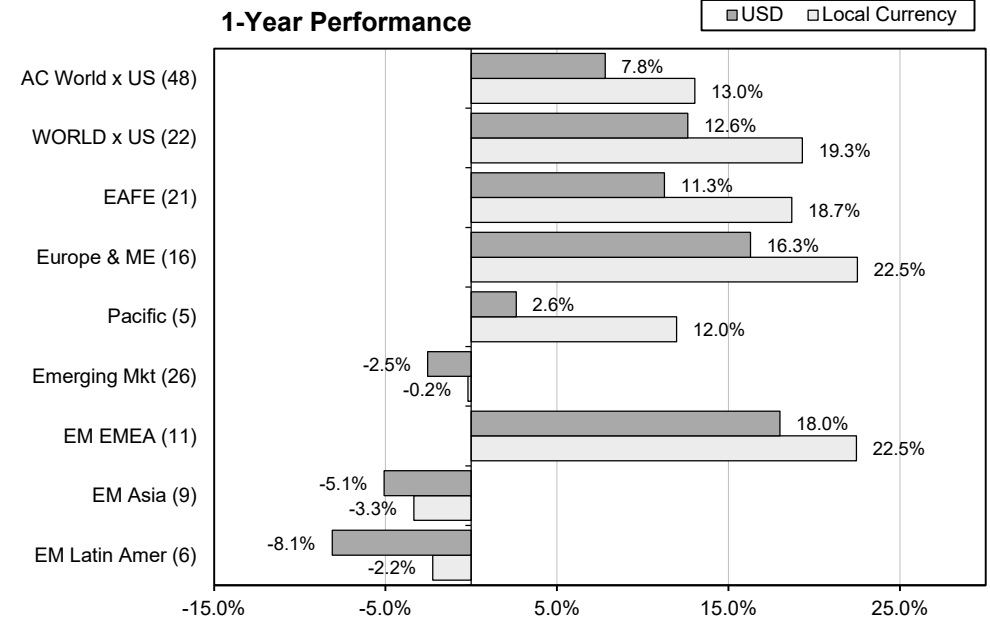
Source: Morningstar Direct



- Most developed market international equity indexes tracked in the chart posted positive returns in both US dollar (USD) and local currency terms for the 4th quarter. The provincial outlier during the period was the Pacific region which declined during the period on concerns about China and the country's future economic growth. The developed market MSCI EAFE Index returned 2.7% in USD and 3.9% in local currency (LC) terms for the period, while the MSCI Emerging Markets Index declined by -1.3% in USD and -0.9% in local currency terms.



- The trailing 1-year results for international developed markets were positive across all regions and currencies. The MSCI EAFE Index returned 11.3% in USD for the year and 18.7% in LC. Returns across emerging markets were more polarized by geography. While the MSCI Emerging Markets Index returned -2.5% in USD and -0.2% in LC, the EMEA (Europe, Middle East, and Africa) regional index's return of 18.0% in USD and 22.5% in LC, rivaled developed regional benchmark performance. In contrast, performance within the Latin America and Asia regional benchmarks detracted from emerging market index performance with the EM Latin America Index returning -8.1% in USD and -2.2% in LC, while EM Asia posted a return of -5.1% in USD and -3.3% in LC.



The Market Environment
US Dollar International Index Attribution & Country Detail
As of December 31, 2021

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.5%	-5.6%	-5.7%
Consumer Discretionary	12.5%	2.9%	10.7%
Consumer Staples	10.3%	5.2%	7.3%
Energy	3.4%	-0.5%	22.9%
Financials	16.9%	1.2%	16.6%
Health Care	12.8%	3.0%	8.6%
Industrials	16.2%	2.6%	13.6%
Information Technology	9.7%	3.8%	20.9%
Materials	7.6%	5.9%	10.4%
Real Estate	2.8%	-0.5%	4.1%
Utilities	3.4%	8.8%	0.0%
Total	100.0%	2.7%	11.3%

MSCI - ACWIxUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	6.1%	-2.8%	-6.9%
Consumer Discretionary	12.1%	-0.9%	-6.0%
Consumer Staples	8.6%	3.8%	5.3%
Energy	4.8%	-0.4%	26.0%
Financials	19.2%	1.9%	16.4%
Health Care	9.4%	0.1%	3.7%
Industrials	12.6%	2.6%	12.9%
Information Technology	13.6%	5.2%	15.4%
Materials	8.1%	3.6%	9.7%
Real Estate	2.4%	-2.3%	-2.2%
Utilities	3.1%	6.8%	3.1%
Total	100.0%	1.8%	7.8%

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	10.7%	-0.5%	-9.1%
Consumer Discretionary	13.5%	-8.2%	-29.1%
Consumer Staples	5.9%	-2.1%	-4.9%
Energy	5.6%	-3.8%	21.0%
Financials	19.4%	-0.4%	8.2%
Health Care	4.2%	-15.4%	-19.8%
Industrials	5.1%	-0.3%	8.4%
Information Technology	22.7%	7.4%	9.9%
Materials	8.6%	-2.9%	9.3%
Real Estate	2.0%	-8.5%	-21.8%
Utilities	2.4%	0.7%	12.4%
Total	100.0%	-1.3%	-2.5%

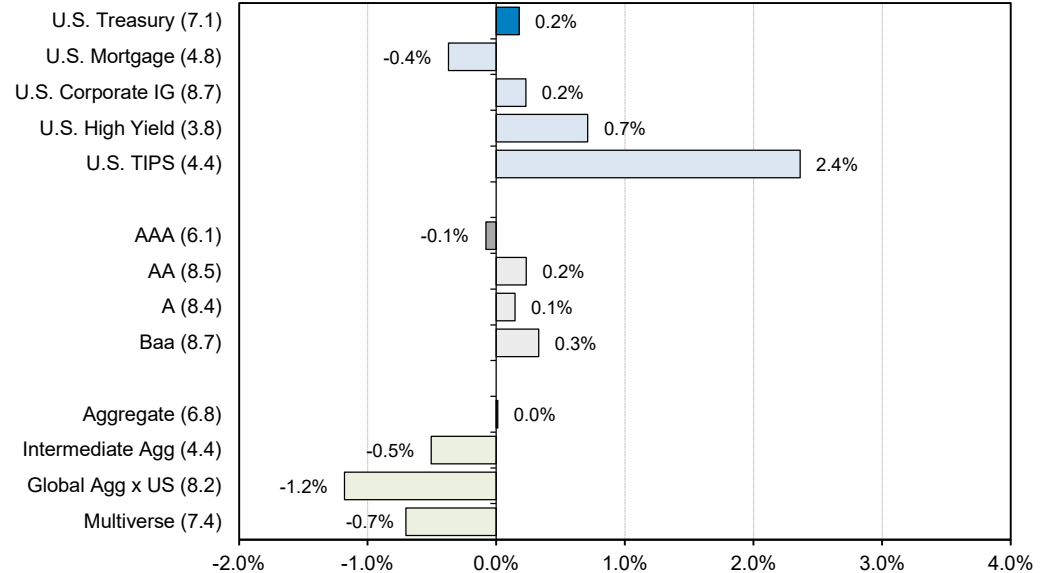
Country	MSCI-EAFE Weight	MSCI-ACWIxUS Weight	Quarter Return	1-Year Return
Japan	22.5%	14.3%	-4.0%	1.7%
United Kingdom	14.6%	9.3%	5.6%	18.5%
France	11.7%	7.5%	7.1%	19.5%
Switzerland	10.5%	6.7%	12.8%	19.3%
Germany	8.9%	5.6%	0.8%	5.3%
Australia	6.9%	4.4%	2.1%	9.4%
Netherlands	4.9%	3.1%	3.5%	27.6%
Sweden	4.0%	2.5%	6.1%	21.9%
Hong Kong	2.8%	1.8%	-3.6%	-3.9%
Denmark	2.7%	1.7%	5.8%	19.1%
Italy	2.5%	1.6%	5.6%	15.0%
Spain	2.2%	1.4%	-1.4%	1.4%
Singapore	1.2%	0.8%	-3.4%	5.7%
Finland	1.0%	0.7%	3.0%	9.0%
Belgium	0.9%	0.6%	1.7%	2.2%
Israel	0.7%	0.5%	7.0%	15.2%
Ireland	0.7%	0.4%	0.6%	8.5%
Norway	0.7%	0.4%	-0.3%	22.0%
Austria	0.2%	0.2%	5.2%	41.5%
New Zealand	0.2%	0.1%	-4.0%	-17.1%
Portugal	0.2%	0.1%	1.9%	0.2%
Total EAFE Countries	100.0%	63.6%	2.7%	11.3%
Canada		7.5%	7.2%	26.0%
Total Developed Countries		71.1%	3.1%	12.6%
China		9.4%	-6.1%	-21.7%
Taiwan		4.7%	8.4%	26.1%
Korea		3.7%	-0.9%	-8.4%
India		3.6%	-0.2%	26.2%
Brazil		1.2%	-6.5%	-17.4%
Russia		1.0%	-9.2%	19.0%
Saudi Arabia		1.0%	-0.7%	37.7%
South Africa		0.9%	-0.5%	3.6%
Mexico		0.6%	6.2%	22.5%
Thailand		0.5%	3.0%	-1.4%
Indonesia		0.4%	6.4%	2.1%
Malaysia		0.4%	1.8%	-6.2%
United Arab Emirates		0.3%	10.3%	50.2%
Poland		0.2%	-2.4%	8.5%
Qatar		0.2%	2.6%	15.2%
Philippines		0.2%	3.7%	-3.9%
Kuwait		0.2%	2.3%	30.9%
Chile		0.1%	-10.5%	-17.3%
Hungary		0.1%	-9.7%	12.1%
Turkey		0.1%	-11.2%	-28.4%
Peru		0.1%	10.4%	-19.9%
Greece		0.1%	-3.6%	8.0%
Colombia		0.1%	-2.7%	-13.8%
Czech Republic		0.0%	12.3%	55.0%
Egypt		0.0%	18.3%	7.5%
Argentina		0.0%	-0.4%	21.0%
Pakistan		0.0%	-2.7%	-24.9%
Total Emerging Countries		28.9%	-1.3%	-2.5%
Total ACWIxUS Countries		100.0%	1.8%	7.8%

Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

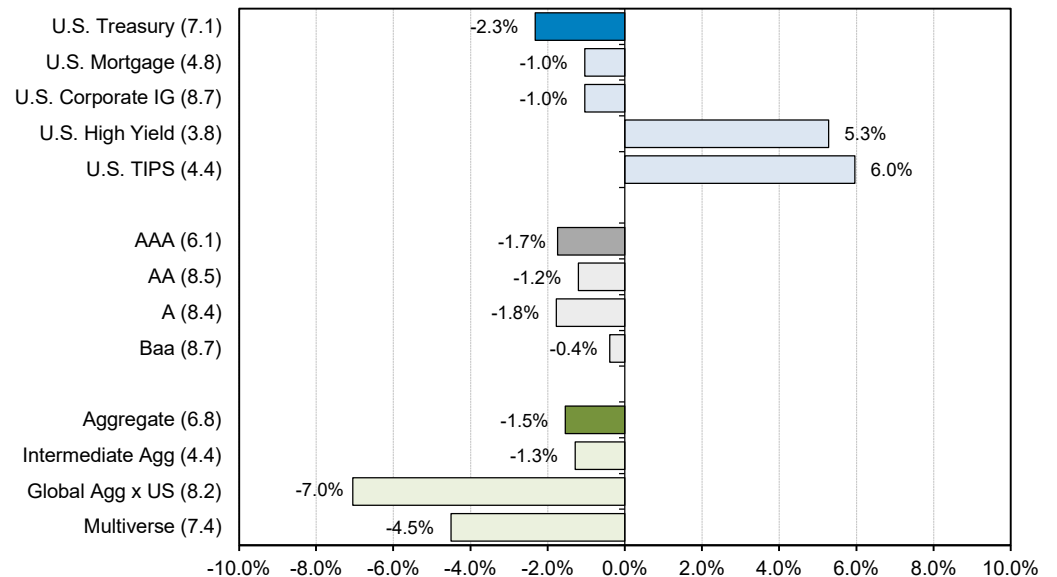


- Fixed income market results were mixed during the 4th quarter. While the Fed remained supportive with bond purchases, concerns about rising inflation and potentially higher interest rates detracted from performance. US Treasury yields were mixed across the maturity curve but remained low.
- The return for the Bloomberg US Aggregate Bond Index, the bellwether investment grade benchmark, was flat for the period at 0.0%.
- Performance across the investment grade index's segments was mixed during the period with the US Corporate Investment Grade bonds returning 0.2% while the US Mortgage index component fell -0.4%.
- US TIPS posted the quarter's strongest bond performance with a return of 2.4%. High yield issues were also positive, posting a return of 0.7%.
- Outside of domestic markets, the BB Global Aggregate ex US Index posted a return of -1.2% for the quarter. Like international stocks, global bond index performance was negatively impacted by the strengthening USD, which acted as a drag on domestic index returns.
- Over the trailing 1-year period, domestic investment grade benchmark performance was skewed lower by higher quality government bonds (-2.3%) as well as negative performance from investment grade corporate (-1.0%) and mortgage-backed (-1.0%) bonds. Aided by higher inflation, only US TIPS managed to generate positive returns during the year with a return of 6.0%. The bellwether Bloomberg US Aggregate Bond Index declined by -1.5% for the year.
- Lower quality high yield bonds delivered solid performance during the year supported by both higher coupons and a lower maturity profile, which acted as tailwinds. The Bloomberg US High Yield Index returned of 5.3% for the period.
- Performance for non-US bonds was broadly negative for the year with the developed market Bloomberg Global Aggregate ex US Index declining by -7.0%. The combination of rising interest rates overseas, a longer maturity profile, and USD strength for the year hindered index performance.

Quarter Performance



1-Year Performance

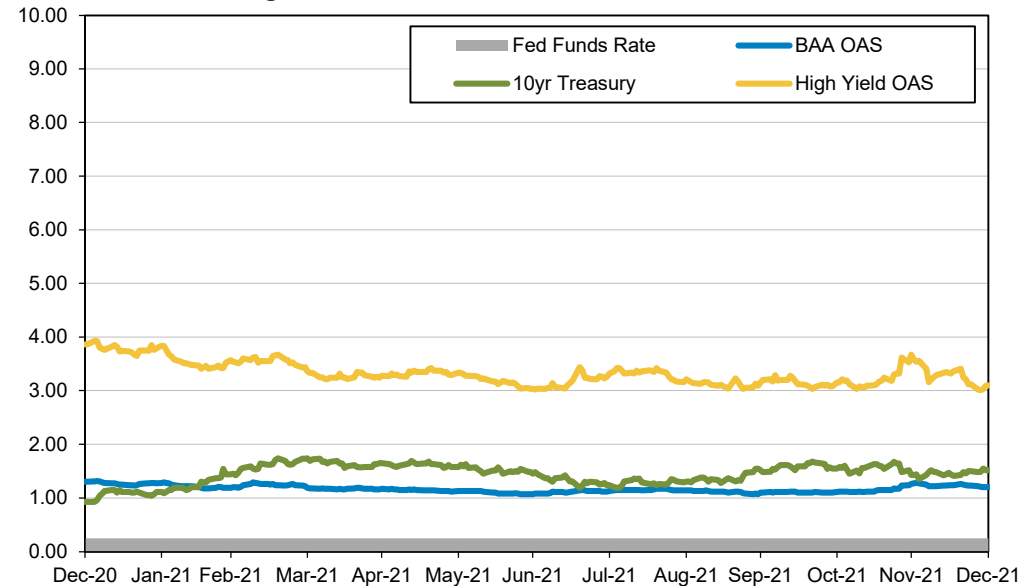


Source: Bloomberg

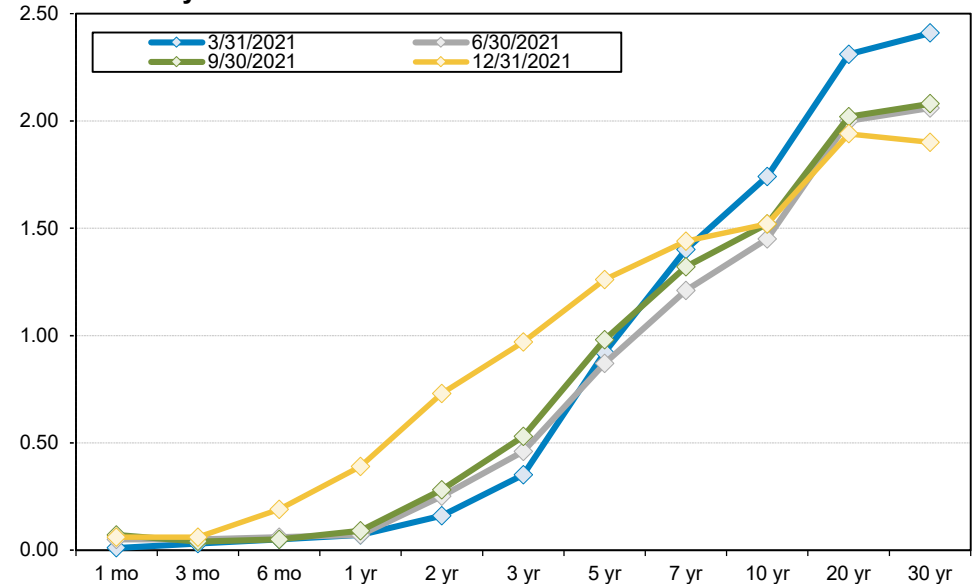


- The gray band across the graph illustrates the range of the current Fed Funds Rate. Over the past year, the Fed's target rate range has remained unchanged at 0.00% to 0.25%. During its recent December meeting, the Federal Open Market Committee (FOMC) stated its intent to keep interest rates unchanged in the near-term, while also signaling that it would end its bond purchase program earlier than expected and foreshadowing that interest rates could begin to rise early next year.
- The yield on the US 10-year Treasury (green line) ended the year higher as economic growth accelerated in anticipation of the Fed beginning the process of normalizing interest rates. After reaching a high of 1.74% during the 1st quarter of 2021, interest rates traded within a narrow range for the remainder of the year. The yield on the US 10-year Treasury was 1.52% on December 31st.
- The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-US Treasury investment grade issues. For the full year, the spread narrowed slightly from 1.30% to 1.21%. A narrowing of the premium measured by the High Yield OAS showed investors' willingness to take on credit risk during the year as the spread tightened from 3.86% to 3.10% over the course of the year.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. While short-term rates are largely pinned to the Fed Funds Rate, beginning in the 1st quarter of 2021, intermediate-term interest rates began to move higher as investors' expectations for higher future interest rates increased. In contrast, longer-term interest rates declined throughout the year over concerns that future economic growth may slow due to rising interest rates.

1-Year Trailing Market Rates



Treasury Yield Curve



Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)

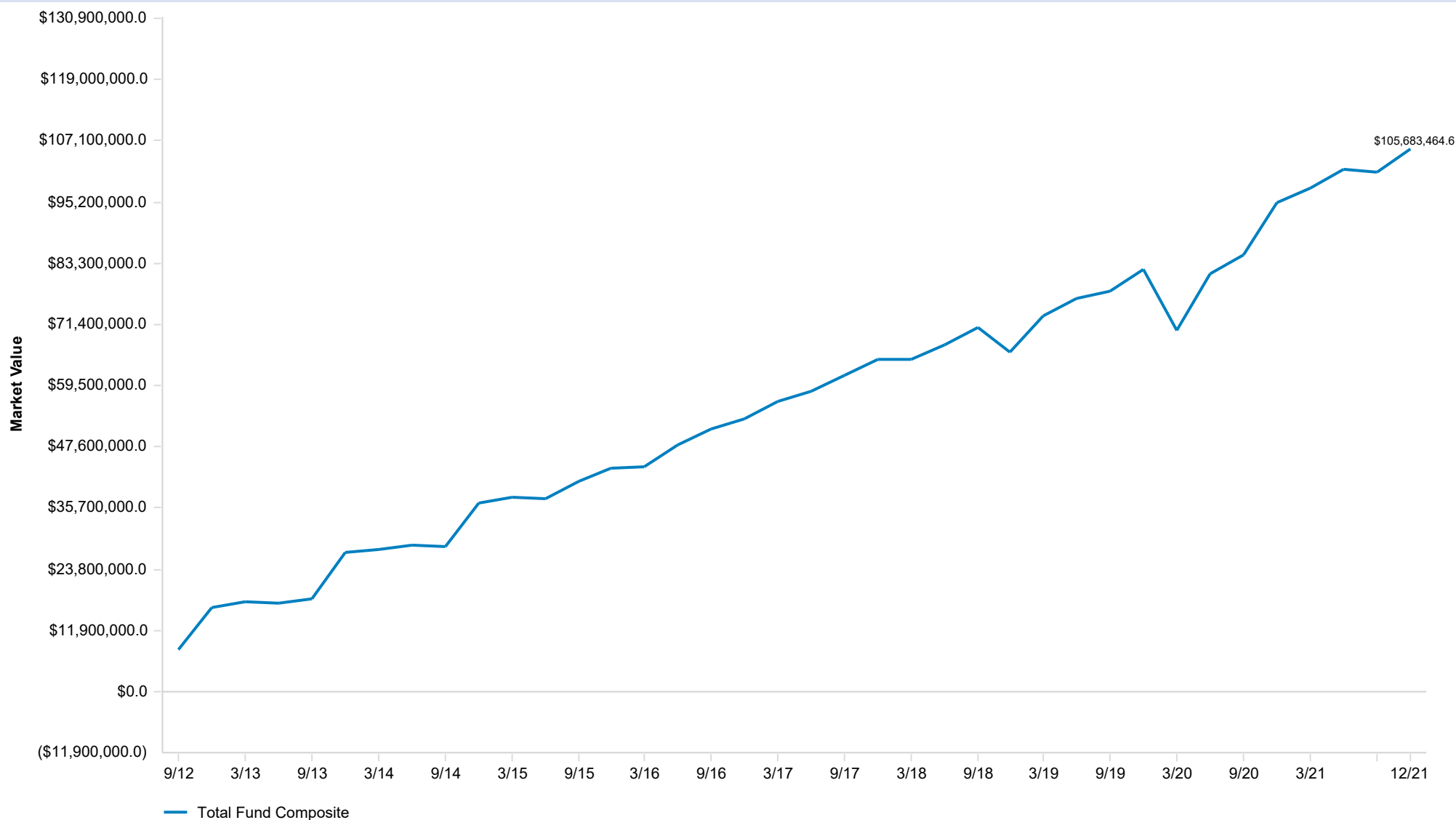


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11.3%

Schedule of Investable Assets
Total Fund Composite
October 1, 2012 To December 31, 2021

Schedule of Investable Assets



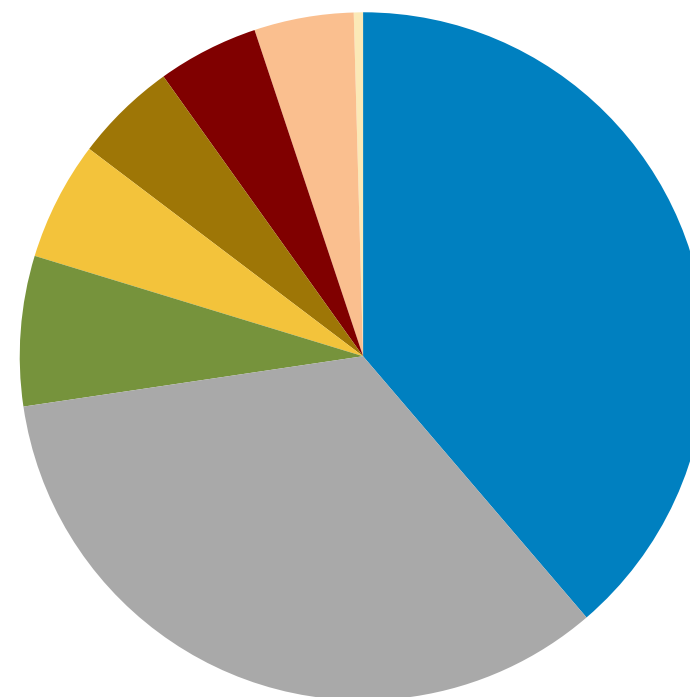
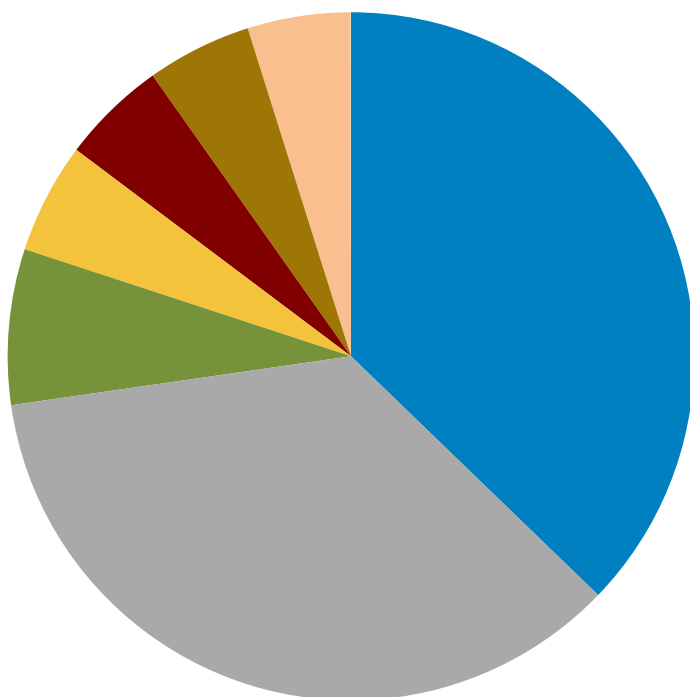
Schedule of Investable Assets

Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$	%Return
Oct-2012 To Dec-2021	8,192,495	54,278,994	43,211,975	105,683,465	8.15



September 30, 2021 : \$101,022,903

December 31, 2021 : \$105,683,465



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Domestic Equity	37,594,431	37.2	Domestic Equity	40,922,880	38.7
Core Plus Fixed Income	35,879,900	35.5	Core Plus Fixed Income	35,870,335	33.9
International Equity	7,380,972	7.3	International Equity	7,449,734	7.0
Real Estate	5,258,724	5.2	Real Estate	5,909,716	5.6
Bank Loans	5,000,000	4.9	Bank Loans	5,028,818	4.8
GTAA	4,994,715	4.9	GTAA	5,091,160	4.8
High Yield Fixed Income	4,884,591	4.8	High Yield Fixed Income	4,948,878	4.7
Cash	29,570	0.0	Cash	461,944	0.4

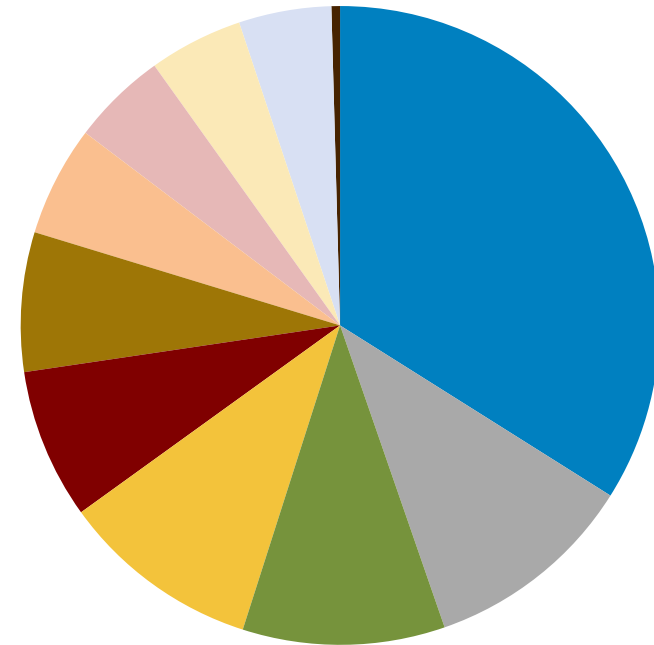
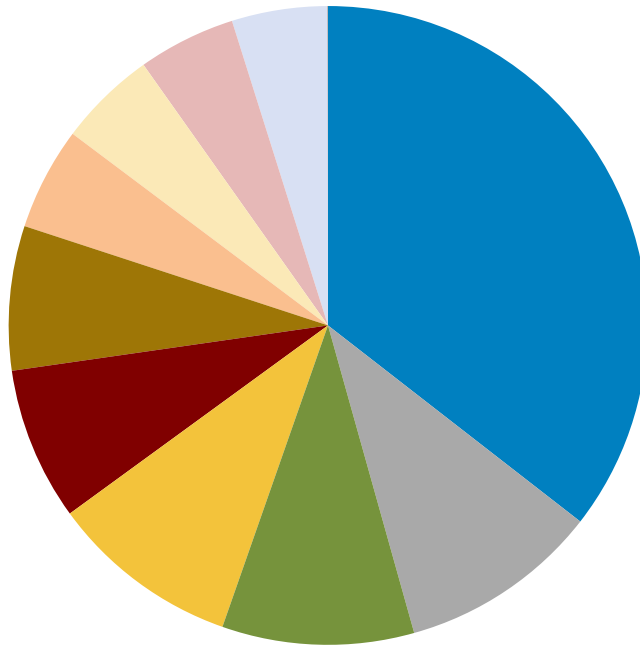
Asset Allocation By Manager

Total Fund

As of December 31, 2021

September 30, 2021 : \$101,022,903

December 31, 2021 : \$105,683,465



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
MacKay Shields Core Plus	35,879,900	35.5	MacKay Shields Core Plus	35,870,335	33.9
Vanguard Index Fund Institutional (VINIX)	10,237,577	10.1	Vanguard Index Fund Institutional (VINIX)	11,365,363	10.8
Fiduciary Management	9,815,587	9.7	Fiduciary Management	10,819,535	10.2
Barrow Hanley MeWhinney & Strauss	9,712,606	9.6	Barrow Hanley MeWhinney & Strauss	10,701,382	10.1
Stephens Mid Cap Growth	7,828,662	7.7	Stephens Mid Cap Growth	8,036,601	7.6
Causeway International (CIVIX)	7,380,972	7.3	Causeway International (CIVIX)	7,449,734	7.0
Cohen & Steers (CSRIX)	5,258,724	5.2	Cohen & Steers (CSRIX)	5,909,716	5.6
Pacific Funds Floating Rate (PLFRX)	5,000,000	4.9	BlackRock Multi-Asset Income (BKMIX)	5,091,160	4.8
BlackRock Multi-Asset Income (BKMIX)	4,994,715	4.9	Pacific Funds Floating Rate (PLFRX)	5,028,818	4.8
Loomis Sayles High Yield (LSHIX)	4,884,591	4.8	Loomis Sayles High Yield (LSHIX)	4,948,878	4.7
Cash	29,570	0.0	Cash	461,944	0.4



Port Houston OPEB
Asset Allocation & Performance
As of December 31, 2021

Asset Allocation & Performance									
	Allocation		Performance(%)						
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	Inception	Inception Date
Total Fund Composite (Gross of Fees)	105,683,465	100.0	4.70	11.28	13.54	8.99	7.50	8.15	10/01/2012
Policy Index			4.21	11.63	12.71	8.34	6.87	7.82	
OPEB Actuarial Assumption			1.54	6.30	6.40	6.54	6.67	6.78	
Total Fund Composite (Net of Fees)	105,683,465	100.0	4.62	10.97	13.16	8.60	7.09	7.67	10/01/2012
Fiduciary Management	10,819,535	10.2	10.39	19.11	18.08	13.70	11.50	13.38	10/01/2012
Russell 1000 Value Index			7.77	25.16	17.64	11.16	9.73	12.30	
S&P 500 Index			11.03	28.71	26.07	18.47	14.93	16.08	
Vanguard Index Fund Institutional (VINIX)	11,365,363	10.8	11.02	28.66	26.04	N/A	N/A	18.13	05/01/2017
S&P 500 Index			11.03	28.71	26.07	18.47	14.93	18.15	
Stephens Mid Cap Growth	8,036,601	7.6	5.44	13.36	28.93	23.42	17.44	17.86	01/01/2013
Russell Midcap Growth Index			2.85	12.73	27.46	19.83	14.92	16.72	
Barrow Hanley MeWhinney & Strauss	10,701,382	10.1	10.38	20.12	25.57	14.04	12.69	15.34	10/01/2012
Russell 2000 Value Index			4.36	28.27	17.99	9.07	9.45	11.44	
Causeway International (CIVIX)	7,449,734	7.0	0.93	9.17	11.39	7.42	4.84	4.07	10/01/2013
MSCI EAFE (Net) Index			2.69	11.26	13.54	9.55	6.76	5.77	
MSCI EAFE Value Index (Net)			1.17	10.89	7.82	5.34	3.65	3.15	
Cohen & Steers (CSRIX)	5,909,716	5.6	16.50	42.38	22.63	13.72	11.33	12.36	01/01/2013
FTSE NAREIT All Equity REITs			16.17	41.30	19.93	12.46	10.48	11.42	
BlackRock Multi-Asset Income (BKMIX)	5,091,160	4.8	1.93	7.19	N/A	N/A	N/A	15.78	04/01/2020
50% S&P 500/50% Barclays Agg			5.47	12.80	15.41	11.12	9.11	21.35	
MacKay Shields Core Plus	35,870,335	33.9	0.08	-0.18	6.29	4.63	3.85	3.73	07/01/2014
Bimbg. U.S. Aggregate Index			0.01	-1.55	4.79	3.57	3.00	3.06	
Loomis Sayles High Yield (LSHIX)	4,948,878	4.7	1.32	8.25	7.35	5.29	4.71	5.87	01/01/2013
ICE BofAML High Yield Master II			0.64	5.35	8.57	6.09	6.02	5.78	
Pacific Funds Floating Rate (PLFRX)	5,028,818	4.8	0.76	N/A	N/A	N/A	N/A	0.76	10/01/2021
Credit Suisse Leveraged Loan Index			0.71	5.40	5.43	4.32	4.41	0.71	
Cash	461,944	0.4							

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), and Loomis Sayles High Yield (LSHIX). Gross of fees performance would be approximately 0.14% higher on an annual basis if these fees were included.



Port Houston OPEB
Asset Allocation & Performance
As of December 31, 2021

Asset Allocation & Performance								
	Allocation		Performance(%)					
	Market Value \$	%	YTD	2020	2019	2018	2017	2016
Total Fund Composite (Gross of Fees)	105,683,465	100.0	11.28	12.03	17.38	-5.28	10.92	10.54
Policy Index			11.63	9.04	17.62	-4.68	9.35	9.47
OPEB Actuarial Assumption			6.30	6.40	6.50	6.75	6.75	7.00
Total Fund Composite (Net of Fees)	105,683,465	100.0	10.97	11.64	16.96	-5.64	10.48	10.10
Fiduciary Management	10,819,535	10.2	19.11	11.13	24.39	-2.89	18.86	14.92
Russell 1000 Value Index			25.16	2.80	26.54	-8.27	13.66	17.34
S&P 500 Index			28.71	18.40	31.49	-4.38	21.83	11.96
Vanguard Index Fund Institutional (VINIX)	11,365,363	10.8	28.66	18.39	31.46	-4.42	N/A	N/A
S&P 500 Index			28.71	18.40	31.49	-4.38	21.83	11.96
Stephens Mid Cap Growth	8,036,601	7.6	13.36	42.17	32.97	3.31	29.36	7.86
Russell Midcap Growth Index			12.73	35.59	35.47	-4.75	25.27	7.33
Barrow Hanley MeWhinney & Strauss	10,701,382	10.1	20.12	29.97	26.81	-17.80	18.51	27.59
Russell 2000 Value Index			28.27	4.63	22.39	-12.86	7.84	31.74
Causeway International (CIVIX)	7,449,734	7.0	9.17	5.40	20.10	-18.62	27.18	0.48
MSCI EAFE (Net) Index			11.26	7.82	22.01	-13.79	25.03	1.00
MSCI EAFE Value Index (Net)			10.89	-2.63	16.09	-14.78	21.44	5.02
Cohen & Steers (CSRIX)	5,909,716	5.6	42.38	-2.62	33.01	-3.99	7.43	5.89
FTSE NAREIT All Equity REITs			41.30	-5.12	28.66	-4.04	8.67	8.63
BlackRock Multi-Asset Income (BKMIX)	5,091,160	4.8	7.19	N/A	N/A	N/A	N/A	N/A
50% S&P 500/50% Barclays Agg			12.80	13.66	19.89	-1.90	12.37	7.38
MacKay Shields Core Plus	35,870,335	33.9	-0.18	9.90	9.48	-0.32	4.75	3.99
BImbg. U.S. Aggregate Index			-1.55	7.51	8.72	0.01	3.54	2.65
Loomis Sayles High Yield (LSHIX)	4,948,878	4.7	8.25	3.42	10.51	-3.54	8.42	18.92
ICE BofAML High Yield Master II			5.35	6.17	14.41	-2.27	7.48	17.49
Pacific Funds Floating Rate (PLFRX)	5,028,818	4.8	N/A	N/A	N/A	N/A	N/A	N/A
Credit Suisse Leveraged Loan Index			5.40	2.78	8.17	1.14	4.25	9.88
Cash	461,944	0.4						

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), and Loomis Sayles High Yield (LSHIX).
Gross of fees performance would be approximately 0.14% higher on an annual basis if these fees were included.



Fiduciary's objective is to buy durable business at value prices in order to achieve top in class investment results over a three to five year time horizon. Fiduciary considers themselves long-term investors, not traders. They will typically hold between 20-30 companies in their portfolio with an average turnover of 35%. The research process is geared toward finding six new investment ideas for the portfolio in a given year. All investment ideas are generated by a research team, rather than relying on the portfolio manager. As of December 31, 2021, Fiduciary had a market value of \$10,819,535.

Fiduciary Management		Russell 1000 Value Index	
	Weight %		Weight %
Berkshire Hathaway Inc	6.7	Berkshire Hathaway Inc	2.6
Masco Corporation	5.5	JPMorgan Chase & Co	2.2
Sony Group Corporation	5.0	Johnson & Johnson	2.1
Dollar General Corporation	4.6	Unitedhealth Group Inc	2.1
Unitedhealth Group Inc	4.3	Procter & Gamble Co (The)	1.9
Micron Technology Inc.	4.1	Pfizer Inc	1.6
Schwab (Charles) Corp	3.9	Bank of America Corp	1.5
Quest Diagnostics Inc	3.9	Cisco Systems Inc	1.3
Comcast Corp	3.8	Walt Disney Co (The)	1.3
JPMorgan Chase & Co	3.5	Exxon Mobil Corp	1.2

Equity Assets Exposures by Sector

	Fiduciary Management	Russell 1000 Value Index
Cash	4.68	0.00
Communication Services	11.64	7.31
Consumer Discretionary	18.62	5.74
Consumer Staples	3.36	7.37
Energy	1.57	5.08
Financials	23.55	20.67
Health Care	15.54	18.00
Industrials	14.09	11.51
Information Technology	4.12	10.21
Materials	2.82	3.83
Real Estate	0.00	5.14
Utilities	0.00	5.14

Equity Characteristics

	Fiduciary Management	Russell 1000 Value Index
Wtd. Avg. Mkt. Cap (\$)	218,181,899,653	166,257,032,521
Price/Earnings ratio	18.0	18.6
Price/Book ratio	3.0	2.8
Current Yield	1.3	1.9
Number of Stocks	31	853



Fund Information

Fund Name :	Vanguard Institutional Index Fund: Vanguard Institutional Index Fund; Institutional Shares	Portfolio Assets :	\$294,871 Million
Fund Family :	Vanguard	Portfolio Manager :	Butler/Louie
Ticker :	VINIX	PM Tenure :	2000--2017
Inception Date :	07/31/1990	Fund Style :	IM S&P 500 Index (MF)
Fund Assets :	\$125,336 Million	Style Benchmark :	S&P 500 Index
Portfolio Turnover :	4%		

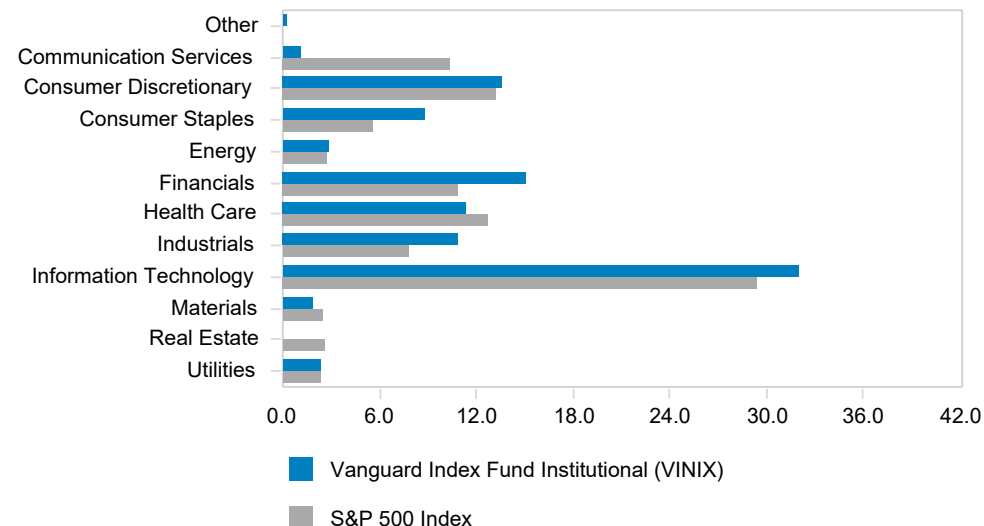
Portfolio Characteristics As of 11/30/2021

	Portfolio	Benchmark
Total Securities	507	505
Avg. Market Cap (\$)	668,359,447,233	32,403,344,000
Price/Earnings (P/E)	33.16	24.65
Price/Book (P/B)	11.12	4.81
Dividend Yield	1.75	1.36
Annual EPS	22.00	9.53
5 Yr EPS	18.73	21.35
3 Yr EPS Growth	17.78	N/A
Beta (3 Years, Monthly)	1.00	1.00

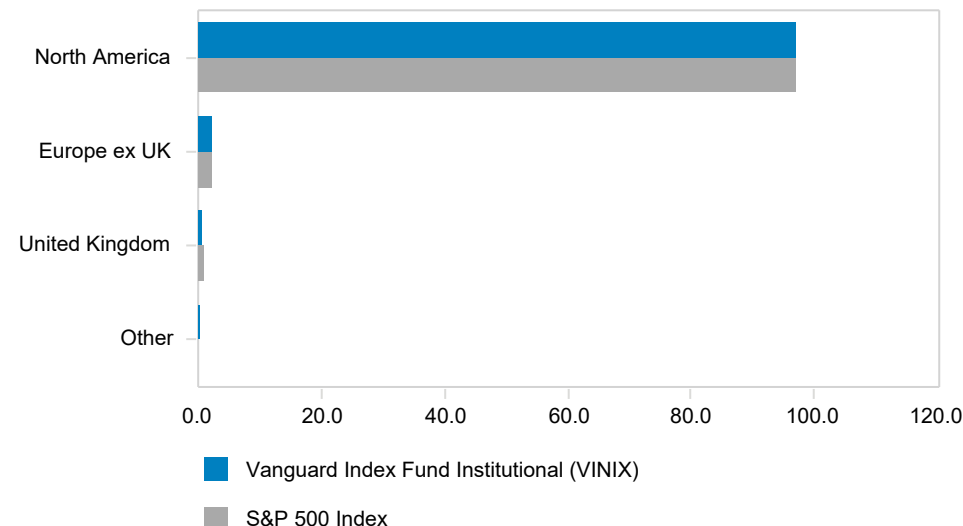
Top Ten Securities As of 11/30/2021

Apple Inc ORD	6.7 %
Microsoft Corp ORD	6.4 %
Amazon.com Inc ORD	4.0 %
Tesla Inc ORD	2.4 %
Alphabet Inc Class A ORD	2.2 %
NVIDIA Corp ORD	2.1 %
Alphabet Inc Class C ORD	2.1 %
Meta Platforms Inc ORD	2.0 %
Berkshire Hathaway Inc ORD	1.3 %
JPMorgan Chase & Co ORD	1.2 %

Sector Weights As of 11/30/2021



Region Weights As of 11/30/2021



Stephens Mid Cap Growth

As of December 31, 2021

The Stephens Mid Cap Growth portfolio is a diversified portfolio that seeks long term growth of capital by investing primarily in common stock of U.S. companies with market capitalizations of between \$1.5 billion to \$12.5 billion. They select mid cap growth companies that are established growth companies that have achieved above average growth. The combination of core growth and catalyst growth stocks positions the portfolio for varying market conditions. As of December 31, 2021, Stephens had a market value of \$8,036,601.

Stephens Mid Cap Growth		Russell Midcap Growth Index	
	Weight %		Weight %
Cadence Design Systems Inc	2.4	IDEXX Laboratories Inc	1.3
Icon PLC	2.4	Palo Alto Networks Inc	1.3
IDEXX Laboratories Inc	1.9	Xilinx Inc.	1.2
Copart Inc	1.9	DexCom Inc	1.2
Fortinet Inc	1.9	Cadence Design Systems Inc	1.2
Tradeweb Markets Inc	1.8	Chipotle Mexican Grill Inc	1.2
Palo Alto Networks Inc	1.8	Fortinet Inc	1.2
Microchip Technology Inc	1.7	Datadog Inc	1.1
VERISK ANALYTICS INC	1.7	Simon Property Group Inc.	1.1
SVB Financial Group	1.7	lululemon athletica inc	1.1

Equity Assets Exposures by Sector

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Cash	0.52	0.00
Communication Services	9.71	3.66
Consumer Discretionary	14.22	15.69
Consumer Staples	1.94	1.80
Energy	1.24	1.60
Financials	7.63	5.05
Health Care	19.95	17.01
Industrials	12.17	15.06
Information Technology	32.61	35.66
Materials	0.00	1.93
Real Estate	0.00	2.40
Utilities	0.00	0.14

Equity Characteristics

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Wtd. Avg. Mkt. Cap (\$)	27,980,990,792	29,214,682,131
Price/Earnings ratio	42.6	34.5
Price/Book ratio	7.0	9.8
Current Yield	0.3	0.5
Number of Stocks	100	393



The strategy is designed to exploit inefficiencies in the small cap sector of the market by carefully employing high value-added proprietary research in a universe of small capitalization, low-expectation stocks. This process is directed toward the discovery of companies in which the value of the underlying business is significantly greater than the market price. The portfolio's goal is to consistently generate superior returns while assuming below average levels of risk. As of December 31, 2021, Barrow, Hanley, MeWhinney & Strauss had a market value of \$10,701,382.

Barrow Hanley MeWhinney & Strauss		Russell 2000 Value Index	
	Weight %		Weight %
Adient plc	4.1	AMC Entertainment	0.9
Darling Ingredients Inc	3.5	Avis Budget Group Inc	0.6
Air Transport Services Group Inc	3.4	STAG Industrial Inc	0.6
Texas Capital Bancshares Inc	3.4	Ovintiv Inc	0.6
Diodes Inc	3.3	Macy's Inc	0.6
OFG Bancorp	3.3	Tenet Healthcare Corp	0.5
WillScot Mobile Mini Holdings Corp	3.2	Chesapeake Energy Corp	0.4
Apogee Enterprises Inc	3.2	Terreno Realty Corp	0.4
MGIC Investment Corp	3.2	EMCOR Group Inc.	0.4
Azenta Inc	3.1	Goodyear Tire & Rubber Co	0.4

Equity Assets Exposures by Sector

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Cash	3.60	0.00
Communication Services	0.00	3.55
Consumer Discretionary	11.28	8.01
Consumer Staples	4.72	3.00
Energy	0.00	6.46
Financials	17.31	26.49
Health Care	1.66	10.40
Industrials	34.19	15.17
Information Technology	21.60	5.72
Materials	5.64	4.57
Real Estate	0.00	11.64
Utilities	0.00	5.00

Equity Characteristics

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Wtd. Avg. Mkt. Cap (\$)	3,816,147,839	3,013,808,147
Price/Earnings ratio	12.6	13.5
Price/Book ratio	2.2	1.8
Current Yield	0.7	1.7
Number of Stocks	42	1,451



Fund Information

Fund Name : Causeway Capital Management Trust: Causeway International Value Fund; Institutional Class Shares

Fund Family : Causeway

Ticker : CIVIX

Inception Date : 10/26/2001

Fund Assets : \$5,988 Million

Portfolio Turnover : 60%

Portfolio Assets : \$6,358 Million

Portfolio Manager : Team Managed

PM Tenure :

Fund Style : IM International Large Cap Core Equity (MF)

Style Benchmark : MSCI EAFE (Net) Index

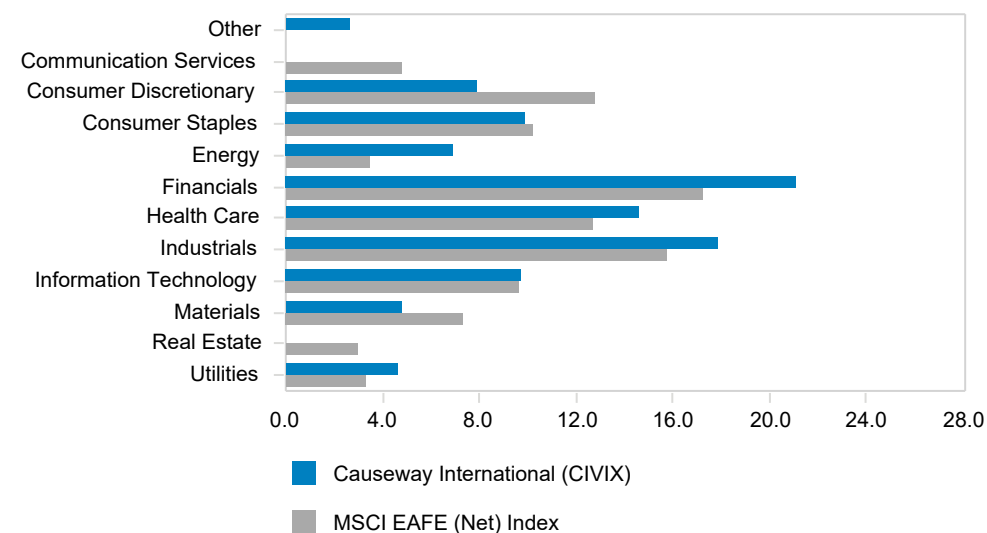
Portfolio Characteristics As of 09/30/2021

	Portfolio	Benchmark
Total Securities	65	845
Avg. Market Cap (\$)	83,760,896,971	14,333,243,829
Price/Earnings (P/E)	20.45	15.98
Price/Book (P/B)	3.36	2.72
Dividend Yield	3.21	2.71
Annual EPS	-3.04	138.81
5 Yr EPS	2.30	12.53
3 Yr EPS Growth	-2.93	N/A
Beta (5 Years, Monthly)	1.36	1.00

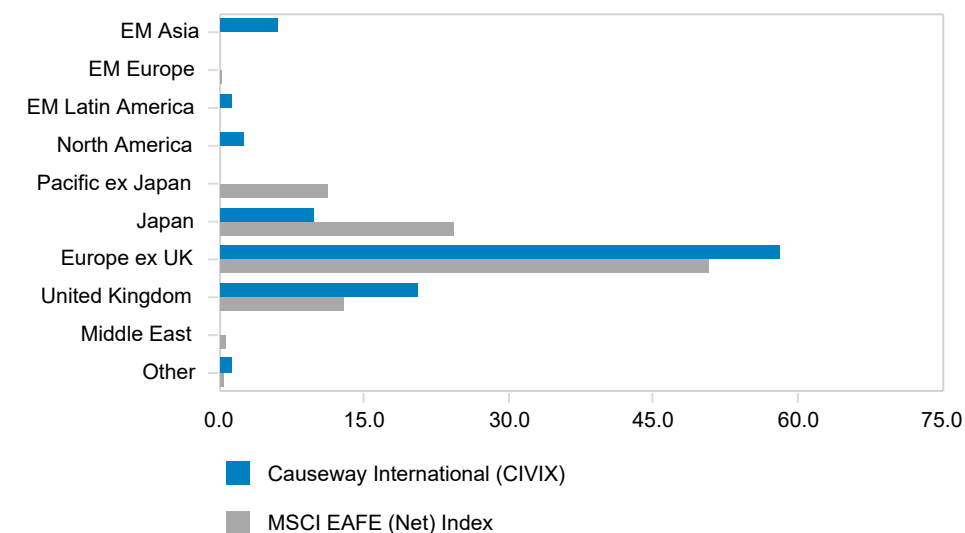
Top Ten Securities As of 09/30/2021

Rolls-Royce Holdings PLC ORD	4.6 %
UniCredit SpA ORD	3.5 %
BP PLC ORD	3.1 %
TotalEnergies SE ORD	3.0 %
Amadeus IT Group SA ORD	3.0 %
Sanofi SA ORD	3.0 %
Novartis AG ORD	3.0 %
Takeda Pharmaceutical Co Ltd ORD	2.9 %
Samsung Electronics Co Ltd ORD	2.8 %
SAP SE ORD	2.8 %

Sector Weights As of 09/30/2021



Region Weights As of 09/30/2021



Fund Information

Fund Name : Cohen & Steers Institutional Realty Shares, Inc
Fund Family : Cohen & Steers
Ticker : CSRIX
Inception Date : 02/14/2000
Fund Assets : \$6,659 Million
Portfolio Turnover : 66%

Portfolio Assets : \$6,659 Million
Portfolio Manager : Cheigh/Yablon/Kirschner
PM Tenure : 2007--2013--2020
Fund Style : IM Real Estate Sector (MF)
Style Benchmark : FTSE NAREIT All Equity REITs

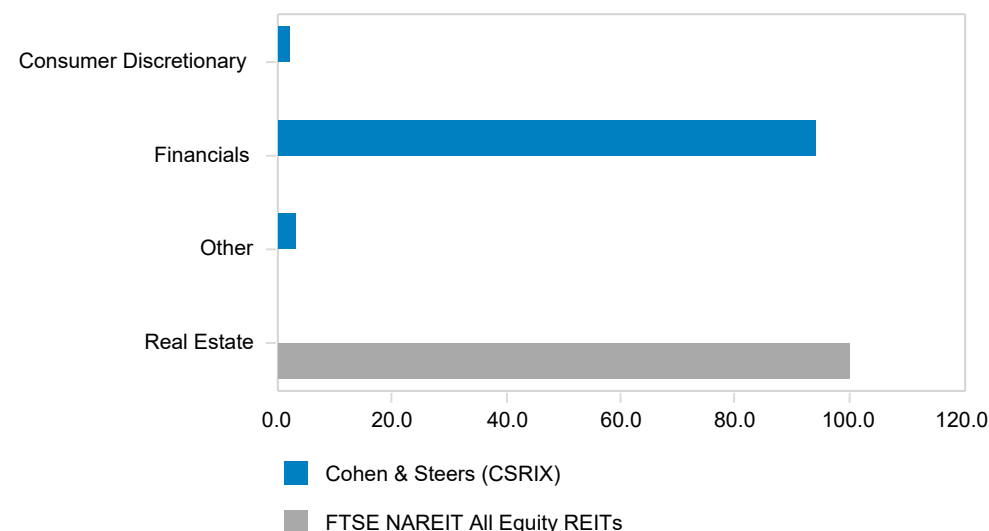
Portfolio Characteristics As of 09/30/2021

	Portfolio	Benchmark
Total Securities	38	154
Avg. Market Cap (\$)	37,994,207,092	3,677,848,325
Price/Earnings (P/E)	46.76	42.94
Price/Book (P/B)	6.38	3.03
Dividend Yield	2.66	2.89
Annual EPS	-10.70	2.14
5 Yr EPS	4.49	8.36
3 Yr EPS Growth	0.86	N/A
Beta (5 Years, Monthly)	0.98	1.00

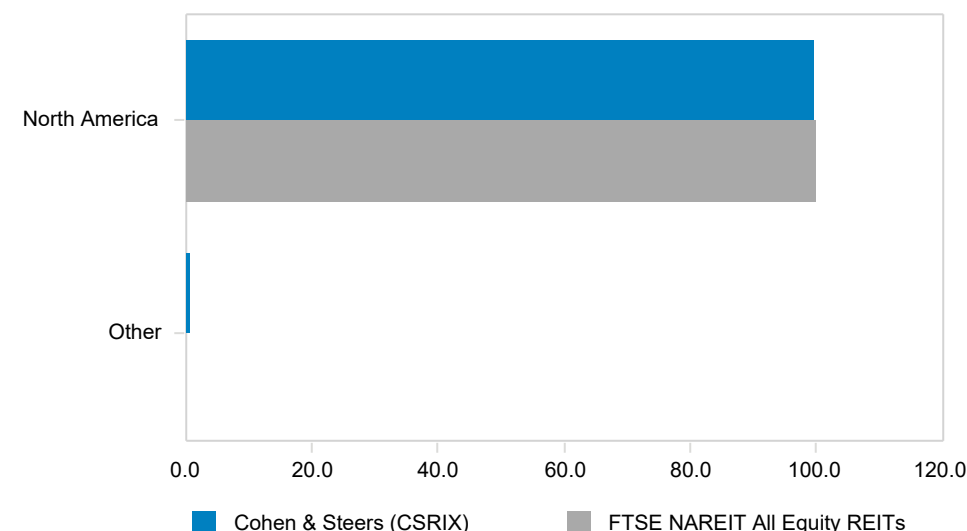
Top Ten Securities As of 09/30/2021

American Tower Corp ORD	9.8 %
Public Storage ORD	8.0 %
Simon Property Group Inc ORD	5.8 %
Duke Realty Corp ORD	5.1 %
Healthpeak Properties Inc ORD	4.9 %
Welltower Inc ORD	4.3 %
UDR Inc ORD	4.1 %
SBA Communications Corp ORD	3.6 %
Essex Property Trust Inc ORD	3.6 %
Weyerhaeuser Co ORD	3.5 %

Sector Weights As of 09/30/2021



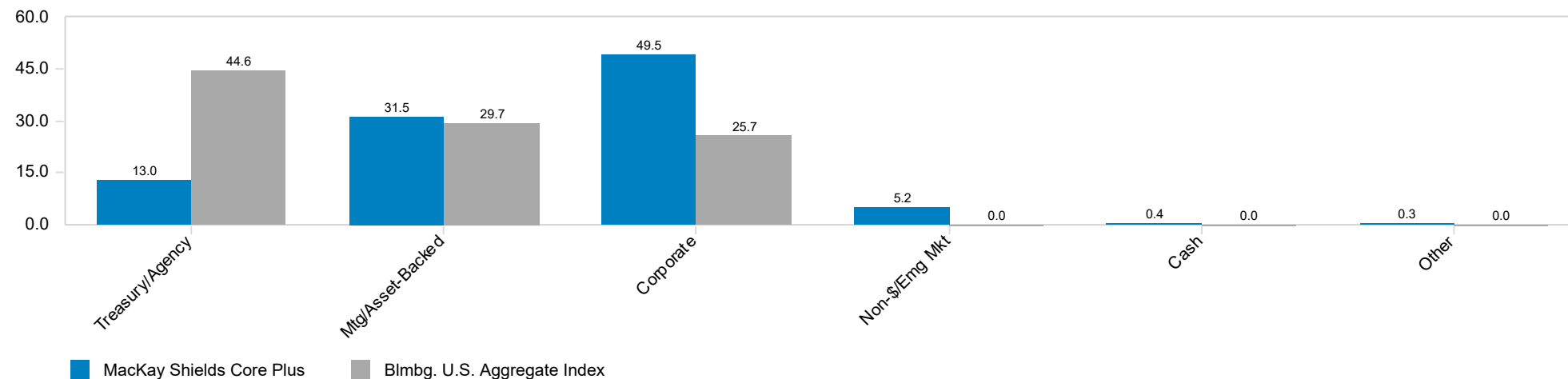
Region Weights As of 09/30/2021



MacKay Shields Core Plus seeks to outperform the benchmark by eliminating or reducing uncompensated risk while opportunistically allocating investments across a range of core and off-benchmark sectors. The fund typically invests in the same sectors represented by the Barclays U.S. Aggregate Bond Index, as well as high yield, emerging market debt, and non-US Dollar exposure. Their philosophy is centered on their pursuit of consistent, superior rates of return with low volatility. Their goal for the product is to provide enhanced returns over a full market cycle with lower-than market risk. As of December 31, 2021,

MacKay Shields had a market value of \$35,870,335.

Sector Distribution (%)



Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	8.53	8.71
Avg. Quality	A	AA2
Coupon Rate (%)	3.17	2.45
Modified Duration	N/A	6.73
Yield To Maturity (%)	2.51	1.78
Holdings Count	235	12,372

Fund Information

Fund Name :	Loomis Sayles Funds I: Loomis Sayles Institutional High Income Fund; Institutional Class	Portfolio Assets :	\$358 Million
Fund Family :	Loomis Sayles	Portfolio Manager :	Matthew Eagan/Elaine Stokes
Ticker :	LSHIX	PM Tenure :	2007--2007
Inception Date :	06/05/1996	Fund Style :	IM U.S. High Yield Bonds (MF)
Fund Assets :	\$358 Million	Style Benchmark :	FTSE High Yield Market Index
Portfolio Turnover :	105%		

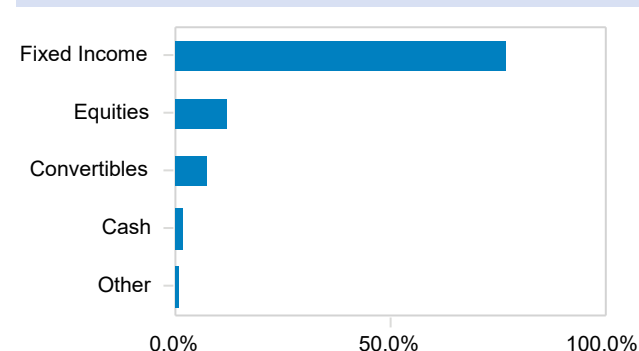
Fund Characteristics As of 09/30/2021

Avg. Coupon	4.61 %
Nominal Maturity	N/A
Effective Maturity	4.95 Years
Duration	3.56 Years
SEC 30 Day Yield	5.5
Avg. Credit Quality	BB

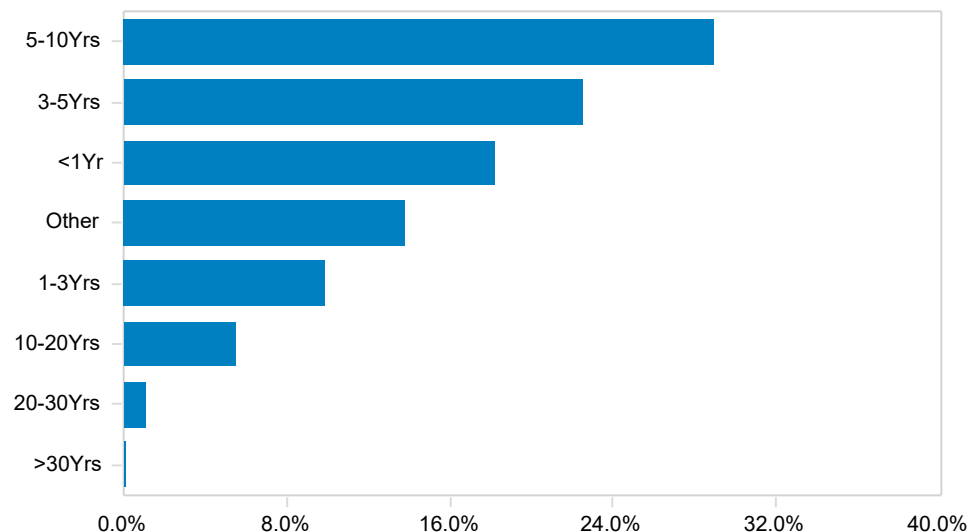
Top Ten Securities As of 09/30/2021

Corporate Notes/Bonds	72.9 %
Common Stock	12.1 %
Convertible Securities	7.6 %
Asset Backed Securities	2.8 %
Fgn. Currency Denominated Bonds	1.8 %
Preferred Stock-Non Convertible	0.2 %

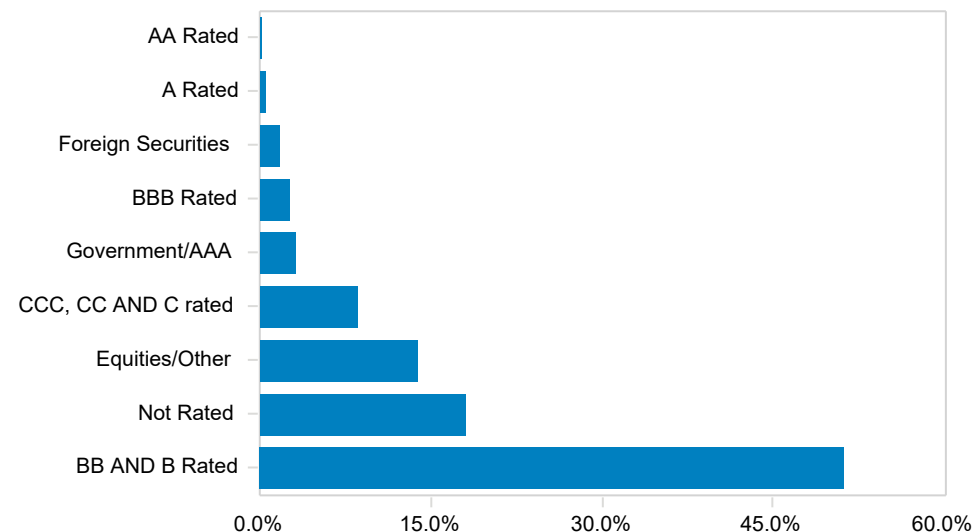
Asset Allocation As of 09/30/2021



Maturity Distribution As of 09/30/2021



Sector/Quality Allocation As of 09/30/2021



Fund Information

Fund Name :	Pacific Funds Series Trust: Pacific Funds Floating Rate Income; Class I Shares	Portfolio Assets :	\$2,995 Million
Fund Family :	Pacific Funds	Portfolio Manager :	Marzouk/Leasure
Ticker :	PLFRX	PM Tenure :	2011--2011
Inception Date :	06/30/2011	Fund Style :	IM U.S. Bank Loans (MF)
Fund Assets :	\$1,442 Million	Style Benchmark :	S&P/LSTA Leveraged Loan Index
Portfolio Turnover :	116%		

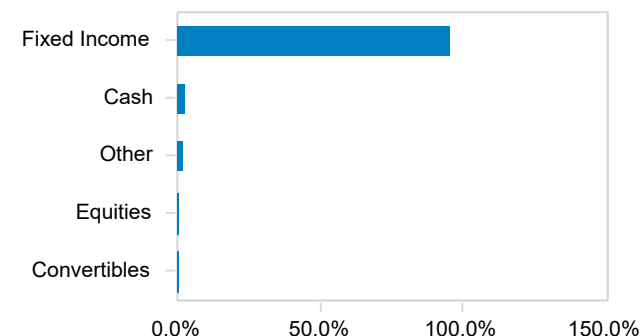
Fund Characteristics As of 09/30/2021

Avg. Coupon	N/A
Nominal Maturity	N/A
Effective Maturity	4.67 Years
Duration	0.30 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	B

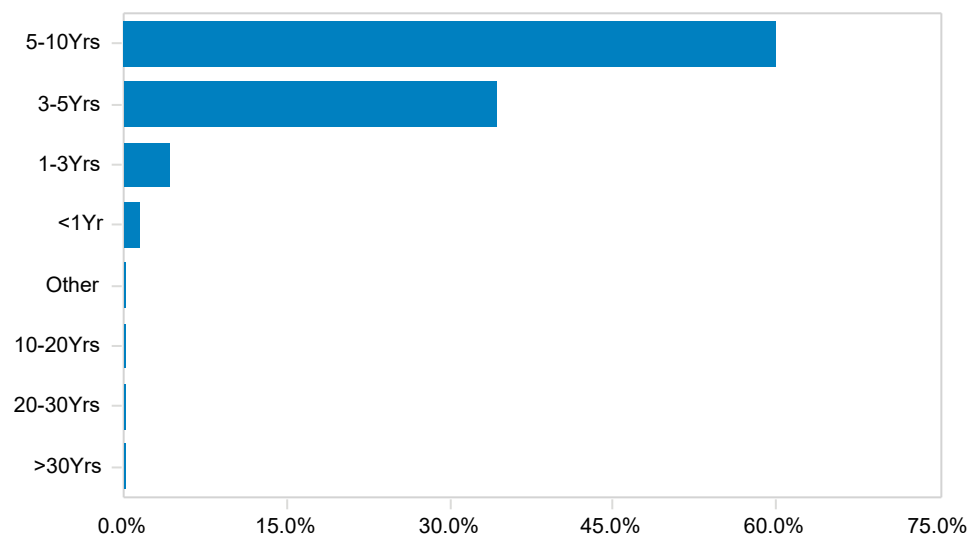
Top Ten Securities As of 09/30/2021

Corporate Notes/Bonds	95.4 %
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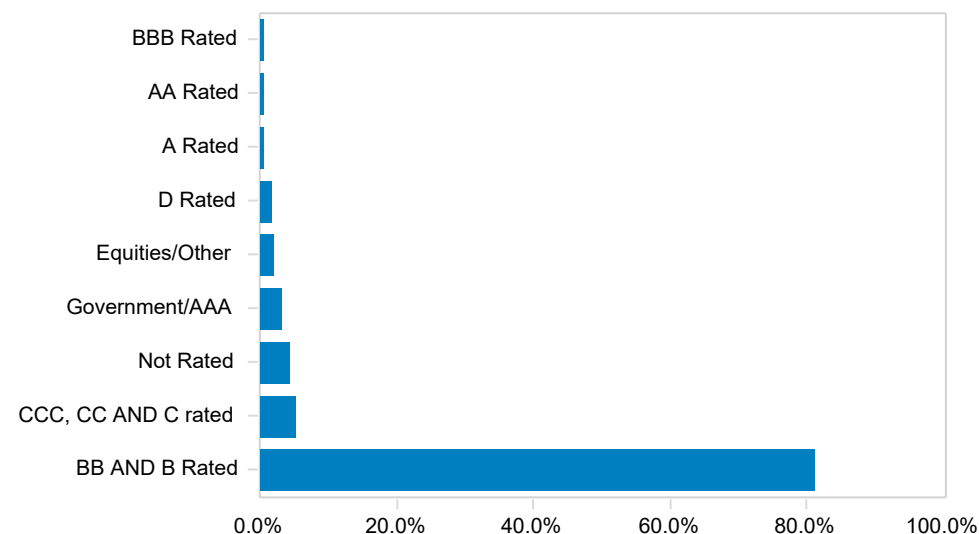
Asset Allocation As of 09/30/2021



Maturity Distribution As of 06/30/2019



Sector/Quality Allocation As of 09/30/2021



Port of Houston OPEB
Manager Status Summary
As of December 31, 2021

Manager	Mandate	Status	Notes
Fiduciary Management	Large Cap Value Equity	On Alert	2Q2021: Performance and Process Changes
Vanguard Index Fund (VINIX)	Large Cap Core Equity	In Compliance	
Stephens Mid Cap Growth	Mid Cap Growth Equity	In Compliance	
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	In Compliance	
Causeway International (CIVIX)	International Equity	In Compliance	
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	In Compliance	
BlackRock Multi-Asset (BKMIX)	GTAA	In Compliance	
Mackay Shields Core Plus	Core Plus Fixed Income	In Compliance	
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	In Compliance	

In Compliance- The portfolio is acting in full compliance with its guidelines and it is performing according to expectations.

On Alert- Concerns exist with the portfolio's performance, a change in investment characteristics, management style, ownership structure, staff or other related events.

On Notice- A continued and serious problem with any of the issues mentioned above. If the situation is not resolved to the Trustee's satisfaction, a replacement will be replaced and hired.



Port of Houston Authority
OPEB Fee Analysis
As of December 31, 2021

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Total Fund Composite	0.48	105,683,465	510,972	
Equity Composite	0.53	54,282,329	287,088	
Domestic Equity	0.44	40,922,880	179,442	
Fiduciary Management	0.55	10,819,535	59,507	0.55 % of Assets
Vanguard Index Fund Institutional (VINIX)	0.04	11,365,363	4,546	0.04 % of Assets
Stephens Mid Cap Growth	0.77	8,036,601	61,882	0.77 % of Assets
Barrow Hanley MeWhinney & Strauss	0.50	10,701,382	53,507	0.50 % of Assets
International Equity	0.85	7,449,734	63,323	
Causeway International (CIVIX)	0.85	7,449,734	63,323	0.85 % of Assets
Real Estate	0.75	5,909,716	44,323	
Cohen & Steers (CSRIX)	0.75	5,909,716	44,323	0.75 % of Assets
GTAA Composite	0.52	5,091,160	26,474	
BlackRock Multi-Asset Income (BKMIX)	0.52	5,091,160	26,474	0.52 % of Assets
Fixed Income Composite	0.44	51,401,136	223,884	
Core Plus Fixed Income	0.35	35,870,335	125,546	
MacKay Shields Core Plus	0.35	35,870,335	125,546	0.35 % of Assets
High Yield Fixed Income	0.69	4,948,878	34,147	
Loomis Sayles High Yield (LSHIX)	0.69	4,948,878	34,147	0.69 % of Assets
Bank Loans	0.75	5,028,818	37,716	
Pacific Funds Floating Rate (PLFRX)	0.75	5,028,818	37,716	0.75 % of Assets



Port of Houston OPEB
Fee Summary
As of December 31, 2021

Structure	Mandate	Expense Ratio	Category Average	Difference	Annual Savings
Fiduciary Management	Large Cap Value Equity	0.55%	0.99%	0.44%	\$47,606
Vanguard Index Fund (VINIX)	Large Cap Core Equity	0.04%	0.99%	0.95%	\$107,971
Stephens Mid Cap Growth	Mid Cap Growth Equity	0.77%	1.26%	0.49%	\$39,379
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	0.50%	1.27%	0.77%	\$82,401
Causeway International (CIVIX)	International Equity	0.85%	1.21%	0.36%	\$26,819
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	0.75%	1.24%	0.49%	\$28,958
BlackRock Multi-Asset (BKMIX)	GTAA	0.52%	0.97%	0.45%	\$22,910
Mackay Shields Core Plus	Core Plus Fixed Income	0.35%	0.84%	0.49%	\$175,765
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	0.69%	1.04%	0.35%	\$17,321
Pacific Life (PLFRX)	Bank Loans	0.75%	0.90%	0.15%	
Total Management Fees		0.48%	1.01%	0.53%	\$549,129

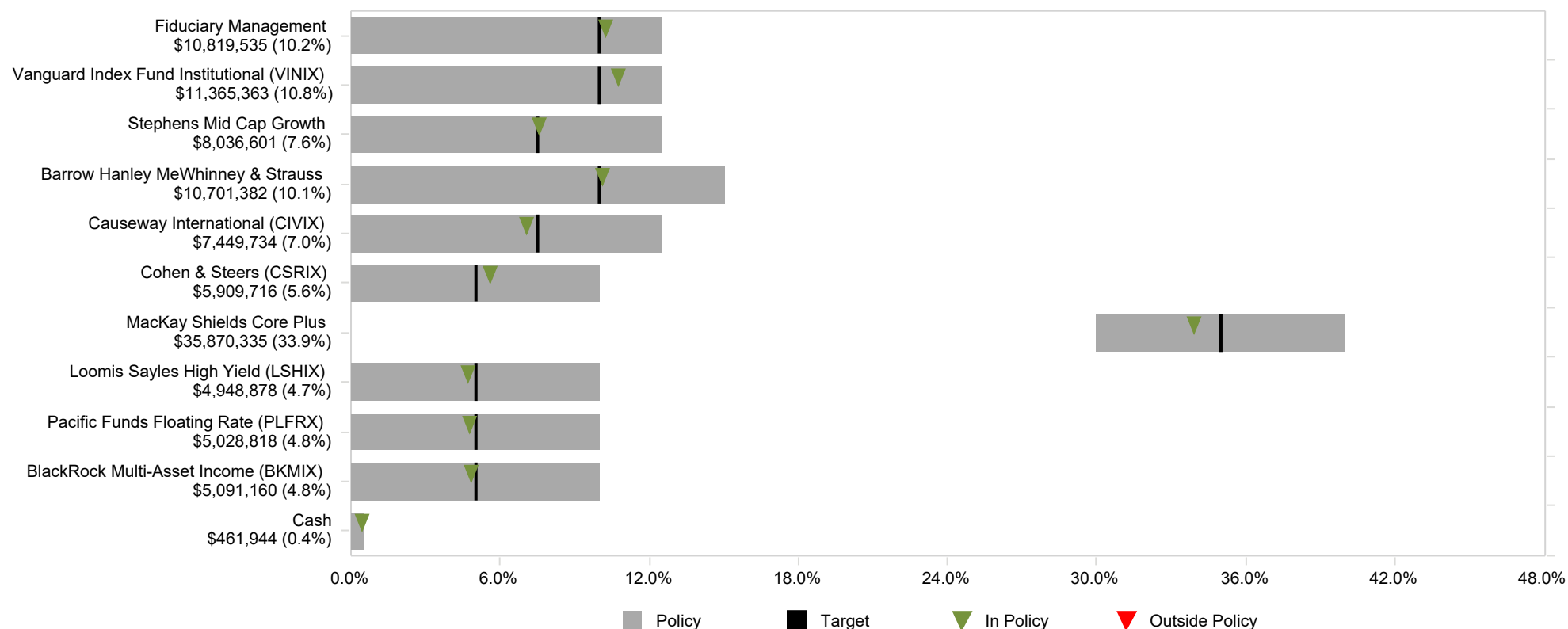
Source: Morningstar and Investment Managers



Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund Composite	105,683,465	100.0	100.0	0.0		
Fiduciary Management	10,819,535	10.2	10.0	0.2	0.0	12.5
Vanguard Index Fund Institutional (VINIX)	11,365,363	10.8	10.0	0.8	0.0	12.5
Stephens Mid Cap Growth	8,036,601	7.6	7.5	0.1	0.0	12.5
Barrow Hanley MeWhinney & Strauss	10,701,382	10.1	10.0	0.1	0.0	15.0
Causeway International (CIVIX)	7,449,734	7.0	7.5	-0.5	0.0	12.5
Cohen & Steers (CSRIX)	5,909,716	5.6	5.0	0.6	0.0	10.0
MacKay Shields Core Plus	35,870,335	33.9	35.0	-1.1	30.0	40.0
Loomis Sayles High Yield (LSHIX)	4,948,878	4.7	5.0	-0.3	0.0	10.0
Pacific Funds Floating Rate (PLFRX)	5,028,818	4.8	5.0	-0.2	0.0	10.0
BlackRock Multi-Asset Income (BKMIX)	5,091,160	4.8	5.0	-0.2	0.0	10.0
Cash	461,944	0.4	0.0	0.4	0.0	0.5

Executive Summary



Historical Hybrid Composition

Allocation Mandate	Weight (%)
Jan-1979	
S&P 500 Index	47.50
Russell Midcap Index	12.50
Blmbg. U.S. Aggregate Index	40.00
Dec-2012	
S&P 500 Index	15.00
Russell Midcap Index	12.50
Russell 2000 Index	10.00
MSCI EAFE Index	12.50
Blmbg. U.S. Aggregate Index	35.00
ICE BofAML High Yield Master II	5.00
FTSE NAREIT All Equity REITs	5.00
Alerian MLP Index	5.00
Aug-2015	
S&P 500 Index	15.00
Russell Midcap Index	7.50
Russell 2000 Index	10.00
MSCI EAFE Index	7.50
Blmbg. U.S. Aggregate Index	40.00
ICE BofAML High Yield Master II	5.00
FTSE NAREIT All Equity REITs	5.00
Alerian MLP Index	10.00
Jan-2021	
S&P 500 Index	22.50
Russell Midcap Index	7.50
Russell 2000 Index	10.00
MSCI EAFE Index	7.50
Blmbg. U.S. Aggregate Index	42.50
ICE BofAML High Yield Master II	5.00
FTSE NAREIT All Equity REITs	5.00



Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
Distributed to Paid In (DPI)	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
Public Market Equivalent (PME)	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
R-Squared	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
Standard Deviation	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
Total Value to Paid In (TVPI)	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
Up Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

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