

# San Jose Federated Retiree Health Care 115 Trust

As of March 31, 2023

Quarterly Review

**Agenda**

1. Economic and Market Update
2. Executive Summary
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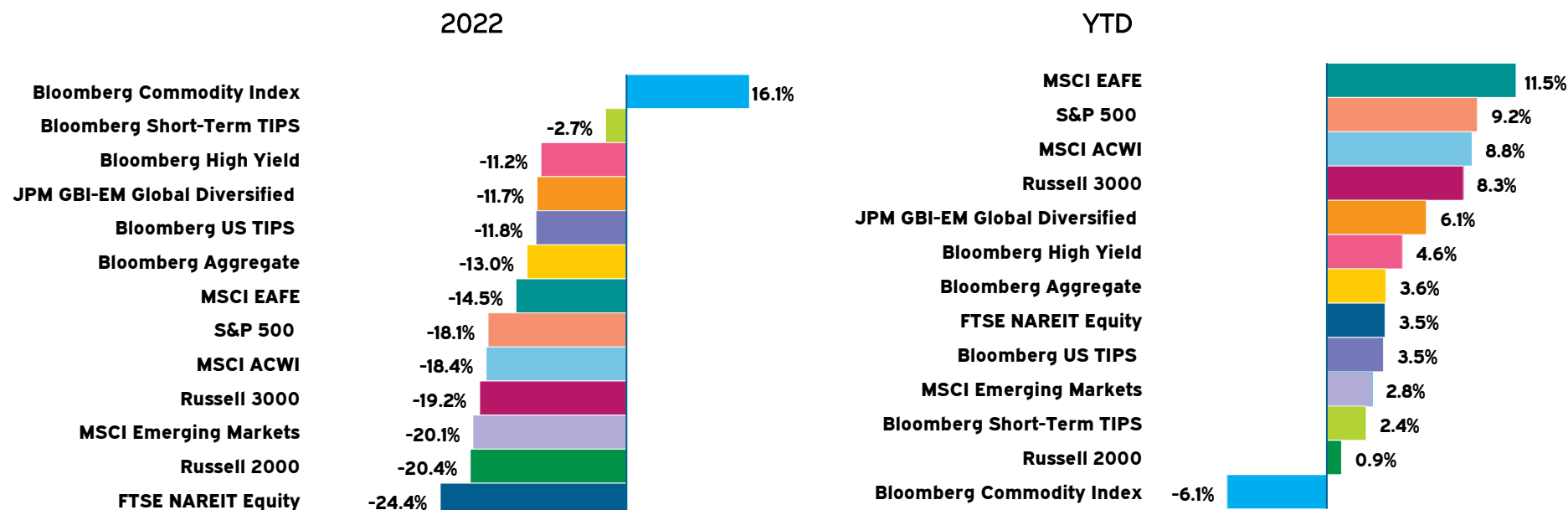
## **Economic and Market Update**

Data as of April 30, 2023

### Commentary

- Most asset classes added to first quarter gains in April as investors remained focused on slowing inflation and a potential end to rate hikes.
- The Fed increased interest rates for the tenth time after month-end, to a range of 5.0% - 5.25%, with this action largely expected to be their final hike.
  - Political struggles over the debt ceiling led to a significant increase in short-term rates and a historically high price of the cost to insure against defaults on US Treasuries.
  - US equity markets (Russell 3000) rose in April (+1.1%) adding to YTD gains (+8.3%). Some of the largest technology names drove positive results, with lingering issues in the banking sector (e.g., First Republic) weighing on parts of the equity markets.
  - Non-US developed equity markets also rallied in April (MSCI EAFE +2.8%) extending the outperformance relative to the US so far in 2023 (+11.5% versus +8.3%).
  - Emerging market equities fell in April (-1.1%) driven by declines in China (-5.2%). They significantly trail developed market equities YTD returning +2.8% partly due to higher US-China tensions.
  - After a strong March driven by the issues in the banking sector, bonds had more subdued gains in April, with the broad US bond market (Bloomberg Aggregate) gaining 0.6% for the month.
- This year, the path of inflation and monetary policy, slowing global growth, and the war in Ukraine, as well as recent pressures in regional banks and the looming debt ceiling breach in the US, will all be key.

### Index Returns<sup>1</sup>



- After a particularly difficult 2022, most public market assets are up in 2023, building on gains from the fourth quarter of last year.
- Risk sentiment has been supported by expectations that policy tightening could be ending soon, as inflation continues to fall and growth has slowed.

<sup>1</sup> Source: Bloomberg and FactSet. Data is as of April 30, 2023.

### Domestic Equity Returns<sup>1</sup>

Domestic Equity	April (%)	Q1 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	1.6	7.5	9.2	2.7	14.5	11.4	12.2
Russell 3000	1.1	7.2	8.3	1.5	14.1	10.6	11.7
Russell 1000	1.2	7.5	8.8	1.8	14.2	11.1	12.0
Russell 1000 Growth	1.0	14.4	15.5	2.3	13.6	13.8	14.5
Russell 1000 Value	1.5	1.0	2.5	1.2	14.4	7.7	9.1
Russell MidCap	-0.5	4.1	3.5	-1.7	13.8	8.0	9.9
Russell MidCap Growth	-1.4	9.1	7.6	1.6	9.2	9.0	10.8
Russell MidCap Value	0.0	1.3	1.3	-3.5	15.8	6.4	8.7
Russell 2000	-1.8	2.7	0.9	-3.6	11.9	4.1	7.9
Russell 2000 Growth	-1.2	6.1	4.8	0.7	7.8	4.0	8.4
Russell 2000 Value	-2.5	-0.7	-3.1	-8.0	15.5	3.7	7.0

### US Equities: Russell 3000 Index rose 1.1% in April and 8.3% YTD.

- US stocks rose in April as optimism over the Fed potentially ending its rate hiking campaign was mitigated by lingering concerns in the banking sector and slowing growth. Year-to-date gains in the US equity market remain strong though.
- Most sectors in the Russell 3000 index rose during the month, led by consumer staples and communication services. Growth stocks have significantly outperformed value stocks across the market capitalization spectrum this year, particularly in the large cap space due to technology stocks.
- The resurgence of large cap technology stocks is also driving the outperformance of the large cap indices versus the small cap indices. Weakness in the performance of small cap bank stocks is also contributing to results.

<sup>1</sup> Source: Bloomberg. Data is as of April 30, 2023.

### Foreign Equity Returns<sup>1</sup>

Foreign Equity	April (%)	Q1 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	1.7	6.9	8.7	3.0	9.8	2.5	4.0
MSCI EAFE	2.8	8.5	11.5	8.4	11.7	3.6	4.8
MSCI EAFE (Local Currency)	2.3	7.5	9.9	7.7	13.5	5.8	7.1
MSCI EAFE Small Cap	2.0	4.9	7.0	-1.2	9.2	1.0	5.7
MSCI Emerging Markets	-1.1	4.0	2.8	-6.5	4.3	-1.0	1.8
MSCI Emerging Markets (Local Currency)	-0.7	3.8	3.1	-3.9	5.5	1.5	5.0
MSCI China	-5.2	4.7	-0.7	-5.8	-6.3	-5.0	2.7

**Foreign Equity: Developed international equities (MSCI EAFE) rose 2.8% in April and 11.5% YTD. Emerging market equities (MSCI EM) fell -1.1% for the month but rose 2.8% YTD.**

- Non-US equities had mixed results in April with developed markets (MSCI EAFE) gaining and outpacing US equities (2.8% versus 1.1%) for the month, while emerging markets (MSCI Emerging Markets) were the one area that declined (-1.1%).
- Developed market equity gains were broad-based across European sectors, while financials and energy were strong in the UK. In Japan, further weakness in the yen continued to boost market sentiment.
- The decline in emerging market equities (-1.1%) was driven largely by China (-5.2%). An escalation in US-China tensions and mixed results from the reopening of their economy weighed on shares. Taiwan also experienced marked declines over geopolitical concerns and weakness in semiconductors, while India was a bright spot.

<sup>1</sup> Source: Bloomberg. Data is as of April 30, 2023.

### Fixed Income Returns<sup>1</sup>

Fixed Income	April (%)	Q1 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	0.6	2.9	3.6	-0.3	-2.5	1.3	1.6	4.8	6.3
Bloomberg Aggregate	0.6	3.0	3.6	-0.4	-3.2	1.2	1.3	4.4	6.5
Bloomberg US TIPS	0.1	3.3	3.5	-4.0	0.9	3.0	1.4	4.0	7.0
Bloomberg Short-term TIPS	0.2	2.2	2.4	-0.1	3.1	3.0	1.6	4.6	2.6
Bloomberg High Yield	1.0	3.6	4.6	1.2	4.7	3.3	4.0	8.5	4.2
JPM GBI-EM Global Diversified (USD)	0.9	5.2	6.1	6.6	-0.1	-1.6	-1.8	7.0	5.0

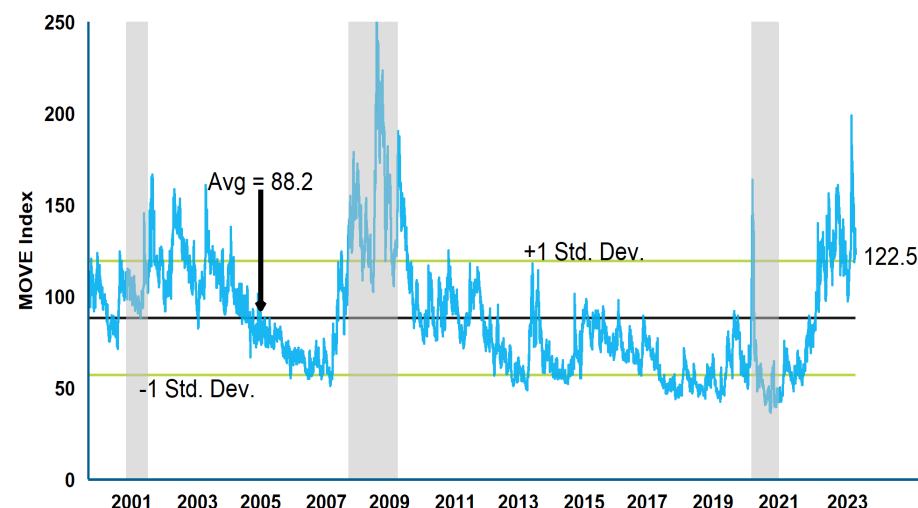
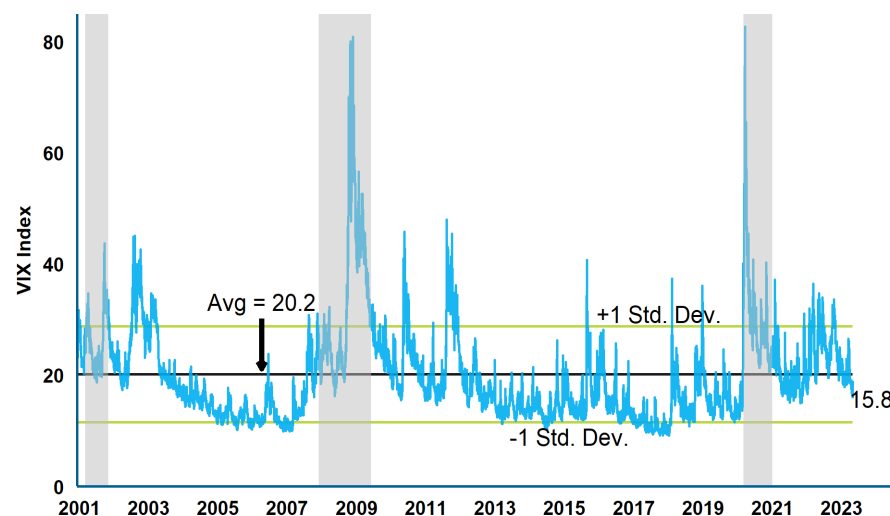
**Fixed Income: The Bloomberg Universal rose 0.6% in April and 3.6% YTD as global sovereign debt yields generally declined for major economies.**

- As issues in the banking sector from March eased, the US bond market had a calm April, with interest rates, outside of the very shortest maturities, remaining stable.
- The TIPS index and short-term TIPS index had gains for the month but trailed the broad US bond market (Bloomberg Aggregate).
- High yield bonds (+1.0%) had the best results for the month as they particularly benefited from support for the banking sector.

<sup>1</sup> Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of April 30, 2023. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.



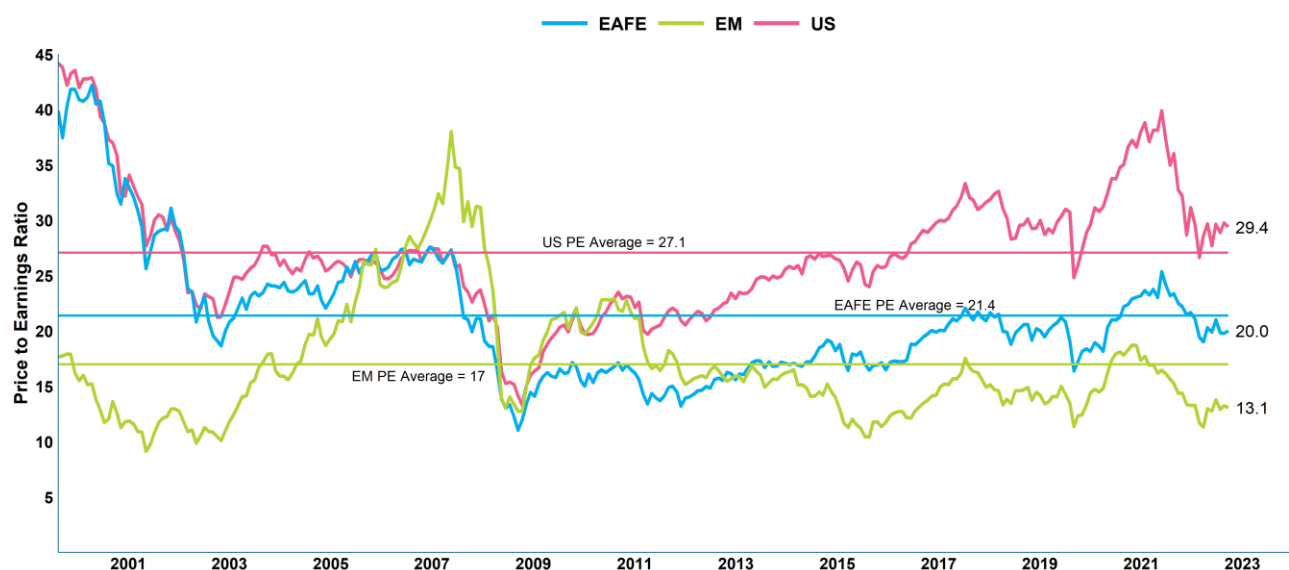
### Equity and Fixed Income Volatility<sup>1</sup>



- Volatility in equities (VIX) continued to decline in April, reaching levels not seen since late 2021 as investors anticipate the end of the Fed's policy tightening.
- In comparison, the bond market remains on edge after last year's historic losses and continued volatility in interest rates this year due to policy uncertainty and issues in the banking sector. The MOVE (fixed income volatility) remains well above its long-run average, but off its recent peak during the heart of the banking crises.

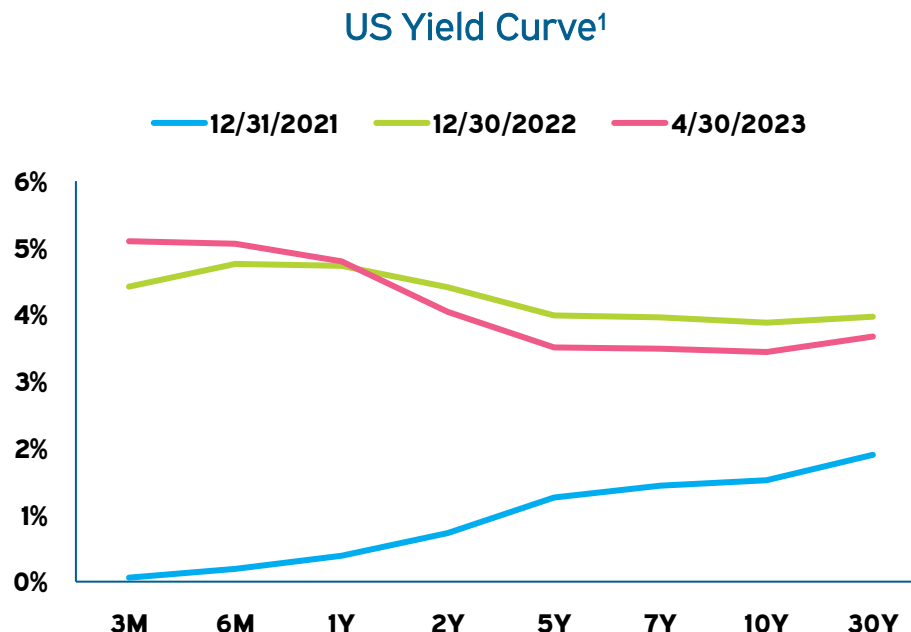
<sup>1</sup> Equity and Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of April 2023. The average line indicated is the average of the VIX and MOVE values between January 2000 and April 2023.

### Equity Cyclically Adjusted P/E Ratios<sup>1</sup>



- After its dramatic decline last year the US equity price-to-earnings ratio remains above its long-run (21st century) average.
- International developed market valuations are slightly below their own long-term average, with those for emerging markets the lowest and well under the long-term average.

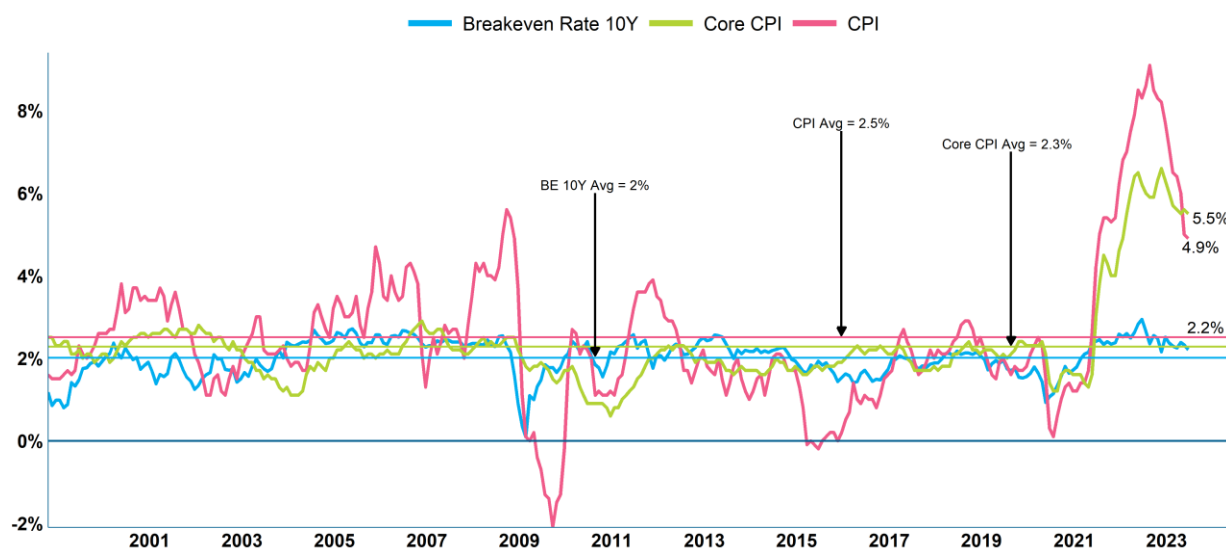
<sup>1</sup> US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of April 2023. The average line is the long-term average of the US, EM, and EAFE PE values from December 1999 to the recent month-end respectively.



- Interest rates have declined this year for maturities two years and beyond, given expectations for peaking policy, while the rates on the very shortest maturities increased due to debt ceiling concerns.
- During April, interest rates at the very front-end of the yield curve rose significantly as the debt ceiling debate continued while other maturities remained largely flat.
- After hitting -1.07% in early March, the yield spread between two-year and ten-year Treasuries finished the month largely unchanged at -0.59%. The more closely watched measure (by the Fed) of three-month and ten-year Treasuries remained inverted. Inversions in the yield curve have often preceded recessions.

<sup>1</sup> Source: Bloomberg. Data is as of April 30, 2023.

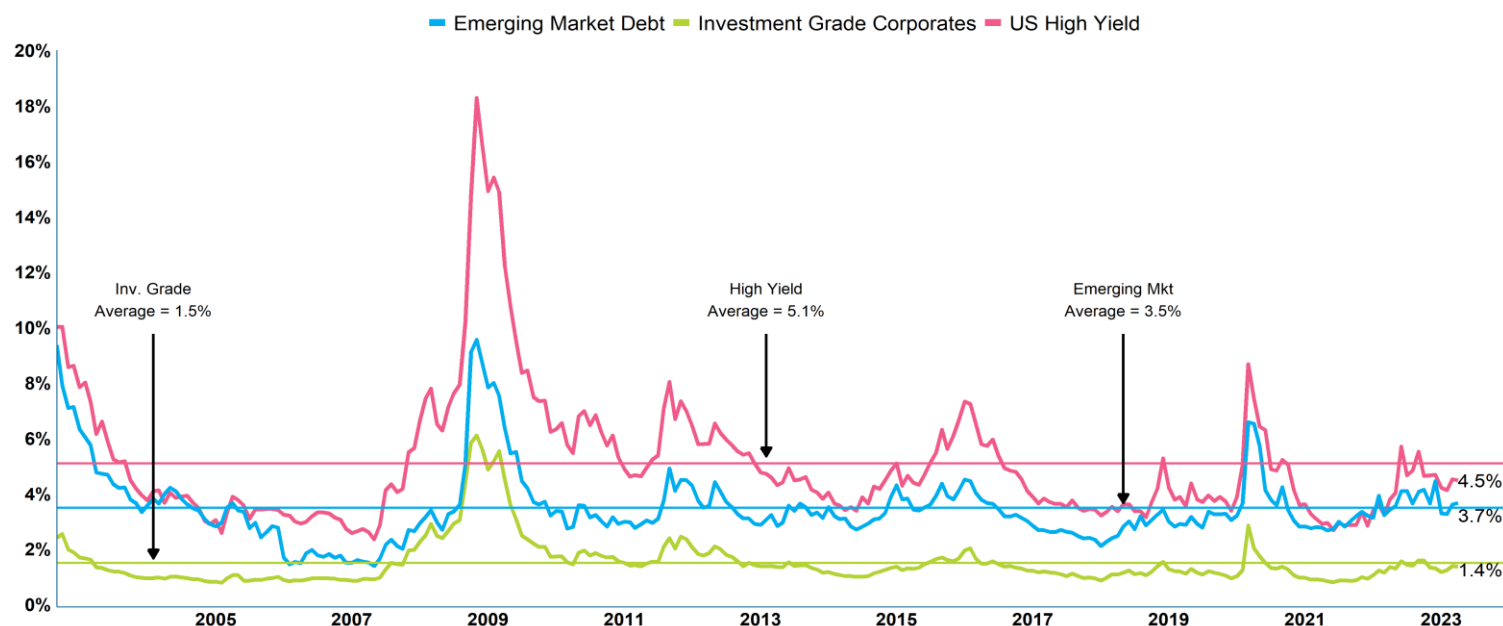
### Ten-Year Breakeven Inflation and CPI<sup>1</sup>



- Inflation continued to decline in April, with the year-over-year reading falling from 5.0% to 4.9% (slightly below expectations). The month-over-month rate of price increases was 0.4% (matching expectations), with food prices remaining flat, energy prices slightly increasing (0.6%), and all other areas rising 0.4% in aggregate.
- Core inflation – excluding food and energy – fell slightly (5.6% to 5.5%) but remained stubbornly high as the cost for shelter continued to rise.
- Inflation expectations (breakevens) declined very slightly for the month as investors continue to expect inflation to track back toward the Fed's 2% target.

<sup>1</sup> Source: Bloomberg. Data is as of April 30, 2023. The CPI and 10 Year Breakeven average lines denote the average values from August 1998 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

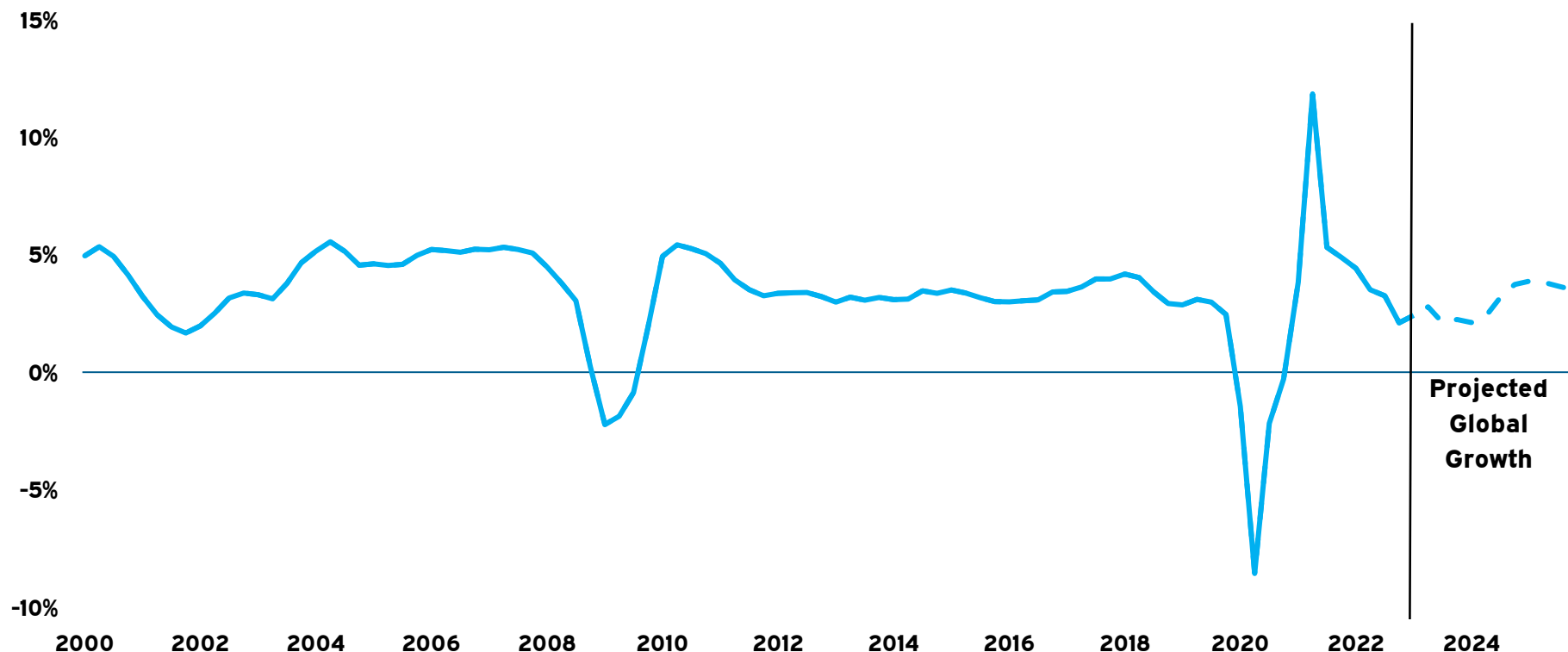
### Credit Spreads vs. US Treasury Bonds<sup>1</sup>



- Spreads (the added yield above a comparable maturity Treasury) were stable in April as concerns over the banking sector subsided and government and corporate bonds had similar gains.
- High yield spreads remain below the long-term average. Investment grade spreads and emerging market spreads are narrower than high yield spreads and close to their respective long-term averages.

<sup>1</sup> Sources: Bloomberg. Data is as of April 30, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from August 2000 to the recent month-end, respectively.

### Global Real Gross Domestic Product (GDP) Growth<sup>1</sup>

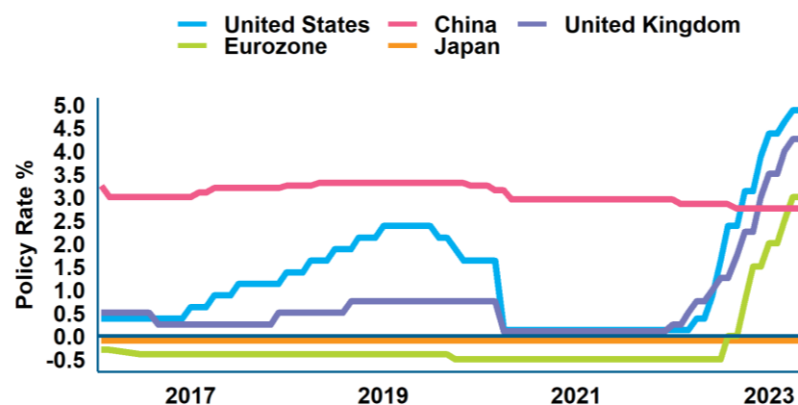


- Global economies are expected to slow this year compared to 2022, with risks of recession increasing given persistently high inflation and related tighter monetary policy.
- The delicate balancing act of central banks trying to reduce inflation without dramatically depressing growth will remain key.

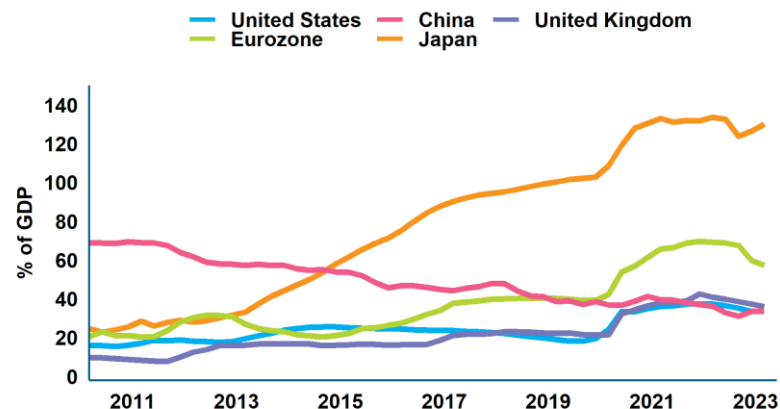
<sup>1</sup> Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, real, % change YoY). Updated April 2023.

### Central Bank Response<sup>1</sup>

**Policy Rates**



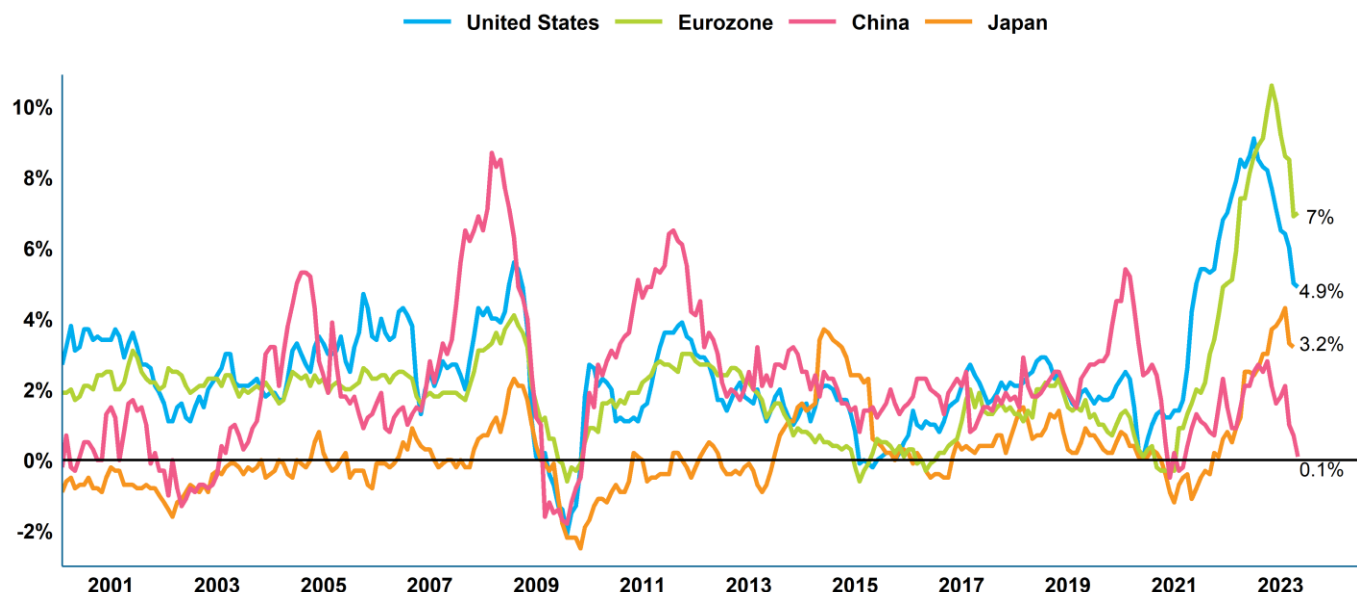
**Balance Sheet as % of GDP**



- In 2022, many central banks aggressively reduced pandemic-era policy support in the face of high inflation, with the US taking the most aggressive approach. Slowing inflation and recent signs of instability in the banking sector have led to expectations for the slowing of policy tightening going forward.
- Since month-end, the Fed remained committed to fighting inflation despite pressures in the banking sector, raising rates another 25 basis points to a range of 5.0% to 5.25% at its early May meeting. This is largely expected to be the Fed's last rate hike in this cycle.
- China's central bank is a notable exception. They are expected to maintain an accommodative monetary stance to support the economy.
- Looking ahead the risk remains for a policy error as central banks attempt to balance bringing down inflation, maintaining financial stability, and growth.

<sup>1</sup> Source: Bloomberg. Policy rate data is as of April 30, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of March 31, 2023.

### Inflation (CPI Trailing Twelve Months)<sup>1</sup>

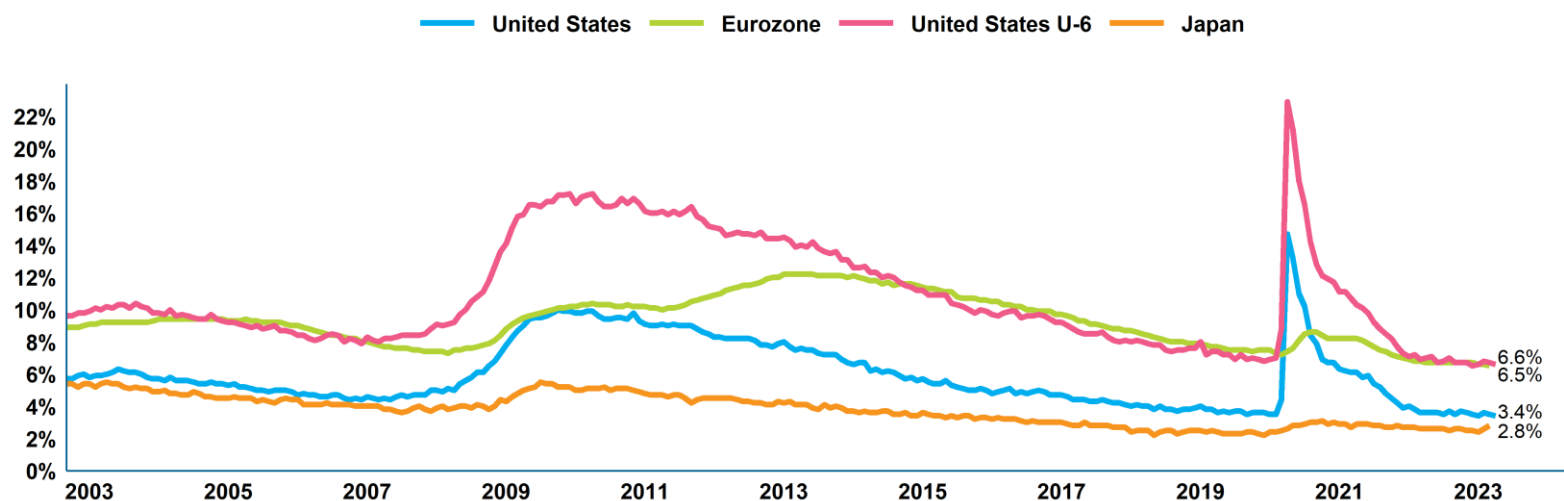


- Inflation pressures continued to decline globally due to the easing of supply chain issues from the pandemic, declining energy prices, and tighter monetary policy.
- In the US, inflation fell to 4.9% at month-end, while eurozone inflation increased slightly (7.0% versus 6.9%) a level well off its peak. Despite 2023's declines in the US and Europe, inflation levels remain elevated.
- Inflation remains relatively lower in China and Japan and has also declined recently. In China, inflation levels approached 0% at month-end as the reopening of their economy has led to an uneven economic recovery.

<sup>1</sup> Source: Bloomberg. Data is as April 30, 2023. The most recent Japanese inflation data is as of March 2023.



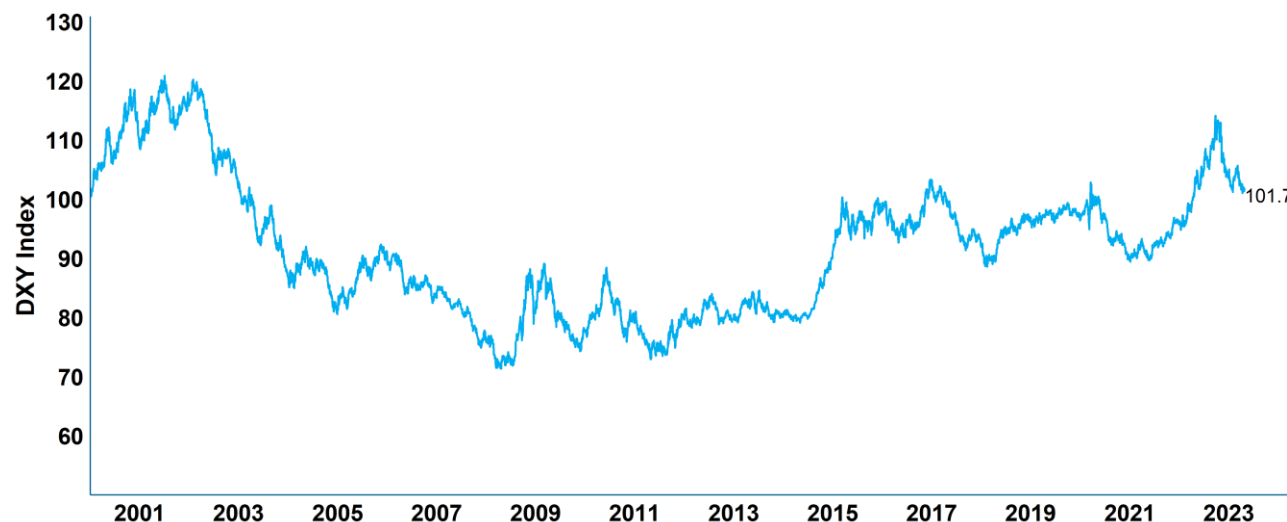
### Unemployment<sup>1</sup>



- Labor markets have significantly improved from the pandemic as economies have largely reopened.
- Despite slowing growth and high inflation, the US labor market remains a particular bright spot. Unemployment in the US, which experienced the steepest rise, recently returned to pre-pandemic levels. Broader measures of unemployment (U-6) remain higher at 6.6% but also declined dramatically from their peak.
- The strong labor market and higher wages, although beneficial for workers, motivates the Fed's efforts to fight inflation, likely leading to higher unemployment.
- Unemployment in Europe has also declined but remains higher than the US, while levels in Japan have been relatively flat through the pandemic given less layoffs.

<sup>1</sup> Source: Bloomberg. Data is as April 30, 2023, for the US. The most recent data for Eurozone and Japanese unemployment is as of March 2023.

### US Dollar versus Broad Currencies<sup>1</sup>



- The dollar finished 2022 much higher than it started, due to the increased pace of policy tightening, stronger relative growth, and safe-haven flows.
- Late last year and into early this year, the dollar has fallen, as weaker economic data and declining inflation led to investors anticipating the end of Fed tightening.
- This year, the track of inflation across economies and the corresponding monetary policies will likely be key drivers of currency moves.

<sup>1</sup> Source: Bloomberg. Data as of April 30, 2023.

## Summary

### Key Trends:

- The impacts of still relatively high inflation will remain key, with bond market volatility likely to stay high.
- Recent issues related to the banking sector have created a delicate balance for central banks to continue to fight inflation but also to try to maintain financial stability.
- Global monetary policies could diverge in 2023. The risk of policy errors remains elevated as central banks try to reduce persistent inflation while not tipping their economies into recession.
- Growth is expected to slow globally this year, with many economies forecast to tip into recession. Inflation, monetary policy, and the war will all be key.
- In the US, the end of many fiscal programs is expected to put the burden of continued growth on consumers. Costs for shelter, medical care, and education could continue to rise, keeping 'sticky price' inflation at elevated levels.
- The key for US equities going forward will be whether earnings can remain resilient if growth continues to slow.
- Equity valuations remain lower in both emerging and developed markets, but risks remain, including potential continued strength in the US dollar, higher inflation weighing particularly on Europe, and China's rushed exit from COVID-19 restrictions and on-going weakness in the real estate sector.

## **Executive Summary**

### **As of March 31, 2023**

The value of the San Jose Federated Retiree Health Care Trust's assets was \$371.5 million on March 31, 2023, compared to \$361.4 million at the end of the prior quarter. The Trust had \$5.2 million of net cash outflows for the quarter, and \$15.3 million of investment gains during the three-month period.

- The Health Care Trust's net of fees performance was +4.0% for the quarter, outperforming the Policy Benchmark return of +3.7%. Over the trailing one-year period, the Trust returned -4.3%, outperforming the Policy Benchmark return of -5.1%. The Trust ranked in or near the top third of the peer group for the quarter, fiscal year-to-date, 3-year, 5-year, and since inception periods.
- Growth returned +7.2% for the quarter and -6.8% over the trailing one-year period. The Public Equity Benchmark returned +6.6% for the quarter and -7.4% over the trailing one-year period.
  - Low Beta returned +1.1% for the quarter and +2.7% over the trailing one-year period, in line with the ICE Bank of America Merrill Lynch 91 Days T-Bill TR benchmark over the quarter and the trailing one-year period.
  - Other assets returned -0.4% for the quarter and -2.1% over the trailing one-year period. The Other Benchmark returned -0.4% for the quarter and -3.4% for the one-year period.
- The Health Care Trust had one manager change and one manager liquidation during the quarter. In Commodities, Credit Suisse Risk Parity Commodity Fund was sold and BlackRock Commodities Index was purchased. Also, Cove Street Small Cap Value (U.S. Equity) was liquidated.

## First Quarter Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Meketa Recommendation <sup>1</sup>	Comments
Artisan Global Value	Global Equity	---	---	---
Artisan Global Opportunities	Global Equity	---	---	---
Cove Street Small Cap Value	US Equity	---	---	---
BlackRock Core Property	Core Real Estate	---	---	---
Clarion Lion Properties	Core Real Estate	---	---	---
Clarion Lion Industrial Trust	Core Real Estate	---	---	---
TA Realty Core Property	Core Real Estate	---	---	---
Credit Suisse Risk Parity	Commodities	---	---	---

<sup>1</sup> The Meketa Investment Group recommendations are based on organizational or resource changes at each manager.

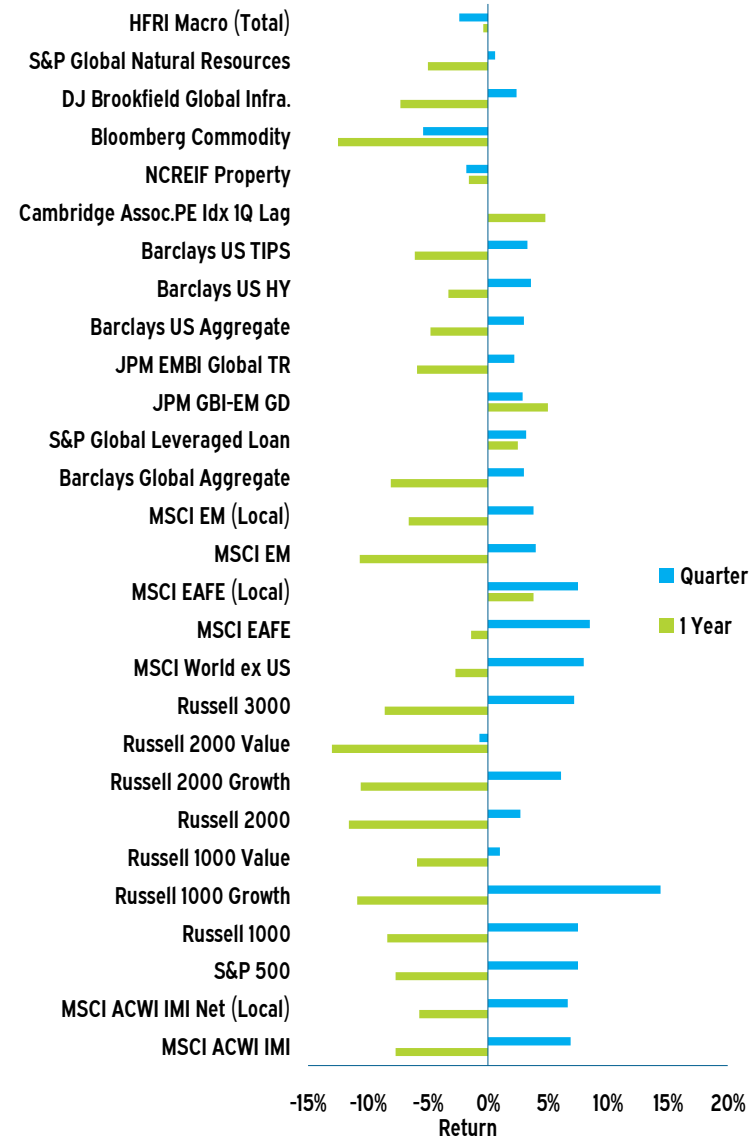
Watch List<sup>1,2</sup>

Investment Manager	Asset Class	Watch List Status	Comments
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<sup>1</sup> Watch List excludes Private Markets and Passive Funds.  
<sup>2</sup> Placement on the Watch List includes qualitative reasons and manager underperformance versus the appropriate benchmark over a three and or five year period as outlined in the Investment Policy Statement.

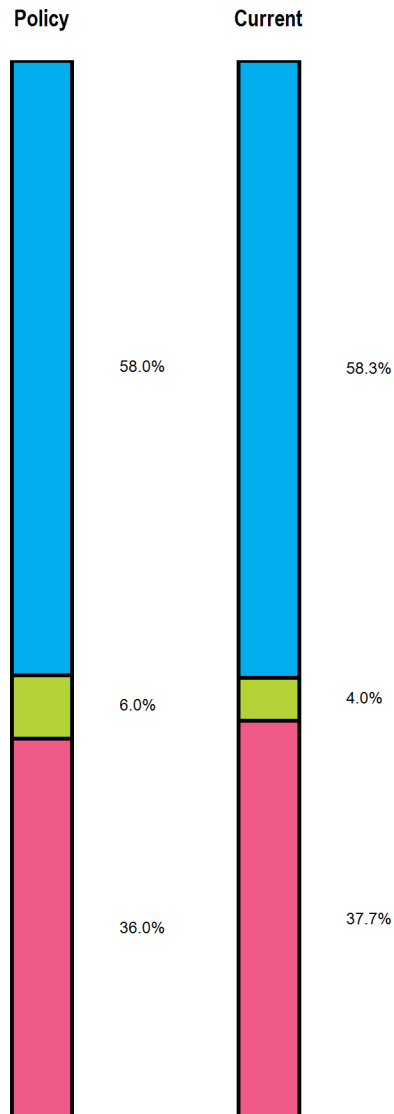
### Market Environment – 1Q23 Overview

Benchmark	Scope	1Q23 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
<b>Global Equity</b>						
MSCI ACWI IMI	World	6.9	-7.7	15.6	6.6	7.9
MSCI ACWI IMI Net (Local)	World (Local Currency)	6.7	-5.7	16.1	7.8	9.1
<b>Domestic Equity</b>						
S&P 500	Large Core	7.5	-7.7	18.6	11.2	12.2
Russell 1000	Large Core	7.5	-8.4	18.6	10.9	12.0
Russell 1000 Growth	Large Growth	14.4	-10.9	18.6	13.7	14.6
Russell 1000 Value	Large Value	1.0	-5.9	17.9	7.5	9.1
Russell 2000	Small Core	2.7	-11.6	17.5	4.7	8.0
Russell 2000 Growth	Small Growth	6.1	-10.6	13.4	4.3	8.5
Russell 2000 Value	Small Value	-0.7	-13.0	21.0	4.5	7.2
Russell 3000	All Cap Core	7.2	-8.6	18.5	10.4	11.7
<b>International Equity</b>						
MSCI World ex US	World ex-US	8.0	-2.7	13.5	3.8	4.9
MSCI EAFE	International Developed	8.5	-1.4	13.0	3.5	5.0
MSCI EAFE (Local)	International Developed (Local Currency)	7.5	3.8	14.6	6.2	7.3
MSCI EM	Emerging Markets	4.0	-10.7	7.8	-0.9	2.0
MSCI EM (Local)	Emerging Markets (Local Currency)	3.8	-6.6	8.8	1.9	5.0
<b>Global Fixed Income</b>						
Barclays Global Aggregate	Global Core Bonds	3.0	-8.1	-3.4	-1.3	0.1
S&P Global Leveraged Loan	Bank Loans	3.2	2.5	8.5	3.1	3.5
JPM GBI-EM GD	Emerging Markets Bonds (Local Currency)	2.9	5.0	1.0	2.9	4.5
JPM EMBI Global TR	Emerging Market Bonds	2.2	-5.9	0.3	-0.2	1.8
<b>Domestic Fixed Income</b>						
Barclays US Aggregate	Core Bonds	3.0	-4.8	-2.8	0.9	1.4
Barclays US HY	High Yield	3.6	-3.3	5.9	3.2	4.1
Barclays US TIPS	Inflation	3.3	-6.1	1.8	2.9	1.5
<b>Other</b>						
Cambridge AssociatesPE Index 1Qtr Lag	Private Equity	0.0	4.8	24.8	22.1	18.1
NCREIF Property	Real Estate	-1.8	-1.6	7.2	6.7	8.3
Bloomberg Commodity	Commodities	-5.4	-12.5	20.8	5.4	-1.7
DJ Brookfield Global Infrastructure	Infrastructure	2.4	-7.3	10.5	6.0	5.8
S&P Global Natural Resources	Natural Resources	0.6	-5.0	27.7	7.8	5.1
HFRI Macro	Hedge Funds	-2.4	-0.4	7.0	4.6	2.7





## 1Q23 Review



Allocation vs. Targets and Policy			
	Current Balance	Current Allocation	Policy
<b>Growth</b>	<b>\$216,506,010</b>	<b>58.3%</b>	<b>58.0%</b>
Public Equity	\$216,506,010	58.3%	58.0%
<b>Low Beta</b>	<b>\$14,980,556</b>	<b>4.0%</b>	<b>6.0%</b>
Short-Term IG Bonds	\$13,029,354	3.5%	6.0%
Cash	\$1,951,202	0.5%	0.0%
<b>Other</b>	<b>\$140,015,574</b>	<b>37.7%</b>	<b>36.0%</b>
Core Real Estate	\$51,640,779	13.9%	12.0%
Commodities	\$17,501,021	4.7%	5.0%
Investment Grade Bonds	\$52,941,712	14.3%	14.0%
Long-Term Government Bonds	\$17,932,062	4.8%	5.0%
<b>Total</b>	<b>\$371,502,141</b>	<b>100.0%</b>	<b>100.0%</b>

#### Asset Class Net Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund Aggregate</b>	<b>371,502,141</b>	<b>100.0</b>	<b>4.0</b>	<b>5.6</b>	<b>-4.3</b>	<b>9.6</b>	<b>4.4</b>	<b>4.6</b>	<b>Jul-11</b>
<i>Policy Benchmark</i>			3.7	5.1	-5.1	9.6	4.5	5.0	Jul-11
<i>InvMetrics Health &amp; Welfare Net Median</i>			3.4	3.1	-3.8	4.3	3.6	4.1	Jul-11
<i>InvMetrics Health &amp; Welfare Net Rank</i>			27	11	60	10	26	34	Jul-11
<b>Growth</b>	<b>216,506,010</b>	<b>58.3</b>	<b>7.2</b>	<b>9.6</b>	<b>-6.8</b>	<b>14.4</b>	<b>5.5</b>	<b>8.6</b>	<b>Dec-11</b>
<i>Public Equity Benchmark</i>			6.6	9.3	-7.4	14.7	6.3	8.9	Dec-11
<b>Public Equity</b>	<b>216,506,010</b>	<b>58.3</b>	<b>7.2</b>	<b>9.6</b>	<b>-6.8</b>	<b>14.4</b>	<b>5.5</b>	<b>8.6</b>	<b>Dec-11</b>
<i>Public Equity Benchmark</i>			6.6	9.3	-7.4	14.7	6.3	8.9	Dec-11
<b>Global Equity</b>	<b>37,404,288</b>	<b>10.1</b>	<b>9.5</b>	<b>11.7</b>	<b>-6.9</b>	<b>13.8</b>	<b>2.7</b>	<b>4.9</b>	<b>Jul-15</b>
<i>MSCI ACWI IMI Net USD</i>			6.9	9.7	-7.7	15.6	6.6	7.4	Jul-15
<b>U.S. Equity</b>	<b>89,112,018</b>	<b>24.0</b>	<b>7.0</b>	<b>9.6</b>	<b>-8.7</b>	<b>18.6</b>	<b>10.3</b>	<b>10.4</b>	<b>Jul-15</b>
<i>Russell 3000</i>			7.2	9.7	-8.6	18.5	10.4	10.7	Jul-15
<b>International Equity</b>	<b>49,777,218</b>	<b>13.4</b>	<b>8.3</b>	<b>15.4</b>	<b>0.1</b>	<b>13.2</b>	<b>3.7</b>	<b>4.6</b>	<b>Jul-15</b>
<i>MSCI EAFE</i>			8.5	15.4	-1.4	13.0	3.5	4.3	Jul-15
<b>Emerging Markets Equity</b>	<b>40,212,486</b>	<b>10.8</b>	<b>4.2</b>	<b>0.9</b>	<b>-10.4</b>	<b>7.6</b>	<b>-1.6</b>	<b>2.1</b>	<b>Jul-15</b>
<i>MSCI Emerging Markets</i>			4.0	0.8	-10.7	7.8	-0.9	2.6	Jul-15

Fiscal Year begins July 1.

Please see the Appendix for composition of the Policy Benchmark and Public Equity Benchmark.

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
<b>Low Beta</b>	<b>14,980,556</b>	<b>4.0</b>	<b>1.1</b>	<b>2.5</b>	<b>2.7</b>	<b>0.9</b>	<b>1.4</b>	<b>0.7</b>	<b>Jul-11</b>
ICE BofA 91 Days T-Bills TR			1.1	2.4	2.5	0.9	1.4	0.8	Jul-11
<b>Cash</b>	<b>1,951,202</b>	<b>0.5</b>	<b>0.9</b>	<b>2.2</b>	<b>2.3</b>	<b>0.7</b>	<b>1.2</b>	<b>0.6</b>	<b>Jul-11</b>
ICE BofA 91 Days T-Bills TR			1.1	2.4	2.5	0.9	1.4	0.8	Jul-11
<b>Short-Term IG Bonds</b>	<b>13,029,354</b>	<b>3.5</b>	<b>1.2</b>	<b>2.7</b>	<b>2.9</b>	<b>1.0</b>	<b>--</b>	<b>1.5</b>	<b>Oct-18</b>
ICE BofA 91 Days T-Bills TR			1.1	2.4	2.5	0.9	--	1.4	Oct-18
<b>Other</b>	<b>140,015,574</b>	<b>37.7</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-2.1</b>	<b>7.5</b>	<b>4.4</b>	<b>3.4</b>	<b>Jul-15</b>
Other Benchmark			-0.4	-1.6	-3.4	6.7	2.9	3.2	Jul-15
<b>Core Real Estate</b>	<b>51,640,779</b>	<b>13.9</b>	<b>-4.8</b>	<b>2.9</b>	<b>10.8</b>	<b>10.6</b>	<b>9.2</b>	<b>8.3</b>	<b>Jul-15</b>
Core Real Estate Benchmark			-5.2	-0.6	6.5	8.7	7.3	7.7	Jul-15
<b>Commodities</b>	<b>17,501,021</b>	<b>4.7</b>	<b>-3.6</b>	<b>0.0</b>	<b>-8.7</b>	<b>20.8</b>	<b>7.2</b>	<b>2.2</b>	<b>Jan-15</b>
Bloomberg Commodity Index TR USD			-5.4	-7.2	-12.5	20.8	5.4	1.2	Jan-15
<b>Investment Grade Bonds</b>	<b>52,941,712</b>	<b>14.3</b>	<b>2.9</b>	<b>-0.1</b>	<b>-4.8</b>	<b>-3.5</b>	<b>-2.0</b>	<b>-5.6</b>	<b>Jun-21</b>
Bloomberg US Aggregate TR			3.0	-0.1	-4.8	-2.8	0.9	-5.4	Jun-21
<b>Long-Term Government Bonds</b>	<b>17,932,062</b>	<b>4.8</b>	<b>6.7</b>	<b>-4.6</b>	<b>-15.8</b>	<b>--</b>	<b>--</b>	<b>-11.0</b>	<b>Jun-21</b>
Bloomberg US Treasury Long TR			6.2	-4.6	-16.0	--	--	-11.1	Jun-21

Please see the Appendix for composition of the Other Benchmark.

### Trailing Net Performance

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
<b>Total Fund Aggregate</b>	<b>371,502,141</b>	<b>100.0</b>	<b>4.0</b>	<b>5.6</b>	<b>-4.3</b>	<b>9.6</b>	<b>4.4</b>	<b>4.6</b>	<b>Jul-11</b>
<i>Policy Benchmark</i>			3.7	5.1	-5.1	9.6	4.5	5.0	Jul-11
<i>InvMetrics Health &amp; Welfare Net Median</i>			3.4	3.1	-3.8	4.3	3.6	4.1	Jul-11
<i>InvMetrics Health &amp; Welfare Net Rank</i>			27	11	60	10	26	34	Jul-11
<b>Growth</b>	<b>216,506,010</b>	<b>58.3</b>	<b>7.2</b>	<b>9.6</b>	<b>-6.8</b>	<b>14.4</b>	<b>5.5</b>	<b>8.6</b>	<b>Dec-11</b>
<i>Public Equity Benchmark</i>			6.6	9.3	-7.4	14.7	6.3	8.9	Dec-11
<b>Public Equity</b>	<b>216,506,010</b>	<b>58.3</b>	<b>7.2</b>	<b>9.6</b>	<b>-6.8</b>	<b>14.4</b>	<b>5.5</b>	<b>8.6</b>	<b>Dec-11</b>
<i>Public Equity Benchmark</i>			6.6	9.3	-7.4	14.7	6.3	8.9	Dec-11
<b>Global Equity</b>	<b>37,404,288</b>	<b>10.1</b>	<b>9.5</b>	<b>11.7</b>	<b>-6.9</b>	<b>13.8</b>	<b>2.7</b>	<b>4.9</b>	<b>Jul-15</b>
<i>MSCI ACWI IMI Net USD</i>			6.9	9.7	-7.7	15.6	6.6	7.4	Jul-15
Artisan Global Value	20,849,856	5.6	9.8	12.4	-2.6	18.7	5.4	6.3	Jun-15
<i>MSCI ACWI Value NR USD</i>			1.2	6.8	-5.5	15.2	4.3	4.9	Jun-15
<i>eV All Global Equity Net Median</i>			6.6	10.4	-6.2	15.3	6.9	7.0	Jun-15
<i>eV All Global Equity Net Rank</i>			17	27	17	20	71	64	Jun-15
Artisan Global Opportunities	16,554,432	4.5	9.1	10.9	-11.9	--	--	3.3	Jul-20
<i>MSCI ACWI Growth NR USD</i>			13.8	12.7	-10.0	--	--	7.0	Jul-20
<i>eV All Global Equity Net Median</i>			6.6	10.4	-6.2	15.3	6.9	9.6	Jul-20
<i>eV All Global Equity Net Rank</i>			22	44	82	--	--	90	Jul-20

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
<b>U.S. Equity</b>	<b>89,112,018</b>	<b>24.0</b>	<b>7.0</b>	<b>9.6</b>	<b>-8.7</b>	<b>18.6</b>	<b>10.3</b>	<b>10.4</b>	<b>Jul-15</b>
<i>Russell 3000</i>			7.2	9.7	-8.6	18.5	10.4	10.7	Jul-15
Northern Trust Russell 3000	89,112,017	24.0	7.0	9.6	-8.7	18.4	10.4	10.3	Jun-15
<i>Russell 3000</i>			7.2	9.7	-8.6	18.5	10.4	10.3	Jun-15
Cove Street Small Cap Value	0	0.0	9.9	14.5	-4.8	25.2	6.9	6.3	Jun-15
<i>Russell 2000 Value</i>			-0.7	2.7	-13.0	21.0	4.5	6.1	Jun-15
<i>eV US Small Cap Value Equity Net Median</i>			2.0	7.9	-6.9	23.1	5.6	6.5	Jun-15
<i>eV US Small Cap Value Equity Net Rank</i>			2	7	35	32	31	57	Jun-15
<b>International Equity</b>	<b>49,777,218</b>	<b>13.4</b>	<b>8.3</b>	<b>15.4</b>	<b>0.1</b>	<b>13.2</b>	<b>3.7</b>	<b>4.6</b>	<b>Jul-15</b>
<i>MSCI EAFE</i>			8.5	15.4	-1.4	13.0	3.5	4.3	Jul-15
Northern Trust EAFE Index	49,777,218	13.4	8.3	15.4	0.1	13.2	3.7	--	Jul-15
<i>MSCI EAFE</i>			8.5	15.4	-1.4	13.0	3.5	--	Jul-15
<b>Emerging Markets Equity</b>	<b>40,212,486</b>	<b>10.8</b>	<b>4.2</b>	<b>0.9</b>	<b>-10.4</b>	<b>7.6</b>	<b>-1.6</b>	<b>2.1</b>	<b>Jul-15</b>
<i>MSCI Emerging Markets</i>			4.0	0.8	-10.7	7.8	-0.9	2.6	Jul-15
Northern Trust MSCI EM	40,212,486	10.8	4.2	0.9	-10.4	7.6	--	0.8	Aug-18
<i>MSCI Emerging Markets</i>			4.0	0.8	-10.7	7.8	--	0.9	Aug-18

Total Fund | As of March 31, 2023

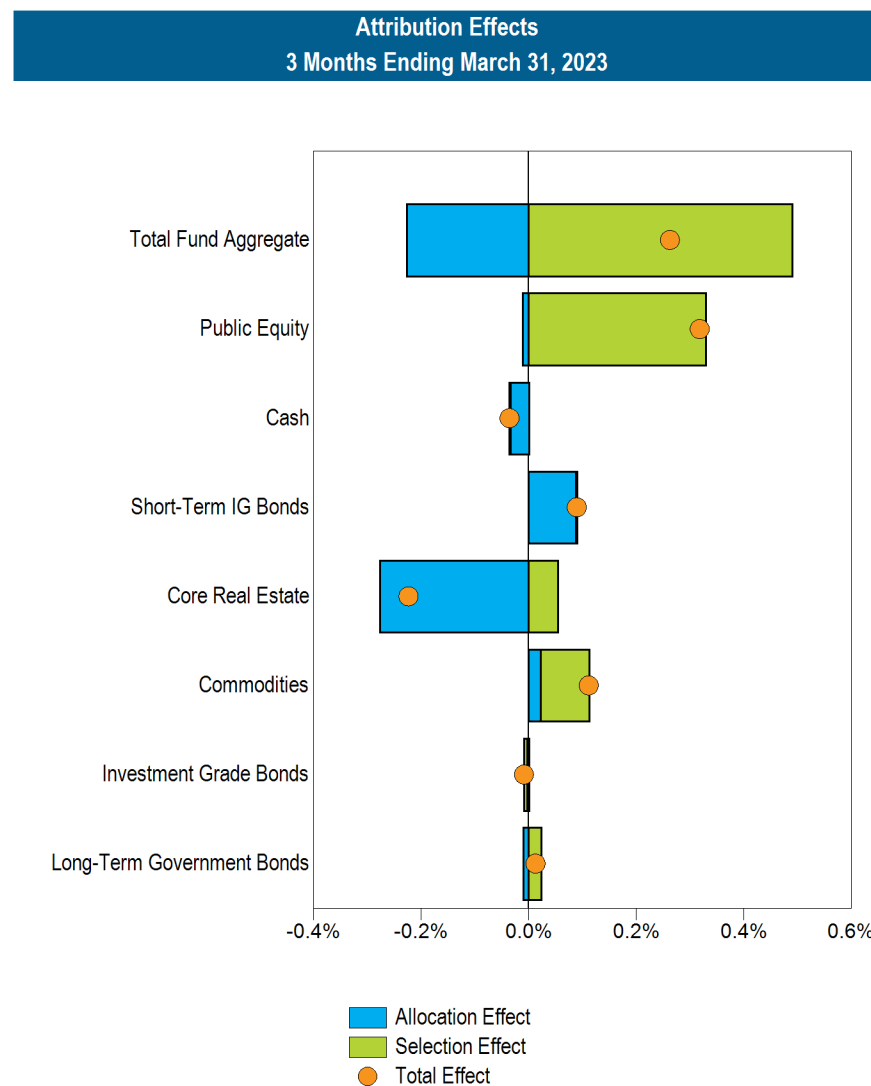
	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
<b>Low Beta</b>	<b>14,980,556</b>	<b>4.0</b>	<b>1.1</b>	<b>2.5</b>	<b>2.7</b>	<b>0.9</b>	<b>1.4</b>	<b>0.7</b>	<b>Jul-11</b>
ICE BofA 91 Days T-Bills TR			1.1	2.4	2.5	0.9	1.4	0.8	Jul-11
<b>Cash</b>	<b>1,951,202</b>	<b>0.5</b>	<b>0.9</b>	<b>2.2</b>	<b>2.3</b>	<b>0.7</b>	<b>1.2</b>	<b>0.6</b>	<b>Jul-11</b>
ICE BofA 91 Days T-Bills TR			1.1	2.4	2.5	0.9	1.4	0.8	Jul-11
<b>Short-Term IG Bonds</b>	<b>13,029,354</b>	<b>3.5</b>	<b>1.2</b>	<b>2.7</b>	<b>2.9</b>	<b>1.0</b>	<b>--</b>	<b>1.5</b>	<b>Oct-18</b>
ICE BofA 91 Days T-Bills TR			1.1	2.4	2.5	0.9	--	1.4	Oct-18
BlackRock 3-Month T-Bill	13,029,354	3.5	1.2	2.7	2.9	1.0	--	1.5	Oct-18
ICE BofA 91 Days T-Bills TR			1.1	2.4	2.5	0.9	--	1.4	Oct-18
<b>Other</b>	<b>140,015,574</b>	<b>37.7</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-2.1</b>	<b>7.5</b>	<b>4.4</b>	<b>3.4</b>	<b>Jul-15</b>
Other Benchmark			-0.4	-1.6	-3.4	6.7	2.9	3.2	Jul-15
<b>Core Real Estate</b>	<b>51,640,779</b>	<b>13.9</b>	<b>-4.8</b>	<b>2.9</b>	<b>10.8</b>	<b>10.6</b>	<b>9.2</b>	<b>8.3</b>	<b>Jul-15</b>
Core Real Estate Benchmark			-5.2	-0.6	6.5	8.7	7.3	7.7	Jul-15
BlackRock Core Property Fund	10,069,979	2.7	-3.9	5.6	13.8	11.6	--	10.0	Feb-19
Core Real Estate Benchmark 2			-5.2	-0.6	6.5	8.7	--	7.4	Feb-19
Clarion Lion Properties Fund	15,252,373	4.1	-5.4	2.0	9.0	10.2	--	9.3	May-19
Core Real Estate Benchmark			-5.2	-0.6	6.5	8.7	--	7.6	May-19
Clarion Lion Industrial Trust	4,850,739	1.3	-1.4	10.6	22.0	--	--	22.5	Oct-21
Core Real Estate Benchmark 3			-5.2	-0.6	6.5	--	--	9.6	Oct-21
TA Realty Core Property Fund	21,467,687	5.8	-5.6	0.7	9.0	--	--	11.9	Oct-21
Core Real Estate Benchmark 3			-5.2	-0.6	6.5	--	--	9.6	Oct-21

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
<b>Commodities</b>	<b>17,501,021</b>	<b>4.7</b>	<b>-3.6</b>	<b>0.0</b>	<b>-8.7</b>	<b>20.8</b>	<b>7.2</b>	<b>2.2</b>	<b>Jan-15</b>
Bloomberg Commodity Index TR USD			-5.4	-7.2	-12.5	20.8	5.4	1.2	Jan-15
Credit Suisse Risk Parity Commodity Fund	0	0.0	-3.7	-0.1	-8.8	20.7	6.8	-0.2	Aug-11
Bloomberg Commodity Index TR USD			-5.4	-7.2	-12.5	20.8	5.4	-2.9	Aug-11
BlackRock Commodities Index	17,501,021	4.7	--	--	--	--	--	--	Jan-23
<b>Investment Grade Bonds</b>	<b>52,941,712</b>	<b>14.3</b>	<b>2.9</b>	<b>-0.1</b>	<b>-4.8</b>	<b>-3.5</b>	<b>-2.0</b>	<b>-5.6</b>	<b>Jun-21</b>
Bloomberg US Aggregate TR			3.0	-0.1	-4.8	-2.8	0.9	-5.4	Jun-21
Northern Trust Core Bonds	52,941,712	14.3	2.9	-0.1	-4.8	--	--	-5.6	Jun-21
Bloomberg US Aggregate TR			3.0	-0.1	-4.8	--	--	-5.4	Jun-21
<b>Long-Term Government Bonds</b>	<b>17,932,062</b>	<b>4.8</b>	<b>6.7</b>	<b>-4.6</b>	<b>-15.8</b>	<b>--</b>	<b>--</b>	<b>-11.0</b>	<b>Jun-21</b>
Bloomberg US Treasury Long TR			6.2	-4.6	-16.0	--	--	-11.1	Jun-21
BlackRock Long Treasury	17,932,062	4.8	6.7	-4.6	-15.8	--	--	-13.3	Jun-21
Bloomberg US Treasury Long TR			6.2	-4.6	-16.0	--	--	-13.4	Jun-21



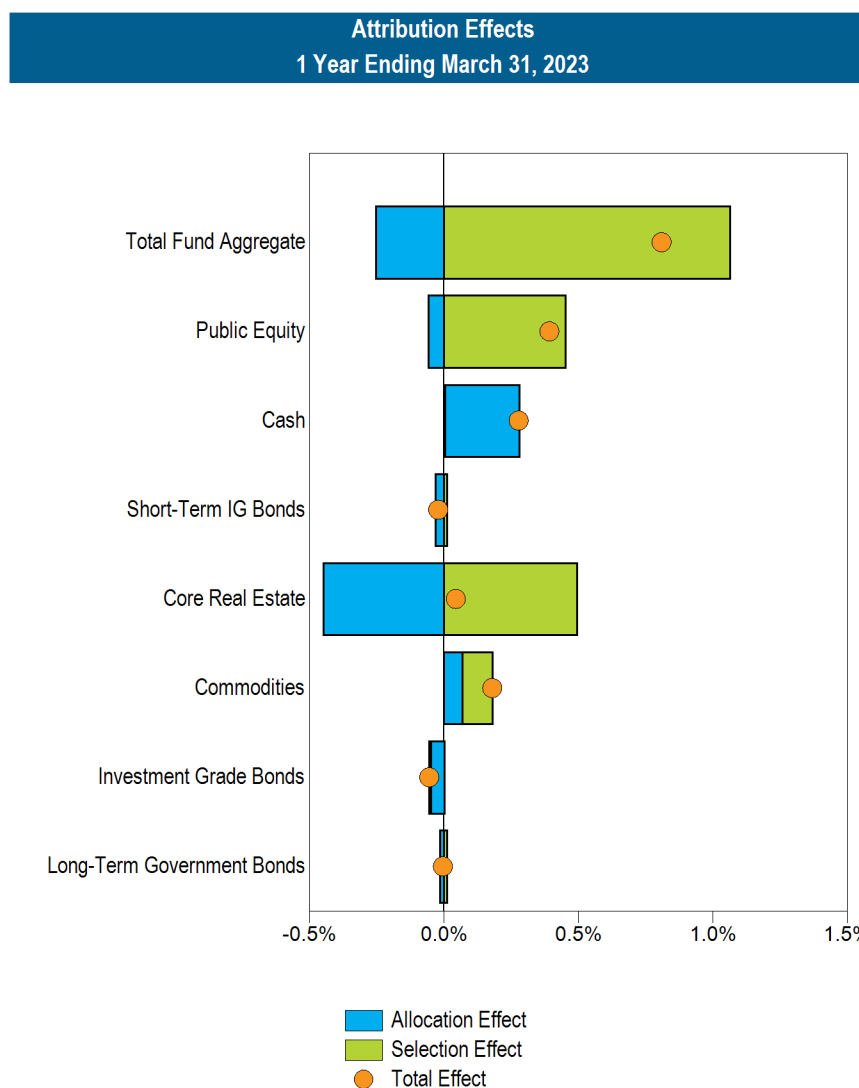
Cash Flow Summary						
QTD Ending March 31, 2023						
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Artisan Global Value	\$18,980,712	\$0	\$0	\$0	\$1,869,144	\$20,849,856
Artisan Global Opportunities	\$15,175,375	\$0	\$0	\$0	\$1,379,057	\$16,554,432
Northern Trust Russell 3000	\$86,187,803	\$6,000,000	-\$9,005,387	-\$3,005,387	\$5,929,601	\$89,112,017
Cove Street Small Cap Value	\$2,318,052	\$0	-\$2,495,632	-\$2,495,632	\$177,581	\$0
Northern Trust EAFE Index	\$49,672,439	\$0	-\$4,003,725	-\$4,003,725	\$4,108,505	\$49,777,218
Northern Trust MSCI EM	\$38,583,786	\$0	\$0	\$0	\$1,628,700	\$40,212,486
Internal Cash Account	\$3,653,648	\$41,474,008	-\$43,212,538	-\$1,738,531	\$36,085	\$1,951,202
BlackRock 3-Month T-Bill	\$6,459,991	\$13,000,000	-\$6,500,000	\$6,500,000	\$69,362	\$13,029,354
BlackRock Core Property Fund	\$10,582,095	\$0	-\$101,717	-\$101,717	-\$410,399	\$10,069,979
Clarion Lion Properties Fund	\$16,212,679	\$0	-\$96,606	-\$96,606	-\$863,700	\$15,252,373
Clarion Lion Industrial Trust	\$4,937,032	\$0	-\$15,288	-\$15,288	-\$71,005	\$4,850,739
TA Realty Core Property Fund	\$22,950,796	\$0	-\$216,845	-\$216,845	-\$1,266,264	\$21,467,687
Credit Suisse Risk Parity Commodity Fund	\$17,432,434	\$0	-\$16,788,566	-\$16,788,566	-\$643,868	\$0
BlackRock Commodities Index	--	\$16,788,566	\$0	\$16,788,566	\$712,455	\$17,501,021
Northern Trust Core Bonds	\$51,436,511	\$0	\$0	\$0	\$1,505,201	\$52,941,712
BlackRock Long Treasury	\$16,811,530	\$0	\$0	\$0	\$1,120,533	\$17,932,062
<b>Total</b>	<b>\$361,394,883</b>	<b>\$77,262,574</b>	<b>-\$82,436,305</b>	<b>-\$5,173,731</b>	<b>\$15,280,989</b>	<b>\$371,502,141</b>

Attribution Summary						
3 Months Ending March 31, 2023						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Public Equity	7.2%	6.6%	0.6%	0.3%	0.0%	0.3%
Cash	0.9%	1.1%	-0.2%	0.0%	0.0%	0.0%
Short-Term IG Bonds	1.2%	1.1%	0.1%	0.0%	0.1%	0.1%
Core Real Estate	-4.8%	-5.2%	0.4%	0.1%	-0.3%	-0.2%
Commodities	-3.6%	-5.4%	1.8%	0.1%	0.0%	0.1%
Investment Grade Bonds	2.9%	3.0%	0.0%	0.0%	0.0%	0.0%
Long-Term Government Bonds	6.7%	6.2%	0.5%	0.0%	0.0%	0.0%
<b>Total</b>	<b>4.1%</b>	<b>3.8%</b>	<b>0.3%</b>	<b>0.5%</b>	<b>-0.2%</b>	<b>0.3%</b>



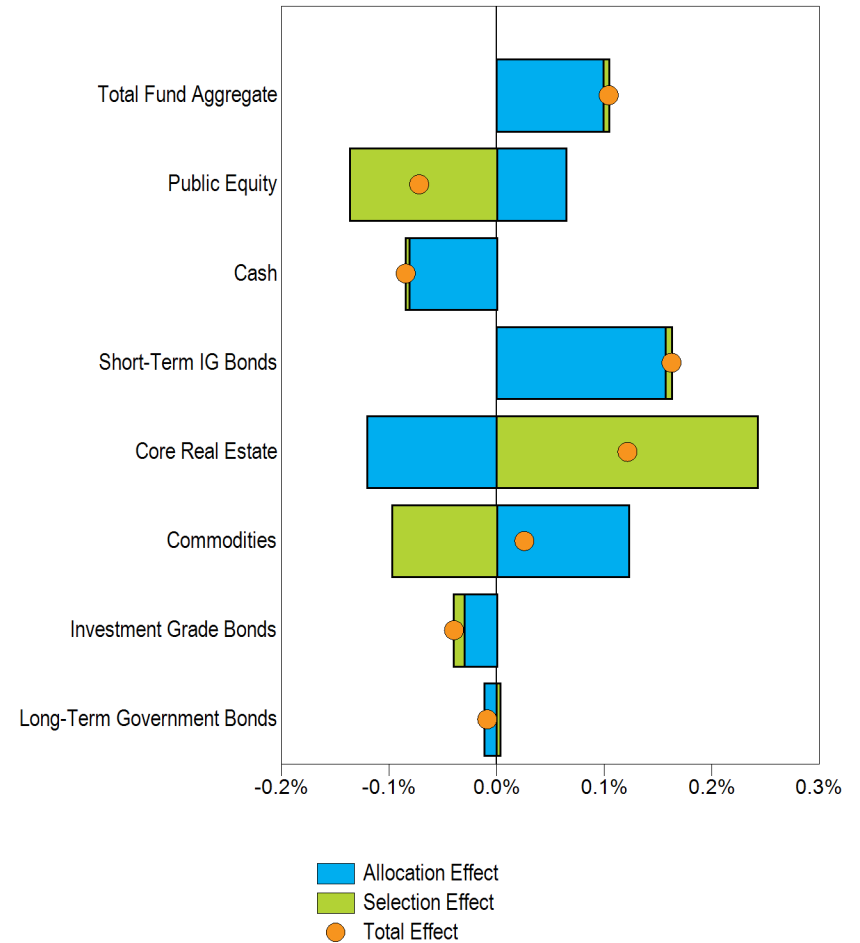
Difference in attribution returns and returns in the performance summary may occur as a result of the different calculation methodologies that are applied by InvestorForce.

Attribution Summary						
1 Year Ending March 31, 2023						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Public Equity	-6.8%	-7.4%	0.6%	0.4%	-0.1%	0.4%
Cash	2.3%	2.5%	-0.2%	0.0%	0.3%	0.3%
Short-Term IG Bonds	2.9%	2.5%	0.4%	0.0%	0.0%	0.0%
Core Real Estate	10.8%	6.5%	4.2%	0.5%	-0.4%	0.0%
Commodities	-8.7%	-12.5%	3.8%	0.1%	0.1%	0.2%
Investment Grade Bonds	-4.8%	-4.8%	0.0%	0.0%	0.0%	-0.1%
Long-Term Government Bonds	-15.8%	-16.0%	0.2%	0.0%	0.0%	0.0%
<b>Total</b>	<b>-4.3%</b>	<b>-5.1%</b>	<b>0.8%</b>	<b>1.1%</b>	<b>-0.3%</b>	<b>0.8%</b>

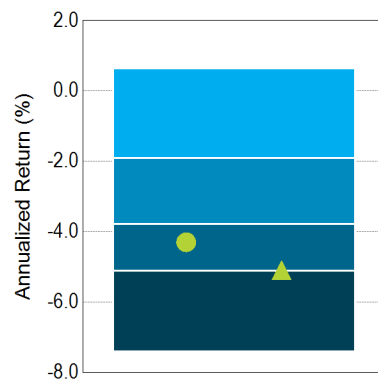


Attribution Summary						
3 Years Ending March 31, 2023						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Public Equity	14.4%	14.7%	-0.3%	-0.1%	0.1%	-0.1%
Cash	0.7%	0.9%	-0.2%	0.0%	-0.1%	-0.1%
Short-Term IG Bonds	1.0%	0.9%	0.1%	0.0%	0.2%	0.2%
Core Real Estate	10.6%	8.7%	1.9%	0.2%	-0.1%	0.1%
Commodities	20.8%	20.8%	0.0%	-0.1%	0.1%	0.0%
Investment Grade Bonds	-3.5%	-2.8%	-0.7%	0.0%	0.0%	0.0%
Long-Term Government Bonds	-6.9%	-11.3%	4.5%	0.0%	0.0%	0.0%
<b>Total</b>	<b>9.5%</b>	<b>9.4%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.1%</b>

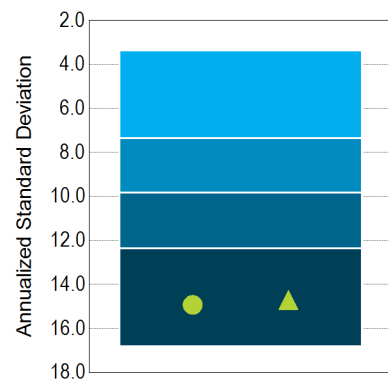
### Attribution Effects 3 Years Ending March 31, 2023



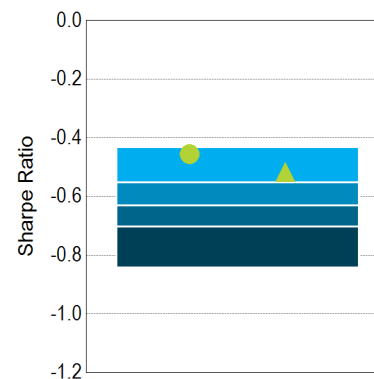
Annualized Return (%)  
vs. InvMetrics Health & Welfare Net



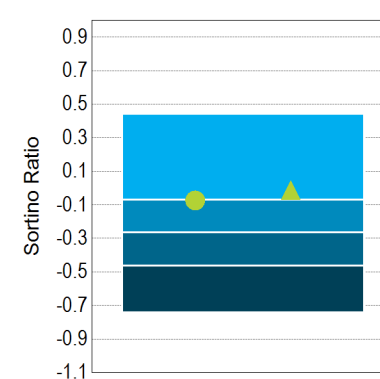
Annualized Standard Deviation  
vs. InvMetrics Health & Welfare Net



Sharpe Ratio  
vs. InvMetrics Health & Welfare Net



Sortino Ratio  
vs. InvMetrics Health & Welfare Net



● Total Fund Aggregate

Value -4.3  
Rank 60

▲ Policy Benchmark

Value -5.1  
Rank 75

Universe

5th %tile 0.6  
25th %tile -1.9  
Median -3.8  
75th %tile -5.1  
95th %tile -7.4

● Total Fund Aggregate

Value 14.9  
Rank 89

▲ Policy Benchmark

Value 14.7  
Rank 89

Universe

5th %tile 3.4  
25th %tile 7.3  
Median 9.8  
75th %tile 12.3  
95th %tile 16.8

● Total Fund Aggregate

Value -0.5  
Rank 8

▲ Policy Benchmark

Value -0.5  
Rank 17

Universe

5th %tile -0.4  
25th %tile -0.5  
Median -0.6  
75th %tile -0.7  
95th %tile -0.8

● Total Fund Aggregate

Value -0.1  
Rank 27

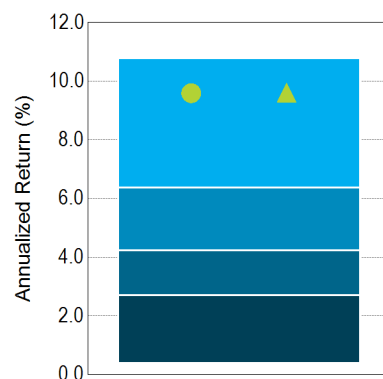
▲ Policy Benchmark

Value 0.0  
Rank 22

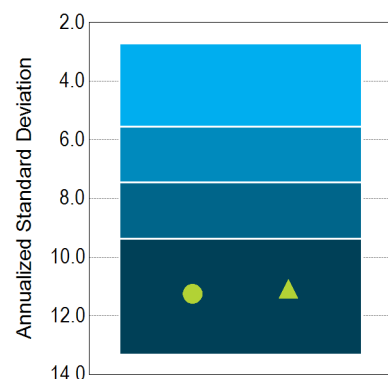
Universe

5th %tile 0.4  
25th %tile -0.1  
Median -0.3  
75th %tile -0.5  
95th %tile -0.7

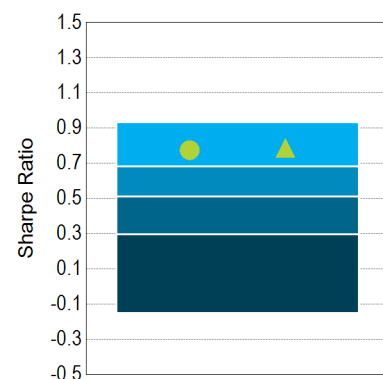
Annualized Return (%)  
vs. InvMetrics Health & Welfare Net



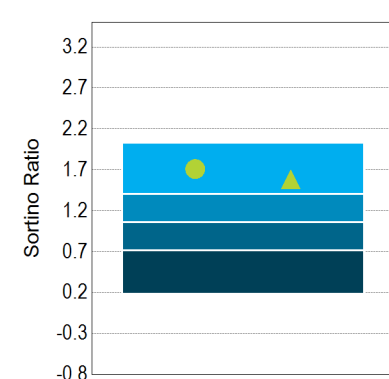
Annualized Standard Deviation  
vs. InvMetrics Health & Welfare Net



Sharpe Ratio  
vs. InvMetrics Health & Welfare Net



Sortino Ratio  
vs. InvMetrics Health & Welfare Net



● Total Fund Aggregate

Value 9.6  
Rank 10

▲ Policy Benchmark

Value 9.6  
Rank 10

Universe

5th %tile 10.8  
25th %tile 6.4  
Median 4.3  
75th %tile 2.7  
95th %tile 0.4

● Total Fund Aggregate

Value 11.3  
Rank 88

▲ Policy Benchmark

Value 11.1  
Rank 87

Universe

5th %tile 2.7  
25th %tile 5.5  
Median 7.4  
75th %tile 9.3  
95th %tile 13.3

● Total Fund Aggregate

Value 0.8  
Rank 16

▲ Policy Benchmark

Value 0.8  
Rank 14

Universe

5th %tile 0.9  
25th %tile 0.7  
Median 0.5  
75th %tile 0.3  
95th %tile -0.1

● Total Fund Aggregate

Value 1.7  
Rank 12

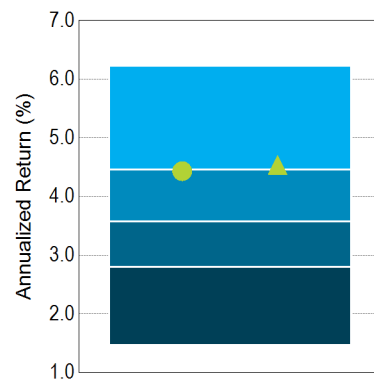
▲ Policy Benchmark

Value 1.6  
Rank 18

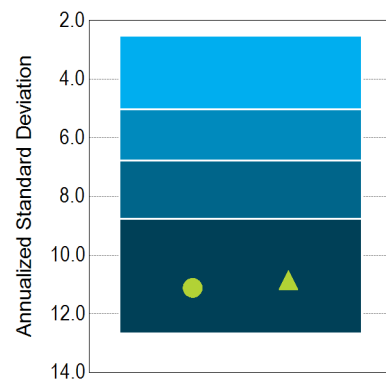
Universe

5th %tile 2.0  
25th %tile 1.4  
Median 1.1  
75th %tile 0.7  
95th %tile 0.2

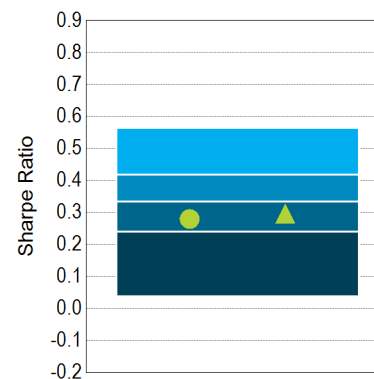
Annualized Return (%)  
vs. InvMetrics Health & Welfare Net



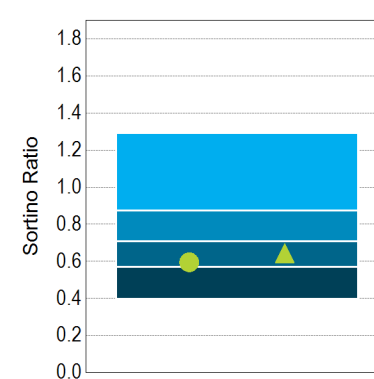
Annualized Standard Deviation  
vs. InvMetrics Health & Welfare Net



Sharpe Ratio  
vs. InvMetrics Health & Welfare Net



Sortino Ratio  
vs. InvMetrics Health & Welfare Net



● Total Fund Aggregate

Value	4.4
Rank	26
▲ Policy Benchmark	
Value	4.5
Rank	24

Universe	
5th %tile	6.2
25th %tile	4.5
Median	3.6
75th %tile	2.8
95th %tile	1.5

● Total Fund Aggregate

Value	11.1
Rank	88
▲ Policy Benchmark	
Value	10.8
Rank	87

Universe	
5th %tile	2.5
25th %tile	5.0
Median	6.7
75th %tile	8.8
95th %tile	12.7

● Total Fund Aggregate

Value	0.3
Rank	69
▲ Policy Benchmark	
Value	0.3
Rank	63

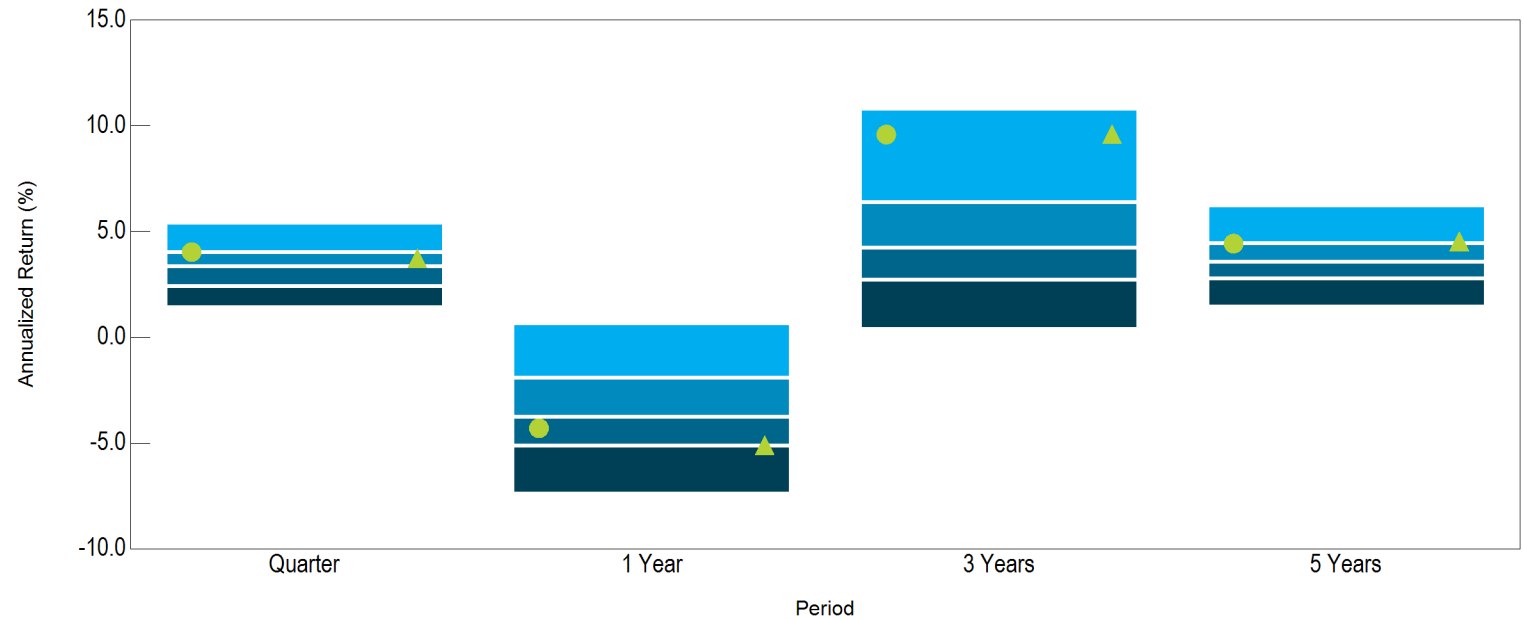
Universe	
5th %tile	0.6
25th %tile	0.4
Median	0.3
75th %tile	0.2
95th %tile	0.0

● Total Fund Aggregate

Value	0.6
Rank	72
▲ Policy Benchmark	
Value	0.6
Rank	62

Universe	
5th %tile	1.3
25th %tile	0.9
Median	0.7
75th %tile	0.6
95th %tile	0.4

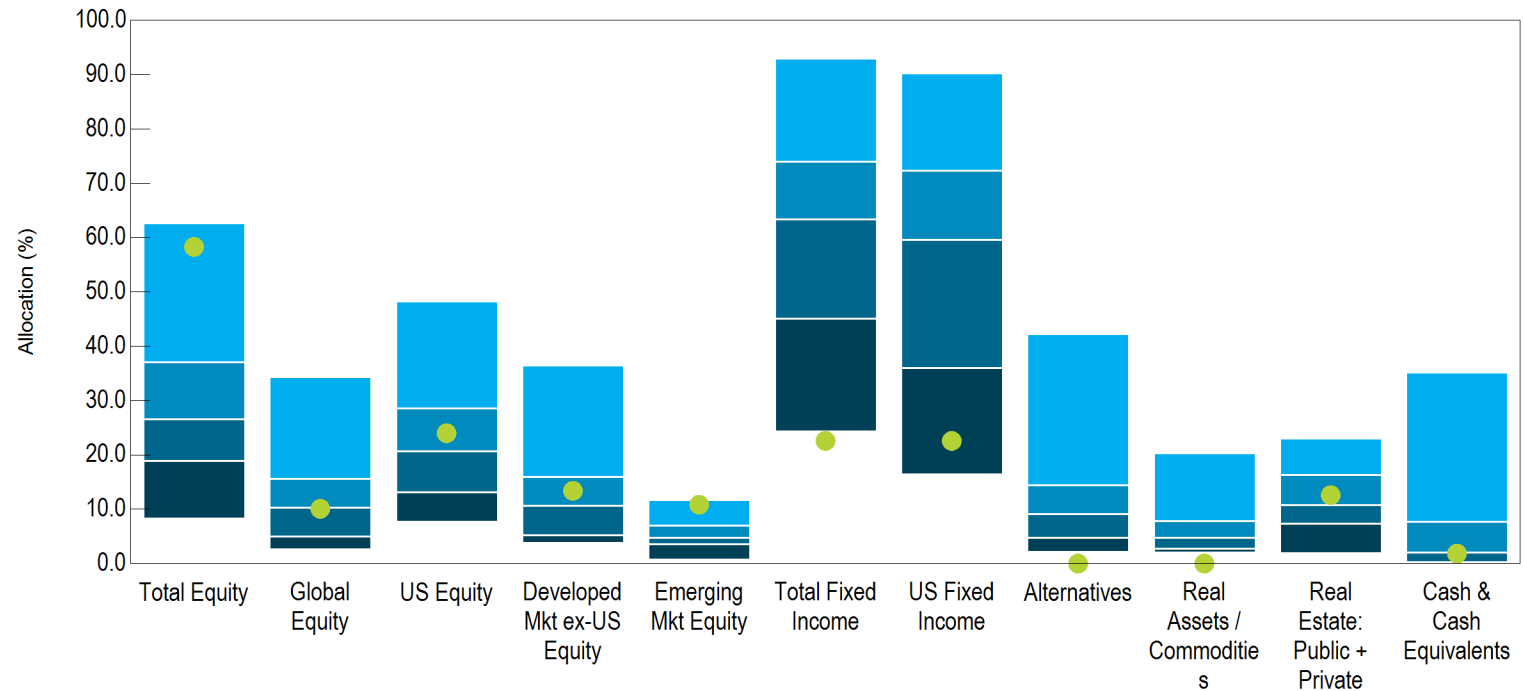
### InvMetrics Health & Welfare Net Return Comparison Ending March 31, 2023



	Return (Rank)							
5th Percentile	5.4		0.6		10.8		6.2	
25th Percentile	4.0		-1.9		6.4		4.5	
Median	3.4		-3.8		4.3		3.6	
75th Percentile	2.4		-5.1		2.7		2.8	
95th Percentile	1.4		-7.4		0.4		1.5	
# of Portfolios	370		367		353		337	
● Total Fund Aggregate	4.0	(27)	-4.3	(60)	9.6	(10)	4.4	(26)
▲ Policy Benchmark	3.7	(37)	-5.1	(75)	9.6	(10)	4.5	(24)



Total Plan Allocation vs. InvMetrics Health & Welfare Net  
As of March 31, 2023



	Allocation											
5th Percentile	62.6	34.3	48.3	36.5	11.7	93.0	90.2	42.2	20.3	23.0	35.1	--
25th Percentile	37.2	15.7	28.7	16.1	7.1	74.1	72.4	14.5	7.9	16.4	7.8	--
Median	26.7	10.4	20.8	10.8	4.8	63.5	59.7	9.2	4.9	10.9	2.2	--
75th Percentile	19.0	5.1	13.2	5.4	3.6	45.2	36.1	4.8	2.9	7.4	0.3	--
95th Percentile	8.4	2.7	7.8	4.0	0.8	24.4	16.6	2.3	2.2	2.1	0.0	--
# of Portfolios	287	29	245	16	26	330	292	64	36	104	261	--
● Total Fund Aggregate Rank	58.3	10.1	24.0	13.4	10.8	22.6	22.6	0.0	0.0	12.6	1.8	--
	9	51	40	42	7	97	92	99	99	38	56	

Alternatives group includes Real Assets.

### Benchmark History

#### Total Fund Aggregate

5/1/2022	Present	30% Russell 3000 / 16% MSCI EAFE / 12% MSCI Emerging Markets / 6% ICE BofA 91 Days T-Bills TR / 14% Bloomberg US Aggregate TR / 5% Bloomberg US Treasury Long TR / 12% Core Real Estate Benchmark / 5% Bloomberg Commodity Index TR USD
5/1/2021	4/30/2022	30% Russell 3000 / 14% MSCI EAFE / 15% MSCI Emerging Markets / 21% 91 Day T-Bills / 2.5% Bloomberg US Aggregate TR / 2.5% Bloomberg US Treasury Long TR / 10% Core Real Estate Benchmark / 5% Bloomberg Commodity Index TR USD
10/1/2018	4/30/2021	28% Russell 3000 / 13% MSCI EAFE / 15% MSCI Emerging Markets / 29% ICE BofA 91 Days T-Bills TR / 10% NCREIF ODCE Equal Weighted / 5% Bloomberg Commodity Index TR USD
5/1/2018	9/30/2018	55% MSCI ACWI IMI Net USD / 28% Bloomberg Global Aggregate TR / 5% Bloomberg Commodity Index TR USD / 4% S&P Global Natural Resources Index TR USD / 8% NCREIF ODCE Equal Weighted (Net)
7/1/2011	4/30/2018	46.7% MSCI ACWI IMI Net USD / 30.3% Bloomberg Global Aggregate TR / 6% Bloomberg Commodity Index TR USD / 5% S&P Global Natural Resources Index TR USD / 7% NCREIF ODCE Equal Weighted (Net) / 5% DJ Brookfield Global Infrastructure Net TR USD

#### Growth

5/1/2022	Present	51.7% Russell 3000 / 27.61% MSCI EAFE / 20.7% MSCI Emerging Markets
10/1/2018	4/30/2022	50% Russell 3000 / 23.21% MSCI EAFE / 26.79% MSCI Emerging Markets
12/1/2011	9/30/2018	MSCI ACWI IMI Net USD

#### Public Equity

5/1/2022	Present	51.7% Russell 3000 / 27.61% MSCI EAFE / 20.7% MSCI Emerging Markets
10/1/2018	4/30/2022	50% Russell 3000 / 23.21% MSCI EAFE / 26.79% MSCI Emerging Markets
12/1/2011	9/30/2018	MSCI ACWI IMI Net USD

#### Global Equity

7/1/2015	Present	MSCI ACWI IMI Net USD
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#### U.S. Equity

7/1/2015	Present	Russell 3000
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#### International Equity

7/1/2015	Present	MSCI EAFE
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#### Emerging Markets Equity

7/1/2015	Present	MSCI Emerging Markets
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#### Low Beta

7/1/2011	Present	ICE BofA 91 Days T-Bills TR
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Cash		
7/1/2011	Present	ICE BofA 91 Days T-Bills TR
Short-Term IG Bonds		
10/1/2018	Present	ICE BofA 91 Days T-Bills TR
Other		
5/1/2021	Present	12.5% Bloomberg US Aggregate TR / 12.5% Bloomberg US Treasury Long TR / 50% Core Real Estate Benchmark / 25% Bloomberg Commodity Index TR USD
10/1/2018	4/30/2021	66.67% NCREIF-ODCE / 33.33% Bloomberg Commodity Index TR USD
5/1/2018	9/30/2018	62.22% Bloomberg Global Aggregate TR / 17.78% NCREIF Property Index / 11.11% Bloomberg Commodity Index TR USD / 88.9% S&P Global Natural Resources Index TR USD
7/1/2015	4/30/2018	56.85% Bloomberg Global Aggregate TR / 13.13% NCREIF Property Index / 11.26% Bloomberg Commodity Index TR USD / 93.8% S&P Global Natural Resources Index TR USD / 93.8% DJ Brookfield Global Infrastructure Net TR USD
Core Real Estate		
7/1/2015	Present	Core Real Estate Benchmark
Commodities		
1/1/2015	Present	Bloomberg Commodity Index TR USD
Natural Resources		
6/1/2015	Present	S&P Global Natural Resources Index TR USD
Infrastructure		
6/1/2015	Present	DJ Brookfield Global Infrastructure Net TR USD
Investment Grade Bonds		
6/1/2021	Present	Bloomberg US Aggregate TR
TIPS		
3/1/2017	Present	100% Bloomberg US Treasury TIPS 0-5 Yr TR
Long-Term Government Bonds		
6/1/2021	Present	Bloomberg US Treasury Long TR

## **Glossary and Notes**

**Credit Risk:** Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

**Duration:** Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

**Information Ratio:** This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

**Jensen's Alpha:** A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk.  $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} \times (\text{market return} - \text{Risk Free Rate})]$ .

**Market Capitalization:** For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

**Market Weighted:** Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

**Maturity:** The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

**Prepayment Risk:** The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

**Price-Book Value (P/B) Ratio:** The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

**Price-Earnings (P/E) Ratio:** A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

**Quality Rating:** The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

**Sharpe Ratio:** A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

**STIF Account:** Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

**Standard Deviation:** A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

**Style:** The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

**Tracking Error:** A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

**Yield to Maturity:** The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

**Yield to Worst:** The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

**NCREIF Property Index (NPI):** Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

**NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE):** Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.

The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.