

CITY OF GROSSE POINTE WOODS
NOTICE OF REGULAR MEETING
Pension Retirement System Board of Trustees
Thursday, May 7, 2026
6:00 PM

City Hall Conference Room at 20025 Mack Plaza, Grosse Pointe Woods, MI

AGENDA

1. Call to order
2. Roll call
3. Acceptance of the meeting agenda.
4. Meeting minutes dated February 5, 2026
5. Trial Balance through March 31, 2026
6. Employee Contribution Refund
 - a. Jacob Pettyes
7. Employee Retention Option Plan (EROP) Application
 - a. Keith Waszak
8. 1st Quarter 2026 Fund Evaluation Group Report
 - a. March 31, 2026 Performance Review
 - b. Asset Allocation Study
 - c. Energy Shocks
9. Defined Contribution Discussion
 - a. Hybrid Plan Presentation
10. Payment of Invoices -
 - a. FEG- \$ 15,914.00
 - b. Comerica quarterly invoice \$ 1,500.00
 - c. Foster & Foster Actuaries and Consultants \$ 1,500.00
11. New Business/Public Comment
12. Adjournment

Next Regular Board Meeting – August 6, 2026

6:00 PM

Submitted by: _____, Pension Administrator

In accordance with Public Act 267 of 1976 (Open Meetings Act), all members of the above Commission/Committee, as well as the general public, are invited to attend this meeting.

Necessary, reasonable auxiliary aids and services to aid individuals with disabilities will be provided. All such requests must be made at least five (5) days prior to a meeting. Individuals with disabilities requiring auxiliary aids or services should contact the City of Grosse Pointe Woods by writing or call the Pension Administrator at (313) 343-2604 or Telecommunications Device for the Deaf (TDD) (313) 343-9249.

MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES FOR THE RETIREMENT SYSTEM (i.e. The Board) OF THE CITY OF GROSSE POINTE WOODS, HELD ON THURSDAY, FEBRUARY 5, 2026, IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK PLAZA, GROSSE POINTE WOODS, MICHIGAN.

The meeting was called to order at 6:03 p.m. by Chairperson Mayor Bryant.

The following members were present:

Chairperson Mayor Arthur Bryant
General Employee Representative Jeremy Bastien
Council Representative Jim Motschall
Public Safety Representative Keith Waszak
Citizen Representative Gary Zarb

Also present:

Pension Administrator, Steve Schmidt
Pension Attorney, Michael VanOverbeke
Fund Evaluation Group (FEG), Jeffrey Davis
Foster & Foster Actuary, Jason Franken
Recording Secretary, Tina Hoenicke

Motion by Zarb, supported by Bastien that all items on today's agenda be received and placed on file.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb
NO: None
ABSENT: None

Motion by Zarb, supported by Bastien to accept and place on file the minutes of the pension board meeting dated November 6, 2025.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb
NO: None
ABSENT: None

Motion by Zarb, supported by Bastien to receive and place on file the trial balance report as presented through December 31, 2025.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb
NO: None
ABSENT: None

Motion by Zarb, supported by Bastien to refund unvested pension contributions, with interest, to Mrs. Rita O'Farrell in the amount of \$1,746.86.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb
NO: None
ABSENT: None

Motion by Waszak, supported by Bastien to accept and place on file Detective Martin Mitchell's Employee Retention Option Plan application; to be effective from February 16, 2026 and end on February 16, 2031 and recognizing that the dates listed on the application are in error by one year and will be changed.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb
NO: None
ABSENT: None

Motion by Zarb, supported by Bastien to accept and place on file the retirement application from Brian Conigliaro (DPS), effective December 20, 2025.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb
NO: None
ABSENT: None

Motion by Zarb, supported by Bastien to accept the following actuarial reports from Foster & Foster Actuaries and Consultants for Fiscal Year ending June 30, 2025: GASB Disclosure Information Statements 67/68 as of June 2025, GASB Disclosure Information Statements 67/68 as of June 30, 2025-Supplemental Annuity, Annual Actuarial Valuation & Public Act 202, Valuation as of June 30, 2025 and the June 30, 2025 Summary Annual Report.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb
NO: None
ABSENT: None

Motion by Zarb, supported by Bastien to change the assumption rate from 7.2% to 7.1% .

Pension Board Meeting

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Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

Motion by Zarb, supported by Bastien to receive and place on file an excerpt from the City of Grosse Pointe Woods Annual Comprehensive Financial Report for Fiscal Year End June 30, 2025, Required Supplementary Information.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

Motion by Zarb, supported by Bastien to accept the 4th Quarter 2025 Fund Evaluation Group Report.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

Motion by Zarb supported by Bastien to terminate Brown International Small Cap and redistribute the funds by rebalancing the portfolio by making the following changes as recommended by Jeff Davis, FEG: divest all stock in Brown International Small Cap and move the funds split equally into Dodge & Cox International and Eu Pac International.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

Motion by Bastien, supported by Zarb to accept and place on file the updated Pension Ordinance, Section 2-305 Non-Duty Death.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

Pension Board Meeting

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Motion by Bastien, supported by Zarb to authorize payment of the invoice from FEG in the amount of \$15,739.00, Comerica in the amount of \$1,500.00, Foster & Foster Actuaries and Consultants in the amount of \$1,000.00 and VMT Law in the amount of \$372.30..

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

Motion by Zarb, supported by Bastien to authorize payment of \$14,000.00 to the City of Grosse Pointe Woods General Fund for administrative fees.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

New Business/Public Comment: None

Motion by Zarb, supported by Bastien to adjourn at 6:42 pm.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Motschall, Waszak, Zarb

NO: None

ABSENT: None

Minutes recorded by Tina Hoenicke

Approved by the Pension Board:

Steve Schmidt, Pension Administrator

Fund 731 PENSION FUND

GL Number	Description	Balance
*** Assets ***		
731-000-005.000	CASH	280,529.84
731-000-056.000	INTEREST REC	999.79
731-000-122.000	MUTUAL FUNDS	24,921,780.72
731-000-124.000	INDEXES	24,511,410.81
Total Assets		49,714,721.16
*** Liabilities ***		
Total Liabilities		0.00
*** Fund Balance ***		
731-000-390.100	PRIOR FUND BALANCE	14,407,553.62
731-000-390.200	RETIREE BENEFITS RES	33,151,402.56
Total Fund Balance		47,558,956.18
Beginning Fund Balance		47,558,956.18
Net of Revenues VS Expenditures		2,155,764.98
Ending Fund Balance		49,714,721.16
Total Liabilities And Fund Balance		49,714,721.16

Fund 734 SUPPLEMENTAL ANNUITY FUND

GL Number	Description	Balance
*** Assets ***		
734-000-005.000	CASH	16,940.08
734-000-005.001	SCHWAB CASH	267,397.93
734-000-056.000	INTEREST RECEIVABLE	67.00
734-000-122.000	MUTUAL FUNDS	1,813,009.67
734-000-124.000	INDEXES	1,632,502.18
Total Assets		3,729,916.86
*** Liabilities ***		
Total Liabilities		0.00
*** Fund Balance ***		
734-000-390.000	CURRENT FUND BALANCE	2,492,232.86
734-000-390.100	PRIOR FUND BALANCE	65,928.00
734-000-390.300	SUPPLEMENTAL ANNUITY RESERVE	788,255.00
Total Fund Balance		3,346,415.86
Beginning Fund Balance		3,346,415.86
Net of Revenues VS Expenditures		383,501.00
Ending Fund Balance		3,729,916.86
Total Liabilities And Fund Balance		3,729,916.86



CITY OF GROSSE POINTE WOODS MEMORANDUM

Date: May 7, 2026
To: Pension Board Trustees
From: Steven Schmidt, Pension Administrator
Re: Refund Employee Contributions-Pettyes

On March 9, 2026, Public Safety Officer, Jacob Pettyes's employment with the City ended. Mr. Pettyes made contributions to the pension system, but he was not vested in the City's pension plan.

I respectfully request authorization from the Pension Board to refund Jacob Pettyes's employee contributions of \$2,247.47 and interest of \$0.00, totaling \$2,247.47.

Thank you.

**City of Grosse Pointe Woods
Employees Retirement System**

Employee Retention Option Plan (EROP) APPLICATION

To: Board of Trustees (the "Retirement Board") of the City of Grosse Pointe Woods Employees Retirement System (the "Retirement System")

I hereby make application for the Employee Retention Option Plan (EROP) made effective on July 1, 2022 as part of the Police Officers Labor Council Grosse Pointe Woods Command Officer's Association Collective Bargaining Agreement with the City of Grosse Pointe Woods. I understand that my election to participate in the EROP is irrevocable and I agree to the terms and conditions of the EROP as set forth in the aforementioned Collective Bargaining Agreement.

Member Information	
Member Name <i>Keith Wastak</i>	
Date of Hire <i>08.02.1999</i>	Elected Length of EROP <i>5</i> years <i>0</i> months
EROP Effective Date <i>04-26-26</i>	EROP End Date (5 yrs. from EROP effective date) <i>04-26-31</i>
Last four numbers of Social Security # *** <i>[REDACTED]</i>	Date of Birth <i>[REDACTED]</i>
Department <i>Public Safety</i>	Current Position Held <i>Lieutenant</i>
Address <i>[REDACTED]</i>	
Phone # <i>[REDACTED]</i>	Email Address <i>[REDACTED]</i>
Is there an EDRO (Eligible Domestic Relationship Order) in place with a previous spouse? <input checked="" type="radio"/> Yes / <input type="radio"/> No (circle one)	
If yes, to whom: <i>—</i> . Provide a copy of the EDRO with this application.	

Current Spousal Information (if any)		
Spousal Name <i>Jamie Wastak</i>		
Social Security # <i>[REDACTED]</i>	Date of Birth <i>[REDACTED]</i>	Date of Marriage <i>[REDACTED]</i>
Phone # <i>[REDACTED]</i>	<i>[REDACTED]</i>	

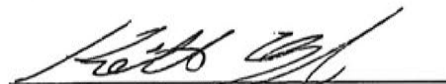

I understand that at the time I begin participation in the EROP, my retirement benefit is frozen and at no time will I be permitted to increase my retirement benefit due to additional years of service, salary increases, or other promotional increases. Upon commencement of my participation in the EROP, 85% of the monthly retirement benefit (that would have been payable had I elected to retire and commence receipt of a service retirement pension) shall be paid into my EROP Account. I understand that my EROP Account is a notional account and does not require an actual segregation of monies within the retirement system.

During my participation in the EROP, a fixed rate of 3.00% per annum interest shall be credited to my EROP Account.

I understand that my participation in the EROP shall not exceed five (5) years, unless terminated earlier due to my separation of employment with the City prior to that date. At the conclusion of my participation in the EROP, I shall terminate employment with the City and shall begin receiving 100% of my monthly retirement benefit from the Retirement System in effect on the EROP Date. I understand that if I fail to terminate employment as required under the EROP, EROP benefits will cease to accrue and I will forfeit my monthly retirement allowance for so long as I remain employed by the City. In such instance, the forfeiture of the monthly EROP accrual shall in no way be construed as authorization of such continued employment.

I understand that this election is irrevocable and that I have had an opportunity to seek independent legal and financial advice, and that this election is made voluntarily and with full knowledge of its effect. I understand that I am solely responsible for analyzing the tax consequences of my election to participate in the EROP. The Board, the Retirement System, and the City are not responsible for the consequences of my voluntary election to participate in the EROP and/or receipt of retirement benefits from the Retirement System. Participants are strongly encouraged to seek the advice of a competent professional advisor regarding the consequences of making an irrevocable election to participate in the EROP.

I declare the above statements to be true and to the best of my knowledge and belief.

	<u>03-26-26</u>		<u>3/26/26</u>
Member Signature	Date	Witness Signature	Date

For Retirement System Use Only

Retirement Board Secretary Signature

Date Received

**CITY OF GROSSE POINTE WOODS EMPLOYEES RETIREMENT SYSTEM
RETIREMENT ALLOWANCE OPTIONS**

OPTION I: If a retired member dies before he/she has received payment of the annuity portions of his/her reduced retirement allowance, an aggregate amount equal to his/her accumulated contributions standing to the retired member's credit in the annuity savings fund at the time of his/her retirement, the difference between his/her accumulated contributions and the aggregate amount of annuity payments received by such retired member shall be paid to such person or persons, whom the member nominated by written designation, duly executed and filed with the Pension Board. If there is no such designated person surviving such retired member, the difference, if any, shall be paid to the retired member's legal representative.

OPTION II: Upon the death of a retired member, his/her reduced retirement pension shall be continued throughout the life of, and paid to, the person having an insurable interest in the retired member's life, whom the member nominated by written designation, duly executed and filed with the Pension Board before the effective date of the member's retirement.

OPTION III: Upon the death of a retired member, half of his/her reduced retirement pension shall be continued throughout the life of, and paid to, the person having an insurable interest in the retired member's life, whom the member nominated by written designation, duly executed and filed with the Pension Board before the effective date of the member's retirement.

EXAMPLE ONLY - INDIVIDUAL AMOUNTS WILL VARY

	<u>OPTION I</u>	<u>OPTION II</u>	<u>OPTION III</u>
Adjusted Annual Pension	\$25,258.32	\$22,555.44	\$23,830.44
Monthly Pension	\$2,104.86	\$1,879.62	\$1,985.87
Potential to Beneficiary	Varies*	\$1,879.62	\$992.94

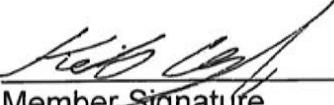
*Equals the difference between the retirant's accumulated contribution and aggregate amount of the annuity portion of retirement allowance payments received by the retirant.


I have reviewed my retirement allowance options with my representative(s) and confirm that I have chosen:

OPTION I
 OPTION II
 OPTION III

I have also reviewed the options for annuity withdrawal with my representative(s) and confirm that I have chosen:

ANNUITY WITHDRAWAL
 YES
 NO


 Member Signature

03-26-26 
 Date Witness Signature

3/26/26
 Date

For Retirement System Use Only

Retirement Board Secretary Signature

Date Received

ELECTION OF BENEFICIARY	
Member Name Keith Waszak	
Social Security # [REDACTED]	Date of Birth [REDACTED]
Spousal Beneficiary Name Jamie Waszak	
Social Security # [REDACTED]	Date of Birth [REDACTED]

I hereby direct that, if no **spousal survivor pension** is payable from the funds of the retirement system, on account of my death, the total amount of my accumulated contributions at the time of my death be paid to:

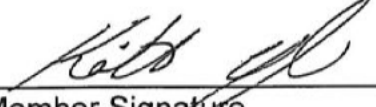
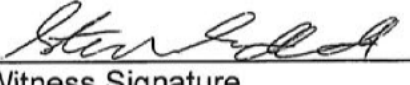
Beneficiary Full Name Lily Waszak		Relationship Daughter	
Date of Birth [REDACTED]	Phone # (if applicable) [REDACTED]	Email (if applicable) [REDACTED]	
Address [REDACTED]			
Beneficiary Full Name Tyler Waszak		Relationship SON	
Date of Birth [REDACTED]	Phone # (if applicable) [REDACTED]	Email (if applicable) [REDACTED]	
Address [REDACTED]			
Beneficiary Full Name Emily Waszak		Relationship Daughter	
Date of Birth [REDACTED]	Phone # (if applicable) -	Email (if applicable) -	
Address [REDACTED]			

Please use back of page if more than three (3) beneficiaries are needed.

If none of the above survive me, payment to be made to my estate.

→
over

Completion of this form supersedes any previously submitted Election of Beneficiary form for the City of Grosse Pointe Woods Employee Retirement System.

	03-26-26		3-26-26
Member Signature	Date	Witness Signature	Date

For Retirement System Use Only

Retirement Board Secretary Signature

Date Received



COMPOSITE PERFORMANCE REVIEW

Report for Periods Ending March 31, 2026

City of Grosse Pointe Woods Employees Retirement System



Presented by:

Jeffrey A. Davis, CFA, CAIA
Senior Vice President

Andrew Manley
Senior Institutional Portfolio Analyst



City of Grosse Pointe Woods Employees Retirement System

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FIRST QUARTER 2026 MARKET SUMMARY

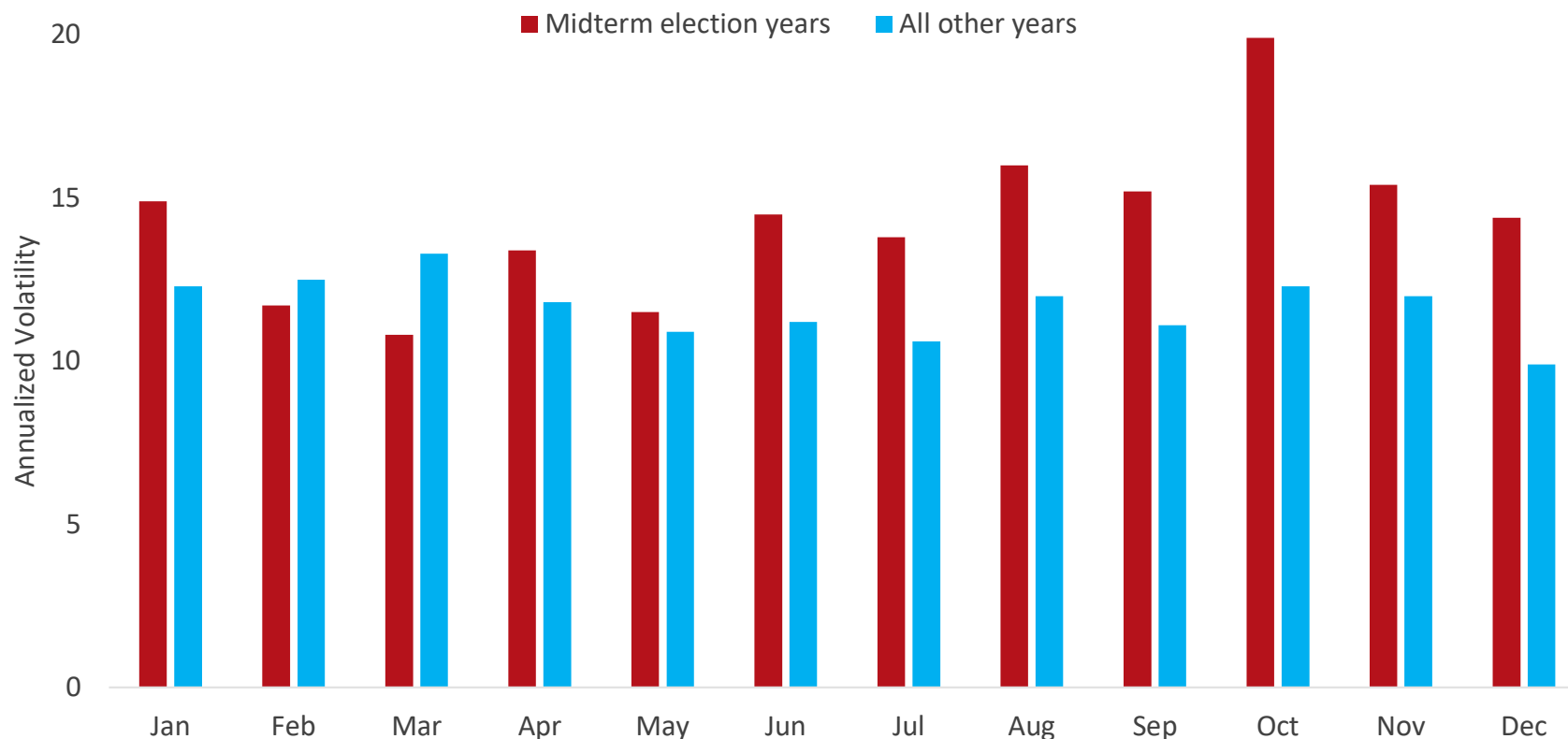
Global equities declined during the first quarter, with significant dispersion across sectors and regions. Performance was driven by a combination of AI-related disruption and shifting growth expectations amid the conflict with Iran. Treasury yields rose late in the quarter as inflation expectations moved higher, driven in part by the energy disruption in the Middle East. Market expectations shifted from anticipating multiple rate cuts in 2026 to the possibility of a rate hike by year-end, resulting in flat returns for core fixed income. High-yield spreads widened as risk sentiment deteriorated. Real assets generated broadly positive returns, supported by strength in infrastructure and energy amid higher commodity prices. Real estate produced modest gains given its sensitivity to rising rates, while precious metals experienced volatility but still contributed positively overall.

ECONOMIC AND MARKET INSIGHTS

- Market volatility has historically been higher in midterm election years, particularly in the months leading up to Election Day. Historically, since 1970, median volatility in midterm years has been approximately 16%, exceeding that of non-midterm years, which measure near 13%.
- Volatility tends to build through the year, often peaking in the late summer and fall as political uncertainty intensifies. Elevated volatility is largely driven by uncertainty around policy outcomes and potential shifts in government control. Despite near-term volatility, markets have historically stabilized and moved higher following elections.

VOLATILITY HAS HISTORICALLY INCREASED IN THE MONTHS LEADING TO A MIDTERM ELECTION

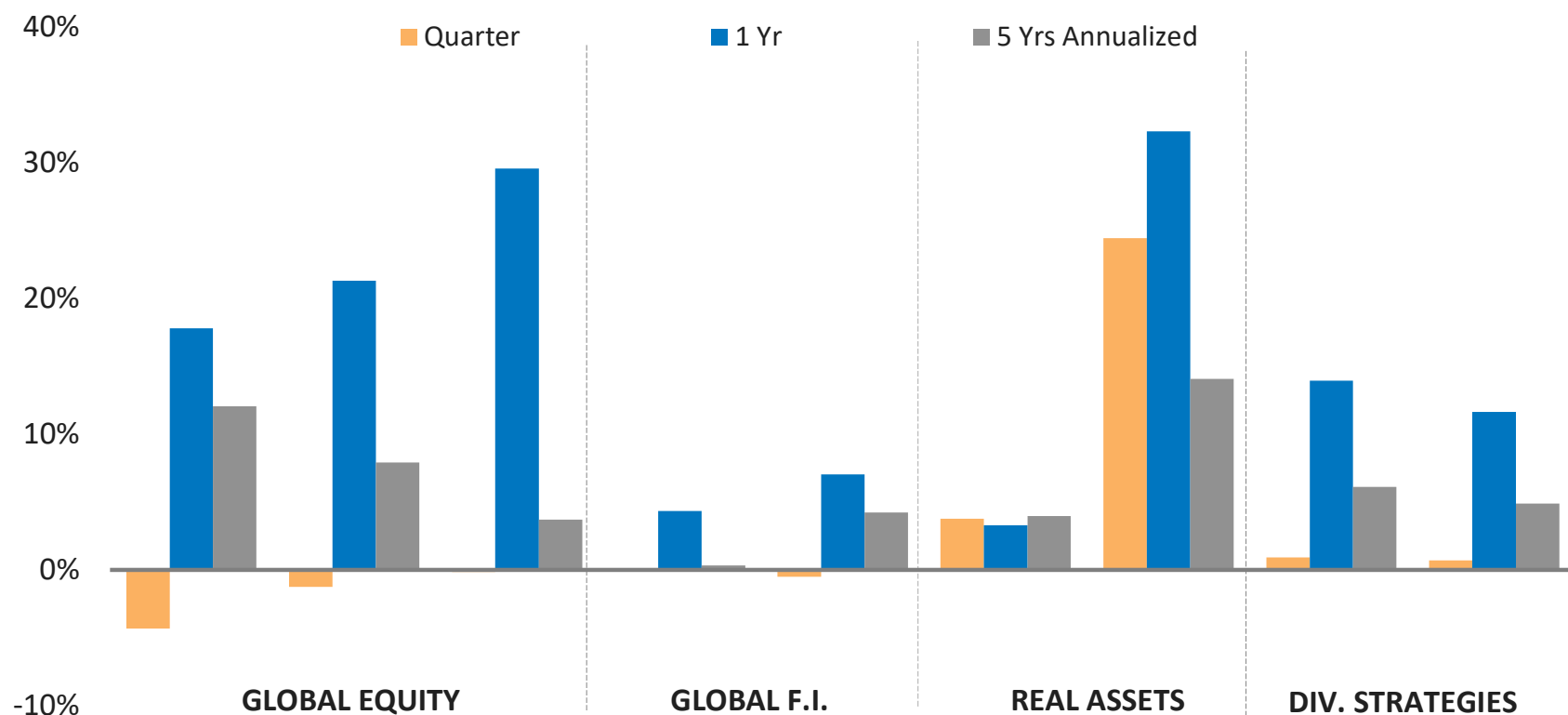
Midterm Election Year Market Volatility vs. All Other Years (since 1970)



Data sources: Capital Group, Standard & Poor's. Volatility is calculated using the standard deviation of daily returns for each individual month. The median volatility for each month is then displayed in the chart on an annualized basis. Standard deviation is a measure of how returns over time have varied from the average. As of December 31, 2025.

MARKET RETURNS

MAJOR ASSET CLASS RETURNS



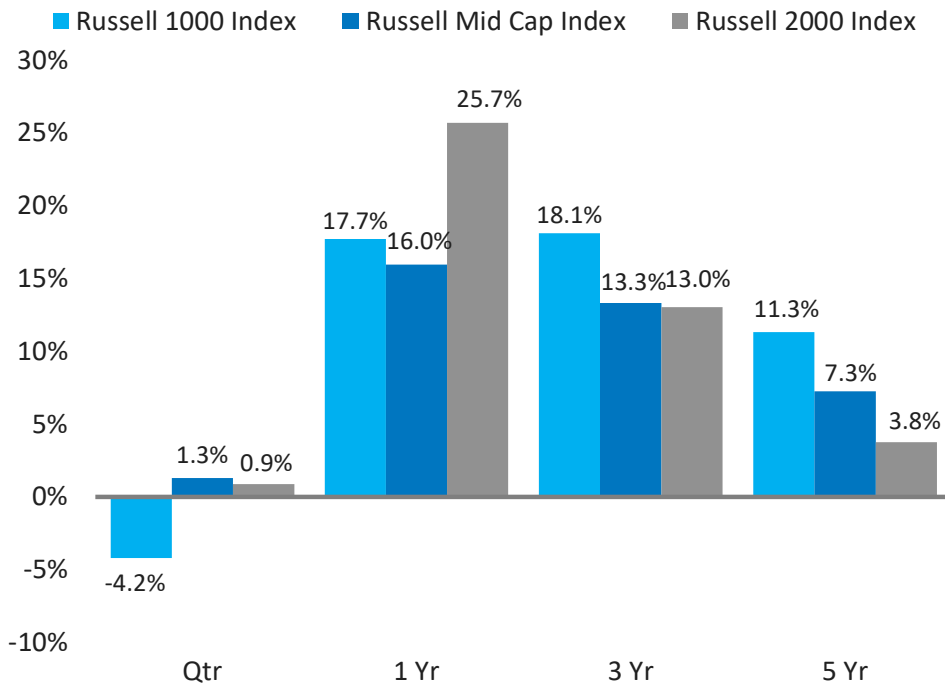
	S&P 500 Index	MSCI EAFE Index	MSCI Emerging Mkts Index	Blmbrg U.S. Agg Index	Blmbrg HY Index	FTSE NAREIT All Equity Index	Blmbrg Cmdty Index	HFRI Fund Wtd Comp. Index	HFRI Fund of Fund Index
Quarter	-4.3%	-1.2%	-0.2%	0.0%	-0.5%	3.8%	24.4%	0.9%	0.7%
1 Yr	17.8%	21.3%	29.6%	4.3%	7.0%	3.3%	32.3%	13.9%	11.6%
5 Yrs Annualized	12.1%	7.9%	3.7%	0.3%	4.2%	4.0%	14.0%	6.1%	4.9%

Data sources: Lipper and Hedge Fund Research, data as of the fifth business day following quarter-end

GLOBAL EQUITY, U.S.

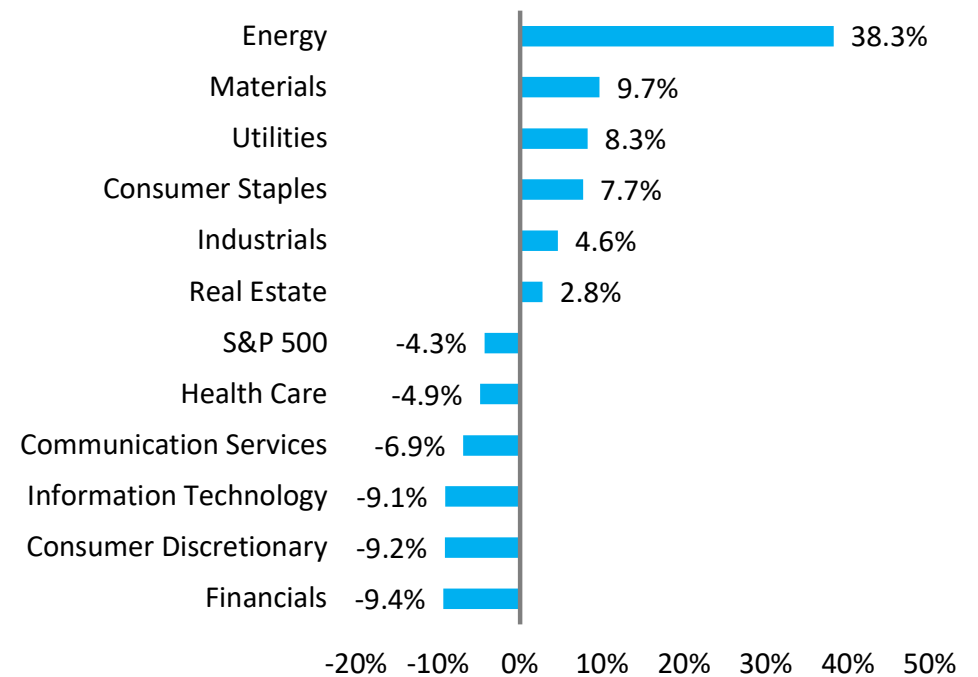
- U.S. equities faced a volatile and weakening backdrop, with market leadership shifting away from the narrow dominance of mega-cap technology. The conflict with Iran, higher energy prices, and softer economic data weighed on sentiment. At the same time, elevated valuations in large cap growth, particularly AI- and software-related names, came under increasing scrutiny, prompting a reassessment of earnings durability and capital expenditure trends.
- The trend shifted toward broader market leadership and a continued rotation into value, cyclical, and defensive segments. Energy was the clear standout, posting significant gains amid rising oil prices, while materials, utilities, and other inflation-sensitive sectors also delivered positive returns. In contrast, large cap technology, consumer discretionary, financials, and communication services lagged meaningfully, reflecting a rotation away from growth-oriented and economically sensitive areas toward sectors better positioned for higher inflation and a more uncertain macro backdrop.

LARGE CAP, MID CAP, AND SMALL CAP



Data source: Russell

S&P 500 SECTOR PERFORMANCE

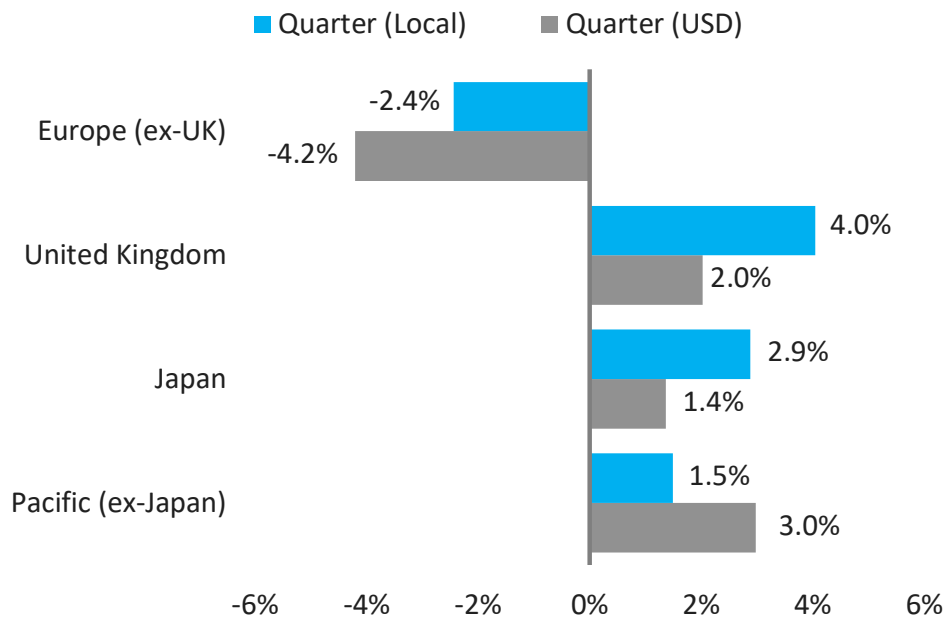


Data source: FactSet

GLOBAL EQUITY, NON-U.S.

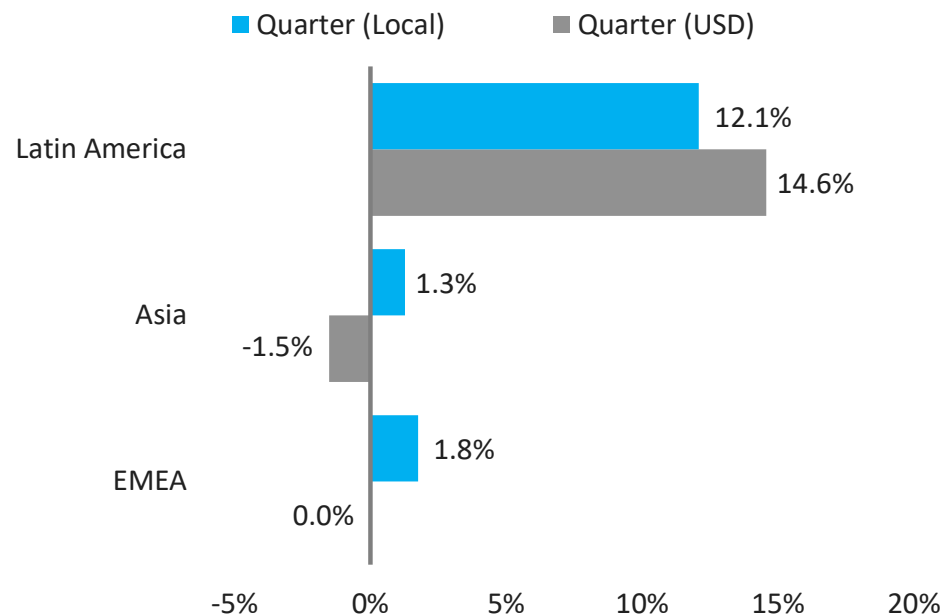
- International developed equities experienced a challenging environment, as rising energy prices and geopolitical tensions weighed on growth expectations and investor sentiment. European markets underperformed other developed international markets amid heightened sensitivity to energy costs and more fragile economic conditions, particularly given ongoing concerns around industrial activity and growth momentum. While labor markets and selective fiscal support provided some resilience, sentiment remained pressured. Japanese equities showed resilience, supported by new fiscal stimulus and improving corporate governance trends, though gains moderated as global risk sentiment deteriorated.
- Emerging markets initially benefited from positive AI-related momentum, particularly in Taiwan and South Korea, where strong semiconductor demand supported equity performance. However, this strength faded later in the quarter as risk-off sentiment intensified, driven by rising energy prices, raising concerns for energy-importing economies. China lagged amid softer macroeconomic data and continued structural headwinds, while Latin America remained relatively resilient, supported by commodity exposure and more stable policy expectations.

MSCI EAFE REGIONAL QUARTERLY RETURNS



Data source: MSCI Barra

MSCI EM REGIONAL QUARTERLY RETURNS



Data source: MSCI Barra

Note: EMEA – Europe, Middle East, and Africa

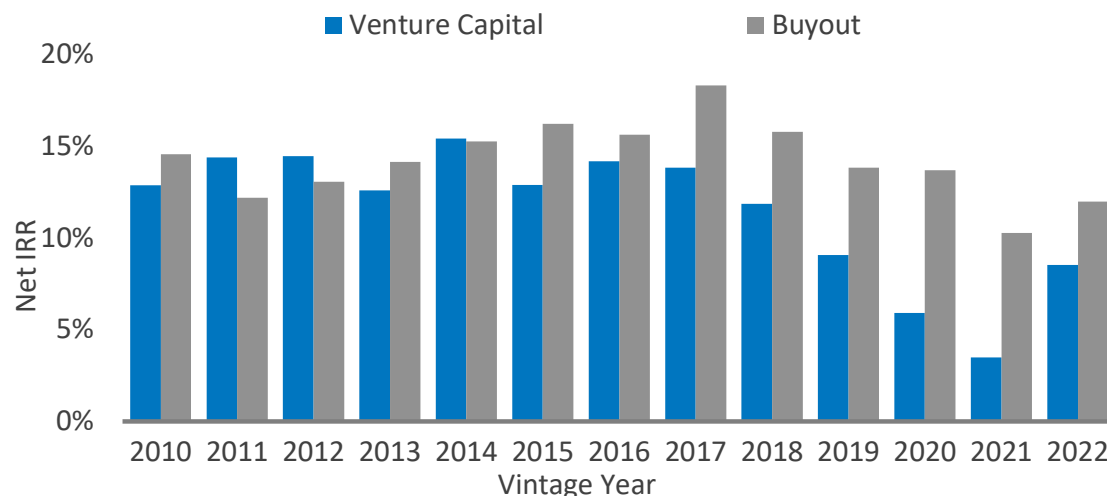
GLOBAL EQUITY, PRIVATE

- Private equity reports performance on a lag; the latest data available is through September 30, 2025, unless otherwise noted.
- Venture capital (VC) activity continued to moderate, with overall deal volume declining and fewer mega-rounds. Early-stage deal activity softened, and fundraising conditions remained constrained. Exit activity improved modestly, with a gradual pickup in IPOs led by AI, defense tech, and fintech, though most offerings continued to price below their prior valuations.
- Buyout activity held steady in volume but declined in value, reflecting a shift toward add-ons and fewer large deals. Fundraising remained concentrated among mega-funds, with mid-market firms facing headwinds. Valuations stayed firm for top assets, while exits improved amid a recovery in public markets and strategic buyer activity.
- Secondary market activity reached a new peak in 2025, supported by a robust supply of both LP portfolios and GP-led opportunities. According to Jefferies, continuation vehicles continued to scale, with GP-led secondaries representing 14% of all sponsor-backed exit volume in 2025.¹

¹ 2025 Global Secondary Market Review, Jefferies

MEDIAN VENTURE CAPITAL AND BUYOUT VINTAGE YEAR IRR

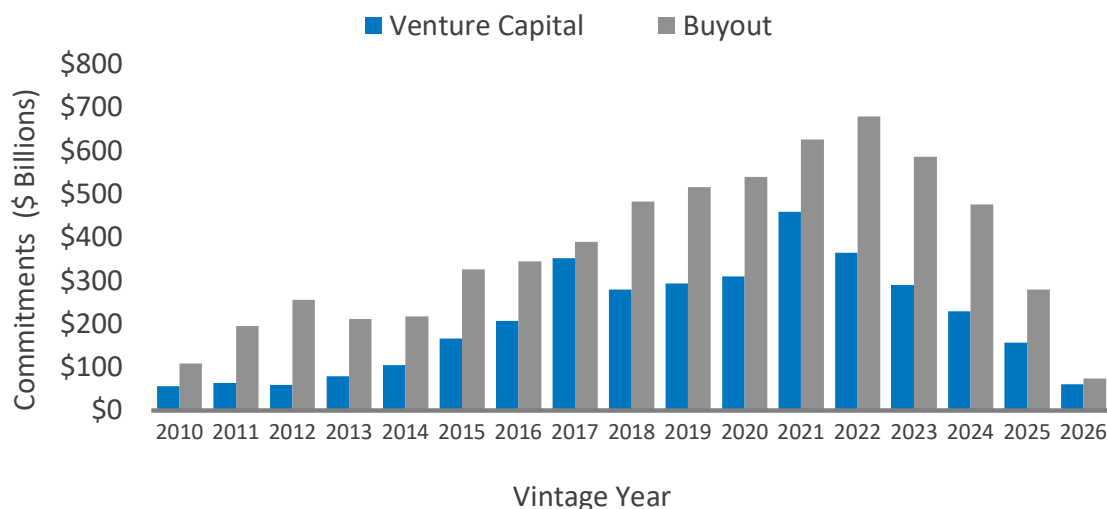
As of September 30, 2025



Data source: LSEG; the most recent return information available is through September 30, 2025

VENTURE CAPITAL AND BUYOUT FUNDRAISING ACTIVITY

As of March 31, 2026

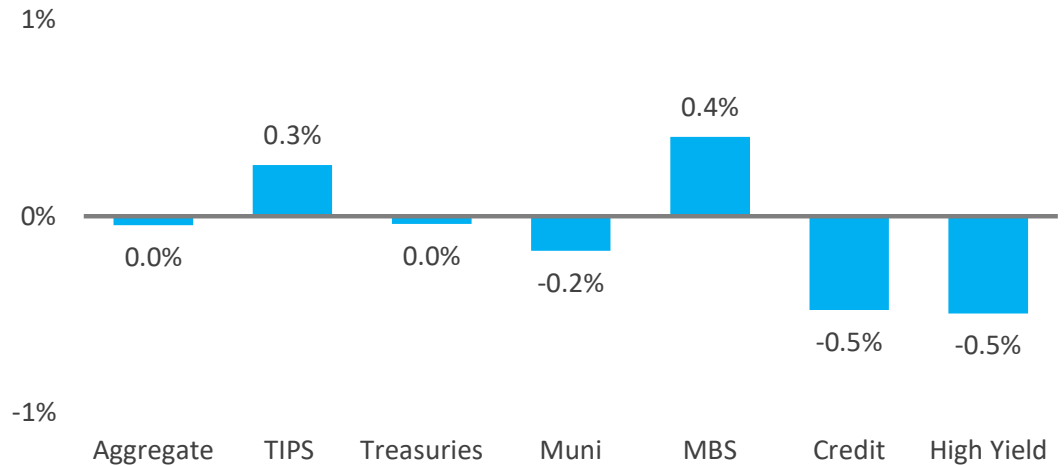


Data source: Pitchbook

GLOBAL FIXED INCOME

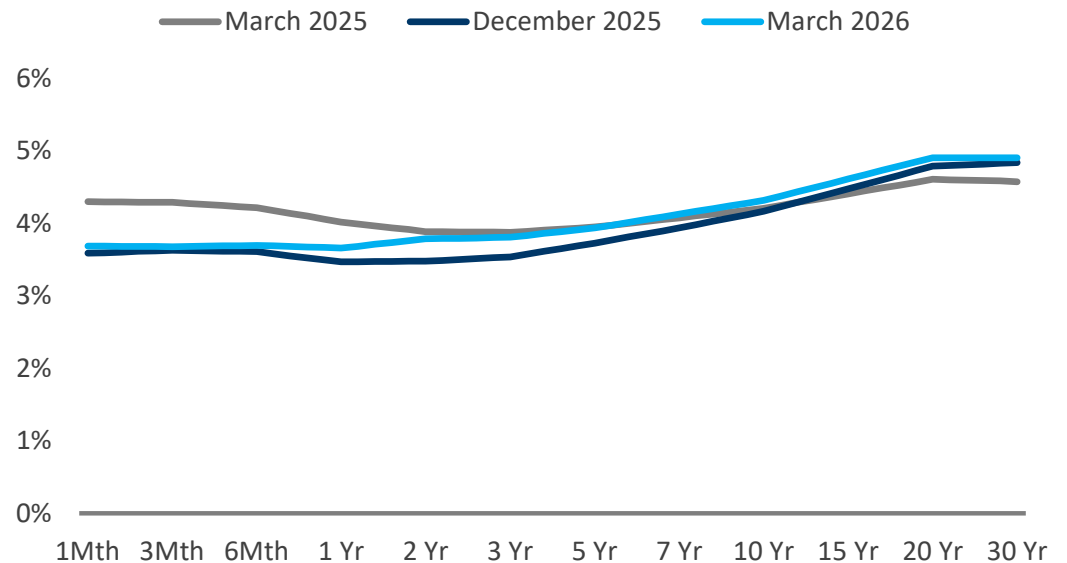
- The 10-year Treasury yield ended the quarter modestly higher after briefly falling below 4% in February. Market expectations are that rising oil prices have likely put Fed rate cuts on hold for the near-term, with market pricing indicating a small probability of rate hikes.
- The yield curve flattened during the quarter, with the 2s/10s spread ending March at 51 basis points (bps). This was primarily due to a rise in the 2-year Treasury as the market re-evaluated the Fed's path. The 30-year Treasury yield approached 5%, a key level for investors, ending the quarter at 4.91%.
- Corporate spreads widened, with the high yield index option-adjusted spread (OAS) ending the quarter at 328 basis points, 47 basis points higher than the start of the quarter. While this represents significant widening, spreads remain tight relative to historical standards, as investor demand for credit has persisted. Bank loans also saw spread widening due to software concerns. Software-related credits account for a larger share of the bank loan market than the high-yield market.

BLOOMBERG U.S. FIXED INCOME INDEX RETURNS



Data source: FactSet

U.S. TREASURY YIELD CURVE

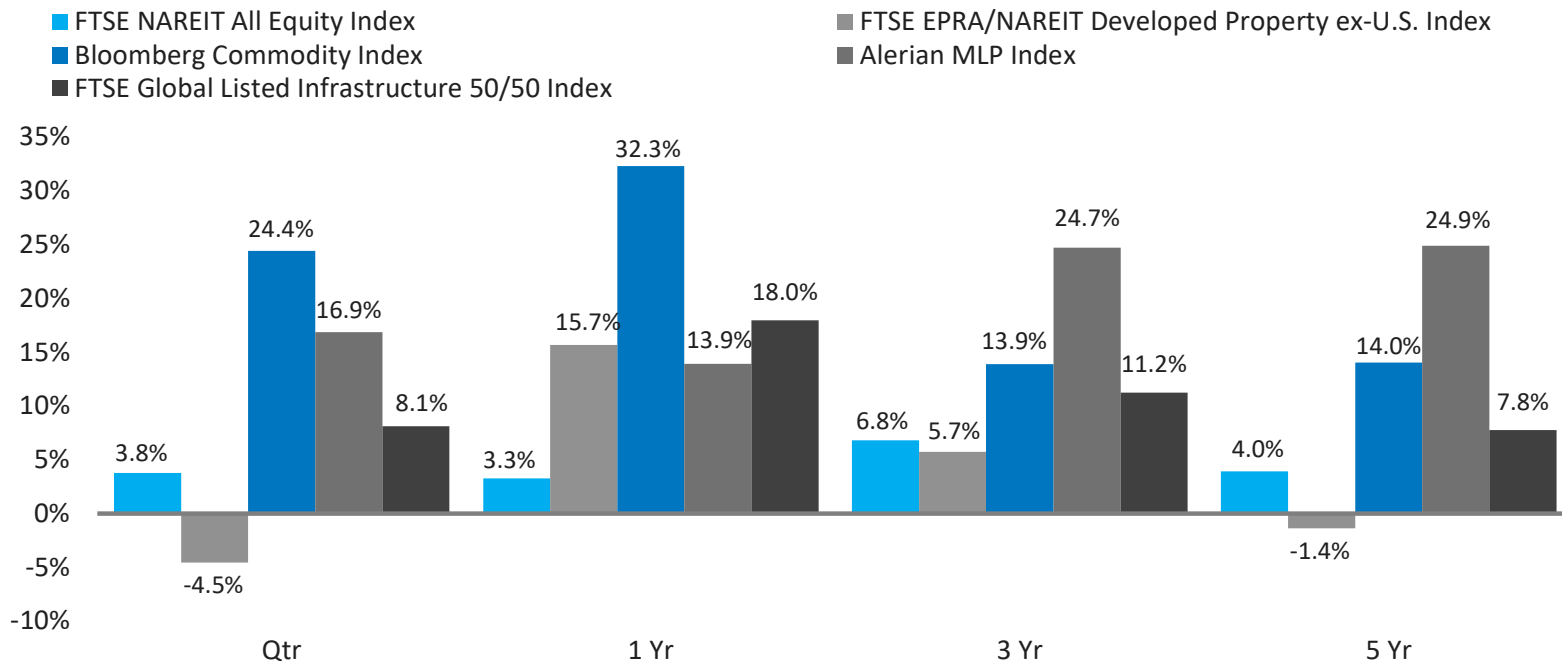


Data source: FactSet

REAL ASSETS

- U.S. Real Estate Investment Trusts outperformed global developed property markets, reversing the divergence observed in 2025. Performance was supported by a more stable U.S. dollar, which provided less of a tailwind to global allocations. At the same time, developing inflation concerns in Europe have increased the prospect of future rate hikes, tempering the outlook for property markets in the region.
- Global listed infrastructure stocks extended their strong momentum, delivering positive performance in the first quarter. Midstream energy infrastructure was a notable outperformer, supported by natural gas demand growth tied to AI-driven power needs and higher energy prices amid the Middle East conflict.
- Oil prices moved materially higher due to the conflict involving Iran, driven in part by the effective closure of the Strait of Hormuz, a critical chokepoint for global oil supply. European natural gas prices also rose sharply, reflecting disruptions to liquefied natural gas flows linked to the conflict. In contrast, U.S. natural gas prices remained relatively subdued as the market exited the winter drawdown season with ample domestic supply.

PUBLIC REAL ASSETS – REAL ESTATE, COMMODITIES, MLPs, AND INFRASTRUCTURE

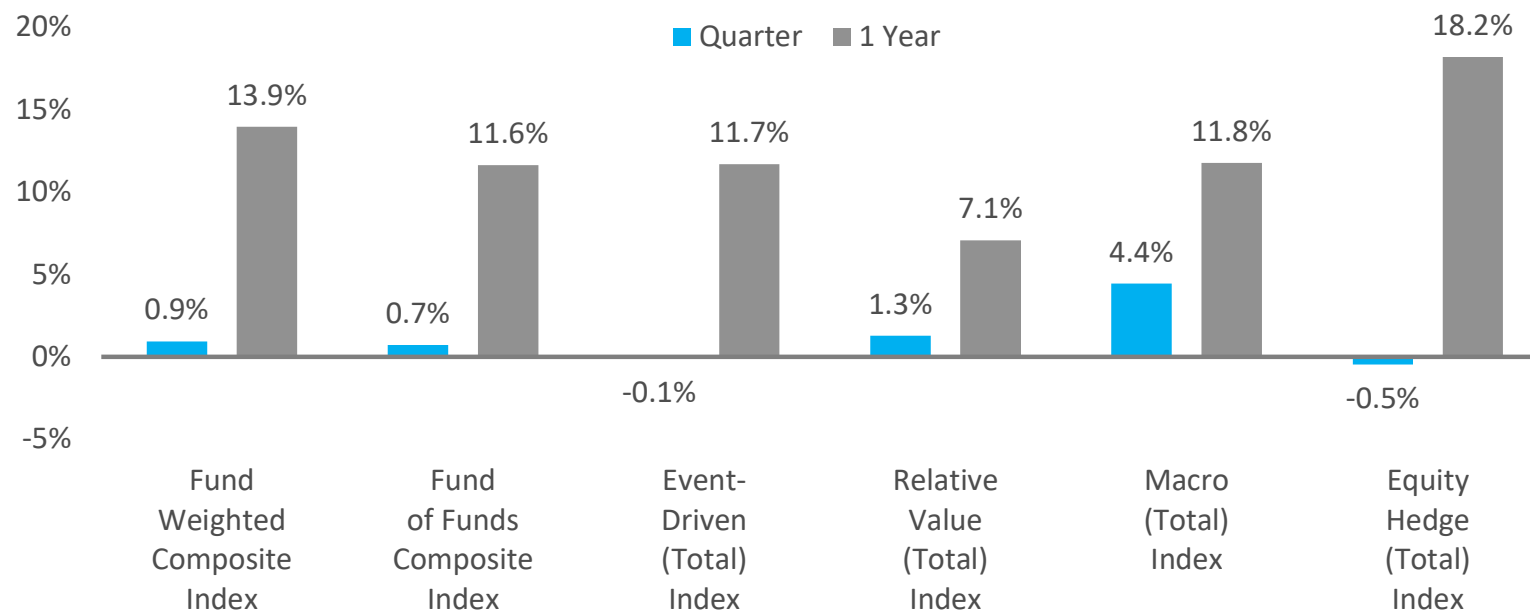


Data sources: NAREIT, FactSet, and Alerian

DIVERSIFYING STRATEGIES, HEDGE FUNDS

- Hedge fund performance was mixed for the quarter. While funds generally performed well in the first two months, gains from January and February were partially or fully reversed in March amid heightened market volatility.
- Macro strategies posted the strongest gains. Commodity trades were the most additive for the quarter, with additional contribution from currency trades. Systematic funds accelerated during the quarter, with their discretionary counterparts also performing well.
- Relative value returns were led by long volatility trades and convertible arbitrage, with mixed results across other fixed income trades.
- Event-driven strategies were only slightly down in aggregate. Distressed/restructuring and merger arbitrage delivered meaningful gains, while activism, credit arbitrage, and special situations posted losses.
- Equity hedge strategies ended the quarter with slight losses, with both fundamental and quantitative approaches declining. While technology funds declined, energy-oriented funds recorded sizable gains, with healthcare and equity market-neutral strategies also contributing to performance.

HFRI INDICES PERFORMANCE RETURNS IN U.S. DOLLARS



Data source: Hedge Fund Research

City of Grosse Pointe Woods Employees Retirement System

Summary of Investment Performance

Report for Periods Ending March 31, 2026

	Annualized							Since Inception	Date	Market Value
	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr			
Total Composite	-0.9%	7.1%	15.1%	12.2%	6.5%	8.7%	8.3%	6.5%	1/05	\$53,146,101
Target Weighted Index ¹	-1.0	7.6	16.4	12.7	6.9	8.6	8.3	6.9		
Broad Policy Index ²	-2.2	6.3	15.2	12.6	6.8	8.7	8.5	6.9		
Actuarial Rate ³	1.8	5.4	7.2	7.3	7.4	7.5	7.6	7.7		
Domestic Equity										
iShares S&P 500 Index	-4.3	6.2	17.8	18.3	12.0	14.4	14.1	12.7	8/14	16,682,330
S&P 500 Index	-4.3	6.2	17.8	18.3	12.1	14.4	14.2	12.7		
S&P 500 Equal Weighted Index	0.7	7.0	12.9	11.9	8.2	11.2	11.4	10.2		
Invesco S&P 500 Equal Weighted Index	0.6	6.9	12.7	-	-	-	-	7.6	8/24	3,334,034
S&P 500 Equal Weighted Index	0.7	7.0	12.9	-	-	-	-	7.8		
iShares Russell Midcap Index	1.3	6.8	15.8	13.2	7.1	10.3	10.7	9.8	9/14	2,581,943
Russell Midcap Index	1.3	6.9	16.0	13.3	7.3	10.5	10.9	9.9		
Small Cap Equity										
Vanguard S&P Small Cap 600 Index	3.5	14.9	20.5	10.5	4.4	-	-	9.6	8/19	3,545,606
S&P SmallCap 600 Index	3.5	14.9	20.5	10.5	4.5	-	-	9.6		
International Equity										
EUPAC Fund	-2.9	7.9	22.2	11.5	4.0	7.9	8.3	6.7	9/14	4,000,036
MSCI AC World Index ex-US	-0.7	11.5	24.9	14.5	7.0	8.5	8.4	6.3		
Dodge & Cox International Stock Fund	0.7	14.2	27.4	-	-	-	-	19.6	11/23	4,160,401
MSCI AC World Index ex-U.S.	-0.7	11.5	24.9	-	-	-	-	17.5		
MSCI EAFE Index	-1.2	8.5	21.3	-	-	-	-	16.1		
Redwheel Global Emerging Equity Fund	1.9	22.6	33.6	12.4	0.6	5.9	-	2.6	2/18	723,427
DFA Emerging Markets Fund	3.7	20.1	34.6	16.7	6.4	8.3	8.7	6.2	9/14	1,742,336
MSCI Emerging Markets Index	-0.2	15.7	29.6	14.8	3.7	6.6	7.8	5.3		

City of Grosse Pointe Woods Employees Retirement System

Summary of Investment Performance

Report for Periods Ending March 31, 2026

	Annualized							Since Inception	Date	Market Value
	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr			
Fixed Income										
Dodge & Cox Income Fund	0.0%	3.9%	5.3%	5.0%	1.6%	2.9%	-	3.1%	2/19	\$3,559,778
Bloomberg IG Credit Index	-0.5	2.9	4.8	4.4	0.6	2.2	-	2.5		
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	-	1.8		
DoubleLine Total Return Bond Fund	-0.1	3.3	4.6	4.3	0.8	1.5	-	1.7	2/19	3,331,373
Bloomberg U.S. MBS Index	0.4	4.6	5.8	4.2	0.4	1.3	-	1.5		
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	-	1.8		
Vanguard Total Bond Fund	0.1	3.0	4.3	3.6	0.3	1.6	-	1.8	2/19	3,024,217
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	-	1.8		
Low Volatility										
Gateway Fund	-3.0	4.2	10.2	10.6	6.2	6.8	-	5.9	8/18	1,314,549
PIMCO All Asset Fund	3.4	11.1	14.7	9.1	5.2	6.8	-	7.1	11/18	1,405,729
HFRX Equity Hedge Index	-1.5	3.9	8.2	7.4	5.7	5.8	-	5.7		
Real Estate										
Principal Real Estate Securities Fund	3.3	1.8	0.9	6.6	4.1	5.0	5.7	7.1	9/14	1,096,385
FTSE NAREIT All Equity Index ⁴	3.8	4.2	3.3	7.1	4.2	3.9	4.1	5.4		
Natural Resources										
Tortoise MLP & Pipeline Fund	21.7	21.8	19.4	27.6	24.7	13.8	-	11.9	8/17	835,097
Alerian MLP Index	16.9	19.8	13.9	24.7	24.9	13.4	-	11.1		
Tortoise North American Pipeline Index	21.4	22.7	22.1	26.5	22.2	14.6	-	13.1		
Cohen & Steers Global Listed Infrastructure	9.4	15.7	19.5	12.5	-	-	-	8.1	5/22	1,541,462
FTSE Global Core Infrastructure 50/50	8.1	13.1	18.0	11.2	-	-	-	6.8		
DJ Brookfield Global Infrastructure Index	11.2	13.4	18.2	13.3	-	-	-	8.3		
Cash										
Schwab Government Money Fund	0.8	2.7	3.8	4.4	3.1	2.4	1.9	1.6	7/14	267,398
U.S. 91-Day Treasury Bills	0.9	2.8	3.9	4.6	3.4	2.7	2.2	1.9		

City of Grosse Pointe Woods Employees Retirement System

Summary of Investment Performance

Report for Periods Ending March 31, 2026

	Annualized							Since Inception	Date	Market Value
	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr			
<u>Long Term Manager Performance</u>										
<u>Domestic Equity</u>										
iShares S&P 500 Index	-4.3%	6.2%	17.8%	18.3%	12.0%	14.4%	14.1%	10.5%	<i>1/05</i>	
S&P 500 Index	-4.3	6.2	17.8	18.3	12.1	14.4	14.2	10.5		
S&P 500 Equal Weighted Index	0.7	7.0	12.9	11.9	8.2	11.2	11.4	10.1		
Invesco S&P 500 Equal Weighted Index	0.6	6.9	12.7	11.7	8.0	11.0	11.2	9.7	<i>1/05</i>	
S&P 500 Equal Weighted Index	0.7	7.0	12.9	11.9	8.2	11.2	11.4	10.1		
iShares Russell Midcap Index	1.3	6.8	15.8	13.2	7.1	10.3	10.7	9.6	<i>1/05</i>	
Russell Midcap Index	1.3	6.9	16.0	13.3	7.3	10.5	10.9	9.8		
Vanguard S&P Small Cap 600 Index	3.5	14.9	20.5	10.5	4.4	8.7	9.9	11.2	<i>9/10</i>	
S&P SmallCap 600 Index	3.5	14.9	20.5	10.5	4.5	8.8	9.9	11.3		
<u>International Equity</u>										
EUPAC Fund	-2.9	7.9	22.2	11.5	4.0	7.9	8.3	6.2	<i>8/08</i>	
MSCI AC World Index ex-U.S.	-0.7	11.5	24.9	14.5	7.0	8.5	8.4	5.2		
Dodge & Cox International Stock Fund	0.7	14.2	27.4	16.8	10.3	10.4	9.6	6.9	<i>1/05</i>	
MSCI AC World Index ex-U.S.	-0.7	11.5	24.9	14.5	7.0	8.5	8.4	6.1		
MSCI EAFE Index	-1.2	8.5	21.3	13.6	7.9	8.9	8.4	5.9		
Redwheel Global Emerging Equity Fund	2.7	24.4	36.4	13.5	1.4	6.8	8.7	7.9	<i>7/12</i>	
MSCI Emerging Markets Index	-0.2	15.7	29.6	14.8	3.7	6.6	7.8	5.3		
DFA Emerging Markets Fund	3.7	20.1	34.6	16.7	6.4	8.3	8.7	7.6	<i>1/05</i>	
MSCI Emerging Markets Index	-0.2	15.7	29.6	14.8	3.7	6.6	7.8	7.1		
<u>Fixed Income</u>										
Dodge & Cox Income Fund	0.0	3.9	5.3	5.0	1.6	2.9	3.1	4.0	<i>1/05</i>	
Bloomberg IG Credit Index	-0.5	2.9	4.8	4.4	0.6	2.2	2.4	3.7		
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	1.7	3.2		
DoubleLine Total Return Bond Fund	-0.1	3.3	4.6	4.3	0.8	1.5	1.8	3.7	<i>4/10</i>	
Bloomberg U.S. MBS Index	0.4	4.6	5.8	4.2	0.4	1.3	1.4	2.2		
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	1.7	2.5		
Vanguard Total Bond Fund	0.1	3.0	4.3	3.6	0.3	1.6	1.7	3.1	<i>1/05</i>	
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	1.7	3.2		

City of Grosse Pointe Woods Employees Retirement System

Summary of Investment Performance

Report for Periods Ending March 31, 2026

	Annualized							Since Inception	Date	Market Value
	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr			
<u>Low Volatility</u>										
Gateway Fund	-3.0%	4.2%	10.2%	10.6%	6.2%	6.8%	6.4%	5.0%	<i>1/05</i>	
PIMCO All Asset Fund	3.4	11.1	14.7	9.1	5.2	6.8	6.9	5.7	<i>1/05</i>	
HFRX Equity Hedge Index	-1.5	3.9	8.2	7.4	5.7	5.8	4.9	2.2		
<u>Real Estate</u>										
Principal Real Estate Securities Fund	3.3	1.8	0.9	6.6	4.1	5.0	5.7	8.1	<i>1/05</i>	
FTSE NAREIT All Equity Index ⁴	3.8	4.2	3.3	7.1	4.2	3.9	4.1	6.0		
<u>Natural Resources</u>										
Tortoise MLP & Pipeline Fund	21.7	21.8	19.4	27.6	24.7	13.8	12.8	10.1	<i>5/11</i>	
Alerian MLP Index	16.9	19.8	13.9	24.7	24.9	13.4	11.0	7.2		
Tortoise North American Pipeline Index	21.4	22.7	22.1	26.5	22.2	14.6	13.9	-		
Cohen & Steers Global Listed Infrastructure	9.4	15.7	19.5	12.5	9.0	8.2	8.4	7.6	<i>1/05</i>	
FTSE Global Core Infrastructure 50/50	8.1	13.1	18.0	11.2	7.8	7.0	7.7	-		
DJ Brookfield Global Infrastructure Index	11.2	13.4	18.2	13.3	10.1	7.8	7.9	8.8		
<u>Cash</u>										
Schwab Government Money Fund	0.8	2.7	3.8	4.4	3.1	2.4	1.9	1.5	<i>1/05</i>	
U.S. 91-Day Treasury Bills	0.9	2.8	3.9	4.6	3.4	2.7	2.2	1.7		

City of Grosse Pointe Woods Employees Retirement System

Summary of Investment Performance

Report for Periods Ending March 31, 2026

Footnotes:

* Performance returns are net of investment management fees.

* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.

* Manager and index data represent the most current available at the time of report publication.

* For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.

* The fiscal year ends in June.

¹ Target Weighted Index is currently comprised of: 6.0% S&P Real Assets Equity Total Return Index, 37.0% Russell 1000 Index, 5.0% Russell Midcap Index, 7.0% Russell 2000 Index, 10.0% MSCI EAFE Index, 5.0% MSCI Small Cap EAFE Index, 5.0% MSCI Emerging Markets Index, 20.0% Bloomberg U.S. Aggregate Index, and 5.0% HFRI FOF: Conservative Index. Please see Appendix for benchmark history.

² Broad Policy Index is comprised of: 70.0% MSCI AC World Index and 30.0% Bloomberg U.S. Aggregate Index.

³ Actuarial Rate is currently comprised of: 100.0% 7.2% Absolute Return. Please see Appendix for benchmark history.

⁴ FTSE NAREIT All Equity Index is currently comprised of: 100.0% FTSE NAREIT All Equity Index. Please see Appendix for benchmark history.

^A RWC Global Emerging Equity Fund (LT) uses longer term composite returns for performance evaluation rather than the shorter-term mutual fund returns.

City of Grosse Pointe Woods Employees Retirement System

Schedule of Asset and Style Allocation

Asset Class	Current Weight	Target Weight	Target Range
Large Cap Equity	37.7%	37.0%	10.0% - 50.0%
Mid Cap Equity	4.9%	5.0%	0.0% - 15.0%
Small Cap Equity	6.7%	7.0%	5.0% - 30.0%
International Equity	15.4%	10.0%	5.0% - 25.0%
International Small Cap Equity	0.0%	5.0%	0.0% - 15.0%
Emerging Markets	4.6%	5.0%	0.0% - 15.0%
Fixed Income	18.7%	20.0%	5.0% - 30.0%
Low Volatility	5.1%	5.0%	0.0% - 20.0%
Real Assets	6.5%	6.0%	0.0% - 10.0%
Cash	0.5%	0.0%	0.0% - 5.0%
Total	100.0%	100.0%	

City of Grosse Pointe Woods Employees Retirement System

Schedule of Asset and Style Allocation

Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Large Cap Equity - Broad	Invesco S&P 500 Equal Weighted Index	100.0%	0.0%	\$3,334,034	6.3%
Large Cap Equity - Broad	iShares S&P 500 Index	100.0%	0.0%	\$16,682,330	31.4%
Mid Cap Equity - Broad	iShares Russell Midcap Index	100.0%	0.0%	\$2,581,943	4.9%
Small Cap Equity - Broad	Vanguard S&P Small Cap 600 Index	100.0%	0.0%	\$3,545,606	6.7%
International Equity - Core	EUPAC Fund	100.0%	0.0%	\$4,000,036	7.5%
International Equity - Value	Dodge & Cox International Stock Fund	100.0%	0.0%	\$4,160,401	7.8%
Emerging Markets - Core	DFA Emerging Markets Fund	100.0%	0.0%	\$1,742,336	3.3%
Emerging Markets - Growth	Redwheel Global Emerging Equity Fund	100.0%	0.0%	\$723,427	1.4%
Fixed Income - Core	Dodge & Cox Income Fund	100.0%	0.0%	\$3,559,778	6.7%
Fixed Income - Core	Vanguard Total Bond Fund	100.0%	0.0%	\$3,024,217	5.7%
Fixed Income - Core Plus	DoubleLine Total Return Bond Fund	100.0%	0.0%	\$3,331,373	6.3%
Low Volatility - Liquid	Gateway Fund	100.0%	0.0%	\$1,314,549	2.5%
Low Volatility - Tactical	PIMCO All Asset Fund	100.0%	0.0%	\$1,405,729	2.6%
Real Assets - Core	Principal Real Estate Securities Fund	100.0%	0.0%	\$1,096,385	2.1%
Real Assets - Infrastructure	Cohen & Steers Global Listed Infrastructure	100.0%	0.0%	\$1,541,462	2.9%
Real Assets - MLP	Tortoise MLP & Pipeline Fund	100.0%	0.0%	\$835,097	1.6%
Cash - Cash	Schwab Government Money Fund	100.0%	0.0%	\$267,398	0.5%
Total				\$53,146,101	100.0%

City of Grosse Pointe Woods Employees Retirement System

Investment Metrics

Report for Periods Ending March 31, 2026

Statistical Measures	Sharpe Ratio	Standard Deviation	Tracking Error	Information Ratio
Total Composite	0.2	13.3%	2.0%	-0.1
Target Weighted Index	0.3	12.6	1.6	-0.3
Broad Policy Index	0.3	12.4	0.0	--

Asset Growth Summary (in thousands)	Qtr	FYTD
Beginning Market Value	\$ 54,228	\$ 50,647
Net Contributions/(Distributions)	\$ (555)	\$ (999)
Market Appreciation/(Depreciation)	\$ (527)	\$ 3,498
Ending Market Value	\$ 53,146	\$ 53,146

* Risk Statistics are based on monthly data.

* Target Weighted Index is currently comprised of: 6.0% S&P Real Assets Equity Total Return Index, 37.0% Russell 1000 Index, 5.0% Russell Midcap Index, 7.0% Russell 2000 Index, 10.0% MSCI EAFE Index, 5.0% MSCI Small Cap EAFE Index, 5.0% MSCI Emerging Markets Index, 20.0% Bloomberg U.S. Aggregate Index, and 5.0% HFRI FOF: Conservative Index. Please see Appendix for benchmark history.

* Broad Policy Index is comprised of: 70.0% MSCI AC World Index and 30.0% Bloomberg U.S. Aggregate Index.

City of Grosse Pointe Woods Employees Retirement System

iShares S&P 500 Index

Summary of Performance and Statistics
Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
iShares S&P 500 Index	-4.3%	6.2%	17.8%	18.3%	12.0%	14.4%	14.1%	10.5%	<i>1/05</i>
S&P 500 Index	-4.3	6.2	17.8	18.3	12.1	14.4	14.2	10.5	
S&P 500 Equal Weighted Index	0.7	7.0	12.9	11.9	8.2	11.2	11.4	10.1	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
iShares S&P 500 Index	1.00	0.0%	1.00	17.2%	0.0%	-2.0
S&P 500 Index	1.00	0.0	1.00	17.2	0.0	--
S&P 500 Equal Weighted Index	0.95	-3.4	0.84	17.3	6.6	0.6

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
iShares S&P 500 Index	24.6	4.8	1,228,422.0 M	1.3%	--%
S&P 500 Index	24.6	4.8	1,228,422.0	1.3	--
S&P 500 Equal Weighted Index	--	--	--	--	--

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

iShares S&P 500 Index

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = 0.0%	No
Beta < 1.20	Beta = 1.00	Yes
Alpha > 0.0%	Alpha = 0.0%	No
Peer Group Rank > 50th Percentile	Ranks in Top 25th Percentile	Yes

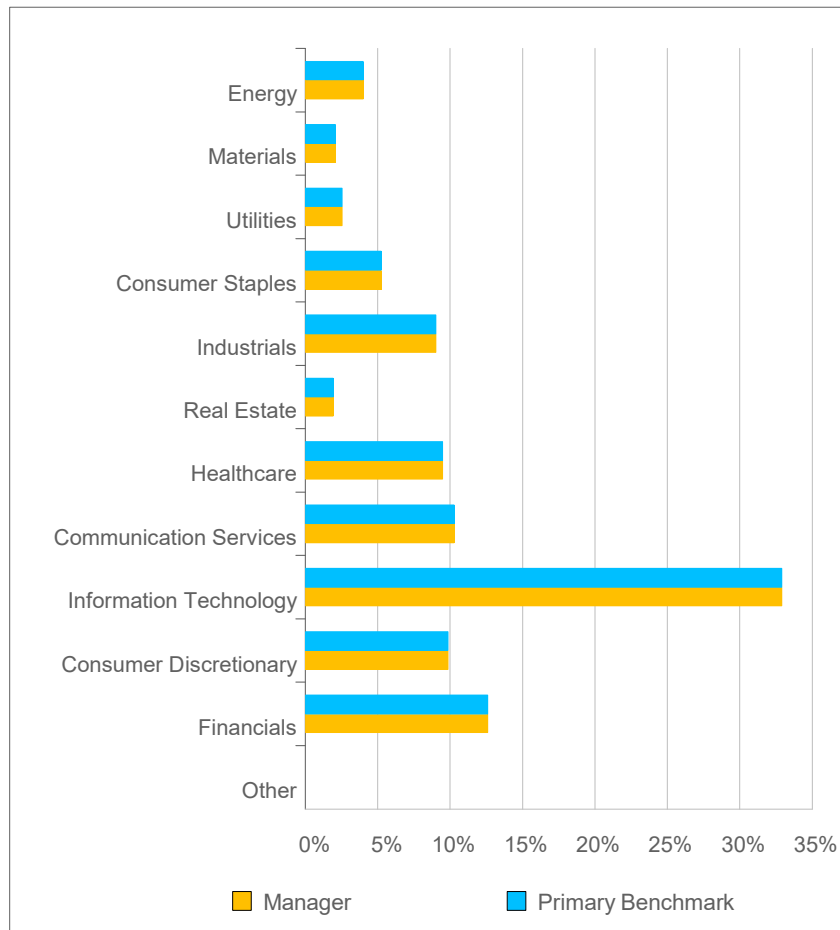
City of Grosse Pointe Woods Employees Retirement System

iShares S&P 500 Index

Equity Sector

Report For Periods Ending March 31, 2026

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Energy	4%	4%	38.3%	36.1%
Materials	2	2	9.7	18.0
Utilities	3	3	8.3	19.7
Consumer Staples	5	5	7.7	6.3
Industrials	9	9	4.6	25.2
Real Estate	2	2	2.8	2.3
Healthcare	9	9	-4.9	2.3
Communication Services	10	10	-6.9	32.6
Information Technology	33	33	-9.1	29.1
Consumer Discretionary	10	10	-9.2	11.7
Financials	13	13	-9.4	0.6
Other	0	0	-	-

Top Five Holdings	Weighting
NVIDIA Corporation	7.6%
Apple Inc.	6.7
Microsoft Corporation	4.9
Amazon.com, Inc.	3.6
Alphabet Inc. Class A	3.0

Number of Holdings: 503

* Sector weightings may not add up to 100% due to rounding.

* Manager data represents the most current available at the time of report publication.

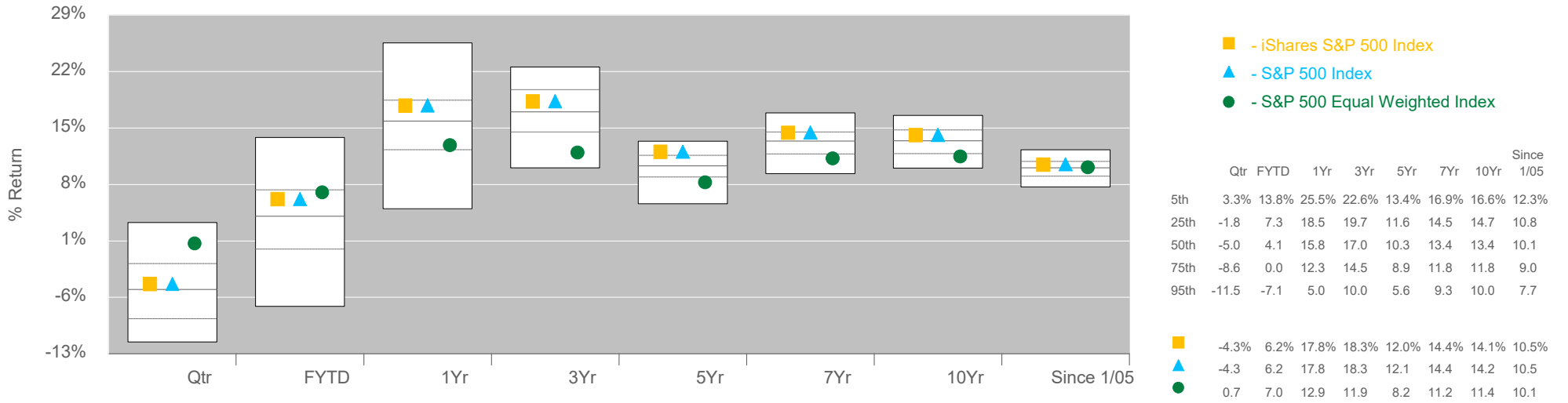
* Effective fourth quarter 2018, Telecommunication Services was replaced by Communication Services by the Global Industry Classification Standard (GICS). Some members of Consumer Discretionary, Technology, and Telecommunication Services were reclassified as Communication Services.

City of Grosse Pointe Woods Employees Retirement System

iShares S&P 500 Index

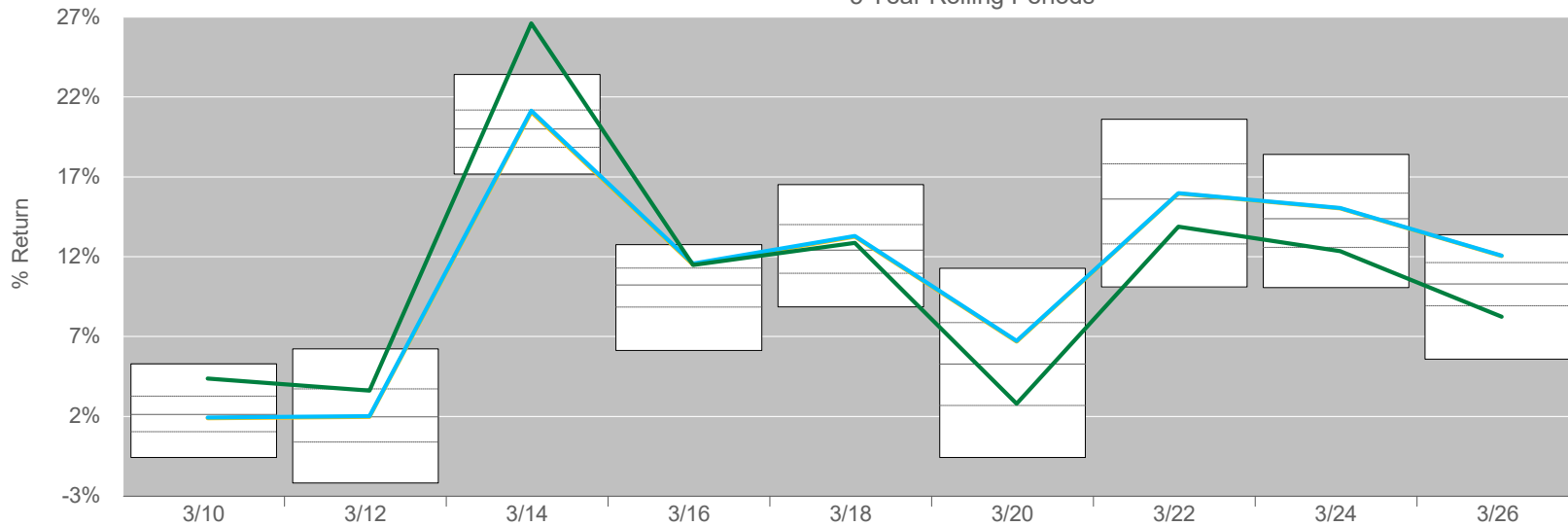
Broad Large Cap Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Invesco S&P 500 Equal Weighted Index

Summary of Performance and Statistics

Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Invesco S&P 500 Equal Weighted Index	0.6%	6.9%	12.7%	11.7%	8.0%	11.0%	11.2%	9.7%	1/05
S&P 500 Equal Weighted Index	0.7	7.0	12.9	11.9	8.2	11.2	11.4	10.1	

Risk Statistics (5 years)	Beta	Alpha	R ²	Standard Deviation	Tracking Error	Information Ratio
Invesco S&P 500 Equal Weighted Index	1.00	-0.2%	1.00	17.3%	0.1%	-3.4
S&P 500 Equal Weighted Index	1.00	0.0	1.00	17.3	0.0	--

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
Invesco S&P 500 Equal Weighted Index	20.6	2.7	43,509.2M	2.2%	--%
S&P 500 Equal Weighted Index	--	--	--	--	--

Asset Growth Summary (in thousands)

Beginning Market Value	\$	0
Net Contributions/(Distributions)	\$	0
Market Appreciation/(Depreciation)	\$	0
Ending Market Value	\$	0

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Invesco S&P 500 Equal Weighted Index

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = -0.2%	No
Beta < 1.20	Beta = 1.00	Yes
Alpha > 0.0%	Alpha = -0.2%	No
Peer Group Rank > 50th Percentile	Ranks in Bottom 25th Percentile	No

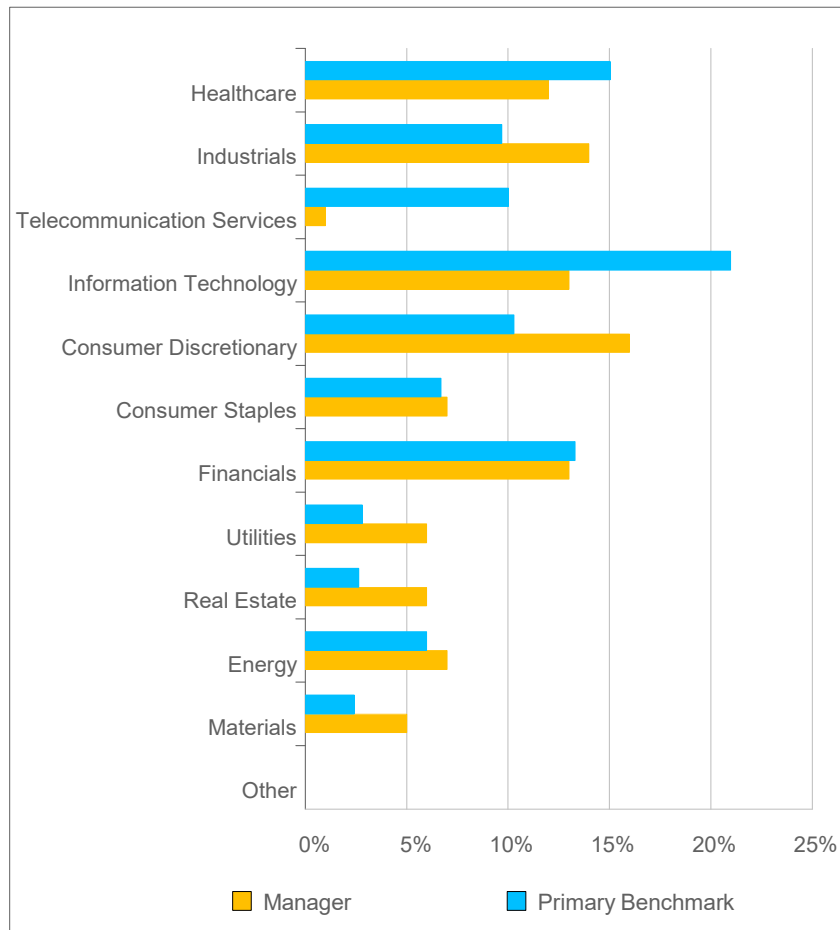
City of Grosse Pointe Woods Employees Retirement System

Invesco S&P 500 Equal Weighted Index

Equity Sector

Report For Periods Ending March 31, 2026 *

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Benchmark	3 Months	12 Months
Healthcare	12%	15%	14.5%	18.4%
Industrials	14	10	10.0	11.2
Telecommunication Services	1	10	9.9	4.4
Information Technology	13	21	8.8	31.5
Consumer Discretionary	16	10	8.2	32.5
Consumer Staples	7	7	5.7	2.9
Financials	13	13	4.4	8.7
Utilities	6	3	2.4	2.9
Real Estate	6	3	0.9	0.9
Energy	7	6	0.6	13.9
Materials	5	2	0.4	4.0
Other	0	0	-	-

Top Five Holdings

Top Five Holdings	Weighting
NVIDIA Corporation	0.2%
Allergan, Inc.	0.2
Eli Lilly and Company	0.2
Xilinx, Inc.	0.2
Apartment Investment and Management Comp	0.2/

Number of Holdings: 505

* Sector weightings may not add up to 100% due to rounding.

* Manager data represents the most current available at the time of report publication.

* Benchmark weightings are for the S&P 500 Index.

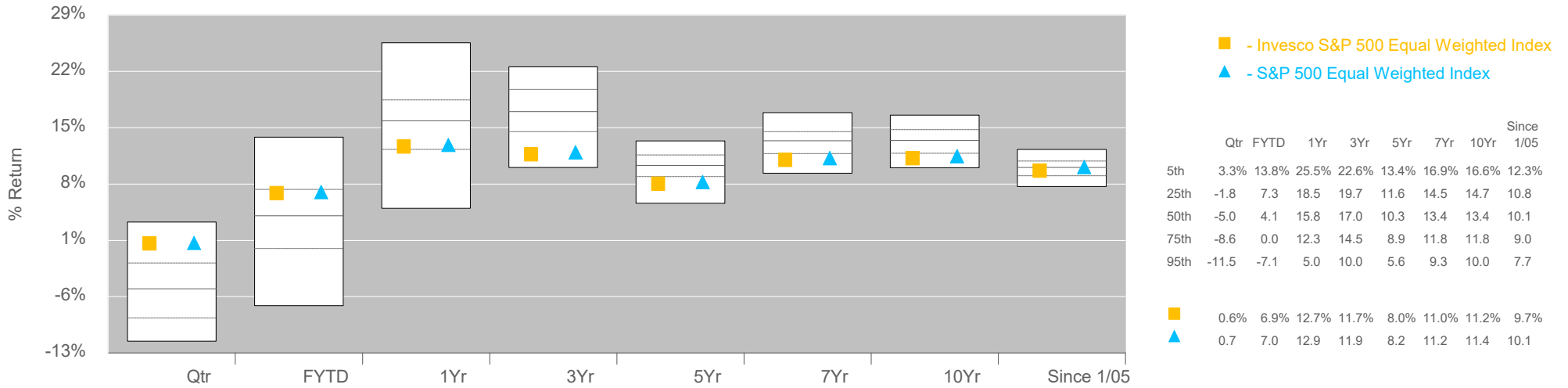
* Effective fourth quarter 2018, Telecommunication Services was replaced by Communication Services by the Global Industry Classification Standard (GICS). Some members of Consumer Discretionary, Technology, and Telecommunication Services were reclassified as Communication Services. This page was generated using sector information prior to this quarter as manager sectors under the current GICS classification are unavailable.

City of Grosse Pointe Woods Employees Retirement System

Invesco S&P 500 Equal Weighted Index

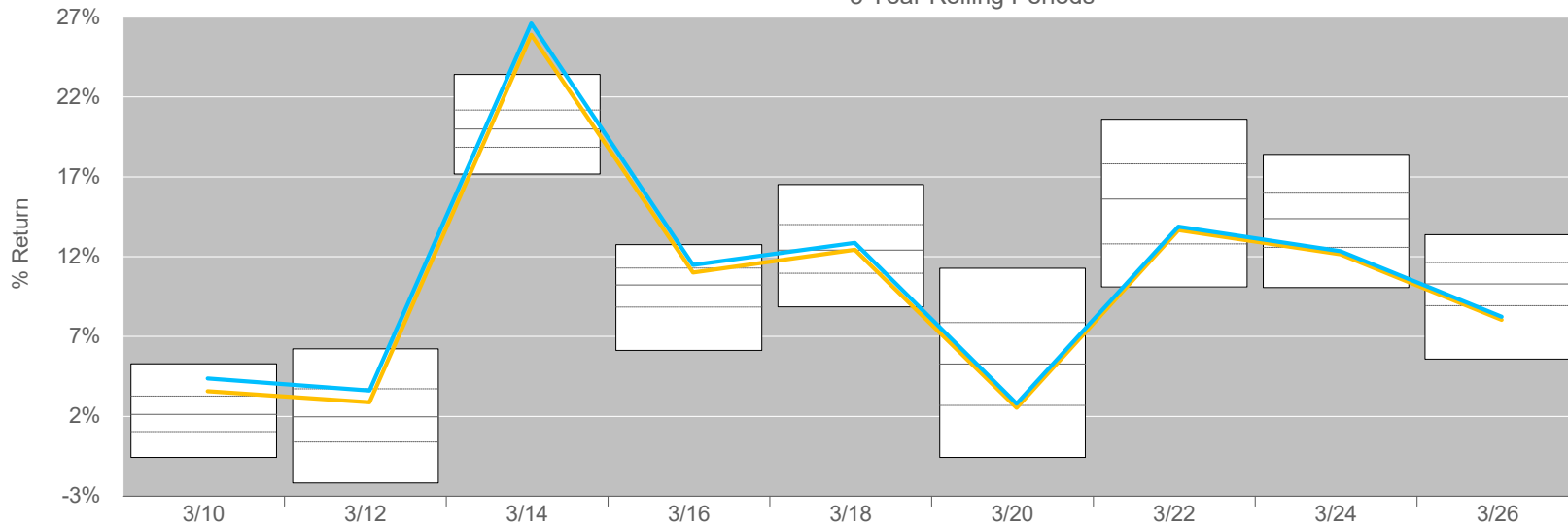
Broad Large Cap Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

iShares Russell Midcap Index Summary of Performance and Statistics Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
iShares Russell Midcap Index	1.3%	6.8%	15.8%	13.2%	7.1%	10.3%	10.7%	9.6%	<i>1/05</i>
Russell Midcap Index	1.3	6.9	16.0	13.3	7.3	10.5	10.9	9.8	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
iShares Russell Midcap Index	1.00	-0.2%	1.00	18.7%	0.1%	-3.3
Russell Midcap Index	1.00	0.0	1.00	18.7	0.0	--

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
iShares Russell Midcap Index	22.1	2.9	32,578.0 M	1.6%	--%
Russell Midcap Index	22.1	2.9	32,578.0	1.6	--

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

iShares Russell Midcap Index

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = -0.2%	No
Beta < 1.20	Beta = 1.00	Yes
Alpha > 0.0%	Alpha = -0.2%	No
Peer Group Rank > 50th Percentile	Ranks in Top 50th Percentile	Yes

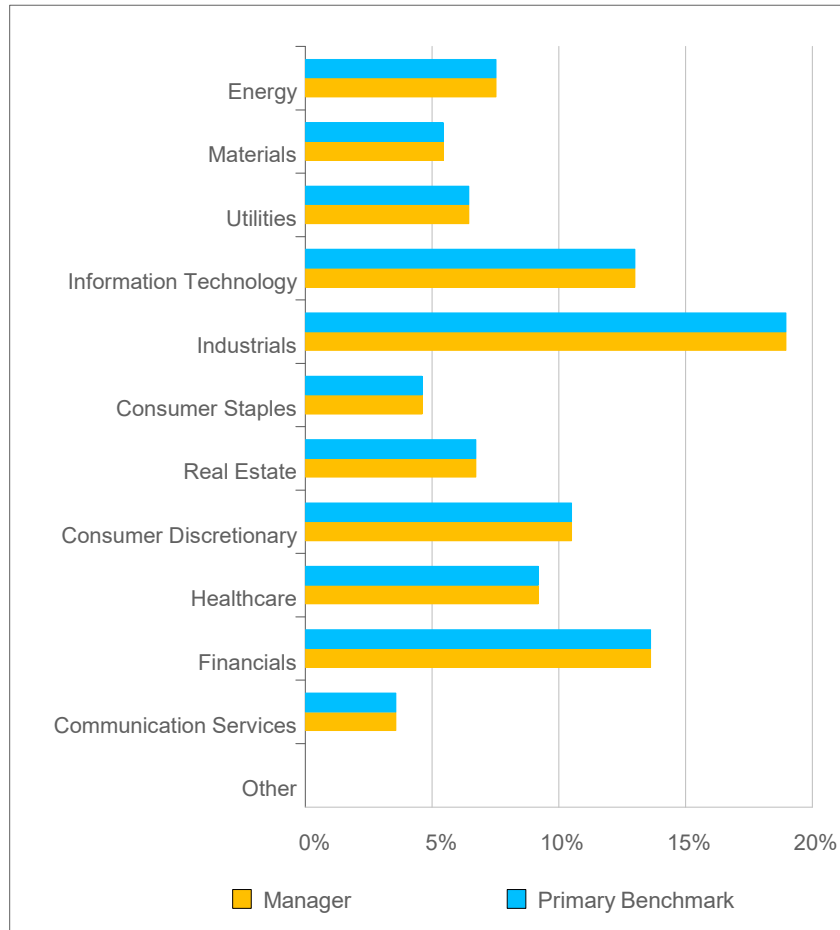
City of Grosse Pointe Woods Employees Retirement System

iShares Russell Midcap Index

Equity Sector

Report For Periods Ending March 31, 2026

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Energy	8%	8%	37.7%	35.9%
Materials	5	5	11.3	20.9
Utilities	6	6	8.7	15.7
Information Technology	13	13	6.4	44.5
Industrials	19	19	4.1	26.4
Consumer Staples	5	5	2.6	-3.3
Real Estate	7	7	-1.8	-3.9
Consumer Discretionary	11	11	-6.6	7.9
Healthcare	9	9	-7.1	6.9
Financials	14	14	-10.0	2.6
Communication Services	4	4	-10.9	8.2
Other	0	0	-	-

Top Five Holdings

	Weighting
Corning Inc	0.8%
Vertiv Holdings Co. Class A	0.8
Howmet Aerospace Inc.	0.7
Western Digital Corporation	0.7
Sandisk Corporation	0.7

Number of Holdings: 806

* Sector weightings may not add up to 100% due to rounding.

* Manager data represents the most current available at the time of report publication.

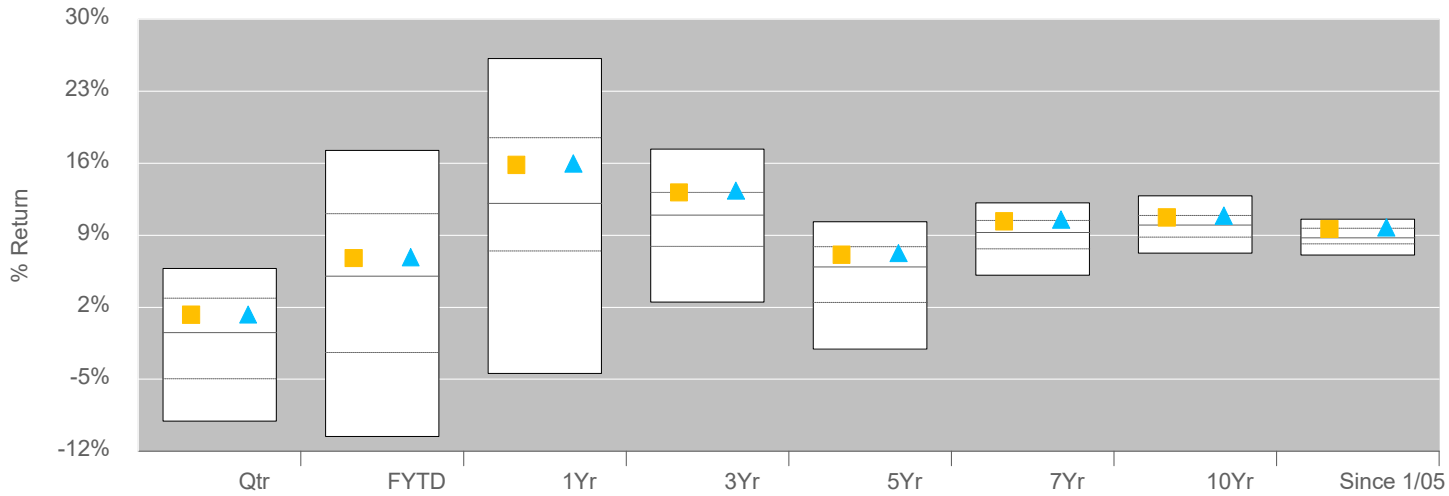
* Effective fourth quarter 2018, Telecommunication Services was replaced by Communication Services by the Global Industry Classification Standard (GICS). Some members of Consumer Discretionary, Technology, and Telecommunication Services were reclassified as Communication Services.

City of Grosse Pointe Woods Employees Retirement System

iShares Russell Midcap Index

Broad Mid Cap Universe

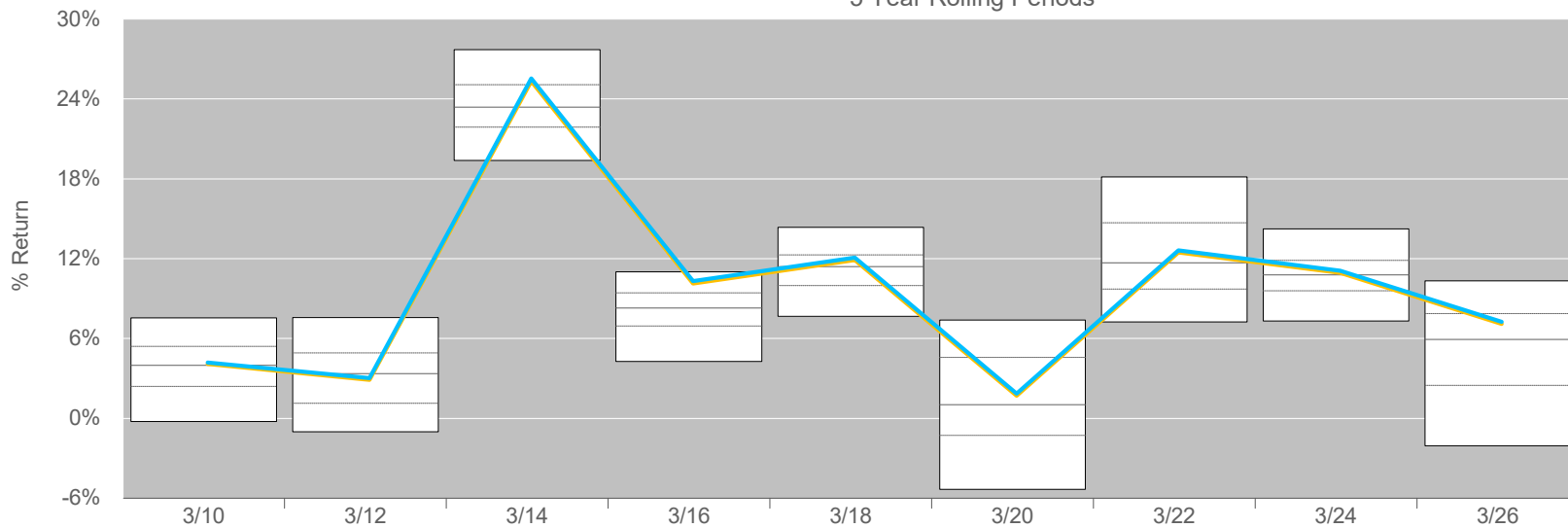
For Report Periods Ending March 31, 2026



	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since 1/05
5th	5.8%	17.3%	26.2%	17.4%	10.3%	12.2%	12.9%	10.6%
25th	2.9	11.1	18.5	13.2	7.9	10.4	10.9	9.7
50th	-0.5	5.0	12.1	11.0	5.9	9.3	10.0	8.7
75th	-5.0	-2.4	7.5	7.9	2.5	7.7	8.8	8.1
95th	-9.1	-10.6	-4.5	2.5	-2.1	5.1	7.2	7.1
■	1.3%	6.8%	15.8%	13.2%	7.1%	10.3%	10.7%	9.6%
▲	1.3	6.9	16.0	13.3	7.3	10.5	10.9	9.8

Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Vanguard S&P Small Cap 600 Index

Summary of Performance and Statistics

Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Vanguard S&P Small Cap 600 Index	3.5%	14.9%	20.5%	10.5%	4.4%	8.7%	9.9%	11.2%	<i>9/10</i>
S&P SmallCap 600 Index	3.5	14.9	20.5	10.5	4.5	8.8	9.9	11.3	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
Vanguard S&P Small Cap 600 Index	1.00	-0.1%	1.00	20.9%	0.0%	-2.0
S&P SmallCap 600 Index	1.00	0.0	1.00	20.9	0.0	--

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
Vanguard S&P Small Cap 600 Index	16.7	1.8	3,897.0 M	1.7%	--%
S&P SmallCap 600 Index	16.7	1.8	3,897.0	1.7	--

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Vanguard S&P Small Cap 600 Index

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = -0.1%	No
Beta < 1.20	Beta = 1.00	Yes
Alpha > 0.0%	Alpha = -0.1%	No
Peer Group Rank > 50th Percentile	Ranks in Bottom 50th Percentile	No

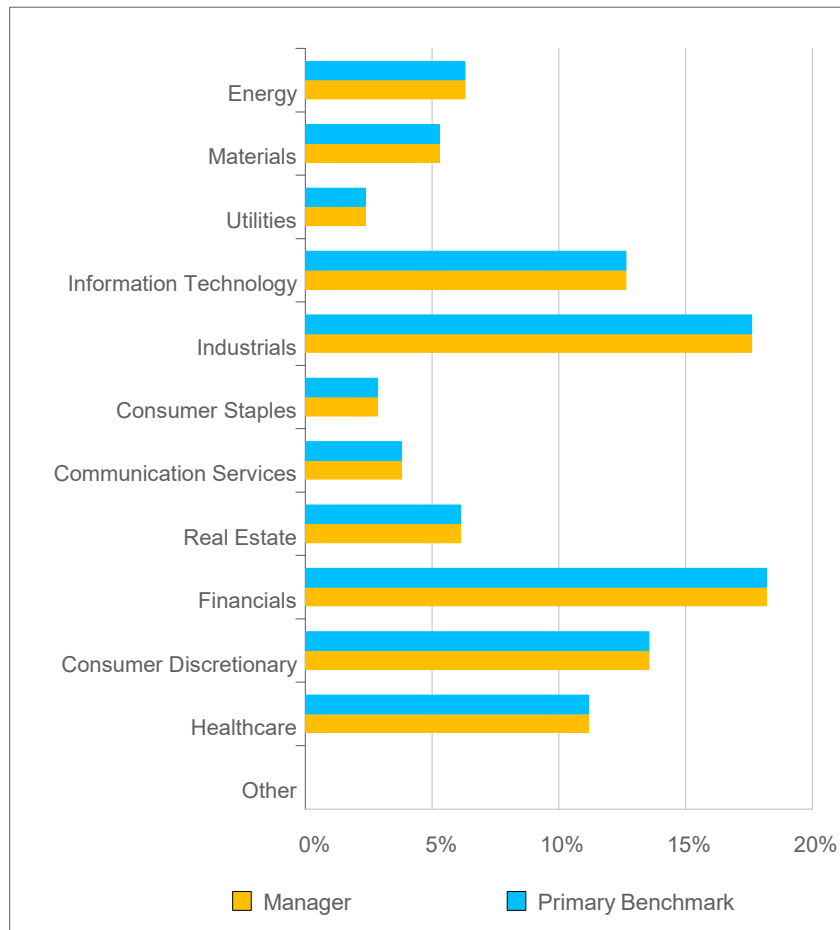
City of Grosse Pointe Woods Employees Retirement System

Vanguard S&P Small Cap 600 Index

Equity Sector

Report For Periods Ending March 31, 2026

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Energy	6%	6%	42.8%	49.2%
Materials	5	5	18.6	49.6
Utilities	2	2	9.3	9.3
Information Technology	13	13	6.3	50.9
Industrials	18	18	3.5	32.6
Consumer Staples	3	3	2.5	-9.6
Communication Services	4	4	0.9	4.7
Real Estate	6	6	0.2	3.8
Financials	18	18	-0.6	11.2
Consumer Discretionary	14	14	-1.5	12.4
Healthcare	11	11	-6.5	-5.4
Other	0	0	-	-

Top Five Holdings

	Weighting
Eastman Chemical Company	0.6%
Element Solutions Inc	0.5
Primoris Services Corporation	0.5
Viavi Solutions Inc	0.5
Argan, Inc.	0.5

Number of Holdings: 603

* Sector weightings may not add up to 100% due to rounding.

* Manager data represents the most current available at the time of report publication.

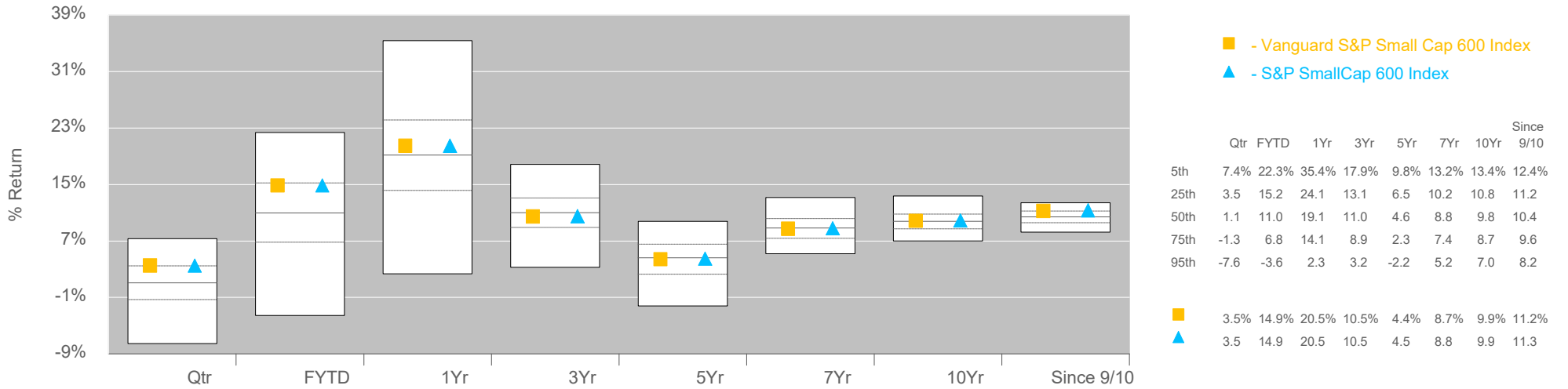
* Effective fourth quarter 2018, Telecommunication Services was replaced by Communication Services by the Global Industry Classification Standard (GICS). Some members of Consumer Discretionary, Technology, and Telecommunication Services were reclassified as Communication Services.

City of Grosse Pointe Woods Employees Retirement System

Vanguard S&P Small Cap 600 Index

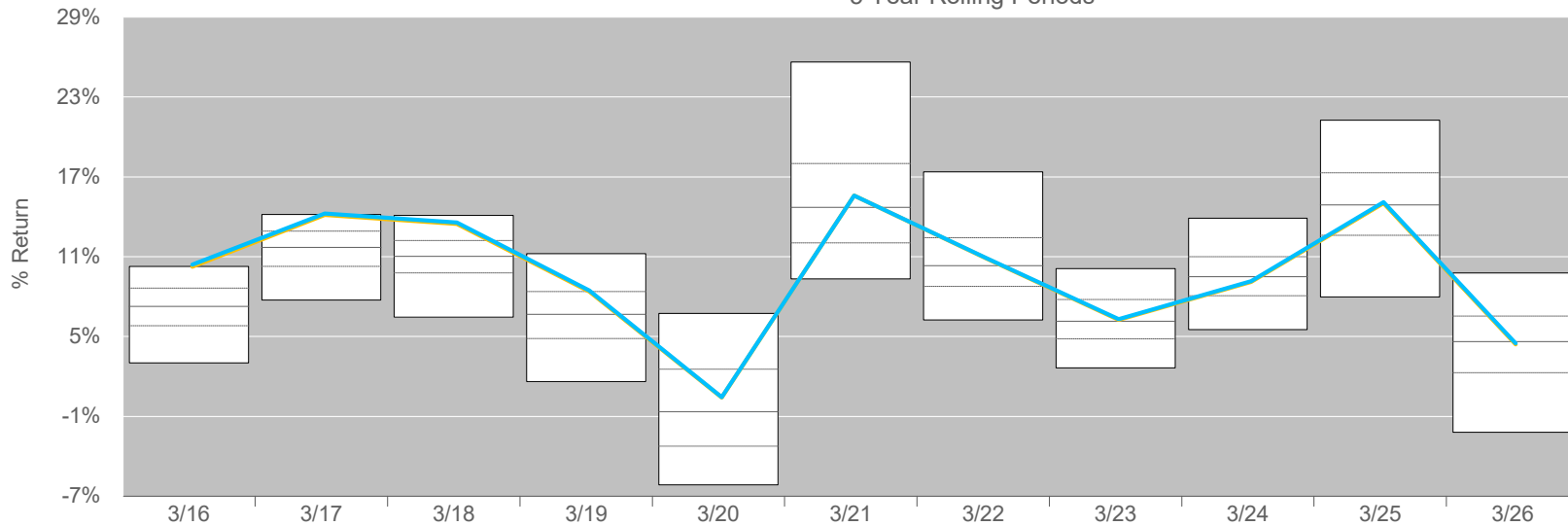
Broad Small Cap Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2011 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

EUPAC Fund

Summary of Performance and Statistics
Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
EUPAC Fund	-2.9%	7.9%	22.2%	11.5%	4.0%	7.9%	8.3%	6.2%	8/08
MSCI AC World Index ex-U.S.	-0.7	11.5	24.9	14.5	7.0	8.5	8.4	5.2	

Risk Statistics (5 years)	Beta	Alpha	R ²	Standard Deviation	Tracking Error	Information Ratio
EUPAC Fund	1.04	-3.2%	0.93	17.0%	4.5%	-0.7
MSCI AC World Index ex-U.S.	1.00	0.0	1.00	16.2	0.0	--

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
EUPAC Fund	18.1	2.8	202,050.0 M	2.0%	35.0%
MSCI AC World Index ex-U.S.	17.1	2.2	166,458.0	2.6	--

* Risk Statistics are based on monthly data. MSCI does not compute the Weighted Average Market Capitalization - the average market capitalization is used as the best available representation.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

EUPAC Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = -3.1%	No
Beta < 1.20	Beta = 1.04	Yes
Alpha > 0.0%	Alpha = -3.2%	No
Peer Group Rank > 50th Percentile	Ranks in Bottom 25th Percentile	No

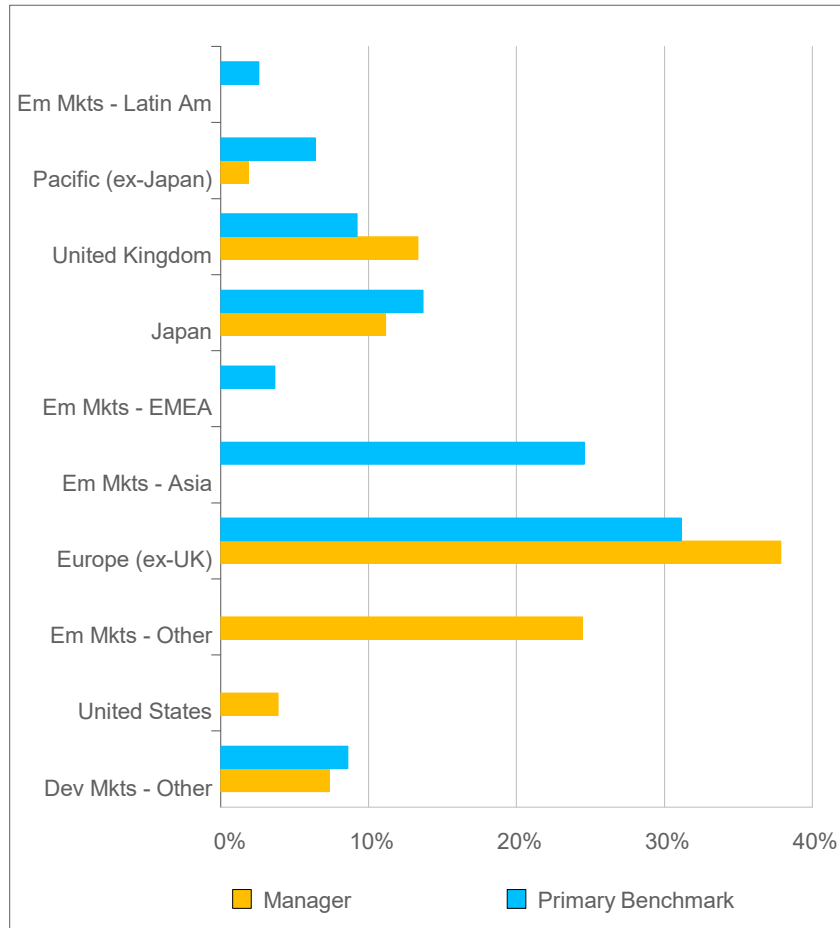
City of Grosse Pointe Woods Employees Retirement System

EUPAC Fund

International Sector

Report For Periods Ending March 31, 2026

Region Allocation



Region	Region Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Em Mkts - Latin Am	0%	3%	14.7%	58.2%
Pacific (ex-Japan)	2	6	3.0	23.7
United Kingdom	13	9	2.0	25.7
Japan	11	14	1.5	26.3
Em Mkts - EMEA	0	4	0.1	22.4
Em Mkts - Asia	0	25	-1.5	29.3
Europe (ex-UK)	38	31	-3.9	18.6
Em Mkts - Other	24	0	-	-
United States	4	0	-	-
Dev Mkts - Other	7	9	-	-

Top Five Countries	Weighting
United Kingdom	13.3%
Japan	11.2
France	9.1
Germany	7.4
Canada	7.3

Number of Holdings: 347

* Sector weightings may not add up to 100% due to rounding.

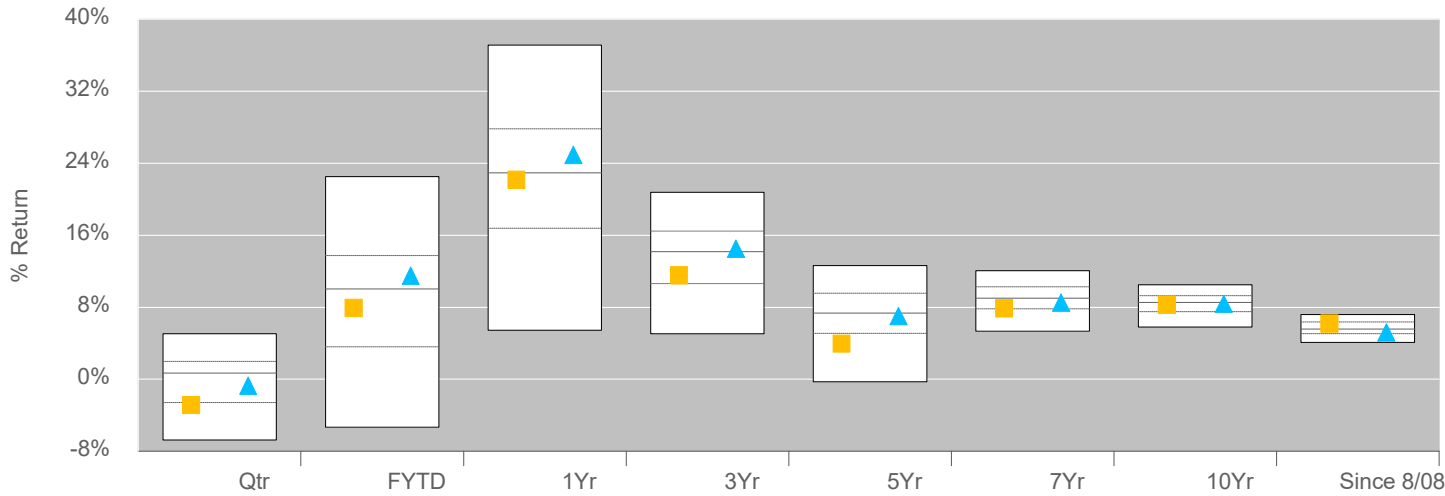
* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

EUPAC Fund

International Equity Universe

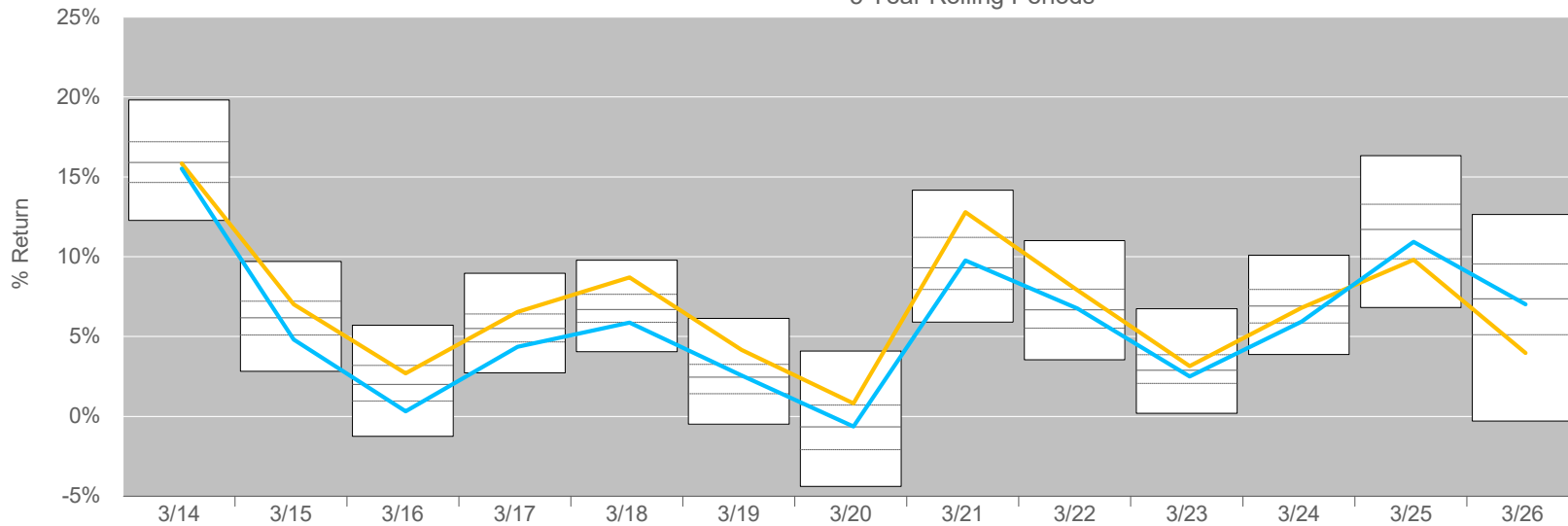
For Report Periods Ending March 31, 2026



	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since 8/08
5th	5.1%	22.5%	37.1%	20.8%	12.7%	12.1%	10.5%	7.2%
25th	2.0%	13.8%	27.8%	16.5%	9.5%	10.3%	9.3%	6.3%
50th	0.7%	10.0%	22.9%	14.2%	7.4%	9.0%	8.5%	5.6%
75th	-2.6%	3.6%	16.8%	10.6%	5.1%	7.8%	7.5%	5.1%
95th	-6.8%	-5.3%	5.4%	5.0%	-0.3%	5.3%	5.8%	4.1%
EUPAC Fund	-2.9%	7.9%	22.2%	11.5%	4.0%	7.9%	8.3%	6.2%
MSCI AC World Index ex-U.S.	-0.7%	11.5%	24.9%	14.5%	7.0%	8.5%	8.4%	5.2%

Report From March 31, 2009 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox International Stock Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Dodge & Cox International Stock Fund	0.7%	14.2%	27.4%	16.8%	10.3%	10.4%	9.6%	6.9%	<i>1/05</i>
MSCI AC World Index ex-U.S.	-0.7	11.5	24.9	14.5	7.0	8.5	8.4	6.1	
MSCI EAFE Index	-1.2	8.5	21.3	13.6	7.9	8.9	8.4	5.9	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
Dodge & Cox International Stock Fund	0.97	3.4%	0.86	17.4%	5.9%	0.6
MSCI AC World Index ex-U.S.	1.00	0.0	1.00	16.2	0.0	--
MSCI EAFE Index	1.00	0.9	0.96	16.7	6.3	0.4

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
Dodge & Cox International Stock Fund	14.8	2.0	154,046.0 M	2.7%	17.0%
MSCI AC World Index ex-U.S.	17.1	2.2	166,458.0	2.6	--
MSCI EAFE Index	17.6	2.1	105,253.0	2.8	--

* Risk Statistics are based on monthly data. MSCI does not compute the Weighted Average Market Capitalization - the average market capitalization is used as the best available representation.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox International Stock Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = 3.3%	Yes
Beta < 1.20	Beta = 0.97	Yes
Alpha > 0.0%	Alpha = 3.4%	Yes
Peer Group Rank > 50th Percentile	Ranks in Bottom 50th Percentile	No

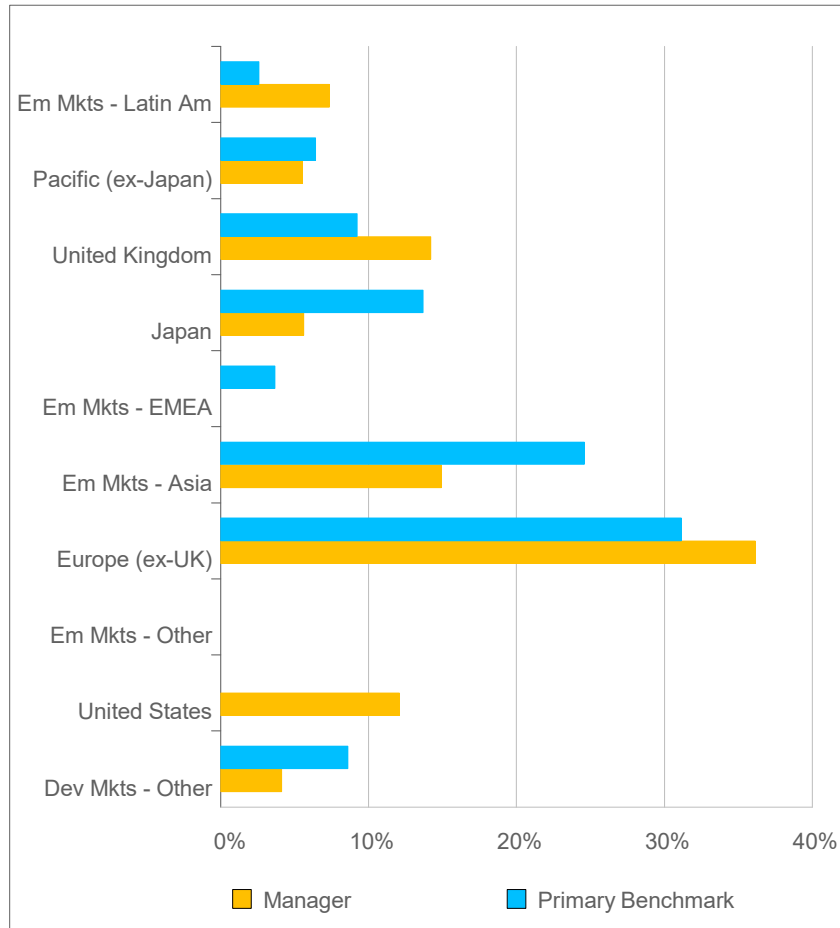
City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox International Stock Fund

International Sector

Report For Periods Ending March 31, 2026

Region Allocation



Region	Region Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Em Mkts - Latin Am	7%	3%	14.7%	58.2%
Pacific (ex-Japan)	6	6	3.0	23.7
United Kingdom	14	9	2.0	25.7
Japan	6	14	1.5	26.3
Em Mkts - EMEA	0	4	0.1	22.4
Em Mkts - Asia	15	25	-1.5	29.3
Europe (ex-UK)	36	31	-3.9	18.6
Em Mkts - Other	0	0	-	-
United States	12	0	-	-
Dev Mkts - Other	4	9	-	-

Top Five Countries	Weighting
United Kingdom	14.2%
United States	10.9
Switzerland	9.8
France	9.1
Germany	8.2

Number of Holdings: 88

* Sector weightings may not add up to 100% due to rounding.

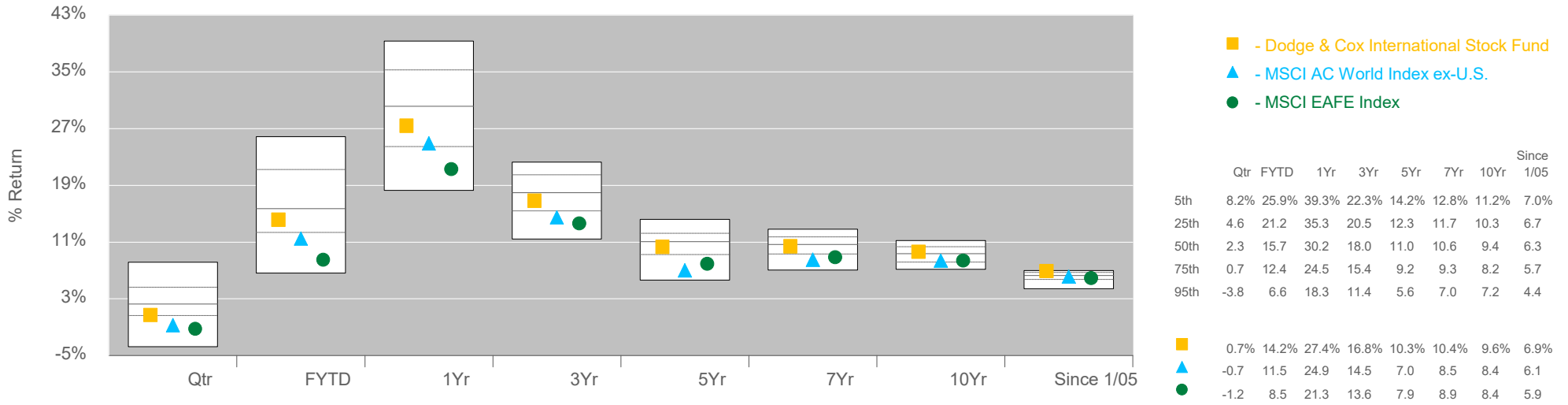
* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox International Stock Fund

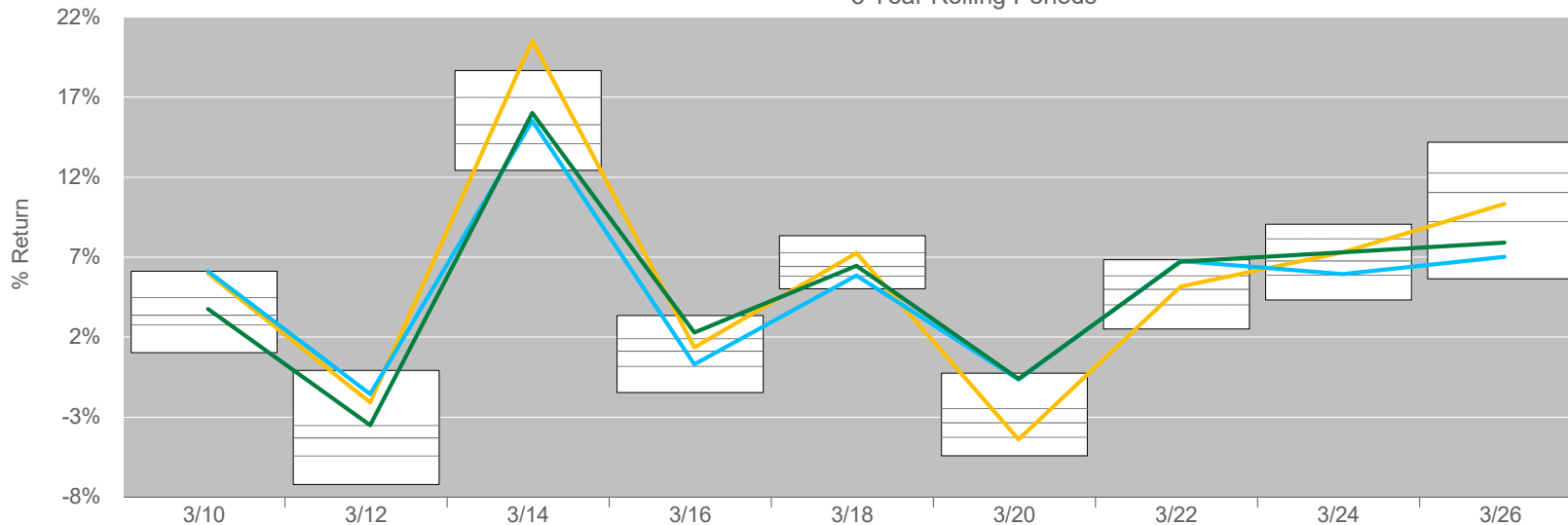
International Value Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods

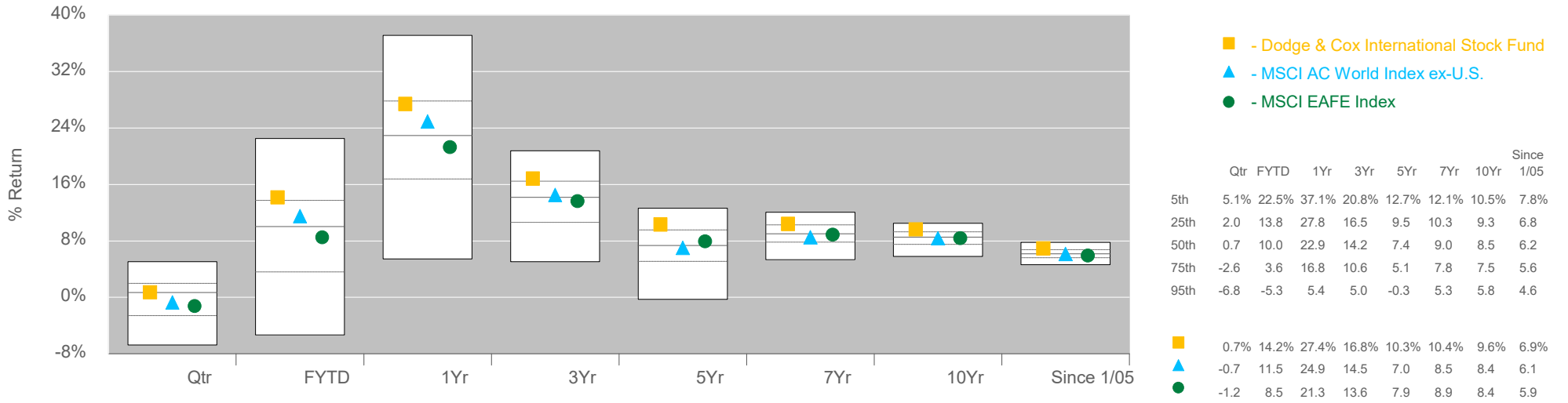


City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox International Stock Fund

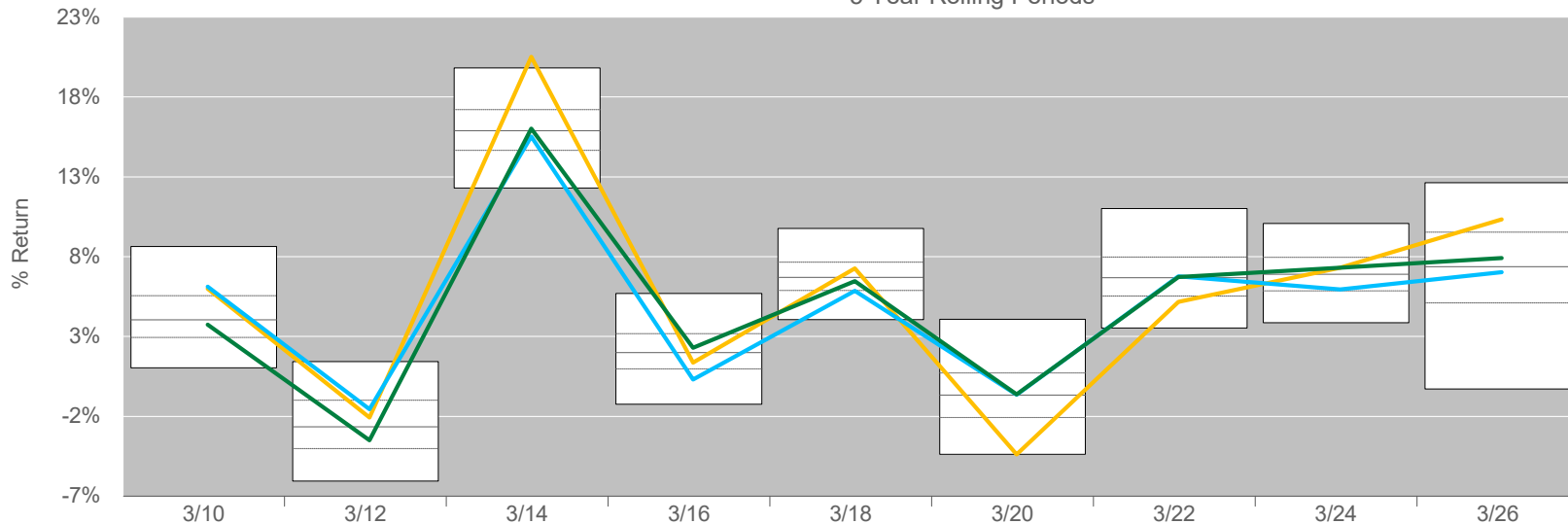
International Equity Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Redwheel Global Emerging Equity Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Redwheel Global Emerging Equity Fund	2.7%	24.4%	36.4%	13.5%	1.4%	6.8%	8.7%	7.9%	<i>7/12</i>
MSCI Emerging Markets Index	-0.2	15.7	29.6	14.8	3.7	6.6	7.8	5.3	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
Redwheel Global Emerging Equity Fund	1.14	-2.3%	0.89	21.4%	7.1%	-0.3
MSCI Emerging Markets Index	1.00	0.0	1.00	18.0	0.0	--

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
Redwheel Global Emerging Equity Fund	11.9	2.0	175,028.0 M	2.9%	93.8%
MSCI Emerging Markets Index	15.8	2.4	310,369.0	2.3	--

* Risk Statistics are based on monthly data. MSCI does not compute the Weighted Average Market Capitalization - the average market capitalization is used as the best available representation.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Redwheel Global Emerging Equity Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = -2.3%	No
Beta < 1.20	Beta = 1.14	Yes
Alpha > 0.0%	Alpha = -2.3%	No
Peer Group Rank > 50th Percentile	Ranks in Bottom 25th Percentile	No

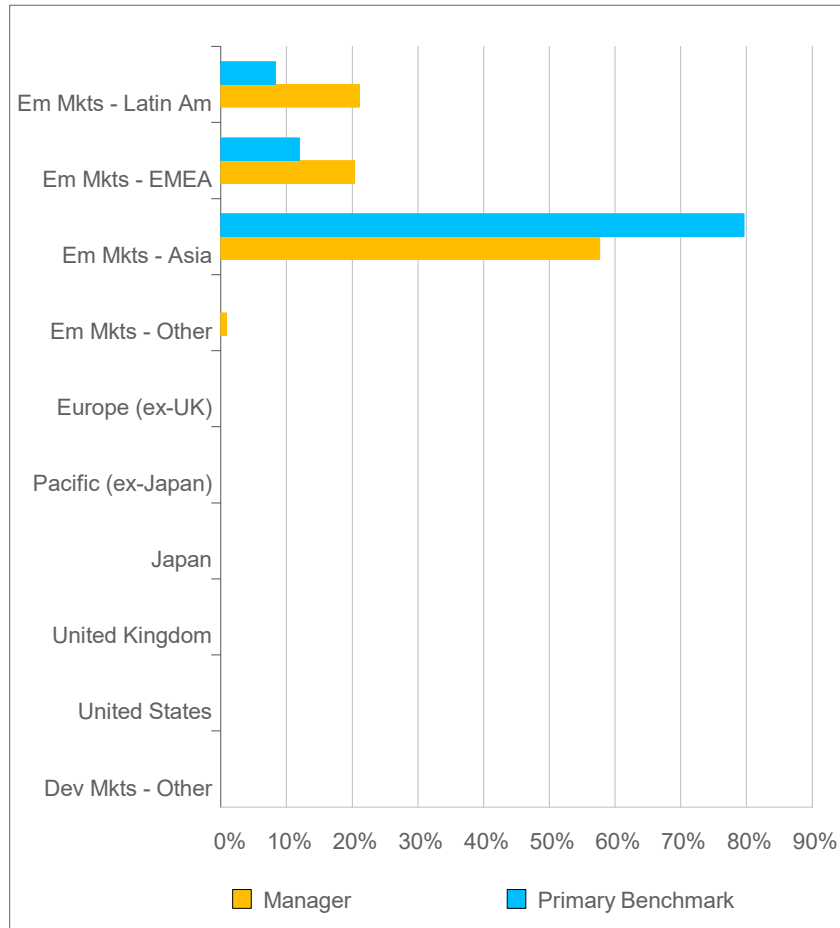
City of Grosse Pointe Woods Employees Retirement System

Redwheel Global Emerging Equity Fund

Emerging Markets Sector

Report For Periods Ending March 31, 2026

Region Allocation



Region	Region Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Em Mkts - Latin Am	21%	8%	14.7%	58.2%
Em Mkts - EMEA	20	12	0.1	22.4
Em Mkts - Asia	58	80	-1.5	29.3
Em Mkts - Other	1	0	-	-
Europe (ex-UK)	0	0	-	-
Pacific (ex-Japan)	0	0	-	-
Japan	0	0	-	-
United Kingdom	0	0	-	-
United States	0	0	-	-
Dev Mkts - Other	0	0	-	-

Top Five Countries	Weighting
China	26.0%
Brazil	14.0
Korea, South	11.6
Taiwan	9.6
South Africa	7.0

Number of Holdings: 66

* Sector weightings may not add up to 100% due to rounding.

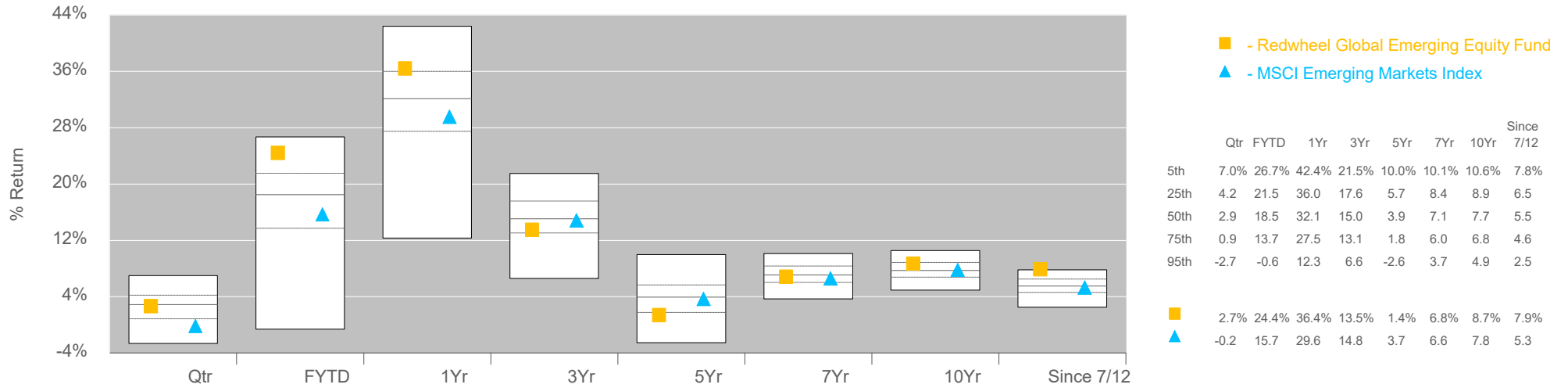
* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Redwheel Global Emerging Equity Fund

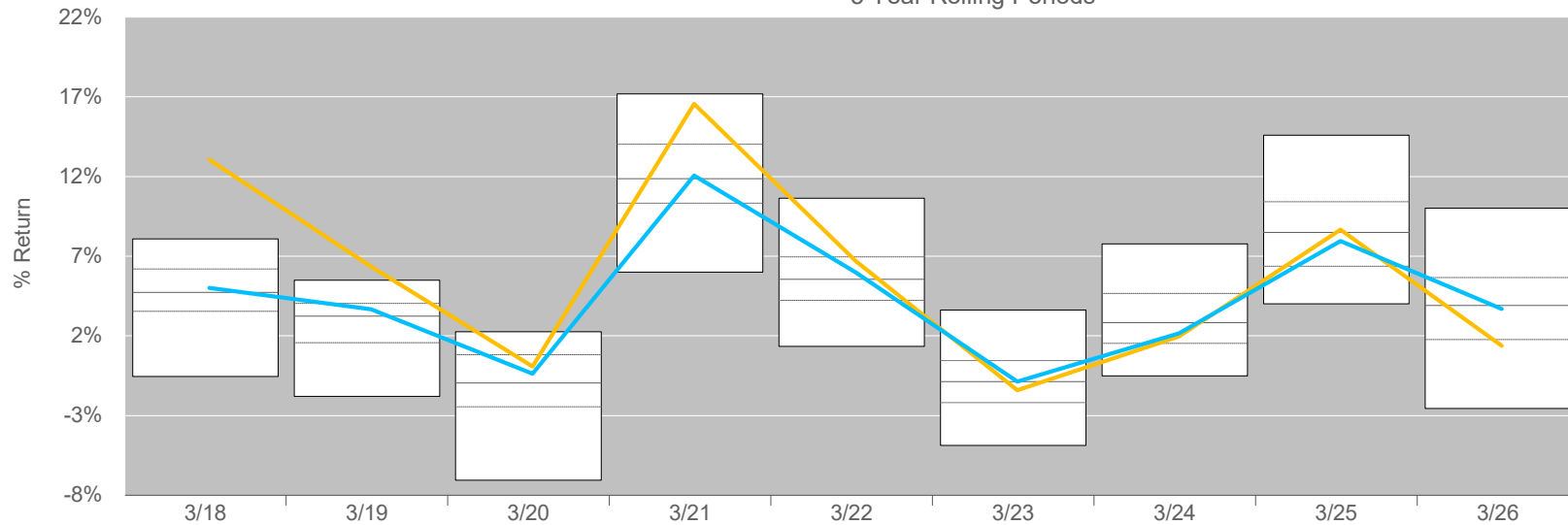
Emerging Markets Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2013 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

DFA Emerging Markets Fund Summary of Performance and Statistics Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
DFA Emerging Markets Fund	3.7%	20.1%	34.6%	16.7%	6.4%	8.3%	8.7%	7.6%	<i>1/05</i>
MSCI Emerging Markets Index	-0.2	15.7	29.6	14.8	3.7	6.6	7.8	7.1	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
DFA Emerging Markets Fund	0.92	2.7%	0.97	17.2%	3.1%	0.9
MSCI Emerging Markets Index	1.00	0.0	1.00	18.0	0.0	--

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
DFA Emerging Markets Fund	16.1	2.1	251,609.8 M	2.3%	10.0%
MSCI Emerging Markets Index	15.8	2.4	310,369.0	2.3	--

* Risk Statistics are based on monthly data. MSCI does not compute the Weighted Average Market Capitalization - the average market capitalization is used as the best available representation.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

DFA Emerging Markets Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = 2.7%	Yes
Beta < 1.20	Beta = 0.92	Yes
Alpha > 0.0%	Alpha = 2.7%	Yes
Peer Group Rank > 50th Percentile	Ranks in Top 25th Percentile	Yes

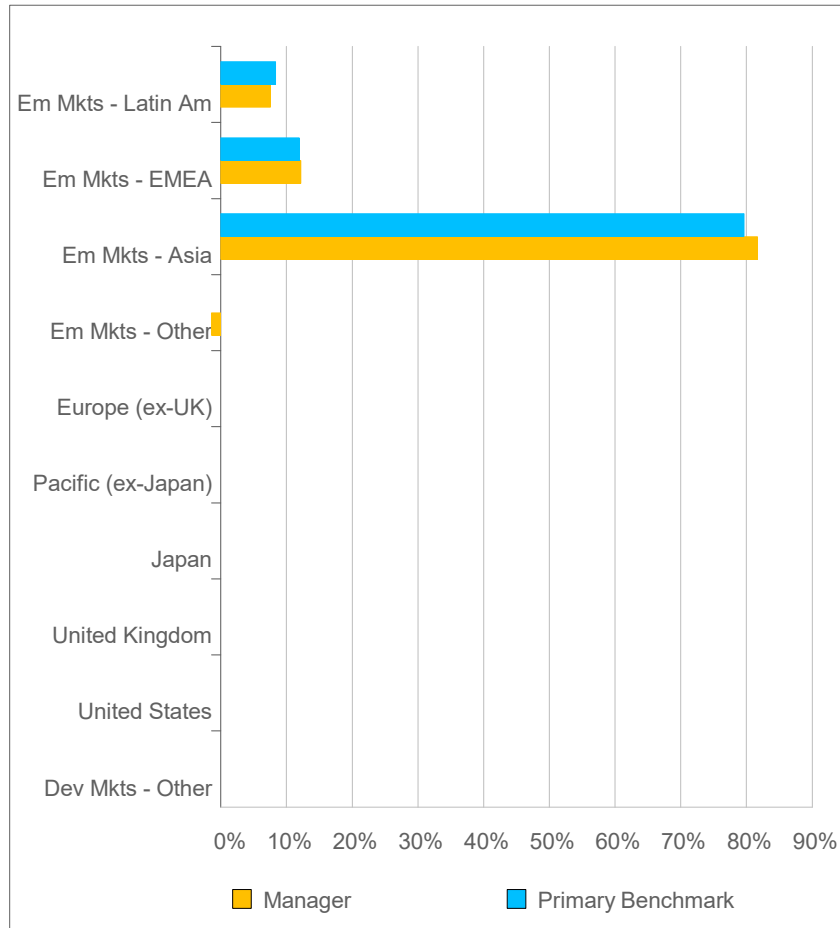
City of Grosse Pointe Woods Employees Retirement System

DFA Emerging Markets Fund

Emerging Markets Sector

Report For Periods Ending March 31, 2026

Region Allocation



Region	Region Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Em Mkts - Latin Am	8%	8%	14.7%	58.2%
Em Mkts - EMEA	12	12	0.1	22.4
Em Mkts - Asia	82	80	-1.5	29.3
Em Mkts - Other	-1	0	-	-
Europe (ex-UK)	0	0	-	-
Pacific (ex-Japan)	0	0	-	-
Japan	0	0	-	-
United Kingdom	0	0	-	-
United States	0	0	-	-
Dev Mkts - Other	0	0	-	-

Top Five Countries	Weighting
Taiwan	23.6%
China	22.8
Korea, South	16.1
India	13.7
Brazil	4.5

Number of Holdings: 2200

* Sector weightings may not add up to 100% due to rounding.

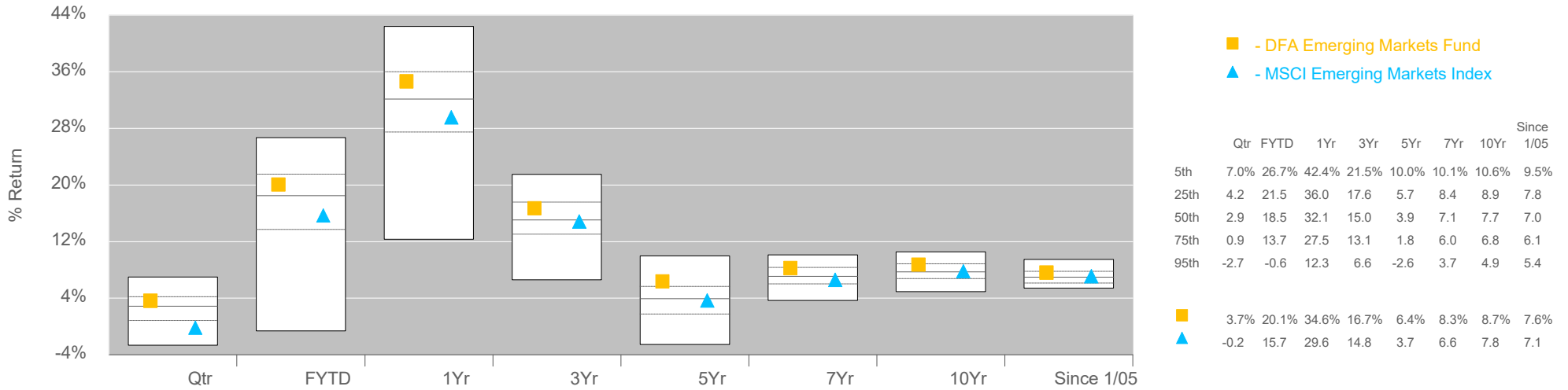
* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

DFA Emerging Markets Fund

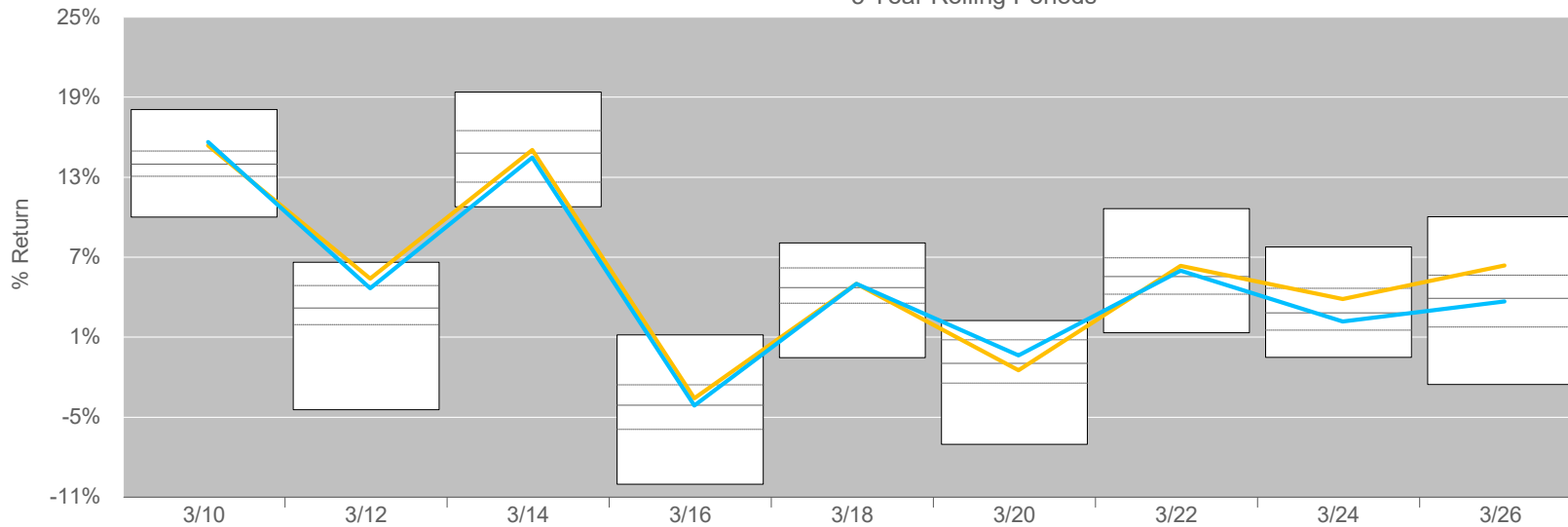
Emerging Markets Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox Income Fund

Summary of Performance and Statistics
Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Dodge & Cox Income Fund	0.0%	3.9%	5.3%	5.0%	1.6%	2.9%	3.1%	4.0%	<i>1/05</i>
Bloomberg IG Credit Index	-0.5	2.9	4.8	4.4	0.6	2.2	2.4	3.7	
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	1.7	3.2	

Risk Statistics (5 years)	Beta	Alpha	R ²	Standard Deviation	Tracking Error	Information Ratio
Dodge & Cox Income Fund	0.85	0.6%	0.97	6.6%	1.7%	0.6
Bloomberg IG Credit Index	1.00	0.0	1.00	7.6	0.0	--
Bloomberg U.S. Aggregate Index	0.84	-0.7	0.98	6.4	1.1	1.2

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
Dodge & Cox Income Fund	6.1 yrs	8.9 yrs	A	4.7%	20.7%
Bloomberg IG Credit Index	--	--	--	--	--
Bloomberg U.S. Aggregate Index	5.8	8.1	AA	4.5	--

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox Income Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = 1.0%	Yes
Beta < 1.20	Beta = 0.85	Yes
Alpha > 0.0%	Alpha = 0.6%	Yes
Peer Group Rank > 50th Percentile	Ranks in Top 25th Percentile	Yes

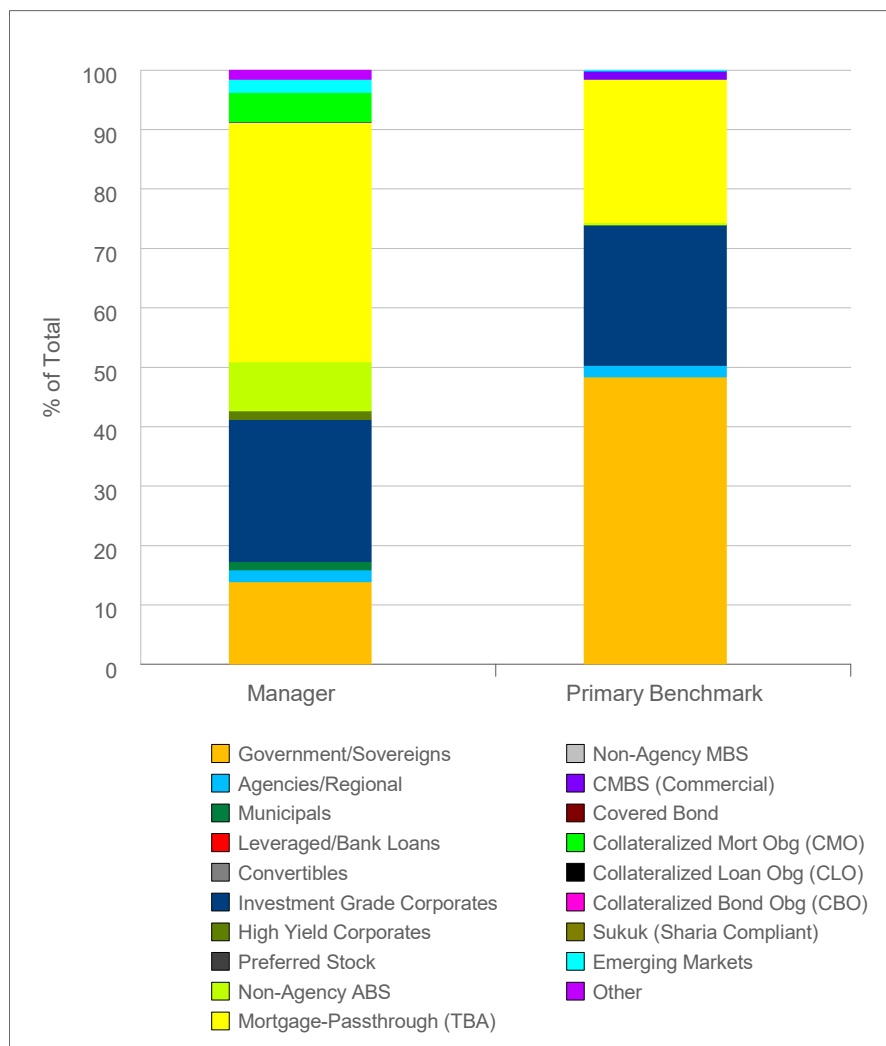
City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox Income Fund

Fixed Income Sector

Report For Periods Ending March 31, 2026

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Benchmark	3 Months	12 Months
Total Weighting	100%	100%	0.0%	4.3%
Government/Sovereigns	14	48	-0.1	3.4
Agencies/Regional	2	2	0.3	4.6
Municipals	1	0	-	-
Leveraged/Bank Loans	0	0	-	-
Convertibles	0	0	-	-
Investment Grade Corporates	24	24	-0.5	4.9
High Yield Corporates	1	0	-	-
Preferred Stock	0	0	-	-
Non-Agency ABS	8	0	0.2	4.6
Mortgage-Passthrough (TBA)	40	24	0.1	5.5
Non-Agency MBS	0	0	-	-
CMBS (Commercial)	0	1	0.0	5.1
Covered Bond	0	0	-	-
Collateralized Mort Obg (CMO)	5	0	-	-
Collateralized Loan Obg (CLO)	0	0	-	-
Collateralized Bond Obg (CBO)	0	0	-	-
Sukuk (Sharia Compliant)	0	0	-	-
Emerging Markets	2	0	-0.3	5.4
Other	2	0	-	-

*Sector weightings may not add up to 100% due to rounding.

*Benchmark weightings are for the Bloomberg U.S. Aggregate Index.

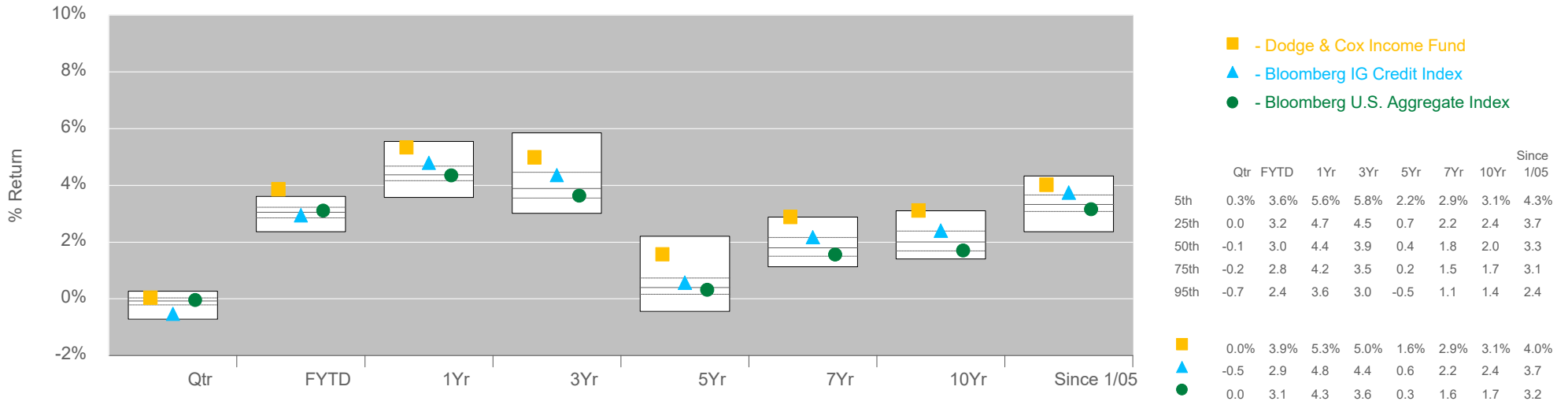
* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Dodge & Cox Income Fund

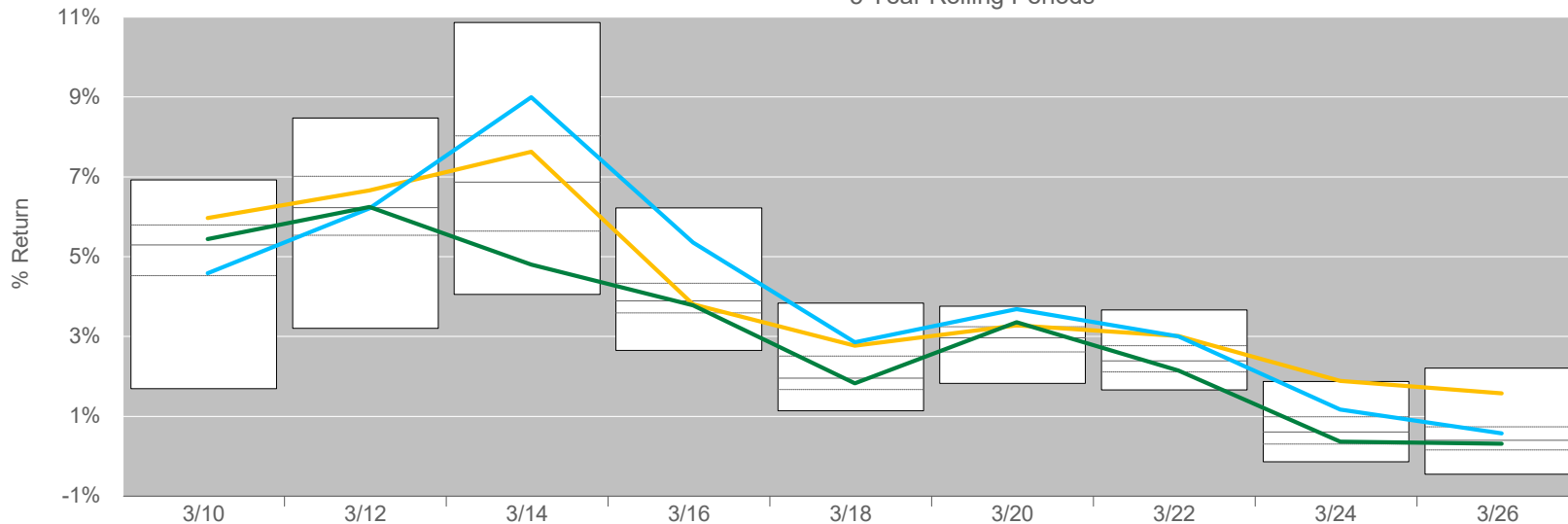
Core Fixed Income Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

DoubleLine Total Return Bond Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
DoubleLine Total Return Bond Fund	-0.1%	3.3%	4.6%	4.3%	0.8%	1.5%	1.8%	3.7%	<i>4/10</i>
Bloomberg U.S. MBS Index	0.4	4.6	5.8	4.2	0.4	1.3	1.4	2.2	
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	1.7	2.5	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
DoubleLine Total Return Bond Fund	0.83	-0.1%	0.95	6.1%	1.8%	0.2
Bloomberg U.S. MBS Index	1.00	0.0	1.00	7.0	0.0	--
Bloomberg U.S. Aggregate Index	0.90	-0.4	0.97	6.4	1.3	0.4

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
DoubleLine Total Return Bond Fund	5.5yrs	5.8yrs	A+	5.3%	33.0%
Bloomberg U.S. MBS Index	--	--	--	--	--
Bloomberg U.S. Aggregate Index	5.8	8.1	AA	4.5	--

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

DoubleLine Total Return Bond Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = 0.4%	Yes
Beta < 1.20	Beta = 0.83	Yes
Alpha > 0.0%	Alpha = -0.1%	No
Peer Group Rank > 50th Percentile	Ranks in Top 25th Percentile	Yes

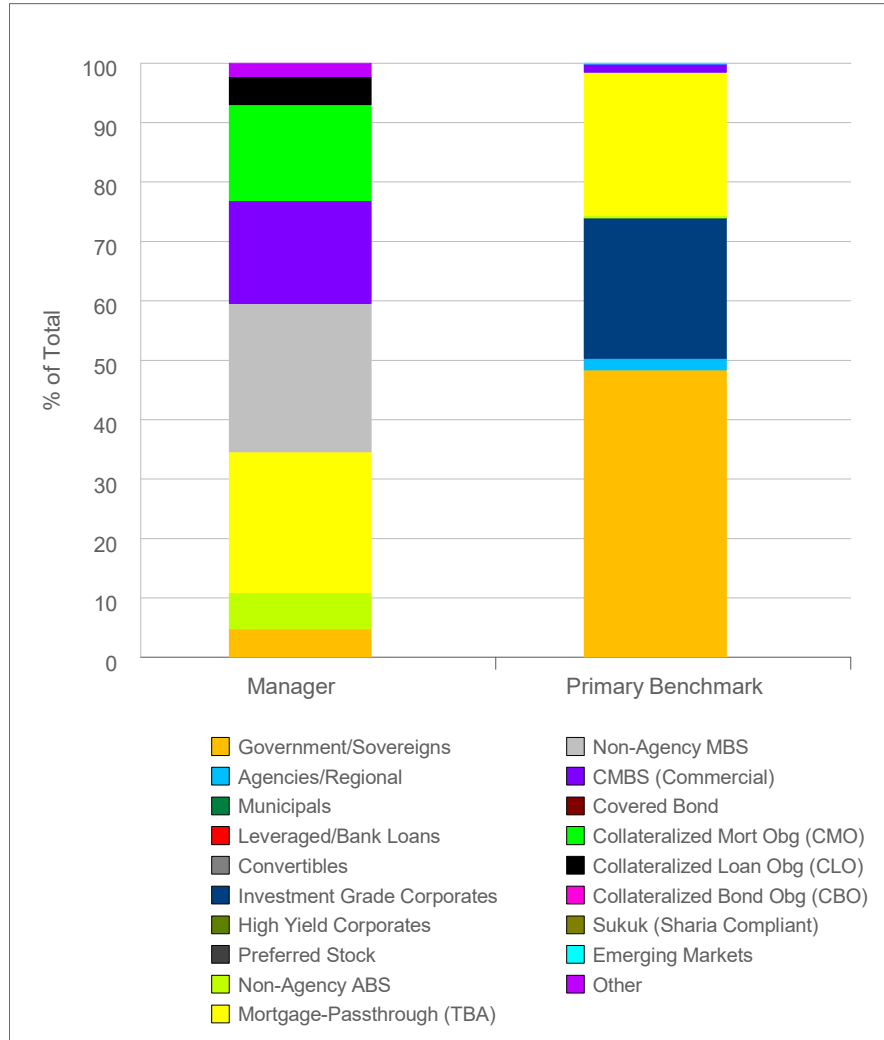
City of Grosse Pointe Woods Employees Retirement System

DoubleLine Total Return Bond Fund

Fixed Income Sector

Report For Periods Ending March 31, 2026

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Benchmark	3 Months	12 Months
Total Weighting	100%	100%	0.0%	4.3%
Government/Sovereigns	5	48	-0.1	3.4
Agencies/Regional	0	2	0.3	4.6
Municipals	0	0	-	-
Leveraged/Bank Loans	0	0	-	-
Convertibles	0	0	-	-
Investment Grade Corporates	0	24	-0.5	4.9
High Yield Corporates	0	0	-	-
Preferred Stock	0	0	-	-
Non-Agency ABS	6	0	0.2	4.6
Mortgage-Passthrough (TBA)	24	24	0.1	5.5
Non-Agency MBS	25	0	-	-
CMBS (Commercial)	17	1	0.0	5.1
Covered Bond	0	0	-	-
Collateralized Mort Obg (CMO)	16	0	-	-
Collateralized Loan Obg (CLO)	5	0	-	-
Collateralized Bond Obg (CBO)	0	0	-	-
Sukuk (Sharia Compliant)	0	0	-	-
Emerging Markets	0	0	-0.3	5.4
Other	2	0	-	-

*Sector weightings may not add up to 100% due to rounding.

*Benchmark weightings are for the Bloomberg U.S. Aggregate Index.

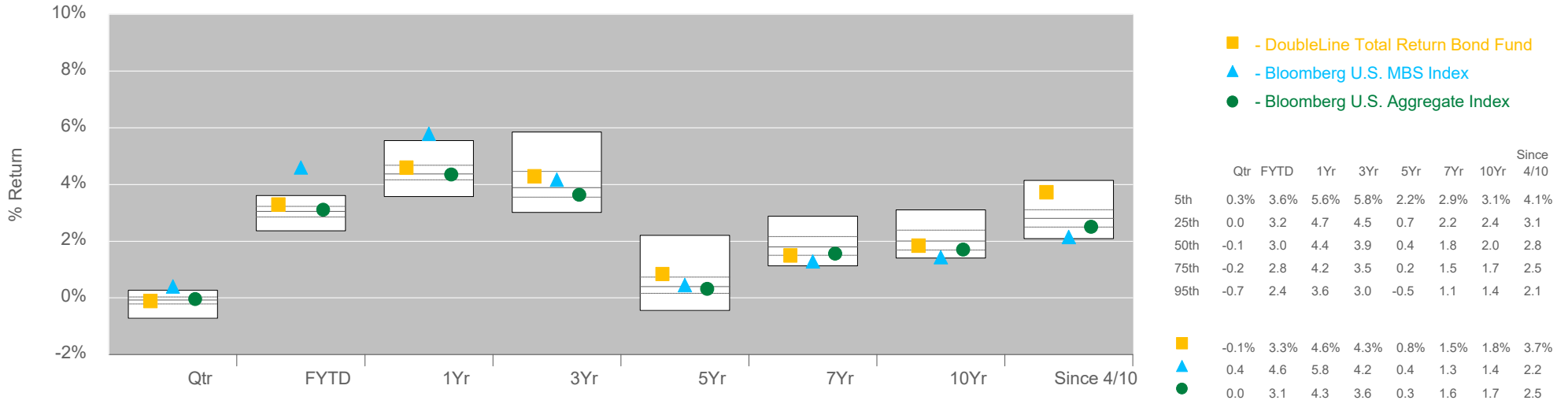
* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

DoubleLine Total Return Bond Fund

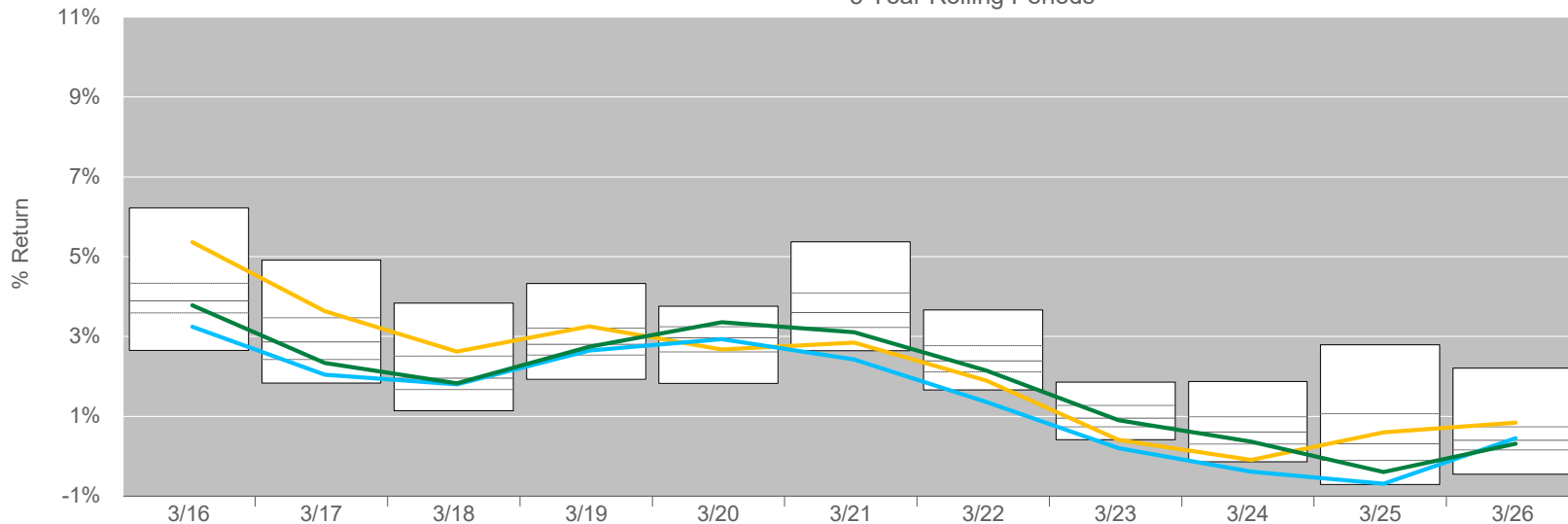
Core Fixed Income Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2011 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Vanguard Total Bond Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Vanguard Total Bond Fund	0.1%	3.0%	4.3%	3.6%	0.3%	1.6%	1.7%	3.1%	<i>1/05</i>
Bloomberg U.S. Aggregate Index	0.0	3.1	4.3	3.6	0.3	1.6	1.7	3.2	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
Vanguard Total Bond Fund	0.99	0.0%	1.00	6.4%	0.3%	0.0
Bloomberg U.S. Aggregate Index	1.00	0.0	1.00	6.4	0.0	--

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
Vanguard Total Bond Fund	5.8yrs	8.1yrs	AA	4.5%	--%
Bloomberg U.S. Aggregate Index	5.8	8.1	AA	4.5	--

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Vanguard Total Bond Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = 0.0%	Yes
Beta < 1.20	Beta = 0.99	Yes
Alpha > 0.0%	Alpha = 0.0%	No
Peer Group Rank > 50th Percentile	Ranks in Bottom 50th Percentile	No

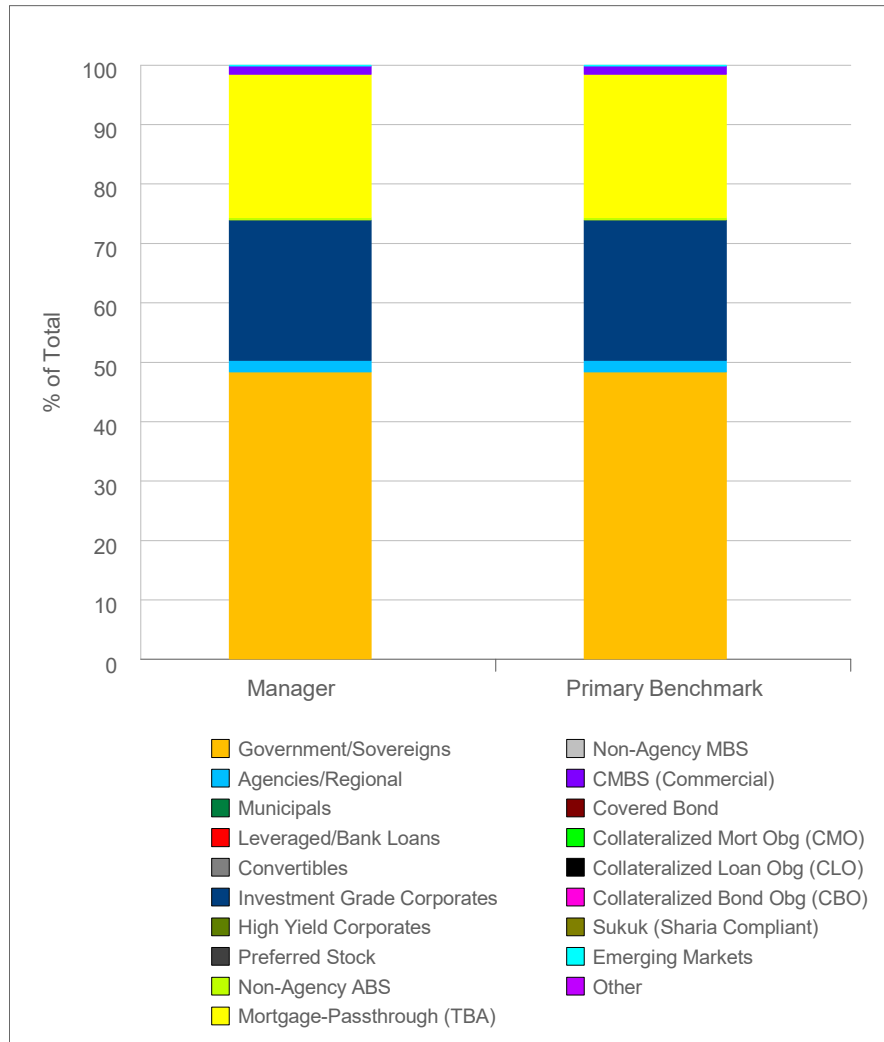
City of Grosse Pointe Woods Employees Retirement System

Vanguard Total Bond Fund

Fixed Income Sector

Report For Periods Ending March 31, 2026

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Total Weighting	100%	100%	0.0%	4.3%
Government/Sovereigns	48	48	-0.1	3.4
Agencies/Regional	2	2	0.3	4.6
Municipals	0	0	-	-
Leveraged/Bank Loans	0	0	-	-
Convertibles	0	0	-	-
Investment Grade Corporates	24	24	-0.5	4.9
High Yield Corporates	0	0	-	-
Preferred Stock	0	0	-	-
Non-Agency ABS	0	0	0.2	4.6
Mortgage-Passthrough (TBA)	24	24	0.1	5.5
Non-Agency MBS	0	0	-	-
CMBS (Commercial)	1	1	0.0	5.1
Covered Bond	0	0	-	-
Collateralized Mort Obg (CMO)	0	0	-	-
Collateralized Loan Obg (CLO)	0	0	-	-
Collateralized Bond Obg (CBO)	0	0	-	-
Sukuk (Sharia Compliant)	0	0	-	-
Emerging Markets	0	0	-0.3	5.4
Other	0	0	-	-

*Sector weightings may not add up to 100% due to rounding.

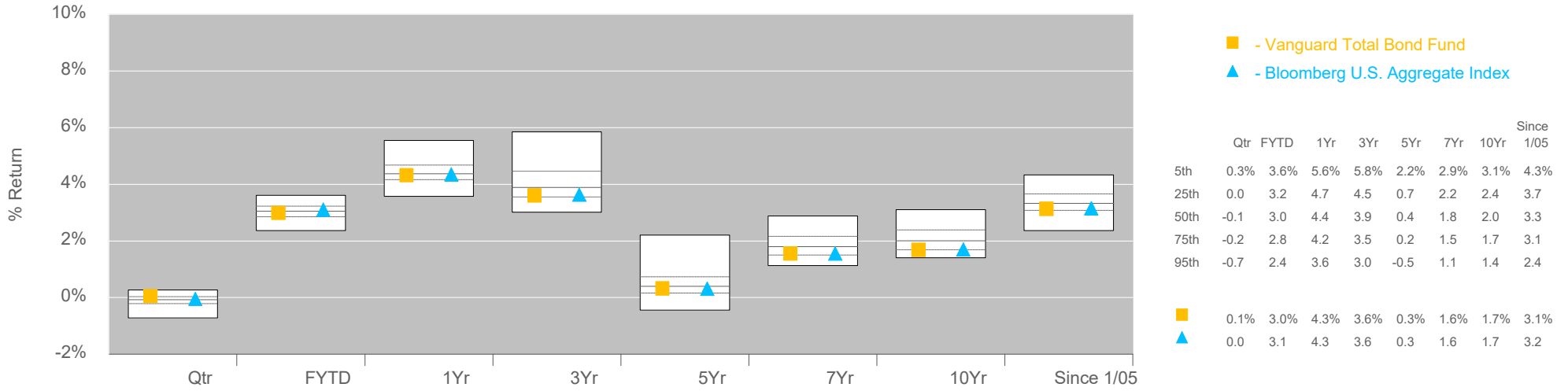
* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Vanguard Total Bond Fund

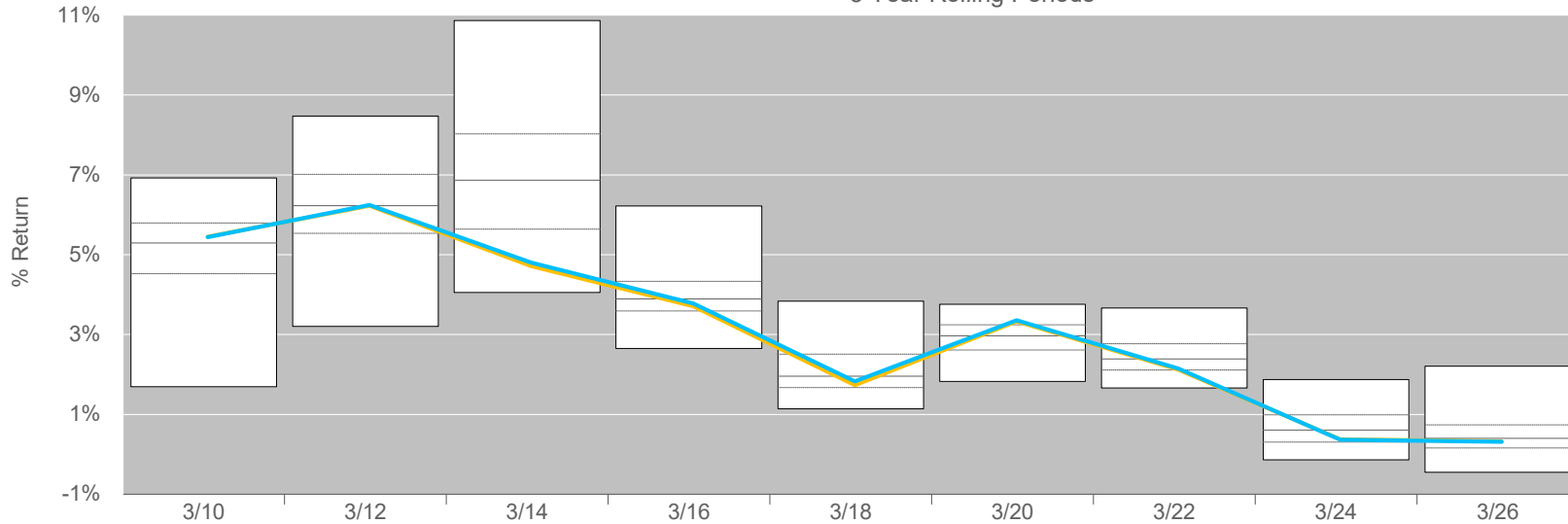
Core Fixed Income Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Principal Real Estate Securities Fund

Summary of Performance and Statistics

Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Principal Real Estate Securities Fund	3.3%	1.8%	0.9%	6.6%	4.1%	5.0%	5.7%	8.1%	<i>1/05</i>
FTSE NAREIT All Equity Index	3.8	4.2	3.3	7.1	4.2	3.9	4.1	6.0	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
Principal Real Estate Securities Fund	0.94	-0.1%	0.99	18.9%	2.2%	-0.1
FTSE NAREIT All Equity Index	1.00	0.0	1.00	20.0	0.0	--

Portfolio Statistics	Current P/FFO	Growth in FFO	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
Principal Real Estate Securities Fund	17.3	5.6%	51,951.4M	3.5%	19.8%
FTSE NAREIT All Equity Index	--	--	--	--	--

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Principal Real Estate Securities Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = -0.1%	No
Beta < 1.20	Beta = 0.94	Yes
Alpha > 0.0%	Alpha = -0.1%	No
Peer Group Rank > 50th Percentile	Ranks in Top 50th Percentile	Yes

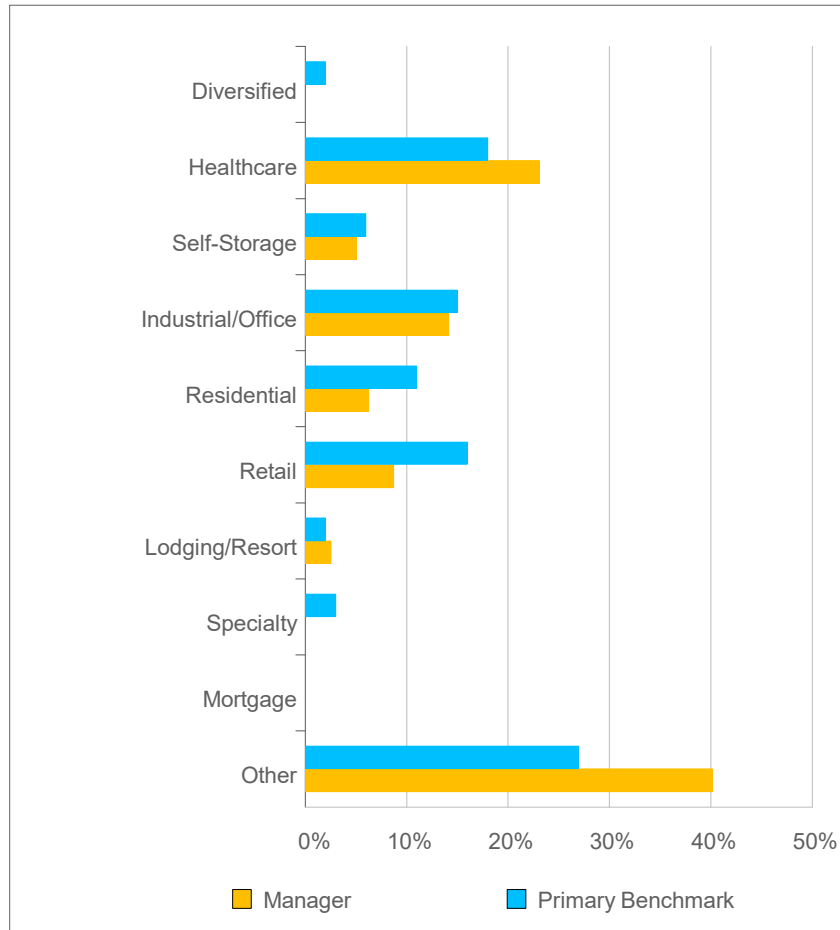
City of Grosse Pointe Woods Employees Retirement System

Principal Real Estate Securities Fund

Real Estate Sector

Report For Periods Ending March 31, 2026

Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Manager	Benchmark	3 Months	12 Months
Diversified	0%	2%	-%	%
Healthcare	23	18	-	
Self-Storage	5	6	-	
Industrial/Office	14	15	-	
Residential	6	11	-	
Retail	9	16	-	
Lodging/Resort	3	2	-	
Specialty	0	3	-	
Mortgage	0	0	-	
Other	40	27	-	

* Sector weightings may not add up to 100% due to rounding.

* Accrued income in total market value may not be available for all managers.

* Manager data represents the most current available at the time of report publication.

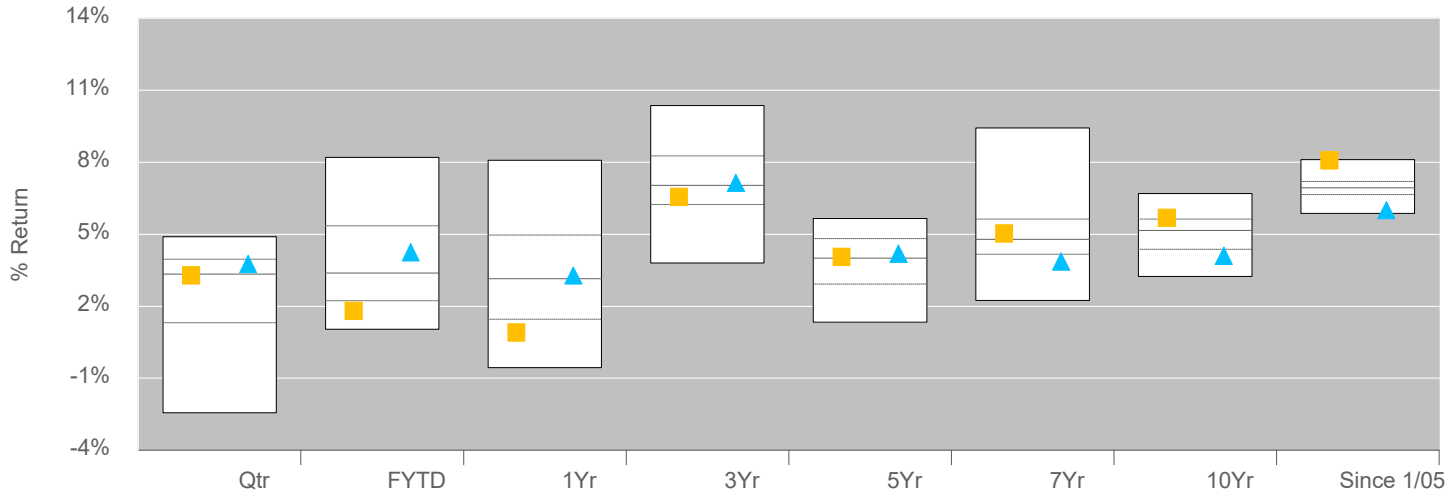
*Benchmark weightings are for the FTSE NAREIT Equity Index.

City of Grosse Pointe Woods Employees Retirement System

Principal Real Estate Securities Fund

REIT Manager Universe

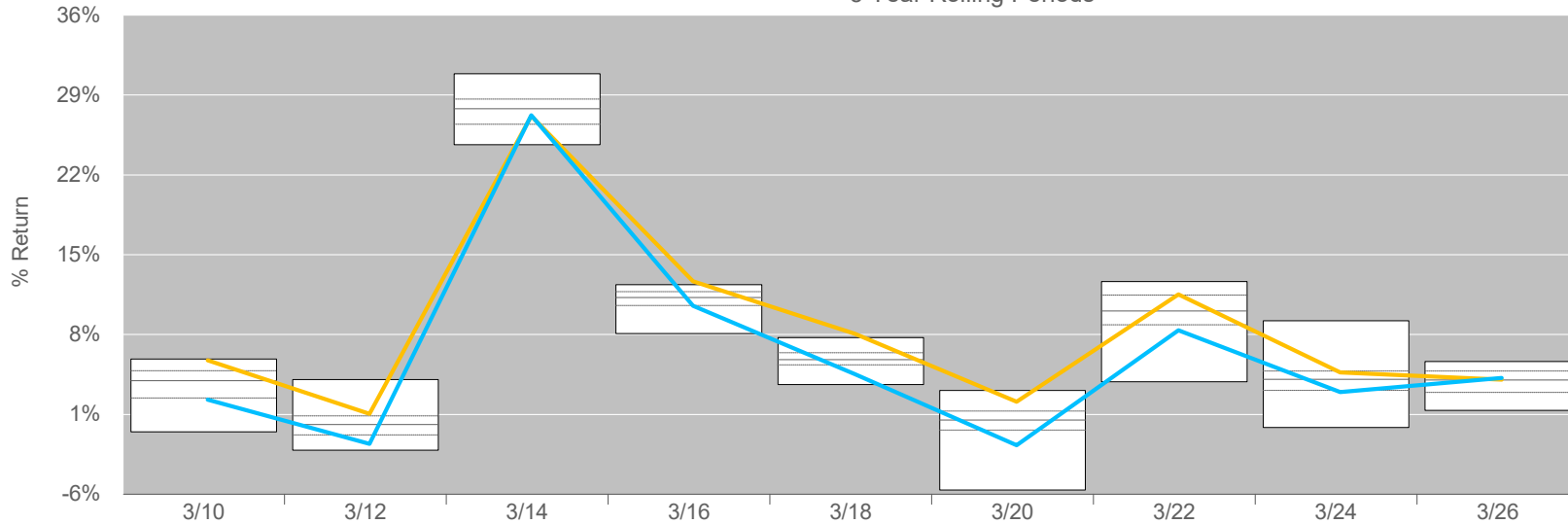
For Report Periods Ending March 31, 2026



	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since 1/05
5th	4.9%	8.2%	8.1%	10.4%	5.7%	9.4%	6.7%	8.1%
25th	4.0%	5.3%	5.0%	8.3%	4.8%	5.6%	5.6%	7.2%
50th	3.3%	3.4%	3.1%	7.0%	4.0%	4.8%	5.2%	6.9%
75th	1.3%	2.2%	1.5%	6.2%	2.9%	4.2%	4.4%	6.6%
95th	-2.4%	1.0%	-0.6%	3.8%	1.3%	2.2%	3.2%	5.9%
Principal Real Estate Securities Fund (Yellow Square)	3.3%	1.8%	0.9%	6.6%	4.1%	5.0%	5.7%	8.1%
FTSE NAREIT All Equity Index (Blue Triangle)	3.8%	4.2%	3.3%	7.1%	4.2%	3.9%	4.1%	6.0%

Report From March 31, 2005 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Tortoise MLP & Pipeline Fund Summary of Performance and Statistics Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Tortoise MLP & Pipeline Fund	21.7%	21.8%	19.4%	27.6%	24.7%	13.8%	12.8%	10.1%	<i>5/11</i>
Alerian MLP Index	16.9	19.8	13.9	24.7	24.9	13.4	11.0	7.2	
Tortoise North American Pipeline Index	21.4	22.7	22.1	26.5	22.2	14.6	13.9	--	

Risk Statistics (5 years)	Beta	Alpha	R²	Standard Deviation	Tracking Error	Information Ratio
Tortoise MLP & Pipeline Fund	0.85	3.1%	0.80	22.5%	8.6%	0.0
Alerian MLP Index	1.00	0.0	1.00	23.8	0.0	--
Tortoise North American Pipeline Index	0.73	3.0	0.70	20.3	4.1	0.6

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Tortoise MLP & Pipeline Fund

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

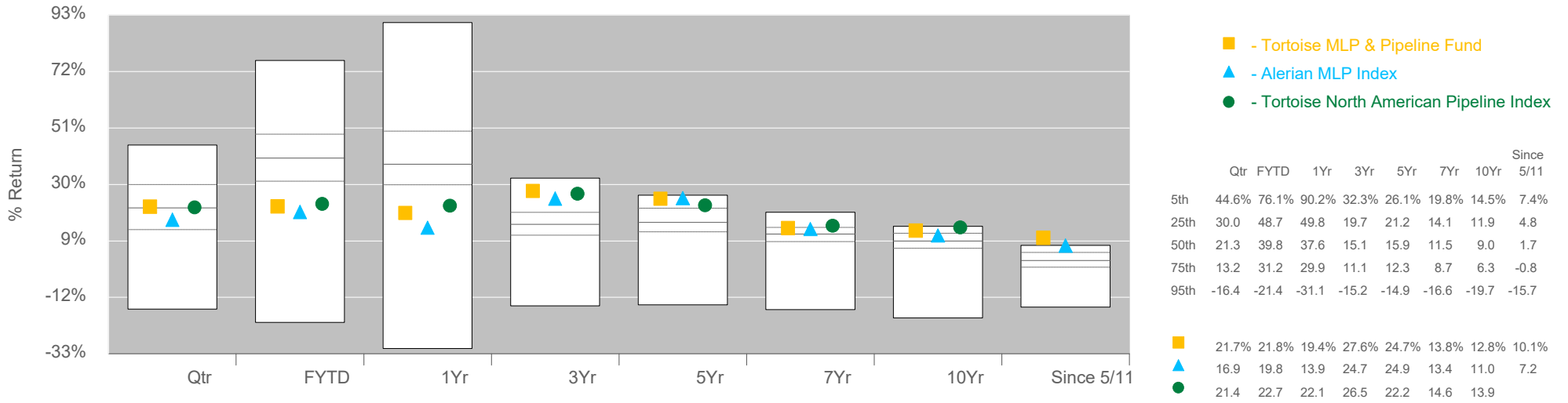
Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = -0.2%	No
Beta < 1.20	Beta = 0.85	Yes
Alpha > 0.0%	Alpha = 3.1%	Yes
Peer Group Rank > 50th Percentile	Ranks in Top 25th Percentile	Yes

City of Grosse Pointe Woods Employees Retirement System

Tortoise MLP & Pipeline Fund

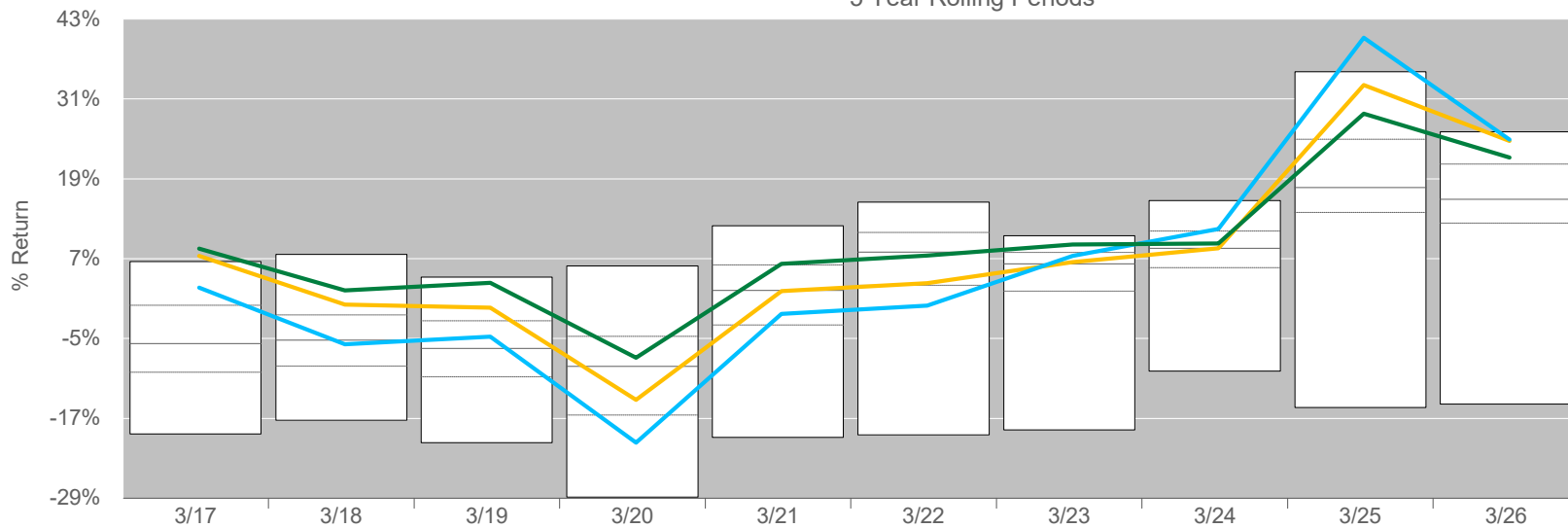
Natural Resources Universe

For Report Periods Ending March 31, 2026



Report From March 31, 2012 to March 31, 2026

5 Year Rolling Periods



City of Grosse Pointe Woods Employees Retirement System

Cohen & Steers Global Listed Infrastructure

Summary of Performance and Statistics
Report For Periods Ending March 31, 2026

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since Inception	Inception Date
Cohen & Steers Global Listed Infrastructure	9.4%	15.7%	19.5%	12.5%	9.0%	8.2%	8.4%	7.6%	<i>1/05</i>
FTSE Global Core Infrastructure 50/50	8.1	13.1	18.0	11.2	7.8	7.0	7.7	--	
DJ Brookfield Global Infrastructure Index	11.2	13.4	18.2	13.3	10.1	7.8	7.9	8.8	

Risk Statistics (5 years)	Beta	Alpha	R ²	Standard Deviation	Tracking Error	Information Ratio
Cohen & Steers Global Listed Infrastructure	1.01	1.1%	0.98	15.8%	2.1%	0.6
FTSE Global Core Infrastructure 50/50	1.00	0.0	1.00	15.2	0.0	--
DJ Brookfield Global Infrastructure Index	1.03	2.2	0.93	16.5	4.1	-0.3

Asset Growth Summary (in thousands)

Beginning Market Value	\$	0
Net Contributions/(Distributions)	\$	0
Market Appreciation/(Depreciation)	\$	0
Ending Market Value	\$	0

* Risk Statistics are based on monthly data.

* Manager data represents the most current available at the time of report publication.

City of Grosse Pointe Woods Employees Retirement System

Cohen & Steers Global Listed Infrastructure

Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending March 31, 2026

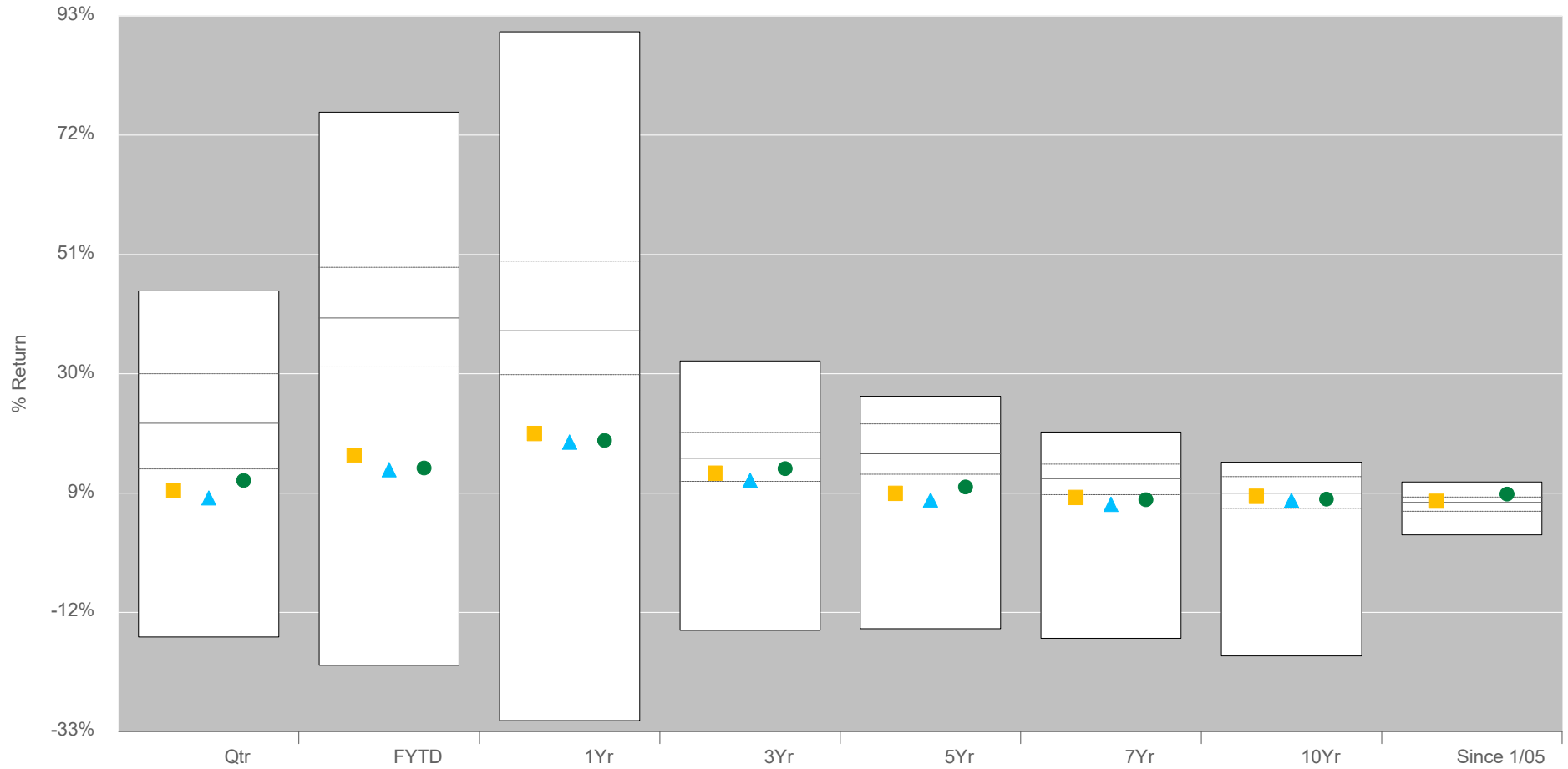
Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > Benchmark	Return over benchmark = 1.2%	Yes
Beta < 1.20	Beta = 1.01	Yes
Alpha > 0.0%	Alpha = 1.1%	Yes
Peer Group Rank > 50th Percentile	Ranks in Bottom 25th Percentile	No

City of Grosse Pointe Woods Employees Retirement System

Cohen & Steers Global Listed Infrastructure

Natural Resources Universe

For Report Periods Ending March 31, 2026



	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	10Yr	Since 1/05
5th Percentile	44.6%	76.1%	90.2%	32.3%	26.1%	19.8%	14.5%	10.9%
25th Percentile	30.0	48.7	49.8	19.7	21.2	14.1	11.9	8.3
50th Percentile	21.3	39.8	37.6	15.1	15.9	11.5	9.0	7.4
75th Percentile	13.2	31.2	29.9	11.1	12.3	8.7	6.3	5.8
95th Percentile	-16.4	-21.4	-31.1	-15.2	-14.9	-16.6	-19.7	1.6
■ - Cohen & Steers Global Listed Infrastructure	9.4%	15.7%	19.5%	12.5%	9.0%	8.2%	8.4%	7.6%
▲ - FTSE Global Core Infrastructure	8.1%	13.1	18.0	11.2	7.8	7.0	7.7	--
● - DJ Brookfield Global Infrastructure Index	11.2%	13.4	18.2	13.3	10.1	7.8	7.9	8.8

City of Grosse Pointe Woods Employees Retirement System

Breakdown of Fees

Report For Periods Ending March 31, 2026

	Annual Fee/ Expense Ratio	Market Value	Percent Allocation	Weighted Average Fee	Annualized Fee
iShares S&P 500 Index	0.03%	\$16,682,330	31.4%	0.01%	\$5,005
Invesco S&P 500 Equal Weighted Index	0.20%	\$3,334,034	6.3%	0.01%	\$6,668
iShares Russell Midcap Index	0.20%	\$2,581,943	4.9%	0.01%	\$5,164
Vanguard S&P Small Cap 600 Index	0.10%	\$3,545,606	6.7%	0.01%	\$3,546
EUPAC Fund	0.58%	\$4,000,036	7.5%	0.04%	\$23,200
Dodge & Cox International Stock Fund	0.62%	\$4,160,401	7.8%	0.05%	\$25,794
Redwheel Global Emerging Equity Fund	1.39%	\$723,427	1.4%	0.02%	\$10,056
DFA Emerging Markets Fund	0.36%	\$1,742,336	3.3%	0.01%	\$6,272
Dodge & Cox Income Fund	0.41%	\$3,559,778	6.7%	0.03%	\$14,595
DoubleLine Total Return Bond Fund	0.50%	\$3,331,373	6.3%	0.03%	\$16,657
Vanguard Total Bond Fund	0.03%	\$3,024,217	5.7%	0.00%	\$756
Gateway Fund	0.70%	\$1,314,549	2.5%	0.02%	\$9,202
PIMCO All Asset Fund	0.89%	\$1,405,729	2.6%	0.02%	\$12,511
Principal Real Estate Securities Fund	0.86%	\$1,096,385	2.1%	0.02%	\$9,429
Tortoise MLP & Pipeline Fund	0.93%	\$835,097	1.6%	0.01%	\$7,766
Cohen & Steers Global Listed Infrastructure	0.86%	\$1,541,462	2.9%	0.02%	\$13,257
Schwab Government Money Fund	0.44%	\$267,398	0.5%	0.00%	\$1,177
Total Investment Management Fees		\$53,146,101	100.0%	0.32%	\$171,054

* Mutual Fund expense ratios are deducted from the NAV of the fund.

* Annualized fee is an estimate based on market values as of March 31, 2026.

Index Summary Sheet for Periods Ending March 31, 2026

	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
Global Equity						
MSCI AC World Index	-3.2%	-3.2%	20.0%	16.6%	9.5%	11.3%
MSCI World Index	-3.6	-3.6	18.9	16.8	10.3	11.8
S&P 500 Index	-4.3	-4.3	17.8	18.3	12.1	14.2
Russell 3000 Index	-4.0	-4.0	18.1	17.9	10.9	13.7
Russell 1000 Index	-4.2	-4.2	17.7	18.1	11.3	14.0
Russell 1000 Growth Index	-9.8	-9.8	18.8	21.2	12.8	16.8
Russell 1000 Value Index	2.1	2.1	15.9	14.3	9.4	10.6
Russell Midcap Index	1.3	1.3	16.0	13.3	7.3	10.9
Russell Midcap Growth Index	-6.3	-6.3	9.6	12.7	5.4	11.7
Russell Midcap Value Index	3.7	3.7	17.6	13.1	7.9	9.8
Russell 2000 Index	0.9	0.9	25.7	13.0	3.8	9.9
Russell 2000 Growth Index	-2.8	-2.8	23.6	12.3	1.6	9.8
Russell 2000 Value Index	5.0	5.0	28.1	13.8	5.8	9.6
Russell Microcap Index	1.5	1.5	45.8	16.9	3.1	10.4
MSCI AC World Index ex-U.S.	-0.7	-0.7	24.9	14.5	7.0	8.4
MSCI EAFE Index	-1.2	-1.2	21.3	13.6	7.9	8.4
MSCI EAFE Growth Index	-4.7	-4.7	12.7	7.5	3.5	7.1
MSCI EAFE Value Index	2.0	2.0	30.1	19.9	12.2	9.3
MSCI Small Cap EAFE Index	-1.3	-1.3	25.6	12.7	4.4	7.4
MSCI Emerging Markets Index	-0.2	-0.2	29.6	14.8	3.7	7.8
MSCI Emerging Markets Small Cap Index	-0.7	-0.7	24.6	13.7	6.7	8.1
MSCI Frontier Markets Index	-0.9	-0.9	34.8	19.9	9.2	7.9
HFRI Equity Hedge Index	-0.2	-0.2	18.4	12.3	6.4	8.2
HFRI Emerging Markets	0.5	0.5	16.1	11.5	4.9	6.6
HFRI FOF: Strategic Index	0.4	0.4	15.2	10.4	4.7	5.8
LSEG All Private Equity Index	0.0	0.0	11.4	7.9	7.7	14.7
LSEG Buyout Index	0.0	0.0	7.8	7.6	9.3	14.3
LSEG Fund of Funds Index	0.0	0.0	7.2	4.4	4.8	11.8
LSEG Venture Capital Index	0.0	0.0	19.6	8.0	5.2	14.7
Global Fixed Income						
Bloomberg U.S. Aggregate Index	0.0	0.0	4.3	3.6	0.3	1.7
Bloomberg U.S. TIPS Index	0.3	0.3	3.0	3.2	1.5	2.7
Bloomberg Government Bond Index	0.0	0.0	3.3	2.6	-0.1	1.1
Bloomberg Municipals Index	-0.2	-0.2	4.3	2.9	0.8	2.2
Bloomberg Asset Backed Index	0.3	0.3	4.7	5.0	2.4	2.5

Index Summary Sheet for Periods Ending March 31, 2026

	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
Global Fixed Income (continued)						
Bloomberg US MBS Index	0.4%	0.4%	5.8%	4.2%	0.4%	1.4%
Bloomberg IG CMBS Index	0.3	0.3	5.4	5.5	1.5	2.5
Bloomberg U.S. Credit Index	-0.5	-0.5	4.8	4.6	0.8	2.7
Bloomberg U.S. Corporate HY Index	-0.5	-0.5	7.0	8.6	4.2	6.1
Bloomberg Intermediate U.S. G/C Index	0.0	0.0	4.4	4.2	1.3	2.0
ICE BofA 1-3 Yr. Govt. Bond Index	0.3	0.3	3.8	4.0	1.9	1.8
U.S. 91-Day Treasury Bills	0.9	0.9	3.9	4.6	3.4	2.2
S&P UBS Leveraged Loan Index	-0.5	-0.5	4.8	8.0	5.8	5.6
JPMorgan Non-U.S. GBI Hedged Index	-0.6	-0.6	1.5	3.5	0.2	1.5
JPMorgan Non-U.S. GBI Index	-2.7	-2.7	1.1	-1.1	-5.5	-1.9
JPMorgan EMBI Plus Index	-0.5	-0.5	9.5	9.2	0.6	2.0
JPMorgan EMBI Global Index	-1.1	-1.1	9.6	8.6	2.5	3.6
HFRI RV: Fixed Income - Corporate Index	-0.1	-0.1	5.5	7.7	4.4	5.9
HFRI ED: Distressed/Restructuring Index	2.8	2.8	12.4	10.5	6.7	7.8
LSEG Distressed Index	0.0	0.0	6.1	5.6	8.5	9.5
Real Assets						
FTSE NAREIT All Equity Index	3.8	3.8	3.3	6.8	4.0	5.6
S&P Developed BMI Property Index	1.0	1.0	9.9	7.6	2.3	3.3
S&P Developed ex-U.S. Property Index	-3.9	-3.9	17.7	8.4	0.3	2.8
NCREIF Property Index	0.0	0.0	3.6	-0.4	3.5	4.6
Bloomberg Commodity Index Total Return	24.4	24.4	32.3	13.9	14.0	8.0
Alerian MLP Index	16.9	16.9	13.9	24.7	24.9	11.0
NCREIF Timberland Index	0.0	0.0	3.7	6.4	8.4	5.4
LSEG Private Real Estate Index	0.0	0.0	1.1	-1.9	4.2	6.3
S&P Real Assets Equity Total Return Index	8.2	8.2	18.1	10.8	7.3	6.6
Diversifying Strategies						
HFRI Fund of Funds Index	0.7	0.7	11.7	8.5	4.9	5.3
HFRI Fund Weighted Composite Index	1.0	1.0	14.1	10.0	6.1	6.8
HFRI FOF: Conservative Index	0.8	0.8	8.1	6.6	4.9	4.8
HFRI Event Driven	-0.2	-0.2	11.5	9.8	6.0	7.1
HFRI Relative Value Total Index	1.4	1.4	7.2	7.7	5.5	5.5
HFRI Macro Index	4.9	4.9	12.2	6.6	5.9	4.3
Other						
Consumer Price Index - U.S.	1.4	1.4	3.5	3.1	4.5	3.4
U.S. Dollar Index	1.7	1.7	-4.1	-0.8	1.4	0.5

* For indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.

City of Grosse Pointe Woods Employees Retirement System

Benchmark Composition Summary

Target Weighted Index

<u>Since Inception</u>	<u>Weight</u>
Russell 1000 Index	15.00%
Russell Midcap Index	4.00%
Russell 2000 Index	6.00%
MSCI EAFE Index	10.00%
MSCI Small Cap EAFE Index	5.00%
MSCI Emerging Markets Index	12.00%
Bloomberg U.S. Aggregate Index	20.00%
HFRI Equity Hedge Index	5.00%
U.S. 91-Day Treasury Bills	1.00%
Bloomberg Commodity Index Total Return	3.00%
FTSE NAREIT All Equity Index	3.00%
HFRI FOF: Conservative Index	10.00%
MSCI Frontier Markets Index	3.00%
S&P 500 Energy Sector Index	3.00%
<u>November 30, 2018</u>	<u>Weight</u>
Russell 1000 Index	23.00%
Russell Midcap Index	5.00%
Russell 2000 Index	7.00%
MSCI EAFE Index	10.00%
MSCI Small Cap EAFE Index	5.00%
MSCI Emerging Markets Index	10.00%
Bloomberg U.S. Aggregate Index	20.00%
U.S. 91-Day Treasury Bills	1.00%
Bloomberg Commodity Index Total Return	3.00%
FTSE NAREIT All Equity Index	3.00%
HFRI FOF: Conservative Index	10.00%
S&P 500 Energy Sector Index	3.00%

<u>August 31, 2020</u>	<u>Weight</u>
Russell 1000 Index	30.00%
Russell Midcap Index	5.00%
Russell 2000 Index	7.00%
MSCI EAFE Index	10.00%
MSCI Small Cap EAFE Index	5.00%
MSCI Emerging Markets Index	10.00%
Bloomberg U.S. Aggregate Index	20.00%
Alerian MLP Index	3.00%
FTSE NAREIT All Equity Index	3.00%
HFRI FOF: Conservative Index	7.00%

<u>August 31, 2024</u>	<u>Weight</u>
S&P Real Assets Equity Total Return Index	6.00%
Russell 1000 Index	37.00%
Russell Midcap Index	5.00%
Russell 2000 Index	7.00%
MSCI EAFE Index	10.00%
MSCI Small Cap EAFE Index	5.00%
MSCI Emerging Markets Index	5.00%
Bloomberg U.S. Aggregate Index	20.00%
HFRI FOF: Conservative Index	5.00%

Actuarial Rate

<u>Since Inception</u>	<u>Weight</u>
7.75% Absolute Return	100.00%

<u>August 31, 2020</u>	<u>Weight</u>
7.5% Absolute Return	100.00%

<u>June 30, 2023</u>	<u>Weight</u>
7.4% Absolute Return	100.00%

<u>June 30, 2024</u>	<u>Weight</u>
7.3% Absolute Return	100.00%

<u>June 30, 2025</u>	<u>Weight</u>
7.2% Absolute Return	100.00%

FTSE NAREIT All Equity Index

<u>Since Inception</u>	<u>Weight</u>
MSCI U.S. REIT Index	100.00%

<u>February 29, 2024</u>	<u>Weight</u>
FTSE NAREIT All Equity Index	100.00%

Definitions

Alpha – Measures how well a portfolio performed versus its benchmark after factoring in the amount of risk (as measured by beta) taken. Technically, alpha is the difference between the excess return of a portfolio and the excess return of the benchmark multiplied by beta. Excess return is simply the actual return minus the return of the risk-free asset, U.S. Treasury Bill. A positive alpha indicates the portfolio has performed better than the benchmark on a risk-adjusted basis.

Annual Standard Deviation – A measure of variability in returns. The annual standard deviation measures the dispersion of annual returns around the average annualized return.

Beta – A coefficient measuring a portfolio's relative volatility with respect to its market. Technically, beta is the covariance of a portfolio's return with the benchmark portfolio's return divided by the variance of the benchmark portfolio's return. Thus, a portfolio with a beta greater than 1.00, indicates the portfolio experienced greater volatility than the benchmark, whereas a portfolio with a beta less than 1.00, indicates the portfolio experienced less volatility than the benchmark.

Consumer Price Index – Measures the change in consumer prices, as determined by a monthly survey of the U.S. Bureau of Labor Statistics. CPI components include housing costs, food, transportation and electricity.

Duration – A measure of the price sensitivity of a bond or bond portfolio to a change in interest rates.

Information Ratio – Describes the risk / reward trade-off of alpha and tracking error. Because the formula for calculating information ratio is Alpha divided by Tracking Error, the larger the information ratio, the more attractive the portfolio is from an overall risk return profile.

Max Drawdown – The maximum loss incurred by a portfolio during a specified time period.

R² – Also called the coefficient of determination. On the detail page, R² measures how much of the variation in the investment manager's returns can be explained by movements in the market (benchmark).

Sharpe Ratio – A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better the manager's historical risk-adjusted performance.

Tracking Error – A measure that describes the volatility of the expected excess return (alpha) achieved through active management. Since excess return can only be achieved through a portfolio that actively differs from the benchmark, the level of tracking error is indicative of how different the portfolio will perform relative to any given benchmark.

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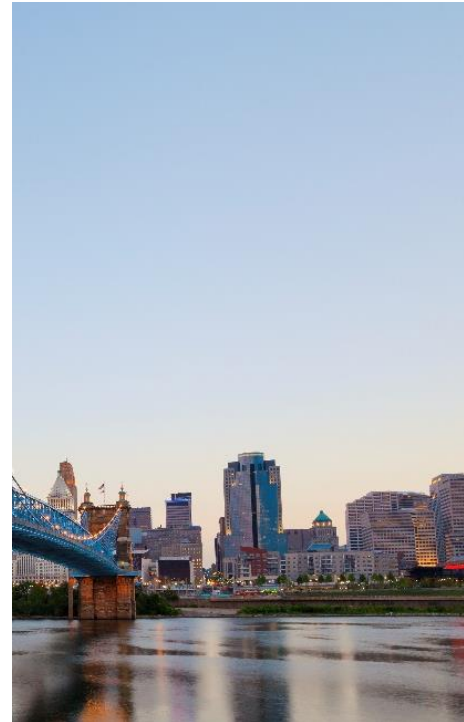
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May 7th, 2026

CITY OF GROSSE POINTE WOODS - EMPLOYEE RETIREMENT SYSTEM

ASSET ALLOCATION AND SPENDING MODELS



Asset Class Return and Risk Assumptions

	Expected Return	Expected Standard Deviation		Expected Return	Expected Standard Deviation
GLOBAL EQUITY			REAL ASSETS		
Long-Only Strategies	6.04%	18.04%	Real Estate		
U.S. Equity	5.81%	16.29%	Public Real Estate	6.50%	21.00%
Large Cap	5.50%	15.00%	Private Real Estate	8.75%	18.00%
Mid Cap	6.25%	18.00%			
Small Cap	6.75%	21.00%	Natural Resources		
			Commodities	4.00%	16.00%
International Equity	6.48%	21.28%	Private Energy	9.25%	18.00%
Large Cap Developed	6.25%	17.00%			
Small Cap Developed	7.00%	19.00%	Infrastructure		
Emerging Markets	6.75%	30.00%	Energy Infrastructure	5.50%	24.00%
			Global Listed Infrastructure	5.50%	14.00%
Private Equity	9.75%	17.00%			
GLOBAL FIXED INCOME & CREDIT			DIVERSIFYING STRATEGIES		
Interest Rate Sensitive Strategies	4.47%	4.07%	Semi-Liquid Hedged Strategies	5.83%	5.80%
Core (Investment Grade)	4.30%	4.50%	Event Driven	6.00%	7.00%
Inflation Protected (TIPS)	4.30%	6.00%	Macro	6.00%	5.00%
Long Duration Corporate Debt	5.50%	11.00%	Relative Value	5.50%	5.00%
			Global Hedged Equity	5.25%	11.00%
Credit Sensitive Strategies	6.08%	12.00%	Illiquid Diversifying Strategies	8.75%	10.00%
High Yield	5.50%	14.00%	Liquid Diversifying Strategies	5.00%	10.00%
Bank Loans	4.50%	7.00%			
Private Debt	8.25%	15.00%	Money Markets		
			U.S. Inflation	2.50%	
			U.S. Cash	3.00%	

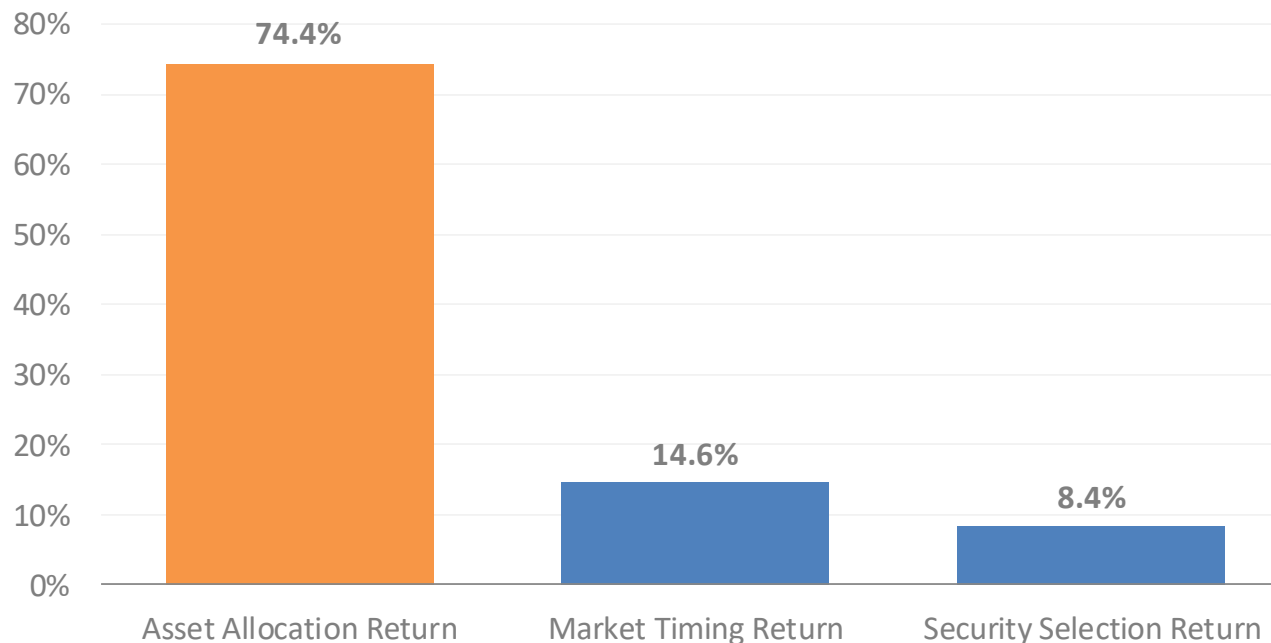
INTRODUCTION: IMPORTANCE OF ASSET ALLOCATION

THE PRIMARY CONTRIBUTOR TO INVESTMENT SUCCESS

- Asset allocation is the most important decision for each investor's ability to reach their goals
- These decisions are for the long-term and impact long-term success
- Allocations are reviewed annually— changes are made when goals change, or markets change considerably

The Importance of Asset Allocation

Contributions to Return Variation



Data source: Brown, Garlappi, and Tiu, 2009, "Asset Allocation and Portfolio Performance: Evidence from University Endowment Funds"

Shift in Capital Market Assumptions Over Last 2 Years



	2024 Expected Return	2025 Expected Return	2026 Expected Return
Global Equity			
Long-Only Strategies	6.8%	6.2%	6.0%
U.S. Equity	6.4%	5.9%	5.8%
Large Cap	6.3%	5.8%	5.5%
Mid Cap	6.5%	6.3%	6.3%
Small Cap	7.0%	6.8%	6.8%
International Equity	7.4%	6.7%	6.5%
Large Cap Developed	7.0%	6.5%	6.3%
Small Cap Developed	8.0%	7.0%	7.0%
Emerging Markets	8.0%	7.0%	6.8%
Private Equity	9.0%	9.5%	
Global Fixed Income/Credit			
Rate Sensitive Strategies	5.7%	4.8%	4.5%
Core (Investment Grade)	5.3%	4.8%	4.3%
Inflation Protected (TIPS)	5.0%	4.6%	4.3%
Long Duration Corp. Debt	6.0%	5.5%	5.5%
Credit Sensitive Strategies	7.2%	6.3%	6.1%
High Yield	7.0%	5.8%	5.5%
Bank Loans	6.0%	4.8%	4.5%
Private Debt	8.5%	8.5%	8.3%

Real Assets

Real Estate

Public Real Estate

Private Real Estate

Natural Resources

Commodities

Private Energy

Infrastructure

Energy Infrastructure/MLPs

Global Listed Infrastructure

Diversifying Strategies

Semi-liquid Hedged Strategies

Event Driven

Macro

Relative Value

Illiquid Diversifying Strategies

Liquid Diversifying Strategies

Global Hedged Equity

Money Markets

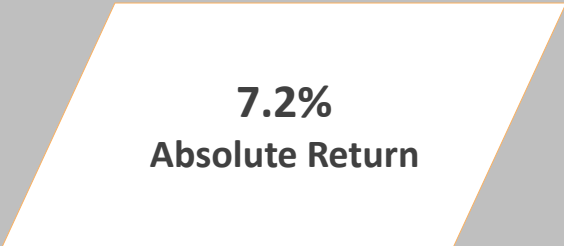
U.S. Inflation

U.S. Cash

	2024 Expected Return	2025 Expected Return	2026 Expected Return
Public Real Estate	6.5%	6.3%	6.5%
Private Real Estate	8.5%	8.5%	8.8%
Commodities	4.5%	4.3%	4.0%
Private Energy	9.5%	9.0%	9.3%
Energy Infrastructure/MLPs	6.8%	6.0%	5.5%
Global Listed Infrastructure	6.5%	5.8%	5.5%
Semi-liquid Hedged Strategies	5.8%	5.6%	5.8%
Event Driven	6.0%	5.8%	6.0%
Macro	6.0%	5.8%	6.0%
Relative Value	5.5%	5.3%	5.5%
Illiquid Diversifying Strategies	8.5%	8.5%	8.8%
Liquid Diversifying Strategies	5.5%	5.0%	5.0%
Global Hedged Equity	6.3%	5.5%	5.3%
U.S. Inflation	2.8%	2.5%	2.5%
U.S. Cash	3.5%	3.0%	3.0%

CLIENT OBJECTIVES: RETURN GOAL

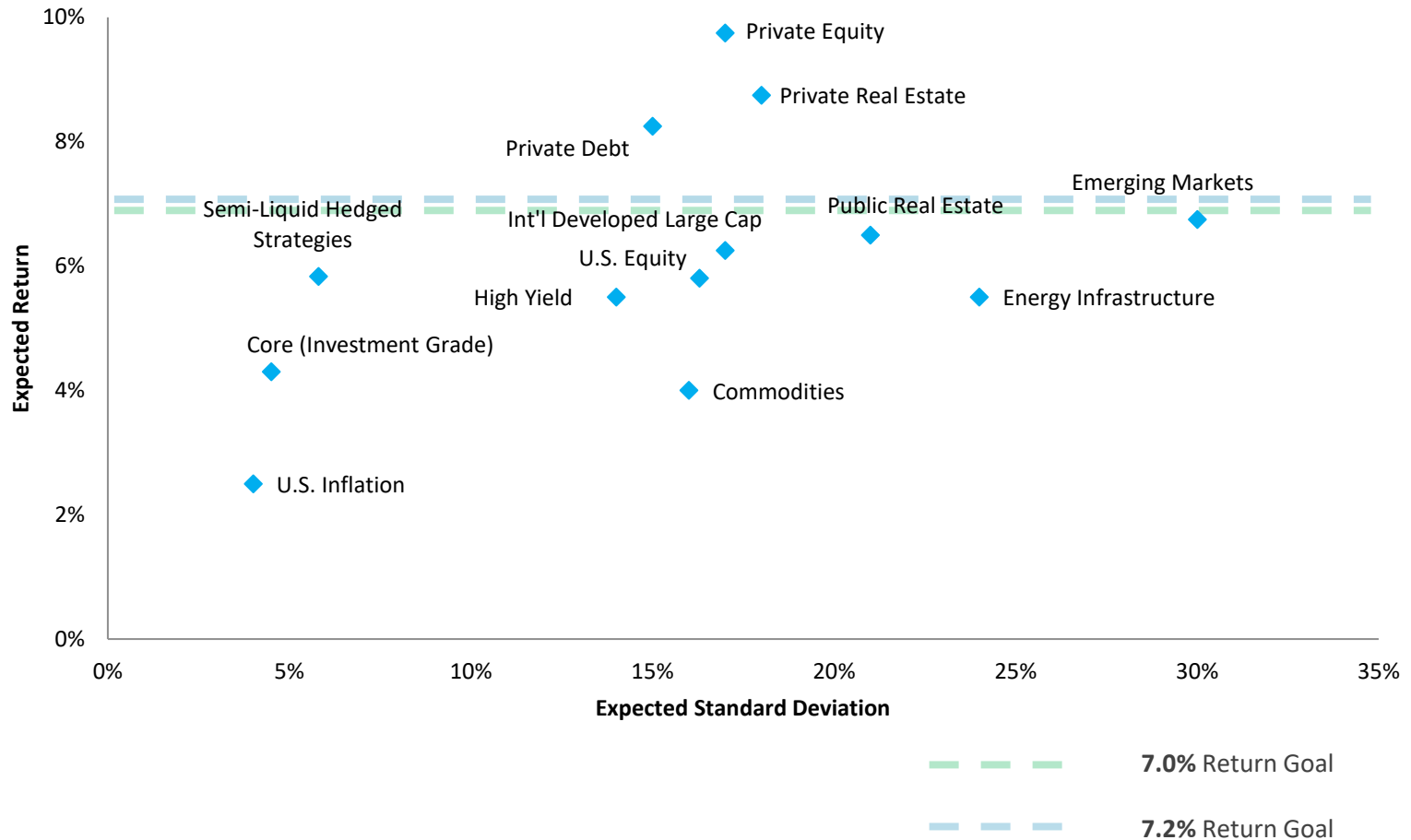
FEG INSIGHT



7.2%
Absolute Return

- *“The System's overall investment objective is to earn an average, annual return of **7.2%** net of all expenses.”*
- *“Exceed the rate-of-payroll-inflation by at least 3.0%”*

FEG 7-10 Year Capital Market Assumptions



Data Source: FEG Data. As of December 2025.

FEG Capital Market Assumptions are hypothetical based on asset category. The expected return is the result of a hypothetical allocation of investments represented solely by financial market data, underlying public indices, and FEG expectations in each asset category. Please refer to Disclosures for full disclosures.

FEG INPUTS: ASSET ALLOCATION

	Current Holdings	IPS Targets
Broad Allocation		
Global Equity	69.2%	69.0%
Global Fixed Income	19.2	20.0
Real Assets	6.5	6.0
Diversifying Strategies	5.1	5.0
Cash	0.9	-.-
Risk		
Standard Deviation	13.3%	13.3%
100-Year Flood	-24.8	-24.8
1-Year Monte Carlo Simulation		
Expected Return (50th Percentile)	6.04%	6.12%
10-Year Monte Carlo Simulation		
75th Percentile	8.9	9.0
Expected Return (50th Percentile)	6.0	6.1
25th Percentile	3.3	3.3
Probability of Achieving:		
7.0% Actuarial Rate	42%	43%
7.2% Actuarial Rate	41%	41%

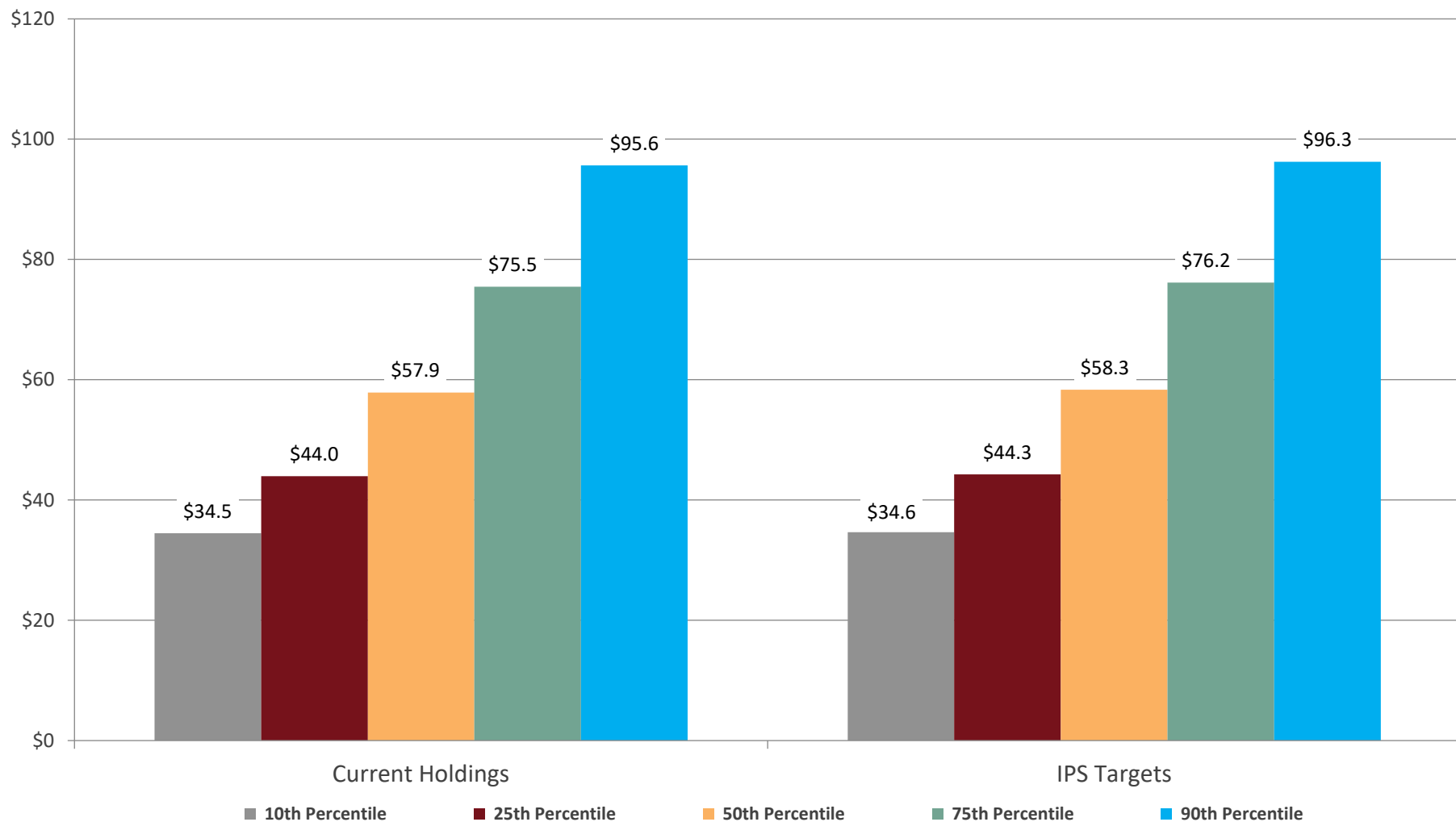
Source: FEG. The asset allocation study shown above is a hypothetical allocation of broad asset categories. The expected return is the result of a hypothetical allocation of investments represented solely by financial market data, underlying public indices, and FEG expectations in each asset category. The allocation does not include or represent investments made in any specific security within each asset category. As such, the expected return of the underlying indices is by no means a projection of a proposed or actual portfolio or indicative of results achieved by any securities. Additionally, an investor cannot directly invest in any index. The asset allocation is constructed under the assumption of various constraints and liquidity needs, as such allocations may not be appropriate for all investment objectives. Expected returns are presented gross of any fees and expenses. 100-year flood = annual return expected to occur 1% of the time or a -2.326 standard deviation event.

FEG INPUTS: ASSET ALLOCATION DETAILED

Asset Class	Current Holdings	IPS Targets
Global Equity		
US Large Cap	37.7%	37.0%
US Mid Cap	4.9	5.0
US Small Cap	6.7	7.0
International Developed (All Cap)	15.3	15.0
Emerging Markets Equity	4.6	5.0
Global Fixed Income		
Core Fixed Income	18.7	20.0
Global Real Assets		
Diversified Public Real Assets	6.5	6.0
Diversifying Strategies		
Liquid Diversifying Strategies	5.1	5.0
<i>Cash</i>	<i>0.5</i>	<i>0.0</i>

FEG INPUTS: 10-YEAR SIMULATED MARKET VALUE

10-YEAR SIMULATED MARKET VALUE (IN MILLIONS)¹



¹ Beginning market value of **\$53,146,101**. Assumes exactly 5.0% in Spending and Expenses annually, with no additional cash deposits.

Data Sources: FEG, City of GPW. Data for GPW "Current Holdings" as of 03/31/2026. Expected returns are in U.S. dollars net of fees. Please refer to Disclosures for full disclosures.

FEG INPUTS: WHY DIVERSIFICATION?

- FEG recommends diversifying by asset categories to help manage market risks
- FEG views diversification in a simple, yet comprehensive framework of four categories – each with specific roles and risk objectives

ASSET CATEGORIES	ROLE	RISK
GLOBAL EQUITY Stocks, Private Equity, Long/Short Hedge Funds	Total Return	Stock Market Declines
GLOBAL FIXED INCOME AND CREDIT Bonds, Bank Loans, Credit Hedge Funds	Equity Risk Mitigation and Total Return	Rising Rates and/or Credit Downgrades
REAL ASSETS Real Estate, Natural Resources, Infrastructure	Inflation Protection and Total Return	Deflation
DIVERSIFYING STRATEGIES Event Driven, Relative Value, Macro	Diversification and Total Return	Active Management

FEG INPUTS: WHY DIVERSIFICATION?

ASSET CATEGORY	RISK PREMIUM	ROLE
GLOBAL EQUITY U.S. and International Market Cap and Style Private and Public Equity Hedge Funds	Equity Market	Total Return
GLOBAL FIXED INCOME/CREDIT Investment Grade TIPS High Yield Bank Loans Private Debt (Distressed and Mezzanine) Credit Hedge Funds	Interest Rates Credit	Equity Risk Mitigation Total Return
REAL ASSETS Real Estate (Public and Private) Natural Resources (Energy & Infrastructure) Commodities	Inflation	Inflation Protection (along with TIPS)
DIVERSIFYING STRATEGIES Macro Event Driven Relative Value	Unconstrained Active Management	Diversification

FEG INPUTS: BENEFITS OF DIVERSIFICATION



TABLE OF INVESTMENT RETURNS

2005-2022 Annual Returns of Key Indices

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Emerging Markets	34.0%	Public RE	Emerging Markets	Int'l Bonds	Emerging Markets	MLPs	Private RE	Public RE	Small Cap	Public RE	Private RE	Small Cap	Emerging Markets	Private Equity	Large Cap	Private Equity	Public RE	MLPs
Private Equity	23.3%	Emerging Markets	Private Equity	Bonds	MLPs	Public RE	MLPs	Emerging Markets	Mid Cap	Large Cap	Private Equity	MLPs	Int'l	Private RE	Mid Cap	Small Cap	MLPs	Commod
Commod	21.4%	Private Equity	Commod	Private RE	High Yield	Small Cap	Public RE	Int'l	Large Cap	Mid Cap	Public RE	High Yield	Large Cap	Bonds	Public RE	Large Cap	Private Equity	Private RE
Private RE	20.1%	Int'l	Private RE	Div Strats	Mid Cap	Mid Cap	Private Equity	Mid Cap	MLPs	Private RE	Large Cap	Mid Cap	Mid Cap	Int'l Bonds	Small Cap	Emerging Markets	Large Cap	Div Strats
Int'l	13.3%	MLPs	MLPs	Private Equity	Int'l	Emerging Markets	Bonds	Small Cap	Int'l	Private Equity	Bonds	Large Cap	Private Equity	High Yield	Int'l	Hedged Equity	Commod	Private Equity
Diversified Index	12.9%	Diversified Index	Diversified Index	High Yield	Diversified Index	Private Equity	Int'l Bonds	Large Cap	Private Equity	Bonds	Int'l	Commod	Diversified Index	Public RE	Emerging Markets	Mid Cap	Mid Cap	Diversified Index
Mid Cap	12.7%	Small Cap	Int'l Bonds	Hedged Equity	Public RE	Commod	High Yield	High Yield	Hedged Equity	Small Cap	Hedged Equity	Emerging Markets	Small Cap	Large Cap	Diversified Index	Div Strats	Private RE	Hedged Equity
Public RE	12.2%	Private RE	Int'l	Diversified Index	Small Cap	High Yield	Large Cap	Private Equity	Diversified Index	MLPs	Div Strats	Private Equity	Hedged Equity	Div Strats	High Yield	Int'l Bonds	Diversified Index	High Yield
Hedged Equity	10.6%	Large Cap	Hedged Equity	Small Cap	Large Cap	Large Cap	Mid Cap	Diversified Index	Private RE	Diversified Index	Mid Cap	Public RE	Int'l Bonds	Diversified Index	Private Equity	Diversified Index	Small Cap	Bonds
Div Strats	9.3%	Mid Cap	Div Strats	Commod	Hedged Equity	Diversified Index	Diversified Index	Private RE	Div Strats	Div Strats	Diversified Index	Diversified Index	Public RE	Hedged Equity	Hedged Equity	Int'l	Hedged Equity	Int'l
MLPs	6.3%	Div Strats	Bonds	MLPs	Div Strats	Private RE	Small Cap	Hedged Equity	High Yield	High Yield	Small Cap	Private RE	Div Strats	Mid Cap	Div Strats	Bonds	Int'l	Mid Cap
Large Cap	4.9%	High Yield	Mid Cap	Large Cap	Commod	Hedged Equity	Div Strats	Div Strats	Public RE	Hedged Equity	High Yield	Hedged Equity	High Yield	Small Cap	Bonds	High Yield	Div Strats	Large Cap
Small Cap	4.6%	Hedged Equity	Large Cap	Public RE	Private Equity	Div Strats	Hedged Equity	MLPs	Bonds	Emerging Markets	Int'l Bonds	Div Strats	Private RE	Commod	Commod	Private RE	High Yield	Emerging Markets
High Yield	2.7%	Int'l Bonds	High Yield	Mid Cap	Bonds	Int'l	Int'l	Bonds	Emerging Markets	Int'l Bonds	Emerging Markets	Bonds	Bonds	MLPs	MLPs	Commod	Bonds	Small Cap
Bonds	2.4%	Bonds	Small Cap	Int'l	Int'l Bonds	Int'l Bonds	Commod	Int'l Bonds	Int'l Bonds	Int'l	Commod	Int'l Bonds	Commod	Int'l	Private RE	Public RE	Emerging Markets	Int'l Bonds
Int'l Bonds	-9.2%	Commod	Public RE	Emerging Markets	Private RE	Bonds	Emerging Markets	Commod	Commod	Commod	MLPs	Int'l	MLPs	Emerging Markets	Int'l Bonds	MLPs	Int'l Bonds	Public RE

Strong asset class performance is not persistent

See disclosures for sources and additional information.



CAPITAL MARKET ASSUMPTIONS PROCESS

DEVELOPING SOUND CAPITAL MARKET ASSUMPTIONS

Recognizing the importance of sound capital market assumptions, FEG has a team and process in place to research and publish capital market assumptions. While FEG's expected returns have historically been within the return range of the actual results 7-10 years later, the process does not "stop" once we issue these assumptions. We continually refine our models and evaluate our success.

Develop 10-Year Forecasts

Checks and Balances

Results

STEP 1: DEVELOP FORECASTS

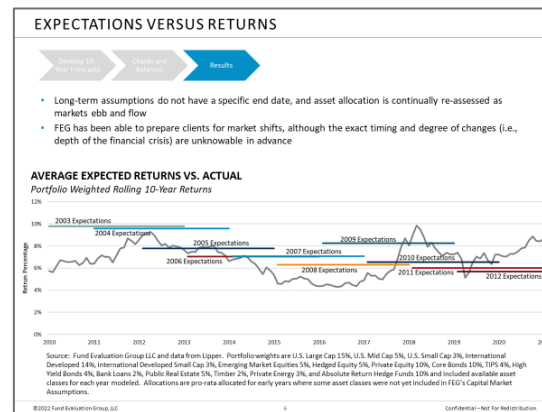
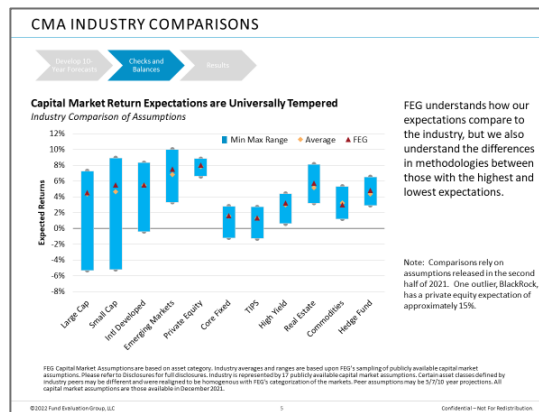
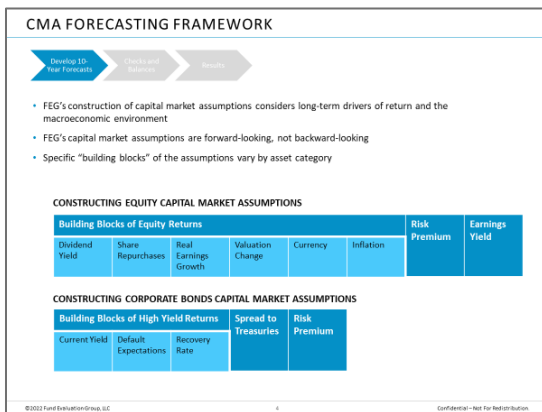
Evaluate long-term drivers of return by asset category and frame within the broader macroeconomic environment.

STEP 2: CHECKS AND BALANCES

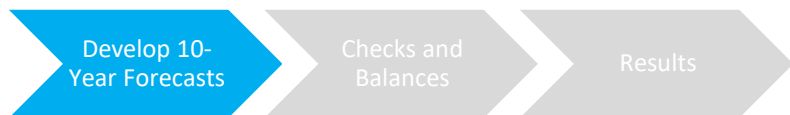
Review internally and externally – checking assumptions and methodologies against others in the investments industry.

STEP 3: RESULTS

Evaluate past results, determine if any deviations were a function of unique markets or embedded within FEG's forecasting framework. Keep what is working but isolate and correct any issues.



CMA FORECASTING FRAMEWORK



- FEG’s construction of capital market assumptions considers long-term drivers of return and the macroeconomic environment
- FEG’s capital market assumptions are forward-looking, not backward-looking
- Specific “building blocks” of the assumptions vary by asset category

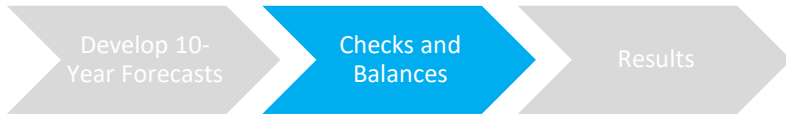
CONSTRUCTING EQUITY CAPITAL MARKET ASSUMPTIONS

Building Blocks of Equity Returns						Risk Premium	Earnings Yield
Dividend Yield	Share Repurchases	Real Earnings Growth	Valuation Change	Currency	Inflation		

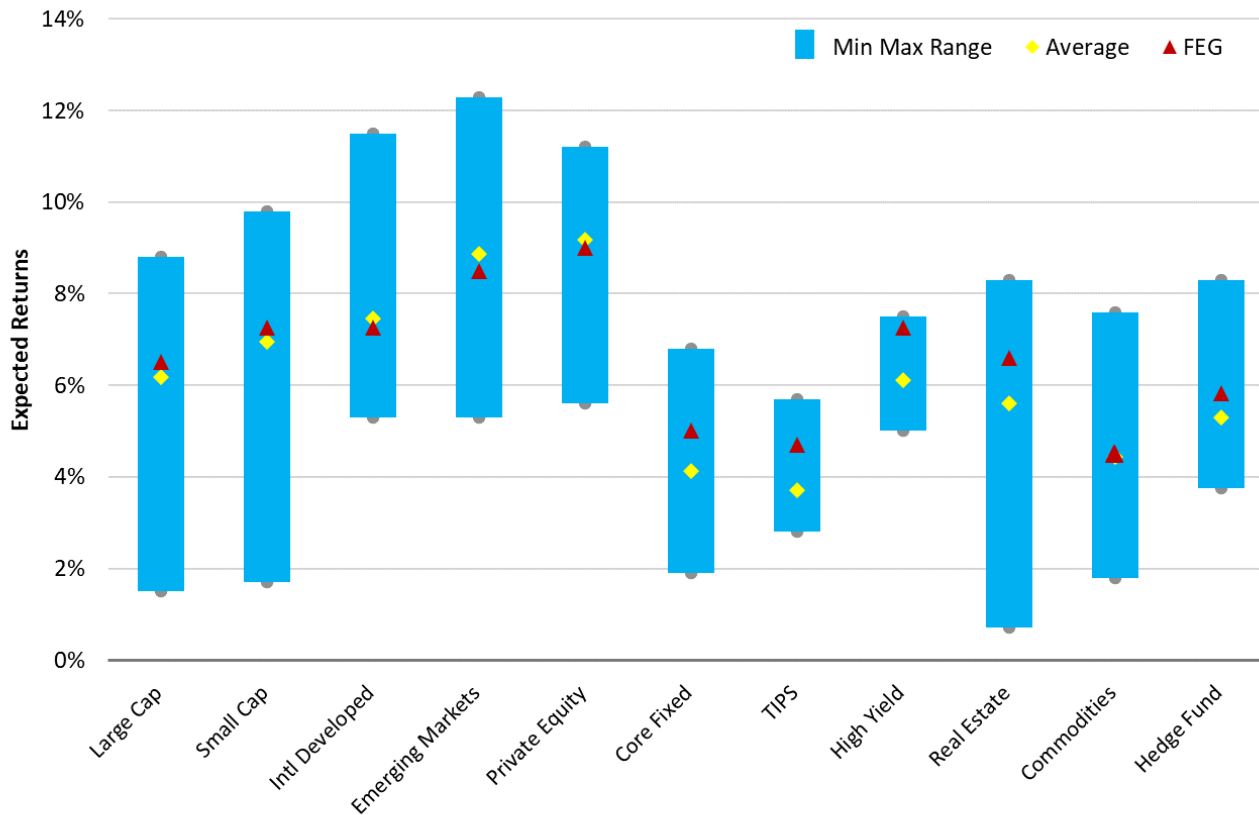
CONSTRUCTING CORPORATE BONDS CAPITAL MARKET ASSUMPTIONS

Building Blocks of High Yield Returns			Spread to Treasuries	Risk Premium
Current Yield	Default Expectations	Recovery Rate		

CMA INDUSTRY COMPARISONS



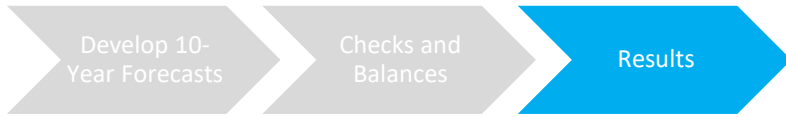
Capital Market Return Expectations are Universally Tempered *Industry Comparison of Assumptions*



FEG understands how our expectations compare to the industry, but we also understand the differences in methodologies between those with the highest and lowest expectations.

FEG Capital Market Assumptions are based on asset category. Industry averages and ranges are based upon FEG’s sampling of publicly available capital market assumptions. Please refer to Disclosures for full disclosures. Industry is represented by 17 publicly available capital market assumptions. Certain asset classes defined by industry peers may be different and were realigned to be homogenous with FEG’s categorization of the markets. Peer assumptions may be 5/7/10 year projections. All capital market assumptions are those available in December 2022.

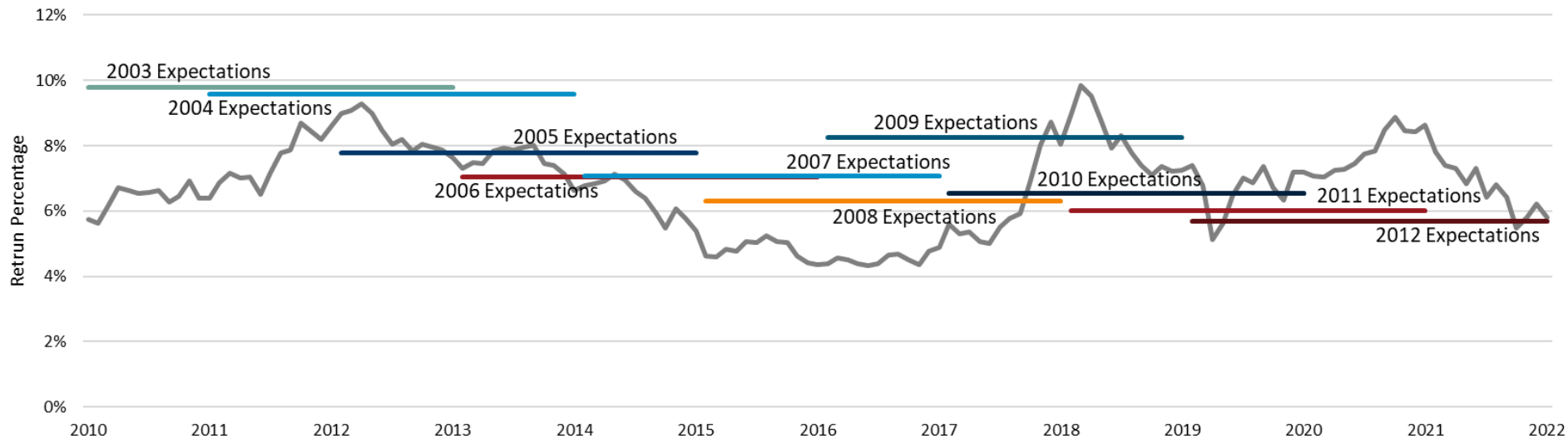
EXPECTATIONS VERSUS RETURNS



- Long-term assumptions do not have a specific end date, and asset allocation is continually re-assessed as markets ebb and flow
- FEG has been able to prepare clients for market shifts, although the exact timing and degree of changes (i.e., depth of the financial crisis) are unknowable in advance

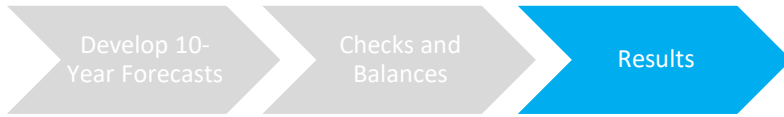
AVERAGE EXPECTED RETURNS VS. ACTUAL

Diversified Weighting Rolling 10-Year Returns

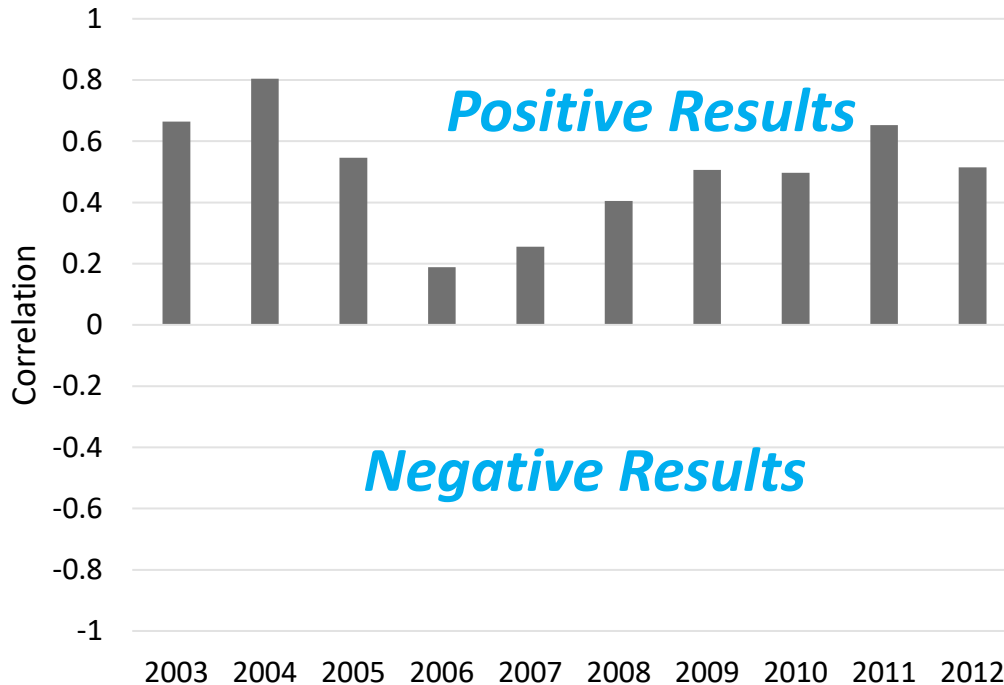


Source: Fund Evaluation Group LLC and data from Lipper. Diversified weights are U.S. Large Cap 15%, U.S. Mid Cap 5%, U.S. Small Cap 3%, International Developed 14%, International Developed Small Cap 3%, Emerging Market Equities 5%, Hedged Equity 5%, Private Equity 10%, Core Bonds 10%, TIPS 4%, High Yield Bonds 4%, Bank Loans 2%, Public Real Estate 5%, Timber 2%, Private Energy 3%, and Absolute Return Hedge Funds 10% and included available asset classes for each year modeled. Allocations are pro-rata allocated for early years where some asset classes were not yet included in FEG’s Capital Market Assumptions.

THE IMPORTANCE OF RANK ORDER



CAPITAL MARKET ASSUMPTIONS: RANK CORRELATION OF EXPECTED VS. ACTUAL



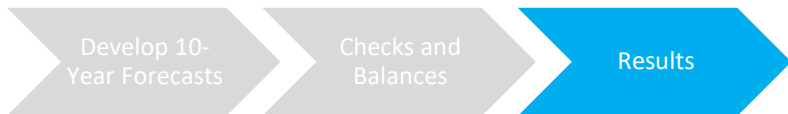
Because every asset allocation decision is relative, one method we use to evaluate our results is rank order (the order in which asset classes fall when ranked by return versus the order of actual returns, e.g., 1st, 2nd, 3rd).

Suppose a market shock, the Great Financial Crisis, for example, dramatically shifts markets and returns, but our relative ranking is accurate. In that case, our assumptions should nevertheless position our clients well (i.e., favor those with the best risk/reward trade-offs) regardless of unique market events.

As such, we review the correlation between the rank order of our expectations to the rank order of actual results.

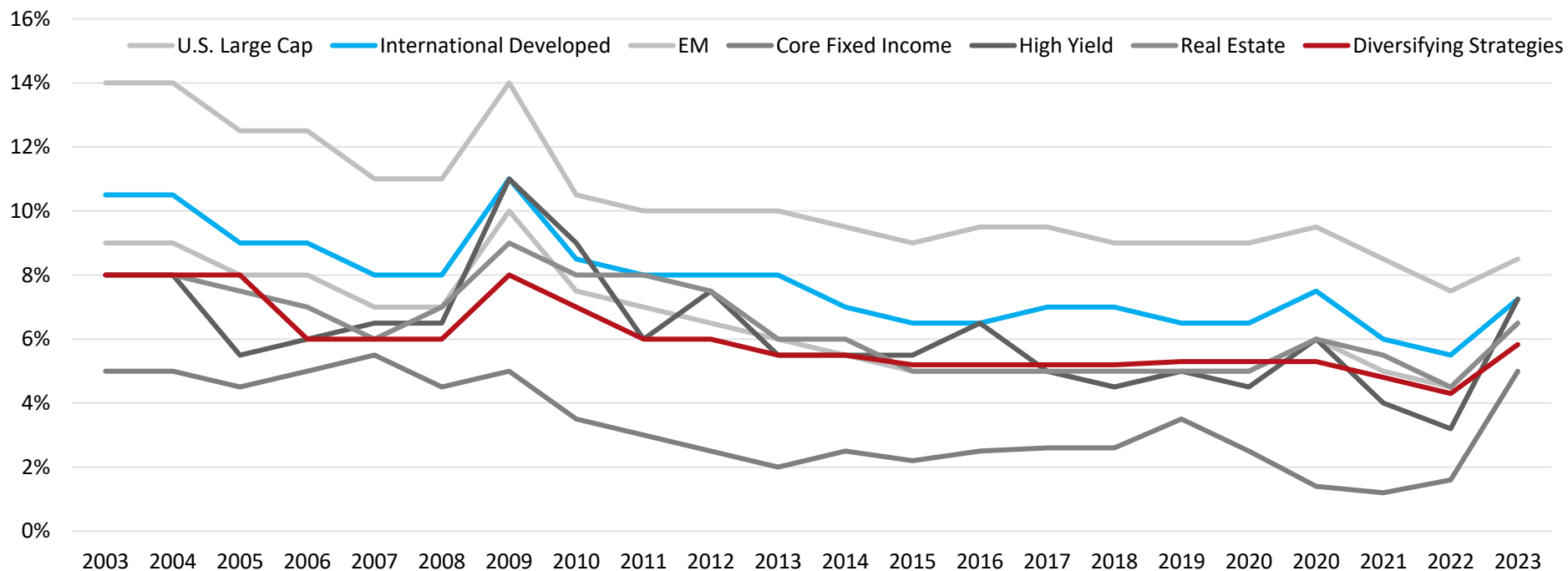
Source: Fund Evaluation Group LLC and data from Lipper as of December 2022

CAPITAL MARKET ASSUMPTIONS OVER TIME



FEG’s capital market assumptions have reflected the impact of significant market events as well as improvements in our methodology over time

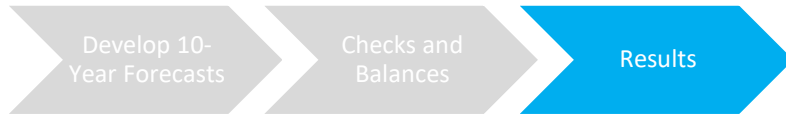
7- to 10-Year Capital Market Assumptions by Year



Data Source: FEG Data. As of December 2022.

FEG Capital Market Assumptions are hypothetical based on asset category. The expected return is the result of a hypothetical allocation of investments represented solely by financial market data, underlying public indices, and FEG expectations in each asset category. Please refer to Disclosures for full disclosures.

ADJUSTMENTS TO THE MODEL



- Upon examining the results from our 2002-2006 assumptions, we identified several unprecedented macroeconomic variables that we could not control, but similarly isolated one weighting, risk premium, within our framework that we could control
- FEG’s construction of capital market assumptions in the early part of the previous decade relied too heavily on an assumed risk premium above large cap U.S. equities, and we have refined this approach in the years following the financial crisis

CONSTRUCTING EQUITY CAPITAL MARKET ASSUMPTIONS

Building Blocks of Equity Returns						Risk Premium	Earnings Yield
Dividend Yield	Share Repurchases	Real Earnings Growth	Valuation Change	Currency	Inflation		

DISCLOSURES

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FEG Capital Market Assumptions are the result of hypothetical allocations constructed under various assumptions of various constraints and liquidity needs, and allocations may not be appropriate for all investment objectives. Assumptions of various constraints and liquidity needs, and allocations may not be appropriate for all investment objectives. All projections provided are estimates and are in U.S. dollar terms, unless otherwise specified, and are based on data as of the dates indicated. Given the complex risk-reward trade-offs involved, one should always rely on judgment as well as quantitative optimization approaches in setting strategic allocations to any or all of the asset classes specified. Please note that all information shown is based on qualitative analysis developed by FEG. Exclusive reliance on the above to make an investment decision is not advised. This information is not intended as a recommendation to invest in any particular asset class, product, security, derivative, commodity, currency or strategy or as a promise of future performance. Please note that these asset class and strategy assumptions are passive only—they do not consider the impact of active management. References to future returns are not promises or even estimates of actual returns a client portfolio may achieve. Assumptions, opinions and estimates are provided for illustrative purposes only. They should not be relied upon as recommendations to buy or sell any securities, commodities, derivatives or financial instruments of any kind. Forecasts of financial market trends that are based on current market conditions or historical data constitute a judgment and are subject to change without notice. We do not warrant its accuracy or completeness. This material has been prepared for informational purposes only and is not intended to provide, and should not be relied on for, accounting, legal, tax, investment or tax advice. There is no assurance that any of the target prices mentioned will be attained. Any market prices are only indications of market values and are subject to change.

This presentation contains hypothetical allocations and/or performance. The results do not necessarily represent the actual asset allocation of any client or investor portfolio and may not reflect the impact that material economic and market factors might have had on investment decisions. Investment results achieved by actual client accounts may differ from the results portrayed. Investments cannot be made directly in an index. No representation is being made that any fund or account will or is likely to achieve profits or losses similar to those shown herein. In fact, there are frequently sharp differences between hypothetical performance results and the actual results subsequently realized by any particular trading program. One of the limitations of hypothetical performance results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical trading does not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. Hypothetical performance results are presented for illustrative purposes only. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used in achieving the returns have been stated or fully considered. Changes in the assumptions may have a material impact on the hypothetical returns presented. Past performance is not indicative of future results.

Given the complex risk-reward trade-offs involved, we advise clients to rely on judgment as well as quantitative optimization approaches in setting strategic allocations. Exclusive reliance on the capital market assumptions is not advised. This information is not intended as a recommendation to invest in any particular asset class or strategy or as a promise of future performance. Note that these asset class and strategy assumptions are passive only—they do not consider the impact of active management. References to future returns are not promises or even estimates of actual returns a client portfolio may achieve. Assumptions, opinions and estimates are provided for illustrative purposes only. They should not be relied upon as recommendations to buy or sell securities. A manager's ability to achieve similar outcomes is subject to risk factors over which the manager may have no or limited control. Forecasts of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. Both past performance and yield may not be a reliable guide to future performance.

Any return expectations provided are not intended as, and must not be regarded as, a representation, warranty or predication that the investment will achieve any particular rate of return over any particular time period or that investors will not incur losses.

Index performance results do not represent any portfolio returns. An investor cannot invest directly in a presented index, as an investment vehicle replicating an index would be required. An index does not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown.

This presentation is prepared for informational purposes only. It does not address specific investment objectives, or the financial situation and the particular needs of any person who may receive this presentation.

Diversification or Asset Allocation does not assure or guarantee better performance and cannot eliminate the risk of investment loss.

Standard Deviation – A measure of variability in returns. The annual standard deviation measures the dispersion of annual returns around the average annualized return.

DISCLOSURES

Large Cap is represented by the S&P 500 Index which measures the performance of large capitalization U.S. stocks. The S&P 500 is a market-weighted index of 500 stocks that are traded on the NYSE, AMEX, and NASDAQ. www.standardandpoors.com

Mid Cap is represented by the Russell Mid Cap Index which measures performance of U.S. mid capitalization stocks. The Russell Mid Cap Index is a capitalization-weighted index of the 800 smallest companies in the Russell 1000 Index. The stocks are traded on the NYSE, AMEX, and NASDAQ. www.russell.com

Small Cap is represented by the Russell 2000 Index which measures the performance of U.S. small capitalization stocks. The Russell 2000 is a capitalization-weighted index of the 2,000 smallest stocks in the broad U.S. equity market, as defined by the Russell 3000 Index. These stocks are traded on the NYSE, AMEX, and NASDAQ. www.russell.com

International is represented by the MSCI EAFE Index which is a Morgan Stanley Capital International index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East. www.msicbarra.com

Emerging Markets are represented by the MSCI Emerging Markets Index which is a Morgan Stanley Capital International index that is designed to measure the performance of emerging market stock markets. www.msicbarra.com

Hedged Equity is represented by the Hedge Fund Research, Inc. Fund Weighted Composite Index, an equal weighted index that includes over 2,000 constituent funds, both domestic and offshore with no Fund of Funds included in the index. www.hfri.com

Bonds are represented by the Barclays U.S. Aggregate Bond Index which includes U.S. government, corporate, and mortgage-backed securities with maturities up to 30 years. www.barclays.com

High Yield is represented by the Barclays U.S. Corporate High Yield Index. www.barclays.com

Global REIT is represented by the FTSE EPRA/NAREIT Developed Index which is designed to track the performance of listed real estate companies and REITS worldwide. www.ftse.com

MLPs are represented by the Alerian MLP Index. www.alerian.com

Hedge Funds are represented by the Hedge Fund Research, Inc. Fund of Funds Composite Index. www.hfri.com

Diversified Portfolio is composed of 9% S&P 500 Index; 5% Russell Mid Cap Index; 2% Russell 2000 Index; 16% MSCI EAFE Index; 8% MSCI Emerging Markets Index; 5% HFRI Equity Hedge Index; 5% Thomson One All Private Equity Index; 10% Barclays U.S. Aggregate Bond Index; 6% Barclays U.S. Corporate High Yield Index; 2% J.P. Morgan Non-U.S. Global Bond Index; 2% Thomson One Distressed Index; 3.4% FTSE NAREIT US Real Estate Index; 2% NCREIF Property Index; 3.3% Bloomberg Commodity Index; 3.8% Alerian MLP Index; 2.5% Thomson One Private Natural Resources Index; 15% HFRI Fund Weighted Composite Index.



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Dallas | Indianapolis





F·E·G[®]
investment advisors

Energy Shocks

The Impact of the Iranian Conflict on Global Markets

First Quarter 2026

Markets entered the year already undergoing a shift, with leadership broadening beyond a narrow set of large cap names and performance increasingly driven by changing fundamentals. The recent operations in the Middle East introduced a new source of uncertainty, most notably through higher energy prices and disruptions to key global trade routes.

While these developments have the potential to influence inflation, growth, and markets, it is important to distinguish between short-term volatility and more durable structural changes. Energy markets remain central to the global economy, but their transmission into financial markets is complex, uneven, and often evolves as markets adapt.

In this environment, maintaining a disciplined, long-term perspective remains critical. When periods of severe geopolitical stress impact markets, asset classes and regions have historically responded differently to shifting economic conditions, reinforcing the value of diversification.

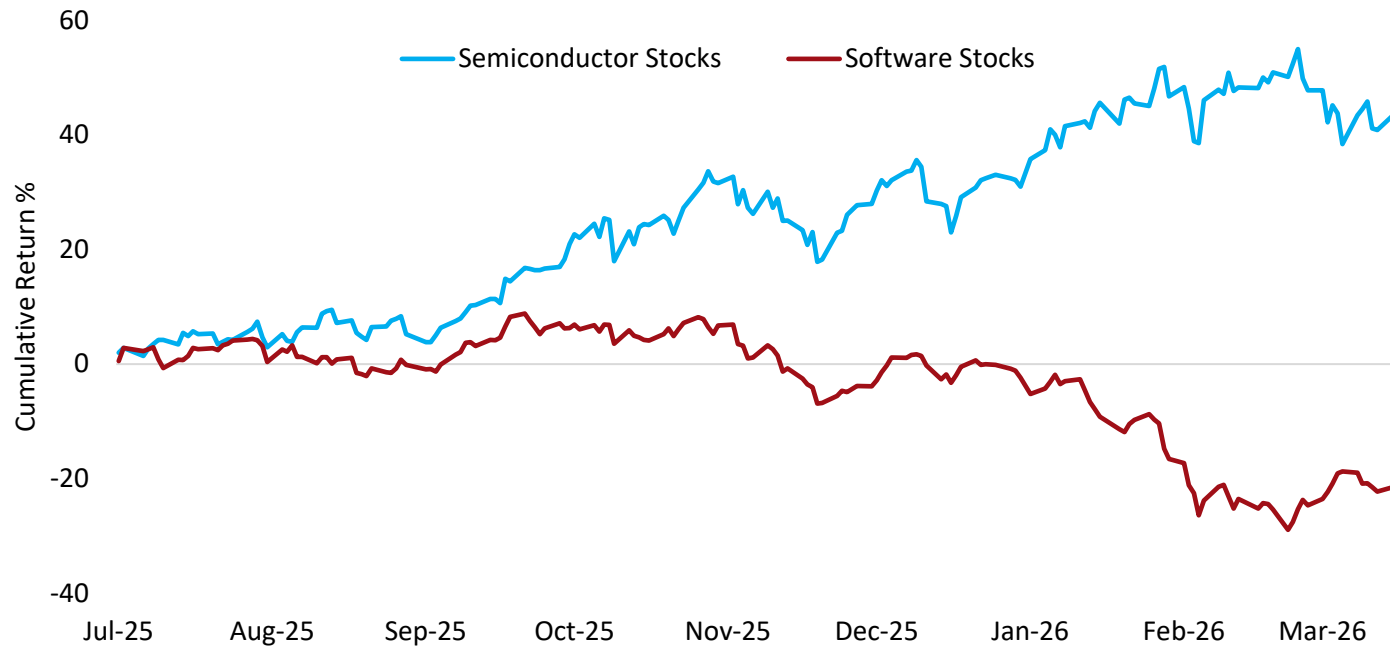


Source: Created with OpenAI

- To start the year, markets hit an inflection, with leadership broadening as U.S. small-cap stocks rallied, the Magnificent 7 lagged, and performance among technology stocks became divergent.
- The rotation was underway before the operations in Iran, signaling a market increasingly focused on diverging fundamentals, most notably among the technology-related stocks that dominate headlines.
- The onset of the strikes in Iran that led to increased oil prices brought substantial market declines in the first weeks of operations, yet the outperformance lead of U.S. small cap and international stocks held through the initial market reaction due to year-to-date gains posted in the first two months of the year.

PERFORMANCE WITHIN TECHNOLOGY DIVERGED

Semiconductor Versus Software Equities Performance

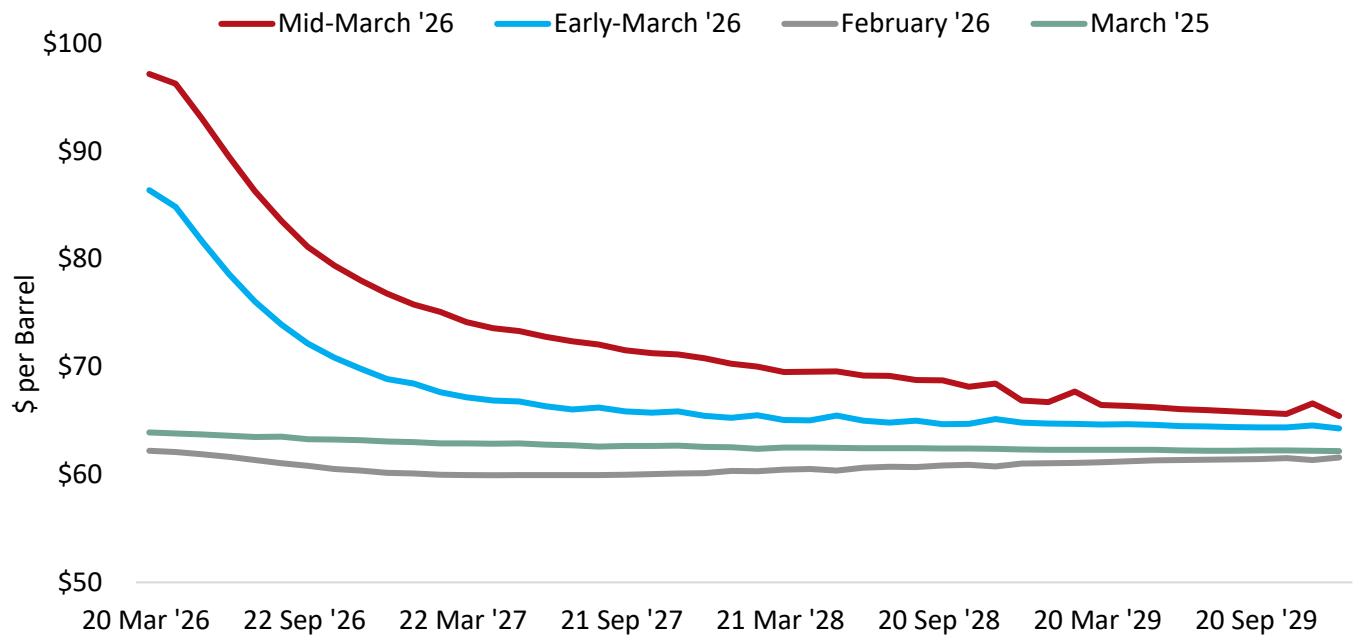


Data Source: FactSet, Semiconductor Stocks measured by VanEck Semiconductor ETF, Software stocks based on iShares Expanded Tech Software Stock ETF, from July 1, 2025, through March 18, 2026

- Oil prices moved sharply higher following the start of military operations involving Iran, reflecting immediate market concern around potential disruptions to Middle East energy supply and shipping routes.
- The futures curve increased further as the potential severity and duration of the disruption increased after Iranian attacks on the infrastructure of neighboring countries, although physical barrels priced even higher.
- The futures curve implies a gradual stabilization, as any shuttered production and transport takes time to resume even if the conflict ends, but also suggests the risk that supply constraints will persist.

MARKETS QUICKLY PRICED NEAR-TERM SUPPLY RISK

WTI Crude Oil Futures Market, Before and After Operation Epic Fury



Data Source: FactSet

Mid-March '26 is 3/17/2026, Early-March '26 is 3/10/2026, February '26 is 2/17/2026, and March '25 is 3/17/2025

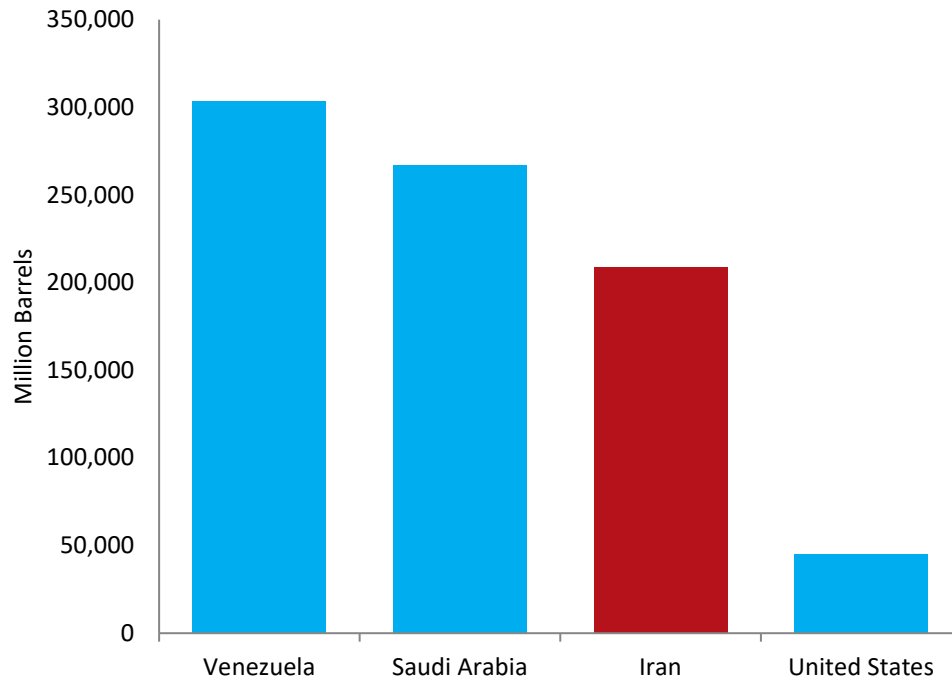


THE PERSIAN GULF AND STRAIT OF HORMUZ

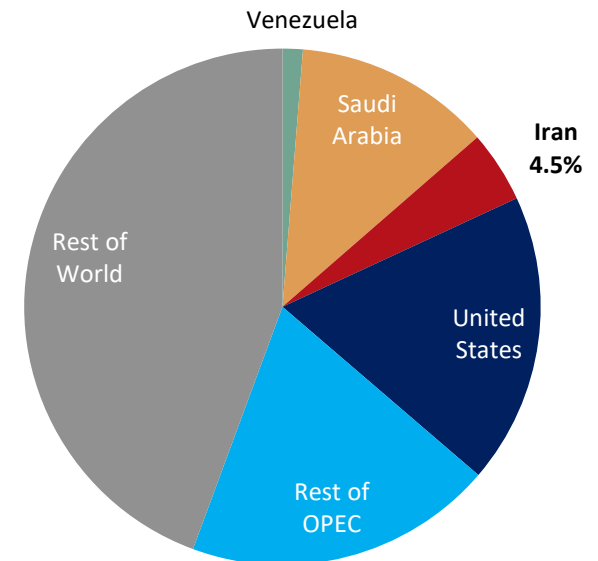
- Iran is structurally important to global oil reserves, accounting for roughly 13% of proven global reserves, far exceeding the United States despite limited transparency and data reliability.
- Reserve size overstates Iran's supply impact, as Iran's actual oil production remains constrained by sanctions, aging infrastructure, and limited access to capital and technology.

LARGE RESERVES HAVE NOT TRANSLATED INTO PRODUCTION IN IRAN

2024 Global Proven Oil Reserves



Share of 2024 Daily World Oil Production

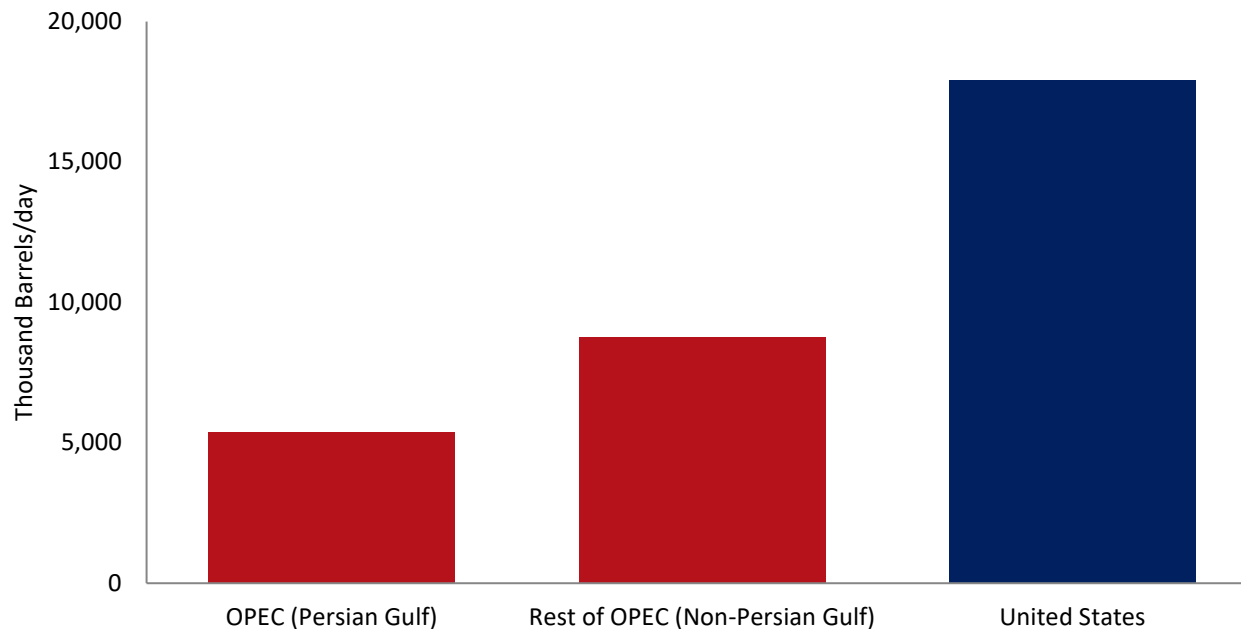


Data: 2025 OPEC Annual Statistical Bulletin, July 2025

- OPEC+ retains meaningful supply flexibility, having already increased production quotas in early 2026 and agreeing to a targeted output increase following recent disruptions to stabilize markets.
- Refining capacity is globally diversified, with Persian Gulf facilities representing only about 5% of total global refining. However, the disruption in even this relatively small slice of global downstream infrastructure has already had a meaningful impact on prices.
- The United States remains a critical stabilizer, with refining capacity that exceeds that of Persian Gulf OPEC producers and positions the U.S. as a central hub in global petroleum product flows.

THE U.S. REFINING CAPACITY SIGNIFICANTLY OUTPACES PERSIAN GULF CAPACITY

2024 Daily Global Refining Capacity

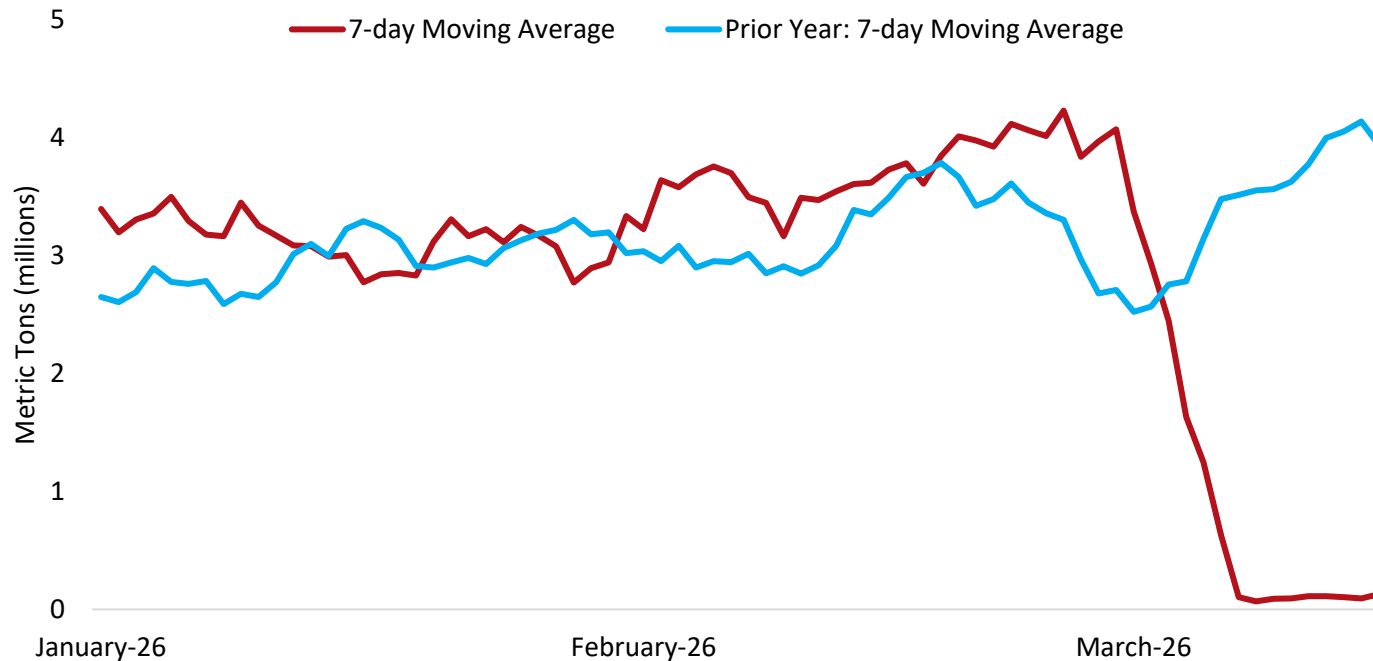


Data Source: 2025 OPEC Annual Statistical Bulletin, July 2025

- The Strait of Hormuz is the world’s most important oil transit corridor, normally carrying roughly 20% of global petroleum supply and about a quarter of seaborne oil trade.
- Immediately following the strikes in Iran, commercial shipping traffic through the strait essentially halted. Much of the oil exports were bound for Asia, triggering substantial equity market swings in that region.
- While most commercial traffic has stalled, a small number of Iranian and China-linked vessels continued transiting the strait, suggesting flows have slowed significantly but not stopped entirely.

DISRUPTION IN HORMUZ LED TO AN EFFECTIVE HALT IN OIL TRANSIT VOLUMES

Strait of Hormuz, Transit Trade Volume



Data Source: IMF PortWatch

- While the region has some ability to reroute supply, alternative infrastructure is limited. Saudi Arabia's East-West pipeline network, which carries crude from the Persian Gulf to export terminals on the Red Sea, is being pushed toward full capacity as exporters attempt to bypass the Strait of Hormuz.
- The pipeline can move up to roughly 7 million barrels per day, helping redirect exports, but even at full utilization, it cannot fully offset the volumes that transit the Strait.
- Markets are closely watching the duration of the disruption. Short-lived events tend to create temporary spikes in oil prices and risk premiums, while prolonged disruptions could have broader implications for inflation, growth, and global trade flows.

ALTERNATIVES TO THE STRAIT OF HORMUZ ARE LIMITED

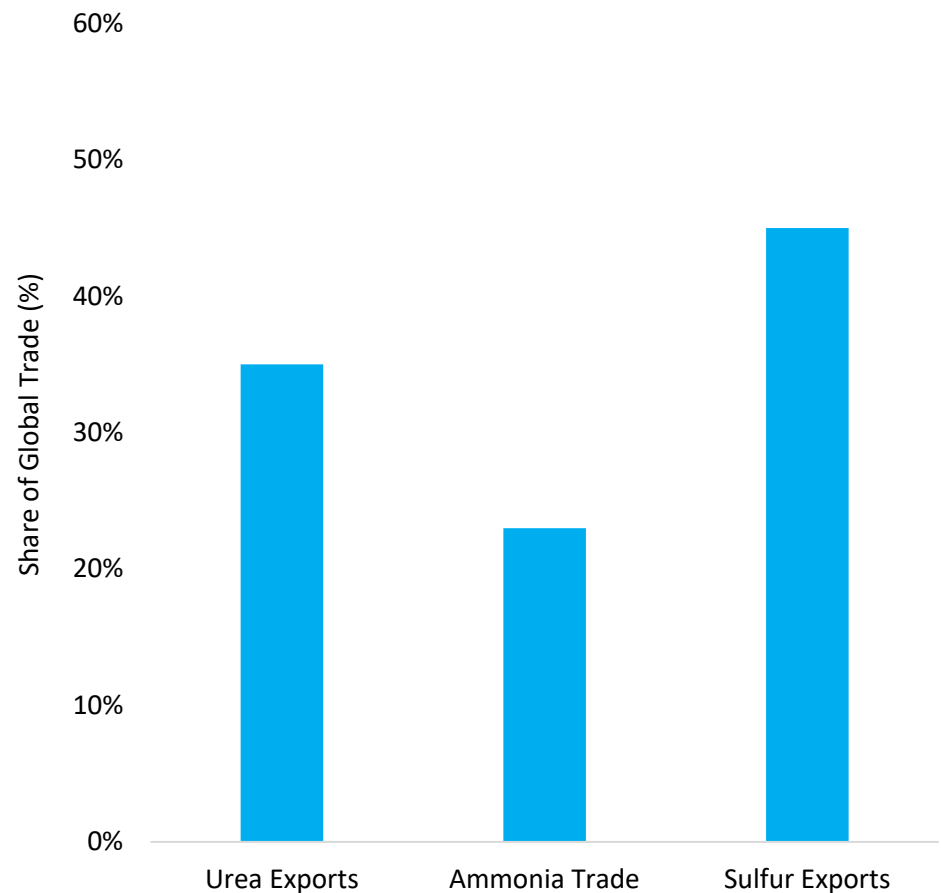


Sources: OpenStreetMap and The Wall Street Journal

- A closure of the Strait of Hormuz affects more than energy markets. The route carries roughly one-third of the global seaborne fertilizer trade—including urea, ammonia, sulfur, and phosphates—through the strait, making it a critical chokepoint for agricultural.
- Gulf producers rely heavily on this shipping route. Countries in the region account for about 23% of global ammonia trade and roughly one-third of global urea exports.
- Beyond fertilizers, the Strait also carries large volumes of petrochemicals and industrial inputs, for example, 25% to 35% of the world's helium, which is used to manufacture semiconductors, flows through the Strait of Hormuz, illustrating the potential impacts to an AI-driven market.

THE STRAIT OF HORMUZ IS CRITICAL TO AGRICULTURE

Fertilizer Inputs Linked to Persian Gulf/Hormuz Transit



Data sources: International Fertilizer Association (IFA), UNCTAD Maritime Chokepoint Analysis, USGS Sulfur Trade Data



RAMIFICATIONS OF ELEVATED OIL PRICES

- Historically, oil price shocks have not been a universal cause of U.S. recessions. Still, they have played a decisive role in a few key episodes, most notably the mid-1970s and 1980 downturns, when oil supply disruptions caused large spikes in energy prices and inflation.
- Outside those periods, energy prices have more often acted as a stress amplifier—raising inflation and prompting tighter monetary policy—rather than as the primary trigger.
- In recent decades, the U.S. economy has become less energy-intensive and increasingly supported by domestic energy production, making oil shocks less likely to trigger recessions independently.

OIL PRICE SPIKES ARE A RISK FACTOR, NOT A FORECAST

<i>Recession Timing (NBER)</i>	<i>Energy / Oil Context</i>	<i>Assessment</i>
Nov 1948 – Oct 1949	Post-war demand normalization; modest oil price pressures	No meaningful link
Jul 1953 – May 1954	Energy demand eased after Korean War	No meaningful link
Aug 1957 – Apr 1958	After-effects of Suez Crisis (prior supply disruption)	Possible contributor
Apr 1960 – Feb 1961	No major oil shock	No link
Dec 1969 – Nov 1970	No discrete oil shock; inflation and policy tightening dominate	Weak / indirect
Nov 1973 – Mar 1975	OPEC embargo; oil prices quadrupled	Major trigger
Jan 1980 – Jul 1980	Iranian Revolution oil shock	Major trigger
Jul 1981 – Nov 1982	Iran-Iraq War; sustained high energy costs amid disinflation	Contributing factor
Jul 1990 – Mar 1991	Gulf War oil spike	Contributing factor
Mar 2001 – Nov 2001	Late-cycle oil price increase (1999–2000)	Minor factor
Dec 2007 – Jun 2009	2008 oil spike (~\$147/bbl) during financial crisis	Secondary contributor
Feb 2020 – Apr 2020	COVID demand collapse; oil prices fell	Not causal

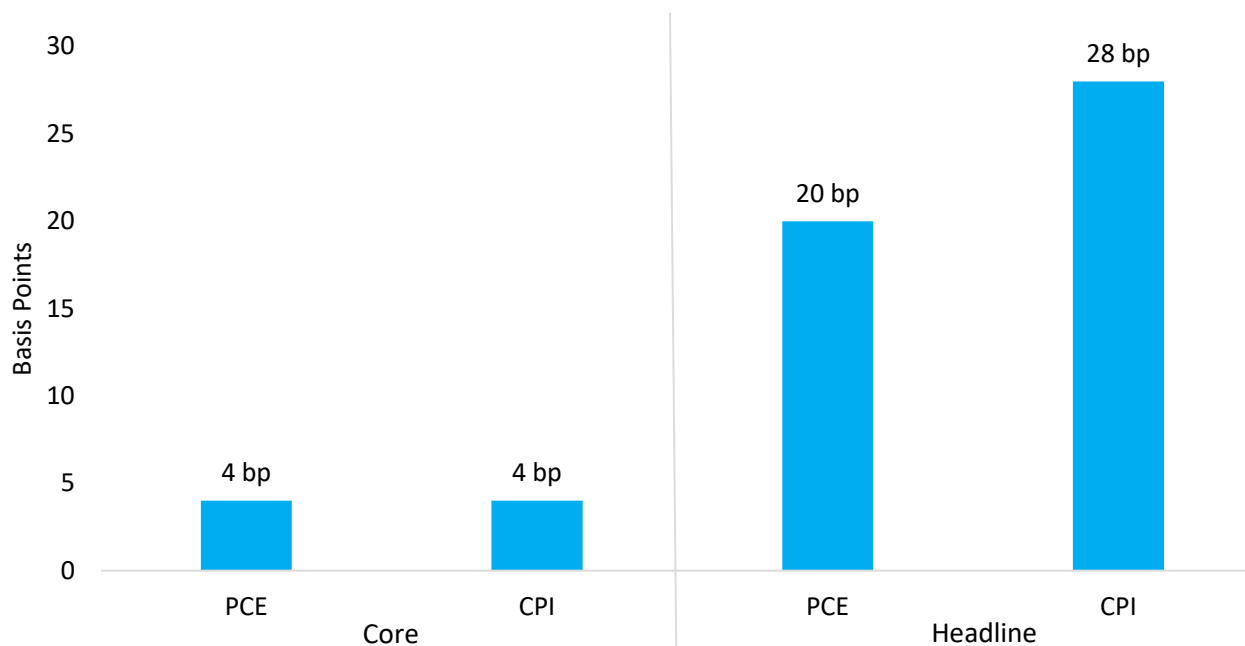
These events in the Middle East had the largest recessionary impacts.

Sources: NBER Business Cycle Dating Committee; Hamilton (1983, 2011); Federal Reserve.

- Estimates from Goldman Sachs suggest that a 10% increase in crude oil prices could raise core inflation (i.e., ex-food and energy) by roughly 4 basis points and headline inflation by 20–30 basis points.
- The operations in Iran have also pushed up shipping and insurance costs, pressuring the cost of goods, as tanker freight rates surge and carriers add war-risk premiums or reroute vessels.
- Higher oil prices also increase the cost of ground transportation, manufacturing, and petrochemical inputs, which can contribute to a renewed rise in core goods inflation. The duration of the increase can create more persistent price pressures in goods such as plastics, appliances, and consumer products.

A LARGE ENOUGH JUMP IN OIL PRICES CAN BE MEANINGFUL TO INFLATION

Effect of a 10% Increase in Oil Prices on Inflation

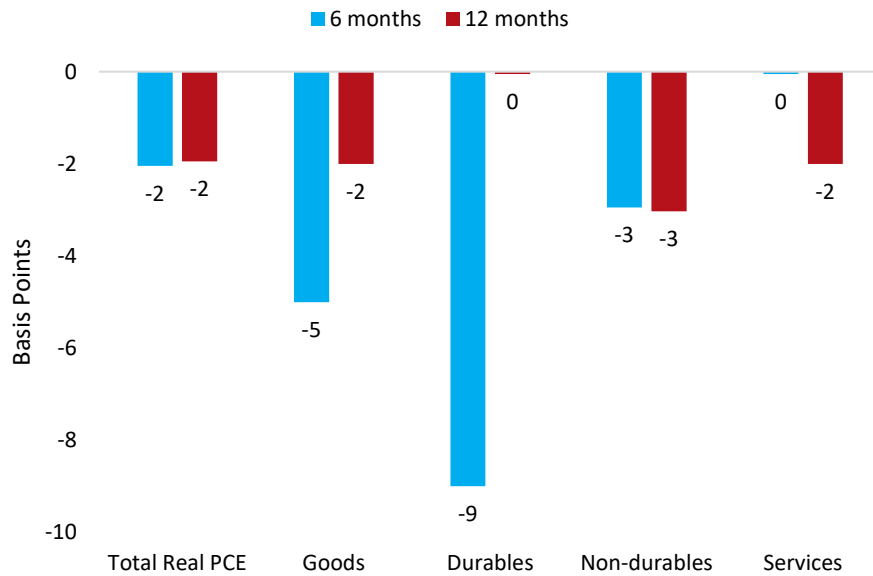


Data Source: Goldman Sachs

- Short-lived oil price spikes historically have had limited effects on consumer spending, as households often smooth consumption using savings or short-term credit, while businesses frequently absorb temporary energy cost increases.
- In contrast, persistent oil shocks tend to have larger and more delayed economic effects, with higher energy costs gradually weighing on purchasing power and business activity over time.
- Prolonged oil price increases can lead to meaningful declines in real goods spending 12 months after the shock, highlighting that the economic risk rises significantly if energy price pressures remain elevated.

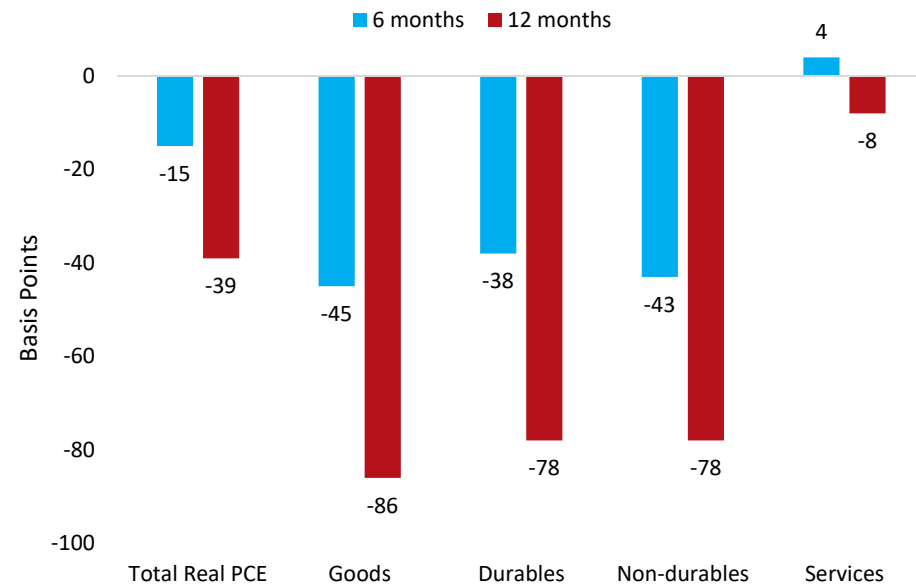
TEMPORARY SHOCKS DON'T HARM CONSUMERS...

Cumulative Real Spending Response After a Transitory Oil Shock



BUT PERSISTENT OIL SHOCKS HAVE LARGER EFFECTS

Cumulative Real Spending Response After a Persistent Oil Shock



Data Source: Morgan Stanley Research

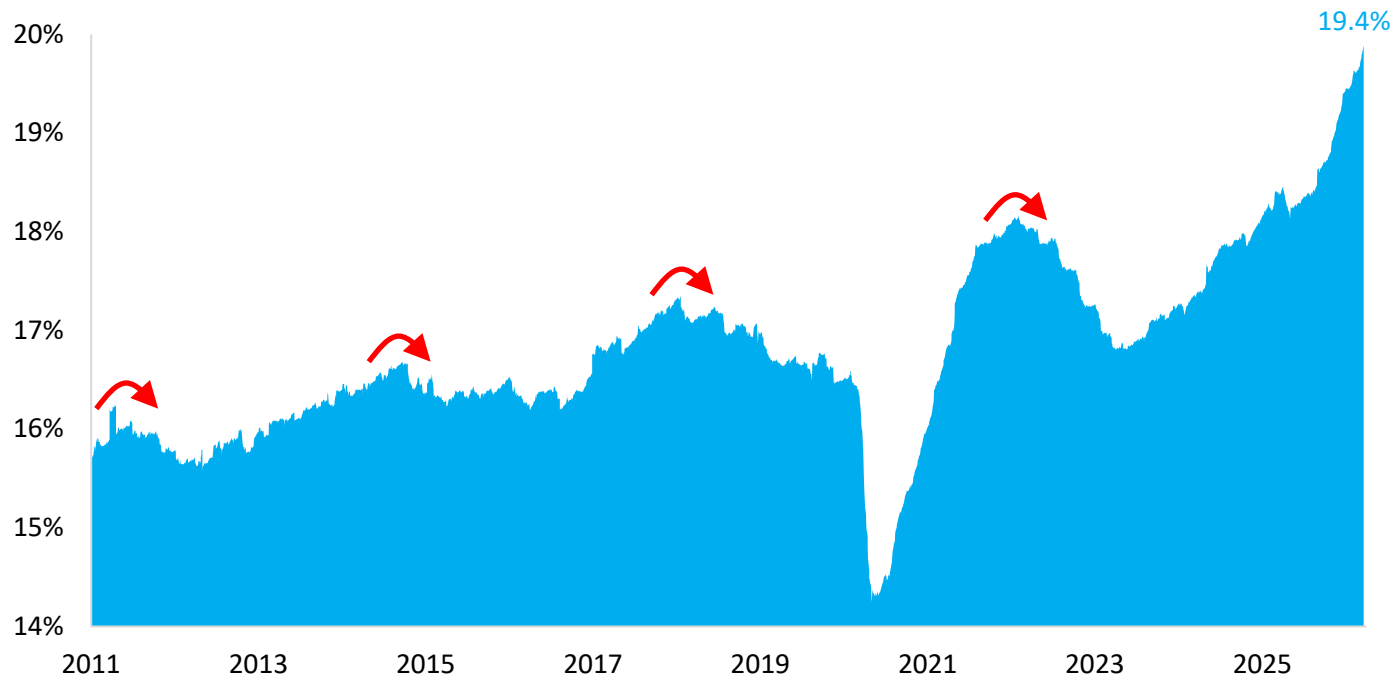
PCE (Personal Consumption Expenditures Price Index) is a key U.S. inflation measure published by the Bureau of Economic Analysis (BEA), tracking the change in prices paid for goods and services by consumers. PCE is the Federal Reserve's preferred gauge for setting monetary policy.

Data Source: Morgan Stanley Research

- Rising energy costs can weigh on economic activity by increasing transportation, manufacturing, and travel costs, acting as a tax on the economy, potentially slowing growth and dampening demand.
- Corporate profitability could also come under pressure if higher input costs persist. S&P 500 operating margins remain near cycle highs—around 19%—but sustained increases in energy and logistics costs could gradually compress margins.
- A structural shift toward higher energy prices could influence financial markets more broadly, potentially weighing on equity valuations while influencing the outlook for inflation, interest rates, and bond markets.

IF COSTS RISE MEANINGFULLY, MARGINS CAN BE EXPECTED TO DECLINE IN COMING MONTHS

Estimated Next 12-Month S&P 500 Operating Margin

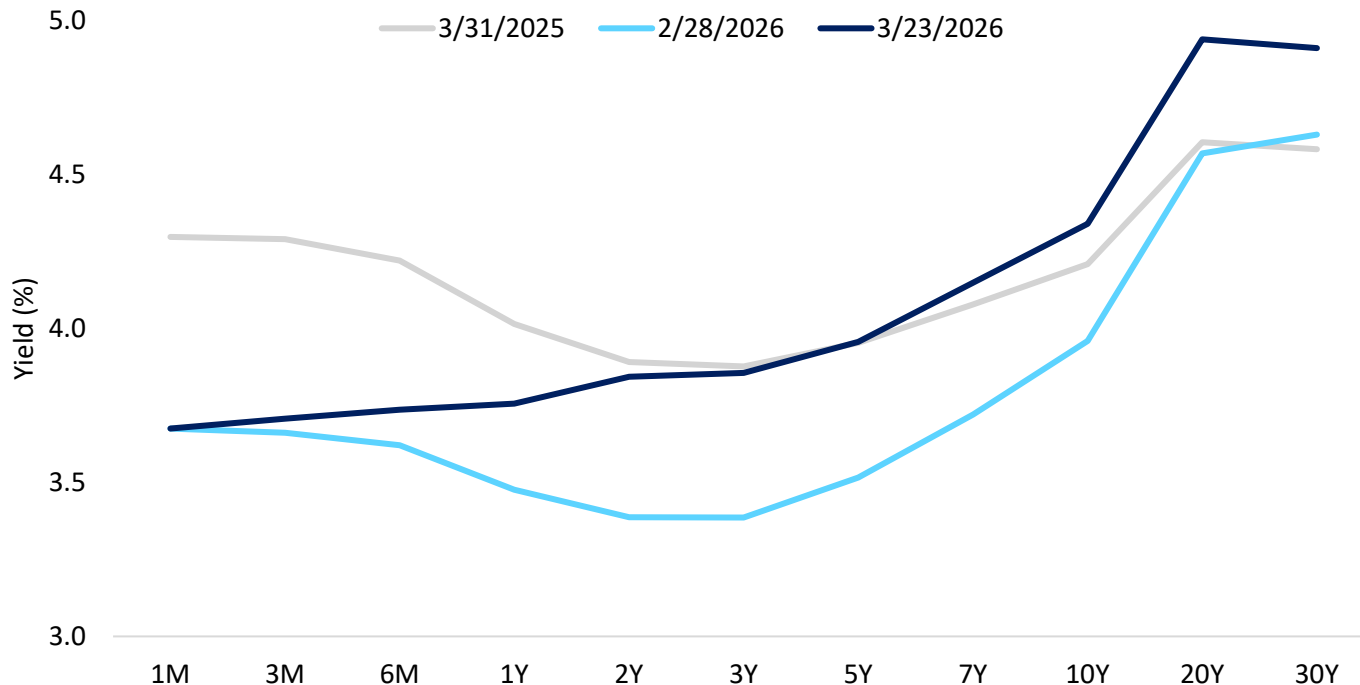


Data Sources: Bloomberg and Strategas, as of March 18, 2026

- The yield curve has shifted higher and steepened modestly, reflecting a repricing of inflation expectations and term premiums in response to increased energy-driven uncertainty.
- Although short-term rates remain anchored by policy expectations, longer-dated yields are increasingly influenced by inflation risk and fiscal dynamics, contributing to a more volatile rate environment.
- In this context, fixed income may offer income and diversification benefits, but its role as a consistent hedge to equities is less certain when inflation pressures and rate volatility persist.

YIELD CURVE RE-STEEPENS AS INFLATION UNCERTAINTY BUILDS

U.S. Yield Curve

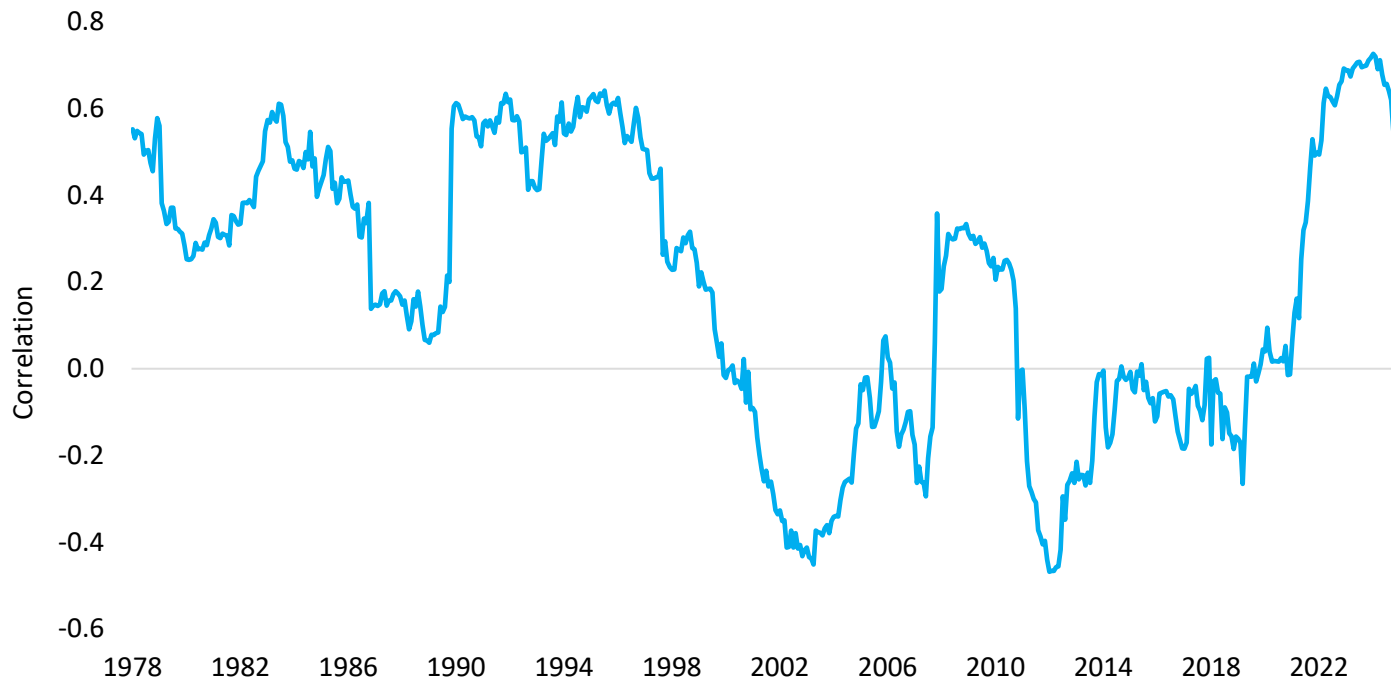


Data Source: FactSet

- Traditional diversification can weaken during periods of inflation shocks and policy tightening, as stocks and bonds become more positively correlated.
- Equity and bond market declines in 2022 demonstrated that relying solely on equity and bond diversification may leave portfolios more exposed to broad market drawdowns.
- In these periods, differentiated return streams—such as hedge funds—can provide diversification benefits that are less dependent on overall market direction.

DIVERSIFICATION BREAKS DOWN WHEN CORRELATIONS RISE

3-Year Rolling Correlation: S&P 500 and Bloomberg U.S. Aggregate Bond Index



Data Source: FactSet

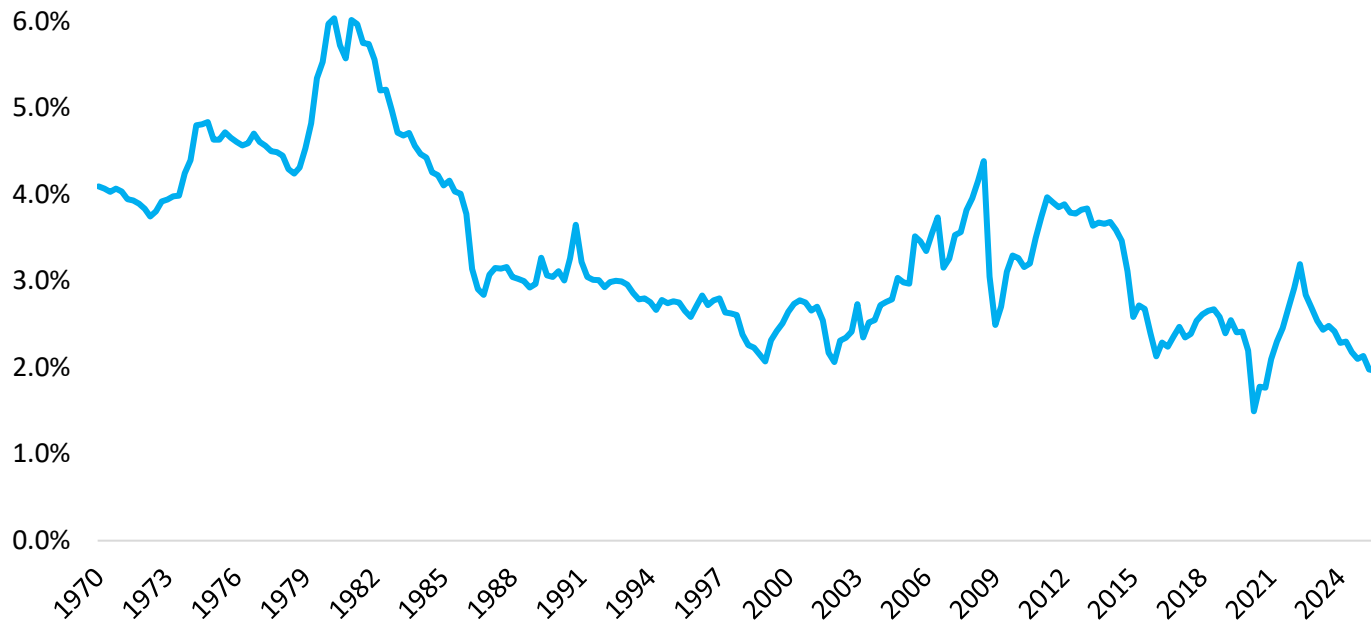


GLOBAL DISPARITIES

- U.S. energy intensity of GDP has declined markedly since the 1970s, and similarly, consumer spending on energy has also fallen, meaning economic growth today depends less on fossil fuel consumption.
- Efficiency gains across transportation and industry, as well as natural gas displacing coal in many regions outside of China, have played a major role in lowering the economy's sensitivity to energy price shocks.
- Although energy price spikes can still affect inflation and consumer spending, the broader economic impact tends to be smaller than during the oil shocks of the 1970s–1980s.

ENERGY'S SHARE OF U.S. CONSUMER SPENDING HAS DECLINED SINCE THE 1970S

Gasoline and Other Energy as a Percentage of Personal Consumption

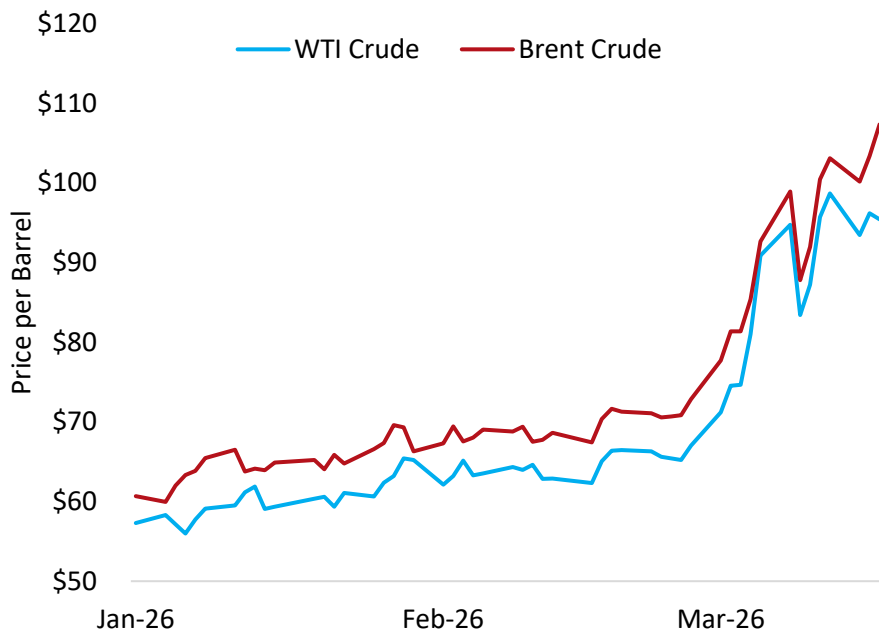


Data Sources: Bureau of Economic Analysis and Federal Reserve Bank of St. Louis

- The U.S. remains the world’s largest oil and natural gas producer, but the recent rise in oil prices highlights that oil is priced in a global market, meaning disruptions abroad quickly affect domestic energy costs.
- Energy market impacts also vary by fuel type. Oil prices tend to move globally, while LNG and natural gas markets remain regional, leaving parts of Europe and several Asian economies more exposed to energy price shocks due to their higher import dependence.
- Iranian attacks on Qatar’s liquid natural gas facilities triggered a shutdown, and prior to the second and more damaging mid-March attack on the facility, restarting was expected to take four weeks (now years due to the damage), illustrating that even restoring production on functional facilities takes time.

OIL PRICES MOVE GLOBALLY

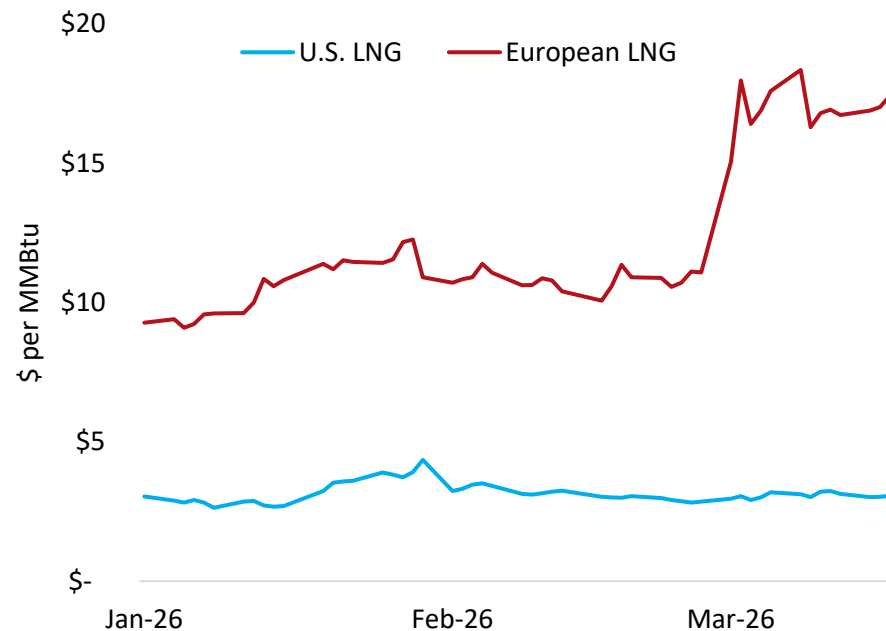
Price of Oil, West Texas Intermediate and Brent Crude, \$/barrel



Data Source: FactSet

REGIONAL NATURAL GAS MARKETS DIVERGE

Price of Liquid Natural Gas, U.S. and Europe, \$/MMBtu



Data Source: FactSet

- Many of the world’s largest equity markets outside the U.S. rely heavily on imported oil, leaving them more vulnerable to supply disruptions and price spikes than energy-producing economies.
- Domestic production covers more than 100% of U.S. oil consumption, while major developed markets such as Japan, South Korea, Germany, and France produce only a small fraction of their energy needs.
- As a result, energy price shocks tend to have a larger economic and market impact in import-dependent regions, particularly in parts of Europe and Asia where domestic production provides little buffer against global supply disruptions.

EUROPE AND ASIA ARE VULNERABLE TO OIL SHOCKS

Ten Largest Global Stock Markets vs. Domestic Petroleum Production as a % of Consumption

	Country	Market Cap (USD Bn)	Domestic Production (% of Consumption)
1	Canada	\$3,846	245.8%
2	U.S.	\$59,935	111.6%
3	U.K.	\$3,532	52.9%
4	Australia	\$2,190	34.3%
5	China	\$7,896	32.6%
6	Germany	\$2,274	8.9%
7	France	\$2,890	7.0%
8	S. Korea	\$2,840	4.5%
9	Japan	\$5,693	3.3%
10	Taiwan	\$3,274	2.9%

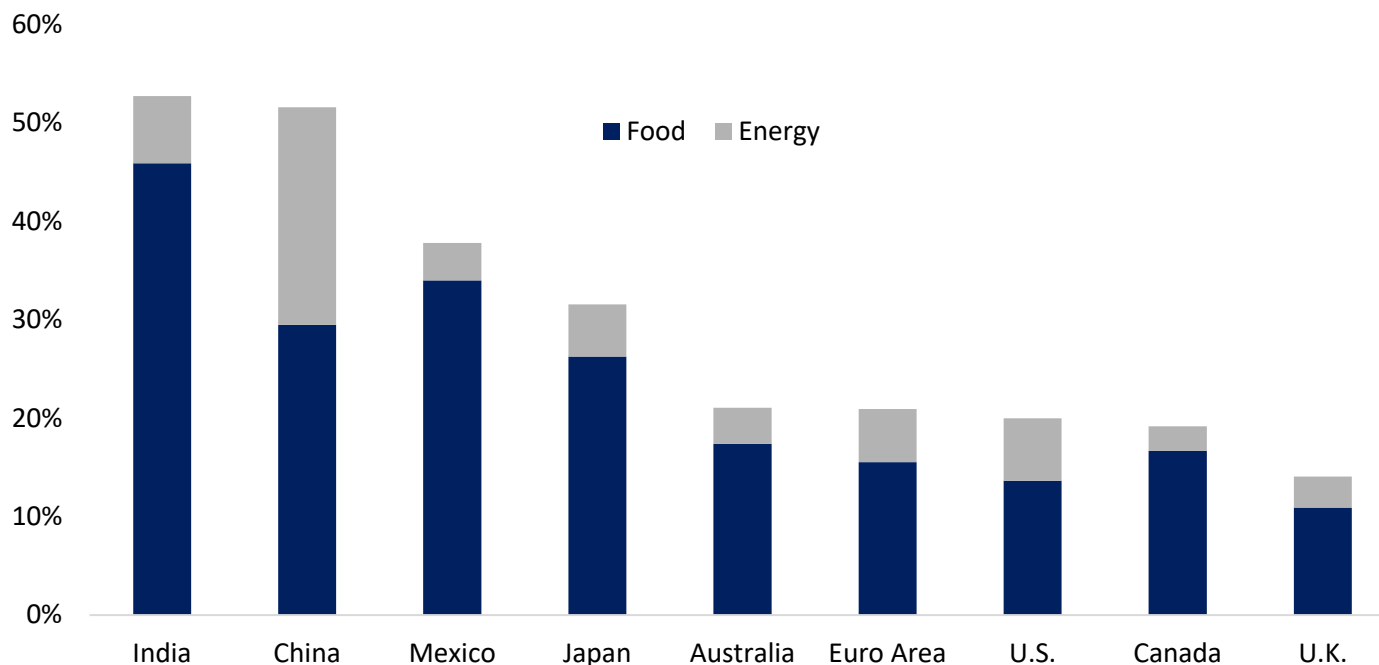
These major markets are highly energy dependent

Data Source: U.S. Energy Information Administration, Strategas, Bloomberg, Data as of 2024
 Note: Figures shown equal 2024 production and consumption of total petroleum and other liquids.

- Energy and food make up a significantly larger share of consumer spending in many emerging economies than in developed markets, meaning oil price spikes tend to translate into more acute inflation pressures and economic strain in developing countries.
- Shipping disruptions through the Strait of Hormuz—a key corridor for fertilizer exports—are already pushing fertilizer prices higher and raising the risk of broader food inflation in the coming months.

EMERGING MARKETS ARE MORE SENSITIVE TO ENERGY AND FOOD PRICE SHOCKS

Food & Energy Weight in the CPI



Data Sources: Strategas and Bloomberg. Data for China, India, and Australia from Macrobond. Data as of the most recent release.

- The recent rise in energy prices and disruption to key supply routes reinforce energy markets as a driver of economic outcomes. While the global economy is less energy-intensive than in prior decades, sustained increases in energy costs can still influence inflation, economic growth, and corporate earnings.
- At the same time, the impact of these shocks is unlikely to be uniform. Differences in energy dependence, market structure, and policy flexibility create a more fragmented global backdrop, leaving some regions and sectors more exposed than others. This reinforces the importance of focusing on underlying fundamentals rather than reacting to headline-driven volatility.
- For investors, the path forward is unlikely to be linear. However, periods like this have consistently reinforced the benefits of maintaining a diversified portfolio and a long-term perspective, rather than reacting to short-term market movements.





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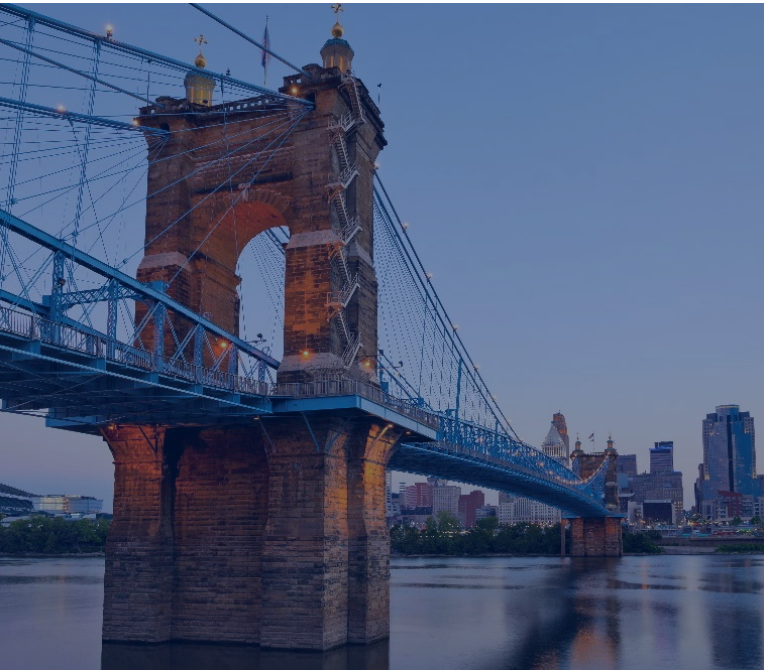
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The S&P 500 Index is a capitalization-weighted index of 500 stocks. The S&P 500 Index is designed to measure the performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The MSCI EAFE (Europe, Australasia and the Far East) Index includes large- and mid cap companies in 21 developed markets, including France, Germany, Australia, and Japan. The MSCI EMU (European Economic and Monetary Union) Index captures large- and mid cap companies in 10 developed markets, including Austria, Belgium, France, Italy, and Spain. The MSCI Japan Index measures the performance of large- and mid cap companies in Japan. The MSCI EM (Emerging Markets) Index includes large- and mid cap companies in 24 countries, including Brazil, China, Mexico, and Taiwan.

Standard deviation is a measure of the dispersion of a set of data from its mean.

All data as of March 2026, unless otherwise specified.



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Hybrid Pension Plans

*Alternatives to Traditional Defined Benefit
and Defined Contribution Pension Plans*

CITY OF GROSSE POINTE WOODS

NOVEMBER 30, 2015

MICHAEL J VANOVERBEKE

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DB Plans and DC Plans

There has been a debate swirling around corporate and governmental employers for decades as to which is better:

- Defined Benefit (DB) retirement plans, or
- Defined Contribution (DC) retirement plans.

Many employers are looking at hybrid plans as an alternative resolution to the DB - DC debate.

To fully understand hybrid alternatives and their implications on plan design, it's helpful to examine the characteristics of DB and DC Plans.

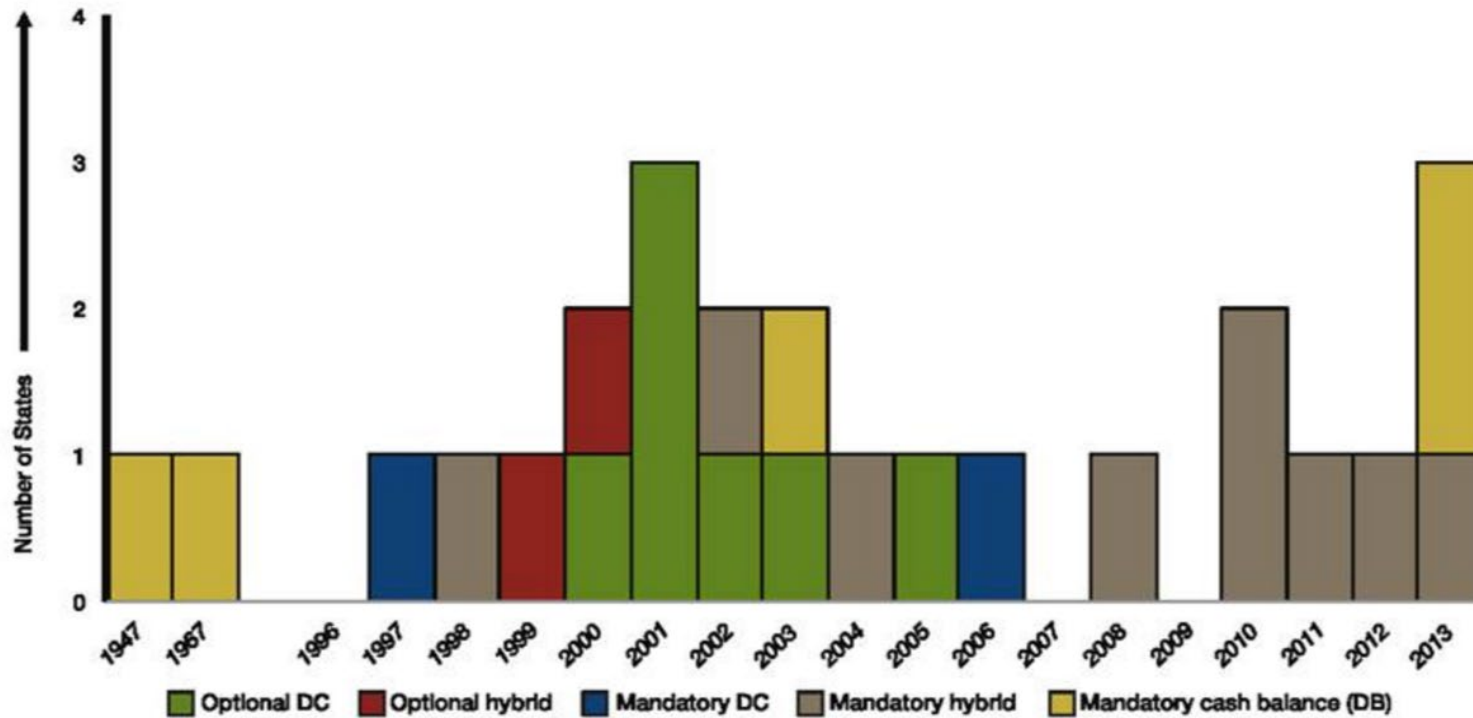
Traditional Defined Benefit (DB) Plans

- *Benefits* paid are *defined* by formulas and rules:
 - Flat Amount Formula – flat amount paid per month upon a specific retirement age (e.g., \$1,000 per month at retirement after age 60);
 - Flat Percentage Formula- retirement benefit based upon a flat % of average final earnings (e.g., 50% of FAC at retirement after age 60); or
 - Unit Credit Formula- Similar To GPW. A unit credit formula based upon length of service, a benefit multiplier and FAC at retirement (e.g., years of service multiplied by a pension multiplier multiplied by FAC at retirement eligibility) .
Most, if not all, Michigan public employee DB Plans utilize a unit credit formula.
- Contributions by the employer are actuarially determined with minimum or no employee contributions
- Pension plans usually pay a monthly pension for life with optional forms of benefits available
- Like Social Security
- GPW's retirement plan is a DB Plan

Defined Contribution (DC) Plans

- Employer *contributions* are *defined* by a formula (fixed \$\$ or % of compensation, or match of employee contribution).
- Individual account balance plans that include employer contributions, employee contributions and interest credits equal to the actual earnings of underlying investment assets over the years of deferral.
- When eligible for benefit payments either through retirement or employment separation, the benefit is based on the total amount in the participant's account.
- Like 401(k) plans in the private sector and 457 plans in the government sector.

Introduction of State Defined Contribution Plans by Year



Sources: Center for Retirement Research at Boston College and National Association of State Retirement Administrators.

DB/DC Distinguishing Features

- Individual Account Balances
- Account Interest Credited
- Investment Risk and Reward*
- Predictability of Contributions*
- Unfunded Actuarial Accrued Liability*
- Retirement Planning*
- Longevity and Other Risks*
- Benefit Skew*
- Form of Benefit*
- Portability
- Vesting
- Funded Status
- Operational Expenses*
- Education and Communication

*** Most important distinctions**

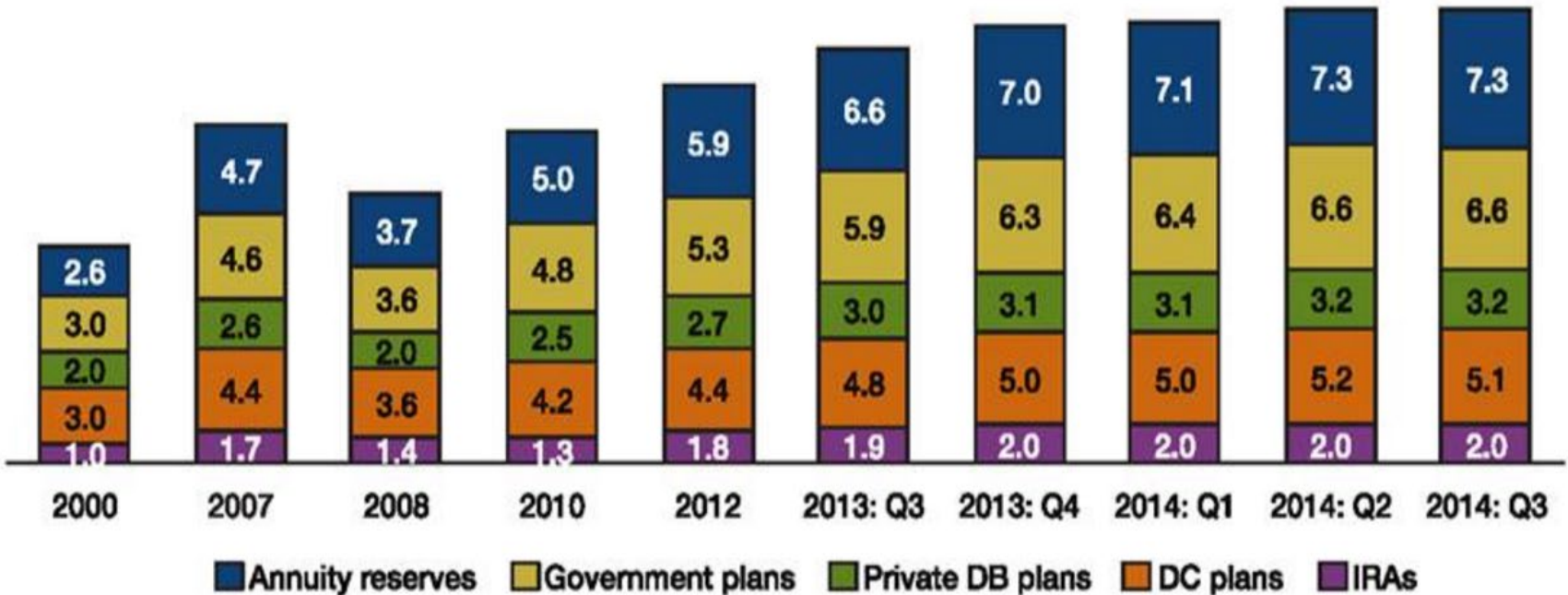
DB vs. DC Comparison

Core Features (Page 1 of 2)	Traditional Defined Contribution (DC) Retirement Plans	Traditional Defined Benefit (DB) Retirement Plans
Individual Account Balances	Yes	No individual account balances, just a defined benefit promise; pooled assets and pooled liabilities
Account Interest Credited	Actual investment return of the underlying assets	Not applicable
Investment Risk/Reward	Borne 100% by the employee	Borne 100% by the employer
Predictability of Employer Contributions	100% predictable	Much less predictable due to contribution being subject to investment performance and demographic experience
Unfunded Actuarial Accrued Liability	None	Yes, if less than 100% funded
Retirement planning	Unpredictable due to primary reliance on unpredictable investment earnings	Employees can plan on a predictable, stated (or easily calculated) percent of pre-retirement income; employers can design the plan toward a given replacement of pre-retirement income
Longevity and Other Risks	Borne 100% by the employee	Borne 100% by the employer

DB vs. DC Comparison

Core Features (Page 2 of 2)	Traditional Defined Contribution (DC) Retirement Plans	Traditional Defined Benefit (DB) Retirement Plans
Benefit Skew	Benefits are skewed toward younger shorter service employees	Benefits are skewed toward older, longer service employees
Form of Benefit	Almost always paid as a lump sum	Paid as a lifetime pension with options for survivorship
Portability	Can be rolled over to an IRA; often not used for retirement income	Retained and paid as a lifetime pension upon retirement eligibility
Vesting	Flexible in the design	Flexible in the design
Funded Status	Always 100% funded	Funding Policy determines funded status; rarely 100% funded
Operational Expenses	Higher investment-related expenses (in bps) than DB plans due to use of mutual funds, often subsidizing recordkeeping and communications expenses	Lower total operational expenses (in bps) than traditional DC plans; often soft dollar rebates from transaction costs reduce operational expenses further
Education and Communications	Employee education meetings and materials required for effective investment elections; often name-brand mutual funds, online information and investment choices; quarterly account balance statements	Autopilot, little flair and fanfare; often unappreciated (until taken away)

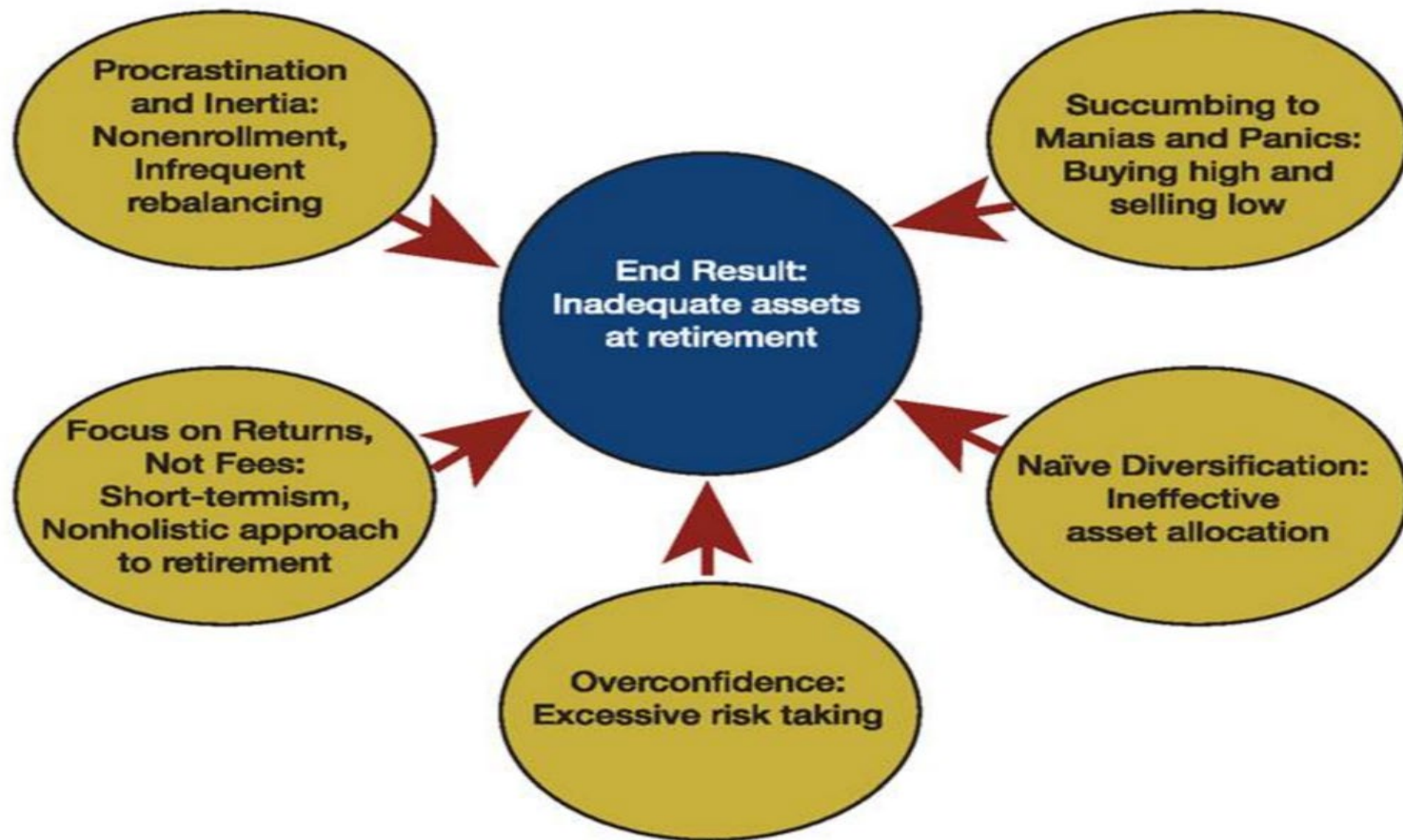
U.S. Total Retirement Market (\$Trillion)



Sources: Investment Company Institute, Federal Reserve Board, NAGDCA, American Council of Life Insurers and the Internal Revenue Service Statistics of Income Division.

DC Participant Behavioral Patterns

Destructive Tendencies Highlighted by Behavioral Finance



Source: Marquette Associates.

Hybrid Plans

Consider a hybrid plan as:

- An alternative to traditional DC and DB plans
- A creative solution
- Out-of-the-box thinking

Hybrid Plans

A hybrid plan is a single plan that has some features of a DB plan and some features of a DC plan.

Most plans that are referred to as “Hybrid Plans” are an arrangement with side-by-side DB and DC plans

- These are two separate plans.
- Although some people use the term “hybrid” when describing a side-by-side DB/DC Plans, this arrangement is not really a “hybrid plan”.
- Ten states including Michigan have adopted side-by-side DB/DC Plans.
- In some instances, the traditional DB Plan structure is modified to shift some or all (as in the City of Detroit) of the investment risk to the employees.
- These plans are typically adopted for new hires only.

Side-by-Side DB/DC Plans

- These types of plans (also called “dual plans”) typically offer a DB Plan with a lower and/or more restrictive benefit (e.g., lower multiplier, older normal retirement age, base wage, longer FAC period, etc.)
- The DC Plan typically provides for fixed employer and mandatory (pre-tax) employee contributions based upon a percentage of compensation. Additional post-tax elective contributions are also permitted.
- Plan costs are more predictable because the DB Plan is smaller and the employer contribution to the DC Plan is predetermined and fixed.
- The employer bears the investment and demographic risk on the DB Plan and the employee has the investment and mortality risk on the DC Plan.

Michigan PSERS Hybrid Plan

(Side-by-Side DB/DC Plan)

Defined Benefit Plan

- Higher minimum retirement age
- Longer FAC Period
- 1.5% Multiplier
- No COLA

Defined Contribution Plan

- Mandatory 2% employee pre-tax contribution
- State pays a minimum 1% contribution

- Applies to new hires only.
- Called “Pension Plus”.
- Result will be a reduction in the employer’s normal cost from 4% to 3% by 2046.

MERS of Michigan Hybrid Plan

(Side-by-Side DB/DC Plan)

Defined Benefit Plan

- Retirement at age 60 with 10 years of service or age 55 with 25 years of service
- 3 year FAC Period
- 1.0, 1.25, 1.5, 1.75* or 2.0%* Multiplier
- No COLA
- 6 year vesting

Defined Contribution Plan

- Optional mandatory employee pre-tax contribution or elective post-tax
- Employer can elect a fixed dollar, fixed % or match program
- Vesting at plan sponsor's option

- Typically provided to new hires only but can be provided prospectively to all employees.
- *The 1.75 and 2.0% multipliers are only available for non-social security eligible participants.

Hybrid Plans

Some plans that are referred to as “Hybrid Plans” are a redesign of the traditional DB Plan model:

- Although some people use the term “hybrid” when describing this type of DB Plan, this arrangement is not really a “hybrid plan”.
- The existing DB Plan benefits are frozen and a new benefit structure is created with reduction in benefit multiplier, final average compensation, service credit accrual, retirement eligibility, employee contributions, and vesting.
- In some instances, the traditional DB Plan structure is modified to shift some or all (as in the City of Detroit) of the investment risk to the employees.

City of Detroit New Hybrid Plan – General EES

(Side-by-Side DB/DC Plan w/ Restructured Non –Traditional DB Plan)

Defined Benefit Plan

- Phasing in of Normal Retirement at age 62
- 10 year FAC Period – Base wages only
- 1.5% Multiplier
- No COLA but a Variable Pension Improvement Factor (2.0%)
- 10 year vesting
- No duty or non-duty disability
- Mandatory Employee Contribution of 4%
- Fixed City contribution of 5%

Defined Contribution Plan

- Optional 0-7% employee post tax contribution
- No Employer contribution
- Assets invested by Retirement Board
- Interest credited at actual net rate of return but not less than 0% or greater than 5.25%

- Implemented as part of the Bankruptcy Plan of Adjustment
- Applies to all existing employees and new hires.

City of Detroit New Hybrid Plan – PFRS EES

(Side-by-Side DB/DC Plan w/ Restructured Non –Traditional DB Plan)

Defined Benefit Plan

- Phasing in of Normal Retirement at age 50 with 25 Years of service
- 5 year FAC Period – Base wages only
- 2.0% Multiplier
- No COLA but a Variable Pension Improvement Factor (2.0%)
- 10 year vesting
- Duty and non-duty disability continued
- Mandatory Employee Contribution of 6%
- Fixed City contribution of 12.25%

Defined Contribution Plan

- Optional 0-10% employee post tax contribution
- No Employer contribution
- Assets invested by Retirement Board
- Interest credited at actual net rate of return but not less than 0% or greater than 5.25%

- Implemented as part of the Bankruptcy Plan of Adjustment
- Applies to all existing employees and new hires.

City of Detroit New Hybrid Plan

The Restructured Non –Traditional DB Plan

The **City's contributions to the Plan are fixed** at 5% to the GRS and 12.25% for PFRS.

A portion of the employer and employee contributions are credited to a Rate Stabilization Reserve.

If the Plan's funding level falls below a fixed funding target, a series of remedial triggers are instituted until the funding level is restored to 100% including:

- Elimination of previous or future Pension Improvement Factors
- Transfers from the Rate Stabilization Reserves
- Increasing mandatory employee contributions
- Reduction in the multiplier

Wayne County Revised DB Plan Benefits

Legacy Plans frozen as of September 30, 2015.

Effective October 1, 2015:

- 1.25% multiplier all plans
- 10 year FAC on base wages (excludes overtime and roll-ins)
- Normal Retirement Eligibility: age 62 w/ 10 or more years of service
Sheriffs: Age 55 w/ 30 or more years of service
(A graduated eligibility scale between ages 60-62 applies)
- Early Retirement for non-sheriffs: Age 55 w/ 30 years of service, actuarially reduced
- Employee Contributions: 6% of wages up to \$52,155 + 7% of wages above
Sheriffs – 7% of wages up to \$52,155 + 8% of wages above
- Vesting: 10 years, benefit begins at age 65

Hybrid Plans

There are two broad types of true hybrid plans:

- Cash Balance Plans, and
- Variable Annuity or Variable Benefit Plans.

Hybrid Plans – Cash Balance Plans

- “Looks” more like a DC plan (each member has an account balance)
- Implementations
 - In some other states and jurisdictions outside Michigan
 - Many private sector employers
- Employer contributes a fixed amount into each employee’s account; employee contributes as well
- Interest is credited to each account
 - Different plan designs credit interest differently
 - Interest credit is not permitted to equal the rate earned by the actual underlying assets
- Benefit is usually paid out in a lump sum at termination or retirement; sometimes annuitized pension is permitted

Hybrid Plans – Variable Annuity or Variable Benefit

A pension plan where the **annual pension benefit fluctuates** (both before and after retirement) with the performance of investment funds

Advantages for the employer:

- Financial predictability: stable cost, little or no unfunded liabilities
- Retention: allocates benefits to long-service employees

Advantages for the employee:

- Provides lifetime income – employee can't outlive assets
- Portable benefit, potential inflation protection

Hybrid Plans – Variable Annuity or Variable Benefit

- “Looks” a lot like a DB plan
 - Lifetime pensions paid
 - Rewards long-service employees
- Monthly benefit amount varies (up and down) depending on certain trigger points built into the plan design
 - Investment Trigger -- Benefits change or vary (up and down) depending on level of *investment returns*, OR
 - Employer Contribution Trigger – Benefits change or vary (up and down) depending on the level of *employer contributions* otherwise required

Hybrid Plans – Variable Annuity or Variable Benefit

Investment Return Trigger –

- Some designs (e.g., Variable Annuity Plan) index the benefit earned for the year to retirement date using unit values based on investment returns – higher indexing for higher returns; lower indexing for lower returns.
- Other designs can change the multiplier for the current year depending on investment returns for the year - higher multipliers for higher returns; lower multipliers or zero for lower returns.
- Still other plan designs pay additional “dividends” on benefits for higher returns.

Hybrid Plans – Variable Annuity or Variable Benefit

Employer Contribution Trigger –

- The multiplier changes in order to keep the employer contribution predictably within a pre-set corridor – higher multiplier if employer contribution would be low; lower multiplier if employer contribution would be high
- Some designs can change the multiplier only for that year of trigger, while others change it retroactive to plan start date
- Some designs can retain the final average earnings concept instead of a career average (or career accumulation) earnings found in most investment trigger variable annuity hybrids or all cash balance hybrids

Hybrid Features

Core Features (Page 1 of 4)	Traditional Defined Contribution (DC) Retirement Plans	Hybrid Plan Designs		Traditional Defined Benefit (DB) Retirement Plans
		Cash Balance	Variable Benefit	
Individual Account Balances	Yes	Yes	Some designs have individual <i>annuity</i> balances; some do not	No individual account balances, just a defined benefit promise; pooled assets and pooled liabilities
Account Interest Credited	Actual investment return of the underlying assets	Older designs apply a fixed rate or tied to short-term yields. Alternatively, can be <i>partially</i> related to actual return on underlying assets (e.g., with smoothing, floors and caps)	Designs with annuity balances might index benefits to final average earnings, while others index to CPI; and still others can be partially related to actual return on underlying assets	Not applicable
Investment Risk/Reward	Borne 100% by the employee	Older designs put 100% on employers; recent designs share the risks/rewards between employee and employer (e.g., fund return with floors and caps)	Some designs share the risks/rewards between employee and employer; while other designs put 100% of the risk on employees.	Borne 100% by the employer
Predictability of Employer Contributions	100% predictable	Older designs are as unpredictable as traditional DBs; recent designs that share risk have predictability in between traditional DBs and DCs	Less predictable than DC plans but more predictable than traditional DB plans	Much less predictable due to contribution being subject to investment performance and demographic experience

Hybrid Features

Core Features (Page 2 of 4)	Traditional Defined Contribution (DC) Retirement Plans	Hybrid Plan Designs		Traditional Defined Benefit (DB) Retirement Plans
		Cash Balance	Variable Benefit	
Unfunded Actuarial Accrued Liability	None	Yes, if less than 100% funded	Yes, if less than 100% funded	Yes, if less than 100% funded
Retirement planning	Unpredictable due to primary reliance on unpredictable investment earnings	Some designs have ending cash balances that depend only on future salary and are just as predictable as DB plans; but most designs depend mostly or partially on unpredictable investment returns or yields	Some designs depend mostly or partially on unpredictable investment returns, while others have future benefits that fall within a predictable minimum and maximum	Employees can plan on a predictable, stated (or easily calculated) percent of pre-retirement income; employers can design the plan toward a given replacement of pre-retirement income
Longevity and Other Risks	Borne 100% by the employee	Almost always borne 100% by the employee	Borne 100% by the employer	Borne 100% by the employer
Benefit Skew	Benefits are skewed toward younger shorter service employees	Skewed toward younger, shorter service employees	Skewed toward older, longer service employees	Benefits are skewed toward older, longer service employees

Hybrid Features

Core Features (Page 3 of 4)	Traditional Defined Contribution (DC) Retirement Plans	Hybrid Plan Designs		Traditional Defined Benefit (DB) Retirement Plans
		Cash Balance	Variable Benefit	
Form of Benefit	Almost always paid as a lump sum	Almost always paid as a lump sum, unless prevented from doing so by plan design	Paid as a lifetime pension with options for survivorship	Paid as a lifetime pension with options for survivorship
Portability	Can be rolled over to an IRA; often not used for retirement income	Can be rolled over to an IRA; often not used for retirement income	Retained and paid as a lifetime pension upon retirement eligibility	Retained and paid as a lifetime pension upon retirement eligibility
Vesting	Flexible in the design	Flexible in the design	Flexible in the design	Flexible in the design
Funded Status	Always 100% funded	Funding Policy determines funded status	Funding Policy determines funded status	Funding Policy determines funded status; rarely 100% funded
Operational Expenses	Higher investment-related expenses (in bps) than DB plans due to use of mutual funds, often subsidizing recordkeeping and communications expenses	Lower total operational expenses (in bps) than traditional DC plans; approximately same as traditional DB plans	Lower total operational expenses (in bps) than traditional DC plans; approximately same as traditional DB plans	Lower total operational expenses (in bps) than traditional DC plans; often soft dollar rebates from transaction costs reduce operational expenses further

Hybrid Features

Core Features (Page 4 of 4)	Traditional Defined Contribution (DC) Retirement Plans	Hybrid Plan Designs		Traditional Defined Benefit (DB) Retirement Plans
		Cash Balance	Variable Benefit	
Education and Communications	Employee education meetings and materials required for effective investment elections; often name-brand mutual funds, online information and investment choices; quarterly account balance statements	Minimal employee communications, but depending on method of crediting interest; quarterly or annual account balance statements	Employee education is needed for how accrual multipliers might vary	Autopilot, little flair and fanfare; often unappreciated (until taken away)

Comparison VA to DB Final Pay Plan

DB Benefit Formula = 1% of Final Average Pay for each year of service

VA Benefit Formula = 1% of Annual Pay, Assumed Interest Rate = 4%

Average pay increases over career = 3%

Retire at 65 with 30 years Service

Benefit expressed as Percent of Final Average Pay

Average Investment Return	FAP Benefit	Variable Benefit
5%	30%	24.3%
6%	30%	27.7%
7%	30%	31.8%
8%	30%	36.7%

Driving Principles/Interests from City Council

My understanding is that City Council has expressed concerns with the following:

- Roll back future benefits to lower employer costs soon
- Future benefit levels should be adequate and competitive
- Share risks between employees and employer
- Make employer contributions more predictable

Considerations

- Changing benefits for new hires alone will reduce liabilities in the future but will take a very long time to lower the employer's overall pension costs:
 - So putting in a DC plan for new hires alone won't do much soon
 - Putting in a new DB formula or a Hybrid Plan arrangement for new hires alone won't do much soon either
- If the intention of City Council is to lower short term pension costs, there must be some form of benefit change for all or most employees (current and new):
 - Either all in a new DC Plan (NOT Recommended),
 - All in a less generous DB Plan benefit structure for future service, or
 - All in a Hybrid Plan designed to meet the employer's objective while maintaining adequate and competitive benefit levels for employees.

Considerations

If the intent is to make the employer contribution more predictable by sharing the risk with employees:

- Moving to a DC plan for new hires alone will take a very long time to share the risk;
- Not permitted to share the risk with current retirees or with current active employees eligible for normal retirement; and
- Not permitted to share the risk on benefits earned at transition.

Limitations

- Not permitted to cut benefits for current retirees and beneficiaries (Art 9, Sec. 24 of MI Const.).
- Not permitted to roll back future benefits earned by current active employees eligible for normal retirement (Art 9, Sec. 24 of MI Const.).
- Not permitted to roll back benefits retroactively, (i.e., Not permitted to cut accrued benefits below what active employees have earned so far) (Art 9, Sec. 24 of MI Const.).
- Absent a municipal bankruptcy there is little, if anything, that can be done about the significant legacy obligations of the GPW DB Plan.
- Retirement benefits for active employees are a mandatory subject of collective bargaining.

Implementation

Most employers implement a new benefit structure in the following manner:

- Freeze the benefits for current active employees at what they earned as of the transition date; call it Part A
- Start the new and less generous benefit structure for future service; call it part B
- Final benefit is Part A plus Part B
- Grandfather current active employees within specified period of time from Normal Retirement Date (e.g., five years).

Implementation

Part A benefit structure is the monthly benefit that is fixed and frozen at the transition date.

Part B benefit structure is the hybrid plan design:

- Can be a redesigned DB Plan with a lower benefit formula, higher employee contribution or a risk sharing structure in place. (e.g., the Detroit Hybrid and Wayne County models),
- A side-by-side DB Plan (redesigned to provide a lower benefit) and DC Plan with mandatory employer and employee participation in both Plans (e.g., State of Michigan and MERS), or
- A Variable Annuity Plan (not yet fully implemented in Michigan).

Questions/Comments



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Appendix A: State hybrid plan provisions

Table A.1

Key Provisions

	Defined benefit			Defined contribution					Total employee default contributions (percent of salary)	
	Benefit multiplier	Normal retirement age (age/years of service)	COLA	Employee contribution rate (percent of salary)	Employee default contributions (percent of salary)	Employer default contributions (percent of salary)	Total default contributions (percent of salary)	Number of investment options (14)		Plan annuities (17)
Georgia Employees' Retirement System	1%	60/10; Any/30	None	1.25%	5%	3%	8%	21	No	6.25%
Indiana Public Retirement System	1.1%	65/10; 60/15; age 55 and age + YOS = 85	Ad hoc (5)	None	3%	None (10)	3%	17	Yes	3%
Michigan Public Schools Retirement System	1.5%	60/10	None	4.9% (7)	2%	1%	3%	28	No	6.9%
Michigan State Police Retirement System	2% (1)	55/25; 60/10	None	4%	2%	1%	3%	28	No	6%
Ohio Public Employees Retirement System	1% (2)	55/32, 67/5 (3)	Yes	None	10%	None	10%	16	Yes	10%
Ohio State Teachers Retirement System	1%	60 (4)	None	1%	11%	None	11%	16	Yes	12% (16)
Oregon Public Employees Retirement System (general service)	1.5%	65/5; 58/30	Yes	None	6%	None (11)	6%	None (15)	No	6%

	Defined benefit				Defined contribution					Total employee default contributions (percent of salary)
	Benefit multiplier	Normal retirement age (age/years of service)	COLA	Employee contribution rate (percent of salary)	Employee default contributions (percent of salary)	Employer default contributions (percent of salary)	Total default contributions (percent of salary)	Number of investment options (14)	Plan annuities (17)	
Rhode Island Employee Retirement System (state and teachers)	1%	Social Security normal retirement age	Ad hoc (6)	3.75%	5% (8)	1% (12)	6%	23	Yes	8.75%
Tennessee Consolidated Retirement System	1%	65/5, Rule of 90	Yes	5%	2%	5%	7%	26	No	7%
Utah Retirement System	1.5%	65/4; Any/35	Yes	Only if cost of DB exceeds 10%	None (9)	Difference between 10% and DB cost	Difference between 10% and DB cost	12	No	Only if cost of DB exceeds 10%
Virginia Retirement System	1%	Change to Social Security normal retirement age or Rule of 90	Yes	4%	1%	1% (13)	2%	21	Yes	5%
Washington Department of Retirement Services	1%	65/10; 65/5 with 1+ YOS after age 44	Yes	None	5%	None	5%	13	Yes	5%

Notes:

- Under the Michigan State Police Retirement System's hybrid plan, the 2 percent multiplier applies for the first 25 years of service. The factor declines by 0.4 for each year after 25 years.
- In the Ohio Public Employees Retirement System's hybrid plan, a multiplier of 1.25 percent is applied to each year after 35 years of service.
- These retirement ages apply to members who are eligible to retire during or after 2023. Members who are eligible to retire earlier are able to retire at a younger age.
- Under the Ohio teachers plan, employees are eligible to retire under the DC portion starting at age 50 and under the DB portion starting at age 60.

- 5 The Indiana Public Retirement System does not guarantee COLAs to hybrid plan members, and COLAs are approved on a year-to-year basis by the Legislature.
- 6 Under the Rhode Island Employee Retirement System's hybrid plan, the COLA is suspended until plans are greater than 80 percent funded. While COLA is suspended, interim COLAs are awarded at 5-year intervals.
- 7 For the Michigan Public Schools Retirement System, the DB employee contribution is a calculation based on employees contributing 3 percent of their first \$5,000, 3.6 percent of \$5,001 through \$15,000, and 6.4 percent of all wages over \$15,000. Calculation assumes a \$30,000 annual salary.
- 8 For employees in the Rhode Island hybrid plan who do not participate in Social Security, the automatic employee contribution to the DC is 7 percent instead of 5 percent.
- 9 The Utah Retirement System hybrid plan has no employee default contribution, but the employee can contribute to the DC if he or she wants to.
- 10 Under the Indiana hybrid plan, the employer can pick up all or some of the employee's 3 percent contribution to the DC.
- 11 Under the Oregon Public Employees Retirement System, the employer can cover the employee contribution of 6 percent and/or contribute additional funds to the DC if it chooses.
- 12 For employees in the Rhode Island hybrid plan who do not participate in Social Security, the employer contribution to the DC is 3 percent instead of 1 percent.
- 13 Default contributions include employer match in all cases except for the Virginia Retirement System, which allows employees to contribute a total of 5 percent of pay and provides a total match of 2.5 percent on that amount.
- 14 Each target date option is counted separately as opposed to all target date options being counted as one single investment option. If target date options were counted as one fund, many of the plans would have fewer investment options. For example, both the Michigan schools and Michigan police plans would have 17 investment options if all the target date options were counted together.
- 15 Under Oregon's hybrid plan, the DC assets are managed by the retirement system.
- 16 The total employee contribution in the Ohio State Teachers Retirement System will increase each year by 1 percent until reaching 14 percent in 2016.
- 17 Many plans that do not offer annuities to participants provide information on options to purchase annuities externally at retirement.

Sources: NASRA Issue Brief: State Hybrid Retirement Plans, Urban Institute's State and Local Employee Pension Plan Database, Summary of the Thrift Savings Plan, The Georgia State Employees' Pension and Savings Plan Highlights, Indiana Public Employees' Retirement Fund Hybrid Plan Member Handbook, Michigan Public School Employees Retirement System Pension Plus, Michigan State Police Retirement System Pension Plus, Ohio Public Employees Retirement System The Benefits of Membership: A Comprehensive Overview, Oregon Public Service Retirement Plan New Member Brochure, State Teachers Retirement System of Ohio New Members, Employees' Retirement System of Rhode Island Rhode to Retirement FAQs, Tennessee Consolidated Retirement System Introduction to Your Retirement System: Hybrid Pension Plan, Utah Retirement Systems Tier 2 Public Employees Contributory Retirement System Highlights, Virginia Retirement System Hybrid Retirement Plan for New Members, Washington State Department of Retirement Services Plan 3 Overview

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Date	Invoice #
4/1/2026	40960

Bill To
City of Grosse Pointe Woods 20025 Mack Plaza Drive Grosse Pointe Woods, MI 48236

Phone: (239) 433-5500
 Fax: (239) 481-0634
 Email: AR@foster-foster.com
 Website: www.foster-foster.com
 Federal EIN: 59-1921114

City of Grosse Pointe Woods

Terms	Due Date
Net 30	5/1/2026

Description	Amount
Prepare actuarial analysis of change to final average compensation for Public Safety Officers	1,500.00

Thank you for your business!

Most preferred method of payment is an ACH deposit.

Please reference Plan name & Invoice # above:

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