

**CITY OF GROSSE POINTE WOODS  
NOTICE OF REGULAR MEETING  
Retiree Health Care Plan and Trust Fund  
Thursday, August 4, 2022  
Immediately following Pension Board Meeting**

**City Hall Conference Rom 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 May 5, 2022
5. Trial Balance through June 30, 2022
6. 2023 Proposed Meeting Date Schedule
7. 2<sup>nd</sup> Quarter Fund Evaluation Group Report
  - a. June 30, 2022 Performance Review
8. Payment of Invoices –
  - a. FEG Invoice \$554.00
9. New Business/Public Comment.
10. Adjournment

Submitted by: \_\_\_\_\_, Pension Administrator

**Next Regular Board Meeting –November 3, 2022      Immediately following Pension Board Meeting**

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.

RETIREE HEALTH CARE BENEFIT PLAN & TRUST  
5/5/2022

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES FOR THE RETIREE HEALTH CARE BENEFIT PLAN & TRUST (i.e. The Board) OF THE CITY OF GROSSE POINTE WOODS, HELD ON THURSDAY May 5, 2022 IN THE CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK PLAZA, GROSSE POINTE WOODS, MICHIGAN

The meeting was called to order at 6:40 p.m. by Chairperson Mayor Arthur Bryant

The following members were present:

Chairperson Mayor Arthur Bryant  
Council Representative Victoria Granger  
General Employee Representative Matt Crook  
Citizen Representative Gary Zarb

Also present:

Pension Administrator, Shawn Murphy  
City Attorney, Debra Walling  
Pension Attorney, Michael VanOverbeke  
Fund Evaluation Group (FEG), Jeffrey Davis  
Recording Secretary, Tina Hoenicke

Motion by Granger, supported by Zarb to excuse Public Safety Representative Brian Conigliaro from today's meeting.

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb  
NO: None  
ABSENT: Conigliaro

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

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb  
NO: None  
ABSENT: Conigliaro

Motion by Granger, supported by Crook to accept and place on file the minutes of the Retiree Health Care Benefit Plan and Trust meeting dated February 10, 2022.

RETIREE HEALTH CARE BENEFIT PLAN & TRUST

5/5/2022

PAGE 2

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb

NO: None

ABSENT: Conigliaro

Motion by Granger, supported by Crook to receive and place on file the trial balance as presented through March 31, 2022.

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb

NO: None

ABSENT: Conigliaro

Jeffrey Davis provided a review of the 1st Quarter Fund Evaluation Group report ending March 31, 2022. No changes to the plan are recommended at this time.

Motion by Crook, supported by Granger to receive and place on file the 1st Quarter Fund Evaluation Group Report for period ending March 31, 2022.

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb

NO: None

ABSENT: Conigliaro

Consideration of a three-year contract with Foster & Foster Consulting Actuaries, Inc.

Motion by Crook, supported by Granger to authorize Shawn Murphy, the Pension Administrator to enter into an agreement with Foster & Foster Consulting Actuaries, Inc. on behalf of the Retiree Health Care Board of Trustees.

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb

NO: None

ABSENT: Conigliaro

Motion by Granger, supported by Crook to authorize payment of the invoice to FEG for \$558.00.

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb

NO: None

ABSENT: Conigliaro

RETIREE HEALTH CARE BENEFIT PLAN & TRUST  
5/5/2022  
PAGE 3

New Business/Public Comment: None

Motion by Granger, supported by Zarb to adjourn the meeting at 6:44 p.m.

Motion CARRIED by the following vote:

YES: Bryant, Granger, Crook, Zarb

NO: None

ABSENT: Conigliaro

Minutes recorded by: Tina Hoenicke

Approved by the Pension Board:

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Shawn Murphy, Pension Administrator

Fund 736 OPEB

GL Number	Description	Balance
*** Assets ***		
736-000-001.000	CASH	0.00
736-000-004.000	CASH-TRUST	0.00
736-000-005.001	SCHWAB CASH	1,581,106.10
736-000-050.100	CONTRIBUTION RECEIVABLE-EE	0.00
736-000-056.000	INTEREST RECEIVABLE	0.00
736-000-056.100	CONTRIBUTIONS RECEIVABLE	0.00
736-000-067.101	DUE F/GENERAL FD	0.00
736-000-120.000	US GOVT SEC	0.00
736-000-121.100	DISCOUNT	0.00
<b>Total Assets</b>		<b>1,581,106.10</b>
*** Liabilities ***		
736-000-201.000	WEEKLY A/P	0.00
<b>Total Liabilities</b>		<b>0.00</b>
*** Fund Balance ***		
736-000-382.000	SUPPLEMENTAL ANNUITY RESERVE	0.00
736-000-390.000	CURRENT FUND BALANCE	1,584,642.13
736-000-395.000	PRIOR FUND BALANCE	0.00
<b>Total Fund Balance</b>		<b>1,584,642.13</b>
<b>Beginning Fund Balance</b>		<b>1,584,642.13</b>
<b>Net of Revenues VS Expenditures</b>		<b>(3,536.03)</b>
<b>Ending Fund Balance</b>		<b>1,581,106.10</b>
<b>Total Liabilities And Fund Balance</b>		<b>1,581,106.10</b>



## CITY OF GROSSE POINTE WOODS MEMORANDUM

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Date: August 4, 2022

To: Pension & Retiree Health Care Board Trustees

From: Shawn Murphy, Pension Administrator

Re: 2023 Meeting Calendar

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Pension Board proposed 2023 meeting dates are as follows:

Thursday, February 2, 2023	6:00 PM
Thursday, May 4, 2023	6:00 PM
Thursday, August 3, 2023	6:00 PM
Thursday, November 2, 2023	6:00 PM

Pending Board approval, these dates will be made available for the City's various publications.

Thank you.



# COMPOSITE PERFORMANCE REVIEW

Report for Periods Ending June 30, 2022

## The City of Grosse Pointe Woods Health Care Trust



*Presented by:*

Jeffrey A. Davis, CFA, CAIA  
Vice President / Advisor



# The City of Grosse Pointe Woods Health Care Trust

## Table of Contents

<b>Description</b>	<b>Page</b>
Market Summary	1
Total Composite	2-3
Domestic Equity	4-5
Small Cap Equity	6-6
International Equity	7-10
Fixed Income	11-14



# SECOND QUARTER 2022 MARKET SUMMARY

*Traditional asset classes declined sharply in the final month of the second quarter, capping off one of the most challenging first six months of a calendar year in recent memory, as global equities, core and high yield bonds, and real estate investment trusts (REITs) posted double-digit losses through the first two quarters of 2022. Following a contraction in GDP growth in the first quarter, estimates for second-quarter growth reflected the potential for a further contraction, suggesting the U.S. economy may be in the midst of a recession.*

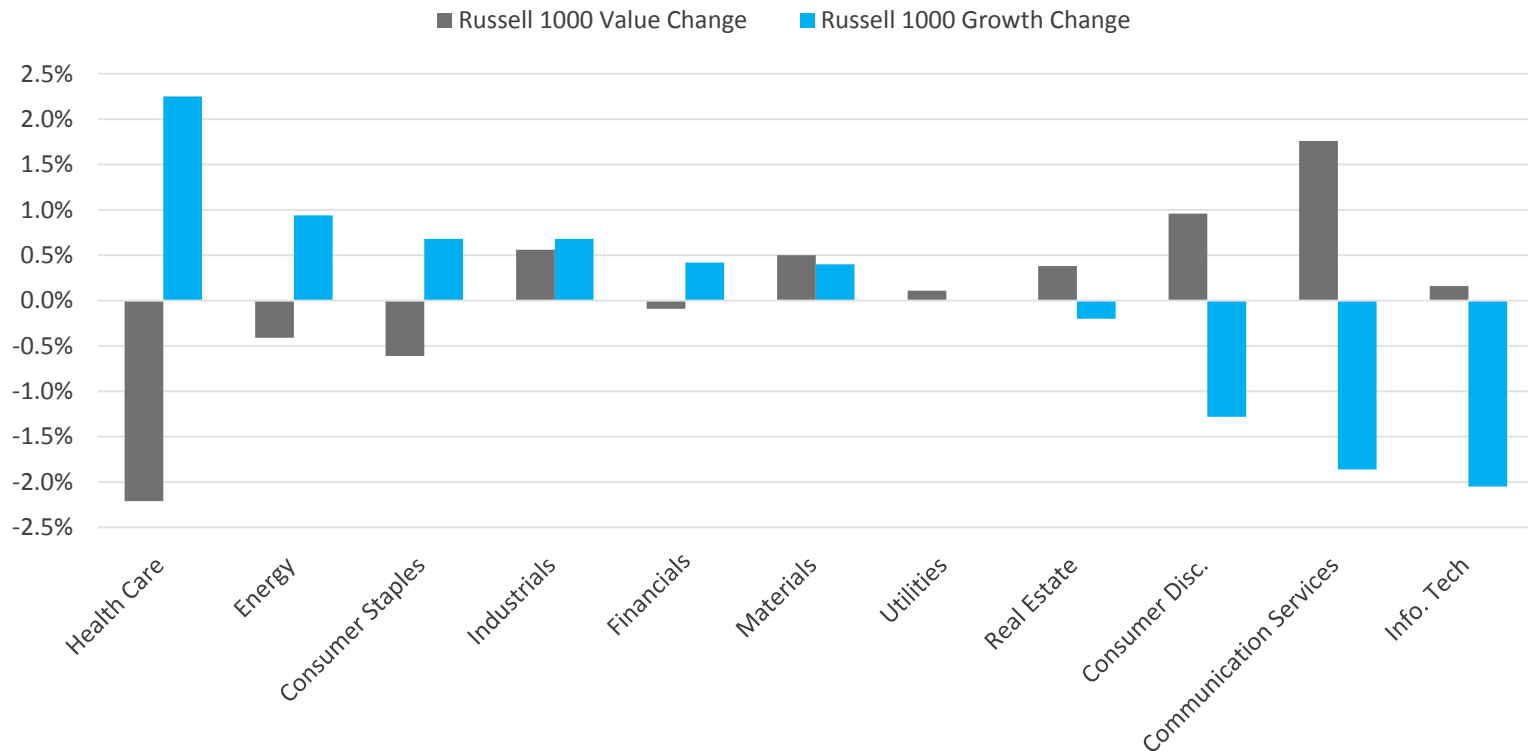
*Domestic equities witnessed underperformance versus both international developed and emerging markets. Stylistically, value stocks witnessed further outperformance versus their growth counterparts, buoyed by relatively strong returns from the energy sector. Despite the sell-off across risk assets during the quarter and the first half of the year, safe-haven assets such as Treasuries and precious metals provided investors with little relief. Ongoing inflationary pressures helped drive nominal interest rates higher, and those rising rates negatively impacted core bonds. Performance across real assets was similarly volatile to the downside—REITs, in particular, suffered dual headwinds in the way of rising interest rates and a slowdown in economic growth.*

# MARKET INSIGHTS

- Russell U.S. equity market indices went through their annual reconstitution during the second quarter and the significant market changes in 2022 led to some material changes in the indices.
- With the changes, some formerly high-flying technology names, specifically Meta (Facebook), PayPal, and Pinterest are now part of the Russell 1000 Value Index. With rising energy prices, some energy companies were promoted from the small cap Russell 2000 Index to the large cap Russell 1000 Index.

## MARKET MOVES INFLUENCED RUSSELL'S INDEX RECONSTITUTION

Russell 1000 Value and Growth Indices Weight Changes



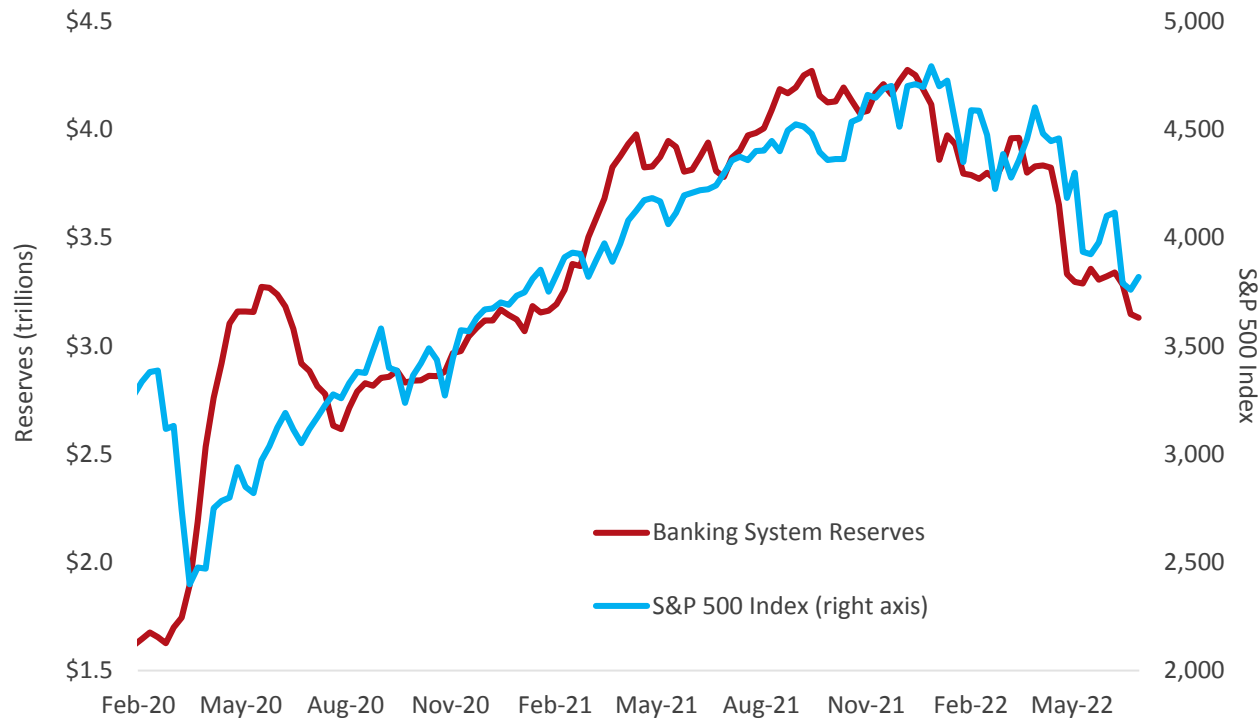
Data sources: Russell and J.P. Morgan Asset Management

# ECONOMIC INSIGHTS

- Due largely to the tapering of asset purchases by the Federal Reserve (Fed) since late last year and the more recent initiation of the balance sheet runoff process, the Fed has introduced significant monetary restraint on the banking system.
- The Fed's expansion of banking system liquidity appears to have been a pivotal driver of the rally behind risk assets over the past two years. Thus, the recent sharp reduction in reserves has had severe negative implications for global investor risk appetites.

## U.S. EQUITIES HAVE DECLINED WITH THE REDUCTION OF LIQUIDITY

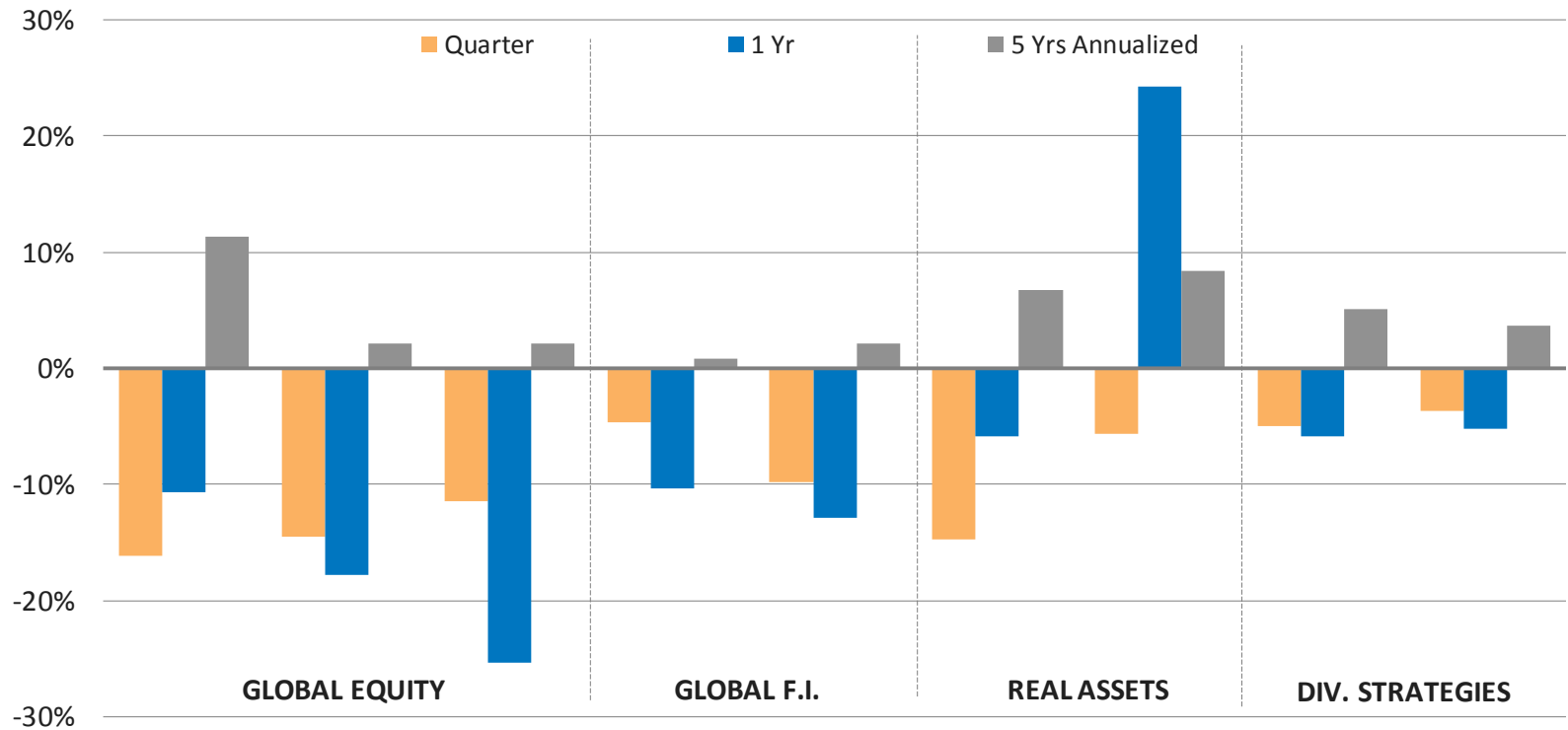
Banking System Reserves and the S&P 500 Index



Data sources: Federal Reserve, Bloomberg, L.P.; Data as of 6/29/2022

# MARKET RETURNS

## MAJOR ASSET CLASS RETURNS



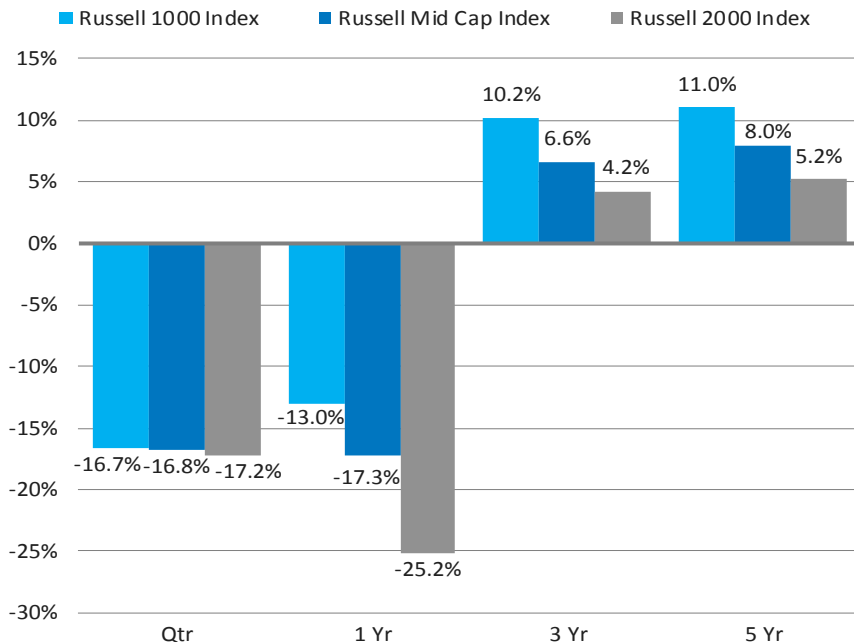
	S&P 500 Index	MSCI EAFE Index	MSCI Emerging Mkts Index	Blmbrg U.S. Agg Index	Blmbrg HY Index	FTSE NAREIT All Equity Index	Blmbrg Cmdty Index	HFRI Fund Wtd Comp. Index	HFRI Fund of Fund Index
Quarter	-16.1%	-14.5%	-11.4%	-4.7%	-9.8%	-14.7%	-5.7%	-4.9%	-3.6%
1 Yr	-10.6%	-17.8%	-25.3%	-10.3%	-12.8%	-5.9%	24.3%	-5.8%	-5.2%
5 Yrs Annualized	11.3%	2.2%	2.2%	0.9%	2.1%	6.7%	8.4%	5.0%	3.7%

Data sources: Lipper and Hedge Fund Research, data as of 5<sup>th</sup> business day following quarter-end

# GLOBAL EQUITY, U.S.

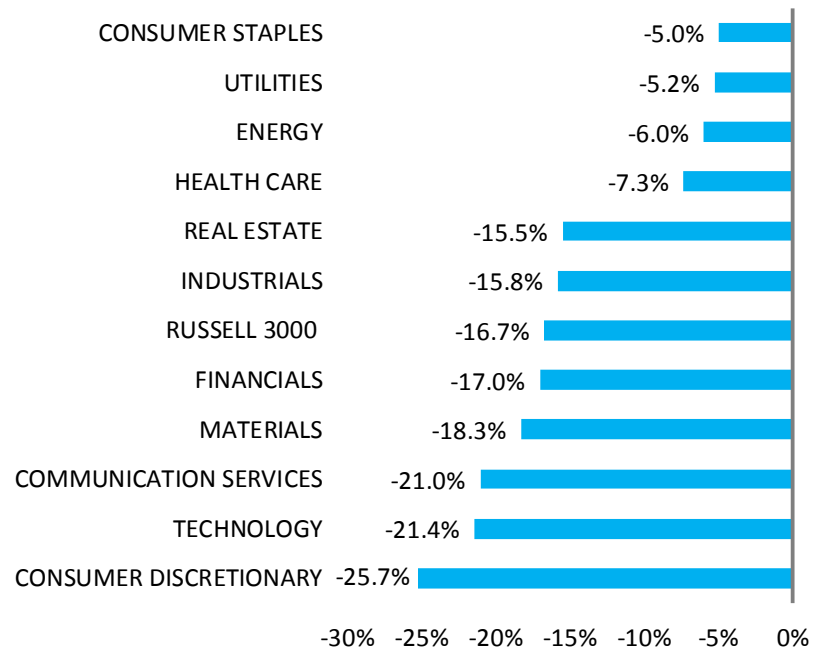
- Global equity returns were down double-digits across the globe over the quarter, pushing equities into a bear market and creating the worst year-to-date performance through June in the U.S. since 1970. Macroeconomic and geopolitical headwinds continued to significantly impact market performance, with persistent inflation, increasing fears of a recession, changing central bank policy, and the ramifications of the war in Ukraine all weighing on markets.
- Value equities outperformed growth equities in the U.S. in the second quarter. As recession worries rose over the month, equity investors increased demand for exposures in defensive sectors such as consumer staples, utilities, and health care. The energy sector was a strong performer for the quarter amid the high price of oil, but the sector lagged in June as oil traded off its yearly high by more than \$25 per barrel. Growth stocks continued to face significant headwinds as investors prioritized profitability and valuation.

## LARGE CAP, MID CAP, AND SMALL CAP



Data source: Russell

## RUSSELL 3000 SECTOR PERFORMANCE

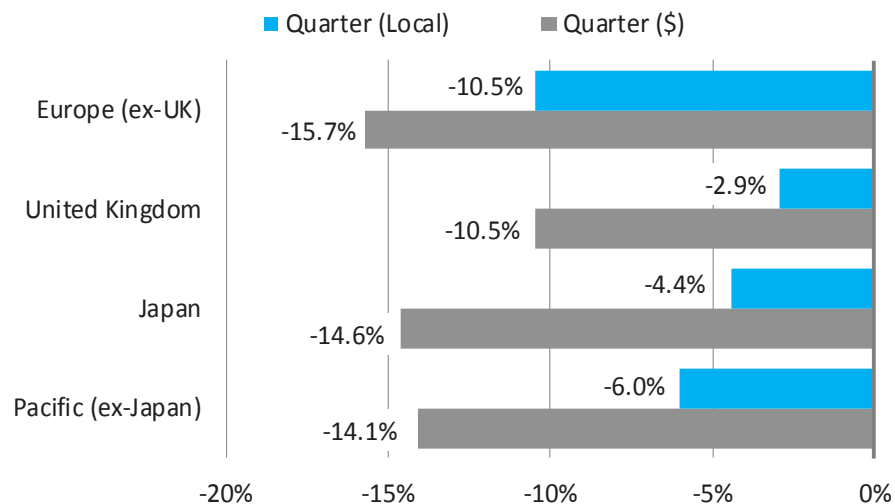


Data source: Russell

# GLOBAL EQUITY, NON-U.S.

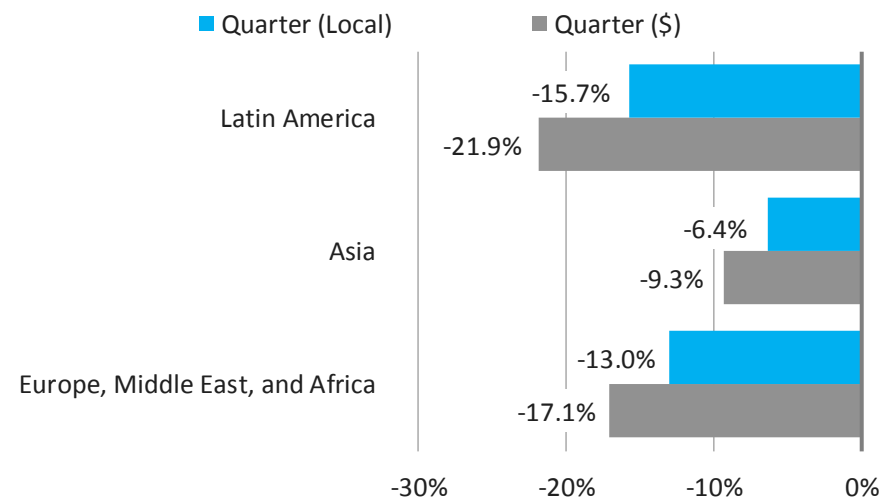
- Similar to the U.S., defensive sectors in the UK continue to outperform other areas of the equity market. At the end of May, UK Chancellor Rishi Sunak established cost of living payments to help citizens through the high inflationary environment and issued a windfall tax on energy companies receiving record profits. Together, the windfall tax and the late-quarter decline in spot oil prices pressured energy equities.
- Inflationary pressures continued to drive financial headlines in Europe, as the European Central Bank’s (ECB) president, Christine Lagarde, referenced inflation as “broadening and intensifying.” The ECB’s policy rate of -0.5% remains in negative territory, where it has been since the European Debt Crisis. Europe’s sector performance was like that of the U.S., with technology and real estate suffering some of the worst relative performance.
- The Russia-Ukraine War has hit Germany’s gas supply the hardest; Germany may be forced to ration gas for industrial users under the nation’s three-part emergency plan if prices and supply issues continue to mount.

## MSCI EAFE REGIONAL QUARTERLY RETURNS



Data source: MSCI Barra

## MSCI EM REGIONAL QUARTERLY RETURNS



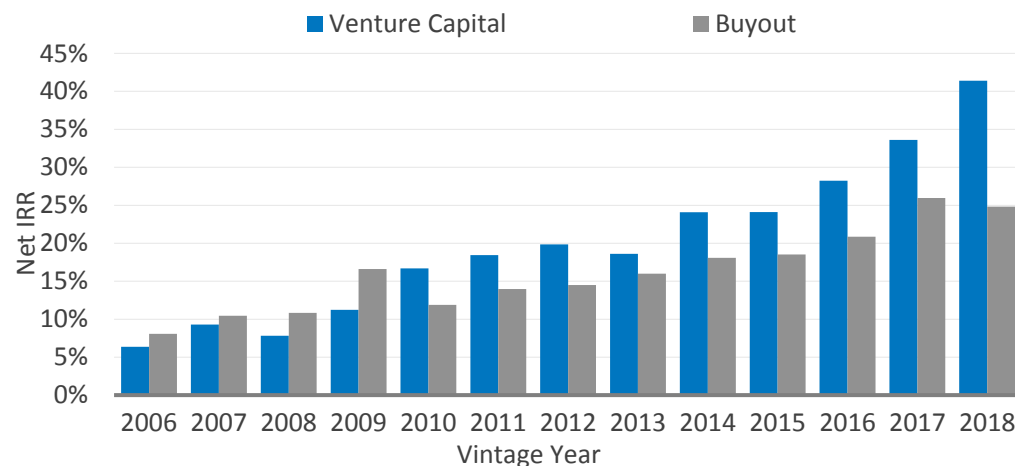
Data source: MSCI Barra

# GLOBAL EQUITY, PRIVATE

- Private equity reports performance on a lag, and the latest data available are through December 31, 2021.
- Median private equity returns for both venture capital and buyout funds have generally been 15% or better since the 2010 vintage year, with venture returns in recent years over 30%.
- Median buyout fund performance exceeded that of venture funds for most of the 2000s through the 2009 vintage year. This dynamic reversed in the subsequent decade's vintage years, with venture funds generally performing better than buyout funds.
- The public market volatility during the first half of 2022 has not yet been reflected in private equity return data. If public market valuations remain under pressure, private equity returns will come down from their recent levels.
- Fundraising activity for venture capital and buyout funds was robust in 2021 and at or near record levels. Fundraising was strong to start the year, though it could taper as investors react to public market declines.

## MEDIAN VENTURE CAPITAL AND BUYOUT VINTAGE YEAR IRR

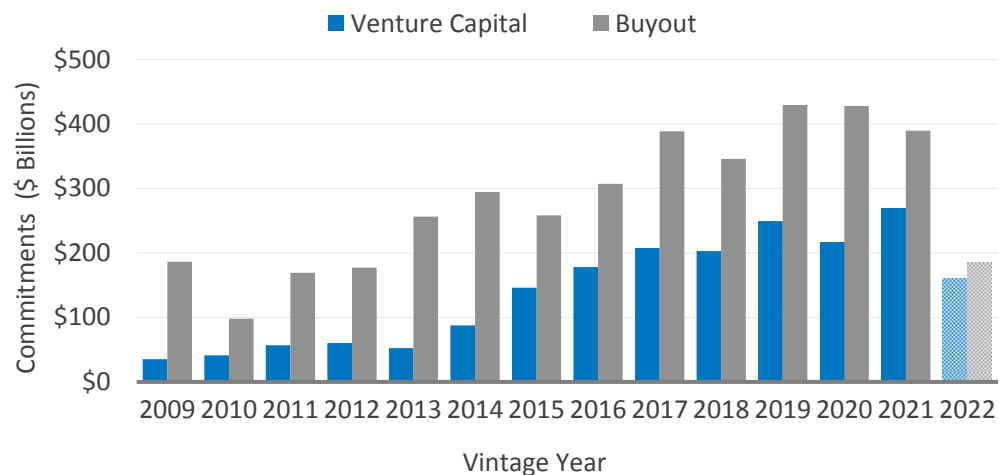
As of December 31, 2021



Data source: Thomson One; The most recent private equity return information available is through December 31, 2021

## VENTURE CAPITAL AND BUYOUT FUNDRAISING ACTIVITY

As of June 30, 2022

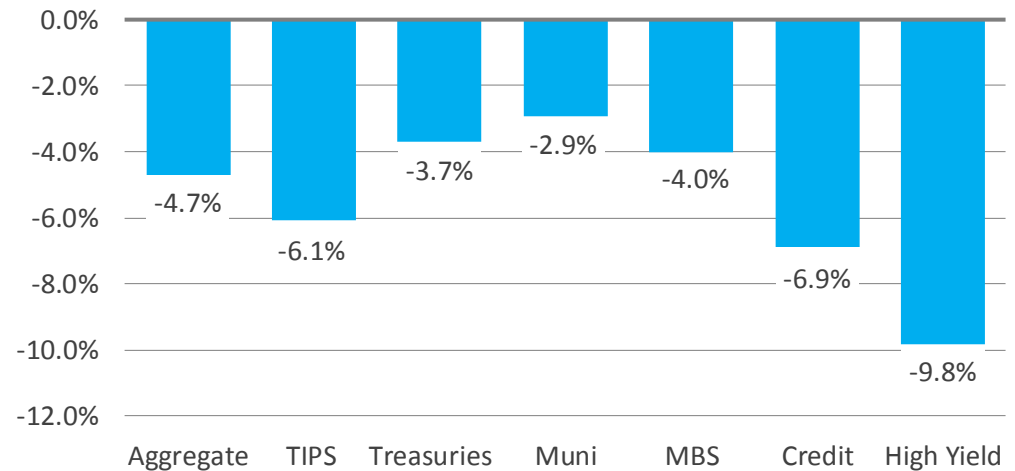


Data source: Pitchbook

# GLOBAL FIXED INCOME

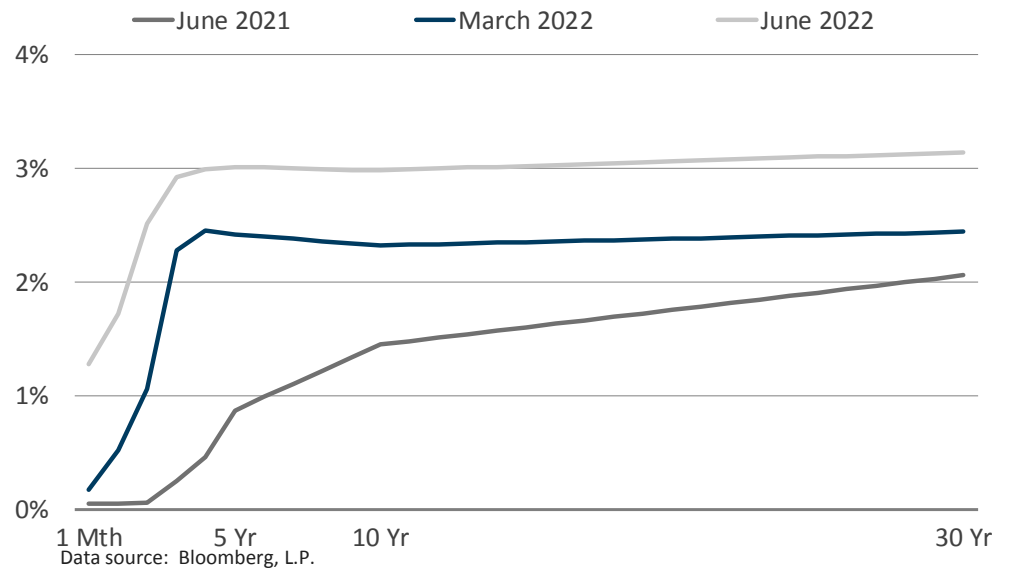
- Interest rates sold off as the market discounted hawkish Fed policy.
- The second quarter brought heightened volatility, with multiple +0.25% intraday moves within various portions of the curve. The intermediate and long end of the curve ended the quarter well off the quarter's highs as the market digested weak economic data and growing recessionary fears.
- Corporate credit spread widening reflected broad risk-off appetite and mounting concerns on corporate fundamentals. Investment grade and high yield spreads widened by 42 and 244 basis points (bps), respectively.
- Agency mortgage spreads nearly doubled during the quarter given the rapid rise in mortgage rates and the potential sale of the Fed's mortgage holdings. The vast majority of the mortgage-backed securities (MBS) market has a coupon below current mortgage rates, pressuring MBS prices to the lowest levels on record and causing convexity to temporarily flip into positive territory.

## BLOOMBERG U.S. FIXED INCOME INDEX RETURNS



Data source: Bloomberg, L.P.

## U.S. TREASURY YIELD CURVE



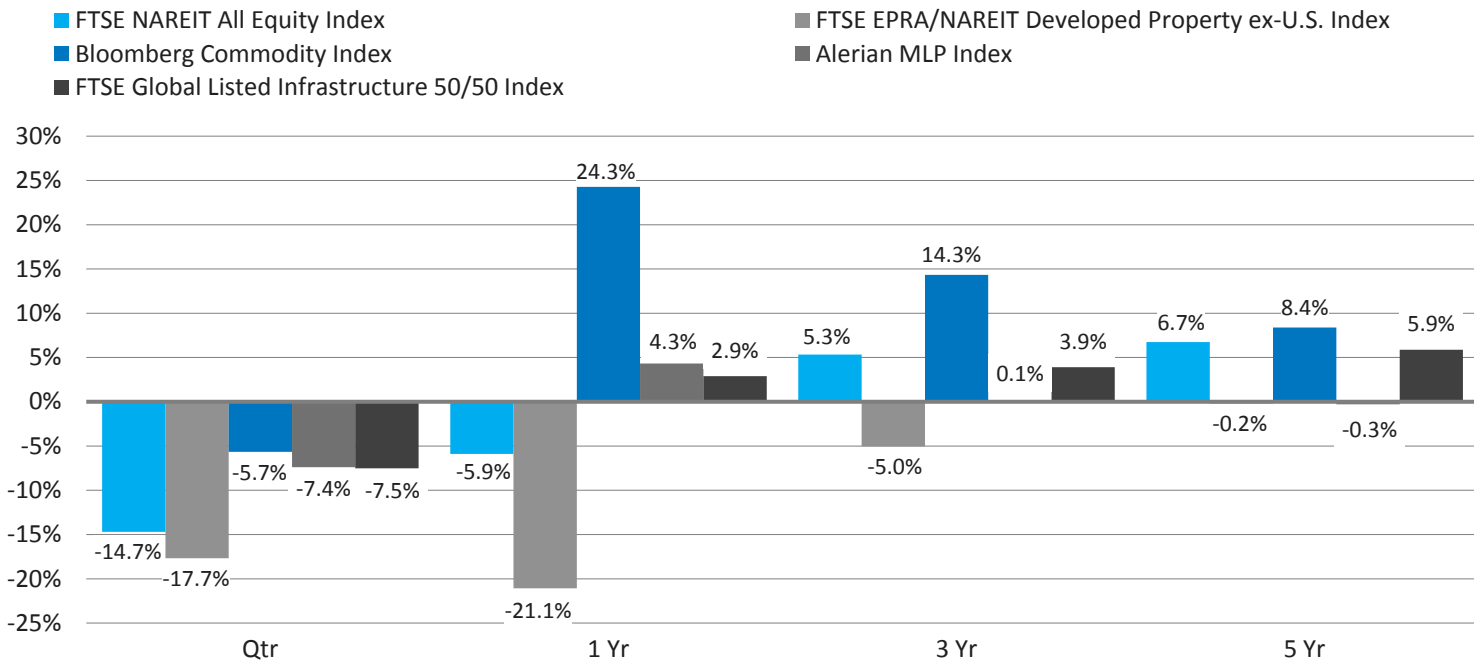
Data source: Bloomberg, L.P.



# REAL ASSETS

- Publicly traded real estate securities (REITs) declined as the increased risk of a broader recession exacerbated the effects of rising interest rates. Those sectors most exposed to consumer confidence underperformed in the second quarter—most notably lodging, which had outperformed earlier in the year driven by the recovery in business and leisure travel.
- Reversing their strong upward trend in 2022, energy-related commodity prices fell during the month, with WTI crude oil closing at just under \$106/barrel. Crude prices have benefited from multiple tailwinds, including the war in Ukraine and a decade of declining capital expenditures by upstream energy companies; however, prices fell late in the quarter on concerns of a potential recession.
- Midstream energy infrastructure outperformed the broader equity markets in the second quarter and year-to-date. While fundamentals remain strong in the midstream sector due to deleveraging and growing cash flows, lower energy-related commodity prices led to a sell-off in midstream companies late in the second quarter.

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

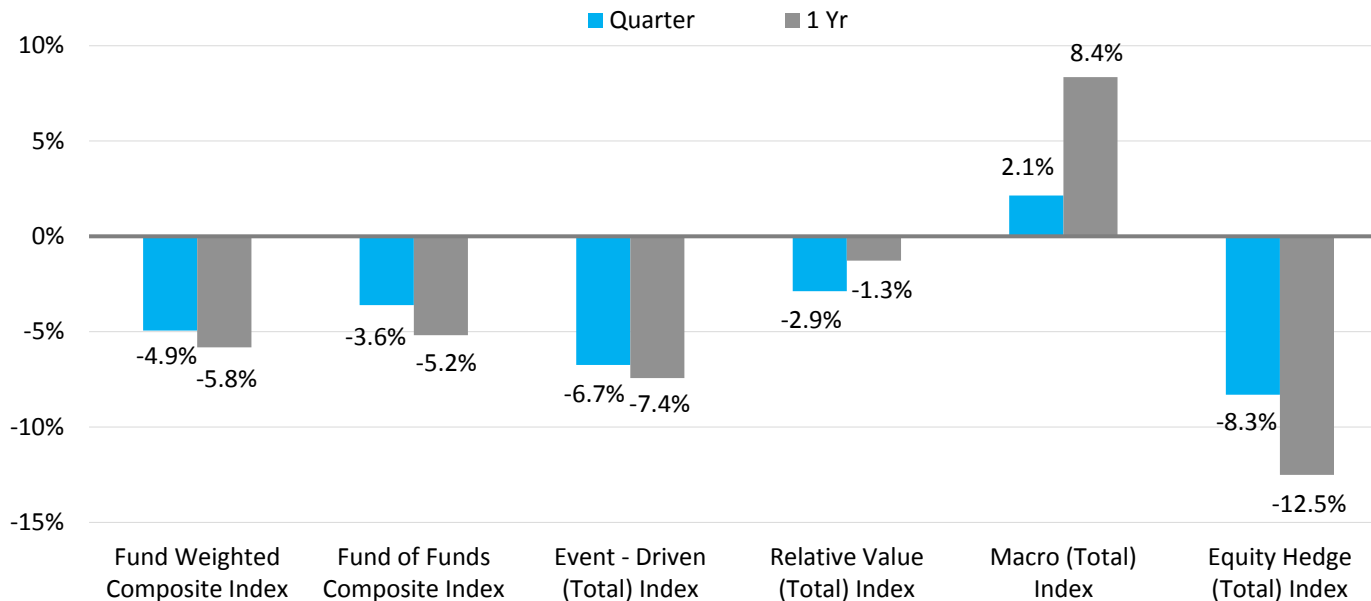


Data sources: NAREIT, Bloomberg, L.P., and Alerian

# DIVERSIFYING STRATEGIES, HEDGE FUNDS

- All main hedge fund strategies were detractors for the quarter except global macro, which generated a modest gain. Equity hedge continued to be the most significant laggard, followed by event-driven strategies.
- Systematic macro managers were once again strong performers in the second quarter. Leading the gains was long exposure to the U.S. dollar, short fixed income, short equities, and short base metals.
- Hedged equity managers struggled, with both growth and value strategies declining. Technology-focused managers were outliers to the downside, while healthcare had a slight rebound towards the end of the quarter.
- Event-driven manager returns were negative across the board based on underlying strategy focus. Activist strategies were the largest detractors as equity volatility impacts them most directly.

## HFRI INDICES PERFORMANCE RETURNS IN U.S. DOLLARS



Data source: HFRI

# The City of Grosse Pointe Woods Health Care Trust

## Summary of Investment Performance

Report for Periods Ending June 30, 2022

	Annualized						Date	Market Value
	Qtr	YTD	1Yr	3Yr	5Yr	Since Inception		
<b>Total Composite</b>	<b>-12.0%</b>	<b>-16.7%</b>	<b>-13.9%</b>	<b>5.1%</b>	<b>6.2%</b>	<b>7.2%</b>	<b>5/16</b>	<b>\$1,581,107</b>
70/30 Index <sup>1</sup>	-12.4	-17.3	-14.0	4.3	5.4	6.5		
<b>Domestic Equity</b>								
<b>Schwab U.S. Large Cap ETF</b>	<b>-16.7</b>	<b>-21.1</b>	<b>-13.0</b>	<b>10.2</b>	<b>11.1</b>	<b>12.1</b>	<b>5/16</b>	<b>382,022</b>
DJ U.S. LC Total Stock Market Index	-16.7	-21.1	-13.0	10.2	11.1	12.1		
<b>Schwab U.S. Mid Cap ETF</b>	<b>-16.9</b>	<b>-21.5</b>	<b>-18.6</b>	<b>4.7</b>	<b>7.0</b>	<b>8.3</b>	<b>5/16</b>	<b>218,238</b>
DJ U.S. MC Total Stock Market Index	-16.9	-21.5	-18.6	4.7	7.0	8.4		
<b>Small Cap Equity</b>								
<b>Vanguard S&amp;P Small Cap 600 Index</b>	<b>-14.1</b>	<b>-19.0</b>	<b>-16.9</b>	<b>-</b>	<b>-</b>	<b>9.0</b>	<b>8/19</b>	<b>152,687</b>
S&P SmallCap 600 Index	-14.1	-18.9	-16.8	-	-	9.1		
<b>International Equity</b>								
<b>Schwab International Equity ETF</b>	<b>-14.8</b>	<b>-19.2</b>	<b>-18.0</b>	<b>2.0</b>	<b>2.7</b>	<b>4.9</b>	<b>5/16</b>	<b>228,201</b>
FTSE Developed ex U.S. Index	-14.9	-19.3	-18.2	1.9	2.6	4.8		
<b>Schwab Emerging Markets ETF</b>	<b>-9.8</b>	<b>-14.5</b>	<b>-21.3</b>	<b>1.5</b>	<b>3.1</b>	<b>6.5</b>	<b>5/16</b>	<b>79,947</b>
FTSE All Emerging Index	-10.2	-14.8	-21.2	2.0	3.6	6.9		
<b>Fixed Income</b>								
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>-4.7</b>	<b>-10.3</b>	<b>-10.3</b>	<b>-1.0</b>	<b>0.8</b>	<b>0.9</b>	<b>5/16</b>	<b>418,288</b>
Bloomberg U.S. Aggregate Index	-4.7	-10.3	-10.3	-0.9	0.9	1.0		
<b>Schwab U.S. TIPS ETF</b>	<b>-6.1</b>	<b>-8.9</b>	<b>-5.2</b>	<b>3.0</b>	<b>3.2</b>	<b>2.8</b>	<b>5/16</b>	<b>83,756</b>
Bloomberg U.S. TIPS Index	-6.1	-8.9	-5.1	3.0	3.2	2.9		

### 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.

<sup>1</sup> 70/30 Index is comprised of: 70.0% MSCI AC World Index and 30.0% Bloomberg U.S. Aggregate Index.

# The City of Grosse Pointe Woods Health Care Trust

## Schedule of Asset and Style Allocation

Asset Class	Current Weight	Target Weight	Target Range
Large Cap Equity	24.4%	25.0%	5.0% - 35.0%
Mid Cap Equity	14.0%	15.0%	0.0% - 30.0%
Small Cap Equity	9.8%	10.0%	5.0% - 30.0%
International Equity	14.6%	15.0%	5.0% - 25.0%
Emerging Markets	5.1%	5.0%	0.0% - 10.0%
Fixed Income	32.1%	30.0%	25.0% - 35.0%
Cash	0.0%	0.0%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

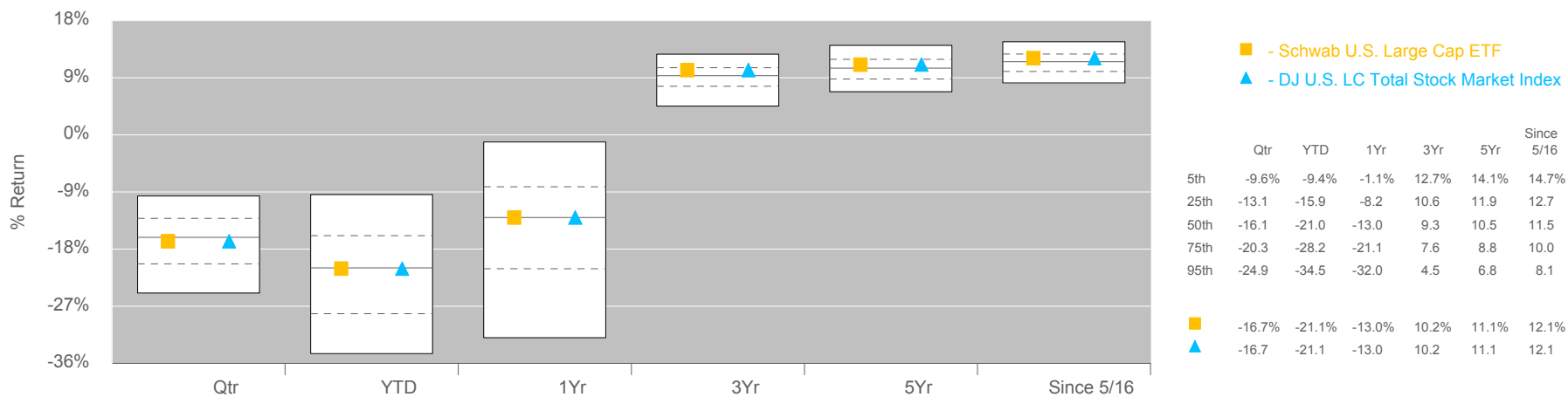
Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Large Cap Equity - Broad	Schwab U.S. Large Cap ETF	100.0%	0.0%	\$382,022	24.4%
Mid Cap Equity - Broad	Schwab U.S. Mid Cap ETF	100.0%	0.0%	\$218,238	14.0%
Small Cap Equity - Broad	Vanguard S&P Small Cap 600 Index	100.0%	0.0%	\$152,687	9.8%
International Equity - Core	Schwab International Equity ETF	100.0%	0.0%	\$228,201	14.6%
Emerging Markets - Core	Schwab Emerging Markets ETF	100.0%	0.0%	\$79,947	5.1%
Fixed Income - Core	Schwab U.S. Aggregate Bond ETF	100.0%	0.0%	\$418,288	26.8%
Fixed Income - TIPS	Schwab U.S. TIPS ETF	100.0%	0.0%	\$83,756	5.4%
<b>Sub-Total</b>				<b>\$1,563,139</b>	<b>100.0%</b>
Cash - Cash	Cash			\$17,968	
<b>Total</b>				<b>\$1,581,107</b>	

# The City of Grosse Pointe Woods Health Care Trust

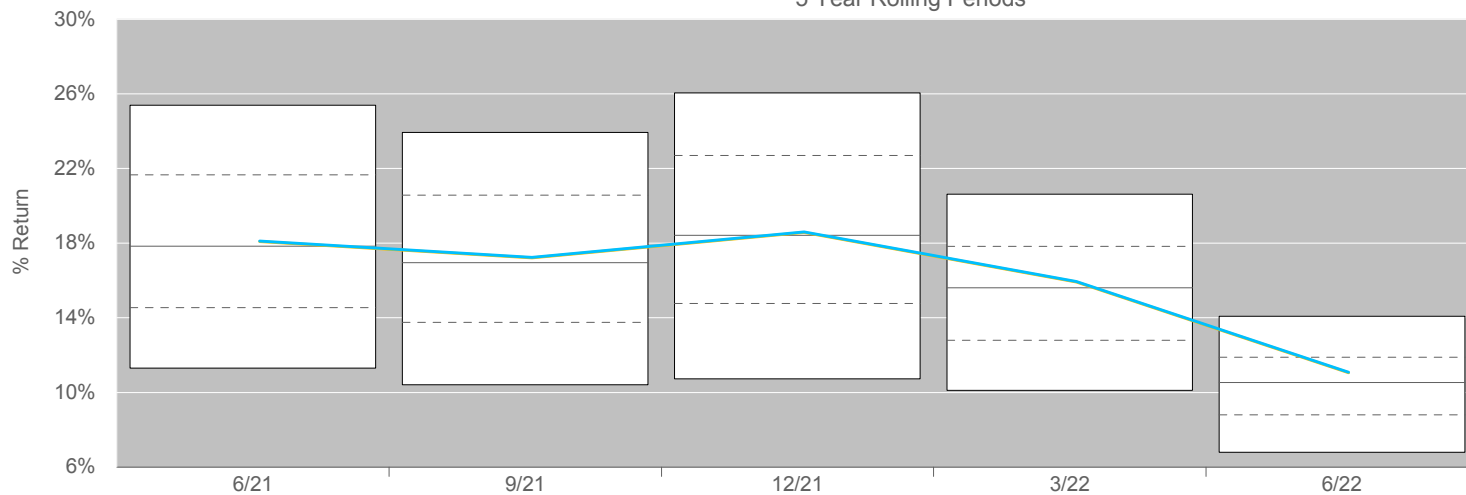
## Schwab U.S. Large Cap ETF

### Broad Large Cap Universe

For Report Periods Ending June 30, 2022



Report From June 30, 2016 to June 30, 2022  
5 Year Rolling Periods

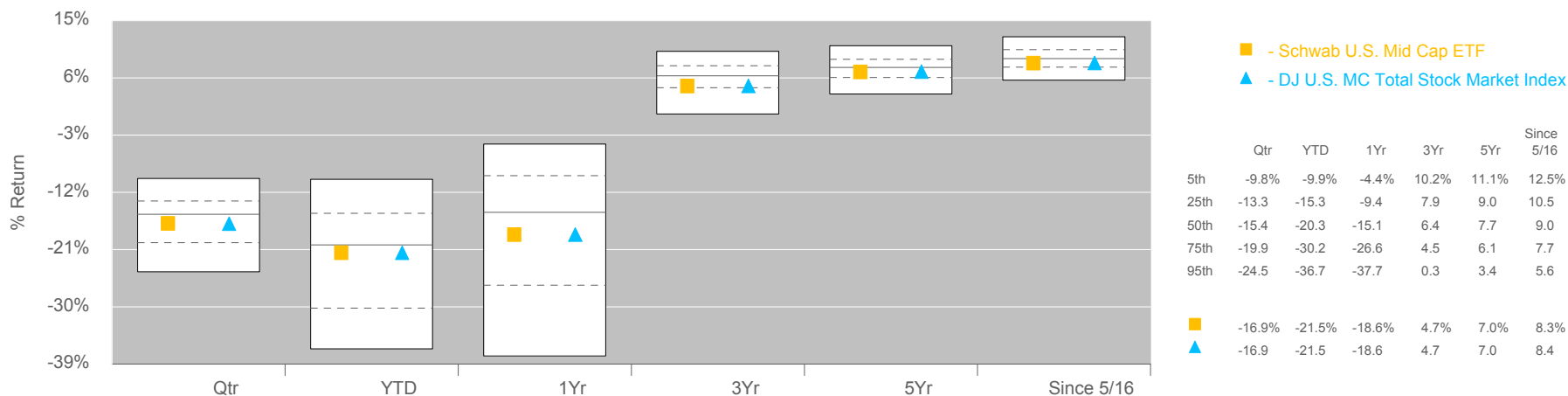


# The City of Grosse Pointe Woods Health Care Trust

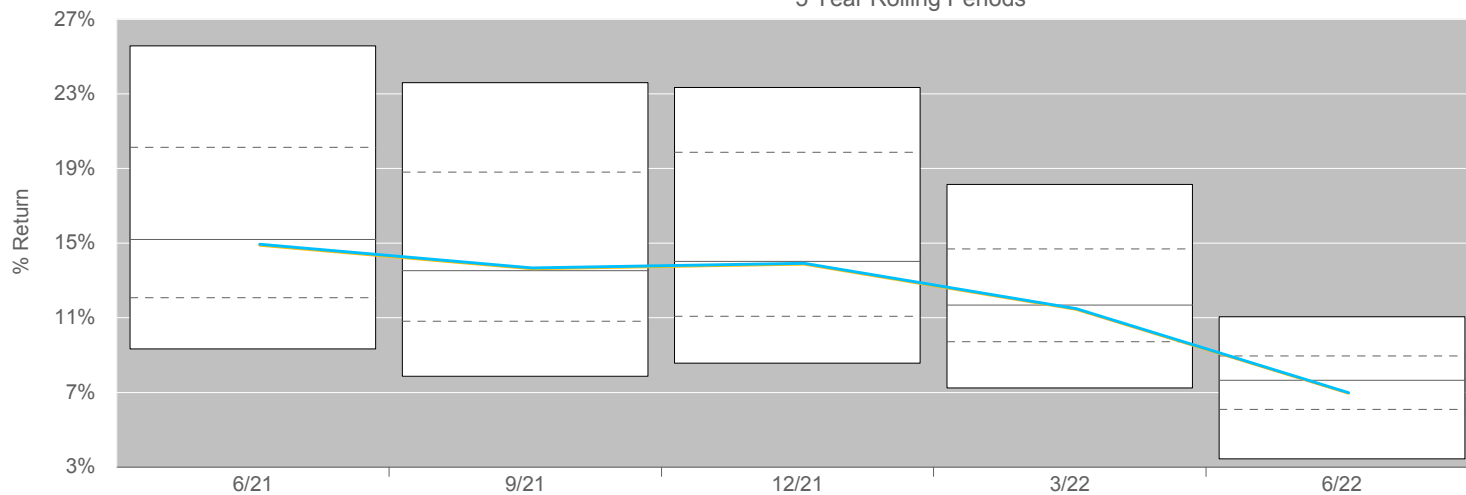
## Schwab U.S. Mid Cap ETF

### Broad Mid Cap Universe

For Report Periods Ending June 30, 2022



Report From June 30, 2016 to June 30, 2022  
5 Year Rolling Periods

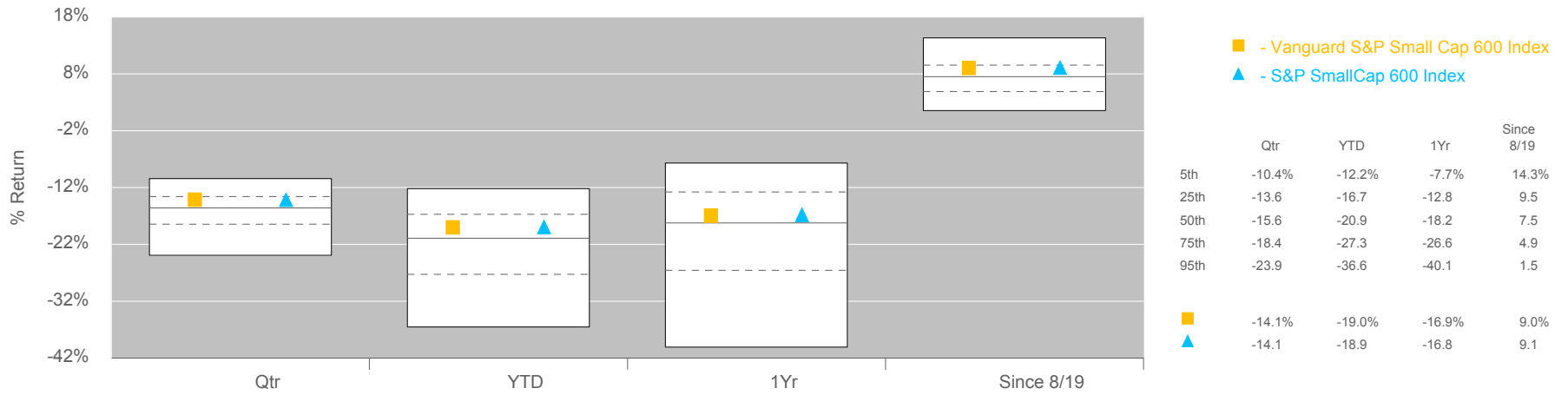


# The City of Grosse Pointe Woods Health Care Trust

## Vanguard S&P Small Cap 600 Index

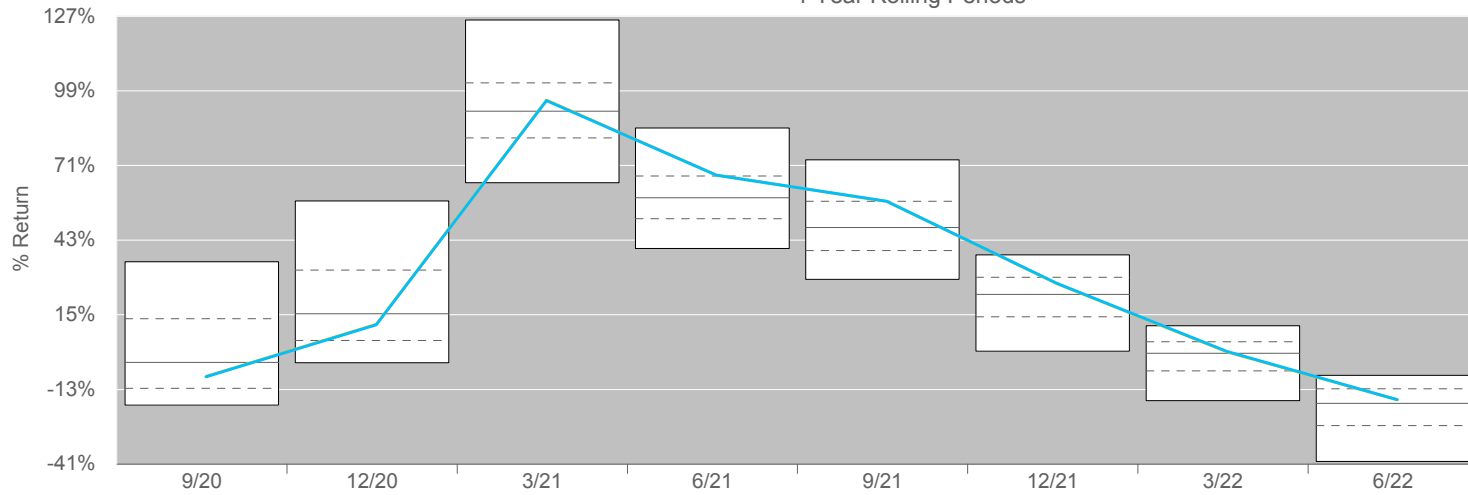
### Broad Small Cap Universe

For Report Periods Ending June 30, 2022



	Qtr	YTD	1Yr	Since 8/19
5th	-10.4%	-12.2%	-7.7%	14.3%
25th	-13.6%	-16.7%	-12.8%	9.5%
50th	-15.6%	-20.9%	-18.2%	7.5%
75th	-18.4%	-27.3%	-26.6%	4.9%
95th	-23.9%	-36.6%	-40.1%	1.5%

Report From September 30, 2019 to June 30, 2022  
1 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab International Equity ETF

### Summary of Performance and Statistics

Report For Periods Ending June 30, 2022

Performance Results	Qtr	YTD	1Yr	3Yr	5Yr	Since Inception	Inception Date
<b>Schwab International Equity ETF</b>	<b>-14.8%</b>	<b>-19.2%</b>	<b>-18.0%</b>	<b>2.0%</b>	<b>2.7%</b>	<b>4.9%</b>	5/16
FTSE Developed ex U.S. Index	-14.9	-19.3	-18.2	1.9	2.6	4.8	

Risk Statistics (5 years)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio
<b>Schwab International Equity ETF</b>	<b>1.00</b>	<b>0.1%</b>	<b>1.00</b>	<b>16.9%</b>	<b>0.1%</b>	<b>1.1</b>
FTSE Developed ex U.S. Index	1.00	0.0	1.00	16.9	0.0	--

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
<b>Schwab International Equity ETF</b>	<b>14.3</b>	<b>1.5</b>	<b>58,845.0M</b>	<b>2.8%</b>	<b>7.1%</b>
FTSE Developed ex U.S. Index	--	--	--	--	--

\* Risk Statistics are based on monthly data.

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

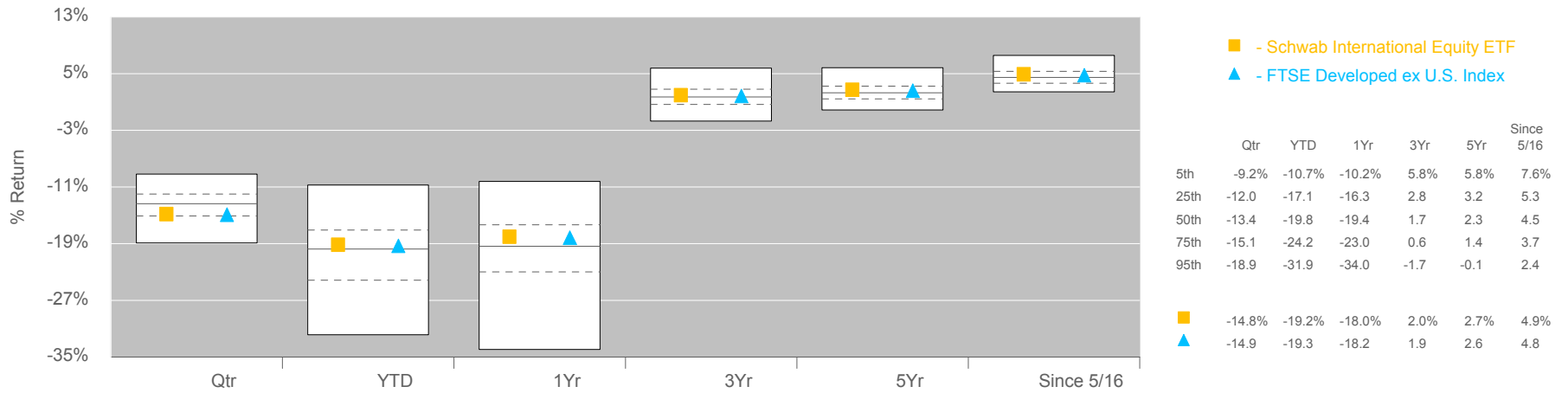


# The City of Grosse Pointe Woods Health Care Trust

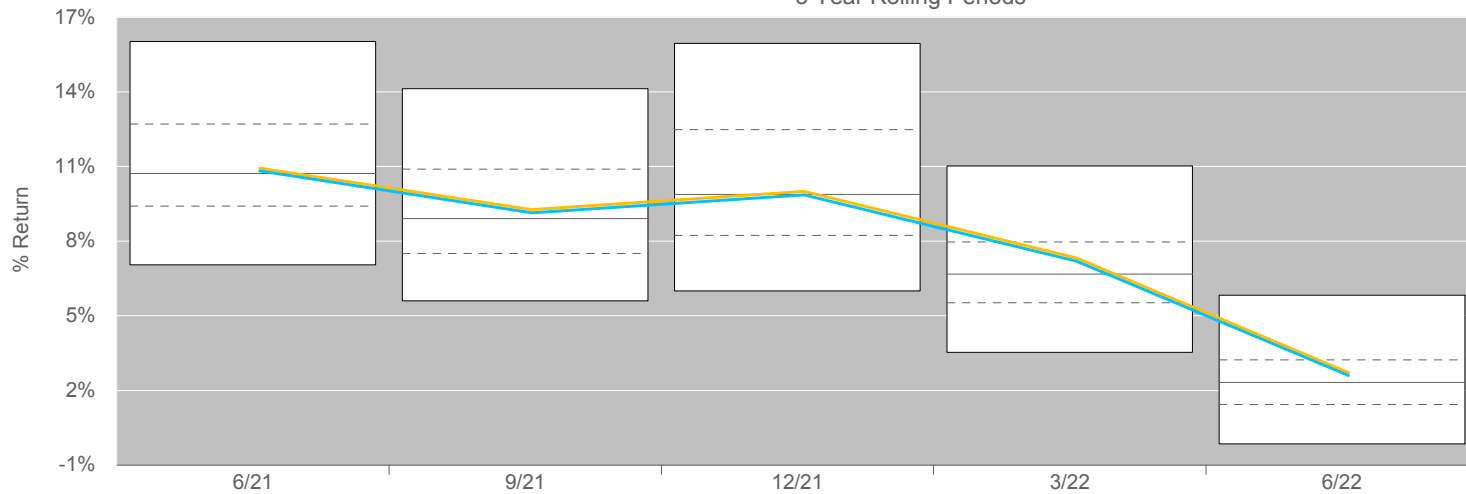
## Schwab International Equity ETF

### International Equity Universe

For Report Periods Ending June 30, 2022



Report From June 30, 2016 to June 30, 2022  
5 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab Emerging Markets ETF

### Summary of Performance and Statistics

Report For Periods Ending June 30, 2022

<b>Performance Results</b>	<b>Qtr</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>Since Inception</b>	<b>Inception Date</b>
<b>Schwab Emerging Markets ETF</b>	<b>-9.8%</b>	<b>-14.5%</b>	<b>-21.3%</b>	<b>1.5%</b>	<b>3.1%</b>	<b>6.5%</b>	<b>5/16</b>
FTSE All Emerging Index	-10.2	-14.8	-21.2	2.0	3.6	6.9	

<b>Risk Statistics (5 years)</b>	<b>Beta</b>	<b>Alpha</b>	<b>R<sup>2</sup></b>	<b>Standard Deviation</b>	<b>Tracking Error</b>	<b>Information Ratio</b>
<b>Schwab Emerging Markets ETF</b>	<b>1.00</b>	<b>-0.4%</b>	<b>1.00</b>	<b>17.4%</b>	<b>0.6%</b>	<b>-0.8</b>
FTSE All Emerging Index	1.00	0.0	1.00	17.5	0.0	--

<b>Portfolio Statistics</b>	<b>Trailing P/E</b>	<b>Trailing P/B</b>	<b>Wtd Avg Mkt Cap</b>	<b>Current Yield</b>	<b>Equity Annual Turnover</b>
<b>Schwab Emerging Markets ETF</b>	<b>12.5</b>	<b>1.7</b>	<b>76,393.0M</b>	<b>2.4%</b>	<b>10.6%</b>
FTSE All Emerging Index	--	--	--	--	--

\* Risk Statistics are based on monthly data.

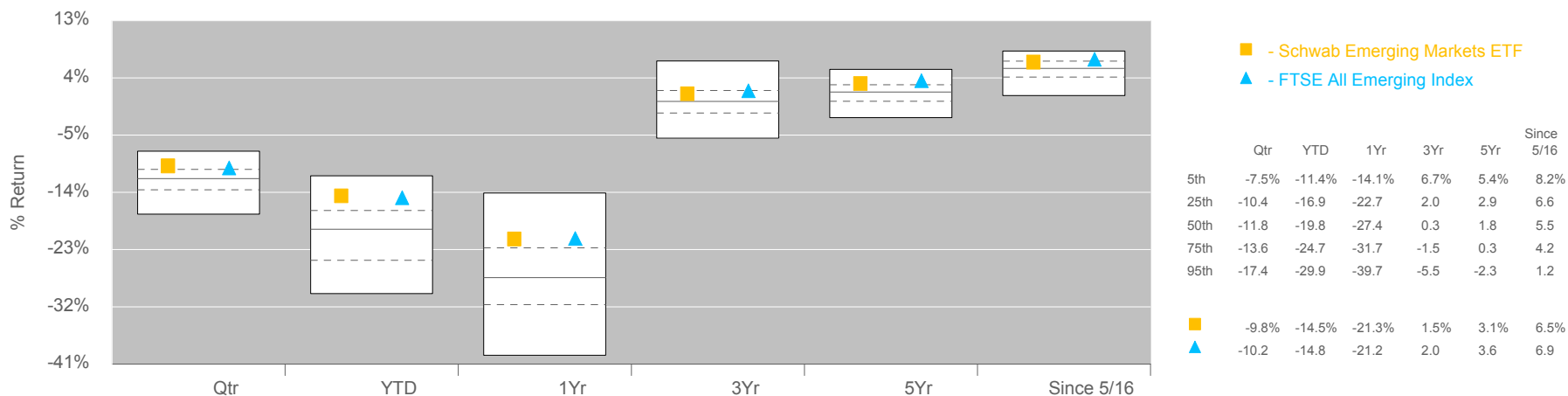
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

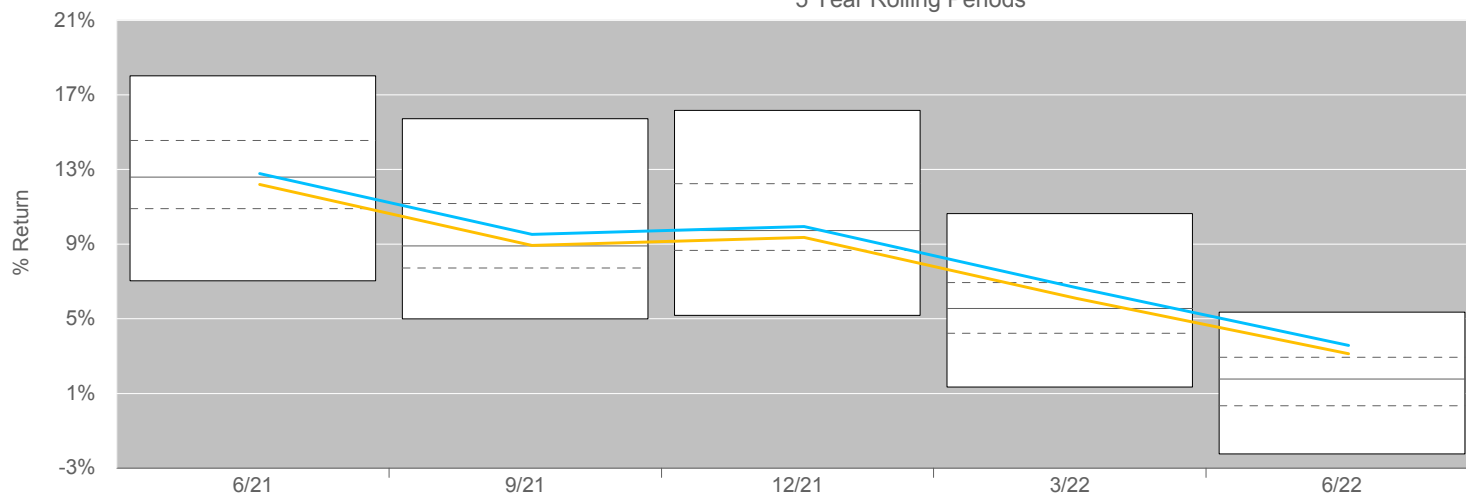
## Schwab Emerging Markets ETF

### Emerging Markets Universe

For Report Periods Ending June 30, 2022



Report From June 30, 2016 to June 30, 2022  
5 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. Aggregate Bond ETF

### Summary of Performance and Statistics

Report For Periods Ending June 30, 2022

Performance Results	Qtr	YTD	1Yr	3Yr	5Yr	Since Inception	Inception Date
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>-4.7%</b>	<b>-10.3%</b>	<b>-10.3%</b>	<b>-1.0%</b>	<b>0.8%</b>	<b>0.9%</b>	5/16
Bloomberg U.S. Aggregate Index	-4.7	-10.3	-10.3	-0.9	0.9	1.0	

Risk Statistics (5 years)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>1.00</b>	<b>-0.1%</b>	<b>1.00</b>	<b>4.1%</b>	<b>0.1%</b>	<b>-0.7</b>
Bloomberg U.S. Aggregate Index	1.00	0.0	1.00	4.1	0.0	--

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	Fl Annl Turnover
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>6.6yrs</b>	<b>8.6yrs</b>	<b>AA</b>	<b>3.7%</b>	<b>--%</b>
Bloomberg U.S. Aggregate Index	6.6	8.6	AA	3.7	--

\* Risk Statistics are based on monthly data.

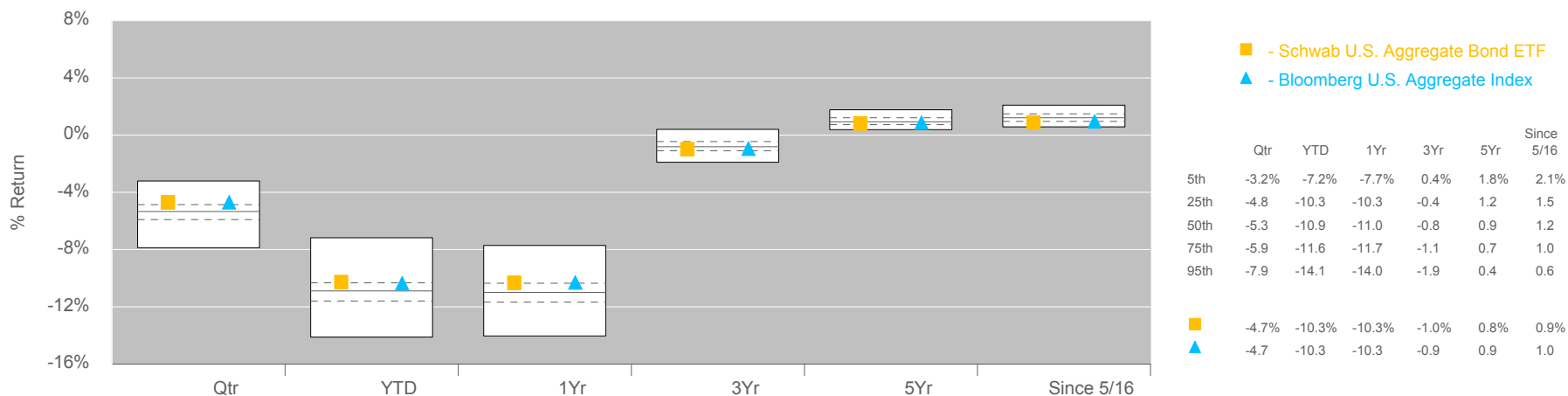
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. Aggregate Bond ETF

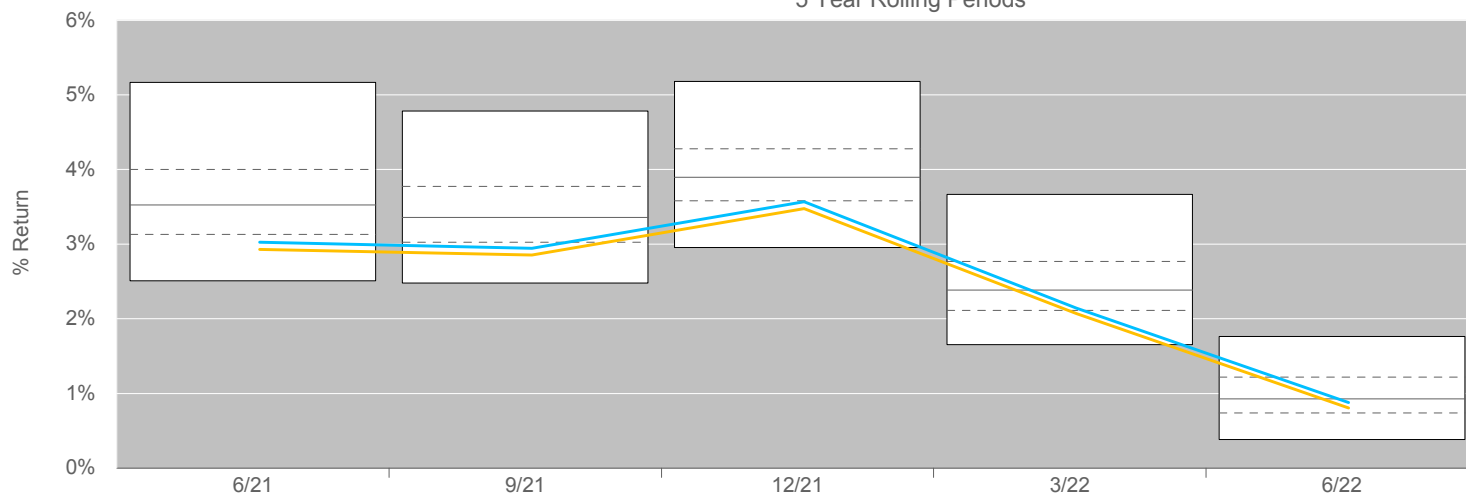
Core Fixed Income Universe

For Report Periods Ending June 30, 2022



	Qtr	YTD	1Yr	3Yr	5Yr	Since 5/16
5th	-3.2%	-7.2%	-7.7%	0.4%	1.8%	2.1%
25th	-4.8%	-10.3%	-10.3%	-0.4%	1.2%	1.5%
50th	-5.3%	-10.9%	-11.0%	-0.8%	0.9%	1.2%
75th	-5.9%	-11.6%	-11.7%	-1.1%	0.7%	1.0%
95th	-7.9%	-14.1%	-14.0%	-1.9%	0.4%	0.6%
■	-4.7%	-10.3%	-10.3%	-1.0%	0.8%	0.9%
▲	-4.7%	-10.3%	-10.3%	-0.9%	0.9%	1.0%

Report From June 30, 2016 to June 30, 2022  
5 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. TIPS ETF

### Summary of Performance and Statistics

Report For Periods Ending June 30, 2022

<b>Performance Results</b>	<b>Qtr</b>	<b>YTD</b>	<b>1Yr</b>	<b>3Yr</b>	<b>5Yr</b>	<b>Since Inception</b>	<b>Inception Date</b>
<b>Schwab U.S. TIPS ETF</b>	<b>-6.1%</b>	<b>-8.9%</b>	<b>-5.2%</b>	<b>3.0%</b>	<b>3.2%</b>	<b>2.8%</b>	<b>5/16</b>
Bloomberg U.S. TIPS Index	-6.1	-8.9	-5.1	3.0	3.2	2.9	

<b>Risk Statistics (5 years)</b>	<b>Beta</b>	<b>Alpha</b>	<b>R<sup>2</sup></b>	<b>Standard Deviation</b>	<b>Tracking Error</b>	<b>Information Ratio</b>
<b>Schwab U.S. TIPS ETF</b>	<b>1.00</b>	<b>-0.1%</b>	<b>1.00</b>	<b>4.4%</b>	<b>0.1%</b>	<b>-1.0</b>
Bloomberg U.S. TIPS Index	1.00	0.0	1.00	4.4	0.0	--

<b>Portfolio Statistics</b>	<b>Effective Duration</b>	<b>Wtd Avg Maturity</b>	<b>Wtd Avg Credit</b>	<b>Yield to Worst</b>	<b>FI Annl Turnover</b>
<b>Schwab U.S. TIPS ETF</b>	<b>7.0yrs</b>	<b>7.4yrs</b>	<b>AAA</b>	<b>3.4%</b>	<b>--%</b>
Bloomberg U.S. TIPS Index	7.0	7.4	AAA	3.4	--

\* Risk Statistics are based on monthly data.

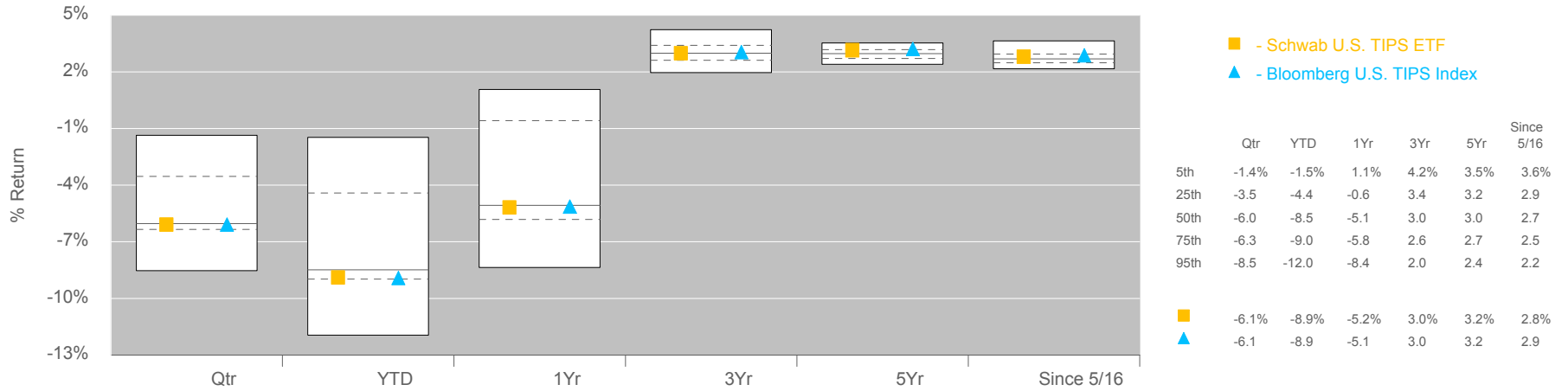
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

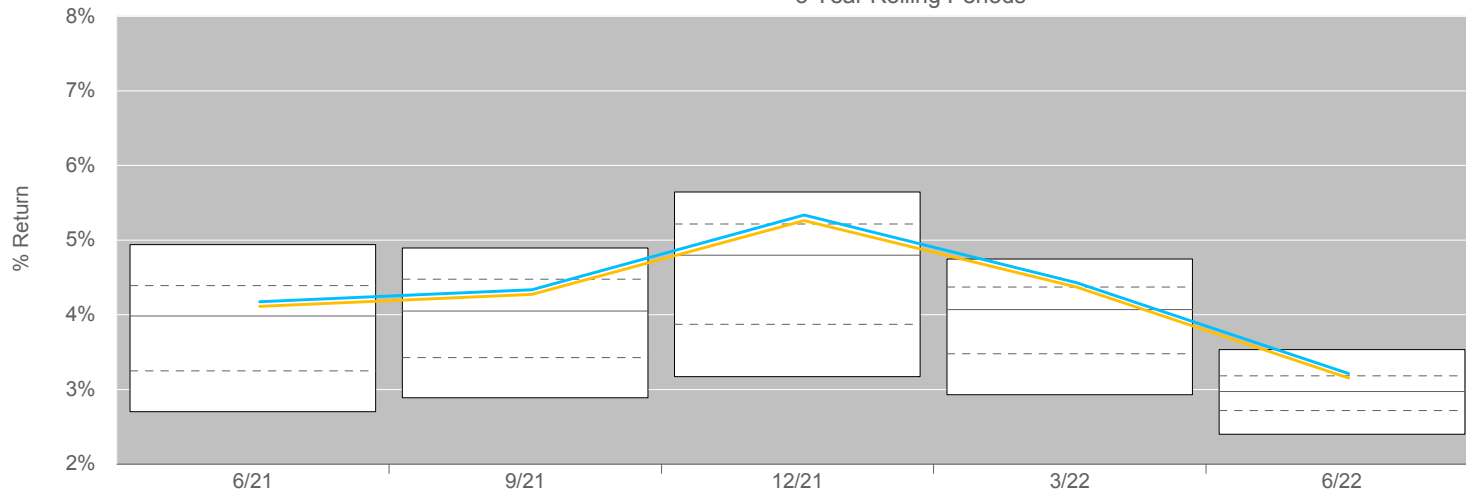
## Schwab U.S. TIPS ETF

### TIPS Universe

For Report Periods Ending June 30, 2022



Report From June 30, 2016 to June 30, 2022  
5 Year Rolling Periods



## Index Summary Sheet for Periods Ending June 30, 2022

	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
<b>Global Equity</b>						
MSCI AC World Index	-15.7%	-20.2%	-15.8%	6.2%	7.0%	8.8%
MSCI World Index	-16.2	-20.5	-14.3	7.0	7.7	9.5
S&P 500 Index	-16.1	-20.0	-10.6	10.6	11.3	12.9
Russell 3000 Index	-16.7	-21.1	-13.9	9.8	10.6	12.6
Russell 1000 Index	-16.7	-20.9	-13.0	10.2	11.0	12.8
Russell 1000 Growth Index	-20.9	-28.1	-18.8	12.6	14.3	14.8
Russell 1000 Value Index	-12.2	-12.9	-6.8	6.9	7.2	10.5
Russell Midcap Index	-16.8	-21.6	-17.3	6.6	8.0	11.3
Russell Midcap Growth Index	-21.1	-31.0	-29.6	4.3	8.9	11.5
Russell Midcap Value Index	-14.7	-16.2	-10.0	6.7	6.3	10.6
Russell 2000 Index	-17.2	-23.4	-25.2	4.2	5.2	9.4
Russell 2000 Growth Index	-19.3	-29.5	-33.4	1.4	4.8	9.3
Russell 2000 Value Index	-15.3	-17.3	-16.3	6.2	4.9	9.1
Russell Microcap Index	-19.0	-25.1	-30.7	5.1	4.5	9.0
MSCI AC World Index ex-U.S.	-13.7	-18.4	-19.4	1.4	2.5	4.8
MSCI EAFE Index	-14.5	-19.6	-17.8	1.1	2.2	5.4
MSCI EAFE Growth Index	-16.9	-26.8	-23.8	1.3	3.5	6.3
MSCI EAFE Value Index	-12.4	-12.1	-11.9	0.2	0.5	4.2
MSCI Small Cap EAFE Index	-17.7	-24.7	-24.0	1.1	1.7	7.2
MSCI Emerging Markets Index	-11.4	-17.6	-25.3	0.6	2.2	3.1
MSCI Emerging Markets Small Cap Index	-16.4	-20.0	-20.7	5.8	3.5	4.3
MSCI Frontier Markets Index	-13.8	-20.6	-17.3	0.6	1.6	5.1
HFRI Equity Hedge Index	-8.3	-12.3	-12.5	6.3	5.5	5.9
HFRI Emerging Markets	-8.0	-14.2	-16.5	2.1	2.3	3.7
HFRI FOF: Strategic Index	-6.3	-12.1	-11.5	3.2	3.1	3.8
Thomson One All Private Capital Index	0.0	0.0	11.3	20.7	17.6	14.9
Thomson One Buyout Index	0.0	-1.1	9.4	21.0	18.4	16.5
Thomson One Fund of Funds Index	0.0	-2.7	8.3	27.3	21.8	16.4
Thomson One Venture Capital Index	0.0	-3.3	8.3	31.4	26.5	20.9
<b>Global Fixed Income</b>						
Bloomberg U.S. Aggregate Index	-4.7	-10.3	-10.3	-0.9	0.9	1.5
Bloomberg U.S. TIPS Index	-6.1	-8.9	-5.1	3.0	3.2	1.7
Bloomberg Government Bond Index	-3.7	-9.0	-8.8	-0.8	0.8	1.0
Bloomberg Municipals Index	-2.9	-9.0	-8.6	-0.2	1.5	2.4
Bloomberg Asset Backed Index	-0.9	-3.8	-4.3	0.5	1.4	1.4



## Index Summary Sheet for Periods Ending June 30, 2022

	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
<b>Global Fixed Income (continued)</b>						
Bloomberg US MBS Index	-4.0%	-8.8%	-9.0%	-1.4%	0.4%	1.2%
Bloomberg IG CMBS Index	-2.9	-8.3	-8.9	-0.2	1.6	2.4
Bloomberg U.S. Credit Index	-6.9	-13.8	-13.6	-1.0	1.2	2.5
Bloomberg U.S. Corporate HY Index	-9.8	-14.2	-12.8	0.2	2.1	4.5
Bloomberg Intermediate U.S. G/C Index	-2.4	-6.8	-7.3	-0.2	1.1	1.5
ICE BofA 1-3 Yr. Govt. Bond Index	-0.5	-2.8	-3.3	0.2	0.9	0.8
U.S. 91-Day Treasury Bills	0.3	0.3	0.4	0.5	1.1	0.6
CS Leveraged Loan Index	-2.3	-2.4	-0.6	2.7	3.4	4.1
JPMorgan Non-U.S. GBI Hedged Index	-4.6	-8.5	-8.3	-1.7	0.9	2.5
JPMorgan Non-U.S. GBI Index	-12.5	-18.8	-21.8	-6.7	-2.6	-1.8
JPMorgan EMBI Plus Index	-12.5	-26.6	-27.7	-8.7	-4.0	0.4
JPMorgan EMBI Global Index	-10.5	-18.8	-19.2	-4.3	-1.0	2.1
HFRI RV: Fixed Income - Corporate Index	-4.9	-6.1	-6.5	3.0	3.8	4.4
HFRI ED: Distressed/Restructuring Index	-3.1	-1.9	-1.0	7.6	5.7	5.7
Thomson One Distressed Index	0.0	3.2	17.6	15.3	11.9	11.2
<b>Real Assets</b>						
FTSE NAREIT All Equity Index	-14.7	-19.2	-5.9	5.3	6.7	8.3
S&P Developed BMI Property Index	-17.4	-20.7	-13.5	-0.4	2.1	5.1
S&P Developed ex-U.S. Property Index	-17.5	-20.6	-20.5	-3.7	0.4	4.6
NCREIF Property Index	0.0	5.3	17.7	9.1	8.2	9.3
Bloomberg Commodity Index	-5.7	18.4	24.3	14.3	8.4	-0.8
Alerian MLP Index	-7.4	10.0	4.3	0.1	-0.3	0.7
NCREIF Timberland Index	0.0	3.2	10.0	4.4	3.9	5.5
Thomson One Private Real Estate Index	0.0	4.3	21.0	12.2	11.3	11.9
S&P Real Assets Equity Total Return Index	-13.2	-10.4	-3.3	3.3	4.6	5.8
<b>Diversifying Strategies</b>						
HFRI Fund of Funds Index	-3.6	-6.3	-5.2	4.1	3.7	3.8
HFRI Fund Weighted Composite Index	-4.9	-5.9	-5.8	6.1	5.0	5.0
HFRI FOF: Conservative Index	-2.0	-1.9	-0.2	4.5	4.0	3.8
HFRI Event Driven	-6.7	-8.0	-7.4	4.8	4.2	5.1
HFRI Relative Value Total Index	-2.9	-2.2	-1.3	3.5	3.6	4.5
HFRI Macro Index	2.1	9.0	8.4	7.9	5.4	3.2
<b>Other</b>						
Consumer Price Index - U.S.	2.6	5.3	8.9	5.0	4.0	2.6
U.S. Dollar Index	6.5	9.1	13.3	2.9	1.7	2.5

\* 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.

## 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.

**R<sup>2</sup>** – Also called the coefficient of determination. On the detail page, R<sup>2</sup> 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.

## Disclosures

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Monitoring of managers includes fundamental research for all investment managers, as well as enhanced coverage for managers that have been approved for FEG's recommended list. A Quarterly Content Questionnaire is the basis of fundamental coverage and requests qualitative (e.g., personnel, organizational changes) and quantitative information (performance, cash flows) on all investment strategies for ongoing monitoring and adherence to investment policy. Clients may have exposure to both fundamental and recommended managers in their portfolio depending on their unique needs. FEG conducts conference calls directly with the active managers that receive enhanced coverage.

Mutual funds are bound by their prospectus, limiting potential deviation from the stated investment strategy.

Clients are encouraged to contact their Investment Advisers immediately if there are changes to their financial situation or investment objectives, or if they wish to impose or modify restrictions on the management of their account(s). Please notify your adviser immediately if you believe that any information on file is incorrect, or have had changes that have not been previously discussed.

Index performance results do not represent any managed 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 report is prepared for informational purposes only. Past performance is not indicative of future results.

# INVOICE



201 East Fifth Street, Suite 1600  
Cincinnati, Ohio 45202

DATE	INVOICE #
7/31/22	202207151

<b>BILL TO:</b>
The Retiree Health Care Benefits Plan & Trust of the City of Grosse Pointe Woods Shawn Murphy 20025 Mack Plaza Grosse Pointe Woods, MI 48236

<b>Fee Schedule:</b> includes CIS
.12% first \$50 Million
.10% next \$50 Million
.05% next \$150 Million
.04% next \$250 Million
.03% over \$500 Million
Minimum annual fee \$60,000

*Professional Services for the period*                      *4/1/22-6/30/22*

Based on the market value of                      \$    1,781,420    @    3/31/22    =                      \$                      554.00

**Total Amount Due**                      \$                      554.00  
*Payment due upon receipt of invoice*

Reference:                      DAVIS  
Inception:                      12/1/2015

Note: Assets of Employee Retirement System and Healthcare Benefits Plan are aggregated for fee break purposes.

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### Remittance Information

**Please include invoice number and make payable to Fund Evaluation Group**

Mail: P.O. Box 639176, Cincinnati, OH 45263-9176

Wire or ACH: Fifth Third Bank, 38 Fountain Square Plaza, Cincinnati, OH 45263, R/T #042000314, Account #7027869440

Remittance information to [accountsreceivable@feg.com](mailto:accountsreceivable@feg.com)