

**CITY OF GROSSE POINTE WOODS  
NOTICE OF REGULAR MEETING  
Retiree Health Care Plan and Trust Fund**

**Thursday, February 5, 2026  
Immediately following Pension Board Meeting**

**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 November 6, 2025
5. Trial Balance through December 31, 2025
6. June 30, 2025 Actuarial Reports- Foster & Foster Actuaries and Consultants
  - a. GASB 74/75 Disclosure Report – Plan and Actuarial Valuation Fiscal Year Ending June 30 2025
7. Excerpt from the City of Grosse Pointe Woods Annual Comprehensive Financial Report for Fiscal Year End June 30, 2025. Required Supplemental Information-Net OPEB Liability
8. 4th Quarter 2025 Fund Evaluation Group Report
  - a. December 31, 2025 Performance Review
9. Payment of Invoices –

a. FEG Invoice	\$ 938.00
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10. New Business/Public Comment.
11. Adjournment

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

**Next Regular Board Meeting –May 7, 2026      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

11/6/2025

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 NOVEMBER 6, 2025 IN THE  
CONFERENCE ROOM OF THE MUNICIPAL BUILDING, 20025 MACK PLAZA, GROSSE  
POINTE WOODS, MICHIGAN

The meeting was called to order at 6:25 p.m. by Chairperson Mayor Arthur Bryant

The following members were present:

Chairperson Mayor Arthur Bryant  
General Employee Representative Jeremy Bastien  
Citizen Representative Gary Zarb  
Public Safety Representative Brian Conigliaro

Also present:

Pension Administrator, Steven Schmidt  
Pension Attorney, Tom Michaud  
Fund Evaluation Group (FEG), Jeffrey Davis  
Recording Secretary, Tina Hoenicke

Motion by Zarb, supported by Conigliaro to excuse Council Representative Jim Motschall.

Motion CARRIED by the following vote:

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

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

Motion CARRIED by the following vote:

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

Motion by Zarb, supported by Conigliaro to accept and place on file the minutes of the Retiree Health Care Benefit Plan and Trust meeting dated August 7, 2025.

Motion CARRIED by the following vote:

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

RETIREE HEALTH CARE BENEFIT PLAN & TRUST

11/6/2025

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Motion by Zarb, supported by Conigliaro to receive and place on file the trial balance as presented through September 30, 2025.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Conigliaro, Zarb

NO: None

ABSENT: Motschall

Jeffrey Davis provided a review of the 3rd Quarter Fund Evaluation Group report ending September 30, 2025. No changes to the plan are recommended at this time.

Motion by Zarb, supported by Conigliaro to receive and place on file the 3rd Quarter Fund Evaluation Group Report for period ending September 30, 2025.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Conigliaro, Zarb

NO: None

ABSENT: Motschall

Motion by Zarb, supported by Conigliaro to authorize payment of invoices 7.a. through 7.c.; FEG in the amount of \$892.00, Foster & Foster Actuaries in the amount of \$6,876.00 & VanOverbeke, Michaud & Timmony, P.C. in the amount of \$214.20.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Conigliaro, Zarb

NO: None

ABSENT: Motschall

New Business/Public Comment: None

Motion by Zarb, supported by Bastien to adjourn the meeting at 6:30 p.m.

Motion CARRIED by the following vote:

YES: Bryant, Bastien, Conigliaro, Zarb

NO: None

ABSENT: Motschall

Minutes recorded by: Tina Hoenicke

Approved by the Pension Board:

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Steven Schmidt, Pension Administrator

Fund 737 OPEB

GL Number	Description	Balance
<b>*** Assets ***</b>		
737-000-005.001	SCHWAB CASH	3,262,757.19
	<b>Total Assets</b>	<b>3,262,757.19</b>
<b>*** Liabilities ***</b>		
	<b>Total Liabilities</b>	<b>0.00</b>
<b>*** Fund Balance ***</b>		
737-000-390.000	CURRENT FUND BALANCE	3,008,342.50
	<b>Total Fund Balance</b>	<b>3,008,342.50</b>
	<b>Beginning Fund Balance</b>	<b>3,008,342.50</b>
	<b>Net of Revenues VS Expenditures</b>	<b>254,414.69</b>
	<b>Ending Fund Balance</b>	<b>3,262,757.19</b>
	<b>Total Liabilities And Fund Balance</b>	<b>3,262,757.19</b>



**CITY OF GROSSE POINTE WOODS  
OTHER POSTEMPLOYMENT BENEFITS PLAN**

**ACTUARIAL VALUATION AS OF JUNE 30, 2025**

**GASB 74 / 75 DISCLOSURES FOR THE  
PLAN/FISCAL YEAR ENDING JUNE 30, 2025**

Valuation Date: June 30, 2024  
Measurement Date: June 30, 2025  
Fiscal Year End Date: June 30, 2025

September 5, 2025

Mr. Steven Schmidt  
Treasurer/Comptroller  
City of Grosse Pointe Woods  
20025 Mack Plaza Drive  
Grosse Pointe Woods, MI 48236

Re: GASB 74/75 Valuation for Fiscal Year Ending June 30, 2025

Dear Mr. Schmidt:

We are pleased to present to the City of Grosse Pointe Woods this report of the annual actuarial valuation of the City's Other Postemployment Benefits (OPEB) Program. This valuation was performed to determine annual expenses associated with providing OPEB benefits, the current funded status of the Plan, and to provide all necessary schedules required to comply with the Governmental Accounting Standards Board No. 75. The schedules related to the Governmental Accounting Standards Board No. 74 can be found in Appendix 1.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Retiree group benefits models necessarily rely on the use of approximations and estimates and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements. Due to the limited scope of this report, we did not provide an analysis of these potential differences.

The funded status measurements included in this report are based on the assumptions and methods used to determine the Plan's obligations and asset values as of the Measurement Date. Funded status measurements for financial accounting purposes may not be appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations. Likewise, funded status measurements for financial accounting purposes may not be appropriate for assessing the need for or the amount of future actuarially determined contributions.

Foster & Foster does not provide legal, investment or accounting advice. Thus, the information in this report is not intended to supersede or supplant the advice or the interpretations of the City or its affiliated legal, investing or accounting partners.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects all applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the City, represent reasonable expectations of anticipated plan experience.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

In conducting the valuation, we have relied on personnel and plan design information supplied by the City, and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. Because of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

The Total OPEB liability, Net OPEB Liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of June 30, 2024, and certain results were projected to the measurement date using generally accepted actuarial methods. It is our opinion that the assumptions used for this purpose are internally consistent, reasonable, and comply with the requirements under GASB No. 74 and GASB No. 75.

The undersigned are familiar with the immediate and long-term aspects of OPEB valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the City of Grosse Pointe Woods, nor does anyone at Foster & Foster, Inc. act as a member of the Board of the City of Grosse Pointe Woods. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 248-399-8760.

Respectfully submitted,

Foster & Foster, Inc.

By:

  
\_\_\_\_\_  
Jason L. Franken, FSA, EA, MAAA

By:

  
\_\_\_\_\_  
Colleen M. Atchison, FSA, MAAA

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# SECTION 1 – Executive Summary

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## SECTION 1 – EXECUTIVE SUMMARY

The valuation results presented in this report have been prepared in accordance with the Government Accounting Standards Board Statement 75 (GASB 75) for the City of Grosse Pointe Woods' Other Postemployment Benefits (OPEB) Program, based on the actuarial valuation performed as of June 30, 2024.

The results of this valuation are based on a Valuation Date of June 30, 2024, a Measurement Date of June 30, 2025, and are applicable to the fiscal year ending June 30, 2025. The following table shows the key components of the City's OPEB valuation for FY 2025 under GASB 75:

Total OPEB Liability as of the Measurement Date	\$ 28,984,558
Plan Fiduciary Net Position as of the Measurement Date	<u>3,008,342</u>
Sponsor's Net OPEB Liability as of the Measurement Date	<u><u>\$ 25,976,216</u></u>
OPEB Expense/(Revenue) For the Fiscal Year ending June 30, 2025	\$ 1,856,719
Covered Employee Payroll	\$ 2,863,132
Sponsor's Net OPEB Liability as a percentage of Covered Employee Payroll	907.27%
Actuarially Determined Contribution as of June 30, 2025	\$ 2,277,169
Census Information as of June 30, 2024	
Active Participants	30
Retirees, Beneficiaries, and Disabled Members	100
Inactive Vested Members	<u>0</u>
Total Participants	130

## SECTION 1 – Executive Summary

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### *Notes on the Valuation:*

The following changes have been made since the prior valuation:

- No changes have been made since the prior valuation.

### *City's Funding Policy:*

The numbers shown above reflect a decision to fund the program. The board intends to contribute an amount equal to the actuarially determined contribution each year until the plan is fully funded.

## SECTION 1 – Executive Summary

*Governmental Accounting Standard No. 75:*

GASB 75 requires governmental employers to recognize the Net OPEB Liability and the OPEB expense in their financial statements, along with the related deferred outflows and inflows of resources. GASB 75 is similar to GASB 68 for pensions. Under GASB 75, the Net OPEB Liability is the difference between the Total OPEB Liability (i.e. Actuarial Accrued Liability) and the Plan's Fiduciary Net Position (i.e. assets). For unfunded plans, the OPEB liability recorded on the employer's balance sheet is equal to the Total OPEB Liability.

The balance of this Report presents additional details of the actuarial valuation and the general operation of the Fund. The undersigned would be pleased to meet with the Board in order to discuss the Report and any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By:

  
\_\_\_\_\_  
Jason L. Franken, FSA, EA, MAAA

By:

  
\_\_\_\_\_  
Colleen M. Atchison, FSA, MAAA

# SECTION 3 – GASB 75 Disclosure Schedules

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## SECTION 2 – NOTES TO THE FINANCIAL STATEMENTS (For the Year Ended June 30, 2025)

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Postemployment Benefits Other Than Pensions (OPEB):*

For purposes of measuring the net OPEB Liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City of Grosse Pointe Woods' post-retirement health benefits plan (Plan) and additions to/ deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

### GENERAL INFORMATION ABOUT THE OPEB PLAN

#### *Plan Description:*

The City of Grosse Pointe Woods' post-retirement health benefits plan (Plan) is a single employer defined benefit postemployment health care plan that covers eligible retired employees and their spouses. The Plan allows employees who retire or become disabled and meet retirement eligibility requirements under the Plan to continue medical coverage as a participant in the plan.

Employees covered by benefit terms. As of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Plan Members, or Beneficiaries Currently Receiving Benefits	100
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	30
	130

#### *Benefits Provided:*

Retirees hired prior to 2011 and their spouses are eligible for post-retirement health insurance. The portion of the benefits payable by the City depend on the retiree's service credits.

## SECTION 3 – GASB 75 Disclosure Schedules

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### NET OPEB LIABILITY

The measurement date for GASB 75 reporting is June 30, 2025.

The measurement period for the OPEB expense was July 1, 2024 to June 30, 2025.

The reporting period is July 1, 2024 to June 30, 2025.

The City's Net OPEB Liability was measured as of June 30, 2025. The Total OPEB Liability used to calculate the Net OPEB Liability was determined as of that date.

#### *Actuarial Assumptions:*

The Total OPEB Liability was determined by an actuarial valuation as of June 30, 2024, and updated to the measurement date using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	3.50%
Discount Rate	6.85%
Initial Trend Rate	5.80%
Ultimate Trend Rate	5.00%
Years to Ultimate	8
Investment Rate of Return	6.85%

All mortality rates were based on the Pub-2010 mortality tables, projected generationally using mortality improvement scale MP-2021.

#### *Discount Rate:*

The discount rate used to measure the Total OPEB Liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that Plan contributions will be made equal to the Actuarially Determined Contribution. Based on these assumptions, the 6.85% discount rate is the single rate of return that, when applied to all projected benefit payments, results in an actuarial present value of projected benefit payments equal to the total of the actuarial present values determined in conformity with GASB Statements No. 74/75. Please refer to Appendix II for further details.

## SECTION 3 – GASB 75 Disclosure Schedules

### CHANGES IN NET OPEB LIABILITY

			Increase (Decrease)	
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)		Net OPEB Liability (a)-(b)
Reporting Period Ending June 30, 2024	\$ 28,212,460	\$ 2,490,257		\$ 25,722,203
Changes for the Year:				
Service Cost	264,711		-	264,711
Interest	1,903,657		-	1,903,657
Differences Between Expected and Actual				
Experience	-		-	-
Changes of Assumptions	-		-	-
Changes of Benefit Terms	-		-	-
Explicit Contributions - Employer	-	1,596,270		(1,596,270)
Explicit Contributions - Employee	-	44,457		(44,457)
Net Investment Income	-	289,654		(289,654)
Benefit Payments	(1,396,270)	(1,396,270)		-
Administrative Expense	-	(16,026)		16,026
Other Changes	-		-	-
Net Changes	772,098	518,085		254,013
Reporting Period Ending June 30, 2025	<u>\$ 28,984,558</u>	<u>\$ 3,008,342</u>		<u>\$ 25,976,216</u>

#### *Sensitivity of the Net OPEB Liability to changes in the Discount Rate:*

The following presents the Net OPEB Liability of the City, as well as what the City's Net OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
	5.85%	6.85%	7.85%
Net OPEB Liability (asset)	\$ 29,860,082	\$ 25,976,216	\$ 22,797,794

#### *Sensitivity of the Net OPEB Liability to changes in the Healthcare Cost Trend Rates:*

The following presents the Net OPEB Liability of the City, as well as what the City's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	Healthcare		
	1% Decrease	Cost Trend	1% Increase
	4.00% - 4.80%	5.00% - 5.80%	6.00% - 6.80%
Net OPEB Liability (asset)	\$ 22,448,414	\$ 25,976,216	\$ 30,293,256

## SECTION 3 – GASB 75 Disclosure Schedules

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### *OPEB Plan Fiduciary Net Position:*

Detailed information about the OPEB Plan’s Fiduciary Net Position is available in a separately issued Plan financial report.

## SECTION 3 – GASB 75 Disclosure Schedules

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### SECTION 3 – GASB 75 DISCLOSURE SCHEDULES

#### **OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB**

For the year ended June 30, 2025, the City will recognize OPEB Expense/(Revenue) of \$1,856,719.

On June 30, 2025, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ -
Changes of Assumptions	- -	- -
Net difference between Projected and Actual Earnings on OPEB Plan investments	- -	94,076
Total	<hr/> \$ -	<hr/> \$ 94,076

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB Expense as follows:

Year ended June 30:	
2026	\$ 22,538
2027	\$ (53,579)
2028	\$ (40,787)
2029	\$ (22,248)
2030	\$ -
Thereafter	\$ -

## SECTION 3 – GASB 75 Disclosure Schedules

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### SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS

Reporting Period Ending	06/30/2025	06/30/2024
Measurement Date	06/30/2025	06/30/2024
<b>Total OPEB Liability</b>		
Service Cost	\$ 264,711	\$ 280,063
Interest	1,903,657	1,869,245
Changes of benefit terms	-	-
Differences between Expected and Actual Experience	-	(212,192)
Changes of assumptions	-	(33,676)
Benefit Payments	(1,396,270)	(1,375,571)
Net Change in Total OPEB Liability	772,098	527,869
Total OPEB Liability - Beginning	<u>28,212,460</u>	<u>27,684,591</u>
Total OPEB Liability - Ending (a)	<u>\$ 28,984,558</u>	<u>\$ 28,212,460</u>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 1,596,270	\$ 1,575,571
Contributions - Employee	44,457	49,619
Net Investment Income	289,654	238,754
Benefit Payments	(1,396,270)	(1,375,571)
Administrative Expense	(16,026)	(11,160)
Other	-	-
Net Change in Plan Fiduciary Net Position	518,085	477,213
Plan Fiduciary Net Position - Beginning	<u>2,490,257</u>	<u>2,013,044</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 3,008,342</u>	<u>\$ 2,490,257</u>
<b>Sponsor's Net OPEB Liability - Ending (a) - (b)</b>	<u>\$ 25,976,216</u>	<u>\$ 25,722,203</u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	10.38%	8.83%
Covered Employee Payroll	\$ 2,863,132	\$ 2,766,311
Sponsor's Net OPEB Liability as a percentage of Covered Employee Payroll	907.27%	929.84%

## SECTION 3 – GASB 75 Disclosure Schedules

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### SCHEDULE OF CITY CONTRIBUTIONS

	2025	2024	2023
Actuarially Determined Contribution	\$ 2,277,169	\$ 2,257,667	\$ 2,260,062
Contributions in relation to the Actuarially Determined Contributions	1,640,727	1,625,190	1,478,309
Contribution (Deficiency)/Excess	<u>\$ (636,442)</u>	<u>\$ (632,477)</u>	<u>\$ (781,753)</u>
Covered Employee Payroll	\$ 2,863,132	\$ 2,766,311	\$ 3,135,333
Contributions as a percentage of Covered Employee Payroll	57.31%	58.75%	47.15%
Valuation Date	6/30/2024	6/30/2024	6/30/2022

*Notes to Schedule:*

Actuarially determined contribution rates shown above are calculated as of June 30 of the plan/fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates are the same as those found in Section 8 of this report.

## SECTION 4 – GASB 75 Expense

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### SECTION 4 – GASB 75 OPEB EXPENSE

#### COMPONENTS OF OPEB EXPENSE

Fiscal Year Ending June 30, 2025

	Net OPEB Liability	Deferred Inflows	Deferred Outflows	OPEB Expense
Beginning balance	\$ 25,722,203	\$ 284,335	\$ 152,238	\$ -
<b>Total OPEB Liability Factors:</b>				
Service Cost	264,711	-	-	264,711
Interest	1,903,657	-	-	1,903,657
Changes in benefit terms	-	-	-	-
Differences between Expected and Actual Experience with regard to economic or demographic assumptions	-	-	-	-
Current year amortization of experience difference	-	(106,096)	-	(106,096)
Change in assumptions about future economic or demographic factors or other inputs	-	-	-	-
Current year amortization of change in assumptions		(16,838)	-	(16,838)
Explicit Benefit Payments	(1,396,270)	-	-	-
<b>Net change</b>	<b>\$ 772,098</b>	<b>\$ (122,934)</b>	<b>\$ -</b>	<b>\$ 2,045,434</b>
<b>Plan Fiduciary Net Position:</b>				
Explicit Contributions - Employer	\$ 1,596,270	\$ -	\$ -	\$ -
Explicit Contributions - Employee	44,457	-	-	-
Expected Net Investment Income	178,406	-	-	(178,406)
Difference between projected and actual earnings on OPEB				
Plan investments	111,248	111,248	-	-
Current year amortization	-	(102,454)	(76,119)	(26,335)
Explicit Benefit Payments	(1,396,270)	-	-	-
Administrative Expenses	(16,026)	-	-	16,026
Other	-	-	-	-
<b>Net change</b>	<b>518,085</b>	<b>8,794</b>	<b>(76,119)</b>	<b>(188,715)</b>
<b>Ending Balance</b>	<b>\$ 25,976,216</b>	<b>\$ 170,195</b>	<b>\$ 76,119</b>	<b>\$ 1,856,719</b>

## SECTION 5 – GASB 75 Amortization Schedules

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### SECTION 5 – GASB 75 AMORTIZATION SCHEDULES

#### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE DIFFERENCES BETWEEN PROJECTED AND ACTUAL EARNINGS ON TRUST INVESTMENTS

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Projected and Actual Earnings on OPEB Plan Investments

Measurement Year	Differences Between Projected and Actual Earnings on OPEB Plan Investments		Recognition Period (Years)									
	2025	2026	2027	2028	2029	2030	2031	2025	2026	2027	2028	2029
2018	\$ 15,428	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	(5,622)	5	-	-	-	-	-	-	-	-	-	-
2020	34,665	5	-	-	-	-	-	-	-	-	-	-
2021	(244,361)	5	(48,873)	-	-	-	-	-	-	-	-	-
2022	380,595	5	76,119	76,119	-	-	-	-	-	-	-	-
2023	(63,958)	5	(12,792)	(12,792)	(12,790)	-	-	-	-	-	-	-
2024	(92,693)	5	(18,539)	(18,539)	(18,539)	(18,537)	-	-	-	-	-	-
2025	(111,248)	5	(22,250)	(22,250)	(22,250)	(22,248)	-	-	-	-	-	-
Net Increase (Decrease) in OPEB Expense			\$ (26,335)	\$ 22,538	\$ (53,579)	\$ (40,787)	\$ (22,248)	\$ -	\$ -	\$ -	\$ -	\$ -

## SECTION 5 – GASB 75 Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO RECOGNITION OF THE EFFECTS OF ASSUMPTION CHANGES

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Changes of Assumptions

Measurement Year	Assumption Changes	Recognition									
		Period (Years)	2025	2026	2027	2028	2029	2030	2031		
2018	\$ (25,133,680)	2.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	(1,046,230)	2.5	-	-	-	-	-	-	-	-	-
2020	290,589	2.3	-	-	-	-	-	-	-	-	-
2021	(288,911)	3	-	-	-	-	-	-	-	-	-
2022	(8,679,086)	2	-	-	-	-	-	-	-	-	-
2023	-	2	-	-	-	-	-	-	-	-	-
2024	(33,676)	2	(16,838)	-	-	-	-	-	-	-	-
2025	-	2	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in OPEB Expense			\$ (16,838)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## SECTION 5 – GASB 75 Amortization Schedules

### AMORTIZATION SCHEDULE – DUE TO DIFFERENCES BETWEEN EXPECTED AND ACTUAL EXPERIENCE

Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences  
between Expected and Actual Experience

Measurement Year	Differences Between Expected and Actual Experience		Recognition Period (Years)	Increase (Decrease) in OPEB Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience							
	2025	2026		2028	2029	2030	2031	2032	2033	2034	
2018	\$ (3,809,187)	2.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2019	(1,375,107)	2.5	-	-	-	-	-	-	-	-	-
2020	(551,667)	2.3	-	-	-	-	-	-	-	-	-
2021	-	3	-	-	-	-	-	-	-	-	-
2022	(377,814)	2	-	-	-	-	-	-	-	-	-
2023	-	2	-	-	-	-	-	-	-	-	-
2024	(212,192)	2	(106,096)	-	-	-	-	-	-	-	-
2025	-	2	-	-	-	-	-	-	-	-	-
Net Increase (Decrease) in OPEB Expense				\$ (106,096)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## SECTION 6 – Per Capita Claims Cost and Contribution Amount

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### SECTION 6 – PER CAPITA CLAIMS COSTS AND CONTRIBUTION AMOUNTS

The retiree medical, prescription, dental, and vision insurance premium rates used were effective for calendar year 2024.

Per Capita Claims Costs were developed using premium rates, with 4.0% per year age-grading prior to age 65 for medical and prescription claims. Dental and vision claims were not age-graded. The claims costs were trended to the valuation date using applicable medical trend rates, and adjusted for expected coverage tier elections. A sample of claims costs for various ages are shown below.

Age	Annual Claims Cost
55	17,498.96
60	21,290.16
64	24,906.47
65+	12,225.75

## SECTION 7 – Member Statistics

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### SECTION 7 – MEMBER STATISTICS

#### STATISTICAL DATA

6/30/2024

Number of Active Participants	
Eligible for Retiree Health Benefits	3
Not Yet Eligible for Retiree Health benefits	<u>27</u>
Total	30
Average Current Age	47.6
Average Age at Employment	26.3
Average Past Service	21.3
Covered Employee Payroll at Valuation Date	\$ 2,766,311
Average Salary	\$ 92,210
Number of Inactives	
Retirees, Beneficiaries, and Disabled Members	100
Inactive Vested Members	<u>0</u>
Total	100
Average Current Ages	
Retirees, Beneficiaries, and Disabled Members	71.5
Inactive Vested Members	N/A
All Inactives	71.5

## SECTION 7 – Member Statistics

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### ACTIVE AGE AND SERVICE DISTRIBUTION

AGE	TOTAL PAST SERVICE										Total
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<25	0	0	0	0	0	0	0	0	0	0	0
25 - 29	0	0	0	0	0	0	0	0	0	0	0
30 - 34	0	0	0	0	0	0	0	0	0	0	0
35 - 39	0	0	0	0	0	0	0	0	0	0	0
40 - 44	0	0	0	0	0	0	0	0	0	0	0
45 - 49	0	0	0	1	5	4	0	0	0	0	10
50 - 54	0	0	0	1	1	8	0	0	0	0	10
55 - 59	0	0	0	0	0	6	2	0	0	0	8
60 - 64	0	0	0	0	1	1	0	0	0	0	2
65+	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	2	7	19	2	0	0	0	30

# SECTION 8 – Actuarial Assumptions and Funding Methods

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## SECTION 8 – ACTUARIAL ASSUMPTIONS AND FUNDING METHODS

### ACTUARIAL ASSUMPTIONS

<u>Valuation Date</u>	June 30, 2024.
<u>Measurement Date</u>	June 30, 2025.
<u>Reporting Period Fiscal Year End</u>	June 30, 2025.
<u>Actuarial Value of Assets</u>	Market Value.
<u>Discount Rate</u>	6.85%
<u>Mortality Rates</u>	Pub-2010 Mortality Tables, General and Public Safety, as applicable, with fully generational mortality improvements using Scale MP-2021.
<u>Average Remaining Service Lives</u>	2 years
<u>Medical Inflation</u>	6.0%, graded down to 5.0% in 0.1% increments.
<u>Salary Increase Rates</u>	3.50% per year, plus merit-based rates below:

Age	General	Public Safety
20	3.8%	3.0%
25	3.1%	3.0%
30	2.7%	2.6%
35	2.4%	1.1%
40	2.1%	0.2%
45	1.7%	0.2%
50	1.1%	0.2%
55	0.7%	0.1%
60	0.2%	0.0%

## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Retirement Rates

Age	General	Public Safety
50	30%	40%
51	25%	40%
52	20%	30%
53	20%	30%
54	20%	30%
55	30%	40%
56	30%	30%
57	25%	30%
58	25%	30%
59	25%	30%
60	30%	40%
61	15%	15%
62	35%	20%
63	15%	15%
64	15%	15%
65	60%	60%
66	30%	30%
67	40%	40%
68	50%	50%
69	90%	70%
70+	100%	100%

## SECTION 8 – Actuarial Assumptions and Funding Methods

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### Termination Rates

Service-related rates for the first five years of employment; age-related rates thereafter.

Age	Years of Service	General	Public Safety
All	0	20.00%	12.00%
	1	15.00%	9.00%
	2	12.00%	8.00%
	3	10.00%	7.00%
	4	8.00%	6.00%
25	5 & Over	6.00%	4.50%
30		6.00%	3.90%
35		5.00%	2.30%
40		3.00%	0.90%
45		2.00%	0.50%
50		2.00%	0.50%
55		1.30%	0.50%
60		1.30%	0.50%

### Disability Rates

Age	General	Public Safety
20	0.039%	0.088%
25	0.039%	0.144%
30	0.039%	0.296%
35	0.039%	0.488%
40	0.101%	0.680%
45	0.133%	0.872%
50	0.246%	1.064%
55	0.447%	1.264%
60+	0.707%	1.464%

### Actuarial Cost Method

Entry Age Normal (Level Percentage of Pay).

# SECTION 9 – Summary of Plan Provisions

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## SECTION 9 – SUMMARY OF PLAN PROVISIONS

### Eligibility

Retirees and spouses of retirees are eligible for coverage. Surviving spouses of deceased retirees are also eligible for coverage.

Employees hired after 2011 are not eligible for coverage.

### Benefits

Medical, prescription drug, dental, and vision benefits are payable for life to eligible participants, subject to plan documents and collective bargaining agreements.

The portion of the benefits payable by the City depends upon the retiree's service credit. The following table is a brief summary of the city contribution for Normal Retirement and Non-Duty Death. For Duty Disability and Duty Death, the city contribution is 100%.

Years of Service at Retirement	<u>City Contribution</u>	
	Retiree	Spouse
10-14	25%	0%
15-19	50%	0%*
20-24	100%	75%
25+	100%	100%

\*25% for Public Safety and Fire Specialists

## APPENDIX 1 – Additional Disclosures for GASB 74

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### APPENDIX 1 – ADDITIONAL DISCLOSURES FOR GASB 74

#### STATEMENT OF FIDUCIARY NET POSITION

June 30, 2025

<u>ASSETS</u>	<u>MARKET VALUE</u>
Total Cash and Investments	3,008,342
Total Assets	3,008,342
<u>LIABILITIES</u>	
Payables:	
Accrued Liabilities	-
Total Liabilities	-
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS	
	3,008,342

## APPENDIX 1 – Additional Disclosures for GASB 74

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STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2025  
Market Value Basis

ADDITIONS

Contributions:

Member Contributions	44,457
Employer Contributions	1,596,270
Total Contributions	1,640,727

Investment Income:

Net appreciation/(depreciation) in fair value of investments	291,998
Less Investment Expense	(2,344)
Net Investment Income	289,654

Total Additions	1,930,381
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DEDUCTIONS

Distributions to Members:

Insurance Premiums	1,396,270
Refunds	-
Consultant Management Fees	-
Administration	16,026
Total Deductions	1,412,296

Net Increase in Net Position	518,085
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NET POSITION RESTRICTED FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS

Beginning of the Year	2,490,257
End of the Year	3,008,342

## APPENDIX 2 – GASB 74/75 Crossover Test

### APPENDIX 2 – GASB 74/75 CROSSOVER TEST

#### Grosse Pointe Woods - GASB Statement 74/75 Crossover Projection

##### Projection of the Plan's Fiduciary Net Position

Based on the June 30, 2025 Measurement Date. 6.85% Asset Return; 3.93% Index Rate

Fiscal Year	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2025	3,008,342	2,322,752	1,483,095	16,156	234,276	4,066,120
2026	4,066,120	2,353,378	1,553,587	16,282	305,364	5,154,992
2027	5,154,992	2,326,059	1,641,542	16,499	375,997	6,199,007
2028	6,199,007	2,296,300	1,729,262	16,620	443,484	7,192,909
2029	7,192,909	2,270,978	1,796,454	16,836	508,390	8,158,986
2030	8,158,986	2,248,610	1,914,164	16,849	569,768	9,046,352
2031	9,046,352	2,212,870	2,031,176	16,956	625,317	9,836,407
2032	9,836,407	2,175,174	2,150,639	17,058	674,050	10,517,934
2033	10,517,934	2,142,178	2,257,706	17,155	715,934	11,101,186
2034	11,101,186	2,119,105	2,322,338	17,133	752,884	11,633,704
2035	11,633,704	2,093,464	2,422,259	17,099	785,062	12,072,872
2036	12,072,872	2,072,335	2,465,647	16,934	812,941	12,475,566
2037	12,475,566	2,055,878	2,492,922	16,751	839,034	12,860,805
2038	12,860,805	2,042,224	2,532,488	16,796	863,598	13,217,343
2039	13,217,343	2,030,776	2,617,229	16,451	884,739	13,499,177
2040	13,499,177	2,019,856	2,614,276	16,470	903,771	13,792,057
2041	13,792,057	2,009,950	2,535,763	16,212	926,192	14,176,224
2042	14,176,224	2,001,177	2,567,163	15,793	951,145	14,545,590
2043	14,545,590	1,992,703	2,590,270	15,625	975,371	14,907,769
2044	14,907,769	1,984,437	2,573,885	15,150	1,000,475	15,303,646
2045	15,303,646	1,975,275	2,477,369	14,937	1,030,591	15,817,206
2046	15,817,206	1,966,023	2,428,563	14,704	1,067,133	16,407,094
2047	16,407,094	1,955,922	2,365,435	14,140	1,109,376	17,092,818
2048	17,092,818	1,944,861	2,368,183	13,856	1,155,885	17,811,525
2049	17,811,525	1,932,187	2,299,554	13,386	1,207,049	18,637,820
2050	18,637,820	1,916,686	2,289,757	13,052	1,263,466	19,515,164
2051	19,515,164	1,897,189	2,278,099	12,692	1,323,308	20,444,870
2052	20,444,870	1,869,078	2,262,169	12,306	1,386,589	21,426,062
2053	21,426,062	1,815,328	2,244,778	11,893	1,452,569	22,437,289
2054	22,437,289	0	2,224,688	11,451	1,460,366	21,661,516
2055	21,661,516	0	2,201,853	11,170	1,408,018	20,856,511
2056	20,856,511	0	2,176,305	10,673	1,353,767	20,023,300
2057	20,023,300	0	2,147,893	10,144	1,297,683	19,162,947
2058	19,162,947	0	2,116,389	9,786	1,239,840	18,276,612
2059	18,276,612	220	2,081,502	9,404	1,180,342	17,366,268
2060	17,366,268	11,086	2,042,847	8,996	1,119,693	16,445,205

## APPENDIX 2 – GASB 74/75 Crossover Test

Fiscal Year	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2061	16,445,205	10,169	2,000,041	8,343	1,058,058	15,505,048
2062	15,505,048	9,414	1,952,536	8,101	995,266	14,549,091
2063	14,549,091	9,107	1,899,858	7,612	931,594	13,582,322
2064	13,582,322	8,514	1,841,596	7,093	867,363	12,609,510
2065	12,609,510	7,899	1,777,465	6,786	802,911	11,636,070
2066	11,636,070	7,524	1,707,186	6,210	738,645	10,668,843
2067	10,668,843	6,848	1,630,676	5,856	674,999	9,714,158
2068	9,714,158	6,433	1,548,156	5,480	612,428	8,779,383
2069	8,779,383	5,988	1,459,897	5,082	551,417	7,871,809
2070	7,871,809	5,526	1,366,475	4,661	492,447	6,998,645
2071	6,998,645	5,041	1,268,650	4,216	435,984	6,166,805
2072	6,166,805	4,537	1,167,435	3,745	382,469	5,382,631
2073	5,382,631	4,009	1,064,248	3,248	332,286	4,651,430
2074	4,651,430	3,459	960,538	3,026	285,739	3,977,064
2075	3,977,064	3,221	857,811	2,482	243,074	3,363,066
2076	3,363,066	2,615	757,600	2,226	204,436	2,810,290
2077	2,810,290	2,348	661,326	1,956	169,868	2,319,225
2078	2,319,225	2,054	570,158	1,336	139,364	1,889,148
2079	1,889,148	1,382	485,161	1,370	112,790	1,516,789
2080	1,516,789	1,444	407,024	1,053	89,973	1,200,130
2081	1,200,130	1,096	336,376	720	70,701	934,831
2082	934,831	742	273,579	737	54,666	715,922
2083	715,922	780	218,733	378	41,563	539,154
2084	539,154	385	171,765	387	31,049	398,435
2085	398,435	413	132,360	397	22,760	288,851
2086	288,851	425	99,992	407	16,362	205,239
2087	205,239	438	73,993	0	11,540	143,224
2088	143,224	0	53,585	0	7,976	97,614
2089	97,614	0	37,941	0	5,387	65,060
2090	65,060	0	26,242	0	3,558	42,376
2091	42,376	0	17,715	0	2,296	26,957
2092	26,957	2	11,666	0	1,447	16,740
2093	16,740	2	7,489	0	890	10,143
2094	10,143	2	4,683	0	534	5,997
2095	5,997	3	2,850	0	313	3,462
2096	3,462	0	1,691	0	179	1,951
2097	1,951	0	977	0	100	1,074
2098	1,074	1	551	0	55	579
2099	579	0	304	0	29	304
2100	304	1	163	0	15	157

## APPENDIX 2 – GASB 74/75 Crossover Test

Fiscal Year	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2101	157	0	86	0	8	79
2102	79	0	45	0	4	38
2103	38	0	23	0	2	17
2104	17	0	11	0	1	7
2105	7	0	5	0	0	2
2106	2	1	2	0	0	1
2107	1	0	1	0	0	0
2108	0	0	0	0	0	0
2109	0	0	0	0	0	0

## Cit<sup>o</sup> of Grosse Pointe Woods, Michigan

### Required Supplementary Information Schedule of Changes in the Net OPEB Liability and Related Ratios

#### Last Eight Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>								
Service cost	\$ 264,712	\$ 280,060	\$ 270,591	\$ 512,420	\$ 431,244	\$ 416,661	\$ 448,946	\$ 1,861,554
Interest	1,903,657	1,869,245	1,814,809	2,617,900	2,527,585	2,428,098	2,426,171	1,973,036
Differences between expected and actual experience	(212,192)	(33,675)	(377,814)	(990,445)	(288,910)	(551,667)	(1,375,107)	(3,809,187)
Changes in assumptions						290,589	(1,046,230)	(25,133,680)
Benefit payments, including refunds	(1,396,270)	(1,375,571)	(1,227,234)	(1,479,212)	(1,443,135)	(1,351,986)	(1,507,028)	(1,578,411)
<b>Net Change in Total OPEB Liability</b>	772,099	527,867	858,166	282,849	1,226,784	1,231,695	(1,053,248)	(26,686,688)
<b>Total OPEB Liability - Beginning of year</b>	28,212,457	27,684,590	26,826,424	26,543,575	36,386,477	35,154,782	36,208,030	62,894,718
<b>Total OPEB Liability - End of year</b>	\$ 28,984,556	\$ 28,212,457	\$ 27,684,590	\$ 26,826,424	\$ 37,613,261	\$ 36,386,477	\$ 35,154,782	\$ 36,208,030
<b>Plan Fiduciary Net Position</b>								
Contributions - Employer	\$ 1,596,270	\$ 1,575,571	\$ 1,427,234	\$ 1,679,212	\$ 1,643,135	\$ 1,401,986	\$ 1,557,027	\$ 1,628,411
Contributions - Active and inactive plan members not yet receiving benefits	44,457	49,619	51,075	57,134	59,723	58,919	54,911	63,942
Net investment income (loss)	289,653	238,754	180,863	(260,670)	323,547	29,551	56,866	4,590
Administrative expenses	(16,024)	(11,160)						
Benefit payments, including refunds	(1,396,270)	(1,375,571)	(1,227,234)	(1,479,212)	(1,443,135)	(1,351,986)	(1,507,028)	(1,578,411)
<b>Net Change in Plan Fiduciary Net Position</b>	518,086	477,213	431,938	(3,536)	583,270	138,470	161,776	118,532
<b>Plan Fiduciary Net Position - Beginning of year</b>	2,490,257	2,013,044	1,581,106	1,584,642	1,001,372	862,902	701,126	582,594
<b>Plan Fiduciary Net Position - End of year</b>	\$ 3,008,343	\$ 2,490,257	\$ 2,013,044	\$ 1,581,106	\$ 1,584,642	\$ 1,001,372	\$ 862,902	\$ 701,126
<b>Net OPEB Liability - Ending</b>	\$ 25,976,213	\$ 25,722,200	\$ 25,671,546	\$ 25,245,318	\$ 36,028,619	\$ 35,385,105	\$ 34,291,880	\$ 35,506,904
<b>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</b>	10.38 %	<b>8.83 %</b>	7.27 %	5.89 %	4.21 %	2.75 %	2.45 %	1.94 %
<b>Covered Payroll</b>	\$ 2,863,132	\$ 2,766,311	\$ 3,135,333	\$ 3,029,307	\$ 3,361,323	\$ 3,247,655	\$ 3,618,888	\$ 3,333,571
<b>Net OPEB Liability as a Percentage of Covered Payroll</b>	907.27 %	929.84 %	818.78 %	833.37 %	1,071.86 %	1,089.56 %	947.58 %	1,065.13 %

See note to required supplementary information.

## City of Grosse Pointe Woods, Michigan

### Schedule of Changes 11

### Required Supplementary Information 3 Liability and Related Ratios (Continued)

#### Last Eight Fiscal Years

The required supplementary information is intended to show information for 10 years, and additional years' information will be displayed as it becomes available.

##### ***Restatement***

The total OPEB liability as of the beginning of the year ended June 30, 2022 was restated as the result of an error in prior periods. The net OPEB liability had been overstated as a result of including deferred retirees in the calculation who were ineligible for the benefit, as well as using the incorrect benefits for certain participants in the plan. The effect of the restatement was to decrease the total OPEB liability by \$11,069,686 as of the beginning of the year.

##### ***Assumption Changes***

**2018:** Changed the mortality assumptions to the RP-2014 fully generational mortality using projection scale MP-2017 for health care trend rate to 6.0 percent, graded down to 5.0 percent in 0.1 percent increments; and the long-term rate of return and the discount rate from 3.50 percent to 6.80 percent due to a change in investment portfolio.

**2019:** Changed the long-term rate of return and the discount rate to 7.00 percent

**2020:** Changed the mortality table to the Pub-2010 Mortality Table with MP-2018 improvement scale

**2021:** Changed the mortality table to the Pub-2010 Mortality Table with MP-2019 improvement scale

**2022:** Changed the mortality table to the Pub-2010 Mortality Table with MP-2020 improvement scale and changed the discount rate to 6.85 percent

**2023:** No changes

**2024:** Changes in assumptions are related to updated expected per capita claims costs and ensured alignment with the 2023 pension experience study (retirement rates, termination rates, and disability rates).

**2025:** No changes

See note to required supplementary information.

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## City of Grosse Pointe Woods, Michigan

## Required Supplementary Information Schedule of OPEB Contributions

	Last Ten Fiscal Years Years Ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 2,277,169	\$ 2,257,667	\$ 2,260,062	\$ 2,227,338	\$ 3,509,525	\$ 3,125,991	\$ 3,125,991	\$ 3,083,916	\$ 3,230,383	\$ 3,767,017
Contributions in relation to the actuarially determined contribution	1,596,270	1,575,571	1,427,234	1,679,212	1,643,135	1,401,986	1,557,027	1,628,411	1,472,713	1,675,660
<b>Contribution Deficiency</b>	<b>\$ (680,899)</b>	<b>\$ (682,096)</b>	<b>\$ (832,828)</b>	<b>\$ (548,126)</b>	<b>\$ (1,866,390)</b>	<b>\$ (1,724,005)</b>	<b>\$ (1,568,964)</b>	<b>\$ (1,455,505)</b>	<b>\$ (1,757,670)</b>	<b>\$ (2,091,357)</b>
<b>Covered Payroll</b>	<b>\$ 2,863,132</b>	<b>\$ 2,766,311</b>	<b>\$ 3,135,333</b>	<b>\$ 3,029,307</b>	<b>\$ 3,361,323</b>	<b>\$ 3,247,655</b>	<b>\$ 3,618,888</b>	<b>\$ 3,333,571</b>	<b>\$ 4,493,845</b>	<b>\$ 4,592,000</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>55.75 %</b>	<b>56.96 %</b>	<b>45.52 %</b>	<b>55.43 %</b>	<b>48.88 %</b>	<b>43.17 %</b>	<b>43.03 %</b>	<b>48.85 %</b>	<b>32.77 %</b>	<b>36.49 %</b>

## Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of June 30, one to two years prior to the end of the fiscal year in which the contributions are reported. Covered payroll is as of June 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Remaining amortization period	30 years
Asset valuation method	Market
Health care cost trend rates	6.0 percent, graded down to 5.0 percent in 0.1 percent increments
Investment rate of return	6.85 percent
Mortality	Pub-2010 Mortality Table with MP-2021

City of Grosse Pointe Woods, Michigan

Required Supplementary Information  
Schedule of OPEB Investment Returns

	<b>Last Eight Fiscal Years Years Ended June 30</b>							
	2025	2024	2023	2022	2021	2020	2019	2018
Annual money-weighted rate of return - Net of investment expense	11.36 %	8.78 %	809 %	(15.20)%	24.76 %	3.10 %	6.68 %	0.68 %



# COMPOSITE PERFORMANCE REVIEW

Report for Periods Ending December 31, 2025

## The City of Grosse Pointe Woods Health Care Trust



*Presented by:*

Jeffrey A. Davis, CFA, CAIA  
Senior Vice President

Andrew Manley  
Senior Institutional Portfolio Analyst



# The City of Grosse Pointe Woods Health Care Trust

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## FOURTH QUARTER 2025 MARKET SUMMARY

*Global markets delivered broadly positive results, supported by easing financial conditions, resilient economic data, and sustained enthusiasm for artificial intelligence-related investment themes. U.S. equity investors digested elevated valuations and year-end volatility without a deterioration in earnings fundamentals. International developed equities posted solid gains, aided by monetary easing in Europe and reflationary expectations in Japan, while emerging markets benefited from continued demand for AI-related semiconductors.*

*Fixed income gained as the Federal Reserve delivered expected rate cuts and the yield curve continued to normalize. Real estate performance remained mixed, with U.S. REITs lagging global peers amid comparatively tighter financial conditions. Hedge funds and other diversifying strategies generated solid performance amid shifting risk sentiment and heightened geopolitical uncertainty.*

## ECONOMIC AND MARKET INSIGHTS

- Despite headlines about Maduro's capture and U.S. moves to control Venezuelan oil, global crude prices have shown only modest sensitivity so far; structural factors like Venezuela's collapsed production and significant sanctions and disruption in exports constrain market effects. Uncertainty may elevate price volatility, but the market remains structurally oversupplied, driven in part by OPEC+ production increases throughout 2025.
- Venezuela's oil infrastructure remains deeply degraded, and while U.S. refiners are capable of processing Venezuelan heavy crude, production growth is constrained by the chronic underinvestment. Significant Western investment is unlikely without durable sanctions relief, credible governance reforms, and enforceable legal protections, indicating that any meaningful increase in output is probably years away.

### OIL MARKETS REMAIN OVERSUPPLIED AS VENEZUELA DEVELOPMENTS HAVE LIMITED PRICE EFFECT

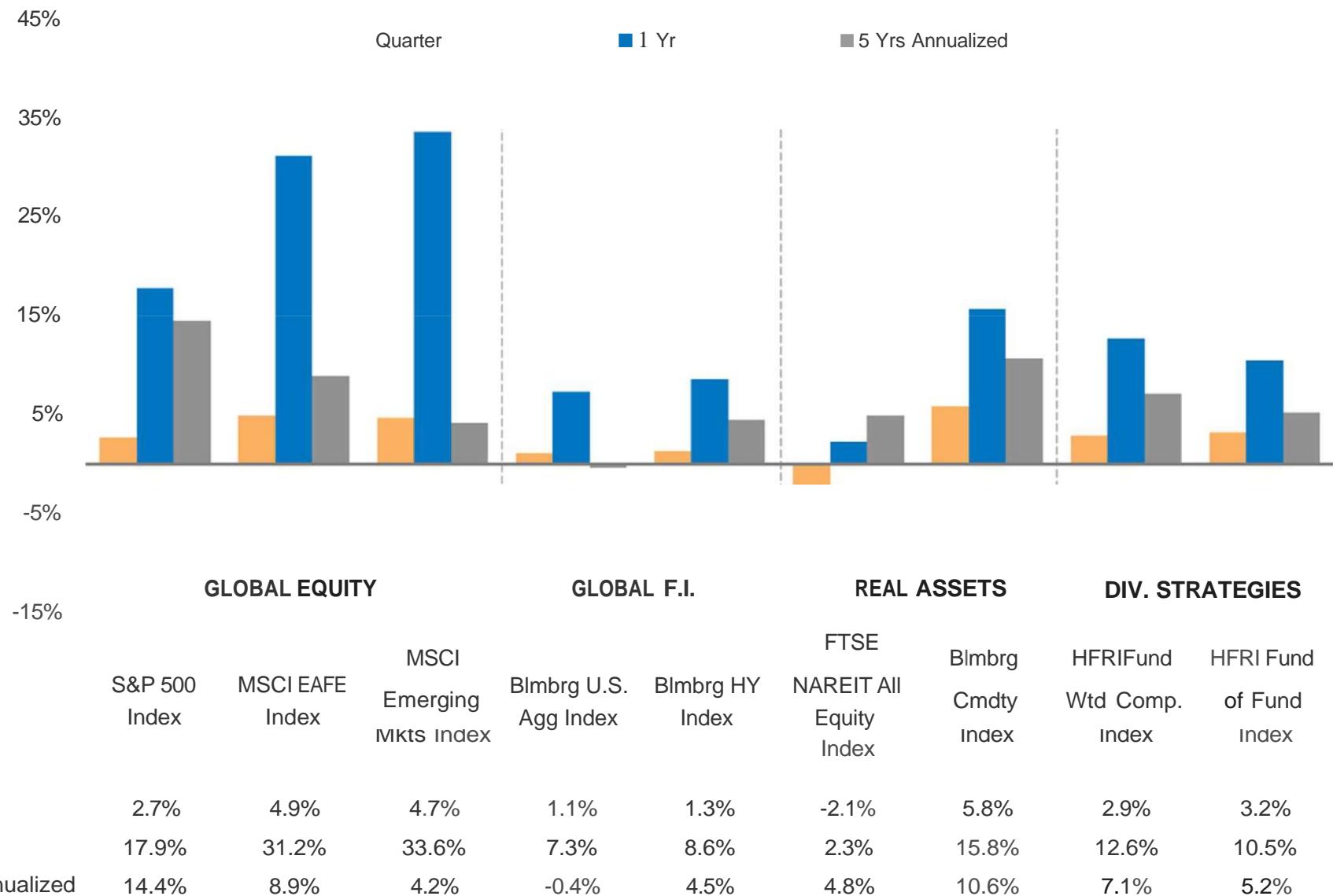
Crude Oil WTI (NYM \$/bbl) Continuous



Data source: FactSet

# MARKET RETURNS

## MAJOR ASSET CLASS RETURNS

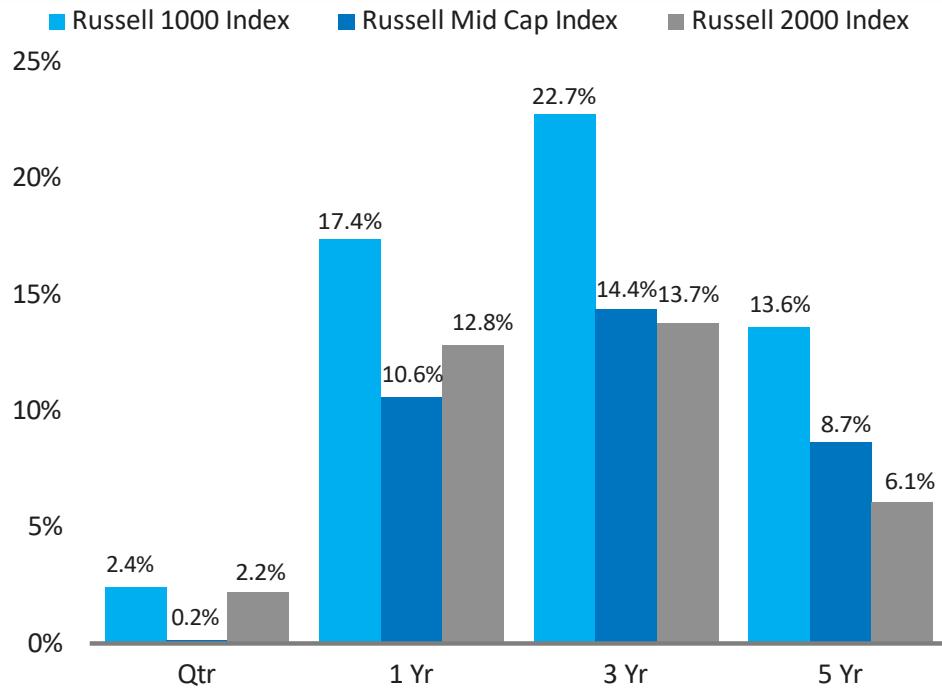


Data sources: Lipper and Hedge Fund Research, data as of the fifth business day following quarter-end

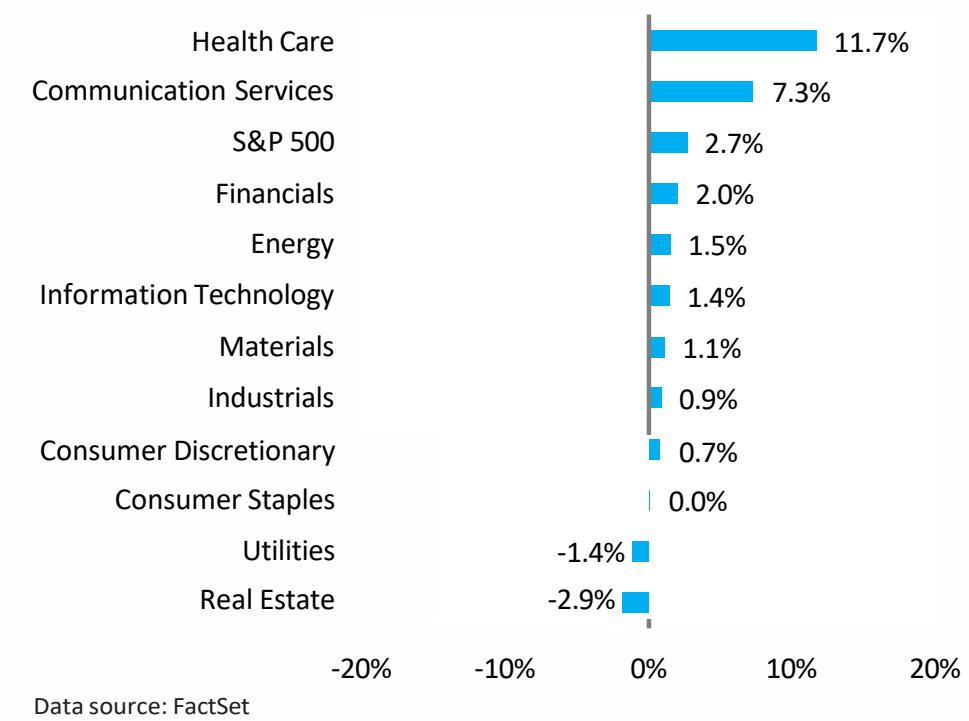
# GLOBAL EQUITY, U.S.

- U.S. equities delivered steady gains, with leadership remaining concentrated in large cap technology, notably Google and Nvidia. While year-end volatility emerged amid profit-taking, it reflected stretched valuations and elevated positioning rather than deterioration in earnings fundamentals. As investor concerns about valuation levels, capital expenditures, and the durability of technology earnings increased, early signs of sector broadening appeared, with capital rotating toward select cyclical and defensive areas.
- Health care rebounded strongly as investors' demand for this long-lagging defensive sector increased, supported by improved sentiment, strong biotech performance, increased merger and acquisition activity, and evolving policy expectations. The performance of communication services was primarily driven by Google following the positive reception of its Gemini 3 AI model. At the same time, financials benefited from favorable market reactions to the December rate cut and expectations for additional monetary easing in 2026.

## LARGE CAP, MID CAP, AND SMALL CAP



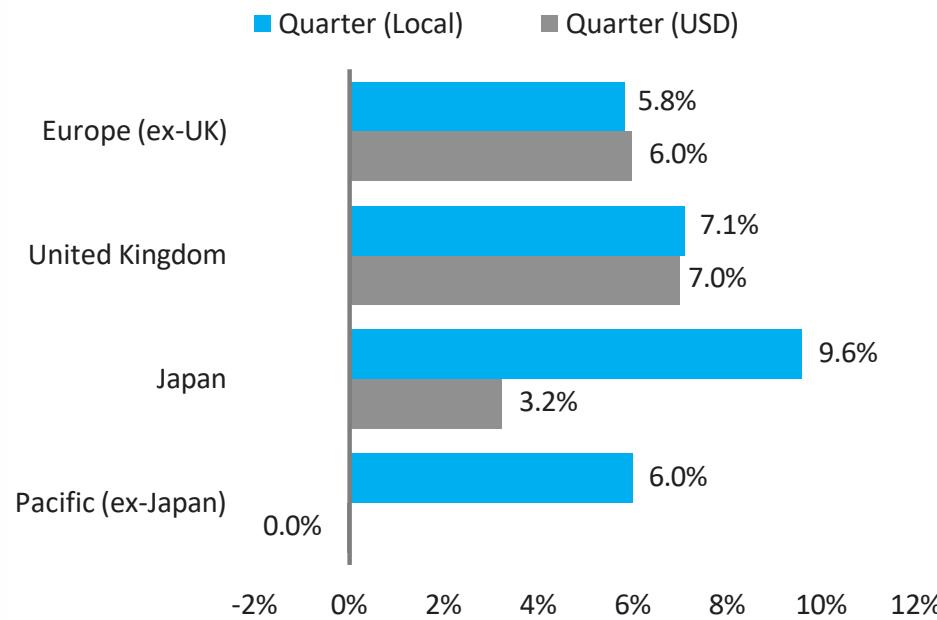
## S&P 500 SECTOR PERFORMANCE



# GLOBAL EQUITY, NON-U.S.

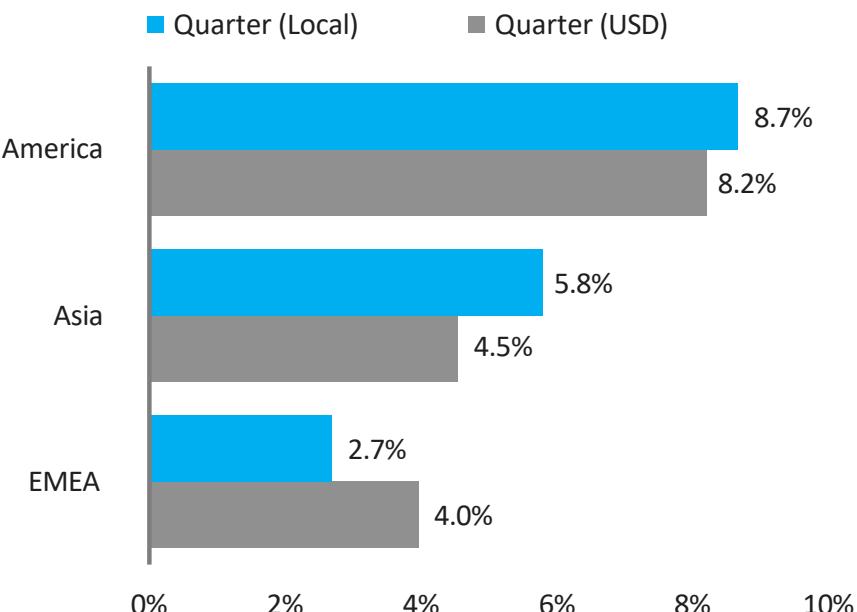
- International developed equities delivered strong performance, supported by easing global financial conditions following interest rate cuts across European markets throughout the year. While economic conditions in Europe remained mixed amid ongoing concerns around Germany's economic contraction, resilience in business activity and labor markets helped support investor confidence. Sentiment was further increased by expectations for continued reflation, alongside signs of proactive fiscal stimulus measures in Japan, which contributed to improved performance in Japanese equities.
- Emerging markets, particularly across Asia, continued to benefit from the structural tailwinds of the artificial intelligence theme. South Korea and Taiwan were among the strongest-performing markets, driven by sustained global demand for AI-related memory and semiconductor technologies, reflecting their critical roles within the global AI supply chain. In contrast, China reversed part of its earlier gains amid softer macroeconomic data and ongoing concerns about the property sector. Elsewhere, cooling inflation and supportive policy expectations in Latin America helped underpin regional equity performance.

## 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

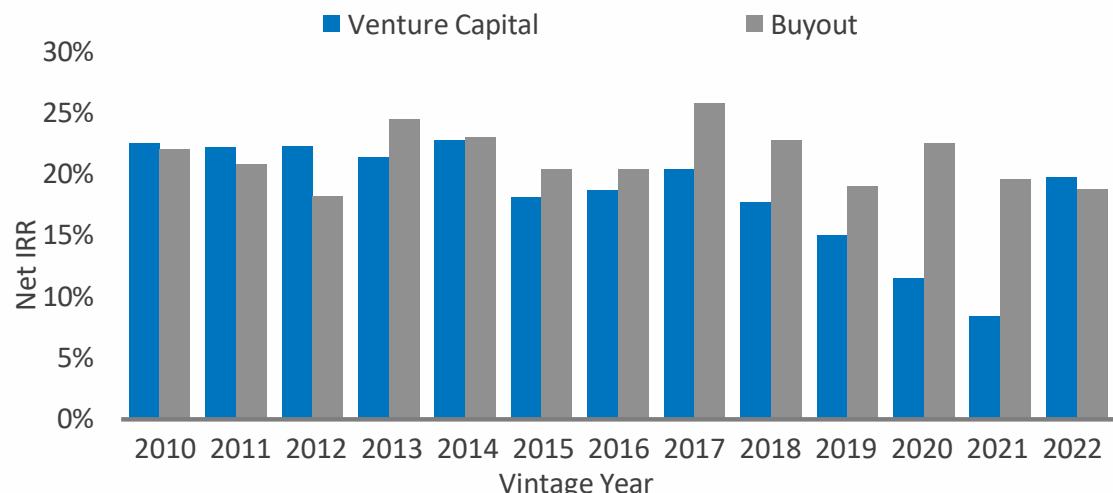
# GLOBAL EQUITY, PRIVATE

- Private equity reports performance on a lag; the latest data available is through September 30, 2025, unless otherwise noted.
- Venture capital (VC) activity slowed with fewer mega-rounds, though AI dominated big deals. Smaller rounds fell, and fundraising remained weak, but valuations rose on AI momentum. VC exits modestly recovered as initial public offering activity rebounded slightly with AI, defense tech, fintech, and crypto listings, but most IPOs priced below prior private valuations.
- Buyout activity held steady in volume but dipped in value, led by add-ons and a few large deals. Fundraising was strong for mega-funds but tougher for mid-market funds. Valuations remained stable for top assets, and exits improved with renewed public and corporate activity.
- Secondary deals persisted, with limited partner-led sales rising for liquidity and general partner-led continuation funds gaining traction. Per Jefferies, continuation vehicle exits have accounted for nearly 20% of all sponsor-backed exit volume year-to-date in 2025.<sup>1</sup>

<sup>1</sup> H1 2025 Global Secondary Market Review, Jefferies

## MEDIAN VENTURE CAPITAL AND BUYOUT VINTAGE YEAR IRR

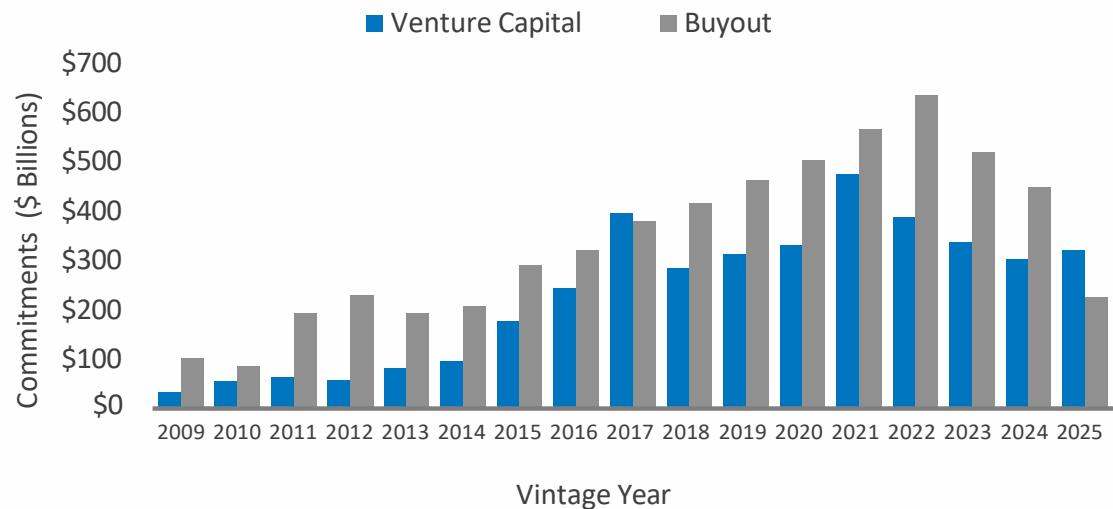
As of September 30, 2025



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

## VENTURE CAPITAL AND BUYOUT FUNDRAISING ACTIVITY

As of December 31, 2025

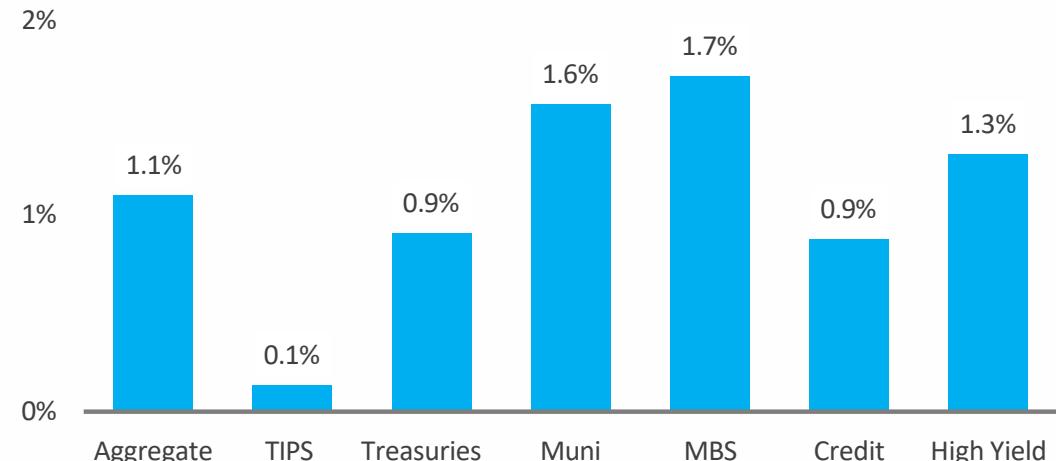


Data source: Pitchbook

# GLOBAL FIXED INCOME

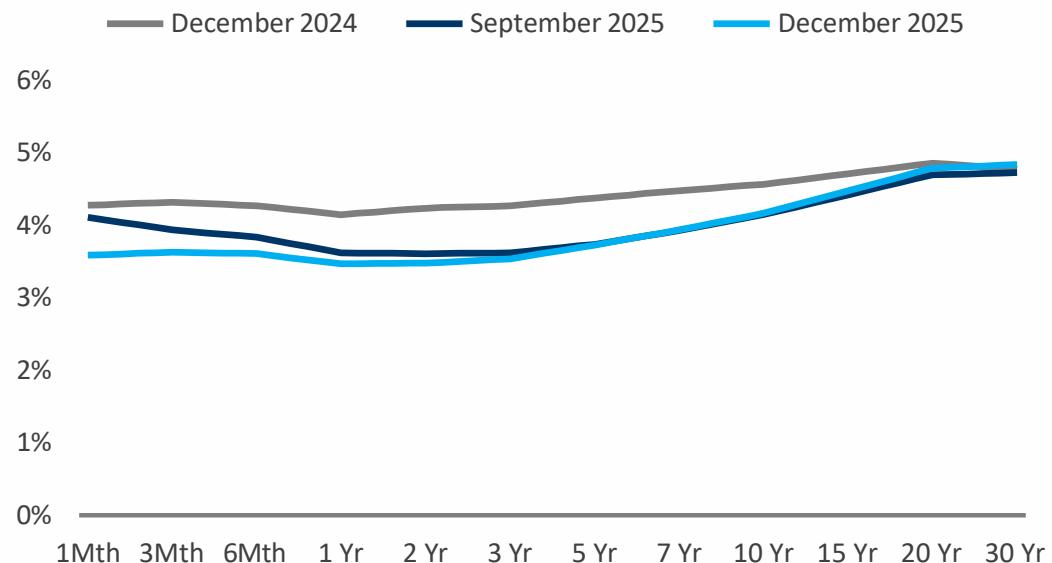
- The 10-year Treasury ended the quarter modestly higher after the Fed delivered on expected rate cuts in October and December. Markets are pricing in roughly two additional cuts for 2026, potentially marking the end of the Fed's cutting cycle.
- With a pause in economic data due to the government shutdown, the 10-year Treasury generally traded between 4% and 4.2%, exhibiting lower volatility than in prior quarters.
- Corporate spreads remained relatively flat, with slight widening in November and subsequent tightening in December, broadly following the path of equities. Strong investor demand continued as corporate fundamentals remained attractive, with moderate leverage and interest coverage ratios.
- The yield curve steepened 15 basis points (bps) during the quarter, driven almost entirely by a fall in the 2-year Treasury. This was a continued step toward curve normalization, with the year-end 2s/10s spread of 71 basis points approaching historical averages.

## BLOOMBERG U.S. FIXED INCOME INDEX RETURNS



Data source: FactSet

## U.S. TREASURY YIELD CURVE

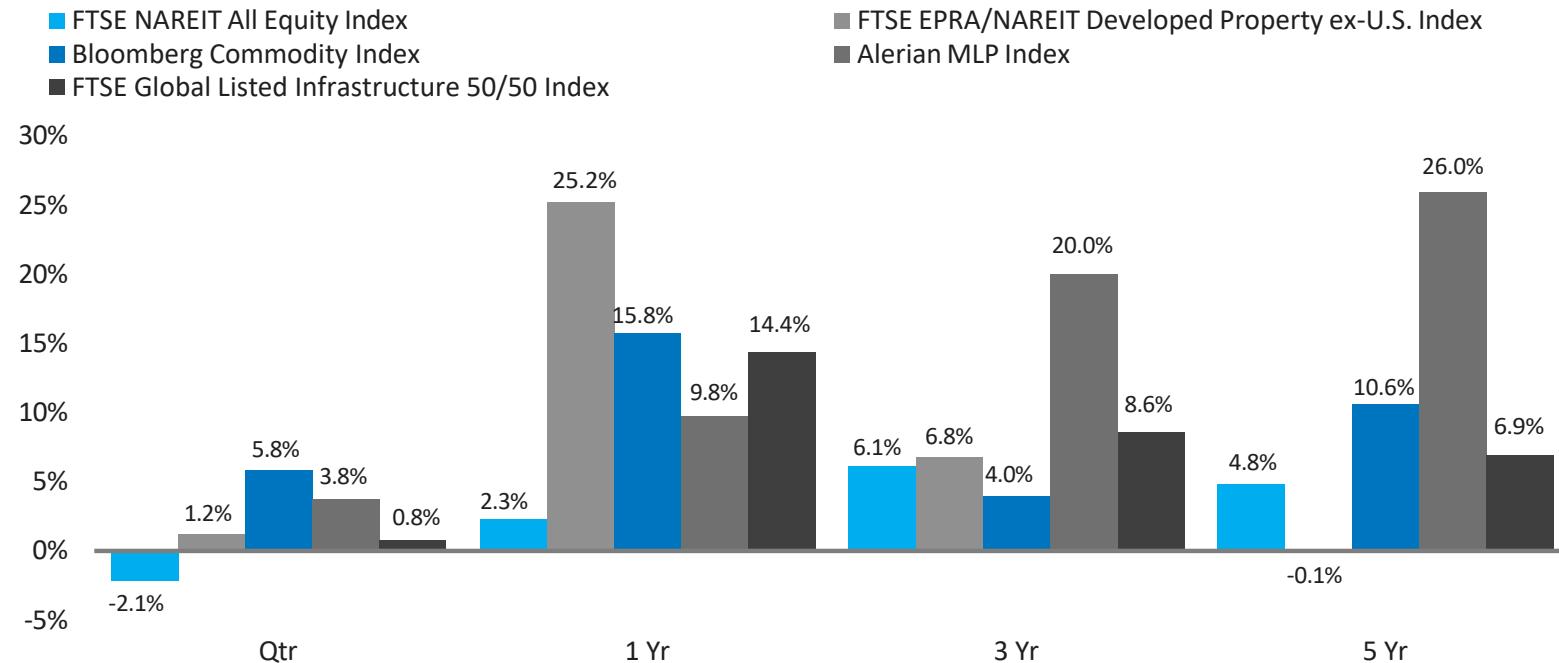


Data source: FactSet

# REAL ASSETS

- U.S. Real Estate Investment Trusts (REITs) underperformed global developed property markets, extending the divergence observed throughout 2025. Performance continued to be pressured by a weaker U.S. dollar and comparatively less supportive monetary conditions. At the same time, property markets in Europe and parts of Asia benefited from more accommodative interest rate environments, posting strong returns in 2025.
- Global listed infrastructure stocks closed the year slightly positive to finish a strong year, led by performance in Europe and the Asia Pacific region. Transportation stocks were the top-performing segment, supported by strength across marine ports, toll roads, and airports. Energy transmission and distribution also advanced, benefiting from growth in AI-related demand.
- Oil prices faced downside pressure in 2025 as continued OPEC+ production increases outweighed several notable geopolitical events, including Middle East tensions and political developments in Venezuela. Natural gas prices were particularly volatile, with December seeing the Henry Hub Natural Gas Continuous contract fall roughly \$2/mmbtu, driven by warmer near-term winter forecasts that reduced expected heating demand.

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

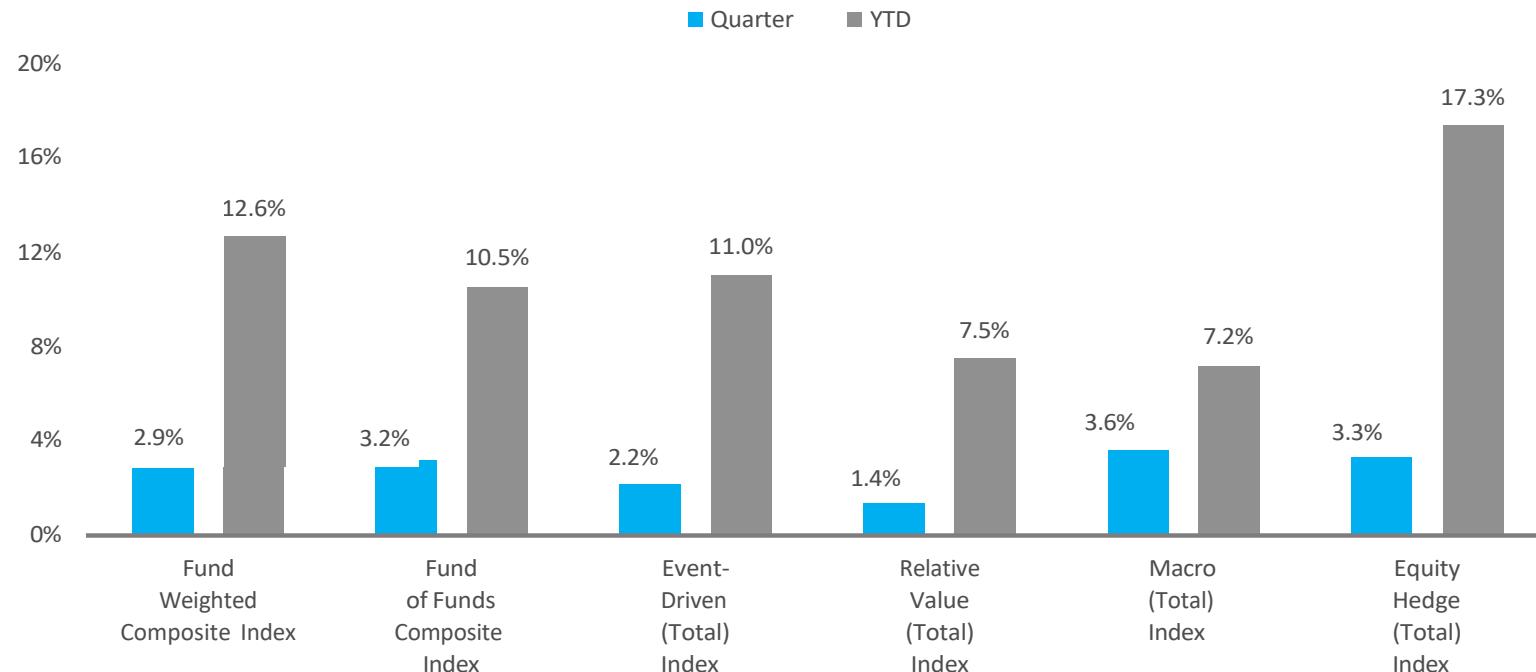


Data sources: NAREIT, FactSet, and Alerian

# DIVERSIFYING STRATEGIES, HEDGE FUNDS

- Hedge funds posted strong returns, navigating shifting risk sentiment amid AI-driven market dynamics, and interest-rate uncertainty.
- Macro strategies delivered the highest performance, supported by both discretionary and systematic managers. Gains were driven by strong positioning in commodities and currencies, particularly as geopolitical risks escalated.
- Equity hedge strategies also performed well, led by a surge in healthcare-focused funds, with energy and basic metals managers also contributing. Technology-oriented funds posted the lowest gains, while quantitative strategies posted slight losses.
- Event-driven strategies generated positive results, with activists leading performance, followed by credit arbitrage, distressed, and merger arbitrage approaches.
- Relative value funds posted broad-based gains, driven primarily by fixed income and rates trading, with additional contributions from convertibles and volatility strategies.

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



Data source: Hedge Fund Research

# The City of Grosse Pointe Woods Health Care Trust

## Summary of Investment Performance

Report for Periods Ending December 31, 2025

	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Annualized		Market Value	
							Since Inception	Date		
<b>Total Composite</b>		<b>2.1%</b>	<b>8.0%</b>	<b>14.7%</b>	<b>13.0%</b>	<b>6.7%</b>	<b>9.8%</b>	<b>8.7%</b>	5/16	\$3,306,003
70/30 Index <sup>1</sup>		2.6	8.7	17.7	15.7	7.7	10.5	9.1		
<b>Domestic Equity</b>										
<b>Schwab U.S. Large Cap ETF</b>	<b>2.3</b>	<b>10.6</b>	<b>17.4</b>	<b>23.0</b>	<b>13.7</b>	<b>17.1</b>	<b>14.9</b>	5/16	690,564	
DJ U.S. LC Total Stock Market Index	2.4	10.6	17.4	23.0	13.7	17.1	15.0			
<b>Invesco S&amp;P 500 Equity Weighted Index</b>	<b>3.5</b>	<b>9.0</b>	<b>14.4</b>	-	-	-	<b>9.8</b>	8/24	153,248	
S&P 500 Equal Weighted Index	1.4	6.3	11.4	-	-	-	8.8			
<b>Schwab U.S. Mid Cap ETF</b>	<b>1.8</b>	<b>8.1</b>	<b>10.2</b>	<b>12.9</b>	<b>7.3</b>	<b>11.1</b>	<b>9.9</b>	5/16	457,094	
DJ U.S. MC Total Stock Market Index	1.8	8.1	10.2	12.9	7.3	11.1	9.9			
<b>Small Cap Equity</b>										
<b>Vanguard S&amp;P Small Cap 600 Index</b>	<b>1.7</b>	<b>11.0</b>	<b>6.0</b>	<b>10.1</b>	<b>7.2</b>	-	<b>9.4</b>	8/19	305,806	
S&P SmallCap 600 Index	1.7	11.0	6.0	10.2	7.3	-	9.4			
<b>International Equity</b>										
<b>Schwab International Equity ETF</b>	<b>6.3</b>	<b>12.4</b>	<b>34.5</b>	<b>18.1</b>	<b>9.3</b>	<b>11.1</b>	<b>9.2</b>	5/16	454,452	
FTSE Developed ex U.S. Index	6.3	12.4	34.2	17.8	9.1	11.0	9.0			
<b>Schwab Emerging Markets ETF</b>	<b>1.7</b>	<b>12.5</b>	<b>25.9</b>	<b>14.9</b>	<b>4.5</b>	<b>8.0</b>	<b>8.3</b>	5/16	257,219	
FTSE All Emerging Index	1.9	12.7	26.5	15.9	5.3	8.8	9.0			
<b>Fixed Income</b>										
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>1.0</b>	<b>3.0</b>	<b>7.2</b>	<b>4.6</b>	<b>-0.4</b>	<b>1.9</b>	<b>1.7</b>	5/16	615,332	
Bloomberg U.S. Aggregate Index	1.1	3.2	7.3	4.7	-0.4	2.0	1.7			
<b>Schwab U.S. TIPS ETF</b>	<b>0.0</b>	<b>2.1</b>	<b>6.9</b>	<b>4.2</b>	<b>1.1</b>	<b>3.4</b>	<b>2.7</b>	5/16	320,423	
Bloomberg U.S. TIPS Index	0.1	2.2	7.0	4.2	1.1	3.5	2.8			

# The City of Grosse Pointe Woods Health Care Trust

## Summary of Investment Performance

Report for Periods Ending December 31, 2025

### **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 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**

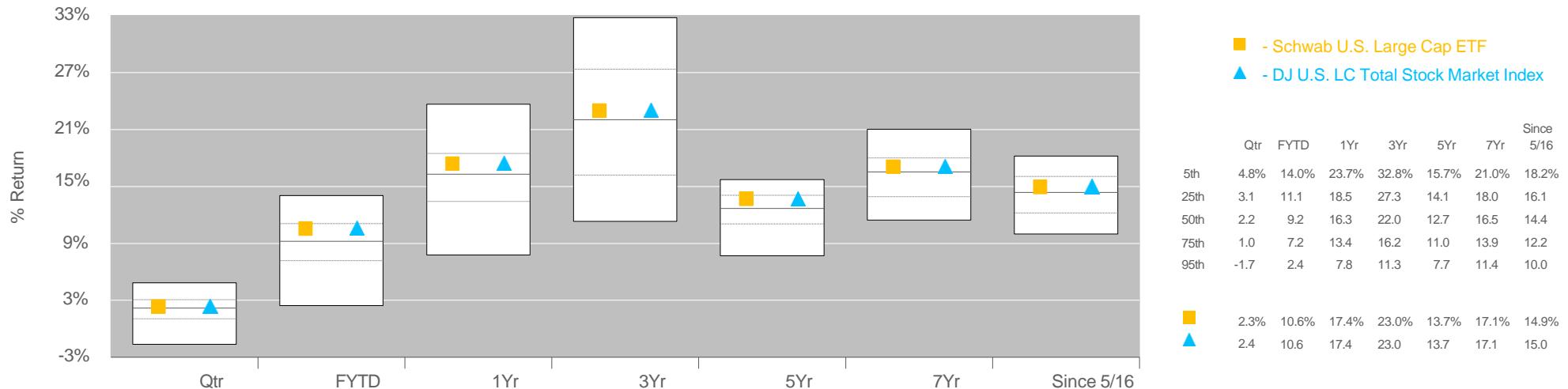
Asset Class		Current Weight	Target Weight	Target Range	
Large Cap Equity		25.9%	25.0%	5.0% - 35.0%	
Mid Cap Equity		14.0%	15.0%	0.0% - 30.0%	
Small Cap Equity		9.4%	10.0%	5.0% - 30.0%	
International Equity		14.0%	15.0%	5.0% - 25.0%	
Emerging Markets		7.9%	5.0%	0.0% - 10.0%	
Fixed Income		28.8%	30.0%	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	Invesco S&P 500 Equity Weighted Index	100.0%	0.0%	\$153,248	4.7%
Large Cap Equity - Broad	Schwab U.S. Large Cap ETF	100.0%	0.0%	\$690,564	21.2%
Mid Cap Equity - Broad	Schwab U.S. Mid Cap ETF	100.0%	0.0%	\$457,094	14.0%
Small Cap Equity - Broad	Vanguard S&P Small Cap 600 Index	100.0%	0.0%	\$305,806	9.4%
International Equity - Core	Schwab International Equity ETF	100.0%	0.0%	\$454,452	14.0%
Emerging Markets - Core	Schwab Emerging Markets ETF	100.0%	0.0%	\$257,219	7.9%
Fixed Income - Core	Schwab U.S. Aggregate Bond ETF	100.0%	0.0%	\$615,332	18.9%
Fixed Income - TIPS	Schwab U.S. TIPS ETF	100.0%	0.0%	\$320,423	9.8%
<b>Sub-Total</b>				<b>\$3,254,138</b>	<b>100.0%</b>
Cash - Cash	Cash			\$51,865	
<b>Total</b>				<b>\$3,306,003</b>	

# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. Large Cap ETF

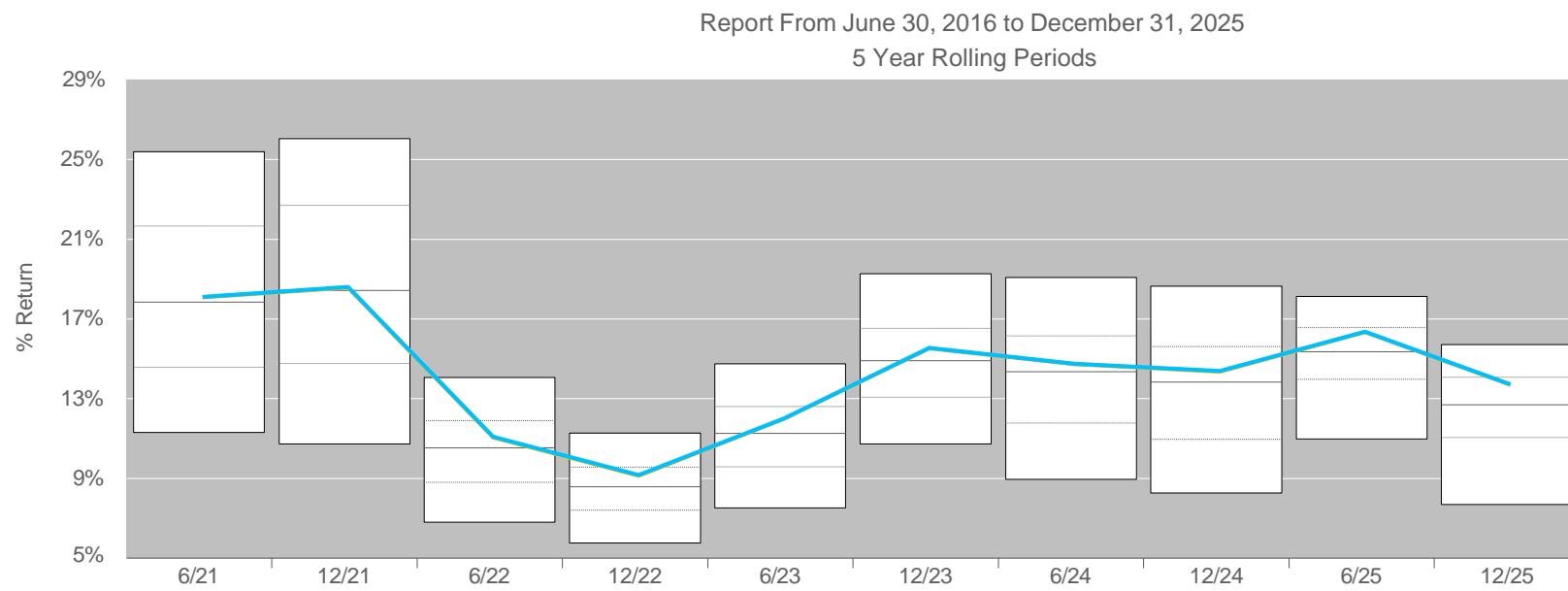
### Broad Large Cap Universe

For Report Periods Ending December 31, 2025

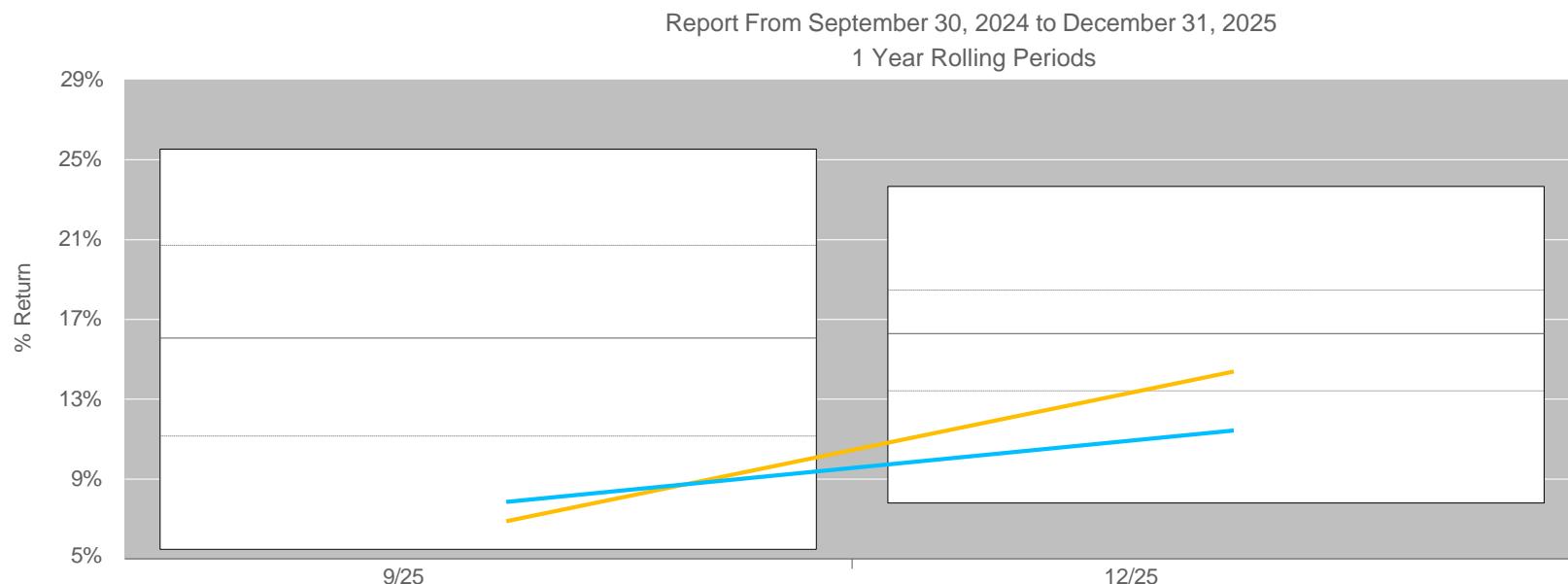
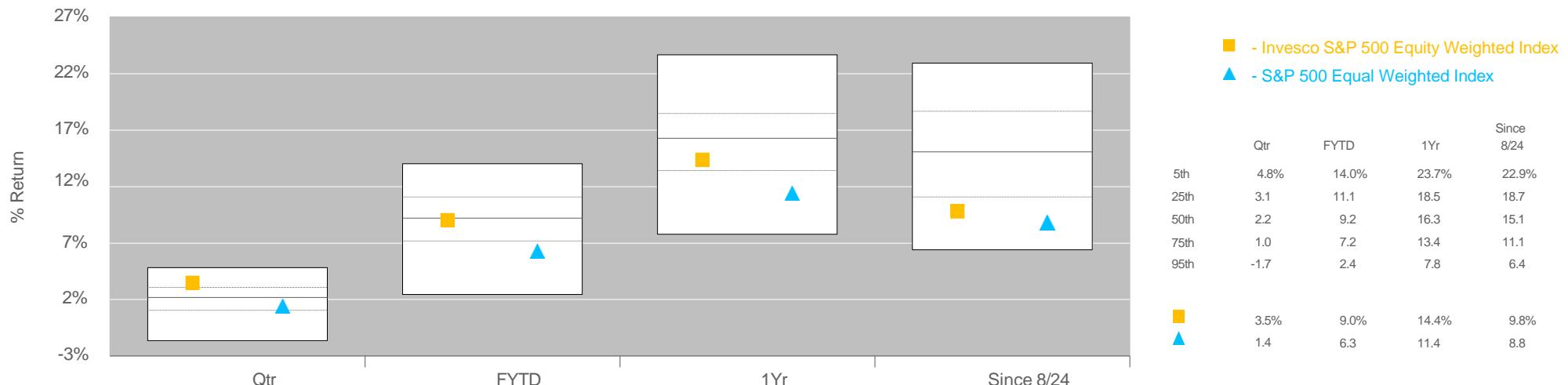


■ - Schwab U.S. Large Cap ETF  
 ▲ - DJ U.S. LC Total Stock Market Index

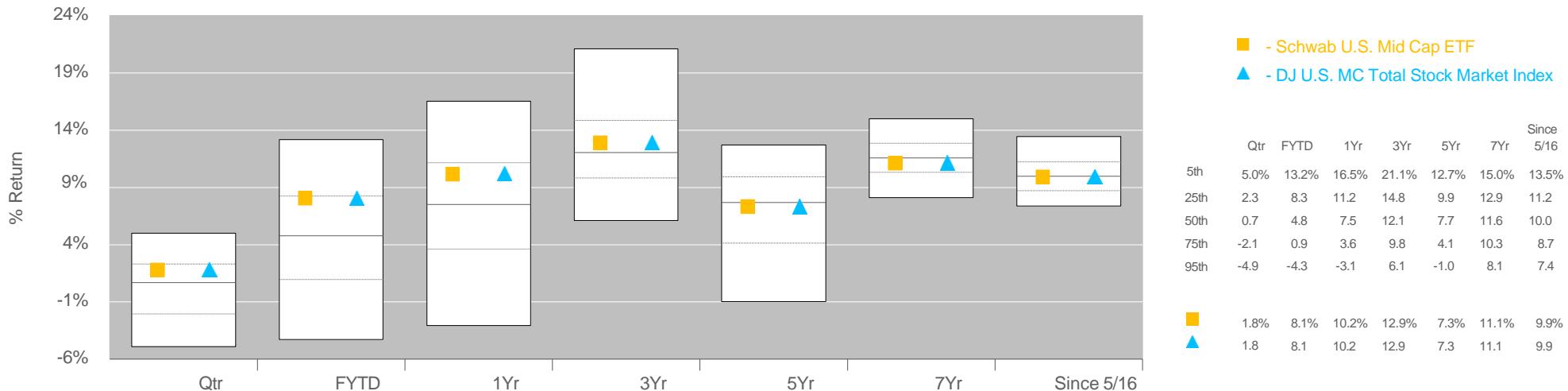
	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Since 5/16
5th	4.8%	14.0%	23.7%	32.8%	15.7%	21.0%	18.2%
25th	3.1	11.1	18.5	27.3	14.1	18.0	16.1
50th	2.2	9.2	16.3	22.0	12.7	16.5	14.4
75th	1.0	7.2	13.4	16.2	11.0	13.9	12.2
95th	-1.7	2.4	7.8	11.3	7.7	11.4	10.0
		2.3%	10.6%	17.4%	23.0%	13.7%	17.1%
		2.4	10.6	17.4	23.0	13.7	17.1
							14.9%



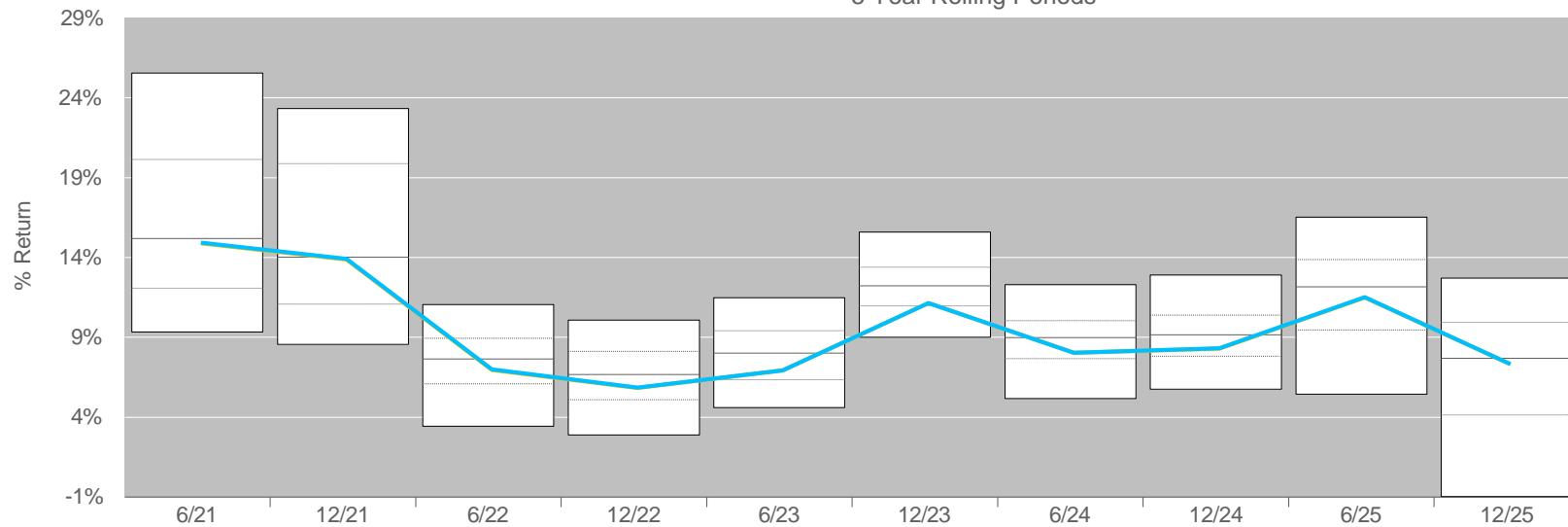
**The City of Grosse Pointe Woods Health Care Trust**  
**Invesco S&P 500 Equity Weighted Index**  
**Broad Large Cap Universe**  
For Report Periods Ending December 31, 2025



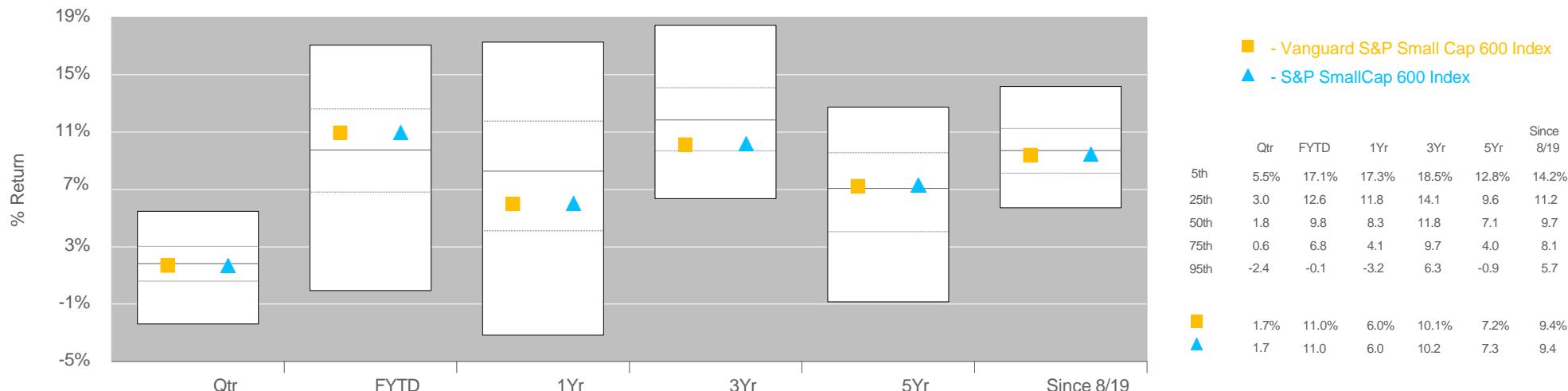
**The City of Grosse Pointe Woods Health Care Trust**  
**Schwab U.S. Mid Cap ETF**  
**Broad Mid Cap Universe**  
For Report Periods Ending December 31, 2025



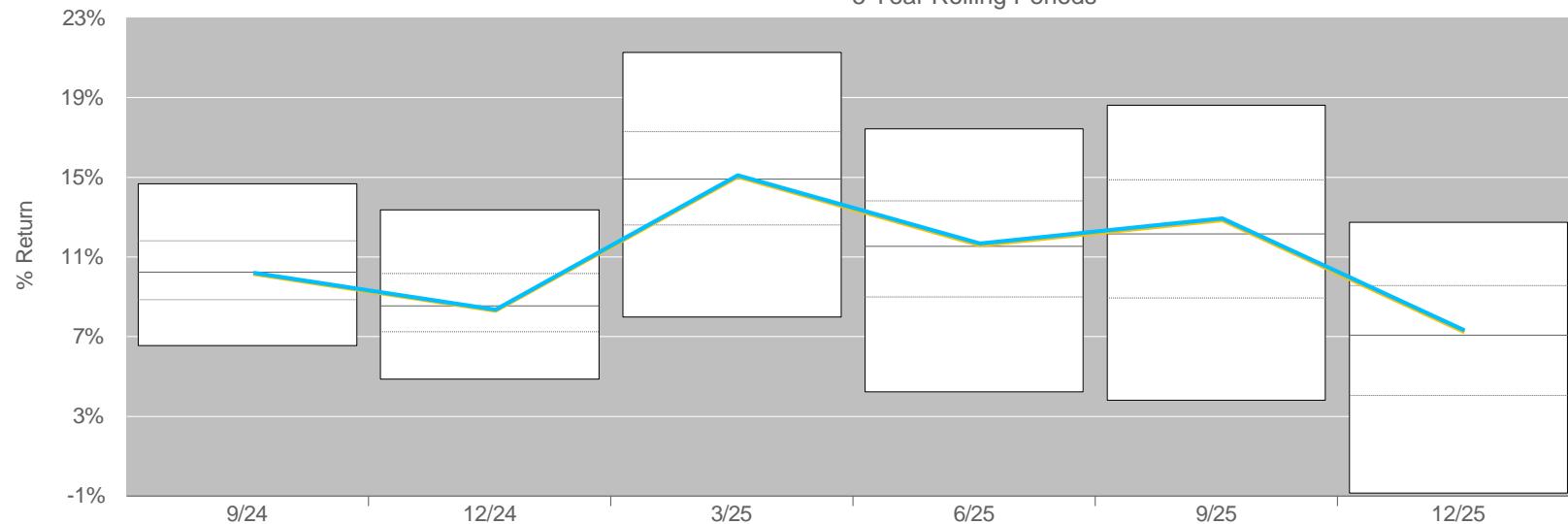
Report From June 30, 2016 to December 31, 2025  
5 Year Rolling Periods



**The City of Grosse Pointe Woods Health Care Trust**  
**Vanguard S&P Small Cap 600 Index**  
**Broad Small Cap Universe**  
For Report Periods Ending December 31, 2025



Report From September 30, 2019 to December 31, 2025  
5 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 December 31, 2025

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Since Inception	Inception Date
<b>Schwab International Equity ETF</b>	6.3%	12.4%	34.5%	18.1%	9.3%	11.1%	9.2%	5/16
FTSE Developed ex U.S. Index	6.3	12.4	34.2	17.8	9.1	11.0	9.0	
Risk Statistics (5 years)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio		
<b>Schwab International Equity ETF</b>	1.00	0.2%	1.00	15.9%	0.1%	1.7		
FTSE Developed ex U.S. Index	1.00	0.0	1.00	15.9	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>	15.8	1.8	96,315.0 M	2.8%	3.8%			
FTSE Developed ex U.S. Index	--	--	--	--	--			

\* Risk Statistics are based on monthly data.

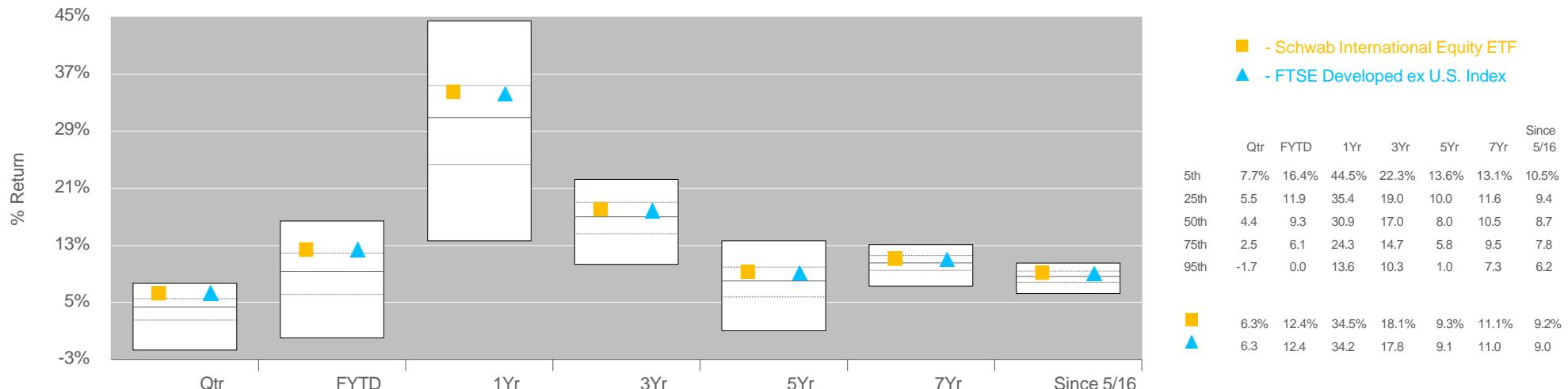
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

## Schwab International Equity ETF

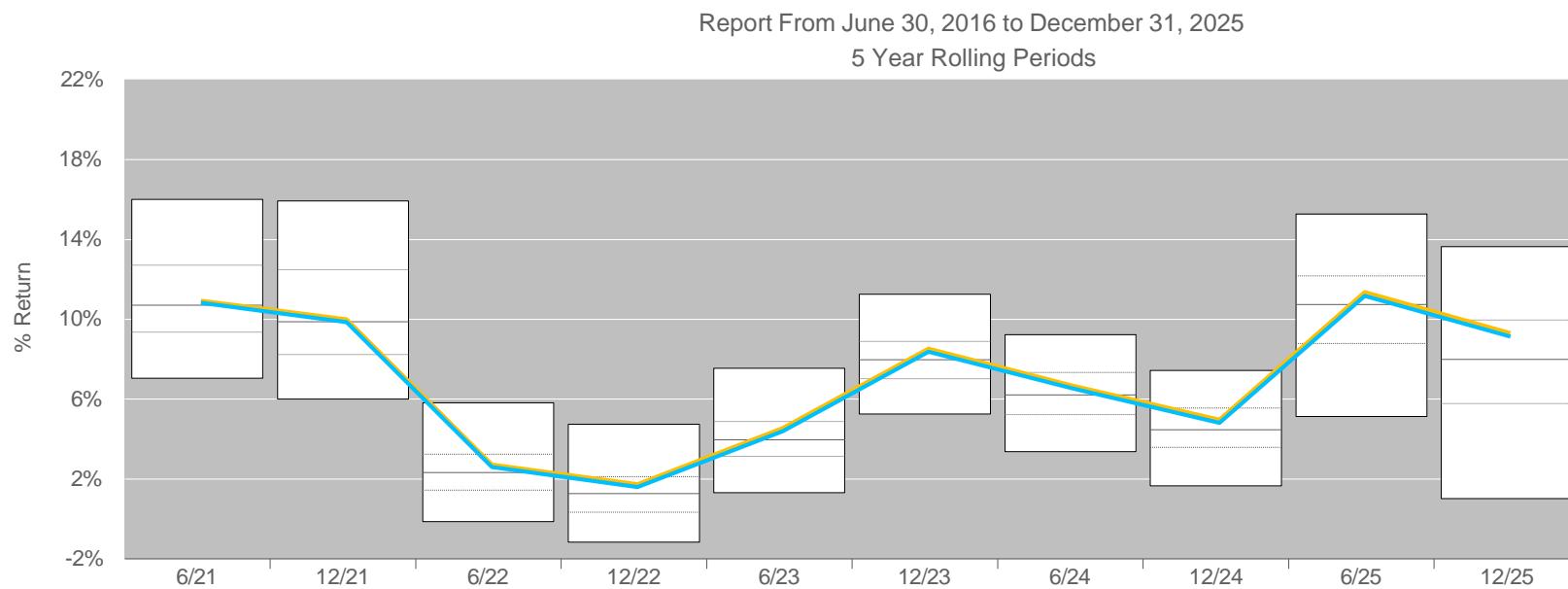
### International Equity Universe

For Report Periods Ending December 31, 2025



■ - Schwab International Equity ETF  
▲ - FTSE Developed ex U.S. Index

	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Since 5/16
5th	7.7%	16.4%	44.5%	22.3%	13.6%	13.1%	10.5%
25th	5.5	11.9	35.4	19.0	10.0	11.6	9.4
50th	4.4	9.3	30.9	17.0	8.0	10.5	8.7
75th	2.5	6.1	24.3	14.7	5.8	9.5	7.8
95th	-1.7	0.0	13.6	10.3	1.0	7.3	6.2
		6.3%	12.4%	34.5%	18.1%	9.3%	11.1%
		6.3	12.4	34.2	17.8	9.1	11.0
							9.2%



# The City of Grosse Pointe Woods Health Care Trust

## Schwab Emerging Markets ETF

### Summary of Performance and Statistics

Report For Periods Ending December 31, 2025

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Since Inception	Inception Date
Schwab Emerging Markets ETF	1.7%	12.5%	25.9%	14.9%	4.5%	8.0%	8.3%	5/16
FTSE All Emerging Index	1.9	12.7	26.5	15.9	5.3	8.8	9.0	
<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>
Schwab Emerging Markets ETF	0.99	-0.7%	1.00		14.9%		0.7%	-1.1
FTSE All Emerging Index	1.00	0.0	1.00		15.1		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>
Schwab Emerging Markets ETF	16.0	2.4		228,838.0 M		2.4%		6.8%
FTSE All Emerging Index	--	--		--		--		--

\* Risk Statistics are based on monthly data.

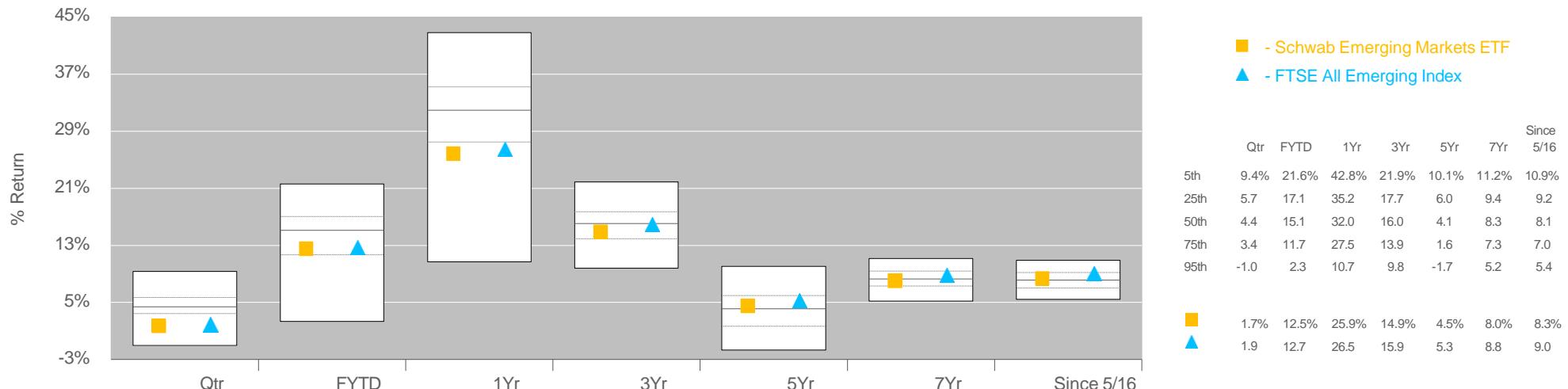
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

## Schwab Emerging Markets ETF

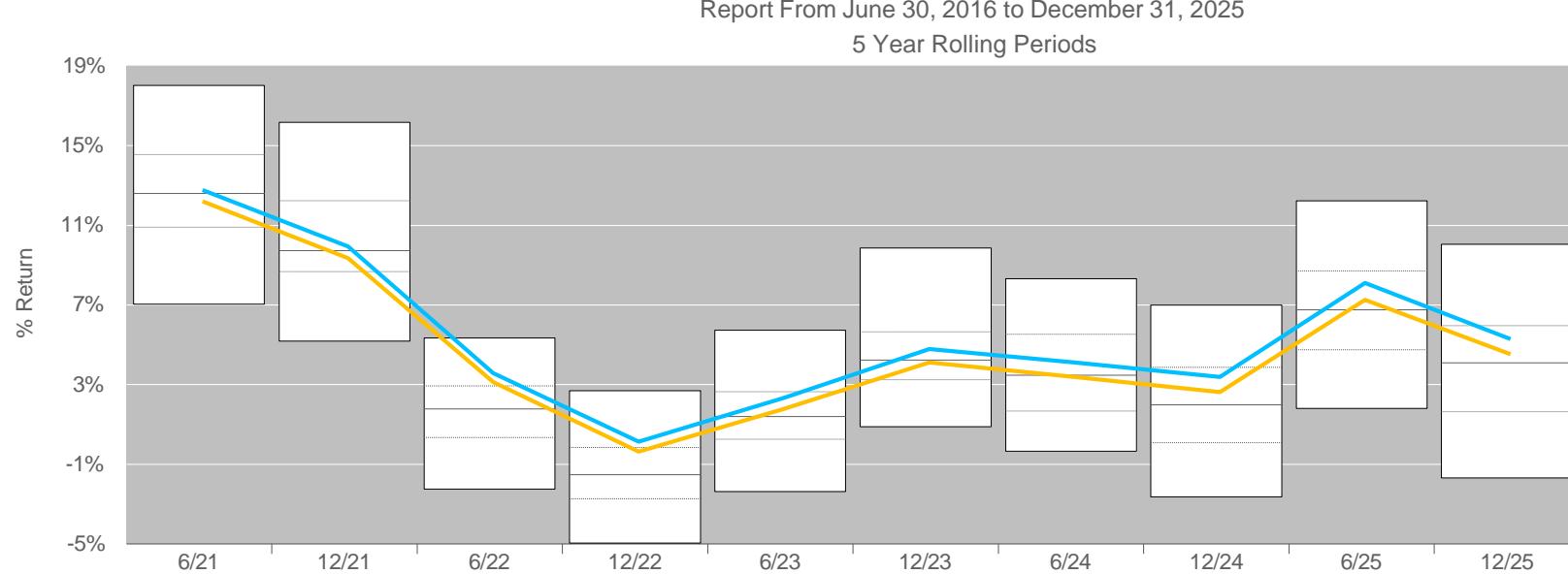
### Emerging Markets Universe

For Report Periods Ending December 31, 2025



■ - Schwab Emerging Markets ETF  
▲ - FTSE All Emerging Index

	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Since 5/16
5th	9.4%	21.6%	42.8%	21.9%	10.1%	11.2%	10.9%
25th	5.7	17.1	35.2	17.7	6.0	9.4	9.2
50th	4.4	15.1	32.0	16.0	4.1	8.3	8.1
75th	3.4	11.7	27.5	13.9	1.6	7.3	7.0
95th	-1.0	2.3	10.7	9.8	-1.7	5.2	5.4
	1.7%	12.5%	25.9%	14.9%	4.5%	8.0%	8.3%
	1.9	12.7	26.5	15.9	5.3	8.8	9.0



# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. Aggregate Bond ETF

### Summary of Performance and Statistics

Report For Periods Ending December 31, 2025

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Since Inception	Inception Date
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>1.0%</b>	<b>3.0%</b>	<b>7.2%</b>	<b>4.6%</b>	<b>-0.4%</b>	<b>1.9%</b>	<b>1.7%</b>	<b>5/16</b>
Bloomberg U.S. Aggregate Index	1.1	3.2	7.3	4.7	-0.4	2.0	1.7	
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>6.4%</b>	<b>0.2%</b>	<b>-0.5</b>		
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	Fl Annl Turnover			
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>5.8yrs</b>	<b>8.1 yrs</b>	<b>AA</b>	<b>4.3%</b>	<b>--%</b>			
Bloomberg U.S. Aggregate Index	5.8	8.1	AA	4.3	--			

\* Risk Statistics are based on monthly data.

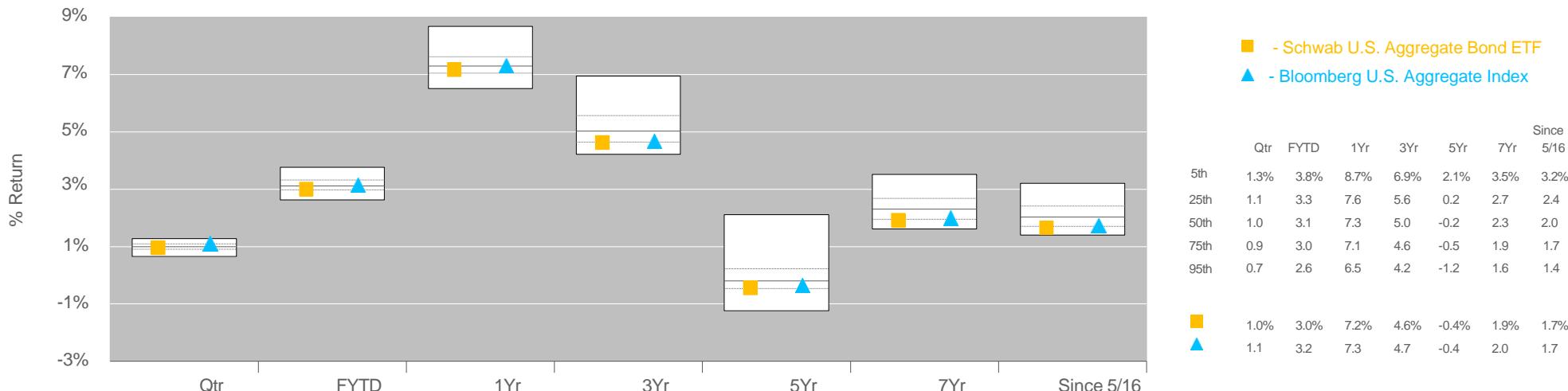
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

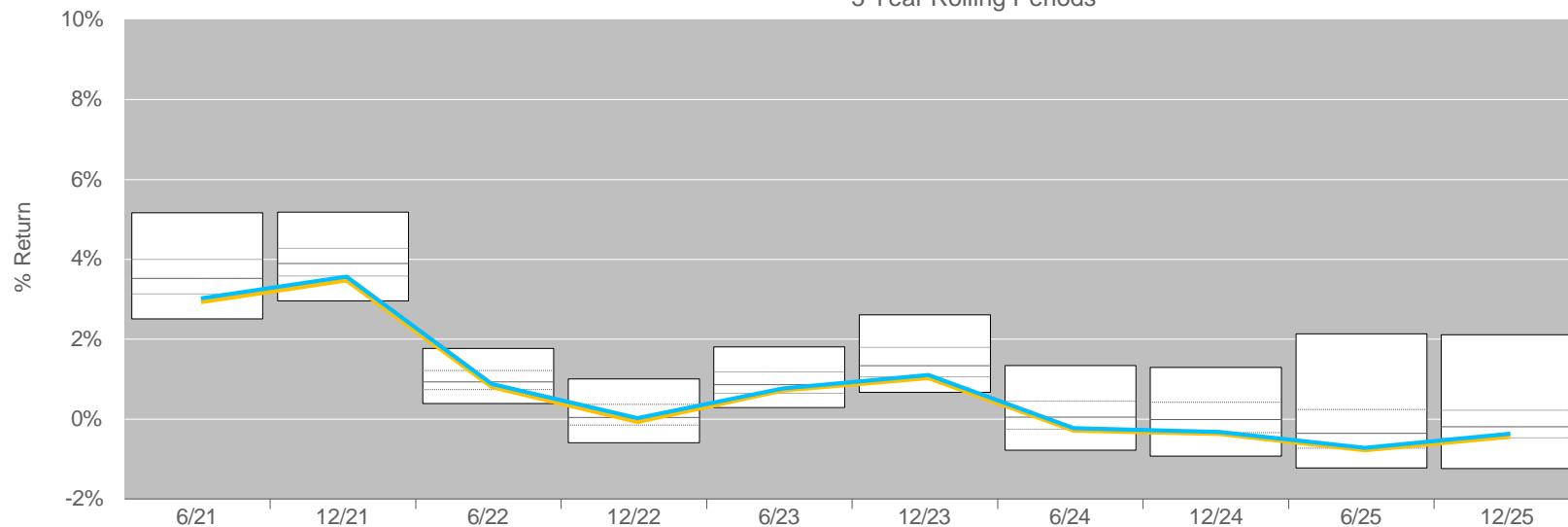
## Schwab U.S. Aggregate Bond ETF

### Core Fixed Income Universe

For Report Periods Ending December 31, 2025



Report From June 30, 2016 to December 31, 2025  
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 December 31, 2025

Performance Results	Qtr	FYTD	1Yr	3Yr	5Yr	7Yr	Since Inception	Inception Date
<b>Schwab U.S. TIPS ETF</b>	<b>0.0%</b>	<b>2.1%</b>	<b>6.9%</b>	<b>4.2%</b>	<b>1.1%</b>	<b>3.4%</b>	<b>2.7%</b>	<b>5/16</b>
Bloomberg U.S. TIPS Index	0.1	2.2	7.0	4.2	1.1	3.5	2.8	
<hr/>								
Risk Statistics (5 years)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio		
<b>Schwab U.S. TIPS ETF</b>	<b>1.00</b>	<b>-0.1%</b>	<b>1.00</b>	<b>6.1%</b>	<b>0.2%</b>	<b>-0.4</b>		
Bloomberg U.S. TIPS Index	1.00	0.0	1.00	6.1	0.0	--		
<hr/>								
Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	Fl Annl Turnover			
<b>Schwab U.S. TIPS ETF</b>	<b>4.4 yrs</b>	<b>7.1 yrs</b>	<b>AA</b>	<b>3.9%</b>	<b>--%</b>			
Bloomberg U.S. TIPS Index	4.4	7.1	AA	3.9	--			

\* Risk Statistics are based on monthly data.

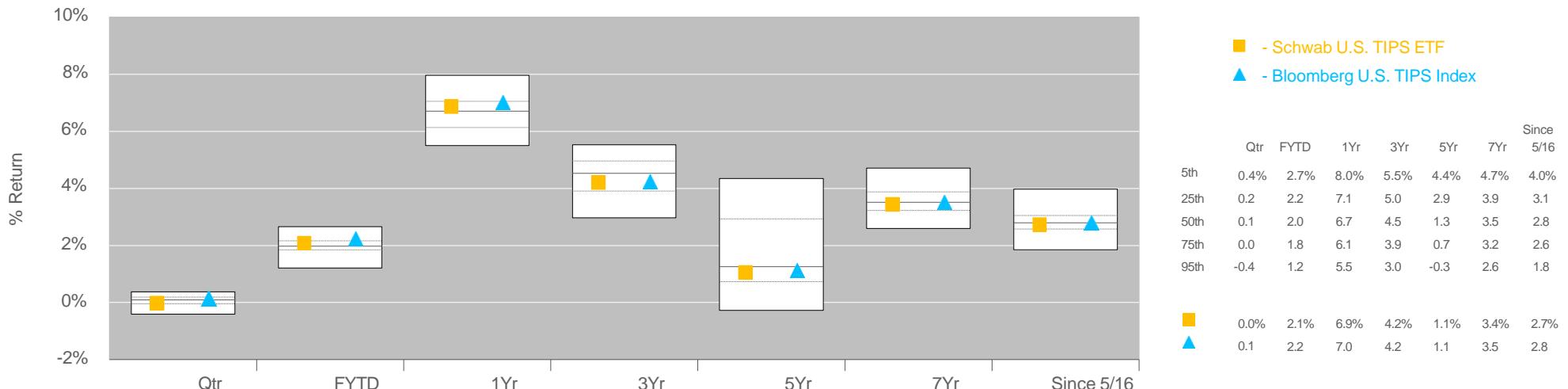
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

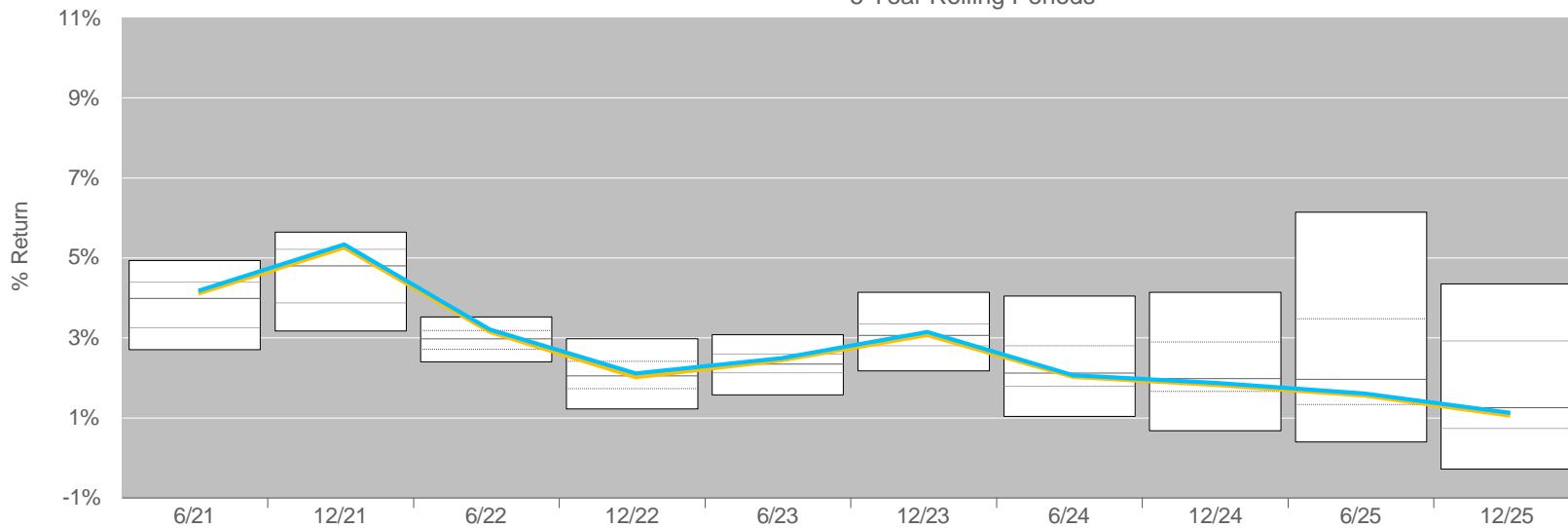
## Schwab U.S. TIPS ETF

### TIPS Universe

For Report Periods Ending December 31, 2025



Report From June 30, 2016 to December 31, 2025  
5 Year Rolling Periods



## Index Summary Sheet for Periods Ending December 31, 2025

	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
<b>Global Equity</b>						
MSCI AC World Index	3.3%	22.3%	22.3%	20.7%	11.2%	11.7%
MSCI World Index	3.1	21.1	21.1	21.2	12.1	12.2
S&P 500 Index	2.7	17.9	17.9	23.0	14.4	14.8
Russell 3000 Index	2.4	17.1	17.1	22.2	13.1	14.3
Russell 1000 Index	2.4	17.4	17.4	22.7	13.6	14.6
Russell 1000 Growth Index	1.1	18.6	18.6	31.2	15.3	18.1
Russell 1000 Value Index	3.8	15.9	15.9	13.9	11.3	10.5
Russell Midcap Index	0.2	10.6	10.6	14.4	8.7	11.0
Russell Midcap Growth Index	-3.7	8.7	8.7	18.6	6.6	12.5
Russell Midcap Value Index	1.4	11.0	11.0	12.3	9.8	9.8
Russell 2000 Index	2.2	12.8	12.8	13.7	6.1	9.6
Russell 2000 Growth Index	1.2	13.0	13.0	15.6	3.2	9.6
Russell 2000 Value Index	3.3	12.6	12.6	11.7	8.9	9.3
Russell Microcap Index	6.3	23.0	23.0	15.2	7.3	9.6
MSCI AC World Index ex-U.S.	5.1	32.4	32.4	17.3	7.9	8.4
MSCI EAFE Index	4.9	31.2	31.2	17.2	8.9	8.2
MSCI EAFE Growth Index	1.9	20.8	20.8	13.2	4.4	7.4
MSCI EAFE Value Index	7.8	42.2	42.2	21.4	13.4	8.7
MSCI Small Cap EAFE Index	2.7	31.8	31.8	15.0	5.6	7.5
MSCI Emerging Markets Index	4.7	33.6	33.6	16.4	4.2	8.4
MSCI Emerging Markets Small Cap Index	1.6	18.6	18.6	15.5	8.4	8.3
MSCI Frontier Markets Index	6.6	46.9	46.9	21.5	9.6	7.9
HFRI Equity Hedge Index	3.3	17.3	17.3	13.5	8.0	8.1
HFRI Emerging Markets	1.5	18.0	18.0	11.9	5.4	6.4
HFRI FOF: Strategic Index	3.8	12.9	12.9	10.8	5.0	5.3
LSEG All Private Equity Index	0.0	9.8	9.8	7.2	8.8	13.6
LSEG Buyout Index	0.0	8.7	8.7	8.8	11.0	13.8
LSEG Fund of Funds Index	0.0	9.8	9.8	3.1	5.5	11.0
LSEG Venture Capital Index	0.0	12.4	12.4	3.8	6.2	12.6
<b>Global Fixed Income</b>						
Bloomberg U.S. Aggregate Index	1.1	7.3	7.3	4.7	-0.4	2.0
Bloomberg U.S. TIPS Index	0.1	7.0	7.0	4.2	1.1	3.1
Bloomberg Government Bond Index	0.9	6.3	6.3	3.6	-0.9	1.4
Bloomberg Municipal Index	1.6	4.2	4.2	3.9	0.8	2.3
Bloomberg Asset Backed Index	1.2	5.9	5.9	5.5	2.3	2.6

## Index Summary Sheet for Periods Ending December 31, 2025

	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
<b>Global Fixed Income (continued)</b>						
Bloomberg US MBS Index	1.7%	8.6%	8.6%	4.9%	0.1%	1.6%
Bloomberg IG CMBS Index	1.4	7.8	7.8	6.0	1.0	2.9
Bloomberg U.S. Credit Index	0.9	7.8	7.8	6.0	0.0	3.1
Bloomberg U.S. Corporate HY Index	1.3	8.6	8.6	10.1	4.5	6.5
Bloomberg Intermediate U.S. G/C Index	1.2	7.0	7.0	5.1	1.0	2.3
ICE BofA 1-3 Yr. Govt. Bond Index	1.1	5.1	5.1	4.5	1.8	1.8
U.S. 91-Day Treasury Bills	0.9	4.1	4.1	4.7	3.2	2.2
S&P UBS Leveraged Loan Index	0.7	5.4	5.4	9.1	6.3	5.7
JPMorgan Non-U.S. GBI Hedged Index	0.3	2.1	2.1	4.9	-0.2	2.0
JPMorgan Non-U.S. GBI Index	-2.0	6.9	6.9	0.8	-6.2	-0.7
JPMorgan EMBI Plus Index	2.5	12.4	12.4	10.1	-0.8	2.7
JPMorgan EMBI Global Index	3.0	13.5	13.5	9.8	1.7	4.3
HFRI RV: Fixed Income - Corporate Index	1.5	7.2	7.2	8.5	5.3	6.0
HFRI ED: Distressed/Restructuring Index	2.0	9.0	9.0	9.6	7.8	7.3
LSEG Distressed Index	0.0	4.1	4.1	4.8	9.3	8.8
<b>Real Assets</b>						
FTSE NAREIT All Equity Index	-2.1	2.3	2.3	6.1	4.8	5.8
S&P Developed BMI Property Index	-0.4	10.5	10.5	7.4	3.2	3.7
S&P Developed ex-U.S. Property Index	1.6	26.5	26.5	9.0	1.5	3.7
NCREIF Property Index	0.0	3.8	3.8	-1.3	3.6	4.7
Bloomberg Commodity Index Total Return	5.8	15.8	15.8	4.0	10.6	5.7
Alerian MLP Index	3.8	9.8	9.8	20.0	26.0	8.8
NCREIF Timberland Index	0.0	2.9	2.9	6.4	8.2	5.2
LSEG Private Real Estate Index	0.0	1.2	1.2	-1.8	4.9	6.4
S&P Real Assets Equity Total Return Index	1.2	14.5	14.5	8.5	7.1	6.4
<b>Diversifying Strategies</b>						
HFRI Fund of Funds Index	3.2	10.5	10.5	8.6	5.2	4.9
HFRI Fund Weighted Composite Index	2.9	12.6	12.6	10.2	7.1	6.6
HFRI FOF: Conservative Index	3.0	8.8	8.8	6.9	5.6	4.6
HFRI Event Driven	2.2	11.0	11.0	10.4	7.6	7.0
HFRI Relative Value Total Index	1.4	7.5	7.5	7.7	5.9	5.3
HFRI Macro Index	3.6	7.2	7.2	4.0	5.7	3.9
<b>Other</b>						
Consumer Price Index - U.S.	0.5	2.6	2.6	2.9	4.5	3.2
U.S. Dollar Index	0.6	-9.4	-9.4	-1.7	1.8	-0.1

\* 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.

# Insights from FEG

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*Monthly data points and comments across key areas of the market*

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*Annual update to long-term return expectations*

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## 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.

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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.

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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 #
1/31/26	202601131

BILL TO:
The Retiree Health Care Benefits Plan & Trust of the City of Grosse Pointe Woods Steven Schmidt 20025 Mack Plaza Grosse Pointe Woods, MI 48236

Fee Schedule: 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* **10/1/25-12/31/25**

	<u>AMOUNT</u>		
Based on the market value of	\$ 3,190,990	@ 9/30/25	=
	\$	938.00	

**Total Amount Due** \$ 938.00  
*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)