

Employees' Retirement System of the City of Norfolk

Meeting Materials
March 6, 2024

Fund Evaluation Report

Agenda

1. Economic and Market Update

2. Executive Summary

3. Performance Summary

4. Manager Updates

- Global Equity Portfolio Change: New Manager- J. Stern & Co.
- Global Equity Portfolio Change: New Manager- Fidelity Small Cap Index

5. Appendix

- December 31, 2023, Fund Evaluation Report
- Updated Investment Policy Statement
- Corporate Update
- Disclaimer, Glossary, and Notes

Economic and Market Update

Data as of January 31, 2024

Commentary

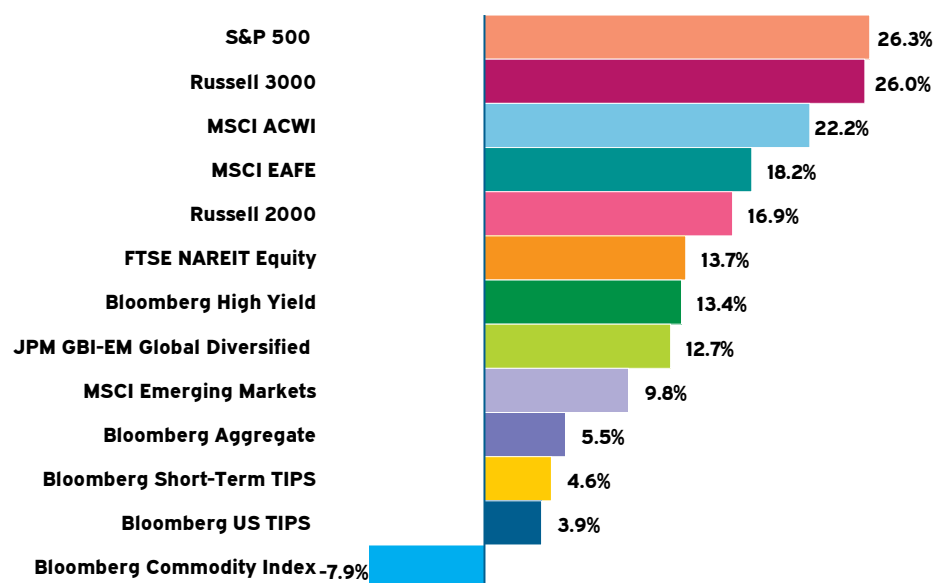
→ Markets were mixed in January after posting strong returns in 2023.

- Major central banks have largely paused interest rate hikes with expectations for many to cut rates this year. During the month there were signs though that many central banks, including the US, might not cut rates as soon as expected given strong economic data.
- In general inflation pressures have receded in most countries, but some uncertainty remains. Headline inflation fell in January in the US, but core inflation remained unchanged and elevated. China moved further into deflationary territory (-0.8%) in January.
- US equity markets (Russell 3000 index) rose 1.1% in January after a very strong 2023 (26.0%). There were mixed results across sectors, but technology continued to do well.
- Non-US developed equity markets gained 0.6% in January but 2.6% in local terms as the US dollar reversed course and strengthened during the month. The appreciation of the dollar was largely driven by strong economic data and related expectations that the Fed may delay policy rate cuts this year.
- Emerging market equity returns were also negatively influenced by the strong US dollar, but the biggest headwind in January was China (-10.6%). Emerging market equities had the weakest results for the month, down 4.6%.
- Bonds experienced selling pressure over the month, but ultimately finished the month nearly unchanged. The broad US bond market (Bloomberg Aggregate) declined (0.3%) in January.

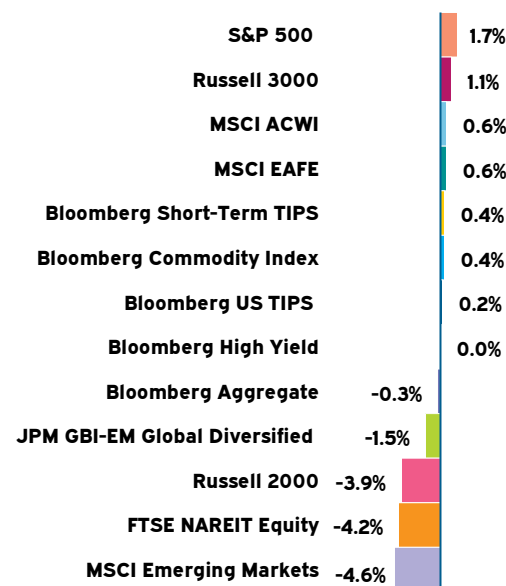
→ Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the many looming elections, and the wars in Ukraine and Israel, will be key.

Index Returns¹

2023



January



→ After a strong market performance in 2023, the start of 2024 saw US large cap growth stocks continue their rally causing the S&P 500 to lead the way. Emerging market equity was the worst performer, dragged down by the continued sell-off of Chinese stocks.

→ Better than expected economic news in the US weighed on bond markets for the month with the broad US bond market (Bloomberg Aggregate) down slightly.

¹ Source: Bloomberg. Data is as of January 31, 2024.

Domestic Equity Returns¹

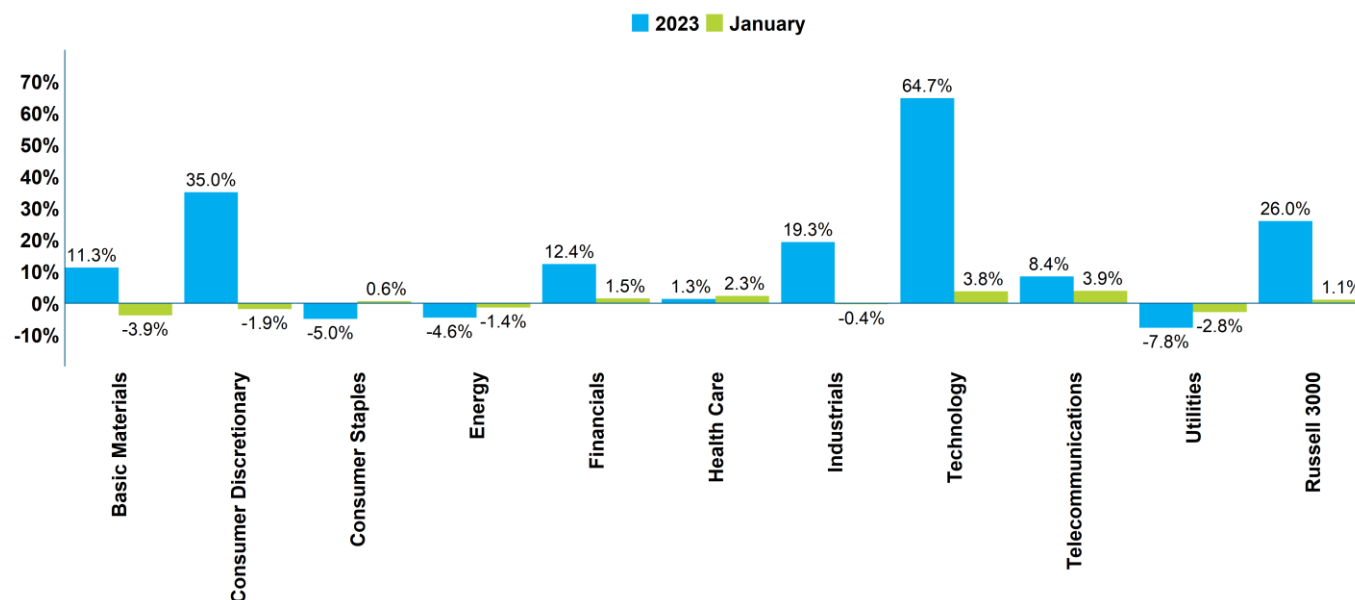
Domestic Equity	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	1.7	11.7	20.8	11.0	14.3	12.6
Russell 3000	1.1	12.1	19.1	9.1	13.5	12.0
Russell 1000	1.4	12.0	20.2	9.8	14.0	12.3
Russell 1000 Growth	2.5	14.2	35.0	10.0	18.0	15.5
Russell 1000 Value	0.1	9.5	6.1	9.2	9.3	8.8
Russell MidCap	-1.4	12.8	6.7	5.5	10.1	9.5
Russell MidCap Growth	-0.5	14.5	15.1	1.2	11.2	10.7
Russell MidCap Value	-1.8	12.1	2.4	7.8	8.6	8.2
Russell 2000	-3.9	14.0	2.4	-0.8	6.8	7.0
Russell 2000 Growth	-3.2	12.7	4.5	-6.0	6.2	7.0
Russell 2000 Value	-4.5	15.3	-0.1	4.5	6.7	6.7

US Equities: The Russell 3000 increased 1.1% in January with a one-year return of 19.1%.

- US equities built on their large gains from last year in January. Strong corporate earnings, economic data suggesting a soft landing might be achievable, and hopes for significant interest rate cuts (for most of the month) all drove results.
- Large cap stocks accounted for all the US equity market gains in January. NVIDIA, Microsoft, and Meta Platforms made up nearly 90% of the increase in the Russell 1000 index. Growth stocks outperformed value stocks across the market cap spectrum.
- While US equities advanced as a group, small and mid-cap stocks both declined in January. Banks contributed to this dynamic after a surprise loss at New York Community Bancorp rekindled fears regarding the banking system.

¹ Source: Bloomberg. Data is as of January 31, 2024.

Russell 3000 Sector Returns¹



- In January, telecommunications (3.9%), technology stocks (3.8%), and health care (2.3%) outperformed other sectors. Traditionally defensive sector utilities (-2.8%) trailed along with basic materials (-3.9%) and energy stocks (-1.4%).
- In 2023, technology (64.7%) and consumer discretionary (35.0%) sectors had the best results, helped respectively by artificial intelligence optimism and a healthy US consumer.

¹ Source: Bloomberg. Data is as of January 31, 2024.

Foreign Equity Returns¹

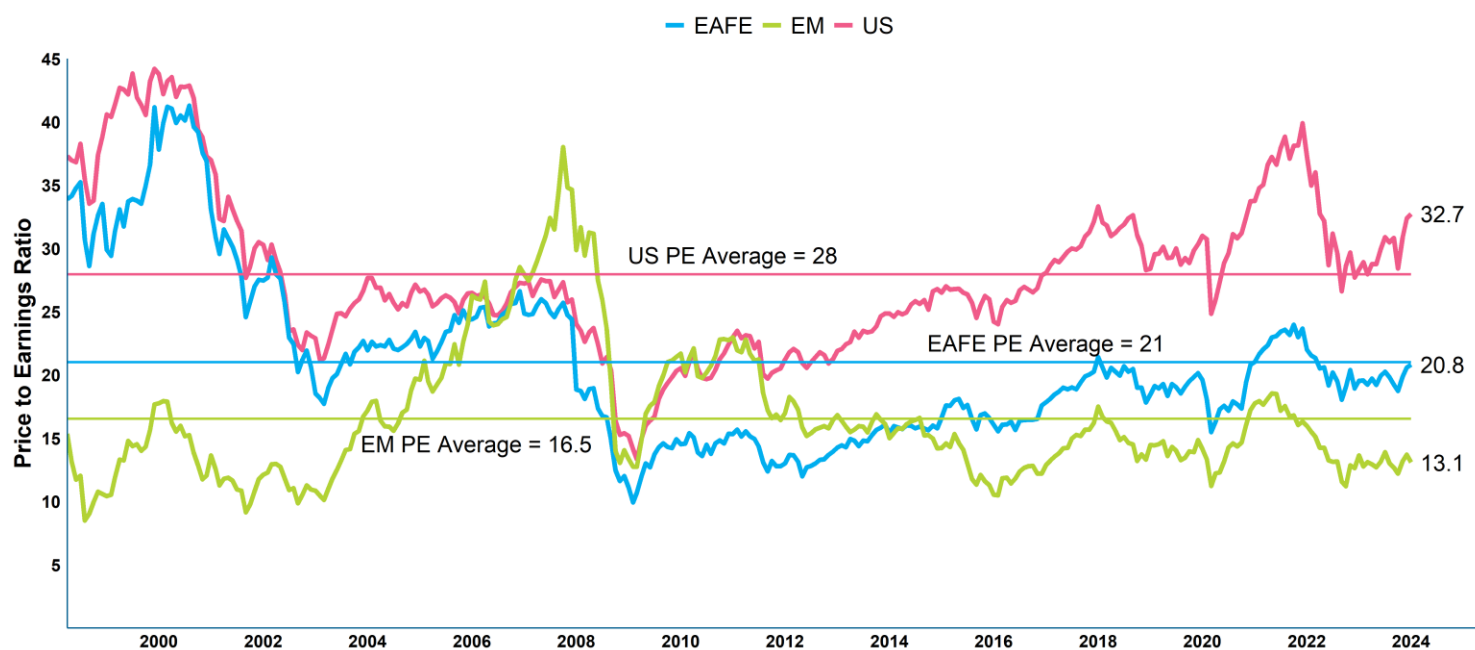
Foreign Equity	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-1.0	9.8	5.9	1.1	5.3	4.2
MSCI EAFE	0.6	10.4	10.0	4.6	6.9	4.8
MSCI EAFE (Local Currency)	2.6	5.0	12.1	9.7	8.9	7.2
MSCI EAFE Small Cap	-1.6	11.1	3.6	-1.1	4.6	4.8
MSCI Emerging Markets	-4.6	7.9	-2.9	-7.5	1.0	2.9
MSCI Emerging Markets (Local Currency)	-3.5	5.6	-0.5	-4.9	3.2	5.3
MSCI China	-10.6	-4.2	-29.0	-23.2	-6.9	0.4

Foreign Equity: Developed international equities (MSCI EAFE) gained 0.6% in January and had a one-year return of 10.0%. Emerging market equities (MSCI EM) fell -4.6% in January, and -2.9% for the trailing year.

- International developed equities saw slight gains for the month, while emerging market equities saw large losses for the same period; both were hampered by the US dollar reversing its sell-off from the end of last year. Outside of emerging markets, growth outperformed value for the month.
- Eurozone equities performed well, benefiting from ECB policy expectations, developments in the tech sector, and promising manufacturing data. U.K. equities stalled, as an unexpected increase in inflation pushed out the expected timing of rate cuts. Japan continues to see the highest returns globally over optimism on structural changes, January being no exception.
- EM equities continue to be bogged down by China (-10.6%) despite news of further stimulus by the PBOC.

¹ Source: Bloomberg. Data is as of January 31, 2024.

Equity Cyclically Adjusted P/E Ratios¹



- In January, the US equity price-to-earnings ratio increased further above its 21st century average.
- International market valuations were mixed in January and remain below the US. In the case of developed markets, valuations increased slightly to just below their long-term average, while emerging market valuations declined, remaining well below their average.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of January 2023. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

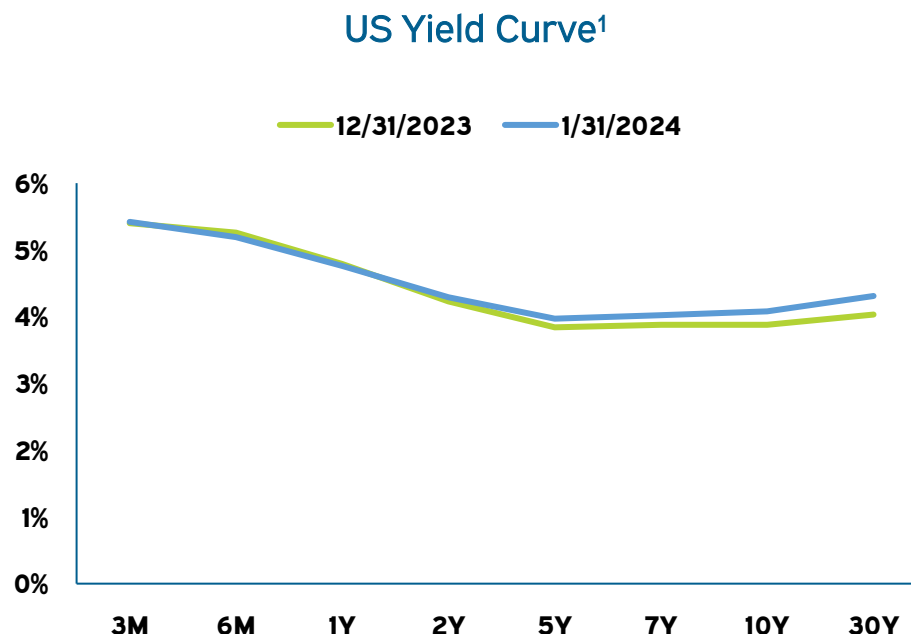
Fixed Income Returns¹

Fixed Income	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.2	6.8	2.7	-2.8	1.1	1.9	4.9	6.0
Bloomberg Aggregate	-0.3	6.8	2.1	-3.2	0.8	1.6	4.6	6.2
Bloomberg US TIPS	0.2	4.7	2.2	-1.0	2.9	2.2	4.2	6.9
Bloomberg Short-term TIPS	0.4	2.6	4.3	2.3	3.3	2.0	4.4	2.6
Bloomberg High Yield	0.0	7.2	9.3	1.9	4.4	4.5	7.8	3.7
JPM GBI-EM Global Diversified (USD)	-1.5	8.1	6.4	-3.3	-0.2	0.4	6.3	5.0

Fixed Income: The Bloomberg Universal index fell -0.2% in January but gained 2.7% on a one-year basis.

- Strong economic data in January and comments toward the end of the month by Federal Reserve Chair Jerome Powell hinting that rate cuts were not imminent drove rates up over the month, weighing on bonds.
- The broad US bond market (Bloomberg Aggregate) declined 0.3% for the month. The broader TIPS index rose 0.2%, while the less interest-rate-sensitive short-term TIPS index rose 0.4%.
- High yield bonds ended the month unchanged, while emerging market debt declined by 1.5%. Both asset classes produced double-digit gains last year.

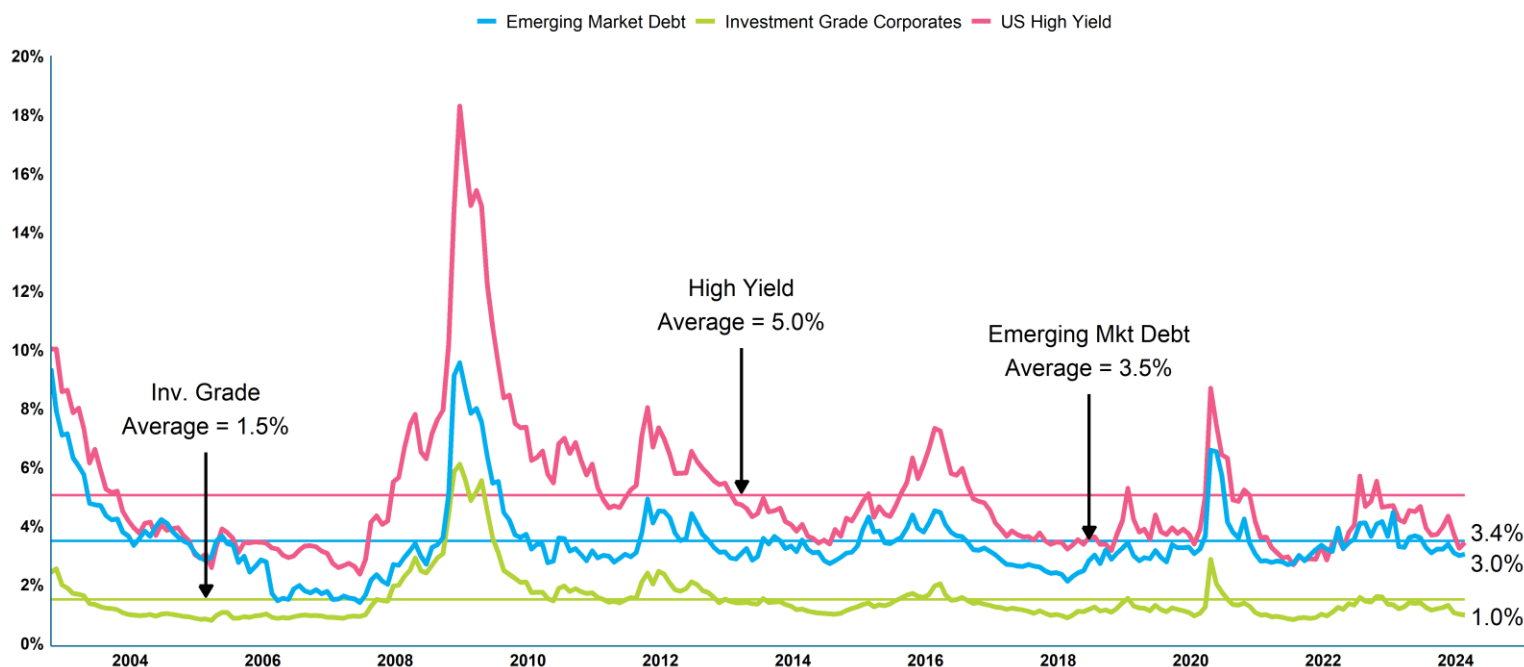
¹ Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of January 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.



- Both short-term and longer-term maturities ended the month largely unchanged, however, yields were volatile over the month on surprisingly strong economic data and shifts in monetary policy expectations.
- For the month, two-year Treasury yields ended at 4.2% (around 1% below the peak from October) while 10-year Treasury yields ended at 3.9%.
- The yield curve remained inverted at month-end despite a recent flattening trend. The yield spread between the two-year and ten-year Treasury was -0.3% at the end of January.

¹ Source: Bloomberg. Data is as of January 31, 2024.

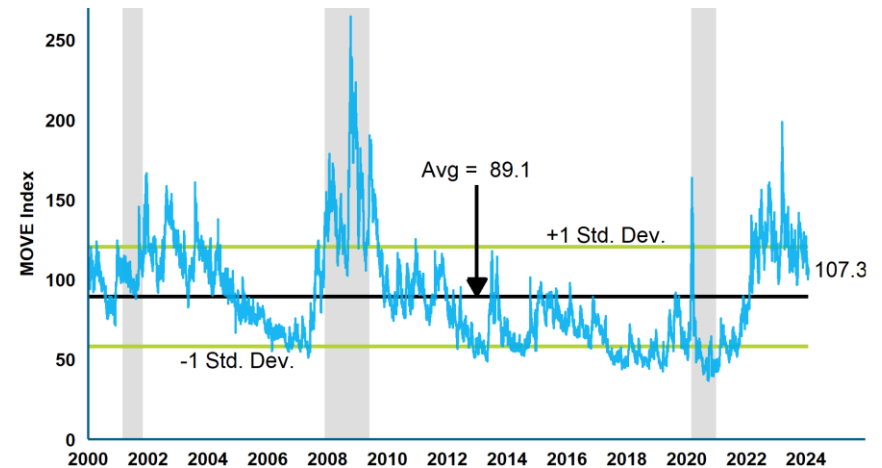
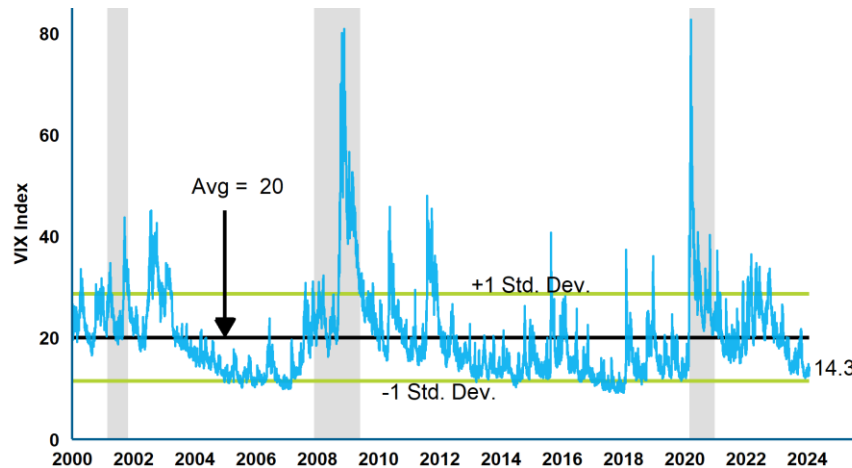
Credit Spreads vs. US Treasury Bonds¹



- Credit spreads widened slightly for high yield in January (3.2% to 3.4%) while spreads for investment grade corporate and emerging market bonds remained the same.
- Expectations of peaking policy rates and the corresponding increase in risk appetite has recently benefited credit, with spreads (the added yield above a comparable maturity Treasury) narrowing.
- All spreads remain below their respective long run averages, particularly within high yield.

¹ Sources: Bloomberg. Data is as of January 31, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

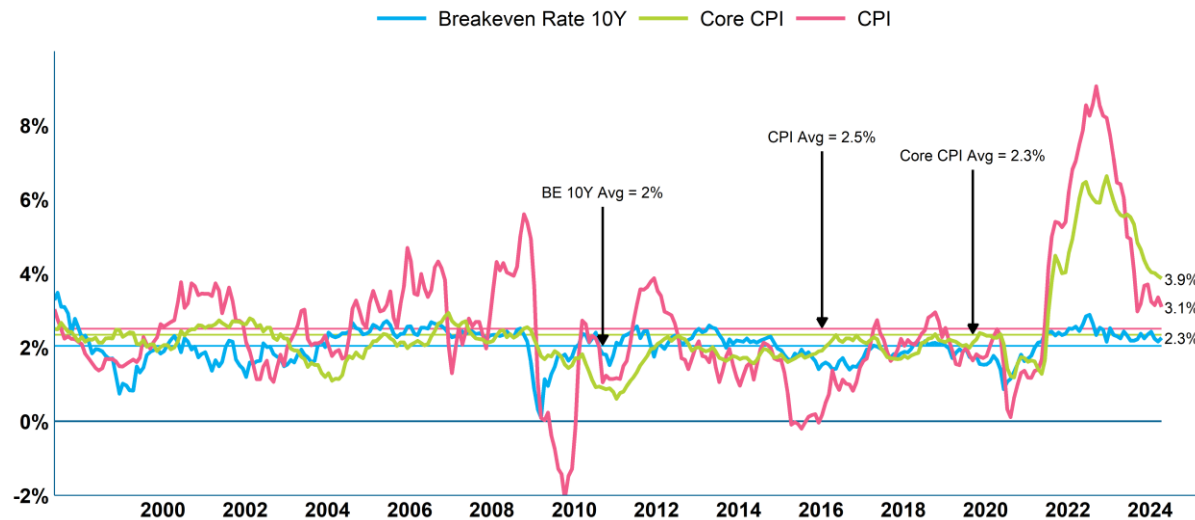
Equity and Fixed Income Volatility¹



- Volatility in equities (VIX) remains close to one standard deviation below the long-term average as the focus shifted late last year to peaking policy rates and the potential for a soft landing.
- Volatility in the bond market (MOVE) came down over the month (114.6 to 107.3) but remains elevated and well above its long-run average (89.1). The bond market remained on edge for most of 2023, driven largely by uncertainty about the ultimate path of monetary policy, as well as continued (and surprising) strength in economic data.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of January 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and January 2024.

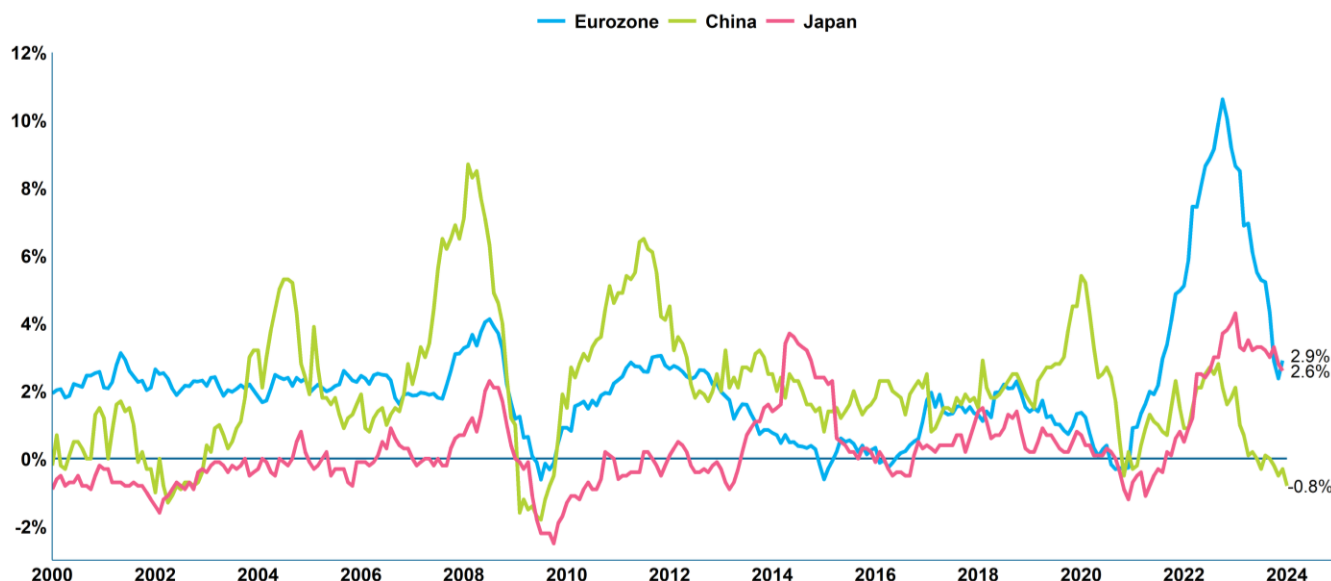
US Ten-Year Breakeven Inflation and CPI¹



- Year-over-year headline inflation declined in January (3.4% to 3.1%) but not by as much as expected (expectations were for a 2.9% reading). Month-over-month inflation came in at 0.3%, the same as last month and slightly above expectations of 0.2%. Shelter continues to keep inflation elevated, increasing 6.0% from a year prior. Food rose 2.6% over the same period, while downward pressure on energy prices continued, falling 4.6%.
- Core inflation - excluding food and energy - remained unchanged at 3.9% year-over-year (expectations were for a decline to 3.7%), with shelter costs again driving the total core index increase.
- Inflation expectations (breakevens) have remained relatively stable despite the recent significant volatility in inflation.

¹ Source: FRED. Data is as January 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

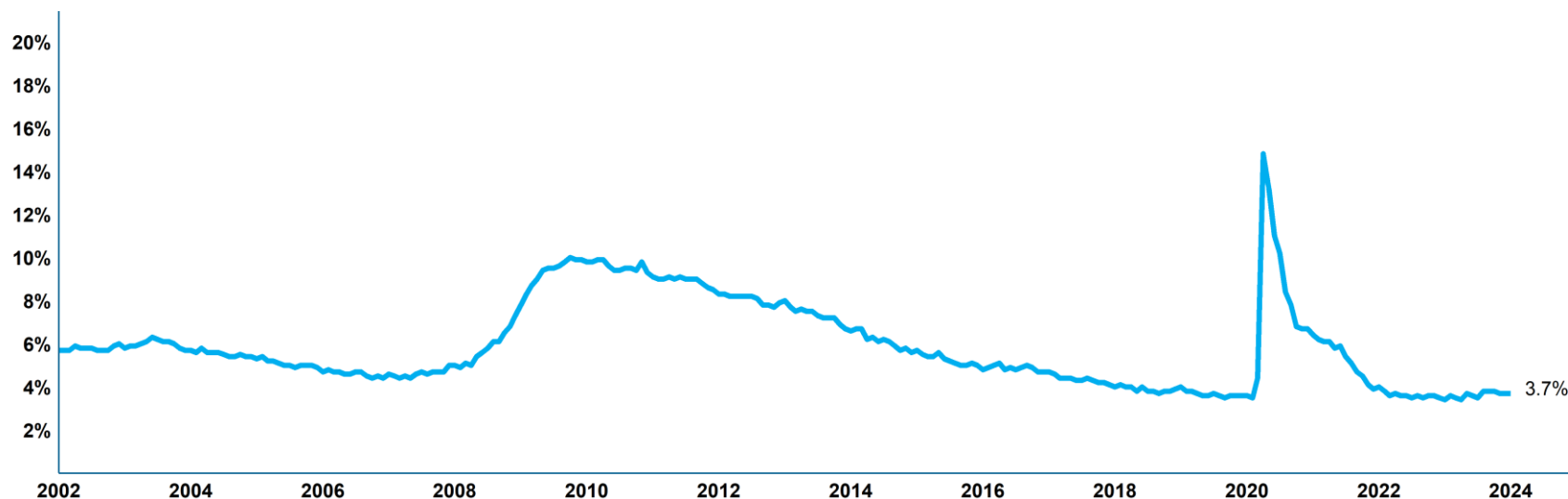
Global Inflation (CPI Trailing Twelve Months)¹



- Outside the US, inflation is also falling across major economies with China slipping further into deflation.
- In the eurozone, inflation experienced a dramatic decline last year. In January inflation rose slightly (2.8% to 2.9%) remaining below the 3.1% year-over-year level in the US.
- Inflation in Japan has slowly declined from the early 2023 peak, but it remains near levels not seen in almost a decade, largely driven by higher food prices.

¹ Source: FRED for United States CPI and Eurozone CPI. Source: Bloomberg for Japan CPI, China CPI, and Eurozone CPI. Data is as January 31, 2024, except Japan which is as of December 31, 2023.

US Unemployment¹

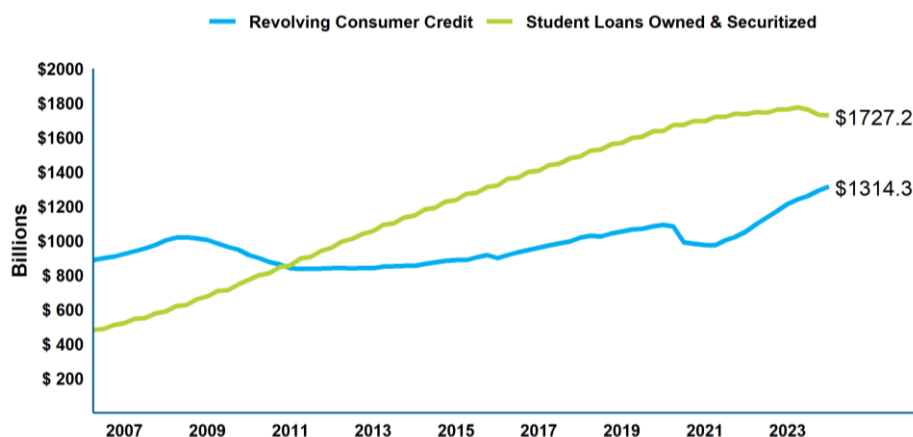


- Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued.
- In January, the number of jobs added in the US were stronger than expected (353,000 versus 185,000) with the unemployment rate remaining at 3.7%. Payrolls from November and December of last year were also revised upward. Business and professional, health care, and retail sales jobs rose the most in January.
- The labor force participation remained relatively stable at 62.5%, well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%).
- The pace of hourly wage growth has declined from its peak of close to 6.0% but is above the 3.1% level of inflation. Wage growth rose at 4.5% year-on-year in January, an increase from the 4.1% level in December and above expectations of 4.1%.

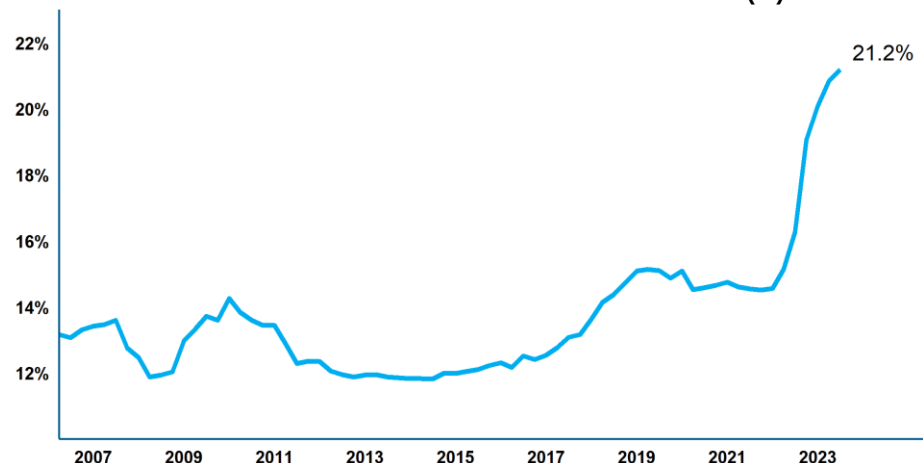
¹ Source: FRED. Data is as January 31, 2024.

US Consumer Under Stress?¹

Revolving Consumer Credit & Student Loans (\$B)



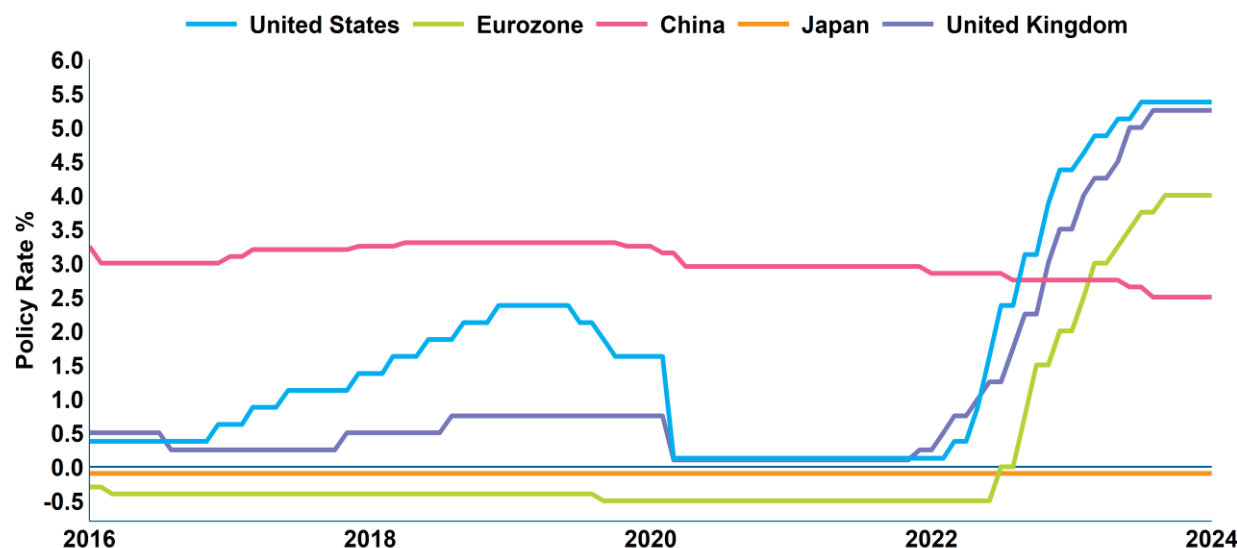
Consumer Credit Card Interest Rates (%)



- Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been a key driver of economic growth.
- Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s). Recently we have also seen payment delinquencies on credit cards start to increase.
- The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs.
- As we look ahead, the strength of the US consumer will remain key as this sector makes up most of the domestic economy (GDP).

¹ Source: FRED. Data is as of December 31, 2023. Consumer Credit Card Rate data is as of September 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

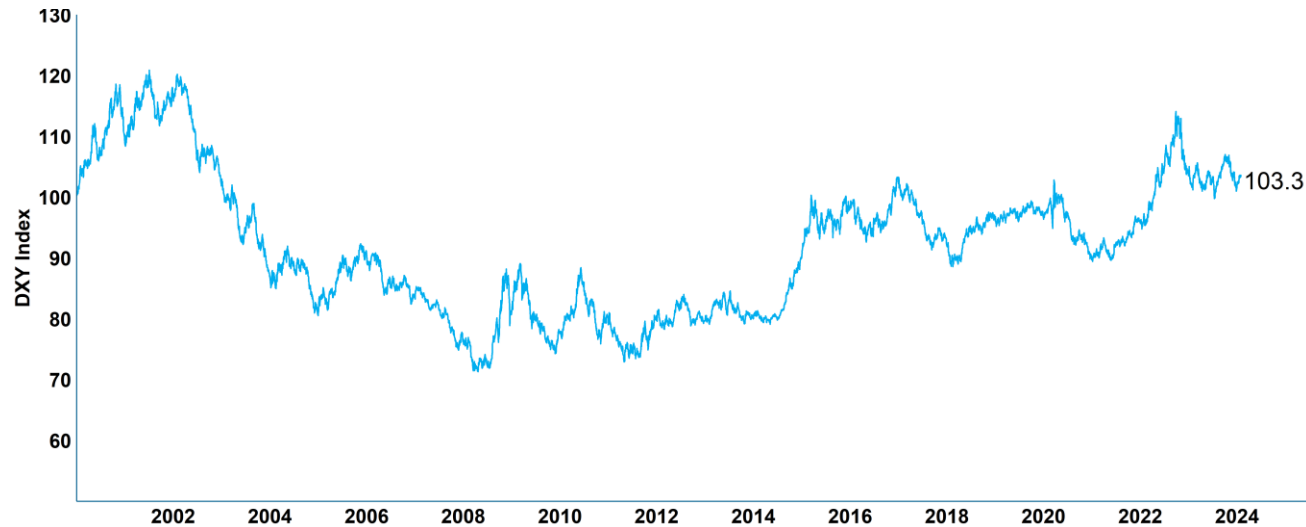
Policy Rates¹



- The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are now pricing in around four rate cuts this year down from close to seven late last year as economic data has come in above expectations. There remains a gap between the amount of rate cuts the Fed is predicting compared to the market's expectations, but it has significantly narrowed.
- The European and UK central banks also recently paused their rate increases on slowing inflation with cuts likely to follow there too. In Japan, the BoJ has further relaxed its yield curve control on the 10-year bond, and expectations for further policy normalization are rising.
- The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.

¹ Source: Bloomberg. Data is as of January 2024.

US Dollar vs. Broad Currencies¹



- Overall, the dollar finished last year only slightly below where it started but it was a volatile year for the US currency as expectations related to monetary policy evolved.
- Strong economic data in the US may delay policy rate cuts this year which could contribute to upward pressure on the dollar as other countries pivot to rate cuts.

¹ Source: Bloomberg. Data as of January 31, 2024.

Summary

Key Trends:

- The impact of inflation still above policy targets will remain important, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession. In the case of the US the resolution of the disparity between market expectations for the path of interest rates versus the Fed's dot plot will be key.
- Global growth is expected to slow this year, with some economies forecasted to tip into recession. However, optimism has been building that certain economies could experience soft landings. Inflation, monetary policy, and geopolitical issues will remain key in 2024.
- US consumers could feel pressure as certain components of inflation (e.g., shelter), remain high, borrowing costs are elevated, and the job market may weaken.
- A focus for US equities going forward, will be whether earnings can remain resilient if growth continues to slow. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and on-going weakness in the real estate sector which could spill over into key trading partners' economies. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.

Executive Summary

- In January, markets were largely flat to negative after the expectation late last year of aggressive rate cuts by the Fed faded.
- The below table reflects the latest estimated valuation data through January 2024.
- The approved Investment Policy Statement changes from the January 10th meeting went into effect this month.

NERS	January 31, 2024	December 31, 2023	November 30, 2023
Total Fund Balance	\$1.28 Billion	\$1.30 Billion	\$1.26 Billion
Funded Status	84%	85%	82%
NERS Assumed Rate of Return	6.75%	6.75%	6.75%
FYTD Rate of Return	4.0%	4.3%	0.5%
12 Months Trailing Rate of Return	5.6%	11.8%	4.5%
Monthly Rate of Return	-0.3%	3.7%	5.8%
Monthly Gains/Losses	\$4.3 million	\$46.4 million	\$68.9 million
Monthly Net Cash Flow	-\$9.2 million	-\$7.3 million	-\$8.5 million

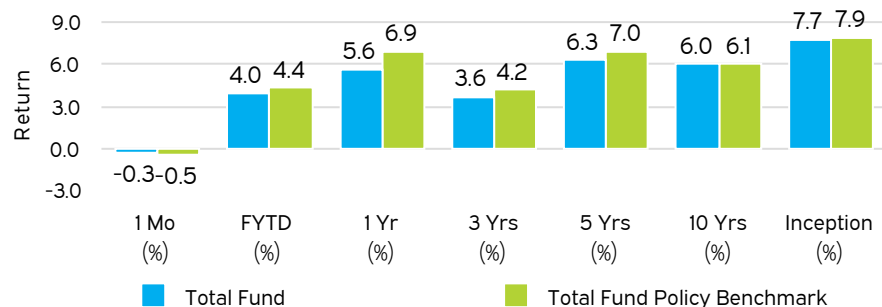
- The Actuarial Determined Contribution rates for Fiscal Year 2024 are:
 - NERS: 20.96%
 - VRS: 12.94%
- As of January 31, the System was inside of its target asset allocation ranges for all asset classes.

Performance Summary

Portfolio Objective

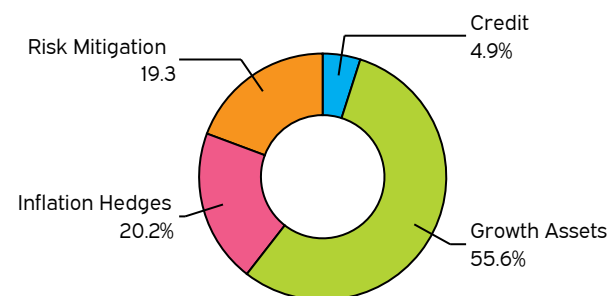
The Employees' Retirement System of the City of Norfolk is a long-term investor whose objective is to enable the System to provide retirement income for plan participants and beneficiaries. The System's strategy is to generate a return that meets the long-term return objective, while minimizing volatility.

Return Summary



	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Fund	-0.3	4.0	5.6	3.6	6.3	6.0	7.7	10/01/1990
Total Fund Policy Benchmark	-0.5	4.4	6.9	4.2	7.0	6.1	7.9	

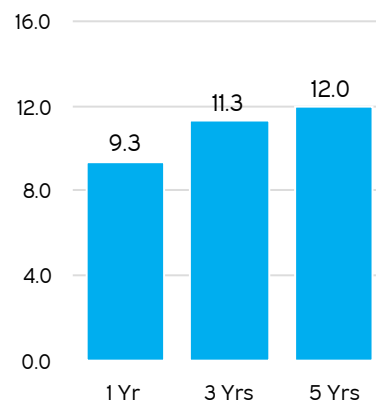
Current Allocation



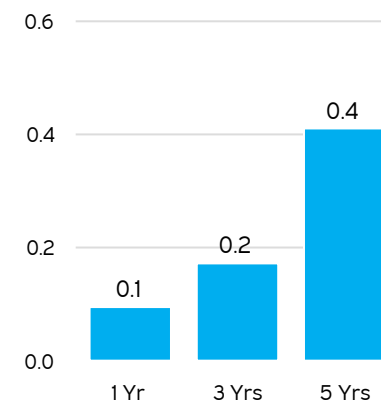
Summary of Cash Flows

	Last Month	One Year
Total Fund		
Beginning Market Value	1,295,810,106	1,267,370,007
Net Cash Flow	-9,216,453	-57,130,563
Net Investment Change	-4,288,189	72,066,020
Ending Market Value	1,282,305,464	1,282,305,464

Annualized Standard Deviation

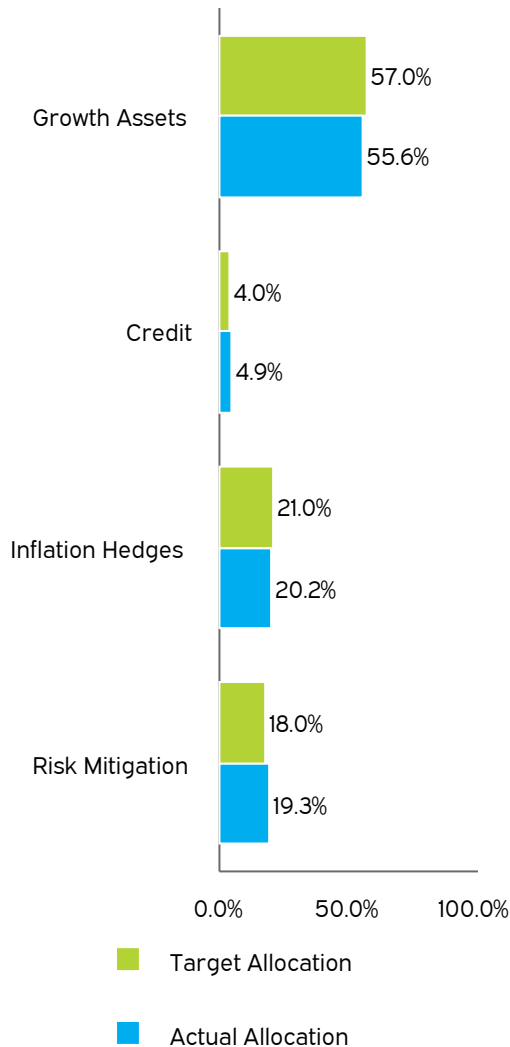


Sharpe Ratio



Performance Update | As of January 31, 2024

Actual vs. Target Allocation



Allocation vs. Targets and Policy

	Current Balance	Current Allocation (%)	Policy (%)	Policy Range (%)	Within IPS Range?
Growth Assets	\$712,682,338	55.6	57.0	47.0 - 67.0	Yes
Global Equity	\$709,726,400	55.3	52.0	42.0 - 62.0	Yes
Private Equity	\$2,955,938	0.2	5.0	0.0 - 10.0	Yes
Credit	\$63,214,660	4.9	4.0	0.0 - 9.0	Yes
High Yield & Bank Loans	\$63,214,660	4.9	4.0	0.0 - 9.0	Yes
Inflation Hedges	\$258,829,831	20.2	21.0	14.0 - 28.0	Yes
Real Estate	\$94,315,492	7.4	8.0	3.0 - 13.0	Yes
Natural Resources & Infrastructure	\$61,868,473	4.8	5.0	0.0 - 10.0	Yes
Gold	\$36,035,557	2.8	3.0	0.0 - 6.0	Yes
Short-Term TIPS	\$66,610,309	5.2	5.0	0.0 - 10.0	Yes
Risk Mitigation	\$247,578,634	19.3	18.0	11.0 - 25.0	Yes
Investment Grade Fixed Income	\$180,438,237	14.1	14.0	7.0 - 21.0	Yes
Hedge Funds	\$63,035,219	4.9	4.0	0.0 - 9.0	Yes
Cash	\$4,105,178	0.3	0.0	0.0 - 3.0	Yes
Total	\$1,282,305,464	100.0	100.0		

Assets, Liabilities and Funded Status Over Time



As of June 30, 2023, Total Plan Actuarial Liability (AL) is \$1.531 billion and the Actuarial Value of assets (AVA) is \$1.294 billion for an Actuarial funded ratio (AVA/AL) of 85%. Using the Market Value of Assets (MVA), the Market Funded Ratio (MV/AL) was approximately 85% in December 2023 and 84% in January 2024.

Asset Class Performance Summary										
	Market Value (\$)	% of Portfolio	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,282,305,464	100.0	-0.3	4.0	5.6	3.6	6.3	6.0	7.7	Oct-90
Total Fund Policy Benchmark			-0.5	4.4	6.9	4.2	7.0	6.1	7.9	
Total Fund Actual Allocation Benchmark			-0.3	4.7	6.7	--	--	--	--	
Total Fund Public Benchmark			0.1	6.5	10.5	2.8	6.9	6.2	7.9	
Growth Assets	712,682,338	55.6	0.5	7.2	12.5	--	--	--	13.7	Dec-22
Growth Assets Custom Benchmark			0.0	7.2	13.8	--	--	--	14.2	
Global Equity	709,726,400	55.3	0.5	7.2	12.5	5.5	10.0	8.7	9.0	Oct-90
Global Equity Policy Benchmark			0.2	7.6	13.5	5.6	9.8	8.4	9.3	
Private Equity	2,955,938	0.2								
Credit	63,214,660	4.9	0.8	7.0	--	--	--	--	9.1	May-23
Credit Custom Benchmark			0.4	7.4	10.2	--	--	--	9.0	
High Yield & Bank Loans	63,214,660	4.9	0.8	7.0	--	--	--	--	9.1	May-23
High Yield & Bank Loans Custom Benchmark			0.4	7.4	10.2	3.7	4.9	4.5	9.0	
Inflation Hedges	258,829,831	20.2	-2.2	-1.8	-7.4	--	--	--	-7.8	Dec-22
Inflation Hedges Custom Benchmark			-2.2	-2.1	-6.9	--	--	--	-5.8	
Real Estate	94,315,492	7.4	-1.2	-6.8	-12.2	0.2	-0.2	4.0	5.7	Apr-11
NCREIF ODCE (Net)			0.0	-7.0	-12.7	4.0	3.3	6.3	7.5	
Natural Resources & Infrastructure	61,868,473	4.8	-4.8	-0.7	--	--	--	--	-4.3	Apr-23
S&P Global LargeMidcap Resources & Commodities NR USD			-6.3	-2.8	-13.1	9.6	7.6	4.2	-6.5	
Gold	36,035,557	2.8	-4.7	0.7	--	--	--	--	-4.7	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			-5.3	1.1	-1.7	--	--	--	-3.0	
Short-Term TIPS	66,610,309	5.2	0.5	3.5	--	--	--	--	3.7	Mar-23
Blmbg. U.S. TIPS 0-5 Year			0.4	3.4	4.3	2.3	3.3	2.0	4.7	

See benchmark history page for benchmark detail.

Performance Update | As of January 31, 2024

	Market Value (\$)	% of Portfolio	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitigation	247,578,634	19.3	-0.7	1.0	1.3	--	--	--	3.6	Dec-22
<i>Risk Mitigation Custom Benchmark</i>			-0.1	2.7	1.7	--	--	--	3.3	
Investment Grade Fixed Income	180,438,237	14.1	-0.6	2.0	1.6	-3.3	0.8	1.7	5.1	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			-0.3	3.1	2.1	-3.2	0.8	1.6	5.1	
Intermediate-Term Bonds	130,647,185	10.2	-0.1	3.4	3.0	-2.9	1.1	1.9	5.2	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			-0.3	3.1	2.1	-3.2	0.8	1.6	5.1	
Long-Term Bonds	49,791,052	3.9	-2.0	-2.9	--	--	--	--	-0.6	Mar-23
<i>Blmbg. U.S. Treasury: Long</i>			-2.2	-2.8	-5.3	-11.0	-1.8	1.5	-0.6	
Hedge Funds	63,035,219	4.9	-1.2	-2.2	--	--	--	--	1.3	Apr-23
<i>Hedge Fund Custom Benchmark</i>			0.7	1.2	--	--	--	--	2.9	
Cash	4,105,178	0.3								

Trailing Net Performance										
	Market Value (\$)	% of Portfolio	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,282,305,464	100.0	-0.3	4.0	5.6	3.6	6.3	6.0	7.7	Oct-90
Total Fund Policy Benchmark			-0.5	4.4	6.9	4.2	7.0	6.1	7.9	
Total Fund Actual Allocation Benchmark			-0.3	4.7	6.7	--	--	--	--	
Total Fund Public Benchmark			0.1	6.5	10.5	2.8	6.9	6.2	7.9	
Growth Assets	712,682,338	55.6	0.5	7.2	12.5	--	--	--	13.7	Dec-22
Growth Assets Custom Benchmark			0.0	7.2	13.8	--	--	--	14.2	
Global Equity	709,726,400	55.3	0.5	7.2	12.5	5.5	10.0	8.7	9.0	Oct-90
Global Equity Policy Benchmark			0.2	7.6	13.5	5.6	9.8	8.4	9.3	
SSgA Russell 1000 Growth Index	33,007,104	2.6	2.5	13.4	--	--	--	--	36.6	Mar-23
Russell 1000 Growth Index			2.5	13.3	35.0	10.0	18.0	15.5	36.6	
SSgA Russell 1000 Value Index	28,704,624	2.2	0.1	6.1	--	--	--	--	10.0	Mar-23
Russell 1000 Value Index			0.1	6.1	6.1	9.2	9.3	8.8	10.0	
SSgA Russell 3000 Index	184,604,796	14.4	1.1	9.7	--	--	--	--	22.0	Mar-23
Russell 3000 Index			1.1	9.6	19.1	9.1	13.5	12.0	22.0	
SSgA MSCI EAFE	82,099,032	6.4	0.5	6.5	--	--	--	--	12.6	Mar-23
MSCI EAFE (Net)			0.6	6.5	10.0	4.6	6.9	4.8	12.4	
SSgA Emerging Markets Index	33,358,245	2.6	-4.7	-0.7	--	--	--	--	3.5	Mar-23
MSCI Emerging Markets (Net)			-4.6	-0.2	-2.9	-7.5	1.0	2.9	3.8	
ABS China Direct	7,103,447	0.6	-10.2	-17.6	--	--	--	--	-23.9	Mar-23
MSCI China (Net)			-10.6	-16.0	-29.0	-23.3	-6.9	0.4	-20.8	

ABS China Direct market value is estimated based on preliminary manager returns.

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	Market Value (\$)	% of Portfolio	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
ABS EM ex China Direct	20,500,566	1.6	-2.0	6.4	--	--	--	--	19.1	Mar-23
MSCI EM ex China			-2.5	6.5	6.9	0.1	4.1	4.0	15.6	
Kopernik Global All-Cap	30,938,875	2.4	-2.4	7.7	--	--	--	--	7.2	Apr-23
MSCI AC World Index (Net)			0.6	7.9	14.7	6.1	10.2	8.4	14.5	
First Eagle Global Equity	116,861,737	9.1	1.1	3.7	--	--	--	--	8.8	Apr-23
MSCI AC World Index (Net)			0.6	7.9	14.7	6.1	10.2	8.4	14.5	
Artisan Global Opportunities	100,767,349	7.9	2.5	9.7	--	--	--	--	16.6	Apr-23
MSCI AC World Index (Net)			0.6	7.9	14.7	6.1	10.2	8.4	14.5	
J. Stern & Co. World Stars Global Equity Fund	57,257,295	4.5								
MSCI AC World IMI (Net)			0.2	7.6	13.5	5.6	9.8	8.2	0.0	
Private Equity	2,955,938	0.2								
NexPhase Capital Fund V, L.P.	115,030	0.0								
Vitruvian Investment Partnership V	225,003	0.0								
Credit	63,214,660	4.9	0.8	7.0	--	--	--	--	9.1	May-23
Credit Custom Benchmark			0.4	7.4	10.2	--	--	--	9.0	
High Yield & Bank Loans	63,214,660	4.9	0.8	7.0	--	--	--	--	9.1	May-23
High Yield & Bank Loans Custom Benchmark			0.4	7.4	10.2	3.7	4.9	4.5	9.0	
Sculptor Credit Opportunities Overseas Fund	25,778,364	2.0	1.1	4.0	--	--	--	--	6.4	May-23
Blmbg. Global High Yield Index			-0.2	8.2	9.3	0.2	3.0	3.6	9.7	

J. Stern & Co. World Stars Global Equity Fund was funded in January. Performance will be shown after first full month.
Sculptor Credit Opportunities market value is estimated based on preliminary manager returns.

Performance Update | As of January 31, 2024

	Market Value (\$)	% of Portfolio	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Brigade High Income Fund	37,436,296	2.9	0.6	9.2	--	--	--	--	11.0	May-23
60% Barclays U.S. Corporate High Yield & 40% CS Lev Loans			0.3	7.5	10.0	3.3	4.8	4.5	8.9	
Inflation Hedges	258,829,831	20.2	-2.2	-1.8	-7.4	--	--	--	-7.8	Dec-22
Inflation Hedges Custom Benchmark			-2.2	-2.1	-6.9	--	--	--	-5.8	
Real Estate	94,315,492	7.4	-1.2	-6.8	-12.2	0.2	-0.2	4.0	5.7	Apr-11
NCREIF ODCE (Net)			0.0	-7.0	-12.7	4.0	3.3	6.3	7.5	
JP Morgan Asset Management Strategic Property Fund	45,632,204	3.6	-0.2	-10.9	-15.0	1.6	1.8	5.3	7.0	Apr-11
NCREIF ODCE (Net)			0.0	-7.0	-12.7	4.0	3.3	6.3	7.5	
UBS Trumbull Property Fund	23,211,397	1.8	0.0	-5.8	-15.7	0.7	-1.2	3.2	4.1	Dec-11
NCREIF ODCE (Net)			0.0	-7.0	-12.7	4.0	3.3	6.3	7.3	
SSgA US REIT	25,471,891	2.0	-4.1	3.3	--	--	--	--	3.6	Mar-23
Dow Jones U.S. Select RESI			-4.0	3.5	-1.4	5.8	3.0	6.1	3.7	
Natural Resources & Infrastructure	61,868,473	4.8	-4.8	-0.7	--	--	--	--	-4.3	Apr-23
S&P Global LargeMidcap Resources & Commodities Ind			-6.3	-2.8	-13.1	9.6	7.6	4.2	-6.5	
SSgA S&P Global LargeMidCap Natural Resources Index	46,376,265	3.6	-6.3	-2.9	--	--	--	--	-6.5	Apr-23
S&P Global LargeMidcap Resources & Commodities Ind			-6.3	-2.8	-13.1	9.6	7.6	4.2	-6.5	
JP Morgan Infrastructure Investments Fund	15,492,208	1.2	0.0	--	--	--	--	--	3.3	Oct-23
DJ Brookfield Listed Public Infrastructure +1%			-3.0	0.6	-2.8	5.7	5.4	--	9.1	

Performance Update | As of January 31, 2024

	Market Value (\$)	% of Portfolio	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Gold	36,035,557	2.8	-4.7	0.7	--	--	--	--	-4.7	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			-5.3	1.1	-1.7	--	--	--	-3.0	
First Eagle Institutional Gold Fund, LP	36,035,557	2.8	-4.7	0.7	--	--	--	--	-4.7	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			-5.3	1.1	-1.7	--	--	--	-3.0	
Short-Term TIPS	66,610,309	5.2	0.5	3.5	--	--	--	--	3.7	Mar-23
Blmbg. U.S. TIPS 0-5 Year			0.4	3.4	4.3	2.3	3.3	2.0	4.7	
Vanguard Short-Term TIPS Index	66,610,309	5.2	0.5	3.5	--	--	--	--	2.8	Apr-23
Blmbg. U.S. TIPS 0-5 Year			0.4	3.4	4.3	2.3	3.3	2.0	2.7	
Risk Mitigation	247,578,634	19.3	-0.7	1.0	1.3	--	--	--	3.6	Dec-22
Risk Mitigation Custom Benchmark			-0.1	2.7	1.7	--	--	--	3.3	
Investment Grade Fixed Income	180,438,237	14.1	-0.6	2.0	1.6	-3.3	0.8	1.7	5.1	Oct-90
Blmbg. U.S. Aggregate Index			-0.3	3.1	2.1	-3.2	0.8	1.6	5.1	
Intermediate-Term Bonds	130,647,185	10.2	-0.1	3.4	3.0	-2.9	1.1	1.9	5.2	Oct-90
Blmbg. U.S. Aggregate Index			-0.3	3.1	2.1	-3.2	0.8	1.6	5.1	
SSgA US Aggregate Bond	36,982,953	2.9	-0.2	3.1	2.1	-3.2	0.8	1.6	2.7	Jan-09
Blmbg. U.S. Aggregate Index			-0.3	3.1	2.1	-3.2	0.8	1.6	2.6	
Wellington Core Bond	75,498,767	5.9	0.0	3.8	--	--	--	--	2.6	May-23
Blmbg. U.S. Aggregate Index			-0.3	3.1	2.1	-3.2	0.8	1.6	1.6	
Brandywine U.S. Fixed Income	18,165,465	1.4	-0.3	2.4	--	--	--	--	1.6	Jun-23
Blmbg. U.S. Aggregate Index			-0.3	3.1	2.1	-3.2	0.8	1.6	2.7	

Performance Update | As of January 31, 2024

	Market Value (\$)	% of Portfolio	1 Mo (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Long-Term Bonds	49,791,052	3.9	-2.0	-2.9	--	--	--	--	-0.6	Mar-23
<i>Blmbg. U.S. Treasury: Long</i>			-2.2	-2.8	-5.3	-11.0	-1.8	1.5	-0.6	
SSgA Long US Treasury Index	49,791,052	3.9	-2.0	-2.9	--	--	--	--	-0.6	Mar-23
<i>Blmbg. U.S. Treasury: Long</i>			-2.2	-2.8	-5.3	-11.0	-1.8	1.5	-0.6	
Hedge Funds	63,035,219	4.9	-1.2	-2.2	--	--	--	--	1.3	Apr-23
<i>Hedge Fund Custom Benchmark</i>			0.7	1.2	--	--	--	--	2.9	
36 South Kohinoor Series (Cayman) Fund	21,380,875	1.7	0.6	-0.2	--	--	--	--	1.3	Apr-23
<i>CBOE EurekaHedge Long Volatility Hedge Fund Index</i>			-0.1	-2.0	-4.5	-2.9	1.4	-1.1	-4.7	
BH-DG Systematic Trading Master Fund	16,981,357	1.3	-4.1	-7.3	--	--	--	--	1.7	Apr-23
<i>Barclay CTA Index</i>			0.4	-0.4	0.2	4.1	4.7	2.6	2.1	
Lombard Odier Bear Convexity	7,661,457	0.6	0.7	-4.1	--	--	--	--	-4.2	Apr-23
<i>CBOE EurekaHedge Long Volatility Hedge Fund Index</i>			-0.1	-2.0	-4.5	-2.9	1.4	-1.1	-4.7	
Alpstone Global Macro Fund	17,011,530	1.3	-1.3	1.7	--	--	--	--	1.9	May-23
<i>HFRI Macro (Total) Index</i>			0.5	1.0	-0.1	5.5	5.6	3.2	1.9	
Cash	4,105,178	0.3								
Cash	4,105,178	0.3								

Annual Investment Expense Analysis As of January 31, 2024				
	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Total Fund		\$1,282,305,464	\$4,299,017	0.34
Growth Assets		\$712,682,338	\$2,004,714	0.28
Global Equity		\$709,726,400	\$1,998,139	0.28
SSgA Russell 1000 Growth Index	0.02 % of Assets	\$33,007,104	\$6,601	0.02
SSgA Russell 1000 Value Index	0.02 % of Assets	\$28,704,624	\$5,741	0.02
SSgA Russell 3000 Index	0.02 % of Assets	\$184,604,796	\$36,921	0.02
SSgA MSCI EAFE	0.04 % of Assets	\$82,099,032	\$32,840	0.04
SSgA Emerging Markets Index	0.08 % of Assets	\$33,358,245	\$26,687	0.08
ABS China Direct	0.65 % of Assets	\$7,103,447	\$46,172	0.65
ABS EM ex China Direct	0.50 % of Assets	\$20,500,566	\$102,503	0.50
Kopernik Global All-Cap	0.75 % of Assets	\$30,938,875	\$232,042	0.75
First Eagle Global Equity	0.55 % of Assets	\$116,861,737	\$642,740	0.55
Artisan Global Opportunities	0.60 % of Assets	\$100,767,349	\$604,604	0.60
J. Stern & Co. World Stars Global Equity Fund	0.45 % of Assets	\$57,257,295	\$257,658	0.45
Private Equity		\$2,955,938	\$6,576	0.22
NexPhase Capital Fund V, L.P.	2.00 % of Assets	\$115,030	\$2,301	2.00
Vitruvian Investment Partnership V	1.90 % of Assets	\$225,003	\$4,275	1.90
Credit		\$63,214,660	\$452,452	0.72
High Yield & Bank Loans		\$63,214,660	\$452,452	0.72
Sculptor Credit Opportunities Overseas Fund	Performance Based 1.00 and 20.00	\$25,778,364	\$257,784	1.00
Brigade High Income Fund	0.52 % of Assets	\$37,436,296	\$194,669	0.52

Performance Update | As of January 31, 2024

		Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Inflation Hedges			\$258,829,831	\$1,017,387	0.39
Real Estate			\$94,315,492	\$635,030	0.67
JP Morgan Asset Management Strategic Property Fund	0.91 % of Assets		\$45,632,204	\$415,253	0.91
UBS Trumbull Property Fund	0.96 % of First \$10 M		\$23,211,397	\$204,494	0.88
	0.83 % of Next \$15 M				
	0.81 % of Next \$25 M				
	0.79 % of Next \$50 M				
	0.67 % of Next \$150 M				
	0.60 % of Next \$150 M				
	0.56 % of Next \$200 M				
	0.52 % Thereafter				
SSgA US REIT	0.06 % of Assets		\$25,471,891	\$15,283	0.06
Natural Resources & Infrastructure			\$61,868,473	\$193,552	0.31
SSgA S&P Global LargeMidCap Natural Resources Index	0.10 % of Assets		\$46,376,265	\$46,376	0.10
JP Morgan Infrastructure Investments Fund	0.95 % of Assets		\$15,492,208	\$147,176	0.95
Gold			\$36,035,557	\$162,160	0.45
First Eagle Institutional Gold Fund, LP	0.45 % of Assets		\$36,035,557	\$162,160	0.45
Short-Term TIPS			\$66,610,309	\$26,644	0.04
Vanguard Short-Term TIPS Index	0.04 % of Assets		\$66,610,309	\$26,644	0.04
Risk Mitigation			\$247,578,634	\$824,464	0.33
Investment Grade Fixed Income			\$180,438,237	\$165,612	0.09
Intermediate-Term Bonds			\$130,647,185	\$150,675	0.12
SSgA US Aggregate Bond	0.02 % of Assets		\$36,982,953	\$7,397	0.02
Wellington Core Bond	0.12 % of Assets		\$75,498,767	\$90,599	0.12
Brandywine U.S. Fixed Income	0.29 % of Assets		\$18,165,465	\$52,680	0.29

Performance Update | As of January 31, 2024

	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Long-Term Bonds		\$49,791,052	\$14,937	0.03
SSgA Long US Treasury Index	0.03 % of Assets	\$49,791,052	\$14,937	0.03
Hedge Funds		\$63,035,219	\$658,852	1.05
36 South Kohinoor Series (Cayman) Fund	Performance Based 1.00 and 20.00	\$21,380,875	\$213,809	1.00
BH-DG Systematic Trading Master Fund	0.93 % of Assets	\$16,981,357	\$157,927	0.93
Lombard Odier Bear Convexity	Performance Based 0.75 and 27.50	\$7,661,457	\$57,461	0.75
Alpstone Global Macro Fund	Performance Based 1.35 and 20.00	\$17,011,530	\$229,656	1.35
Cash		\$4,105,178	-	-
Cash		\$4,105,178	-	-

Fund	2023 Monthly Management Fees Paid (\$)												FYTD	CYTD
	January	Feb	March	April	May	June	July	August	September	October	November	December		
SSgA MSCI ACWI IMI Index Fund	70,976	0	66,626	0	0	41,553	6,297	0	9,472	0	0	8,159	23,928	203,083
SSgA Russell 1000 Growth Index	0	0	0	0	0	408	0	0	1,231	0	0	1,468	2,700	3,108
SSgA Russell 1000 Value Index	0	0	0	0	0	395	0	0	686	0	0	709	1,396	1,791
SSgA Russell 3000 Index	0	0	0	0	0	6,014	0	0	8,195	0	0	9,033	17,228	23,241
SSgA MSCI EAFE	0	0	0	0	0	5,983	0	0	10,264	0	0	9,712	19,975	25,958
SSgA Emerging Markets Index	0	0	0	0	0	4,385	0	0	7,599	0	0	7,801	15,400	19,785
ABS China Direct	0	0	1,930	1,939	1,924	1,748	1,781	1,912	1,775	1,726	1,645	4,379	13,218	20,759
ABS EM ex China Direct	0	0	4,453	4,545	4,597	4,724	4,984	5,247	5,054	4,917	4,686	8,240	33,128	51,448
Kopernik Global All-Cap*	0	0	22,051	21,752	21,891	21,250	22,810	22,757	22,152	23,156	22,409	24,235	137,520	224,465
First Eagle Global Equity	0	0	32,680	45,021	43,463	46,216	47,393	46,153	44,411	42,935	46,683	49,835	277,410	444,790
Artisan Global Opportunities*	0	0	49,734	49,364	50,319	49,495	50,247	49,336	46,848	44,981	44,981	50,430	286,823	485,736
NexPhase Capital Fund V	0	0	0	0	0	0	0	0	0	0	115,030	0	115,030	115,030
Vitruvian Investment Partnership V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sculptor Credit Opportunities Overseas Fund	0	0	0	20,604	21,291	20,604	21,522	21,522	20,828	21,909	21,202	21,909	128,891	191,391
Brigade High Income Fund*	0	0	0	16,250	16,266	16,526	16,860	17,080	17,021	16,807	15,612	16,122	99,502	148,545
JP Morgan Strategic Property Fund	136,444	0	0	129,344	0	0	118,977	0	0	117,505	0	0	236,482	502,271
UBS Trumbull Property Fund	0	0	59,931	0	0	57,107	0	0	54,378	0	0	52,428	106,806	223,844
SSgA US REIT	0	0	0	0	0	1,098	0	0	2,615	0	0	1,975	4,590	5,688
SSgA S&P Global LargeMidCap NR Index	0	0	0	0	0	717	0	0	7,848	0	0	10,390	18,238	18,955
JP Morgan Infrastructure Investments Fund	0	0	0	0	0	0	0	0	0	0	0	33,085	33,085	33,085
First Eagle Institutional Gold Fund, LP	0	0	3,325	14,434	14,372	13,407	13,950	13,509	12,912	13,362	13,430	12,912	80,076	125,614
Vanguard Short-Term TIPS Index*	0	0	2,115	2,119	2,105	2,535	2,833	2,837	2,422	2,163	2,186	2,210	14,652	23,525
Harvest MLP	0	92,755	0	86,980	0	0	0	0	0	0	0	0	0	179,735
Tortoise Capital Advisors	148,249	147,510	8,814	0	0	0	0	0	0	0	0	0	0	304,574
PIMCO Total Return	0	0	78,555	0	0	0	0	2,987	0	0	0	0	2,987	81,543
SSgA US Aggregate Bond	9,422	0	7,528	0	0	5,717	1,082	0	3,739	0	0	3,316	8,137	30,804
Wellington Core Bond*	0	0	0	8,843	8,757	8,746	8,745	9,397	9,155	8,995	9,448	8,807	54,548	80,893
Brandywine U.S. Fixed Income	0	0	0	0	0	4,436	0	0	14,166	0	0	8,258	22,424	26,860
SSgA Long US Treasury Index	0	0	0	0	0	1,601	0	0	3,881	0	0	3,881	7,762	9,363
36 South Kohinoor Series (Cayman) Fund	0	0	0	7,257	7,314	17,921	17,826	18,105	18,465	18,695	17,925	17,750	108,766	141,258
BH-DG Systematic Trading Master Fund	0	0	0	12,021	14,508	13,747	14,231	13,892	13,220	14,513	13,114	13,220	82,191	122,467
Lombard Odier Bear Convexity	0	0	0	5,025	5,107	4,994	4,920	4,969	4,984	4,963	4,859	4,759	29,455	44,582
Alpstone Global Macro	0	0	0	0	18,446	18,837	18,999	18,957	19,329	19,205	19,238	19,567	115,295	152,577
Total	365,092	240,265	337,742	425,500	230,362	370,164	373,459	248,660	362,649	355,831	352,449	404,594	2,097,643	4,066,768
Custodial Fee	0	21,413	10,569	10,733	8,683	3,597	2,797	4,248	2,716	7,202	0	2,552	19,516	74,512

*In some instances, NERS is invested in a pooled vehicle so a separate fee isn't charged at the Plan level. The fee is reflected in the NAV. Estimated based on management fee and market value.

Benchmark History		
From Date	To Date	Benchmark
Total Fund		
01/01/2024	Present	14.0% Blmbg. U.S. Aggregate Index, 2.0% Blmbg. U.S. Corp: High Yield Index, 4.0% Hedge Fund Custom Benchmark, 8.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 52.0% MSCI AC World IMI (Net), 5.0% Blmbg. U.S. TIPS 0-5 Year, 5.0% S&P Global LargeMidcap Resources & Commodities Ind, 2.0% Credit Suisse Leveraged Loan Index, 3.0% 60% Gold (Spot)/ 40% FTSE Gold Mines, 5.0% MSCI ACWI + 3% 1Q Lag
12/01/2022	01/01/2024	14.0% Blmbg. U.S. Aggregate Index, 2.0% Blmbg. U.S. Corp: High Yield Index, 4.0% HFRI Macro (Total) Index, 8.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 52.0% MSCI AC World IMI (Net), 5.0% Blmbg. U.S. TIPS 0-5 Year, 5.0% S&P Global LargeMidcap Resources & Commodities Ind, 2.0% Credit Suisse Leveraged Loan Index, 3.0% 60% Gold (Spot)/ 40% FTSE Gold Mines, 5.0% MSCI ACWI + 3% 1Q Lag
05/01/2016	12/01/2022	30.0% Blmbg. U.S. Aggregate Index, 7.5% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 7.5% Alerian MLP Index, 55.0% MSCI AC World IMI (Net)
03/01/2016	05/01/2016	33.0% Russell 3000 Index, 30.0% Blmbg. U.S. Aggregate Index, 7.5% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 22.0% MSCI AC World ex USA (Net), 7.5% Alerian MLP Index
02/01/2013	03/01/2016	33.0% Russell 3000 Index, 35.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 22.0% MSCI AC World ex USA (Net), 5.0% Alerian MLP Index
03/01/2011	02/01/2013	36.0% Russell 3000 Index, 35.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 24.0% MSCI AC World ex USA (Net)
09/01/2009	03/01/2011	36.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 24.0% MSCI AC World ex USA (Net)
06/01/2009	09/01/2009	42.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 18.0% MSCI AC World ex USA (Net)
06/01/2006	06/01/2009	42.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 18.0% MSCI EAFE (Net)
07/01/2003	06/01/2006	60.0% S&P 500 Index, 40.0% Blmbg. U.S. Aggregate Index
10/01/2002	07/01/2003	55.0% S&P 500 Index, 45.0% Blmbg. U.S. Aggregate Index
10/01/1990	10/01/2002	50.0% S&P 500 Index, 50.0% Blmbg. U.S. Aggregate Index

Total Fund Public benchmark consists of 74% MSCI ACWI IMI / 26% Bloomberg US Aggregate. Historical Varies.

Total Fund Actual Allocation Benchmark reflects the asset classes set fourth in the Fund's investment policy statement, weighted for the Fund's actual investments and performance of the indexes referenced above.

Benchmark History		
From Date	To Date	Benchmark
Growth Assets		
12/01/2022	Present	91.0% MSCI AC World IMI (Net), 9.0% MSCI ACWI + 3% 1Q Lag
Global Equity		
05/01/2016	Present	100.0% MSCI AC World IMI (Net)
09/01/2009	05/01/2016	60.0% Russell 3000 Index, 40.0% MSCI AC World ex USA (Net)
06/01/2009	09/01/2009	70.0% Russell 3000 Index, 30.0% MSCI AC World ex USA (Net)
01/01/2006	06/01/2009	70.0% Russell 3000 Index, 30.0% MSCI EAFE (Net)
10/01/1990	01/01/2006	100.0% S&P 500 Index
Inflation Hedges		
12/01/2022	Present	38.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 24.0% Blmbg. U.S. TIPS 1-5 Year Index, 24.0% S&P Global LargeMidcap Resources & Commodities Ind, 14.0% 60% Gold (Spot)/ 40% FTSE Gold Mines
Risk Mitigation		
01/01/2024	Present	78.0% Blmbg. U.S. Aggregate Index, 22.0% Hedge Fund Custom Benchmark
12/01/2022	01/01/2024	78.0% Blmbg. U.S. Aggregate Index, 22.0% HFRI Macro (Total) Index
Hedge Funds		
01/01/2024	Present	33.3% HFRI Macro (Total) Index, 33.3% SG Trend Index, 33.3% CBOE Eurekahedge Long Volatility Hedge Fund Index
03/01/2023	01/01/2024	100.0% HFRI Macro (Total) Index

Manager Updates

Global Equity Portfolio Change New Manager J. Stern & Co.

Background and Rationale

- After the strong performance of Large Cap Growth stocks in 2023, Meketa considered the opportunity to seek out asset managers who could provide a higher tracking error and focus on global growth securities. We also sought out firms with smaller assets under management products. In working with our team, we evaluated seven managers in detail and reduced that list to two for additional evaluation and analysis.
- After a thorough due diligence process, we determined J. Stern & Company World Stars (J. Stern or World Stars) was an appropriate manager. J. Stern, founded in 2012, has a strong capability in Global Growth stock selection.
- We anticipate J. Stern to have periods of deviation from the benchmark. We anticipate, over long periods, that this manager will provide additional excess return relative to the MSCI ACWI.
- J. Stern was willing to work with us on their pricing as well, providing a 50% discount relative to their baseline pricing and 25% relative to the founders share class.
- J. Stearn will replace the SSgA ACWI IMI Index in the Global Equity manager lineup.

J Stern & Co World Stars Global Equity Overview and Terms

Firm Location		Strategy Type/Style	
London, UK		Growth	
Firm Inception		Strategy Inception	
2012		February 2024	
Assets Managed (as of 9/30/2023)		Strategy Assets ²	
\$1.1 billion ¹		\$ -	
Portfolio Manager		Fee Schedule	
Chris Rossbach		0.45% management fee	
Vehicle Type		Liquidity	
Limited Partnership		Daily	
Role within the Global Equity		Expected Excess Return	
Active Core Manager		1.0% - 1.5% ³	
		Expected Tracking Error	
		12.0% - 15.0%	

Organization

- J Stern & Co. is an investment partnership, based in London with offices in Zurich and New York City, and co- founded by Jerome Stern and Chris Rossbach in 2012.
- J Stern builds on a 200-year-old banking heritage of the Stern Family. The family sold its last family bank, Banque Stern in Paris, to what is now UBS in 1988. Jerome Stern led the succession of a single-family office from one generation to another and founded J. Stern in 2012 to manage the family assets.

¹ Source: eVestment

² Source: eVestment Strategy assets focused on World Stars are equal to \$870 million as of 9/30/2023. Meketa, alongside the family office of J. Stern, are serving as “founders” of this new Delaware Limited Partnership.

³ Expectations are relative to the preferred benchmark MSCI ACWI IMI.

Investment Team

Name	Role	Years at Firm	Total Years' Experience
Christopher Rossbach	Portfolio Manager	11	29
Katerina Kosmopoulou	Deputy Portfolio Manager	11	22
Zhixin Shu	Senior Analyst	9	26
Giles Tulloch	Senior Analyst	9	14

- The investment team is led by CIO Christopher Rossbach. Mr. Rossbach launched his career at Lazard Freres in New York. In 1999 he moved to London and began work as an analyst at Perry Capital. Mr. Rossbach went on to progressively more senior roles at other large hedge funds in London, including the head of Magnetars European operations.
- Mr. Rossbach is supported by three senior personnel: Deputy PM Katerina Kosmopoulou, Senior Analyst Zhixin Shu, and Senior Analyst Giles Tulloch.
- The World Stars product maintains an Investment Committee of Mr. Rossbach and Mr. Stern. The Committee must reach consensus on

Investment Philosophy and Process

- The team seeks to invest in “quality” companies, defined by several characteristics: strong competitive positioning, a growing industry, competent management, and financial strength.
- J. Stern evaluates the portfolio through a functional framework (as well as traditional sectors). The framework segments the portfolio across four themes: Digital Transformation, Consumer, Healthcare & Life Sciences and Industrials and Infrastructure.
- Mr. Rossbach oversees the research process, beginning with an annual screening process. The process uses standard metrics (e.g. market capitalization, ROIC, revenue and earnings per share growth) as inputs alongside the firm’s senior leader’s qualitative judgment. The result is an active list of opportunities around 300 securities with a goal of reducing that list to about 50 companies (referenced at J. Stern as their Approval List).
- The fundamental analysis conducted by the team culminates in a research note on each company covering its financials, business model, sources of competitive advantage, and growth prospects. Additionally, a separate ESG report is completed with a specific focus on the companies’ strategic focus and/or resources allocated to ESG. The team’s approach to ESG is focused on risks and opportunities rather than a framework based on exclusion. The strategy is Article 8 compliant under SFDR.
- The Investment Committee (Mr. Rossbach and Mr. Stern) must reach consensus in order for a stock to be added to the approved list. Mr. Rossbach is responsible for portfolio construction with an individual position limit of 10%.

Performance Summary (As of December 31, 2023)

	J. Stern World Stars	MSCI ACWI IMI	MSCI ACWI IMI Growth
Trailing Periods:			
1-Year	24.3	20.2	23.4
3-Year	4.7	6.9	3.6
5-Year	6.8	6.1	7.8
10-Year	8.8	7.4	9.2
Since Inception Statistics			
Return	9.5	8.4	10.0
Standard Deviation	15.0	14.5	15.4
Tracking Error (MSCI ACWI)	5.8	-	4.0
Beta (MSCI ACWI)	1.0	-	0.9

Fee Structure and Liquidity

Management Fee:	0.45%
Operating Costs:	Capped at 0.10%
Total Expenses:	0.55%
Liquidity:	Daily
Vehicle Type:	Delaware Limited Partnership

→ The J. Stern fee is strong relative to other global equity offerings.

Global Equity Portfolio Change
New Manager: Fidelity Small Cap Index

Summary

- In January Meketa made the decision to move the Pension Fund to a neutral position for both core fixed income and global equities.
- This decision was based on recent monetary policy commentary and expectations that policy tightening has likely reached its peak for this cycle. The directive was also designed to slightly reduce the duration of the fixed income portfolio.
- This decision was facilitated by redeeming 1% of the Pension Fund from core fixed income and investing those proceeds into the Fidelity Small Cap Index.
 - Redemptions came from Brandywine, Wellington, and the SSgA US Aggregate Bond Index. Meketa also used some of the proceeds from the aforementioned redemptions to add to REITs and Natural Resources.
 - The Fidelity Small Cap Index is a passive, daily liquid mutual fund with a 0.025% expense ratio.

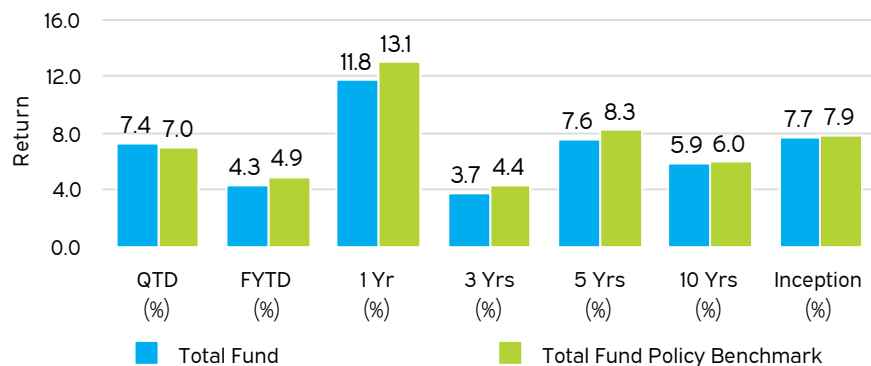
Appendix

December 31, 2023
Fund Evaluation Report

Portfolio Objective

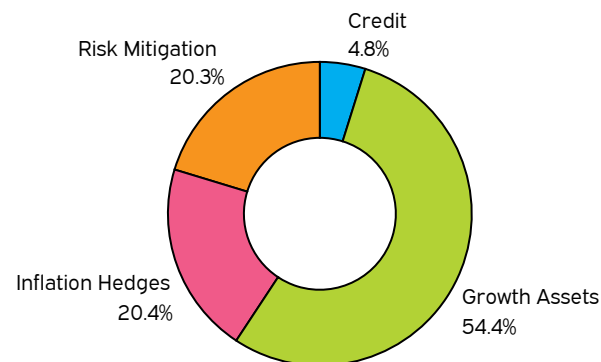
The Employees' Retirement System of the City of Norfolk is a long-term investor whose objective is to enable the System to provide retirement income for plan participants and beneficiaries. The System's strategy is generate a return that meets the long-term return objective, while minimizing volatility.

Return Summary



	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Fund	7.4	4.3	11.8	3.7	7.6	5.9	7.7	10/01/1990
Total Fund Policy Benchmark	7.0	4.9	13.1	4.4	8.3	6.0	7.9	

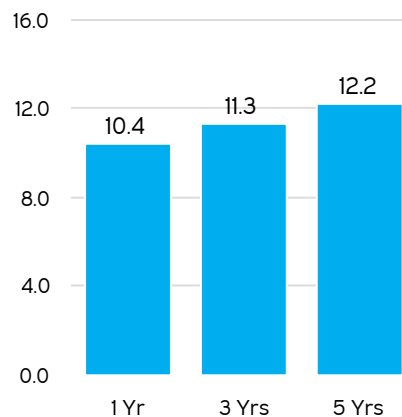
Current Allocation



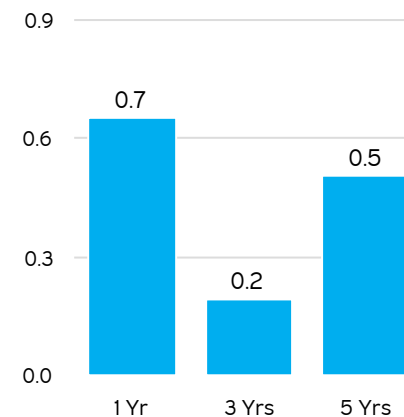
Summary of Cash Flows

	Quarter-To-Date	Year-To-Date
Total Fund		
Beginning Market Value	1,231,245,196	1,204,372,398
Net Cash Flow	-24,386,931	-51,598,944
Net Investment Change	88,951,840	143,036,652
Ending Market Value	1,295,810,106	1,295,810,106

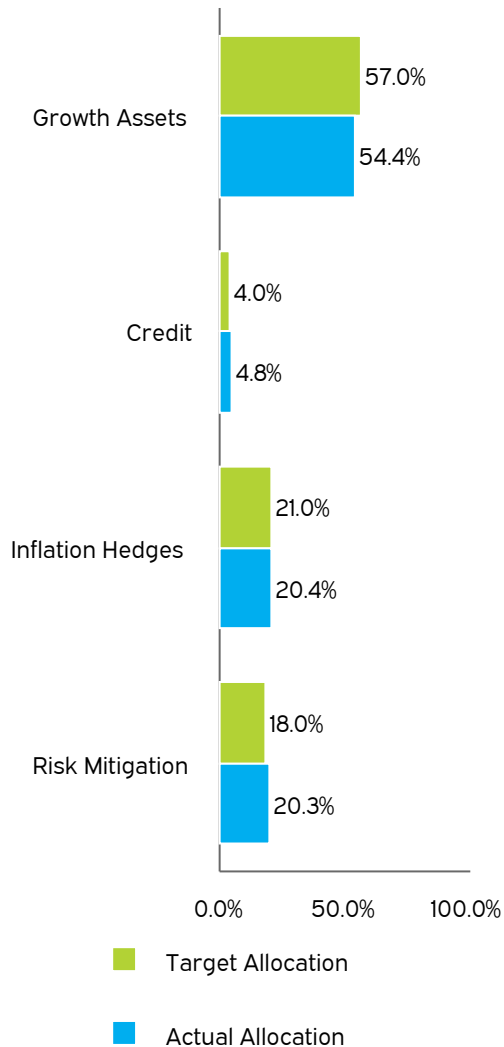
Annualized Standard Deviation



Sharpe Ratio



Actual vs. Target Allocation

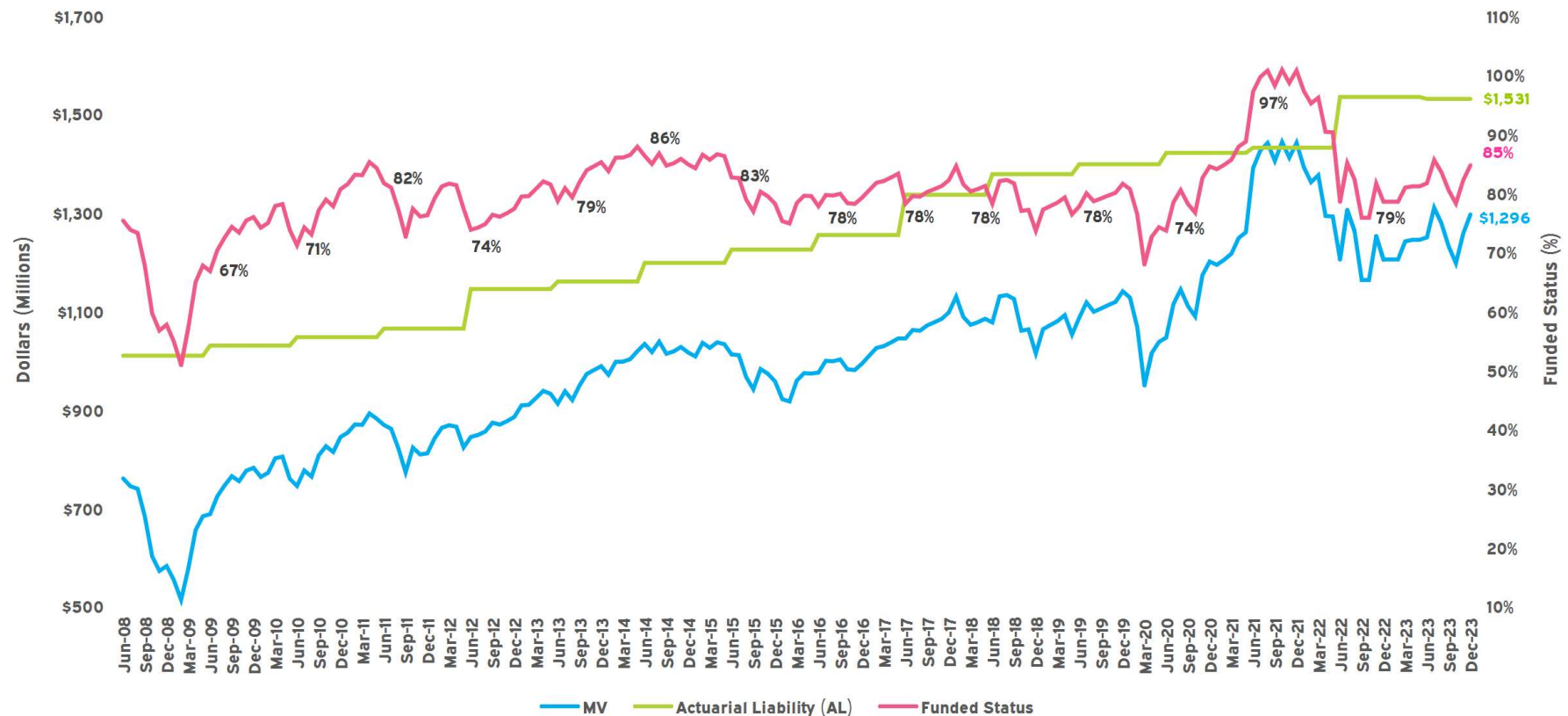


Allocation vs. Targets and Policy

	Current Balance	Current Allocation (%)	Policy (%)	Policy Range (%)	Within IPS Range?
Growth Assets	\$705,356,719	54.4	57.0	47.0 - 67.0	Yes
Global Equity	\$705,012,500	54.4	52.0	42.0 - 62.0	Yes
Private Equity	\$344,220	0.0	5.0	0.0 - 10.0	Yes
Credit	\$62,708,647	4.8	4.0	0.0 - 9.0	Yes
High Yield & Bank Loans	\$62,708,647	4.8	4.0	0.0 - 9.0	Yes
Inflation Hedges	\$264,877,153	20.4	21.0	14.0 - 28.0	Yes
Real Estate	\$95,753,186	7.4	8.0	3.0 - 13.0	Yes
Natural Resources & Infrastructure	\$65,005,115	5.0	5.0	0.0 - 10.0	Yes
Gold	\$37,814,605	2.9	3.0	0.0 - 6.0	Yes
Short-Term TIPS	\$66,304,246	5.1	5.0	0.0 - 10.0	Yes
Risk Mitigation	\$262,867,587	20.3	18.0	11.0 - 25.0	Yes
Investment Grade Fixed Income	\$181,578,572	14.0	14.0	7.0 - 21.0	Yes
Hedge Funds	\$63,804,429	4.9	4.0	0.0 - 9.0	Yes
Cash	\$17,484,586	1.3	0.0	0.0 - 3.0	Yes
Total	\$1,295,810,106	100.0	100.0		

Cash balance includes a pending contribution to Fidelity Small Cap Index that occurred in January.

Assets, Liabilities and Funded Status Over Time



As of June 30, 2023, Total Plan Actuarial Liability (AL) is \$1.531 billion and the Actuarial Value of assets (AVA) is \$1.294 billion for an Actuarial funded ratio (AVA/AL) of 85%. Using the Market Value of Assets (MVA), the Market Funded Ratio (MV/AL) was approximately 82% in November 2023 and 85% in December 2023.

Asset Class Performance Summary										
	Market Value (\$)	% of Portfolio	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,295,810,106	100.0	7.4	4.3	11.8	3.7	7.6	5.9	7.7	Oct-90
Total Fund Policy Benchmark			7.0	4.9	13.1	4.4	8.3	6.0	7.9	
Total Fund Actual Allocation Benchmark			7.6	5.0	12.9	--	--	--	--	
Total Fund Public Benchmark			10.0	6.4	17.3	2.7	8.1	6.0	8.0	
Growth Assets	705,356,719	54.4	10.4	6.6	20.2	--	--	--	14.3	Dec-22
Growth Assets Custom Benchmark			9.9	7.2	22.1	--	--	--	15.4	
Global Equity	705,012,500	54.4	10.4	6.6	20.2	5.3	11.6	8.2	9.0	Oct-90
Global Equity Policy Benchmark			11.1	7.4	21.6	5.5	11.5	8.0	9.3	
Private Equity	344,220	0.0								
Credit	62,708,647	4.8	3.7	6.2	--	--	--	--	8.2	May-23
Credit Custom Benchmark			5.0	7.0	13.3	--	--	--	8.6	
High Yield & Bank Loans	62,708,647	4.8	3.7	6.2	--	--	--	--	8.2	May-23
High Yield & Bank Loans Custom Benchmark			5.0	7.0	13.3	3.9	5.5	4.5	8.6	
Inflation Hedges	264,877,153	20.4	1.9	0.4	-2.8	--	--	--	-6.5	Dec-22
Inflation Hedges Custom Benchmark			1.1	0.0	-2.3	--	--	--	-4.4	
Real Estate	95,753,186	7.4	-2.2	-5.6	-11.3	0.7	0.0	4.2	5.9	Apr-11
NCREIF ODCE (Net)			-5.0	-7.0	-12.7	4.0	3.3	6.3	7.6	
Natural Resources & Infrastructure	65,005,115	5.0	1.4	4.4	--	--	--	--	0.5	Apr-23
S&P Global LargeMidcap Resources & Commodities NR USD			0.8	3.8	-1.6	12.5	10.9	4.4	-0.2	
Gold	37,814,605	2.9	11.9	5.7	--	--	--	--	0.0	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			15.3	6.8	12.2	--	--	--	2.4	
Short-Term TIPS	66,304,246	5.1	2.5	3.0	--	--	--	--	3.2	Mar-23
Blmbg. U.S. TIPS 0-5 Year			2.6	3.0	4.6	2.3	3.4	2.0	4.3	

See benchmark history page for benchmark detail.

Performance Update | As of December 31, 2023

	Market Value (\$)	% of Portfolio	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitigation	262,867,587	20.3	5.9	1.7	5.4	--	--	--	4.5	Dec-22
<i>Risk Mitigation Custom Benchmark</i>			5.1	2.8	4.3	--	--	--	3.7	
Investment Grade Fixed Income	181,578,572	14.0	8.5	2.6	5.7	-3.2	1.2	1.9	5.2	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			6.8	3.4	5.5	-3.3	1.1	1.8	5.1	
Intermediate-Term Bonds	130,769,238	10.1	7.2	3.5	6.5	-3.0	1.3	2.0	5.2	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			6.8	3.4	5.5	-3.3	1.1	1.8	5.1	
Long-Term Bonds	50,809,335	3.9	12.5	-0.9	--	--	--	--	1.4	Mar-23
<i>Blmbg. U.S. Treasury: Long</i>			12.7	-0.6	3.1	-11.4	-1.2	2.3	1.7	
Hedge Funds	63,804,429	4.9	-1.7	-1.0	--	--	--	--	2.6	Apr-23
<i>HFRI Macro (Total) Index</i>			-0.8	0.5	-0.3	5.4	5.6	3.1	2.2	
Cash	17,484,586	1.3								

	Trailing Net Performance									
	Market Value (\$)	% of Portfolio	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,295,810,106	100.0	7.4	4.3	11.8	3.7	7.6	5.9	7.7	Oct-90
Total Fund Policy Benchmark			7.0	4.9	13.1	4.4	8.3	6.0	7.9	
Total Fund Actual Allocation Benchmark			7.6	5.0	12.9	--	--	--	--	
Total Fund Public Benchmark			10.0	6.4	17.3	2.7	8.1	6.0	8.0	
Growth Assets	705,356,719	54.4	10.4	6.6	20.2	--	--	--	14.3	Dec-22
Growth Assets Custom Benchmark			9.9	7.2	22.1	--	--	--	15.4	
Global Equity	705,012,500	54.4	10.4	6.6	20.2	5.3	11.6	8.2	9.0	Oct-90
Global Equity Policy Benchmark			11.1	7.4	21.6	5.5	11.5	8.0	9.3	
SSgA MSCI ACWI IMI Index Fund	73,450,757	5.7	11.2	7.4	21.9	5.8	11.9	--	10.2	May-16
MSCI AC World IMI (Net)			11.1	7.4	21.6	5.5	11.5	7.8	9.8	
SSgA Russell 1000 Growth Index	32,204,662	2.5	14.2	10.6	--	--	--	--	33.3	Mar-23
Russell 1000 Growth Index			14.2	10.6	42.7	8.9	19.5	14.9	33.3	
SSgA Russell 1000 Value Index	14,990,802	1.2	9.5	6.0	--	--	--	--	9.9	Mar-23
Russell 1000 Value Index			9.5	6.0	11.5	8.9	10.9	8.4	9.8	
SSgA Russell 3000 Index	199,669,581	15.4	12.1	8.5	--	--	--	--	20.7	Mar-23
Russell 3000 Index			12.1	8.4	26.0	8.5	15.2	11.5	20.7	
SSgA MSCI EAFE	79,609,396	6.1	10.4	5.9	--	--	--	--	12.0	Mar-23
MSCI EAFE (Net)			10.4	5.9	18.2	4.0	8.2	4.3	11.7	
SSgA Emerging Markets Index	35,017,512	2.7	7.7	4.2	--	--	--	--	8.7	Mar-23
MSCI Emerging Markets (Net)			7.9	4.7	9.8	-5.1	3.7	2.7	8.8	
ABS China Direct	7,913,822	0.6	-5.2	-8.2	--	--	--	--	-15.2	Mar-23
MSCI China (Net)			-4.2	-6.1	-11.2	-18.4	-2.8	0.9	-11.4	
ABS EM ex China Direct	20,909,811	1.6	10.0	8.5	--	--	--	--	21.5	Mar-23
MSCI EM ex China			13.0	9.3	16.3	1.1	6.2	3.5	18.6	

Performance Update | As of December 31, 2023

	Market Value (\$)	% of Portfolio	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Kopernik Global All-Cap	31,705,379	2.4	5.9	10.4	--	--	--	--	9.9	Apr-23
MSCI AC World Index (Net)			11.0	7.3	22.2	5.7	11.7	7.9	13.9	
First Eagle Global Equity	108,681,425	8.4	6.8	2.6	--	--	--	--	7.7	Apr-23
MSCI AC World Index (Net)			11.0	7.3	22.2	5.7	11.7	7.9	13.9	
Artisan Global Opportunities	100,859,352	7.8	13.1	7.0	--	--	--	--	13.7	Apr-23
MSCI AC World Index (Net)			11.0	7.3	22.2	5.7	11.7	7.9	13.9	
Private Equity	344,220	0.0								
NexPhase Capital Fund V, L.P.	115,030	0.0								
Vitruvian Investment Partnership V	229,190	0.0								
Credit	62,708,647	4.8	3.7	6.2	--	--	--	--	8.2	May-23
Credit Custom Benchmark			5.0	7.0	13.3	--	--	--	8.6	
High Yield & Bank Loans	62,708,647	4.8	3.7	6.2	--	--	--	--	8.2	May-23
High Yield & Bank Loans Custom Benchmark			5.0	7.0	13.3	3.9	5.5	4.5	8.6	
Sculptor Credit Opportunities Overseas Fund	25,502,932	2.0	1.4	2.9	--	--	--	--	5.3	May-23
Blmbg. Global High Yield Index			8.6	8.4	14.0	0.2	3.9	3.6	9.9	
Brigade High Income Fund	37,205,714	2.9	5.3	8.5	--	--	--	--	10.3	May-23
60% Barclays U.S. Corporate High Yield & 40% CS Lev Loans			5.4	7.1	13.3	3.5	5.5	4.6	8.5	

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	Market Value (\$)	% of Portfolio	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Inflation Hedges	264,877,153	20.4	1.9	0.4	-2.8	--	--	--	-6.5	Dec-22
<i>Inflation Hedges Custom Benchmark</i>			1.1	0.0	-2.3	--	--	--	-4.4	
Real Estate	95,753,186	7.4	-2.2	-5.6	-11.3	0.7	0.0	4.2	5.9	Apr-11
<i>NCREIF ODCE (Net)</i>			-5.0	-7.0	-12.7	4.0	3.3	6.3	7.6	
JP Morgan Asset Management Strategic Property Fund	45,815,977	3.5	-7.6	-10.7	-15.1	1.7	1.9	5.3	7.1	Apr-11
<i>NCREIF ODCE (Net)</i>			-5.0	-7.0	-12.7	4.0	3.3	6.3	7.6	
UBS Trumbull Property Fund	23,391,001	1.8	-4.2	-5.8	-15.7	0.7	-1.2	3.2	4.1	Dec-11
<i>NCREIF ODCE (Net)</i>			-5.0	-7.0	-12.7	4.0	3.3	6.3	7.3	
SSgA US REIT	26,546,209	2.0	16.3	7.7	--	--	--	--	7.9	Mar-23
<i>Dow Jones U.S. Select RESI</i>			16.3	7.8	14.0	7.2	6.1	7.0	8.1	
Natural Resources & Infrastructure	65,005,115	5.0	1.4	4.4	--	--	--	--	0.5	Apr-23
<i>S&P Global LargeMidcap Resources & Commodities Ind</i>			0.8	3.8	-1.6	12.5	10.9	4.4	-0.2	
SSgA S&P Global LargeMidCap Natural Resources Index	49,512,907	3.8	0.7	3.7	--	--	--	--	-0.1	Apr-23
<i>S&P Global LargeMidcap Resources & Commodities Ind</i>			0.8	3.8	-1.6	12.5	10.9	4.4	-0.2	
JP Morgan Infrastructure Investments Fund	15,492,208	1.2	3.3	--	--	--	--	--	3.3	Oct-23
<i>DJ Brookfield Listed Public Infrastructure +1%</i>			12.4	3.7	5.6	6.4	8.0	--	12.4	
Gold	37,814,605	2.9	11.9	5.7	--	--	--	--	0.0	Apr-23
<i>60% Gold (Spot)/ 40% FTSE Gold Mines</i>			15.3	6.8	12.2	--	--	--	2.4	
First Eagle Institutional Gold Fund, LP	37,814,605	2.9	11.9	5.7	--	--	--	--	0.0	Apr-23
<i>60% Gold (Spot)/ 40% FTSE Gold Mines</i>			15.3	6.8	12.2	--	--	--	2.4	
Short-Term TIPS	66,304,246	5.1	2.5	3.0	--	--	--	--	3.2	Mar-23
<i>Blmbg. U.S. TIPS 0-5 Year</i>			2.6	3.0	4.6	2.3	3.4	2.0	4.3	
Vanguard Short-Term TIPS Index	66,304,246	5.1	2.5	3.0	--	--	--	--	2.3	Apr-23
<i>Blmbg. U.S. TIPS 0-5 Year</i>			2.6	3.0	4.6	2.3	3.4	2.0	2.3	

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	Market Value (\$)	% of Portfolio	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitigation	262,867,587	20.3	5.9	1.7	5.4	--	--	--	4.5	Dec-22
<i>Risk Mitigation Custom Benchmark</i>			5.1	2.8	4.3	--	--	--	3.7	
Investment Grade Fixed Income	181,578,572	14.0	8.5	2.6	5.7	-3.2	1.2	1.9	5.2	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			6.8	3.4	5.5	-3.3	1.1	1.8	5.1	
Intermediate-Term Bonds	130,769,238	10.1	7.2	3.5	6.5	-3.0	1.3	2.0	5.2	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			6.8	3.4	5.5	-3.3	1.1	1.8	5.1	
SSgA US Aggregate Bond	37,049,270	2.9	6.7	3.3	5.6	-3.3	1.1	1.8	2.7	Jan-09
<i>Blmbg. U.S. Aggregate Index</i>			6.8	3.4	5.5	-3.3	1.1	1.8	2.7	
Wellington Core Bond	75,491,847	5.8	7.2	3.8	--	--	--	--	2.6	May-23
<i>Blmbg. U.S. Aggregate Index</i>			6.8	3.4	5.5	-3.3	1.1	1.8	1.9	
Brandywine U.S. Fixed Income	18,228,121	1.4	8.7	2.7	--	--	--	--	1.9	Jun-23
<i>Blmbg. U.S. Aggregate Index</i>			6.8	3.4	5.5	-3.3	1.1	1.8	3.0	
Long-Term Bonds	50,809,335	3.9	12.5	-0.9	--	--	--	--	1.4	Mar-23
<i>Blmbg. U.S. Treasury: Long</i>			12.7	-0.6	3.1	-11.4	-1.2	2.3	1.7	
SSgA Long US Treasury Index	50,809,335	3.9	12.5	-0.9	--	--	--	--	1.4	Mar-23
<i>Blmbg. U.S. Treasury: Long</i>			12.7	-0.6	3.1	-11.4	-1.2	2.3	1.7	

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	Market Value (\$)	% of Portfolio	QTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Hedge Funds	63,804,429	4.9	-1.7	-1.0	--	--	--	--	2.6	Apr-23
HFRI Macro (Total) Index			-0.8	0.5	-0.3	5.4	5.6	3.1	2.2	
36 South Kohinoor Series (Cayman) Fund	21,253,600	1.6	-3.1	-0.8	--	--	--	--	0.7	Apr-23
CBOE EurekaHedge Long Volatility Hedge Fund Index			-3.5	-1.9	-6.1	-3.0	0.4	-1.1	-4.6	
BH-DG Systematic Trading Master Fund	17,701,876	1.4	-1.1	-3.4	--	--	--	--	6.0	Apr-23
Barclay CTA Index			-1.5	-0.8	-0.3	3.9	4.5	2.4	1.7	
Lombard Odier Bear Convexity	7,610,076	0.6	-4.5	-4.7	--	--	--	--	-4.9	Apr-23
CBOE EurekaHedge Long Volatility Hedge Fund Index			-3.5	-1.9	-6.1	-3.0	0.4	-1.1	-4.6	
Alpstone Global Macro Fund	17,238,877	1.3	1.0	3.1	--	--	--	--	3.2	May-23
HFRI Macro (Total) Index			-0.8	0.5	-0.3	5.4	5.6	3.1	1.3	
Cash	17,484,586	1.3								
Cash	17,484,586	1.3								

Fiscal Year Performance						
	FYTD	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
Total Fund	4.3	8.4	-10.0	25.9	0.6	5.3
<i>Total Fund Policy Benchmark</i>	<i>4.9</i>	<i>9.5</i>	<i>-10.0</i>	<i>26.5</i>	<i>1.3</i>	<i>5.9</i>
<i>Total Fund Actual Allocation Benchmark</i>	<i>5.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
<i>Total Fund Public Benchmark</i>	<i>6.4</i>	<i>10.5</i>	<i>-14.1</i>	<i>24.1</i>	<i>4.6</i>	<i>6.2</i>
Growth Assets	6.6	--	--	--	--	--
<i>Growth Assets Custom Benchmark</i>	<i>7.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
Global Equity	6.6	15.8	-16.2	41.6	1.6	5.0
<i>Global Equity Policy Benchmark</i>	<i>7.4</i>	<i>16.1</i>	<i>-16.5</i>	<i>40.9</i>	<i>1.2</i>	<i>4.6</i>
SSgA MSCI ACWI IMI Index Fund	7.4	16.6	-16.2	41.6	1.6	5.0
<i>MSCI AC World IMI (Net)</i>	<i>7.4</i>	<i>16.1</i>	<i>-16.5</i>	<i>40.9</i>	<i>1.2</i>	<i>4.6</i>
SSgA Russell 1000 Growth Index	10.6	--	--	--	--	--
<i>Russell 1000 Growth Index</i>	<i>10.6</i>	<i>27.1</i>	<i>-18.8</i>	<i>42.5</i>	<i>23.3</i>	<i>11.6</i>
SSgA Russell 1000 Value Index	6.0	--	--	--	--	--
<i>Russell 1000 Value Index</i>	<i>6.0</i>	<i>11.5</i>	<i>-6.8</i>	<i>43.7</i>	<i>-8.8</i>	<i>8.5</i>
SSgA Russell 3000 Index	8.5	--	--	--	--	--
<i>Russell 3000 Index</i>	<i>8.4</i>	<i>19.0</i>	<i>-13.9</i>	<i>44.2</i>	<i>6.5</i>	<i>9.0</i>
SSgA MSCI EAFE	5.9	--	--	--	--	--
<i>MSCI EAFE (Net)</i>	<i>5.9</i>	<i>18.8</i>	<i>-17.8</i>	<i>32.4</i>	<i>-5.1</i>	<i>1.1</i>
SSgA Emerging Markets Index	4.2	--	--	--	--	--
<i>MSCI Emerging Markets (Net)</i>	<i>4.7</i>	<i>1.7</i>	<i>-25.3</i>	<i>40.9</i>	<i>-3.4</i>	<i>1.2</i>
ABS China Direct	-8.2	--	--	--	--	--
<i>MSCI China (Net)</i>	<i>-6.1</i>	<i>-16.8</i>	<i>-31.8</i>	<i>27.4</i>	<i>13.1</i>	<i>-6.7</i>
ABS EM ex China Direct	8.5	--	--	--	--	--
<i>MSCI EM ex China</i>	<i>9.3</i>	<i>8.5</i>	<i>-21.5</i>	<i>50.2</i>	<i>-11.8</i>	<i>5.1</i>
Kopernik Global All-Cap	10.4	--	--	--	--	--
<i>MSCI AC World Index (Net)</i>	<i>7.3</i>	<i>16.5</i>	<i>-15.8</i>	<i>39.3</i>	<i>2.1</i>	<i>5.7</i>
First Eagle Global Equity	2.6	--	--	--	--	--
<i>MSCI AC World Index (Net)</i>	<i>7.3</i>	<i>16.5</i>	<i>-15.8</i>	<i>39.3</i>	<i>2.1</i>	<i>5.7</i>

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	FYTD	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
Artisan Global Opportunities	7.0	--	--	--	--	--
<i>MSCI AC World Index (Net)</i>	<i>7.3</i>	<i>16.5</i>	<i>-15.8</i>	<i>39.3</i>	<i>2.1</i>	<i>5.7</i>
Private Equity						
NexPhase Capital Fund V, L.P.						
Vitruvian Investment Partnership V						
Credit	6.2	--	--	--	--	--
<i>Credit Custom Benchmark</i>	<i>7.0</i>	--	--	--	--	--
High Yield & Bank Loans	6.2	--	--	--	--	--
<i>High Yield & Bank Loans Custom Benchmark</i>	<i>7.0</i>	<i>9.6</i>	<i>-7.8</i>	<i>13.5</i>	<i>-1.1</i>	<i>5.8</i>
Sculptor Credit Opportunities Overseas Fund	2.9	--	--	--	--	--
<i>Blmbg. Global High Yield Index</i>	<i>8.4</i>	<i>10.5</i>	<i>-17.8</i>	<i>14.6</i>	<i>-2.0</i>	<i>7.8</i>
Brigade High Income Fund	8.5	--	--	--	--	--
<i>60% Barclays U.S. Corporate High Yield & 40% CS Lev Loans</i>	<i>7.1</i>	<i>9.5</i>	<i>-8.8</i>	<i>13.9</i>	<i>-0.9</i>	<i>6.1</i>
Inflation Hedges	0.4	--	--	--	--	--
<i>Inflation Hedges Custom Benchmark</i>	<i>0.0</i>	--	--	--	--	--
Real Estate	-5.6	-12.1	18.1	3.7	-0.3	1.9
<i>NCREIF ODCE (Net)</i>	<i>-7.0</i>	<i>-10.7</i>	<i>28.3</i>	<i>7.1</i>	<i>1.3</i>	<i>5.5</i>
JP Morgan Asset Management Strategic Property Fund	-10.7	-11.3	27.5	6.1	1.2	4.6
<i>NCREIF ODCE (Net)</i>	<i>-7.0</i>	<i>-10.7</i>	<i>28.3</i>	<i>7.1</i>	<i>1.3</i>	<i>5.5</i>
UBS Trumbull Property Fund	-5.8	-15.6	23.5	1.1	-1.9	-0.8
<i>NCREIF ODCE (Net)</i>	<i>-7.0</i>	<i>-10.7</i>	<i>28.3</i>	<i>7.1</i>	<i>1.3</i>	<i>5.5</i>
SSgA US REIT	7.7	--	--	--	--	--
<i>Dow Jones U.S. Select RESI</i>	<i>7.8</i>	<i>-0.8</i>	<i>-6.4</i>	<i>40.0</i>	<i>-17.7</i>	<i>9.8</i>
Natural Resources & Infrastructure	4.4	--	--	--	--	--
<i>S&P Global LargeMidcap Resources & Commodities Ind</i>	<i>3.8</i>	<i>6.2</i>	<i>9.5</i>	<i>46.1</i>	<i>-16.7</i>	<i>0.8</i>
SSgA S&P Global LargeMidCap Natural Resources Index	3.7	--	--	--	--	--
<i>S&P Global LargeMidcap Resources & Commodities Ind</i>	<i>3.8</i>	<i>6.2</i>	<i>9.5</i>	<i>46.1</i>	<i>-16.7</i>	<i>0.8</i>
JP Morgan Infrastructure Investments Fund	--	--	--	--	--	--
<i>DJ Brookfield Listed Public Infrastructure +1%</i>	<i>3.7</i>	<i>-0.4</i>	<i>3.1</i>	<i>19.8</i>	<i>-5.0</i>	<i>13.9</i>

	FYTD	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
Gold	5.7	--	--	--	--	--
60% Gold (Spot)/ 40% FTSE Gold Mines	6.8	6.6	-6.8	--	--	--
First Eagle Institutional Gold Fund, LP	5.7	--	--	--	--	--
60% Gold (Spot)/ 40% FTSE Gold Mines	6.8	6.6	-6.8	--	--	--
Short-Term TIPS	3.0	--	--	--	--	--
Blmbg. U.S. TIPS 0-5 Year	3.0	0.1	1.1	6.0	3.4	3.2
Vanguard Short-Term TIPS Index	3.0	--	--	--	--	--
Blmbg. U.S. TIPS 0-5 Year	3.0	0.1	1.1	6.0	3.4	3.2
Risk Mitigation	1.7	--	--	--	--	--
Risk Mitigation Custom Benchmark	2.8	--	--	--	--	--
Investment Grade Fixed Income	2.6	0.1	-10.5	0.2	8.6	7.6
Blmbg. U.S. Aggregate Index	3.4	-0.9	-10.3	-0.3	8.7	7.9
Intermediate-Term Bonds	3.5	0.0	-10.5	0.2	8.6	7.6
Blmbg. U.S. Aggregate Index	3.4	-0.9	-10.3	-0.3	8.7	7.9
SSgA US Aggregate Bond	3.3	-0.9	-10.3	-0.3	8.8	7.9
Blmbg. U.S. Aggregate Index	3.4	-0.9	-10.3	-0.3	8.7	7.9
Wellington Core Bond	3.8	--	--	--	--	--
Blmbg. U.S. Aggregate Index	3.4	-0.9	-10.3	-0.3	8.7	7.9
Brandywine U.S. Fixed Income	2.7	--	--	--	--	--
Blmbg. U.S. Aggregate Index	3.4	-0.9	-10.3	-0.3	8.7	7.9
Long-Term Bonds	-0.9	--	--	--	--	--
Blmbg. U.S. Treasury: Long	-0.6	-6.8	-18.5	-10.6	25.4	12.3
SSgA Long US Treasury Index	-0.9	--	--	--	--	--
Blmbg. U.S. Treasury: Long	-0.6	-6.8	-18.5	-10.6	25.4	12.3
Hedge Funds	-1.0	--	--	--	--	--
HFRI Macro (Total) Index	0.5	-0.4	7.9	15.0	0.8	2.4
36 South Kohinoor Series (Cayman) Fund	-0.8	--	--	--	--	--
CBOE Eurekahedge Long Volatility Hedge Fund Index	-1.9	-6.1	6.0	-9.7	25.1	-2.2
BH-DG Systematic Trading Master Fund	-3.4	--	--	--	--	--
Barclay CTA Index	-0.8	-0.4	8.9	9.2	1.5	3.2

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	FYTD	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019
Lombard Odier Bear Convexity	-4.7	--	--	--	--	--
<i>CBOE Eurekahedge Long Volatility Hedge Fund Index</i>	<i>-1.9</i>	<i>-6.1</i>	<i>6.0</i>	<i>-9.7</i>	<i>25.1</i>	<i>-2.2</i>
Alpstone Global Macro Fund	3.1	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	<i>0.5</i>	<i>-0.4</i>	<i>7.9</i>	<i>15.0</i>	<i>0.8</i>	<i>2.4</i>
Cash						

	Risk Return Statistics	
	3 Yrs (%)	5 Yrs (%)
	Total Fund	Total Fund
RETURN SUMMARY STATISTICS		
Maximum Return	5.8	8.3
Minimum Return	-7.3	-10.5
Return	3.7	7.6
Excess Return	2.2	6.2
Excess Performance	-0.7	-0.7
RISK SUMMARY STATISTICS		
Beta	1.0	0.9
Up Capture	98.7	96.4
Down Capture	102.8	99.6
RISK/RETURN SUMMARY STATISTICS		
Standard Deviation	11.3	12.2
Sortino Ratio	0.3	0.7
Alpha	-0.7	-0.3
Sharpe Ratio	0.2	0.5
Excess Risk	11.3	12.3
Tracking Error	0.9	1.5
Information Ratio	-0.7	-0.5
CORRELATION STATISTICS		
R-Squared	1.0	1.0
Actual Correlation	1.0	1.0

Statistics Summary 3 Years Ending December 31, 2023						
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Fund	3.7	11.3	-0.7	1.0	0.2	0.9
Total Fund Policy Benchmark	4.4	11.1	-	1.0	0.3	0.0
Growth Assets	-	-	-	-	-	-
Growth Assets Custom Benchmark	-	-	-	-	-	-
Global Equity	5.3	16.1	-0.3	1.0	0.3	0.7
Global Equity Policy Benchmark	5.5	16.4	-	1.0	0.3	0.0
SSgA MSCI ACWI IMI Index Fund	5.8	16.4	3.8	1.0	0.3	0.1
MSCI AC World IMI (Net)	5.5	16.4	-	1.0	0.3	0.0
SSgA Russell 1000 Growth Index	-	-	-	-	-	-
Russell 1000 Growth Index	8.9	20.5	-	1.0	0.4	0.0
SSgA Russell 1000 Value Index	-	-	-	-	-	-
Russell 1000 Value Index	8.9	16.5	-	1.0	0.5	0.0
SSgA Russell 3000 Index	-	-	-	-	-	-
Russell 3000 Index	8.5	17.5	-	1.0	0.4	0.0
SSgA MSCI EAFE	-	-	-	-	-	-
MSCI EAFE (Net)	4.0	16.6	-	1.0	0.2	0.0
SSgA Emerging Markets Index	-	-	-	-	-	-
MSCI Emerging Markets (Net)	-5.1	17.1	-	1.0	-0.3	0.0
ABS China Direct	-	-	-	-	-	-
MSCI China (Net)	-18.4	29.2	-	1.0	-0.6	0.0

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
ABS EM ex China Direct	-	-	-	-	-	-
MSCI EM ex China	1.1	17.0	-	1.0	0.0	0.0
Kopernik Global All-Cap	-	-	-	-	-	-
MSCI AC World Index (Net)	5.7	16.3	-	1.0	0.3	0.0
First Eagle Global Equity	-	-	-	-	-	-
MSCI AC World Index (Net)	5.7	16.3	-	1.0	0.3	0.0
Artisan Global Opportunities	-	-	-	-	-	-
MSCI AC World Index (Net)	5.7	16.3	-	1.0	0.3	0.0
Credit	-	-	-	-	-	-
Credit Custom Benchmark	-	-	-	-	-	-
High Yield & Bank Loans	-	-	-	-	-	-
High Yield & Bank Loans Custom Benchmark	3.9	5.5	-	1.0	0.3	0.0
Sculptor Credit Opportunities Overseas Fund	-	-	-	-	-	-
Blmbg. Global High Yield Index	0.2	9.4	-	1.0	-0.2	0.0
Brigade High Income Fund	-	-	-	-	-	-
60% Barclays U.S. Corporate High Yield & 40% CS Lev Loans	3.5	6.0	-	1.0	0.3	0.0
Inflation Hedges	-	-	-	-	-	-
Inflation Hedges Custom Benchmark	-	-	-	-	-	-
Real Estate	0.7	6.1	-0.6	0.5	-0.2	5.8
NCREIF ODCE (Net)	4.0	9.3	-	1.0	0.2	0.0
JP Morgan Asset Management Strategic Property Fund	1.7	6.3	-0.3	0.4	0.0	7.0
NCREIF ODCE (Net)	4.0	9.3	-	1.0	0.2	0.0

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
UBS Trumbull Property Fund	0.7	9.1	-1.2	0.9	-0.1	2.8
NCREIF ODCE (Net)	4.0	9.3	-	1.0	0.2	0.0
SSgA US REIT	-	-	-	-	-	-
Dow Jones U.S. Select RESI	7.2	21.5	-	1.0	0.3	0.0
Natural Resources & Infrastructure	-	-	-	-	-	-
S&P Global LargeMidcap Resources & Commodities Ind	12.5	19.7	-	1.0	0.6	0.0
SSgA S&P Global LargeMidCap Natural Resources Index	-	-	-	-	-	-
S&P Global LargeMidcap Resources & Commodities Ind	12.5	19.7	-	1.0	0.6	0.0
JP Morgan Infrastructure Investments Fund	-	-	-	-	-	-
DJ Brookfield Listed Public Infrastructure +1%	6.4	17.0	-	1.0	0.3	0.0
Gold	-	-	-	-	-	-
60% Gold (Spot)/ 40% FTSE Gold Mines	-	-	-	-	-	-
First Eagle Institutional Gold Fund, LP	-	-	-	-	-	-
60% Gold (Spot)/ 40% FTSE Gold Mines	-	-	-	-	-	-
Short-Term TIPS	-	-	-	-	-	-
Blmbg. U.S. TIPS 0-5 Year	2.3	3.2	-	1.0	0.1	0.0
Vanguard Short-Term TIPS Index	-	-	-	-	-	-
Blmbg. U.S. TIPS 0-5 Year	2.3	3.2	-	1.0	0.1	0.0
Risk Mitigation	-	-	-	-	-	-
Risk Mitigation Custom Benchmark	-	-	-	-	-	-
Investment Grade Fixed Income	-3.2	8.1	0.1	1.1	-0.6	1.6
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Intermediate-Term Bonds	-3.0	7.4	0.6	1.0	-0.7	0.6
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0
SSgA US Aggregate Bond	-3.3	7.2	-0.2	1.0	-0.8	0.2
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0
Wellington Core Bond	-	-	-	-	-	-
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0
Brandywine U.S. Fixed Income	-	-	-	-	-	-
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0
Long-Term Bonds	-	-	-	-	-	-
Blmbg. U.S. Treasury: Long	-11.4	15.7	-	1.0	-0.8	0.0
SSgA Long US Treasury Index	-	-	-	-	-	-
Blmbg. U.S. Treasury: Long	-11.4	15.7	-	1.0	-0.8	0.0
Hedge Funds	-	-	-	-	-	-
HFRI Macro (Total) Index	5.4	5.0	-	1.0	0.6	0.0
36 South Kohinoor Series (Cayman) Fund	-	-	-	-	-	-
CBOE Eurekahedge Long Volatility Hedge Fund Index	-3.0	6.2	-	1.0	-0.8	0.0
BH-DG Systematic Trading Master Fund	-	-	-	-	-	-
Barclay CTA Index	3.9	3.9	-	1.0	0.4	0.0
Lombard Odier Bear Convexity	-	-	-	-	-	-
CBOE Eurekahedge Long Volatility Hedge Fund Index	-3.0	6.2	-	1.0	-0.8	0.0
Alpstone Global Macro Fund	-	-	-	-	-	-
HFRI Macro (Total) Index	5.4	5.0	-	1.0	0.6	0.0

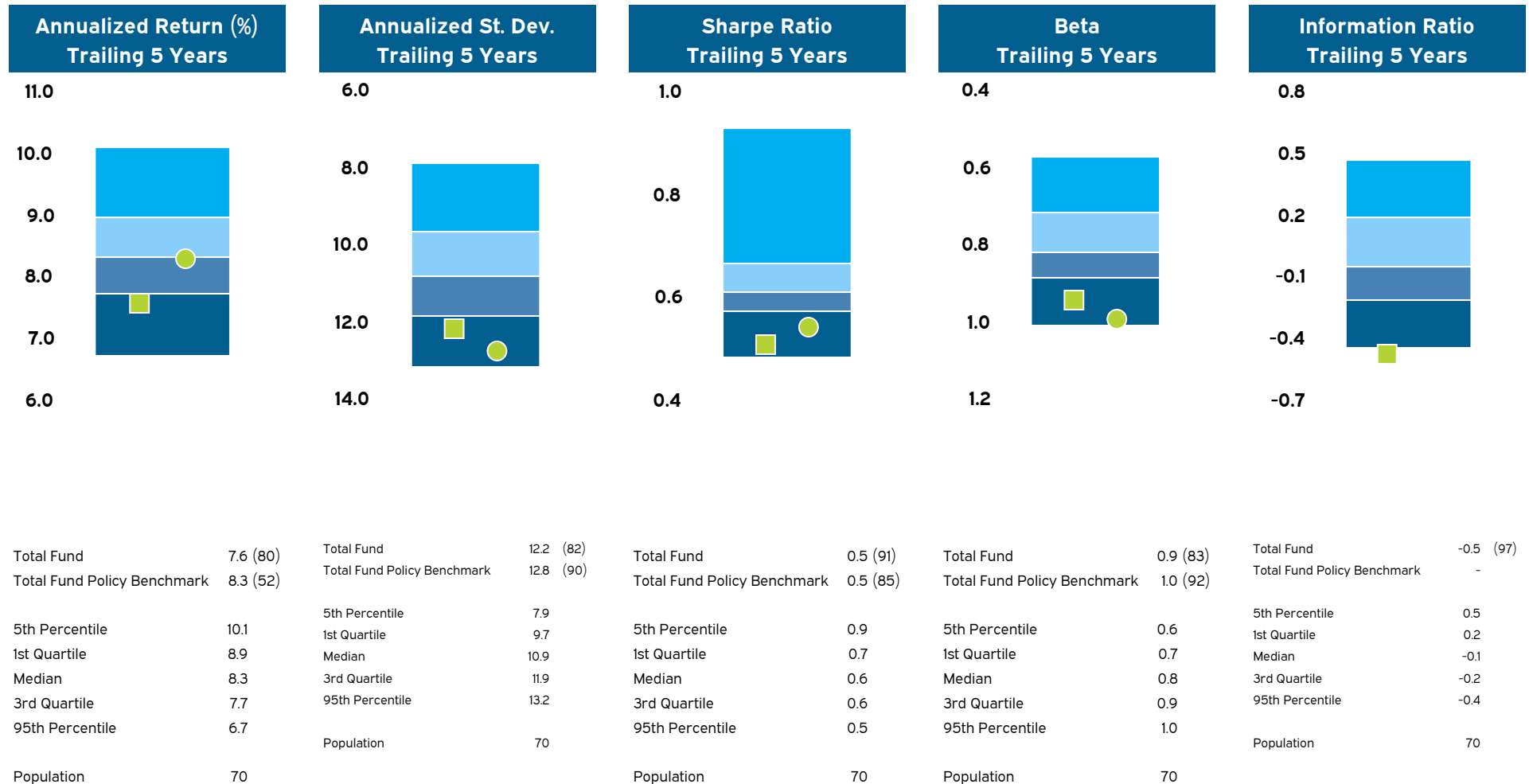
Cash Flow Summary

	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
SSgA MSCI ACWI IMI Index Fund	66,051,257	-	7,399,500	73,450,757
SSgA Russell 1000 Growth Index	28,197,238	-	4,007,423	32,204,662
SSgA Russell 1000 Value Index	13,690,412	-	1,300,390	14,990,802
SSgA Russell 3000 Index	171,125,042	7,500,000	21,044,540	199,669,581
SSgA MSCI EAFE	93,634,791	-22,500,000	8,474,605	79,609,396
SSgA Emerging Markets Index	37,467,213	-5,000,000	2,550,299	35,017,512
ABS China Direct	3,186,363	5,000,000	-272,541	7,913,822
ABS EM ex China Direct	11,799,923	7,500,000	1,609,888	20,909,811
Kopernik Global All-Cap	29,945,905	-	1,759,474	31,705,379
First Eagle Global Equity	96,858,259	5,000,000	6,823,166	108,681,425
Artisan Global Opportunities	93,695,002	-5,000,000	12,164,350	100,859,352
NexPhase Capital Fund V, L.P.	-	115,030	-	115,030
Vitruvian Investment Partnership V	-	229,190	-	229,190
Sculptor Credit Opportunities Overseas Fund	25,731,229	-599,566	371,270	25,502,932
Brigade High Income Fund	39,279,292	-4,000,000	1,926,423	37,205,714
JP Morgan Asset Management Strategic Property Fund	49,597,497	-117,508	-3,664,013	45,815,977
UBS Trumbull Property Fund	24,928,322	-511,462	-1,025,858	23,391,001
SSgA US REIT	12,396,637	12,000,000	2,149,572	26,546,209
SSgA S&P Global LargeMidCap Natural Resources Index	41,125,879	8,000,000	387,028	49,512,907
JP Morgan Infrastructure Investments Fund	-	15,000,000	492,208	15,492,208
First Eagle Institutional Gold Fund, LP	33,778,551	-	4,036,055	37,814,605
Vanguard Short-Term TIPS Index	72,649,252	-8,000,000	1,654,994	66,304,246
Harvest MLP	-	-	-	-
Tortoise Capital Advisors	-	-	-	-
PIMCO Total Return	-	-	-	-

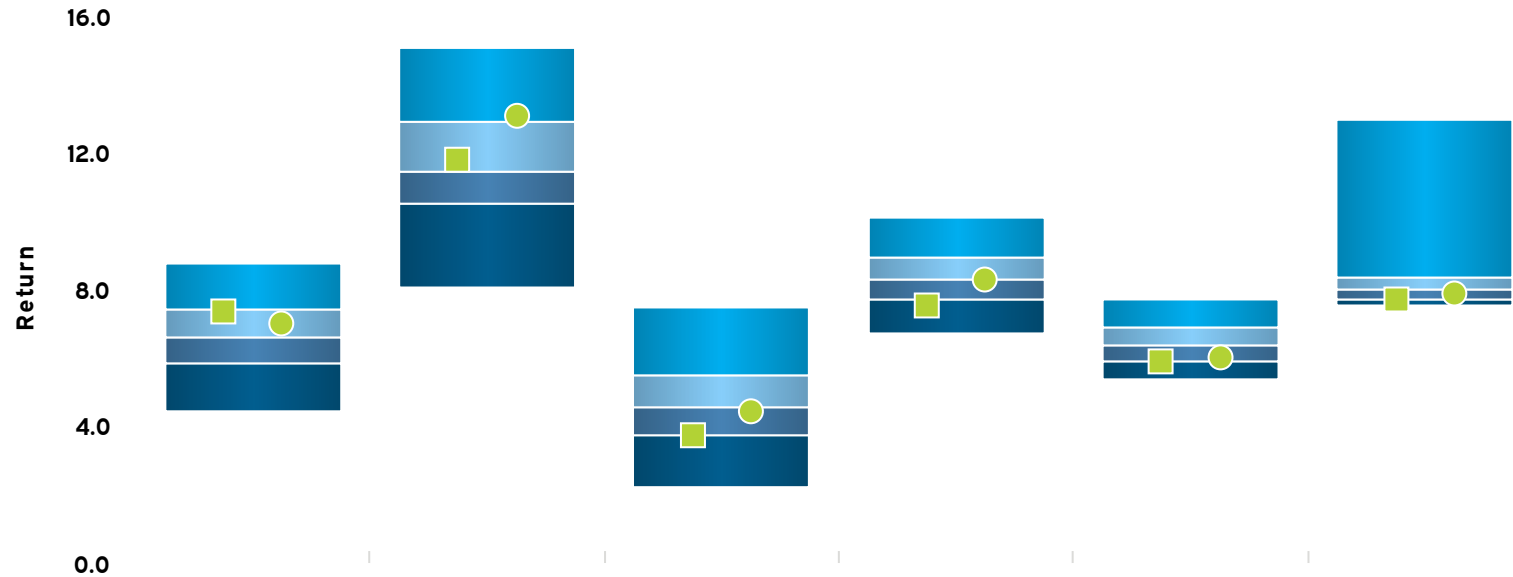
Performance Update | Quarter To Date

	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
SSgA US Aggregate Bond	61,351,045	-28,100,000	3,798,226	37,049,270
Wellington Core Bond	78,473,166	-8,650,000	5,668,681	75,491,847
Brandywine U.S. Fixed Income	19,539,161	-3,000,000	1,688,960	18,228,121
SSgA Long US Treasury Index	45,176,831	-	5,632,504	50,809,335
36 South Kohinoor Series (Cayman) Fund	21,939,096	-	-685,496	21,253,600
BH-DG Systematic Trading Master Fund	17,898,072	-	-196,196	17,701,876
Lombard Odier Bear Convexity	7,969,585	-	-359,509	7,610,076
Alpstone Global Macro Fund	17,069,716	-	169,161	17,238,877
Cash	16,690,463	747,386	46,736	17,484,586
Total	1,231,245,196	-24,386,931	88,951,840	1,295,810,106

Performance Update | As of December 31, 2023



InvMetrics All Public DB Plans > \$1B



	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception
■ Total Fund	7.4 (27)	11.8 (45)	3.7 (76)	7.6 (80)	5.9 (76)	7.7 (71)
● Total Fund Policy Benchmark	7.0 (37)	13.1 (19)	4.4 (54)	8.3 (52)	6.0 (65)	7.9 (61)
5th Percentile	8.8	15.0	7.5	10.1	7.7	13.0
1st Quartile	7.4	12.9	5.5	8.9	6.9	8.3
Median	6.6	11.4	4.5	8.3	6.3	8.0
3rd Quartile	5.8	10.5	3.8	7.7	5.9	7.7
95th Percentile	4.4	8.1	2.2	6.7	5.4	7.5
Population	95	86	74	70	64	15

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Annual Investment Expense Analysis As of December 31, 2023				
	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Growth Assets		\$705,356,719	\$1,745,622	0.25
Global Equity		\$705,012,500	\$1,738,967	0.25
SSgA MSCI ACWI IMI Index Fund	0.05 % of Assets	\$73,450,757	\$33,053	0.05
SSgA Russell 1000 Growth Index	0.02 % of Assets	\$32,204,662	\$6,441	0.02
SSgA Russell 1000 Value Index	0.02 % of Assets	\$14,990,802	\$2,998	0.02
SSgA Russell 3000 Index	0.02 % of Assets	\$199,669,581	\$39,934	0.02
SSgA MSCI EAFE	0.04 % of Assets	\$79,609,396	\$31,844	0.04
SSgA Emerging Markets Index	0.08 % of Assets	\$35,017,512	\$28,014	0.08
ABS China Direct	0.65 % of Assets	\$7,913,822	\$51,440	0.65
ABS EM ex China Direct	0.50 % of Assets	\$20,909,811	\$104,549	0.50
Kopernik Global All-Cap	0.75 % of Assets	\$31,705,379	\$237,790	0.75
First Eagle Global Equity	0.55 % of Assets	\$108,681,425	\$597,748	0.55
Artisan Global Opportunities	0.60 % of Assets	\$100,859,352	\$605,156	0.60
Private Equity		\$344,220	\$6,655	1.93
NexPhase Capital Fund V, L.P.	2.00 % of Assets	\$115,030	\$2,301	2.00
Vitruvian Investment Partnership V	1.90 % of Assets	\$229,190	\$4,355	1.90
Credit		\$62,708,647	\$448,499	0.72
High Yield & Bank Loans		\$62,708,647	\$448,499	0.72
Sculptor Credit Opportunities Overseas Fund	Performance Based 1.00 and 20.00	\$25,502,932	\$255,029	1.00
Brigade High Income Fund	0.52 % of Assets	\$37,205,714	\$193,470	0.52
Inflation Hedges		\$264,877,153	\$1,032,205	0.39
Real Estate		\$95,753,186	\$638,829	0.67
JP Morgan Asset Management Strategic Property Fund	0.91 % of Assets	\$45,815,977	\$416,925	0.91

	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
UBS Trumbull Property Fund	0.96 % of First \$10 M 0.83 % of Next \$15 M 0.81 % of Next \$25 M 0.79 % of Next \$50 M 0.67 % of Next \$150 M 0.60 % of Next \$150 M 0.56 % of Next \$200 M 0.52 % Thereafter	\$23,391,001	\$205,976	0.88
SSgA US REIT	0.06 % of Assets	\$26,546,209	\$15,928	0.06
Natural Resources & Infrastructure		\$65,005,115	\$196,689	0.30
SSgA S&P Global LargeMidCap Natural Resources Index	0.10 % of Assets	\$49,512,907	\$49,513	0.10
JP Morgan Infrastructure Investments Fund	0.95 % of Assets	\$15,492,208	\$147,176	0.95
Gold		\$37,814,605	\$170,166	0.45
First Eagle Institutional Gold Fund, LP	0.45 % of Assets	\$37,814,605	\$170,166	0.45
Short-Term TIPS		\$66,304,246	\$26,522	0.04
Vanguard Short-Term TIPS Index	0.04 % of Assets	\$66,304,246	\$26,522	0.04
Risk Mitigation		\$262,867,587	\$833,068	0.32
Investment Grade Fixed Income		\$181,578,572	\$166,104	0.09
Intermediate-Term Bonds		\$130,769,238	\$150,862	0.12
SSgA US Aggregate Bond	0.02 % of Assets	\$37,049,270	\$7,410	0.02
Wellington Core Bond	0.12 % of Assets	\$75,491,847	\$90,590	0.12
Brandywine U.S. Fixed Income	0.29 % of Assets	\$18,228,121	\$52,862	0.29

Performance Update | As of December 31, 2023

	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Long-Term Bonds		\$50,809,335	\$15,243	0.03
SSgA Long US Treasury Index	0.03 % of Assets	\$50,809,335	\$15,243	0.03
Hedge Funds		\$63,804,429	\$666,964	1.05
36 South Kohinoor Series (Cayman) Fund	Performance Based 1.00 and 20.00	\$21,253,600	\$212,536	1.00
BH-DG Systematic Trading Master Fund	0.93 % of Assets	\$17,701,876	\$164,627	0.93
Lombard Odier Bear Convexity	Performance Based 0.75 and 27.50	\$7,610,076	\$57,076	0.75
Alpstone Global Macro Fund	Performance Based 1.35 and 20.00	\$17,238,877	\$232,725	1.35
Cash		\$17,484,586	-	-
Cash		\$17,484,586	-	-
Total Fund		\$1,295,810,106	\$4,059,395	0.31

Fund	2023 Monthly Management Fees Paid (\$)												FYTD	CYTD
	January	Feb	March	April	May	June	July	August	September	October	November	December		
SSgA MSCI ACWI IMI Index Fund	70,976	0	66,626	0	0	41,553	6,297	0	9,472	0	0	8,159	23,928	203,083
SSgA Russell 1000 Growth Index	0	0	0	0	0	408	0	0	1,231	0	0	1,468	2,700	3,108
SSgA Russell 1000 Value Index	0	0	0	0	0	395	0	0	686	0	0	709	1,396	1,791
SSgA Russell 3000 Index	0	0	0	0	0	6,014	0	0	8,195	0	0	9,033	17,228	23,241
SSgA MSCI EAFE	0	0	0	0	0	5,983	0	0	10,264	0	0	9,712	19,975	25,958
SSgA Emerging Markets Index	0	0	0	0	0	4,385	0	0	7,599	0	0	7,801	15,400	19,785
ABS China Direct	0	0	1,930	1,939	1,924	1,748	1,781	1,912	1,775	1,726	1,645	4,379	13,218	20,759
ABS EM ex China Direct	0	0	4,453	4,545	4,597	4,724	4,984	5,247	5,054	4,917	4,686	8,240	33,128	51,448
Kopernik Global All-Cap*	0	0	22,051	21,752	21,891	21,250	22,810	22,757	22,152	23,156	22,409	24,235	137,520	224,465
First Eagle Global Equity	0	0	32,680	45,021	43,463	46,216	47,393	46,153	44,411	42,935	46,683	49,835	277,410	444,790
Artisan Global Opportunities*	0	0	49,734	49,364	50,319	49,495	50,247	49,336	46,848	44,981	44,981	50,430	286,823	485,736
NexPhase Capital Fund V	0	0	0	0	0	0	0	0	0	0	115,030	0	115,030	115,030
Vitruvian Investment Partnership V	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sculptor Credit Opportunities Overseas Fund	0	0	0	20,604	21,291	20,604	21,522	21,522	20,828	21,909	21,202	21,909	128,891	191,391
Brigade High Income Fund*	0	0	0	16,250	16,266	16,526	16,860	17,080	17,021	16,807	15,612	16,122	99,502	148,545
JP Morgan Strategic Property Fund	136,444	0	0	129,344	0	0	118,977	0	0	117,505	0	0	236,482	502,271
UBS Trumbull Property Fund	0	0	59,931	0	0	57,107	0	0	54,378	0	0	52,428	106,806	223,844
SSgA US REIT	0	0	0	0	0	1,098	0	0	2,615	0	0	1,975	4,590	5,688
SSgA S&P Global LargeMidCap NR Index	0	0	0	0	0	717	0	0	7,848	0	0	10,390	18,238	18,955
JP Morgan Infrastructure Investments Fund	0	0	0	0	0	0	0	0	0	0	0	33,085	33,085	33,085
First Eagle Institutional Gold Fund, LP	0	0	3,325	14,434	14,372	13,407	13,950	13,509	12,912	13,362	13,430	12,912	80,076	125,614
Vanguard Short-Term TIPS Index*	0	0	2,115	2,119	2,105	2,535	2,833	2,837	2,422	2,163	2,186	2,210	14,652	23,525
Harvest MLP	0	92,755	0	86,980	0	0	0	0	0	0	0	0	0	179,735
Tortoise Capital Advisors	148,249	147,510	8,814	0	0	0	0	0	0	0	0	0	0	304,574
PIMCO Total Return	0	0	78,555	0	0	0	0	2,987	0	0	0	0	2,987	81,543
SSgA US Aggregate Bond	9,422	0	7,528	0	0	5,717	1,082	0	3,739	0	0	3,316	8,137	30,804
Wellington Core Bond*	0	0	0	8,843	8,757	8,746	8,745	9,397	9,155	8,995	9,448	8,807	54,548	80,893
Brandywine U.S. Fixed Income	0	0	0	0	0	4,436	0	0	14,166	0	0	8,258	22,424	26,860
SSgA Long US Treasury Index	0	0	0	0	0	1,601	0	0	3,881	0	0	3,881	7,762	9,363
36 South Kohinoor Series (Cayman) Fund	0	0	0	7,257	7,314	17,921	17,826	18,105	18,465	18,695	17,925	17,750	108,766	141,258
BH-DG Systematic Trading Master Fund	0	0	0	12,021	14,508	13,747	14,231	13,892	13,220	14,513	13,114	13,220	82,191	122,467
Lombard Odier Bear Convexity	0	0	0	5,025	5,107	4,994	4,920	4,969	4,984	4,963	4,859	4,759	29,455	44,582
Alpstone Global Macro	0	0	0	0	18,446	18,837	18,999	18,957	19,329	19,205	19,238	19,567	115,295	152,577
Total	365,092	240,265	337,742	425,500	230,362	370,164	373,459	248,660	362,649	355,831	352,449	404,594	2,097,643	4,066,768
Custodial Fee	0	21,413	10,569	10,733	8,683	3,597	2,797	4,248	2,716	7,202	0	2,552	19,516	74,512

*In some instances, NERS is invested in a pooled vehicle so a separate fee isn't charged at the Plan level. The fee is reflected in the NAV. Estimated based on management fee and market value.

Benchmark History		
From Date	To Date	Benchmark
Total Fund		
12/01/2022	Present	14.0% Blmbg. U.S. Aggregate Index, 2.0% Blmbg. U.S. Corp: High Yield Index, 4.0% HFRI Macro (Total) Index, 8.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 52.0% MSCI AC World IMI (Net), 5.0% Blmbg. U.S. TIPS 0-5 Year, 5.0% S&P Global LargeMidcap Resources & Commodities Ind, 2.0% Credit Suisse Leveraged Loan Index, 3.0% 60% Gold (Spot)/ 40% FTSE Gold Mines, 5.0% MSCI ACWI + 3% 1Q Lag
05/01/2016	12/01/2022	30.0% Blmbg. U.S. Aggregate Index, 7.5% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 7.5% Alerian MLP Index, 55.0% MSCI AC World IMI (Net)
03/01/2016	05/01/2016	33.0% Russell 3000 Index, 30.0% Blmbg. U.S. Aggregate Index, 7.5% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 22.0% MSCI AC World ex USA (Net), 7.5% Alerian MLP Index
02/01/2013	03/01/2016	33.0% Russell 3000 Index, 35.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 22.0% MSCI AC World ex USA (Net), 5.0% Alerian MLP Index
03/01/2011	02/01/2013	36.0% Russell 3000 Index, 35.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 24.0% MSCI AC World ex USA (Net)
09/01/2009	03/01/2011	36.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 24.0% MSCI AC World ex USA (Net)
06/01/2009	09/01/2009	42.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 18.0% MSCI AC World ex USA (Net)
06/01/2006	06/01/2009	42.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 18.0% MSCI EAFE (Net)
07/01/2003	06/01/2006	60.0% S&P 500 Index, 40.0% Blmbg. U.S. Aggregate Index
10/01/2002	07/01/2003	55.0% S&P 500 Index, 45.0% Blmbg. U.S. Aggregate Index
10/01/1990	10/01/2002	50.0% S&P 500 Index, 50.0% Blmbg. U.S. Aggregate Index

Total Fund Public benchmark consists of 74% MSCI ACWI IMI / 26% Bloomberg US Aggregate. Historical Varies.

Total Fund Actual Allocation Benchmark reflects the asset classes set fourth in the Fund's investment policy statement, weighted for the Fund's actual investments and performance of the indexes referenced above.

Benchmark History		
From Date	To Date	Benchmark
Growth Assets		
12/01/2022	Present	91.0% MSCI AC World IMI (Net), 9.0% MSCI ACWI + 3% 1Q Lag
Global Equity		
05/01/2016	Present	100.0% MSCI AC World IMI (Net)
09/01/2009	05/01/2016	60.0% Russell 3000 Index, 40.0% MSCI AC World ex USA (Net)
06/01/2009	09/01/2009	70.0% Russell 3000 Index, 30.0% MSCI AC World ex USA (Net)
01/01/2006	06/01/2009	70.0% Russell 3000 Index, 30.0% MSCI EAFE (Net)
10/01/1990	01/01/2006	100.0% S&P 500 Index
Inflation Hedges		
12/01/2022	Present	38.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 24.0% Blmbg. U.S. TIPS 1-5 Year Index, 24.0% S&P Global LargeMidcap Resources & Commodities Ind, 14.0% 60% Gold (Spot)/ 40% FTSE Gold Mines
Risk Mitigation		
12/01/2022	Present	78.0% Blmbg. U.S. Aggregate Index, 22.0% HFRI Macro (Total) Index

Updated Investment Policy Statement

Employees' Retirement System of the City of Norfolk Investment Policy Statement

Revised January 10, 2024

1. Executive Summary

Name of Fund:	Employees' Retirement System of the City of Norfolk
Fund Sponsor:	The City of Norfolk, Virginia
Mission of the Fund:	To provide a retirement benefit for the employees of the City of Norfolk, Virginia

2. Statement of Purpose

The Board of Trustees ("Board") recognize that a stable, well-articulated investment policy is crucial to the long-term success of the Employees' Retirement System of the City of Norfolk ("Fund"). As such, the Board has adopted this Investment Policy Statement ("Policy") in recognition of its fiduciary responsibility to supervise the investment of the Fund's assets. The purpose of this document is to set forth in writing:

- i. an appropriate set of objectives and goals to be attained through the investment of the Fund's assets;
- ii. the position of the Board with respect to the Fund's risk/return posture, including allocation of assets, and establishment of investment guidelines; and
- iii. an overall system of investment policies and practices whereby the continuing financial obligation of the Fund will be satisfied.

All previous Fund investment policies and objectives are superseded by this Policy, and any revisions to this Policy may be made only with written approval from the Board.

3. Statement of Responsibilities

The following parties associated with the Fund shall discharge their respective responsibilities in accordance with all applicable fiduciary standards as follows: (1) in the sole interest of the Fund's contributors and beneficiaries; (2) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and of like aims; (3) by diversifying the investments so as to minimize the risk of large losses; and (4) acting in accordance with the guidelines outlined in this Policy, all applicable laws, and the City of Norfolk and State of Virginia statutes.

- i. **Board of Trustees:** The Board is responsible for creation of, approval of, and updates to this Policy. Further, the Board is charged with selecting, retaining, and as necessary, replacing the fiduciaries which will manage the assets of the

Fund and other experts employed by the Fund. The Board may delegate certain functions to System Staff and the Investment Advisor. Specific responsibilities of the Board include, but are not limited to:

- i. Adhering to the requirements of applicable laws of the City of Norfolk and the Commonwealth of Virginia.
 - ii. Projecting the Fund's financial needs and communicating such needs to the Investment Advisor on a timely basis.
 - iii. Determining the Fund's risk tolerance, investment horizon, and allowable ranges of asset class exposure; and communicating these to the appropriate fiduciaries.
 - iv. Establishing reasonable and consistent investment policies, goals, objectives, and limitations which will direct the investment of the Fund's assets.
 - v. Prudently and diligently selecting qualified investment professionals, including the Investment Advisor, Custodian, and Actuary.
 - vi. Regularly evaluating the performance of the Fund to ensure adherence to the investment policy stated herein and to monitor progress toward investment goals and objectives.
 - vii. Developing and enacting proper monitoring and control procedures.
- ii. **System Staff:** The System Staff has been delegated day-to-day management responsibilities for the Fund and the relationships with other agents and advisors. Further, System Staff is responsible for:
 - i. Reporting to the Board on all matters requested.
 - ii. Working with the Investment Advisor to assure compliance with this Policy on an ongoing basis and reporting exceptions to the Board.
 - iii. In conjunction with the Investment Advisor, advising the Board on issues related to this Policy, including identifying the need for updates.
 - iv. Providing the Investment Advisor advanced notice of monies needed to fulfill monthly pension obligations and Fund expenses.
 - v. Monitoring and maintaining the external banking relationship and understanding that the Investment Advisor does not monitor or report on it.
 - vi. Other responsibilities as deemed necessary by the Board.
- iii. **Investment Advisor:** The Investment Advisor is charged with the responsibility of advising the Board on investment policy and strategic asset allocation. The

Investment Advisor has been granted full discretion over the selection of investment managers and tactical asset allocation within the guidelines of this Policy by the Board. The investment advisor is responsible for:

- i. Maintaining adequate liquidity to meet pension obligations, working with System Staff to source monies to meet pension obligation and fund expenses.
 - ii. Managing the day-to-day custodial banking, securities lending, and directed brokerage relationships.
 - iii. Reporting all relevant and requested information to the Board including decisions made about the investments (e.g., changes in investment managers, outlook, tactical positioning) that could influence the implementation of the investment program.
 - iv. Working with System Staff to source monies to meet pension obligation and fund expenses.
 - v. Providing performance analysis and monitoring services.
- iv. **Investment Manager(s):** The investment manager(s) are delegated the responsibility of investing and managing the Fund's assets in accordance with this Policy, and all applicable law. Each investment manager must either be (1) registered under the Investment Company Act of 1940, (2) registered under the Investment Advisors Act of 1940, (3) a bank, as defined in that Act, (4) an insurance company qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of the Fund's assets, or, (5) such other person or organization authorized by applicable law or regulation to function as an investment manager. Each Investment Manager must acknowledge in writing its acceptance of responsibility as a fiduciary. Further:
 - i. Each Investment Manager shall be granted full discretion to make all investment decisions for its Account, while operating within all policies, restrictions, guidelines, constraints, and philosophies set forth in this Policy and the Account's statement of investment guidelines and restrictions ("Investment Guidelines"), which will become part of this Statement. Specific responsibilities of each Investment Manager include:
 - ii. Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the Investment Guidelines.
 - 1. Reporting asset valuation and investment performance results on a timely basis.

2. Communicating any major changes to economic outlook, investment strategy, or any other factors which affect implementation of its investment process, or the investment goal progress of the Fund.
 3. Reporting any significant change in its investment management organization within 30 days of such occurrence.
 4. All reporting and notification required by this Statement shall be made to the Investment Advisor.
 5. The Board and Investment Advisor will not reserve any control over investment decisions, with the exception of specific limitations described in this Policy and the account's Investment Guidelines. Each Investment Manager will be held responsible for meeting the goals stated in the Investment Guidelines. Should an Investment Manager believe at any time that changes, additions, or deletions to the Investment Guidelines are in the Account's best interest, the Investment Manager shall promptly recommend them in writing to the Investment advisor.
- v. **Custodian:** The custodian has been retained by the Board and is charged with the following responsibilities:
- i. Safekeeping of Fund assets under trust or custodial arrangement;
 - ii. Providing System Staff, Investment Advisor, and Investment Managers a regular valuation, transaction listing, and accounting of Fund assets. Such valuation, listing, and accounting shall occur at least on a monthly basis and will be made available to the Board upon request;
 - iii. Settle all purchases and sales of securities and other related transactions by the Fund's investment managers held in their custody;
 - iv. Sweep all Fund accounts daily into a cash management account to ensure no Fund assets are left uninvested;
 - v. Manage all uninvested cash and cash awaiting disbursement to the Fund's investment managers in liquid, safe, interest-bearing instruments;
 - vi. Adhere to the following Custodial credit risk requirements
 1. Deposits - The Fund maintains all accounts collateralized in accordance with the Virginia Security for Public Disclosures Act, Sec 2.2-4400 et. seq. of the Code of Virginia.

- 2. Investments - The Fund requires that all securities purchased by or for the Fund be properly and clearly labeled as an asset of the Fund and held in safekeeping by a third-party custodial bank or institution in compliance with Section 2.2-4515 of the Code of Virginia.
- vii. Provide all other contracted custodial services not mentioned above necessary for the efficient investment, custody, and administration of the Fund's assets;
- vi. **Actuary:** The actuary has been retained by the Board and is charged with the following responsibilities:
 - i. Prepare an annual evaluation of the Fund's assets and liabilities. Such valuation shall be provided to the Board to determine the financial condition of the Fund and determine the contribution rates necessary to fund the Fund.
 - ii. Recommend to the Board adoption of certain assumptions, including those concerning contribution rates, death, disability, withdrawal, retirement, and investment returns.
 - iii. Conduct, on a frequency determined by the Board, a study of the actual assumptions adopted by the Board and the actual Fund experience to determine the appropriateness of such assumptions.
 - iv. Assist the Investment Advisor in the preparation of all asset liability studies and, specifically, the analysis of the Fund's liabilities and provisions.
 - v. Provide guidance and perspective regarding special actuarial studies, experience studies, benefit changes, and all things of an actuarial nature as may be required by the Board from time to time.

4. Investment Objectives

The investment strategy of the Fund is designed to ensure the prudent investment of funds in such a manner as to provide real growth of assets over time while protecting the value of the assets from undue volatility or risk of loss.

The Board accepts the risks associated with investing in the capital markets (market risks) but will minimize wherever possible those risks for which the Fund is unlikely to be compensated (non-market or diversifiable risks).

i. Risk Objectives

- i. To accept the minimum level of risk required to achieve the Fund's return objective as stated immediately below.

- ii. To use extensive diversification to minimize exposure to company and industry-specific risks in the aggregate investment portfolio.
- iii. To the extent possible, minimize the annual volatility in the asset base that supports the level of pension obligations and Fund expenses. Short-term volatility will be tolerated in as much as it is consistent with the volatility of the Target Policy.

ii. Return Objective

- i. To earn a return on aggregate Fund assets over a full market cycle, net of investment fees, that equals or exceeds:
 - 1. The actuarially assumed rate of return.
 - 2. The returns of the Target Policy Index and Strategy Index.

5. Investment Constraints

i. Legal and Regulatory

It is the intention of the Board to manage the assets of the Fund at all times in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the Prudent Investor Rule, and applicable laws of the City of Norfolk and the Commonwealth of Virginia.

ii. Time Horizon

The Fund operates on a perpetual basis. The assets of the Fund will be invested with a long-term time horizon, consistent with the mission of the Fund.

iii. Liquidity

Given the Fund's long-term horizon, liquidity will be of modest concern. The Board will continuously monitor liquidity needs, benefit projections, and the impact of changes in regulations or other circumstances.

iv. Tax Considerations

The Fund is a tax-exempt entity. Therefore, investments and strategies will be evaluated only on the basis of expected risks and potential returns.

6. Diversification

The Board recognizes that an important element of risk control is diversification. Therefore, investments will be allocated across multiple classes of assets, chosen in part for their low correlation of returns. Within each asset type, the Fund's investments will be distributed across many individual holdings, thus expecting to further reduce volatility.

7. Asset Allocation

The Board recognizes that the allocation of monies to various asset classes will be the major determinant of the Fund's return and risk experience over time. Therefore, the Board will allocate investments across asset classes that, based on historical and expected returns and risks, provide the highest likelihood of meeting the Fund's investment objectives.

i. Permissible Asset Classes

Because investment in any particular asset class may or may not be consistent with the objectives of the Fund, the Board has specifically indicated in Appendix A those asset classes that may be utilized when investing the Fund's assets.

ii. Long-Term Target Allocations

Based on the investment objectives and constraints of the Fund, and on the expected behavior of the permissible asset classes, the Board will specify a long-term target allocation for each class of permissible assets. These targets will be expressed as a percentage of the Fund's overall market value, surrounded by a band of permissible variation resulting from market forces.

The long-term target allocations are intended as strategic goals, not short-term imperatives. Thus, it is permissible for the overall Fund's asset allocation to deviate from the long-term target, as would likely occur during manager transitions, asset class restructurings, and other temporary changes within the Fund. Deviations from targets that occur due to capital market changes are discussed below.

The Fund's target allocations for all permissible asset classes are shown in Appendix B.

iii. Rebalancing

In general, cash flows to and from the Fund will be allocated in such a manner as to move each asset class toward its target allocation.

The Board recognizes that, periodically, market forces may move the Fund's allocations outside the target ranges. The Board also recognizes that failing to rebalance the allocations could unintentionally change the Fund's structure and risk posture. However, the Board understands that constant rebalancing could result in a significant increase in explicit and implicit trading costs to the Fund. Consequently, the Board has established a process to rebalance the allocations periodically.

On at least a quarterly basis, if any strategic allocation is outside the specified target range, assets will be shifted to return the strategy to the target range. The specific plan for rebalancing will identify those assets that can be shifted at the lowest possible risk and cost if the rebalancing cannot be accomplished solely by allocating contributions and withdrawals.

iv. Tactical Asset Allocation

The Investment Advisor will have full discretion to tactically deviate from the long-term Target Allocation within the defined asset class ranges.

8. Review of Investment Policy, Asset Allocation, and Performance

The Policy will be reviewed at least annually to ensure that the objectives and constraints remain relevant. However, the Board recognizes the need for a stable long-term policy for the Fund, and major changes to this policy statement will be made only when significant developments occur.

The asset allocation of the Fund will be reviewed on an on-going basis, and at least annually. This review includes evaluating the expected return and volatility of the asset allocation policy targets utilizing the latest capital market expectations. When necessary, such reviews may result in a rebalancing of asset allocations. In general, the Board intends that the Fund will adhere to its long-term target allocations, and that major changes to these targets will be made only in response to significant developments.

The Board will specifically evaluate the performance of the Fund relative to its objectives and to the returns available from the capital markets during the period under review. In general, the Board will utilize relative, rather than absolute, benchmarks in evaluating performance.

9. Investment Costs

The Board intends to monitor and control investment costs.

10. Voting of Proxies

The Board recognizes that the voting of proxies is important to the overall performance of the Fund. The Board has delegated the responsibility of voting all proxies to the investment managers. The Board expects that managers will execute all proxies in a timely fashion, provide a full accounting of all proxy votes, and upon request, a written explanation of individual voting decisions. The Board intends to review the managers' proxy voting periodically.

11. Policy Changes

The Investment Advisor shall advise the Board of any restrictions within this Policy that may prevent the investment manager(s) from obtaining the objectives and goals set forth herein. Any violation of the investment guidelines or other sections of this Policy discovered by the Investment Advisor in the preparation of its regular performance review shall be reported immediately to Staff and/or the Board and discussed at their next regularly scheduled meeting.

12. Investment Policy Review and Revisions

The Board reserves the right to amend the Policy at any time they deem such amendment to be necessary, or to comply with changes in local and/or federal law as these changes affect the investment of the Fund's assets.

The Policy shall also be reviewed annually to ensure compliance and relevance to the current law, financial and economic trends and to meet cash flow requirements of the Fund.

IN WITNESS HEREOF, the Board has approved the revised Investment Policy Statement by resolution adopted on the 10th day of January 2024.

Authorized Signer Name, Title

Appendix A

Permissible Asset Classes

Asset Class
Public Equity
Private Equity
Bank Loans
High Yield Bonds
Emerging Market Bonds
Real Estate
Natural Resources
TIPS
Gold
Investment Grade Bonds
US Treasuries
US Agency-Backed Securities
US Mortgage-Backed Securities
Hedge Funds
Private Credit
MLPs
Infrastructure
Cash

Appendix B

Asset Allocation Targets

	Target	Range	Benchmark
Growth Assets	57%	47% to 67%	
Global Equity	52%	42% to 62%	MSCI ACWI IMI Net USD
Private Equity	5%	0% to 10%	MSCI ACWI + 3% 1Q Lag
Credit	4%	0% to 9%	
High Yield & Bank Loans	4%	0% to 9%	50% Credit Suisse Leveraged Loans/ 50% BBerg US High Yield TR
Emerging Market Bonds	0%	0% to 5%	50% JPM EMBI GD/50% JPM GBI-EM
Inflation Hedges	21%	14% to 28%	
Real Estate	8%	3% to 13%	NCREIF ODCE
Natural Resources & Infrastructure	5%	0% to 10%	SP Global LargeMidCap Commodity and Resources NR USD
Gold	3%	0% to 6%	60% Gold (Spot)/40% FTSE Gold Mines
Short-term TIPS	5%	0% to 10%	BBerg US TIPS 1-5YR
MLPs	0%	0% to 5%	Alerian MLP Index
Risk Mitigation	18%	11% to 25%	
Bonds incl. Treasuries, Mortgages and Investment Grade	14%	7% to 21%	BBerg US Aggregate TR
Hedge Funds	4%	0% to 9%	33% HFRI Macro (Total) Index / 33% CBOE EurekaHedge Long Volatility Index / 33% Société Générale Trend Index
Cash	0%	0% to 3%	

Appendix C

Fund Benchmarks

Functional Category	Weight	Composition
Growth Assets	57%	91% MSCI ACWI IMI Net USD/9% MSCI ACWI + 3% 1Q lag
Credit	4%	50% Credit Suisse Leveraged Loans/50% BBerg US High Yield TR
Inflation Hedges	21%	24% BBerg US TIPS 1-5YR/14% 60/40 Gold (Spot)/FTSE Gold Mines/24% SP Global LargeMidCap Commodity & Resources NR USD/38% NCREIF ODCE
Risk Mitigation	18%	78% BBerg US Aggregate TR/7.33% HFRI Macro (Total) Index/7.33% CBOE Eureka hedge Long Volatility Index/7.33% Société Générale Trend Index

Target Policy Benchmark: The Target Policy Benchmark is designed to measure the performance of the Fund relative to broad market exposures (60/40). The Target Policy Benchmark is comprised of 52% MSCI ACWI IMI Net USD/5% MSCI ACWI + 3% 1Q lag/2% Credit Suisse Leveraged Loans/2 % BBerg US High Yield TR/5% BBerg US TIPS 1-5YR/3% 60/40 Gold (Spot)/FTSE Gold Mines/5% SP Global LargeMidCap Commodity & Resources NR USD/8% NCREIF ODCE/14% BBerg US Aggregate TR/1.33% HFRI Macro (Total) Index 1.33% CBOE Eureka hedge Long Volatility Index/1.33% Société Générale Trend Index.

Strategy Index: The Strategy is designed to measure the performance of the Investment Advisor manager selection. The Strategy index is calculated using the actual weights of each Functional Category.

Appendix D

Watch List

The Board intends to evaluate each Investment Manager over at least a three-year period, but reserves the right to terminate an Investment Manager for any reason including the following:

1. Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
2. Failure to adhere to any aspect of this Statement, including communication and reporting requirements.
3. Significant changes to the Investment Manager's organization.

Appendix E

Definitions

- A. "Fund" shall refer to the Employees' Retirement System of the City of Norfolk.
- B. "Return" shall refer to return from dividends, interest, realized gains, and unrealized gains based on market value, net of management fees, and associated expenses.
- C. "Board" shall refer to the Board of Trustees of the Employees' Retirement System of the City of Norfolk.
- D. "Fund Staff" shall refer to employees retained by the Board to assist with the management of the Fund.
- E. "Fiduciary" shall refer to any individual, or group of individuals, employed to manage the investments of all or pan of the Fund assets.
- F. "Investment Manager" shall refer to any registered investment advisor employed to manage the investments of all or part of the Fund's assets or any commingled fund in which all or part of the Fund's assets are invested. Managers employed by the Fund shall be qualified professional asset managers (QPAM) under State or Federal law.
- G. "Account" shall refer to the assets which the Fund designates for investment pursuant to the investment management agreement between a Manager and the Fund.
- H. "Investment Advisor" shall refer to any individual, or organization employed to provide advisory services, including advice on investment objectives and/or asset allocation, manager search and retention, and performance monitoring.
- I. "Investment Horizon" shall refer to the time period over which the investment goals, as set forth in this Statement, are expected to be met. The investment horizon for the Fund is ten years.
- J. "Watch List" shall refer to managers being placed on watch in the case of underperformance, style drift, ownership, or personnel changes. Pervasive problems regarding any of the above may become grounds for termination.

Corporate Update



7
Offices



235+
Employees



245+
Clients



\$1.8T
Assets Under Advisement



\$200B
Assets in Alternative Investments



98%
Client Retention Rate



5:1
Client | Consultant Ratio

Meketa
Investment Group
is proud to work
for over 15 million
American families
everyday!

UPCOMING EVENTS



Q4 Investment Perspectives Webcast
April 2024



Emerging and Diverse Manager Research Day
April 2024

Client and employee counts as of December 31, 2023; assets as of September 30, 2023.
Client retention rate is one minus the number of clients lost divided by the number of clients at prior year-end.

THOUGHT LEADERSHIP



Read our December Connectives “Navigating US China Tensions with Dynamic Portfolio Levers”

Sifting through economic, financial, and political factors is proving to be increasingly challenging for institutional investors as sentiment toward China continues to turn negative in western governments.

While some US investors have decided to actively underweight or even exit China altogether, others are seeking dynamic portfolio and manager solutions.

Read more here:

<https://meketa.com/news/meketa-connectives-navigating-us-china-tensions-with-dynamic-portfolio-levers/>



Read our recent white paper “Opportunities in Critical Minerals”

The push toward net-zero emissions has expedited the need for green energy and technology. At the forefront of this green energy boom are critical minerals, the essential inputs to all types of green technologies, especially electric vehicles (“EVs”) and EV batteries.

This research note provides an overview of critical minerals, their uses, current market size, as well as describes the unique opportunity that critical minerals may provide for investors.

Read more here:

<https://meketa.com/leadership/the-opportunity-in-critical-minerals/>



Watch our recent webinar “Mission Driven Investing Manager Research Day Roundtable”

As part of Meketa’s first Public and Private Markets Mission Driven Investing Manager Research Day, we hosted a one-hour roundtable discussion with a panel of institutional investors speaking about their experiences with mission driven investing. The panel includes perspectives from investors who invest broadly in mission-driven investments, as well as specifically for economic development in a particular state or region and as informed by religious values. Discussion topics include impact and return goals, mission related investment structures, best practices in manager due diligence and other areas relevant for the mission driven investor.

Read more here:

<https://meketa.com/leadership/december-2023-mission-driven-investing-manager-research-day-roundtable/>

MEKETA VALUES CULTURE

Whether looking for new team members or getting to know our current fellow team mates better, Meketa values the people we work with.



MEKETA IN THE NEWS

Pensions&Investments **Asset owners lean on consultants to be educated about ESG**

By Palash Ghosh | 11.20.23

[Read full article here](#)

Meketa assists clients in understanding different approaches to sustainability, including focusing on integrating material sustainability financial risks and opportunities, seeking investments that also offer impact on a given environmental or social themes, and investing in products for socially responsible ends that do not include a performance expectation to meet or exceed a market beta, said [Sarah Bernstein](#), head of sustainability. “Some pension funds have specific requests, for

example how to respond to ESG and/or anti-ESG legislation; provide analysis on options to address climate risks and opportunities; or address diversity, equity and inclusion concerns,” she added.

One area that is seeing a lot of interest from investors is opportunities around the energy transition. [Lisa Bacon](#), managing principal, private markets consultant and infrastructure program lead at Meketa, said deploying capital into renewables and related infrastructure has been going on for a number of years even before “energy transition” and “decarbonization” became common terms.

In fact, “as both governmental entities and corporates in the U.S. and abroad have established more ambitious goals for reducing greenhouse gases and reaching net-zero carbon emissions, demand for private capital to support investments in assets and companies that will help meet these goals has also increased,” Bacon said. “Opportunities have also arisen in the natural resources sector involving alternative fuels, metals and minerals for batteries and electric chargers, and other sustainable inputs and activities.” Bacon added that Meketa and its clients want to be investing in the areas “where economic activity is increasing and where growth potential supports attractive risk-adjusted returns.”

Impact of higher rates top of mind for institutions

By Palash Ghosh | 11.20.23

[Read full article here](#)

Aside from rising interest rates, noted Frank Benham, director of research at [Meketa](#), his firm’s clients are also concerned about the potential for an economic hard landing, as well as both political and economic risks in China.

Regarding China, Amy Hsiang, director of public markets manager research at Meketa, said clients are interested in learning more about emerging markets. “Whether or not

translates to actually increasing allocations to emerging markets, only time will tell,” Hsiang said. “We have not seen clients actively avoid China.”

“Clients are increasing exposure to select alternatives like private credit and private equity. This needs to be balanced with an understanding of each clients’ liquidity needs to ensure the portfolio can deliver on all commitments through a market cycle.” John A. Haggerty, director of private market investments at Meketa, noted that in times of uncertainty and market volatility, the issue of placing value on alternative assets naturally receives more scrutiny. “Private market performance lags public market performance in both up markets and down markets,” he said. “So, the gaps have been greater in recent years with the stock market swings, negative in 2022 and positive for much of 2023.”

FUNDfire

Corporate Pensions at ‘Inflection Point’ as Funded Statuses Improve

By Bridget Hickey 11.28.23

[Read full article here](#)

Corporate pension sponsors are at an “inflection point” when it comes to deciding about the future of their plans, said Jonathan Camp, a managing principal at investment consultant Meketa.

Companies may choose to hedge their liabilities or transfer risk. Almost 90% of corporate pension respondents to a recent survey by MetLife said they were interested in completely divesting all their defined benefit plan liabilities.

However, the news earlier this month that International Business Machines, better known as IBM, is reopening its defined benefit pension as a cash balance plan has sparked a conversation within the industry about whether other companies will follow suit.

Companies that are over-funded may opt to follow in IBM’s stead, Camp suggested. He added that one client, (unnamed), re-opened its pension plan more than a year ago.

“The benefit of just keeping your frozen pension plan on your books is that it’s very easy to open it back up in a different form in the future, versus if you terminate your plan,” he said. “It will be interesting to see, if now that we have this first mover publicly, if other companies think to themselves, ‘well, you know, I can do that too’.”

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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