



## **CITY OF GROSSE POINTE WOODS**

### **NOTICE OF ELECTRONIC RE-SCHEDULED REGULAR RETIREE HEALTH CARE MEETING**

Thursday, May 6, 2021

Immediately following the Pension Board Meeting

#### **Agenda**

**The Retiree Health Care Board will be conducting a meeting of the Grosse Pointe Woods Retiree Health Care Board of Trustees by video (Zoom) and telephone conference in accordance with the City of Grosse Pointe Woods City Council resolution adopted November 16, 2020, establishing rules for remote attendance pursuant to the Open Meetings Act as amended. This notice is being provided to ensure that those wishing to participate in the meeting have an opportunity to do so. Additional instructions are listed below.**

Join Zoom Meeting

Join URL: <https://zoom.us/j/99365004687?pwd=VEFrNkwzejhZTjJPMzBPZjVoTEp6Zz09>

Meeting ID: 993 6500 4687

Passcode: 660073

Join by phone:

Dial by your location

888 788 0099 US Toll-free

877 853 5247 US Toll-free

Meeting ID: 993 6500 4687

Passcode: 660073

#### **AGENDA**

Reading of the Facilitator Statement

1. Call to order
2. Roll call
3. Acceptance of the meeting agenda.
4. Meeting minutes dated February 4, 2021
5. Trial balance through March 31, 2021.
6. 1<sup>st</sup> Quarter 2021 Fund Evaluation Group Report
7. Payment of Invoices
  - a) FEG \$403.00
8. New Business/Public Comment
9. Adjournment

**Next Regular Board Meeting – August 5, 2021**

**Immediately Following Pension Board Meeting**

IN ACCORDANCE WITH PUBLIC ACT 267 (OPEN MEETINGS ACT)  
POSTED AND COPIES GIVEN TO NEWSPAPERS

The City of Grosse Pointe Woods will provide necessary, reasonable auxiliary aids and services to individuals with disabilities. Closed captioning and audio will be provided for all electronic meetings. All additional requests must be made in advance of a meeting.

Instructions for meeting participation

1. To join through Zoom: The meeting may be joined by clicking on the link provided on the agenda at the start time posted on the agenda, enter the meeting identification number, and password. Zoom may provide a couple of additional instructions for first time use. As an alternative to using the link, accessibility to the meeting may be obtained by using the browser at [join.zoom.us](https://join.zoom.us). If having trouble logging in, try a different browser e.g. Chrome.

Join Zoom Meeting

<https://zoom.us/j/99365004687?pwd=VEFrNkwzejhZTjJPMzBPZjVoTEp6Zz09>

Meeting ID: 993 6500 4687

Passcode: 660073

2. Join by telephone: Dial the toll-free conferencing number provided and enter the meeting identification number, and password. Dial \*9 to be heard under Public Comment.

Dial by your location

888 788 0099 US Toll-free

877 853 5247 US Toll-free

Meeting ID: 993 6500 4687

Passcode: 660073

In an effort to alleviate feedback and disruption of the meeting, choose one of the media options, either phone or Zoom, not both.

Meeting notices are posted on the City of Grosse Pointe Woods website home page at [www.gpwmj.us](http://www.gpwmj.us) and the on-line calendar, both containing a link to the agenda. The agenda contains all pertinent information including business to be conducted at the meeting, a hyperlink to participate using Zoom, and call-in telephone number with necessary meeting identification, and a password. Agendas will also be posted on six (6) City bulletin boards along Mack Avenue.

The following are procedures by which persons may contact members of the public body to provide input or ask questions:

1. To assist with meeting flow and organization, all public comment will be taken at the end of the meeting unless it is moved to a different location on the agenda upon a consensus of the Retiree Health Care Board of Trustees;
2. The phone-in audience, when making public comment please state your name (optional) when called upon;
3. Audience participants will be muted upon entry and will have a chance to speak during the public comment portion of the meeting at the end of the agenda, at which time the microphones will be unmuted.
4. Those joining by Zoom will also be muted and may use the virtual raised "hand" to request to be heard under Public Comment.

5. Those joining by telephone need to dial in using the phone number provided on the agenda. When prompted, enter the meeting number and the password also located on the agenda. Dial \*9 to be heard under Public Comment.
6. The published agenda invites participants from the community to provide written questions, comments, and concerns in advance of the meeting to any Elected Official or the Pension Administrator regarding relevant City business and may be read under Public Comment. Emails may be sent to:

Chairperson Mayor Arthur W. Bryant	<a href="mailto:arthurwbryant@gmail.com">arthurwbryant@gmail.com</a>	313 590-0301
Vicki Granger, Trustee	<a href="mailto:grangergpw@aol.com">grangergpw@aol.com</a>	313 882-9878
Anthony Chalut, Trustee	<a href="mailto:achalut@gpwmi.us">achalut@gpwmi.us</a>	313-343-2422
Matthew Crook, Trustee	<a href="mailto:mcrook944@gmail.com">mcrook944@gmail.com</a>	313-343-2460
Gary Zarb, Trustee	<a href="mailto:Gzarb99@yahoo.com">Gzarb99@yahoo.com</a>	313-886-1219

Shawn Murphy, Pension Administrator	<a href="mailto:smurphy@gpwmi.us">smurphy@gpwmi.us</a>	313-343-2604
Michael VanOverbeke, Pension Attorney	<a href="mailto:mvanoverbeke@vmtlaw.com">mvanoverbeke@vmtlaw.com</a>	313-578-1200
Lisa Anderson, City Attorney	<a href="mailto:landerson@rsjalaw.com">landerson@rsjalaw.com</a>	248-489-4100
Jeffrey Davis, Vice President/Consultant, FEG	<a href="mailto:jdavis@feg.com">jdavis@feg.com</a>	513-977-4400
Tina Hoenicke, Pension Secretary	<a href="mailto:thoenicke@gpwmi.us">thoenicke@gpwmi.us</a>	313-343-2430

You may contact Shawn Murphy, Pension Administrator, at [smurphy@gpwmi.us](mailto:smurphy@gpwmi.us) should you have any questions prior to the meeting.



RETIREE HEALTH CARE BENEFIT PLAN & TRUST  
2/4/2021

GROSSE POINTE WOODS, HELD ON THURSDAY, FEBRUARY 4, 2021, AN ELECTRONIC MEETING OF THE BOARD OF TRUSTEES FOR THE RETIREE HEALTH CARE BENEFIT PLAN & TRUST (i.e. The Board) OF THE CITY OF, MICHIGAN.

The facilitator's statement was read.

The meeting was called to order at 4:35 pm by Chairperson Mayor Robert E. Novitke.

The following members were present:

Chairperson Mayor Robert E. Novitke, Grosse Pointe Woods, MI  
Council Representative Victoria Granger, Grosse Pointe Woods, MI  
General Employee Representative Matt Crook, Grosse Pointe Woods, MI  
Public Safety Representative Anthony Chalut, Grosse Pointe Farms, MI  
Citizen Representative Gary Zarb, Grosse Pointe Woods, MI

Also present:

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

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

Motion CARRIED by the following vote:

YES: Granger, Chalut, Crook, Novitke, Zarb  
NO: None  
ABSENT: None

Motion by Crook, supported by Zarb to accept the minutes as presented and place on file minutes of the Retiree Health Care Benefit Plan and Trust meeting of November 5, 2020.

Motion CARRIED by the following vote:

YES: Granger, Chalut, Crook, Novitke, Zarb  
NO: None  
ABSENT: None

Motion by Crook, supported by Granger to receive and place on file the trial balance as presented through December 31, 2020.

RETIREE HEALTH CARE BENEFIT PLAN & TRUST  
2/4/2021  
PAGE 2

Motion CARRIED by the following vote:

YES: Granger, Chalut, Crook, Novitke, Zarb  
NO: None  
ABSENT: None

Jeffrey Davis provided a review of the 4th Quarter Fund Evaluation Group report ending December 31, 2020.

Motion by Crook, supported by Zarb to receive and place on file the 4th Quarter Fund Evaluation Group Report for period ending December 31, 2020.

Motion CARRIED by the following vote:

YES: Granger, Chalut, Crook, Novitke, Zarb  
NO: None  
ABSENT: None

Motion by Granger, supported by Chalut to approve payment of invoices 7a-7c to the following: Fund Evaluation Group, \$396.00; Charles T. Berschback, Attorney, \$77.50; VanOverbeke Michaud & Timmony, \$153.60.

Motion CARRIED by the following vote:

YES: Granger, Chalut, Crook, Novitke, Zarb  
NO: None  
ABSENT: None

New Business/Public Comment:

None

Motion by Crook, supported by Zarb to adjourn the meeting at 4:41 pm.

Motion CARRIED by the following vote:

YES: Granger, Chalut, Crook, Novitke, Zarb  
NO: None  
ABSENT: None

Minutes recorded by: Tina Hoenicke

Approved by the Pension Board:

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Shawn Murphy, Pension Administrator



04/22/2021 12:01 PM  
User: smurphy  
DB: Gpw

BALANCE SHEET FOR CITY OF GROSSE POINTE WOODS  
Period Ending 03/31/2021

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Fund 736 OPEB

GL Number	Description	Balance
*** Assets ***		
736-000-001.000	CASH	0.00
736-000-004.000	CASH-TRUST	0.00
736-000-005.001	SCHWAB CASH	1,348,396.14
736-000-050.100	CONTRIBUTION RECEIVABLE-EE	0.00
736-000-056.000	INTEREST RECEIVABLE	0.00
736-000-056.100	CONTRIBUTIONS RECEIVABLE	0.00
736-000-067.101	DUE F/GENERAL FD	0.00
736-000-120.000	US GOVT SEC	0.00
736-000-121.100	DISCOUNT	0.00
<b>Total Assets</b>		<b>1,348,396.14</b>
*** Liabilities ***		
736-000-201.000	WEEKLY A/P	0.00
<b>Total Liabilities</b>		<b>0.00</b>
*** Fund Balance ***		
736-000-382.000	SUPPLEMENTAL ANNUITY RESERVE	0.00
736-000-390.000	CURRENT FUND BALANCE	1,001,371.78
736-000-395.000	PRIOR FUND BALANCE	0.00
<b>Total Fund Balance</b>		<b>1,001,371.78</b>
<b>Beginning Fund Balance</b>		<b>1,001,371.78</b>
<b>Net of Revenues VS Expenditures</b>		<b>347,024.36</b>
<b>Ending Fund Balance</b>		<b>1,348,396.14</b>
<b>Total Liabilities And Fund Balance</b>		<b>1,348,396.14</b>



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## COMPOSITE PERFORMANCE REVIEW

Report for Periods Ending March 31, 2021

### The City of Grosse Pointe Woods Health Care Trust

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*Presented by:*

Jeffrey A. Davis, CAIA  
Vice President



# The City of Grosse Pointe Woods Health Care Trust

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# FIRST QUARTER 2021 MARKET SUMMARY

*The continued rollout of COVID-19 vaccinations and the associated resumption of global economic activity helped send risky asset prices, high-quality sovereign interest rates, and inflationary expectations significantly higher in the first quarter of 2021, with U.S.-based assets generally outperforming those internationally domiciled. While some incoming U.S. economic data continued to appear spotty—notably a beleaguered, albeit improving, labor market—numerous survey-based measures of economic activity have improved to secularly high levels.*

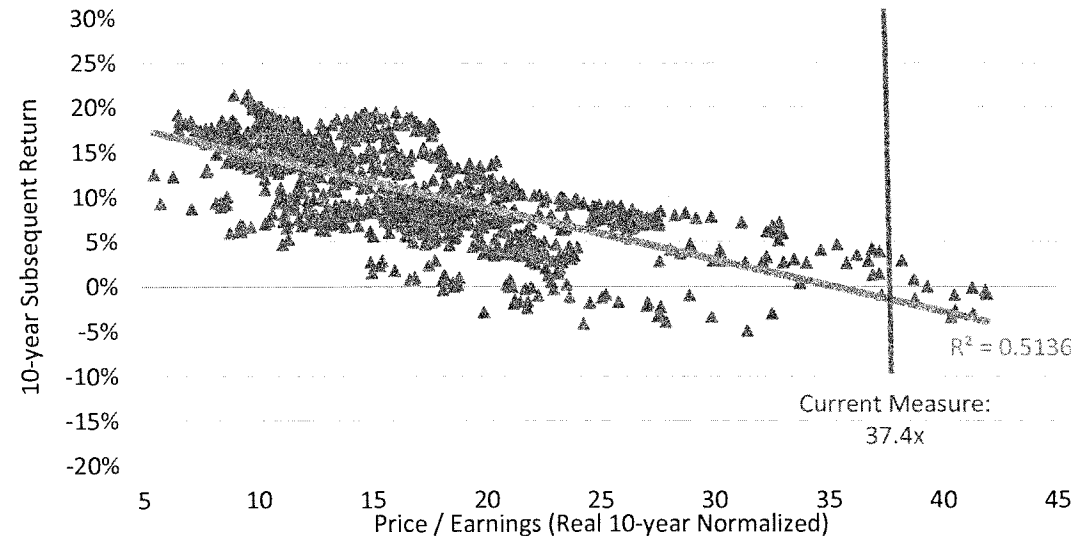
*Global equity performance in the first quarter of 2021 was strongly positive, with small cap outperforming large cap and the outperformance of the value equity style over the growth style. Treasury interest rates—both nominal and, to a lesser degree, inflation-adjusted (i.e., real)—rose materially, reflecting rising investor fears of positive near-term inflation surprises. Below investment grade credit performance was positive for the quarter, particularly for the floating-rate bank loan sector, which outperformed high yield credit. Real asset returns, outside of the safe haven precious metals sector, were strongly positive, with energy-related corners generating outsized performance amid percolating inflationary sentiment and an ongoing rebound in overall economic activity.*

# MARKET INSIGHTS

- Valuations, as measured by price-to-normalized 10-year inflation-adjusted earnings, rose to levels not witnessed since December 2000.
- Almost all valuation metrics are highly elevated, with many valuation metrics well above one standard deviation expensive.
- Long-term returns from these levels have historically been below 5%.

## HIGH VALUATIONS WEIGH ON RETURN EXPECTATIONS

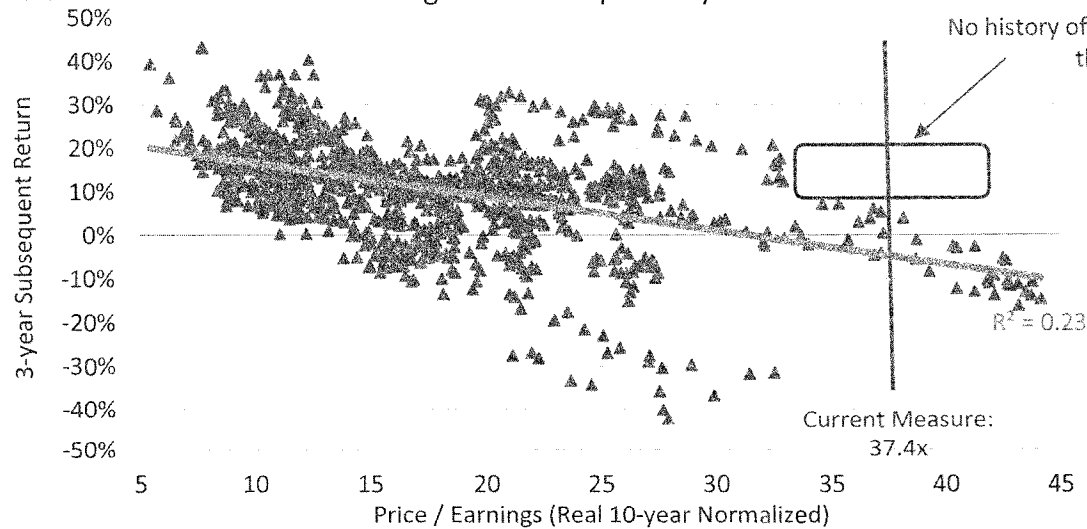
U.S. Price-to-Normalized Earnings and Subsequent 10-year Returns



Data source: Robert Shiller and Standard & Poor's, data as of April 8, 2021

## THREE-YEAR RETURNS MAY FACE HEADWINDS

U.S. Price-to-Normalized Earnings and Subsequent 3-year Returns



Data source: Robert Shiller and Standard & Poor's, data as of April 8, 2021

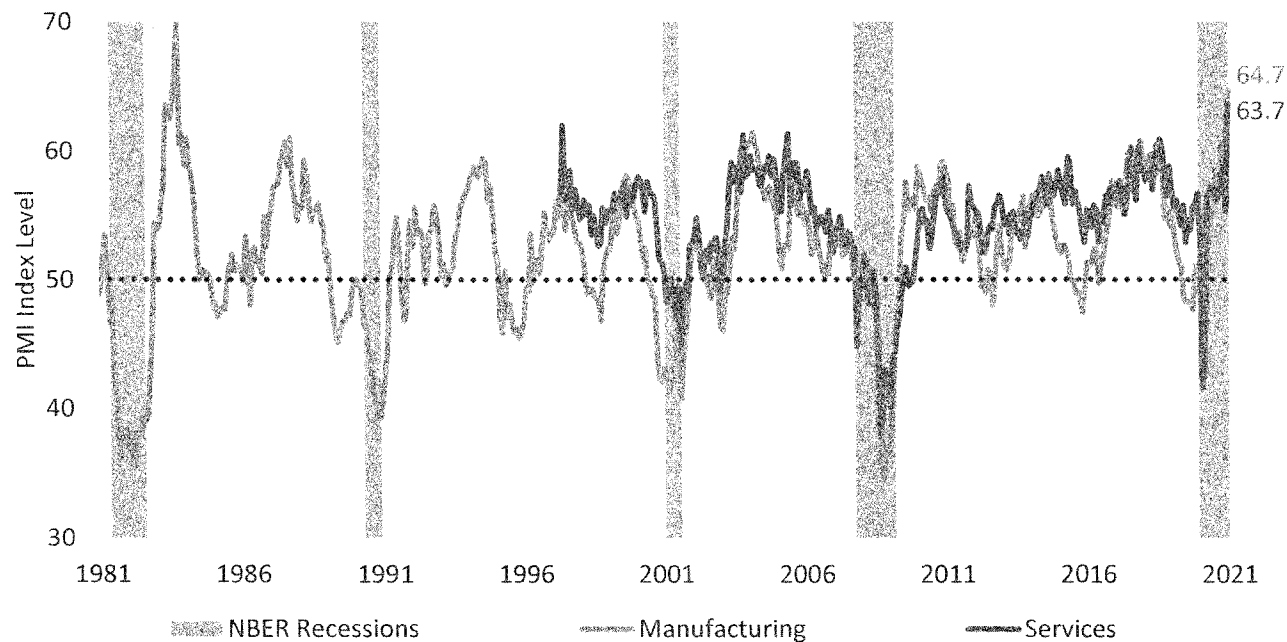
- 3-year returns have also been muted from valuation levels comparable to the current measure, never having reached double-digit levels.
- Markets have never witnessed positive 3-year returns from valuations above 38x, as measured by price-to-normalized 10-year inflation-adjusted earnings.

# ECONOMIC INSIGHTS

- In March, some survey-based composites that seek to capture general business activity sentiment, such as the Institute for Supply Management's (ISM) Purchasing Manager Index (PMI) composites, increased to multi-decade highs.
- Sentiment across the manufacturing base, as reflected by the ISM's Manufacturing PMI, improved to the highest level since December 1983, while the broader and more economically critical Services PMI increased to the highest level since July 1997, when the index series began.

## BOTH MANUFACTURING AND SERVICES EXPERIENCING LARGE INCREASES IN BUSINESS ACTIVITY

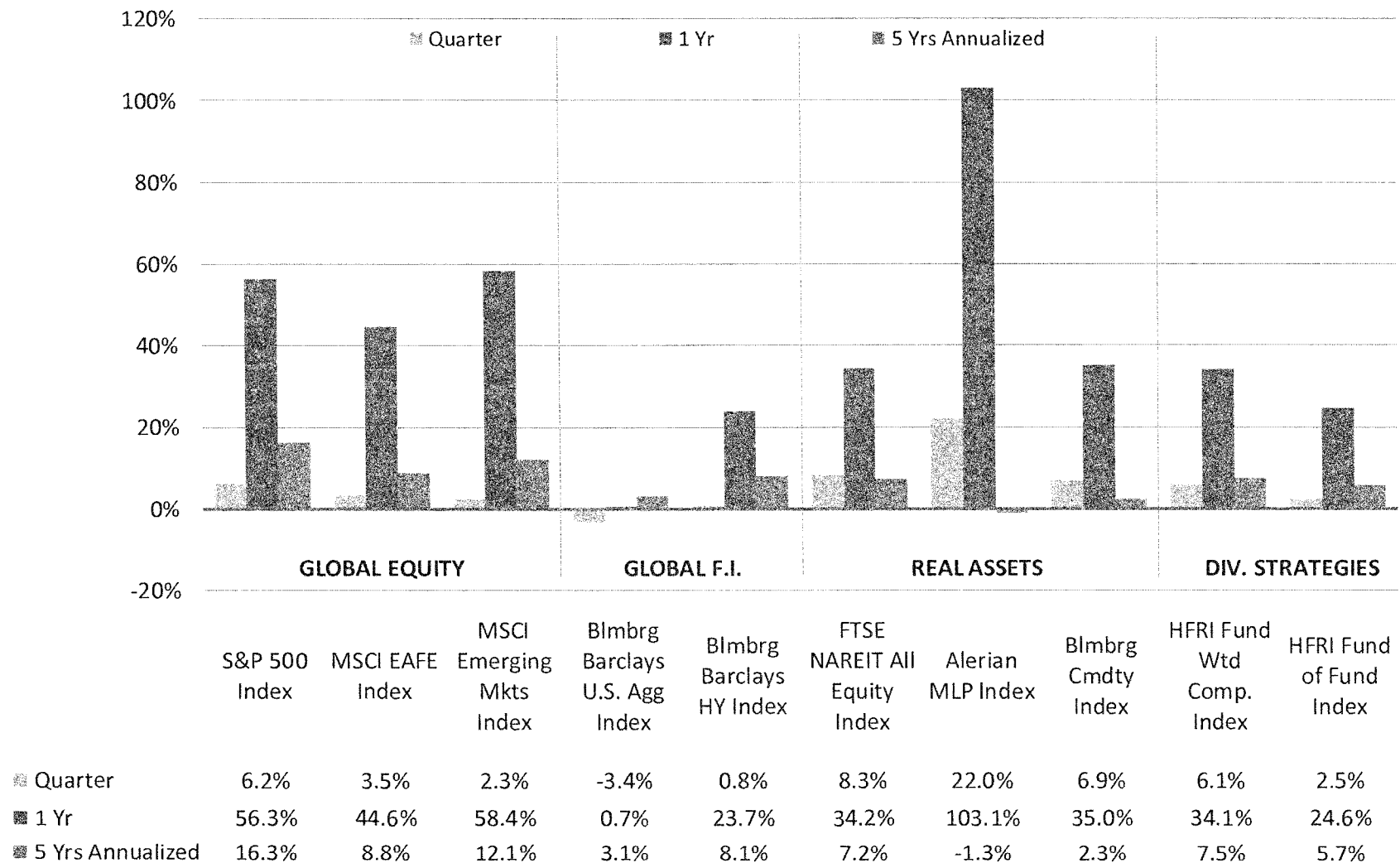
ISM Manufacturing and Services PMI & Cycles



Data sources: ISM, NBER, Bloomberg, L.P.; Data as of March 2021

# MARKET RETURNS

## MAJOR ASSET CLASS RETURNS

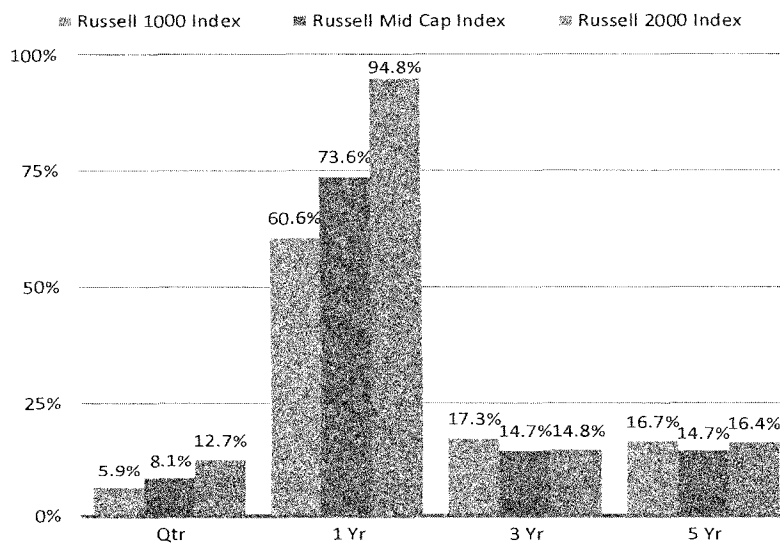


Data sources: Lipper and HedgeFund Research

# GLOBAL EQUITY, U.S.

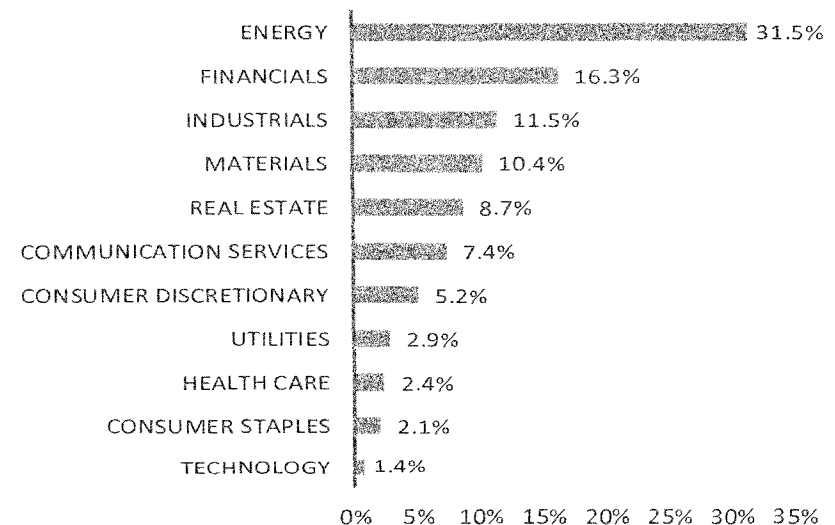
- Global equity markets rallied during the first quarter of 2021 due to the ramp-up in vaccine distribution in many parts of the world and improvement in global trade activity. In the U.S., widespread vaccinations and a third significant fiscal stimulus package contributed to investor optimism.
- The volatility during the quarter could be attributed to targeted stock trading by retail investors, a rise in interest rates, and inflationary pressures despite the Federal Reserve's (Fed's) assurance that inflation is likely to undershoot expectations.
- The rotation of demand for large cap and growth stocks into small cap and value stocks, which began in fourth quarter of 2020, continued its trend throughout the first quarter. The Russell 1000 Value Index (+10.7%) posted its largest outperformance over the Russell 1000 Growth Index (+0.7%) in two decades.

## LARGE CAP, MID CAP, AND SMALL CAP



Data source: Russell

## RUSSELL 3000 SECTOR PERFORMANCE

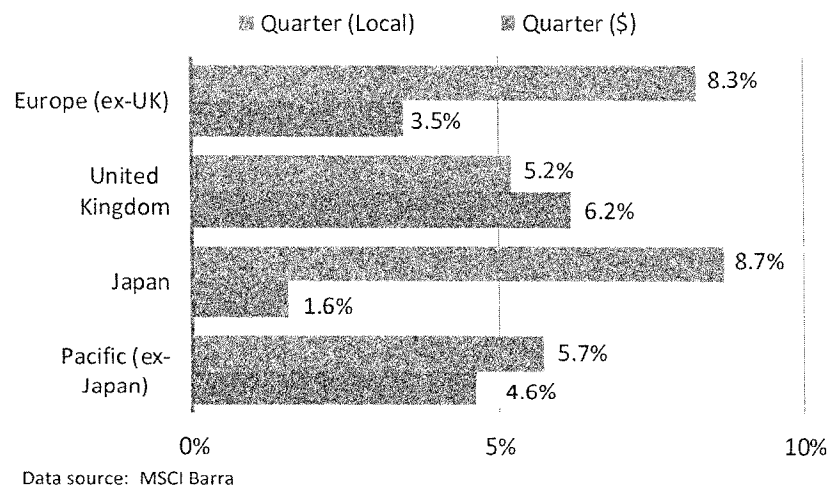


Data source: Russell

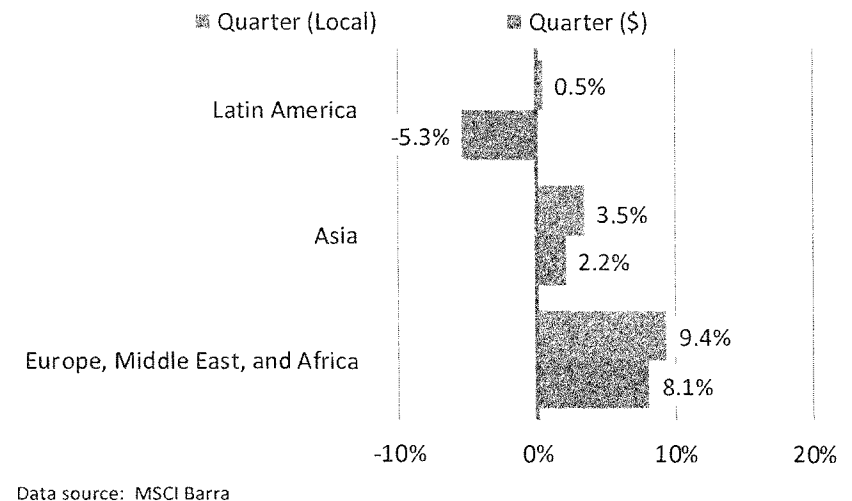
## GLOBAL EQUITY, NON-U.S.

- Equities in the UK rallied as the service sector and the manufacturing purchasing manager's index (PMI) showed signs of a rebound due to significant strides in vaccination rates and easing lockdown measures. Previously hard-hit economically sensitive areas of the market such as materials, energy, and financials posted strong returns.
- While European equities shared a similar story, markets remained cautious about rising COVID-19 infection rates and localized lockdown measures in some EU member states. The supply shortfall for vaccines raised tension between the EU and UK as vaccines continued to be exported from the EU.
- Japanese equity returns were positive as signs of recovery in corporate profits improved and value stocks rallied, but weakness of the yen weighed on returns for U.S. investors. Taiwan and Singapore were the strong performing markets in Asia, as Taiwan saw strength in internet and semiconductor stocks and the three largest banks in Singapore gained.
- Emerging markets had a volatile quarter, with the pace of vaccination falling short of expectations. A sharp uptick in infections in countries such as Brazil and India led to renewed local lockdown measures, but with disparate performance. Brazilian equities ended the quarter in the red, while equities in India gained approximately 5%. Chinese returns were also negative for the quarter due in part to a sell-off in internet stocks and a tighter monetary policy outlook.

### MSCI EAFE REGIONAL QUARTERLY RETURNS



### MSCI EM REGIONAL QUARTERLY RETURNS



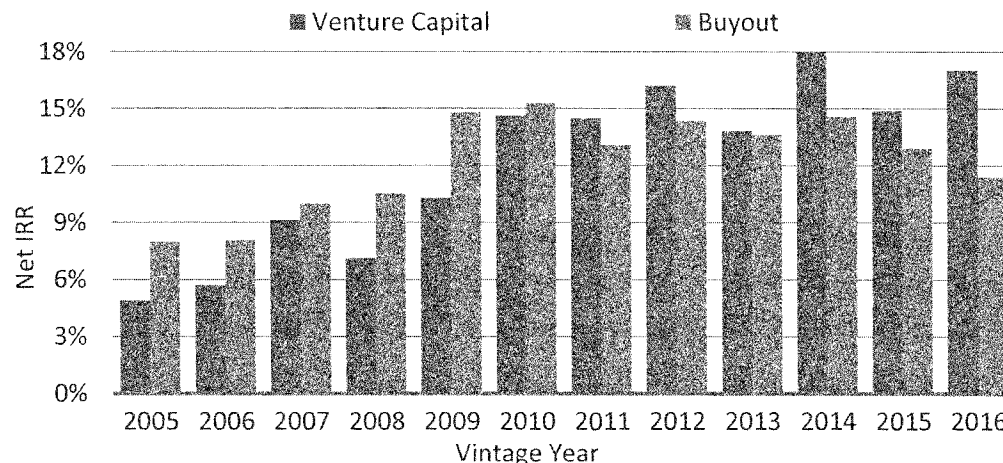


# GLOBAL EQUITY, PRIVATE

- Private equity reports performance on a lag and the latest performance is available through September 30, 2020. The third quarter was a time of significant volatility in both the financial markets and the economy, as society adjusted to COVID-19 and vaccine breakthroughs had yet to be announced.
- Median private equity returns for both venture capital and buyout funds have generally been in the low- to upper-teens since the 2010 vintage years.
- Median buyout funds from the mid-2000s through 2010 vintage years outperformed, then venture funds from the following decade's vintage years generally performed better than buyout.
- Commitments to private equity funds were off to a strong start in the first quarter. Fundraising can be volatile quarter over quarter. If the first quarter pace continues, then this year could be a high watermark for fundraising.

## MEDIAN VENTURE CAPITAL AND BUYOUT VINTAGE YEAR IRR

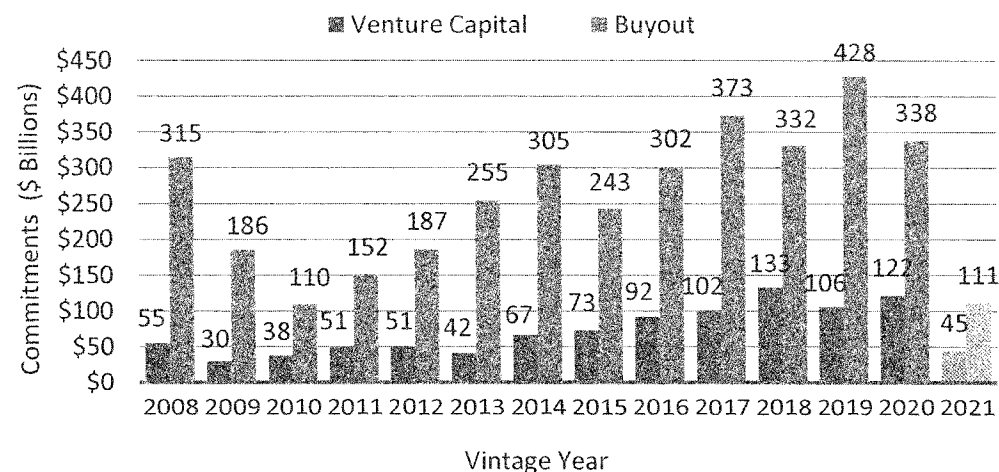
As of September 30, 2020



Data source: Thomson One; The most recent private equity return information available is through September 30, 2020

## VENTURE CAPITAL AND BUYOUT FUNDRAISING ACTIVITY

As of March 31, 2021

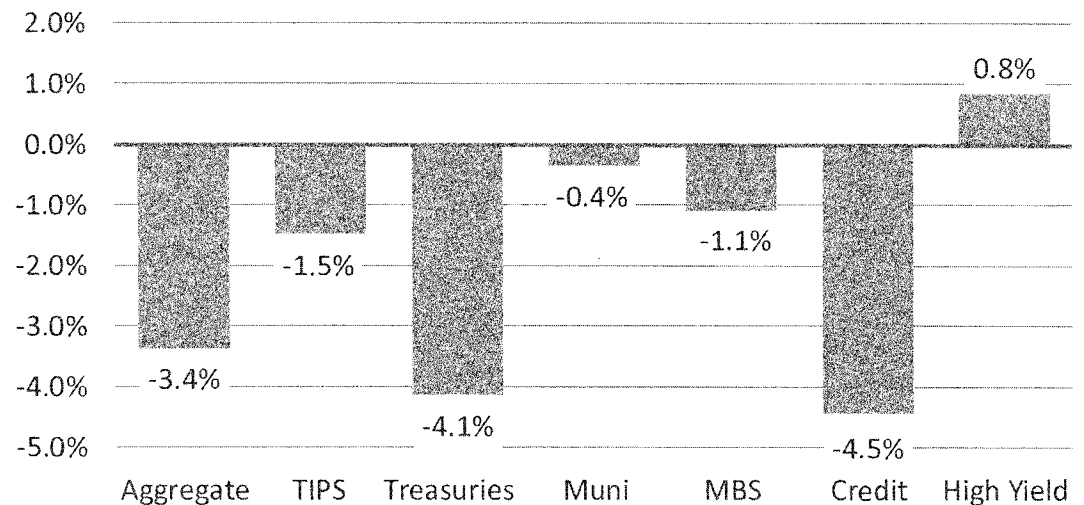


Data source: Pitchbook

# GLOBAL FIXED INCOME

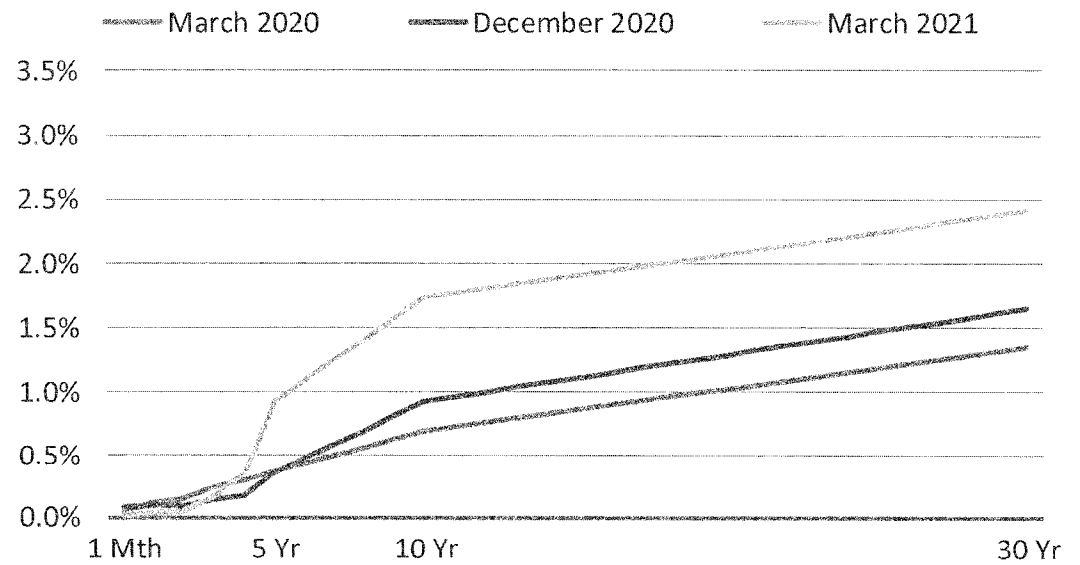
- 10-year Treasury yields rose by 81 basis points (bps) during the first quarter as expectations for GDP growth continued to improve. The upward move was the largest since 2016 and the fifth-largest since 1990.
- TIPS outperformed nominal Treasuries by 260 bps as 10-year breakeven inflation rates rose to 2.37%, their highest level since the “Taper Tantrum” of 2013. The Fed publicly pushed back against concerns surrounding the potential for sustained inflation throughout the quarter and maintained its commitment to an accommodative policy stance.
- Although credit spreads continued to tighten for most sectors, excess returns from spread compression were limited by the magnitude of the rise in Treasury yields. As a result, most spread sectors exhibited negative price returns as nominal yields rose, with lower-yielding, longer duration sectors such as investment-grade credit experiencing negative absolute returns.

## BLOOMBERG BARCLAYS U.S. FIXED INCOME INDEX RETURNS



Data source: Barclays

## U.S. TREASURY YIELD CURVE

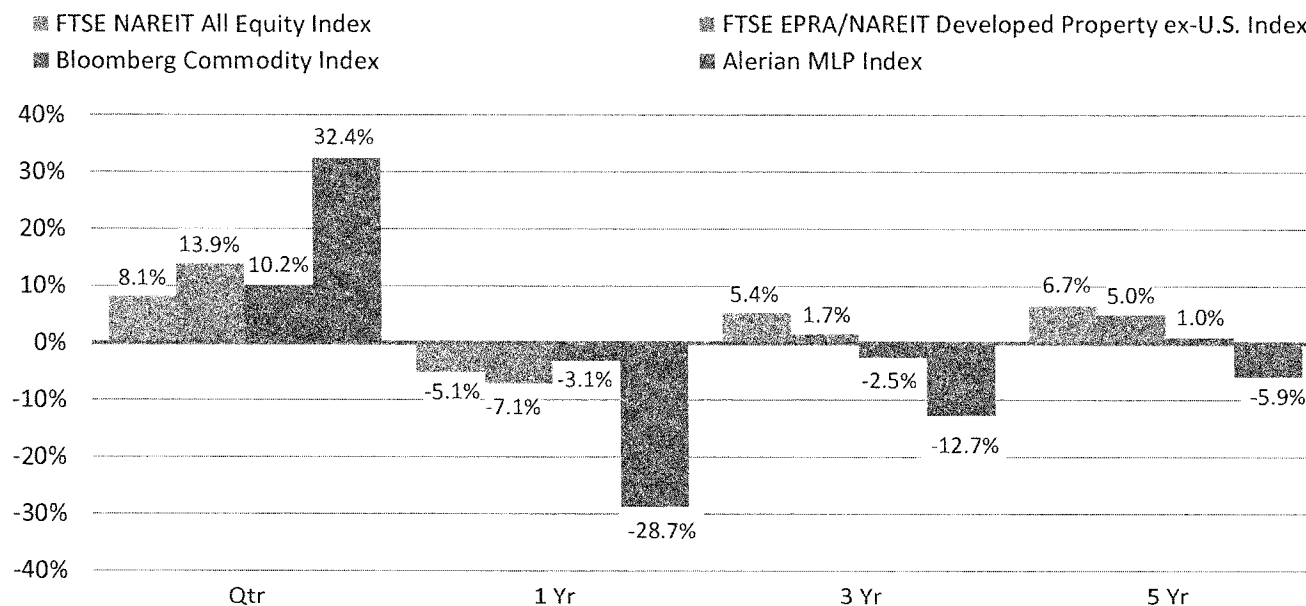


Data source: Bloomberg, L.P.

# REAL ASSETS

- U.S. REITs saw a continued demand for more economically-sensitive property sectors, which were expected to benefit from the vaccine rollout across the U.S. Specifically, property types most negatively impacted by the pandemic – malls and hotels – rebounded sharply in the first quarter. Conversely, property types which outperformed in 2020 – data centers and cell towers – witnessed lagging performance.
- WTI oil spot prices rose to just under \$60/barrel for the first quarter, a 22% gain from year-end 2020. Oil benefited from an improving supply/demand outlook driven by increased travel as economies reopened. Further price increases, however, may be limited by OPEC's production targets. Global oil demand has recovered to approximately 96 million barrels per day, nearing the 100 million per day demand in place before the pandemic.
- Master limited partnerships (MLPs), as measured by the Alerian MLP Total Return Index, posted sizeable increases during the quarter, driven by strength in the broad energy sector and gains in oil and natural gas prices.

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

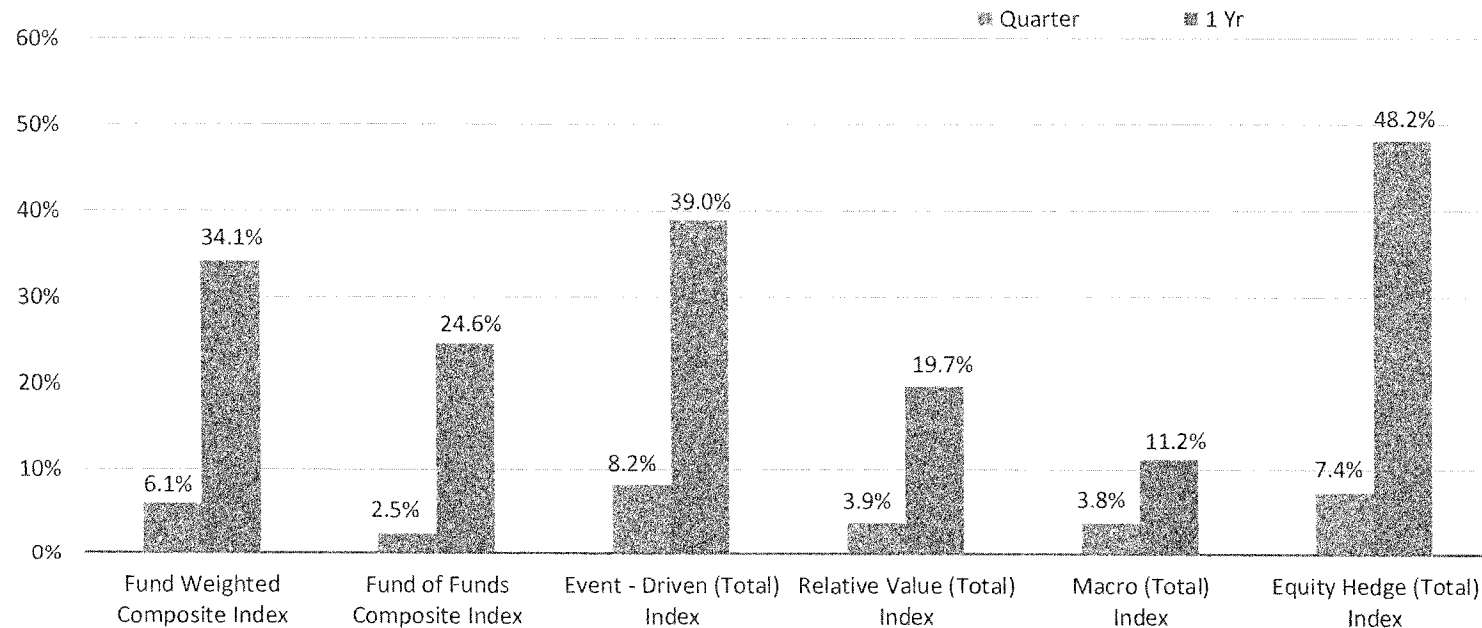


Data sources: NAREIT, Bloomberg, L.P., and Alerian

# DIVERSIFYING STRATEGIES, HEDGE FUNDS

- \* Hedge funds ended the quarter with positive returns, supported by sector dislocations in global equity markets, as well as continued uncertainty surrounding international vaccination efforts.
- \* Equity hedge managers' strong performance was predominantly driven by the continuation of retail investor trading. Early in the quarter, performance was hindered by retail trading. Later in the quarter, an array of unwinding positions in single-name equities, triggered by prime brokerage margin calls on a large family-office investor, buoyed returns.
- \* Event-driven managers posted the strongest performance, which came primarily from distressed/restructuring and special situations managers, as broader equity and credit markets responded to positive vaccination efforts.
- \* Global macro and relative value manager returns were both positive for the quarter, with dislocations in commodity and foreign exchange markets driving positive performance for dislocation strategies, although negatively impacting concentrated long-biased managers.

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



Data source: HFRI

**The City of Grosse Pointe Woods Health Care Trust**  
**Summary of Investment Performance**  
Report for Periods Ending March 31, 2021

		Annualized					
	Qtr	FYTD	1Yr	3Yr	Since Inception	Date	Market Value
<b>Total Composite</b>	<b>4.9%</b>	<b>24.7%</b>	<b>44.4%</b>	<b>11.3%</b>	<b>11.5%</b>	<b>5/16</b>	<b>\$1,348,396</b>
<b><u>Domestic Equity</u></b>							
<b>Schwab U.S. Large Cap ETF</b>	<b>5.8</b>	<b>31.3</b>	<b>59.6</b>	<b>17.3</b>	<b>16.8</b>	<b>5/16</b>	<b>314,018</b>
DJ U.S. LC Total Stock Market Index	5.8	31.3	59.7	17.3	16.8		
<b>Schwab U.S. Mid Cap ETF</b>	<b>9.1</b>	<b>42.8</b>	<b>78.7</b>	<b>13.7</b>	<b>14.2</b>	<b>5/16</b>	<b>217,559</b>
DJ U.S. MC Total Stock Market Index	9.1	42.8	78.7	13.8	14.2		
<b><u>Small Cap Equity</u></b>							
<b>Vanguard S&amp;P Small Cap 600 Index</b>	<b>18.2</b>	<b>60.2</b>	<b>95.5</b>	<b>-</b>	<b>27.7</b>	<b>8/19</b>	<b>160,321</b>
S&P SmallCap 600 Index	18.2	60.2	95.3	-	27.6		
<b><u>International Equity</u></b>							
<b>Schwab International Equity ETF</b>	<b>4.0</b>	<b>28.3</b>	<b>48.7</b>	<b>6.8</b>	<b>9.4</b>	<b>5/16</b>	<b>187,348</b>
FTSE Developed ex U.S. Index	4.0	28.3	48.5	6.7	9.3		
<b>Schwab Emerging Markets ETF</b>	<b>2.7</b>	<b>31.4</b>	<b>55.4</b>	<b>6.5</b>	<b>12.6</b>	<b>5/16</b>	<b>61,367</b>
FTSE All Emerging Index	2.8	32.2	56.7	7.1	13.1		
<b><u>Fixed Income</u></b>							
<b>Schwab U.S. Aggregate Bond ETF</b>	<b>-3.4</b>	<b>-2.2</b>	<b>0.5</b>	<b>4.6</b>	<b>3.0</b>	<b>5/16</b>	<b>329,041</b>
Bloomberg Barclays US Aggregate Index	-3.4	-2.1	0.7	4.7	3.1		
<b>Schwab U.S. TIPS ETF</b>	<b>-1.5</b>	<b>3.1</b>	<b>7.5</b>	<b>5.6</b>	<b>4.0</b>	<b>5/16</b>	<b>65,502</b>
Bloomberg Barclays U.S. TIPS Index	-1.5	3.2	7.5	5.7	4.1		

**Footnotes:**

- \* Performance returns are net of investment management fees.
- \* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.
- \* Manager and index data represent the most current available at the time of report publication.
- \* For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.
- \* The fiscal year ends in June.

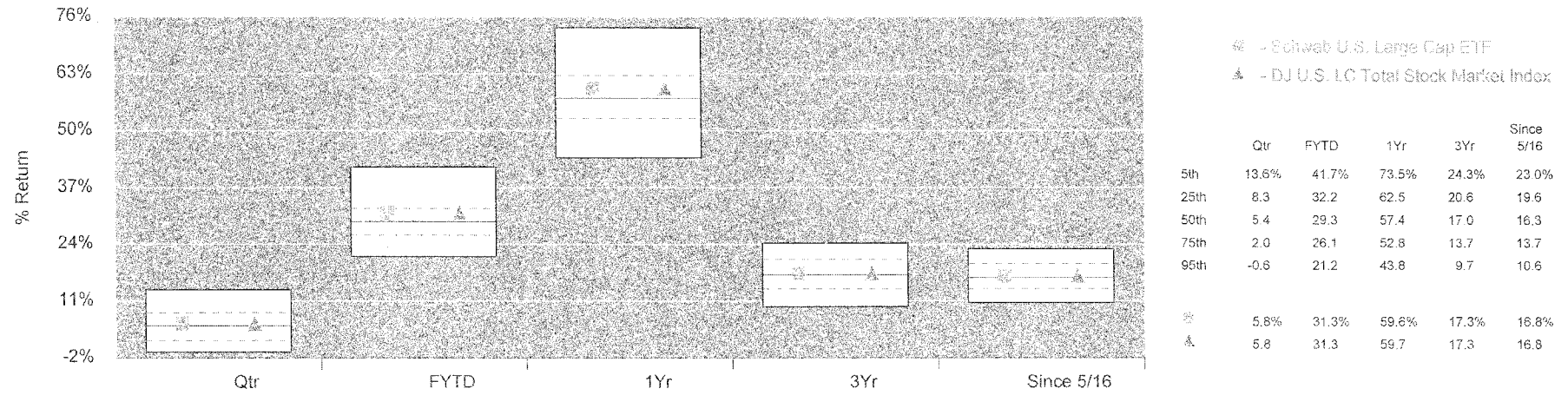
**The City of Grosse Pointe Woods Health Care Trust**  
**Schedule of Asset and Style Allocation**

<b>Asset Class</b>	<b>Current Weight</b>	<b>Target Weight</b>	<b>Target Range</b>
Large Cap Equity	23.5%	25.0%	5.0% - 35.0%
Mid Cap Equity	16.3%	15.0%	0.0% - 30.0%
Small Cap Equity	12.0%	10.0%	5.0% - 30.0%
International Equity	14.0%	15.0%	5.0% - 25.0%
Emerging Markets	4.6%	5.0%	0.0% - 10.0%
Fixed Income	29.6%	30.0%	25.0% - 35.0%
Cash	0.0%	0.0%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

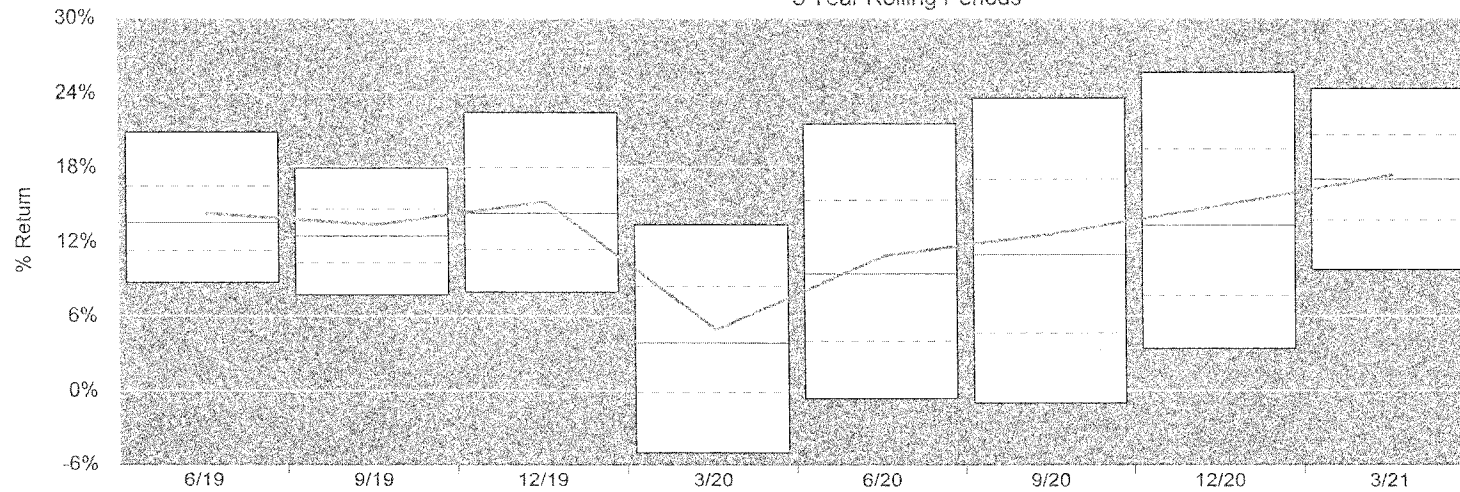
<b>Asset Class - Style</b>	<b>Manager</b>	<b>Portfolio Invested</b>	<b>Portfolio Cash</b>	<b>Market Value</b>	<b>Current Weight</b>
Large Cap Equity - Broad	Schwab U.S. Large Cap ETF	100.0%	0.0%	\$314,018	23.5%
Mid Cap Equity - Broad	Schwab U.S. Mid Cap ETF	100.0%	0.0%	\$217,559	16.3%
Small Cap Equity - Broad	Vanguard S&P Small Cap 600 Index	100.0%	0.0%	\$160,321	12.0%
International Equity - Core	Schwab International Equity ETF	100.0%	0.0%	\$187,348	14.0%
Emerging Markets - Core	Schwab Emerging Markets ETF	100.0%	0.0%	\$61,367	4.6%
Fixed Income - Core	Schwab U.S. Aggregate Bond ETF	100.0%	0.0%	\$329,041	24.6%
Fixed Income - TIPS	Schwab U.S. TIPS ETF	100.0%	0.0%	\$65,502	4.9%
<b>Sub-Total</b>				<b>\$1,335,156</b>	<b>100.0%</b>
Cash - Cash	Cash			\$13,240	
<b>Total</b>				<b>\$1,348,396</b>	



**The City of Grosse Pointe Woods Health Care Trust**  
**Schwab U.S. Large Cap ETF**  
 Broad Large Cap Universe  
 For Report Periods Ending March 31, 2021



Report From June 30, 2016 to March 31, 2021  
 3 Year Rolling Periods

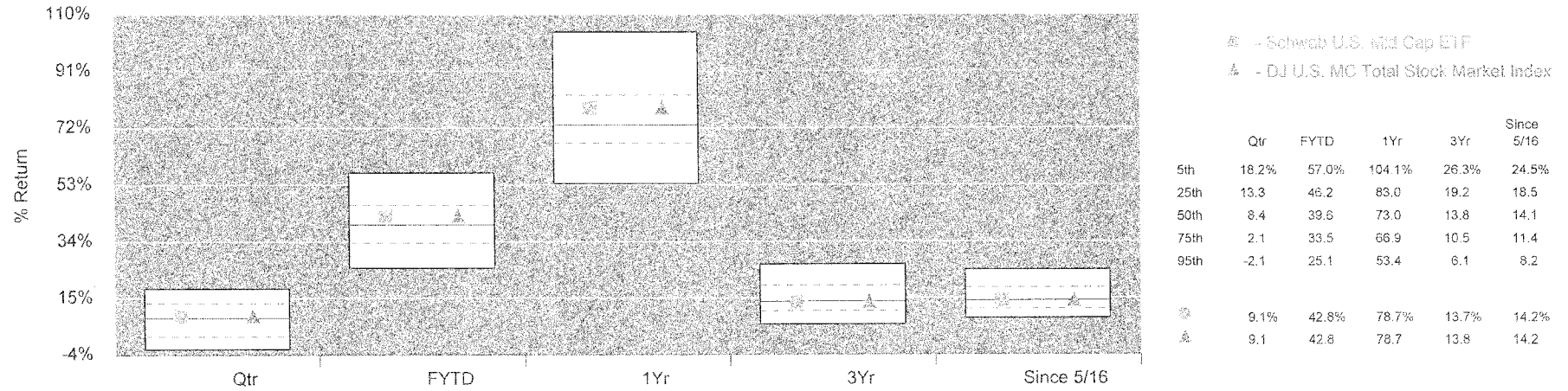


# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. Mid Cap ETF

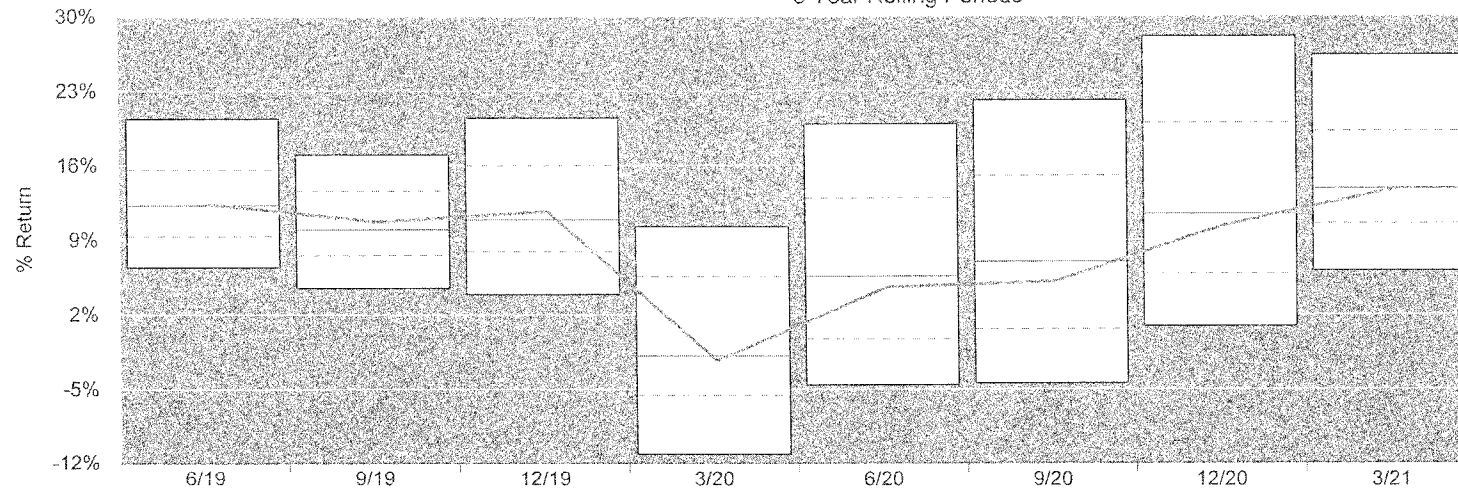
Broad Mid Cap Universe

For Report Periods Ending March 31, 2021



Report From June 30, 2016 to March 31, 2021

3 Year Rolling Periods

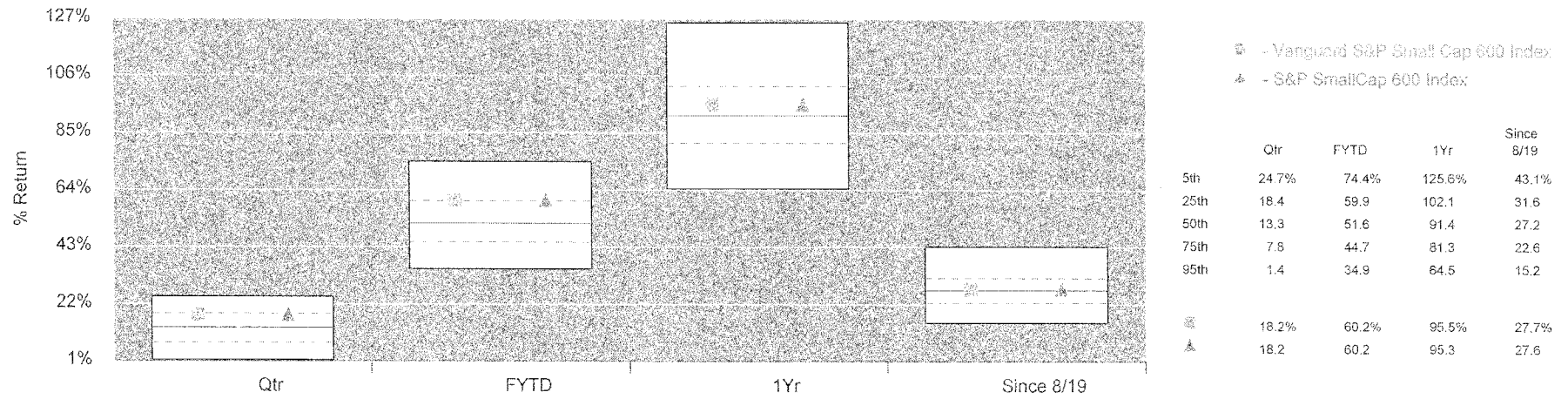


# The City of Grosse Pointe Woods Health Care Trust

## Vanguard S&P Small Cap 600 Index

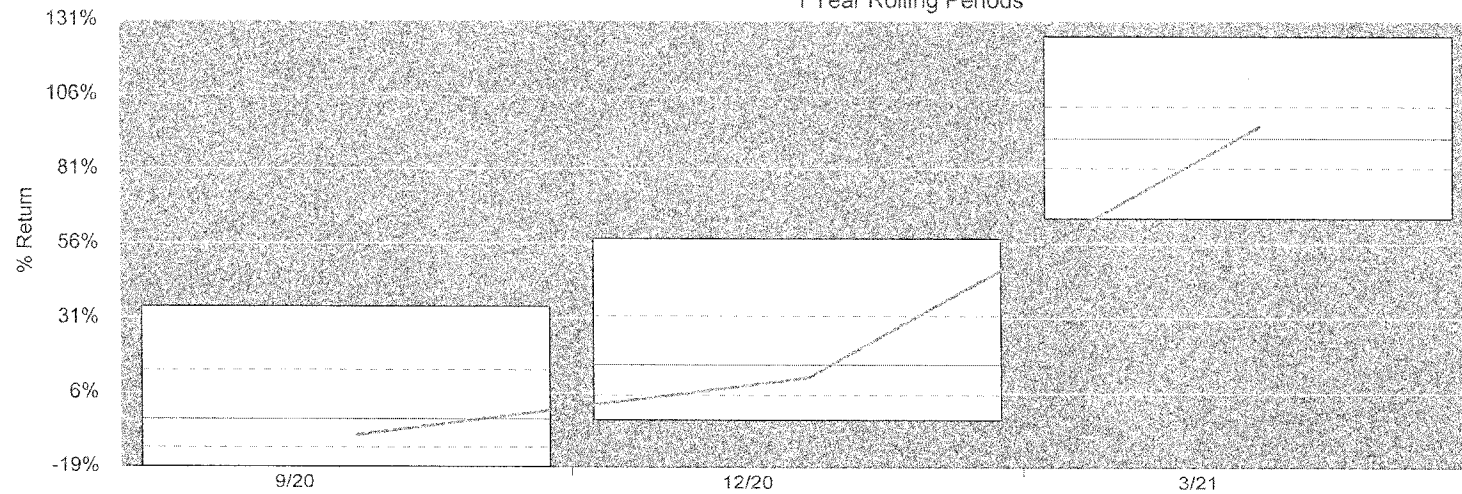
Broad Small Cap Universe

For Report Periods Ending March 31, 2021



Report From September 30, 2019 to March 31, 2021

1 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab International Equity ETF

### Summary of Performance and Statistics

Report For Periods Ending March 31, 2021

Performance Results	Qtr	FYTD	1Yr	3Yr	Since Inception	Inception Date
Schwab International Equity ETF	4.0%	28.3%	48.7%	6.8%	9.4%	5/16
FTSE Developed ex U.S. Index	4.0	28.3	48.5	6.7	9.3	

Risk Statistics (Since 5/16)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio
Schwab International Equity ETF	1.00	0.1%	1.00	16.7%	0.1%	0.9
FTSE Developed ex U.S. Index	1.00	0.0	1.00	16.7	0.0	--

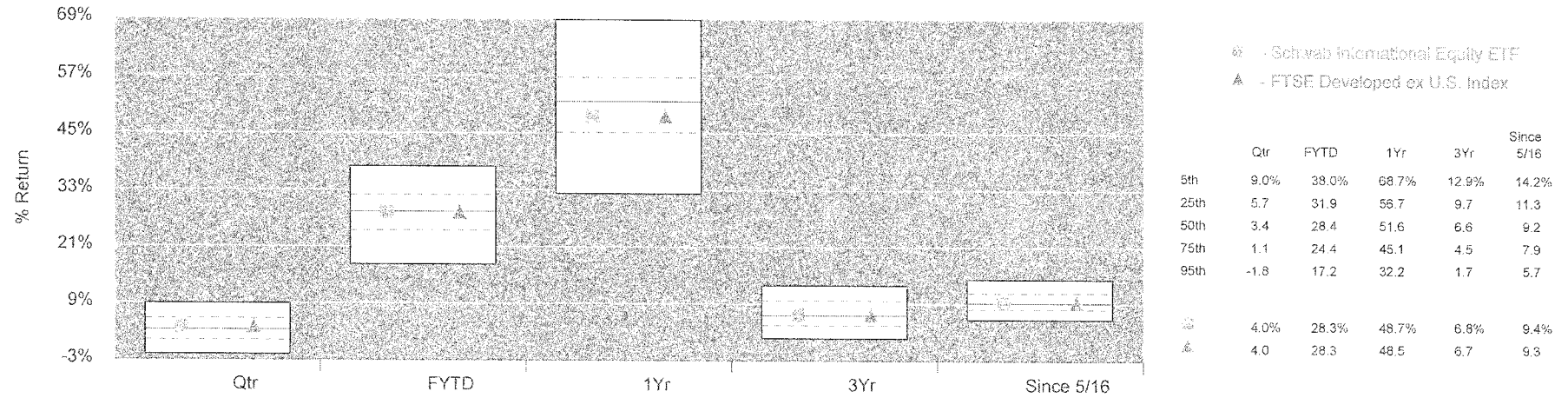
  

Portfolio Statistics	Trailing P/E	Trailing P/B	Wtd Avg Mkt Cap	Current Yield	Equity Annual Turnover
Schwab International Equity ETF	14.3	1.5	58,845.0M	2.8%	7.1%
FTSE Developed ex U.S. Index	--	--	--	--	--

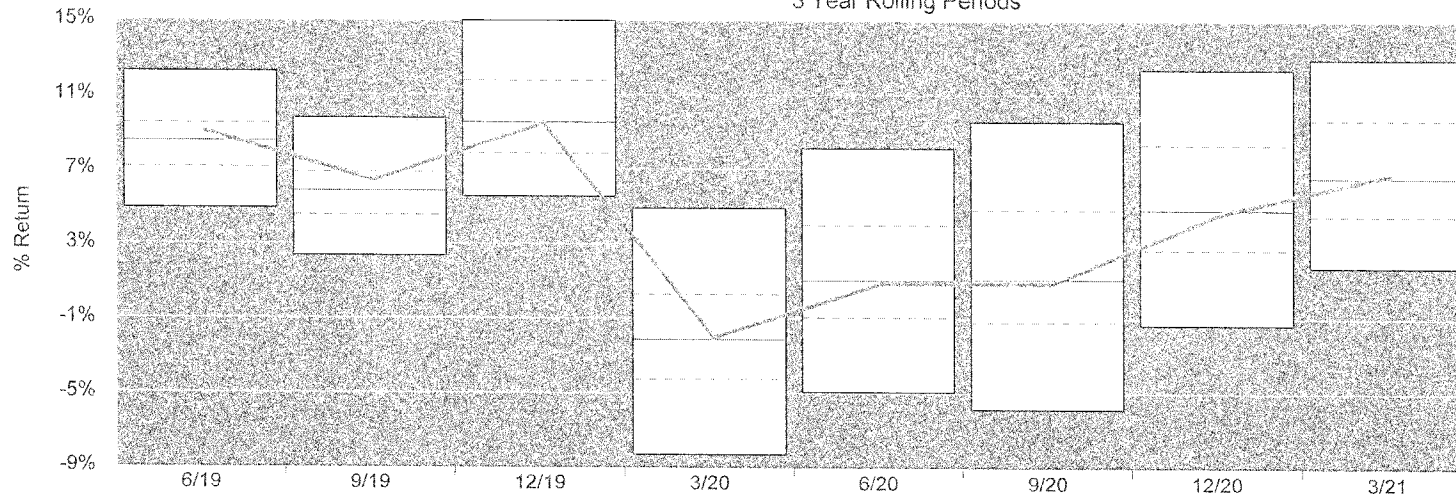
\* Risk Statistics are based on monthly data.

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

**The City of Grosse Pointe Woods Health Care Trust**  
**Schwab International Equity ETF**  
 International Equity Universe  
 For Report Periods Ending March 31, 2021



Report From June 30, 2016 to March 31, 2021  
 3 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab Emerging Markets ETF

### Summary of Performance and Statistics

Report For Periods Ending March 31, 2021

Performance Results	Qtr	FYTD	1Yr	3Yr	Since Inception	Inception Date
Schwab Emerging Markets ETF	2.7%	31.4%	55.4%	6.5%	12.6%	5/16
FTSE All Emerging Index	2.8	32.2	56.7	7.1	13.1	

Risk Statistics (Since 5/16)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio
Schwab Emerging Markets ETF	1.00	-0.5%	1.00	18.4%	0.3%	-1.7
FTSE All Emerging Index	1.00	0.0	1.00	18.5	0.0	--

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

\* Risk Statistics are based on monthly data.

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

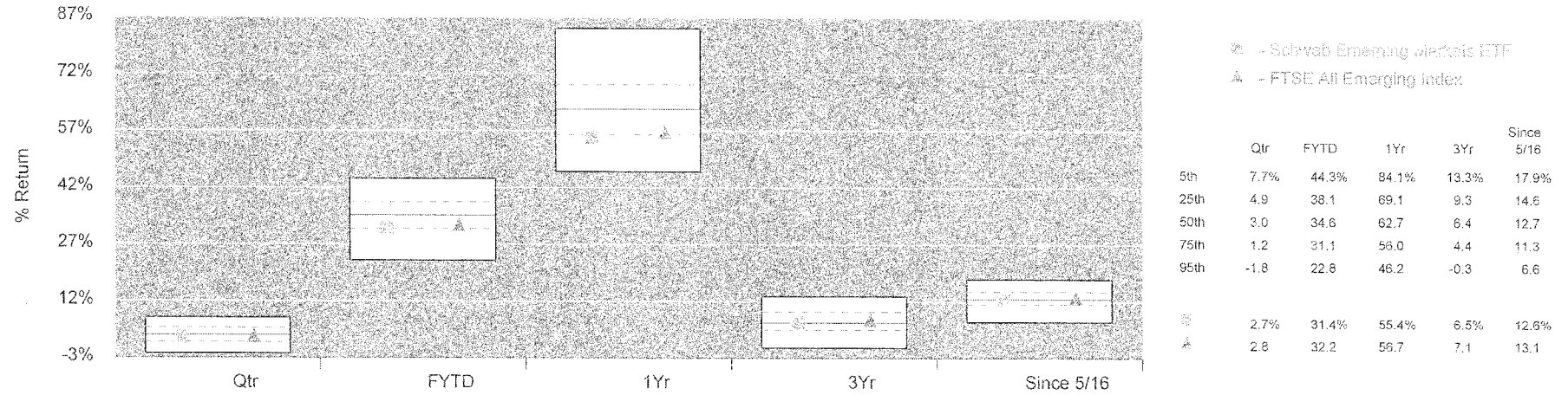


# The City of Grosse Pointe Woods Health Care Trust

## Schwab Emerging Markets ETF

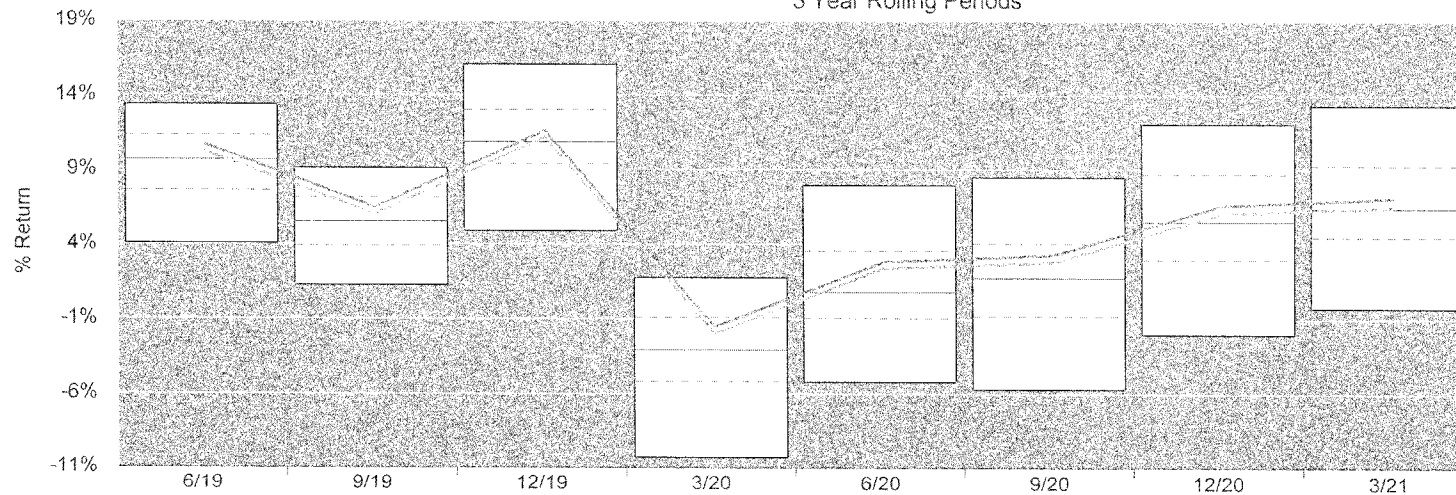
### Emerging Markets Universe

For Report Periods Ending March 31, 2021



Report From June 30, 2016 to March 31, 2021

3 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. Aggregate Bond ETF

### Summary of Performance and Statistics

Report For Periods Ending March 31, 2021

Performance Results	Qtr	FYTD	1Yr	3Yr	Since Inception	Inception Date
Schwab U.S. Aggregate Bond ETF	-3.4%	-2.2%	0.5%	4.6%	3.0%	5/16
Bloomberg Barclays US Aggregate Index	-3.4	-2.1	0.7	4.7	3.1	

Risk Statistics (Since 5/16)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio
Schwab U.S. Aggregate Bond ETF	1.00	-0.1%	1.00	3.5%	0.1%	-0.9
Bloomberg Barclays US Aggregate Index	1.00	0.0	1.00	3.5	0.0	--

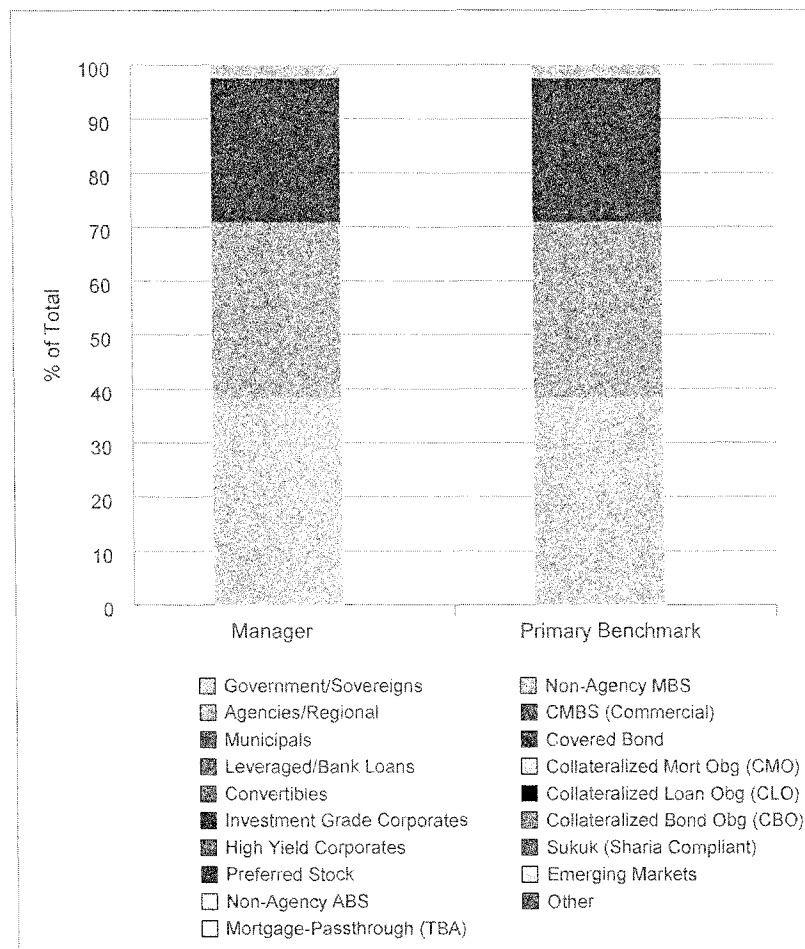
Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	FI Annl Turnover
Schwab U.S. Aggregate Bond ETF	6.4yrs	8.4yrs	AA	1.6%	--%
Bloomberg Barclays US Aggregate Index	6.4	8.4	AA	1.6	--

\* Risk Statistics are based on monthly data.

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

**The City of Grosse Pointe Woods Health Care Trust**  
**Schwab U.S. Aggregate Bond ETF**  
Fixed Income Sector  
Report For Periods Ending March 31, 2021

**Sector Allocation**



Sector	Sector Weightings		Market Total Returns	
	Manager	Primary Benchmark	3 Months	12 Months
Total Weighting	100%	100%	-3.4%	0.7%
Government/Sovereigns	38	38	-4.1	-4.3
Agencies/Regional	32	32	-1.6	-0.3
Municipals	0	0	-0.4	5.5
Leveraged/Bank Loans	0	0	2.0	20.6
Convertibles	0	0	2.9	74.1
Investment Grade Corporates	27	27	-4.7	8.7
High Yield Corporates	0	0	0.9	23.7
Preferred Stock	0	0	0.8	27.9
Non-Agency ABS	0	0	-0.2	4.6
Mortgage-Passthrough (TBA)	0	0	-4.3	11.7
Non-Agency MBS	2	2	-1.1	-0.1
CMBS (Commercial)	0	0	-2.1	4.9
Covered Bond	0	0	0.0	1.1
Collateralized Mort Obg (CMO)	0	0	-1.1	-0.1
Collateralized Loan Obg (CLO)	0	0	2.0	20.6
Collateralized Bond Obg (CBO)	0	0	0.0	0.0
Sukuk (Sharia Compliant)	0	0	0.0	0.0
Emerging Markets	0	0	-4.5	16.0
Other	0	0	0.0	0.0

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

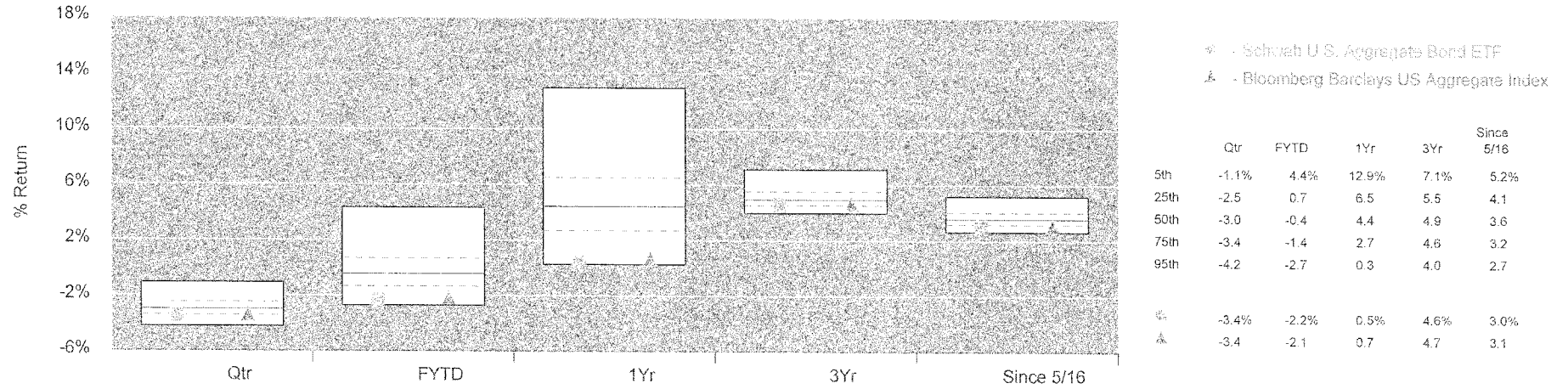
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. Aggregate Bond ETF

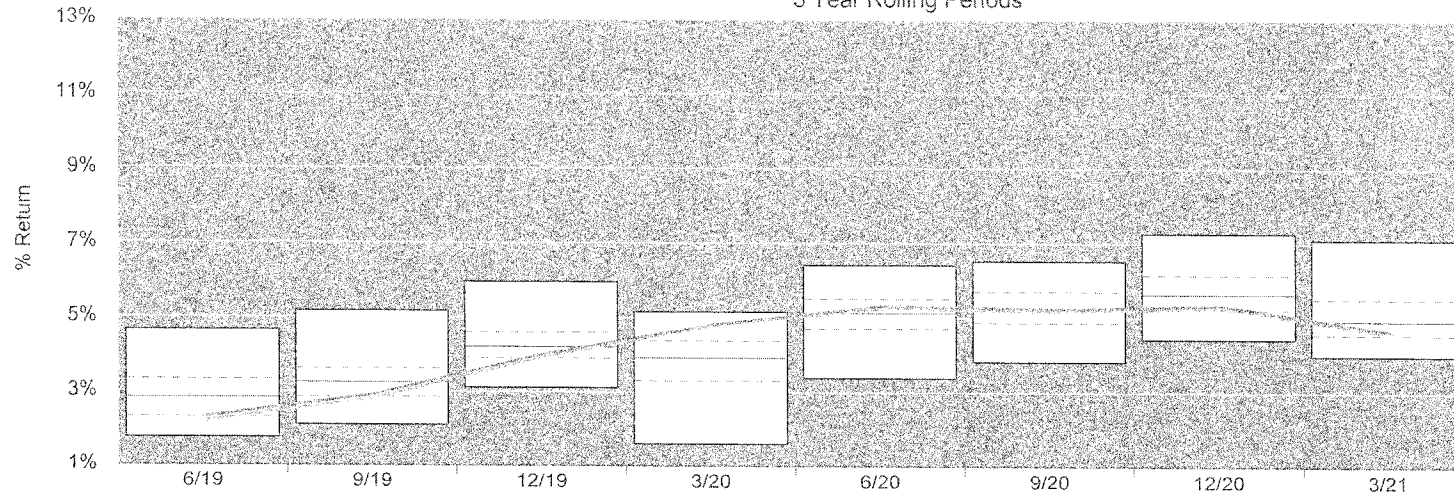
Core Fixed Income Universe

For Report Periods Ending March 31, 2021



Report From June 30, 2016 to March 31, 2021

3 Year Rolling Periods



# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. TIPS ETF

### Summary of Performance and Statistics

Report For Periods Ending March 31, 2021

Performance Results	Qtr	FYTD	1Yr	3Yr	Since Inception	Inception Date
Schwab U.S. TIPS ETF	-1.5%	3.1%	7.5%	5.6%	4.0%	5/16
Bloomberg Barclays U.S. TIPS Index	-1.5	3.2	7.5	5.7	4.1	

Risk Statistics (Since 5/16)	Beta	Alpha	R <sup>2</sup>	Standard Deviation	Tracking Error	Information Ratio
Schwab U.S. TIPS ETF	1.00	-0.1%	1.00	3.8%	0.0%	-1.4
Bloomberg Barclays U.S. TIPS Index	1.00	0.0	1.00	3.8	0.0	--

Portfolio Statistics	Effective Duration	Wtd Avg Maturity	Wtd Avg Credit	Yield to Worst	Fl Annl Turnover
Schwab U.S. TIPS ETF	8.1 yrs	7.9 yrs	AAA	1.1%	--%
Bloomberg Barclays U.S. TIPS Index	8.1	7.9	AAA	1.1	--

\* Risk Statistics are based on monthly data.

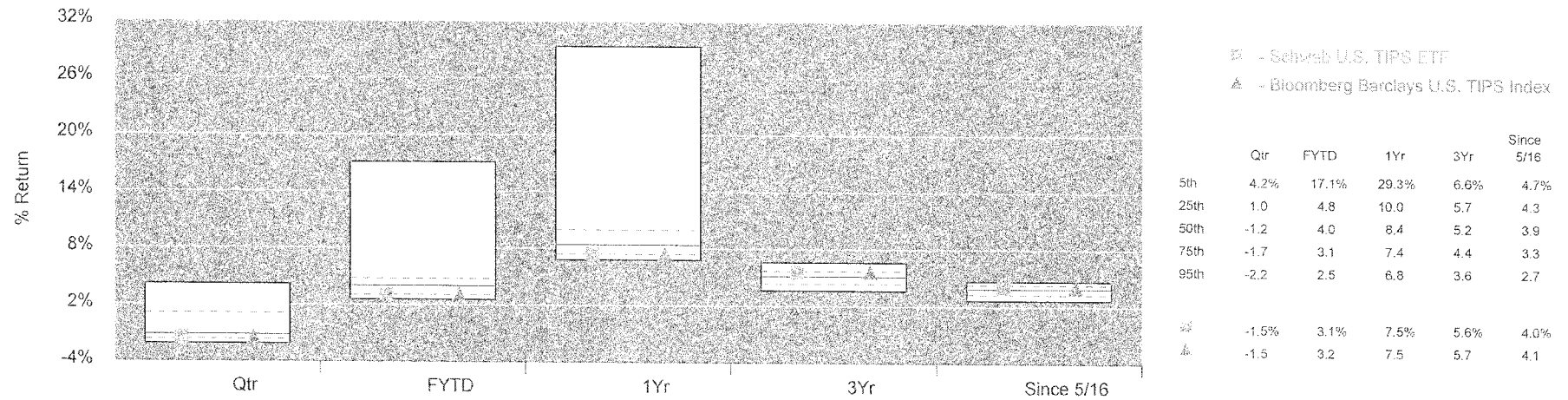
\* Manager data represents the most current available at the time of report publication.

# The City of Grosse Pointe Woods Health Care Trust

## Schwab U.S. TIPS ETF

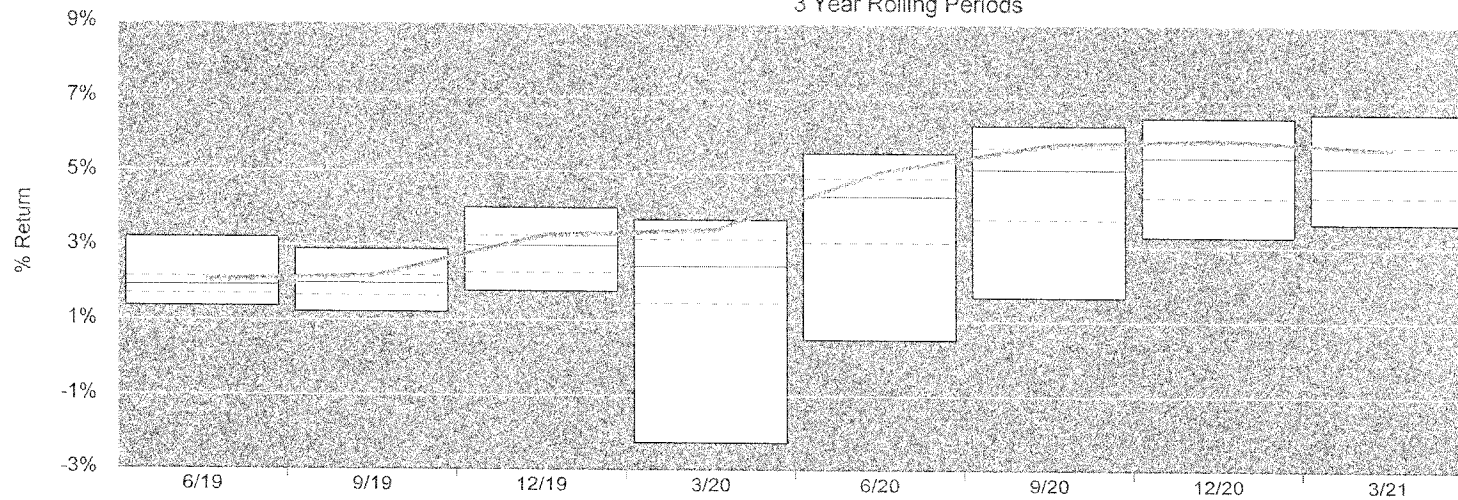
### TIPS Universe

For Report Periods Ending March 31, 2021



Report From June 30, 2016 to March 31, 2021

3 Year Rolling Periods





## Index Summary Sheet for Periods Ending March 31, 2021

Global Equity	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
MSCI AC World Index	4.6%	4.6%	54.6%	12.1%	13.2%	9.1%
MSCI World Index	4.9	4.9	54.0	12.8	13.4	9.9
S&P 500 Index	6.2	6.2	56.3	16.8	16.3	13.9
Russell 3000 Index	6.3	6.3	62.5	17.1	16.6	13.8
Russell 1000 Index	5.9	5.9	60.6	17.3	16.7	14.0
Russell 1000 Growth Index	0.9	0.9	62.7	22.8	21.0	16.6
Russell 1000 Value Index	11.3	11.3	56.1	11.0	11.7	11.0
Russell Midcap Index	8.1	8.1	73.6	14.7	14.7	12.5
Russell Midcap Growth Index	-0.6	-0.6	68.6	19.4	18.4	14.1
Russell Midcap Value Index	13.1	13.1	73.8	10.7	11.6	11.1
Russell 2000 Index	12.7	12.7	94.8	14.8	16.4	11.7
Russell 2000 Growth Index	4.9	4.9	90.2	17.2	18.6	13.0
Russell 2000 Value Index	21.2	21.2	97.1	11.6	13.6	10.1
Russell Microcap Index	23.9	23.9	120.3	16.6	18.1	12.2
MSCI AC World Index ex-U.S.	3.5	3.5	49.4	6.6	9.8	4.9
MSCI EAFE Index	3.5	3.5	44.6	6.1	8.8	5.5
MSCI EAFE Growth Index	-0.6	-0.6	42.6	9.9	10.8	7.2
MSCI EAFE Value Index	7.4	7.4	45.7	1.9	6.6	3.7
MSCI Small Cap EAFE Index	4.5	4.5	62.0	6.4	10.5	8.0
MSCI Emerging Markets Index	2.3	2.3	58.4	6.5	12.1	3.7
MSCI Emerging Markets Small Cap Index	7.7	7.7	87.1	5.3	9.6	3.3
MSCI Frontier Markets Index	0.8	0.8	39.3	-1.3	6.6	3.9
HFRI Equity Hedge Index	7.1	7.1	47.8	9.9	10.1	5.9
HFRI Emerging Markets	2.9	2.9	36.9	4.6	8.2	3.3
HFRI FOF: Strategic Index	0.8	0.8	31.2	5.9	6.7	3.9
Thomson One All Private Capital Index	0.0	0.0	17.8	9.0	11.1	10.8
Thomson One Buyout Index	0.0	0.0	21.0	10.4	13.3	12.3
Thomson One Fund of Funds Index	0.0	0.0	19.3	11.5	11.5	10.8
Thomson One Venture Capital Index	0.0	0.0	23.9	17.3	15.0	15.1
Global Fixed Income						
Bloomberg Barclays US Aggregate Index	-3.4	-3.4	0.7	4.7	3.1	3.4
Bloomberg Barclays U.S. TIPS Index	-1.5	-1.5	7.5	5.7	3.9	3.4
Bloomberg Barclays Government Bond Index	-4.1	-4.1	-4.3	4.1	2.3	2.8
Bloomberg Barclays Municipals Index	-0.4	-0.4	5.5	4.9	3.5	4.5
Bloomberg Barclays Asset Backed Index	-0.2	-0.2	4.6	3.7	2.6	2.5

## Index Summary Sheet for Periods Ending March 31, 2021

	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
Global Fixed Income (Continued)						
Bloomberg Barclays US MBS Index	-1.1%	-1.1%	-0.1%	3.7%	2.4%	2.8%
Bloomberg Barclays IG CMBS Index	-2.1	-2.1	4.9	5.3	3.6	4.1
Bloomberg Barclays U.S. Credit Index	-4.5	-4.5	7.9	5.9	4.7	4.8
Bloomberg Barclays US Corporate HY Index	0.8	0.8	23.7	6.8	8.1	6.5
Bloomberg Barclays Intern. US G/C Index	-1.9	-1.9	2.0	4.4	2.8	2.9
ICE BofA 1-3 Yr. Govt. Bond Index	0.0	0.0	0.2	2.8	1.7	1.3
U.S. 91-Day Treasury Bills	0.0	0.0	0.1	1.3	1.1	0.6
CS Leveraged Loan Index	1.9	1.9	20.6	4.1	5.3	4.4
JPMorgan Non-U.S. GBI Hedged Index	-2.4	-2.4	0.4	3.6	2.9	4.2
JPMorgan Non-U.S. GBI Index	-6.4	-6.4	4.7	0.8	1.9	1.1
JPMorgan EMBI Plus Index	-7.2	-7.2	8.8	2.6	3.5	4.8
JPMorgan EMBI Global Index	-4.7	-4.7	14.3	3.9	4.7	5.4
HFRI RV: Fixed Income - Corporate Index	4.0	4.0	26.0	6.3	7.4	5.0
HFRI ED: Distressed/Restructuring Index	8.3	8.3	37.1	6.9	8.8	5.0
Thomson One Distressed Index	0.0	0.0	13.9	2.7	6.7	7.4
Real Assets						
FTSE NAREIT All Equity Index	8.3	8.3	34.2	10.8	7.2	9.4
S&P Developed BMI Property Index	5.4	5.4	34.8	5.2	4.3	6.1
S&P Developed ex-U.S. Property Index	2.2	2.2	33.8	3.2	5.4	6.0
NCREIF Property Index	0.0	0.0	0.9	4.3	5.4	8.6
Bloomberg Commodity Index	6.9	6.9	35.0	-0.2	2.3	-6.3
Alerian MLP Index	22.0	22.0	103.1	-3.0	-1.3	-0.9
NCREIF Timberland Index	0.0	0.0	0.7	1.5	2.4	4.5
Thomson One Private Real Estate Index	0.0	0.0	4.5	3.3	6.3	8.7
S&P Real Assets Equity Total Return Index	7.2	7.2	38.5	5.6	5.9	5.7
Diversifying Portfolios						
HFRI Fund of Funds Index	1.9	1.9	23.8	5.4	5.6	3.4
HFRI Fund Weighted Composite Index	6.0	6.0	34.0	7.6	7.5	4.6
HFRI FOF: Conservative Index	3.6	3.6	18.9	5.0	4.7	3.2
HFRI Event Driven	8.2	8.2	38.9	7.5	8.3	5.1
HFRI Relative Value Total Index	3.7	3.7	19.5	4.5	5.4	4.5
HFRI Macro Index	4.1	4.1	11.5	4.4	2.6	1.5
Other						
Consumer Price Index - U.S.	1.3	1.3	2.6	2.2	2.3	1.8
U.S. Dollar Index	3.7	3.7	-5.9	1.1	-0.4	2.0

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

## Definitions

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

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

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

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

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

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

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

**R<sup>2</sup>** – Also called the coefficient of determination. On the detail page, R<sup>2</sup> measures how much of the variation in the investment manager's returns can be explained by movements in the market (benchmark).

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

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

## Disclosures

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Performance results are calculated using information provided by the custodian and/ or independent pricing sources. It is the responsibility of the trustee, custodian and /or manager to ensure the accuracy of market value and transactional data. Performance analysis is calculated using monthly and/or quarterly market values. Performance analysis and asset valuations may or may not include accrued interest and dividend income and are net of management fees. FEG/Consulting fees may or may not be deducted, based on client preference.

FEG's universes are updated monthly and the traditional asset classes are constructed from Lipper data feeds encompassing over 19,000 mutual funds. Lipper classifies approximately 50 asset classes according to the funds' investment objectives and portfolio attributes. FEG screens the Lipper universes to include only institutional and no-load funds. However, because the Lipper data may treat multiple share classes of the same fund as separate funds for the purposes of constructing their universes, FEG further screens the universes to eliminate multiple share classes within the institutional and no-load funds (examples include retirement-share classes and 529-share classes) in an effort to present pure-institutional universes.

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

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

This report is prepared for informational purposes only. Past performance is not indicative of future results.



# INVOICE



201 East Fifth Street, Suite 1600  
Cincinnati, Ohio 45202

DATE	INVOICE #
4/30/21	202104152

**BILL TO:**

The Retiree Health Care Benefits Plan & Trust of  
the City of Grosse Pointe Woods  
Shawn Murphy  
20025 Mack Plaza  
Grosse Pointe Woods, MI 48236

**Fee Schedule:** includes CIS

.12% first \$50 Million  
.10% next \$50 Million  
.05% next \$150 Million  
.04% next \$250 Million  
.03% over \$500 Million  
Minimum annual fee \$60,000

*Professional Services for the period*

*1/1/21-3/31/21*

**AMOUNT**

Based on the market value of \$ 1,223,485 @ 12/31/20 = \$ 403.00

**Total Amount Due**

\$ 403.00

*Payment due upon receipt of invoice*

Reference: DAVIS  
Inception: 12/1/2015

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

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**Remittance Information**

Please include invoice number and make payable to Fund Evaluation Group

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

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

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