MEKETA
INVESTMENT GROUP

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

Investment Review

December 15, 2023

Fund Evaluation Report

Agenda

Economic and Market Update

Data as of October 31, 2023

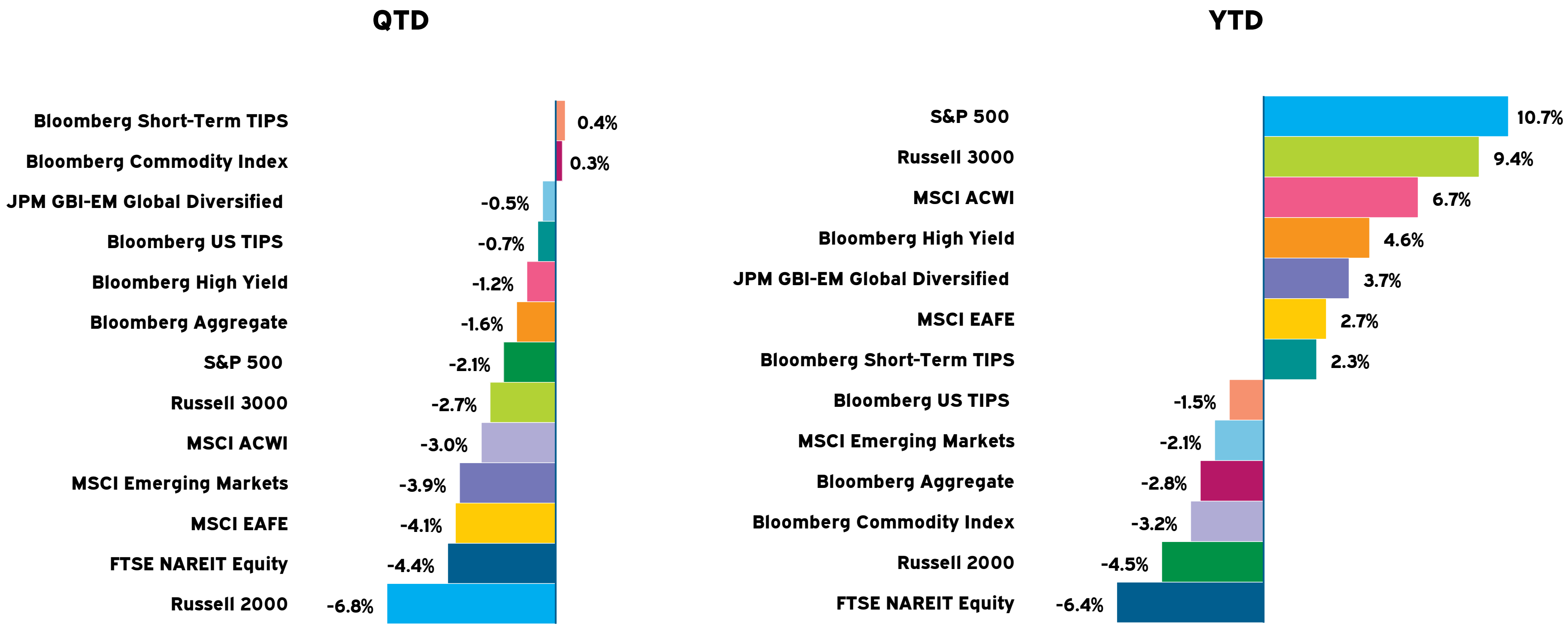
Commentary

→ Global markets continued to struggle in October, as expectations remained on the Fed keeping interest rates higher for longer due to resilient economic data.

- The Federal Open Markets Committee (FOMC), which increased policy rates in July by 0.25% to a range of 5.25% - 5.5%, has been on pause since. Markets are now largely expecting the FOMC to maintain interest rates at this level through the first half of next year with cuts to follow.
- US equity markets (Russell 3000 index) fell in October (-2.7%), lowering the year-to-date gains to 9.4%. Most sectors except utilities struggled in October.
- Non-US developed equity markets declined more than the US in October (MSCI EAFE -4.1%), with the strength of the US dollar weighing on returns. This widened the gap between US and international developed equities for the year (to 9.4% versus 2.7%).
- Emerging market equities also fell in October (-3.9%), with negative results driven by China and the strong US dollar. Emerging markets continue to significantly trail developed market equities year-to-date, returning -2.1%, again driven by losses from China (-11.2%).
- Interest rates generally rose in October, particularly for longer-dated maturities. The broad US bond market declined (-1.6%) in October falling further into negative territory (-2.8%) year-to-date, as higher income has offset a portion of the capital losses from rising rates.

→ For the rest of this year and into 2024, the paths of inflation and monetary policy, slowing global growth, and the wars in Ukraine and Israel will all be key.

Index Returns[1]



→ After a strong start to the year, the prospect of higher interest rates for longer given resilient economic data has weighed on markets from August through October.

[1] Source: Bloomberg. Data is as of October 31, 2023.

Domestic Equity Returns[1]

Domestic Equity	October (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-2.1	-3.3	10.7	10.1	10.3	11.0	11.2
Russell 3000	-2.7	-3.3	9.4	8.4	9.2	10.2	10.5
Russell 1000	-2.4	-3.1	10.3	9.5	9.5	10.7	10.9
Russell 1000 Growth	-1.4	-3.1	23.2	19.0	8.7	14.2	13.8
Russell 1000 Value	-3.5	-3.2	-1.8	0.1	10.2	6.6	7.6
Russell MidCap	-5.0	-4.7	-1.3	-1.0	6.0	7.1	8.0
Russell MidCap Growth	-5.1	-5.2	4.3	3.3	0.8	8.1	9.1
Russell MidCap Value	-5.0	-4.5	-4.4	-3.6	8.8	5.7	6.9
Russell 2000	-6.8	-5.1	-4.5	-8.6	3.9	3.3	5.6
Russell 2000 Growth	-7.7	-7.3	-2.9	-7.6	-1.8	2.7	5.7
Russell 2000 Value	-6.0	-3.0	-6.5	-9.9	9.7	3.3	5.2

US Equities: The Russell 3000 Index fell 2.7% in October but is up 9.4% YTD.

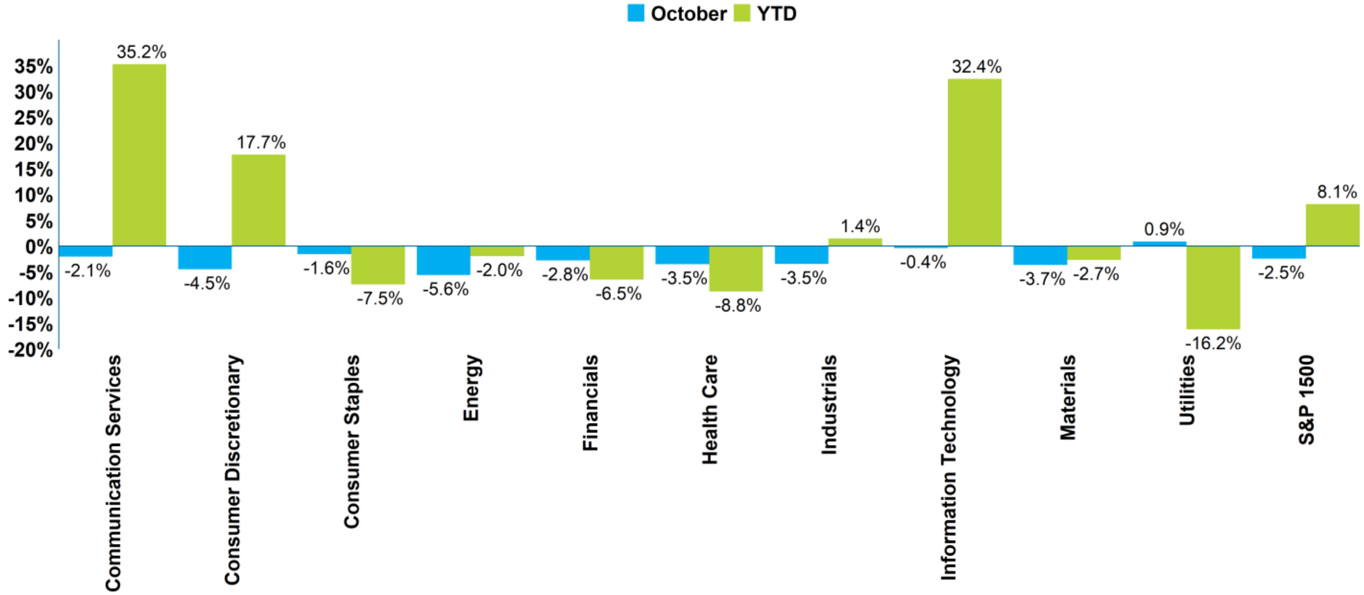
→ A surprisingly strong September jobs report and third quarter GDP reading reinforced investors' expectations that the Federal Reserve will keep interest rates higher for longer and broadly weighed on US equities.

→ The utility sector was the only sector that posted a gain during October. Energy stocks experienced the steepest fall, followed by consumer discretionary stocks.

→ Large cap stocks outperformed small cap stocks during October driven by the technology sector. Microsoft and Amazon, both of which reported stronger than expected third quarter results, were significant contributors to this dynamic.

[1] Source: Bloomberg. Data is as of October 31, 2023.

S&P 1500 Sector Returns[1]



→ Except for utilities all sectors were down in October.

→ So far in 2023, the communication services (+35.2%) and technology (+32.4%) sectors had the best results, helped by artificial intelligence optimism. Given the continued strength in the US consumer the consumer discretionary sector followed (+17.7%), while more traditionally defensive sectors like utilities (-16.2%), health care (-8.8%), and consumer staples (-7.5%) have trailed.

[1] Source: Bloomberg. Data is as of October 31, 2023.

Foreign Equity Returns[1]

Foreign Equity	October (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-4.1	-3.8	1.0	12.1	3.0	3.5	2.5
MSCI EAFE	-4.1	-4.1	2.7	14.4	5.7	4.1	3.1
MSCI EAFE (Local Currency)	-3.4	-1.3	7.0	10.4	11.0	6.4	6.0
MSCI EAFE Small Cap	-5.9	-3.5	-4.2	6.5	0.3	1.6	3.4
MSCI Emerging Markets	-3.9	-2.9	-2.1	10.8	-3.7	1.6	1.2
MSCI Emerging Markets (Local Currency)	-3.6	-1.4	0.3	9.8	-1.1	3.6	4.2
MSCI China	-4.3	-1.9	-11.2	21.1	-16.9	-2.6	1.0

Foreign Equity: Developed international equities (MSCI EAFE) fell 4.1% in October, dropping the YTD gain to 2.7%. Emerging market equities (MSCI EM) fell 3.9% in the period and were down 2.1% YTD.

→ Non-US equities fell for the third consecutive month with steeper declines compared to the US market. The continued strength of the US dollar contributed to losses, as well as the ongoing geopolitical crisis in the Middle East.

→ European equities struggled due to slowing growth, falling PMI, and a contraction in household and business credit supply. The UK saw greater losses, with sticky inflation, and continued wage growth suggesting that rates will be high for some time. Japan remains the best performing market year-to-date, though the TOPIX lost momentum in October.

→ Emerging market equity performance was slightly better than developed international equities, but the declines for the month brought year-to-date results into negative territory. While there were some positive data out of China on industrial production and retail sales, continued weakness in real estate and new US chip restrictions weighed on market sentiment.

[1] Source: Bloomberg. Data is as of October 31, 2023.

Fixed Income Returns[1]

Fixed Income	October (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-1.5	-2.9	-2.1	1.2	-5.0	0.2	1.2	6.0	5.9
Bloomberg Aggregate	-1.6	-3.2	-2.8	0.4	-5.6	-0.1	0.9	5.6	6.1
Bloomberg US TIPS	-0.7	-2.6	-1.5	-0.7	-2.0	2.3	1.6	5.2	6.6
Bloomberg Short-term TIPS	0.4	0.4	2.3	2.6	2.1	3.0	1.7	5.4	2.5
Bloomberg High Yield	-1.2	0.5	4.6	6.2	1.2	3.0	3.9	9.5	4.0
JPM GBI-EM Global Diversified (USD)	-0.5	-3.3	3.7	13.5	-3.0	0.3	-1.2	7.0	4.9

Fixed Income: The Bloomberg Universal index declined 1.5% in October and 2.1% YTD.

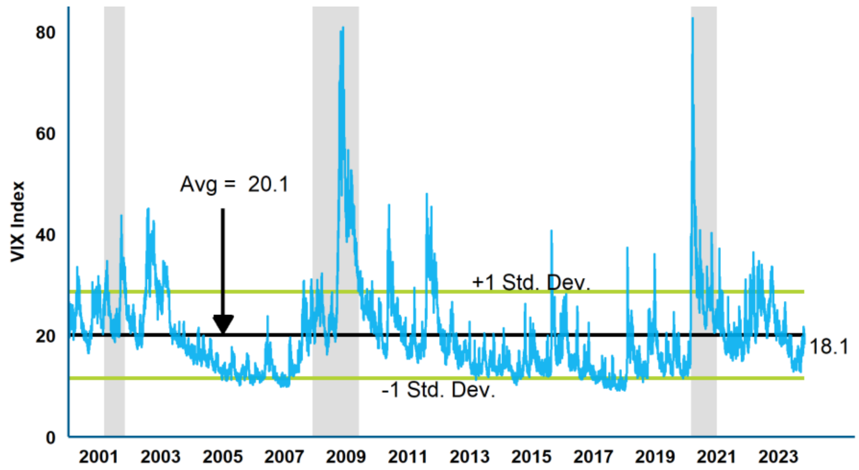
→ Expectations for policy rates to remain higher for longer than previously expected continued to weigh on yields in October.

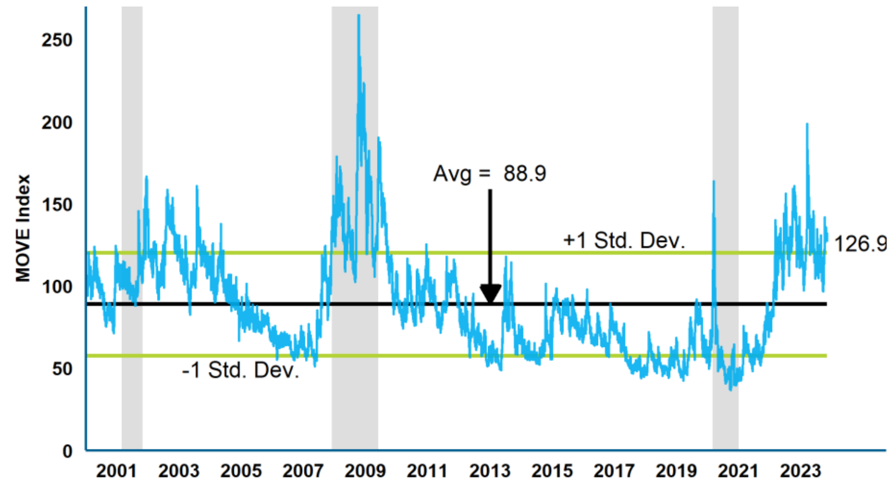
→ The broad US bond market (Bloomberg Aggregate) fell 1.6% in the month, driving year-to-date performance further into negative territory. The broader TIPS index fell by 0.7%, while the less interest-rate-sensitive short-term TIPS index outperformed most sectors, up 0.4%.

→ High yield bonds also weakened, declining 1.2%, and emerging market bonds fell 0.5%. Volatility in both asset classes is being driven by movement in broader interest rates, but also a modest deterioration in risk appetite.

[1] Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of October 31, 2023. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.

Equity and Fixed Income Volatility[1]



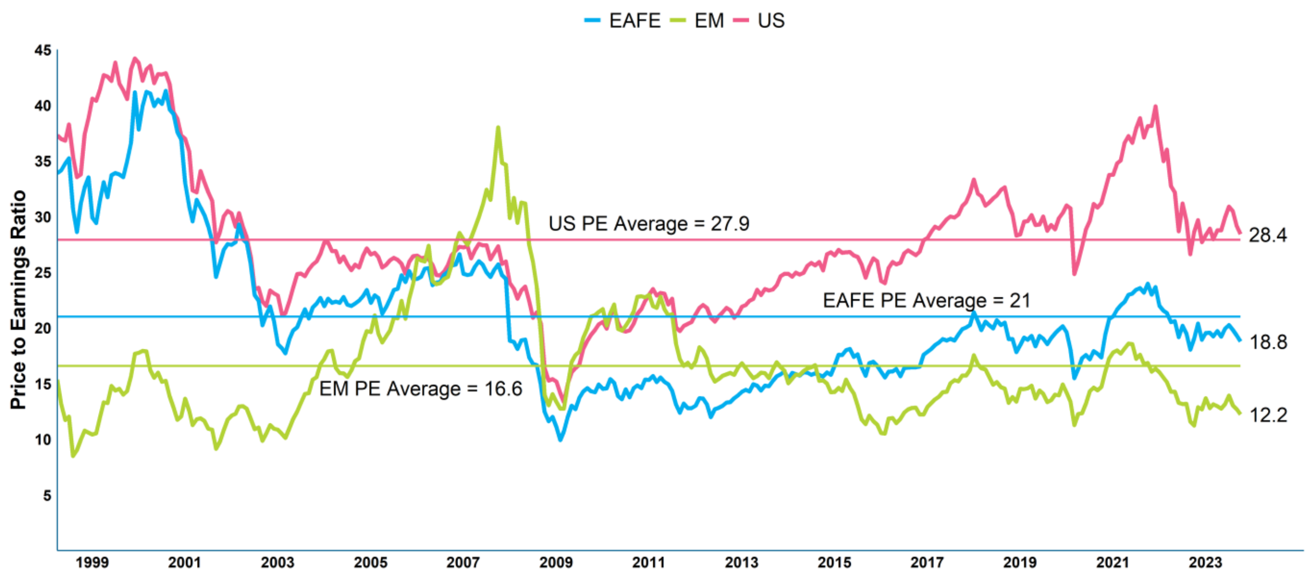


→ Volatility in equities (VIX) increased in October but finished at a level near the long-term average. The recent increase in equity volatility has largely been driven by investors coming to terms that interest rates might remain higher for a longer period.

→ In comparison, volatility in the bond market (MOVE) remains well above its long-run average (88.9) after last year's historic losses and due to continued policy uncertainty. In October, fixed income volatility finished higher compared to where it started, like equities, driven by expectations for rates to stay higher for longer and increased concerns about future US debt issuance.

[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 October 2023. The average line indicated is the average of the VIX and MOVE values between January 2000 and October 2023.

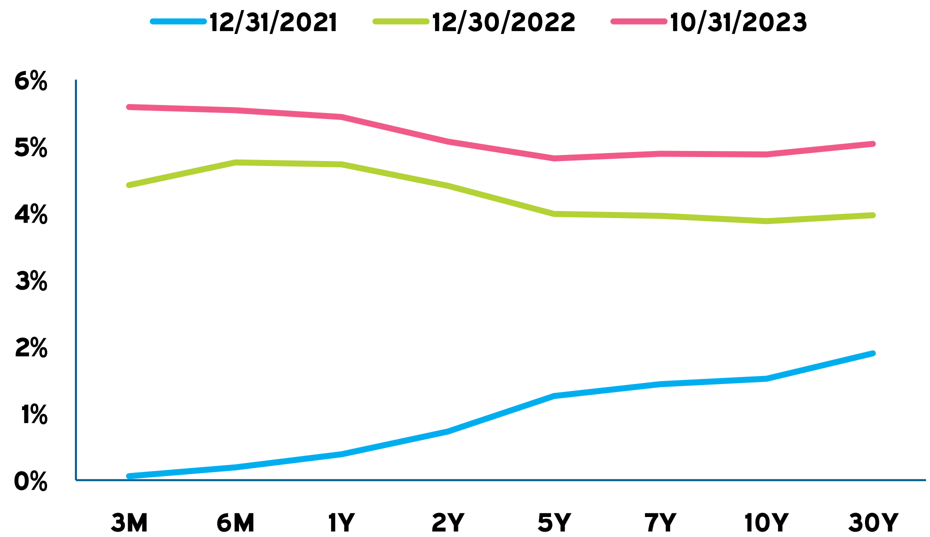
Equity Cyclically Adjusted P/E Ratios[1]



- → Given the strong technology-driven rally this year, the US equity price-to-earnings ratio increased above its long-run (21st century) average. With the equity market decline in August through October, the P/E ratio fell from its recent peak.
- → International developed market valuations are below their own long-term average, with those for emerging markets the lowest and well under the long-term average (close to one standard deviation below).

[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 October 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.

US Yield Curve[1]



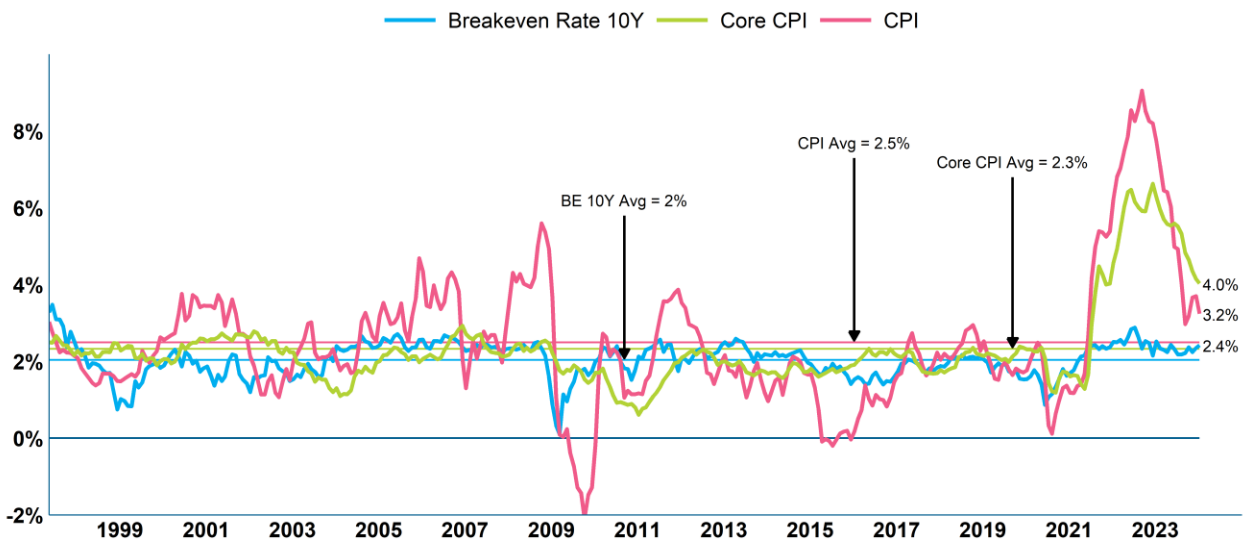
→ Overall rates continued to increase this year, particularly at the policy sensitive front-end of the yield curve, but at a much slower pace compared to last year.

→ In October, very short-term interest rates (two years or less) increased only slightly as monetary policy has likely reached close to its terminal rate for this cycle. By contrast, longer-term rates continued their dramatic rise as investors come to terms with rates remaining higher for longer. The ten-year Treasury yield has experienced a significant increase from 3.9% to 4.9% since the beginning of the year.

→ Because of the dynamic above, the yield curve's inversion decreased further with the spread between two-year and ten-year Treasuries at -0.15% at the end of October (it started the third quarter at -1.05%).

[1] Source: Bloomberg. Data is as of October 31, 2023.

Ten-Year Breakeven Inflation and CPI[1]



→ Year-over-year headline inflation fell from 3.7% to 3.2%, coming in slightly below expectations. Declines were driven by energy, used cars and trucks, and medical services.

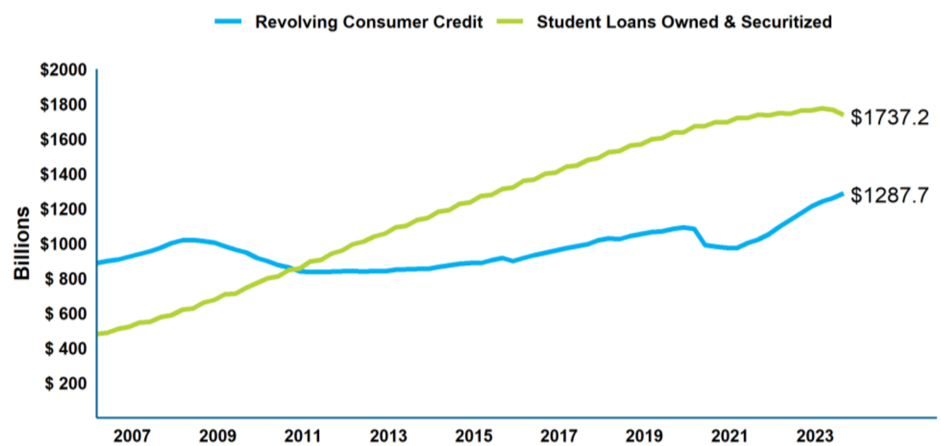
→ Core inflation – excluding food and energy – fell slightly (4.1% to 4.0%) year-over-year. It remains stubbornly high, though, driven by shelter costs (+6.7%), particularly owners' equivalent rent, and transportation services (+9.2%).

→ Inflation expectations (breakevens) remain below current inflation as investors continue to expect inflation to track back toward the Fed's 2% average target.

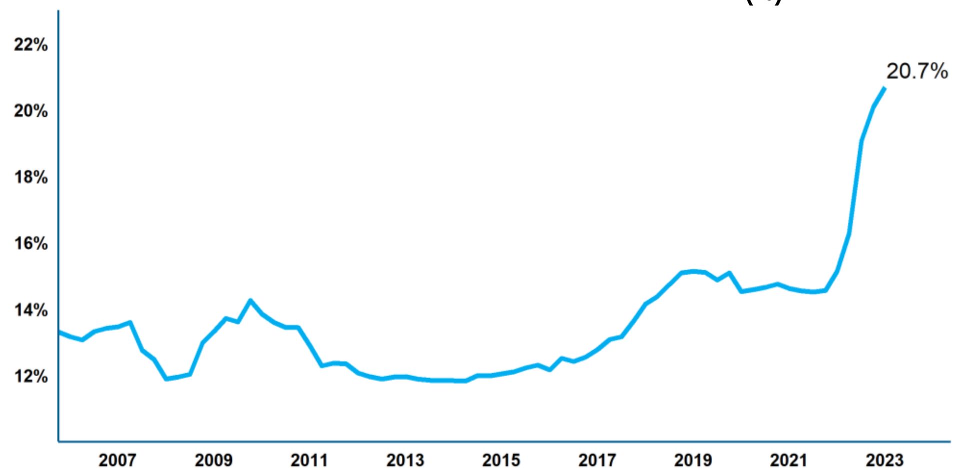
[1] Source: FRED. Data is as October 31, 2023. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

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 an important driver of economic growth.

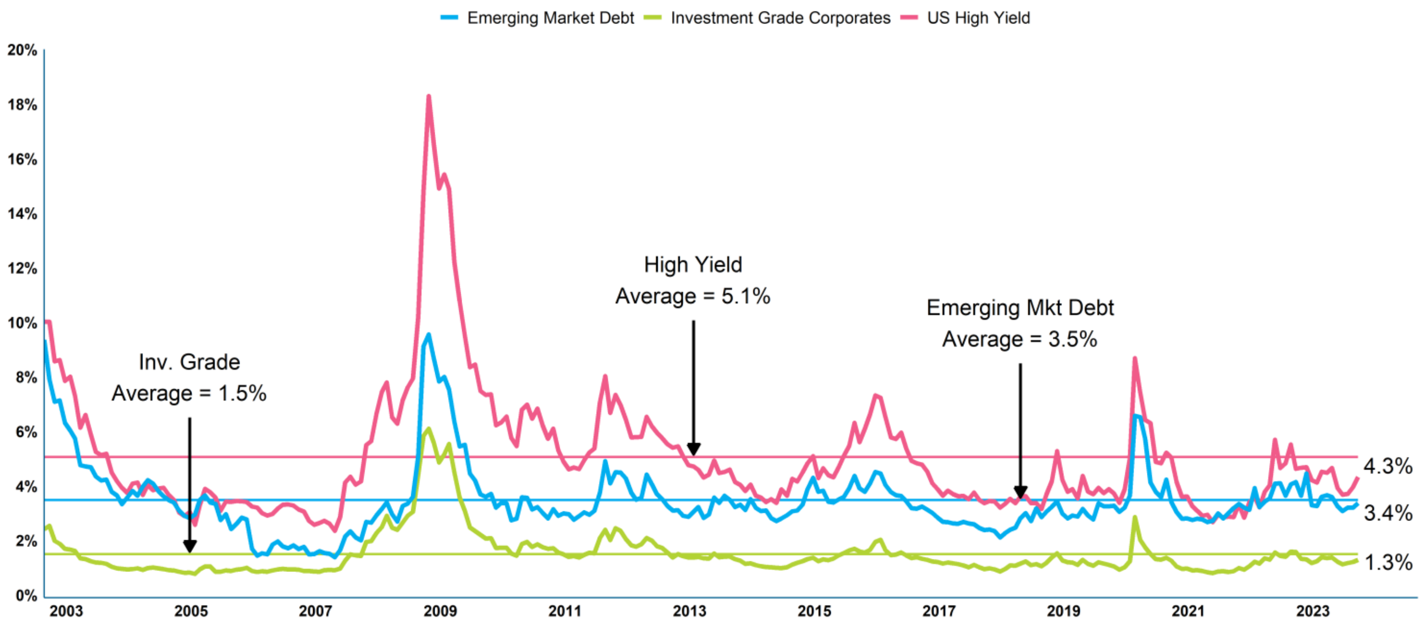
→ Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s).

→ The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially balanced 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. Revolving Consumer Credit and Student Loans data is as of September 30,2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season. Consumer Credit Card Interest Rates data is as of June 30,2023.

Credit Spreads vs. US Treasury Bonds[1]



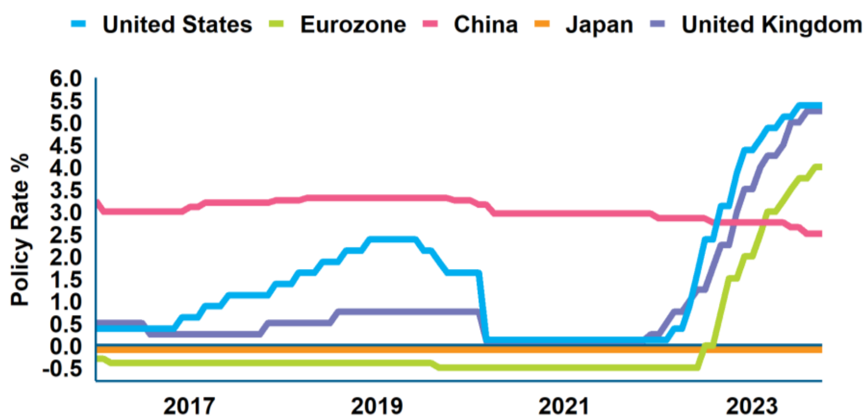
→ Credit spreads (the added yield above a comparable maturity Treasury) increased in October but remained below their respective long run averages.

→ High yield spreads continue to be the furthest below their long-term average given the overall risk appetite this year. Investment-grade and emerging market spreads are also below their respective long-term averages, but by smaller margins.

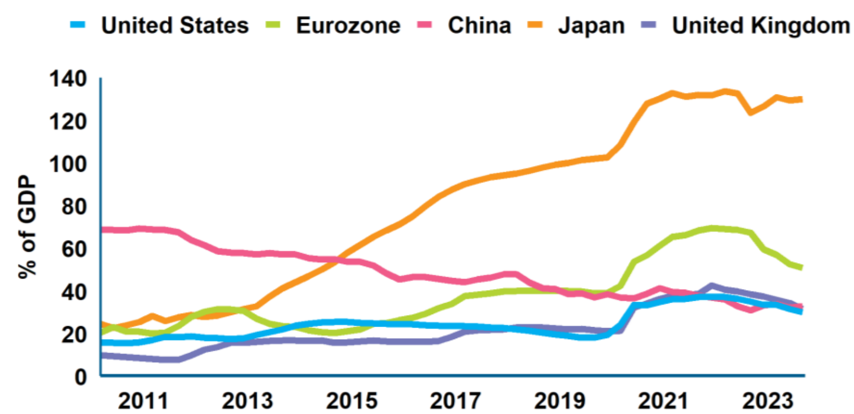
[1] Sources: Bloomberg. Data is as of October 31, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Central Bank Response[1]

Policy Rates



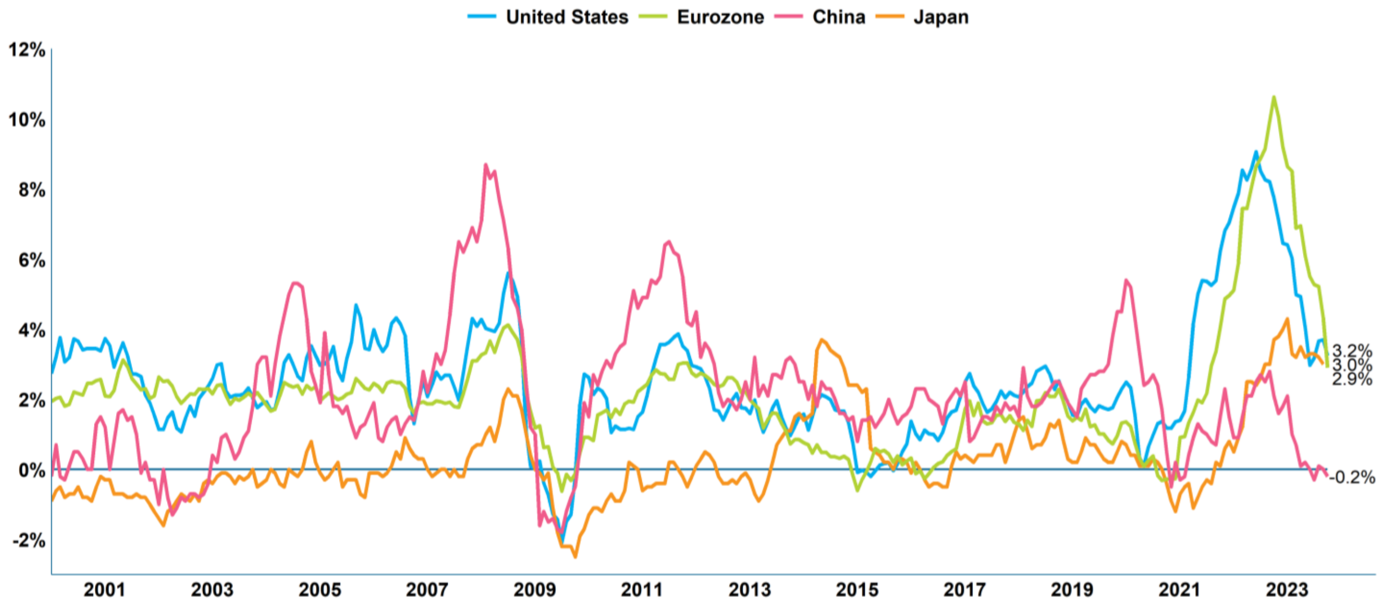
Balance Sheet as % of GDP



- → Slowing inflation and growth have led to expectations for a reduction in the pace of aggressive policy tightening.
- → In July, the Fed raised rates another 25 basis points to a range of 5.25% to 5.50% and then kept rates at this level at their September and October/November meetings. Markets are not expecting any additional rate hikes.
- → The European Central Bank paused in October, with lower-than-expected inflation and weaker growth. 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 continued to cut interest rates and inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.
- → Risks remain for a policy error as central banks attempt to balance bringing down inflation, maintaining financial stability, and supporting growth.

[1] Source: Bloomberg. Policy rate data is as of October 31, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of September 30, 2023.

Inflation (CPI Trailing Twelve Months)[1]



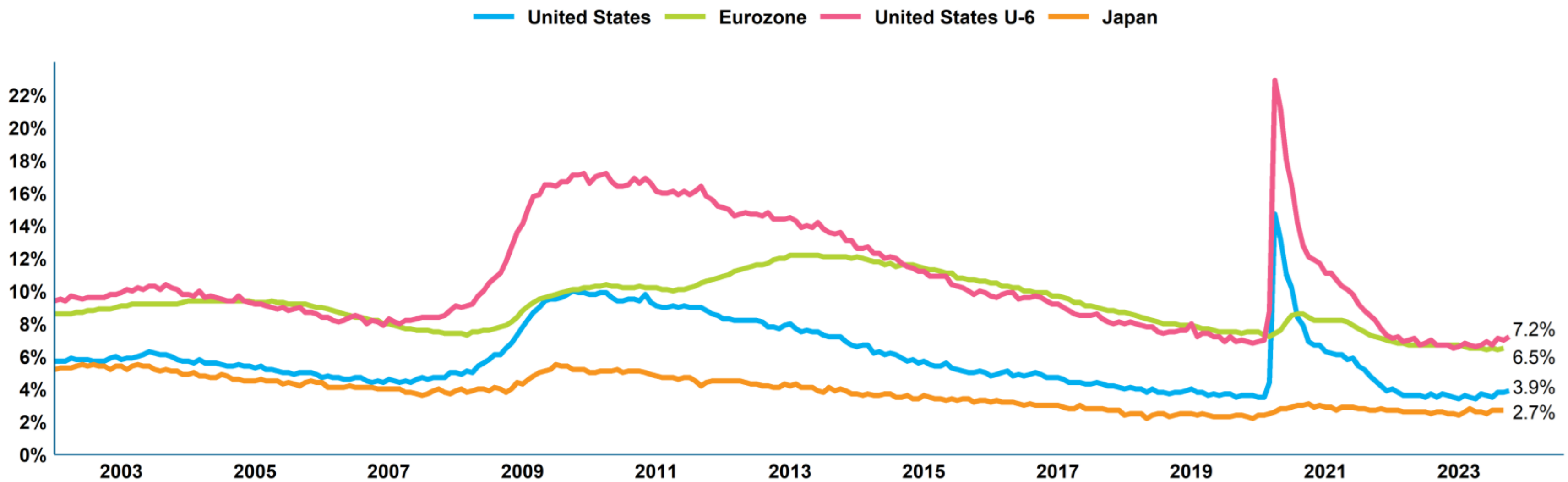
→ The inflation picture remains mixed across the major economies.

→ In the US, inflation fell from 3.7% to 3.2%, driven by falling energy prices. In the eurozone inflation experienced a dramatic decline in October (4.3% to 2.9%), to a level below the US, also driven by a decline in energy prices. Despite 2023's significant declines in the US and Europe, inflation levels remain elevated compared to central bank targets.

→ Inflation in Japan, has increased to levels not seen in almost a decade, driven by food and home related items. In China, deflationary pressures returned in October, as consumption declined after the holiday earlier in the month.

[1] United States CPI and Eurozone CPI – Source: FRED. Japan CPI and China CPI - Source: Bloomberg. Data is as October 31, 2023. The most recent data for Japanese inflation is as of September 30, 2023.

Unemployment[1]



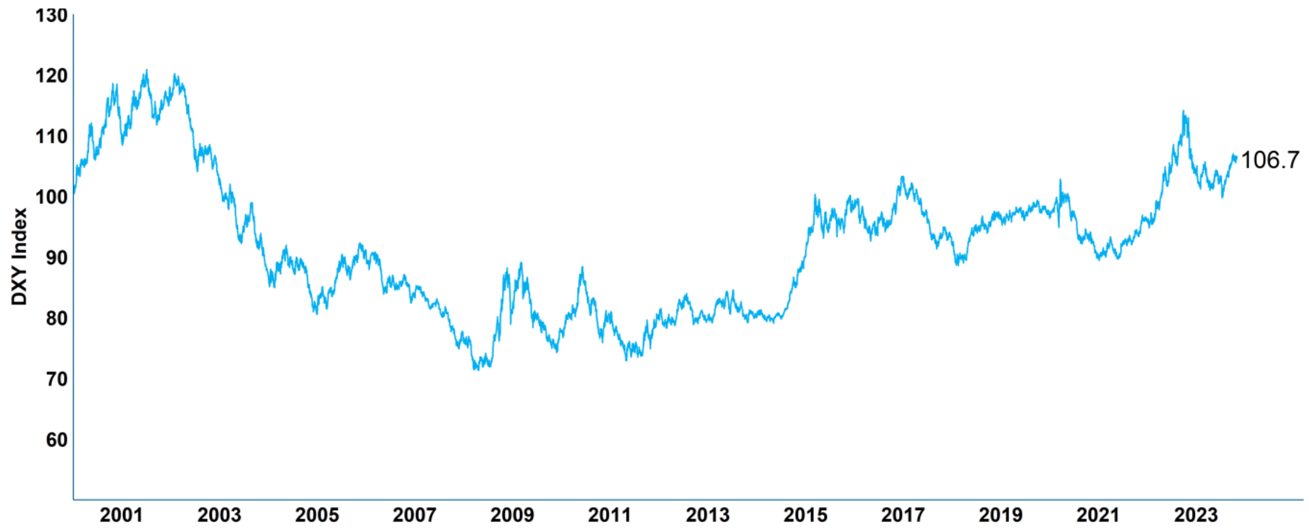
→ Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued. The pace of wage growth has slowed though, and despite remaining elevated, the number of job openings has declined from recent highs.

→ In October, US unemployment increased slightly (3.8% to 3.9%), with job gains of 150,000 coming in below expectations of 180,000. The labor force participation rate declined slightly over the month from 62.8% to 62.7%, well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%). Broader measures of unemployment (U-6) finished the quarter at 7.2%, up from the September reading of 7.0%.

→ Unemployment in Europe (6.5%) remains higher than the US, while levels in Japan (2.7%) remained low through the pandemic given less layoffs.

[1] Eurozone Unemployment - Source: Bloomberg. Japan, United States, United States U-6 Unemployment – Source: FRED. Data is as October 31, 2023, for the US. The most recent data for Eurozone and Japan unemployment is as of September 30, 2023.

US Dollar versus Broad Currencies[1]



→ After a strong 2022, the US dollar declined late last year and into early this year as weaker economic data and lower inflation led to investors anticipating the end of FOMC tightening.

→ Recently though, the dollar reversed course and appreciated against major currencies as relative growth remains strong and investors anticipate the FOMC keeping interest rates higher for longer.

→ For the rest of this year, the track of inflation across economies and the corresponding monetary policies will likely be key drivers of currency moves.

[1] Source: Bloomberg. Data as of October 31, 2023.

Summary

Key Trends:

→ The impact of inflation still above policy targets will remain key, 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 reduce persistent inflation while not tipping their economies into recession.

→ Growth is expected to slow globally this year, with many economies forecasted to tip into recession. However, optimism has been building that some economies could experience soft landings. Inflation, monetary policy, and the war will all be key.

→ In the 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.

→ The key 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 the potential for recent strength in the US dollar to persist, higher inflation weighing particularly on Europe, and China's sluggish economic reopening and on-going weakness in the real estate sector. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.

→ Recent, heightened tensions in Israel could add to overall uncertainty and drive safe haven flows.

Executive Summary

Executive Summary

→ The Pension Fund's assets declined in the quarter (- 2.2%), ending the month of September valued at $294.7 million. The Fund has gained $12.7 million from the start of the year.

→ Cash flows into the fund have continued to grow, with a net cash inflow of $3.7 million over the trailing twelve months.

→ All asset classes were within the IPS' ranges at quarter end.

→ Year to Date through the end of September 2023, the Fund has gained 3.2% net of fees, underperforming the Policy Benchmark by 0.7% and outperforming the Target Policy Benchmark and Actual Allocation Benchmark by 0.1% and 0.3%, respectively.

→ Over the trailing year, the Pension Fund has underperformed the Policy benchmark by 0.7%, matched the Target Policy Benchmark, and beat the Actual Allocation Benchmark by 0.3%.

→ The Fund continues to show less volatility on both an absolute basis and a relative basis. Within its peer group, the Fund ranks in the lowest quartile in annualized standard deviation.

→ The Equity portfolio (-3.1%) outperformed the MSCI ACWI (-3.4%) in the quarter, large cap US stocks drove performance and the Fund was buoyed by an overweight to large cap growth.

→ Interest rates continued to rise in the third quarter which caused both investment grade bonds and TIPS to have negative performance. The Fund did benefit from an allocation to Short-Term TIPS as those securities are less sensitive to interest rate risk. Credit assets produced modest gains as appetite for risk increased in that sector.

→ Private equity investments continue to perform well, with the aggregate since inception IRR of 23.7% through the latest valuation date of 6/30/2023. In addition, non-Core Real Estate has a since inception IRR of 12.5%.

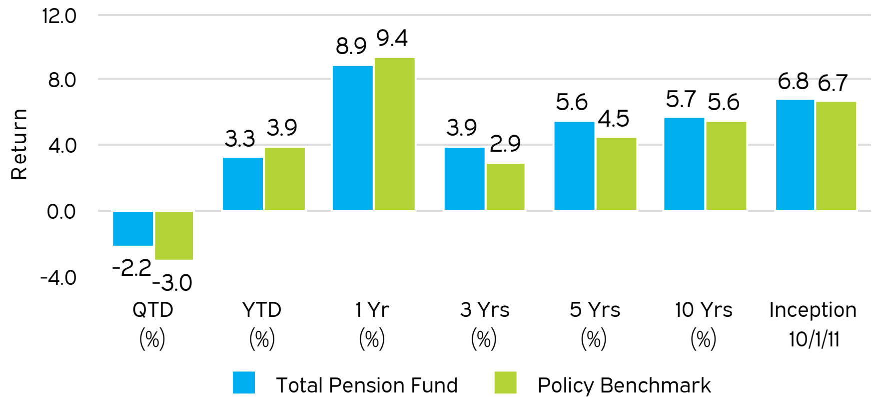
Pension Fund

As of September 30, 2023

Portfolio Objective

The Pension Fund was established to provide income to retirees. The Pension Fund's assets are structured to provide growth from capital gains and income, while maintaining sufficient liquidity and stability to meet beneficiary payments. The assets of the Pension Fund will be invested with a long-term horizon consistent with the participant demographics and the goals of the Pension Fund.

Gross Return Summary

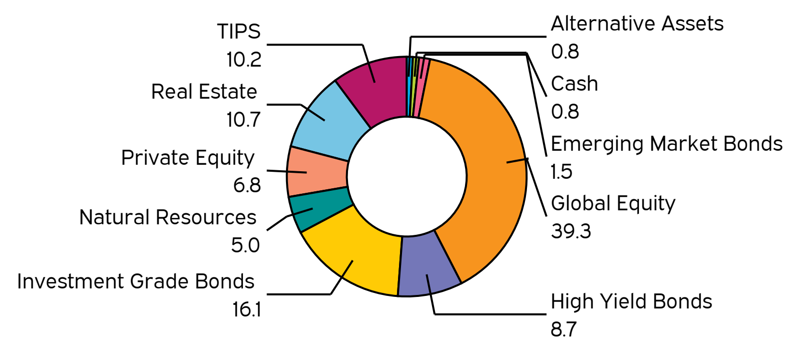


	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Pension Fund	-2.2	3.3	8.9	3.9	5.6	5.7	6.8	10/01/2011
Policy Benchmark	-3.0	3.9	9.4	2.9	4.5	5.6	6.7	
Target Policy Benchmark	-2.4	3.1	8.7	4.7	5.2	6.1	7.2	
Actual Allocation Benchmark	-2.4	2.9	8.4	3.4	4.2	5.3	6.5	

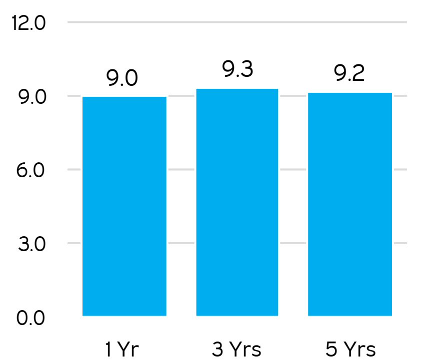
Summary of Cash Flows

	Quarter-To-Date	Year-To-Date	One Year
Total Pension Fund			
Beginning Market Value	300,694,564	282,335,056	267,721,523
Net Cash Flows	931,817	3,479,799	3,722,156
Net Investment Change	-6,938,191	8,873,335	23,244,511
Ending Market Value	294,688,190	294,688,190	294,688,190

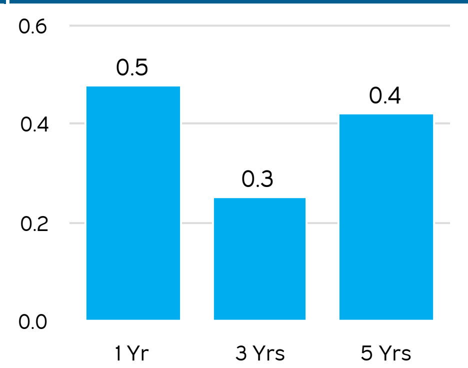
Current Allocation



Annualized Standard Deviation



Sharpe Ratio

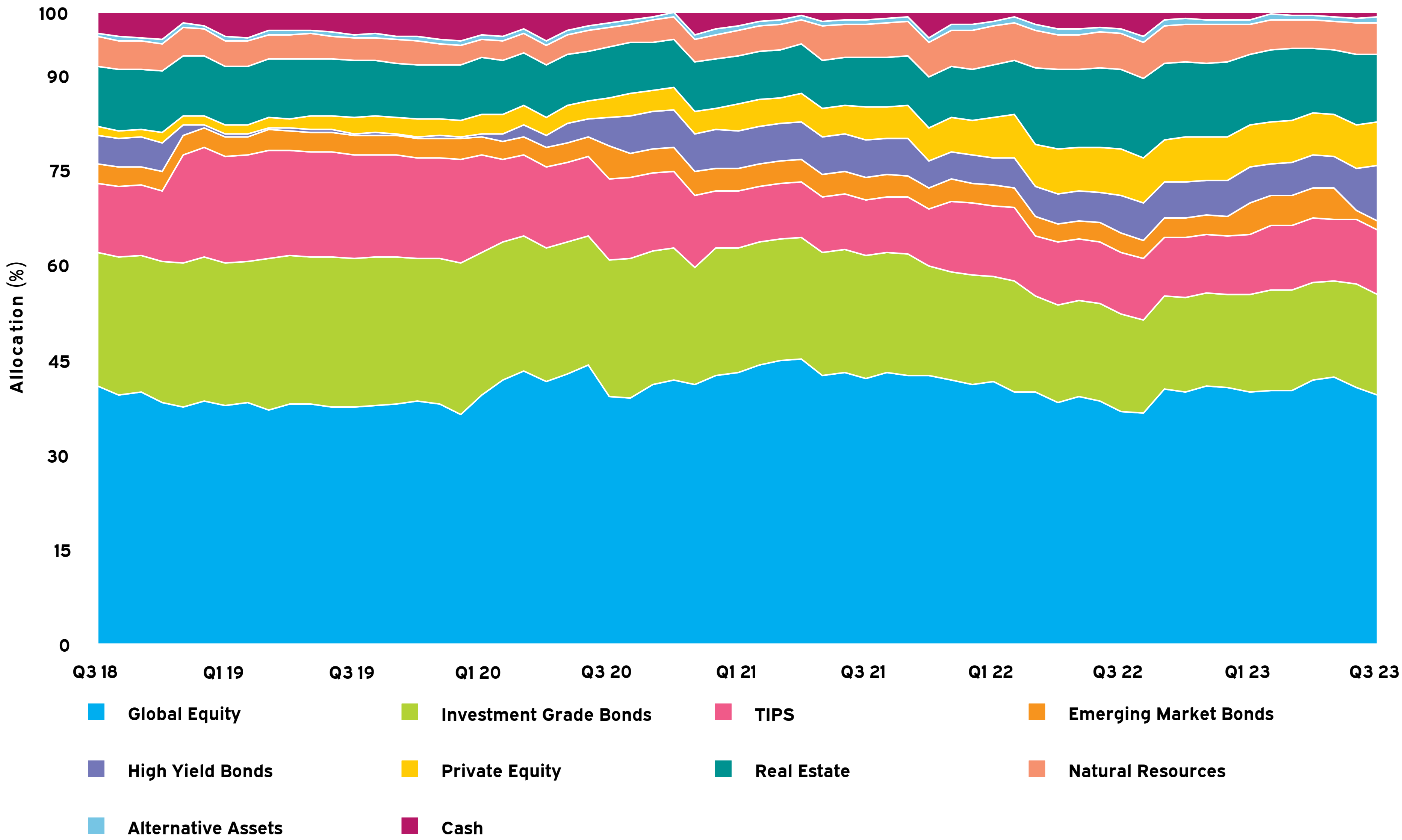


Allocation vs. Targets and Policy

	Current Balance ($)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
US Equity	$67,798,914	23.0	25.0	-2.0	15.0 - 35.0	Yes
Developed Market Equity	$36,970,690	12.5	10.0	2.5	5.0 - 20.0	Yes
Emerging Market Equity	$11,125,976	3.8	7.0	-3.2	0.0 - 20.0	Yes
Investment Grade Bonds	$47,397,999	16.1	14.0	2.1	8.0 - 25.0	Yes
TIPS	$30,035,876	10.2	10.0	0.2	0.0 - 20.0	Yes
Emerging Market Bonds	$4,341,303	1.5	7.0	-5.5	0.0 - 15.0	Yes
High Yield Bonds	$25,738,120	8.7	5.0	3.7	0.0 - 15.0	Yes
Private Equity	$20,040,272	6.8	5.0	1.8	0.0 - 10.0	Yes
Real Estate	$31,634,343	10.7	12.0	-1.2	0.0 - 15.0	Yes
Natural Resources	$14,736,211	5.0	5.0	0.0	0.0 - 10.0	Yes
Alternative Assets	$2,427,117	0.8	0.0	0.8	0.0 - 5.0	Yes
Cash	$2,441,368	0.8	0.0	0.8	0.0 - 5.0	Yes
Total	**$294,688,190**	**100.0**	**100.0**			

Equity regional allocations based on September 30, 2023 manager holdings.

Asset Allocation History



Asset Class Performance Summary

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Pension Fund	294,688,190	100.0	-2.2	3.3	8.9	3.9	5.6	5.7	6.8	Oct-11
Total Pension Fund (Net)	294,688,190	100.0	-2.3	3.2	8.7	3.7	5.3	5.5	6.5	Oct-11
Policy Benchmark			*-3.0*	*3.9*	*9.4*	*2.9*	*4.5*	*5.6*	*6.7*	
Target Policy Benchmark			*-2.4*	*3.1*	*8.7*	*4.7*	*5.2*	*6.1*	*7.2*	
Actual Allocation Benchmark			*-2.4*	*2.9*	*8.4*	*3.4*	*4.2*	*5.3*	*6.5*	
Global Equity	115,895,580	39.3	-3.0	11.9	23.4	7.3	8.6	8.7	10.8	Oct-11
Global Equity (Net)	115,895,580	39.3	-3.1	11.9	23.2	6.9	8.2	8.4	10.5	Oct-11
MSCI AC World Index (Net)			*-3.4*	*10.1*	*20.8*	*6.9*	*6.5*	*7.6*	*9.4*	
Investment Grade Bond Assets	47,397,999	16.1	-3.2	-0.8	1.2	-4.9	0.3	1.4	1.9	Oct-11
Investment Grade Bond Assets (Net)	47,397,999	16.1	-3.2	-0.8	1.1	-5.0	0.2	1.3	1.7	Oct-11
Blmbg. U.S. Aggregate Index			*-3.2*	*-1.2*	*0.6*	*-5.2*	*0.1*	*1.1*	*1.2*	
TIPS Assets	30,035,876	10.2	-0.4	1.4	2.8	0.9	2.8	2.1	1.8	Dec-11
TIPS Assets (Net)	30,035,876	10.2	-0.4	1.4	2.8	0.8	2.7	2.0	1.7	Dec-11
Blmbg. U.S. TIPS			*-2.6*	*-0.8*	*1.2*	*-2.0*	*2.1*	*1.7*	*1.5*	
Emerging Market Debt Assets	4,341,303	1.5	-2.1	2.4	13.2	-3.3	0.3	1.2	1.0	Mar-12
Emerging Market Debt Assets (Net)	4,341,303	1.5	-2.4	1.9	12.4	-3.8	0.0	0.6	0.4	Mar-12
JPM EMBI Global Diversified			*-2.2*	*1.8*	*10.0*	*-4.6*	*-0.4*	*2.5*	*2.6*	
High Yield Bonds Assets	25,738,120	8.7	1.4	7.3	10.6	3.4	3.1	4.3	4.7	Sep-12
High Yield Bonds Assets (Net)	25,738,120	8.7	1.3	7.1	10.2	3.0	2.8	3.8	4.2	Sep-12
Blmbg. U.S. Corp: High Yield Index			*0.5*	*5.9*	*10.3*	*1.8*	*3.0*	*4.2*	*4.6*	
Real Estate Assets (Net)	31,634,343	10.7	-4.6	-15.3	-16.2	0.5	1.2	5.3	5.8	Oct-11
NCREIF ODCE Equal Weighted (Net)			*-2.1*	*-8.4*	*-13.1*	*6.7*	*5.2*	*7.6*	*8.1*	
Dow Jones U.S. Select REIT TR USD			*-7.3*	*-2.0*	*2.7*	*6.1*	*1.6*	*5.3*	*7.2*	

See appendix for Policy Benchmark descriptions.

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Natural Resources Assets	14,736,211	5.0	0.1	-2.4	11.3	17.6	6.9	4.5	4.0	Sep-12
Natural Resources Assets (Net)	14,736,211	5.0	0.0	-2.4	11.2	17.5	6.8	4.4	3.8	Sep-12
S&P Global LargeMidcap Resources & Commodities Index			*2.9*	*-2.4*	*11.0*	*19.5*	*7.7*	*4.7*	*4.1*	
Private Equity Assets	20,040,272	6.8	-0.8	-0.8	-0.6	20.3	21.5	22.6	23.1	May-13
Private Equity Assets (Net)	20,040,272	6.8	-0.8	-0.8	-0.6	20.3	21.5	22.6	23.1	May-13
Preqin Private Equity 1Q Lagged			*0.0*	*1.5*	*-0.4*	*18.6*	*15.0*	*14.8*	*14.8*	
Private Placement Assets	2,427,117	0.8								
Cash	2,441,368	0.8								

Trailing Net Performance	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Pension Fund	**294,688,190**	**100.0**	**-2.3**	**3.2**	**8.7**	**3.7**	**5.3**	**5.5**	**6.5**	**Oct-11**
Policy Benchmark			*-3.0*	*3.9*	*9.4*	*2.9*	*4.5*	*5.6*	*6.7*	
Target Policy Benchmark			*-2.4*	*3.1*	*8.7*	*4.7*	*5.2*	*6.1*	*7.2*	
Actual Allocation Benchmark			*-2.4*	*2.9*	*8.4*	*3.4*	*4.2*	*5.3*	*6.5*	
Global Equity	**115,895,580**	**39.3**	**-3.1**	**11.9**	**23.2**	**6.9**	**8.2**	**8.4**	**10.5**	**Oct-11**
MSCI AC World Index (Net)			*-3.4*	*10.1*	*20.8*	*6.9*	*6.5*	*7.6*	*9.4*	
ASB Equity Index	34,659,903	11.8	-3.2	13.1	21.6	10.1	9.9	--	11.1	Aug-15
S&P 500 Index			*-3.3*	*13.1*	*21.6*	*10.2*	*9.9*	*11.9*	*11.2*	
SSgA Russell 1000 Value Index	1,679,298	0.6	-3.2	1.8	14.4	--	--	--	6.7	Feb-21
Russell 1000 Value Index			*-3.2*	*1.8*	*14.4*	*11.1*	*6.2*	*8.4*	*6.7*	
SSgA Russell 1000 Growth	18,810,879	6.4	-3.1	24.9	27.7	--	--	--	14.0	Sep-22
Russell 1000 Growth Index			*-3.1*	*25.0*	*27.7*	*8.0*	*12.4*	*14.5*	*14.0*	
Artisan Global Value	15,723,509	5.3	-3.0	12.9	28.3	11.3	5.4	--	6.9	Feb-17
MSCI AC World Index (Net)			*-3.4*	*10.1*	*20.8*	*6.9*	*6.5*	*7.6*	*8.4*	
First Eagle Global Value	15,382,994	5.2	-3.7	5.3	19.4	7.3	5.9	--	6.1	Feb-17
MSCI AC World Index (Net)			*-3.4*	*10.1*	*20.8*	*6.9*	*6.5*	*7.6*	*8.4*	
Kopernik Global All-Cap Fund	4,636,599	1.6	4.2	8.8	23.1	10.9	12.2	--	7.5	Feb-17
MSCI AC World Index (Net)			*-3.4*	*10.1*	*20.8*	*6.9*	*6.5*	*7.6*	*8.4*	
SSgA MSCI EAFE Index	17,236,122	5.8	-4.1	7.4	26.1	6.1	3.6	--	3.6	Oct-18
MSCI EAFE (Net)			*-4.1*	*7.1*	*25.6*	*5.8*	*3.2*	*3.8*	*3.2*	

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
SSgA Emerging Markets	7,766,277	2.6	-3.3	1.7	12.1	-2.0	0.5	--	4.1	Apr-16
MSCI Emerging Markets (Net)			*-2.9*	*1.8*	*11.7*	*-1.7*	*0.6*	*2.1*	*4.3*	
Investment Grade Bond Assets	**47,397,999**	**16.1**	**-3.2**	**-0.8**	**1.1**	**-5.0**	**0.2**	**1.3**	**1.7**	**Oct-11**
Blmbg. U.S. Aggregate Index			*-3.2*	*-1.2*	*0.6*	*-5.2*	*0.1*	*1.1*	*1.2*	
Vanguard Intermediate-Term Corporate Bond Index	7,307,873	2.5	-2.7	0.5	4.0	-4.5	1.3	2.4	2.0	Dec-12
Blmbg. U.S. Credit Corp 5-10 Year Index			*-2.7*	*0.4*	*4.2*	*-4.5*	*1.4*	*2.5*	*2.0*	
AFL-CIO Housing Investment Trust	3,963,435	1.3	-3.4	-1.5	-0.6	-5.5	-0.3	0.9	1.0	Oct-11
Blmbg. U.S. Aggregate Index			*-3.2*	*-1.2*	*0.6*	*-5.2*	*0.1*	*1.1*	*1.2*	
Blmbg. U.S. Mortgage TR			*-4.1*	*-2.3*	*-0.2*	*-5.1*	*-0.8*	*0.6*	*0.7*	
SSgA U.S. Aggregate Bond Index	36,126,691	12.3	-3.2	-1.0	0.7	-5.2	0.1	--	0.1	Oct-18
Blmbg. U.S. Aggregate Index			*-3.2*	*-1.2*	*0.6*	*-5.2*	*0.1*	*1.1*	*0.1*	
TIPS Assets	**30,035,876**	**10.2**	**-0.4**	**1.4**	**2.8**	**0.8**	**2.7**	**2.0**	**1.7**	**Dec-11**
Blmbg. U.S. TIPS			*-2.6*	*-0.8*	*1.2*	*-2.0*	*2.1*	*1.7*	*1.5*	
Vanguard Short-Term TIPS	22,422,646	7.6	0.4	2.0	3.3	1.9	2.8	--	2.3	Dec-16
BBg U.S. TIPS 0-5 Years			*0.4*	*1.9*	*3.2*	*1.9*	*2.8*	*--*	*--*	
SSgA TIPS Index	7,613,230	2.6	-2.6	-0.7	1.2	-2.0	2.1	--	2.1	Oct-18
Blmbg. U.S. TIPS			*-2.6*	*-0.8*	*1.2*	*-2.0*	*2.1*	*1.7*	*2.1*	
Emerging Market Debt Assets	**4,341,303**	**1.5**	**-2.4**	**1.9**	**12.4**	**-3.8**	**0.0**	**0.6**	**0.4**	**Mar-12**
JPM EMBI Global Diversified			*-2.2*	*1.8*	*10.0*	*-4.6*	*-0.4*	*2.5*	*2.6*	
Payden Emerging Markets Bond Fund	4,341,303	1.5	-2.4	1.9	12.4	-3.8	--	--	-1.0	May-19
JPM EMBI Global Diversified			*-2.2*	*1.8*	*10.0*	*-4.6*	*-0.4*	*2.5*	*-1.7*	

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
High Yield Bonds Assets	**25,738,120**	**8.7**	**1.3**	**7.1**	**10.2**	**3.0**	**2.8**	**3.8**	**4.2**	**Sep-12**
Blmbg. U.S. Corp: High Yield Index			*0.5*	*5.9*	*10.3*	*1.8*	*3.0*	*4.2*	*4.6*	
SKY Harbor Broad High Yield Market	16,626,057	5.6	0.3	5.4	8.7	1.3	2.4	3.7	4.2	Sep-12
Blmbg. U.S. Corp: High Yield Index			*0.5*	*5.9*	*10.3*	*1.8*	*3.0*	*4.2*	*4.6*	
Pacific Funds Floating Rate Income Fund	9,112,063	3.1	3.3	10.4	13.4	5.7	--	--	7.0	May-20
Credit Suisse Leveraged Loan Index			*3.4*	*9.9*	*12.5*	*5.9*	*4.3*	*4.3*	*8.0*	
Real Estate Assets	**31,634,343**	**10.7**	**-4.6**	**-15.3**	**-16.2**	**0.5**	**1.2**	**5.3**	**5.8**	**Oct-11**
NCREIF ODCE Equal Weighted (Net)			*-2.1*	*-8.4*	*-13.1*	*6.7*	*5.2*	*7.6*	*8.1*	
Dow Jones U.S. Select REIT TR USD			*-7.3*	*-2.0*	*2.7*	*6.1*	*1.6*	*5.3*	*7.2*	
SSgA U.S. REIT Index	15,362,089	5.2	-7.4	-2.1	2.5	6.0	1.5	--	1.5	Oct-18
Dow Jones U.S. Select REIT TR USD			*-7.3*	*-2.0*	*2.7*	*6.1*	*1.6*	*5.3*	*1.6*	
AFL-CIO Building Investment Trust	10,835,579	3.7	-0.7	-30.1	-34.9	-9.0	-4.6	2.0	3.4	Oct-11
NCREIF ODCE Equal Weighted (Net)			*-2.1*	*-8.4*	*-13.1*	*6.7*	*5.2*	*7.6*	*8.1*	
NCREIF Property Index			*-1.4*	*-5.1*	*-8.4*	*6.0*	*5.3*	*7.4*	*8.0*	
DRA Growth & Income Fund VIII	981,777	0.3								
DRA Growth & Income Fund IX	1,964,727	0.7								
DRA Growth & Income Fund X LLC	2,490,170	0.8								

Private Real Estate Assets reflect the most recent NAV (6/30/2023) adjusted for subsequent cash flows.

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Natural Resources Assets	**14,736,211**	**5.0**	**0.0**	**-2.4**	**11.2**	**17.5**	**6.8**	**4.4**	**3.8**	**Sep-12**
S&P Global LargeMidcap Resources & Commodities Ind			*2.9*	*-2.4*	*11.0*	*19.5*	*7.7*	*4.7*	*4.1*	
SSgA S&P Global Large MidCap Natural Resources Index	9,903,657	3.4	2.9	-2.1	11.4	19.8	8.1	5.0	4.4	Sep-12
S&P Global LargeMidcap Resources & Commodities Ind			*2.9*	*-2.4*	*11.0*	*19.5*	*7.7*	*4.7*	*4.1*	
First Eagle Institutional Gold, LP	4,832,554	1.6	-5.6	-2.4	11.9	--	--	--	-1.7	Jul-21
60% Gold (Spot)/ 40% FTSE Gold Mines			*-7.4*	*-2.7*	*10.9*	*--*	*--*	*--*	*-3.6*	
Private Equity Assets	**20,040,272**	**6.8**	**-0.8**	**-0.8**	**-0.6**	**20.3**	**21.5**	**22.6**	**23.1**	**May-13**
Preqin Private Equity 1Q Lagged			*0.0*	*1.5*	*-0.4*	*18.6*	*15.0*	*14.8*	*14.8*	
Ridgemont Equity Partners I	190,759	0.1								
SVB Strategic Investors Fund VIII	6,379,969	2.2								
Trilantic Capital Partners VI (North America), L.P.	3,223,424	1.1								
Flagship Pioneering Special Opportunities Fund II, L.P.	994,724	0.3								
Ironsides Direct Investment Fund V, L.P.	3,315,225	1.1								
Ironsides Partnership Fund V, L.P.	2,188,365	0.7								
Lightspeed Venture Partners Select IV	1,807,855	0.6								
KPS Special Situations Fund V	1,051,078	0.4								
Vitruvian Investment Partnership IV	888,873	0.3								

Private Equity Assets reflect the most recent NAV (6/30/2023) adjusted for subsequent cash flows.

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Placement Assets	**2,427,117**	**0.8**								
ULLICO Class A	2,427,117	0.8								
Cash	**2,441,368**	**0.8**								
Cash	2,441,368	0.8								

Calendar Year Net Returns

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Total Pension Fund	**-10.0**	**12.1**	**12.4**	**15.6**	**-2.6**	**11.5**	**7.7**	**-1.4**	**5.2**	**10.2**	**11.8**
Policy Benchmark	*-13.3*	*11.6*	*11.9*	*17.7*	*-4.0*	*14.4*	*6.1*	*0.9*	*5.7*	*12.6*	*11.9*
Target Policy Benchmark	*-10.4*	*13.4*	*11.9*	*16.9*	*-3.0*	*14.8*	*9.3*	*-1.1*	*5.7*	*10.7*	*13.0*
Actual Allocation Benchmark	*-9.5*	*11.9*	*12.0*	*15.3*	*-4.6*	*14.3*	*8.5*	*-0.2*	*6.0*	*12.1*	*12.5*
Global Equity	**-16.9**	**17.0**	**19.2**	**26.8**	**-7.5**	**21.1**	**9.2**	**-1.2**	**5.5**	**23.2**	**17.2**
MSCI AC World Index (Net)	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
ASB Equity Index	-18.1	28.6	18.4	31.4	-4.4	21.8	11.9	--	--	--	--
S&P 500 Index	*-18.1*	*28.7*	*18.4*	*31.5*	*-4.4*	*21.8*	*12.0*	*1.4*	*13.7*	*32.4*	*16.0*
SSgA Russell 1000 Value Index	-7.6	--	--	--	--	--	--	--	--	--	--
Russell 1000 Value Index	*-7.5*	*25.2*	*2.8*	*26.5*	*-8.3*	*13.7*	*17.3*	*-3.8*	*13.5*	*32.5*	*17.5*
SSgA Russell 1000 Growth	--	--	--	--	--	--	--	--	--	--	--
Russell 1000 Growth Index	*-29.1*	*27.6*	*38.5*	*36.4*	*-1.5*	*30.2*	*7.1*	*5.7*	*13.1*	*33.5*	*15.3*
Artisan Global Value	-13.4	15.7	6.7	24.1	-12.8	--	--	--	--	--	--
MSCI AC World Index (Net)	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
First Eagle Global Value	-6.2	12.6	8.7	20.6	-8.2	--	--	--	--	--	--
MSCI AC World Index (Net)	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
Kopernik Global All-Cap Fund	-9.5	18.2	35.4	14.4	-11.1	--	--	--	--	--	--
MSCI AC World Index (Net)	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
SSgA MSCI EAFE Index	-14.2	11.6	8.2	22.4	--	--	--	--	--	--	--
MSCI EAFE (Net)	*-14.5*	*11.3*	*7.8*	*22.0*	*-13.8*	*25.0*	*1.0*	*-0.8*	*-4.9*	*22.8*	*17.3*
SSgA Emerging Markets	-20.1	-2.6	18.2	18.3	-14.6	37.2	--	--	--	--	--
MSCI Emerging Markets (Net)	*-20.1*	*-2.5*	*18.3*	*18.4*	*-14.6*	*37.3*	*11.2*	*-14.9*	*-2.2*	*-2.6*	*18.2*

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Investment Grade Bond Assets	**-12.9**	**-1.5**	**7.6**	**9.0**	**-0.4**	**3.8**	**3.1**	**0.6**	**5.9**	**-2.0**	**8.8**
Blmbg. U.S. Aggregate Index	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
Vanguard Intermediate-Term Corporate Bond Index	-14.1	-1.5	9.6	14.0	-1.7	5.5	5.3	0.9	7.5	-1.8	--
Blmbg. U.S. Credit Corp 5-10 Year Index	*-13.9*	*-1.5*	*9.7*	*14.3*	*-1.7*	*5.6*	*5.6*	*0.9*	*7.3*	*-1.6*	*11.6*
AFL-CIO Housing Investment Trust	-13.5	-1.0	6.2	7.8	0.2	3.2	1.9	1.1	6.1	-2.4	4.3
Blmbg. U.S. Aggregate Index	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
SSgA U.S. Aggregate Bond Index	-13.1	-1.5	7.6	8.7	--	--	--	--	--	--	--
Blmbg. U.S. Aggregate Index	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
TIPS Assets	**-5.5**	**5.6**	**7.2**	**6.0**	**-0.3**	**1.9**	**4.7**	**-1.7**	**4.1**	**-8.8**	**6.9**
Blmbg. U.S. TIPS	*-11.8*	*6.0*	*11.0*	*8.4*	*-1.3*	*3.0*	*4.7*	*-1.4*	*3.6*	*-8.6*	*7.0*
Vanguard Short-Term TIPS	-2.8	5.3	5.0	4.8	0.6	0.8	--	--	--	--	--
BBg U.S. TIPS 0-5 Years	*-2.7*	*5.3*	*5.1*	*4.8*	*0.6*	*--*	*--*	*--*	*--*	*--*	*--*
SSgA TIPS Index	-12.0	5.9	11.0	8.4	--	--	--	--	--	--	--
Blmbg. U.S. TIPS	*-11.8*	*6.0*	*11.0*	*8.4*	*-1.3*	*3.0*	*4.7*	*-1.4*	*3.6*	*-8.6*	*7.0*
Emerging Market Debt Assets	**-17.1**	**-1.7**	**6.7**	**17.3**	**-8.5**	**11.6**	**14.0**	**-7.0**	**-3.7**	**-10.7**	**--**
JPM EMBI Global Diversified	*-17.8*	*-1.8*	*5.3*	*15.0*	*-4.3*	*10.3*	*10.2*	*1.2*	*7.4*	*-5.2*	*17.4*
Payden Emerging Markets Bond Fund	-17.1	-1.7	6.7	--	--	--	--	--	--	--	--
JPM EMBI Global Diversified	*-17.8*	*-1.8*	*5.3*	*15.0*	*-4.3*	*10.3*	*10.2*	*1.2*	*7.4*	*-5.2*	*17.4*
High Yield Bonds Assets	**-8.4**	**5.8**	**1.2**	**13.3**	**-0.7**	**5.9**	**12.8**	**-2.1**	**1.8**	**7.3**	**--**
Blmbg. U.S. Corp: High Yield Index	*-11.2*	*5.3*	*7.1*	*14.3*	*-2.1*	*7.5*	*17.1*	*-4.5*	*2.5*	*7.4*	*15.8*
SKY Harbor Broad High Yield Market	-13.4	6.4	7.0	13.4	-2.7	7.6	15.4	-3.7	1.1	9.3	--
Blmbg. U.S. Corp: High Yield Index	*-11.2*	*5.3*	*7.1*	*14.3*	*-2.1*	*7.5*	*17.1*	*-4.5*	*2.5*	*7.4*	*15.8*
Pacific Funds Floating Rate Income Fund	-0.8	4.6	--	--	--	--	--	--	--	--	--
Credit Suisse Leveraged Loan Index	*-1.1*	*5.4*	*2.8*	*8.2*	*1.1*	*4.2*	*9.9*	*-0.4*	*2.1*	*6.2*	*9.4*

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Real Estate Assets	**-4.2**	**21.7**	**-1.4**	**7.8**	**7.0**	**5.7**	**8.0**	**12.2**	**14.9**	**7.0**	**7.9**
NCREIF ODCE Equal Weighted (Net)	*7.6*	*21.9*	*0.8*	*5.2*	*7.3*	*6.9*	*8.3*	*14.2*	*11.4*	*12.4*	*9.9*
Dow Jones U.S. Select REIT TR USD	*-26.0*	*45.9*	*-11.2*	*23.1*	*-4.2*	*3.8*	*6.6*	*4.5*	*31.9*	*1.3*	*17.1*
SSgA U.S. REIT Index	-26.0	45.8	-11.2	22.9	--	--	--	--	--	--	--
Dow Jones U.S. Select REIT TR USD	*-26.0*	*45.9*	*-11.2*	*23.1*	*-4.2*	*3.8*	*6.6*	*4.5*	*31.9*	*1.3*	*17.1*
AFL-CIO Building Investment Trust	-3.4	12.7	-0.8	3.1	7.1	4.5	6.8	14.3	12.0	9.7	10.8
NCREIF ODCE Equal Weighted (Net)	*7.6*	*21.9*	*0.8*	*5.2*	*7.3*	*6.9*	*8.3*	*14.2*	*11.4*	*12.4*	*9.9*
NCREIF Property Index	*5.5*	*17.7*	*1.6*	*6.4*	*6.7*	*7.0*	*8.0*	*13.3*	*11.8*	*11.0*	*10.5*
DRA Growth & Income Fund VIII											
DRA Growth & Income Fund IX											
DRA Growth & Income Fund X LLC											
Natural Resources Assets	**11.1**	**24.0**	**2.2**	**16.0**	**-9.2**	**18.7**	**30.7**	**-27.3**	**-9.7**	**-2.6**	**--**
S&P Global LargeMidcap Resources & Commodities Index	*14.7*	*26.3*	*1.5*	*15.9*	*-9.4*	*18.1*	*30.8*	*-27.5*	*-9.9*	*-2.9*	*7.0*
SSgA S&P Global Large MidCap Natural Resources Index	15.1	26.5	2.2	16.0	-9.2	18.7	30.7	-27.3	-9.7	-2.6	--
S&P Global LargeMidcap Resources & Commodities Index	*14.7*	*26.3*	*1.5*	*15.9*	*-9.4*	*18.1*	*30.8*	*-27.5*	*-9.9*	*-2.9*	*7.0*
First Eagle Institutional Gold, LP	-0.5	--	--	--	--	--	--	--	--	--	--
60% Gold (Spot)/ 40% FTSE Gold Mines	*-6.0*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Private Equity Assets	**15.0**	**45.2**	**19.9**	**19.1**	**30.7**	**9.1**	**29.9**	**16.1**	**35.1**	**--**	**--**
Preqin Private Equity 1Q Lagged	*2.9*	*44.7*	*17.0*	*10.2*	*15.7*	*18.0*	*10.2*	*10.9*	*16.4*	*15.1*	*12.4*
Ridgemont Equity Partners I											
SVB Strategic Investors Fund VIII											
Trilantic Capital Partners VI (North America), L.P.											
Flagship Pioneering Special Opportunities Fund II, L.P.											

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Ironsides Direct Investment Fund V, L.P.											
Ironsides Partnership Fund V, L.P.											
Lightspeed Venture Partners Select IV											
KPS Special Situations Fund V											
Vitruvian Investment Partnership IV											
Private Placement Assets											
ULLICO Class A											
Cash											
Cash											

Risk Return Statistics

	3 Yrs (%)	5 Yrs (%)
	Total Pension Fund	Total Pension Fund
RETURN SUMMARY STATISTICS		
Maximum Return	5.3	6.0
Minimum Return	-5.9	-6.3
Return	3.7	5.3
Excess Return	2.4	3.9
Excess Performance	0.8	0.8
RISK SUMMARY STATISTICS		
Beta	0.9	0.9
Up Capture	93.1	90.5
Down Capture	86.5	81.4
RISK/RETURN SUMMARY STATISTICS		
Standard Deviation	9.3	9.2
Sortino Ratio	0.4	0.6
Alpha	1.1	1.4
Sharpe Ratio	0.3	0.4
Excess Risk	9.4	9.3
Tracking Error	2.0	2.1
Information Ratio	0.3	0.3
CORRELATION STATISTICS		
R-Squared	1.0	1.0
Actual Correlation	1.0	1.0

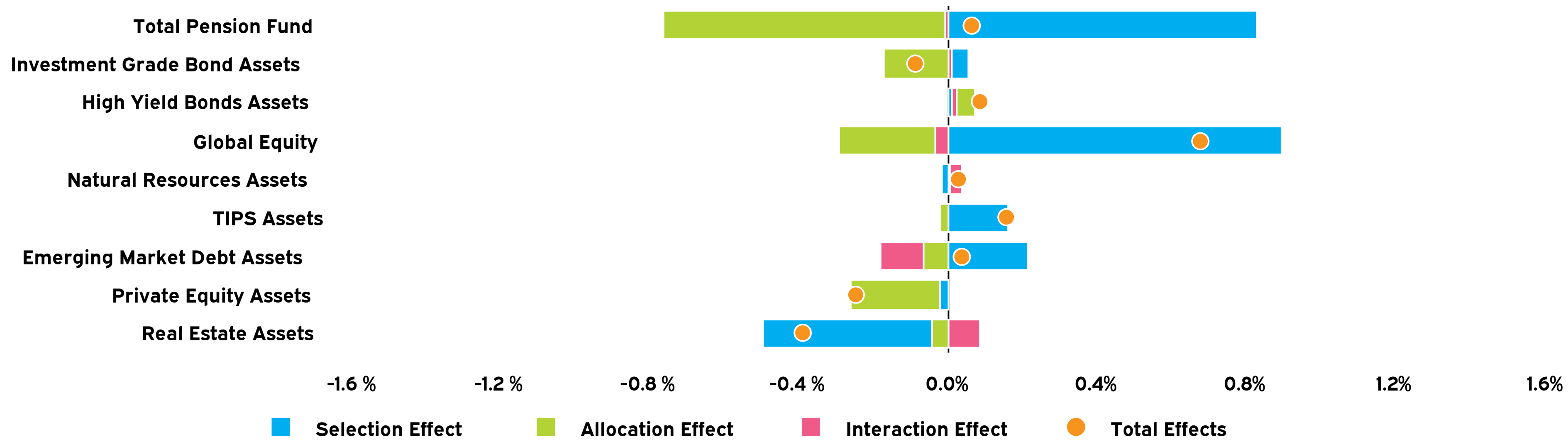
Statistics Summary
3 Years Ending September 30, 2023

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Pension Fund	3.7	9.3	0.3	0.9	0.3	2.0
Policy Benchmark	2.9	10.5	-	1.0	0.2	0.0
Global Equity	6.9	15.9	0.0	0.9	0.4	2.3
MSCI AC World Index (Net)	6.9	16.8	-	1.0	0.4	0.0
ASB Equity Index	10.1	17.6	-1.1	1.0	0.5	0.0
S&P 500 Index	10.2	17.6	-	1.0	0.5	0.0
SSgA Russell 1000 Value Index	-	-	-	-	-	-
Russell 1000 Value Index	11.1	17.3	-	1.0	0.6	0.0
SSgA Russell 1000 Growth	-	-	-	-	-	-
Russell 1000 Growth Index	8.0	20.5	-	1.0	0.4	0.0
Artisan Global Value	11.3	18.6	0.6	1.0	0.6	7.2
MSCI AC World Index (Net)	6.9	16.8	-	1.0	0.4	0.0
First Eagle Global Value	7.3	14.0	0.0	0.8	0.5	6.0
MSCI AC World Index (Net)	6.9	16.8	-	1.0	0.4	0.0
Kopernik Global All-Cap Fund	10.9	17.5	0.3	0.8	0.6	11.5
MSCI AC World Index (Net)	6.9	16.8	-	1.0	0.4	0.0
SSgA MSCI EAFE Index	6.1	18.0	2.1	1.0	0.3	0.2
MSCI EAFE (Net)	5.8	18.0	-	1.0	0.3	0.0
SSgA Emerging Markets	-2.0	18.3	-0.1	1.0	-0.1	1.9
MSCI Emerging Markets (Net)	-1.7	17.6	-	1.0	-0.1	0.0

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Investment Grade Bond Assets	-5.0	6.3	0.8	1.0	-1.1	0.3
Blmbg. U.S. Aggregate Index	-5.2	6.1	-	1.0	-1.1	0.0
Vanguard Intermediate-Term Corporate Bond Index	-4.5	7.6	-0.2	1.0	-0.8	0.3
Blmbg. U.S. Credit Corp 5-10 Year Index	-4.5	7.6	-	1.0	-0.8	0.0
AFL-CIO Housing Investment Trust	-5.5	5.7	-0.4	0.9	-1.3	1.0
Blmbg. U.S. Aggregate Index	-5.2	6.1	-	1.0	-1.1	0.0
SSgA U.S. Aggregate Bond Index	-5.2	6.1	0.3	1.0	-1.1	0.2
Blmbg. U.S. Aggregate Index	-5.2	6.1	-	1.0	-1.1	0.0
TIPS Assets	0.8	4.1	0.9	0.6	-0.2	2.8
Blmbg. U.S. TIPS	-2.0	6.8	-	1.0	-0.5	0.0
Vanguard Short-Term TIPS	1.9	3.1	-0.1	1.0	0.1	0.1
BBg U.S. TIPS 0-5 Years	1.9	3.1	-	1.0	0.1	0.0
SSgA TIPS Index	-2.0	6.8	-0.1	1.0	-0.5	0.2
Blmbg. U.S. TIPS	-2.0	6.8	-	1.0	-0.5	0.0
Emerging Market Debt Assets	-3.8	11.2	0.5	1.1	-0.4	2.1
JPM EMBI Global Diversified	-4.6	10.1	-	1.0	-0.6	0.0
Payden Emerging Markets Bond Fund	-3.8	11.2	0.5	1.1	-0.4	2.1
JPM EMBI Global Diversified	-4.6	10.1	-	1.0	-0.6	0.0
High Yield Bonds Assets	3.0	5.6	0.3	0.7	0.3	3.2
Blmbg. U.S. Corp: High Yield Index	1.8	7.9	-	1.0	0.0	0.0
SKY Harbor Broad High Yield Market	1.3	7.3	-0.3	0.9	0.0	2.1
Blmbg. U.S. Corp: High Yield Index	1.8	7.9	-	1.0	0.0	0.0

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Pacific Funds Floating Rate Income Fund	5.7	3.9	-0.3	1.0	1.0	0.8
Credit Suisse Leveraged Loan Index	5.9	3.7	-	1.0	1.1	0.0
Real Estate Assets	0.5	10.3	-0.8	0.8	-0.1	7.8
NCREIF ODCE Equal Weighted (Net)	6.7	9.0	-	1.0	0.6	0.0
SSgA U.S. REIT Index	6.0	20.9	-1.4	1.0	0.3	0.1
Dow Jones U.S. Select RESI	6.1	21.0	-	1.0	0.3	0.0
AFL-CIO Building Investment Trust	-9.0	15.4	-1.2	1.1	-0.6	12.1
NCREIF ODCE Equal Weighted (Net)	6.7	9.0	-	1.0	0.6	0.0
Natural Resources Assets	17.5	19.6	-0.4	0.9	0.8	4.9
S&P Global LargeMidcap Resources & Commodities Ind	19.5	21.6	-	1.0	0.9	0.0
SSgA S&P Global Large MidCap Natural Resources Index	19.8	21.5	0.5	1.0	0.9	0.5
S&P Global LargeMidcap Resources & Commodities Ind	19.5	21.6	-	1.0	0.9	0.0
First Eagle Institutional Gold, LP	-	-	-	-	-	-
60% Gold (Spot)/ 40% FTSE Gold Mines	-	-	-	-	-	-

Attribution Summary Chart



Attribution Summary

	Policy Weight (%)	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effect (%)	Total Effect (%)
Investment Grade Bond Assets	14.0	1.2	0.6	0.5	0.0	-0.2	0.0	-0.1
High Yield Bonds Assets	5.0	10.6	10.3	0.3	0.0	0.0	0.0	0.1
Global Equity	42.0	23.4	20.8	2.6	0.9	-0.3	0.0	0.7
Natural Resources Assets	5.0	11.3	11.0	0.3	0.0	0.0	0.0	0.0
TIPS Assets	10.0	2.8	1.2	1.6	0.2	0.0	0.0	0.2
Emerging Market Debt Assets	7.0	13.2	10.0	3.1	0.2	-0.1	-0.1	0.0
Private Equity Assets	5.0	-0.6	-0.4	-0.2	0.0	-0.2	0.0	-0.3
Real Estate Assets	12.0	-16.1	-13.1	-3.0	-0.5	0.0	0.1	-0.4
Total Pension Fund	**100.0**	**8.9**	**8.8**	**0.1**	**0.8**	**-0.8**	**0.0**	**0.1**

Gross of fees.
Differences in attribution returns and returns in the performance summary may occur as a result of the different calculation methodologies that are applied by PARis.

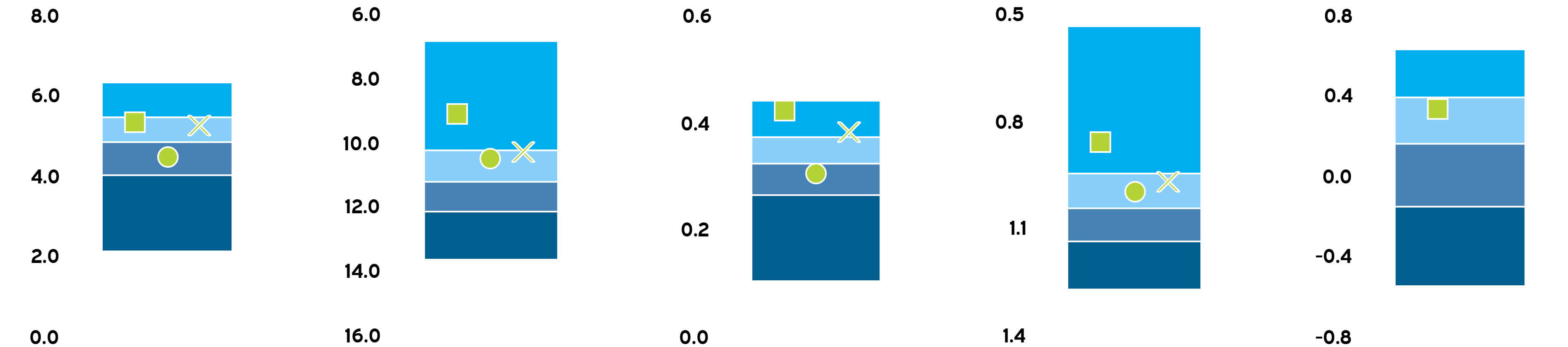
Cash Flow Summary
Quarter to Date

	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
ASB Equity Index	39,806,083	-4,000,000	-1,146,180	34,659,903
SSgA Russell 1000 Value Index	1,734,066	-	-54,768	1,679,298
SSgA Russell 1000 Growth	21,360,818	-2,000,000	-549,939	18,810,879
Artisan Global Value	16,205,174	-	-481,665	15,723,509
First Eagle Global Value	15,976,961	-	-593,967	15,382,994
Kopernik Global All-Cap Fund	4,447,791	-	188,809	4,636,599
SSgA MSCI EAFE Index	17,974,190	-	-738,068	17,236,122
SSgA Emerging Markets	8,027,564	-	-261,287	7,766,277
Vanguard Intermediate-Term Corporate Bond Index	7,512,742	-	-204,869	7,307,873
AFL-CIO Housing Investment Trust	4,103,977	-	-140,542	3,963,435
SSgA U.S. Aggregate Bond Index	35,297,312	2,000,000	-1,170,621	36,126,691
Vanguard Short-Term TIPS	22,326,515	-	96,131	22,422,646
SSgA TIPS Index	7,817,135	-	-203,905	7,613,230
Payden Emerging Markets Bond Fund	14,460,515	-10,000,000	-119,211	4,341,303
SKY Harbor Broad High Yield Market	10,671,741	6,000,000	-45,684	16,626,057
Pacific Funds Floating Rate Income Fund	4,913,987	4,000,000	198,076	9,112,063
SSgA U.S. REIT Index	14,149,568	2,500,000	-1,287,479	15,362,089
AFL-CIO Building Investment Trust	10,911,357	-	-75,779	10,835,579
DRA Growth & Income Fund VIII	983,479	-	-1,702	981,777
DRA Growth & Income Fund IX	1,984,417	-71,150	51,460	1,964,727
DRA Growth & Income Fund X LLC	2,782,821	-48,777	-243,874	2,490,170
SSgA S&P Global Large MidCap Natural Resources Index	8,894,033	750,000	259,624	9,903,657
First Eagle Institutional Gold, LP	4,365,974	750,000	-283,420	4,832,554
Ridgemont Equity Partners I	419,794	-232,932	3,897	190,759

Total Pension Fund | Quarter To Date Ending September 30, 2023

	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
SVB Strategic Investors Fund VIII	6,686,809	-	-306,840	6,379,969
Trilantic Capital Partners VI (North America), L.P.	3,121,790	73,532	28,102	3,223,424
Flagship Pioneering Special Opportunities Fund II, L.P.	1,025,075	10,000	-40,351	994,724
Ironsides Direct Investment Fund V, L.P.	3,113,702	191,915	9,608	3,315,225
Ironsides Partnership Fund V, L.P.	2,082,657	64,157	41,552	2,188,365
Lightspeed Venture Partners Select IV	1,729,098	-	78,757	1,807,855
KPS Special Situations Fund V	1,164,633	-143,010	29,455	1,051,078
Vitruvian Investment Partnership IV	902,224	-	-13,351	888,873
ULLICO Class A	2,427,117	-	-	2,427,117
Cash	1,312,758	1,088,563	40,047	2,441,368
Total	**300,693,876**	**932,298**	**-6,937,985**	**294,688,189**

Annualized Return (%) Trailing 5 Years | Annualized St. Dev. Trailing 5 Years | Sharpe Ratio Trailing 5 Years | Beta Trailing 5 Years | Information Ratio Trailing 5 Years



Total Pension Fund	5.3	(30)
Policy Benchmark	4.5	(65)
Target Policy Benchmark	5.2	(34)
5th Percentile	6.3	
1st Quartile	5.4	
Median	4.8	
3rd Quartile	4.0	
95th Percentile	2.1	
Population	317	

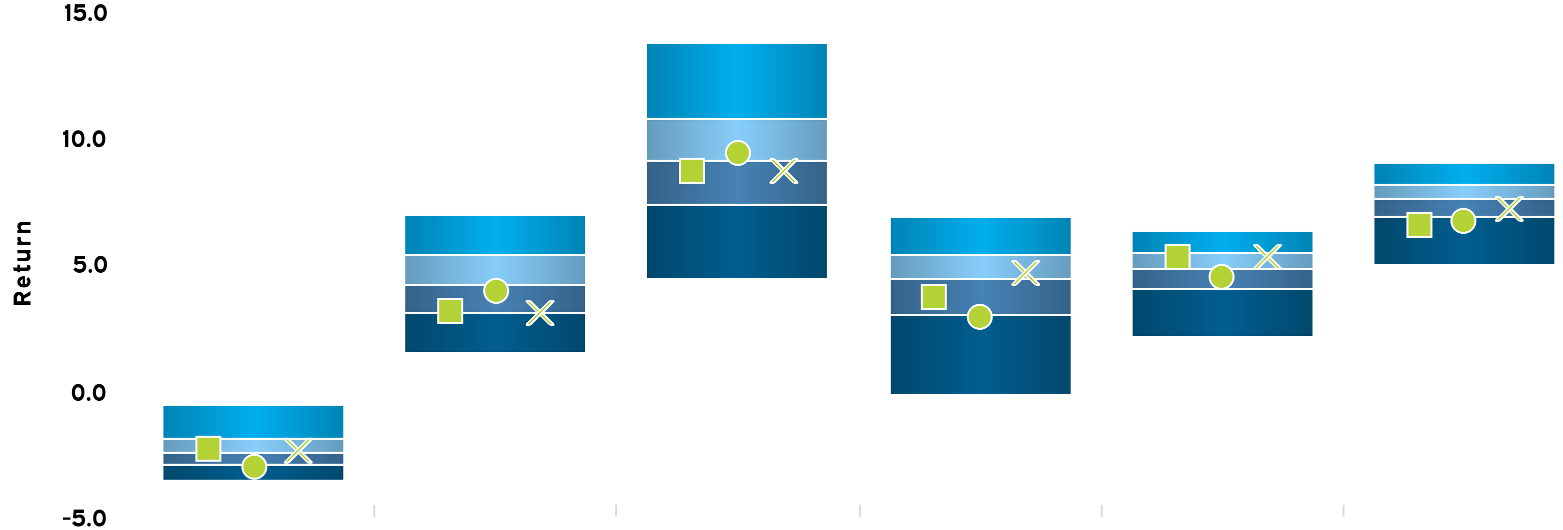
Total Pension Fund	9.2	(14)
Policy Benchmark	10.5	(29)
Target Policy Benchmark	10.3	(26)
5th Percentile	6.9	
1st Quartile	10.3	
Median	11.3	
3rd Quartile	12.2	
95th Percentile	13.7	
Population	317	

Total Pension Fund	0.4	(7)
Policy Benchmark	0.3	(60)
Target Policy Benchmark	0.4	(20)
5th Percentile	0.4	
1st Quartile	0.4	
Median	0.3	
3rd Quartile	0.3	
95th Percentile	0.1	
Population	317	

Total Pension Fund	0.9	(16)
Policy Benchmark	1.0	(35)
Target Policy Benchmark	1.0	(29)
5th Percentile	0.5	
1st Quartile	0.9	
Median	1.0	
3rd Quartile	1.1	
95th Percentile	1.3	
Population	317	

Total Pension Fund	0.3	(31)
Policy Benchmark	-	
5th Percentile	0.6	
1st Quartile	0.4	
Median	0.2	
3rd Quartile	-0.2	
95th Percentile	-0.6	
Population	317	

InvMetrics Taft-Hartley DB < $500mm



	Quarter	YTD	1 Year	3 Years	5 Years	Since Inception
Total Pension Fund	-2.3 (41)	3.2 (74)	8.7 (58)	3.7 (65)	5.3 (30)	6.5 (83)
Policy Benchmark	-3.0 (79)	3.9 (56)	9.4 (47)	2.9 (78)	4.5 (65)	6.7 (80)
Target Policy Benchmark	-2.4 (46)	3.1 (75)	8.7 (58)	4.7 (43)	5.2 (34)	7.2 (68)
5th Percentile	-0.5	6.9	13.7	6.9	6.3	9.0
1st Quartile	-1.9	5.3	10.7	5.4	5.4	8.1
Median	-2.5	4.2	9.1	4.4	4.8	7.6
3rd Quartile	-3.0	3.1	7.4	3.0	4.0	6.8
95th Percentile	-3.6	1.5	4.4	-0.2	2.1	4.9
Population	367	350	344	324	317	239

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Annual Investment Expense Analysis

	Fee Schedule	Market Value	Estimated Annual Fee (%)	Estimated Annual Fee $
ASB Equity Index	0.02 % of Assets	34,659,903	0.02	5,199
SSgA Russell 1000 Value Index	0.02 % of Assets	1,679,298	0.02	336
SSgA Russell 1000 Growth	0.02 % of Assets	18,810,879	0.02	3,762
Artisan Global Value	1.06 % of Assets	15,723,509	1.06	166,669
First Eagle Global Value	0.78 % of Assets	15,382,994	0.78	119,987
Kopernik Global All-Cap Fund	0.90 % of Assets	4,636,599	0.90	41,729
SSgA MSCI EAFE Index	0.04 % of Assets	17,236,122	0.04	6,894
SSgA Emerging Markets	0.08 % of Assets	7,766,277	0.08	6,213
Vanguard Intermediate-Term Corporate Bond Index	0.05 % of Assets	7,307,873	0.05	3,654
AFL-CIO Housing Investment Trust	0.35 % of Assets	3,963,435	0.35	13,872
SSgA U.S. Aggregate Bond Index	0.03 % of Assets	36,126,691	0.03	9,032
Vanguard Short-Term TIPS	0.04 % of Assets	22,422,646	0.04	8,969
SSgA TIPS Index	0.04 % of Assets	7,613,230	0.04	3,045
Payden Emerging Markets Bond Fund	0.53 % of Assets	4,341,303	0.53	23,009
SKY Harbor Broad High Yield Market	0.36 % of First $50 M 0.00 % Thereafter	16,626,057	0.36	59,854
Pacific Funds Floating Rate Income Fund	0.72 % of Assets	9,112,063	0.72	65,607
SSgA U.S. REIT Index	0.06 % of Assets	15,362,089	0.06	9,217
AFL-CIO Building Investment Trust	0.90 % of Assets	10,835,579	0.90	97,520
DRA Growth & Income Fund VIII	0.90 % of Assets	981,777	0.90	8,836
DRA Growth & Income Fund IX	0.90 % of Assets	1,964,727	0.90	17,683
DRA Growth & Income Fund X LLC	0.90 % of Assets	2,490,170	0.90	22,412
SSgA S&P Global Large MidCap Natural Resources Index	0.10 % of Assets	9,903,657	0.10	9,904
First Eagle Institutional Gold, LP	0.45 % of Assets	4,832,554	0.45	21,746
Ridgemont Equity Partners I	2.00 % of Assets	190,759	2.00	3,815

	Fee Schedule	Market Value	Estimated Annual Fee (%)	Estimated Annual Fee $
SVB Strategic Investors Fund VIII	0.95 % of Assets	6,379,969	0.95	60,610
Trilantic Capital Partners VI (North America), L.P.	Performance Based 1.75 and 20.00	3,223,424	1.75	56,410
Flagship Pioneering Special Opportunities Fund II, L.P.	1.00 % of Assets	994,724	1.00	9,947
Ironsides Direct Investment Fund V, L.P.	0.25% of Committed Capital	3,315,225	-	-
Ironsides Partnership Fund V, L.P.	0.25% of Committed Capital	2,188,365	-	-
Lightspeed Venture Partners Select IV	2.00% of Committed Capital	1,807,855	-	-
KPS Special Situations Fund V	1.25% of Committed Capital	1,051,078	-	-
Vitruvian Investment Partnership IV	1.93 % of Assets	888,873	1.93	17,111
ULLICO Class A	0.00 % of Assets	2,427,117	0.00	-
Cash	0.00 % of Assets	2,441,368	0.00	-
Total Pension Fund		**294,688,190**	**0.30**	**873,043**

Benchmark History

From Date	To Date	Benchmark
Policy Benchmark		
09/30/2011	Present	36.0% Blmbg. U.S. Universal Index, 52.0% MSCI AC World Index (Net), 12.0% NCREIF ODCE Equal Weighted (Net)
Target Policy Benchmark		
06/30/2011	Present	25.0% Russell 3000 Index, 14.0% Blmbg. U.S. Aggregate Index, 5.0% Blmbg. U.S. Corp: High Yield Index, 10.0% MSCI EAFE (Net), 3.5% JPM GBI-EM Global Diversified, 12.0% NCREIF ODCE Equal Weighted (Net), 5.0% S&P Global LargeMidcap Resources & Commodities Ind, 7.0% MSCI Emerging Markets (Net), 10.0% Blmbg. U.S. TIPS, 3.5% JPM EMBI Global Diversified, 5.0% Preqin Private Equity 1Q Lagged

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

Appendices

Corporate Update

7
Offices

240+
Employees

240+
Clients

$1.8T
Assets Under Advisement

$200B
Assets in Alternative Investments

99%
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
January 2024

Mission Driven Investing Manager Research Day
December 2023

Client and employee counts as of September 30, 2023; assets as of June 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 July Connectives "Your Plan is 100% Funded, Now What?"

Continuing in our newest series of "Meketa Connectives", our July issue covers the effect high interest rates are having on the funded status of plans. For well over a decade, low fixed income yields have suppressed discount rates and increased the value of liabilities on an accounting basis. As the Federal Reserve hikes interest rates to fight inflation, the corporate discount rate has started to rise. As a result, plans are finding that their funded status has improved on an accounting basis, which in turn broadens the range of options available to them.

Read more here:
https://meketa.com/news/meketa-connectives-your-plan-is-100-funded-now-what/

Read our recent white paper "Venture Capital Primer"

Venture capital has been an attention-grabbing, headline generating asset class from its very beginning. Many household names started out as (or still are) venture backed investments, including Apple, Microsoft, Google, Facebook, SpaceX, Uber, Airbnb, DoorDash, and Peloton. Recently, venture capital has become a dominating presence in the cryptocurrency and AI industries, driving innovation through investments in companies such as Coinbase and OpenAI.

The primary allure of venture capital is its risk/reward potential. Investors are drawn by possibly generating some of the highest returns of any asset class but should also be aware of the increased risks. This primer provides an overview of the venture capital asset class and contrasts it to other private markets strategies, particularly buyouts.

Read more here:
https://meketa.com/leadership/venture-capital-primer/

Watch our recent webinar "Navigating Investment Risks Through Modeling Climate Scenario Analysis"

Watch our fireside chat on using climate scenario analysis to navigate investment risks.

Moderated by research consultant, Alison Adams, and accompanied by Meketa's own climate scenario experts, Stephen MacLellan, consultant, and Zach Stevens, senior quantitative research analyst, the panel discussed how modeling climate scenarios to analyze the impact on portfolios may provide a deeper understanding of broad investment risks.

Read more here:
https://meketa.com/leadership/navigating-investment-risks-through-modeling-climate-scenario-analysis/

MEKETA VALUES COMMUNITY

Habitat Build Days

As part of Meketa's volunteer opportunities, each employee is given 8 hours to volunteer in their local communities. During the summer our Carlsbad office in San Diego and our Boston office in Westwood hosts Habitat for Humanity Build Days.

In Carlsbad, employees traveled to San Diego to help a homeowner with repairs and maintenance through a government program that pairs with Habitat for Humanity. In Boston, our employees traveled to Malden to help with the building of 3 homes for qualifying families.

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MEKETA IN THE NEWS

Pensions&Investments

Investors cooling on China ahead of Biden executive order

By Brian Croce & Arleen Jacobius
August 11, 2023

While Washington legislators cheered President Joe Biden's executive order restricting new U.S. private equity and venture capital investments in certain Chinese technology companies, investor sentiment on the country had already been starting to cool.

On Aug. 9, the president signed an executive order barring U.S. investment including joint ventures in Chinese companies focused on semiconductors and microelectronics, quantum information technologies and artificial intelligence. It also requires Americans to notify the Treasury Department of direct investments in those sectors.

"China is the second largest economy in the world and it is important to global supply chains and a major importer of commodities, which makes China an unavoidable presence in the global economy and global capital markets," said **Alison Adams**, Portland, Ore.-based managing principal and a research consultant on the capital markets research team at **Meketa Investment Group** in an emailed response to questions.

"But how U.S. investors think about how to allocate global capital appears to be changing," Ms. Adams said. Prior to the pandemic, investors were more willing to place a big bet on China and may have sought out direct investment, she said.

"Now the risk/return balance appears to be shifting to a more cautious approach where a big bet on direct China may be less likely" possibly due to the political risks of direct investment in China shifting inside China and in the U.S., Ms. Adams said.

Politics was less of a factor before the pandemic when China's GDP was growing 7% to 10% a year, and investors were interested in increasing their investment allocations to take advantage of China's rise, she said.

"Now that China's growth is only a couple of a percent above the U.S. — that risk/return analysis has shifted," Ms. Adams said.

Private Debt Investor

Yes, banks and private debt can co-exist

The maritime world is trying to figure out a new sustainable fuel mix, which ought to inspire elevator pitches *to private debt managers.*

By Christopher Faille | August 31, 2023

Private debt funds in the US have for years now made their case to potential investors with some version of the following narrative: "This fund relies upon strategy X. Strategy X is solid, but for various reasons (practical and/or regulatory) banks have largely withdrawn from the field of X lending. This has created an opportunity for private debt funds, which can step in and do the work the banks used to do."

Much the same risk spectrum is sometimes described as a distinction between "core" infrastructure and "non-core" or "core plus". As **Lisa Bacon**, of the private markets team at **Meketa Investment Group**, says: "Core includes low-risk assets that are operational and have predictable cashflows. Examples of non-core assets with higher risk-return profiles include those in the development, permitting, construction and early operations stages."

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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. Portfolio Return- [Risk Free Rate+Beta*(market return-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 is 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%.

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

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.