



Warehouse Employees Local No. 730 Welfare Fund

Master Consulting Services Report

**Period Ended
December 31, 2024**

TABLE OF CONTENTS

Warehouse Employees Local No. 730 Welfare Fund

Page 03	MCS Commentary, Recommendations, and Compliance Summary
Page 21	Asset Allocation Review
Page 44	Preliminary January Performance Update
Page 50	EXMCS Recommendation Memo
Page 51	Glossary of Investment Terminology



Warehouse Employees Local No. 730 Welfare Fund

Master Consulting Services Report

Period Ended

December 31, 2024

Warehouse Employees Local No. 730 Welfare Fund
Master Consulting Services Report as of December 31, 2024

Total Fund Growth of Assets						
	Fourth Quarter	Fiscal Year-To-Date	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	\$25,772,273	\$23,340,249	\$16,168,209	\$9,947,782	\$6,818,560	\$13,439,506
Net Cash Flow	\$600,049	\$2,094,509	\$8,928,073	\$14,372,926	\$16,800,827	\$9,457,024
Net Investment Change	-\$88,820	\$848,745	\$1,187,221	\$1,962,795	\$2,664,115	\$3,386,973
Ending Market Value	\$26,283,503	\$26,283,503	\$26,283,503	\$26,283,503	\$26,283,503	\$26,283,503

- The Fund's fiscal year end is December 31st.

Warehouse Employees Local No. 730 Welfare Fund

Master Consulting Services Report as of December 31, 2024

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2024					
			2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	\$26,283,503	100.0%	-0.3%	3.6%	1.5%	2.2%	2.8%	2.8%
Total Investment Grade Fixed Income	\$9,724,017	37.0%	-1.6%	3.2%	0.2%	1.3%	2.1%	2.1%
Total Short Duration High Yield Fixed Income	\$11,167,290	42.5%	0.3%	5.7%	3.5%	3.6%	3.9%	3.7%
Total Real Estate - Core	\$1,262,340	4.8%	1.0%	-1.2%	-2.1%	3.1%	4.3%	6.0%
Total Real Estate - Value Add	\$1,364,592	5.2%	0.4%	-5.0%	0.2%	--	--	--
Total Cash Equivalents	\$2,765,263	10.5%						

	Fiscal Year Ending December 31st (Gross of Fees)										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Fund	3.6%	4.8%	-3.6%	1.3%	5.4%	6.7%	1.6%	3.5%	3.3%	1.8%	3.8%
<i>Total Fund Benchmark</i>	<i>3.7%</i>	<i>5.7%</i>	<i>-4.9%</i>	<i>1.6%</i>	<i>5.5%</i>	<i>7.3%</i>	<i>1.5%</i>	<i>2.8%</i>	<i>5.0%</i>	<i>1.4%</i>	<i>4.3%</i>

	Fiscal Year Ending December 31st (Net of Fees)										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Fund	3.2%	4.3%	-4.0%	1.0%	5.0%	6.3%	1.2%	3.1%	2.9%	1.4%	3.5%
<i>Total Fund Benchmark</i>	<i>3.7%</i>	<i>5.7%</i>	<i>-4.9%</i>	<i>1.6%</i>	<i>5.5%</i>	<i>7.3%</i>	<i>1.5%</i>	<i>2.8%</i>	<i>5.0%</i>	<i>1.4%</i>	<i>4.3%</i>

Warehouse Employees Local No. 730 Welfare Fund
Master Consulting Services Report as of December 31, 2024

Current vs. Policy						
	Current	Current	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	\$9,724,017	37.0%	37.5%	27.5% - 42.5%	-0.5%	-\$132,297
Short Duration High Yield Fixed Income	\$11,167,290	42.5%	42.5%	30.0% - 45.0%	0.0%	-\$3,198
Real Estate - Core	\$1,262,340	4.8%	7.5%	2.5% - 12.5%	-2.7%	-\$708,922
Real Estate - Value Add	\$1,364,592	5.2%	7.5%	2.5% - 12.5%	-2.3%	-\$606,671
Cash Equivalents	\$2,765,263	10.5%	5.0%	0.0% - 20.0%	5.5%	\$1,451,088
Total	\$26,283,503	100.0%	100.0%			

- Policy adopted March 2024; effective April 2024.
- Cash Equivalents Includes:
 - \$9,121 income distribution from real estate - core (ARA Core Property Fund, LP) received in January 2025.
 - \$18,419 income distribution from real estate - value add (Boyd Watterson State Government Fund, LP) received in January 2025.

Warehouse Employees Local No. 730 Welfare Fund – Asset Allocation

- Asset allocation reviews were provided on the following dates: March 5, 2018, March 27, 2019, March 3, 2020, March 26, 2021, March 14, 2022, March 3, 2023, and March 13, 2024.
- At the meeting on March 3, 2023, to rebalance closer to Policy, the Trustees approved: transfer \$300K from cash equivalents to Wedge Capital Management (investment grade fixed income) and \$300k to Chartwell Investment Partners (short duration high yield fixed income). Status: Completed March 2023.
- At the meeting on June 9, 2023, to rebalance closer to Policy, the Trustees approved: transfer \$600k from cash equivalents to Wedge Capital Management (investment grade fixed income) and \$700k to Chartwell Investment Partners (short duration high yield fixed income). Status: Completed June 2023.
- At the meeting on September 8, 2023, to rebalance closer to Policy, the Trustees approved: transfer \$600k from cash equivalents to Wedge Capital Management (investment grade fixed income) and \$400k to Chartwell Investment Partners (short duration high yield fixed income). Status: Completed September 2023.
- At the meeting on March 13, 2024, the Trustees adopted Policy: 37.5% investment grade fixed income (+2.5%), 42.5% short duration high yield fixed income (+2.5%), 7.5% real estate – core (-2.5%), 7.5% real estate – value add (-2.5%), and 5.0% cash equivalents. To rebalance closer to Policy, the Trustees approved: transfer \$600k from cash equivalents to Wedge Capital Management (investment grade fixed income) and \$600k to Chartwell Investment Partners (short duration high yield fixed income). Status: Completed March 2024.
- At the meeting on September 13, 2024, to rebalance closer to Policy, the Trustees approved: 1) transfer \$500K from cash equivalents to Wedge Capital Management (investment grade fixed income - \$250K) and Chartwell Investment Partners (short duration high yield - \$250K). Status: Completed September 2024. 2) Commit \$500K from cash equivalents to ARA Core Property Fund, LP (real estate – core). Status: Completed January 2025.
- The following recommendations from the memo dated January 9, 2025 were approved: 1) To rebalance cash equivalents allocation closer to Policy, transfer \$500K excess cash to short duration high yield fixed income (Chartwell Investment Partners SDHY). Status: Completed January 2025. 2) to align real estate – core allocation closer to Policy, change the Fund's election to receive ARA Core Property Fund, LP income as cash distributions to reinvest income. Status: Completed January 2025, effective March 31, 2025.

Recommendation: Reinvest income from real estate – value add manager (Boyd Watterson State Government Fund, LP).

Warehouse Employees Local No. 730 Welfare Fund
Master Consulting Services Report as of December 31, 2024

Commitment and Funding of Real Estate - Core (In Millions) as of December 31, 2024										
Investments		Commitments			Contributions & Distributions		Valuations		Performance	
Account Name	Vintage Year	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI
ARA Core Property Fund, LP	2008	\$3.9	\$0.5	0.9	\$3.4	\$2.0	\$1.3	\$3.3	0.6	1.0
Total		\$3.9	\$0.5	0.9	\$3.4	\$2.0	\$1.3	\$3.3	0.6	1.0

Commitment and Funding of Real Estate - Value Add (In Millions) as of December 31, 2024										
Investments		Commitments			Contributions & Distributions		Valuations		Performance	
Account Name	Vintage Year	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI
Boyd Watterson State Government Fund, LP	2021	\$1.6	\$0.8	0.5	\$0.8	\$0.1	\$1.4	\$1.5	0.1	1.8
Total		\$1.6	\$0.8	0.5	\$0.8	\$0.1	\$1.4	\$1.5	0.1	1.8

- Performance data included in the table above may differ from performance data provided by the investment manager due to the availability and timing of data used in the calculations.

Warehouse Employees Local No. 730 Welfare Fund

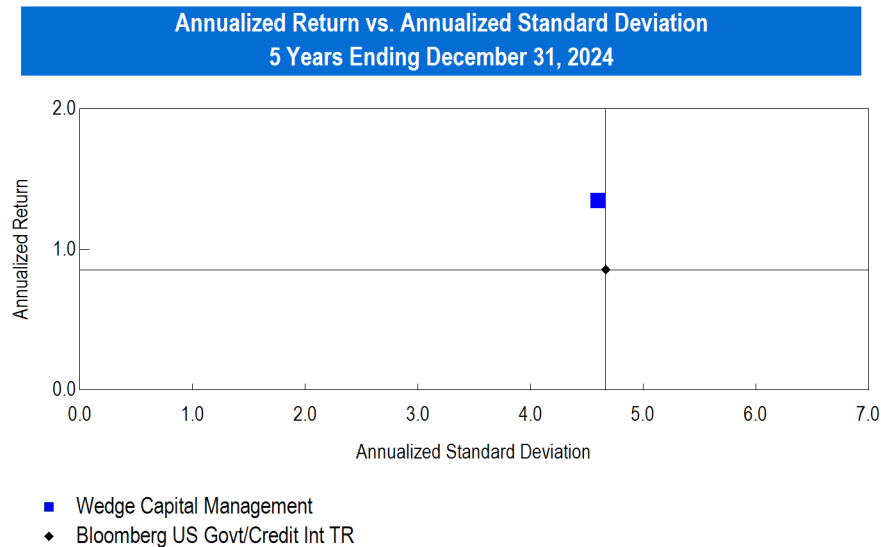
Master Consulting Services Report as of December 31, 2024

Performance Detail (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2024						Inception	Inception Date
			2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	7 Yrs	10 Yrs		
Total Fund	\$26,283,503	100.0%	-0.4%	3.2%	1.1%	1.8%	2.4%	2.4%	--	Jan-98
Total Investment Grade Fixed Income	\$9,724,017	37.0%	-1.7%	3.0%	-0.1%	1.1%	1.8%	1.8%	--	Jan-98
Wedge Capital Management	\$9,724,017	37.0%	-1.7%	3.0%	-0.1%	1.1%	1.8%	1.9%	1.9%	Dec-14
Bloomberg US Govt/Credit Int TR			-1.6%	3.0%	-0.2%	0.9%	1.7%	1.7%	1.7%	Dec-14
Total Short Duration High Yield Fixed Income	\$11,167,290	42.5%	0.2%	5.2%	2.9%	3.1%	3.3%	3.2%	3.1%	Aug-13
Chartwell Investment Partners SDHY	\$11,167,290	42.5%	0.2%	5.2%	2.9%	3.1%	3.3%	3.2%	3.1%	Aug-13
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR			0.8%	6.7%	4.0%	4.1%	4.4%	4.4%	4.3%	Aug-13
Bloomberg US Govt/Credit TR			-3.1%	1.2%	-2.6%	-0.2%	1.1%	1.5%	1.9%	Aug-13
Total Real Estate - Core	\$1,262,340	4.8%	0.7%	-2.3%	-3.1%	1.9%	3.2%	4.9%	3.4%	Jul-08
ARA Core Property Fund, LP	\$1,262,340	4.8%	0.7%	-2.3%	-3.1%	1.9%	3.2%	4.9%	3.4%	Jul-08
NCREIF ODCE Equal Weighted Net			0.8%	-2.4%	-3.1%	2.2%	3.4%	5.3%	3.7%	Jul-08
Total Real Estate - Value Add	\$1,364,592	5.2%	0.1%	-6.2%	-1.0%	--	--	--	-0.4%	Oct-21
Boyd Watterson State Government Fund, LP	\$1,364,592	5.2%	0.1%	-6.2%	-1.0%	--	--	--	-0.4%	Oct-21
NCREIF ODCE Equal Weighted Net			0.8%	-2.4%	-3.1%	--	--	--	-0.7%	Oct-21
Total Cash Equivalents	\$2,765,263	10.5%								
Operating Account	\$2,298,123	8.7%								
ARA Core Property Fund, LP - Cash	\$439,600	1.7%								
Cash in Transit - ARA Distribution Proceeds	\$9,121	0.0%								
Cash in Transit - Boyd Watterson State	\$18,419	0.1%								

Note: Warehouse Employees Local No. 730 Welfare Fund Operating Account is invested in the Federated Hermes Govt Oblig Prem SHS and yield as of December 31, 2024 is 4.39%.

Account Information	
Account Name	Wedge Capital Management
Account Structure	Separate Account
Investment Style	Active
Inception Date	12/31/14
Account Type	Investment Grade Fixed Income
Benchmark	Bloomberg US Govt/Credit Int TR
Universe	



Wedge Capital Management		
Ending December 31, 2024		
	Fourth Quarter	Inception 12/31/14
Beginning Market Value	\$9,883,116	\$0
Net Cash Flow	\$0	\$8,609,590
Net Investment Change	-\$159,099	\$1,114,427
Ending Market Value	\$9,724,017	\$9,724,017

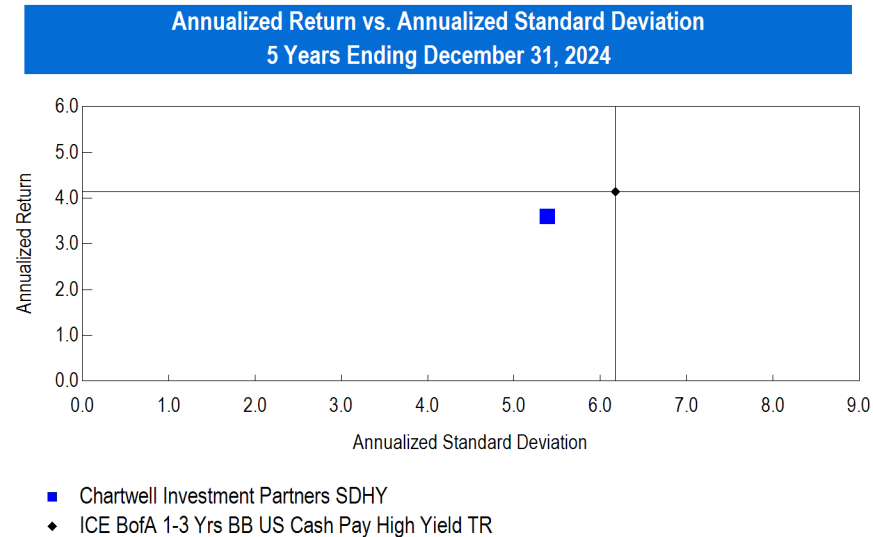
3 Years Ending December 31, 2024				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	0.2%	5.4%	100.8%	93.4%
Bloomberg US Govt/Credit Int TR	-0.2%	5.6%	100.0%	100.0%

5 Years Ending December 31, 2024				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	1.3%	4.6%	106.3%	92.4%
Bloomberg US Govt/Credit Int TR	0.9%	4.7%	100.0%	100.0%

Gross of Fees											
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
Wedge Capital Management	-1.6%	3.2%	0.2%	1.3%	3.2%	5.6%	-7.8%	-1.1%	7.6%	2.1%	Dec-14
Bloomberg US Govt/Credit Int TR	-1.6%	3.0%	-0.2%	0.9%	3.0%	5.2%	-8.2%	-1.4%	6.4%	1.7%	Dec-14

Net of Fees											
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
Wedge Capital Management	-1.7%	3.0%	-0.1%	1.1%	3.0%	5.4%	-8.1%	-1.4%	7.3%	1.9%	Dec-14
Bloomberg US Govt/Credit Int TR	-1.6%	3.0%	-0.2%	0.9%	3.0%	5.2%	-8.2%	-1.4%	6.4%	1.7%	Dec-14

Account Information	
Account Name	Chartwell Investment Partners SDHY
Account Structure	Separate Account
Investment Style	Active
Inception Date	8/31/13
Account Type	Short Duration High Yield Fixed Income
Benchmark	ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR
Universe	



Chartwell Investment Partners SDHY		
Ending December 31, 2024		
	Fourth Quarter	Inception 8/31/13
Beginning Market Value	\$11,134,331	\$0
Net Cash Flow	\$0	\$9,074,500
Net Investment Change	\$32,959	\$2,092,790
Ending Market Value	\$11,167,290	\$11,167,290

3 Years Ending December 31, 2024				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners SDHY	3.5%	4.3%	88.0%	93.4%
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR	4.0%	4.4%	100.0%	100.0%

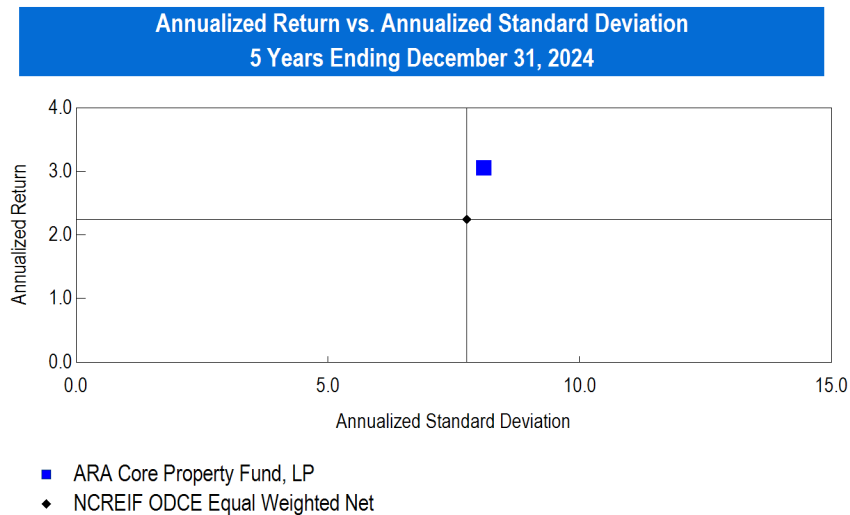
5 Years Ending December 31, 2024				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners SDHY	3.6%	5.4%	84.3%	86.2%
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR	4.1%	6.2%	100.0%	100.0%

	Gross of Fees										
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
Chartwell Investment Partners SDHY	0.3%	5.7%	3.5%	3.6%	5.7%	8.0%	-3.0%	2.6%	5.1%	3.6%	Aug-13
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR	0.8%	6.7%	4.0%	4.1%	6.7%	8.8%	-3.1%	3.2%	5.4%	4.3%	Aug-13
Bloomberg US Govt/Credit TR	-3.1%	1.2%	-2.6%	-0.2%	1.2%	5.7%	-13.6%	-1.8%	8.9%	1.9%	Aug-13

	Net of Fees										
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
Chartwell Investment Partners SDHY	0.2%	5.2%	2.9%	3.1%	5.2%	7.5%	-3.5%	2.1%	4.5%	3.1%	Aug-13
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR	0.8%	6.7%	4.0%	4.1%	6.7%	8.8%	-3.1%	3.2%	5.4%	4.3%	Aug-13
Bloomberg US Govt/Credit TR	-3.1%	1.2%	-2.6%	-0.2%	1.2%	5.7%	-13.6%	-1.8%	8.9%	1.9%	Aug-13

Account Information	
Account Name	ARA Core Property Fund, LP
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	7/01/08
Account Type	Real Estate - Core
Benchmark	NCREIF ODCE Equal Weighted Net
Universe	

Income is distributed.



ARA Core Property Fund, LP		
Ending December 31, 2024		
	Fourth Quarter	Inception 7/1/08
Beginning Market Value	\$1,262,717	\$2,000,000
Net Cash Flow	-\$9,121	-\$678,496
Net Investment Change	\$8,745	-\$59,164
Ending Market Value	\$1,262,340	\$1,262,340

3 Years Ending December 31, 2024				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
ARA Core Property Fund, LP	-2.1%	8.3%	116.8%	95.8%
NCREIF ODCE Equal Weighted Net	-3.1%	7.7%	100.0%	100.0%

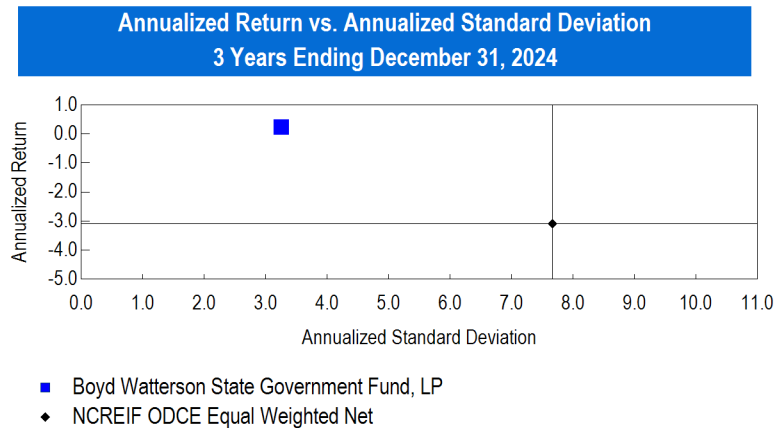
5 Years Ending December 31, 2024				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
ARA Core Property Fund, LP	3.1%	8.1%	109.0%	95.2%
NCREIF ODCE Equal Weighted Net	2.2%	7.8%	100.0%	100.0%

Gross of Fees											
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
ARA Core Property Fund, LP	1.0%	-1.2%	-2.1%	3.1%	-1.2%	-13.1%	9.3%	21.9%	1.6%	4.5%	Jul-08
NCREIF ODCE Equal Weighted Net	0.8%	-2.4%	-3.1%	2.2%	-2.4%	-13.3%	7.6%	21.9%	0.8%	3.7%	Jul-08

Net of Fees											
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
ARA Core Property Fund, LP	0.7%	-2.3%	-3.1%	1.9%	-2.3%	-14.0%	8.1%	20.5%	0.5%	3.4%	Jul-08
NCREIF ODCE Equal Weighted Net	0.8%	-2.4%	-3.1%	2.2%	-2.4%	-13.3%	7.6%	21.9%	0.8%	3.7%	Jul-08

Account Information	
Account Name	Boyd Watterson State Government Fund, LP
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	10/01/21
Account Type	Real Estate - Value Add
Benchmark	NCREIF ODCE Equal Weighted Net
Universe	

Income is distributed.



Boyd Watterson State Government Fund, LP Ending December 31, 2024		
	Fourth Quarter	Inception 10/1/21
Beginning Market Value	\$1,381,118	\$0
Net Cash Flow	-\$18,419	\$1,465,556
Net Investment Change	\$1,893	-\$100,964
Ending Market Value	\$1,364,592	\$1,364,592

3 Years Ending December 31, 2024				
	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Boyd Watterson State Government Fund, LP	0.2%	3.3%	43.4%	25.5%
NCREIF ODCE Equal Weighted Net	-3.1%	7.7%	100.0%	100.0%

Gross of Fees											
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
Boyd Watterson State Government Fund, LP	0.4%	-5.0%	0.2%	--	-5.0%	-1.2%	7.3%	--	--	0.8%	Oct-21
NCREIF ODCE Equal Weighted Net	0.8%	-2.4%	-3.1%	--	-2.4%	-13.3%	7.6%	--	--	-0.7%	Oct-21

Net of Fees											
	2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	2024	2023	2022	2021	2020	Inception	Inception Date
Boyd Watterson State Government Fund, LP	0.1%	-6.2%	-1.0%	--	-6.2%	-2.5%	6.0%	--	--	-0.4%	Oct-21
NCREIF ODCE Equal Weighted Net	0.8%	-2.4%	-3.1%	--	-2.4%	-13.3%	7.6%	--	--	-0.7%	Oct-21

Investment Policy Statement

- The current investment policy statement was adopted and signed on June 8, 2018.

Custody Bank

- The current custodian is PNC Bank.
- Separate account market values and flows are derived from the custodian statement.

Commingled Funds

- Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy.
- Commingled Fund market values and flows are derived from managers' statement.



Warehouse Employees Local No. 730 Welfare Fund

Appendix

Warehouse Employees Local No. 730 Welfare Fund

Master Consulting Services Report as of December 31, 2024

Performance Detail (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2024						Inception	Inception Date
			2024 Q4	Fiscal YTD	3 Yrs	5 Yrs	7 Yrs	10 Yrs		
Total Fund	\$26,283,503	100.0%	-0.3%	3.6%	1.5%	2.2%	2.8%	2.8%	4.0%	Jan-98
Total Investment Grade Fixed Income	\$9,724,017	37.0%	-1.6%	3.2%	0.2%	1.3%	2.1%	2.1%	3.8%	Jan-98
Wedge Capital Management	\$9,724,017	37.0%	-1.6%	3.2%	0.2%	1.3%	2.1%	2.1%	2.1%	Dec-14
Bloomberg US Govt/Credit Int TR			-1.6%	3.0%	-0.2%	0.9%	1.7%	1.7%	1.7%	Dec-14
Total Short Duration High Yield Fixed Income	\$11,167,290	42.5%	0.3%	5.7%	3.5%	3.6%	3.9%	3.7%	3.6%	Aug-13
Chartwell Investment Partners SDHY	\$11,167,290	42.5%	0.3%	5.7%	3.5%	3.6%	3.9%	3.7%	3.6%	Aug-13
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR			0.8%	6.7%	4.0%	4.1%	4.4%	4.4%	4.3%	Aug-13
Bloomberg US Govt/Credit TR			-3.1%	1.2%	-2.6%	-0.2%	1.1%	1.5%	1.9%	Aug-13
Total Real Estate - Core	\$1,262,340	4.8%	1.0%	-1.2%	-2.1%	3.1%	4.3%	6.0%	4.5%	Jul-08
ARA Core Property Fund, LP	\$1,262,340	4.8%	1.0%	-1.2%	-2.1%	3.1%	4.3%	6.0%	4.5%	Jul-08
NCREIF ODCE Equal Weighted Net			0.8%	-2.4%	-3.1%	2.2%	3.4%	5.3%	3.7%	Jul-08
Total Real Estate - Value Add	\$1,364,592	5.2%	0.4%	-5.0%	0.2%	--	--	--	0.8%	Oct-21
Boyd Watterson State Government Fund, LP	\$1,364,592	5.2%	0.4%	-5.0%	0.2%	--	--	--	0.8%	Oct-21
NCREIF ODCE Equal Weighted Net			0.8%	-2.4%	-3.1%	--	--	--	-0.7%	Oct-21
Total Cash Equivalents	\$2,765,263	10.5%								
Operating Account	\$2,298,123	8.7%								
ARA Core Property Fund, LP - Cash	\$439,600	1.7%								
Cash in Transit - ARA Distribution Proceeds	\$9,121	0.0%								
Cash in Transit - Boyd Watterson State	\$18,419	0.1%								

Note: Warehouse Employees Local No. 730 Welfare Fund Operating Account is invested in the Federated Hermes Govt Oblig Prem SHS and yield as of December 31, 2024 is 4.39%.

Warehouse Employees Local No. 730 Welfare Fund

Master Consulting Services Report as of December 31, 2024

Account	Fee Schedule	Market Value As of 12/31/2024	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Total Investment Grade Fixed Income	-	\$9,724,017	37.0%	--	--
Wedge Capital Management	0.25% of Assets	\$9,724,017	37.0%	\$24,310	0.25%
Total Short Duration High Yield Fixed Income	-	\$11,167,290	42.5%	--	--
*Chartwell Investment Partners SDHY	0.50% of First 20.0 Mil, 0.40% of Next 30.0 Mil, 0.30% Thereafter	\$11,167,290	42.5%	\$55,836	0.50%
Total Real Estate - Core	-	\$1,262,340	4.8%	--	--
ARA Core Property Fund, LP	1.10% of Assets	\$1,262,340	4.8%	\$13,886	1.10%
Total Real Estate - Value Add	-	\$1,364,592	5.2%	--	--
Boyd Watterson State Government Fund, LP	1.25% of Assets	\$1,364,592	5.2%	\$17,057	1.25%
Total Cash Equivalents	-	\$2,765,263	10.5%	--	--
Operating Account	-	\$2,298,123	8.7%	--	--
ARA Core Property Fund, LP - Cash	-	\$439,600	1.7%	--	--
Cash in Transit - ARA Distribution Proceeds	-	\$9,121	0.0%	--	--
Cash in Transit - Boyd Watterson State	-	\$18,419	0.1%	--	--
Investment Management Fee		\$26,283,503	100.0%	\$111,090	0.42%

Note: The above fee schedules may not include incentive fees, operating expenses, custodian fees, or other administrative costs.

*Fee schedule represents the effective rate from the aggregation of assets of related Funds.

Warehouse Employees Local No. 730 Welfare Fund
Master Consulting Services Report as of December 31, 2024

Benchmark History

Total Fund

4/1/2024	Present	Bloomberg US Govt/Credit Int TR 37.5% / ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR 42.5% / NCREIF ODCE Equal Weighted Net 15% / 91 Day T-Bills 5%
10/1/2017	2/29/2024	Bloomberg US Govt/Credit Int TR 50% / ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR 40% / NCREIF ODCE Equal Weighted Net 5% / 91 Day T-Bills 5%
4/1/2016	9/30/2017	Bloomberg US Govt/Credit Int TR 45% / ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR 40% / NCREIF ODCE Equal Weighted Net 5% / 91 Day T-Bills 10%
9/1/2013	3/31/2016	S&P 500 10% / Bloomberg US Govt/Credit Int TR 55% / FTSE BB/B Ex Split B/CCC Index 10% / ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR 20% / NCREIF ODCE Equal Weighted Net 5%
7/1/2010	8/31/2013	S&P 500 10% / Bloomberg US Govt/Credit Int TR 75% / NCREIF ODCE Equal Weighted Net 5% / FTSE BB/B Ex Split B/CCC Index 10%
7/1/2008	6/30/2010	S&P 500 15% / Bloomberg US Govt/Credit Int TR 75% / NCREIF ODCE Equal Weighted Net 10%
7/1/2006	6/30/2008	S&P 500 25% / Bloomberg US Govt/Credit Int TR 75%
7/1/2004	6/30/2006	S&P 500 25% / FTSE Treasury 1-3 Yrs TR 37.5% / Bloomberg US Govt/Credit Int TR 37.5%
1/1/2004	6/30/2004	S&P 500 20% / FTSE Treasury 1-3 Yrs TR 40% / Bloomberg US Govt/Credit Int TR 40%
4/1/2001	12/31/2003	S&P 500 10% / FTSE Treasury 1-3 Yrs TR 45% / Bloomberg US Govt/Credit Int TR 45%
1/1/1998	3/31/2001	S&P 500 10% / FTSE Treasury 1-3 Yrs TR 90%

Index Disclosures

- Bloomberg US Govt/Credit TR - Index is listed for illustrative purposes.
- Total Fund Benchmark History - During 4Q 2018, the real estate benchmark changed from the NCREIF ODCE Equal Weighted Index to the NCREIF ODCE Equal Weighted Net Index for all historical time periods since inception.
- Total Fund Benchmark - The Total Fund Benchmark is comprised of the respective market indices for each asset class weighted at the percentage the asset class represents in the Policy. It is important to acknowledge that not all asset classes have a corresponding market index due to the specialized nature of the asset class (i.e. private equity, private debt, infrastructure, hedge funds) and/or the specialized nature of the investment (opportunistic investments, global tactical asset allocation, absolute return strategies). In such cases, a traditional asset class index may be used as a proxy in the Total Fund Benchmark. The Total Fund Benchmark illustrates how an indexed portfolio with a similar allocation to that of the Policy would have performed during a specific period. The Total Fund Benchmark does not account for ongoing changes in the allocation percentages of the Total Fund resulting from market gains/losses, cash flows, and rebalancing during the same period. While a useful tool in examining performance, due to the static nature of the allocation percentages in the Total Fund Benchmark, the fact that not all asset classes have a representative index, and considering that some indices in the Total Fund Benchmark are not investable, the Total Fund Benchmark should not be used as the primary measure of a Total Fund's success or failure.
- The NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE) is a non-investable, time-weighted index comprised of the time weighted returns of approximately 30 open-end commingled funds pursuing a core private real estate investment strategy. The constituent funds qualify for inclusion in the NFI-ODCE based on specific criteria regarding their percentage of net assets invested in private equity real estate, geography, property type, life cycle, diversification and use of leverage. Constituent funds must also comply with the NCREIF PREA Reporting Standards, including annual audits, quarterly valuations and time-weighted returns. The NFI-ODCE returns are mainly driven by the underlying property investments in the constituent funds but can also be impacted by each funds use of leverage, cash balances, fund costs, etc. Returns shown are for the NFI-ODCE Equal Weight Index (fund constituents are equally-weighted), net of fees.

Footnotes

- The following composite returns prior to 1Q 2010 do not include cash in the calculation of returns.
 - Total Domestic Equity
 - Total Domestic Fixed Investment Grade
 - Total Real Estate
- The net of fees returns in this report are estimated. Fees do not include: The investment consulting fee paid to IPS, custodian fees, or other administrative costs.
- Net of fee calculations began 1Q 2008 and cannot be calculated for prior time periods.
- Values, flows and returns for all commingled funds, mutual funds, partnerships, and all other alternative assets are provided by the firm managing the assets and cannot be independently verified by IPS.
- Separately managed account returns are calculated by IPS using custodian data.
- ARA Core Property Fund, LP - Cash holds cash distributions and partial redemptions from the manager.
- Operating Account is utilized by the Fund for cash needs and is included in the investment program.
- In January 2025, \$500K was transferred from cash equivalents (\$437K from ARA Core Property Fund, LP - Cash and \$63K from Operating Account) to real estate - core (ARA Core Property Fund, LP) for a capital call.



ASSET ALLOCATION REVIEW

Warehouse Employees Local No. 730 Welfare Fund

Asset Allocation Overview



- The asset allocation review is provided to assist the Trustees in identifying portfolios that meet the investment objectives, risk tolerance, and liquidity requirements of the Fund.
- The IPS Investment Committee develops and utilizes capital market assumptions for various asset classes to help determine the optimal mix of assets for an investment portfolio. These assumptions are forward-looking projections of an asset class' expected return and risk as measured by standard deviation or volatility of returns.
- All return assumptions are “net of fee” market or index returns and do not include alpha or excess return expected to be generated through active management. Return assumptions are the average expected return over the next 10 – 20 years and not the expected return in any given year.
- IPS capital market assumptions are compared with various assumptions from other providers and published resources for reasonableness. The IPS Investment Committee reviews the assumptions on a semiannual basis but may adjust at anytime, as needed, based on severe market dislocations, sudden changes in interest rates, or extreme events that impact global markets, economic development, and the business cycle.
- IPS capital market assumptions are not a guarantee of future performance. Actual results may differ from the projections included in this review.
- The asset allocation modeling requires the mathematical construction of an efficient frontier of various portfolios with distinct asset allocations and risk and return characteristics. The modeling process also requires the imposition of constraints, so that the efficient frontier represents a prudently diversified portfolio with adequate consideration of the liquidity needs and investment time horizon. Unconstrained optimization frequently generates allocations that have superior risk/reward characteristics, but the resulting allocations may not be adequately diversified and/or may have inappropriate allocations to illiquid investments.
- The cashflows and liquidity constraints of the fund for which this asset allocation review is being presented were considered when developing the portfolios presented for consideration.
- IPS utilizes the Wilshire Compass system for asset allocation modeling and all returns are based on geometric calculation.

Annualized Expected Returns over 10-20 years

Equity Asset Class	Return	Risk
U.S. Large Cap	6.75%	15.50
U.S. Mid Cap	7.00%	18.00
U.S. Smid Cap	7.00%	19.50
U.S. Small Cap	7.00%	21.00
International Large Cap	7.00%	17.00
International Small Cap	7.75%	19.50
Emerging Markets	8.00%	21.00
Global Equity	7.00%	16.75

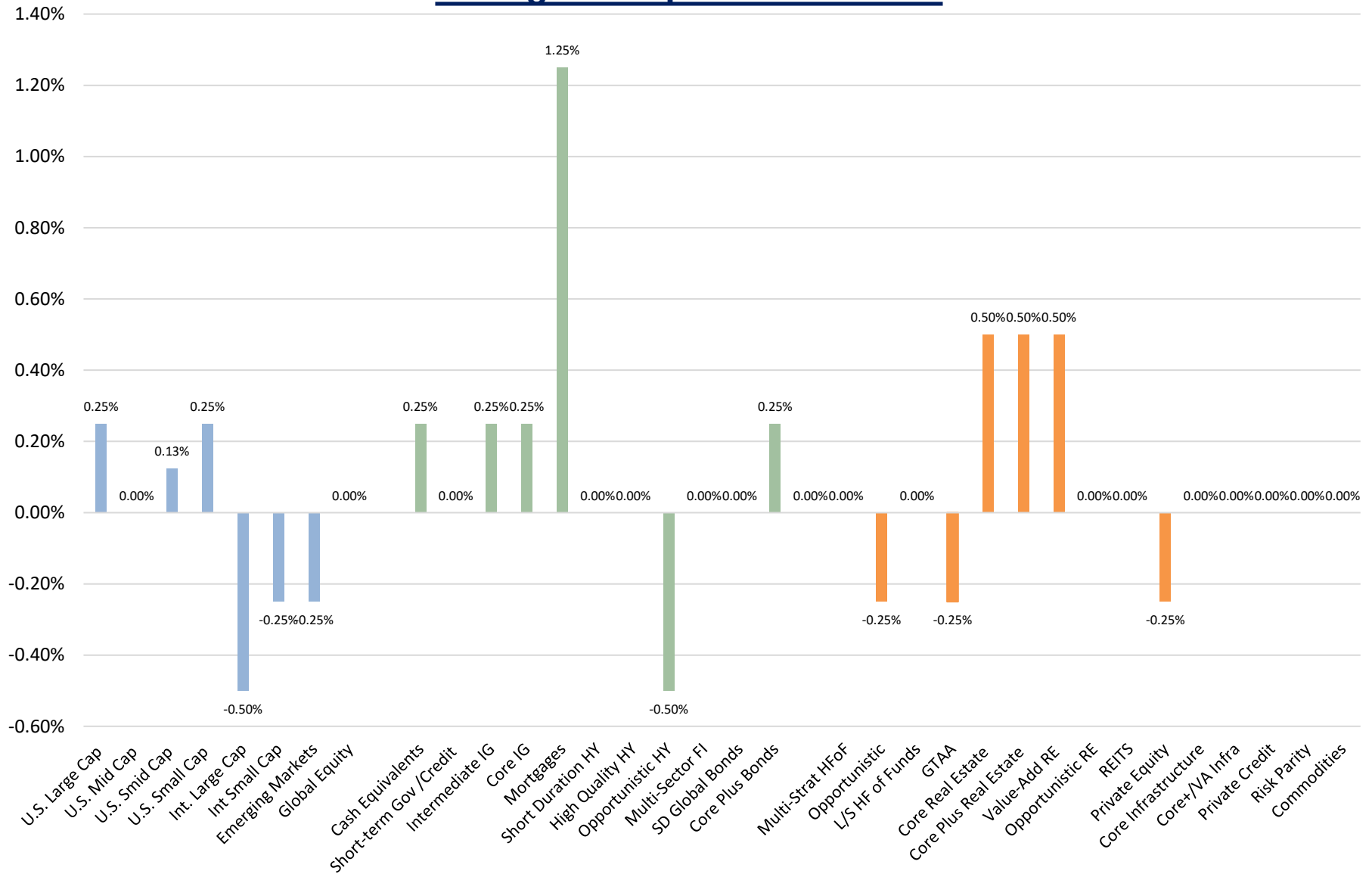
Fixed Income Asset Class	Return	Risk
Cash Equivalents	3.25%	1.00
Short-term Gov /Credit	3.75%	2.25
Intermediate Investment Grade	4.50%	3.75
Core Investment Grade	4.75%	5.00
Mortgages	6.00%	6.50
Short Duration High Yield	6.00%	6.00
High Quality High Yield	6.50%	7.00
Opportunistic High Yield	7.25%	9.00
Multi-Sector Fixed Income	3.50%	6.25
Short Duration Global Bonds	2.50%	5.00
Core Plus Bonds	5.00%	5.75

Alternatives Asset Class	Return	Risk
Multi-Strategy Hedge Fund of Funds	5.00%	6.00
Opportunistic Strategies	7.25%	15.00
L/S Hedge Fund of Funds	5.00%	9.00
Global Tactical Asset Allocation	6.25%	12.50
Core Real Estate	6.50%	10.50
Core Plus Real Estate	7.00%	12.50
Value-Add Real Estate	7.50%	14.00
Opportunistic Real Estate	9.00%	17.00
REITS	6.00%	20.00
Diversified Private Equity	9.50%	21.00
Core Infrastructure	6.25%	11.75
Core+/Value Add Infrastructure	8.25%	15.75
Private Credit	9.00%	13.50
Risk Parity	5.50%	16.00
Commodities	3.75%	17.00



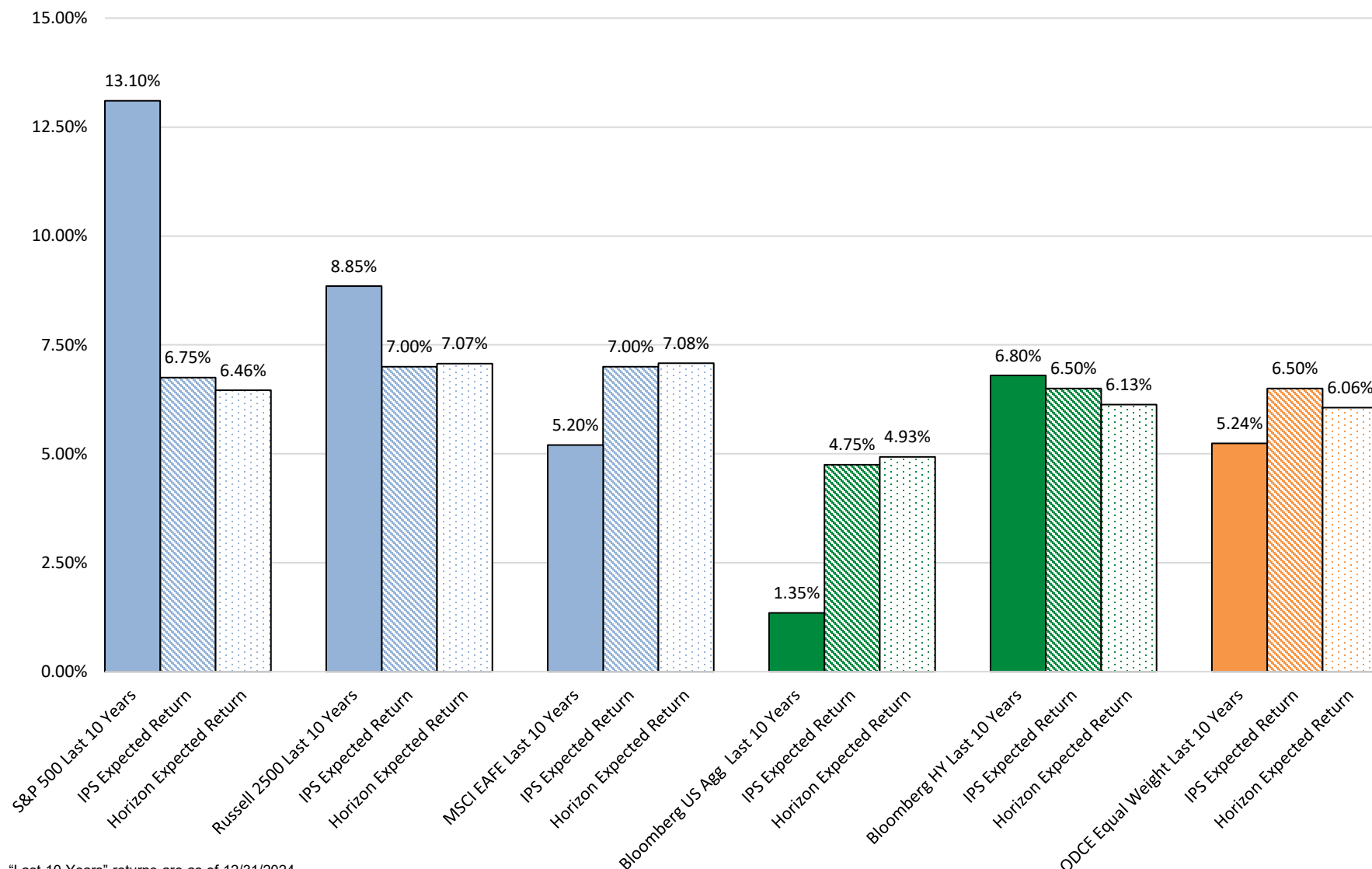
- IPS Investment Committee January 2025.
- Inflation expectation 2.5%.

Change in Expected Returns¹



¹ January 2025 vs. January 2024

Historical Returns vs. Forward Looking Assumptions



- "Last 10 Years" returns are as of 12/31/2024.

- "Horizon Expected Returns" are sourced from the Survey of Capital Market Assumptions (20-year horizon) published by Horizon Actuarial Services, LLC published in the August 2024 edition.

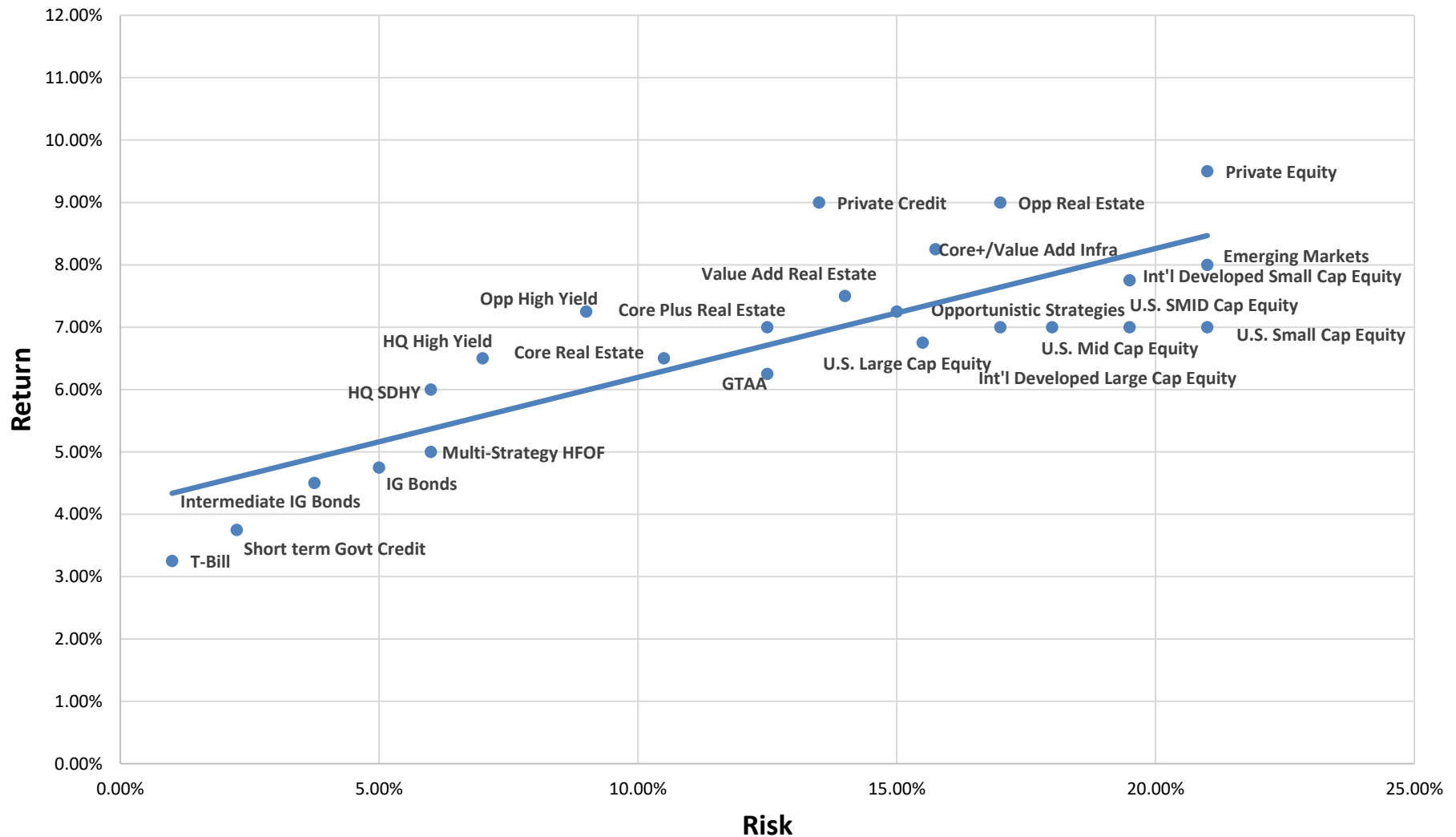
Asset Class Constraints

Total Domestic Equity	20%	Max
Cash	5%	Max
Fixed Investment Grade (Includes Short Term & Intermediate)	20%	Min
High Quality High Yield Bonds (Includes Short Duration)	30%	Max
Real Estate – Core	10%	Max
Real Estate – Core Plus	5%	Max
Real Estate – Value Add	5%	Max
Total Real Estate	15%	Max
Total Infrastructure	5%	Max
Total Alternatives (Includes Real Estate & Infrastructure)	20%	Max

The Asset Allocation modeling requires the mathematical construction of an efficient frontier of various portfolios with distinct asset allocations and risk and return characteristics. The modeling process also requires the imposition of constraints, so that the efficient frontier represents a prudently diversified portfolio with adequate consideration of the liquidity needs and investment time horizon. Unconstrained optimization frequently generates allocations that have superior risk/reward characteristics, but the resulting allocations may not be adequately diversified and/or may have high allocations to illiquid investments.

The constraints shown are used for modeling purposes only. They should not be construed as suggested or recommended allocations, or limits on allocations, to any asset class or investment strategy. Each client fund has different facts, circumstances, time horizon, risk tolerance levels, return objectives, investment preferences, cash flows, and liquidity requirements. As such, each client's investment policy may differ materially from the constraints shown above.

2025 Capital Market Assumptions



Asset Class Correlations



Assumption table:	US Large Cap Equity	US Mid Cap Equity	US Smid Cap Equity	US Small Cap Equity	Int'l Large Cap Equity	Int'l Small Cap Equity	Emerging Markets Equity	Cash	Short Term Govt / Credit	Interm. Invest. Grade	Core Invest. Grade	Mortgages	Short Duration High Yield	High Yield	Opp High Yield	Real Estate Core	Real Estate Core Plus	Real Estate Value Add	Private Equity	HFoF Multi-Strategy	Private Credit	Opp. Strategies	GTAA	Infrastructure
US Large Cap Equity	1.00																							
US Mid Cap Equity	0.96	1.00																						
US Smid Cap Equity	0.93	0.98	1.00																					
US Small Cap Equity	0.90	0.95	0.99	1.00																				
Int'l Equity	0.87	0.86	0.82	0.78	1.00																			
Int'l Small Cap Equity	0.84	0.87	0.83	0.79	0.95	1.00																		
Emerging Markets Equity	0.74	0.76	0.72	0.69	0.86	0.85	1.00																	
Cash	-0.06	-0.09	-0.09	-0.09	0.00	-0.08	0.01	1.00																
Short Term Govt / Credit	0.15	0.10	0.07	0.05	0.13	0.13	0.17	0.33	1.00															
Int. Investment Grade	0.30	0.25	0.20	0.17	0.22	0.23	0.25	0.11	0.87	1.00														
Core Investment Grade	0.35	0.30	0.25	0.20	0.30	0.22	0.24	0.08	0.81	0.98	1.00													
Mortgages	0.16	0.14	0.11	0.09	0.18	0.20	0.18	0.12	0.25	0.50	0.60	1.00												
Short Duration High Yield	0.65	0.72	0.67	0.62	0.66	0.71	0.65	-0.09	0.30	0.40	0.37	0.22	1.00											
High Yield	0.73	0.79	0.75	0.70	0.74	0.76	0.70	-0.09	0.25	0.40	0.42	0.26	0.93	1.00										
Opp. High Yield	0.70	0.77	0.73	0.69	0.70	0.73	0.67	-0.10	0.10	0.20	0.25	0.07	0.90	0.95	1.00									
Real Estate Core	0.28	0.20	0.20	0.30	0.20	0.12	0.16	-0.09	-0.37	-0.33	-0.28	0.40	0.28	0.20	0.12	1.00								
Real Estate Core Plus	0.28	0.20	0.20	0.30	0.20	0.12	0.16	-0.09	-0.37	-0.33	-0.28	0.40	0.28	0.20	0.12	1.00	1.00							
Real Estate Value Add	0.28	0.20	0.20	0.30	0.20	0.12	0.16	-0.09	-0.37	-0.33	-0.28	0.40	0.28	0.20	0.12	1.00	1.00	1.00						
Private Equity	0.76	0.81	0.86	0.88	0.67	0.69	0.59	-0.11	-0.06	0.03	0.03	0.05	0.53	0.60	0.60	0.25	0.30	0.35	1.00					
HFoF Multi-Strategy	0.73	0.78	0.76	0.71	0.78	0.83	0.76	-0.01	0.01	0.07	0.08	0.01	0.64	0.67	0.71	0.08	0.08	0.08	0.70	1.00				
Private Credit	0.69	0.75	0.71	0.68	0.65	0.64	0.64	-0.04	-0.28	-0.16	-0.17	-0.23	0.71	0.74	0.80	0.28	0.28	0.28	0.65	0.76	1.00			
Opportunistic Strategies	0.79	0.85	0.85	0.82	0.81	0.85	0.76	-0.07	-0.02	0.05	0.05	0.03	0.72	0.76	0.81	-0.02	-0.02	-0.02	0.82	0.91	0.82	1.00		
GTAA	0.94	0.91	0.87	0.83	0.95	0.92	0.83	-0.01	0.23	0.35	0.35	0.30	0.69	0.77	0.70	-0.01	-0.01	-0.01	0.77	0.75	0.62	0.78	1.00	
Infrastructure	0.60	0.55	0.54	0.50	0.62	0.57	0.55	0.00	0.18	0.31	0.32	0.26	0.53	0.59	0.54	0.40	0.40	0.40	0.60	0.63	0.56	0.66	0.68	1.00

A correlation of 1.00 indicates two series move perfectly together while a -1.00 shows they move perfectly opposite one another.

Efficient Frontier Analysis



Efficient Frontier Report

Asset	Portfolio 1	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5	Portfolio 6	Portfolio 7	Portfolio 8	Portfolio 9	Portfolio 10
US Large Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.88	10.42	20.00
US Mid Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
US Smid Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
US Small Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Int'l Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Int'l Small Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emerging Markets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash	5.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00	0.00	0.00
Short Term Govt / Credit	85.06	76.15	60.26	40.17	20.04	0.00	0.00	0.00	0.00	0.00
Int. Investment Grade	0.00	0.00	10.40	25.62	39.93	54.12	52.28	20.14	0.00	0.00
Core Investment Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.98	39.58	30.00
Short Duration High Yield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
High Yield	0.00	6.64	10.58	14.21	20.03	25.88	30.00	30.00	30.00	30.00
Real Estate Core	9.94	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Real Estate Core Plus	0.00	2.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Real Estate Value Add	0.00	0.00	3.76	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Private Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HFoF Multi-Strategy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Opp. Strategies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GTAA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Infrastructure	0.00	0.00	0.00	0.00	0.00	0.00	2.72	5.00	5.00	5.00
Return	4.05	4.34	4.62	4.89	5.17	5.44	5.71	5.96	6.20	6.43
Risk	1.82	1.98	2.28	2.64	3.05	3.51	4.02	4.75	5.66	6.72
Return/Risk	2.22	2.19	2.03	1.86	1.69	1.55	1.42	1.26	1.10	0.96

Compound annual return.

Asset Allocation Policy History

	2018	2019	2020	2021	2022	2023	2024
Intermediate Fixed	50.0%	50.0%	50.0%	40.0%	35.0%	35.0%	37.5%
SD High Yield	40.0%	40.0%	40.0%	45.0%	40.0%	40.0%	42.5%
Core Real Estate	5.0%	5.0%	5.0%	5.0%	10.0%	10.0%	7.5%
Value Add Real Estate	--	--	--	5.0%	10.0%	10.0%	7.5%
Cash	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Expected Return	4.23%	4.18%	3.99%	3.35%	3.83%	5.57%	5.37%
Expected Risk	3.56%	3.67%	3.53%	3.08%	2.96%	3.43%	3.71%

	Increase allocation
	Decrease allocation
	New asset class
	Reclassification

Current Policy Comparison

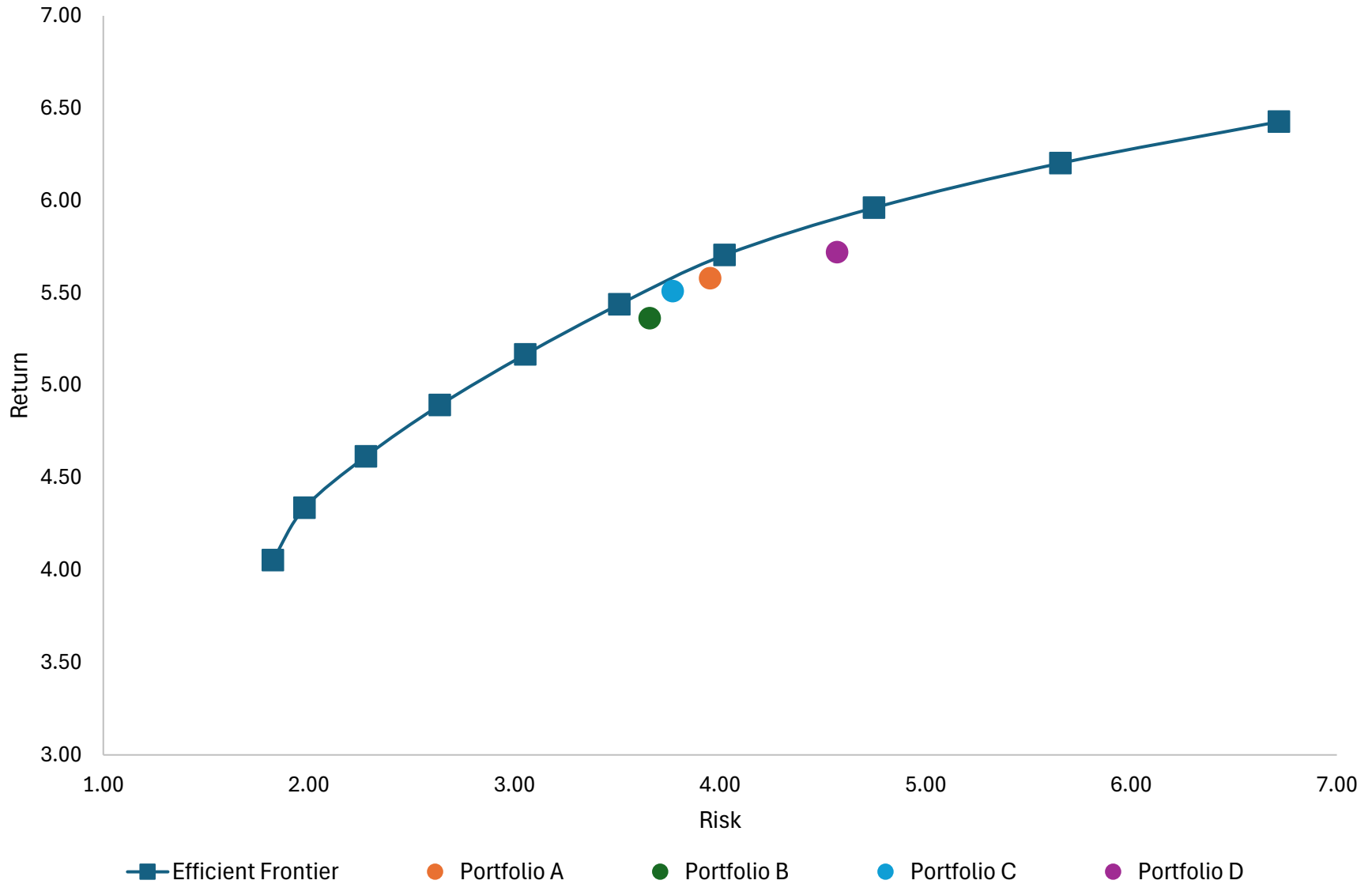


		% Equity Target	% Fixed Income Target		% Alternatives Target		Cash	Expected Return (net of fees)	Risk	Comments
		US LC Equity	Fixed Income Interm	SDHY	Real Estate Core	Real Estate Value Add				
		0% Equity	80% Fixed Income		15% Real Estate					
1	Warehouse Employees Local No. 730 Welfare Fund	0.0	37.5	42.5	7.5	7.5	5.0	5.58%	3.95	Current Policy
2	Portfolio B	0.0	37.0	42.5	4.8	5.2	10.5	5.36%	3.66	Allocation as of December 31, 2024
3	Portfolio C	0% Equity	80% Fixed Income		15% Real Estate		5.0	5.51%	3.77	Increase Investment Grade Fixed Income. Decrease SDHY fixed income.
		0.0	42.5	37.5	7.5	7.5				
4	Portfolio D	10% Equity	70% Fixed Income		15% Real Estate		5.0	5.72%	4.57	Add US Large Cap equity. Decrease SDHY fixed income.
		10.0	37.5	32.5	7.5	7.5				

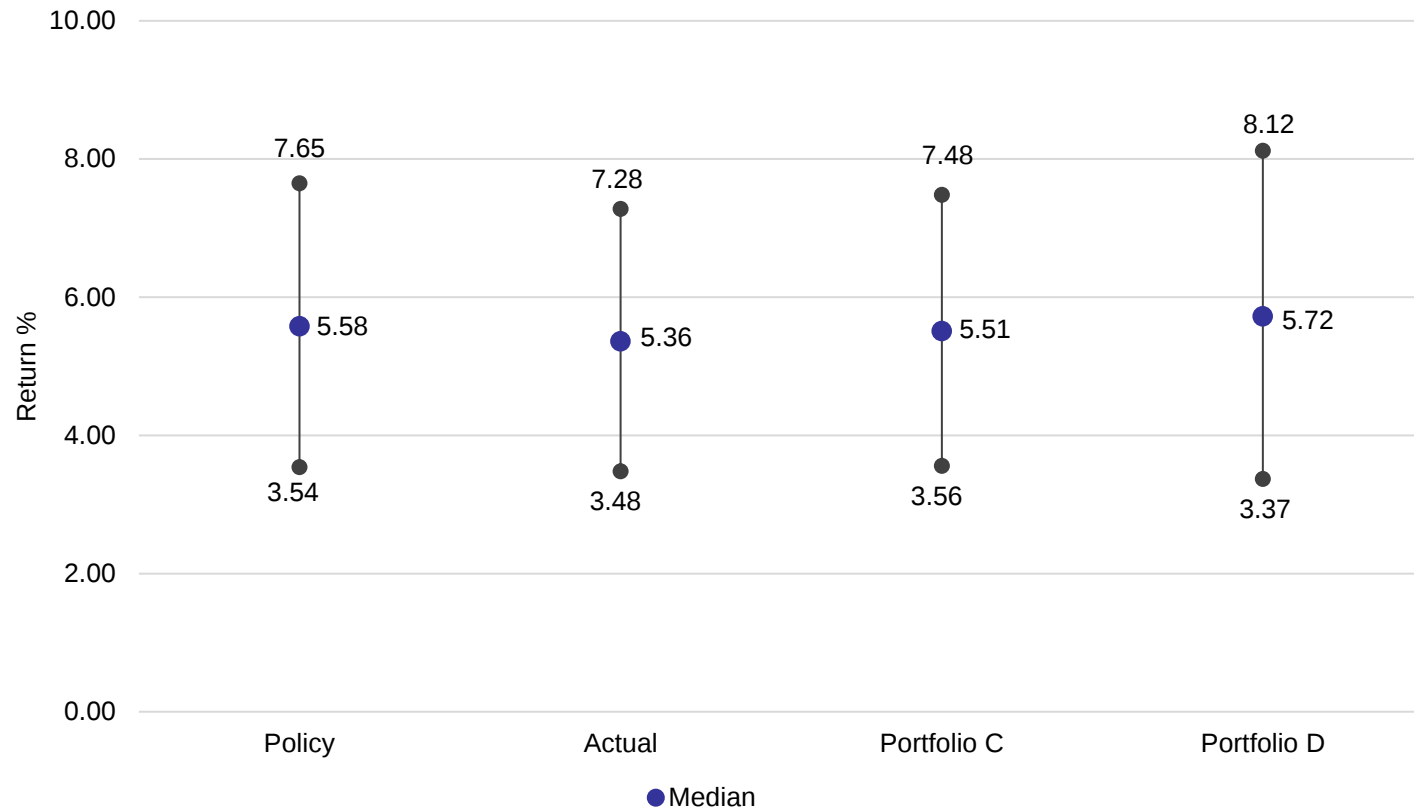
Scenarios are shown for illustrative purposes.

	Increase allocation
	Decrease allocation
	New asset class
	Reclassification

Efficient Frontier Comparison

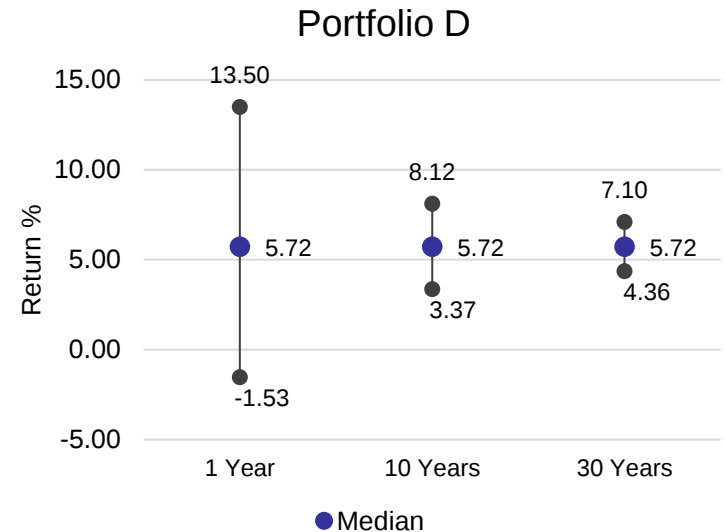
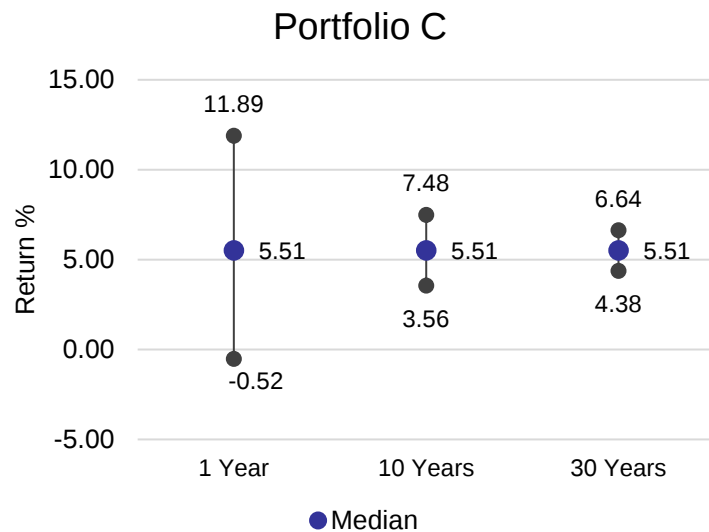
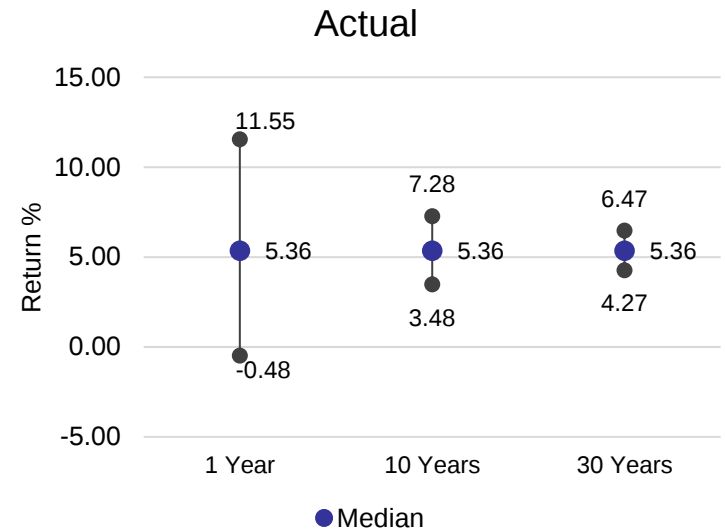
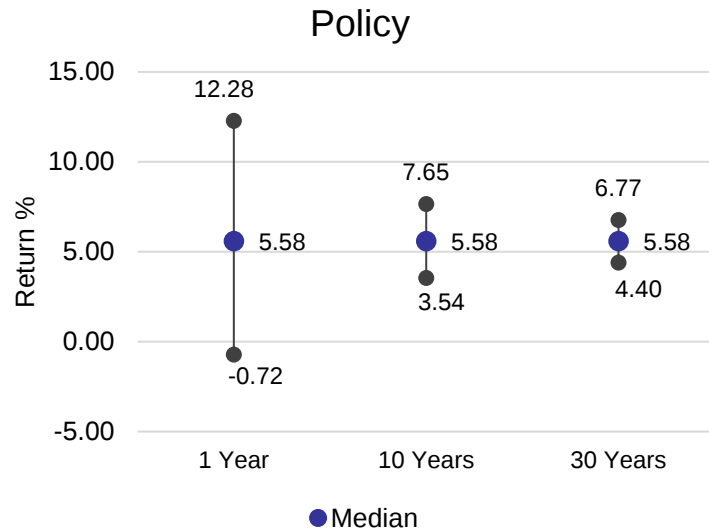


Potential Distribution of Returns – 10 Year Horizon



Potential distribution of returns is based on the Parametric Method. Best and worst outcomes are based on the 5th and 95th percentile, respectively.

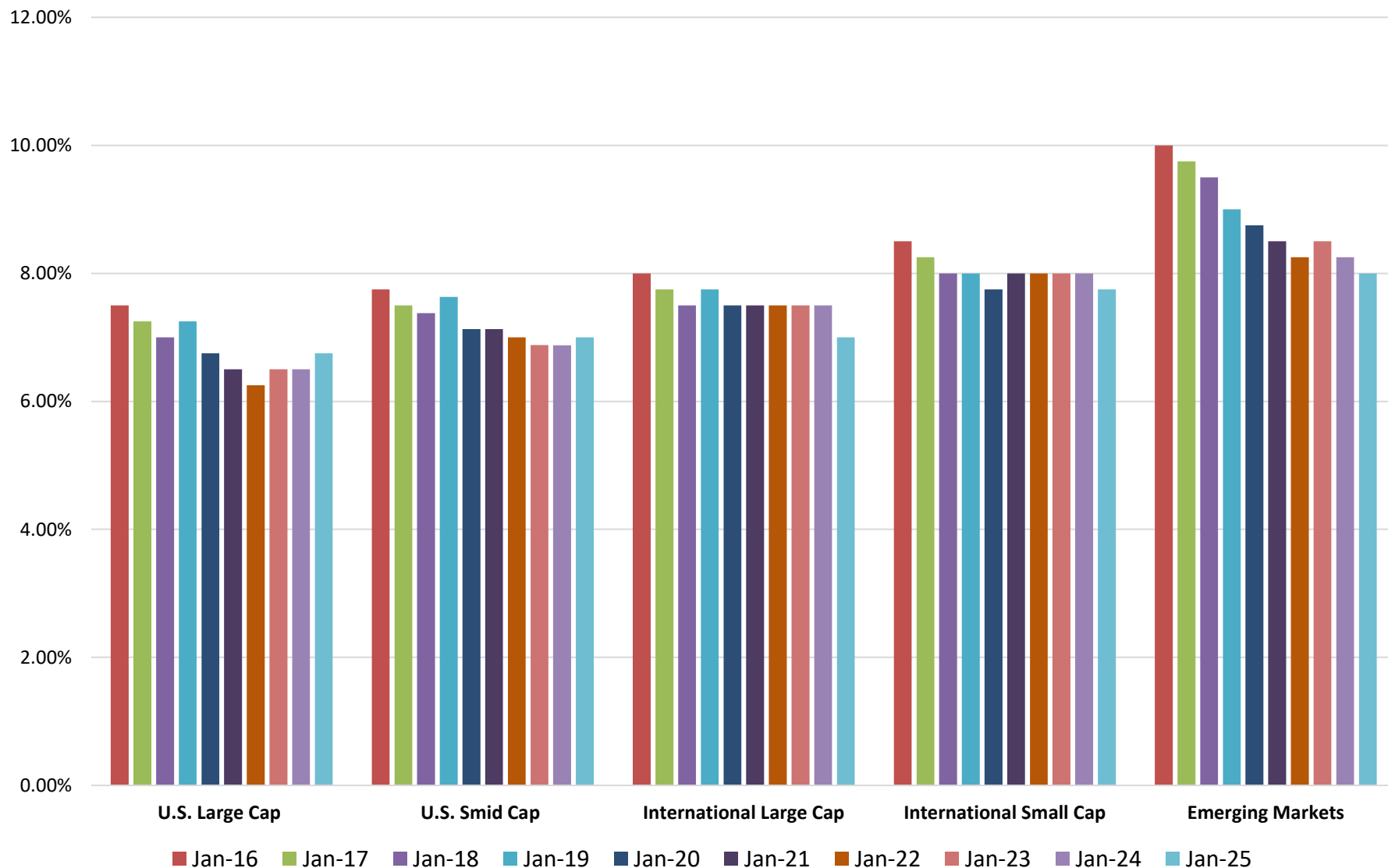
Potential Distribution of Returns



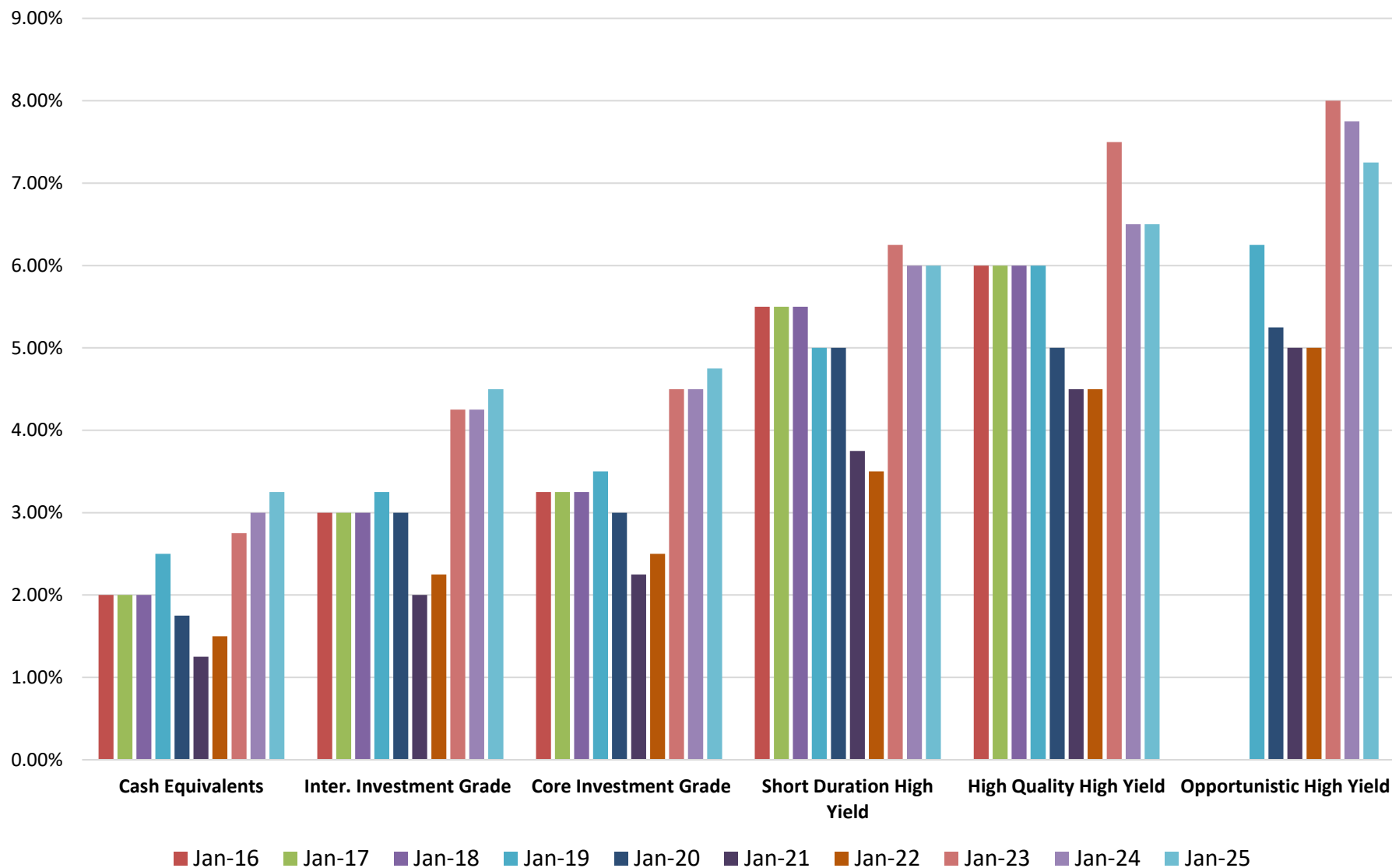
Potential distribution of returns is based on the Parametric Method. Best and worst outcomes are based on the 5th and 95th percentile, respectively.

APPENDIX

Public Equity – IPS Historical Capital Market Assumptions

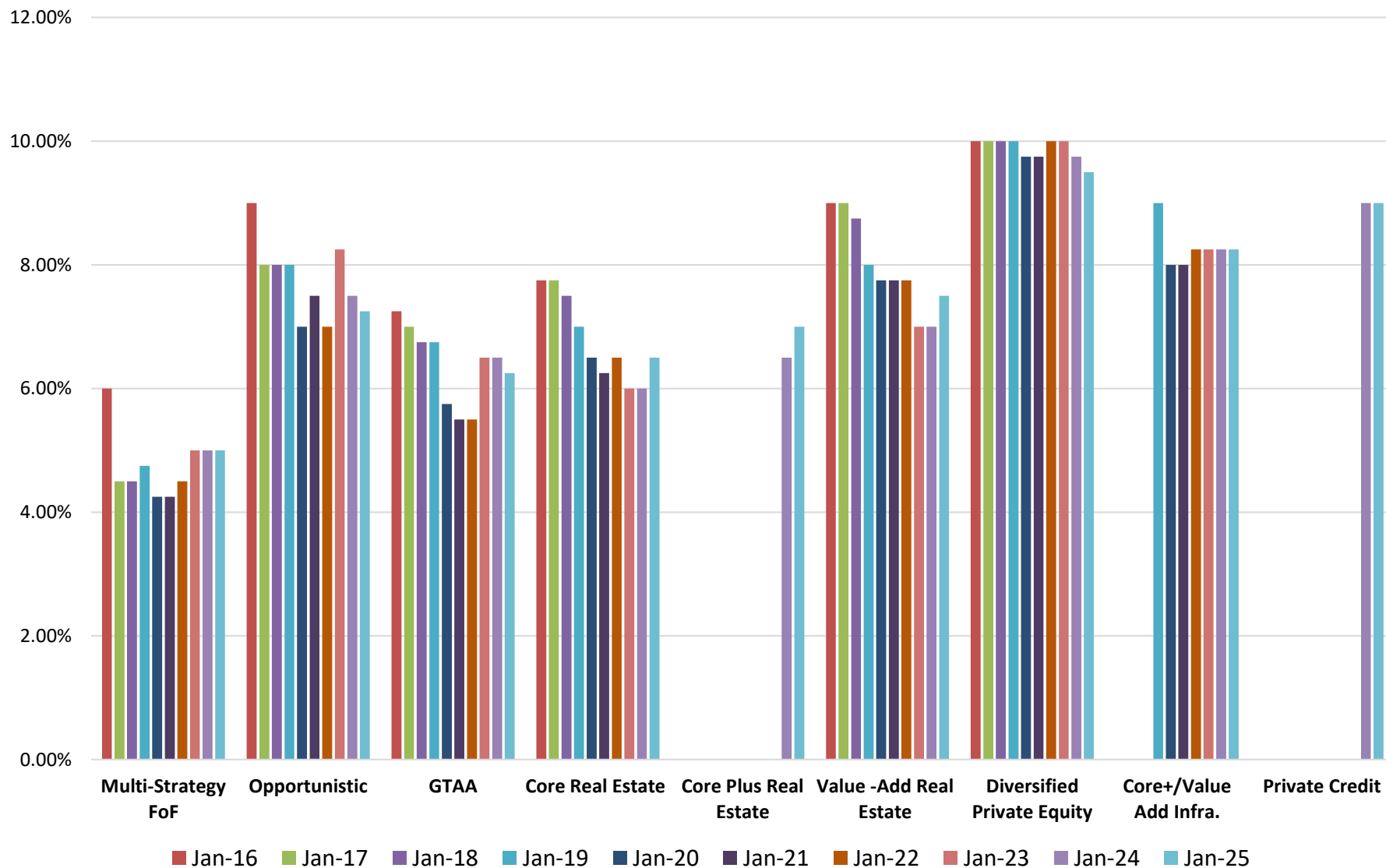


Fixed Income – IPS Historical Capital Market Assumptions



IPS began setting a capital market assumption for Opportunistic High Yield in January 2019.

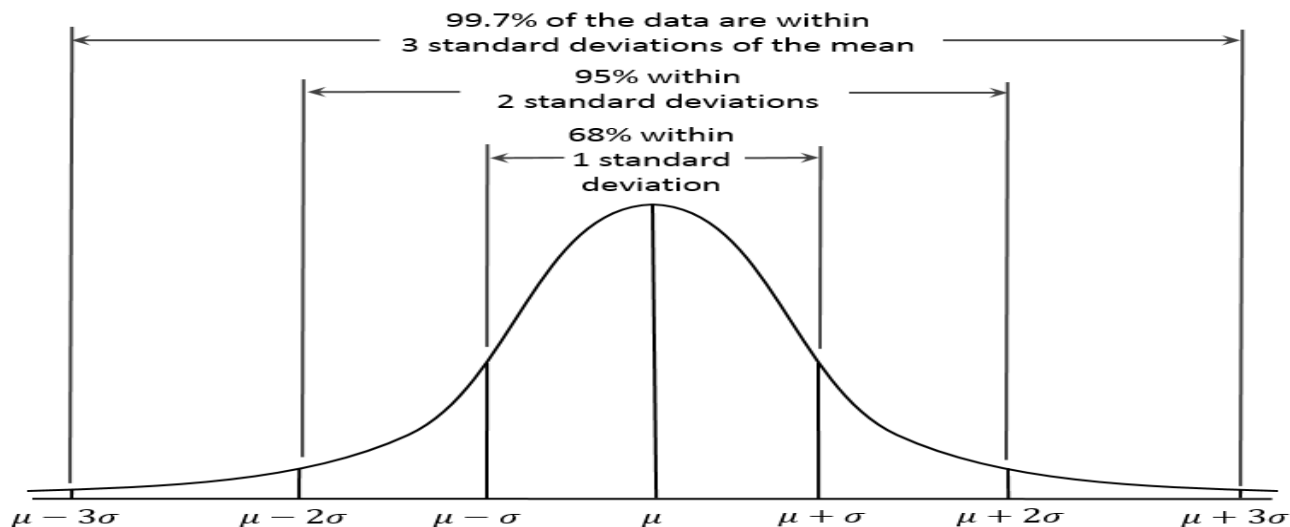
Alternative Investments – IPS Historical Capital Market Assumptions



IPS began setting capital market assumptions for Core+/Value Add Infrastructure in January 2019 and for Core Plus Real Estate and Private Credit in January 2024.

Explanation of Methodology

- The analysis in this presentation utilizes the parametric method, also known as the variance-covariance method
- The parametric method assumes a normal distribution of returns, commonly referred to as a bell-shaped curve.
 - For a normal distribution, 68% of the observations are within +/- one standard deviation, 95% are within +/- two standard deviations, and 99.7% are within +/- three standard deviations
- The chart below shows a normal distribution



- In reality, financial returns are not “normal;” they exhibit positive skewness (you get more positive returns above the mean than a normal distribution would predict) and kurtosis (the extreme “tails” of both positive and negative returns occur more often and are more extreme than a normal distribution would predict).

Glossary of Investment Terminology

Alpha	The amount of an investment's return that is independent of the return of the market. Alpha is generated by active management through security selection and may be positive or negative relative to a given benchmark.
Beta	A measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Capture Ratio	A measurement (usually based on monthly or quarterly time periods) of an investment manager's performance relative to their benchmark in a rising or falling market. Upside capture illustrates how a manager has performed when their benchmark index is positive. In a rising market, a percentage over 100% indicates the manager exceeded the benchmark, while a percentage below 100% indicates the manager lagged the benchmark. Downside capture illustrates how a manager has performed when their benchmark index is negative. In a falling market, a percentage of less than 100% indicates that the manager lost less than the benchmark, while a percentage above 100% indicates the manager lost more than the market. Index funds, in theory, should have 100% upside and downside capture ratios before fees.
Compound Annual Returns	A time-weighted measure of the annual investment return, assuming the investment grew at a constant rate.
Correlation	A statistical measure of how two investments perform in relation to each other. Investments with a correlation of 1.0 have perfect positive correlation (exactly the same). Investments with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Distribution to Paid-In (DPI)	The value of all distributions to limited partners divided by the amount limited partners have contributed to the fund. Often expressed as a ratio, DPI plus the unrealized value of limited partners' investments (RPI) equals the Total Value to Paid In (TVPI) multiple. A DPI of 1 indicates the investor has received capital back equal to what they invested while a DPI over 1 indicates an investor has received more capital back than they invested. DPI is most relevant for closed-end fund structures such as private equity.
Efficient Frontier	Represents the set of possible portfolios that have the greatest expected return for each level of risk (standard deviation of returns).

Glossary of Investment Terminology

Geometric Return	A calculation used when determining an annualized investment return, which tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Internal Rate of Return (IRR)	The discount rate at which the net present value of an investment's cash flows is equal to zero (0). IRR is commonly used to gauge fund performance.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price of the stock by the number of outstanding shares.
Residual to Paid-In (RPI)	The unrealized value of limited partners' investments divided by the amount limited partners have contributed to the fund. Often expressed as a ratio, RPI plus the amount distributed back to investors (DPI) equals the total value to paid in (TVPI) multiple.
Return/Risk Ratio	The expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios, a higher value is presumed to be better than a lower value.
Standard Deviation	A statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data is, the greater the standard deviation. Standard deviation is the most commonly cited measure of volatility or "risk" in investment returns. It measures total volatility, meaning it does not differentiate "bad" volatility associated with negative returns from "good" volatility associated with positive returns.
Total Return	The annual return on an investment, including appreciation, depreciation and income (interest, dividends, net operating income).
Total Value to Paid in Multiple (TVPI)	A measure of return that expresses how much a fund has made relative to how much was contributed. It is calculated by dividing the sum of the amount of capital distributed to investors and the amount of remaining value by the amount of invested capital. A TVPI below 1 indicates the current value of the investment plus the capital returned to the investor is less than the investor contributed. A TVPI greater than 1 indicates the current value of the investment plus the capital returned to the investor is more than the investor contributed. For closed-end funds such as private equity, DPI and TVPI will be the same at the end of the fund's life.

Impact of Negative Cash Flows

- Most defined benefit pension funds payout more in benefits and expenses than they take in via contributions, resulting in **negative net cash flows** on an annual basis.
- Plans with negative net cash flows require a much higher return in Year 2 following a loss in Year 1 to get back to the starting fund value.
- For example, a plan with a neutral net cash flow that returns -10.0% in Year 1 would require an **11.0% return in Year 2 to break even**.
- A plan with -5.0% net cash flows that experiences a -10.0% return in Year 1 would require a **24.0% return in Year 2 to breakeven (Year 2B)**.
- An 11.0% return for a -5.0% net cash flow plan in Year 2 following a -10.0% return in Year 1 would result in an ending value **that is \$10.5 million less (Year 2A)** than the neutral cash flow plan, assuming a starting value of \$100 million.

Return Needed in Year 2 to Breakeven						
		Cash Flow as Percentage of Beginning Assets				
		0.0%	-2.5%	-5.0%	-7.5%	-10.0%
Year 1 Return	0.0%	0%	5%	11%	16%	22%
	-5.0%	5%	11%	17%	23%	29%
	-10.0%	11%	17%	24%	30%	38%
	-15.0%	18%	24%	31%	39%	47%
	-20.0%	25%	32%	40%	48%	57%

	Neutral Cash Flow Fund		Negative Cash Flow Fund		
	Year 1	Year 2	Year 1	Year 2A	Year 2B
Beginning Assets	\$100,00,000	\$90,000,000	\$100,000,000	\$85,000,000	\$85,000,000
Net Cash Flows	NA	NA	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)
Investment Return (%)	-10%	11%	-10%	11%	24%
Investment Return (\$)	(\$10,000,000)	\$10,000,000	(\$10,000,000)	\$9,444,350	\$20,000,000
Ending Value	\$90,000,000	\$100,000,000	\$85,000,000	89,444,350	\$100,000,000

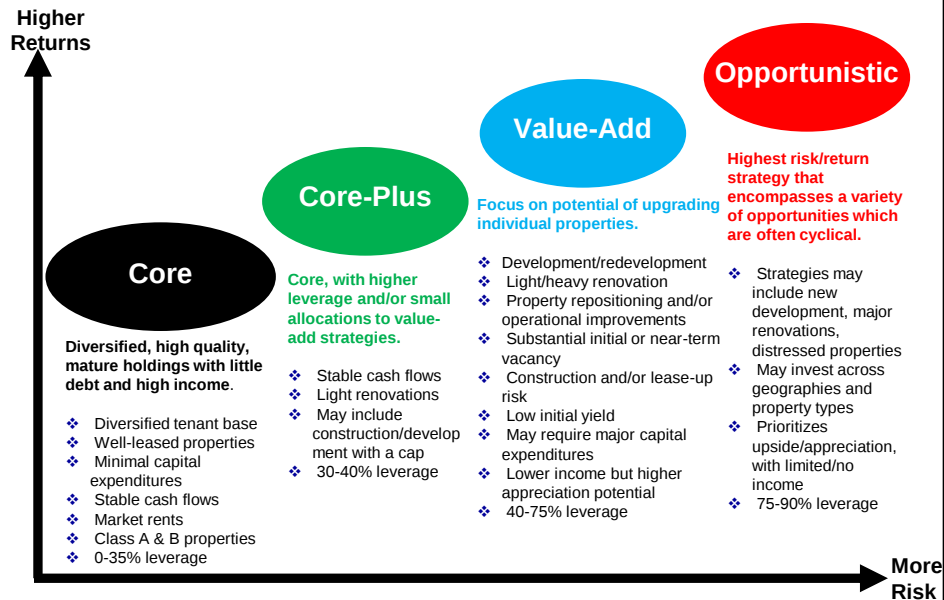
Common Market Capitalization Categories for Equities

Mega Cap	Greater than \$250 Billion
Large Cap	\$50 Billion to \$250 Billion
Mid Cap	\$10 Billion to \$50 Billion
Small Cap	\$1 Billion to \$10 Billion
Micro Cap	Less than \$1 Billion

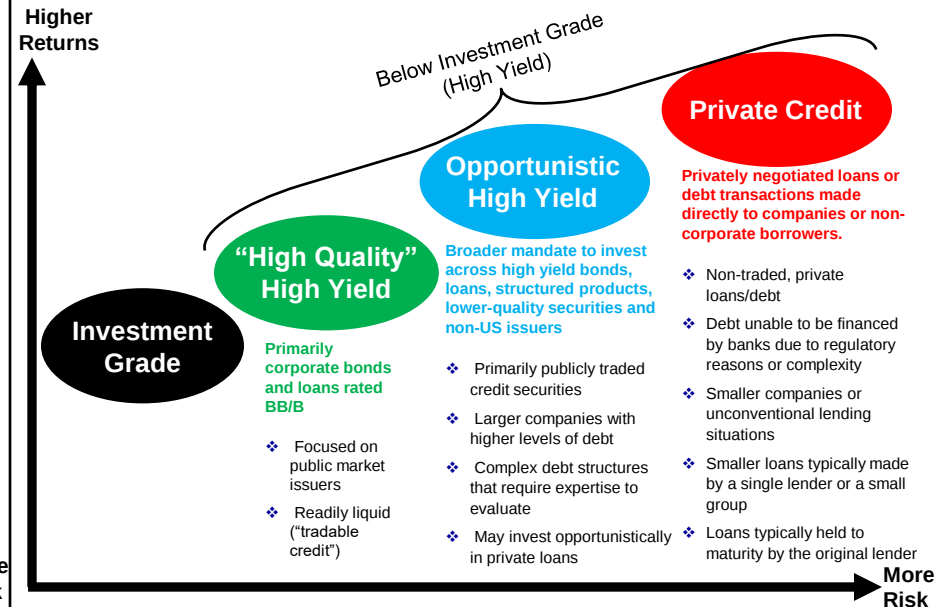
Bond Ratings & Classifications

	Standard & Poor's	Moody's
	AAA	Aaa
Investment Grade	AA	Aa
	A	A
	BBB	Baa
High Quality High Yield	BB	Ba
	B	B
Low Quality High Yield	CCC	Caa
	CC	Ca
	C	C

Real Estate Asset Class



High Yield Credit Asset Class





Warehouse Employees Local No. 730 Welfare Fund

Preliminary Monthly Performance Update

Period Ended

January 31, 2025

Warehouse Employees Local No. 730 Welfare Fund
Preliminary Monthly Performance Update as of January 31, 2025

Total Fund Growth of Assets	
-----------------------------	--

	Fiscal Year-To-Date
--	---------------------

Beginning Market Value	\$26,283,503
Net Cash Flow	-\$29,709
Net Investment Change	\$176,842
Ending Market Value	\$26,430,636

- The Fund's fiscal year end is December 31st.

Warehouse Employees Local No. 730 Welfare Fund
Preliminary Monthly Performance Update as of January 31, 2025

	Current vs. Policy					
	Current	Current	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	\$9,779,444	37.0%	37.5%	27.5% - 42.5%	-0.5%	-\$132,044
Short Duration High Yield Fixed Income	\$11,783,673	44.6%	42.5%	30.0% - 45.0%	2.1%	\$550,652
Real Estate - Core	\$1,762,340	6.7%	7.5%	2.5% - 12.5%	-0.8%	-\$219,957
Real Estate - Value Add	\$1,364,592	5.2%	7.5%	2.5% - 12.5%	-2.3%	-\$617,706
Cash Equivalents	\$1,740,587	6.6%	5.0%	0.0% - 20.0%	1.6%	\$419,055
Total	\$26,430,636	100.0%	100.0%			

- Policy adopted March 2024; effective April 2024.

Warehouse Employees Local No. 730 Welfare Fund
Preliminary Monthly Performance Update as of January 31, 2025

Performance Detail (Net of Fees)

	Market Value	% of Portfolio	Ending January 31, 2025 Fiscal YTD
Total Fund	\$26,430,636	100.0%	0.6%
Total Investment Grade Fixed Income	\$9,779,444	37.0%	0.5%
Wedge Capital Management	\$9,779,444	37.0%	0.5%
Bloomberg US Govt/Credit Int TR			0.6%
Total Short Duration High Yield Fixed Income	\$11,783,673	44.6%	1.0%
Chartwell Investment Partners SDHY	\$11,783,673	44.6%	1.0%
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR			1.0%
Bloomberg US Govt/Credit TR			0.5%
Total Real Estate - Core	\$1,762,340	6.7%	
ARA Core Property Fund, LP	\$1,762,340	6.7%	
Total Real Estate - Value Add	\$1,364,592	5.2%	
Boyd Watterson State Government Fund, LP	\$1,364,592	5.2%	
Total Cash Equivalents	\$1,740,587	6.6%	
Operating Account	\$1,728,749	6.5%	
ARA Core Property Fund, LP - Cash	\$11,838	0.0%	

Warehouse Employees Local No. 730 Welfare Fund
Preliminary Monthly Performance Update as of January 31, 2025

Performance Detail (Gross of Fees)

	Market Value	% of Portfolio	Ending January 31, 2025 Fiscal YTD
Total Fund	\$26,430,636	100.0%	0.7%
Total Investment Grade Fixed Income	\$9,779,444	37.0%	0.6%
Wedge Capital Management	\$9,779,444	37.0%	0.6%
Bloomberg US Govt/Credit Int TR			0.6%
Total Short Duration High Yield Fixed Income	\$11,783,673	44.6%	1.0%
Chartwell Investment Partners SDHY	\$11,783,673	44.6%	1.0%
ICE BofA 1-3 Yrs BB US Cash Pay High Yield TR			1.0%
Bloomberg US Govt/Credit TR			0.5%
Total Real Estate - Core	\$1,762,340	6.7%	
ARA Core Property Fund, LP	\$1,762,340	6.7%	
Total Real Estate - Value Add	\$1,364,592	5.2%	
Boyd Watterson State Government Fund, LP	\$1,364,592	5.2%	
Total Cash Equivalents	\$1,740,587	6.6%	
Operating Account	\$1,728,749	6.5%	
ARA Core Property Fund, LP - Cash	\$11,838	0.0%	

Index Disclosures

- Bloomberg US Govt/Credit TR - Index is listed for illustrative purposes.

Footnotes

- The following composite returns prior to 1Q 2010 do not include cash in the calculation of returns.
 - Total Domestic Equity
 - Total Domestic Fixed Investment Grade
 - Total Real Estate
- The net of fees returns in this report are estimated. Fees do not include: The investment consulting fee paid to IPS, custodian fees, or other administrative costs.
- Net of fee calculations began 1Q 2008 and cannot be calculated for prior time periods.
- Values, flows and returns for all commingled funds, mutual funds, partnerships, and all other alternative assets are provided by the firm managing the assets and cannot be independently verified by IPS.
- Separately managed account returns are calculated by IPS using custodian data.
- ARA Core Property Fund, LP - Cash holds cash distributions and partial redemptions from the manager.
- Operating Account is utilized by the Fund for cash needs and is included in the investment program.
- In January 2025, \$18K transferred from cash equivalents (Cash in Transit - Boyd Watterson State) to cash equivalents (Operating Account).
- In January 2025, \$9K transferred from cash equivalents (Cash in Transit - ARA Distribution Proceeds) to cash equivalents (ARA Core Property Fund, LP - Cash).
- In January 2025, \$500K transferred from cash equivalents (Operating Account) to short duration high yield fixed income (Chartwell Investment Partners SDHY).
- In January 2025, \$373K was contributed to cash equivalents (Operating Account) from outside cash.
- In January 2025, \$384K was withdrawn from cash equivalents (Operating Account).
- The following managers are valued as of December 31, 2024, plus or minus any flows:
 - ARA Core Property Fund, LP
 - Boyd Watterson State Government Fund, LP
- In January 2025, \$500K was transferred from cash equivalents (\$437K from ARA Core Property Fund, LP - Cash and \$63K from Operating Account) to real estate - core (ARA Core Property Fund, LP) for a capital call.



Memo

To: Bill Davis and Jason Paradis
From: Richard Sichel
CC: Alicia Cochran, Elizabeth Saindon, Esq., James Kimble, Esq.
Date: January 09, 2025
Re: Expanded MCS Recommendations – Warehouse Employees Local No. 730 Welfare Fund

As part of the Expanded Master Consulting Service, the following are recommendations for consideration and approval.

The preliminary November 30, 2024 performance update for the Welfare Fund is attached (Exhibit A).

Welfare Fund – Cash Equivalents

The current Policy includes a 5.0% allocation to cash equivalents. As of November 30, 2024, the actual allocation was 9.3% and approximately \$1.1M over Policy.

Recommendation #1: To rebalance the cash equivalents allocation closer to Policy, transfer \$500K excess cash to Chartwell Investment Partners SDHY. **Approval of the rebalance is required.**

Welfare Fund – Real Estate – Core

The current Policy includes a 7.5% allocation to real estate – core, which is invested solely in the ARA Core Property Fund, LP. As of November 30, 2024, the actual allocation was 4.9% and approximately \$700K under Policy.

Recommendation #2: To align the real estate – core allocation closer to Policy, change the Fund's election to receive ARA Core Property Fund, LP income as cash distributions to reinvest income. **Approval of the reinvest income election is required.**

Next Steps

Upon approval of the above recommendations, IPS will provide necessary rebalance directives and notify ARA Core Property Fund LP of the reinvest income election.

Attached Exhibits:

- A. Welfare Fund – Preliminary November 30, 2024 Performance Update

Glossary of Investment Terminology

Alpha	The amount of an investment's return that is independent of the return of the market. Alpha is generated by active management through security selection and may be positive or negative relative to a given benchmark.
Beta	A measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Capture Ratio	A measurement (usually based on monthly or quarterly time periods) of an investment manager's performance relative to their benchmark in a rising or falling market. Upside capture illustrates how a manager has performed when their benchmark index is positive. In a rising market, a percentage over 100% indicates the manager exceeded the benchmark, while a percentage below 100% indicates the manager lagged the benchmark. Downside capture illustrates how a manager has performed when their benchmark index is negative. In a falling market, a percentage of less than 100% indicates that the manager lost less than the benchmark, while a percentage above 100% indicates the manager lost more than the market. Index funds, in theory, should have 100% upside and downside capture ratios before fees.
Compound Annual Returns	A time-weighted measure of the annual investment return, assuming the investment grew at a constant rate.
Correlation	A statistical measure of how two investments perform in relation to each other. Investments with a correlation of 1.0 have perfect positive correlation (exactly the same). Investments with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Distribution to Paid-In (DPI)	The value of all distributions to limited partners divided by the amount limited partners have contributed to the fund. Often expressed as a ratio, DPI plus the unrealized value of limited partners' investments (RPI) equals the Total Value to Paid In (TVPI) multiple. A DPI of 1 indicates the investor has received capital back equal to what they invested while a DPI over 1 indicates an investor has received more capital back than they invested. DPI is most relevant for closed-end fund structures such as private equity.
Efficient Frontier	Represents the set of possible portfolios that have the greatest expected return for each level of risk (standard deviation of returns).

Glossary of Investment Terminology

Geometric Return	A calculation used when determining an annualized investment return, which tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Internal Rate of Return (IRR)	The discount rate at which the net present value of an investment's cash flows is equal to zero (0). IRR is commonly used to gauge fund performance.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price of the stock by the number of outstanding shares.
Residual to Paid-In (RPI)	The unrealized value of limited partners' investments divided by the amount limited partners have contributed to the fund. Often expressed as a ratio, RPI plus the amount distributed back to investors (DPI) equals the total value to paid in (TVPI) multiple.
Return/Risk Ratio	The expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios, a higher value is presumed to be better than a lower value.
Standard Deviation	A statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data is, the greater the standard deviation. Standard deviation is the most commonly cited measure of volatility or "risk" in investment returns. It measures total volatility, meaning it does not differentiate "bad" volatility associated with negative returns from "good" volatility associated with positive returns.
Total Return	The annual return on an investment, including appreciation, depreciation and income (interest, dividends, net operating income).
Total Value to Paid in Multiple (TVPI)	A measure of return that expresses how much a fund has made relative to how much was contributed. It is calculated by dividing the sum of the amount of capital distributed to investors and the amount of remaining value by the amount of invested capital. A TVPI below 1 indicates the current value of the investment plus the capital returned to the investor is less than the investor contributed. A TVPI greater than 1 indicates the current value of the investment plus the capital returned to the investor is more than the investor contributed. For closed-end funds such as private equity, DPI and TVPI will be the same at the end of the fund's life.

Impact of Negative Cash Flows

- Most defined benefit pension funds payout more in benefits and expenses than they take in via contributions, resulting in **negative net cash flows** on an annual basis.
- Plans with negative net cash flows require a much higher return in Year 2 following a loss in Year 1 to get back to the starting fund value.
- For example, a plan with a neutral net cash flow that returns -10.0% in Year 1 would require an **11.0% return in Year 2 to break even**.
- A plan with -5.0% net cash flows that experiences a -10.0% return in Year 1 would require a **24.0% return in Year 2 to breakeven (Year 2B)**.
- An 11.0% return for a -5.0% net cash flow plan in Year 2 following a -10.0% return in Year 1 would result in an ending value **that is \$10.5 million less (Year 2A)** than the neutral cash flow plan, assuming a starting value of \$100 million.

Return Needed in Year 2 to Breakeven						
		Cash Flow as Percentage of Beginning Assets				
		0.0%	-2.5%	-5.0%	-7.5%	-10.0%
Year 1 Return	0.0%	0%	5%	11%	16%	22%
	-5.0%	5%	11%	17%	23%	29%
	-10.0%	11%	17%	24%	30%	38%
	-15.0%	18%	24%	31%	39%	47%
	-20.0%	25%	32%	40%	48%	57%

	Neutral Cash Flow Fund		Negative Cash Flow Fund		
	Year 1	Year 2	Year 1	Year 2A	Year 2B
Beginning Assets	\$100,00,000	\$90,000,000	\$100,000,000	\$85,000,000	\$85,000,000
Net Cash Flows	NA	NA	(\$5,000,000)	(\$5,000,000)	(\$5,000,000)
Investment Return (%)	-10%	11%	-10%	11%	24%
Investment Return (\$)	(\$10,000,000)	\$10,000,000	(\$10,000,000)	\$9,444,350	\$20,000,000
Ending Value	\$90,000,000	\$100,000,000	\$85,000,000	89,444,350	\$100,000,000

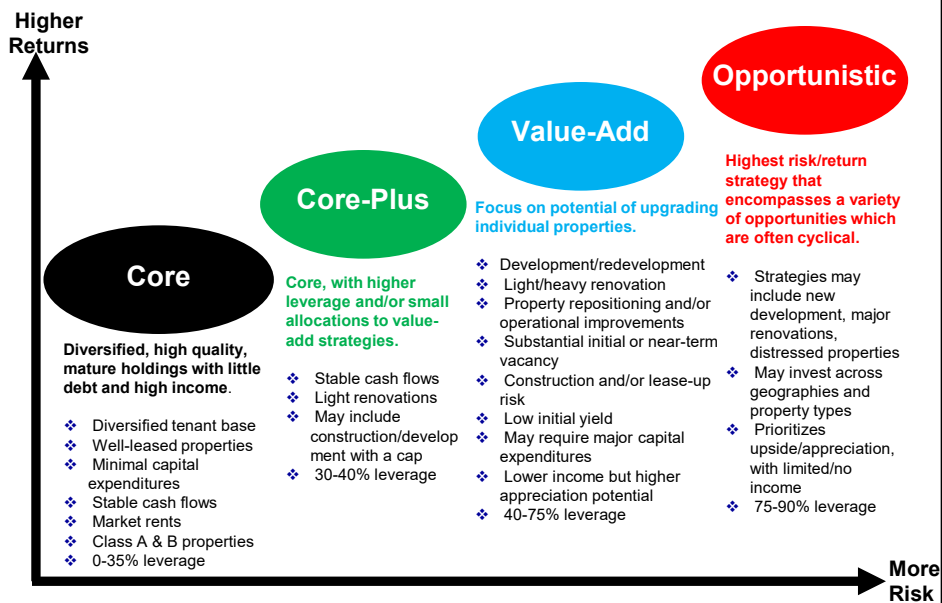
Common Market Capitalization Categories for Equities

Mega Cap	Greater than \$250 Billion
Large Cap	\$50 Billion to \$250 Billion
Mid Cap	\$10 Billion to \$50 Billion
Small Cap	\$1 Billion to \$10 Billion
Micro Cap	Less than \$1 Billion

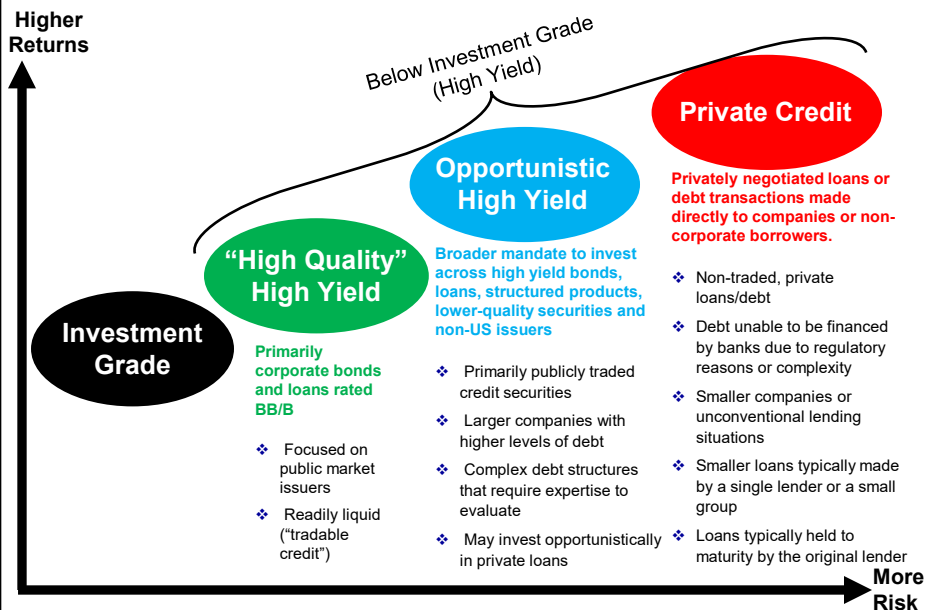
Bond Ratings & Classifications

	Standard & Poor's	Moody's
	AAA	Aaa
Investment Grade	AA	Aa
	A	A
	BBB	Baa
High Quality High Yield	BB	Ba
	B	B
Low Quality High Yield	CCC	Caa
	CC	Ca
	C	C

Real Estate Asset Class



High Yield Credit Asset Class



Disclaimer:

This report has been prepared by Investment Performance Services, LLC ("IPS"). Certain information, including information relating to market indices, was provided by sources external to IPS and may not have been verified. While IPS has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of source information contained herein. Information provided in this report is as of the date of the report unless noted otherwise, and IPS is under no obligation to update the information or communicate that any updates have been made. If this report contains information regarding a matter that is outside of the description of services in the written agreement between IPS and the Fund, such information is included for informational purposes only and, the inclusion of such information does not alter or expand the scope of the services provided by IPS.

The Fund's performance is attributable to factors other than the advice of IPS because, among other things, (a) IPS may act in an advisory capacity (i.e., IPS may not have discretion over Fund assets), (b) the Fund may or may not follow advice provided by IPS, and (c) returns may include investments made prior to the Fund's relationship with IPS. Nothing contained herein constitutes investment, legal, accounting, actuarial, or tax advice, or a recommendation to buy, sell, or hold a security or pursue a particular investment vehicle or any trading strategy. Past performance is no guaranty of future results.

© 2024 by Investment Performance Services, LLC. All rights reserved.

EPIC

April 30 - May 3, 2024

The following investment managers and providers attended and helped to defray the cost of IPS' annual conference EPIC. EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider that pays to attend EPIC.

400 Capital Management	Fisher Investments	Northern Trust Asset Management
Alliance Bernstein	Foundry Partners	Nuveen Investment Group
Amalgamated Bank of Chicago	Fred Alger Management	Oaktree Capital Management
Amalgamated Bank of NY	GCM Grosvenor	Old Glory Asset Management
American Realty Advisors	Glouston Capital Partners	One America Financial
Apogem Capital	GoldenTree Asset Management	Partners Group
Arena Capital	Great Lakes Advisors	Patriot Financial Partners
Aristotle	Hamilton Lane Advisors	PNC Capital Advisors
ASB Real Estate Investments	Hardman Johnston Global Advisors	Portfolio Advisors LLC
Atlanta Capital Management	HPS Investment Partners	Post Advisory Group
Barrow Hanley Global Investors	Income Research & Management	Principal Financial Group
BentallGreenOak	Intercontinental Real Estate Corp.	Principal Life Insurance
Blackstone Infrastructure	Invesco Advisors, Inc.	Richmond Capital Management
BNY Mellon Investment Management	Janus Henderson Investors	Schroders Investment Management
Boston Partners	John Hancock	Segall Bryant & Hamill
Boyd Watterson Asset Management	JP Morgan Asset Management	Sierra Investment Partners
BPEA Private Equity	Kearney Capital LLC	Siguler Guff & Company, LP
Brown Advisory	Kelson Group	State Street Global Advisors
Chartwell Investment Partners	Lazard Asset Management	Stonepeak Partners
Christenson Investment Partners	Loomis, Sayles & Company	Uillico Investment Company
Columbia Threadneedle Investments	Lord Abbett & Co.	Victory Capital Management
Constitutional Capital Partners	LSV Asset Management	Wasatch Global Investors
Corbin Capital Partners	Lyrical Asset Management	Washington Capital Management
Crux Point	MacKay Shields	WEDGE Capital Management
Dana Investment Advisors	McMorgan & Company	Wellington Management Company
Earnest Partners	Manulife	Westfield Capital Management
Empower	MGG Investment Group	Westport Capital Partners
EnTrust Global	Mesirow Private Equity	William Blair & Company
F/M Investments	National Investment Services	Xponance
Fidelity Investments	National Real Estate Advisors	
First Eagle Investments	Neuberger Berman	