City of Bristol
Retirement Board

INFORMATION TO ACCESS THIS MEETING
https://bristolct-gov.zoom.us/j/83501261386?pwd=3MXMUbzdsHsc6elvaAY7Xv5Wqx5vCF.1

Meeting ID: 835 0126 1386
Passcode: 438838

The regular Retirement Board meeting will be held on Thursday, June 11, 2026, at 5:00 PM. in City Hall Council Chambers, 111 North Main Street, Bristol, CT.

AGENDA

1. Call to Order

2. Public Participation

3. Approval of Minutes

    a. April 26-Minutes

4. Treasurer's Report

    a. Treasurer's Report:
    a. April 2026
    b. May 2026

5. Consent Agenda

    a. Retirements

6. Investment Review- Beirne Wealth Consulting, LLC.

    a. General Fund

7. Any other business proper to come before meeting

8. Adjournment

PER ORDER OF THE CHAIRPERSON

Thomas Barnes, Jr

MEETING OF THE GENERAL

GOVERNMENT RETIREMENT BOARD

April 08, 2026

A Regular meeting of the General Government Retirement Board was held on **April 08, 2026 at 5:00 p.m.** in the City Hall Council Chamber,1st floor, City Hall,111 North Main Street, Bristol, CT. Members present: Chairman Tom Barnes Jr., Vice-Chairman John Lodovico, Comptroller Diane M. Waldron, Commissioners David Maikowski, James Pelletier, Joshua Lemire, Matthew Ragaini. Absent: Mayor Ellen Zoppo, Commissioners: William Veits, Alan Rudolewicz, Thomas DeNoto

1. **Call to Order**

   Pledge of Allegiance

The meeting was called to order at 5:00 p.m. by Chairman Barnes.

2. **Public Participation**

None.

3. **Approval of the minutes**

   a. General Government Retirement Board – Regular Meeting on March 12, 2026.

A motion was made by Vice Chairman Lodovico and seconded by Commissioner Pelletier and it was unanimously voted to:

> "Approve the minutes of the General Government Retirement Board Regular Meeting of March 12, 2026 and place them on file."

4. **Treasurers Report**

   a. March 2026.

A motion was made by Commissioner Pelletier, and seconded by Commissioner Maikowski and it was unanimously voted to:

> "Accept the March 2026 Treasurer's Report, and place it on file."

5. **Consideration to approve the Treasurer's request for pension withdrawals each month from May 1, 2026 through October 1, 2026.**

A motion was made by Vice Chairman Lodovico, and seconded by Commissioner Maikowski and it was unanimously voted to:

> "Accept the Treasurer's request for pension withdrawals of $2,870,000 each month from May 1,2026 through October 1, 2026."

6. **Consent Agenda**.

a. Consideration of a request to approve the Normal Retirement from Ioanna Boniatis, Bristol Board of Education, Café Union effective March 04, 2026 with an annual pension amount of $17,746.60 or $1,478.88 monthly.

b. Consideration of a request to approve the Normal Retirement from Rebecca Krol, Bristol Police Department, Local#233 Union effective March 21, 2026 with an annual pension amount of $67,003.56 or $5,583.63 monthly.

A motion was made by Vice Chairman Lodovico and seconded by Commissioner Pelletier and it was unanimously voted to:

"Approve Consent Agenda Items 6a-6b."

6. Investment Review – Beirne Wealth Consulting, LLC.

None

8. Any other business proper to come before meeting.

None.

At 5:05 p.m. a motion was made by Vice-Chairman Lodovico and seconded by Commissioner Pelletier and it was unanimously voted to:

"Adjourn."

Respectively submitted,

Diane M. Waldron
Comptroller and Secretary, Retirement Board

Treasurer's Report
Police, Firefighters, Retirement System Fund
April 2026

		Police 710		Firefighter 711		Retirement 712/715		Total
Pension Funds in Pension Bank Accounts								
CASH & CASH EQUIVALENTS: 4/01/2026	$	240,577.56	$	152,966.80	$	357,416.58	$	750,960.94
RECEIPTS:								
Employee Contributions City/BDA/WPC		66,146.30		38,208.27		122,923.78		227,278.35
Employee Contributions BOE						109,561.60		109,561.60
Employee Contributions Health Dept						13,214.22		13,214.22
Employee Contributions Water Dept						16,048.50		16,048.50
Employer Contributions BOE								-
Employer Contributions City/BDA/WPC								-
Employer Contributions Water Dept								-
Employee Contributions Buy Back						78.00		78.00
Employee Contributions Fire Dept Healthcare 1.00%						12,736.70		12,736.70
Employee Contributions Police Healthcare 1.625%,1.875%						22,048.61		22,048.61
Employee Contributions Retiree Healthcare -Health Dept - 1.5%						3,492.25		3,492.25
Employee Contributions Retiree Healthcare 233 - 1.5%, 1.75%						17,483.94		17,483.94
Employee Contributions Retiree Healthcare BPSA - 1.5%, 1.75%						10,387.61		10,387.61
Employee Contributions Retiree Healthcare - 1338 -1.5%, 1.75%						15,021.76		15,021.76
Employee Contributions Retiree Healthcare -NBAR - 1.5%, 1.75%						3,430.69		3,430.69
Employee Contributions Retiree Healthcare -BOE NBAR / 818- 1.5%						5,965.94		5,965.94
Miscellaneous Income								-
Interest		109.94		66.61		127.59		304.14
Total Receipts, Contributions and Interest		66,256.24		38,274.88		352,521.19		457,052.31
EXPENDITURES:								
Pensions Paid *P , F, R .... **total retirees***		783,767.24		458,580.26		1,717,061.64		2,959,409.14
Refund of Contributions / Interest		-		-		31,189.29		31,189.29
Fiduciary Insurance		-		-		-		-
Legal- Robinson & Cole		-		-		-		-
Actuary- Milliman		-		-		-		-
Accountant/Bookkeeper Salaries **(Note 1)**		3,481.05		3,481.04		3,481.04		10,443.13
Comptroller/Assistant to Comptroller Salaries **(Note 1)**		3,674.84		3,674.83		3,674.83		11,024.50
Postage **(Note 1)**		189.08		147.94		740.74		1,077.76
Other Expenses / (Revenue) (Tyler Technologies)						-		-
Total Expenditures		791,112.21		465,884.07		1,756,147.54		3,013,143.82
CURRENT MONTH, Surplus/(deficit)		(724,855.97)		(427,609.19)		(1,403,626.35)		(2,556,091.51)
TRSFR IN-FIDELITY TO PENSION		815,000.00		475,000.00		1,430,000.00		2,720,000.00
CASH & CASH EQUIVALENTS: 4/30/2026 (Beginning Bal+Current Month+Transfer in)	$	330,721.59	$	200,357.61	$	383,790.23	$	914,869.43

Pension Trust Funds

Market Value at July 1, 2025 **(Note 2)**	$	861,187,683
Actuarial Value at July 1, 2025 **(Note 2)**	$	811,529,905
Accrued Liability	$	(640,465,082)
Pension Surplus (Unfunded Liability)	$	(171,064,823)
Funded Ratio= Actuarial Value divided by Accrued Liability		126.7%

Note 1: Amount will be invoiced quarterly by the Comptroller's office to the Pension fund.
Note 2: Source: Milliman Actuarial Valuation as of July 1, 2025 projected for fiscal year 2026-27, final report dated December 11, 2025.

Treasurer's Report
Police, Firefighters, Retirement System Fund
May 2026

		Police 710		Firefighter 711		Retirement 712/715		Total
Pension Funds in Pension Bank Accounts								
CASH & CASH EQUIVALENTS: 5/01/2026	$	330,721.59	$	200,357.61	$	383,790.23	$	914,869.43
RECEIPTS:								
Employee Contributions City/BDA/WPC		44,184.77		25,770.98		77,896.50		147,852.25
Employee Contributions BOE						98,225.23		98,225.23
Employee Contributions Health Dept						13,102.44		13,102.44
Employee Contributions Water Dept						10,834.24		10,834.24
Employer Contributions BOE								-
Employer Contributions City/BDA/WPC								-
Employer Contributions Water Dept								-
Employee Contributions Buy Back								-
Employee Contributions Fire Dept Healthcare 1.00%						8,590.60		8,590.60
Employee Contributions Police Healthcare 1.625%,1.875%						14,728.17		14,728.17
Employee Contributions Retiree Healthcare -Health Dept - 1.5%						3,407.45		3,407.45
Employee Contributions Retiree Healthcare 233 - 1.5%, 1.75%						9,790.95		9,790.95
Employee Contributions Retiree Healthcare BPSA - 1.5%, 1.75%						7,075.97		7,075.97
Employee Contributions Retiree Healthcare - 1338 -1.5%, 1.75%						10,396.63		10,396.63
Employee Contributions Retiree Healthcare -NBAR - 1.5%, 1.75%						2,313.34		2,313.34
Employee Contributions Retiree Healthcare -BOE NBAR / 818- 1.5%						5,826.52		5,826.52
Miscellaneous Income								-
Interest		42.16		44.17		247.17		333.50
Total Receipts, Contributions and Interest		44,226.93		25,815.15		262,435.21		332,477.29
EXPENDITURES:								
Pensions Paid *P , F, R ....* ***total retirees***		1,173,681.21		687,870.39		1,707,927.32		3,569,478.92
Refund of Contributions / Interest		-		257.10		31,544.95		31,802.05
Fiduciary Insurance		-		-		-		-
Legal- Robinson & Cole		-		-		-		-
Actuary- Milliman		8,742.50		2,547.50		10,237.50		21,527.50
Accountant/Bookkeeper Salaries **(Note 1)**		-		-		-		-
Comptroller/Assistant to Comptroller Salaries **(Note 1)**		-		-		-		-
Postage **(Note 1)**		-		-		-		-
Other Expenses / (Revenue) (Tyler Technologies)						-		-
Total Expenditures		1,182,423.71		690,674.99		1,749,709.77		3,622,808.47
CURRENT MONTH, Surplus/(deficit)		(1,138,196.78)		(664,859.84)		(1,487,274.56)		(3,290,331.18)
TRSFR IN-FIDELITY TO PENSION		870,000.00		530,000.00		1,470,000.00		2,870,000.00
CASH & CASH EQUIVALENTS: 5/31/2026 (Beginning Bal+Current Month+Transfer in)	$	62,524.81	$	65,497.77	$	366,515.67	$	494,538.25

Pension Trust Funds

Market Value at July 1, 2025 **(Note 2)**	$	861,187,683
Actuarial Value at July 1, 2025 **(Note 2)**	$	811,529,905
Accrued Liability	$	(640,465,082)
Pension Surplus (Unfunded Liability)	$	(171,064,823)
Funded Ratio= Actuarial Value divided by Accrued Liability		126.7%

Note 1: Amount will be invoiced quarterly by the Comptroller's office to the Pension fund.
Note 2: Source: Milliman Actuarial Valuation as of July 1, 2025 projected for fiscal year 2026-27, final report dated December 11, 2025.

CITY OF BRISTOL-GENERAL CITY RETIREMENT
BENEFIT CALCULATION

[redacted]

Department: Public Works — Employee: **Jeffrey Gargano**
Group : Local #1338 — Soc.Sec: **"On File"** — Date of Retire: 5/8/2026 — 75 rule:80/85

Early Retirement — **NRD** **10/27/2028**

w/ CA 50.00%

Spouse: **Linda Gargano**

CALENDAR YEAR	GROSS EARNINGS	
2026	$ 52,483.71	*
2025	$ 68,505.27	*
2024	$ 64,840.58	*
	$ (22,499.33)	*
2023	$ 68,478.43	*
2022	$ 63,870.89	
2021	$ 61,802.20	
2020	$ 61,737.02	
2019	$ 58,214.95	
2018	$ 56,148.17	
2017	$ 37,990.03	

PENSION CALCULATION

Highest Three Years:

$ 52,483.71
$ 68,505.27
$ 64,840.58
$ (22,499.33)
$ 68,478.43

Calculation: $ 231,808.66

Sum Of Highest Three Years Divided By 3

= Average Annual Earnings

$ 231,808.66 x 1/3 =
$ 77,269.55

$ 77,269.55 Average Annual Earnings
x .0240 Percentage Factor

$ 1,854.47
x 14 Years of Service

$ 25,962.58 Annual Pension: Normal Retirement
0.8000 Early Retirement Adjustment Factor
$ 20,770.06 Annual Pension: Early Retirement

C.A. 50.00%

20,770.06
0.88

Employee: $ 18,277.65 Annual Pension: Early Retirement w/ CA

Spouse: $ 9,138.83 Annual Pension: Early Retirement w/ CA

$ 761.57 Monthly Pension: Early Retirement w/ CA

Comments: City Retirement Benefits are Exclusive of Social Security Benefits.
2026 Gross Wages include a Payout of $24,243.54

Prepared by: Lindsey Schoffel — Date: 6/3/2026.

Reviewed by: Robin A Manuele — Date: 6/5/26

Approved by: Diane Madden — Date: 6/9/26

Board Approved: ______ — Date: ______

GarganoJeffreyFinalEarlyCA2026

CITY OF BRISTOL-GENERAL CITY RETIREMENT
BENEFIT CALCULATION

[redacted]

Department:	BOE	Employee:	**Donna Manchester**		
Group :	Café Union	Soc.Sec:	**"On File"**	Date of Retire: 5/1/2026	86 rule:80/85

Normal Retirement

FISCAL YEAR	GROSS EARNINGS	
2026	$ 23,336.52	*
2025	$ 24,572.69	*
2024	$ 23,404.07	*
2023	$ 21,768.01	*
	$ (18,130.07)	*
2022	$ 20,873.09	
2021	$ 18,612.29	
2020	$ 18,933.10	
2019	$ 17,522.03	
2018	$ 17,285.61	
2017	$ 16,543.36	

PENSION CALCULATION

Highest Three Years:

	$	23,336.52
	$	24,572.69
	$	23,404.07
	$	21,768.01
	$	(18,130.07)
Calculation:	$	74,951.22

Sum Of Highest Three Years Divided By 3

= Average Annual Earnings

$	74,951.22	x 1/3 =
$	24,983.74	
$	24,983.74	Average Annual Earnings
	x .0240	Percentage Factor
$	599.61	
x	21	Years of Service
$	12,591.81	Annual Pension: Normal Retirement
$	1,049.32	Monthly Pension: Normal Retirement

Comments: City Retirement Benefits are Exclusive of Social Security Benefits.
2026 Gross Wages include an accrual payout of $ 3,437.24

Prepared by: Lindsey Scheffel Date: 5/22/2026.

Reviewed by: Robin S Manuele Date: 5-27-26

Approved by: Diane M Waldron Date: 6/1/26

Board Approved: ______ Date: ______

ManchesterDonnaFinalNormal2026

CITY OF BRISTOL-GENERAL CITY RETIREMENT
BENEFIT CALCULATION

[redacted]

Group: Local #2267 Employee: **Sheila Massarelli**
Department: Board of Education Soc.Sec: **"On File"** Date of Term: 8/20/2019 67 rule:80/85

Vested Retirement **NRD:** **1/8/2026**

FISCAL YEAR	GROSS EARNINGS	
2019	$ 24,256.53	*
2018	$ 22,948.86	*
2017	$ 20,808.05	*
	$ (19,895.92)	*
2016	$ 22,642.89	*
2015	$ 16,499.71	
2014	$ 18,681.03	
2013	$ 18,635.84	
2012	$ 17,599.62	
2011	$ 19,111.49	
2010	$ 18,019.06	

PENSION CALCULATION

Highest Three Years:

$	24,256.53	
$	22,948.86	
$	20,808.05	
$	(19,895.92)	
$	22,642.89	
Calculation: $	70,760.41	
= Average Annual Earnings		
$	70,760.41	x 1/3 =
$	23,586.80	
$	23,586.80	Average Annual Earnings
	x .0240	Percentage Factor
$	566.08	
x	14	Years of Service *
$	7,925.12	Annual Pension: Vested Retirement
$	660.43	Monthly Pension: Vested Retirement

Comments: City Retirement Benefits are Exclusive of Social Security Benefits.
2019 Gross wages includes pay-out of $ 1,793.03

Prepared by: Linda Schaffer Date: 6/9/2026.

Reviewed by: Robin A Manuele Date: 6-9-26

Approved by: Diane M Whelan Date: 6/9/26

Board Approved: ____________ Date: ____________

MassarelliSheilaVested 2026

CITY OF BRISTOL-GENERAL CITY RETIREMENT
BENEFIT CALCULATION

Group:	BPSA Union	Employee:	**Jason Morrocco**	[redacted]		
Department:	Public Works	Soc.Sec:	**"On File"**	Date of Term:	8/16/2025	62 rule:80/85
			Vested Retirement	**NRD:**	**1/2/2036**	

CALENDAR YEAR	GROSS EARNINGS			PENSION CALCULATION
2025	$ 92,125.37 *			
2024	$ 112,647.36 *			Highest Three Years:
2023	$ 109,525.54 *			
2022	$ 106,632.21		$	92,125.37
2021	$ 104,356.55		$	112,647.36
2020	$ 100,278.35		$	109,525.54
2019	$ 107,569.37 *		$	107,569.37
	$ (66,899.31) *		$	(66,899.31)
2018	$ 93,039.11			
2017	$ 73,676.06	Calculation:	$	354,968.33
2016	$ 71,044.63			

= Average Annual Earnings

$	354,968.33	x 1/3 =
$	118,322.78	
$	118,322.78	Average Annual Earnings
	x .0240	Percentage Factor
$	2,839.75	
x	18	Years of Service *
$	51,115.50	Annual Pension: Vested Retirement
$	4,259.63	Monthly Pension: Vested Retirement

Comments: City Retirement Benefits are Exclusive of Social Security Benefits.
2025 Gross wages includes pay-out of $18,733.97

Prepared by: Lindsay Schaffiel Date: 4/17/2026.

Reviewed by: Robin A Manuele Date: 5/28/26

Approved by: Diane M Walawn Date: 6/1/26

Board Approved: ______ Date: ______

MorroccoJasonVested 2036

CITY OF BRISTOL-GENERAL CITY RETIREMENT
BENEFIT CALCULATION

Group: Local #1338
Department: Public Works

Employee: **Felipe Machado**
Soc.Sec: **"On File"**

[redacted]

Date of Term: 5/17/2025 51 rule:80/85

Vested Retirement **NRD:** **8/11/2039**

CALENDAR YEAR	GROSS EARNINGS	
2025	$ 31,695.67	*
2024	$ 73,820.88	*
2023	$ 68,654.00	*
	$ (25,580.67)	*
2022	$ 68,885.63	*
2021	$ 65,441.37	
2020	$ 62,322.56	
2019	$ 60,608.34	
2018	$ 56,000.38	
2017	$ 59,083.78	
2016	$ 52,029.75	

PENSION CALCULATION

Highest Three Years:

$	31,695.67
$	73,820.88
$	68,654.00
$	(25,580.67)
$	68,885.63

Calculation: $ 217,475.51

= Average Annual Earnings

$ 217,475.51 x 1/3 =
$ 72,491.84

$ 72,491.84 Average Annual Earnings
x .0240 Percentage Factor

$ 1,739.80
x 11 Years of Service *

$ 19,137.80 Annual Pension: Vested Retirement

$ 1,594.82 Monthly Pension: Vested Retirement

Comments: City Retirement Benefits are Exclusive of Social Security Benefits.
2025 Gross wages includes pay-out of $3,318.45

Prepared by: Lindsey Schaffer Date: 4/17/2026
Reviewed by: Robin D Manuele Date: 5-28-26
Approved by: Diane M Waldron Date: 6/1/26
Board Approved: ____________ Date: ____________

MachadoFelipeVested 2039

CITY OF BRISTOL-GENERAL CITY RETIREMENT
BENEFIT CALCULATION

[redacted]

Group: BPSA Union
Department: Aging

Employee: **Jaimie Clout**
Soc.Sec: **"On File"**

Date of Term: 5/16/2025 49 rule:80/85

Vested Retirement **NRD:** **8/7/2040**

Contingent Annuitant 100%

CALENDAR YEAR	GROSS EARNINGS	
2025	$ 38,502.58	*
2024	$ 94,214.43	*
2023	$ 86,505.77	*
2022	$ 82,575.64	*
	$ (30,541.68)	*
2021	$ 79,451.13	
2020	$ 79,202.11	
2019	$ 77,240.21	
2018	$ 69,460.61	
2017	$ 60,341.39	
2016	$ 55,138.96	

PENSION CALCULATION

Highest Three Years:

$ 38,502.58
$ 94,214.43
$ 86,505.77
$ 82,575.64
$ (30,541.68)

Calculation: $ 271,256.74

= Average Annual Earnings

$ 271,256.74 x 1/3 =
$ 90,418.91

$ 90,418.91 Average Annual Earnings
x .0240 Percentage Factor

$ 2,170.05
x 10 Years of Service *

$ 21,700.50 Annual Pension: Vested Retirement

C.A. 50.00%

21,700.50
0.79

$ 17,143.40 Annual Pension: Normal Retirement w/ CA

$ 1,428.62 Monthly Pension: Normal Retirement w/ CA

$ 1,428.62 Spousal Monthly

Comments: City Retirement Benefits are Exclusive of Social Security Benefits.
2025 Gross wages includes pay-out of $366.57

Prepared by: Lindsey Schaffl Date: 4/17/2026.

Reviewed by: Robin A Manuel Date: 5-28-26

Approved by: Diane M Waldron Date: 6/1/26

Board Approved: Date:

CloutJaimieVested 2040CA100

CITY OF BRISTOL-GENERAL CITY RETIREMENT
BENEFIT CALCULATION

[redacted]

Group:	Local #1338	Employee:	**Christohper Gallant**			
Department:	Water Dept	Soc.Sec:	"On File"	Date of Term:	3/22/2025	42 rule:80/85
			Vested Retirement	**NRD:**	**7/22/2046**	

CALENDAR YEAR	GROSS EARNINGS		
2025	$ 25,128.02	*	
2024	$ 88,352.87	*	
2023	$ 86,751.68	*	
2022	$ 76,684.12	*	
	$ (16,807.48)	*	
2021	$ 71,324.28		
2020	$ 70,283.51		
2019	$ 63,376.14		
2018	$ 63,187.02		
2017	$ 69,965.19		Calculation:
2016	$ 60,853.65		

PENSION CALCULATION

Highest Three Years:

$	25,128.02
$	88,352.87
$	86,751.68
$	76,684.12
$	(16,807.48)
$	260,109.21

= Average Annual Earnings

	$	260,109.21	x 1/3 =
	$	86,703.07	
	$	86,703.07	Average Annual Earnings
		x .0240	Percentage Factor
	$	2,080.87	
x		9	Years of Service *
	$	18,727.83	Annual Pension: Vested Retirement
	$	1,560.65	Monthly Pension: Vested Retirement

Comments: City Retirement Benefits are Exclusive of Social Security Benefits.
2025 Gross wages includes pay-out of $3,453.50

Prepared by: Lindsey Schaffer Date: 4/20/2026

Reviewed by: Robin D Manuele Date: 5-28-26

Approved by: Diane M Walaron Date: 6/1/26

Board Approved: Date:

GallantChristopherVested 2046

MONTHLY FLASH PREPARED FOR:

Bristol
CONNECTICUT
All Heart

beirne.

Your Strategic Partner for Defined Benefit Plans

Period Ending 5/31/2026

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beirne.
GROUP

CITY OF BRISTOL
QUARTERLY INVESTMENT PROGRAM UPDATE

Q1 2026 Review | January 1, 2026 – March 31, 2026

Prepared by: The Beirne Group | President: John-Oliver Beirne | Analyst: Joseph Malanga

8 JUNE 2026

INVESTMENT CONSULTING

For Institutional Use Only

EXECUTIVE SUMMARY

During the first quarter of 2026, the City of Bristol Investment Program continued to focus on long-term strategic positioning while evaluating opportunities to enhance portfolio efficiency and expected risk-adjusted returns.

Key actions during the quarter included:

- Review of the Zephyr India Fund and portfolio performance.
- Completion of an Asset Allocation Study.
- Approval of strategic allocation changes.
- Approval of a new investment allocation to Grey Wolf.
- Policy range review and updates.
- Tactical portfolio repositioning implemented on April 1, 2026.

The investment committee maintained its emphasis on diversification, prudent risk management, and long-term capital preservation while positioning the portfolio to participate in evolving market opportunities.

JANUARY 2026 HIGHLIGHTS

ZEPHYR INDIA FUND REVIEW

- Reviewed Zephyr India Fund performance.
- Evaluated fund positioning, performance attribution, and long-term outlook.

ASSET ALLOCATION STUDY

Asset Class	Change
Credit / Fixed Income	+5%
Public Equity	+5%
Alternatives	-10%

COMMITTEE VOTE

GREY WOLF INVESTMENT PROPOSAL

Status: PASSED

Approved for implementation.

FEBRUARY 2026 POLICY REVIEW

INVESTMENT POLICY UPDATES

The committee completed a review of the Investment Policy Statement and approved updates to policy allocation ranges.

Objectives Included:

- Maintaining flexibility across market environments.
- Enhancing portfolio governance.
- Improving alignment with current capital market assumptions.
- Supporting long-term investment objectives.

Status: APPROVED

APRIL 1, 2026 TACTICAL PORTFOLIO REPOSITIONING

During this period, the portfolio underwent a targeted reallocation to increase exposure to large-cap growth while reducing core fixed income exposure.

This reflects a tactical shift aligned with current market conditions and forward-looking return expectations.

TRANSACTION SUMMARY

Category	Action	Amount	Date
Fixed Income	Reduced AGG Exposure	$7,000,000	April 1, 2026
Equity	Purchased IWF (iShares Russell 1000 Growth ETF)	$10,000,000	April 1, 2026
Cash	Cash Utilized	$3,000,000	April 1, 2026

All transactions executed on April 1, 2026.

KEY TAKEAWAYS & LOOKING AHEAD

- Strategic asset allocation updated to reflect current opportunities.
- Discussed portfolio returns as of December 31, 2025.
- Investment policy ranges updated.
- Manager Analysis Review.
- Portfolio Composition Review.
- Trustee education.
- Portfolio remains aligned with long-term objectives while maintaining diversification and liquidity.

Periods Ending 05/31/26

Name	1 Month	Last 3 Months	YTD	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years
US Equity									
Russell 3000 Index	5.1	10.0	11.2	29.4	23.2	12.9	15.1	13.8	10.9
S&P 500 Index	5.3	10.5	11.3	29.8	23.6	14.1	15.6	14.3	11.1
Russell 1000 Index	5.1	10.0	10.9	28.8	23.3	13.3	15.4	14.1	11.1
Russell 1000 Growth Index	7.2	13.7	8.2	28.7	26.4	15.7	18.9	16.6	9.5
Russell 1000 Value Index	2.9	6.0	13.7	28.5	19.4	10.4	11.4	11.1	12.2
Russell Midcap Index	2.9	4.5	11.8	22.4	18.5	8.1	11.7	11.2	12.7
Russell 2000 Index	4.4	11.3	18.2	43.1	20.3	6.6	11.2	10.1	9.7
Russell 2000 Growth Index	5.8	13.7	18.0	41.9	20.2	5.8	11.5	10.4	6.6
Russell 2000 Value Index	2.8	8.6	18.3	44.4	20.2	7.3	10.5	9.5	12.3
International Equity									
MSCI AC World Index	5.2	7.7	12.4	30.8	22.8	12.0	13.4	10.8	-
MSCI AC World ex USA	5.1	3.0	14.6	33.4	21.4	9.3	10.4	7.0	-
MSCI EAFE Index	3.2	-0.3	9.7	23.4	18.7	9.3	9.8	7.3	9.0
MSCI Emerging Markets Index	9.7	9.5	25.7	55.1	25.8	8.0	11.1	5.6	-
Fixed Income									
90 Day U.S. Treasury Bill	0.3	0.9	1.5	3.9	4.7	3.5	2.3	1.6	4.8
Blmbg. U.S. Aggregate	0.3	-1.3	0.4	5.1	3.9	0.2	1.7	2.2	7.5
Blmbg. U.S. Gov't/Credit	0.3	-1.4	0.2	4.6	3.8	0.1	1.8	2.4	7.5
Bloomberg U.S. Municipal Bond Index	0.4	-0.8	1.3	6.7	3.8	0.9	2.2	3.2	7.1
Blmbg. U.S. Corp: High Yield Index	0.5	1.0	1.7	7.6	9.4	4.4	5.9	5.7	8.5
Real Estate									
FTSE NAREIT All REITs Index	0.1	2.2	12.6	12.7	10.9	3.4	6.1	7.5	10.5
NCREIF Property Index	-	-	-	-	-	-	-	-	-
Alternatives									
Barclay Hedge Fund Index	2.1	2.8	6.3	16.6	12.0	6.1	7.0	5.6	-
Inflation									
CPI - All Urban Consumers (SA)	-	-	-	-	-	-	-	-	3.1

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GLOBAL MACRO & MARKET STRATEGY OUTLOOK – JUNE 8, 2026

8 JUNE 2026

INVESTMENT RESEARCH

For Professional Clients Only

Q1 2026 Review, Current Market Dynamics, and Forward-Looking Investment Scenarios

Prepared by: The Beirne Group | President: John-Oliver Beirne | Analyst: Joseph Malanga

EXECUTIVE SUMMARY

Resilient Equity Markets: U.S. equities remain near historic highs despite increased volatility following a sharp technology-led correction in early June. AI-driven earnings growth and resilient economic activity continue to support investor sentiment.

Inflation Above Target: Headline CPI ~2.7% YoY in May; core inflation remains elevated, limiting near-term Fed easing flexibility.

Higher-for-Longer Rates: 10Y Treasury yield ~4.45–4.50% with a steepening curve; markets price a higher-for-longer policy path and term premium.

Energy & Geopolitics: Oil prices surged to ~$94–95 as Middle East tensions de-escalate; supply risks persist.

AI Capex Supercycle: Hyperscalers continue aggressive AI infrastructure investment, supporting productivity but heightening concentration risk.

Market Outlook: Volatility remains elevated; disciplined risk management and diversified quality exposures are essential in this environment.

STRAIT OF HORMUZ DISRUPTION: BROAD IMPACT

Commodity / Sector	Impact in Q1 2026
Oil (~20% of global flows)	Risks moderated as de-escalation pressures lowered geopolitical premium; prices eased to ~$94–95/bbl.
LNG (~30% of seaborne trade)	Potential disruptions remain a tail risk; Europe & Asia inventories supportive.
Fertilizer (Urea, Ammonia)	Natural gas costs key driver; current levels reduce near-term cost pressure.
Shipping & Freight	Insurance premiums normalized; tanker rates declined from Q1 spikes.
Global Inflation	Lower energy prices ease headline inflation pressure, though core remains sticky.

Q1 2026 MACRO THEMES & DEVELOPMENTS

Geopolitical Risk Elevated: Ongoing Middle East tensions and Houthi attacks in the Red Sea create volatility in energy markets and global shipping routes.

Inflation Above Target: Headline CPI ~2.7% YoY in May; core (sticky) inflation remains elevated per Atlanta Fed.

Higher Yields & Volatility: 10Y Treasury yield ~4.45–4.50%; curve steepened as term premium repriced higher.

Delayed Fed Cuts: Markets now expect first cut in late 2026 as the Fed maintains data-dependence.

Consumer Resilience: Solid labor market and income growth support spending, though credit card delinquencies are rising.

Fiscal & Policy Mix: U.S. fiscal impulse modestly positive; focus on productivity, tax policy extension, and supply-side reform.

Energy Markets Normalizing: Oil prices eased after Iran negotiations, but structural underinvestment supports prices.

Tech & AI Transition: Massive investment cycle reshaping productivity, labor demand, and capital allocation.

FUTURE MARKET OUTLOOK SCENARIOS

BASE CASE (55% Probability)

- Moderate growth, disinflation continues
- GDP ~1.5–2.0%; Inflation ~2.3–2.6%
- Oil ~$65–100/bbl
- Fed holds; one cut in Q4 2026
- S&P 500 to 7,200–7,800 (+3% to +8%)

Key Drivers

- Resilient consumer & corporate demand
- AI earnings growth supports equities
- Gradual decline in inflation
- Fed remains patient

BEAR CASE (20% Probability)

- Conflict escalation, stagflation risk
- GDP <1.0%, Inflation ~>3.5%
- Oil > $110/bbl
- Fed hikes or delays cuts
- S&P 500 to 6,800–6,400 (-8% to +14%)

Key Drivers

- Geopolitical escalation disrupts supply
- Higher energy prices feed inflation
- Higher rates pressure valuations
- Earnings revisions turn negative

BULL CASE (25% Probability)

- De-escalation, disinflation accelerates
- GDP ~2.0–2.5%, Inflation ~<2.0%
- Oil ~$65–80/bbl
- Fed cuts in Sep/Oct 2026
- S&P 500 to 8,000–8,400 (+12% to +16%)

Key Drivers

- Faster inflation normalization
- Strong productivity & AI gains
- Easier financial conditions
- Earnings exceed expectations

INVESTMENT THEMES & STRATEGIC POSITIONING

QUALITY OVER QUANTITY
Favor high ROC, strong balance sheets, and durable cash flows.

PRICING POWER MATTERS
Companies with pricing power can sustain margins in sticky inflation.

AI INFRASTRUCTURE & BENEFICIARIES
Own the enablers: chips, cloud, networking, power, cooling, software.

ENERGY SECURITY & RESILIENCE
Upstream, LNG, pipelines, critical minerals, and energy transition.

DEFENSE & INDUSTRIAL POLICY
Structural tailwinds from higher defense spend and domestic investment.

SELECTIVE DURATION EXPOSURE
Use quality duration tactically as yields remain attractive.

DIVERSIFY & MANAGE RISK
Maintain diversification across sectors, styles, and geographies.

DISCIPLINED CAPITAL ALLOCATION
Focus on free cash flow, balance sheet strength, and shareholder returns.

Sources: Federal Reserve Economic Data (FRED), Federal Reserve H.15 Release, Bureau of Labor Statistics (BLS), Energy Information Administration (EIA), Reuters, AP News, Company Filings. Market data as of June 8, 2026.

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MICRO / CORPORATE MARKET ANALYSIS

AI INFRASTRUCTURE SUPER-CYCLE

Hyperscaler capex ~55% Y/Y in 2026E to ~$340B as demand for GPUs, TPUs, power, and cooling soars.

MEGA-CAP TECH LEADERSHIP

Earnings and margins resilient; network effects and scale advantages widening while capex intensity rises.

BUYBACKS YIELDED TO INVESTMENT

S&P 500 buybacks ~18% Y/Y in Q1; capital redirected to AI infrastructure and R&D.

MARKET CONCENTRATION RISK

Top 7 stocks now ~34% of S&P 500 market cap (vs. 27% in 2024); valuation dispersion historically elevated.

AI ECOSYSTEM POSITIONING

Company	AI Exposure
NVIDIA	GPU & Accelerated Computing
Microsoft	Cloud + AI Infrastructure
Amazon	AWS + AI Compute
Meta Platforms	AI Applications & Models
Alphabet	AI Search & Cloud
Oracle	Enterprise AI Infrastructure
AMD	AI Accelerators
Broadcom	Custom AI ASICs

Source: Company Filings, Investor Materials (data as of June 8, 2026)

AI REVOLUTION vs. DOT-COM BUBBLE

Similarities

- Transformative technology wave
- Heavy capex and investor enthusiasm
- High valuation multiples

Key Differences

- Strong cash flows & profits today
- Real productivity gains from AI
- Cloud infrastructure vs. dial-up era
- Balance sheet discipline (except some)

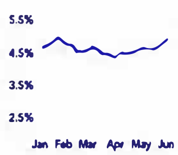
DID YOU KNOW?

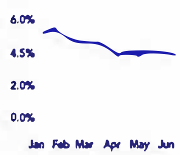
Since 1926, the S&P 500 has delivered an average annual total return of about 10%—turning $1 into more than $200 after inflation.

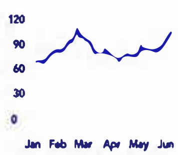
Source: J.P. Morgan – Guide to the Markets (2026)

CURRENT JUNE 8, 2026 MARKET CONDITIONS (Latest Data)

S&P 500 INDEX	NASDAQ COMPOSITE	U.S. 10Y TREASURY YIELD	CPI INFLATION (YOY)	WTI CRUDE OIL (USD/bbl)
7,405.73	25,929.66	4.47%	2.70%	$94.52
+0.30%	+0.86%	Prior: 4.32% (May 29)	Prior: 2.65% (Apr)	Prior: $81.82 (May 29)
YTD: +8.2%	YTD: +11.6%			







Sources: FRED, Federal Reserve H.15 Release, BLS, EIA, Reuters, AP News, FactSet

ASSET CLASS OUTLOOK (12-MONTH)

Asset Class	View	Rationale
Equities	▲ Neutral to Positive	Earnings growth + AI cycle support; valuations elevated.
U.S. Fixed Income	– Neutral	Higher-for-longer rates; limited total return.
Credit	+ Slightly Positive	Spreads tight but fundamentals solid.
Commodities	– Neutral	Energy risk premium easing; gold supported.
Real Assets	▲ Positive	Inflation hedge and diversification benefits.
Cash	■ Neutral	Yields attractive vs. history.

IMPORTANT IPOS COMING

SPACEX

Expected IPO Window:
June 12, 2026

Shares priced at $135 under the ticker SPCX, targeting a $1.75 trillion valuation.

ANTHROPIC

Expected IPO Window:
October 2026

Anthropic has confidentially filed for a U.S. IPO with a projected valuation approaching $1 trillion, targeting a potential public debut in October 2026.

OpenAI

Expected IPO Window:
Late 2026

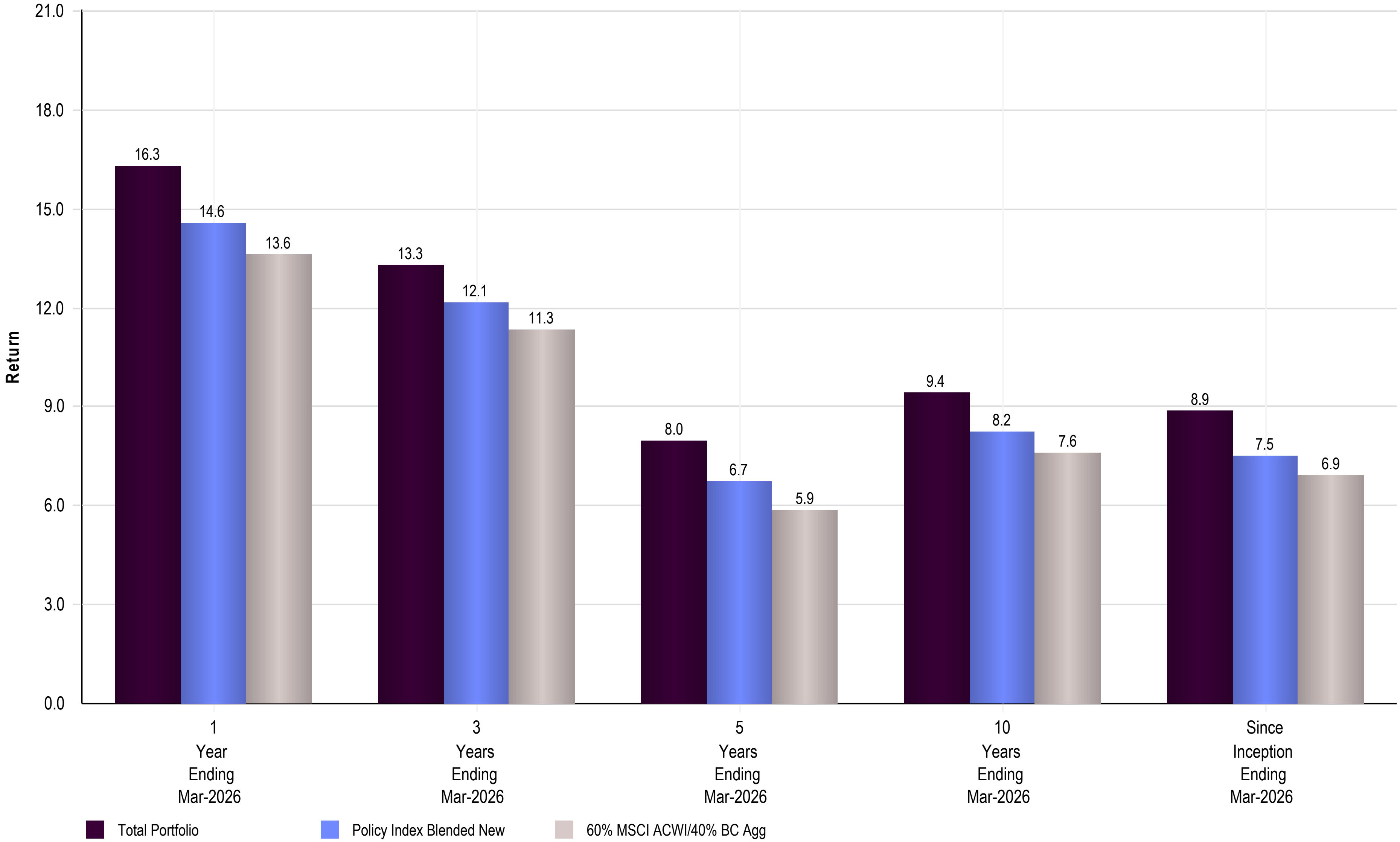
OpenAI is preparing for a historic IPO potentially valuing the company at up to $1 trillion, with a likely public listing in late 2026.

Note: IPO timing and valuations are subject to change.
Sources: Company reports, Wall Street research, Bloomberg (June 8, 2026)

Sources: Federal Reserve Economic Data (FRED), Federal Reserve H.15 Release, Bureau of Labor Statistics (BLS), Energy Information Administration (EIA), Reuters, AP News, Company Filings. Market data as of June 8, 2026.

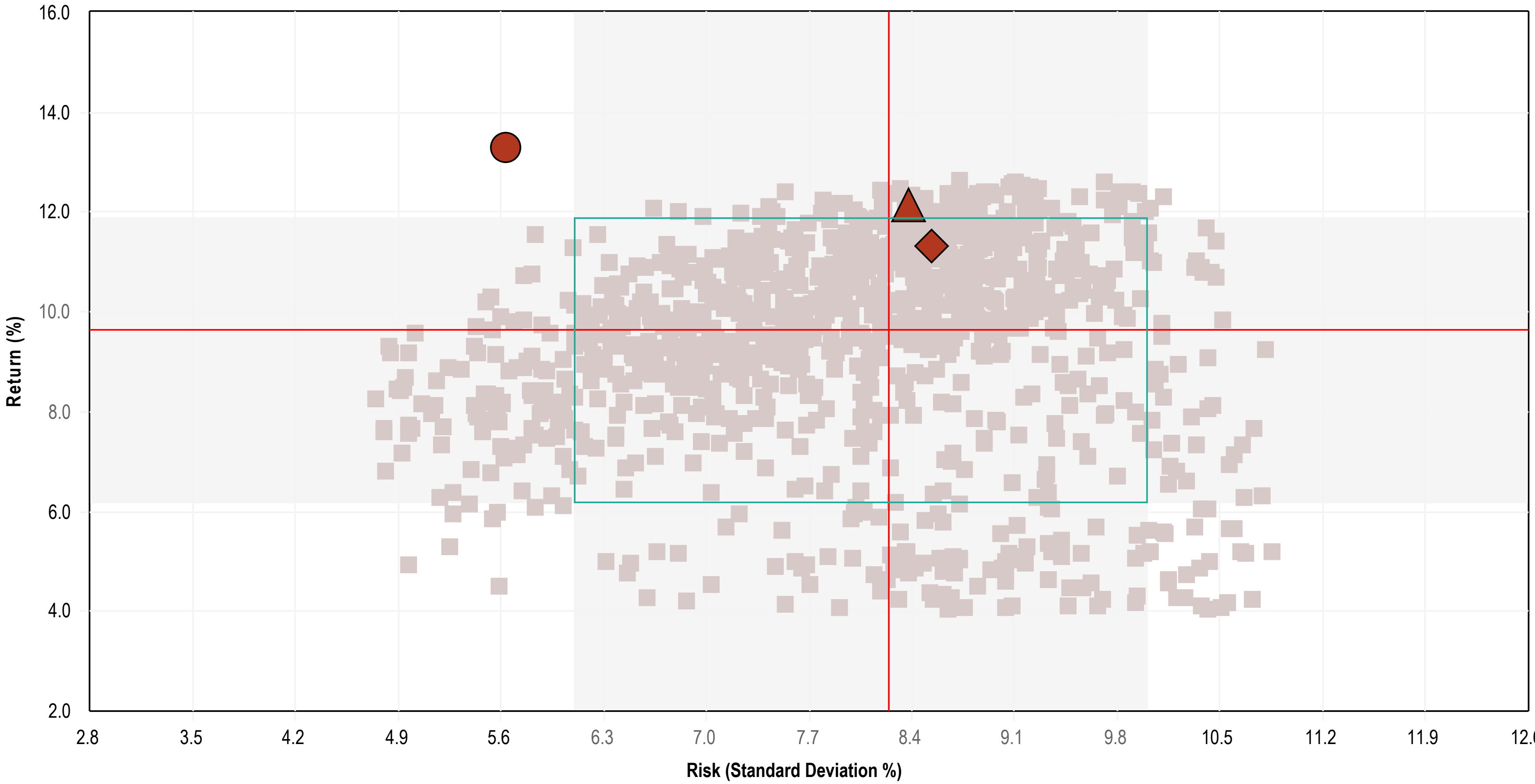
Trailing Net of Fees Returns vs. Index

Run Date: June 9, 2026
As of: March 31, 2026



Less than 1% unvalued as of 3/31.

3 Years vs. All DB Plans as of March 31, 2026

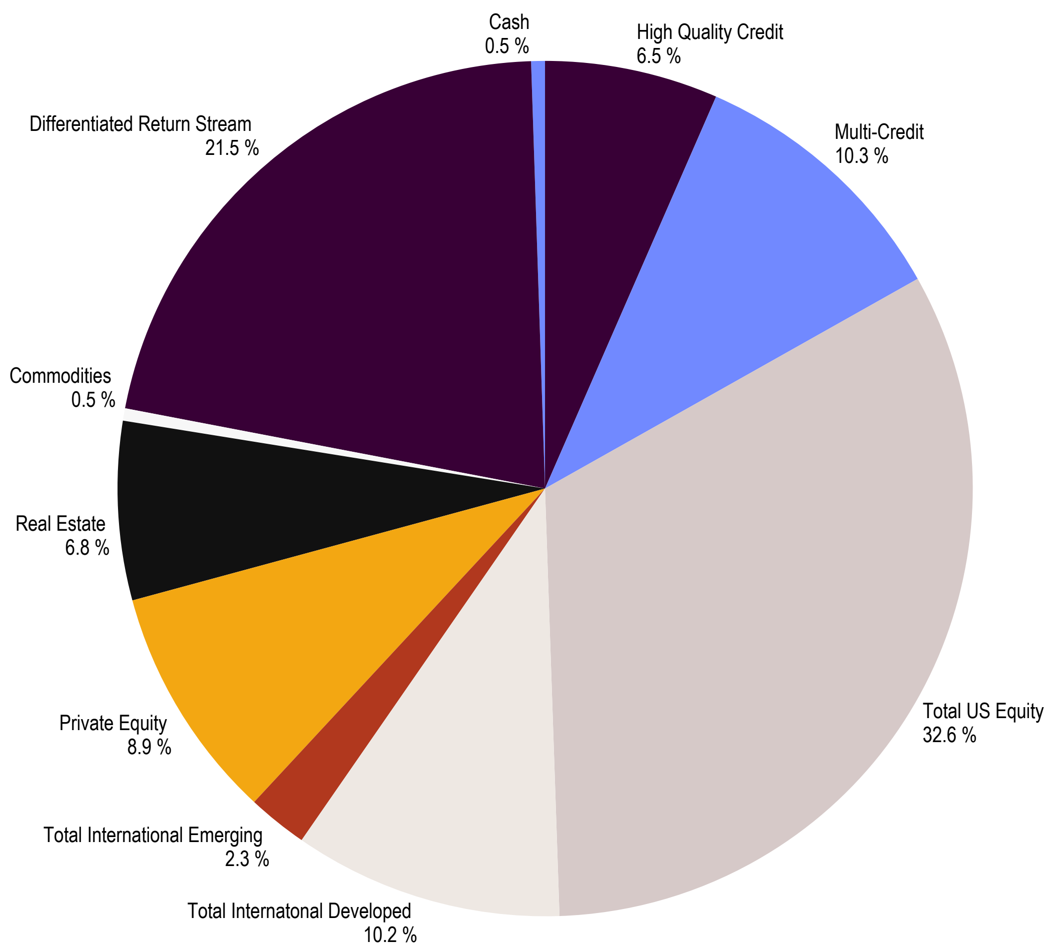


	Return	Standard Deviation
Total Portfolio	13.3	5.6
Policy Index Blended New	12.1	8.4
60% MSCI ACWI/40% BC Agg	11.3	8.5
Median	9.6	8.2

Calculation based on monthly periodicity.

Less than 1% of portfolio is unvalued as of 3/31

Asset Allocation



As of May 31, 2026

	1 Month	YTD	Jul-2025 To May-2026	1 Year	3 Years	5 Years
Best	Total International Emerging 7.2 %	Total International Emerging 25.4 %	Public Equity 26.7 %	Public Equity 32.9 %	Public Equity 24.1 %	Private Equity 14.6 %
	Total US Equity 4.4 %	Total US Equity 9.2 %	Differentiated Return Stream 20.4 %	Differentiated Return Stream 24.1 %	Differentiated Return Stream 17.2 %	Public Equity 11.3 %
	Public Equity 3.9 %	Differentiated Return Stream 9.1 %	Multi-Credit 8.9 %	Multi-Credit 13.2 %	Multi-Credit 11.2 %	Differentiated Return Strear 11.3 %
	Total Internatonal Developed 1.7 %	Public Equity 8.9 %	Real Estate 3.8 %	Real Estate 5.3 %	Private Equity 9.5 %	Multi-Credit 9.1 %
	Cash 0.3 %	Total Internatonal Developed 4.7 %	Cash 3.4 %	High Quality Credit 3.8 %	High Quality Credit 5.0 %	Cash 3.3 %
	Differentiated Return Stream 0.2 %	Cash 1.4 %	Commodities 2.6 %	Cash 3.7 %	Cash 4.5 %	High Quality Credit 2.2 %
	High Quality Credit 0.2 %	Real Estate 1.4 %	High Quality Credit 2.6 %	Commodities 1.9 %	Commodities 1.3 %	Real Estate 1.5 %
	Multi-Credit 0.0 %	Commodities 0.0 %	Private Equity -2.6 %	Private Equity -0.5 %	Real Estate -0.2 %	Commodities 1.1 %
	Private Equity 0.0 %	Multi-Credit -0.2 %				
	Real Estate 0.0 %	High Quality Credit -1.6 %				
Worst	Commodities 0.0 %	Private Equity -1.8 %				

Total Portfolio

Run Date: June 9, 2026
As of May 31, 2026

	Market Value ($)	% of Portfolio	Month	Quarter	YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	15 Years	Inception (%)	Inception Date
Total Portfolio	974,853,506	100.00	1.81	2.22	5.62	20.40	15.31	8.24	9.88	7.82	9.01	Jan-92
Policy Index Blended New			*3.42*	*4.56*	*8.19*	*21.24*	*15.81*	*7.97*	*9.16*	*7.96*	*7.77*	
60% MSCI ACWI/40% BC Agg			*3.22*	*4.07*	*7.48*	*19.82*	*14.78*	*6.98*	*8.46*	*7.19*	*7.17*	
Credit	**164,188,760**	**16.84**	**0.10**	**0.22**	**-0.78**	**8.83**	**8.32**	**5.33**	**-**	**-**	**6.60**	**Jan-19**
Blmbg. U.S. Aggregate			*0.31*	*-1.35*	*0.38*	*5.13*	*3.95*	*0.17*	*1.70*	*2.24*	*1.93*	
High Quality Credit	63,841,764	6.55	0.19	-1.62	-1.60	3.75	5.04	2.24	-	-	4.25	Jan-19
Blmbg. U.S. Aggregate			*0.31*	*-1.35*	*0.38*	*5.13*	*3.95*	*0.17*	*1.70*	*2.24*	*1.93*	
Multi-Credit	100,346,996	10.29	0.04	1.64	-0.23	13.23	11.20	9.12	-	-	9.49	Jan-19
Blmbg. U.S. Corp: High Yield Index			*0.49*	*0.98*	*1.68*	*7.57*	*9.36*	*4.39*	*5.88*	*5.74*	*6.11*	
Equity	**525,902,503**	**53.95**	**3.25**	**1.15**	**7.03**	**25.94**	**21.18**	**10.56**	**-**	**-**	**15.46**	**Jan-19**
MSCI AC World Index			*5.21*	*7.69*	*12.35*	*30.80*	*22.84*	*11.96*	*13.35*	*10.76*	*15.47*	
Total US Equity	318,013,735	32.62	4.38	8.74	9.23	-	-	-	-	-	9.23	Jan-26
Russell 3000 Index			*5.07*	*10.03*	*11.20*	*29.45*	*23.16*	*12.92*	*15.12*	*13.78*	*11.20*	
Total Internatonal Developed	99,198,066	10.18	1.73	-16.63	4.74	-	-	-	-	-	4.74	Jan-26
MSCI EAFE Index			*3.18*	*-0.33*	*9.74*	*23.37*	*18.74*	*9.34*	*9.82*	*7.35*	*9.74*	
Total International Emerging	22,113,552	2.27	7.20	9.62	25.39	-	-	-	-	-	25.39	Jan-26
MSCI Emerging Markets Index			*9.71*	*9.47*	*25.74*	*55.15*	*25.77*	*8.03*	*11.12*	*5.65*	*25.74*	
Private Equity	86,577,150	8.88	0.00	-1.79	-1.79	-0.48	9.46	14.60	13.74	-	8.88	Jan-12
7.5% Annual Return			*0.60*	*1.82*	*3.06*	*7.50*	*7.50*	*7.50*	*7.50*	*7.50*	*7.50*	
Alternatives	**279,686,230**	**28.69**	**0.18**	**5.19**	**6.99**	**18.72**	**11.44**	**8.16**	**-**	**-**	**6.91**	**Jan-19**
Barclay Hedge Fund Index			*2.06*	*2.79*	*6.32*	*16.62*	*12.02*	*6.09*	*6.99*	*5.61*	*8.12*	
Real Estate	65,821,381	6.75	0.00	1.36	1.36	5.29	-0.25	1.53	-	-	2.94	Jan-19
NCREIF Property Index			*0.00*	*1.19*	*1.19*	*4.82*	*-0.01*	*3.69*	*4.74*	*7.08*	*3.79*	
Commodities	4,551,476	0.47	0.00	0.00	0.00	1.92	1.28	1.10	-	-	-2.72	Jan-19
Bloomberg Commodity Index Total Return			*-3.56*	*12.05*	*25.03*	*40.47*	*16.59*	*11.75*	*7.21*	*0.21*	*10.96*	
Differentiated Return Stream	209,313,373	21.47	0.25	6.56	9.06	24.11	17.15	11.26	-	-	8.65	Jan-19
CPI+2%			-	-	-	-	-	-	-	-	-	
Cash	**5,076,014**	**0.52**	**0.29**	**0.88**	**1.42**	**3.72**	**4.47**	**3.29**	**-**	**-**	**2.50**	**Jan-19**
90 Day U.S. Treasury Bill			*0.30*	*0.89*	*1.45*	*3.88*	*4.70*	*3.46*	*2.31*	*1.55*	*2.73*	

Approx. 10% of the portfolio is unvalued as of 5/31. Additionally, there is approx. 33% which is only valued quarterly.

Policy Index-Blended New = MSCI ACWI 60% / BBgBarc US Aggregate TR 30% / Barclay Hedge Fund Index 10%.

From 5/1/2022-12/31/2025 the policy Index-Blended New consists of MSCI ACWI 55% / BBgBarc US Aggregate TR 25% / Barclay Hedge Fund Index 20%.From 4/30/2022-1/1/2019 the Policy Index Blended New consists of MSCI ACWI 55% / BBgBarc US Aggregate TR 25% / HFRI Fund of Funds Composite Index 20%. Prior to 1/1/2019 the Policy Index Blended New consists of 15% Russell 1000 Growth, 15% Russell 1000 Value, 5% Russell MidCap, 13.6% MSCI EAFE, 7.5% MSCI Emerging Markets, 21.3% BC US Aggregate, 7.6% BofA HY BB-B Rated Constrained Index, 10% HFRX Global Hedge Fund Index, 5% Private Equity Actual.

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Please remember to review the periodic statements you receive from you custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact BWCS or your custodian immediately.

INDEX DEFINITIONS

- Citigroup 3 Month T-Bill measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.

- Bloomberg Barclays Treasury U.S. T-Bills-1-3 Month Index includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.

- Bloomberg Barclays Capital US Treasury Inflation Protected Securities Index consists of Inflation-Protection securities issued by the U.S. Treasury.

- Bloomberg Barclays Muni Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.

- Bloomberg Barclays Muni 1 Year Index is the 1-year (1-2) component of the Municipal Bond index.

- Bloomberg Barclays Muni 3 Year Index is the 3-year (2-4) component of the Municipal Bond index.

- Bloomberg Barclays Muni 5 Year Index is the 5-year (4-6) component of the Municipal Bond index.

- Bloomberg Barclays Muni 7 Year Index is the 7-year (6-8) component of the Municipal Bond index.

- Bloomberg Barclays Intermediate U.S. Gov't/Credit is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

- Bloomberg Barclays U.S. Aggregate Index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset backed securities.

- Bloomberg Barclays Global Aggregate ex. USD Indices represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.

- Bloomberg Barclays U.S. Corporate High Yield Index covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

- JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.

- The S&P 500 is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

- The Dow Jones Industrial Index is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.

- The NASDAQ is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.

- Russell 3000 is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.

- Russell 1000 consists of the largest 1000 companies in the Russell 3000 Index.

- Russell 1000 Growth measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.

- Russell 1000 Value measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.

- Russell Mid Cap measures the performance of the 800 smallest companies in the Russell 1000 Index.

- Russell Mid Cap Growth measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.

- Russell Mid Cap Value measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.

- Russell 2000 consists of the 2,000 smallest U.S. companies in the Russell 3000 index.

- Russell 2000 Growth measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.

- Russell 2000 Value measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.

- Russell 2500 consists of the 2,500 smallest U.S. companies in the Russell 3000 index.

- Russell 2500 Growth measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.

- Russell 2500 Value measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.

- MSCI World captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

- MSCI ACWI (All Country World Index) ex. U.S. Index captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

- MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.

- MSCI EAFE is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

- MSCI EAFE Value captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float- adjusted market capitalization of the MSCI EAFE Index.

- MSCI EAFE Growth captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.

- MSCI Emerging Markets captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.

- Consumer Price Index is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.

- FTSE NAREIT Equity REITs Index contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.

- S&P Developed World Property defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.

- S&P Developed World Property x U.S. defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.

- Bloomberg Commodity Index is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.

- HFRI Fund Weighted Composite Index is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of $50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.

- The Alerian MLP Index is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.

- The Adjusted Alerian MLP Index is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.

DEFINITION OF KEY STATISTICS AND TERMS

- Returns: A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.

- Universe Comparison: The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming75%.

- Returns In Up/Down Markets: This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up-market capture ratio is the ratio of the fund's return in up markets to the index. The down-market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.

- Standard Deviation: Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund’s total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.

- R-Squared: This reflects the percentage of a fund’s movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund’s movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund’s performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.

- Beta: This is a measure of a fund’s market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse that the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund’s market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).

- Alpha: The Alpha is the nonsystematic return, or the return that cannot be attributed to the market. It can be thought of as how the manager performed if the market’s return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.

- Sharpe Ratio: The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund’s standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.

- Treynor Ratio: The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns

- Tracking Error: Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.

- Information Ratio: The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing it by the standard deviation of excess return.

- Downside Risk: Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.